



सत्यमेव जयते

Government of Maharashtra

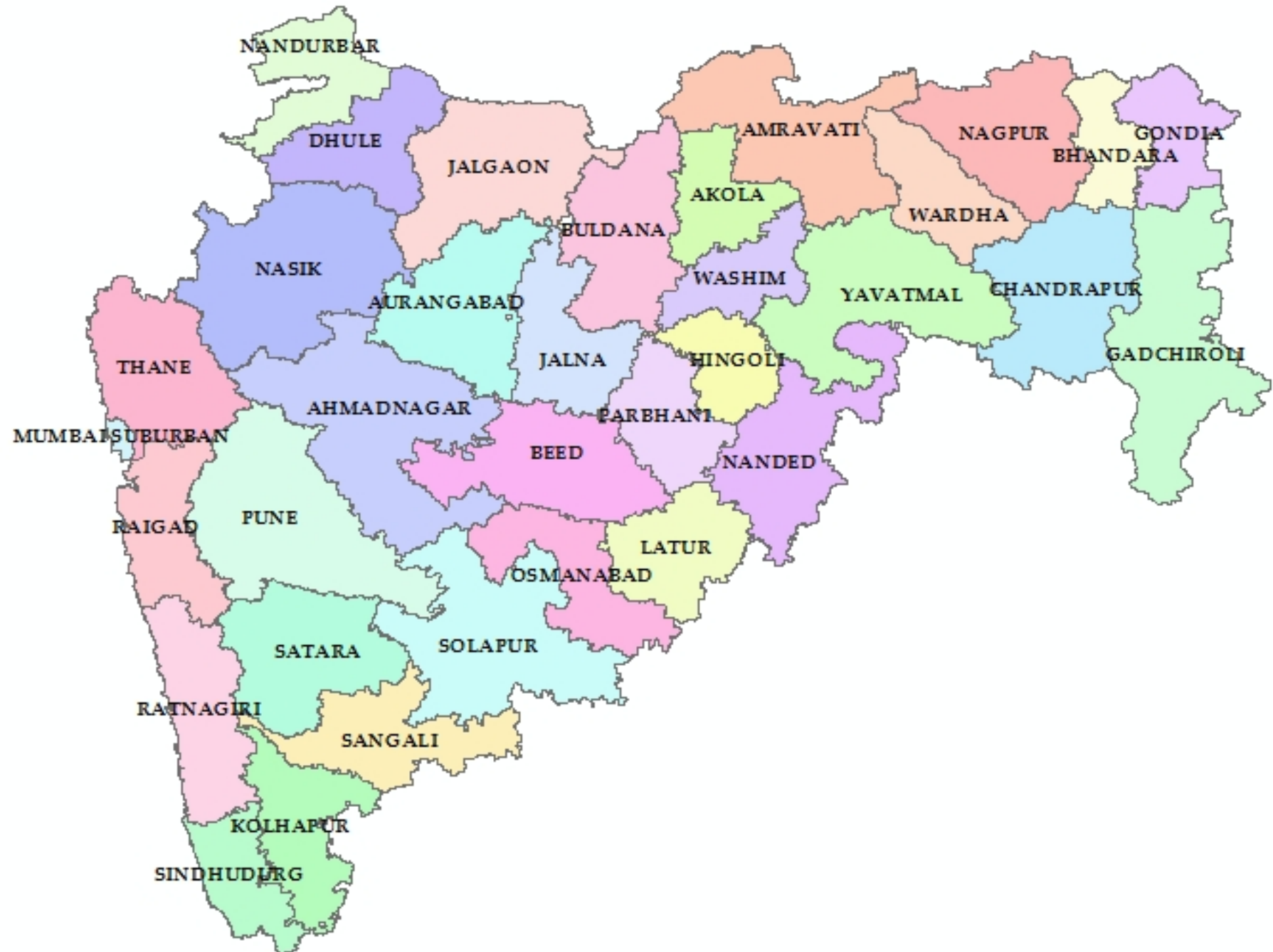
PRESENTATION TO THE 14TH FINANCE COMMISSION

30th January 2014

Agenda

- Maharashtra Overview
- Fiscal Profile
- Views of the State Government
- Disaster Financing
- Operation & Maintenance Expenditure
- Local Bodies
- Sector Snapshot – Irrigation & Power
- Security needs of Mumbai
- Environment & Forest

Maharashtra Overview



Maharashtra – Fact File

Demography & Geography

Maharashtra Fact file	2011
No. of Districts	35
Area (lakh ha)	308
Population (cr) (9.3% of India Population)	11.23
Population growth (Decennial %) (India 17.6%)	16 %
Rural (cr)	6.2
Urban (45.2%) (cr)	5.1
Scheduled Caste persons (11.8%) (cr)	1.32
Scheduled Tribes persons (9.4%) (cr)	1.05
Literacy rate (India – 74.1 %)	82.9%
Density (per sq.km) (India 382)	365
Sex Ratio (India - 940)	925

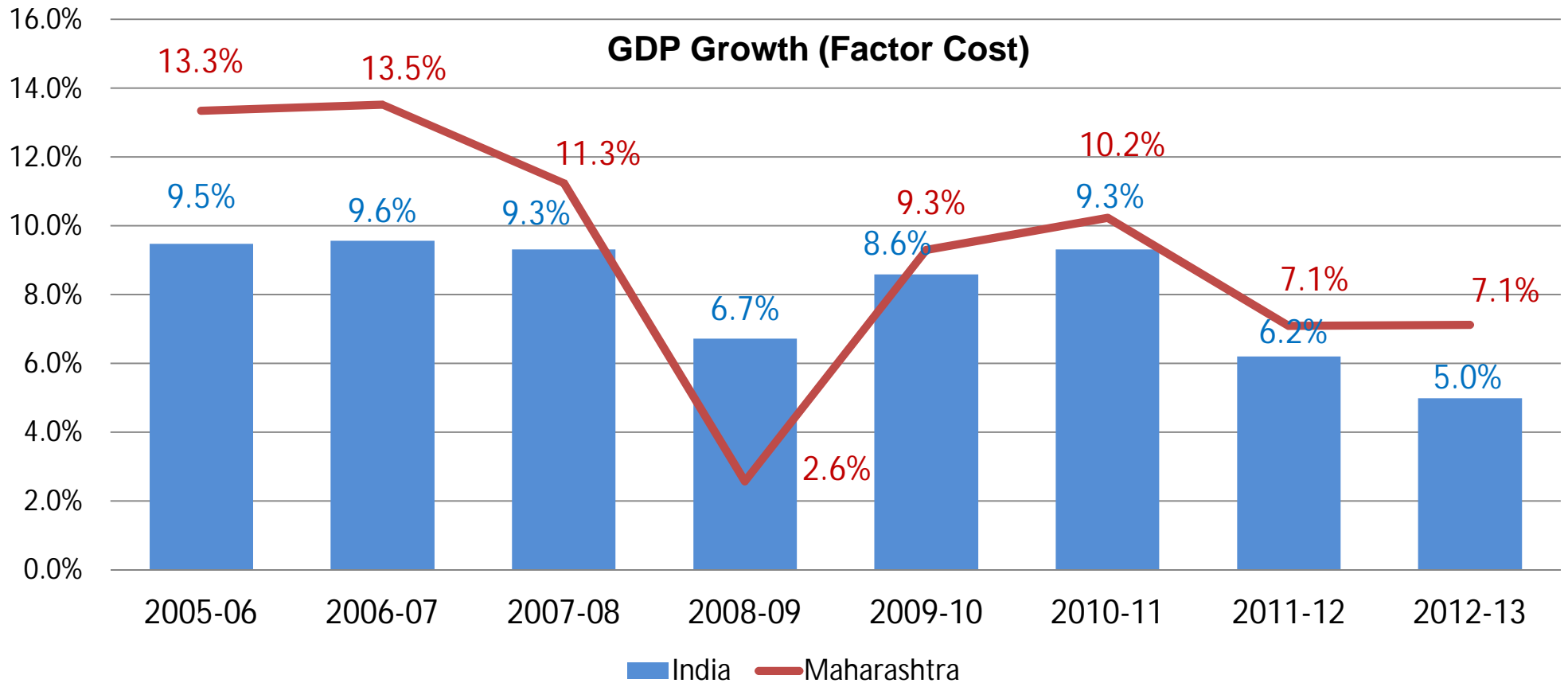
Maharashtra – Fact File

Demography & Geography

- 45.2 % Urban Population (India - 31.2%)
- Agriculture - Monsoon dependent
- Drought prone area - Large
- Cultivable area 225 lakh hectare
- Irrigation potential 85 lakh hectare, created - 49.25 lakh hectare
- 12% area (Western Ghats) - Ecologically sensitive
- Sex ratio - 925 (India-940)
- Child sex ratio (< 850) in 7 districts a major concern

Economy

Growth



- GSDP CAGR more than 9% from 2005-06 to 2012-13, higher than India GDP CAGR (7.8%)

Contribution

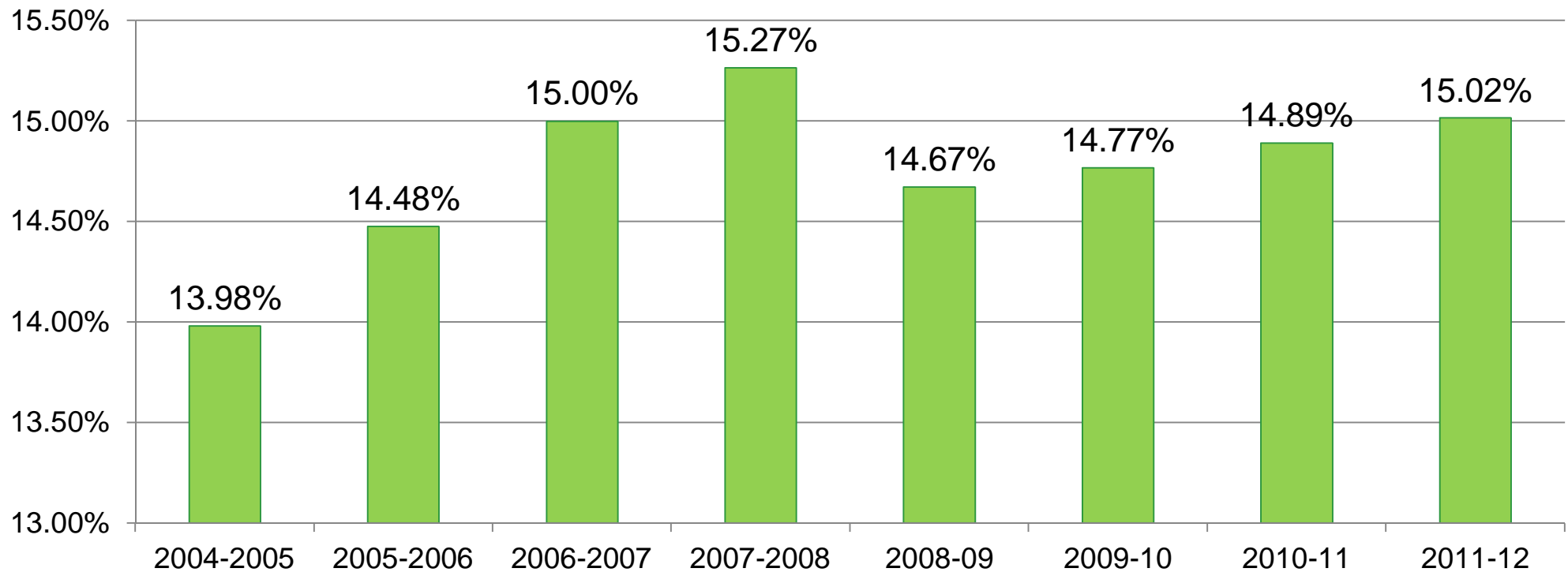
Agriculture

Industry

Services

Economy

Contribution



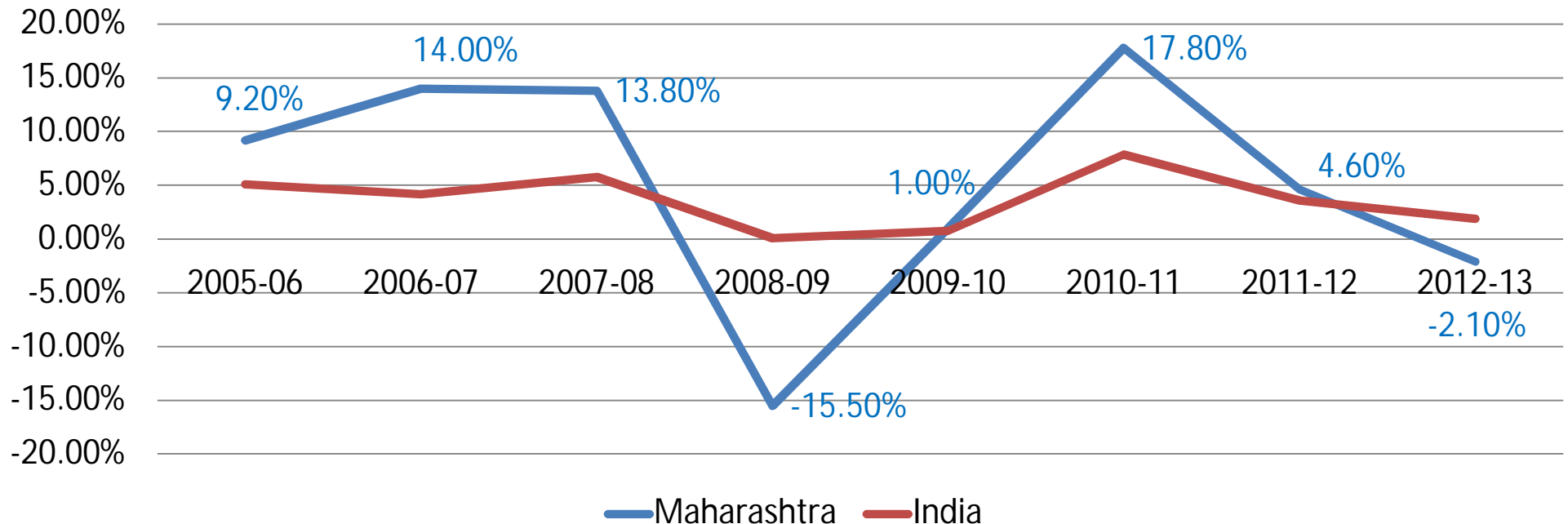
Contribution to India GDP (Factor Cost)

- 15% contribution to India GDP in 2011-12

Economy

Sector Growth Rates

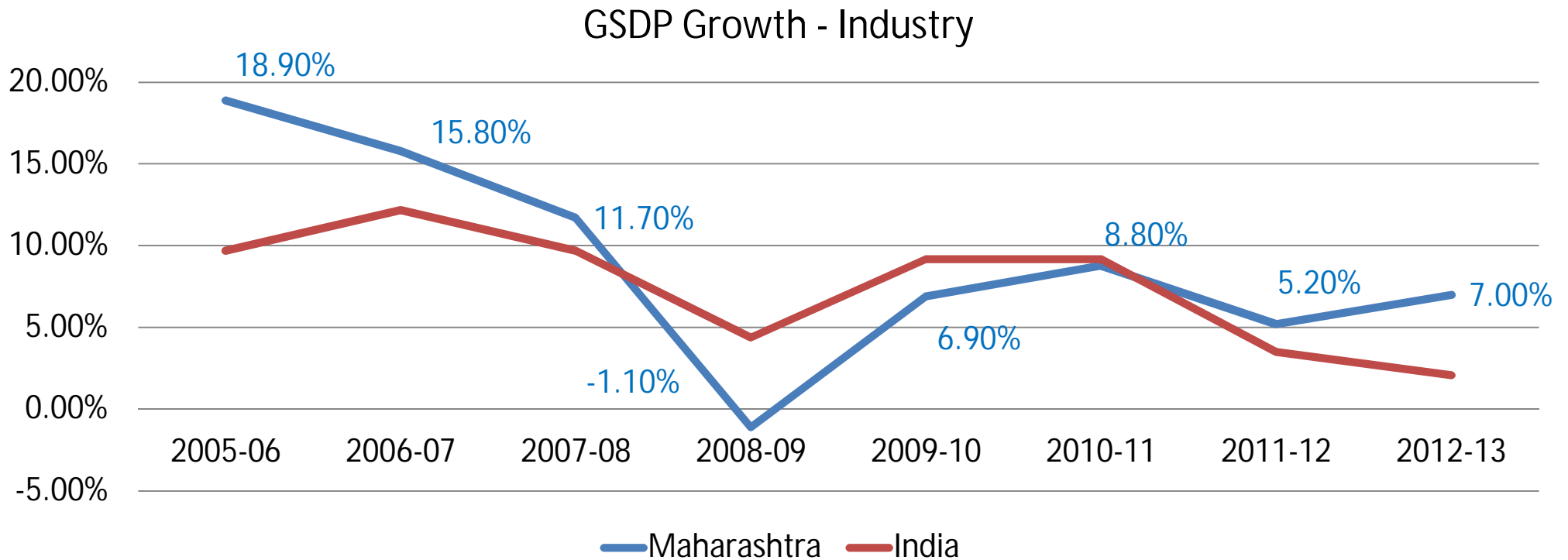
GSDP Growth - Agriculture & Allied



- Leading producer of Sugar, Pulses, Grapes, Banana, Oranges, Pomegranates, Onions & Tomatoes
- Agriculture monsoon dependent
- Water Intensive crops – a growing concern

Economy

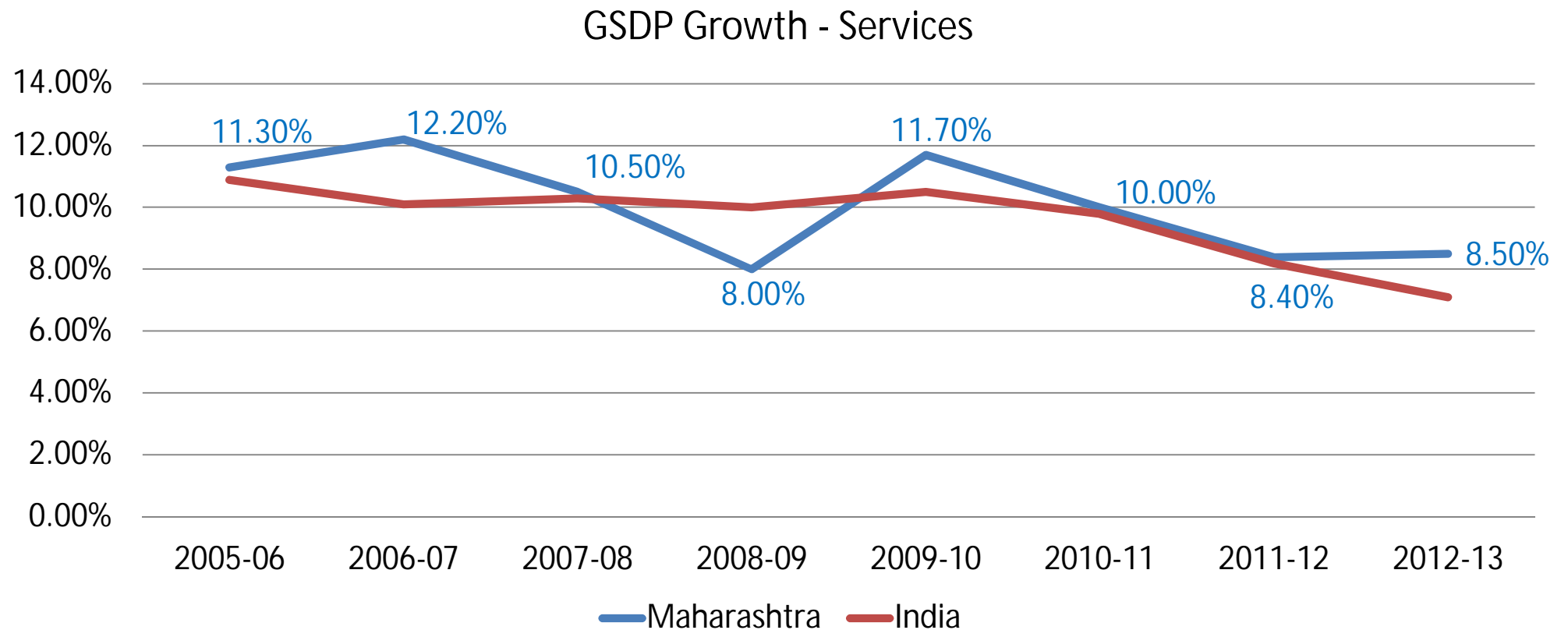
Sector Growth Rates



- New policies on Industry (2013) & Textile (2011)
- Competitive electricity tariffs to industries - major challenge

Economy

Sector Growth Rates

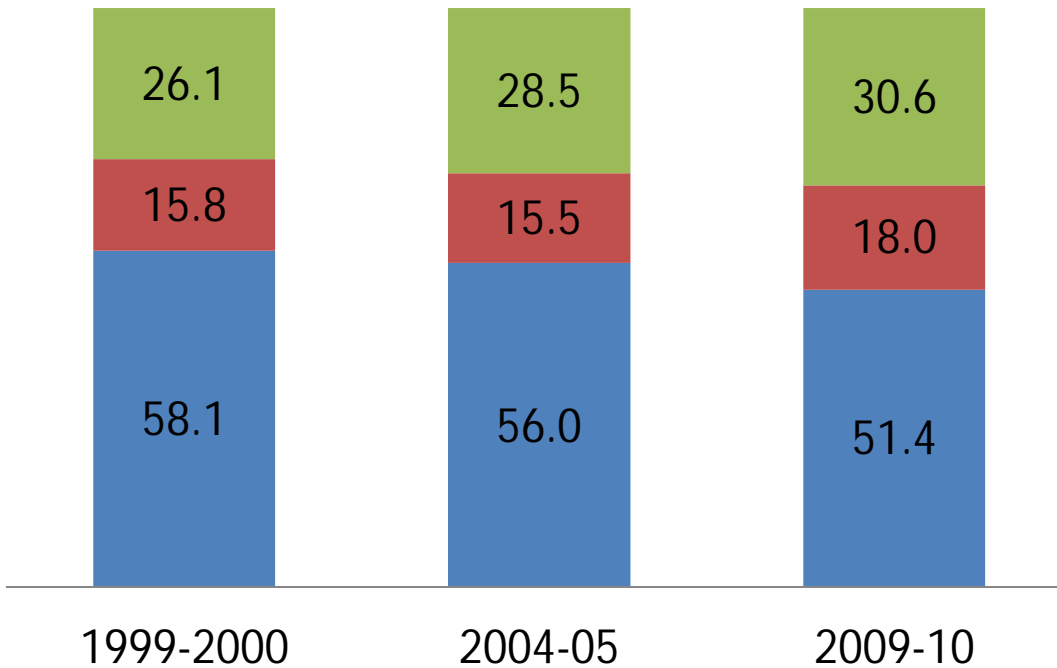


- Sustaining Services sector growth needs substantial investments in Infrastructure

Economy

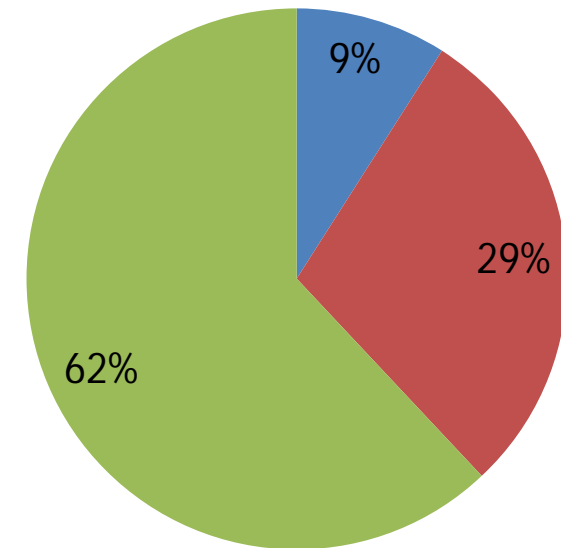
Composition & Employment

% Employment



GSDP Composition - 2009-10

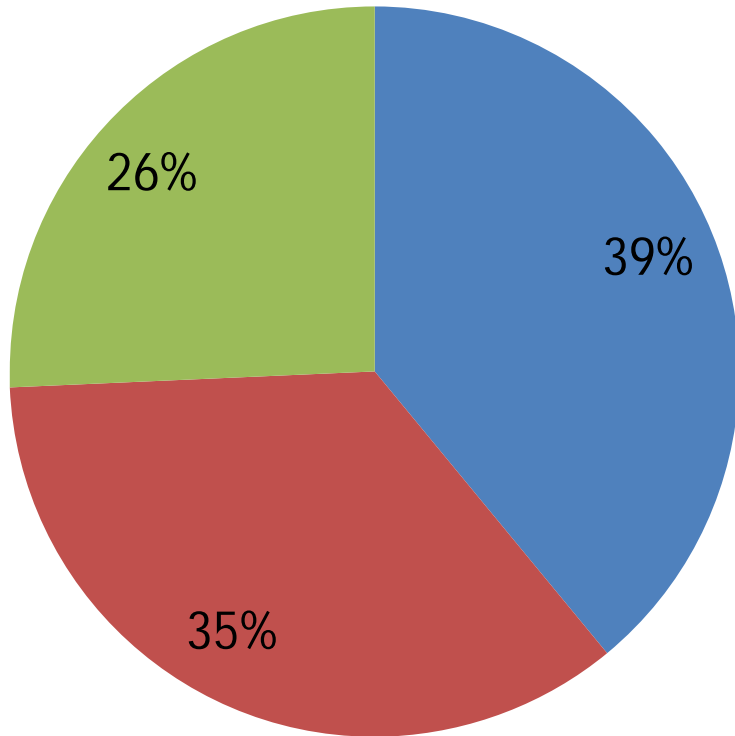
■ Agri & Allied ■ Industry ■ Services



- Services account for 63% of GSDP. Industry- 29%, Agriculture & Allied – 8% (2012-13)

Economy

High Inter District Disparities (Per Capita NDDP)



NDDP Variation - Population

■ 6 Districts > State Average

■ 13 Districts < State Average & > National Average

■ 15 Districts < National Average

- 61% Population living in districts with NDDP below State average

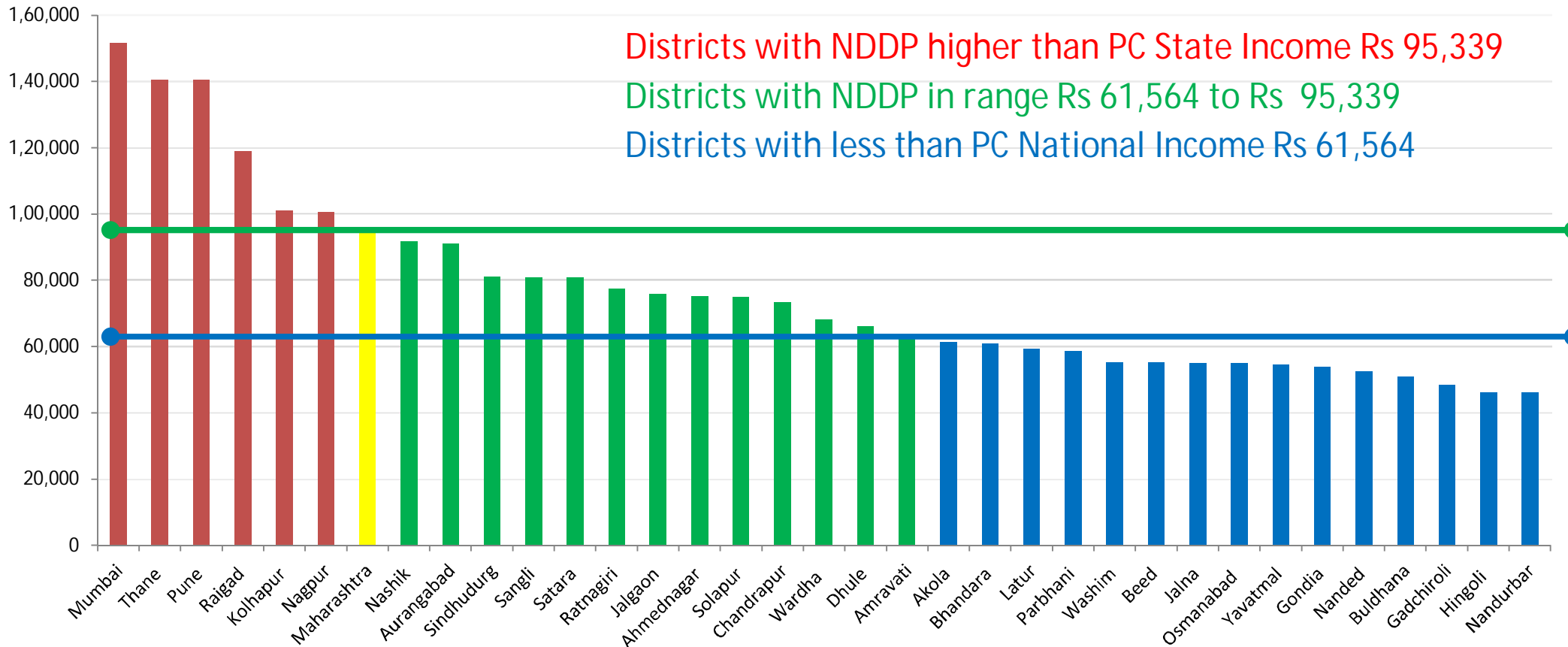
- Top 3 districts with 30% of population contribute 45% to GSDP
- Bottom 10 districts with 20% of population contribute only 10 % to GSDP

[NDDP District Graph](#)

Economy

High Inter District Disparities (Per Capita NDDP)

NDDP Per Capita (2011-12)



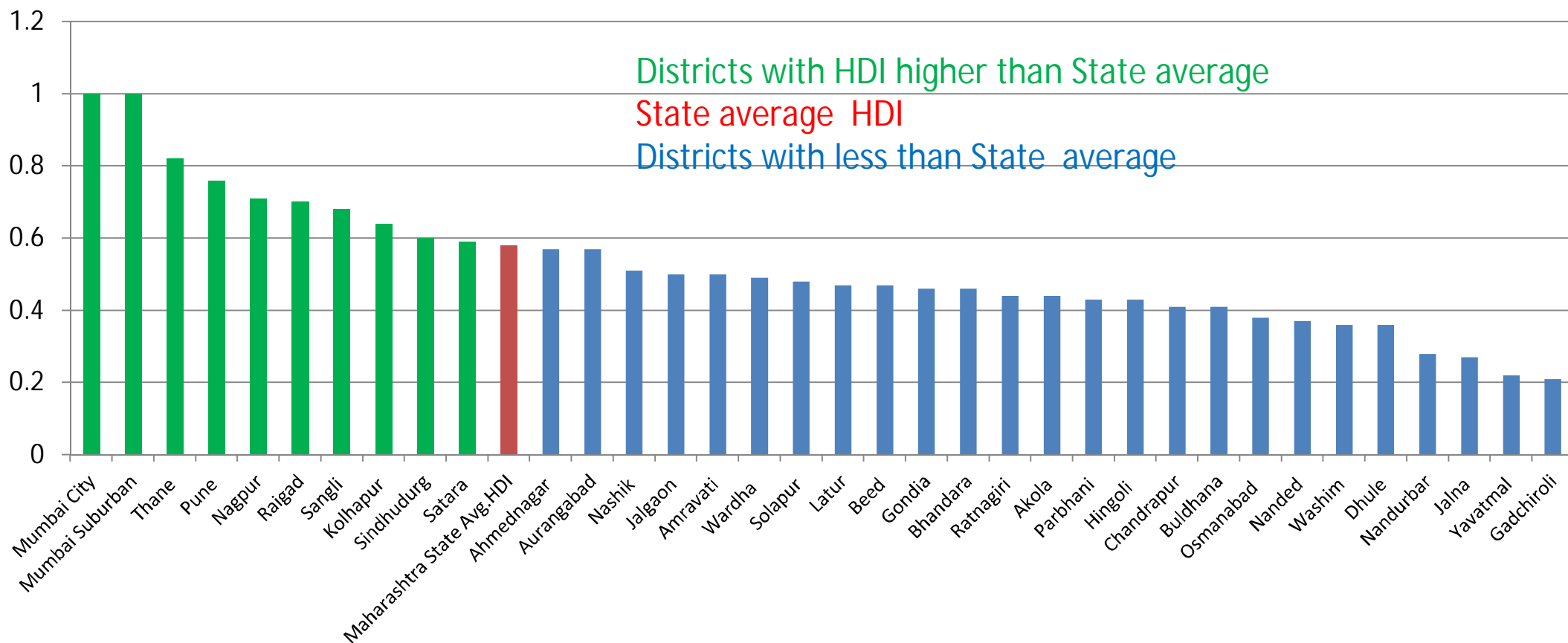
- 28 districts below State average
- 15 districts below National average

Agriculture

State	Yield Per Hectare(Kg) (2009-10)			Consumption of fertilisers per hectare cropped area(Kg)	% of gross irrigated area to gross cropped area
	All cereals	All pulses	All food grains		
Maharashtra	1,224	662	1,063	135.6	17.9
Punjab	4,223	870	4,210	236.9	98.0
Karnataka	1,901	483	1,479	159.9	31.8
Tamil Nadu	2,703	331	2,275	214.8	58.1
Gujarat	1,878	775	1,662	161.6	44.3
All India	2,136	638	1,855	137.8	45.0

Social Profile

HDI - Low Growth Rate & High Inter District Disparities (2001)



- Maharashtra HDI improved from 0.501 (1999-2000) to 0.572 (2007-08) . All India HDI improved from 0.387 to 0.467
- 25 districts with HDI less than the State average(0.58)*

[Health](#)

[Education](#)

[Education - RTE](#)

Health

Key Indicators & Outcomes

#	Particulars	1971	1991	2001	2011
Figures in brackets are India					
1	Crude Birth Rate (per 1000 population)	32.2 (36.4)	26.2 (29.5)	20.7 (25.4)	16.7 (21.8)
2	Crude Death Rate (per 1000 population)	12.3 (14.9)	8.2 (9.8)	7.5 (8.4)	6.3 (7.1)
3	Total Fertility Rate	4.6 (5.2)	3 (3.6)	2.4 (3.1)	1.9
4	Infant Mortality Rate (per thousand live birth)	105 (129)	60 (80)	45 (66)	25 (44)
5	Life Expectancy at Birth- Male				68.9 (67.3)
	Life Expectancy at Birth- Female				72.5 (69.6)
6	Maternal Mortality Rate (2007-09)				104 (212)

Education

Key Indicators & Outcomes

	Gross Enrollment Ratio (Primary) (2012-13)	Pupil Teacher Ratio (Primary) (2012-13)	Boys Drop Out Ratio (Primary) (2011-12)	Girls Drop Out (Primary) (2011-12)	Gross Enrollment Ratio (18-23 y) (2010-11)
Maharashtra	105.61	26	0.34	0.86	27.6
Karnataka	102.85	25	2.37	2.86	25.5
Tamil Nadu	110.10	24	0.76	0.32	32.9
All India	105.98	28	5.89	5.34	19.4

Education

Key Indicators & Outcomes

Items	Performance UDISE - (2013 P)
Girls Toilet	97.9%
Boys Toilet	97.9%
Water Facility	98.6%
Ramps	75.7%
Boundary wall	76.7%
Play Ground	86.7%
School Building	99.2%
Electricity	92.1%

State Rank (Primary)	2010-11	2012-13
Access	17	30
Infrastructure	21	03
Teachers	16	21
Outcomes	04	05
Overall	17	08

Fiscal Profile

Fiscal Profile

Key Fiscal Ratios

as a % of GSDP	2004-05	2013-14 (BE)
<u>Total Revenues</u>	9.87	10.15
<u>Revenue Expenditure</u>	12.53	10.53
Salary	4.84	3.98
Interest	2.45	1.40
<u>Capital Expenditure</u>	2.97	1.49
<u>Revenue Deficit</u>	2.41	-0.01
Fiscal Deficit	4.48	1.57
Primary Deficit	2.32	0.20
<u>Outstanding Debt</u>	26.27	17.60
Interest as a % of Total Revenue Receipts*	24.82	13.79

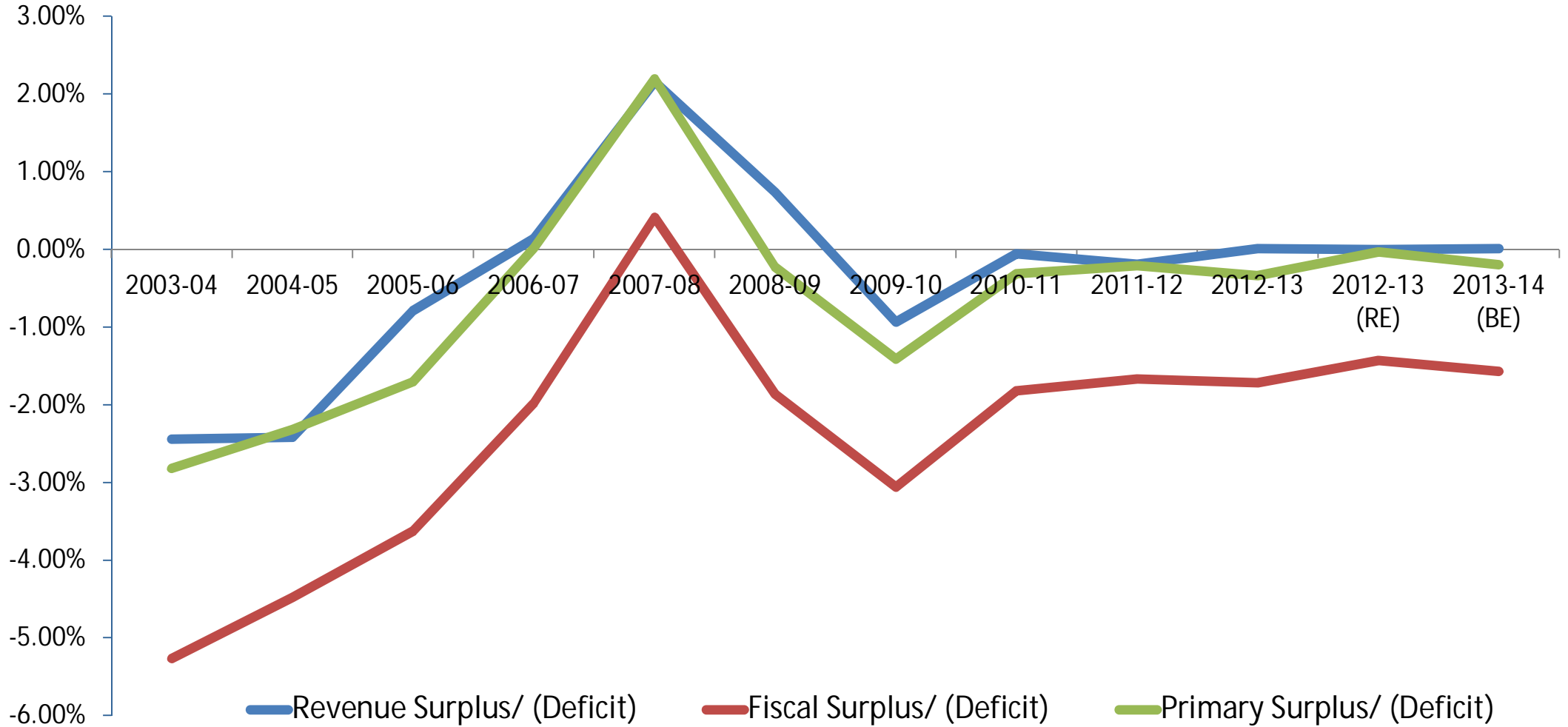
Fiscal Profile

Key Fiscal Ratios

- The Fiscal position has shown considerable improvement
- State has been able to achieve its FRBM targets except in 2009-10
- This has been possible due to reduction in Total Expenditure from 14.84% of GSDP in 2004-05 to 11.77% in 2013-14 (mostly on Salaries, Interest payment & other Revenue Expenditure)
- The Outstanding Debt has declined from 26.3% in 2004-05 and is expected to be around 18% of GSDP in 2013-14
- The Total Revenues has grown marginally from 9.9% of GSDP in 2004-05 to 10.2% in 2013-14.

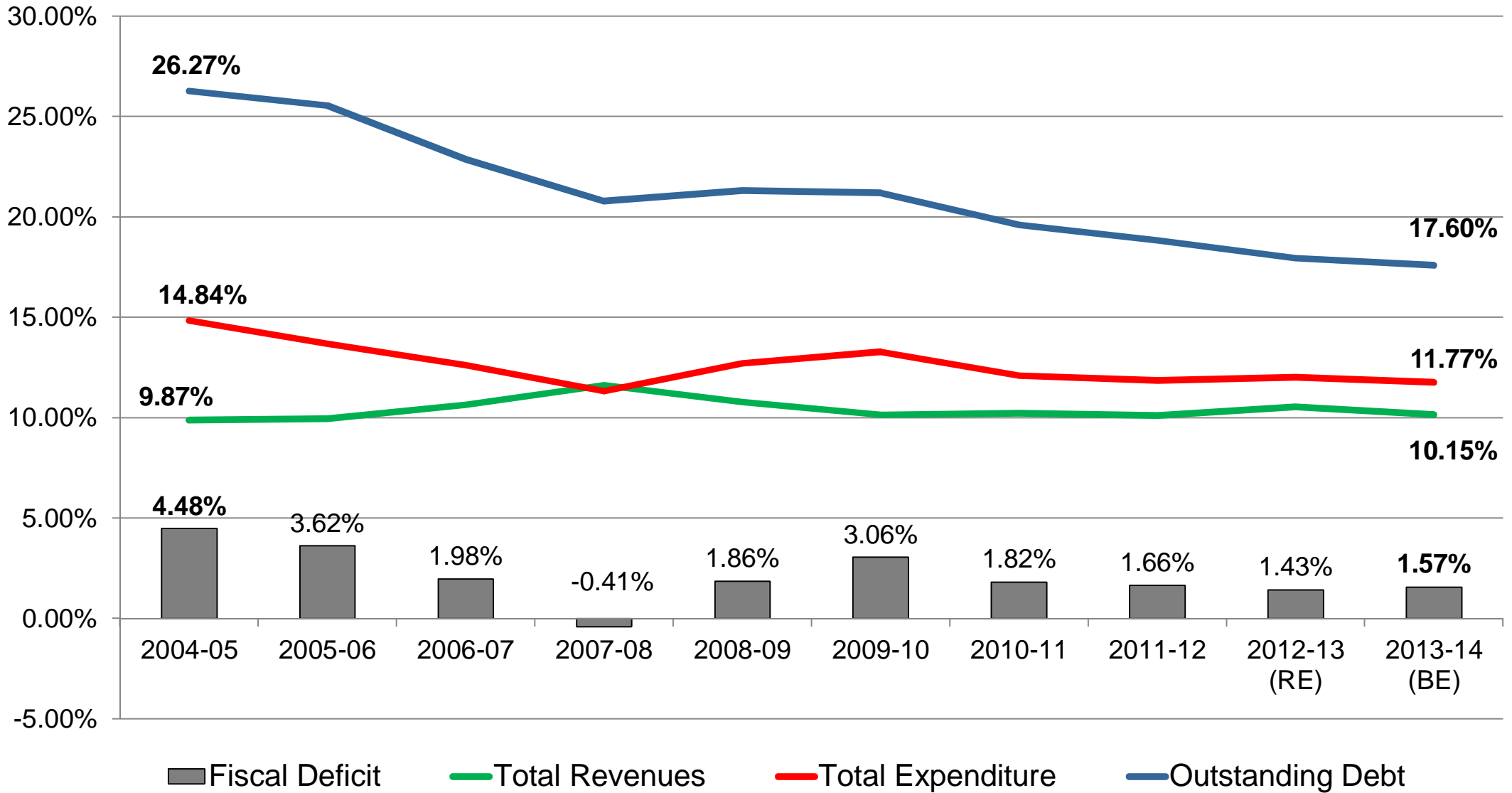
Fiscal Profile

Key Fiscal Ratios



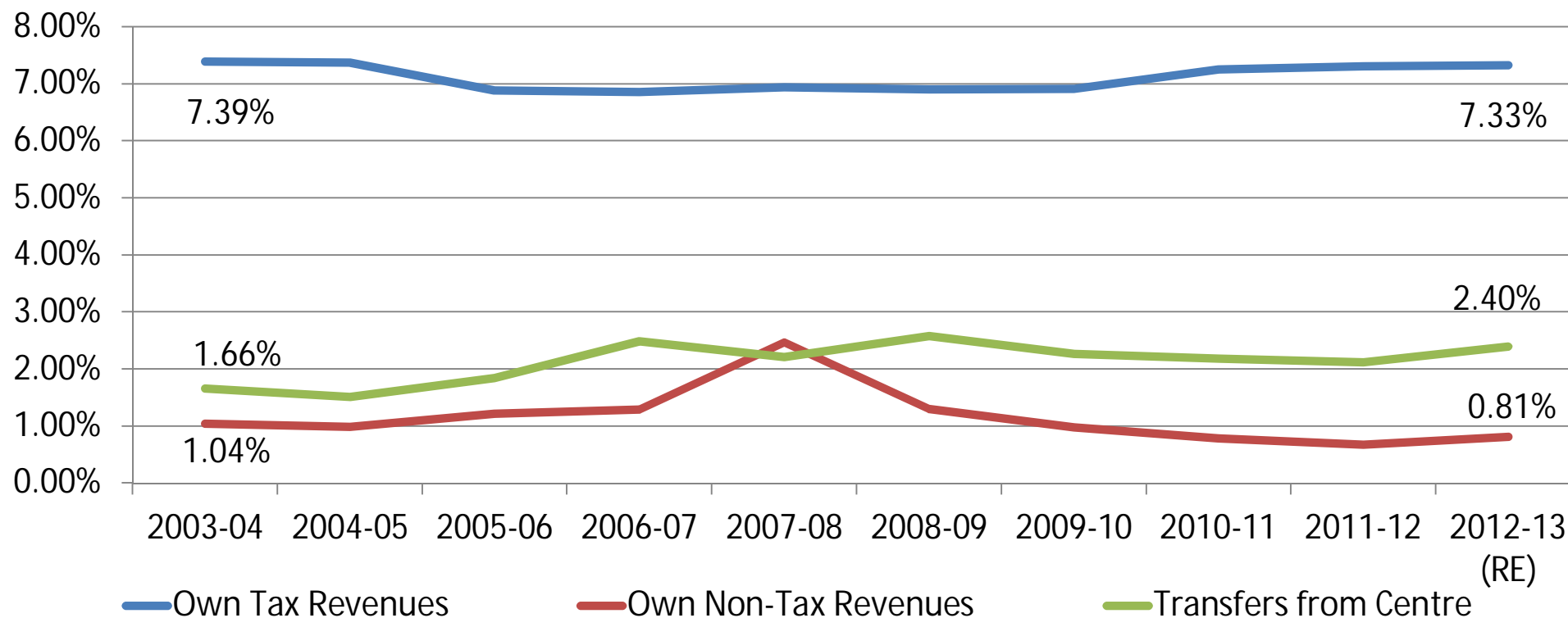
Fiscal Profile

Key Fiscal Ratios



Fiscal Profile

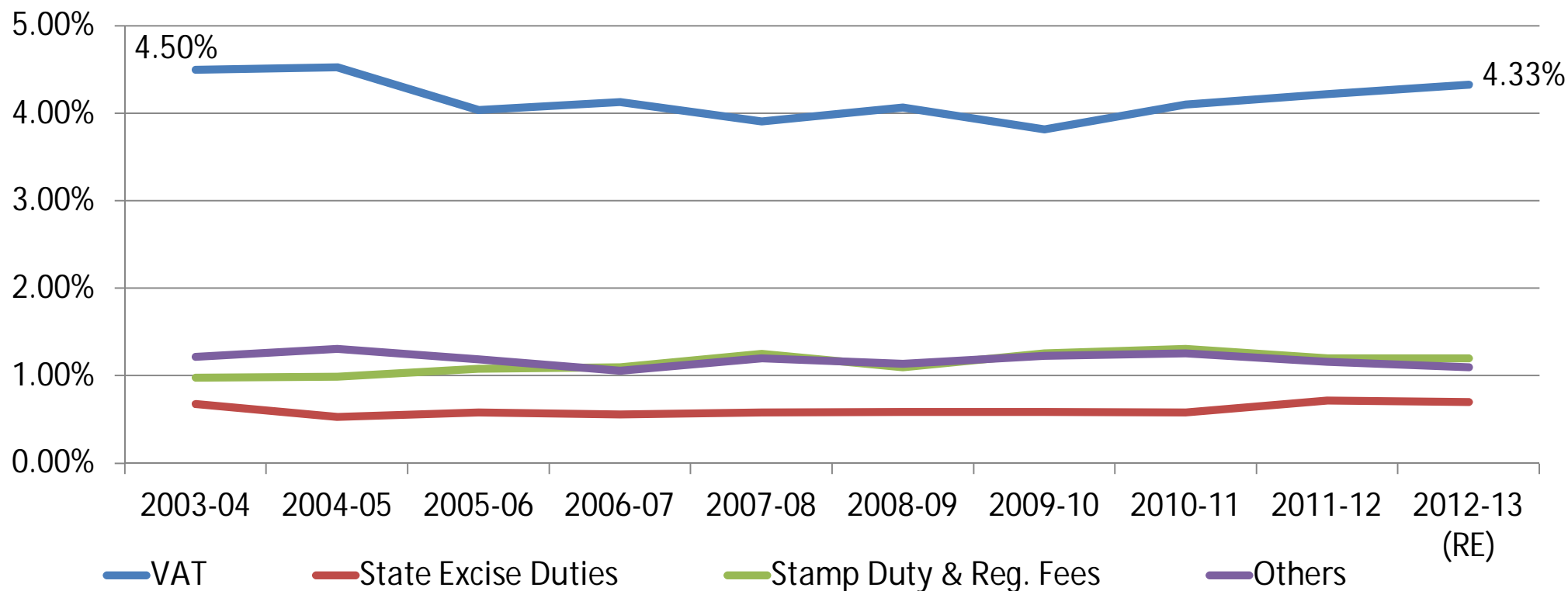
Revenues



- Own Tax revenues constitutes around 70% of the Total Revenues of the State
- It has remained in the range of 6.8% - 7.4% of GSDP in the last decade
- Octroi / LBT collected by LBs

Fiscal Profile

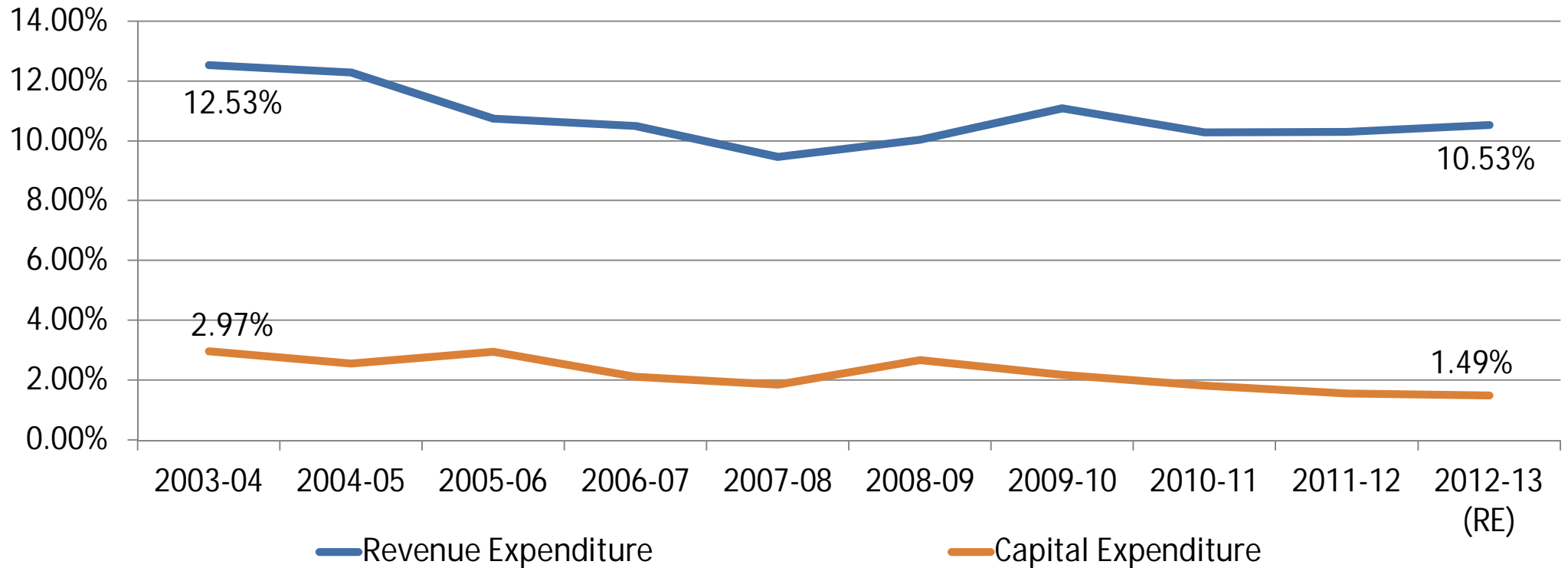
Revenues



- Commercial taxes/VAT accounts for 58% of the own tax revenues in 2012-13
- Though the VAT as a % of GSDP is 4.33%, VAT as a % of secondary sector GSDP is 15%. This is reflective of the 63% service sector composition of the economy

Fiscal Profile

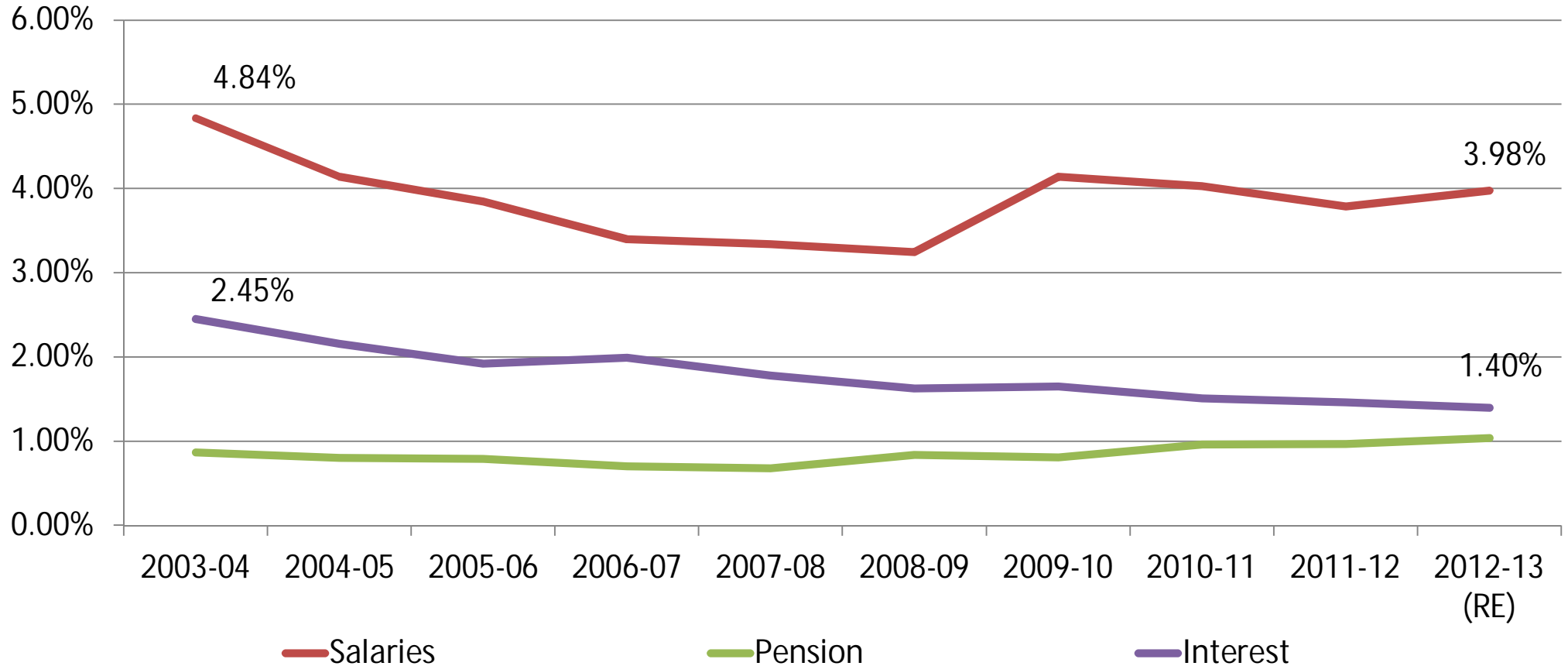
Expenditure



- Revenue Expenditure declined from 12.53% of GSDP on 2003-04 to 10.43% in 2012-13
- Capital Expenditure has declined as a % of GSDP from 2.97% in 2003-04 to 1.49% in 2012-13. The State grants (Revenue Expenditure) to LBs for creation of capital assets is almost 1% of GSDP in 2012-13

Fiscal Profile

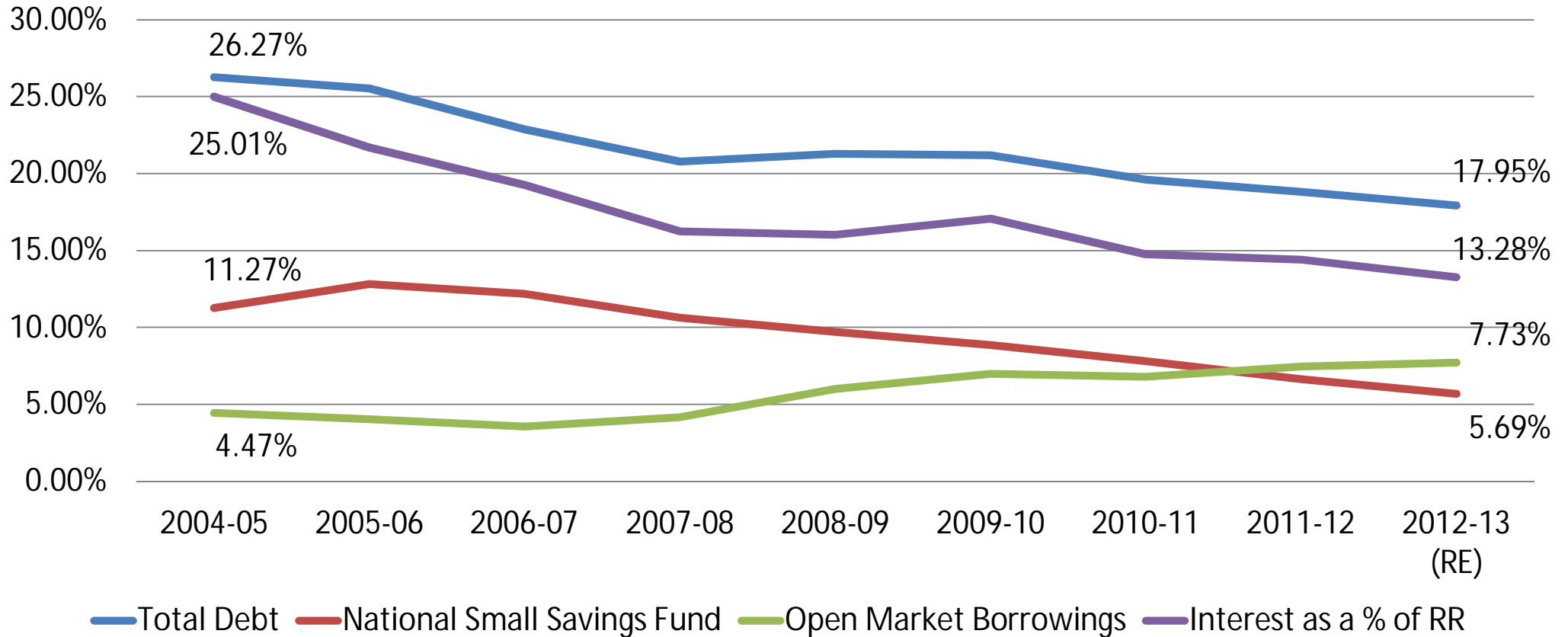
Expenditure – Revenue Expenditure



- Revenue Expenditure declined due to reduction in Salaries (4.84% to 3.98%) and Interest (2.45%-1.4%) during the same period

Fiscal Profile

Debt



- The Debt as a % of GSDP and Interest as a % of Revenue Receipts have come down substantially in the last decade
- The composition of the Debt has changed with reduction in NSSF and increase in OMB

Fiscal Profile

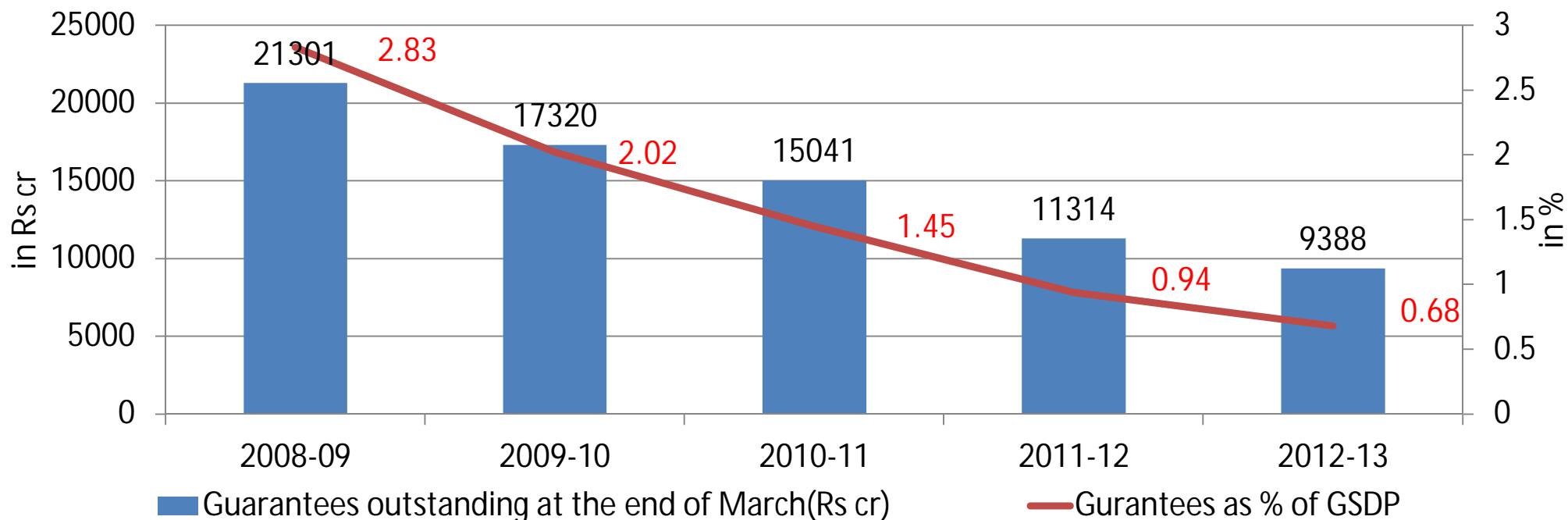
Subsidies

Subsidies	2011-12	2012-13
Compensation to Maharashtra State Electricity Distribution Company Ltd. – Agriculture (Pumps)	3,111	3,322
Compensation to Maharashtra State Electricity Distribution Company Ltd. – Power Looms	945	1,110
Industrial units including mega industrial projects	2,366	2,480
Maharashtra State Road Transport Corporation	606	795
Supply of certain commodities through Public Distribution System	293	317
Total	7,321	8,024

- Recent decisions of the Government have enhanced the subsidy by approximately Rs.7,200 cr

Fiscal Profile

Guarantees



#.	Major Guarantees (end of 2012)	(Rs cr)
1	Industry, Energy & Labour Department (Energy)	1,650
2	Public Works Department	2,066

3	Co-operation, Marketing & Textile Department	3,452
4	Water Supply & Sanitation Department	1,502
5	Planning Department	1,051

Fiscal Projections

As a % of GSDP	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Total Revenue Receipts	10.17	10.20	10.24	10.29	10.34	10.41
Non Plan Revenue Expenditure	8.16	8.17	8.37	8.52	8.58	8.64
Salaries	3.87	3.95	4.15	4.30	4.39	4.47
Plan Revenue Expenditure	1.93	1.90	1.87	1.75	1.72	1.69
Revenue Deficit	-0.08	-0.14	0.00	-0.01	-0.05	-0.08
Fiscal Deficit	1.78	1.81	1.81	1.82	1.83	1.84
Primary Deficit	0.40	0.43	0.43	0.43	0.44	0.44
Debt Stock	17.49	17.42	17.37	17.32	17.30	17.28
Interest as a % of Total Revenue Receipts	13.50	13.49	13.48	13.47	13.46	13.45

Fiscal Projections

Assumptions

- Introduction of Goods & Service Tax (GST) will not result in any revenue shocks and state revenue growth trajectories are maintained
- We have staggered the increase in salary expenses (Pay Commission recommendations) over a period of 3-5 years
- Recent decisions of the State would increase the Revenue Expenditure by around 0.5% of GSDP from 2014-15 - not been factored in the projections
- Fiscal projections with the addition of Rs 7,200 cr subsidies are shown in the next slide. Subsidies are assumed to grow at 10% every year

Fiscal Projections

Addition of Subsidy

As a % of GSDP (without new subsidies)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Non Plan Revenue Expenditure	8.16	8.17	8.37	8.52	8.58	8.64
Revenue Deficit	-0.08	-0.14	0.00	-0.01	-0.05	-0.08
Fiscal Deficit	1.78	1.81	1.81	1.82	1.83	1.84
Debt Stock	17.5	17.4	17.4	17.3	17.3	17.3
Interest as a % of RR	13.50	13.49	13.48	13.47	13.46	13.45

As a % of GSDP (with new subsidies)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Non Plan Revenue Expenditure	8.58	8.61	8.83	9.00	9.06	9.13
Revenue Deficit	0.34	0.31	0.46	0.46	0.44	0.41
Fiscal Deficit	2.20	2.25	2.27	2.30	2.32	2.33
Debt Stock	17.9	18.2	18.6	18.9	19.2	19.4
Interest as a % of RR	13.53	13.80	14.04	14.24	14.40	14.53

Views of the State Government

Goods & Service Tax

Compensation & Key Considerations

- **VAT experience**

- Delay in Compensation

Item (Rs cr)	Payable	Received	Shortfall
VAT (2005-06 to 2011-12)	9,874	8,187	1,686
CST (2008-09 to 2011-12)	1,013	460	554

- **Revenue Loss**

- Revenue loss due to abolition of CST and loss of tax on Excise Duty. Compensated by revenue gained due to State GST on Services
- Difficult to calculate gains from service tax. High revenue risk to States need to be addressed while introducing GST

Goods & Service Tax (2)

Compensation & Key Considerations

- **Revenue Neutral Rate & SGST Rates**
 - State is in agreement with the EC's band for SGST rates, as RNR for States vary
 - State GST should be fixed considering the revenue neutrality for the States.
 - The balance part of GST may be the rate of CGST

- **Entry Tax/ Commodity Taxes - LBs**
 - LBs require revenues from Octroi / Entry tax/ Commodity taxes for providing services
 - Difficult to compensate by increasing SGST rates. Need a commitment & separate mechanism for compensation

Goods & Service Tax (3)

Compensation & Key Considerations

- **Independent Compensation Mechanism**

- State GST rate should be revenue neutral for the States
- In case of loss, the compensation should be based on difference between actual collections to projected collections (14% or higher for the State)
- Independent committee (GST State council of State Finance Ministers) to verify claim
- Immediate & automatic compensation procedure (like the States share of Central Taxes)

- **Dual Control of Dealers**

- GST should not increase compliance burden on businesses
- Dealers below a particular turnover or those without interstate business should be required to deal only with the State Government

Vertical Devolution

- **Compensation for reduction in size of the Divisible Pool**
 - Tax Concessions given by the Center
 - Growing size of Cesses & Surcharges
 - Delay in revision of Royalty on Minerals
- Changes in Income Tax Act bringing in State bodies (carrying out the development function of State) in tax ambit
- Additional source of Non Tax Revenue of Centre arising out of Spectrum Sales, License Fees

Vertical Devolution (2)

Impact of Central Legislation & Polices on State Finances

- Adverse impact on economic activity in the State
- Increased Compliance Burden
 - Environmental Laws
 - Food Safety & Standards Regulation 2011 under Food Security Act(FSSAI)
 - Regulation of private nursing homes and radiological test centres
- Increased fiscal burden on the State
 - Victim's Compensation Scheme
 - Salary revision for college and university teachers mandated by UGC
 - Right to Fair Compensation & Transparency in Land Acquisition , Rehabilitation & Resettlement Bill 2013

Vertical Devolution (3)

Impact of Central Legislation & Policies on State Finances

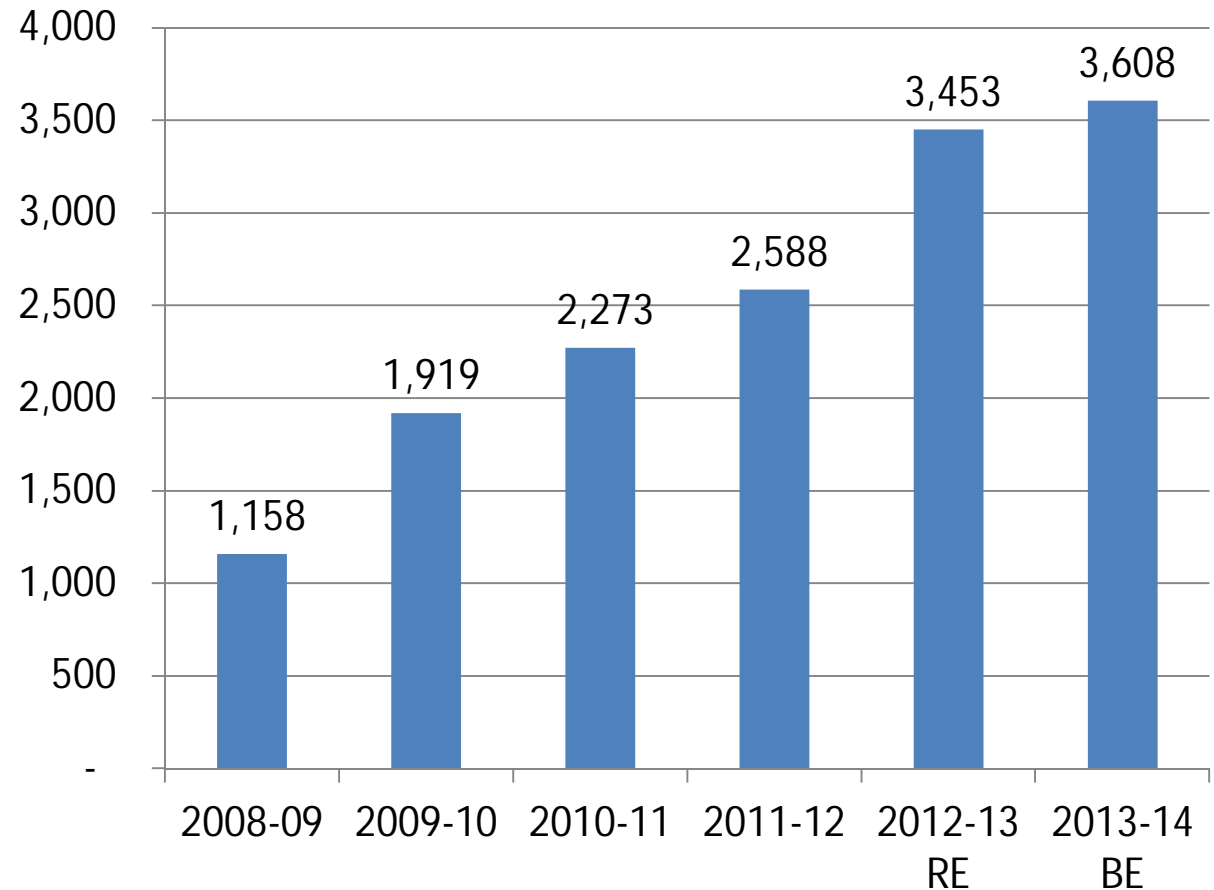
- Increased Vulnerability of States – Subsidy Policies
 - Food Security Act, 2013, 1.8 cr beneficiaries outside the purview of the Act in Maharashtra
 - Decision to implement the scheme of Post Matric scholarships to students belonging to OBC in a budget constrained manner
 - Subsidies on LPG & Sugar

Vertical Devolution (4)

Impact of CSS & CAS

- CSS & CAS restructuring a welcome development
- Increasing matching contribution eroding States discretionary fiscal space
- Fiscal burden on State post Plan period – Committed expenditure
- Large number of contractual employees – pressure to regularize

Matching Contribution provided by the State



Vertical Devolution – 40% of the Divisible Pool

Horizontal Devolution

Proposed Parameters & Weightages

#	Criteria	13 th FC	Proposed	Key Considerations
1	Population	25%	35%	<ul style="list-style-type: none"> Unexceptionable parameter Most social services to be provided on per capita norms
2	Area	10%	15%	<ul style="list-style-type: none"> Infrastructure provision based on area basis
3	Fiscal Capacity Distance	47.5%	25%	<ul style="list-style-type: none"> Equity & Efficiency needs to be balanced District level inter disparities in Income needs to be considered
4	Fiscal Discipline	17.5%	25%	<ul style="list-style-type: none"> Outcomes like improvements in HDI can be a better efficiency parameter Current ratio discourages States from increasing social sector spending and accessing debt for Infrastructure

Debt Relief

- Full compensation on write off on Central Loans on CSS & CPS yet to be received by the State
- States locked in an high interest regime. Reduction in interest rate on NSSF loans required
- Lower interest rates on NSSF loans enjoyed by Center and savings by improving operational efficiencies can be passed on to the States
- 6th Pay Commission recommendations - adverse impact on revenue balances. Debt relief being non contingent on fiscal targets & conditionalities
- Conditionalities if imposed, needs symmetric treatment for both the State & the Center
- Consideration of the impact of 7th Pay Commission on recommendations of Fiscal Targets for Debt relief

Subsidies

- Subsidies should be well targeted, transparent & temporary
- The State should not bear the fiscal burden of subsidies due to the economic policies of Central Government
- Structured dialog on all Policies/Acts of Center which impact State finances
- Suitable compensation mechanism to States for increased fiscal burden

Regulators

- Economic pricing of Utilities through Regulators may help in increasing transparency in subsidies
- Strongly suggest model legislations by Center for setting up of Regulators for utilities & services
- **State Regulators**
 - Water Resources Regulatory Authority (First State) - Water tariff for 2010-2013 for Irrigation & Bulk water. O&M expenditure is met through these charges
 - Maharashtra Electricity Regulatory Commission regulates the electricity tariffs. AT&C losses have reduced from 33.9% in 2006-07 to 18.7% in 2012-13
 - Fares for public transport provided by State Road Transport Corporation are based on the cost of the services provided
 - Municipal Property Tax Board proposed

Grants

Disasters

Grants

- **Increasing Grants**

- The State has spent additional Rs 3,940 cr from its own resources in the last six years over Rs.5,292 cr received from NDRF & SDRF
- States with similar risk profile, area & population receive higher shares based on the principle of past expenditure
- State requires a grant of Rs 10,000 cr from 14th FC for the period 2015-20

State	10th FC	11th FC	12th FC	13th FC
Rajasthan	943	1,144	2,297	3,319
Gujarat	735	892	1,359	1,775
Andhra Pradesh	654	1,094	1,901	2,812
Maharashtra	359	869	1,232	2,446

Disasters

Other Considerations

NDRF /SDRF assistance

- Relief to be based on Final Paisewari submitted
- Central Team visit to be restricted to items not covered under SDRF
- Procedure followed for release of funds need to be transparent & predictable
- Urgent pre-emptive mitigation measures to address creeping disasters like drought need to be provided under SDRF/NDRF

Operation and Maintenance Expenditure

Summary of Grants Requested

O&M expenditure	Purpose	(Rs cr)
Roads	Increase in renewal length of road and reduce the renewal cycle from 10-12 years to 5-6 years	5,000
Buildings	Structural strengthening and retrofitting on large scale in order to enhance the life of Government buildings	2,000
Strengthening of irrigation projects	Rehabilitation of irrigation projects through the Participatory Rehabilitation of Irrigation System scheme	3,380
Maintenance of KT Weirs	A comprehensive replacement program	210
Total		10,590

Local Bodies

PRIs

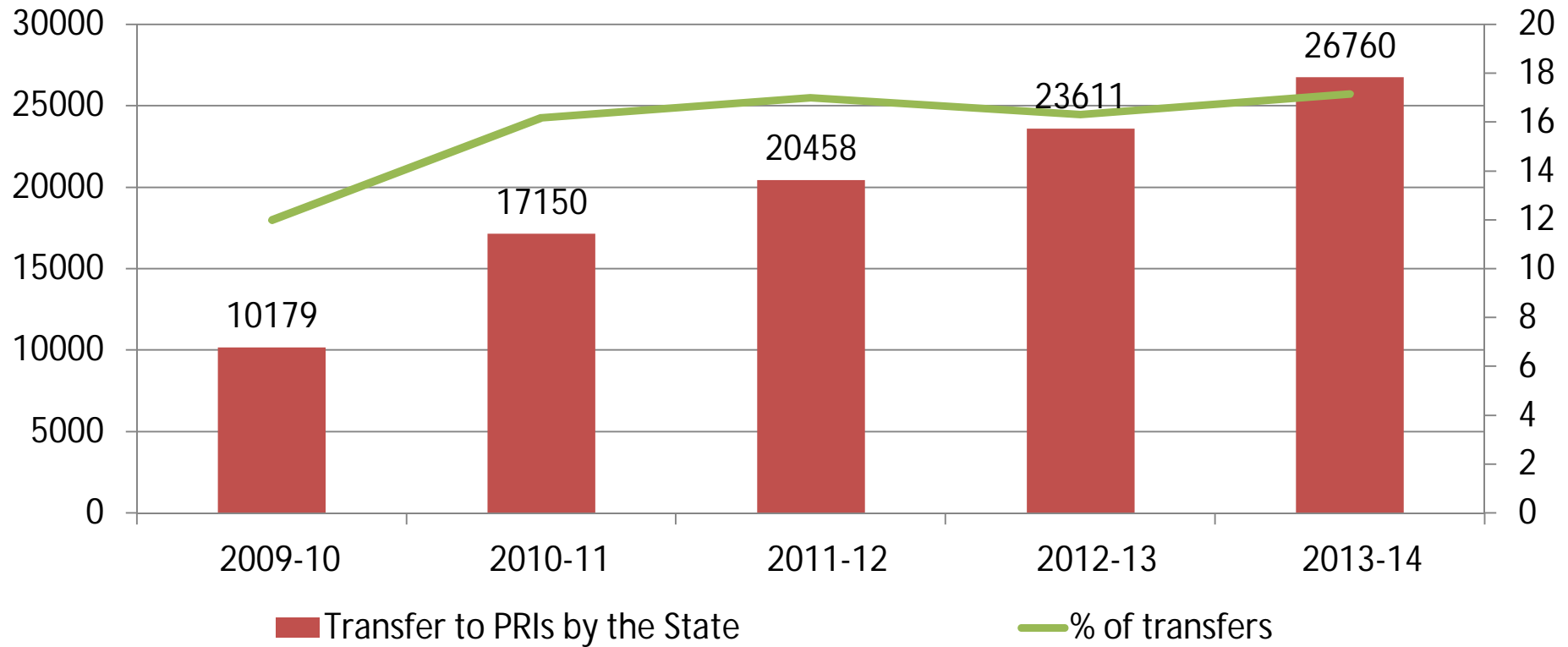
Profile

- Around 28,300 PRIs in the State (33 Zilla Parishads, 351 Block Panchayats & 27,900 Village Panchayats)

#	Particulars (Rs cr)	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
1	Own Tax (ZP)	154	240	285	306	331	374
2	Non Tax (ZP)	494	688	664	913	976	1,074
3	Own Tax (VP)	380	468	443	796	900	1,027
3.a	<i>of which Property Tax collection by VPs</i>	193	214	238	446	525	621
4	Non Tax (VP)	89	87	164	186	283	325
Total Income		1,116	1,483	1,556	2,202	2,490	2,800

PRIs

Transfers



- Increasing % of State Revenues transferred to PRIs
- More than 17% of State Revenues transferred in 2013-14

PRIs

Initiatives & Achievements

- **Eco-Village Scheme-** Villages rated and awarded on parameters like use of renewable energy, tree plantation etc.
- **e-PANCHAYAT Project** - Standardized processes and maintenance of online records - Model State in execution of this project
- 28, 275 official websites created for all ZPs, PSs and VPs
- **e-Tendering-** Works having a value of Rs. 5 la and above and for purchasing goods, material and services costing Rs. 1 la and above
- National level 2nd prize for implementation of Model Accounting System for the year 2010-11 and 1st prize for the year 2011-12
- 1st prize for effective devolution to PRIs at national level for the past three years
- Received Rs 76.3 cr of the forfeited grants of other non-performing States in the year 2011-12 from the 13th FC

PRIs

Demand for grants

#	Funds required for	Required fund for 5 years (2015-2020) Rs cr
1	Maintenance of basic amenities in all the Villages	7,375
2	Routine and Periodic Maintenance of Rural Roads	10,000
3	Maintenance of PRIs Buildings	1,470
4	Disaster Management Facilities	1,755
Total		20,600

ULBs

Profile

- 252 Urban Local Bodies (ULBs)
 - 26 Municipal Corporations
 - 219 Municipal Councils
 - 14 Nagar Panchayats
- 14.5% of Urban population in India
- 3.91 cr in Census 2001, 4.66 cr in Census 2011
- 11 million plus population cities
- 53 cities with more than 1 lakh population

ULBs

Initiatives & Achievements

Initiatives

- Implemented the State Government Urban Renewal Mission - Maharashtra Suvarna Jayanti Nagarotthan Mahaabhiyaan(MSJNMA) to supplement JNNURM
- Implemented the Sujal Nirmal Maharashtra Abhiyan (SNMA) & Performance Assessment System (PAS) for reforms in water supply and sanitation sectors
- Established State Level Service Level Benchmarking (SLB) Cell - technical assistance to ULBs for their performance measurement, monitoring and improvement in service level
- Initiated reforms under JNNURM
- Initiated a scheme to support additional cost due to increase in scheduled rates for projects under JNNURM

ULBs

Service Levels & Performance Indicators

Key Performance indicators	Benchmarks	Unit	FY 2012-13
Coverage of WS connections	100	%	61
Per capita availability of water at consumer end	135	LPCD	81
Quality of water supplied	80	%	94
Coverage of Wastewater Network Services	100	%	44
Coverage of Storm Water Drainage Network (%)	100	%	36
Incidence of Water Logging/Flooding	0	No.	3
Household level coverage of solid waste management services	100	%	72
Efficiency of collection of municipal solid waste	100	%	92
Coverage of WS Connections in Slums		%	32
Coverage of Individual Toilets in Slums		%	20
Household Level Coverage of SWM Services in Slums		%	65

ULBs

Urban / Housing

Particulars of progress under JNNURM	UIG+ Bus+ e-Governance	UIDSSMT	MSJNMA
No. of Projects approved	114	95	41
Total cost (Rs. cr)	14,429	2,827	3,090
GOI share (Rs. cr)	6,508	2,261	
GOI share released (Rs. cr)	4,587	1,992	
GoM share (Rs. cr)	2,529	287	1,613
GoM share released (Rs. cr)	1,719	239	756

Housing JNNURM	Approved DUs (la)	Project cost (Rs. cr)	ACA (Rs. cr)	DUs		
				Completed in XI FYP	2012-13	In progress
BSUP	1.4	5,838	2,819	54,295	2,551	25,469
IHSDP	1.1	2,559	1,604	16,762	5,779	20,897
Total	2.5	8,397	4,423	71,057	8,330	46,366

ULBs

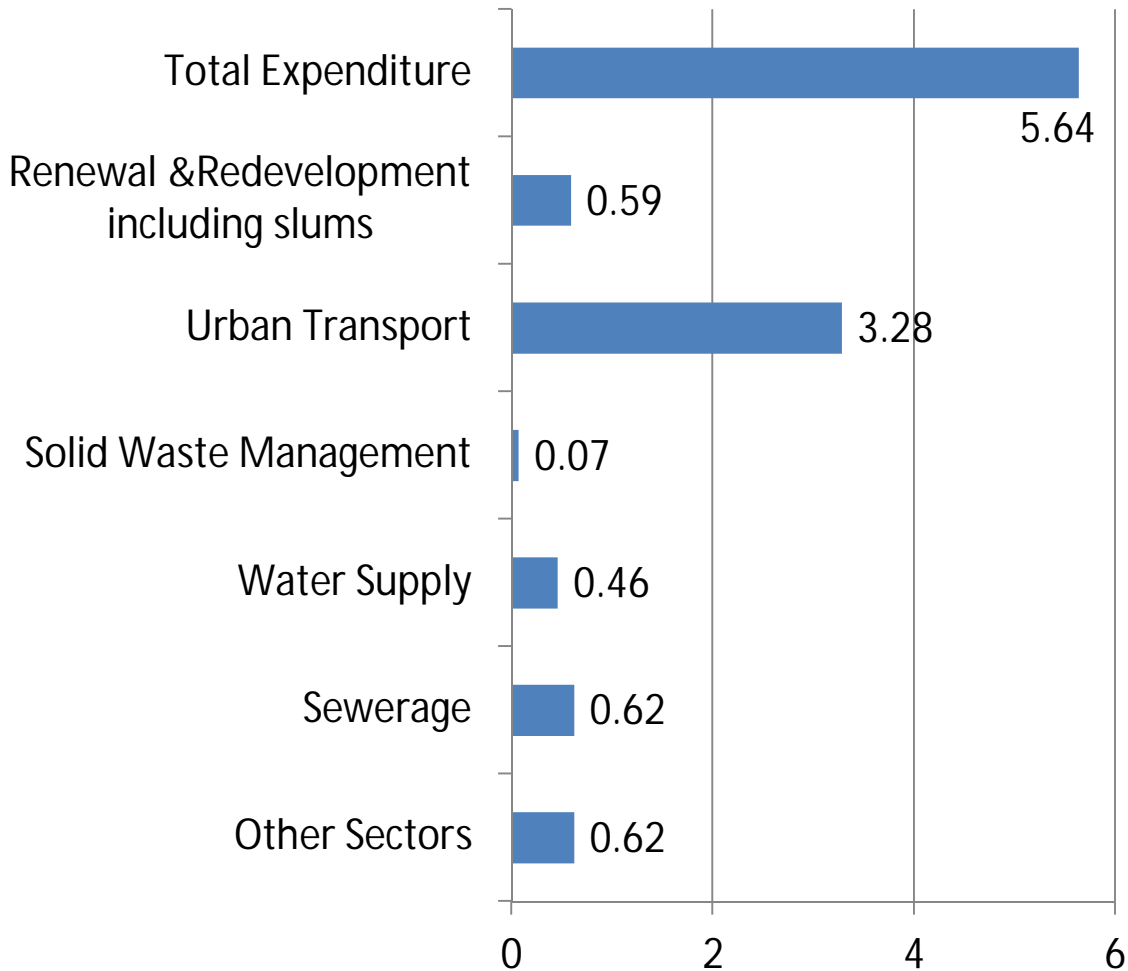
Revenues

Year	Municipal Corporations - Sources of Revenue (Rs cr)				
	Tax Revenue		Non Tax	Devolution (Gol/GoM)	% own revenues
	Property Tax	Other Taxes			
2009-10	5,917	7,744	6,054	1,020	91.2
2010-11	5,904	9,242	7,251	1,302	92.9
2011-12	5,936	11,101	7,842	1,464	91.0
2012-13	6,276	12,407	10,581	1,810	91.3

Year	Municipal Councils - Sources of Revenue (Rs cr)				
	Tax Revenue		Non Tax	Devolution (Gol/GoM)	% own revenues
	Property Tax	Other Taxes			
2009-10	309	279	187	2,115	24.7
2010-11	325	249	199	2,802	20.2
2011-12	321	264	250	2,528	23.2
2012-13	337	286	268	3,103	20.9

ULBs

Urban Infrastructure Investment Requirement, 2012-31 (Rs lakh cr)



- Estimated financial requirement under RAY is Rs 1.65 lakh cr
- All the projections have been done on the basis of population share (14.5% urban population share)
- RAY estimation is done as per Housing Department's report with regards to cities/towns - 25 Municipal Corporations, 13 Class 'A' Municipal Councils and 08 District HQ

Source: Report on Indian Urban Infrastructure and Services(March 2011) by the High Powered Expert Committee(HPEC) for estimating the Investment requirements for Urban Infrastructure Services

Criteria for Distribution of Grants

PRIs & ULBs

#	Criteria	Weightage	Key Considerations
1	Population	60%	<ul style="list-style-type: none"> Funds for O&M and Capital Expenditure 5% of Divisible pool (3.5% basic grant & 1.5% for performance grant) Distribution of grants between ULBs & PRIs - ULB population higher weightage as State funds PRIs for many services Equity is already provided for in the horizontal devolution formula for States. It can be dropped for LBs A separate pool of fund earmarked for performance grants, LB performance related parameters can be dropped from the formula.
2	Area	25%	
3	Decentralization / Devolution Index	15%	

Sector Snapshots

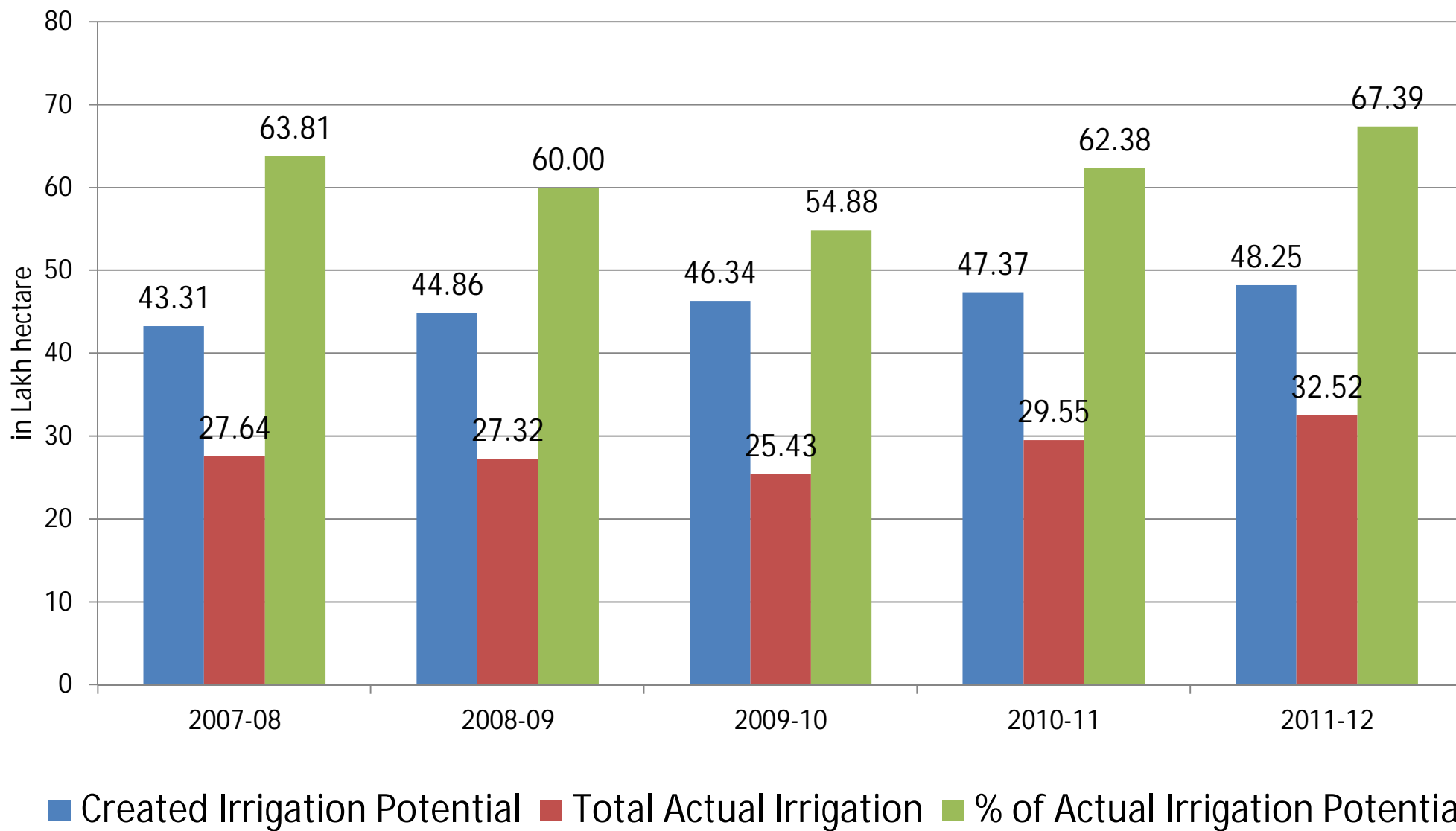
Irrigation -Snapshot

- 148 out of total 971 Drought Prone Talukas in India are in Maharashtra(15% of All India). Nearly 42% of Talukas of total Talukas(355) in the State are Drought Prone

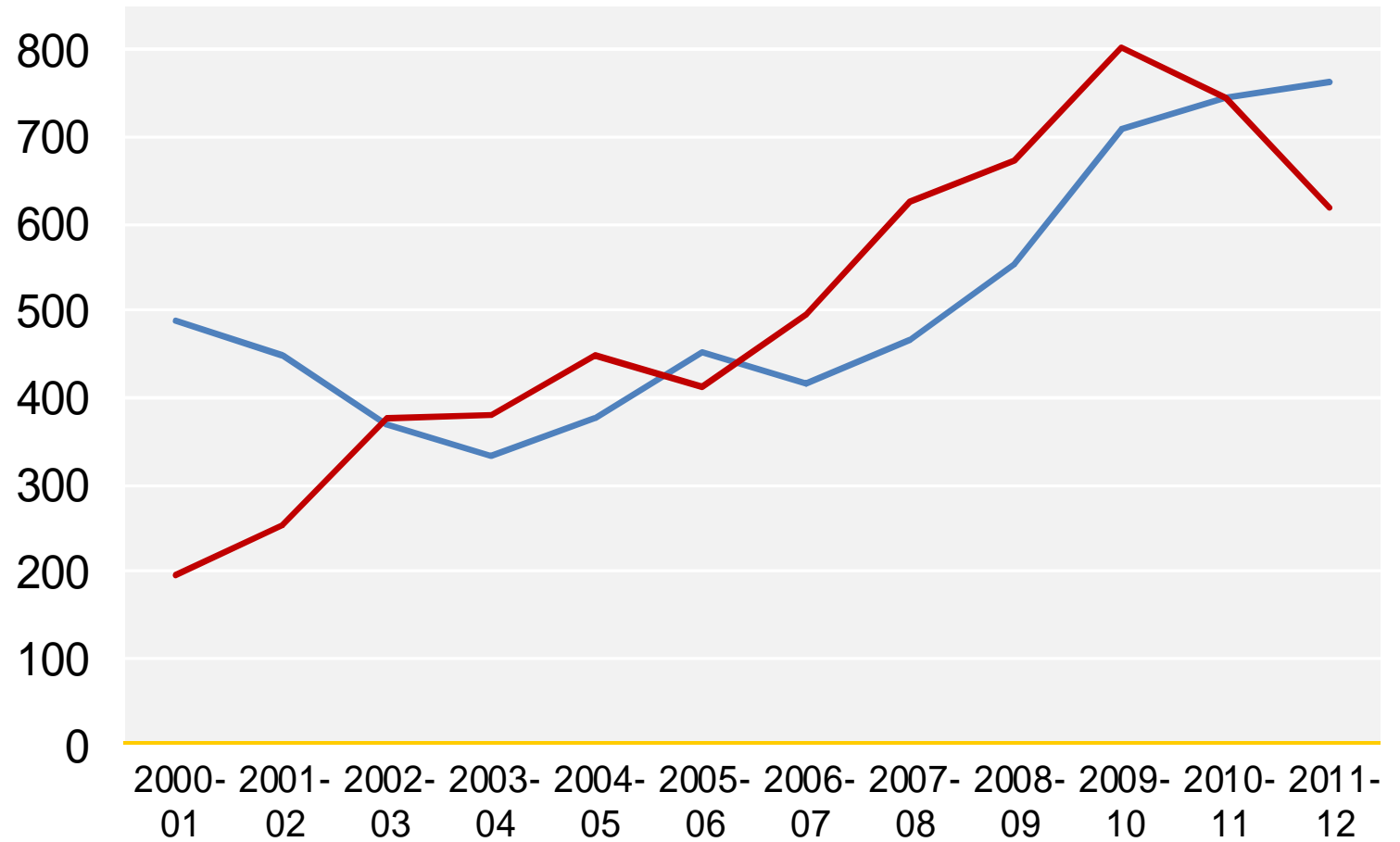
Particulars	Details
Geographical Area(GA)	308 la ha
Cultivable Area(CA)	225 la ha (73%GA)
Annual Rainfall	400 to 6000mm
Ultimate Irrigation Potential (Surface Water)	85 la ha (38% CA)
Potential created (2012)	49.25 la ha
% of Irrigation Potential wrt CA	21.89%
Completed Projects	3023
Ongoing Projects	589

- Total investment by March 2012 was Rs 75,000 cr
- Balance Cost is Rs 71,949 cr
- Balance Potential of Ongoing Project is 33.99 la ha

Irrigation - Potential Created and Actual



Irrigation- O&M Cost and Recovery



— O&M cost (Establishment +M&R)
 — Total Recovery

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
O&M cost (Establishment +M&R)	490	450	370	333	376	453	416	466	555	709	745	765
Total Recovery	195	252	377	378	448	413	494	627	673	803	746	620

Water Conservation

IWMP

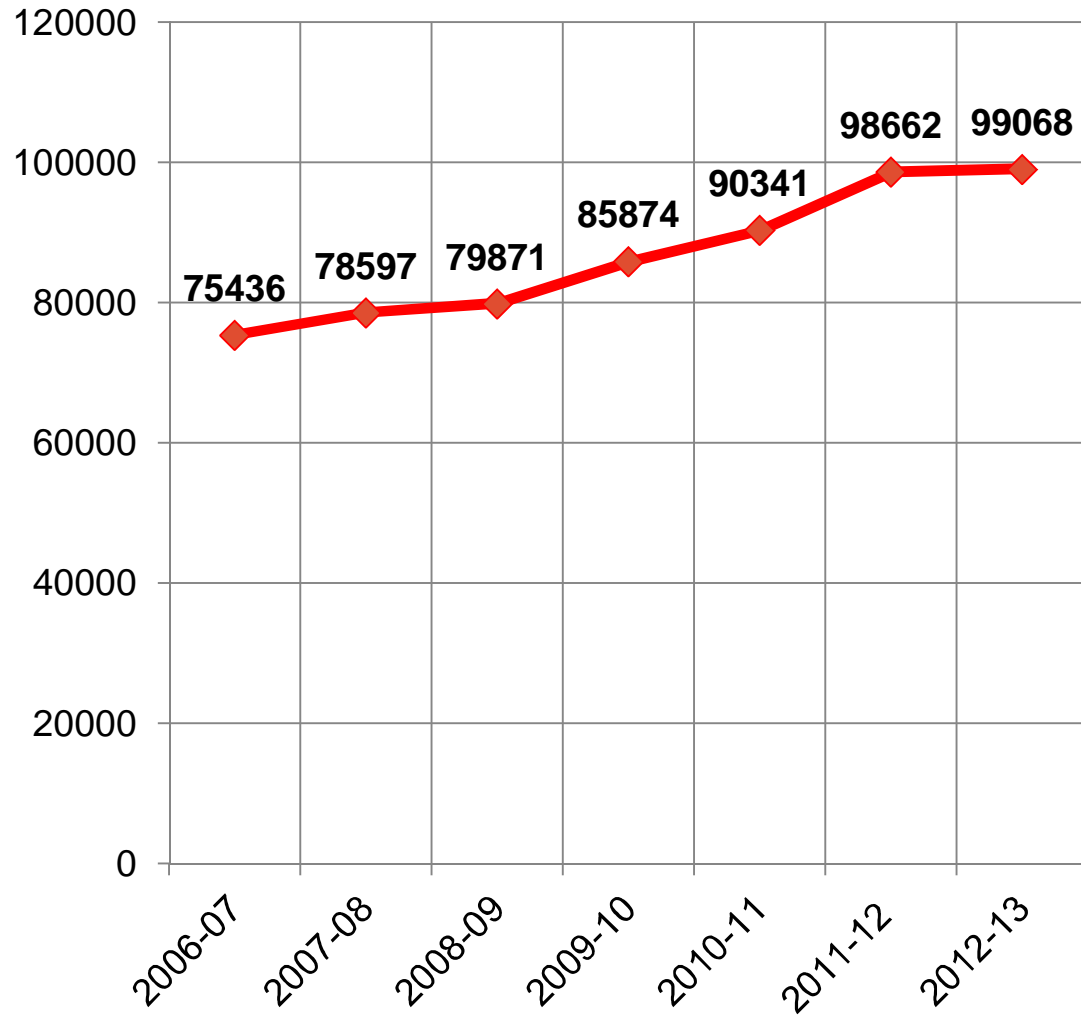
- Highest recipient of ongoing IWMP, from GOI (Rs 5,800 cr) – 45 la ha
- 20% of State Covered – 10,000 villages – Rs 1,000 cr spent
- ‘Life of Structures’ notified
- Highly Participative – Peoples involvement – 25% role for CSOs
- Introduction of Independent concurrent monitoring

Check Dams (CNBs)

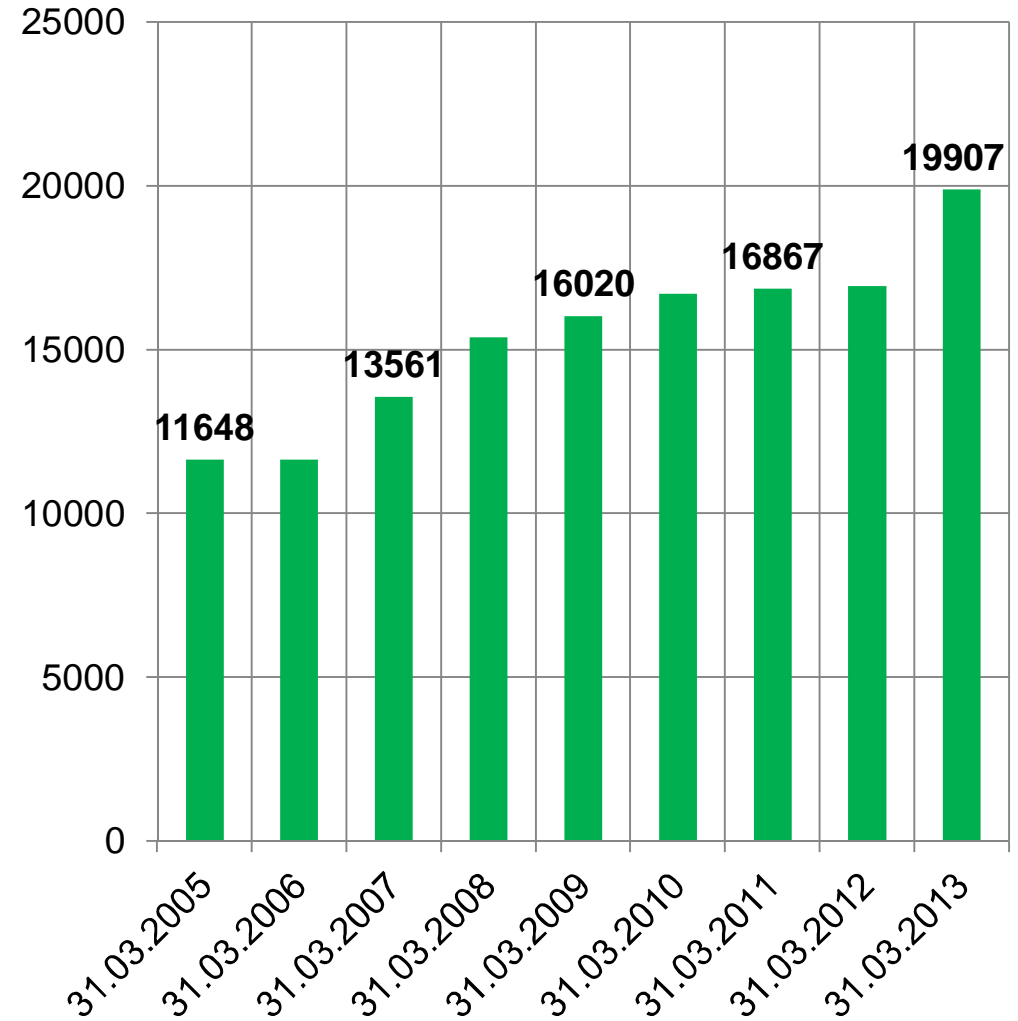
- Phase 1- Rs.150 cr – 15 Talukas (to combat 2012 drought)
- Around 1500 CNB’s inaugurated in June 2013
- Excellent results & overwhelming response – launch of phase 2 & 3 – Rs.665 cr (June 2014)

Power

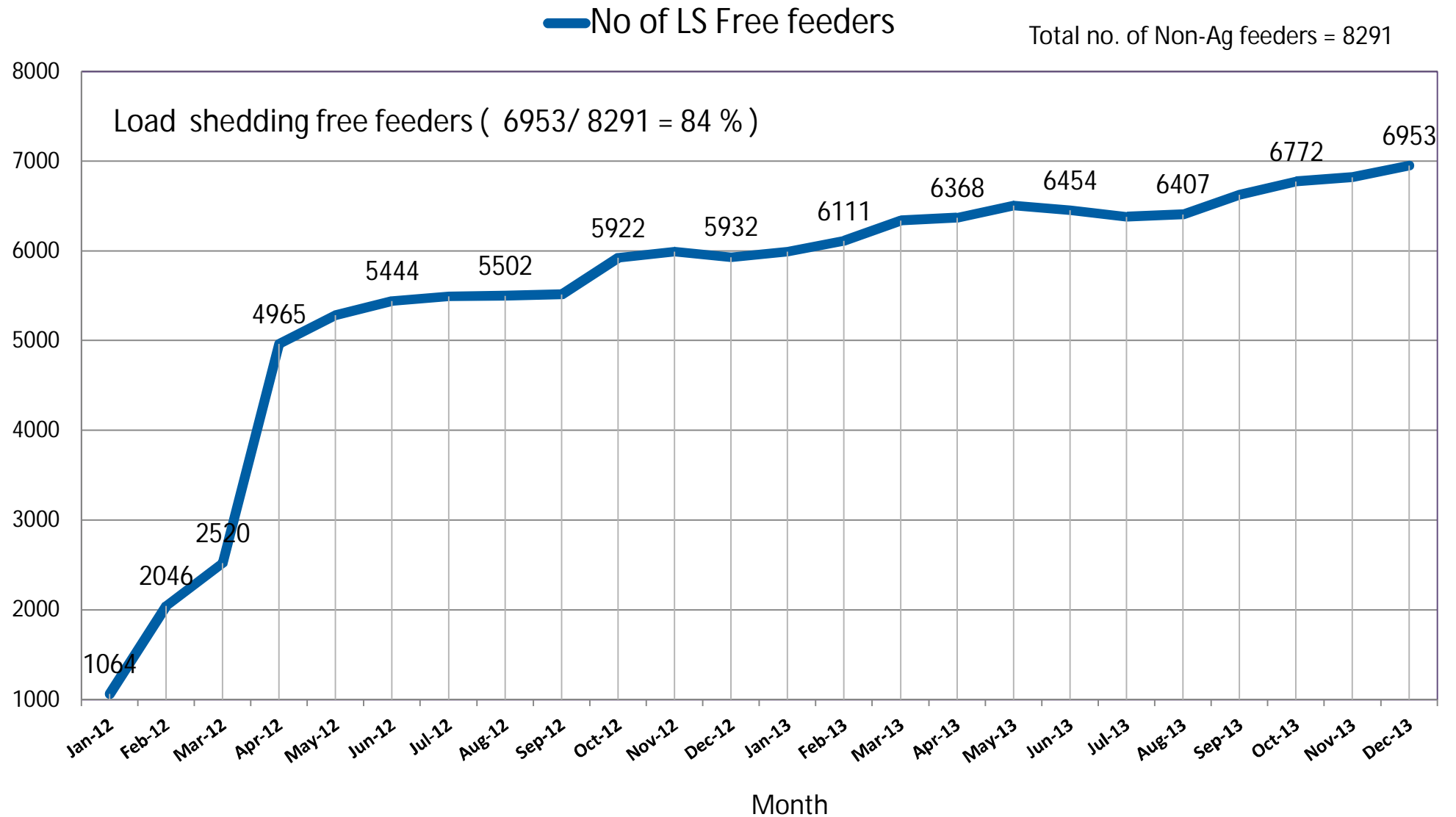
Power Purchase in MUs



Capacity Addition in MW



Power



Power

Particulars(%)	FY 2008-09	FY 2010-11	FY 2012-13
Distribution losses	22.0	17.3	14.7
Collection efficiency	96.6	98.6	95.3
AT&C losses	24.6	18.5	18.7

- IR/RF Meters (around 22% rise in revenues)
- Automatic Reading Meters for industries
- 146 ATP machines installed
- Online payment and release facility
- Consumer Facilitation Centre

Power- Cross Subsidy

#	Details of Subsidizing Consumers	No. of Consumers	Amount (Rs cr)
1	Industrial(LT&HT)	3,47,262	6,363
2	Commercial(LT&HT)	1,265,407	1,933
3	Others (HT-Railway, LT Advertising, Temporary & Standby charges)	256,727	1,210
4	Total	18,69,396	9,506

#	Details of Subsidized Consumers	No. of Consumers	Amount (Rs cr)
1	Domestic(LT)	16,474,882	1,008
2	Agriculture(LT&HT)	3,459,790	6,935
3	Others(HT-PWW, HT-Bulk Supply, LT-Street Light, LT-PWW, Franchisees)	194,983	1,563
4	Total	20,129,655	9,506

Security needs of Mumbai

Home

Key Challenges

- Terrorist activities
- Maritime Coastal Dimension
- Class and communal harmony
- Economic offences
- Cyber crime
- Illegal immigration
- Law and order issues
- VIP security
- Traffic congestion
- Iconic Structures

Anti-Terror Capacity Enhancement Programme

- Upgrade and widen the scope and capacity of specialized counter-terror units
- Focus on (i) Suspicious Activities Reporting System, (ii) community policing, and (iii) cross-platform campaigns
- Setting up a Security Training and Operations Hub at Kalina
- Centre for counter-terror tactical and operational capacity building

Police Response Improvement Project

- Reduce the response time of the Main Police Control
- Upgrading Hardware and Software of the existing system
- Providing all Regional and Traffic Control Rooms with adequate systems
- Equipping Disaster Control Room (at Traffic Police Head Quarter)

Vessels Tracking Management System

- Real-time Vessels Tracking Management System(VTMS)
- Integrated with Coast Guards and major ports VTMS
- Automatic Identification System
- Global Position System
- VHF Wireless for Police Boats
- Construction of Jetties - police boats

Well Trained and Equipped CBRN Unit

- Chemical, Biological, Radio-active and Nuclear(CBRN) weapons/agents a major threat
- Initiated measures for the constitution of a State Disaster Response Force (SDRF) as a stand-alone Force
- High cost of the procurement of equipment a challenge
- Training requirements for CBRN

Plan for Social Media Centre

- First State Level Civil Police Unit in the country to have started Social Media Lab(SML).
- Need to expand the SML facility
- Enhancement of Hardware and Software
- Rollout of the model SML to other units/cities of Maharashtra Police
- SM Training & related activities

Investigative Skill Up-gradation and Research Center

- Up-gradation of the investigation skills of the Investigating Officers
- Planning and executing training programmes
- Creation of adequate training infrastructure
- Cyber crime lab as part of the Centre
- Robust documentation and data maintenance centre

Illegal Immigrants Detention and Care Centre

- Challenge to detain foreigners involved in illicit activities - prolong stay with police cases
- Security Concern
- Acquisition of land for a building (100 occupants)
- Health Care Unit, Child Care Unit
- Interview room , Legal Consultation room and adequate Security cover.

Crash Investigation and Accident Analysis Unit

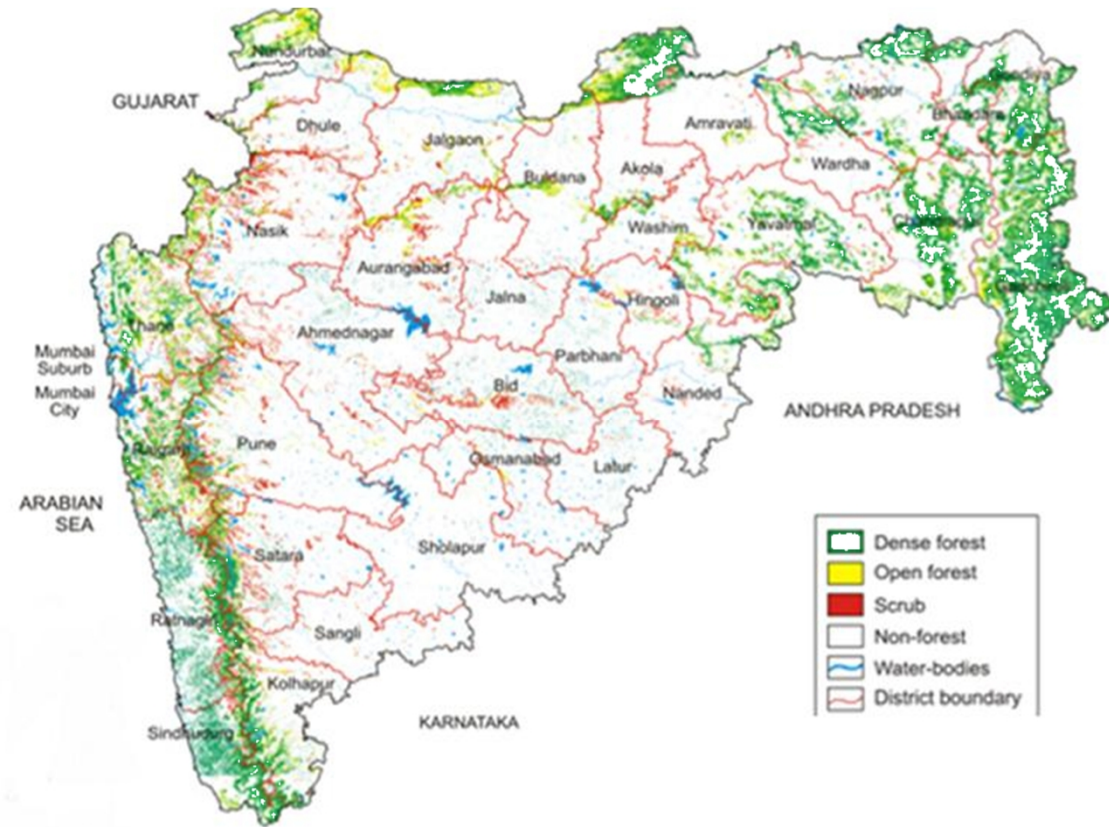
- Crash Investigation and Accident Analysis Unit
- Web-based accident database management system
- Providing pre-crash and post-crash input in decision making
- Generate Crash Investigation Report
- Develop special tools for improved investigation & analysis

Environment & Forest

Environment

Key Features

- Regional climatic diversity
- Tropical monsoon climate
- Variation in rainfall
 - Konkan 2000mm
 - Central belt 600mm
- Five physiographic regions -Deccan plateau, Central Highlands, Eastern Chotanagpur plateau, Coastal Plains
- Unique biodiversity- Western Ghats



Environment

Climate Change

- Integrate climate change concerns into the State's overall development strategy
- Build climate resilience and enabling adaptation to the likelihood of risks arising from climate change
- Implementing the State Response Framework
 - Climate change vulnerability and adaptation Plan with the help of TERI -2010
 - Scientific study to understand the climate projections for the year 2030, 2050, 2070
 - Vulnerability assessment and adaptation proposals for 6 vulnerable districts
 - Capacity building and sensitization

Environment

Water Quality Improvement, Treatment & Conservation

- National River Action Plan - 5 towns covered, 6 under consideration
- National Lake Conservation Plan - 11 Lakes undertaken and 3 in pipeline
- State River Action Plan (Proposed) - Municipal Councils and 15 K Population villages settled on the bank of river.
- River Regulation Zone (RRZ) - Classification of river as per designated use of water
- State Lake Conservation Scheme - 21 lakes covered from state funding
- Common Effluent Treatment Plants(CETP) - 24 CETPs operational in various MIDC areas

Environment

Green Initiatives

- Conservation through communities/ awareness / participatory projects
 - Environmental Service Scheme in Schools from 2011
- Green Buildings Certification, Eco friendly Area Development Norms

Clean Fuel Norms

- Bharat 4 emission norms in registration of new vehicles in Mumbai and Pune
- Clean fuel and bio fuel - Increased distribution network
- Taxis, buses and autos- Fully on CNG
- Age of taxis reduced to 25 years, Environment tax on old vehicles

Forest

Key Concerns

- Of 61 la ha only 35 la ha are good forests (above 0.4)
- Depleting Forest cover - Population growth, fuel wood and MFP demand
- Lack of financial resources
 - 43 (of 51) working plans in Maharashtra are in operation but constrained by lack of financial resources
 - Rs.8 to 10 cr available for massive afforestation programme
- Increased man animal conflict
 - Nearly 211 villages located in 49 wildlife sanctuaries and 5 tiger reserves affected

Forest

Implementation of Forest Rights Act 2006

- Livelihood to over 14,000 tribal villages
- 98,868 families have been given rights over 2,19,136 acres forest lands.
- Community facilities / infrastructures provided in rural areas
- Revenue received form Tendu patta distributed among local people

Forest Conservation

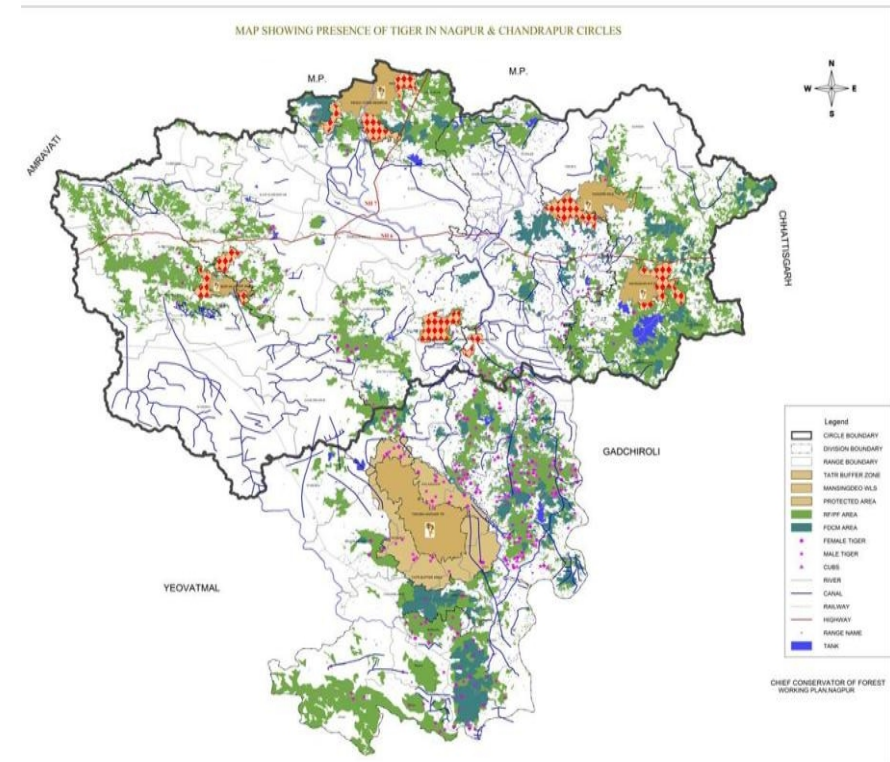
- Eco-tourism centers handed over to local villages
- All guards being provided PDA to monitor forest offences
- Increase forest cover from 20% to 33 % by 100 cr tree plantation in 5 years
- All Forest plantation mapped as per GPS LAT/LONG. Polygons are super imposed and Geo-Tagged maps are uploaded



Forest

Wildlife Conservation

- 5 new wild life sanctuaries created
- Increased Tiger habitat by 630 sq.km
- Increase in Tiger population -169 to 200
- 2033 Forest Guards & Special Tiger Protection force recruited
- Reduction in Man animal Conflict
- Rehabilitation - 17 Villages with Rs 10 Lakh package



माओवाद्यांनी केला पुनर्वसनाचा 'बागुलबु' विशेष

नागरिक संभ्रमित : वन विभागाकडून फक्त चार गावांचे पुनर्वसन

विशेष : वन विभागाने नागरी नागरिकांच्या पुनर्वसनासाठी केलेल्या प्रयत्नांचे विषयी वन विभागाचे अधिकारी म्हणतात. वन विभागाचे अधिकारी म्हणतात. वन विभागाचे अधिकारी म्हणतात.

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Happily uprooted

Author(s): Ashwin Aghor
Issue Date: 2012-1-15

A well-calculated compensation plan eases relocation pain of forest dwellers from the core area of Melghat Tiger Reserve



Using compensation money, people dug wells and are growing crops (Photo: Ashwin Aghor)

It's not the kind of relocation story that one usually hears. Early last year three villages were uprooted from their traditional land in the core area of the Melghat Tiger Reserve to make way for free movement of the big cat. They did not protest, and walked away with their belongings and herds of cattle. Eight months since, they are comfortably settled and prospering.

Residents from other villages in the tiger reserve now want to be relocated and have approached the Maharashtra forest department. Officials say people are eager to relocate because of the revised rehabilitation package and a novel formula developed by the forest department to disburse the compensation.

The core area of this tiger reserve in Amravati district has 30 villages. This is not the first time the forest department has made an effort to relocate villages from the core area, as required under the Wildlife Protection Act. It had initiated the programme twice before: first in 2000-01 and then in 2003-04.

Villagers move out of tiger zone, and are the richer for it

Indian Express

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Vivek Deshpande : Melghat, Maharashtra, Mon Oct 17 2011, 00:03 hrs

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At a time when the rehabilitation of villages out of tiger landscapes has become more difficult than ever, with the Forest Rights Act having made it subject to villagers' consent, here is one tiger territory that stands out in contrast.



The remains of one of the houses that was demolished in Nagartas

BOTH TIGERS & VILLAGERS HAPPY

HOW DID IT WORK?

Each family gets a ₹10 lakh package. A total over 38 years of age is treated as separate family irrespective of marital status. The 80 families got 12 lakh each initially for buying utensils, transportation and household material. Many used the money for cultivating land of other farmers by paying rent. 43 lakh was kept as fixed deposit for 3 months. Villagers received interest on this amount. The Fds matured on February 21 and many villagers now plan to buy small land holdings with this amount. Another ₹1 lakh has been kept in FD for six years. The families get around ₹5,000 as monthly interest on this. "This is spent on day-to-day expenses. Last season, I saved ₹1,000 after selling two quintals soyabean and jowar and three quintal fat," claimed Mahan Gavli, similar to the story of 15-year-old Ramkhandu Shikhande.

Over 40 Kurva families from Nagartas paid ₹10,000 and ₹54,000 for two and one 80K quarters respectively. They were settled in 52 cuboid quarters at Warli irrigation colony under the Warli Project. Similarly, 235 families of Kurva (Mhal) and Mhal (Bhatga) from Barukheda were settled on revenue land worth an L300 as it got each. "Our officials coordinated with various departments to get work done," said V M Guddike, deputy conservator of forests, Akot.



The barren land in Nagartas inside Warli sanctuary which will now turn into lush green meadows



The house of villager Ram Singh Shende in Warli has a prosperous look

Vijay Pimparkar: Nagartas. No one is ever happy being shifted from their home but 80 families shifted from three villages inside Melghat Tiger Reserve (MTR) consider themselves lucky for having been moved out. Nearly a year after being resettled, these families—40 from Nagartas, 70 from Amosa and 106 from Barukheda—all inside 217 sq km Warli Wildlife Sanctuary in MTR, are on road to prosperity.

On the other hand, wildlife including tigers in happy too as it has occupied the areas vacated by the villagers. The villagers from Nagartas and Barukheda, relocated as Warli, and those from Amosa in Shikhar Kasod, in Akot tehsil, now report of how they lived amid wild animals without roads, communication, electricity, schools, dispensary, or market. They have all been beneficiaries of systematic implementation of ₹10 lakh rehabilitation package being given to central government.

"From Nagartas, where I stayed, the nearest market was 20 km away in Bhatgaon. I often had to walk all the way to Bhatgaon to buy stuff," recalls 40-year-old Manoj Gavli, a former labourer who now lives in Warli irrigation colony he says. "I'm happy to be dislodged. Life is better because of facilities here."

Former labourer and now police patil, Rameshwar Gavli, says officials helped nine families, who lost 40 hectares land in Nagartas, get road to their irrigated land for ₹1.75 lakh per acre. Over 75% of the resettled villagers are cultivating farm lands brought on road initially. "We now plan to buy our own land with ₹3 lakh fixed deposit,"

Gavli adds. Like him, many farm labourers are now either land owners or are about to become one.

Explains G D Deshpande, Warli range forest officer (RFO), "we did not throw them out but resettled them. Even now, we are helping them buy farm land." He says he has received 12 proposals from villagers about financing deal for farm lands. There is sufficient drinking water at the new village. Almost every house has a bike and a television. Sofa sets can be seen in drawing rooms and dish antennae atop every home. Almost all villagers have cattle and carts. A couple of them even bought tractors. Seven kids go to convent schools. Earlier, they had to travel 40 km to go to a school in Gullarghat.

Shyamsul and Shambhul Kashikar have set up 'sata chakki' (flour mill).

Bhanshikhandi, Ramkhandu Kashikar has set up a better house, constructed a concrete house, perhaps the best in the village. "In Barukheda, I lived in a thatched house. I'm happy my dream is fulfilled," he said in Kasod. Amosa villagers are also happy as irrigation facilities have brought large employment opportunities.

The success story of Nagartas, Barukheda and Amosa have changed attitude of people still living inside. Once they were resisting relocation, now they are demanding it. A E Minder, chief conservator of forests (CCF) and field director of MTR, admits shifting of three villages was akin to managing a big natural disaster. He's happy, however, that villagers as well as tigers are prospering by moving out of each other's way. "We are now developing beautiful meadows where villagers were," he said.

"I'm happy to be dislodged. Life is better because of facilities here."
Manoj Gavli | resident, Warli irrigation colony

We now plan to buy our own land with a ₹3 lakh fixed deposit
Rameshwar Gavli | police patil

We did not throw them out but resettled them. Even now, we are helping them buy farm land
G D Deshpande | RFO



After relocation, almost every house now has cattle



One of the resettled villagers shows the fixed deposit certificate that matured on Tuesday

Environment

Summary of Grants Requested

Item	Details	(Rs cr)
Forest sector initiatives	<ul style="list-style-type: none">Meeting the shortfalls in Working Plan for carrying out the work in forest areaRehabilitation of villages in Tiger reserves and wildlife sanctuaries	1,125
Water Resource management	<ul style="list-style-type: none">Clean River Project- Assistance for sewage treatment to 32 Municipal bodiesSetting up of 27 Common Effluent Treatment PlantsSetting up of Climate Change/CDM Cell	4,020
Climate Change Action Plan	<ul style="list-style-type: none">Implementation of State Action Plans	1,000
Capacity Building & Research	<ul style="list-style-type: none">Law officers specialized in Environmental law	50
Total		6,195

Summary of Special Grant

Special Grants

Summary

#	State specific proposals for Special Grants	(Rs cr)
1	Funds required for initiatives in reducing regional disparities(Special Status accorded by Article 371(2)	2500
2	Construction of 9,000 new Anganwadis	450
3	Provisioning of vocational skills and creation of Centres of Excellence in Government Polytechnics	162
4	Automation of Sales Tax Department	250
5	Academy for Indirect Taxes	150
6	National Centre for Multi-level Public Finance	30
7	E-Panchayat project	1,260
8	Strengthening of judicial infrastructure	200
9	New Forensic laboratories	186

Special Grants

Summary

#	State specific proposals for Special Grants	(Rs cr)
10	Strengthening of prison infrastructure	380
11	Development of roads in hilly and remote areas	1,000
12	Initiatives in the agriculture sector	174
13	Tourism and Pilgrimage development in rural area	710
14	Heritage Conservation and making Maharashtra as garbage free tourism destination	507
15	Special needs of Mumbai	12,500
16	Surya drinking water project	1,700
17	Strengthening the Police/Security infrastructure in Mumbai	445
Total		21,097

Thank you

13th Finance Commission Grants Utilization

Pending Grants (2012-13) & Utilization Certificates (2010-13)

#	Scheme	2012-13 (Grants) (Rs cr)			Utilization Certificates for Grants (2010-2013) Rs cr			% of pending U.C.
		Receivable amount	Received from GOI	% Grants Received	Receivable Amount	Received from GOI	Pending U.C.	
Panchayat Raj Institutions								
1	General Basic Grant	693.97	729.03	105%	1799.77	1882.74	0.00	0%
2	General Performance Grant	476.20	499.63	105%	679.20	720.70	0.00	0%
	General Performance Forfeited Grant				0.00	76.66	0.00	0%
3	Special Area Basic Grant	7.88	7.90	100%	23.64	23.70	0.00	0%
4	Special Area Performance Grant	7.88	7.90	100%	11.82	7.90	0.00	0%
Urban Local Bodies								
5	General Basic Grant	401.03	421.28	105%	1040.03	1087.98	494.89	45%
6	General Performance Grant	275.20	144.36	52%	392.50	434.49	336.52	77%
	General Performance Forfeited Grant		104.06		0.00			

13th Finance Commission Grants Utilization

Pending Grants (2012-13) & Utilization Certificates (2010-13)

#	Scheme	2012-13 (Grants) (Rs cr)			Utilization Certificates for Grants (2010-2013) Rs cr			% of pending U.C.
		Receivable amount	Received from GOI	% Grants Received	Receivable Amount	Received from GOI	Pending U.C.	
7	State Disaster relief fund (Central Share)	366.05	366.05	100%	1046.69	1046.69	540.35	51%
8	Grant for Capacity Bldg.	5.00		0%	15.00	10.00	10.00	100%
9	Grant-in-Aid for Elementary Education	149.00	149.00	100%	420.00	420.00	0.07	0%
10	Grant-in-Aid for Forest (Plan)	77.40	77.40	100%	154.80	154.80	78.91	51%
11	Incentive Grant for UID (Plan)	63.48		0%	190.44	31.74	31.74	100%
12	Allocation of grants for improving Delivery of Justice	108.53		0%	325.59	162.80	101.32	62%
13	Grant for District Improving District and State Statistical systems	7.00		0%	21.00	7.00	7.00	100%
14	Employee & Pension Data base	3.75		0%	6.25	2.50	0.00	0%
15	Grant-in-Aid for Water Sector Management	92.00	92.00	100%	184.00	184.00	NA	NA

13th Finance Commission Grants Utilization

Pending Grants (2012-13) & Utilization Certificates (2010-13)

#	Scheme	2012-13 (Grants) (Rs cr)			Utilization Certificates for Grants (2010-2013) Rs cr			% of pending U.C.
		Receivable amount	Received from GOI	% Grants Received	Receivable Amount	Received from GOI	Pending U.C.	
16	Grant for District Innovation Fund (Plan)	17.50	17.50	100%	17.50	17.50	17.50	100%
17	Grant-in-Aid for Maintenance of Road and Bridges	504.00	504.00	100%	974.00	974.00	NA	NA
18	Incentive for Grid Connected Renewable Energy *(Plan)	0.00	-	-	0.00	0.00	-	-
19	Incentive for Reducing infant Mortality (IMR) (Plan)	0.00	133.08	-	0.00	133.08	NA	NA
20	Construction of Anganwadi Centers	75.00	75.00	100%	150.00	150.00	89.41	60%
21	Anti-Sea Erosion Measures	51.25	51.25	100%	102.50	102.50	51.25	50%
22	Development of Roads in Difficult Areas	50.00	50.00	100%	100.00	100.00	63.73	64%
23	Police Training	55.75	55.75	100%	111.50	111.50	62.84	56%
24	Heritage Conservation	25.00	0	0%	50.00	0.00	-	-
25	Prison Department	15.00	0	0%	30.00	15.22	12.39	81%
26	Food Testing Labs	8.00	0	0%	16.00	8.00	8.00	100%
27	Strengthening Industrial Training Institutions	28.75	0	0%	57.50	28.75	28.75	100%
	Total	3,564	3,302	93%	7,920	7,711	2,084	27%

Compliance to 13th FC Recommendations

PRIs & ULBS

#	Conditions to avail the General Performance Grant under 13 th Finance Commission	ULBs	PRIs
1	Supplement to the budget documents -details of plan- and non-plan-wise classification of transfers	✓	✓
2	An audit system for all local bodies	✓	✓
3	System of independent local body ombudsmen	✓	✓
4	System to electronically transfer local body grants	✓	✓
5	Prescribe through an Act the qualifications of persons eligible for appointment as members of the SFC	✓	✓
6	All local bodies enabled to levy property tax	✓	✓
7	State level Property Tax Board	Proposed	
8	Standards for delivery of all essential services	✓	✓
9	Fire hazard response and mitigation plan – Select Municipalities	✓	