



STATE REPORT CARD 2016

MAHARASHTRA

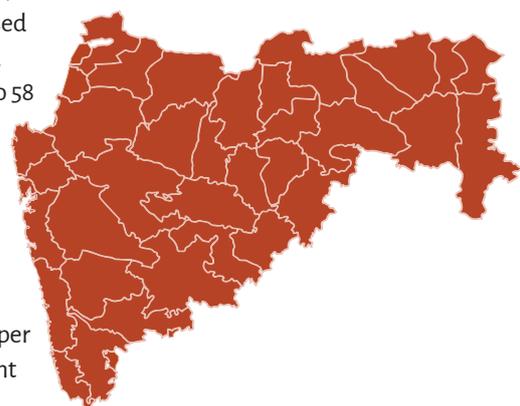
SUMMARY

Revenue

Revenue receipts for the state of Maharashtra grew by 41 per cent between FY 2014-15 (Actuals) and FY 2015-16 Revised Estimates (RE). Union Government transfers in FY 2015-16 (RE) increased by a significant 41 per cent from the Actuals for FY 2014-15. Interestingly, the state witnessed a fall in the share of untied funding in Union transfers from 67 per cent in FY 2014-15 (Actuals) to 58 per cent in FY 2015-16 (RE).

Expenditure

Total expenditure grew by 20 per cent from FY 2014-15 (Actuals) to FY 2015-16 (RE). Overall, social sector expenditure increased by 23 per cent from the previous year. However, as a proportion of total expenditure, social sector spending increased by 1 per cent. The largest increase in spending was under the major head "Urban Development" which increased by 49 per cent compared with FY 2014-15 (Actuals). On the other hand, the major head "Relief on account of Natural Calamities" witnessed a decrease of 15 per cent in the same period.



RECEIPTS

Overall Receipts

Revenue receipts in FY 2015-16 (RE) grew by 41 per cent over FY 2014-15 (Actuals). The Union tax revenues transferred to the state increased by 60 per cent in that time period.

REVENUE RECEIPTS (IN ₹ CRORE)			
	2014-15 (Actuals)	2015-16 (RE)	2016-17 Budget Estimates (BE)
Share in Union taxes	17,604	28,106	31,627
Grants In Aid (GIA)	20,141	24,982	24,964
Own taxes	1,15,090	1,30,535	1,44,222
Own non-tax revenue	12,581	14,699	19,997
Total	1,65,416	1,98,321	2,20,810

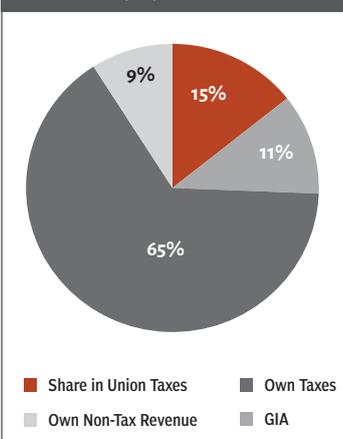
Source: Collated from state budget documents.

Note: Grants in Aid (GIA) include: Normal Central Assistance (NCA), Finance Commission (FC) Grants, Centrally Sponsored Schemes (CSSs) and other grants from the Government of India (GOI). Numbers have been rounded off.

Tied and Untied funding

Tied funds are usually for specific purposes, such as grants under Centrally Sponsored Schemes (CSSs) which must be used for particular activities under the schemes. In contrast, States can

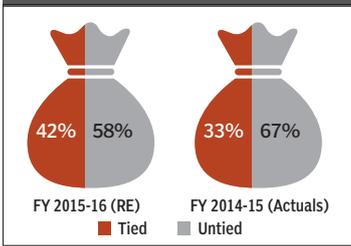
REVENUE RECEIPTS
FY 2016-17 (BE)



Source: Collated from state budget documents.

Note: GIA includes: NCA, FC Grants, CSSs and other grants from GOI. Numbers have been rounded off.

COMPOSITION OF UNION TRANSFERS



Source: Collated from state budget documents.

Note: Untied grants include grants in aid from FC, NCA and Tax devolution. Tied grants include grants for CSSs and other grants such as Additional Central Assistance and Special Central Assistance. Some of the other grants may not specifically be for a particular scheme but there proportions would be very small. NCA has been collated from Ministry of Finance and is thus actual releases.

decide how to spend untied funds which are transferred to them. In accordance with the 14th Finance Commission (FFC) recommendations, the share of untied funds transferred from GOI to the states increased significantly in FY 2015-16 (RE). For instance, to allow for the increase in untied funds, the Union Government reduced tied funding, such as CSSs and other grants, in FY 2015-16 (RE) by 35 per cent over FY 2014-15 (Actuals) in aggregate across the 19 states we analysed.

Interestingly, however, the overall share of CSSs and other grants in Union transfers to Maharashtra increased from 33 per cent in FY 2014-15 (Actuals) to 42 per cent in FY 2015-16 (RE).

Transfers from the Union Government

Transfers from the Union Government accounted for 27 per cent of revenue receipts in FY 2015-16 (RE). Compared with FY 2014-15 (Actuals), Union transfers increased by 41 per cent in FY 2015-16 (RE).

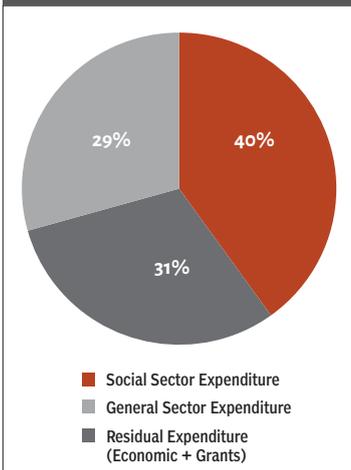
COMPOSITION AND CHANGE IN UNION TRANSFERS TO MAHARASHTRA (IN ₹ CRORE)

	2014-15 (Actuals)	2015-16 (RE)	2016-17 (BE)	2015-16 (RE) over 2014-15 (Actuals)
Taxes	17,604	28,106	31,627	60%
FC Grants	6,984	2,815	6,236	-60%
CSSs and other scheme grants	12,366	22,167	18,728	79%
Normal Central Assistance	790	0	0	-100%
Total	37,744	53,088	56,591	41%

Source: Collated from individual state budget documents. NCA collected from Ministry of Finance and thus constitutes actual funds released.

Note: Figures have been rounded off.

EXPENDITURE FY 2016-17 (BE)



Source: Collated from individual state budget documents.

Note: Social sector has been defined as per the Comptroller and Auditor General of India and does not include expenditure on rural development and warehousing. Total and capital expenditure excludes repayment of public debt. Figures have been rounded off.

EXPENDITURE

Overall expenditure

Maharashtra's total expenditure in 2015-16 RE grew by 20 per cent over the previous year Actuals.

EXPENDITURE IN MAHARASHTRA'S BUDGET (IN ₹ CRORE)

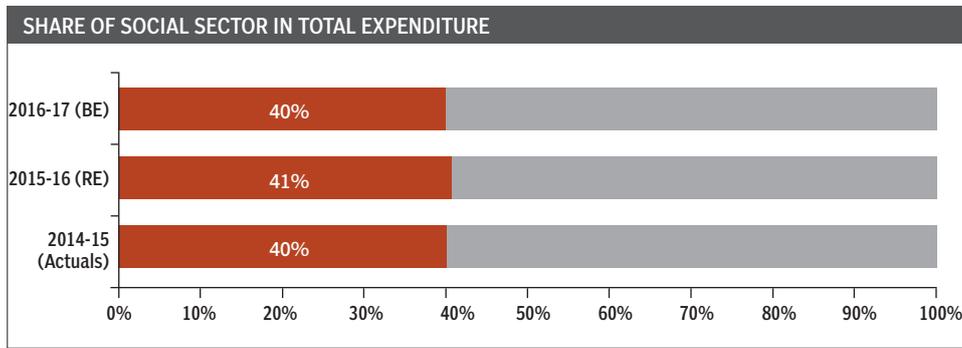
Type of expenditure	2014-15 (Actuals)	2015-16 (RE)	2016-17 (BE)
Total expenditure	1,98,217	2,37,327	2,56,992
Revenue expenditure	1,77,553	2,07,611	2,24,454
Capital expenditure	20,664	29,716	32,538
Social sector expenditure	78,910	96,955	1,02,986
General sector expenditure	61,351	70,383	78,605
Residual expenditure (Economic + Grants)	57,956	69,989	75,401
Fiscal Deficit	29,477	37,950	35,031

Source: Collated from individual state budget documents.

Note: Social sector has been defined as per the Comptroller and Auditor General of India and does not include expenditure on rural development and warehousing. Only expenditures from the Consolidated Fund have been accounted, net of recoveries. Total and capital expenditure excludes repayment of public debt. Figures have been rounded off.

Social Sector Expenditure

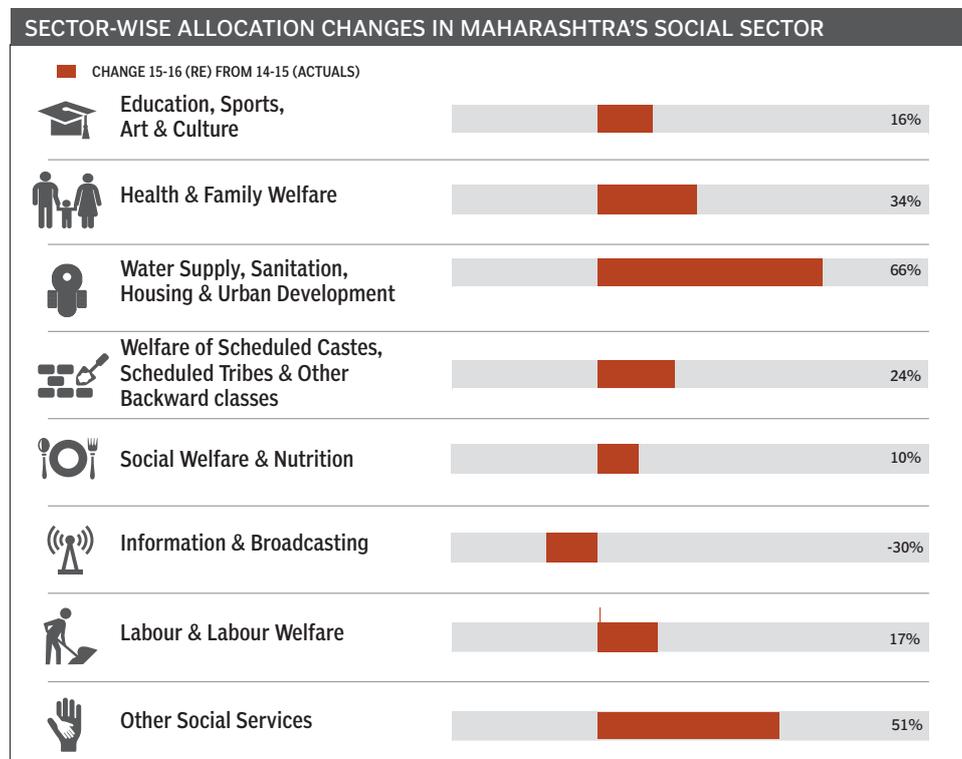
Social sector expenditure in the state increased by over ₹18,000 crore or 23 per cent in FY 2015-16 (RE) over FY 2014-15 (Actuals). The share of social sector expenditure in Maharashtra's total expenditure increased by 1 per cent during that period.



Source: Collated from individual state budget documents.

Note: Social sector has been defined as per the Comptroller and Auditor General of India and does not include expenditure on rural development and warehousing. Only expenditures from the Consolidated Fund have been accounted, net of recoveries

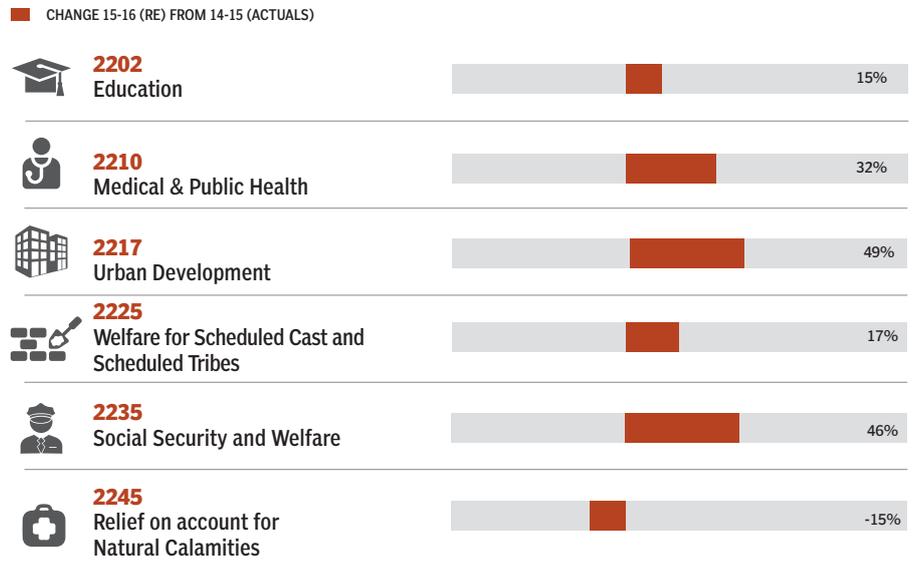
The most significant increases under social sector expenditure were in the sector “Water supply, Sanitation, Housing and Urban development” and “Other Social Services” which saw a substantial 66 per cent and 51 per cent increase in funding, respectively, compared to FY 2014-15 (Actuals).



Source: Collated from state budget documents.

A look at the major heads in the social sector reveals that “Urban Development” saw an increase of almost 50 per cent in FY 2015-16 (RE) over FY 2014-15 (Actuals). “Relief on account of Natural Calamities” on the other hand, saw a 15 per cent fall in funding in the same time period.

CHANGES IN THE FIVE BIGGEST COMPONENTS OF MAHARASHTRA'S SOCIAL SECTOR



Source: Collated from state budget documents.