



सत्यमेव जयते

ACCOUNTS AT A GLANCE 2012-13



GOVERNMENT OF MIZORAM

ACCOUNTS AT A GLANCE

FOR THE YEAR 2012-13

GOVERNMENT OF MIZORAM

PREFACE

This is the Fourteenth issue of our annual publication, the '**Accounts At A Glance**'.

The Annual Accounts of the State Government are prepared and examined under the directions 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 Service) Act, 1971 for being laid before the Legislature of the State. The Annual Accounts consists of (a) Finance Accounts Volume I & Volume II and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditures against provisions approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The Principal Accountant General (Accounts) prepares the State Finance Accounts and the Appropriation Accounts. '**Accounts At A Glance**' provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs.

We look forward to suggestions that would help us in improving the publication.

Place: Aizawl

Date: 4th March 2014



**Principal Accountant General
Mizoram**

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CHAPTER I

OVERVIEW

1.1 Introduction

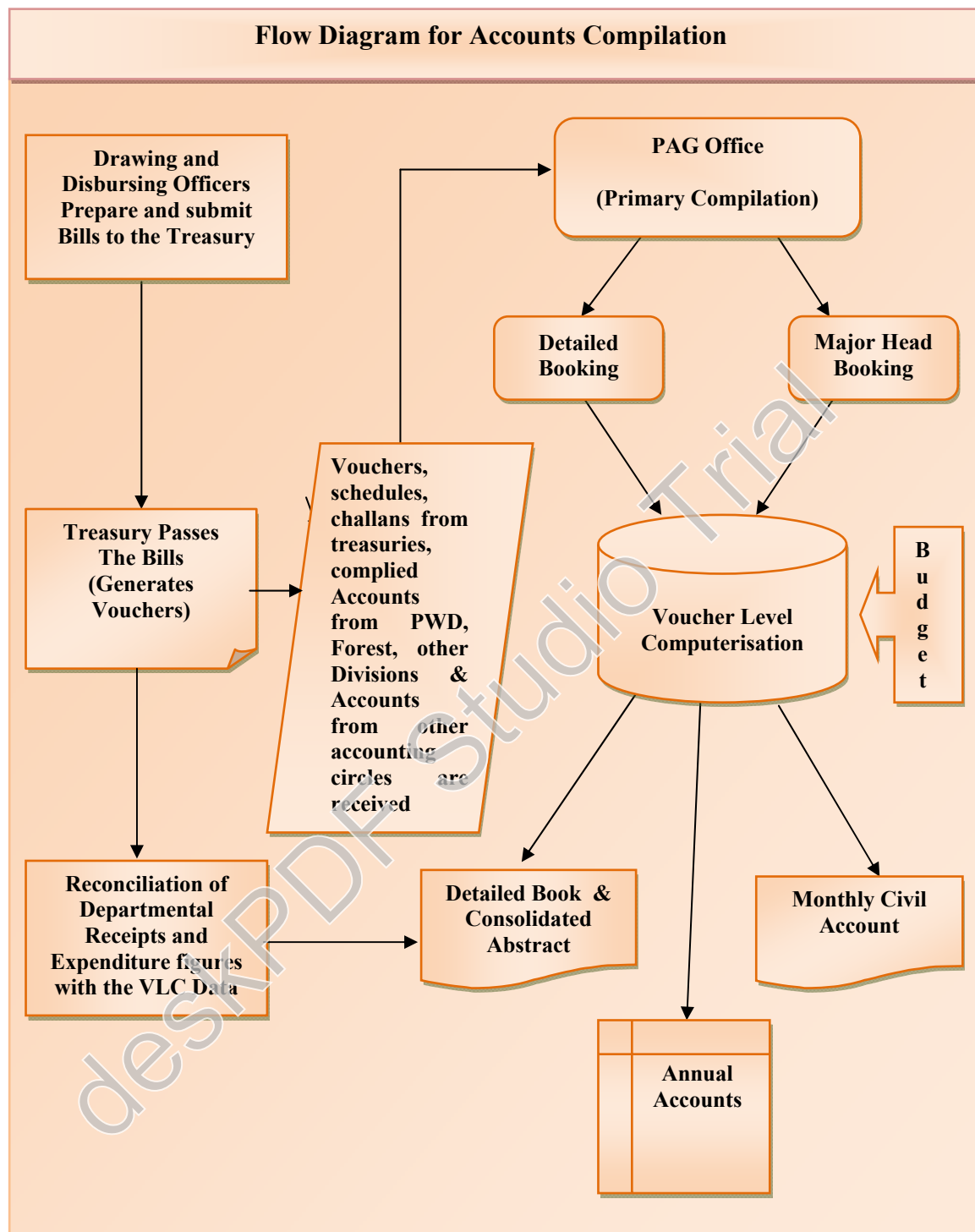
The Principal Accountant General (Accounts), Mizoram compiles the accounts of receipts and expenditure of the Government of Mizoram. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions and advices of the Reserve Bank of India. Following such compilation, the Principal Accountant General (Accounts) prepares, the Annual Finance and Appropriation Accounts, which are placed before the State Legislature after audit by the Principal Accountant General (Civil Audit) Mizoram and certification by the Comptroller and Auditor General of India.

1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts:

Part I CONSOLIDATED FUND	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
Part II CONTINGENCY FUND	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped subsequently from the Consolidated Fund.
Part III PUBLIC ACCOUNT	Comprises of Debt, Deposits, Advances, Remittances and Suspense transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are to be cleared eventually by booking the final heads of account.

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. From 2009-2010, the Finance Accounts have been issued in two volumes in a new format to make them more comprehensive and informative. Volume I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarised statements of overall receipts and disbursements and 'Notes to accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume II contains other summarised statements (Part-I), detailed statements (Part-II) and appendices (Part -III).

Receipts and disbursement of the Government of Mizoram as depicted in the Finance Accounts 2012-13 are given below:

(₹ in crore)			
Receipts (Total: 5,146.71)	Revenue (Total: 4,536.74)	Tax Revenue	1,009.10
		Non Tax Revenue	212.80
		Grants -in-Aid and Contributions	3,314.84
	Capital (Total: 609.97)	Recovery of Loans and Advances	29.48
		Borrowings and other Liabilities ^(*)	580.49
Disbursements (Total: 5,146.71)	Revenue		4,508.91
	Capital		607.55
	Loans and Advances		30.25

(*) Borrowings and other liabilities: Net (Receipts-Disbursements) of Public Debt + net of Contingency Fund +Net (Receipts-Disbursements) of Public Account+ Net of Opening and Closing Cash Balance.

The Union Government transfers substantial funds directly to State Implementing Agencies/NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 3,047.99 crore (₹ 678.43 crore last year). Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VII of Volume II of the Finance Accounts.

1.3.2 Appropriation Accounts

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts 'Charged' on the Consolidated Fund or 'Voted' by the State Legislature. There were 5 charged Appropriation and 47 voted Grants.

The Appropriation Act 2012-13, had provided for gross expenditure of ₹ 6,294.32 crore and reduction of expenditure (recoveries) of ₹ 161.00 crore. Against this, the actual gross expenditure was ₹ 5,583.97 crore and reduction expenditure was ₹ 151.21 crore, resulting in net savings of ₹ 710.35 crore (11.29 per cent). The gross expenditure includes ₹ 0.95 crore drawn on Abstract Contingent (AC) Bills, against which AC Bills of ₹ 0.28 crore was outstanding at the end of the year. The total AC Bills outstanding upto 2012-2013 was ₹ 76.74 crore inclusive of ₹ 76.46 crore upto 2011-2012. The outstanding was for want of supporting Detailed Countersigned Contingent (DCC) Bills.

Normally, unspent balances under PD accounts are to be transferred back to the Government at the end of the financial year. However, details of such transfers, if any, and outstanding balances in individual PD accounts are available only with the treasuries, since they are responsible for maintaining such records, but, no information thereof was received from the Government of Mizoram.

1.4 Source and Application of Funds

1.4.1 Ways and Means Advances

The Reserve Bank of India (RBI) extends the facility of Ways and Means Advances (WMA) to enable State Government to maintain their liquidity. Overdraft (OD) facilities are provided when there is a shortfall in the agreed minimum cash balance (₹ 0.20 crore) maintained with the RBI. During 2012-13, the Government of Mizoram availed OD facilities only on 31-03-2013 for an amount of ₹ 46.70 crore which was automatically recouped on the next day i.e. on first April 2013. The Government of Mizoram also availed of Special Ways and Means Advances of ₹ 166.58 crore for 04 days out of which ₹ 69.32 crore remained outstanding.

1.4.2 Fund flow statement

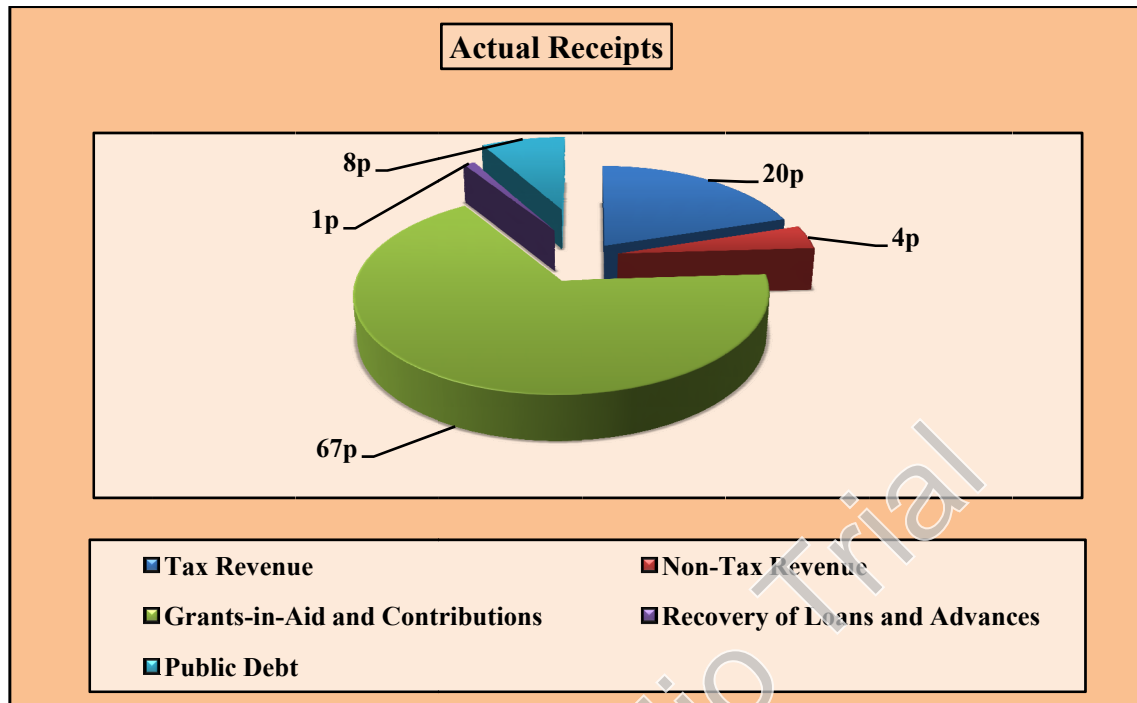
The State had a Revenue Surplus of ₹ 27.83 crore and a Fiscal Deficit of ₹ 580.49 crore representing 0.35 per cent and 7.21 per cent respectively of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 11.28 per cent of total expenditure. Around 52.58 per cent of the revenue receipts (₹ 4,536.74 crore) of the State Government was spent on committed expenditure like salaries (₹ 1,726.74 crore), interest payment (₹ 288.15 crore) and pensions (₹ 370.52 crore).

Source and Application of Funds

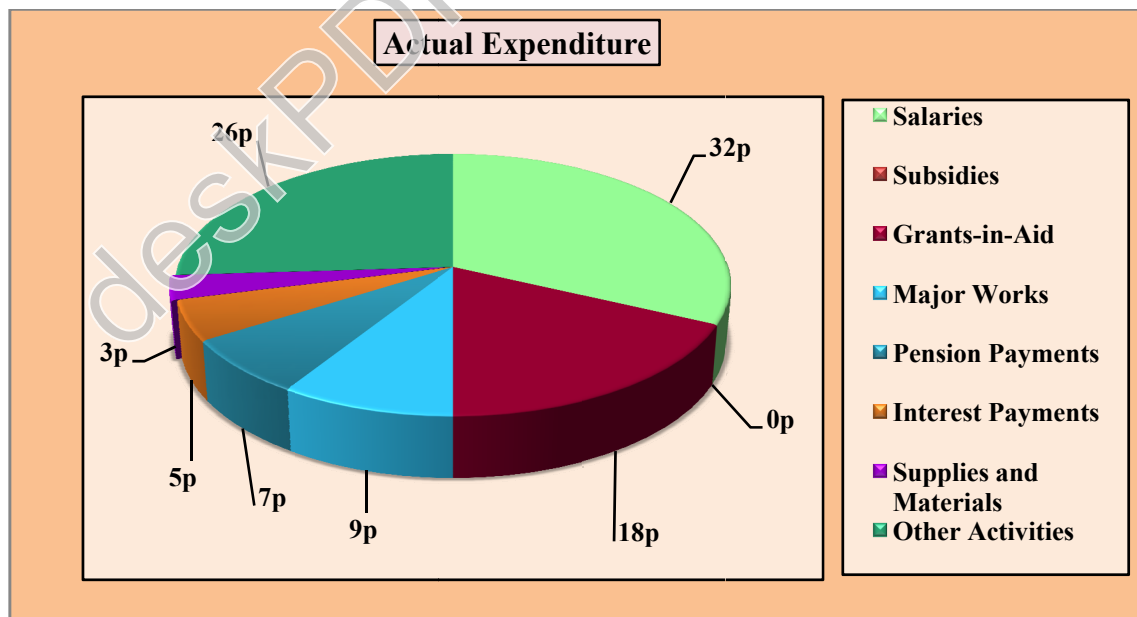
		(₹ in crore)
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01-04-2012	(-)17.15
	Revenue Receipts	4,536.74
	Recovery of Loans and Advances	29.48
	Public Debt	420.28
	Small Savings Provident Fund & Others	506.78
	Reserves and Sinking Funds	34.67
	Deposits Received	948.42
	Civil Advances Repaid	15.79
	Suspense Account	5,637.99
	Remittances	1,501.38
	Contingency Fund	...
	Total	13,614.38

		(₹ in crore)
APPLICATION	PARTICULARS	AMOUNT
	Revenue Expenditure	4,508.91
	Capital Expenditure	607.55
	Loans Given	30.25
	Repayment of Public Debt	286.05
	Transfer to Contingency Fund	...
	Small Savings Provident Fund & Others	310.45
	Reserves and Sinking Funds	29.28
	Deposits Received	718.63
	Civil Advances Repaid	15.24
	Suspense Account	5,689.78
	Remittances	1,519.88
	Closing Cash Balance as on 31-03-2013	(-)101.64
	Total	13,614.38

1.4.3 Where the Rupee came from



1.4.4 Where the Rupee went



1.5 Highlights of Accounts

(₹ in crore)

	B.E. 2012-13	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP ^(S)
1. Tax Revenue	1,004.13	1,009.10	100.49	12.53
2. Non-Tax Revenue	229.43	212.80	92.75	2.64
3. Grants-in-Aid and Contributions	3,562.92	3,314.84	93.04	41.16
4. Revenue Receipts (1+2+3)	4,796.48	4,536.74	94.58	56.34
5. Recovery of Loans and Advances	26.56	29.48	110.99	0.37
6. Borrowings & Other Liabilities ^(A)	1,062.77	580.49	54.62	7.21
7. Capital Receipts (5+6)	1,089.33	609.97	55.99	7.57
8. Total Receipts (4+7)	5,885.81	5,146.71	87.44	63.91
9. Non-Plan Expenditure (NPE)	2,850.97	2,874.10	100.81	35.69
10. NPE on Revenue Account	2,732.32	2,748.92	100.61	34.13
11. NPE on Interest Payments	267.77	288.15	107.61	3.58
12. NPE on Capital Account	118.65	125.18	105.50	1.55
13. Plan Expenditure (PE)	3,034.84	2,272.61	74.88	28.22
14. PE on Revenue Account	1,950.72	1,759.99	90.22	21.85
15. PE on Capital Account	1,084.12	512.62	47.28	6.37
16. Total Expenditure (9+13)	5,885.81	5,146.71	87.44	63.91
17. Revenue Expenditure (10+14)	4,683.04	4,508.91	96.28	55.99
18. Capital Expenditure (12+15)	1,202.77	637.80 ^(#)	53.03	7.92
19. Revenue Surplus (4-17)	113.44	27.83	24.53	0.35
20. Fiscal Deficit (4+5-16)	1,062.77	580.49	54.62	7.21

(S) GSDP - Gross State Domestic Product for the year 2012-13 was ₹ 8,053.09 crore.

(#) Expenditure on Capital Account includes Capital Expenditure (₹ 607.55 crore) and Loans and Advances disbursed (₹ 30.25 crore).

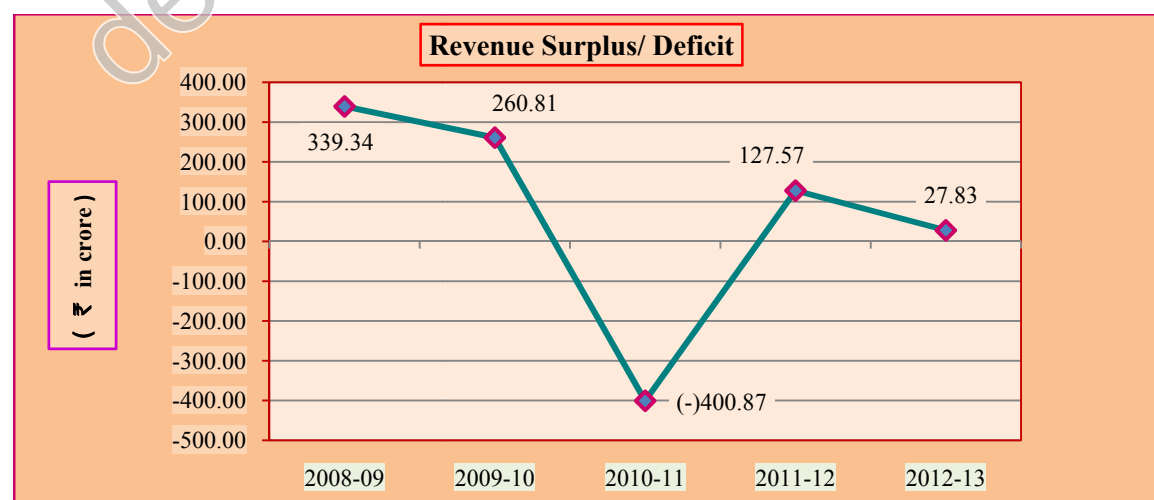
(A) Borrowings and other Liabilities Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account+ Net of Opening and Closing Cash Balance.

1.6 What the Deficits and Surpluses indicate

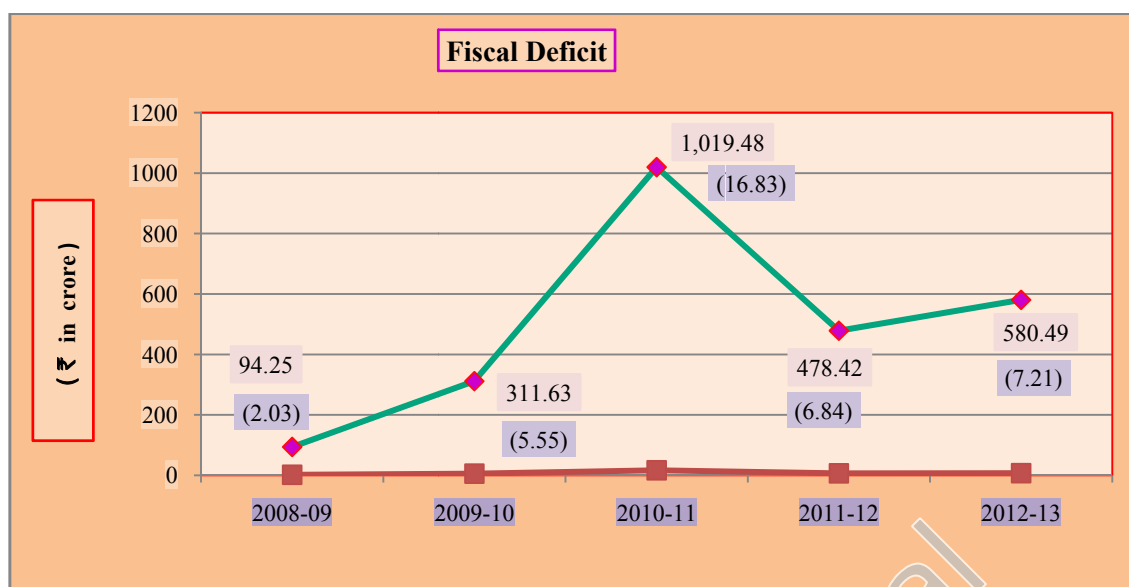
Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	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. Ideally, the Borrowings should be invested in capital projects.

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. In line with the recommendation of the 13th Finance Commission, the Mizoram Fiscal Responsibility and Budget Management (MZFRBM) Act, 2006 was amended from time to time. Clause (2) of Section 6 of the Principal Act was amended by the Second Amendment Act, 2010 dated 19th October 2010. As per this Amendment, fiscal deficit is to be reduced to 3 per cent of the estimated GSDP by 2014-2015. (1) Further, Clause (4) of Section 6 of the Principal Act was also amended. This Amendment envisaged to reduce fiscal deficit annually at a percentage of GSDP so as to reach the above goal with the following rates of annual reduction: 8.50 per cent in base year 2010-2011, 6.40 per cent in 2011-2012, 5.20 per cent in 2012-2013, 4.10 per cent in 2013-2014 and 3 per cent in 2014-2015 and (2) The Third Amendment Act, 2011 (Act No. 6 of 2011) dated 29th March 2011, envisaged reduction of total outstanding debt at a percentage of GSDP so as to reach the annual target of 87.30 per cent in 2010-11, 85.70 per cent in 2011-12, 82.90 per cent in 2012-13, 79.20 per cent in 2013-14 and 74.80 per cent in 2014-15. The State Government has been successful in achieving the Revenue Surplus since 2005-2006 to 2009-2010, 2011-2012 and 2012-2013, except Revenue Deficit during 2010-2011.

1.6.1 Trend of Deficit / Surplus

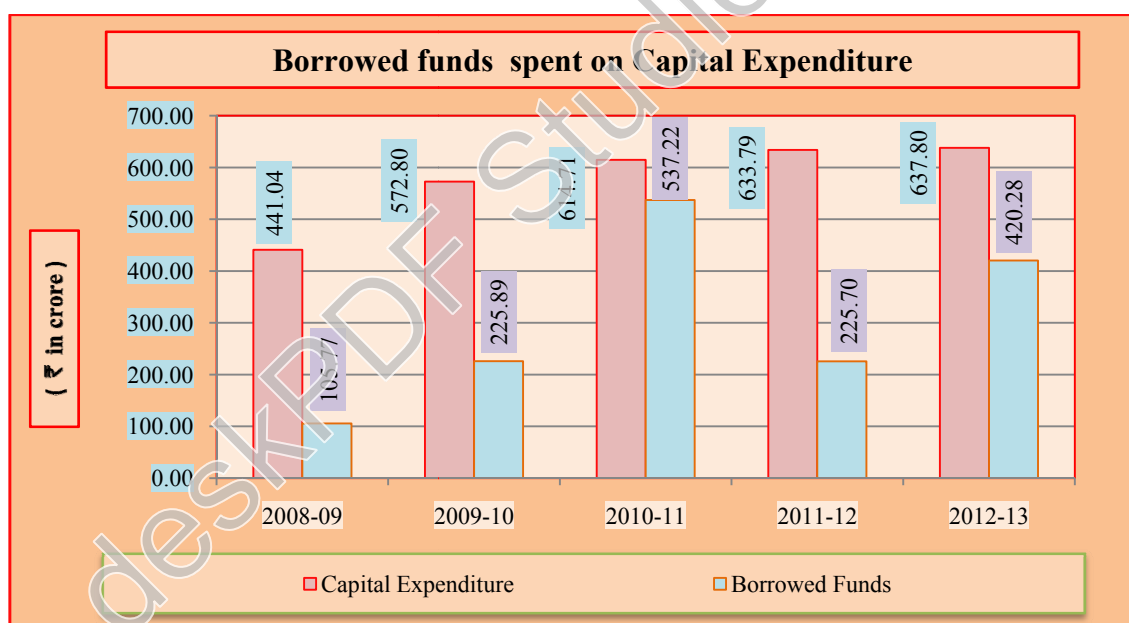


1.6.2 Trend of Fiscal Deficit



Figures in parentheses represent percentage to GSDP.

1.6.3 Proportion of borrowed funds spent on Capital Expenditure



It is desirable to fully utilise 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 the borrowings of the current year (₹ 637.80 crore) on capital expenditure inclusive of disbursement of Loans and Advances.

CHAPTER II

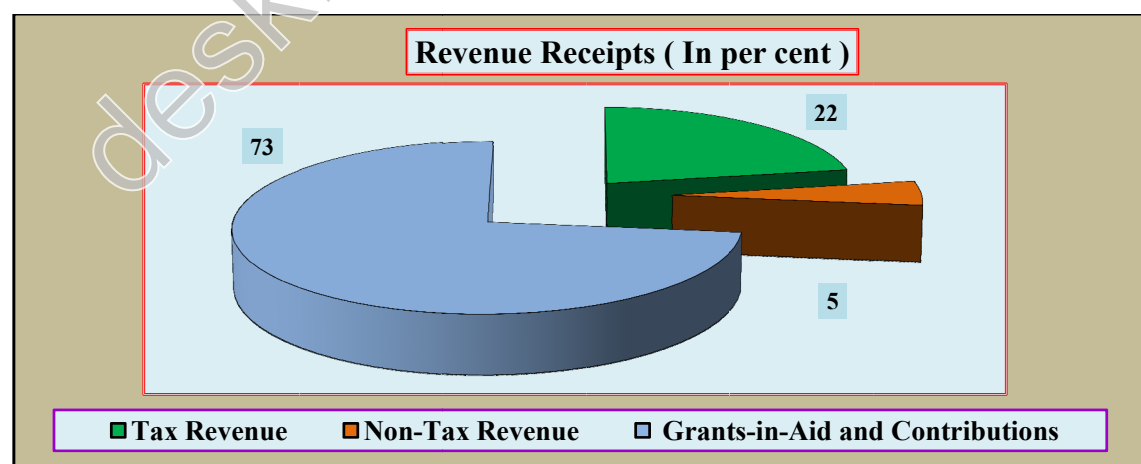
RECEIPTS

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2012-13 were ₹ 4,536.74 crore.

2.2 Revenue Receipts

Tax Revenue	Comprises Taxes collected and retained by the State and State's share of Union taxes under Article 280 (3) of the Constitution.
Non-Tax Revenue	Includes Interest receipts, Dividends, Profits etc.
Grants-in-Aid and Contributions	Essentially, a form of Central Assistance to the State Government from the Union Government. It includes 'External Grants Assistance' and Aid, 'Material and Equipment' received from foreign Governments and channelised through the Union Government. In turn, the State Government also give Grants-in-Aid to institutions like Panchayati Raj Institutions, Autonomous Bodies etc.



Revenue Receipts Components (2012-2013)

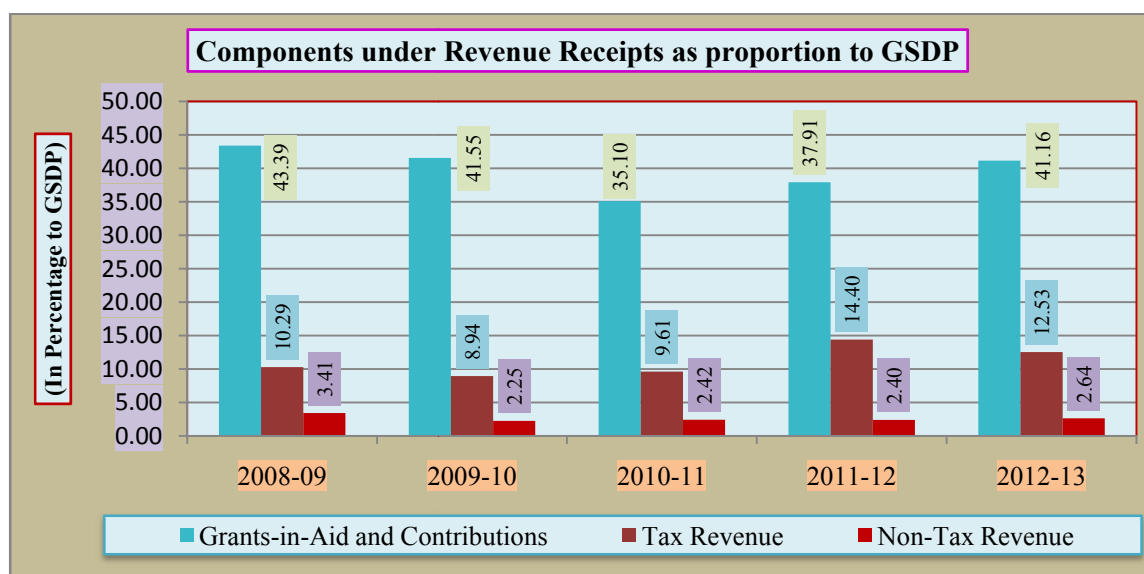
(₹ in crore)	
Components	Actuals
A. Tax Revenue	1,009.10
Taxes on Income and Expenditure	465.08
Taxes on Property, Capital and Other Transactions	4.16
Taxes on Commodities and Services	539.86
B. Non-Tax Revenue	212.80
Interest Receipts , Dividends and Profits	16.86
General Services	11.48
Social Services	19.48
Economic Services	164.98
C. Grants-in-Aid and Contributions	3,314.84
Total- Revenue Receipts	4,536.74

2.3 Trend of Receipts

(₹ in crore)					
	2008-09	2009-10	2010-11	2011-12	2012-13
Tax Revenue	478.01 (10.29)	502.11 (8.94)	582.10 (9.61)	1,006.45 (14.40)	1,009.10 (12.53)
Non-Tax Revenue	158.67 (3.41)	126.51 (2.25)	146.72 (2.42)	168.03 (2.40)	212.80 (2.64)
Grants -in-Aid and Contributions	2,016.45 (43.39)	2,334.89 (41.55)	2,126.55 (35.10)	2,650.42 (37.91)	3,314.84 (41.16)
Total Revenue Receipts	2,653.13 (57.09)	2,963.51 (52.74)	2,855.37 (47.14)	3,824.90 (54.71)	4,536.74 (56.34)
GSDP	4,647.55	5,619.41	6,057.70	6,991.40	8,053.09

Figures in parentheses represent percentage to GSDP

The GSDP increased by 15.19 per cent between 2011-2012 and 2012-2013, total revenue collection increased by 18.61 per cent as there was an increase of receipt by 25.07 per cent under Grants-in-Aid from the Central Government. The State's own revenue under certain tax components, like Taxes on Land Revenue (₹ 3.04 crore), Taxes on Sales, Trade etc. (₹ 175.87 crore), Taxes on Vehicles (₹ 22.83 crore) and Taxes on Goods and Passengers (₹ 3.77 crore) showed a higher trend.

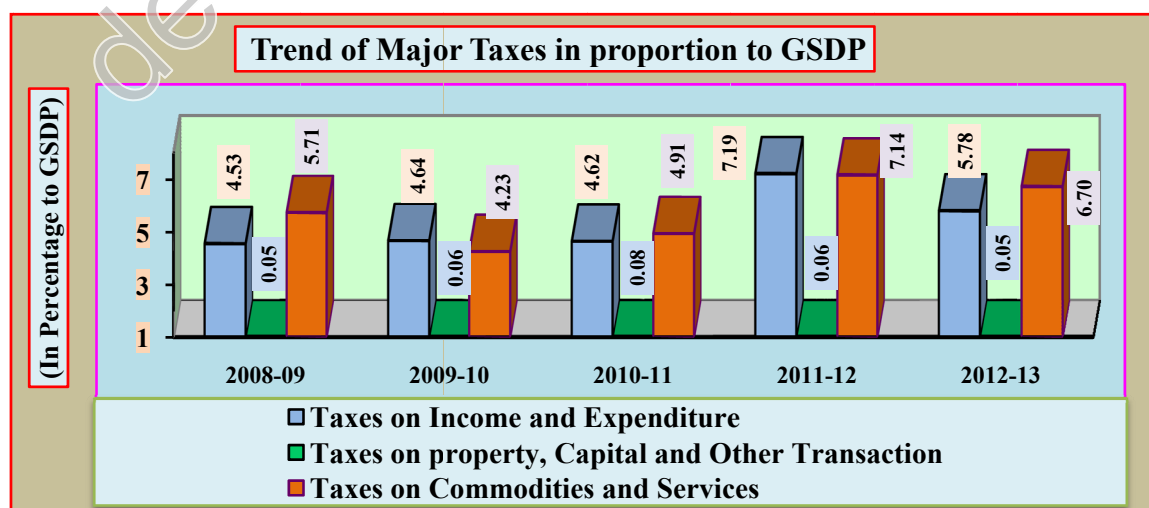


Sector-wise Tax Revenue

	2008-09	2009-10	2010-11	2011-12	2012-13
Taxes on Income and Expenditure (*)	210.52	260.78	279.88	502.67	465.08
Taxes on property, Capital and other Transaction	2.20	3.52	5.08	4.32	4.16
Taxes on Commodities and Services	265.29	237.81	297.14	499.46	539.86
Total Tax Revenue	478.01	502.11	582.10	1,006.45	1,009.10

(*) Primarily net proceeds of Central share to the State

The decrease in collection of Taxes on Income and Expenditure and Taxes on Property were mainly due to less collection under major heads 0020, 0021, 0030 and 0032 respectively. Further increase in collection of Taxes on Commodities and Services was mainly due to more collection under major heads 0039, 0040, 0041, 0042 and 0044 respectively.



2.4 Performance of State's own Revenue Collection

(₹ in crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2008-2009	478.01	383.39	94.62	2.04
2009-2010	502.11	394.53	107.58	1.91
2010-2011	582.10	451.66	130.44	2.15
2011-2012	1,006.45	827.38	179.07	2.56
2012-2013	1,009.10	785.96	223.14	2.77

2.5 Efficiency of Tax Collection

A. Taxes on Property, Capital and Other Transactions

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Collection	2.20	3.52	5.08	4.32	4.16
Expenditure on Collection (*)	7.07	9.41	10.33	13.44	13.38
Efficiency of Tax Collection (in per cent)	321.36	267.33	213.19	311.11	321.63

(*) Cost of collection includes expenditure under Direction and Administration & Other Expenditure due to non-classification in the State Budget.

B. Taxes on Commodities and Services

(₹ in crore)

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue Collection	265.29	237.81	297.14	499.46	539.86
Expenditure on Collection (•)	15.39	16.87	22.44	22.11	38.74
Efficiency of Tax Collection (in per cent)	5.80	7.09	7.55	4.43	7.18

(•) Cost of collection include expenditure under Direction and Administration & Other Expenditure in respect of the Major Head: 2039 State Excise Duties and 2041 Taxes on Vehicles due to non- classification in the State Budget.

Taxes on Commodities and Services form a major part of Tax Revenue. Cost of collection under Taxes on Property, Capital and Other Transactions during the period from 2008-2009 to 2012-2013 were much higher than the revenue collection. The State Government should therefore take necessary steps for improving the efficiency of the collection of revenue.

2.6 Trend in State's Share of Union Taxes over the past five years

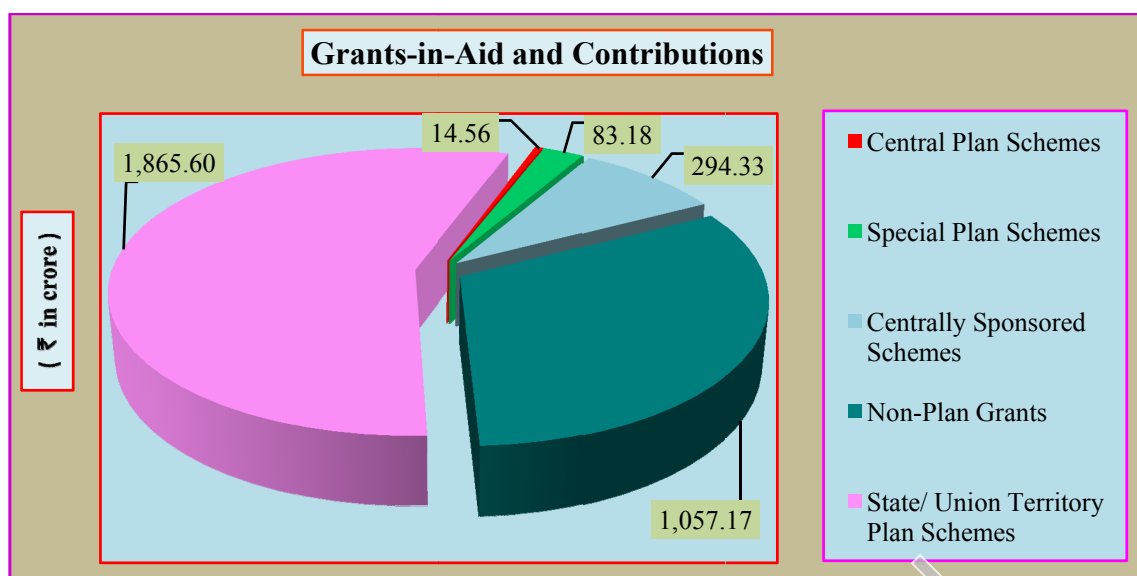
(₹ in crore)

Major Head description	2008-09	2009-10	2010-11	2011-12	2012-13
Corporation Tax	125.68	162.35	183.19	318.68	282.36
Taxes on Income other than Corporation Tax	78.91	90.50	87.93	171.73	169.04
Other Taxes on Income and Expenditure	...	...	...	...	...
Taxes on Wealth	0.11	0.37	0.41	1.11	0.48
Customs	73.30	55.21	75.60	147.06	130.62
Union Excise Duties	63.99	44.47	58.56	93.83	88.77
Service Tax	41.40	41.63	45.97	94.97	114.69
Other Taxes and Duties on Commodities and Services	...	...	...	...	...
State Share of Union Taxes	383.39	394.53	451.66	827.38	785.96
Total Tax Revenue	478.01	502.11	582.10	1,006.45	1,009.10
Percentage of Union Taxes to Total Tax Revenue	80.21	78.57	77.59	82.21	77.89

The amount of net proceeds of share was ₹ 785.96 crore in 2012-13 which decreased by 5.01 per cent over 2011-2012. The figure of 2011-2012 includes ₹ 139.12 crore pertaining to 2010-2011.

2.7 Grants-in-Aid and Contributions

Grants-in-Aid represent assistance from the Government of India, and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2012-2013 under Grants in-Aid were ₹ 3,314.84 crore as shown below:



Non-Plan Grants as a percentage of Grants-in-Aid increased from 30.08 per cent during 2011-2012 to 31.89 per cent in 2012-2013, while the share of Grants for Plan Schemes decreased from 69.92 per cent in 2011-2012 to 68.11 per cent in 2012-2013. As against budget estimate of ₹ 2,398.56 crore of union share in Plan schemes, the State Government actually received ₹ 2,257.67 crore of Grants-in-Aid (94.13 per cent of BE).

2.8 Public Debt

Trend of Public Debt over the past five years

Description	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Internal Debt	21.52	(-)152.75	2,86.72	(-)30.22	1,741.95
Central Loans	(-)12.05	13.31	(-) 22.04	4.25	523.34
Total Public Debt	9.47	(-)139.44	264.68	(-)25.97	2,265.29

Minus figures due to excess of repayment over receipts

In 2012-13, three loans of ₹ 65.00 crore, ₹ 50.00 crore and ₹ 70.75 crore were raised from the market which bear interest at 9.16 per cent, 8.95 per cent and 8.55 per cent per annum respectively. These loans are redeemable at par in 2022, 2022 and 2023 respectively.

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 an organisation. Capital expenditure is used to create permanent assets or to enhance the utility of such assets or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan in respect of the following Sectors under which specific functions or services are grouped.

General Services	Includes Justice, Police, Jail, PWD, Pension etc.
Social Services	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.
Economic Services	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.

3.2 Revenue Expenditure

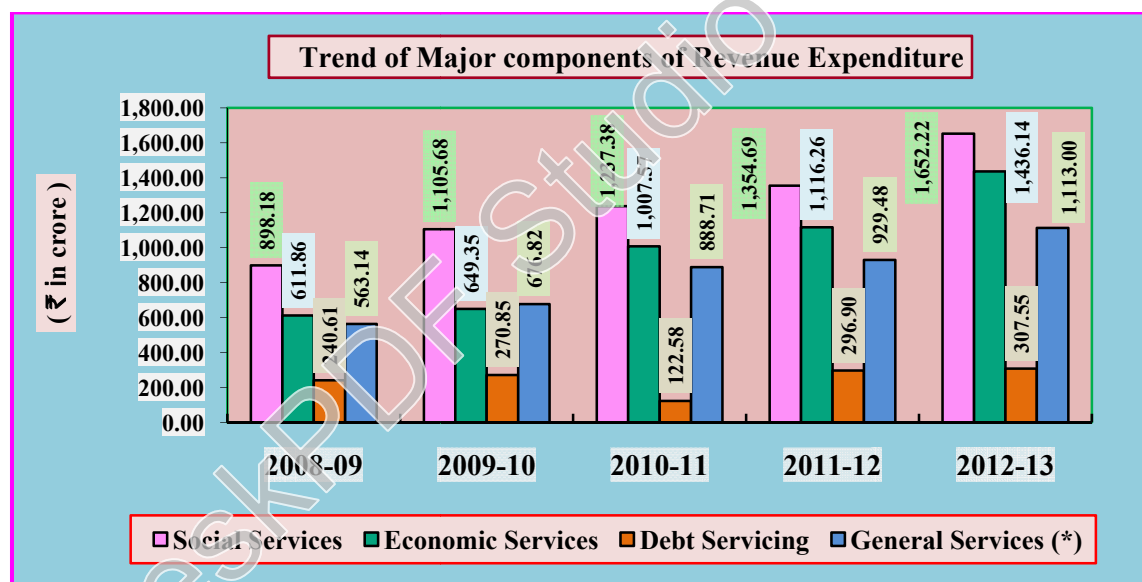
Revenue Expenditure of ₹ 4,508.91 crore for 2012-2013 fell short of budget estimates by ₹ 174.13 crore due to less disbursement of ₹ 190.73 crore under Plan Expenditure and more disbursement of ₹ 16.60 crore under Non-plan Expenditure. The shortfall of expenditure against budget estimates under Revenue Section during the past five years is given below:

	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Budget Estimates	2,577.55	3,116.00	3,748.28	3,934.17	4,683.04
Actuals	2,313.79	2,702.70	3,256.24	3,697.33	4,508.91
Gap	263.76	413.30	492.04	236.84	174.13
Percentage of gap over B.E.	10.23	13.26	13.13	6.02	3.72

3.2.1 Sectoral distribution of Revenue Expenditure (2012-2013)

(₹ in crore)		
Components	Amount	Percentage
A. Fiscal Services	53.20	1.18
(i) Collection of Taxes on Property, Capital and Other Transactions	13.38	0.30
(ii) Collection of Taxes on Commodities and Services	38.75	0.86
(iii) Other Fiscal Services	1.07	0.02
B. Organs of State	51.63	1.15
C. Interest Payment and receiving of Debt	307.55	6.82
D. Administrative Services	635.82	14.10
E. Pensions and Miscellaneous General Services	372.35	8.26
F. Social Services	1,652.22	36.64
G. Economic Services	1,436.14	31.85
H. Grants-in-Aid and Contributions	...	...
Total- Expenditure (Revenue Account)	4,508.91	100

3.2.2 Major components of Revenue Expenditure (2008-2009 to 2012-2013)



(*) General Services excludes MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest payments).

The expenditure on Economic Services (which includes important sectors like Rural Development, Irrigation and Flood Control, Energy, Transport and General Economic Services) has gone down, as against a steady increase in other services.

3.3 Capital Expenditure

Capital disbursements for 2012-2013 at 7.92 per cent of GSDP were less than Budget (₹ 1,202.77 crore) estimates by ₹ 564.97 crore (less disbursement of ₹ 571.50 crore under Plan expenditure and excess disbursement of ₹ 6.53 crore under Non-Plan expenditure).

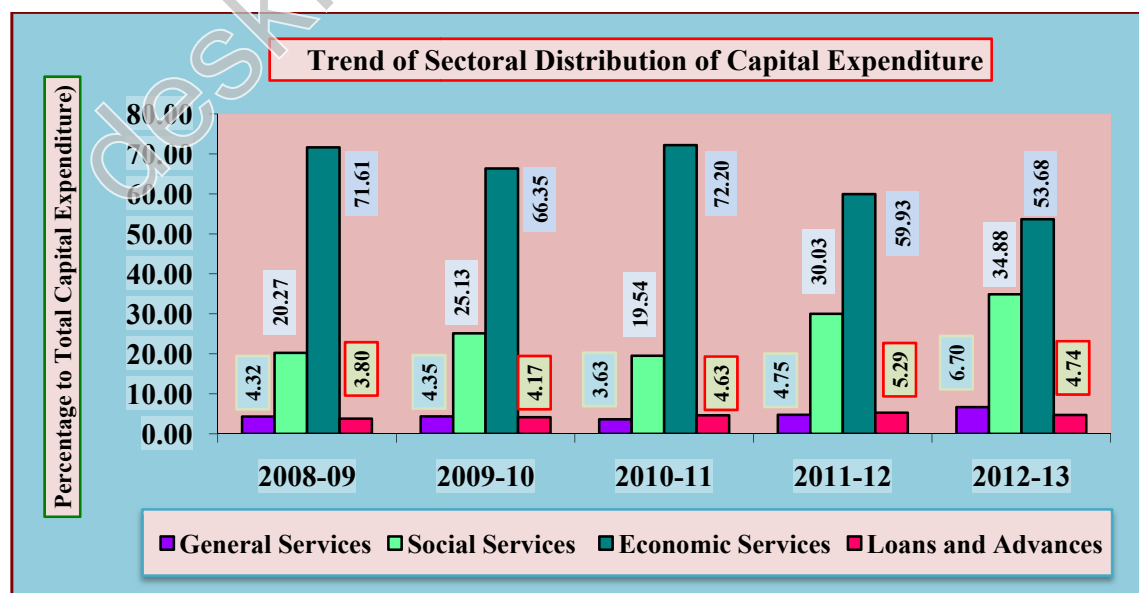
3.3.1 Sectoral distribution of Capital Expenditure (2012-2013)

During 2012-2013, the Government spent ₹ 499.79 crore on various Major Works. The Government also invested ₹ 1.14 crore in Public Sector and other Undertakings of the Government.

(₹ in crore)			
Sl. No.	Components	Amount	Percentage
1	General Services – Police, Land Revenue etc	42.74	6.70
2	Social Services – Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	222.42	34.88
3	Economic Services – Agriculture, Power, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.	342.39	53.68
4	Loans and Advances Disbursed	30.25	4.74
Total		637.80	100

3.3.2 Sectoral distribution of Capital Expenditure over the past five years

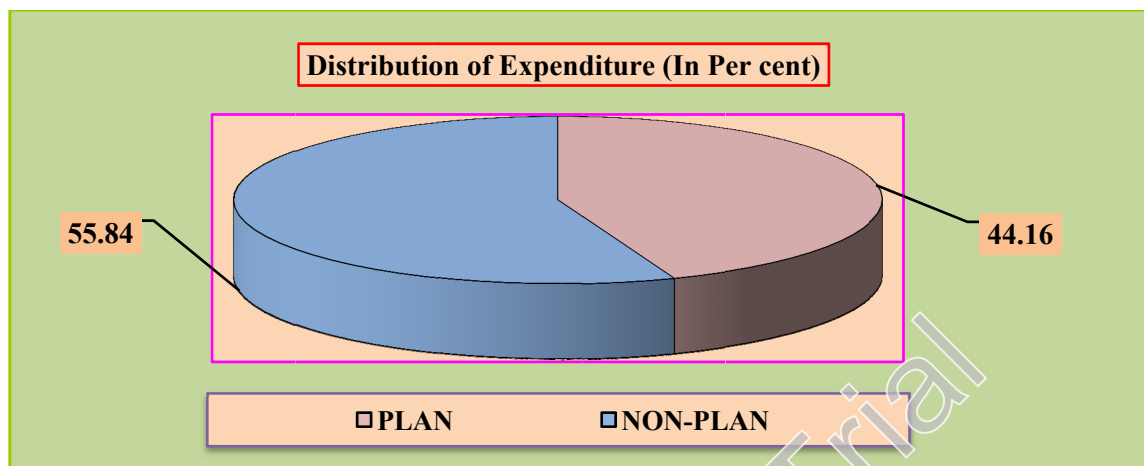
(₹ in crore)						
Sl. No.	Sector	2008-09	2009-10	2010-11	2011-12	2012-13
1	General Services	19.79	25.99	23.36	30.12	42.74
2	Social Services	92.94	150.21	125.95	190.34	222.42
3	Economic Services	328.31	396.60	465.40	379.81	342.39
4	Loans and Advances	17.41	24.94	29.87	33.52	30.25
	Total	458.45	597.74	644.58	633.79	637.80



CHAPTER IV

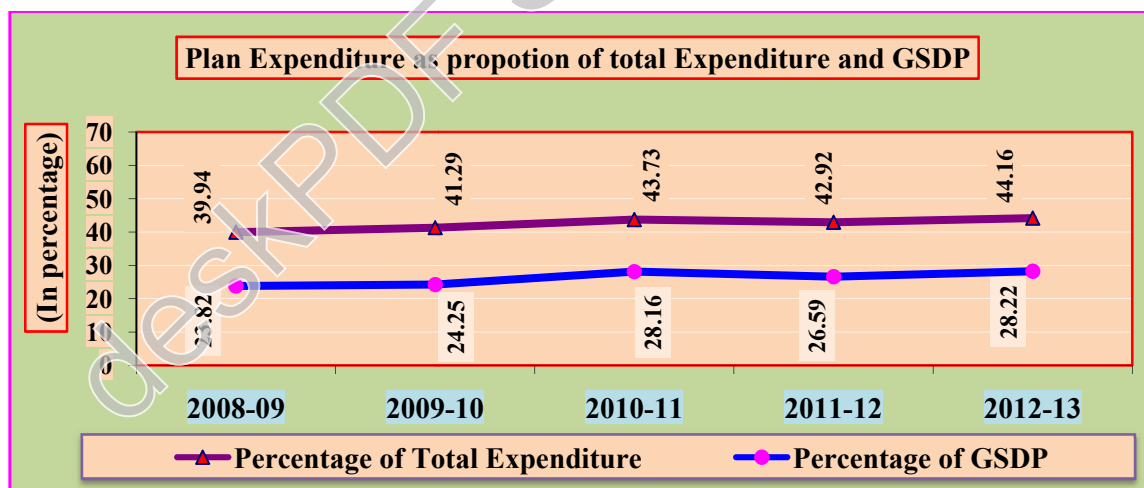
PLAN AND NON-PLAN EXPENDITURE

4.1 Distribution of Expenditure (2012-2013)



4.2 Plan Expenditure

During 2012-2013, Plan Expenditure was ₹ 2,272.61 crore (₹ 1,923.66 crore under State Plan and ₹ 348.95 crore under Centrally Sponsored Schemes) representing 44.16 per cent of total disbursements.



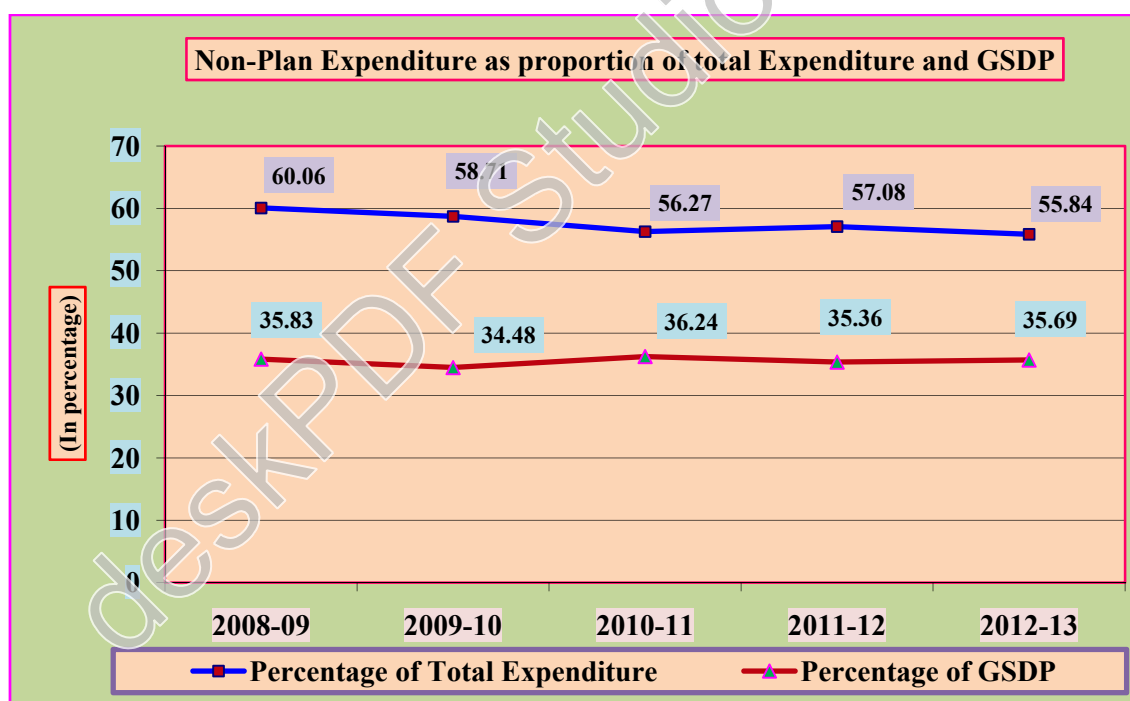
4.2.1 Plan Expenditure under Capital Account

(₹ in crore)

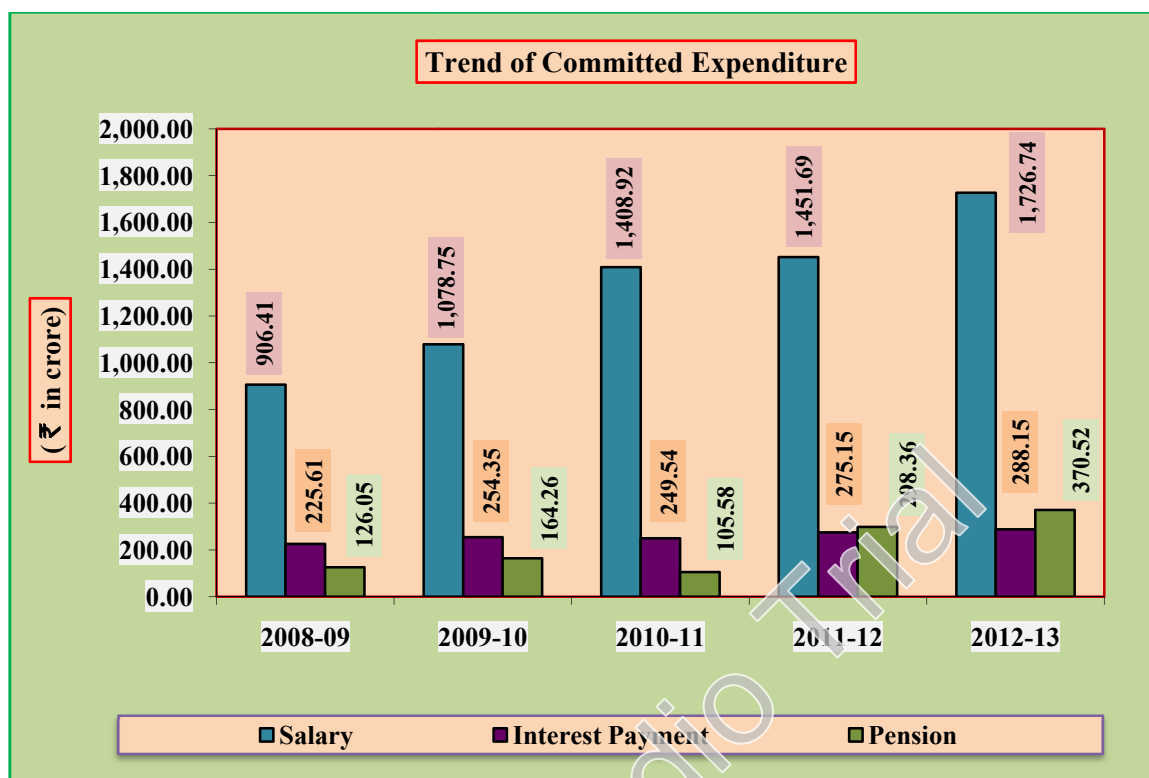
	2008-09	2009-10	2010-11	2011-12	2012-13
Total Capital Expenditure	458.45	597.74	644.58	633.79	637.80
Capital Expenditure (Plan)	366.59	465.44	504.70	542.85	512.62
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	79.96	77.87	78.30	85.65	80.37

4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2012-2013 was ₹ 2,874.10 crore (₹ 2,748.92 crore under Revenue and ₹ 125.18 crore under Capital) representing 55.84 per cent of total disbursements.



4.4 Committed Expenditure



(₹ in crore)

Component	2008-09	2009-10	2010-11	2011-12	2012-13
Committed Expenditure	1,258.07	1,497.36	1,764.04	2,025.20	2,385.41
Revenue Expenditure	2,313.79	2,702.70	3,256.24	3,697.33	4,508.91
Percentage of Committed Expenditure to Revenue Receipts	47.42	50.53	61.78	52.95	52.58
Percentage of Committed Expenditure to Revenue Expenditure	54.37	55.40	54.17	54.77	52.90

The steep forward trend on committed expenditure leaves the Government with lesser flexibility for developmental spending.

CHAPTER V

APPROPRIATION ACCOUNTS

5.1 Summary of Appropriation Accounts for 2012-2013

(₹ in crore)

Sl. No.	Nature of Expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings(-) Excess(+)
1	Revenue						
	Voted	3,894.29	507.07		4,401.36	4,198.51	(-)202.85
	Charged	275.42	7.25		282.67	320.77	(+)38.10
2	Capital						
	Voted	1,038.74	282.84		1,321.58	748.39	(-)573.19
	Charged						
3	Public Debt Charged	87.59	169.92		257.51	286.05	(+)28.54
4	Loans and Advances Voted	31.20	...		31.20	30.25	(-)0.95
	Total	5,327.24	967.08		6,294.32	5,583.97	(-)710.35

5.2 Trend of Savings/Excess during the past five years

(₹ in crore)

Year	Savings(-) / Excess(+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2008-2009	(-)265.92	(-)188.22	(-)88.26	(-)5.51	(-)547.91
2009-2010	(-)414.96	(-)316.37	(-)10.85	(-)0.23	(-)742.41
2010-2011	(-)493.11	(-)140.96	(-)156.86	(-)2.28	(-)793.21
2011-2012	(-)242.11	(-)139.01	(-)91.05	(-)1.54	(-)473.71
2012-2013	(-)164.75	(-)573.19	(+)28.54	(-)0.95	(-)710.35

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 savings are given below:

(₹ in crore)

Grant No.	Nomenclature	2008-09	2009-10	2010-11	2011-12	2012-13
14	Planning and Programme Implementation	112.39	8.85	109.03	50.00	29.40
29	Social Welfare	20.28	23.72	10.12	6.02	13.62
31	Agriculture	5.33	102.36	13.88	6.18	14.70
39	Power	22.12	5.83	43.24	10.96	21.96
45	Public Works	31.46	13.10	34.55	52.14	311.89

During 2012-13, supplementary grants totalling ₹ 967.08 crore (17.32 per cent of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:

(₹ in crore)

Grant No.	Nomenclature	Section	Original	Supplementary	Actual Expenditure
1	Legislative Assembly	Revenue Voted	14.89	0.25	14.63
2	Governor	Revenue Voted	0.11	0.01	0.07
3	Council of Ministers	Revenue Voted	5.61	0.44	4.52
4	Law and Judicial	Revenue Voted	16.89	1.21	14.50
		Revenue Charged	4.89	0.11	4.27
6	Land Revenue and Reforms	Revenue Voted	21.23	1.93	19.95
7	Excise and Narcotics	Revenue Voted	20.26	0.48	19.82
10	Mizoram Public Service Commission	Revenue Charged	4.30	0.32	4.18
11	Secretariat Administration	Revenue Voted	71.51	1.58	67.80
12	Parliamentary Affairs	Revenue Voted	0.45	0.01	0.42
14	Planning and Programme Implementation	Revenue Voted	68.57	3.99	43.16
16	Home	Revenue Voted	417.59	25.47	413.54

(₹ in crore)

Grant No.	Nomenclature	Section		Original	Supplementary	Actual Expenditure
17	Food, Civil Supplies and Consumer Affairs	Revenue	Voted	58.85	4.89	57.21
18	Printing and Stationery	Revenue	Voted	13.97	0.53	11.45
19	Local Administration	Revenue	Voted	38.47	5.22	29.87
26	Information and Public Relations	Revenue	Voted	7.89	0.44	7.63
28	Labour and Employment	Revenue	Voted	7.76	0.29	7.31
33	Soil and Water Conservation	Revenue	Voted	59.91	0.75	57.47
36	Environment and Forest	Revenue	Voted	96.26	9.53	82.18
37	Co-operation	Revenue	Voted	12.00	0.77	11.26
38	Rural Development	Revenue	Voted	83.09	5.56	76.20
42	Tourism	Revenue	Voted	41.86	1.15	30.60
45	Public Works	Capital	Voted	431.30	84.95	205.84
46	Urban Development & Poverty Alleviation	Capital	Voted	122.79	13.53	59.24
47	Minor Irrigation	Revenue	Voted	11.56	0.24	9.52

CHAPTER VI

ASSETS AND LIABILITIES

6.1 Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc, except in 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 except to the limited extent shown by the rate of interest and period of existing loans.

Total investment as share capital in Non- Financial Public Sector Undertakings (PSUs) stood at ₹ 20.91 crore at the end of 2012-2013. No dividend was received during the year on investment.

Cash Balance as well as Cash Balance Investment as on 31st March 2013 were ₹ (-)101.64 crore and ₹ (-)291.51 crore respectively.

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 of the State within such limits, if any, as may be from time to time fixed by the State Legislature.

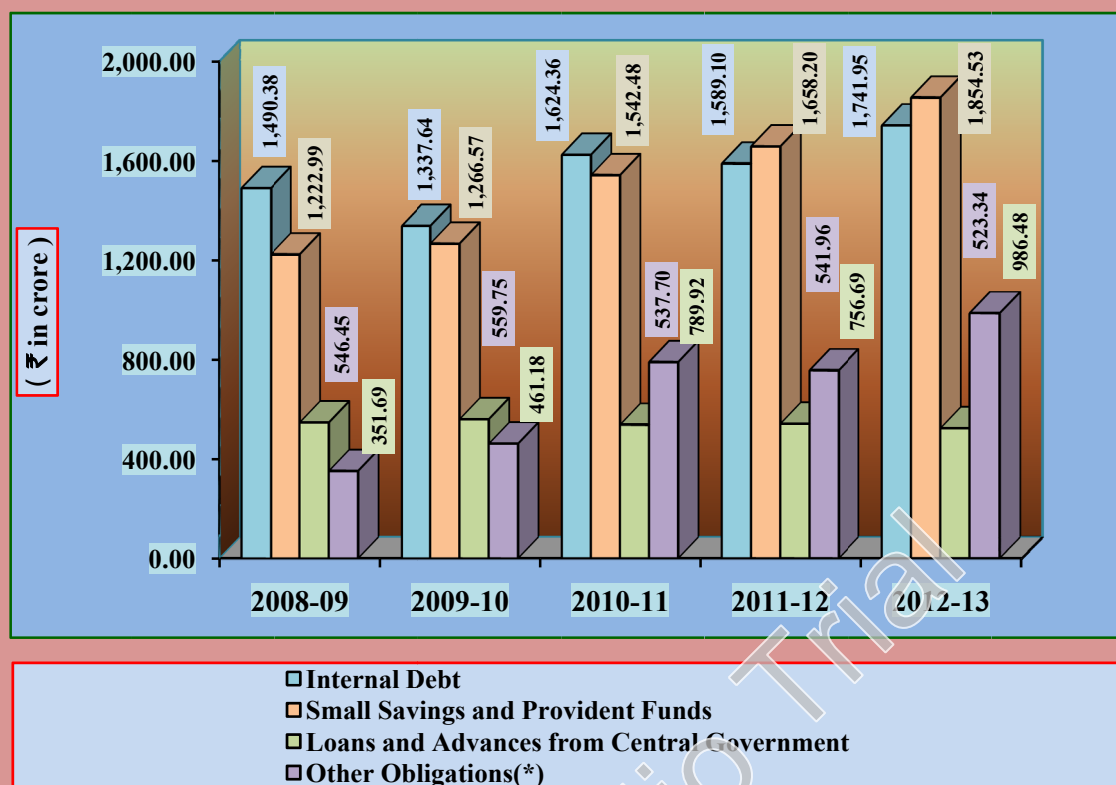
Details of the Public Debt and Total Liabilities of the State Government are as under:

(₹ in crore)						
Year	Public Debt	Percentage to GSDP	Public Account ^(*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2008-2009	2,036.83	43.83	1,575.38	33.90	3,612.21	77.72
2009-2010	1,897.39	33.76	1,728.48	30.76	3,625.87	64.52
2010-2011	2,162.06	35.69	2,333.46	38.52	4,495.52	74.21
2011-2012	2,131.06	30.48	2,416.87	34.57	4,547.93	65.05
2012-2013	2,265.29	28.13	2,848.94	35.38	5,114.23	63.51

There is a net increase of ₹ 566.30 crore (12.45 per cent) in Public Debt and Other liabilities as compared to 2011-12.

(*) Excludes suspense and remittances balances.
Figures are progressive balance to end of the year.

Growth in Major Areas of Revenue Expenditure



(*) Non-interest bearing obligations such as deposits of Local Funds, Other earmarked fund, etc.

6.3 Guarantees

The position of guarantees by the State Government for the payment of loans and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc is given below:

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31 st March 2013	
		Principal	Interest
2008-2009	305.13	114.25	19.78
2009-2010	189.03	102.99	...
2010-2011	189.02	102.75	...
2011-2012	243.34	121.64	110.55
2012-2013	124.75	26.17	5.53

CHAPTER VII

OTHER ITEMS

7.1 Adverse Balance under Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India. As on March 31st 2013, there was no adverse balance under Internal Debt.

7.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2012-2013 was ₹ 251.53 crore. Of this, Loan and Advances to Government Departments, Corporation/ Companies, Non-Government Institutes and Local Bodies amounted to ₹ 181.72 crore. Information about recovery of arrears (Principal as well as interest) at the end of 31st March 2013 was not received from the Departmental authorities maintaining the detailed accounts.

7.3 Financial Assistance to Local Bodies and Others

During the past five years, Grants-in-Aid to local bodies etc. increased from ₹ 139.74 crore in 2008-2009 to ₹ 955.32 crore in 2012-2013.

	(₹ in crore)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	33.34	31.47	30.97	20.86	3.98
PRIs/ULBs	90.50	2.60	3.62	4.08	15.49
Others	15.90	413.16	615.58	196.35	935.85
Total	139.74	447.23	650.17	221.29	955.32

7.4 Cash Balance and Investment of Cash Balance

The closing cash balance (as on 31st March 2013) according to the Reserve Bank of India was ₹ 42.76 crore (debit) against the general cash balance of ₹ 101.64 crore (credit) reflected in State Government accounts. The difference of ₹ 58.88 crore was due to misclassification by Bank/Treasury.

Investment held in the Cash Balance Investment Account as on 31st March 2013 were ₹ 291.51 crore (credit). Other Cash Balance and Investment comprising Cash with Departmental Officers (₹ (-)4.77 crore) and Investment of earmarked funds (₹ 135.40 crore) as on 31st March 2013 was ₹ 130.63 crore.

7.5 Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Principal Accountant General (Accounts). This exercise is to be conducted by respective Heads of Departments with the Principal Accountant General. In 2012-2013 only (73.01 per cent) (₹ 3,966.70 crore) of the total expenditure of ₹ 5,432.76 crore of the State Government was reconciled. Similarly, out of total receipts of ₹ 4,986.50 crore, only (6.81 per cent) (₹ 339.67 crore) was reconciled. The following Controlling Officers/ DDOs did not attend the reconciliation exercise at all:

Sl. No.	Controlling Officer / DDOs	Demand No.	Head of Account
1.	Secretary to the Chief Minister	3	2013, 2052, 2250
2.	Secretary, Secretariat Administration Department	3	2013
3.	Secretary, Law & Judicial Department	4	2014
4.	Director, Land Revenue & Settlement	6	2029
5.	Chief Controller of Accounts, Accounts & Treasuries	9	2020, 2030, 2054, 2071
6.	Secretary, Secretariat Administration Department	11	2052
7.	Deputy Commissioner, Aizawl	15	2053
8.	Deputy Commissioner, Champhai	15	2053
9.	Deputy Commissioner, Mamit	15	2053
10.	Deputy Commissioner, Kolasib	15	2053
11.	Deputy Commissioner, Serchhip	15	2053
12.	Deputy Commissioner, Lawngtlai	15	2053, 2070
13.	Inspector General of Prison	16	2056
14.	Director, Higher & Technical Education	21	2202, 2203
15.	Engineer-in-Chief, PHED	25	2215, 4215
16.	Director, Information & Public Relation	26	2220
17.	Director, Soil & Water Conservation	33	2402, 4402
18.	Director, Animal Husbandry & Veterinary	34	2403, 2404, 4403
19.	Principal Chief Conservator of Forest, Environment & Forests Department	36	2406, 3435
20.	Engineer-in-Chief, P&E	39	2801, 2501, 2810, 4801
21.	Director, Sericulture	41	2851
22.	Engineer-in-Chief, PWD	45	2059, 3054, 5054
23.	Chief Engineer, Minor Irrigation Department	47	2702, 2705, 4702

7.6 Submission of Accounts by Treasuries

There was delay of maximum 89 days in respect of one Treasury Accounts for the month of March 2013. Maximum delay in case of Forest and Public Works Accounts during the year was 89 days and 38 days respectively. All the Forest Divisions Accounts have been included before the close of the Annual Accounts. However average delay of all the Accounts is shown below:

Average delay in rendition of Treasury A/cs to Pr.A.G. (Accounts)	Average delay in rendition of Department of Public Works A/cs to Pr.A.G. (Accounts)	Average delay in rendition of Department of Forest A/cs to Pr. A.G. (Accounts)	Average delay in rendition of Department of Soil Conservation A/cs to Pr. A.G. (Accounts)
11	39	55.41	09

7.7 Abstract Contingent (AC) Bills and Detailed Countersigned Contingent (DCC) Bills

When money is required in advance or the Drawing and Disbursing officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC Bills. The AC Bills are to be adjusted through submission of Detailed Countersigned Contingent Bills. At the end of 31st March 2013, a total amount of ₹ 76.74 crore (₹ 76.46 crore for the period upto 2011-12 and ₹ 0.28 crore for 2012-13) drawn on AC Bills was outstanding due to non-submission of Detailed Countersigned Contingent Bills.

7.8 Rush of Expenditure

The Financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under certain selected Heads of Account (Major Head: 2070, 2204, 2217, 2235, 2401, 2406, 2415, 2501, 2575, 4055, 4059, 4202, 4215, 4216, 4515, 4801 and 5054) during March 2013 ranged between 27.37 per cent and 100.00 per cent of the total expenditure during the year indicating a tendency to utilize the budget at the close of the financial year. Flow of expenditure during the end of the financial year 2012-2013 in the above mentioned Heads were as below:

Head of Account	Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total*	During March 2013	Percentage of 3/2013 w.r.t. total expenditure of 2012-13
		(₹ in crore)						
2070	Other Administrative Services	12.99	11.57	12.87	29.04	66.47	22.20	33.40
2204	Sports and Youth Services	1.42	2.20	6.82	26.04	36.48	24.12	66.12
2217	Urban Development	10.10	7.65	7.11	22.03	46.89	17.35	37.00
2235	Social Security and Welfare	10.68	5.68	20.22	39.89	76.47	30.32	39.65
2401	Crop Husbandry	11.59	9.66	10.88	316.14	348.27	288.40	82.81
2406	Forestry and Wild Life	11.90	10.36	10.42	49.42	82.10	22.47	27.37
2415	Agricultural Research and Education	2.33	3.12	2.62	7.96	16.03	7.19	44.85
2501	Special Programme for Rural Development	0.92	1.93	3.19	3.30	9.34	2.75	29.44
2575	Other Special Area Programmes	0.02	0.57	6.34	24.65	31.58	10.49	33.22
4055	Capital Outlay on Police	...	...	...	10.13	10.13	10.13	100.00
4059	Capital Outlay on Public Works	...	...	...	25.95	25.95	25.70	99.04
4202	Capital Outlay on Education , Sports, Art and Culture	0.83	0.73	0.23	6.88	8.72	6.88	78.90
4215	Capital Outlay on Water Supply and Sanitation	...	...	5.41	52.34	57.75	48.92	84.71
4216	Capital Outlay on Housing	...	...	...	17.77	17.77	16.36	92.07
4515	Capital Outlay on Other Rural Development	...	...	0.10	6.89	6.99	6.89	98.57
4575	Capital Outlay on other Special Areas Programmes	...	...	1.27	39.88	41.15	33.10	80.44
4801	Capital Outlay on Power Projects	...	1.27	31.69	39.60	72.56	37.09	51.12
5054	Capital Outlay on Roads and Bridges	...	4.98	0.47	93.09	98.54	80.85	82.05