



सत्यमेव जयते

**State Finances Audit Report
of the
Comptroller and Auditor General of India
for the year ended 31 March 2019**



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



**Government of Maharashtra
Report No. 1 of the year 2020**

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of the
Comptroller and Auditor General of India
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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 2019. 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 rules, procedures and directives relating to financial reporting during the current year.
4. The Reports containing the findings of Performance Audits and audit of transactions in various Departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Background

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 2018-19 and to provide the State Government and State Legislature with timely inputs, based on analysis of the 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 in their Fiscal Responsibility and Budgetary Management (FRBM) Act, 2005 and the Budget Estimates of 2018-19.

The Report

Based on the audited accounts of the Government of Maharashtra for the year ended March 2019, 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 State's fiscal position as on 31 March 2019. It provides an insight into trends of committed expenditure and the borrowings made by the State.

Chapter II is based on audit of Appropriation Accounts and gives a grant-wise description of Appropriations voted for by the Legislature and the extent to which the allocated resources were managed by the service delivery Departments of the Government.

Chapter III gives a selected insight into the State Government's compliance to various reporting requirements and Financial Rules. The Report also compiles the data collated from various Government Departments/Organisations in support of the audit findings.

Audit findings and recommendations

Overview of the Finances of the State Government

The State registered Revenue Surplus (₹ 11,975 crore) and Primary Surplus (₹ 11,006 crore) for the second consecutive year in 2018-19. During 2018-19, the State achieved all the three major fiscal indicators specified in the Fourteenth Finance Commission (FFC) Report i.e. (i) the fiscal deficit as percentage of Gross State Domestic Product (GSDP) stood at 0.87 *per cent* which was within the limits of 3.25 *per cent* recommended by FFC and State's Medium Term Fiscal Policy Statement (MTFPS) (1.81 *per cent*) (ii) the ratio of debt to GSDP at 16.42 *per cent* was lower than the FFC target of 23.88 *per cent* and MTFPS target of 16.52 *per cent* (iii) the ratio of interest payment to revenue receipt at 12.19 was lower than the norm prescribed by FFC (12.27) but slightly higher than the target fixed by the State's Medium Term Fiscal Policy Statement (12.02).

The revenue receipt of the State remained between nine *per cent* and 10.5 *per cent* of the GSDP during 2014-19. A slight upward surge in the ratio during 2017-18 and 2018-19 at 10 *per cent* and 10.5 *per cent* respectively was

largely, a consequence of tax reforms brought in through the implementation of the Goods and Services tax (GST).

The contribution of Tax Revenue in the Revenue receipt was between 67 *per cent* and 69 *per cent* during 2014-19. There was an increase in tax revenue by ₹ 19,504 crore (12 *per cent*) during 2018-19 over the previous year due to increased collection under taxes on sales, trade etc. and GST by ₹ 13,120 crore (13 *per cent*). The non-tax revenue during 2014-19 fluctuated between six *per cent* and eight *per cent* whereas central transfers increased from 23 *per cent* in 2014-15 to 27 *per cent* in 2018-19. The non-tax receipt relative to GSDP has shown a steady decline during 2014-19 indicating that the State needs to devise measures to enhance non-tax revenue to augment its Revenue Receipts. Capital Expenditure as percentage of total expenditure remained between 10 *per cent* and 12 *per cent* during 2014-19.

Debt Management: Debt sustainability implies State's ability to service the debt in future. Internal Debt had a major share (75 *per cent*) in the total fiscal liabilities of the State.

Net availability of borrowed funds is the difference between debt redemption (principal and interest payments) and total debt receipts, indicating the extent to which the debt receipts were used for redemption of old debts. During 2018-19 as debt redemption (₹ 1,09,159 crore) was more than debt receipts (₹ 79,506 crore), borrowed funds were not available for current operations. This was primarily due to reduction in debt receipts by ₹ 21,005 crore during 2018-19. The State Government was able to pay-off major portion of the interest component from its revenue receipts and did not resort to borrowing to that extent.

The maturity profile of the internal debt indicates that the liability of the State to repay the debt during the periods 2019-20, 2020-22 and 2022-24 would be ₹ 20,881 crore, ₹ 57,950 crore and ₹ 56,959 crore respectively. The Government needs to formulate a clear road-map for servicing of the debt profile.

Review of Government investments: As of 31 March 2019, Government invested ₹ 1,53,322.10 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives. The average return on this investment was a meagre 0.07 *per cent* during 2014-19 while the Government paid an average interest rate of 7.8 *per cent* on its borrowings during the same period. 28 Public Sector Undertakings (PSUs) had incurred losses and their net accumulated losses amounted to ₹ 20,214.14 crore. The net worth was eroded in 12 PSUs.

Cash balances: The State Government's cash balances of ₹ 67,269 crore at the end of the current year showed a decrease of 24 *per cent* (₹ 21,200 crore) over the previous year. An amount of ₹ 35,218 crore was invested in GoI Treasury Bills which earned an interest of ₹ 3,032 crore during the year. No Ways and means advances were taken during the current year.

Financial Management and Budgetary Control

The programme implementation of various social and developmental programmes in the State left an overall savings of ₹ 73,856.35 crore set-off by an excess of ₹ 946.16 crore. This requires regularisation under Article 205 of the Constitution of India. There were instances of inadequate provision of funds. 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 surrendered on the last two days of March 2019.

Supplementary provisions (₹ 10 crore and above in each case) aggregating to ₹ 12,990.69 crore obtained during the year proved unnecessary as the actual expenditure (₹ 1,34,453.22 crore) on these grants did not reach the level of the original provision (₹ 1,62,720.96 crore).

Departments surrendered ₹ 68,721 crore (20 *per cent* of total voted provision of ₹ 3,44,943 crore) on the last two days of March 2019. Surrender of savings in the last two working days of the financial year indicated inadequate financial discipline.

As on 31 March 2019, 2,135 Personal Deposit Accounts showed a total closing balance of ₹ 10,953.53 crore. Retention of funds in Personal Deposit/Personal Ledger Accounts not only led to expenditure booked under the service heads being inflated without actual outgo, but also resulted in dilution of treasury control over actual expenditure.

Financial Reporting

As on 31 March 2019, Utilization Certificates (UCs) aggregating to ₹ 47,483.36 crore due in respect of grants released upto 2017-18 were in arrears. In the absence of the UCs, audit could not ascertain whether the recipients had utilized the grants for the intended purpose.

Non-reconciliation of 32 *per cent* (₹ 78,121 crore) of total expenditure and six *per cent* (₹ 11,369 crore) of total receipts during the year, (excluding expenditure and receipts adjusted through Transfer Entry and periodical adjustment) had an impact on the assurance of completeness and correctness of the receipt and expenditure figures by the Department.

As on 31 March 2019, 2,612 Detailed Contingent (DC) bills amounting to ₹ 1,964.37 crore against Abstract Contingent (AC) bills drawn, were not received. To the extent of non-submission of DC bills, the expenditure shown in the Finance Accounts could not be vouched as correct or final. An effective monitoring mechanism needs to 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

Chapter I

Finances of the State Government

Social Indicators 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 in terms of population (11.24 crore population as per 2011 census) and has geographical area of 3.08 lakh square kilometres (sq. km). As indicated in **Appendix 1.1**, the decadal growth of population is 13.27 *per cent* against 12.46 in the General Category States¹ (GCS) of the country. The density of population of Maharashtra has also recorded an increase from 315 persons per square kilometre (sq.km.) (Census 2001) to 365 persons per sq. km. (Census 2011) as against the All India Average of 382 persons per sq.km.

The percentage of population below the poverty line at 17.4 *per cent* was lower than the All India Average of 21.9 *per cent* as per Economic Survey of Maharashtra 2018-19. The Gross State Domestic Product² (GSDP) in 2018-19 at current prices was ₹ 26,60,318 crore (advance estimates). The Compounded Annual Growth Rate (CAGR) of GSDP for the period 2011-12 to 2018-19 has been 11 *per cent* as against 12.2 *per cent*, the GCS average of the country. The State's literacy rate has increased from 76.9 *per cent* (census 2001) to 82.3 *per cent* (Census 2011). The per capita GSDP of the State during 2018-19 stood at ₹ 1,91,827 as against the per capita Gross Domestic Product (GDP) of India at ₹ 1,42,719. General data relating to the State is shown in **Appendix 1.1**.

Economic Indicators of the State

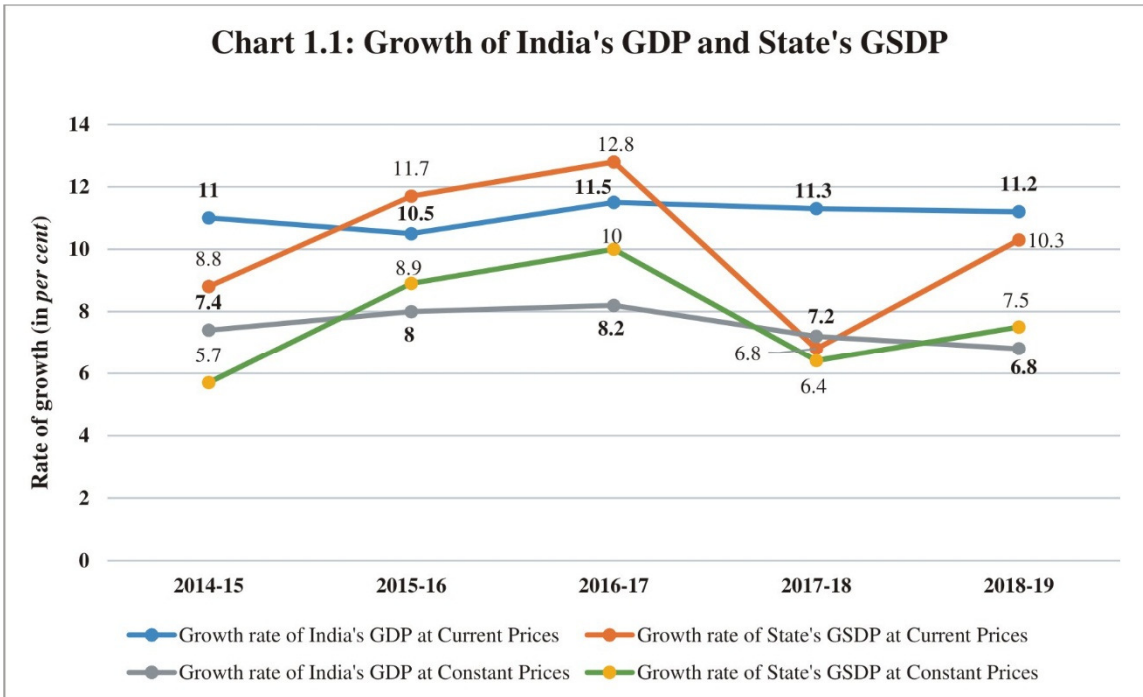
Gross State Domestic Product is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important indicator of the State's economy as it indicates the standard of living of the State's population. The trends in the annual growth rate of GSDP as compared with India's GDP at current prices and constant prices are indicated in **Table 1.1** and **Chart 1.1**.

Table 1.1 Trends in annual growth rate of GDP and GSDP

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Current Prices					
India's GDP (₹ in crore)	12467959	13771874	15362386	17095005	19010164
Growth rate of GDP (percentage)	11.0	10.5	11.5	11.3	11.2
State's GSDP (₹ in crore)	1792122	2001223	2257032	2411600 [#]	2660318 [*]
Growth rate of GSDP (percentage)	8.8	11.7	12.8	6.8	10.3
State contribution to GDP	14.4	14.5	14.7	14.1	14.0
Constant Prices					
India's GDP (₹ in crore)	10527674	11369493	12298327	13179857	14077586
Growth rate of GDP (percentage)	7.4	8.0	8.2	7.2	6.8
State's GSDP (₹ in crore)	1524846	1659776	1826296	1942769 [#]	2088835 [*]
Growth rate of GSDP (percentage)	5.7	8.9	10	6.4	7.5
State contribution to GDP	14.5	14.6	14.8	14.7	14.8
[#] Actuals/ [*] Advance estimates – as per Economic Survey of Maharashtra 2018-19					

¹ Undivided Andhra Pradesh; Bihar; Chhattisgarh; Goa; Gujarat; Haryana; Jharkhand; Karnataka; Kerala; Madhya Pradesh; Maharashtra; Orissa; Punjab; Rajasthan; Tamil Nadu; Uttar Pradesh and West Bengal

² GDP: It is a measure in monetary terms of all the goods and services produced (without duplication) within the boundaries of any geographical area (Nation) during a given period of time (generally, one year). It is termed as Gross State Domestic Product if the geographical boundary is State



1.1 Introduction

This Chapter is based on the audit of the Finance Accounts of the State and makes an assessment of the State's fiscal position as on 31 March 2019. It provides a broad perspective of the finances of the State during 2018-19 and analyses critical changes observed in the major fiscal aggregates in relation to the previous year, keeping in view the overall trend during the last five years period. 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 Maharashtra Fiscal Responsibility and Budgetary Management (MFRBM) Act, 2005; and the (Amendment) Act of 2006; MFRBM Rules, 2006 and Amendment Rules 2008, 2011 and 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 has laid its Medium Term Fiscal Policy Statement (MTFPS) for 2018-19 in the State Legislature in March 2018.

This chapter is structured in four parts.

- Summary and Review of Fiscal Transactions **(Paragraph 1.2)**
- Resources of the State covering details of revenue receipts, capital receipts and public account receipts **(Paragraph 1.3 to 1.6)**
- Application of resources dealing with quality of expenditure and financial analysis of Government expenditure and investment **(Paragraph 1.7 to 1.9)**
- Financial position including assets and liabilities, fiscal imbalances and debt management **(Paragraph 1.10 to 1.12)**

1.2 Summary of Fiscal Transactions in 2018-19

Summary of Fiscal Operations gives an overview of the fiscal position, comparison of budget estimates with actuals achieved which are given in detail in sub-paragraphs 1.2.1 to 1.2.2.

Table 1.2 presents the summary of the State Government's fiscal transactions during the current year (2018-19) *vis-à-vis* the previous years (2014-18), while **Appendix 1.5** provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table 1.2: Summary of Fiscal transactions during 2014-15 to 2018-19

(₹ in crore)					
Receipts	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue receipts	165415	185036	204693	243654	278996
Tax revenue	115064	126608	136616	167932	187436
Non-tax revenue	12581	13423	12709	16242	15844
Share of Union Taxes/Duties	17630	28106	33715	37219	42054
Grants from Government of India	20140	16899	21653	22261	33662
Miscellaneous Capital Receipts	0	17	0	0	0
Recoveries of Loans and Advances	975	865	1746	1778	1604
Public debt receipts [§]	29374	37977	48336	48075	26025
Appropriation from Contingency fund	2350	2962	0	0	1528
Contingency Fund	4360	962	0	0	3528
Public Account Receipts	83022	72747	82466	81877	90665
Opening Cash Balance					
a) Sinking Fund	15454	18886	22672	27853	33971
b) Cash balance	31429	30762	32881	40897	54498
Total	332379	350214	392794	444134	490815

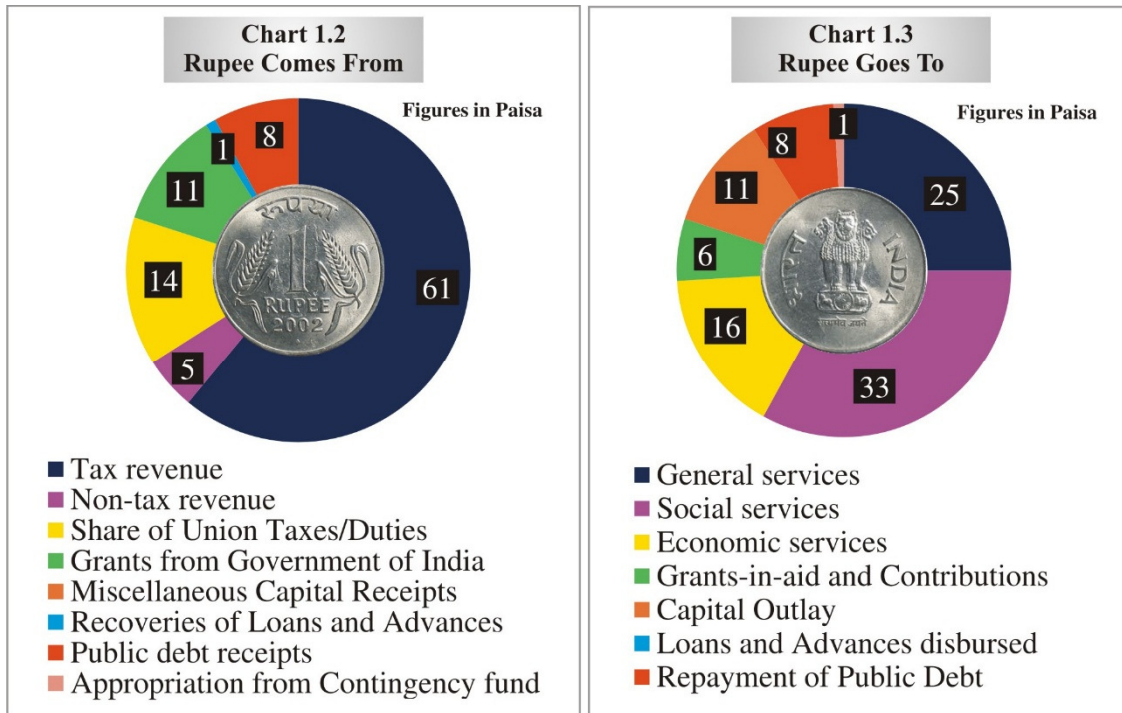
(₹ in crore)					
Disbursements	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue expenditure	177553	190374	213229	241571	267022
General services	60486	64370	71609	78535	84765
Social services	76952	82317	90282	93054	109391
Economic services	37687	38052	43843	54189	52759
Grants-in-aid and Contributions	2428	5635	7495	15793	20107
Capital Outlay	19523	22793	25549	26842	35049
Loans and Advances disbursed	1141	1115	6277	979	1545
Repayment of Public Debt [§]	8828	10043	11887	15782	25116 [#]
Appropriation to Contingency fund	4350	962	0	0	3528
Contingency Fund	2350	2962	0	0	1528
Public Account Disbursements	68986	66412	67102	70491*	89758
Closing Cash Balance					
a) Sinking Fund	18886	22672	27853	33971	34488
b) Cash balance	30762	32881	40897	54498	32781
Total	332379	350214	392794	444134	490815

(Includes * higher rounding and # lower rounding of figures)

[§] Excluding ways and means advances (during 2018-19 Receipt: nil and Disbursement: nil)

(Source: Finance Accounts of respective years)

Composition of sources and application of funds in the Consolidated Fund during 2018-19 is given in **Chart 1.2** and **1.3**.



(Source: Finance Accounts 2018-19)

(Source: Finance Accounts 2018-19)

The following are the major changes in fiscal transactions during 2018-19 over the previous year:

Revenue Receipts	<ul style="list-style-type: none"> • Increased by 15 per cent • Own tax revenue increased by 12 per cent
Revenue Expenditure	<ul style="list-style-type: none"> • Increased by 11 per cent
Capital Expenditure	<ul style="list-style-type: none"> • Increased by 31 per cent
Loans and Advances	<ul style="list-style-type: none"> • Recoveries decreased by 10 per cent • Disbursements increased by 58 per cent
Public Debt	<ul style="list-style-type: none"> • Receipts decreased by 46 per cent • Repayment increased by 59 per cent
Cash Balance	<ul style="list-style-type: none"> • Decreased by 24 per cent

The trends of Revenue Receipts (RR)/Revenue Expenditure (RE)/Capital Outlay (CO) relative to GDP at current as well as constant prices are presented in **Table 1.3**.

Table 1.3: Trends of Revenue Receipts, Revenue Expenditure and Capital Outlay at Current and Constant Prices

Year	2014-15	2015-16	2016-17	2017-18	2018-19
(₹ in crore)					
Revenue Receipts at Current and Constant Prices					
Revenue Receipts at current prices	165415	185036	204693	243654	278996
Rate of growth of RR at current prices (in per cent)	10.4	11.9	10.6	19.0	14.5
Revenue Receipts at constant prices	140182	152922	163754	187426	206664
Rate of growth of RR at constant prices (in per cent)	7.6	9.1	7.1	14.5	10.3
Revenue Expenditure at Current and Constant Prices					
Revenue Expenditure at current prices	177553	190374	213229	241571	267022
Rate of growth of RE at current prices (in per cent)	14.6	7.2	12.0	13.3	10.5
Revenue Expenditure at constant prices	150469	157334	170583	185824	197794
Rate of growth of RE at constant prices (in per cent)	11.7	4.6	8.4	8.9	6.4
Capital Outlay at Current and Constant Prices					
Capital Outlay at current prices	19523	22793	25549	26842	35049
Rate of growth of Capital Outlay at current prices (in per cent)	(-)2.5	16.7	12.1	5.1	30.6
Capital Outlay at constant prices	16545	18837	20439	20648	25962
Rate of growth of Capital Outlay at constant prices (in per cent)	(-)5.0	13.9	8.5	1.0	25.7
Source: Based on GDP deflator (Current Prices: - 2014-15 118; 2015-16 121; 2016-17 125; 2017-18 130; 2018-19 135; and Constant Prices as 100) for converting Current Prices to Constant Prices					

1.2.1 Review of the Fiscal situation

The targets for major fiscal variables provided in the budget are based on the recommendations of the Fourteenth Finance Commission (FFC) and the Fiscal Responsibility and Budgetary Management Act of the State. Targets fixed by the State Government in the MTFPS for the year 2018-19 compared to actual achievements are depicted in **Table 1.4**.

Table 1.4: Review of the Fiscal situation

Sr. No.	Fiscal variables	2018-19		
		FFC targets for the State in percentage	Targets proposed in the budget/ MTFPS	Actuals
1	Fiscal deficit/GSDP (in per cent)	3.25	1.81	0.87
2	Total outstanding liabilities of the Government to GSDP (in per cent)	23.88	16.52	16.42
3	Interest Payment/Revenue Receipt (IP/RR) (in per cent)	12.27	12.02	12.19
4	Revenue Deficit (-)/Surplus (+) (₹ in crore)	-	(-)15375	(+)11975
Source: MTFPS/FFC				

From **Table 1.4** it can be seen that during 2018-19, State achieved all the three major fiscal indicators specified in the Fourteenth Finance Commission (FFC) Report i.e. (i) the fiscal deficit as percentage of Gross State Domestic Product (GSDP) stood at

0.87 per cent which was within the limits of 3.25 per cent recommended by Fourteenth Finance Commission (FFC) and State's Medium Term Fiscal Policy Statement (MTFPS) (1.81 per cent) (ii) the ratio of debt to GSDP at 16.42 per cent was lower than the FFC target of 23.88 per cent and MTFPS target of 16.52 per cent and (iii) the ratio of interest payment to revenue receipt at 12.19 per cent was lower than the norm prescribed by FFC (12.27 per cent) but slightly higher than the target fixed by the State's Medium Term Fiscal Policy Statement (12.02 per cent). The State also achieved Revenue Surplus (₹ 11,975 crore) in 2018-19.

1.2.2 Budget Estimates and Actuals

The budget papers presented by the State Government provide projection/estimation of receipts and expenditure for a particular year. Deviations from budget estimate indicate that the desired fiscal objectives were not being achieved.

A comparison of actual receipts/expenditure with budget estimate and revised estimate for the year 2018-19 is given in **Table 1.5** and detailed comparison in **Appendix 1.6**.

Table 1.5: Budget Estimates, Revised Estimates and Actuals for the year 2018-19

(₹ in crore)

Fiscal parameters	Budget Estimates (BE)	Revised Estimates (RE)	Actuals	Difference between Actuals and BE	Difference between Actuals and RE
1	2	3	4	5 (4-2)	6 (4-3)
Tax Revenue	188040	188931	187436	(-)604	(-)1495
Non-Tax Revenue	22785	17050	15844	(-)6941	(-)1206
State's share of Union Taxes & Duties	43515	42050	42054	(-)1461	4
Grants-in-aid (GIA) from Govt. of India	31629	38468	33662	2033	(-)4806
Total Revenue Receipts	285968	286500	278996	(-)6972	(-)7504
Total Revenue Expenditure	301343	301460	267022	(-)34321	(-)34438
Interest Payments	34385	33929	34021	(-)364	92
Capital Outlay	36298	41573	35049	(-)1249	(-)6524
Revenue Deficit (-)/Surplus (+)	(-)15375	(-)14960	11975	27350	26935
Fiscal Deficit (-)/Surplus (+)	(-)50586	(-)56053	(-)23015	27571	33038
Primary Deficit (-)/Surplus (+)	(-)16201	(-)22124	11006	27207	33130

Source: Finance Accounts 2018-19 and Budget document of 2019-20

Analysis of the important parameters are discussed below:

1.2.2.1 Revenue receipts

Revenue receipts had a shortfall by ₹ 6,972 crore (2.4 per cent) against budget estimates. The decrease in revenue receipts was the result of decrease in tax revenue by 0.3 per cent, non-tax revenue by 31 per cent and State's share of Union Taxes and Duties by three per cent.

1.2.2.2 Revenue expenditure

The revenue expenditure was lower by ₹ 34,321 crore (11 per cent) over the budget estimates, mainly because of lower expenditure under General Services (14 per cent), Social Services (12 per cent) and Economic Services (nine per cent). The decrease as compared to budget estimates was largely under Administrative Services (₹ 12,957 crore), Education, Sports, Arts and Culture (₹ 8,272 crore), Water Supply, Sanitation, Housing and Urban Development (₹ 6,943 crore), Rural Development (₹ 5,094 crore) and Agriculture and Allied Services (₹ 3,601 crore).

1.2.2.3 Capital outlay

The actual capital outlay was lower by ₹ 1,249 crore (3.4 per cent) against the budget estimates. The decrease as compared to budget estimates was mainly under Rural Development (₹ 3,255 crore) and Welfare of Scheduled Castes and Scheduled Tribes and Other Backward Classes (₹ 1,129 crore).

1.2.2.4 Fiscal deficit

Fiscal deficit (₹ 23,015 crore) was lower than the assessment made in the budget estimates (₹ 50,586 crore) by 55 per cent, mainly due to reduced Revenue and Capital Expenditure.

1.3 Financial Resources of the State

Financial Resources of the State as per Annual Finance Accounts

Revenue and Capital are two streams of receipts of the State. Revenue receipts consist of Tax Revenues, Non-Tax Revenues, State's Share of Union Taxes and Duties and Grants-in-aid from Government of India. Capital receipts include Miscellaneous Capital Receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from Government of India. Besides, the funds available in the Public Account after disbursement are also utilised by the Government to finance its deficit.

Table 1.6 presents the trends in growth and composition of total receipts of the State during 2014-15 to 2018-19.

Table 1.6: Trends in growth and composition of total receipts

	(₹ in crore)				
Source of State's receipts	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue receipts	165415	185036	204693	243654	278996
Capital receipts	30348	38858	50082	49854	27629
Contingency Fund	4360	962	0	0	3528
Public Account receipts (Gross)	83022	72747	82467	81877	90665
Total receipts	283145	297603	337242	375385	400818
Source: Finance Accounts of respective years					

Chart 1.4 depicts the trends in various components of the receipts of the State during 2014-19. **Chart 1.5** and **Flow chart 1.1** depict the composition of the receipts of the State during the current year.

Flow chart 1.1: Various components of receipts of the State

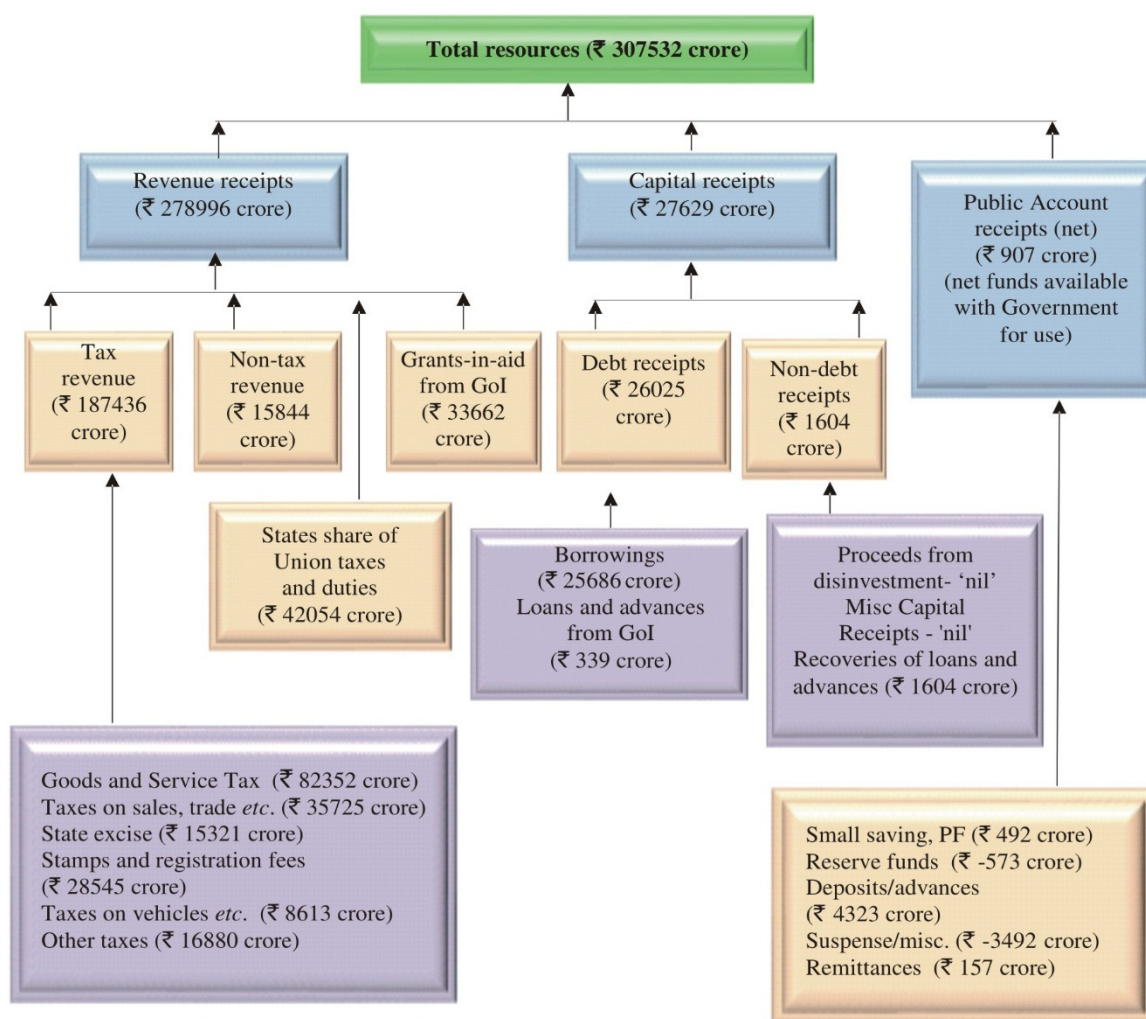
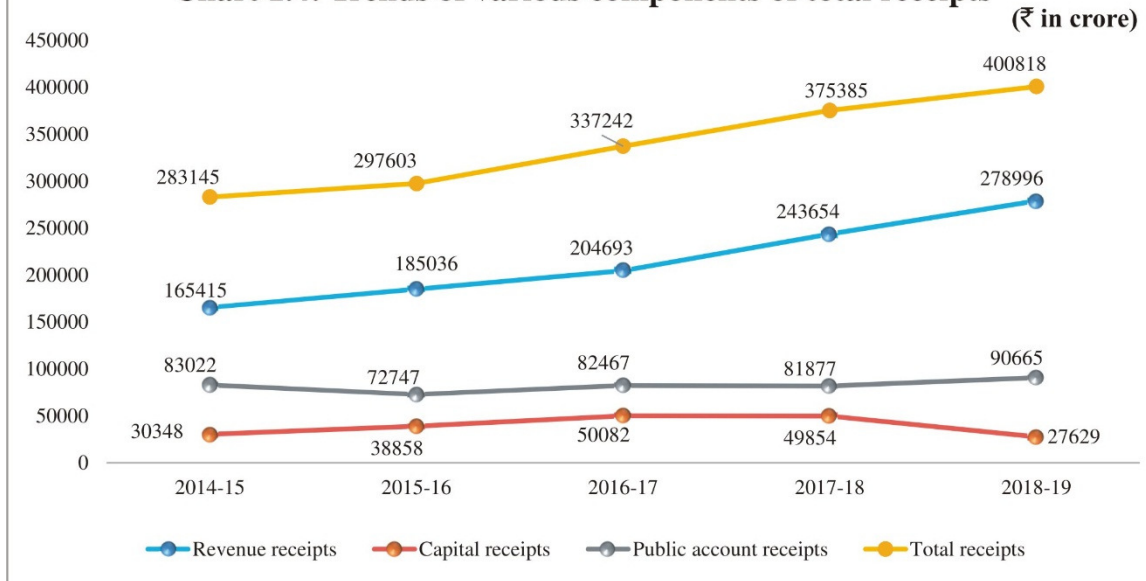


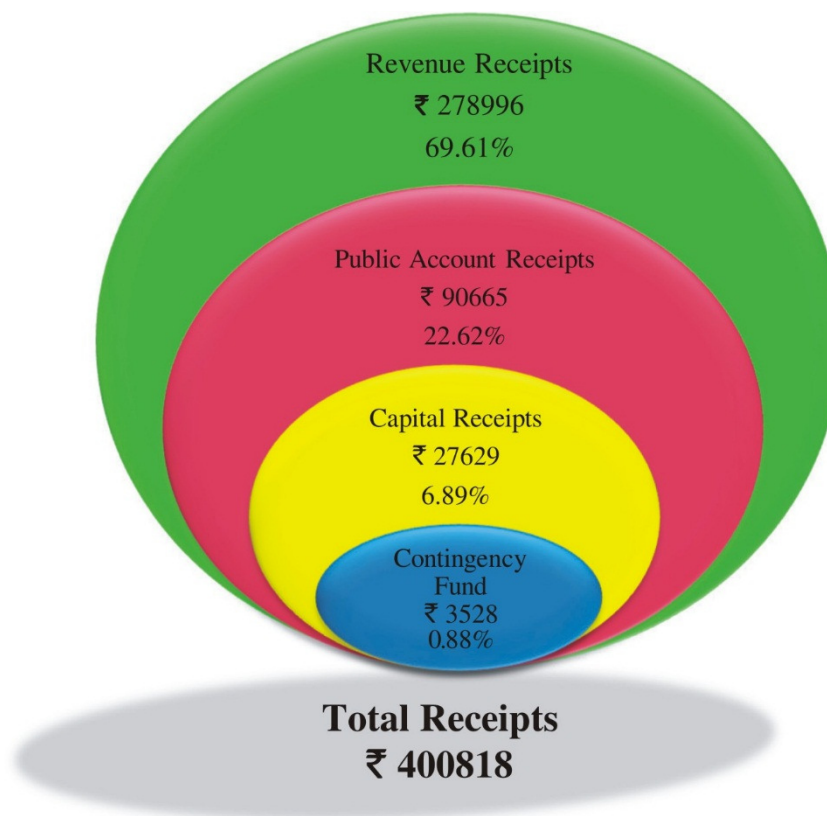
Chart 1.4: Trends of various components of total receipts



(Source: Finance Accounts of respective years)

Chart 1.5: Composition of total receipts during 2018-19

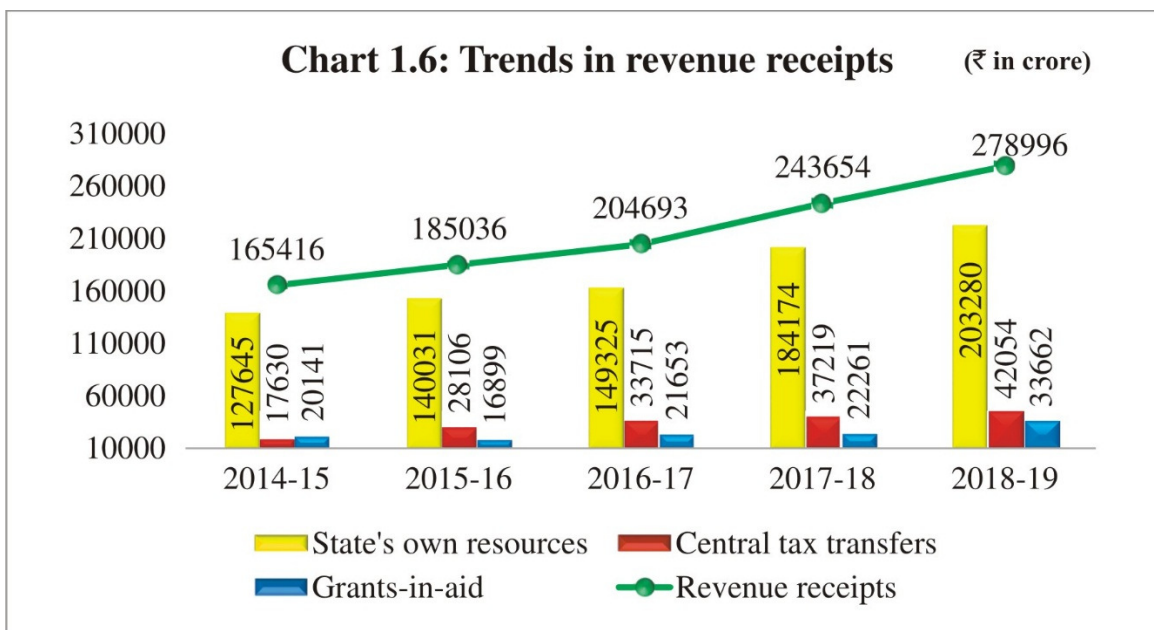
₹ in crore)



(Source: Finance Accounts 2018-19)

1.4 Revenue Receipts

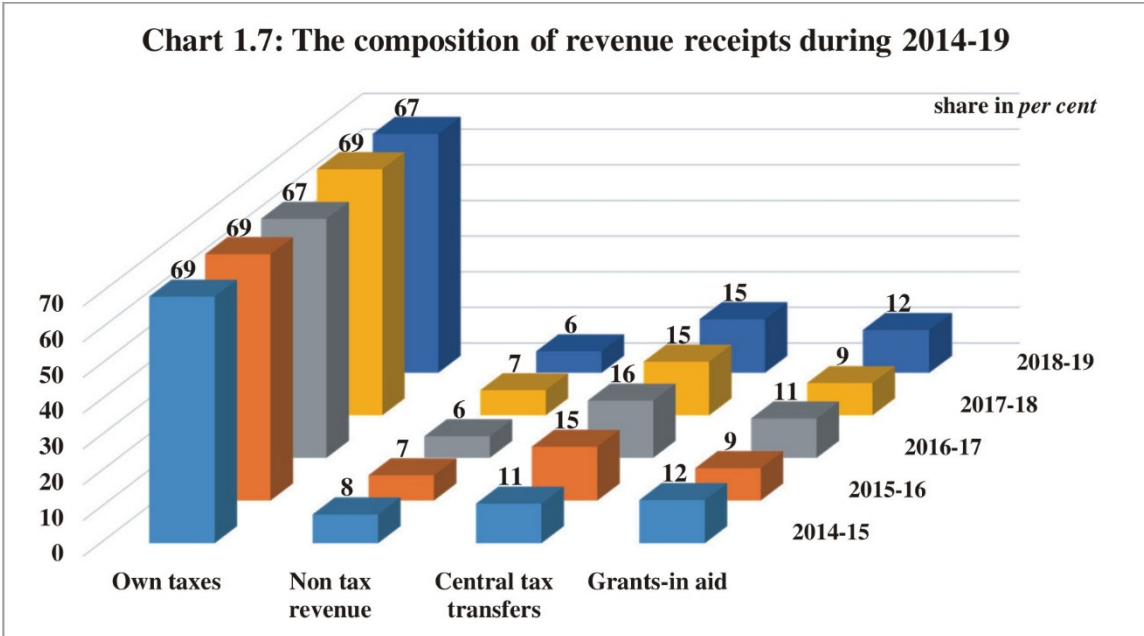
Statement 14 of the Finance Accounts details the revenue receipts of the Government. These consist of the State's own tax and non-tax revenues, Central tax transfers and grants-in-aid from Government of India. The trends of revenue receipts over the period 2014-15 to 2018-19 are presented in **Chart 1.6** and also given in **Appendix 1.7**.



(Source: Finance Accounts of respective years)

Revenue receipts grew by ₹ 35,342 crore (15 per cent) in 2018-19 over the previous year. The tax revenue increased by ₹ 19,504 crore (12 per cent), State’s share of Union Taxes and Duties by ₹ 4,835 crore (13 per cent) and Grants-in-aid from Government of India by ₹ 11,401 crore (51 per cent) set-off by decrease in non-tax revenue by ₹ 398 crore (two per cent).

The percentage composition of revenue receipts over the period 2014-15 to 2018-19 are presented in **Chart 1.7**.



(Source: Finance Accounts of respective years)

As shown in **Chart 1.7**, 73 per cent of the Revenue came from the State’s own resources and the balance was from Government of India in the form of central tax transfer and Grant-in-aid.

The trends of revenue receipts relative to GSDP at current prices is presented in **Table 1.7**.

Table 1.7: Trends in Revenue Receipts relative to Gross State Domestic Product

	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue receipts (₹ in crore)	165415	185036	204693	243654	278996
Rate of growth ³ of RR (per cent)	10.4	11.9	10.6	19.0	14.5
RR/GSDP (per cent)	9.2	9.2	9.0	10.1	10.5

Source: Finance Accounts of respective years

The revenue receipt of the State remained between nine per cent and 10.5 per cent of the GSDP during 2014-19. A slight upward surge in the ratio during 2017-18 and 2018-19 at 10 per cent and 10.5 per cent respectively was largely, a consequence of tax reforms brought in through the implementation of the Goods and Services tax (GST).

During 2009-10 to 2017-18, the CAGR of revenue receipts (13.8 per cent) was lower than the growth rate of GCS (15 per cent). The revenue receipts increased considerably during 2018-19 (14.5 per cent) over 2017-18 and were higher than the growth rate of GCS (12.8 per cent) as shown in **Appendix 1.1**.

³ see Glossary at page 132

Trends in Buoyancy ratio

Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. The value more than one indicates high degree of responsiveness of the fiscal variable to the base variable. As GSDP grows, the ability of the Government to mobilize revenue should also increase. **Table 1.8** shows the buoyancy of revenue receipts with respect to changes in GSDP.

Table 1.8: Buoyancy ratio

	2014-15	2015-16	2016-17	2017-18	2018-19
Gross State Domestic Product (₹ in crore)	1792122	2001223	2257032	2411600	2660318
Revenue receipts buoyancy w.r.t. GSDP	1.182	1.017	0.828	2.794*	1.408
State's own taxes buoyancy w.r.t. GSDP	0.683	0.857	0.617	3.368*	1.126
Revenue receipts buoyancy w.r.t. State's own taxes	1.733	1.190	1.342	0.830	1.250
Source: Finance Accounts of respective years					
* Based on actual GSDP					

As can be seen from **Table 1.8**, the buoyancy of revenue receipts to GSDP as well as State's own tax buoyancy to GSDP was greater than one indicating that revenue receipts and own tax revenue grew at a faster rate than GSDP.

1.4.1 State's Own Resources

As the State's share in Central taxes is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilization of additional resources is assessed in terms of its own resources comprising revenue from its own sources (tax and non-tax revenues).

The State's actual tax and non-tax receipts for the year 2018-19 *vis-à-vis* projection given in the FFC Report and the MTFPS (2018-19) are given in **Table 1.9**.

Table 1.9: Actual Projections of Tax and Non-Tax Revenue for 2018-19

(₹ in crore)

	FFC projection	Budget estimates	MTFPS projection	Actual
Tax revenue	229031	188040	188040	187436
Non-tax revenue	25212	22785	22785	15844

Source: Finance Accounts/FFC/Budget/MTFPS

1.4.1.1 Tax Revenue

The gross collection in respect of major taxes and duties during 2014-19 are given in **Table 1.10**.

Table 1.10: Components of State's Own Tax Revenue

(₹ in crore)

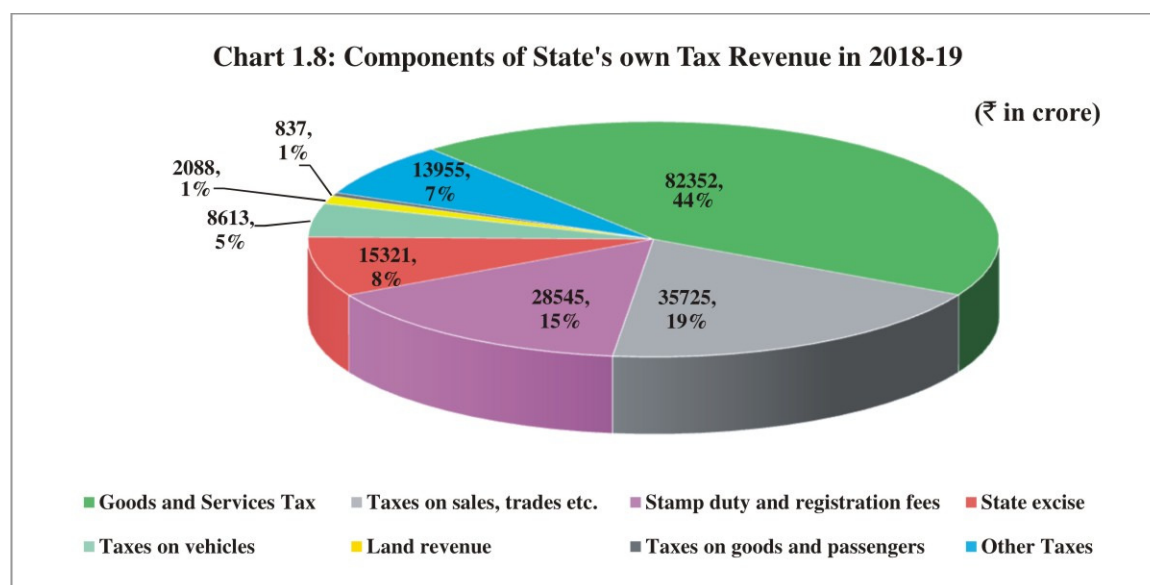
Revenue Head	2014-15	2015-16	2016-17	2017-18	2018-19	Variation in 2018-19 over previous year (in per cent)
Goods and Services Tax ⁴	-	-	-	50063	82352	12.5
Taxes on sales, trade etc.	67466	69661	81174	54894	35725	
Stamp duty and registration fees	19959	21767	21012	26442	28545	8.0

⁴ Implemented w.e.f. 01 July 2017

Revenue Head	2014-15	2015-16	2016-17	2017-18	2018-19	Variation in 2018-19 over previous year (in per cent)
State excise	11397	12470	12288	13450	15321	13.9
Taxes on vehicles	5405	6017	6741	8665	8613	(-)0.6
Land revenue	1272	1748	1799	2310	2088	(-)9.6
Taxes on goods and passengers	587	1582	1877	984	837	(-)14.9
Other taxes ⁵	8978	13363	11725	11124	13955	25.5
Total	115064	126608	136616	167932	187436	11.6

Source: Finance Accounts of respective years

The components of tax revenue for the year 2018-19 are presented in **Chart 1.8**.



(Source: Finance Accounts 2018-19)

Own tax revenue relative to GSDP of the State was seven *per cent* as compared to Chhattisgarh (14.4 *per cent*), Gujarat (5.3 *per cent*), Karnataka (6.3 *per cent*) and Madhya Pradesh (5.2 *per cent*).

The increase in tax revenue by ₹ 19,504 crore (12 *per cent*) over the previous year was mainly under Taxes on Sales, Trade *etc.* and GST by ₹ 13,120 crore (13 *per cent*), Stamp Duty and Registration Fees increased by ₹ 2,103 crore (eight *per cent*), State Excise by ₹ 1,871 crore (14 *per cent*) and receipt under Land Revenue decreased marginally since the previous year.

During 2009-10 to 2017-18, the CAGR of tax revenue (13.9 *per cent*) was lower than the growth rate of GCS (14.8 *per cent*). The growth of tax revenue during 2018-19 over 2017-18 (11.6 *per cent*) was also lower than the growth rate of GCS (12.7 *per cent*) as shown in **Appendix 1.1**.

Goods and Services Tax

The Goods and Services Tax (GST) has three components - Central GST (CGST), State GST (SGST) and Integrated GST (IGST) on inter-state trade or commerce. Under the

⁵ Other taxes include taxes on professions; trades, callings and employment; and taxes and duties on electricity

GST (Compensation to States) Act, 2017, loss of revenue to the States on account of implementation of Goods and Services Tax shall be payable during transition period of five years. Any excess amount released as compensation to a State in any financial year during the transition period shall be adjusted against the compensation amount payable to such State in the subsequent financial year. The base year (2015-16) revenue certified by Audit under GST (compensation to States) Act, 2017 for Maharashtra State was ₹ 60,504.60 crore. The projected revenue for 2018-19 was ₹ 89,640.226 crore (2017-18 plus 14 per cent). Government of India released compensation of ₹ 8,330 crore. The projected nominal growth rate of revenue subsumed for a state during the transition period shall be 14 per cent per annum. The total compensation payable in any financial year shall be difference between the projected revenue for any financial year and the actual revenue collected by a State.

The revenue from SGST for the financial year 2018-19 of Maharashtra State was ₹ 82,352 crore. Government of India released the compensation amount of ₹ 8,330 crore in the form of grant-in-aid, which was accounted under MH 1601-08-114. The actual amount of compensation is dependent on adjustments to the GST collection emanating from recovery of past arrears of subsumed taxes during SGST period of 2018-19 and is yet to be worked out.

With automation of the collection of Goods and Services Tax (GST) having taken place, it is essential for Audit to transition from sample checks to a comprehensive check of all transactions, to fulfil the Comptroller and Auditor General's constitutional mandate of certifying the Accounts. The required access to data is yet to be provided. Not having access to the data pertaining to all GST transactions has come in the way of comprehensively auditing the GST receipts. The accounts for the year 2018-19 are, therefore, certified on the basis of test audit, as was done when records were manually maintained, as a one-time exception.

Government of Maharashtra gave an amount of ₹ 17,469 crore as 'Assistance to Municipal Corporations for loss of Revenue arising due to Implementation of Goods and Services Tax'.

1.4.1.2 Non-Tax Revenue

The trend in Non-Tax Revenue during 2014-19 is shown in **Table 1.11** and actuals for 2018-19 in **Chart 1.9**.

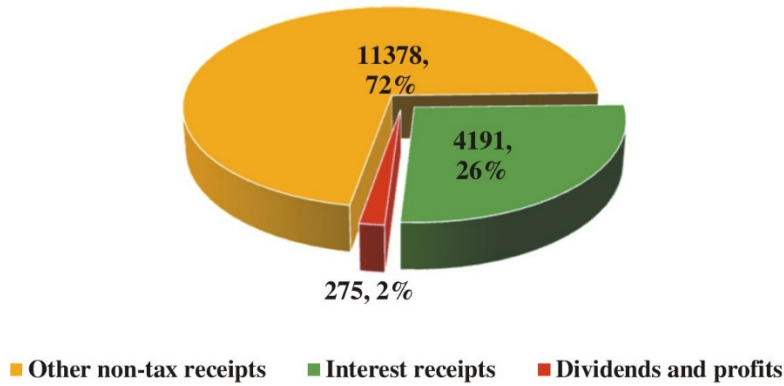
Table 1.11: Growth rate of Non-Tax Revenue

Revenue head	2014-15	2015-16	2016-17	2017-18	2018-19	Percentage increase in 2018-19 over previous year
	(₹ in crore)					
Interest receipts [§]	3351	3080	3259	4163	4191	1
Dividends and profits	28	57	67*	65*	275*	323
Other non-tax receipts	9202	10286	9383	12014	11378	(-)5
Total	12581	13423	12709	16242	15844	(-)2
Non Tax Revenue/GSDP	0.70	0.67	0.56	0.65	0.60	

* Dividend of ₹ 39 crore (2016-17); ₹ two crore (2017-18) and ₹ 255 crore (2018-19) for which details are awaited from State Government
[§] Interest receipts shown under MH 0049
 Source: Finance Accounts of respective years

Chart 1.9: Components of non-tax revenue in 2018-19

(₹ in crore)



(Source: Finance Accounts 2018-19)

Non-tax revenue (₹ 15,844 crore) which constituted six *per cent* of revenue receipts, decreased by two *per cent* over the previous year. The decrease was mainly under Miscellaneous General Services (₹ 964 crore) and Elections-other receipts (₹ 629 crore).

During 2009-10 to 2017-18, the CAGR of non-tax revenue (8.7 *per cent*) was lower than the growth rate of GCS (9.9 *per cent*). The growth rate of GCS was 19.8 *per cent* which was positive as compared to negative growth rate of 2.5 *per cent* of non-tax revenue of the State during 2018-19 over 2017-18 as shown in **Appendix 1.1**.

Recommendation:

The non-tax revenue relative to GSDP has shown a steady decline during 2014-19 indicating that the State needs to devise measures to enhance non-tax revenue to augment its revenue receipt.

Interest receipts, Dividends and Profits

One of the major sources of interest receipts is interest proceeds out of investment of surplus cash balances of the State. As per Reserve Bank of India's regulations, the cash balance maintained by the State is invested in Government of India's 14 days Treasury Bills (TBs). The average rate of interest on these TBs is around five to six *per cent*. Excess cash balance, beyond the immediate requirement is invested in Government of India's 91 days TBs. Against the budgeted estimates of ₹ 2,824 crore during 2018-19, the actual interest realised on Investment of Cash Balances was ₹ 3,032 crore of which, 14 days TBs yielded ₹ 762 crore, 91 days TBs yielded ₹ 2,118 crore and 182 days TBs yielded ₹ 152 crore.

The interest realised on Loans and Advances given by the State Government to its Companies/Corporations *etc.* stood at ₹ 394 crore during 2018-19 which worked out to 1.5 *per cent* of the outstanding balances of Loans and Advances (₹ 25,746 crore) at the end of the year.

The return on investment in the form of dividends declared by Companies/Corporations and credited to Government Account during 2018-19 was ₹ 275 crore. Dividend and Profit at ₹ 275 crore showed an increase of ₹ 210 crore over previous year. However, the State Government could not provide details for ₹ 255 crore, to that extent the

amount could not be vouched. Considering the extent of Government investment (₹ 1,53,322 crore), the return worked out to a meagre 0.18 per cent on the investment made (Table 1.39).

Pricing of public utilities – Water Charges

The levy and pricing of water charges in Maharashtra is governed by the provisions of the Maharashtra Water Resources Regulatory Authority Act, 2005. In case of irrigation and bulk water, the Authority is required to fix the criteria for water charges based on the principle that water charges shall reflect the full recovery of the cost of irrigation management, administration, operation and maintenance (O&M) of water resources projects. As per the Act, the State should be able to meet the O&M expenditure on irrigation projects by water charges. In the case of drinking water, the revenue receipts from water tariff should be at par with cost of production of water *i.e.* expenditure of O&M of water supply system.

Maharashtra moved towards fixing the water charges through Maharashtra Water Resources Regulatory Authority from October 2010. The assessment and recovery of water charges against the O&M cost during 2014-19 based on the water rates for the control period⁶ 2010-13 is shown in Table 1.12.

Table 1.12: Details of Operation and Maintenance cost of water resources project, assessment of water charges and recovery of water charges

(₹ in crore)

Year	Operation and Maintenance cost (Establishment + Maintenance and repair)			Arrears of water charges				
	Salary (Establishment)	Non-salary (Maintenance and Repairs)	Total	Opening Balance	Assessment	Total Dues (5+6)	Recovery of water charges	Balance to be recovered (7-8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2014-15	620	126	746	1309	672	1981	637	1344
2015-16	680	181	861	1347*	740	2087	573	1514
2016-17	652	135	787	1514	664	2178	474	1704
2017-18	702	334	1036	1704	833	2537	688	1849
2018-19	1344	356	1700	1849	1137	2986	1044	1942
Total	3998	1132	5130		4046		3515	

* Opening balance was revised after reconciliation
Source: Information furnished by Maharashtra Water Resources Regulatory Authority

From the Table 1.12 it can be seen that the water charges recovered during 2014-19 was lower than the O&M cost by ₹ 1,615 crore. Arrears in recovery during 2014-19 was ₹ 1,942 crore. In addition, there was a gap of ₹ 1,084 crore between O&M cost and assessment made during 2014-19.

1.4.2 Transfers from Government of India including State's share of Union taxes and Grants-in-aid from Government of India

1.4.2.1 Central Tax Transfers

Comparison of the transfer of taxes (Fourteenth Finance Commission)

Consequent upon acceptance of the recommendations of the Fourteenth Finance Commission (award period 2015-16 to 2019-20) by Government of India, the transfer to

⁶ Control period for the purposes of the applicability of tariffs shall be three consecutive water years starting from 01 July 2010 to 30 June 2011, 01 July 2011 to 30 June 2012 and 01 July 2012 to 30 June 2013

States with effect from 2015-16 has increased from 32 per cent to 42 per cent of the net union tax receipts. Central tax transfers increased by 13 per cent from ₹ 37,219 crore in 2017-18 to ₹ 42,054 crore in 2018-19. The transfer of different components of States share of union taxes during the year 2015-19 of FFC is as given in **Table 1.13**.

Table 1.13: Transfer of different components of State's share of Union Taxes

(₹ in crore)

Components of State's share of Union taxes	FFC award period				Difference (5 - 4)	Percentage increase/decrease
	2015-16	2016-17	2017-18	2018-19		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Corporation Tax	8835.19	10790.20	11387.92	14621.85	3233.93	28.4
Customs	4486.57	4641.53	3753.00	2980.37	(-772.63)	(-20.6)
Income Tax	6144.85	7499.22	9616.28	10768.37	1152.09	12
Other taxes and duties on commodities and services	19.33	0.09	15.87	25.47	9.60	60.5
Other taxes on income and expenditure	0.18	-	-	76.15	76.15	100
Service tax	4887.46	5458.92	4246.87	390.29	(-3856.58)	(-90.8)
Taxes on wealth	2.00	24.71	(-)0.34	5.36	5.70	1676.5
Union excise duties	3730.37	5300.23	3923.00	1980.63	(-)1942.37	(-)49.5
Central Goods and Services Tax	-	-	522.44	10377.52	9855.08	1886.4
Integrated Goods and Services Tax (IGST)	-	-	3754.16	828.20	(-)2925.96	(-)77.9
Grand Total	28105.95	33714.90	37219.20	42054.21	4835.01	13
Transfer as a percentage of revenue receipts	15.2	16.5	15.3	15.1		

Source: Data of Finance Department, Government of Maharashtra and website of Ministry of Finance

Of the total Central Tax transfer, there was a phenomenal increase of ₹ 9,855.08 crore under CGST. Tax transfer under IGST decreased by 78 per cent (₹ 2,925.96 crore) since the previous year.

1.4.2.2 Grants-in-aid from Government of India

The Grants-in-aid from Government of India increased by 51 per cent from ₹ 22,261 crore in 2017-18 to ₹ 33,662 crore in 2018-19. The increase in 2018-19 was mainly due to grants released under GST Compensation (₹ 6,842 crore), State Plan Schemes (₹ 1,690 crore), Centrally Sponsored Plan Schemes (₹ 1,892 crore). The trend of total grants from Government of India as a percentage of revenue receipts ranged between nine per cent and 12 per cent during 2014-19 is shown in **Table 1.14**.

Table 1.14: Grants-in-aid from Government of India

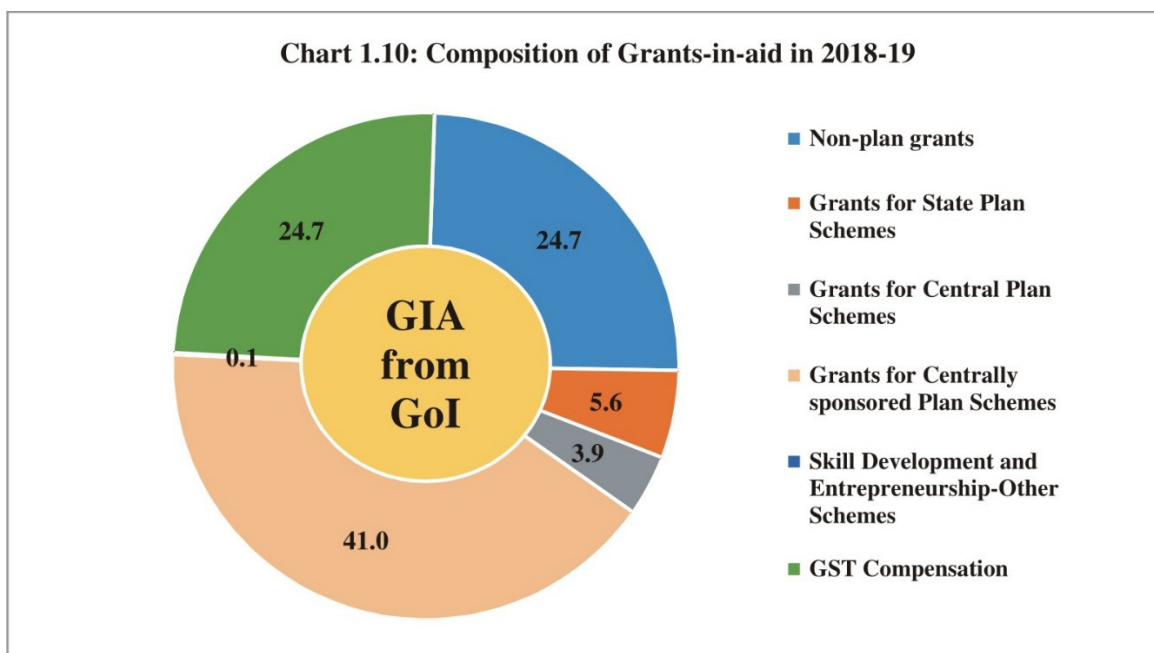
(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
Non-plan grants	7304	6080	9073*	7158	8310
Grants for State Plan Schemes	1665	791	455	197	1887
Grants for Central Plan Schemes	1399	688	1657	1086	1326
Grants for Centrally sponsored Plan Schemes	9772	9340	10468	11895	13787
Compensation for loss of revenue arising out of implementation of GST	-	-	-	1488	8330
Skill Development and Entrepreneurship-Other Schemes	-	-	-	-	22
Total	20140	16899	21653	22261[§]	33662
Percentage of increase/decrease over previous year	52.1	(-)16.1	28.1	2.8	51.2
Total Grants as a percentage of revenue receipts	12.2	9.1	10.6	9.1	12.1

* Higher rounding [§] Includes ₹ 438 crore, details are not available

Source: Finance Accounts of respective years

The composition of Grants-in-aid is shown in **Chart 1.10**.



(Source: Finance Accounts 2018-19)

Centrally Sponsored Plan Schemes

The increase under grants from Centrally Sponsored Plan Schemes (₹ 1,892 crore) was mainly under (a) General Education (₹ 1,543 crore), (b) Welfare of Schedule castes, Scheduled Tribes, Other Backward Classes and Minorities (₹ 1,146 crore), set-off by a decrease under (c) Civil Supplies (₹ 571 crore) and (d) Social Welfare and Child Welfare (₹ 492 crore).

Central Plan Schemes

The increase under Central Plan Schemes (₹ 240 crore) was mainly under Mahatma Gandhi National Rural Employment Programmes (₹ 498 crore) and Rural Development (₹ 210 crore) set-off by decrease under Grants under Proviso to Article 275(1) of the Constitution (₹ 537 crore).

State Plan

Grants for State Plan Schemes comprise mainly grants under Article 275(1) of the Constitution of India (these are basically grants for Tribal Sub-Plan) and Block Grants⁷. **Table 1.15** shows the Grants-in-aid received from Government of India under Proviso to Article 275(1) of the Constitution and Block Grants during 2014-15 to 2018-19.

⁷ A block grant is a lump sum grant provided by the Government of India to the State Government, with only general provision as the way it is to be spent

Table 1.15: Year wise Grants-in-aid from Government of India under Proviso to Article 275(1) of the Constitution and Block Grants

(₹ in crore)

	Particulars	Classification	2014-15	2015-16	2016-17	2017-18	2018-19
Under Proviso to Article 275(1) of the Constitution	Non-plan grants	1601-01-104	2329	-	-	-	-
	Plan grants	1601-02-104	117	134	115	129	1247
	Central Plan grants	1601-03-104	-	-	-	-	21
Block Grants			1091	284	210	7	548
(1601-02-101)	Accelerated Irrigation Benefits Programme and other water related schemes		32	265	187	-	-
	Normal Central Assistance		790	-	-	-	-
	Backward Region Grants Fund		-	-	-	-	-
	Additional Central Assistance for Externally Aided Projects		-	-	-	7	548
	Other Schemes		269	19	23	-	-
Source: Finance Accounts of respective years							

1.4.2.3 Centrally Sponsored Schemes

The State Government is entrusted with the execution of Centrally Sponsored Schemes in the State for which grants are released by the Government of India. During the year 2018-19 Government of Maharashtra received ₹ 33,057 crore for implementation of 89 schemes. Details of releases of Central share and State share in respect of major schemes are given in Appendix V-Expenditure on Schemes-A of Finance Accounts 2018-19.

1.4.2.4 Funds transferred to State Implementing Agencies outside the State Budget

Government of India decided to release all assistance related to Centrally Sponsored Schemes/ Additional Central Assistances directly to the State Government and not to Implementing Agencies from 01 April 2014. During 2018-19, the Government of India, however released funds of ₹ 3,004.46⁸ crore directly to the State Implementing Agencies (Appendix-VI of Finance Accounts 2018-19), instead of routing through State Government.

The Implementing Agencies, which received major transfers during 2018-19 are as shown in **Table 1.16**.

Table 1.16: Implementing Agencies which received major transfers

(₹ in crore)

Government of India Scheme	Implementing Agency	2018-19
National Rural Employment Guarantee Scheme (MGNREGA) CS	MGNREGA State Fund Association Maharashtra	1521.29
National AIDS and STD control programme	Maharashtra State AIDS Control Society	102.46
Sagarmala Project and Ports - NP	Maharashtra Maritime Board	13.42
Management support to RD programs and strengthening of District planning process in lieu of programmes and other Programmes	Yashwantrao Chavan Academy of Development Administration	2.70
Source: Finance Accounts 2018-19		

Funds transferred directly from the Government of India to the State Implementing Agencies were routed outside State Budget. This resulted in lack of monitoring the

⁸ As per the Public Financial Management System portal of the Controller General of Accounts

expenditure incurred by them on various schemes and also escaped Legislative scrutiny through regular process of authorisation.

1.5 Capital Receipts

Capital receipts of the State Government includes non-debt and debt receipts, whose composition has been discussed in **Paragraph 1.3**. The trends in composition of capital receipts are shown in **Table 1.17**.

Table 1.17: Trends in growth and composition of Capital Receipts

Sources of State's receipts	2014-15	2015-16	2016-17	2017-18	2018-19
Capital Receipts (CR)	30348	38858	50082	49854*	27629
Miscellaneous Capital Receipts	-	17	-	-	-
Recovery of Loans and Advances	975	865	1745	1778	1604
Public Debt Receipts	29373	37976	48337	48075#	26025
Rate of growth of debt capital receipts (per cent)	9.9	29.3	27.3	(-)0.5	(-)45.9
Rate of growth of non-debt capital receipts (per cent)	33.9	(-)9.5	97.8	1.89	(-)9.8
Rate of growth of CR (per cent)	10.5	28.0	28.9	(-) 0.5	(-)44.6
Source: Finance Accounts of respective years *Higher rounding # Lower rounding					

Capital Receipts (debt and non-debt receipts) of the State increased at an average annual growth rate of 22.5 per cent from 2014-15 to 2016-17 and decreased at the same average during 2017-18 and 2018-19. During 2018-19, capital receipts decreased by 45 per cent over the previous year mainly due to decrease in public debt receipts by 46 per cent. The share of public debt receipts in capital receipts was 94 per cent.

1.5.1 Recovery of Loans and Advances

The details of loans and advances given by the State Government during 2014-19 are indicated in **Table 1.18**.

Table 1.18: Position of Loans and Advances given by the State Government

Year	Balance of loans and advances as on 1 April	Disbursements by the Government during the year	Recoveries during the year	Balance as on 31 March (2+3-4)	Percentage of recovery with reference to opening balance (4/2*100)
(1)	(2)	(3)	(4)	(5)	(6)
2014-15	21656.79	1140.54	975.08	21822.25	4.5
2015-16	21822.25	1114.63	865.11	22071.77	4.0
2016-17	22071.77	6277.21	1745.58	26603.40	7.9
2017-18	26603.40	979.29	1778.01	25804.68	6.7
2018-19	25804.68	1545.17	1604.29	25745.56	6.2
Source: Finance Accounts of respective years					

Recoveries of loans and advances decreased by ₹ 174 crore (9.8 per cent) over the previous year mainly on account of recoveries under 'Loans for Co-operation' (₹ 114 crore) and 'Loans for Power Projects' (₹ 48 crore). The percentage of recovery was meagre at four to 7.9 during the last five years. The complete information (Section 3: Fresh Loans and advances made during the year to the loanee entities from whom repayment of earlier loans are in arrears) regarding arrears in repayments and loans in perpetuity (disclosures indicating extraordinary transactions relating to Loans & Advances under Finance Accounts Statement No.18) was not furnished by the Government.

1.5.2 Public Debt Receipts

During 2018-19, the public debt receipts decreased considerably by 45.9 per cent (₹ 22,050 crore) and public debt repayment increased by 59.1 per cent (₹ 9,335 crore).

Table 1.19: Time-series data on Public Debt Receipts

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
Open Market Borrowings	25083	32440	44960	44996	20868
	(85.4)	(85.4)	(93.0)	(93.6)	(80.2)
National Small Savings Fund	2982	4015	-	-	-
	(10.1)	(10.6)	-	-	-
Other Financial Institutions	766	937 [#]	2750	2911	4818
	(2.6)	(2.5)	(5.7)	(6.1)	(18.5)
Loans and Advances from GoI	542	584	627	168	339
	(1.8)	(1.5)	(1.3)	(0.35)	(1.3)
Public Debt Receipts	29373	37976	48337	48075 [#]	26025
Public Debt Repayments	8828	10043	11887	15782	25117 [*]
Figures in parenthesis indicate percentage to Public Debt receipts [#] Lower rounding [*] Higher rounding Source: Finance Accounts of respective years					

The public debt (Market borrowings and Loans from Government of India) receipts during the year (₹ 26,025 crore) comprised internal debt of ₹ 25,686 crore (98.7 per cent) and loans and advances from Government of India ₹ 339 crore (1.3 per cent). Market borrowings (₹ 20,868 crore) had a predominant share under internal debt comprising 80 per cent followed by loans from financial institutions (₹ 4,818 crore) as shown in **Table 1.19**.

1.6 Public Account Receipts

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 of the State, are kept in the Public Account set up under Article 266(2) of the Constitution of India and are not subject to vote by the State Legislature. Here, the Government acts as a banker/trustee for custody of public money, since these transactions are simply pass through transactions. The trend of net receipts under Public Account covering the period 2014-15 to 2018-19 are indicated in **Table 1.20**.

Table 1.20: Trends of receipts under Public Account

(₹ in crore)

Resources under various heads	2014-15	2015-16	2016-17	2017-18	2018-19
Public Account receipts					
a. Small Savings, Provident Fund <i>etc.</i>	4642.54	4798.96	4947.53	4784.21	4869.26
	(1260)	(1208) [#]	(1124)	(547)	(492)
b. Reserve Fund	5908.54	7226.11	8566.92	8898.55	5066.88
	(3158)	(3465)	(5283)	(5924)	(-573) [*]
c. Deposits and Advances	31249.40	34855.80	39356.10	39960.88	45731.93
	(4411)	(2773)	(6841)	(3930)	(4323)
d. Suspense and Miscellaneous	17039.01	(-) 569.16	3034.27	541.72	(-)3208.89
	(5222)	(-876)	(2773)	(164)	(-3492)

Resources under various heads	2014-15	2015-16	2016-17	2017-18	2018-19
e. Remittances	24182.45	26435.49	26561.67	27691.64	38205.39
	(14)	(-235)	(-656)	(822)	(157)
Total	83021.94	72747.20	82466.49	81877.00	90664.57
	(14036)	(6335)	(15365)	(11387)	(907)

Figures in parenthesis indicate net receipts #Lower rounding
Source: Finance Accounts of respective years
*Negative figure is due to rectification of misclassification during previous year on account of 'Redemption payments of Consolidated Sinking Fund' (₹ 6260.26 crore) up to 31/03/2019

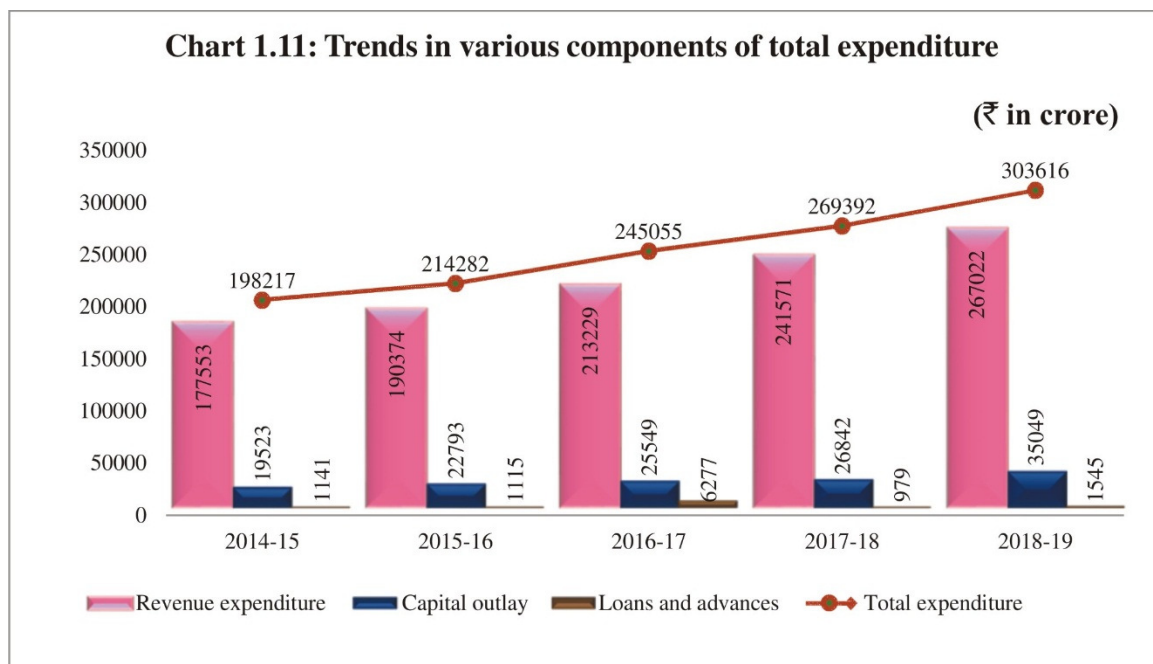
Table 1.20 shows that Public Account receipts increased by nine *per cent* over the period 2014-19. Increase in Public Account receipts by ₹ 8,788 crore (10.7 *per cent*) in 2018-19 over the previous year was on account of increase under Remittances (₹ 10,514 crore) and Deposits and Advances (₹ 5,771 crore) and set off by decrease under Reserve Fund (₹ 3,832 crore) and Suspense and Miscellaneous (₹ 3,751 crore). The net public account receipts available for use to the State Government during 2018-19 was ₹ 907 crore, a decrease by 92 *per cent* (₹ 10,480 crore) over 2017-18.

1.7 Application of Resources

Analysis of allocation of expenditure assumes significance since major expenditure responsibilities are entrusted with the State Government at various levels. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising 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 welfare.

1.7.1 Total Expenditure

Chart 1.11 presents the trends in total expenditure over the period of last five years (2014-19) as well as its composition under revenue, capital and loans and advances.



(Source: Finance Accounts of respective years)

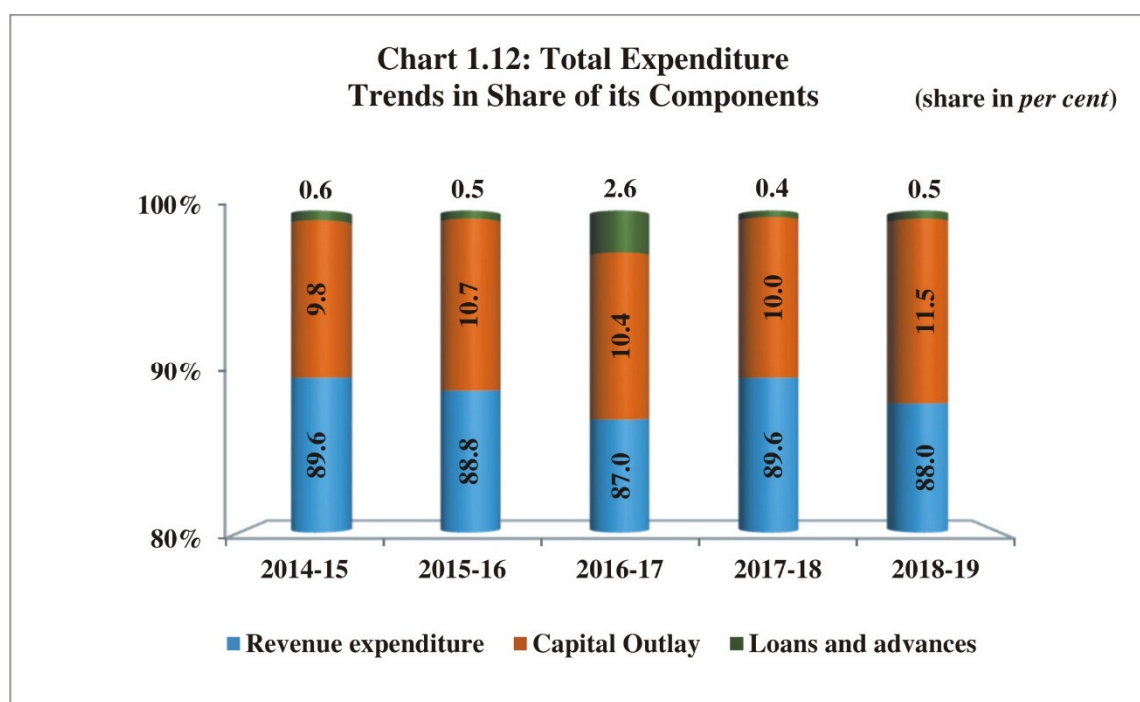
The total expenditure and its composition during 2014-19 are presented in **Table 1.21** and **Chart 1.12**.

Table 1.21: Total expenditure and its composition

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
Total expenditure	198217	214282	245055	269392	303616
Revenue expenditure	177553	190374	213229	241571	267022
	(89.6)	(88.8)	(87.0)	(89.6)	(88.0)
<i>of which, Non-Plan revenue expenditure</i>	<i>146245</i>	<i>154318</i>	<i>171140</i>	*	*
Capital Outlay	19523	22793	25549	26842	35049
	(9.8)	(10.7)	(10.4)	(10.0)	(11.5)
Loans and advances	1141	1115	6277	979	1545
	(0.6)	(0.5)	(2.6)	(0.4)	(0.5)

Figure in parenthesis indicate percentage to total expenditure
 * From 2017-18 onwards Plan and Non-plan expenditure has been merged
 Source: Finance Accounts of respective years



(Source: Finance Accounts of respective years)

The total expenditure grew by 12.7 per cent over the previous year. The total expenditure of the State increased at an average growth rate of 11.5 per cent from ₹ 1,98,217 crore in 2014-15 to ₹ 3,03,616 crore in 2018-19 but the percentage of capital outlay to total expenditure remained around at 10 per cent during 2014-18 and increased nominally to 11.5 per cent in 2018-19. The total expenditure, its annual growth rate, the ratio of total expenditure to GSDP and to revenue receipts and its buoyancy with respect to GSDP and revenue receipts are indicated in **Table 1.22**.

During 2009-10 to 2017-18, the CAGR of total expenditure (11.4 per cent) was lower than the growth rate of GCS (14.2 per cent). The growth of the total expenditure during 2018-19 over 2017-18 was same as the growth rate of GCS at 12.7 per cent as shown in **Appendix 1.1**.

Table 1.22: Total expenditure – basic parameters

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Total expenditure (TE) (₹ in crore)	198217	214282	245055	269392	303616
Rate of growth of TE over previous year (<i>per cent</i>)	12.3	8.1	14.4	9.9	12.7
TE/GSDP (<i>per cent</i>)	11.1	10.7	10.8	11.2	11.4
RR/TE (<i>per cent</i>)	83.5	86.4	83.5	90.4	91.9
Buoyancy of Total expenditure with reference to:					
GSDP (ratio)	1.398	0.692	1.125	1.456*	1.233
RR (ratio)	1.183	0.681	1.358	0.521	0.876
Source: Finance Accounts of respective years *Based on actual GSDP					

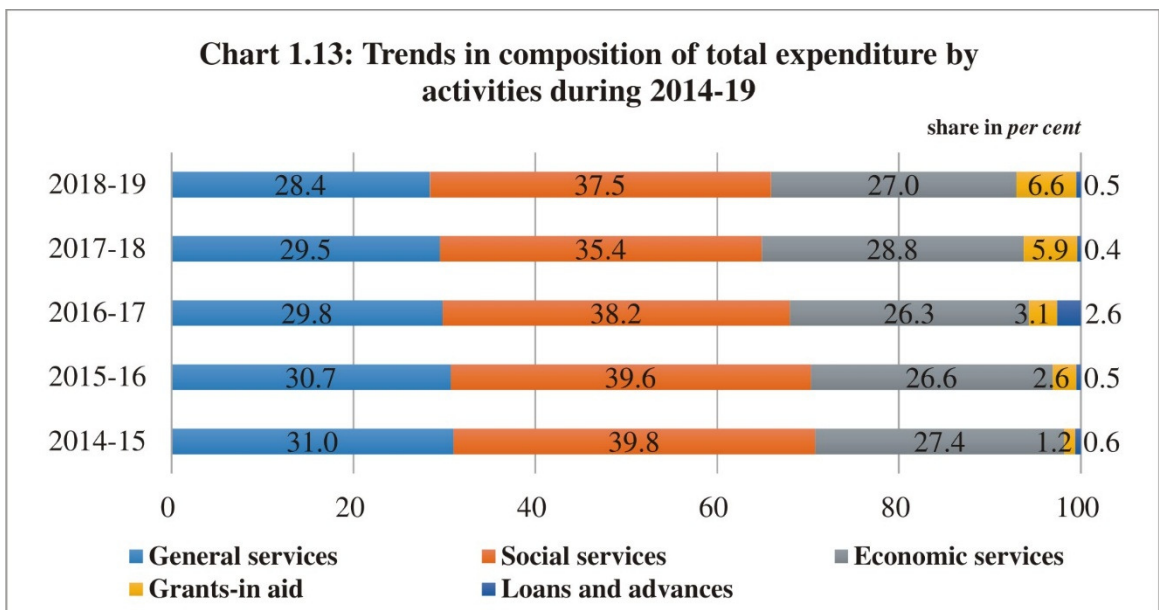
The total expenditure remained around 11 *per cent* of GSDP during 2014-19. **Table 1.22** shows that on an average, 87 *per cent* of total expenditure were met from revenue receipts during 2014-19. After decrease in the growth of total expenditure during 2017-18 over the previous year, the growth increased to 12.7 *per cent* during 2018-19.

1.7.1.1 Total expenditure in terms of activities

In terms of activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments, Social Services, Economic Services, Grants-in-aid and Loans and Advances. Relative shares of these components in the total expenditure are indicated in **Table 1.23** and **Chart 1.13**.

Table 1.23: Components of total expenditure – relative shares

	2014-15	2015-16	2016-17	2017-18	2018-19
General Services	31.0	30.7	29.8	29.5	28.4
<i>of which, Interest Payments</i>	12.1	12.0	11.6	12.3	11.2
Social Services	39.8	39.6	38.2	35.4	37.5
Economic Services	27.4	26.6	26.3	28.8	27.0
Grants-in-aid	1.2	2.6	3.1	5.9	6.6
Loans and Advances	0.6	0.5	2.6	0.4	0.5
Source: Finance Accounts of respective years					



(Source: Finance Accounts of respective years)

The increase under grants-in-aid was mainly due to increase in compensation and assignment to Local bodies and Panchayati Raj Institutions (₹ 4,314 crore).

Though the share of General and Economic Services in total expenditure had decreased in 2018-19 over the previous year, the expenditure on these services increased by ₹ 6,715 crore and ₹ 4,223 crore respectively.

The increase under Social Services was due to Relief on Account of Natural Calamities (₹ 7,521 crore).

1.7.2 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. The revenue expenditure has shown an increasing trend from ₹ 1,77,553 crore in 2014-15 to ₹ 2,67,022 crore in 2018-19. However, the growth rate of revenue expenditure decreased from 13.3 *per cent* in 2017-18 to 10.5 *per cent* in 2018-19 mainly due to decrease in expenditure on the Other Agricultural Programmes-Chhatrapati Shivaji Maharaj Sanman Yojna-2017 and debt relief to farmers under Chhatrapati Shivaji Maharaj Shetkari Sanman Yojana 2017 (₹ 11,313 crore). The overall revenue expenditure, its rate of growth, and buoyancy of revenue expenditure with GSDP and revenue receipts during the last five years are indicated in **Table 1.24**.

Table 1.24: Revenue expenditure – basic parameters

	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue expenditure (RE)	177553	190374	213229	241571	267022
Rate of Growth of RE (<i>per cent</i>)	14.6	7.2	12.0	13.3	10.5
Revenue Expenditure as percentage to TE	89.6	88.8	87.0	89.7	87.9
Buoyancy of Revenue expenditure with					
GSDP (ratio)	1.659	0.615	0.938	1.956*	1.019
Revenue Receipts (ratio)	1.404	0.605	1.132	0.698	0.724
Source: Finance Accounts of respective years * Based on actual GSDP					

Revenue expenditure constituted 88 *per cent* of the total expenditure (**Chart 1.12**). The revenue expenditure during 2018-19 (₹ 2,67,022 crore) was lower than the assessment made by the State Government in its MTFPS/FCP/Budget estimates by 11 *per cent*.

The buoyancy ratio of revenue expenditure with reference to both GSDP and revenue receipts showed a fluctuating trend. The buoyancy of revenue expenditure with revenue receipts at 0.724 during 2018-19 indicated that as against the revenue receipt of ₹ one corresponding revenue expenditure was ₹ 0.724.

1.7.2.1 Cost of collection

The gross collection in respect of four major heads of revenue receipts, the expenditure incurred on their collection and the comparative percentage of such expenditure to the gross collection along with the relevant All India Average percentage of expenditure on gross collection for the year 2017-18 are given in the **Table 1.25**.

Table 1.25: Expenditure incurred on collection of taxes

Sr. No	Head of revenue	Year	Gross collection (₹ in crore)	Expenditure on collection (₹ in crore)	Percentage of expenditure to gross collection	All India Average percentage for the year 2017-18
1	GST and Taxes on Sales, Trade etc.	2016-17	81174.17	522.25	0.6	0.69
		2017-18	104956.87	543.81	0.5	0.69
		2018-19	118076.93	551.90	0.5	Not Available

Sr. No	Head of revenue	Year	Gross collection (₹ in crore)	Expenditure on collection (₹ in crore)	Percentage of expenditure to gross collection	All India Average percentage for the year 2017-18
2	State Excise	2016-17	12287.91	111.02	0.9	2.01
		2017-18	13449.65	114.72	0.9	1.83
		2018-19	15320.90	122.02	0.8	Not Available
3	Taxes on Vehicles	2016-17	6741.21	119.66 [®]	1.8	2.61
		2017-18	8665.38	130.55 [®]	1.5	2.61
		2018-19	8613.19	171.74 [®]	2.0	Not Available
4	Stamps and Registration Fees	2016-17	21011.83	138.15	0.7	2.99
		2017-18	26441.82	139.96	0.5	2.96
		2018-19	28545.05	145.00	0.5	Not Available

[®] Subsidies excluded ₹ 1,622.80 crore (2016-17), ₹ 1,316.77 crore (2017-18) and ₹ 1,485.00 crore (2018-19)
Source: Finance Accounts of respective years

It would be seen that the cost of collection of revenue in the State is well below the All India Average in Taxes on Sales, Trade *etc.*, State Excise, Stamps and Registration Fees and Taxes on Vehicles.

1.7.2.2 Subsidies

The subsidies projected by the Government in the FCP and the actual expenditure incurred during 2017-18 and 2018-19 are presented in **Table 1.26**.

Table 1.26: Subsidies vis-à-vis Budget

	2017-18		2018-19		
	Projections in Budget	Actuals	Projections in Budget	Revised Estimates	Actuals
Power (Subsidy for reduction in Agriculture and Power loom Tariff)	4500	6726	4941	7766	7766
General/Others	13449	27169	25430	25023	19632
Total	17949	33894	30371	32789	27398

Source: Finance Accounts and Budget documents of respective years

The subsidies given to Power increased by ₹ 1,040 crore (15 *per cent*) during 2018-19 compared to previous year.

Subsidies given by the State Government during 2014-15 to 2018-19 are shown in **Table 1.27**.

Table 1.27: Expenditure on subsidies

	2014-15	2015-16	2016-17	2017-18	2018-19
Subsidies	19753	17766	20984	33894	27398
	(12)	(10)	(10)	(14)	(10)
Revenue Receipts	165415	185036	204693	243654	278996

Figures in parenthesis indicate percentage to Revenue Receipts
Source: Finance Accounts of respective years

Table 1.27 indicates that expenditure under subsidies decreased by 19 *per cent* from ₹ 33,894 crore in 2017-18 to ₹ 27,398 crore in 2018-19. During the current year, subsidies constituted about 10 *per cent* of the total revenue expenditure as well as revenue receipts.

The major schemes which received subsidies during 2018-19 included:

- Distribution/Transmission Licenses for reduction in Agriculture and Powerloom tariff ₹ 7,766 crore
- Package Scheme of Incentive ₹ 3,035 crore

- Pradhan Mantri Crop Insurance Scheme ₹ 1,724 crore
- Maharashtra Rajya Sahakari ₹ 1,618 crore
- Transport ₹ 1,485 crore

1.7.3 Capital expenditure

During 2018-19, Capital outlay (₹ 35,049 crore) constituted 11.5 per cent of the total expenditure, an increase by 31 per cent over 2017-18. The increase in capital outlay during 2018-19 over the previous year was mainly on Roads and Bridges (₹ 3,397 crore) and Urban Development (₹ 1,190 crore). During 2018-19, the Capital Outlay (₹ 35,049 crore) was lower than the assessment made by the State Government in its FCP and projections made in MTFPS/Budget estimates (₹ 36,298 crore) by three per cent except in some areas.

Further, out of the total Capital outlay of ₹ 35,049.05 crore, Government had invested ₹ 13,118.54 crore⁹ (37.43 per cent of Capital expenditure) in Statutory Corporations (₹ 12,082.48 crore) mainly related to Irrigation Development and Others, Government Companies (₹ 960.89 crore) and in Co-operative banks/Societies and Local bodies (₹ 75.17 crore).

Out of ₹ 13,118.54 crore, an amount of ₹ 853.68 crore was invested in Maharashtra State Electricity Board (MSEB) Holdings and ₹ 500 crore in Maharashtra State Road Transport Corporation (MSRTC) which had accumulated losses of ₹ 2,137.83 crore and ₹ 3,663.21 crore respectively. An amount of ₹ 0.70 crore was invested in Maharashtra State Powerlooms Corporation Limited which had accumulated losses of ₹ 17.38 crore and had eroded its net worth.

Recommendation:

As the chance of earning return on investment made in Companies incurring losses, and where their accumulated losses have resulted in erosion of the net-worth, is remote, the State Government may consider making future payments to these Companies in the form of Grants instead of Share Capital, so as to reduce the disparity in investment vis-à-vis return.

1.7.4 Loans and Advances

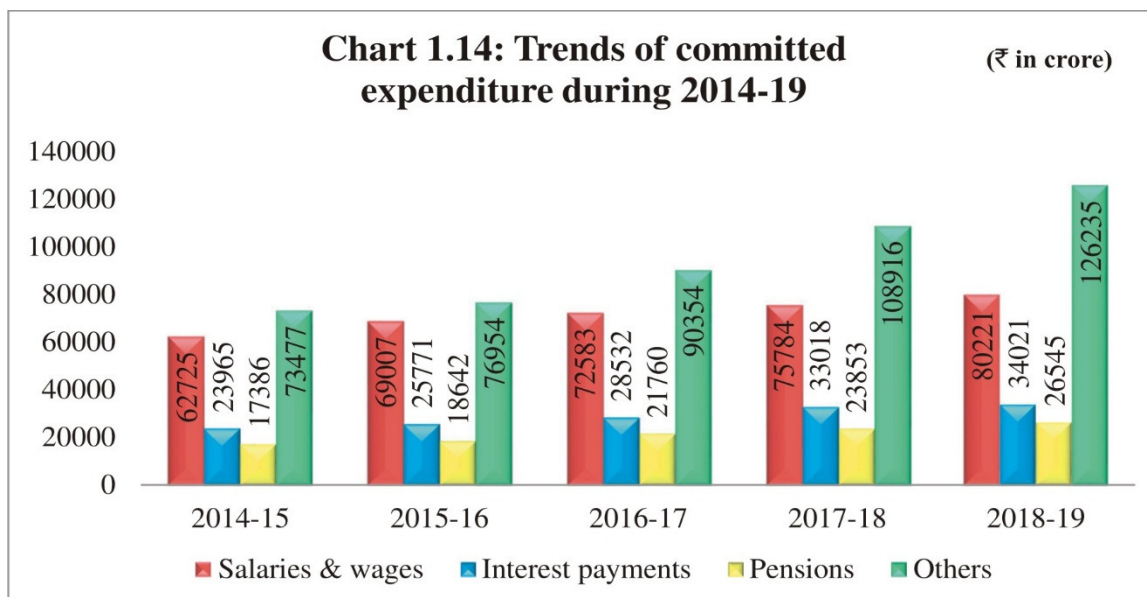
Loans and advances constituted around one per cent of the total expenditure during 2014-15 to 2018-19 except 2016-17 (three per cent) and 0.4 per cent during 2017-18 (Chart 1.12). Disbursements of loans and advances during 2018-19 increased by ₹ 566 crore as compared to 2017-18.

1.7.5 Committed expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages and pensions. The statement of committed liabilities (Appendix XII-Finance Accounts) was

⁹ The increase in investments was mainly on account of capital contributions to Vidarbha Irrigation Development Corporation (₹ 3,835 crore); Godavari Marathwada Irrigation Development Corporation (₹ 3,136 crore); Maharashtra Krishna Valley Development Corporation (₹ 2,369 crore); Konkan Irrigation Development Corporation (₹ 961 crore); Tapi- Irrigation Development Corporation (₹ 1,077 crore); Maharashtra State Road Transport Corporation (₹ 500 crore); Maharashtra Water Conservation Development Corporation (₹ 172 crore); Nagpur Metro Railway Project (₹ 350 crore); and Pune Metro Railway Project (₹ 413 crore)

incomplete as the data was not made available by the State Government. **Chart 1.14** and **Table 1.28** present the trends in the expenditure on these components during 2014-19.



(Source: Finance Accounts of respective years)

Table 1.28: Components of committed expenditure

(₹ in crore)

Components of committed expenditure	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actuals
Salaries and Wages	62725 (38)	69007 (37)	72583 (35)	75784 (31)	93687 (31)	80221 [§] (29)
of which Non-Plan Head	58457 (35)	63803 (34)	67535 (33)	*	*	*
of which Plan Head**	4268 (3)	5204 (3)	5048 (2)			
Interest Payments	23965 (14)	25771 (14)	28532 (14)	33018 (14)	34978 (12)	34021 (12)
Pensions	17386 (11)	18642 (10)	21760 (11)	23853 (10)	27378 (10)	26545 (10)
Total Committed expenditure	104076 (63)	113420 (61)	122875 (60)	132655 (54)	150940 (53)	140787 (50)
Other Components ¹⁰	73477 (44)	76954 (42)	90354 (44)	108916 (45)	150403 (47)	126235 (45)
Total Revenue Expenditure	177553	190374	213229	241571	301343	267022
Revenue Receipts	165415	185036	204693	243654	285968	278996

Figures in parenthesis indicate percentage to Revenue Receipts

* From 2017-18 onwards Plan and Non-plan expenditure has been merged

§ Salaries: ₹ 76,955 crore + Wages: ₹ 3,266 crore

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

Note: Expenditure on Salaries and Wages included grants-in-aid component during 2014-15 (₹ 38,225 crore), 2015-16 (₹ 41,254 crore), 2016-17 (₹ 43,829 crore), 2017-18 (₹ 45,904 crore) and 2018-19 (₹ 48,137 crore)

Source: Finance Accounts of respective years

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

1.7.5.1 Salaries and wages

The average annual growth in salaries and wages during 2014-19 was six *per cent*. The expenditure on salaries and wages increased by ₹ 4,437 crore (six *per cent*) from ₹ 75,784 crore in 2017-18 to ₹ 80,221 crore in 2018-19. The expenditure of ₹ 80,221 crore on salaries and wages during 2018-19 was lower than the projections made in MTFPS/Budget (₹ 93,687 crore).

During 2009-10 to 2017-18, the CAGR of salary and wages (10.3 *per cent*) was lower than the growth rate of GCS (11.7 *per cent*). The growth of the salary and wages during 2018-19 over 2017-18 (7.4 *per cent*) was also lower than the growth rate of GCS (11 *per cent*) as shown in **Appendix 1.1**.

1.7.5.2 Pension payments

The average annual growth of pensions during 2014-19 was 11 *per cent*. The expenditure on pension increased by ₹ 2,692 crore (11 *per cent*) during 2018-19 over the previous year.

During 2009-10 to 2017-18, the CAGR of pension (18.5 *per cent*) was higher than the growth rate of GCS (16.1 *per cent*). The growth of pension during 2018-19 over 2017-18 (11.3 *per cent*) was lower than the growth rate of GCS (14.3 *per cent*).

Table 1.29 shows actual pension payments with reference to assessment made by the FFC, FCP and MTFPS/Budget projections of the State Government.

Table 1.29: Pension payments vis-à-vis FFC assessment and State's projections

(₹ in crore)

Year	Projection in MTFPS	Assessment made by the FFC	Projection in FCP	Actuals
2017-18	25567	19258	25567	23853
2018-19	27378	21184	27378	26545

Source: Finance Accounts, Budget documents and Report of the FFC

New Pension Scheme

The Government of Maharashtra adopted (October 2005) the NPS architecture and implemented Defined Contribution Pension Scheme¹¹(DCPS) for State Government employees recruited on or after 1st November 2005. The DCPS was also applicable to employees recruited in services of recognized and aided Educational Institutions, Non-Agricultural Universities and affiliated Non-Government Colleges and Agricultural Universities, Zilla Parishads *etc.* to whom the existing pension scheme and General Provident Fund Scheme is applicable.

The State Government joined the New Pension Scheme (NPS) 2005 of the Central Government in August, 2014 in respect of employees recruited on or after 1st November 2005 in the State Government, Zilla Parishad, Recognised and Aided Educational Institutions, Agricultural/Non-Agricultural Universities and affiliated Non-Government Colleges, Corporations under Water Resources Department. The contribution of employees (10 *per cent* of basic pay plus dearness allowance) along with matching contribution of employer (State Government) under Tier I of the scheme and the employees' contribution above 10 *per cent* under Tier II (for which there would be no

¹¹ GR dated 31 October 2005

matching contribution by Government) is to be transferred to the designated pension fund, through the National Securities Depository Limited (NSDL)/Trustee Bank.

However, the detailed procedure for the implementation of NPS issued in April 2015 covered only State Government employees. The orders for implementation of NPS for other employees (Zilla Parishad, Recognized and Aided Educational Institutions, Agricultural/Non-Agricultural Universities and affiliated Non-Government Colleges, Corporations under Water Resources Department) who were part of erstwhile DCPS was to be issued later. In June 2017, the Rural and Water Conservation Department, Government of Maharashtra issued detailed instructions for implementation of NPS in respect of employees in ZPs (excluding teachers).

During the year 2018-19, the Government of Maharashtra deposited ₹ 3,757.12 crore being employees' contribution of ₹ 1,713.44 crore (₹ 1,550.31 crore - Tier I and ₹ 163.13 crore - Tier II) and employers' contribution of ₹ 2,043.68 crore into a Fund created under the Major Head - 8342 – Other Deposits and Minor Head - 117 – Defined Contribution Pension Scheme for Government Employees in the Public Account, pending final transfer to the designated Fund Manager. The State Government has transferred ₹ 2,546.52 crore to the NSDL. As on 31 March 2019, the total un-transferred balances of earlier years were ₹ 7,082.67 crore. The interest liability on the un-transferred balance works out to ₹ 472.46 crore at the rate of interest applicable to the scheme, of which ₹ 417.42 crore was paid to NSDL during the year.

The details of funds under NPS and amount transferred to NSDL during 2014-19 are shown in the table below.

Table 1.30: Contribution made to NPS and transfer of funds to NSDL/Trustee Bank
(₹ in crore)

Year	Opening Balance (OB)	Contribution		Total	Transfer to NSDL	Yet to be Transferred (Progressive)	Rate of Interest applicable (GPF) in per cent
		Employee	Govt.				
2014-15	4145.59	756.25	936.67	1692.92	1411.56	4426.95	8.7
2015-16	4426.95	1150.53	575.10	1725.63	3085.39	3067.19	8.7
2016-17	3067.20	1427.73	1056.79	2484.52	1962.90	3588.82	8.1
2017-18	3588.81	1364.20	2636.34	4000.54	1683.67	5905.68	7.8
2018-19	5905.68	1713.44	2043.68	3757.12	2546.52	7082.67*	7.8

*₹ 33.61 crore other disbursement during the year

The current liability stands deferred to future years. The State Government has incorrectly used the funds that belongs to its employees, leading to possible uncertainty in the rate of return to the employees/avoidable financial liability to the Government, and the eventual failure of the scheme itself.

1.7.5.3 Interest Payments

Interest payments of the State Government increased by 42 per cent from ₹ 23,965 crore in 2014-15 to ₹ 34,021 crore in 2018-19, primarily due to increase in debt liabilities as shown in **Table 1.32**. However, the ratio of interest payments to revenue receipts decreased gradually from 14.5 per cent in 2014-15 to 12.2 per cent in 2018-19 as indicated in **Table 1.50**.

Table 1.31 shows actual interest payments with reference to assessment made in the FFC Report, FCP and MTFPS of the State Government.

Table 1.31: Interest Payments vis-à-vis FFC, FCP and MTFPS assessments

(₹ in crore)				
Year	Projection in MTFPS	Assessment made by the FFC	Projection in FCP	Actuals
2017-18	31027	34569	31027	33018
2018-19	34385	40070	34385	34021

Source: Finance Accounts, Budget Documents and Report of the FFC

With reference to the projections made in the FCP and MTFPS, interest payments were higher during 2017-18 and lower during 2018-19. With reference to the projections made for 2017-19 by FFC, interest payments were lower than the assessment made.

Component-wise details of interest payments made by the State Government during 2014-19 are shown in the **Table 1.32**.

Table 1.32: Component-wise details of interest payments made by the State Government during 2014-19

(₹ in crore)					
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Interest payments <i>of which, interest payment on</i>	23965	25771	28532	33018	34021
1. Internal debt	19001	20816	23553	27827	28403
(i) Market loans	11029	12965	15769	19995	21445
(ii) NABARD	263	299	287	401	517 [#]
(iii) NSSF	7437	7349	7311	7265	6315
(iv) Ways and means	5	-	-	1	-
(v) Loans from other financial institutions	236	167	140	111	71
(vi) Management of debt (Payable to Reserve Bank of India for Open Market Borrowings)	31	36	45	54	55
2. Loans from GoI	529	490	469	433	416
3. Small savings, PF, Reserve Fund, Deposits etc.	4435	4465	4509	4758	5202
(i) Small savings, PF	2503	2765	1855	2819	2920
(ii) Reserve funds	5	5	4	5	6
(iii) Deposits	1927	1695	2650	1934	2276
Revenue Receipts	165416	185036	204693	243654	278996

Source: Finance Accounts of respective years [#] Lower rounding

Interest payments increased steadily from ₹ 23,965 crore in 2014-15 to ₹ 34,021 crore in 2018-19. During 2018-19 the interest payments increased by three *per cent* over the previous year. The increase was mainly due to increased interest liability (7.25 *per cent*) on market loan. During 2018-19, interest payment on market loan stood at 63 *per cent* of the total interest payments while interest on special securities issued to NSSF accounted for 19 *per cent* of the total interest payments.

The ratio of interest payments to revenue receipts determines the debt sustainability of the State. During the year, the interest payments to total revenue receipts of the State was 12.19 *per cent* which was lower than the FFC norm of 12.27 *per cent*.

1.7.6 Financial assistance by State Government to Local Bodies, educational and other institutions

Local bodies in Maharashtra consist of Panchayati Raj Institutions and Urban Local Bodies. In conformity with the provisions of the 73rd and 74th Constitutional

Amendment, the State Government established a three-tier system of Panchayati Raj Institutions comprising 34 Zilla Parishads at the district level, 355 Panchayat Samitis at the Block level and 27,868 Gram Panchayats at the village level. There are 27 Municipal Corporations, 237 Municipal Councils including Nagar Panchayats for urban area population in the State. Out of the 29 functions listed in the XI Schedule, 14 functions and 15,480 functionaries were transferred to PRIs. All 18 functions referred to in XII Schedule of the Constitution of India were assigned to the ULBs.

Article 243(I) of the Constitution of India requires that a State Finance Commission (SFC) be appointed at the expiry of every fifth year. The Government of Maharashtra submitted its Action Taken Report on the Fourth SFC, which was placed in State Legislature in March 2018. The details of recommendations and issue of Government Resolution to affect the same for implementation are awaited (December 2019).

The Fifth SFC for the period 2019-24 was constituted in March 2018 and was to submit its report by 27 January 2019 (extended up to 20 April 2019). This report was expected to be placed in the State Legislature during the Budget session (March 2020).

1.7.6.1 Quantum of assistance

The quantum of assistance provided by way of Grants and Loans to Local Bodies and other institutions during 2018-19 relative to previous years is shown in **Table 1.33**.

Table 1.33: Financial assistance to Local bodies, educational and other institutions

(₹ in crore)						
Sr. No.	Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
1	Educational institutions (Aided Schools, Aided Colleges, Universities, etc.)	25571	27072	29037	29175	31428
2	Municipal Corporations and Municipalities	5172	9187	13850	23192	28959*
3	Zilla Parishads and other Panchayati Raj Institutions	18770*	18240	18627	22113	21124
4	Development agencies	906	252	807	1692	1028*
5	Hospital and other charitable institutions	3678	4058	5038	5694	5707
6	Social Welfare and Nutrition	7175	5950	4021	-	-
7	Agriculture and Allied Activities	825	386	463	707	9248
8	Welfare of SC, ST and OBC	2098	2383	2904	4641	5587
9	Administrative Services	1392	1402	446	144	977
10	Housing	367	58	326	329	1470*
11	Other Institutions	6757	13113	21320	13957	17035 ¹²
Total		72711	82101	96839	101644	122563
Assistance as percentage of RE		41	43	45	42	46
*Higher rounding						
Source: Finance Accounts, Vouchers compiled by Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai						

The financial assistance to Local Bodies and other institutions by the State Government increased from ₹ 72,711 crore in 2014-15 to ₹ 1,22,563 crore in 2018-19. As compared to the previous year, the assistance during 2018-19 increased by 21 per cent. During 2018-19, Financial assistance given to Municipal Corporations and Municipalities increased by ₹ 5,767 crore (25 per cent) mainly due to increase in

¹² Major recipient- Power ₹ 2,730 crore

Assistance to Municipal Corporations for loss of Revenue arising due to Implementation of Goods and Services Tax (₹ 8,173 crore) as compared to 2017-18.

After the decision to abolish the Local Body Tax in August 2015, the State Government's assistance to Urban Local Bodies in lieu of Local Body Tax was ₹ 3,291 crore in 2015-16, ₹ 5,180 crore in 2016-17, ₹ 4,228 crore in 2017-18 and ₹ 1,175 crore in 2018-19, which may be an additional burden to the State exchequer.

1.8 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 expenditure (adequate provisions for providing public services); efficiency of expenditure; and its effectiveness (assessment of outlay-outcome relationships for selected services).

1.8.1 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 priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector if it is below the respective national average. The fiscal priorities given by the State Government for development expenditure, social expenditure and capital expenditure during 2014-15, 2017-18 and 2018-19 are indicated in **Table 1.34**.

Table 1.34: Fiscal Priority of the State during 2014-15, 2017-18 and 2018-19

Fiscal Priority by the State	Aggregate Expenditure/ GSDP	Development Expenditure [#] / Aggregate Expenditure	Social Sector Expenditure/ Aggregate Expenditure	Economic Sector Expenditure/ Aggregate Expenditure	Capital Expenditure/ Aggregate Expenditure	Education Expenditure/ Aggregate Expenditure	Health Expenditure/ Aggregate Expenditure
General Category States Average (<i>per cent</i>) 2014-15	16.0	68.5	36.1	32.4	14.0	16.5	4.9
Maharashtra (<i>per cent</i>) 2014-15	11.1	67.8	40.0	27.8	9.9	20.1	4.5
General Category States Average (<i>per cent</i>) 2017-18	16.0	67.8	36.7	31.2	14.4	15.4	5.1
Maharashtra (<i>per cent</i>) 2017-18	11.1	64.5	35.6	29.0	10.0	18.1	4.5
General Category States Average (<i>per cent</i>) 2018-19	16.0	67.0	36.6	30.4	14.2	15.0	5.1
Maharashtra (<i>per cent</i>) 2018-19	11.4	64.9	37.8	27.1	11.6	16.9	4.3

Development expenditure includes development revenue expenditure, development capital expenditure and loans and advances disbursed
Source: Finance Accounts of respective years

Analysis of the fiscal priorities of the State Government as shown in **Table 1.34** reveals the following:

- The ratios of Aggregate expenditure to GSDP of the State was lower as compared to GCS during all the three years-2014-15, 2017-18 and 2018-19.
- Except for expenditure on education, the Development expenditure, Economic services expenditure, Capital expenditure and expenditure on Health as proportion to Aggregate expenditure was lower than the GCS average during 2014-15, 2017-18 and 2018-19.

- The proportion of Social sector expenditure to aggregate expenditure was higher than the average of GCS during 2014-15 and 2018-19 but was lower during 2017-18.

1.8.2 Efficiency of Expenditure Use

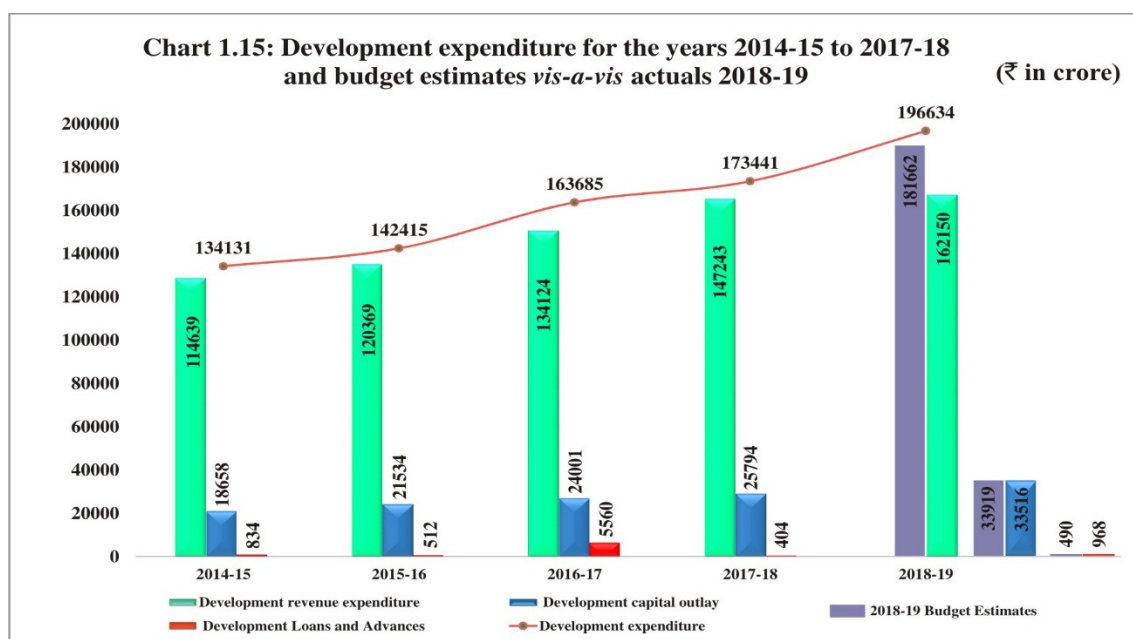
In view of importance of public expenditure on development heads, from the point of view of social and economic development, it is important for the State Government to take appropriate expenditure rationalization measures and lay emphasis on provision of core public and merit goods¹³. Apart from improving the allocation towards development expenditure¹⁴, the efficiency of expenditure is reflected in the percentage of capital expenditure to total expenditure and the proportion of revenue expenditure being spent on O&M in the Social and Economic services. The higher the percentage of these components to total expenditure, the better would be the quality of expenditure. **Table 1.35** and **Chart 1.15** present the trends in Development Expenditure relative to the total expenditure 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 1.35: Development expenditure

Components of Development Expenditure	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actuals
Development expenditure (a to c)	134131	142415	163685	173441	216071	196634
	(67.7)	(66.5)	(66.8)	(64.4)	(64)	(64.8)
a. Development revenue expenditure	114639	120369	134124 [#]	147243	181662	162150
	(57.8)	(56.2)	(54.7)	(54.7)	(54)	(53.4)
b. Development capital outlay	18658	21534	24001	25794	33919	33516
	(9.4)	(10.0)	(9.8)	(9.6)	(10)	(11.0)
c. Development Loans and Advances	834	512	5560	404	490	968 [#]
	(0.4)	(0.2)	(2.3)	(0.1)	(0.1)	(0.3)
Figures in parenthesis indicate percentage to total expenditure # Lower rounding						
Source: Finance Accounts of respective years						

¹³ see Glossary at page 132

¹⁴ Development Expenditure consists of expenditure on Social and Economic services relating to Revenue Account, Capital Outlay and Loans and Advances



(Source: Finance Accounts of respective years)

The development expenditure increased from ₹ 1,34,131 crore in 2014-15 to ₹ 1,96,634 crore in 2018-19. As percentage of total expenditure, the development expenditure of the State increased from 64.4 per cent in 2017-18 to 64.8 per cent in 2018-19.

During 2014-19, development revenue expenditure grew by 41 per cent while Development capital expenditure grew by 80 per cent. The expenditure on development loans ranged between 0.2 per cent and 0.4 per cent of the total expenditure except for 2.3 per cent in 2016-17 due to loan under UDAY Scheme.

Efficiency of expenditure use in selected Social and Economic Services

Table 1.36 details the percentage share of salary and wages and of O&M in the revenue expenditure (RE) in selected Social and Economic services. It also indicates the proportion of capital expenditure (CE) in the total expenditure (TE) of these selected services during 2017-18 and 2018-19.

Table 1.36: Efficiency of expenditure use in selected social and economic services

(in per cent)

Social/Economic infrastructure	2017-18			2018-19		
	CE to TE	In RE, the share of		CE to TE	In RE, the share of	
		Salary and Wages	O & M		Salary and Wages	O & M
Social Services (SS)						
Education, Sports, Art and Culture	0.2	81.6	0.2	0.7	81.2	0.1
Health and Family Welfare	4.7	49.4	0.4	8.0	50.9	0.4
Water Supply, Sanitation, Housing and Urban Development	7.1	2.7	-	12.4	2.9	2.0
Total (SS)	2.4	54.3	0.7	3.8	48.7	0.7
Economic Services (ES)						
Agriculture and Allied Activities	17.1	15.5	0.1	20.3	22.8	0.01
Irrigation and Flood Control	81.3	40.6	32.9	86.3	48.3	33.1
Energy	8.0	0.1	0.1	4.4	0.14	0.1

Social/Economic infrastructure	2017-18			2018-19		
	CE to TE	In RE, the share of		CE to TE	In RE, the share of	
		Salary and Wages	O & M		Salary and Wages	O & M
Transport	54.9	0.3	15.7	61.3	0	27.8
Total (ES)	30.2	12.5	3.0	35.5	12.7	4.6
Total (SS+ES)	14.9	38.9	1.6	17.0	37.0	2.0

TE: Total expenditure; CE: Capital expenditure; RE: Revenue expenditure; O & M: Operations and Maintenance
Source: Finance Accounts of respective years

Social Services

The percentage of capital expenditure on Social Services to total expenditure increased from 2.4 per cent in 2017-18 to 3.8 per cent in 2018-19. The increase was mainly seen under Capital Outlay on Health and Family Welfare. The ratio of expenditure on Salary and Wages to revenue expenditure in respect of Education, Sports, Arts and Culture decreased from 81.6 per cent in 2017-18 to 81.2 per cent in 2018-19 while in respect of Health and Family Welfare, it increased from 49.4 per cent to 50.9 per cent during the period.

Economic Services

The percentage of capital expenditure on Economic Services to the total expenditure increased from 30.2 per cent in 2017-18 to 35.5 per cent in 2018-19. The increase was mainly seen under Transport, Irrigation and Flood Control and Agriculture and Allied Activities. There was increase in share of Salary and Wages to revenue expenditure from 2017-18 to 2018-19 under selected Economic Services. The ratio of O&M to revenue expenditure increased from 1.6 per cent in 2017-18 to two per cent in 2018-19.

1.9 Financial 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. This section presents the broad financial analysis of investments and other capital expenditure incurred by the Government during the current year *vis-à-vis* previous years.

1.9.1 Ongoing projects-Water Resources Department

Expenditure and delays in execution of projects

There were 345 ongoing irrigation projects in five¹⁵ Irrigation Development Corporations (IDCs) under Water Resources Department. Data of all the ongoing projects furnished by the IDCs were analysed in audit to assess the number of years these projects have been under execution. The summarized position is given in **Table 1.37**.

Table 1.37: Age profile of ongoing projects under Water Resources Department

Age Profile (Since the date of original AA)	Total projects			
	Major	Medium	Minor	Total
More than 30 years	31	19	19	69
More than 20 years but up to 30 years	11	20	51	82
More than 15 years but up to 20 years	4	12	44	60
More than 10 years but up to 15 years	2	19	61	82

¹⁵ Maharashtra Krishna Valley Development Corporation; Konkan Irrigation Development Corporation; Tapi Irrigation Development Corporation; Vidarbha Irrigation Development Corporation; and Godavari Marathwada Irrigation Development Corporation

Age Profile (Since the date of original AA)	Total projects			
	Major	Medium	Minor	Total
More than 5 years but up to 10 years	1	8	43	52
Up to 5 years	0	0	0	0
Work not started	0	0	0	0
Total	49	78	218	345

Source: Information furnished by respective IDCs; Status as of March 2019

Table 1.37 shows that 211 projects (61 per cent) were under execution for more than 15 years and of these, 69 projects (20 per cent) were under execution for more than 30 years.

Table 1.38: Actual expenditure and estimated cost in respect of all ongoing projects

(₹ in crore)

Irrigation Development Corporation	Number of projects	Original Administrative Approval	Actual Expenditure	Estimated Cost
Godavari Marathwada Irrigation Development Corpn.	58	4913.85	16824.42	35654.51
Tapi Irrigation Development Corporation	50	3341.58	6556.87	21313.89
Vidarbha Irrigation Development Corporation	134	10231.82	37519.42	80348.40
Maharashtra Krishna Valley Development Corpn.	47	4082.53	21795.10	39935.97
Konkan Irrigation Development Corporation	56	1793.41	9314.22	20850.58
Total	345	24363.19	92010.03	198103.35

Source: Information furnished by respective IDCs

Table 1.38 shows that the estimated cost of 345 ongoing projects was ₹ 1,98,103 crore whereas the actual expenditure incurred was ₹ 92,010 crore. The expenditure on these ongoing projects has not resulted in realising the complete projected benefits even after considerable period of time.

Delay in completion of works invites the risk of escalation in the cost of the works. Besides, due to delay in completion of projects, the intended benefits from those projects did not reach to the beneficiaries.

Recommendation:

The State Government needs to take initiative for time bound completion of ongoing projects so as to prevent further time/cost overrun.

1.9.2 Investment and returns

Statement 19 of Annual Finance Accounts of the State Government contains the details of investments of the Government. As of 31 March 2019, Government invested ₹ 1,53,322.10 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives (**Table 1.39**). The average return on this investment was 0.07 per cent during 2014-19 while the Government paid average interest rate of 7.8 per cent on its borrowings during the same period.

Table 1.39: Return on investment

(₹ in crore)

Investment/Return/Cost of Borrowings	2014-15	2015-16	2016-17	2017-18	2018-19
Investment at the end of the year	110671.69	120310.97	129983.79	140203.56	153322.10
Return (₹ in crore)	28.14	57.27	66.81	64.63	275.48
Return (per cent)	0.03	0.05	0.05	0.05	0.18
Average rate of interest on Government borrowing (per cent)	7.8	7.7	7.6	8.0	7.8
Difference between interest rate and return (per cent)	7.8	7.7	7.6	7.9	7.6

Source: Finance Accounts of respective years

The return on investment during 2018-19 was ₹ 275.48 crore, an increase of ₹ 210.85 crore over the previous year. However, the nature of increase could not be ascertained as the State Government did not furnish the details for ₹ 255.36 crore (Aug 2019).

As per latest finalised accounts of the State PSUs, as on 31 March 2019, 28 PSUs were incurring losses and their net accumulated losses amounted to ₹ 20,214.14 crore. Of these, the State Government infused funds in the form of equity and long term loans in 11 PSUs which amounted to ₹ 94,498.34 crore and ₹ 776.68 crore respectively (**Appendix 1.8**). Further, the net worth was eroded¹⁶ in 12 PSUs, primarily in Maharashtra Power Development Corporation Ltd. (₹ 1,013.03 crore), Maharashtra State Textile Corporation Ltd. (₹ 844.09 crore) and Maharashtra State Financial Corporation (₹ 625.26 crore).

Information furnished by the Commissioner for Cooperation and Registrar of Co-operative Societies revealed that of the 23,092 Societies with an aggregate Government investment of ₹ 187.81 crore (equity: ₹ 72.06 crore and loan: ₹ 115.75 crore), 13,425 Societies had incurred accumulated losses of ₹ 2,713.49 crore (31 March 2019) against initial investments (₹ 36.66 crore) made in these Societies. Further, 463 Societies were under liquidation where the Government had already invested ₹ 89.61 crore as of March 2019.

1.9.3 Departmental Commercial Undertakings

Activities of quasi-commercial nature are also performed by Departmental undertakings of certain Government Departments. The State Government has 49 Departmental Commercial Undertakings (DCUs). The position of Department-wise investments by the Government up to the year for which *proforma* accounts have been finalised, net profit/loss as well as return on capital invested in these undertakings are shown in **Appendix 1.9**. It was observed that:-

- The State Government had invested ₹ 2,990.71 crore in the undertakings of three¹⁷ Departments during the financial year up to which their accounts were finalised (**Appendix 3.3**).
- Of the three Departments having 49 units, no unit could earn net profit which had finalised their accounts during 2018-19.
- Of the loss-making DCUs, 29¹⁸ DCUs had been incurring losses continuously since the last five years.

¹⁶ Development Corporation of Vidharbha Ltd. (₹ 7.63 crore); Maharashtra State Handlooms Corporations Ltd. (₹ 47.18 crore); Maharashtra Electronics Corporation Ltd. (₹ 368.38 crore); Maharashtra State Road Development Corporation Ltd. (₹ 247.71 crore); Maharashtra State Powerloom Corporation Ltd. (₹ 2.81 crore); Maharashtra State Textile Corporation Ltd. (₹ 844.09 crore); Maharashtra State Finance Corporation (₹ 625.26 crore); Development Corporation of Konkan Ltd. (₹ 6.05 crore); Maharashtra State Farming Corporation Ltd. (₹ 191.98 crore); Marathwada Development Corporation Ltd. (₹ 1.30 crore); Maharashtra Land Development Corporation Ltd. (₹ 16.01 crore); and Maharashtra Power Development Corporation Ltd. (₹ 1,013.03 crore)

¹⁷ Agriculture, Animal Husbandry, Dairy Development and Fisheries; Food, Civil Supplies and Consumer Protection; and Revenue and Forest

¹⁸ Greater Mumbai Milk Scheme, Worli; Mother Dairy, Kurla; Dairy Project, Dapchhari; Government Milk Schemes in Ahmednagar, Akola, Amravati, Aurangabad, Beed, Bhoom, Chalisgaon, Chandrapur, Chiplun, Dhule, Gondia, Kankavali, Khopoli, Mahabaleshwar, Miraj, Nanded, Nandura, Nashik, Parbhani, Pune, Satara, Solapur, Udgir, Wani, Wardha and Yavatmal

As per 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.

Recommendation:

The State Government should review the working of Statutory Corporations, Rural Banks, Joint Stock Companies, Co-operatives and Departmental Commercial Undertakings incurring losses and take appropriate steps for their closure/revival.

1.9.4 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 advances to many institutions/organizations. **Table 1.40** presents the outstanding loans and advances as on 31 March 2019, interest receipts *vis-à-vis* interest payments during the last three years.

Table 1.40: Average interest received on loans advanced by the State Government

(₹ in crore)			
Quantum of loans/interest receipts/cost of borrowings	2016-17	2017-18	2018-19
Opening Balance	22072	26603	25805
Amount advanced during the year	6277	980*	1545
Amount repaid during the year	1746*	1778	1604
Closing Balance	26603	25805	25746
<i>of which</i> Outstanding balance for which terms and conditions have been settled	NA	NA	NA
Net addition	4531	(-)798	(-)59
Interest Receipts	407	485	394
Interest receipts as <i>per cent</i> to outstanding loans and advances	1.7	1.9	1.5
Average Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government	7.6	8.0	7.83
Difference between interest receipts and interest payments (<i>per cent</i>)	(-) 5.9	(-) 6.1	(-) 6.3
NA: Not Available * higher rounding			
Source: Finance Accounts of respective years			

As can be seen from the **Table 1.40**, the total outstanding loans and advances as on 31 March 2019 was ₹ 25,746 crore. The amount of loans disbursed during the year increased from ₹ 980 crore in 2017-18 to ₹ 1,545 crore in 2018-19. Of the total amount of loans and advances disbursed during the year, ₹ 145 crore went to Economic Services and ₹ 823 crore to Social Services. Under the Social Services, the major portion of loans went to Government Companies (81 *per cent*) and Urban Development (14 *per cent*). However, interest received against these loans decreased from 1.9 *per cent* in 2017-18 to 1.5 *per cent* in 2018-19.

The detailed accounts of loans are maintained by the State Government Departments, who are required to confirm the loan balances to the Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai and also furnish complete information regarding recoveries in arrears. This has not been done. To that extent, the information contained in Finance Accounts 2018-19 in accordance with the Indian Government Accounting Standards (IGAS)-3 was incomplete.

Ujwal Discom Assurance Yojana – understatement of liability

As per the Ujwal Discom Assurance Yojana (UDAY), State Governments were to take over 75 per cent of the State owned power distribution companies debt as on 30 September 2015 in two years *i.e.* 50 per cent debt in 2015-16 and 25 per cent in 2016-17. The State Government decided (December 2016) to participate in UDAY. The total outstanding debt of the Maharashtra State Electricity Distribution Company Limited (MSEDCL, Discom) as on 30 September 2015 was ₹ 22,097 crore including medium-term and short-term loans of ₹ 6,613 crore.

During 2016-17, the State Government took over only 75 per cent of medium-term and short-term debts (₹ 6,613 crore) of the DISCOM by issuing Special Bonds for ₹ 4,959.75 crore and transferred the amount to the MSEDCL in February 2017 as loan. The amount raised by way of bonds was to be repaid by MSEDCL in five instalments of ₹ 991.75 crore in the first year (2016-17) and ₹ 992 crore in subsequent years (2017-18 to 2020-21). Towards the repayment of instalment of loan for 2018-19 by the MSEDCL, the Government released a grant of ₹ 992 crore to the DISCOM leaving a balance of ₹ 1,984 crore.

1.9.5 Outstanding balances under the head ‘Cheques and Bills’

This head is an intermediary accounting head for initial record of transactions which are to be cleared eventually. 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, minus credit is given to Major Head 8670-Cheques and Bills by crediting the Major Head-8675-Deposits with Reserve Bank of India 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.

The value of cheques issued by Government but not encashed till 31 March 2019 was ₹ 12,738.84 crore *i.e.* the balance under Major head 8670- Cheques and Bills as on 31 March 2019. Thus, the encashment of these cheques would have the effect of decreasing of the cash balance of ₹ 32,781 crore by ₹ 12,738.84 crore as on 31 March 2019. During 2018-19, the total value of lapsed cheques amounted to ₹ 7.85 crore¹⁹.

1.10 Assets and Liabilities

Details regarding Growth and composition of Assets and Liabilities, Fiscal Liabilities, Cash balances and Investment of cash balances, Transactions under Reserve Funds, Contingent liabilities and Analysis of Borrowings of the Government are given in sub paragraphs 1.10.1 to 1.10.5.

1.10.1 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. **Table 1.41** gives an abstract of such liabilities and the assets as on 31 March 2019, compared with the corresponding position on 31 March 2018. While the liabilities consist mainly of internal borrowings, loans and advances from the Government of India, receipts from the Public Account and Reserve

¹⁹ Pension payments: ₹ 0.45 crore; Refunds: ₹ 1.19 crore; Telephone, Electricity and Petrol charges: ₹ 1.41 crore; Grant-in-aid (non-salary): ₹ 0.50 crore; Civil Deposits: ₹ 2.02 crore; and Others: ₹ 2.28 crore

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 liability of the State means the liabilities under the Consolidated Fund of the State and the Public Account of the State. The growth rate of components of assets and liabilities are summarised in the **Table 1.41**.

Table 1.41: Summarised position of Assets and Liabilities

(₹ in crore)

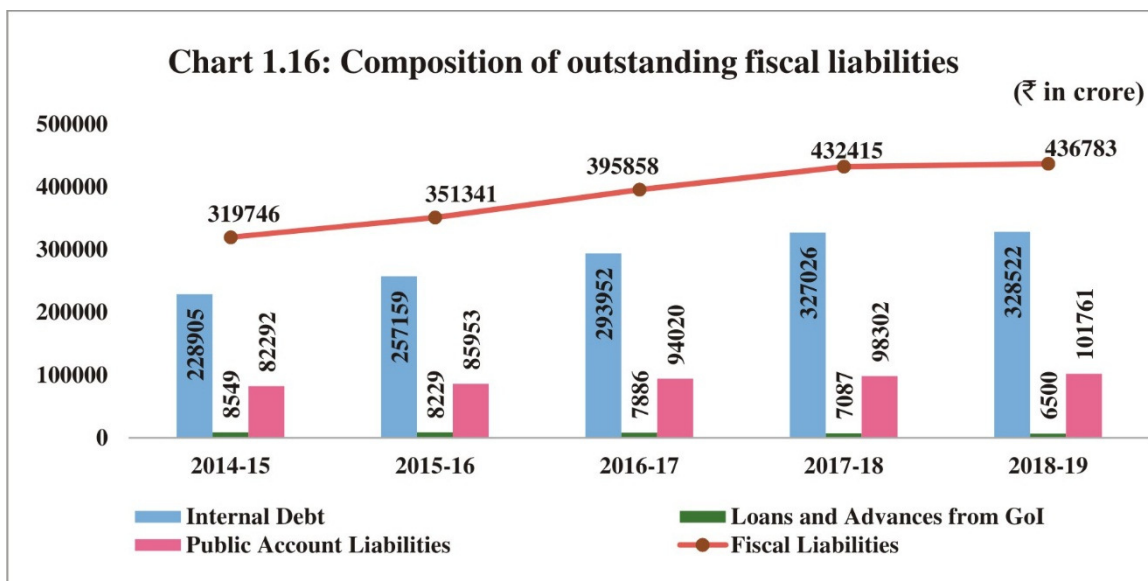
Liabilities				Assets			
	2017-18	2018-19	Per cent increase/decrease		2017-18	2018-19	Per cent increase/decrease
Consolidated Fund	334112.82[§]	335021.53	0.3	Consolidated Fund	313872.16	348862.10	11.2
a Internal Debt	327025.89	328521.95	0.5	a Gross Capital Outlay	288067.49	323116.54 [#]	12.2
b Loans and Advances from GoI	7086.93 [§]	6499.58	(-) 8.5	b Loans and Advances	25804.67	25745.56	(-)0.2
Contingency Fund	150.00	2150					
Public Account	146390.75	147298.22	0.6	Public Account	12.67	13.06	3.1
a Small Savings Provident Funds etc.	25191.95	25683.71	2.0	Advances	12.67	13.06 [#]	3.1
b Deposits	63666.57	67989.50	6.8	Cash balance	54497.01	32781.13	(-)39.8
c Reserve Funds	43439.46	42866.84	(-)1.3	Sinking Fund	33971.80	34488.13	1.5
d Remittances	1083.19	1240.28*	14.5	Total Cash balance	88468.81	67269.26	(-)24
Suspense and Miscellaneous	13009.58	9517.89*	26.8	Deficit in Revenue Account	78833.65[§]	68859.05	(-)12.7
				Capital Receipts	(-)533.72	(-)533.72	0
Total	480653.57[§]	484469.75	0.8	Total	480653.57[§]	484469.75	0.8

[§] Figures revised in Finance Account 2018-19 due to proforma corrections * Higher rounding # Lower rounding
Source: Finance Accounts of respective years

During 2018-19, the assets and liabilities increased by 0.8 per cent over the previous year.

1.10.2 Fiscal Liabilities

The composition of fiscal liabilities during the current year *vis-à-vis* the previous years is presented in **Chart 1.16**.



(Source: Finance Accounts of respective years)

Table 1.42 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 comprising tax revenue and non-tax revenue of the State as also the buoyancy of fiscal liabilities with reference to these parameters.

Table 1.42: Fiscal Liabilities – basic parameters

	(₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
Fiscal Liabilities (₹ in crore)	319746	351341	395858	432415 [§]	436783
Rate of Growth (<i>per cent</i>)	8.8	9.9	12.7	9.2	1
Fiscal Liabilities as percentage to					
GSDP (<i>per cent</i>)	17.8	17.6	17.5	17.9*	16.4
Revenue Receipts (<i>per cent</i>)	193.3	189.9	193.4	177.5	156.6
Own Resources (<i>per cent</i>)	250.5	250.9	265.1	234.8	214.9
<i>Buoyancy of Fiscal Liabilities with reference to:</i>					
GSDP (ratio)	1.002	0.846	0.992	1.353*	0.097
Revenue Receipts (ratio)	0.846	0.832	1.198	0.484	0.069
Own Resources (ratio)	1.372	1.021	1.912	0.394	0.096
* Based on actual GSDP [§] <i>proforma</i> correction during 2018-19					
Source: Finance Accounts of respective years					

During 2018-19, the debt to GSDP ratio at 16.42 *per cent* was lower than the projections made in MTFPS (16.52 *per cent*) and FFC (23.88 *per cent*). Of the total Fiscal Liabilities, the share of Internal Debt was maximum (75 *per cent*), followed by Public Account Liabilities (24 *per cent*) and Loans from Government of India (one *per cent*).

The outstanding Fiscal liabilities of the State increased from ₹ 3,19,746 crore in 2014-15 to ₹ 4,36,783 crore at the end of 2018-19, at an average rate of eight *per cent*. However, compared to the previous year, the Fiscal liabilities grew only by one *per cent* mainly due to the drastic decrease in market borrowings from ₹ 45,000 crore in 2017-18 to ₹ 20,868.85 crore in 2018-19. This was made possible as the State utilised its surplus cash balance, details of which are given in **para 1.10.3**.

1.10.2.1 Increasing trend of balance under 8443-Civil Deposits

During 2014-15 to 2018-19, the closing balance at the end of the financial year under the Major Head 8443–Civil Deposits showed an increasing trend as indicated in **Table 1.43**.

Table 1.43: Balance under 8443-Civil Deposits

(₹ in crore)

Year	Opening balance 8443-Civil Deposits as on 01 April	Receipts	Disbursements	Closing balance of 8443-Civil Deposits as on 31 March	Net increase during the year	Closing balance of 8443-106-Personal Deposits as on 31 March in (percentage)
2014-15	15692.25	22714.76	21665.23	16741.78	1049.54	9726.09 (58)
2015-16	16741.78	26102.23	24579.51	18264.50	1522.72	11160.06 (61)
2016-17	18264.50	29071.87	25471.66	21864.71	3600.21	13334.52 (61)
2017-18	21864.71	27500.34	28287.43	21077.62	(-)787.09	12229.30 (58)
2018-19	21077.62	32065.94	31373.94	21769.62	692.00	10953.53 (50)

Source: Finance Accounts of respective years

It may be seen that under the Major Head 8443-Civil Deposits the balance in 106 – Personal Deposits constituted nearly 58 *per cent* of the balances during 2014-15 to 2018-19. Further, if funds are transferred to the Personal Deposit Accounts from the Consolidated Fund of the State, the balances at the close of the financial year should be transferred back to the Consolidated Fund. The Finance Accounts 2018-19 however, revealed that the quantum of funds which need to be transferred back to the Consolidated Fund at the end of the financial year was not ascertainable in the absence of effecting such transfer through ‘Nil Bill’ procedure. As a result, the actual liabilities under the Major Head 8443–Civil Deposits were also not ascertainable. The State Government should ensure that the codal provision is adhered to so that the funds so transferred at the fag end of the year could be ascertained.

1.10.2.2 Unreconciled differences between closing balances in the accounts and subsidiary records

As per the Finance Accounts 2018-19, there was an unreconciled balance of ₹ 891.01 crore under Civil Deposits and Other Civil Deposits pertaining to the period up to 2018-19. Of the above, ‘8782-Cash Remittance & Adjustments between Officers rendering Accounts – 103 Forest Remittance’ was the major item pertaining to 2018-19 that remained unreconciled (₹ 587.95 crore) as of March 2019.

1.10.3 Cash balances and Investment of Cash Balances

Table 1.44 and Chart 1.17 depict the cash balances and investments made by the State Government out of cash balances during the year.

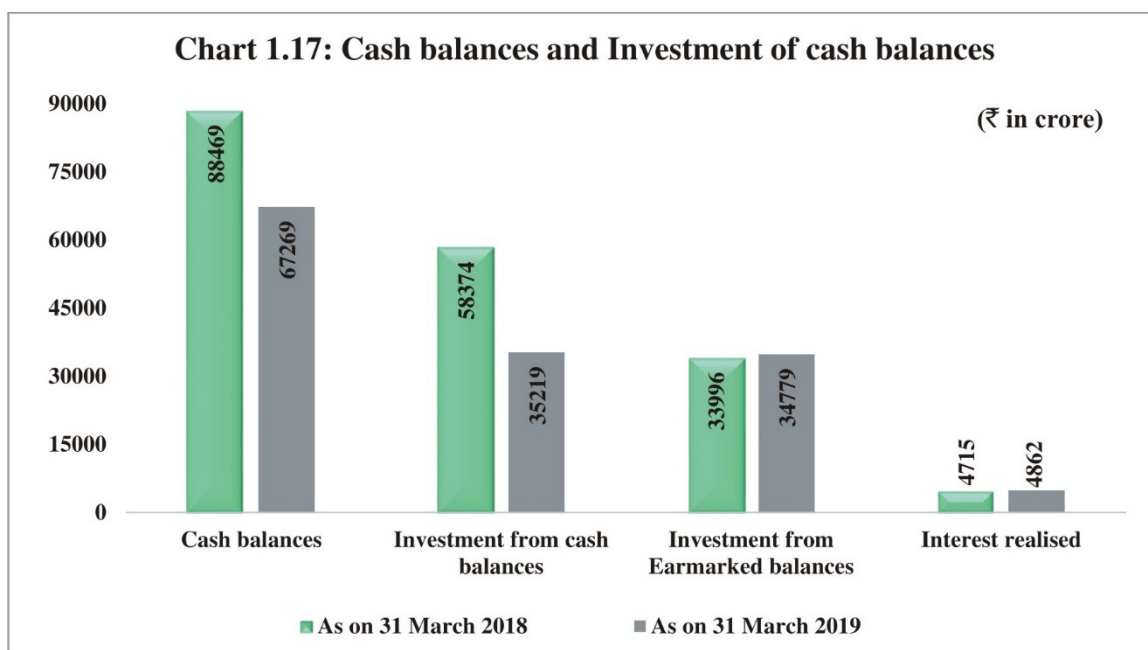
Table 1.44: Cash balances and investment of cash balances

(₹ in crore)

Particulars	As on 31 March 2018	As on 31 March 2019	Increase (+)/ Decrease(-)
Cash in treasuries	0.04	0.04	0.00
Deposits with Reserve Bank of India	(-)3962.41	(-)3020.51	941.90
Remittances in transit-Local	54.33	54.32	(-)0.01
Cash with the Departmental officers	6.69	236.95	230.26
Permanent advance for contingent expenditure with Departmental officers	0.67	0.69	0.02

Particulars	As on 31 March 2018	As on 31 March 2019	Increase (+)/ Decrease(-)
Investments from cash balances (a to d)	58373.60	35218.99	(-)23154.61
a. GoI Treasury Bills	58372.91	35218.30	(-)23154.61
b. GoI Securities	0.00	0.00	0.00
c. Other Securities, if any specify	0.00	0.00	0.00
d. Other Investments	0.69	0.69	0.00
Fund-wise break-up of investment from Earmarked balances (a to f)	33995.89	34778.78	782.89
a. General and other Reserve Funds	9.59	9.58	(-)0.01
b. Sinking Fund	33971.80	34488.13	516.33
c. Fund for Development of Milk supply	1.00	1.00	0.00
d. Other Development and Welfare Funds	13.42	13.42	0.00
e. Miscellaneous Deposits	0.08	0.08	0.00
f. Guarantee Redemption Fund	0.00	266.57	266.57
Total Cash Balances	88468.81	67269.26	(-)21199.55
<i>Interest Realised</i>	<i>4715.07</i>	<i>4862.01^s</i>	<i>146.94</i>

^s Interest of ₹ 1829.82 crore realised during 2018-19 on Sinking Fund Investment (reinvested along with regular investment) hence not included under MH 0049 plus Interest on Cash Investment ₹ 3032.19 crore
Source: Finance Accounts of respective years



(Source: Finance Accounts of respective years)

The State Government's cash balances of ₹ 67,269 crore at the end of the current year showed a decrease of 24 per cent (₹ 21,200 crore) over the previous year. Of the above, ₹ 35,218 crore was invested in Government of India Treasury Bills which earned an interest of ₹ 3,032 crore during the year. Further, ₹ 34,488 crore was invested in Sinking Fund meant for Appropriation for reduction or avoidance of debt, which earned an interest of ₹ 1,830 crore. No Ways and means advances were taken during the current year as shown in the notes below **Table 1.2**.

Further there was also an outstanding balance under 'Cheques and bills' amounting to ₹ 12,739 crore. Hence the resultant effective cash balance of the State Government as on 31 March 2019 was ₹ 20,042 crore which is seven *per cent* of the total expenditure of the State Government (₹ 3,03,616 crore) during the year.

Consolidated Sinking Fund

In terms of the recommendations of the Tenth Finance Commission, the State Government created (1999-2000), a Consolidated Sinking Fund to be administered by the Reserve Bank of India for the amortization of all loans. As per the constitution of Consolidated Sinking Fund of Maharashtra, the State Government is to contribute one to three *per cent* of the outstanding open market loans as at the end of the previous year to the fund. In terms of the revised guidelines (May 2006) of the Reserve Bank of India, States are required to contribute to the Fund a minimum of 0.5 *per cent* of their outstanding liabilities (Public Debt *plus* Public Account liabilities) as at the end of the previous year.

During 2018-19, the State Government transferred ₹ 3,800 crore to the Consolidated Sinking Fund from the Revenue Account which works out to 1.5 *per cent* of total outstanding (Open Market Loans) of ₹ 2,53,340 crore and to 0.88 *per cent* of outstanding liability of ₹ 4,32,415 crore (Public Debt *plus* Public Account liabilities) as on 31 March 2018. There was no expenditure from the fund during the year. The balance in the Consolidated Sinking Fund as on 31 March 2019 was ₹ 34,488 crore, which has been invested.

1.10.4 Transactions under Reserve Funds

Reserves and Reserve Funds are created for specific and well-defined purposes in the accounts of the State Government (Public Account). These funds are created by contributions or grants from the Consolidated Fund of State or from outside agencies. The funds are further divided into two parts (i) Reserve Funds bearing interest and (ii) Reserve Funds not bearing interest. The funds are created by the sums transferred by debiting the concerned expenditure head of the Consolidated Fund of the State. Thereafter, the total expenditure incurred during the year is to be reimbursed from the concerned Reserve Fund.

In Maharashtra, there were 20 reserve funds earmarked for specific purposes of which, 11 funds were active and nine were inactive. The total accumulated balance as on 31 March 2019 in these funds was ₹ 42,866.84 crore (₹ 42,837.83 crore in active funds and ₹ 29.01 crore in inoperative funds). However, the investment out of this balance was only ₹ 34,778 crore (81 *per cent*). An account of these funds is included in Statement No. 22 of Finance Accounts 2018-19.

Recommendation:

State Government may take effective steps to review the inoperative Reserve Funds and necessary action to close these inoperative Reserve Funds.

1.10.5 Contingent Liabilities

Status of Guarantees

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 Government and the outstanding

guarantees during the last three years as given in the Statement No. 9 of the Finance Accounts 2018-19 are summarised in **Table 1.45**.

Table 1.45: Guarantees given by the Government of Maharashtra

Guarantees	₹ in crore)		
	2016-17	2017-18	2018-19
Maximum amount guaranteed	22802	37287	38378
Outstanding amount of guarantees	7306	26658	25135
Percentage of maximum amount guaranteed to total revenue receipts	11	15	14
Source: Finance Accounts of respective years			

Limits on guarantees to be given by the State Government have not been fixed by the State Legislature. The MFRBM Act, 2005 also does not prescribe any limits. During 2018-19, guarantees of ₹ 985 crore was given by the State Government to (a) Maharashtra State Co-operative Marketing Federation Limited, Mumbai (₹ 630 crore); (b) Vidarbha Co-operative Marketing Federation Limited, Nagpur (₹ 30 crore); (c) Mahatma Phule Backward Development Corporation Limited, Mumbai (₹ 135 crore); (d) Maharashtra State Handicapped Finance and Development Corporation Limited, Mumbai (₹ 70 crore); (e) Sant Rohidas Leather Industry and Leatherworker Development Corporation Limited, Mumbai (₹ 50 crore) and (f) Sahityaratn Lokshahir Annabhau Sathe Development Corporation Limited, Mumbai (₹ 70 crore). Outstanding guarantees (₹ 25,135 crore) during 2018-19 accounted for nine *per cent* of the revenue receipts (₹ 2,78,996 crore) and 0.94 *per cent* of the GSDP (₹ 26,60,318 crore).

The State Government charged guarantee fees for guarantees given to institutions and the same was booked under Major Head 0075- 'Miscellaneous General Services'. Receipts under guarantee fees decreased to ₹ 9.51 crore during 2018-19 from ₹ 36.80 crore during 2017-18. Against the total estimated guarantee fee receivable (₹ 1,625.32 crore), only ₹ 9.51 crore was received during the year.

During 2018-19, Guarantee of ₹ 174 crore (Co-operative Sugar Factory, Co-operative Spinning Mill and Agriculture Processing Co-operative Society) was invoked and discharged by the State Government. The State Government has yet to discharge invoked guarantee amounting to ₹ 20.26 crore of Maharashtra State Co-operative Housing Finance Corporation Ltd.

Guarantee Redemption Fund

In terms of the recommendation of the Twelfth Finance Commission, Government of Maharashtra (December 2018) created Guarantee Redemption Fund in 2018-19 to meet contingent liabilities arising from the Guarantees given by the State Government in respect of bonds issued and other borrowings by the State Level Undertakings or other bodies and invoked by the 'beneficiaries'. The Fund shall be administered by Central Accounts Section of the Reserve Bank of India and shall be kept outside the General Revenues of the Government. The accretions to the Fund shall be invested in the Government of India Securities, Treasury Bills, Special Securities of Government of India and State Development Loans of other States of such maturities as the Bank may determine from time to time in consultation with the Government of Maharashtra. As per the constitution of the Fund, the State Government is to contribute minimum one *per cent* of outstanding guarantees at the end of the previous year from 2018-19 initially. Thereafter 0.5 *per cent* of such outstanding amount shall be deposited in the fund every year to achieve the level of five *per cent* of total outstanding by 2027-28. During the year, the State Government has transferred ₹ 266.57 crore (one *per cent* of Total outstanding

Guarantees of ₹ 26,657.72 crore as on 31 March 2018) to the Fund and the entire fund amount has been invested by the Reserve Bank of India during the year.

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 2018-19. However, at the close of 2018-19, ₹ 50.50 crore was outstanding on account of off-budget borrowings made prior to 2005-06.

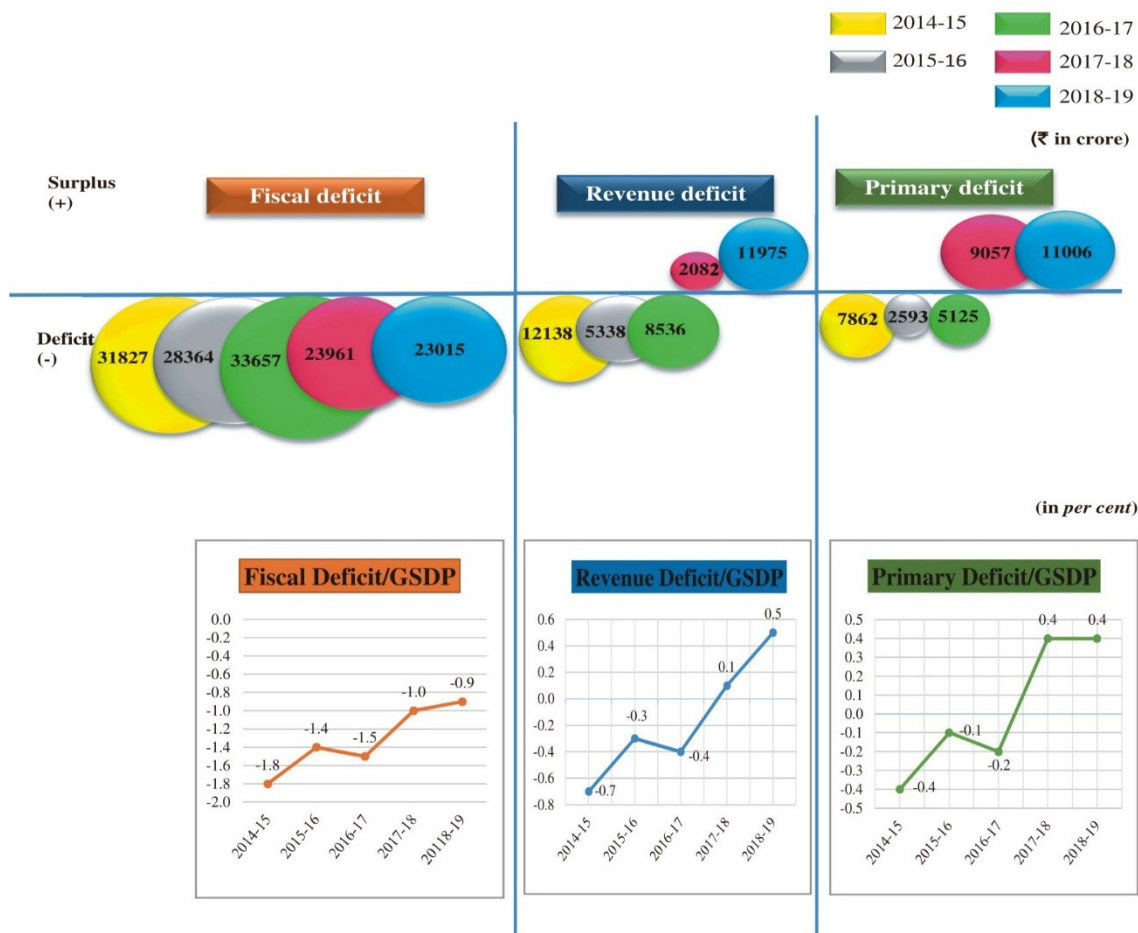
1.11 Fiscal Imbalances

Three key fiscal parameters viz., 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 and 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 2018-19.

1.11.1 Trends in Deficits

Chart 1.18 presents the trends in deficit indicators over the period 2014-19.

Chart 1.18: Trends in deficit indicators



(Source: Finance Accounts of respective years)

As per the MFRBM Rules (Second Amendment), 2011, the revenue deficit was to be brought down to 'zero' by 2011-12 and Revenue Surplus was to be generated thereafter.

Table 1.46 indicates the ratios of Revenue Deficit/ Surplus and Fiscal Deficit to Revenue Receipts and their trends.

Table 1.46: Ratio of Revenue Deficit/Surplus and Fiscal Deficit to Revenue Receipts

Year	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue Deficit (-)/Surplus / Revenue Receipts	(-)7.34	(-)2.89	(-)4.17	0.85	4.29
Fiscal Deficit(-)/ Revenue Receipts	(-)19.24	(-)15.33	(-)16.44	(-)9.83	(-)8.25

Source: Finance Accounts of respective years

Revenue surplus/deficit

The Revenue Deficit (₹ 12,138 crore) during 2014-15 decreased to ₹ 5,338 crore in 2015-16 and increased to ₹ 8,536 crore in 2016-17. Revenue Deficit turned to surplus at ₹ 2,082 crore in 2017-18 and further increased to ₹ 11,975 crore in 2018-19. The ratio of Revenue Surplus to Revenue Receipt has increased from 0.85 *per cent* in 2017-18 to 4.29 *per cent* in 2018-19 due to increase in receipts.

Fiscal deficit

The Fiscal Deficit of ₹ 23,961 crore during 2017-18 decreased to ₹ 23,015 crore in 2018-19. The Fiscal Deficit to Revenue Receipts ratio has also improved from (-) 19.24 *per cent* in 2014-15 to (-) 8.25 *per cent* in 2018-19.

Primary Surplus/Deficit

Primary Deficit²⁰ during 2014-15 (₹ 7,862 crore), 2015-16 (₹ 2,593 crore) and 2016-17 (₹ 5,125 crore) turned into Primary Surplus of ₹ 9,057 crore in 2017-18 and ₹ 11,006 crore in 2018-19 due to Revenue Surplus and decrease in Fiscal Deficit.

During 2018-19, there were transactions outside the Consolidated Fund, budgeting and booking under incorrect heads, non-provision of interest on reserve funds and deposit accounts *etc.* As a result, the Revenue Surplus was overstated by ₹ 1,432.84 crore.

Control over expenditure coupled with spurt in revenue resulted in Revenue Surplus of ₹ 11,975 crore.

1.11.2 Debt Profile

Fiscal Deficit of the State as a proportion of GSDP has declined during the last five years, from 1.78 *per cent* in 2014-15 to 0.87 *per cent* in 2018-19. The State registered Revenue Surplus as well as Primary Surplus during 2017-18 and 2018-19.

There are various approaches at assessing the debt sustainability, one such approach is Domar model²¹.

An analysis on debt sustainability was carried out using this approach. The details are as follows:

²⁰ see Glossary at page 132

²¹ E.D. Domar, 1914-1997

g-r (g: real economic growth rate; r: real interest rate) called Domar gap	s <0 (Primary Deficit)	s >0 (Primary Surplus)
g-r>0 (strong economic growth)	Public Debt as percentage of GSDP should converge to a stable level greater than zero	Public Debt as percentage of GSDP should converge to a stable level less than zero leading to public savings
g-r<0 (slow economic growth)	Public Debt as percentage of GSDP should increase indefinitely, without converging to a stable level	undefined situation

The results of applying the analysis to Maharashtra is shown in the table below:

Year	Real Growth (g)	Real Interest (r)	g-r (Domar gap)	Primary Deficit (-)/ Surplus (s) (₹ in crore)	Remarks
2014-15	5.7	1.8	3.9	(-)7,862	As g-r >0 and s<0; Public Debt as percentage of GSDP should converge to a stable level
2015-16	8.9	3.2	5.7	(-)2,593	
2016-17	10.0	3.1	6.9	(-)5,125	
2017-18	6.4	4.2	2.2	9,057	g-r>0 and s>0: Public Debt as percentage of GSDP should converge to a stable level less than zero leading to Public savings
2018-19	7.5	4.7	2.8	11,006	
Real Growth rate calculated for GSDP at constant rate Real Interest rate calculated as interest rate minus inflation Source: Economic Survey of Maharashtra for respective years (GSDP and rate of inflation)					

Further, Debt to GSDP ratio stood at 16.42 *per cent* and the Fiscal Deficit to GSDP ratio at 0.87 *per cent* in 2018-19. The corresponding Fourteenth Finance Commission (FFC) Fiscal target of Debt limit was 23.88 *per cent*, and Fiscal Deficit ceiling was 3.25 *per cent* of GSDP. The capital expenditure of the State has hovered between 10 and 12 *per cent* during 2014-19.

In the initial three years of the subject period i.e. 2014-15 to 2016-17, there is a primary deficit which later got converted to a primary surplus in the years 2017-18 and 2018-19. However, it is seen that the g-r (Domar gap) is positive during the entire period 2014-15 to 2018-19. Therefore, as per the Domar model, the public debt is stated to be stable. It is, however, noteworthy that the g-r (Domar gap) has not been registering a stable or steadily rising trend. Moreover, other factors such as public account liabilities and force majeure events²²and/or any other un-inventoried losses of revenue also have to be reckoned in assessing the debt sustainability/stability of the State²³.

1.11.3 Composition of Fiscal Deficit and its financing pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in the **Table 1.47**.

²² Like current Coronavirus crisis & its effect on GSDP

²³ As these cannot be anticipated or determined statistically, they have not been factored in the analysis

Table 1.47: Components of Fiscal Deficit and its financing pattern

		(₹ in crore)				
Particulars		2014-15	2015-16	2016-17	2017-18	2018-19
Composition of Fiscal Deficit(-)/ Surplus (+) (1+2+3) (a)		(-31827)	(-28364)	(-33657[@])	(-23961)	(-23015)
		(-1.8)	(-1.4)	(-1.5)	(-1.0)	(-0.9)
1	Revenue Deficit(-)/ Surplus (+)	(-12138)	(-5338)	(-8536)	2082	11975
		(-0.7)	(-0.3)	(-0.4)	(0.08)	(0.5)
2	Net Capital Outlay	(-19524)	(-22776)	(-25549)	(-26842)	(-35049)
		(-1.1)	(-1.1)	(-1.1)	(-1.1)	(-1.3)
3	Net Loans and Advances	(-165)	(-250)	428 [‡]	799 [‡]	59 [‡]
		-	-	-	-	-
Financing Pattern of Fiscal Deficit[#] (b)						
1	Market Borrowings	22263	28938	40349 [§]	36477	3106
		(1.2)	(1.5)	(1.8)	(1.5)	(0.1)
2	Loans from GoI	(-344)	(-321)	(-343)	(-781)	(-587)
		-	-	-	-	-
3	Special Securities Issued to National Small Savings Fund	(-805)	(-286)	(-5078)	(-5176)	(-5309)
		-	-	(-0.2)	(-0.2)	(-0.2)
4	Loans from Financial Institutions and other Loans	(-568)	(-397)	1521	1774	3699
		-	-	(0.1)	(0.1)	(0.1)
5	Small Savings PF etc.	1259	1208	1124	547	492
		(0.1)	(0.1)	(0.1)	-	(0.0)
6	Deposits and Advances	4411	2773	6841	3930	4323
		(0.2)	(0.1)	(0.3)	(0.2)	(0.2)
7	Suspense and Miscellaneous	5222	(-876)	2773	164	(-3492)
		(0.3)	-	(0.1)	-	(-0.1)
8	Remittances	(-14)	(-236)	(-656)	822	157
		-	-	-	-	-
9	Reserve Funds	3158	3465	5283	5924	(-573)
		(0.2)	(0.2)	(0.2)	(0.2)	(0.0)
10	Contingency Fund	2010	(-2000)	-	-	2000.00
		(0.1)	(-0.1)	-	-	(0.1)
11	Appropriation to/ from Contingency fund	(-2000)	2000	-	-	(-2000.00)
		(-0.1)	(0.1)	-	-	(-0.1)
12	Total (1 to 11) (b)	34592	34268	51814	43681	1816
13	Increase(-)/ Decrease (+) in Cash Balance (a) – (b)	2765	(-5904)	(-13197)	(-19720)	21199
		(0.2)	(-0.3)	(-0.6)	(-0.8)	(0.8)
14	Overall deficit (12+13)	31827	28364	38616 [§]	23961	23015
		(1.8)	(1.4)	(1.7)	(1.0)	(0.9)

Figures in parenthesis indicate the *per cent* to GSDP
[#]All figures are net of disbursements/outflows during the year;
[@]Net of Ujwal DISCOM Assurance Yojana eligible for exclusion from Fiscal deficit as per GoI's order;
[‡]Included receipts of ₹ 991.75 crore on account of repayment of loan;
[§] Includes expenditure of ₹ 4,959.75 crore incurred on account of taking over of 75 *per cent* of Medium and Short term debts of DISCOMs under Ujwal DISCOM Assurance Yojana
Source: Finance Accounts of respective years

During 2018-19, the fiscal deficit decreased by ₹ 946 crore over the previous year due to increased revenue receipts (₹ 35,342 crore). The net capital expenditure as a percentage of fiscal deficit increased from 112 *per cent* in 2017-18 to 152 *per cent* in 2018-19.

The Fiscal Deficit as a percentage of GSDP decreased from 0.99 in 2017-18 to 0.87 in 2018-19, which was well below the target of three *per cent* as prescribed by FFC and MTFPS.

1.11.4 Quality of Deficit/Surplus

The ratio of revenue deficit to fiscal deficit and the bifurcation of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the State's finances. The ratio of Revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption.

Non-debt receipts of the State were sufficient to meet the primary expenditure requirements in the revenue account. But these were not sufficient to meet the expenditure requirements under capital account, resulting in primary deficit during 2014-17. The details are indicated in **Table 1.48**.

Table 1.48: Bifurcation of Primary Deficit/Surplus

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Outlay	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)
2014-15	166390	153588	19523	1141	174252	12802	(-)7862
2015-16	185918	164603	22793	1115	188511	21315	(-) 2593
2016-17	206439	184697	25549	1318 [§]	211564	21742	(-) 5125
2017-18	245432	208553	26842	979	236374	36879	9058*
2018-19	280601	233000	35049	1545	269594	47601	11006 [#]

[§]excludes ₹ 4,959.75 crore given under Ujwal DISCOM Assurance Yojana
Source: Finance Accounts of respective years * Higher rounding # Lower rounding

The capital outlay as a percentage to primary expenditure²⁴ increased from 11 per cent during 2014-15 to 13 per cent during 2018-19.

Non-debt receipts were sufficient to meet the expenditure requirements both under revenue and capital account, resulting in Primary Surplus of ₹ 9,058 crore in 2017-18 and ₹11,006 crore in 2018-19.

1.12 Debt Management

Debt Maturity Profile

The Maturity Profile of the Internal Debt (amounts payable in respect of each category of loans in different years) as on 31 March 2019 is depicted in **Table 1.49**.

Table 1.49: Maturity profile of Internal Debt

Debt maturity	Maturity Profile	Internal Debt (₹ in crore)	per cent
During 2019-20	0-1 year	20880.71	6.4
Between 2020-21 & 2021-22	Over 1 year to 2 years	57949.67	17.6
Between 2022-23 & 2023-24	Over 2 years to 5 years	56958.77	17.3
Between 2024-25 & 2025-26	Over 5 years to 7 years	67840.20	20.7
2026-27 onwards	Over 7 years and above	124892.60	38.0
Total		328521.95	100

Source: Finance Accounts 2018-19

²⁴ 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

The maturity profile of the internal debt indicates that the liability of the State to repay the debt during the periods 2019-20, 2020-22 and 2022-24 would be ₹ 20,881 crore, ₹ 57,950 crore and ₹ 56,959 crore respectively.

Debt Sustainability

Debt sustainability implies State's ability to service the debt in future. Apart from the magnitude of debt of the State Government, it is important to analyse various indicators that determine the debt sustainability of the State. Analysis of various debt sustainability indicators for the period from 2014-15 to 2018-19 is given in **Table 1.50**.

Table 1.50: Debt Sustainability: Indicators and trends

	(₹ in crore)				
Indicators of debt sustainability	2014-15	2015-16	2016-17	2017-18	2018-19
Interest Payment	23965	25771	28532	33018	34021
Burden of interest payment in <i>per cent</i> (IP/RR)	14.5	14.0	13.9	13.6	12.2
Debt repayment	50998	52319	55602	63936	75138
Debt receipts	76939	83914	100118	100511	79506
Debt redemption/Debt Receipt	0.97	0.93	0.84	0.96	1.37
Net availability of borrowed funds	1976	5824	15984	3557	(-)-29653
Source: Finance Accounts of respective years					

Net availability of borrowed funds

Net availability of borrowed funds is the difference between debt redemption (principal and interest payments) and total debt receipts, indicating the extent to which the debt receipts were used for redemption of old debts. During 2018-19 as debt redemption (₹ 1,09,159 crore) was more than debt receipts (₹ 79,506 crore) which indicated that borrowed funds were not available for current operations. This was primarily due to reduction in debt receipts by ₹ 21,005 crore during 2018-19. The State Government was able to pay-off major portion of the interest component from its revenue receipts and did not resort to borrowing to that extent.

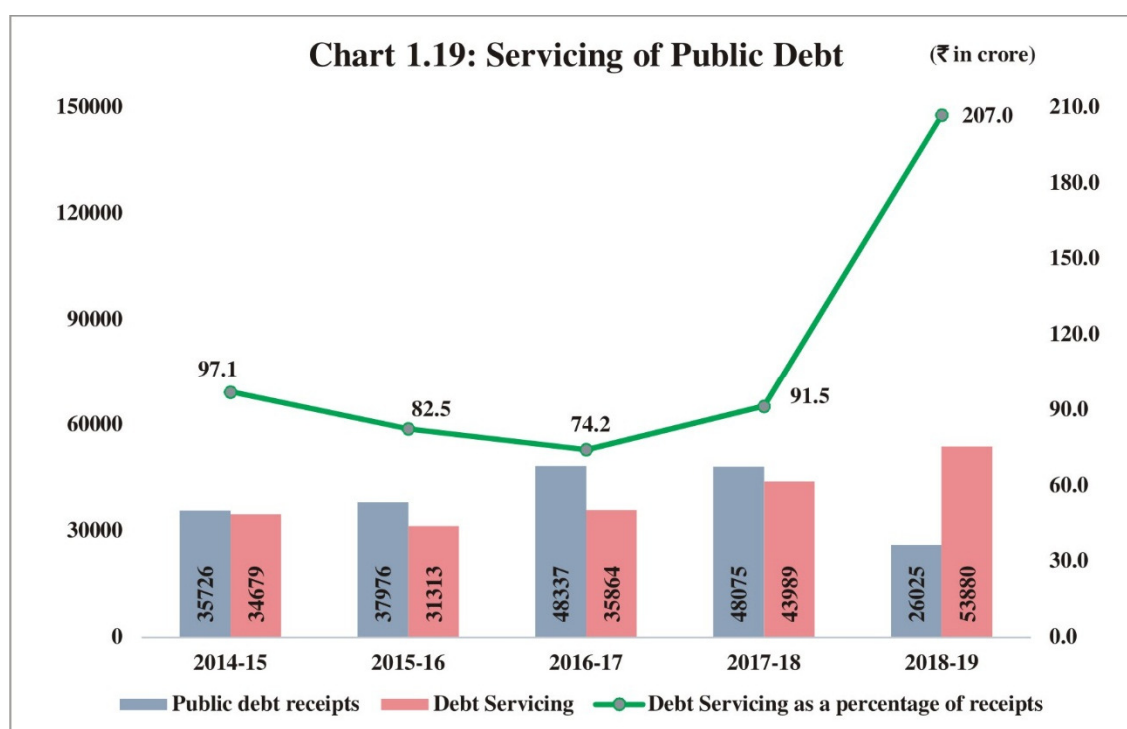
The ratio of interest payment to revenue receipts is one of the indicators that determines the debt sustainability of the State. This percentage ranged between 12 *per cent* and 14 *per cent* during 2014-19, and was lowest (12.2 *per cent*) during 2018-19 and within the fiscal indicator prescribed by FFC.

Servicing of Public Debt

The interest payment and repayment of principal on public debt for the period from 2014-15 to 2018-19 is given in **Table 1.51**.

Table 1.51: Servicing of Public Debt

Period	Public Debt									Debt servicing			As a percentage of Public Debt receipts
	Public Debt Receipts			Repayment of Principal			Interest payment			(Repayment of principal + interest payment)			
	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	
2014-15	35184	542	35726	14294	886	15180	18970	529	19499	33264	1415	34679	97.1
2015-16	37392	584	37976	9138	905	10043	20780	490	21270	29918	1395	31313	82.5
2016-17	47710	627	48337	10917	970	11887	23508	469	23977	34425	1439	35864	74.2
2017-18	47907 [#]	168	48075	14834	949	15783	27773 [#]	433	28206	42607	1382	43989	91.5
2018-19	25686	339	26025	24190	926	25116	28348	416	28764	52539	1342	53880	207.03
Total			196139									199725	

 Source: Finance Accounts of respective years [#]Lower rounding


(Source: Finance Accounts of respective years)

It can be seen from **Table 1.51** and **Chart 1.19** that during 2014-18 average expenditure on debt servicing was ₹ 36,461 crore (86 per cent) of average public debt receipts implying that a larger percentage of debt was being used for debt servicing. Average public debt receipts were ₹ 42,529 crore during the same period. This indicated that a very insignificant portion of the debt was available for meeting developmental expenditure to promote growth. During 2018-19, debt servicing constituted 207 per cent of the debt receipts, increase in public account balances provide the other source to meet the deficit.

1.13 Follow Up on Audit Reports

The State Finance Report is being presented to the State Legislature from 2008-09 onwards. The State Public Accounts Committee discussed Chapter I (May 2019) of the State Finance Report 2016-17 and gave 37 recommendations (PAC Report no.68). The Action Taken Notes on the recommendations are yet to be received.

CHAPTER - II

**FINANCIAL MANAGEMENT AND
BUDGETARY CONTROL**

Chapter II

Financial Management and Budgetary Control

2.1 Introduction

2.1.1 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.

2.1.2 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 the Controlling Officers on the advice of the Heads of Departments and submitted to the FD by prescribed dates. The FD scrutinises 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. 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.*

The findings in the preparation of the Budget, management of expenditure noticed in audit have been discussed in the subsequent paragraphs.

2.2 Summary of Appropriation Accounts

The summarized position of actual expenditure during 2018-19 against 296 grants/appropriations is given in **Table 2.1**.

Table 2.1: Summarized position of actual expenditure *vis-à-vis* original / supplementary provisions
(₹ in crore)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Voted	I Revenue	269115.06	25169.13	294284.19	235447.95	(-58836.24)	58972.48	58323.60	98.90
	II Capital	38953.61	9884.76	48838.37	38176.12	(-10662.25)	10822.71	10155.38	93.83
	III Loans and Advances	1178.64	641.44	1820.08	1545.26	(-274.82)	312.92	241.91	77.31
Total Voted		309247.31	35695.33	344942.64	275169.33	(-69773.31)	70108.11	68720.89	98.02
Charged	IV Revenue	39489.47	343.53	39833.00	39095.35	(-737.65)	513.26	400.45	78.02
	V Capital	8.15	18.08	26.23	25.85	(-0.38)	0.36	0.36	100
	VI Public Debt - Repayment	28461.51	0.00	28461.51	25116.50	(-3345.01)	3328.67	3303.76	99.25
Total Charged		67959.13	361.61	68320.74	64237.70	(-4083.04)	3842.29	3704.57	96.42
Appropriation to Contingency fund		3528.00	-	3528.00	3528.00	-	-	-	-
Grand Total		380734.44	36056.94	416791.38	342935.03	(-73856.35)	73950.40	72425.46	97.94

Source: Appropriation Accounts 2018-19 Note: The expenditure excludes the recovery adjusted as reduction of expenditure under revenue expenditure ₹ 7,521.63 crore and capital expenditure ₹ 3,152.99 crore as detailed in Appendix II of Appropriation Accounts

2.2.1 Table 2.1 indicates that Administrative Departments obtained Supplementary provisions amounting to ₹ 36,056.94 crore during the year which constituted nine per cent of the original provision as against 21 per cent in the previous year (2017-18). As may be seen from **Appendix 2.1**, in 61 grants and two appropriations, against the original provision of ₹ 2,34,836.14 crore, expenditure of ₹ 1,87,285.49 crore only was incurred and hence supplementary funds of ₹ 13,047.19 crore were not required. This also indicated that seeking supplementary provisions was avoidable since the expenditure had not reached the level of the original budgetary provision.

2.2.2 The overall savings of ₹ 73,856.35 crore was the result of savings of ₹ 74,802.51 crore in 144 grants and 60 appropriations under the Revenue Section and 105 grants and nine appropriations under the Capital Section, offset by an excess of ₹ 946.16 crore in six grants and three appropriations. Though the Departments surrendered 99 per cent of the savings, ₹ 72,425.46 crore (98 per cent) of the savings was surrendered only on the last two days of the financial year.

2.2.3 The savings and excesses were intimated by the offices of the Accountant General (Accounts & Entitlement) I and II 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 2019, requesting the Controlling Officers to explain the reasons for the significant variations, but no explanation was received (October 2019).

2.3 Financial Accountability and Budget Management

2.3.1 Excess expenditure during 2015-18 pending regularisation

As per Article 205 of the Constitution of India, it is mandatory for the 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, the regularization of excess expenditure is done after completion of discussion of Appropriation Accounts by the Public Accounts Committee. Excess expenditure amounting to ₹ 779.66 crore for the year 2015-16 to 2017-18 in respect of 73 grants and 15 appropriations was pending for regularization as on March 2019 as detailed in **Appendix 2.2**.

2.3.1.1 Excess over provision during 2018-19 requiring regularisation

The excess expenditure over the budget provision during 2018-19 under six grants and three appropriations amounting to ₹ 946.16 crore is required to be regularised under Article 205 of the Constitution. The details are given in **Appendix 2.3**.

The excess expenditure over Budget provision increased from ₹ 47.15 crore in 2017-18 to ₹ 946.16 crore in 2018-19.

This is in violation of Article 205 of the Constitution.

Recommendation:

All the existing cases of excess expenditure need to be regularised at the earliest and in future such non-voted expenditure may be completely stopped, except in case(s) of dire and extreme emergency, which cannot be met from the Contingency Fund.

2.3.2 Persistent Excess

During the period from 2016-17 to 2018-19 persistent excess expenditure occurred under 21 sub-heads shown in **Appendix 2.4**. Though all of these may not have resulted in excess at Grant level and hence, may not require regularization, special emphasis needs to be given while monitoring the expenditure under these sub-heads.

Excess expenditure incurred over budgetary allocation indicates deficient budgetary and expenditure controls.

2.3.3 Unexplained re-appropriations

Paragraph 165 of the Budget Manual stipulates that the orders sanctioning re-appropriation of funds which involve some unique or special feature should briefly specify reasons for the additions to and deductions from the sub-heads affected by them. However, a scrutiny of re-appropriation orders issued by the Administrative Departments revealed that out of 2,130 items of re-appropriations made by them during 2018-19, the specific reasons for 110 items (5.16 per cent) were not furnished. This goes against the principle of transparency envisaged in Section 6 of the Maharashtra Fiscal Responsibility and Budgetary Management Act.

2.3.4 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 38 Grants as listed in **Appendix 2.5** it was noticed that expenditure in excess of ₹ 100 crore and consisting of 50 per cent or more of the total provision was incurred only in March 2019. Rush of expenditure at the end of the year shows poor expenditure control. Further, of the total expenditure of ₹ 57,398.74 crore, expenditure to the extent of ₹ 40,917.62 crore (71 per cent) was incurred during the last quarter.

2.3.5 Appropriation vis-à-vis allocative priorities

Audit of Appropriation Accounts revealed that out of total saving of ₹ 73,856.35 crore during 2018-19, in 68 cases amounting to ₹ 51,997.49 crore (70 per cent), savings exceeded ₹ 10 crore in each case and was 20 per cent or more of the total provision as shown in **Appendix 2.6**. The summarized position of savings is shown in **Table 2.2**.

Table 2.2: Summarised statement showing savings exceeding ₹ 10 crore and above

Sr. No.	Range of savings	Number of cases	Total grant (₹ in crore)	Savings (₹ in crore)	Percentage
1	Upto ₹ 20 crore	12	497.99	160.70	32.27
2	More than ₹ 20 crore and up to ₹ 100 crore	21	3082.59	1057.39	34.29
3	More than ₹ 100 crore and above	35	119001.03	50779.40	42.67
Total		68	122581.61	51997.49	42.42
Source: Appropriation Accounts 2018-19					

Further, against the total savings of ₹ 73,856.35 crore, savings of ₹ 72,581.65 crore (98.27 per cent) occurred in 62 grants/appropriations involving ₹ 100 crore and above in each case as detailed in **Appendix 2.7**.

The Department which registered major savings were School Education, Urban Development, Rural Development, Social Justice and Special Assistance, Tribal Development, Co-operation, Marketing and Textile Department and Water Supply and Sanitation Department.

Reasons furnished by the Departments for the major savings, as reported in the Appropriation Accounts are given in the succeeding paras.

School Education Department

Under Grant E-02 General Education, Major Head 2202, as against the budget provision of ₹ 19,385.42 crore for assistance to Zilla Parishad, an amount of ₹ 2,370.13 crore was

surrendered in March 2019 due to vacant posts and non-payment of 'Other Salary Grant' to Zilla Parishad owing to Government orders to release the grants after assessment and refund of unspent balance by the concerned Zilla Parishads.

Urban Development Department

Under Grant F-02 Urban Development and Other Advance Services, Major Head 2217 Urban Development, against a budget provision of ₹ 2,830 crore assigned as Grant-in-aid to Urban Local Bodies in accordance to the 14th Finance Commission (CSS) an amount of ₹ 625.63 crore was surrendered/re-appropriated due to non-receipt of functional grants from the Central Government.

Rural Development Department

Under Grant L-03 Rural Development Programmes, Major Head 2515 Assistance to Gram Panchayats and Major Head 2501 Integrated Rural Development programme, the entire budget provision of ₹ 378.91 crore assigned as Grant in aid to Gram Panchayat for various Development Schemes as per the recommendation of 14th Finance Commission was surrendered due to non-release of funds by the Central Government.

Similarly, under Grant L-03 Rural Development Programmes, Major Head 2515 Other Rural Development Programme, against the budget provision of ₹ 180 crore allotted for National Urban Mission (State and Central share) for development of cluster of villages an amount of ₹ 168.20 crore was surrendered/re-appropriated due to non-receipt of installment from the Central Government and due to non-receipt of the Utilisation Certificate for National Urban Mission Stage I and II from Village Group.

Social Justice and Special Assistance Department

Under Grant N-03 Welfare of Scheduled Caste, Scheduled Tribes and other Backward Classes and Minorities, Major Head 2235 Welfare of Aged, Infirm and Destitute and Special Component Plan for Scheduled Castes, as against a budget provision of ₹ 2,574.01 crore for Sanjay Gandhi Niradhar Anudan Yojana and Shravan Bal Seva Rajya Nivrti Vetan Yojana, an amount of ₹ 378.50 crore was surrendered/re-appropriated without assigning any reason.

Tribal Development Department

Under Grant T-05 Revenue Expenditure on Tribal Areas Development Sub-Plan, Major Head 2435 Other Agricultural Programmes, against a budget provision of ₹ 940 crore funds amounting to ₹ 922.23 crore was surrendered/reappropriated under Debt relief to farmers under Chhatrapati Shivaji Maharaj Shetkari Sanman Yojana 2017 due to non-receipt of proposal for funds from Administrative Department concerned.

Water Supply and Sanitation Department

Under Grant Y-02 Water Supply and Sanitation, Major Head 2215 Sewerage Services and Special Component Plan for Scheduled Castes, the surrender/re-appropriation of ₹ 1,973.73 crore was due to non-release of grants by GoI for the Centrally Sponsored Scheme-Swachh Bharat Mission.

2.3.6 Persistent savings

The persistent savings indicated that budgetary controls in the Departments were not effective and previous years trends were not taken into account while allocating the funds for the year.

On test check of Grant files, audit observed that there were savings of more than ₹ 100 crore consistently for the last five years in 22 cases (**Appendix 2.8**) indicating that either the provisions were in excess or the executive was not successful in implementing the legislative aspirations.

Savings in each financial year 2014-19 ranged between 52 per cent and 97 per cent of the total provision under Grant G-02 Other Fiscal and Miscellaneous Services. Similarly, savings under Grant O-03 Rural Employment ranged between 17.56 per cent and 76.99 per cent, Grant Q-03 Housing ranged between 51.29 per cent and 90.76 per cent and under Grant Y-02 Water Supply and Sanitation the savings ranged between 42 and 52 per cent of the total provision. The department did not assign specific reasons for savings during any of the years.

Grant A-09 Capital Outlay on Public works

For construction of the iconic Chhatrapati Shivaji Maharaj statue in the Arabian Sea, budget provisions were made under Grant A-09 Capital Outlay on Public works Major Head 4059 from 2015-16 onwards. However, during 2016-17 to 2018-19 more than 80 per cent of the budget provision was re-appropriated for various reasons as detailed in **Table 2.3**. Faulty planning and inaccurate estimation resulted in surrender/re-appropriation of funds during 2016-19.

Table 2.3: Persistent savings under Grant A-09

(₹ in crore)

Year	Total Budget Provision	Actual Expenditure	Re-appropriation	Reasons for Re-appropriation
2016-17	100	12.06	87.94	Non-finalization of tender procedure and non-formation of temporary office owing to court case
2017-18	150	0	150	Non-finalization of tender process
2018-19	300	0.95	299.05	Surrender of provision of ₹ 299.05 crore in March, 2019 was mainly attributed to decision taken by the Government to incur the expenditure through Public Works Department (PWD) and accordingly the funds were transferred to that department. However, the expenditure could not be incurred by PWD due to stay order by Supreme Court on construction of monument of Chhatrapati Shivaji Maharaj

Source: Appropriation Accounts of respective years

Persistent savings indicated that the budget allocation was made without considering the previous years' expenditure.

Recommendation:

The Finance Department needs to review the reasons for non-utilisation of provisions under various schemes and take steps to make realistic provision in future.

2.3.7 Unnecessary/excessive supplementary provisions

Supplementary provisions aggregating ₹ 12,990.69 crore obtained in 38 cases (₹ 10 crore or more in each case) during the year proved unnecessary as the actual expenditure (₹ 1,34,453.22 crore) did not reach the level of the original provision

(₹ 1,62,720.96 crore) as detailed in **Appendix 2.9**. Some cases are briefly discussed below in **Table 2.4**.

Table 2.4: Grants having savings of more than ₹ 1,000 crore where supplementary provision proved unnecessary

(₹ in crore)

Grant Number and Description	Original provision	Expenditure	Savings out of original provision	Supplementary provision
Revenue Section				
B01 Police Administration	13652.73	12257.64	1395.09	31.50
D03 Agricultural Services	7211.19	5841.32	1369.87	420.32
F02 Urban Development and Other Advance Services	12434.10	8920.30	3513.80	502.76
O03 Rural Employment	5064.25	1183.73	3880.53	80.00
T05 Revenue Expenditure on Tribal Areas Development Sub-Plan	6627.47	3896.44	2731.03	417.43
V02 Co-operation	10149.30	6760.54	3388.75	2134.91
Y02 Water Supply and Sanitation	4650.26	2628.46	2021.80	414.80
Capital Section				
O10 Capital Outlay on Other Rural Development Programmes	4216.70	871.77	3344.93	310.25
Source: Appropriation Accounts of 2018-19				

It can be seen that the supplementary provision proved unnecessary since the expenditure did not even come up to the original provision which clearly indicates inaccurate estimation of funds.

Recommendation:

The Departments need to strengthen the estimation of requirement of funds and review the basis of supplementary provisions.

2.3.8 Anticipated savings not surrendered

As per Para 173 of the Budget Manual, the 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 efficiently redeploy the anticipated savings on other needy Schemes.

At the close of 2018-19, as shown in **Appendix 2.10** in 96 cases (in excess of ₹ 50 crore in each case), Departments surrendered ₹ 67,356.88 crore (19 per cent of total voted provision of ₹ 3,44,942.64 crore).

Surrender of savings in the last two working days of the financial year indicated inadequate financial discipline.

Recommendation:

The departments should ensure that anticipated savings are surrendered on time so that the funds can be utilized for other development purpose.

2.3.9 Non-surrender of unspent provision

The Maharashtra Budget Manual provides that, all saving should, when they come to notice, be reported immediately with full details and reasons to the Administrative

Departments and be surrendered to the department concerned. Government of Maharashtra (GoM), Medical Education and Drugs Department (MEDD) sanctioned (March 2016) ₹ 20.16 crore for purchase of medical equipments and furniture to Indira Gandhi Medical College and Hospital (IGMCH), Nagpur with the condition that the purchase of these items would be done by the Nagpur Improvement Trust¹ (NIT) on behalf of the IGMCH. Hence, the entire amount of ₹ 20.16 crore was to be deposited (June 2016) with NIT by the IGMCH.

The NIT expressed (November 2016) its inability to procure medical equipments for want of medical expert.

Hence, the Directorate of Medical Education and Research (DMER), Mumbai purchased (March 2017) 30 medical equipment costing ₹ 11.11 crore for which payment was made by NIT. The NIT also purchased (March 2017) 43 furniture items for ₹ 5.59 crore. All the medical equipments and furniture items required by the IGMCH were purchased by March 2017. NIT informed (November 2017) the IGMCH about the unspent amount of ₹ 3.46 crore with it. The IGMCH did not take any measures to get back the amount from NIT for onward credit into the Government account leading to blocking of ₹ 3.46 crore for more than two years.

The IGMCH stated that the letter had been issued (August 2019) to the NIT to refund the unspent balance/savings and after receipt of the unspent balance, it would be credited to the Government account.

Recommendation:

Funds may be surrendered well before the close of the financial year so as to enable their utilisation for other developmental schemes.

2.4 Outcome of review of selected Grants

The Maharashtra Budget Manual provides that the authority administering a Grant is responsible for watching the progress of expenditure under its control and for keeping it within the sanctioned grant or appropriation. The duties and responsibilities of the authorities include preparing the estimates timely and accurately and also to ensure that the Grant placed at their disposal is spent only on the objects for which it has been provided and to surrender savings if no longer required.

With a view to ascertaining how far the authorities were adhering to these instructions, audit test checked records of the Administrative Department for the period 2016-19 of the following Grants.

- (i) **Grant No. A09-Capital Outlay on Public Works:** Under this Grant, provision was made for Construction of Chhatrapati Shivaji Maharaj Monument in Arabian Sea and Construction of Rajarshi Shahu Maharaj Monument in Shahu Mill at Kolhapur. This Grant includes two Major Heads namely 4059- Capital Outlay on Public Works, 4070-Capital Outlay on other Administrative services.
- (ii) **Grant No. I05- Capital Expenditure on Irrigation :** Under this Grant, provision is made for Soil and Water Conservation, Major, Medium and Minor Irrigation Project, Flood Control Projects, Power Project and Space Research which covers six Major Heads namely Capital Outlay on Soil and Water Conservation (4402), Capital Outlay on Major and Medium Irrigation (4701), Capital Outlay on Minor

¹ Nagpur Improvement Trust (NIT) is a development authority of the Nagpur city

Irrigation (4702), Capital Outlay on Flood Control Projects (4711), Capital Outlay on Power Projects (4801) and Capital Outlay on Space Research (5402).

- (iii) **Grant No. Y02-Water Supply and Sanitation:** Under this Grant, provision was made for Swachh Bharat Mission, World Bank Assisted-Jalswarajya Project, Construction of Latrine under Nirmal Bharat Abhiyan and Mukhyamantri Rural Drinking Water Programme. This Grant consists of one Major Head namely, 2215- Water Supply and Sanitation.

2.4.1 Budget Analysis of Grant Y-02 (Water Supply and Sanitation)

- 1) **Swachh Bharat Mission (CSS):** Under this Scheme for the year 2018-19, original provision was ₹ 2,816.61 crore and the expenditure incurred was ₹ 933.89 crore thus surrendering ₹ 1,882.72 crore due to less release of funds by the Central Government.
- 2) **Assistance from Loan from NABARD for Liquid Waste Management Project under RIDF Scheme:** Under this Scheme for the year 2018-19, the entire provision of ₹ 15.14 crore was surrendered as demands were not received from Maharashtra Jeevan Pradhikaran.
- 3) **Project Planning and Monitoring Unit (Jalswarajya Project):** Under this scheme for the year 2018-19, original provision was ₹ 180 crore and the expenditure incurred was ₹ 144 crore, and the amount of ₹ 36 crore had to be surrendered due to less release of funds by the Finance Department.
- 4) **Mukhyamantri Rural Drinking Water Programme (MRDWP) for providing pure drinking water supply for rural areas:** Under this scheme for the year 2018-19, original provision was ₹ 325 crore and the expenditure incurred was ₹ 123.89 crore. An amount of ₹ 62.71 crore was surrendered/re-appropriated due to less demand from implementing agencies, reason for surrender/re-appropriation of ₹ 138.37 crore was not furnished by the department.

The overall position of budget provision, actual disbursement and savings under the functional Heads of the Grant for the years 2016-17 to 2018-19 is given in **Table 2.5**.

Table 2.5: Detail of budgetary provisions and actual expenditure under Grant No. I-05, A-09 and Y-02

(₹ in crore)

Year	Original provision	Supplementary provision	Total Grant or Appropriation	Actual Expenditure	Savings	Percentage of savings
Grant I-05 (Voted) Irrigation						
2016-17	8971.69	00	8971.69	8619.67	352.02	4
2017-18	9519.61	1700.00	11219.61	9488.57	1731.04	15
2018-19	9505.01	3117.96	12622.97	11763.57	859.40	7
Grant A-09 (Voted) Capital Outlay on Public Works						
2016-17	120.10	0.83	120.93	16.89	104.04	86
2017-18	170.10	0.00	170.10	3.01	167.09	98
2018-19	302.00	0.00	302.00	0.95	301.05	99.7
Grant Y-02 (Voted) Water Supply and Sanitation						
2016-17	3377.60	544.69	3922.29	1900.88	2021.41	51.5
2017-18	3989.90	125.00	4114.90	2055.47	2059.43	50.0
2018-19	4650.26	414.80	5065.06	2628.46	2436.60	48.10
Source: Appropriation Accounts of respective years						

Table 2.5 shows persistent savings between four *per cent* and 15 *per cent* under Grant I-05, between 86 *per cent* and 99.7 *per cent* under Grant A-09 and between 48 *per cent* and 51.5 *per cent* under Grant Y-02, during the period 2016-17 to 2018-19.

Further, it can be seen from **Table 2.5** that the actual expenditure under Grant A-09 & Y-02 did not come up to the original provisions even then supplementary provisions were made during the years 2016-17 to 2018-19 indicating over estimation and defective budgeting.

2.4.2 Substantial Savings under sub-heads

During 2018-19, in one sub-head under Grant A-09 and seven sub-heads under Grant Y-02 savings of ₹ 10 crore and above and also between 60 *per cent* and 100 *per cent* of the total provision was noticed details of which are given in **Appendix 2.11**.

2.4.3 Surrender of entire provision

Scrutiny of Appropriation Accounts for the year 2018-19 revealed that the entire provision under one sub-head amounting to ₹ two crore under Grant No A-09, nine sub-heads under Grant Y-02 amounting to ₹ 110.62 crore and five sub-heads amounting to ₹ 41.41 crore under Grant I-05 were withdrawn/surrendered in the month of March 2019 through re-appropriation as detailed in **Appendix 2.12**

2.4.4 Rush of Expenditure

According to the Bombay Financial Rules, 1959 rush of expenditure in the closing month of the financial year should be avoided. Uniform flow of expenditure is the primary requirement of proper budgetary control.

In 12 sub-heads under Grant Y-02 and eight sub-heads under Grant I-05 more than 75 *per cent* and 90 *per cent* respectively of the total expenditure was incurred in March 2019. Details are given in **Appendix 2.13**.

2.4.5 Unnecessary re-appropriation

Scrutiny of Appropriation Accounts for the year 2018-19 revealed that in four sub-heads under Grant I-05, re-appropriation orders issued resulted in the sub-head closing with an excess expenditure as shown in **Table 2.6**.

Table 2.6: Unnecessary Re-appropriation leading to Excess Expenditure under Grant I-05

(₹ in crore)

Sr. No	Description of the Head of Account/ Cross Reference Code	Original Grant	Supplementary Grant	Amount re-appropriated	Total Grant ((3+4)-5)	Actual expenditure	Excess expenditure (6-7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	4701 (190) (07) (02) Share Capital Contribution to Vidarbha Irrigation Development Corporation	77.12	0.00	9.15	67.97	77.12	9.15
2	4701 (190)(12)(01) Share Capital Contribution to Maharashtra Krishna Valley Development Corporation	14.00	0.00	4.44	9.56	14	4.44
3	4702 (190)(00)(01) Share Capital Contribution to	80.29	10.00	64.00	26.29	90.29	64.00

Sr. No	Description of the Head of Account/ Cross Reference Code	Original Grant	Supplementary Grant	Amount re-appropriated	Total Grant ((3+4)-5)	Actual expenditure	Excess expenditure (6-7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Maharashtra Krishna Valley Development Corporation(Minor Irrigation(ROM) (Scheme)						
4	4702 (190)(00)(01) Share Capital Contribution to Konkan Irrigation Development Corporation (Minor Irrigation)	153.95	22.20	35.78	140.37	176.15	35.78

Source: Appropriation Accounts 2018-19

Control/Monitoring of Expenditure under Grant No. I-5

As per Paragraph 155 (i) and (iv) of Budget Manual, in order to ensure that the amount allotted to each disbursing officer is not exceeded without permission, the disbursing officer should submit the statement of his expenditure for the month and total expenditure up to date to the Controlling Office in Form No. 9 and all Controlling Offices should maintain a register of expenditure in Budget Manual Form No. 10 for effective control of expenditure.

On test-check of records of four Controlling Offices² it was noticed that the disbursing officers were not submitting statements of expenditure in Form No. 9 and similarly, the Controlling Offices were not maintaining registers of expenditure in Form No. 10.

The Mechanical/Quality Control Circle, Nagpur stated (August 2019) that since monthly statements of expenditure in Form No. 9 was not submitted by the disbursing officers, Form No. 10 at Controlling Offices level was not maintained.

Thus non-submission of monthly expenditure in the prescribed formats defeated the purpose of monitoring the budget and the progress of actual expenditure by Controlling Offices.

Further, Quality Control Circle, Aurangabad and Mechanical Circle, Nanded have not submitted the required information till date.

2.5 Advances from Contingency Fund

In terms of provisions of Article 267(2) and 283(2) of the Constitution of India, the Contingency Fund of the State has been established under the Bombay Contingency Fund Act, 1956. Advances from the fund are to be made only for meeting expenditure of an unforeseen and emergent character, postponement of which, till its authorization by the Legislature, would be undesirable. The Fund is in the nature of an imprest and its corpus is ₹ 150 crore.

In April 2018, the corpus of the Fund was temporarily increased to ₹ 1,678 crore through an ordinance which lapsed in August 2018. Further, in February 2019, the corpus was again raised to ₹ 2,150 crore which was not restored till 31 March 2019.

² 1-Mechanical Circle, Nagpur; 2-Quality Control Circle, Nagpur; 3-Quality Control Circle, Aurangabad and 4-Mechanical Circle, Nanded

During 2018-19, of the eleven sanctions issued by FD for ₹ 3,874.99 crore, seven withdrawals amounting to ₹ 2,362.12 crore were made from the Fund which was recouped to the fund account subsequently through supplementary provision as shown in **Appendix 2.14**. In four out of 11 sanctions, advances amounting to ₹ 82.67 crore were not drawn by the department concerned which indicated that the funds were not required to meet expenses of emergent nature.

In four cases, as listed in **Table 2.7**, the nature of expenditure for which the department concerned had obtained advances from the fund was foreseeable. Therefore, drawal from the Contingency fund was irregular.

Table 2.7: Withdrawal from Contingency fund where expenditure was foreseeable

Sr. No	Sanction No. and date	Department/ Grant No./ Major Head	Purpose for which drawn	Amount sanctioned (₹ in crore)
1	CNF-2018/3 Budget-11 dt. 21.05.2018	Administration of Justice/ J-01/2014	Commencement of Civil Court Junior Level or Judicial officer First Class Court and creation of post for court	0.25
2	CNF-2018/6/ Budget-13 dt 08.06.2018	Co-operation/ V-02/2425	Financial subsidy to farmers who were registered under NEML portal and who have not been able to purchase tur and gram under the minimum support price scheme	70.00
3	CNF-2018/7 Budget-7 dt 3.10.2018	Welfare of SC,ST,OBC and Minorities/2225	Chhatrapati Shahu Maharaj Research Training and Human Development Institute (Sarathi) established for Maratha Community	5.00
4	CNF-2018/8 Budget-15/ dt. 20.10.2018	Dairy Development/ D-05/2404	To encourage export of Milk and Milk Powder	80.00

Source: Sanction order for withdrawal from Contingency Fund as received by AG(A&E)-I

2.6 Misclassification of Expenditure

2.6.1 Incorrect booking of Revenue Expenditure under Capital

In terms of the Indian Government Accounting Standards (IGAS)-2, notified by the Government of India, Grants-in-aid are to be classified as revenue expenditure in the books of the grantor and as revenue receipts in the books of the recipient.

It was noticed that during 2018-19, Grants-in-aid of ₹ 1,311.26 crore (three cases) released by the State Government had been classified and booked under Capital Outlay heads instead of the Revenue expenditure of Account resulting in overstatement of revenue surplus by ₹ 1,311.26 crore as shown in **Table 2.8**.

Table 2.8: Details of Grants-in-aid classified/booked under Capital Outlay

Sr. No	Classification	GIA (₹ in crore)
1	4217-Capital Outlay on Urban Development	1296.47
2	4405-Capital Outlay on Fisheries	10.58
3	4515-Capital Outlay on other Rural Development Programmes	4.21
Total		1311.26

Source: Finance Accounts for the year 2018-19

Recommendation:

The Government may ensure compliance to IGAS in Budget formulation so that the expenditure is correctly accounted for in the Government Account.

2.6.2 Non-transfer of balances to Consolidated Fund

As per Government Resolution (October 2001) of Revenue and Forest Department of Maharashtra, the balance in the Personal Deposit (PD) account of Inspector General of Registration was to be credited to Consolidated Fund at the end of every quarter. It was seen that an accumulated balance of ₹ 264.57 crore lying in the account over the years as on 31 March 2019, which was not credited to the Consolidated Fund of the State.

2.7 Outcome of Inspection of Treasuries

The major irregularities noticed by the Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai and the Accountant General (Accounts and Entitlement)-II, Maharashtra, Nagpur during inspection of 34 District Treasuries (including 323 sub-Treasuries) and the Pay and Accounts Office, Mumbai during 2018-19 are brought out in the succeeding paragraphs.

2.7.1 Transfer of funds to Personal Deposit Accounts

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

The PD accounts, also known as PLA, are in the nature of a banking account kept in the Treasuries. The Government of Maharashtra (GoM) is authorised to keep funds required for specific purposes in the PD accounts by transfer of funds from the Consolidated Fund. Generally, Administrators³ are required to close such accounts on the last working day⁴ of the year and transfer the unspent balances back to the Government Accounts (Consolidated Fund).

As on 31 March 2019, 2,135 PD Accounts showed a total closing balance of ₹ 10,953.53 crore, which is an improvement over the previous year's closing balance of ₹ 12,229.30 crore. The status of PD accounts as on 31 March 2019 is as indicated in Table 2.9.

Table 2.9: Status of Personal Deposit Accounts during 2018-19

Opening balance		Newly opened		Closed accounts		Closing Balance	
Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)	Number	Amount (₹ in crore)
2182 [§]	12229.30	10	22108.58	57	23384.35	2135	10953.53

[§] Differs from previous year due to rectification
Source: Finance Accounts 2018-19

However, the closing balance as per Finance Accounts has not been reconciled by the Administrators of PD/PLA and therefore, the correct closing balance which should have been remitted to the Consolidated Fund of the State cannot be ascertained.

Retention of funds in PLAs not only led to expenditure booked under the service heads being inflated without actual outgo, but also resulted in dilution of treasury control over actual expenditure.

³ Personal deposit/Personal ledger account holders

⁴ vide Finance Department's Government Resolution संकीर्ण 1014/प्र क्र 5/कोषा प्रशा/5 dated 24 January 2014

Recommendation:

The Finance Department needs to review all PD/PLA accounts and ensure that amounts transferred from Consolidated Fund lying in the PD accounts at the end of year are immediately remitted to the Consolidated Fund. Non-reconciliation of balances in PD accounts periodically and not transferring the unspent balance lying in the PD accounts to Consolidated Fund before the closure of financial year may entail the risk of misuse of public fund, fraud and misappropriation.

2.7.2 Non-reconciliation in Personal Deposit/Personal Ledger Accounts balances

As per Paragraph 589 of Maharashtra Treasury Manual, Treasury Officer is required to obtain a certificate of balance at the end of each year from the Administrator of PLA. After obtaining such certificate, differences if any, are required to be reconciled with the Treasury figures and the certificate of balance, after reconciliation with the Treasury, should be forwarded to Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai and Accountant General (Accounts and Entitlement)-II, Maharashtra, Nagpur for confirmation of the balances.

Inspection of Treasuries revealed that in 234 Administrators holding PD accounts, there were differences between the Administrators' balances and the Treasury/Pay and Accounts Office balances. In 380 cases, there were differences between the Treasury balances and the Sub-Treasury balances. In 175 cases, there were differences between the Sub-Treasury balances and the Administrators' balances. Besides, 213 Administrators did not furnish certificates of balances as on March 2018 to Treasury Officers/ Pay and Accounts Office indicating absence of regular reconciliation. Periodical reconciliation with the Treasury would have cleared the differences.

2.7.3 Inoperative Personal Ledger Accounts for more than one year not closed

As per Rule 495 of Maharashtra Treasury Rules (MTR), 1968 and 585(2) of Maharashtra Treasury Manual (MTM), Personal Deposits/Personal Ledger Account which are inoperative for more than three consecutive accounting years should be closed and the balances in such accounts are to be credited to the Government Account as Miscellaneous revenue under Major Head 0075. The time limit was revised⁵ (January 2014) by Finance Department, Government of Maharashtra to one year.

It was observed that in the case of 175 accounts, PLAs were not operated by the Administrators for a period of one year and more, resulting in unutilized balance of ₹ 75.02 crore lying idle in the PLAs. District-wise details are given in **Appendix 2.15**. As per established practice, funds from the Consolidated Fund of the State to PLA should be transferred through 'Nil bills' (non-cash transaction). It was seen that all Treasuries (except Pune Treasury) did not follow the above practice and instead withdrew large funds through cheques and credited them to PLA subsequently. The unspent amount so transferred from the Consolidated Fund and not credited back from the inoperative PLAs could not be ascertained since the PD accounts included receipts from sources other than the Consolidated Fund also.

⁵ vide Finance Department's Government Resolution संकीर्ण 1014/प्र क्र 5/कोषा प्रशा/5 dated 24 January 2014

2.7.4 Diversion of funds from PD/PLA

The operation of PD/PLA was authorized exclusively for receipts and expenditure pertaining to the concerned project for which the PLA was opened. Incurring expenditure for other purpose was irregular and against the codal provisions of Maharashtra Treasury Rules, 1968 and authorization given by Accountant General (Accounts & Entitlement)-I, Maharashtra.

(i) Audit scrutiny of the PLA⁶ records of Public Health Department for the year 2017-18 revealed that ₹ 57.54 crore were released from 110 Government hospitals' PLA under Mahatma Jyotiba Phule Jana Aarogya Yojana⁷ (MJPJAY).

The payment of insurance premium (₹ 1,653.09 crore) during July and August 2017 to State Health Assurance Society was against the inadequate budgeted provision (₹ 1,595.55 crore). The Department's request (January 2018) for authorisation of payment of ₹ 66.08 crore⁸ from PLA was not approved by Accountant General (Accounts & Entitlement)-I, Maharashtra, Mumbai stating the payment is to be made through regular budget allocation.

The failure of the Department in making adequate budgetary allocation as well as non-recoupment of ₹ 57.54 crore resulted in unnecessary burden on PLA of 110 Government hospitals.

(ii) The Revenue and Forest Department permitted (October 2001) the Inspector General of Registration (IGR), Pune to open a Personal Ledger account (PLA) in its name to credit the document charges⁹ collected and incur expenditure for maintenance of computer, consumables (toner, paper *etc.*), and utility expenses like water supply charges, electricity charges, telephone, internet charges were to be met from this PLA and the balance amount was to be credited to the Consolidated Fund of the State at the end of each quarter. Thus by this arrangement, utilization of PLA fund was permitted to be utilized only to meet the essential office expenses and balance would be part of the Consolidated Fund of the State.

The Revenue and Forest department (March 2017) introduced E-Property Card Information System (E-PCIS)¹⁰ project for computerization/digitization of land records in State. As per this GR the expenditure was to be met from the PLA of IGR, Pune. This sanction permitted the utilization of PLA funds for regular budgeted schemes which was in contravention to the provisions of Maharashtra Treasury Rules 1968.

⁶ For retaining fees and other hospital charges received from patients and utilise the same for meeting various expenses as per the conditions approved by the Government and endorsed by the Accountant General through authorisation

⁷ To provide free medical treatment of critical and expensive diseases to the below poverty line and above poverty line families having orange ration card and income up to ₹ one lakh per year (excluding Government, semi Government employees and Income Tax payers) introduced on 04/08/2016 (Implemented 02/10/2016), insurance premium to be paid on quarterly basis

⁸ Finance Department's approval *vide* Resolution dated 05/07/2017

⁹ An amount of ₹ 20 per page with respect to the documents presented for registration by all District Registrars and sub-registrars Office in Maharashtra State

¹⁰ *vide* GR राभुअ-2016/प्र. क्र. 350/ल-1

The said project was to be executed by the Office of Settlement Commissioner and Land Records, Pune. The total estimated expenditure to be incurred on this project was ₹ 18.87 crore. As on date (March 2019) a total expenditure of ₹ 9.79 crore was incurred from the PLA of IGR.

Thus, the irregular sanction of March 2017 resulted in the expenditure on E-PCIS project escaping legislative scrutiny and was also against the provisions of Maharashtra Treasury Rules 1968.

2.7.5 Overpayment of Pension

Overpayment of pensionary benefits of ₹ 1.24 crore was made by Treasuries during 2018-19 on account of incorrect calculation of dearness relief, non-adjustment of provisional Death-cum-Retirement Gratuity, non-reduction of family pension from the specific dates mentioned in the pension payment orders *etc.*

CHAPTER - III
FINANCIAL REPORTING

Chapter III

Financial Reporting

A sound internal financial reporting with relevant and reliable information significantly contributes to efficient and effective governance. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting are some of the attributes of good governance. 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 2018-19.

3.1 Non-submission/delay in furnishing Utilisation Certificates

The Bombay Financial Rules 1959 provide that for the grants received during a year 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 concerned Accounting Offices *i.e.* Accountant General (Accounts and Entitlement)-I, Mumbai, Accountant General (Accounts and Entitlement) - II, Nagpur and Pay and Accounts Office, Mumbai within 12 months from the dates of their sanction unless specified otherwise.

The pending amount of Utilisation Certificates has reduced from ₹ 65,921.35 crore in 2017-18 to ₹ 47,483.36 crore in 2018-19. The outstanding amount of pending Utilisation Certificates constituted 16 *per cent* of the total expenditure (₹ 3,03,616 crore) of the State.

The status of 18,407 UCs aggregating to ₹ 47,483.36 crore due in respect of grants released upto 2017-18 is detailed in **Appendix 3.1**. The age wise position of outstanding UCs is summarised in **Table 3.1**.

Table 3.1: Age-wise arrears of UCs

(₹ in crore)

Sr. No.	Range of delay (in years)	Utilisation Certificates pending	
		Number	Amount
1	0-1	5859	10544.00
2	1-3	3403	22268.61
3	3-5	1026	5588.46*
4	5-7	869	3350.10
5	7-9	1750	4098.67
6	9 and above	5500	1633.52*
	Total	18407	47483.36

Source: Information compiled by the Office of the Accountant General (A&E)-I, Maharashtra, Mumbai
* Higher rounding

The major defaulting departments are Urban Development Department; (59 per cent); School Education and Sports (nine per cent); Planning (seven per cent); Industries, Energy and Labour Department (six per cent); Tribal Development (five per cent); Rural Development and Water Conservation (three per cent); Social Justice and Special assistance (two per cent) and Public Health (two per cent) in respect of grants disbursed during 2017-18.

Thus, non-submission of 18,407 utilisation certificates amounting to ₹ 47,483.36 crore as on 31 March 2019 indicated lack of proper monitoring by the Departments in utilisation of grants sanctioned for specific purposes. Further, there was no assurance that the money was actually incurred during the financial year for the purpose it was sanctioned/authorised by the Legislature. High pendency of UCs may fraught with the risk of misappropriation of funds and fraud.

Recommendation:

Issues holding up submission of Utilisation Certificates may be identified to ensure their submission within the stipulated time.

3.1.1 Review of utilisation certificates of Public Health Department

Administrative Departments may sanction grants-in-aid (GIA) to an institution or body, subject to the condition that the sanction is in accordance with the rules or principles prescribed in the Bombay Financial Rules 1959, or as prescribed with the previous consent of the Finance Department (FD). As per Appendix 22 Section I of Rule 149 of the Bombay Financial Rules 1959, every grant made for a specific object is subject to the implied conditions: (i) the grant will be spent upon the object within a reasonable time *i.e* one year from the date of issue of communication of sanction of grant, unless otherwise specifically stated (ii) that any portion of the amount which is not ultimately required for expenditure upon that object should be duly surrendered to Government, before the expiry of the financial year in which it is sanctioned, unless there is a specific provision to the contrary.

3.1.1.1 Discrepancies in submission of utilisation certificate

As per the provision contained in the Bombay Financial Rules 1959, for grants provided for specific purposes, Utilisation Certificates should be obtained by the departmental officer from the grantee institutions and after verification, the Utilisation Certificates should be forwarded to the concerned accounting offices within 12 months from dates of their sanction.

During 2016-18 an amount of ₹ 25.29 crore was released to Vivekanand Medical Foundation & Research Centre (VMFRC), Latur and ₹ 23.74 crore released to Rashtra Sant Tukdoji Regional Cancer Hospital & Research Centre (RSTRCH & RC), Nagpur for setting up of the Tertiary Care Cancer Centre (TCCC).

As per the terms and conditions in the grant released order (January 2017), Utilisation Certificates along with audited statement of accounts were required to be furnished to the Ministry of Health and Family Welfare, Government of India for each financial year separately until the grants are fully exhausted by the grantee. The second instalment of the grant would be released only when the State Government released its share and on furnishing the Utilisation Certificates of first instalment along with audited financial statement and copy of asset register duly certified by the competent authority along with photographs of assets created.

On scrutiny of records it was noticed that the Utilisation Certificates were submitted to the PAO only in March 2019 for drawal of subsequent GIA for ₹ 1.62 crore which was about to lapse at the fag end of the financial year. Further, it was observed from statement of expenditure that Utilisation Certificates for ₹ 25.29 crore was submitted against the actual expenditure of ₹ 22.30 crore upto March 2019 in respect of VMFRC, Latur and Utilisation Certificates for ₹ 23.74 crore submitted against actual expenditure of ₹ 17.57 crore till March 2019 in respect of RSTRCH & RC, Nagpur which indicated that the Utilisation Certificates were submitted to Pay and Accounts office without obtaining Utilisation Certificates from grantee institutions as well as making any verification of the actual utilisation of grant.

3.1.1.2 Non-utilisation of grants

Any unspent balance lying with the grantee on the expiry of one year from the date of sanction should be surrendered forthwith to Government. Audit observed in respect of eight¹ pending UCs involving grants aggregating ₹ 58.62 crore disbursed to AYUSH² during 2017-18 had remained unutilised till March 2019. However, the unspent grants were not surrendered to the Government and continued to be held by the Controlling Officers or the implementing agencies under them.

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

Sections 14 and 15 of the Comptroller and Auditor General's (CAG) (Duties, Powers and Conditions of Service) Act, 1971 (DPC Act) envisages audit of accounts of institutions receiving Government grants, subject to conditions stipulated based on the quantum of the grants received. In order to identify the institutions which attract audit under the CAG's (DPC) Act, 1971 the heads of departments were required to furnish to Audit the information about the financial assistance given to various institutions, the purposes for which the assistance was granted and the total expenditure of these institutions/bodies. The details of such assistance released to the institutions during the year were awaited from Government Departments (October 2019).

¹ Voucher No/dated/amount 382/12-3-18/ ₹ 0.18 crore ; 386/12-3-2018/ ₹ 18.56 crore; 1755/31-03-18/ ₹ 1.46 crore; 2018/31-3-18/ ₹ 4.72 crore; 1752/31-3-18/ ₹ 9.06 crore; 1753/31-3-18/ ₹ 13.59 crore; 1998/31-3-18/ ₹ 1.83 crore; and 2019/31-3-18/ ₹ 9.22 crore

² Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy

Table 3.2 shows age-wise arrears of Annual Accounts due up to 2018-19 in respect of 6,064 Annual Accounts as of August 2019.

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

Delay in number of years	Number of Accounts
0-1	1429
1-3	810
3-5	484
5-7	799
7-9	720
9 and above	1822
Total	6064

Major pendency in submission of Accounts pertained to Higher and Technical Education Department, School Education and Sports Department.

Non-submission of information regarding Grants and loans paid to various institutions and non-furnishing of Accounts by them, increase the risk of mis-utilisation of the funds and the same is brought to the notice of the Government for remedial action.

3.3 Delay in submission of Accounts/Separate Audit Reports of Autonomous Bodies and placement of Audit Reports before the State Legislature

Several Autonomous Bodies have been set up by the State Government in the fields of Environment, Housing, Industries, Irrigation, Urban Development, Water Supply and Sanitation. The audit of Accounts of 25 autonomous bodies in the State has been entrusted under Section 19 and 20 of CAG's (DPC) Act, 1971. The status of entrustment of audit, rendering of Accounts to audit, issuance of Separate Audit Reports (SARs) and their placement in the Legislature by the Autonomous Bodies are indicated in **Appendix 3.2**.

The delay in submission of Annual Accounts ranged between one month and 87 months. The Slum Rehabilitation Authority (Pune and Chinchwad Area) Pune, rendered the accounts for the period from 2011-12 to 2016-17 in September 2019 after a delay of 87 and 27 months respectively. The Maharashtra Building and other construction Workers Welfare Board rendered the accounts for 2014-15 to 2015-16 in November 2018 after a delay of 41 months and 29 months respectively and the accounts for 2016-17 and 2017-18 in May 2019 after a delay of 23 months and 11 months respectively. The Compensatory Afforestation Fund Management and Planning Authority rendered the accounts for the period from 2011-12 to 2014-15 in February 2016 after a delay between eight months and 44 months, and the accounts for the period from 2015-16 to 2016-17 in August 2018 after a delay of 26 months and 14 months respectively. The Annual Accounts of Maharashtra State Minorities Commission had been rendered only up to 2012-13. The Annual Accounts from 2016-17 onwards of one³ body is yet to be received. Annual Accounts from 2017-18 onwards of seven⁴ bodies were yet to be received. Further, Annual Accounts for 2018-19 of

³ Godavari Marathwada Irrigation Development Corporation

⁴ Maharashtra Jeevan Pradhikaran; Maharashtra Maritime Board; Maharashtra Water Resources Regulatory Authority; Maharashtra State Legal Services Authority; Maharashtra State Commission for Protection of Child Rights; Tapi Irrigation Development Corporation; Maharashtra Water Conservation Corporation

eight⁵ bodies were yet to be received. The inordinate delays in submission of Accounts and their presentation to the State Legislature result in delayed scrutiny of the functioning of these bodies by the Legislature where Government investments are made.

There were delays in submission/finalisation of Accounts by Autonomous Bodies/Commercial Undertakings which dilute accountability and defeats the purpose of preparation of Accounts.

Recommendation:

The Controlling Departments may identify the reasons for delay in finalisation of Accounts of Autonomous Bodies/Undertakings and institute remedial measures to ensure that arrears in Accounts are cleared in a time bound manner.

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

As per Rule 18 of Government Accounting Rules, 1990, 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 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 Principal Accountant General (Audit)-I, Maharashtra, Mumbai for audit within a specified time frame. As of March 2019, there were 49 such Undertakings of which, 12 had prepared Accounts up to 2017-18, 19 up to 2016-17, six up to 2015-16 and six up to 2014-15. In respect of five Undertakings, there was large pendency in finalisation of *Proforma* Accounts ranging from 20 to 33 years as these were sick units and not operational and had stopped preparing Accounts. Government Milk Scheme, Mumbai, Worli has been closed since 2008-09. The Department-wise position of arrears in preparation of *Proforma* Accounts and investments 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, Maharashtra, Nagpur.

The State Government reported 272 cases of misappropriations, defalcations *etc.*, involving ₹ 1,017.16 crore up to March 2019 on which final action was pending. First Information Reports were lodged in all the 272 cases. The Department-wise breakup of pending cases and age analysis are 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**.

⁵ Maharashtra Krishna Valley Development Corporation; Konkan Irrigation Development Corporation; Maharashtra State Commission for Women; Maharashtra Pollution Control Board; Slum Rehabilitation Authority, Mumbai; Maharashtra Khadi and Village Industries Board; Maharashtra State Human Rights Commission; Vidarbha Irrigation Development Corporation

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 crore)	Nature/ characteristic of the cases	Number of cases	Amount involved (₹ in crore)
0-5	18	1.54	Theft	71	1.24
5 - 10	51	23.34			
10 - 15	43	981.77*	Misappropriation/ Loss of material	201	1015.92
15 - 20	22	0.59			
20 - 25	43	7.66			
25 and above	95	2.26			
Total	272	1017.16	Total pending cases	272	1017.16

Source: Data furnished by various Departments and Accountant General (Accounts and Entitlement)-II, Maharashtra, Nagpur and Pay and Accounts Office, Mumbai
* Higher rounding

Around 92 per cent of the amount involved pertains to Finance Department (₹ 937.41 crore). 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/ pendency of cases	Number of cases	Amount (₹ in crore)
Departmental and criminal investigation awaited	71	938.72
Departmental action initiated but not finalised	73	62.45
Criminal proceedings finalised but recoveries were pending	3	3.99
Orders for recovery or write-off were awaited	57	1.68
Pending in the courts of law	68	10.32
Total	272	1017.16

Source: Data furnished by various Departments and Accountant General (Accounts and Entitlement)-II, Maharashtra, Nagpur and Pay and Accounts Office, Mumbai

It may be seen from **Table 3.3** that of 272 cases involving ₹ 1,017.16 crore, 203 cases (75 per cent) involving ₹ 992.27 crore (98 per cent) were pending for more than 10 years. Further, from **Table 3.4** it is seen that 73 cases involving ₹ 62.45 crore were pending for final Departmental action and 57 cases involving ₹ 1.68 crore were pending for want of recovery or write-off orders.

3.6 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 Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai or Accountant General (Accounts and Entitlement)-II, Maharashtra, Nagpur or the Pay and Accounts Office, Mumbai, as the case may be. Such reconciliation had been completed only for an expenditure of ₹ 1,65,613 crore (68 *per cent*) against the total expenditure of the Government (₹ 2,43,734 crore) and reconciliation of receipts has been completed for ₹ 1,67,637 crore (94 *per cent*) against the total receipts of the Government (₹ 1,79,006 crore) (excluding expenditure and receipt adjusted through Transfer Entries and periodical adjustment).

Major defaulting Departments were Parliamentary Affairs, Urban Development; Maharashtra Legislature Secretariat; General Administration; Public Health; Industries Energy and Labour; Finance; Water Supply and Sanitation; Housing *etc.* Non-reconciliation of Accounts has an impact on the assurance of completeness and correctness of the receipt and expenditure figures by the Department, which may result in frauds, defalcation and over draws *etc.* remaining undetected.

3.7 Opaqueness in Government Accounts

The omnibus Minor Head 800 relating to 'Other Receipts/Other Expenditure' is to be operated only in cases when the appropriate Minor head has not been provided in the Account. Indiscriminate booking of receipts and expenditure under Minor Head 800 results in opaqueness in accounts. During 2018-19, expenditure aggregating ₹ 18,563.21 crore was classified under Minor Head '800 – Other expenditure' against 23 Major Heads under Revenue and Capital sections and revenue receipts aggregating to ₹ 1,449.12 crore were classified under omnibus Minor Head '800 – Other Receipts' under 12 Major Heads under Revenue and Capital Sections.

It was observed that while the expenditure under the Minor Head 800 increased from ₹13,397.54 crore in 2017-18 to ₹ 18,563.21 crore in 2018-19, Revenue receipts under the Minor Head 800 have decreased from ₹ 2,645.08 crore to ₹ 1,449.12 crore.

Details of significant transactions (involving more than ₹ 20 crore and constituting more than 20 *per cent* of the relevant Major Head) of receipts (22 items involving ₹ 1,449.12 crore) and expenditure (63 items involving ₹ 18,563.21 crore) at sub-head level are given in **Appendix 3.6**.

More efforts are required on the part of Finance Department to classify the expenditure/receipts under correct respective minor heads instead of Minor Head 800. Booking of large amounts under the omnibus Minor Head 800 – Other Expenditure/Receipts affects the transparency in financial reporting as it fails to indicate disaggregated information on different activities of the Government separately in the accounts.

Recommendation:

The Finance Department in consultation with the Accountant General (Accounts & Entitlement) may conduct a comprehensive review of all items presently appearing under Minor Head '800-Other Expenditure' and ensure that in future all such receipts and expenditure are booked under the appropriate heads of accounts to avoid opaqueness in the accounts.

3.8 Pendency in submission of Detailed Contingent Bills against Abstract Contingent Bills

As per Rule 302 of Maharashtra Treasury Rules, 1968, read with Resolution of Finance department (July 2007), a Drawing and Disbursing Officer (DDO) may draw money from treasury for contingent expenditure through Abstract Contingent (AC) bill in form MTR 29 and should submit the details of expenditure through Detailed Contingent (DC) bill (vouchers in support of final expenditure) against the AC bills drawn in form MTR 30 within one month to the Pay and Accounts Office or Treasury. Further, the DDOs should obtain a clearance certificate from the respective Accountant General. Also as per Note(4) below Rule 306, a register of AC bill should be maintained by the DDOs in the prescribed form in order to watch the submission of DC bills in respect of amounts drawn on AC bills within stipulated period as specified in Rule 303.

It was seen that of ₹ 861.82 crore drawn through 2,363 AC bills during 2018-19, ₹ 210.88 crore through 172 AC bills (24 per cent) was drawn on the last day of the financial year. Significant drawal through AC bills on the last day indicates that the drawal was primarily to exhaust the budget provision and reveals inadequate budgetary control.

As on 31 March 2019, 2,612 DC bills amounting to ₹ 1,964.37 crore were not received in the Offices of the Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai, Accountant General (Accounts and Entitlement)-II, Maharashtra, Nagpur, Pay and Accounts Office, Mumbai. Year-wise details and the Department-wise position are given in **Table 3.5** and **Appendix 3.7** respectively.

Table 3.5: Pendency in submission of Detailed Contingent Bills against Abstract Contingent Bills

(₹ in crore)

Year	AC bills drawn		DC bills received		Outstanding AC bills	
	Number	Amount	Number	Amount	Number	Amount
Up to 2016-17	1520	788.11	411	59.51	1109	728.60
2017-18	1075	417.38*	626	10.88	449	406.50*
2018-19	2363	861.82 [#]	1309	32.55	1054	829.27
Total	4958	2067.31	2346	102.94	2612	1964.37^s

* Differs from previous years pending DC Bills, due to rectification of error during previous year
Additions during year 2018-19
\$ ₹ 758.44 crore drawn by the department in respect of service provided by Haffkine Bio-pharmaceutical Corporation Limited
Source: Finance Accounts 2018-19

Most of the outstanding Abstract Contingent Bills relate to Home Department (789 bills amounting to ₹ 795 crore). Advances drawn and not accounted for, increases the possibility of wastage/misappropriation/malfeasance etc.

Recommendation:

The Government may ensure timely submission of Detailed Contingent Bills by the Drawing and Disbursing Officers as stipulated in Maharashtra Treasury Rules, 1968, and disallow drawal of funds on Abstract Contingent Bills to Departments who have not rendered Detailed Contingent Bills for previous withdrawals.

Mumbai
The 22 July 2020



(S. K. JAIPURIYAR)
Principal Accountant General
(Audit)-I, Maharashtra

Countersigned



(RAJIV MEHRISHI)
Comptroller and Auditor General of India

New Delhi
The 24 July 2020

APPENDICES

Appendix - 1.1 - State Profile (Reference: Social Indicators of Maharashtra; Page 1)							
A General Data							
Sr. No.	Particulars					Maharashtra figures	
1	Area					3.08 lakh sq. km.	
2	Population						
	a	As per 2001 Census				9.69 crore	
	b	As per 2011 Census				11.24 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 ¹ (as per 2011 census) (All India Density = 382 persons per sq. km)				365 persons per sq. km.	
4	Population Below Poverty Line (BPL) ² (All India Average = 21.9 per cent)					17.4 per cent	
5	a	Literacy ³ (2001) (All India Average = 64.8 per cent)				76.88 per cent	
	b	Literacy ³ (2011) (All India Average = 73.0 per cent)				82.3 per cent	
6	Infant mortality ⁴ (per 1000 live births) (All India Average = 33 per 1000 live births 2017)					19	
7	Life Expectancy at birth ⁵ 2012-16 (All India Average = 68.7 years)					72.2 years	
8	Gini Coefficient ⁶ (A measure of inequality of income among the population. Value rate is from zero to one. Value closer to zero indicates inequality is less and <i>vice versa</i>)						
	A	Rural (All India = 0.29)				0.27	
	B	Urban (All India = 0.38)				0.41	
9	Gross State Domestic Product ⁵ (GSDP) 2018-19 at current price (₹ in crore)					26,60,318	
10	Per capita GSDP CAGR (2011-12 to 2018-19)				Maharashtra		7.8 per cent
					General Category States		11.0 per cent
11	GSDP CAGR (2011-12 to 2018-19) ⁷				Maharashtra		11.0 per cent
					General Category States		12.2 per cent
12	Decadal Population growth (2009 to 2019) ⁸				Maharashtra		13.27 per cent
					General Category States		12.46 per cent
B Financial Data [#]							
Particulars	CAGR				Growth during 2018-19 over 2017-18		
	2009-10 to 2017-18		2013-14 to 2017-18		GCS	Maharashtra	
	GCS	Maharashtra	GCS	Maharashtra			
	(in per cent)						
A	of Revenue Receipts	15.0	13.8	13.5	12.9	12.8	14.5
B	of Own Tax Revenue	14.8	13.9	11.2	11.5	12.7	11.6
C	of Non-Tax Revenue	9.9	8.7	7.5	9.4	19.8	(-).2.5
D	of Total Expenditure	14.2	11.4	13.9	11.1	12.7	12.7
E	of Capital Outlay	13.5	5.5	15.3	7.6	11.9	30.6
F	of Revenue Expenditure on Education	13.4	10.2	10.7	6.1	9.4	5.0
G	of Revenue Expenditure on Health	16.5	15.4	17.6	14.2	11.1	3.1
H	of Salary and Wages	11.7	10.3	10.5	6.9	11.0	7.4
I	of Pension	16.1	18.5	13.8	11.9	14.3	11.3

¹ Density of population: As downloaded from MoSPI website – Table 2.3 Statistical Year Book 2018

² Economic Survey 2018-19 (Vol II) page no.A 168-169, Table 9.8

³ Economic Survey 2018-19 (Vol II), page A 164, Table 9.4

⁴ Economic Survey 2018-19 (Vol II), page A 160, Table 9.1

⁵ Economic Survey 2018-19 (Vol II), page A 160, Table 9.1

⁶ http://planningcommission.nic.in/data/datatable/data_2312/

⁷ GSDP- Economic Survey of Maharashtra 2018-19

⁸ Census of India 2001 (Population Projection 2001-2026 Table 14, Page no 104 to 115)

⁵ Economic Survey of Maharashtra 2018-19

[#] Financial data is based on the Finance Accounts of the State Government

Appendix - 1.2
(Reference: Paragraph 1.1; Page 2)
Structure and Forms of Government Accounts

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.

Part-B: Layout of Finance Accounts

Statement No.	About
1	Statement of Financial Position
2	Statement of Receipts and Disbursements
3	Statement of Receipts (Consolidated Fund)
4	Statement of Expenditure (Consolidated Fund)
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 Investments of the Government
9	Statement of Guarantees given by the Government
10	Statement of Grants-in-aid given by the Government
11	Statement of Voted and Charged Expenditure
12	Statement on Sources and Application of funds for expenditure other than on revenue account
13	Summary of Balances under Consolidated Fund, Contingency Fund and Public Accounts
14	Detailed Statement of Revenue and Capital Receipts by Minor heads
15	Detailed Statement of Revenue Expenditure by Minor heads
16	Detailed Statement of Capital Expenditure by Minor Heads and Sub-Heads
17	Detailed Statement of Borrowings and Other Liabilities
18	Detailed Statement of Loans and Advances given by the Government
19	Detailed Statement of Investments of the Government
20	Detailed Statement of Guarantees given by the Government
21	Detailed Statement on Contingency Fund and Other Public Account transactions
22	Detailed Statement on Investment of Earmarked Balances

Source: Finance Accounts

Appendix - 1.3*(Reference: Paragraph 1.1; Page 2)***Fiscal Responsibility and Budgetary Management Act and Rules****Maharashtra Fiscal Responsibility and Budgetary Management 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 fiscal transparency in fiscal operations of the Government and conduct of fiscal policy in a medium term framework and matters connected therewith or thereto.

The FRBM Act, 2005, was, however, amended in December 2006 and renamed as Fiscal Responsibility and Budgetary Management (Amendment) Act, 2006. The MFRBMR were further amended in March 2012 and renamed as Fiscal Responsibility and Budgetary Management (Amendment) Rules, 2012.

The major fiscal targets for the State as amended were as under:

- The fiscal deficit of the State Government shall not exceed three *per cent* of GSDP in 2010-11 and thereafter.
- The State Government shall maintain the outstanding debt to GSDP up to 25.3 *per cent* in 2014-15, 17.6 *per cent* in 2015-16, 15.7 *per cent* in 2016-17, 16.5 *per cent* in 2017-18 and 16.5^s *per cent* in 2018-19.

Medium Term Fiscal Policy Statement

- As prescribed in the Maharashtra FRBM Rules, 2006 (as amended in 2008), the State Government laid a Medium Term Fiscal Policy Statement (MTFPS) and a Fiscal Policy Strategy Statement along with the budget before the Legislature on 9th March 2018.

As per MTFPS 2018-19, the State Government aims to:

- i. maintain the percentage of interest on Government borrowings within 20 *per cent* of the revenue receipts.
 - ii. cumulative State borrowings should be within 25 *per cent* of the state GSDP.
 - iii. complete 26 incomplete irrigation projects on priority by mobilizing additional investment under Pradhan Mantri Krishi Sinchayee Yojana through a loan of ₹ 12,773 crore from NABARD (LITF) and
 - iv. Maharashtra Electric Vehicle Policy 2018 to promote production of electric vehicles with an investment of ₹ 25,000 crore aiming at creating one lakh jobs.
- 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 2013-14 to 2018-19 keeping in view the fiscal targets laid down in the FRBM Act and/or the rules made thereunder.

Source: Budget 2018-19

^s As per MTFPS 2018-19

Appendix - 1.4
(Reference: Paragraph 1.1; Page 2)
Outcome indicators of the State's own Fiscal Correction Path

(₹ in crore)

Item	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	
	Actuals	Actuals	RE	BE	Projections	BE	BE	BE	
A STATE REVENUE ACCOUNT									
1	States Own Tax Revenue (SOTR)	103448.38	108640.6	119007.93	130634.71	148923.57	153436.57	188039.84	210824.29
2	States own Non-Tax Revenue (NONTR)	9984.40	11351.97	13519.70	20664.87	21698.11	20156.32	22784.94	16806.72
3	SOTR + NONTR (1+2)	113432.78	119992.57	132527.63	151299.58	170621.68	173592.89	210824.78	227631.01
4	Share in Central Taxes	15192.12	16587.8	17606.98	29061.95	36897.00	37405.27	43514.60	46630.66
5	Plan Grants	8644.11	7708.86	22058.43	11975.82	11975.82	-	-	-
6	Non-plan Grants	5678.22	5532.58	8600.85	5893.15	5893.15	32739.39	31628.58	40378.45
7	Total Central Transfer (4+5+ 6)	29514.45	29829.24	48266.26	46930.92	54765.97	70144.66	75143.18	87009.11
8	Total Revenue Receipts (3+7)	142947.23	149821.81	180793.89	198230.50	225387.65	243737.55	285967.96	314640.12
9	Plan Revenue Expenditure	24568.24	25906.74	40593.69	47478.95	52290.09	-	-	-
10	Non-Plan Revenue Expenditure	114167.74	128995.68	154083.63	154508.94	173667.98	-	-	-
11	Salary Expenditure	50092.47	56928.16	61682.27	73437.66	85061.21	87147.00	102668.00	115241.00
12	Pension	13429.89	15186.23	17663.41	19929.09	24313.49	25567.00	27378.00	36368.00
13	Interest Payments (Government Debt)	19075.64	21207.00	24283.25	27662.56	29361.01	31027.00	34385.00	35207.00
	Subsidies - Total (14+15)	9952.45	12440.78	20588.59	14687.27	15421.63	17948.93	30371.38	22136.33
14	Subsidies - General	5035.18	7165.26	10088.59	9724.58	10210.81	13448.93	25430.27	16926.33
15	Subsidies - Power	4917.27	5275.52	10500.00	4962.69	5210.82	4500.00	4941.11	5210.00
16	Total Revenue Expenditure (9+10)	138735.98	154902.42	194677.32	201987.89	225958.07	248248.74	301342.86	334933.06
17	Salaries+Pension+Interest (11+12+13)	82598	93321.39	103628.93	121029.31	138735.71	143741.00	164431.00	186816.00
18	as percentage of Revenue Receipts (17/8)	57.78	62.29	57.32	61.05	61.55	58.97	57.50	59.37
19	Revenue Surplus/Deficit (8-16)	4211.25	(-5080.61)	(-13883.43)	(-3757.39)	(-570.42)	4511.19	15374.90	20292.94
B CONSOLIDATED REVENUE ACCOUNT									
1	Interest payments(Off-Budget Debt)	-	-	-	-	-	-	-	-
2	Consolidated Revenue Deficit (A19-B1)	4211.25	(-5080.61)	(-13883.43)	(-3757.39)	(-570.42)	4511.19	15374.90	20292.94
C CONSOLIDATED DEBT									
1	Outstanding debt and liability inclusive of off-budget	246691.94	269355.42	302577.99	333159.97	367012.61	413044.00	461807.00	471642.00
2	Total outstanding guarantees of which guarantee on account of borrowings and Special Purpose Vehicle borrowings	9388.19	7709.31	6500.31	6200.31	6000.31	-	-	-
D CAPITAL ACCOUNT									
1	Capital Outlay	17397.97	20020.45	23342.23	27104.23	33386.10	33809.12	36297.86	41659.16
2	Disbursement of Loans and advances	1415.94	1645.09	1055.29	969.84	1049.89	1695.23	1178.64	2007.45
3	Recoveries of Loans and advances	862.85	728.03	1034.9	1098.45	1153.37	1226.79	2265.56	2289.61
4	Other Capital Receipts	-	-	-	-	-	-	-	-
E1	Fiscal Deficit (A19+D1+D2-D3-D4)	13739.81	26018.12	37246.05	30733.01	33853.03	38788.75	50585.84	61669.94
E2	Gross Fiscal Deficit (E1+B1)	13739.81	26018.12	37246.05	30733.01	33853.03	38788.75	50585.84	61669.94
	GSDP at current prices (Projection)	1322222	1510132	1686695	1889098	2115790	2939924	2796086	2979556

Source: Information received from Finance Department, Government of Maharashtra

Appendix - 1.5									
<i>(Reference: Paragraph 1.2; Page 3)</i>									
Abstract of Receipts and Disbursements for the year 2018-19 as compared to 2017-18									
(₹ in crore)					(₹ in crore)				
Receipts					Disbursements				
2017-18		2018-19			2017-18		Total	2018-19	
Section-A : Revenue									
243653.56	I	Revenue receipts		278996.27	241571.07	I	Revenue expenditure	267021.67	267021.67
167931.86		Tax revenue	187436.37		78534.78		General services	84764.50	
					93054.30		Social services	109390.99	
16241.80		Non-tax revenue	15843.57		48476.31		Education, Sports, Art and Culture	50922.35	
					11604.72		Health and Family Welfare	11969.31	
59480.90 ^s		State's share of Union Taxes	42054.20 [#]		12214.08		Water Supply, Sanitation, Housing and Urban Development	14377.51	
					71.78		Information and Broadcasting	142.03	
7157.50		Non-Plan grants	8310.04		12438.82		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	14234.13	
					834.39		Labour and Labour Welfare	882.52	
196.71		Grants for State Plan Scheme	1886.55		7291.45		Social Welfare and Nutrition	16723.58	
					122.75		Others	139.56	
12980.72		Grants for Central and Centrally sponsored Plan Schemes	15113.50		54189.03		Economic Services	52758.97	
					26129.61		Agriculture and Allied Activities	20019.67	
					6588.72		Rural Development	6997.11	
1488.00		Compensation for loss of revenue arising out of implementation of GST	8330.00		0.58		Special Areas Programmes	0.63	
		101 - Skill Development and Entrepreneurship-Other Schemes	22.04		2159.28		Irrigation and Flood Control	1897.91	
					8945.73		Energy	11135.17	
					2438.94		Industry and Minerals	3579.89	
					5460.91		Transport	6338.48	
					224.52		Science, Technology and Environment	296.58	
					2240.74		General Economic Services	2493.54	
					15792.96		Grants-in-aid and Contributions	20107.21	
	II	Revenue deficit carried over to Section B			2082.49	II	Revenue Surplus carried over to Section B	0.00	11974.60

[#] Lower rounding ^s includes ₹ 437.77 crore, details not available

Appendix - 1.5 (contd...)									
₹ in crore)					₹ in crore)				
Receipts					Disbursements				
2017-18				2018-19	2017-18			Total	2018-19
Section B : Capital and Others									
68749.70	III	Opening Cash balance including Permanent Advances and Cash Balance Investment		88468.81	-	III	Opening Overdraft from RBI		0
-	IV	Miscellaneous Capital receipts		0.00	26842.18	IV	Capital Outlay	35049.05	35049.05
					1047.80		General Services	1533.27	
					2268.45		Social Services	4341.15	
					106.62		Education, Sports, Art and Culture	364.12	
					569.85		Health and Family Welfare	1036.72	
					933.86		Water Supply, Sanitation, Housing and Urban Development	2152.45 [#]	
					575.02		Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	657.49	
					44.92		Social Welfare and Nutrition	29.26	
					38.18		Others	101.11	
					23525.93		Economic Services	29174.63	
					5373.65		Agriculture and Allied Activities	5093.60	
					1257.56		Rural Development	1336.11	
					67.02		Special Area Programme	78.94	
					9368.43		Irrigation and Flood Control	11912.33	
					775.94		Energy	520.92	
					13.57		Industry and Minerals	20.56	
					6639.43		Transport	10056.84	
					30.33		General Economic Services	155.33	
					-		Science Technology and Environment	0.00	
1778.01	V	Recoveries of Loans and Advances		1604.29	979.29	V	Loans and Advances disbursed		1545.17
1119.42		From Power Projects	1071.83		31.64		For Power Projects	98.15	
327.20		From Government Servants	348.13		575.53		To Government Servants	576.13	
331.39		From others	184.33		372.12		To Others	870.89	
2082.49	VI	Revenue surplus brought down		11974.60		VI	Revenue deficit brought down		

[#] Lower rounding

Appendix - 1.5 (concl...)									
₹ in crore)					₹ in crore)				
Receipts					Disbursements				
2017-18				2018-19	2017-18			Total	2018-19
48075.50	VII	Public Debt receipts		26025.21	15782.17	VII	Repayment of Public Debt		25116.49#
-		External debt	0		-		External debt	0.00	
47907.68		Internal debt other than Ways and Means Advances and Overdraft	25686.29		14833.58		Internal debt other than Ways and Means Advances and Overdraft	24190.22	
-		Net transactions under Ways and Means Advances including Overdraft	0.00		-		Net transactions under Ways and Means Advances including Overdraft	0.00	
167.82		Loans and Advances from Central Government	338.92#		948.59		Repayment of Loans and Advances to Central Government	926.27#	
-	VIII	Appropriation from Contingency Fund	1528.00	1528.00	-	VIII	Appropriation to Contingency Fund	3528.00	3528.00
-	IX	Contingency Fund	3528.00	3528.00	-	IX	Contingency Fund	1528.00	1528.00
81876.99	X	Public Account receipts		90664.57	70490.24	X	Public Account disbursements		89757.51
4784.21		Small Savings and Provident Funds	4869.26		4237.56		Small Savings and Provident Funds	4377.51	
8898.55		Reserve Funds	5066.88		2974.65		Reserve Funds	5639.51	
541.72		Suspense and Miscellaneous	(-)3208.89		377.81		Suspense and Miscellaneous	282.80	
27691.64		Remittances	38205.39		26869.26		Remittances	38048.30#	
39960.87		Deposits and Advances	45731.93		36030.96		Deposits and Advances	41409.39	
	XI	Closing Overdraft from Reserve Bank of India			88468.81	XI	Cash Balance at end		67269.26
					0.04		Cash in Treasuries	0.04	
	XII	Inter State Settlement			(-)3962.41		Deposits with Reserve Bank	(-)3020.51	
					54.33		Local Remittances	54.32	
					6.69		Departmental Cash Balance	236.95	
					0.67		Permanent Advances	0.69	
					58373.60		Cash Balance Investment	35218.99	
					33995.89		Investment of earmarked balances	34778.78	
202562.69		Total		223793.48	202562.69		Total		223793.48

Source: Finance accounts of respective years # Lower rounding

Appendix - 1.6					
(Reference: Paragraph 1.2.2; Page 6)					
Outcome of analysis of budgetary assumptions during 2018-19					
(₹ in crore)					
		Budget estimates	Actuals	Increase (+)/ Decrease (-)	Increase (+)/ Decrease (-) (in per cent)
(1)		(2)	(3)	(4 (3-2))	(5)
A)	Revenue Receipts of which	285968	278996	(-)6972	(-)2.4
1	Tax Revenue	188040	187436	(-)604	(-)0.3
i	State Goods and Service Tax	90140	82352	(-)7788	(-)8.6
ii	Taxes on Sales, Trade etc.	35301	35725	424	1.2
iii	State excise	15343	15321	(-)22	(-)0.1
iv	Taxes on vehicles	7500	8613	1113	14.8
v	Stamps and Registration fees	24000	28545	4545	18.9
vi	Taxes on Goods and Passenger	2000	837	(-)1163	(-)58.2
vii	Land Revenue	3200	2088	(-)1112	(-)34.8
viii	Taxes and duties on electricity	8700	10085	1385	15.9
ix	Other taxes	1855	3870	2015	108.6
2	Non-Tax Revenue	22785	15844	(-)6941	(-)30.5
i	Interest Receipts	3851	4191	340	8.8
ii	Miscellaneous General Services	2877	481	(-)2396	(-)83.3
iii	Non-ferrous Mining and Metallurgical Industries	3400	4057	657	19.3
iv	Other Non-Tax Revenue	12657	7115	(-)5542	(-)43.8
3	Share of Union Taxes and Duties	43515	42054	(-)1461	(-)3.4
4	Grants-in-aid from GoI	31629	33662	2033	6.4
B)	Revenue Expenditure of which	301343	267022	(-)34321	(-)11.4
1	General Services	99046	84765	(-)14281	(-)14.4
i	Administrative services	33718	20761*	(-)12957	(-)38.4
ii	Pension and Miscellaneous General Services	20878	20841	(-)37	(-)0.2
iii	Appropriation for reduction or avoidance of debt/transfer to RF	3800	3800	-	-
iv	Interest Payments	34385	34021	(-)364	(-)1.1
v	Fiscal Services	3634	3070	(-)564	(-)15.5
vi	Organs of State	2631	2272	(-)359	(-)13.6
2	Social Services	123842	109391	(-)14451	(-)11.7
i	Education, Sports, Art and Culture	59194	50922	(-)8272	(-)14.0
ii	Social Welfare and Nutrition	12109	16724	4615	38.1
iii	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	17272	14234	(-)3038	(-)17.6
iv	Health and Family Welfare	12193	11969	(-)224	(-)1.8
v	Water Supply, Sanitation, Housing and Urban Development	21320	14377#	(-)6943	(-)32.6
vi	Information and Broadcasting	165	142	(-)23	(-)13.9
vii	Labour and Labour Welfare	1366	883	(-)483	(-)35.4
viii	Others	223	140	(-)83	(-)37.2

Lower rounding

* Higher rounding

Appendix - 1.6 (concl...)					
(₹ in crore)					
	Budget estimates	Actuals	Increase (+)/ Decrease (-)	Increase (+)/ Decrease (-) (in per cent)	
(1)	(2)	(3)	(4 (3-2))	(5)	
3	Economic Services	57820	52759	(-)5061	(-)8.8
i	<i>Agriculture and Allied Services</i>	23621	20020	(-)3601	(-)15.2
ii	<i>Rural Development</i>	12091	6997	(-)5094	(-)42.1
iii	<i>Special Area Programme</i>	1	1	-	-
iv	<i>Irrigation and Flood Control</i>	2007	1898	(-)109	(-)5.4
v	<i>Energy</i>	7686	11135	3449	44.9
vi	<i>Industry and Minerals</i>	3126	3580	454	14.5
vii	<i>Transport and Communication</i>	6178	6338	160	2.6
viii	<i>Science, Technology and Environment</i>	334	297	(-)37	(-)11.1
ix	<i>General Economic Services</i>	2776	2494	(-)282	(-)10.2
4	Grants-in-aid and contributions	20635	20107	(-)528	(-)2.6
C)	Capital outlay	36298	35049	(-)1249	(-)3.4
i	<i>Irrigation and Flood Control</i>	9380	11912	2532	27
ii	<i>Transport and Communication</i>	8862	10057	1195	13.5
iii	<i>Energy</i>	730	521	(-)209	(-)28.6
iv	<i>Health and Family Welfare</i>	1257	1037	(-)220	(-)17.5
v	<i>Education, Sports, Art and Culture</i>	199	364	165	82.9
vi	<i>Water Supply, Sanitation, Housing and Urban Development</i>	515	2152	1637	317.9
vii	<i>Rural Development</i>	4591	1336	(-)3255	(-)70.9
viii	<i>Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes</i>	1786	657	(-)1129	(-)63.2
ix	<i>Others</i>	8978	7012	(-)1966	(-)21.9
D)	Revenue surplus (+)/ deficits (-)	(-)15375	11975	27350	(-)177.9
E)	Fiscal surplus (+)/ deficits (-)	(-)50586	(-)23015	27571	(-)54.5
F)	Primary surplus (+)/ deficits (-)	(-)16201	11006	27207	(-)167.9

Source: Finance Accounts and Budget for 2018-19

Appendix - 1.7
(Reference: Paragraph 1.4; Page 9)
Time series data on State Government Finances

(₹ in crore)

	2014-15		2015-16		2016-17		2017-18		2018-19	
Part A: Receipts										
1. Revenue Receipts	165415.46		185035.68		204693.14		243653.56		278996.27	
(i) Tax Revenue	115063.90	(69)	126608.11	(69)	136616.32	(67)	167931.87	(69)	187436.37	(67)
Taxes on Agricultural Income	-	-	-	-	-	-	-	-	-	-
State Goods and Service Tax	-	-	-	-	-	-	50063.00	(30)	82352.32	(44)
Taxes on Sales, Trade, etc.	67466.29	(59)	69660.82	(55)	81174.17	(60)	54893.51	(33)	35724.61	(19)
State Excise	11397.08	(10)	12469.56	(10)	12287.91	(9)	13449.65	(8)	15320.90	(8)
Taxes on Vehicles	5404.97	(5)	6017.19	(5)	6741.21	(5)	8665.38	(5)	8613.19	(5)
Stamps and Registration fees	19959.29	(17)	21766.99	(17)	21011.83	(15)	26441.82	(16)	28545.05	(15)
Land Revenue	1272.38	(1)	1748.31	(1)	1799.39	(1)	2309.86	(1)	2088.04	(1)
Taxes on Goods and Passengers	586.56	-	1582.13	(1)	1876.71	(1)	984.01	(1)	837.05 [#]	-
Other Taxes	8977.33	(8)	13363.11	(11)	11725.09	(9)	11124.64	(6)	13955.21	(8)
(ii) Non-tax Revenue	12580.89	(8)	13423.01	(7)	12709.34	(6)	16241.80	(7)	15843.57	(6)
(iii) State's share of Union taxes and duties	17630.03	(11)	28105.95	(15)	33714.90	(16)	37219.19	(15)	42054.20 [#]	(15)
(iv) Grants-in-aid from GoI	20140.64	(12)	16898.61	(9)	21652.58	(11)	22260.70	(9)	33662.13	(12)
2. Miscellaneous Capital Receipts	-		16.89		-		-		-	
3. Recoveries of Loans and Advances	975.08		865.11		1745.58		1778.01		1604.29	
4. Total revenue and non-debt capital receipts (1 + 2 + 3)	166390.54		185917.68		206438.72		245431.57		280600.56	
5. Public Debt Receipts	29373.28		37976.41		48336.49		48075.50		26025.21	
Internal Debt (excluding Ways and Means Advances and Overdrafts)	28831.02		37392.47		47709.67		47907.68		25686.29	
Net transactions under Ways and Means Advances and Overdraft	-		-		-		-		-	
Loans and Advances from Government of India ¹	542.26		583.94		626.82		167.82		338.92 [#]	
6. Appropriation from Contingency Fund	2350		2962		-		-		1528.00	
7. Inter-State settlement	-		-		-		-		-	
8. Total receipts in the Consolidated Fund (4+5+6+7)	198113.82		226856.09		254775.22		293507.07		308153.77	
9. Contingency Fund Receipts	4360		962		-		-		3528.00	
10. Public Accounts receipts	83021.94		72747.20		82466.49		81876.99		90664.57	
11. Total receipts of the State (8+9+10)	285495.76		300565.29		337241.70		375384.06		402346.34	
Part B: Expenditure										
12. Revenue expenditure (per cent of 15)	177553.12 (89)		190374.05 (89)		213228.73 (87)		241571.07 (90)		267021.67 (88)	
Plan	31308.28 (18)		36056.40 (19)		42088.59 (20)		*			
Non-Plan	146244.84 (82)		154317.65 (81)		171140.14 (80)					
General Services (incl. Interests payments)	60485.77 (34)		64369.76 (34)		71609.42 (34)		78534.78 (33)		84764.50 (32)	
Social Services	76952.49 (43)		82317.23 (43)		90281.99 (42)		93054.30 (38)		109390.99 (41)	
Economic Services	37686.57 (21)		38051.97 (20)		43842.54 (21)		54189.03 (22)		52758.97 (20)	
Grants-in-aid and Contribution	2428.29 (1)		5635.09 (3)		7494.78 (4)		15792.96 (7)		20107.21 (8)	
13. Capital outlay (per cent of 15)	19523.47 (10)		22793.16 (10)		25549.27 (10)		26842.18 (10)		35049.05 (12)	
Plan	16244.67 (83)		20165.05 (88)		20348.37 (80)		*			
Non-Plan	3278.80 (17)		2628.11 (12)		5200.90 (20)					
General Services	865.31 (4)		1259.28 (6)		1548.23 (6)		1047.80 (4)		1533.27 (4)	
Social Services	1957.82 (10)		2584.22 (11)		3266.51 (13)		2268.45 (8)		4341.15 (12)	
Economic Services	16700.34 (86)		18949.66 (83)		20734.52 (81)		23525.93 (88)		29174.63 (83)	

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

* From 2017-18 onwards bifurcation related to Plan and Non-plan expenditure has been merged

[#] Lower rounding

¹ includes Ways and Means Advances

Appendix - 1.7 (contd...)					
	(₹ in crore)				
	2014-15	2015-16	2016-17	2017-18	2018-19
14. Disbursement of Loans and Advances (per cent of 15)	1140.54 (1)	1114.63 (1)	6277.21 (3)	979.29 -	1545.17 -
15. Total (12+13+14)	198217.13	214281.84	245055.21	269392.54	303615.89
16. Repayments of Public Debt	8827.78	10043.10	11886.89	15782.17	25116.49[#]
Internal Debt (excluding Ways and Means Advances and Overdrafts)	7941.54	9138.49	10917.34	14833.58	24190.22
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	0.00
Loans and Advances from Government of India ²	886.24	904.61	969.55	948.59	926.27 [#]
17. Appropriation to Contingency Fund	4350	962	-	-	3528.00
18. Total disbursement out of Consolidated Fund (15+16+17)	211394.91	225286.94	256942.10	285174.71	332260.38
19. Contingency Fund disbursements	2350	2962	-	-	1528.00
20. Public Account disbursements	68985.90	66412.16	67102.50	70490.24	89757.51
21. Total disbursement by the State (18+19+20)	282730.81	294661.10	324044.60	355664.95	423545.89
Part C: Deficits					
22. Revenue Deficit (-)/Surplus (+) (1-12)	(-)12137.66	(-) 5338.37	(-)8535.59	2082.49	11974.60
23. Fiscal Deficit (-)/Surplus (+) (4-15)	(-)31826.59	(-) 28364.16	(-)33656.74	(-)23960.97	(-)23015.33
24. Primary Deficit (-)/Surplus (+) (23-25)	(-)7861.85	(-) 2592.75	(-)5124.82	9057.46	11005.92
Part D: Other Data					
25. Interest Payments (included in revenue expenditure)	23964.74	25771.41	28531.92	33018.43	34021.25
26. Financial Assistance to local bodies etc.	72711	82101	96839	101644	122563
27. Ways and Means Advances/Overdraft availed (days)					
Ways and Means availed (days)	27 days	nil	nil	8	nil
Overdraft availed (days)	nil	nil	nil	nil	nil
28. Interest on WMA/Overdraft	5.12	-	-	1.13	-
29. Gross State Domestic Product (GSDP)	1792122	2001223	2257032	2411600³	2660318⁴
30. Outstanding Fiscal liabilities (year-end)	319746	351341	395858	432415[@]	436782.79
31. Outstanding guarantees (year-end)⁵ (including interest)	7999.45	7234.57	7305.77	26657.72	25134.86
32. Maximum amount guaranteed (year-end)	34563.60	32247.11	22802.04	37287.13	38378.26
33. Number of ongoing projects	592	460⁶	447	420	349⁵
34. Capital blocked in ongoing projects	65146.79	49957.03⁶	76840.95	83520.47⁵	92029.58

² Includes Ways and Means Advances from GoI

³ Actuals as per Economic Survey of Maharashtra 2018-19

⁴ Advance estimates as per Economic Survey of Maharashtra 2018-19

⁵ As per Finance Accounts of respective years

⁶ Maharashtra Krishna Valley Development Corporation and Konkan Irrigation Development Corporation did not furnish the information

⁵ Includes four projects amounting to ₹ 19.55 crore related to Roads, Bridges and Buildings

[@] Proforma Correction

[#] Lower rounding

Appendix - 1.7 (concl...)					
(₹ in crore)					
	2014-15	2015-16	2016-17	2017-18	2018-19
Part E: Fiscal Health Indicators					
I Resource Mobilization					
Own Tax revenue/GSDP	6.42	6.33	6.05	6.73	7.05
Own Non-Tax Revenue/GSDP	0.70	0.67	0.56	0.65	0.59
Central Transfers/GSDP	0.98	1.40	1.49	1.49	1.58
II Expenditure Management					
Total Expenditure/GSDP	11.06	10.71	10.86	10.79	11.41
Total Expenditure/Revenue Receipts	119.83	115.81	119.72	110.56	108.82
Revenue Expenditure/Total Expenditure	89.58	88.84	87.01	89.67	87.95
Expenditure on Social Services/Total Expenditure	39.81	39.62	38.17	35.38	37.73
Expenditure on Economic Services/Total Expenditure	27.44	26.60	26.35	28.85	27.03
Capital Expenditure/Total Expenditure	9.85	10.64	10.43	9.96	11.54
Capital Expenditure on Social and Economic Services/Total Expenditure.	9.41	10.05	9.79	9.58	11.04
Education, Sports, Art and Culture /Total Expenditure	20.07	20.05	18.53	18.03	16.89
Health & Family Welfare/Total Expenditure	4.52	4.67	4.38	4.52	4.28
III Management of Fiscal Imbalances					
Revenue deficit /GSDP	(-)0.68	(-)0.27	(-)0.38	0.08	0.45
Fiscal deficit/GSDP	(-)1.78	(-)1.42	(-)1.49	(-)0.99	(-)0.87
Primary Deficit (surplus) /GSDP	(-)0.44	(-)0.13	(-)0.23	0.36	0.41
Revenue Deficit (surplus)/Fiscal Deficit	38.14	18.82	25.36	(-)8.69	(-)52.03
Primary Revenue Deficit (surplus)/GSDP	(-)3.11	(-)2.71	(-)11.9	(-)2.28	1.79
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	17.84	17.56	17.54	17.32	16.42
Fiscal Liabilities/RR	193.30	189.88	193.39	177.48	156.56
Primary deficit vis-à-vis quantum spread (percentage)	(-)275.86	(-)20.32	(-)28.38	(-)204.29	102.63
Debt Redemption (Principal +Interest)/ Total Debt Receipts	112.85	82.55	74.20	91.61	207.03
V Other Fiscal Health Indicators					
Return on Investment	0.03	0.05	0.05	0.05	0.18
Balance from Current Revenue (₹ in crore)	8224	22119	23573	*	*
Financial Assets/Liabilities	0.8	0.8	0.8	0.8	0.9
Source: Finance Accounts of the respective years					
* From 2017-18 onwards bifurcation related to Plan and Non-plan expenditure has been merged					

Appendix – 1.8
(Reference: Paragraph 1.9.2; Page 36)
Details of Government investments and accumulated losses
in Government Companies/Corporations as on September 2019

(₹ in crore)

Sr. No.	Sector & Name of the Company	Period of accounts	Year in which accounts finalised	State Government Equity	State Government Loan	Net loss(-) before tax	Accumulated loss (-)
A. Working Government Companies							
FINANCE							
1	Kolhapur Chitranagri Mahamandal Limited	1998-99	2013-14	3.24	0.13	(0.14)	(1.61)
2	Maharashtra State Handlooms Corporation Limited	2018-19	2019-20	88.71	23.29	(1.95)	(137.79)
Sector wise total				91.95	23.42	(2.09)	(139.40)
INFRASTRUCTURE							
3	Development Corporation of Konkan Ltd.	2018-19	2019-20	8.81	5.92	(0.26)	(15.29)
4	Maharashtra Airport Development Company	2016-17	2019-20	0.00	0.00	(230.07)	(259.29)
5	Maharashtra Satara Kagal Infrastructure Ltd.	2017-18	2018-19	0.00	0.00	(0.0044)	(0.03)
6	Maharashtra State Road Development Corporation Limited	2016-17	2018-19	773.56	179.02	(141.90)	(3794.67)
7	Mihan India Limited	2017-18	2018-19	0.00	0.00	(4.39)	(56.21)
8	Nagpur Mumbai Super Communication Expressway Limited	31.05.2017 to 31.03.2018	2018-19	0.00	0.00	(0.01)	(0.01)
Sector wise total				782.37	184.94	(376.63)	(4125.50)
MANUFACTURING							
9	Haffkine Ajintha Pharmaceuticals Limited	2017-18	2018-19	0.00	0.00	(3.49)	(16.55)
10	Mahaguj Collieries Limited	2018-19	2019-20	0.00	0.00	(2.69)	(6.43)
11	Maharashtra State Powerlooms Corporation Limited	2017-18	2018-19	15.27	0.20	(0.84)	(17.38)
Sector wise total				15.27	0.20	(7.02)	(40.36)
POWER							
12	Aurangabad Power Company Limited	2017-18	2019-20	0.00	0.00	(6.25)	(6.25)
13	Dhopave Coastal Power Limited	2018-19	2019-20	0.00	0.00	(0.0038)	(8.30)
14	Mahagenco Ash Management Services Limited	2018-19	2019-20	0.00	0.00	(0.42)	(1.40)
15	MSEB holding Company Limited	2017-18	2018-19	88684.34	0.00	(34.01)	(2137.83)
16	Maharashtra Power Development Corporation Limited	2018-19	2019-20	0.45	0.00	(0.23)	(1013.48)
17	Maharashtra State Power Generation Company Limited	2018-19	2019-20	0.00	0.00	(325.81)	(6848.93)
Sector wise total				88684.79	0.00	(366.72)	(10016.19)
SERVICE							
18	Mahatourism Corporation Limited	2017-18	2018-19	0.00	0.00	(0.01)	(0.07)
Sector wise total				0.00	0.00	(0.01)	(0.07)
Total A (All sector wise working Government companies)				89574.38	208.56	(752.48)	(14321.52)

Appendix - 1.8 (concl...)							
(₹ in crore)							
Sr. No.	Sector & Name of the Company	Period of accounts	Year in which accounts finalised	State Government Equity	State Government Loan	Net loss(-) before tax	Accumulated loss (-)
B. Working Statutory corporations							
SERVICE							
1	Maharashtra State Road Transport Corporation	2017-18	2019-20	4643.83	200.00	(1578.67)	(3663.21)
Sector wise total				4643.83	200.00	(1578.67)	(3663.21)
FINANCE							
2	Maharashtra State Finance Corporation	2014-15	2015-16	34.28	136.49	(13.78)	(687.90)
Sector wise total				34.28	136.49	(13.78)	(687.90)
Total B (All sector wise working Statutory corporations)				4678.11	336.49	(1592.45)	(4351.11)
Grand Total (A + B)				94252.49	545.05	(2344.93)	(18672.63)
C. Non-working Government companies							
AGRICULTURE & ALLIED							
1	Parbhani Krishi Go-sanvardhan Limited	2017-18	2018-19	0.00	0.00	(0.03)	(1.15)
2	Vidarbha Quality Seeds Limited	2018-19	2019-20	0.00	0.00	(0.01)	(0.41)
		2017-18	2018-19	0.00	0.00	0.00	(3.13)
Sector wise total				0.00	0.00	(0.04)	(1.56)
MANUFACTURING							
3	Godavari Garments Limited	2017-18	2018-19	0.00	0.00	(0.000024)	(8.17)
4	Maharashtra Electronics Corporation Limited	2016-17	2017-18	9.69	57.72	(42.71)	(378.07)
5	Maharashtra State Textile Corporation Limited	2017-18	2018-19	236.16	173.91	(41.95)	(1087.13)
6	The Gondwana Paints and Minerals Limited	2018-19	2019-20	0.00	0.00	(0.01)	(1.44)
7	The Pratap Spinning, Weaving and Manufacturing Company Limited	2018-19	2019-20	0.00	0.00	(0.01)	(63.90)
Sector wise total				245.85	231.63	(84.67)	(1538.71)
MISCELLANEOUS							
8	Vidarbha Tanneries Limited	2018-19	2019-20	0.00	0.00	(0.01)	(1.23)
Sector wise total				0.00	0.00	(0.01)	(1.23)
Total C (All sector wise non-working Government Companies)				245.85	231.63	(84.73)	(1541.51)
Grand Total (A + B+C)				94498.34	776.68	(2429.66)	(20214.14)
Source: Information received from Accountant General (Audit)-III, Maharashtra, Mumbai							

Appendix - 1.9

(Reference paragraph 1.9.3; Page 37)

**Summarised financial statement of Departmentally managed
Commercial/Quasi-Commercial Undertakings**

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)	Percentage return on capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
										(₹ in lakh)	(in per cent)
Agriculture, Animal husbandry, Dairy development and Fisheries department											
Mumbai Region											
1	Greater Mumbai Milk Scheme, Worli	1947	2016-17	0.00	1608.47	65.65	4866.54	(-3145.13)	0.00	(-3145.13)	0.00
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	2016-17	2356.63	1241.80	31.44	2170.25	(-1990.07)	247.45	(-1742.62)	(-73.95)
4	Central Dairy Goregaon	1951	2015-16	8451.44	629.87	38.19	1354.61	(-1649.04)	887.40	(-761.64)	(-9.01)
5	Unit Scheme, Mumbai	1950	2014-15	3143.95	2508.66	71.17	0.00	61.33	330.11	391.44	12.45
6	Agricultural Scheme, Mumbai	1950	2014-15	991.84	964.64	20.82	0.00	(-140.14)	104.14	(-36.00)	(-3.63)
7	Electrical Scheme, Mumbai	1950	2014-15	419.51	10.52	0.61	0.00	(-274.60)	44.05	(-230.55)	(-54.96)
8	Water Supply Scheme, Mumbai	1950	2014-15	1381.06	838.60	37.61	0.00	(-605.49)	145.01	(-460.48)	(-33.34)
9	Cattle Feed Scheme, Mumbai	1950	2014-15	(-132.38)	17.82	0.61	0.00	413.66	(-13.90)	399.76	(-301.98)
10	Cattle Breeding and Rearing Farm, Palghar	1979	2015-16	117.80	43.62	2.30	0.00	(-101.62)	12.37	(-89.25)	(-75.76)
11	Dairy Project, Dapchari	1960	2016-17	1098.65	349.79	184.01	35.57	(-1069.53)	115.36	(-954.17)	(-86.85)
12	Government Milk Scheme, Bhiwandi	1987	2015-16	133.87	24.94	0.03	0.00	(-30.94)	14.06	(-16.88)	(-12.61)
13	Government Milk Chilling Centre, Saralgaon (Dist.: Thane)	1978	2015-16	42.20	11.11	0.25	0.00	(-14.21)	4.43	(-9.78)	(-23.18)
14	Government Milk Scheme, Khopoli	1966	2016-17	228.94	100.57	9.20	284.81	(-171.58)	24.04	(-147.54)	(-64.44)
15	Government Milk Scheme Mahad,	1966	2015-16	169.66	64.76	0.94	0.00	(-46.08)	17.81	(-28.27)	(-16.66)
16	Government Milk Scheme, Chiplun	1966	2016-17	284.64	59.29	5.40	175.80	(-179.42)	29.89	(-149.53)	(-52.53)
17	Government Milk Scheme, Ratnagiri	1965	2015-16	607.70	97.90	2.88	398.03	(-219.50)	63.81	(-155.69)	(-25.62)
18	Government Milk Scheme, Kankavali	1966	2016-17	191.31	200.04	5.95	655.05	(-94.97)	20.09	(-74.88)	(-39.14)
	TOTAL			19748.44	8837.40	483.31	10812.73	(-9257.33)	2073.59	(-7183.74)	(-36.38)

Appendix - 1.9 (contd..)											(₹ in lakh)
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)	Percentage return on capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Pune Region											
19	Government Milk Scheme, Pune	1950	2016-17	0.00	330.98	15.82	1207.70	(-)723.54	0.00	(-)723.54	0.00
20	Government Milk Scheme, Mahabaleshwar	1966	2016-17	137.11	37.47	2.29	0.00	(-)68.48	14.40	(-)54.08	(-)39.44
21	Government Milk Scheme, Satara	1979	2016-17	1167.55	281.29	4.22	2519.82	(-)384.50	122.59	(-)261.91	(-)22.43
22	Government Milk Scheme, Miraj	1961	2016-17	6978.30	421.80	23.73	3323.30	(-)1365.19	732.72	(-)632.47	(-)9.06
23	Government Milk Scheme, Solapur	1960	2016-17	120.13	22.11	1.28	0.00	(-)195.21	12.61	(-)182.60	(-)152.00
TOTAL				8403.09	1093.65	47.34	7050.82	(-)2736.92	882.32	(-)1854.60	(-)22.07
Nashik Region											
24	Government Milk Scheme, Nashik	1960	2016-17	12.92	57.42	2.07	32.44	(-)143.57	1.36	(-)142.21	(-)1100.70
25	Government Milk Scheme, Wani (Dist.: Nashik)	1978	2016-17	25.40	13.46	0.02	0.00	(-)34.54	2.67	(-)31.87	(-)125.47
26	Government Milk Scheme, Ahmednagar	1969	2016-17	281.95	97.30	8.94	0.00	(-)341.41	29.60	(-)311.81	(-)110.59
27	Government Milk Scheme, Chalisgaon	1969	2017-18	144.84	2.09	0.14	0.00	(-)75.47	15.21	(-)60.26	(-)41.60
28	Government Milk Scheme, Dhule	1961	2016-17	551.56	188.97	9.18	0.00	(-)182.29	57.91	(-)124.38	(-)22.55
TOTAL				1016.67	359.24	20.35	32.44	(-)777.28	106.75	(-)670.53	(-)65.95
Aurangabad Region											
29	Government Milk Scheme, Aurangabad	1962	2017-18	2751.83	444.04	11.53	1162.03	(-)512.96	288.94	(-)224.02	(-)8.14
30	Government Milk Scheme, Udgir	1971	2017-18	1879.76	608.70	20.74	1703.26	(-)1030.57	197.38	(-)833.19	(-)44.32
31	Government Milk Scheme, Beed	1976	2017-18	2447.13	491.17	10.75	1182.79	(-)556.07	256.95	(-)299.12	(-)12.22
32	Government Milk Scheme, Nanded	1977	2017-18	632.54	82.25	3.92	249.03	(-)322.51	66.42	(-)256.09	(-)40.49
33	Government Milk Scheme, Bhoom	1978	2017-18	873.99	110.92	0.02	332.82	(-)276.60	91.77	(-)184.83	(-)21.15
34	Government Milk Scheme, Parbhani	1979	2017-18	4143.87	68.08	1.95	2603.55	(-)695.39	435.11	(-)260.28	(-)6.28
TOTAL				12729.12	1805.16	48.91	7233.48	(-)3394.10	1336.57	(-)2057.53	(-)16.16
Amravati Region											
35	Government Milk Scheme, Amravati	1962	2016-17	1636.18	893.38	6.50	450.83	(-)403.49	171.80	(-)231.69	(-)14.16
36	Government Milk Scheme, Akola	1962	2016-17	1747.64	363.53	40.52	515.23	(-)705.60	183.50	(-)522.10	(-)29.87
37	Government Milk Scheme, Yavatmal	2000	2017-18	1586.49	168.50	4.86	68.27	(-)269.69	166.58	(-)103.11	(-)6.50
38	Government Milk Scheme, Nandura	1979	2017-18	564.83	53.66	1.35	79.77	(-)103.85	59.31	(-)44.54	(-)7.89
TOTAL				5535.14	1479.07	53.23	1114.10	(-)1482.63	581.19	(-)901.44	(-)16.29

Appendix - 1.9 (concl.)

(₹ in lakh)

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)	Percentage return on capital
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Nagpur Region											
39	Government Milk Scheme, Nagpur	1958	2014-15	0.00	1098.11	6.65	0.00	(-)631.65	0.00	(-)631.65	0.00
40	Government Milk Scheme, Wardha	1976	2017-18	1965.81	27.43	0.96	1083.13	(-)516.18	206.41	(-)309.77	(-)15.76
41	Government Milk Scheme, Chandrapur	1979	2017-18	0.00	111.68	2.84	830.33	(-)413.94	0.00	(-)413.94	0.00
42	Government Milk Scheme, Gondia	1979	2017-18	3059.27	121.66	0.57	558.34	(-)664.69	321.22	(-)343.47	(-)11.23
TOTAL				5025.08	1358.88	11.02	2471.80	(-)2226.46	527.63	(-)1698.83	(-)33.81
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	0.00
44	Land Development by Bulldozer Scheme, Aurangabad	1960	1998-99	32.99	1.05	0.00	2.02	(-)23.42	4.78	(-)18.64	0.00
45	Land Development by Bulldozer Scheme, Amravati	1965	1995-96	2.82	0.41	0.00	1.8	(-)4.46	0.4	(-)4.06	0.00
46	Land Development by Bulldozer Scheme, Nagpur	1996	1996-97	2.17	0.23	0.00	1.81	0.21	0.32	0.53	0.00
TOTAL				182.24	79.16	4.52	52.38	(-)100.5	24.25	(-)76.25	(-)41.84
Revenue and Forest Department											
47	Allapalli and Pendigundam Forest Ranges of Forest Divisions including Saw mills and Timber Depot	1926	1985-86	1857.85	15.27	9.27	826.24	383.32	170.74	554.06	29.82
TOTAL				1857.85	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	2016-17	97328.31	127.59	14.01	67292.87	(-)29631.16	9733.30	(-)19897.86	(-)20.44
49	Procurement and Distribution and Price Control Scheme in Mofussil Area	1957	2016-17	137122.19	2650.49	87.93	104079.51	(-)14518.36	13822.22	(-)696.14	(-)0.51
TOTAL				234450.50	2778.08	101.94	171372.38	(-)44149.52	23555.52	(-)20594.00	(-)20.95

Source: Proforma Accounts

Appendix - 2.1

(Reference: Paragraph 2.2.1; Page 54)

Grants/ Appropriation closed with excess supplementary provisions during 2018-19

(₹ in crore)

Sr. No.	Grant	Grant Description	V/C ^{\$}	Original	Supple-mentary	Original + Supplementary	Actuals
Revenue - Charged							
1	A01	Governor and Council of Ministers	C	14.93	0.91	15.84	13.64
2	J01	Administration of Justice	C	310.56	24.37	334.93	285.24
Revenue - Voted							
3	A06	Information and Publicity	V	158.55	29.00	187.55	135.93
4	B01	Police Administration	V	13652.73	31.50	13684.23	12257.64
5	B02	State Excise	V	150.68	2.64	153.32	122.01
6	B03	Transport Administration	V	1819.43	269.40	2088.83	1755.80
7	B04	Secretariat and Other General Services	V	48.71	2.39	51.10	39.78
8	C01	Revenue and District Administration	V	2244.26	54.33	2298.59	1660.34
9	C07	Forest	V	2353.06	468.91	2821.97	2340.67
10	D03	Agriculture Services	V	7211.19	420.32	7631.51	5841.32
11	D04	Animal Husbandry	V	1002.28	89.10	1091.38	929.87
12	D07	Secretariat and other Economic Services	V	21.27	0.61	21.88	15.90
13	E02	General Education	V	49410.16	0.01	49410.17	42091.83
14	E03	Secretariat and Other Social Services	V	337.48	75.41	412.89	301.94
15	F02	Urban Development and Other Advance Services	V	12434.10	502.76	12936.86	8920.30
16	F03	Secretariat and Other Social Services	V	126.97	0.24	127.21	17.62
17	F04	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	V	19139.45	186.63	19326.08	18780.19
18	G02	Other Fiscal and Miscellaneous Services	V	10136.93	1.10	10138.03	335.33
19	G06	Pensions and Other Retirement Benefits	V	20698.66	25.00	20723.66	20445.54
20	G07	Social Security and Welfare	V	151.71	16.30	168.01	149.34
21	H03	Housing	V	296.03	75.00	371.03	289.04
22	H05	Roads and Bridges	V	5272.51	0.45	5272.96	5052.83
23	H06	Public Works and Administrative and Functional Buildings	V	2697.08	0.66	2697.74	2000.86
24	I03	Irrigation, Power and Other Economic Services	V	2008.09	3.02	2011.11	1580.67
25	J01	Administration of Justice	V	1772.62	23.32	1795.94	1447.13
26	J02	Secretariat and Other Social and Economic Services	V	114.96	10.00	124.96	97.43
27	K03	Stationery and Printing	V	192.84	0.20	193.04	168.45
28	K04	Labour and Employment	V	197.94	2.94	200.88	155.30
29	L02	District Administration	V	4455.73	48.68	4504.41	3911.69
30	L03	Rural Development Programmes	V	6792.63	1347.29	8139.92	6332.66
31	M02	Food Storage and Warehousing	V	2367.79	37.46	2405.25	2196.64
32	M03	Secretariat and Other Economic Services	V	64.48	2.31	66.79	63.55
33	N03	Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	V	7263.24	1657.30	8920.54	6461.37
34	O01	District Administration	V	304.00	50.00	354.00	279.76
35	O03	Rural Employment	V	5064.25	80.00	5144.25	1183.73
36	O 07	Secretariat - Economic Services	V	256.09	10.00	266.09	184.02
37	O09	Census, Survey and Statistics	V	72.79	2.51	75.30	44.29

Appendix - 2.1 (conclid...)							
(₹ in crore)							
Sr. No.	Grant	Grant Description	V/C ^s	Original	Supplementary	Original + Supplementary	Actuals
38	R01	Medical and Public Health	V	8708.12	2104.47	10812.59	8631.07
39	S01	Medical and Public Health	V	2931.99	364.63	3296.62	2829.50
40	S03	Secretariat - Social Services	V	12.87	1.29	14.16	7.85
41	T05	Revenue Expenditure on Tribal Areas Development Sub-Plan	V	6627.47	417.43	7044.90	3896.44
42	U03	Secretariat - Social Services	V	4.61	0.07	4.68	3.40
43	U04	Ecology and Environment	V	89.55	12.41	101.96	66.96
44	V02	Co-operation	V	10149.30	2134.91	12284.21	6760.54
45	W02	General Education	V	6188.42	454.95	6643.37	5560.82
46	Y02	Water Supply and Sanitation	V	4650.26	414.80	5065.06	2628.46
47	ZA02	Secretariat and other Social Services	V	1949.25	65.18	2014.43	1456.73
48	ZC01	Parliament / State/Union Territory Legislatures	V	202.70	37.86	240.56	169.53
49	ZD02	Art and Culture	V	169.02	10.65	179.67	155.66
50	ZE01	Minorities Development	V	407.43	0.79	408.22	140.04
51	ZF01	Secretariat - General Services	V	12.73	3.00	15.73	10.25
52	ZF02	Art and Culture	V	21.12	0.72	21.84	16.84
53	ZH03	Irrigation Power and other Economic services	V	387.61	0.14	387.75	303.58
Capital - Voted							
54	B10	Capital Expenditure on Economic Services	V	1545.87	438.32	1984.19	1388.36
55	D09	Capital Expenditure on Fisheries	V	88.49	55.75	144.24	27.55
56	H08	Capital Expenditure On Public Works Administrative and Functional Buildings	V	1599.28	294.59	1893.87	1112.93
57	H09	Capital Outlay on Removal of Regional Imbalance	V	65.14	1.00	66.14	24.46
58	K11	Capital Expenditure on Energy	V	614.72	69.00	683.72	523.52
59	O10	Capital Outlay on Other Rural Development Programmes	V	4216.70	310.25	4526.95	871.77
60	S04	Capital outlay on Medical and Public Health	V	525.17	222.10	747.27	285.58
61	T10	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	V	307.24	5.50	312.74	295.49
62	V05	Capital Expenditure on Economic Services	V	110.00	4.00	114.00	46.85
63	ZH05	Capital Outlay on Irrigation	V	2634.90	71.31	2706.21	2181.66
Total				234836.14	13047.19	247883.33	187285.49
Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai							
^s Voted/Charged							

Appendix - 2.2 (Reference: Paragraph 2.3.1; Page 54) Grants/Appropriations closed with excess over provisions of previous years requiring regularisation (₹ in crore)			
Years	No. of Grants/ Appropriations	Grants/Appropriations numbers	Amount of excess required to be regularised as commented in the Appropriation Accounts/Audit Report
2015-16	28/4	C-06, C-11, D-01, K-03, L-01, O-15, O-16, O-17, O-18, O-20, O-23, O-25, O-27, O-28, O-30, O-31, O-32, O-35, O-36, O-37, O-38, O-39, O-40, O-41, O-42, O-43, O-46, O-47, O-48, Q-02, U-01, W-07	564.82
2016-17	30/6	A-01, C-01, C-03, C-11, F-06, H-05, L-01, O-13, O-16, O-18, O-21, O-23, O-24, O-25, O-26, O-27, O-28, O-29, O-30, O-31, O-32, O-33, O-34, O-35, O-36, O-37, O-38, O-39, O-40, O-43, O-46, O-47, O-48, V-06, W-01, W-07	167.69
2017-18	15/5	B-01, C-09, C-11, D-01, G-06, L-01, O-22, O-27, O-31, O-43, O-46, O-47, O-48, O-49, O-53, O-59, O-74, O-81, T-02, W-07	47.15
TOTAL	73/15		779.66

Source: Appropriation Accounts of respective years

Appendix - 2.3				
<i>(Reference: Paragraph 2.3.1.1; Page 54)</i>				
Grants/appropriations closed with excess over provisions during 2018-19 requiring regularisation				
(₹ in crore)				
Sr. No.	Name and the title of the Voted grant/ Charged appropriation	Total grant	Expenditure	Excess
Revenue Section				
1	C06 Relief on account of Natural Calamities	11839.15	12782.33	943.19
2	O18 District Plan – Thane	230.1912	230.1919	0.0007
3	O52 District Plan – Nanded	216.86	216.93	0.07
4	O58 District Plan – Osmanabad	137.3550	137.3572	0.0022
5	O68 District Plan – Chandrapur	190.66	190.82	0.16
6	O78 District Plan – Yavatmal	163.86	163.89	0.03
Charged Appropriation				
7	C11 Internal Debt of the State Government (Capital Section)	0.0010	0.0018	0.0008
8	H08 Capital Expenditure On Public Works Administrative and Functional Buildings	24.9761	24.9762	0.0001
9	L01 Interest Payments (Revenue Section)	1266.74	1269.45	2.71
TOTAL		14069.80	15015.95	946.16
Source: Appropriation Accounts 2018-19				

Appendix - 2.4										
(Reference: Paragraph 2.3.2; Page 54)										
Sub-head wise persistent excess over provision										
(₹ in crore)										
Sr. No.	Grant	MJH	SMH	MNH	SBH	SBH Description	V/C ^s	Excess 2016-17	Excess 2017-18	Excess 2018-19
1	B01-Police Administration	2055	00	001	066	Recruitment of Police	V	5.06	17.61	1.29
2	C05-Other Social Services	2235	02	104	319	Financial Assistance to the heirs of the farmers who have committed suicides	V	4.01	3.72	4.61
3	C06-Relief on account of Natural Calamities	2245	02	101	015	Cash Doles, assistance to family of deceased persons and injured persons.	V	7.33	4.43	9.52
4	C06-Relief on account of Natural Calamities	2245	02	117	031	Assistance to small and marginal farmers for purchase of livestock in lieu of dead animals	V	3.54	2.10	1.73
5	C07-Forest	2406	01	101	857	Creation of Supernumerary Posts for Forest Labourers	V	1.26	7.07	5.32
6	C07-Forest	2406	02	110	236	Compensation for the Losses due to Wild animals attack	V	4.77	16.66	32.52
7	D05-Dairy Development	2404	00	207	223	Government Milk Scheme Satara - Procurement	V	1.04	2.01	7.82
8	D05-Dairy Development	2404	00	224	218	Government Milk Scheme Parbhani - Procurement	V	2.94	9.91	4.19
9	D05-Dairy Development	2404	00	224	220	Government Milk Scheme Parbhani - Distribution	V	1.05	1.02	3.09
10	D05-Dairy Development	2404	00	230	153	Government Milk Scheme Arvi-Wardha - Distribution	V	1.46	1.07	1.22
11	H05-Roads and Bridges	3054	80	797	024	Transfer to reserve fund and deposit account (subvention from central road fund)	V	315.01	95.28	213.91
12	I03-Irrigation, Power and Other Economic Services	2711	03	103	028	Dir. Irrigation. Research & Dev. Pune	V	1.77	1.10	1.99
13	O14-District Plan - Mumbai City	2217	80	191	833	Grants to Municipal Corporations for Maharashtra Nagrothan Maha-Abhiyan	V	4.10	2.00	14.88

Appendix – 2.4 (concl...)										
(₹ in crore)										
Sr. No.	Grant	MJH	SMH	MNH	SBH	SBH Description	V/C ^{\$}	Excess 2016-17	Excess 2017-18	Excess 2018-19
14	R01-Medical and Public Health	2210	06	101	061	Malaria Control Programme - (State Sector)	V	29.40	10.67	12.76
15	T06-Capital Expenditure on Tribal Areas Development Sub-Plan	4225	02	796	053	Construction of English Medium School Buildings	V	62.00	9.58	50.00
16	T06-Capital Expenditure on Tribal Areas Development Sub-Plan	5054	04	796	511	District and Other Roads (State Level Scheme)	V	25.50	69.77	48.73
17	W03-Technical Education	2203	00	105	276	Introduction of Double Shift in Government Polytechnics	V	9.33	6.40	4.67
18	ZE01-Minorities Development	2235	02	200	B02	Commencement of Second Shift in Existing Government Polytechnics for Minority Students.	V	3.32	3.89	2.18
19	D01-Interest Payments	2049	03	104	121	General Provident Fund of Staff in Agricultural Universities and Allied Institutions	C	7.49	7.29	3.51
20	G03-Interest Payments and Debt Servicing	2049	01	101	218	Maharashtra State Development Loan	C	736.28	143.62	902.58
21	L01-Interest Payments	2049	03	104	077	Interest on State Provident Fund	C	4.89	9.34	2.71

Source: Appropriation Accounts of respective years

^{\$} Voted/Charged

Appendix - 2.5

(Reference: Paragraph 2.3.4; page 55)

Rush of expenditure during the last quarter and last month of 2018-19

(₹ in crore)

Sr. No.	Grant No.	Major Head	Total Expenditure during the year	Expenditure during the last quarter of the year		Expenditure during March 2019	
				Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
01	A04	2052 -Secretariat - General Services	756.12	434.76	57.50	384.5	50.85
02	A05	2235 -Social Security and Welfare	553.81	488.65	88.23	466.09	84.16
03	B10	5055 -Capital Outlay on Road Transport	500.00	420.45	84.09	420.45	84.09
04	C06	2245 -Relief on account of Natural Calamities	12782.33	8305.28	64.97	6415.33	50.19
05	C10	4406 -Capital Outlay on Forestry and Wild Life	1147.84	916.99	79.89	792.44	69.04
06	E01	2049 -Interest Payments	1658.00	1649.96	99.52	1646.79	99.32
07	F02	3054 -Roads and Bridges	405.08	308.13	76.07	251.73	62.14
08	F05	4217 -Capital Outlay on Urban Development	2059.24	1804.24	87.62	1363.32	66.21
09	F07	6217 -Loans for Urban Development	789.98	609.98	77.21	490.98	62.15
10	G02	2075 -Miscellaneous General Services	331.33	290.86	87.79	274.08	82.72
11	G03	2048 -Appropriation for Reduction or Avoidance of Debt	3800.00	1900.00	50.00	1900.00	50.00
12	H08	4210 -Capital Outlay on Medical and Public Health	537.62	404.24	75.19	289.07	53.77
13	I05	4702 -Capital Outlay on Minor Irrigation	1301.45	808.62	62.13	658.31	50.58
14	K02	2049 -Interest Payments	365.03	365.03	100.00	365.03	100.00
15	K06	2810 -New and Renewable Energy	534.04	534.04	100.00	534.04	100.00
16	K06	2801 -Power	9847.67	6079.13	61.73	6045.81	61.39
17	L01	2049 -Interest Payments	1269.45	1236.41	97.40	1217.23	95.89
18	L03	2515 -Other Rural Development Programmes	4385.18	2832.92	64.60	2750.99	62.73
19	M02	2408 -Food, Storage and Warehousing	2196.64	2001.74	91.13	1774.83	80.80
20	N03	2801 -Power	200.00	200.00	100.00	200.00	100.00
21	N06	2225 -Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	2290.03	1764.23	77.04	1339.87	58.51
22	O07	3451 -Secretariat - Economic Services	186.51	150.05	80.45	103.71	55.61

Appendix - 2.5 (concl...)							
Sr. No.	Grant No.	Major Head	Total Expenditure during the year	Expenditure during the last quarter of the year		Expenditure during March 2019	
				Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
23	O10	4515 -Capital Outlay on other Rural Development Programmes	734.45	556.04	75.71	413.97	56.36
24	Q03	2216 -Housing	670.84	596.70	88.95	539.63	80.44
25	R03	4210 -Capital Outlay on Medical and Public Health	124.17	123.85	99.74	123.75	99.66
26	S04	4210 -Capital Outlay on Medical and Public Health	285.58	284.60	99.66	265.63	93.01
27	T05	2801 -Power	219.43	219.43	100.00	219.43	100.00
28	T05	2215 -Water Supply and Sanitation	259.45	185.77	71.60	134.91	52.00
29	T06	5054 -Capital Outlay on Roads and Bridges	498.73	498.73	100.00	411.81	82.57
30	T06	4225 -Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes & Minorities	204.96	166.30	81.14	143.55	70.04
31	T09	2225 -Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	2856.78	2033.12	71.17	1566.60	54.84
32	T10	4225 -Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes & Minorities	295.49	254.57	86.15	201.73	68.27
33	V03	4425 -Capital Outlay on Co-operation	155.22	138.07	88.95	136.34	87.84
34	W01	2049 -Interest Payments	345.77	345.77	100.00	345.77	100.00
35	W04	2205 -Art and Culture	306.47	196.37	64.07	189.23	61.75
36	ZD04	3452 -Tourism	362.40	359.19	99.11	322.38	88.96
37	ZH05	4702 -Capital Outlay on Minor Irrigation	169.30	131.64	77.76	118.49	69.99
38	ZH05	4402 -Capital Outlay on Soil and Water Conservation	2012.35	1321.76	65.68	1125.22	55.92
Total			57398.74	40917.62		35943.04	

Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai

Appendix - 2.6					
(Reference: Paragraph 2.3.5; Page 55)					
Grants/appropriations which closed with savings of more than ₹ 10 crore each and more than 20 per cent of the total provisions					
(₹ in crore)					
Sr. No.	Grant Number	Name of the Grant/Appropriation	Total Grant/Appropriation	Savings	Percentage
Revenue (Voted)					
1	A04	Secretariat and Miscellaneous General Services	1398.56	462.38	33.06
2	A06	Information and Publicity	187.55	51.62	27.52
3	B02	State Excise	153.32	31.31	20.42
4	B04	Secretariat and Other General Services	51.10	11.32	22.15
5	D03	Agriculture Services	7631.51	1790.18	23.46
6	E03	Secretariat and Other Social Services	412.89	110.95	26.87
7	F02	Urban Development and Other Advance Services	12936.86	4016.56	31.05
8	F03	Secretariat and Other Social Services	127.21	109.59	86.15
9	G01	Sales Tax Administration	780.52	202.18	25.90
10	G02	Other Fiscal and Miscellaneous Services	10138.03	9802.70	96.69
11	G04	Secretariat - General Services	41.31	10.66	25.80
12	J02	Secretariat and Other Social and Economic Services	124.96	27.53	22.03
13	K01	Other Taxes and Duties on Commodities and Services	53.43	11.69	21.88
14	K04	Labour and Employment	200.88	45.57	22.69
15	K08	Secretariat - Economic Services	28.68	14.14	49.30
16	L03	Rural Development Programmes	8139.92	1807.25	22.20
17	N02	Secretariat and Other Social Services	815.61	170.01	20.84
18	N03	Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	8920.54	2459.17	27.57
19	O01	District Administration	354.00	74.24	20.97
20	O03	Rural Employment	5144.25	3960.53	76.99
21	O04	Other Rural Development Programmes	505.29	505.23	99.99
22	O06	Other Scientific Research	128.31	38.49	30.00
23	O07	Secretariat-Economic Services	266.09	82.07	30.84
24	O09	Census, Survey and Statistics	75.30	31.01	41.18
25	Q03	Housing	1377.90	706.71	51.29
26	R01	Medical and Public Health	10812.59	2181.51	20.18
27	T05	Revenue Expenditure on Tribal Areas Development Sub-Plan	7044.90	3148.46	44.69
28	U04	Ecology and Environment	101.96	34.99	34.32
29	V02	Co-operation	12284.20	5523.66	44.97
30	Y02	Water Supply and Sanitation	5065.06	2436.60	48.11
31	ZA02	Social Security and Welfare	2014.43	557.70	27.69
32	ZC01	Parliament / State/Union Territory Legislatures	240.56	71.03	29.53
33	ZD04	Tourism	466.74	104.34	22.36
34	ZE01	Minorities Development	408.22	268.18	65.69
35	ZG02	Secretariat & Other Social Services	16.90	12.70	75.15
36	ZH03	Irrigation, Power & Other Economic Services	387.75	84.16	21.70
Revenue (Charged)					
37	B03	Transport Administration	50.00	15.00	30.00
38	G06	Pensions and Other Retirement Benefits	56.97	12.05	21.15
39	V01	Interest Payments	73.00	56.28	77.10

Appendix - 2.6 (concl...)					
(₹ in crore)					
Sr. No.	Grant Number	Name of the Grant/Appropriation	Total Grant/Appropriation	Savings	Percentage
Capital (Voted)					
40	A09	Capital Outlay on Public Works	302.00	301.05	99.69
41	B10	Capital Expenditure on Economic Services	1984.18	595.83	30.03
42	B11	Loans to Government Servants etc.	127.31	41.65	32.72
43	D09	Capital Expenditure on Animal Husbandry	144.24	116.69	80.90
44	K11	Capital Expenditure on Energy	683.72	160.20	23.43
45	L07	Capital Expenditure on Rural Development	2819.43	1020.95	36.21
46	N04	Capital Expenditure on Social Services	1028.92	917.63	89.18
47	N07	District Schemes	91.44	35.37	38.68
48	O10	Capital Outlay on Other Rural Development Programmes	4526.95	3655.18	80.74
49	O41	District Plan - Jalgaon	46.13	12.48	27.05
50	S04	Capital outlay on Medical and Public Health	747.27	461.69	61.78
51	V03	Capital Expenditure on Social Services	612.90	450.96	73.58
52	V05	Capital Expenditure on Economic Services	114.00	67.15	58.90
53	W08	Capital Outlay on Other Social Services	10.10	10.10	100.00
54	X03	Capital Expenditure on Social Services	100.00	100.00	100.00
55	ZA03	Loans to Government Servants, etc.	34.60	13.20	38.15
56	ZA04	Capital Outlay on Other Social Services	100.00	30.00	30.00
57	ZG04	Capital outlay on Welfare of SC, ST, OBC & Minorities	52.65	49.25	93.54
58	C4	Secretariat and other General Services	53.77	19.94	37.08
59	H4	Secretariat and other Economic Services	67.96	25.00	36.79
60	I4	Secretariat Economic Services	69.41	38.98	56.16
61	H9	Capital Outlay on Removal of Regional Imbalance	66.14	41.69	63.03
62	H3	Housing	371.03	81.99	22.10
63	I3	Irrigation, Power and Other Economic Services	2011.10	430.43	21.40
64	C1	Revenue and District Administration	2298.59	638.25	27.77
65	H6	Public Works and Administrative and Functional Buildings	2697.74	696.87	25.83
66	H8	Capital Expenditure on Public Works Administrative and Functional Buildings	1893.87	780.94	41.24
Capital (Charged)					
67	V04	Internal Debt of the State Government	55.00	17.42	31.67
68	I1	Interest Payments	453.86	146.85	32.36
Total			122581.61	51997.49	
Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai					

Appendix - 2.7

(Reference: Paragraph 2.3.5; Page 55)

Grants which closed with savings of ₹ 100 crore each and above

(₹ in crore)

Sr. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Total	Actual Expenditure	Savings	Percentage (7)/(5)*100
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Revenue Voted							
1	A04-Secretariat and Miscellaneous General Services	817.78	580.78	1398.56	936.17	462.38	33.06
2	A05-Social Services	175.09	524.26	699.35	595.54	103.81	14.84
3	B01-Police Administration	13652.73	31.50	13684.23	12257.64	1426.59	10.43
4	B03-Transport Administration	1819.43	269.40	2088.83	1755.80	333.03	15.94
5	C01-Revenue and District Administration	2244.26	54.33	2298.59	1660.34	638.25	27.77
6	C07-Forest	2353.06	468.91	2821.97	2340.67	481.30	17.06
7	D03-Agriculture Services	7211.19	420.32	7631.51	5841.32	1790.18	23.46
8	D04-Animal Husbandry	1002.28	89.10	1091.38	929.87	161.51	14.80
9	E02-General Education	49410.16	0.01	49410.17	42091.83	7318.33	14.81
10	E03-Secretariat and Other Social Services	337.48	75.41	412.89	301.94	110.95	26.87
11	F02-Urban Development and Other Advance Services	12434.10	502.76	12936.86	8920.30	4016.56	31.05
12	F03-Secretariat and Other Social Services	126.97	0.24	127.21	17.62	109.59	86.15
13	F04-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	19139.45	186.63	19326.08	18780.19	545.89	2.82
14	G01-Sales Tax Administration	780.52	0.00	780.52	578.34	202.18	25.90
15	G02-Other Fiscal and Miscellaneous Services	10136.93	1.10	10138.03	335.33	9802.70	96.69
16	G06-Pensions and Other Retirement Benefits	20698.66	25.00	20723.66	20445.54	278.12	1.34
17	H05-Roads and Bridges	5272.51	0.45	5272.96	5052.83	220.12	4.17
18	H06-Public Works and Administrative and Functional Buildings.	2697.08	0.66	2697.74	2000.86	696.87	25.83
19	I03-Irrigation,Power and Other Economic Services	2008.09	3.02	2011.11	1580.67	430.43	21.40
20	J01-Administration of Justice	1772.62	23.32	1795.94	1447.13	348.81	19.42
21	K06-Energy	7387.65	3348.92	10736.57	10381.71	354.86	3.31
22	K07-Industries	2949.14	1020.00	3969.14	3285.23	683.91	17.23
23	L02-District Administration	4455.73	48.68	4504.41	3911.69	592.72	13.16
24	L03-Rural Development Programmes	6792.63	1347.29	8139.92	6332.66	1807.25	22.20
25	L05-Compensation and Assignments to Local Bodies and PRIs	619.30	0.00	619.30	517.59	101.71	16.42

Appendix - 2.7 (contd...)							
							(₹ in crore)
Sr. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Total	Actual Expenditure	Savings	Percentage (7)/(5)*100
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
26	M02-Food Storage and Warehousing	2367.79	37.46	2405.25	2196.64	208.61	8.67
27	N02-Secretariat and Other Social Services	815.61	0.00	815.61	645.60	170.01	20.84
28	N03-Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	7263.24	1657.30	8920.54	6461.37	2459.17	27.57
29	N06-Social Justice and Special Assistance Department	2602.90	0.00	2602.90	2290.03	312.87	12.02
30	O03-Rural Employment	5064.25	80.00	5144.25	1183.73	3960.53	76.99
31	O04-Other Rural Development Programmes	505.29	0.00	505.29	0.06	505.23	99.99
32	Q03-Housing	1377.90	0.00	1377.90	671.19	706.71	51.29
33	R01-Medical and Public Health	8708.12	2104.47	10812.59	8631.07	2181.51	20.18
34	S01-Medical and Public Health	2931.99	364.63	3296.62	2829.50	467.12	14.17
35	T05-Revenue Expenditure on Tribal Areas Development Sub-Plan	6627.47	417.43	7044.90	3896.44	3148.46	44.69
36	V02-Co-operation	10149.30	2134.91	12284.21	6760.54	5523.66	44.97
37	W02-General Education	6188.42	454.95	6643.37	5560.82	1082.55	16.30
38	W03-Technical Education	1473.08	181.49	1654.57	1498.85	155.72	9.41
39	X01-Social Security and Nutrition	3289.78	1288.58	4578.36	3908.15	670.22	14.64
40	Y02-Water Supply and Sanitation	4650.26	414.80	5065.06	2628.46	2436.60	48.11
41	ZA02-Social Security and Welfare	1949.25	65.18	2014.43	1456.73	557.70	27.69
42	ZD04-Tourism	300.00	166.74	466.74	362.40	104.34	22.36
43	ZE01-Minorities Development	407.43	0.79	408.22	140.04	268.18	65.69
44	ZG03-Welfare of Scheduled Castes	2871.22	752.06	3623.28	3063.23	560.05	15.46
Revenue Charged							
45	G03-Interest Payments and Debt Servicing	33997.89	0.00	33997.89	33716.34	281.55	0.83
46	I01-Interest payments	453.86	0.00	453.86	307.01	146.85	32.36
Capital Voted							
47	A09-Capital Outlay on Public Works	302.00	0.00	302.00	0.95	301.05	99.69
48	B10-Capital Expenditure on Economic Services	1545.87	438.32	1984.19	1388.36	595.83	30.03
49	D09-Capital Expenditure on Animal Husbandry	88.49	55.75	144.24	27.55	116.69	80.90
50	H08-Capital Expenditure On Public Works Administrative and Functional Buildings	1599.28	294.59	1893.87	1112.93	780.94	41.24
51	I05-Capital Expenditure on Irrigation	9505.01	3117.96	12622.97	11763.57	859.41	6.81

Appendix - 2.7 (concl...)							
							(₹ in crore)
Sr. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Total	Actual Expenditure	Savings	Percentage (7)/(5)*100
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
52	K11-Capital Expenditure on Energy	614.72	69.00	683.72	523.52	160.20	23.43
53	L07-Capital Expenditure on Rural Development	2819.43	0.00	2819.43	1798.48	1020.95	36.21
54	M04-Capital Expenditure on Food Storage and Warehousing	4509.20	0.00	4509.20	4263.37	245.83	5.45
55	N04-Food Storage and Warehousing	1028.91	0.00	1028.91	111.29	917.63	89.18
56	O10-Capital Outlay on Other Rural Development Programmes	4216.70	310.25	4526.95	871.77	3655.18	80.74
57	S04-Capital outlay on Medical and Public Health	525.17	222.10	747.27	285.58	461.69	61.78
58	T06-Capital Expenditure on Tribal Areas Development Sub-Plan	723.36	200.00	923.36	776.12	147.24	15.95
59	V03-Capital Expenditure on Social Services	111.50	501.40	612.90	161.94	450.96	73.58
60	X03-Capital Expenditure on Social Services	100.00	0.00	100.00	0.00	100.00	100.00
61	ZH05-Capital Outlay on Soil and Water Conservation	2634.90	71.31	2706.21	2181.66	524.56	19.38
Capital Charged							
62	G09-Public Debt and Inter State Settlement	28107.71	0.00	28107.71	24789.91	3317.80	11.80
TOTAL		338722.14	24423.56	363145.70	290564.01	72581.65	

Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai

Appendix - 2.8

(Reference: Paragraph 2.3.6; Page 57)

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

(₹ in crore)

Sr. No.	Number and Name of the grant	Voted/ Charged (V/C)	Amount of savings (per cent to total grants)				
			2014-15	2015-16	2016-17	2017-18	2018-19
Revenue Voted							
1	B01-Police Administration	V	1250.17 (12.28)	715.89 (14.59)	842.90 (6.89)	940.89 (19.84)	1426.59 (10.43)
2	C01-Revenue and District Administration	V	304.46 (19.15)	317.86 (17.79)	311.80 (16.42)	515.56 (24.10)	638.25 (27.77)
3	C07-Forest	V	224.57 (15.61)	281.87 (13.78)	331.09 (15.10)	566.13 (21.41)	481.30 (17.06)
4	D03-Agriculture Services	V	839.80 (17.04)	723.07 (13.65)	1024.24 (11.59)	1562.01 (22.56)	1790.18 (23.46)
5	E02-General Education	V	1639.51 (4.67)	3317.57 (8.48)	4502.23 (10.78)	6680.38 (14.31)	7318.33 (14.81)
6	F02-Urban Development and Other Advance Services	V	1592.83 (26.08)	1151.96 (15.35)	1554.65 (13.43)	4228.31 (34.60)	4016.56 (31.05)
7	G01-Sales Tax Administration	V	122.34 (20.26)	206.77 (29.49)	198.82 (26.65)	242.52 (29.81)	202.18 (25.90)
8	G02-Other Fiscal and Miscellaneous Services	V	153.76 (52.41)	3491.79 (96.68)	2191.39 (94.50)	1114.16 (91.85)	9802.70 (96.69)
9	G06-Pensions and Other Retirement Benefits	V	201.21 (1.39)	1139.03 (6.92)	2194.71 (11.53)	1219.62 (6.16)	278.12 (1.34)
10	H06-Public Works and Administrative and Functional Buildings.	V	479.34 (19.06)	525.37 (20.06)	526.59 (20.06)	608.48 (22.97)	696.87 (25.83)
11	I03-Irrigation, Power and Other Economic Services	V	340.75 (14.94)	316.90 (13.21)	473.49 (19.84)	322.92 (16.79)	430.43 (21.40)
12	J01-Administration of Justice	V	536.97 (34.42)	236.17 (17.43)	249.06 (17.14)	377.90 (22.09)	348.81 (19.42)
13	L02-District Administration	V	220.30 (7.20)	135.60 (4.15)	309.92 (8.22)	255.88 (6.67)	592.72 (13.16)
14	L03-Rural Development Programmes	V	1844.17 (26.63)	1308.33 (23.44)	1199.04 (15.99)	1684.76 (24.39)	1807.25 (22.20)
15	O03-Rural Employment	V	844.82 (36.47)	476.98 (17.56)	1592.76 (46.11)	3468.90 (67.50)	3960.53 (76.99)
16	Q03-Housing	V	979.95 (67.35)	335.44 (61.63)	1662.53 (79.84)	1548.93 (90.76)	706.71 (51.29)
17	R01-Medical and Public Health	V	2552.99 (29.50)	1407.53 (17.27)	1434.53 (16.47)	1956.59 (18.35)	2181.51 (20.18)
18	S01-Medical and Public Health	V	139.84 (7.03)	209.93 (9.34)	236.03 (9.29)	267.17 (10.15)	467.12 (14.17)
19	T05-Revenue Expenditure on Tribal Areas Development Sub-Plan	V	1114.16 (23.83)	1374.04 (25.70)	1022.55 (18.86)	3258.17 (50.05)	3148.46 (44.69)
20	W03-Technical Education	V	261.21 (13.91)	223.94 (11.65)	215.03 (11.54)	186.90 (13.39)	155.72 (9.41)
21	X01-Social Security and Nutrition	V	516.86 (15.35)	552.26 (15.31)	535.27 (17.95)	395.97 (12.53)	670.22 (14.64)
22	Y02-Water Supply and Sanitation	V	866.08 (42.25)	1445.30 (48.91)	2021.40 (51.54)	2059.43 (50.05)	2436.60 (48.11)

Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai

Appendix - 2.9
(Reference: Paragraph 2.3.7; Page 58)
Unnecessary Supplementary provisions
(₹ 10 crore or more in each case)

(₹ in crore)

Sr. No.	Grant Number	Name of the Appropriation	Original	Actual expenditure	Savings out of original provision	Supplementary Provision
Revenue Voted						
1	A06	Information and Publicity	158.55	135.93	22.62	29.00
2	B01	Police Administration	13652.73	12257.64	1395.09	31.50
3	B03	Transport Administration	1819.43	1755.80	63.63	269.40
4	C01	Revenue and District Administration	2244.26	1660.34	583.92	54.33
5	C07	Forest	2353.06	2340.67	12.39	468.91
6	D03	Agriculture Services	7211.19	5841.32	1369.87	420.32
7	D04	Animal Husbandry	1002.28	929.87	72.41	89.10
8	E03	Secretariat and Other Social Services	337.48	301.94	35.54	75.41
9	F02	Urban Development and Other Advance Services	12434.10	8920.30	3513.80	502.76
10	F04	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	19139.45	18780.19	359.26	186.63
11	G06	Pensions and Other Retirement Benefits	20698.66	20445.54	253.12	25.00
12	G07	Social Security and Welfare	151.71	149.34	2.38	16.30
13	H03	Housing	296.03	289.04	6.99	75.00
14	J01	Administration of Justice	1772.62	1447.13	325.49	23.32
15	L02	District Administration	4455.73	3911.69	544.04	48.68
16	L03	Rural Development Programmes	6792.63	6332.66	459.97	1347.29
17	M02	Food Storage and Warehousing	2367.79	2196.64	171.15	37.46
18	N03	Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	7263.24	6461.37	801.87	1657.30
19	O01	District Administration	304.00	279.76	24.24	50.00
20	O03	Rural Employment	5064.25	1183.73	3880.53	80.00
21	R01	Medical and Public Health	8708.12	8631.07	77.05	2104.47
22	S01	Medical and Public Health	2931.99	2829.50	102.49	364.63
23	T05	Revenue Expenditure on Tribal Areas Development Sub-Plan	6627.47	3896.44	2731.03	417.43
24	U04	Ecology and Environment	89.55	66.96	22.59	12.41
25	V02	Co-operation	10149.30	6760.54	3388.75	2134.91
26	W02	General Education	6188.42	5560.82	627.60	454.95
27	Y02	Water Supply and Sanitation	4650.26	2628.46	2021.80	414.80
28	ZA02	Social Security and Welfare	1949.25	1456.73	492.52	65.18
29	ZC01	Parliament / State/Union Territory Legislatures	202.70	169.53	33.17	37.86
30	ZD02	Art and Culture	169.02	155.66	13.35	10.65
Revenue Charged						
31	J01	Administration of Justice	310.56	285.24	25.32	24.37

Appendix - 2.9 (concl...)						
						(₹ in crore)
Sr. No.	Grant Number	Name of the Appropriation	Original	Actual expenditure	Savings out of original provision	Supplementary Provision
Capital Voted						
32	B10	Capital Expenditure on Economic Services	1545.87	1388.36	157.51	438.32
33	D09	Capital Expenditure on Animal Husbandry	88.49	27.55	60.94	55.75
34	H08	Capital Expenditure On Public Works Administrative and Functional Buildings	1599.28	1112.93	486.35	294.59
35	K11	Capital Expenditure on Energy	614.72	523.52	91.20	69.00
36	O10	Capital Outlay on Other Rural Development Programmes	4216.70	871.77	3344.93	310.25
37	S04	Capital outlay on Medical and Public Health	525.17	285.58	239.59	222.10
38	ZH05	Capital Outlay on Soil and Water Conservation	2634.90	2181.66	453.24	71.31
Total			162720.96	134453.22	27814.74	12990.69
Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai						

Appendix- 2.10			
(Reference: Paragraph 2.3.8; Page 58)			
Cases of surrender of funds in excess of ₹ 50 crore			
on 30 and 31 March 2019			
(₹ in crore)			
Sr. No.	Grant number	Major Head	Amount Surrendered
Revenue Section			
1	A04	2070 Other Administrative Services	193.97
2	A04	2052 Secretariat - General Services	210.18
3	A05	2235 Social Security and Welfare	130.91
4	A06	2220 Information and Publicity	51.26
5	B01	2070 Other Administrative Services	58.09
6	B01	2055 Police	1394.64
7	B03	2041 Taxes on Vehicles	347.83
8	C01	2029 Land Revenue	239.64
9	C01	2053 District Administration	390.60
10	C06	2245 Relief on account of Natural Calamities	1145.46
11	C07	2406 Forestry and Wild life	472.13
12	D03	2415 Agricultural Research and Education	152.30
13	D03	2401 Crop Husbandry	1731.30
14	E01	2049 Interest Payments	61.04
15	E02	2202 General Education	7318.51
16	E03	2235 Social Security and Welfare	73.61
17	F02	2217 Urban Development	3811.53
18	F03	2230 Labour and Employment	104.77
19	F04	3604 Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	545.89
20	G01	2040 Taxes on Sales	182.39
21	G02	2075 Miscellaneous General Services	67.87
22	G02	2070 Other Administrative Services	9734.83
23	G03	2049 Interest Payments	66.32
24	G05	2054 Treasury and Accounts Administration	56.34
25	H05	3054 Roads and Bridges	363.32
26	H06	2059 Public Works	688.42
27	I01	2049 Interest Payment	146.85
28	I03	2701 Major and Medium Irrigation	382.42
29	K06	2801 Power	62.45
30	K06	2810 New and Renewable Energy	292.41
31	K07	2852 Industries	639.02
32	L02	2053 District Administration	591.89
33	L03	2501 Special Programmes for Rural Development	109.37
34	L03	3054 Roads and Bridges	144.82
35	L03	2505 Rural Employment	462.64
36	L03	2515 Other Rural Development Programmes	665.02
37	L05	3604 Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	177.78

Appendix - 2.10 (contd...)			
			(₹ in crore)
Sr. No.	Grant number	Major Head	Amount Surrendered
38	M02	2408 Food, Storage and Warehousing	208.66
39	N02	2216 Housing	141.00
40	N03	2801 Power	50.00
41	N03	2235 Social Security and Welfare	539.80
42	N03	2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1871.39
43	N06	2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	310.76
44	O01	2053 District Administration	74.24
45	O03	2505 Rural Employment	2504.21
46	O04	2515 Other Rural Development Programmes	505.23
47	O07	3451 Secretariat -Economic Services	85.21
48	Q03	2216 Housing	706.32
49	R01	2211 Family Welfare	61.23
50	R01	2210 Medical and Public Health	2124.12
51	S01	2210 Medical and Public Health	483.73
52	T05	2801 Power	50.00
53	T05	2210 Medical and Public Health	71.79
54	T05	2401 Crop Husbandry	78.37
55	T05	2202 General Education	109.27
56	T05	2235 Social Security and Welfare	123.25
57	T05	2505 Rural Employment	239.74
58	T05	2215 Water Supply and Sanitation	312.81
59	T05	2435 Other Agricultural Programmes	922.23
60	T05	2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	1152.75
61	T09	2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	148.99
62	V02	2425 Co-operation	50.95
63	V02	2851 Village and Small Industries	51.48
64	V02	2435 Other Agricultural Programmes	5412.69
65	W02	2202 General Education	1082.60
66	W03	2203 Technical Education	155.67
67	X01	2235 Social Security and Welfare	241.77
68	X01	2236 Nutrition	427.84
69	Y02	2215 Water Supply and Sanitation	2438.35
70	ZA02	2203 Technical Education	180.16
71	ZA02	2230 Labour and Employment	375.98
72	ZD04	3452 Tourism	100.49
73	ZE01	2235 Social Security and Welfare	268.86
74	ZG03	2225 Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	558.93
75	ZH03	2402 Soil and Water Conservation	63.37

Appendix - 2.10 (concl...)				(₹ in crore)
Sr. No.	Grant number	Major Head	Amount Surrendered	
Capital Section				
76	A09	4059 Capital Outlay on Public Works		299.05
77	B10	5055 Capital Outlay on Road Transport		89.32
78	B10	5002 Capital Outlay on Indian Railways-Commercial Lines		281.88
79	B10	4801 Capital Outlay on Power Projects		393.39
80	H07	4216 Capital Outlay on Housing		75.30
81	H08	4202 Capital Outlay on Education, Sports, Art and Culture		57.60
82	H08	4210 Capital Outlay on Medical and Public Health		126.11
83	H08	4059 Capital Outlay on Public Works		484.18
84	H08	4405 Capital Outlay on Fisheries		103.43
85	I05	4701 Capital outlay on Major and Medium Irrigation		726.99
86	I05	4801 Capital Outlay on Power Projects		102.85
87	K11	4801 Capital Outlay on Power Projects		109.35
88	L07	5054 Capital Outlay on Roads and Bridges		1019.88
89	M04	4408 Capital Outlay on Food Storage and Warehousing		251.84
90	N04	4225 Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes & Minorities		894.75
91	O10	5452 Capital Outlay on Tourism		131.29
92	O10	4515 Capital Outlay on other Rural Development Programmes		3519.58
93	S04	4210 Capital Outlay on Medical and Public Health		437.36
94	V03	4425 Capital Outlay on Co-operation		459.13
95	X03	4236 Capital Outlay on Nutrition		100.00
96	ZH05	4702 Capital Outlay on Minor Irrigation		141.54
			Total	67356.88
Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai				

Appendix - 2.11								
(Reference: Paragraph 2.4.2 ; Page 61)								
Sub-head wise substantial saving under Grant A-09 and Y-02 during 2018-19								
(₹ in crore)								
Sr. No.	Cross Reference Code	Description	Total Grant	Actual Expenditure	Savings	Percentage of savings	Reasons for savings	
Grant A-09: Capital outlay on Public Works								
1	4059-051(00)(01)	Construction of Chhatrapati Shivaji Maharaj Monument in Arabian sea	300.00	0.95	299.05	99.68	Surrender of provision of ₹ 299.05 crore was due to non-construction of Monument	
Grant Y-02 : Water Supply and sanitation								
1	2215-107(02)(10)	Swachha Bharat Mission (Central Share) CSS	2816.60	933.88	1882.72	66.84	Surrender of provision of ₹ 1973.73 crore due to less release of funds by Central Government	
2	2215-102(02)(26)	Mukhyamantri Rural Drinking water Programme-MRDWP	325.00	123.89	201.11	61.88	Withdrawal of provision of ₹ 201.11 crore attributed to no demand from implementing agencies	
3	2215-102(02)(30)	National Rural Drinking water programme-Grant to support and water quality monitoring and surveillance (Central Share 60%)	20.00	0.00	20.00	100.00	Surrender of entire provision of ₹ 100.14 crore attributed to considerable change in NRDWP as per government directives, structural changes in the scheme and due to no demand due to stoppage of Tillari Project	
4	2215-102(02)(31)	National Rural Drinking water programme- Grant to Sustainability (Central Share 60%)	30.00	0.00	30.00	100.00		
5	2215-102(02)(32)	National Rural Drinking water programme- Grant to Sustainability (State Share 40%)	10.00	0.00	10.00	100.00		
6	2215-196(02)(02)	Tillari Project Based Water Supply Scheme	25.00	0.00	25.00	100.00		
7	2215-107(02)(11)	Assistance from loan from NABARD for liquid waste management project under RIDF	15.14	00.00	15.14	100.00		
Source: Appropriation Accounts 2018-19								

Appendix- 2.12					
(Reference: Paragraph 2.4.3 ; Page 61)					
Surrender of entire provision under Grant A-09, Y-02 and I-05 during 2018-19					
(₹ in crore)					
Sr. No.	Description	Original and Supplementary Grant	Amount Re-appropriated	Total Grant	Actual Expenditure
Grant A-09 General Administration Department					
1	4070-003(00)(01) To establish New Institution under State Training Policy	2.00	2.00	0.00	0.00
Grant Y-02 Water Supply and Sanitation Department					
1	2215-102(02)(31) National Rural Drinking water Programme- Grants to sustainability (Central share 60%)	30.00	30.00	0.00	0.00
2	2215-102(02)(32) National Rural Drinking water Programme- Grants to sustainability (State share 40%)	10.00	10.00	0.00	0.00
3	2215-196(02)(02)- Tillari Project Based Water Supply Scheme	25.00	25.00	0.00	0.00
4	2215-102(02)(30) National Rural Drinking Water Programme- Grants to Support and Water Quality Monitoring and Surveillance (Central share 60%)	20.00	20.00	0.00	0.00
5	2215-107(02)(11) Assistance from Loan from NABARD for Liquid Waste Management Project under RIDF	15.14	15.14	0.00	0.00
6	2215-192(02)(10) Grant in aid to Municipalities/Municipal Council for Nagri Dalit Wasti Water Supply Schemes in urban Areas (Scheduled Castes Sub Plan)	3.00	3.00	0.00	0.00
7	2215-199(01)(03) Grant in aid to Maharashtra Jeevan Pradhikaran for the Pension Contribution to the absorbed Government Servants	1.28	1.28	0.00	0.00
8	2215-192(02)(12) Grant in aid to Municipalities/Municipal Council for providing private water connections to families of SCs and Nav Boudhas in Urban Areas (Scheduled Castes Sub Plan)	1.20	1.20	0.00	0.00
9	2215-192(02)(02) Grant in aid for Water Supply and Drainage Scheme of Municipalities/Municipal council	5.00	5.00	0.00	0.00
Grant I-05 Capital outlay on Major and Medium Irrigation					
1	4701 80 190 (20) (03) Share Capital Contribution to Konkan Irrigation Development Corporation	7.38	7.38	0.00	0.00
2	4701 80 190 (20) (05) Share Capital Contribution to Godavari Marathwada Irrigation Development Corporation	21.79	21.79	0.00	0.00
3	4702 80 190 (00) (14) Share Capital Contribution to Godavari Marathwada Irrigation Development Corporation (Extension and Improvement) (Marathwada Region (Scheme))	8.24	8.24	0.00	0.00
4	480101850 (00) (01) Superintending Engineer, Thane Irrigation Circle, Thane	3.00	3.00	0.00	0.00
5	480101851 (00) (01) Suprintending Engineer, Thane Irrigation Circle, Thane	1.00	1.00	0.00	0.00
Source: Appropriation Accounts 2018-19					

Appendix - 2.13

(Reference: Paragraph 2.4.4; Page 61)

Rush of expenditure in last month of 2018-19 under Grant Y-02 and I-05

(₹ in crore)

Sr. No.	Sub-head	Sub-head Description	Total Expenditure	Expenditure during March 2019	Percentage of total expenditure incurred in March 2019
Grant Y-02 Water Supply and Sanitation					
1	221501789 984	National Rural Drinking Water Programme-(Schedule Caste Sub Plan) (Central Share)	69.12	40.80	59.02
2	221501196 A02	Grant-in-aid for Water Supply Scheme for Marathwada Division by Integrated Grid Process (Scheme)	10.70	7.96	74.11
3	221501102 979	National Rural Drinking Water Programme (Central Share 50 per cent)	172.78	133.90	77.50
4	221501102 207	Piped Water Supply Schemes-Grants to National Rural Drinking Water Programme	207.06	162.06	78.27
5	221501102 930	Project Planning and Monitoring Unit (Jalswarajya Project)	144.00	124.49	86.45
6	221502789 982	Swachh Bharat Mission (C.S.S)(SCSP)(Central Share)(Scheme)	293.23	269.89	92.04
7	221502107 198	Execution of Sant Gadge Baba Gram Safai Mission, Publicity and Reward Scheme	9.56	9.56	100.00
8	221501102 959	Grant-in-aid to Scheduled Caste and Nav-Bauddha Families for Individual Water Supply Connections	1.56	1.56	100.00
9	221501102 208	Piped Water Supply Schemes-Grants to Maintenance and Repair	20.00	20.00	100.00
10	221502107 218	Swachh Bharat Mission (Centrally Sponsored Scheme) (State Share)	51.00	51.00	100.00
11	221501102 996	Operation and Maintenance of Regional Water Supply Scheme	8.00	8.00	100.00
12	221501102 997	National Rural Drinking Water Programme-Grant to support and Water Quality Monitoring and Surveillance (State Share 40%)	14.00	14.00	100.00
Grant I-05 Capital Expenditure on Major and Minor Irrigation					
1	470180190 J68	Capital Outlay on Major and Medium Irrigation	115.20	103.04	89.00
2	470180190 J72	Capital Outlay on Major and Medium Irrigation	33.98	33.98	100.00
3	470180800 H11	Capital Outlay on Major and Medium Irrigation	15.00	15.00	100.00
4	470280190 479	Capital Outlay on Minor Irrigation	90.29	88.29	98.00
5	470280190 490	Capital Outlay on Minor Irrigation	176.15	170.74	97.00
6	470280190 749	Capital Outlay on Minor Irrigation	15.50	15.50	100.00
7	471101190 A020	Capital Outlay on Flood Control Projects	33.00	30.00	91.00
8	480101999 376	Capital Outlay on Power Projects	16.26	16.26	100.00
Total			1496.43	1316.03	

Source: Information obtained from VLC of Accountant General (A&E)-I, Maharashtra, Mumbai

Appendix - 2.14						
(Reference: Paragraph 2.5; Page 63)						
Contingency Fund Sanction Orders and Utilisation against Sanctions						
(₹ in crore)						
Sr. No.	Sanction No. & Date	Department/Grant No./MH	Purpose for which drawn	Sanctioned Amount	Amount utilised	Balance Amount
1	CNF-2018/1 Budget-11 dt: 13.04.2018	Secretariat And Other General Services B-04/2052	Provision for inquiry made by the court on happening of Koregaon Bhima riots	0.52	0.52	00.00
2	CNF-2018/2 Budget-13 dt: 04.05.2018	Co-operation V-02/2425	Provision for Civil Appeal Number 3445/2011 Maharashtra State Co-op. Bank Ltd. against State Government and others in accordance with the order issued by Supreme Court dated 5.4.18	74.00	74.00	00.00
3	CNF-2018/3 Budget-13 dt: 15.05.2018	Agriculture Services D-03/2401	Financial assistance to the farmers and their families who died in pesticides spraying work	1.70	00.00	1.70
4	CNF-2018/4 Budget-11 dt: 21.05.2018	Administration of Justice J-01/2014	Commencement of Civil Court Junior Level or Judicial Officer first class court and creation of posts for court	0.25	00.00	0.25
5	CNF-2018/5 Budget-13 dt: 01.06.2018	Co-operation V-02/2425	Repayment of the loan guaranteed by the State Government for purchase of tur by Maharashtra State Co-operative Marketing Federation under Market Intervention Scheme	1528.00	1528.00	0.00
6	CNF-2018/6 Budget-13 dt: 08.06.2018	Co-operation V-02/2425	Financial subsidy to farmers who were registered under NEML portal and who have not been able to purchase tur and gram under the minimum support price scheme	70.00	70.00	0.00
7	CNF-2018/7 Budget-7 dt: 03.10.2018	Welfare of Scheduled Castes, Schedule Tribes, Other Backward Classes and Minorities N-03/2225	Chatrapati Shahu Maharaj Research Training and Human Development Institute (Sarathi) which was established for Maratha Community	5.00	5.00	0.00
8	CNF-2018/8 Budget-15 dt: 20.10.2018	Dairy Development D-05/2404	To encourage export of Milk and Milk Powder in State	80.00	00.00	80.00
9	CNF-2018/9 Budget-13 dt: 26.10.2018	Co-operation V-02/2425	To give honorarium and related other expenditure to two member Claims Committee appointed by Supreme Court	0.72	00.00	0.72
10	CNF-2019/10 Budget-13 dt: 15.02.2019	Co-operation V-02/2425	Grant of Rs.200 per quintal to onion farmers of State for the year 2018-19	114.80	114.80	0.00
11	CNF-2019/11 Budget-6 dt: 20.02.2019	Relief on Account of Natural Calamities. C-06/2245	To provide immediate relief to affected farmers in drought affected talukas	2000.00	569.80	1430.20
Total				3874.99	2362.12	1512.87

Source: Contingency Fund sanction orders from respective Departments and information from Accountant General (Accounts and Entitlement)-I, Maharashtra, Mumbai

Appendix - 2.15			
<i>(Reference: Paragraph 2.7.3; Page 65)</i>			
Inoperative Personal Ledger Account			
Sr. No.	Name of Treasury	No. of accounts non-operative for one or more than one year	Balance as on 31 March 2019 (₹ in crore)
1	Ahmednagar	3	0.39
2	Amravati	1	0.01*
3	Aurangabad	3	5.72
4	Bhandara	1	0.00
5	Buldhana	2	0.03
6	Chandrapur	2	0.43
7	Dhule	2	0.02
8	Gadchiroli	1	0.00
9	Jalgaon	1	0.00
10	Jalna	1	0.04
11	Nagpur	1	0.01
12	Nanded	2	0.13
13	Nashik	10	0.02
14	Palghar	23	0.63
15	PAO, Mumbai	1	0.02
16	Parbhani	1	0.02
17	Pune	99	27.72
18	Raigad	4	0.73
19	Sangli	1	0.03
20	Satara	5	35.12
21	Solapur	3	2.64
22	Thane	3	0.02
23	Yavatmal	5	1.29
Grand Total		175	75.02

Source: Information obtained from Accountant General (A&E) I, Mumbai, Accountant General (Audit) II, Nagpur and Pay and Accounts office

* Higher rounding

Appendix - 3.1			
<i>(Reference: Paragraph 3.1; Page 69)</i>			
Department-wise breakup of outstanding Utilisation Certificates			
Sr. No.	Department	Number of certificates	Amount (₹ in crore)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	1408	376.80
2	Co-operation, Marketing and Textiles	76	245.17
3	Environment	80	162.89
4	Finance	5	9.41
5	Food, Civil Supplies and Consumer Protection	21	0.23
6	General Administration	50	19.15
7	Higher and Technical Education	217	480.27
8	Home	203	629.50
9	Housing	16	3.77
10	Industries, Energy and Labour	87	3021.21
11	Law and Judiciary	40	6.65
12	Marathi Language	1	0.46
13	Medical Education and Drugs	32	60.63
14	Minority Development	138	81.21
15	Planning	4566	3403.91
16	Public Health	200	954.90
17	Public Works	126	25.32
18	Revenue and Forests	944	473.42
19	Rural Development and Water Conservation	865	1555.38
20	School Education and Sports	1328	4337.62
21	Skill Development and Entrepreneurship	13	2.64
22	Social Justice and Special Assistance	1753	1084.77
23	Soil and Water Conservation Department	0	0.00
24	Tourism and Cultural Affairs	142	287.86
25	Tribal Development	3823	2238.92
26	Urban Development	1272	27845.16
27	Vimukta Jatis, Nomadic tribes, OBC and SBC Welfare Department	0	0.00
28	Water Resources	3	0.52
29	Water Supply and Sanitation	154	116.28
30	Women and Child Development	844	59.31
Total		18407	47483.36

Source : Finance Accounts 2018-19

Appendix - 3.2 (Reference: Paragraph 3.3; Page 72) Delay in submission of Accounts/Audit Reports by Autonomous Bodies								
Sr. No.	Name of the Body	Period of Entrustment/Audit under Section of CAG's DPC Act, 1971	Year up to which Accounts were rendered	Due date of submission of Accounts to audit	Delay in submission of Accounts		Period up to which SAR is issued	Placement of SAR in the Legislature
					Accounts received on	Period of delay (in months)		
1	Maharashtra Housing and Area Development Authority (MHADA), Mumbai	01/04/2018 to 31/03/2023 Section 20(1)	2018-19	June 2019	09/12/2019	05	2017-18	SAR 2016-17 presented on 27/11/2018
2	Mumbai Metropolitan Region Development Authority (MMRDA), Mumbai	01/04/2014 to 31/03/2019 Section 20(1)	2017-18 2018-19	June 2018 June 2019	21/11/2018 13/08/2019	05 01	2017-18	SAR 2016-17 placed in the Legislature on 27/11/2018
3	Maharashtra Jeevan Pradhikaran (MJP), Mumbai	01/04/2017 to 31/3/2022 Section 20(1)	2016-17	June 2017	7/05/2019	23	2016-17	SAR 14-15 presented on 16/07/2018
4	Maharashtra Krishna Valley Development Corporation (MKVDC), Pune	01/04/2016 to 31/03/2021 Section 19(3)	2017-18	June 2018	27/12//2018	06	2017-18	SAR 2016-17 presented on 23/03/2018 SAR 2017-18 placed in winter session 2019
5	Konkan Irrigation Development Corporation (KIDC), Thane	01/04/2013 to 31/03/2018 Section 19(3)	2017-18	June 2018	01/03/2019	08	2017-18	SAR 2015-16 presented on 30/11/2018. SAR 2016-17 placed in winter session 2019.
6	Maharashtra Maritime Board (MMB), Mumbai	01/04/2016 to 31/03/2021 Section 20(1)	2016-17	June 2017	29/06/2018	12	2016-17	SAR for 2015-16 presented on 27/11/2018
7	Maharashtra State Commission for Women (MSCW), Mumbai	01/04/2013 to 31/03/2018 Section 19(3)	2016-17 2017-18	June 2017 June 2018	07/09/2018 27/08/2019	14 14	2016-17 2017-18	SAR 2014-15 presented on 30/11/2018. SAR 2015-16 placed in July 2019
8	Maharashtra Pollution Control Board (MPCB), Mumbai	01/04/2018 to 31/03/2023 Section 20(1)	2017-18	June 2018	6/3/2019	08	2017-18	SAR 2010-11 to 2014-15 presented on 30/11/2018. SAR 2015-16 and 2016-17 placed in July 2019
9	Slum Rehabilitation Authority, Mumbai (SRA)	01/04/2016 to 31/03/2021 Section 20(1)	2017-18	June 2018	18/01/2019	07	2017-18	SAR 2016-17 presented on 28/02/2019
10	Maharashtra Water Resources Regulatory authority (MWRRA)	01/04/2015 to 31/03/2020 Section 20(1)	2016-17	June 2017	18/10/2017	04	2016-17	SAR 2016-17 presented on 27/03/2018

Appendix - 3.2 (contd...)								
Sr. No.	Name of the Body	Period of Entrustment/Audit under Section of CAG's DPC Act, 1971	Year up to which Accounts were rendered	Due date of submission of Accounts to audit	Delay in submission of Accounts		Period up to which SAR is issued	Placement of SAR in the Legislature
					Accounts received on	Period of delay (in months)		
11	Rajiv Gandhi Science and Technology Commission (RGSTC)	01/04/2010 onwards till existence Section 19(3)	2017-18 2018-19	June 2018 June 2019	14/12/2018 03/10/2019	06 03	2017-18	SAR 2015-16 and 2016-17 presented on 30/11/2018
12	Maharashtra Khadi and Village Industries Board (MSKVIB), Mumbai	01/04/2017 to 31/03/2022 Section 20(1)	2017-18	June 2018	13/11/2018	04	2017-18	SAR 2016-17 presented on 29/11/2018
13	Maharashtra State Legal Services Authority (MSLSA) Mumbai	Section 19(2)	2016-17	June 2017	10/11/2017	04	2016-17	SAR yet to be presented
14	Maharashtra State Commission for Protection of Child Rights (MSCPCR)	Section 19(2)	2016-17	June 2017	01/09/2017	02	2016-17	SAR 2015-16 and 2016-17 presented on 02/07/2019.
15	Maharashtra State Human rights commission (MSHRC)	Section 19(2) read with Rule 35(2) of the Protection of Human Rights Act, 1993	2017-18	June 2018	11/9/2018	02	2017-18	SAR from 2002-03 onwards.
16	Maharashtra State Minorities Commission (MSMC)	Section 19(3) read with Section 12(3) of Maharashtra State Minorities Commission Act, 2004	2012-13	June 2013	22/11/2016	41	2012-13	SAR yet to be presented from the first year of audit 2005-06
17	Maharashtra Building and other construction Workers Welfare Board (MBOCWBB)	Section 19(2)	2014-15 2015-16 2016-17 2017-18	June 2015 June 2016 June 2017 June 2018	20/11/2018 20/11/2018 31/05/2019 31/05/2019	41 29 23 11	2015-16	SAR 2012-13 & 2013-14 presented on 30/11/2018. SAR 2014-15 & 2015-16 placed in July 2019.
18	Slum Rehabilitation Authority Pune & Pimpri Chinchwad Area, Pune	01/04/2011 to 31/03/2017 Section 20(1)	2011-12 2012-13 2013-14 2014-15 2015-16 2016-17	June 2012 June 2013 June 2014 June 2015 June 2016 June 2017	16/09/2019 16/09/2019 16/09/2019 16/09/2019 16/09/2019 16/09/2019	87 75 63 51 39 27	2015-16	2005-06 is the first year of certification of Annual Accounts. Yet to be presented from the year 2005-06

Appendix - 3.2 (concl...)								
Sr. No.	Name of the Body	Period of Entrustment/Audit under Section of CAG's DPC Act, 1971	Year up to which Accounts were rendered	Due date of submission of Accounts to audit	Delay in submission of Accounts		Period up to which SAR is issued	Placement of SAR in the Legislature
					Accounts received on	Period of delay (in months)		
19	Maharashtra Real Estate Regulatory Authority (MAHA RERA)	Section 19(2)	2018-19	June 2019	17/7/2019	01	2018-19	First Year of certification of Annual Accounts. SAR 2017-18 placed in the Legislature on 2/7/2019.
20	Maharashtra Electricity Regulatory Commission (MERC)	Section 20(1) read with Section 104 of the Electricity Act, 2003	2017-18 2018-19	July 2018 July 2019	19/07/2018 01/08/2019	-	2017-18 2018-19	SAR for 2017-18 placed in the Legislature on 28/02/2019
21	Tapi Irrigation Development Corporation (TIDC), Jalgaon	Section 20 (1) read with Section 104 of the Electricity Act	2016-17	June 2017	09/05/2018	10	2016-17	SAR for the year 2015-16 placed on 30/11/2018
22	Vidharba Irrigation Development Corporation (VIDC), Nagpur	01/04/2012 to 31/03/2022 Section 19(3)	2016-17 2017-18	June 2017 June 2018	18/03/2019 18/03/2019	21 08	2015-16	SAR for the year 2014-15 placed on 23/3/2018
23	Godavari Marathwada Irrigation Development Corporation (GMIDC), Aurangabad	01/04/2014 to 31/03/2019 Section 19(3)	2015-16	June 2016	09/05/2018	22	2013-14	SAR for 2013-14 presented on 30/11/2018
24	Maharashtra Water Conservation Corporation (MWCC), Aurangabad	From 1/4/2001 Section 19(3)	2016-17	June 2017	1/03/2019	20	2015-16	SAR of 2014-15 placed in March 2018.
25	Compensatory Afforestation Fund Management and Planning Authority (CAMPA)*	From 1/4/2011 Section 20(1)	2011-12 2012-13 2013-14 2014-15 2015-16 2016-17	June 2012 June 2013 June 2014 June 2015 June 2016 June 2017	20/02/2016 20/02/2016 20/02/2016 20/02/2016 21/08//2018 21/08/2018	44 32 20 08 26 14	-	-

Note: Fee Regulatory Authority (FRA) and Admission Regulatory Authority (ARA) excluded as entrustment of audit of Annual Accounts to this office is pending

* Delay in receiving notification/request for Audit from State Government

Source: Information obtained from the Offices of the Pr. Accountant General (Audit)-I, Mumbai; Accountant General (Audit)-II, Nagpur; and Accountant General (Audit)-III, Mumbai

Appendix - 3.3				
(Reference: Paragraph 3.4; Page 73)				
Status of finalisation of Accounts and Government investments in Departmentally managed Commercial and Quasi-Commercial Undertakings				
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
Agriculture, Animal Husbandry, Dairy Development and Fisheries Department				
Mumbai Region				
1	Greater Mumbai Milk Scheme, Worli	2016-17	(-)11.67	
2	Milk Transport Scheme, Worli	2006-07	2.34	MTS Worli has been closed vide Government order dated 17/07/2008
3	Mother Dairy, Kurla	2016-17	31.47	
4	Central Dairy, Goregaon	2015-16	78.73	
5	Unit Scheme, Mumbai	2014-15	30.33	
6	Agricultural Scheme, Mumbai	2014-15	10.45	
7	Electrical Scheme, Mumbai	2014-15	5.16	
8	Water Supply Scheme, Mumbai	2014-15	15.57	
9	Cattle Feed Scheme, Mumbai	2014-15	(-)3.33	
10	Cattle Breeding and Rearing Farm, Palghar	2015-16	1.32	
11	Dairy Project, Dapchari	2016-17	16.25	
12	Government Milk Scheme, Bhiwandi	2015-16	0.61	
13	Government Milk Chilling Centre, Saralgaon, Thane	2015-16	0.21	
14	Government Milk Scheme, Khopoli	2016-17	2.69	
15	Government Milk Scheme, Mahad	2015-16	1.45	
16	Government Milk Scheme, Chiplun	2016-17	2.64	
17	Government Milk Scheme, Ratnagiri	2015-16	7.22	
18	Government Milk Scheme, Kankavali	2016-17	2.24	
Pune Region				
19	Government Milk Scheme, Pune	2016-17	(-)0.08	
20	Government Milk Scheme, Mahabaleshwar	2016-17	0.96	
21	Government Milk Scheme, Satara	2016-17	5.50	
22	Government Milk Scheme, Miraj	2016-17	15.90	
23	Government Milk Scheme, Solapur	2016-17	2.12	
Nagpur Region				
24	Government Milk Scheme, Nagpur	2014-15	1.25	
25	Government Milk Scheme, Wardha	2017-18	23.91	
26	Government Milk Scheme, Chandrapur	2017-18	(-)2.48	
27	Government Milk Scheme, Gondia	2017-18	31.08	
Aurangabad Region				
28	Government Milk Scheme, Aurangabad	2017-18	35.75	
29	Government Milk Scheme, Udgir	2017-18	39.48	
30	Government Milk Scheme, Beed	2017-18	31.08	
31	Government Milk Scheme, Nanded	2017-18	12.85	
32	Government Milk Scheme, Bhoom	2017-18	10.92	
33	Government Milk Scheme, Parbhani	2017-18	54.30	
Nashik Region				
34	Government Milk Scheme, Nashik	2016-17	2.56	
35	Government Milk Scheme, Dhule	2016-17	6.41	
36	Government Milk Scheme, Chalisgaon	2017-18	1.82	
37	Government Milk Scheme, Ahmednagar	2016-17	4.46	
38	Government Milk Scheme, Wani	2016-17	0.49	

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
Amravati Region				
39	Government Milk Scheme, Amravati	2016-17	18.68	
40	Government Milk Scheme, Akola	2016-17	21.69	
41	Government Milk Scheme, Yavatmal	2017-18	17.41	
42	Government Milk Scheme, Nandura	2017-18	5.95	
Agriculture, Animal Husbandry, Dairy Development and Fisheries Department				
43	Land Development by Bulldozer Scheme, Pune	1994-95	4.00	These are sick units with no operations. Hence they have stopped preparing Accounts
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 and Timber Depot	1985-86	0.00	These are sick units with no operations. Hence they have stopped preparing Accounts
Food, Civil Supplies and Consumer Protection Department				
48	Procurement, Distribution and Price Control Scheme in Mumbai and Thane Rationing Area	2016-17	999.74	
49	Procurement, Distribution and Price Control Scheme in Mofussil Area	2016-17	1427.16	
Total			2990.71	
Source: <i>Proforma</i> Accounts				

Appendix - 3.4							
(Reference: Paragraph 3.5; Page 73)							
Department-wise/age-wise breakup of cases of misappropriation, defalcation etc.							
(₹ in lakh)							
Name of the Department	Up to 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	4 (18.71)	5 (0.38)	2 (0.06)	1 (2.45)	3 (6.94)	29 (9.45)	44 (37.99)
Co-operation, Marketing and Textile	0 (0)	0 (0)	0 (0)	1 (0.53)	0 (0)	0 (0)	1 (0.53)
Finance	0 (0)	0 (0)	7 (93354.07)	1 (13.89)	19 (370.64)	4 (1.94)	31 (93740.54)
Food, Civil Supplies and Consumer Protection	0 (0)	0 (0)	0 (0)	0 (0)	2 (14.69)	6 (13.55)	8 (28.24)
General Administration	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	2 (2.58)	2 (2.58)
Geology and Mining	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)
Higher and Technical Education	1 (1.39)	1 (0.49)	1 (29.65)	0 (0)	1 (290.37)	0 (0)	4 (321.90)
Home	6 (67.55)	3 (786)	5 (11.11)	1 (7.6)	5 (18.9)	5 (5.84)	25 (897.00)
Housing	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0.07)	1 (0.07)
Industries, Energy and Labour	2 (62.67)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	2 (62.67)
Law and Judiciary	1 (2.13)	4 (1.07)	1 (0.01)	0 (0)	1 (0.04)	0 (0)	7 (3.25)
Marathi Language	0 (0)	0 (0)	1 (3.53)	1 (7.96)	0 (0)	2 (7.01)	4 (18.50)
Medical Education and Drugs	0 (0)	2 (0.29)	4 (0.46)	3 (0.27)	2 (0)	0 (0)	11 (1.02)
Milk Supply Development	0 (0)	4 (1408.45)	2 (4755.93)	6 (18.8)	1 (1.19)	3 (6.89)	16 (6191.26)
Planning	1 (0)	0 (0)	1 (0)	3 (0.57)	6 (1.15)	7 (3.76)	18 (5.48)
Public Health	0 (0)	3 (64.38)	1 (0.32)	2 (3.44)	0 (0)	22 (14.61)	28 (82.75)
Public Works	0 (0)	0 (0)	1 (0.35)	0 (0)	2 (61.59)	8 (70.48)	11 (132.42)
Revenue and Forests	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (2.02)	1 (2.02)
Rural Development and Water Conservation	0 (0)	1 (48)	0 (0)	0 (0)	1 (0.71)	4 (87.93)	6 (136.64)
School Education and Sports	0 (0)	5 (9.62)	1 (0.04)	1 (3.28)	0 (0)	0 (0)	7 (12.94)
Social Justice and Special Assistance	2 (0.66)	20 (10.07)	16 (20.46)	2 (0.21)	0 (0)	1 (0)	41 (31.4)
Tribal Development	0 (0)	3 (6.05)	0 (0)	0 (0)	0 (0)	0 (0)	3 (6.05)
Water Resources	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Water Supply and Sanitation	1 (0.73)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0.73)
TOTAL	18 (153.84)	51 (2334.80)	43 (98175.99)	22 (59.00)	43 (766.22)	95 (226.13)	272 (101715.98)

Source: Information obtained from respective Departments; Pay and Accounts Office, Mumbai; Accountant General (Audit)-II, Maharashtra, Nagpur
 Figures in parenthesis indicate the amount of misappropriation, loss, defalcation etc.

Appendix - 3.5 (Reference: Paragraph 3.5; Page 73) Department-wise/category-wise details of losses to Government due to theft, misappropriation/loss of Government material (₹ 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	7	2.1	37	35.89	44	37.99
Co-operation, Marketing and Textiles	0	0.00	1	0.53	1	0.53
Finance	1	13.89	30	93726.65	31	93740.54
Food, Civil Supplies and Consumer Protection	0	0.00	8	28.24	8	28.24
General Administration	1	1.29	1	1.29	2	2.58
Geology and Mining	0	0.00	0	0.00	0	0.00
Higher and Technical Education	2	1.88	2	320.02	4	321.90
Home	3	11.12	22	885.88	25	897.00
Housing	0	0.00	1	0.07	1	0.07
Industries, Energy and Labour	2	62.67	0	0.00	2	62.67
Law and Judiciary	3	0.29	4	2.96	7	3.25
Marathi Language	0	0.00	0	0.00	0	0.00
Medical Education and Drugs	0	0.00	4	18.50	4	18.50
Milk Supply Development	1	0.73	0	0.00	1	0.73
Planning	9	0.89	2	0.13	11	1.02
Public Health	0	0.00	16	6191.26	16	6191.26
Public Works	1	0.00	17	5.48	18	5.48
Revenue and Forests	3	3.44	25	79.31	28	82.75
Rural Development and Water Conservation	2	3.51	9	128.91	11	132.42
School Education and Sports	0	0.00	1	2.02	1	2.02
Social Justice and Special Assistance	0	0.00	6	136.64	6	136.64
Tribal Development	2	1.80	5	11.14	7	12.94
Water Resources	31	14.43	10	16.97	41	31.40
Water Supply and Sanitation	3	6.05	0	0.00	3	6.05
Total	71	124.09	201	101591.89	272	101715.98

Source: Information obtained from respective Departments; Pay and Accounts Office, Mumbai; Accountant General (Audit)-II, Maharashtra, Nagpur

Appendix - 3.6				
(Reference: Paragraph 3.7; Page 75)				
Details of sub-heads (schemes) booked under				
Minor Head 800 for the year 2018-19				
Major Head	Sub Major Head	Minor Head	Sub-head description	Amount (₹ in crore)
(i) Other Receipts				
0049	04	800	800(01)(43) Interest on other Loans	169.51
0029	00	800	800(14)(01)&(16)(01) - Commissioner Konkan	164.44
0235	01	800	800(20)(01)(11) – Receipts transferred from Government Insurance Fund as Surplus	150.04
0029	00	800	800(17)(01)– Non-Agricultural Assessment-Commissioner Konkan	148.86
0029	00	800	800(01)(07) - Settlement Commissioner and Director of Land Record Pune	97.22
0045	00	800	800(01)(11)-Education Cess	85.56
0029	00	800	800(17)(03)– Non-Agricultural Assessment-Commissioner Pune	70.41
0049	04	800	800(01)(44)-House Building Advances	57.49
0070	01	800	800(01)(04) – Transferred amount from Public Trust Administration Fund	56.78
0515	00	800	800(00)(01) – Receipts from Community Development Programmes	52.10
6216	80	800	800(00)(05) – Loans to Co-operative Housing Societies of Government Servants	47.36
0435	00	800	800(01)(02)-Cash Receipts for crediting unspent balances from out of amounts drawn	42.64
0029	00	800	800(06)(07)- Settlement Commissioner and Director of Land Record	41.96
0029	00	800	800(17)(02) –Non Agricultural Assessment – Commissioner Nashik	41.95
0216	02	800	800(00)(01) License Fees/Compensation etc. from Slum Dwellers.	37.22
0055	00	800	800(01)(04)-Collection and Payment for services rendered by the Department	34.77
0216	01	800	800(01)(01)- License Fees	33.02
0029	00	800	800(17)(06) –Non-Agricultural Assessment – Commissioner Aurangabad	29.71
0029	00	800	800(17)(05) – Non-Agricultural Assessment – Commissioner Nagpur	24.84
0217	60	800	800(01) (04)- Charge of execution of Development Plan and Integrated Urban Development Project Works of Municipal Councils	21.74
0216	02	800	800(00)(02)-Plot Registration Fee under the Urban Land (Ceiling & Regulation) Act,1976	21.45
0425	00	800	800(01)(12)-Supervision Fees of Agricultural Produce Market Committee	20.05
Total				1449.12
(ii) Other Expenditure				
2801	05	800	800(00)(01)-Subsidy to the Distribution/Transmission Licensee for reduction in Agriculture and Power loom Tariff (3 Years)	7766.00
2217	80	800	800(00)(03)-Grant-in-aid to Urban Local Bodies in accordance with the 14th Finance Commission (CSS) (3 years)	2204.70
2515	00	800	800(01)(08)-Grant-in-Aid to Zilla Parishads for Rural Development Programs	1195.43
2701	80	800	800(01)(01)-Commercial Interest	582.10
2202	01	800	800 (00)(12)- Sarva Siksha Abhiyan (Central Share) (3 Years)	565.39
2210	06	800	800 (01 (18)-National Rural Health Mission (Central Share) 60 per cent	546.68
2210	06	800	800 (01 (15)-National Rural Health Mission (State Share) 40 per cent (3 years)	530.96
4070	00	800	800(00)(05)-Construction of Maharashtra State Police Housing	450.00
3054	04	800	800(02)(01)-Grant-in-Aid to Municipal Councils/Corporations etc. for improvement of roads –Normal Road Grant	405.08
2216	03	800	800(00)(01)-Gharkul Yojana for Scheduled Castes and Nav Boudh People (Rural) (SCP)	400.00
2202	01	800	800(00)(05) Sarva Siksha Abhiyan Scheme (CSS) (State Share)	376.92
3001	00	800	800(00)(02)-Participation of State Government in Railway Project	321.05

Appendix - 3.6 (contd...)				
Major Head	Sub Major Head	Minor Head	Sub-head description	Amount (₹ in crore)
2210	06	800	800 (01)(10)-Establishment of Trauma Care Units- Maharashtra Emergency Medical Services	258.72
2401	00	800	800(00)(09)- Krishi Unnati Yojna Financial Assistance under Rashtriya Krishi Vikas Yojna (Schemes under Five Year Plan) (60 per cent Central share)	183.30
4055	00	800	800(00) (99) Installation of CCTV Surveillance System	179.89
2216	02	800	800(00)(01) Gharkul Yojana for Scheduled Castes and Nav Boudh People (Urban) (SCP)	159.99
2406	01	800	800(02)(06)-Eco Tourism (State)(3 years)	151.36
2202	01	800	800(00)(10)-Supply of Educational material to students	145.10
2210	06	800	800 (01) (16)-National Rural Health Mission (State Share 40 per cent) (SCSP)	144.74
2401	00	800	800 (00)(11) Krishi Unnati Yojana -Financial Assistance under Rashtriya Krishi Vikas Yojana (Schemes under Five Year Plan) (40 per cent State share) (3 years)	122.19
2235	02	800	800(03) (01)-Grants to Social Welfare Institutions	108.81
2210	06	800	800(01)(19)- National Urban Health Mission Centrally Sponsored Scheme (Central Share 60 per cent) (3 years)	98.31
2202	01	800	800(00)(06)- Sarva Shiksha Abhiyan Scheme (Special Component Plan)(Centrally Sponsored Scheme)	85.00
2202	80	800	800(02)(09)- Free ship to students whose or whose parents income does not exceed ₹ 15,000 per annum (3 Years)	82.47
2225	01	800	800(01)(02)- Workshop and training programme by Dr. Babasaheb Ambedkar Research and Training Institute, Pune	80.00
4701	80	800	800(iii)(i)- Works of Mechanical Organisation	72.32
2210	06	800	800 (01) (20)-National Urban Health Mission Centrally Sponsored Scheme (State Share 40 per cent) (3 years)	65.53
2216	02	800	800(32)(01)- Removal and Rehabilitation of Slum Dwellers(3 years)	64.00
2210	06	800	800(01)(02) – Upgradation of Primary Health Centres into Rural Hospitals (3 years)	62.61
2210	06	800	800(01)(21) –Revised National Tuberculosis Control Programme (RNTCP) Centrally Sponsored Scheme (Central Share 60 per cent)	61.90
2070	00	800	800(00)(03) Regional Staff of the Charity Commissioner (3 years)	54.38
2202	02	800	800 (00)(07)- Introduction of Information and Communication Technology in School (Central Share)	51.70
4070	00	800	800(00)(07)- Expenditure on Land Acquisition and Construction of Building for Police (Plan)	50.10
2205	00	800	800(01)(01)-Financial Assistance to distinguished persons in Literature, Arts etc.	48.67
2225	03	800	800(05)(02)-Grant In Aid to Voluntary Agencies (S.C.P)	45.95
2810	60	800	800(00)(01)-Maharashtra Energy Development Agency	42.75
2210	06	800	800(01)(22) –Revised National Tuberculosis Control Programme (RNTCP) Centrally Sponsored Scheme (State Share 40 per cent)	41.27
2210	06	800	800 (01)(07) Grants for Plan Schemes under Section 187 of the Maharashtra Zilla Parishads and Panchayat Samities Act, 1961	40.12
4070	00	800	800(00)(11)-Construction of Office Building for Police Department of Maharashtra State Police Housing	40.00
2225	80	800	800(01)(06) – Increase of amenities in Government and Aided Institutions (S.C.P.)	34.98
2202	02	800	800(00)(06) - Introduction of Information and Communication Technology in School (State Share)	34.47
4515	00	800	800(00)(01) - Pradhan Mantri Gram Sadak Yojna	34.45

Appendix - 3.6 (concl...)				
Major Head	Sub Major Head	Minor Head	Sub-head description	Amount (₹ in crore)
2216	80	800	800 (00) (02) - Payment to Maharashtra Housing and Area Development Authority as Government contribution to Mumbai Building Repairs and Reconstruction Fund	34.20
2216	80	800	800 (00) (05) - Payment of cess collection to Maharashtra Housing and Area Development Authority for credit to Mumbai Building Repairs and Reconstruction Fund	34.20
3054	04	800	800(50)(01) – Grants to Zilla Parishad for Development and Strengthening of Village Roads	33.10
2202	02	800	800(00)(10) – Vocationalisation of Higher Secondary Education (75 per cent Central Share)	33.01
5054	04	800	800(55)(04) – Development and Strengthening of Other Districts Road	30.70
4055	00	800	800(00)(08)-Construction of Office Building for Forensic Science Laboratory	29.99
2801	05	800	800 (00)(06) – Grant-in-aid to Maharashtra State Power Distribution Company Limited for Removal of Regional Imbalance of Agriculture	28.42
3054	04	800	800(37)(02)-Grants to Zilla Parishad for Development and Strengthening of Village Roads	29.26
2801	05	800	800 (55)(01) – Grant-in- aid to Maharashtra State Electricity Distribution Company Limited for Development and System Improvement	28.42
2225	01	800	800 (09)(01)-Grant In Aid to Mahatma Phule Backward Development Corporation Limited	27.25
2202	02	800	800(00)(09)-Rashtriya Madhyamik Shiksha Abhiyan (Central Share)	27.02
2203	00	800	800(00)(02)-Removal of Regional Imbalance	26.29
5054	04	800	800(47)(01)-Development and Strengthening of other District roads	26.26
5054	04	800	800(37)(06)- Development and Strengthening of other District roads	26.09
5054	04	800	800(45)(04)- Development and Strengthening of other District roads	25.22
2217	80	800	800(00)(05) Grant-in-Aid for establishment charges on Amrut Abhiyan State Abhiyan (100 per cent central Share)	23.52
3054	04	800	800(55)(02)-Grants to Zilla Parishad for Development and Strengthening of other District roads	23.50
2401	00	800	800(00)(02)-Special component plan-Input subsidy under Special Component Plan	22.49
2210	06	800	800(00)(45)- Establishment of Trauma Care Units- Maharashtra Emergency Medical Services	22.31
2202	02	800	800(00)(11)-Vocational Education in Higher secondary Schools (25 per cent State Share)	22.01
5054	04	800	800(40)(04) - Development and Strengthening of Other District roads	20.56
			Total	18563.21

Source: Finance Accounts 2018-19

Appendix - 3.7			
<i>(Reference: Paragraph 3.8; 76)</i>			
Details of pending Detailed Contingent Bills up to 2018-19			
Sr. No.	Department	No. of AC Bills	Amount (₹ in crore)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	23	2.54
2	Co-operation, Marketing and Textiles	46	5.12
3	Employment and Self Employment	42	0.43
4	Environment	1	0.00
5	Finance	67	10.98
6	Food, Civil Supplies and Consumer Protection	34	14.01
7	General Administration	556	130.87
8	Higher and Technical Education	66	1.07
9	Home	789	795.11
10	Housing	12	0.02
11	Industries, Energy and Labour	41	4.64
12	Law and Judiciary	116	152.48
13	Marathi Language Division	13	0.11
14	Medical Education and Drugs	232	328.53
15	Minorities Development	10	0.48
16	Parliament Affairs	1	0.01
17	Planning	62	60.35
18	Public Health	146	427.09
19	Public Works	4	0.05
20	Revenue and Forests	76	0.85
21	Rural Development and Water Conservation	62	2.00
22	School Education and Sports	68	0.23
23	Social Justice and Special Assistance	14	0.32
24	Tourism and Cultural Affairs	66	18.37
25	Tribal Development	27	3.64
26	Urban Development	8	0.07
27	Water Resources	2	0.00
28	Water Supply and Sanitation	10	0.02
29	Women and Child Development	12	0.17
30	Skill Development and Entrepreneur	0	0.00
31	Technical Education	3	0.01
32	Vidhan Mandal	1	4.78
33	Soil and water conservation	1	0.03
34	Vimukta Jatis, Nomadic tribes OBC and SBC Welfare Department	1	0.01
Grand Total		2612	1964.37

Source: Finance Accounts 2018-19

Appendix - 4.1

Glossary of terms

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 received as <i>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 or Avoidance of debt
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
Sufficiency of non-debt receipts	Defined as 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 <i>vis-à-vis</i> 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
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 subsides on which the present executive has limited control

Appendix - 4.1 (contd...)	
Terms	Description
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 Shiksha Abhiyan and State Health Mission for National Rural Health Mission, <i>etc.</i>
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, <i>etc.</i>)
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 at least 1/5 th 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

Appendix - 4.1 (concl...)	
Terms	Description
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 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
Public Accounts committee	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
Block Grant	A block grant is a lump sum grant provided by the Government of India to the State Government, with only general provisions as to the way it is to be spent.
Core public goods	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 <i>etc.</i>
Merit goods	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 <i>etc.</i>
Absorptive capacity	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 <i>etc.</i> so that the state is able to effectively achieve targeted outcomes

Appendix - 4.2	
Acronyms and abbreviations	
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
DE	Development Expenditure
FCP	Fiscal Correction Path
FFC	Fourteenth Finance Commission
FRBM	Fiscal Responsibility and Budgetary Management
GoI	Government of India
GSDP	Gross State Domestic Product
GST	Goods and Services Tax
IP	Interest Payment
MTFPS	Medium Term Fiscal Policy Statement
O and M	Operation and Maintenance
PAC	Public Accounts Committee
RE	Revenue Expenditure
RR	Revenue Receipts
S and 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

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