



सत्यमेव जयते

ACCOUNTS AT A GLANCE 2014-15



GOVERNMENT OF MIZORAM

Accounts At A Glance

FOR THE YEAR 2014-15

GOVERNMENT OF MIZORAM

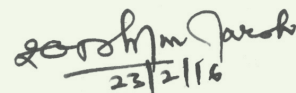
PREFACE

This is the Sixteenth 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 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 : 23 February 2016



Handwritten signature of Joseph M. Jacob, dated 23/2/16.

Accountant General
Mizoram

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CHAPTER I

OVERVIEW

1.1 Introduction

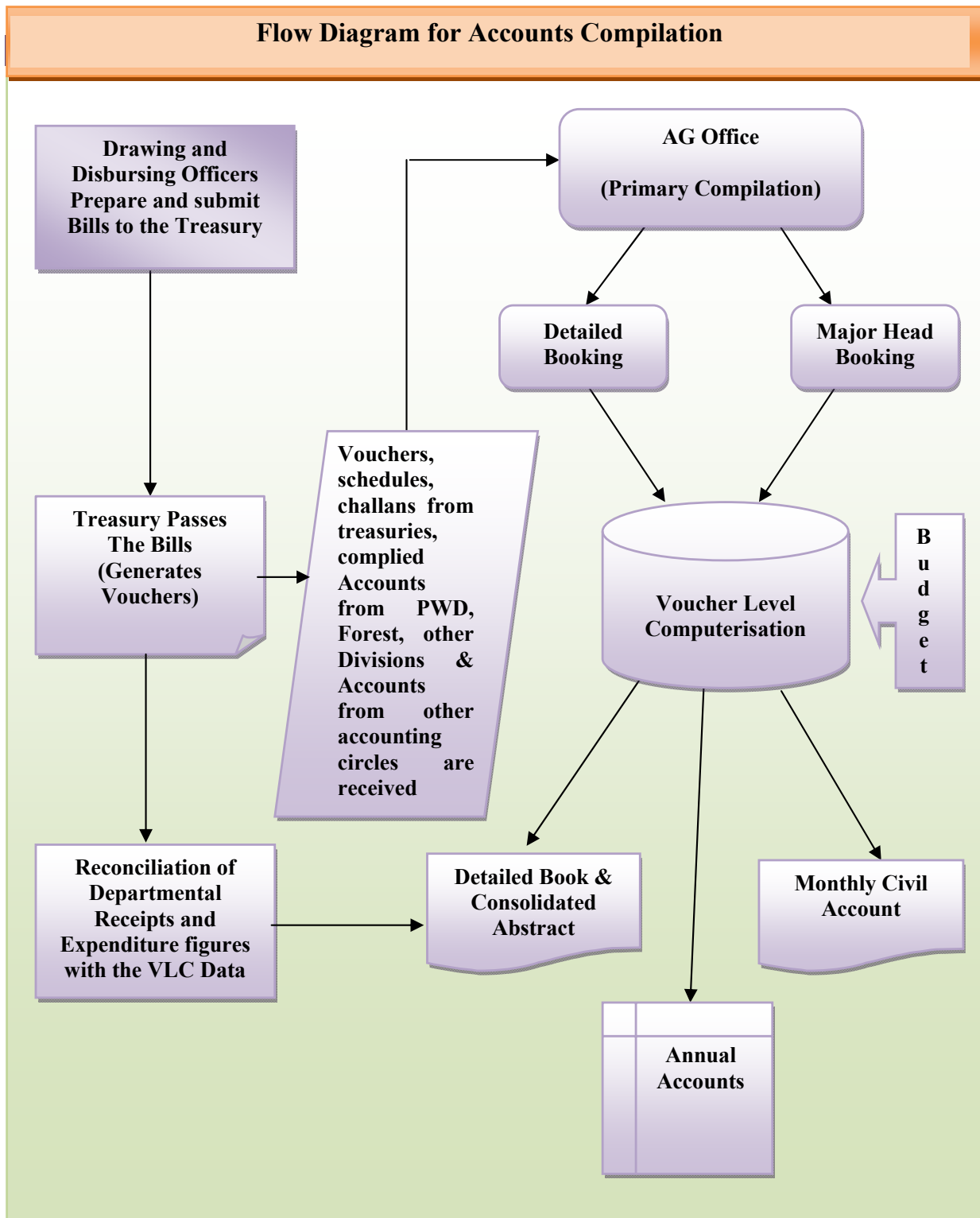
The Accountant General (Accounts), Mizoram compiles the accounts of receipts and expenditure of the Government of Mizoram. This compilation is based on the initial accounts rendered by the District Treasuries, Public Works and Forest Divisions and advices of the Reserve Bank of India. Following such compilation, the Accountant General (Accounts) prepares, the Annual Finance and Appropriation Accounts, which are placed before the State Legislature after audit by the 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 2009-10, the Finance Accounts have been issued in two volumes in a new format to make them more comprehensive and informative. Further, from 2014-15, Volume I of the Finance Accounts contains the Certificate of the Comptroller and Auditor General of India, the Guide to the Finance Accounts, 13 statements which give summarized information on the financial position and transactions of the State Government for the current financial year and 'Notes to accounts' containing summary of significant account policies, quality of accounts and other items and annexures to the Notes to Accounts; Volume II contains nine detailed statements in Part I and thirteen appendices in Part II.

Receipts and disbursement of the Government of Mizoram as depicted in the Finance Accounts 2014-15 are given below:

(₹ in crore)			
Receipts (Total: 6,582.38)	Revenue (Total: 5,511.10)	Tax Revenue	1,177.19
		Non Tax Revenue	241.96
		Grants-in-Aid and Contributions	4,091.95
	Capital (Total: 1,071.28)	Recovery of Loans and Advances	31.63
		Borrowings and other Liabilities ^(*)	1,039.65
Disbursements (Total: 6,582.38)	Revenue	5,652.44	
	Capital	927.51	
	Loans and Advances	2.43	

(*) 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. These transfers are now exhibited in Appendix VI 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 2014-15, had provided for gross expenditure of ₹9,106.50 crore and reduction of expenditure (recoveries) of ₹180.27 crore. Against this, the actual gross expenditure was ₹7,868.97 crore and reduction expenditure was ₹97.35 crore, resulting in net savings of ₹1,237.53 crore (13.59 per cent). The gross expenditure includes ₹144.28 crore drawn on Abstract Contingent (AC) Bills, against which AC Bills of ₹60.80 crore was outstanding at the end of the year. The total AC Bills outstanding upto 2014-15 was ₹64.31 crore inclusive of ₹3.51 crore upto 2013-14. 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 2014-15, the Government of Mizoram availed Over Draft facilities on two days for an amount of ₹53.28 crore which was recouped during the year. The Government of Mizoram also availed of Special Ways and Means Advances of ₹527.18 crore for 32 days which was recouped during the year.

1.4.2 Fund flow statement

The State had a Revenue Deficit of ₹141.34 crore and a Fiscal Deficit of ₹1,039.65 crore representing 1.36 per cent and 9.98 per cent respectively of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 15.79 per cent of total expenditure. Around 52.67

per cent of the revenue receipts (₹5,511.10 crore) of the State Government was spent on committed expenditure like salaries (₹2,051.47 crore), interest payments (₹305.83 crore) and pensions (₹545.26 crore).

Source and Application of Funds

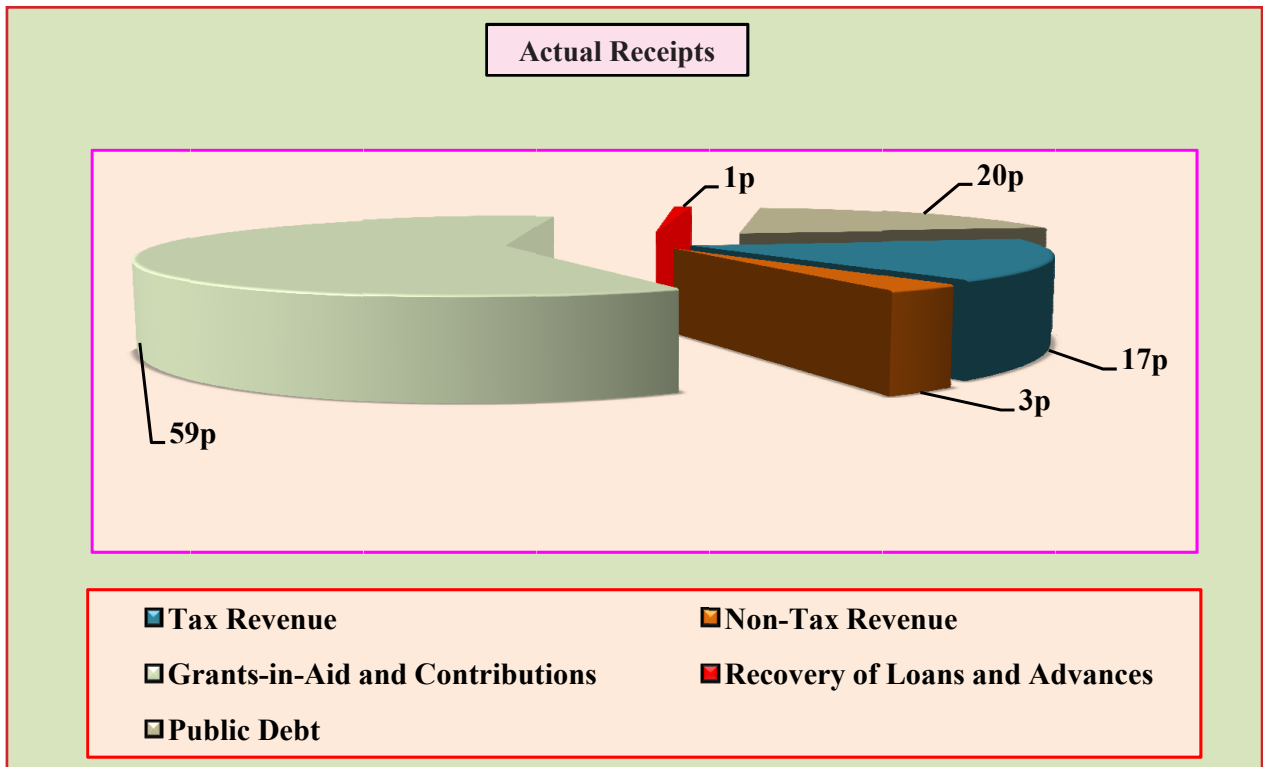
(₹ in crore)

SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 01-04-2014	(-)143.73
	Revenue Receipts	5,511.10
	Recovery of Loans and Advances	31.63
	Public Debt	1,383.08
	Small Savings Provident Fund & Others	733.06
	Reserves and Sinking Funds	31.73
	Deposits Received	1,317.33
	Civil Advances Repaid	28.95
	Suspense Account	4,215.21
	Remittances	1,661.67
	Contingency Fund	...
Total	14,770.03	

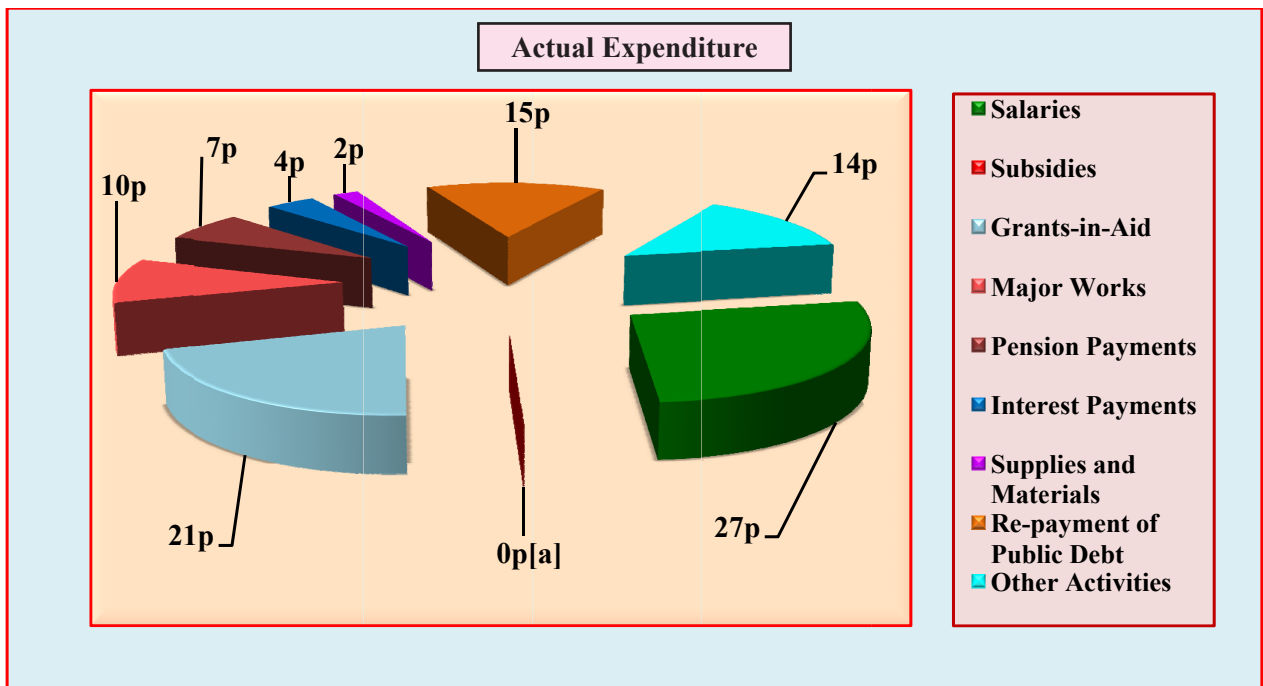
(₹ in crore)

APPLICATION	PARTICULARS	AMOUNT
	Revenue Expenditure	5,652.44
	Capital Expenditure	927.51
	Loans Given	2.43
	Repayment of Public Debt	1,189.24
	Transfer to Contingency Fund	...
	Small Savings Provident Fund & Others	422.33
	Reserves and Sinking Funds	32.90
	Deposits Received	883.81
	Civil Advances Repaid	28.95
	Suspense Account	4,295.84
	Remittances	1,568.03
Closing Cash Balance as on 31-03-2015	(-)233.45	
Total	14,770.03	

1.4.3 Where the Rupee came from



1.4.4 Where the Rupee went



[a] Negligible ... less than 0.050 P.

1.5 Highlights of Accounts

(₹ in crore)

		B.E. 2014-15	Actuals	Percentage of actuals to B.E.	Percentage of actuals to GSDP ^(S)
1.	Tax Revenue	1,301.24	1,177.19	90.47	11.30
2.	Non-Tax Revenue	278.48	241.96	86.89	2.32
3.	Grants-in-Aid and Contributions	4,299.75	4,091.95	95.17	39.29
4.	Revenue Receipts (1+2+3)	5,879.47	5,511.10	93.73	52.92
5.	Recovery of Loans and Advances	40.00	31.63	79.08	0.30
6.	Borrowings & Other Liabilities ^(A)	1,727.11	1,039.65	60.20	9.98
7.	Capital Receipts (5+6)	1,767.11	1,071.28	60.62	10.29
8.	Total Receipts (4+7)	7,646.58	6,582.38	86.08	63.21
9.	Non-Plan Expenditure (NPE)	3,793.16	3,637.50	95.90	34.93
10.	NPE on Revenue Account	3,668.57	3,500.62	95.42	33.61
11.	NPE on Interest Payments	297.52	305.83	102.79	2.94
12.	NPE on Capital Account	124.59	136.88	109.87	1.31
13.	Plan Expenditure (PE)	3,853.42	2,944.88	76.42	28.28
14.	PE on Revenue Account	2,860.07	2,151.82	75.24	20.66
15.	PE on Capital Account	993.35	793.06	79.84	7.62
16.	Total Expenditure (9+13)	7,646.58	6,582.38	86.08	63.21
17.	Revenue Expenditure (10+14)	6,528.64	5,652.44	86.58	54.28
18.	Capital Expenditure (12+15)	1,117.94	929.94	83.18	8.93
19.	Revenue Deficit (4-17)	649.17	141.34	21.77	1.36
20.	Fiscal Deficit (4+5-16)	1,727.11	1,039.65	60.20	9.98

(S) GSDP : Gross State Domestic Product for the year 2014-15 was ₹10,413.89 crore.

(#) Expenditure on Capital Account includes Capital Expenditure (₹927.51 crore) and Loans and Advances disbursed (₹2.43 crore).

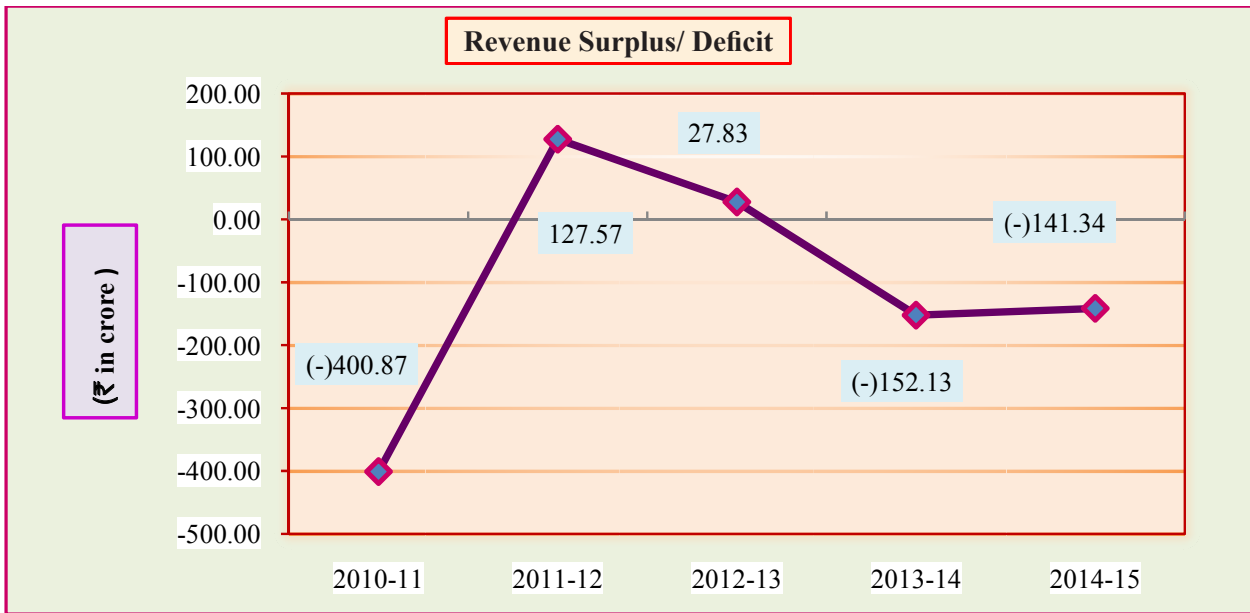
(A) Borrowings and other Liabilities Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account+ Net of Opening and Closing Cash Balance.

1.6 What the Deficits and Surpluses indicate

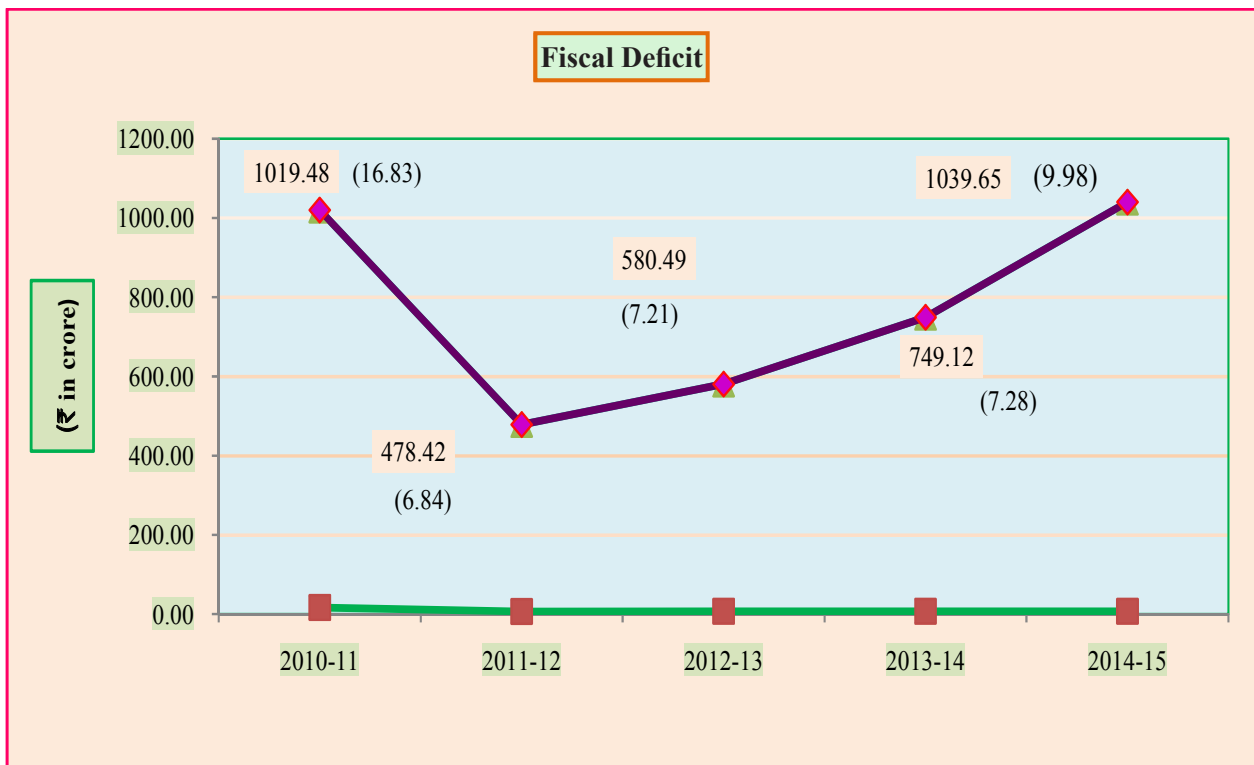
Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure 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 19 October 2010. As per this Amendment, fiscal deficit is to be reduced to 3 per cent of the estimated GSDP by 2014-15. (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: 7.50 per cent in base year 2010-11, 6.40 per cent in 2011-12, 5.20 per cent in 2012-13, 4.10 per cent in 2013-14 and 3 per cent in 2014-15 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 had achieved Revenue Surplus during 2005-06 to 2009-10, 2011-12 and 2012-13 and experienced Revenue Deficit during 2010-11, 2013-14 and 2014-15 respectively.

1.6.1 Trend of Deficit / Surplus

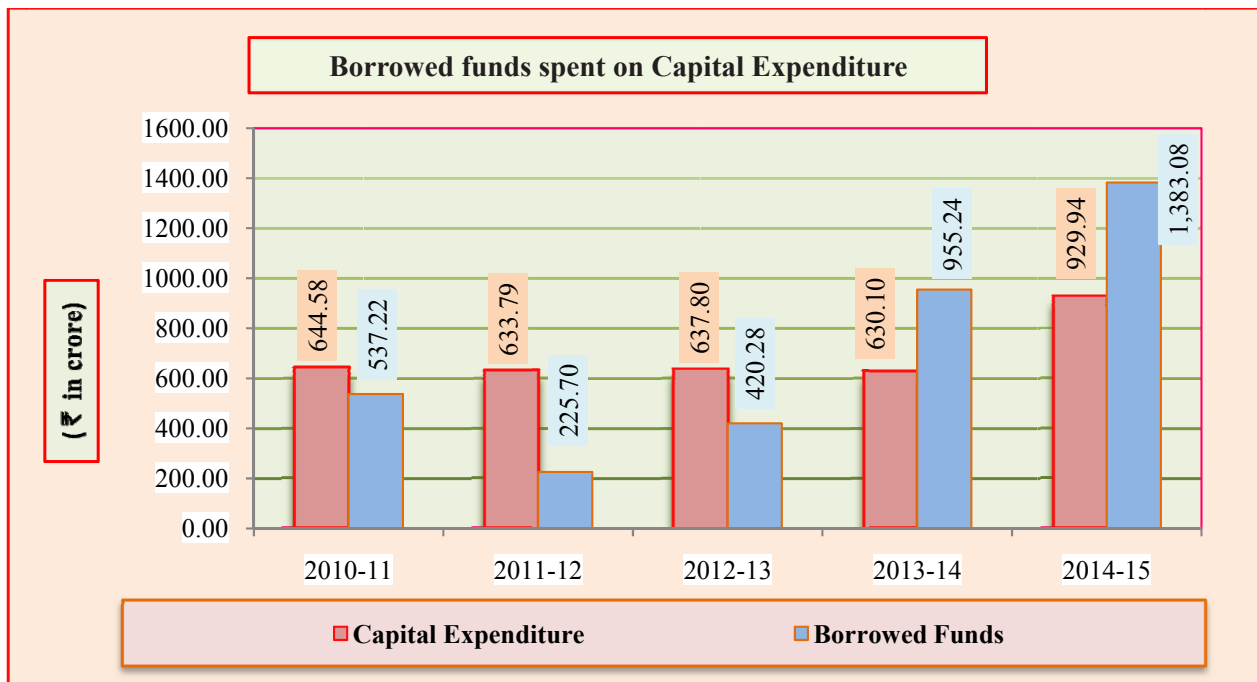


1.6.2 Trend of Fiscal Deficit



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. Out of the borrowings of ₹1,383.08 crore the State Government however, spent ₹929.94 crore on capital expenditure inclusive of disbursement of Loans and Advances.

CHAPTER II

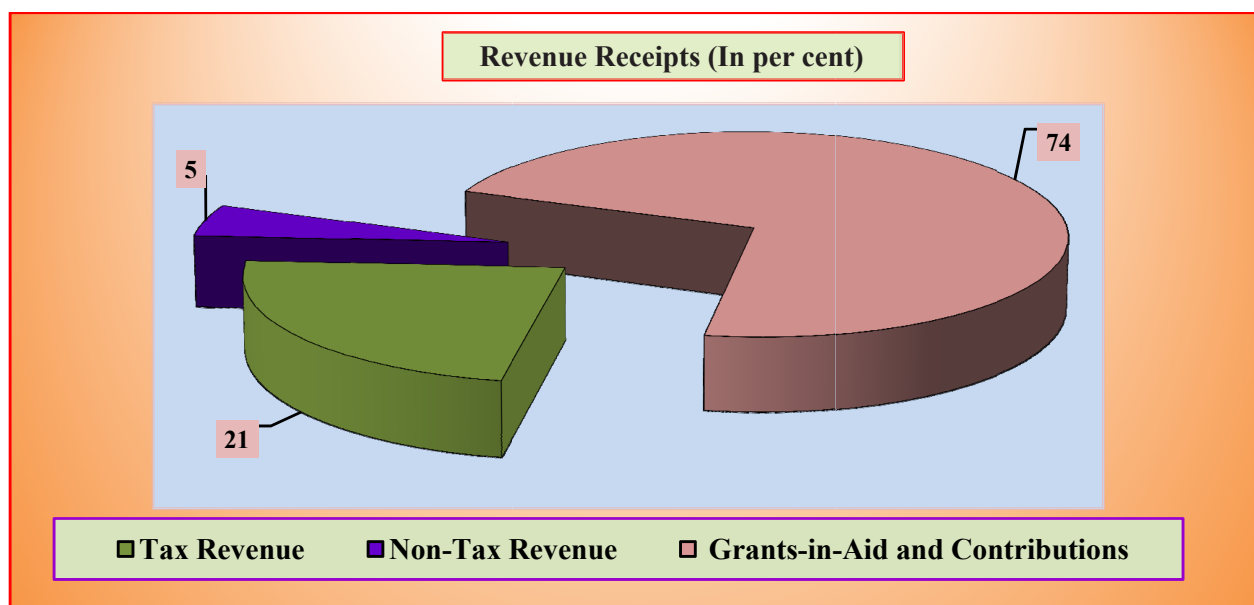
RECEIPTS

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2014-15 were ₹5,511.10 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 (2014-15)

(₹ in crore)

Components	Actuals
A. Tax Revenue	1,177.19
Taxes on Income and Expenditure	559.22
Taxes on Property, Capital and Other Transactions	15.64
Taxes on Commodities and Services	602.33
B. Non-Tax Revenue	241.96
Interest Receipts, Dividends and Profits	19.88
General Services	22.13
Social Services	27.61
Economic Services	172.34
C. Grants-in-Aid and Contributions	4,091.95
Total-Revenue Receipts	5,511.10

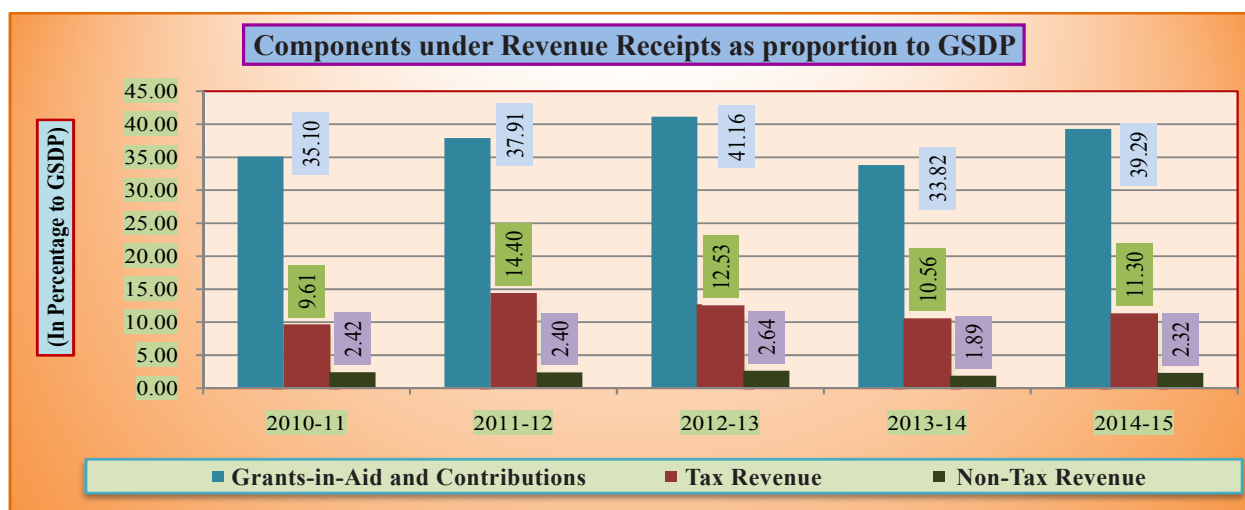
2.3 Trend of Receipts

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Tax Revenue	582.10 (9.61)	1,006.45 (14.40)	1,009.10 (12.53)	1,087.86 (10.56)	1,177.19 (11.30)
Non-Tax Revenue	146.72 (2.42)	168.03 (2.40)	212.80 (2.64)	194.26 (1.89)	241.96 (2.32)
Grants -in-Aid and Contributions	2,126.55 (35.10)	2,650.42 (37.91)	3,314.84 (41.16)	3,482.73 (33.82)	4,091.95 (39.29)
Total Revenue Receipts	2,855.37 (47.14)	3,824.90 (54.71)	4,536.74 (56.34)	4,764.85 (46.27)	5,511.10 (52.92)
GSDP	6,057.70	6,991.40	8,053.09	10,297.00	10,413.89

Figures in parentheses represent percentage to GSDP.

The GSDP increased by 1.14 per cent between 2013-14 and 2014-15, total revenue receipts increased by 15.66 per cent as there was an increase of receipt by 17.49 per cent under Grants-in-Aid from the Central Government. The State's own revenue under certain tax components, like Taxes on Land Revenue (₹11.06 crore), Stamps and Registration Fees (₹3.72 crore), State Excise (₹4.91 crore) and Taxes on Sales, Trade etc. (₹211.95) crore showed a higher trend.



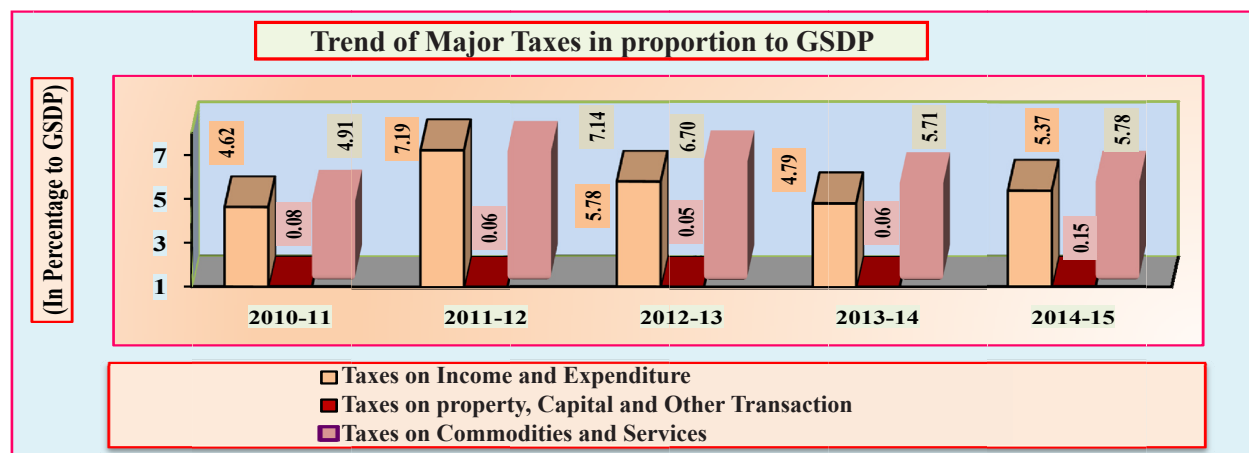
Sector-wise Tax Revenue

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Taxes on Income and Expenditure(*)	279.88	502.67	465.08	493.40	559.22
Taxes on property, Capital and other Transaction	5.08	4.32	4.16	6.86	15.64
Taxes on Commodities and Services	297.14	499.46	539.86	587.60	602.33
Total Tax Revenue	582.10	1,006.45	1,009.10	1,087.86	1,177.19

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

The increase in collection of Taxes on Income and Expenditure, Taxes on Property and Taxes on Commodities and Services respectively were mainly due to more collection under major heads 0020, 0021, 0029, 0030, 0032, 0037, 0039, 0040 and 0045 respectively. Increase in Taxes on Commodities and Services was partly offset by less collection under the major head 0038 Union Excise Duties, 0041 Taxes on Vehicles, 0042 Taxes on Goods and Passengers and 0044 Service Taxes 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)
2010-11	582.10	451.66	130.44	2.15
2011-12	1,006.45	827.38	179.07	2.56
2012-13	1,009.10	785.96	223.14	2.77
2013-14	1,087.86	858.08	229.78	2.23
2014-15	1,177.19	910.67	266.52	2.56

2.5 Efficiency of Tax Collection

A. Taxes on Property, Capital and Other Transactions

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Collection	5.08	4.32	4.16	6.86	15.64
Expenditure on Collection (*)	10.83	13.44	13.38	16.43	19.24
Efficiency of Tax Collection (in per cent)	213.19	311.11	321.63	239.50	123.02

(*) 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)

	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Collection	297.14	499.46	539.86	587.60	602.33
Expenditure on Collection (•)	22.44	22.11	38.74	42.55	48.23
Efficiency of Tax Collection (in per cent)	7.55	4.43	7.18	7.24	8.01

(•) 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 2010-11 to 2014-15 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

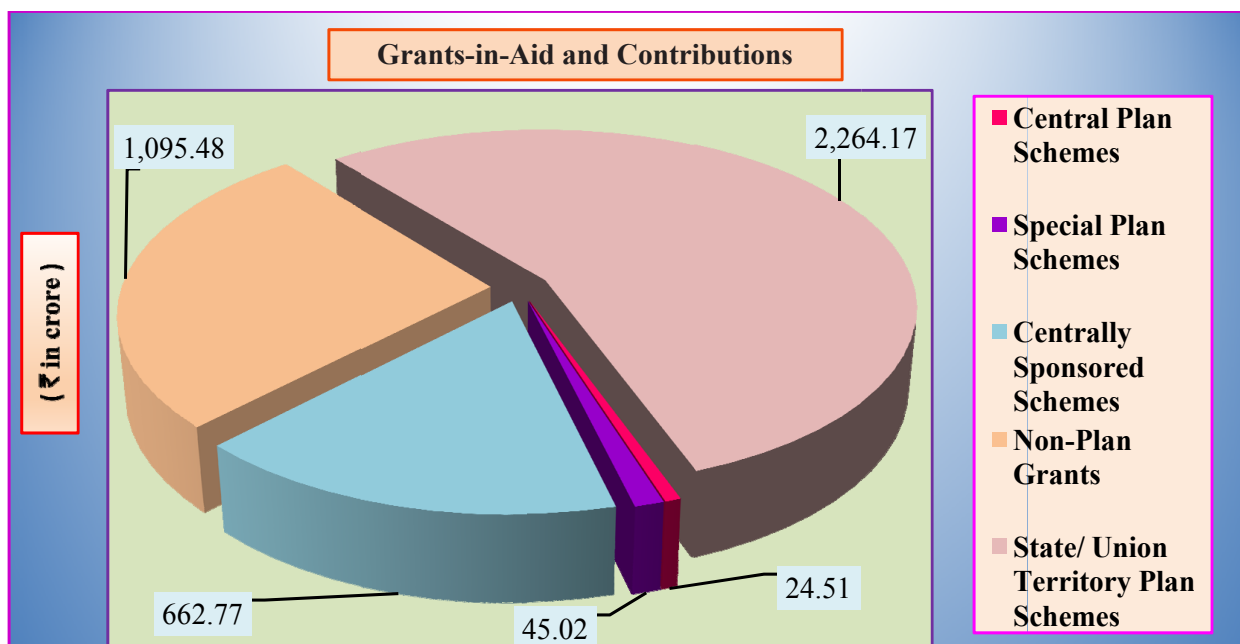
(₹ in crore)

Major Head description	2010-11	2011-12	2012-13	2013-14	2014-15
Corporation Tax	183.19	318.68	282.36	288.62	318.05
Taxes on Income other than Corporation Tax	87.93	171.73	169.04	190.05	227.12
Other Taxes on Income and Expenditure	...	...	...	...	0.01
Taxes on Wealth	0.41	1.11	0.48	0.79	0.86
Customs	75.60	147.06	130.62	140.03	147.30
Union Excise Duties	58.56	93.83	88.77	98.90	83.18
Service Tax	45.97	94.97	114.69	139.69	134.15
Other Taxes and Duties on Commodities and Services	...	...	...	...	...
State Share of Union Taxes	451.66	827.38	785.96	858.08	910.67
Total Tax Revenue	582.10	1,006.45	1,009.10	1,087.86	1,177.19
Percentage of Union Taxes to Total Tax Revenue	77.59	82.21	77.89	78.88	77.36

The amount of net proceeds of share was ₹910.67 crore in 2014-15 which increased by 6.13 per cent over 2013-14.

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 2014-15 under Grants in-Aid were ₹4,091.95 crore as shown below:



Non-Plan Grants as a percentage of Grants-in-Aid decreased from 32.77 per cent during 2013-14 to 26.77 per cent in 2014-15, while the share of Grants for Plan Schemes increased from 67.22 per cent in 2013-14 to 73.23 per cent in 2014-15. As against budget estimate of ₹3,185.24 crore of union share in Plan schemes, the State Government actually received ₹2,996.47 crore of Grants-in-Aid (94.07 per cent of BE).

2.8 Public Debt

Trend of Public Debt over the past five years

(₹ in crore)

Description	2010-11	2011-12	2012-13	2013-14	2014-15
Internal Debt	286.72	(-)30.22	1,741.95	1,927.32	2,135.44
Central Loans	(-) 22.04	4.25	523.34	336.55	322.27
Total Public Debt	264.68	(-)25.97	2,265.29	2,263.87	2,457.71

Minus figures due to excess of repayment over receipts.

In 2014-15, four loans of ₹20.00 crore each from the market which bear interest at 8.46 per cent, 9.41 per cent, 9.25 per cent and 8.85 per cent per annum respectively redeemable at par in 2024 and two loans of ₹50.00 crore and ₹100.04 crore were raised from the market which bears interest at 8.89 per cent and 8.27 per cent per annum redeemable at par in 2024.

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 and 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 ₹5,652.44 crore for 2014-15 fell short of budget estimates by ₹876.20 crore due to less disbursement of ₹708.25 crore under Plan Expenditure and less disbursement of ₹167.95 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)

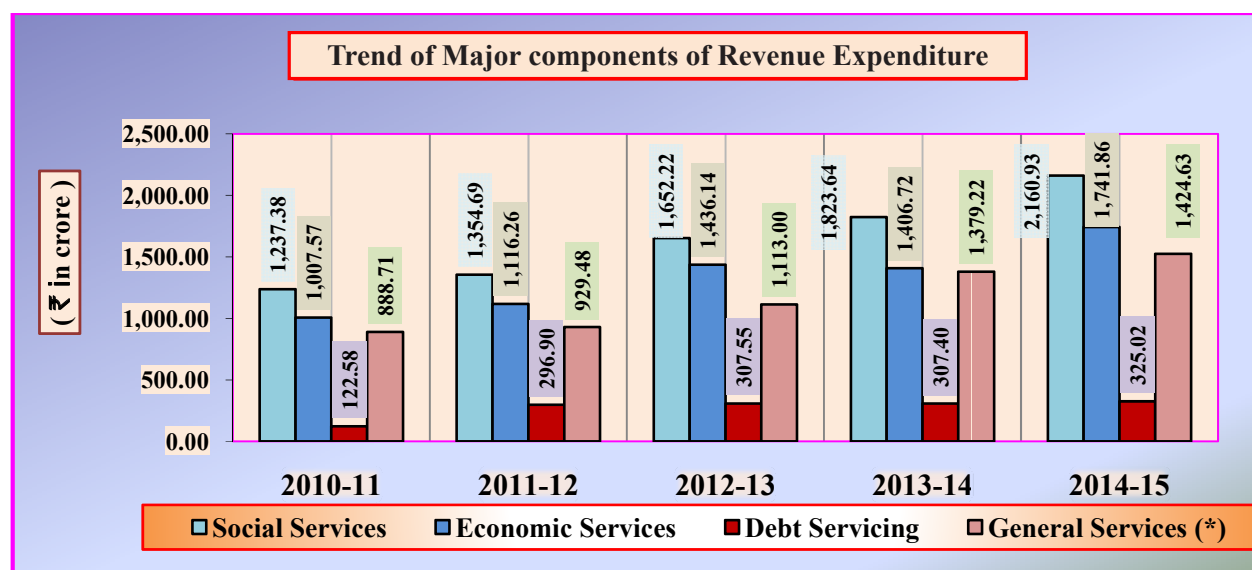
	2010-11	2011-12	2012-13	2013-14	2014-15
Budget Estimates	3,748.28	3,934.17	4,683.04	6,154.17	6,528.64
Actuals	3,256.24	3,697.33	4,508.91	4,916.98	5,652.44
Gap	4,92.04	2,36.84	1,74.13	1,237.19	876.20
Percentage of gap over B.E.	13.13	6.02	3.72	20.10	13.42

3.2.1 Sectoral distribution of Revenue Expenditure (2014-15)

(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services	68.74	1.21
(i) Collection of Taxes on Property, Capital and Other Transactions	19.24	0.34
(ii) Collection of Taxes on Commodities and Services	48.23	0.85
(iii) Other Fiscal Services	1.27	0.02
B. Organs of State	63.02	1.12
C. Interest Payment and receiving of Debt	325.02	5.75
D. Administrative Services	745.51	13.19
E. Pensions and Miscellaneous General Services	547.36	9.68
F. Social Services	2,160.93	38.23
G. Economic Services	1,741.86	30.82
H. Grants-in-Aid and Contributions	...	...
Total- Expenditure (Revenue Account)	5,652.44	100

3.2.2 Major components of Revenue Expenditure (2010-11 to 2014-15)



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

3.3 Capital Expenditure

Capital disbursements for 2014-15 at 8.93 per cent of GSDP were less than Budget (₹1,117.94 crore) estimates by ₹188.00 crore (less disbursement of ₹200.29 crore under Plan expenditure and excess disbursement of ₹12.29 crore under Non-Plan expenditure).

3.3.1 Sectoral distribution of Capital Expenditure (2014-15)

During 2014-15, the Government spent ₹788.37 crore on various Major Works. The Government also invested ₹2.92 crore in Public Sector and other Undertakings of the Government.

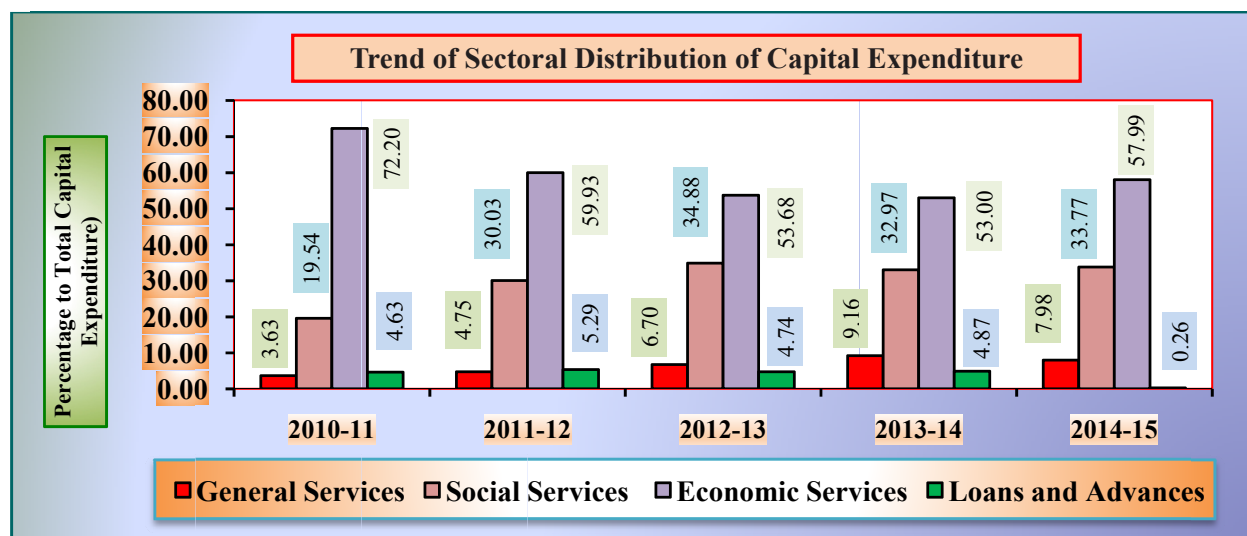
(₹ in crore)

Sl. No.	Components	Amount	Percentage
1	General Services – Police, Land Revenue etc.	74.21	7.98
2	Social Services – Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	314.00	33.77
3	Economic Services – Agriculture, Power, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport etc.	539.30	57.99
4	Loans and Advances Disbursed	2.43	0.26
	Total	929.94	100

3.3.2 Sectoral distribution of Capital Expenditure over the past five years

(₹ in crore)

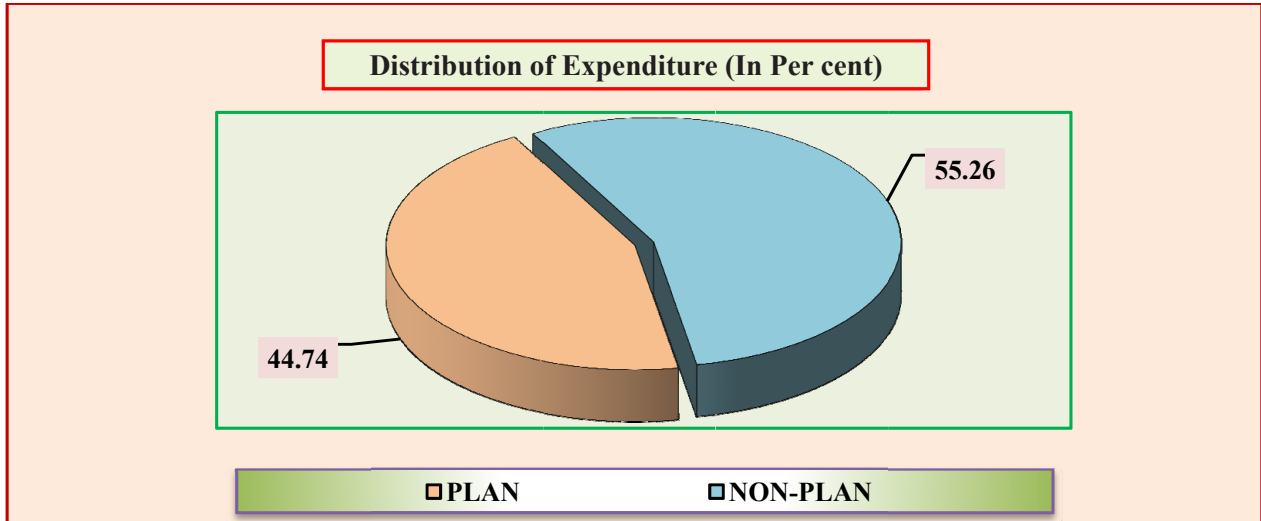
Sl. No.	Sector	2010-11	2011-12	2012-13	2013-14	2014-15
1	General Services	23.36	30.12	42.74	57.72	74.21
2	Social Services	125.95	190.34	222.42	207.76	314.00
3	Economic Services	465.40	379.81	342.39	333.92	539.30
4	Loans and Advances	29.87	33.52	30.25	30.70	2.43
	Total	644.58	633.79	637.80	630.10	929.94



CHAPTER IV

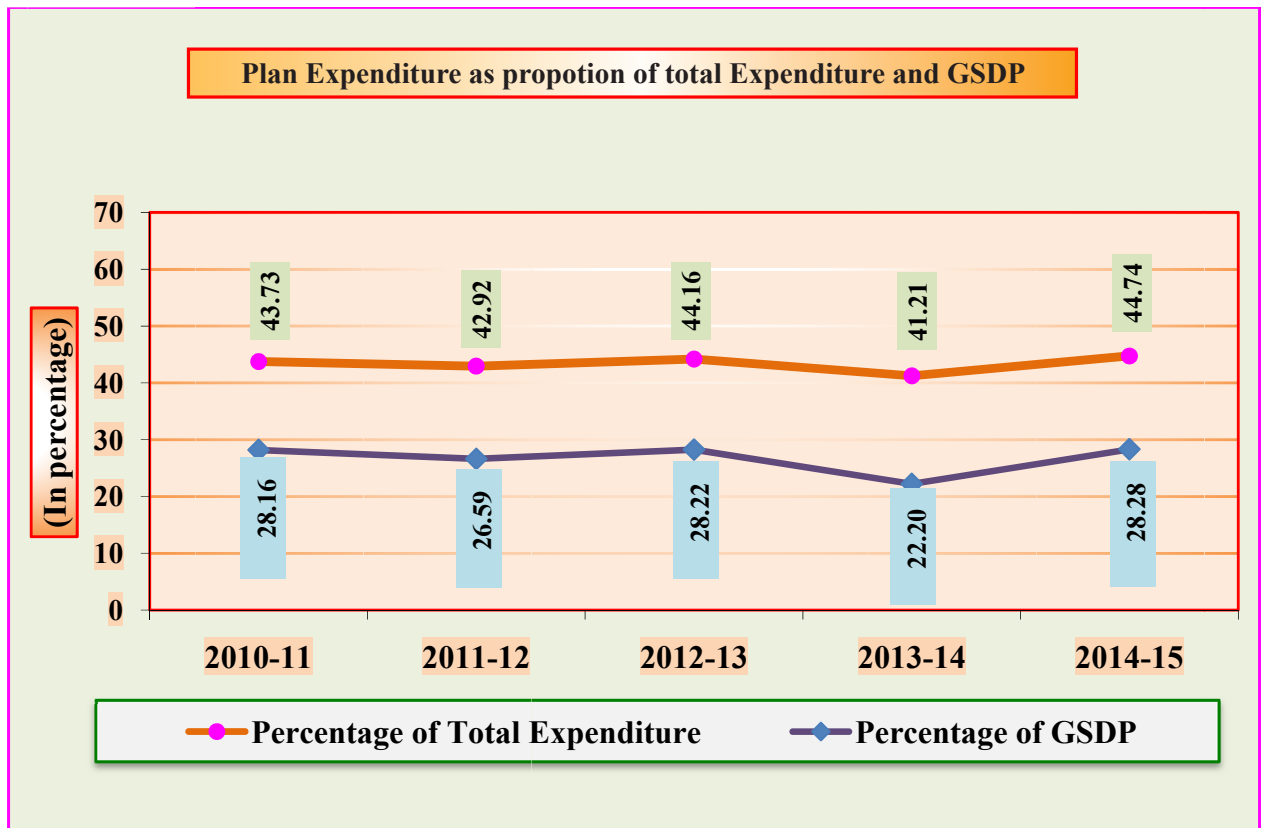
PLAN AND NON-PLAN EXPENDITURE

4.1 Distribution of Expenditure (2014-15)



4.2 Plan Expenditure

During 2014-15, Plan Expenditure was ₹2,944.88 crore (₹1,997.17 crore under State Plan and ₹947.71 crore under Centrally Sponsored Schemes) representing 44.74 per cent of total disbursements.



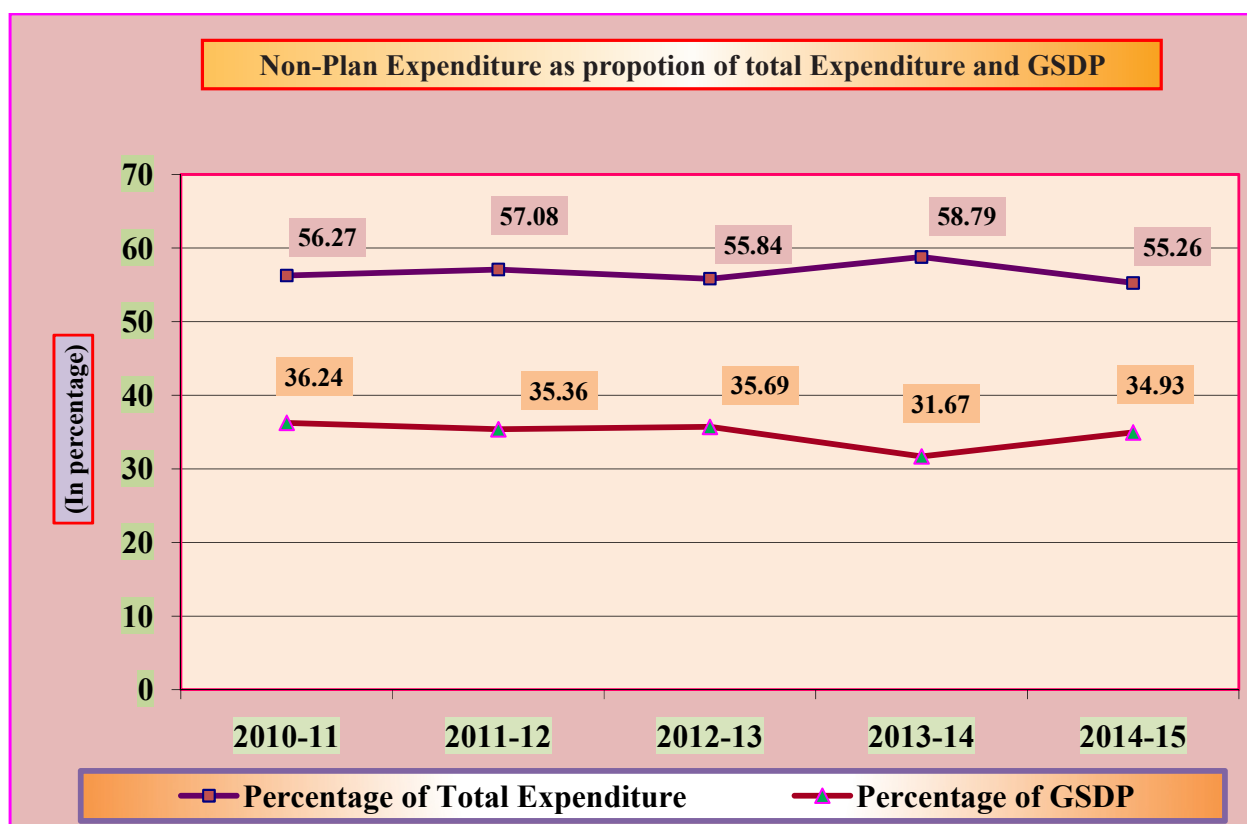
4.2.1 Plan Expenditure under Capital Account

(₹ in crore)

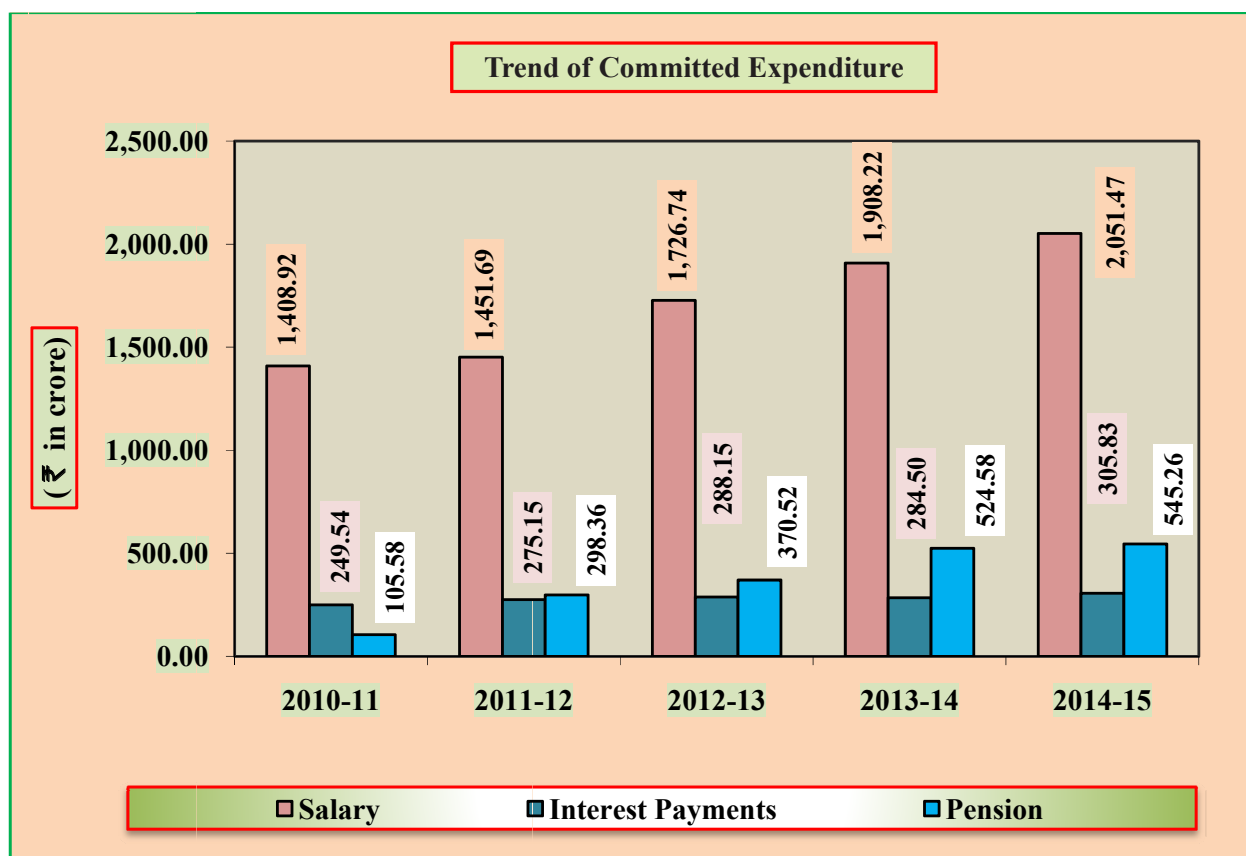
	2010-11	2011-12	2012-13	2013-14	2014-15
Total Capital Expenditure	644.58	633.79	637.80	630.10	929.94
Capital Expenditure (Plan)	504.70	542.85	512.62	489.33	793.06
Percentage of Capital Expenditure (Plan) to Total Capital Expenditure	78.30	85.65	80.37	77.66	85.28

4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2014-15 was ₹3,637.50 crore (₹3,500.62 crore under Revenue and ₹136.88 crore under Capital) representing 55.26 per cent of total disbursements.



4.4 Committed Expenditure



(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Committed Expenditure	1,764.04	2,025.20	2,385.41	2,717.30	2,902.56
Revenue Expenditure	3,256.24	3,697.33	4,508.91	4,916.98	5,652.44
Percentage of Committed Expenditure to Revenue Receipts	61.78	52.95	52.58	57.03	52.67
Percentage of Committed Expenditure to Revenue Expenditure	54.17	54.77	52.90	55.26	51.35

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 2014-15

(₹ in crore)

Sl. No.	Nature of Expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings(-) Excess(+)
1	Revenue						
	Voted	5,435.45	754.54	...	6,189.99	5,313.58	(-)876.41
	Charged	330.95	9.70	...	3,40.65	341.31	(+)0.66
2	Capital						
	Voted	892.55	376.20	...	1,268.75	1,022.41	(-)246.34
	Charged	...	...	...	...	...	....
3	Public Debt						
	Charged	264.66	1,015.00	...	1,279.66	1,189.24	(-)90.42
4	Loans and Advances						
	Voted	27.45	...	...	27.45	2.43	(-)25.02
	Total	6,951.06	2,155.44	...	9,106.50	7,868.97	(-)1,237.53

5.2 Trend of Savings/Excess during the past five years

(₹ in crore)

Year	Savings (-) / Excess (+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2010-11	(-) 493.11	(-) 140.96	(-) 156.86	(-) 2.28	(-) 793.21
2011-12	(-)242.11	(-)139.01	(-)91.05	(-)1.54	(-)473.71
2012-13	(-)164.75	(-)573.19	(+)28.54	(-)0.95	(-)710.35
2013-14	(-) 1229.28	(-) 536.16	(+) 348.38	(-)25.25	(-) 1,442.31
2014-15	(-) 875.75	(-) 246.34	(-) 90.42	(-) 25.02	(-) 1,237.53

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	2010-11	2011-12	2012-13	2013-14	2014-15
14	Planning and Programme Implementation	109.03	50.00	29.40	921.40	232.59
29	Social Welfare	10.12	6.02	13.62	8.79	36.42
31	Agriculture	13.88	6.18	14.70	110.72	39.53
39	Power	43.24	10.96	21.96	27.00	7.55
45	Public Works	34.55	52.14	311.89	190.63	...

During 2014-15, supplementary grants totaling ₹2,155.44 crore (27.39 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	21.32	0.07	19.34
2	Governor	Revenue	Charged	4.89	0.12	4.64
3	Council of Ministers	Revenue	Voted	6.19	0.07	5.50
4	Law and Judicial	Revenue	Voted	17.83	3.20	17.06
		Revenue	Charged	5.57	0.64	5.41
		Capital	Voted	9.98	10.85	Nil
5	Vigilance	Revenue	Voted	4.88	0.06	4.71
11	Secretariat Administration	Revenue	Voted	87.96	2.97	79.80
13	Personnel and Administrative Reforms	Revenue	Voted	2.23	0.09	2.15
14	Planning and Programme Implementation	Revenue	Voted	270.30	2.93	40.65
16	Home	Revenue	Voted	538.40	11.71	470.44

(₹ in crore)

Grant No.	Nomenclature	Section		Original	Supplementary	Actual Expenditure
19	Local Administration	Revenue	Voted	73.10	3.91	34.51
22	Sports and Youth Services	Capital	Voted	Nil	7.20	Nil
23	Art and Culture	Revenue	Voted	11.07	0.94	9.09
25	Water Supply and Sanitation	Capital	Voted	79.57	12.66	70.58
26	Information and Public Relations	Revenue	Voted	12.30	0.76	11.02
28	Labour and Employment	Revenue	Voted	16.77	3.84	11.02
29	Social Welfare	Revenue	Voted	126.83	5.84	96.25
31	Agriculture	Revenue	Voted	190.30	11.54	162.31
32	Horticulture	Revenue	Voted	135.62	0.52	112.22
33	Soil and Water Conservation	Revenue	Voted	52.21	0.24	50.21
34	Animal Husbandry and Veterinary	Revenue	Voted	174.36	5.19	171.54
38	Rural Development	Revenue	Voted	330.93	43.47	249.33
		Capital	Voted	39.77	17.29	36.76
42	Transport	Revenue	Voted	44.75	1.21	33.37
46	Urban Development and Poverty Alleviation	Capital	Voted	161.91	28.08	128.66
47	Minor Irrigation	Revenue	Voted	12.92	0.32	11.28
48	Information and Communication Technology	Revenue	Voted	14.06	0.44	11.38

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 ₹25.19 crore at the end of 2014-15. No dividend was received during the year on investment.

Cash Balance as well as Cash Balance Investment as on 31 March 2015 were ₹(-) 233.45 crore and ₹(-) 182.09 crore respectively.

6.2 Debt and Liabilities

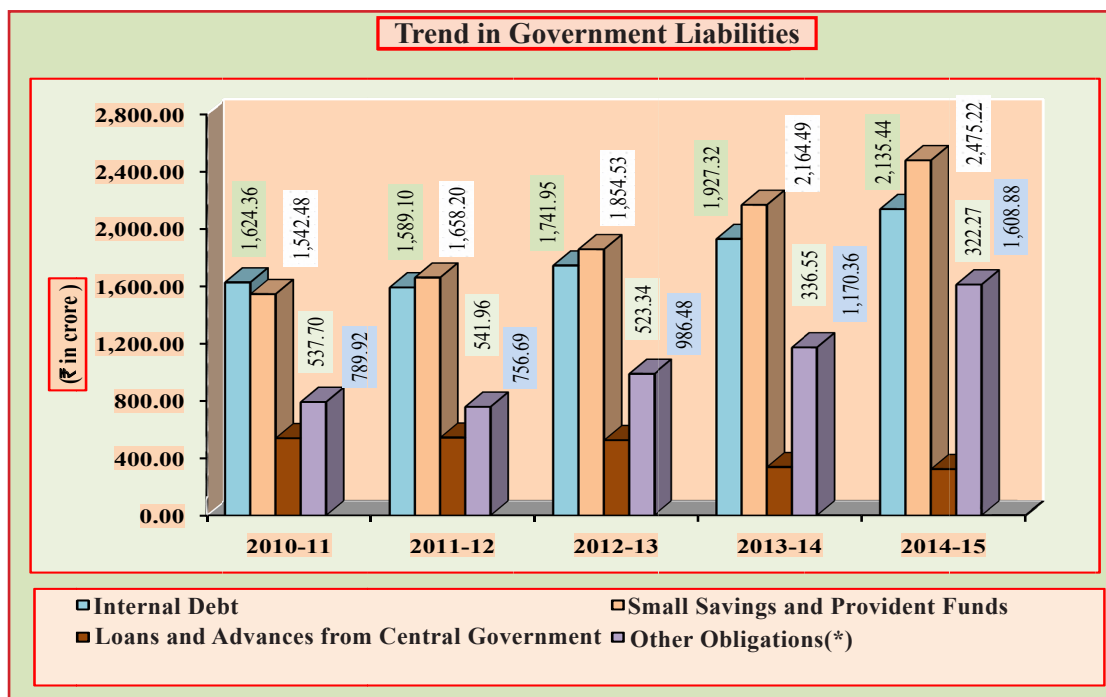
Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be from time to time fixed by the State Legislature. Details of the Public Debt and Total Liabilities of the State Government are as under:

(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account ^(*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2010-11	2,162.06	35.69	2,333.46	38.52	4,495.52	74.21
2011-12	2,131.06	30.48	2,416.87	34.57	4,547.93	65.05
2012-13	2,265.29	28.13	2,848.94	35.38	5,114.23	63.51
2013-14	22,63.87	21.99	33,44.51	32.48	5,608.38	54.47
2014-15	2,457.71	23.60	4,092.68	39.30	6,550.39	62.90

There is a net increase of ₹942.01 crore (16.80 per cent) in Public Debt and Other liabilities as compared to 2013-14.

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



(*) 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:

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31 March 2015	
		Principal	Interest
2010-11	189.02	102.75	...
2011-12	243.34	121.64	110.55
2012-13	124.75	26.17	5.53
2013-14	273.94	70.57	37.82
2014-15	273.94	68.59	28.31

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 31 2015, 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 2014-15 was ₹219.92 crore. Of this, Loan and Advances to Government Departments, Corporation/ Companies, Non-Government Institutes and Local Bodies amounted to ₹155.87 crore. Information about recovery of arrears (Principal as well as interest) at the end of 31 March 2015 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 ₹650.17 crore in 2010-11 to ₹1,631.81 crore in 2014-15.

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	30.97	20.86	3.98	4.97	260.95
PRIs/ULBs	3.62	4.08	15.49	12.35	65.49
Others	615.58	196.35	935.85	977.05	1,305.37
Total	650.17	221.29	955.32	994.37	1,631.81

7.4 Cash Balance and Investment of Cash Balance

The closing cash balance (as on 31 March 2015) according to the Reserve Bank of India was ₹ 175.85 crore (debit) against the general cash balance of ₹233.45 crore (credit) reflected in State Government accounts. The difference of ₹57.60 crore was due to misclassification by Bank/Treasury.

Investment held in the Cash Balance Investment Account as on 31 March 2015 were ₹182.09 crore (credit). Other Cash Balance and Investment comprising Cash with Departmental Officers (₹(-)4.77 crore) and Investment of earmarked funds (₹180.98 crore) as on 31 March 2015 was ₹176.21 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 Accountant General (Accounts). This exercise is to be conducted by respective Heads of Departments with the Accountant General. In 2014-15 only (72.29 per cent) (₹5,618.10 crore) of the total expenditure of ₹7,771.62 crore of the State Government was reconciled. Similarly, out of total receipts of ₹6,925.81 crore, only (23.79 per cent) (₹1,647.48 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.	The Secretary, Finance Department	9	2052-090-04
2.	The Deputy Commissioner, Saiha	15	2053-093-03 and 094-05 & 06 2070-115-03
3.	The Deputy Commissioner, Champhai	15	2053-093-04 and 094-07 & 08
4.	The Commissioner, Taxes	8	2040-001, 101 and 800
5.	The Director, School & Education	20	2202-01- 001, 101, 102, 104, 112; 02-101, 103, 104, 107, 109, 110; 04-001, 103, 200; 05-102 and 80-001, 004, 108 & 800
6.	The Director, SCERT	20	2202-02-004, 103, 105 & 110
7.	The Director, Higher and Technical Education	21	2202-03-001, 103, 104 & 05-102 2203-001-105
8.	The Director, Animal and Veterinary	34	2403-001, 101, 102, 103, 105, 106, 107, 109, 113 & 800

7.6 Submission of Accounts by Treasuries

There was delay of maximum 22 days in respect of one Treasury Accounts for the month of March 2015. Maximum delay in case of Forest and Public Works Accounts during the year was 34 days and 132 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 A.G. (Accounts)	Average delay in rendition of Department of Public Works. A/cs to A.G. (Accounts)	Average delay in rendition of Department of Forest A/cs to A.G. (Accounts)	Average delay in rendition of Department of Soil Conservation A/cs to A.G. (Accounts)
45	6	18	9

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 31 March 2015, a total amount of ₹64.31 crore (₹3.51 crore for the period upto 2013-14 and ₹60.80 crore for 2014-15) 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: 2204, 2245, 2402, 2403, 2405, 2501, 2575, 2810, 2851, 3053, 3275, 4055, 4059, 4070, 4210, 4216, 4217, 4403, 4435, 4702, 4711, 4801, and 5053) during March 2015 ranged between 57.35 per cent and 100.00 per cent of the total expenditure of the concerned Major Head 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 2014-15 in the above mentioned Heads were as below:

Head of Account	Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total*	During March 2015	Percentage of 3/2015 w.r.t. total expenditure of 2014-15
		(₹ in crore)						
2204	Sports and Youth Services	2.19	3.96	3.14	22.60	31.89	18.29	57.35
2245	Relief on account of Natural Calamities	...	5.45	...	20.62	26.07	20.62	79.09
2402	Soil and Water Conservation	4.95	3.77	4.61	36.88	50.21	33.04	65.80
2403	Animal Husbandry	11.13	10.30	11.03	137.55	170.01	131.72	77.48
2405	Fisheries	2.11	1.97	3.12	24.56	31.76	23.43	73.77

Head of Account	Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total*	During March 2015	Percentage of 3/2015 w.r.t. total expenditure of 2014-15
		(₹ in crore)						
2501	Special Programmes for Rural Development	1.41	3.69	7.12	79.36	91.58	78.55	85.77
2575	Other Special Area Programmes	1.08	4.00	2.04	29.32	36.44	25.30	69.43
2810	New and Renewable Energy	...	...	...	0.42	0.42	0.42	100.00
2851	Village and Small Industries	14.52	13.38	8.73	105.52	142.15	89.76	63.14
3053	Civil Aviation	0.37	0.44	0.46	3.34	4.61	3.07	66.59
3275	Other Communication Services	0.55	0.61	0.58	9.64	11.38	9.52	83.66
4055	Capital Outlay on Police	...	...	6.78	17.59	24.37	17.42	71.48
4059	Capital Outlay on Public Works	..	0.75	..	44.08	44.83	44.08	98.33
4070	Capital Outlay on Other Administrative Services	...	...	...	4.86	4.86	4.86	100.00
4210	Capital Outlay on Medical and Public Health	...	...	0.64	17.16	17.80	17.09	96.01
4216	Capital Outlay on Housing	...	0.61	0.07	25.00	25.68	25.00	97.35
4217	Capital Outlay on Urban Development	8.40	...	0.99	134.24	143.63	128.41	89.40
4403	Capital Outlay on Animal Husbandry	...	...	...	5.27	5.27	5.27	100.00
4435	Capital Outlay on Other Agricultural Programme	0.17	0.28	...	6.32	6.77	5.83	86.12
4702	Capital Outlay on Minor Irrigation	...	...	...	0.15	0.15	0.15	100.00
4711	Capital Outlay on Flood Control Projects	...	...	...	0.38	0.38	0.38	100.00
4801	Capital Outlay on Power Projects	1.38	5.08	15.83	119.40	141.69	108.54	76.60
5053	Capital Outlay on Civil Aviation	0.92	0.92	0.92	100.00

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