

FINANCE ACCOUNTS

2012-13

VOLUME -I

GOVERNMENT OF MAHARASHTRA

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CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

This compilation containing the Finance Accounts of the Government of Maharashtra for the year ending 31 March 2013 presents the financial position along with accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume-I contains the consolidated position of the state of finances and Volume-II depicts the accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices, and departments responsible for the keeping of such accounts functioning under the control of the Government of Maharashtra and the statements received from the Reserve Bank of India. Statement Nos. 9 and 14, explanatory notes to Statement Nos. 3 and 5 and appendices Nos. V, VI(A), VII, IX, X and XIII in this compilation have been prepared directly from the information received from the Government of Maharashtra/Corporations/Companies/Societies who are responsible to ensure the correctness of such information.

The treasuries, offices, and/or departments functioning under the control of the Government of Maharashtra are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of accounts is discharged through the office of the Principal Accountant General (A&E). The audit of these accounts is independently conducted through the office of the Principal Accountant General (Audit) in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for expressing an opinion on these Accounts based on the results of such audit. These offices are independent organizations with distinct cadres, separate reporting lines and management structure.

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained, and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with explanatory 'Notes to Accounts' give a true and fair view of the financial position, and the receipts and disbursements of the Government of Maharashtra for the year 2012-13.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Reports on the Government of Maharashtra being presented separately for the year ended 31 March 2013.

Date : 30 October 2013
Place : New Delhi


(SHASHI KANT SHARMA)
Comptroller and Auditor General of India

GUIDE TO THE FINANCE ACCOUNTS

A. BROAD OVERVIEW OF THE STRUCTURE OF GOVERNMENT ACCOUNTS

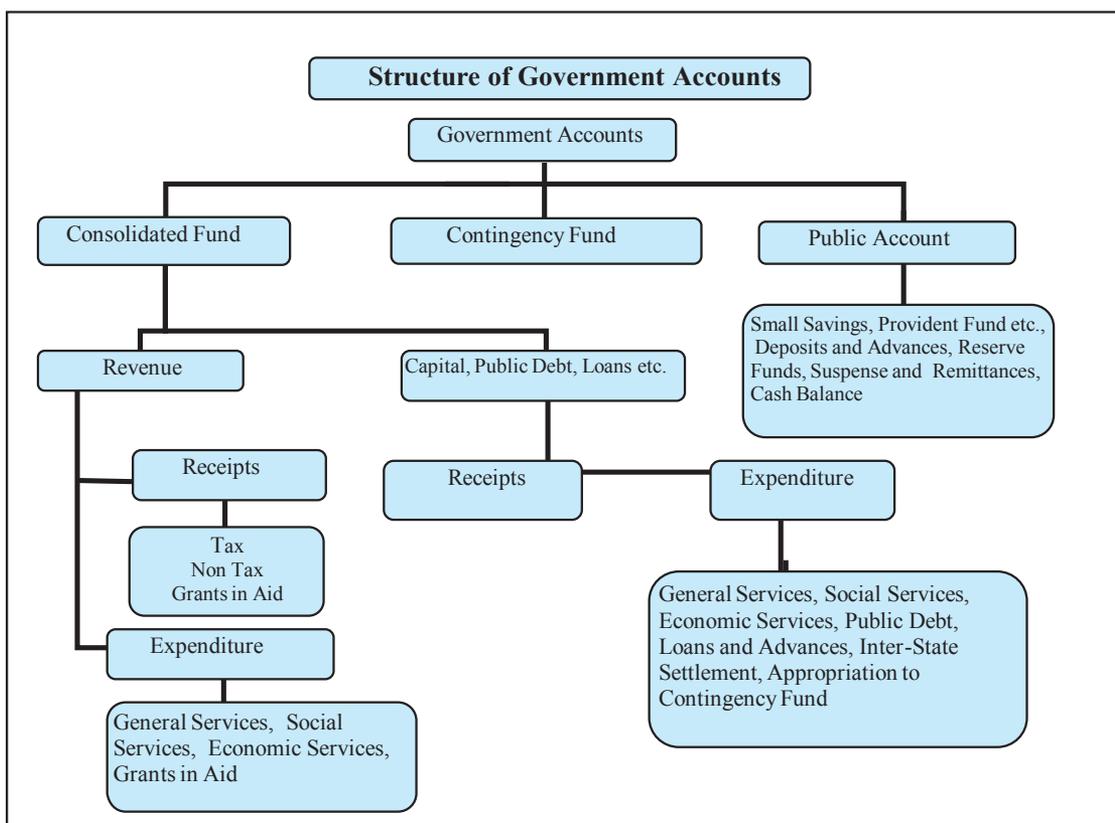
1. The Accounts of the Government are kept in three parts:

Part I: The Consolidated Fund: All Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans & Advances forms the Consolidated Fund of the State.

Part II: The Contingency Fund: Legislature may by law establish a Contingency Fund which is in the nature of an imprest. The Fund is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head in the Consolidated Fund of the State.

Part III: The Public Account: All other public moneys received by or on behalf of the Government are credited to the Public Account. The expenditure out of this account is not subject to the vote of the Legislature. In respect of the receipts into this account, the Government acts as a banker or trustee. Transactions relating to Debt (other than public debt in Part I), Deposits, Advances, Reserve Funds, Remittances and Suspense form the Public Account.

A.1.1. Pictorial representation of Structure of Government Accounts



2. Divisions, Sections, Sectors, etc.

The two main divisions of the Accounts in the Consolidated fund are, as depicted in A.1.1 above, 'Revenue' and 'Capital, Public Debt, Loans, etc.' which are divided into sections 'Receipts' and 'Expenditure'. Within each of the Divisions and Sections of the Consolidated Fund the transactions on the expenditure side are grouped into Sectors such as, "General Services", "Social Services", "Economic Services", under which specific functions or services shall be grouped. The Sectors are sub-divided into sub-sectors/Major heads of account. Major heads correspond to functions and are further divided into sub-major heads (sub-functions) and minor heads (programmes) upto which the details are depicted in volume-II of the Finance Accounts. The classification below minor heads of account i.e. sub-heads (schemes) and detailed and object heads (objects of expenditure) are not depicted in the Finance Accounts (minor exceptions exist), though some details are included in the appendices.

GUIDE TO THE FINANCE ACCOUNTS -Contd.

B. WHAT DO THE STATEMENTS CONTAIN

The Finance Accounts have been divided into two volumes. Volume-I presents the financial statements of the Government in the form of commonly understood summarised form while the details are presented in Volume-II.

Volume-I contains the Certificate of the Comptroller and Auditor General of India, four summarised statements as given below and Notes to Accounts including accounting policy.

1. **Statement of Financial Position:** Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the statement. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the Government. Assets, as per the accounting policy, are depicted at historical cost.

2. **Statement of Receipts and Disbursements:** This is a summarised statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely, the consolidated fund, contingency fund and public account. Further within the consolidated fund, receipts and expenditure on revenue and capital account are depicted

The fiscal parameters of the Government, i.e. the primary, revenue and fiscal deficits are calculated on the operations of the consolidated fund of the State. The following two statements give the operations of the consolidated fund in a summarised form.

3. **Statement of Receipts (Consolidated Fund):** This statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the Government of India (GOI), other institutions, market loans raised by the Government and recoveries on account of loans and advances made by the Government.

4. **Statement of Expenditure (Consolidated Fund):** This statement not only gives expenditure by function (activity) but also summarises expenditure by nature of activity (objects of expenditure).

Volume II comprises three parts viz. Part I, Part II and Part III. **Part I** -This first part contains six summarised statements as given below:

5. **Statement of progressive capital expenditure:** This statement details progressive capital expenditure by functions, the aggregate of which is depicted in statement 1.

6. **Statement of Borrowings and Other Liabilities:** Borrowings of the Government comprise market loans raised by it (internal debt) and Loans and Advances received from the GOI. Both these together form the public debt of the State Government. In addition, this summarised statement depicts 'Other Liabilities' which are the balances under various sectors in the Public Account. In respect of the latter, the Government acts as a trustee or custodian of the funds, hence these constitute liabilities of the Government. The statement also contains a note on service of debt, i.e a note on the quantum of net interest charges met from revenue receipts.

7. **Statement of Loans and Advances given by the Government:** The loans and advances given by the State Government are depicted in statement 1 and recoveries, disbursements feature in statements 2,3 and 4. Here, loans and advances are summarised loanee group and sector wise. This is followed by a summary of repayments in arrears from loanee group, the details of which are maintained by the State Government/departments.

8. **Statement of Grants-in-aid given by the State Government,** organised by grantee institutions group wise. It includes a note on grants given in kind also.

9. **Statement of Guarantees given by the Government:** Guarantees given by the State Government for repayment of loans, etc. raised by Statutory Corporations, Government Companies, Local Bodies and Other institutions during the year and sums guaranteed outstanding as at the end of the year are presented in this statement.

GUIDE TO THE FINANCE ACCOUNTS -Contd.

10. Statement of Voted and Charged Expenditure: This statement presents details of voted and charged expenditure of the Government.

Part II-Volume-II : This part contains 9 statements presenting details of transactions by minor head corresponding to statements in volume-I and part I of volume-II.

11. Detailed Statement of Revenue and Capital Receipts by minor heads: This statement presents the revenue and capital receipts of the Government in detail.

12. Detailed Statement of Revenue Expenditure by minor heads: This statement presents the details of revenue expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available.

13. Detailed Statement of Capital Expenditure: This statement presents the details of capital expenditure of the Government in detail. Non-Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available. Cumulative capital expenditure upto the end of the year is also depicted.

14. Detailed Statement of Investments of the Government : The position of Government Investment in the share capital and debentures of different concerns is depicted in this statement for the current and previous years. Details include type of shares held, face value, dividend received, etc.

15. Detailed Statement of Borrowings and Other Liabilities: Details of borrowings (market loans raised by the Government and Loans, etc. from GOI) by minor heads, the maturity and repayment profile of all loans is provided in this statement. This is the detailed statement corresponding to statement 6 in part I volume-II.

16. Detailed Statement on Loans and Advances given by the Government: The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans, etc. is presented in this statement. The loans for plan purpose are also shown distinctly. This is the detailed statement corresponding to statement 7 in part I volume-II.

17. Detailed Statement on Sources and Application of funds for expenditure other than on revenue account: The capital and other expenditure (other than on revenue account) and the sources of fund for the expenditure is depicted in this statement.

18. Detailed Statement on Contingency Fund and other Public Account transactions: The statement shows changes in contingency fund during the year, the appropriations to the fund, expenditure, amount recouped etc. It also depicts the transactions in public account in detail.

19. Detailed Statement on Investments of earmarked funds: This statement shows the details of investment out of reserve funds in public account.

Part III-Volume-II contains appendices on salaries, subsidies, grants-in-aid scheme wise and institution wise, details of externally aided projects, scheme wise expenditure in respect of major central schemes and state plan schemes, etc. These details are present in the accounts at sub-head level or below (i.e. below minor head levels) and so are not depicted in the Finance accounts. For a detail list please refer to the index in volume-I or II. The Statements read with the appendices give a complete picture of the state of finances prevailing in the State Government.

GUIDE TO THE FINANCE ACCOUNTS -Concl.**READY RECKONER**

For a quick reference to what the statements contain, please refer to the table below. The summary and detail statement in respect of the important parameters is depicted below. The number of appendices depicted below are not exhaustive.

Parameter	Summary Statements (Volume-I/II)	Detailed Statements (Volume-II)	Appendices (Volume II)
Revenue Receipts (including Grants received)	2,3	11	....
Revenue Expenditure	2,4	12	II (Salary), III (Subsidy)
Grants-In-Aid given by the Government	2,8	....	IV
Capital receipts	2,3	11	....
Capital expenditure	1,2,4,5	13,17	....
Loans and Advances given by the Government	1,2,7	16	....
Debt Position/Borrowings	1,2,6	15	....
Investments of the Government in Companies, Corporations etc.	....	14	....
Cash	1,2	....	I,VIII
Balances in Public Account and investments thereof	1,2	18, 19	....
Guarantees	....	9	....
Schemes	....	....	V(Externally Aided Projects), VI,VII

C- BOOK ADJUSTMENTS:

Certain transactions are in the nature of periodical adjustments and book adjustments and do not represent actual cash transaction, as mentioned below. The specific details are mentioned as 'Notes to Accounts' and as footnotes in the relevant statements.

- (i) Adjustment of all deductions (GPF, recoveries of advances given, etc.) from salaries by debiting functional major heads (department concerned), by book adjustment to revenue receipt (e.g. deductions other than GPF)/Public Account(e.g. GPF).
- (ii) Creation of funds/adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g. State Disaster Response Fund, Reserve Funds, Sinking Fund etc.
- (iii) Crediting of deposit heads of accounts in public account by debit to Consolidated Fund
- (iv) Annual adjustment of interest on GPF and State Government Group Insurance Scheme where interest on General Provident Fund of State Government is adjusted by debiting 2049-Interest Payments and crediting 8009-General Provident Fund (GPF).



STATEMENT No. 1 - STATEMENT OF FINANCIAL POSITION

Assets ¹		Reference		As on 31 March 2013	As on 31 March 2012
		(Sr. No.)			
		Notes to Accounts	Statement Number		
Cash @					
(i) Cash in Treasuries and Local Remittances	..	....	18	55.24	33.69
(ii) Departmental Balances	..	....	18	4.61	3.89
(iii) Permanent Imprest	..	....	18	0.49	0.47
(iv) Cash Balance Investments	..	4(x)	18	3,66,21.16	2,58,84.62
(v) Deposits with Reserve Bank of India	..	7.00	18	(-) 1,94.42	(-) 3,68.47
(vi) Investments from Earmarked Funds ²	..	....	19	1,23,56.65	1,04,17.75
Capital Expenditure					
(i) Investments in shares of Companies, Corporations, etc.	..	....	14	9,06,77.84 (a)	8,30,11.91
(ii) Other Capital Expenditure	..	....	13	8,21,39.88 (b)	7,24,08.14
Contingency Fund (unrecouped)	..	....	18	9.62	....
Loans and Advances	..	....	7,16	2,07,39.72	2,01,86.63
Advances with departmental officers	..	....	18	12.18	12.32
Suspense and Miscellaneous Balances³	..	....	....	....	....
Remittance Balances	..	....	....	....	....
Cumulative excess of expenditure over receipts⁴	..	....	....	5,03,79.72 (b)	5,44,40.66
Total	..	..	..	29,28,02.69	26,60,31.61

1. The figures of assets and liabilities are cumulative figures. Please also see note 1. (ii) in the section 'Notes to Accounts'.

2. Investments out of earmarked funds in shares of companies, etc., are excluded under capital expenditure and included under 'Investments from Earmarked Funds'.

3. In this statement the line item 'Suspense and Miscellaneous Balances' does not include 'Cash Balance Investments Account', which is included separately above, though the latter forms part of this sector elsewhere in these Accounts.

4. The cumulative excess of expenditure over receipts is different from the fiscal/revenue deficit for the current year.

The difference of ₹ 4,060.94 crore between current year and previous year under the cumulative excess of expenditure over receipts comprises (i) revenue surplus ₹ 4,211.25 crore, (ii) net account adjustment under '-F' -Suspense and Miscellaneous ₹ 150 crore as detailed in Appendix VIII at page 393 and ₹ 0.31 crore adjusted proforma due to rectification of misclassification during previous years.

(a) This does not include investment made out of (i) Cash balance of ex-princely State (₹ 0.56 crore), (ii) Revenue expenditure (₹ 0.01 crore),

(iii) Loans and Advances (₹ 3.00 crore) and receipt of bonus shares of (₹ 0.52 crore). In the circumstances, this differs from the total investments shown in Statement No. 14 to the extent of ₹ 4.09 crore.

(b) Excludes ₹ 0.31 crore adjusted proforma due to rectification of misclassification during previous years.

@ A Statement of 'Cash balances and investments of cash balances' is given at Appendix I (Page 35).

STATEMENT No. 1 - STATEMENT OF FINANCIAL POSITION -Concl.

Liabilities	Reference (Sr. No.)		As on 31 March 2013	(₹ in crore)	
	Notes to Accounts	Statement Number		As on 31 March 2012	
Borrowings (Public Debt)					
(i) Internal Debt	15	19,16,36.74	17,66,22.00
(ii) Loans and Advances from Central Government					
Non-Plan Loans	6,15	76.04	82.18
Loans for State Plan Schemes	6,15	87,47.14	86,82.93
Loans for Central Plan Schemes	6,15	....	0.17
Loans for Centrally Sponsored Plan Schemes	6,15	....	0.03
Other loans	6,15	6.73	6.73
Contingency Fund (corpus)	18	6,50.00	5,00.00
Liabilities on Public Account					
(i) Small Savings, Provident Funds, etc.	6,15,18	1,91,59.48	1,69,71.84
(ii) Deposits	18	3,89,39.73	3,24,97.71
(iii) Reserve Funds	17,18	2,28,68.45	2,08,92.02
(iv) Remittance Balances	17,18	22,83.61	14,41.20
(v) Suspense and Miscellaneous Balances	18	84,34.77	83,34.80
Cumulative excess of receipts over expenditure
Total	29,28,02.69	26,60,31.61



STATEMENT No. 2 - STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

	RECEIPTS		DISBURSEMENTS	
	2012-13	2011-12	2012-13	2011-12
PART- I -CONSOLIDATED FUND				
SECTION - A : REVENUE				
Revenue Receipts			Revenue Expenditure	
Tax revenue (raised by the State)	10,34,48.58	8,76,08.46	Salaries ¹	1,87,79.60
			Subsidies ¹	92,55.33
Non-tax revenue			Grants-in-aid ^{2**} (z)	6,01,27.42
Interest receipts	24,64.41	13,58.94	General services	
Others	75,19.99 ^(c)	68,08.76	Interest Payment and servicing of debt	2,03,19.64 ^(d)
Total	99,84.40	81,67.70	Pension	1,14,72.09
Share of Union Taxes/Duties	1,51,91.92	1,33,43.34	Others	16,74.49
			Total - General Services	3,34,66.22
			Social services	99,21.57
			Economic services	57,05.32
Grants from Central Government	1,43,22.33	1,21,66.64	Compensation and assignment to Local Bodies and PRIs	14,80.52
			Aid Materials and Equipments ³	....
				(-) 60.32
Total Revenue Receipts	14,29,47.23	12,12,86.14	Total Revenue Expenditure	13,87,35.98
Revenue Deficit	....	22,68.05	Revenue Surplus	42,11.25
SECTION-B : CAPITAL				
Capital Receipts			Capital Expenditure	
Miscellaneous Capital Receipts	....	4,55.83	Subsidies ¹	13.05
			Grants-in-aid ^{2**}	7,44.02
			Economic Services	1,42,95.74 ^(b)
			Social Services	14,43.48 ^(a)
			General Services	9,01.69
Total Capital Receipts	....	4,55.83	Total Capital Expenditure	1,73,97.98
				1,78,79.54

** Includes expenditure under Detailed/Object head codes '31 - Grants-in-aid (Non-salary) , 35 - Grant for Creation of Capital Assets and 36 - Grant-in-Aid (Salary)' across all major heads.

1 Salary, Subsidy and Grants-in-aid figures have been summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'Social', 'General' and 'Economic' services does not include expenditure on Salaries, Subsidies and Grants-in-aid. (explained in footnote 2 below).

2 Grants-in-aid given to statutory corporations, companies, autonomous bodies, local bodies, etc., by the Government is included as a line item above. These grants are distinct from compensation and assignment of taxes, duties to the Local Bodies which is depicted as a separate line item 'Compensation and assignment to Local Bodies and Panchayat Raj Institutions'.

3 Represents Grant-in-aid in kind awaiting transfers to other heads/departments (Major head 3606 -Aid Materials and Equipments)

(a) Includes expenditure of ₹ 0.04 crore (2011-12) and ₹ 0.06 crore (2012-13) incurred on payment of salaries

(b) Includes expenditure of ₹ 282.04 crore (2011-12) and ₹ 278.09 crore (2012-13) incurred on payment of salaries.

(c) Includes ₹ 0.15 crore due to transfer of unclaimed balances of discharged loans.

(d) Includes an adjustment of ₹ 573.28 crore on account of reset of interest rates on National Small Savings Fund loans.

(z) Excludes ₹ 910.17 crore in respect of Major Head - 3604 Compensation and Assignment to Local Bodies and PRIs shown separately, therefore differs from figure shown in Statement No. 4 B - Expenditure by nature.

STATEMENT No. 2 - STATEMENT OF RECEIPTS AND DISBURSEMENTS -*Concl'd.*
(₹ in crore)

	RECEIPTS		DISBURSEMENTS	
	2012-13	2011-12	2012-13	2011-12
PART- I -CONSOLIDATED FUND				
SECTION-B : CAPITAL - concl'd.				
Recoveries of Loans and Advances	8,62.85	5,58.74	Loans and Advances disbursed	
			Economic Services	9,29.89
			Social Services	1,67.60
			Others	3,18.45
Total Recoveries of Loans and Advances	8,62.85	5,58.74	Total Loans and Advances disbursed	14,15.94
Public debt receipts			Repayment of Public Debt	
Internal Debts (market loans etc.) ⁴	2,13,65.83	2,41,46.19	Internal Debts (market loans, etc.)	63,51.09
Loans from Government of India	7,50.80	3,06.37	Loans from Government of India	6,92.93
Total Public debt receipts	2,21,16.63	2,44,52.56	Total Repayment of Public Debt	70,44.02
			Net of Inter-State Settlement	....
Appropriation to Contingency Fund	7,25.00	10,00.00	Appropriation to Contingency Fund	8,75.00
Total - Receipts - Consolidated Fund	16,66,51.71	14,77,53.27	Total - Expenditure - Consolidated Fund	16,54,68.92
Deficit in Consolidated Fund	....	14,75.10	Surplus in Consolidated Fund	....
PART- II - CONTINGENCY FUND				
Contingency Fund	8,75.00	5,11.20	Contingency Fund	7,34.62
PART- III - PUBLIC ACCOUNT⁵				
Small Savings Reserves and Sinking Funds	47,59.89	44,49.03	Small Savings Reserves and Sinking Funds	25,72.25
	49,60.13	30,52.51		49,22.59
Deposits	2,62,45.27	2,51,94.32	Deposits	1,98,03.25
Advances	4,12.55	3,49.95	Advances	4,12.41
Suspense and Miscellaneous	38,05,09.39	31,95,60.04	Suspense and Miscellaneous⁶	39,11,46.71
Remittances	2,19,89.52	2,18,34.84	Remittances	2,11,47.11
Total Receipts - Public Account	43,88,76.75	37,44,40.69	Total Disbursements - Public Account	44,00,04.32
Deficit in Public Account	11,27.57	....	Surplus in Public Account	....
Opening Cash Balance	(-) 3,34.78	(-) 12,28.94	Closing Cash Balance	(-) 1,39.18
Increase in cash balance	....	(-) 8,94.16	Decrease in cash balance	(-) 1,95.60

⁴ Loans out of the collection in the 'Small Savings Schemes' and 'Public Provident Fund' in the Post offices are being shared between the State Government and the Central Government in the ratio of 3:1. A separate fund viz. 'National Small Savings Fund' was created in 1999-2000 for the purpose of release of loans out of Small Savings collections. The loans received during 2012-13 amounted to ₹ 2,664.72 crore and ₹ 3,601.04 crore was repaid during the year. The balance outstanding at the end of the year was ₹ 79,076.17 crore which was 39.45 per cent of the total Public Debt of the State Government.

⁵ For details please refer to Statement No. 18 in Volume II - Part II

⁶ 'Suspense and Miscellaneous' includes 'other accounts' such as Cash Balance Investment account (Major Head 8673), etc. The figures may appear huge on account of these other accounts. Details may please be seen in Statement No. 18 in Volume II - Part II

(a) Less than ₹ 1 crore.



STATEMENT No. 3 - STATEMENT OF RECEIPTS
1-TAX AND NON-TAX REVENUE

Description	<i>Actuals</i> (₹ in crore)	
	2012-13	2011-12
A - Tax Revenue		
A.1 - Own Tax revenue		
Land Revenue	10,74.02	9,63.81
Stamps and Registration fees	1,75,48.25	1,44,07.49
State Excise	92,97.11	86,05.47
Sales Tax	6,00,79.72	5,05,96.36
Taxes on goods and passengers	6,90.74	5,74.25
Taxes on Vehicles	50,27.42	41,37.42
Others	97,31.32	83,23.66
A.2 - Share of net proceeds of Taxes	....	....
Corporation Tax	54,57.06	52,36.44
Taxes on Income other than Corporation Tax	32,67.06	26,59.87
Other Taxes on Income and Expenditure	....	....
Taxes on Wealth	9.22	20.22
Customs	25,24.54	23,06.62
Union Excise Duties	17,15.65	14,93.09
Service Tax	22,18.39	15,87.94
Other Taxes and Duties on Commodities and Services	....	39.16
Total, A	11,86,40.50	10,09,51.80
B - Non-tax Revenue		
Interest receipts	24,64.41	13,58.94
Miscellaneous General services	3,18.18	5,73.90
Non-Ferrous Mining and Metallurgical Industries	20,37.76	20,45.47
Dairy Development	2,90.70	2,65.81
Power	4,51.41	7,25.01
Major Irrigation	3,38.69	4,27.38
Education, Sports, Art and Culture	3,94.45	2,62.00
Other Rural Development Programmes	1,71.89	88.34
Medical and Public Health	3,37.95	2,74.98
Forestry and Wild Life	2,58.81	2,69.78
Police	2,31.68	2,34.72
Public Works	1,91.29	1,67.64
Other Administrative Services	2,42.52	1,71.19
Medium Irrigation	1,93.20	1,55.66
Urban Development	5,47.06	3,72.82
Other Social Services	1,34.99	78.19
Crop Husbandry	87.95	40.93
Co-operation	73.16	66.65
Social Security and Welfare	3,62.37	55.47
Dividend and Profits	46.99	30.19
Other General Economic Services	1,51.13	59.85
Labour and Employment	1,45.20	96.66
Water Supply and Sanitation	31.15	18.34
Family Welfare	35.22	15.49
Minor Irrigation	59.51	54.48
Contribution and Recoveries towards Pension and Other Retirement benefits	....	....
	79.77	72.96

STATEMENT No. 3 - STATEMENT OF RECEIPTS - *Contd.*1-TAX AND NON-TAX REVENUE - *Concl'd.*

Description	Actuals	
	(₹ in crore)	
	2012-13	2011-12
B - Non-tax Revenue - <i>Concl'd.</i>		
Land Reforms	42.74	39.52
Animal Husbandry	31.43	22.93
Roads and Bridges	23.09	8.09
Housing	96.80	34.07
Stationery and Printing	27.88	20.63
Fisheries	9.02	6.96
Public Service Commission	17.53	16.32
Jails	7.05	7.66
Food, Storage and Warehousing	8.02	6.36
Industries	25.98	3.98
Other Agricultural Programme	2.66	6.15
Village and Small Industries	3.31	4.62
Hill Areas	0.36	0.54
Information and Publicity	4.99	2.82
Others	6.10	4.20
Total, B	99,84.40	81,67.70

2 - GRANTS FROM GOVERNMENT OF INDIA

Description	Actuals	
	(₹ in crore)	
	2012-13	2011-12
C - Grants		
Grants-in-aid from Central Government		
Non Plan Grants		
Grants towards contribution to State Disaster Response Fund	21,81.84	1,40.32
Grants from National Calamity Contingency Fund .....	....	....
Grants from Central Road Fund	2,34.63	....
Other Grants	22,59.39	15,82.78
Grants for State/Union Territory Plan Schemes		
Block Grants	32,47.31	39,35.87
Grants under the proviso to Article 275 (1) of the Constitution	10,33.48	12,69.54
Other Grants	13,49.34	11,74.65
Grants for Central Plan Schemes	1,13.14	64.76
Grants for Centrally Sponsored Plan Schemes	39,03.20	39,98.72
Grants for Special Plan Schemes .....	....	....
Total, C	1,43,22.33	1,21,66.64
Total Revenue Receipts, (A+B+C)	14,29,47.23	12,12,86.14

STATEMENT No. 3 - STATEMENT OF RECEIPTS - Contd.
3 - CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS - Concl'd.

Description	<i>Actuals</i> (₹ in crore)	
	2012-13	2011-12
D - Capital Receipts		
Disinvestment proceeds	.....	....
Miscellaneous Capital Receipts	.....	4,55.83
Total, D	.....	4,55.83
E - Public Debt receipts		
Internal Debt		
Market Loans	1,74,99.85	2,10,00.00
Ways and Means Advances from the RBI	3,91.50	....
Bonds	0.18	(-) 0.07 (b)
Loans from Financial Institutions	8,09.58	11,81.38
Special Securities issued to National Small Savings Fund	26,64.72	19,64.88
Loans and Advances from Central Government	....	....
Non Plan Loans	.....	....
Loans for State/Union Territory Plan Schemes	7,50.80	4,76.59
Loans for Central Plan Schemes	....	(-) 4.10 (b)
Loans for Centrally Sponsored Plan Schemes	....	(-) 1,66.12 (b)
Other Loans	.....	....
Total, E	2,21,16.63	2,44,52.56
F - Loans and Advances by State Government (Recoveries)¹	8,62.85	5,58.74
G - Inter-State Settlement	.... (a)	.... (a)
H - Transfer to the Contingency Funds	7,25.00	10,00.00
Total Receipts in Consolidated Fund (A+B+C+D+E+F+G+H)	16,66,51.71	14,77,53.27

(a) Less than ₹ 1 crore

(b) Minus credit is due to rectification of misclassification during previous years.

¹ Details are in Statement Nos. 7 and 16 in Volume II

STATEMENT No. 3 - STATEMENT OF RECEIPTS - Concl'd.**Taxation changes**

The following changes were made in the taxation measures during the year -

1. Tax reduction -

- (i) Sales Tax on cotton yarn was reduced from 5 per cent to 2 per cent .
- (ii) Tax rate on Educational materials and Envelops was reduced from 12.5 per cent to 5 per cent .
- (iii) Tax rate on Machineries and equipments used in poultry industries was reduced from 12.5 per cent to 5 per cent
- (iv) Purak Poshak Ahar supplied to Anganwadis under the integrated child development scheme was fully exempted from tax.
- (v) Sales Tax on semi processed and ready-to-cook food in sealed containers was reduced from 12.5 per cent to 5 per cent .
- (vi) Tax on Purchase of New Motor Vehicles fitted with CNG kit by the manufacturers was reduced by 2 per cent .
- (vii) Battery operated vehicle has been fully exempted from Motor Vehicle Tax.

2. Tax increase/New Taxes -

- (i) Tax at the rate of 12.5 per cent was levied on sales of Beedi.
 - (ii) Sales Tax at the rate of 5 per cent was levied on LPG for domestic use.
 - (iii) Tax on Plaster of Paris was enhanced from 5 per cent to 12.5 per cent.
 - (iv) Sales Tax at the rate of 5 per cent was imposed on all dry fruits.
 - (v) Tax collection at source was introduced on sale of sand at the time of auction.
 - (vi) Entry Tax at the rate of 12.5 per cent was introduced on Natural Gas.
 - (vii) Tax at the rate of 2 per cent was increased on petrol cars/jeep and at the rate of 4 per cent on diesel cars/jeeps.
-



**STATEMENT No. 4 - STATEMENT OF EXPENDITURE
(CONSOLIDATED FUND)**

(₹ in crore)

A - EXPENDITURE BY FUNCTION

Description	Revenue	Capital	Loans and Advances	Total
A- General Services				
A.1- Organs of State				
Parliament/State/Union Territory Legislatures	1,00.10	....	....	1,00.10
President, Vice President/Governor, Administrator of Union Territories	9.03	....	....	9.03
Council of Ministers	11.54	....	....	11.54
Administration of Justice	10,51.46	....	....	10,51.46
Election	93.66	....	....	93.66
A.2- Fiscal Services				
Collection of Taxes on Income and Expenditure	20.41	....	....	20.41
Land Revenue	2,77.02	....	....	2,77.02
Stamps and Registration	2,25.52	....	....	2,25.52
State excise	1,09.96	....	....	1,09.96
Taxes on Sales, Trade, etc.	3,53.44	....	....	3,53.44
Taxes on Vehicles	9,15.47	....	....	9,15.47
Other Taxes and Duties on Commodities and Services	53.57	....	....	53.57
Other Fiscal Services	3.73	....	....	3.73
Appropriation for Reduction or Avoidance of Debt	12,44.00	....	....	12,44.00
Interest Payments	1,90,75.64 (a)	....	....	1,90,75.64
A.3- Administrative Services				
Public Service Commission	21.77	....	....	21.77
Secretariat-General Service	2,12.51	....	....	2,12.51
District Administration	33,17.78	....	....	33,17.78
Treasury and Accounts Administration	1,89.13	....	....	1,89.13
Police	71,55.36	1,38.43	....	72,93.79
Jails	1,79.14	....	....	1,79.14
Supplies and Disposals	1.46	....	....	1.46
Stationery and Printing	1,30.39	2.18	....	1,32.57
Public Works	10,96.13	5,18.96	....	16,15.09
Other Administrative Services	1,68.24	2,42.12	....	4,10.36
A.4- Pension and Miscellaneous General Services				
Pensions and Other Retirement Benefits	1,14,72.09	....	....	1,14,72.09
Miscellaneous General Services	1,77.12	....	....	1,77.12
Total General Services (A) -	4,76,65.67	9,01.69	....	4,85,67.36
B- Social Services				
B.1- Education, Sports, Art and Culture				
General Education	3,19,71.07	1,66.01 (b)	....	3,21,37.08
Technical Education	13,94.47	....	....	13,94.47
Sports and Youth Services	2,58.74	....	....	2,58.74
Art and Culture	2,32.31	....	....	2,32.31
B.2- Health and Family Welfare				
Medical and Public health	53,50.05	4,60.47	....	58,10.52
Family Welfare	5,85.71	....	....	5,85.71

(a) Includes an adjustment of ₹ 573.28 crore on account of reset of interest rates on National Small Savings Fund loans.

(b) Includes Capital Expenditure on General Education (₹ 45.54 crore), Technical Education (₹ 1,17.85 crore) and Art and Culture (₹ 2.62 crore)

STATEMENT No. 4 - STATEMENT OF EXPENDITURE - Contd.
(CONSOLIDATED FUND)

(₹ in crore)

A - EXPENDITURE BY FUNCTION - Contd.

Description	Revenue	Capital	Loans and Advances	Total
B- Social Services - Concl'd.				
B.3- Development				
Water Supply and Sanitation	10,44.35	1,52.06	5.80	12,02.21
Housing	19,72.20	56.42	0.50	20,29.12
Urban Development	40,97.37	1,70.63	47.03	43,15.03
B.4- Information and Broadcasting				
Information and Publicity	57.01	....	....	57.01
B.5- Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes				
Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	64,16.64	5,80.35	1,00.16	70,97.15
B.6- Labour and Labour Welfare				
Labour and Employment	7,30.18	....	....	7,30.18
B.7- Social Welfare and Nutrition				
Social Security and Welfare	24,97.60	33.04	....	25,30.64
Nutrition	25,64.00	60.00	....	26,24.00
Relief on Account of Natural Calamities	27,92.92	....	....	27,92.92
B.8- Others				
Other Social Services	(-1.26) ^(a)	1,45.00	14.11	1,57.85
Secretariat- Social Services	75.60	....	....	75.60
Total Social Services (B)	6,20,38.96	18,23.98	1,67.60	6,40,30.54
C- Economic Services				
C.1- Agriculture and Allied Activities				
Crop Husbandry	27,53.47	....	4.59	27,58.06
Soil and Water Conservation	40.04	7,47.11	....	7,87.15
Animal Husbandry	7,61.93	40.79	....	8,02.72
Dairy Development	6,21.08	....	....	6,21.08
Fisheries	1,08.03	43.42	27.24	1,78.69
Forestry and Wild Life	12,23.82	1,26.26	....	13,50.08
Food, Storage and Warehousing	1,89.26	3,29.66	....	5,18.92
Agricultural Research and Education	7,10.22	11.35	....	7,21.57
Co-operation	7,49.17	1,33.08	78.61	9,60.86
Other Agricultural Programmes	60.90	1.31	....	62.21
C.2- Rural Development				
Special Programmes for Rural Development	1,13.11	....	....	1,13.11
Rural Employment	19,45.07	....	....	19,45.07
Other Rural Development Programmes	23,41.07	8,04.36	....	31,45.43
C.3- Special Areas Programmes				
Hill Areas	48.12	66.76	....	1,14.88
C.4- Irrigation and Flood Control				
Major and Medium Irrigation	17,83.98	61,45.69	....	79,29.67
Minor Irrigation	7,09.77	10,44.84	....	17,54.61
Command Area Development	22.70	....	....	22.70
Flood Control and Drainage	57.30	35.03	12.00	1,04.33

(a) Minus expenditure is due to recoveries being more than expenditure.

STATEMENT No. 4 - STATEMENT OF EXPENDITURE - Contd.
(CONSOLIDATED FUND)

(₹ in crore)

A - EXPENDITURE BY FUNCTION - Concl'd.

Description	Revenue	Capital	Loans and Advances	Total
C- Economic Services - Concl'd.				
C.5- Energy				
Power	54,13.77	19,33.91	4,26.67	77,74.35
Non-Conventional Sources of Energy	57.03	....	....	57.03
C.6- Industry and Minerals				
Village and Small Industries	1,44.18	2.24	1.76	1,48.18
Industries	25,05.37	....	....	25,05.37
Non- Ferrous Mining and metallurgical Industries	(-49.45) (a)	....	....	(-49.45)
C.7- Transport				
Indian Railways - Policy Formulation, Direction, Research and Other Miscellaneous Organisations	80.09	....	....	80.09
Ports and Light Houses	73.28	....	....	73.28
Civil Aviation	2,45.46	....	....	2,45.46
Roads and Bridges	38,06.71	28,57.06	....	66,63.77
Road Transport	7.00	2,62.02	....	2,69.02
Inland Water Transport	3.80	....	....	3.80
Space Research	0.10	....	....	0.10
C.8- Science and Technology				
Other Scientific Research	4.63	....	....	4.63
Ecology and Environment	67.33	....	....	67.33
C.9- General Economic Services				
Secretariat- Economic Services	5,82.35	....	....	5,82.35
Tourism	3,95.20	0.40	....	3,95.60
Census, Surveys and Statistics	(-59.39) (a)	....	....	(-59.39)
General Financial and Trading Institutions	....	87.27	....	87.27
Other General Economic Services	34.33	(-0.25) (a)	3,79.02	4,13.10
Total, Economic Services (C)	2,75,50.83	1,46,72.31	9,29.89	4,31,53.03
D- Loans, Grants-in-Aid and Contributions				
Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	14,80.52	....	....	14,80.52
Aid Materials and Equipments	....	....	....	....
E- Public Debt				
Internal Debt of the State Government	....	....	63,51.09	63,51.09
Loans and Advances from the Central Government	....	....	6,92.93	6,92.93
F- Loans and Advances				
Loans to Government Servants, etc.	....	....	3,18.45	3,18.45
Total Loans, Grants-in-Aid and Contributions	14,80.52	....	73,62.47	88,42.99
Total Expenditure	13,87,35.98	1,73,97.98	84,59.96	16,45,93.92

(a) Minus expenditure is due to recoveries being more than expenditure.

STATEMENT No. 4 - STATEMENT OF EXPENDITURE -Concl'd.
(CONSOLIDATED FUND)

B - EXPENDITURE BY NATURE

(₹ in crore)

Object of Expenditure	2010-2011			2011-2012			2012-2013		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
Grant-in-Aid (Salary) ..	2,59,36.03	0.48	2,59,36.51	2,73,57.74	....	2,73,57.74	3,28,70.18	....	3,28,70.18
Grant-in-Aid (Non Salary) ..	2,07,13.10	3,00.41	2,10,13.51	2,60,55.60	7,02.55	2,67,58.15	2,81,06.41	7,29.28	2,88,35.69
Grant-in-Aid (Capital Outlay)	....	....	....	9.28	....	9.28	61.00	14.74	75.74
Salaries ..	1,50,80.76	2,68.45	1,53,49.21	1,68,42.75	2,82.08	1,71,24.83	1,87,79.60	2,78.15	1,90,57.75
Interest ..	1,60,62.82	....	1,60,62.82	1,79,38.28	....	1,79,38.28	1,96,15.61	....	1,96,15.61
Investments ..	....	1,05,67.76	1,05,67.76	....	88,44.75	88,44.75	....	79,60.91	79,60.91
Subsidies ..	54,66.81	17.73	54,84.54	98,23.60	9.15	98,32.75	92,55.33	13.05	92,68.38
Pensionary Charges ..	98,74.24	....	98,74.24	1,16,82.66	....	1,16,82.66	1,34,28.69	....	1,34,28.69
Major Works ..	8,77.55	44,30.03	53,07.58	8,65.18	60,01.97	68,67.15	5,51.23	60,12.79	65,64.02
Supplies and Materials ..	6,43.54	36,79.70	43,23.24	5,96.21	33,80.58	39,76.79	9,25.74	29,68.84	38,94.58
Repayment of									
Borrowings ..	....	47,73.61	47,73.61	....	64,58.35	64,58.35	....	70,47.75	70,47.75
Minor Works ..	27,95.02	2,04.54	29,99.56	25,65.03	1,33.39	26,98.42	32,82.01	1,06.28	33,88.29
Exchange Variations ..	....	....	....	....	....	....	....	....	....
Other Charges ..	29,08.90	6,32.97	35,41.87	25,64.43	3,29.54	28,93.97	27,44.79	6,45.93	33,90.72
Loans and Advances ..	9,01.00	9,59.08	18,60.08	10,08.00	8,36.32	18,44.32	12,44.00	14,12.21	26,56.21
Scholarships/ Stipend ..	21,14.94	....	21,14.94	23,62.20	....	23,62.20	27,77.06	....	27,77.06
Inter-Account transfer ..	14,82.18	2,97.95	17,80.13	14,19.31	3,72.50	17,91.81	27,07.61	4,36.33	31,43.94
Contributions ..	2,71.86	11,52.94	14,24.80	1,52.15	11,03.83	12,55.98	4,93.20	13,60.79	18,53.99
Office Expenses ..	6,06.04	....	6,06.04	7,97.99	....	7,97.99	7,22.33	....	7,22.33
Machinery and									
Equipment ..	3,12.81	1,26.89	4,39.70	2,53.96	96.16	3,50.12	2,97.13	1,09.40	4,06.53
Wages ..	6,76.42	38.72	7,15.14	14,19.57	51.18	14,70.75	17,05.41	69.91	17,75.32
Diet Charges ..	10,02.26	....	10,02.26	13,22.10	....	13,22.10	16,21.85	....	16,21.85
Purchase of Goods for									
Sale (Milk, etc.) ..	2,48.56	....	2,48.56	2,41.09	....	2,41.09	3,11.27	....	3,11.27
Domestic Travel									
Expenses ..	2,55.02	....	2,55.02	2,72.80	....	2,72.80	3,05.68	....	3,05.68
Telephone, Electricity									
and Water Charges ..	2,62.64	....	2,62.64	2,71.13	1.07	2,72.20	3,33.93	....	3,33.93
Rent, Rates and taxes ..	1,29.88	....	1,29.88	1,31.47	....	1,31.47	1,44.29	....	1,44.29
Professional Services ..	1,12.25	....	1,12.25	1,09.01	....	1,09.01	1,23.22	....	1,23.22
Rewards ..	64.71	....	64.71	65.81	....	65.81	65.46	....	65.46
Petrol, Oil, Lubricants ..	93.76	....	93.76	99.27	....	99.27	1,37.03	....	1,37.03
Motor Vehicles ..	1,66.35	21.21	1,87.56	53.54	0.75	54.29	1,26.09	19.96	1,46.05
Advertising and									
Publicity ..	61.14	....	61.14	59.39	....	59.39	74.33	....	74.33
Computer Expenses ..	50.16	....	50.16	89.37	....	89.37	99.55	....	99.55
Arms and Ammunition ..	66.41	....	66.41	12.40	....	12.40	1,01.61	....	1,01.61
Overtime Allowance ..	99.58	....	99.58	66.09	....	66.09	24.51	....	24.51
Clothing and Tentage ..	33.81	....	33.81	0.74	....	0.74	....	....	....
Secret Service									
Expenditure ..	....	....	....	9.29	....	9.29	11.14	....	11.14
Off Day Compensation ..	15.14	....	15.14	12.81	....	12.81	13.51	....	13.51
Publications ..	13.97	....	13.97	12.51	....	12.51	15.09	....	15.09
Contractual Services ..	30.81	....	30.81	56.79	....	56.79	50.45	....	50.45
Others (a) ..	14.00	28.14	42.14	11.99	13.25	25.24	28.10	23.50	51.60
Gross Total ..	10,94,44.47	2,75,00.61	13,69,45.08	12,66,11.54	2,86,17.42	15,52,28.96	14,31,54.44	2,92,09.82	17,23,64.26
Deduct Recoveries ..	29,85.10	38,04.55	67,89.65	30,57.35	34,43.24	65,00.59	44,18.46	33,51.88	77,70.34
Net Total ..	10,64,59.37	2,36,96.06	13,01,55.43	12,35,54.19	2,51,74.18	14,87,28.37	13,87,35.98	2,58,57.94	16,45,93.92

(a) The object heads where expenditure is less than ₹ 10 crore are clubbed together and shown under the head 'Others'.



NOTES TO ACCOUNTS

1. Summary of significant accounting policies:

(i) Entity and Accounting period: These accounts present the transactions of the Government of Maharashtra for the period 1 April 2012 to 31 March 2013. The accounts of receipts and expenditure of the Government of Maharashtra have been compiled based on the initial accounts rendered by the District Treasuries, Public Works, Forest Divisions and advices of the Reserve of Bank of India. Delays in monthly rendition were negligible, and no accounts have been excluded at the end of the year.

(ii) Basis of Accounting: With the exception of some book adjustments (Annexure A), the accounts represent the actual cash receipts and disbursements during the accounting period. Such significant book adjustments include dues on Passenger Tax amounting to ₹ 262.02 crore payable by Maharashtra State Road Transport Corporation to Government which has been set off against Government investment in the equity of the Corporation; similarly, guarantee fees of ₹ 29.23 crore receivable from the Maharashtra Jeevan Pradhikaran (MJP) and Maharashtra Irrigation Finance Ltd., were set off against equity investment in the two entities.

Physical Assets and Financial Assets such as investments, etc., are valued and shown at historical cost. Depreciation or amortization of physical assets is not recognised. The losses of physical assets at the end of their life are also not expensed or recognised.

The pension liability of the Government towards payment of retirement benefits for the past and present service of its employees is not included in the accounts. The retirement benefits disbursed during the accounting period are reflected in the accounts in Statement 12.

(iii) Currency in which Accounts are kept: The accounts of the Government of Maharashtra are maintained in Indian Rupees.

(iv) Form of Accounts: As per Article 150 of the Constitution, the accounts of the State are kept in the form as prescribed by the President, on the advice of the Comptroller and Auditor General. The word "form" used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.

(v) Classification between Revenue and Capital: Revenue expenditure is recurring in nature and is intended to be met from revenue receipts. Capital Expenditure is defined as expenditure incurred with the objective of increasing concrete assets of a material and permanent character or reducing permanent liabilities. In terms of the Indian Government Accounting Standards (IGAS) 2, notified by the Government of India, expenditure on Grants-in-Aid for the purpose of creating assets shall not, except when specifically authorized by the President on the advice of the Comptroller and Auditor General of India, be debited to a Capital head of account.

(vi) Classification and accounting of recoveries of overpayments and refunds:

Recoveries of overpayments pertaining to previous years are taken as reduction of expenditure and distinctly shown under the minor head '911 – Deduct - Recoveries of overpayments' below the relevant major/ sub-major head so that the current year's expenditure is correctly exhibited. Similarly, refunds of revenue relating to previous years are taken as reduction in revenue and booked under the minor head '900 – Deduct - refunds' for Non-tax revenue and below the relevant sub-head in respect of tax revenue.

(vii) Direct transfer of funds by the Government of India:

The Government of India transfers significant quantum of funds directly to State agencies for implementation of various programmes. These transactions are not routed through the State Government Budget and Accounts, and consequently, are not reflected in the Finance Accounts of the State. Though there is no assurance that complete details of such transfers are available, details of such fund transfer as captured from the Central Plan Schemes Monitoring System (CPSMS) portal of the Controller General of Accounts are given in Appendix-VII.

2. Status on inclusion of Statements/ information recommended by the Twelfth Finance Commission:

The Twelfth Finance Commission in their Report submitted in November 2004 had recommended the inclusion of eight additional statements/ information in State Government accounts for greater transparency and to enable informed decision making, pending transition from cash to accrual basis of accounting. Of these, one Statement on Committed Liabilities could not be included in the Finance Accounts due to incomplete information received from the State Government.

3. Quality of accounts:

(i) Incorrect booking of Revenue Expenditure under Capital:

During 2012-13, Government of Maharashtra, incorrectly budgeted and booked ₹ 744.02 crore towards Grant-in-Aid, and ₹ 13.05 crore towards subsidies, under the Capital section instead of the Revenue section, resulting in understatement of Revenue expenditure and over statement of Revenue Surplus by ₹757.07 crore. Details are at Annexure B.

(ii) Bookings under Minor Head 800 – 'Other Receipts' and 'Other Expenditure':

Minor Heads 800-Other Expenditure/ Other Receipts are intended to be operated only when the appropriate Minor Head has not been provided in the accounts. Routine operation of Minor Heads 800 is to be discouraged, since it renders the accounts opaque. Details of significant transactions (involving more than ₹ 50 crore and constituting more than 50 per cent of the relevant Major Head) of receipts (4 items involving ₹ 445.31 crore) and expenditure (23 items involving ₹ 10,902.51 crore) at sub-head level, are given in Annexure C.

(iii) Adverse Balances appearing in the Finance Accounts:

As on 31 March 2013, there are two adverse balances, one of ₹ 0.40 crore pertaining to Loans from General Insurance Corporation of India and the other of ₹ 5.05 crore pertaining to Loans from the Indian Dairy Development Corporation. The adverse balance has arisen due to the fact that while the classification provides for distinct subheads for the lending entities on the Expenditure side (towards repayment of the Loan), there is no corresponding Receipt subhead in the first instance to account for receipt of the Loan raised.

(iv) Unadjusted Abstract Contingent (AC) bills

In terms of the Maharashtra Treasury Rules, 1968, Drawing and Disbursing Officers are authorized to draw sums of money by preparing Abstract Contingent (AC) bills by debiting Service Heads. They are required to submit Detailed Contingent (DC) bills containing vouchers in support of final expenditure in all these cases within 30 days to the Principal Accountant General (A&E). As on 31 March 2013, DC bills for 11953 AC bills amounting to ₹ 1,000.23 crore were not received. Prolonged non-submission of supporting DC bills render the expenditure under AC bills opaque. Further, to the extent of non-receipt of DC bills, the expenditure shown in the Finance Accounts cannot be vouched as correct or final. Details are given below.

(₹ in crore)

Year	AC Bills Drawn		DC Bills Received		Unadjusted AC Bills	
	Number	Amount	Number	Amount	Number	Amount
Upto 2010-11	100253	3392.16	90161	2861.98	10092	530.18
2011-12	3500	256.42	2953	163.76	547	92.66
2012-13	2930	419.36	1616	41.97	1314	377.39
Total	106683	4067.94	94730	3067.71	11953	1000.23

Out of ₹ 419 crore drawn against AC bills in 2012-13, AC bills amounting to ₹ 133 crore were drawn in March 2013 alone, out of which ₹ 69 crore was drawn on the last day of the financial year. Significant expenditure against AC bills in March indicates that the drawal was primarily to exhaust the budget and reveals inadequate budgetary control.

(v) Transfer of funds to Personal Deposit (PD) Accounts:

The State Government is authorised to open Personal Deposit (PD) accounts to deposit funds required for specific purposes by transfer of funds from the Consolidated Fund. Transfer of funds to PD Accounts is booked as expenditure from the Consolidated Fund under the concerned service Major Heads without any actual cash flow. PD accounts are normally required to be

closed on the last working day of the year and the unspent balances transferred back to the Consolidated Fund. The status of PD Accounts during 2012-2013 is as under:

(₹ in crore)

Opening Balance		PD accounts opened during the year		PD accounts closed during the year		Closing Balance	
No of A/cs	Amount	No of A/cs	Amount	No of A/cs	Amount	No of A/cs	Amount involved
6650	6533.47	59	1.05	467	5.12	6242	6529.40

In 2012-13, ₹ 1,47,35.01 crore was transferred to PD accounts including receipts from other sources, of which ₹ 21,45.90 crore (15 per cent) was transferred in March 2013 alone. However, barring Pune Treasury, which reported a transfer of ₹ 199.51 crore from Consolidated Fund to the PD accounts in March 2013, all the remaining treasuries in the State reported that they did not transfer any sum from the Consolidated Fund to the PD account in March 2013. The assertions of the treasuries are not acceptable, as can be seen from Annexure D.

Large scale transfers in March also indicate that the transactions were primarily to exhaust the budget and reveals inadequate budgetary control. Further, such transfers in March are contrary to the codal provision which requires unspent balances lying in the PD accounts at the end of March to be remitted back to Government account.

The rules also require all departmental officers to reconcile the status of PD accounts with the treasury. Out of the 6242 PD accounts as on 31 March 2013, only 1873 PD Accounts (30 per cent) were reconciled by the Departmental Officers with the Treasury.

(vi) Reconciliation of Receipts and Expenditure:

All Controlling Officers (COs) are required to reconcile the Receipts and Expenditure of the Government with the figures of the Principal Accountant General (A&E) I, Mumbai, the Accountant General (A&E) II, Nagpur, and the Pay and Accounts Office, Mumbai. Such reconciliation has been completed for an expenditure of ₹ 1,05,485.94 crore (72.12 per cent) against the total expenditure of ₹ 1,46,266.40 crore and for receipts of ₹ 3,156.39 crore (2.92 per cent of the total receipts of ₹ 1,08,147.53 crore). Incomplete reconciliation affects the correctness and completeness of accounts.

(vii) Difference in the cash balance:

There is a net difference of ₹ 13.24 crore (credit) between the Cash Balance as determined by the Principal Accountant General and the figures reported by the Reserve Bank of India as on 31 March 2013. Following subsequent reconciliation, the difference is reduced to ₹ 0.30 crore (debit).

(viii) Utilisation Certificates in respect of Grants-in-aid given by the Government:

The Bombay Financial Rules, 1959 (applicable in the State of Maharashtra) stipulate that for the grants provided for specific purposes, Utilization Certificates (UCs) should be obtained by the departmental officers from the grantee institutions and after verification, these should be forwarded to the Principal Accountants General (A&E) within 12 months from the dates of their sanction. The position of outstanding UCs as on 31 March 2013 was as under:

Year	Number of UCs awaited	Amount involved (₹ in crore)
Upto 2010-11	105730	45007.80
2011-12	14284	11737.16
2012-13	29792	26155.77
Total	149806	82900.73

The purpose for which grants-in-aid were utilised can be confirmed only on receipt of UCs which would safeguard against diversion of funds for other purposes. Further, to the extent of non-receipts of UCs, the expenditure shown in accounts cannot be treated as final; nor can it be confirmed that the amount has been expended for the purpose sanctioned.

4. Other items:**(i) Liabilities on Retirement Benefits:**

The expenditure on pension and other retirement benefits during the year to State Government employees recruited on or before 31 October 2005 was ₹11,472.09 crore (8.27 per cent of total revenue expenditure). State Government employees recruited on or after 1 November 2005 are covered under the New Pension Scheme, 2005, which is a defined contribution scheme. In terms of the Scheme, the employee contributes 10 per cent of his basic pay and dearness allowance, which is matched by the State Government, and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank. Employees have the option of increasing their contribution (Tier II contribution) which will not be matched by Government.

During the year, the Government of Maharashtra deposited ₹ 1,073.11 crore towards employees' contribution of ₹ 661.48 crore (₹ 393.93 crore - Tier I and ₹ 267.55 crore - Tier II) and employers' contribution of ₹ 411.63 (State ₹ 391.27 Crore and others ₹ 20.36 crore) into the Fund. The State Government has not transferred any amount to the NSDL from the inception of the Scheme. The total amount available in the fund as on 31 March 2013 was ₹ 2,755.55 crore. Retention of these funds assisted the State Government in meeting its fiscal targets. Untransferred amounts, with accrued interest, represent outstanding liabilities under the Scheme.

(ii) Guarantees given by the Government:

The statement of Guarantees (Statement 9) included in the Finance Accounts in terms of the Indian Government Accounting Standards (IGAS) 1, is incomplete for want of information from the State Government which is the authority for issuing such guarantees. No limits have been fixed by the Legislature by Law under Article 293 of the Constitution on the guarantees given by the State Government. The Maharashtra Fiscal Responsibility and Budgetary Management (FRBM) Act, 2005, also does not contain any provisions for laying down the limits of giving of guarantees by the State.

The State Government has informed that, as on 31 March 2013, the total outstanding amounts guaranteed was ₹ 9,245.72 crore (Principal: ₹ 6,743.34 crore + Interest: 2,502.38 crore), and that ₹ 92.63 crore was receivable towards guarantee fee in 2012-13. The entire default in payment of guarantee fee is attributable to the Maharashtra Krishna Valley Development Corporation. No guarantee was invoked during the year.

(iii) Loans and Investments:

The detailed accounts of Loans and Investments are maintained by the State Government departments, who are required to confirm the loan balances to the Accountants General and also furnish complete information regarding recoveries in arrears. This has not been done. Consequently, the information contained in Statements 7 and 16 of the Finance Accounts in accordance with the Indian Government Accounting Standards (IGAS) 3 is incomplete.

(iv) Borrowings outside the government account:

As per the Medium Term Fiscal Policy Statement of the State Government for 2008-09, borrowings outside the budget ('off-budget' borrowings) have been discontinued since 2005-06. But some portion of such borrowings made prior to that year, which were not reflected in the Finance Accounts, has not yet been fully discharged. Consequently, the information on borrowings and other liabilities contained in Statements 6 and 15 is also not complete.

(v) Reserve Funds:**a. Guarantee Redemption Fund:**

In the Medium Term Fiscal Policy Statement for the year 2009-10 laid before Maharashtra State Legislature, it was stated that the State was in the process of setting up Guarantee Redemption Fund to meet the contingent liabilities arising from the guarantees given by the Government. However, the State Government had not yet created this fund. As on 31 March 2013, there is an amount of ₹ 152.34 crore reflected as loans to cooperative sugar mills on the invoking of guarantees given by the State Government. The total guarantees outstanding as on 31 March 2013 amounted to ₹ 9,245.72 crore (principal ₹ 6,743.34 crore and interest ₹ 2,502.38 crore).

b. Consolidated Sinking Fund (CSF):

The Twelfth Finance Commission had recommended that State Governments create Consolidated Sinking Funds to be administered by the Reserve Bank of India (RBI) for the amortization of all loans. In terms of the guidelines of the Reserve Bank of India, States are required to contribute to the Consolidated Sinking Fund a minimum of 0.5 per cent of their outstanding liabilities (Internal Debt + Public Account liabilities) as at the end of the previous year

As on March 2012 the outstanding liabilities of the Government of Maharashtra was ₹ 2,45,337.86 crore . Against the minimum requirement of Funds of ₹ 1,226.69 crore, to be contributed to the fund, the State Government transferred ₹ 1,244 crore to the Fund from Revenue Account during 2012-2013. The balance in the Consolidated Sinking Fund as on 31 March 2013 was (₹12,331.26 crore).

c. State Disaster Response Fund:

The State Government replaced the Calamity Relief Fund, with the “State Disaster Response Fund” (SDRF) as recommended by the Thirteenth Finance Commission. In terms of the guidelines, the Central and State Government are required to contribute to the Fund in the ratio of 75:25. Further, if the State does not have adequate balance under SDRF, the Government of India provides additional assistance from the National Disaster Response Fund (NDRF). During the year, the State Government transferred ₹ 2,303.86 crore to the SDRF (Central share: ₹ 357.33 crore and State share: ₹ 122.01 crore). ₹ 1,824.52 crore was received as NDRF contribution from the Government of India. The entire amount has been expended on natural calamities, leaving ‘nil’ balance in the Fund.

d. Status of Reserve Funds:

Of the 18 Reserve Funds (Statement 19), only 9 are active. The total accumulated balance as at the end of 31 March 2013 in all these funds was ₹ 22,868.45 crore (₹ 22,839.44 crore in active funds and ₹ 29.01 crore in inactive funds). Out of this balance ₹ 12,356.56 crore (54 per cent) was invested.

(vi) Expenditure on Central Schemes:

The State Government is entrusted with the execution of the Central Plan and Centrally Sponsored Schemes in the State, for which grants are released by the Government of India. The State Government provides for the Central and State share in its Budget. During the year, Government of India released ₹ 9,637.54 crore towards Centrally Sponsored Schemes, Central Plan schemes and Additional Central Assistance. The State Government’s Budget of 2012-13 provided for expenditure of ₹ 8,838.24 crore (Central share: ₹ 6,615.22 crore and State share:

₹ 2,223.02 crore). Against this, the State Government spent ₹ 8,525.77 crore, a shortfall of ₹ 312.47 crore between the Budget and expenditure under these schemes. Against the Central receipt of ₹ 9,637.54 crore, the expenditure of ₹ 8,525.77 crore including State share indicates a shortfall of ₹ 1,111.77 crore resulting in overstatement of Revenue Surplus to that extent. The details of releases of Central Share and State Share in respect of Major Schemes are given in Annexure to Statement 12.

(vii) Unutilised funds with implementing agencies:

The State Government provides funds to State/ District level autonomous bodies and authorities, societies, non-governmental organizations, etc., for implementation of various schemes including centrally sponsored schemes. The funds which could not be fully utilised by the implementing agencies in the same financial year remain as unspent in the bank accounts of these implementing agencies. The aggregate amount of the unspent balances, thus kept, in the accounts of the implementing agencies kept outside Government accounts (in bank accounts) is not readily ascertainable. The Government expenditure as reflected in the Accounts to that extent is, therefore, not final.

(viii) Outstanding balances under the head Cheques and Bills :

As on 31 March 2013, there was an outstanding balance of ₹ 10,233.32 crore on cheques that had been issued by the State Government during 2012-13, but not encashed.

During 2012-13 the total value of cheques lapsed amounted to ₹ 13.04 crore (₹ 7.80 crore on salaries, ₹ 4.5 crore on pension payments, ₹ 0.31 crore on refunds of revenue, ₹ 0.28 crore on Provident Fund disbursements and ₹ 0.15 crore on Insurance and Pension Funds).

(ix) Open Market Borrowings:

As on 31 March 2012, the Cash Balance Investment Account of the State Government was ₹ 25,884.62 crore. During the year, the State Government raised open market loans to the tune of ₹ 17,499.85 crore at interest rates ranging from 8.54 per cent to 8.91 per cent. The closing Cash Balance Investment Account as on 31 March 2013 was ₹ 36,621.16 crore.

(x) Interest paid and earned by the Government:

As on 31 March 2013, the Cash Balance Investment Account of the State Government included ₹ 19,159.48 crore against Small Savings, Provident Funds, etc., on which, the State Government paid interest amounting to ₹ 3,072.47 crore to subscribers, depositors, etc. During this period however, the State Government earned interest of only ₹ 1,716.38 crore on the Cash Balance Investment Account of ₹ 36,621.16 crore.

(xi) Balances under Suspense Heads:

The Finance Accounts reflect only the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads.

The position of gross figures under major suspense heads for the last three years is given below:

(₹ in crore)

Name of the Minor Head	2010-11		2011-12		2012-13	
	Dr	Cr	Dr	Cr	Dr	Cr
101-Pay and Accounts Office Suspense	62.39	4.40	24.88	2.72	31.20	(-) 40.80
Net	(Dr.) 57.99		(Dr.) 22.16		(Dr.) 72	
102-Suspense Accounts (Civil)	18.15	5.00	16.46	5.11	10.19	4.08
Net	(Dr.) 13.15		(Dr.) 11.35		(Dr.) 6.11	
107-Cash Settlement Suspense Account	18.30	....	18.30	....	18.30	....
Net	(Dr.) 18.30		(Dr.) 18.30		(Dr.) 18.30	
109-Reserve Bank suspense □ Headquarters	-5.31	-0.54	-1.44	-0.26	(-)3.71	(-)0.10
Net	(Cr.) 4.77		(Cr.) 1.18		(Cr.) 3.61	
110-Reserve Bank Suspense-Central Accounts Office	12.13	3.65	-28.41	6.34	-11579.40	-11588.61
Net	(Dr.) 8.48		(Cr.) 34.75		(Dr.) 9.21	
111-Departmental Adjusting Accounts Suspense	5.16	7.68	-4.43	-1.58	-1.75	0.83
Net	(Cr.) 2.52		(Cr.) 2.85		(Cr.) 2.58	
112-Tax Deducted at source (TDS) Suspense	0.09	95.60	0.09	77.97	0.09	134.67
Net	(Cr.) 95.51		(Cr.) 77.88		(Cr.) 134.58	

(xii) Disclosures as per Fiscal Responsibility and Budgetary Management Act/Rules:

The Medium Term Fiscal Policy Statement and the Fiscal Policy Strategy Statement laid before the legislature along with Budget documents for 2012-13 contained all the disclosures required under the FRBM Act.

(a) The State Government is required to maintain a revenue surplus from 2008-09 onwards. The account of the State Government showed revenue surplus in the year 2008-09, deficit in 2009-10, 2010-11 and 2011-12 and again Revenue Surplus in 2012-13.

(b) Against the target of Fiscal Deficit not exceeding three per cent of GSDP, the State incurred a Fiscal Deficit (₹ 13,740 crore) for the year 2012-13 which was one *per cent* of the GSDP of ₹ 13,72,644 crore (advance estimates by the Directorate of Economics and Statistics of the Government of Maharashtra).

(xiii) Impact of incorrect booking on revenue surplus:

Impact on revenue surplus of the State Government consequent to the budgeting and booking

under incorrect expenditure and revenue heads (details given in preceding paragraphs) is given below:

Paragraph no.	Item	Impact on revenue surplus	
		Overstatement	Understatement
3 (i)	Incorrect booking of Revenue Expenditure under Capital	₹ 757.07 crore	-
4 (vi)	Shortfall in expenditure on Central Schemes	₹ 1111.77 crore	-

Sr. No.	Item of expenditure	Heads of Accounts		Amount (₹ in crore)	Remarks
		From	To		
4.	Unclaimed deposits	8443-Civil Deposits- (Debit)	0075- Miscellaneous General Services-101- Unclaimed Deposits (Credit)	3.10	Unclaimed deposits lying in deposit accounts for more than 3 years
5.	Library Fund - Contribution	2205 – Art and Culture 797 – Transfers to Reserve Funds- Contribution to Library Fund (Debit)	8229 – Development and Welfare Funds – 101 –Development Funds for Educational Purposes – Library Fund (Credit)	78.38	Contribution to Library Fund
	Library Fund- Expenditure	8229 – Development and Welfare Funds – 101 –Development Funds for Educational Purposes – Library Fund (Debit)	2205 – Art and Culture – 902 – Transfers to Reserve Funds – Expenditure met from Library Fund (Deduct - Debit)	78.38	Transfer of expenditure to Library Fund
6.	State Disaster Response Fund- Contribution	2245 – Relief on account of Natural Calamities – 101 – Transfer to Reserve Fund and Deposit Account- State Disaster Response Fund (Debit)	8121 – General and Other Reserve Funds- 122 – State Disaster Response Fund (Credit)	2303.86	Contribution to State Disaster Response Fund
	State Disaster Response Fund -Expenditure	8121 – General and Other Reserve Funds- 122 – State Disaster Response Fund (Debit)	2245 – Relief on account of Natural Calamities – 901 – Deduct - Amount met from State Disaster Response Fund (Deduct -Debit)	2303.86	Transfer of expenditure to State Disaster Response Fund

Sr. No.	Item of expenditure	Heads of Accounts		Amount (₹ in crore)	Remarks
		From	To		
7.	Employment Guarantee Fund – Contribution	2505 - Rural Employment- 797- Transfer to Reserve Fund and Deposit Account – Employment Guarantee Fund(Debit)	8229 - Development and Welfare Funds – 119 - Employment Guarantee Fund (Credit)	357.00	Contribution to Employment Guarantee Fund
	Employment Guarantee Fund- Expenditure	8229 - Development and Welfare Funds – 119 - Employment Guarantee Fund (Debit)	2505 - Rural Employment- 60- Other Programmes– 901 – Deduct -Amount met from -Employment Guarantee Fund (Deduct- Debit)	117.40	Transfer of expenditure to Employment Guarantee Fund
8.	Mining Development Fund – Contribution	2853 - Non-ferrous Mining and Metallurgical Industries –02- Regulation and Development of Mines- 797- Transfer to Reserve Fund and Deposit Account – Mining Development Fund (Debit)	8229 - Development and Welfare Funds – 200 Other Development and Welfare Funds – Mining Development Fund (Credit)	105.66	Contribution to Mining Development Fund
	Mining Development Fund- Expenditure	8229 - Development and Welfare Funds – 200 Other Development and Welfare Funds – Mining Development Fund (Debit)	2853 - Non-ferrous Mining and Metallurgical Industries 02- Regulation and Development of Mines-902-Deduct- Amount met from Mining Development Fund (Deduct -Debit)	171.40	Transfer of expenditure to Mining Development Fund

Sr. No.	Item of expenditure	Heads of Accounts		Amount (₹ in crore)	Remarks
		From	To		
9.	Consumer Protection Fund – Contribution	2408-Food, Storage and Warehousing- 01 – Food- 101-Procurement and Supply- (Debit)	8229 - Development and Welfare Funds – 200 Other Development and Welfare Funds – Consumer Protection Fund (Credit)	0.10	Contribution to Consumer Protection Fund
	Consumer Protection Expenditure	8229 - Development and Welfare Funds – 200 Other Development and Welfare Funds – Consumer Protection Fund (Debit)	2408-Food, Storage and Warehousing- 01 – Food- 101-Procurement and Supply- (Deduct- Debit)	0.04	Transfer of expenditure to Consumer Protection Fund
10.	Sinking Fund	2048 – Appropriation for reduction or avoidance of debt– 101 – Sinking Funds (Debit)	8222 – Sinking Funds – 01 – Appropriation for Reduction or Avoidance of Debt – 101- Sinking Fund Account (Credit)	1244.00	Contribution to Sinking Fund
11.	Maharashtra Government General Insurance Fund	8121-General and Other Reserve Funds- 109-General Insurance Fund (Debit)	2235-Social Security and Welfare 60-Other Social Security and Welfare Programme 797-Transfer to Reserve Fund –General Insurance Fund (Deduct-Debit)	37.58	Transfer of expenditure on the management of General Insurance Fund to the Fund Account
12	Maharashtra Government General Insurance Fund	2049-Interest Payments- 03- Interest on Small Savings 108-Interest on Insurance and Pension Funds (Debit)	8121-General and Other Reserve Funds-109-General Insurance Fund (Credit)	22.45	Interest credited to General Insurance Fund on account of un-invested cash balance of the Fund.

Sr. No.	Item of expenditure	Heads of Accounts		Amount (₹ in crore)	Remarks
		From	To		
13.	Major and Medium Irrigation Project- Interest Charges on capital Heads	2701-Major and Medium Irrigation 80-General 800-Other Expenditure (Debit)	0049-Interest Receipts 04-Interest Receipts of State/Union Territory Government 103-Interest from Departmental Commercial Undertakings (Credit)	539.97	Interest cost charged on revenue expenditure on account of capital investment made on the irrigation projects.
(ii) Other Book adjustments					
1	Lottery	2075-Miscellaneous General Services- 103-State Lotteries (Debit)	0075-Miscellaneous General Services 800-Other Receipts (Credit)	21.80	The Lottery transactions are done through Personal Ledger Accounts. This adjustment is carried out to incorporate the PLA transactions in the State Consolidated Fund.
2	Adjustment of Discount given on sale of Non-Judicial stamps	2.	0030-Stamps and Registration Fees- 02-Stamps-Non-Judicial 102-Sale of Stamps (Credit)	14.25	On sale of stamps, the selling agencies viz. Banks, Post offices, etc., are crediting the sale amount (net) in the government treasury after deducting their discount amount. This adjustment is necessary to account for the discount given to the selling agencies.

Sr. No.	Item of expenditure	Heads of Accounts		Amount (₹ in crore)	Remarks
		From	To		
3	2801 Power	2801-Power, 80-General, 004-Research & development Establishment Charges (01)(04) SE Central Designs Organisation Nasik	4801-CO on Power Projects expenditure transfer to MH 2801 - 001- Establishment recoveries (02)(04) SE Central Designs Organisation, Nagpur	1.80	Transferring 50 <i>per cent</i> of expenditure from MH 4801 to MH 2801.
4	2801 Power	Demand No.I-03 MH 2801Power 80-General 004-Research (01)(03)SE (Edm) Hydro Circle , Kalwa, Thane	Demand No.I-05 4801-CO on Power Project Part III Recovery 001-Establishment (02)(03)SE Ghatghar(Edm)Cir-cle Kalwa,Thane	1.27	Transferring 50 <i>per cent</i> of expenditure from MH 4801 to MH 2801.
5	2801 Power	Demand No.I-03 MH 2801Power 80-General 004-Research (01) Chief Eng. (Elect) Hydro Project Mumbai	Demand No.I-05 4801-CO on Power Project Part III Recovery 001-Establishment (02)(01)Chief Eng. (Ele)Hydro Project, Mumbai	0.98	Transferring 50 <i>per cent</i> of expenditure from MH 4801 to MH 2801.

(iii) Adjustment of taxes/duties by book adjustment				
Sr. No	Head of Account		Amount (₹ in crore)	Remarks
	From	To		
1.	2801-Power-05-Transmission and Distribution-800-Other expenditure (Debit)	0043-Taxes and Duties on Electricity-101-Taxes on Consumption and Sale of Electricity (Credit)	3591.55	Electricity Duty payable by the Maharashtra State Electricity Distribution Company Ltd. against the subsidy given to the Company for the reimbursement of concessions allowed to Agricultural Consumers in electricity bills.
2	2041-Taxes on Vehicles 001 – Direction and Administration (Debit)	0042 – Taxes on Goods and Passengers 106- Tax on entry of goods into local areas (Credit)	371.65	Passenger tax payable by MSRTC to Government against the amount of reimbursement of the concessions in fares given to various components of society like senior citizens, School children, etc.
3	2202-General Education-02-Secondary Education-191-Assistance to Local Bodies for Secondary Education (Debit)	0045-Other Taxes and Duties on Commodities and Services (Credit)	80.06	Taxes on land and Buildings recoverable from Educational Institutions situated in the Mumbai Mahanagar Palika against the Grants-in-aid payable to them.
4	2041-Taxes on Vehicles-001-Direction and Administration (Debit)	0050-Dividends and Profits 101-Dividends from Public Undertakings (Credit)	22.52	MSRTC was to pay 17.5 <i>per cent</i> of passenger revenue as Passenger Tax to Government. Government asked MSRTC to pay 12 <i>per cent</i> of the Tax in cash and remaining 5.5 <i>per cent</i> was adjusted as Government Contribution to Share Capital of MSRTC. The dividend payable by MSRTC was adjusted against this Share Capital contribution by Government. (It is further classified under M.H. 2041 instead of M.H. 5055.

(iv) Adjustment of dues to Government by debiting Capital head				
Sr. No	Head of Account		Amount (₹ in crore)	Remarks
	From	To		
1.	5055-Capital Outlay on Road Transport- 190-Investments in Public Sector and other undertakings- Maharashtra State Road Transport Corporation (Debit)	0042-Taxes on Goods and Passengers-106- Tax on entry of goods into local areas (Credit)	262.02	Dues on account of passenger tax @5.5% payable by MSRTC to Government were adjusted as investment made by the Government in share capital contribution to MSRTC
2	4215-Capital Outlay on Water Supply and Sanitation 01-Water Supply 101-Urban Water Supply (Debit)	0075- Miscellaneous General Services – 108-Guarantee Fees (Credit)	13.99	Guarantee Fee on account of Guarantee given by the Government for issue of bonds and interest thereon due from Maharashtra Jeevan Pradhikaran (MJP) adjusted as investment made by the Government in share capital contribution to MJP
3	5465-Investments in General Financial and Trading Institutions - 01-Investments in General Financial Institutions- 190-Investment in Public Sector and Other Undertakings, Banks etc.- (Debit)	0075-Miscellaneous General Services- 108-Guarantee fees (Credit)	15.24	Guarantee Fee on account of guarantee given by the Government for issue of bonds and interest thereon due from Maharashtra Irrigation Finance Company Limited (MIFC) was adjusted as investment made by the Government in share capital contribution to MIFC.

Annexure B
(Referred to in Note 3(i))
Details of ‘Subsidies’ and ‘Grants-in-aid’ classified/booked under Capital Expenditure

Sr. No.	Classification	Subsidy	GIA
Major Head		(₹ in crore)	
1	4202-Capital Outlay on Education, Sports, Art and Culture	----	10.18
2	4217-Capital Outlay on Urban Development	----	170.57
3	4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	----	168.45
4	4235- Capital Outlay on Social Security and Welfare	----	0.45
5	4236- Capital Outlay on Nutrition	----	30.85
6	4402-Capital Outlay on Soil and Water Conservation	----	66.26
7	4403-Capital Outlay on Animal Husbandry	----	7.74
8	4405-Capital Outlay on Fisheries	13.05	0.50
9	4425-Capital Outlay on Co-operation	----	85.41
10	4515-Capital Outlay on Other Rural Development Programme	----	164.16
11	4551-Capital Outlay on Hill Areas	----	33.91
12	4711-Capital Outlay on Flood Control Project	----	5.06
13	4851-Capital Outlay on Village and Small Industries	----	0.48
Total		13.05	744.02

Annexure C

(Referred to in Note 3(ii))

(i) Details of Sub head (Schemes) booked under 800-Other Receipts

Major Head	Sub Major Head	Minor Head	Sub head description	Amount (₹ in crore)
0235	01	800	800(020)(01)(11)-Receipts transferred from Government Insurance Fund as surplus balance	151.34
0045	00	800	800(01)(11)-Education Cess	110.45
1475	00	800	800(00)(03)-Compensation for the other land	96.63
0202	01	800	800(01)(02)-Recoveries of overpayment	86.89
			Total	445.31

(ii) Details of Sub head (Schemes) booked under 800-Other Expenditure

Major Head	Sub Major Head	Minor Head	Sub head description	Amount (₹ in crore)
2801	05	800	800(00)(01)-Subsidy to the Distribution/Transmission Licencee for reduction in Agriculture and Powerloom Tariff	4929.09
2401	00	800	800(00)(09)-Financial Assistance under Rashtriya Krishi Vikas Yojana (Schemes in Five Year Plan) (100 Percent Centrally Sponsored Scheme)	1058.59
4801	02	800	800(01)(07)-Capital Investment in Koradi TSP Extension	684.00
5054	04	800	800(ii)(1)-Ordinary Major Works	563.89
2701	80	800	800(iii)-(i) Interest	539.97
5054	04	800	800(8)-Work Executed Through Loan Assistance From NABARD Major Works	400.07
2216	03	800	800(01)(03)-Rajiv Gandhi Rural Housing Scheme No.1	345.24
2216	03	800	800(00)(01)-Gharkul Yojana for Scheduled Castes and Nav Boudh People.(Rural)(S.C.P.)	320.00
4801	05	800	800(00)(02)-Gaathan Feeder Separation Scheme and Infrastructure Development	285.09
2701	80	800	800(11)(01)-World Bank Assisted Maharashtra Water Sector Improvement Project	227.39

Major Head	Sub Major Head	Minor Head	Sub head description	Amount (₹ in crore)
2801	80	800	800(00)(04)-Grants-in-aid to MSEB Holding Company Limited	223.29
4801	02	800	800(00)(05)-Capital Investment in Bhusaval TPS Expansion	186.02
4801	02	800	800(00)(08)-Capital Investment in Chandrapur Thermal Extension Project	185.73
2801	05	800	800(00)(06)-Grants-in-aid to Maharashtra State Power Distribution Company Limited for Removal of Regional Imbalance of Agriculture Pumpsets/Rural Electrification	150.08
2401	00	800	800(00)(03)-Grants to Zilla Parishads under section 123 of the Maharashtra .Z.P.& Panchayat Samities Act 1961 (Local Sector) (Adjusted with W & M) (State Share)SPS Spl Component .Plan Assitt to farm families under Scheduled Caste Sub Plan to bring them above poverty line	144.04
4070	00	800	800(00)(05)-Grants-in-aid to Maharashtra State Police Housing and Welfare Corporation	104.31
4070	00	800	800(00)(11)-Office Building for police department Grant in aid to Maharashtra State Housing and welfare corporation	101.10
2075	00	800	800(00)(06)-Late Yashwantrao Chavan Centenary Celebration	99.65
3001	00	800	800(00)(02)-Participation of State Government in Railway Project	80.00
5054	04	800	800(ii) (2)-Ordinary Establishment Charges	78.38
2216	80	800	800(00)(02)-Payment to Maharashtra Housing and Area Development Authority as Government contribution to Bombay Building Repairs and Reconstruction Fund	69.82
4551	60	800	800(00)(01)-Special Development Programme for Hilly Areas	66.76
4236	80	800	800(00)(01)-Construction of Anganwadi Centres as per recommendation of the 13th Finance Commission	60.00
			Total	10902.51

Annexure D
(Referred to in Note 3(v))

Treasury wise receipts booked under M.H. 8443-106-Personal Deposits (March 2013)

Treasury	Amount (₹ in crore)
Ahmednagar	2.25
Dhule	0.83
Jalgaon	126.71
Kolhapur	8.68
Nandurbar	0.16
Nasik	10.40
Pune	398.70
Raigad/Alibag	17.20
Ratnagiri	212.20
Sangli	1.90
Satara	45.68
Sindhudurg	1.83
Solapur	5.81
Thane	234.42
Akola	3.60
Amravati	3.64
Aurangabad	215.00
Beed	9.83
Bhandara	4.72
Buldhana	2.95
Chandrapur	1.41
Gadchiroli	0.65
Gondia	0.70
Hingoli	0.24
Jalna	1.91
Latur	25.91
Nagpur	27.86
Nanded	2.41
Osmanabad	61.05
Parbhani	3.30
Wardha	1.04
Washim	2.26
Yavatmal	8.22
Combined Transfer Ledger T.E's	0.01
Pay and Accounts Office	702.42
Total	2145.90

APPENDIX - I

CASH BALANCES AND INVESTMENTS OF CASH BALANCES

		As on 1 April 2013	As on 31 March 2012
		(₹ in lakh)	
(a) General Cash balance-			
Cash in Treasuries	.. .. .	14.19	14.22
Deposits with Reserve Bank	.. .. .	(-) 1,94,42.26	(-) 3,68,47.23
Remittances in transit	.. .. .	55,10.11	33,55.10
Total	.. .. .	(-) 1,39,17.96	(-) 3,34,77.91
Investment held in the Cash Balances Investment Account	.. .. .	3,66,21,15.58	2,58,84,61.92
Total, 'a'	.. .. .	3,64,81,97.62	2,55,49,84.01
(b) Other Cash balances and Investments-			
Cash with Departmental Officers	.. .. .	4,61.47	3,89.33
Permanent advances for contingent expenditure with departmental officers	.. .. .	48.75	46.68
Investments of earmarked funds	.. .. .	1,23,56,64.51	1,04,17,75.09
Total, 'b'	.. .. .	1,23,61,74.73	1,04,22,11.10
Total, 'a' and 'b'	.. .. .	4,88,43,72.35	3,59,71,95.11

APPENDIX - I - Contd.

CASH BALANCES AND INVESTMENTS OF CASH BALANCES - Contd.

Explanatory Notes

- (a) **Cash and Cash Equivalents:** Cash and cash equivalents comprising cash in treasuries and deposit with Reserve Bank of India (RBI) and other Banks and Remittances in Transit were as stated below.

Overall cash position of the Government	31st March 2013	31st March 2012
(i) Cash in treasuries ..	14.19	14.22
(ii) Deposits with RBI ¹ ..	(-) 1,94,42.26 ²	(-) 3,68,47.23
(iii) Local remittances ..	55,10.11	33,55.10
(iv) Investments held in cash balance investment account ..	3,66,21,15.58 ³	2,58,84,61.92
(v) Departmental cash balances ..	4,61.46	3,89.33
(vi) Permanent Imprest ..	48.75	46.68
(vii) Investments out of Earmarked Funds ..	1,23,56,64.51	1,04,17,75.09
Total ..	4,88,43,72.34	3,59,71,95.11

The balance under the head 'Deposits with Reserve Bank of India' depicts the combined balance of the Consolidated Fund, Contingency Fund and the Public Account at the end of the year. To arrive at the overall cash position, the cash balances with treasuries, departments and investments out of the cash balances/reserve funds, etc., are added to the balance in 'Deposits with RBI'.

- (b) **Daily Cash Balance:** Under the agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of ₹ 5.58 crore with the Bank. If the balance falls below the above agreed minimum on any day, the deficiency is made good by taking Special and Ordinary Ways and Means advances/Overdrafts from time to time.

For arriving at the daily cash balance for the purpose of grant of Ways and Means advances/Overdraft, the RBI evaluates the holdings of the 14 day Treasury Bills along with the transactions reported (at RBI counters, Inter-Government transactions and Treasury transactions reported by the agency banks) for the day. To the cash balance so arrived, the maturity of 14 day Treasury Bills if any, is added and excess balance, if any, after maintaining the minimum cash balance is reinvested in Treasury Bills. If the net cash balance arrived at results in less than the minimum cash balance or a credit balance and if there are no 14 day treasury bills maturing on that day, RBI rediscounts the holdings of the 14 day Treasury Bills and makes good the shortfall. If there is no holding of 14 day Treasury Bills on that day the State Government applies for Ways and Means Advances/Special Ways and Means Advances/ Over Draft.

¹ The balance under the head 'Deposits with Reserve Bank' is arrived at after taking into account the Inter-Government monetary settlements pertaining to transactions of the financial year 2012-13 advised to the RBI till 15 April 2013.

The cash balance ('Deposits with RBI') above is the closing cash balance of the year as on 31 March 2013 but worked out by 15 April 2013 and not simply the daily balance on 31 March 2013.

² There was net difference of ₹ 1,324.43 lakh (credit) between the figure reflected in accounts - ₹ 19,442.26 lakh (credit) and that intimated by Reserve Bank of India - ₹ 18,117.83 lakh (Debit) under the "Deposits with the Reserve Bank" included in the cash balance. The difference represents "Treasury/Bank difference" of ₹ 1,324.43 lakh (credit). Further, at the end of May 2013, the difference outstanding is reduced to ₹ 30.25 lakh (debit).

³ Please see details at explanatory note (d) on page 37.

APPENDIX - I - Concl.d.**CASH BALANCES AND INVESTMENTS OF CASH BALANCES - Concl.d.**

- (c) **Limit for the Ways and Means Advances** : The limit for ordinary ways and means advances to the State Government was ₹ 1,16,000 lakh with effect from 1 April 2006. The Bank has also agreed to give special ways and means advances against the pledging of Government Securities. No fixed limit is prescribed for special ways means and advances. The special ways and means advance is sanctioned on the basis of 91 days investment in Treasury Bills by the State Government.

Special ways and means advances of ₹ 39,150 lakh has been availed for eight days during the year 2012-13.

- (d) **Investments made from General Cash Balance :-**

Investments	Amount (₹ in lakh)
(i) Government of India Treasury Bills	3,66,20,45.98
(ii) Other State Government Securities	0.07
(iii) Other investments	69.53
Total	<u>3,66,21,15.58</u>

The balances shown above is inclusive of those to be allocated to the Government of Gujarat as a result of bifurcation of the former Bombay State. An interest of ₹ 1,71,637.93 lakh was realised on Cash Balance Investment Account during 2012-13



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