

सत्यमेव जयते

ACCOUNTS AT A GLANCE

2019-20



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF MANIPUR

**Accounts at a Glance
2019-20**

Government of Manipur

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

Preface

I am happy to present the twenty-second issue of our annual publication, the 'Accounts at a glance' for the year 2019-20, 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: 30 August 2021

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

Table of Contents

	Page No.
Chapter I Overview	1
1.1 Introduction.....	1
1.2 Structure of Government Accounts	1
1.3 Finance Accounts and Appropriation Accounts	2
1.4 Sources and Application of Funds	5
1.5 Financial highlight of year 2019-20.....	8
1.6 Fiscal Responsibility and Budget Management (FRBM) Act. 2005	9
Chapter II Receipts	11
2.1 Introduction.....	11
2.2 Revenue Receipts.....	11
2.3 Tax Revenue	13
2.4 Efficiency of Tax Collection.....	15
2.5 Trend in State's share of Union Taxes over the past five years.....	16
2.6 Grants -in-aid	16
2.7 Public Debt.....	17
2.8 Proportion of borrowed funds spent on Capital	18
Chapter III Expenditure	19
3.1 Introduction.....	19
3.2 Revenue Expenditure	19
3.3 Capital Expenditure	21
Chapter IV Appropriation Accounts	23
4.1 Summary of Appropriation Accounts for 2019-20.....	23
4.2 Trend of Saving / Excess during the past five years.....	23
4.3 Significant savings	24

Chapter V	Assets and Liabilities	30
5.1	Assets	30
5.2	Debt and Liabilities.....	30
5.3	Guarantees.....	31
Chapter VI	Other Items	32
6.1	Adverse Balances under Internal Debt	32
6.2	Loans and Advances by the State Government	32
6.3	Financial assistances to local bodies and others	32
6.4	Cash Balance and Investment of Cash Balance	33
6.5	Reconciliation of Accounts.....	33
6.6	Submission of Accounts by Accounts rendering units	33
6.7	Advance payments	33
6.8	Status of Suspense Balances	34
6.9	Status of Outstanding Utilization Certificates	35
6.10	Commitments on account of Incomplete Capital works.....	35
6.11	New Pension Scheme.....	35
6.12	Transfer of funds to Personal Deposit (PD) accounts.....	35
6.13	Investment.....	36
6.14	Rush of Expenditure	36

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.

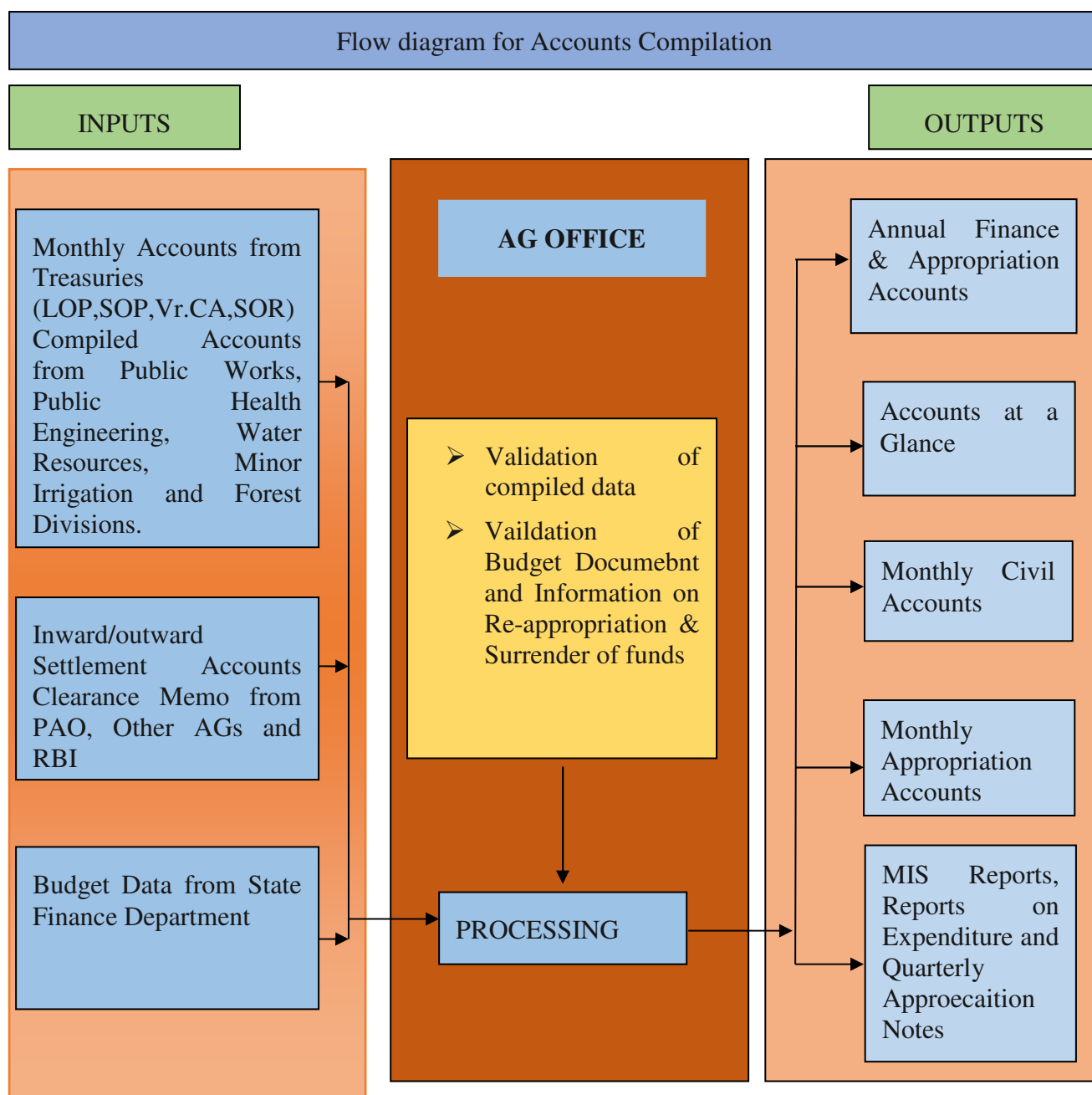
1.2 Structure of Government Accounts

1.2.1 Government accounts are kept in three parts:

Structure of Government Accounts

Part 1 CONSOLIDATED FUND	<ul style="list-style-type: none">• All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund.• All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this fund.
Part 2 CONTINGENCY FUND	<ul style="list-style-type: none">• The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.
Part 3 PUBLIC ACCOUNT	<ul style="list-style-type: none">• The transactions relating to Debt (Other than those included in Part I), Deposits, Advances, Remittances and Suspense in respect of which Government incurs a liability to repay the monies received or has a claim to recover the amounts paid together with the repayments of Debts and Deposits and recoveries of Advances are recorded. The transactions relating to Remittances and Suspense shall embrace all merely adjusting heads which shall appear such transactions as remittances of cash between treasuries and currency chests and transfer between different accounting circles. The initial debits or credits to these heads will be cleared by corresponding receipts or payments either within the same circle of account or in another account circle.

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 2019-20 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 2019-20, the Government of India released ₹4,34.89 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-à-vis* budget estimates for the year 2019-20.

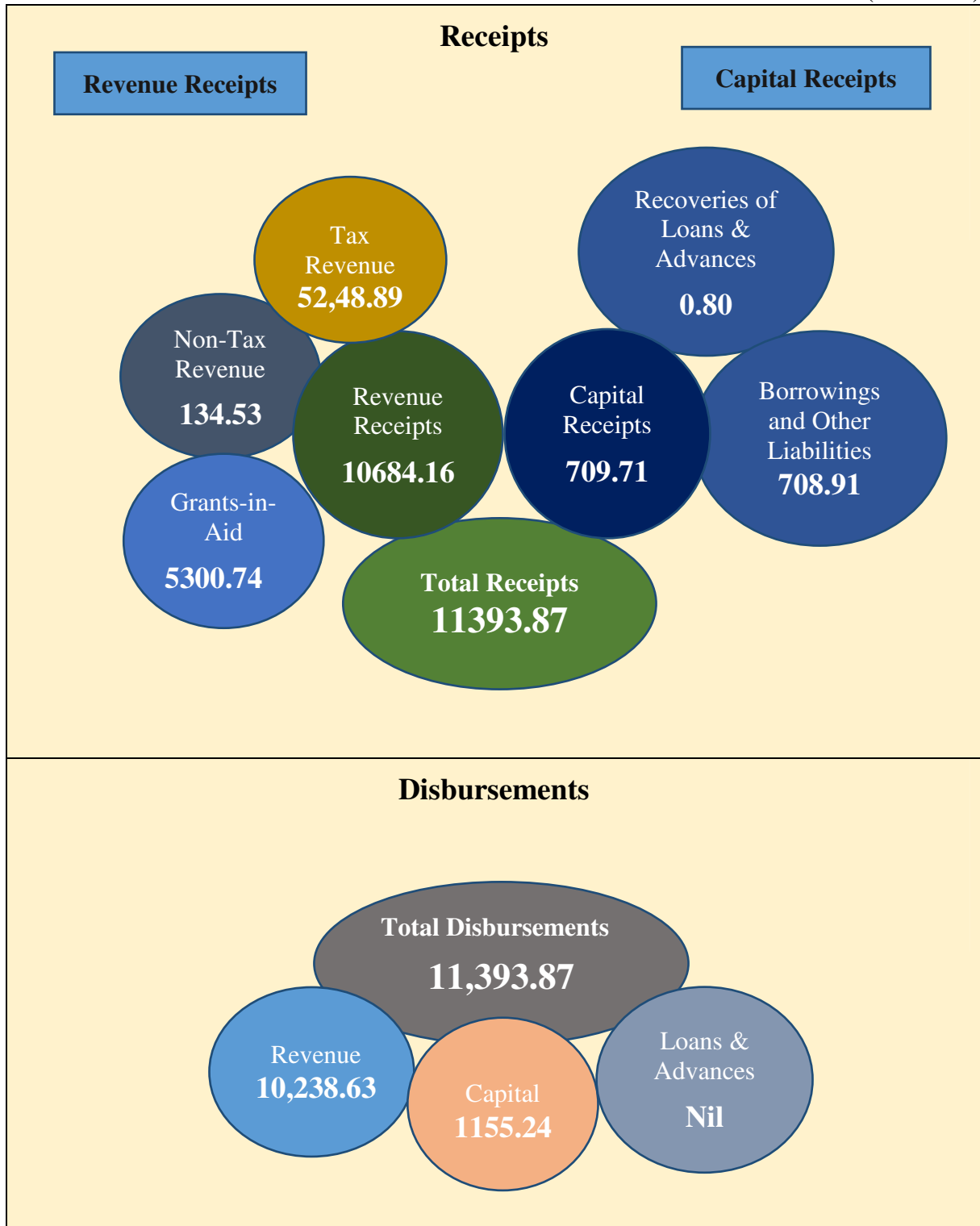
(₹ in crore)

Sl. No.	Particulars	B.E	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GSDP#
1	Tax Revenue	6,395.76	5,248.89	82.07	17.42
2	Non-Tax Revenue	282.78	134.53	47.57	0.45
3	Grants-in-aid & Contributions	6,478.86	5,300.74	81.82	17.59
4	Revenue Receipts (1+2+3)	13,157.40	10,684.16	81.20	35.46
5	Recovery of Loans & Advances	3.80	0.80	21.05	0.00
6	Other Receipts
7	Borrowings & Other Liabilities	1,889.19	708.91	37.52	2.35
8	Capital Receipts (5+6+7)	1,892.99	709.71	37.49	2.36
9	Total Receipts (4+8)	15,050.29	11,393.87	75.71	37.81
10	Revenue Expenditure	12,780.72	10,238.63	80.11	33.98
11	Interest Payments out of 10	655.38	663.54	101.25	2.20
12	Capital Expenditure	2,266.67	1,155.24	50.97	3.83
13	Loans and Advances Disbursed	3.00
14	Total Expenditure (10+12+13)	15,050.39	11,393.87	75.70	37.81
15	Revenue Surplus (4-10)	376.68	445.53	120.93	1.51
16	Fiscal Deficit(-)/Surplus (+) (14)-(4+5+6)	(-),1,899.19	(-),708.91	37.33	2.35

GSDP of 2019-20 was ₹30,131.95 crore (Provisional estimate at current prices).

Receipt and disbursement in year 2019-20

(₹ 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 ₹3,796.01 crore (18.11 *per cent* of estimates) and over-estimation of ₹61.10 crore (80.82 *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 ₹4,486.88 crore was obtained and ₹5,105.04 crore was repaid during the year 2019-20.

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. ₹195 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2019-20 there was an overdraft of ₹423.18 crore for 56 days up to 31 March 2020.

1.4.3 Fund flow statement

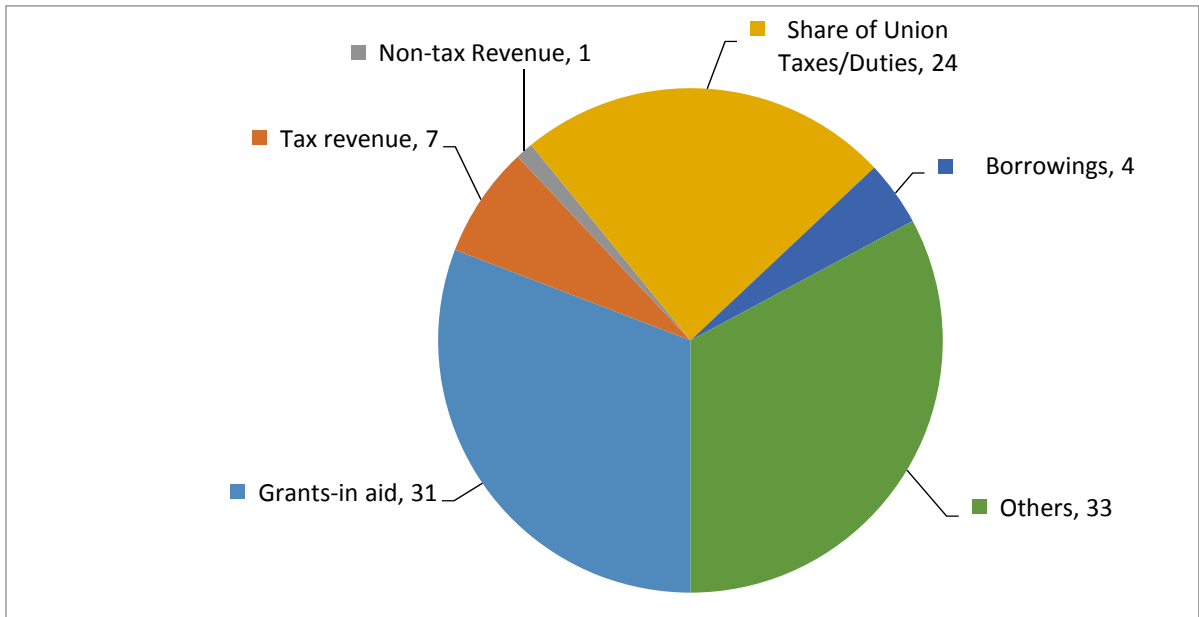
The State had a Revenue Surplus of ₹446 crore and a Fiscal Deficit of ₹709 crore as on 31 March 2020. The Fiscal Deficit was met from net Public Debt (₹542 crore) increase in Public Account (₹275 crore) and net increase of opening and closing cash balance (₹108 crore). Around 59.74 *per cent* of the revenue receipts (₹10,684 crore) of the State Government was spent on committed expenditure like salaries (₹3,967 crore), interest payments (₹664 crore), pensions (₹1,621 crore), subsidies (₹120 crore) and wages (₹11 crore).

Sources and Application of Funds		(₹ in crore)
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 1 April 2019	(-)-201
	Revenue Receipts	10684
	Capital Receipts	--
	Recovery of Loans and Advances	1
	Public Debt	6,314
	Small Savings, Provident Funds etc.	309
	Reserves Fund & Sinking Funds	433
	Deposits Received	372
	Civil Advances Repaid	61
	Suspense Account*	5557
	Remittances	1,021
	TOTAL	24,551
APPLICATION	Revenue Expenditure	10,239
	Capital Expenditure	1,155
	Loans Given	0
	Repayment of Public Debt	5,772
	Small Savings, Provident Funds etc.	324
	Reserves Fund & Sinking Funds	114
	Deposits Repaid	347
	Civil Advances Given	61
	Suspense Account**	5,613
	Remittances	1,019
	Closing Cash Balance as on 31 March 2020	-93
	TOTAL	24,551

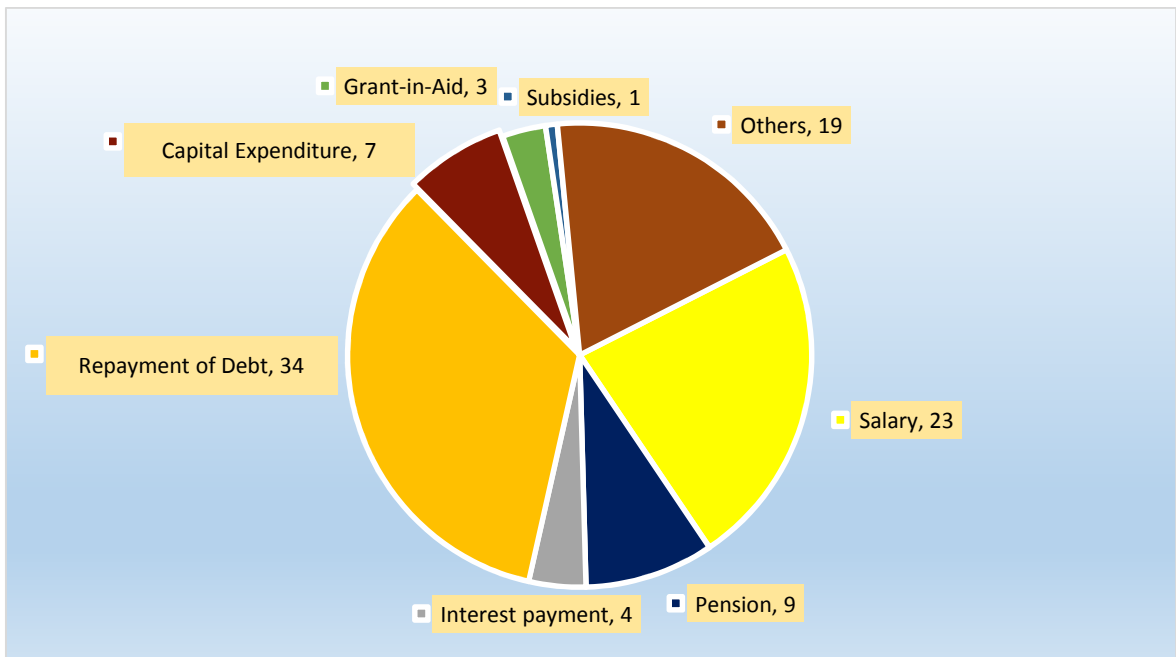
* Includes ₹5,414 crore on account of cash balances investment account.

** Includes ₹5,414 crore on account of cash balances investment account.

1.4.4 Where the Rupee came from (in percentage)



1.4.5 Where the Rupee went (in percentage)



1.5 Financial highlight of year 2019-20

(₹ in crore)

Sl. No.	Description	Budget Estimate 2019-20	Actuals 2019-20	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP#
1.	Tax Revenue (a)	6,395.76	5,248.89	82.06	17.42
2.	Non-Tax Revenue	282.78	134.53	47.57	0.45
3.	Grants-in-aid & Contributions	6,478.86	5,300.74	81.82	17.59
4.	Revenue Receipts (1+2+3)	13,157.40	10,684.16	81.20	35.46
5.	Recovery of Loans & Advances	3.80	0.80	21.05	0.00
6.	Other Receipts	--	--	--	--
7.	Borrowings and other liabilities (b)	1,889.19	708.91	37.47	2.35
8.	Capital Receipts (5+6+7)	1,892.99	709.71	37.44	2.35
9.	Total Receipts (4+8)	15,050.29	11,393.87	75.70	37.81
10.	Revenue Expenditure	12,780.72	10,238.63	80.11	33.98
11.	Interest payment out of 10	655.38	663.54	101.25	2.20
12.	Capital Expenditure	2,266.67	1,155.24	50.92	3.83
13.	Total Expenditure(10+12)	15,050.39	11,393.87	75.70	37.81
14.	Revenue Surplus (4-10)	376.68	445.53	120.93	1.51
15.	Fiscal Deficit (-) Surplus (+) (13)-(4+5+6)	(-),1,899.19	(-),708.91	37.33	2.35

(a) Includes share of net (tax) proceed assigned to the State amounting to ₹4,047 crore. (State Government Own Tax receipts were ₹1,201 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 (₹30,131.95 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 2019-20 revenue surplus of ₹446 crore (₹813 crore surplus in 2018-19) and fiscal deficit of ₹709 crore (₹917 crore deficit in 2018-19) represent 1.48 per cent and 2.35 per cent of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 6 per cent of total expenditure.

What do 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 receipt 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 and ideally should be invested in capital projects.

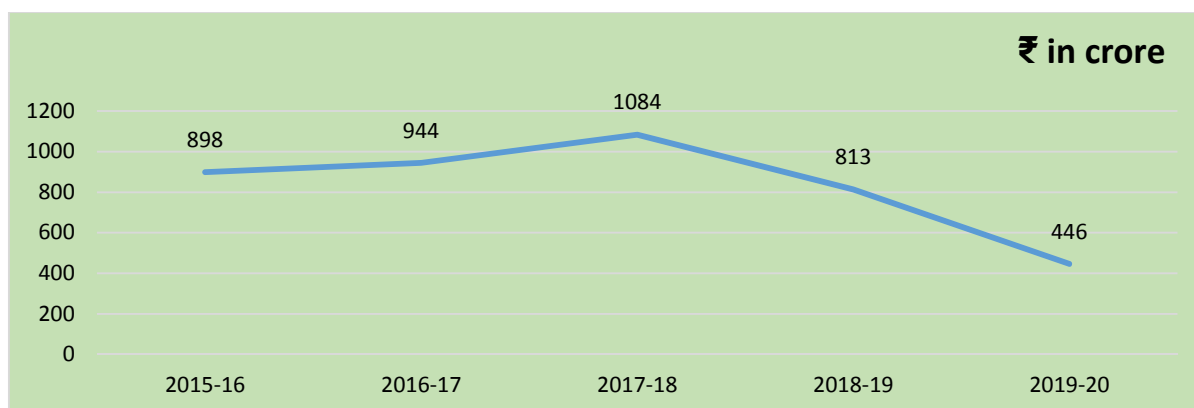
1.6 Fiscal Responsibility and Budget Management (FRBM) Act. 2005

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 laid before the legislature along with the Annual Budget 2019-20. 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:

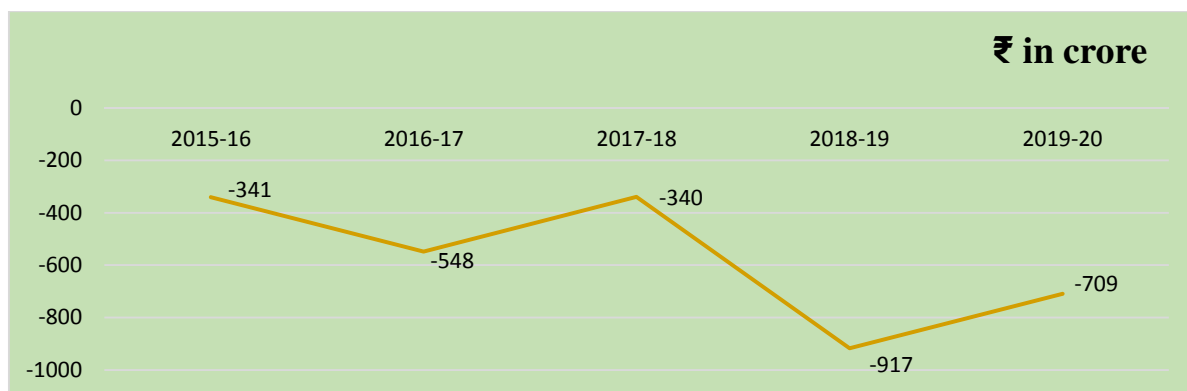
Sl. No.	Targets	Achievements
a.	Maintain Revenue Surplus as 2.57 per cent of Total Revenue Receipts.	The Revenue Surplus for 2019-20 was ₹446 crore, which is 4.17 per cent of Total Revenue Receipt.
b.	Maintain Fiscal Deficit below 6.59 per cent of the Gross State Domestic Product (GSDP) in financial year 2019-20.	There was Fiscal Deficit of ₹708.91 crore (2.35 per cent of Gross State Domestic Product*) for 2019-20.
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 2019 was ₹410.08 crore, which is less than thrice the State's Own Tax Revenue Receipts for the year 2017-18 (₹790.94 x 3 = ₹2,372.82 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 2019-20 (₹3,966.92 crore) to the Revenue Expenditure excluding interest payments and pensions for 2019-20 (₹8,282.15 crore) was 47.90 per cent.

* GSDP for 2019-20 (provisional estimates at current prices) as per the Department of Economics and Statistics, Government of Manipur was ₹30,131.95 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

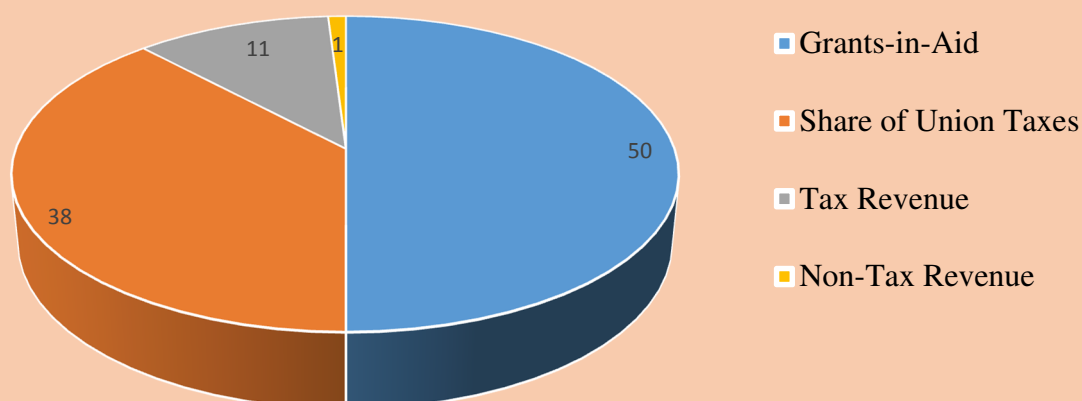
Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total receipts for 2019-20 was ₹11,393 crore.

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.

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, dividend, profits, departmental receipts etc.
Grants-in-aid	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.

Revenue Receipt (in percentage)



2.2.1 Revenue Receipts Components (2019-20)

(₹ in crore)

Components	Actuals
A. Tax Revenue	5,249
Good & Services Tax (GST)	2,001
Other Taxes on Income and Expenditure	2,490
Taxes on Property and Capital Transactions	21
Taxes on Commodities and Services	737
B. Non-Tax Revenue	134
Interest Receipts, Dividend and Profits	6
General Services	108
Social Services	8
Economic Services	12
C. Grants-in-aid & Contribution	5,301
Total –Revenue Receipts	10,684

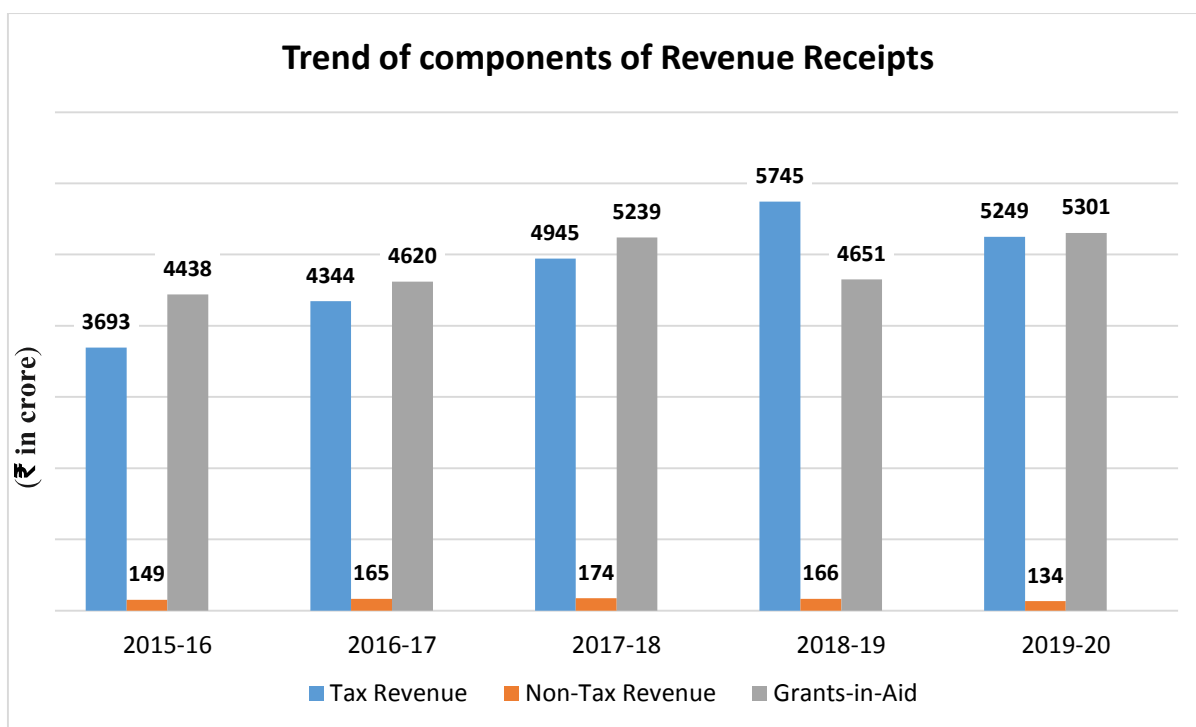
2.2.2 Trend of Revenue Receipts

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
Tax Revenue	3,693 (18%)	4,344 (19%)	4,945 (20%)	5,745 (22%)	5,249 (17%)
Non-Tax Revenue	149 (1%)	165 (1%)	174 (1%)	166 (0.65%)	134 (0.44%)
Grants-in-aid	4,438 (22%)	4,620 (20%)	5,239 (22%)	4,651 (18%)	5301 (18%)
Total Revenue Receipts	8,280 (41%)	9,129 (39%)	10,358 (43%)	10,562 (41%)	10,684 (35%)
GSDP	20,067.74	23,324.95	24,206.50	25,722.20	30,131.95

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

Though the GSDP increased by 17 per cent in 2019-20 compared to previous year, growth in revenue receipt was 1 per cent. The tax revenue decreased by 9 per cent, the non-tax revenue decreased by 19 per cent and the grants-in-aid increased by 14 per cent compared to previous year.

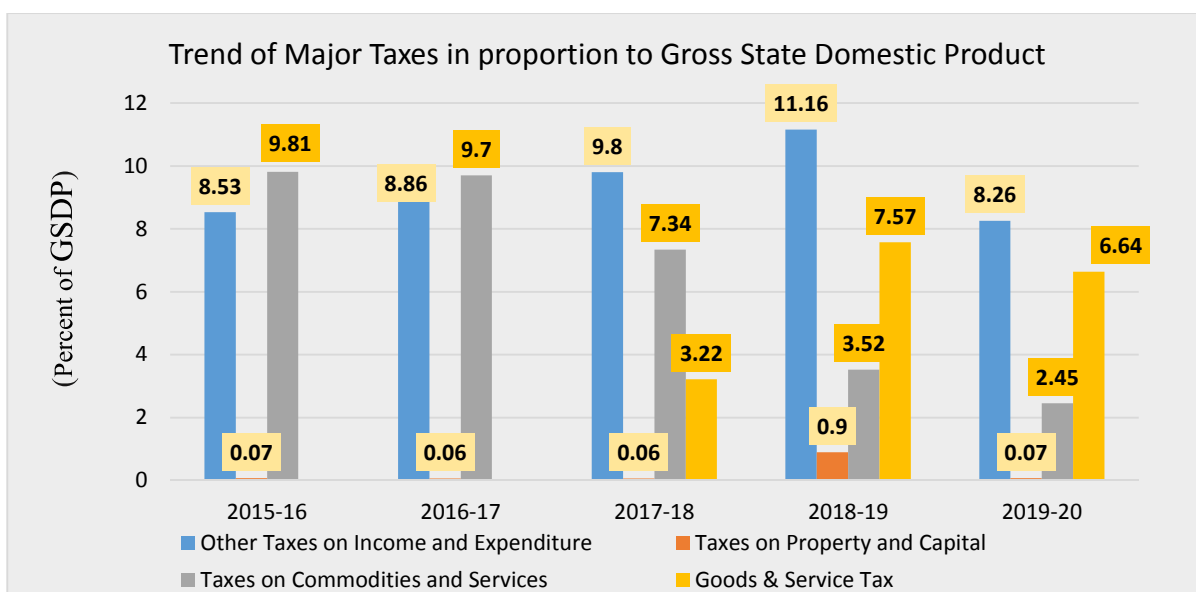


2.3 Tax Revenue

(₹ in crore)

Sector-wise Tax Revenue					
	2015-16	2016-17	2017-18	2018-19	2019-20
Goods & Service Tax (GST)	-	-	780	1,947	2,001
Other Taxes on Income and Expenditure	1,712	2,068	2,372	2,871	2,490
Taxes on Property and Capital Transaction	13	15	15	22	21
Taxes on Commodities and Services	1,968	2,261	1,778	905	737
Total Tax Revenue	3,692	4,344	4,945	5,745	5,249
GSDP	20,068	23,325	24,207	25,722	30,132

The decrease in total tax revenue during 2019-20 was mainly attributable to less collection under Cooperation Tax (₹1,380 crore) and Taxes on Income other than Corporation Tax (₹1,081 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
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
2019-20	5,249	4,048	1,201	3.99

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

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20
State's own Tax collection	551	587	791	1,046	1,201
Devolution of Union Taxes	3,142	3,757	4,154	4,699	4,048
Total Tax Revenue	3,693	4,344	4,945	5,745	5,249
Percentage of State's own Tax to Total Tax Revenue	15	14	16	18	23

The proportion of State's own tax collection in overall tax revenue has shown an increasing trend since 2015-16. During 2019-20, State's Own Tax Collection has been increased by 15 per cent as compared to 2018-19.

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

(₹ in crore)

Taxes	2015-16	2016-17	2017-18	2018-19	2019-20
1. Taxes on Sales, Trade etc.	467	500	386	253	235
2. State Excise	9	9	9	8	12
3 Taxes on Vehicles	23	25	36	40	48
4. Stamp and Registration fees	10	10	14	18	17
5. SGST	-	-	302	695	853
6. Land Revenue	3	2	1	3	4
7. Taxes on Goods and Passengers	1	1	1	1	1
8. Other Taxes	38	40	42	28	31
Total State's own Taxes	551	587	791	1,046	1,201

2.4 Efficiency of Tax Collection

(₹ in crore)

Taxes	2015-16	2016-17	2017-18	2018-19	2019-20
1. Taxes on Sales, Trade etc.					
Revenue collection	467	500	386	253	235
Expenditure on collection	4	5	8	6	6
Efficiency of Tax Collection	0.86%	1%	2.07%	2.37%	2.55%
2. State Excise					
Revenue collection	9	9	9	8	12
Expenditure on collection	2	2	2	2	2
Efficiency of Tax Collection	22.22%	22.22%	22.22%	25%	16.66%
3. Taxes on Vehicles, Goods and Passengers					
Revenue collection	24	26	37	41	49
Expenditure on collection	11	11	18	14	9
Efficiency of Tax Collection	45.83%	42.31%	48.65%	34.15%	18.36%
4. Stamp and Registration Fee					
Revenue collection	10	10	14	18	17
Expenditure on collection	3	2	4	7	4
Efficiency of Tax Collection	30%	205	28.57%	38.89%	23.52%

The expenditure on collection of Taxes on Vehicles, Goods and Passengers; and Taxes on Sale, Trade etc. was very high as compared to other taxes.

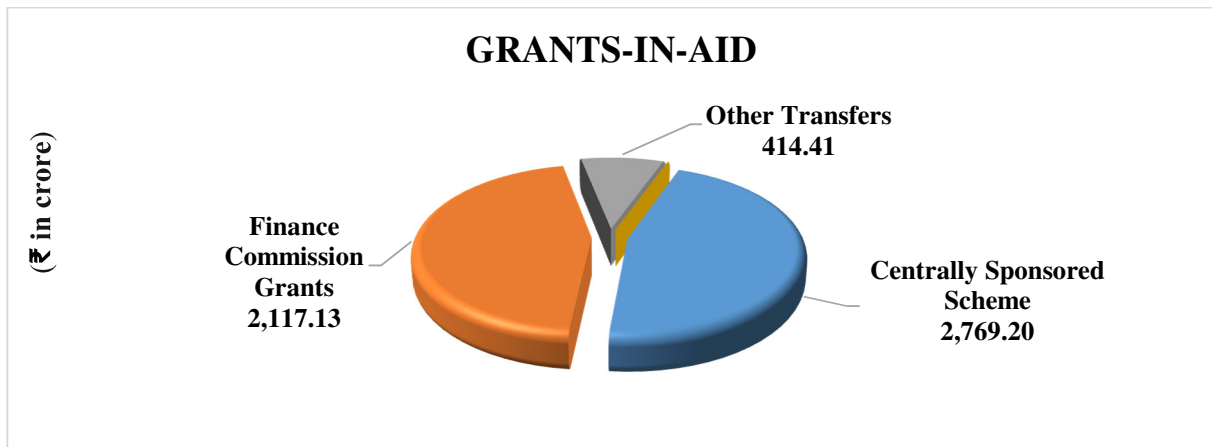
2.5 Trend in State's share of Union Taxes over the past five years

(₹ in crore)

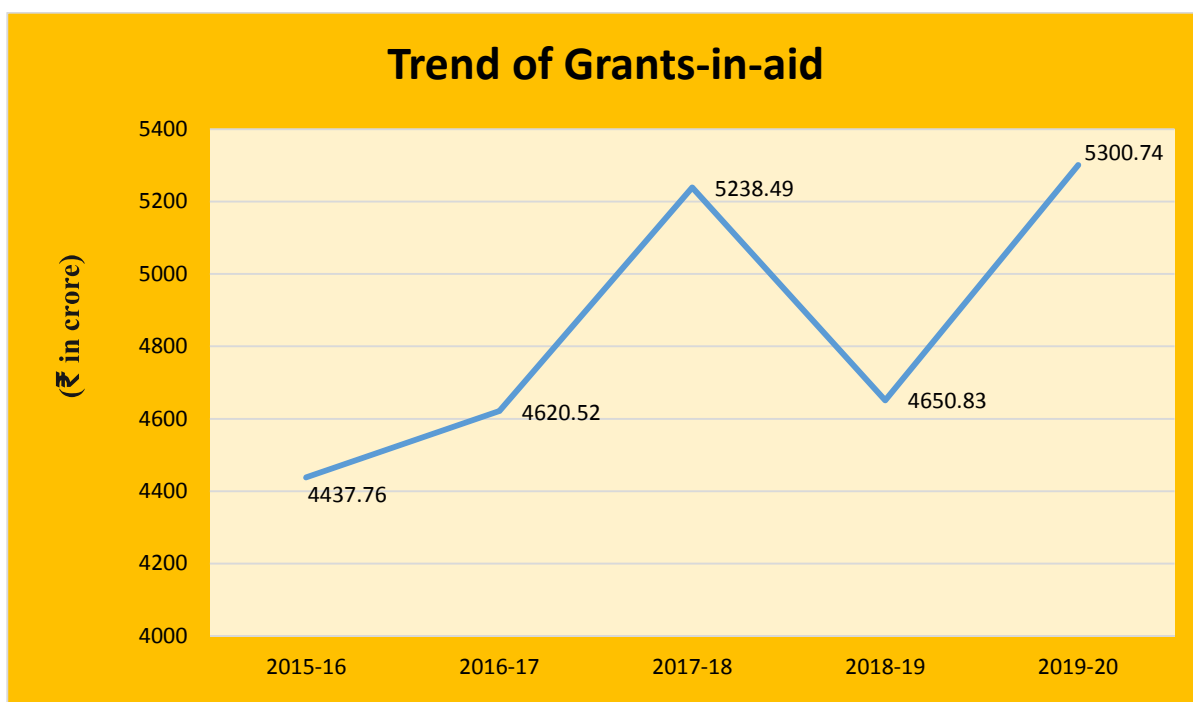
Description	2015-16	2016-17	2017-18	2018-19	2019-20
CGST	-	-	59.32	1,159.70	1,148.62
IGST	-	-	419.56	92.60	-
Corporation Tax	993.78	1,205.86	1,272.66	1,634.06	1,380.12
Taxes on Income other than Corporation Tax	694.88	838.08	1,074.66	1,203.42	1,081.42
Other taxes on Income & Expenditure	-	-	-	8.51	-
Taxes on Wealth	0.18	2.76	(-)0.04	0.60	0.07
Customs	501.73	518.71	419.40	333.08	256.57
Union Excise Duties	413.53	592.33	438.40	221.34	178.41
Service Tax	536.63	599.38	470.37	42.85	-
Other Taxes and Duties on Commodities and Services	1.69	0.01	-	2.43	2.56
State's share of Union Taxes/Duties	3,142.42	3,757.13	4,154.33	4,698.59	4,047.77
Total Tax Revenue	3,692.86	4,343.80	4,945.27	5,744.64	5,248.89
Percentage of Union Taxes to Total Tax Revenue	85.09	86.49	84.01	81.79	77.11

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 2019-20 under Grants -in-aid were ₹5,300.74 crore as shown below:



The total amount of Grants-in-Aid received by the State Government was increased by 13.97 per cent during 2019-20 as compared to 2018-19.



2.7 Public Debt

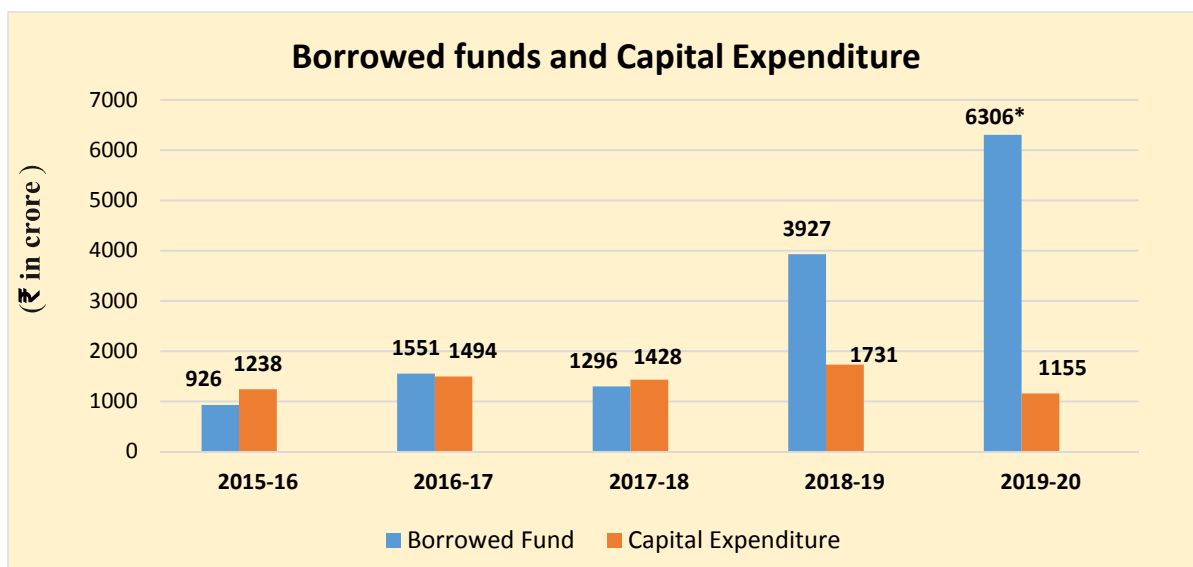
Trend of position of Public Debt (year end balances) over the past five years

(₹ in crore)

Description	2015-16	2016-17	2017-18	2018-19	2019-20
Internal Debt	4,464.52	4,898.92	5,554.42	6,425.84	7,004.00
Central Loans	395.04	366.96	331.83	287.77	251.64
Total	4,859.56	5,265.88	5,886.25	6,713.61	7,255.64

During the year 2019-20, out of ₹6,306 crore, seven loans of ₹1,758 crore were raised from the open market at interest rates varying from 6.90 per cent to 8.16 per cent and the same are redeemable during the period between 2029 and 2030. In addition, the State Government raised loan of ₹61 crore from the financial institutions. An amount of ₹4,487 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 2019-20 aggregated to ₹6,306 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 ₹2,52 crore which is 3.47 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 ₹4,487 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 less funds in capital account as compared to borrowed funds during the last one year.

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	2015-16	2016-17	2017-18	2018-19	2019-20
Budget Estimates	8,565	9,991	10,589	12,475	12,781
Actuals	7,383	8,185	9,274	9,760	10,239
Gap	1,182	1,807	1,315	2,715	2,542
Percentage of variation of Actuals against BE	14	18	12	22	25

Around 62 *per cent* of the total revenue expenditure was incurred on committed expenses viz. on Salaries (₹3,967 crore) and Wages(₹11 crore) (Interest payment (₹664 crore) and Pensions (₹1,582 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	2015-16	2016-17	2017-18	2019-20	2019-20
Total Revenue Expenditure	7,383	8,185	9,274	9,749	10,239
Committed Revenue Expenditure #	4,513	4,960	5,454	5,904	6,344
Percentage of Committed Revenue Expenditure to Total Revenue Expenditure	61	61	59	61	62
Uncommitted Revenue Expenditure	2,869	3,225	3,820	3,845	3,895

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

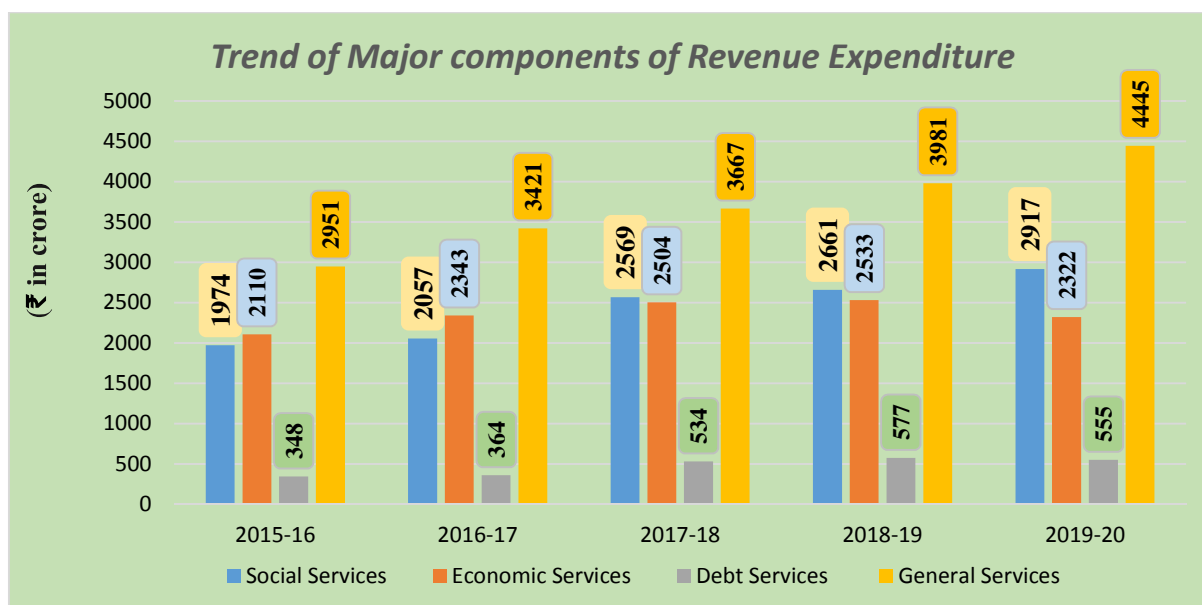
The total revenue expenditure increased by 39 per cent from ₹7,383 crore in 2015-16 to ₹10,239 crore in 2019-20 and Committed Revenue Expenditure increased by 41 per cent over the same period.

3.2.1 Sectoral distribution of Revenue Expenditure (2019-20)

(₹ in crore)

Components	Amount	Percentage
A. Organs of States	194	1.89
B. Fiscal Services	59	0.58
(i) Collection of Taxes on Property and Capital transaction	42	...
(ii) Collection of Taxes on Commodities and services	16	...
(iii) Other Fiscal Services	1	...
C. Interest Payments and Servicing of debt	664	6.48
D. Administrative Services	1,790	17.48
E. Pensions and Miscellaneous General Services	1,738	16.97
F. Social Services	2,917	28.48
G. Economic Services	2,322	22.67
H. Grants-in-aid (Compensation and Assignments to Local Bodies and Panchayati Raj Institutions)	555	5.42
Total Expenditure (Revenue Accounts)	10,239	100

3.2.2 Major components of Revenue Expenditure 2015-16 to 2019-20



3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital disbursements during 2019-20 amounting to ₹1,155 crore (4 per cent of GSDP) was less than Budget Estimate by ₹1,112 crore. The growth in Capital expenditure has not kept pace with the steady growth of GSDP since 2015-16 onwards to 2018-19. This can be seen from the table below:

(₹ in crore)

Sl. No.	Components	2015-16	2016-17	2017-18	2018-19	2019-20
1	Budget (B.E.)	2,110	3,835	3,150	4,678	2,267
2	Actual Expenditure (#)	1,686	2,639	2,107	4,830	1,195
3	Percentage of Actual Exp. to B.E.	80	69	67	103	53
4	Yearly growth in Capital Expenditure	5%	57%	(-)20%	129%	(-)75%
5	GSDP	20,068	23,325	24,207	25,722	30,132
6	Yearly growth in GSDP	24%	16%	4%	6%	17%

(#) 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 2019-20, the Government spent ₹98 crore on various Irrigation Projects (₹28 crore on Minor Irrigation and ₹70 crore on Major Irrigation). Apart from above, the Government spent ₹252 crore on construction of roads and bridges and invested ₹7.80 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		2015-16	2016-17	2017-18	2018-19	2019-20
(A)	General Services	Capital	165	96	106	112	46
		Revenue	2,941	3,421	3,667	3,981	4,445
(B)	Social Services	Capital	386	413	664	753	570
		Revenue	1,974	2,057	2,569	2,661	2,917
(C)	Economic Service	Capital	687	985	658	866	539
		Revenue	2,110	2,343	2,504	2,533	2,322
(D)	Grants-in-aid and Contribution*	Capital	-	-	-		-
		Revenue	348	364	534	574	555

Chapter IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2019-20

(₹ in crore)

Sl. No.	Nature of Expenditure	Original grant	Supplementary grant	Surrender (by way of Reappropriation)	Total Budget	Actual Expenditure (Net)	Savings(-) Excesses(+)
1.	Revenue						
	Voted	12,086	1,342	968	12,460	9,545	(-)2,915
	Charged	695	5	143	557	694	(+)137
2.	Capital						
	Voted	2,267	839	376	2,730	1,155	(-)1,575
3.	Public Debt						
	Voted					31	(+)31
	Charged					3,862	(+)3,862
4.	Loans and Advances						
	Voted	3	-	2	1	-	(-)1
	Charged	991	2,659	23	3,627	5,772	(+)2,145
	Total						
	Voted	14,356	2,181	1,346	15,191	10,731	(-)4,460
	Charged	1,686	2,664	166	4,184	10,328	(+)6,144

4.2 Trend of Saving / Excess during the past five years

(₹ in crore)

Year	Savings(-)Excess(+)				Total
	Revenue	Capital	Public Debt	Loan & Advances	
2015-16	(-)1,803	(-)1,102	(-)91	(-)2	(-)2,998
2016-17	(-)1,776	(-)1,105	(-)91	(-)2	(-)2,974
2017-18	(-)1,126	(-)1,124	(+)358	(-)9	(-)1,901
2018-19	(-)2,544	(-)1,360	(+)1,730	(-)2	(+)2,176
2019-20	(-)2,778	(-)1,575	(+)3,893	(+)2,144	(+)1,684

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	2015-16	2016-17	2017-18	2018-19	2019-20
8	Public Works Department	198.89	257.16	556.16	445.50	531.78
10	Education	259.71	244.84	202.83	154.29	545.76
17	Agriculture	72.96	111.43	88.24	180.51	161.09
20	Community and Rural Development	52.00	335.80	146.67	897.02	852.45
30	General Economic Services and Planning	332.62	504.99	264.60	282.22	211.46
36	Minor Irrigation	13.23	78.31	105.68	95.81	200.94
40	Water Resources	137.68	126.81	299.38	179.64	332.40
44	Social Welfare Department	154.31	116.55	128.55	159.05	274.22

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 2019-20 Supplementary grants totalling ₹4,845 crore (43 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
7	2055-Police 109- District Police 32- Tamenglong District	Revenue	52.75	9.47	37.70
7	2055- Police 109- District Police 32-Imphal East Disterict	Revenue	105.92	26.55	101.56
8	4552-Capital Outlay on North Eastern Area 13-Roads 337-Road works 04-Bishnupur Nungba Road	Capital	19.92	17.02	10.10

10	2202-General Education 01- Elementary Education 111- Sarva Shiksha Abhiyan 82 – Sarva Shiksha Abhiyan (Central Share)	Revenue	230.00	90.00	165.06
15	2408-Food Storage and Ware Housing 01-Food 101-Procurement and Supply. 10-Central Assistance to State under NFSA	Revenue	20.41	1.15	5.85
18	2403-Animal Husbandry 001-Direction & Administration 05- Execution	Revenue	11.25	0.50	3.81
18	2403-Animal Husbandry 101-Veterinary Services and Animal Health. 04- District/Sub-Divisional Veterinary Hospital and Dispensaries	Revenue	27.84	0.90	14.46
18	2403-Animal Husbandry 001-Direction & Administration 05- Execution	Revenue	7.35	0.05	4.95
25	2204- Sports and Youth Services 01- Direction & Administrations 04- Promotion of Games in Schools	Revenue	17.67	9.48	14.91
26	2014-Administration of Justice 105- Civil and Session Courts 19- District Sessions Court, Thoubal	Revenue	2.56	0.36	1.76

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	Total	Actual Expenditure
5	2071-Pension and Other retirement benefits 01- Civil 117- Govt. Contribution for defined Contribution Pension Scheme 01- Government Contribution	Revenue	100.00	57.91	157.91	180.555
10	2202- General Education 03-University and Higher Education. 103-Govt. Colleges and Institution 11-Govt. Colleges and Institution	Revenue	204.77	11.33	216.10	218.53
10	4202-Capital Outlay on Education, Sports, Arts and Culture 01- General Education 800-Other Expenditure 46-School Fagathansi Programme	Capital	17.50	16.90	34.40	35.00
11	2210-Medical and Public Health 03-Rural Health Services- Allopathy 104-Community Health Centre 29- Rural Hospitals	Revenue	9.39	0.81	10.20	10.58
22	4215- Capital Outlay on Water Supply and Sanitation 02- Sewarage and Sanitation 102- Rural Sanitation Services 01- Swachh Bharat Mission (Gramin)(Central Share)	Capital	16.00	2.29	18.29	55.62

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			3.47	3.47
9	2200-Information and Publicity 60- Others 103-Press information Services 11- Financial Assistance to All Manipur Working Journalism Union (AMWJU)	Revenue			9.46	9.46
10	2202-General Education 03-University and Higher Education 107-Scholarship 68-Chief Ministers Scholarship Scheme for Civil Service Aspirants	Revenue			1.06	1.06
11	2552-North Eastern Areas 18- Public Health 112-Public Health Education 01- Construction of Nursing School with Hostel at Phungre, Ukhrul	Revenue			3.00	3.00
11	2210-Medical and Public Health 05-Medical Education, Training & Research 200- Other Systems 15-Establishmet of State Institute of Para- Medical Allied Sciences at JNIMS (Central)	Revenue			6.17	6.17

11	2210-Medical &Public Health 06- Public Health 800-Other Expenditure 24- State Share of Pradhan Mantri Jan Yojana (Ayushman Bharat)	Revenue				2.51	2.51
11	4210-Capital Outlay on Medical & Public Health 04-Public Health 107-Public Health Laboratories 01-Strengthening of State Drug Regulatory System	Capital				5.87	3.25
13	2230-Labour and Employment 03-Training 800- Other Expenditure 03-Skill Strengthening for Industrial value Enhancement (STRIVE)	Revenue				0.92	0.92
14	2225-Welfare of SC, ST, OBC and Minorities 02-Welfare of Scheduled Tribes 800-Other Expenditure 05-Maram Primitive Tribe Project	Revenue				1.65	1.32
14	3604-Compensation and Assignment to Local Bodies and Panchayat Raj Institutions 200- Other Miscellaneous Compensation and Assignment 14- Construction of Model Primary School Buildings (NLCPR)	Revenue				0.15	0.15
14	2225-Welfare of Schedule Castes, Schedule Tribes, Other Backward Classes and Minorities 277-Education 09-Research and Training	Revenue				7.59	1.64
18	4552- Capital Outlay on North Eastern Areas 16-Veterinary and Animal Husbandry 103-Poultry Development 01-Establishment of Poultry Breeding Farm at Ningthoukhong					4.24	0.54

21	2851-Village and Small Industries 103-Handloom Industries 97-Manipur Textiles Processing Institute	Revenue			0.23	0.22
22	4215- Capital Outlay on Water Supply and Sanitation 02- Sewerage & Sanitation 102- Rural Sanitation Services 34- Water Supply Scheme	Capital			2.48	2.48
22	4552- Capital Outlay on North Eastern Areas 10- Water Supply 102- Rural Water Supply 13- Water Supply at Laisoipat Yanapat and Awangsoi, Bishnupur District.	Capital			2.69	2.69
22	4552- Capital Outlay on North Eastern Areas 10- Water Supply 102- Rural Water Supply 13- Composite Water Supply Scheme at Tumukhong, Moirang Purel.	Capital			1.00	1.00

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 ₹214 crore at the end of the year of 2019-20. However, no dividend was received during the year. At the end of the year 2019-20, investments increased by rupees eight crore and dividend income was same as previous year.

Cash Balance with RBI stood at ₹(-)201.47 crore on 1 April 2019 and increased to ₹(-) 93.14 crore at the end of March 2020. In addition, Government had invested ₹5,414.50 crore and rediscounted ₹5,356.53 crore in 14 days Treasury Bills.

The position of investment during the year 2019-20 is depicted in the table given below:

(₹ in crore)

Cash Balance Investment in Government of India Treasury Bills			
Balance as on 1 April 2019	Purchases during 2019-20	Sales during 2019-20	Closing balance on 31 March 2020
...	5,414.50	5,356.53	57.97

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 ₹1,758 crore.

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

(₹ in crore)

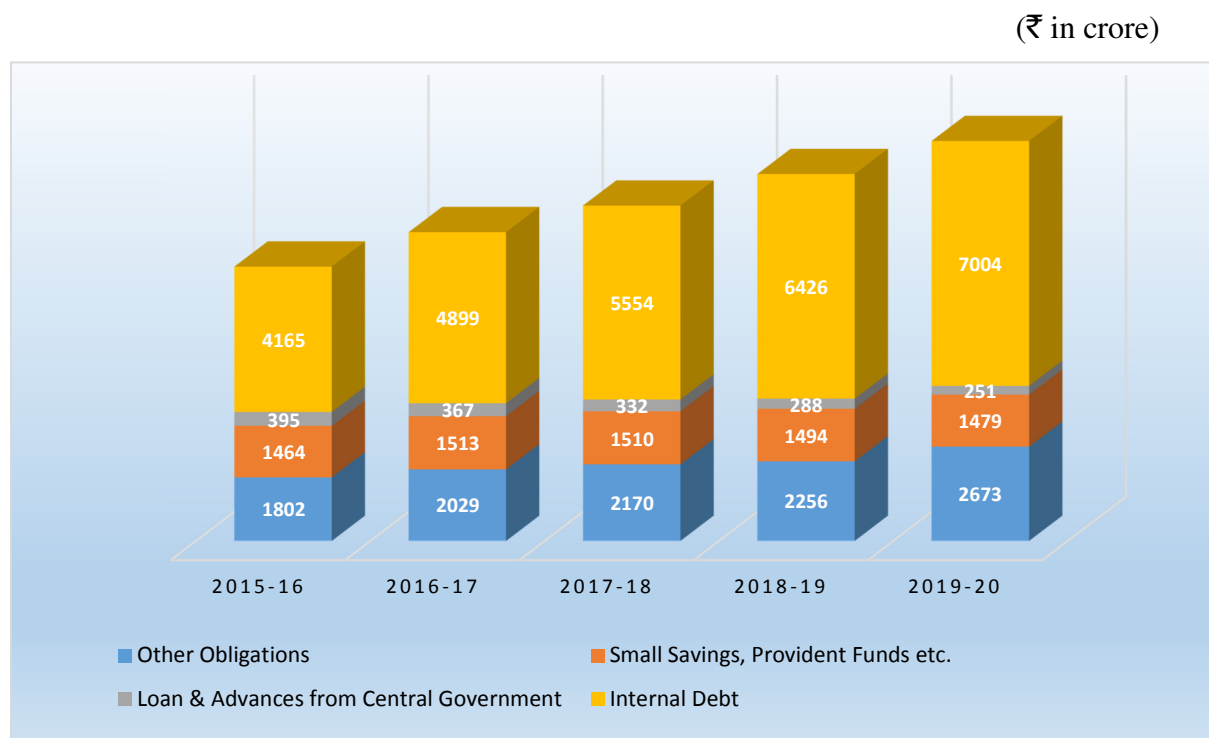
Year	Public Debt	Per cent of GSDP	Public Account*	Per cent of GSDP	Total Liabilities	Per cent of GSDP
2015-16	4,860	25	3,265	12	8,125	37
2016-17	5,266	26	3,542	12	8,808	38
2017-18	5,886	24	3,680	15	9,566	39
2018-19	6,714	26	3,750	15	10,464	41
2019-20	7,256	24	4,151	14	11,407	38

* Excludes suspense and remittance balances.

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

Public Debt and other liabilities showed a net increase of ₹944 crore (9 per cent) over the previous year.

Trend in Government Liabilities



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
2015-16	588	270	70
2016-17	588	345	56
2017-18	738	451	63
2018-19	738	410	65
2019-20	738	412	67

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 2020 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 2019-20 was ₹198 crore. No loans and advances to government corporation/companies, non-government institutions and local bodies was given during 2019-20. Recovery of principal aggregating to ₹198 crore was in arrears at the end of 31 March 2020. The information relating to recovery of interest in arrear was not made available by the State Government. During 2019-20 only ₹0.80 crore was received towards repayment of loans. 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 ₹2,051 crore in 2015-16 to ₹2,652 crore in 2019-20. Grants to Zilla Parishads and Panchayat Raj Institutions, Municipal Corporations and Municipalities (₹83 crore) represent 3 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	2015-16	2016-17	2017-18	2018-19	2019-20
1	Zilla Parishads & Panchayati Raj Institutions	37	46	63	58	38
2	Municipal Corporations & Municipalities	58	39	78	43	45
3	Universities & Educational Institutions	81	45	37	39	71
4	Development Authorities	706	775	885	869	676
5	Governments Companies	498	607	408	350	222
6	Other Institute	671	732	1,022	1,147	1,600
	Total	2,051	2,244	2,493	2,506	2,652

6.4 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2019	As on 31 March 2020	Net increase(+)/ decrease (-)
Cash Balances	(-)201	(-)93	(-)294
Investment from cash balance (GOI Treasury Bills)	--	--	--
Investment from earmarked fund balances	--	--	--
(a) Sinking Fund	--	--	--
(b) Guarantee Redemption Fund	--	--	--
Interest realized during the year	17	6	(-)11

State Government had a negative closing cash balance at the end of 31 March 2020. Interest receipt on the investment of cash balance has decreased by 64 *per cent* from ₹17.26 crore in 2018-19 to ₹6.19 crore in 2019-20.

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 2019-20, out of 81 Controlling Officers, 56 Controlling Officers reconciled fully, 5 Controlling Officers reconciled partially and 20 Controlling Officers did not reconcile at all.

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, 33 Forest Divisions, 25 Public Health (20) and Minor Irrigation Divisions (5) and Advices of the Reserve Bank of India. Delays in rendition of monthly accounts by the Accounts Rendering Units of the State Government ranged from one to 99 days in respect of District Treasuries and one to 128 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 1018 DCC bills amounting to ₹1,677 crore pertaining to the period 2003-20 were outstanding as on 31 March 2020. 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 2017-18	884	1,513.02
2018-19	63	82.74
2019-20	71	81.71
Total	1,018	1,677.47

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	2015-16		2016-17		2017-18		2018-19		2019-20	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
8658-Suspense Accounts										
101-PAO Suspense	73.11	1.16	93.70	1.05	100.95	1.04	121.39	24.00	138.96	34.88
Net	71.95 (Dr)		92.65 (Dr)		99.91 (Dr)		97.39(Dr)		104.08 (Dr)	
102-Suspense Accounts (Civil)	87.06	...	99.00	...	114.94	...	135.66	...	129.78	...
Net	87.06 (Dr)		99.00(Dr)		114.94 (Dr)		135.66 (Dr)		129.78 (Dr)	
107-Cash Settlement Suspense Accounts	52.68	...	47.19	...	47.19	...	47.19	...	47.19	...
Net	52.68 (Dr)		47.19 (Dr)		47.19 (Dr)		47.19 (Dr)		47.19 (Dr).	
110-Reserve Bank Suspense-Central Accounts Office	...	38.96	3.01	42.32	2.87	43.84	3.97	42.84	3.97	41.17
Net	38.90(Cr)		39.31 (Cr)		40.97 (Cr)		38.87 (Cr)		37.20 (Cr)	
111-Departmental Adjusting Account	3.90	...	3.90	...	3.90	...	3.90	...	3.90	...
Net	3.90(Dr)		3.90(Dr)		3.90 (Dr)		3.90(Dr)		3.90 (Dr)	
112-Tax Deducted at Source Office	...	20.58	...	25.76	...	25.46	...	25.93	...	28.62
Net	20.58(Cr)		25.76 (Cr)		25.46 (Cr)		25.93 (Cr)		28.62 (Cr)	
129-Material Purchase Settlement Suspense Account	...	3.17	...	3.17	...	3.17	...	3.17	...	3.17
Net	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 2017-18	4,569	5,512.85
2018-19	1,149	2,163.88
2019-20	1,167	2,322.54
Total	6,885	9,999.27

6.10 Commitments on account of Incomplete Capital works

A total expenditure of ₹12,46.04 crore as per Appendix IX in Volume II of the Finance Accounts was incurred up to the year 2019-20 by the State Government on various incomplete projects against an original estimated cost of ₹33,60.30 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 2019-20 were ₹705.24 crore and ₹592.23 crore respectively, resulting in a shortfall of ₹113.01 crore not matched by the Government. During 2019-20, the State Government has deposited ₹321.58 crore (employees' contribution: ₹141.03 crore plus employer's share: ₹180.55 crore). The State Government has transferred only ₹250.70 crore to NSDL during the year 2019-20.

As regards transfer of Pension Contribution to NSDL, out of total collection of ₹1,297.47 crore upto 31 March 2020 the State Government had transferred only ₹1,089.69 crore NSDL, and thus there was short transfer to NSDL of ₹206.62 crore (excluding payment of ₹1.16 crore to retired/deceased employees) as on 31 March 2020. 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.

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 2019-20, the State Government did not open any PD accounts. There was, however, unspent balances of ₹3.13 crore up to 2019-20 which includes earlier years' balance of ₹2.94 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	2.94	-	0.19	-	-	2	3.13

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 ₹214.12 crore as on 31 March, 2020 against which no amount was received as dividend/interest. During the year 2019-20, the State Government had invested ₹7.80 crore in four 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 2020 as compared to the total expenditure during 2019-20 is as under:

(₹ in crore)

Expenditure incurred during			Total Expenditure	Percentage of total expenditure incurred during		
January to March 2020	March 2020	Last three days of March 2020		Jan to March 2020	March 2020	Last three days of March 2020
3,441.57	1,804.97	519.29	11,393.87	30.21	15.84	4.56

Out of the total expenditure of ₹11,393.87 crore incurred under Revenue and Capital Heads during the year 2019-20, the expenditure during March 2020 alone was ₹1,804.97 crores (15.84 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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