

Immediate Release



सत्यमेव जयते

PRESS BRIEF

**The Finance Accounts and Appropriation Accounts of
the Government of Maharashtra for the year 2021-22**

PRESS BRIEF

**FINANCE
ACCOUNTS**

**APPROPRIATION
ACCOUNTS**

**ACCOUNTS AT A
GLANCE**



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Finance Accounts and Appropriation Accounts 2021-22



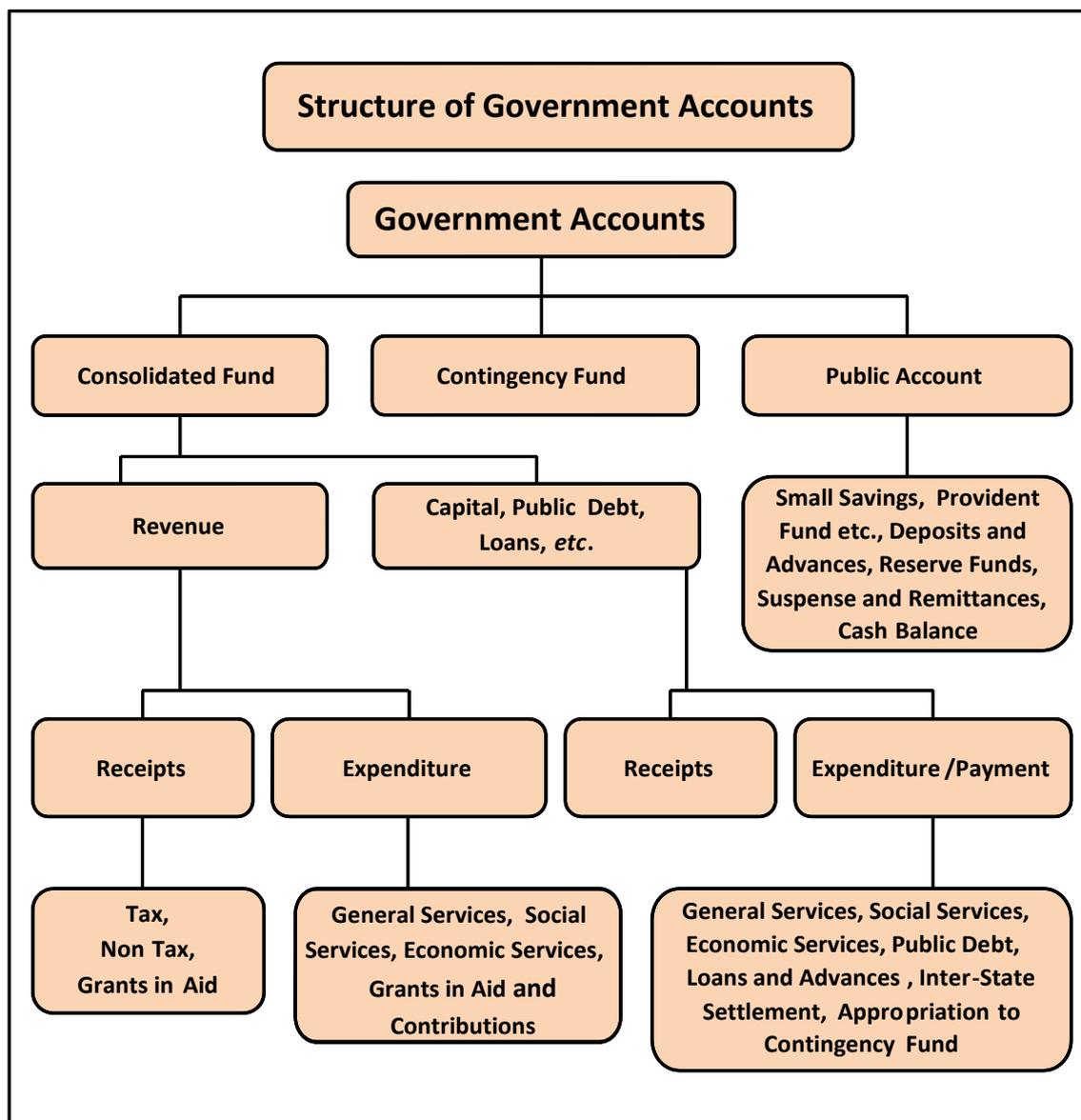
The Annual Accounts of the Government of Maharashtra *viz.* the Finance Accounts and the Appropriation Accounts are prepared by the Principal Accountant General (A&E)-I, Mumbai under the supervision of the Comptroller and Auditor General of India in accordance with requirements of the Articles 149, 150 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

These Accounts have been tabled in the State Legislature on 30.12.2022. The Finance Accounts of the Government of Maharashtra present the financial position of the State along with the details of receipts and disbursements of the Government for the year. The Appropriation Accounts present the sums expended in the year against the provisions specified in the schedules appended to the Appropriation Act.

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Finance Accounts and Appropriation Accounts 2021-22

The pictorial representation of Structure of Government Accounts



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Finance Accounts and Appropriation Accounts 2021-22

HIGHLIGHTS

Revenue Deficit:

- The State had a Revenue deficit of ₹ 16,374.32 crore against the target of maintaining a revenue surplus fixed in the Maharashtra Fiscal Responsibility and Budget Management Act, 2005.

Fiscal Indicators:

- The State's Fiscal Deficit of ₹ 64,301.86 crore (2.01 *per cent* of Gross State Domestic Product (GSDP) of ₹ 31,97,782 crore) is within the target of three *per cent* of GSDP fixed as per the Section 5.2 of Maharashtra Fiscal Responsibility and Budget Management Act, 2005.

Public Debt:

- The total public debt has increased by more than 31 *per cent* from ₹ 3,67,552 crore in 2019-20 to ₹ 4,83,035 crore in 2021-22.
- Utilisation of Public Debt receipts for servicing of debt showed a decreasing trend from 207 *per cent* in 2018-19 to 75 *per cent* in 2020-21, whereas it slightly increased to 77 *per cent* in 2021-22.

Liability under the National Pension System:

- The State Government employees recruited on or after 1 November 2005 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 14 *per cent* of basic pay and dearness allowance is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.
- During the year 2021-22, total contribution to Defined Contribution Pension Scheme was ₹ 5,110.87 crore (Employees contribution

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Finance Accounts and Appropriation Accounts 2021-22

₹ 1,967.65 crore [Tier I - ₹ 1,826.29 crore and Tier II - ₹ 141.36 crore] and Government contribution ₹ 3,143.22 crore). The Government transferred ₹ 6,702.99 crore to the Public Account under Major Head 8342-117 Defined Contribution Pension Scheme. The Government contribution to NPS was more by ₹ 586.41 crore which resulted in the understatement of Revenue deficit and Fiscal deficit to that extent.

Personal Deposit Accounts:

The balance as on 31 March 2022, in all the 1,652 Personal Deposit (PD) accounts is ₹ 10,523 crore. Out of the 1,652 PD Accounts, 99 Administrators had reconciled and verified their balances with the Treasury figures and 429 annual verification certificates were furnished by them to the Treasury Officer for onward submission to the Principal Accountant General's office.

OTHER IMPORTANT POINTS

The Finance Accounts of the Government of Maharashtra present the accounts of receipts and outgoings of the Government for the year together with the financial results disclosed by the revenue and capital accounts, the accounts of public debts and the liabilities and assets as worked out from the balances recorded in the accounts.

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Finance Accounts and Appropriation Accounts 2021-22

Important indicators from the Finance Accounts are highlighted below:

Receipts and Disbursements during the year

- Receipts and Disbursements of the Government of Maharashtra as depicted in the Finance Accounts for the year 2021-22 are given below:-

(₹ in crore)

Receipts (Total:3,98,792)	Revenue (3,33,312)	Tax Revenue	2,75,245*
		Non Tax Revenue	19,307
		Grants-in-aid and Contributions	38,760
	Capital (65,480)	Recovery of Loans and Advances	1,179
		Borrowings and other Liabilities	64,301
		Other Capital Receipts	...
Disbursements (Total:3,98,792)	Revenue Expenditure		3,49,686
	Capital Expenditure		46,670
	Loans and Advances disbursed		2,436

* Includes ₹ 54,318 crore on account of 'Share of Union Taxes/Duties'

- The Union Government transfers substantial funds directly to State agencies for implementation of various schemes and programmes. As these transfer of funds were not routed through State Budget, they are not reflected in the accounts of the State Government.
- Though there is no assurance for completeness of the details, the funds so transferred during the year as captured from Public Financial Management System (PFMS) portal of the Controller General of Accounts amounts to ₹ 1,20,619.24 crore.

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Finance Accounts and Appropriation Accounts 2021-22

Funds borrowed /Loans discharged

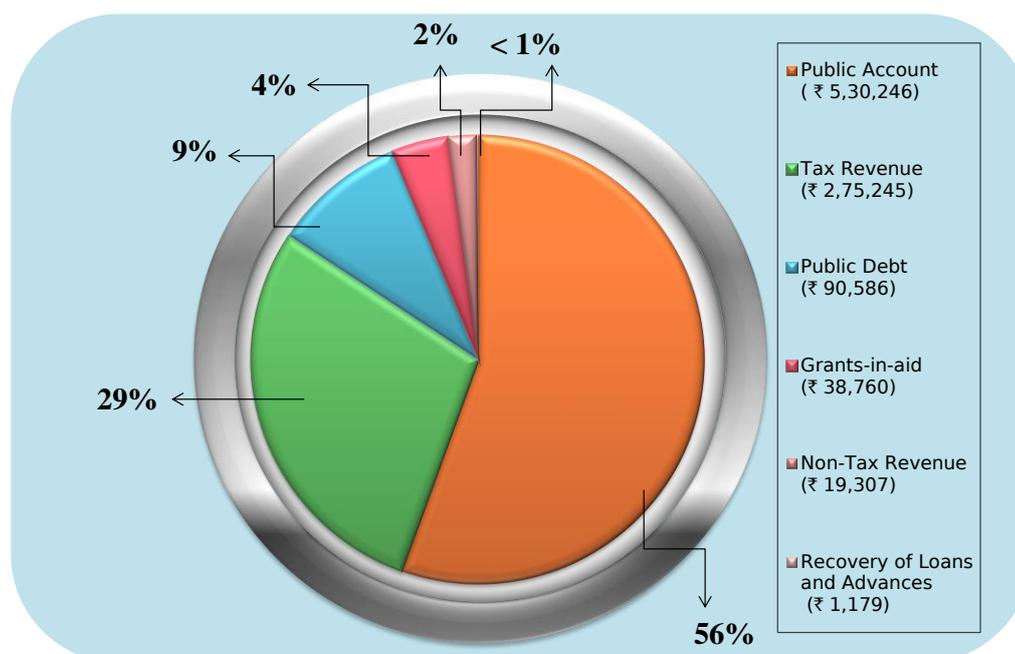
- The details of funds borrowed and the Loans discharged during the year are given below: -

(₹ in crore)

Loans raised (₹ 1,56,747)	Internal Debt	71,961
	Government of India Loan	18,625
	Other obligations	66,161
Loans Discharged (₹ 98,629)	Internal Debt	34,918
	Government of India Loan	1,115
	Other obligations	62,596

Where the Rupee came from*

(₹ in crore)

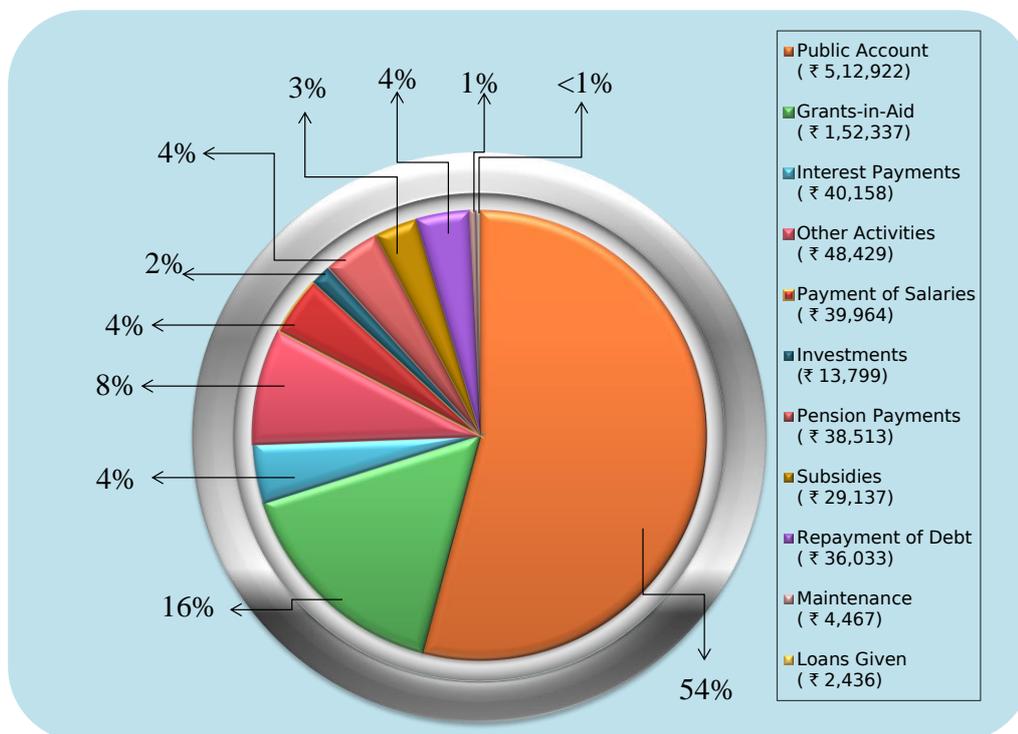


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Finance Accounts and Appropriation Accounts 2021-22

Where the Rupee went*

(₹ in crore)



* Excluding opening and closing cash balances

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Finance Accounts and Appropriation Accounts 2021-22

Highlights of Accounts

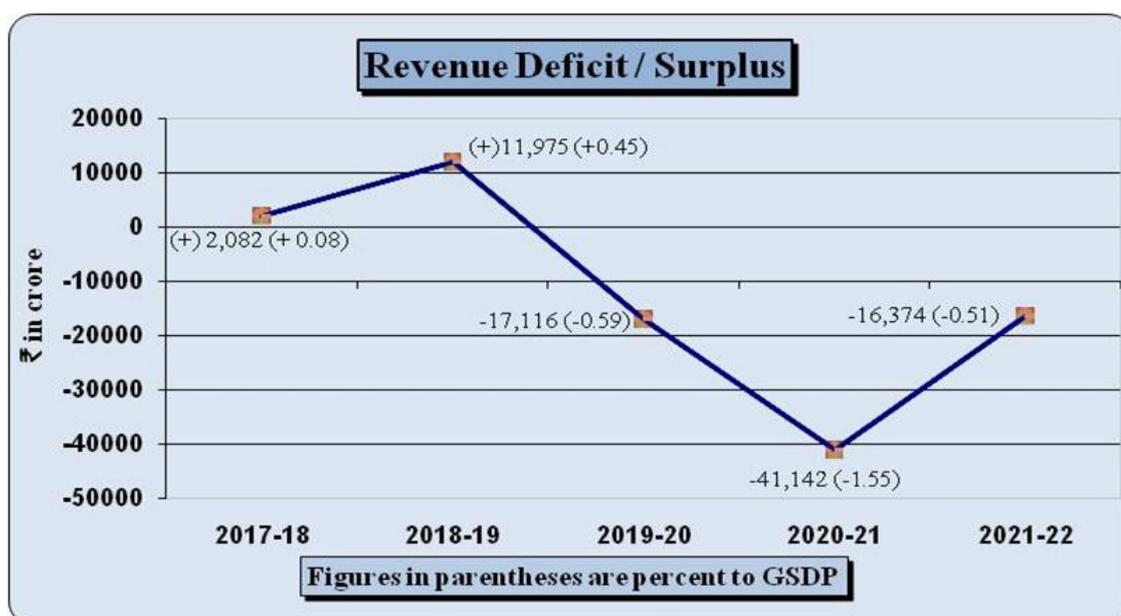
(₹ in crore)

Sr. No.	Head	B.E. 2021-22	Actuals	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP
1	Tax Revenue	2,85,534	2,75,245	96	9
2	Non-Tax Revenue	26,650	19,307	72	1
3	Grants-in-aid and Contributions received	56,803	38,760	68	1
4	Revenue Receipts (1+2+3)	3,68,987	3,33,312	90	10
5	Recovery of Loans and Advances	2,332	1,179	51	...
6	Other Receipts
7	Borrowings & Other Liabilities	66,641	64,301	96	2
8	Capital Receipts (5+6+7)	68,973	65,480	95	2
9	Total Receipts (4+8)	4,37,960	3,98,792	91	12
10	Committed Expenditure (CE) (11+13)	2,80,954	2,68,720	96	8
11	CE on Revenue Account	2,72,485	2,63,065	97	8
12	CE on Interest Payments out of 11	42,998	40,158	93	1
13	CE on Capital Account	8,469	5,655	67	0
14	Scheme Expenditure (SE) (15+16)	1,57,006	1,30,072	83	4
15	SE on Revenue Account	1,06,727	86,621	81	3
16	SE on Capital Account	50,279	43,451	86	1
17	Total Expenditure (10 + 14)	4,37,960	3,98,792	91	12
18	Revenue Expenditure (11+ 15)	3,79,212	3,49,686	92	11
19	Capital Expenditure (13+16)	58,748	49,106	84	2
20	Revenue Deficit (18 -4)	10,225	16,374	160	1
21	Fiscal Deficit 17 -(4+5+6) =7	66,641	64,301	96	2

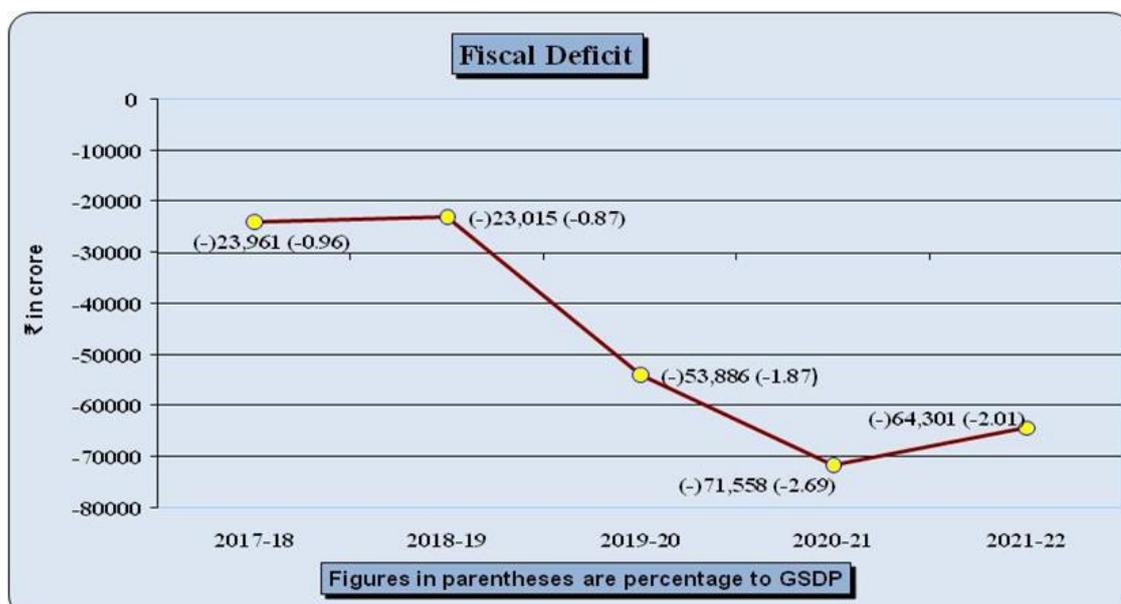
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Finance Accounts and Appropriation Accounts 2021-22

Trend of Revenue Deficit/Surplus over the five years



Trend of Fiscal Deficit



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Finance Accounts and Appropriation Accounts 2021-22

Debts and Liabilities

As against the target of outstanding Debt of less than 25 *per cent* of the GSDP, during 2021-22, the outstanding debt of the Government of Maharashtra was 15 *per cent* of the GSDP.

Liabilities of the State Government increased by ₹ 58,119 crore from ₹ 5,48,176 crore in 2020-21 to ₹ 6,06,295 crore during 2021-22. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 54,553 crore *i.e.* from ₹ 4,28,482 crore in 2020-21 to ₹ 4,83,035 crore at the end of the current year. Details of the Public Debt and total liabilities of the State Government are as under:

(₹ in crore)

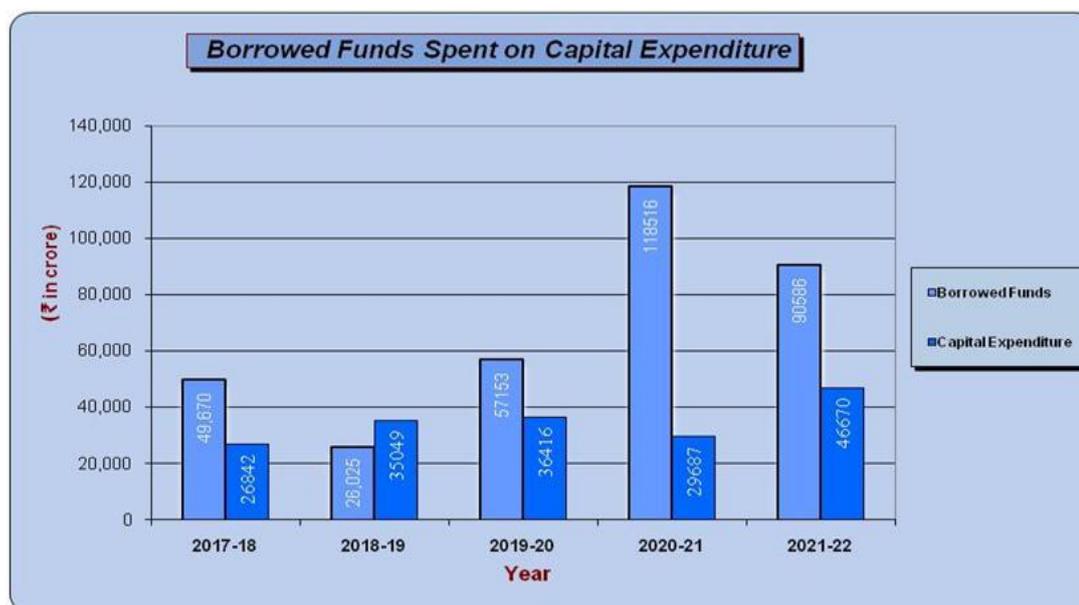
Year	2017-18	2018-19	2019-20	2020-21	2021-22
Internal Debt	3,27,026	3,28,522	3,61,132	4,08,036	4,45,080
Loans and Advances from Central Government	7,105	6,499	6,420	20,446	37,955
Total Public Debt	3,34,131(13)	3,35,021(13)	3,67,552(13)	4,28,482(16)	4,83,035(15)
Small Savings	3,335	3,612	3,881	4,348	4,605
Provident Funds	21,857	22,072	23,569	23,842	24,552
Other Obligations	73,110	76,078	84,897	91,504	94,103
Total Liabilities[@]	4,32,433(17)	4,36,783(16)	4,79,899(17)	5,48,176(21)	6,06,295(19)
GSDP	24,96,505	26,60,318	28,78,583	26,61,629	31,97,782 [§]

* *Figures in brackets represent percentage to GSDP*
§ *Provisional (Advance Estimates)*

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Finance Accounts and Appropriation Accounts 2021-22

Proportion of borrowed funds spent on Capital Expenditure



It is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. As against the borrowed funds of ₹ 90,586 crore, the amount spent on Capital assets is ₹ 46,670 crore during 2021-22.

Further the Internal debt of ₹ 68,750 crore raised during 2021-22 was mainly used for discharge of debt obligations (₹ 34,918 crore) and payment of interest (₹ 40,158 crore) thereon.

Appropriation Accounts

Appropriation Accounts bring out the Grant/Appropriation wise expenditure of the State Government against amounts voted by the State Legislature and amounts charged on the Consolidated Fund. Appropriation Accounts are supplementary to the Finance Accounts. The Appropriation accounts comprise of 26 Charged Appropriations, 220 Voted Grants and 51 combined (Charged and Voted) provisions.

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Finance Accounts and Appropriation Accounts 2021-22

Provision vis-a-vis expenditure and surrender

- 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 financial irregularities as an excess in it.
- The Appropriation Act, 2021-22 had provisions for gross expenditure of ₹ 5,64,387 crore and reduction of expenditure (recoveries) ₹ 8,878 crore. Against this, the actual gross expenditure was ₹ 4,52,851 crore and reduction of expenditure was ₹ 18,025 crore, resulting in net saving of ₹ 1,11,536 crore and under estimation of ₹ 9,147 crore on reduction of expenditure. The gross expenditure includes ₹ 1,222 crore drawn on Abstract Contingent (AC) Bills, out of which AC bills valuing ₹ 1,169 crore was outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

Persistent Savings

- The persistent savings indicated that the budgetary controls in the Departments were not effective and previous years' trends were not taken into account while allocating the funds for the year.
- It was noticed that there were persistent savings of more than ₹ 100 crore in 40 cases during the last five years, thereby indicating that either the provisions were in excess or the executive may not have succeeded in implementing the Legislative aspirations.

Unnecessary/excessive supplementary provisions

- An avoidable extra provision in an estimate is as much a budgetary irregularity as an excess in the sanctioned expenditure. Supplementary provisions aggregating ₹ 23,142.25 crore obtained

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in 36 cases (₹ 10 crore or more in each case) during the year proved unnecessary as the actual expenditure (₹ 1,80,914.23 crore) did not come up to the level of the original provision (₹ 2,23,344.85 crore).

Excess expenditure over provision during 2021-22 required regularization

- The excess expenditure over the budget provision during 2021-22 under 12 grants/appropriations amounted to ₹ 486.35 crore, which requires regularization under Article 205 of the Constitution of India.

For further information on the Report please contact:

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