

सत्यमेव जयते

# ACCOUNTS AT A GLANCE

## 2018-19



लोकहितार्थ सत्यनिष्ठा  
Dedicated to Truth in Public Interest



## GOVERNMENT OF MANIPUR



**Accounts at a Glance  
2018-19**

**Government of Manipur**

**Principal Accountant General  
(Accounts and Entitlement)**



## Preface

I am happy to present the twenty-first issue of our annual publication, the 'Accounts at a glance' for the year 2018-19, 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.

**(John K. Sellate)**  
**Principal Accountant General (A&E)**

Imphal

Date: April 2020



## 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

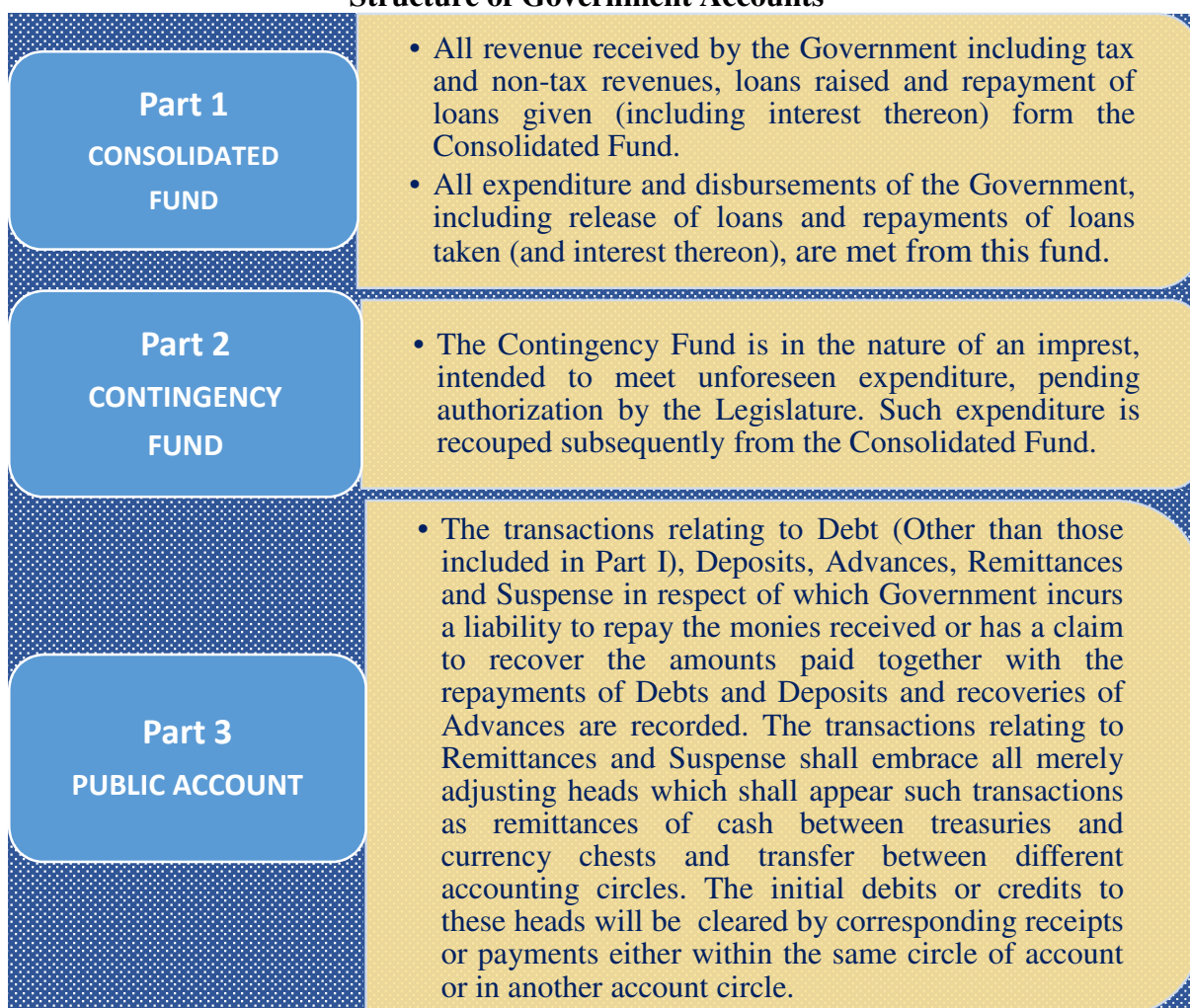
### 1.1 Introduction

The Principal Accountant General (Accounts and Entitlements), Manipur collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the accounts of the Government of Manipur. The compilation is done from the initial accounts rendered by the District Treasuries, Public Works Divisions, Water Resources, Public Health & Engineering and Minor Irrigation Divisions, Forest 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 Manipur. 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), Manipur and certification by the Comptroller and Auditor General of India.

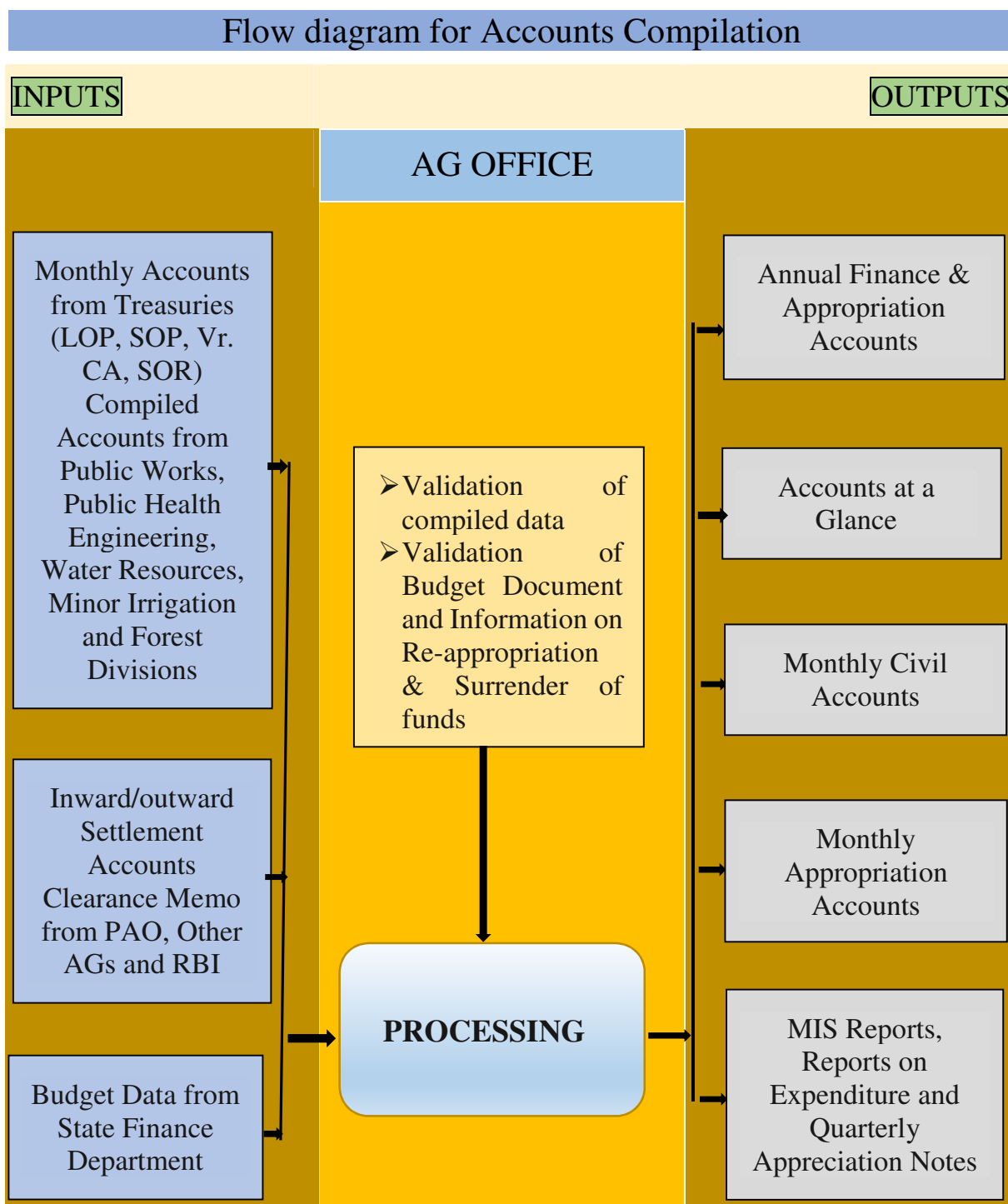
### 1.2 Structure of Government Accounts

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

##### Structure of Government Accounts



## 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).

Receipts and disbursement of the Government of Manipur as depicted in the Finance Accounts 2018-19 are given below.

The Union Government transfer substantial funds directly to the state Implementing Agencies/NGOs for implementation of various schemes and programmes. During the year 2018-19, the Government of India released ₹55.92 crore directly to the implementing agencies in Manipur. Since these funds are not routed through the 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. The following table provides the details of actual financial results vis-a-vis budget estimates for the year 2018-19.

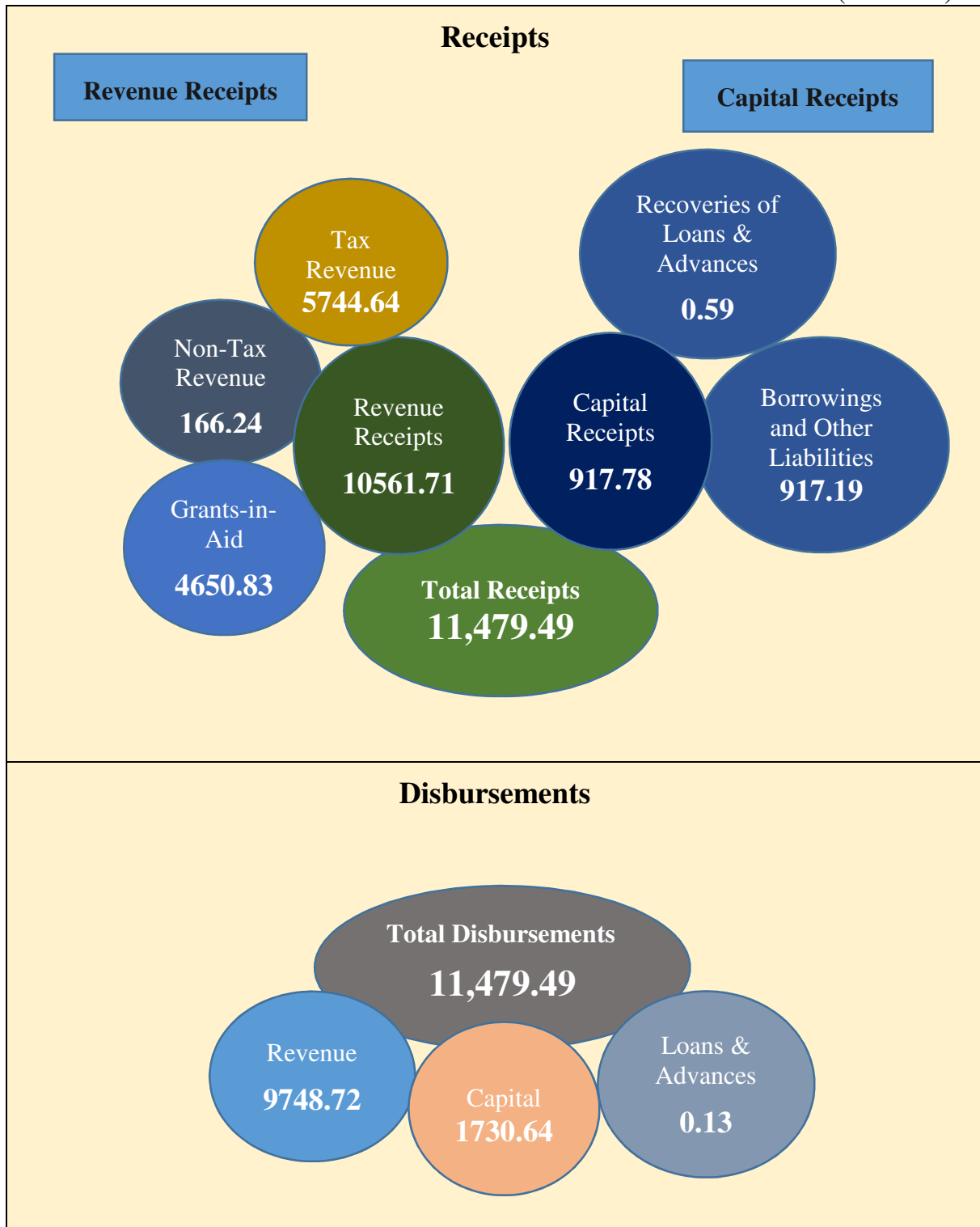
(₹ in crore)

Sl. No.	Particulars	B.E	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP#
1	Tax Revenue	5,956.34	5,744.64	96.45	22.33
2	Non-Tax Revenue	248.53	166.24	66.89	0.65
3	Grants-in-aid & Contributions	6,444.07	4,650.83	72.17	18.08
<b>4</b>	<b>Revenue Receipts (1+2+3)</b>	<b>12,648.94</b>	<b>10,561.71</b>	<b>83.50</b>	<b>41.06</b>
5	Recovery of Loans & Advances	3.80	0.59	15.53	0.01
6	Other Receipts	...	...	...	...
7	Borrowings & Other Liabilities	963.72	917.19	95.17	3.57
<b>8</b>	<b>Capital Receipts (5+6+7)</b>	<b>967.52</b>	<b>917.78</b>	<b>94.86</b>	<b>3.57</b>
<b>9</b>	<b>Total Receipts (4+8)</b>	<b>13,616.46</b>	<b>11,479.49</b>	<b>84.31</b>	<b>44.63</b>
<b>10</b>	<b>Revenue Expenditure</b>	<b>12,472.48</b>	<b>9,748.72</b>	<b>88.55</b>	<b>37.90</b>
<b>11</b>	<b>Interest Payments out of 10</b>	<b>620.47</b>	<b>577.21</b>	<b>93.03</b>	<b>2.24</b>
<b>12</b>	<b>Capital Expenditure</b>	<b>4,677.83</b>	<b>1,730.64</b>	<b>66.46</b>	<b>6.73</b>
<b>13</b>	<b>Loans and Advances Disbursed</b>	<b>3.00</b>	<b>0.13</b>	<b>4.33</b>	<b>0.00</b>
<b>14</b>	<b>Total Expenditure (10+12+13)</b>	<b>17,153.31</b>	<b>11,479.49</b>	<b>84.31</b>	<b>44.63</b>
<b>15</b>	<b>Revenue Surplus (4-10)</b>	<b>176.46</b>	<b>812.99</b>	<b>49.58</b>	<b>3.16</b>
<b>16</b>	<b>Fiscal Deficit(-)/Surplus (+) (14)-(4+5+6)</b>	<b>(-)4,500.57</b>	<b>(-)917.19</b>	<b>95.17</b>	<b>3.57</b>

# GSDP of 2018-19 was ₹25,722.20 crore (Provisional estimate at current prices).

## Receipt and disbursement in year 2018-19

(₹ in crore)



**Note:** *Borrowing and other Liabilities: Net (Receipt – Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipt – Disbursement) of Public Account + Net of Opening and Closing Cash Balance.*

### **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”. The budget of the Manipur has three charged Appropriation and 50 voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied 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 Manipur against the budget approved by the Legislature, showed a net saving of ₹2,563.08 crore (14.94 *per cent* of estimates) and over-estimation of ₹60.26 crore (83.93 *per cent* of estimates) on reduction of expenditure. Certain grants, like those relating to Police, Public Works Department, Education, Manipur Housing & Urban Development, Department of Tribal Affairs, Hills and Scheduled Castes Development, Minor Irrigation, Water Resources Department and Social Welfare Department 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. Ways and Means advance of ₹2,777 crore was obtained and ₹2,644 crore was repaid during the year 2018-19.

### **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. ₹0.24 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2018-19 there was an overdraft of ₹423.18 crore for 34 days up to 31 March 2019.

### **1.4.3 Fund flow statement**

The State had a Revenue Surplus of ₹813 crore and a Fiscal Deficit of ₹917 crore as on 31 March 2019. The Fiscal Deficit was met from net Public Debt (₹827 crore) decrease in Public Account (₹146 crore) and net decrease of opening and closing cash balance (₹236 crore). Around 55.90 *per cent* of the revenue receipts (₹10,562 crore) of the State Government was spent on committed expenditure like salaries (₹3,662 crore), interest payments (₹577 crore), pensions (₹1,399 crore), subsidies (₹120 crore) and wages (₹11 crore).

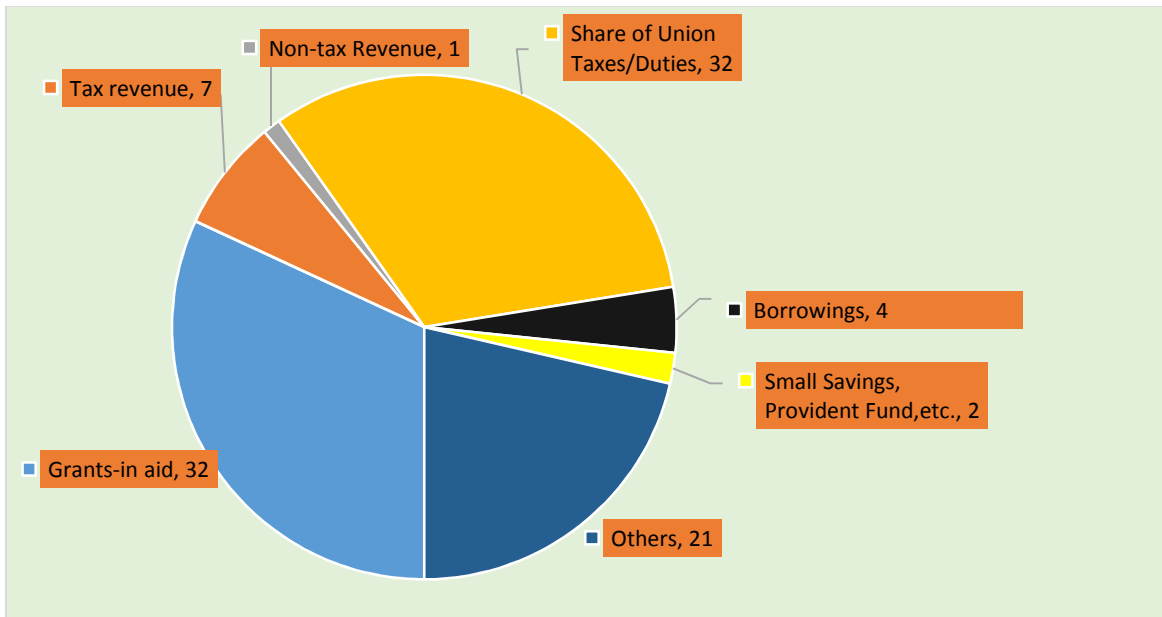
<b>Sources and Application of Funds</b>		(₹ in crore)
<b>SOURCES</b>	<b>PARTICULARS</b>	<b>AMOUNT</b>
	Opening Cash Balance as on 1 April 2018	34
	Revenue Receipts	10,562
	Capital Receipts	--
	Recovery of Loans and Advances	1
	Public Debt	3,927
	Small Savings, Provident Funds etc.	287
	Reserves Fund & Sinking Funds	144
	Deposits Received	441
	Civil Advances Repaid	43
	Suspense Account*	11,253
	Remittances	1,793
	<b>TOTAL</b>	<b>28,485</b>
	<b>APPLICATION</b>	Revenue Expenditure
Capital Expenditure		1,731
Loans Given		0
Repayment of Public Debt		3,099
Small Savings, Provident Funds etc.		303
Reserves Fund & Sinking Funds		147
Deposits Repaid		495
Civil Advances Given		43
Suspense Account**		11,279
Remittances		1,840
Closing Cash Balance as on 31 March 2019		-201
<b>TOTAL</b>		<b>28,485</b>

\* Includes ₹11,046 crore on account of cash balances investment account.

\*\* Includes ₹11,046 crore on account of cash balances investment account.

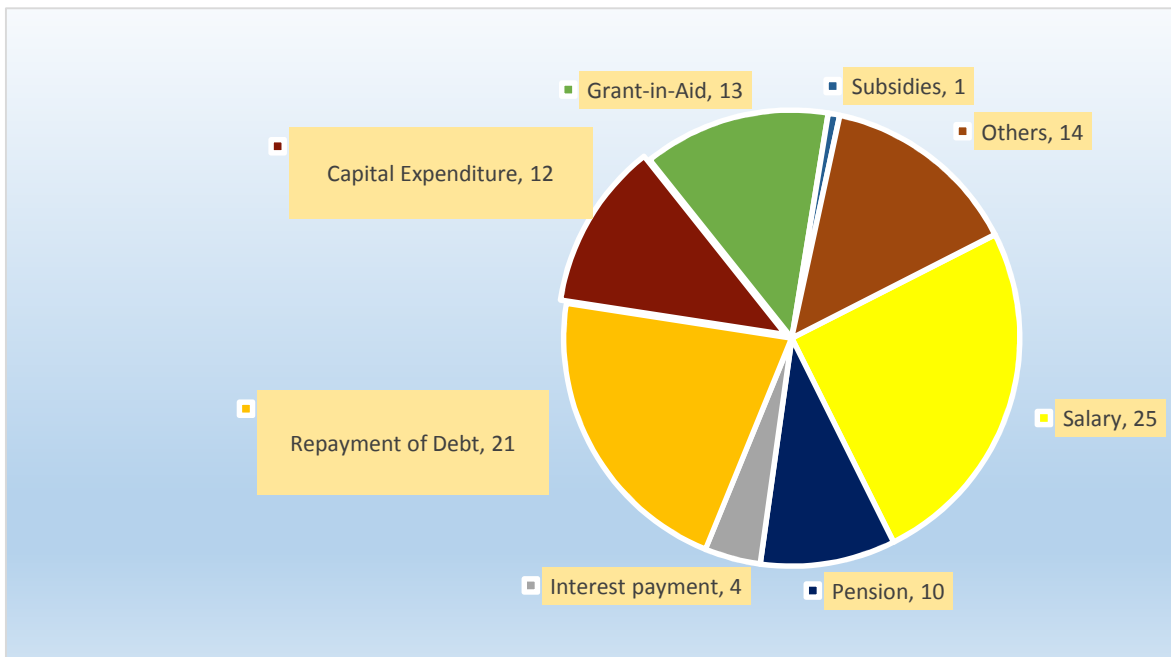


#### 1.4.4 Where the Rupee came from (in percentage)



(Recovery of loans and advances was only ₹0.59 crore which is negligible hence value is shown as zero).

#### 1.4.5 Where the Rupee went (in percentage)



## 1.5 Financial highlight of year 2018-19

(₹ in crore)

Sl. No.	Description	Budget Estimate 2018-19	Actuals 2018-19	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP#
1.	Tax Revenue (a)	5,956.34	5,744.64	96.45	22.33
2.	Non-Tax Revenue	248.53	166.24	66.89	0.65
3.	Grants-in-aid & Contributions	6,444.07	4,650.83	72.17	18.08
4.	<b>Revenue Receipts (1+2+3)</b>	<b>12,648.94</b>	<b>10,561.71</b>	<b>83.50</b>	<b>41.06</b>
5.	Recovery of Loans & Advances	3.80	0.59	15.53	0.00
6.	Other Receipts	--	--	--	--
7.	Borrowings and other liabilities (b)	963.72	917.19	95.17	3.57
8.	<b>Capital Receipts (5+6+7)</b>	<b>967.52</b>	<b>917.78</b>	<b>94.86</b>	<b>3.57</b>
9.	<b>Total Receipts (4+8)</b>	<b>13,616.46</b>	<b>11,479.49</b>	<b>84.31</b>	<b>44.63</b>
10	Revenue Expenditure	12,472.48	9,748.72	88.55	37.90
11	Interest payment out of 10	620.47	577.21	93.03	2.24
12	Capital Expenditure	4,680.83	1,730.77	66.38	6.73
13	<b>Total Expenditure(10+12)</b>	<b>17,153.31</b>	<b>11,479.49</b>	<b>84.31</b>	<b>44.63</b>
14.	<b>Revenue Surplus (4-10)</b>	<b>176.46</b>	<b>812.99</b>	<b>49.58</b>	<b>3.16</b>
15	<b>Fiscal Deficit (-) Surplus (+) (13)-(4+5+6)</b>	<b>(-)4,500.57</b>	<b>(-)917.19</b>	<b>95.17</b>	<b>3.57</b>

(a) Includes share of net (tax) proceed assigned to the State amounting to ₹4,698 crore. (State Government Own Tax receipts were ₹1,046 crore which was 4 per cent of GSDP)

(b) Borrowing and other Liabilities: Net (Receipts-Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts – Disbursement) of Public Account + Net of opening and closing balance.

# GSDP figures (₹25,722.20 crore) is taken from Economic and Statistic Department of Government of Manipur as the same was not available on the web site of Ministry of Statistics and Programme Implementation Govt. of India.

During the year 2018-19 revenue surplus of ₹813 crore (₹1,084 crore surplus in 2017-18) and fiscal deficit of ₹917 crore (₹340 crore deficit in 2017-18) represent 3 per cent and 4 per cent of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 8 per cent of total expenditure.

## What do the deficits and surpluses indicate?

<b>Deficit</b>	<ul style="list-style-type: none"><li>• Refers 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.</li></ul>
<b>Revenue Deficit/ Surplus</b>	<ul style="list-style-type: none"><li>• Refers 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.</li></ul>
<b>Fiscal Deficit/ Surplus</b>	<ul style="list-style-type: none"><li>• Refers 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.</li></ul>

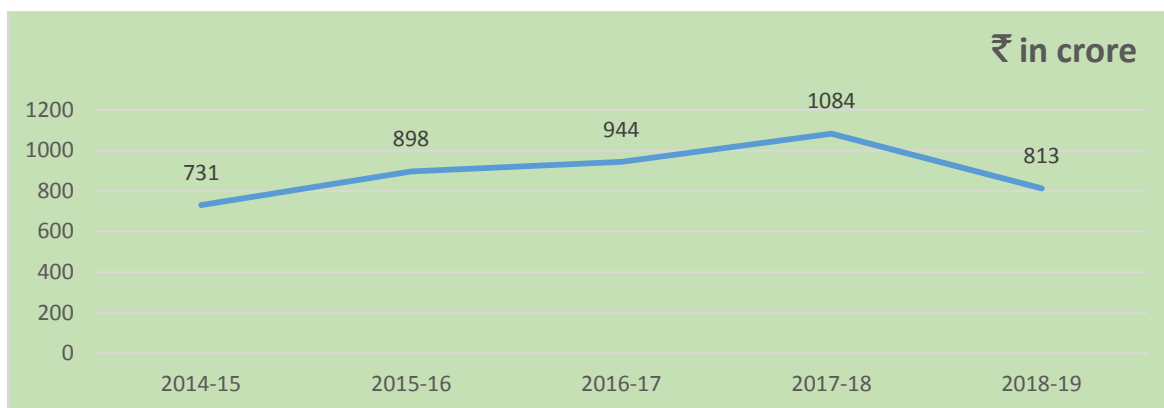
### 1.6 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

In terms of Rule 5 of the Manipur Fiscal Responsibility and Budget Management Act, 2005, medium term fiscal policy statement and fiscal policy strategy statement are to be laid before the legislature. However, medium term fiscal policy statement, micro economy framework statement and disclosures were not laid before the legislature along with the Annual Budget 2018-19. As per Section 2 of Rules 8 of Fiscal Responsibility and Budget Management Act, 2005, the targets in terms of the policy, and achievements as per the accounts, are given below:

Sl. No.	Targets	Achievements
a.	Maintain Revenue Surplus	The Revenue Surplus for 2018-19 was ₹813 crore, which is 7.70 per cent of Total Revenue Receipt.
b.	Maintain Fiscal Deficit below 2.32 per cent in financial year 2018.19 of the Gross State Domestic Product (GSDP).	There was Fiscal Deficit of ₹917 crore (3.57 per cent of Gross State Domestic Product*) for 2018-19.
c.	The total outstanding Government guarantees as on the first day of April of any year shall not exceed thrice the State's Own Tax Revenue receipts of the second preceding year.	The total outstanding guarantees as on 1 April 2018 was ₹451 crore, which is less than thrice the State's Own Tax Revenue receipts for the year 2016-17 (₹586.67 x 3 = ₹1,760.01 crore).
d.	Follow recruitment and wage policy, in a manner such that the total salary bill relative to revenue expenditure excluding interest payments and pensions does not exceed 35 per cent.	Percentage of the total salary bill for 2018-19 (₹3,662.39 crore) to the revenue expenditure excluding interest payments and pensions for 2018-19 (₹7,637.25 crore) was 47.95 per cent.

\* GSDP for 2018-19 (provisional estimates at current prices) as per the Department of Economics and Statistics, Government of Manipur was ₹25,722.20 crore. Figures are not available on the web site of the Ministry of Statistics and Programme Implementation, Government of India.

### 1.6.1 Trend of Revenue Deficit/ Surplus



### 1.6.2 Trend of Fiscal Deficit



## Chapter II

### Receipts

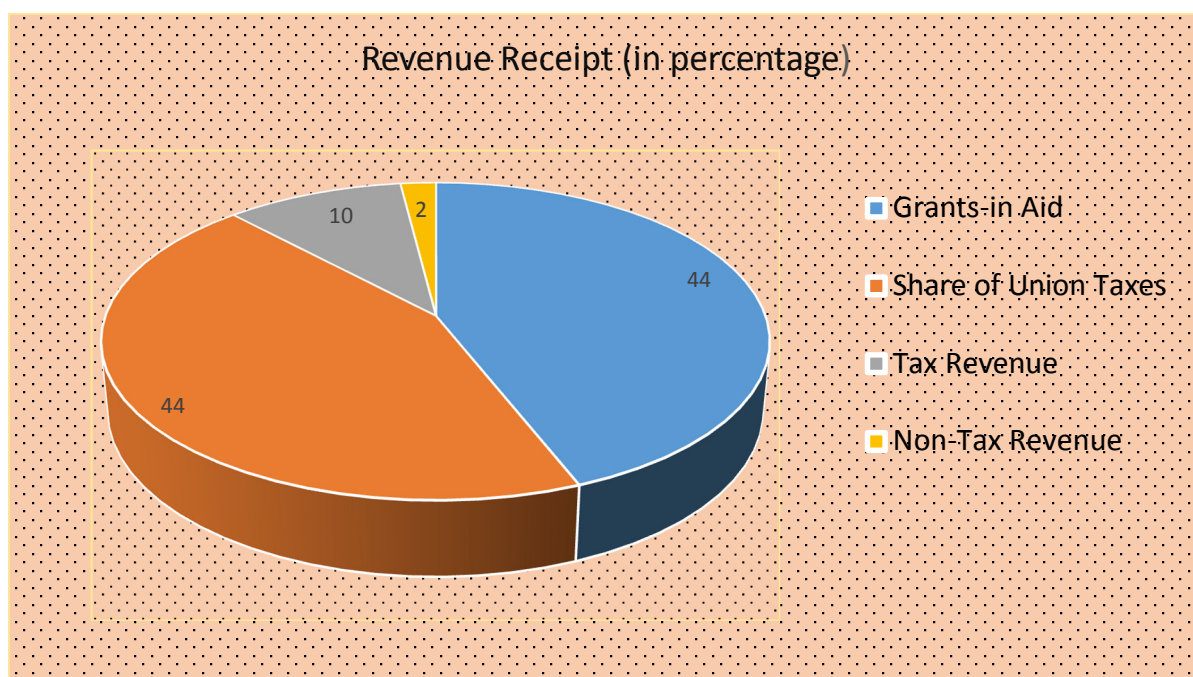
#### 2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2018-19 was ₹11,479 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.

<b>Tax Revenue</b>	Comprises taxes collected and retained by the State and State's share of Union Taxes under Article 280(3) of the Constitution.
<b>Non-Tax Revenue</b>	Includes interest receipts, dividend, profits, departmental receipts etc.
<b>Grants-in -aid</b>	Grants-in-aid represent Central assistance to the State Government from the Union Government. It also includes "External Grant Assistance" received from Foreign Government and channelised through the Union Government. In turn, the State Government also give Grants-in-aid to institutions like Panchayati Raj Institution, Autonomous bodies etc.



## 2.2.1 Revenue Receipts Components (2018-19)

(₹ in crore)

Components	Actuals
<b>A. Tax Revenue</b>	<b>5,745</b>
Good & Services Tax (GST)	1,947
Other Taxes on Income and Expenditure	2,871
Taxes on Property and Capital Transactions	22
Taxes on Commodities and Services	905
<b>B. Non-Tax Revenue</b>	<b>166</b>
Interest Receipts, Dividend and Profits	19
General Services	119
Social Services	8
Economic Services	20
<b>C. Grants-in-aid &amp; Contribution</b>	<b>4,651</b>
<b>Total –Revenue Receipts</b>	<b>10,562</b>

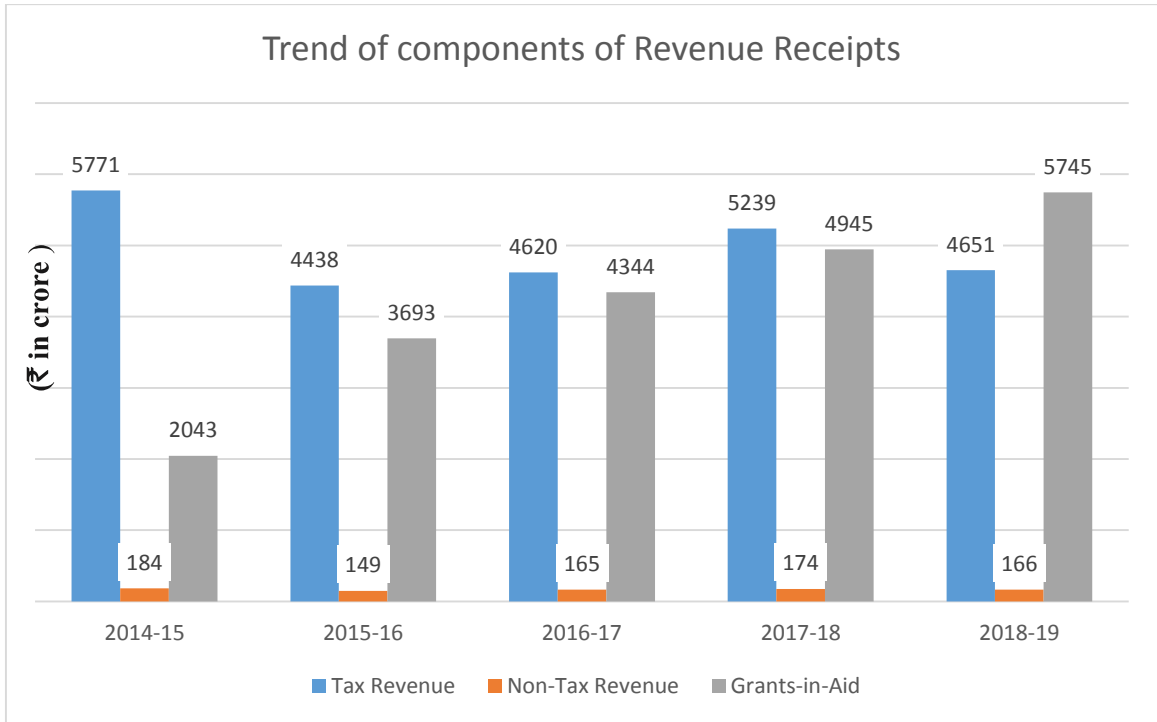
## 2.2.2 Trend of Revenue Receipts

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Tax Revenue</b>	2,043 (13%)	3,693 (18%)	4,344 (19%)	4,945 (20%)	5,745 (22%)
<b>Non-Tax Revenue</b>	184 (1%)	149 (1%)	165 (1%)	174 (1%)	166 (0.65%)
<b>Grants-in-aid</b>	5,771 (36%)	4,438 (22%)	4,620 (20%)	5,239 (22%)	4,651 (18%)
<b>Total Revenue Receipts</b>	<b>7,798</b> <b>(50%)</b>	<b>8,280</b> <b>(41%)</b>	<b>9,129</b> <b>(39%)</b>	<b>10,358</b> <b>(43%)</b>	<b>10,562</b> <b>(41%)</b>
<b>GSDP</b>	<b>16,122.73</b>	<b>20,067.74</b>	<b>23,324.95</b>	<b>24,206.50</b>	<b>25,722.20</b>

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

Though the GSDP increased by 6 per cent in 2018-19 compared to previous year, growth in revenue receipt was 2 per cent. The tax revenue increased by 16 per cent, the non-tax revenue decreased by 5 per cent and the grants-in-aid decreased by 11 per cent compared to previous year.

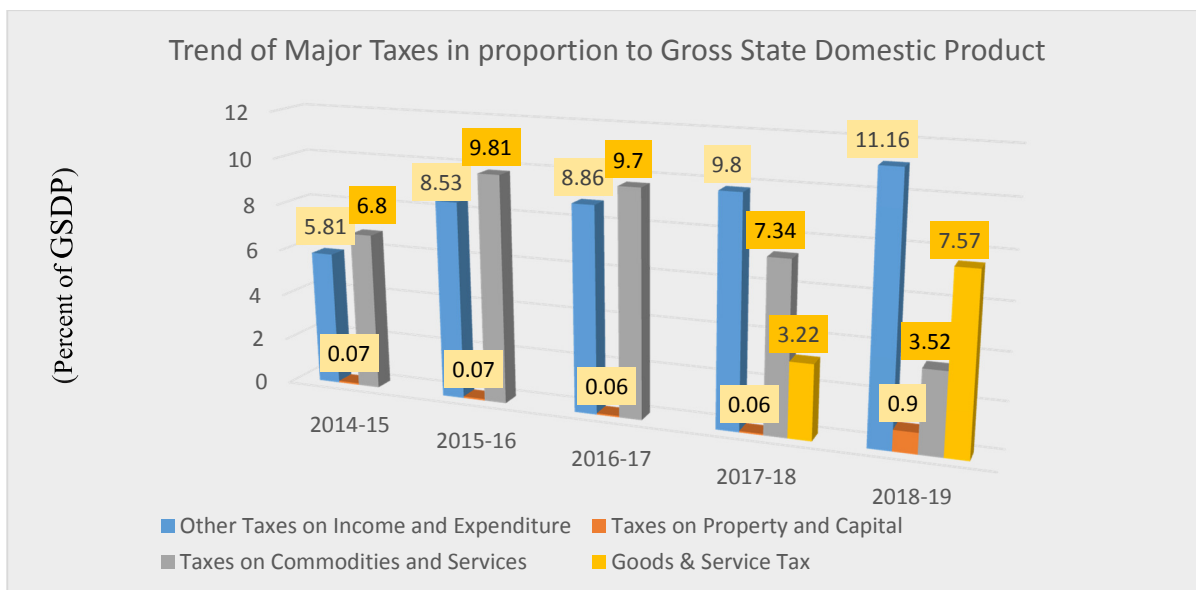


## 2.3 Tax Revenue

(₹ in crore)

<b>Sector-wise Tax Revenue</b>					
	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Goods &amp; Service Tax (GST)</b>	-	-	-	780	1,947
<b>Other Taxes on Income and Expenditure</b>	937	1,712	2,068	2,372	2,871
<b>Taxes on Property and Capital Transaction</b>	10	13	15	15	22
<b>Taxes on Commodities and Services</b>	1,096	1,968	2,261	1,778	905
<b>Total Tax Revenue</b>	<b>2,043</b>	<b>3,692</b>	<b>4,344</b>	<b>4,945</b>	<b>5,745</b>

The increase in total tax revenue during 2018-19 was mainly attributable to GST (₹1947 crore), higher collection under Corporation Tax (₹1634 crore) and Taxes on Income other than Corporation Tax (₹1203 crore) and Other Taxes on Income and Expenditure (₹34 crore).



### 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 collections 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
2014-15	2,043	1,527	516	3.20
2015-16	3,693	3,142	551	2.75
2016-17	4,344	3,757	587	2.52
2017-18	4,945	4,154	791	3.27
2018-19	5,745	4,699	1,046	4.07

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

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
<b>State's own Tax collection</b>	516	551	587	791	1,046
<b>Devolution of Union Taxes</b>	1,527	3,142	3,757	4,154	4,699
<b>Total Tax Revenue</b>	<b>2,043</b>	<b>3,693</b>	<b>4,344</b>	<b>4,945</b>	<b>5,745</b>
<b>Percentage of State's own Tax to Total Tax Revenue</b>	25	15	14	16	18

The proportion of State's own tax collection in overall tax revenue has shown an increasing trend since 2013-14 with a maximum of 35 per cent during the year 2016-17 to 2017-18.



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

(₹ in crore)

Taxes	2014-15	2015-16	2016-17	2017-18	2018-19
1. Taxes on Sales, Trade etc.	433	467	500	386	253
2. State Excise	9	9	9	9	8
3 Taxes on Vehicles	21	23	25	36	40
4. Stamp and Registration fees	8	10	10	14	18
5. SGST	-	-	-	302	695
6. Land Revenue	1	3	2	1	3
7. Taxes on Goods and Passengers	1	1	1	1	1
8. Other Taxes	43	38	40	42	28
<b>Total State's own Taxes</b>	<b>516</b>	<b>551</b>	<b>587</b>	<b>791</b>	<b>1046</b>

### 2.4 Efficiency of Tax Collection

(₹ in crore)

Taxes	2014-15	2015-16	2016-17	2017-18	2018-19
<b>1. Taxes on Sales, Trade etc.</b>					
Revenue collection	433	467	500	386	253
Expenditure on collection	4	4	5	8	6
Efficiency of Tax Collection	0.93%	0.86%	1%	2.07%	2.37%
<b>2. State Excise</b>					
Revenue collection	9	9	9	10	8
Expenditure on collection	2	2	2	2	2
Efficiency of Tax Collection	22.22%	22.22%	22.22%	20%	25%
<b>3. Taxes on Vehicles, Goods and Passengers</b>					
Revenue collection	22	24	26	37	41
Expenditure on collection	10	11	11	18	14
Efficiency of Tax Collection	45.45%	45.83%	42.31%	48.65%	34.15%
<b>4. Stamp and Registration Fee</b>					
Revenue collection	8	10	10	14	18
Expenditure on collection	3	3	2	4	7
Efficiency of Tax Collection	37.5%	30%	205	28.57%	38.89%

The expenditure on collection of Taxes on Vehicles, Goods and Passengers and Stamps and Registration was very high as compared to other taxes.

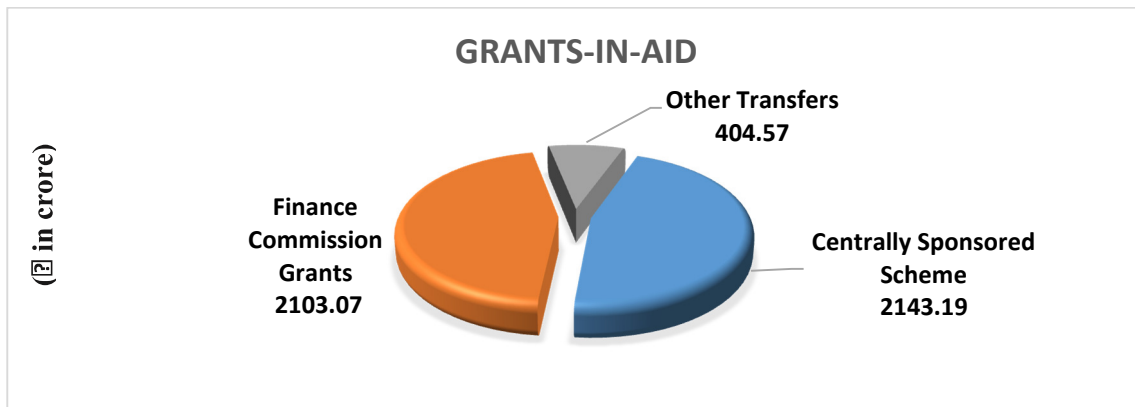
## 2.5 Trend in State's share of Union Taxes over the past five years

(₹ in crore)

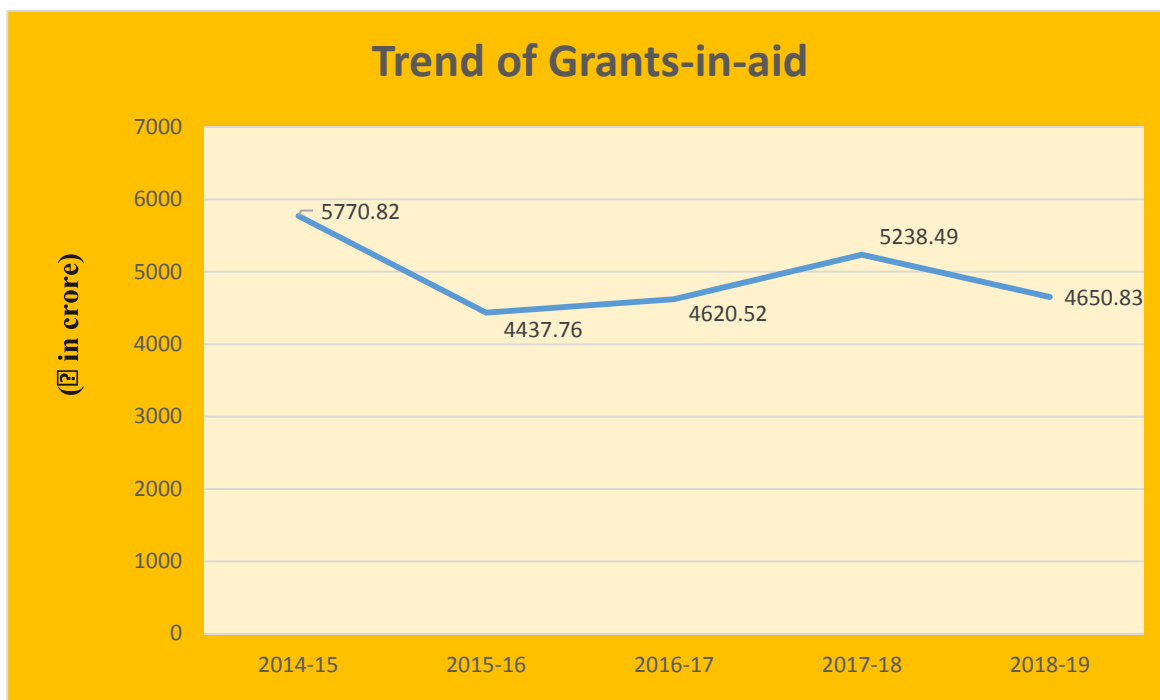
Description	2014-15	2015-16	2016-17	2017-18	2018-19
CGST				59.32	1,159.70
IGST	-	-	-	419.56	92.60
Corporation Tax	533.24	993.78	1,205.86	1,272.66	1,634.06
Taxes on Income other than Corporation Tax	380.79	694.88	838.08	1,074.66	1,203.42
Other taxes on Income & Expenditure					8.51
Taxes on Wealth	1.43	0.18	2.76	(-)0.04	0.60
Customs	246.96	501.73	518.71	419.40	333.08
Union Excise Duties	139.45	413.53	592.33	438.40	221.34
Service Tax	225.01	536.63	599.38	470.37	42.85
Other Taxes and Duties on Commodities and Services	0.01	1.69	0.01	-	2.43
State's share of Union Taxes/Duties	1,526.89	3,142.42	3,757.13	4,154.33	4,698.59
Total Tax Revenue	2,043.72	3,692.86	4,343.80	4,945.27	5,744.64
Percentage of Union Taxes to Total Tax Revenue	74.71	85.09	86.49	84.01	81.79

## 2.6 Grants -in-aid

Grants-in-aid represent assistance from the Government of India, and comprise, grant for Centrally Sponsored Schemes, Finance Commission grants and other transfers. Total receipts during 2018-19 under Grants -in-aid were ₹4,650.83 crore as shown below:



The total amount of Grants-in-Aid received by the State Government was decreased by 12.64 per cent during 2018-19 as compared to 2017-18.



## 2.7 Public Debt

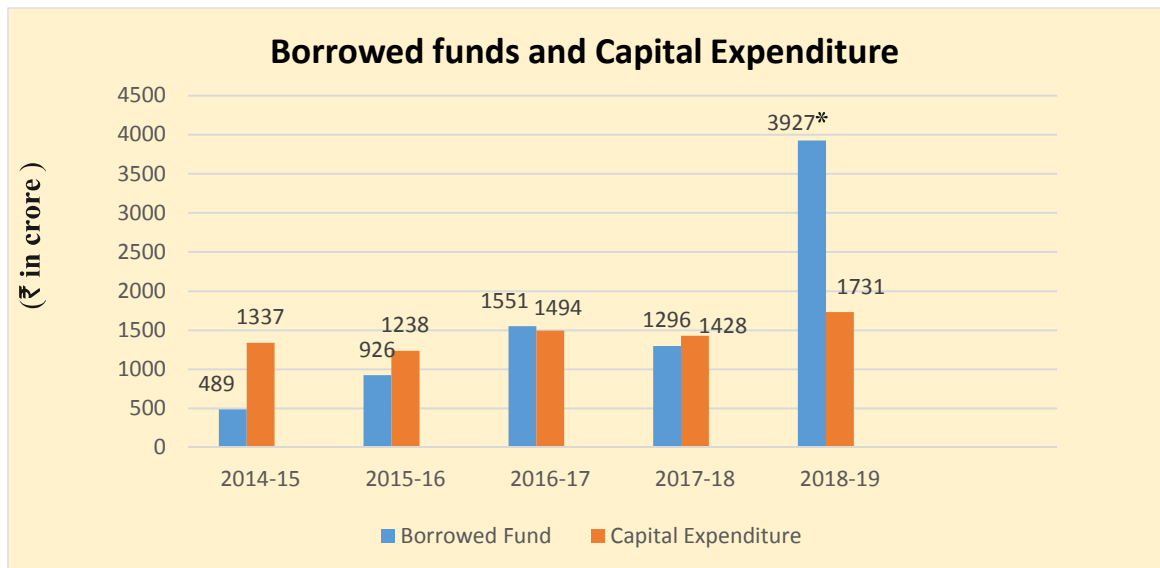
Trend of position of Public Debt (year end balances) over the past five years

(₹ in crore)

Description	2014-15	2015-16	2016-17	2017-18	2018-19
Internal Debt	3,940.68	4,464.52	4,898.92	5,554.42	6,425.84
Central Loans	439.17	395.04	366.96	331.83	287.77
<b>Total</b>	<b>4,379.85</b>	<b>4,859.56</b>	<b>5,265.88</b>	<b>5,886.25</b>	<b>6,713.61</b>

During the year 2018-19, out of ₹3,927 crore, three loans of ₹970 crore were raised from the open market at interest rates varying from 8.09 per cent to 8.43 per cent and the same are redeemable during the period between 2028 and 2029. In addition, the State Government raised loan of ₹180 crore from the financial institutions. An amount of ₹2,777 crore was obtained from Wage and Means Advances from the Reserve Bank of India. Thus the total Internal Debt raised by the Government during the year 2018-19 aggregated to ₹3,927 crore. During the year no Loans and Advances were taken by the Government, however, an amount of ₹44 crore was repaid for earlier loan. The outstanding balance at the end of the year was ₹288 crore which is 4.29 per cent of the total Public Debt of the State Government.

## 2.8 Proportion of borrowed funds spent on Capital



\*Including Ways & Means Advance of ₹2,777 crore

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 Government of Manipur have been spending more funds in capital account as compared to borrowed funds during the last four years.

## 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 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:

General Services	Includes Justice, Police, Jail, PWD, Interest, Pension etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.

### 3.2 Revenue Expenditure

The saving of Revenue Expenditure against Budget Estimates during the past five years is given below:

(₹ in crore)

Year	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Budget Estimates</b>	9,644	8,565	9,991	10,589	12,475
<b>Actuals</b>	7,267	7,383	8,185	9,274	9,760
<b>Gap</b>	2,376	1,182	1,807	1,315	2,715
<b>Percentage of variation of Actuals against BE</b>	25	14	18	12	22

Around 60 per cent of the total revenue expenditure was incurred on committed expenses viz. on Salaries (₹3,662 crore) and Wages (₹11 crore) (Interest payment (₹577 crore) and Pensions (₹1,534 crore) and subsidies (₹120 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	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Total Revenue Expenditure</b>	7,267	7,383	8,185	9,274	9,749
Committed Revenue Expenditure #	4,250	4,513	4,960	5,454	5,904
Percentage of Committed Revenue Expenditure to Total Revenue Expenditure	58	61	61	59	61
Uncommitted Revenue Expenditure	2,917	2,869	3,225	3,820	3,845

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

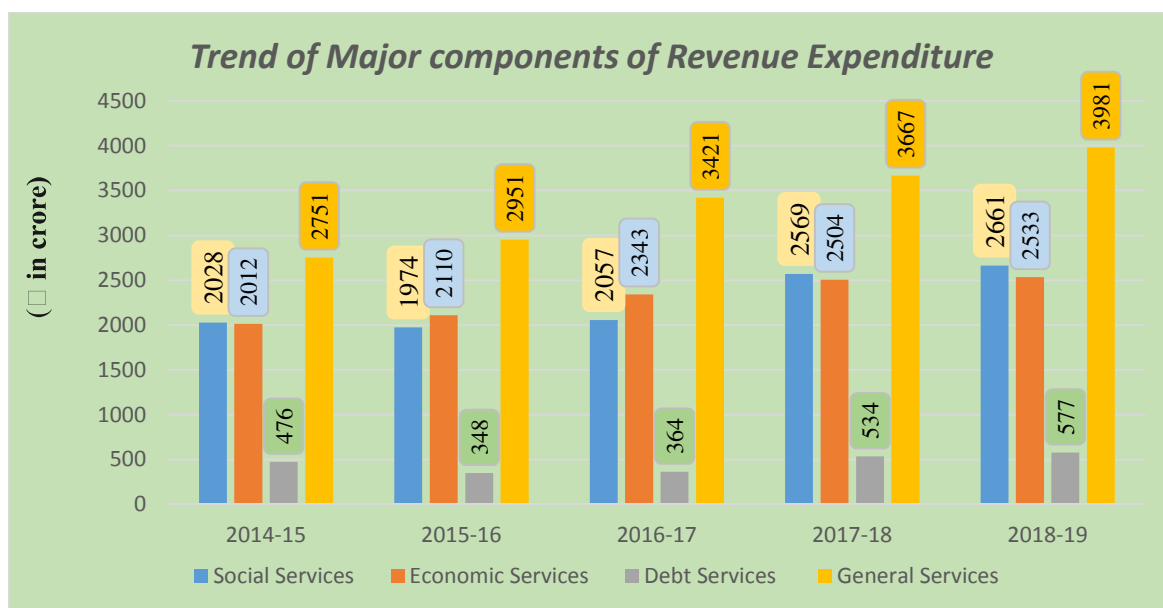
The total revenue expenditure increased by 34 per cent from ₹7,267 crore in 2014-15 to ₹9,749 crore in 2018-19 and committed revenue expenditure increased by 39 per cent over the same period.

### 3.2.1 Sectoral distribution of Revenue Expenditure (2018-19)

(₹ in crore)

Components	Amount	Percentage
<b>A. Organs of States</b>	<b>181</b>	<b>1.86</b>
<b>B. Fiscal Services</b>	<b>68</b>	<b>0.70</b>
(i) Collection of Taxes on Property and Capital transaction	45	
(ii) Collection of Taxes on Commodities and services	22	
(iii) Other Fiscal Services	1	
<b>C. Interest Payments and Servicing of debt</b>	<b>577</b>	<b>5.92</b>
<b>D. Administrative Services</b>	<b>1,621</b>	<b>16.63</b>
<b>E. Pensions and Miscellaneous General Services</b>	<b>1,534</b>	<b>15.73</b>
<b>F. Social Services</b>	<b>2,661</b>	<b>27.29</b>
<b>G. Economic Services</b>	<b>2,533</b>	<b>25.98</b>
<b>H. Grants-in-aid (Compensation and Assignments to Local Bodies and Panchayati Raj Institutions)</b>	<b>574</b>	<b>5.89</b>
<b>Total Expenditure (Revenue Accounts)</b>	<b>9,749</b>	<b>100</b>

### 3.2.2 Major components of Revenue Expenditure 2014-15 to 2018-19



### 3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital disbursements during 2018-19 amounting to ₹1,731 crore (7 per cent of GSDP) was less than Budget Estimate by ₹1,577 crore. The growth in Capital expenditure has not kept pace with the steady growth of GSDP since 2014-15 onwards. This can be seen from the table below:

(₹ in crore)

Sl. No.	Components	2014-15	2015-16	2016-17	2017-18	2018-19
1	Budget (B.E.)	2,835	2,110	3,835	3,150	4,678
2	Actual Expenditure (#)	1,607	1,686	2,639	2,107	4,830
3	Percentage of Actual Exp. to B.E.	57	80	69	67	103
4	Yearly growth in Capital Expenditure	(- )12%	5%	57%	(- )20%	129%
5	GSDP	16,123	20,068	23,325	24,207	25,722
6	Yearly growth in GSDP	11%	24%	16%	4%	6%

(#) Does not include expenditure on Loans and Advances but includes Repayment of Loans to Government of India.

#### 3.3.1 Sectoral distribution of Capital Expenditure

During 2018-19, the Government spent ₹228 crore on various Irrigation Projects (₹52 crore on Minor Irrigation and ₹176 crore on Major Irrigation). Apart from above, the Government spent ₹398 crore on construction of roads and bridges and invested ₹7.99 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		2014-15	2015-16	2016-17	2017-18	2018-19
(A)	General Services	Capital	209	165	96	106	112
		Revenue	2,751	2,941	3,421	3,667	3,981
(B)	Social Services	Capital	550	386	413	664	753
		Revenue	2,028	1,974	2,057	2,569	2,661
(C)	Economic Service	Capital	574	687	985	658	866
		Revenue	2,012	2,110	2,343	2,504	2,533
(D)	Grants-in-aid and Contribution*	Capital	-	-	-	-	
		Revenue	476	348	364	534	574



## Chapter IV

### Appropriation Accounts

#### 4.1 Summary of Appropriation Accounts for 2018-19

(₹ in crore)

Sl. No.	Nature of Expenditure	Original grant	Supplementary grant	Surrender (by way of Reappropriation)	Total Budget	Actual Expenditure (Net)	Savings(-) Excesses(+)
<b>1.</b>	<b>Revenue</b>						
	Voted	10,469	1,338	167	11,640	9,158	(-)2,482
	Charged	652	14	1	665	603	(-)62
<b>2.</b>	<b>Capital</b>						
	Voted	2,256	1,052	217	3,091	1,731	(-)1,360
<b>3.</b>	<b>Public Debt</b>						
	Charged	351	1,018-	-	1,369	3,099	(+)1,730
<b>4.</b>	<b>Loans and Advances</b>						
	Voted	3	-	-	3	1	(-)2
	<b>Total</b>						
	Voted	12,728	2,390	384	14,724	10,890	(-)3,834
	Charged	1,003	1,032	1	2,034	3,702	(+)1,668

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

(₹ in crore)

Year	Revenue	Savings(-) Excess (+)			Total
		Capital	Public Debt	Loan & Advances	
2013-14	(-)2,370	(-)1215	(-)4	(+)3	(-)3,586
2014-15	(-)1,179	(-)462	(+)40	(-)1	(-)1,602
2015-16	(-)1,803	(-)1,102	(-)91	(-)2	(-)2,998
2017-18	(-)1,126	(-)1,124	(+)358	(-)9	(-)1,901
2018-19	(-)2,544	(-)1,360	(+)1,730	(-)2	(+)2,176

### 4.3 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	Nomenclature	2014-15	2015-16	2016-17	2017-18	2018-19
8	Public Works Department	149.56	198.89	257.16	556.16	445.50
10	Education	426.01	259.71	244.84	202.83	154.29
17	Agriculture	72.62	72.96	111.43	88.24	180.51
20	Community and Rural Development	593.58	52.00	335.80	146.67	897.02
30	General Economic Services and Planning	983.80	332.62	504.99	264.60	282.22
36	Minor Irrigation	77.12	13.23	78.31	105.68	95.81
40	Water Resources	305.45	137.68	126.81	299.38	179.64
44	Social Welfare Department	216.31	154.31	116.55	128.55	159.05

The persistent huge savings under Public Works Department, Education, Agriculture, Community & Rural Development, General Economic Services & Planning, Minor Irrigation, Water Resources and Social Welfare Departments was on account of schemes which though approved by the legislature have been given lesser priority during implementation. This can be attributed either to inflated budget estimation or the Government's desire to keep its fiscal deficit below the ceiling.

During 2018-19 Supplementary grants totalling ₹3,422 crore (30 per cent of 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	Nomenclature	Section	Original	Supplementary	Actual Expenditure
6	2041-Taxes on Vehicles 800- Other expenditure 09- Helicopter service cum air dispensary	Revenue	2.00	0.22	1.10
7	2055- Police 01- Direction 104- Special Police 32-17 <sup>th</sup> Battalion Manipur Rifles (7 <sup>th</sup> IRB)	Revenue	31.98	4.15	30.62

14	2225-Welfare of SC, ST, OBC 02-Direction & Administration 794-Special Central Assistance for Tribal Sub-Plan. 15-Agriculture	Revenue	5.00	4.98	Nil
16	2425- Co-operation 101- Audit of Co-operatives 02- Internal Audit Establishment	Revenue	2.32	0.38	1.96
18	2403-Animal Husbandry 001-Direction & Administration. 05-Execution	Revenue	8.47	0.68	3.45
18	2403-Animal Husbandry 101-Veterinary Services and Animal Health. 04- District/Sub-Divisional Veterinary Hospital and Dispensaries	Revenue	21.01	1.66	14.68
20	2505-Rural Employment 60- Other Programmes 09- Self Employment Programme- NRLM (Central Share)	Revenue	3.60	1.46	Nil
21	2851-Villag & Small Industries 103- Handloom Industries 01- National Handloom Development Programme	Revenue	10.00	2.31	1.00
32	2056- Jails 101- Jails 03- District Jail (Chandel)	Revenue	2.55	0.16	2.25
40	4700- Capital Outlay on Major Irrigation 04- Dolaithabi River Irrigation Project 800- Other Expenditure 12- Dolaithabi River Irrigation Project	Capital	3.50	2.43	3.23

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

(₹ in crore)

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
10	2202- General Education 03- University & Higher Education 103- Government Colleges & Institutes 11- Government Colleges & Institutes	Revenue	153.24	12.31	173.15
13	2230- Labour & Employment 03- Training 003- Training of Craftsman and Supervisors 14- Training of Craftsman and Supervisors	Revenue	5.39	2.19	8.29
15	3475- Other General Economic Services 106- Regulation of Weight & Measures 50- Regulation of Weight & Measures	Revenue	0.20	0.02	0.33
18	2403- Animal Husbandry 001- Direction & Administration 05- Execution	Revenue	5.54	0.44	6.34
40	4700- Capital Outlay on Major Irrigation 03- Thoubal River Irrigation Project 800- Other Expenditure 11- Thoubal River Irrigation Project (AIBP)	Capital	6.30	1.50	17.31
40	4700- Capital Outlay on Major Irrigation 03- Dholathabi River Irrigation Project 800- Other Expenditure 11- Dholathabi River Irrigation Project (AIBP)	Capital	6.92	6.88	19.03

A few instances of expenditure incurred where funds were allocated directly bye-passing the Legislature i.e. through re-appropriation instead of Original/Supplementary budget are given below:

(₹ in crore)

Grant	Nomenclature	Section	Original	Supple- mentary	Re-appro- piation	Actual Expenditure
8	5054- Capital Outlay on Roads & Bridges 80- General 800 Other Expenditure 48- State Matching Share of NLCPR/NEC	Capital			0.73	0.53
10	2202- General Education 02- Secondary Education 800- Other Expenditure 93- Laiarik Tamhalasi (OTSA of 2017-18)	Revenue			6.50	4.77
11	2210- Medical & Public Health 06- Public Health 800- Other Expenditure 24- State Share of PMJAY (Ayushman Bharat)	Revenue			1.42	1.42
14	2225- Welfare of SC, ST, OBC and Minorities 02 Welfare of Scheduled Tribes 794- Special Central Assistance for Tribal Sub-Plan 18- Health (Central Share)	Revenue			2.40	2.10
17	2401- Crop Husbandry 800- Other Expenditure 21- State Matching Share for PMKSY				1.50	1.50
17	2401- Crop Husbandry 800- Other expenditure 70- Paramparagat Krishi Vikas Yojana- Central Share				0.50	0.49
19	2406- Forestry & Wildlife 04- Afforestation & Ecology Development				0.82	4.38

	101- National Afforestation & Ecology Development Programme 01 National Afforestation Programme					
22	4552- Capital Outlay on North Eastern Areas 10- Water Supply 102- Rural Water Supply 07- Water Supply Scheme at Charachandpur Town, Zone III				0.94	0.94
22	4552- Capital Outlay on North Eastern Areas 10- Water Supply 102- Rural Water Supply 08- Water Supply Scheme for Jawahar Navodaya Vidyalaya at Lambui				0.54	0.54
22	4552- Capital Outlay on North Eastern Areas 10- Water Supply 102- Rural Water Supply 09- Composite Water Supply Scheme at Oklong, Senapati				1.18	1.18
22	4552- Capital Outlay on North Eastern Areas 10- Water Supply 102- Rural Water Supply 11- Construction of Buffer Water Reservoir at Shirui Village, Ukhrul				2.40	2.40
22	4552- Capital Outlay on North Eastern Areas 10- Water Supply 102- Rural Water Supply 15- Composite Water Supply Project at Kzhiirii and Likhurii Village Ph.I				0.10	0.10
30	4575- Capital Outlay on Other Special Area Programme 60- Others				13.50	60.00

	800- Other Expenditure 01- One Time Special Assistance of Central Plan Scheme					
43	2552- North Eastern Areas 15- Soil Conservation 800- Other Expenditure 01- Model Horticulture Centre				2.57	2.57
43	2552- North Eastern Areas 15- Soil Conservation 800- Other Expenditure 04- Model Floriculture Centres				3.08	3.08
44	2235- Social Security & Welfare 02- Social Welfare 103- Women's Welfare 48- Mahila Shakti Kendra (Central Share)				1.37	1.25

## Chapter V

### Assets and Liabilities

#### 5.1 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 stood at ₹206 crore at the end of the year of 2018-19. However, dividends received during the year were only ₹0.04 lakh. At the end of the year 2018-19, investments increased by rupees eight crore and dividend income was same as previous year.

Cash Balance with RBI stood at ₹34 crore on 1 April 2018 and decreased to ₹(-)201 crore at the end of March 2019. In addition, Government had invested and rediscounted in 14 days Treasury Bills worth ₹11,046 crore.

The position of investment during the year 2018-19 is depicted in the table given below:

(₹ in crore)

Cash Balance Investment in Government of India Treasury Bills			
Balance as on 1 April 2018	Purchases during 2018-19	Sales during 2018-19	Closing balance on 31 March 2019
...	11,046	11,046	...

#### 5.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund. During the year, Government of Manipur has availed open market borrowing for ₹970 crore.

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

(₹ in crore)

Year	Public Debt	Per cent of GSDP	Public Account*	Per cent of GSDP	Total Liabilities	Per cent of GSDP
2014-15	4,380	27	2,978	13	7,358	40
2015-16	4,860	25	3,265	12	8,125	37
2016-17	5,266	26	3,542	12	8,808	38
2017-18	5,886	24	3,680	15	9,566	39
2018-19	6,714	26	3,750	15	10,464	41

\* Excludes suspense and remittance balance.

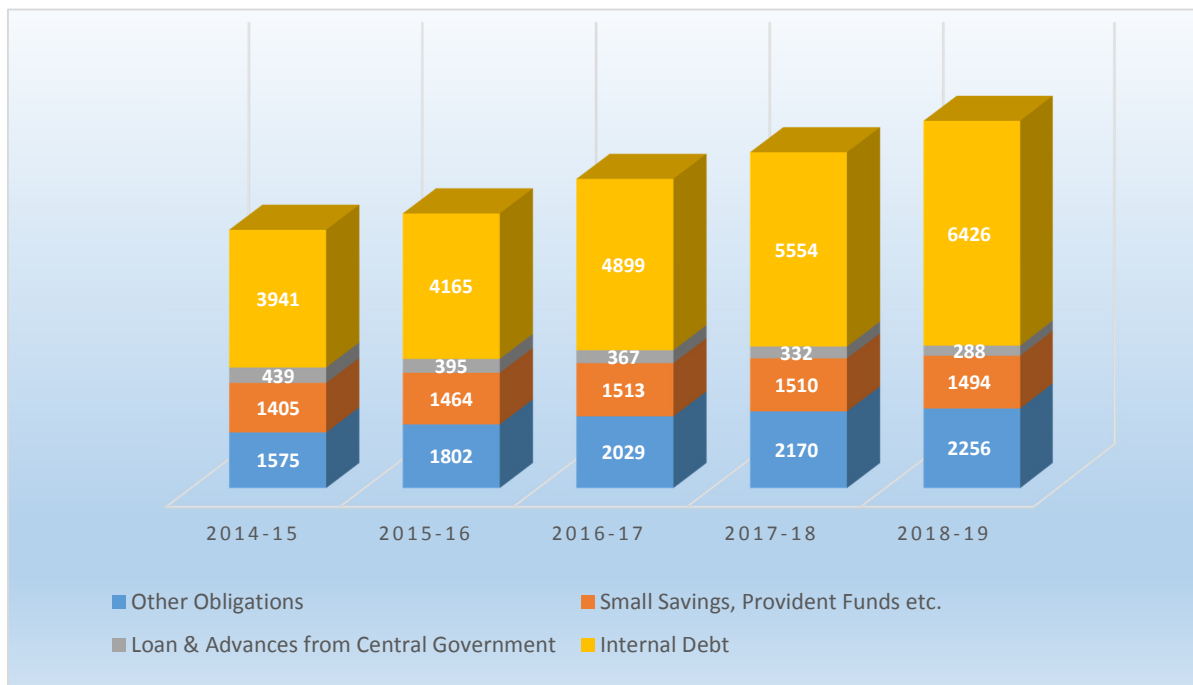
Note: Figures are progressive balance to end of the year.



Public Debt and other liabilities showed a net increase of ₹898 crore (9 per cent) over the previous year.

### Trend in Government Liabilities

(₹ in crore)



### 5.3 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 re-payment of loans (payment of principal and interest thereon) raised by Statutory Corporation, Government Companies, Corporations, Co-operative Societies, etc., is given below.

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of the year	
		Principal	Interest
2014-15	197	63	130
2015-16	588	270	70
2016-17	588	345	56
2017-18	738	451	63
2018-19	738	410	65

## Chapter VI

### Other Items

#### 6.1 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 2019 no adverse balance is appearing in favour Manipur State.

#### 6.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2018-19 was ₹199 crore. No loans and advances to government corporation/companies, non-government institutions and local bodies was given except ₹0.13 crore to Government Servants. Recovery of principal aggregating to ₹199 crore was in arrears at the end of 31 March 2019. The information relating to recovery of interest in arrear was not made available by the State Government. During 2018-19 only ₹0.59 crore was received towards repayment of loans to Government servants. Effective steps to recover the outstanding loans would help the Government improve its fiscal position.

#### 6.3 Financial assistances to local bodies and others

Grants-in-aid given to Local Bodies, Autonomous Bodies, etc., increased from ₹1,870 crore in 2014-15 to ₹2,506 crore in 2018-19. Grants to Zilla Parishads and Panchayat Raj Institutions, Municipal Corporations and Municipalities (₹141 crore) represent 6 per cent of total grants given during the year. Details of Grants-in-aid for the past 5 years are as under:

(₹ in crore)

Sl. No	Name of Institutions	2014-15	2015-16	2016-17	2017-18	2018-19
1	Zilla Parishads & Panchayati Raj Institutions	91	37	46	63	58
2	Municipal Corporations & Municipalities	50	58	39	78	43
3	Universities & Educational Institutions	14	81	45	37	39
4	Development Authorities	528	706	775	885	869
5	Governments Companies	312	498	607	408	350
6	Other Institute	875	671	732	1,022	1,147
	<b>Total</b>	<b>1,870</b>	<b>2,051</b>	<b>2,244</b>	<b>2,493</b>	<b>2,506</b>

## 6.4 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	34	(-)201	(-)167
Investment from cash balance (GOI Treasury Bills)	--	--	--
Investment from earmarked fund balances	--	--	--
(a) Sinking Fund	--	--	--
(b) Guarantee Redemption Fund	--	--	--
Interest realized during the year	18	17	(-)1

State Government had a negative closing cash balance at the end of 31 March 2019. Interest receipt on the investment of cash balance has decreased by 3 per cent from ₹17.80 crore in 2017-18 to ₹17.26 crore in 2018-19.

## 6.5 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). Such reconciliation has been completed by all CCOs/COs for such receipts and expenditures. During 2018-19, out of 81 Controlling Officers, 69 Controlling Officers reconciled fully and 5 Controlling Officers reconciled partially.

## 6.6 Submission of Accounts by Accounts rendering units

The accounts of receipts and expenditure of the Government of Manipur have been compiled based on the initial accounts rendered by 11 District Treasuries, 58 Public Works Divisions (PWD – 34, WRD - 24), 33 Forest Divisions, 25 Public Health (20) and Minor Irrigation Divisions (5) and Advices of the Reserve Bank of India. Rendition of monthly accounts by the Accounts Rendering Units of the State Government ranged from one to 28 days in respect of District Treasuries and one to 100 days in respect of Public Works Divisions.

## 6.7 Advance payments

Drawing and Disbursing Officers are authorised 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 with supporting documents in settlement of the AC bills drawn.

However, there is no provision of time limit fixed for submission of DCC bills to enforce financial discipline. A total of 975 DCC bills amounting to ₹1,713.00 crore pertaining to the period 2003-18 were outstanding as on 31 March 2019. Prolonged non-submission of supporting DCC bills renders the expenditure under AC bills opaque. Also the expenditure

shown in the Finance Accounts cannot be vouched as correct or complete to the extent of non-receipt of DCC bills.

Year	No. of pending DCC Bills	Amount (₹ in crore)
Upto 2016-17	701	1,297.63
2017-18	203	328.38
2018-19	71	87.52
<b>Total</b>	<b>975</b>	<b>1,713.53</b>

## 6.8 Status of Suspense Balances

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

(₹ in crore)

Name of Minor Head	2014-15		2015-16		2016-17		2017-18		2018-19	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
<b>8658-Suspense Accounts</b>										
<b>101-PAO Suspense</b>	69.65	0.04	73.11	1.16	93.70	1.05	100.95	1.04	121.39	24.00
<b>Net</b>	69.61 (Dr)		71.95 (Dr)		92.65 (Dr)		99.91(Dr)		97.39 (Dr)	
<b>102-Suspense Accounts (Civil)</b>	89.48	...	87.06	...	99.00	...	114.94	...	135.66	...
<b>Net</b>	89.48 (Dr)		87.06(Dr)		99.00 (Dr)		114.94 (Dr)		135.66 (Dr)	
<b>107-Cash Settlement Suspense Accounts</b>	47.24	...	52.68	...	47.19	...	47.19	...	47.19	...
<b>Net</b>	47.24 (Dr)		52.68 (Dr)		47.19 (Dr)		47.19 (Dr)		47.19 (Dr).	
<b>110-Reserve Bank Suspense-Central Accounts Office</b>	...	49.90	...	38.96	3.01	42.32	2.87	43.84	3.97	42.84
<b>Net</b>	49.90(Cr)		38.96 (Cr)		39.31 (Cr)		40.97 (Cr)		38.87 (Cr)	
<b>111-Departmental Adjusting Account</b>	3.90	...	3.90	...	3.90	...	3.90	...	3.90	...
<b>Net</b>	3.90(Dr)		3.90(Dr)		3.90 (Dr)		3.90(Dr)		3.90 (Dr)	
<b>112-Tax Deducted at Source Office</b>	...	23.34	...	20.58	...	25.76	...	25.46	...	25.93
<b>Net</b>	23.34(Cr)		20.58 (Cr)		25.76 (Cr)		25.46 (Cr)		25.93 (Cr)	
<b>129-Material Purchase Settlement Suspense Account</b>	...	3.17	...	3.17	...	3.17	...	3.17	...	3.17
<b>Net</b>	3.17(Cr)		3.17 (Cr)		3.17 (Cr)		3.17 (Cr)		3.17 (Cr)	

## 6.9 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 2016-17	3,482	3,756.60
2017-18	1,194	2,205.96
2018-19	1,163	2,166.66
Total	<b>5,833</b>	<b>8,129.22</b>

## 6.10 Commitments on account of Incomplete Capital works

A total expenditure of ₹887 crore as per Appendix IX in Volume II of the Finance Accounts was incurred up to the year 2018-19 by the State Government on various incomplete projects against an original estimated cost of ₹1,324.99 crore.

## 6.11 New Pension Scheme

State Government employees recruited on or after 1 January 2005 are covered under the New Pension Scheme, which is a defined contributory pension scheme. In terms of the Scheme, such employees contribute 10 *per cent* of their basic pay and dearness allowances on monthly basis and equal share is matched by the State Government. The entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

The actual amount paid by employees and the share matched by the Government during the period from January 2005 to the end of 2018-19 were ₹558.33 crore and ₹413.32 crore respectively, resulting in a shortfall of ₹145.01 crore not matched by the Government. During 2018-19, Out of the total receipt of ₹.217.71 crore, the State Government has deposited ₹210.63 crore (employees' contribution: ₹105.32 crore plus employer's share: ₹105.31 crore) in the Fund with the shortfall of ₹7.07 crore by the Government. Out of the previous year's balance of ₹129.82 crore and current year's deposit of ₹217.71 crore, the State Government has transferred only ₹210.63 crore to NSDL. Short contributions over the years and un-transferred balances may attract interest, which may also have to be included at the time of transferring the employer's contribution to NSDL.

As on 31 March 2019, a cumulative balance of ₹136.89 crore contributed under the Scheme remained to be transferred to NSDL/Trustee Bank. Therefore, unmatched employers' share of ₹145.01 crore, un-transferred amount of ₹136.89 crore less by ₹4.23 crore (which was deposited by the Government of Manipur during 2012-13 directly with NSDL without deposit to concerned Major Head 8342-117), i.e. a total of ₹277.67 crore plus uncollected amounts, represents outstanding liabilities under the Scheme.

## 6.12 Transfer of funds to Personal Deposit (PD) accounts

Under Rule 88 of the General Financial Rules of Government of India as adopted by the Government of Manipur, Personal Deposit (PD) accounts are operated by transferring amounts from the Consolidated Fund, and utilised for specific purposes. Unspent balances lying in PD accounts are required to be transferred back to the Consolidated Fund on the last working day of the financial year.

During the year 2018-19, the State Government did not open any PD accounts. There was, however, unspent balances of ₹2.71 crore up to 2017-18 which includes earlier years' balance of ₹2.71 crore lying in two PD accounts. The PD accounts have not been closed and the outstanding balances have not yet been transferred back to the Consolidated Fund. Details of PD accounts are given below:

(₹ in crore)

Opening Balance		Addition during the year		Closed during the year		Closing Balance	
Number	Amount	Number	Amount	Number	Amount	Number	Amount
2	2.71	-	0.23	-	-	2	2.94

### 6.13 Investment

The State Government invests in the equity shares, redeemable shares and capital contribution of Statutory Corporations, Government Companies and Co-operative Institutions and local bodies. In terms of the accounts, the investment of Government in 3155 entities was ₹206.32 crore as on 31 March, 2019 on which a negligible amount of ₹0.0004 crore was received as dividend/interest. During the year 2018-19, the State Government had invested ₹7.99 crore in three entities.

### 6.14 Rush of Expenditure

In terms of Rule 56(3) of the General Financial Rules applicable to the State of Manipur, rush of expenditure, particularly in the closing months of the financial year, shall be regarded as a breach of financial propriety and shall be avoided.

The trend of expenditure incurred during the last quarter, month of March and last three days of March 2019 as compared to the total expenditure during 2018-19 is as under:

(₹ in crore)

Expenditure incurred during			Total Expenditure	Percentage of total expenditure incurred during		
January to March 2019	March 2019	Last three days of March 2019		Jan to March 2019	March 2019	Last three days of March 2019
4,911.42	3,178.49	781.70	<b>11,479.36</b>	42.78	27.69	6.81

Out of the total expenditure of ₹11,479.36 crore incurred under Revenue and Capital Heads during the year 2018-19, the expenditure during March 2019 alone was ₹3,178.49 crores (27.69 per cent of the whole year). This indicates that the effort was primarily to exhaust the budget provisions and not on prudent budgetary management.



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