



सत्यमेव जयते

**Report of the  
Comptroller and Auditor General of India  
on  
State Finances**

**For the year ended 31 March 2015**



**GOVERNMENT OF MANIPUR**

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## PREFACE

1. *This Report has been prepared for submission to the Governor of Manipur under Article 151(2) of the Constitution of India.*
2. *Chapters I and II of this Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2015. Information has been obtained from the Government of Manipur for inclusion in this Report, wherever necessary.*
3. *Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.*
4. *The Report containing the findings of performance audit and audit of transactions in various departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Sector are presented separately.*

## **EXECUTIVE SUMMARY**

## Executive Summary

### Background

This Report on the Finances of the Government of Manipur is being brought out with a view to assess the financial performance of the State during the year 2014-15. The aim of this Report is to provide the State Government with timely inputs based on actual data so that there is a better insight into both well performing as well as ill performing schemes/ programmes of the Government. In order to give a perspective to the analysis, effort was made to compare the achievements with the targets envisaged by the State Government in Fiscal Responsibility and Budget Management Act, 2005 as well as in the Budget estimates of 2014-15.

There was an overall deterioration of key fiscal parameters of the State at the close of 2014-15 as compared with the previous year. Against Fiscal surplus of ₹ 273.26 crore in 2013-14, there was Fiscal deficit of ₹ 600.83 crore. Primary surplus of ₹ 718.18 crore of 2013-14 also turned into Primary deficit of ₹ 127.64 crore in 2014-15. Against an opening cash balance of ₹ 463.84 crore at the beginning of 2014-15, the cash balance closed at an amount of ₹ 121.77 crore at the end of 2014-15.

### The Report

Based on the audited accounts of the Government of Manipur for the year ending March 2015, this Report provides an analytical review of the Annual Accounts of the State Government. The Report is structured in three Chapters.

**Chapter I** is based on the audit of Finance Accounts and makes an assessment of the Government of Manipur's fiscal position as on 31 March 2015. It provides an insight into trends of committed expenditure and borrowing pattern, besides a brief account of Central funds transferred directly to the State Implementing Agencies.

**Chapter II** is based on audit of Appropriation Accounts and gives the grant-by-grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.

**Chapter III** is an inventory of the State Government's compliance with various reporting requirements and financial rules.



## AUDIT FINDINGS AND RECOMMENDATIONS

### Chapter I: Finances of the State Government

#### *Revenue receipts*

Revenue receipts increased by ₹ 715.48 crore (9.82 per cent) in 2014-15 over the previous year (2013-14). The increase was mainly due to increase in Grants-in-Aid from Government of India (₹ 660.22 crore), Share of Union Taxes/duties (₹ 88.10 crore) and Tax revenue (₹ 44.10 crore) in 2014-15 over the previous year (2013-14). Contribution of the State's own revenue to the Revenue receipt was in the range of 8 per cent to 12 per cent for the period 2010-15. The State's share of Union taxes and duties and Grants-in-aid from GoI contributed in the range of 88 per cent to 92 per cent to the Revenue receipt during 2010-15 and remained the main contributor to Revenue receipt of the State. Own Tax revenue was more than the normative assessment of the 13<sup>th</sup> FC by ₹ 146.67 crore (39.62 per cent) but was less than the budget estimates/MTFPS projection by ₹ 104 crore (16.75 per cent). The Own non-Tax revenue realised during the year was less than the normative assessment made by the 13<sup>th</sup> FC projection by ₹ 68.54 crore (27.17 per cent) and also less than the budget estimates/MTFPS projection by ₹ 100.33 crore (35.32 per cent). Non-tax revenue collection was less than the 13<sup>th</sup> FC projections/Budget estimates/MTFPS projections as receipts from Power sector has been excluded after corporatization of the State Electricity Department. **(paras 1.1.2, 1.2.1 and 1.3.1)**

The State Government may consider to maintain the trend of Tax collection in coming years for overall positive fiscal health of the State; focus more on Non-tax revenue as collection under Power sector is outside the State Accounts.

#### *Expenditure Status*

The total expenditure of the State increased by ₹ 2600.20 crore (43.34 per cent) from ₹ 5999.87 crore in 2010-11 to ₹ 8600.07 crore in 2014-15. The Revenue expenditure of the State increased by ₹ 3189.28 crore (78.21 per cent) from ₹ 4078.01 crore in 2010-11 to ₹ 7267.29 crore in 2014-15. A similar trend of increase was also depicted by the Non-plan Revenue Expenditure, which increased by ₹ 1988.67 crore (66.75 per cent) from ₹ 2979.44 crore in 2010-11 to ₹ 4968.11 crore in 2014-15. However, Capital expenditure decreased by ₹ 585.62 crore (30.53 per cent) from ₹ 1918.06 crore in 2010-11 to ₹ 1332.44 crore in 2014-15. Revenue expenditure as a percentage of the total expenditure increased from 67.97 per cent in 2010-11 to 84.5 per cent in 2014-15. This shows that a bulk of the total expenditure has

been increasingly spent to meet expenditure on maintenance, salary, *etc.* Salaries and Wages accounted for about 33 *per cent* of the Revenue receipts of the State during 2014-15 and increased by ₹ 102.74 crore (4 *per cent*) over the previous year (2013-14). Interest payment increased by ₹ 28.27 crore from ₹ 444.92 crore in 2013-14 to ₹ 473.19 crore in 2014-15. Interest payment increased continually from ₹ 364.78 crore in 2010-11 to ₹ 473.19 crore in 2014-15. **(paras 1.6.1 and 1.6.2)**

The State Government may consider to focus more on Capital expenditure to ensure the long term economic health of the State; and rationalise Non-Plan Revenue expenditure as it has grown substantially during 2014-15.

### ***Investment made in Government corporations/companies and recovery of Loans and Advances***

As of 31 March 2015, the State Government had invested ₹ 167.13 crore in statutory corporations, rural banks, joint stock companies and co-operatives. Against Investment ranging from ₹ 160.18 crore to ₹ 176.31 crore during 2010-15, the State Government could earn ₹ 16,000 only during 2010-15 from the investment made on these corporations/companies *etc.* which constituted 0.001 *per cent* of the investment on equity and other capital. It paid an average rate of interest ranging from 6.21 *per cent* to 6.56 *per cent* on its borrowings. The opening balance of outstanding Loans and Advances as on 31 March 2015 was ₹ 205.13 crore. Against repayment of Loans/Advances of ₹ 0.97 crore, an amount of ₹ 0.34 crore was disbursed during 2014-15. Interest receipt has decreased significantly from ₹ 7.37 crore in 2010-11 to ₹ 0.35 crore in 2013-14 before it increased marginally to ₹ 0.55 crore in 2014-15. Pertinently, Interest receipt of ₹ 0.55 crore against an opening balance of ₹ 205.13 crore is insignificant. **(paras 1.8.2 and 1.8.4)**

The State Government may critically review the functioning of the corporations, companies and co-operatives and may initiate appropriate actions to make their operation viable and also ensure appropriate receipt of interest from Loans and Advances.

### ***Fiscal liabilities and fiscal position***

The Fiscal Deficit – GSDP ratio (3.67 *per cent*) exceeded the targets of 13<sup>th</sup> FC and FRBM Act (3 *per cent* and below) and MTFPS (3.41 *per cent*). The overall Fiscal liabilities of the State Government increased by ₹ 296.70 crore from ₹ 7060.68 crore in 2013-14 to ₹ 7357.38 crore in 2014-15. The increase in Fiscal liabilities (₹ 296.70 crore) was mainly due to increase in Internal Debt (₹ 260.32 crore) and Small Savings, Provident Funds *etc.* (₹ 86.30 crore) partially offset by decrease in Loans and Advances from the Central Government (₹ 44.16 crore). Resource gap in 2014-15 was minus ₹ 874.09 crore. This indicates that Incremental Non-debt receipt was not sufficient to meet incremental Total expenditure in 2014-15. Net availability

of borrowed funds was in negative figures during 2011-15. This indicates that during 2011-15 borrowed funds was solely utilised for re-payment of past loans and its interest liabilities. The fiscal scenario deteriorated as there was Fiscal Deficit of ₹ 600.83 crore in 2014-15 from a corresponding Fiscal Surplus of ₹ 273.26 crore in 2013-14. Primary Surplus of ₹ 718.18 crore in 2013-14 also turned into Primary Deficit of ₹ 127.64 crore in 2014-15. This indicates that nearly 79 per cent of Fiscal Deficit of 2014-15 was due to past obligations. **(paras 1.9.2, 1.10.2 and 1.11.1)**

The State Government may consider to ensure that borrowings are channelized for asset creation and the development activities in order to increase growth and productivity. Otherwise, the accumulated liability may prove to be a strain to the economy of the State. The fiscal position of the State may be evaluated as there is deterioration of financial situation, as experienced by the State Government in the current year (2014-15).

## **Chapter II: Financial Management and Budgetary Control**

During 2014-15, an expenditure of ₹ 8884.61 crore was incurred against a total budget provision of ₹ 12478.56 crore resulting in overall saving of ₹ 3593.95 crore. The overall savings was the net result of saving of ₹ 3613.91 crore offset by excess of ₹ 19.96 crore. The excess requires regularization under Article 205 of the Constitution of India. Excess expenditure (₹ 151.80 crore) for the period 2010-12 had been recommended for regularization by Public Accounts Committee (PAC). However, the excess expenditure has not been regularised. **(paras 2.2 and 2.3.5)**

Supplementary provision aggregating to ₹ 523.20 crore in 20 cases during 2014-15 proved unnecessary as the expenditure did not come up to the level of original provision. Of these, in eight cases, unnecessary supplementary provision provided exceeded ₹ 10 crore in each case. In two cases, supplementary provision of ₹ 14.12 crore was insufficient, and there was an aggregate excess expenditure of ₹ 19.96 crore. **(para 2.3.7)**

There was outstanding balance of 1138 AC bills of ₹ 1591.89 crore as on June 2015. Out of 81 Controlling Officers (CO), 44 CO did not reconcile their accounts with the Office of the Accountant General (A&E), Manipur. Errors in budgeting process like incorrect operation of heads of accounts and Grants-in-aid were also noticed. **(paras 2.4 and 2.7)**

The Government may consider to ensure timely regularization of excess expenditure which is pending regularization, as required under Article 205 of the Constitution of India, strengthen budgetary control to avoid cases of expenditure without provision, unnecessary/ excessive/ inadequate supplementary provision and unnecessary re-appropriation of funds *etc.*, put in place a mechanism in the Departments to adjust the arrears drawn on AC bills

within the same financial year, and ensure annual accounts are reconciled and strive to adopt error-free budgetary process.

### **Chapter III: Financial Reporting**

There were 5893 Utilization Certificates aggregating to ₹ 4570.66 crore in respect of grants to 34 Departments in arrears as of March 2015. **(para 3.1)**. There were also delays and arrears in finalization of accounts by the Autonomous District Councils (ADCs), Autonomous Bodies and Departmental Commercial Undertakings. Four Commercial Undertakings have not submitted their accounts for more than 20 years. **(paras 3.2 and 3.4)**.

The State Government may consider to strengthen internal controls of the executing agencies to utilize the funds within the stipulated time so as to avoid delays in submission of utilization certificates, put in place an appropriate mechanism to ensure timely finalization and submission of Annual accounts by the Autonomous District Councils, Autonomous Bodies and Departmental Commercial Undertakings to the Office of the Principal Accountant General (Audit), Manipur, take special drive to expedite the submission of pending Annual accounts and utilization certificates.

# **CHAPTER I**

## **FINANCES OF THE STATE GOVERNMENT**

# CHAPTER I

## FINANCES OF THE STATE GOVERNMENT

### Profile of the State

Manipur is located strategically in the north-eastern corner of India. The total geographical area of 22,327 sq. km. of the State is divided into two parts – the central valley and the hills surrounding the valley. There are nine districts in the State, of which four are in the valley and five districts are located in the hills. As per Census of 2011, the State's population increased from 21.67 lakh in 2001 to 25.70 lakh in 2011 recording a decadal growth of 12.05 *per cent*. Out of the total population, 32.45 *per cent* people (8.35 lakh) live in urban areas and the remaining 67.55 *per cent* (17.35 lakh) in rural areas. The density of population is 115 per sq. km. The percentage of population below the poverty line was 17.30 *per cent* (All India Average- 27.5 ). The State's literacy rate has increased from 70.53 *per cent* (as per 2001 census) to 79.21 *per cent*. Other related details are given in **Appendix 1.1 (Part D)**. The source of revenue receipt of the State is largely dependent on Central Government which range between 88 *per cent* to 92 *per cent* as Union taxes and duties and Grants-in-aid from the Central Government during 2010-15.

### About this Chapter

This chapter provides a broad perspective of the finances of the Government of Manipur during 2014-15 and analyses critical changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years (2010-15). The details of structure, form of Government accounts, layout of Finance Accounts, methodology adopted for assessment of fiscal position, profile of the State *etc.* are given in **Appendix 1.1 (Part C)**.

### 1.1 Introduction

#### 1.1.1 Gross State Domestic Product

Gross State Domestic Product (GSDP) is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important indicator of of the State's economy. The trends in the annual growth at current prices of the State's GSDP are indicated in the following table:

**Table 1.1: GSDP and the rate of growth during 2010-15**

Year	2010-11	2011-12	2012-13	2013-14	2014-15
State's GSDP <sup>1</sup>	9137	11123	12697(Q)	14324 (A)	16364 (P)
Growth rate of GSDP ( <i>per cent</i> )	10.70	21.74	14.15	12.81	14.24

(Source: Department of Economics and Statistics, Government of Manipur)

GSDP of the State grew at the rate of 14.24 *per cent* (₹ 16364 crore) at current price during 2014-15 against a growth of 12.81 *per cent* (₹ 14324 crore) during 2013-14. The Compounded Annual Growth Rate (CAGR) of GSDP of the State during 2005-15 was 12.39 *per cent* (**Appendix-1.1 - Part D**).

### 1.1.2 Summary of fiscal transactions

The following table presents the summary of the State Government's fiscal transactions during the current year (2014-15) *vis-à-vis* the previous year (2013-14), while **Appendix 1.2** provides details of Receipts and Disbursements as well as the overall fiscal position during 2014-15.

**Table 1.2: Summary of Fiscal operations**

Receipts	2013-14	2014-15	Disbursements	2013-14	2014-15		
Section-A: Revenue					Non Plan	Plan	Total
Revenue receipts	7282.79	7998.27	Revenue expenditure	5718.83	4968.11	2299.18	7267.29
Tax revenue	472.73	516.83	General Services	2441.07	2737.39	13.74	2751.13
Non-tax revenue	260.67	183.73	Social Services	1603.66	1085.20	942.86	2028.06
Share of Union Taxes/ Duties	1438.79	1526.89	Economic Services	1338.61	816.15	1196.22	2012.37
Grants-in-aid from the Government of India	5110.60	5770.82	Grants-in-aid and Contributions	335.49	329.37	146.36	475.73
Section-B: Capital							
Miscellaneous Capital Receipts	-	-	Capital expenditure	1291.89	(-)0.52	1332.96	1332.44
Recoveries of Loans and Advances	1.23	0.97	Loans and Advances disbursed	0.04	0.34	-	0.34
Public Debt receipts <sup>2</sup>	382.68	489.40	Repayment of Public Debt	260.07			273.24
Contingency Fund	-	-	Contingency Fund	-			-
Public Account receipts	3883.75	2901.43	Public Account disbursements	3760.41			2858.83
Opening Cash Balance	(-) 55.37	463.84	Closing Cash Balance	463.84			121.77
<b>Total</b>	<b>11495.08</b>	<b>11853.91</b>	<b>Total</b>	<b>11495.08</b>			<b>11853.91</b>

(Source: Finance Accounts)

<sup>1</sup> At current price with base year 2004-05. (Q) - Quick estimates, (A) - Advanced estimates, (P)- Provisional estimates. The Quick estimates and Advanced estimates of 2013-14 has since been revised by the Department.

<sup>2</sup> Under Internal debt receipt/repayment only the Net transactions under Ways and Means Advances is taken

The following are the significant changes during 2014-15 over the previous year:

- Revenue receipts increased by ₹ 715.48 crore (9.82 per cent) over the previous year. The increase was mainly due to increase in Grants-in-Aid from Government of India (₹ 660.22 crore), Share of Union Taxes/duties (₹ 88.10 crore) and Tax revenue (₹ 44.10 crore).
- Revenue expenditure increased by ₹ 1548.46 crore (27.08 per cent) over the previous year. The increase was mainly due to increase in expenditure under Economic Services (₹ 673.76 crore) and Social Services (₹ 424.40 crore). Capital expenditure increased by ₹ 40.55 crore (3.14 per cent) over the previous year.
- Public debt receipts increased by ₹ 106.72 crore (27.89 per cent) over the previous year. As compared to receipts, Repayment of Public debt increased by ₹ 13.17 crore (5.06 per cent) over the previous year.
- Both Public Account receipts and Public Account disbursement decreased by ₹ 982.32 crore (25.29 per cent) and ₹ 901.58 crore (23.98 per cent) respectively over the previous year.
- The total inflow during 2014-15 was ₹ 11,853.91 crore against ₹ 11,495.08 crore in 2013-14, while the total outflow during 2014-15 was ₹ 11,732.14 crore against ₹ 11,031.24 crore during the previous year. There was closing cash balance of ₹ 121.77 crore at the end of 2014-15 as compared to cash balance of ₹ 463.84 crore at the end of the previous year (2013-14).

### 1.1.3 Review of the fiscal situation

The State Government enacted the Manipur Fiscal Responsibility and Budget Management (FRBM) Act in August 2005 to ensure prudence in fiscal management and fiscal stability by achieving sufficient revenue surplus; reduction in Fiscal deficit; prudent debt management consistent with fiscal sustainability; and greater transparency in fiscal operations of the Government. As per Manipur FRBM Rules 2005 (enacted in December 2005 and subsequent amendments thereafter) framed under the Act, various fiscal targets of revenue surplus and fiscal deficit *etc.* were set. The targets under the Act and the Rules are given in **Appendix-1.1 (Part E)**. Yearly targets are also set in the Medium Term Fiscal Policy Statements (MTFPS) placed in the State Legislative Assembly. During 2014-15, targets of Revenue surplus, Fiscal deficit-GSDP ratio, *etc.* was set in the MTFPS.

Major fiscal variables provided in the recommendations of the 13<sup>th</sup> Finance Commission (FC), targeted in the FRBM Act and FRBM Rules, and MTFPS of the State is depicted in the following table:



**Table 1.3: Trends in Major fiscal parameters/variables vis-à-vis targets for the year 2014-15**  
(₹ in crore)

Fiscal variables	Targets			
	13 <sup>th</sup> FC	FRBM Act	MTFPS	Actual
Revenue Deficit (-)/ Surplus (+)	Eliminate Revenue deficit by 2011-12 and maintain revenue balance or attain a surplus thereafter	Maintain Revenue surplus	(+)1198.80	(+) 730.98
Fiscal Deficit/GSDP (in per cent)	3 per cent	Below 3 per cent	3.41	3.67
State's outstanding guarantees	NA	Not to exceed thrice the State's own tax revenue receipts of the second preceding year i.e. ₹ 1418.19 crore <sup>3</sup>	NA	192.95
Salary expenditure	1427.76	35 per cent of Revenue expenditure net interest payment and pension i.e. ₹ 2050.92 crore <sup>4</sup>	2829.70	2646.04 <sup>5</sup>
Total outstanding debt <sup>6</sup> /GSDP (in per cent)	54.30 per cent	Reduce outstanding debt to a maximum of 54.30 per cent of GSDP by end of 2014-15.	44.92	44.96

(NA: - Not available)

(Source: 13<sup>th</sup> FC, FRBM Act, MTFPS and Finance Accounts)

While the State could maintain Revenue surplus as envisaged in the recommendation of 13<sup>th</sup> FC and FRBM Act, the Revenue surplus (₹ 730.98 crore) was short by ₹ 467.82 crore vis-a-vis the projections of MTFPS (₹ 1198.80 crore).

The Fiscal Deficit – GSDP ratio (3.67 per cent) exceeded the targets of 13<sup>th</sup> FC and FRBM Act (3 per cent and below) and MTFPS (3.41 per cent). During 2014-15, there was Fiscal Deficit of ₹ 600.83 crore against Fiscal Surplus of ₹ 273.26 crore in 2013-14.

The target of limiting State's outstanding guarantee as set out in the FRBM Act (₹ 1418.19 crore) was fully achieved as the outstanding guarantee was restricted at ₹ 192.95 crore. No fresh guarantee has been reported by the State Government during 2014-15.

Total outstanding debt-GSDP ratio (44.96 per cent) was also kept within the targets of 13<sup>th</sup> FC and FRBM Act (54.30 per cent). However, it was marginally more than what was targeted in MTFPS (44.92 per cent).

<sup>3</sup> ₹ 472.73 crore x 3

<sup>4</sup> 35 per cent of (₹ 7267.29 crore – ₹ 473.19 crore – ₹ 934.32 crore)

<sup>5</sup> Including ₹ 8.59 crore on wages and excluding ₹ 63.01 crore (Leave Encashment benefits) booked under 'Major Head – 2071 – "Pensions and Other Retirement Benefits"

<sup>6</sup> Fiscal Liability as per Finance Accounts

Salary expenditure exceeded the corresponding target figures. Against targeted amount of ₹ 1427.76 crore (13<sup>th</sup> FC) and ₹ 2050.92 crore (FRBM Act), the actual expenditure on salary was ₹ 2646.04 crore. This, however, was lesser than the MTFPS projection of salary expenditure of ₹ 2829.70 crore.

### ***Off-budget borrowings***

The State Government has not reported (September 2015) any off-budget borrowings during 2014-15.

### **1.1.4 Budget estimates and actual**

The budget papers presented by the State Government provide descriptions of projections or estimations of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from the Budget Estimates are indicative of non-attainment and non-optimisation of the desired fiscal objectives due to a variety of causes, some within the control of the Government and some beyond the control of the Government. The following table and chart present the consolidated picture of budget estimates and actuals of the State Finances during 2014-15.

**Table 1.4: Statement showing budget estimates and actual**

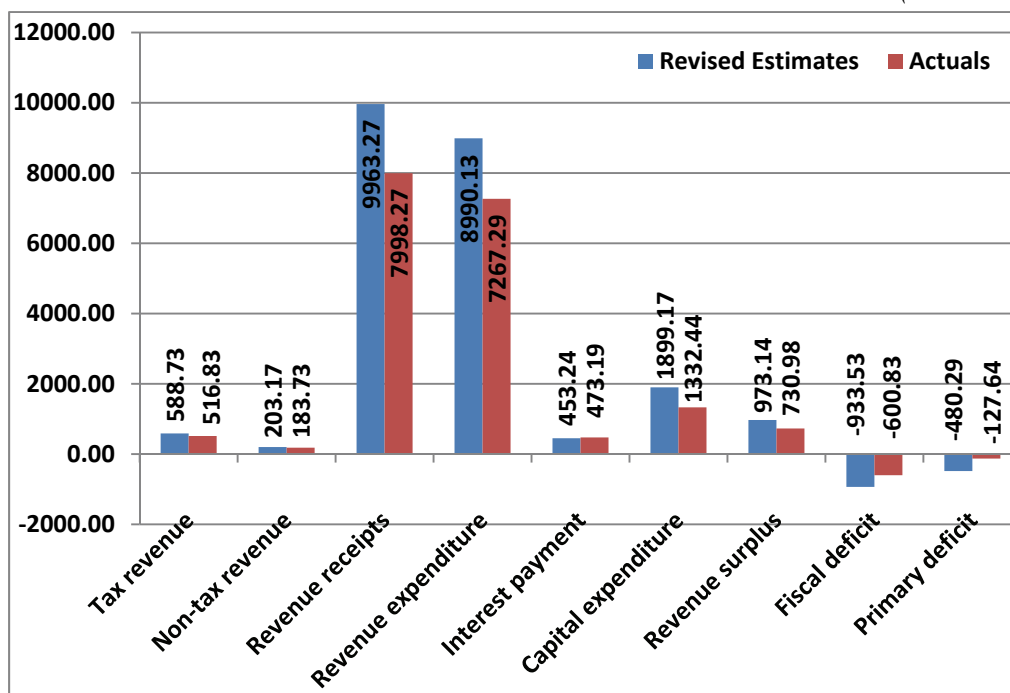
(₹ in crore)

Particulars	Budget Estimates (BE)	Revised Estimates (RE)	Actual	Percentage of excess (+)/ shortfall (-) w.r.t RE
Tax revenue	620.83	588.73	516.83	(-) 12.21
Non-tax revenue	284.06	203.17	183.73	(-) 9.57
Revenue receipts	8826.42	9963.27	7998.27	(-) 19.72
Revenue expenditure	7627.62	8990.13	7267.29	(-) 19.16
Interest payment	445.01	453.24	473.19	(+) 4.40
Capital expenditure	1739.33	1899.17	1332.44	(-) 29.84
Disbursement of Loans & Advances	12.20	11.30	0.34	(-) 96.99
Revenue surplus	1198.8	973.14	730.98	(-) 24.88
Fiscal deficit (-)/ surplus (+)	(-) 549.03	(-) 933.53	(-) 600.83	(+) 35.64
Primary deficit (-)/surplus (+)	(-)104.02	(-) 480.29	(-)127.64	(+) 73.42
Recoveries of Loans and Advances	3.7	3.8	0.97	(-) 74.47

(Source: Budget documents and Finance Accounts)

Chart 1.1: Selected fiscal parameters, budget estimates *vis-à-vis* actual

(₹ in crore)



(Source: Budget documents and Finance Accounts)

It can also be seen from the preceding table there was a variation between budget Revised Estimates (RE) and Actuals for Tax Revenue collection by 12.21 *per cent*. In case of Non-Tax Revenue, the projection of RE and Actuals varied by 9.57 *per cent* (₹ 19.44 crore). In both cases, actual receipt were less than budget projection. The Revenue Surplus was also less by 24.88 *per cent* than the projection made in the budget. As such, budgetary projection was unrealistic and requires greater attention in future.

Under Capital expenditure, there was a difference of ₹ 566.73 crore between RE and Actual. The reduction in capital expenditure resulted in better fiscal deficit and Primary deficit than what was projected in the budget.

### 1.1.5 Major policy initiatives in the budget

During the Budget speech, the Chief Minister, Government of Manipur emphasised the achievements of the following sectors:-

**Power Sector:** The erstwhile Electricity Department was corporatized and unbundled into two Companies *i.e.* Manipur State Power Company Limited and the Manipur State Power Distribution Company Limited and had become fully functional from 1 April 2014. Computerized billing system introduced in some divisions were to be expanded. Laying of underground cables and installation of distribution transformers in and around core areas of Imphal city had been completed.

**Road infrastructure:** Major stretches of national highways running through the Imphal city have been widened. Land acquisition for 6 laning of National highway from Keishampat to Malom is under progress.

**Health Sector:** Infant Mortality rate in the State was the lowest in the country. Maternal Mortality rate was well below the National average.

**Drinking water and Sanitation:** The huge gap in demand and supply of drinking water in Imphal city was area of concern. For this various water Supply Schemes are planned including a scheme for drawing raw water from the Thoubal Dam. Construction of Imphal Sewerage Project Zone-I was on the verge of completion.

**Irrigation:** To ensure optimum utilization of scarce irrigation water, it was proposed to introduce Manipur Participatory Irrigation Management Bill to facilitate formation of Water Users Association.

**Others:** The speech also gave emphasis on Border and Hill areas development, Welfare of STs, SCs and Minorities, Agriculture, Information Technology and completion of Central Sector Schemes.

The total Revenue receipt of the State was estimated at ₹ 8826.42 crore. Against this the actual Revenue receipt was ₹ 7998.27 crore. Revenue collection from VAT, Motor vehicles Tax and Professional Tax are the major sources of own receipts. Considering that the power sector has been corporatized, receipts from power have been excluded from estimates of non-Tax receipts. Given the need to increase developmental expenditure, steps to enhance revenue during the year were mentioned in the speech. However, the speech did not mention a clear-cut policy in this regard.

The Plan Outlay for the year 2014-15 was estimated at ₹ 3200 crore. Against this the actual expenditure on Plan Outlay was ₹ 3632.13 crore in 2014-15. The actual Capital expenditure of ₹ 1332.44 crore was also lesser than the Budgeted figure of ₹ 1739.33 crore.

## **1.2 Resources of the State**

### **1.2.1 Resources of the State as per the Annual Finance Accounts**

Revenue and capital are the two streams of receipts that constitute the main resources of the State Government. Revenue receipts consist of Tax Revenues, Non-Tax revenues, State's share of Union Taxes and Duties and Grants-in-Aid from the Government of India (GoI). Capital receipts comprise miscellaneous capital receipts such as recoveries of Loans and Advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and Loans and Advances from the GoI. Besides the funds available in the Public Accounts after disbursement is also

utilised by the State Government to finance its deficit. **Table 1.2** presents the receipts and disbursements of the State during the current year (2014-15) as recorded in the Finance Accounts of the State Government.

The components and major sub-components of revenue are shown in **Chart 1.2** as a flow diagram. **Chart 1.3** depicts the trends in various components of the receipts of the State during 2010-15. **Chart 1.4** depicts the composition of resources of the State during 2014-15.

**Chart 1.2: Components and Major sub-components of Revenue during 2014-15**

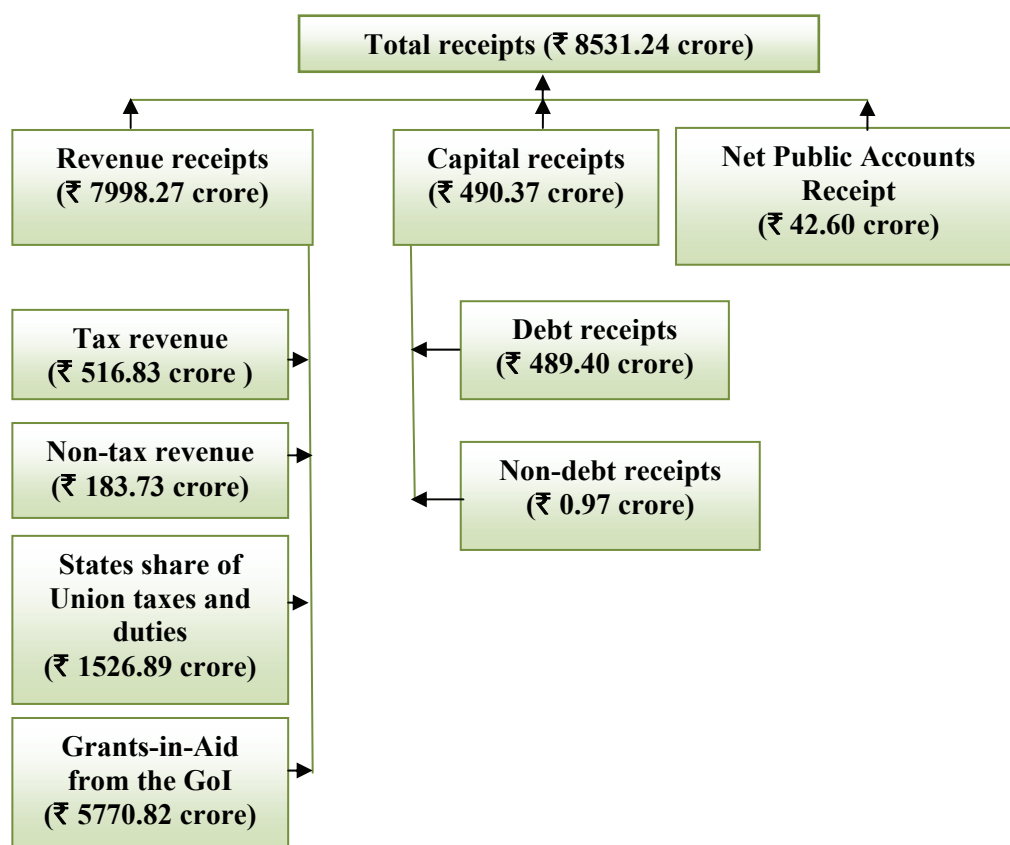


Chart 1.3: Trends in Receipts

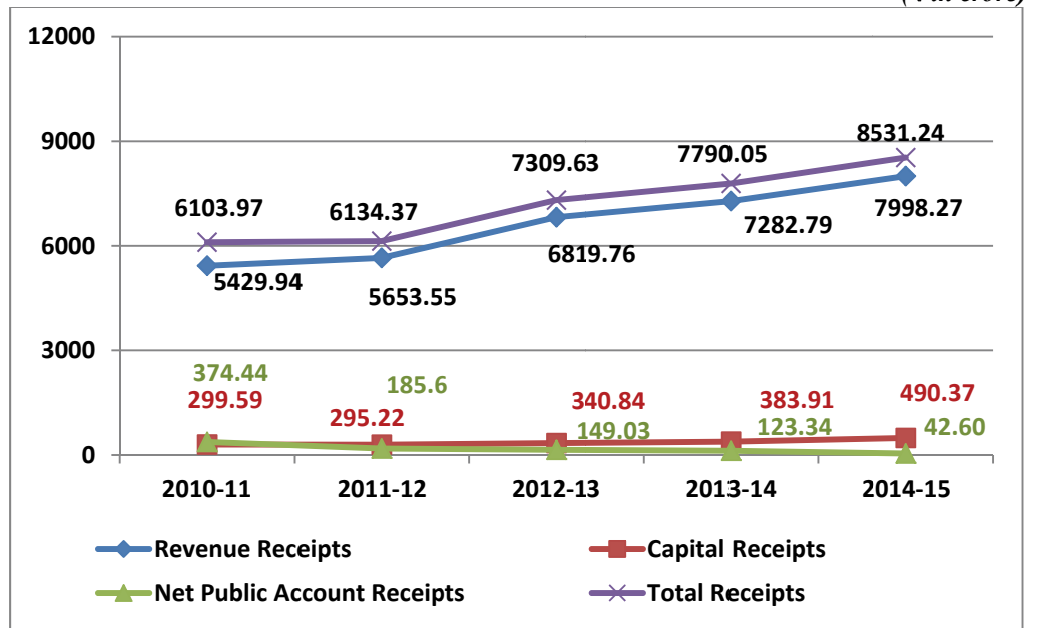
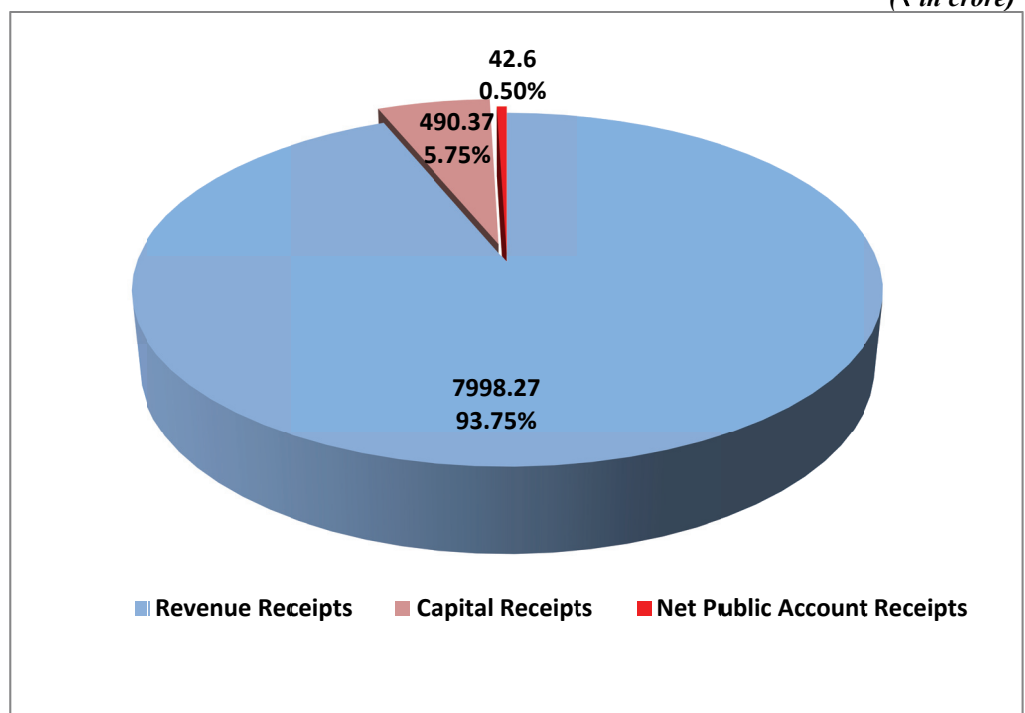


Chart 1.4: Composition of Receipts during 2014-15



Total receipts of the State increased from ₹ 7790.05 crore in 2013-14 to ₹ 8531.24 crore in 2014-15. The increase in total receipts was mainly due to increase in Revenue receipts (₹ 715.48 crore). While Net Public accounts receipts decreased by ₹ 80.74 crore, Capital receipts increased by ₹ 106.46 crore in 2014-15 over the previous year (2013-14).

Contribution of the State's own revenue to the Revenue receipt was in the range of 8 *per cent* to 12 *per cent* for the period 2010-15. The State's share of Union taxes and duties and Grants-in-Aid from GoI contributed in the range of 88 *per cent* to 92 *per cent* to the Revenue receipt during 2010-15 and remained the main contributor to Revenue receipt of the State.

### **1.2.2 Funds directly transferred to State Implementing Agencies**

The Government of India has been transferring a sizeable quantum of funds directly to the State Implementing Agencies<sup>7</sup> for implementation of various critical schemes/programmes in Social and Economic sectors. In the present mechanism, these funds are not routed through the State Budget/State Treasury System and hence do not find mention in the Finance Accounts of the State. As such, the Annual Finance Accounts of the State does not include the quantum of receipt and expenditure of this category.

During the year 2014-15, Central funds of ₹ 74.63 crore were transferred directly to the State implementing agencies. The programmes assisted by Government of India where funds were transferred are presented in **Appendix 1.3**. Amounts released for implementation of some major programmes/schemes are detailed in the following table:

**Table 1.5: Funds transferred directly to State Implementing Agencies**

(₹ in crore)

Programme/Scheme	Implementing Agency	Funds transferred directly by the GoI during 2014-15
MPs Local Area Development Scheme and Churachandpur	Deputy Commissioner, Imphal West and Churachandpur	15.00
NER-Textile Promotion Scheme	Department of Commerce & Industries, Manipur	7.41
Promotion and Dissemination of Art and Culture	315 NGOs ( Dance and Cultural Organisation)/ Individuals	6.52
National Rural Health Mission	State Health Society, Manipur	5.78
Infrastructure Development & Capacity Building	Department of Commerce & Industries, Manipur	3.28
Human Resource Department	Department of Commerce & Industries, Manipur	3.12
Institute of Hotel Management Catering Technology and Applied Nutrition, Manipur	Assistance to IHMS, FCIS Tourism Department	3.00
<b>Total</b>		<b>44.11</b>

(Source: Finance Accounts)

The above table shows that an amount of ₹ 15 crore (about 20 *per cent* of the total funds transferred) was for the MPs Local Area Development Scheme, ₹ 7.41 crore (about 10 *per cent*) for the NER-Textile Promotion Scheme,

<sup>7</sup> State Implementing Agencies include any organization/institution including Non-Governmental organizations, which are authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State.

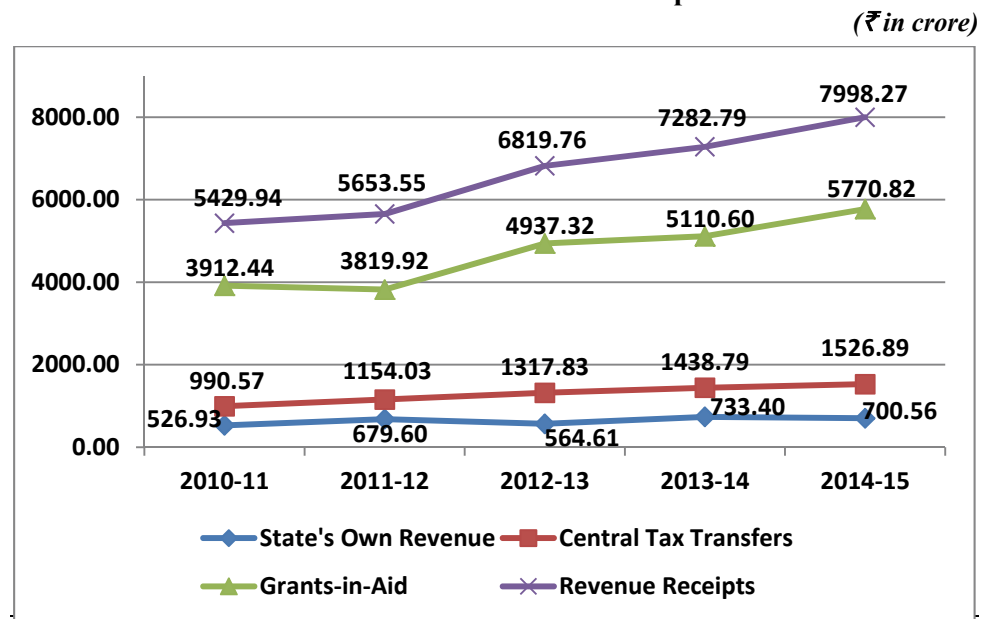
₹ 6.52 crore (about 9 per cent) for Promotion and Dissemination of Art and Culture and ₹ 5.78 crore (8 per cent) for the National Rural Health Mission.

As there is no central monitoring mechanism for utilisation of funds under this category, reliable data on quantum of expenditure is not readily available to Audit. However, only ₹ 74.63 crore was released to Implementing Agencies in 2014-15 as compared to ₹ 802.99 crore<sup>8</sup> released in previous year (2013-14). Therefore, transfer of funds outside the State Budget has been drastically restricted in 2014-15.

### 1.3 Revenue Receipts

The Revenue receipts of the State Government consist of the State's own tax and non-tax revenues, central tax transfers and Grants-in-aid from the GoI. The trends and composition of revenue receipts over the period 2010-15 are presented in **Appendix 1.4** and are also depicted in the following chart:

Chart 1.5: Trends in Revenue receipts



Revenue receipt increased by ₹ 715.48 crore from ₹ 7282.79 crore in 2013-14 to ₹ 7998.27 crore in 2014-15. The increase was mainly due to increase in Grants-in-Aid from Government of India (₹ 660.22 crore) and Share of Union Taxes/duties (₹ 88.10 crore). The Grants-in-Aid (₹ 5770.82 crore) and Share of Union Taxes/duties (₹ 1526.89 crore) constituted about 91.24 per cent of Revenue receipts. The trends in revenue receipts relative to GSDP are presented in the following table:

<sup>8</sup> Figure as reported in Finance Accounts (FA) 2013-14 has since been revised/updated in FA 2014-15



**Table 1.6: Trends in Revenue Receipts relative to GSDP**

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Receipts (RR)	5429.94	5653.55	6819.76	7282.79	7998.27
Rate of growth of RR ( <i>per cent</i> )	40.19	4.12	20.63	6.79	9.82
GSDP <sup>9</sup>	9137	11123	12697(Q)	14324(A)	16364 (P)
Rate of growth of GSDP ( <i>per cent</i> )	10.70	21.74	14.15	12.81	14.24
RR/GSDP ( <i>per cent</i> )	59.43	50.83	53.71	50.84	48.88
Buoyancy Ratios <sup>10</sup>					
Revenue Buoyancy w.r.t GSDP	3.76	0.19	1.46	0.53	0.69
State's Own Tax Buoyancy w.r.t GSDP	1.95	1.33	(-) 1.19	2.33	(-) 0.31
Revenue Buoyancy with reference to State's own taxes	1.92	0.14	(-) 1.22	0.23	(-) 2.19

(Source: Finance Accounts)

From the above table, it is seen that the Revenue receipts of the State increased marginally during 2011-12. However, the increase in Revenue receipts was appreciable during 2012-13, which corresponds to the significant increase in Grants-in-Aid from the Government of India. In 2014-15, Revenue Receipts grew by a significant rate of 9.82 *per cent*. This could be due to more devolution of Grants-in-Aid to the State Budget instead of transferring the funds directly to the Implementing Agencies.

In the year 2010-11, the growth rate of Revenue receipts was more than three times that of GSDP growth rate, which came down to below half times the growth of GSDP in 2011-12 and 2013-14. As compared to GSDP growth of 14.24 *per cent* in 2014-15, the rate of growth of Revenue Receipts was 9.82 *per cent* in 2014-15. These uneven trends in the growth rate illustrates that Revenue receipts collection does not have a direct relation with the growth of GSDP.

### 1.3.1 State's Own Resources

As the State's share in Central taxes and Grants-in-Aid is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilisation of resources was assessed in terms of its own resources comprising own tax and non-tax sources.

The contribution of Tax revenue to the Total Revenue Receipts of the State ranged between 5 *per cent* to 7 *per cent* during 2010-15. Tax revenue increased from ₹ 472.73 crore in 2013-14 to ₹ 516.83 crore in 2014-15 mainly due to increase in Taxes on Sales, Trades *etc.* and Other Taxes and Duties on Commodities and services.

<sup>9</sup> At current price with base year 2004-05. (Q) - Quick estimates, (A) - Advanced estimates, (P)- Provisional estimates. The Quick estimates and Advanced estimates of 2013-14 has since been revised by the Department.

<sup>10</sup> Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy of 0.6 implies that revenue receipts tend to increase by 0.6 percentage points if the GSDP increases by one *per cent*.

The State's actual Tax and Non-tax receipts for the year 2014-15 *vis-a-vis* assessment made by the 13<sup>th</sup> Finance Commission (FC) and MTFPS are shown in the following table:

**Table 1.7: Own Tax revenue and Own Non-tax revenue *vis-à-vis* targets**

(₹ in crore)					
Particular	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Own Tax Revenue</b>					
13 <sup>th</sup> FC projections	223.41	253.17	287.47	326.27	370.16
Budget estimates	288.74	317.84	325.51	491.87	620.83
MTFPS projection	288.74	317.84	325.51	491.87	620.83
Actual	267.05	368.07	332.83	472.73	516.83
<b>Own Non-tax Revenue</b>					
13 <sup>th</sup> FC projections	49.96	82.90	211.76	231.38	252.27
Budget estimates	456.63	459.72	385.84	429.77	284.06
MTFPS projection	456.63	459.72	385.84	429.77	284.06
Actual	259.88	311.53	231.78	260.67	183.73

(Source: Budget documents, 13th FC Report, MTFPS and Finance Accounts)

From the above table, it is seen that during 2014-15 the actual Own Tax revenue was more than the normative assessment of the 13<sup>th</sup> FC by ₹ 146.67 crore (39.62 *per cent*) but was less than the budget estimates/MTFPS projection by ₹ 104 crore (16.75 *per cent*). The Own non-Tax revenue realised during the year was less than the normative assessment made by the 13<sup>th</sup> FC projection by ₹ 68.54 crore (27.17 *per cent*) and also less than the budget estimates/MTFPS projection by ₹ 100.33 crore (35.32 *per cent*).

Non-tax revenue collection was less than the 13<sup>th</sup> FC projections/Budget estimates/MTFPS projections as receipts from Power sector was excluded after corporatization of the State Electricity Department.

### 1.3.1.1 Tax revenue

The gross collection in respect of major taxes and duties are given in the following table:

**Table 1.8: Components of State's own resources**

(₹ in crore)						
Revenue Head	2010-11	2011-12	2012-13	2013-14	2014-15	% increase over previous year
Taxes on sales, trades <i>etc.</i>	227.57	296.92	258.52	395.74	433.33	9.5
State excise	6.61	9.80	9.94	9.20	9.32	1.3
Taxes on vehicles	4.44	13.21	15.83	18.73	20.77	10.89
Stamp duty and Registration fees	3.57	4.82	5.98	7.90	7.76	(-) 1.77
Land revenue	1.29	0.84	1.24	1.12	1.42	26.79
Taxes on goods and passengers	0.90	1.40	1.43	1.24	1.20	(-) 3.23
Other taxes <sup>11</sup>	22.67	41.08	39.89	38.80	43.03	10.9
<b>Total</b>	<b>267.05</b>	<b>368.07</b>	<b>332.83</b>	<b>472.73</b>	<b>516.83</b>	<b>9.33</b>

(Source: Finance Accounts for the respective years)

<sup>11</sup> Other taxes include taxes on immovable property other than agricultural land, taxes and duties on electricity and agricultural income.

During the year 2014-15, the collection of State's Own Tax was ₹ 516.83 crore. Sales tax (₹ 433.33 crore) was the main contributor to the State's Own Tax revenue and accounted for 84 *per cent* of the Tax revenue. The Tax revenue during 2014-15 increased by ₹ 44.1 crore (9.32 *per cent*) over the previous year (₹ 472.73 crore). Other than Sales tax and Taxes on vehicles, revenue collection from other sources was negligible.

### **1.3.1.2 Non-tax revenue**

Non-Tax revenue was around 2 *per cent* of Revenue receipts in 2014-15. Non-tax revenue decreased by ₹ 76.94 crore over the previous year mainly due to decrease in revenue collection in Power (₹ 96.13 crore), and Interest Receipts (₹ 2.5 crore) partially offset by increase in revenue collection in Miscellaneous General Service (₹ 21.65 crore). The trends in Non-Tax revenue during 2010-15 is given in the following table:

**Table 1.9: Trends of Non-Tax Revenue during 2010-15**

*(₹ in crore)*

<b>Revenue Head</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>% increase over previous year</b>
Interest receipts	44.65	25.18	20.66	33.10	30.60	7.55
Miscellaneous General Service	76.87	138.33	75.29	110.83	132.48	19.53
Power	88.29	106.59	108.30	96.23	0.10	(-) 99.90
Others	50.07	41.43	27.53	20.51	20.55	0.20
<b>Total</b>	<b>259.88</b>	<b>311.53</b>	<b>231.78</b>	<b>260.67</b>	<b>183.73</b>	<b>(-) 29.52</b>

(Source: Finance Accounts)

As seen from the table, Other non-tax receipts decreased sharply in 2011-12 and then significantly in 2012-13. Interest receipt decreased from ₹ 25.18 crore in 2011-12 to ₹ 20.66 crore in 2012-13, then increased to ₹ 33.10 crore in 2013-14 and again decreased to ₹ 30.60 crore in 2014-15. The receipts from the Miscellaneous General Service which declined considerably in 2012-13 made a significant improvement in 2013-14 and in 2014-15. The significant decrease in revenue collection in Power sector was due to corporatisation of the Electricity Department.

### ***Cost of recovery in supply of merit goods and services***

The cost of recovery of Non-Tax Revenue Receipts (NTR) as a percentage of Non-plan Revenue Expenditure (NPRE) in supply of merit goods and services of two selected socio-economic services by Government are shown in the following table:

**Table 1.10: Cost of recovery of socio-economic services during 2013-15***(₹ in crore)*

Name of Services	2013-14			2014-15		
	Non-tax revenue (NTR) receipts	Non-plan revenue expenditure (NPRE)	NTR as percentage of NPRE	NTR receipts	NPRE	NTR as percentage of NPRE
Water Supply and Sanitation	2.11	58.67	4	2.55	62.55	4
Irrigation	2.56	28.07	9	2.31	31.81	7

(Source: Finance Accounts)

NTR as a percentage of NPRE under Water Supply and Sanitation remained same at 4 *per cent* in 2013-14 and in 2014-15. In case of Irrigation, NTR as a percentage of NPRE decreased from 9 *per cent* to 7 *per cent*. As NTR as a percentage of NPRE is very low, the Government may make efforts to limit NPRE and increase NTR collection so as to make the provision of these important services self sufficient.

### 1.3.2 Grants-in-Aid from the Government of India

The details of Grants-in-Aid from the Government of India during 2010-15 are shown in the following table:

**Table 1.11: Grants-in-Aid from the Government of India during 2010-15***(₹ in crore)*

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Non-Plan Grants	1302.84	1293.10	1882.87	1769.87	1899.17
Grants for State Plan Schemes	2137.55	2119.73	2659.00	2588.52	2929.12
Grants for Central Plan Schemes	12.71	12.47	36.56	13.64	14.05
Grants for Centrally Sponsored Schemes	413.20	349.81	306.34	652.68	836.14
Grants for Special Plan Schemes	46.14	44.81	52.55	85.89	92.34
<b>Total</b>	<b>3912.44</b>	<b>3819.92</b>	<b>4937.32</b>	<b>5110.60</b>	<b>5770.82</b>
Percentage of increase over previous year	37.77	(-2.36)	29.25	3.51	12.92
Total grants as a percentage of Revenue Receipts	72.05	67.57	72.40	70.17	72.15

(Source: Finance Accounts)

Grants-in-Aid from Government of India increased by ₹ 660.22 crore from ₹ 5110.60 crore in 2013-14 to ₹ 5770.82 crore in 2014-15. The increase in Grants-in-Aid was mainly due to increase in State Plan Schemes (₹ 340.6 crore) and Centrally Sponsored Schemes (₹ 183.46 crore). As in the previous years, the Grants-in-Aid continue to be the major contributor to the Revenue receipts of the State. The Grants-in-Aid was in the range of 67.57 *per cent* to 72.40 *per cent* of the Revenue receipts of the State during 2010-15.

### 1.3.3 Optimisation of the 13<sup>th</sup> Finance Commission Grants

The details of funds transferred to the State as recommended by the 13<sup>th</sup> FC during award period of 2010-15, and fund released and expenditure thereon as on 31 March 2015 are shown in the following table:

**Table 1.12: Transfer of funds under 13<sup>th</sup> FC**

(₹ in crore)

Sl. No.	Transfers/Items	Recommendation of the 13 <sup>th</sup> FC grants	Actual release (upto 2014-15)	Expenditure under relevant revenue head of account	Percentage of release of fund vis-a-vis 13 <sup>th</sup> FC recommendation
(1)	(2)	(3)	(4)	(5)	(6)
1	Local Bodies, of which	315.90	235.69	235.69	74.61
	<i>General Basic Grant to PRIs</i>	143.16	145.00	145.00	101.29
	<i>General Performance Grant to PRIs</i>	75.84	41.93	41.93	55.29
	<i>General Basic Grant to ULBs</i>	53.54	34.28	34.28	64.03
	<i>General Basic Performance to ULBs</i>	28.36	3.49	3.49	12.31
	<i>Special Areas Basic Grant</i>	8.80	8.08	8.08	91.82
	<i>Special Areas Performance Grant</i>	6.20	2.91	2.91	46.94
2	Disaster Relief	35.90 <sup>12</sup>	31.95	31.95	88.99
3	Elementary Education	15.00	6.00	6.00	40.00
4	Improving outcome grants	38.60	25.64	25.08	66.42
5	Environment related grants	158.30	150.33	150.33	94.96
6	Maintenance of Roads and Bridges	100.00	100.00	100.00	100.00
7	State specific grants, of which	301.00	233.40	233.40	77.54
	<i>Development and maintenance of Kangla Fort</i>	8.00	6.00	6.00	75
	<i>Renovation and maintenance of Raj Bhavan</i>	10.00	7.50	7.50	75
	<i>Up gradation of Manipur Police Training School to Manipur Police Training College</i>	84.00	63.00	63.00	75
	<i>Infrastructure for Police Stations in Rural and Remote Areas</i>	23.00	17.25	17.25	75
	<i>Border Area Development</i>	25.00	18.75	18.75	75
	<i>Special Up gradation grants for Sports</i>	100.00	75.00	75.00	75
	<i>Infrastructures for ADCs</i>	51.00	45.90	45.90	90
<b>Total</b>		<b>964.70</b>	<b>783.01</b>	<b>782.45</b>	<b>81.17</b>

(Source: 13<sup>th</sup> FC and State Finance Department)

The 13<sup>th</sup> FC had recommended transfer of ₹ 964.70 crore during 2010-15 for the items as mentioned in the above table. Against this, ₹ 783.01 crore (81.17 per cent) had been released by Government of India till the end of award period i.e. 31 March 2015. Out of this amount (₹ 783.01 crore) released by the Government of India, ₹ 782.45 crore has been spent by the State Government. There was significant shortage in release of fund in case of Elementary Education as ₹ 6 crore (40 per cent) was released against recommended amount of ₹ 15 crore. In case of Maintenance of Roads and Bridges, the whole amount (₹ 100 crore) recommended by the 13<sup>th</sup> FC had been released. The

<sup>12</sup> Excluding ₹ 5 crore for Capacity building

percentage of release *vis-a-vis* 13<sup>th</sup> FC recommendation ranged from 40 *per cent* to 100 *per cent*.

#### 1.4 Capital Receipts

The details of Capital receipts during 2010-11 to 2014-15 are shown in the following table:

**Table 1.13: Trends in growth and composition of receipts**

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Capital Receipts (CR)	299.59	295.22	340.84	383.91	490.37
Miscellaneous Capital Receipts	-	-	-	-	-
Recovery of Loans and Advances	1.19	1.89	0.59	1.23	0.97
Public Debt Receipts	298.40	293.33	340.25	382.68	489.40
Rate of growth of debt capital receipts	(-) 42.60	(-) 1.70	16.00	12.47	27.88
Rate of growth of non-debt capital receipts	(-) 63.72	58.82	(-) 68.78	108.47	(-) 21.13
Rate of growth of CR ( <i>per cent</i> )	(-) 42.74	(-) 1.46	15.45	12.64	27.73
Rate of growth of GSDP	10.70	21.74	14.15	12.80	14.24

(Source: Finance Accounts)

As can be seen from above table, major share of Capital receipts was contributed by Public debt receipts. Public Debt receipt increased by ₹ 106.72 crore from ₹ 382.68 crore in 2013-14 to ₹ 489.40 crore in 2014-15. The main contributors to the increase in Public Debt receipt were Market borrowings (₹ 463 crore) and Special securities issued to NSSF of the Central Government (₹ 18.49 crore). The State had raised Market borrowings of ₹ 463 crore at interest rate of ranging from 8.06 *per cent* to 8.91 *per cent*.

##### 1.4.1 Recoveries of loans and advances

Recovery of loans and advances decreased to ₹ 0.97 crore in 2014-15 from ₹ 1.23 crore in 2013-14. Recovery from Loans to Government Servants (₹ 76.26 lakh) was the only significant heads under which transactions occurred during 2014-15. At the end of the year, there was a closing outstanding Loan of ₹ 204.51 crore, especially under Social Security and Welfare Programmes. The Government needs to give attention to recover the outstanding loans and advances.

##### 1.4.2 Loans and advances from the Government of India

No Central loans were contracted during the year 2014-15. The opening balance of the Loans and Advances from the Government of India to the State were ₹ 483.34 crore as on 1 April 2014. The State repaid an amount of ₹ 44.17 crore of the Central Loans. Thus, an amount of ₹ 439.17 crore

remained as outstanding Loans and Advances from Government of India as on 31 March 2015.

### **1.5 Public Accounts Receipt**

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances *etc.* which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution of India and are not subjected to vote by the State Legislature. Here the Government acts as a banker. The balance after disbursements is the fund available with the Government for use. The details of Net Public Account Receipts are shown in the following table:

**Table 1.14: Net Public Account receipts**

(₹ in crore)

Resources under various heads	2010-11	2011-12	2012-13	2013-14	2014-15
Small Savings, Provident Fund <i>etc.</i>	41.30	233.68	138.01	103.12	86.29
Reserve Fund	27.87	38.35	48.08	48.45	64.55
Deposits and Advances	386.78	(-) 114.24	(-) 36.74	(-) 14.43	(-) 70.88
Suspense and Miscellaneous	(-) 0.29	6.23	1.78	1.90	(-) 15.56
Remittances	(-) 81.22	21.58	(-) 2.10	(-) 15.70	(-) 21.80
<b>Total</b>	<b>374.44</b>	<b>185.60</b>	<b>149.03</b>	<b>123.34</b>	<b>42.60</b>

(Source: Finance Accounts)

As may be seen from the above table, Net Public Account receipts decreased significantly by ₹ 80.74 crore in 2014-15 over the previous year (2013-14). The decrease in Net Public Account receipts was mainly due to reduction in Suspense and Miscellaneous (₹ 17.46 crore) and Deposits and Advances *etc.* (₹ 56.45 crore) partially offset by increase in Reserve Fund (₹ 16.10 crore).

### **1.6 Application of Resources**

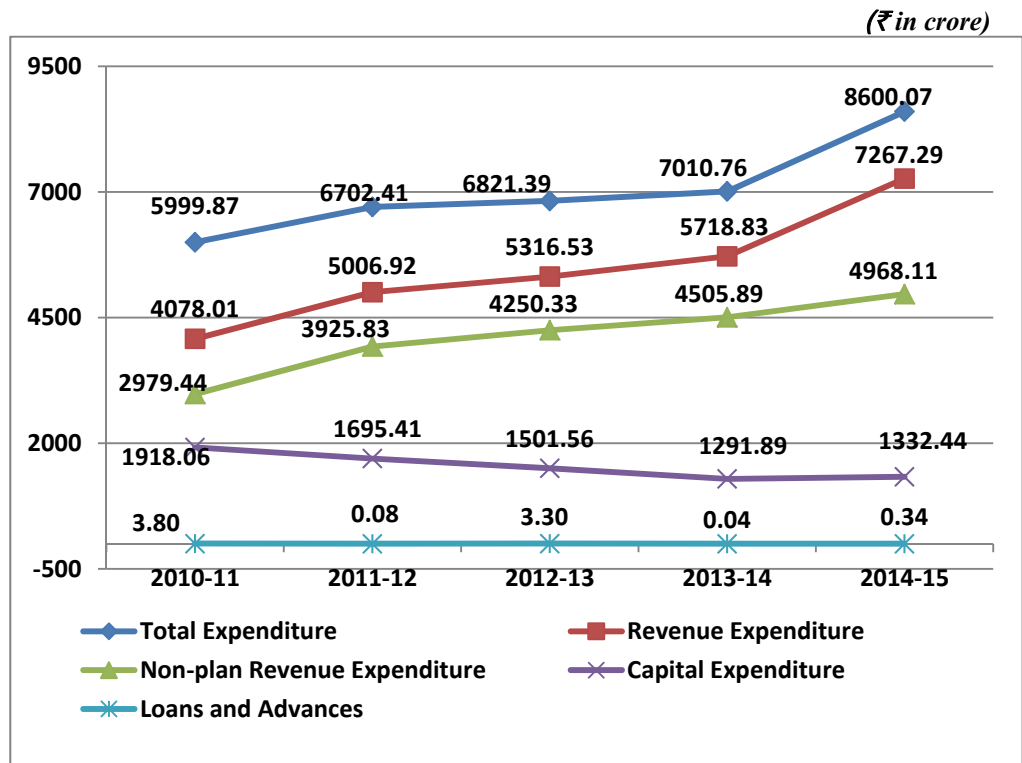
Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with the State Government. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is, therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of expenditure, especially the expenditure directed towards development of social sector.

#### **1.6.1 Growth and Composition of Expenditure**

**Chart 1.6** presents the trends in total expenditure over a period of the last five years (2010-15). The composition of expenditure both in terms of ‘economic

classification' and 'expenditure by activities' is depicted respectively in Charts 1.7 and 1.8.

Chart 1.6: Trends in various components of Total Expenditure during 2010-15



The total expenditure of the State increased by ₹ 2600.20 crore (43.34 per cent) from ₹ 5999.87 crore in 2010-11 to ₹ 8600.07 crore in 2014-15. The Revenue expenditure of the State increased by ₹ 3189.28 crore (78.21 per cent) from ₹ 4078.01 crore in 2010-11 to ₹ 7267.29 crore in 2014-15. A similar trend of increase was also depicted by the Non-plan Revenue Expenditure, which increased by ₹ 1988.67 crore (66.75 per cent) from ₹ 2979.44 crore in 2010-11 to ₹ 4968.11 crore in 2014-15. However, Capital expenditure decreased by ₹ 585.62 crore (30.53 per cent) from ₹ 1918.06 crore in 2010-11 to ₹ 1332.44 crore in 2014-15.

Revenue expenditure increased by ₹ 1548.46 crore in 2014-15 over the previous year (2013-14). The increase was mainly due to increase in expenditure under Economic Services (₹ 673.76 crore) and Social Services (₹ 424.40 crore). Capital expenditure also increased by ₹ 40.55 crore in 2014-15 over the previous year (2013-14). The increase was mainly due to increase in Water Supply and Sanitation (₹ 101.43 crore) and Education, Sports, Art and Culture (₹ 89.45 crore) and Major Irrigation (₹ 86.45 crore) partly offset by decreased in expenditure under Power Projects (₹ 159.46 crore) and Flood Control Projects (₹ 62.42 crore).

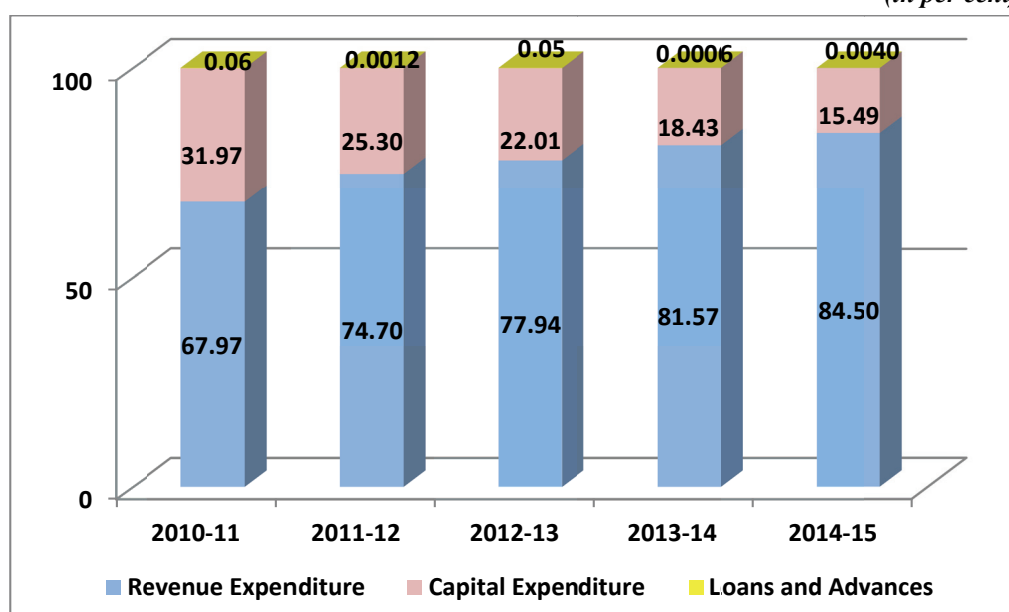


Capital expenditure exhibited a declining trend since 2010-11 to 2013-14 and again increased in 2014-15. Revenue expenditure, on the other hand has increased steadily during 2010-15. Revenue expenditure as a percentage of the total expenditure increased from 67.97 per cent in 2010-11 to 84.50 per cent in 2014-15. This shows that a bulk of the total expenditure has been increasingly spent to meet expenditure on maintenance, salary, etc.

The composition of Revenue expenditure, Capital expenditure and Loans and Advances as a percentage of Total expenditure during 2010-11 to 2014-15 are shown in the following chart:

**Chart 1.7: Trends showing share of components of Total expenditure**

*(in per cent)*



The details of expenditure in terms of Plan expenditure and Non-plan expenditure are given in the following table:

**Table 1.15: Trends in composition of expenditure as Plan and Non-Plan expenditure**  
(₹ in crore)

Types of Expenditure	2010-11	2011-12	2012-13	2013-14	2014-15
<b>NON-PLAN</b>					
Revenue	2979.44	3925.83	4250.33	4505.89	4968.11
Capital	0.99	(-) 3.22	7.87	(-) 0.01	(-) 0.52
Loans and Advances	0.25	0.08	2.30	0.04	0.34
<b>Sub-total *</b>	<b>2980.68</b> (50)	<b>3922.69</b> (59)	<b>4260.50</b> (62)	<b>4505.92</b> (64)	<b>4967.93</b> (58)
<b>PLAN</b>					
Revenue	1098.57	1081.09	1066.20	1212.94	2299.18
Capital	1917.07	1698.63	1493.69	1291.90	1332.96
Loans and Advances	3.55	-	1.00	-	-
<b>Sub-total *</b>	<b>3019.19</b> (50)	<b>2779.72</b> (41)	<b>2560.89</b> (38)	<b>2504.84</b> (36)	<b>3632.14</b> (42)
<b>Total (Non-Plan &amp; Plan)</b>					
Revenue	4078.01	5006.92	5316.53	5718.83	7267.29
Capital	1918.06	1695.41	1501.56	1291.89	1332.44
Loans and Advances	3.80	0.08	3.30	0.04	0.34
<b>Total Expenditure</b>	<b>5999.87</b>	<b>6702.41</b>	<b>6821.39</b>	<b>7010.76</b>	<b>8600.07</b>

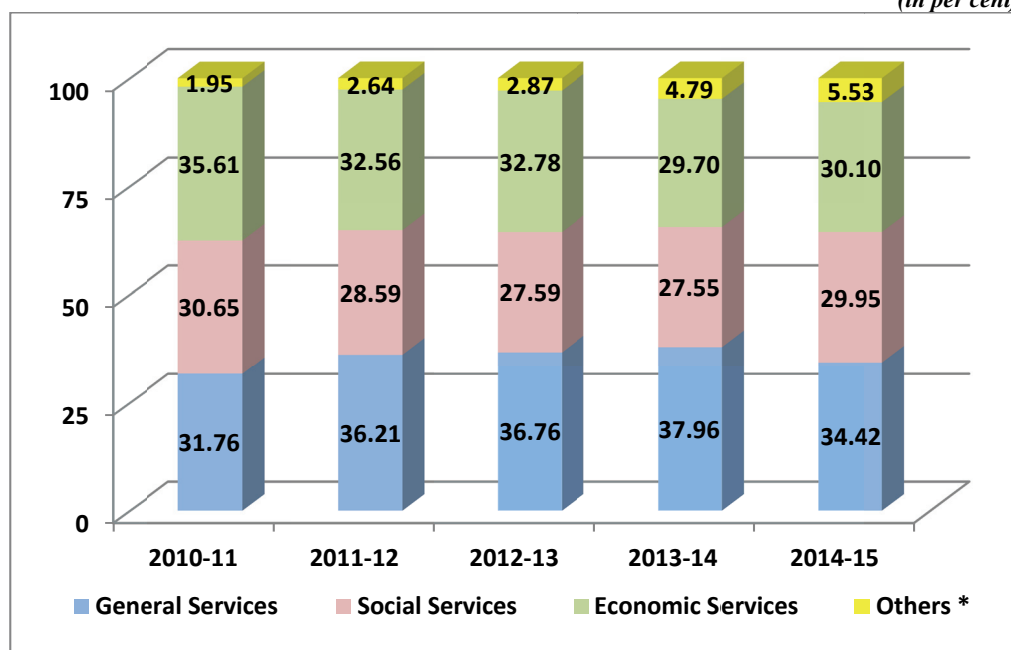
(Source: Finance Accounts)

\*Figures in bracket represent percentage with respect to the Total Expenditure

The table above shows that Non-plan expenditure as a percentage of total expenditure increased from 50 per cent in 2010-11 to 64 per cent in 2013-14 and then reduced to 58 per cent in 2014-15. Correspondingly, Plan expenditure as a percentage of total expenditure decreased from 50 per cent in 2010-11 to 36 per cent in 2013-14 and then increased to 42 per cent in 2014-15. Under Plan expenditure, there was substantial increase in Revenue expenditure (₹ 1086.24 crore) in 2014-15 over the previous year (2013-14).

Expenditure is also classified by its activities like General Service, Social Service, etc. Percentage of expenditure under General Services, Social Services, Economic Services, etc. against total expenditure is given in the following chart:

Chart 1.8: Percentage of expenditure by activities against total expenditure  
(in per cent)



\* Grants-in-Aid and Contributions

The share of expenditure on account of Economic Services decreased from 35.61 per cent in 2010-11 to 30.10 per cent in 2014-15. Similarly, the share of Social Services decreased from 30.65 per cent in 2010-11 to 29.95 per cent in 2014-15. The share of expenditure on General Services, on the other hand, increased from 31.76 per cent in 2010-11 to 34.42 per cent in 2014-15. Thus, share of Development expenditure i.e. expenditure on Economic Services and Social Services substantially decreased during the period 2010-15.

The details of Revenue receipts, Revenue expenditure and Revenue surplus as percentage of GSDP are given in the following table:

Table 1.16: Trends of Revenue receipt and expenditure

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Receipt as a percentage of GSDP	59.43	50.83	53.71	50.84	48.88
Revenue Expenditure as a percentage of GSDP	44.63	45.01	41.87	39.92	44.41
Revenue Surplus as a percentage of GSDP	14.79	5.81	11.84	10.92	4.47

(Source: Finance Accounts and Department of Economics and Statistics, Govt. of Manipur)

The Revenue receipts as a percentage of GSDP was in the range of 48.88 per cent to 59.43 per cent during 2010-15 while Revenue Expenditure as a percentage of GSDP was in the range of 39.92 per cent to 45.01 per cent. Revenue expenditure as a percentage of GSDP increased from 44.63 per cent in 2010-11 to 45.01 per cent in 2011-12 and then decreased to 39.92 per cent in 2013-14 before it increased to 44.41 per cent in 2014-15. The table

indicates that in 2013-14, there was a better Revenue receipt *vis-à-vis* GSDP as compared to 2014-15 while Revenue expenditure *vis-à-vis* GSDP increased in 2014-15 as compared to previous year. The Revenue surplus-GSDP ratio decreased substantially in 2014-15. If this trend is continued, the possibility of Revenue surplus turning into Revenue Deficit cannot be ruled out.

### 1.6.2 Committed expenditure

The Committed expenditure of the State Government on revenue account mainly consists of Interest payments, expenditure on Salaries and Wages, Pensions and subsidies. The following table presents the trends in the expenditure on these components during 2010-2015.

Table 1.17: Components of Committed Expenditure

(₹ in crore)

Components of Committed Expenditure	2010-11	2011-12	2012-13	2013-14	2014-15	
					BE*	Actuals
Salaries & Wages, <i>of which</i>	1677.95 (30.90)	2215.87 (39.19)	2351.63 (34.48)	2543.30 (34.92)	3045.26	2646.04** (33.08)
<i>Non-Plan Head</i>	1595.49	2091.56	2217.97	2320.45	2750.09	2412.70
<i>Plan Head</i>	82.46	124.31	133.66	222.85	295.17	233.34
Interest Payments	364.78 (6.72)	397.44 (7.03)	433.01 (6.35)	444.92 (6.11)	445.01	473.19 (5.92)
Expenditure on Pensions	400.15 (7.37)	628.15 (11.11)	760.28 (11.15)	771.48 (10.59)	858.82	934.32 (11.68)
Subsidies <sup>13</sup>	0.66 (0.01)	0.64 (0.01)	0.47 (0.01)	0.43 (0.01)	5.04	170.19 (2.13)
<b>Total</b>	<b>2443.54</b> <b>(45.00)</b>	<b>3242.10</b> <b>(57.35)</b>	<b>3545.39</b> <b>(51.99)</b>	<b>3760.13</b> <b>(51.63)</b>	<b>4354.13</b>	<b>4223.74</b> <b>(52.81)</b>

\* Budget estimates      \*\* Including ₹ 8.59 crore on wages and excluding ₹ 63.01 crore (Leave Encashment benefits) booked under 'Major Head – 2071 – Pensions and Other Retirement Benefits'

(Figures in the parentheses indicates percentage to Revenue receipts)

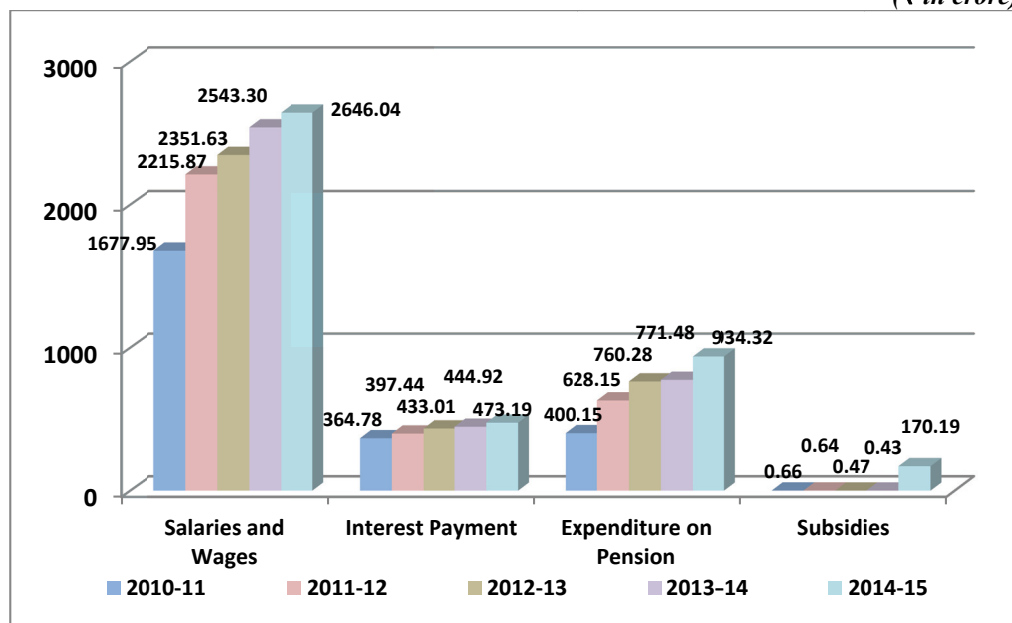
(Source: Voucher Level Computerisation of the Accountant General (A&E) for Salaries & Wages and Finance Accounts for others)

A graphical representation of the committed expenditure of the State is shown in the following chart:

<sup>13</sup> The subsidy figures as featured in Statement 2 of Finance Accounts has been adopted

Chart 1.9: Trend of Committed expenditure for the years 2010-15

(₹ in crore)



**Salaries and Wages:-** Salaries and Wages accounted about 33 per cent of the Revenue receipts of the State during 2014-15 and increased by ₹ 102.74 crore (4 per cent) over the previous year (2013-14). Salary expenditure under non-plan head increased from ₹ 2320.45 crore in 2013-14 to ₹ 2412.70 crore in 2014-15. The Non-plan salary expenditure (₹ 2412.70 crore) was more than the projection made by the 13<sup>th</sup> Finance Commission (₹ 1427.76 crore) but less than the Budget figure (₹ 2750.09 crore).

**Interest payment:-** Interest payment increased by ₹ 28.27 crore from ₹ 444.92 crore in 2013-14 to ₹ 473.19 crore in 2014-15. Interest payment increased continually from ₹ 364.78 crore in 2010-11 to ₹ 473.19 crore in 2014-15. As in the previous year, Interest on internal debt constituted a major portion of Interest payment and accounted for 68 per cent while the remaining share was for payment of interest on Small Savings, Provident Funds etc. and on Loans and Advances from Central Government. Interest payment was more than the Budget estimate by ₹ 28.18 crore during 2014-15. Further, Interest payment exceeded the 13<sup>th</sup> Finance Commission projection (₹ 425.99 crore) by ₹ 47.20 crore.

**Pension payment:-** Pension payment increased by ₹ 534.17 crore (133 per cent) from ₹ 400.15 crore in 2010-11 to ₹ 934.32 crore in 2014-15. Pension payment increased from ₹ 771.48 crore in 2013-14 to ₹ 934.32 crore in 2014-15. The increase was mainly due to increase in Superannuation and Retirement Allowances (₹ 62.19 crore), Leave Encashment Benefits (₹ 26.05 crore) and Government Contribution for Defined Contribution Pension Scheme (₹ 23.78 crore).

The State Government had adopted (August 2010) the new Restructured Defined Contribution Pension Scheme of the GoI *mutatis mutandis* in respect of new entrants to the State's service with effect from 1 January 2005. The funds available under the head "Defined Contribution Pension Scheme for Government Employees" increased from ₹ 82.23 crore in 2013-14 to ₹ 88.88 crore in 2014-15.

**Subsidies:** - As per Finance Accounts, amounts ranging from ₹ 0.43 crore to ₹ 0.66 crore is shown to have been given as subsidies by State Government to various departments during 2010-11 to 2013-14. It was reported in the Audit Report (State Finances) 2013-14 that the State Government could be implicitly providing higher levels of support, particularly in the power sector, as cost of purchase of power (₹ 233.37 crore) was less than Non-tax revenue collection under Power (₹ 96.23 crore). Therefore, there is a need for proper booking of subsidies under appropriate head of account, so that the finances of the State could be depicted in a more transparent manner. In 2014-15, the State Government have booked ₹ 170 crore as subsidy under Power Sector.

### 1.6.3 Non-plan Revenue expenditure

Revenue expenditure is incurred to maintain the current level of services and payment for past obligations and as such does not result in any addition to the State's infrastructure and service network.

The targets of various components of expenditure fixed by the 13<sup>th</sup> Finance Commission *vis-à-vis* Actuals in respects of NPRE during 2010-15 and its component are as shown in the following table:-

**Table 1.18: 13<sup>th</sup> FC recommendations of NPRE *vis-à-vis* Actuals**

(₹ in crore)

Sector	13 <sup>th</sup> FC (Actual)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Salary*	1242.73 (1595.49)	1287.66 (2091.56)	1333.51 (2214.66)	1380.23 (2320.45)	1427.76 (2406.66)
General Service (GS) <i>of which</i>	738.34 (972.69)	804.97 (1284.13)	869.95 (1407.59)	944.33 (1482.85)	1010.94 (1700.28)
Interest Payment	350.29 (364.78)	373.90 (397.44)	400.16 (433.01)	425.17 (444.92)	452.99 (473.19)
Pension	273.78 (400.15)	301.15 (628.15)	331.27 (760.28)	364.40 (771.48)	400.84 (934.32)
Social Services (SS)	151.54 (70.80)	163.66 (74.30)	176.76 (79.73)	190.90 (70.67)	206.17 (101.15)
Economic Services (ES)	135.95 (227.35)	144.39 (299.18)	153.39 (355.13)	163.00 (387.85)	173.25 (430.65)
Assignment to Local Bodies	110.46 (113.11)	119.30 (176.66)	617.06 (193.22)	651.77 (244.07)	688.54 (329.37)
<b>Total</b>	<b>2379.02</b> (2979.44)	<b>2519.98</b> (3925.83)	<b>3150.67</b> (4250.33)	<b>3330.23</b> (4505.89)	<b>3506.66</b> (4968.11)

\* Under GS, SS and ES, the salary booked under these sectors has been deducted from the NPRE of respective sectors

(Source: 13<sup>th</sup> Finance Commission Report and Finance Accounts)

All the components of expenditure except for expenditure under Social sectors exceeded the limits set by the 13<sup>th</sup> FC of NPRE during 2010-15. In case of Assignment to Local Bodies, NPRE was also lesser than 13<sup>th</sup> FC recommendation during 2012-15. Non-plan revenue expenditure (NPRE) in 2014-15 was ₹ 4968.11 crore and was nearly 58 *per cent* of the Total expenditure (₹ 8600.07 crore).

#### **1.6.4 Financial Assistance by the State Government to Local Bodies, Urban Local Bodies and other institutions**

The quantum of assistance provided by way of grants and loans to local bodies and other institutions during 2014-15 relative to the previous years is presented in the following table:

**Table 1.19: Financial Assistance to local bodies, other institutions etc.**

(₹ in crore)

Financial Assistance to Institutions <sup>14</sup>	2010-11	2011-12	2012-13	2013-14	2014-15	
					BE*	Actual
Educational Institutions (Aided Schools, Aided Colleges, Universities etc.)	35.17	44.81	42.24	95.48	120.11	91.65
Municipal Corporations and Municipalities	3.81	3.72	15.57	14.72	36.72	25.05
Co-operative institutions	**	1.39	0.63	0.59	0.42	0.42
Power	-	-	-	-	366.02	448.23
Other Institutions	2.11	0.86	6.42	17.63	32.55	21.27
<b>Total</b>	<b>41.09</b>	<b>50.78</b>	<b>64.86</b>	<b>128.42</b>	<b>555.82</b>	<b>586.62</b>
Assistance as percentage of RE	1.01	1.01	1.22	2.25	7.29	8.07

\* BE – Budget estimates, \*\* included in Other Institutions  
(Source: Budget documents and Finance Accounts)

The total assistance (₹ 586.62 crore) provided during 2014-15 was more than the estimates made in the budget (₹ 555.82 crore) by ₹ 30.80 crore. As compared to 2013-14, the total assistance increased by ₹ 458.20 crore in 2014-15. Financial assistance to Power alone constituted 76.41 *per cent* of the total assistance of the State Government during 2014-15. The assistance increased from 2.25 *per cent* of the total Revenue expenditure in 2013-14 to 8.07 *per cent* in 2014-15.

##### **1.6.4.1 Local Bodies and Urban Local Bodies**

The 73<sup>rd</sup> and 74<sup>th</sup> Constitutional amendment Acts marked a new era in the federal democratic set up of the country so far as it conferred constitutional status to the Panchayat Raj Institutions (PRIs) and Urban Local Bodies (ULBs) and recognized them as the third tier of Government. The Constitutional amendments provide for devolution of powers and

<sup>14</sup> Only minor heads relating to “Assistance” under the respective major head of accounts had been considered. This may be inclusive of Subsidy, as these figures are not easily segregated. However, in 2014-15, subsidy of Co-operative (₹ 0.17 crore) and Power (₹ 170 crore) could be segregated.

responsibilities with respect to preparation of plans and programmes for economic development and social justice and implementation of 29 subjects to PRIs and 18 subjects to ULBs listed in XI<sup>th</sup> and XII<sup>th</sup> Schedule of the Constitution of India respectively.

Post the 73<sup>rd</sup> Constitutional amendment, the State Government enacted the Manipur Panchayati Raj (MPR) Act, 1994 and established a two-tier PRI system at the village and district levels. The State has 9 districts of which five districts are located in the hill areas and 4 districts are spread out in the valley. As of March 2015, there were 4 Zilla Parishads and 161 Gram Panchayats in the State. Consequent upon the 74<sup>th</sup> Constitutional amendment the Government enacted the Manipur Municipality Act, 1994. There are three categories of ULBs in the State *viz.*, Municipal Councils (MCs), Nagar Panchayats (NPs) and Small Town Committee (STC). As of March 2015, there were 9 MCs, 18 NPs and one STC in the State.

### ***Devolution of funds, functions and functionaries (3 Fs) to PRIs and ULBs***

The 73<sup>rd</sup> Constitutional amendment and the Manipur Panchayati Raj Act, 1994 envisaged transfer of the functions to PRIs listed in the XI<sup>th</sup> Schedule. Accordingly, the State Government through executive orders had to transfer all the 29 functions to the PRIs. For effective functioning of both the State Government and PRIs, Activity Mapping delineated the role and responsibility of PRIs. Out of 29 functions, the State Government devolved functions of 16 departments to PRIs as of March 2015. There has been no change in the 3Fs transferred since the first time the order was issued in 2005.

The 74<sup>th</sup> Constitutional amendments provide for devolution of powers and responsibilities with respect to preparation of plans and programmes for economic development and social justice and implementation relating to 18 subjects listed in the XII<sup>th</sup> Schedule for ULBs. The Directorate of Municipal Administration, Housing and Urban Development (MAHUD), Government of Manipur intimated (December 2013) that out of 18 functions, 7 functions are now being performed by ULBs.

Thus, transfer of funds, functions and functionaries to PRIs and ULBs was not adequate and effective to enable them to function as institutions of local self government.

### ***Accounting and auditing arrangement of PRIs and ULBs***

**PRIs:** Sections 43 and 73 of MPR Act, 1994 stipulated that the accounts of GPs and ZPs shall be kept in such form and manner as may be prescribed. However, the PRIs did not maintain basic records like Advance Register, Cheque Issue Register, Assets Registers and Receipt and Payment Accounts.



The State Government issued an order in July 2014 that the accounts of the PRIs would be maintained in the format as envisaged in the Model Accounting System as prescribed by the Ministry of Panchayati Raj, Government of India in consultation with the Comptroller and Auditor General of India with effect from April 2013. However, none of the PRIs in the State maintained their accounts in the prescribed format as of March 2015.

The Director, Local Fund Audit (DLFA), Government of Manipur is the Primary Auditor and conducts audit of accounts of GPs and ZPs under Sections 44(1) and 74(1) of the Manipur Panchayati Raj Act, 1994 and is to forward the audit reports to GPs and ZPs within one month from the date of completion of audit. The DLFA intimated (October 2015) that out of 165 PRIs none of the PRIs have planned for audit during the year 2014-15. The Director further stated that no Audit Report for the PRIs and ULBs was compiled for placement before the State Legislature as there was no such instruction from the State Government.

The Principal Accountant General (Audit), Manipur conducts audit of the accounts of PRIs under Sections 14(1) and 20(1) of C&AG's Duties, Power and Condition of Service (DPC) Act, 1971. The State Government had entrusted audit of PRIs to the C&AG of India under Technical Guidance and Support (TG&S) arrangement in March 2012 by way of Gazette notification in pursuance of the 13<sup>th</sup> Finance Commission recommendations.

**ULBs:** The Ministry of Urban Development, GoI and the C&AG of India developed (December 2004) National Municipal Accounts Manual (NMAM) which is based on double entry accrual based accounting system and circulated it to the State Governments for adoption for greater transparency and control over finances. The State Government also issued an order to all ULBs in March 2011 for adoption of NMAM with immediate effect. Accordingly, the ULBs in the State were required to prepare their budget and maintain their accounts in the formats as prescribed in NMAM with appropriate codifications and classifications. It was, however, observed that none of the ULBs had adopted NMAM as of March 2015. All ULBs kept their accounts in conventional method without following any acceptable accounting standards. Due to non-maintenance of accounts in prescribed format, the actual financial position of ULBs in the State could not be ascertained.

The Director, Local Fund Audit (DLFA) conducts audit of accounts of MCs, NPs and STC under Sections 72(1) of the Manipur Municipalities Act, 1994. In September 2014, the DLFA intimated that the audits of accounts of 17 units out of 28 auditable ULBs units were conducted during the year 2013-14.

The Principal Accountant General (Audit), Manipur conducts the audit of the accounts of ULBs under Section 20(1) of C&AG's DPC Act, 1971 under

TG&S module, as entrusted by the State Government in pursuance of the recommendation of the 13<sup>th</sup> Finance Commission. The State Gazette notification regarding entrustment of TG&S to the C&AG of India was issued in March 2012.

### **Reporting arrangement**

Under TG&S arrangement, audit findings of test checked accounts of PRIs and ULBs conducted by the Principal Accountant General (Audit) are presented in the form of Annual Technical Inspection Report (ATIR) and submitted to the State Government for necessary action. There is a provision in the terms and conditions of TG&S entrustment that the C&AG of India or his representative will have the right to report the result of audit to the State Legislature. Accordingly, the ATIR for the year 2013-14 was placed before the State Legislature on 01 July 2015. The Public Accounts Committee (PAC) is yet to discuss the ATIR for the year 2013-14.

## **1.7 Quality of Expenditure**

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects *viz.*, adequacy of expenditure (*i.e.* adequate provisions for providing public services), efficiency of expenditure use and its effectiveness (assessment of outlay-outcome relationships for selected services).

### **1.7.1 Adequacy of Public expenditure**

In view of the importance of public expenditure on developmental heads from the point of view of social and economic development, it is important for the State Government to take appropriate expenditure rationalization measures and lay emphasis on provision of core public and merit goods<sup>15</sup>. Apart from improving the allocation towards development expenditure<sup>16</sup>, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components (Development expenditure or Capital expenditure) to total expenditure (and/or GSDP), the better would be the quality of expenditure. The following table presents the trends in development expenditure relative to the aggregate expenditure of the State during 2014-15 *vis-à-vis* budgeted and the previous years.

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<sup>15</sup> Refer glossary in Appendix 1.7

<sup>16</sup> Refer glossary in Appendix 1.7

**Table 1.20: Components of Development Expenditure**

Components of Development Expenditure	2010-11	2011-12	2012-13	2013-14	2014-15	
					BE*	Actual
					Development Revenue Expenditure	2322.15 (38.70)
Development Capital Expenditure	1653.30 (27.55)	1402.00 (20.92)	1275.69 (18.70)	1071.57 (15.28)	1196.0	1123.62 (13.07)
Development Loans and Advances	3.55 (0.06)	-	1.00 (0.01)	-	1	-

\* BE- Budget estimates (Figures in parentheses indicate percentage to Total/Aggregate expenditure)  
(Source: Budget documents and Finance Accounts)

Development Revenue expenditure increased by ₹ 1098.17 crore from ₹ 2942.27 crore in 2013-14 to ₹ 4040.44 crore in 2014-15. However, Development Revenue expenditure was less by ₹ 876.73 crore than the budget estimate. Development Capital expenditure increased by ₹ 52.05 crore from ₹ 1071.57 crore in 2013-14 to ₹ 1123.62 crore in 2014-15. The Development Capital expenditure shows a steady declining trend since 2010-11 before it increased in 2014-15.

The ratio of Aggregate Expenditure – GSDP and Capital Expenditure – Aggregate Expenditure in 2011-12 and 2014-15 are shown in the following table:-

**Table 1.21: Fiscal Priority in 2011-12 and 2014-15**

Fiscal Priority	AE*-GSDP ratio	Capital Expenditure – AE* ratio
<b>2011-12</b>		
SCS states <sup>17</sup>	26.39	14.02
Manipur	60.26	25.30
<b>2014-15</b>		
SCS states	-	14.22
Manipur	52.55	15.49

\* AE - Aggregate Expenditure

As compared to other SCS states, Manipur had a higher ratio of Aggregate Expenditure to GSDP in 2011-12. The state had also higher ratio of Capital expenditure to Aggregate Expenditure both in 2011-12 and 2014-15.

### 1.7.2 Efficiency of expenditure in Social and Economic Services

Percentages of Capital expenditure, Salaries and Wages and expenditure on Operation and Maintenance to the Total/Aggregate expenditure of the sector/sub-sector of some selected Social and Economic Services are shown in the following table:

<sup>17</sup> SCS – Special category states i.e. Assam, Himachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand

Table 1.22: Efficiency of expenditure in Social and Economic Services

(in per cent)

Sector	2013-14			2014-15		
	Percentage of Capital expenditure (CE) to Total expenditure (TE) of the respective sector	Percentage of Revenue expenditure <sup>18</sup> (RE) vis-a-vis		Percentage of CE to TE	Percentage of RE <sup>19</sup> vis-a-vis	
		Salaries & wages	OM*		Salaries & wages	OM*
Social Services	16.98 (CE-₹ 328.05 crore) (TE-₹ 1931.71 crore)	69.79	0.49	21.26 (CE- ₹ 547.63 crore) (TE-₹ 2575.69 crore)	58.35	1.62
Economic Services	35.71 (CE-₹ 743.52 crore) (TE-₹ 2082.13 crore)	35.25	5.32	22.25 (CE- ₹ 575.99 crore) (TE-₹ 2588.36 crore)	20.84	3.64

\* Operation and Maintenance

(Source: Finance Accounts)

Capital expenditure under Social services increased by ₹ 219.58 crore from ₹ 328.05 crore in 2013-14 to ₹ 547.63 crore in 2014-15. The share of Capital expenditure to total expenditure increased from 16.98 per cent in 2013-14 to 21.26 per cent in 2014-15 under Social Services. Salaries and Wages as a percentage of Revenue expenditure decreased from 69.79 per cent in 2013-14 to 58.35 per cent in 2014-15. Major outgo of Revenue expenditure under Social services is for payment of Salary and Wages.

Capital expenditure under Economic services decreased by ₹ 167.53 crore from ₹ 743.52 crore in 2013-14 to ₹ 575.99 crore in 2014-15. The outflow of Salaries and Wages as a percentage of Revenue expenditure was much better under Economic services as compared to Social services. Under Social services 58.35 per cent of Revenue Expenditure was utilised as Salary and Wages. However, it was only 20.84 per cent under Economic services. Under Economic services Operation and maintenance cost as a percentage of Revenue expenditure decreased from 5.32 per cent in 2013-14 to 3.64 per cent in 2014-15.

### 1.8 Financial analysis of expenditure and investments

In the post-FRBM framework, the State is expected to keep its fiscal deficit (and borrowing) not only at low levels but also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market based resources, the State Government needs to initiate measures to earn adequate return on its investments and recover the cost of borrowed funds rather than bearing the same in its budget in the form of implicit subsidy; and along with requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during 2014-15 vis-à-vis previous years.

<sup>18</sup> Revenue Expenditure - ₹ 1603.66 crore (Social Sector) and ₹ 1338.61 crore (Economic Sector)

<sup>19</sup> Revenue Expenditure - ₹ 2028.06 crore (Social Sector) and ₹ 2012.37 crore (Economic Sector)

### 1.8.1 Incomplete projects:

The department-wise information pertaining to some major incomplete projects of which the scheduled date of completion is already over as on 31 March 2015 is given in the following table:

**Table 1.23: Department-wise Profile of Incomplete Projects**

(₹ in crore)

Department	Year of commencement of the Projects	No. of incomplete Projects <sup>20</sup>	Initial Budgeted Cost	Cumulative expenditure as on 31.03.2015
Fisheries	March 2010	1	4.20	1.59
IFCD	Between 2010-11 and 2013-14	4	27.78	21.97
PHED	2011-12	2	10.98	7.24
Public Works	2011-12	2	11.44	5.90
		<b>9</b>	<b>54.40</b>	<b>36.70</b>

\* IFCD - Irrigation and Flood Control Department & PHED - Public Health Engineering Department (Source: Finance Accounts)

As of 31 March 2015, there were 9 incomplete projects each costing ₹ 1.00 crore and above, involving a total budgeted cost of ₹ 54.40 crore on which an expenditure of ₹ 36.70 crore had already been incurred. Delay in completion of works invites the risk of escalation in cost of the works besides depriving the benefits of the projects to the beneficiaries.

### 1.8.2 Investment in companies, corporations and co-operative societies and returns

As of 31 March 2015, the State Government had invested ₹ 167.13 crore<sup>21</sup> in statutory corporations, rural banks, joint stock companies and co-operatives. Against Investment ranging from ₹ 160.18 crore to ₹ 176.31 crore during 2010-15, the State Government could earn only ₹ 16,000 during 2010-15 from the investment made on these corporations/companies *etc.* while it paid an average rate of interest ranging from 6.21 *per cent* to 6.56 *per cent* on its borrowings. Investments as on 31 March 2015 were made in two statutory corporations, 16 Government companies and various types of co-operative banks and institutions. Return on investment from Companies/Corporations *etc.* are shown in the following table:

**Table 1.24: Return on Investment from Companies/Corporations *etc.***

(₹ in crore)

Investment/Return/Cost of Borrowings	2010-11	2011-12	2012-13	2013-14	2014-15
Investment at the end of the year	176.31	160.18	160.29	160.30	167.13
Return	Δ	*	Δ	*	**
Return ( <i>per cent</i> )	-	-	-	-	-
Average rate of interest on Govt. borrowing ( <i>per cent</i> )	6.21	6.27	6.52	6.42	6.56
Difference between interest rate and return ( <i>per cent</i> )	6.21	6.27	6.52	6.42	6.56

Δ only ₹ 4,000; \* only ₹ 3,000; \*\* only ₹ 2,000 (Source: Finance Accounts)

<sup>20</sup> The above list does not include projects for which the targeted dates of completion have been revised.

<sup>21</sup> Investment/Share as featured in Statement 1 of Finance Accounts has been adopted

To improve the financial situation of the State, it would be expedient to ensure that the investment fetches a commensurate return. Earning of return of only ₹ 2,000 against investment of ₹ 160.30 crore<sup>22</sup> is negligible. The State Government may need to critically review the functioning of the corporations, companies and co-operatives to make their operations viable.

### 1.8.3 Investment in Public Private Partnership (PPP) projects

The State Government has not reported (October 2015) any investment through Public Private Partnership mode during 2014-15.

### 1.8.4 Loans and advances by the State Government

In addition to investments in co-operative societies, corporations and companies, the State Government had also been providing loans and advances to many institutions/organizations. The following table presents the outstanding loans and advances as on 31 March 2015 and Interest receipts *vis-à-vis* Interest payments during 2010-11 to 2014-15.

**Table 1.25: Average Interest Received on Loans and Advances by the State Government**  
(₹ in crore)

Quantum of Loans/Interest Receipts/Cost of Borrowings	2010-11	2011-12	2012-13	2013-14	2014-15	
					BE*	Actual
Opening Balance	202.81	205.42	203.61	206.32	205.13	205.13
Amount advanced during the year	3.80	0.08	3.30	0.04	12.20	0.34
Amount repaid during the year	1.19	1.89	0.59	1.23	3.70	0.97
<b>Closing Balance</b>	<b>205.42</b>	<b>203.61</b>	<b>206.32</b>	<b>205.13</b>	<b>221.03</b>	<b>204.50</b>
<i>Of which</i> Outstanding balance for which terms and conditions have been settled	NA	NA	NA	NA	NA	NA
Net addition	2.61	(-) 1.81	2.71	(-) 1.19	(-) 1.94	(-) 0.63
Interest Receipts	7.37	1.25	0.94	0.35	NA	0.55
Interest receipts as <i>per cent</i> to outstanding Loans and Advances	3.59	0.61	0.46	0.17	NA	0.27
Total Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government	5.89	6.13	6.37	6.30	NA	6.43
Difference between interest payments and interest receipts ( <i>per cent</i> )	2.30	5.52	5.91	6.13	NA	6.16

\* BE- Budget estimates

\*\* NA - Not available

(Source: Budget documents and Finance Accounts)

The opening balance of outstanding Loans and Advances as on 31 March 2015 was ₹ 205.13 crore. Against repayment of Loans/Advances of ₹ 0.97 crore, an amount of ₹ 0.34 crore was disbursed during 2014-15. Interest receipt has decreased significantly from ₹ 7.37 crore in 2010-11 to ₹ 0.35 crore in 2013-14 before it increased marginally to ₹ 0.55 crore in 2014-15. Pertinently, Interest receipt of ₹ 0.55 crore against an opening balance of ₹ 205.13 crore is insignificant. The State Government may therefore need to ensure realisation of commensurate receipt of interest from the Loans and Advances.

<sup>22</sup> Opening balance of 2014-15

### 1.8.5 Cash Balances and Investment of Cash Balances

It is generally desirable that the State's flow of resources should match its expenditure obligations. However, to take care of any temporary mismatch in the flow of resources and the expenditure obligations, a mechanism of Ways and Means Advances (WMA) from RBI has been put in place. The operative limit for Normal Ways and Means Advances is reckoned on the three years average of revenue receipts and the operative limit for Special Ways and Means Advances is fixed by the RBI from time to time, depending on the holding of Government securities. The limit for Normal Ways and Means Advances was fixed (April 2006) at ₹ 60 crore by the RBI. The position of Ways and Means Advances and Overdraft is shown in the following table:

**Table 1.26: Ways and Means Advances and Overdrafts**

	(₹ in crore)				
	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Ways and Means Advance</b>					
Availed in the year	-	89.95	534.65	274.52	-
Outstanding WMAs	-	89.95	97.92	-	-
Interest paid	-	-	1.21	0.19	-
Number of days	-	1	72	13	-
<b>Overdraft</b>					
Number of days	-	1	31	8	-

(Source: Finance Accounts)

The State Government resorted to Ways and Means Advance during the last three years during 2011-12 to 2013-14. However, during 2014-15 the State Government did not avail any Ways and Means Advance.

The following table depicts the cash balances and investments made by the State Government out of cash balances at the beginning and at end of 2014-15:

**Table 1.27: Cash balances and investment of cash balances as on 31 March 2015**

	(₹ in crore)	
Particulars	Opening balance on 1.4.2014	Closing balance on 31.3.2015
<b>(a) General Cash Balance -</b>		
Cash in Treasuries	4.62	4.64
Deposits with Reserve Bank	(-) 72.82	(-) 297.96
Deposits with other Banks	-	-
Remittances in transit - Local	0.08	-
<b>Sub-total</b>	<b>(-) 68.12</b>	<b>(-) 293.32</b>
Investments in Cash Balance investment account <sup>23</sup>	315.10	125.65
<b>Total (a)</b>	<b>246.98</b>	<b>(-) 167.67</b>
<b>(b) Other Cash Balances and Investments</b>		
Cash with departmental officers <sup>24</sup>	36.85	53.45
Permanent advances for contingent expenditure with departmental officers	0.02	0.02
Investment of earmarked funds	179.99	235.97
<b>Total (b)</b>	<b>216.86</b>	<b>289.44</b>
<b>Grand total (a)+ (b)</b>	<b>463.84</b>	<b>121.77</b>

(Source: Finance Accounts)

<sup>23</sup> GoI Treasury bills-₹ 125.65 crore, Long term investment- Nil, Other investment-Nil

<sup>24</sup> Public Works Department Officers, and Forest Department Officers

Against opening cash balance of ₹ 463.84 crore at the beginning of 2014-15, the cash balance closed at an amount of ₹ 121.77 crore at the end of the year. This was mainly due to decrease in balance kept in Cash Balance Investment account (₹ 189.45 crore) and Deposits with the RBI (₹ 225.14 crore) partly offset by increase in balance in Earmarked funds (₹ 55.98 crore). There was cash balance of ₹ 53.45 crore lying with the departmental officers.

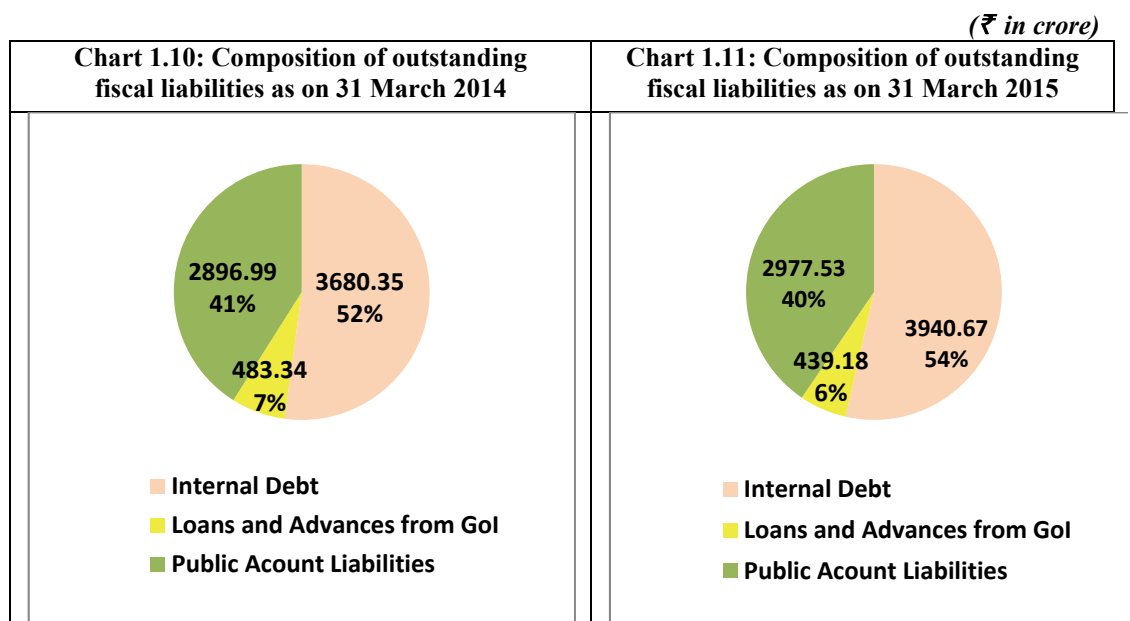
## 1.9 Assets and Liabilities

### 1.9.1 Growth and Composition of Assets and Liabilities

In the existing Government accounting system, comprehensive accounting of fixed assets like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix 1.5** gives an abstract of such liabilities and assets as on 31 March 2015, compared with the corresponding position on 31 March 2014. The liabilities in this Appendix consist mainly of internal borrowings, receipts from the Public Account, Small Savings, Provident Funds and Loans and Advances from Central Government. The assets comprise mainly of the capital expenditure, Remittance Balance and Loans and Advances given by the State Government.

### 1.9.2 Fiscal Liabilities

The composition of Fiscal liabilities during 2014-15 *vis-à-vis* the previous year are presented in the following Charts:



The following table presents the Fiscal liabilities of the State, their rate of growth, the ratio of these liabilities to GSDP and Revenue receipts.



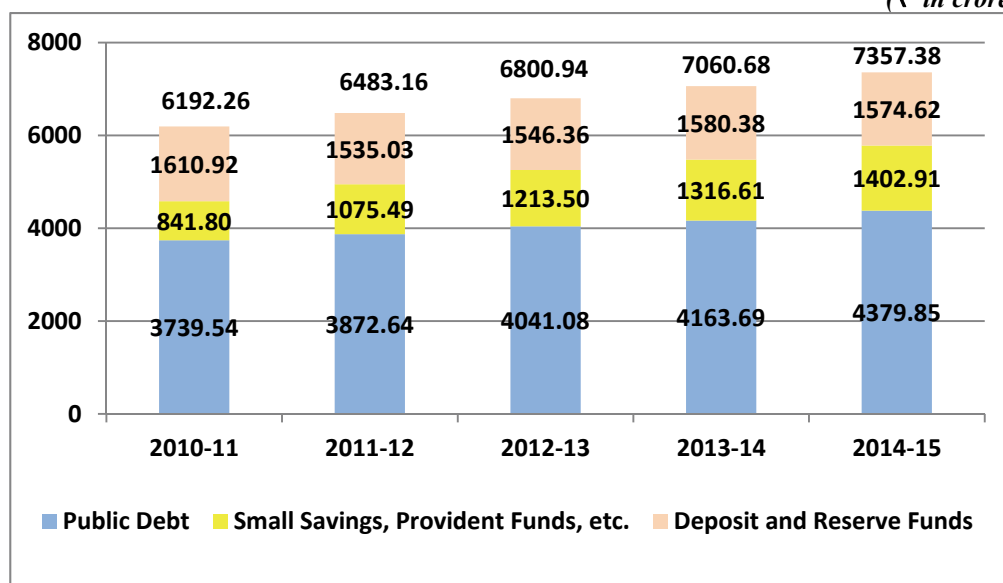
**Table 1.28: Details showing Fiscal liabilities, its growth rate and ratio to GSDP**  
(₹ in crore)

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
Fiscal liabilities <sup>25</sup>	6192.26	6483.16	6800.94	7060.68	7357.38
Rate of growth (per cent)	11.51	4.70	4.90	3.82	4.20
Ratio of Fiscal liabilities to					
GSDP (per cent)	67.77	58.29	53.56	49.29	44.96
Revenue receipts (per cent)	114.04	114.67	99.72	96.95	91.99

The overall Fiscal liabilities of the State Government increased by ₹ 296.70 crore from ₹ 7060.68 crore in 2013-14 to ₹ 7357.38 crore in 2014-15.

The Fiscal liabilities to GSDP ratio maintained a decreasing trend during 2010-15, decreasing from 67.77 per cent in 2010-11 to 44.96 per cent in 2014-15. This indicates that the rate of Fiscal liabilities has grown at a slower pace as compared to the growth of GSDP during 2010-11 and 2014-15. The ratio of Fiscal liabilities to Revenue receipts was above 100 per cent during 2010-12 and then reduced in subsequent years to 91.99 per cent in 2014-15. The trends showing composition of Fiscal Liabilities are further depicted in the following chart.

**Chart 1.12: Trend showing composition of fiscal liabilities during 2010-15**  
(₹ in crore)



(Source: Finance Accounts)

The increase in Fiscal liabilities (₹ 296.70 crore) was mainly due to increase in Internal Debt (₹ 260.32 crore) and Small Savings, Provident Funds etc. (₹ 86.30 crore) partially offset by decrease in Loans and Advances from the Government of India (₹ 44.16 crore).

<sup>25</sup> Refer glossary in Appendix 1.7. Fiscal Liabilities as shown in the Table is inclusive of Investment out of Reserved Funds

The increase in Internal Debt was mainly due to four market loans totalling to ₹ 463 crore, borrowed with interest rate ranging from 8.06 *per cent* to 8.91 *per cent*. The increase in Small Savings, Provident Funds *etc.* was mainly due to State Provident Funds (₹ 86.84 crore). Loans and Advances from Government of India decreased as repayment of ₹ 44.16 crore was made and no further loans were obtained from Government of India.

### 1.9.3 Transactions under Reserve fund

The State has four Reserve Funds *viz.*, State Disaster Response Funds, Sinking Funds, Depreciation Reserve Funds of Government Commercial Departments/Undertakings and Guarantee Redemption Funds.

The State Disaster Response Fund was set up by the State Government in 2010-11, as per the recommendations of the 13<sup>th</sup> Finance Commission (FC). The Central and the State Government are required to contribute to the corpus of the fund in the proportion of 90:10. The Government of India had released ₹ 4.95 crore (including ₹ one crore released for Capacity Building Disaster Response) in 2014-15. Against this, the State Government transferred ₹ 8.57 crore to the Fund in 2014-15. As on 31 March 2015, ₹ 38.68 crore<sup>26</sup> was lying idle under this head/fund.

The Consolidated Sinking Fund for amortization of market borrowings, other loans and debt obligations was set up (February 2008) by the State Government, as per the recommendation of the 12<sup>th</sup> FC. As per guidelines of the fund, the State Government is required to contribute a minimum of 0.5 *per cent* of its outstanding liabilities (internal debt plus public accounts) as at the end of the previous year. Accordingly, the contribution due from the State Government in 2014-15 was ₹ 35.30 crore (0.5 *per cent* of outstanding liabilities of ₹ 7060.68 crore as on 31 March 2014). Against this the State Government contributed ₹ 25.37 crore to the Fund in 2014-15. The Reserve Bank of India (RBI) deposited ₹ 18.03 crore during the year as interest accrued on investment of earlier year. The entire corpus of the Fund as of 31 March 2015 amounting to ₹ 188.57 crore was invested in Government of India Securities.

The State Government had set up (February 2008) a guarantee redemption fund to meet the contingent liabilities arising from such guarantees, as per the recommendation of the 12<sup>th</sup> FC. The State Government transferred an amount of ₹ 9.57 crore to this fund during 2014-15. The RBI deposited ₹ 3.01 crore during 2014-15 as interest accrued on investment of earlier year. The entire corpus of the Fund as of 31 March 2015 amounting to ₹ 37.21 crore was invested in Government of India Securities.

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<sup>26</sup> Under Major Heads – 8121 (₹ 35.51 crore) and 8235 (₹ 3.17 crore)

One reserve fund viz., Depreciation Reserve Funds of Government Commercial Department/Undertakings had been inoperative for the last four years. An amount of ₹ 23.98 lakh is lying unutilised in the account for the last five years. The State Government may need to consider an arrangement to invest the amount so that some interest may be earned.

#### **1.9.4 Contingent liabilities**

##### **Status of Guarantees**

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee had been extended. As per the FRBM Act and the Manipur Ceiling on State Government Guarantee Act, 2004, the total outstanding guarantees as of 1 April of any year shall not exceed thrice the State's own tax revenue receipts of the second preceding year.

The maximum amount for which guarantees were given by the State and outstanding guarantees for the last five years is given in the following table:

**Table 1.29: Guarantees given by the Government of Manipur**

<i>(₹ in crore)</i>						
<b>Guarantees</b>		<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
Maximum amount guaranteed		196.04	195.55	193.98	197.45	197.45
Outstanding at the beginning of the year	Principal	110.34 <sup>@</sup>	111.98	78.84	76.69	75.57
	Interest	97.10	120.62	96.51	123.04	139.73
	<b>Total</b>	<b>207.44</b>	<b>232.60</b>	<b>175.35</b>	<b>199.73<sup>@</sup></b>	<b>215.30</b>
Invoked during the year (Discharge)		16.39	33.14	6.80	-	23.34
Outstanding at the end of the year	Principal	111.98	78.84	76.69	75.57	62.96
	Interest	120.62	96.51	123.04	139.73	129.99
	<b>Total</b>	<b>232.60</b>	<b>175.35</b>	<b>199.73<sup>@</sup></b>	<b>215.30</b>	<b>192.95</b>
Number of guarantees		15	14	13	13	13
Percentage of maximum amount guaranteed to Total revenue receipts		3.61	3.47	2.84	2.71	2.47

(Source: Finance Accounts) NA:-Not available

<sup>@</sup> Closing balances of 2009-10 and 2012-13 (Audit Report 2012-13) since reconciled between concerned Departments and Finance Department

The outstanding guarantee of ₹ 192.95 crore was kept within the limit<sup>27</sup> of the FRBM Act *ibid*. An amount of ₹ 23.34 crore was invoked by the State Government during 2014-15. There was a closing outstanding guarantee of ₹ 192.95 crore, of which ₹ 62.96 crore was the principal amount and ₹ 129.99 crore was the interest amount. As can be seen, the interest amount was about 206 per cent of the principal amount. As against the outstanding guarantee of ₹ 192.95 crore, the corpus available in the Guarantee Redemption Fund was only ₹ 37.21 crore at the end of 2014-15.

<sup>27</sup> Not to exceed thrice the State's own tax revenue receipts of the second preceding year as on 1 April of that year i.e, ₹ 1418.19 crore (472.73 x 3)

## 1.10 Debt Management

Fiscal deficit is usually managed by way of borrowings by the State. The rate of growth of debt, the debt repayment liability, Public debt repayment, reliance on debt for financing current expenditure (not capital expenditure) are discussed in succeeding paragraphs.

### 1.10.1 Debt Profile

The maturity profile of debt at the end of 2014-15 is shown in the following table:

**Table 1.30: Maturity Profile of debt**

(₹ in crore)		
Maturity profile (in years)	Year of maturity	Amount
0 - 1	2015-16	191.94
1 - 3	2016-18	442.60
3 - 5	2018-20	691.93
5 - 7	2020-22	730.56
7 - 9	2022-24	641.42
9 - 11	2024-26	914.03
11 - 14	2026-29	7.96
Miscellaneous*	-	759.41
<b>Total</b>		<b>4379.85</b>

\* Year of Maturity not known

(Source: Finance Accounts)

Maturity profile of the existing debt of the State shows that repayment burden will increase from ₹ 191.94 crore in the (0-1) year slab to ₹ 442.60 crore in the (1-3) years slab. In the next (3-5) years slab, this will increase to ₹ 691.93 crore. There will be higher repayment pressure in the (5-7) years slab (₹ 730.56 crore) and in the (9-11) years slab (₹ 914.03 crore). The year wise details of maturity profile of debt at the end of 2014-15 is given in **Appendix 1.6**.

### 1.10.2 Debt sustainability

Apart from the magnitude of the debt of State Government, it is important to analyze various indicators that determine the debt sustainability<sup>28</sup> of the State, sufficiency of non-debt receipts<sup>29</sup>; net availability of borrowed funds<sup>30</sup> etc. The following table analyzes the debt sustainability of the State according to these indicators during 2010-15.

<sup>28</sup> Refer glossary in Appendix 1.7

<sup>29</sup> Refer glossary in Appendix 1.7

<sup>30</sup> Refer glossary in Appendix 1.7

**Table 1.31: Debt sustainability, Indicators and Trends**

(₹ in crore)

Indicators of debt sustainability	2010-11	2011-12	2012-13	2013-14	2014-15
Outstanding Debt <sup>31</sup> -GSDP ratio	67.77	58.29	53.56	49.29	44.96
Sufficiency of non-debt receipts (Resource gap)	(+) 164.26	(-) 478.23	1045.93	274.30	(-) 874.09
Net availability of borrowed funds	240.12	(-) 137.51	(-)151.56	(-) 185.18	(-) 176.50
Burden of interest payments (IP/RR* Ratio percentage)	6.72	7.03	6.35	6.11	5.92

\* IP – Interest Payment and RR – Revenue Receipts

(Source: Finance Accounts)

The Outstanding Debt – GSDP ratio maintained declining trend from 67.77 *per cent* in 2010-11 to 44.96 *per cent* in 2014-15. The Resource gap in 2014-15 was minus ₹ 874.09 crore as compared to ₹ 274.30 crore in 2013-14. This indicates that Incremental Non-debt receipt was not sufficient to meet incremental Total expenditure in 2014-15. Another area of concern is Net availability of borrowed funds was in negative figures during 2011-15, indicating that borrowed funds was solely utilised for re-payment of past loans and its interest liabilities. This trend has been increasing in each successive year during 2011-15. The burden of interest payment reduced from 7.03 *per cent* in 2011-12 to 5.92 *per cent* in 2014-15.

### 1.10.3 Debt consolidation and relief facility

The States' enactment/amendment of the FRBM Act, incorporating the targets prescribed in the 13<sup>th</sup> FC was a pre-condition for release of all State-specific grant and debt relief measures. The State Government enacted the Manipur FRBM Act in August 2005 to ensure prudence in fiscal management and fiscal stability by achieving sufficient revenue surplus, reduction in fiscal deficit, prudent debt management consistent with fiscal sustainability, and greater transparency in fiscal operations of the Government. As per Manipur FRBM Rules 2005 (enacted in December 2005) and subsequent amendments framed under the FRBM Act of August 2005, the various fiscal targets in respect of revenue surplus and fiscal deficit were set. The targets prescribed under the Act and the Rules are given in **Appendix-1.1 Part E**.

### 1.11 Fiscal imbalances

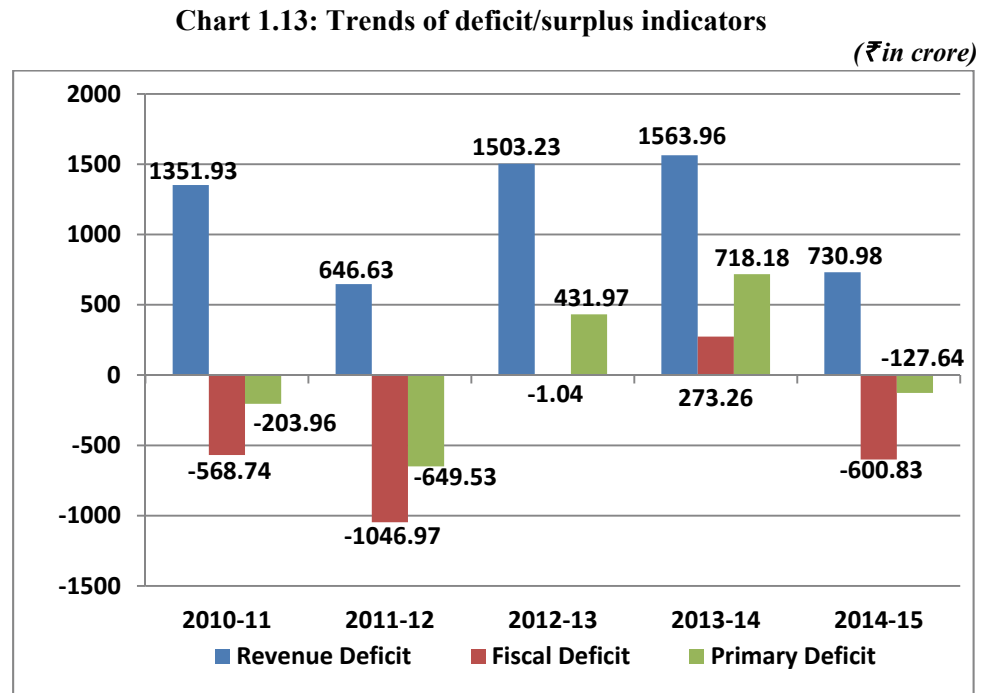
Three key fiscal parameters *i.e.* revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied,

<sup>31</sup> Fiscal Liability as per Finance Accounts

are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits.

### 1.11.1 Trends in Deficits/Surplus

The following chart presents the trends in deficit indicators during 2010-15:



The Fiscal deficit has been continually reduced from its peak figure of ₹ 1046.97 crore in 2011-12 to ₹ 1.04 crore in 2012-13 before turning into Fiscal surplus of ₹ 273.26 crore in 2013-14. The Fiscal Deficit-GSDP ratio was 44.96 per cent in 2014-15. The Revenue surplus also improve considerably in 2012-13 and increased further to ₹ 1563.96 crore in 2013-14. The Primary deficit experienced during 2010-11 to 2011-12 turned its trend in 2012-13 to surplus of ₹ 431.97 crore. This improved further to a Primary surplus of ₹ 718.18 crore in 2013-14. The overall improvement of fiscal situation experienced in 2013-14, however, reversed in 2014-15.

Revenue Surplus was reduced by ₹ 832.98 crore from ₹ 1563.96 crore in 2013-14 to ₹ 730.98 crore in 2014-15. This is despite the fact that most funds transferred directly to the Implementing Agencies in 2013-14 were channelized through the State accounts in 2014-15. The fiscal scenario worsen as there was Fiscal Deficit of ₹ 600.83 crore in 2014-15 from Fiscal Surplus of ₹ 273.26 crore in 2013-14. Primary Surplus of ₹ 718.18 crore in 2013-14 also turned into Primary Deficit of ₹ 127.64 crore in 2014-15. This indicates that nearly 79<sup>32</sup> per cent of Fiscal Deficit of 2014-15 was due to past obligations.

<sup>32</sup>  $(600.83 - 127.64) \times 100 / 600.83$

As stated earlier, Net availability of borrowed funds were negative during 2011-15. As such, borrowed funds were being utilised to meet the obligations of re-payment of past loans and interest.

Thus, the State Government may consider stepping up collecting more Revenues as collected in the current year (2014-15), recovering Loans, earning more Interest on investments and maintaining a proper growth of Capital expenditure so that pace of development activities and creation of concrete assets are increased.

### 1.11.2 Composition of Fiscal Deficit and its Financing Pattern

The financing pattern of the fiscal deficit is shown in the following table:-

**Table 1.32: Components of fiscal deficit and its financing pattern**

(₹ in crore)

Sl. No.	Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
	Decomposition of fiscal deficit (-) /surplus (+)	(-)568.74	(-)1046.97	(-)1.04	(+) 273.26	(-) 600.83
1	Revenue surplus	1351.93	646.63	1503.23	1563.96	730.98
2	Net capital expenditure	(-)1918.06	(-)1695.41	(-)1501.56	(-) 1291.89	(-) 1332.44
3	Net Loans and Advances	(-)2.61	1.81	(-)2.71	1.19	0.63
<b>Financing/utilisation pattern of fiscal deficit/surplus*</b>						
1	Market Loans	206.20	76.97	182.01	288.17	339.23
2	Loans from the GoI	(-) 45.27	(-)64.93	(-)44.01	(-) 47.08	(-) 44.17
3	Special Securities Issued to NSSF**	(-) 5.91	(-)12.85	(-)16.19	(-) 21.50	(-) 26.03
4	Loans from Financial Institutions and other loans	28.36	43.96	38.66	0.94	(-) 52.87
5	Ways and Means Advance	-	89.95	7.97	(-) 97.92	-
6	Small Savings, PF** etc.	41.31	233.69	138.01	103.11	86.30
7	Deposits and Advances	386.78	(-)114.24	(-)36.74	(-) 14.43	(-) 70.88
8	Suspense and Miscellaneous	(-) 0.28	6.23	1.77	1.91	(-) 15.56
9	Remittances	(-) 81.22	21.57	(-)2.09	(-) 15.71	(-) 21.81
10	Reserve Fund	27.87	38.35	48.08	48.46	64.55
	Increase (-)/decrease (+) in cash balance	10.92	728.28	(-)316.43	(-) 519.21	342.07

\* All these figures are net of additions and discharges during the year

\*\* NSSF – National Small Saving Funds and PF – Provident Funds

(Source: Finance Accounts)

The Fiscal Deficit of ₹ 600.83 crore in 2014-15 was mainly due to expenditure on Capital account. The deficit was mainly financed by Market loan (₹ 339.23 crore) and Small Savings, Provident Funds etc. (₹ 86.30 crore). The Fiscal

Deficit of 2014-15 also resulted in reduction of cash balance by ₹ 342.07 crore in 2014-15 as compared to previous year (2013-14).

### 1.11.3 Quality of Deficit/Surplus

The decomposition of Primary deficit into Primary revenue deficit/surplus and capital expenditure (including loans and advances) would indicate the quality of deficit in the States' finances; which would further indicate the extent to which the deficit/surplus has been on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy. The following table indicates decomposition of primary deficit/surplus:

**Table 1.33: Primary deficit/surplus, Bifurcation of factors**

(₹ in crore)

Year	Non-debt receipts	Primary revenue expenditure *	Capital expenditure	Loans and Advances	Primary expenditure	Primary revenue surplus	Primary deficit (-)/surplus (+)
(1)	(2)	(3)	(4)	(5)	6 (3+4+5)	7 (2-3)	8 (2-6)
2010-11	5431.13	3713.23	1918.06	3.80	5635.09	1717.90	(-) 203.96
2011-12	5655.44	4609.48	1695.41	0.08	6304.97	1044.07	(-) 649.53
2012-13	6820.35	4883.52	1501.56	3.30	6388.38	1936.83	(+) 431.97
2013-14	7284.02	5273.91	1291.89	0.04	6565.84	2010.11	(+) 718.18
2014-15	7999.24	6794.10	1332.44	0.34	8126.88	1205.14	(-) 127.64

\* Net of Revenue expenditure and Interest payment  
(Source: Finance Accounts)

The Non-debt receipts of the State during 2010-15 were sufficient to meet the Primary revenue expenditure. During 2012-13 and 2013-14 it was more than the Primary expenditure, resulting in primary surplus. In 2010-11, 2011-12 and 2014-15 the Primary Revenue surplus was not adequate to cover the Capital expenditure and Loans and Advances. The non-debt receipt of the State increased by 47 *per cent* from ₹ 5431.13 crore in 2010-11 to ₹ 7999.24 crore in 2014-15. The Primary expenditure increased by 44 *per cent* from ₹ 5635.09 crore in 2010-11 to ₹ 8126.88 crore in 2014-15. Capital expenditure, however, reduced by 33 *per cent* from ₹ 1918.06 crore to ₹ 1291.89 crore during 2010-14 before it increased by 3 *per cent* in 2014-15 (₹ 1332.44 crore) over the previous year (2013-14).

## 1.12 Conclusion and recommendations

### Revenue receipts

Revenue receipts increased by ₹ 715.48 crore (9.82 *per cent*) in 2014-15 over the previous year (2013-14). The increase was mainly due to increase in Grants-in-Aid from Government of India (₹ 660.22 crore), Share of Union Taxes/duties (₹ 88.10 crore) and Tax revenue (₹ 44.10 crore) in 2014-15 over the previous year (2013-14). Contribution of the State's own revenue to the



Revenue receipt was in the range of 8 per cent to 12 per cent for the period 2010-15. The State's share of Union taxes and duties and Grants-in-Aid from GoI contributed in the range of 88 per cent to 92 per cent to the Revenue receipt during 2010-15 and remained the main contributor to Revenue receipt of the State. Own Tax revenue was more than the normative assessment of the 13<sup>th</sup> FC by ₹ 146.67 crore (39.62 per cent) but was less than the budget estimates/MTFPS projection by ₹ 104 crore (16.75 per cent). The Own non-Tax revenue realised during the year was less than the normative assessment made by the 13<sup>th</sup> FC projection by ₹ 68.54 crore (27.17 per cent) and also less than the budget estimates/MTFPS projection by ₹ 100.33 crore (35.32 per cent). Non-tax revenue collection was less than the 13<sup>th</sup> FC projections/Budget estimates/MTFPS projections as receipts from Power sector has been excluded after corporatization of the State Electricity Department. **(paras 1.1.2, 1.2.1 and 1.3.1)**

*The State Government may consider to:*

- *maintain the trend of Tax collection in coming years for overall positive fiscal health of the State;*
- *Focus more on Non-tax revenue as collection under Power sector is outside the State Accounts*

### ***Expenditure Status***

The total expenditure of the State increased by ₹ 2600.20 crore (43.34 per cent) from ₹ 5999.87 crore in 2010-11 to ₹ 8600.07 crore in 2014-15. The Revenue expenditure of the State increased by ₹ 3189.28 crore (78.21 per cent) from ₹ 4078.01 crore in 2010-11 to ₹ 7267.29 crore in 2014-15. A similar trend of increase was also depicted by the Non-plan Revenue Expenditure, which increased by ₹ 1988.67 crore (66.75 per cent) from ₹ 2979.44 crore in 2010-11 to ₹ 4968.11 crore in 2014-15. However, Capital expenditure decreased by ₹ 585.62 crore (30.53 per cent) from ₹ 1918.06 crore in 2010-11 to ₹ 1332.44 crore in 2014-15. Revenue expenditure as a percentage of the total expenditure increased from 67.97 per cent in 2010-11 to 84.5 per cent in 2014-15. This shows that a bulk of the total expenditure has been increasingly spent to meet expenditure on maintenance, salary, etc. Salaries and Wages accounted for about 33 per cent of the Revenue receipts of the State during 2014-15 and increased by ₹ 102.74 crore (4 per cent) over the previous year (2013-14). Interest payment increased by ₹ 28.27 crore from ₹ 444.92 crore in 2013-14 to ₹ 473.19 crore in 2014-15. Interest payment increased continually from ₹ 364.78 crore in 2010-11 to ₹ 473.19 crore in 2014-15. **(paras 1.6.1 and 1.6.2)**

*The State Government may consider to:*

- *Focus more on Capital expenditure to ensure the long term economic health of the State and*
- *Rationalise Non-Plan Revenue expenditure as it has grown substantially during 2014-15.*

***Investment made in Government corporations/companies and recovery of Loans and Advances***

As of 31 March 2015, the State Government had invested ₹ 167.13 crore in statutory corporations, rural banks, joint stock companies and co-operatives. Against Investment ranging from ₹ 160.18 crore to ₹ 176.31 crore during 2010-15, the State Government could earn ₹ 16,000 only during 2010-15 from the investment made on these corporations/companies *etc.* while it paid an average rate of interest ranging from 6.21 *per cent* to 6.56 *per cent* on its borrowings. The opening balance of outstanding Loans and Advances as on 31 March 2015 was ₹ 205.13 crore. Against repayment of Loans/Advances of ₹ 0.97 crore, an amount of ₹ 0.34 crore was disbursed during 2014-15. Interest receipt has decreased significantly from ₹ 7.37 crore in 2010-11 to ₹ 0.35 crore in 2013-14 before it increased marginally to ₹ 0.55 crore in 2014-15. Pertinently, Interest receipt of ₹ 0.55 crore against an opening balance of ₹ 205.13 crore is insignificant. **(paras 1.8.2 and 1.8.4)**

*The State Government may consider to critically review the functioning of the corporations, companies and co-operatives and may initiate appropriate actions to make their operation viable and also ensure appropriate receipt of interest from Loans and Advances.*

***Fiscal liabilities and fiscal position***

The Fiscal Deficit – GSDP ratio (3.67 *per cent*) exceeded the targets of 13<sup>th</sup> FC and FRBM Act (3 *per cent* and below) and MTFPS (3.41 *per cent*). The overall Fiscal liabilities of the State Government increased by ₹ 296.70 crore from ₹ 7060.68 crore in 2013-14 to ₹ 7357.38 crore in 2014-15. The increase in Fiscal liabilities (₹ 296.70 crore) was mainly due to increase in Internal Debt (₹ 260.32 crore) and Small Savings, Provident Funds *etc.* (₹ 86.30 crore) partially offset by decrease in Loans and Advances from the Central Government (₹ 44.16 crore). The Outstanding Debt – GSDP ratio maintained declining trend from 67.77 *per cent* in 2010-11 to 44.96 *per cent* in 2014-15. Resource gap in 2014-15 was minus ₹ 874.09 crore. This indicates that Incremental Non-debt receipt was not sufficient to meet incremental Total expenditure in 2014-15. Net availability of borrowed funds was in negative figures during 2011-15. This indicates that during 2011-15 borrowed funds

was solely utilised for re-payment of past loans and its interest liabilities. The fiscal scenario worsen as there was Fiscal Deficit of ₹ 600.83 crore in 2014-15 from Fiscal Surplus of ₹ 273.26 crore in 2013-14. Primary Surplus of ₹ 718.18 crore in 2013-14 also turned into Primary Deficit of ₹ 127.64 crore in 2014-15. This indicates that nearly 79 per cent of Fiscal Deficit of 2014-15 was due to past obligations. (paras 1.1.3, 1.9.2, 1.10.2 and 1.11.1)

*The State Government may consider to limit Fiscal Deficit-GSDP ratio as per targets set in the 13<sup>th</sup> FC, FRBM Act and MTFPS and ensure that borrowings are channelized for asset creation and the development activities in order to increase growth and productivity. Otherwise, the accumulated liability may prove to be a strain to the economy of the State.*

*The fiscal position of the State may be evaluated as there is deterioration of financial situation, which has been experienced by the State Government in the current year (2014-15).*

## **CHAPTER II**

# **FINANCIAL MANAGEMENT AND BUDGETARY CONTROL**

## CHAPTER II

### FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

#### 2.1 Introduction

Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts contains the list of original budget estimates, supplementary grants, surrenders and re-appropriations distinctly indicating actual capital and revenue expenditure on various specified services *vis-à-vis* those authorized by the Appropriation Act in respect of both charged and voted items of the budget. Appropriation Accounts thus facilitate management of finances and monitoring of budgetary provisions and is therefore complementary to Finance Accounts.

Audit of appropriations by the Comptroller and Auditor General of India seeks to ascertain whether the expenditure actually incurred under various grants is within the authorization given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution of India is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions of the Government.

#### 2.2 Summary of Appropriation Accounts

The summarized position of actual expenditure during 2014-15 against Grants/Appropriations (50 Grants and three Appropriations) is indicated in the following table:

**Table 2.1: Summarized position of actual expenditure vis-à-vis original/supplementary provisions**

(₹ in crore)

Nature of expenditure	Original Grant/Appropriation	Supplementary Grant/Appropriation	Total	Actual expenditure	Saving (-)/Excess (+)	Amount surrendered (Amount Surrendered on 31 March)	Percentage of savings surrendered by 31 March
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Voted</b>							
Revenue	7228.51	1939.60	9168.11	6786.35	- 2381.76	590.67 (590.67)	24.80
Capital	1742.33	803.30	2545.63	1332.97	- 1212.66	659.85 (659.85)	54.41
Loans and Advances	12.20	0.00	12.20	0.34	-11.86	0.01 (0.01)	0.08
<b>Sub-total Voted</b>	<b>8983.04</b>	<b>2742.90</b>	<b>11725.94</b>	<b>8119.66</b>	<b>-3606.28</b>	<b>1250.53 (1250.53)</b>	<b>34.68</b>
<b>Charged</b>							
Revenue	462.08	13.47	475.55	491.71	16.16	0 (0)	0
Capital	0	0	0	0	0	0 (0)	0
Public Debt-Repayment	242.71	34.36	277.07	273.24	-3.83	0 (0)	0
<b>Sub-total Charged</b>	<b>704.79</b>	<b>47.83</b>	<b>752.62</b>	<b>764.95</b>	<b>12.33</b>	<b>0 (0)</b>	<b>0</b>
Appropriation to Contingency Fund	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>9687.83</b>	<b>2790.73</b>	<b>12478.56</b>	<b>8884.61</b>	<b>-3593.95</b>	<b>1250.53 (1250.53)</b>	<b>34.8</b>

(Source: Appropriation Accounts)

During 2014-15, an expenditure of ₹ 8884.61 crore was incurred against a total budget provision of ₹ 12478.56 crore resulting in overall saving of ₹ 3593.95 crore. The overall saving of ₹ 3593.95 crore was the net result of saving of ₹ 3613.91 crore in 49 Grants and two Appropriations under Revenue Section and 28 Grants and one Appropriation under Capital Section, offset by excess of ₹ 19.96 crore in one Grant (Grant no. 22: Public Health Engineering) and one Appropriation (Appropriation No. 2: Interest Payment and Debt Services) under Revenue Section.

Substantial savings occurred in Planning (Revenue voted) (₹ 626.85 crore), Community and Rural Development (Revenue voted) (₹ 593.58 crore), Education (Revenue voted) (₹ 401.64 crore), Planning (Capital voted) (₹ 356.94 crore) and IFCD (Capital voted) (₹ 301.91 crore).

Excess expenditure occurred mainly in Appropriation No. 2: Interest Payment and Debt Services (₹ 19.95 crore) and Grant No. 22: Public Health Engineering (₹ 1.55 lakh), both under Revenue Charged.

## 2.3 Financial Accountability and Budget Management

### 2.3.1 Appropriation vis-à-vis Allocative Priorities

The outcome of the appropriation audit shows that in 59 cases, savings exceeded ₹ one crore in each case or by more than 25 per cent of total provision. Details are given in **Appendix 2.1**. It can be seen that no expenditure were incurred in case of 2 Grants<sup>1</sup> under Capital Heads though provisions were made in the budget. There were 17 cases<sup>2</sup> where Savings were 50 per cent and above of the total provision in each case. Against the total savings of ₹ 3593.95 crore, savings of ₹ 2983.05 crore (83 per cent) occurred in 13 cases relating to 12 Grants, where savings were ₹ 50 crore and above in each case. Details are indicated in the following table:

**Table 2.2: List of Grants with savings of ₹ 50 crore and above**

(₹ in crore)

Sl. No	No. and Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Saving
<b>Revenue voted</b>						
1	7 – Police	1014.68	39.46	1054.13	968.66	85.47
2	10 – Education	1040.35	412.21	1452.56	1050.92	401.64
3	14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	452.59	131.35	583.94	516.27	67.67
4	20 – Community and Rural Development	811.90	319.71	1131.61	538.03	593.58
5	21 – Commerce and Industries	75.77	50.67	126.45	60.09	66.36
6	30 – Planning	723.73	--	723.73	96.88	626.85
7	44 – Social Welfare Department	155.16	204.21	359.37	165.62	193.75
<b>Sub-total</b>		<b>4274.18</b>	<b>1157.61</b>	<b>5431.79</b>	<b>3396.47</b>	<b>2035.32</b>
<b>Capital voted</b>						
8	8 – Public Works Department	85.31	298.19	383.50	279.09	104.42
9	17 – Agriculture	58.13	--	58.13	2.04	56.09
10	23 – Power	17.80	77.04	94.84	42.69	52.14
11	30 – Planning	457.43	--	457.43	100.49	356.94
12	36 – Minor Irrigation	87.20	24.60	111.80	35.57	76.23
13	40 – IFCD*	453.57	--	453.57	151.66	301.91
<b>Sub-total</b>		<b>1159.44</b>	<b>399.83</b>	<b>1559.27</b>	<b>611.54</b>	<b>947.73</b>
<b>Total</b>		<b>5433.62</b>	<b>1557.44</b>	<b>6991.06</b>	<b>4008.01</b>	<b>2983.05</b>

\* Irrigation and Flood Control Department  
(Source: Appropriation Accounts)

It is seen from the above table that in 8 cases (excepting Sl. No. 2, 3, 7, 8 and 10) the actual expenditure was less than the original provision in each case.

<sup>1</sup> Grant No. 13 – Labour and Employment (Sl. No. 42) and Grant No. 15 – Consumers Affairs, Food and Public Distribution (Sl. No. 44) both under Capital Voted

<sup>2</sup> Grants No. 20, 21, 30, 44 (Revenue Voted), Grants No. 8 (Revenue Charged), and Grants No. 1, 2, 5, 13, 15, 17, 23, 30, 36, 39, 40 and 44 (Capital Voted)

Further, in seven cases viz. Education (₹ 401.64 crore), Community and Rural Development (₹ 593.58 crore), Planning (₹ 626.85 crore) and Social Welfare (₹ 193.75 crore), under Revenue Voted, Public Works Department (₹ 104.42 crore), Planning (₹ 356.94 crore) and Irrigation and Flood Control Department (₹ 301.91 crore) under Capital Voted, there was saving of more than ₹ 100 crore in each case.

### **2.3.2 Expenditure without provision**

Expenditure should not be incurred on a scheme/service without provision of funds. Audit noticed that expenditure of ₹ 3.38 crore was incurred in 10 cases (**Appendix 2.2**) without any provision of funds in the original estimates/supplementary demand. Out of expenditure of ₹ 3.38 crore without provision, ₹ 79.99 lakh (23.89 per cent) was incurred by Public Works Department under Special Plan Assistance (Hill)<sup>3</sup>.

### **2.3.3 Persistent savings**

There were 18 cases where persistent savings had occurred during the last five years i.e. 2010-11 to 2014-15. Of these, 11 cases pertained to Revenue Voted accounts and the remaining 7 cases under Capital voted accounts. The details are given **Appendix 2.3**. In 2 cases<sup>4</sup>, during the last five years (2010-15) there were persistent savings of more than ₹ 50 lakh and above in each case. Out of these, persistent savings in respect of one case<sup>5</sup> was more than ₹ two crore during the period 2010-15.

### **2.3.4 Drawal of funds at the fag end of the financial year**

As per provisions of Rule 290 of Central Treasury Rules, no money shall be drawn from the Treasury unless it is required for immediate disbursement. Audit noticed that in respect of 26 cases mentioned in **Appendix 2.4**, ₹ 272.62 crore drawn at the fag end of the year during March 2015 were deposited into the head of account “8449-Other Deposits” and the amount remained parked in this accounts at close of 2014-15.

### **2.3.5 Non-regularization of excess expenditure made during previous years**

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a Grant/Appropriation regularized by the State Legislature. Although no time limit for regularization of expenditure has been prescribed under the Article, regularization of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). The excess over provisions of ₹ 151.80 crore relating to the periods 2010-12 had been recommended (July 2014) by the

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<sup>3</sup> Sl. No. 1 of Appendix 2.2, under Grant No. 8

<sup>4</sup> Sl. No. 1 and 5 of Appendix 2.3

<sup>5</sup> Functional building (Sl. No.5)



PAC for regularization in its 39<sup>th</sup> Report. However, action for the regularization of the excess expenditure is yet to be initiated (October 2015) by the State Government. Excess expenditure amounting to ₹ 911.32 crore for the years 2012-13 and 2013-14 were yet to be examined (October 2015) by the PAC. The detail of excess expenditure during 2010-14 is shown at **Appendix 2.5**. The year-wise amount of excess expenditure pending regularization for grants/appropriations is summarized in the following table:

**Table 2.3: Excess over provisions relating to previous years requiring regularization**  
(₹ in crore)

Year	No. of Grants	No. of Appropriation	Amount of excess	Status of Regularization (as of October 2015)
2010-11	6	1	62.42	Recommended for regularization vide 39 <sup>th</sup> PAC Report. Receipt of Act for regularization of excess payment awaited from Finance Department.
2011-12	12	2	89.38	-do-
2012-13	2	2	541.42	Excess expenditure yet to be discussed by PAC
2013-14	0	2	369.90	-do-
<b>Total:</b>	<b>20</b>	<b>7</b>	<b>1063.12</b>	

(Source: Appropriation Accounts)

### 2.3.6 Excess expenditure incurred during 2014-15

The following table contains the summary of total excess over provisions in two cases amounting to ₹ 19.96 crore from the Consolidated Fund of the State during 2014-15 and requires regularization under Article 205 of the Constitution. The excess expenditure incurred during 2014-15 is shown in the following table:

**Table 2.4: Excess over provisions during 2014-15 requiring regularization**

(in ₹)

Sl. No.	Number and title of Grant/Appropriation	Total provision	Expenditure	Excess
<b>Revenue Charged</b>				
1	Appropriation No. 2 - Interest Payment & Debt Services	453,23,66,000	473,18,59,000	19,94,93,000
<b>Sub Total</b>		<b>453,23,66,000</b>	<b>473,18,59,000</b>	<b>19,94,93,000</b>
<b>Capital Voted</b>				
2	22 – Public Health Engineering	62,74,62,000	62,76,17,000	1,55,000
<b>Sub Total</b>		<b>62,74,62,000</b>	<b>62,76,17,000</b>	<b>1,55,000</b>
<b>Total</b>		<b>515,98,28,000</b>	<b>535,94,76,000</b>	<b>19,96,48,000</b>

(Source: Appropriation Accounts)

### 2.3.7 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provision aggregating to ₹ 523.20 crore in 20 cases, during the year proved unnecessary as the expenditure did not come up to the level of original provision. Out of these, in eight cases unnecessary supplementary

provisions provided exceeded ₹ 10 crore viz., Police (₹ 39.46 crore), Municipal Administration, Housing and Urban Development (₹ 10.63 crore), Animal Husbandry and Veterinary including Dairy Farming (₹ 17.24 crore), Community and Rural Development (₹ 319.71 crore), Commerce and Industries (₹ 50.67 crore) under Revenue Voted and Police (₹ 24.94 crore), Minor Irrigation (₹ 24.60 crore) and Social Welfare Department (₹ 22.49 crore) under Capital Voted. The details are given in the following table:

**Table 2.5: Statement showing unnecessary supplementary provision**

(₹ in lakh)

Sl. No.	Number and name of Grant/Appropriation	Original provision	Expenditure	Savings out of Original Provision	Supplementary
(1)	(2)	(3)	(4)	(5)(3-4)	(6)
<b>Revenue voted</b>					
1	3 - Secretariat	7152.68	6408.04	744.64	110.24
2	4 - Land Revenue, Stamps & Registration and District Administration	7414.68	7070.68	344.00	327.98
3	7 - Police	101467.64	96866.09	4601.55	3945.71
4	8 - Public Works Department	23047.62	18681.10	4366.52	147.83
5	12 - Municipal Administration, Housing and Urban Development	5679.64	5554.71	124.93	1062.66
6	13 - Labour and Employment	1546.35	1342.33	204.02	61.38
7	18 - Animal Husbandry and Veterinary including Dairy Farming	8967.10	7062.51	1904.59	1723.67
8	20 - Community and Rural Development	81190.11	53803.15	27386.96	31970.91
9	21 - Commerce and Industries	7577.49	6008.50	1568.99	5067.25
10	24 - Vigilance Department	291.16	290.32	0.84	4.14
11	26 - Administration of Justice	2437.81	2142.59	295.22	498.14
12	27 - Election	1585.07	1468.47	116.60	3.96
13	33 - Home Guards	1057.08	1005.51	51.57	2.13
14	41 - Art and Culture	2108.46	2078.07	30.39	51.54
15	46 - Science and Technology	598.95	586.83	12.12	8.34
16	49 - Economics and Statistics	1633.71	1488.52	145.19	112.60
<b>Revenue Charged</b>					
17	Appropriation No. 1 - Governor	382.32	365.14	17.18	18.50
<b>Capital Voted</b>					
18	7 - Police	5473.00	4792.36	680.64	2494.36
19	36 - Minor Irrigation	8720.00	3556.53	5163.47	2459.88
20	44 - Social Welfare Department	15.00	7.50	7.50	2249.10
<b>Total</b>		<b>268345.87</b>	<b>220578.95</b>	<b>47766.92</b>	<b>52320.32</b>

(Source: Appropriation Accounts)

In two cases, supplementary provision of ₹ 14.12 crore was insufficient and there was an aggregate excess expenditure of ₹ 19.96 crore. Details are given in the following table:

Table 2.6: Statement showing major cases of insufficient supplementary provision  
(₹ in lakh)

Number and Title of Grant and Appropriation	Original	Supplementary	Total	Expenditure	Excess
<b>Revenue Charged</b>					
Appropriation No. 2 - Interest Payment & Debt Services	44500.93	822.73	45323.66	47318.59	1994.93
<b>Revenue Voted</b>					
22 - Public Health Engineering	5685.82	588.80	6274.62	6276.17	1.55
<b>Total</b>	<b>50186.75</b>	<b>1411.53</b>	<b>51598.28</b>	<b>53594.76</b>	<b>1996.48</b>

(Source: Appropriation Accounts)

### 2.3.8 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriation proved insufficient by ₹ one crore or more in each case and resulted in excess expenditure of ₹ 175.36 crore<sup>6</sup> in 25 sub-heads (Sl. Nos. 98 to 122 of **Appendix 2.6**). Injudicious re-appropriation also proved excessive by ₹ one crore or above in 97 sub-heads (Nos. 1 to 97 of **Appendix 2.6**) resulting in savings of ₹ 958.58 crore. This resulted in overall savings of ₹ 783.22 crore in these 122 sub-heads as detailed in **Appendix 2.6**.

Despite re-appropriation, there were savings of more than ₹ 50 crore in three cases *viz.* two in Education (₹ 227.76 crore under Major Head (MH) - 2202.01.800.82 (Valley) at Sl. No. 31 and ₹ 59.97 crore under MH - 2202.03.800.17[CSS (V)] at Sl. no. 37) and one in Irrigation and Flood Control Department ₹ 52.58 crore under MH - 4700.03.800.11 (Valley) at Sl. No. 85). On the excess side, there were two cases in which excess of expenditure exceeded more than ₹ 20 crore *viz.*, Grant No. 10 – Education (₹ 47.96 crore under MH - 2202.01.800.13[CSS (V)] of Sl. No. 107 and Grant No. 20 – Community and Rural Development (₹ 34.78 crore under 2575.02.800.16(Hill) at Sl. No. 114)

### 2.3.9 Substantial surrenders

Substantial surrenders exceeding ₹ 10 crore and more than 25 *per cent* of the Total Provision<sup>7</sup> in each case were made in respect of 9 sub-heads. An amount of ₹ 1230.60 crore (76 *per cent* of the Provisions) was surrendered in these 9 cases. This constituted 98 *per cent* of the Total amount of ₹ 1250.53 crore surrendered in 2014-15. The details are given in **Appendix 2.7**.

<sup>6</sup> These excess pertains to sub-heads level, and not for the whole grant/appropriation

<sup>7</sup> Original and Supplementary

In one case/scheme/programme under Planning, the whole provision amounting to ₹ 300 crore was surrendered. Surrender of 100 *per cent* of fund involving ₹ 300 crore is a matter of concern and indicates that fund provisions had been made without adequate planning and due consideration of requirements.

### **2.3.10 Surrenders in excess of actual saving**

In one case, the amount surrendered was in excess of actual savings indicating lack of or inadequate budgetary control in the department. Against savings of ₹ 85.35 lakh, the surrendered amount was ₹ 131.02 lakh resulting in excess surrender of ₹ 45.67 lakh as shown in the following table:

**Table 2.7: Case of surrender in excess of savings**

<i>(₹ in lakh)</i>						
Sl. No.	Grant No.	Total provision	Expenditure	Saving	Surrender	Amount surrendered in excess
1	Grant No. 6: Transport	711.52	626.17	85.35	131.02	45.67
<b>Total</b>		<b>711.52</b>	<b>626.17</b>	<b>85.35</b>	<b>131.02</b>	<b>45.67</b>

(Source: Appropriation Accounts)

### **2.3.11 Anticipated savings not surrendered**

Departments are required to surrender the Grants/Appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the year 2014-15, no part of savings in 40 Grants/Appropriations (61 cases) was surrendered by the concerned Departments. The amount involved in these cases was ₹ 2100.07 crore (58.43 *per cent* of the overall savings of ₹ 3593.95 crore) (**Appendix 2.8**). It is observed that in four cases, savings exceeded ₹ 100 crore but no part of which was surrendered *viz.*, Education (₹ 401.63 crore – Sl. No. 7 of the **Appendix 2.8**), Community and Rural Development (₹ 593.58 crore – Sl. No. 14 of the **Appendix 2.8**), Social Welfare Department (₹ 193.75 crore - Sl. No. 28 of the **Appendix 2.8**) under Revenue Voted and Public Works Department (₹ 104.42 crore – Sl. No. 45 of **Appendix 2.8**) under Capital Voted.

Similarly, out of savings of ₹ 3199.49 crore under 35 Grants/Appropriations (50 cases) where saving was ₹ one crore and above in each case, only ₹ 847.90 crore pertaining to eight Grants<sup>8</sup> could be surrendered leaving an un-surrendered balance savings of ₹ 2351.59 crore (73 *per cent*). Details are given in **Appendix 2.9**.

<sup>8</sup> Grants Nos. 12, 15, 19, 30, 39 and 43 under Revenue Voted, Grant No. 12, 17 and 40 under Capital Voted.

Besides, in 19 Grants (23 cases), ₹ 1250.54 crore were surrendered on 31 March 2015 (**Appendix 2.10**) indicating inadequate financial control and the fact that these funds could not be utilized for the purpose it was sanctioned or for other development purposes.

### **2.3.12 Rush of expenditure**

As per Rule 56 (3) of the General Financial Rules, rush of expenditure in the closing month of the financial year should be avoided. In contravention to this, in respect of 25 cases of accounts as listed in **Appendix 2.11**, expenditure more than ₹ 10 crore and 25 *per cent* of the total expenditure for the year was incurred in March 2015. Of these, in 6 cases involving ₹ 205.95 crore<sup>9</sup>, the whole expenditure was incurred in March, indicating that there was no control over the flow of expenditure. The irregularities in the pace of expenditure indicated lack of financial control.

## **2.4 Non-reconciliation of Departmental figures**

### **2.4.1 Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills**

As per Central Treasury Rules<sup>10</sup>, Abstract Contingent (AC) bills must be regularized by detailed countersigned contingent (DCC) bills. An AC bill should not be encashed without a certificate to the effect that DCC bills in respect of earlier AC bills drawn more than a month before the date of that bill have been submitted to the controlling officer. The controlling officers must submit the DCC bills to the Accountant General (A&E), Manipur within reasonable time frame within the same financial year to show that amount shown in the AC bills corresponds to DCC bills and also to the amount shown in the Appropriation Act.

The total amount of DCC bills submitted during the period 2003-15 was ₹ 2134.68 crore against the amount of AC bills of ₹ 3726.57 crore leading to an outstanding balance of 1138 AC bills of ₹ 1591.89 crore as on June 2015. Year wise details are given in the following table:

<sup>9</sup> Sl. Nos. 7, 12, 14, 30, 39 and 50 of Appendix 2.11

<sup>10</sup> Rule 308, Rule 309 & Note 4 under Rule 312

**Table 2.8: Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills as on June 2015**

(₹ in crore)

Year	Amount of AC bills	Amount of DCC bills submitted	Amount of Outstanding DCC bills	Outstanding DCC bills as percentage of AC bills drawn
2003-04	34.56	13.78	20.78	60.13
2004-05	82.53	77.65	4.88	5.91
2005-06	46.00	39.28	6.72	14.61
2006-07	149.68	107.41	42.27	28.25
2007-08	355.57	268.82	86.75	24.40
2008-09	592.34	542.31	50.03	8.45
2009-10	422.83	340.65	82.18	19.44
2010-11	354.36	184.08	170.28	48.05
2011-12	374.63	212.50	162.13	43.28
2012-13	205.80	136.81	68.99	33.52
2013-14	297.68	120.29	177.39	59.59
2014-15	810.59	91.10	719.49	88.76
<b>Total:</b>	<b>3726.57</b>	<b>2134.68</b>	<b>1591.89</b>	<b>42.72</b>

(Source: - Voucher Level Computerization data compiled by the Office of the AG (A&E), Manipur)

Department-wise pending DCC bills for the years up to 2014-15 is detailed in **Appendix 2.12**. Non-adjustment of advances for long periods is fraught with the risk of mis-appropriation and therefore, requires close monitoring by the respective DDOs. Thus, there is a need of early reconciliation of AC bills.

In respect of Medical & Health Services Department 314 AC bills amounting to ₹ 425.81 crore was pending regularization as follows:-

**Table 2.9: Pendency of DCC bills in respect of Medical & Health Services Department as on June 2015**

(₹ in crore)

Year	Number of Vouchers	Amount	Reasons for which AC bills were drawn
2005-06	16	4.25	Not intimated by the Department
2006-07	23	18.42	Not intimated by the Department
2007-08	19	26.45	Not intimated by the Department
2008-09	29	12.48	Not intimated by the Department
2009-10	40	22.23	Not intimated by the Department
2010-11	88	25.12	Not intimated by the Department
2011-12	26	20.35	Not intimated by the Department
2012-13	14	56.05	Not intimated by the Department
2013-14	11	86.21	Not intimated by the Department
2014-15	48	154.25	Not intimated by the Department
<b>Total</b>	<b>314</b>	<b>425.81</b>	

(Source: - Voucher Level Computerization data compiled by the Office of the AG (A&E), Manipur)

As can be seen from the above table, out of pending DCC bills pertaining to 314 vouchers of ₹ 425.81 crore during 2005-15, maximum amount of pending AC bills pertained to 2014-15 involving 48 vouchers (15 per cent) amounting to ₹ 154.25 crore (36 per cent).

#### 2.4.2 Un-reconciled expenditure

To enable Controlling Officers of Departments to exercise effective control over expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, expenditure recorded in their books should be reconciled every month during the financial year with that recorded in the books of the Accountant General (A&E), Manipur. Even though non-reconciliation of Departmental figures is being pointed out regularly in Audit Reports, lapses on the part of Controlling Officers in this regard continued to persist during 2014-15 also. Out of 81 controlling officers (CO), 44 COs could not reconcile any of their accounts with the Office of the Accountant General (A & E), Manipur. As such, effective control over expenditure and accuracy of accounts of these offices could not be ensured. Details are given in **Appendix 2.13**.

### 2.5 Personal Deposit Accounts

Personal Deposit (PD) Accounts is created for parking of funds by debit to the Consolidated Fund of the State which are required to be closed at the end of the same financial year by minus debit to the relevant service heads. However, there were five PD accounts existing at the beginning of the year 2014-15 viz., Planning and Development Authority, Government Oil Depot, Apex Housing Co-operative Society, Consumer Affairs and Public Distribution and Procurement and Sale of Urea, which was not closed in the previous year (2013-14). Out of these five PD accounts, only two accounts viz. Government Oil Depot and Procurement and Sale of Urea were re-opened in two District Treasuries<sup>11</sup> with the approval of Accountant General (A & E), Manipur during 2014-15.

At the close of 31 March 2015, there were three PD accounts viz. Planning and Development Authority, Apex Housing Co-operative Society & Consumer Affairs and Public Distribution which had not been closed. These accounts had a closing balance of ₹ 1.80 crore, which was not transferred back to the respective service heads. Of these three, one account viz. Consumer Affairs and Public Distribution has been inoperative for more than one year.

<sup>11</sup> Government Oil Depot in Imphal West treasury and Procurement and Sale of Urea fertilizer (Agri) in Imphal East Treasury.

## 2.6 Outcome of review of selected grants

A review on budgetary procedure and control over expenditure was conducted (October 2015) in respect of “Grant No. 17: Agriculture”. It was noticed that against a budget provision of ₹ 178.50 crore under revenue head, the actual expenditure was ₹ 161.97 crore resulting in saving of ₹ 16.53 crore. Under capital head, against a budget provision of ₹ 58.13 crore, the actual expenditure was ₹ 2.04 crore resulting in saving of ₹ 56.09 crore, of which an amount of ₹ 3.99 crore only was surrendered. Thus, an amount of ₹ 52.10 crore remained un-surrendered.

Cases of expenditure without budget provision (one case), Excess/Unnecessary/Insufficient re-appropriation of funds (three cases) and substantial surrender exceeding ₹ one crore (one case) noticed during the review are detailed below:

**Expenditure without budget provision:** In one case, an expenditure of ₹ 50.00 lakh was incurred without budget provision. The detail is given in the following table:

**Table 2.10: Expenditure without provision**

(₹ in lakh)

Grant No.	Head of accounts	Expenditure
17	2401 (SP) - Crop Husbandry 800 – Other Expenditure 36 – Modernization of Agricultural practices in Hill Areas	50.00

SP- State Plan, V- Valley

(Source: Detailed Appropriation Accounts)

**Inadequate/unnecessary re-appropriation/surrender of funds:** There were three cases of inadequate/unnecessary re-appropriation/surrender of funds of ₹ 50 lakh and above which resulted in a total savings of ₹ 32.27 crore. Details are as shown in the following table:

**Table 2.11: Excess/Unnecessary/Insufficient re-appropriation of funds  
(Savings (-)/Excess (+))**

(₹ in lakh)

Sl. No.	Head of Account	Original	Supplementary	Re-appropriation/surrender	Total	Expenditure	Savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	2401(NP).00.001.01	1293.36	0	-53.40	1239.96	1223.76	16.20
2	2401(NP).00.001.25	935.08	0	-65.64	869.44	868.78	0.66
3	4705(SP).00.103.01(V)	3784.00	0	-370.00	3414.00	204.20	3209.80
<b>Total</b>		<b>6012.44</b>	<b>0</b>	<b>-489.04</b>	<b>5523.40</b>	<b>2296.74</b>	<b>3226.66</b>

NP - Non-Plan, SP – State Plan and V – Valley

(Source: Detailed Appropriation Accounts)

In one case, there was savings of ₹ 32.09 crore (Sl. No.3) though re-appropriation of ₹ 3.70 crore was made. In view of the saving of ₹ 32.10 crore, the re-appropriation/surrender of funds proved inadequate.

**Substantial surrender of funds:** There was substantial surrender of funds in one case during 2014-15 as shown in the following table:



**Table 2.12: Substantial surrender during 2014-15**

(₹ in crore)

Sl. No.	Name of Grant	Head of Account	Total Provision	Amount Surrendered	Percentage of Surrender
1	17 - Agriculture	4705 - Capital Outlay on Command Area Development 103 - Civil Works 01 - Command Area Development and Water Management (CADWM)	5813.00	399.00	6.86
<b>Total</b>			<b>5813.00</b>	<b>399.00</b>	<b>6.86</b>

The amount surrendered in this MH – 4705 alone amounted to ₹ 399 crore and was 6.86 per cent of the total provisions.

### 2.7 Errors in budgeting process

The following deficiencies were observed in the State budget for the year 2014-15:

**Incorrect heads of accounts:** There were 18 heads of accounts in the budget which did not conform with the list of Major and Minor Heads of Accounts. Of which, one case belonged to Major Head and 17 cases belonged to Minor Heads. As the expenditures were booked in heads of Accounts not conforming to list of Major and Minor Heads of Accounts, the codes reflected in the budget were incorrect. The details are given in **Appendix 2.14**.

**Error in respect of heads of Grants-in-Aid:** In 11 cases, the detailed head of accounts were not indicated. In 10 cases, the sub-schemes were wrongly indicated under sub-head of accounts instead of Detailed head. In two cases schemes under which Grants-in-Aid were given had not been specified in the sub-head of accounts.

### 2.8 Outcome of inspection of Treasuries

The following shortcomings were observed in audit of Treasuries<sup>12</sup> during 2014-15:

**Excess payment of pension/gratuity:** During audit of four Treasuries viz. Bishnupur Treasury (period of accounts: June 2013 to May 2014), Senapati treasury (period of accounts: July 2013 to June 2014), Ukhrul Treasury (period of account: November 2013 to October 2014) and Kangpokpi Treasury (period of accounts: December 2013 to November 2014), excess payment of ₹ 58.16 lakh on account of pension/gratuity was noticed. Action taken to address these excess payments has not been intimated (October 2015) by the State Government.

**Non submission of paid vouchers:** During audit of Thoubal Treasury (period of account: July 2013 to June 2014) it was noticed that vouchers amounting to

<sup>12</sup> Conducted by Office of the Accountant General (A&E), Manipur

₹ 7.46 lakh was not submitted. Action taken in this regard has not been intimated (October 2015).

**Lapsed Deposit under Major Head ‘8449–Other Deposits’:** During the period 2014-15, there was lapsed deposit of ₹ 154.20 lakh under Major Head ‘8449 – Other Deposits’ under Lamphel Treasury. Details of these are given in **Appendix 2.15.**

## **2.9 Conclusion and recommendations**

### ***Conclusions***

During 2014-15, an expenditure of ₹ 8884.61 crore was incurred against a total budget provision of ₹ 12478.56 crore resulting in overall saving of ₹ 3593.95 crore. The overall savings was the net result of saving of ₹ 3613.91 crore offset by excess of ₹ 19.96 crore. The excess requires regularization under Article 205 of the Constitution of India. Excess expenditure (₹ 151.80 crore) for the period 2010-12 had been recommended for regularization by Public Accounts Committee (PAC). However, the excess expenditure has not been regularised. **(paras 2.2 and 2.3.5)**

Supplementary provision aggregating to ₹ 523.20 crore in 20 cases during 2014-15 proved unnecessary as the expenditure did not come up to the level of original provision. Of these, in eight cases, unnecessary supplementary provision provided exceeded ₹ 10 crore in each case. In two cases, supplementary provision of ₹ 14.12 crore was insufficient, and there was an aggregate excess expenditure of ₹ 19.96 crore. **(para 2.3.7)**

There was outstanding balance of 1138 AC bills of ₹ 1591.89 crore as on June 2015. Out of 81 Controlling Officers (CO), 44 CO did not reconcile their accounts with the Office of the Accountant General (A&E), Manipur. Errors in budgeting process like incorrect operation of heads of accounts and Grants-in-Aid were also noticed. **(paras 2.4 and 2.7)**

### ***Recommendations***

*The Government may consider to:*

- *ensure timely regularization of excess expenditure which is pending regularization, as required under Article 205 of the Constitution of India,*
- *strengthen budgetary control to avoid cases of expenditure without provision, unnecessary/ excessive/ inadequate supplementary provision and unnecessary re-appropriation of funds etc.,*
- *put in place a mechanism in the Departments to adjust the arrears drawn on AC bills within the same financial year, and*
- *ensure annual accounts are reconciled and strive to adopt error-free budgetary process.*

**CHAPTER III**  
**FINANCIAL REPORTING**

## CHAPTER III

### FINANCIAL REPORTING

A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. The compliance with financial rules, procedures and directives, as well as the timeliness and quality of reporting on the status of such compliances is thus one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the State Government to meet its basic stewardship responsibilities, including strategic planning and decision making. This Chapter provides an overview and status of the State Government on the compliance with various financial rules, procedures and directives during the current year (2014-15).

#### 3.1 Utilization Certificates

Rule 212 (1) read with Rule 20 of General Financial Rules, 2005 (GFR) read with Rule 210 provides that Utilization Certificates (UCs) should be obtained by the departmental officers from the grantees and after verification, these should be forwarded to the Accountant General (A&E), Manipur within 12 months from the date of their sanction, unless specified otherwise in respect of grants provided for specific purposes.

However, it was noticed that 5893 Utilization Certificates (UCs) aggregating to ₹ 4570.66 crore in respect of grants were in arrears as of 31 March 2015 in respect of 34 departments. The department-wise break-up of outstanding UCs is given in **Appendix 3.1** and the year-wise break-up of outstanding UCs is summarized in the following table:

**Table 3.1: Year-wise arrears of Utilization Certificates**

*(₹ in crore)*

Year	Total Grant paid		Utilization Certificates outstanding	
	No. of cases	Amount	No. of certificates	Amount
Up to 2010-11	1605	684.54	1492	551.85
2011-12	745	727.91	694	644.97
2012-13	1210	773.5	1152	709.04
2013-14	1159	807.62	1140	795.16
2014-15	1415	1869.64	1415	1869.64
<b>Total</b>	<b>6134</b>	<b>4863.21</b>	<b>5893</b>	<b>4570.66</b>

(Source: Office of the Accountant General (A&E))

The Utilization Certificates were mainly pending in respect of Development of Tribal and Other Backward Classes (2660 UCs: ₹ 1395.76 crore), Rural Development and Panchayati Raj Department (543 UCs: ₹ 1094.58 crore), Medical and Health Services (59 UCs: ₹ 447.40 crore) Planning Department (104 UCs: ₹ 353.61 crore), Education (S) Department (947 UCs: ₹ 324.00 crore), Power Department (62 UCs: ₹ 314.75 crore) and Municipal Administration, Housing and Urban Development (196 UCs: ₹ 196.63 crore). These seven departments together accounted for 4571 UCs (77.57 per cent) out of 5893 outstanding UCs; involving an amount of ₹ 4126.73 crore (90.30 per cent) out of outstanding amount of ₹ 4570.66 crore. In the absence of UCs it could not be ascertained whether the recipients had utilized the grants for the purposes for which these were given.

An audit check of UCs of Grants-in-Aid of Fisheries Department and Science and Technology Department was conducted by this office during September to October 2015. The results of the test check are given below:

**Fisheries Department:** During 2014-15, the Department paid (July 14 to March 15) a total amount of ₹ 1.99 crore as Grants-in-Aid to eight Fish Farmer's Development Agencies (FFDA). Of these, ₹ 72 lakh was paid as salary and other administrative expenses of these Agencies. The remaining amount of ₹ 1.27 crore was meant for implementation of the scheme "Development of Fresh Water Aquaculture and Cold water Fisheries and Aquaculture". Out of ₹ 1.99 crore, an amount of ₹ 1.66 crore was given by the Government of India as central share in March 2014. However, the amount was released late by one year by the State Government in March 2015, reasons of which have not been furnished (October 2015) by the Department.

**Science and Technology Department:** An amount of ₹ 1.31 lakh was spent (March 2015) for Fish Feed, Medicines *etc.*, and Aquarium Exhibition-cum-Flower Show. However, the bills for these expenditure and other details were not made available to Audit. Further, the Department paid (March 2015) ₹ 1.69 lakh to Manipur Remote Sensing Application Centre (MARSAC) for purchase of office furniture like Executive table, Storwels *etc.* The purchase was made without inviting tender or rate quotation.

Information regarding delay in submission of UCs, short release of next installment, curtailment of further grants or imposition of penalty *etc.* have not been intimated by both the Departments.

### 3.2 Non-submission/delay in submission of Annual accounts

Under Section 19 (3) of the Comptroller and Auditor General’s (Duties, Powers and Conditions of Service) Act, 1971, Autonomous Bodies/Authorities are to submit their accounts to the Office of the Principal Accountant General (Audit) within three months from the close of the financial year. Annual accounts of seven Autonomous Bodies/Authorities<sup>1</sup> due upto 2014-15 had not been received (August 2015). The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in the following table.

**Table 3.2: Age-wise Arrears of Annual Accounts due from Autonomous Bodies**

(₹ in lakh)

Delay in Years	Number of Accounts pending	No. of the Bodies/Authorities	Grants Received
0 – 1	7	7	Not furnished
1 – 3	4	2	-do-
3 – 5	3	2	-do-
<b>Total:</b>	<b>14</b>		

(Source: Departmental records)

The Annual accounts of Autonomous District Councils of Tamenglong are outstanding for the last five years. In respect of Manipur State Legal Service Authority the Annual Accounts are outstanding for the last four years.

To exercise an effective control and management of these bodies, finalization of accounts in time is compulsory. Therefore, it should be ensured that accounts are finalized on time.

<sup>1</sup> Six Autonomous Districts Councils (Chandel, Churachandpur, Sardar Hills, Senapati, Tamenglong and Ukhrul) and Manipur State Legal Service Authority

**3.3 Delays in placement of Separate Audit Reports of Autonomous District Councils/Autonomous Bodies**

Six Autonomous District Councils (ADCs) exist in the State and one Autonomous Body *i.e.* Manipur State Legal Services Authority has been set up by the State Government. These Bodies are audited by the Comptroller and Auditor General of India (C&AG) with regard to the verification of their transactions, operational activities and accounts, conducting regulatory compliance audit of all transactions scrutinised in audit, review of internal management and financial control, review of system and procedures *etc.* The audit of accounts of these seven Bodies in the State has been entrusted to the C&AG. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate Audit Report (SAR) and its placement in the Legislature are indicated in **Appendix 3.3**. Delay in placement of Separate Audit Reports (SAR) in the Legislature after issuing them is summarized in the following table:

**Table 3.3: Delay in submission / placement of Separate Audit Report as on October 2015**

Sl. No.	Name of the ADC/Autonomous Bodies	Year	Date of issue	Date of placement of SAR	Delay in placement of SAR
1	Chandel	2009-10	11.6.13	26.06.13	-
2	Churachandpur	2009-10	2.12.13	19.12.13	-
3	Sardar Hills	2006-07	19.6.09	19.12.13	Over 4 years
4	Senapati	2007-08	20.10.10	19.12.13	Over 3 years
5	Tamenglong	2007-08	20.10.10	19.12.13	Over 3 years
6	Ukhrul	2006-07	13.1.10	19.12.13	Over 3 years
7	Manipur State Legal Service Authority	2010-11	6.12.13	19.12.13	-

(Source: Records of Autonomous District Councils and Manipur State Legal Services Authority)

The above table shows that Separate Audit Reports pertaining to the period 2006-07 in respect of ADC Sadar Hills was placed in the Legislature after a lapse of over four years while SARs for the period 2007-08 in respect of ADC Senapati, Tamenglong and Ukhrul were placed after a lapse of over three years. The reasons for the delay in submission/placement of the Separate Audit Reports in the Legislature were not furnished by the Government.

The State Government may need to take appropriate action to place the SAR in a timely manner to the State Legislative Assembly.

### **3.4 Departmental Commercial Undertakings**

Departmental undertakings of certain Government departments performing activities of commercial/quasi-commercial nature are required to prepare accounts in the prescribed format annually showing the working results of financial operations, so that the Government can assess their working. As per Section 619 of the Companies Act 1956, the Annual accounts of these Government Undertakings are subject to supplementary audit by the C&AG. As of September 2015, there were 11 such undertakings which had not prepared their Annual accounts upto 2014-15. The Reports of the C&AG have repeatedly highlighted the issues of arrears in preparation of accounts.

The Department-wise position of arrears in preparation of accounts and investment made by the Government are given in **Appendix 3.4**. Four undertakings<sup>2</sup> have not submitted their accounts for more than twenty years. Two undertakings<sup>3</sup> have not submitted their accounts for more than 10 years. In case of Manipur Tribal Development Corporation, the accounts have not been submitted from 1990-91 onwards. The delay in preparation of Annual accounts of these Departmental undertakings is fraught with the risk of misappropriations of public money.

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<sup>2</sup> Manipur Plantation Crop Corporation, Manipur Agro Industries, Manipur Tribal Development Corporation and Manipur Pulp & Allied Products Ltd

<sup>3</sup> Manipur Police Housing Corporation and Manipur Handloom & Handicrafts Development Corporation.



### 3.5 Misappropriations, losses, defalcations etc.

Rule 33 of GFR provides that any loss of public money, Departmental revenue, or properties of the State Government shall be immediately reported to the Principal Accountant General (Audit), Manipur even when such loss has been made good by the party responsible for it.

Information regarding non-adjustment of temporary advances, reasons for non-adjustment, non-submission/delay in submission of accounts, cases of misappropriation, losses, defalcations, if any, were called for from 51 Departments/Autonomous Bodies/Departmental Commercial Undertakings. Only 17 Departments<sup>4</sup> furnished information (April 2015 to July 2015) that there are no pending cases of Advances and no cases of write-off was reported, except for Science & Technology Department.

Science and Technology Department reported (May 2015) one case of misappropriation. The detail of case of misappropriation reported by the Directorate of Science and Technology Department is given in the following table:

**Table 3.4: Profile of misappropriations, losses, defalcations, etc.**

(₹ in lakh)

Name of Department	Nature of the Pending Cases		
	Nature/ characteristics of the cases	Number of cases	Amount involved
Science & Technology	Cases of misappropriation	1	12.02
<b>Total</b>			<b>12.02</b>

(Source: Departmental records)

As seen from the above table, one case of misappropriation involving ₹ 12.02 lakh was pending for about 10 years in the Directorate of Science and Technology. The Department stated (May 2015) that delay in settlement of cases of misappropriation was due to non completion of Departmental enquiry and criminal investigation.

Without completion of departmental enquiry, recovery of the misappropriated amount from the concerned officers would be difficult. Therefore, the

<sup>4</sup> Horticulture and Soil Conservation, Autonomous District Council (ADC), Ukhrul, Police Department, Art and Culture Department, Deputy Commissioner (DC), Churachandpur, Forest Department, Fire Service Department, Directorate of Adult Education, DC Imphal West, Directorate of Science & Technology, Manipur Tribal Development Corporation, Directorate of Settlement & Land Records, Manipur Electronics Development Corporation Ltd., Department of Taxes, Department of Command Area Development, Department of Agriculture, and Directorate of Family Welfare Services.

Departments should ensure that enquiries are expedited so that appropriate action can be initiated against the concerned officers.

### 3.6 Follow up on Audit Report on State Finances

As per Article 151 (2) of the Constitution of India, Audit Reports on State Finances *i.e.* State Finance Reports (SFR) are submitted to the Governor of the State for placing the Reports to the State Legislative Assembly. Audit Reports placed to the Legislative Assembly stands referred to the Public Accounts Committee (PAC). The details of placing of Audit Reports of last five years (SFRs 2009-10 to 2013-14) to the Legislative Assembly and their discussion by the PAC are shown as below:

**Table 3.5: Discussion of State Finance Report by PAC**

State Finance Reports (SFR)	Date of placing SFR to the Legislature Assembly	Date of discussion of SFR by PAC (Date of placing recommendation of PAC)	Gist of Recommendation	Action taken notes	Remarks
2009-10	24.3.2011	27.7.11 & 28.7.11 (11.7.2012)	Recommended for regularization of excess expenditure (Details given in <b>Appendix 3.5</b> )	Regularized on 6.9.13	Only Excess over provisions was mainly discussed
2010-11	6.7.2012	November 2011* (24.7.2014)	-do-	Action not yet taken	-do-
2011-12	11.6.2013	14.11.13 & 15.11.13 (24.7.2014)	-do-	-do-	The report was discussed
2012-13	16.7.2014	Not discussed	-	-	-
2013-14	29.6.2015	-do-	-	-	-

\* Exact date of discussion of Report is not readily available

In case of SFR 2009-10, the excess of expenditure over provisions made during 2009-10 have been regularized (September 2013) by the State Government on the recommendation of PAC. Excess of expenditure over provision as reported in SFR 2010-11 and SFR 2011-12 were discussed (March 2014) by PAC and the excess of expenditure was recommended (July

2014) for regularization. However, the State Government has not taken action in this regard.

PAC discussed (November 2013) the whole SFR of 2011-12. A comprehensive recommendation on the finances of State Government was published (July 2014). Important points of recommendation of the PAC are as follows:

- Deduction of VAT/Sales Tax and Agency Charges while releasing funds is to be avoided;
- Follow a pragmatic approach to open up other avenues of revenue;
- Make matching contribution of the contribution made by the subscribers of the New Pension scheme and to maintain a format of accounting; and
- Maintain a transparent accounting system of deposits in MH-8449 or other heads of deposits. A format accounting was recommended by the PAC.

The recommendations of the PAC are given in **Appendix 3.5**. Action Taken Note of the Government on the recommendation is awaited (October 2015). SFRs for the years 2012-13 and 2013-14 are yet to be discussed by the PAC.

### **3.7 Conclusion and recommendations**

#### ***Conclusion***

There were 5893 Utilization Certificates aggregating to ₹ 4570.66 crore in arrears in respect of grants to 34 Departments as of March 2015. **(para 3.1)**.

There were also delays and arrears in finalization of accounts by the Autonomous District Councils (ADCs), Autonomous Bodies and Departmental Commercial Undertakings. Four Undertakings have not submitted their accounts for more than 20 years. **(paras 3.2 and 3.4)**.

#### ***Recommendations***

*The State Government may consider to:*

- *strengthen internal controls of the executing agencies to utilize the funds within the stipulated time so as to avoid delays in submission of utilization certificates.*

- *put in place an appropriate mechanism to ensure timely finalization and submission of Annual Accounts by the Autonomous District Councils, Autonomous Bodies and Departmental Commercial Undertakings to the Office of the Principal Accountant General (Audit), Manipur and take special drive to expedite the submission of pending Annual Accounts and Utilization Certificates.*



**(Birendra Kumar)**

**Imphal**

**Dated:**

**Principal Accountant General (Audit), Manipur**

**Countersigned**



**(Shashi Kant Sharma)**

**New Delhi**

**Dated:**

**Comptroller and Auditor General of India**

# **APPENDICES**

## Appendix 1.1

### Part A: Structure and Form of Government Accounts

**Structure of Government Accounts:** The accounts of the State Government are kept in three parts - (i) Consolidated Fund; (ii) Contingency Fund; and (iii) Public Account.

#### **Part I: Consolidated Fund**

All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.

#### **Part II: Contingency Fund**

Contingency Fund of State established under Article 267 (2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

#### **Part III: Public Account**

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittance etc. which do not form part of the Consolidated Fund are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

**Appendix 1.1 – contd.**

**PART B: Layout of Finance Accounts**

The new format of Finance Accounts introduced from the year 2014-15, has been divided into two Volumes – Volume I and 2. Volume I represents the financial statements of the Government in summarized form while Volume 2 represents detailed financial statement. The layout of the Finance Accounts is chalked out in the following manner:

<b>Statement</b>	<b>Layout</b>
<b>Volume I</b>	
Statement No. 1	Statement of Financial Position
Statement No. 2	Statement of Receipts and Disbursements Annexure-Cash Balances and Investments of Cash Balances
Statement No. 3	Statement of Receipts (Consolidated Fund)
Statement No. 4	Statement of Expenditure (Consolidated Fund)
Statement No. 5	Statement of Progressive Capital expenditure
Statement No. 6	Statement of Borrowings and other Liabilities
Statement No. 7	Statement of Loans and Advances given by the Government
Statement No. 8	Statement of Investments of the Government
Statement No. 9	Statement of Guarantees given by the Government
Statement No. 10	Statement of Grants-in-aid given by the Government
Statement No. 11	Statement of Voted and Charged Expenditure
Statement No. 12	Statement on Sources and Application of Funds for Expenditure other than Revenue Account
Statement No. 13	Summary of Balances under Consolidated Fund, Contingency Fund and Public Account
	Notes to Accounts
Annexure	A Statement of Periodical/Other Adjustment
	B Statement of Major Head-wise Receipts booked under MH 800-Other Receipts
	C Statement of Major Head-wise Expenditure booked under MH 800-Other Expenditure
	D Statement of Controlling officers who have not reconciled
	E Statement of Rush of Expenditure towards the end of the year
<b>Volume II Part I</b>	
Statement No. 14	Detailed Statement of Revenue and Capital Receipts by Minor Heads
Statement No. 15	Detailed Statement of Revenue Expenditure by Minor Heads
Statement No. 16	Detailed Statement of Capital Expenditure by Minor Heads and Sub Heads
Statement No. 17	Detailed Statement of Borrowings and other Liabilities
Statement No. 18	Detailed Statement of Loans and Advances given by the Government
Statement No. 19	Detailed Statement of Investments of the Government
Statement No. 20	Detailed Statement of Guarantees given by the Government
Statement No. 21	Detailed Statement of Contingency Fund and Public Account
Statement No. 22	Detailed Statement on Investment of Earmarked Balances
<b>Part II: Appendices</b>	
I	Comparative Expenditure on Salary
II	Comparative Expenditure on Subsidy
III	Grants-in-aid given by the State Government (Scheme wise and Institution wise)
IV	Details of Externally Aided Projects
V	Plan Scheme Expenditure (Central and State Plan Schemes)
VI	Direct Transfer of Central Scheme Funds to Implementing Agencies in the State
VII	Acceptance and Reconciliation of Balances
VIII	(i) Financial Results of Irrigation Scheme (ii) Financial Results of Electricity Schemes
IX	Commitments of the Government-List of Incomplete Capital Works
X	Maintenance Expenditure with segregation of Salary and Non-Salary portion
XI	Major Policy Decisions of the Government during the year or new Schemes proposed in the Budget
XII	Committed Liabilities of the Government

## Appendix – 1.1- contd.

**Part C: Methodology Adopted for the Assessment of Fiscal Position**

The norms/ceilings prescribed by the 13<sup>th</sup> Finance Commission for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Governments in their Fiscal Responsibility Acts and in other Statements required to be laid in the Legislature under the Act are used to make qualitative assessment of the trends and pattern of major fiscal aggregates. Assuming that Gross State Domestic Product (GSDP) is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilization of resources, pattern of expenditure *etc.*, are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP. The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

**List of terms used in the Chapter I and basis for their calculation**

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth
Buoyancy of a parameter (X) with respect to another parameter (Y)	Rate of Growth of the parameter (X)/ Rate of Growth of the parameter (Y)
Rate of Growth (RoG)	$[(\text{Current year Amount}/\text{Previous years Amount}) - 1] * 100$
Average	Trend of growth over a period of 5 years
Share shift/Shift rate of a parameter	Trend of percentage shares, over a period of 5 years, of the parameter in Revenue or Expenditure, as the case may be
Development Expenditure	Social Services + Economic Services
Weighted Interest Rate (Average interest paid by the State)	$\text{Interest payment}/[(\text{Amount of previous year's Fiscal Liabilities} + \text{current year's Fiscal Liabilities})/2] * 100$
Interest spread	GSDP growth – Weighted Interest rate
Quantum spread	$\text{Debt stock} * \text{Interest spread}/100$
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received} [(\text{Opening balance} + \text{Closing balance of Loans and Advances})/2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts <i>minus</i> all Plan grants and Non-plan Revenue Expenditure excluding debits under 2048 – Appropriation for reduction or Avoidance of debt



**Appendix 1.1- contd.**

(Reference: Paragraph 1.1.1)

**Part D: State Profile**

Sl. No	Particulars		Figures		
1.	Area		22,327 sq. km.		
2	Population				
	a.	As per 2001 census	21.67 lakh		
	b.	As per 2011 census	25.70 lakh		
3	Density of Population (2001)(All India Average = 325 persons per sq km)		103 persons per sq. km.		
	Density of Population (2011)(All India Average = 382 persons per sq km)		115 persons per sq. km.		
4	Population below poverty line <sup>^</sup> (All India Average = 27.5 per cent)		17.30 per cent		
5	Literacy (2001) (All India Average = 64.80 per cent)		70.53 per cent		
	Literacy (2011) (All India Average = 74.04 per cent)		79.21 per cent		
6	Infant Mortality (per 1000 live births), 2011 (All India Average = 50 per 1000 live births)		16		
7	Gross State Domestic Product (GSDP) in 2014-15 at current prices		₹ 16364 crore (P)		
8	GSDP CAGR* (2005-06 to 2014-15)		Manipur	12.39 per cent	
<b>Financial Data</b>					
Particulars of CAGR		Figures (in per cent)			
		2005-06 to 2013-14		2013-14 to 2014-15	
		SCS states#	Manipur	SCS states#	Manipur
a	Revenue Receipts	13.72	14.83	15.34	9.82
b	Own Tax Revenue	16.00	22.22	13.19	9.33
c	Non Tax Revenue	10.67	16.59	(-) 6.78	(-) 29.51
d	Total Expenditure	13.86	12.77	20.99	22.67
e	Capital Expenditure	11.36	9.70	26.12	3.14
f	Revenue Expenditure on Education	16.09	10.03	17.68	26.79
g	Revenue Expenditure on Health	16.70	18.08	23.67	40.97
h	Salary & Wages	16.40	14.32	4.52	1.25
i	Pension	19.95	18.42	14.94	21.11

<sup>^</sup> The level of poverty is being determined on different measures and the data furnished by Planning Commission & National Sample Survey Organisation is one such indicator.

(P) – Provisinal Estimates

\*Compounded Annual Growth Rate (GSDP - ₹ 5718 crore (2005-06) and ₹ 16364 crore (2014-15)

# Based on 9 Special Category States such as (1) Assam, (2) Himachal Pradesh, (3) Manipur, (4) Meghalaya (5) Mizoram, (6) Nagaland (7) Sikkim, (8) Tripura & (9) Uttrakhand

(Source: Planning Commission and Economics and Statistics Department, Government of Manipur)

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**Appendix – 1.1- conclud.****(Reference: Paragraphs 1.1.3 and 1.10.3)****Part E: Fiscal Responsibility and Budget Management (FRBM) Act, 2005**

The State Government enacted the Manipur Fiscal Responsibility and Budget Management (FRBM) Act in August 2005 to ensure prudence in fiscal management and fiscal stability by achieving sufficient revenue surplus; reduction in fiscal deficit; prudent debt management consistent with fiscal sustainability; and greater transparency in fiscal operations of the Government. The Act prescribed the following fiscal targets for the State Government:

- (i) strive to remain revenue surplus by making a balance in revenue receipts and expenditure and build up further surplus;
- (ii) strive to bring down fiscal deficit to 3 *per cent* of the Gross State Domestic Product;
- (iii) limit the amount of outstanding Government guarantees as per the provisions of the Manipur Ceiling on State Government Guarantee Act, 2004 and
- (iv) follow a recruitment and wage policy, in a manner such that the total salary bill relative to revenue expenditure excluding interest payments and pensions does not exceed 35 *per cent*.

As per Manipur FRBM Rules 2005 (enacted in December 2005 and subsequently amended in January 2006, July 2006, July 2010 and October 2011) framed under the Act, the following fiscal targets in respect of revenue surplus and fiscal deficit were set:

- remain revenue surplus and build up further surplus having regard to the norms of Central Assistance for the State Plan and the tax and non-tax revenue potential of the State;
- reduce the fiscal deficit to a maximum of 3.5% of the Gross State Domestic Product by 2010-2011 and maintain it below 3.5% in succeeding financial years upto 2012-13 and thereafter reduce it to a maximum of 3% of the Gross State Domestic Product from 2013-14 and beyond; and
- maintain outstanding debt to a maximum of 65.80% of Gross State Domestic Product in 2010-11, 62.9% of Gross State Domestic Product in 2011-12, 60.1% of Gross State Domestic Product in 2012-13, 57.00% of Gross State Domestic Product in 2013-14 and 54.30% of Gross State Domestic Product in 2014-15.

Appendix 1.2  
(Reference: Paragraph 1.1.2)

Abstract of Receipts and disbursements for the year 2014-15

(₹ in crore)

2013-14	Receipts	2014-15		2013-14	Disbursements	2014-15		
						Non-Plan	Plan	Total
<b>Section-A: Revenue</b>								
<b>7282.79</b>	<b>I – Revenue receipts</b>		<b>7998.27</b>	<b>5718.83</b>	<b>I-Revenue expenditure-</b>	<b>4968.11</b>	<b>2299.18</b>	<b>7267.29</b>
472.73	-Tax revenue	516.83		2441.07	General Services-	2737.39	13.74	2751.13
260.67	-Non-tax revenue	183.73		1603.66	Social Services of which	1085.2	942.86	2028.06
1438.79	-State's share of Union Taxes	1526.89		879.07	-Education, Sports, Art and Culture	719.50	391.72	1111.22
1769.87	-Non-plan Grants	1899.17		296.26	-Health and Family Welfare	196.90	220.76	417.66
2588.52	-Grants for State Plan Schemes	2929.12		102.54	-Water Supply, Sanitation, Housing and Urban Development	92.75	23.18	115.93
666.32	-Grants for Central and Centrally sponsored Plan Schemes	850.19		4.49	-Information and Broadcasting	3.77	1.39	5.16
85.89	-Grants for Special Schemes for NEC and for other purposes	92.34		132.22	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	11.51	146.09	157.60
				14.02	-Labour and Labour Welfare	10.41	2.96	13.37
				175.05	-Social Welfare and Nutrition	47.06	156.76	203.82
				0.01	-Others	3.30	-	3.30
				1338.61	Economic Services of which	816.15	1196.22	2012.37
				347.43	-Agriculture and Allied Activities	244.24	225.46	469.70
				155.50	-Rural Development	52.70	487.22	539.92
				73.08	-Special Areas Programmes	-	45.67	45.67
				79.23	-Irrigation and Flood Control	51.52	43.64	95.16
				324.63	-Energy	259.48	193.45	452.93
				94.28	-Industry and Minerals	45.62	32.54	78.16
				124.07	-Transport	131.78	-	131.78
				43.55	-Science, Technology and Environment	3.13	73.72	76.85
				96.84	-General Economic Services	27.68	94.52	122.20

				335.49	Grants-in-aid and Contributions	329.37	146.36	475.73
	<b>II- Revenue deficit carried over to Section B</b>			<b>1563.96</b>	<b>II- Revenue Surplus carried over to Section B</b>			<b>730.98</b>
<b>7282.79</b>	<b>Total: Section A</b>		<b>7998.27</b>	<b>7282.79</b>	<b>Total: Section A</b>			<b>7998.27</b>
<b>Section-B: Others</b>								
<b>(-) 55.37</b>	<b>III – Opening Cash balance including Permanent Advances and Cash Balance Investment</b>		<b>463.84</b>		<b>III – Opening Overdraft from Reserve Bank of India</b>			
<b>-</b>	<b>IV – Miscellaneous Capital receipts</b>		<b>-</b>	<b>1291.89</b>	<b>IV – Capital Expenditure-</b>	<b>(-)0.52</b>	<b>1332.96</b>	<b>1332.44</b>
				220.32	General Services-	-	208.81	208.81
				328.05	Social Services of which	0.01	547.62	547.63
				39.74	-Education, Sports, Art and Culture	-	129.19	129.19
				114.16	-Health and Family Welfare	-	158.64	158.64
				133.13	-Water Supply, Sanitation, Housing and Urban Development	0.01	228.02	228.03
				1.00	-Information and Broadcasting	-	2.15	2.15
				27.87	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	29.54	29.54
				12.15	-Social Welfare and Nutrition	-	0.08	0.08
				-	-Others			
				743.52	Economic Services of which	(-)0.53	576.53	576.00
				11.82	-Agriculture and Allied Activities	(-)0.53	7.28	6.75
				-	-Rural Development	-	-	-
				61.33	-Special Areas Programmes		68.43	68.43
				172.49	-Irrigation and Flood Control		181.09	181.09
				198.35	-Energy		38.89	38.89
				15.73	-Industry and Minerals		17.13	17.13
				-	-Science Technology and Environment	-	2.50	2.50
				252.66	-Transport		217.43	217.43
				31.14	-General Economic Services		43.78	43.78

<b>1.23</b>	<b>V – Recoveries of Loans and Advances-</b>		<b>0.97</b>	<b>0.04</b>	<b>V – Loans and Advances disbursed-</b>			<b>0.34</b>
	<i>-From Power Projects</i>	-			<i>-For Power Projects</i>	-		
1.18	<i>-From Government Servants</i>	0.76		0.04	<i>To Government Servants</i>	0.34		
0.05	<i>-From Others</i>	0.21			<i>-To Others</i>	-		
<b>1563.96</b>	<b>VI – Revenue Surplus brought down</b>		<b>730.98</b>		<b>VI – Revenue Deficit brought down</b>			-
<b>382.68</b>	<b>VII – Public debt receipts-</b>		<b>489.40</b>	<b>260.07</b>	<b>VII – Repayment of Public debt</b>			<b>273.24</b>
	<i>-External debt</i>	-	-		<i>External debt</i>			-
382.68	<i>-Internal debt other than Ways and Means Advances and overdrafts</i>	489.40		115.07	<i>-Internal debt other than Ways and Means Advances and Overdrafts</i>	229.07		
	<i>-Net transactions under Ways and Means Advances</i>	-		97.92	<i>-Net transactions under Ways and Means Advances</i>			
	<i>-Loans and Advances from Central Government</i>	-		47.08	<i>-Repayment of Loans and Advances to Central Government</i>	44.17		
	<i>-Net transactions under over- draft</i>							
	<b>VIII – Appropriation to Contingency Fund</b>		-		<b>VIII – Appropriation to Contingency Fund</b>			-
	<b>IX – Amount transferred to Contingency Fund</b>		-		<b>IX – Expenditure from Contingency Fund</b>			-
<b>3883.75</b>	<b>X – Public Account receipts-</b>		<b>2901.43</b>	<b>3760.41</b>	<b>X – Public Account disbursement-</b>			<b>2858.83</b>
282.24	<i>Small Savings and Provident Funds</i>	290.93		179.13	<i>-Small Savings and Provident Funds</i>	204.64		
48.46	<i>-Reserve Funds</i>	64.55		-	<i>-Reserve Funds</i>	-		
137.17	<i>Suspense and Miscellaneous</i>	131.43		135.26	<i>-Suspense and Miscellaneous</i>	146.99		
2562.58	<i>Remittances</i>	1620.72		2578.29	<i>-Remittances</i>	1642.52		
853.30	<i>Deposits and Advances</i>	793.80		867.73	<i>-Deposits and Advances</i>	864.68		
	<b>XI – Closing Overdraft from Reserve Bank of India</b>			<b>463.84</b>	<b>XI – Cash Balance at end-</b>			<b>121.77</b>
				4.70	<i>-Cash in Treasuries and Local Remittances</i>	4.64		

				(-)72.82	<i>-Deposits with Reserve Bank</i>	(-)297.96		
				36.87	<i>-Departmental Cash Balance including permanent Advances</i>	53.47		
				495.09	<i>-Cash Balance Investment and Investment of earmarked fund</i>	361.62		
<b>13059.04</b>	<b>Total:</b>		<b>12584.89</b>	<b>13059.04</b>	<b>Total:</b>			<b>12584.89</b>

**Appendix – 1.3**  
(Reference: Paragraph 1.2.2)

**Statement showing funds transferred to the State Implementing Agencies under Programmes/Schemes outside the State budget during 2014-15**

*(₹ in lakh)*

<b>Implementing Agency</b>	<b>Scheme</b>	<b>Amount</b>
9 NGOs	Advocacy and Publicity	...
2 NGOs	- do -	0.75
2 NGOs (Individuals)	Archives and Archival Libraries	...
1 NGO (Individuals)	-do-	0.56
2 NGOs	-do-	0.61
25 NGOs	Assistance to Voluntary Organisation for providing Social Defence	2,92.32
14 NGOs	-do-	...
17 NGOs	Assistance to Voluntary Organisations for programmes related to Aged	...
	-do-	
39 NGOs		1,31.26
8 NGOs	Baba Saheb Ambedkar Hastashilpa Vikas Yojana	...
2 NGOs	-do-	2.85
S. Kula Women's College	Bioinformatics	16.32
4 NGOs	Biotechnology for Social Development	...
5 NGOs	-do-	32.14
Care and Share (Cash) Foundation	Biotechnology for Social Development	7.90
18 NGOs	Comprehensive Scheme for Combating Trafficking	1,43.95
9 NGOs	-do-	...
Community Development Programme Centre	Access and Equity	4.00
Directorate of Environment, D/o Environment and Forest, Govt. of Manipur	Alliance and R & D Mission	75.00
Manipur State Medicinal Plants Board, Manipur	National Medicinal Plants Board	6.20
Department of Commerce & Industries, Manipur	Infrastructure Development & Capacity Building	3,28.00
	NER- Textile Promotion Scheme	7,40.93
	Powerlooms	...
44 NGOs	Deen Dayal Disabled Rehabilitation Scheme	...
	-do-	
56 NGOs		2,25.12
76 NGOs	Design and Technical Development	...
14 NGOs	Design and Technical Upgradation Scheme	22.57
Foundation for Environment and Economic Development Services	Disha Programme for Women in Science	6.00
Galaxy Club	Detailed National Survey to Access the Extent Pattern	28.46
2 NGOs	Environment Information Education and Awareness	...

1 NGO	- do-	1.60
Manipur ENVIS Centre on Status of Environment and related issues	-do-	12.80
9 NGOs	Free Coaching and Allied Scheme for Minorities	...
14 NGOs	-do-	95.88
1 NGO	Free Coaching for SCs & OBCs	7.35
Society for Progressive Development	GIA for Research Publication and Monitoring	1.27
2 NGOs	-do-	...
Youth Development Services	GIA to Research/Academic Institution and Non-Governmental Voluntary Organisations	0.34
11 NGOs	GIA to NGOs for STs including Coaching & Allied Scheme and Award for Exemplary Service	2,23.00
Social Reformation & Development organization	Grants for Construction of Boys & Girls Hostel for SC & OBC	...
Revival Foundation	-do-	44.31
Integrated Rural Development & Education Organization (IRDEO)	-do-	44.30
23 NGOs	GIA to NGOs for SCs, OBCs and Research & Training	56.68
33 NGOs	-do-	...
Department of Social Welfare Govt. of Manipur	Gender Budgeting and Gender Disaggregated Data	2.78
State Institute of Rural Development Manipur	-do-	3.90
12 NGOs	Human Resource Development (HRD) , Handicraft	18.34
Department of Commerce and Industries	Human Resource Departement (ISDS)	311.70
1 NGO	Handicrafts – Infrastructure and Technical Development Scheme	14.14
Lilong Haoreibi College	HRD Biotechnology	15.72
S. Kula Women’s College	-do-	17.29
Manipur Renewable Energy Development Agency (MANIREDA)	Off Grid DRPS	1,57.47
Office of Agriculture Officer (Market Intelligence)	Integrated Scheme on Agriculture Marketing	0.14
2 NGOs	MDA Programme	0.50
Private Sector Companies	-do-	2.00
Assistance to IHMS FCIS etc	Institute of Hotel Management Catering Technology and Applied Nutrition Manipur	3,00.00
Manipur Handloom & Handicrafts Development Corporation, Ltd.	National Handloom Development Programme CS.	5.00
17 NGOs	National Mission for Empowerment of Woman Including IGMSY	1,06.63
16 NGOs	Marketing Support and Services & Export Promotion Scheme	...
4 NGOs		



Life Line Agency	-do-	25.89
	- do-	...
Deputy Commissioner, Imphal West	MPs Local Area Development Scheme (MPLADS)	10,00.00
Deputy Commissioner, Churachanpur	-do-	5,00.00
State Forest Development Agency, Manipur	National Medicinal Plants Board	5.00
	Afforestation and Management	...
State Agricultural Management & Extension Training Institute (SAMETI)	National Food Security Mission	...
State Health Society, Manipur, Imphal	National Rural Health Mission (NRHM)	5,78.00
Manipur Mountaineering and Tracking Association	National Programme for Youth and Adolescent Development General Component	...
		...
Sangai Foundation	-do-	...
9 NGOs	-do-	...
35 NGOs	-do-	78.27
Manipur Development Society	North Eastern Council	1,07.82
Directorate of Information and Public Relation, Manipur	-do-	0.08
Manipur Pollution Control Board	Pollution Abatement	38.17
98 NGOs (Dance and Cultural Organisations)	Promotion and Dissemination of Art and Culture	...
203 NGOs -do-	-do-	645.74
14 Individuals	-do-	6.21
5 NGOs	Promotion of Sports among Disabled	14.61
D. M. College of Science	Research and Development for Conservation	3.03
2 NGOs	Research and Development (Handicrafts)	5.00
13 NGOs	-do-	...
Sangai Foundation Agency	-do-	...
Manipur Renewable Energy Development	Renewable Energy for Rural Application for all Villages	5.88
Centre for Human Resource and Economic Development	Research Education Training and Outreach	1.50
Associate Action for Progressive Development Society, Manipur	Scheme for Infrastructure Development	2,45.67
Kuki Christian Church	Scheme for Leadership Development of Minority Women	...
15 NGOs	-do-	31.59
22 NGOs	-do-	...
Manipur Skill Development Society	Skill Development Initiative	...

Amelioration Society	-do-	28.20
14 NGOs	Scheme for the Welfare of Working Children in Need of Care and Protection	75.15
13 NGOs	-do-	...
The Women Welfare and Development Organisation	Scheme for Human Resource Development	...
The Socio Oriental Fast Industrial Association	-do-	0.50
The Socio Education and Economic Liberty	-do-	...
The Lamjing Thawan Association	-do-	...
Sangai Foundation Agency	Scheme for Leadership Development of Minority Women	3.22
Imphal East District Boys Scouts and Girls Guide Association Agency	-do-	...
People Advance in Social Service, Churachandpur	Scheme arising out of the Implementation of the Person With Disabilities	4.09
Education Research Cell	-do-	18.82
Manipur Science and Technology Council	State Science and Technology Programme	32.48
-do-	Science and Technology Programme for Socio Economic Development	91.96
12 NGOs	-do-	62.06
4 NGOs	Step Support to Training and Employment Programme for Women.	...
26 NGOs	-do-	2,20.33
Jana Shikshan Sansthans, Senapati	Support to NGOs, SRCs for Adult Education and Skill Development Merged Schemes of NGOs, JSS and SRCs.	15.00
Jana Shikshan Sansthan, Imphal West	-do-	29.97
Jana Shikshan Sansthan, Thoubal	-do-	29.96
Manipur Science and Technology Council	Technology Development Programme	...
United College, Lambung Chandel	-do-	5.00
Society's Abbatial Network for Greater Advancement (Sanga)	-do-	5.00
Imphal College	Technology Development Programme	4.00
Rural Development Organisation	Working Women Hostel (WWH)	30.00
Leirik Memorial Charitable Society	-do-	5.32
The Organisation for Unemployed Women Welfare Association	-do-	...
Th. Rajen Singh (Individual Agency)	Youth Hostel	1.44
<b>Total :</b>		<b>74,63.04</b>

**Appendix 1.4**  
(Reference: Paragraph 1.3)

**Time series data on the State Government finances**

(₹ in crore)

	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Part A Receipts</b>					
<b>1. Revenue Receipts (i +ii+iii+iv)</b>	<b>5429.94</b>	<b>5653.55</b>	<b>6819.76</b>	<b>7282.79</b>	<b>7998.27</b>
(i) Tax Revenue of which	267.05	368.07	332.83	472.73	516.83
Taxes on Agricultural Income	-	-	-	-	-
Taxes on Sales, Trade, etc.	227.57	296.92	258.52	395.74	433.33
State Excise	6.61	9.80	9.94	9.20	9.32
Taxes on Vehicles	4.44	13.21	15.83	18.73	20.77
Stamps and Registration fees	3.57	4.82	5.98	7.90	7.76
Land Revenue	1.29	0.84	1.24	1.12	1.42
Taxes on Goods and Passengers	0.90	1.40	1.43	1.24	1.20
Other taxes	22.67	40.74	39.85	38.76	43.03
Taxes and duties on electricity	Δ	0.34	0.04	0.04	-
(ii) Non-Tax Revenue	259.88	311.53	231.78	260.67	183.73
(iii) State's share of Union taxes and duties	990.57	1154.03	1317.83	1438.79	1526.89
(iv) Grants-in-aid from Government of India	3912.44	3819.92	4937.32	5110.60	5770.82
<b>2. Miscellaneous Capital Receipts</b>	-	-	-	-	-
<b>3. Recoveries of Loans and Advances</b>	<b>1.19</b>	<b>1.89</b>	<b>0.59</b>	<b>1.23</b>	<b>0.97</b>
<b>4. Total Revenue and Non-debt capital receipts (1+2+3)</b>	<b>5431.13</b>	<b>5655.44</b>	<b>6820.35</b>	<b>7284.02</b>	<b>7999.24</b>
<b>5. Public Debt Receipts of which</b>	<b>298.40</b>	<b>293.33</b>	<b>340.25</b>	<b>382.68</b>	<b>489.40</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	298.40	203.38	332.28	382.68	489.40
Net transactions under Ways and Means Advances and Overdrafts	-	89.95	7.97	-	-
Loans and Advances from the Government of India	-	-	-	-	-
<b>6. Total Receipts in the Consolidated Fund (4+5)</b>	<b>5729.53</b>	<b>5948.77</b>	<b>7160.60</b>	<b>7666.70</b>	<b>8488.64</b>
<b>7. Contingency Fund Receipts</b>	-	-	-	-	-
<b>8. Public Account Receipts</b>	<b>4008.55</b>	<b>5582.21</b>	<b>3921.37</b>	<b>3883.75</b>	<b>2901.43</b>
<b>9. Total Receipts of the State (6+7+8)</b>	<b>9738.08</b>	<b>11530.98</b>	<b>11081.97</b>	<b>11550.45</b>	<b>11390.07</b>
<b>Part B Expenditure/Disbursement</b>					
<b>10. Revenue Expenditure</b>	<b>4078.01</b>	<b>5006.92</b>	<b>5316.53</b>	<b>5718.83</b>	<b>7267.29</b>
Plan	1098.57	1081.09	1066.20	1212.94	2299.18
Non-Plan	2979.44	3925.83	4250.33	4505.89	4968.11
General Services (including interest payments)	1642.75	2133.60	2281.83	2441.07	2751.13
Social Services	1238.47	1439.29	1528.22	1603.66	2028.06
Economic Services	1083.68	1257.37	1313.26	1338.61	2012.37
Grants-in-aid and contributions	113.11	176.66	193.22	335.49	475.73
<b>11. Capital Expenditure</b>	<b>1,918.06</b>	<b>1695.41</b>	<b>1501.56</b>	<b>1291.89</b>	<b>1332.44</b>
Plan	1917.07	1698.63	1493.69	1291.90	1332.96

	2010-11	2011-12	2012-13	2013-14	2014-15
<i>Non-Plan</i>	0.99	(-)3.22	7.87	(-)0.01	(-) 0.52
<i>General Services</i>	264.76	293.41	225.87	220.32	208.81
<i>Social Services</i>	600.73	477.32	354.04	328.05	547.63
<i>Economic Services</i>	1052.57	924.68	921.65	743.52	576
<b>12. Disbursement of Loans and Advances</b>	<b>3.80</b>	<b>0.08</b>	<b>3.30</b>	<b>0.04</b>	<b>0.34</b>
<b>13. Total/Aggregate Expenditure (10+11+12)</b>	<b>5999.87</b>	<b>6702.41</b>	<b>6821.39</b>	<b>7010.76</b>	<b>8600.07</b>
<b>14. Repayments of Public Debt of which</b>	<b>115.02</b>	<b>160.24</b>	<b>171.81</b>	<b>260.07</b>	<b>273.24</b>
<i>Internal Debt (excluding Ways and Means Advances and Overdrafts)</i>	69.75	95.31	127.81	115.07	229.07
<i>Net transactions under Ways and Means Advances and Overdrafts</i>	-	-	-	97.92	-
<i>Loans and Advances from Government of India</i>	45.27	64.93	44.00	47.08	44.17
<b>15. Appropriation to Contingency Fund</b>	-	-	-	-	-
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>6114.89</b>	<b>6862.65</b>	<b>6993.20</b>	<b>7270.83</b>	<b>8873.31</b>
<b>17. Contingency Fund disbursements</b>	-	-	-	-	-
<b>18. Public Account disbursements</b>	<b>3634.11</b>	<b>5396.61</b>	<b>3772.34</b>	<b>3760.41</b>	<b>2858.83</b>
<b>19. Total disbursement by the State (16+17+18)</b>	<b>9749.00</b>	<b>12259.26</b>	<b>10765.54</b>	<b>11031.24</b>	<b>11732.14</b>
<b>Part C Deficits</b>					
<b>20. Revenue Deficit (-)/Surplus (+) (1-10)</b>	<b>(+) 1351.93</b>	<b>(+) 646.63</b>	<b>(+) 1503.23</b>	<b>(+) 1563.96</b>	<b>(+) 730.98</b>
<b>21. Fiscal Deficit (-)/Surplus (+) (4-13)</b>	<b>(-) 568.74</b>	<b>(-) 1046.97</b>	<b>(-) 1.04</b>	<b>(+) 273.26</b>	<b>(-) 600.83</b>
<b>22. Primary Deficit(-)/ Surplus(+)( 21+23)</b>	<b>(-) 203.96</b>	<b>(-) 649.53</b>	<b>(+) 431.97</b>	<b>(+) 718.18</b>	<b>(-) 127.64</b>
<b>Part D Other data</b>					
<b>23. Interest Payments (included in revenue expenditure)</b>	<b>364.78</b>	<b>397.44</b>	<b>433.01</b>	<b>444.92</b>	<b>473.19</b>
<b>24. Financial Assistance to local bodies etc.</b>	<b>41.09</b>	<b>50.78</b>	<b>64.86</b>	<b>128.42</b>	<b>586.49</b>
<b>25. Ways and Means Advances/Overdraft availed (days)</b>	-	1	103	13	-
<i>Ways and Means Advances availed (days)</i>	-	1	72	13*	-
<i>Overdraft availed (days)</i>	-	-	31	8*	-
<b>26. Interest on Ways and Means Advances/Overdraft</b>	-	-	1.21	0.19	-
<b>27. Gross State Domestic Product (GSDP)<sup>@</sup></b>	<b>9137</b>	<b>11123</b>	<b>12696.65 (Q)</b>	<b>14323.69 (A)</b>	<b>16363.96(P)</b>
<b>28. Outstanding Fiscal liabilities</b>	<b>6192.26</b>	<b>6483.16</b>	<b>6800.94</b>	<b>7060.68</b>	<b>7357.38</b>
<b>29. Outstanding guarantees (year end) (including interest)</b>	<b>232.60</b>	<b>175.35</b>	<b>199.73**</b>	<b>215.30</b>	<b>192.95</b>
<b>30. Maximum amount guaranteed (year end)</b>	<b>196.04</b>	<b>195.55</b>	<b>193.38</b>	<b>197.45</b>	<b>197.45</b>
<b>31. Number of incomplete projects<sup>§</sup></b>	<b>21</b>	<b>96</b>	<b>11</b>	<b>37</b>	<b>9</b>
<b>32 Capital blocked in incomplete projects</b>	<b>132.18</b>	<b>391.69</b>	<b>316.16</b>	<b>144.53</b>	<b>36.70</b>
<b>Part E Fiscal Health Indicators</b>					
<b>I Resource Mobilization (in per cent)</b>					
Own Tax revenue/GSDP	2.92	3.31	2.62	3.30	3.16
Own Non-Tax Revenue/GSDP	2.84	2.80	1.83	1.82	1.12

	2010-11	2011-12	2012-13	2013-14	2014-15
Central Transfers/GSDP	10.84	10.38	10.38	10.04	9.33
<b>II Expenditure Management (in per cent)</b>					
Total Expenditure/GSDP	65.67	60.26	53.73	48.95	52.55
Total Expenditure/Revenue Receipts	110.50	118.55	100.02	96.26	107.52
Revenue Expenditure/Total Expenditure	67.97	74.70	77.94	81.57	84.50
Expenditure on Social Services/Total Expenditure	30.65	28.60	27.59	27.55	29.95
Expenditure on Economic Services/Total Expenditure	35.60	32.56	32.76	29.70	30.10
Capital Expenditure/Total Expenditure	31.97	25.30	22.01	18.43	15.49
Capital Expenditure on Social and Economic Services/Total Expenditure	27.56	20.92	18.70	15.28	13.07
<b>III Management of Fiscal Imbalances (in per cent)</b>					
Revenue deficit (surplus)/GSDP	14.80	5.81	11.84	10.92	4.47
Fiscal deficit (surplus)/GSDP	(-) 6.22	(-) 9.41	(-) 0.008	1.91	(-) 3.67
Primary Deficit (surplus)/GSDP	(-) 2.23	(-) 5.84	3.4	5.01	(-) 0.78
Revenue Deficit/Fiscal Deficit	(-) 237.71	(-) 61.76	(-) 144541.35	572.33	(-) 121.66
Primary Revenue Balance/GSDP	18.80	9.39	15.25	14.03	7.36
Fiscal Liabilities/GSDP	67.77	58.29	53.56	49.29	44.96
Fiscal Liabilities/RR	114.04	114.67	99.72	96.95	91.99
Primary deficit <i>vis-à-vis</i> quantum spread	25.93	(-) 152.29	820.96	1504.37	414.62
Debt Redemption (Principal+Interest)/Total Debt Receipts	84.31	110.78	107.55	110.19	111.19
<b>V Other Fiscal Health Indicators</b>					
Return on Investment	Only ₹ 4000.00	Only ₹ 3000.00	Only ₹ 4000.00	Only ₹ 3000.00	Only ₹ 2000.00
Balance from Current Revenue (₹ in crore)	(-) 137.01	(-) 773.38	(-) 1457.11	(-) 533.53	(-) 806.54
Financial Assets/Liabilities	(-)69.42	(-)14.57	2.24	2.42	2.46

Δ only ₹ 26,000.00

@: GSDP figures as communicated by the State Government

§: Projects for which initial cost is more than ₹ one crore

Q: Quick, A: Advance and P: Provisional

\* In 8 days Special WMA, Normal WMA and Overdraft were availed

\*\* Due to re-conciliation of figures, as per Finance Accounts

**Appendix 1.5**  
(Reference: Paragraph 1.9.1)  
**Assets and Liabilities of the Government of Manipur as on 31 March 2015**

(₹ in crore)

As on 31.03.2014		Liabilities	As on 31.03.2015	
3680.35		<b>Internal Debt -</b>		3940.67
	2650.76	<i>Market Loans bearing interest</i>	2989.99	
	0.04	<i>Market Loans not bearing interest</i>	0.04	
	5.93	<i>Loans from Life Insurance Corporation of India</i>	5.93	
	148.28	<i>Loans from NABARD</i>	137.09	
	0.11	<i>Loans from SBI and others</i>	0.11	
	6.12	<i>Loans from National Co-operative Development Corporation</i>	6.12	
	798.70	<i>Special Securities issued to National Small Savings Fund of the Central Government</i>	772.67	
	70.41	<i>Other Loans</i>	28.72	
	-	<i>Ways and Means Advance</i>	-	
483.34		<b>Loans and Advances from Government of India -</b>		439.18
	0.06	<i>Pre 1984-85 Loans</i>	0.06	
	413.88	<i>Non-Plan Loans</i>	375.97	
	66.16	<i>Loans for State Plan Schemes</i>	60.21	
	-	<i>Loans for Central Plan Schemes</i>	-	
	-	<i>Loans for Centrally Sponsored Plan Schemes</i>	-	
	3.24	<i>Loans for Special Plan Schemes</i>	2.94	
	-	<i>Other Ways &amp; Means Advances</i>	-	
	-	<i>Contingency Fund</i>	-	
1316.61		<b>Small Savings, Provident Funds, etc.</b>		1402.91
1370.05		<b>Deposits</b>		1299.74
210.34		<b>Reserve Funds</b>		274.88
9995.27		<b>Deficit on Government Account</b>		10726.25
	1563.96	<i>Add Revenue Surplus of the current year</i>	730.98	
	-	<i>Miscellaneous Deficit</i>		
	8431.31	<i>Accumulated Deficit at the beginning of the year</i>	9995.27	
<b>17055.96</b>		<b>Total</b>		<b>18083.63</b>
<b>Assets</b>				
16006.48		<b>Gross Capital Outlay on Fixed Assets -</b>		17338.92
	160.30	<i>Investments in shares of Companies, Corporations, etc.</i>	167.13	
	15846.18	<i>Other Capital Expenditure</i>	17171.79	
205.13		<b>Loans and Advances -</b>		204.50
	-	<i>Loans for Power Projects</i>		
	10.97	<i>Loans to Government servants and Miscellaneous loans</i>	10.55	
	194.16	<i>Other Development Loans</i>	193.95	
1.72		<b>Advances</b>		2.29
(-)72.82		<b>Deposit with Reserve Bank and other banks</b>		(-)297.96
263.76		<b>Remittance Balance</b>		285.56
115.03		<b>Suspense and Miscellaneous Balance</b>		130.59
536.66		<b>Cash -</b>		419.73
	4.70	<i>Cash in Treasuries and Local Remittances</i>	4.64	
	36.85	<i>Departmental Cash Balance</i>	53.45	
	0.02	<i>Permanent Advances</i>	0.02	
	315.10	<i>Cash Balance Investments</i>	125.65	
	179.99	<i>Investment of earmarked funds</i>	235.97	
<b>17055.96</b>		<b>Total</b>		<b>18083.63</b>

**Appendix 1.6**  
(Reference: Paragraph 1.10.1)  
**Maturity Profile of debt<sup>1</sup>**

*(₹ in lakh)*

Year of Maturity (Year of maturity from the beginning of 2015-16)	Internal Debt	Loans and advances from the Central Government	Amount
(1)	(2)	(3)	(4) (2 + 3)
2015-16(1)	1,91,92.17	- 1.46	1,91,93.63
2016-17(2)	2,18,16.96	4.82	2,18,21.78
2017-18(3)	2,24,26.89	11.33	2,24,38.22
2018-19(4)	3,85,40.45	9.10	3,85,49.55
2019-20(5)	3,06,36.28	7.60	3,06,43.88
2020-21(6)	3,17,96.54	20.16	3,18,16.70
2021-22(7)	4,12,10.54	28.50	4,12,39.04
2022-23(8)	2,75,00.00	520.62	2,80,20.62
2023-24(9)	3,59,43.00	178.43	3,61,21.43
2024-25(10)	4,75,55.65	4,22,23.23	8,97,78.88
2025-26(11)	15,15.00	108.90	16,23.90
2026-27(12)	0	227.41	227.41
2027-28(13)	0	145.21	145.21
2028-29(14)	0	423.92	423.92
<b>(i) Sub-Total</b>	<b>31,81,33.48</b>	<b>4,39,10.69</b>	<b>36,20,44.17</b>
<b>(ii) Amount for which year of Maturity is not known</b>	<b>7,59,34.10</b>	<b>6.66</b>	<b>7,59,40.76</b>
<b>Total (i + ii)</b>	<b>39,40,67.58</b>	<b>4,39,17.35</b>	<b>43,79,84.93</b>

<sup>1</sup> Maturity profile at the end of 2013-14, the amount indicated is Principal amount only

## Appendix 1.7

### Glossary of terms

Sl. No.	Terms	Description
1	State Implementing Agency	State Implementing Agency includes any Organization/Institution including Non-Governmental Organization which is authorized by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Implementation Society for SSA and State Health Mission for NRHM <i>etc.</i>
2	GSDP	GSDP is defined as total income of the State or market value of goods and services produced using labour and other factors of production at constant/current prices.
3	Buoyancy ratio	Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 1.67 implies that revenue receipts tend to increase by 1.67 percentage points, if the GSDP increases by one <i>per cent.</i>
4	Core Public and Merit goods	<i>Core public goods</i> are which all citizens enjoy in common in the sense that each individual's consumption of such a good leads to no subtractions from any other individual's consumption of that good e.g. enforcement of law and order, security and protection of our rights; free air and other environmental goods and road infrastructure <i>etc.</i> <i>Merit goods</i> are commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidized food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation <i>etc.</i>
5	Development Expenditure	The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances are categorized into social services, economic services and general services. Broadly, the social and economic services constitute development expenditure, while expenditure on general services is treated as non-development expenditure.
6	Fiscal Liabilities	Includes Internal Debt, Loans and Advances from GoI, Small Savings, Provident Funds, <i>etc.</i> , Deposits and other non-interest bearing obligations.
7	Debt sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt-GDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
8	Debt Stabilization	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt*rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
9	Sufficiency of Non-debt receipts (Resource gap)	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.
10	Net availability of borrowed funds	Difference between Debt receipt and debt redemption (Principal +Interest payments)
11	Non debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and incremental primary expenditure.



**Appendix 2.1**  
(Reference: Paragraph 2.3.1)

**Statement of various Grants/Appropriations where savings was more than ₹ one crore in each case or more than 25 per cent of the total provision**

(₹ in lakh)

Sl. No.	Grant/ Appropriation	Total provision	Saving	Percentage
1	2	3	4	5
<b>Revenue Voted</b>				
1	1 - State Legislature	4393.54	268.49	6.11
2	3 - Secretariat	7262.92	854.88	11.77
3	4 - Land Revenue, Stamps & Registration and District Administration	7742.66	671.98	8.68
4	5 - Finance Department	99043.75	624.19	0.63
5	7 - Police	105413.35	8547.26	8.11
6	8 - Public Works Department	23195.45	4514.35	19.46
7	10 - Education	145255.83	40163.38	27.65
8	11 - Medical, Health and Family Welfare Services	46399.63	4634.15	9.99
9	12 - Municipal Administration, Housing and Urban Development	6742.30	1187.59	17.61
10	13 - Labour and Employment	1607.73	265.40	16.51
11	14 - Department of Tribal Affairs, Hills and Scheduled Caste Development	58394.33	6767.39	11.59
12	15 - Consumers Affairs, Food and Public Distribution	2047.22	495.78	24.22
13	17 - Agriculture	17849.74	1652.94	9.26
14	18 - Animal Husbandry and Veterinary including Dairy Farming	10690.77	3628.26	33.94
15	19 - Environment and Forest	16971.74	3871.81	22.81
16	20 - Community and Rural Development	113161.02	59357.87	52.45
17	21 - Commerce and Industries	12644.74	6636.24	52.48
18	23 - Power	47057.53	2053.42	4.36
19	26 - Administration of Justice	2935.95	793.36	27.02
20	27 - Election	1589.03	120.56	7.59
21	28 - State Excise	1918.14	159.39	8.31
22	30 - Planning	72373.16	62685.35	86.61
23	37 - Fisheries	2956.15	266.52	9.02
24	38 - Panchayat	13992.43	3745.08	26.77
25	39 - Sericulture	3278.50	1470.57	44.85
26	40 - Irrigation and Flood Control Department	7060.87	354.10	5.01
27	43 - Horticulture and Soil Conservation	8740.58	627.77	7.18
28	44 - Social Welfare Department	35936.87	19374.63	53.91
29	47 - Minorities and Other Backward Classes Department	5020.14	978.97	19.50
30	48 - Relief and Disaster Management	1818.82	249.55	13.72
31	49 - Economics and Statistics	1746.31	257.79	14.76
<b>Revenue Charged</b>				
32	8 - Public Works Department	120.00	83.00	69.17
33	26 - Administration of Justice	1170.67	195.34	16.69
<b>Capital Voted</b>				
34	1 - State Legislature	100.00	90.00	90.00
35	2 - Council Of Ministers	80.00	65.00	81.25
36	3 - Secretariat	750.00	250.00	33.33
37	5 - Finance Department	40.01	30.71	76.76
38	7 - Police	7967.36	3175.00	39.85
39	8 - Public Works Department	38350.61	10441.61	27.23

1	2	3	4	5
<b>Capital Voted</b>				
40	10 - Education	5897.32	2437.24	41.33
41	12 - Municipal Administration, Housing and Urban Development	9292.60	4578.42	49.27
42	13 - Labour and Employment	5.02	5.02	100.00
43	14 - Department of Tribal Affairs, Hills and Scheduled Caste Development	1537.36	213.83	13.91
44	15 - Consumers Affairs, Food and Public Distribution	300.00	300.00	100.00
45	17 - Agriculture	5813.00	5608.80	96.49
46	21 - Commerce and Industries	1737.32	809.30	46.58
47	22 - Public Health Engineering	18506.40	206.05	1.11
48	23 - Power	9484.21	5215.24	54.99
49	25 - Youth Affairs and Sports Department	11480.72	2502.71	21.80
50	26 - Administration of Justice	5082.00	1505.00	29.61
51	30 - Planning	45743.09	35694.56	78.03
52	36 - Minor Irrigation	11179.88	7623.35	68.19
53	39 - Sericulture	5000.00	4000.00	80.00
54	40 - Irrigation and Flood Control Department	45357.02	30190.59	66.56
55	41 - Art and Culture	1061.20	201.27	18.97
56	44 - Social Welfare Department	2264.10	2256.60	99.67
57	45 - Tourism	8256.75	3612.18	43.75
58	47 - Minorities and Other Backward Classes	3210.99	1390.32	43.30
<b>Capital Charged</b>				
59	Appropriation 2 - Interest Payment and Debt services	27706.36	382.61	1.38
<b>Total</b>		<b>1195183.49</b>	<b>361289.26</b>	

(Source: Appropriation Accounts)

**Appendix 2.2**  
(Reference: Paragraph 2.3.2)

**Statement showing expenditure incurred without provision during 2014-15**

(₹ in lakh)

Sl No	No. and Name of Grant/Appropriation (Heads of Accounts)	Amount of Expenditure without provision	Reasons/Remarks
<b>Grant No. 8 - Public Works Department</b>			
1	5054 (SP).05.101.08(H)	79.90	Reasons for incurring expenditure without provisions have not been intimated (October 2015)
<b>Grant No. 17 - Agriculture</b>			
2	2401 (SP).00.800.36(V)	50.00	-do-
<b>Grant No. 43 - Horticulture and Soil Conservation</b>			
3	2552 (NEC).15.800.02(V)	71.36	-do-
4	2552 (NEC).15.800.03(H)	28.18	-do-
5	2552 (NEC).15.800.03(V)	7.81	-do-
<b>Grant No. 44 - Social Welfare Department</b>			
6	2235(NP).02.001.01(V)	1.00	-do-
7	2235(NP).02.102.67(V)	10.90	-do-
8	2235(NP).02.102.74(V)	75.00	-do-
9	2235(NP).02.102.82(V)	11.79	-do-
<b>Grant No. 47 - Minorities and Other Backward Classes Department</b>			
10	2225(SP).01.102.01(V)	1.72	-do-
<b>Total</b>		<b>337.66</b>	

\*NP - Non-plan, CSS - Centrally Sponsored Scheme, SP - State Plan, NEC - North Eastern Council

(Source: Detailed Appropriation Accounts)

**Appendix 2.3**

(Reference: Paragraph 2.3.3)

**List of Sub-Heads of Persistent Savings during 2010-15**

(₹ in lakh)

Sl. No.	Heads of Accounts	Amount of savings				
		2010-11	2011-12	2012-13	2013-14	2014-15
<b>Revenue-Voted</b>						
1	2011 – Parliament/State/Union Territory Legislature (NP) 02 – State/Union Territory Legislature 101 – Legislative Assembly 08 – Members	69.75	179.23	214.45	197.57	157.11
2	2013 – Council of Ministers (NP) 101 – Salaries of Ministers & Dy. Ministers 03 – Salaries of Ministers & Dy. Ministers	25.71	24.11	18.69	22.15	37.41
3	2013 – Council of Ministers (NP) 108 – Tour Expenses 04 – Tour Expenses	25.41	18.58	24.45	29.47	39.89
4	2235 – Social Security & Welfare (NP) 01 – Rehabilitation 200 – Other Relief Measures 35 – Victims of Extremist Action	39.57	20.50	45.00	46.00	35.00
5	2059 – Public Works (NP) 60 – Other Buildings 053 – Maintenance & Repairs 09 – Functional Building	447.73	648.85	674.58	616.97	295.05
6	2216 – Housing (NP) 80 - General 800 – Other Expenditure 10 – Furnishing of Residential Quarters	18.42	20.42	20.42	22.00	22.00
7	3054 – Roads & Bridges (NP) 02 – Strategic Border Roads 337 – Road Works 27 – Work executed by BRTF	5.00	5.00	5.00	6.00	6.00
8	3054 – Roads & Bridges (NP) 04 – District & Other Roads 337 – Road Works 19 – Other District Roads	517.01	13.86	138.90	152.93	50.72
9	2216 – Housing (NP) 80 – General 001 – Direction and Administration 22 – Raj Bhavan	65.18	53.99	14.97	16.19	75.00
10	2217 – Urban Development (NP) 01 – State Capital Development 800 – Other Expenditure 03 – Duties of Transfer of Property	6.00	6.00	6.00	6.00	6.00
11	2070 – Other Administrative Services (NP) 003 - Training 01 – State Academy of Training	6.57	0.14	32.12	40.48	11.92
<b>Capital -Voted</b>						
12	7610 – Loans to Government Servant etc. (NP) 202- Advance for purchase of motor conveyance 13 – Loans to members	30.00	30.00	20.00	58.90	89.10
13	7610 – Loans to Government Servant etc. (NP) 201 – House Building Advances 05 – Loans to Ministers	40.00	40.00	40.00	40.00	40.00

14	7610 – Loans to Government Servant etc. (NP) 202- Advance for purchase of motor conveyance 05 – Loans to Ministers	40.00	40.00	30.00	40.00	25.00
15	7610 – Loans to Government Servant etc. (NP) 201 – House Building Advances 21 – Loans to All India Service Officers	13.75	17.50	25.00	23.20	17.50
16	4216 – Capital Outlay on Housing (P) 01 – Government Residential Buildings 106 – General Pool Accommodation 08 (V) – Building at District and Sib-Divisions	25.32	144.64	122.29	81.49	48.00
17	4702 – Capital Outlay on Minor Irrigation (P) 101 – Surface Water 05 – Pick up weir, Low Head Barrage, percolation tank (H)	57.69	60.00	35.00	30.00	340.00
18	4702 – Capital Outlay on Minor Irrigation (P) 101 – Surface Water 06 – River Lift Irrigation Schemes (H)	80.00	50.00	10.00	15.00	100.00

\* H- Hill, V-Valley, NP-Non-plan, P- Plan and CSS- Centrally Sponsored Schemes

(Source: Records of Voucher Level Computerisation of the Office of the Accountant General (A&E))

**Appendix 2.4**  
(Reference: Paragraph 2.3.4)

**Statement showing amount debited head-wise and credited to  
'8449 – Other Deposits' during March 2015**

*(in ₹)*

Sl. No.	Name of Department	Debit Head	Credit Head	Amount Credited
1	Dy. Director HQ, Sericulture	2851	8449	100000000
2	Administrative Officer, Medical Directorate, Manipur	2210 & 2211	8449	37664650
3	Directorate of Economics & Statistics, Manipur	3451	8449	4558100
4	Joint Director, CAF&PD, Manipur	2408, 3456 & 4408	8449	2831906
5	Dy. Labour Commissioner, Govt. of Manipur	2230	8449	6250000
6	Addl. Director of Education.(S) Hills, Govt. of Manipur	2202	8449	1420000
7	Director of Education (S), Govt. of Manipur	2202	8449	3700000
8	C.E.O. District Council, Senapati	Not furnished by A&E Office	8449	476500000
9	Director, Social Welfare, Govt. of Manipur	Not furnished by A&E Office	8449	56824331
10	Dy. Director (RD & PR) Panchayat, Manipur	Not furnished by A&E Office	8449	125300000
11	Agriculture Officer (HQ), Imphal, Manipur	2415 & 2416	8449	7937597
12	Agriculture Officer (Public Relation), Govt. of Manipur	2416 & 2416	8449	127056000
13	Joint Director, MAHUD, Govt. of Manipur	2217	8449	18112000
14	Joint Director, DDO Tribal Affairs & Hills, Manipur	2225 & 4225	8449	207922250
15	Dy. Secretary (I.T)	3425	8449	503962492
16	I.G.P/ADM, DGP Office, Manipur	2055	8449	56294349
17	Dy. Director of Tourism	3452	8449	64040000
18	Under Secretary, GAD II	2052	8449	3471000
19	Accounts Officer/DDO Tribal Research Institute, Manipur	3425	8449	7600000
20	Dy. Director, YAS, Govt. of Manipur	2204	8449	130500000
21	Dy. Director Secretariat Planning Department. Govt. of Manipur	2052 & 2053	8449	93510662
22	Rice Breeder, Thoubal Rice Research	Not furnished by A&E Office	8449	210000000
23	Deputy Director (Soil Chemist)	Not furnished by A&E Office	8449	31280000
24	E.E. Electric Meter Relay & Testing	Not furnished by A&E Office	8449	437802000
25	Deputy Director TRY & Accounts.	Not furnished by A&E Office	8449	5395000
26	District Session Judge	Not furnished by A&E Office	8449	6224682
<b>Total</b>				<b>2726157019</b>

(Source: O/o The Accountant General (A&E), Manipur)

**Appendix 2.5**  
(Reference: Paragraph 2.3.5)

**Excess over provision of previous years requiring regularization**

*(₹ in crore)*

<b>Year</b>	<b>No. of Grants/ Appropriations</b>	<b>Grant/Appropriation No.</b>	<b>Amount of excess</b>	<b>Stage of consideration by Public Accounts Committee (PAC)</b>
2010-11	7	5,46 (Revenue Voted), 17,22,36,41 and Appropriation No. 2 (Capital Charged)	62.42	PAC recommended for regularization (39th Report), but status of regularization not intimated yet (September 2014)
2011-12	14	13, 16, 22, 23, 28, 36, 37, 39, 45 and 49 (Revenue Voted), Appropriation No. 2 (Revenue Charged), 3 and 36 (Capital Voted) and Appropriation No. 2 (Capital Charged)	89.38	-do-
2012-13	4	39 and 40 (Revenue Voted), Appropriation No. 2 (Revenue Charged) and Appropriation No. 2 (Capital Charged)	541.42	Excess expenditure yet to be discussed by PAC
2013-14	2	Appropriation No. 2 (Revenue Charged) (Revenue Voted) Appropriation No. 2 (Capital Charged)	369.90	-do-
<b>Total</b>	<b>27</b>		<b>1063.12</b>	

(Source: Appropriation Accounts and PAC recommendation Report)

**Appendix 2.6**  
**(Reference: Paragraph 2.3.8)**

**Excess/Unnecessary/Insufficient re-appropriation of funds**  
**(Savings(-)/Excess(+)) Rupees one crore and above**

*(₹ in lakh)*

Sl. No.	Grants/Appropriation No.	Head of Account	Re-appropriation	Final excess(+)/ Saving(-)
<b>Savings cases</b>				
1	Grant 1 - State Legislature	2011.02.101.08(NP)	42.39	-157.11
2	Appropriation No. 2 – Interest Payment & Debt Services	2049.01.200.28(NP)	30.77	-205.07
3	Grant 3 - Secretariat	2052.00.090.17(NP)	-115.37	-540.58
4	Grant 4 - Land Revenue, Stamps and Registration and District Administration	2029.00.101.27(NP)	-24.29	-230.15
5	Grant 7 - Police	2055.00.101.20(NP)	411.25	-176.25
6	Grant 7 - Police	2055.00.104.03(NP)	-176.50	-290.53
7	Grant 7 - Police	2055.00.104.04(NP)	11.97	-379.63
8	Grant 7 - Police	2055.00.104.05(NP)	2.69	-119.57
9	Grant 7 - Police	2055.00.104.07(NP)	22.01	-225.80
10	Grant 7 - Police	2055.00.104.08(NP)	71.88	-531.13
11	Grant 7 - Police	2055.00.104.09(NP)	253.42	-232.19
12	Grant 7 - Police	2055.00.104.10(NP)	2.01	-210.00
13	Grant 7 - Police	2055.00.104.28(NP)	2.00	-362.54
14	Grant 7 - Police	2055.00.104.29(NP)	74.52	-319.52
15	Grant 7 - Police	2055.00.104.31(NP)	52.77	-269.82
16	Grant 7 - Police	2055.00.104.32(NP)	-111.33	-160.29
17	Grant 7 - Police	2055.00.104.33(NP)	11.75	-199.92
18	Grant 7 - Police	2055.00.109.16(NP)	354.60	-190.90
19	Grant 7 - Police	2055.00.109.17(NP)	105.20	-268.93
20	Grant 7 - Police	2055.00.109.22(NP)	63.48	-1861.19
21	Grant 7 - Police	2055.00.109.23(NP)	9.60	-203.25
22	Grant 7 - Police	2055.00.109.34(NP)	28.39	-222.69
23	Grant 7 - Police	2055.00.114.36(NP)	133.05	-215.74
24	Grant 7 - Police	2055.00.115.25(NP)	-725.86	-784.15
25	Grant 8 - Public Works Department	4059.01.051.11(V)	140.60	-347.54
26	Grant 8 - Public Works Department	5054.80.800.48(V)	127.17	-452.13
27	Grant 10 - Education	2202.01.101.19(NP)	-4219.63	-2332.97
28	Grant 10 - Education	2202.02.109.24(NP)	1378.57	-351.65
29	Grant 10 - Education	2202.03.103.11(NP)	179.64	-888.92
30	Grant 10 - Education	2202.04.001.07(NP)	344.36	-141.58
31	Grant 10 - Education	2202.01.800.82(V)	715.44	-22775.56
32	Grant 10 - Education	2202.03.103.31(H)	145.00	-337.01
33	Grant 10 - Education	2202.04.001.01(H)	226.50	-266.19

34	Grant 10 - Education	2202.80.800.72(V)	835.08	-364.12
35	Grant 10 - Education	4202.01.800.47(H)	115.00	-115.05
36	Grant 10 - Education	2202.03.800.17 [CSS(H)]	2570.40	-2570.40
37	Grant 10 - Education	2202.03.800.17 [CSS(V)]	5997.60	-5997.60
38	Grant 11 - Medical, Health and Family Welfare Services	2210.04.200.12(NP)	140.18	-212.10
39	Grant 12 - Municipal Administration, Housing and Urban Development	4217.01.800.12(V)	1019.00	-436.21
40	Grant 12 - Municipal Administration, Housing and Urban Development	4217.01.800.28(V)	-5040.00	-206.90
41	Grant 13 – Labour and Employment	2230.01.101.03(NP)	133.62	-195.00
42	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	3604.00.200.10(NP)	115.71	-2009.23
43	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	2225.02.800.14(V)	121.99	-1325.75
44	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	4225.01.800.33(V)	96.95	-356.36
45	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	4225.02.800.02(V)	-10.00	-261.00
46	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	4225.02.800.32(H)	-15.00	-210.00
47	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	2225.02.800.05[CPS(H)]	100.00	-100.00
48	Grant 17 - Agriculture	2705.00.800.08(H)	15.00	-365.00
49	Grant 17 - Agriculture	4705.00.103.01(H)	-29.00	-2000.00
50	Grant 17 - Agriculture	4705.00.103.01(V)	-370.00	-3209.80
51	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.001.01(NP)	-59.69	-171.98
52	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.001.05(NP)	-152.14	-563.06
53	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.101.04(NP)	-142.70	-900.34
54	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.102.09(NP)	-82.36	-658.62
55	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.102.01(V)	499.33	-793.00
56	Grant 19 - Environment and Forest	2406.01.800.55(NP)	939.50	-169.81
57	Grant 19 - Environment and Forest	2406.01.105.05(H)	258.47	-119.57
58	Grant 19 - Environment and Forest	2406.04.101.15(H)	240.02	-240.02
59	Grant 19 - Environment and Forest	2552.23.800.29(V)	100.60	-100.60
60	Grant 20 – Community and Rural Development	2505.60.101.09(V)	118.42	-195.42
61	Grant 21 - Commerce & Industries	2851.00.001.01(NP)	-32.95	-167.48
62	Grant 21 - Commerce & Industries	2851.00.102.03(NP)	-7.75	-120.91
63	Grant 21 - Commerce & Industries	2851.00.103.42(H)	52.28	-560.00
64	Grant 21 - Commerce & Industries	2852.08.600.01(V)	36.45	-198.98
65	Grant 22 - Public Health Engineering	2215.01.001.01(NP)	387.61	-367.29
66	Grant 22 - Public Health Engineering	2215.01.101.03(NP)	-17.29	-100.43
67	Grant 22 - Public Health Engineering	4215.01.101.05(V)	277.50	-177.38
68	Grant 22 - Public Health Engineering	4215.01.102.14(V)	60.00	-336.16
69	Grant 22 - Public Health Engineering	4215.01.102.19(H)	-10.00	-311.97
70	Grant 22 - Public Health Engineering	4215.01.102.20(V)	237.45	-927.48
71	Grant 23 - Power	2801.80.80038(NP)	49.29	-881.13



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72	Grant 23 - Power	2801.80.80039(NP)	934.26	-3273.55
73	Grant 26 – Administration of Justice	2014.00.114.04(NP)	25.19	-326.10
74	Grant 28 – State Excise	2039.00.001.02(NP)	-18.88	-184.35
75	Grant 30 - Planning	3451.00.092.03(NP)	1.55	-102.05
76	Grant 30 - Planning	2575.02.800.17(V)	400.00	-3890.00
77	Grant 30 - Planning	3451.00.092.04(H)	500.00	-1500.00
78	Grant 30 – Planning	3451.00.800.17 (V)	-6751.22	-2067.03
79	Grant 36 - Minor Irrigation	4702.00.800.02(H)	-300.00	-3617.40
80	Grant 36 - Minor Irrigation	4702.00.800.02(V)	300.00	-3717.44
81	Grant 39 – Sericulture	2851.00.103.10(V)	696.96	-696.96
82	Grant 40 - Irrigation and Flood Control Department	2711.01.001.03(NP)	-83.79	-117.06
83	Grant 40 - Irrigation and Flood Control Department	2700.05.001.01(H)	147.06	-585.39
84	Grant 40 - Irrigation and Flood Control Department	4552.03.800.04(V)	150.00	-150.00
85	Grant 40 - Irrigation and Flood Control Department	4700.03.800.11(V)	-16470.00	-5258.49
86	Grant 40 - Irrigation and Flood Control Department	4700.04.800.12(V)	-135.00	-172.38
87	Grant 40 - Irrigation and Flood Control Department	4711.01.103.03(V)	-5856.62	-1133.94
88	Grant 44 - Social Welfare Department	2235.02.102.40(V)	-81.19	-131.26
89	Grant 44 - Social Welfare Department	2235.02.104.32(H)	3.41	-933.60
90	Grant 44 - Social Welfare Department	2235.02.106.19(H)	-7.50	-650.06
91	Grant 44 - Social Welfare Department	2235.02.106.19(V)	7.50	-1273.72
92	Grant 44 - Social Welfare Department	2235.02.102.14[CSS(V)]	24.35	-240.57
93	Grant 45 – Tourism	4552.01.101.01(V)	107.55	-107.55
94	Grant 45 – Tourism	5452.01.101.08(V)	457.73	-457.73
95	Grant 45 – Tourism	5452.01.101.11(V)	291.38	-291.38
96	Grant 45 – Tourism	5452.01.101.14(V)	553.72	-553.72
97	Grant 49 – Relief and Disaster Management	2245.80.102.02(V)	29.03	-179.68
<b>Sub Total</b>			<b>-16987.89</b>	<b>-95858.06</b>
<b>Excess Cases</b>				
98	Appropriation No. 2- Interest Payment & Debt Services	2049.01.123.43(NP)	0.34	468.95
99	Appropriation No. 2- Interest Payment & Debt Services	2049.01.200.35(NP)	-30.77	163.03
100	Grant 4 – Land Revenue, Stamps and Registration and District Administration	2029.00.103.27(NP)	-14.19	112.53
101	Grant 5 – Finance Department	2071.01.111.28(NP)	24.79	214.28
102	Grant 8 - Public Works Department	5054.04.800.46(V)	30.74	144.40
103	Grant 8 - Public Works Department	5054.80.800.48(V)	-452.91	441.93
104	Grant 10 – Education	2202.80.003.08(NP)	4.55	354.02
105	Grant 10 – Education	4202.01.203.97(V)	25.00	366.16
106	Grant 10 – Education	4202.01.800.47(V)	91.01	115.00
107	Grant 10 - Education	2202.01.800.13[CSS(V)]	-7536.65	4796.07
108	Grant 10 - Education	2202.02.800.14[CSS(V)]	-888.56	825.25

109	Grant 12 – Municipal Administration, Housing and Urban Development	4217.01.800.10(V)	116.74	254.64
110	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	4225.01.800.32(V)	20.00	142.54
111	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Caste Development	4225.02.800.32(V)	351.00	470.99
112	Grant 19 – Environment and Forest	2406.04.101.01(V)	-239.96	240.02
113	Grant 20 – Community and Rural Development	2505.60.101.09(H)	-118.42	213.08
114	Grant 20 – Community and Rural Development	2575.02.800.16(H)	4.78	3478.00
115	Grant 21 – Commerce and Industries	4851.00.800.84(V)	75.00	455.40
116	Grant 22 - Public Health Engineering	2215.01.101.10(NP)	-67.00	436.09
117	Grant 22 - Public Health Engineering	4215.01.102.20(H)	1579.19	1488.31
118	Grant 28 – State Excise	2039.00.001.01(NP)	-0.01	155.74
119	Grant 30 – Planning	3451.00.092.04(V)	550.00	1500.00
120	Grant 44 – Social Welfare Department	2235.02.102.40(H)	-34.79	207.20
121	Grant 44 – Social Welfare Department	2235.02.104.32(V)	-3.41	326.81
122	Grant 48 – Relief and Disaster Management	2245.80.102.02(NP)	-0.10	165.89
<b><i>Sub Total</i></b>			<b>-6513.63</b>	<b>17536.33</b>
<b>Total</b>			<b>-23501.52</b>	<b>-78321.73</b>

(Source: Detailed Appropriation Accounts)

**Appendix 2.7**  
(Reference: Paragraph 2.3.9)

**Statement showing cases of substantial surrenders (exceeding ₹ 10 crore) made during the year 2014-15**

*(₹ in crore)*

Sl No.	Name of Grant	Head of Account	Total provision (O+S)	Amount surrendered	Percentage of surrender
1	2	3	4	5	6
1	12 - Municipal Administration Housing and Urban Development	4217 - Capital Outlay on Urban Development			
		01 - State Capital Development			
		800 - Other Expenditure			
		28 - JNNURM	75.00	36.04	48.05
2	19 - Environment and Forest	2406 - Forestry and Wild Life			
		01 - Forestry			
		800 - Other Expenditure			
		58 - Scheme under EAP	50.00	28.80	57.60
3	30 - Planning	3451 - Secretariat Economic Services			
		00 -			
		092 - Other Offices			
		13 - Special Development Fund	188.97	179.50	94.99
4	30 - Planning	3451 - Secretariat Economic Services			
		00 -			
		092 - Other Offices			
		26 - Earmarked resource to bridge the gap in Plan Finance	300.00	300.00	100.00
5	30 - Planning	3451 - Secretariat Economic Services			
		00 -			
		800 -Other Expenditure			
		17 - Schemes under NLCPR	98.18	68.18	69.44
6	30 - Planning	4059 - Capital Outlay on Public Works			
		01 - Office Buildings			
		101 - Construction-General Pool Accommodation			
		01 - Special Plan Assistance	450.00	356.31	79.18
7	39 - Sericulture	4851 - Capital Outlay on Village and Small Industries			
		00 -			
		107 - Sericulture Industries			
		14 - Sericulture Project	50.00	40.00	80.00
8	40- Irrigation and Flood Control Department	4700 - Capital Outlay on Major Irrigation			
		03 - Thoubal River Irrigation Project			
		800 - Other Expenditure			
		11 - Thoubal River Irrigation Project	309.17	159.37	51.55
9	40- Irrigation and Flood Control Department	4711 - Capital Outlay on Flood Control Projects			
		01 - Flood Control			
		103 - Civil Works	102.47	62.40	60.90
		<b>Total</b>	<b>1623.79</b>	<b>1230.60</b>	

(Source: Detailed Appropriation Accounts)

**Appendix 2.8**  
(Reference: Paragraph 2.3.11)

**Statement of various Grants/Appropriations in which savings occurred but no part of which had been surrendered**

(₹ in lakh)

Sl. No.	Grants/Appropriation No.	Total Provision	Expenditure	Saving
<b>Revenue Voted</b>				
1	1- State Legislature	4393.54	4125.05	268.49
2	3- Secretariat	7262.92	6408.04	854.88
3	4- Land Revenue, Stamps & Registration and District Administration	7742.66	7070.68	671.98
4	5 - Finance Department	99043.75	98419.56	624.19
5	7- Police	105413.35	96866.09	8547.26
6	8 - Public Works Department	23195.45	18681.10	4514.35
7	10- Education	145255.83	105092.45	40163.38
8	11 - Medical, Health and Family Welfare Services	46399.63	41765.48	4634.15
9	13- Labour and Employment	1607.73	1342.33	265.40
10	14 - Department of Tribal Affairs, Hills and Scheduled Caste Development	58394.33	51626.94	6767.39
11	16 - Co-operation	1881.10	1839.02	42.08
12	17- Agriculture	17849.74	16196.80	1652.94
13	18 - Animal Husbandry and Veterinary including Dairy Farming	10690.77	7062.51	3628.26
14	20 - Community and Rural Development	113161.02	53803.15	59357.87
15	21 - Commerce and Industries	12644.74	6008.50	6636.24
16	23 - Power	47057.53	45004.11	2053.42
17	24 - Vigilance Department	295.30	290.32	4.98
18	25 - Youth Affairs and Sports Department	4259.09	4198.71	60.38
19	26 - Administration of Justice	2935.95	2142.59	793.36
20	27 - Election	1589.03	1468.47	120.56
21	31 - Fire Protection and Control	1200.60	1113.70	86.90
22	33 - Home Guards	1059.21	1005.51	53.70
23	34 - Rehabilitation	485.19	438.93	46.26
24	38 - Panchayat	13992.43	10247.35	3745.08
25	40 - Irrigation and Flood Control Department	7060.87	6706.77	354.10
26	41 - Art and Culture	2160.00	2078.07	81.93
27	42 - State Academy of Training	692.31	617.81	74.50
28	44 - Social Welfare Department	35936.87	16562.24	19374.63
29	45 - Tourism	904.49	896.05	8.44
30	46 - Science and Technology	607.29	586.83	20.46
31	47 - Minorities and Other Backward Classes Department	5020.14	4041.17	978.97
32	48 - Relief and Disaster Management	1818.82	1569.27	249.55
33	49 - Economics and Statistics	1746.31	1488.52	257.79
34	50 - Information Technology	6157.68	6156.14	1.54
<b>Revenue Charged</b>				
35	1 - State Legislature	49.13	43.04	6.09
36	Appropriation 1 - Governor	400.82	365.14	35.68
37	Appropriation 3 - Manipur Public Service Commission	480.54	424.65	55.89
38	5 - Finance Department	10.01	7.57	2.44
39	8 - Public Works Department	120.00	37.00	83.00
40	26 - Administration of Justice	1170.67	975.33	195.34
<b>Capital voted</b>				
41	2 - Council Of Ministers	80.00	15.00	65.00

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42	3 - Secretariat	750.00	500.00	250.00
43	5 - Finance Department	40.01	9.30	30.71
44	7 - Police	7967.36	4792.36	3175.00
45	8 - Public Works Department	38350.61	27909.00	10441.61
46	10 - Education	5897.32	3460.08	2437.24
47	11 - Medical, Health and Family Welfare Services	16050.45	16038.30	12.15
48	14 - Department of Tribal Affairs, Hills and Scheduled Caste Development	1537.36	1323.53	213.83
49	15 - Consumers Affairs, Food and Public Distribution	300.00	0.00	300.00
50	18 - Animal Husbandry and Veterinary including Dairy Farming	212.36	209.82	2.54
51	21 - Commerce and Industries	1737.32	928.02	809.30
52	22 - Public Health Engineering	18506.40	18300.35	206.05
53	23 - Power	9484.21	4268.97	5215.24
54	25 - Youth Affairs and Sports Department	11480.72	8978.01	2502.71
55	26 - Administration of Justice	5082.00	3577.00	1505.00
56	36 - Minor Irrigation	11179.88	3556.53	7623.35
57	41 - Art and Culture	1061.20	859.93	201.27
58	44 - Social Welfare Department	2264.10	7.50	2256.60
59	45 - Tourism	8256.75	4644.57	3612.18
60	47 - Minorities and Other Backward Classes Department	3210.99	1820.67	1390.32
<b>Capital Charged</b>				
61	Appropriation 2 – Interest Payment and Debt services	27706.36	27323.75	382.61
<b>Total</b>		<b>963302.24</b>	<b>753295.68</b>	<b>210006.56</b>

(Source: Appropriation Accounts)

**Appendix 2.9**  
(Reference: Paragraph 2.3.11)

**Statement showing details of saving of ₹ one crore and above not surrendered**

*(₹ in lakh)*

Sl. No.	Grant No.	Total provision	Expenditure	Saving	Surrender	Saving not surrendered
(1)	(2)	(3)	(4)	(5)	(6)	(7) (5-6)
<b>Revenue Voted</b>						
1	1 - State Legislature	4393.54	4125.05	268.49	0.00	268.49
2	3 - Secretariat	7262.92	6408.04	854.88	0.00	854.88
3	4 - Land Revenue, Stamps & Registration and District Administration	7742.66	7070.68	671.98	0.00	671.98
4	5 - Finance Department	99043.75	98419.56	624.19	0.00	624.19
5	7 - Police	105413.35	96866.09	8547.26	0.00	8547.26
6	8 - Public Works Department	23195.45	18681.10	4514.35	0.00	4514.35
7	10 - Education	145255.83	105092.45	40163.38	0.00	40163.38
8	11 - Medical, Health and Family Welfare Services	46399.63	41765.48	4634.15	0.00	4634.15
9	12 - Municipal Administration, Housing and Urban Development	6742.30	5554.71	1187.59	0.46	1187.13
10	13 - Labour and Employment	1607.73	1342.33	265.40	0.00	265.40
11	14 - Department of Tribal Affairs, Hills and Scheduled Caste Development	58394.33	51626.94	6767.39	0.00	6767.39
12	15 - Consumers Affairs, Food and Public Distribution	2047.22	1551.44	495.78	109.75	386.03
13	17 - Agriculture	17849.74	16196.80	1652.94	0.00	1652.94
14	18 - Animal Husbandry and Veterinary including Dairy Farming	10690.77	7062.51	3628.26	0.00	3628.26
15	19 - Environment and Forest	16971.74	13099.93	3871.81	2879.62	992.19
16	20 - Community and Rural Development	113161.02	53803.15	59357.87	0.00	59357.87
17	21 - Commerce and Industries	12644.74	6008.50	6636.24	0.00	6636.24
18	23 - Power	47057.53	45004.11	2053.42	0.00	2053.42
19	26 - Administration of Justice	2935.95	2142.59	793.36	0.00	793.36
20	27 - Election	1589.03	1468.47	120.56	0.00	120.56
21	30 - Planning	72373.16	9687.81	62685.35	54768.64	7916.71
22	38 - Panchayat	13992.43	10247.35	3745.08	0.00	3745.08
23	39 - Sericulture	3278.50	1807.93	1470.57	605.15	865.42
24	40 - Irrigation and Flood Control Department	7060.87	6706.77	354.10	0.00	354.10
25	43 - Horticulture and Soil Conservation	8740.58	8112.81	627.77	111.42	516.35
26	44 - Social Welfare Department	35936.87	16562.24	19374.63	0.00	19374.63
27	47 - Minorities and Other Backward Classes Department	5020.14	4041.17	978.97	0.00	978.97
28	48 - Relief and Disaster Management	1818.82	1569.27	249.55	0.00	249.55

29	49 - Economics and Statistics	1746.31	1488.52	257.79	0.00	257.79
<b>Revenue Charged</b>						
30	26 - Administration of Justice	1170.67	975.33	195.34	0.00	195.34
<b>Capital Voted</b>						
31	3 - Secretariat	750.00	500.00	250.00	0.00	250.00
32	7 - Police	7967.36	4792.36	3175.00	0.00	3175.00
33	8 - Public Works Department	38350.61	27909.00	10441.61	0.00	10441.61
34	10 - Education	5897.32	3460.08	2437.24	0.00	2437.24
35	12 - Municipal Administration, Housing and Urban Development	9292.60	4714.18	4578.42	3604.26	974.16
36	14 - Department of Tribal Affairs, Hills and Scheduled Caste Development	1537.36	1323.53	213.83	0.00	213.83
37	15 - Consumers Affairs, Food and Public Distribution	300.00	0.00	300.00	0.00	300.00
38	17 - Agriculture	5813.00	204.20	5608.80	399.00	5209.80
39	21 - Commerce and Industries	1737.32	928.02	809.30	0.00	809.30
40	22 - Public Health Engineering	18506.40	18300.35	206.05	0.00	206.05
41	23 - Power	9484.21	4268.97	5215.24	0.00	5215.24
42	25 - Youth Affairs and Sports Department	11480.72	8978.01	2502.71	0.00	2502.71
43	26 - Administration of Justice	5082.00	3577.00	1505.00	0.00	1505.00
44	36 - Minor Irrigation	11179.88	3556.53	7623.35	0.00	7623.35
45	40 - Irrigation and Flood Control Department	45357.02	15166.43	30190.59	22311.62	7878.97
46	41 - Art and Culture	1061.20	859.93	201.27	0.00	201.27
47	44 - Social Welfare Department	2264.10	7.50	2256.60	0.00	2256.60
48	45 - Tourism	8256.75	4644.57	3612.18	0.00	3612.18
49	47 - Minorities and Other Backward Classes Department	3210.99	1820.67	1390.32	0.00	1390.32
<b>Capital Charged</b>						
50	Appropriation 2 - Interest Payment and Debt services	27706.36	27323.75	382.61	0.00	382.61
<b>Grand Total</b>		<b>1096772.78</b>	<b>776824.21</b>	<b>319948.57</b>	<b>84789.92</b>	<b>235158.65</b>

(Source: Appropriation Accounts)

**Appendix 2.10**  
(Reference: Paragraph 2.3.11)

**Statement showing cases of surrender of funds made as on 31 March 2015**

*(₹ in lakh)*

Sl. No.	Grant No.	Total Provision	Expenditure	Excess (+) /Saving (-)	Surrender	%age of surrender vis-à-vis Total Provision
<b>Revenue Voted</b>						
1	2 - Council Of Ministers	557.23	467.35	-89.88	6.23	1.12
2	6 - Transport	711.52	626.17	-85.35	131.02	18.41
3	9 - Information and Publicity	525.56	503.55	-22.01	9.03	1.72
4	12 - Municipal Administration, Housing and Urban Development	6742.30	5554.71	-1187.59	0.46	0.01
5	15 - Consumers Affairs, Food and Public Distribution	2047.22	1551.44	-495.78	109.75	5.36
6	19 - Environment and Forest	16971.74	13099.93	-3871.81	2879.62	16.97
7	28 - State Excise	1918.14	1758.75	-159.39	142.34	7.42
8	29 - Sales Tax, Other Taxes/Duties on Commodities and Services	467.07	427.05	-40.02	36.84	7.89
9	30 - Planning	72373.16	9687.81	-62685.35	54768.64	75.68
10	32 - Jails	1611.57	1567.93	-43.64	27.04	1.68
11	35 - Stationery and Printing	559.59	511.72	-47.87	43.97	7.86
12	36 - Minor Irrigation	1160.35	1071.95	-88.40	14.38	1.24
13	37 - Fisheries	2956.15	2689.63	-266.52	181.51	6.14
14	39 - Sericulture	3278.50	1807.93	-1470.57	605.15	18.46
15	43 - Horticulture and Soil Conservation	8740.58	8112.81	-627.77	111.42	1.27
<b>Capital Voted</b>						
16	1 - State Legislature	100.00	10.00	-90.00	0.90	0.90
17	12 - Municipal Administration, Housing and Urban Development	9292.60	4714.18	-4578.42	3604.26	38.79
18	13 - Labour and Employment	5.02	0.00	-5.02	5.00	99.60
19	17 - Agriculture	5813.00	204.20	-5608.80	399.00	6.86
20	30 - Planning	45743.09	10048.53	-35694.56	35630.67	77.89
21	37 - Fisheries	314.40	279.40	-35.00	35.00	11.13
22	39 - Sericulture	5000.00	1000.00	-4000.00	4000.00	80.00
23	40 - Irrigation and Flood Control Department	45357.02	15166.43	-30190.59	22311.62	49.19
<b>Total</b>		<b>232245.81</b>	<b>80861.47</b>	<b>-51384.34</b>	<b>125053.85</b>	<b>53.85</b>

(Source: Appropriation Accounts)



**Appendix 2.11**  
(Reference: Paragraph 2.3.12)

**Rush of expenditure during March where expenditure was more than ₹ 10 crore and 25 per cent of the total expenditure for the year**

*(₹ in crore)*

Sl. No.	Grant	Description / Major Head	Expenditure during Jan-March	Expenditure during March	Total expenditure	% of total expenditure during Jan-March	% of total expenditure during March
1	2	3	4	5	6	7	8
1	1	Parliament/State/Union Territory Legislatures/2011	17.75	10.62	41.68	42.59	25.48
2	7	Capital Outlay on Police/4055	19.24	19.24	19.24	100.00	100.00
3	7	Capital Outlay on Public Works/4059	28.68	28.59	28.68	100.00	99.69
4	10	Capital Outlay on Education, Sports, Art and Culture/4202	31.99	30.50	32.60	98.13	93.56
5	11	Capital Outlay on Medical and Public Health/4210	130.44	126.37	158.64	82.22	79.66
6	12	Urban Development/2217	27.62	22.83	42.61	64.82	53.58
7	12	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions/3604	12.94	12.94	12.94	100.00	100.00
8	12	Capital Outlay on Urban Development/4217	23.49	20.95	47.17	49.80	44.41
9	14	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities/2225	110.19	105.55	117.19	94.03	90.07
10	14	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities/4225	13.24	13.24	11.34	116.75	116.75
11	17	Crop Husbandry/2401	54.24	49.90	119.89	45.24	41.62
12	17	Agricultural Research and Education/2415	21.65	21.45	23.24	93.16	92.30

1	2	3	4	5	6	7	8
13	21	Village and Small Industries/ 2851	22.49	16.82	54.27	41.44	30.99
14	23	Power/2801	182.33	130.57	450.04	40.51	29.01
15	25	Capital Outlay on Education, Sports, Art and Culture/4202	37.63	25.68	87.99	42.77	29.19
16	26	Capital Outlay on Public Works/4059	25.59	23.99	35.77	71.54	67.07
17	30	Secretariat Economic Services/ 3451	46.22	27.95	92.78	49.82	30.13
18	30	Capital Outlay on Public Works/4059	92.87	92.87	93.05	99.81	99.81
19	38	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions/3604	33.47	32.26	63.76	52.49	50.60
20	39	Capital Outlay on Village and Small Industries/4851	10.00	10.00	10.00	100.00	100.00
21	43	Crop Husbandry/2401	25.24	22.77	62.51	40.38	36.43
22	44	Social Security and Welfare/ 2235	75.34	59.77	145.29	51.85	41.14
23	45	Capital Outlay on Tourism/ 5452	37.48	27.49	43.77	85.63	62.81
24	47	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities/2225	27.53	26.70	40.41	68.13	66.07
25	50	Other Scientific Research/ 3425	57.95	57.66	61.56	94.14	93.66

(Source: O/o The Accountant General (A&E), Manipur)

**Appendix 2.12**  
(Reference: Paragraph 2.4.1)

**Pending DCC bills up to 2014-15 as on June 2015**

*(₹ in crore)*

Sl. No.	Department/Institutes	Number of AC bills	Amount of Pending DCC bills
1	Agriculture Department	15	48.62
2	Art & Culture Department	9	8.49
3	Co-operation Department	1	0.39
4	Department of Information & Public Relations	3	2.23
5	Development of Tribals and Backward Classes	148	107.57
6	Directorate of Civil Defence, Manipur	1	1.80
7	District Administration	6	1.15
8	District and Sessions Judge	1	2.17
9	Education (School) Department	127	179.55
10	Education (University) Department	81	50.38
11	Election Department	2	18.30
12	Family and Children Welfare Bureau	13	3.52
13	Finance Department	20	13.35
14	Fisheries Department	6	0.73
15	Food and Civil Supply Department	11	10.78
16	Forest Department	3	7.00
17	General Administration Department	4	2.15
18	Governor Secretariat	1	1.25
19	Horticulture Department	29	49.14
20	Industries Department	21	14.48
21	Information Technology	4	11.37
22	Jail (Prison) Department	4	2.93
23	Labour Department	3	0.20
24	Manipur Public Service Commission	2	0.44
25	Medical and Health Services Department	314	425.81
26	Municipal Administration, Housing and Urban Development	6	4.83
27	Planning Department	40	181.88
28	Police Department	47	103.36
29	Power Department	20	123.49
30	Rural Development and Panchayati Raj	16	26.10
31	Science and Technology Department	6	4.17
32	Secretariat Development Department	1	7.50
33	Sericulture Department	3	10.63
34	Sports and Youth Services Department	41	67.47
35	State Council of Educational Research & Training Department	13	1.08
36	Taxation Department	5	1.50
37	Tourism Department	42	56.95
38	Transport Department	5	4.98
39	Veterinary and Animal Husbandry Department	30	6.63
40	Weights & Measures Department	1	0.20
41	Welfare of Minorities and other Backward Classes	33	27.32
<b>Total</b>		<b>1138</b>	<b>1591.89</b>

(Figures as furnished from the output of Voucher Level Computerization Software,  
(Source: O/o The Accountant General (A&E), Manipur)

**Appendix 2.13**  
(Reference: Paragraph 2.4.2)

**Controlling Officers of the Government of Manipur who had not reconciled the figures for the year 2014-15 with the Accounts booked by the Office of the Accountant General (A&E), Manipur**

		<i>(₹ in crore)</i>
<b>Sl. No.</b>	<b>Name of Controlling Officers</b>	<b>Amount</b>
1	Commissioner GAD	66.49
2	D.C. Imphal East	6.28
3	D.C. Bishnupur	0.32
4	D.C. Churchandpur	4.46
5	D.C. Chandel	4.32
6	D.C. Thoubal	2.55
7	D.C. Ukhrul	1.53
8	D.C. Senapati	4.35
9	D.C. Tamenglong	3.72
10	Secretary, MPSC	4.25
11	Director Local Fund Audit	1.71
12	Director Settlement & Land Revenue	24.84
13	Commissioner/Secretary (Finance)	384.80
14	Director Transport	6.26
15	Director MAHUD	102.69
16	Inspector General Registration	3.22
17	Commissioner Taxes	4.27
18	Director RD & Panchayati Raj	643.41
19	Commissioner Excise	17.59
20	Chief Engineer PWD	63.20
21	Chief Engineer IFCD	65.25
22	Chief Engineer PHED	50.15
23	Chief Engineer Power	492.73
24	Chief Engineer Minor Irrigation	10.22
25	Director of Agriculture	155.98
26	Director Fishery	29.69
27	Director Information & Public Relation	7.31
28	Director Tribal Affairs & Hills	527.76
29	Register Co-operation	18.78
30	Director Relief & Disaster Management	13.06
31	Director Rehabilitation	4.39
32	Director Education (U)	164.84
33	Director Education (S)	866.14
34	Director DIET	0.25
35	Director YAS	45.25
36	Controller Technical Education	8.05
37	Deputy Labour Commissioner	3.04
38	Director Sericulture	28.08
39	Director Veterinary and Animal Husbandry	72.72
40	Secretary, Manipur Legislative Assembly	41.68
41	District & Session Judge, Manipur East	45.41
42	District & Session Judge, Manipur West	2.35
43	Secretary Law Department	49.21
44	Director Tourism	60.48
<b>Total</b>		<b>4113.10</b>

(Source: O/o The Accountant General (A & E), Manipur)

**Appendix 2.14**  
(Reference: Paragraph 2.7)

**Statement showing Heads of Account in the budget not conforming to the list of Major & Minor Head of Accounts**

Sl. No.	Grant No.	Heads of Account in the budget
<b>Major Head not conforming to the list of Major &amp; Minor Head of Accounts</b>		
1	Demand No. 29 - Sales Tax, Other Taxes/ Duties on Commodities and Services	2040 - Sale Tax (Plan)
<b>Minor Heads not conforming to the list of Major &amp; Minor Head of Accounts</b>		
2	Demand No. 4 - Land Revenue Stamp Registration and District Administration	2053 - District Administration (NP) 094- Other Establishment Sub-Divisional Establishment
3	Demand No. 5 - Finance Department	4610 - Loans to Government Servants etc. (NP) 203 - Advances for Purchase of Other Conveyances 21 - Loan to All India Service Officers (Purchase of Computer)
4	Demand No. 10 - Education	2202 - General Education (CSS) 02 - Secondary Education 104 - Government Secondary Education
5	Demand No. 10 - Education	2202 - General Education (Plan) 01 - Elementary Education 800 - Other Expenditure 01 - State Share for Sarva Siksha Aviyan/EGS (Detail Head)
6	Demand No. 10 - Education	2202 - General Education (CSS) 01 - Elementary Education 800 - Other Expenditure 13 - Sarva Shiksha Aviyan/Universalization of Elementary Education (UEE)
7	Demand No. 10 - Education	2202 - General Education (Plan) 01 - Elementary Education 800 - Other Expenditure 42 - Mid-Day Meals (State Share)
8	Demand No. 10 - Education	2202 - General Education (CSS) 01 - Elementary Education 800 - Other Expenditure 19 - Mid-Day Meals
9	Demand No. 10 - Education	2204 - Sports & Youth Services (NP) 102 - Youth Welfare Programme
10	Demand No. 11 - Medical, Health and Family Welfare Services	2210 - Medical and Public Health (NP) 01 - Urban Health Services Allopathy 200 - Other Schemes
11	Demand No. 12 - Municipal Administration, Housing and Urban Development	2217 - Urban Development (NP) 01 - State Capital Development 191 - Assistance to Local Bodies Co-operations , Urban Development Authorities, Town
12	Demand No. 20 - Community and Rural Development	2505 - Rural Employment (Plan) 02 - Rural Employment Guarantee Scheme 102 - National Rural Employment Guarantee Scheme

13	Demand No. 21 - Commerce & Industries	4852 - Capital Outlay on Consumer Industries (Plan) <i>01 - Textiles</i> 101 - Industrial Estate
14	Demand No. 23 - Power	4801 - Capital Outlay on Power Projects (Plan) <i>01 - Hydel Generation</i> 799- Hydel Scheme
15	Demand No. 23 - Power	4801 - Capital Outlay on Power Projects (Plan) <i>05 - Transmission &amp; Distribution</i> 799- Transmission & Distribution System
16	Demand No. 23 - Power	4801 - Capital Outlay on Power Projects (Plan) <i>06 - Rural Electrification</i> 799- Rural Electrification Scheme
17	Demand No. 29 - Sales Tax, Other Taxes/ Duties on Commodities and Services	2045 - Other Taxes and Duties on Commodities & Services (NP) 101 - Collection Charges
18	Demand No. 30 - Planning	4059 - Capital Outlay on Public Works (Plan) <i>01 - Office Building</i> 101 - Construction of General Pool Accommodation

(Source: O/o The Accountant General (A & E), Manipur)

**Appendix 2.15**  
**(Reference: Paragraph 2.8)**

**Lapsed Deposit under Major Head 8449 during 2014-15**

*(in ₹)*

<b>Sl. No.</b>	<b>Name of Department</b>	<b>Name of DDO</b>	<b>Amount</b>
1	Directorate of Commerce & Industries	Handloom & Handicraft	2,68,489
2	Medical Directorate	A.O. Medical	2,65,581
3	Directorate of Fisheries	Addl. Director, Fisheries	68,25,535
4	Directorate of Commerce & Industries	Deputy Director, Industries	31,68,047
5	Directorate of Commerce & Industries	Deputy Director, Handloom	3,75,000
6	EE, Public Works Division	Deputy Director, Store (PWD)	6,445
7	Planning	Officer on Special Duty (Planning)	5,49,449
8	Labour	Deputy Labour Commissioner	39,60,000
9	Directorate of Sericulture	Deputy Director (Sericulture) HQ	1,037
<b>Total</b>			<b>154,19,583</b>

(Source: Treasury Inspection Report by O/o The Accountant General (A&E), Manipur)

**Appendix: 3.1**  
(Reference: Paragraph 3.1)

**Statement showing outstanding Utilization Certificates as on 31 March 2015**

*(₹ in crore)*

Sl. No.	Department	Year of Payment of Grant	Total Grants Paid		Utilization Certificate			
			No. of Vouchers	Amount	Received		Outstanding	
					No. of Vouchers	Amount	No. of Vouchers	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	General Administrative Department	Up to 2010-11	50	32.05	27	0.39	23	31.66
		2011-12	21	0.49	5	0.08	16	0.41
		2012-13	9	0.21	4	0.06	5	0.15
		2013-14	5	0.78	0	0	5	0.78
		2014-15	10	0.93	0	0	10	0.93
		<b>Total</b>		<b>95</b>	<b>34.46</b>	<b>36</b>	<b>0.53</b>	<b>59</b>
2	Town Planning	Up to 2010-11	6	2.02	0	0	6	2.02
		2011-12	0	0	0	0	0	0
		2012-13	3	0.63	0	0	3	0.63
		2013-14	0	0	0	0	0	0
		2014-15	0	0	0	0	0	0
		<b>Total</b>		<b>9</b>	<b>2.65</b>	<b>0</b>	<b>0</b>	<b>9</b>
3	Excise Department	Up to 2010-11	1	0.02	0	0	1	0.02
		2011-12	0	0	0	0	0	0
		2012-13	0	0	0	0	0	0
		2013-14	0	0	0	0	0	0
		2014-15	0	0	0	0	0	0
		<b>Total</b>		<b>1</b>	<b>0.02</b>	<b>0</b>	<b>0</b>	<b>1</b>
4	Police Department	Up to 2010-11	16	0.8	0	0	16	0.8
		2011-12	6	0.28	0	0	6	0.28
		2012-13	1	0.05	0	0	1	0.05
		2013-14	2	0.04	0	0	2	0.04
		2014-15	2	0.15	0	0	2	0.15
		<b>Total</b>		<b>27</b>	<b>1.32</b>	<b>0</b>	<b>0</b>	<b>27</b>
5	Youth Affairs & Sports	Up to 2010-11	24	4.05	0	0	24	4.05
		2011-12	4	1.37	0	0	4	1.37
		2012-13	2	1.01	0	0	2	1.01
		2013-14	4	2.04	0	0	4	2.04
		2014-15	3	3	0	0	3	3
		<b>Total</b>		<b>37</b>	<b>11.47</b>	<b>0</b>	<b>0</b>	<b>37</b>
6	Development of Tribals & Other Backward Classes	Up to 2010-11	486	155.24	0	0	486	155.24
		2011-12	256	276.95	0	0	256	276.95
		2012-13	596	257.3	0	0	596	257.3
		2013-14	608	304.61	0	0	608	304.61
		2014-15	714	401.66	0	0	714	401.66
		<b>Total</b>		<b>2660</b>	<b>1395.76</b>	<b>0</b>	<b>0</b>	<b>2660</b>
7	Industries Department	Up to 2010-11	37	29.57	0	0	37	29.57
		2011-12	21	19.48	0	0	21	19.48
		2012-13	14	14.37	0	0	14	14.37
		2013-14	33	19.37	0	0	33	19.37
		2014-15	9	1.17	0	0	9	1.17
		<b>Total</b>		<b>114</b>	<b>83.96</b>	<b>0</b>	<b>0</b>	<b>114</b>
8	Department Of Information & Public Relation	Up to 2010-11	0	0	0	0	0	0
		2011-12	0	0	0	0	0	0
		2012-13	0	0	0	0	0	0
		2013-14	1	0.01	0	0	1	0.01



		2014-15	0	0	0	0	0	0	0
		<b>Total</b>	<b>1</b>	<b>0.01</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0.01</b>	<b>0.01</b>
9	Arts & Culture Department	Up to 2010-11	76	4.7	0	0	76	4.7	4.7
		2011-12	54	2.3	0	0	54	2.3	2.3
		2012-13	43	5.51	0	0	43	5.51	5.51
		2013-14	47	7.02	0	0	47	7.02	7.02
		2014-15	71	7.22	0	0	71	7.22	7.22
		<b>Total</b>	<b>291</b>	<b>26.75</b>	<b>0</b>	<b>0</b>	<b>291</b>	<b>26.75</b>	<b>26.75</b>
10	Agriculture Department	Up to 2010-11	2	0.1	0	0	2	0.1	0.1
		2011-12	2	0.05	0	0	2	0.05	0.05
		2012-13	1	0.05	0	0	1	0.05	0.05
		2013-14	1	0.02	0	0	1	0.02	0.02
		2014-15	3	1.77	0	0	3	1.77	1.77
		<b>Total</b>	<b>9</b>	<b>1.99</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>1.99</b>	<b>1.99</b>
11	Horticulture & Soil Conservation	Up to 2010-11	0	0	0	0	0	0	0
		2011-12	0	0	0	0	0	0	0
		2012-13	0	0	0	0	0	0	0
		2013-14	0	0	0	0	0	0	0
		2014-15	1	0.73	0	0	1	0.73	0.73
		<b>Total</b>	<b>1</b>	<b>0.73</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0.73</b>	<b>0.73</b>
12	Veterinary. & A.H. Services	Up to 2010-11	46	5.29	0	0	46	5.29	5.29
		2011-12	3	1.26	0	0	3	1.26	1.26
		2012-13	6	0.25	0	0	6	0.25	0.25
		2013-14	10	2.13	0	0	10	2.13	2.13
		2014-15	6	6.9	0	0	6	6.9	6.9
		<b>Total</b>	<b>71</b>	<b>15.83</b>	<b>0</b>	<b>0</b>	<b>71</b>	<b>15.83</b>	<b>15.83</b>
13	Medical & Health Services	Up to 2010-11	17	50.51	0	0	17	50.51	50.51
		2011-12	7	62.57	0	0	7	62.57	62.57
		2012-13	5	60.75	0	0	5	60.75	60.75
		2013-14	6	81.43	0	0	6	81.43	81.43
		2014-15	24	192.14	0	0	24	192.14	192.14
		<b>Total</b>	<b>59</b>	<b>447.4</b>	<b>0</b>	<b>0</b>	<b>59</b>	<b>447.4</b>	<b>447.4</b>
14	Fisheries Department	Up to 2010-11	23	4.62	10	3.18	13	1.44	1.44
		2011-12	5	1.62	0	0	5	1.62	1.62
		2012-13	10	1.87	0	0	10	1.87	1.87
		2013-14	9	2.17	0	0	9	2.17	2.17
		2014-15	7	1.99	0	0	7	1.99	1.99
		<b>Total</b>	<b>54</b>	<b>12.27</b>	<b>10</b>	<b>3.18</b>	<b>44</b>	<b>9.09</b>	<b>9.09</b>
15	Social Welfare Department	Up to 2010-11	52	6.56	0	0	52	6.56	6.56
		2011-12	6	0.95	0	0	6	0.95	0.95
		2012-13	12	1.88	0	0	12	1.88	1.88
		2013-14	9	1.41	0	0	9	1.41	1.41
		2014-15	7	1.07	0	0	7	1.07	1.07
		<b>Total</b>	<b>86</b>	<b>11.87</b>	<b>0</b>	<b>0</b>	<b>86</b>	<b>11.87</b>	<b>11.87</b>
16	Sericulture Department	Up to 2010-11	5	12.02	0	0	5	12.02	12.02
		2011-12	3	5.08	0	0	3	5.08	5.08
		2012-13	4	8.75	0	0	4	8.75	8.75
		2013-14	3	11.92	0	0	3	11.92	11.92
		2014-15	4	0.49	0	0	4	0.49	0.49
		<b>Total</b>	<b>19</b>	<b>38.26</b>	<b>0</b>	<b>0</b>	<b>19</b>	<b>38.26</b>	<b>38.26</b>
17	Planning Department	Up to 2010-11	28	76.06	0	0	28	76.06	76.06
		2011-12	22	81.63	0	0	22	81.63	81.63
		2012-13	25	67.47	0	0	25	67.47	67.47
		2013-14	13	54	0	0	13	54	54
		2014-15	16	74.45	0	0	16	74.45	74.45
		<b>Total</b>	<b>104</b>	<b>353.61</b>	<b>0</b>	<b>0</b>	<b>104</b>	<b>353.61</b>	<b>353.61</b>
18	Science & Technology	Up to 2010-11	22	19.74	14	16.42	8	3.32	3.32
		2011-12	6	5.59	4	5.05	2	0.54	0.54

		2012-13	11	2.88	10	2.35	1	0.53
		2013-14	16	6.73	0	0	16	6.73
		2014-15	12	1.3	0	0	12	1.3
		<b>Total</b>	<b>67</b>	<b>36.24</b>	<b>28</b>	<b>23.82</b>	<b>39</b>	<b>12.42</b>
19	Education Department (U)	Up to 2010-11	47	16.88	0	0	47	16.88
		2011-12	16	5.63	0	0	16	5.63
		2012-13	23	7.45	0	0	23	7.45
		2013-14	29	7.54	0	0	29	7.54
		2014-15	20	14.56	0	0	20	14.56
		<b>Total</b>	<b>135</b>	<b>52.06</b>	<b>0</b>	<b>0</b>	<b>135</b>	<b>52.06</b>
20	Education (S)	Up to 2010-11	266	45.41	0	0	266	45.41
		2011-12	121	39.31	0	0	121	39.31
		2012-13	191	34.78	0	0	191	34.78
		2013-14	169	29.84	0	0	169	29.84
		2014-15	200	174.66	0	0	200	174.66
		<b>Total</b>	<b>947</b>	<b>324</b>	<b>0</b>	<b>0</b>	<b>947</b>	<b>324</b>
21	Rural Development & Panchayati Raj	Up to 2010-11	155	75.79	3	18.99	152	56.8
		2011-12	81	117.7	4	19.13	77	98.57
		2012-13	106	154.41	3	9.71	103	144.7
		2013-14	70	192.01	0	0	70	192.01
		2014-15	141	602.5	0	0	141	602.5
		<b>Total</b>	<b>553</b>	<b>1142.41</b>	<b>10</b>	<b>47.83</b>	<b>543</b>	<b>1094.58</b>
22	MAHUD	Up to 2010-11	66	37.46	14	3.73	52	33.73
		2011-12	59	45.4	16	3.68	43	41.72
		2012-13	51	67.54	17	23.13	34	44.41
		2013-14	41	41.52	19	12.46	22	29.06
		2014-15	45	47.71	0	0	45	47.71
		<b>Total</b>	<b>262</b>	<b>239.63</b>	<b>66</b>	<b>43</b>	<b>196</b>	<b>196.63</b>
23	Forest Department	Up to 2010-11	47	92.95	29	87.38	18	5.57
		2011-12	16	54.05	12	50.13	4	3.92
		2012-13	27	46.88	13	23.92	14	22.96
		2013-14	26	25.03	0	0	26	25.03
		2014-15	30	13.22	0	0	30	13.22
		<b>Total</b>	<b>146</b>	<b>232.13</b>	<b>54</b>	<b>161.43</b>	<b>92</b>	<b>70.7</b>
24	Co-Operation Department	Up to 2010-11	0	0	0	0	0	0
		2011-12	0	0	0	0	0	0
		2012-13	5	0.92	0	0	5	0.92
		2013-14	4	0.79	0	0	4	0.79
		2014-15	3	2.69	0	0	3	2.69
		<b>Total</b>	<b>12</b>	<b>4.4</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>4.4</b>
25	Law Department	Up to 2010-11	19	0.3	0	0	19	0.3
		2011-12	1	0.05	0	0	1	0.05
		2012-13	0	0	0	0	0	0
		2013-14	1	0.05	0	0	1	0.05
		2014-15	1	0.01	0	0	1	0.01
		<b>Total</b>	<b>22</b>	<b>0.41</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>0.41</b>
26	PWD	Up to 2010-11	1	0.01	0	0	1	0.01
		2011-12	0	0	0	0	0	0
		2012-13	0	0	0	0	0	0
		2013-14	0	0	0	0	0	0
		2014-15	0	0	0	0	0	0
		<b>Total</b>	<b>1</b>	<b>0.01</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0.01</b>
27	District Administration	Up to 2010-11	77	4.82	0	0	77	4.82
		2011-12	23	0.75	0	0	23	0.75
		2012-13	21	0.56	0	0	21	0.56
		2013-14	21	1.12	0	0	21	1.12
		2014-15	13	0.42	0	0	13	0.42
		<b>Total</b>	<b>155</b>	<b>7.67</b>	<b>0</b>	<b>0</b>	<b>155</b>	<b>7.67</b>

28	Other Administrative Services	Up to 2010-11	6	0.17	0	0	6	0.17
		2011-12	0	0	0	0	0	0
		2012-13	0	0	0	0	0	0
		2013-14	0	0	0	0	0	0
		2014-15	1	0.01	0	0	1	0.01
		<b>Total</b>	<b>7</b>	<b>0.18</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>0.18</b>
29	Finance Department	Up to 2010-11	1	0.04	0	0	1	0.04
		2011-12	0	0	0	0	0	0
		2012-13	2	0.05	0	0	2	0.05
		2013-14	11	9.46	0	0	11	9.46
		2014-15	0	0	0	0	0	0
		<b>Total</b>	<b>14</b>	<b>9.55</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>9.55</b>
30	Welfare Of Minorities & Other Backward Classes	Up to 2010-11	28	7.08	15	2.32	13	4.76
		2011-12	9	3.9	8	3.87	1	0.03
		2012-13	19	32.46	4	2.35	15	30.11
		2013-14	8	3.12	0	0	8	3.12
		2014-15	7	3.4	0	0	7	3.4
		<b>Total</b>	<b>71</b>	<b>49.96</b>	<b>27</b>	<b>8.54</b>	<b>44</b>	<b>41.42</b>
31	Information Technology (IT)	Up to 2010-11	1	0.28	1	0.28	0	0
		2011-12	2	1	2	1	0	0
		2012-13	9	4.59	7	2.94	2	1.65
		2013-14	8	2	0	0	8	2
		2014-15	5	2	0	0	5	2
		<b>Total</b>	<b>25</b>	<b>9.87</b>	<b>10</b>	<b>4.22</b>	<b>15</b>	<b>5.65</b>
32	Labour Department	Up to 2010-11	0	0	0	0	0	0
		2011-12	1	0.5	0	0	1	0.5
		2012-13	2	0.65	0	0	2	0.65
		2013-14	1	0.15	0	0	1	0.15
		2014-15	1	0.05	0	0	1	0.05
		<b>Total</b>	<b>5</b>	<b>1.35</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>1.35</b>
33	Governor's Secretariat	Up to 2010-11	0	0	0	0	0	0
		2011-12	0	0	0	0	0	0
		2012-13	12	0.23	0	0	12	0.23
		2013-14	0	0	0	0	0	0
		2014-15	0	0	0	0	0	0
		<b>Total</b>	<b>12</b>	<b>0.23</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>0.23</b>
34	Power	Up to 2010-11	0	0	0	0	0	0
		2011-12	0	0	0	0	0	0
		2012-13	0	0	0	0	0	0
		2013-14	3	1.31	0	0	3	1.31
		2014-15	59	313.44	0	0	59	313.44
		<b>Total</b>	<b>62</b>	<b>314.75</b>	<b>0</b>	<b>0</b>	<b>62</b>	<b>314.75</b>
<b>Grand Total</b>			<b>6134</b>	<b>4863.21</b>	<b>241</b>	<b>292.55</b>	<b>5893</b>	<b>4570.66</b>

**Appendix 3.2**

(Reference: Paragraph 3.2)

**Statement showing names of Bodies, the accounts of which had not been received**

(₹ in lakh)

Sl. No	Name of the Body/Authority	Year from which accounts had not been received	Number of Accounts pending	Grant received
<b>Department: Department of Tribals Affairs and Hills</b>				
1	Autonomous District Council, Churachandpur	2014-15	1	NF
2	Autonomous District Council, Chandel	2014-15	1	NF
3	Autonomous District Council, Tamenglong	2010-11 to 2014-15	5	NF
4	Autonomous District Council, Ukhrul	2014-15	1	NF
5	Autonomous District Council, Senapati	2014-15	1	NF
6	Autonomous District Council, Kangpokpi	2014-15	1	NF
<b>Department: Law</b>				
7	Manipur State Legal Service Authority	2011-12 to 2014-15	4	NF
<b>Total</b>			<b>14</b>	

NF :- Not furnished

**Appendix 3.3**

(Reference: Paragraph 3.3)

**Statement showing position of placement of Separate Audit Reports of Autonomous District Councils/ Autonomous body as on 31 October 2015**

Name of the ADC/Autonomous Bodies	Period of entrustment	Year up to which accounts were rendered	Position of last SAR placed in the State Legislature					Position of SARs issued but not placed		
			Year of last SAR placed	Date of issue	Date of placement of SAR	Delay in placement of SAR	Reasons for delay	SARs issued	Date of issue	Reasons for non placement of SARs
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Chandel	Under Section 19 (3)	2013-14	2009-10	11.6.13	26.06.13	-	-	-	-	-
Churachandpur	-do-	2013-14	2009-10	2.12.13	19.12.13	-	-	2010-11	15.05.14	-
Sardar Hills	-do-	2013-14	2006-07	19.6.09	19.12.13	Over 4 years	NA	2008-09	15.05.14	-
Senapati	-do-	2013-14	2007-08	20.10.10	19.12.13	Over 3 years	NA	2008-09 to 2011-12	09.10.15	-
Tamenglong	-do-	2009-10	2007-08	20.10.10	19.12.13	Over 3 years	NA	-	-	-
Ukhrul	-do-	2013-14	2006-07	13.1.10	19.12.13	Over 3 years	NA	-	-	-
Manipur State Legal Service Authority	-do-	2010-11	2010-11	6.12.13	19.12.13	-	-	-	-	-

NA – Not Available

**Appendix 3.4**

(Reference: Paragraph 3.4)

**Statement of finalization of accounts and the Government investment in departmentally managed commercial and quasi-commercial undertakings**

(₹ In crore)

SI. No.	Name of the undertaking <sup>2</sup>	Accounts finalized up to	Investment per last Account finalized	Remarks/Reasons for Delay in Preparation of accounts
<b>Commerce and Industries</b>				
1	Manipur Industrial Development Corporation Limited	2009-10	12.14	NA
2	Manipur handloom and Handicrafts Development Corporation Limited	2004-05	11.68	NA
3	Manipur Electronics Development Corporation Limited	2012-13	2.15	NA
4	Manipur Food Industries Corporation Limited	2009-10	5.41	NA
<b>Power</b>				
5	Manipur State Power Company Limited	2013-14	10.05	NA
6	Manipur State Power Distribution Company Limited	2013-14	10.05	NA
<b>Tribal Area Backward Classes Development</b>				
7	Manipur Tribal Development Corporation Limited	1990-91	0.01	NA
<b>Home Department</b>				
8	Manipur Police housing Corporation Limited	1997-98	0.02	NA
<b>Agriculture and allied</b>				
9	Manipur Plantation Crops Corporation Limited	1983-84	2.00	NA
10	Manipur Agro Industries Corporation Limited	1988-89	2.00	NA
<b>Miscellaneous</b>				
11	Manipur Pulp & Allied Products Limited	1994-95	0.89	NA
<b>Total</b>			<b>56.40</b>	

NA-Not available

<sup>2</sup> “Manipur State Film Development Corporation Limited” was converted into “Manipur State Film Development Society” vide Government order No. 3/6/2011-S(AC) dated 24 March 2015 and was registered under Regd. No. 680/M/SR/2015 with the Register of Societies, Manipur under Section 7 (1) of the Manipur Societies Registration Act, 1989

**Appendix 3.5**  
**(Reference: Paragraph 3.6)**

**Recommendation of Public Accounts Committee (PAC) on State Finance Report (SFR)**

Date of discussion by PAC (Date of placing Recommendation of PAC)	Gist of Recommendation	Action taken notes	Remarks
<b>SFR 2009-10</b> (Date of Placing -24.3.2011)			
5.6.2012 (11.7.2012)	<p>The Committee stated that the reasons of excess expenditure over authorization allocation indicates that defective estimation of requirement of fund, lack of proper and timely review and monitoring of funds, failure to anticipate the actual needs etc. have mainly contributed to the excessive expenditure. The variations between budget figures and the actual expenditure are due to the fact that the Government Departments have failed to precisely anticipate, assess and provide for the funds actually required by them.</p> <p>The Committee, therefore, once again urge upon the Government Departments to discontinue the present practice of excess spending in future. The Committee also urge upon the Finance Department which is the nodal Department of the Government to put an appropriate mechanism to control excess expenditure which adversely affect efficient fiscal management.</p> <p>The Committee recommends that the excess expenditures for the years 2011 and 20912 be regularised as required under Article 205 of the Constitution of India.</p>	Regularised by the Finance Department on 6 September, 2013	Only "Excess over provisions during 2009-10 requiring regularization" was mainly discussed
<b>SFR 2010-11</b> (Date of Placing - 6.7.2012)			
21.3.2014 (24.7.2014)	The Committee recommends the Government Department to discontinue the present practice of excess spending in future and also Finance Department to put an appropriate mechanism to control excess expenditure which adversely affect efficient fiscal management. Further, the Committee recommends that the excess expenditures for the years 2011 and 20912 be regularised as required under Article 205 of the Constitution of India.	No Action was taken	-do-
<b>SFR 2011-12</b> (Date of Placing - 11.6.2013)			
21.3.2014 (24.7.2014)	Same recommendation as above, for regularization of excess of expenditure.	No Action was taken	-do-
2.7.2014 (24.7.2014)	<p><b>Chapter I: Finances of the State Government</b></p> <p><b>Revenue Receipt</b></p> <p>The Committee notes with concern that the fiscal health of the State is largely dependent on Central grants-in-aid. This factor along determines the extent to which Revenue surplus, primary deficit, fiscal deficits, management of debt, etc. improves or deteriorates in a year. It is in this context, the Committee makes the following observations on some on the important issues:-</p> <p><b>VAT/Sales Tax:</b></p> <p>VAT/Sales Tax is collected in event of sales of goods in the State. This is also collected from construction works. In case of public works, it is Government who ultimately pays this tax. VAT/Sales Tax are deducted at source while releasing funds by the Finance Department. Even when funds are deposited into MH – 8449, VAT/Sales Tax are deducted at source. The Committee is of strong opinion that deduction of VAT/Sales Tax at source is to be avoided, as it would result in artificial increase of VAT/Sales Tax and complication of accounting.</p> <p><b>Motor Vehicle:</b></p> <p>The Committee expresses its satisfaction that Motor Vehicles collection has increased. In terms of absolute collection, the amount collected may not have much impact, as the baseline of the tax is low. The Committee recommends the Government that computerization of Motor Vehicles Department needs to be taken up with all seriousness.</p> <p><b>Miscellaneous General Service:</b></p> <p>As in VAT/Sales Tax collection, Miscellaneous General Service are also collected as "Agency Charges" for execution of public works. It is debatable whether "Agency Charges" need to be collected by the Department like PWD, IFCD, etc; or restrict it to Autonomous bodies/PSUs like PDA, MFDC etc.</p> <p>The Committee notes it with concern that "Agency Charges" are collected at source while releasing funds for depositing it into MH – 8449 by the Finance Department. Such system needs to be avoided.</p>	No Action was taken	The whole report was also discussed.

**Other avenues of revenue:**

The Committee agrees that the State has inherently low tax potential. While efforts needs to be made to optimize collection of taxes, the State Government needs more pragmatic approach to open up other avenues of revenue.

**FRBM Act:**

Two targets of FRBM Act has not been achieved consistently. The first is Fiscal deficit-GSDP ratio targeted at 3 per cent and target of Salary expenditure.

The Committee observes that target of Fiscal deficit-GSDP ratio has not been largely achieved over the years. Despite this, the Committee is of the view that this target may remain unchanged, as it would have great impact on the fiscal health of the State.

As regards target of restricting Salary expenditure at 35 per cent of Revenue Expenditure new Interest Payment and Pension may no longer be realistic in view of the 6<sup>th</sup> Pay Recommendations. The Committee likes the Government to look into the matter and set a more realistic target.

**New Pension Scheme:**

Under the scheme, the Government was to make a matching contribution of the contribution made by the subscribers. The amount is to be invested to Fund Manager(s) for the benefit of the subscribers.

The committee is shocked to learn that the contributions made by the subscribers are kept in Government accounts. Matching contribution was not fully made by the Government. If this is not serious enough, the Government has no information regarding the quantum of contribution made by each individual. Therefore, the Committee directs the concerned Department to furnish information in the following format:-

(in ₹)

Sl. No.	Name of Employees	Employees Contribution	Govt. contribution	Total Invested to 1 <sup>st</sup> Fund Manager	Invested to 2 <sup>nd</sup> Fund Manager	Invested to 3 <sup>rd</sup> Fund Manager	Total Amount Invested	Balance in "MH" 8342	PRAN No.
(1)	(2)	(3)	(4)	(5) (6) (3+4)	(7)	(8)	(9) (6+7+8)	(10)	(11) (5-9)
<b>Total</b>									
Note:- (i) In case funds are released to the Fund Managers directly from Major Head – 2071 (Minor head 117), the amount may be included in the above table with appropriate remarks. (ii) soft copy in Excel sheet may also be furnished. Depart. may furnish updated figures, if it is convenient									

In above table, the "Total" under Column (10) should match with the figures booked in latest Finance Accounts. The above table would keep a track record of each subscribers.

The Committee directs the concerned Department to furnish the above information within six months from the date of presentation of this Report to the House.

**Local bodies:**

A separate recommendation is being made in respect of Local bodies.

**Status of guarantees – Contingent liabilities:**

The Committee appreciates that no additional guarantee has been extended by the State Government. This is important as none of our Local bodies/PSUs etc are functioning properly in the present condition of the economy of the State.

**Special focus on MH – 8449**

The contention of the Government is that Central funds are released at times at the fag end of the year. Since this year-end fund cannot be utilized within the financial year, these are parked under MH- 8449 to avoid surrender of funds. Funds are drawn from the Consolidated Fund of the State from their respective "Service heads of accounts" through AC bills to deposit into this head of accounts. The practical reasons and compulsions of the State Government is understandable. However, the head has been utilized to short circuit flow of funds and this is not acceptable.

The Committee is dismayed to learn that this account is not properly maintained in a transparent manner. The Committee during examination of the Audit Reports asked the Finance Department to provide information in the following format:-

(in ₹)

Service Head	Purpose of the fund (Deptt.)	Deposit into MH- "8449 OD"		(1 <sup>st</sup> ) Subsequent Release from MH- "8449 OD"		(2 <sup>nd</sup> /3 <sup>rd</sup> etc.) Subsequent Release from MH- "8449 OD" (in separate columns)		Balance amount in MH- "8449 OD"
		Date	Amt	Date	Amt	Date	Amt	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) (4 -6 -8 ect)
<b>Total</b>								

Note:- The Total under column (9) should match with figures of the latest Finance Accounts  
\*The information in the above format as furnished by the Finance Department, Government of Manipur is appended as Appendix-I

	<p>The Committee expected that information should be readily available with the Finance Department as it was controlling the funds. However, sadly the matter needed to be referred back to other Departments. The Committee also noticed that parked funds under Mh-8449 are not released in the next financial year as it should have been, but allowed to remain there for year altogether.</p> <p>The fall-out of this is obvious. The AC bills do not get cleared out and gets accumulated, the Capital Expenditure are artificially inflated without any activity at field level, the transparency of accounts was compromised.</p> <p>Constitutionally, budgetary control is the purview of the Legislature. However, when funds are routinely parked into such heads of accounts and subsequently withdrawn in some latter years, the funds remain in the exclusive control of the Government and Finance Department; without any involvement of the Legislature. Inherently and potentially, this is very serious and undermines the privilege of the Legislature.</p> <p>As discussed earlier, VAT/Sales tax Agency Charges (under Miscellaneous General Service) are also collected/deducted at source while depositing the funds into MH- 8449.</p> <p>The Committee, therefore, recommends that no deduction be made at source while depositing the funds into MH-8449. The Committee desires that parked funds in this head be released immediately at the beginning of the next financial year so that Capital Expenditure booked in the previous year fructifies and AC bills gets cleared out.</p> <p><b>Sustainability of debt:</b></p> <p>The Committee is of the view that there is little scope of maneuvering on this aspect by the State Government. However, the Committee recommends that following broad steps should be considered:-</p> <ul style="list-style-type: none"> <li>i) Decrease Non-Plan Revenue Expenditure, as the Committee feels that here would be many areas where loopholes can be plugged, if expenditure is properly monitored.</li> <li>ii) Increase efficiency of Tax collection and make thrust on computerization of such system.</li> <li>iii) Explore more avenues of Tax collection;</li> <li>iv) Ensure that Grants-in-Aid from Central Government does not decline, as in 2011-12, and</li> <li>v) Maintain a proper calendar of borrowings, so that future borrowings and re-payment could be planned properly.</li> </ul> <p><b>Chapter II: Financial Management and Budgetary Control Saving and Excess:</b></p> <p>In the Audit Report (Table 2.2 of para 2.3.1), the supplementary provisions are already considered, which be the Revised Estimate (RE). If so, it is not understood to what figure of RE is the Finance Department referring to in their reply. The Committee is, therefore, unsatisfied with the reply of the Department. Further, the Committee is unhappy that out of 20 cases as reported, the Department replied for 4 cases only. In the reply of the Department, there were still substantial savings; the reasons of which was not explained.</p> <p>Similarly, in case of Excess Expenditure, the “Total Provision” as shown in the Audit Report is after consideration of Supplementary Budget. Therefore, the RE figures contented by the Department is not acceptable to the Committee. Further, the Committee is unsatisfied that reply of only 2 cases was furnished out of 6 cases.</p> <p>Hence, the Committee recommends the Department to furnish on the replies for the above mentioned pending cases within three months from presentation of this report.</p> <p><b>Expenditure without provision</b></p> <p>The para refer to Appendix 2.2 of the Audit Report, where 12 cases have been mentioned. The Appendix shows the details of the Heads of Accounts. No specific reply has been furnished by the Finance Department, and the Committee feels that the Department has not furnished satisfactory reply. Therefore, the Committee directs the Finance Department to furnish specific reply within three months from the date of presentation of this report to the House.</p> <p><b>Unnecessary/Excessive/Inadequate/Supplementary provision</b></p> <p><i>The Finance Department replied that no Unnecessary/Excessive/Inadequate/Supplementary were made as supplementary demands are fully dependent on quantum of funds released by GoI. The Committee notes it with seriousness that the reply of the Department is mis-leading.</i></p> <p><i>In Table 2.7 and Table 2.8 (there are 22 cases) of the Audit Report, there are heads like “Council of Ministers (Revenue Voted)”, “State Legislature (Revenue Charged)”, “Governor (Revenue Charge)” etc. The Committee wonders how these heads would be affected by quantum of fund released by GoI. The Committee directs the Government to look into the matter, and take appropriate action, if the information to the Committee is not truthfully furnished.</i></p> <p><i>The Committee also specifically desires that the Finance Department should explain point-wise specific reply, fully justifying the extent to which these 22 cases as reported in the Audit Report is affected by release of funds by GoI.</i></p> <p><b>Excessive/Un-necessary re-appropriation of funds:</b></p> <p><i>The Committee is not satisfied with the reply of the Finance Department that excess/un-necessary re-appropriation was done at the proposed of the Department concerned. It is the responsibility of the Finance Department that any savings and excess are avoided. It is the Finance Department who should be satisfied with the proposal. Unless this is ensured, budgetary exercise would be rendered to a meaningless exercise.</i></p>		
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	<p><b>Substantial surrenders and anticipated savings not surrendered:</b> <i>The Committee strongly recommends that the Finance Department should take up stronger measures with other Departments in future.</i></p> <p><b>Pendency in submission of Detailed Countersigned Bills against AC bills</b> <i>As discussed, the problem of AC bills is linked with release of funds under MH- 8449 to a large extent. Unless the deposit under this head is maintained properly, better control of AC bills would not be possible.</i></p> <p><i>However, the Committee notes with satisfaction that all concerned i.e Finance Department, Departments concerned, AG (A&amp;E) and AG (Audit) are closely monitoring the issue and has been able to arrest some pendency.</i></p> <p><b>Personal Deposit Account/Personal Ledger Account:</b> <i>The Committee desires that non-operational PDA/PLA be closed immediately and balance amount, if any, be transferred back to Government Accounts. In case of PD/PLA operated by Planning and Development Authority and Apex Housing Society, the Committee desires the Finance Department and the concerned bodies to work out a viable solution, in consultation with AG (A&amp;E).</i></p>		
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