



GOVERNMENT OF MAHARASHTRA

ACCOUNTS AT A GLANCE
2006 - 2007

ACCOUNTANT GENERAL
(ACCOUNTS AND ENTITLEMENTS)
MAHARASHTRA

P R E F A C E

This is the ninth 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.

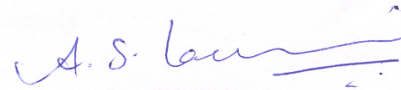
The Annual Accounts consist of (a) Finance Accounts and (b) Appropriation Accounts.

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 Accountant General (Accounts and Entitlements) 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.



(A. S. LAKSHMI)
ACCOUNTANT GENERAL (A&E) - I,
MAHARASHTRA

PLACE : Mumbai

DATE : 8th November, 2007.

CHAPTER - I

OVERVIEW

1.1 The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the District Treasuries, Public Works and Forest Divisions etc. to the Accountant General (Accounts and Entitlements). Besides, the Finance Accounts and the Appropriation Accounts are prepared annually by the 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 The accounts of Government are kept in the following three parts:

Part I	Consolidated Fund
Part II	Contingency Fund
Part III	Public Account

1.2.1 There are two main divisions under the Consolidated Fund:

The 'Revenue division (Revenue Account)' deals with the proceeds of taxation and other receipts classed as revenue and the expenditure met therefrom, the net result of which represents the revenue surplus or deficit for the year.

1.2.2 In the Capital division, the section 'Receipt Heads (Capital Account)' deals with receipts of capital nature which cannot be applied as a set off to capital expenditure. The section 'Expenditure Heads (Capital Account)' deals with expenditure met usually from borrowed funds with the object of increasing concrete assets of a material and permanent character. It also includes receipts of a capital nature intended to be applied as a set off to capital expenditure. The section 'Public Debt, Loans and Advances, etc.' comprises loans raised and their repayments by Government such as 'Internal Debt' and 'Loans and Advances' made (and their recoveries) by Government.

1.2.3 In the Contingency Fund, the transactions connected with Contingency Fund established under Article 267 of the Constitution of India are recorded.

1.2.4 In the Public Account, the transactions relating to 'Debt' (other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' are recorded.

1.2.5 Annual Accounts of the Government of Maharashtra for the year 2006-2007 have recently been presented to the State Legislature. Audit Report of the Comptroller and Auditor General of India for the year 2006-2007 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 During 2006-2007 total receipts amounted to Rs. 73799.08 crore comprising Rs. 62195.38 crore on account of revenue receipts (Rs. 46122.00 crore Tax revenue, Rs. 7518.25 crore Non-Tax revenue and Rs. 8555.13 crore Grants-in-aid and Contributions) and Rs. 11603.70 crore on account of capital receipts.

[Disbursements during the year were Rs. 73799.08 crore : Rs. 61385.28 crore (83.18%) on revenue account and Rs. 12413.80 crore (16.82%) on capital account].

III

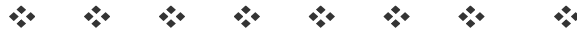
1.4 Appropriation Accounts :

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 24 *Charged* Appropriations, 115 Voted Grants and 60 combined (charged and voted) provisions.

1.4.1 The Appropriation Act, for the year 2006-2007 had projected a gross expenditure of Rs. 94555.05 crore, including the Supplementary Grants totalling Rs. 13275.80 crore, voted by State Legislature during the year. An amount of Rs. 8305.19 crore was projected as recoveries in reduction of expenditure.

1.4.2 Appropriation Accounts 2006-2007 show disbursements aggregating Rs. 86475.81 crore against the aggregate budget provision of Rs. 94555.05 crore, resulting in savings of Rs. 8079.24 crore against Grants and Appropriations. This does not include the amount of Rs. 1050 crore appropriated to the Contingency Fund by way of Ordinances. The corpus of the Contingency Fund was temporarily increased twice during 2006-2007 under Maharashtra Contingency Fund (Amendment) Ordinance. These ordinances ceased to operate on expiry of six weeks from the reassembling of the Legislature.

1.4.3 Recoveries in reduction of expenditure amounted to Rs. 9819.97 crore reflecting an increase of Rs. 1514.78 crore vis-a-vis budget estimates.



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CHAPTER - II

HIGHLIGHTS OF ACCOUNTS

(Rupees in crore)

SR. No.	Head	B. E. 2006-2007	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP**
1.	Tax Revenue	47129.95	46122.00	97.86	9.28
2.	Non-Tax Revenue	6695.64	7518.25	112.29	1.51
3.	Grants-in-aid and Contributions	5320.29	8555.13	160.80	1.72
4.	Revenue Receipts (1+2+3)	59145.88	62195.38	105.16	12.51
5.	Recovery of Loans and Advances	514.51	50.70	9.85	0.01
6.	Other Receipts	....	0.11	....	....
7.	Borrowings and Other Liabilities	8419.12	11552.89	137.22	2.32
8.	Capital Receipts (5+6+7)	8933.63	11603.70	129.89	2.33
9.	Total Receipts (4+8)	68079.51	73799.08	108.40	14.84
10.	Non-Plan Expenditure (NPE)	54689.40	57581.72	105.29	11.58
11.	NPE on Revenue Account	50825.59	53150.20	104.57	10.69
12.	NPE on Interest Payments out of 11	11998.88	11655.67	97.14	2.34
13.	NPE on Capital Account	3863.81	4431.52	114.69	0.89
14.	Plan Expenditure (PE)	13390.11	16217.36	121.11	3.26
15.	PE on Revenue Account	8014.45	8235.08	102.75	1.66
16.	PE on Capital Account	5375.66	7982.28	148.49	1.61
17.	Total Expenditure (10+14)	68079.51	73799.08	108.40	14.84
18.	Revenue Expenditure (11+15)	58840.04	61385.28	104.33	12.35
19.	Capital Expenditure (13+16)*	9239.47	12413.80	134.36	2.50
20.	Revenue Deficit (18-4)	-305.84	-810.10	264.88	-0.16
21.	Fiscal Deficit 17-(4+5+6)=7	8419.12	11552.89	137.22	2.32

2.1 Receipts and Disbursements :

Total receipts during the year were Rs. 73799.08 crore, against which total disbursements were Rs. 73799.08 crore.

The following table summarises the Accounts for 2006-2007 :-

(Rupees in crore)

Total Receipts		73799.08	Total Disbursements		73799.08
Revenue Receipts	(62195.38)	84.28%	Revenue Disbursements	(61385.28)	83.18%
Capital Receipts	(11603.70)	15.72%	Capital Disbursements	(12413.80)	16.82%

* Expenditure on Capital Account includes Capital Expenditure (Rs.10092.18 crore) and Loans and Advances Disbursed (Rs.2321.62 crore).

** Gross State Domestic Product (G.S.D.P.) refers to Gross Money Value of the final goods and services produced within a country without adding the Net Income from abroad. The final figures are not available in respect of GSDP for 2006-2007. Hence the figures have been compared with the provisional G.S.D.P. of Rs. 497172 crore.

RECEIPTS

2.2

2.2.1 Revenue Receipts :

Tax Revenue of Rs. 46122.00 crore and Non-Tax Revenue of Rs. 7518.25 crore formed 9.28 percent and 1.51 percent respectively of the GSDP. Major contributor to revenue was Rs. 24130.72 crore under Taxes on Sales, Trades etc. (ratio to GSDP :- 1:21).

Net tax receipts (Rs. 46122.00 crore) during the year were less than the budget estimates (Rs. 47129.95 crore) by Rs.1007.95 crore, mainly on account of less collection under Taxes on Sales, Trades etc. (Rs. 2183.79 crore).

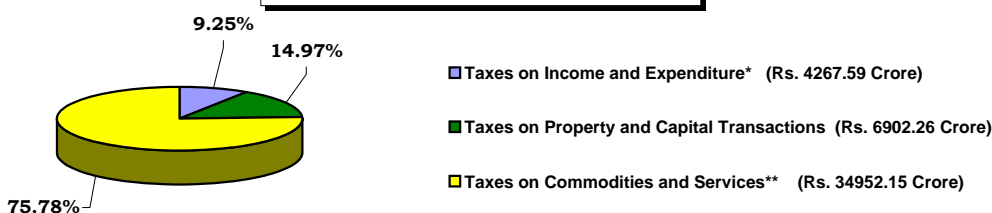
Share of various taxes, non-tax revenue and grants-in-aid and contributions to total revenue receipts is given below :

Revenue Receipts and Grants in Aid and Contributions :

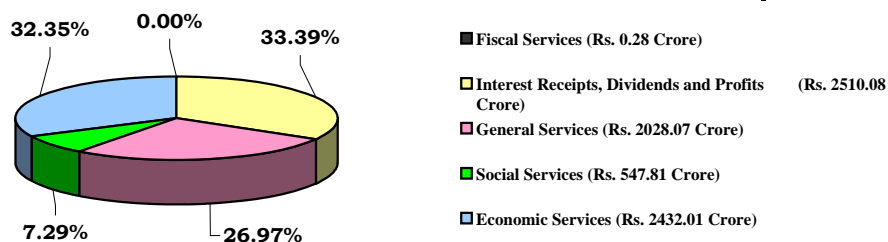
(Rupees in crore)

Components	Actuals	Percentage to total Revenue receipts	
A -Tax Revenue			
Taxes on Income and Expenditure*	4267.59	6.86	(9.25) #
Taxes on Property and Capital Transactions	6902.26	11.10	(14.97) #
Taxes on Commodities and Services**	34952.15	56.20	(75.78) #
Total, Tax Revenue	46122.00	74.16	
B-Non-tax Revenue			
Fiscal Services	0.28	0.00	(0.00) \$
Interest Receipts, Dividends and Profits	2510.08	4.04	(33.39) \$
General Services	2028.07	3.26	(26.97) \$
Social Services	547.81	0.88	(7.29) \$
Economic Services	2432.01	3.91	(32.35) \$
Total, Non-Tax Revenue	7518.25	12.09	
C - Grant-in-aid and Contributions	8555.13	13.75	
TOTAL REVENUE RECEIPTS	62195.38	100.00	

TAX REVENUE (Rs. 46122.00 Crore)



NON-TAX REVENUE (Rs. 7518.25 Crore)



* Share of Income Tax received from Union Government Rs. 3021.18 Crore

** Receipts on account of Taxes on Sales, Trades etc. were Rs. 24130.72 Crore

The figures in bracket represent percentage to Total Tax Revenue.

\$ The figures in bracket represent percentage to Total NonTax Revenue.

2.2.2 Capital Receipts:

Compared to the revised estimates (Rs. 16124.63 crore), there was an overall decrease of Rs. 4520.93 crore in Capital Receipts (Rs.11603.70 crore). This was mainly under Public Debt (Rs. 734.45 crore).

2.3**DISBURSEMENTS****2.3.1 Revenue Disbursements:**

Revenue Disbursement (net) was 12.35 per cent of GSDP. It was more than budget estimates by Rs. 2545.24 crore (Rs. 2486.73 crore less under General Services, Rs. 2878.40 crore more under Social Services, Rs. 2013.46 crore more under Economic Services and Rs. 140.11 crore more under Grant-in-aid and Contributions).

2.3.2 Capital Disbursements:

Capital Disbursements were 2.50 per cent of the GSDP. It was more than budget estimates by Rs. 3174.33 crore due to more disbursement under Capital Outlay (Rs. 2573.02 crore) and Loans and Advances (Rs. 601.31 crore).

2.3.3 Plan Disbursements:

During the year 2006-2007, Plan Disbursements were Rs. 14093.85 crore under State Plan, Rs. 2123.51 crore under Central Plan and Centrally Sponsored Schemes.

2.3.4 Non-Plan Disbursements:

Non-plan Disbursements during 2006-2007 were Rs. 57581.72 crore, consisting of Rs. 53150.20 crore under Revenue and Rs. 4431.52 crore under Capital. Sectoral distribution of revenue expenditure and its percentage to total revenue expenditure is given below :-

**SECTORAL DISTRIBUTION OF EXPENDITURE AND ITS PERCENTAGE
TO TOTAL REVENUE EXPENDITURE**

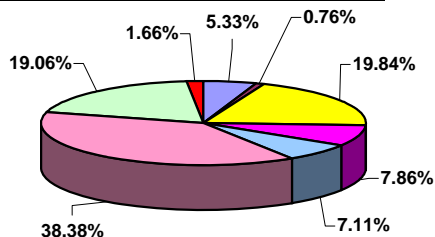
(Rupees in crore)

	Components	Amount	Percentage to Total Revenue Expenditure	
A.	Fiscal Services			
	(i) Collection of Taxes on Income and Expenditure	1289.96	2.10	(39.44) *
	(ii) Collection of Taxes on Property and Capital Transactions	181.07	0.30	(5.54) *
	(iii) Collection of Taxes on Commodities and Services	1787.34	2.91	(54.65) *
	(iv) Other Fiscal Services	12.09	0.02	(0.37) *
	Total, Fiscal Services	3270.46	5.33	
	B. Organs of State	466.26	0.76	
	C. Interest Payments and Servicing of debt	12181.67	19.84	
	D. Administrative Services	4823.51	7.86	
	E. Pensions and Miscellaneous General Services	4364.39	7.11	
	F. Social Services	23558.86	38.38	
	G. Economic Services	11703.04	19.06	
	H. Grants-in-aid and Contributions	1017.09	1.66	
	TOTAL EXPENDITURE (REVENUE ACCOUNT)	61385.28	100.00	

* The figures in bracket represent percentage to Total Fiscal Services

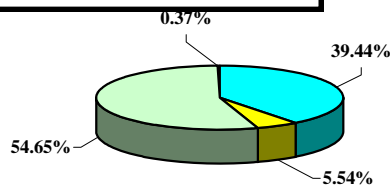
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REVENUE EXPENDITURE (Rs. 61385.28 Crore)



- Total, Fiscal Services (Rs. 3270.46 Crore)
- Organs of State (Rs. 466.26 Crore)
- Interest Payments and Servicing of debt (Rs. 12181.67 Crore)
- Administrative Services (Rs. 4823.51 Crore)
- Pensions and Miscellaneous General Services (Rs. 4364.39 Crore)
- Social Services (Rs. 23558.86 Crore)
- Economic Services (Rs. 11703.04 Crore)
- Grants-in-aid and Contributions (Rs. 1017.09 Crore)

FISCAL SERVICES (Rs. 3270.46 Crore)



- Collection of Taxes on Income and Expenditure (Rs. 1289.96 Crore)
- Collection of Taxes on Property and Capital Transactions (Rs. 181.07 Crore)
- Collection of Taxes on Commodities and Services (Rs. 1787.34 Crore)
- Other Fiscal Services (Rs. 12.09 Crore)

TREND OF EXPENDITURE

Trend of expenditure in some important sectors between 2002-2003 and 2006-2007 (5 years) is brought out below:

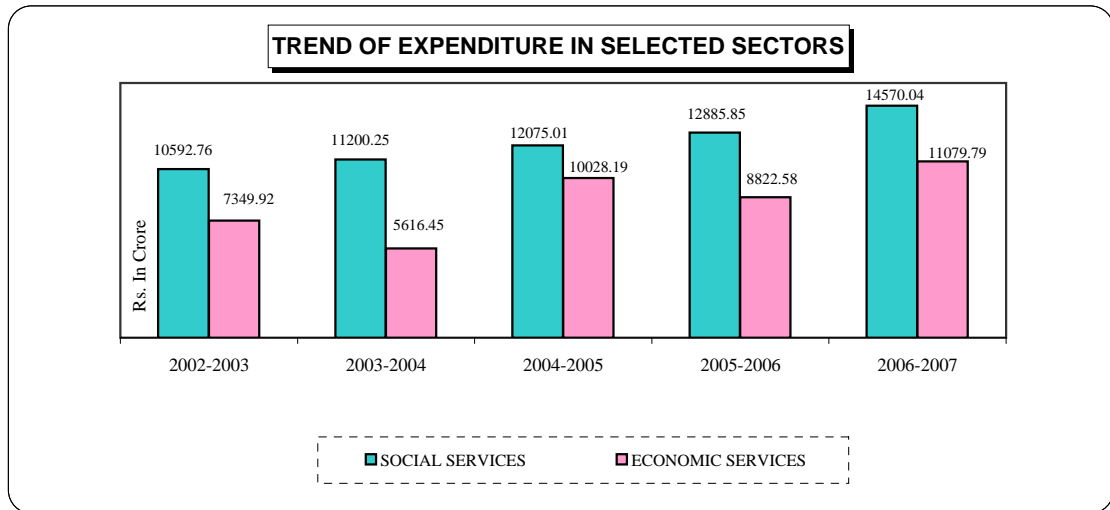
STATEMENT OF EXPENDITURE IN SELECTED SECTORS

(Rupees in Crore)

Sector	2002-2003	% to B.E.	2003-2004	% to B.E.	2004-2005	% to B.E.	2005-2006	% to B.E.	2006-2007	% to B.E.	% to R.E.*
A.Social Services-											
i) Education	8937.10	105.90	9432.30	109.82	10184.16	109.66	10761.82	105.31	12316.49	108.66	98.27
ii) Health and Family Welfare	1655.66	92.02	1767.95	94.09	1890.85	100.70	2124.03	98.86	2253.55	96.38	90.77
Social Services, Total	10592.76		11200.25		12075.01		12885.85		14570.04		
B.Economic Services-											
i) Agriculture	2651.23	116.46	2385.83	110.10	3492.03	149.83	2732.22	126.31	3362.63	125.88	102.00
ii) Rural Development	905.08	184.00	2065.39	110.30	2234.22	91.55	2017.92	92.52	2590.31	105.95	83.83
iii) Irrigation & Flood Control	1811.19	249.07	356.82	113.12	815.43	276.76	1318.37	141.33	1514.03	94.83	107.04
iv) Energy	758.70	102.70	352.79	47.70	2982.96	253.92	1993.13	220.99	2601.30	153.08	112.25
v) Transport	997.34	1649.59	262.39	260.39	219.58	234.02	554.40	392.38	696.72	114.93	109.59
vi) General Economic Services	226.38	157.10	193.23	68.82	283.97	93.90	206.54	123.82	314.80	101.55	97.51
Economic Services, Total	7349.92		5616.45		10028.19		8822.58		11079.79		

* Percentage to revised estimates has been given only for 2006-2007.

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2.4

DEBTS AND LIABILITIES

2.4.1 Outstanding Public Debt at the end of 2006-2007 was Rs. 107144.20 crore, comprising Internal Debt of Rs. 98601.90 crore, Loans and Advances from Central Government Rs. 8542.30 crore and other liabilities under Public Account were Rs. 47378.23 crore.

2.4.2 The State also acts as a banker and trustee in respect of deposits like Small Savings collections, Provident Funds and Deposits. There was an overall increase of Rs. 4000.14 crore in respect of such liabilities of State Government during 2006-2007.

2.4.3 Interest payments on debt and other liabilities totalling Rs. 11655.67 crore constituted 18.99 percent of revenue expenditure of Rs. 61385.28 crore. Interest payments on Public Debt were Rs. 10162.76 crore (Internal Debt Rs. 9611.91 crore and Loans and Advances from Central Governments Rs. 550.85 crore) and Rs. 1492.91 crore on Other Liabilities. Expenditure on account of interest payments increased by Rs. 2308.43 crore during 2006-2007.

2.4.4 Internal debt of Rs. 14058.48 crore raised during 2006-2007 was mainly used for discharge of debt obligations (Rs. 4303.99 crore) and payment of interest (Rs. 9611.91 crore).

2.5

INVESTMENTS AND RETURNS

Total investments as share capital in non-financial Public Sector Undertakings (PSUs) stood at Rs. 37531.49 crore at the end of 2006-2007. Dividends received during the year were Rs. 6.16 crore (i.e. 0.02 %). Investments in PSUs increased by Rs. 5613.87 crore and there was an increase in dividend income of Rs. 2.50 crore.

2.6

LOANS AND ADVANCES BY THE STATE GOVERNMENT

2.6.1 Total loans and advances made by the State Government during 2006-2007 were Rs. 2321.62 crore. Total loans and advances to Government Corporations/Companies, non-Government Institutes, Local bodies, etc. at the end of 2006-2007 were Rs. 17633.43 crore.

Information as regards recoveries in arrears in respect of principal and interest was to be received by 15th July 2007. Information is awaited from all 27 Government Departments.

2.6.2 Financial assistance to local bodies and others:

Assistance to local bodies etc during 2006-2007 was Rs. 26852.22 crore. It increased from Rs. 5258.55 crore in 2002-2003 to Rs. 26852.22 crore in 2006-2007, which was 410.64 percent increase as compared to 2002-2003. Zilla Parishads and Other Panchayati Raj institutions as well as Universities and Education Institutions consumed the major portion (46.76 percent in 2006-07) of the total grant during the five years from 2002-2003 to 2006-2007.

IX

2.6.3 Commitments on account of incomplete Capital Works:

During the year 2006-2007 Capital Expenditure of Rs. 337.30 crores was incurred on various projects taken up by the Engineering Departments. The information in respect of abandoned projects is awaited.

2.7

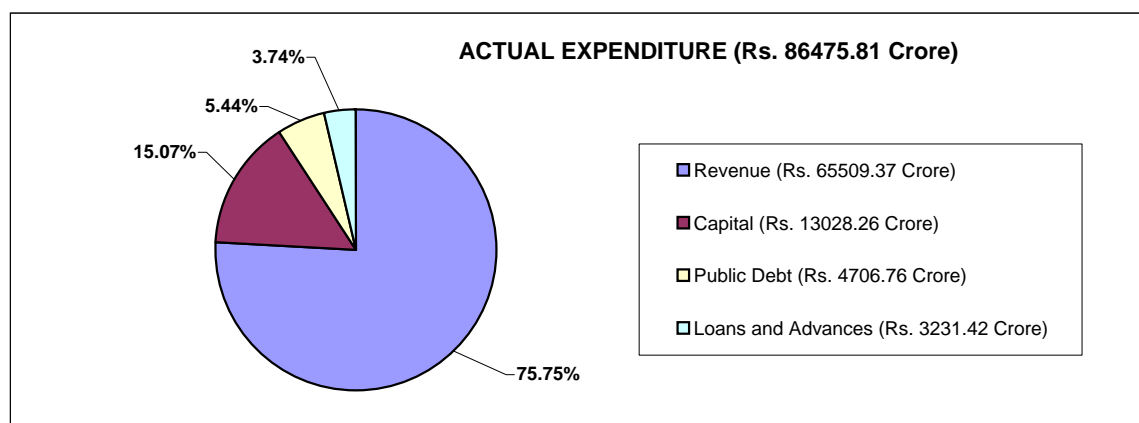
APPROPRIATION ACCOUNTS

2.7.1 The Appropriation Accounts of the Government of Maharashtra for the year 2006-2007 present the accounts of sums expended in the year ended 31st March 2007, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Article '204' and '205' of the Constitution of India.

2.7.2 The Appropriation Accounts show that in the year 2006-2007, there was actual expenditure of Rs. 86475.81 crore, comprising Rs. 65509.37 crore Revenue Expenditure, Rs. 13028.26 crore Capital Expenditure, Rs. 4706.76 crore Repayment of Debt and Rs. 3231.42 crore Loans and Advances by the State Government. There were savings/excess under Revenue/Capital/Public Debt/Loans and Advances with reference to total grants allocated by the State Legislature as shown below:-

(Rupees in crore)

Sr. No.	Nature of expenditure	Original grant	Supplementary grant	Reappropriation	Total	Actual expenditure	Savings (-) Excess (+)
1.	Revenue						
	Voted	46161.13	8409.32		54570.45	48805.55	-5764.90
	Charged	16757.09	822.17		17579.26	16703.82	-875.44
	Total, Revenue	62918.22	9231.49	....	72149.71	65509.37	-6640.34
2.	Capital						
	Voted	10309.56	3036.01		13345.57	13011.43	-334.14
	Charged	5.31	22.86		28.17	16.83	-11.34
	Total, Capital	10314.87	3058.87	....	13373.74	13028.26	-345.48
3.	Public Debt						
	Charged	4894.56	35.07		4929.63	4706.76	-222.87
	Total, Public Debt	4894.56	35.07	....	4929.63	4706.76	-222.87
4.	Loans and Advances						
	Voted	3151.60	950.37		4101.97	3231.42	-870.55
	Charged						
	Total, Loans and Advances	3151.60	950.37	....	4101.97	3231.42	-870.55
	Total	81279.25	13275.80	....	94555.05	86475.81	-8079.24



2.8

RUSH OF EXPENDITURE

2.8.1 The average monthly Revenue Expenditure upto February 2007 was Rs. 4226.40 crore during 2006-2007. However, during March 2007 the Revenue Expenditure was Rs. 10374.89 crore i.e. there was steep increase of Rs. 6148.49 crore (145.48%).

The major increase was under the major heads 2049-Interest Payments (Rs. 314.52 crore), 2053-District Administration (Rs. 221.08 crore), 2055-Police (Rs. 107.88 crore), 2075-Miscellaneous General Services (Rs. 93.66 crore), 2202-General Education (Rs. 477.87 crore), 2210-Medical and Public Health (Rs. 201.37 crore), 2216-Housing (Rs. 160.91 crore), 2217-Urban Development (Rs. 700.19 crore), 2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (Rs. 445.85 crore), 2235-Social Security and Welfare (Rs. 251.95 crore), 2236-Nutrition (Rs. 156.88 crore), 2245-Relief on Account of Natural Calamities (Rs. 187.15 crore), 2401-Crop Husbandry (Rs. 107.60 crore), 2425-Co-operation (Rs. 510.25 crore), 2501-Special Programmes for Rural Development (Rs. 107.78 crore), 2505-Rural Employment (Rs. 273.77 crore), 2701-Major and Medium Irrigation (Rs. 100.88 crore), 2702-Minor Irrigation (Rs.136.93 crore), 2801-Power (Rs. 468.81 crore), 3054-Roads and Bridges (Rs. 482.00 crore), and 3604-Compensation and Assignment to Local Bodies and Panchayati Raj Institutions (Rs. 239.12 crore).

2.9

RECONCILIATION OF ACCOUNTS

2.9.1 Accuracy and reliability of accounts depend among other things, on timely reconciliation of the departmental figures with accounts figures.

2.9.2 Before annual accounts are finalised, the Heads of the Department reconcile departmental accounts figures with those booked in accounts compiled by the Accountant General. The reconciliation of the accounts figures is to be done monthly, but in the year 2006-2007, there was delay in the reconciliation of the accounts by the departmental authorities.

2.9.3 No Administrative Department of the Government has reconciled the receipts booked in the Service heads as well as Loan heads of accounts.

2.9.4 Out of 27 Administrative Departments of the Government, 6 departments have not completed the reconciliation of expenditure for the grants during the entire year. The details are as under:-

Sr.No.	Name of Department	Grant Number and Major Head
		Not at all Reconciled
1	General Administration	2012, 2013 (A-1), 2015 (A-2)
		2059 (A-4), 2215 (A-5)
		3053 (A-7)
2	Home	2045,2052 (B-4), 2217, 2235, 2250
		(B-6), 3452 (B-7), 5055,5075 (B-9)
3	Revenue and Forest	2225 (C-5), 2406,2415 (C-7)
		4235, 6245 (C-9), 5475 (C-10)
4	Agriculture, Animal Husbandry Dairy Development and Fisheries	2404 (D-5), 2405 (D-6)
5	School Education and Sports	2202 (E-2)
6	Finance	2020, 2040 (G-1)
7	Public Works	5054 (H-9)
8	Administration of Justice	2014 (J-1)

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Sr.No.	Name of Department	Grant Number and Major Head
9	Industries, Energy and Labour	2049 (K-2), 2057,2058 (K-3)
		2852 (K-7), 4250 (K-9)
10	Rural Development and Water Conservation	2505, 2515 (L-3), 3451 (L-4)
11	Food, Civil Supplies and Consumer Protection	3475 (M-3)
12	Tribal Development	6225 (T-8)
13	Co-operation, Marketing and Textile	2425,3456 (V-2), 4425 (V-3)
		6425 (V-5)
14	Water Supply and Sanitation	2215 (Y-2)

2.10

SUBMISSION OF ACCOUNTS BY TREASURIES

2.10.1 Rendition of Accounts :

While compiling the Monthly Accounts of Government of Maharashtra, no Treasury and no Forest Division accounts were excluded except one account of Forest Department for 04/2006. This was incorporated in the subsequent month.

The Compiled Accounts in respect of the Dairy Development Department and Public Works Department were received late. The delay ranged from one month to two months. These Accounts were incorporated in the Monthly Civil Accounts of the State in the subsequent months.

In respect of the Civil Supplies Department, the delay in receipt of monthly accounts ranged from one month to two months. These accounts were also incorporated in the Monthly Civil Accounts of the State in the subsequent months.



CHAPTER - III

TRENDS IN GOVERNMENT REVENUE AND EXPENDITURE

3.1 Trends in Government Revenue Receipts and Revenue Expenditure from 2002-2003 to 2006-2007 (5 years period) is given below :-

Revenue Receipts :

(Rupees in crore)

Year	Tax Revenue	Non-Tax Revenue	Grants-in-aid and Contributions	Gross Revenue Receipts	GSDP	Percentage of Gross Revenue Receipts to GSDP
2002-2003	25079.42	4517.47	1506.16	31103.05	295191.00	10.54
2003-2004	28551.65	3548.94	2269.93	34370.52	333145.00	10.32
2004-2005	34200.78	4118.83	2693.72	41013.33	371878.00	11.03
2005-2006	38522.24	5935.05	3981.00	48438.29	432413.00	11.20
2006-2007	46122.00	7518.25	8555.13	62195.38	497172.00	12.51

Revenue Expenditure :

(Rupees in crore)

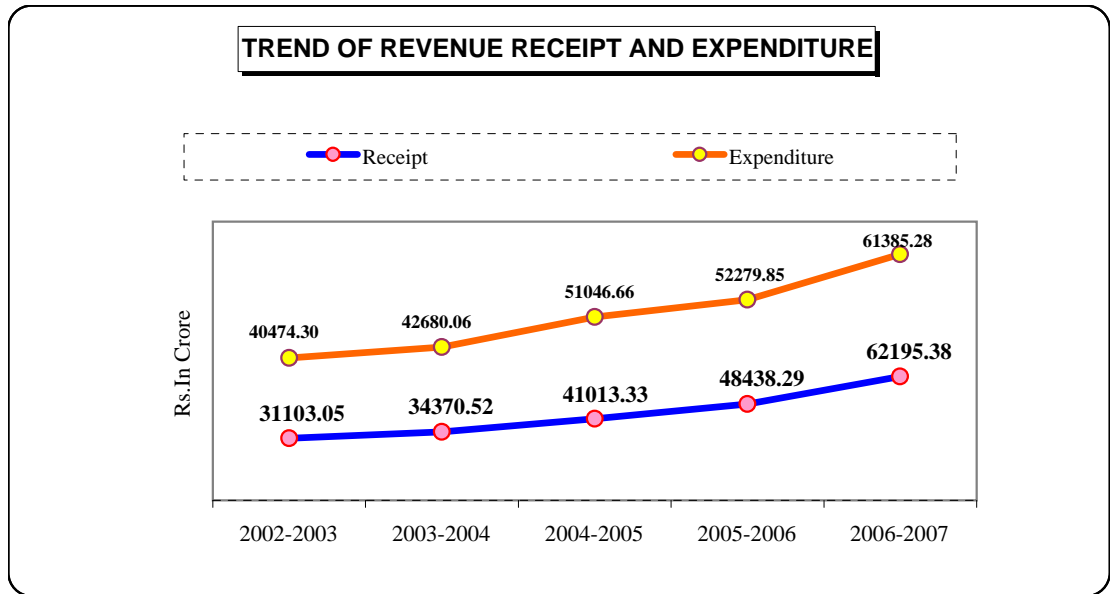
Year	Revenue Expenditure (Actuals)	Total Expenditure	GSDP	Percentage increase over previous years 2002-2003 to 2006-2007			Percentage of Government Expenditure to GSDP
				Revenue Expenditure	Total Expenditure	GSDP	
2002-2003	40474.30	45862.06	295191.00	5.73	11.08	8.76	15.54
2003-2004	42680.06	52781.19	333145.00	5.45	15.09	12.86	15.84
2004-2005	51046.66	61674.30	371878.00	19.60	16.85	11.63	16.58
2005-2006	52279.85	66619.91	432413.00	2.42	8.02	16.28	15.41
2006-2007	61385.28	73799.08	497172.00	17.42	10.78	14.98	14.84

3.2 The overall increase in the Government's total expenditure during 2006-2007 compared to 2002-2003 (5 years) was Rs. 27937.02 crore. Growth in major areas of Revenue Expenditure is shown in the following table :-

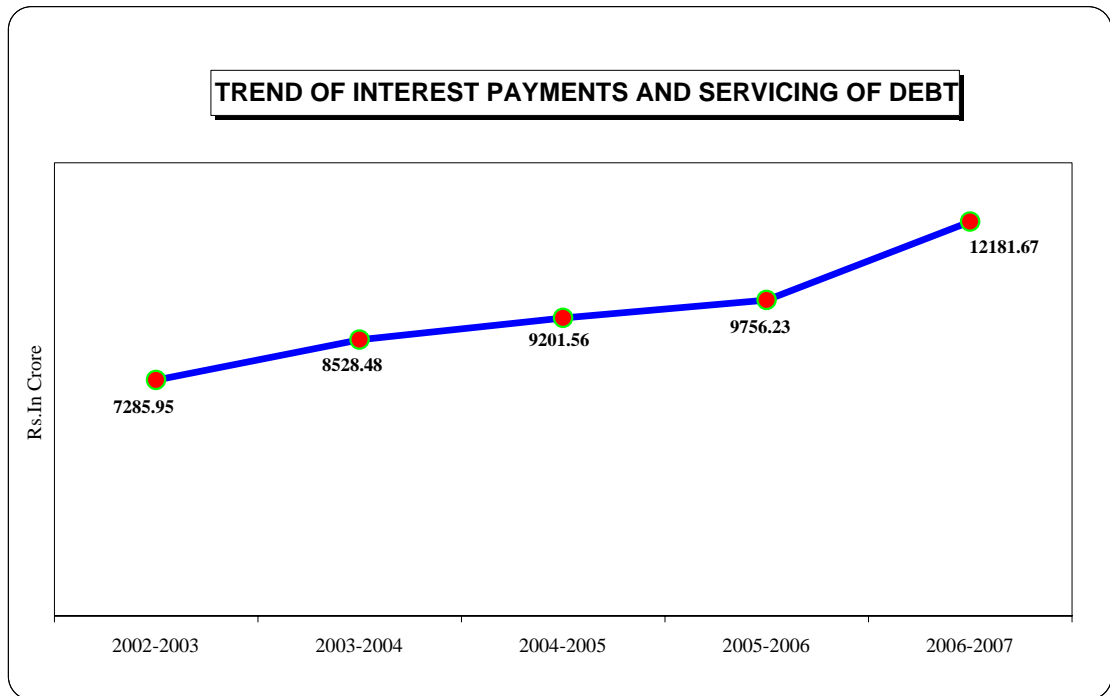
(Rupees in crore)

Areas of Expenditure	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	Percentage increase in 2006-2007 over Previous year 2005-2006
Interest Payments and Servicing of Debt	7285.95	8528.48	9201.56	9756.23	12181.67	24.86
Pension and Miscellaneous General Services	2801.91	3244.13	3513.80	4104.24	4364.39	6.34
Administrative Services	3152.03	3386.71	3776.45	4207.40	4823.51	14.64
Agriculture and Allied Activities	2651.23	2385.83	3492.03	2732.22	3362.63	23.07
Energy	758.70	352.79	2982.96	1993.13	2601.30	30.51

XIII



The trend of increase in Interest Payments and servicing of debt is as under:



XIV

3.3 GOVERNMENT ACCOUNT :

The total expenditure (Revenue and Capital) for the year is netted against total receipts (Revenue and non-debt Capital receipts) of the year and the surplus/deficit thereof is transferred to a separate ledger called "Government Account". In addition, net effect of Prior Period Adjustments, Miscellaneous Government Accounts etc. is also transferred to the ledger "Government Account". Thus, the ledger "Government Account" represents the cumulative surplus/deficit of the operations of the Government. The details of the ledger "Government Account" are given below :-

<i>Dr.</i>	Details	<i>Cr.</i>
<i>(In thousands of rupees)</i>		<i>(In thousands of rupees)</i>
1,274,201,298	A-Balance at the debit of Government account on 1st April, 2006	....
	B- (a) Receipt Heads (Revenue Account) ..	621,953,790
	B- (b) Receipt Heads (Capital Account)	1,081
613,852,774	C- Expenditure Heads (Revenue Account)	
100,921,834	D- Expenditure Heads (Capital Account)	
	E- Miscellaneous* ..	7,973,941
	F- Balance at the debit of Government Account on 31st March, 2007 ..	1,359,047,094
1,988,975,906	Total	1,988,975,906

3.4

LIABILITIES

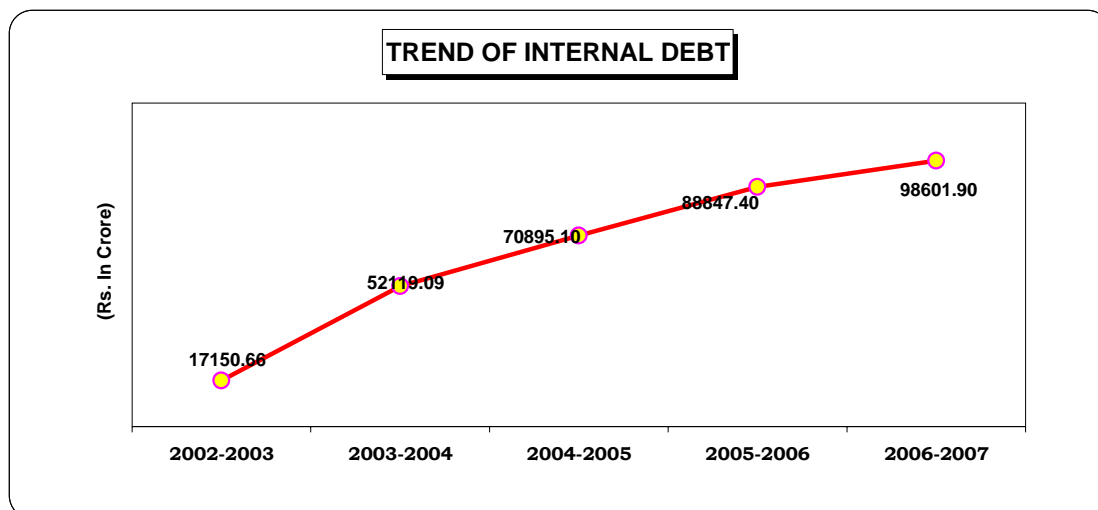
Liabilities of the State Government increased by Rs.13849.90 crore from Rs. 140672.53 crore in 2005-2006 to Rs. 154522.43 crore during 2006-2007. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by Rs. 9849.76 crore from Rs. 97294.44 crore in 2005-2006 to Rs. 107144.20 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 :-

(Rupees in crore)

Year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings	Provi- dent Funds	Other Obligations	Total Liabilities	GSDP	% of Total Liability to GSDP
2002-2003	17150.66	36903.95	54054.61	787.95	6413.44	23952.78	85208.78	295191	28.87
2003-2004	52119.09	16063.46	68182.55	890.91	6797.93	27547.94	103419.33	333145	31.04
2004-2005	70895.10	8482.34	79377.44	988.77	7195.16	32164.05	119725.42	371878	32.19
2005-2006	88847.40	8447.04	97294.44	1088.75	7681.98	34607.36	140672.53	432413	32.53
2006-2007	98601.90	8542.30	107144.20	1191.96	8219.10	37967.17	154522.43	497172	31.08

* Includes (i) Adjustments to clear old outstanding balances under Debt, Deposits and Remittance heads (Dr. Rs. 2,60,55 thousands), (ii) Amount appropriated from revenue for Reduction or Avoidance of Debt (Cr. Rs. Nil), (iii) Amount appropriated from revenue to Contingency Fund (Cr. Rs. 8,00,00,00 thousands) and (iv) Inter State Settlement Account (Dr. Rs. 4 thousands).

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



3.5 STATE PROVIDENT FUND

The details of transactions from the State Provident Fund are shown in the following table :-

(Rupees in crore)

Year	Opening Balance	Receipts	Payments	Net accretion for the year	Closing Balance	Interest charged on Balance of P.F.
2002-2003	6467.44	1244.61	1298.61	-54.00	6413.44	1098.57
2003-2004	6413.44	1547.48	1162.99	384.49	6797.93	1090.96
2004-2005	6797.93	1515.56	1118.33	397.23	7195.16	1140.91
2005-2006	7195.16	1616.80	1129.98	486.82	7681.98	1201.49
2006-2007	7681.98	1708.75	1171.63	537.12	8219.10	1270.87

3.6 GUARANTEES

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 :

(Rupees in crore)

At the end of the year	Amount Guaranteed	Amount outstanding	
	(Principal only)	Principal	Interest
2002-2003	35494.66	1632.63*	820.86*
2003-2004	49656.00	44968.69	25157.03**
2004-2005	49526.74	41760.17	19110.73**
2005-2006	86725.14	46868.20	19370.63**
2006-2007	54882.54	45473.04	18036.45*

* Information about outstanding guarantee was awaited from the institutions. Year-wise awaited information is as follows:-
2002-2003 - 51 institutions.
2006-2007 - 57 institutions.

** The Information has been incorporated on the basis of data received from the Finance Department, Government of Maharashtra.

3.7

WAYS AND MEANS ADVANCES

In order to maintain and sustain its liquidity position, the State Government takes Ways and Means Advances from the Reserve Bank of India and thereafter draws upon overdraft whenever there is shortfall in the agreed minimum cash balance in its account with the Reserve Bank of India. The State Government is required to maintain the balance of Rs.5.58 crore from 1st April 1999 onwards. The larger the amount and greater the number of times such ways and means advances are taken or drawals made, the more it reflects the adverse position of the cash balance of the State Government.

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
<i>i</i>) Number of days on which minimum balance was maintained					
<i>(a)</i> Without obtaining any advance	40	159	285	324	323
<i>(b)</i> By obtaining Ways and Means Advances	171	168	68	21	42
<i>(ii)</i> Number of days on which overdraft was taken	154	39	12	20	...

3.8

GENERAL CASH BALANCES

3.8.1 The closing cash balance according to the Reserve Bank of India was Rs. 146.62 crore (debit) against the general cash balance of Rs. 151.59 crore (credit) reflected in State Government Accounts. The difference of Rs. 4.97 crore is under reconciliation.

3.8.2 Investments held in the *Cash Balance Investment Account as on 31st March 2007 were Rs. 4662.04 crore.

* *includes*

<i>(i)</i> Government of India Treasury Bills	4661.34
<i>(ii)</i> Government of India Securities	....
<i>(iii)</i> Other State Government Securities	....
<i>(iv)</i> Other Investments	0.70

3.8.3 Other cash balances and investments comprising cash with departmental officers (Rs. 15.78 crore), permanent advances with departmental officers (Rs. 0.43 crore) and investment of earmarked funds (Rs. 2516.59 crore) as on 31st March 2007, were Rs. 2532.80 crore.

XVII

3.8.4 The cash balance with RBI/Treasuries decreased from Rs. 1.47 crore at the beginning of the year 2006-2007 to Rs. -10.94 crore at its end, the details of sources and application of funds being as follows:-

(Rupees in crore)

SOURCES			APPLICATION				
Sr. No.	Items	Amount	Sr. No.	Items	Amount		
					Non Plan	Plan	Total
1.	Opening Cash balance	1.47	1.	Revenue expenditure	53150.20	8235.08	61385.28
2.	State's share of Union Taxes	6022.76	2.	Capital expenditure	2109.90	7982.28	10092.18
3.	State's own revenue (Tax and Non-Tax) collection	47617.49	3.	Loans and advances repaid	To Central Government 402.77	To Others 4303.99	Total 4706.76
4.	Central grants/ assistance other than loans	8555.13	4.	Loans and Advances given			2321.62
5.	Miscellaneous Receipts	0.11	5.	Closing cash balance			-10.94
6.	Receipts from public debt, small saving, deposits and advances (Other than Central Loans)	16412.48					
7.	Receipts from Central Loans	498.04					
8.	Recoveries from borrowers	50.70					
9.	Net contribution from Contingency Fund	183.22					
10.	Net effect of adjustment of suspense and remittance balances and increase/decrease of reserve funds	-846.50					
	Total	78494.90					78494.90

XVIII

3.9

CONTINGENCY FUND

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

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Number of sanctions from Contingency Fund	134	146	168	102	148
Total amount withdrawn from Contingency Fund (<i>Rupees in crore</i>)	944.74	1034.17	377.48	1990.01	1406.13
Withdrawals from Contingency Fund as a percentage to Total Budget Provision	1.47%	1.49%	0.36%	2.21%	1.49%

