



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth and Public Interest



सत्यमेव जयते

ACCOUNTS AT A GLANCE

for the year
2020-21

GOVERNMENT OF MIZORAM



**Accounts At A Glance
for the year 2020-21**

**Principal Accountant General,
Mizoram (Accounts Wing)**

GOVERNMENT OF MIZORAM

Preface

I am happy to present the Twenty second issue of our annual publication, the 'Accounts At A Glance' for the year 2020-21, 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 (Accounts Wing) 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 readers' feedback that would help us in improving the publication.

Place : Aizawl
Date : 25 February 2022


(L. Hangsing)
Principal Accountant General,
Mizoram

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 reorganized for independent, credible, balanced and timely reporting on public finance and governance.

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.

MISSION

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

CORE VALUES

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

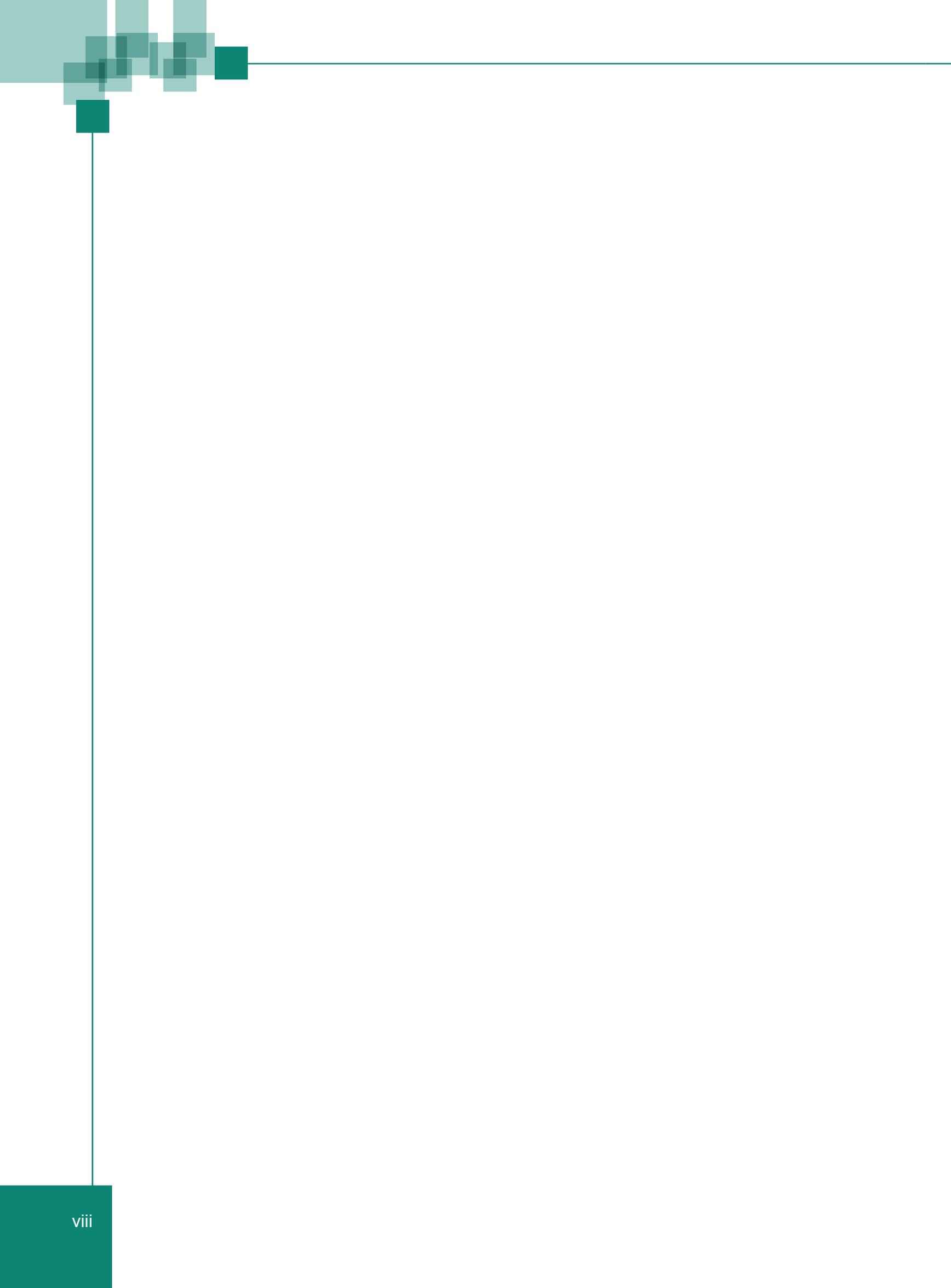
- Independence
- Objectivity
- Integrity
- Reliability
- Professional Excellence
- Transparency
- Positive Approach

Table of Contents

		Page No.
Chapter I	Overview	
1.1	Introduction	1
1.2	Structure of Government Accounts	2
1.2.1	Government Accounts are kept in three parts	2
1.2.2	Compilation of Accounts	3
1.3	Finance Accounts and Appropriation Accounts	4
1.3.1	Finance Accounts	4
1.3.2	Financial Highlights of Accounts 2020-21	4-5
1.3.3	Appropriation Accounts	6
1.3.4	Efficiency on Budget Preparation	6
1.4	Sources and Application of Funds	6
1.4.1	Ways and Means Advances	6
1.4.2	Overdraft from the Reserve Bank of India	6
1.4.3	Fund Flow Statement	6-7
1.4.4	Where the ₹ came from?	8
1.4.5	Where the ₹ went?	8-9
1.5	Disclosure under FRBM Act	9-10
1.5.1	Trend of Revenue Deficit/Surplus	10
1.5.2	Trend of Fiscal Deficit/Surplus	11
1.5.3	Proportion of Borrowed Funds and Capital Expenditure	11-12
Chapter II	Receipts	
2.1	Introduction	13
2.2	Revenue Receipts	13-14
2.2.1	Revenue Receipts Components (2020-21)	14
2.2.2	Trend of Revenue Receipts	14-15
2.3	Tax Revenue	15-16
2.3.1	State's Own Tax and State's Share of Union Taxes	16-17
2.3.2	Trends in State's Own Tax Collection over the past five years	17
2.4	Cost of Tax Collection	18
2.5	Trend in State's Share of Union Taxes over the past five years	18
2.6	Grants-in-Aid	19
2.7	Public Debt	20

Chapter III	Expenditure	
3.1	Introduction	21
3.2	Revenue Expenditure	21-22
3.2.1	Sectoral distribution of Revenue Expenditure (2020-21)	23
3.2.2	Major Components of Revenue Expenditure 2016-17 to 2020-21	24
3.3	Capital Expenditure	24-25
3.3.1	Sectoral distribution of Capital Expenditure	25
3.3.2	Sectoral distribution of Capital Expenditure over the past five years	25-26
3.3.3	Sectoral distribution of Capital and Revenue Expenditure	26
3.4	Committed Expenditure	27
Chapter IV	Appropriation Accounts	
4.1	Summary of Appropriation Accounts for 2020-21	28
4.2	Trend of Savings/Excess during the past five years	28
4.3	Significant Savings	29-32
Chapter V	Assets and Liabilities	
5.1	Assets	33
5.2	Debt and Liabilities	34
5.3	Guarantees	35-36
Chapter VI	Other Items	
6.1	Adverse Balances under Internal Debt	37
6.2	Loans and Advances given by the State Government	37
6.3	Financial Assistance to Local Bodies and Others	37-38
6.4	Cash Balances and Investment of Cash Balance	39
6.5	Reconciliation of Accounts	39
6.6	Submission of Accounts by Accounts Rendering Units	39
6.7	Unadjusted Abstract Contingent Bills	39-40
6.8	Liabilities towards Retirement Benefits	40
6.9	Status of Suspense and Remittances Balances	40-41
6.10	Status of Outstanding Utilization Certificates	41
6.11	Incomplete Projects aged five years and more	41
6.12	National Pension System	42
6.13	Transfer of Funds to Personal Deposit Accounts	42
6.14	Investment	42
6.15	Rush of Expenditure	43
6.16	Reserve Funds	44
6.16(A)	Reserve Funds Bearing Interest	44
6.16 (A) (a)	State Disaster Response Fund (SDRF)	44
6.16 (A)(b)	State Compensatory Afforestation Fund	44-45

Chapter VI	Other Items	Page No.
6.16 (B)	Reserve Funds not Bearing Interest	45
6.16 (B)(a)	Consolidated Sinking Fund	45
6.16 (B) (b)	Guarantee Redemption Fund	45-46
6.16 (C)	In-operative Reserve Funds	46
6.17	Contingency Fund	46
6.18	Unspent amount lying in the Bank Accounts of Drawing and Disbursing Officers	47
6.19	Building and Other Construction Workers Welfare Cess	47
6.20	Booking under Minor Head "800 Other Expenditure and Other Receipts"	47-48
6.21	Goods and Services Tax (GST)	49
6.22	Cash Balance	49
6.23	Central Road Fund	49
6.24	Expenditure on Ecology and Environment	50-51
6.25	Opening of New Sub-Heads/Detailed Heads of Accounts without advice	52
6.26	Interest Adjustment	52
6.27	Restructuring of Centrally Sponsored Schemes (CSS)/Additional Central Assistance (ACA) excluding Block Grants	52-53
6.28	Disclosure in accordance with Indian Government Accounting Standards (IGAS)	53
6.29	Direct transfer of Central Scheme Funds to Implementing Agencies in the State (Funds routed outside State Budget)	53-54
6.30	Committed Liabilities	54
6.31	Transfer of Funds to various Implementing Agencies	54
6.32	Impact on Revenue Deficit and Fiscal Deficit	54-55



Chapter I

Overview

1.1 Introduction

The Principal Accountant General (PAG) (Accounts Wing), Mizoram collates, classifies, compiles the accounts data rendered by multiple agencies, and prepares the Accounts of the Government of Mizoram. The compilation is done from the initial accounts rendered by the ten District Treasuries, 34 Forest Divisions, 53 Public Works Divisions, four Irrigation Divisions, 17 Public Health Engineering Divisions, six Mizoram Houses and advices of Reserve Bank of India. Every month, a Monthly Civil Accounts is presented by the Office of the PAG (Accounts Wing) to the Government of Mizoram. The Office of the PAG (Accounts Wing) also submits a quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The PAG (Accounts Wing) also prepares, annually, the Finance Accounts and the Appropriation Accounts, which are placed before the State Legislature after audit by the Principal Accountant General (Audit Wing), Mizoram 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:

Diagram 1: Structure of Government Accounts

● Part 1 CONSOLIDATED FUND

All revenue received by the Government including tax and non-tax revenues, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund.

All expenditure and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon), are met from this Fund.

The Contingency Fund is in the nature of an imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund.

The corpus of this Fund for the Government of Mizoram is ₹ 0.10 crore.

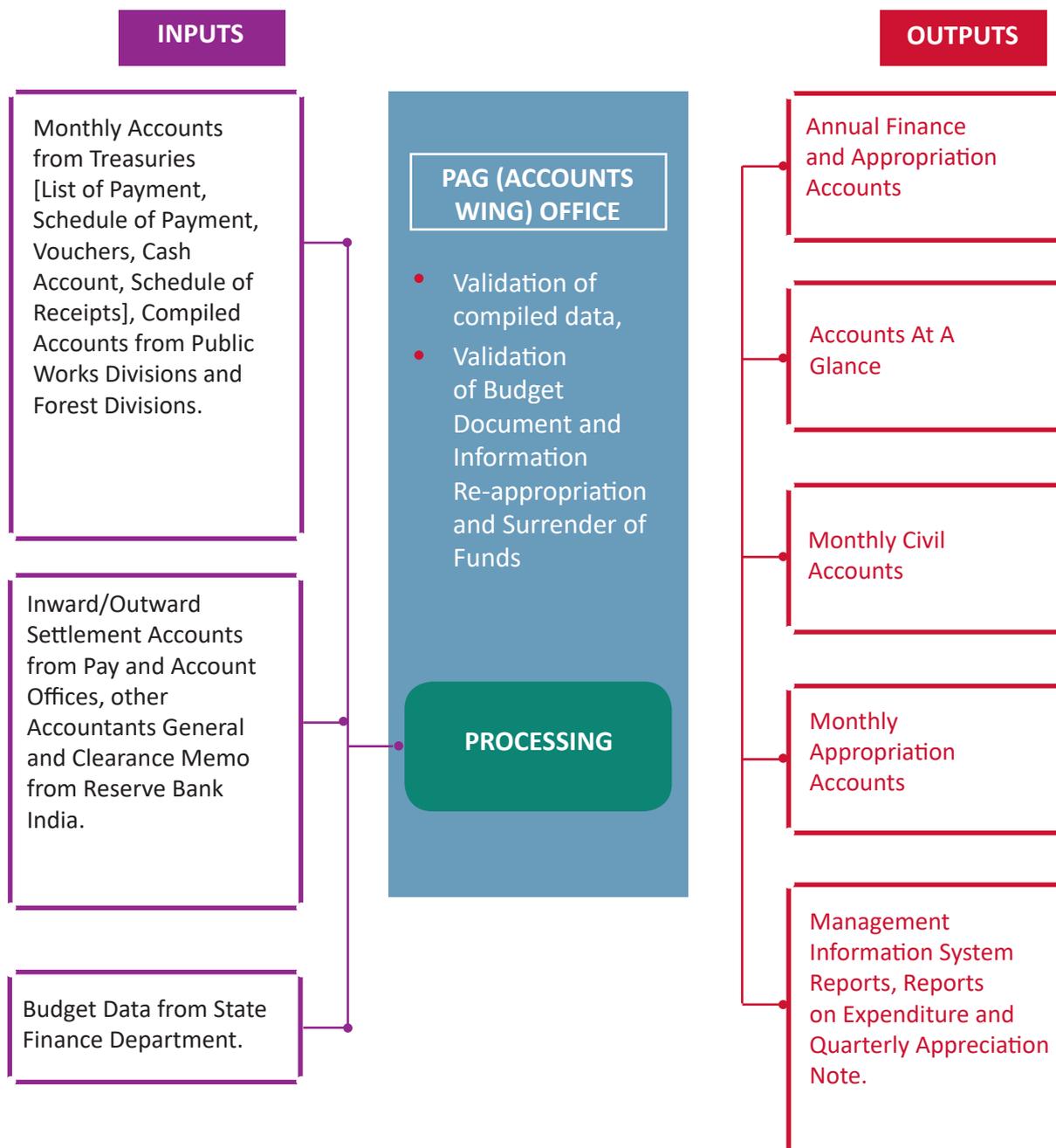
● Part 2 CONTINGENCY FUND

● Part 3 PUBLIC ACCOUNT

In Public Account, the transactions relating to Debt (Other than those included in Part I), 'Deposits', 'Advances' [in respect of which Government incurs a liability to pay the money received or has a claim to recover the amounts paid, together with the repayments of the former (Debt and Deposits) and recoveries of the latter (Advances)], 'Remittances' and 'Suspense' (embracing all merely adjusting heads under which shall appear such transactions as remittances of cash between treasuries and currency chest and transfer between different accounting circles) shall be recorded. The initial debits or credits of these heads will be cleared eventually by corresponding receipts or payments either within the same circle or in another account circle or by booking to the final heads of accounts.

1.2.2 Compilation of Accounts

Diagram 2: Flow diagram for Accounts Compilation



1.3 Finance Accounts and Appropriation Accounts

1.3.1 Finance Accounts

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

The Union Government transfers substantial funds directly to State Implementing Agencies/ Non-Governmental Organizations (NGOs) for implementation of various schemes and programmes. As per the PFMS Portal of the Controller General of Accounts (CGA), Government of India released ₹ 836.40 crore directly to the Implementing Agencies in Mizoram (Excluding Direct Release to Central Implementing Agencies). Since these funds are not routed through the State Budget, these are not reflected in the Accounts of the State Government. Details are at Appendix VI in Volume II of the Finance Accounts.

1.3.2 Financial Highlights of Accounts 2020-21

The following table provides the details of actual financial results vis-à-vis budget estimates for the year 2020-21:

Table 1: Highlights of Accounts

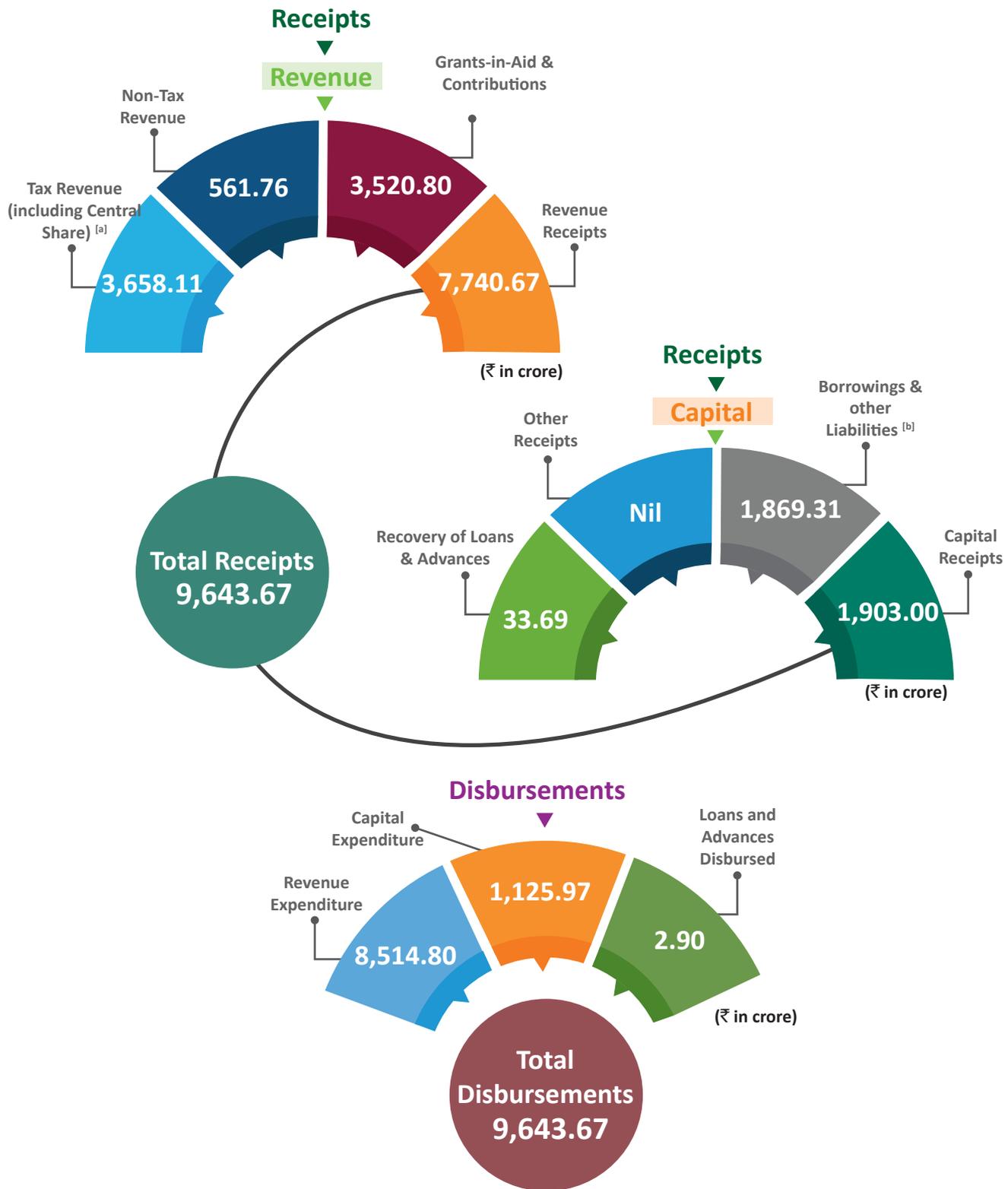
Sl. No.	Component	Budget Estimates (₹ in crore)	Actuals (₹ in crore)	Percentage of Actuals to B.E.	Percentage of Actuals to GSDP ⁽⁵⁾
1.	Tax Revenue (including Central Share) ^(a)	3,444.75	3,658.11	106.19	12.58
2.	Non-Tax Revenue	772.63	561.76	72.71	1.93
3.	Grants-in-Aid and Contributions	5,237.93	3,520.80	67.22	12.11
4.	Revenue Receipts (1+2+3)	9,455.31	7,740.67	81.87	26.62
5.	Recovery of Loans and Advances	41.16	33.69	81.85	0.12
6.	Other Receipts	...	...	...	...
7.	Borrowings & Other Liabilities ^(b)	2,175.79	1,869.31	85.91	6.43
8.	Capital Receipts (5+6+7)	2,216.95	1,903.00	85.84	6.54
9.	Total Receipts (4+8)	11,672.26	9,643.67	82.62	33.17
10.	Revenue Expenditure	10,253.93	8,514.80	83.04	29.28
11.	Expenditure on Interest Payments (Out of Revenue Expenditure)	370.53	400.99	108.22	1.38
12.	Capital Expenditure	1,415.23	1,125.97	79.56	3.87
13.	Loans and Advances Disbursed	3.10	2.90	93.55	0.01
14.	Total Expenditure (10+12+13)	11,672.26	9,643.67	82.62	33.17
15.	Revenue Surplus (+)/Deficit (-) (4-10)	(-)798.62	(-) 774.13	96.93	2.66
16.	Fiscal Deficit (-)/Surplus (+) (4+5+6-14)	(-)2,175.79	(-) 1,869.31	85.91	6.43

⁽⁵⁾ GSDP : Gross State Domestic Product for the year 2020-21 was ₹ 29,076.42 crore.

^(a) Includes share of net (tax) proceeds assigned to the State amounting to ₹ 3,010.55 crore.

^(b) 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.

Diagram 3: Receipts and Disbursements during 2020-21



^[a] Includes share of net (tax) proceeds assigned to the State amounting to ₹ 3,010.55 crore (State Government Own Tax receipts were ₹ 647.56 crore which was 2.23 per cent of GSDP).

^[b] 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.

1.3.3 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 Appropriation Accounts supplement the Finance Accounts. The budget of Mizoram has two Charged Appropriation, four charged Appropriation as well as Grants and 41 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 for the year 2020-21.

1.3.4 Efficiency on Budget Preparation

At the end of the year, the actual expenditure of the Government of Mizoram against the budget approved by the Legislature, showed a net saving of ₹ 2,556.79 crore (18.35 *per cent* of estimates) and over estimation of ₹ 66.73 crore (37.02 *per cent* of estimates) on reduction of expenditure. Certain Grants/Appropriation, like those relating to Legislative Assembly, Council of Minister, Law and Judicial, Vigilance, Land Revenue and Settlement, Excise and Narcotics, Taxation, Finance, Secretariat Administration, Personnel and Administrative Reforms, Planning and Programme Implementation, General Administration Department, Home, Food, Civil Supplies and Consumer Affairs, Printing and Stationery, Local Administration, School Education, Higher and Technical Education, Sports and Youth Services, Art and Culture, Medical and Public Health Services, Water Supply and Sanitation, Information and Public Relations, District Councils and Minority Affairs, Labour, Employment, Skill Development and Entrepreneurship, Social Welfare, Disaster Management and Rehabilitation, Agriculture, Horticulture, Land Resources, Soil and Water Conservation, Animal Husbandry and Veterinary, Fisheries, Environment, Forests and Climate Change, Co-operation, Rural Development, Power, Commerce and Industries, Sericulture, Transport, Public Works, Urban Development and Poverty Alleviation, Irrigation and Water Resources and Information and Communication Technology 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 maintain liquidity by making good the deficiency in the agreed minimum Cash Balance (₹ 0.20 crore) which the State Government is required to maintain with the Reserve Bank of India. During 2020-21, ₹ 1,220.14 crore was obtained as Ways and Means Advances from the Reserve Bank of India which was repaid during the year. The interest paid on the Ways and Means Advances during 2020-21 was ₹ 0.42 crore.

1.4.2 Overdraft from the Reserve Bank of India

Overdraft is taken from the Reserve Bank of India when the limit of minimum Cash Balance falls below *i.e.* ₹ 0.20 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2020-21, there was no overdraft of the State Government.

1.4.3 Fund Flow Statement

During 2020-21, the State had a Revenue Deficit of ₹ 774.13 crore and a Fiscal Deficit of ₹ 1,869.31 crore representing 2.66 *per cent* and 6.43 *per cent* respectively of the Gross State Domestic Product (GSDP). The Fiscal Deficit constituted 19.38 *per cent* of total expenditure. Around 67.24 *per cent* of the Revenue Receipts (₹ 7,740.67 crore) of the State Government was spent on committed expenditure like Salaries (₹ 3,118.39 crore), Interest Payments (₹ 400.99 crore), Pensions (₹ 1,482.72 crore), Subsidies (₹ 0.22 crore) and Wages (₹ 202.12 crore).

Table 2: Sources and Application of Funds

(₹ in crore)

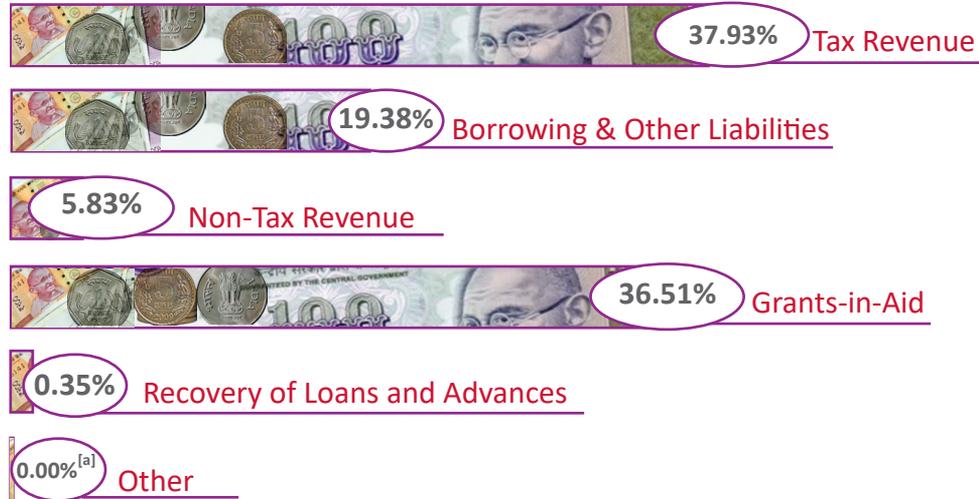
PARTICULARS	AMOUNT
Opening Cash Balance as on 01-04-2020	(-)30.50
Revenue Receipts	7,740.67
Capital Receipts	...
Recovery of Loans and Advances	33.69
Public Debt	2,611.32
Small Savings Provident Funds, etc.	717.61
Reserves and Sinking Funds	94.54
Deposits Received	1,540.32
Civil Advances Repaid	5.13
Suspense Account	9,268.15
Remittances	2,957.10
Contingency Fund	...
Total	24,938.03
Revenue Expenditure	8,514.80
Capital Expenditure	1,125.97
Loans Given	2.90
Repayment of Public Debt	1,617.89
Transfer to Contingency Fund	...
Small Savings Provident Funds, etc.	501.72
Reserves and Sinking Funds	87.61
Deposits Repaid	1,553.74
Civil Advances Given	15.06
Suspense Account	8,820.81
Remittances	2,820.88
Closing Cash Balance as on 31-03-2021	(-) 123.35
Total	24,938.03

SOURCES

APPLICATION

1.4.4 Where the ₹ came from?

Diagram 4: Actual Receipts



^[a] Nil

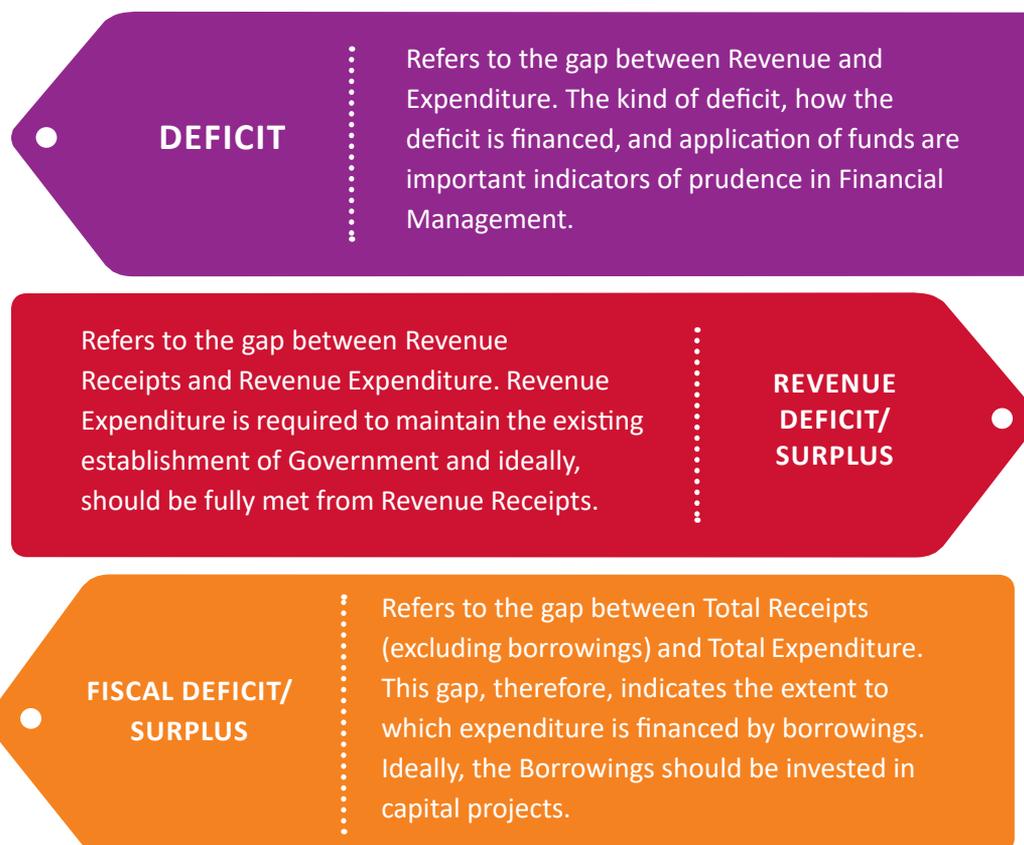
1.4.5 Where the ₹ went?

Diagram 5: Actual Expenditure



^[a] ₹0.002 crore only.

Diagram 6: What do the Deficits and Surpluses indicate?



1.5 Disclosure under FRBM Act

Disclosure under Mizoram Fiscal Responsibility and Budget Management (FRBM/MTFP) Act, 2006:

In terms of Section 5 (1) of the Mizoram Fiscal Responsibility and Budget Management (FRBM) Act 2006, the State Government shall in each financial year lay before House of the State Legislature the following statements of fiscal along with the annual budget, namely:

- (a) Medium Term Fiscal Policy Statement; and
- (b) Fiscal Policy Strategy Statement.

Medium Term Fiscal Policy Statement and Fiscal Strategy Statement for 2020-21 were laid before the 8th Mizoram Legislative Assembly on 19th February, 2020.

The targets mentioned in the Act and achievements in 2020-21 as depicted in the Accounts are as follows:

Table 3: Target and Achievements as per Accounts

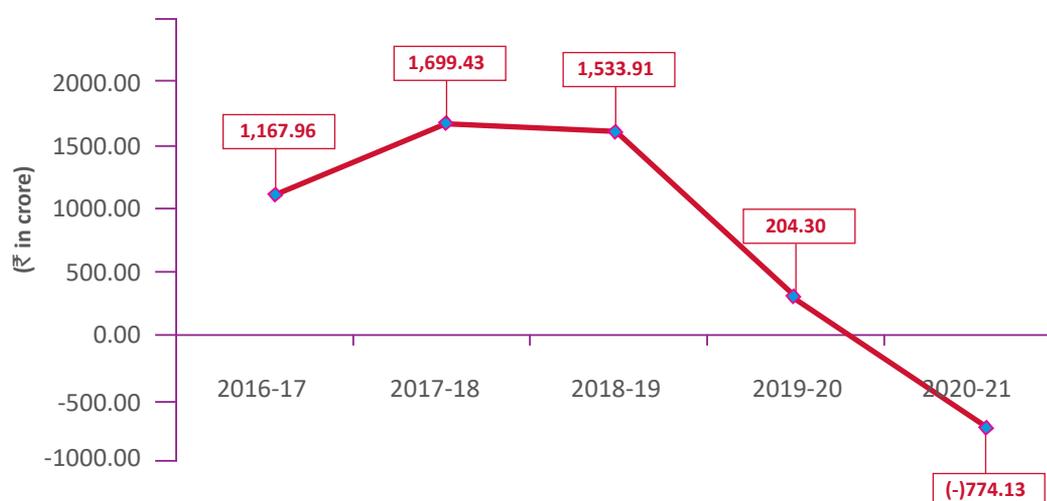
Sl. No.	Targets	Achievements during the year as per the Accounts and GSDP ^[*]
1.	State Government had fixed a target of 2.44 per cent for Revenue Surplus of GSDP during the period 2020-21.	The Government of Mizoram had a Revenue Deficit of ₹ 774.13 crore in 2020-21 (2.66 per cent of GSDP).
2.	Fiscal Deficit shall not exceed 6.40 per cent of GSDP during the period 2020-21.	The Fiscal Deficit of ₹ 1,869.31 crore as per the Accounts was 6.43 per cent of GSDP for 2020-21.
3.	Outstanding Debt expressed as percentage of GSDP shall be less than 27.85 per cent of GSDP during 2020-21.	The Outstanding Debt for 2020-21 (₹ 9,881.09 crore) was 33.98 per cent of GSDP

[*] GSDP (Gross State Domestic Product) estimated for 2020-21 was ₹ 29,076.42 crore as per information received from the State Government vide No. B.14015/6/12013-DES (T) dated 27 August 2021.

The Fiscal Deficit of ₹1,869.31 crore was financed by way of (i) Internal Debt (Market Borrowing, Loans from Financial Institution, etc.) ₹ 768.17 crore, (ii) Loans and Advances from the Central Government ₹ 225.26 crore, (iii) Small Savings, Provident Funds, etc. ₹ 215.89 crore, (iv) Sinking Funds and Reserve Funds ₹6.93 crore, (v) Suspense and Miscellaneous ₹ 447.34 crore, (vi) Remittances ₹ 136.22 crore, (vii) Deposits and Advances (-)₹ 23.35 crore and (viii) Decrease in Cash Balance ₹ 92.85 crore.

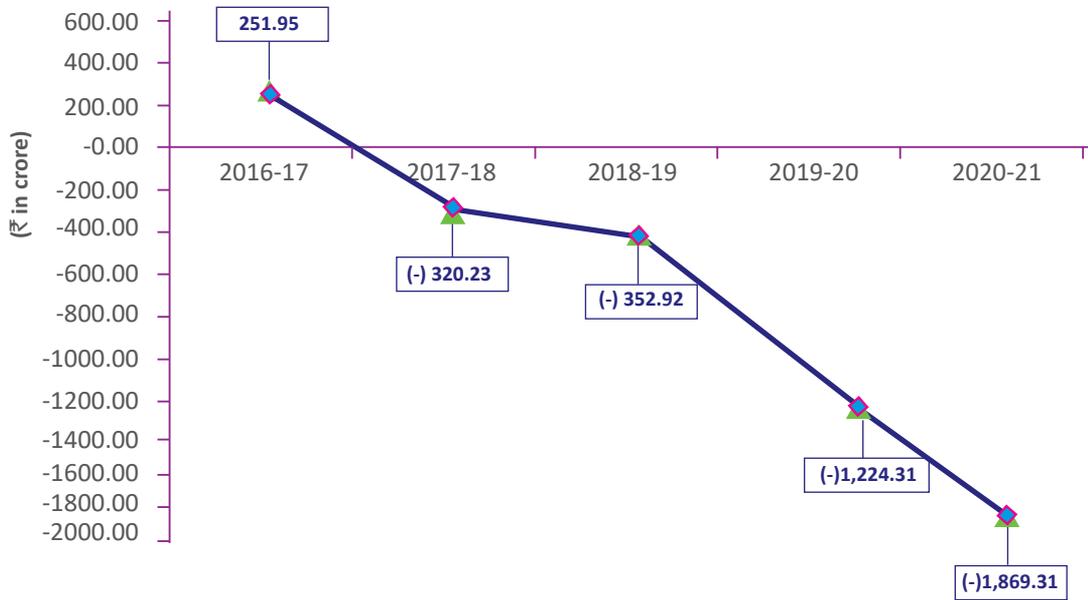
1.5.1 Trend of Revenue Deficit/ Surplus

Graph 1: Trend of Revenue Deficit/ Surplus



1.5.2 Trend of Fiscal Deficit/ Surplus

Graph 2: Trend of Fiscal Deficit/Surplus



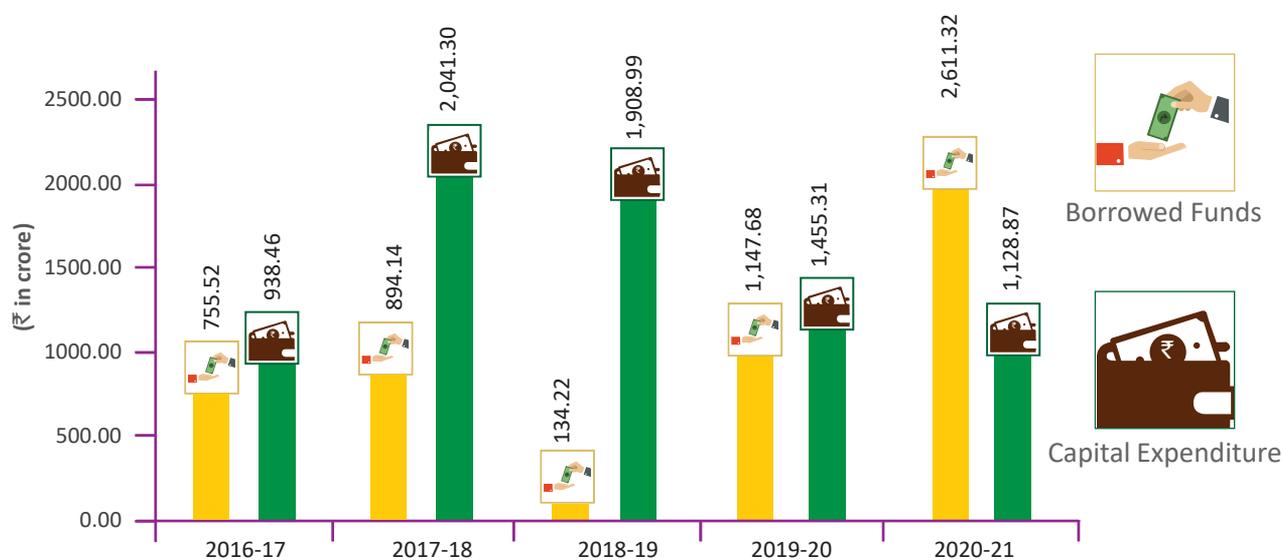
1.5.3 Proportion of Borrowed Funds and Capital Expenditure

Table 4: Borrowed Funds and Capital Expenditure

(₹ in crore)

Year	Borrowed Funds	Capital Expenditure
2016-17	755.52	938.46
2017-18	894.14	2,041.30
2018-19	134.22	1,908.99
2019-20	1,147.68	1,455.31
2020-21	2,611.32	1,128.87

Graph 3: Borrowed Funds and Capital Expenditure



The Governments usually run fiscal deficits and borrowed 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 utilise borrowed funds for the creation of capital assets, and to use revenue receipts for the repayment of principal and interest. The State Government however, spent ₹ 1,128.87 crore on Capital Expenditure inclusive of disbursement of Loans and Advances (₹ 1,125.97 crore *plus* ₹ 2.90 crore) against the borrowings of ₹ 2,611.32 crore during 2020-21.

Chapter II

Receipts

2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2020-21 were ₹ 7,740.67 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 Central Government.

Diagram 7: Revenue Receipts

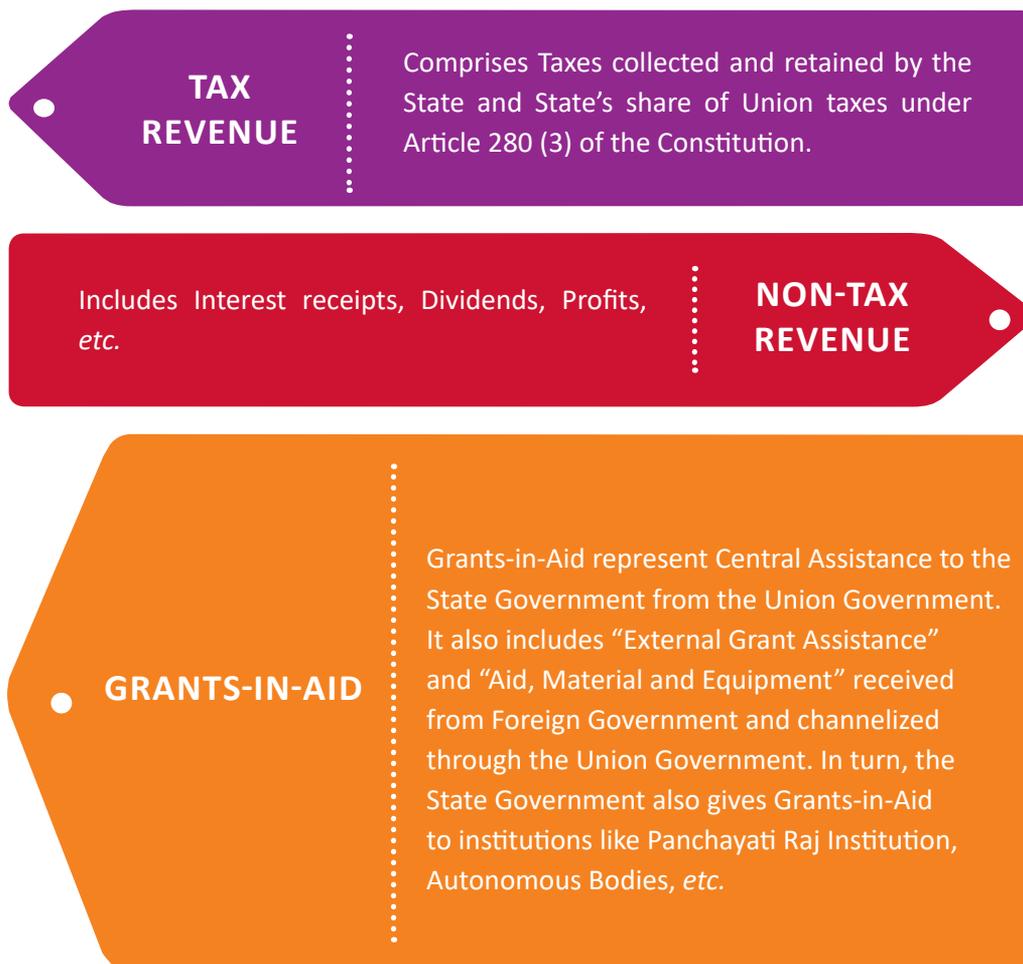


Chart 1 : Revenue Receipts



2.2.1 Revenue Receipts Components (2020-21)

Table 5: Revenue Receipts Components (2020-21)

(₹ in crore)		
Components	Actuals (₹ in crore)	Per cent to Revenue Receipts
A. Tax Revenue^[*]	3,658.11	47.26
Goods and Services Tax	1,355.82	17.52
Taxes on Income and Expenditure	1,850.20	23.90
Taxes on Property, Capital and Other Transactions	25.47	0.33
Taxes on Commodities and Services other than Goods and Services Tax	426.62	5.51
B. Non-Tax Revenue	561.76	7.26
Fiscal Services	12.05	0.15
Interest Receipts, Dividends and Profits	19.12	0.25
General Services	34.55	0.45
Social Services	65.16	0.84
Economic Services	430.88	5.57
C. Grants-in-Aid and Contributions	3,520.80	45.48
Total Revenue Receipts	7,740.67	100.00

* Includes share of net proceeds assigned to State (received from the Government of India).

2.2.2 Trend of Revenue Receipts

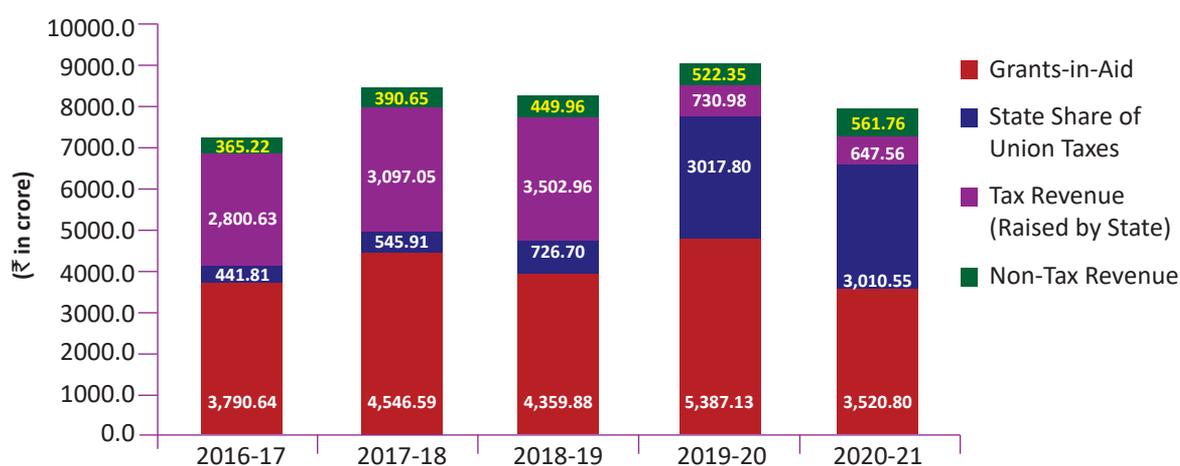
Table 6: Trend of Revenue Receipts

(₹ in crore)					
	2016-17	2017-18	2018-19	2019-20	2020-21
Tax Revenues (Raised by the State)	441.81 (2.91)	545.91 (3.08)	726.70 (3.26)	730.98 (2.76)	647.56 (2.23)
State Share of Union Taxes/Duties	2,800.63 (18.41)	3,097.05 (17.46)	3,502.96 (15.73)	3,017.80 (11.38)	3,010.55 (10.35)
Non-Tax Revenue	365.22 (2.40)	390.65 (2.20)	449.96 (2.02)	522.35 (1.97)	561.76 (1.93)
Grants-in-Aid and Contributions	3,790.64 (24.92)	4,546.59 (25.63)	4,359.88 (19.58)	5,387.13 (20.33)	3,520.80 (12.11)
Total Revenue Receipts	7,398.30 (48.63)	8,580.20 (48.37)	9,039.50 (40.59)	9,658.26 (36.44)	7,740.67 (26.62)
GSDP	15,211.93	17,739.33	22,271.59	26,502.56	29,076.42

Figures in parentheses represent percentage to GSDP.

The GSDP increased by 9.71 per cent in 2020-21 as compared to previous year whereby Total Revenue Receipts decreased by 19.85 per cent which includes a decrease of Tax Revenue by 2.42 per cent and Grants-in-Aid by 34.64 per cent and increase of Non-Tax Revenue by 7.54 per cent.

Graph 4: Trend of Components of Revenue Receipts



2.3 Tax Revenue

Table 7: Tax Revenue

(₹ in crore)					
Sector-wise Tax Revenue					
	2016-17	2017-18	2018-19	2019-20	2020-21
a. Goods and Services Tax	NA ^(*)	526.72 (2.97)	1,388.36 (6.23)	1,388.58 (5.24)	1,355.82 (4.66)
b. Taxes on Income and Expenditure ^(*)	1,539.25 (10.12)	1,765.80 (9.95)	2,136.31 (9.59)	1,850.56 (6.98)	1,850.20 (6.36)
c. Taxes on Property, Capital and other Transaction	13.89 (0.09)	11.46 (0.06)	13.53 (0.06)	14.95 (0.06)	25.47 (0.09)
d. Taxes on Commodities and Services other than Goods and Services Tax	1,689.30 (11.11)	1,338.98 (7.55)	691.46 (3.10)	494.69 (1.87)	426.62 (1.47)
Total Tax Revenue	3,242.44 (21.32)	3,642.96 (20.54)	4,229.66 (18.99)	3,748.78 (14.15)	3,658.11 (12.58)
GSDP	15,211.93	17,739.33	22,271.59	26,502.56	29,076.42

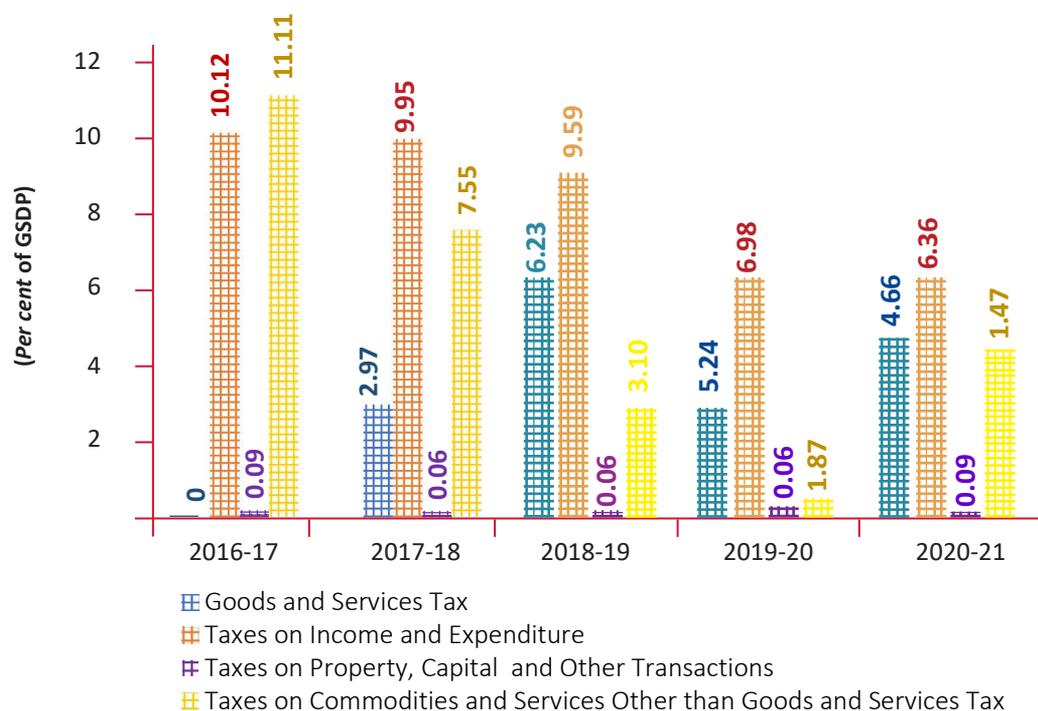
^(*) Not Applicable.

^(*) Primarily Share of net proceeds assigned to State.

Figures in parentheses represent percentage to GSDP.

The decrease in total Tax Revenue during 2020-21 was mainly due to less receipts under State Goods and Services Tax (₹ 457.91 crore), Corporation Tax (₹ 906.04 crore), Stamp and Registration Fees (₹ 4.73 crore), Customs (₹ 162.09 crore), Union Excise Duties (₹ 101.51 crore), State Excise (₹ 0.96 crore) and Taxes on Sales, Trade, etc. (₹ 113.66 crore), Taxes on Vehicles (₹ 29.01 crore) and Taxes on Goods and Passengers (₹ 4.85 crore).

Graph 5: Trend of Major Taxes in proportion to GDP



2.3.1 State's Own Tax and State's Share of Union Taxes

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

Table 8: State's Own Tax and State's Share of Union Taxes

Year	Tax Revenue (₹ in crore)	State share of Union Taxes/Duties (₹ in crore)	State's Own Tax Revenue	
			Tax Revenue (₹ in crore)	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2016-17	3,242.44	2,800.63	441.81	2.90
2017-18	3,642.96	3,097.05	545.91	3.08
2018-19	4,229.66	3,502.96	726.70	3.26
2019-20	3,748.78	3,017.80	730.98	2.76
2020-21	3,658.11	3,010.55	647.56	2.23

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

Table 9: Comparative Position amount of Tax Revenue

(₹ in crore)					
Description	2016-17	2017-18	2018-19	2019-20	2020-21
(1)	(2)	(3)	(4)	(5)	(6)
State's Own Tax Collection	441.81	545.91	726.70	730.98	647.56
Devolution of Union Taxes	2,800.63	3,097.05	3,502.96	3,017.80	3,010.55
Total Tax Revenue	3,242.44	3,642.96	4,229.66	3,748.78	3,658.11
Percentage of State's Own Tax to Total Tax Revenue	13.63	14.99	17.18	19.50	17.70

The proportion of State's Own Tax collection in overall Tax Revenue has increased from 13.63 per cent in 2016-17 to 17.70 per cent in 2020-21. In 2020-21, the total Tax Revenue increased by 12.82 per cent as compared to 2016-17.

2.3.2 Trend in State's Own Tax collection over the past five years

Table 10: Trend in State's Own Tax collection over the past five years

(₹ in crore)						
Sl. No.	Taxes	2016-17	2017-18	2018-19	2019-20	2020-21
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Goods and Services Tax	NA ^(a)	169.76	454.73	532.22	457.91
2.	Other Taxes on Income and Expenditure	15.42	15.78	14.48	15.33	15.61
3.	Land Revenue	8.58	8.29	8.64	9.05	20.74
4.	Stamp and Registration Fees	3.26	3.20	4.43	5.85	4.73
5.	State Excise	72.26	65.83	65.34	2.73	0.96
6.	Taxes on Sales, Trade, etc.	307.81	242.85	135.93	117.61	113.66
7.	Taxes on Vehicles	25.75	31.58	38.36	40.66	29.01
8.	Taxes on Goods and Passengers	7.90	7.83	4.71	7.44	4.85
9.	Other Taxes	0.83	0.79	0.08	0.09	0.09
Total State's Own Tax		441.81	545.91	726.70	730.98	647.56

^(a) Not Applicable.

2.4 Cost of Tax Collection

Table 11: Cost of Tax Collection

(₹ in crore)

Taxes	2016-17	2017-18	2018-19	2019-20	2020-21
1. Goods and Services Tax					
Revenue Collection	NA[@]	526.72	1,388.36	1,388.58	1,355.82
Expenditure on Collection	NA[@]	0.94	Nil	Nil	Nil
Cost of Tax Collection (in per cent)	NA[@]	0.18	Nil	Nil	Nil
2. Land Revenue					
Revenue Collection	8.58	8.29	8.64	9.05	20.74
Expenditure on Collection ^[*]	18.54	21.32	22.05	24.87	23.69
Cost of Tax Collection (in per cent)	216.08	257.18	255.21	274.81	114.22
3. Stamp and Registration Fees					
Revenue Collection	3.26	3.20	4.43	5.85	4.73
Expenditure on Collection ^[*]	0.30	0.19	0.81	0.64	0.64
Cost of Tax Collection (in per cent)	90.20	5.94	18.28	10.94	13.53
4. State Excise					
Revenue Collection	72.26	65.83	65.34	2.73	0.96
Expenditure on Collection ^[*]	28.90	30.19	32.01	37.48	35.89
Cost of Tax Collection (in per cent)	39.99	45.86	48.99	1372.89	3738.54
5. Taxes on Sales, Trade, etc.					
Revenue Collection	307.81	242.85	135.93	117.61	113.66
Expenditure on Collection	15.27	16.83	17.42	0.61	0.29
Cost of Tax Collection (in per cent)	4.96	6.93	12.82	0.52	0.26
6. Taxes on Vehicles					
Revenue Collection	25.75	31.58	38.36	40.66	29.01
Expenditure on Collection ^[*]	8.70	10.22	10.40	13.21	13.41
Cost of Tax Collection (in per cent)	33.79	29.35	27.11	32.49	46.23

[@] Not Applicable.

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

The expenditure on collection of taxes on State Excise was high as compared to expenditure on collection of other taxes.

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

Table 12: Trend in State's Share of Union Taxes over the past five years

(₹ in crore)

Major Head description	2016-17	2017-18	2018-19	2019-20	2020-21
Central Goods and Services Tax (CGST)	NA[@]	44.16	864.63	856.36	897.91
Integrated Goods and Services Tax (IGST)	NA[@]	312.80	69.00	..	...
Corporation Tax	899.01	948.82	1,218.27	1,028.94	906.03
Taxes on Income other than Corporation Tax	624.82	801.20	897.21	806.25	928.54
Other Taxes on Income and Expenditure	...	...	6.34	...	...
Taxes on Wealth	2.05	(-) 0.03	0.45	0.05	...
Customs	386.72	312.70	248.31	191.29	162.09
Union Excise Duties	441.60	326.90	165.03	133.00	101.51
Service Tax	446.42	350.50	31.92	...	12.42
Other Taxes and Duties on Commodities and Services	0.01	...	1.80	1.91	2.05
State Share of Union Taxes	2,800.63	3,097.05	3,502.96	3,017.80	3,010.55
Total Tax Revenue	3,242.44	3,642.96	4,229.66	3,748.78	3,658.11
Percentage of Union Taxes to Total Tax Revenue	86.37	85.01	82.82	80.50	82.30

[@] GST w.e.f. July 2017.

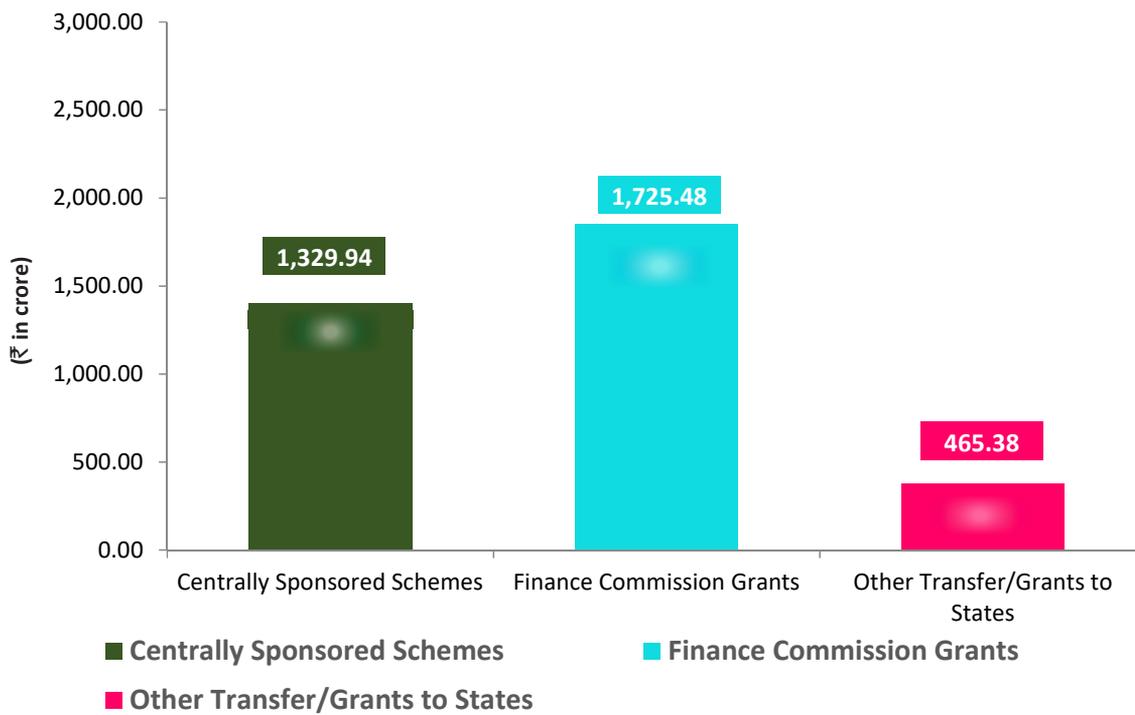
The percentage of Union Taxes to the Total Tax Revenue received by the Government of Mizoram shows a reducing trend from 86.37 per cent in 2016-17 to 82.30 per cent in 2020-21.

2.6 Grants-in-Aid

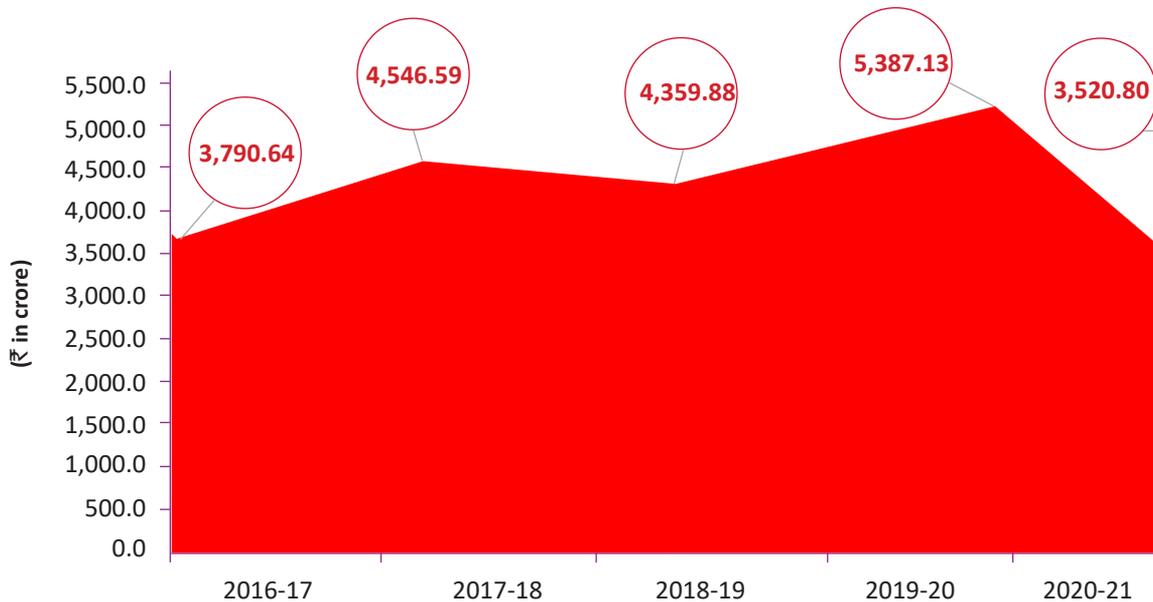
Grants-in-Aid represents assistance from the Government of India, and comprises (from 2017-18 onwards) of Grants for Centrally Sponsored Schemes, Finance Commission Grants and other Transfer/Grants to States.

Total receipts during 2020-21 under Grants-in-Aid were ₹ 3,520.80 crore as shown below:

Graph 6: Grants-in-Aid

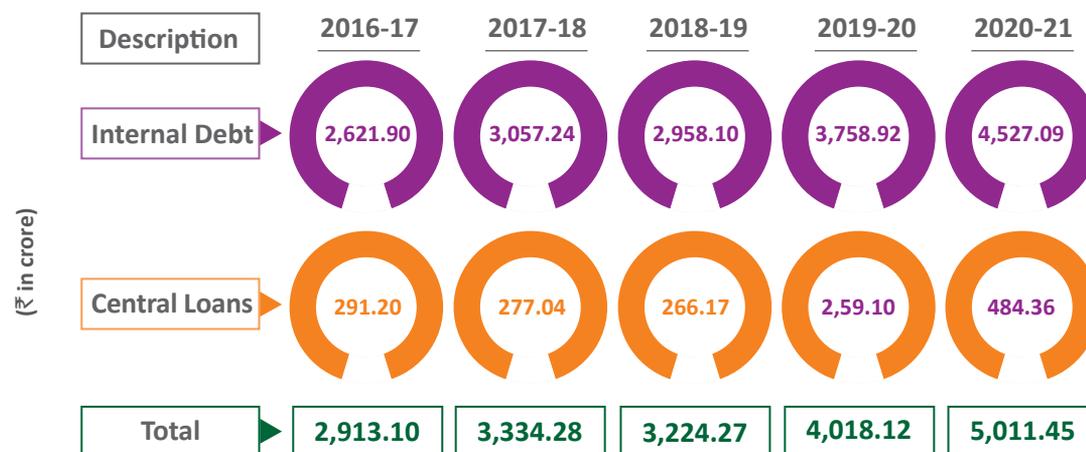


Graph 7: Trend of Grants-in-Aid



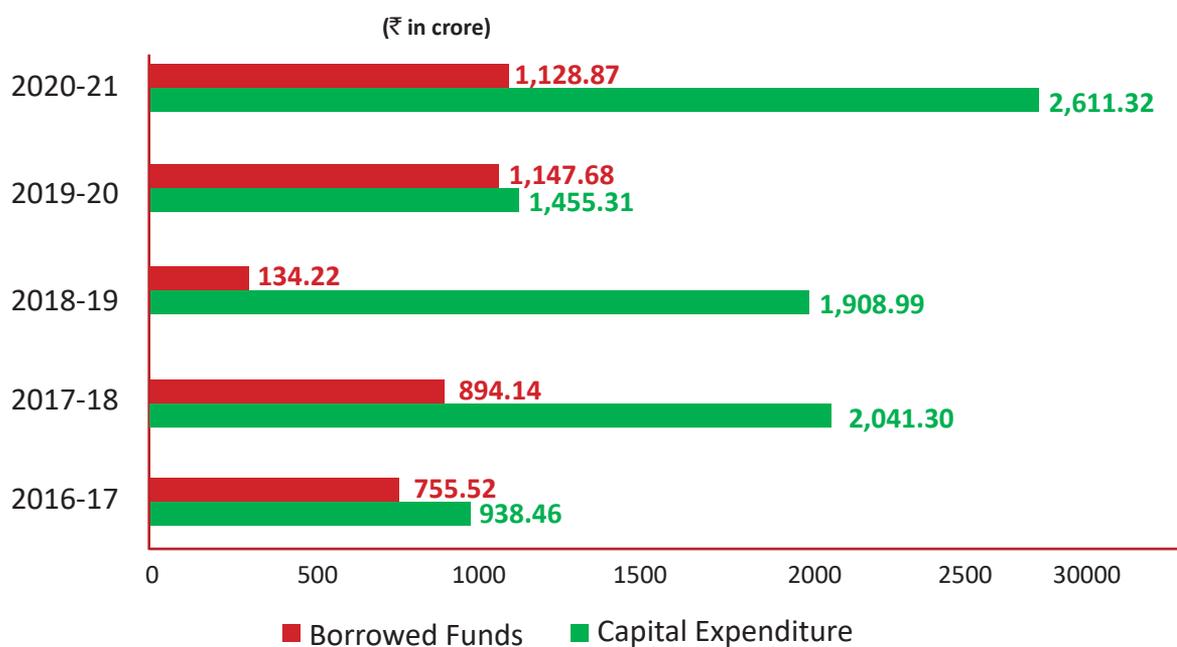
2.7 Public Debt

Table 13: Trend of position of Public Debt over the past five years



During the year 2020-21, ten loans amounting to ₹ 945.21 crore were raised from the Market. The Government received ₹ 247.62 crore from Government of India as Loans and Advances.

Graph 8: Borrowed funds viz-a-viz Capital Expenditure



Chapter III

Expenditure

3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue Expenditure is used to meet the day-to-day 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 State and Central Assistance (including Centrally Sponsored Schemes/Central Schemes).

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:

Table 14: Three Sectors of Government Accounts

GENERAL SERVICES	Includes Justice, Police, Jail, Pension, etc.
Includes Education, Health and Family Welfare, Water Supply, Welfare of SC/ST, etc.	SOCIAL SERVICES
ECONOMIC SERVICES	Includes Agriculture, Rural Development, Irrigation, Co-operation, Energy, Industries, Transport, etc.

3.2 Revenue Expenditure

The shortfall of Revenue Expenditure against budget estimates as per Appropriation Accounts during five years is given below:

Table 15: Revenue Expenditure

(₹ in crore)

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Budget Estimates	7,540.84	7,642.38	8,898.37	10,405.39	10,253.93
Actuals	6,230.34	6,880.77	7,505.59	9,453.96	8,514.80
Gap	1,310.50	761.61	1,392.78	951.43	1,739.13
Percentage of gap over Budget Estimates	17.38	9.97	15.65	9.14	16.96

Around 61.12 *per cent* of the total Revenue Expenditure was incurred on Committed Expenses viz. Salaries and Wages (₹ 3,118.39 crore and ₹ 202.12 crore), Interest Payments (₹ 400.99 crore), Pensions (₹ 1,482.72 crore) and Subsidies (₹ 0.22 crore) which are committed liabilities of the State Government.

The position of Committed and Uncommitted Revenue Expenditure over the last five years is given below:

Table 16: Committed and Uncommitted Revenue Expenditure

(₹ in crore)

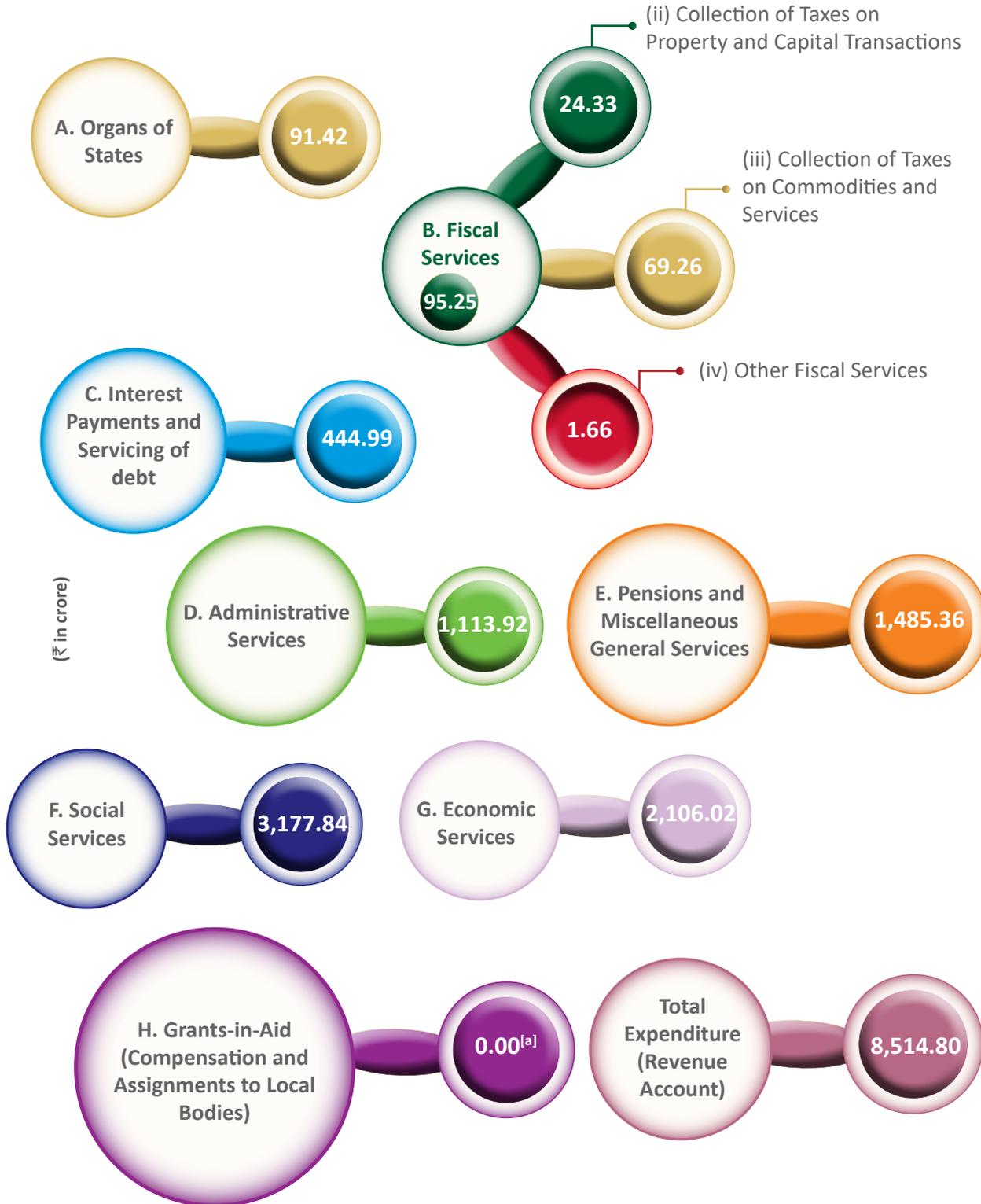
Component	2016-17	2017-18	2018-19	2019-20	2020-21
Total Revenue Expenditure	6,230.34	6,880.77	7,505.59	9,453.96	8,514.80
Committed Revenue Expenditure ^[#]	3,515.10	3,722.27	4,248.62	5,209.25	5,204.44
Percentage of Committed Revenue Expenditure to Total Revenue Expenditure	56.42	54.10	56.61	55.10	61.12
Uncommitted Revenue Expenditure	2,715.24	3,158.50	3,256.97	4,244.71	3,310.36

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

It may be seen that the Uncommitted Revenue Expenditure available for implementation of various Schemes has increased by 21.92 *per cent* during 2020-21 from ₹ 2,715.24 crore in 2016-17 to ₹ 3,310.36 crore in 2020-21. The total Revenue Expenditure increased by 36.67 *per cent* from ₹ 6,230.34 crore in 2016-17 to ₹ 8,514.80 crore in 2020-21 and Committed Revenue Expenditure increased by 48.06 *per cent* over the same period.

3.2.1 Sectoral distribution of Revenue Expenditure (2020-21)

Diagram 8: Sectoral distribution of Revenue Expenditure



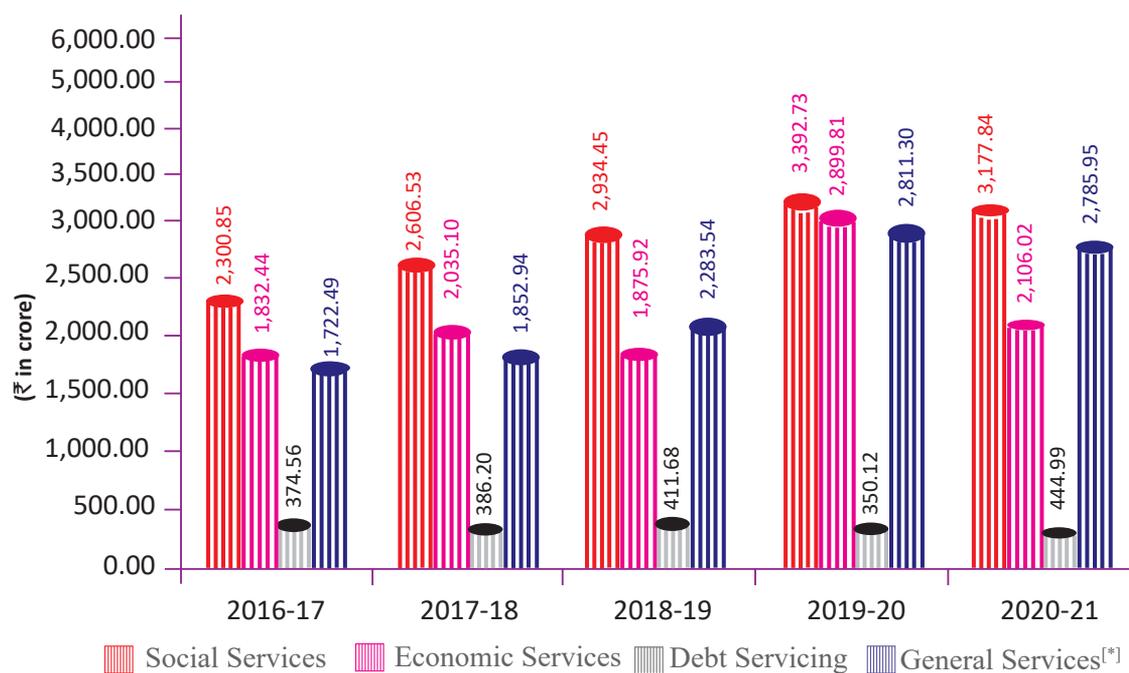
^[a] Figures are included in Administrative Services, Social Services and Economic Services.

3.2.2 Major Components of Revenue Expenditure 2016-17 to 2020-21

Table 17: Major Components of Revenue Expenditure

Components	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Social Services	2,300.85	2,606.53	2,934.45	3,392.73	3,177.84
Economic Services	1,832.44	2,035.10	1,875.92	2,899.81	2,106.02
Debt Servicing	374.56	386.20	411.68	350.12	444.99
General Services (excluding expenditure on debt servicing)	1,722.49	1,852.94	2,283.54	2,811.30	2,785.95

Graph 9: Trend of Major Components of Revenue Expenditure



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

3.3 Capital Expenditure

Capital Expenditure is essential if the growth process is to be sustained. Capital Disbursements during 2020-21 amounting for ₹ 1,128.87 crore (3.88 per cent of GSDP) were less than Budget Estimates by ₹ 289.46 crore (less disbursements of ₹ 289.26 crore under Capital and less disbursement of ₹ 0.20 crore under Loans and Advances). The growth in Capital Expenditure has kept pace with the steady growth of GSDP since 2016-17 and 2017-18 except during 2018-19 to 2020-21.

This can be seen from the table below:

Table 18: Capital Expenditure

							(₹ in crore)
Sl. No.	Components	2016-17	2017-18	2018-19	2019-20	2020-21	
1.	Budget Estimates (B.E.)	1,827.42	2,991.07	3,238.59	1,659.38	1,418.33	
2.	Actual Expenditure ^[#]	938.46	2,041.30	1,908.99	1,455.31	1,128.87	
3.	Percentage of Actual Exp. to B.E.	51.35	68.25	58.95	87.70	79.59	
4.	Yearly growth in Capital Expenditure (in per cent)	30.69	117.52	(-)6.48	(-) 23.77	(-)22.43	
5.	GSDP	15,211.93	17,739.33	22,271.59	26,502.56	29,076.42	
6.	Yearly growth in GSDP (in per cent)	13.74	16.61	25.55	19.00	9.71	

^[#] Includes expenditure on Loans and Advances.

3.3.1 Sectoral distribution of Capital Expenditure

During 2020-21, the Government spent ₹ 1,119.63 crore on various Major Works. No amount was invested by the Government in Co-operative Institute, etc. during 2020-21.

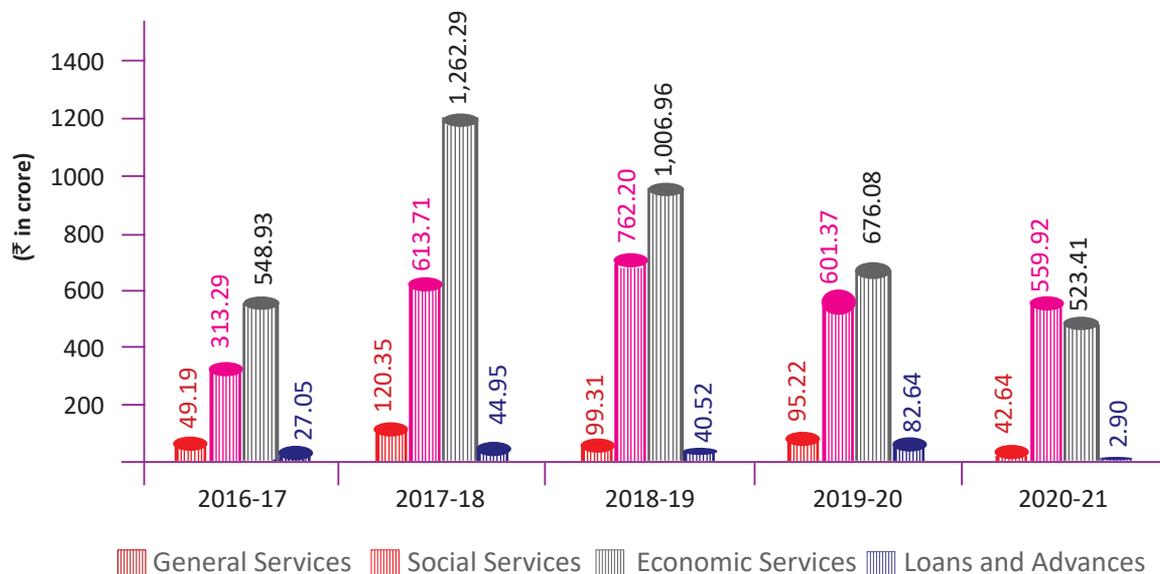
3.3.2 Sectoral distribution of Capital Expenditure over the past five years

Table 19: Sectoral distribution of Capital Expenditure

						(₹ in crore)
Sector	2016-17	2017-18	2018-19	2019-20	2020-21	
General Services	49.19 (5.24)	120.35 (5.90)	99.31 (5.20)	95.22 (6.54)	42.64 (3.78)	
Social Services	313.29 (33.39)	613.71 (30.06)	762.20 (39.93)	601.37 (41.32)	559.92 (49.60)	
Economic Services	548.93 (58.49)	1,262.29 (61.84)	1,006.96 (52.75)	676.08 (46.46)	523.41 (46.37)	
Loans and Advances	27.05 (2.88)	44.95 (2.20)	40.52 (2.12)	82.64 (5.68)	2.90 (0.25)	
Total	938.46	2,041.30	1,908.99	1,455.31	1,128.87	

Figures in parenthesis represents percentage to Total Capital Expenditure.

Graph 10: Trend of Sectoral distribution of Capital Expenditure



3.3.3 Sectoral distribution of Capital and Revenue Expenditure

The comparative sectoral distribution of Capital and Revenue Expenditure over the past five years is illustrated below:

Table 20: Comparative sectoral distribution of Capital and Revenue Expenditure

			(₹ in crore)				
Sl. No.	Sector		2016-17	2017-18	2018-19	2019-20	2020-21
(A)	General Services (GS)	Capital	49.19	120.35	99.31	95.22	42.64
		Revenue	2,097.05	2,239.14	2,695.22	3,161.42	3,230.94
(B)	Social Services (SS)	Capital	313.29	613.71	762.20	601.37	559.92
		Revenue	2,300.85	2,606.53	2,934.45	3,392.73	3,177.84
(C)	Economic Services (ES)	Capital	548.93	1,262.29	1,006.96	676.08	523.41
		Revenue	1,832.41	2,035.10	1,875.92	2,899.81	2,106.02
(D)	Grants-in-Aid and Contributions (GIA)	Capital	NA ^[#]	NA ^[#]	NA ^[#]	[*]	[*]
		Revenue	1,445.31	1,678.61	1,660.61	2,536.71 ^[*]	1,780.83

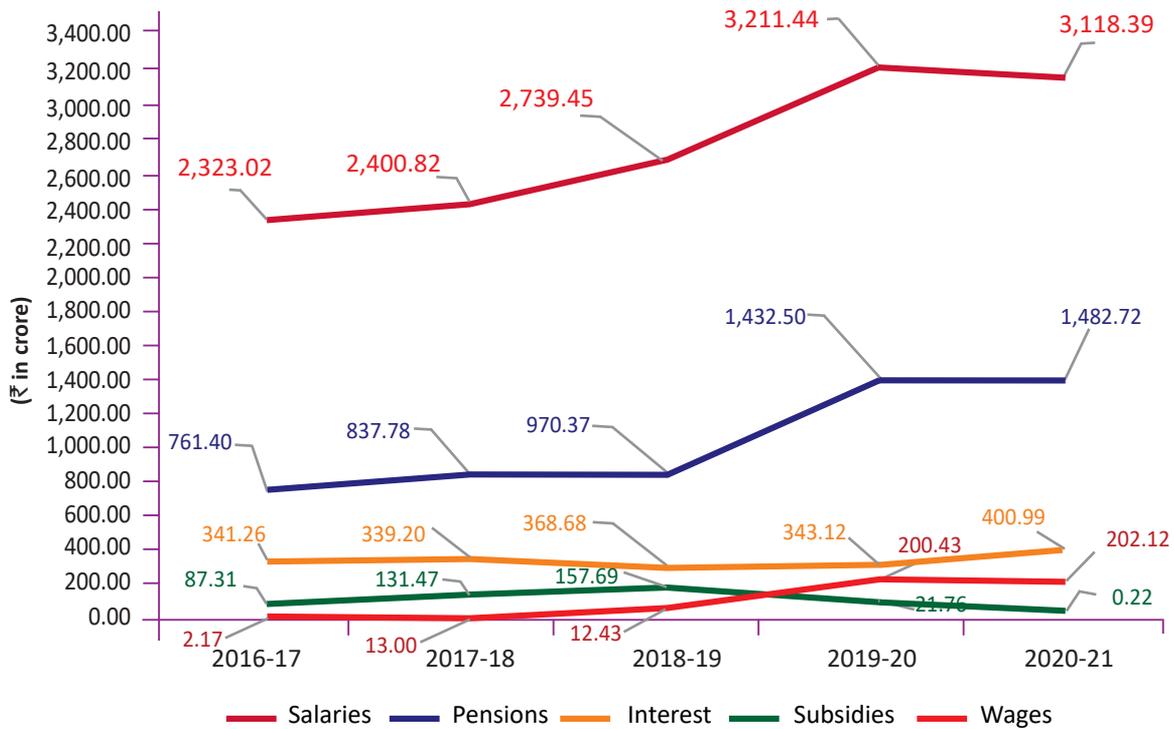
^[#] Not Applicable.

^[*] Revenue Expenditure under GS, SS and ES includes Expenditure of GIA.

3.4 Committed Expenditure

Expenditure on Salaries, Pensions, Subsidies and Wages were increased in 2020-21 over the previous years which are shown below:

Graph 11: Trend of Committed Expenditure



The trend of Committed Expenditure in comparison to Revenue Expenditure and Revenue Receipts over the past five years is depicted below:

Table 21: Committed Expenditure in comparison to Revenue Expenditure and Revenue Receipts

	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Committed Expenditure	3,515.10	3,722.27	4,248.62	5,209.25	5,204.44
Revenue Expenditure	6,230.34	6,880.77	7,505.59	9,453.96	8,514.80
Revenue Receipts	7,398.30	8,580.20	9,039.50	9,658.26	7,740.67
Percentage of Committed Expenditure to Revenue Receipts	47.51	43.38	47.00	53.94	67.24
Percentage of Committed Expenditure to Revenue Expenditure	56.42	54.10	56.61	55.10	61.12

The Committed Expenditure increased by 48.06 per cent from 2016-17 to 2020-21 while Revenue Expenditure registered growth of 36.67 per cent during the same period, leaving the Government with lesser flexibility in development spending.

Chapter IV

Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2020-21

Table 22: Summary of Appropriation Accounts

(₹ in crore)

Sl. No.	Nature of Expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings (-) Excesses(+)
1.	Revenue						
	Voted	8,757.05	1,246.98	...	10,004.03	8,155.36	(-)1,848.67
	Charged	445.06	2.10	...	447.16	472.98	(+)25.82
2.	Capital						
	Voted	1,320.86	1,052.37	...	2,373.23	1,125.97	(-)1,247.26
	Charged	...	...	...	...	...	...
3.	Public Debt						
	Charged	369.19	735.18	...	1,104.37	1,617.89	(+)513.52
4.	Loans and Advances						
	Voted	3.10	...	...	3.10	2.90	(-)0.20
	Total	10,895.26	3,036.63	...	13,931.89	11,375.10	(-)2,556.79

4.2 Trend of Savings/Excess during the past five years

Table 23: Trend of Savings/Excess

(₹ in crore)

Year	Savings(-)/Excess(+)				Total
	Revenue	Capital	Public Debt	Loans and Advances	
2016-17	(-)1,305.43	(-)947.32	(-)4.59	(-)26.29	(-)2,283.63
2017-18	(-)736.67	(-)998.08	(-)22.17	(-)47.57	(-)1,804.49
2018-19	(-)1,339.77	(-)1,384.27	(-)39.75	(-)45.10	(-)2,808.89
2019-20	(-)1,237.74	(-)1,652.03	(+)9.43	(-)99.01	(-)2,979.35
2020-21	(-)1,822.85	(-)1,247.26	(+)513.52	(-)0.20	(-)2,556.79

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 savings are given below:

Table 24: Substantial Savings

(₹ in crore)

Grant No.	Nomenclature	2016-17	2017-18	2018-19	2019-20	2020-21
1	Legislative Assembly	1.60	0.58	2.83	1.27	3.43
3	Council of Minister	0.82	1.15	0.46	...	2.08
4	Law and Judicial	21.96	3.77	1.49	5.58	4.84
5	Vigilance	0.18	...	0.08	0.51	3.12
6	Land Revenue and Settlement	6.61	10.32	5.96	17.38	12.98
7	Excise and Narcotics	2.59	3.71	1.90	7.76	10.39
8	Taxation	0.89	0.19	0.70	6.24	2.14
9	Finance	420.11	797.93	1,331.69	1,588.08	697.24
11	Secretariat Administration	19.27	21.33	13.80	5.86	19.55
13	Personnel and Administrative Reforms	0.60	1.70	0.68	0.90	1.00
14	Planning and Programme Implementation	664.21	10.95	36.22	5.42	14.01
15	General Administration Department	15.80	20.63	67.28	22.71	22.65
16	Home	73.76	57.20	19.33	197.00	113.32
17	Food, Civil Supplies and Consumer Affairs	66.27	53.73	57.66	76.08	74.42
18	Printing and Stationery	2.66	1.50	0.69	2.63	3.04
19	Local Administration	3.19	0.40	7.03	0.98	154.73
20	School Education	46.24	53.33	148.23	96.68	390.52
21	Higher and Technical Education	60.32	44.38	47.99	74.87	89.13
22	Sports and Youth Services	4.49	1.99	0.98	3.98	4.40
23	Art and Culture	1.33	1.00	0.53	1.16	3.84

Table 24: Substantial Savings- Concl.

(₹ in crore)

Grant No.	Nomenclature	2016-17	2017-18	2018-19	2019-20	2020-21
24	Medical and Public Health Services	173.69	185.58	177.49	166.60	206.04
25	Water Supply and Sanitation	54.10	50.95	16.65	6.42	30.26
26	Information and Public Relations	3.82	1.66	0.97	0.81	7.59
27	District Councils and Minority Affairs	...	...	9.81	...	3.39
28	Labour, Employment, Skill Development and Entrepreneurship	16.24	17.83	3.80	7.07	9.84
29	Social Welfare	28.37	30.41	43.29	64.89	78.05
30	Disaster Management and Rehabilitation	8.39	0.03	9.99	...	7.71
31	Agriculture	51.40	80.43	54.46	39.97	67.73
32	Horticulture	10.13	7.37	7.31	14.66	18.32
33	Land Resources, Soil and Water Conservation	3.14	0.17	0.45	0.14	3.91
34	Animal Husbandry and Veterinary	32.43	8.67	9.30	11.60	19.02
35	Fisheries	1.15	0.36	0.19	0.91	1.78
36	Environment, Forests and Climate Change	9.61	8.89	7.39	58.08	139.14
37	Co-operation	5.80	1.76	1.31	1.09	1.70
38	Rural Development	118.02	90.42	225.54	227.46	228.87
39	Power	25.47	21.34	6.46	22.43	38.96
40	Commerce and Industries	18.84	60.68	20.65	28.01	37.47
41	Sericulture	1.31	3.42	3.12	2.32	3.93
42	Transport	17.89	4.03	3.34	7.43	8.07
45	Public Works	...	12.80	306.10	126.99	521.48
46	Urban Development and Poverty Alleviation	57.21	14.84	52.60	25.83	25.65
47	Irrigation and Water Resources	39.02	35.25	34.06	15.70	12.38
48	Information and Communication Technology	12.30	12.41	3.01	0.57	0.53
	Public Debt	213.32	65.83	65.16	43.47	...

During 2020-21, Supplementary Grants totaling ₹ 3,036.63 crore (26.70 per cent of Total Expenditure) proved to be unnecessary in some cases as there were significant savings at the end of the year even against original allocations. A few instances are given below:

Table 25: Significant Savings

(₹ in crore)

Grant No.	Nomenclature	Section		Original	Supplementary	Actual Expenditure
2	Governor	Revenue	Charged	8.21	0.48	8.16
3	Council of Ministers	Revenue	Voted	7.67	0.06	5.65
4	Law and Judicial	Revenue	Voted	27.40	3.00	26.68
		Revenue	Charged	10.61	0.12	9.61
5	Vigilance	Revenue	Voted	8.56	0.34	7.51
		Revenue	Charged	2.97	0.25	1.48
6	Land Revenue and Settlement	Revenue	Voted	39.94	1.06	28.02
7	Exercise and Narcotics	Revenue	Voted	46.17	0.12	35.89
8	Taxation	Revenue	Voted	21.62	0.48	19.96
10	Mizoram Public Service Commission	Revenue	Charged	8.34	0.40	7.85
11	Secretariat Administration	Revenue	Voted	132.23	1.43	114.11
14	Planning and Programme Implementation	Revenue	Voted	97.83	5.85	90.31
15	General Administrative Department	Revenue	Voted	102.44	19.41	99.22
16	Home	Revenue	Voted	801.82	22.08	710.58
17	Food, Civil Supplies and Consumer Affairs	Revenue	Voted	279.92	4.01	214.70
18	Printing and Stationary	Revenue	Voted	15.80	0.36	13.12
19	Local Administration	Revenue	Voted	125.18	119.13	89.57
20	School Education	Revenue	Voted	1,554.64	71.64	1,235.76
21	Higher and Technical Education	Revenue	Voted	274.93	49.31	235.11
22	Sports and Youth Services	Revenue	Voted	27.40	2.24	25.99
24	Medical and Public Health Services	Revenue	Voted	626.32	96.64	549.78
26	Information and Public Relations	Revenue	Voted	16.29	0.44	14.13
28	Labour Employment Skill Development and Entrepreneurship	Revenue	Voted	32.10	2.34	24.60
30	Disaster Management Rehabilitation	Revenue	Voted	59.24	5.76	57.29
31	Agriculture	Revenue	Voted	176.85	23.32	132.44
32	Horticulture	Revenue	Voted	91.33	13.90	86.91
33	Land Resources, Soil and Water Conservation	Revenue	Voted	22.31	1.99	20.39
34	Animal Husbandry and Veterinary	Revenue	Voted	81.21	12.27	74.46

Table 25: Significant Savings- Concl'd.

(₹ in crore)

Grant No.	Nomenclature	Section		Original	Supplementary	Actual Expenditure
36	Environment, Forests and Climate Change	Revenue	Voted	222.43	28.17	111.46
37	Co-operation	Revenue	Voted	15.94	0.39	14.62
38	Rural Development	Revenue	Voted	368.10	165.76	304.98
40	Commerce and Industries	Revenue	Voted	84.92	4.85	61.40
42	Transport	Revenue	Voted	49.12	0.03	41.08
45	Public Works	Revenue	Voted	543.56	53.23	251.19
47	Irrigation and Water Resources	Revenue	Voted	14.67	0.44	12.44
48	Information and Communication Technology	Revenue	Voted	4.69	0.08	4.24

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

Table 26: Excess Expenditure

(₹ in crore)

Grant No.	Nomenclature	Section		Original	Supplementary	Actual Expenditure
9	2071 Pensions and Other Retirement Benefits <i>01 Civil</i> 101 Superannuation and Retirement Allowances 01 Pension	Revenue	Voted	425.06	20.00	621.12
Public Debt	2049 Interest Payments <i>01 Interest on Internal Debt</i> 115 Interest on Ways and Means Advances from Reserve Bank of India 02 Interest Special Ways and Means Advances from Reserve Bank of India	Revenue	Charged	0.01	0.07	0.31
	6003 Internal Debt of the State Government 110 Interest on Ways and Means Advances from Reserve Bank of India 01 Ways and Means Advances from Reserve Bank of India	Capital	Charged	0.01	512.79	1,001.96

Chapter V

Assets and Liabilities

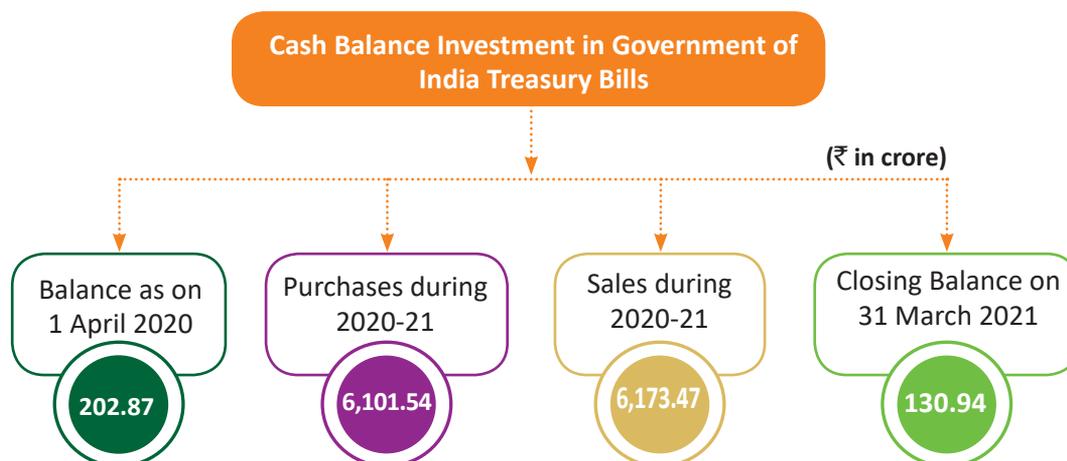
5.1 Assets

The existing form of accounts does 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), etc. stood at ₹ 42.77 crore at the end of 2020-21. No dividend was received during the year on investment.

Cash Balance with Reserve Bank of India stood at (-)₹ 30.50 crore on 1 April 2020 and decreased to (-)₹ 123.35 crore at the end of 31 March 2021. In addition, Government had invested an amount of ₹ 6,101.54 crore on 90 occasions in 14 days Treasury Bills and Rediscounted Treasury Bills worth ₹ 6,173.47 crore on 168 occasions during 2020-21. The position of investment during the year 2020-21 is depicted in the table given below:

Table 27: Cash Balance Investment



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

Details of the Public Debt and Total Liabilities of the State Government for the last five years are as under:

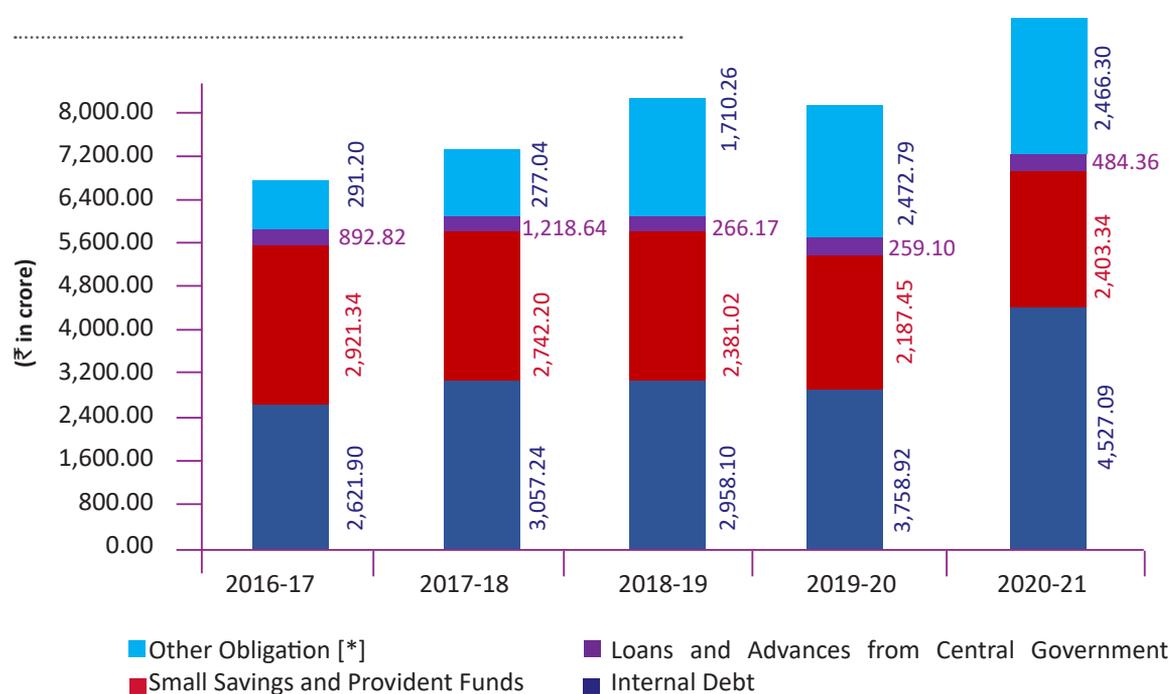
Table 28: Public Debt and Total Liabilities

Year	Public Debt (₹ in crore)	Percentage to GSDP	Public Account ^(*) (₹ in crore)	Percentage to GSDP	Total Liabilities (₹ in crore)	Percentage to GSDP
2016-17	2,913.10	19.15	3,811.92	25.06	6,725.02	44.21
2017-18	3,334.28	18.80	3,966.03	22.36	7,300.31	41.15
2018-19	3,224.27	14.48	4,091.28	18.37	7,315.55	32.85
2019-20	4,018.02	15.16	4,660.24	17.58	8,678.26	32.74
2020-21	5,011.45	17.24	4,869.64	16.75	9,881.09	33.98

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

Public Debt and Other Liabilities showed a net increase of ₹ 1,202.83 crore (13.86 per cent) in 2020-21 over the previous year.

Graph 12: Trend in Government Liabilities



(*) Non-Interest bearing Obligations such as Deposits of Local Funds, Other earmarked Funds, etc.

5.3 Guarantees

In addition to directly raising loans, State Governments also guarantee loans raised by Statutory Corporations, Government Companies and Corporations, Co-operative Societies, etc. from the market and financial institutions for implementation of various schemes and programmes. These guarantees are contingent liability on the Consolidated Fund of the State in case of default in the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc. for whom the guarantee was extended and 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 Corporations, Government Companies and Corporations, Co-operative Societies, etc. for the last five years is given below:

Table 29: Guarantees

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as the end of the year	
		Principal	Interest
		(₹ in crore)	
2016-17	293.94	82.90	41.10
2017-18	293.94	89.61	44.30
2018-19	277.58	74.15	23.84
2019-20	2,00.58	81.04	61.25
2020-21	200.08	86.29	52.34

In terms of Mizoram Ceiling on Government Guarantees Act, 2011, the total outstanding Government Guarantees as on the first day of April shall not exceed 25 *per cent* of the Gross State Domestic Product (GSDP) estimated for the year. The total outstanding guarantees of ₹ 140.66 crore as on 1 April 2020 worked out to 0.48 *per cent* of the GSDP estimated at ₹ 29,076.42 crore for the year 2020-21, which is within the limits prescribed.

During 2020-21, the State Government received ₹ 0.88 crore (as per Finance Accounts) towards Guarantee Fees, which constituted 0.44 *per cent* of the guaranteed amount during 2020-21 (₹ 200.08 crore).

As per the Act, the State Government shall charge a minimum of 0.75 *per cent* of the amount of guaranteed loan as guarantee commission which works out to ₹ 1.50 crore. Details are given below:

Table 30: Guarantees given by the Government

(₹ in crore)

SI. No.	Sector	Maximum Amount guaranteed	Basis for Calculation of Guarantee Commission	Amount
1	2	3	4	5
1.	Co-operative Banks, Societies, etc.	34.28	0.75 <i>per cent</i> of Guaranteed Amount	0.26
2.	Government Companies	59.67	0.75 <i>per cent</i> of Guaranteed Amount	0.45
3.	Statutory Corporation	59.13	0.75 <i>per cent</i> of Guaranteed Amount	0.44
4.	Other Institutes	47.00	0.75 <i>per cent</i> of Guaranteed Amount	0.35
	Total	200.08		1.50

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 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 loans repayments appear in Government Accounts, resulting in irreconcilable Adverse Balances and understatement of liabilities in Government Accounts. As on 31 March 2021, no Adverse Balance is appearing in favour of Mizoram State.

6.2 Loans and Advances given by the State Government

Total Loans and Advances made by the State Government at the end of 2020-21 was ₹ 272.63 crore. Of these, Loans and Advances to Government Departments, Corporation/ Companies, Non-Government Institutions and Local Bodies amounted to ₹ 134.51 crore. Information about recovery of arrears (Principal as well as Interest) at the end of 31 March 2021 was not received from the Departmental authorities maintaining the detailed accounts.

6.3 Financial Assistance to Local Bodies and Others

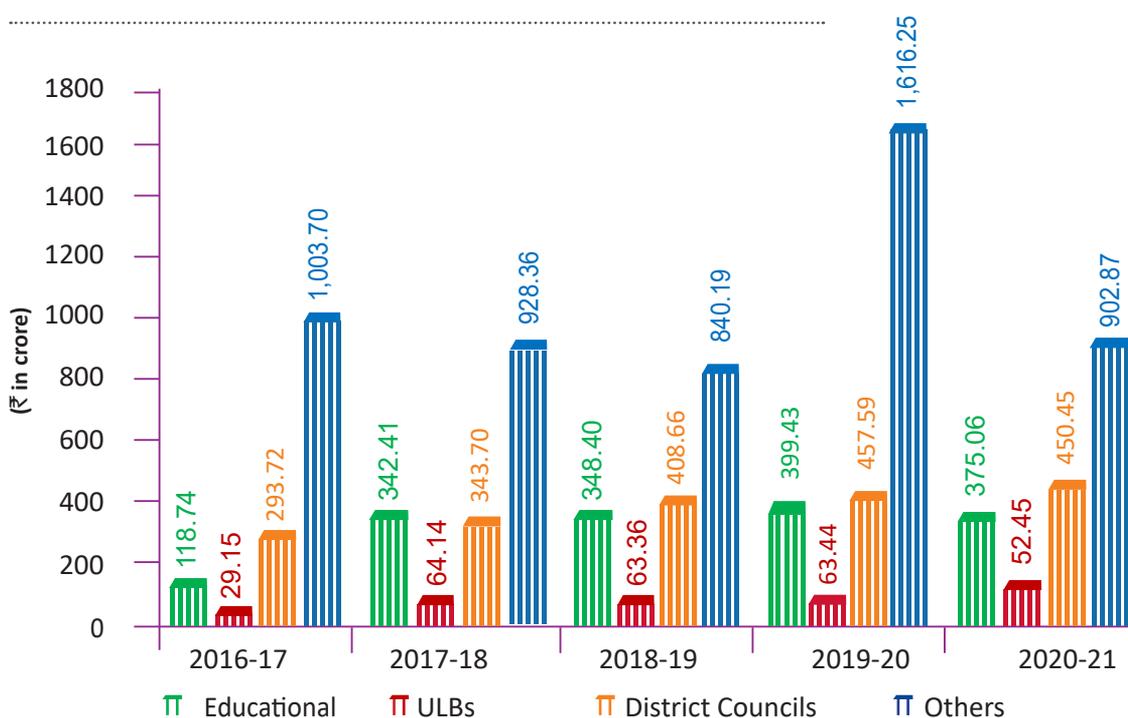
Grants-in-Aid given to Local Bodies, Autonomous Bodies, etc. increased from ₹ 1,445.31 crore in 2016-17 to ₹ 1,780.83 crore in 2020-21.

Details of Financial Assistance to Local Bodies and Others for the past five years are as under:

Table 31: Financial Assistance to Local Bodies and Others

		(₹ in crore)				
Sl. No.	Name of Institutions	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	118.74	342.41	348.40	399.43	375.06
2.	ULBs	29.15	64.14	63.36	63.44	52.45
3.	District Councils	293.72	343.70	408.66	457.59	450.45
3.	Others	1,003.70	928.36	840.19	1,616.25	902.87
	Total	1,445.31	1,678.61	1,660.61	2,536.71	1,780.83

Graph 13: Financial Assistance to Local Bodies and Others



Details of Grants-in-Aid Given for Creation of Assets for the past five years are as under:

Table 32: Grants-in-Aid Given for Creation of Assets

		(₹ in crore)				
Sl. No.	Name of Institution	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	4.88	4.76	0.68	0.20	...
2.	ULBs	11.95	19.44	13.97	31.70	7.73
3.	Others	115.21	784.38	192.59	732.69	98.51
	Total	132.04	808.58	207.24	764.59	106.24

6.4 Cash Balance and Investment of Cash Balance

Table 33: Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2020	As on 31 March 2021	Net increase (+) / decrease (-)
Cash Balance	(-)30.50	(-)123.35	(-)92.85
1. Cash in Treasuries	...	...	...
2. Remittance in transit (local)	...	...	...
3. Deposits with Reserve Bank	(-)30.50	(-)123.35	(-)92.85
4. Investment held in the "Cash Balance Investment Account"	202.87	130.94	(-)71.93
Other Cash Balance and Investments	337.06	387.03	49.97
1. Cash with Departmental Officers	(-)4.48	1.49	5.97
2. Permanent Advance for Contingent Expenditure with Departmental Officers	...	...	...
3. Investment of Earmarked Funds	341.54	385.54	44.00
Interest realized	10.29	1.75	(-)8.54

State Government had a closing Cash Balance of (-)₹ 123.35 crore at the end of 31 March 2021. Interest receipts on the investment of Cash Balance has decreased by 82.99 per cent from ₹ 10.29 crore to ₹ 1.75 crore.

6.5 Reconciliation of Accounts

All Controlling Officers are required to reconcile receipts and expenditure of the Government with the figures accounted for by the Principal Accountant General (Accounts Wing), Mizoram. During the year, receipts amounting to ₹ 6,398.16 crore (62 per cent of Total Receipts) and expenditure amounting to ₹ 11,256.55 crore (99 per cent of Total Expenditure) were reconciled by the State Government.

6.6 Submission of Accounts by Accounts Rendering Units

The Finance Account 2020-21 present the transactions of the Government of Mizoram for the period 1 April 2020 to 31 March 2021. The accounts of receipts and expenditure of the Government of Mizoram have been compiled based on the initial accounts rendered by ten Treasuries, 34 Forest Divisions, 53 Public Works Divisions, four Irrigation Divisions, 17 Public Health Engineering Divisions, six Mizoram Houses and Advices of the Reserve Bank of India. No accounts have been excluded at the end of the year.

6.7 Unadjusted Abstract Contingent Bills

Financial Rules (Rule 290 of Central Treasury Rules) envisage that no moneys should be drawn from Government Treasury unless it is required for immediate disbursement. In emergent circumstances, Drawing and Disbursing Officers (DDOs) are authorized to draw sums of money through Abstract Contingent (AC) bills by debiting Service Heads. In terms of the Mizoram Treasury Rules, 2011 (Para 3.13.2), DDOs are required to present Detailed Countersigned Contingent (DCC) bills containing vouchers in support of final expenditure within one month from the date of completion of the purpose for which the advance was drawn, and in no case, beyond the period of 30 days from the date of drawal of such advance, unless otherwise

permitted by the Administrative Department with the concurrence of the Finance Department. Delayed submission or prolonged non-submission of supporting DCC bills renders expenditure through AC Bills opaque and the expenditure shown in the Finance Accounts cannot be vouched as correct or final.

All 12 AC bills amounting to ₹ 17.46 crore drawn during the year 2020-21 were adjusted during the year. However, DCC Bills in respect of 28 AC bills (drawn prior to 2020-21) amounting to ₹ 85.49 crore were not received during 2020-21. Details of unadjusted AC bills as on 31 March 2021 pending submission of DCC bills are given below:

Table 34: Unadjusted AC Bills

(₹ in crore)

Year	No. of unadjusted AC Bills	Amount
Up to 2018-19	28	85.49
2019-20	...	...
2020-21	...	...
Total	28	85.49

The major defaulting departments that had not submitted DCC bills are Medical and Public Health Department (₹ 68.99 crore) and Rural Development (₹ 2.21 crore).

6.8 Liabilities towards Retirement Benefits

The expenditure on "Pensions and Other Retirement Benefits" for State Government employees recruited on or before 31 August 2010 was ₹ 1,439.22 crore during the year.

6.9 Status of Suspense and Remittances Balances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out aggregating the outstanding debit and credit balances separately under various heads. Significant suspense items shown as gross debit and credit balances under Major Head **8658 Suspense Accounts** and **8782 Cash Remittances and adjustments between officers rendering accounts to the same Accounts officer** for the last five years, are as under:

Table 35: Suspense and Remittances Balances

(₹ in crore)

Name of Minor Head	2016-17		2017-18		2018-19		2019-20		2020-21	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr	Cr	Cr
(a) 8658 Suspense Accounts										
101 Pay and Accounts Office - Suspense	40.27	9.00	44.84	64.14	60.28	76.79	75.91	76.81	93.01	80.71
Net	Dr 31.27		Cr 19.30		Cr 16.51		Cr 0.90		Dr 12.30	
102 Suspense Accounts-Headquarters	98.87	74.72	80.10	72.40	73.85	72.40	71.42	72.40	72.90	72.40
Net	Dr 24.15		Dr 7.70		Dr 1.45		Cr 0.98		Dr 0.50	
107 Cash Settlement Suspense Account	7.32	1.99	7.32	1.99	7.32	1.99	7.32	1.99	7.32	1.99
Net	Dr 5.33		Dr 5.33		Dr 5.33		Dr 5.33		Dr 5.33	
109 Reserve Bank Suspense-Headquarters	1.93	(-)16.89	13.19	(-)65.60	16.72	(-)71.60	14.76	(-)68.99	17.54	(-)55.13
Net	Dr 18.82		Dr 78.79		Dr 88.32		Dr 83.75		Dr 72.67	

Table 35: Suspense and Remittances Balances - conclud.

(₹ in crore)

Name of Minor Head	2016-17		2017-18		2018-19		2019-20		2020-21	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr	Cr	Cr
110 Reserve Suspense-Central Accounts Office	1,307.79	2,049.16	833.45	1,747.47	805.26	1,744.20	834.50	1,792.75	3,371.84	4,712.38
Net	Cr 741.37		Cr 914.02		Cr 938.94		Cr 958.25		Cr 1,340.54	
112 Tax Deducted at source (TDS) Suspense	0.01	0.61	0.01	0.37	0.01	2.79	0.28	1.22	0.40	3.29
Net	Cr 0.60		Cr 0.36		Cr 2.78		Cr 0.94		Cr 2.89	
(b) 8782 Cash Remittances and adjustments between officers rendering accounts to the same Accounts officer										
102 Public Works Remittances	16,880.44	16,570.28	19,380.32	19,000.29	22,134.38	21,639.58	24,853.10	24,480.59	27,494.68	27,259.28
Net	Dr. 310.16		Dr. 380.03		Dr. 494.80		Cr 372.51		Dr 235.40	
103 Forest Remittances	2,145.37	2,455.78	2,378.14	2,688.64	2,622.43	2,957.74	2,852.72	3,182.61	3,025.44	3,352.38
Net	Cr. 310.41		Cr. 310.50		Cr. 355.31		Cr 329.89		Cr 326.94	

6.10 Status of Outstanding Utilization Certificates (UCs)

In terms of Rules 3.20.4 of the Mizoram Treasury Rules 2011, Utilization Certificates (UCs) in respect of Grants-in-Aid received by the grantee should be furnished by the grantee to the authority that sanctioned it, within one year from the date of receipt of grant or before applying for a further grant on the same object, whichever is earlier. To the extent of non-submission of UCs, there is no assurance that the amount shown in Finance Accounts had reached the beneficiaries and thus the expenditure cannot be vouched as correct or final.

During the year 2020-21, ₹ 87.97 crore pertaining to outstanding UCs for the period upto 2017-18 was cleared. The position of outstanding UCs as on 31.03.2021 is given below:

Table 36: Outstanding Utilization Certificates (UCs)

(₹ in crore)

Year ^[*]	Number of UCs Outstanding	Amount
Upto 2018-19	76	106.53
2019-20	35	34.26
2020-21	40 [#]	31.38
Total	151	172.17

[*] The year mentioned above relates to "Due year" i.e. after one year of actual drawal.

The entire outstanding of 151 Utilization Certificates amounting to ₹ 172.17 crores due up to 2020-21 related to three ADCs i.e. Lai Autonomous District Council, Mara Autonomous District Council and Chakma Autonomous District Council.

6.11 Incomplete Projects aged five years and more

As per information received from the State Government as on 31 March 2021, there were 14, two and four incomplete projects under Irrigation, Power and Social Welfare Department respectively, which are aged five years or more. The details of incomplete projects along with revised cost and escalation in the cost are given in Annexure J of Notes to Accounts (Finance Accounts Vol. I)

6.12 National Pension System

The State Government employees recruited on or after 31 August 2010 are covered under the National Pension System (NPS) which is a Defined Contribution Pension Scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his/her basic pay and dearness allowance, and 10 *per cent* of basic pay and dearness allowance is contributed by the State Government; and the entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank.

As per the procedure adopted by the Government of Mizoram, the employees' contribution is initially credited to 'MH 0071 Contribution Recoveries towards Pension and Other Retirement Benefits' and thereafter transferred along with the employer's contribution to a Current Account opened for this purpose, for eventual transfer to NSDL.

During the year 2020-21, total contribution to Defined Contribution Pension Scheme was ₹ 87.20 crore (Employees contribution ₹ 43.52 crore and Government contribution ₹ 43.68 crore including ₹ 0.16 crore of 14 *per cent* contribution for AIS officers). Total amount of ₹ 87.20 crore was transferred to NSDL.

6.13 Transfer of Funds to Personal Deposit Accounts

Personal Deposit Accounts enable designated Drawing Officers to incur expenditure for specific purposes pertaining to a scheme; by debiting the service heads in the Consolidated Fund of the State and crediting the Personal Deposits under the Major Head 8443 Civil Deposits and the Minor Head 106 Personal Deposits. Administrators of Personal Deposit Accounts are required to close such accounts on the last working day of the year and transfer the unspent balances back to the Consolidated Fund.

As per information furnished by the Government of Mizoram, there is no Personal Deposit Accounts.

6.14 Investment

Information on Government investments appearing in Statements 8 and 19 of the Finance Accounts is based on the accounts and sanctions received by the Principal Accountant General (Accounts Wing), but has not been confirmed by the concerned departments (including Finance) and the investee entity. The Government did not make any investment in 2020-21. Details of Government investment from previous years as on 31 March 2021 are given as follows:

Table 37: Investment

Category	Number of entities	(₹ in crore)
		Investment at the end of the year 2021
Statutory Corporation	6	6.99
Government Companies	...	...
Other Joint Stock Companies and Partnership	...	...
Co-operative Banks and Societies	423	35.78
Total	429	42.77

6.15 Rush of Expenditure

In terms of Rule 62 (3) of General Financial Rules 2017, rush of expenditure particularly in the closing month of the financial year shall be regarded as breach of financial regularity and should be avoided. State Government Departments, however, withdrew ₹ 2,205.02 crore in March 2021 and ₹ 117.87 crore on the last working day of March 2021 (Treasury-wise details of significant transactions are given (22.87 per cent and 1.22 per cent respectively of total expenditure ₹ 9,640.77 crore (Revenue and Capital) and corresponding quantum of Revenue Receipts of the State Government in March 2021 was ₹ 1,250.85 crore (16.16 per cent of total Revenue Receipts). End use of expenditure incurred in a few large departments/Major Heads with reference to the drawal of expenditure during March 2021 (₹ 2,205.02 crore) are **4047 Capital Outlay on Other Fiscal Services (100 per cent), 4059 Capital Outlay on Public Works (97 per cent), 4225 Capital Outlay on Welfare of Scheduled Caste, Scheduled Tribes, Other Backward Classes and Minorities (100 per cent), 4235 Capital Outlay on Social Security and Welfare (100 per cent), 4401 Capital Outlay on Crop Husbandry (91 per cent), 4403 Capital Outlay on Animal Husbandry (100 per cent), 4702 Capital Outlay on Minor Irrigation (99 per cent), 5055 Capital Outlay on Road Transport (100 per cent) and 2401 Crop Husbandry (59 per cent).**

During 2020-21, of the total expenditure (Revenue plus Capital) (₹ 9,640.77) ₹ 3,601.77 crore (37.36 per cent) was incurred during last quarter of the current financial year, whereas, of the total receipts (₹ 7,740.67 crore), ₹ 4,411.91 crore (57.00 per cent) were received during the last quarter. Comparison of month-wise receipts corresponding to expenditure for the last quarter (January 2021 to March 2021) is as under:

Table 38: Rush of Expenditure

(₹ in crore)			
Month	Expenditure	Receipts	Expenditure compared to Receipts Increase (+)/Decrease (-)
January 2021	695.85	1,456.91	(-)761.06
February 2021	700.90	1,704.15	(-)1,003.25
March 2021	2,205.02	1,250.85	954.17
Total	3,601.77	4,411.91	(-)810.14

Treasury-wise details of amounts withdrawn on the last working day of March 2021:

Table 39: Treasury-wise details

(₹ in crore)		
Sl. No.		Amount
1.	Liasion Officer, Mumbai	0.03
2.	Lunglei Treasury	0.65
3.	Aizawl South Treasury	18.76
4.	Aizawl North Treasury	98.33
5.	Resident Commissioner, New Delhi	0.08
6.	Kolasib Treasury	0.02
Total		117.87

6.16 Reserve Funds

Details of Reserve Funds are available in Statements 21 and 22 of the Finance Accounts. There are six Reserve Funds earmarked for specific purposes. The total accumulated balance at the end of 31 March 2021 in these Funds was ₹ 619.17 crore, out of which ₹ 227.11 crore was under interest bearing Reserve Fund and ₹ 392.06 crore under Non-Interest bearing Reserve Fund.

(A) Reserve Funds Bearing Interest:

(a) State Disaster Response Fund (SDRF):

In terms of guidelines on constitution and administration of the State Disaster Response Fund (under Major Head '8121 General and Other Reserve Funds' which is under interest bearing section), the Central and State Governments are required to contribute to the fund in the proportion of 90:10. During the year 2020-21, the State Government received ₹ 47.00 crore as Central Government's share. The State Government's share during the year is ₹ 5.00 crore. The State Government transferred ₹ 50.50 crore (Central share ₹ 47.00 crore against actual receipt of ₹ 47.00 crore from Central Government, State share ₹ 3.50 crore) to the Fund under Major Head 8121-122 SDRF. This short contribution of ₹ 1.50 crore has understated Revenue Deficit and Fiscal Deficit to that extent. The state did not receive funds from the Central Government towards National Disaster Response Fund (NDRF).

The contributions to the Fund, expenditure and the balance therein are as under:

Table 40: State Disaster Response Fund

(₹ in crore)						
Opening balance (1 April 2020)	Contribution by Centre	State Share	Total receipts during the year	Amount set off (MH 2245-05)	Balance in the fund	Invested by RBI/State Government during the year
7.19	47.00	3.50	50.55 ^[a]	17.61	40.13	Nil

^[a] Includes ₹ 0.05 crore being interest earned from the saving Bank (2017-2021).

The entire expenditure of ₹ 17.61 crore incurred on natural calamities was set off (MH 2245) against the Fund balance of ₹ 57.74 crore. The balance lying under the Fund as at the end of 31 March 2021 was ₹ 40.13 crore.

(b) State Compensatory Afforestation Fund:

In compliance with the instructions issued by the Ministry of Environment and Forests, Government of India's vide their letter No. 5-1/2009-FC dated 28 April, 2009 and Guidelines of 2 July 2009, the State Governments are required to establish the State Compensatory Afforestation Fund for amounts received from user agencies and utilization of monies collected for undertaking Compensatory Afforestation, assisted natural regeneration, conservation and protection of forests, infrastructure development, wildlife conservation and protection and other related activities and for matters connected therewith or incidental thereto.

The monies received by the State Governments from the user agencies need to be credited in 'State Compensatory Afforestation Deposits' under interest bearing section in Public Account of the State at Minor head level below the Major Head **8336 Civil Deposits**. As per Section 3 (4) of the Compensatory Afforestation Fund Act, 2016, 90 per cent of the fund needs to be transferred to the Major Head **8121 General and Other Reserve Funds** in Public Account of

State and balance 10 *per cent* to be credited into the National Fund on yearly basis provided that, the credit of 10 *per cent* Central share of funds should be ensured on monthly basis so that the same is transferred to the National Fund.

The applicable rate of interest on balances available under 'State Compensatory Afforestation Deposits' under '8336 Civil Deposits' and 'State Compensatory Afforestation Fund' under 8121 General and other Reserve Funds will be as per the rate declared by the Central Government on year to year basis.

Information regarding the monies received by the State Government from user agencies and the corresponding transfer to Major Head 8121 General and Other Reserve Funds, remission to the National Fund and amount received from National Compensatory Afforestation Deposit during the year has not been furnished by the State Government. As per the Accounts, during 2020-21, a total amount of ₹ 26.00 crore was expended under Head of Account 2406 Forestry and Wild Life 04 Afforestation and Ecology Development 103 State Compensatory Afforestation and the same amount is contra debited to the Head of Account 8121 General and Other Reserve Funds, Minor Head 129 State Compensatory Afforestation Fund in Public Account. The total balance in the State Compensatory Afforestation Fund as on 31 March 2021 was ₹ 186.99 crore.

(B) Reserve Funds not Bearing Interest:

(a) Consolidated Sinking Fund:

The Government of Mizoram set up the Consolidated Sinking Fund for amortization of loans in 2006-07. According to the guidelines of the Fund, States may contribute a minimum of 0.50 *per cent* of their outstanding liabilities (Internal Debt *Plus* Public Account) as at the end of the previous year to the Consolidated Sinking Fund. Following are the transactions in the Fund:

Table 41: Transactions in the Consolidated Sinking Fund

(₹ in crore)						
Opening balance as on 1 April 2020	Additions to the Fund (Contribution and interest)		Payments out of the Fund	Total balance in the Fund	Amount invested by RBI during the year	Closing balance as on 31 March 2021
	Required contribution 0.50 <i>per cent</i> of the outstanding liabilities as on 31 March 2020)	Contribution and interest added during the year				
309.04	43.39	37.00	...	346.04	37.00	346.04

Short contribution of ₹ 6.39 crore has understated Revenue Deficit and Fiscal Deficit to that extent.

(b) Guarantee Redemption Fund:

The State Government constituted the Guarantee Redemption Fund in 2009-10 vide notification No. G.16035/59/2006-FEA dated 15.05.2009 that is administered by RBI. The latest amendment to the Fund notification issued by the State Government, effective from the year 2009-10, stipulates Contribution to the Fund vide para 5 (a) of the said notification that the fund shall be set up by the Government with an initial contribution of ₹ 0.50 crore determined on the basis of guarantees invoked during the preceding 5 years. The balance in the Fund shall be increased with contributions made annually or at lesser intervals, so as to reach the level deemed sufficient to meet the amount of anticipated guarantees devolving

on the Government as a result of the likely invocation of outstanding guarantees in the succeeding 5 years and vide para 5 (b) during each year the Government shall contribute an amount equivalent at least to 1/5th of the outstanding invoked guarantees *plus* an amount of guarantees likely to be invoked as a result of the incremental guarantees issued during the year.

The total accumulation of the Fund was ₹ 39.50 crore as on 31 March 2021. The entire amount ₹ 39.50 crore has been invested by RBI. The details are as under:

Table 42: Guarantee Redemption Fund

Opening balance (1 April 2020)	Additions to the Fund (contribution and interest)		Payments out of the Fund	Total balance in the Fund	Required balance in the Fund (20% of the Total outstanding Guarantees as on 31 March 2021)	Amount invested by RBI during the year 2021	Closing balance (31 March 2021)	
	Required contribution(at least 1/5 th of the outstanding invoked guarantees <i>plus</i> an amount of guarantees likely to be invoked as a result of the incremental guarantees issued during the year)	Actuals during 2020-21						
		Contribution (... ^[a] <i>per</i> <i>cent</i> of Total outstanding Guarantees as on 31 March 2020)						Interest
32.50	Nil ^[a]	7.00	Nil	39.50	Nil ^[a]	7.00	39.50	

Transactions in the Fund are depicted in Statements 21 and 22.

^[a] As per information received from the State Government, no guarantee invoked during 2020-21 and not likely to be invoked.

^[a] No fixed limit is prescribed.

6.16 (C) In-operative Reserve Funds

There are two in-operative Reserve Funds in Mizoram as detailed below:

Table 43: In-operative Reserve Funds

Sl. No.	Major Head	Minor Head	Amount
1.	8235 General and Other Reserve Funds	101 General Reserve Funds of Government Commercial Dept/ Undertaking	2.83
2.	8235 General and Other Reserve Funds	200 Other Funds	3.69
	Total		6.52

6.17 Contingency Fund

In exercise of the powers conferred by Section 1 of the Mizoram Contingency Fund Act, 1987, the State Government made the Mizoram Contingency Fund Rules, 1987 for regulating all matters connected with or ancillary to the custody of, payment of monies into, and the withdrawal of monies from, the Contingency Fund of the State of Mizoram. The Contingency Fund of the State of Mizoram as a corpus of ₹ 0.10 crore. At the end of 31 March 2021, there was no un-recouped amount.

6.18 Unspent amount lying in the Bank Accounts of Drawing and Disbursing Officers

Drawing and Disbursing officers (DDOs) are required to withdraw money from the Government Account/Consolidated Fund for making payment on behalf of the Government. Information received from 285 DDOs (out of 700) revealed that ₹ 456.91 crore was lying in the Savings/Current Bank Account of DDOs as on 31.03.2021.

The PAG/AG (A&E) has requested the Government to close all the Savings/Current Bank Accounts of DDOs and to follow the prescribed procedure of Treasury Rules, Receipts and Payments Rules, etc. for drawal of money from Government Accounts. Details of Savings/Current Bank Accounts being operated by 285 DDOs are at Annexure I of Note to Accounts (Finance Accounts Vol. I).

These funds were meant to incur expenditure on different heads *inter alia*, office expenses, committed liabilities, Central/State Scheme. Even though these amounts have already been accounted for as expenditure from the Consolidated Fund of the State, they are lying idle outside the Government Accounts. Thus the expenditure shown in the Finance Accounts cannot be vouched as correct to that extent. Information from the remaining DDOs are still awaited (as on 31.3.2021).

6.19 Building and Other Construction Workers Welfare Cess

The Government of India enacted the Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act) to levy and collect cess for providing benefits to the workers. The Act, *inter alia*, mandated constitution of a Building and Other Construction Workers' Welfare Board and framing of rules by every State Government to exercise the powers conferred under the Act. Accordingly, the Government of Mizoram has framed Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules 2015 under the Act and have constituted the Building and Other Construction Workers Welfare Board. The Board is responsible for the operation and maintenance of the amount credited by Government as Labour Cess Deposits.

During the year 2020-21, the Government collected ₹ 14.09 crore as Labour Cess under Major Head Labour Cess and transferred ₹ 14.09 crore to the Building and Other Construction Workers Welfare Board.

6.20 Booking under Minor Head "800 Other Expenditure and 800 Other Receipts"

The Minor Head 800 Other Expenditure/800 Other Receipts is to be operated only when the appropriate minor head has not been provided in the accounts. Routine operation of Minor Head 800 should be discouraged, since it renders the accounts opaque.

During the year 2020-21, ₹ 1,143.58 crore under 61 Major Heads of accounts, constituting 11.86 *per cent* of the total Revenue and Capital Expenditure (₹ 9,640.77 crore) was classified under the Minor Head 800 Other Expenditure in the accounts. Details of substantial expenditure (50 *per cent* and above) booked under Minor Head 800 Other Expenditure are given below:

Similarly, ₹ 455.42 crore under 39 Major Heads of Account, constituting 5.88 *per cent* of the total Revenue Receipts (₹ 7,740.67 crore) was classified under 800 Other Receipts in the accounts. Details of substantial receipts (50 *per cent* and above) booked under the Minor Head 800 Other Receipts are also given below:

Table 44: Booking under Minor Head "800 Other Expenditure

(₹ in crore)

	Major Head	Total Expenditure	Expenditure under Minor Head 800	Percentage
2225	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities	459.72	459.72	100
2415	Agricultural Research and Education	13.90	9.02	64.89
3275	Other Communications Services	4.24	4.24	100
3435	Ecology and Environment	1.45	1.42	97.93
4047	Capital Outlay on Other Fiscal Services	6.13	6.13	100
4070	Capital Outlay on Other Administrative Services	0.34	0.34	100
4202	Capital Outlay on Education, Sports, Art and Culture	39.90	20.49	51.35
4210	Capital Outlay on Medical and Public Health	24.75	20.85	84.24
4225	Capital Outlay on Welfare of Schedule Castes, Schedule Tribes, Other Backward Classes and Minorities	104.14	104.14	100
4401	Capital Outlay on Crop Husbandry	19.13	11.81	61.74
4403	Capital Outlay on Animal Husbandry	8.08	5.74	71.04
4415	Capital Outlay on Agricultural Research and Education	8.32	8.32	100
4801	Capital Outlay on Power Projects	53.70	53.70	100

Table 45: Booking under Minor Head "800 Other Receipts

(₹ in crore)

	Major Head	Total Receipts	Receipts under Minor Head '800'	Percentage
0047	Other Fiscal Services	12.06	12.06	100
0059	Public Works	0.41	0.41	100
0217	Urban Development	0.16	0.16	100
0403	Animal Husbandry	1.44	0.88	61.11
0404	Dairy Development	0.18	0.18	100
0405	Fisheries	1.37	0.96	70.07
0435	Other Agricultural Programmes	1.13	1.12	99.12
0801	Power	398.01	398.01	100
0851	Village and Small Industries	0.13	0.13	100
1054	Roads and Bridges	0.92	0.82	89.13
1055	Road Transport	0.35	0.35	100
1452	Tourism	1.80	1.42	78.89

6.21 Goods and Services Tax (GST)

Goods and Services Tax (GST) was introduced with effect from 1 July 2017. During the year 2020-21, the State GST collection was ₹ 457.91 crore compared to ₹ 532.22 crore in 2019-20, registering a decrease of ₹ 74.31 crore (13.96 per cent). This includes Advance Apportionment of IGST amounting to ₹ 17.93 crore. In addition, the State received ₹ 897.91 crore as its share of net proceeds assigned to the State under Central Goods and Services Tax. The total receipts under GST were ₹ 1,355.82 crore. The State did not receive compensation on account of loss of revenue arising out of implementation of GST during 2020-21.

6.22 Cash Balance

The Cash Balance as on 31 March 2021 as per record of the Principal Accountant General (Accounts Wing) was ₹ 123.35 crore (Credit) and that reported by the RBI was ₹ 42.86 crore (Debit). There was a net difference of ₹ 80.49 crore (Credit), mainly due to incomplete Reconciliation of figures between Treasuries Agency and Banks. The difference is under Reconciliation.

Table 46: Cash Balance

(₹ in crore)

Year	Cash Balance
Upto 2015-16	60.44 Cr
2016-17	66.59 Cr
2017-18	57.77 Cr
2018-19	12.89 Dr
2019-20	27.61 Cr
2020-21	80.49 Cr

6.23 Central Road Fund

Government of India provides annual grants under the CRF to the State Government to incur expenditure on specific road projects. In terms of the extant accounting procedure, the grants are to be initially booked as Revenue Receipts under Major Head “1601 Grants-in-Aid from Central Government”. Thereafter the amount so received is to be transferred by the State Government to the Public Account under Major Head “8449 Other Deposits 103 Subvention from Central Road Fund”, through Revenue Expenditure Major Head “3054 Roads and Bridges”. This process ensures that receipt of the grants do not result in overstatement of Revenue Surplus or understatement of Revenue Deficit in the accounts. The expenditure on prescribed road works under CRF will first be accounted for under the relevant Capital or Revenue Expenditure section (Major Heads 5054 or 3054) and reimbursed out of the Public Account under Major Head 8449 as a deduct expenditure to the concerned Major Head (5054 or 3054 as the case may be).

During the year 2020-21, the State Government received grants of ₹ 32.28 crore towards CRF. No corresponding Budget Provision was made under 3054-80-797- Transfer to/from Reserve Fund/Deposit Account and there was no transfer to Public Account under 8449 Other Deposits. This is in violation of the Fund accounting procedure.

As per the Finance Accounts 2020-21, ₹ 43.75 crore was incurred being Construction of Roads (CRF) under Major Head 5054 Capital Outlay on Roads and Bridges.

6.24 Expenditure on Ecology and Environment

The National Environment Policy, 2006 is intended to mainstream environmental concerns in all developmental activities. The Budget and Expenditure data relating to “Environment”, “Waste Management”, “Prevention and Control of Pollution”, “Environment Research and Education”, “Environmental Protection” etc. are compiled from the vouchers/budget documents, etc. rendered by the State Government.

The expenditure incurred by the State Government towards environment is depicted in the Finance Accounts upto the level of Minor Head under various functional head of accounts. During the year 2020-21, the Government of Mizoram incurred ₹ 1.45 crore against the budget allocation of ₹ 1.59 crore under Major Heads 3435 i.e. 0.02 per cent of Revenue Expenditure. Major Head wise details of expenditure *viz-a-viz* Budget is given below:

6.25 Opening of New Sub-Heads/Detailed Heads of Accounts without advice

During 2020-21, the State Government of Mizoram opened 14 new Sub-Heads (12 under the Revenue Section, 2 under Capital Section and nil under both Revenue and Capital) in the budget, without seeking the advice of the Principal Accountant General as required under the provisions of Article 150 of the Constitution of India. The State Government provided budget provisions under these heads and incurred expenditure of ₹ 81.54 crore under the Revenue Section and ₹ 113.17 crore under the Capital Section in these heads during 2020-21.

6.26 Interest Adjustment

Government is liable to pay/adjust interest in respect of balances under category J. Reserve Funds (a) Reserve Funds Bearing Interest and K. Deposit and Advances (a) Deposits Bearing Interest, and for this purpose, specific Sub-Major Heads are provided in the List of Major and Minor Heads of Account.

Details of these Funds/Deposits and interest paid by the Government during the year 2020-21 are given below:

Table 48: Interest Adjustment

(₹ in crore)				
Funds/Deposits	Balance on 1 April 2020	Basis for calculation of interest	Interest due	Interest paid
State Disaster Response Fund (8121-122)	7.19	5.00 per cent (Average Ways and Means Interest rate) (Press Release of Reserve Bank of India, dated 23.04.2021)	0.36	Nil
State Compensatory Afforestation Fund (8121-129)	212.98	Interest calculated at the rate of 3.40 per cent (vide No. 4-58/2019-NAPt. 2 GOI, MF, F & CC (NA) dated 16.03.2021)	7.24	Nil
Miscellaneous Deposits (8342-120)	2.50	5.00 per cent (Average Ways and Means Interest rate) (Press Release of Reserve Bank of India, dated 23.04.2021)	0.13	Nil
Total			7.73	...

Non-payment/short payment of the interest ₹ 7.73 crore has resulted in understatement of Revenue and Fiscal Deficit by ₹ 7.73 crore.

6.27 Restructuring of Centrally Sponsored Schemes (CSSs/Additional Central Assistance (ACA) excluding Block Grants

Consequent to the merger of Plan/Non-Plan, the Central Assistance released is now classified as Central Assistance/Share under Centrally Sponsored Schemes.

As against ₹ 4,514.97 crore depicted in the Public Financial Management System (PFMS) portal of Controller General of Accounts (CGA) towards Central Assistance/Share under Centrally Sponsored Schemes of the Government of Mizoram in 2020-21, Clearance Memos from RBI, CAS, Nagpur and supporting sanction orders from the respective Ministries were received for ₹ 3,520.80 crore (excluding direct transfer to the beneficiaries through PFMS portal by the Central Ministries/Departments). The same have been appropriately booked in the accounts of the State Government under Major Head **1601 Grants-in-Aid from the Central Government**.

The total expenditure booked under Centrally Sponsored Schemes is ₹ 1,703.70 crore (Revenue Expenditure ₹ 1,111.72 crore and Capital Expenditure ₹ 591.98 crore), which includes expenditure out of Central Assistance and State share for Centrally Sponsored Schemes.

6.28 Disclosures in accordance with Indian Government Accounting Standards (IGAS)

(a) IGAS 1- Guarantees given by the Governments:

IGAS-1 requires that sector-wise and class-wise disclosures on guarantees given by the State Government should be incorporated in Finance Accounts. Statements 9 and 20 show the details of Guarantees given by the State Government and the interest on the guaranteed amount. Although sector-wise details have been disclosed, class-wise details were not incorporated in Finance Accounts of the State.

The details on Guarantees reported in Statements 9 and 20 prepared as per IGAS 1, are on the basis of the information provided by the State Government.

(b) IGAS 2- Accounting and classification of Grants-in-Aid:

As per IGAS-2, expenditure relating to Grants-in-Aid should be classified as revenue expenditure even if it involves creation of assets, except in cases specifically authorized by the President on the advice of the Comptroller and Auditor General of India. Requirements regarding accounting and classification of Grants-in-Aid given by the State Government have been depicted in Statement 10 and Appendix III which are prepared as per the requirements of IGAS 2. No Grants-in-Aid was booked under Capital Heads during the year. Detailed information in respect of Grants-in-Aid given in kind has not been furnished by the State Government.

(c) IGAS 3- Loans and Advances made by the Government:

IGAS-3 requires disclosure on Loans and Advances made by the Union and the State Governments.

Statements 7 and 18 of the Finance Accounts Vol. I and II have been prepared incorporating the disclosures under IGAS 3. The details of loans and advances reported in these Statements of the Finance Accounts are based on information received through the accounts rendered to the Principal Accountant General (Accounts Wing). All entitlement functions including Loans and Advances are dealt by the State Government and information has not been furnished by the State Government.

6.29 Direct transfer of Central Scheme Funds to Implementing Agencies in the State (Funds routed outside State Budget)

As per PFMS portal of CGA ₹ 836.40 crore was directly received by the Implementing Agencies in the State during 2020-21. The total amount transferred by the Central Government to the State during the year 2020-21 was ₹ 4,514.97 crore.

The direct transfer of fund to the Implementing Agencies has increased by 21.16 *per cent* as compared to previous year *i.e.* 2019-20 (from ₹ 690.35 crore in 2019-20 to ₹ 836.40 crore in 2020-21). Details are in Appendix VI (Finance Accounts Vol. II).

6.30 Committed Liabilities

In terms of the Twelfth Finance Commission recommendations, some action has been initiated by the Central Government to move towards accrual basis of accounting. However, as the transition would occur in stages, for a changeover to the accrual based system of accounting, some additional information in the form of statements is required to be appended to the present system of cash accounting to ensure more transparency in decision-making. The State Government had to furnish information on Committed Liabilities and the same has been reflected in Appendix XII (Finance Accounts Vol. II).

6.31 Transfer of Funds to various Implementing Agencies

The State Government provides funds to State/District Level Agencies/ Autonomous Bodies and Authorities, Societies, Non-Governmental Organizations, *etc.*, as grants for implementation of Central Sector Schemes, Centrally Sponsored Schemes and State Schemes. During 2020-21, an amount of ₹ 1,780.83 crore was given by the State Government to various implementing agencies for implementation of Government scheme/works/programmes. The aggregate amount of unspent balances in the accounts of the implementing agencies kept outside the Government Accounts (in Bank Accounts) is not readily ascertainable. The Government expenditure as reflected in the Accounts to that extent is, therefore, not complete.

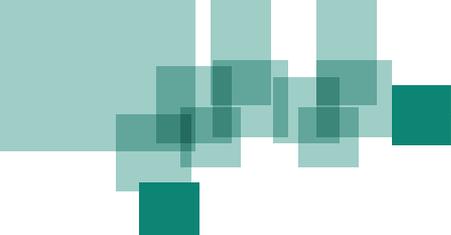
6.32 Impact on Revenue Deficit and Fiscal Deficit

The impact on the Revenue Deficit and Fiscal Deficit of the Government of Mizoram as brought out in the preceding paras is tabulated below:

Table 49: Impact on Revenue Deficit and Fiscal Deficit

(₹ in crore)

Para Number of Notes to Accounts (Finance Accounts Vol. I)	Item (Illustrative)	Impact on Revenue Deficit		Impact on Fiscal Deficit	
		Overstatement (₹ in crore)	Understatement (₹ in crore)	Overstatement (₹ in crore)	Understatement (₹ in crore)
2 (ix)	Non-payment of Interest State Disaster Response Fund (8121-122)	Nil	0.36	Nil	0.36
2 (ix)	Non-adjustment of interest on balances in State Compensatory Afforestation Fund (8121-129)	Nil	7.24	Nil	7.24
2 (ix)	Non-payment of interest Miscellaneous Deposits (8342-120)	Nil	0.13	Nil	0.13
4 (ii)(A) (a)	State Disaster Response Fund (Non-transfer of State Share)	Nil	1.50	Nil	1.50
4(ii)(B) (a)	Short contribution under Consolidated Sinking Fund	Nil	6.39	Nil	6.39
Total (Net) Impact		Understatement	15.62	Understatement	15.62



© **COMPTROLLER AND AUDITOR GENERAL OF INDIA**
2021
www.cag.gov.in

e-mail: agmizoram@cag.gov.in