



GOVERNMENT OF MAHARASHTRA

ACCOUNTS AT A GLANCE
2010 - 2011



PR. ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENTS)
MAHARASHTRA

P R E F A C E

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

The Annual Accounts of the State Government are prepared and examined under the directions of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State.

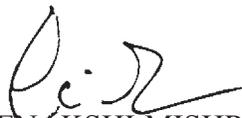
The Annual Accounts consist of (a) Finance Accounts and (b) Appropriation Accounts.

Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditure against provisions approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

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

'Accounts at a Glance' provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs.

We look forward to suggestions that would help us in improving the publication.



(MEENAKSHI MISHRA)

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

PLACE : Mumbai

DATE : 23.01.2012

Over Vision, Mission and Core Values

The **Vision** of the institution of the Comptroller and Auditor General of India represents what we aspire to become

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognised for independent, credible, balanced and timely reporting on public finance and governance.

Our **mission** enunciates our current role and describes what we are doing today

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders- the Legislature, the Executive and the Public- that public funds are being used efficiently and for the intended purposes.

Our **Core values** are the guiding beacons for all that we do and give us the benchmarks for assessing our performance

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

TABLE OF CONTENTS

Chapter I	Overview	Page
1.1	Introduction	5
1.2	Structure of Accounts	5
1.3	Finance Accounts	7
1.4	Appropriation Accounts	9
1.5	Sources and Application of Funds	10
1.6	Highlights of Accounts	13
1.7	What the Deficits and Surpluses indicate	14
<hr/>		
Chapter II	Receipts	
2.1	Introduction	17
2.2	Revenue Receipt Components	18
2.3	Components under Revenue Receipts as proportion to GSDP	19
2.4	Sector-wise Tax Revenue	19
2.5	Performance of State's Own Tax Revenue Collection	20
2.6	Trend of Revenue Receipts	20
2.7	Trend of Major Taxes in proportion to GSDP	21
2.8	Trend in State's Share of Union Taxes over past five years	21
2.9	Efficiency of Tax Collection	22
2.10	Grants-in-aid	22
2.11	Capital Receipts	23
<hr/>		
Chapter III	Expenditure	
3.1	Introduction	24
3.2	Revenue Expenditure	24
3.3	Capital Disbursements	28
3.4	Trend of expenditure in important sectors	30
<hr/>		
Chapter IV	Plan & Non-Plan Expenditure	
4.1	Distribution of Expenditure	31
4.2	Plan Expenditure	31
4.3	Non-Plan Expenditure	32
<hr/>		
Chapter V	Appropriation Accounts	
5.1	Summary of Appropriation Accounts for 2010-11	33
5.2	Trend of Savings/Excess during the past five years	34
5.3	Significant Savings	34
<hr/>		
Chapter VI	Assets and Liabilities	
6.1	Assets	36
6.2	Debt and Liabilities	37
6.3	Proportion of borrowed funds spent on Capital Expenditure	39
6.4	Guarantees	40
<hr/>		
Chapter VII	Other Items	
7.1	Contingency Fund	41
7.2	Financial Assistance to Local Bodies and others	41
7.3	Rush of Expenditure	42
7.4	Reconciliation of Accounts	43
7.5	Rendition of Accounts by Treasuries	43
7.6	Abstract Contingent Bills/Detailed Contingent Bills	44
7.7	Utilisation Certificates in respect of Grant-in-aid given by the Government	44
7.8	Commitments on account of incomplete Capital Works	44

CHAPTER – I

OVERVIEW

1.1. Introduction

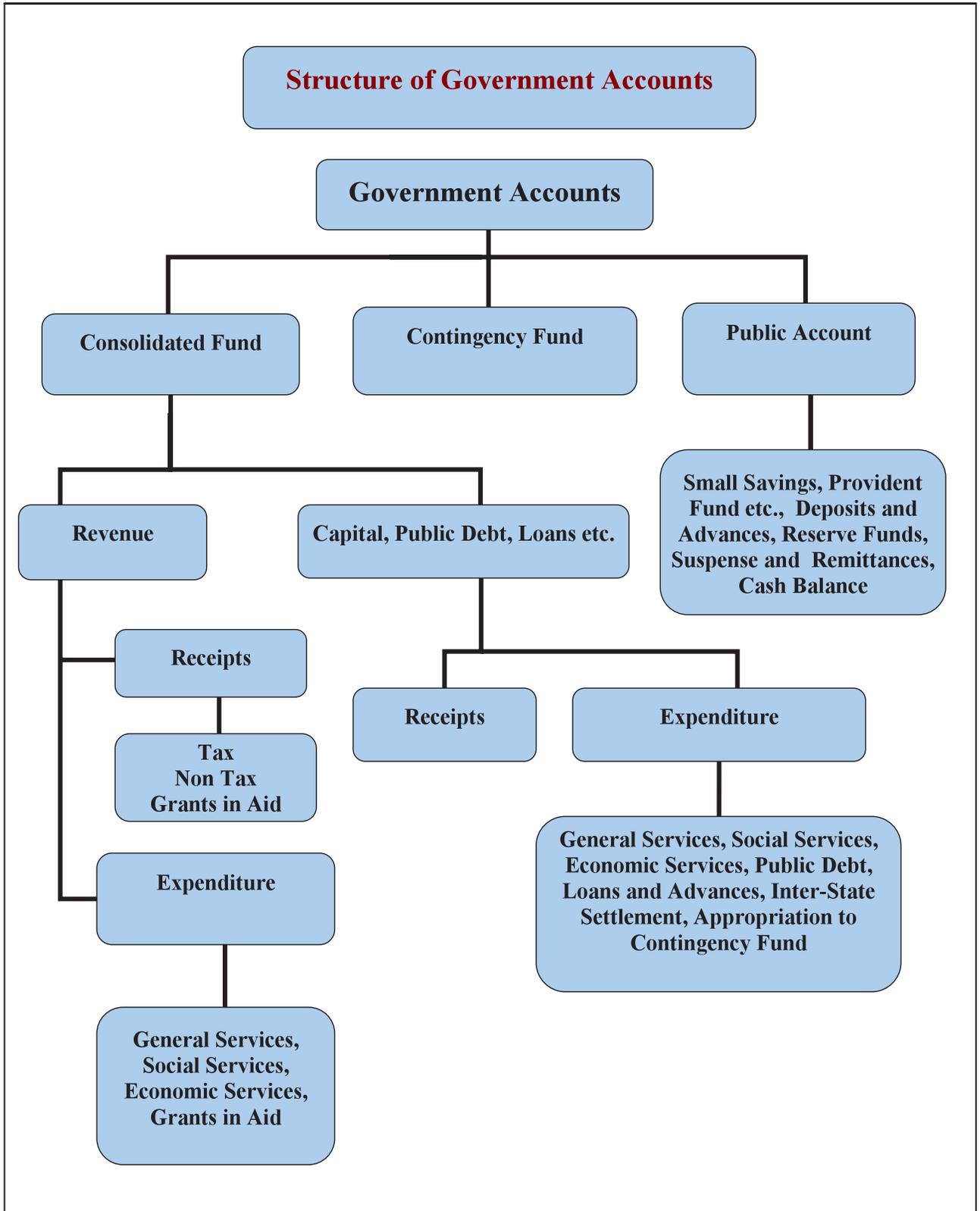
The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Pay & Accounts Office, Mumbai, Public Works and Forest Divisions etc. to the Principal Accountant General/Accountant General (Accounts and Entitlements). Besides, the Finance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

1.2. Structure of Accounts

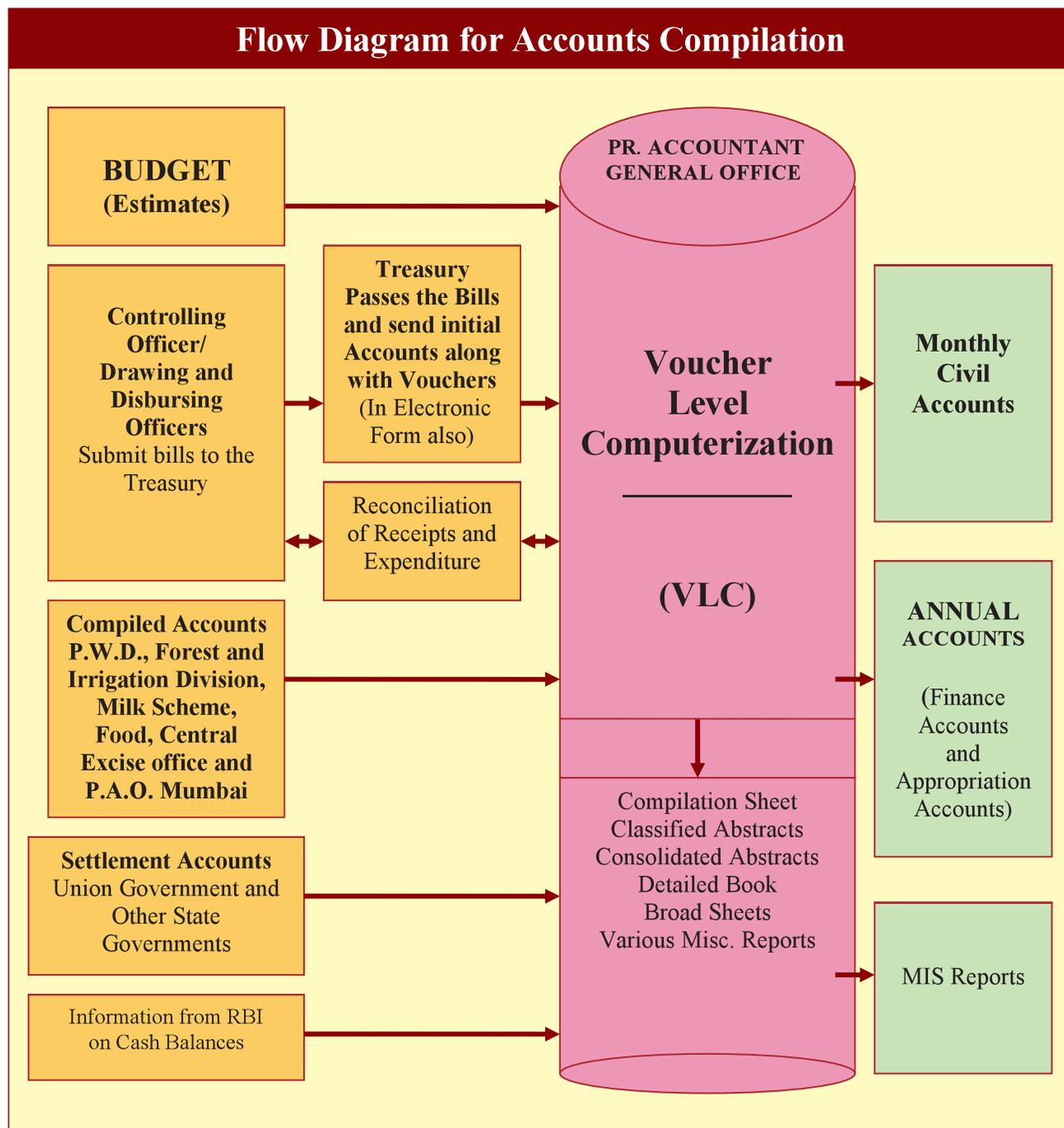
1.2.1. The Government accounts are kept in three parts:

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

1.2.2. Structure of Government Accounts



1.2.3. Compilation of Accounts



1.2.4. Annual Accounts of the Government of Maharashtra for the year 2010-11 are being presented to the State Legislature. Audit Report of the Comptroller and Auditor General of India for the year 2010-11 is being presented separately.

1.3. Finance Accounts

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

1.3.1. Receipts and disbursements of the Government of Maharashtra as depicted in the Finance Accounts 2010-11 are given below:-

(₹ in Crore)

Receipts (Total : 1,25,382)	Revenue (Total : 1,05,868)	Tax Revenue	86,447 *
		Non Tax Revenue	8,225
		Grant-in-Aid	11,196
	Capital (Total : 19,514)	Recovery of Loans and Advances	640
		Borrowings and other Liabilities	18,857
		Other Capital Receipts	17
Disbursements (Total : 1,25,382)	Revenue		1,06,459
	Capital		17,964
	Loans and Advances		959

* Includes ₹ 11,420 Crore on account of 'Share of Union Taxes/Duties'

The Union Government transfers substantial funds directly to State Implementing Agencies/ NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 5,645 Crore (₹ 4,370 Crore last year). Since these funds are not routed through State Budget, they are not reflected in the accounts of the State Government.

1.4. Appropriation Accounts

Appropriation Accounts bring out the expenditure of the State Government against amounts voted and charged by the State Legislature and supplement the Finance Accounts. These comprise accounts of 30 Charged Appropriations, 144 Voted Grants and 68 combined (charged and voted) provisions.

1.4.1. The Appropriation Acts, for the year 2010-2011 had projected a gross expenditure of ₹ 1,58,483 Crore, including the Supplementary Grants totalling ₹ 23,223 Crore, voted by State Legislature during the year. An amount of ₹ 5,760 Crore was projected as recoveries in reduction of expenditure.

1.4.2. Appropriation Accounts 2010-2011 show disbursements aggregating ₹ 1,36,554 Crore against the aggregate budget provision of ₹ 1,58,483 Crore, resulting in saving of ₹ 21,929 Crore against Grants and Appropriations. This does not include the amount of ₹ 850 Crore appropriated to the Contingency Fund by way of Ordinance. The corpus of the Contingency Fund was temporarily increased once during 2010-2011 under Maharashtra Contingency Fund (Amendment) Ordinance. The ordinance ceased to operate on expiry of six weeks from the re-assembling of the Legislature.

1.4.3. Recoveries in reduction of expenditure amounted to ₹ 6,398 Crore reflecting a increase of ₹ 638 Crore vis-a-vis budget estimates.

1.4.4. The gross expenditure of ₹ 1,36,554 Crore includes ₹ 364 Crore drawn on Abstract Contingent (AC) Bills and ₹ 22,557 Crore as Grants-in-aid Bills, out of which, large number of bills are outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills and Utilisation Certificates respectively from the concerned Drawing & Disbursing Officers.

1.4.5. During 2010-11, ₹ 12,435 Crore was transferred from the Consolidated Fund to Personal Deposit (PD) Accounts under the Public Accounts, which are maintained by designated Administrators for specific purposes. Normally, unspent balances under PD Accounts are to be transferred back to the Consolidated Fund at the end of the financial year. However, details of such transfers, if any, are not readily ascertainable, as these funds also include receipts from source other than the Consolidated Fund of the State.

1.5. Sources and Application of Funds

1.5.1. Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA)/ Overdraft to enable State Governments to maintain their liquidity. When there is a shortfall in the agreed minimum cash balance (₹ 5.58 Crore) with the RBI on any day, the deficiency is made good by taking ordinary and special ways and means advances/overdrafts from time to time. During 2010-11, the Government of Maharashtra has maintained a minimum cash balance and no ways and means advances or overdraft was taken.

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

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
i) Number of days on which minimum balance was maintained					
(a) Without obtaining any advance	323	341	344	365	365
(b) By obtaining Ways and Means Advances	42	25	21	....	....
(ii) Number of days on which overdraft was taken	....	....	....	....	....

1.5.2. Fund flow Statement

The state had a Revenue Deficit of ₹ 592 Crore and a Fiscal Deficit of ₹ 18,857 Crore. The Fiscal Deficit constituted 15% of total expenditure. The deficit was met from Public Debt (₹ 15,966 Crore), increase in Public Account (₹ 2,350 Crore), net un-recouped contribution from the Contingency Fund (₹ -8 Crore), and net of opening and closing cash balance (₹ 549 Crore).

Around 45% of the revenue receipts (₹ 1,05,868 Crore) of the State Government was spent on committed expenditure like Salaries & Wages (₹ 16,064 Crore), interest payments (₹ 16,063 Crore), Subsidies (₹ 5,485 Crore) and Pensions (₹ 9,874 Crore).

1.5.3. Sources and Application of Funds

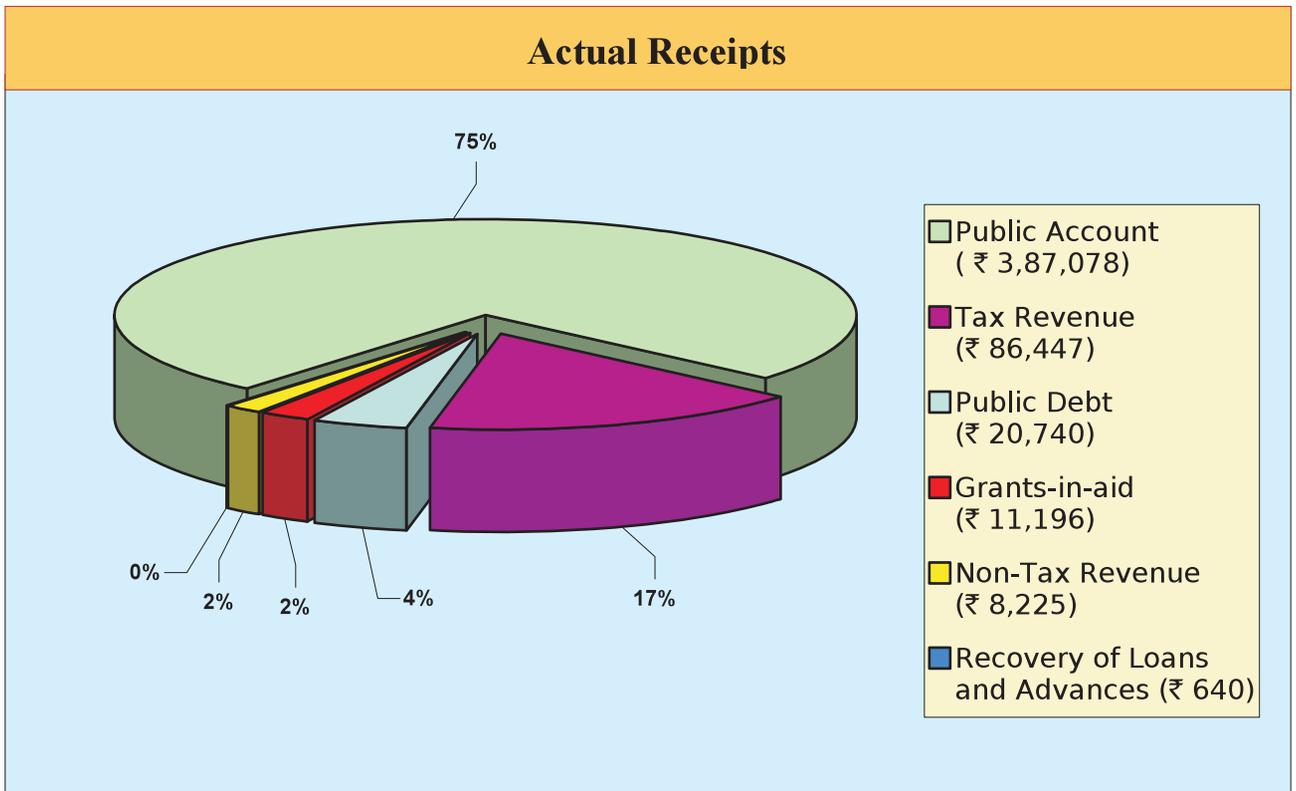
(₹ in Crore)

	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01.04.2010	-680
	Revenue Receipts	1,05,868
	Miscellaneous Capital Receipts	17
	Recovery of Loans and Advances	640
	Public Debt	20,740
SOURCES	Small Savings, Provident Fund & Others	3,882
	Reserves and Sinking Funds	3,346
	Deposits Received	21,638
	Civil Advances Repaid	279
	Suspense Account	3,37,678
	Remittances	20,253
	TOTAL :	5,13,661

	Revenue Expenditure	1,06,459
	Capital Expenditure	17,963
	Loans Given	959
	Repayment of Public Debt	4,774
	Small Savings, Provident Funds & Others	1,860
	Reserves and Sinking Fund	3,472
APPLICATION	Deposits Spent	15,376
	Civil Advances given	282
	Suspense Account	3,43,002
	Remittances	20,735
	Contingency Fund	8
	Closing Cash Balance as on 31.03.2011	-1,229
	TOTAL :	5,13,661

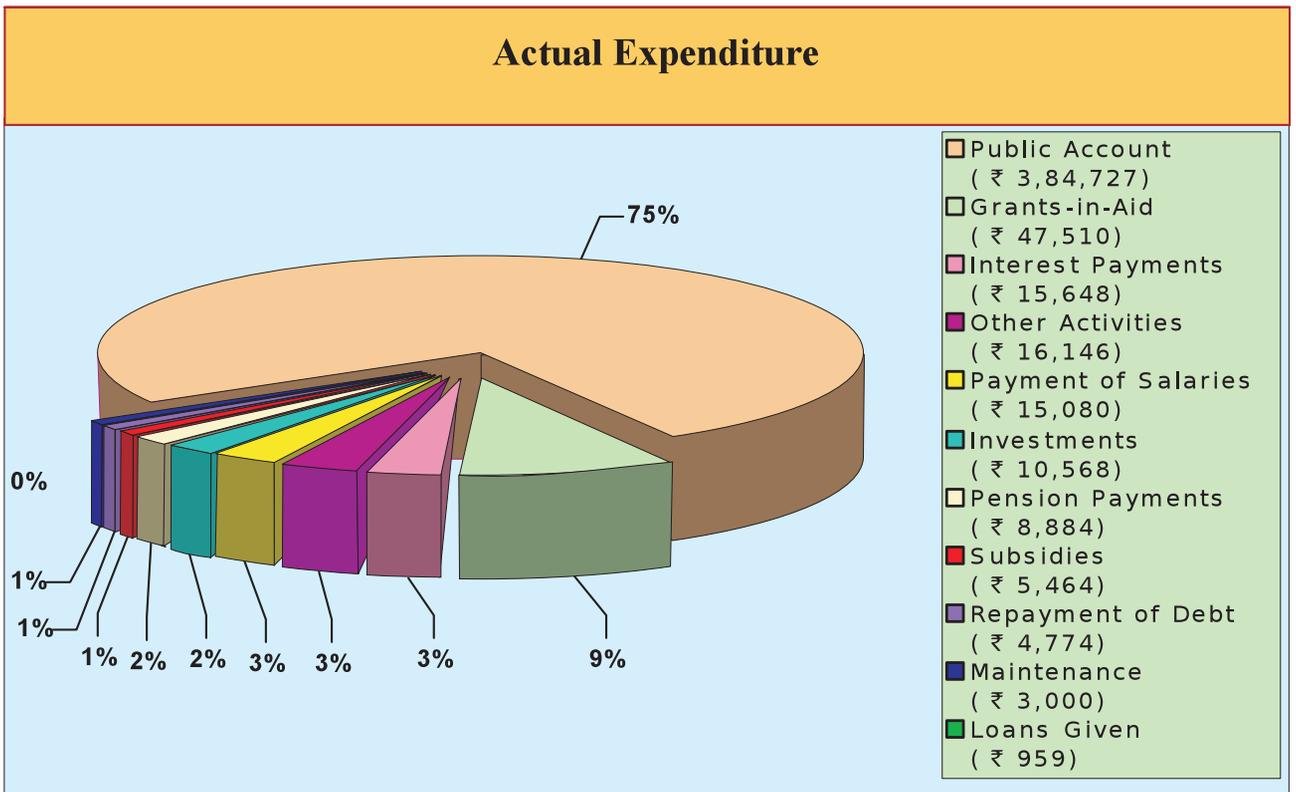
1.5.4. Where the Rupee came from

(₹ in Crore)



1.5.5. Where the Rupee went

(₹ in Crore)



1.6. Highlights of Accounts

(₹ in Crore)

Sr. No.	Head	B.E. 2010-2011	Actuals	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP**
1.	Tax Revenue	74,721	86,447	116	8
2.	Non-Tax Revenue	10,216	8,225	81	1
3.	Grants-in-aid and Contributions	12,107	11,196	92	1
4.	Revenue Receipts (1+2+3)	97,044	1,05,868	109	10
5.	Recovery of Loans and Advances	354	640	181	....
6.	Other Receipts	....	17	....	....
7.	Borrowings and Other Liabilities	24,294	18,857	78	2
8.	Capital Receipts (5+6+7)	24,648	19,514	79	2
9.	Total Receipts (4+8)	1,21,692	1,25,382	103	12
10.	Non-Plan Expenditure (NPE) (11+13)	85,341	92,800	109	9
11.	NPE on Revenue Account	82,706	89,532	108	9
12.	NPE on Interest Payments out of 11	15,960	15,648	98	2
13.	NPE on Capital Account	2,635	3,268	124	....
14.	Plan Expenditure (PE)(15+16)	36,351	32,582	90	3
15.	PE on Revenue Account	21,992	16,928	77	2
16.	PE on Capital Account	14,359	15,654	109	2
17.	Total Expenditure (10+14)	1,21,692	1,25,382	103	12
18.	Revenue Expenditure (11+15)	1,04,698	1,06,460	102	10
19.	Capital Expenditure (13+16)*	16,994	18,922	111	2
20.	Revenue Deficit (18-4)	7,654	592	8	....
21.	Fiscal Deficit 17-(4+5+6)=7	24,294	18,857	78	2

* Expenditure on Capital Account includes Capital Expenditure (₹ 17,963 Crore) and Loans and Advances Disbursed (₹ 959 Crore).

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

The final figures are not available in respect of GSDP for 2010-2011. Hence the figures have been compared with the advance estimates of GSDP of ₹ 10,29,621 Crore, as furnished by the Directorate of Economics and Statistics, Government of Maharashtra.

1.6.1. Receipts and Disbursements :

The following table summarizes the Receipts and Disbursements Accounts for 2010-2011:-

(₹ in Crore)

Total Receipts		1,25,382	Total Disbursements		1,25,382
Revenue Receipts	1,05,868	84.44%	Revenue Disbursements	1,06,459	84.91%
Capital Receipts	19,514	15.56%	Capital Disbursements	18,923	15.09%

1.7. What do the Deficits and Surpluses indicate?

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

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

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

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

- **Revenue Deficit -**

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

- **Fiscal Deficit -**

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

1.7.3. *Achievements of Targets-*

- **Revenue Deficit -**

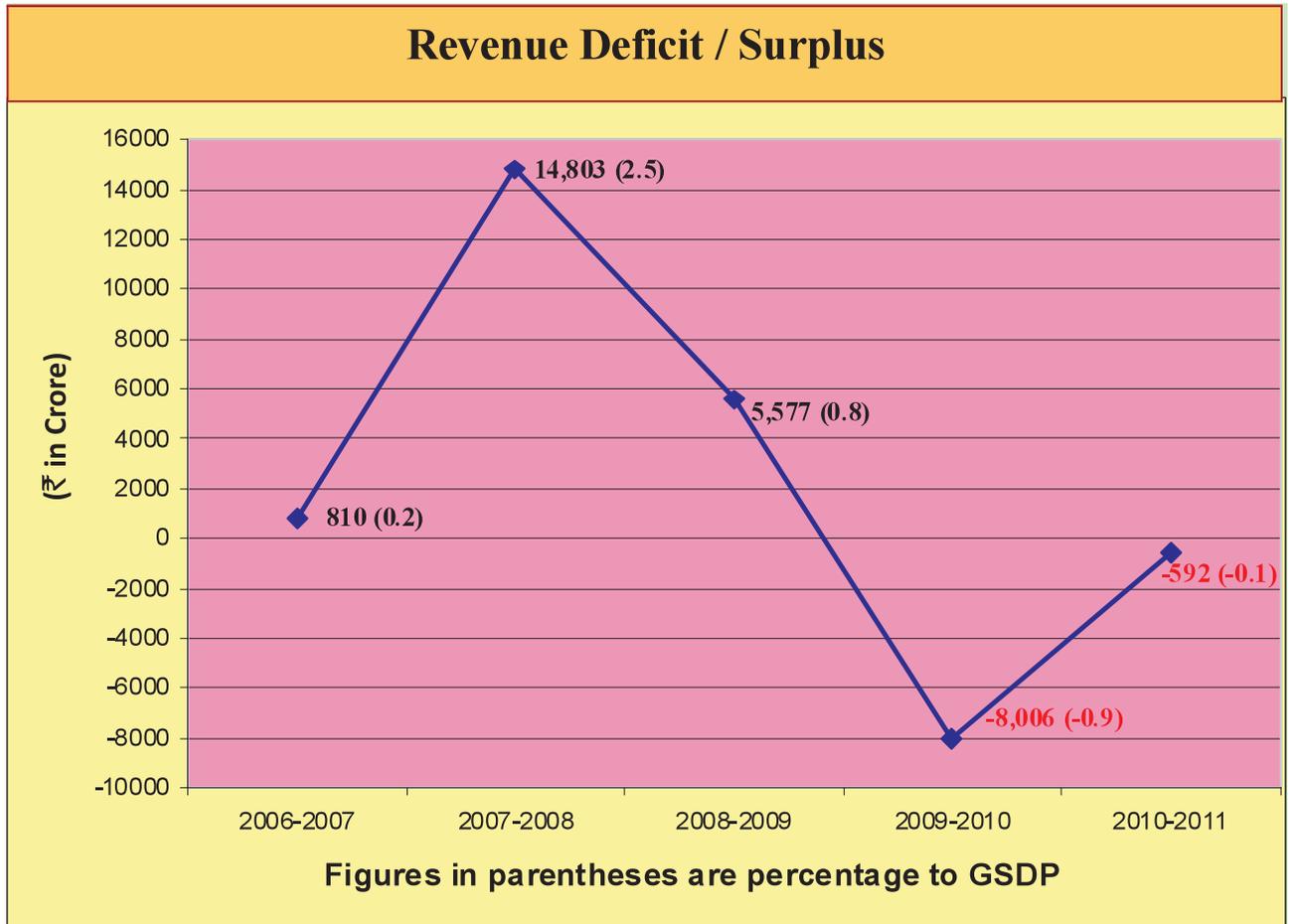
The State has almost achieved the target of eliminating the Revenue Deficit which was just 0.06 *per cent* of GSDP.

During 2010-11, 'Grants-in-aid' of ₹ 318.62 Crore in 15 cases and 'Subsidies' of ₹ 0.04 Crore in one case, released by the State Government had been classified/booked under Capital expenditure heads. These should be booked under revenue expenditure heads of accounts. This has resulted in understatement of Revenue Expenditure as well as Revenue Deficit to the extent of ₹ 318.66 Crore.

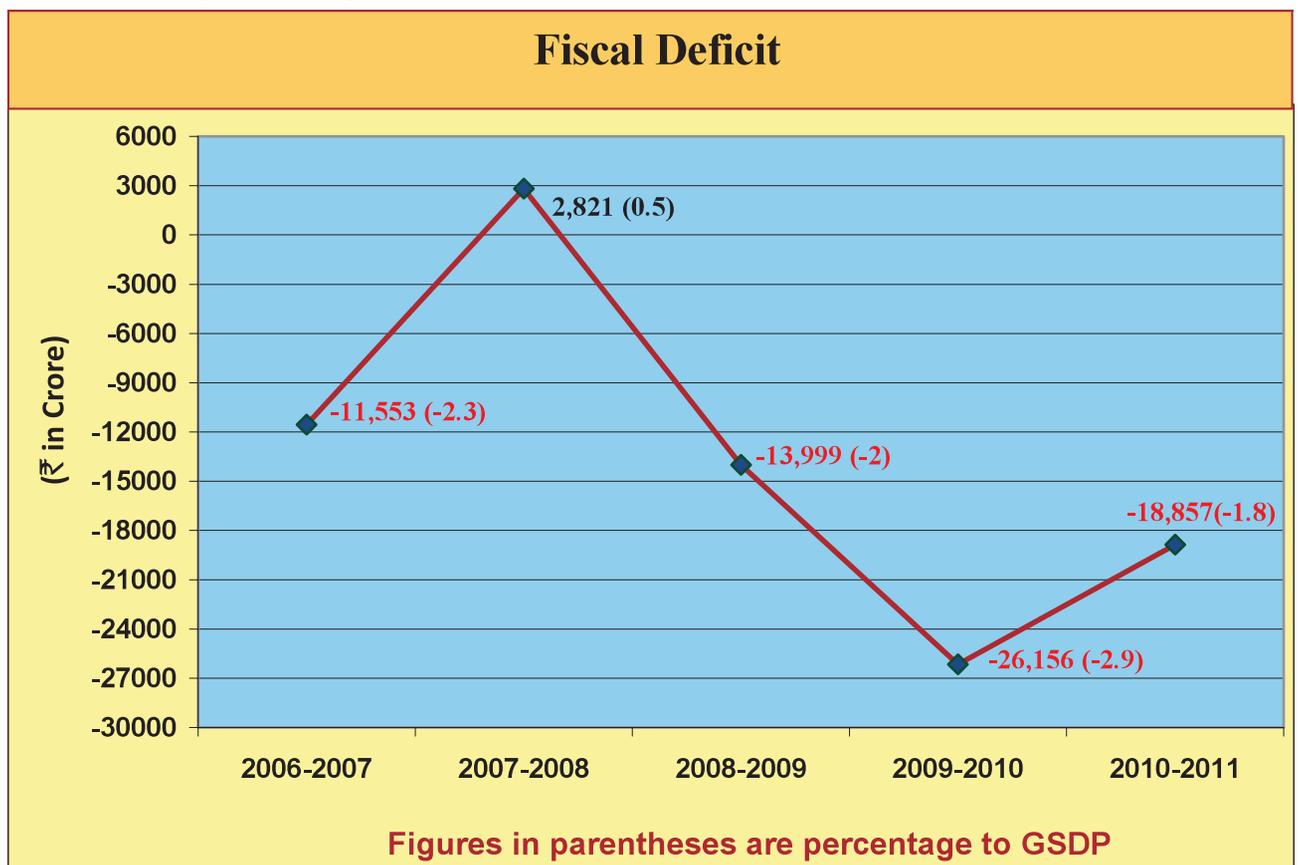
- **Fiscal Deficit -**

The State could reduce the fiscal deficit, compared to previous year and constituted 1.8 *per cent* of GSDP in 2010-11 which was within the limit (3 *per cent*) fixed as laid down under the MFRBM Act/Rules and 13th Finance Commission.

1.7.4. Trend of Revenue Deficit/Surplus



1.7.5. Trend of Fiscal Deficit



CHAPTER – II

RECEIPTS

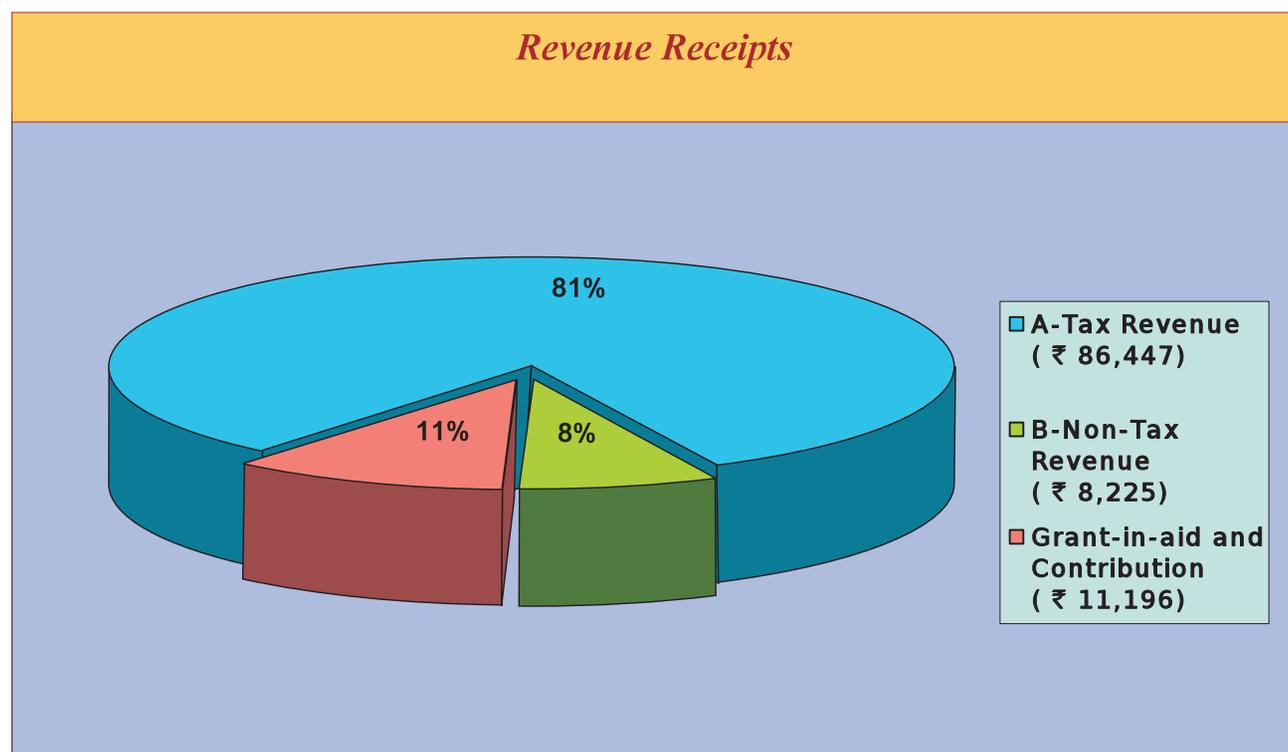
2.1. Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2010-11 were ₹ 1,05,868 Crore.

2.1.1. Revenue Receipts

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

(₹ in Crore)



2.2. Revenue Receipt Components (2010-11)

2.2.1. Revenue Receipts:

Tax Revenue of ₹ 86,447 Crore and Non-Tax Revenue of ₹ 8,225 Crore formed 8 per cent and 1 per cent respectively of the GSDP. Major contributor to revenue was ₹ 42,483 Crore under Taxes on Sales, Trades etc. (ratio to GSDP – 1:24).

Net tax receipts (₹ 86,447 Crore) during the year were more than the budget estimates (₹ 74,722 Crore) by ₹ 11,725 Crore, mainly on account of more collection under Taxes on Sales, Trades etc.(₹ 6,497 Crore).

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

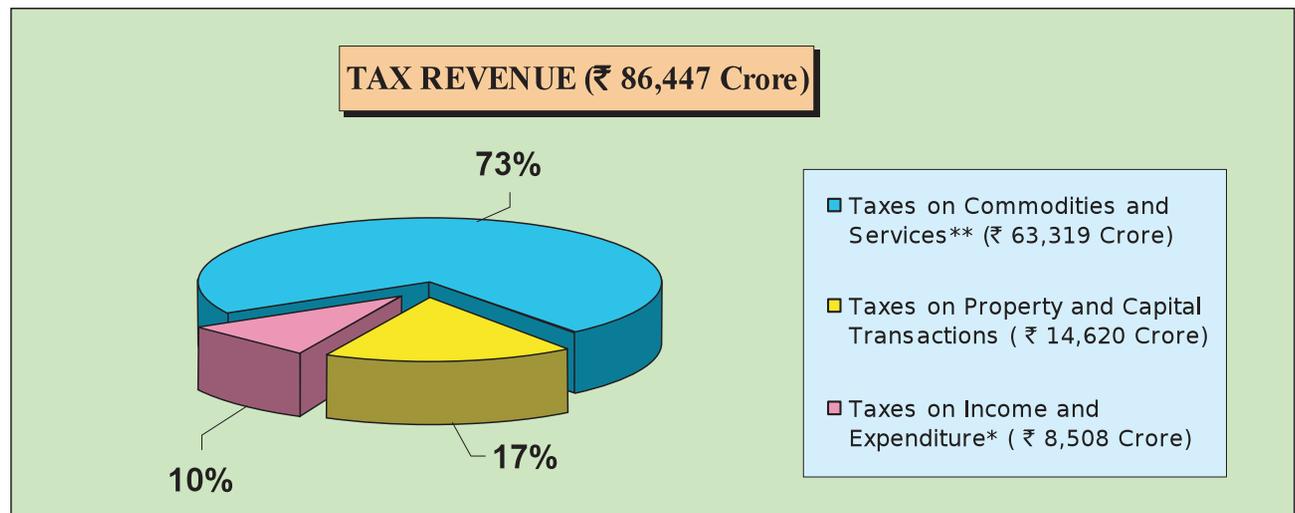
Revenue Receipts and Grants in Aid and Contributions:

(₹ in Crore)

Components	Actuals	Percentage to total Revenue Receipts	
A –Tax Revenue			
Taxes on Income and Expenditure*	8,508	8	(10) #
Taxes on Property and Capital Transactions	14,620	14	(17) #
Taxes on Commodities and Services**	63,319	60	(73) #
Total, Tax Revenue	86,447	82	
B-Non-tax Revenue			
Fiscal Services	....	....	....
Interest Receipts, Dividends and Profits	1,466	1	(18) \$
General Services	1,722	2	(21) \$
Social Services	885	1	(11) \$
Economic Services	4,152	4	(50) \$
Total, Non-Tax Revenue	8,225	8	
C – Grant-in-aid and Contributions	11,196	10	
TOTAL REVENUE RECEIPTS	1,05,868	100.00	

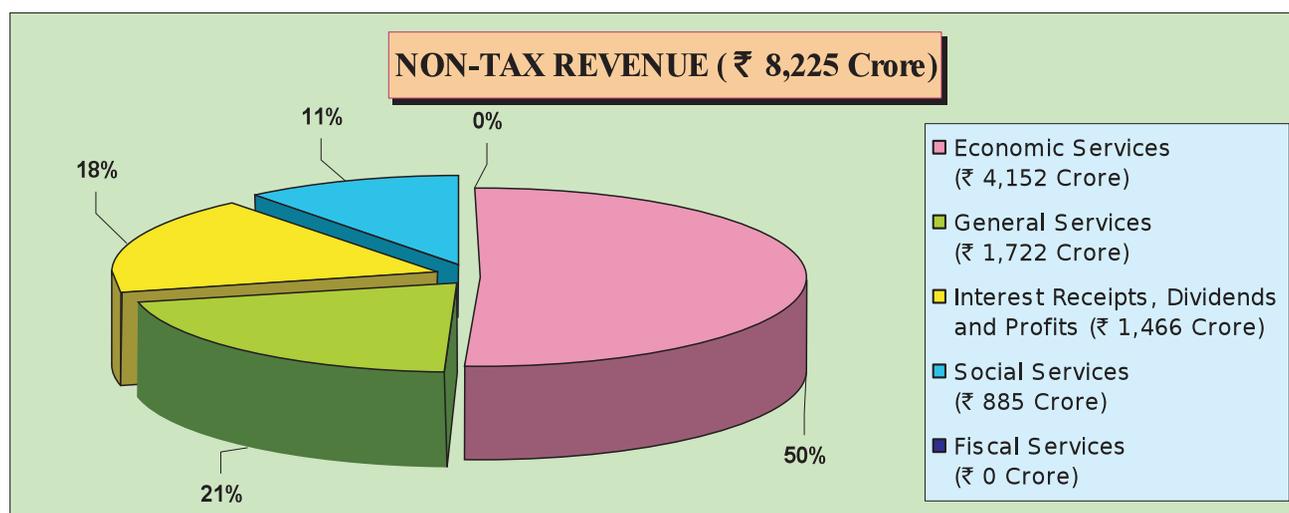
The figures in bracket represent percentage to Total Tax Revenue.

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

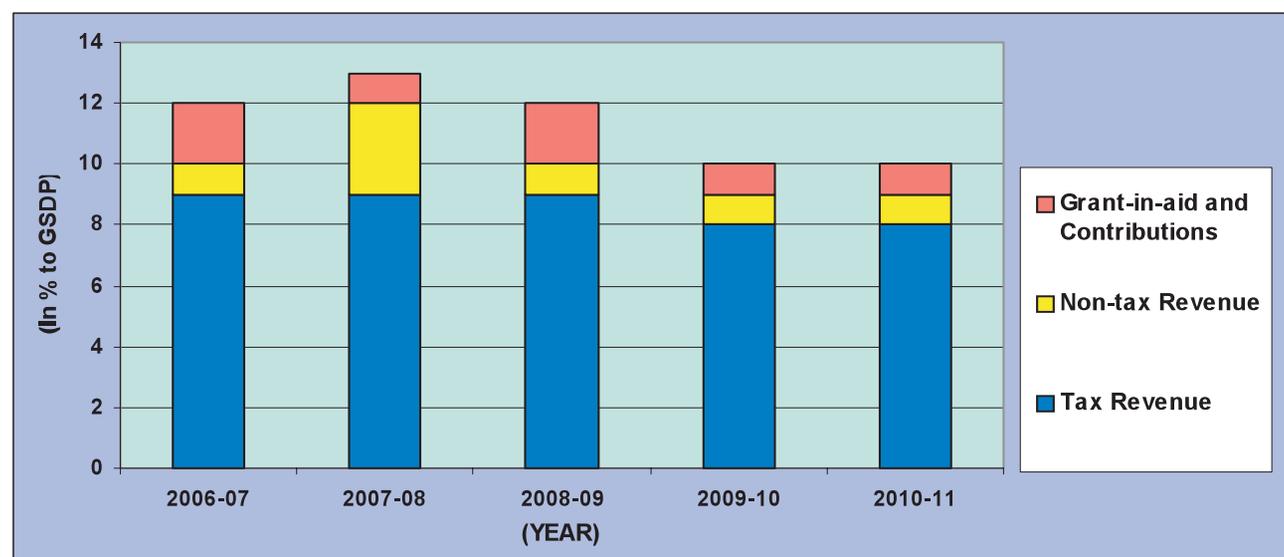


* Share of Income Tax received from Union Government ₹ 6,822 Crore.

** Receipts on account of Taxes on Sales, Trades etc. were ₹ 42,483 Crore



2.3 Components under Revenue Receipts as proportion to GSDP



2.4. Sector-wise Tax Revenue

	(₹ in Crore)				
	2006-07	2007-08	2008-09	2009-10	2010-11
Taxes on Income and Expenditure	4,268	5,518	5,841	6,898	8,508
Taxes on Property and Capital Transactions	6,902	9,064	8,836	11,495	14,620
Taxes on Commodities and Services	34,952	40,544	45,371	48,961	63,319
Total Tax Revenue	46,122	55,126	60,048	67,354	86,447

Tax Revenue of the State increased by ₹ 19,093 Crore (28 per cent) over the previous year. The increase over previous year was mainly under- 'Taxes on Commodities and Services' due to more tax collection under 'Value Added Tax' (₹ 9,807 Crore), Taxes on sale of Electricity (₹ 1,441 Crore) and more collection of excise duty on wines and spirit (₹ 905 Crore).

2.5. Performance of State's own tax revenue collection

(₹ in Crore)

Year	Tax Revenue	State Share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2006-07	46,122	6,023	40,099	7.9%
2007-08	55,126	7,597	47,529	8.0%
2008-09	60,048	8,018	52,030	7.5%
2009-10	67,354	8,248	59,106	6.6%
2010-11	86,447	11,420	75,027	7.3%

State's own tax revenue collection with reference to GSDP increased from 7.9 per cent in 2006-07 to 8 per cent in 2008-09. However, it decreased to 7.5 per cent in 2008-09 and 6.6 per cent in 2009-10, but increased to 7.3 per cent in 2010-11.

2.6. Trend of Revenue Receipts

(₹ in Crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Tax Revenue	46,122 (9)	55,126 (9)	60,048 (9)	67,354 (8)	86,447 (8)
Non-tax Revenue	7,518 (1)	16,948 (3)	9,790 (1)	8,353 (1)	8,225 (1)
Grant-in-aid and Contributions	8,555 (2)	7,509 (1)	11,433 (2)	11,203 (1)	11,196 (1)
Total Revenue Receipts	62,195 (12)	79,583 (13)	81,271 (12)	86,910 (10)	1,05,868 (10)
GSDP	5,09,356	5,90,995	6,92,749	9,01,330	1029621*

Note: Figures in parentheses represent percentage to GSDP.

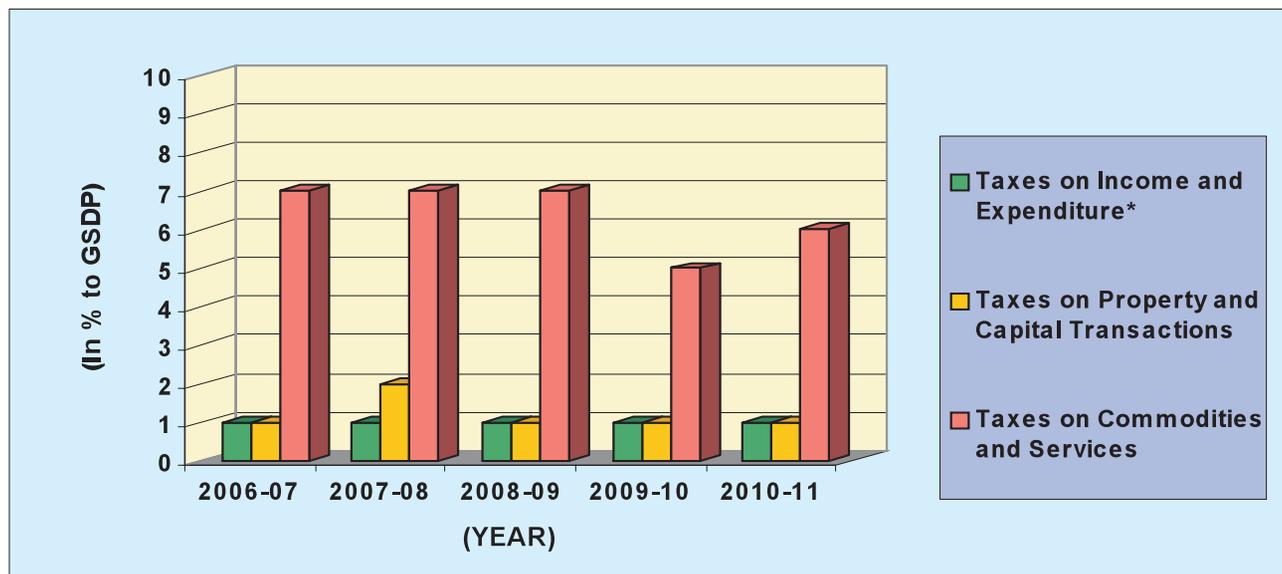
* Provisional (Advance Estimates).

2.6.1. Revenue receipts grew by 22 per cent in 2010-11 over the previous year. The increase was the net effect of increase in Tax Revenue by 28 per cent and State's share of Union Taxes and Duties by 38 per cent set off by a decrease in Non-tax Revenue by 2 per cent.

2.6.2. The decrease in Non-tax Revenue by 2 per cent in 2010-11 over 2009-10 was mainly under 'Miscellaneous General Services' due to less receipts on account of write off of amounts in terms of the recommendations of the Tenth Finance Commission and unclaimed deposits.

2.6.3. The Grants-in-aid from Government of India decreased marginally by 0.06 per cent from ₹ 11,203 Crore in 2009-10 to ₹ 11,196 crore in 2010-11. The decrease was mainly under non-plan grants (38 per cent).

2.7. Trend of Major Taxes in Proportion to GSDP



* Primarily net proceeds of Central Share to the State.

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

(₹ in Crore)

Major Head description	2006-07	2007-08	2008-09	2009-10	2010-11
Corporation Tax	1,880	2,411	2,629	3,394	4,463
Taxes on Income other than Corporation Tax	1,141	1,618	1,651	1,891	2,359
Taxes on Wealth	2	2	2	8	9
Customs	1,175	1,436	1,533	1,154	1,997
Union Excise Duties	1,247	1,371	1,337	930	1,453
Service Tax	578	759	866	871	1,139
State Share of Union Taxes	6,023	7,597	8,018	8,248	11,420
Total Tax Revenue	46,122	55,126	60,048	67,354	86,447
% of Union Taxes to Total Tax Revenue	13	14	13	12	13

Central tax transfers increased by 38 per cent from ₹ 8,248 Crore in 2009-10 to ₹ 11,420 Crore in 2010-11. The increase was mainly under customs (₹ 843 Crore), union excise duties (₹ 523 Crore), corporation tax (₹ 1,069 Crore), taxes on income other than corporation tax (₹ 468 Crore) and service tax (₹ 268 Crore).

2.9. Efficiency of tax collection

The gross collection in respect of three major heads of revenue receipt, the expenditure incurred on their collection and the percentage of such expenditure to the gross collection during past 3 years are given in the following table.

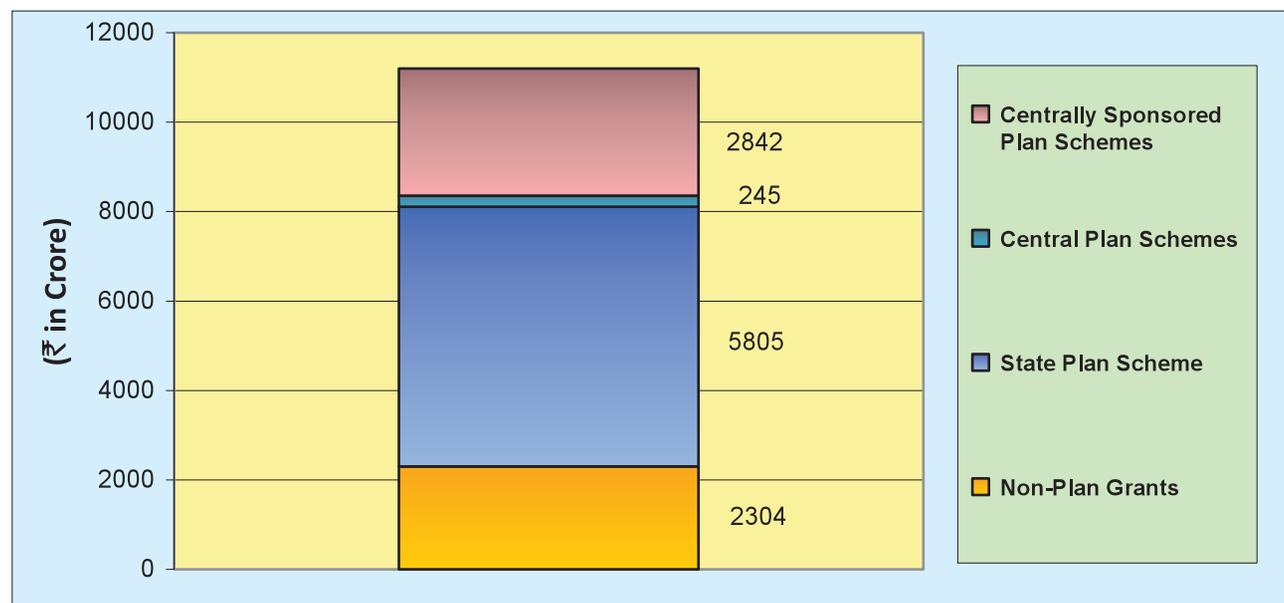
(₹ in Crore)

Sr. No.	Head of Revenue	Year	Gross Collection	Expenditure On Collection	Percentage of expenditure to Gross Collection
1.	Sales Tax/VAT	2008-09	30,681	216	0.70
		2009-10	32,676	284	0.87
		2010-11	42,483	298	0.70
2.	State Excise	2008-09	4,434	39	0.88
		2009-10	5,057	63	1.24
		2010-11	5,962	63	1.06
3.	Taxes on Vehicles	2008-09	2,220	58	2.61
		2009-10	2,682	77	2.87
		2010-11	3,533	91	2.58

As compared to the previous year, percentage of expenditure on collection of taxes increased gradually in all heads of revenue for the period 2008-2010. However, it decreased during 2010-11.

2.10. Grants-in-aid

Grants-in-aid represent assistance from the Government of India, and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2010-11 under Grants-in-aid were ₹ 11,196 Crore as shown below:



As against the budget estimate (B.E.) of ₹ 12,107 Crore against Grant-in-aid and Contributions, the State Government has actually received ₹ 11,196 Crore (92% of B.E.).

2.11. Capital Receipts:

Compared to the revised estimates (₹ 25,953 Crore), there was an overall decrease of ₹ 7,536 Crore in Capital Receipts (₹ 18,417 Crore). This was mainly under Public Debt (₹ 3,767 Crore) and Public Account (₹ 3,125 Crore).

CHAPTER – III

EXPENDITURE

3.1. Introduction

Expenditure is classified into two main Divisions namely, Revenue Expenditure and Capital Expenditure. Revenue Expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, to enhance the utility of such assets, or to reduce permanent liabilities. Within each of the Divisions mentioned above, the transactions are grouped into following sectors. Expenditure is further classified under Plan and Non-Plan.

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

3.2. Revenue Expenditure

3.2.1. Gross Revenue Expenditure of ₹ 1,09,646 Crore for 2010-11 fell short of budget estimates by ₹ 14,483 Crore due to less disbursement of ₹ 9,121 Crore under Plan Expenditure and ₹ 5,362 Crore under Non-plan Expenditure.

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

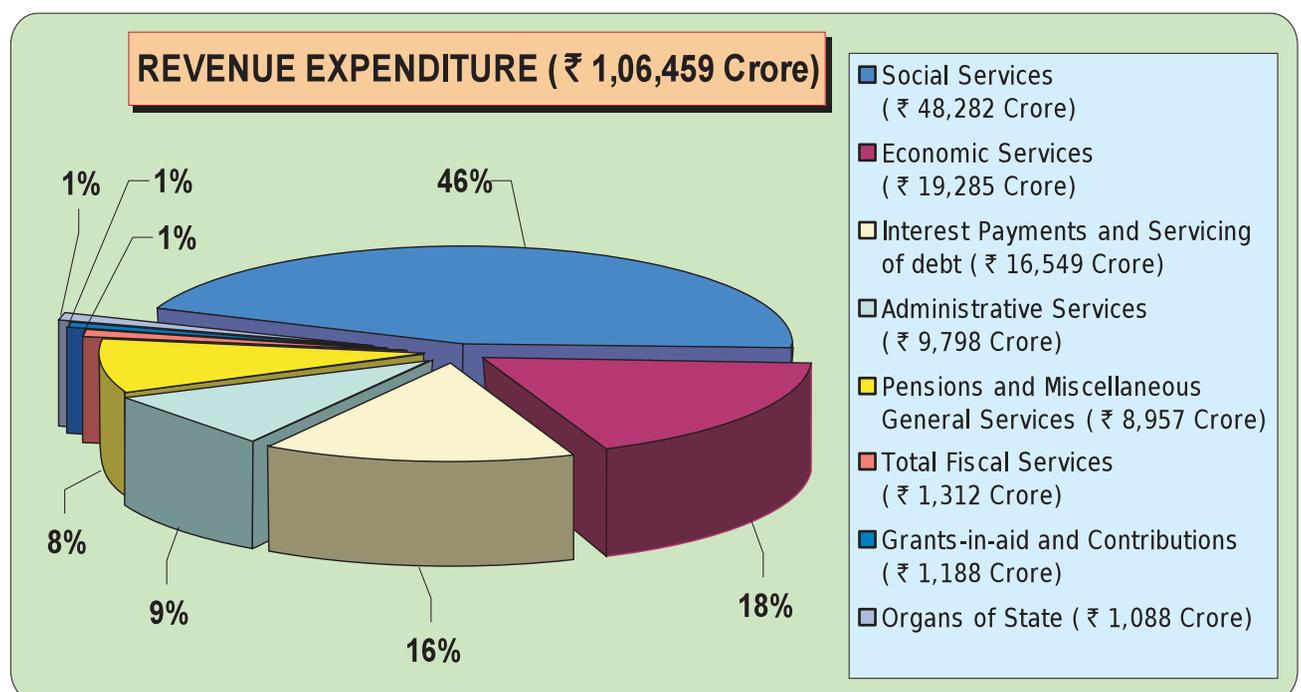
	2006-07	2007-08	2008-09	2009-10	2010-11
Budget Estimates (BE)	72,150	79,813	94,640	1,27,443	1,24,129
Actuals	65,510	67,035	77,859	98,220	1,09,646
Gap	6,640	12,778	16,781	29,223	14,483
% of gap over BE	9	16	18	23	12

3.2.2. Sectoral Distribution Of Expenditure And Its Percentage To Total Revenue Expenditure (2010-11)

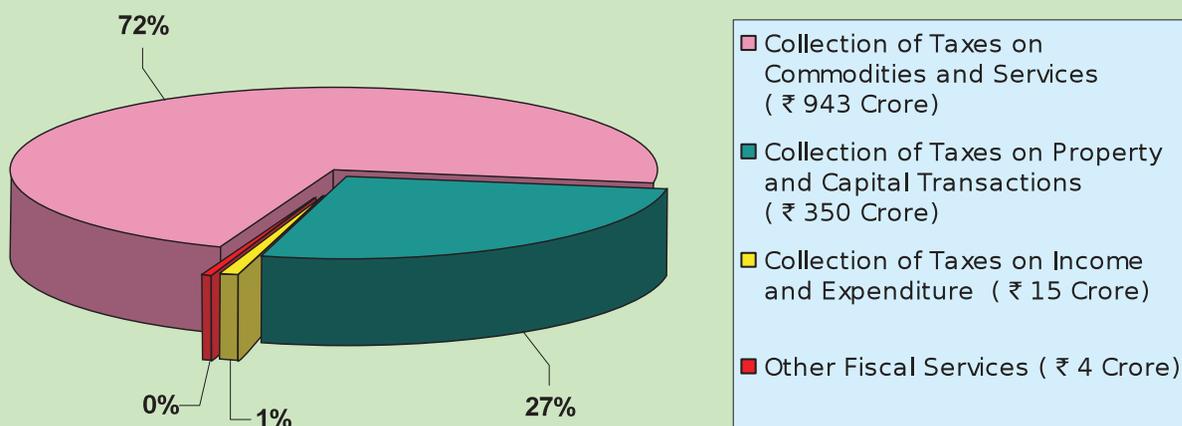
(₹ in Crore)

Components	Amount	Percentage to the Total Revenue Expenditure	
A. Fiscal Services			
(i) Collection of Taxes on Income and Expenditure	15	....	(01)*
(ii) Collection of Taxes on Property and Capital Transactions	350	....	(27)*
(iii) Collection of Taxes on Commodities and Services	943	1	(72)*
(iv) Other Fiscal Services	4	....	(....)*
Total - Fiscal Services	1,312	1	
B. Organs of State	1,088	1	
C. Interest Payments and Servicing of debt	16,549	16	
D. Administrative Services	9,798	9	
E. Pensions and Miscellaneous General Services	8,957	8	
F. Social Services	48,282	46	
G. Economic Services	19,285	18	
H. Grants-in-aid and Contributions	1,188	1	
Total Expenditure (Revenue Account)	1,06,459	100	

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



FISCAL SERVICES (₹ 1,312 Crore)



Revenue expenditure constituted 85 per cent of the total expenditure. The increase in the revenue expenditure was mainly on (a) General Education, (b) Pension and other retirement benefits, (c) Relief on account of Natural Calamities, (d) Interest Payments, (e) Police, (f) Medical and Public Health, (g) Social Security and Welfare and (h) Nutrition.

3.2.3. Committed Expenditure

Trend of Committed Expenditure



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

(₹ in Crore)

Component	2006-07	2007-08	2008-09	2009-10	2010-11
Committed Expenditure	27,111	30,181	46,635	64,547	72,018
Revenue Expenditure	61,385	64,780	75,694	94,916	1,06,459
% of Committed expenditure to Revenue Expenditure	44	47	62	68	68
Revenue Receipt	62,195	79,583	81,271	86,910	1,05,868
% of Committed expenditure to Revenue Receipt	44	38	57	74	68

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

3.2.4. Trend in Revenue Expenditure

Trends in Government Revenue Expenditure from 2006-2007 to 2010-11 (5 years period) is given below:-

(₹ in Crore)

Year	Revenue Expenditure (Actuals)	Total Expenditure	GSDP	Percentage increase over previous years 2006-2007 to 2010-2011			Percentage of Government Expenditure To GSDP
				Revenue Expenditure	Total Expenditure	GSDP	
2006-2007	61,385	73,799	5,09,356	17	11	18	14
2007-2008	64,780	77,495	5,90,995	6	5	16	13
2008-2009	75,694	95,848	6,92,749	17	24	17	14
2009-2010	94,916	1,13,606	9,01,330	25	19	30	13
2010-2011	1,06,459	1,25,382	10,29,621 *	12	10	14	12

* Advance Estimates.

The over all increase in Government's total expenditure during 2010-11 compared to 2006-07 (5 years) was ₹ 51,583 Crore.

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

(₹ in Crore)

Areas of Expenditure	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Percentage increase in 2010-2011 over Previous year 2009-2010
Interest Payments and Servicing of Debt	12,182	12,765	12,898	14,941	16,549	11
Pension and Miscellaneous General Services	4,364	4,215	5,199	6,229	8,957	44
Administrative Services	4,824	5,504	6,560	8,173	10,340	27
Agriculture and Allied Activities	3,363	3,469	6,403	6,460	7,383	14
Energy	2,601	3,411	2,808	4,138	5,749	39

3.3. Capital Disbursements:

Capital Disbursements were 1.84 per cent of the GSDP. It was more than budget estimates by ₹ 1,929 Crore due to more disbursement under Capital Outlay (₹ 1,683 Crore) and more disbursement under Loans and Advances (₹ 246 Crore).

3.3.1. Sectoral distribution of Capital Expenditure

During 2010-11, 85% of the Capital Expenditure was made on Economic Services ₹ 9,131 Crore on Irrigation and Flood Control, ₹ 2,509 Crore on Transport, ₹ 2,105 Crore on energy and ₹ 1,407 Crore on Agriculture and Allied Activities.

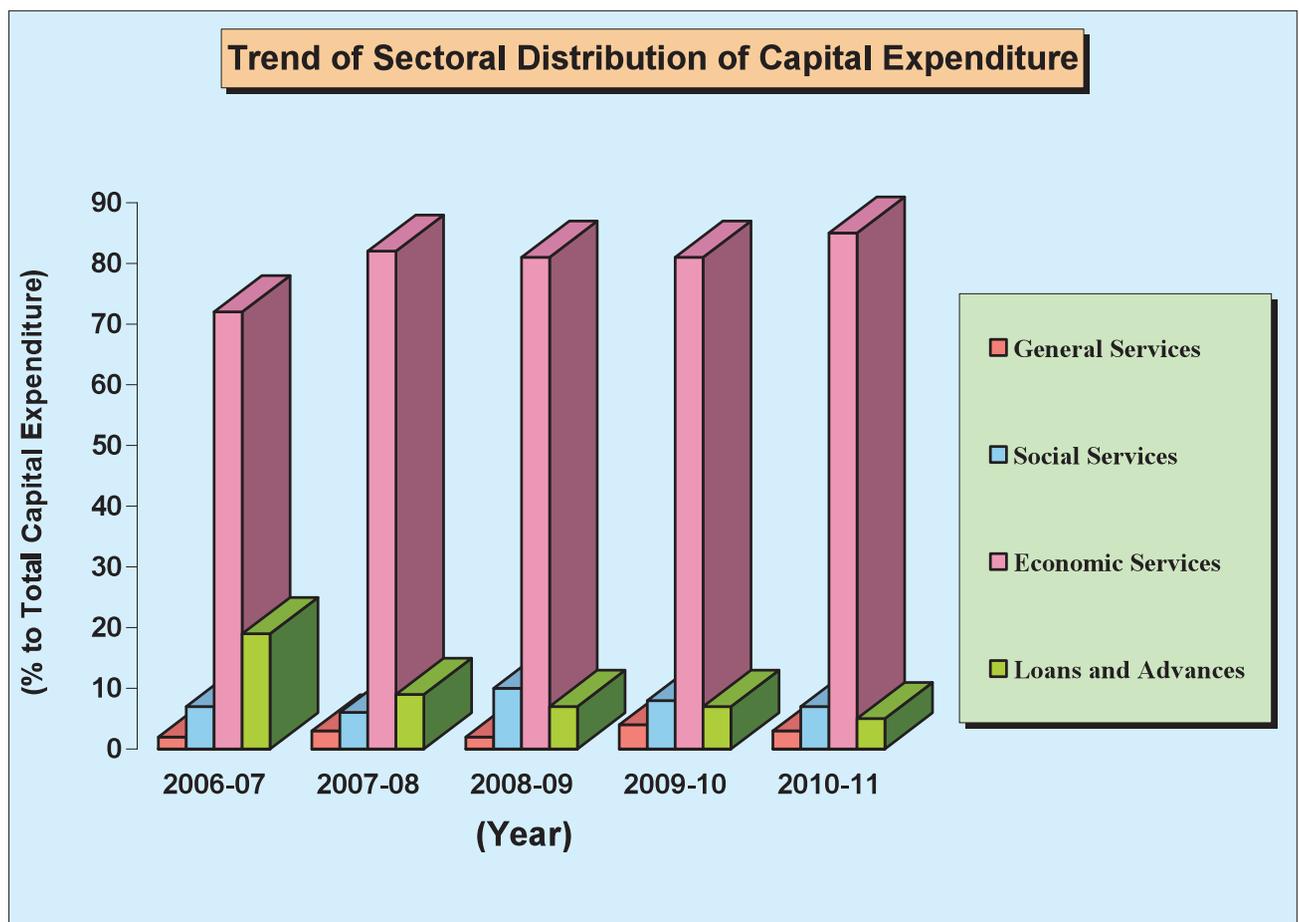
(₹ in Crore)

Sr.No.	Sector	Amount	Percentage
1.	General Services- Police, Public Works etc.	541	3
2.	Social Services- Education, Health & Family Welfare Water Supply, Welfare of SC/ST etc.	1,241	7
3.	Economic Services- Agriculture, Rural Development Irrigation, Co-operation, Energy, Industries, Transport etc.	16,181	85
4.	Loans and Advances Disbursed	959	5
Total		18,922	100

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

(₹ in Crore)

Sr.No.	Sector	2006-07	2007-08	2008-09	2009-10	2010-11
1.	General Services	243	342	459	712	541
2.	Social Services	872	743	2,065	1,479	1,241
3.	Economic Services	8,977	10,405	16,349	15,238	16,181
4.	Loans and Advances	2,322	1,225	1,281	1,261	959
Total		12,414	12,715	20,154	18,690	18,922



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

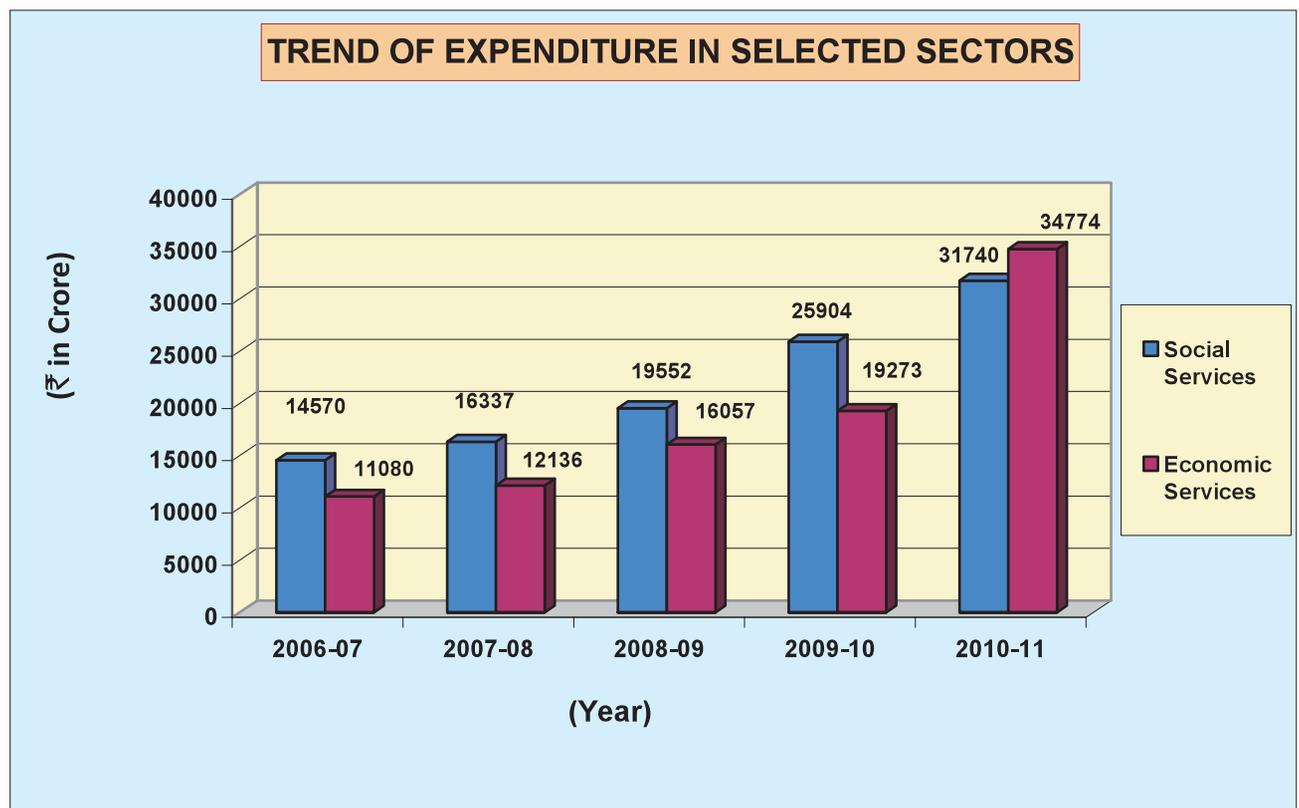
Trend of expenditure (Revenue and Capital) in some important sectors between 2006-2007 and 2010-2011 (5 years) is brought out below:

(₹ in Crore)

Sector	2006-2007	% to B.E.	2007-2008	% to B.E.	2008-2009	% to B.E.	2009-2010	% to B.E.	2010-2011	% to B.E.	% to R.E.*
A. Social Services -											
i) Education	12,316	109	13,642	111	16,447	111	22,208	115	27,083	102	97
ii) Health and Family Welfare	2,254	96	2,695	101	3,105	108	3,696	117	4,657	110	99
Social Services, Total	14,570		16,337		19,552		25,904		31,740		
B. Economic Services -											
i) Agriculture	3,363	126	3,469	114	6,403	187	6,460	106	7,383	156	122
ii) Rural Development	2,590	106	1,061	29	1,980	65	2,493	15	3,019	76	122
iii) Irrigation & Flood Control	1,514	95	1,648	96	1,939	113	2,340	132	11,654	515	485
iv) Energy	2,601	153	3,411	145	2,808	117	4,138	173	5,749	216	155
v) Transport	697	115	2,254	322	2,691	129	3,227	151	5,927	222	161
vi) General Economic Services	315	102	293	89	236	104	615	130	1,042	83	99
Economic Services, Total	11,080		12,136		16,057		19,273		34,774		

Note: Expenditure figures from the year 2006-07 to 2009-10 represent only revenue expenditure. Expenditure for the year 2010-11 includes revenue and capital.

* Percentage to revised estimates has been given only for 2010-11.

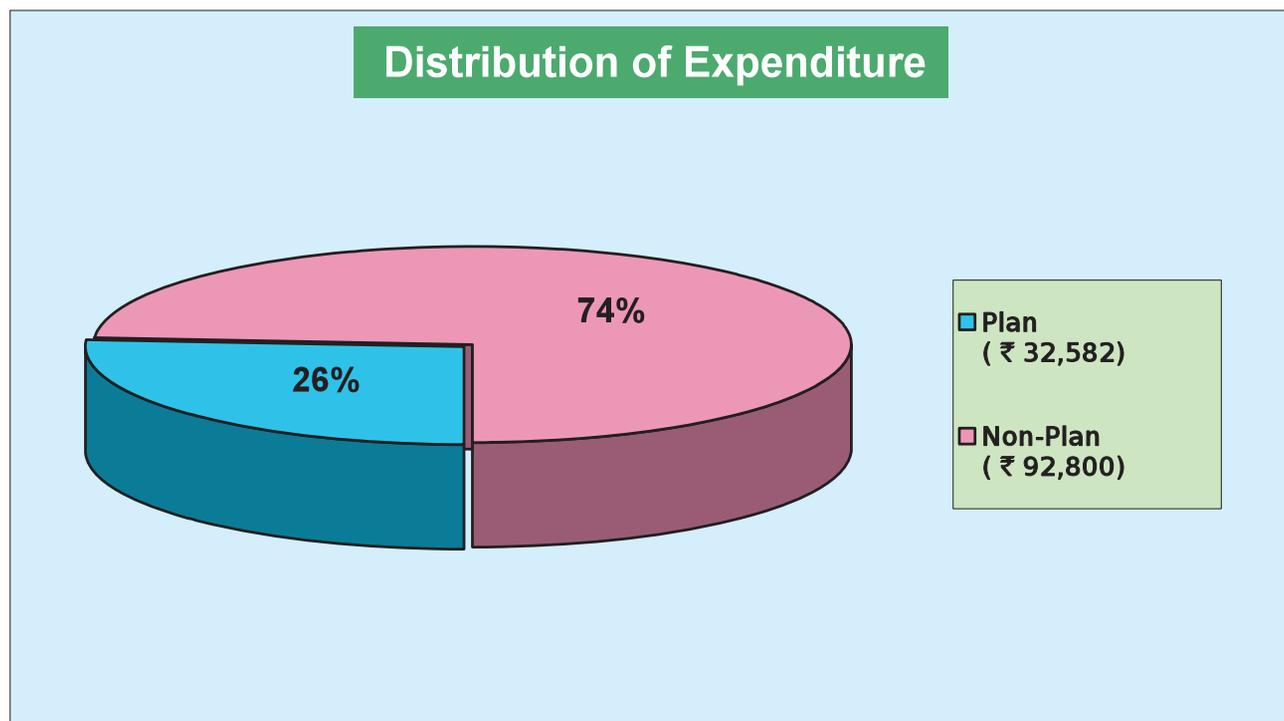


CHAPTER – IV

PLAN & NON PLAN EXPENDITURE

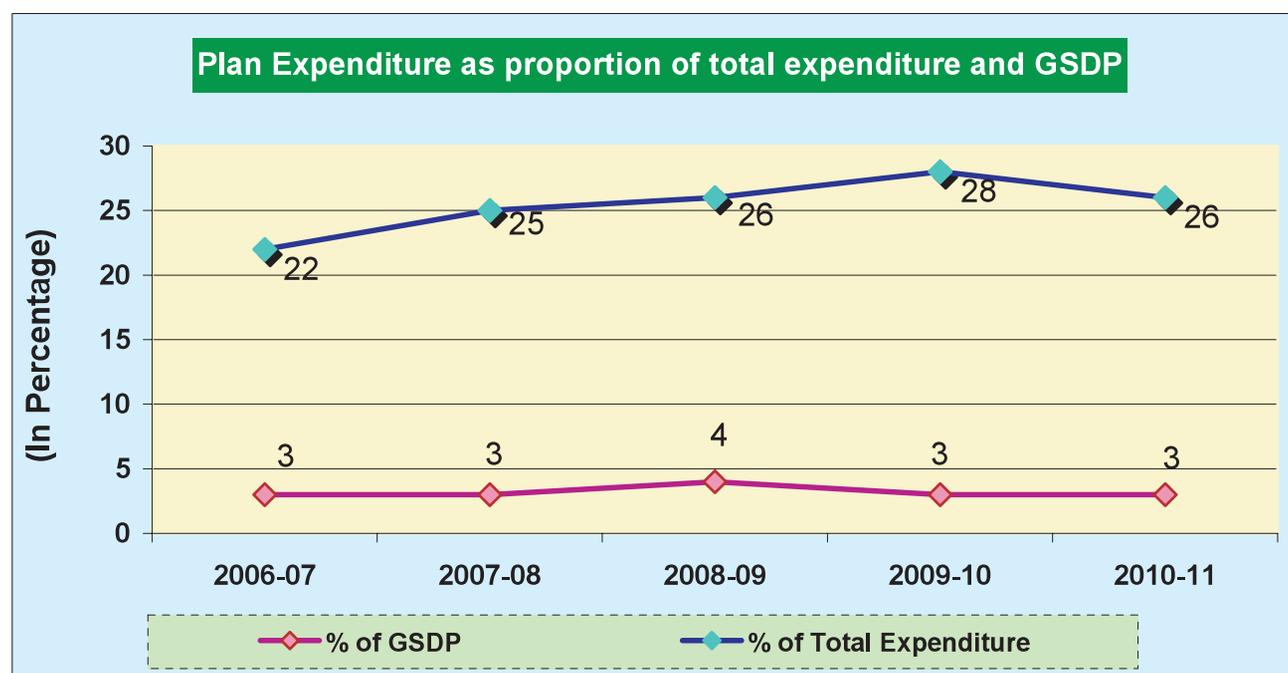
4.1. Distribution of expenditure (2010-11)

(₹ in Crore)



4.2. Plan Expenditure

During 2010-11, Plan Expenditure, representing 26 per cent of total disbursements, was ₹ 32,582 Crore under State Plan, ₹ 4,783 Crore under Centrally Sponsored Plan Schemes.



4.2.1. Plan expenditure under Capital Account

(₹ in Crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Total Capital Expenditure	12,414	12,715	20,154	18,690	18,922
Capital Expenditure (Plan)	7,982	9,464	12,776	14,668	15,654
% of Capital Expenditure (Plan) to Total Capital Expenditure	64	74	63	78	83

4.3. Non-Plan Expenditure

Non-Plan Expenditure during 2010-11, representing 74 per cent of total disbursements, was ₹ 92,800 Crore (₹ 89,532 Crore under Revenue and ₹ 3,268 Crore under Capital).



CHAPTER – V

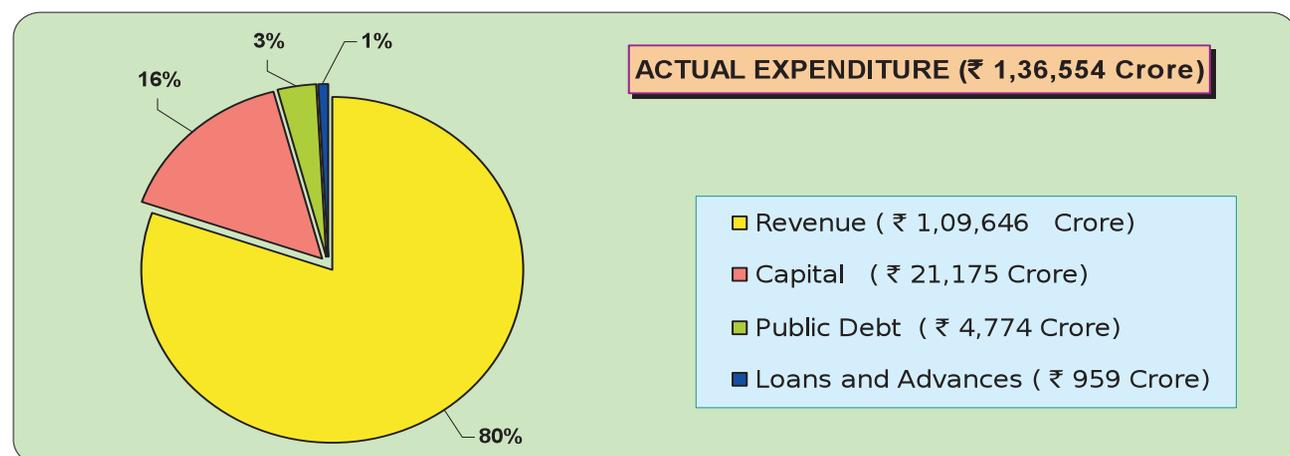
APPROPRIATION ACCOUNTS

5.1. Summary of Appropriation Accounts for 2010-11

The Appropriation Accounts of the Government of Maharashtra for the year 2010-2011 present the accounts of sums expended in the year ended 31st March 2011, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Article '204' and '205' of the Constitution of India.

The Appropriation Accounts show that in the year 2010-2011, there was actual gross expenditure of ₹ 1,36,554 Crore, comprising ₹ 1,09,646 Crore Revenue Expenditure, ₹ 21,175 Crore Capital Expenditure, ₹ 4,774 Crore Repayment of Public Debt and ₹ 959 Crore Loans and Advances by the State Government. There were saving/excess under Revenue/Capital/Public Debt/Loans and Advances with reference to total grants allocated by the State Legislature as shown below:-

(₹ in Crore)							
Sr. No.	Nature of expenditure	Original grant	Supplementary grant	Reappropriation	Total	Actual expenditure	Saving (-) Excess (+)
1.	Revenue						
	Voted	89,218	16,937	0	106,155	92,079	-14,076
	Charged	17,812	161	0	17,973	17,567	-406
	Total, Revenue	107,030	17,098	....	124,128	109,646	-14,482
2.	Capital						
	Voted	19,705	5,600	0	25,305	21,172	-4,133
	Charged	4	0	0	4	3	-1
	Total, Capital	19,709	5,600	....	25,309	21,175	-4,134
3.	Public Debt						
	Charged	7,808	0	0	7,808	4,774	-3,034
	Total, Public Debt	7,808	0	....	7,808	4,774	-3,034
4.	Loans and Advances						
	Voted	713	525	0	1,238	959	-279
	Charged	0	0	0	0	0	0
	Total, Loans and Advances	713	525	....	1,238	959	-279
	Total	135,260	23,223	....	158,483	136,554	-21,929



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

(₹ in Crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt.	Loans & Advances	
2006-07	-6,640	-345	-223	-871	-8,079
2007-08	-12,778	-1,737	-941	-1,263	-16,719
2008-09	-16,781	+20	-2,021	-1,294	-20,076
2009-10	-29,223	-14,030	-3,006	-414	-46,673
2010-11	-14,482	-4,134	-3,034	-279	-21,929

5.3. Significant Savings

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

(₹ in crore)

Sr. No.	No. and Name of the grant	Amount of saving (Per cent to total grant)				
		2006-07	2007-08	2008-09	2009-10	2010-11
Revenue-Voted						
1	D-6 Fisheries	75 (41)	291 (33)	35 (19)	61 (36)	35 (26)
2	G-2 Other Fiscal and Miscellaneous Services	2,458 (75)	3,040 (99)	10,437 (98)	4,640 (98)	1,625 (96)
3	O-4 Other Rural Development Programmes	75 (45)	1,127 (100)	1,328 (100)	14,936 (100)	2,314 (100)
4	Q-3 Housing	77 (19)	163 (16)	1,229 (66)	1,565 (62)	1,039 (56)
Capital-Voted						
5	C-12 Loans to Government Servants, etc.	20 (44)	32 (59)	12 (21)	23 (34)	33 (43)
6	H-9 Capital Outlay on Removal of Regional Imbalance	16 (3)	64 (15)	34 (16)	20 (24)	29 (26)
7	L-7 Capital Expenditure on Rural Development	35 (11)	29 (6)	36 (11)	471 (62)	205 (33)
8	O-9 Capital Outlay on Other Rural Development Programmes	205 (30)	761 (62)	988 (68)	11,591 (96)	1,770 (72)
9	V-3 Capital Expenditure on Social Services	124 (36)	161 (58)	32 (12)	59 (26)	49 (32)
Capital-Charged						
10	G-8 Public Debt and Inter State Settlement	218 (5)	1,000 (20)	2,099 (38)	3,005 (50)	3,015 (43)

In respect of Grant No. O-4 under Other Rural Development Programme, there was 100 per cent saving for the years from 2007-08 to 2010-11.

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

5.3.2. During 2010-11, Supplementary grants totalling ₹ 3,603 Crore (3% of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. Few instances where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary are given below-

Statement of cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary						
(₹ in lakh)						
Sr No	Appropriation No.	Name of the Appropriation	Original Provision	Actual Expenditure	Saving out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)	(7)
A - Revenue – Voted						
1	A-2	Elections	14,510	11,128	-3,382	1,391
2	B-1	Police Administration	6,04,568	5,88,294	-16,274	25,530
3	C-1	Revenue and District Administration	1,03,930	89,595	-14,335	3,008
4	D-4	Animal Husbandry	50,928	50,102	-826	2,084
5	E-2	General Education	23,22,687	22,82,827	-39,860	1,29,955
6	F-2	Urban Development And Other Advance Services	4,08,005	3,90,747	-17,258	44,062
7	I-3	Irrigation, Power and Other Economic Services	2,03,112	2,00,202	-2,910	21,027
8	O-1	District Administration	50,150	1,209	-48,941	8,250
9	O-8	Census Survey and Statistics	3,425	2,592	-833	3,408
10	Q-3	Housing	1,74,374	80,042	-94,332	9,585
11	T-5	Revenue Expenditure on Tribal Areas Development Sub-Plan	2,39,220	1,79,603	-59,617	26,415
12	X-1	Social Security and Nutrition	1,90,537	1,63,008	-27,529	6,314
Revenue – Charged						
13	J-1	Administration of Justice	15,117	12,569	-2,548	1,003
B – Capital-						
14	B-9	Capital Expenditure on Economic Services	43,564	39,264	-4,300	6,791
15	J-4	Capital Outlay on Public Works	100	....	-100	17
16	N-4	Capital Expenditure on Social Services	68,532	40,291	-28,241	11,340
17	O-9	Capital Outlay on Other Rural Development Programmes	2,16,075	69,278	-1,46,797	30,157
18	T-6	Capital Expenditure on Tribal Areas Development Sub-Plan	70,724	57,659	-13,065	20,864
19	V-3	Capital Expenditure on Social Services	13,018	10,595	-2,423	2,500

CHAPTER – VI

ASSETS AND LIABILITIES

6.1. Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc, except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

6.1.1. Investments and Returns -

Total investments as share capital in non-financial Public Sector Undertakings (PSUs) stood at ₹ 74,391 Crore at the end of 2010-2011. Dividends received during the year were ₹ 45 Crore (i.e. 0.06%).

Investments in PSUs increased by ₹ 10,198 Crore and there was a decrease in dividend income of ₹ 36 Crore.

The increase in investments of ₹ 10,198 Crore during 2010-11 was mainly attributable to increased capital contributions to Godavari Marathwada Irrigation Development Corporation (₹ 1,496 Crore), Konkan Irrigation Development Corporation (₹ 627 Crore), Maharashtra Krishna Valley Development Corporation (₹ 1,465 Crore), Tapi Irrigation Development Corporation (₹ 553 Crore), Vidarbha Irrigation Development Corporation (₹ 4,477 Crore), Maharashtra Irrigation Finance Company (₹ 173 Crore) Maharashtra State Road Development Corporation (₹ 315 Crore) Maharashtra State Road Transport Corporation (₹ 150 Crore) and Maharashtra Water Conservation Development Corporation (₹ 156 Crore) as compared to the previous year.

6.1.2. Cash balance and investment of Cash Balances

(₹ in crore)

Particulars	As on 31 st March 2010	As on 31 st March 2011	Increase (+)/ Decrease(-)
General Cash Balance	(-) 680	(-) 1,229	(-) 549
Cash with the departmental officers	137	132	(-) 5
Investments from cash balances	19,763	23,987	4,224
Investment from Earmarked balances-	6,339	8,619	2,280
a. General and other Reserve Funds	31	11	(-) 20
b. Sinking Fund	6,294	8,594	2,300
c. Funds for Development of Milk supply	1	1	--
d. Other Development and Welfare Funds	13	13	--
Total Cash Balances	25,559	31,509	5,950
<i>Interest Realized</i>	<i>1,022</i>	<i>2,022</i>	<i>1,000</i>

The interest received on investment of cash balances was 2.60 per cent during 2010-11 while interest paid by Government on its borrowings during the year was 7.23 per cent.

The State Government's cash balances of ₹ 31,509 Crore at the end of current year showed an increase by 23 per cent (₹ 5,950 Crore) over the previous year.

The State Government maintained the minimum cash balance of ₹ 5.58 Crore with the Reserve Bank during 2010-11 under an agreement with the Reserve Bank of India. No ways and means advances and overdraft was taken during the year.

The closing cash balance according to the Reserve Bank of India was ₹ 1,277.74 Crore (debit) against the general cash balance of ₹ 1,276.75 Crore (credit) reflected in State Government Accounts. The difference of ₹ 0.99 Crore (debit) is under reconciliation.

Investments held in the Cash Balance Investment Account as on 31st March 2011 were ₹ 23,986.65 Crore. The details are as under:-

(i) Government of India Treasury Bills	₹ 2,39,85.95 Crore
(ii) Other State Government Securities	₹ ... (less than 1 Crore)
(iii) Other Investments	₹ 0.70 Crore

6.1.3. Loans And Advances by the State Government

Total loans and advances made by the State Government during 2010-2011 were ₹ 959 Crore. Total loans and advances to be recovered from Government Corporations/Companies, non-Government Institutes, Local bodies, etc. at the end of 2010-2011 were ₹ 19,909 Crore.

Information as regards recoveries in arrears in respect of principal and interest was to be received by 15th July 2011. Information is awaited from all 29 Government Departments.

6.2. Debts and Liabilities

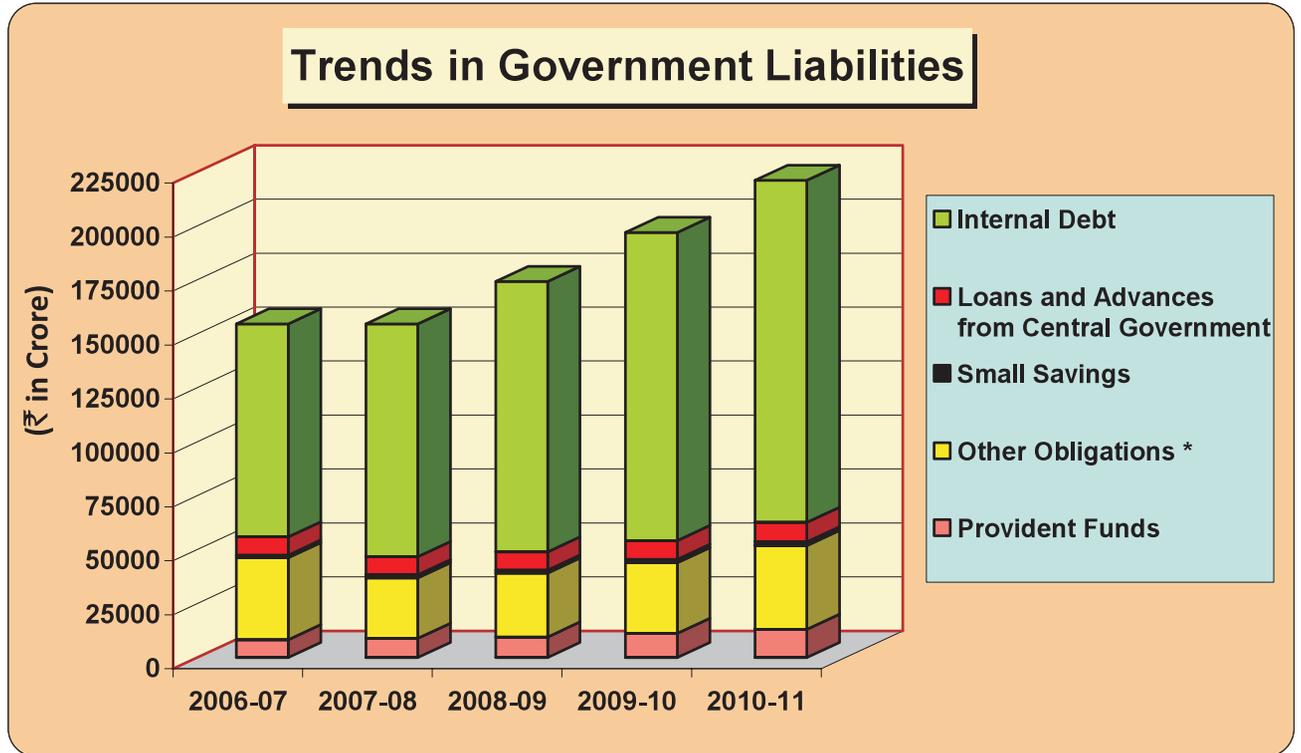
Liabilities of the State Government increased by ₹ 24,124 Crore from ₹ 1,96,826 Crore in 2009-2010 to ₹ 2,20,950 Crore during 2010-2011. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 15,965 Crore from ₹ 1,51,434 Crore in 2009-2010 to ₹ 1,67,399 Crore at the end of the current year. Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature. However, no law under Article 293 of the Constitution has been passed by the Legislature laying down the limits within which Government may borrow on the security of the Consolidated Fund of the State. Details of the Public Debt and total liabilities of the State Government are as under:-

(₹ in crore)

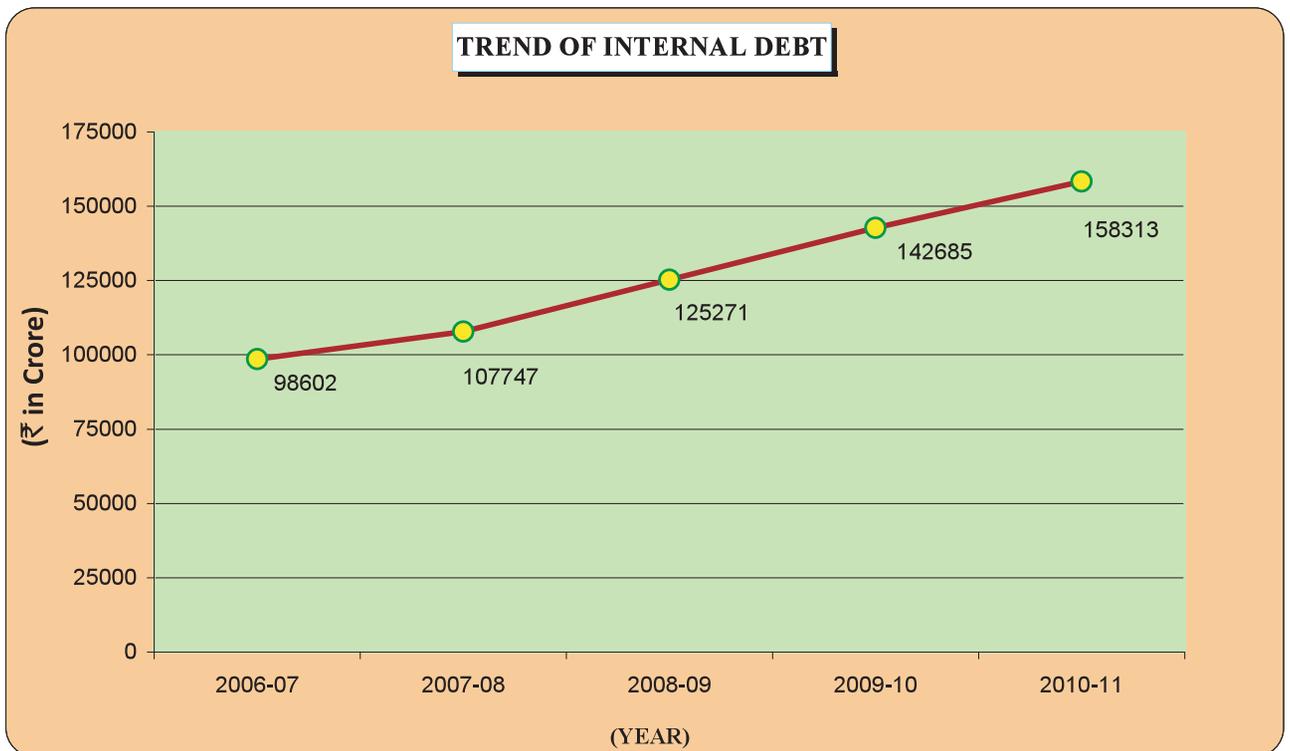
Year	2006-07	2007-08	2008-09	2009-10	2010-11
Internal Debt	98,602	1,07,747	1,25,271	1,42,685	1,58,313
Loans and Advances from Central Government	8,542	8,459	8,424	8,749	9,086
Total Public Debt *	1,07,144(21)	1,16,206(20)	1,33,695(19)	1,51,434(17)	1,67,399(16)
Small Savings	1,192	1,302	1,433	1,551	1,741
Provident Funds	8,219	8,794	9,466	11,138	12,971
Other Obligations	37,967	28,126	29,554	32,703	38,839
Total Liabilities *	1,54,522(30)	1,54,428(26)	1,74,148(25)	1,96,826(22)	2,20,950(21)
GSDP	5,09,356	5,90,995	6,92,749	9,01,330	10,29,621

* Figures in brackets represent percentage to GSDP.

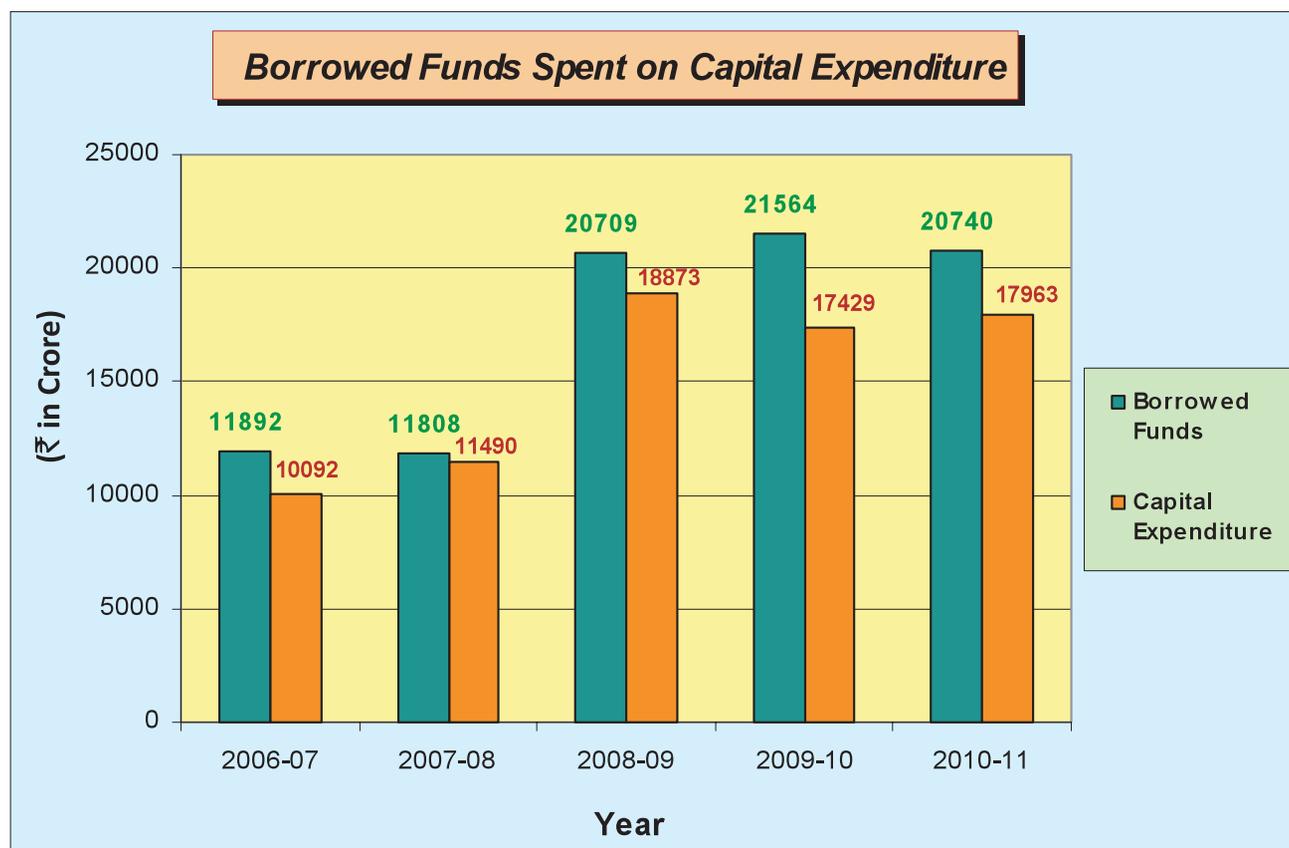
The trend of increase in Internal Debt of the State Government is as under:-



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



6.3. Proportion of borrowed funds spent on Capital Expenditure



It is desirable to fully utilize borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest.

The State Government, however, did not utilize the borrowings fully for capital expenditure. The less spending was in the range of 3% to 19% during last 5 years

Further 86% of the Internal debt of ₹ 19,920 Crore raised during 2010-2011 was mainly used for discharge of debt obligations (₹ 4,291 Crore) and payment of interest (₹ 12,763 Crore) thereon.

6.4. Guarantees (Contingent Liabilities)

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

(₹ in Crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
2006-2007	54,883	45,473	18,036
2007-2008	53,357	42,699	15,576
2008-2009	56,908	38,547	12,924
2009-2010	47,422	31,870	10,813
2010-2011	27,069	11,586	3,455

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

2006-2007 - 57 institutions.

2007-2008 - 35 institutions.

2008-2009 - 45 institutions.

2009-2010 - 33 institutions.

2010-2011 - 01 institution.

CHAPTER – VI I

OTHER ITEMS

7.1. Contingency Fund

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

Component	2006-07	2007-08	2008-09	2009-10	2010-11
Number of sanctions from Contingency Fund	148	102	90	59	62
Total amount withdrawn from Contingency Fund	1406	502	879	143	187
Withdrawals from Contingency Fund as a percentage to Total Budget Provision	1%	0%	1%	0%	0%

7.2. Financial assistance to Local Bodies and others

During past five years, Grants-in-Aid to local bodies etc., increased from ₹ 26,852 crore in 2006-07 to ₹ 47,646 crore in 2010-11. Details of Grants-in-aid for the past 5 years are as under:-

(₹ in Crore)

Institutions	2006-07	2007-08	2008-09	2009-10	2010-11
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	5,234	6,860	8,215	11,638	11,482
Municipal Corporations and Municipalities	2,652	1,351	1,652	1,709	4,350 (A)
Zilla Parishads and Other Panchayati Raj Institutions	7,321	8,007	10,502	11,727	13,261
Development Agencies	762	1,148	1,915	299 (B)	187
Hospital and Other Charitable Institutions	64	81	674	1,065	1,085
Other Institutions	10,819	10,843	12,711	18,151 (A)	17,281 (B)
Total	26,852	28,290	35,669	44,589	47,646
Assistance as per percentage of Net Revenue Expenditure	44	44	47	47	45

(A) Includes Agriculture and Allied Activities : ₹ 2,321 crore, Education, Sports, Art & Culture ₹ 2,028 crore, General Services : ₹ 805 crore, Rural Development : ₹ 1,809 crore, Social Welfare and Nutrition : ₹ 1,151 crore, Water Supply, Sanitation, Housing and Urban Development : ₹ 5,122 crore and Welfare of SC,ST and OBC : ₹ 1,489 crore.

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

7.3. Rush of Expenditure

The Financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Accounts during March 2011 ranged between 54% and 100% of the total expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. The flow of expenditure during the four quarters of 2010-11 in the above mentioned heads was as below :

(₹ in Crore)

Head of Account	Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	During March	Percentage of 3/2011 w.r.t.total expenditure of 2010-11
2515	Other Rural Development Programmes	....	211	230	718	1,159	622	54
3452	Tourism	....	8	11	373	392	365	93
4225	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	....	....	18	460	478	428	90
4402	Capital Outlay on Soil and Water Conservation	12	80	38	404	534	360	67
4403	Capital Outlay on Animal Husbandry	....	1	1	28	30	25	83
5475	Capital Outlay on Other General Economic Services	....	....	....	4	4	4	100
6225	Loans for Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes	....	....	....	89	89	77	87
6401	Loans for Crop Husbandry	....	5	....	13	18	13	72

7.4. Reconciliation of Accounts

Unless there is one Controlling Officer for one grant, the scientific reconciliation between the figures of Expenditure/Receipts booked in the Accountant General Offices and Departmental records is impossible. Following 9 Departments have not sent the list of Controlling Officers responsible for reconciliation for the year 2010-11.

1. Public Works Department
2. Social Justice and Special Assistance Department
3. Parliamentary Affairs Department
4. Housing Department
5. Medical Education and Drugs Department
6. Tribal Development Department
7. Environment Department
8. Women and Child Development Department
9. Employment and Self Employment Department

The Expenditure to the extent of ₹ 52,076.84 Crore (37.93%) remained un-reconciled till August 2011. Also there was delay in the reconciliation of the account by the Departmental Authorities.

No Administrative Department of the Government has reconciled the receipts booked in the Service heads as well as Loan heads of accounts except the Major Heads 0029 - Land Revenue, 0030 - Stamps and Registration Fees, 0039 - State Excise Duties, 0040 - Sales Tax, 0042 - Taxes on Goods and Passengers, 0043 - Taxes and Duties on Commodities, 0045 - Other Taxes and Duties on Commodities and Services, 0217 - Urban Development, 0403 - Animal Husbandry, 0506 - Land Reforms, 0853 - Non-ferrous Mining and Metallurgical Industries. 84.11% of the receipts had remained un-reconciled till August 2011.

7.5. Rendition of Accounts by Treasuries

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

During the year 2010-11, 3 Treasury Accounts and 5 Accounts of Public Work Divisions could not be accounted in the concerned Monthly Civil Accounts, due to delay in receipt. However they were included in the subsequent month's Civil Account.

Similarly, 117 Accounts of Dairy Development Department, 21 Accounts of the State Excise Department and 795 compiled Accounts of District Supply Officers (Food) were incorporated in the subsequent months due to late receipt thereof. The delay in receipt ranged from 1 month to 3 months. However, all the unreceived Monthly Accounts upto the month of March 2011 were cleared in March 2011 (SY) Account.

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

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money with supporting documents like proforma invoices, vouchers etc, through AC Bills. As per the Maharashtra Treasury Rules, 1968, these DDOs are required to submit DC Bills (Vouchers in support of final expenditure) within 30 days to the Office of the Accountant General and Pay & Accounts Officer, Mumbai.

The fact that to the end of 31st March 2011, 24118 bills amounting to ₹ 1,502 Crore were outstanding indicates that these instructions have not been followed scrupulously.

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

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

The position of outstanding UCs as on 31.03.2011 was as under-

Year	Number of UCs awaited	Amount involved (₹ in Crore)
Upto 2008-09	111791	29,899
2009-10	36364	20,742
2010-11	35808	22,557
Total	183963	73,198

7.8. Commitments on account of incomplete Capital Works

During the year 2010-2011 Capital Expenditure of ₹ 476.31 Crore was incurred on various projects taken up by the Engineering Departments. The information in respect of abandoned projects is awaited.



©

भारताचे नियंत्रक व महालेखापरीक्षक
२०११