



# **Accounts at a Glance for the year 2017-18**



**GOVERNMENT OF MEGHALAYA**



# **Accounts at a Glance For the year 2017-18**

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**Pr. Accountant General  
(Accounts and Entitlement)  
Meghalaya**



**‘लोकहितार्थं सत्यनिष्ठा’**  
Dedicated to Truth in Public  
Interest

**GOVERNMENT OF MEGHALAYA**



## *Preface*

I am happy to present the nineteenth issue of our annual publication, the 'Accounts at a Glance' for the year 2017-18, which provides an overview of Governmental activities, as reflected in the Finance Accounts and Appropriation Accounts.

The Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and Public Account. The Appropriation Accounts record the grant-wise expenditure against provisions approved by the State Legislature and depict explanations for variations between the actual expenditure and the funds allocated.

Finance and Appropriation Accounts are prepared annually by my office under the direction of the Comptroller and Auditor General of India (C&AG) in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Services) Act, 1971 for being laid before the Legislature of the State.

We look forward to suggestions.

*Shillong*

Date: 28-May- 2019



**Pr. Accountant General (A&E)**



## **OUR VISION, MISSION AND CORE VALUES**

### **VISION**

*(The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.)*

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and recognized for independent, credible, balanced and timely reporting on public finance and governance.

### **MISSION**

*(Our mission enunciates our current role and describes what we are doing today.)*

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders: the Legislature, the Executive and the Public- that public funds are being used efficiently and for the intended purposes

### **CORE VALUES**

*(Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance.)*

- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach





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# *Chapter I Overview*

## **1.1 Introduction**

The Principal Accountant General (Accounts and Entitlements), Meghalaya collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Meghalaya. The compilation is done from the initial accounts rendered by the District Treasuries, Public Works Divisions, Forest and Soil Divisions, accounts rendered by the other states/accounting offices and advices of Reserve Bank of India. Every month a Monthly Civil Account is presented by the office of the Principal Accountant General (A&E) to the Government of Meghalaya. The office of Principal Accountant General (A&E) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The Annual Finance Accounts and the Appropriation Accounts are placed before the State Legislature after audit by the Principal Accountant General (Audit), Meghalaya and certification by the Comptroller and Auditor General of India.

## 1.2 **Structure of Government Accounts**

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

#### Structure of Government Accounts

##### **Part 1 CONSOLIDATED FUND**

All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund. All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund

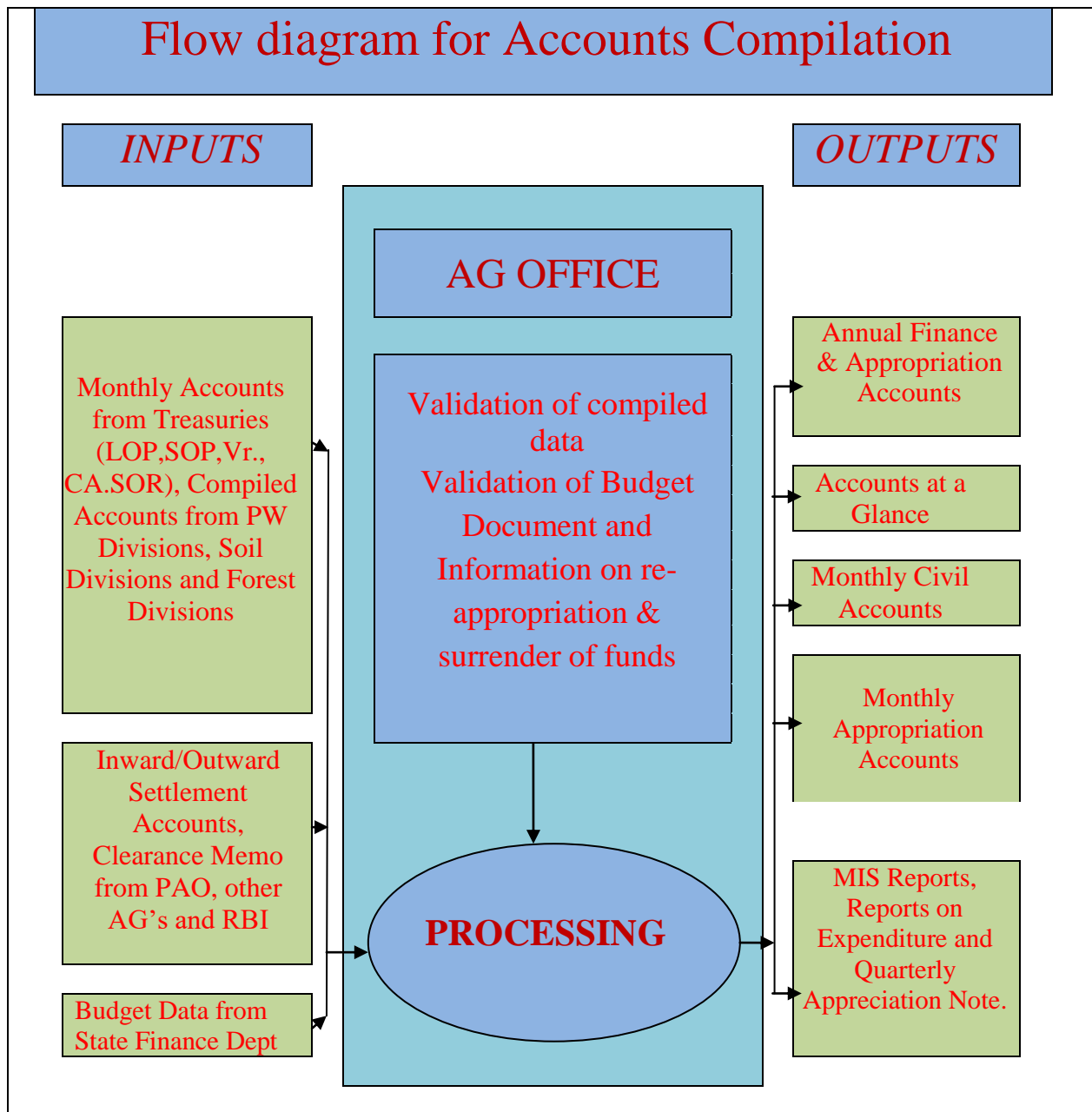
The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Meghalaya is ₹305 crore.

##### **Part 2 CONTINGENCY FUND**

##### **Part 3 PUBLIC ACCOUNT**

All public moneys received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, Government acts as a banker or trustee. The Public Account comprises: repayable like Small Savings and Provident Funds, Reserve Fund, Deposits and Advances, Suspense and Miscellaneous transaction (adjusting entire spending to final heads of account), Remittances between accounting entities, and Cash Balance.

## 1.2.2 **Compilation of Accounts**



### 1.3 Finance Accounts and Appropriation Accounts

#### 1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the Revenue and Capital Accounts, Public Debt and Public Account balances recorded in the accounts. Finance Accounts are prepared in two volumes to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and 'Notes to Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume II contains detailed statements (Part-I) and appendices (Part-II).

The following table provides the details of actual financial results vis-à-vis budget estimate for the year 2017-18.

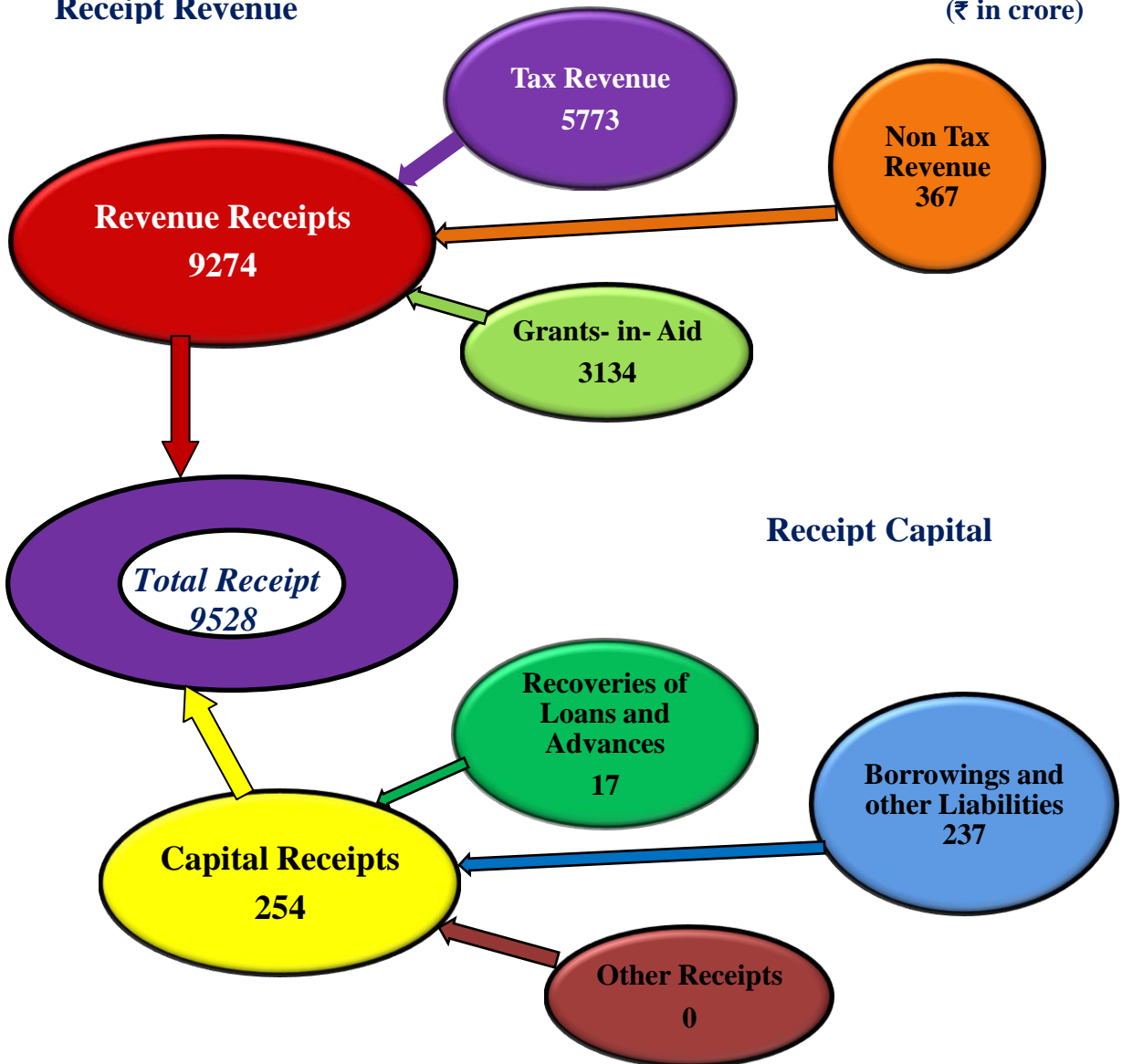
(₹ in crore)

		<b>Budget Estimate 2017-18</b>	<b>Actuals</b>	<b>Percentage of actuals to B.E.</b>	<b>Percentage of actuals to GSDP</b>
<b>1.</b>	Tax Revenue (including Central Share)	5898	5773	98	18
<b>2.</b>	Non-Tax Revenue	513	367	72	1
<b>3.</b>	Grants -in-aid & Contribution	4869	3134	64	10
<b>4.</b>	<b>Revenue Receipts (1+2+3)</b>	<b>11280</b>	<b>9274</b>	<b>82</b>	<b>29</b>
<b>5.</b>	Recovery of Loans and Advances	22	17	77	...
<b>6.</b>	Other Receipts	-	-	-	-
<b>7.</b>	Borrowings & Other Liabilities	1807	237	13	1
<b>8.</b>	<b>Capital Receipts (5+6+7)</b>	<b>1829</b>	<b>254</b>	<b>14</b>	<b>1</b>
<b>9.</b>	<b>Total Receipts (4+8)</b>	<b>13109</b>	<b>9528</b>	<b>73</b>	<b>30</b>
<b>10.</b>	<b>Revenue Expenditure</b>	<b>11172</b>	<b>8423</b>	<b>75</b>	<b>27</b>
<b>11.</b>	Expenditure on Interest Payment (out of Revenue Expenditure)	589	591	100	2
<b>12.</b>	<b>Capital Expenditure</b>	<b>1878</b>	<b>1083</b>	<b>58</b>	<b>3</b>
<b>13.</b>	Loans and Advances Disbursed	59	22	37	
<b>14.</b>	<b>Total Expenditure (10+12+13)</b>	<b>13109</b>	<b>9528</b>	<b>73</b>	<b>30</b>
<b>15.</b>	Revenue Surplus(4-10)	108	851	788	3
<b>16.</b>	<b>Fiscal Deficit(4+5+6-14)</b>	<b>(-)1807</b>	<b>(-)237</b>	<b>13</b>	<b>(-)1</b>

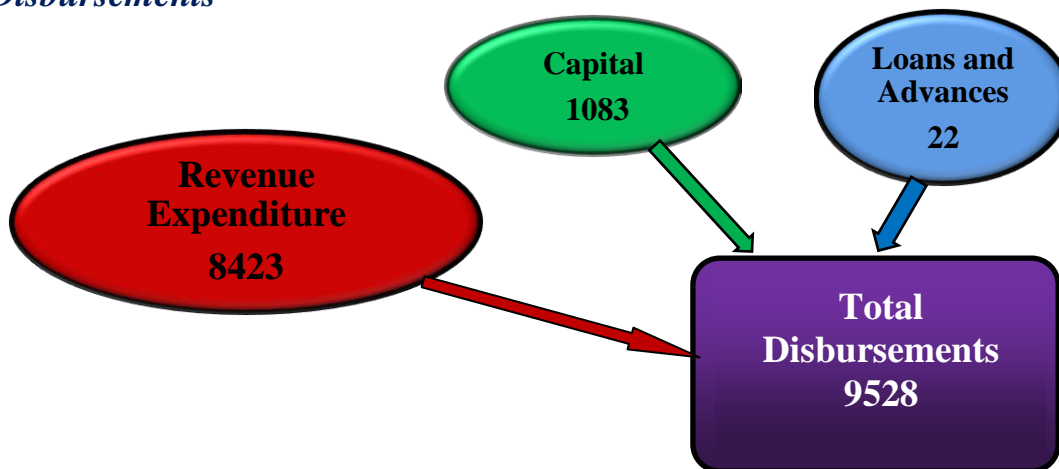
Receipts and disbursement in year 2017-18

**Receipt Revenue**

(₹ in crore)



**Disbursements**



The union Government transfer substantial funds directly to the State Implementing Agency /NGOs for implementation of various schemes and programmes. During the year 2017-18, the Government of India release ₹473 crore directly to the implementing agencies in Meghalaya. Since these funds are not routed through State Budget, these are not reflected in the Accounts of the State Government. These transfers are exhibited in Appendix VI of Volume II of the Finance Accounts

### 1.3.2 **Appropriation Accounts**

Under the Constitution, no expenditure can be incurred by the Government except with authorization of the Legislature. Barring certain expenditure specified in the Constitution as “charged” on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “Voted”. There are 5 combined grants of both Charged and voted, 6 charged Appropriation and 52 voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure compiled with the appropriation authorized by the Legislature through the Appropriation Act of each year.

### 1.3.3 **Efficiency on Budget preparation**

At the end of the year, the actual expenditure of the government of Meghalaya against the budget approved by the Legislature, showed a net saving of ₹3763 crore (28 percent of estimates) and under-estimation of ₹2 crore (76 percent of estimates) on reduction of expenditure. Certain grants, like those relating to Police, Secretariat-Economic Services, North Eastern Areas, Housing, Crop Husbandry, Animal Husbandry, Special Programs for Rural Development, Agriculture Research and Education etc. showed substantial savings.

## 1.4 **Sources and Application of Funds**

### 1.4.1 **Ways and Means Advances**

Ways and Means Advances are taken from the Reserve Bank of India to make good the deficiency in the minimum cash balance which the State Government is required to maintain with the Reserve Bank of India. During the year 2017-18, the State Government did not resort to ways and means advances.

### 1.4.2 **Overdraft from the Reserve Bank of India**

Overdraft is taken from the Reserve Bank of India while the limit of minimum cash balance falls below i.e. ₹0.21 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2017-18 there was no overdraft of the State.



### 1.4.3 Fund flow statement

The State had a Revenue Surplus of ₹851 crore and a Fiscal Deficit of ₹237 crore as on 31 March 2018. The Fiscal Deficit was met from net Public Debt (₹896 crore), net of Contingency Fund (₹100 crore), decrease in Public Account (₹693 crore) and net increase of opening and closing cash balance ₹65 crore). Around 43 percent of the revenue receipts (₹9273 crore) of the State Government was spent on committed expenditure like salaries (₹2601 crore), interest payments and servicing of Debt (₹638 crore), pensions (₹751 crore), subsidies (₹52crore).

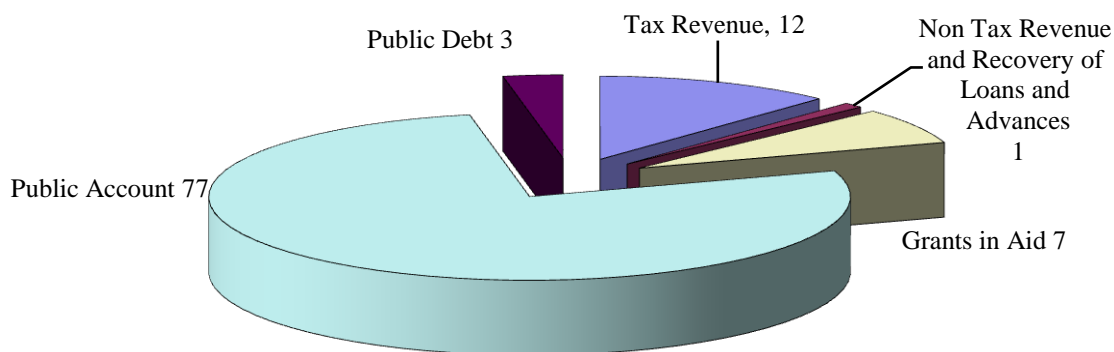
#### Sources and Application of Funds

	(₹ in crore)	
	PARTICULARS	AMOUNT
<b>SOURCE</b>	Opening Cash Balance as on 1 April 2017	(-)30
	Revenue Receipts	9274
	Capital Receipts	--
	Recovery of Loans and Advances	17
	Public Debt	1225
	Small Savings, Provident Funds etc.	319
	Reserves Fund & Sinking Funds	85
	Deposits Received	1325
	Civil Advances Repaid	38
	Suspense Account	31134[*]
	Remittances	2405
	Contingency Fund	100
	<b>TOTAL</b>	<b>45892</b>
	<b>APPLICATION</b>	Revenue Expenditure
Capital Expenditure		983
Loans Given		22
Repayment of Public Debt		330
Transfer to Contingency Fund		100
Small Savings, Provident Funds etc.		161
Reserves Fund & Sinking Funds		109
Deposits Repaid		1853
Civil Advances Given		38
Suspense Account		31437[#]
Remittances		2401
Closing Cash Balance as on 31 March 2018		35
<b>TOTAL</b>		<b>45892</b>

[\*] Includes ₹311.17 crore on account of Cash Balance Investment Accounts

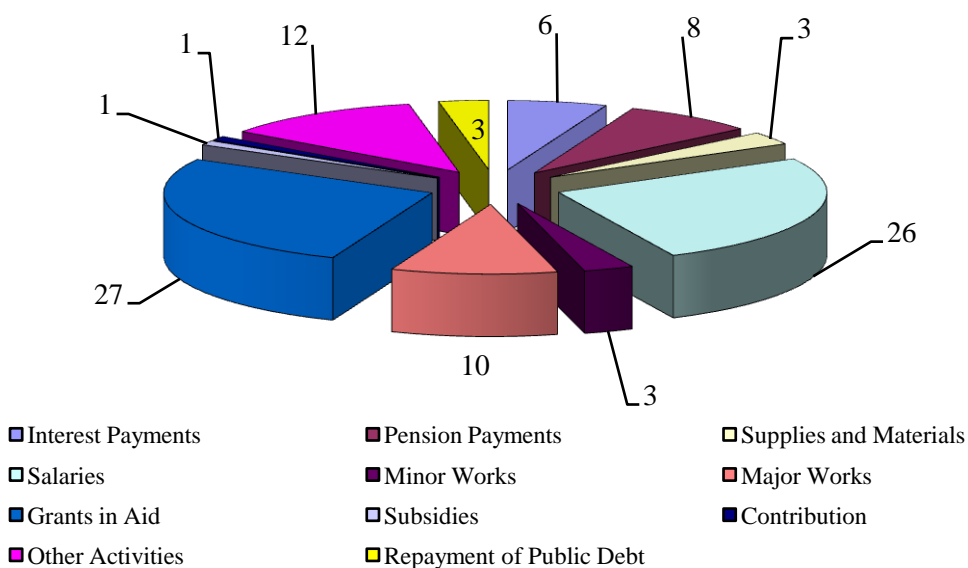
[#] Includes ₹314.29 crore on account of Cash Balance Investment Accounts

#### 1.4.4 Where the Rupee came from



(Recovery of loans and advances was only ₹17 crore which is negligible hence value is shown as zero)

#### 1.4.5 Where the Rupee went



(The figures in the above charts depict paise.)

1.5 **Financial highlight of year 2017-18**

(₹ in crore)

		<b>Budget Estimate 2017-18</b>	<b>Actuals</b>	<b>Percentage of actuals to B.E.</b>	<b>Percentage of actuals to GSDP(\$)</b>
1.	Tax Revenue (@)	5898	5773	98	18
2.	Non-Tax Revenue	513	367	72	1
3.	Grants -in-aid & Contribution	4869	3134	64	10
<b>4.</b>	<b>Revenue Receipts (1+2+3)</b>	<b>11280</b>	<b>9274</b>	<b>82</b>	<b>29</b>
5.	Recovery of Loans and Advances	22	17	77	...
6.	Other Receipts	-	-	-	-
7.	Borrowings & Other Liabilities (A)	1807	237	13	1
<b>8.</b>	<b>Capital Receipts (5+7)</b>	<b>1829</b>	<b>254</b>	<b>14</b>	<b>1</b>
<b>9.</b>	<b>Total Receipts (4+8)</b>	<b>13109</b>	<b>9528</b>	<b>73</b>	<b>30</b>
10.	State Fund Expenditure	9535	7509	79	24
11.	Central Assistance Expenditure	1048	323	31	1
12.	Interest Payment	589	591	100	2
<b>13.</b>	<b>Revenue Expenditure</b>	<b>11172</b>	<b>8423</b>	<b>75</b>	<b>27</b>
14.	State Fund Expenditure	1848[*]	1083[*]	59	3
15.	Central Assistance Expenditure	89[#]	22[#]	2	...
<b>15.</b>	<b>Capital Expenditure</b>	<b>1937</b>	<b>1105</b>	<b>57</b>	<b>3</b>
<b>17.</b>	<b>Total Expenditure (13+15)</b>	<b>13109</b>	<b>9528</b>	<b>73</b>	<b>30</b>
18.	Revenue Surplus(4-13)	108	851	788	3
19.	Fiscal Deficit(4+5-11)	(-)1807	(-)237	14	(-)1

(@) Includes State's Share of Union Taxes ₹4323 crore

(\$ ) GSDP figure of ₹31636 crore received from the Directorate of Economics and Statistics, Government of Meghalaya.

[\*] Expenditure includes Loan and Advances disbursed (₹ 1crore) and Appropriation to Contingency fund (₹100 crore)

(#) Expenditure includes Loan and Advances disbursed (₹21 crore)

(A) Borrowings and other Liabilities: Net (Receipts - Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts - Disbursement) of Public Account + Net of Opening and Closing Cash Balance.

During the year 2017-18 revenue surplus of ₹851 crore (₹602 crore in 2016-17) and fiscal deficit of ₹237 crore (₹699 crore in 2016-17) represent 3 percent and 1 percent of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 2 percent of total expenditure.

**What do the deficits and surpluses indicate?**

**Deficit**  
Refer to the gap between revenue and expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in financial management

Refer to the gap between revenue receipt and revenue expenditure. Revenue expenditure is required to maintain the existing establishment of government and ideally, should be fully met from revenue receipts

**Revenue Deficit / Surplus**

**Fiscal Deficit/ Surplus**  
Refer to the gap between total receipts (excluding borrowings) and total expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings and ideally should be invested in capital projects

**1.6 Fiscal Responsibility and Budget Management (FRBM) Act. 2006**

The Government of Meghalaya has enacted the Fiscal Responsibility and Budget Management (FRBM) Act, 2006. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2017-18 against fiscal targets laid down in the Act and rules framed there under, were as follows:-

(₹ in crore)

Sl. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP*	
			Target	Achievement
1	Revenue Surplus	851 (Surplus)	To maintain revenue surplus	Achieved during the year
2	Fiscal Deficit	237	3	0.75 (achieved)
3	Debt and other obligation	9483	25.28 to be reduced to 25.02	29.98 (not achieved)
4	Outstanding Guarantees	814	Not prescribed	

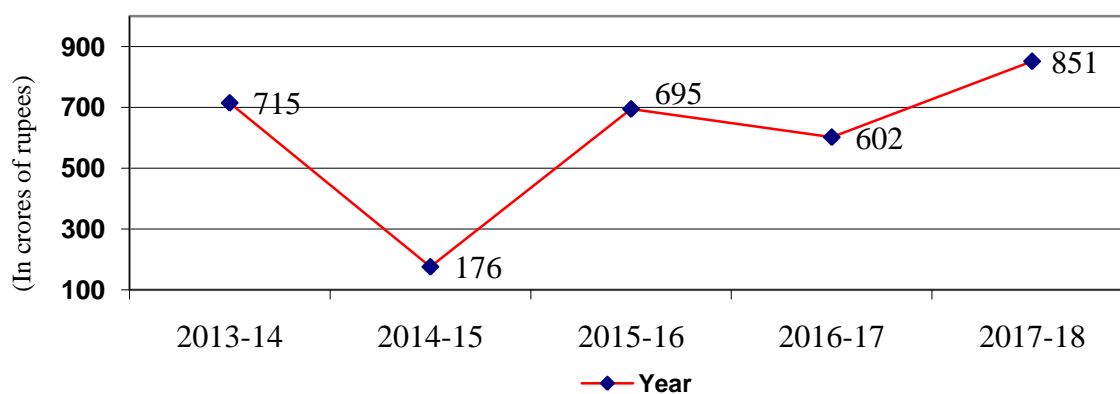
\* Source: GSDP figure (₹ 31636.crore) is taken from the Directorate of Economic and Statistics Department, Government of Meghalaya.

The State Government had made disclosures to the Legislature required under the Meghalaya Fiscal Responsibility and Budget Management Rules, 2006.

The State Government had revenue surplus of ₹602 crore in 2016-17 and ₹851 crore during the year 2017-18 which was as per the target of FRBM Act. Fiscal deficit decreased by ₹462 crore from ₹699 crore in 2016-17 to ₹237 crore in the current year and was 1 percent of GSDP which confirms to the target of 3 percent of FRMB Act. Against the target of reducing outstanding debt to 25 percent of GSDP by the year 2017-18, the outstanding debt stood at ₹9483 crore as on 31 March 2018, being 30 percent of GSDP.

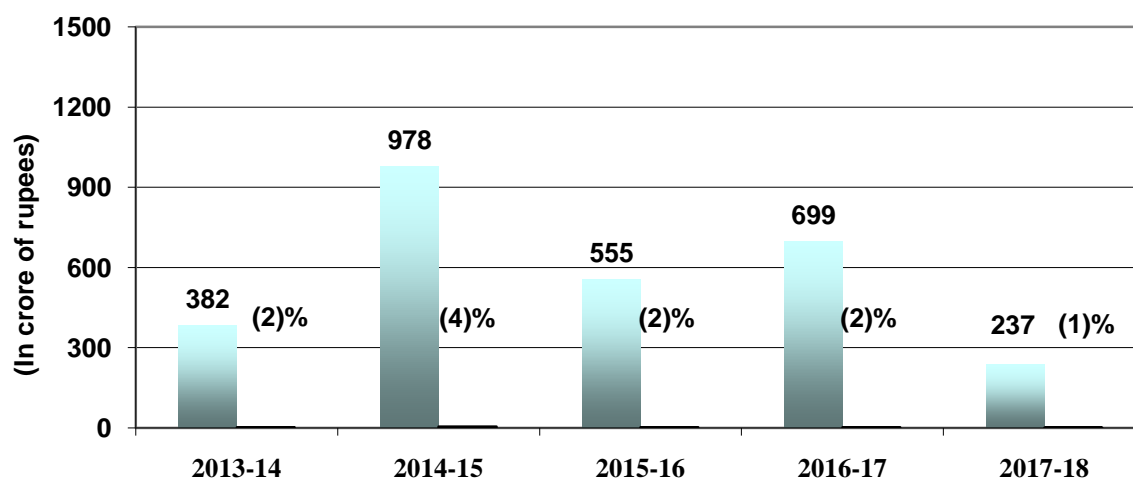
### 1.6.1 Trend of Revenue Surplus/Deficit

#### Revenue Surplus/Deficit



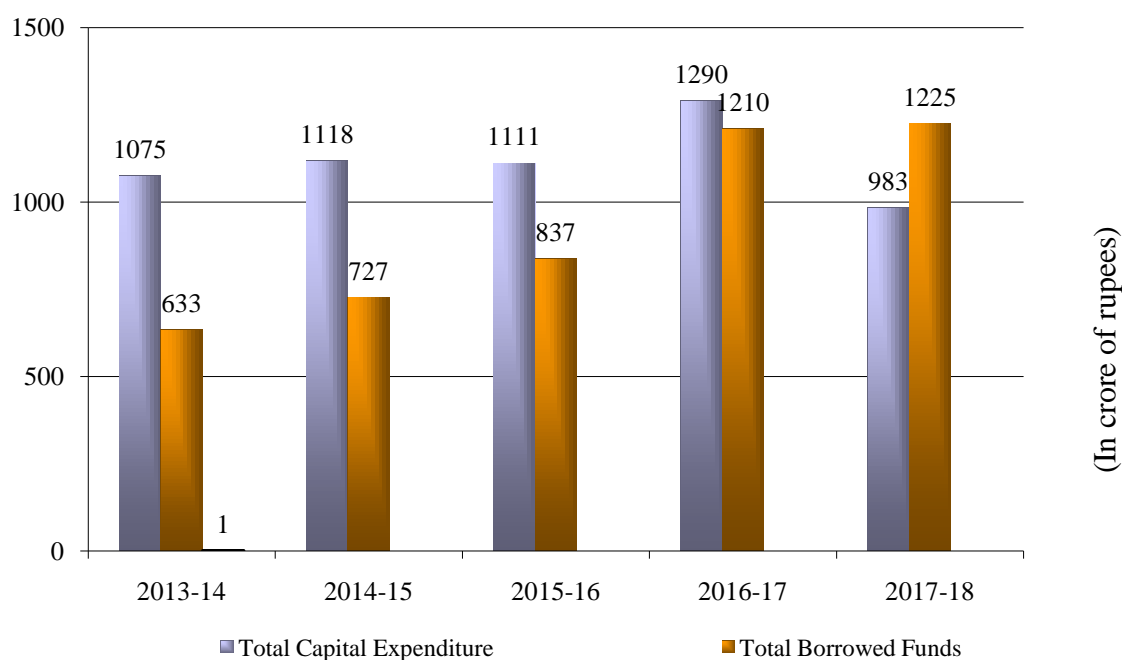
### 1.6.2 Trend of Fiscal Deficit

#### Figures in parentheses are percentages to GSDP



### 1.6.3 Proportion of borrowed funds spent on Capital

#### Borrowed funds and Capital Expenditure



The governments usually run fiscal deficits and borrow funds for capital assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. Thus it is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 80 percent of the borrowings of the current year (₹1225 crore) on capital expenditure (₹983 crore). It would therefore appear that balance of borrowings in the public debt was utilized to repay the principal (₹330 crore) and part of interest on public debt of previous years.

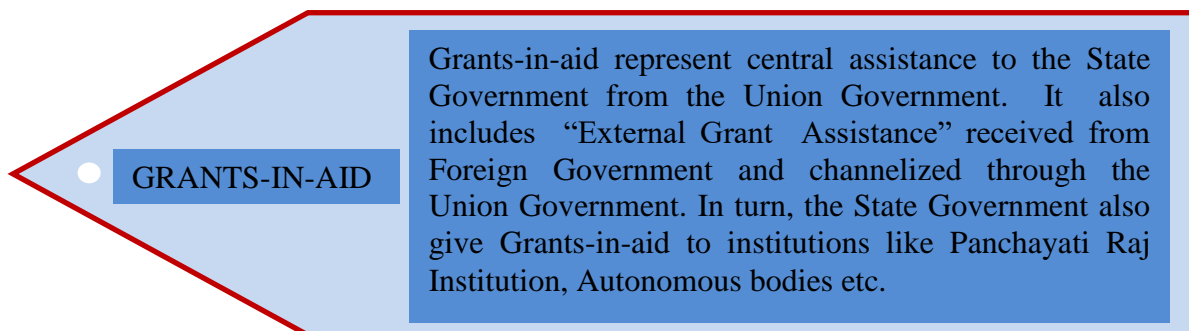
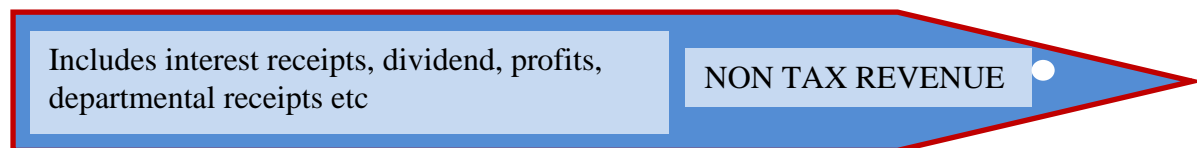
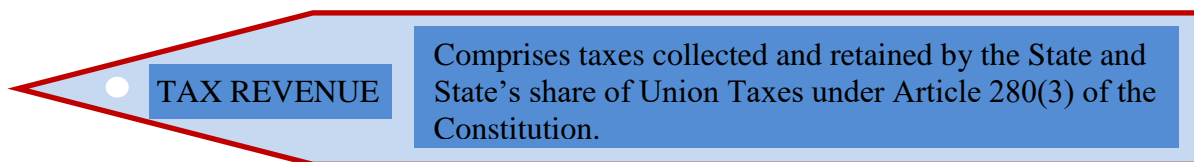
## Chapter II Receipts

### 2.1 Introduction

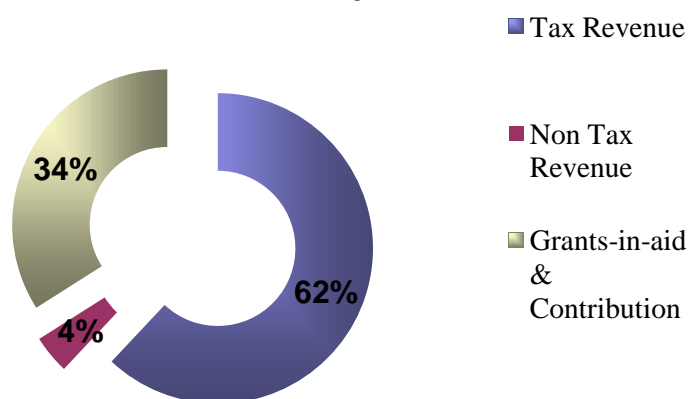
Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2017-18 was ₹9274 crore.

### 2.2 Revenue Receipts

The revenue receipts of the government comprise three components viz. Tax Revenue, Non-tax Revenue and Grants-in-aid received from the Union Government.



## Revenue Receipts



### 2.2.1 Revenue Receipts Components (2017-18)

Components	(₹ in crore)
	Actuals
A. Tax Revenue	5773
Other Taxes on Income and Expenditure	2446
Goods & Service Tax	874
Taxes on Property and Capital Transactions	22
Taxes on Commodities and Services	2431
B. Non-Tax Revenue	367
Interest Receipts, Dividend and Profits	53
General Services	27
Social Services	14
Economic Services	273
C. Grants-in-aid & Contribution	3134
<b>Total –Revenue Receipts</b>	<b>9274</b>



## 2.2.2 Trend of Revenue Receipts

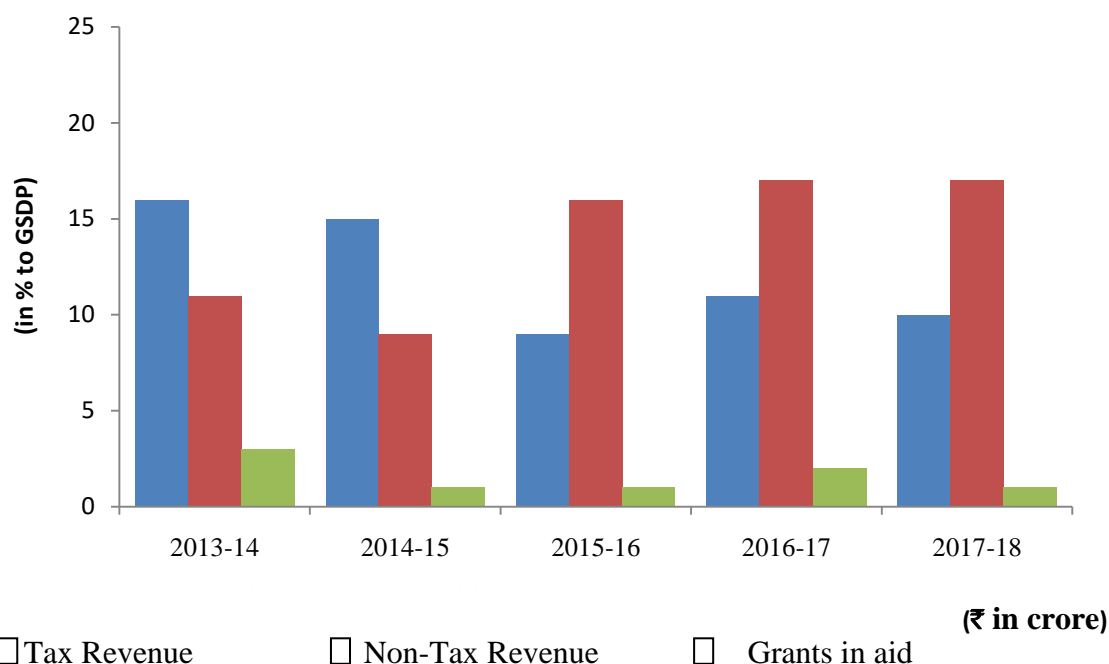
(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
Tax Revenue	2251	2321	4333	5097	5773
	(11)	(9)	(16)	(17)	(18)
Non-Tax Revenue	598	343	229	685	367
	(3)	(1)	(1)	(2)	(1)
Grants-in-aid	3417	3764	2481	3157	3134
	(16)	(15)	(9)	(11)	(10)
<b>Total Revenue Receipts</b>	6267	6428	7043	8939	9274
	(30)	(25)	(26)	(30)	(29)
<b>GSDP</b>	21045	25333	27304	29567	31636

*Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product)*

Though the GSDP increased by 7 percent in 2017-18 compared to previous year, growth in revenue receipt was only 4 percent. The tax revenue increased by 13 percent, the non-tax revenue decreased by 47 percent and the grants-in-aid decreased by 1 percent compared to previous year, thus impacted the revenue receipt of the State adversely

### Trend of components of Revenue Receipts



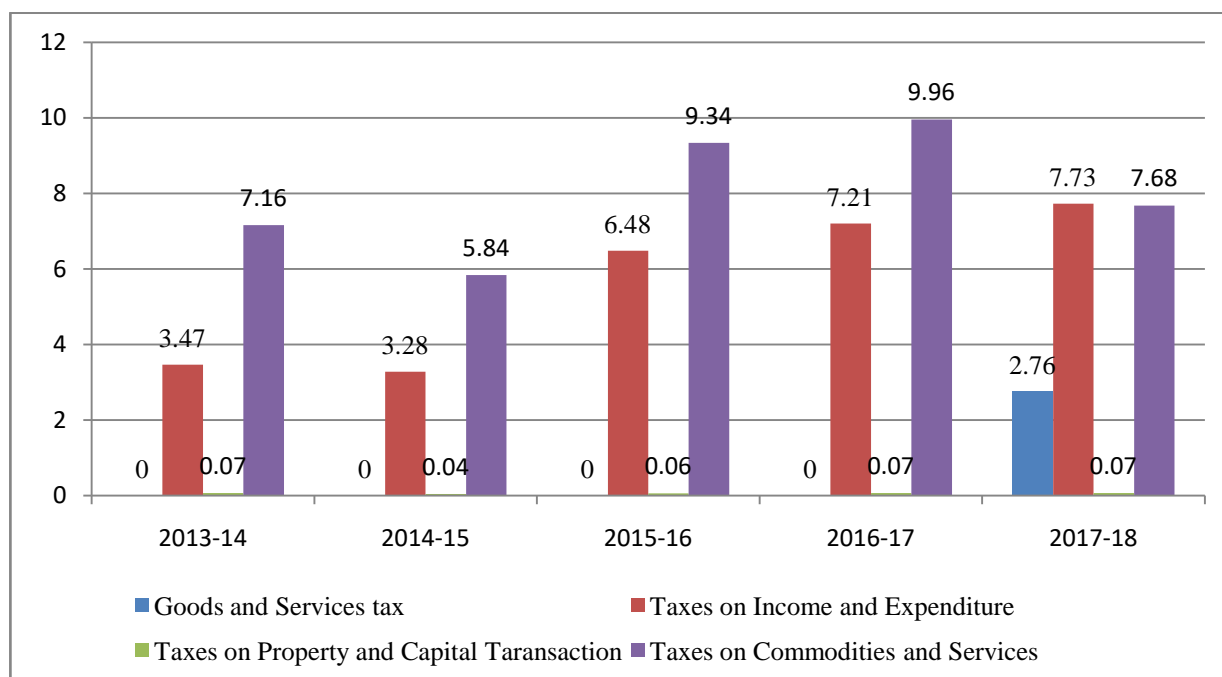
### 2.3 Tax Revenue

(₹ in crore)

<b>S</b> ector- wise Tax Revenue					
	2013-14	2014-15	2015-16	2016-17	2017-18
Goods and Services Tax	...	...	...	...	874
Taxes on income and Expenditure	730	831	1768	2131	2446
Taxes on property and Capital Transaction	14	11	16	21	22
Taxes on Commodities and Services (other than GST)	1507	1479	2549	2945	2431
<b>Total Tax Revenue</b>	<b>2251</b>	<b>2321</b>	<b>4333</b>	<b>5097</b>	<b>5773</b>

The increase in total tax revenue during 2017-18 was mainly attributable to allocation of State share from Govt. of India and higher collection under Corporation Tax (₹1324 crore), Taxes on Income other than corporation Tax (₹1118 crore), Union Excise Duties (₹456 crore), Taxes on sales, Trade etc. (₹767 crore), State Excise (₹199 crore).

### Trend of Major Taxes in proportion to Gross State Domestic Product (in percent)

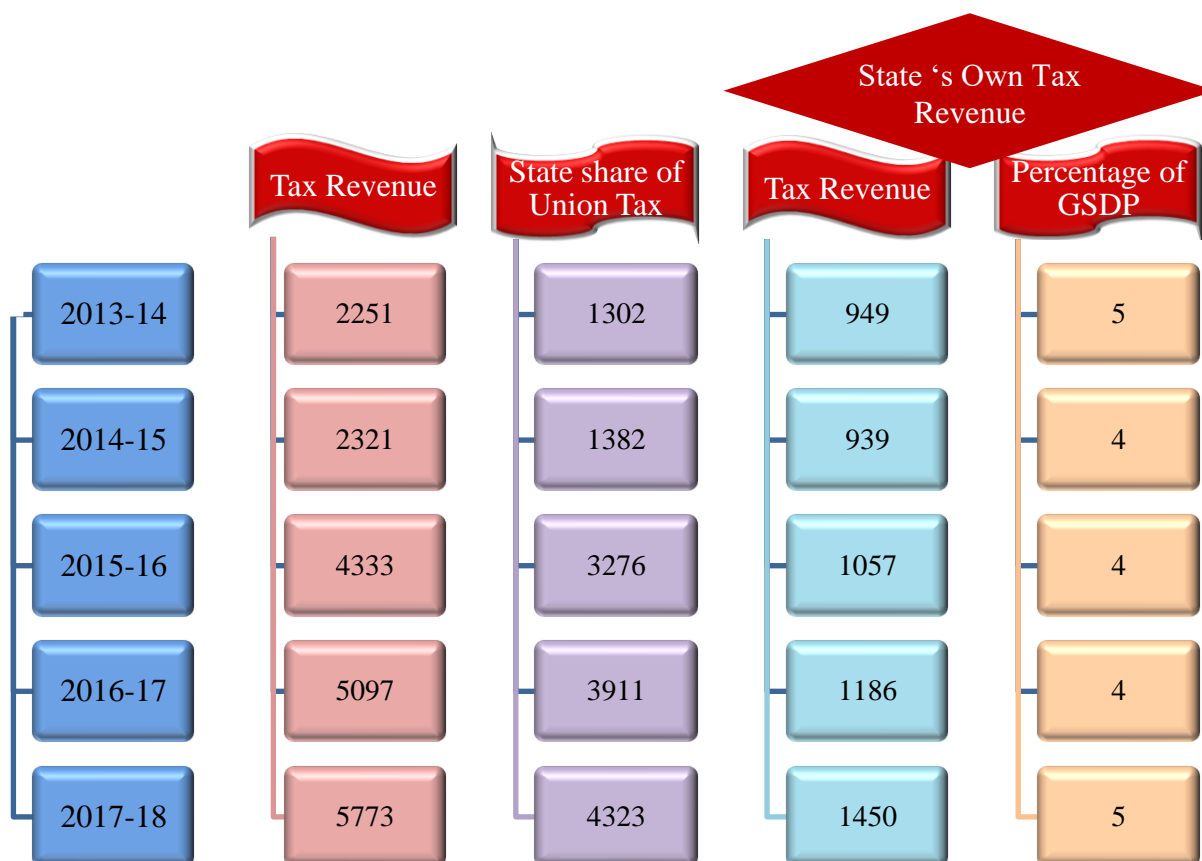


#### 2.3.1 State's own Tax and State's share of union Taxes

Tax Revenue of the State Government comes from two Sources viz. State's own tax collection and devolution of Union taxes.

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes/Duties	State's Own Tax Revenue	
			Tax revenue	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2013-14	2251	1302	949	5%
2014-15	2321	1382	939	4%
2015-16	4333	3276	1057	4%
2016-17	5097	3911	1186	4%
2017-18	5773	4323	1450	5%



Following table depicts the comparative position of tax revenue received from the two sources over a period of five years:

(₹ in crore)

	2013-14	2014-15	2015-16	2016-17	2017-18
State's own Tax collection	949	939	1057	1186	1450
Devolution of Union Taxes	1302	1382	3276	3911	4323
Total Tax Revenue	2251	2321	4333	5097	5773
Percentage of State's own tax to total tax revenue	42	40	24	23	25

The proportion of State's own tax collection in overall tax revenue has shown mostly a declining trend since 2013-14. The share of State's own tax revenue decreased to 23 percent in 2016-17 as compared to 42 percent in 2013-14 which is slightly increased to 25 percent in 2017-18.

### 2.3.2 Trend in state's own Tax collection over the past five years

(₹ in crore)

Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
1. State Goods and Service Tax	...	...	...	...	376
2. Taxes on Sales, Trade etc.	724	726	812	931	767
3. State Excise	163	151	170	169	199
4. Taxes on Vehicles	37	39	42	48	67
5. Stamp and Registration fees	10	10	13	17	20
6. Taxes and Duties on electricity	2	1	3	2	2
7. Land Revenue	4	-	3	2	2
8. Taxes on Goods and Passengers	5	5	5	5	8
9. Other Taxes	4	7	9	12	9
<b>Total State's own Taxes</b>	<b>949</b>	<b>939</b>	<b>1057</b>	<b>1186</b>	<b>1450</b>

### 2.4 Efficiency of Tax Collection

(₹ in crore)

Taxes	2013-14	2014-15	2015-16	2016-17	2017-18
1. Taxes on Sales, Trade etc.					
Revenue collection	724	726	812	931	767
Expenditure on collection	19	17	18	19	23
Efficiency of tax collection	3%	2%	2%	2%	3%
2. State Excise					
Revenue collection	163	151	170	169	199
Expenditure on collection	13	14	14	15	17
Efficiency of tax collection	8%	9%	8%	9%	9%
3. Taxes on Vehicles, Goods and Passengers					
Revenue collection	42	45	47	54	75
Expenditure on collection	14	14	22	61	21
Efficiency of tax collection	33%	31%	47%	113%	28%

4. Stamp and Registration Fee					
Revenue collection	10	10	13	17	20
Expenditure on collection	2	2	2	2	2
Efficiency of tax collection	20%	20%	15%	12%	10%

The expenditure on collection of Taxes on Vehicles, Goods and Passengers was very high during the year 2016-17 as compared to other taxes.

## 2.5 Trend in state's share of Union Taxes over the past five years

(₹ in crore)

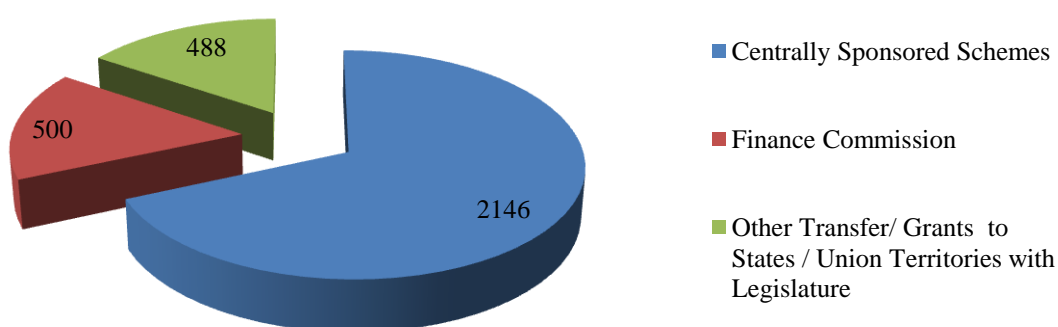
Major Head Description	2013-14	2014-15	2015-16	2016-17	2017-18
Central Goods and Service Tax(CGST) & Integrated Goods and Service Tax(IGST)	...	...	...	...	498
Corporation Tax	438	482	1037	1255	1324
Taxes on Income other than Corporation Tax	288	345	727	872	1118
Taxes on Wealth	1	1	...	3	...
Customs	213	224	523	540	437
Union Excise Duties	150	126	429	616	456
Service Tax	212	204	560	625	490
Other Taxes and Duties on Commodities and Services	...	...	...	...	...
State Share of Union Taxes	1302	1382	3276	3911	4323
Total Tax Revenue	2251	2321	4333	5097	5773
Percentage of Union Taxes to Total Tax Revenue	58	60	76	77	75

## 2.6 Grants -in-aid

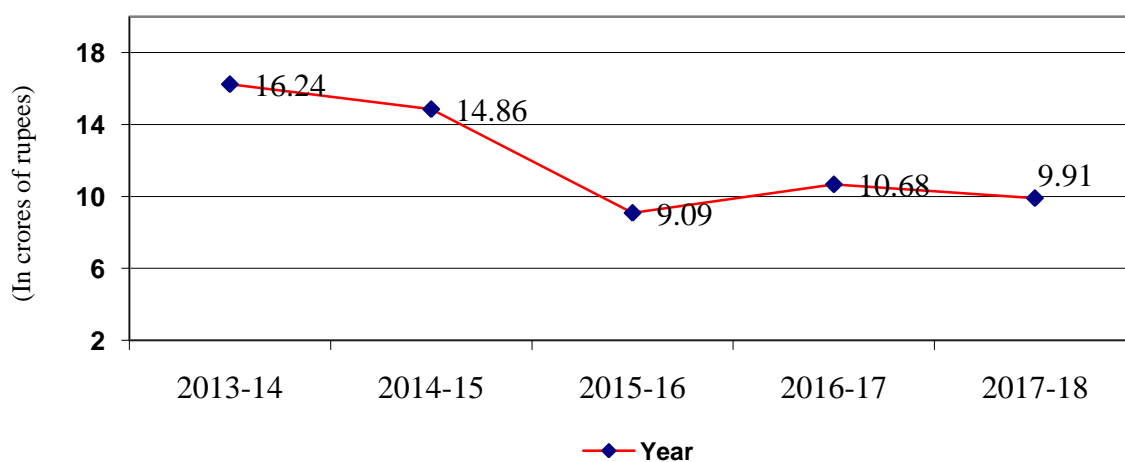
Grants-in-aid represent assistance from the Government of India, and comprise, grant for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and Non-Plan Grants recommended by the Finance Commission. Total receipts during 2017-18 under Grants -in-aid were ₹3134 crore as shown below:

### Grants - in - Aid

(₹ in crore)



### Trend of Grants in Aid

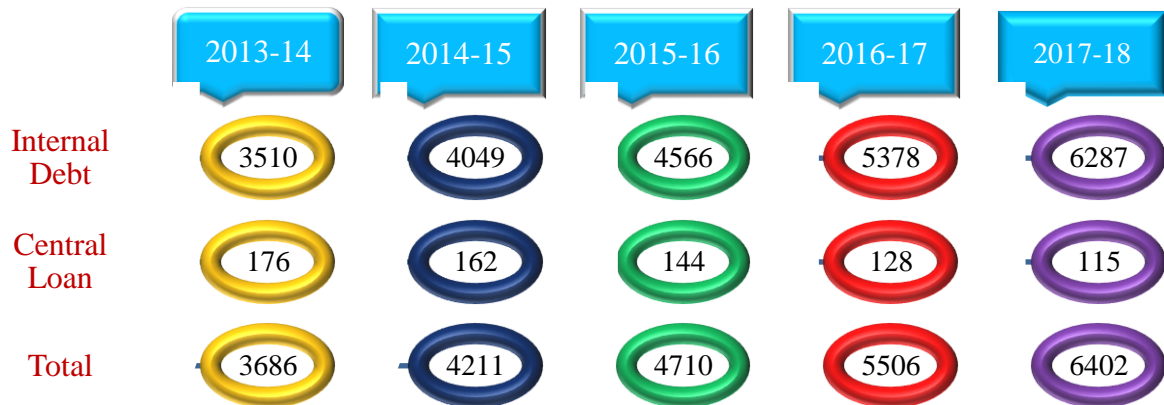


Grants in aid receipts from the Central Government over the years from 2013-14 has shown declining trend in proportion to GSDP.

## 2.7 Public Debt

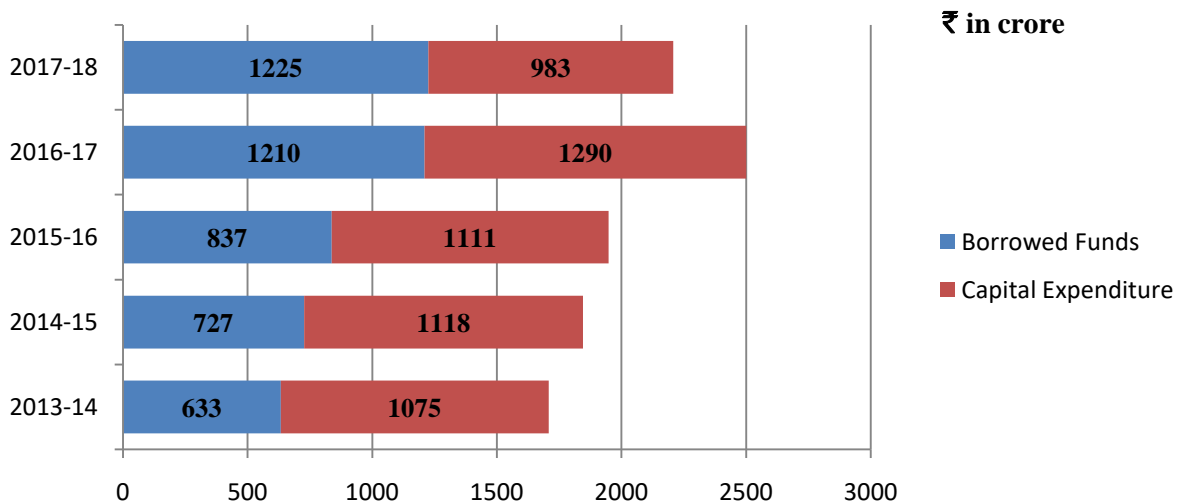
Trend of position of Public Debt over the past five years

Description	(₹ in crore)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Internal Debt	3510	4049	4566	5378	6287
Central Loans	176	162	144	128	115
<b>Total</b>	<b>3686</b>	<b>4211</b>	<b>4710</b>	<b>5506</b>	<b>6402</b>



During the year 2017-18, eight loans totaling ₹1116 crore were raised from the open market at interest rates varying from 7.26 percent to 8.28 percent and the same are redeemable during the period between 2027-28. In addition, the State Government raised loan of ₹103 crore from the Financial Institutions. Thus the total Internal Debt raised by the Government during the year 2017-18 aggregated to ₹1219 crore. The Government also received ₹7 crore from Government of India as Loans and Advances.

### Borrowed funds viz-a-viz Capital Expenditure



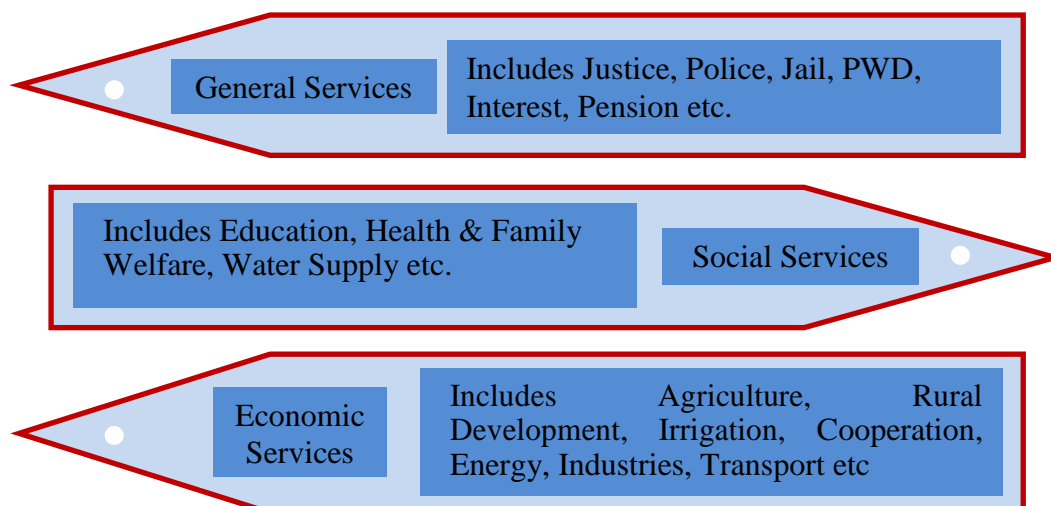


## Chapter III Expenditure

### 3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day expenditure for running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities.

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:



### 3.2 Revenue Expenditure

The actual revenue expenditure against budget estimates during the past five years is given below:

	(₹ in crore)				
Year	2013-14	2014-15	2015-16	2016-17	2017-18
Budget Estimates	7980	10434	8190	9762	11172
Actuals	5552	6252	6348	8337	8423
Gap	2428	4182	1842	1425	2749
Percentage of variation of Actuals against BE	(-30)	(-40)	(-22)	(-15)	(-25)

Around 47 percent of the total revenue expenditure was incurred on committed expenses viz. on Salaries and Wages (₹2601 crore), Interest payment (₹591 crore) and Pensions (₹751 crore) and subsidies (₹52 crore) which is the committed liability of the State Government.

The position of committed and uncommitted revenue expenditure over the last five years is given below:

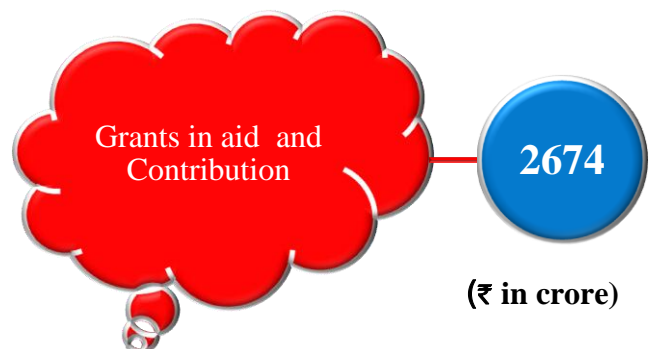
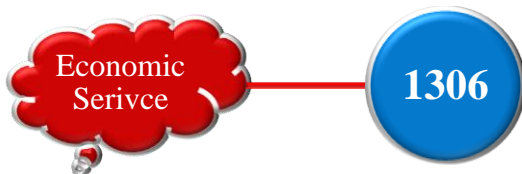
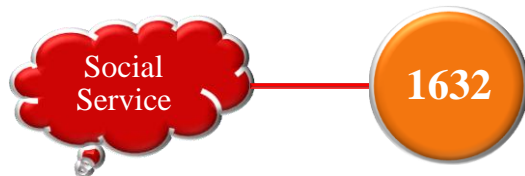
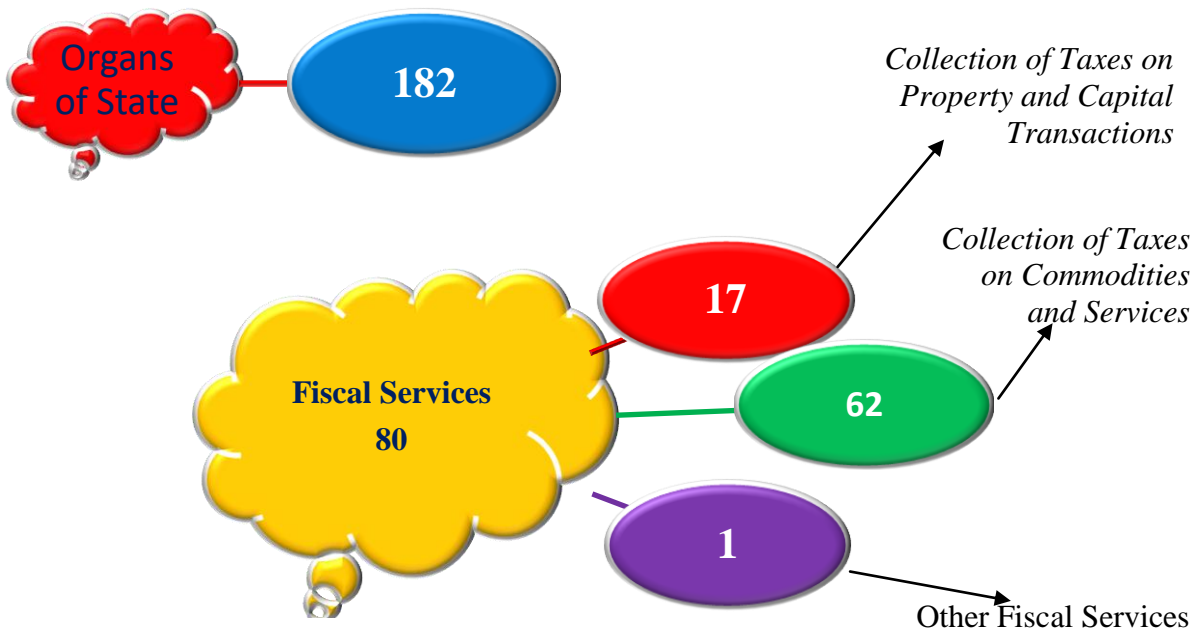
(₹ in crore)					
Component	2013-14	2014-15	2015-16	2016-17	2017-18
Total revenue expenditure	5552	6252	6348	8337	8423
Committed revenue expenditure #	2680	3033	3275	3459	3995
Percentage of committed revenue expenditure to total revenue expenditure	48%	49%	52%	41%	47%
Uncommitted revenue expenditure	2872	3219	3073	4878	4428

#Committed revenue expenditure includes expenditure on Salaries & Wages, Interest Payments, Pensions and Subsidies.

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased by 54 percent from ₹2872 crore in 2013-14 to ₹4428 crore in 2017-18. The total revenue expenditure increased by 52 percent from ₹5552 crore in 2013-14 to ₹8423 crore in 2017-18 and committed revenue expenditure increased by 49 percent over the same period.

### 3.2.1 Sectoral distribution of Revenue Expenditure (2017-18)

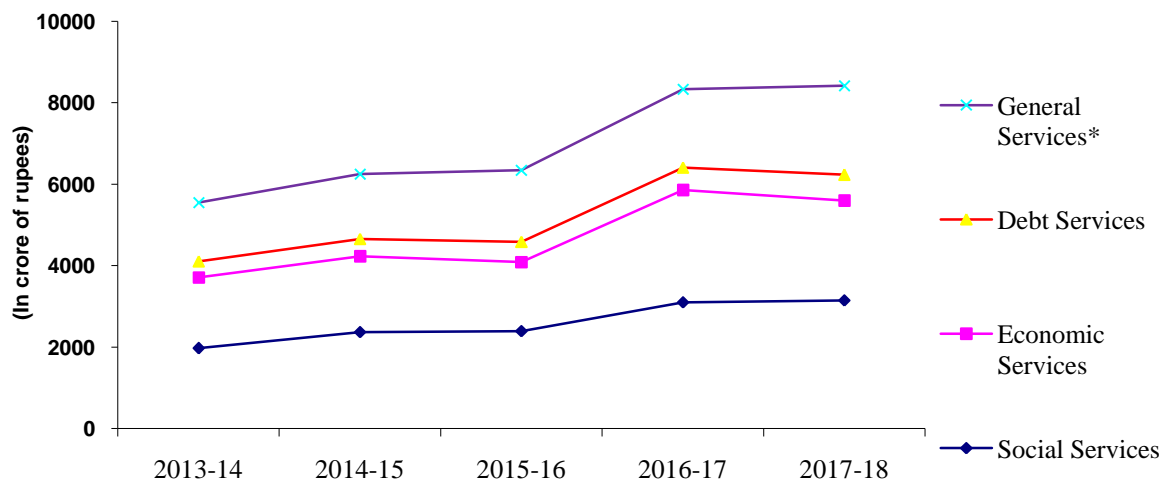
(₹ in crore)		
Components	Amount	Percentage
<b>A. General Services</b>	<b>2811</b>	<b>34</b>
a. Organs of State	182	2
b. Fiscal Services	80	1
(i) Collection of Taxes on Property and Capital Transactions	17	...
(ii) Collection of Taxes on Commodities and Services	62	1
(iii) Other Fiscal Services	1	...
c. Interest Payment and Servicing of Debt	638	8
d. Administrative Services	1149	14
e. Pensions and Miscellaneous General Services	762	9
<b>B. Social Services</b>	<b>1632</b>	<b>19</b>
<b>C. Economic Services</b>	<b>1306</b>	<b>15</b>
<b>H. Grants-in-aid and Contributions</b>	<b>2674</b>	<b>32</b>
<b>Total - Expenditure (Revenue Account)</b>	<b>8423</b>	<b>100</b>



(₹ in crore)

### 3.2.2 Major components of Revenue Expenditure 2013-14 to 2017-18

(Trend of Major Components of Revenue Expenditure)



### 3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital disbursements during 2017-18 amounting for ₹983 crore (3 percent of GSDP) were less than Budget Estimates by ₹795 crore (less disbursement of ₹766 crore under State Fund expenditure and ₹29 crore under Central Assistance Expenditure). The growth in capital expenditure has not kept pace with the steady growth of GSDP since 2013-14 onwards. This can be seen from the table below:

(₹ in crore)						
Sl.No.	Components	2013-14	2014-15	2015-16	2016-17	2017-18
1	Budget (B.E.)	1829	1812	1793	1854	1778
2	Actual Expenditure (#)	1075	1118	1111	1290	983
3	Percentage of Actual Exp. to B.E.	59%	62%	62%	70%	55%
4	Yearly growth in Capital expenditure	16%	4%	(-)1%	16%	(-)24%
5	GSDP	21045	25333	27304	29567	31636
6	Yearly growth in GSDP	15%	20%	8%	8%	7%

(#) Does not include expenditure on Loans and Advances

### 3.3.1 Sectoral distribution of Capital Expenditure

During 2017-18, the Government spent ₹16 crore on minor Irrigation Projects. A part from above, the Government spent ₹447 crore on construction of roads and bridges. It further invested ₹154 crore in Statutory Corporations/Board and ₹3 crore in Government and other Companies and Co-operative societies.

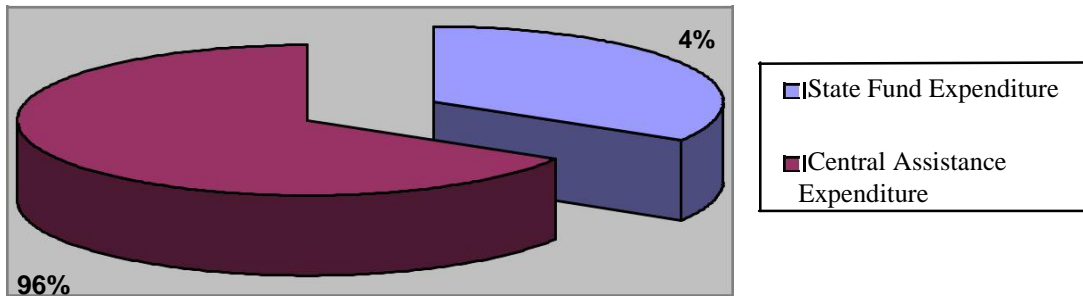
### 3.3.2 Sectoral distribution of capital and revenue expenditure

The comparative sectoral distribution of capital and revenue expenditure over the past five years is illustrated below:

		(₹ in crore)					
Sl.No.	Sector		2013-14	2014-15	2015-16	2016-17	2017-18
(A)	General Services	Capital	85	82	97	83	50
		Revenue	1838	2022	2256	2480	2827
(B)	Social Services	Capital	391	363	290	459	361
		Revenue	1974	2370	2395	3099	3148
(C)	Economic Services	Capital	600	673	724	747	573
		Revenue	1739	1860	1697	2757	2448
(D)	Grants-in-aid and contribution	Capital					
		Revenue	1366	1817	1591	3293	2674

## Chapter IV State Fund and Central Assistance Expenditure

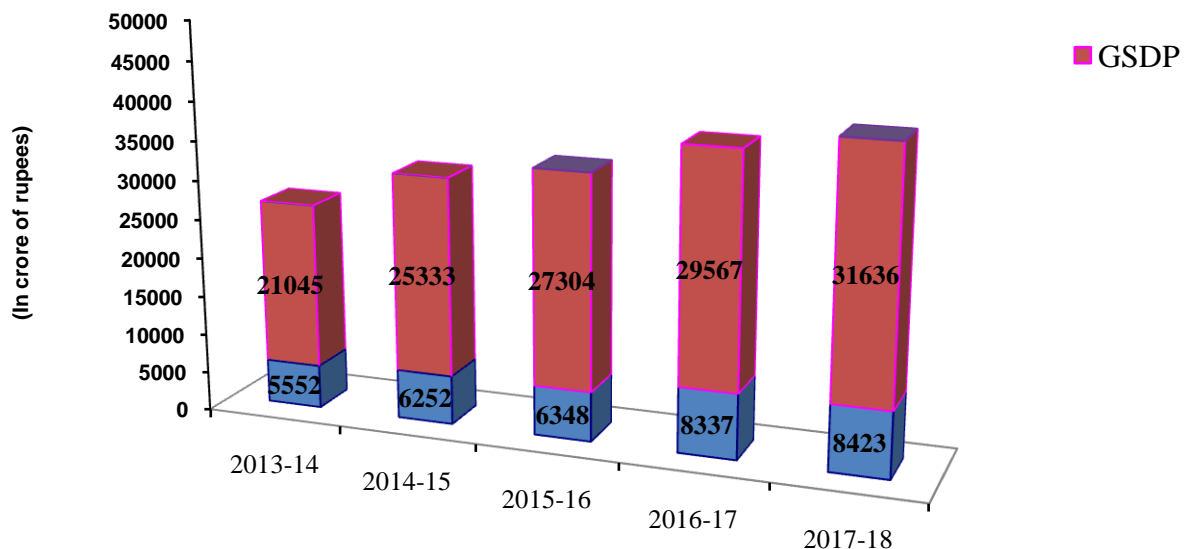
### 4.1 Distribution of expenditure (2017-18)



### 4.2 State Fund Expenditure

State Fund expenditure (both Revenue, Capital and Loans & Advances) during 2017-18 was ₹9183 crore constituting 96 percent of the total expenditure of ₹9528 crore. Revenue expenditure constituted 88 percent (₹8100 crore), Capital expenditure 11 percent (₹982 crore) and Loans and Advances & Appropriation to Contingency Fund 1 percent (₹101 crore), out of the total State Fund Expenditure.

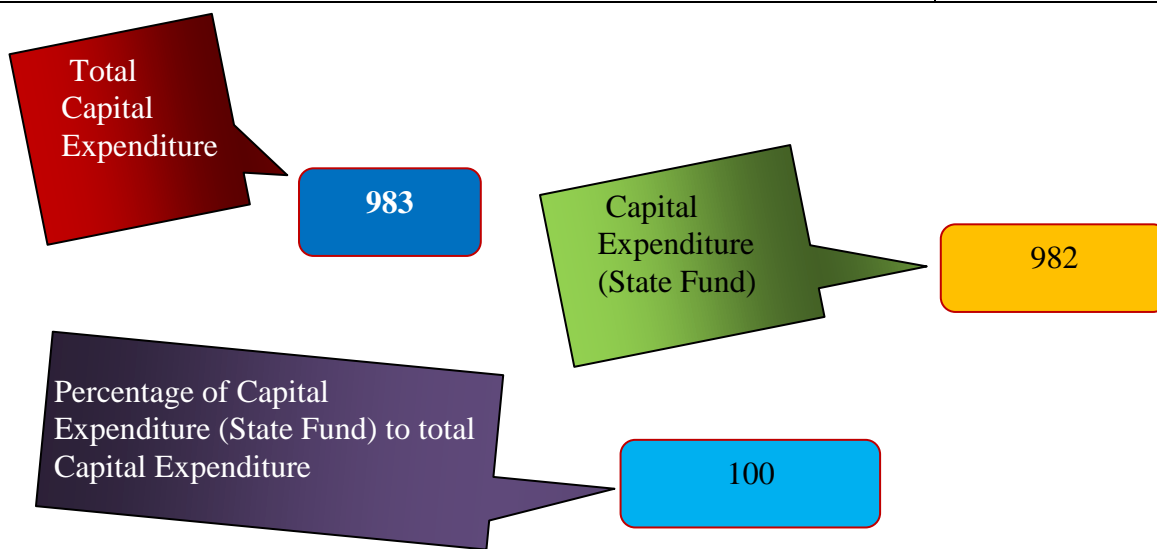
### Total Expenditure and Gross State Domestic Product



#### 4.2.1. State Fund Expenditure under Capital Account

(₹ in crore)

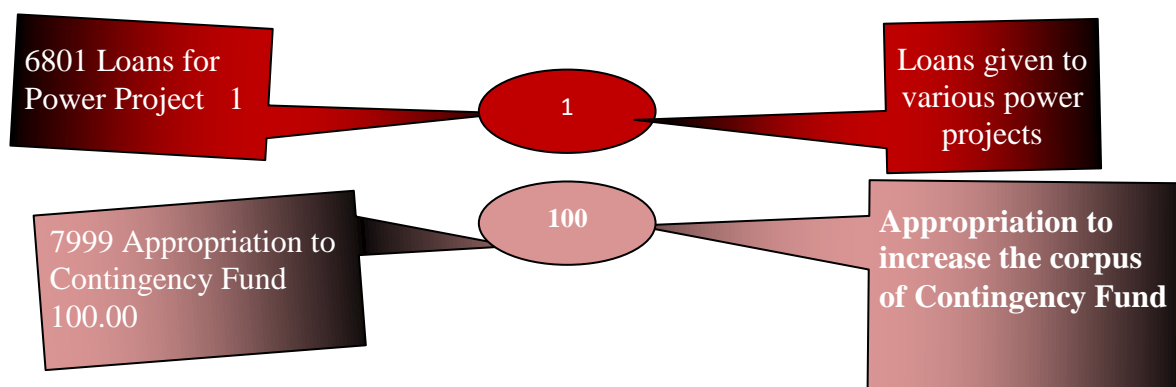
	2017-18
Total Capital Expenditure	983
Capital Expenditure (State Fund)	982
Percentage of Capital Expenditure (State Fund) to total Capital Expenditure	100



#### 4.2.2. State Fund expenditure on Loans and Advances and Appropriation to Contingency Fund.

Significant disbursements of Loans and Advances were as under:

Major Heads	Amount (₹ in crore)	Purpose
6801 Loans for Power Project	1.00	Loans given to various power projects
7999 Appropriation to Contingency Fund	100.00	Appropriation to increase the corpus of Contingency Fund
<b>Total</b>	<b>101.00</b>	

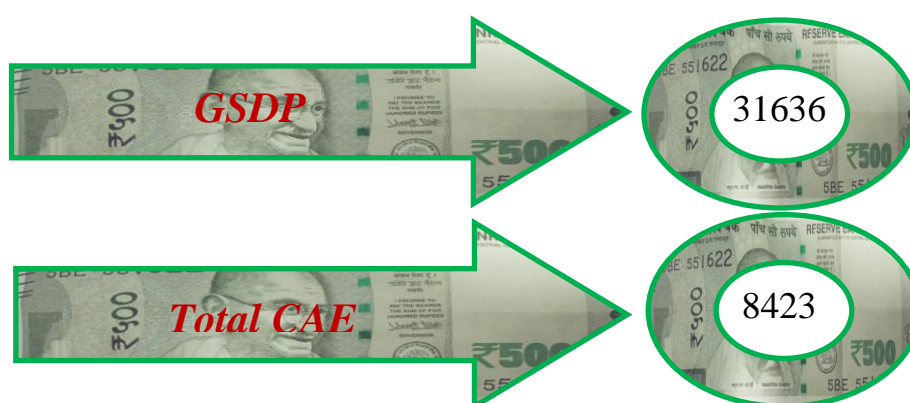


### 4.3 Central Assistance Expenditure

Central Assistance expenditure (both revenue, capital and loans and advances) during 2017-18 was ₹345 crore constituting 4 percent of total expenditure of ₹9528 crore. Revenue expenditure constituted 94 percent (₹323 crore), Capital expenditure and Loans and Advances 6 percent (₹1 crore and ₹21 crore respectively), out of the total Central Assistance Expenditure.

The expenditure on salary amounting to ₹81 crore was 24 percent of the total Central Assistance Expenditure

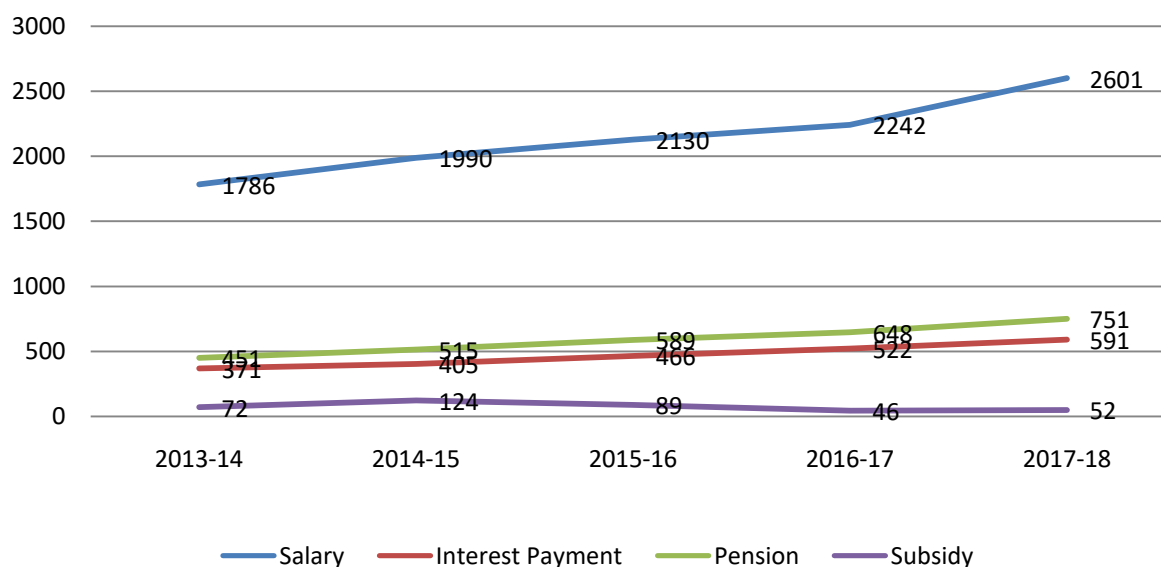
#### Central Assistance Expenditure and Gross State Domestic Product



### 4.4 Committed Expenditure

Expenditure on salaries, pensions and interest payments showed increase in 2017-18 over the previous year, mainly on account of revision of pay and pension.

**Trend of Committed Expenditure**  
(₹ in crore)





The Trend of committed expenditure in comparison to revenue expenditure and revenue receipt over the past five year is depicted below:

(₹ in crore)

Component	2013-14	2014-15	2015-16	2016-17	2017-18
Committed Expenditure	2680	3033	3275	3459	3995
Revenue Expenditure	5552	6252	6348	8337	8423
Revenue Receipts	6267	6428	7043	8939	9274
Percentage of committed expenditure to Revenue Receipts	43	47	46	39	43
Percentage of committed expenditure to Revenue Expenditure	48	49	52	41	47

The committed expenditure increased by 49 percent from 2013-14 to 2017-18 while revenue expenditure registered the growth of 52 percent during the same period, leaving the Government with lesser flexibility in development spending.

## Chapter V Appropriation Accounts

### 5.1 Summary of Appropriation Accounts for 2017-18

(₹ in crore)

Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Surrender (by way of re-appropriation)	Total Budget	Actual expenditure (Net)	Saving(-) Excesses(+)
1	Revenue Voted Charged	9994 653	514 13	1470 8	9038 658	7763 660	(-)1275 (+)2
2	Capital Voted Charged	1831 ...	47 ...	351	1527 ...	1083 ...	(-)444 ...
3	Public Debt Charged	511	...	181	330	330	...
4	Loans and Advances Voted	59	...	36	23	22	(-)1
	Total Voted Charged	11884 1164	561 13	1857 189	10588 988	8868 990	(-)1720 (+)2

### 5.2 Trend of Saving/Excess during the past five years

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loan and Advances	
2013-14	(-)2443	(-)754	(+)122	(-)5	(-)3079
2014-15	(-)4176	(-)694	(-)48	(-)22	(-)4940
2015-16	(-)1840	(-)682	(-)143	(-)5	(-)2671
2016-17	(-)1427	(-)464	(-)164	(-)18	(-)2073
2017-18	(-)1273	(-)444	...	(-)1	(-)1718

### 5.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/programmes.

Some grants with persistent and significant net savings are given below:-

(₹ in crore)						
Grant No.	Nomenclature	2013-14	2014-15	2015-16	2016-17	2017-18
16	Police	15	77	23	38	55
38	Secretariat-Economic Services	21	29	75	16	402
40	North Eastern Areas, Capital Outlay on North Eastern Areas	46	33	62	68	19
43	Housing, Crop Husbandry, Agricultural Research and Education etc.	142	78	91	65	95
47	Housing, Animal Husbandry etc.	2	25	5	25	10
51	Housing, Special Programmes for Rural Development etc.	70	97	298	9	326

The persistent huge savings under Police, Secretariat Economic Service, Housing, Crop Husbandry, Agricultural Research and Education, Housing, Special Programme for Rural Development etc. is on account of schemes which though approved by the Legislature have been given lesser priority during implementation. This can be attributed either to increase budget estimation or the Government's desire to keep its fiscal deficit below the ceiling.

During 2017-18 Supplementary grants totaling ₹574 crore (5.82 percent of the total expenditure) proved to be unnecessary in some cases. A few instances where there were savings at the end of the year even against Original allocation are given below:-

(₹ in crore)					
Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
21	2202-General Education 01-Elementary Education 101-Government Primary School (01) Expenditure on Primary School	Revenue	44	...	12

(₹ in crore )

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
21	2202-General Education 03-Universities and Higher Education 107-Scholarships (01) Post Metric Scholarship Schedule Tribes Centrally Sponsored Scheme	Revenue	66	...	13
24	2071-Pension and Other Retirement Benefits 01-Civil 104-Gratuities (01) Ordinary Gratuities	Revenue	28	...	1
24	2071-Pension and Other Retirement Benefits 01-Civil 200-Other Pensions (01) Pension to Legislator	Revenue	45	...	6
38	3451-Secretariat Economic Services 092-Other Offices (03) Externally Aided Project-Asian Development Bank (Administered by Finance (EA) Dept.)	Revenue	118	...	72
38	3451-Secretariat Economic Services 800-Other Expenditure (47) Meghalaya Livelihood and Access to Market Projects (Meghalaya Lamp) under Externally Aided Programme (EAP) IFAD	Revenue	107	...	1
46	2501-Special Programmes for Rural Development 01-Integrated Rural Development Programme 800-Other Expenditure (01) Border Areas Programmes under Border Areas Development	Revenue	44	...	20

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
51	2505-Rural Employment 02-Rural Employment Guarantee Scheme 101-National Rural Employment Guarantee Scheme (01) The National Rural Employment Guarantee	Revenue	1000	...	653
10	2041-Taxes on Vehicles 101-Collection Charges (02) Expenditure on Account of District Councils Share etc	Revenue	5	8	5
16	2055-Police 109-District Police (01) District Executive Police	Revenue	243	14	237
19	2059-Public Works 80-General 001-Direction and Administration (07) Divisional and Subordinate Offices (Roads)	Revenue	119	6	105
19	4059-Capital Outlay on Public Works 80-General 051-Construction (01) Functional Non-residential Buildings under General Schemes	Capital	27	6	20
38	3451-Secretariat Economic Services 800-Other Expenditure (02) Science and Technology Cell	Revenue	1	.02	.93
65	2051-Public Service Commission 102-State Public Service Commission (01) Establishment, Secretary, State/Public Service Commission	Revenue	4	.50	4

A few instances where there were excess expenditure at the end of the year even after Supplementary allocations were made are given below:-

(₹ in crore )

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
4	2014-Administration of justice 114-Legal Advisers and Council (02) Legal Remembrances and his Office	Revenue	2	1	4
34	2235-Social Security and Welfare 02-Social Welfare 102-Child Welfare (05) Integrated Child Development Service Scheme	Revenue	8	12	22

An Expenditure of ₹222 Crore in fourteen cases where funds were allocated directly bypassing the Legislature ie through re-appropriation instead of Original/Supplementary Budget are given below:-

(₹ in crore )

Grant No.	Nomenclature	Section	Original	Supplementary	Re-Appropriation	Actual Expenditure
11	2801-Power 80-General 101-Assistance to Electricity Board (66) Replacement of Distribution Transformers	Revenue	...	...	5	5
11	2801-Power 80-General 800-Other Expenditure (03) Re-Payment of Loan Component and Interest Thereto on Account of RGGVY	Revenue	...	...	9	9
21	2202-General Education 02-Secondary Education 800-Other Expenditure (23) Assistance under Article 275 (1)	Revenue	...	...	15	15

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplem-entary	Re-Appropriati on	Actual Expendit ure
24	2071-Pension and Other Requirement Benefits 01-Civil 104-Gratuities (02) Death Gratuities	Revenue	...	...	10	5
26	2211-Family Welfare 001-Direction and Administration (02) District Family Welfare Bureau Centrally Sponsored Scheme	Revenue	...	...	8	5
43	2401-Crop Husbandry 119-Horticulture and Vegetable Crops (19) Fruits Development	Revenue	...	...	8	8
43	2401-Crop Husbandry 800-Other Expenditure (22) National Food Security Mission	Revenue	...	...	2	2
43	2435-Other Agricultural Programmes 01-Marketing and Quality Control 101-Marketing Facilities (10) Integrated Technology Enabled Agri. Management	Revenue	...	...	38	10
45	2402-Soil and Water Conservation 102-Soil Conservation (17) Scheme under Article 275 (1) Ministry of Tribal Affairs	Revenue	...	...	4	4
46	2501-Special Programmes for Rural Development 800-Other Expenditure (01) Special Central Assistance under Border Areas Programmes	Revenue	...	...	7	23

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Re-Appropriation	Actual Expenditure
51	2501-Special Programme for Rural Development 01-Integrated Rural Development Programmes 800-Other Expenditure (08) Tribal Area Dev. Programme under Article 275(1)	Revenue	...	...	5	5
51	2515-Other Rural Development Programmes 800-Other Expenditure (26) Social Mobilisation Center at District Headquarter	Revenue	...	...	10	10
53	2851-Village and Small Industries 103-Handloom Industries (46) Schemes under Article 275(1)	Revenue	...	...	3	3
56	5054-Capital Outlay on Roads and Bridges 04-District and Other Roads 800-Other Expenditure (03) Construction of Rural Roads	Capital	...	...	150	118



## Chapter VI Assets and Liabilities

### 6.1 Assets

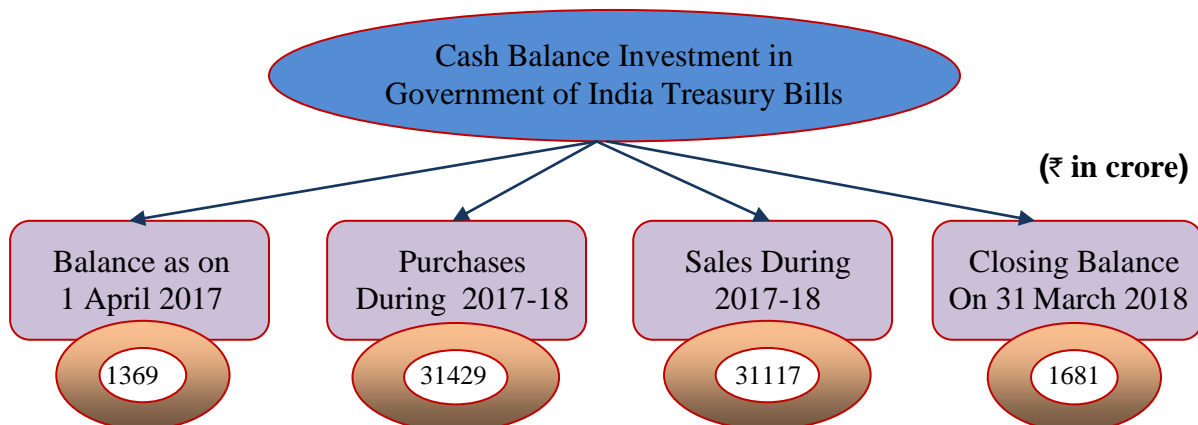
The existing forms of accounts do not clearly depict valuation of Government assets like land, building etc., except the year of acquisition/ purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations.

Total investment as share capital in non-financial public sector undertakings (PSUs) stood at ₹2628.56 crore at the end of the year of 2017-18. However, dividends received during the year were ₹0.11 crore on total investment. During the year 2017-18, investments increased by ₹156.93 crore and dividend income stagnated at ₹0.11 crore.

Cash Balance with RBI stood at (-)₹55 crore on 1<sup>st</sup> April 2017 and increased to ₹2.10 crore at the end of March 2018. In addition, Government had invested an amount of ₹31429 crore on 170 occasions in 14 days Treasury Bills and reinvested on Maturity ₹2685782 crore on 127 occasions. During 2017-18 RBI rediscounted ₹425926 crore on 98 occasions. The position of investment during the year 2017-18 is depicted in the table given below:

(₹ in crore)

Cash Balance Investment in Government of India Treasury Bills			
Balance as on 1 April 2017	Purchases during 2017-18	Sales during 2017-18	Closing balance on 31 March 2018
1369	31429	31117	1681



## 6.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund. Government of India determines, from time to time, the limit up to which State Government can borrow from the market. The limit for 2017-18 was ₹1216 crore. Against this Government of Meghalaya has availed open market borrowing for ₹1115 crore.

Details of the Public Debt and total liabilities of the State Government are as under:

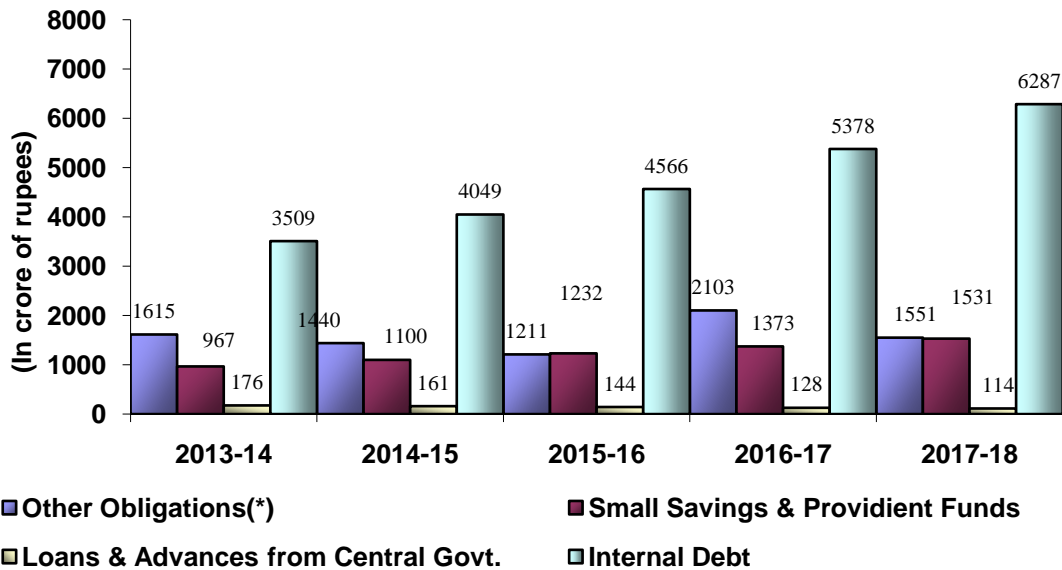
(₹ in crore)						
Year	Public Debt	Per cent to GSDP	Public Account(*)	Per cent to GSDP	Total Liabilities	Per cent to GSDP
2013-14	3686	18	2581	12	6267	30
2014-15	4211	17	2539	10	6750	27
2015-16	4710	17	2443	9	7153	26
2016-17	5506	19	3475	12	8982	30
2017-18	6402	20	3081	10	9483	30

\*Excludes suspense and remittance balance.

Note: Figures are progressive balance to end of the year.

Public Debt and other liabilities showed a net increase of ₹501 crore (6 percent) over the previous year.

### Trend in Government Liabilities



\* Interest & Non-interest bearing obligations such as deposits of Local Funds, other earmarked funds, etc.

### 6.3 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Government companies and corporation from the market and financial institution for implementation of various plan schemes and programmes. These guarantees are projected outside the State Budget. The position of guarantees by the State Government for the repayment of loans (payment of principal and interest thereon) raised by statutory corporation, government companies, corporations, cooperative societies etc., is given below.

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31 <sup>st</sup> March 2018	
		Principal	Interest
2013-14	1189	1049	562
2014-15	1054	796	378
2015-16	868	715	327
2016-17	860	975	8
2017-18	1140	814	7

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed [Principal only]	Amount Outstanding at the end of the year	
		Principal	Interest
2013-14	1189	1049	562
2014-15	1054	796	378
2015-16	868	715	327
2016-17	860	975	8
2017-18	1140	814	7

## **Chapter VII** **Other Items**

### **7.1 Adverse Balances under Internal Debt**

Borrowings of State Governments are governed by Article 293 of the Constitution of India. In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. However, the loan repayments appear in Government account, resulting in irreconcilable adverse balances and under statement of liabilities in Government accounts. As on 31 March 2018 no adverse balance is appearing in favour Meghalaya State.

### **7.2 Loans and Advances by the State Government**

Total Loans and Advances made by the State Government at the end of 2017-18 was ₹783 crore. Out of this, loans and advances to government corporation/ companies, non-government institutions and local bodies amounted to ₹768 crore. Recovery of principal aggregating to ₹758 crore was in arrears at the end of 31 March 2018. The information relating to recovery of interest in arrear was not made available by the State Government. Effective steps to recover the outstanding loans would help the Government improve its fiscal position.

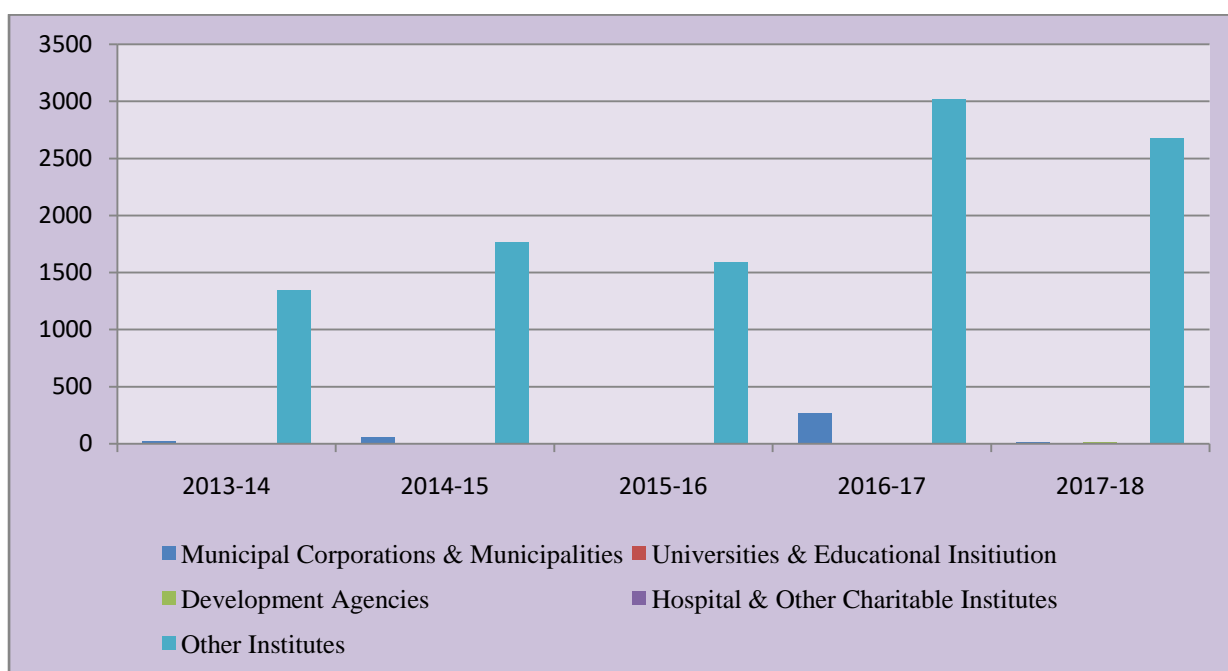
### **7.3 Financial assistances to local bodies and others**

Grants-in-aid given to local bodies, autonomous bodies etc. increased from ₹1366 crore in 2013-14 to ₹2674 crore in 2017-18. Grants to Municipal Corporations and Municipalities (₹14 crore) represent 1 *percent* of total grants given during the year.

Details of Grants-in-aid for the past 5 years are as under:

(₹ in crore)

S. No.	Name of the Institutions	2013-14	2014-15	2015-16	2016-17	2017-18
1	Municipal Corporations & Municipalities	19	53	4	265	14
2	Universities & Educational Institution	-	-	-	-	-
3	Development Agencies	1	1	1	12	...
4	Hospital & Others Charitable Institutes	-	-	-	-	-
5	Other Institutes	1346	1763	1586	3016	2660
<b>Total</b>		1366	1817	1591	3293	2674



#### 7.4 Cash Balance and Investment of Cash Balance

( ₹ in crore)

Component	As on 1 April 2017	As on 31 March 2018	Net Increase [+]/ decrease[-]
Cash Balances	(-)30	35	65
Investment from cash balance			
(GOI Treasury Bills)	1369	1681	312
Investment from earmarked fund balances	257	313	56
(a) Sinking Fund	245	291	46
(b) Guarantee Redemption Fund	12	22	10
Interest Realized during the year	38	45	7

State Government had a negative closing cash balance at the end of 31 March 2018. Interest receipt on the investment of cash balance has increased by 18 *percent* from ₹38 crore to ₹45 crore in 2017-18.

#### 7.5 Reconciliation of Accounts

Chief Controlling Officer (CCOs)/ Controlling Officer (COs) are required to reconcile the receipts and expenditure figures of the Government with the figures accounted for by the office of the Accountant General (A&E). The extent of accuracy and completeness of accounts can be drawn only when there is complete reconciliation. Such reconciliation has been completed for expenditure of ₹8592 crore (87percent of the total expenditure of ₹9858 crore) and receipts of ₹9999 crore (95 percent of the total receipts of ₹10516 crore). Finance Department, Government of Meghalaya has been requested to issue necessary instruction to ensure 100 percent reconciliation.

#### 7.6 Submission of Accounts by Accounts rendering units

The accounts of receipts and expenditure of the Government of Meghalaya have been compiled based on the initial accounts rendered by 16 District Treasuries, 91 Public Works Divisions, 46 Forest and Soil Divisions of the State Government and advices of the Reserve Bank of India. There were delays in rendition of monthly accounts by Treasuries public Works Divisions and Forest & Soil Divisions. However, no accounts were excluded at the end of the year.

#### 7.7 Advance payments

Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money by preparing Abstract Contingent (AC) bills by debiting service heads. They are required to present Detailed Countersigned Contingent (DCC) Bills containing vouchers in support of Final Expenditure. Non-

submission of DCC bills within stipulated time frame renders the expenditure under AC bills opaque. Details of such outstanding DCC bills are given below:

(₹ in crore)

Year	Number of AC Bills Drawn		Number of AC Bills adjusted		Pending Bills	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
Up to 2015-16	98	12	98	12	...	...
2016-17	75	10	74	10	1	...
2017-18	188	57	180	22	9	36
Total	361	79	352	44	10	36

### 7.8 Status of Suspense Balances

Details of outstanding balances under Major Head-8658-Suspense Account is as under: -

(₹ in crore)

Name of Minor Head	2013-14		2014-15		2015-16		2016-17		2017-18	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
8658-Suspense Accounts										
101- Pay and Accounts office-suspense	43	1	47	1	45	1	33	1	36	1
Net	42		46		44		32		35	
102-Suspense Account (Civil)	5	1	4	1	5	1	4	1	5	...
Net	4		3		4		3		5	
110-Reserve Bank Suspense-Central Accounts Office	22	10	29	99	22	42	21	39	23	45
Net	12		70		20		18		22	
112-Tax Deducted at Source (TDS) Suspense	...	1	...	1	...	1	...	...	...	4
Net	1		1		1		...		4	

### 7.9 Status of Outstanding Utilization Certificate

Details of outstanding Utilization Certificate in respect of Grants sanctioned by the State Govt. as under: -

Year	Number of UCs awaited	Amount (₹ in crore)
Up to 2015-2016	373	1282
2016-2017	251	910
2017-18	241	758
Total	865	2950

### 7.10 Commitments on account of Incomplete Capital works

A total expenditure of ₹1969 crore as per Appendix IX in Volume II of the Finance Accounts was incurred up to the year 2017-18 by the State Government on various incomplete projects against an original estimated cost of ₹3787 crore.

The original estimated cost (₹3787 crore) had escalated by 1 percent on various projects. A summarized view on commitments on account of 'Incomplete Capital Works' is furnished below:

(₹ in crore)

Sl. No.	Category of Works (No. of works)	Estimated cost of work	Expenditure during the year	Progressive expenditure to the end of the year	Pending payments	Estimated cost after revision
1	Construction	69	6	55	16	70
2	Water supply Schemes	1161	58	439	746	1188
3	Medicals	216	...	209	3	216
4	Others	2585	189	1290	477	2613
	Total	4031	253	1993	1242	4087

### 7.11 New Pension Scheme

State Government employees recruited with effect from 1 April 2010 are eligible for the New Pension Scheme which is a defined contributory pension scheme. In terms of the Scheme, the employee contributes 10 percent of his monthly salary and dearness allowance, which is matched by the State Government as employer share, the entire amount is transferred to



designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

As per prescribed procedure, both the contributions are to be initially credited to the Public Account under Major Head 8342-Other Deposits-117 Defined Contribution Pension Scheme for Government Employees. Thereafter, the entire amount is to be transferred to the National Securities Depository Limited (NSDL)/ Trustee Bank through the designated fund manager in the same year itself.

The Government of Meghalaya, however did not follow the above procedure in transferring Government contribution. The State Government transfers the employer's (Government's) contribution to NSDL/Trustee Bank from Current Account as informed by D.A.T. During 2017-18, the State Government deducted ₹31 crore towards employees' contribution and credited the same into Public Account. Thereafter, the State Government transferred ₹31 crore from the Public Account to the NSDL/Trustee Bank. However, as in previous years, the State Government did not credit the employer's contribution for the year 2017-18 to the Public Account, and instead, transferred ₹31 crore to NSDL/Trustee Bank. Since the State Government did not route the employers' contribution through the Public Account, it has not been possible to ascertain the quantum of past liabilities representing employer's share remaining to be transferred to NSDL. Such short contributions over the years, if any, will attract interest, which will also have to be included at the time of transferring the employer's contribution to NSDL, but in the absence of information on quantum of short contribution over the years, it has not been possible to estimate this.

As on 1 April 2017, ₹1 crore representing employees' contribution yet to be transferred to NSDL was available in the Public Account under Major Head 8342-117. (The interest accruing on such retained balances which constitute liabilities of the State Government- since the inception of the Scheme, has not been estimated. It has also not been possible to estimate whether the employees' contributions over the years under the Scheme have been correctly assessed. Against ₹31 crore (₹1 crore opening balance plus ₹30 crore deducted from the employees during the year), the State Government transferred ₹30 crore leaving a balance of ₹1 crore in the public Account as on 31 March 2018. Uncollected, unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities under the scheme besides erroneously enhancing the liquidity position of the State Government.

### 7.12 Personal Deposit Accounts

Under Rule 415 of Meghalaya Treasury Rules, 1985, the moneys tendered as Personal Deposits may be received at the treasury from the administrators of the deposits account without specification of detailed item. Unspent balance lying in Personal Deposits Accounts are required to be transferred back to the Consolidated Fund before the close of the financial year and re-opened next year, if necessary. The details of the Personal Deposits accounts during the year 2017-18 are as under:

(₹ in crore)

PD Accounts as on 01.04.2017		PD Accounts opened during the year 2017-18		PD Accounts closed during the year 2017-18		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
07	6	...	15	...	2	07	19

### 7.13 Investment

The State Government invests in the equity and shares of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative, Institutions. As per the accounts the investment of Government in 24 entities was ₹2629 crore as on 31 March, 2018 on which an amount of ₹0.11 crore was received as dividend/interest. Details are given in Statement 19 of Finance Accounts. These figures, however, have not been reconciled with the figure of the investee organizations, which is to be done.

### 7.14 Rush of Expenditure

Rush of expenditure, particularly in the closing months of the financial year shall be avoided. The trend of expenditure incurred during the last quarter, month of March and last three days of March 2018 as compared to the total expenditure during 2017-18 is as under:

(₹ in crore)

Expenditure incurred during January to March 2018	Expenditure incurred in March 2018	Expenditure incurred during last three days of March 2018	Total Expenditure	Percentage of total expenditure incurred during		
				Jan to March 2018	March 2018	Last three days of March 2018
2459	1535	896	9528	26	16	9



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