



सत्यमेव जयते

GOVERNMENT OF MAHARASHTRA

ACCOUNTS AT A GLANCE

2016 - 2017



PRINCIPAL ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENT)

MAHARASHTRA

P R E F A C E

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

The Annual Accounts of the State Government are prepared 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/provision for charged expenditure and offer explanations for variations between the actual expenditure and the funds provided.

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

'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.



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

PLACE: Mumbai

DATE : 19 January 2018

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Our 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

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CHAPTER – I

OVERVIEW

1.1 Introduction

The monthly accounts of the Government of Maharashtra 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 (Accounts and Entitlement), Maharashtra. The Annual Accounts *viz.*, the Finance Accounts and the Appropriation Accounts are prepared by the Principal Accountant General (A&E) under the supervision of the Comptroller and Auditor General of India in accordance with requirements of 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.

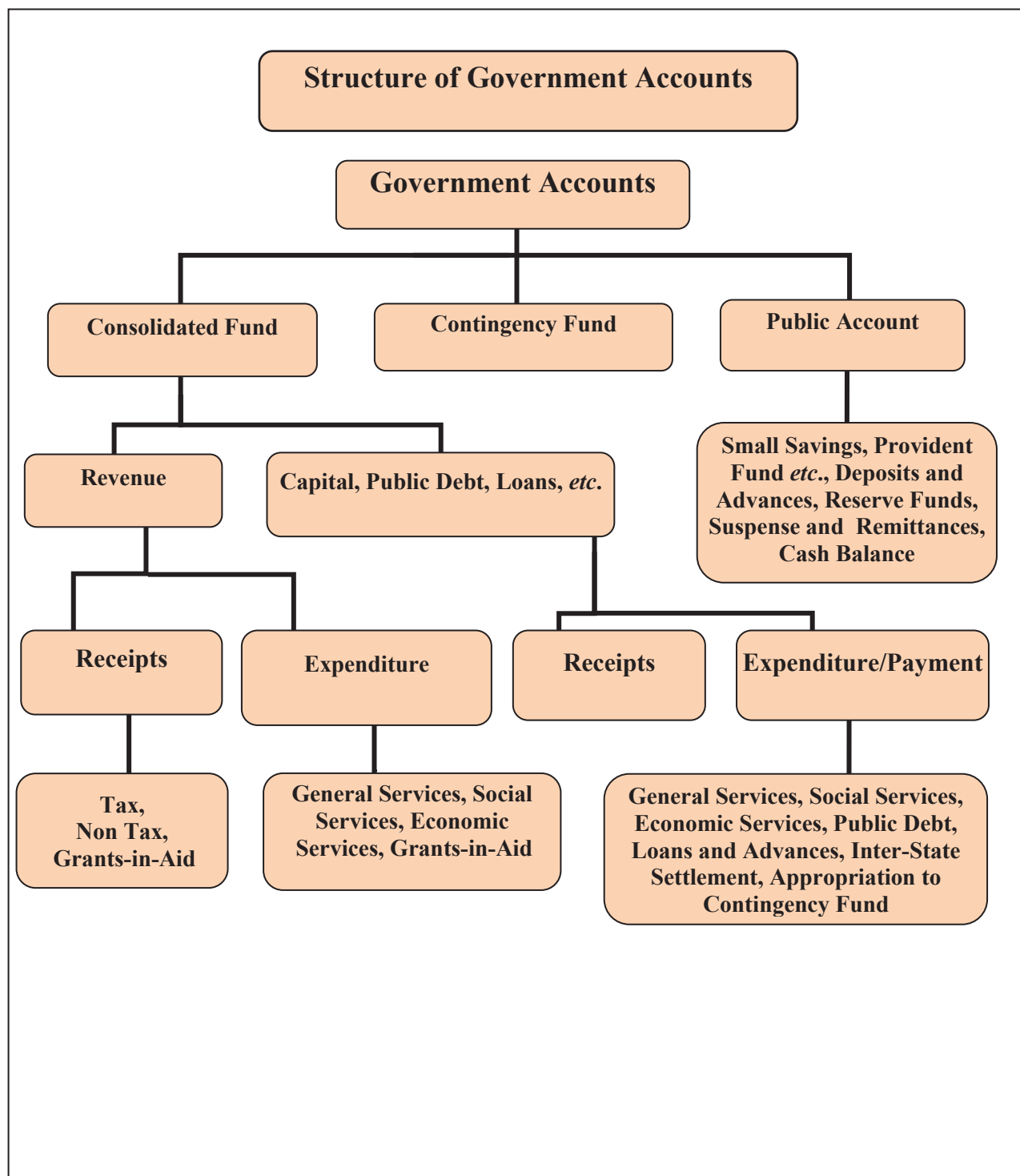
The Finance Accounts of Government of Maharashtra presents the financial position of the State along with details of receipts and disbursements of the Government for the year. The Appropriation Accounts presents the sums expended in the year against the provisions specified in the schedules appended to the Appropriation Act.

1.2 Structure of the Government Accounts

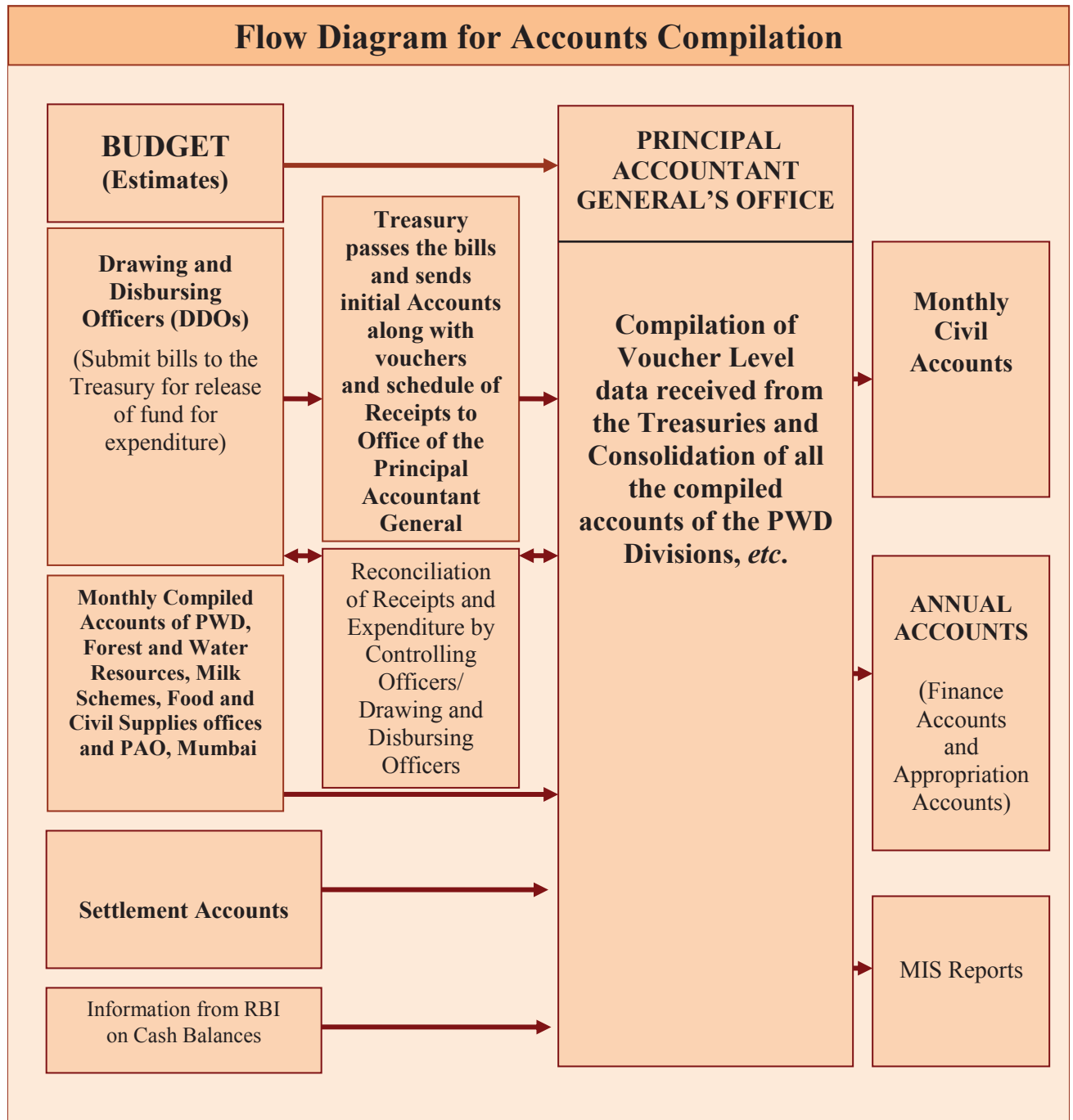
1.2.1 *The Government accounts are kept in three parts:*

Part I CONSOLIDATED FUND	This part comprises all Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances of the State Government.
Part II CONTINGENCY FUND	It is in the nature of an imprest to meet unforeseen expenditure not provided for in the budget. The amount drawn from this Fund is recouped subsequently from the Consolidated Fund.
Part III PUBLIC ACCOUNT	This comprises Debt (other than Public debt referred to in Part I), Small Savings, Provident Funds, <i>etc.</i> , Deposits, Advances, Suspense and Remittances transactions. The role of the Government in respect of this account is only as a banker or trustee.

1.2.2 The pictorial representation of Structure of Government Accounts



1.2.3 *Compilation of Accounts*



1.2.4 *Presentation of Annual Accounts and Audit Reports to the State Legislature*

Annual Accounts viz., Finance Accounts and Appropriation Accounts of the Government of Maharashtra are being presented to the State Legislature. Audit Reports of the Comptroller and Auditor General of India on these accounts are 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. The Finance Accounts have been prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarised statements of receipts and disbursements (revenue expenditure, capital expenditure, loans and advances and public debt), investments, guarantees, grants-in-aid and 'Notes to Accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains detailed statements (Part-I) and appendices (Part-II).

1.3.1 Receipts and Disbursements

Receipts and Disbursements of the Government of Maharashtra as depicted in the Finance Accounts for 2016-17 are given below:-

(₹ in crore)

Receipts (Total :2,45,055)	Revenue (Total: 2,04,693)	Tax Revenue	1,70,331*
		Non Tax Revenue	12,709
		Grants-in-aid	21,653
	Capital (Total: 40,362)	Recovery of Loans and Advances	1,746
		Borrowings and other Liabilities	38,616 [#]
		Other Capital Receipts	...
Disbursements (Total :2,45,055)	Revenue Expenditure		2,13,229
	Capital Expenditure		25,549
	Loans and Advances disbursed		6,277 [§]

* Includes ₹ 33,715 crore on account of 'Share of Union Taxes/Duties'

[#] This differs from Statement No.6 - Statement of Borrowing and Other Liabilities of the Finance Accounts (2016-17) as this is arrived at considering net of Public Debt, Appropriation to Contingency Fund, Contingency Fund, Public Account and Opening and Closing Cash Balances, etc.

[§] Includes ₹ 4,960 crore on account of taking over of 75 per cent of Medium term and short term debt of the Discom by issuing Special Bonds.

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.

The funds transferred during the year as captured from Public Financial Management System portal of the Controller General of Accounts are ₹ 10,261 crore.

1.3.2 Funds borrowed /Loans discharged

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

(₹ in crore)

Loans raised (₹ 1,00,119)	Internal Debt	47,710
	Government of India Loan	627
	Other obligations	51,782
Loans Discharged (₹ 55,602)	Internal Debt	10,917
	Government of India Loan	970
	Other obligations	43,715

1.4 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts ‘charged’ on the Consolidated Fund or ‘voted’ by the State Legislature. There are 26 charged Appropriations, 171 Voted Grants and 51 combined (charged and voted) provisions.

The Appropriation Act, 2016-17 had provisions for gross expenditure of ₹ 3,14,982 crore and reduction of expenditure (recoveries) of ₹ 10,592 crore. Against this, the actual gross expenditure was ₹ 2,65,910 crore and reduction of expenditure was ₹ 8,968 crore, resulting in net saving of ₹ 49,072 crore and under estimation of ₹ 1,624 crore on reduction of expenditure. The gross expenditure includes ₹ 322 crore drawn on Abstract Contingent (AC) Bills, out of which AC bills valuing ₹ 268 crore are outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills.

During 2016-17, ₹ 21,606 crore was transferred to/deposited in Personal Deposit (PD) Accounts under the Public Account, which are maintained by designated administrators for specific purposes. The details of such transfers, if any, and outstanding balances in individual PD Accounts are available only with the treasuries, since they are responsible for maintaining such records.

1.4.1 Non-confirmation of full expenditure

The gross expenditure of ₹ 2,65,910 crore during the year, includes ₹ 322 crore drawn on Abstract Contingent (AC) Bills and ₹ 32,351 crore as Grants-in-aid Bills, out of which, AC bills valuing ₹ 268 crore are outstanding at the end of the year for want of supporting Detailed Contingent (DC) Bills and Utilisation Certificates for ₹ 24,434 crore are pending from the Drawing and Disbursing Officers concerned.

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/Overdraft to enable State Governments to maintain their minimum cash balance/liquidity. When there is a shortfall in the agreed minimum cash balance (₹ 5.58 crore for Maharashtra) with RBI on any day, the deficiency is made good by special and ordinary ways and means advances/overdrafts from RBI. No Ways and Means advance was availed during the year 2016-17. Details of Ways and Means Advances availed during past five years are as detailed below :-

	2012-13	2013-14	2014-15	2015-16	2016-17
(i) Number of days on which minimum balance was maintained by obtaining Ways and Means Advances	8	5	3	....	....
(ii) Number of days on which overdraft was taken	....	....	....	....	....

1.5.2 Fund Flow Statement

The State had a Revenue Deficit of ₹ 8,536 crore and a Fiscal Deficit of ₹ 38,616 crore. The Fiscal Deficit constituted 14 *per cent* of total expenditure. The deficit was met mainly from Public Debt (₹ 36,450 crore), decrease in balances of Public Account (₹ 2,238 crore) and decrease in cash balance at the end of the year (₹ 71 crore).

Around 36 *per cent* of the revenue receipts (₹ 2,04,693 crore) of the State Government was spent on committed expenditure like salaries and wages (₹ 28,754 crore), interest payments (Major Head -2049 - Interest Payments - ₹ 28,532 crore) and pensions (Major Head - 2071 - Pensions and Other Retirement Benefits - ₹ 16,858 crore).

1.5.3 Sources and Application of Funds

(₹ in crore)

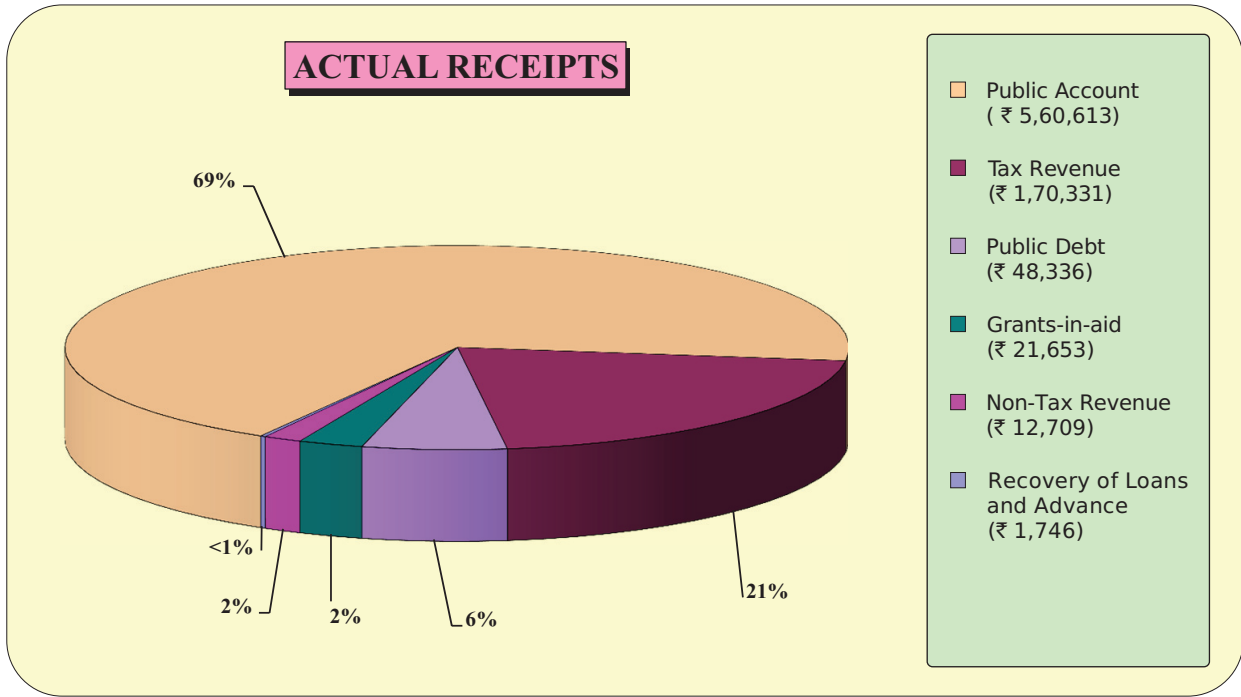
	Particulars	Amount
	Opening Cash Balance as on 01.04.2016	(-)3,322
	Revenue Receipts	2,04,693
	Miscellaneous Capital Receipts	....
	Recovery of Loans and Advances	1,746
	Public Debt	48,336
SOURCES	Small Savings, Provident Fund & Others	4,947
	Reserves and Sinking Funds	8,567
	Deposits Received	38,267
	Civil Advances Recovered	1,089
	Suspense Accounts	4,81,181
	Remittances	26,562
	TOTAL :	8,12,066

(₹ in crore)

	Revenue Expenditure	2,13,229
	Capital Expenditure	25,549
	Loans Given	6,277
	Repayment of Public Debt	11,887
	Small Savings, Provident Funds & Others	3,824
	Reserves and Sinking Fund	8,464
APPLICATION	Deposits Refunded/Utilised	31,427
	Civil Advances Given	1,089
	Suspense Accounts	4,86,353
	Remittances	27,218
	Contingency Fund	...
	Closing Cash Balance as on 31.03.2017	(-)3,251
	TOTAL :	8,12,066

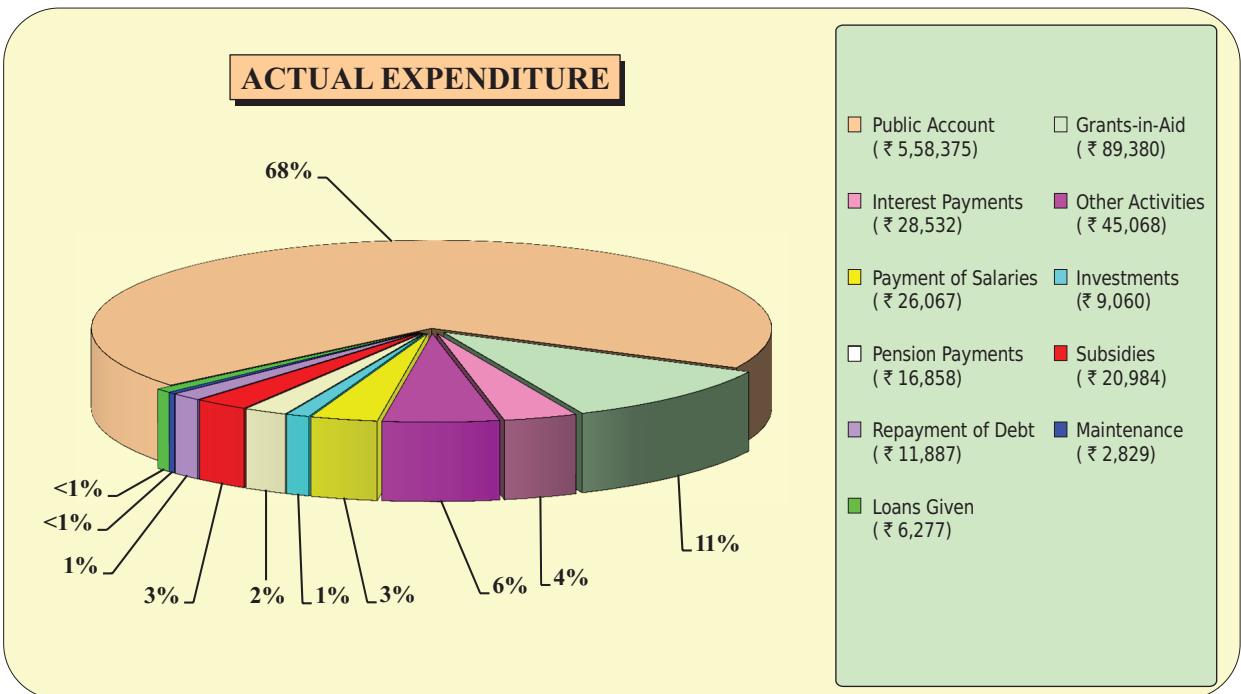
1.5.4 Where the Rupee came from*

(₹ in crore)



1.5.5 Where the Rupee went*

(₹ in crore)



* Excluding opening and closing cash balances.

1.6 Highlights of Accounts

(₹ in crore)

Sr. No.	Head	B.E. 2016-17	Actuals	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP
1.	Tax Revenue	1,75,849	1,70,331	97	7
2.	Non-Tax Revenue	19,997	12,709	64	1
3.	Grants-in-aid & Contributions received	24,964	21,653	87	1
4.	Revenue Receipts (1+2+3)	2,20,810	2,04,693	93	9
5.	Recovery of Loans and Advances	1,151	1,746	152	...
6.	Other Receipts	...	...	...	...
7.	Borrowings & Other Liabilities	35,031	38,616 [#]	110	2
8.	Capital Receipts (5+6+7)	36,182	40,362	112	2
9.	Total Receipts (4+8)	2,56,992	2,45,055	95	11
10.	Non-Plan Expenditure (NPE) (11+13)	1,81,774	1,82,618	100	8
11.	NPE on Revenue Account	1,75,193	1,71,140	98	8
12.	NPE on Interest Payments out of 11	28,220	28,532	101	1
13.	NPE on Capital Account *	6,581	11,478	174	...
14.	Plan Expenditure (PE) (15+16)	73,686	62,437	85	3
15.	PE on Revenue Account	49,261	42,089	85	2
16.	PE on Capital Account	24,425	20,348	83	1
17.	Total Expenditure (10+14)	2,55,460	2,45,055	96	11
18.	Revenue Expenditure (11+15)	2,24,455	2,13,229	95	9
19.	Capital Expenditure (13+16) *	31,006	31,827	103	1
20.	Revenue Deficit (18-4)	3,645	8,536	234	...
21.	Fiscal Deficit 17-(4+5+6)= 7	35,031	38,616[§]	110	2

Except where indicated otherwise, GSDP figures (₹ 22,67,789 crore) used in this publication are adopted from the Directorate of Economics and Statistics, Government of Maharashtra.

* Includes Loans and Advances of ₹ 3,277 crore disbursed

§ The Fiscal deficit excluding the borrowings under UDAY scheme would be 1.48 per cent (₹ 33,657 crore) of GSDP during 2016-17.

This differs from Statement No.6 - Statement of Borrowing and Other Liabilities of the Finance Accounts (2016-17) as this is arrived at considering net of Public Debt, Appropriation to Contingency Fund, Contingency Fund, Public Account and Opening and Closing Cash Balances, etc.

1.6.1 Receipts and Disbursements :

The summarised position of the Receipts and Disbursements during 2016-17 :

Total Receipt		Percentage to total	Total Disbursements		Percentage to total
Revenue Receipts	2,04,693	83.53	Revenue Disbursements	2,13,229	87.01
Capital Receipts	40,362	16.47	Capital Disbursements (*)	31,826	12.99
Total :	2,45,055	100.00		2,45,055	100.00

(*) Includes Loans and Advances of ₹ 6,277 crore including ₹ 4,960 crore disbursed on account of taking over of 75 per cent of Medium term and short term debt of the Discom by issuing Special Bonds.

1.7 What do the Deficits and Surpluses indicate?

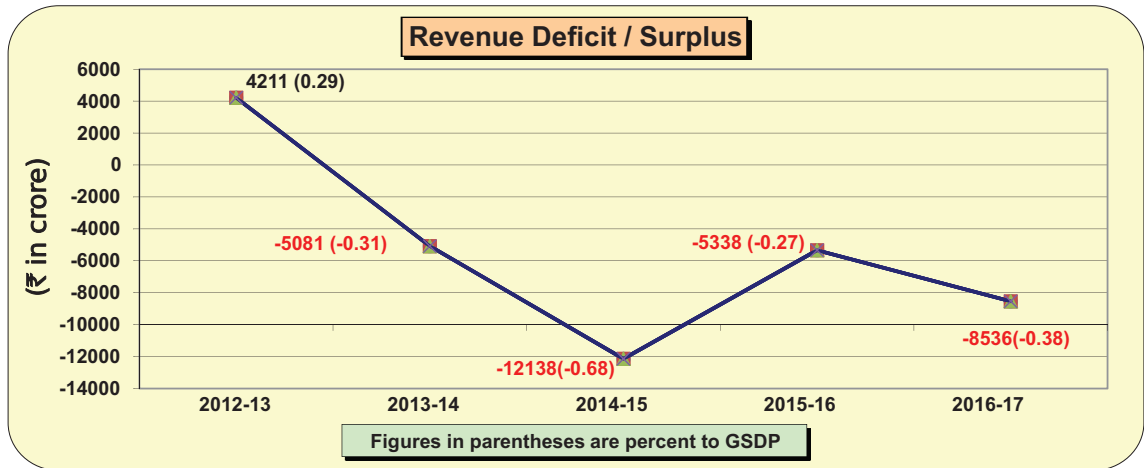
Deficit/Surplus	Refers to the gap between Receipts and Expenditure. The nature of deficit/surplus, and how they are financed/applied are the important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipt and Revenue Expenditure. Revenue Expenditure is on maintenance of the existing establishment of Government and ideally, it should be fully met from Revenue Receipt with some surplus.
Fiscal Deficit/Surplus	Refers to the gap between total receipt (excluding borrowings) and total expenditure. A deficit gap, would indicate the extent of borrowing to meet the expenditure. Ideally, the borrowings should be invested in capital projects.

1.7.1 Fiscal Management and Stability

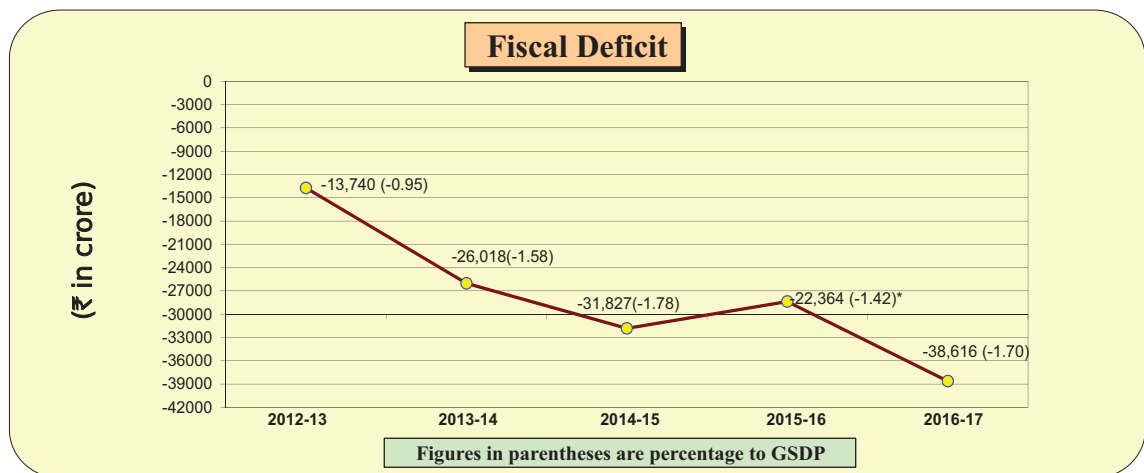
Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. Pursuant to the recommendations of XII Finance Commission, the Government of Maharashtra enacted the FRBM Act, 2005 and notified the corresponding rules in 2006. In accordance with the recommendations of the XIII Finance Commission and the provision of FRBM Act Section 5(1)(a), 5(2)(b) and Rules 3(6), the State laid down the Fiscal targets to ensure - (i) elimination of revenue deficit by financial year 2008-09 and thereafter maintain revenue surplus and (ii) reduction of fiscal deficit to three *per cent* or less of GSDP by financial year 2008-09 and maintain the level thereafter. The State Government had revenue surplus in 2012-13 which turned into revenue deficit in 2013-14, 2014-15,

2015-16 and 2016-17. There was a Revenue Deficit of ₹ 8,536 crore constituting 0.38 per cent of GSDP during 2016-17. The Fiscal Deficit was ₹ 38,616 crore constituting 1.70 per cent of GSDP as compared to 1.44 per cent during the last year. If loans given to DISCOM (₹ 4,960 crore) under UDAY are excluded, Fiscal Deficit would be 1.48 per cent of GSDP during 2016-17.

1.7.2 Trend of Revenue Deficit/Surplus over the five years

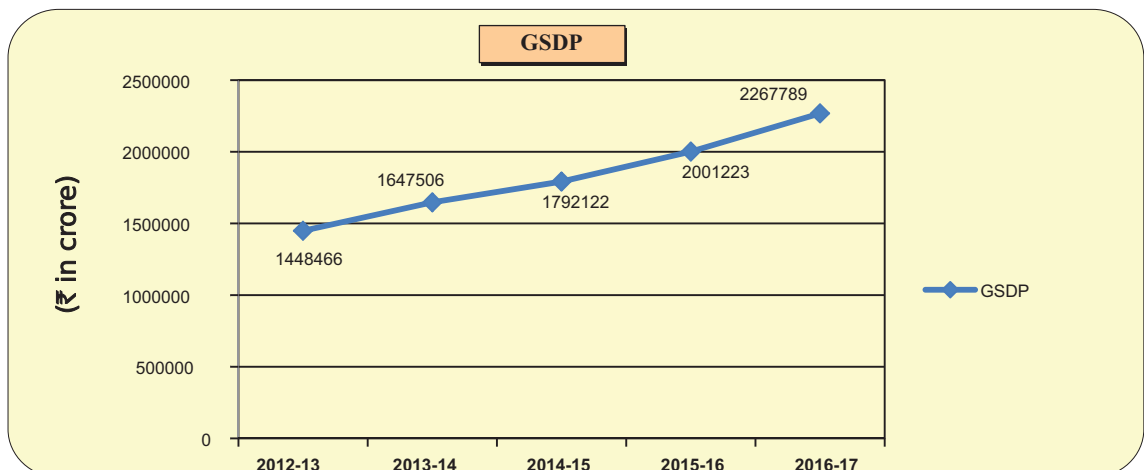


1.7.3 Trend of Fiscal Deficit



* Differ from figures shown in previous years Accounts at a Glance due to revision in GSDP figures

1.7.4 Growth rate of GSDP



1.8 Transactions affecting fiscal indicators and overall receipts and expenditure in the accounts

1.8.1 Incorrect booking of Revenue Expenditure under Capital

During 2016-17, ₹ 1,988.33 crore of Grants-in-aid was budgeted and booked under the Capital section instead of the Revenue section, resulting in overstatement of capital expenditure and under statement of Revenue deficit to that extent.

1.8.2 Non – transfer of unspent balances to Consolidated Fund

As per Government Resolution (October 2001), the unspent balance in the PD account of Inspector General of Registration was to be credited to Consolidated Fund at the end of every quarter. However an accumulated unspent balance of ₹ 876.37 crore over the years lying in the account as on 31 March 2017 remained uncredited to the Consolidated Fund of the State. Pending a claim of about ₹ 300 crore with Arbitrator balance of ₹ 500 crore could have been deposited into Government. Revenue and Fiscal deficit is overstated to that extent.

1.8.3 Direct transfer of Central Scheme Funds to implementing Agencies in the State (Funds routed outside State Budget)

Government of India decided to release all central assistance relating to the Central Schemes through the State Government and not directly to implementing agencies. However, as per the PFMS portal of the Controller General of Accounts, ₹ 10,260.56 crore was directly released to the implementing agencies during 2016-17. The direct release of ₹ 10,260.56 crore was three *per cent* of the total budget provision (₹ 3,14,982 crore) of the State in 2016-17.

1.8.4 Non – transfer of Funds accumulated under New Pension Scheme

The employee and employer contribution of Government employees recruited on or after 1 November 2005 are to be transferred to the designated pension fund.

During the year, the State Government has transferred ₹ 1,962.90 crore to the Pension Fund leaving a balance of ₹ 3,588.81 crore as on 31 March 2017 including the untransferred balances of earlier years. Untransferred amounts with accrued interest represent outstanding liabilities of the Government.

1.8.5 Interest on Deposits Accounts

The State Government is to pay interest on the uninvested balances lying under the head “Deposit Accounts bearing interest”. During 2016-17, the entire balance of ₹ 34,604.64 crore lying in interest bearing Deposit Accounts was not invested. The State Government paid an interest of ₹ 2,649.51 crore on a portion of ₹ 34,040.82 crore. The interest

liability on remaining portion of uninvested balance of ₹ 563.82 crore works out to ₹ 45.11 crore. The amount of interest liability outstanding against these interest bearing Deposit Accounts over the years has not been estimated. This will impact the overall liability of the State Government.

1.8.6 Non – inclusion of liability on account of off-budget borrowing

The borrowings outside the budget ('off-budget' borrowings) have been discontinued by the State Government since 2005-06. But some portion of such borrowings made prior to that year, which were not reflected in the Accounts, have not yet been fully discharged.

As per the information provided by the State Government, the outstanding of such borrowings at the end of the year 2015-16 was ₹ 549.50 crore (actual) and 2016-17 was ₹ 50.50 crore (as per revised estimate). The liability of the State Government is understated in the accounts to that extent.

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CHAPTER – II

R E C E I P T S

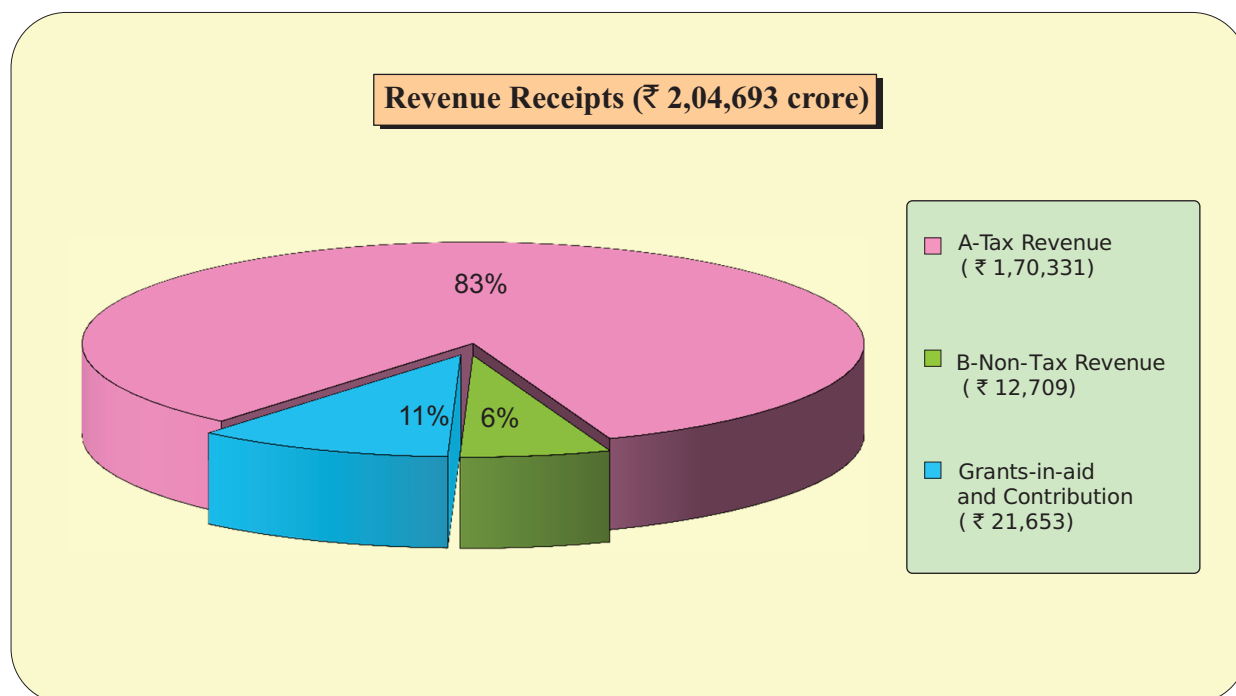
2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. The total Revenue Receipts for 2016-17 are ₹ 2,04,693 crore. There is no Capital Receipts during 2016-17 (under Major Head – 4000 – Miscellaneous Capital Receipts).

2.1.1 Revenue Receipts

Tax Revenue	Comprises all taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Comprises 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 Governments and channelized through the Union Government.

(₹ in crore)



2.2 Revenue Receipt Components

2.2.1 Revenue Receipts:

Tax Revenue of ₹ 1,70,331 crore and Non-Tax Revenue of ₹ 12,709 crore formed eight per cent and one per cent respectively of the GSDP. Major contributor to the revenue was Taxes on Sales, Trades, etc. (₹ 81,174 crore) (ratio to GSDP – 1:28).

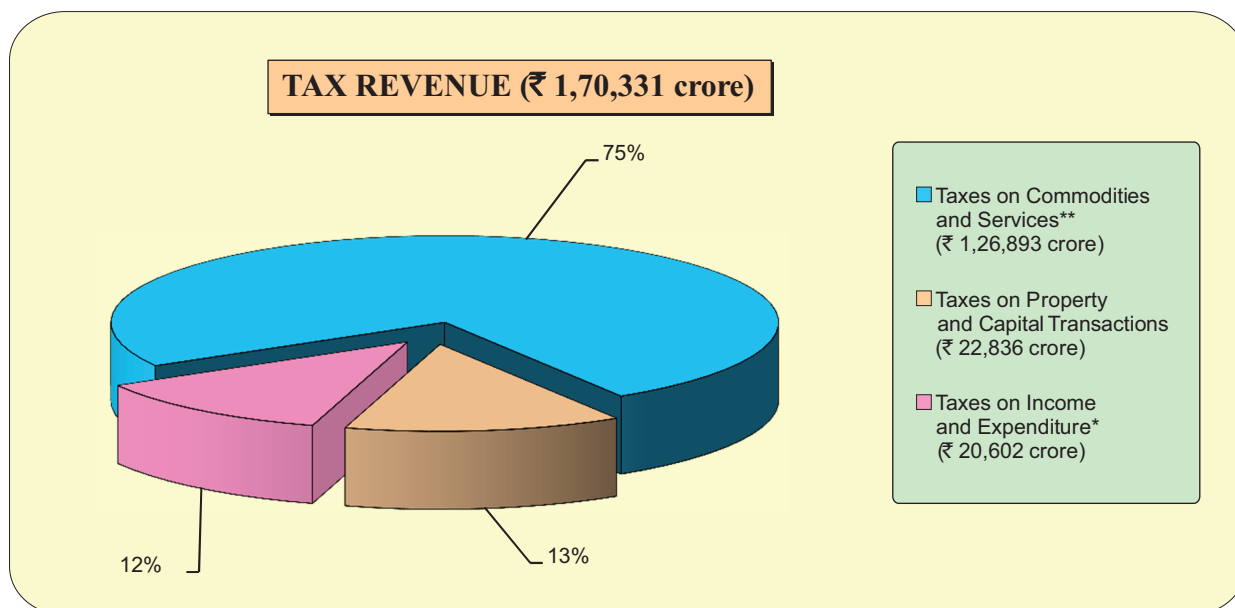
Net tax receipts (₹ 1,70,331 crore) during the year was less than the budget estimates (₹ 1,75,849 crore) by ₹ 5,518 crore, mainly on account of less collection under State Excise (₹ 3,056 crore) and Stamps and Registration Fees (₹ 2,536 crore).

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

Revenue Receipts and Grants-in-aid and Contributions

(₹ in crore)

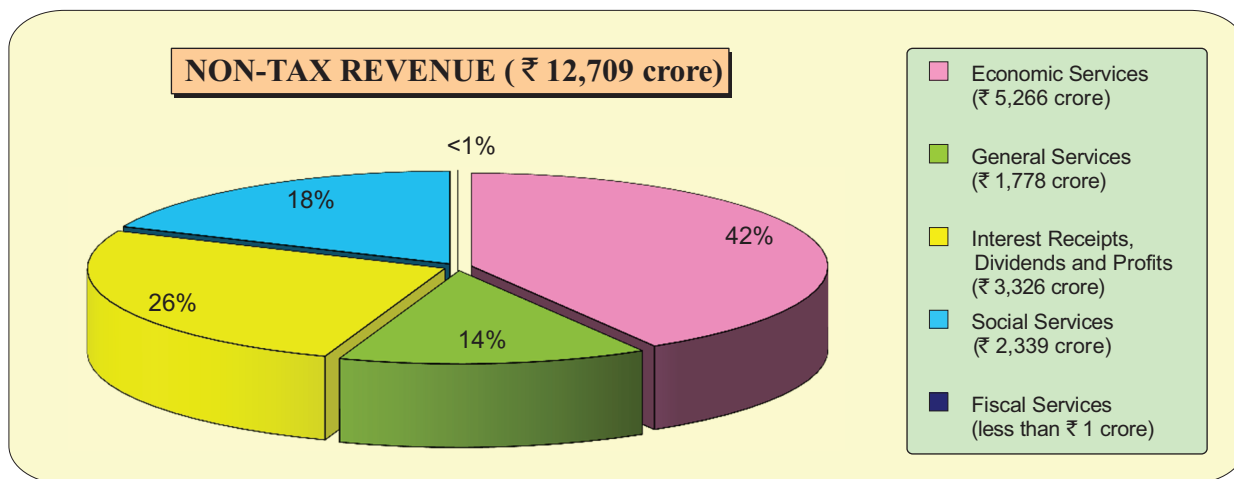
Components	Actuals	Percentage to total Revenue	Percentage to Sub-total
A –Tax Revenue			
Taxes on Income and Expenditure*	20,602	10	(12)
Taxes on Property and Capital Transactions	22,836	11	(13)
Taxes on Commodities and Services**	1,26,893	62	(75)
Total, Tax Revenue	1,70,331	83	100
B - Non-tax Revenue			
Fiscal Services	...#	....	....
Interest Receipts, Dividends and Profits	3,326	2	(26)
General Services	1,778	....	(14)
Social Services	2,339	1	(18)
Economic Services	5,266	3	(42)
Total, Non-Tax Revenue	12,709	6	100
C – Grants-in-aid and Contributions	21,653	11	
TOTAL REVENUE RECEIPTS	2,04,693	100.00	



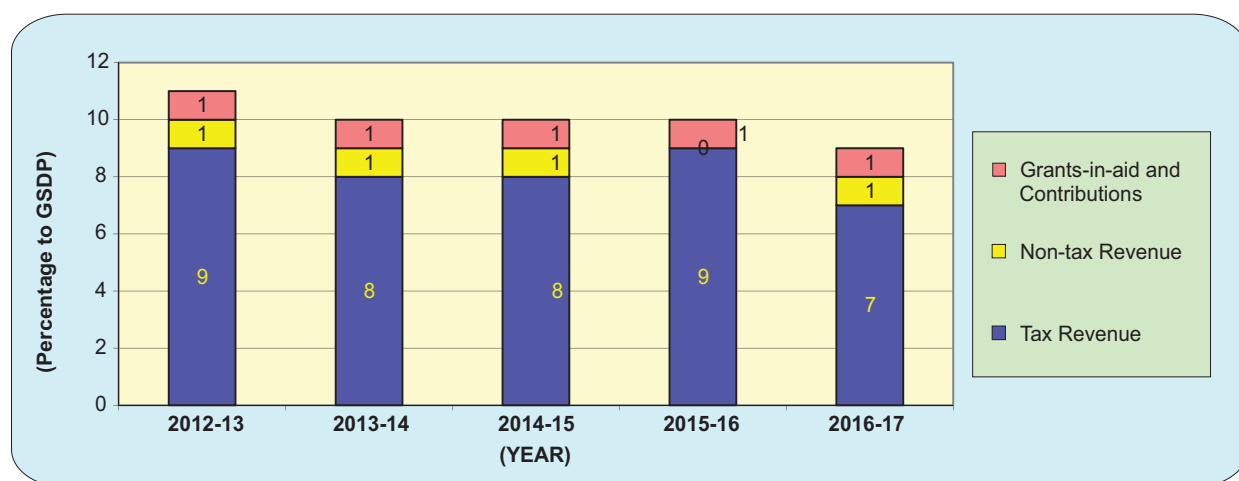
* Share of Income Tax received from Union Government ₹ 18,289 crore.

** Receipts on account of Taxes on Sales, Trades, etc. were ₹ 81,174 crore.

Less than ₹ one crore.



2.3 Components under Revenue Receipts as proportion to GSDP



2.4 Sector-wise Tax Revenue

(₹ in crore)

Components	2012-13	2013-14	2014-15	2015-16	2016-17
Taxes on Income and Expenditure	10,685	11,417	12,712	17,173	20,602
Taxes on Property and Capital Transactions	18,632	19,780	21,248	23,517	22,836
Taxes on Commodities and Services	89,324	94,031	98,734	1,14,024	1,26,893
Total Tax Revenue	1,18,641	1,25,228	1,32,694	1,54,714	1,70,331

Tax Revenue of the State increased by ₹ 15,617 crore (10 per cent) over the previous year. The increase over previous year was mainly due to more collection of 'Value Added Tax' (₹ 11,513 crore), more receipts of net proceeds from Central Government (Corporation Tax - ₹ 1,955 crore, Union Excise Duties - ₹ 1,570 crore, Taxes on Income other than Corporation Tax - ₹ 1,354 crore, Service Tax ₹ 572 crore, Customs - ₹ 155 crore), more collection from State Motor vehicles Taxation Act and Road Safety Fund (₹ 724 crore) etc.

2.5 Performance of State's own Tax Revenue Collection

(₹ in crore)

Year	Total Tax Revenue	State Share of Union Taxes	State's own Tax Revenue	
			Amount (2-3)	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2012-13	1,18,641	15,192	1,03,449	7.1
2013-14	1,25,228	16,630	1,08,598	6.6
2014-15	1,32,694	17,630	1,15,064	6.4
2015-16	1,54,714	28,106	1,26,608	6.3*
2016-17	1,70,331	33,715	1,36,616	6.0

* *Varies from the figures shown in previous year accounts due to adoption of revised GSDP (₹ 20,01,223 crore)*

The growth rate of Tax Revenue from 2012-13 to 2016-17 is 44 per cent. The growth rate of GSDP from 2012-13 to 2016-17 is 57 per cent.

The State's own tax buoyancy with reference to GSDP showed a decreasing trend from 7.1 per cent in 2012-13 to six per cent in 2016-17.

State's own tax revenue collection with reference to GSDP showed decreasing trend from 7.1 per cent in 2012-13 to six per cent in 2016-17.

2.6 Trend of Revenue Receipts

(₹ in crore)

Components	2012-13	2013-14	2014-15	2015-16	2016-17
Tax Revenue	1,18,641 (8)	1,25,228 (8)	1,32,694 (8)	1,54,714 (8)	1,70,331 (7)
Non-tax Revenue	9,984 (1)	11,352 (1)	12,581 (1)	13,423 (1)	12,709 (1)
Grants-in-aid and Contributions	14,322 (1)	13,242 (1)	20,140 (1)	16,899 (1)	21,653 (1)
Total Revenue Receipts	1,42,947 (10)	1,49,822 (10)	1,65,415 (10)	1,85,036 (10)	2,04,693 (9)
GSDP/(Growth Rate of GSDP)	14,48,466 (14)	16,47,506 (14)	17,92,122 (9)	20,01,223 [#] (12)	22,67,789* (13)

Note : Figures in parentheses represent percentage to GSDP

Revised GSDP

* GSDP figures (₹ 22,67,789 crore) used in this publication are adopted from the Directorate of Economics and Statistics, Government of Maharashtra.

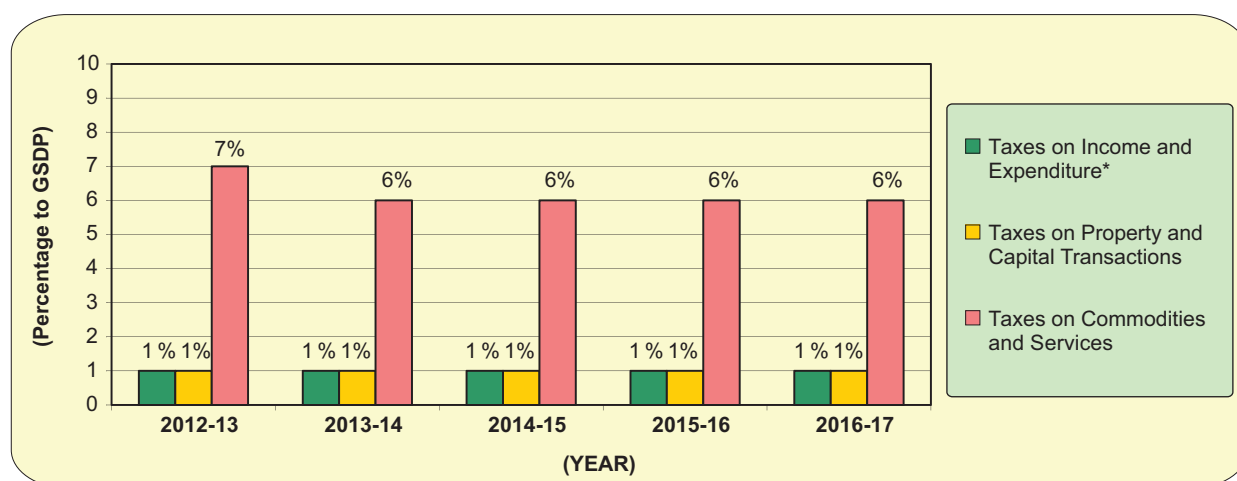
2.6.1 The rate of growth of Revenue receipts decreased from 12 per cent in 2015-16 to 11 per cent in 2016-17.

The increase in growth rate of 11 per cent was the net effect of increase in Tax-Revenue by 10 per cent and Grants-in-aid from Central Government by 28 per cent.

The rate of growth of GSDP increased from 12 per cent in 2015-16 to 13 per cent in 2016-17.

2.6.2 The Grants-in-aid from Central Government of India increased by 28 per cent from ₹ 16,899 crore in 2015-16 to ₹ 21,653 crore in 2016-17. The increase was mainly due to more assistance for Grants under recommendation of XIV Finance Commission, Grants towards Contribution to State Disaster Relief Fund and Grants under proviso to Article 275(1) of the Constitution.

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)

Description	2012-13	2013-14	2014-15	2015-16	2016-17
Corporation Tax	5,457	5,578	6,147	8,835	10,790
Taxes on Income other than Corporation Tax	3,267	3,673	4,389	6,145	7,499
Taxes on Wealth	9	15	17	2	25
Customs	2,525	2,706	2,847	4,487	4,642
Union Excise Duties	1,716	1,912	1,608	3,730	5,300
Service Tax	2,218	2,702	2,596	4,888	5,459
Other Taxes and Duties on Commodities and Services	....	44	26	19*
State Share of Union Taxes	15,192	16,630	17,630	28,106	33,715
Total Tax Revenue	1,18,641	1,25,228	1,32,694	1,54,714	1,70,331
Percentage of Union Taxes to Total Tax Revenue	13	13	13	18	20

* Less than ₹ one crore.

Central tax transfers increased by two *per cent* from ₹ 28,106 crore in 2015-16 to ₹ 33,715 crore in 2016-17. The increase was mainly under Corporation Tax (₹ 1,955 crore), Union Excise Duties (₹ 1,570 crore), Taxes on Income other than Corporation Tax (₹ 1,354 crore), Service Tax (₹ 572 crore), Customs (₹ 155 crore) *etc.*

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 three years are given in the following table.

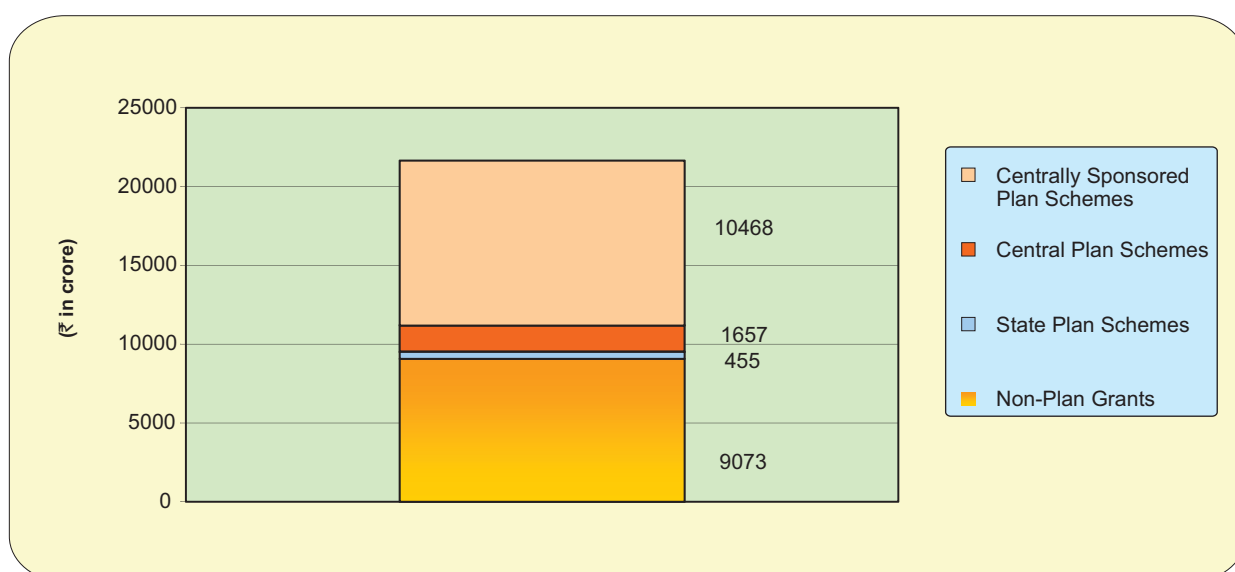
(₹ in crore)

Sr. No.	Head of Revenue	Year	Gross Collection	Expenditure on Collection	Percentage of expenditure to Gross Collection
1.	Sales Tax/VAT	2014-15	67,466	460	0.68
		2015-16	69,661	470	0.67
		2016-17	81,174	522	0.64
2.	State Excise	2014-15	11,397	119	1.04
		2015-16	12,470	105	0.84
		2016-17	12,288	111	0.90
3.	Taxes on Vehicles	2014-15	5,405	1626	30.08
		2015-16	6,017	1221	20.29
		2016-17	6,741	1742	25.84

As compared to the previous year, percentage of expenditure on collection of taxes has decreased in case of taxes on Sales Tax/VAT and increased in respect of State Excise and on vehicles.

2.10 Grants-in-aid

Grants-in-aid represent assistance from the Government of India and it comprises Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes and State Non-plan Grants. Total receipts during 2016-17 under Grants-in-aid were ₹ 21,653 crore as shown below:-



The State Government had received ₹ 21,653 crore (87 *per cent* of B.E) under Grants-in-aid and Contributions as against the Budget Estimate of ₹ 24,964 crore.

2.11 Capital Receipts:

Compared to the revised estimates (₹ 36,182 crore), there was an overall increase of ₹ 4,180 crore in Capital Receipts (₹ 40,362 crore) i.e Borrowing and other liabilities and recovery of Loans and Advances.

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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. Expenditure is further classified as Plan and Non-Plan within each Division mentioned above. The transactions are grouped into following sectors.

General Services	Includes Justice, Police, Jail, Pension, <i>etc.</i>
Social Services	Includes Education, Health and Family Welfare, Water Supply, Welfare of Scheduled Caste/Tribes, <i>etc.</i>
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, <i>etc.</i>

3.2 Revenue Expenditure

3.2.1 Gross Revenue Expenditure against Budget Provision:

Gross Revenue Expenditure of ₹ 2,19,416 crore for 2016-17 fell short of budget estimates by ₹ 38,322 crore due to less disbursement of ₹ 17,959 crore under Plan Expenditure and ₹ 20,363 crore under Non-plan Expenditure.

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

(₹ in crore)

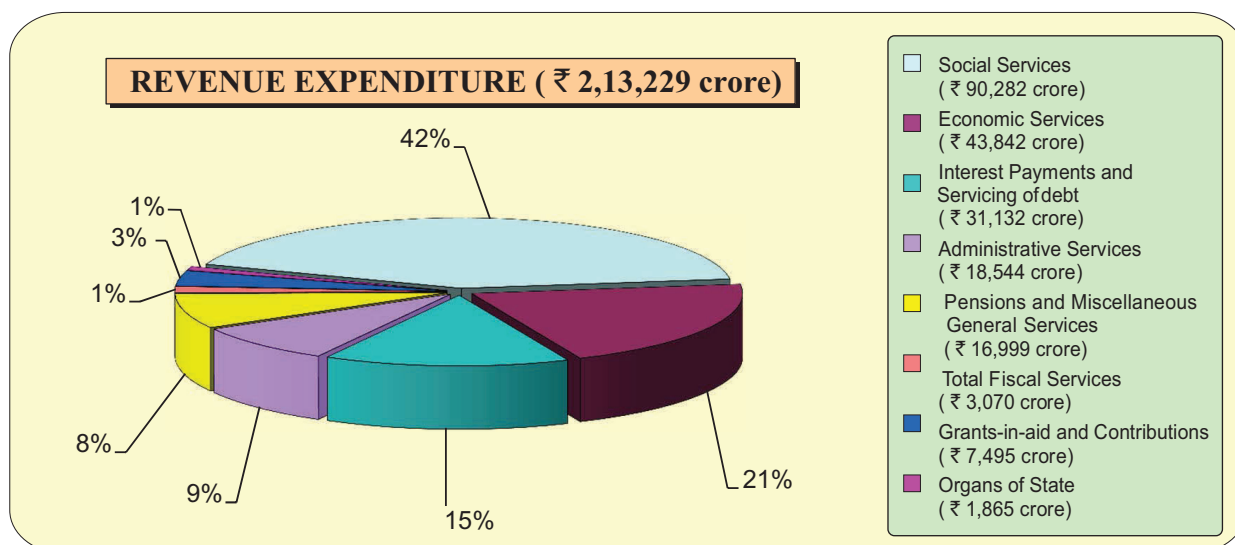
	2012-13	2013-14	2014-15	2015-16	2016-17
Budget Estimates (BE)	1,56,127	1,75,679	2,11,488	2,34,661	2,57,738
Expenditure	1,43,158	1,59,108	1,82,707	1,97,564	2,19,416
Gap	12,968	16,571	28,781	37,097	38,322
Percentage of gap over BE	8	9	14	16	15

3.2.2 Sectoral Distribution of Expenditure*

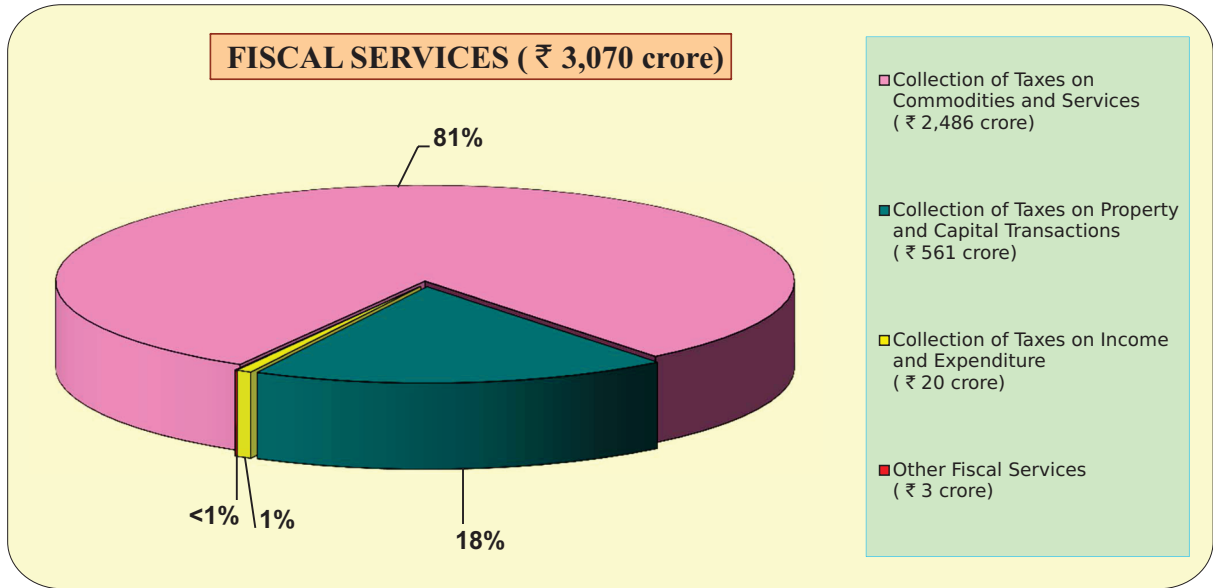
(₹ in crore)

Components	Amount	Percentage to the Total Revenue Expenditure	Percentage to Total Fiscal Services
A. Fiscal Services			
(i) Collection of Taxes on Income and Expenditure	20	....	1
(ii) Collection of Taxes on Property and Capital Transactions	561	....	18
(iii) Collection of Taxes on Commodities and Services	2,486	1	81
(iv) Other Fiscal Services	3	....	....
Total- Fiscal Services	3,070	1	100
B. Organs of State	1,865	1	
C. Interest payments and servicing of debt	31,132	15	
D. Administrative Services	18,544	9	
E. Pensions and Miscellaneous General Services	16,999	8	
F. Social Services	90,282	42	
G. Economic Services	43,842	21	
H. Grants-in-aid and Contributions	7,495	3	
Total Expenditure (Revenue Account)	2,13,229	100	

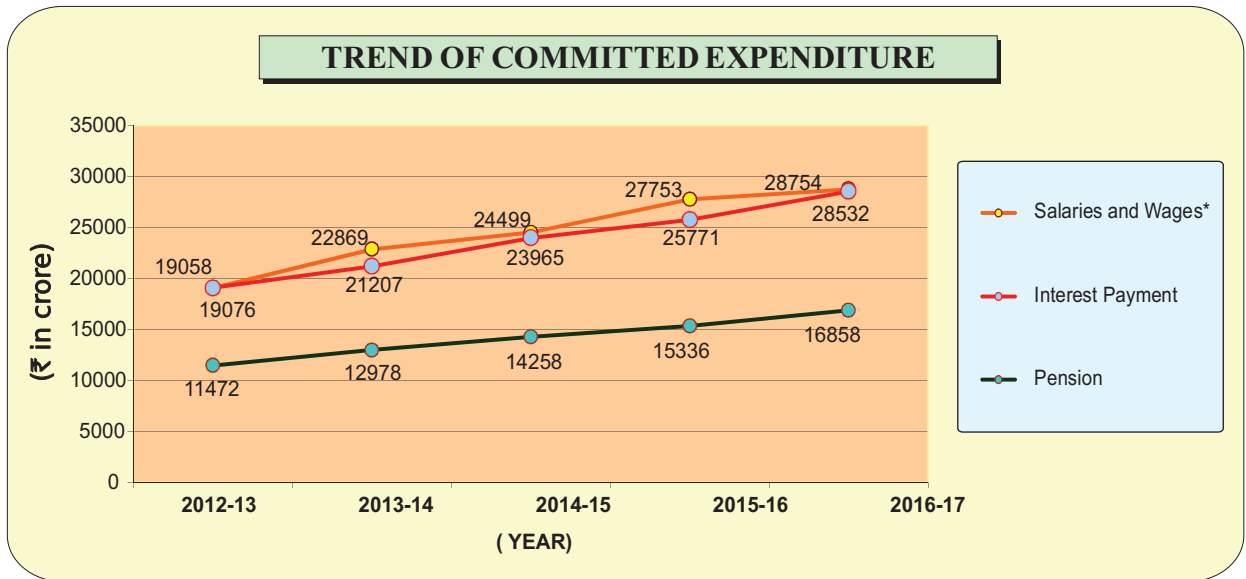
* Figures shown are net expenditure



Revenue expenditure (₹ 2,13,229 crore) constituted 80 per cent of the total expenditure as against 89 per cent during the previous year.



3.2.3 Trend in Committed Expenditure



* Does not include Grants-in-aid towards Salary.

Trend in Committed Expenditure

(₹ in crore)

Component	2012-13	2013-14	2014-15	2015-16	2016-17
Committed Expenditure	51,381	57,054	62,722	68,860	74,144
Revenue Expenditure	1,38,736	1,54,902	1,77,553	1,90,374	2,13,229
Percentage of Committed Expenditure to Revenue Expenditure	37	37	35	36	35
Revenue Receipt	1,42,947	1,49,822	1,65,415	1,85,036	2,04,693
Percentage of Committed Expenditure to Revenue Receipt	36	38	38	37	36

3.2.4 Trend in Revenue Expenditure

Trends in Revenue expenditure during the five years from 2012-13 to 2016-17 are given below:-

(₹ in crore)

Year	Revenue Expenditure	Total Expenditure	GSDP	Percentage increase over previous year		Percentage of Total Expenditure To GSDP
				Revenue Expenditure	Total Expenditure	
2012-13	1,38,736	1,57,550	14,48,466	12	11	11
2013-14	1,54,902	1,76,568	16,47,506	12	12	11
2014-15	1,77,553	1,98,217	17,92,122	15	12	11
2015-16	1,90,374	2,14,282	20,01,223*	7	8	11
2016-17	2,13,229	2,45,055	22,67,789#	12	15	11

* Revised GSDP

Provisional Estimates

The over all increase in revenue expenditure during 2016-17 compared to 2012-13 (5 years) was ₹ 74,493 crore.

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

(₹ in crore)

Areas of Expenditure	2012-13	2013-14	2014-15	2015-16	2016-17	Percentage increase (+) /decrease(-) in 2016-17 over Previous year
Interest Payments and Servicing of Debt	20,320	22,799	25,855	27,991	31,132	+11
Pension and Miscellaneous General Services	11,649	13,162	14,407	15,468	16,999	+10
Administrative Services	12,472	14,008	15,086	16,628	18,544	+12
Agriculture and Allied Activities	7,218	7,821	8,567	9,660	13,245	+37
Energy	5,471	5,726	10,891	9,404	9,611	+2

3.3 Capital Disbursements

3.3.1 Gross Capital Expenditure against Budget Provision

The Gross Capital Disbursements during the year fell short of Budget Provision by ₹ 10,750 crore. The less disbursement was mainly under capital outlay (₹ 8,477 crore).

3.3.2 Sectoral distribution of Capital Expenditure*

During 2016-17, 65 per cent of the Capital Expenditure (₹ 20,734 crore) was made on Economic Services – ₹ 8,764 crore on Irrigation and Flood Control, ₹ 5,461 crore on Transport, ₹ 3,417 crore on Agriculture and Allied Activities, ₹ 1,687 crore on Rural Development and ₹ 658 crore on energy as given below:

(₹ in crore)

Sr.No.	Sector	Amount*	Percentage to total capital expenditure
1.	Economic Services- Agriculture, Rural Development Irrigation, Co-operation, Energy, Industries, Transport, etc.	20,734	65
2.	Social Services- Education, Health & Family Welfare Water Supply, Welfare of SC/ST, etc.	3,267	10
3.	General Services- Police, Stationery and Printing, Public Works etc.	1,548	5
4.	Loans and Advances disbursed	6,277	20
Total		31,826	100

* Figures shown are net expenditure

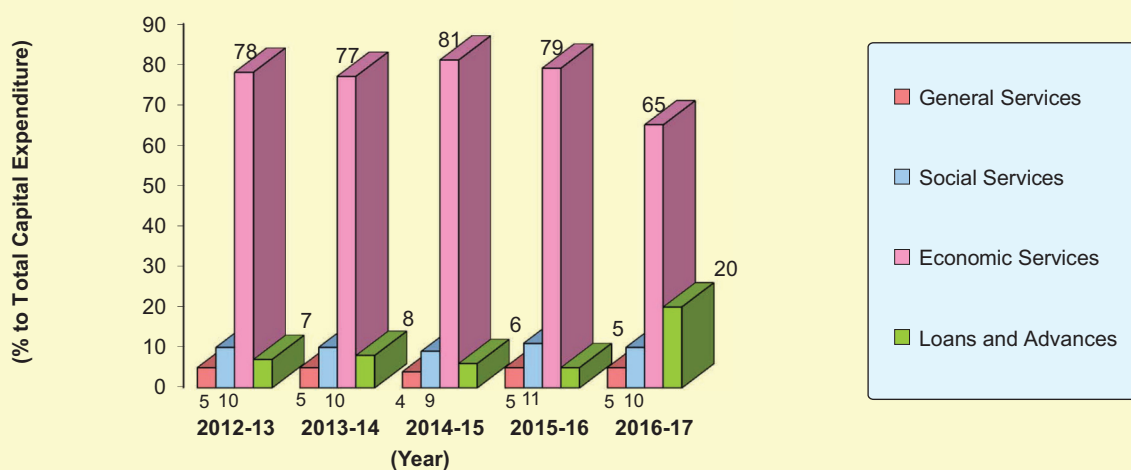
3.3.3 Trend of Sectoral Capital Expenditure over the past 5 years*

(₹ in crore)

Sr.No.	Sector	2012-13	2013-14	2014-15	2015-16	2016-17
1.	General Services	902	1,039	865	1,259	1,548
2.	Social Services	1,824	2,274	1,958	2,584	3,267
3.	Economic Services	14,672	16,708	16,700	18,950	20,734
4.	Loans and Advances	1,416	1,645	1,141	1,115	6,277
Total		18,814	21,666	20,664	23,908	31,826

* Figures shown are net expenditure

**Trend of Sectoral Distribution of Capital Expenditure
(Figures in Percentage to Capital Expenditure)**



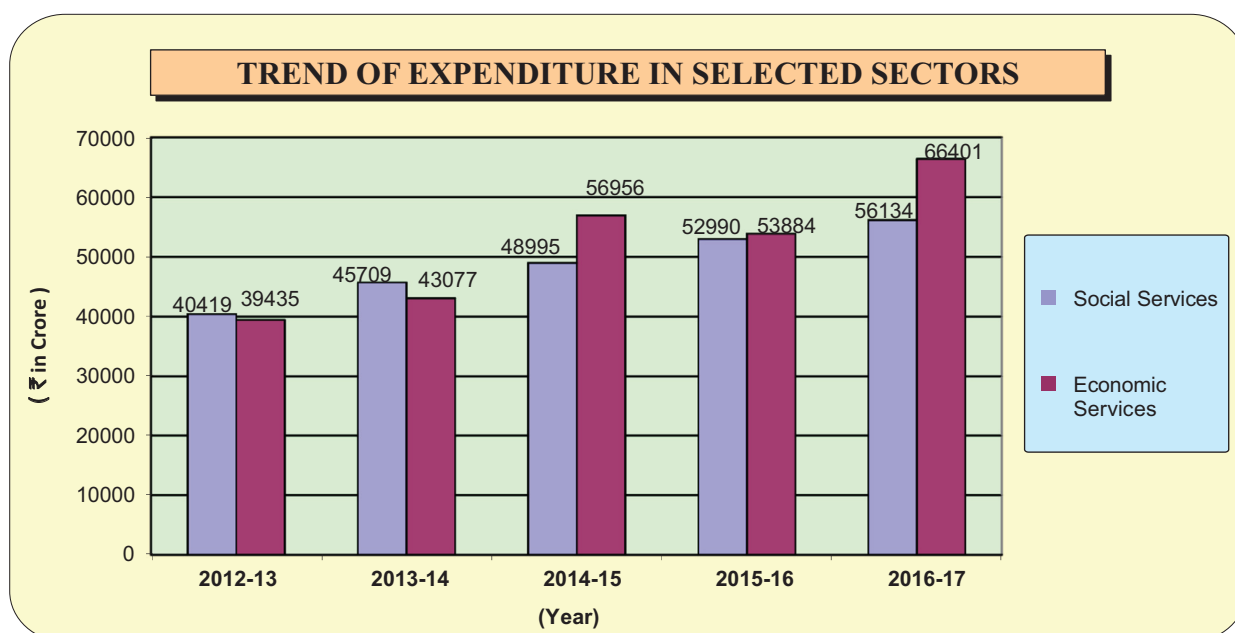
3.4 Trend of expenditure (Revenue and Capital) in important sectors with reference to Budget Estimates

Trend of expenditure (Revenue and Capital) in some important sectors during 2012-13 to 2016-17 is brought out below:

(₹ in crore)

Sector	2012-13	% to B.E.	2013-14	% to B.E.	2014-15	% to B.E.	2015-16	% to B.E.	2016-17	% to B.E.	% to R.E.*
A-Social Services-											
i) Education	34,023	101	38,340	97	40,021	96	42,982	104	45,410	93	94
ii) Health and Family Welfare	6,396	96	7,369	100	8,974	88	10,008	98	10,724	102	84
Social Services, Total	40,419		45,709		48,995		52,990		56,134		
B- Economic Services-											
i) Agriculture	8,651	102	9,388	103	16,587	134	12,974	105	16,895	120	93
ii) Rural Development	5,204	88	3,933	61	7,339	40	7,073	38	8,705	53	84
iii) Irrigation and Flood Control	9,799	89	10,628	90	9,584	101	10,825	114	11,309	94	67
iv) Energy	7,405	126	8,389	122	12,834	108	10,979	93	15,394	221	128
v) Transport	7,336	100	9,317	125	9,520	119	10,266	122	11,567	110	99
vi) General Economic Services	1,040	78	1,422	72	1,092	87	1,767	141	2,531	75	75
Economic Services, Total	39,435		43,077		56,956		53,884		66,401		

* Percentage to revised estimates has been given only for 2015-16

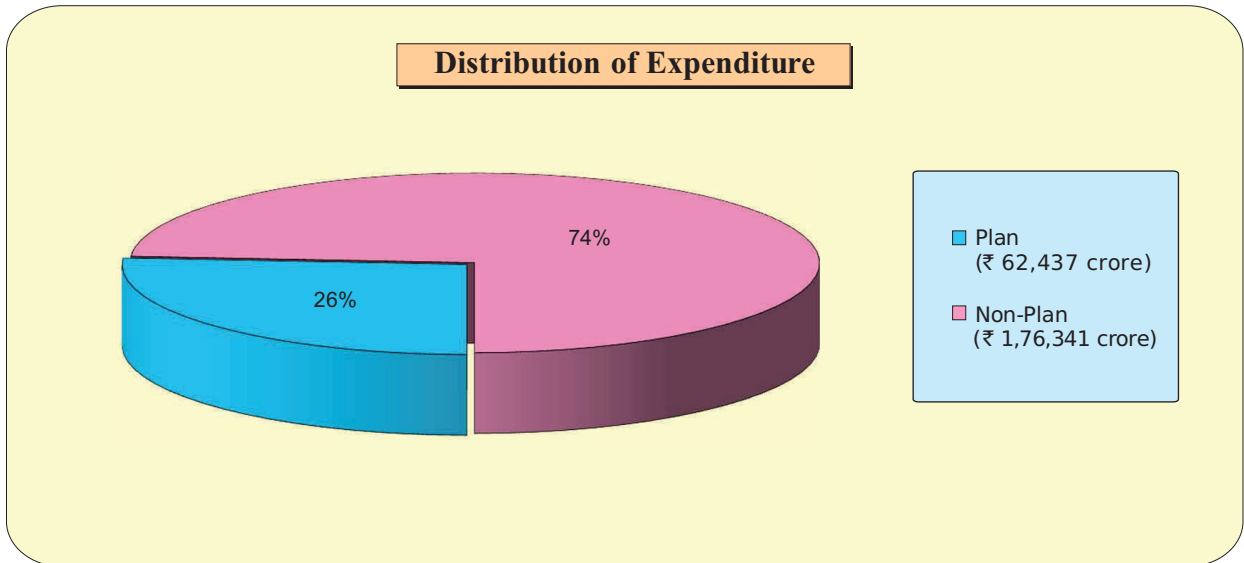


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CHAPTER - IV

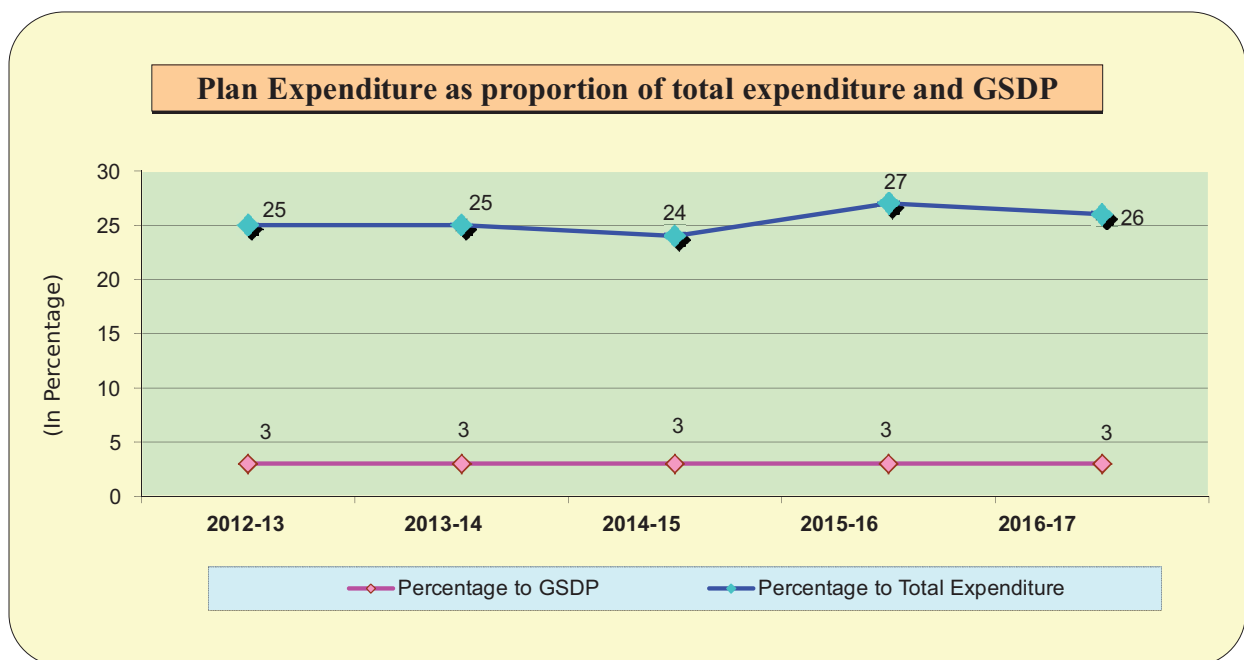
PLAN AND NON-PLAN EXPENDITURE

4.1 Distribution of expenditure between Plan and Non-Plan Expenditure



4.2 Plan Expenditure

During 2016-17, Plan Expenditure, representing 26 per cent of total disbursements, was ₹ 62,437 crore (₹ 44,401 crore under State Plan and ₹ 18,036 crore under Centrally Sponsored Plan Schemes).



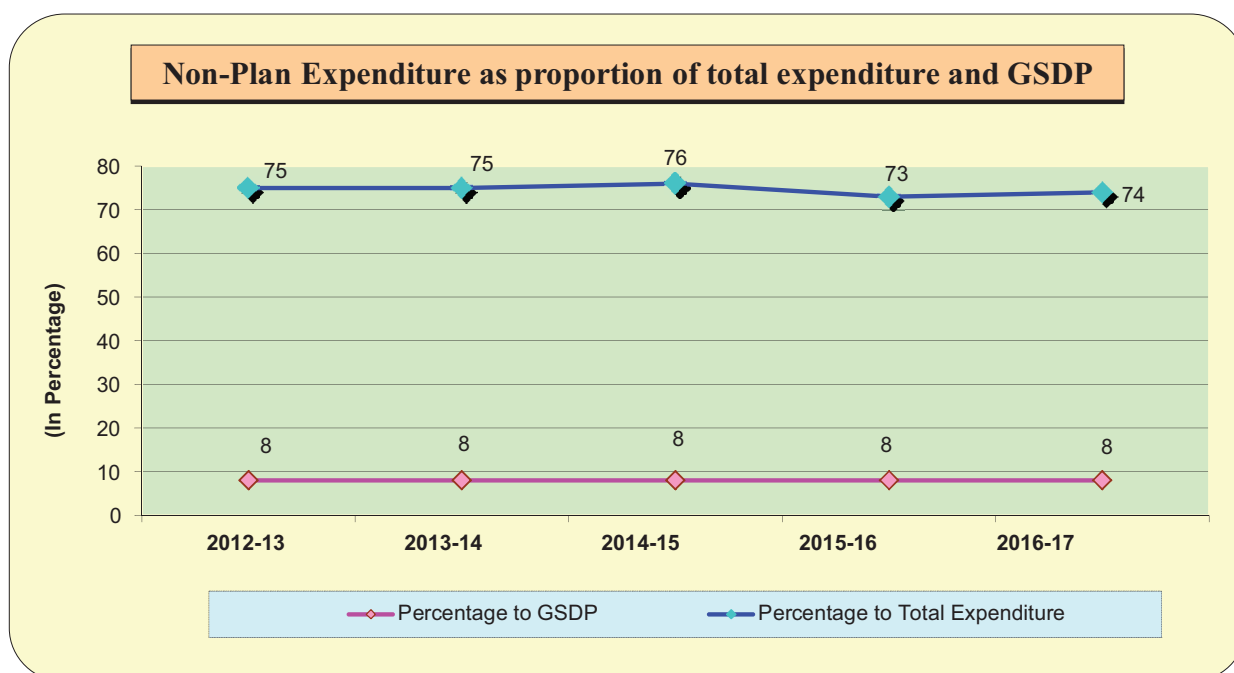
4.2.1 Plan Expenditure under Capital Account

(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Total Capital Expenditure	18,814	21,666	20,664	23,908	25,549
Capital Expenditure (Plan)	15,095	17,682	16,245	20,165	20,348
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	80	82	79	85	80

4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2016-17, representing 74 per cent of total disbursements, was ₹ 1,76,341 crore (₹ 1,71,140 crore under Revenue and ₹ 5,201 crore under Capital).



4.4 Developmental Expenditure

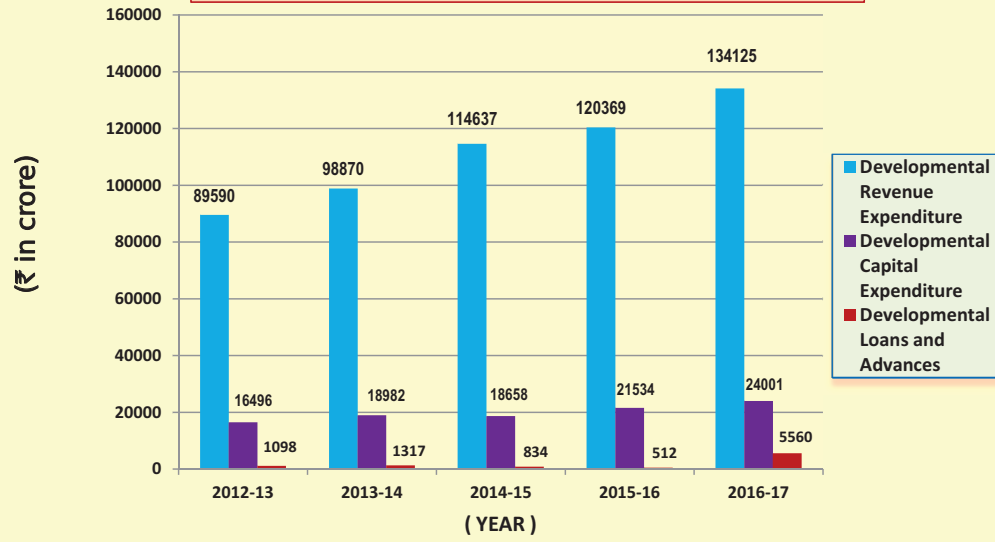
(₹ in crore)

	2012-13	2013-14	2014-15	2015-16	2016-17
Developmental Expenditure					
Developmental Revenue Expenditure	89,590 (56.90)	98,870 (56.00)	1,14,637 (57.80)	1,20,369 (56.20)	1,34,125 (54.70)
Developmental Capital Expenditure	16,496 (10.50)	18,982 (10.80)	18,658 (9.40)	21,534 (10.00)	24,001 (9.80)
Developmental Loans and Advances	1,098 (0.70)	1,317 (0.70)	834 (0.40)	512 (0.20)	5,560 (2.30)
Total Developmental Expenditure	1,07,184 (68.00)	1,19,169 (67.50)	1,34,129 (67.70)	1,42,415 (66.50)	1,63,686 (66.80)

Figures in parenthesis indicate percentage to total expenditure.

The overall increase in development expenditure during 2016-17 compared to 2015-16 was ₹ 21,271 crore.

DEVELOPMENTAL EXPENDITURE



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CHAPTER - V

APPROPRIATION ACCOUNTS

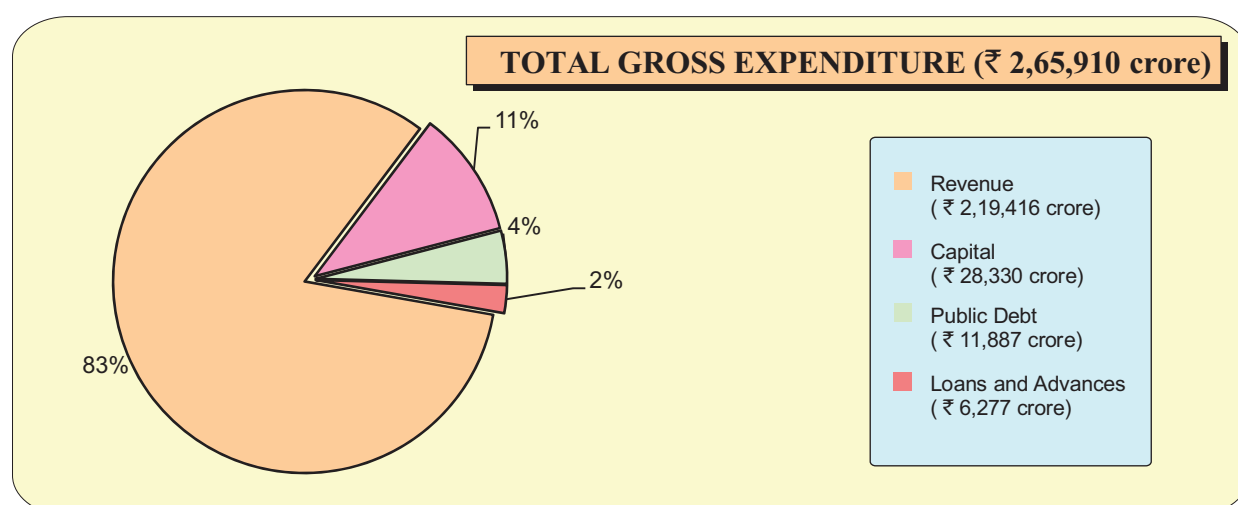
5.1 Summary of Appropriation Accounts

The Appropriation Accounts of the Government of Maharashtra for the year 2016-17 present the accounts of sums expended in the year ended 31 March 2017, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India.

The actual gross expenditure during the year is ₹ 2,65,910 crore, comprising ₹ 2,19,416 crore of Revenue Expenditure, ₹ 28,330 crore of Capital Expenditure, ₹ 11,887 crore of Repayment of Public Debt and ₹ 6,277 crore of 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	Total	Expenditure	Saving (-) Excess (+)
1.	Revenue					
	Voted	2,00,323	24,897	2,25,220	1,87,365	-37,855
	Charged	31,874	644	32,518	32,051	-467
	Total, Revenue	2,32,197	25,541	2,57,738	2,19,416	-38,322
2.	Capital					
	Voted	33,849	2,952	36,801	28,325	-8,476
	Charged	6	....	6	5	-1
	Total, Capital	33,855	2,952	36,807	28,330	-8,477
3.	Public Debt					
	Charged	13,772	....	13,772	11,887	-1,885
	Total, Public Debt	13,772	....	13,772	11,887	-1,885
4.	Loans and Advances					
	Voted	1,532	5,134	6,666	6,277	-389
	Charged	....	....	....	....	....
	Total, Loans and Advances	1,532	5,134	6,666	6,277	-389
	Total	2,81,356	33,627	3,14,983	2,65,910	-49,073



5.2 Trend of Savings/Excess during the past five years

(₹ in crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2012-13	-12,969	-6,942	-2,555	-288	-22,754
2013-14	-16,571	-9,366	-1,721	+32	-27,626
2014-15	-28,780	-14,062	+3,279	+115	-39,448
2015-16	-37,097	-12,747	-2,921	-229	-52,994
2016-17	-38,322	-8,477	-1,885	-389	-49,073

5.3 Significant Savings

5.3.1 Persistent Savings

Grants with persistent and significant savings during the last five years are given below:-

(₹ in crore)

Sr. No.	Number and name of the grant	Amount of Savings (Percent to total grants)				
		2012-13	2013-14	2014-15	2015-16	2016-17
	Revenue Voted					
1.	B01-Police Administration	762.73 (9.48)	945.88 (10.32)	1250.17 (12.28)	1715.89 (14.59)	842.90 (6.89)
2.	C01-Revenue and District Administration	182.33 (13.46)	219.70 (14.46)	304.46 (19.15)	317.86 (17.79)	311.80 (16.42)
3.	D03-Agriculture Services	618.29 (16.17)	571.55 (14.58)	839.8 (17.04)	723.07 (13.65)	1024.24 (11.59)
4.	E02-General Education	1092.15 (3.75)	1094.41 (3.39)	1639.51 (4.67)	3317.57 (8.48)	4502.23 (10.78)
5.	F02-Urban Development and other Advance Services	1609.44 (27.52)	1906.39 (30.45)	1592.83 (26.08)	1151.96 (15.35)	1554.65 (13.43)
6.	G02-Other Fiscal and Miscellaneous Services	2200.97 (96.87)	1321.62 (94.41)	153.76 (52.41)	3491.79 (96.68)	2191.39 (94.50)
7.	H06-Public Works and Administrative and Functional Buildings.	227.26 (10.56)	376.95 (15.34)	479.34 (19.06)	525.37 (20.06)	526.59 (20.06)
8.	I03-Irrigation, Power and Other Economic Services	380.42 (15.84)	405.87 (15.46)	340.75 (14.94)	316.9 (13.21)	473.49 (19.84)
9.	J01-Administration of Justice	260.05 (23.31)	254.45 (20.89)	536.97 (34.42)	236.17 (17.43)	249.06 (17.14)
10.	L03-Rural Development Programmes	678.36 (17.61)	1316.67 (29.15)	1844.17 (26.63)	1308.33 (23.44)	1199.04 (15.99)

Sr. No.	Number and name of the grant	Amount of Savings (Percent to total grants)				
		2012-13	2013-14	2014-15	2015-16	2016-17
	Revenue Voted					
11.	N03-Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	516.35 (8.33)	741.64 (9.11)	1395.91 (15.65)	2196.44 (21.41)	1766.25 (16.26)
12.	O03-Rural Employment	110.77 (9.32)	200.83 (24.86)	844.82 (36.47)	476.98 (17.56)	1592.76 (46.11)
13.	Q03-Housing	676.78 (38.89)	742.99 (46.33)	979.95 (67.35)	335.44 (61.63)	1662.53 (79.84)
14.	R01-Medical and Public Health	405.43 (8.92)	117.9 (2.4)	2552.99 (29.5)	1407.53 (17.27)	1434.53 (16.47)
15.	T05-Revenue Expenditure on Tribal Areas Development Sub-Plan	468.93 (14.8)	511.09 (14.47)	1114.16 (23.83)	1374.05 (25.7)	1022.55 (18.86)
16.	W03-Technical Education	102.83 (6.95)	125.01 (7.65)	261.21 (13.91)	223.94 (11.65)	215.03 (11.54)
17.	Y02-Water Supply and Sanitation	148.58 (19.28)	228.08 (29.91)	866.08 (42.25)	1445.3 (48.91)	2021.40 (51.54)
	Capital Voted					
18.	B10-Capital Expenditure on Economic Services	160.75 (21.07)	467.05 (37.04)	467.00 (43.72)	488.45 (34.26)	242.46 (14.89)
19.	H08-Capital Expenditure on Public Works Administrative and Functional Buildings	367.39 (30.28)	488.03 (34.86)	542.74 (38.04)	363.33 (23.48)	467.50 (31.59)
20.	I05-Capital Expenditure on Irrigation	1237.32 (14.41)	1548.29 (16.25)	2993.76 (28.8)	651.80 (7.3)	352.01 (3.92)
21.	L07-Capital Expenditure on Rural Development	286 (33.45)	892.1 (62.94)	1596.83 (64.62)	1664.83 (55.46)	1427.67 (52.33)
22.	N04-Capital Expenditure on Social Services	508.86 (49.71)	610.73 (55.75)	1007.96 (69.12)	1202.41 (84.11)	1117.18 (88.68)
23.	O10-Capital Outlay on Other Rural Development Programmes	2156.94 (74.73)	2700.50 (78.83)	5286.10 (86.48)	5868.95 (89.43)	3004.57 (79.34)

The persistent saving indicates deficiency in preparation of Budget estimates or budgetary control in the departments.

5.3.2 Unnecessary Supplementary Grants

During 2016-17, Supplementary grants totalling ₹ 7,282.94 crore proved to be unnecessary in view of significant savings at the end of the year even against original allocations. The cases of supplementary provision of ₹ 10 crore or more proved unnecessary are given below:

Statement of cases where supplementary provision proved unnecessary (₹ in crore)						
Sr. No.	Grant No.	Name of the Grant/Appropriation	Original Provision	Actual Expenditure	Saving out of Original Provision	Supplementary provision
		A-Revenue Voted				
1.	A04	Secretariat and Miscellaneous General Services	327.08	272.77	54.31	39.84
2.	A06	Information and Publicity	94.70	88.94	5.76	16.02
3.	C01	Revenue and District Administration	1882.10	1587.49	294.61	17.18
4.	C02	Stamps and Registration	211.59	198.11	13.48	17.30
5.	C06	Relief on account of Natural Calamities	7128.54	5759.91	1368.63	51.92
6.	C07	Forest	1891.85	1861.65	30.20	300.89
7.	E02	General Education	40630.85	37265.61	3365.24	1136.98
8.	E03	Secretariat and Other Social Services	400.62	284.67	115.95	11.90
9.	F02	Urban Development and Other Advance Services	10256.2	10018.08	238.12	1316.53
10.	G01	Sales Tax Administration	732.56	547.32	185.24	13.59
11.	H06	Public Works and Administrative and Functional Buildings.	2562.80	2097.86	464.94	61.66
12.	I03	Irrigation, Power and Other Economic Services	2331.14	1913.14	418.00	55.48
13.	J01	Administration of Justice	1397.50	1203.78	193.72	55.34
14.	J02	Secretariat and Other Social and Economic Services	103.39	91.37	12.02	20.06
15.	K03	Stationery and Printing	183.75	174.84	-8.91	16.21
16.	K08	Secretariat - Economic Services	24.56	13.30	11.26	10.24
17.	L02	District Administration	3531.29	3461.37	69.92	240.00
18.	L03	Rural Development Programmes	6625.18	6301.93	323.25	875.78
19.	L05	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	635.74	606.91	28.83	33.56
20.	N03	Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	10489.61	9098.96	1390.65	375.60

Sr. No.	Grant No.	Name of the Grant/Appropriation	Original Provision	Actual Expenditure	Saving out of Original Provision	Supplementary provision
		A-Revenue Voted				
21.	O07	Secretariat-Economic Services	69.24	61.18	8.06	24.7
22.	S01	Medical and Public Health	2331.23	2304.17	27.06	208.97
23.	T05	Revenue Expenditure on Tribal Areas Development Sub-Plan	5230.82	4398.08	832.74	189.80
24.	W02	General Education	5082.79	5046.24	36.55	180.14
25.	Y02	Water Supply and Sanitation	3377.60	1900.88	1476.72	544.69
26.	ZA01	Secretariat and Other Social Services	1639.91	1352.14	287.77	37.58
27.	ZC01	Parliament / State/Union Territory Legislatures	154.89	138.57	16.32	27.55
28.	ZD02	Art and Culture	174.17	142.21	31.96	13.90
		B- Revenue Charged				
29.	J01	Administration of Justice	246.98	220.47	26.51	15.32
		C-Capital Voted				
30.	B10	Capital Expenditure on Economic Services	1495.64	1386.37	109.27	133.19
31.	E04	Expenditure on Capital Outlay on Education, Sports, Art and Culture	57.15	4.22	52.93	31.63
32.	H08	Capital Expenditure on Public Works Administrative and Functional Buildings	1061.27	1012.32	48.95	418.54
33.	L07	Capital Expenditure on Rural Development	2341.38	1300.71	1040.67	387.00
34.	O10	Capital Outlay on Other Rural Development Programmes	3583.22	782.5	2800.72	203.85
35.	ZA04	Loans to Government Servants, etc.	0.00	0.00	0.00	200.00
		TOTAL	118287.34	102898.07	15389.27	7282.94

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CHAPTER - VI

ASSETS AND LIABILITIES

6.1 Assets

The existing form of accounts does not depict value 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 Public Sector Undertakings (PSUs) stood at ₹ 1,29,984 crore at the end of 2016-17. Dividends received during the year were ₹ 67 crore (i.e. 0.05 per cent of the investment).

Investments in PSUs increased by ₹ 9,673 crore and income from dividend increased by ₹ 10 crore.

The increase in investments of ₹ 9,673 crore during 2016-17 was mainly in capital contributions to Vidarbha Irrigation Development Corporation (₹ 3,785 crore), Godavari Marathwada Irrigation Development Corporation (₹ 1,629 crore), Maharashtra Krishna Valley Development Corporation (₹ 1,285 crore), Tapi Irrigation Development Corporation (₹ 813 crore), Konkan Irrigation Development Corporation (₹ 541 crore), Maharashtra Irrigation Finance Company Limited (₹ 541 crore), Maharashtra State Road Transport Corporation (₹ 487 crore), Forest Development Corporation of Maharashtra Limited, Nagpur (₹ 295 crore), Maharashtra Water Conservation Development Corporation (₹ 120 crore).

Cash balance and investment of Cash Balances

(₹ in crore)

Particulars	As on 31 March 2016	As on 31 March 2017	Increase (+)/ Decrease(-)
General Cash Balance	(-) 3,322	(-) 3,251	(+)71
Cash with the departmental officers	7	12	(+)5
Investments from cash balances	36,170	44,110	(+)7,940
Investment from Earmarked balances-	22,697	27,878	(+)5,181
a. General and other Reserve Funds	11	10	(-)1
b. Sinking Fund	22,672	27,854	(+)5,182
c. Funds for Development of Milk supply	1	1	--
d. Other Development and Welfare Funds	13	13	--
Total Cash Balances	55,552	68,749	(+)13,197
<i>Interest realised</i>	<i>3,643</i>	<i>4,999</i>	<i>(+)1,356</i>

- The interest received on investment of cash balances was 11.33 *per cent* during 2016-17 while interest paid by Government on its borrowings during the year was 7.21 *per cent*.
- The State Government's cash balances of ₹ 68,749 crore at the end of current year showed increase by 24 *per cent* (₹ 13,197 crore) over the previous year.
- No Ways and Means Advances was availed during the year 2016-17.
- Investments held in the Cash Balance Investment Account as on 31 March 2017 were ₹ 44,110 crore. The details are as under:-
 - (i) Government of India Treasury Bills ₹ 44,109 crore
 - (ii) Other State Government Securities nil
 - (iii) Other Investments ₹ 1 crore

6.1.2 Loans and Advances by the State Government

The total loans and advances made by the State Government during 2016-17 were ₹ 6,277 crore. The outstanding total loans and advances to be recovered from Government Corporations/ Companies, Non-Government Institutes, Local bodies, *etc.* at the end of 2016-17 were ₹ 26,603 crore.

Information regarding recoveries in arrears in respect of principal and interest to be furnished by 15 July 2017 by the Government Department have not been received from all 30 Departments.

6.2 Debts and Liabilities

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 limits in this regard have been laid by the State Legislature. Liabilities of the State Government increased by ₹ 44,517 crore from ₹ 3,51,341 crore in 2015-16 to ₹ 3,95,858 crore during 2016-17. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 36,450 crore i.e. from ₹ 2,65,388 crore in 2015-16 to ₹ 3,01,838 crore at the end of the current year. Details of the Public Debt and total liabilities of the State Government are as under:-

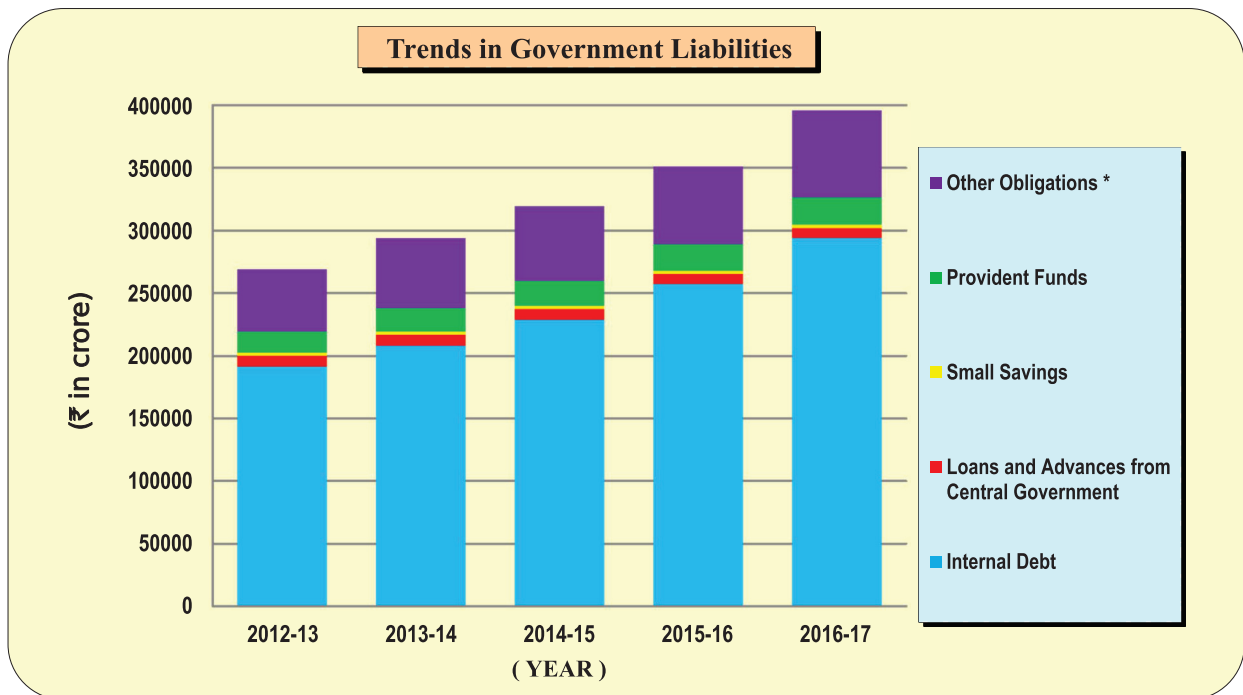
(₹ in crore)					
Year	2012-13	2013-14	2014-15	2015-16	2016-17
Internal Debt	1,91,637	2,08,016	2,28,906	2,57,159	2,93,952
Loans and Advances from Central Government	8,799	8,893	8,549	8,229	7,886
Total Public Debt *	2,00,436(14)	2,16,909(15)	2,37,455(13)	2,65,388(13)	3,01,838(13)
Small Savings	2,146	2,343	2,495	2,758	3,069
Provident Funds	17,014	18,710	19,818	20,763	21,576
Other Obligations	49,452	55,843	59,978	62,432	69,375
Total Liabilities *	2,69,048(20)	2,93,805(19)	3,19,746(18)	3,51,341(18)	3,95,858(17)
GSDP	14,48,466	16,47,506	17,92,122	20,01,223 [#]	22,67,789 [§]

* Figures in brackets represent percentage to GSDP

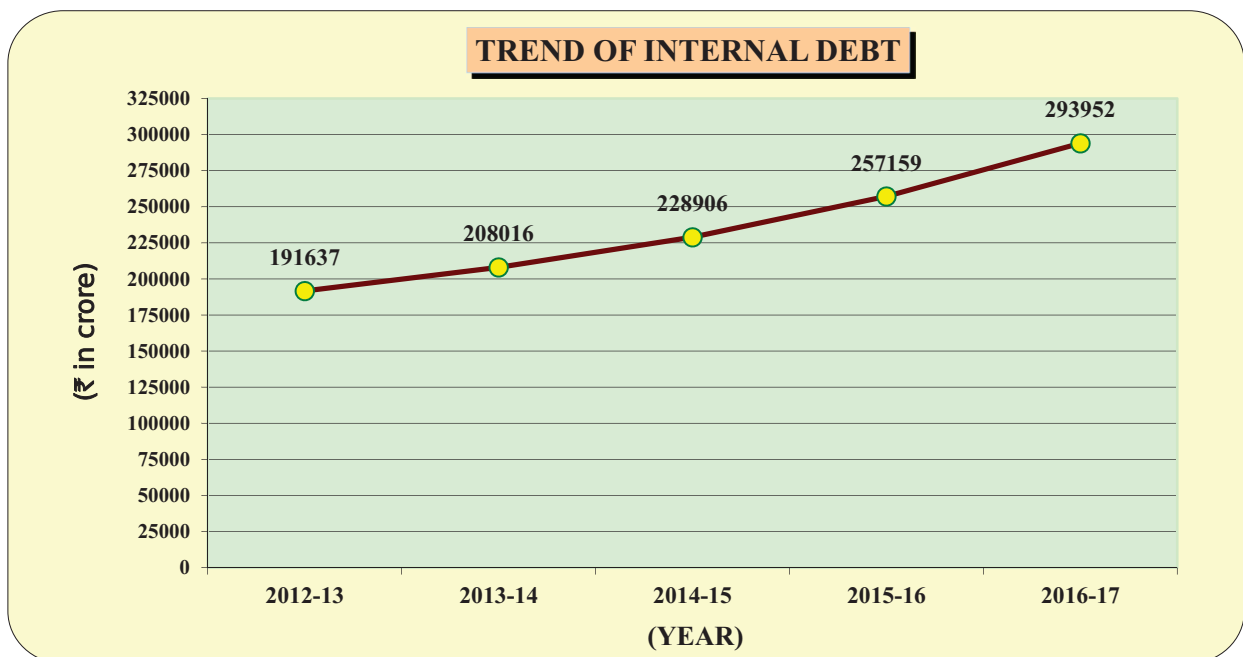
[§] Provisional (Advance Estimates)

[#] Revised GSDP

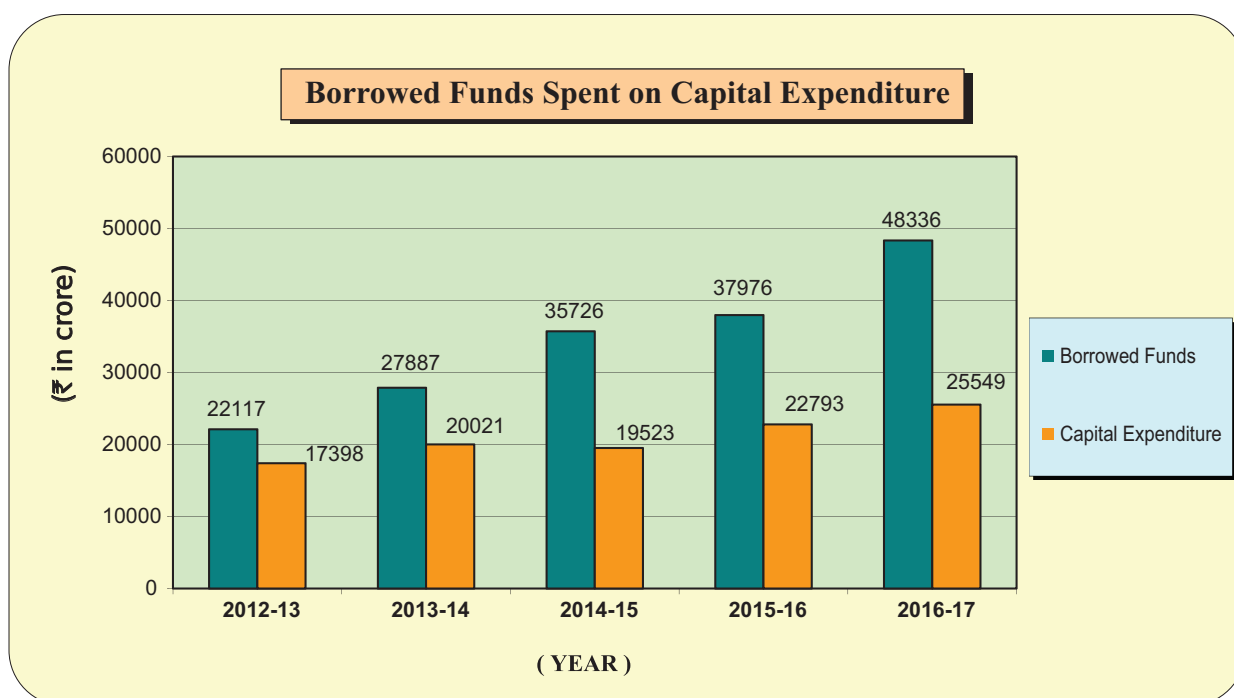
The trend of increase in Internal Debt of the State Government is as under:-



* 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 utilise 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 utilise the borrowings fully for capital expenditure. The less spending was in the range of 21 per cent to 47 per cent during last five years.

Further the Internal debt of ₹ 47,710 crore raised during 2016-17 was mainly used for discharge of debt obligations (₹ 10,917 crore) and payment of interest (₹ 23,553 crore) thereon.

6.4 Debt Servicing

(₹ in crore)

Period	Public Debt									Debt servicing			
	Public Debt Receipts			Repayment of Principal			Interest Payment			Repayment of principal + interest payment			As a percentage of receipts
	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	Internal debt	Loans from GoI	Total	
2012-13	21366	751	22117	6351	693	7044	15125	597	15722	21476	1290	22766	102.90
2013-14	26923	964	27887	10543	871	11414	16654	572	17226	27197	1443	28640	102.70
2014-15	35184	542	35726	14294	886	15180	18970	529	19499	33264	1415	34679	97.10
2015-16	37392	584	37976	9138	905	10043	20780	490	21270	29918	1395	31313	82.40
2016-17	47709	627	48336	10917	970	11887	23553	469	24022	34470	1439	35909	74.20

During 2012-13 and 2013-14 the entire public debt receipts was utilised for Debt Servicing. However, from 2014-15 it shows a decreasing trend. In the year 2016-17 only 74 per cent of public debt receipts was utilised for servicing of debt.

6.5 Guarantees (Contingent Liabilities)

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

(₹ in crore)

Year	Amount Guaranteed (Principal only at the end of the year)	Amount outstanding	
		Principal	Interest
2012-13	24,812	6,743	2,502
2013-14	19,975	5,462	1,772
2014-15	22,286	5,882	2,118
2015-16	19,818	5,356	2,451
2016-17	15,865	4,969	2,337

Note: Details are available at Statement No. 20 of Finance Accounts and these are based on information received from the State Government and where available, from the respective institutions.

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CHAPTER - VI

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 five years:-

Component	2012-13	2013-14	2014-15	2015-16	2016-17
Number of sanctions from Contingency Fund	48	18	11	18	21
Total amount withdrawn from Contingency Fund (₹ in crore)	355	761	559	1112	262
Withdrawals from Contingency Fund as a percentage to total Budget Provision	< 1	< 1	< 1	< 1	< 1

7.2 Financial assistance to Local Bodies and other institutions

During past five years, Grants-in-aid to local bodies, educational institution, *etc.*, has increased from ₹ 34,487 crore in 2012-13 to ₹ 96,839 crore in 2016-17. Details of Grants-in-aid for the past five years are as under:-

(₹ in crore)

Institutions	2012-13	2013-14	2014-15	2015-16	2016-17
Educational Institutions (Aided Schools, Aided Colleges, Universities, <i>etc.</i>)	20,167	22,293	24,177	27,072	29,037
Municipal Corporations and Municipalities	4,346	5,125	5,172	9,187	13,850
Zilla Parishads and Other Panchayati Raj Institutions	16,444	18,184	18,769	18,240	18,627
Development Agencies	247	251	906	252	807
Hospital and Other Charitable Institutions	1,792	2,196	3,678	4058	5,038
Other Institutions	19,356	18,356	20,009	22,177 (A)	29,480 (B)
Total	62,352	66,405	72,711	80,986	96,839
Assistance as per percentage of Net Revenue Expenditure	45	43	41	43	45

(A) Includes Social Welfare and Nutrition : ₹5,950 crore, Agriculture and Allied Activities : ₹386 crore, Welfare of SC,ST and OBC : ₹2,383 crore, Administrative Services : ₹1,402 crore, Housing : ₹58 crore, Water Supply, Sanitation, Housing and Urban Development : ₹3,621, Rural Development : ₹2,661 crore and Power : ₹1,039 crore, *etc.*

(B) Includes Social Welfare and Nutrition : ₹4,021 crore, Agriculture and Allied Activities : ₹463 crore, Welfare of SC,ST and OBC : ₹2,904 crore, Administrative Services : ₹446 crore, Housing : ₹325 crore, Water Supply, Sanitation, Housing and Urban Development : ₹4,838 crore, *etc.*

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 the following Heads of Accounts during March 2017 ranged between 67 per cent and 100 per cent of the total expenditure of the year which indicates a tendency to utilised the budget at the close of the financial year:

(₹ in crore)

Sr. No.	Grant Number	Sub-Head	Sub-Head Description	Total expenditure	Expenditure during March 2017	Percentage of total expenditure incurred in March 2017
1.	C-01	202900102 81	National Land Records Modernisation Programme (50% Central grant)	9.60	9.60	100
2.	C-01	202900102 083	National Land Records Modernisation Programme, 50% Centrally Sponsored Scheme Central Share	22.30	22.30	100
3.	C-01	204500200 A018	Collection Charges – Other Taxes and Duties – Education Cess-Commissioner, Konkan	0.04	0.04	100
4.	C-01	204500200 A019	Collection Charges – Other Taxes and Duties – Education Cess-Commissioner, Nashik	0.02	0.02	100
5.	C-01	204500200 A022	Collection Charges – Other Taxes and Duties – Education Cess-Commissioner, Nagpur	0.03	0.02	67
6.	C-01	204500200 B026	Collection Charges – Other Taxes and Duties – Employment Guarantee Cess-Commissioner, Konkan	0.02	0.02	100
7.	Q-03	221680103 299	Housing for all-Grants to Implementing Agencies (Central share 60%) (plan)	209.37	164.98	78.8
8.	Q-03	221680103 110	Development of New Township of Chandrapur	65.19	65.19	100
9.	N-04	422501277 048	Construction of Government Hostels for Backward Class Boys and Girls (S.C.P.)	82.43	65.11	78.99
10.	N-04	622501800 022	Loans to Co-operative Spinning Mills of Scheduled Castes	24.00	24.00	100
11.	N-04	422501277 050	Construction of Government Residential School for Scheduled Castes and Nav Boudha Boys and Girls	14.14	10.72	75.84

7.4 Operation of Personal Deposit (PD) Accounts

The purpose of PD Accounts is to enable the Departmental officers to incur expenditure on a particular scheme or for specific purpose(s), for which funds are placed at their disposal, by transfer from the Consolidated Fund of the State.

As provided in Rule 495 of Maharashtra Treasury Rules, these PD Accounts are required to be closed at the end of the financial year and the unspent balances remitted back to the Government Account by minus debit of the balance to the relevant service head in the Consolidated Fund. The balance thus lapsing should be reported by the Treasuries to the Principal Accountant General (A&E) - I, Maharashtra, Mumbai /Accountant General (A&E) - II, Maharashtra, Nagpur immediately after 31 March. However, no such report in respect of closure of PD Accounts where funds were transferred from the Consolidated Fund, has been received by the office of the Principal Accountant General (A&E) I, Maharashtra, Mumbai /Accountant General (A&E) II, Maharashtra, Nagpur. Further, as 'Nil Payment bill' procedure was not followed for transfer of funds from Consolidated Funds to PD accounts except in Pune Treasury, the unutilised amount lying in such PD accounts could not be ascertained. In Pune Treasury, where 'Nil Payment bill' procedure is followed for transfer from Consolidated Fund to PD accounts, ₹ 84.45 crore was transferred in March 2017, indicating transfer of Funds at the fag end of the year to avoid lapse of budget.

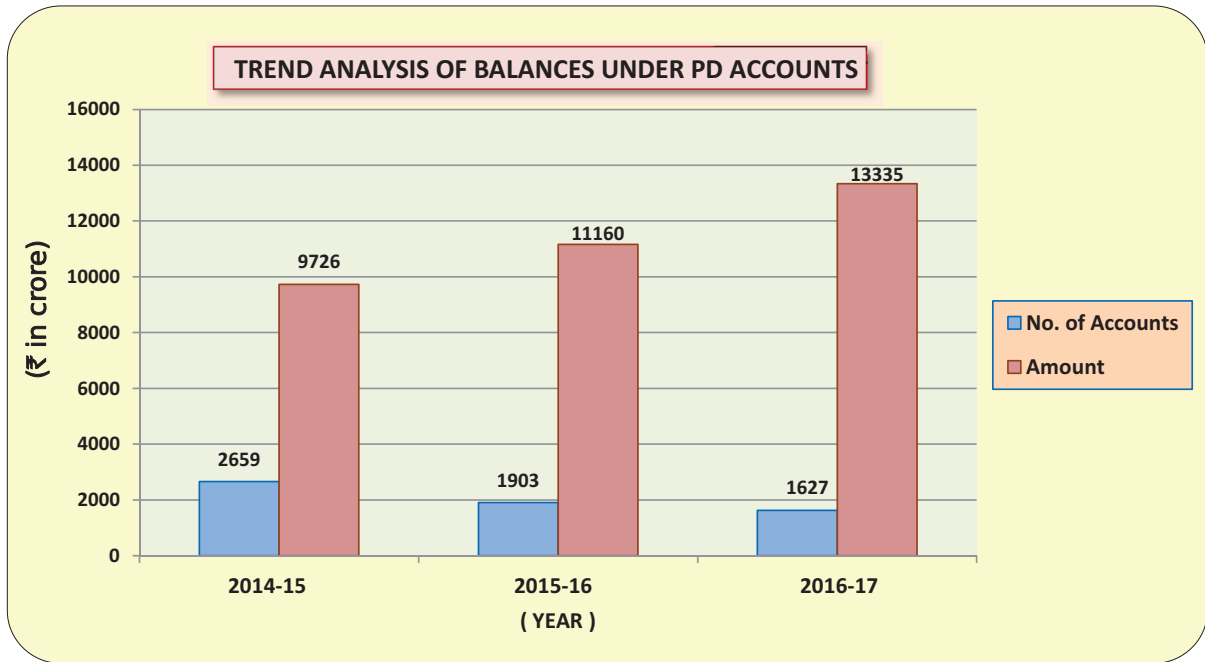
As per Rule 495 of Maharashtra Treasury Rules and Maharashtra Treasury Manual, PD Accounts which are inoperative for more than one year should be closed and the balances in such accounts should be credited to the Consolidated Fund of the State. However, as on March 2017, there were 280 accounts, inoperative for one or more than one year having a balance of ₹ 15.54 crore.

The status of PD Accounts during 2016-17 is as under:

(₹ in crore)							
Opening Balance		Addition during the year		Closed during the year		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
1903	11,160.06	7	21,605.88	283	19,431.43	1627	13,334.51

The trend analysis of balances under PD Accounts for last three years is as shown below-

(₹ in crore)



It is seen from the above table that though there is a decreasing trend in the number of PD Accounts, the balances lying in these accounts show an increasing trend. The decreasing trend in the number of PD Accounts was mainly due to closure of inoperative accounts and also discouraging unnecessary opening of new PD Accounts. Further, the increasing trend in the balances lying in the PD accounts was due to i) accumulation of huge balances in Special Land Acquisitions Officers' PD Accounts and ii) non-refund of balances into the Consolidated Fund at the end of the year by the Administrators as provided in Rule 495 of Maharashtra Treasury Rules.

Further, as per para 589 of the Maharashtra Treasury Manual, the Administrators of PD accounts have to reconcile the balances in their accounts with that of Treasury accounts. Of 1,627 PD accounts, 1,148 accounts were not reconciled during the year.

7.5 Non –confirmation of balances by the State Government under Loans and Advances

The detailed accounts of Loans and Advances maintained by the State Government departments with the balances are to be confirmed by them. As on 31 March 2017, Loans and Advances given by the State Government amounted to ₹ 26,603.40 crore, confirmation for which is awaited from Departments of State Government.

7.6 Abstract Contingent (AC) Bills

The Detailed Contingent Bills (Vouchers in support of final expenditure) for the amount drawn through AC bills are to be submitted within 30 days to the Office of the Principal Accountant General/Pay and Accounts Office, Mumbai.

As of March 2017, 2,864 AC bills valuing ₹ 951 crore remained outstanding for want of DC bills. To the extent of non receipt of Detailed Contingent Bills, the expenditure shown during the year cannot be vouched as final.

The major defaulting departments are Home (₹ 770.30 crore); General Administration (₹ 65.26 crore); Law and Judiciary (₹ 46.23 crore); Finance (₹ 13.85 crore); Rural Development and Water Conservation (₹ 12.46 crore).

7.7 Utilisation Certificates for Grants-in-aid given by the Government

As per the Bombay Financial Rules, 1959, the departmental officers should obtain the Utilisation Certificates (UCs) from the grantee institutions and after verification, the UCs should be forwarded to the offices of the Principal Accountant General/Pay and Accounts Office, Mumbai, within 12 months or the period specified in the sanction order.

The position of pending UCs as on 31 March 2017 was as under:

Year	Number of UCs awaited	Amount involved (₹ in crore)
Up to 2014-15	18,881	19,155
2015-16	3,685	16,733
2016-17	16,318	24,434
Total	38,884	60,322

The major defaulting departments are Urban Development (₹ 28,952 crore); Planning (₹ 5,104 crore); School Education and Sports (₹ 4,583 crore); Tribal Development (₹ 4,004 crore); Industries, Energy and Labour (₹ 3,808 crore); Rural Development and Water Conservation (₹ 2,986 crore); Revenue and Forest (₹ 1,813 crore); Social Justice and Special Assistance (₹ 1,668 crore); Public Health (₹ 1,569 crore) and Co-operation, Marketing and Textiles (₹ 1,167 crore).

7.8 Submission of Accounts by Treasuries

The rendition of initial accounts by the Treasuries along with vouchers and receipt schedules are satisfactory. Owing to the implementation of Integrated Financial Management System (IFMS) and computerization of Public Works Divisions and Divisions of Forest and Water Resources Departments in stages over the years in the State has resulted in significant improvement in Budgetary control, timely rendition and accuracy of Treasury Accounts and compilation of Monthly/Annual Accounts without any exclusion.

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