



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



**For the year ended 31 March 2016**



**GOVERNMENT OF MANIPUR**

*Report No. 2 of 2016*

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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 2016. 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 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 2015-16. 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 2015-16.

### The Report

Based on the audited accounts of the Government of Manipur for the year 2015-16, 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 2016. 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 receipt*

Revenue receipt increased by ₹ 281.83 crore (3.52 per cent) over the previous year (2014-15). The increase was mainly due to increase in Share of Union Taxes and duties (₹ 1615.53 crore) offset by decrease in Grants-in-Aid from Government of India (₹ 1333.06 crore). 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 2011-16. The State's share of Union taxes and duties and Grants-in-Aid from Government of India contributed in the range of 88 per cent to 92 per cent to the Revenue receipt during 2011-16 and remained the main contributor to Revenue receipt of the State.

During 2015-16, Own tax revenue and Non-tax revenue was less than the targets/assessment of Fourteenth Finance Commission (XIV FC), Budget estimates and Medium Term Fiscal Policy Statement (MTFPS).

**(paras 1.1.2, 1.3 and 1.3.1)**

*The State Government should enforce adequate measures to increase own resources of revenue.*

### ***Expenditure status***

Total expenditure of the State increased by ₹ 1919.63 crore (28.65 per cent) from ₹ 6702.41 crore in 2011-12 to ₹ 8622.04 crore in 2015-16. The Revenue expenditure of the State increased by ₹ 2375.65 crore (47.45 per cent) from ₹ 5006.92 crore in 2011-12 to ₹ 7382.57 crore in 2015-16.

Capital expenditure exhibited a declining trend since 2011-12 to 2013-14. It increased in 2014-15 and then decreased again in 2015-16. Revenue expenditure, on the other hand has increased steadily during 2011-16. Revenue expenditure as a percentage of the Total expenditure increased from 74.70 per cent in 2011-12 to 85.62 per cent in 2015-16. This shows that a bulk of the Total expenditure has been increasingly spent to meet expenditure on maintenance, salary, etc.

**(para 1.6.1)**

*The State Government may give priority to increase Capital expenditure.*

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

During 2011-16, investment in companies, corporations and co-operative societies ranging from ₹ 160.18 crore to ₹ 175.24 crore was made by the State Government. Against this, the State Government could earn only ₹ 15,000 during 2011-16. The State Government paid an average rate of interest ranging from 6.27 per cent to 6.67 per cent on its borrowings. However, the rate of return from the investment was insignificant.

**(para 1.8.2)**

*The State Government may critically review the functioning of the corporations and companies to make their operations viable to ensure more returns on the investments.*

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

The overall Fiscal liabilities of the State Government increased from ₹ 6483.16 crore in 2011-12 to ₹ 8125.39 crore in 2015-16. This was mainly due to increase of ₹ 523.84 crore under Internal Debt.

Fiscal liabilities in 2015-16 increased by 10.44 *per cent* as compared to 2014-15. However, the annual growth rate of Fiscal liabilities during 2011-12 to 2014-15 was around 4 *per cent*. This underlines the extent of increase of Fiscal liabilities in 2015-16. Such a trend, if continued in coming years, would put pressure on the State Government in meeting the burden on re-payment of debt and interest thereon.

**(paras 1.9.2)**

*The State Government should review the Internal Debt of the State and devise a road map to handle re-payment of principal and interest.*

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

During 2015-16, an expenditure of ₹ 9098.16 crore was incurred against a total budget provision of ₹ 10674.75 crore resulting in overall saving of ₹ 1576.59 crore. The overall savings was the net result of saving of ₹ 1720.19 crore offset by excess of ₹ 143.60 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 was still pending for regularisation.

**(paras 2.2 and 2.3.5)**

Supplementary provision aggregating to ₹ 4972.35 crore in 27 cases during 2015-16 proved unnecessary as the expenditure did not come up to the level of original provision.

**(para 2.3.7)**

There was outstanding balance of 1193 Abstract Contingent (AC) bills of ₹ 1561 crore as on June 2016. Out of 81 Controlling Officers (CO), 36 CO did not reconcile their expenditure with the expenditure booked in the books of accounts maintained by the Accountant General (A&E), Manipur.

**(paras 2.4)**

*The Government may ensure timely regularization of excess expenditure, as required under Article 205 of the Constitution of India, strengthen budgetary*

*control to avoid unnecessary supplementary provision, put in place a mechanism in the Departments for timely submission of Detailed Countersigned Contingent bills against drawal made on AC bills and ensure reconciliation of accounts with Accountant General (A&E).*

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

There were 5160 Utilization Certificates aggregating to ₹ 3964.78 crore in arrears in respect of grants given to 34 Departments as of March 2016.

**(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 and in the placement of SARs in the legislature. Six Undertakings have not submitted their accounts for more than 10 years, out of which three are non-working companies.

**(paras 3.2, 3.3 and 3.4)**

*The State Government may strengthen internal controls of the departments to ensure timely submission of utilization certificates. The State Government may also ensure timely finalization of Annual Accounts by the Autonomous District Councils, Autonomous Bodies and Departmental Commercial Undertakings and timely placement of Separate Audit Reports in the State legislature.*

**CHAPTER I**  
**FINANCES OF THE STATE GOVERNMENT**

# CHAPTER I

## FINANCES OF THE STATE GOVERNMENT

### Profile of the State

Manipur is located in the north-eastern part of India. The total geographical area of the State is 22,327 sq. km. comprising 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. 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 46.70 *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* in 2011. Other related details are given in **Appendix 1.1 (Part D)**. Manipur is categorised as Special Category State (SCS) as 90 *per cent* of plan assistance is given by the centre as grants and 10 *per cent* as loans against 70:30 for general category states. The primary source of revenue receipt of the State is the Central Government which contributed between 88 *per cent* to 92 *per cent* of the Total revenue of the State in the form of State's share of Union taxes and duties and Grants-in-Aid (GIA) during 2011-16.

### About this Chapter

This chapter provides a broad perspective of the finances of the Government of Manipur during 2015-16 and analysis of critical changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years (2011-16). 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 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 of the State, All India GDP and the rate of growth during 2011-16**

Year	2011-12	2012-13	2013-14	2014-15	2015-16
All India GDP	8,73,60,39	9,95,13,44	11,27,27,64	12,48,82,05	13,57,60,86
Growth rate of GDP ( <i>per cent</i> )	-- <sup>@</sup>	13.91	13.28	10.78	8.71
State's GSDP <sup>1</sup>	1,29,15	1,37,48	1,61,98	1,80,43 (Q)	1,98,90 (A)
Growth rate of GSDP ( <i>per cent</i> )	-- <sup>@</sup>	6.45	17.82	11.39	10.24

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

<sup>@</sup> Growth rate of GDP and GSDP not indicated, since comparison with the year 2010-11 could not be made as the base year has been revised to 2011-12.

GSDP of the State grew at the rate of 10.24 *per cent* (₹ 1847 crore) at current price during 2015-16 against a growth of 11.39 *per cent* (₹ 1845 crore) during 2014-15.

### 1.1.2 Summary of fiscal transactions

The following table presents the summary of the State Government's fiscal transactions during the current year (2015-16) *vis-à-vis* the previous year (2014-15), while **Appendix 1.2** provides details of receipt and disbursements as well as the overall fiscal position during 2015-16.

<sup>1</sup> At current price with base year 2011-12. (Q) - Quick estimates, (A) - Advanced estimates.

Table 1.2: Summary of Fiscal operations

(₹ in crore)

Receipts	2014-15	2015-16	Disbursements	2014-15	2015-16		
<b>Section-A: Revenue</b>					<b>Non Plan</b>	<b>Plan</b>	<b>Total</b>
Revenue receipt	7998.27	8280.10	Revenue expenditure	7267.29	5065.34	2317.23	7382.57
Tax revenue	516.83	550.44	General services	2751.13	2935.89	14.91	2950.80
Non-tax revenue	183.73	149.48	Social services	2028.06	1130.47	843.13	1973.60
Share of Union Taxes/ duties	1526.89	3142.42	Economic services	2012.37	787.35	1322.77	2110.12
Grants-in-Aid from the Government of India	5770.82	4437.76	Grants-in-Aid and Contributions	475.73	211.63	136.42	348.05
<b>Section-B: Capital</b>							
Miscellaneous Capital receipt	-	-	Capital expenditure	1332.44	0.01	1237.86	1237.87
Recoveries of Loans and Advances	0.97	1.02	Loans and Advances disbursed	0.34	1.60	-	1.60
Public debt receipt <sup>2</sup>	489.40	925.79	Repayment of Public debt	273.24			446.08
Contingency Fund	-		Contingency Fund	-			-
Public Account receipt	2901.43	2871.65	Public Account disbursement	2858.83			2747.02
Opening Cash Balance	463.84	121.77	Closing Cash Balance	121.77			385.19
<b>Total</b>	<b>11853.91</b>	<b>12200.33</b>	<b>Total</b>	<b>11853.91</b>			<b>12200.33</b>

(Source: Finance Accounts)

The following are the significant changes during 2015-16 over the previous year:

- Revenue receipt increased by ₹ 281.83 crore (3.52 per cent) over the previous year. The increase was mainly due to increase in Share of Union Taxes/duties (₹ 1615.53 crore) offset by decrease in GIA from Government of India (GoI) (₹ 1333.06 crore).
- Revenue expenditure increased marginally by ₹ 115.28 crore (1.59 per cent) over the previous year. There was increase in General services (₹ 199.67 crore) and Economic services (₹ 97.75 crore) but decrease in Social services (₹ 54.46 crore) and GIA and Contributions (₹ 127.68 crore). Capital expenditure decreased by 7.10 per cent (₹ 94.57 crore) over the previous year.
- Public debt receipt increased significantly by 89.17 per cent (₹ 436.39 crore) over the previous year. There were also significant increase in Repayment of Public debt by 63.26 per cent (₹ 172.84 crore) over the previous year.

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

- Both Public Account receipt and Public Account disbursement decreased by 1.03 *per cent* (₹ 29.78 crore) and 3.91 *per cent* (₹ 111.81 crore) respectively over the previous year.
- The total inflow during 2015-16 was ₹ 12,200.33 crore against ₹ 11,853.91 crore in 2014-15. There was closing cash balance of ₹ 385.19 crore at the end of 2015-16 as compared to cash balance of ₹ 121.77 crore at the end of the previous year (2014-15).

### 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 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 2015-16, targets of Revenue surplus, Fiscal deficit-GSDP ratio, *etc.* was set in the MTFPS.

The targets for major fiscal variables provided in the FRBM Act and Rules thereunder, and in the recommendations of 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 2015-16**

Fiscal variables	Targets		
	FRBM Act	MTFPS	Actuals
Revenue deficit (-)/ surplus (+)	Maintain Revenue surplus	692.77	897.53
Fiscal deficit/GSDP (in <i>per cent</i> )	Below 3 <i>per cent</i>	3.12	1.71
State's outstanding guarantees <sup>3</sup>	The total outstanding guarantees as on first of April of any year shall not exceed thrice the State's Own Tax Revenue receipt of the second preceding year <i>i.e.</i> ₹ 1550.49 crore <sup>4</sup>	NA	339.53
Salary expenditure (including Wages)	35 <i>per cent</i> of Revenue expenditure net interest payment and pension <i>i.e.</i> ₹ 2049.63 crore <sup>5</sup>	3067.59	2772.71
Total Outstanding Debt <sup>6</sup> /GSDP (in <i>per cent</i> )	Reduce Outstanding Debt to a maximum of 54.30 <i>per cent</i> of GSDP.	41.95	38.91

(NA: - Not available)

(Source: FRBM Act, MTFPS and Finance Accounts)

<sup>3</sup> Closing balance of outstanding guarantees at the end of the year 2015-16 *i.e.* as on March 2016 is taken here.

<sup>4</sup> ₹ 516.83 crore (in 2014-15) x 3

<sup>5</sup> 35 *per cent* of (₹ 7382.57 crore - ₹ 516.23 crore - ₹ 1010.25 crore)

<sup>6</sup> Including Debt under Public Accounts *i.e.* Small Savings *etc.*, & Deposits

The State could maintain Revenue surplus (₹ 897.53 crore) as envisaged in the FRBM Act which was also more than the projection made in the MTFPS (₹ 692.77 crore). The Fiscal deficit – GSDP ratio (1.71 *per cent*) was kept below the targets of FRBM Act (3 *per cent*) and MTFPS (3.12 *per cent*).

The target of limiting State's outstanding guarantee as set out in the FRBM Act (₹ 1550.49 crore) was fully achieved as the outstanding guarantee was restricted at ₹ 339.53 crore. While Salary<sup>7</sup> expenditure (₹ 2772.71 crore) was lower than the target provided by MTFPS (₹ 3067.59 crore) it exceeded the projection made in the FRBM Act (₹ 2049.63 crore).

Total Outstanding Debt-GSDP ratio (38.91 *per cent*) was also kept within the targets of FRBM Act (54.30 *per cent*) and of MTFPS (41.95 *per cent*).

The Fourteenth Finance Commission (XIV FC) recommended limiting Fiscal deficit-GSDP ratio at 3.25 *per cent* if Debt-GSDP ratio is less than 25 *per cent* in the preceding year. Against this, the Fiscal deficit-GSDP ratio in 2015-16 was 1.71 *per cent*.

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

The State Government has not reported (November 2016) any off-budget borrowings during 2015-16.

#### **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 2015-16.

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<sup>7</sup> Including Wages

**Table 1.4: Statement showing Budget estimates and Actuals**

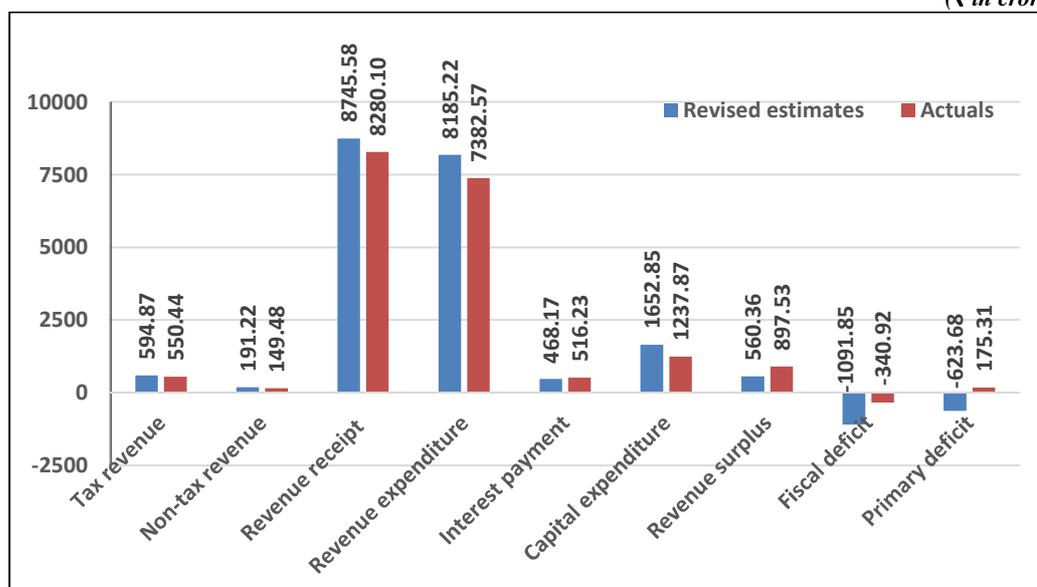
(₹ in crore)

Particulars	Budget estimates (BE)	Revised estimates (RE)	Actual	Percentage of increase / decrease w.r.t RE
Tax revenue	671.15	594.87	550.44	(-) 7.47
Non-tax revenue	219.42	191.22	149.48	(-) 21.83
Revenue receipts	8657.86	8745.58	8280.10	(-) 5.32
Revenue expenditure	7965.08	8185.22	7382.57	(-) 9.81
Interest payment	463.84	468.17	516.23	(+) 10.27
Capital expenditure	1277.79	1652.85	1237.87	(-) 25.11
Disbursement of Loans and Advances	3.60	3.15	1.60	(-) 49.21
Revenue surplus	692.78	560.36	897.53	(+) 60.17
Fiscal deficit (-)/ surplus (+)	(-) 584.82	(-) 1091.85	(-) 340.92	(+) 68.78
Primary deficit (-)/surplus (+)	(-) 120.97	(-) 623.68	(+) 175.31	(+) 128.11
Recoveries of Loans and Advances	3.80	3.80	1.02	(-) 73.16

(Source: Budget documents and Finance Accounts)

**Chart 1.1: Selected fiscal parameters, Budget estimates vis-à-vis Actuals**

(₹ in crore)



(Source: Budget documents and Finance Accounts)

It can also be seen from the preceding table that there was a variation between Revised estimates (RE) and Actuals for Tax Revenue collection by 7.47 per cent (₹ 44.43 crore). In case of Non-Tax Revenue, the projection of RE and Actuals varied by 21.83 per cent (₹ 41.74 crore). In both cases, Actual receipt was less than budget projection.

Under Revenue expenditure, the variation was 9.81 per cent (₹ 802.65 crore) between RE and Actuals. This margin was 25.11 per cent (₹ 414.98 crore) in case of Capital expenditure. In both cases, Actual expenditure was less than the RE projections. This resulted in better Revenue surplus, Fiscal deficit and Primary deficit than the projections of RE.

The variation in Revenue surplus was 60.17 *per cent* (₹ 337.17 crore) and in Fiscal deficit 68.78 *per cent* (₹ 750.93 crore). Primary deficit of ₹ 623.68 crore was projected in the RE. However, the State could achieve Primary surplus (₹ 175.31 crore), indicating better fiscal management than that was projected in RE.

### 1.1.5 Major policy initiatives in the budget

The Chief Minister<sup>8</sup> (CM), Government of Manipur while introducing the Budget speech, emphasised on the realm of changes in planning, flow of development assistance to state and sharing of resources between Centre and States. A need, therefore, was felt to utilize the scarce resources carefully and mobilize additional tax and non-tax. The CM's stance to continue its commitment to fiscal consolidation was largely achieved. The State continued with Revenue surplus in 2015-16, Fiscal deficit-GSDP ratio was confined at 1.71 *per cent* and Fiscal liabilities-GSDP ratio was 40.85 *per cent*.

Against budgeted<sup>9</sup> Revenue expenditure of ₹ 8038.27 crore, the actual Revenue expenditure was ₹ 7382.57 crore. Capital expenditure was estimated at ₹ 1690.33 crore at 17 *per cent* of the Total expenditure. Against this the Capital expenditure was only ₹ 1237.87 crore at 14 *per cent* of Total expenditure.

To curb unproductive expenditure, Non-plan revenue expenditure (NPRE) was projected at ₹ 5163.74 crore, which was inclusive of expenditure on account of Salary of ₹ 2722.43 crore, Pension of ₹ 963.66 crore and Interest payment of ₹ 463.34 crore. Against this the actual NPRE was only ₹ 5065.34 crore and Non-plan Salary (including Wages) was ₹ 2566.18 crore. However, Pension expenditure of ₹ 1010.25 crore and Interest payment of ₹ 516.23 crore exceeded the Budget provision.

## 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 receipt that constitute the main resources of the State Government. Revenue receipt consist of Tax revenues, Non-tax revenues, State's share of Union Taxes and Duties and GIA from GoI. Capital receipt comprise miscellaneous Capital receipt such as recoveries of Loans and Advances, debt receipt from internal sources (market loans, borrowings from financial institutions/commercial banks) and Loans and Advances from GoI. Besides the funds available in the Public Accounts after disbursement is also utilised by the State Government to finance its deficit.

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<sup>8</sup> Holding the charge of Finance Department

<sup>9</sup> In budget speech, the gross amount was mentioned.

**Table 1.2** presents the receipt and disbursements of the State during the current year (2015-16) 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 receipt of the State during 2011-16. **Chart 1.4** depicts the composition of resources of the State during 2015-16.

**Chart 1.2: Components and Major sub-components of Revenue during 2015-16**

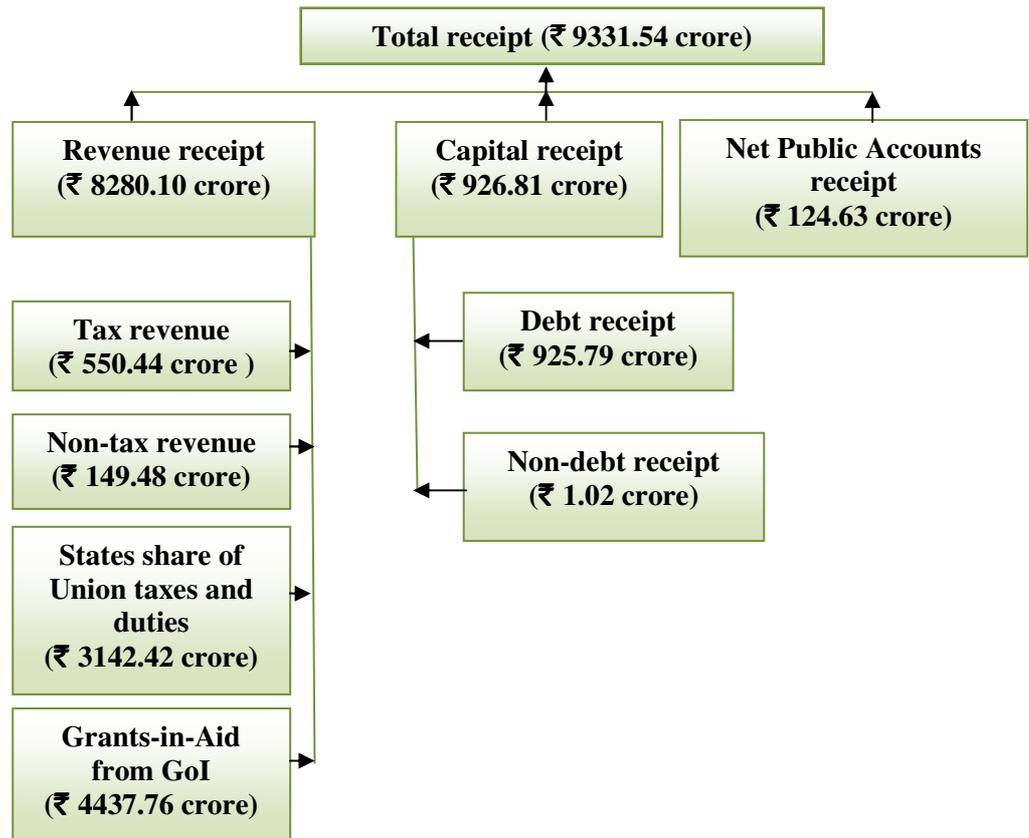


Chart 1.3: Trends in Receipt

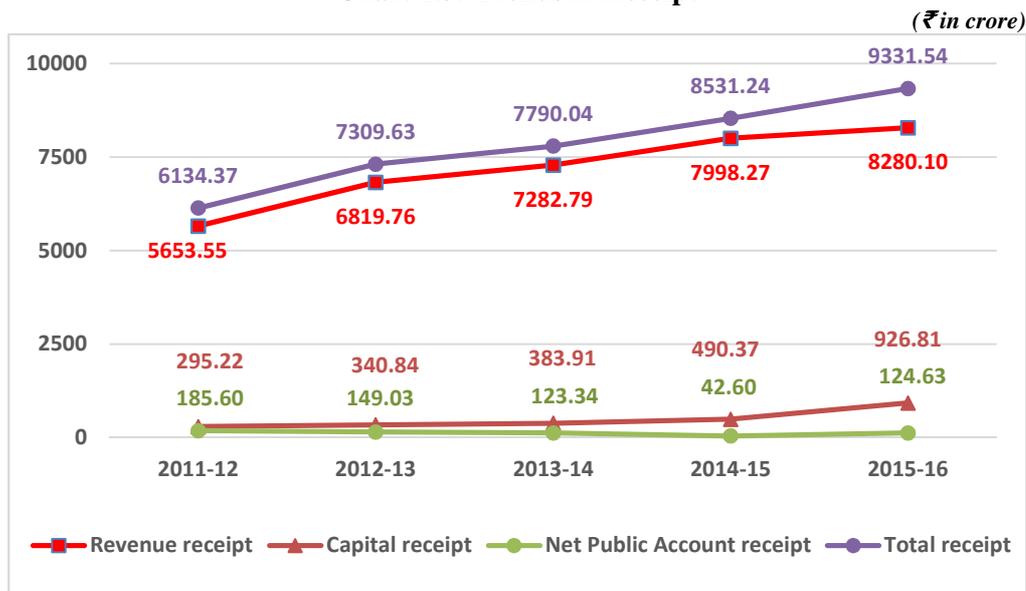
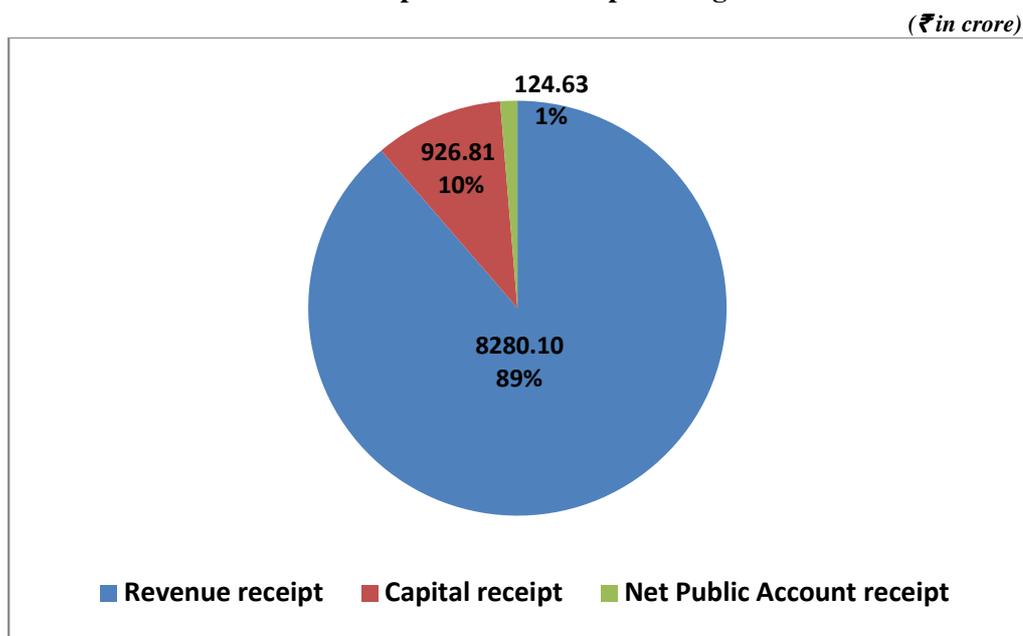


Chart 1.4: Composition of Receipt during 2015-16



Total receipt of the State increased by ₹ 3197.17 crore from ₹ 6134.37 crore in 2011-12 to ₹ 9331.54 crore in 2015-16. The increase in Total receipt was mainly due to increase in Revenue receipt (₹ 2626.55 crore). Net Public accounts receipt decreased from ₹ 185.60 crore in 2011-12 to ₹ 124.63 crore in 2015-16. Public debt receipt, which comprised the major portion of Capital receipt increased from ₹ 293.33 crore in 2011-12 to ₹ 925.79 crore in 2015-16.

## 1.2.2 Funds directly transferred to State Implementing Agencies

GoI has been transferring a sizeable quantum of funds directly to the State Implementing Agencies<sup>10</sup> for implementation of various critical schemes/programmes in Social and Economic services. 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 2015-16, Central funds of ₹ 124.75 crore were transferred directly to the State Implementing Agencies. The programmes assisted by GoI 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 2015-16
NER-Textile Promotion Scheme	Directorate of Sericulture, Government of Manipur	32.75
Off Grid scheme	Manipur Renewable Energy Development Agency	11.95
Member of Parliament Local Area Development Scheme	Deputy Commissioner, Imphal West & Churachandpur	10
India Entrepreneurship and Agro Industry Fund	Department of Commerce & Industries	6.34
Infrastructure Development and Capacity Building	-do-	6.00
<b>Total</b>		<b>67.04</b>

(Source: Finance Accounts)

The four schemes/ programmes as shown above constituted 54 per cent of the total funds of ₹ 124.75 directly transferred to the State Implementing Agencies. An amount of ₹ 32.75 crore (26 per cent of the total funds of ₹ 124.75 directly transferred) was for Textile Promotion Scheme and ₹ 11.95 crore (about 10 per cent) for Off Grid scheme<sup>11</sup>.

As compared to ₹ 74.63 crore transferred directly in 2014-15, ₹ 124.75 crore was transferred directly in 2015-16, resulting in increase of ₹ 50.12 crore. 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.

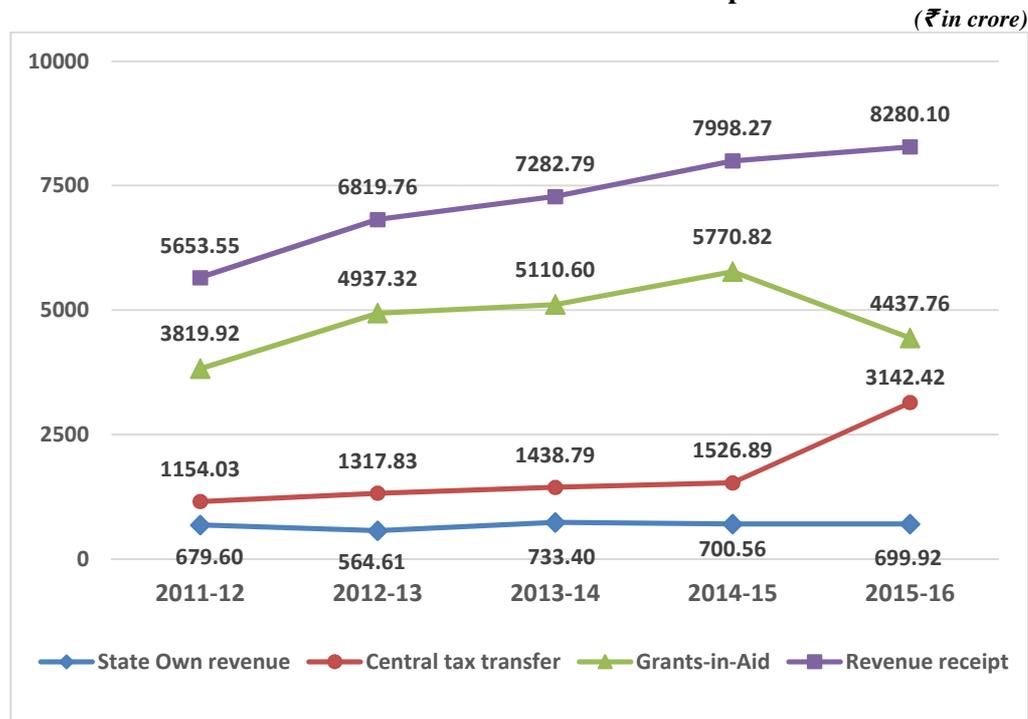
<sup>10</sup> State Implementing Agencies include any organization/institution including Non-Governmental organizations, which are authorized by the State Government to receive funds from the Government of India for implementing specific programmes in the State.

<sup>11</sup> Off Grid scheme is to provide facilities that produce all their own energy and are not connected to any external source, such as the electrical power grid.

### 1.3 Revenue receipt

The Revenue receipt of the State Government consist of the State's Own Tax revenue and Non-tax revenues, central tax transfers and GIA from the GoI. The trends and composition of Revenue receipt over the period 2011-16 are presented in **Appendix 1.4** and are also depicted in the following chart:

Chart 1.5: Trends in Revenue receipt



During 2011-12 and 2015-16, Revenue receipt increased by ₹ 2626.55 crore. During these years (2011-16), Central share of Union taxes and duties maintained an increasing trend. Both State's Own revenue and GIA presented a fluctuating trend.

As compared to previous year (2014-15), Revenue receipt increased by 3.52 per cent (₹ 281.83 crore). The increase was mainly due to Central share of Union taxes and duties (₹ 1615.53 crore) partly offset by decrease in GIA (₹ 1333.06 crore).

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 2011-16. The State's share of Union taxes and duties and GIA from GoI contributed in the range of 88 per cent to 92 per cent to the Revenue receipt during 2011-16 and remained the main contributor to Revenue receipt of the State.

The trends in Revenue receipt relative to GSDP are presented in the following table:

**Table 1.6: Trends of Revenue receipt relative to GSDP**

	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue receipt (RR)	5653.55	6819.76	7282.79	7998.27	8280.10
Rate of growth of RR (per cent)	4.12	20.63	6.79	9.82	3.52
GSDP	12914.61	13747.79	16198.43	18042.76 (Q)	19889.88 (A)
Rate of growth of GSDP (per cent)	-	6.45	17.83	11.39	10.24
RR/GSDP (per cent)	43.78	49.61	44.96	44.33	41.63
Buoyancy Ratios <sup>12</sup>					
Revenue Buoyancy w.r.t GSDP	-	3.20	0.38	0.86	0.34
State's Own Tax Buoyancy w.r.t GSDP	-	(-) 1.48	2.36	0.82	0.63
Revenue Buoyancy with reference to State's Own Tax	0.11	(-) 2.16	0.16	1.05	0.54

Q – Quick estimates & A – Advance estimates

(Source: Finance Accounts)

Increase in Revenue receipt was appreciable during 2012-13, which corresponds to the significant increase in GIA from the GoI. In 2015-16, Revenue receipt grew by 3.52 per cent as compared to 9.82 per cent in 2014-15, which also corresponds to reduction of GIA in 2015-16.

In the year 2011-16, the GSDP growth rate was in the range of 6.45 per cent to 17.83 per cent while the growth rate of Revenue receipt was in the range of 3.52 per cent to 20.63 per cent.

### 1.3.1 State's Own Resources

As the State's share in Central taxes and GIA 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 State's Own Tax and Non-tax receipt during 2011-12 to 2015-16 *vis-a-vis* assessment made by the XIII FC/XIV FC, Budget and MTFPS are shown in the following table:

<sup>12</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 receipt tend to increase by 0.6 percentage points if the GSDP increases by one per cent.

**Table 1.7: Own Tax revenue and Own Non-tax revenue vis-à-vis targets***(₹ in crore)*

Particular	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Own Tax revenue</b>					
XIII FC projections/ XIV FC	253.17	287.47	326.27	370.16	689.00
Budget estimates	317.84	325.51	491.87	620.83	671.15
MTFPS projection	317.84	325.51	491.87	620.83	671.15
Actual	368.07	332.83	472.73	516.83	550.44
<b>Own Non-tax revenue</b>					
XIII FC projections/ XIV FC	82.90	211.76	231.38	252.27	175.00
Budget estimates	459.72	385.84	429.77	284.06	219.42
MTFPS projection	459.72	385.84	429.77	284.06	219.42
Actual	311.53	231.78	260.67	183.73	149.48

XIII FC from 2011-12 to 2014-15 & XIV FC for the year 2015-16

(Source: Budget documents, XIII/XIV FC Report, MTFPS and Finance Accounts)

During 2011-12 to 2014-15, Own Tax revenue was more than the assessment of the XIII FC, but in 2015-16 it was less than the assessment of XIV FC. As compared to Budget estimates & MTFPS, the Actual was more than the assessment during 2011-12 and 2012-13. The trend, however, reversed from 2013-14 onwards as it was less than the projected figures.

As in the case of Own Tax, Non-tax revenue was more than the assessment of the XIII FC during 2011-12 to 2013-14, but in 2014-15 and 2015-16 it was less than the assessment the FCs. As compared to Budget estimates & MTFPS, it was less than the assessment during 2011-12 to 2015-16.

As can be from the above table, both Own Tax revenue and Non-tax revenue could not achieve the targets/assessment of XIV FC, Budget estimates and MTFPS during 2015-16.

The State Government should enforce adequate measures to increase own resources of revenue.

### 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	2011-12	2012-13	2013-14	2014-15	2015-16	% increase over previous year
Taxes on sales, trades etc.	296.92	258.52	395.74	433.33	466.51	7.66
State excise	9.80	9.94	9.20	9.32	8.78	(-) 5.79
Taxes on vehicles	13.21	15.83	18.73	20.77	23.29	(+) 12.13
Stamp duty and Registration fees	4.82	5.98	7.90	7.76	10.45	34.66
Land revenue	0.84	1.24	1.12	1.42	2.59	82.39
Taxes on goods and passengers	1.40	1.43	1.24	1.20	1.02	(-) 15.00
Other taxes <sup>13</sup>	41.08	39.89	38.80	43.03	37.80	(-) 12.15
<b>Total</b>	<b>368.07</b>	<b>332.83</b>	<b>472.73</b>	<b>516.83</b>	<b>550.44</b>	<b>6.50</b>

(Source: Finance Accounts)

During the year 2015-16, the collection of State's Own Tax was ₹ 550.44 crore. Sales tax (₹ 466.51 crore) was the main contributor to the State's Own Tax revenue and accounted for 85 per cent of the Tax revenue. The Tax revenue during 2015-16 increased by ₹ 33.61 crore (6.50 per cent) over the previous year (2014-15). Other than Sales tax and Taxes on vehicles, revenue collection from other sources was negligible.

### 1.3.1.2 Non-tax revenue

The trends in Non-tax revenue during 2011-16 is given in the following table:

**Table 1.9: Trends of Non-tax revenue during 2010-15**

(₹ in crore)

Revenue Head	2011-12	2012-13	2013-14	2014-15	2015-16	% increase over previous year
Interest receipt	25.18	20.66	33.10	30.60	27.43	(-) 10.36
Miscellaneous General Service	138.33	75.29	110.83	132.48	106.09	(-) 19.92
Power	106.59	108.30	96.23	0.10	0.01	(-) 90
Others	41.43	27.53	20.51	20.55	15.95	(-) 23.38
<b>Total</b>	<b>311.53</b>	<b>231.78</b>	<b>260.67</b>	<b>183.73</b>	<b>149.48</b>	<b>(-) 18.64</b>

(Source: Finance Accounts)

As seen from the table, receipt from the Miscellaneous General Service depicted a fluctuating trend ranging from ₹ 75.29 crore in 2012-13 to ₹ 138.33 crore in 2011-12. Collection from Miscellaneous General Service remained the main contributor to Non-tax revenue during 2011-12 to 2015-16. Interest receipt during 2011-12 to 2015-16 remained in the range between ₹ 20.66 crore to ₹ 33.10 crore. There was significant decrease in revenue collection in

<sup>13</sup> Other taxes include taxes on immovable property other than agricultural land, taxes and duties on electricity and agricultural income.

Power sector from 2014-15 onwards. Non-tax revenue decreased by ₹ 34.25 crore in 2015-2016 over the previous year (2014-15) mainly due to decrease in collection in Miscellaneous General Service (₹ 25.99 crore).

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

The cost of recovery of Non-tax revenue receipt (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 2014-16**

(₹ in crore)

Name of Services	2014-15			2015-16		
	Non-tax revenue (NTR) receipt	Non-plan revenue expenditure (NPRE)	NTR as percentage of NPRE	NTR receipt	NPRE	NTR as percentage of NPRE
Water Supply and Sanitation	2.55	62.55	4.08	2.27	51.67	4.39
Irrigation	2.31	31.81	7.26	0.79	33.17	2.38

(Source: Finance Accounts)

NTR as a percentage of NPRE under Water Supply and Sanitation remained same at about 4 per cent in 2014-15 and in 2015-16. In case of Irrigation, NTR as a percentage of NPRE decreased from 7.26 per cent to 2.38 per cent. As NTR as a percentage of NPRE is very low, the Government may make efforts to increase NTR collection so as to make the provision of these important services self-reliant.

**1.3.2 Grants-in-Aid (GIA) from Government of India**

The details of GIA from GoI during 2011-16 are shown in the following table:

**Table 1.11: Grants-in-Aid from Government of India during 2011-16**

(₹ in crore)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Non-Plan Grants	1293.10	1882.87	1769.87	1899.17	2218.18
Grants for State Plan Schemes	2119.73	2659.00	2588.52	2929.12	1758.39
Grants for Central Plan Schemes	12.47	36.56	13.64	14.05	83.13
Grants for Centrally Sponsored Schemes	349.81	306.34	652.68	836.14	178.36
Grants for Special Plan Schemes	44.81	52.55	85.89	92.34	199.70
<b>Total</b>	<b>3819.92</b>	<b>4937.32</b>	<b>5110.60</b>	<b>5770.82</b>	<b>4437.76</b>
Percentage of increase over previous year	(- )2.36	29.25	3.51	12.92	(- ) 23.10
Total grants as a percentage of Revenue receipt	67.57	72.40	70.17	72.15	53.60

(Source: Finance Accounts)

GIA from GoI maintained an increasing trend from ₹ 3819.92 crore in 2011-12 to ₹ 5770.82 crore in 2014-15, but declined to ₹ 4437.76 crore in 2015-16. As a percentage to Revenue receipt, GIA was in the range of 53.60 *per cent* to 72.40 *per cent*, and thus remained a major contributor to Revenue receipt of the State during 2011-16. GIA decreased by ₹ 1333.06 crore (23.10 *per cent*) in 2015-16 over the previous year (2014-15). This was mainly due to decrease in Grants for State Plan Schemes (₹ 1170.73 crore) and Grants for Centrally Sponsored Schemes (₹ 657.78 crore) partly offset by increase in Non-plan Grants (₹ 319.01 crore).

#### **1.4 Capital receipt**

The details of Capital receipt during 2011-12 to 2015-16 are shown in the following table:

**Table 1.12: Trends in growth and composition of receipt**

Particulars	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Capital receipt (CR)	295.22	340.84	383.91	490.37	926.81
Miscellaneous Capital receipt	-	-	-	-	-
Recovery of Loans and Advances	1.89	0.59	1.23	0.97	1.02
Public Debt Receipts	293.33	340.25	382.68	489.40	925.79
Rate of growth of debt capital receipt	(-) 1.70	16.00	12.47	27.88	89.17
Rate of growth of non-debt capital receipt	58.82	(-) 68.78	108.47	(-) 21.13	5.15
Rate of growth of CR ( <i>per cent</i> )	(-) 1.46	15.45	12.64	27.73	89.00
Rate of growth of GSDP	-	6.45	17.83	11.39	10.24

(Source: Finance Accounts)

As can be seen from above table, Capital receipt was almost entirely contributed by Public debt receipt. Public debt receipt increased by ₹ 436.39 crore (89 *per cent*) from ₹ 489.40 crore in 2014-15 to ₹ 925.79 crore in 2015-16. The main contributors to the increase in Public debt receipt were Market borrowings (₹ 600.00 crore<sup>14</sup>) and Ways and Means Advance from RBI (₹ 184.75 crore). During 2015-16, the State Government has raised ₹ 600 crore through six instruments at interest rates ranging from 8.07 *per cent* to 8.63 *per cent*.

<sup>14</sup> Against Market Loans, repayment of ₹ 288.71 crore was made during 2015-16

### 1.4.1 Recoveries of Loans and Advances

Recovery of Loans and Advances increased to ₹ 1.02 crore in 2015-16 from ₹ 0.97 crore in 2014-15. Recovery was made mostly from Loans to Government Servants (₹ 57.97 lakh) and Co-operatives (₹ 43.71 lakh). At the end of the year, there was a closing outstanding Loan of ₹ 205.09 crore, mostly 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 Government of India

No Central loans were contracted during the year 2015-16. The opening balance of the Loans and Advances from GoI to the State were ₹ 439.17 crore as on 1 April 2015. The State repaid an amount of ₹ 44.13 crore of the Central Loans during 2015-16. Thus, an amount of ₹ 395.04 crore remained as outstanding Loans and Advances from GoI as on 31 March 2016.

## 1.5 Public Accounts receipt

Receipt 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 receipt are shown in the following table:

**Table 1.13: Net Public Account receipt**

Resources under various heads	2011-12	2012-13	2013-14	2014-15	2015-16
Small Savings, Provident Fund <i>etc.</i>	233.68	138.01	103.12	86.29	60.74
Reserve Fund	38.35	48.08	48.45	64.55	110.71
Deposits and Advances	(-) 114.24	(-) 36.74	(-) 14.43	(-) 70.88	116.85
Suspense and Miscellaneous	6.23	1.78	1.90	(-) 15.56	(-) 19.13
Remittances	21.58	(-) 2.10	(-) 15.70	(-) 21.80	(-) 144.54
<b>Total</b>	<b>185.60</b>	<b>149.03</b>	<b>123.34</b>	<b>42.60</b>	<b>124.63</b>

(Source: Finance Accounts)

As may be seen from the above table, Net Public Account receipt increased significantly by ₹ 82.03 crore (192.56 *per cent*) in 2015-16 over the previous year (2014-15). The increase in Net Public Account receipt was mainly due to increase in Deposits and Advance from minus ₹ 70.88 crore in 2014-15 to ₹ 116.85 crore in 2015-16 and ₹ 46.16 crore under Reserve Fund partly offset by decrease of ₹ 122.74 crore under Remittance head.

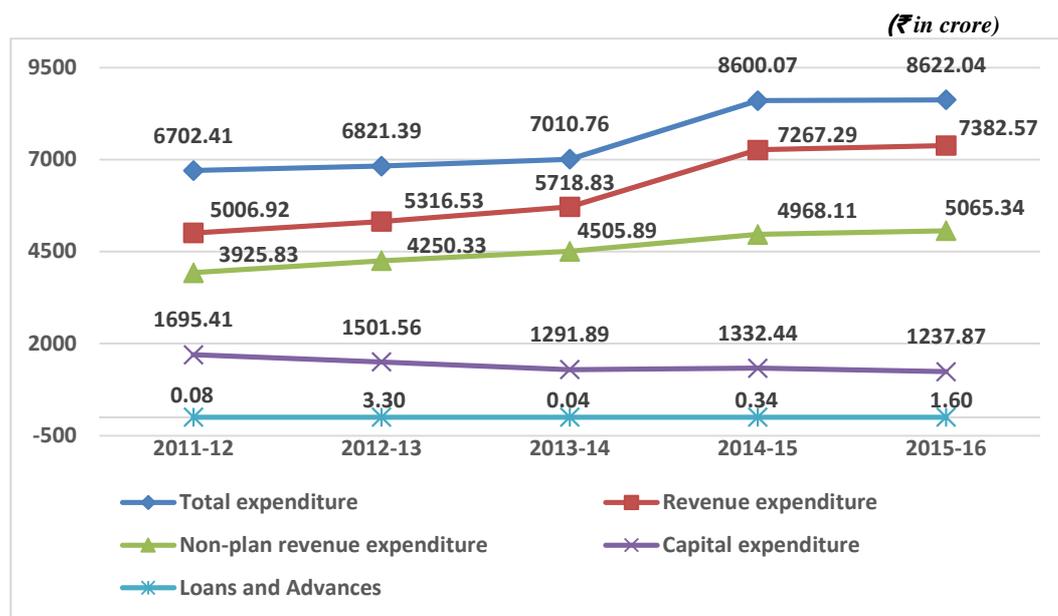
## 1.6 Application of Resources

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 services.

### 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 (2011-16). 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 2011-16



The Total expenditure of the State increased by ₹ 1919.63 crore (28.65 per cent) from ₹ 6702.41 crore in 2011-12 to ₹ 8622.04 crore in 2015-16. The Revenue expenditure of the State increased by ₹ 2375.65 crore (47.45 per cent) from ₹ 5006.92 crore in 2011-12 to ₹ 7382.57 crore in 2015-16. Non-plan revenue expenditure increased by ₹ 1139.51 crore (29.03 per cent) from ₹ 3925.83 crore in 2011-12 to ₹ 5065.34 crore in 2015-16. However, Capital expenditure decreased by ₹ 457.54 crore (26.99 per cent) from ₹ 1695.41 crore in 2011-12 to ₹ 1237.87 crore in 2015-16.

Revenue expenditure increased by ₹ 115.28 crore in 2015-16 over the previous year (2014-15). The increase was mainly due to increase in expenditure under General services (₹ 199.68 crore) partly offset by decrease in expenditure under Social services (₹ 54.46 crore). Capital expenditure decreased by ₹ 94.57 crore in 2015-16 over the previous year (2014-15). The decrease was mainly due to decrease in expenditure under Medical and Public Health (₹ 115.90 crore) and Education, Sports, Art and Culture (₹ 55.89 crore) offset by increase in expenditure under Capital Outlay on North Eastern Areas (₹ 59.01 crore) and under Roads and Bridges (₹ 35.12 crore).

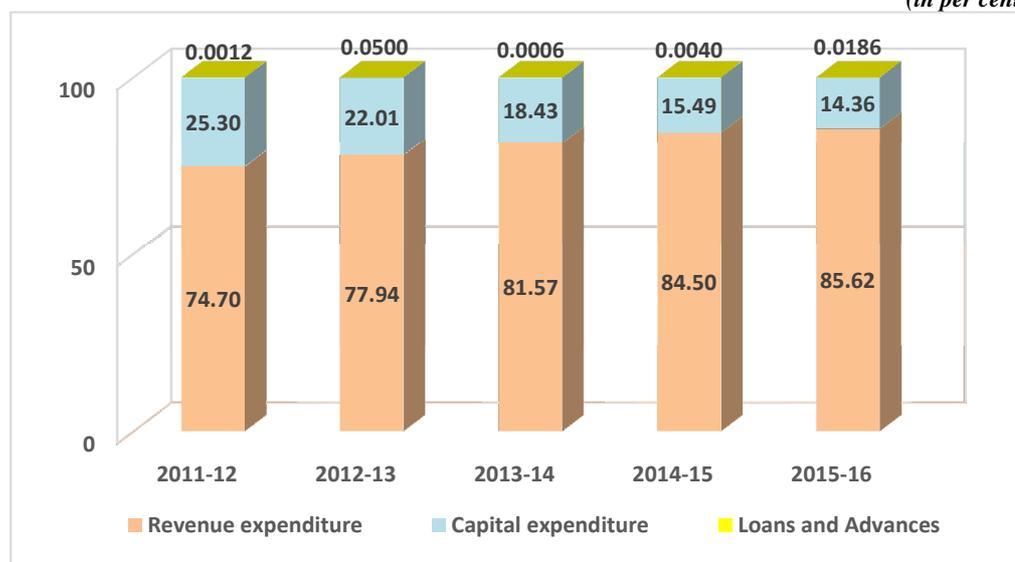
Capital expenditure exhibited a declining trend since 2011-12 to 2013-14. It increased in 2014-15 and then decreased again in 2015-16. Revenue expenditure, on the other hand has increased steadily during 2011-16. Revenue expenditure as a percentage of the Total expenditure increased from 74.70 per cent in 2011-12 to 85.62 per cent in 2015-16. This shows that a bulk of the total expenditure has been increasingly spent to meet expenditure on maintenance, salary, etc.

As such, the State Government may give priority to increase Capital expenditure.

The composition of Revenue expenditure, Capital expenditure and Loans and Advances as a percentage of Total expenditure during 2011-12 to 2015-16 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 1.14: Trends in composition of expenditure as Plan and Non-Plan expenditure**  
(₹ in crore)

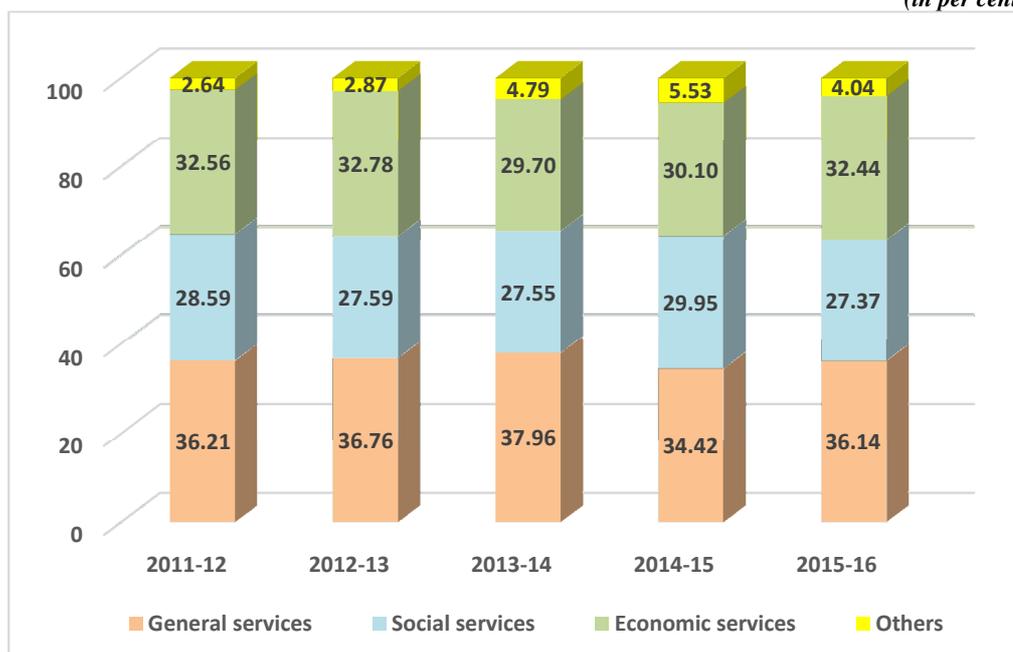
Types of expenditure	2011-12	2012-13	2013-14	2014-15	2015-16
<b>NON-PLAN</b>					
Revenue	3925.83	4250.33	4505.89	4968.11	5065.34
Capital	(-) 3.22	7.87	(-) 0.01	(-) 0.52	0.01
Loans and Advances	0.08	2.30	0.04	0.34	1.60
<b>Sub-total *</b>	<b>3922.69</b> (59)	<b>4260.50</b> (62)	<b>4505.92</b> (64)	<b>4967.93</b> (58)	<b>5066.95</b> (59)
<b>PLAN</b>					
Revenue	1081.09	1066.20	1212.94	2299.18	2317.23
Capital	1698.63	1493.69	1291.90	1332.96	1237.86
Loans and Advances	-	1.00	-	-	-
<b>Sub-total *</b>	<b>2779.72</b> (41)	<b>2560.89</b> (38)	<b>2504.84</b> (36)	<b>3632.14</b> (42)	<b>3555.09</b> (41)
<b>Total (Non-Plan &amp; Plan)</b>					
Revenue	5006.92	5316.53	5718.83	7267.29	7382.57
Capital	1695.41	1501.56	1291.89	1332.44	1237.87
Loans and Advances	0.08	3.30	0.04	0.34	1.60
<b>Total expenditure</b>	<b>6702.41</b>	<b>6821.39</b>	<b>7010.76</b>	<b>8600.07</b>	<b>8622.04</b>

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

(Source: Finance Accounts)

The table above shows that Non-plan expenditure as a percentage of Total expenditure increased from 59 per cent in 2011-12 to 64 per cent in 2013-14 and then reduced to 59 per cent in 2015-16. Correspondingly, Plan expenditure as a percentage of Total expenditure decreased from 41 per cent in 2011-12 to 36 per cent in 2013-14 and then increased to 41 per cent in 2015-16. Thus, the increasing trend of Non-plan expenditure during 2011-12 to 2013-14 was reversed during 2014-15 and 2015-16.

Expenditure is also classified by its activities like General services, Social services, 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 32.56 per cent in 2011-12 to 29.70 per cent in 2013-14. The trend reversed in 2014-15 and the share of Economic services stood at 32.44 per cent in 2015-16. Except for 2014-15, the share of expenditure on account of Social services maintained a declining trend from 28.59 per cent in 2011-12 to 27.37 per cent in 2015-16. Share of expenditure on account of General services remained at about 36 per cent during the last five years except for the year 2014-15 which declined to 34.42 per cent. Thus, there is no appreciable change amongst the share of expenditure on account of General, Social and Economic services during 2011-12 to 2015-16.

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

**Table 1.15: Trends of Revenue receipt and expenditure**

Particulars*	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue receipt as a percentage of GSDP	(5653.55) 43.78	(6819.76) 49.61	(7282.79) 44.96	(7998.28) 44.33	(8280.10) 41.63
Revenue expenditure as a percentage of GSDP	(5006.92) 38.77	(5316.53) 38.67	(5718.83) 35.30	(7267.29) 40.28	(7382.57) 37.12
Revenue surplus as a percentage of GSDP	(646.63) 5.01	(1503.23) 10.93	(1563.96) 9.66	(730.98) 4.05	(897.53) 4.51

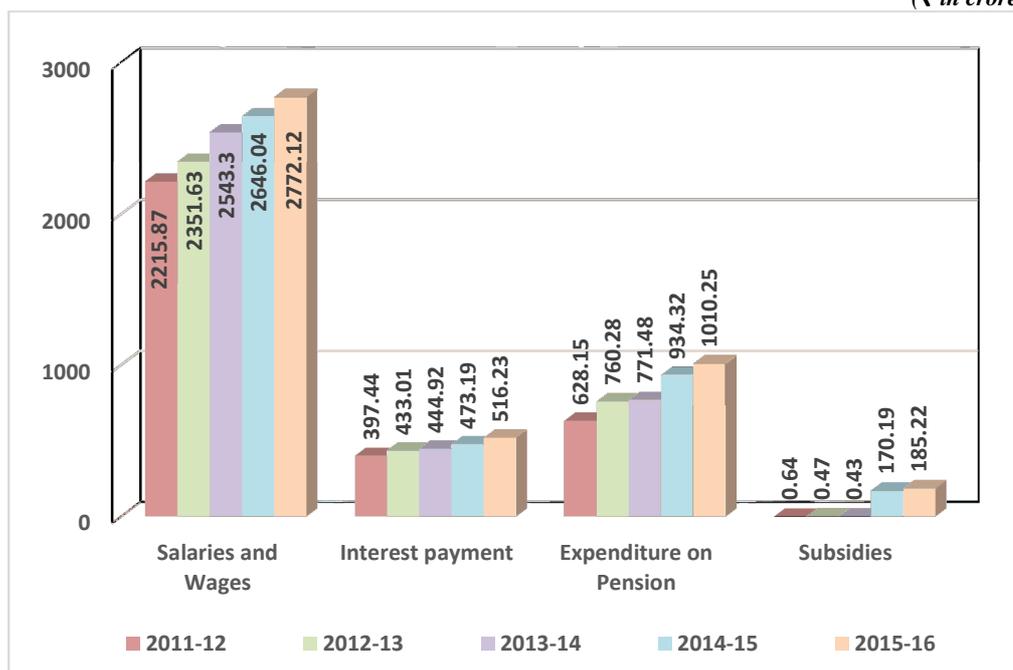
\*Figure in bracket indicates Actuals

(Source: Finance Accounts and Department of Economics and Statistics)



Chart 1.9: Trend of Committed expenditure for the years 2011-16

₹ in crore)



**Salaries and Wages:-** Salaries and Wages accounted about 33 *per cent* of the Revenue receipt of the State during 2015-16 and increased by ₹ 126.68 crore (4.78 *per cent*) over the previous year (2014-15). Salary expenditure under non-plan head increased from ₹ 2412.70 crore in 2014-15 to ₹ 2566.18 crore in 2015-16. Against the budget estimate of ₹ 2862.74 crore, expenditure on salary and wages was ₹ 2722.71 crore during 2015-16.

**Interest payment:-** Interest payment increased continually from ₹ 397.44 crore in 2011-12 to ₹ 516.23 crore in 2015-16. Interest payment increased by ₹ 43.04 crore from ₹ 473.19 crore in 2014-15 to ₹ 516.23 crore in 2015-16. As in the previous year, Interest on internal debt constituted a major portion of Interest payment and accounted for 70.11 *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 ₹ 52.39 crore during 2015-16.

**Pension payment:-** Pension payment increased continually from ₹ 628.15 crore in 2011-12 to ₹ 1010.25 crore in 2015-16. Pension payment increased by ₹ 75.93 crore (8.13 *per cent*) from ₹ 934.32 crore in 2014-15 to ₹ 1010.25 crore in 2015-16. The increase was mainly due to increase in payment on Superannuation, Commutation value of pension, Leave encashment benefits *etc.* (₹ 54.82 crore) and Family Pension (₹ 14.99 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” decreased from ₹ 88.88 crore in 2014-15 to ₹ 84.85 crore in 2015-16. The balance of ₹ 84.85 crore remained to be transferred to National Security Depository Limited.

**Subsidies:** - As per Finance Accounts, amounts ranging from ₹ 0.43 crore to ₹ 0.64 crore was given as subsidies by State Government to various departments during 2011-12 to 2013-14. Since 2014-15 onwards, there was sharp increase of subsidies, which was ₹ 170.19 crore in 2014-15 and ₹ 185.22 crore in 2015-16. In 2015-16, the State Government had booked ₹ 184.89 crore as subsidy under Power sector, which constituted 99.82 *per cent* of the subsidy given during the year.

### **1.6.3 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 2015-16 relative to the previous years is presented in the following table:

**Table 1.17: Financial Assistance to local bodies, other institutions etc.**

(₹ in crore)

Financial Assistance to Institutions <sup>16</sup>	2011-12	2012-13	2013-14	2014-15	2015-16	
					BE*	Actual
Educational Institutions (Aided Schools, Aided Colleges, Universities etc.)	44.81	42.24	95.48	91.65	39.86	28.67
Municipal Corporations and Municipalities	3.72	15.57	14.72	25.05	28.58	30.94
Co-operative institutions	1.39	0.63	0.59	0.42	0.17	0.17
Power	-	-	-	448.23	475.32	531.42
Other Institutions	0.86	6.42	17.63	21.27	129.57	118.48
<b>Total</b>	<b>50.78</b>	<b>64.86</b>	<b>128.42</b>	<b>586.62</b>	<b>673.50</b>	<b>709.68</b>
Assistance as percentage of Revenue expenditure	1.01	1.22	2.25	8.07	8.46	9.61

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

The total assistance (₹ 709.68 crore) provided during 2015-16 was more than the estimates made in the budget (₹ 673.50 crore) by ₹ 36.18 crore. As compared to 2014-15, the total assistance increased by ₹ 123.06 crore in 2015-16. Financial assistance to Power alone constituted 74.88 *per cent* of the total assistance of the State Government during 2015-16. The percentage of assistance to the total Revenue expenditure increased from 1.01 in 2011-12 to 9.61 in 2015-16.

<sup>16</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.

#### 1.6.4 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 at the grass root level 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 responsibilities with respect to preparation of plans and programmes for economic development and social justice relating to 29 subjects to PRIs and 18 subjects to ULBs listed in the XI and XII Schedule of the Constitution of India respectively.

After 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 nine districts of which five districts are located in the hill areas and four districts are in the valley. As of March 2016, there were four 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. The ULBs in the State are governed by the Act. The ULBs are spread out in the four valley districts except Moreh Small Town Committee (Moreh STC) which is located in Chandel district (a hill district). As of March 2016, there is one Municipal Corporation, 18 Municipal Councils (MCs), 8 Nagar Panchayats (NPs) and one Small Town Committee (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 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 2016.

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 Schedule for ULBs. The Directorate of Municipal Administration, Housing and Urban Development (MAHUD), Government of Manipur intimated (September 2014) that out of 18 functions, seven functions are now being performed by ULBs.

However, funds and functionaries related to the transferred subjects were not transferred to PRIs and ULBs. The State Government allocated funds to PRIs and ULBs as per the recommendations of the State Finance Commission.

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

**Panchayat Raj Institutions (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, GoI in consultation with the Comptroller and Auditor General (CAG) 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 2016.

The Director, Local Fund Audit (DLFA), Government of Manipur is the Statutory Auditor and conducts audit of accounts of GPs and ZPs under Sections 44(1) and 74(1) of the MPR 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 (April 2016) that out of 165 PRIs, 45 PRIs were planned for audit during the year 2015-16. The Director further intimated that Audit Report on PRIs and ULBs for the year 2014-15 was forwarded to Government of Manipur for placement before the State Legislature.

**Urban Local Bodies (ULBs):** The Ministry of Urban Development, GoI in consultation with the CAG 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 2016. The accounts of all the ULBs were not kept as per NMAM. Due to non-maintenance of accounts in prescribed format, the actual financial position of ULBs in the State could not be ascertained.

The DLFA also conducts audit of accounts of Municipal Corporation, MCs, NPs and STC under Sections 72(1) of the Manipur Municipalities Act, 1994. The DLFA intimated (April 2016) that, out of 28 ULBs units, 27 ULBs units were planned for audit during the year 2015-16. The report of the DLFA has not been forwarded (October 2016) to the Accountant General (Audit).

### ***Audit of PRIs and ULBs by CAG of India***

The Accountant General (Audit), Manipur conducts the audit of the accounts of PRIs & ULBs under Sections 14 (1) and 20(1) of CAG's DPC Act, 1971 under Technical Guidance & Support (TG&S) module, as entrusted by the State Government. The State Gazette notification regarding entrustment of TG&S to the CAG 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 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 CAG of India or his representative will have the right to report the result of audit to the State Legislature. Accordingly, the ATIR are placed before the State Legislature. The ATIR for the year 2014-15 was placed before the State Legislature on 2 September 2016.

### **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>17</sup>. Efficiency of expenditure is also reflected by ratio of allocation towards Development expenditure<sup>18</sup> and Capital expenditure to Total expenditure (and/or GSDP) and proportion of Revenue expenditure 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

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<sup>17</sup> Refer glossary in Appendix 1.7

<sup>18</sup> Refer glossary in Appendix 1.7

the Total expenditure of the State during 2015-16 *vis-à-vis* budgeted and the previous years.

**Table 1.18: Components of Development expenditure**

(₹ in crore)

Components of Development expenditure	2011-12	2012-13	2013-14	2014-15	2015-16	
					BE*	Actual
Development Revenue expenditure	2696.66 (40.23)	2841.48 (41.66)	2942.27 (41.97)	4040.44 (46.98)	5076.76	4083.72 (47.36)
Development Capital expenditure	1402.00 (20.92)	1275.69 (18.70)	1071.57 (15.28)	1123.62 (13.07)	1084.03	1072.83 (12.44)
Development Loans and Advances	-	1.00 (0.01)	-	-	-	-

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

While Development Revenue expenditure increased marginally by ₹ 43.28 crore, Development Capital expenditure decreased marginally by ₹ 50.79 crore during 2015-16 over the previous year (2014-15). However, both Development Revenue expenditure and Development Capital expenditure was less than budget estimate. The Development Revenue expenditure shows a steady increasing trend during 2011-12 and 2015-16.

The various parameters of Fiscal Priority of the State during 2012-13 and 2015-16 is given in the following table:-

**Table 1.19: Fiscal priority in 2012-13 and 2015-16**

(in per cent)

Fiscal Priority of the State	TE/GSDP	SSE/TE	ESE/TE	DE/TE	CE/TE	Education/TE	Health/TE
SCS Average 2012-13	22.23	38.42	31.50	69.92	15.53	20.86	5.58
Manipur 2012-13	49.62	27.59	32.76	60.36	22.01	10.84	3.56
SCS Average 2015-16	21.66	39.78	30.63	70.41	13.95	20.63	6.41
Manipur 2015-16	43.35	27.37	32.44	59.81	14.36	11.64	4.95

\* TE - Total expenditure; DE – Developmental expenditure; SSE – Social services expenditure; ESE – Economic services expenditure, CE – Capital expenditure; SCS – Special Category States

(Source: Finance Accounts)

The Total expenditure as percentage of GSDP of Manipur was more than that of other Special Category States (SCS) during 2012-13 and 2015-16. As compared to other SCS, Manipur had a better Fiscal priority on Economic services and Capital expenditure during 2012-13 and 2015-16. The Fiscal priority of Manipur in other areas *viz.* Social services, Developmental expenditure, Education and Health was lesser than other SCS during 2012-13 and 2015-16.

As compared to 2012-13, the State had a substantial reduction of Capital expenditure *vis-a-vis* Total expenditure in 2015-16. The State's Fiscal priority on Social services, Economic services and Development expenditure remained static during 2011-12 and 2015-16. However, there was marginal

improvement in allocation of resource in Education and Health in 2015-16 then in 2011-12.

### 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 expenditure of the sector/sub-sector of some selected Social and Economic Services are shown in the following table:

**Table 1.20: Efficiency of expenditure in Social and Economic Services**

(in per cent)

Sector	2014-15			2015-16		
	Percentage of Capital expenditure (CE) to Total expenditure (TE) of the respective sector	Percentage of Revenue expenditure <sup>19</sup> (RE) vis-a-vis		Percentage of CE to TE of the respective sector	Percentage of RE <sup>20</sup> vis-a-vis	
		Salaries & wages	OM*		Salaries & wages	OM*
Social services	21.26 (CE- ₹ 547.63 crore) (TE- ₹ 2575.69 crore)	58.35	1.62	16.35 (CE- ₹ 385.88 crore) (TE- ₹ 2359.48 crore)	61.98	3.08
Economic services	22.25 (CE- ₹ 575.99 crore) (TE- ₹ 2588.36 crore)	20.84	3.64	24.56 (CE- ₹ 686.96 crore) (TE- ₹ 2797.08 crore)	19.77	22.10

\* Operation and Maintenance

(Source: Finance Accounts)

Capital expenditure under Social services decreased by ₹ 161.75 crore from ₹ 547.63 crore in 2014-15 to ₹ 385.88 crore in 2015-16. The share of Capital expenditure to Total expenditure decreased from 21.26 per cent in 2014-15 to 16.35 per cent in 2015-16 under Social services. Salaries and Wages as a percentage of Revenue expenditure increased from 58.35 per cent in 2014-15 to 61.98 per cent in 2015-16. Thus, major outgo of Revenue expenditure under Social services is for payment of Salary and Wages.

Capital expenditure under Economic services increased by ₹ 110.97 crore from ₹ 575.99 crore in 2014-15 to ₹ 686.96 crore in 2015-16. 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 61.98 per cent of Revenue expenditure was utilised as Salary and Wages. However, it was only 19.77 per cent under Economic services. Under Economic services, Operation and maintenance cost as a percentage of Revenue expenditure increased substantially from 3.64 per cent in 2014-15 to 22.10 per cent in 2015-16.

## 1.8 Financial analysis of expenditure and investments

In the post-FRBM framework, the State is expected to keep its Fiscal deficit 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

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

<sup>20</sup> Revenue Expenditure - ₹ 1973.60 crore (Social services) and ₹ 2110.12 crore (Economic services)

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 2015-16 *vis-à-vis* previous years.

### **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 2016 is given in the following table:

**Table 1.21: Department-wise Profile of Incomplete Projects**

(₹ in crore)

Department	Year of commencement of the Projects	No. of incomplete Projects <sup>21</sup>	Initial Budgeted Cost	Cumulative expenditure as on 31.03.2016
Tourism	Between 2009 and 2014	44	375.82	171.35
Manipur State Power Company Limited	Between 2008 and 2014	25	456.85	363.64
Education (S)	2015	11	56.43	7.57
Minorities and Other Backward Classes	Between 2011 and 2015	11	18.74	2.85
Public Health Engineering Dept.	Between 2011-12 and 2015-16	3	92.31	49.53
Commerce & Industries	Between 2005 and 2012-13	2	66.01	55.73
Agriculture	Between 2013-14 and 2014-15	2	22.38	22.38
State Council of Educational Research & Training	2014	1	5.51	4.96
Command Area Development Authority	2015-16	1	1.99	NA
<b>Total</b>		<b>100</b>	<b>1096.04</b>	<b>678.01</b>

(Source: Finance Accounts)

As of 31 March 2016, there were 100 incomplete projects each costing ₹ 1.00 crore and above, involving a total budgeted cost of ₹ 1096.04 crore on which an expenditure of ₹ 678.01 crore had already been incurred. Of these, 91 incomplete works pertains to four Departments *viz.* Tourism, Manipur State Power Company Limited, Education (S) and Minorities and Other Backward Classes. Delay in completion of works invites the risk of escalation in cost of the works besides depriving the benefits of the projects to the State.

<sup>21</sup> The above list does not include projects for which the targeted dates of completion have been revised.

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

During 2011-16, investment in companies, corporations and co-operative societies ranging from ₹ 160.18 crore to ₹ 175.24 crore was made by the State Government. Against this, the State Government could earn only ₹ 15,000 during 2011-16, as shown in the following table:-

**Table 1.22: Return on Investment from Companies/Corporations etc.**  
(₹ in crore)

Investment/Return/Cost of Borrowings	2011-12	2012-13	2013-14	2014-15	2015-16
Investment at the end of the year	160.18	160.29	160.30	167.13	175.24
Return	*	Δ	*	**	*
Return (per cent)	-	-	-	-	-
Average rate of interest on Govt. borrowing (per cent)	6.27	6.52	6.42	6.56	6.67
Difference between interest rate and return (per cent)	6.27	6.52	6.42	6.56	6.67

Δ only ₹ 4,000; \* only ₹ 3,000; \*\* only ₹ 2,000

(Source: Finance Accounts)

As of 31 March 2016, the State Government had invested ₹ 175.24 crore<sup>22</sup> in two statutory corporations, 17 Government companies and 5 numbers of various types of co-operative banks and institutions. During 2015-16, the State Government could earn ₹ 3,000 against the investment. The State Government paid an average rate of interest ranging from 6.27 per cent to 6.67 per cent on its borrowings. However, the rate of return from the investment was insignificant.

The State Government may critically review the functioning of the corporations and companies to make their operations viable to ensure more returns on the investments.

### 1.8.3 Investment in Public Private Partnership projects

The State Government has not reported (November 2016) any investment through Public Private Partnership mode during 2015-16.

### 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 2016 and Interest receipt *vis-à-vis* Interest payments during 2011-12 to 2015-16.

<sup>22</sup> Investment/Share as featured in Statement 1 of Finance Accounts has been adopted

**Table 1.23: Average Interest Received on Loans and Advances by the State Government**  
(₹ in crore)

Quantum of Loans/Interest receipt/Cost of Borrowings	2011-12	2012-13	2013-14	2014-15	2015-16	
					BE*	Actual
Opening Balance	205.42	203.61	206.32	205.13	NA	204.51**
Amount advanced during the year	0.08	3.30	0.04	0.34	3.60	1.60
Amount repaid during the year	1.89	0.59	1.23	0.97	3.80	1.02
<b>Closing Balance</b>	<b>203.61</b>	<b>206.32</b>	<b>205.13</b>	<b>204.50</b>	<b>NA</b>	<b>205.09</b>
<i>Of which</i> Outstanding balance for which terms and conditions have been settled	NA	NA	NA	NA	NA	NA
Net addition	(-) 1.81	2.71	(-) 1.19	(-) 0.63	(-) 0.20	0.58
Interest receipt	1.25	0.94	0.35	0.55	NA	0.32
Interest receipt as <i>per cent</i> to outstanding Loans and Advances	0.61	0.46	0.17	0.27	NA	0.16
Total Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government	6.13	6.37	6.30	6.43	NA	6.35
Difference between interest payments and interest receipt ( <i>per cent</i> )	5.52	5.91	6.13	6.16	NA	6.19

\* BE- Budget estimates

\*\* Difference due to opening balance & closing balance due to rounding

NA - Not available

(Source: Budget documents and Finance Accounts)

The opening balance of outstanding Loans and Advances as on 1 April 2015 was ₹ 204.51 crore. Against repayment of Loans and Advances of ₹ 1.02 crore, an amount of ₹ 1.60 crore was disbursed during 2015-16. Interest receipt has decreased from ₹ 1.25 crore in 2011-12 to ₹ 0.32 crore in 2015-16. Pertinently, Interest receipt of ₹ 0.32 crore against Loan of ₹ 204.51 crore<sup>23</sup> is insignificant. The State Government may therefore need to ensure realisation of commensurate receipt of interest from the Loans and Advances.

### 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 based on the three years average of revenue receipt and the operative limit for Special Ways and Means Advances/Special Drawing Facility 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 at ₹ 90 crore by the RBI for the year 2015-16 (revised to ₹ 195 crore with effect from February 2016). The position of Ways and Means Advances and Overdraft is shown in the following table:

<sup>23</sup> Opening balance of Loan

**Table 1.24: Ways and Means Advances and Overdrafts**

	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Ways and Means Advance</b>					
Availed in the year	89.95	534.65	274.52	-	184.75
Outstanding WMAs	89.95	97.92	-	-	184.75
Interest paid	-	1.21	0.19	-	-
Number of days	1	72	13	-	1
<b>Overdraft</b>					
Number of days	1	31	8	-	-

(Source: Finance Accounts)

The State Government resorted to Ways and Means Advance (WMA) during 2011-12 to 2013-14. However, during 2014-15 the State Government did not avail any Ways and Means Advance. During 2015-16, an amount of ₹ 184.75 crore was availed of as WMA for one day.

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 2015-16:

**Table 1.25: Cash balances and investment of cash balances as on 31 March 2016**

	(₹ in crore)	
Particulars	Opening balance on 1.4.2015	Closing balance on 31.3.2016
<b>(a) General Cash Balance -</b>		
Cash in Treasuries	4.64	4.64
Deposits with Reserve Bank	(-) 297.96	(-) 5.14
Deposits with other Banks	-	-
Remittances in transit - Local	-	-
<b>Sub-total</b>	<b>(-) 293.32</b>	<b>(-) 0.50</b>
Investments in Cash Balance investment account <sup>24</sup>	125.65	-
<b>Total (a)</b>	<b>(-) 167.67</b>	<b>(-) 0.50</b>
<b>(b) Other Cash Balances and Investments</b>		
Cash with departmental officers <sup>25</sup>	53.45	34.69
Permanent advances for contingent expenditure with departmental officers	0.02	0.02
Investment of earmarked funds	235.97	350.98
<b>Total (b)</b>	<b>289.44</b>	<b>385.69</b>
<b>Grand total (a)+ (b)</b>	<b>121.77</b>	<b>385.19</b>

(Source: Finance Accounts)

Against opening cash balance of ₹ 121.77 crore at the beginning of 2015-16, the cash balance closed at an amount of ₹ 385.19 crore at the end of the year. This was mainly due to increase in Deposits with Reserve Bank from (-) ₹ 297.96 crore in 2014-15 to (-) ₹ 5.14 crore in 2015-16. Investment of earmarked fund also increased from ₹ 235.97 crore in 2014-15 to ₹ 350.98 crore in 2015-16. However, there was no balance lying in Cash Balance investment account at the end of 2015-16.

<sup>24</sup> GoI Treasury bills-₹ 125.65 crore, Long term investment- Nil, Other investment-Nil<sup>25</sup> Public Works Department Officers, and Forest Department Officers

## 1.9 Assets and Liabilities

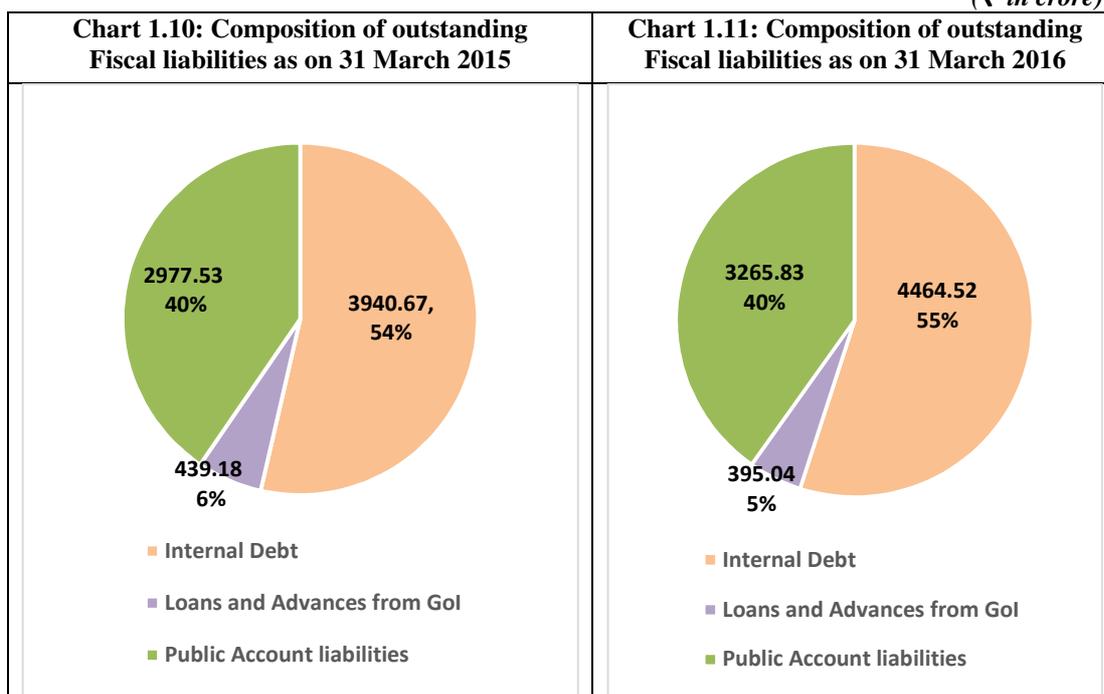
### 1.9.1 Growth and Composition of Assets and Liabilities

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 2016, compared with the corresponding position on 31 March 2015. The liabilities in this Appendix consist mainly of internal borrowings, receipt 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 2015-16 *vis-à-vis* the previous year are presented in the following charts:

(₹ in crore)



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

**Table 1.26: Details showing Fiscal liabilities, its growth rate and ratio to GSDP**  
(₹ in crore)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Fiscal liabilities <sup>26</sup>	6483.16	6800.94	7060.68	7357.38	8125.39
Rate of growth ( <i>per cent</i> )	4.70	4.90	3.82	4.20	10.44
Percentage of Fiscal liabilities to					
GSDP ( <i>per cent</i> )	50.20	49.47	43.59	40.78	40.85
Revenue receipt ( <i>per cent</i> )	114.67	99.72	96.95	91.99	98.13

(Source: Finance Accounts & Directorate of Economics & Statistics)

The overall Fiscal liabilities of the State Government maintained an increasing trend during 2011-12 and 2015-16, which increased from ₹ 6483.16 crore in 2011-12 to ₹ 8125.39 crore in 2015-16. The Fiscal liabilities increased by 10.44 *per cent* (₹ 768.01 crore) in 2015-16 over the previous year (2014-15). This was mainly due to increase of ₹ 523.84 crore under Internal Debt, which constituted 68.21 *per cent* of the increase of the Fiscal liabilities in 2015-16.

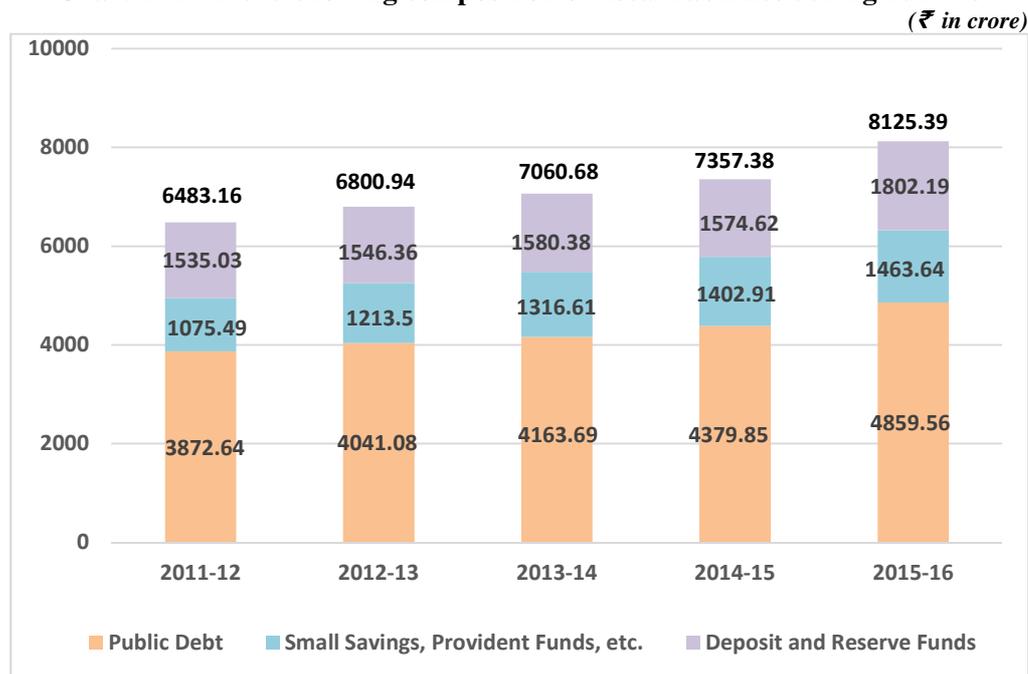
As compared to 10.44 *per cent* increase of Fiscal liabilities in 2015-16, the annual growth rate of Fiscal liabilities was around 4 *per cent* only during 2011-12 to 2014-15. This underlines the extent of increase of Fiscal liabilities in 2015-16. Such a trend, if continued in coming years, would put pressure on the State Government in meeting the burden on re-payment of debt and interest thereon.

Percentage of Fiscal liabilities to GSDP remained steady at about 40 *per cent* during 2014-15 and 2015-16. Percentage of Fiscal liabilities to Revenue receipt ratio increased from 91.99 *per cent* in 2014-15 to 98.13 *per cent* in 2015-16. This indicates that Fiscal liabilities grew at a faster rate than Revenue receipt during 2015-16.

The trends showing composition of Fiscal liabilities are further depicted in the following chart:-

<sup>26</sup> Refer glossary in Appendix 1.7. Fiscal Liabilities as shown in the Table is inclusive of Investment out of Reserved Funds

Chart 1.12: Trend showing composition of fiscal liabilities during 2011-16



(Source: Finance Accounts)

The increase in Fiscal liabilities (₹ 768.01 crore) during 2015-16 as compared to 2014-15 was mainly due to increase in Internal Debt (₹ 523.84 crore), Deposits (₹ 116.85 crore) and Reserved Funds (₹ 110.72 crore).

The increase in Internal Debt was mainly due to six market loans totalling to ₹ 600 crore, through six instruments at interest rates ranging from 8.07 per cent to 8.63 per cent, partially offset by repayments under other heads. The increase in Deposits was mainly due to increase under the head '8443 – Civil Deposits' (₹ 262.79 crore) partially offset by decrease under the head '8449 – Other Deposit' (₹ 141.91 crore). The increase in Reserve Fund was due to increase in Sinking fund (₹ 88.03 crore). Loans and Advances from GoI decreased as repayment of ₹ 44.13 crore was made and no further loans were obtained from GoI during 2015-16.

The State Government should review the Internal Debt of the State and devise a road map to handle re-payment of principal and interest.

### 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.

#### Consolidated Sinking Fund (CSF)

The State Government created (February 2008) a Consolidated Sinking Fund for amortization of market borrowings, other loans and debt obligation liabilities, as recommended by the XII Finance Commission. As per the guidelines, the State Government was required to contribute a minimum of 0.5

per cent of its outstanding liabilities (i.e. internal debt plus public account) as at the end of the previous year. Accordingly, the contribution due from the State Government in 2015-16 was ₹ 36.79 crore (0.5 per cent of outstanding liabilities of ₹ 7,357.38 crore as on 31 March 2015). Against this, the State Government contributed ₹ 27.40 crore to the Fund in 2015-16 resulting in short contribution of ₹ 9.39 crore during 2015-16.

The corpus of the Fund (including accumulated interest) amounting to ₹ 276.61 crore as on 31 March 2016, was invested by the Reserve Bank of India in GoI Securities.

### **State Disaster Response Fund (SDRF)**

The State has commenced operation of the “State Disaster Response Fund” (SDRF) in 2010-11<sup>27</sup>. The closing balance of the erstwhile Calamity Relief Fund<sup>28</sup> by the end of March 2015 was to be transferred to this Head during this year.

GoI released ₹ 21.05 crore<sup>29</sup> towards SDRF in 2015-16. The State Government transferred ₹ 23.49 crore (₹ 21.05 crore Central share and ₹ 2.44 crore State share) to the Fund in 2015-16. Out of the corpus of ₹ 44.56 crore as on 31 March 2016, ₹ 10.19 crore was invested. In terms of guidelines applicable to the Reserve Funds, the Government is required to pay interest at 7.5 per cent per annum on the fund balances of the previous year. Therefore, ₹ 2.90 crore was required to be provided as interest for the uninvested balance of ₹ 38.68 crore<sup>30</sup>, which was not done.

### **In-operative Reserve Funds**

The total amount lying under in-operative Reserve Funds was ₹ 0.24 crore at the end of the year. The fund was lying under the Major Head- ‘8226-Depreciation/Renewal Reserve Fund’, Minor Head ‘101-Depreciation Reserve Fund of Government Commercial Department’. This fund was in-operative from 1975-76.

## **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

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<sup>27</sup> under Major Head ‘8121-General and Other Reserve Funds, 122-State Disaster Response Fund’

<sup>28</sup> Under Major Head ‘8235-General and Other Reserve Funds, 111- State Disaster Response Fund’, operated under ‘(b) Reserve Fund not bearing interest’

<sup>29</sup> ₹38.71 crore was also transferred from National Disaster Response Fund (NDRF)

<sup>30</sup> ₹ 35.51 crore + (₹ 13.35 - ₹ 10.19 crore)

Act, 2004, the total outstanding guarantees as of 1 April of any year shall not exceed thrice the State's Own Tax revenue receipt 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 1.27: Guarantees given by Government of Manipur**

Guarantees		(₹ in crore)				
		2011-12	2012-13	2013-14	2014-15	2015-16
Maximum amount guaranteed		195.55	193.98	197.45	197.45	588.00
Outstanding at the beginning 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>
Invoked during the year (Discharge)		33.14	6.80	-	23.34	28.17
Outstanding at the end of the year	Principal	78.84	76.69	75.57	62.96	269.96
	Interest	96.51	123.04	139.73	129.99	69.57
	<b>Total</b>	<b>175.35</b>	<b>199.73<sup>@</sup></b>	<b>215.30</b>	<b>192.95</b>	<b>339.53</b>
Number of guarantees		14	13	13	13	14
Percentage of maximum amount guaranteed to Total revenue receipt		3.47	2.84	2.71	2.47	7.10

<sup>@</sup> Closing balance of 2012-13 (Audit Report 2012-13) since reconciled between concerned Departments and Finance Department  
(Source: Finance Accounts)

The outstanding guarantee of ₹ 339.53 crore at the end of 2015-16 was kept within the limit of the FRBM Act *i.e.* ₹ 1550.49 crore <sup>31</sup>. An amount of ₹ 28.17 crore was invoked by the State Government during 2015-16. During 2015-16, the State Government issued fresh guarantee of ₹ 213.02 crore to Manipur State Power Distribution Company Limited. However, guarantee fee of ₹ 2.13 crore from the PSU was not collected. There was a outstanding guarantee of ₹ 339.53 crore, of which ₹ 269.96 crore was the principal amount and ₹ 69.57 crore was the interest amount at the end of 2015-16. As against the outstanding guarantee of ₹ 339.53 crore, the corpus available in the Guarantee Redemption Fund was only ₹ 64.19 crore at the end of 2015-16.

## 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 2015-16 is shown in the following table:

<sup>31</sup> Not to exceed thrice the State's Own Tax revenue receipt of the second preceding year as on 1 April of that year *i.e.* ₹ 1550.49 crore (₹ 516.83 crore (in 2014-15) x 3)

Table 1.28: Maturity Profile of debt<sup>32</sup>

(₹ in crore)		
Maturity profile (in years)	Year of maturity	Amount
0 - 1	2016-17	126.52
1 - 3	2016-18	559.00
3 - 5	2018-20	624.56
5 - 7	2020-22	691.03
7 - 9	2022-24	1215.19
9 -11	2024-26	616.96
11-13	2026-29	5.28
Miscellaneous*	-	1021.02
<b>Total</b>		<b>4859.56</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 ₹ 126.52 crore in the (0-1) year slab to ₹ 559 crore in the (1-3) years slab. In the next (3-5) years slab, this will increase to ₹ 624.56 crore and will increase further to ₹ 691.03 crore in the (5-7) years slab. During the (0-7) years slab, the repayment burden is ₹ 2001.11 crore, which constitutes 41 *per cent* of the total maturity profile. The repayment burden peaks in (7-9) years slab at ₹ 1215.19 crore before decreasing to ₹ 616.96 crore in the (9-11) years slab. The year wise details of maturity profile of debt at the end of 2015-16 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>33</sup> of the State, sufficiency of non-debt receipt<sup>34</sup>; net availability of borrowed funds<sup>35</sup> *etc.* The following table analyzes the debt sustainability of the State according to these indicators during 2011-16.

Table 1.29: Debt sustainability, Indicators and Trends

(₹ in crore)					
Indicators of debt sustainability	2011-12	2012-13	2013-14	2014-15	2015-16
Outstanding Debt <sup>36</sup>	6369.36	6639.06	6850.34	7082.50	7739.79
Rate of growth of Debt	4.13	4.23	3.18	3.39	9.28
Rate of growth of GSDP	-	6.45	17.83	11.39	10.24
Average interest rate of outstanding public debt (in <i>per cent</i> )	6.13	6.37	6.30	6.43	6.35
Net availability of borrowed funds	(-) 137.51	(-) 151.56	(-) 185.18	(-) 176.50	141.07
Burden of interest payments (IP/RR* Ratio percentage)	7.03	6.35	6.11	5.92	6.23

\* IP – Interest Payment and RR – Revenue Receipt

(Source: Finance Accounts)

<sup>32</sup> Excluding debt under Public Accounts

<sup>33</sup> Refer glossary in Appendix 1.7

<sup>34</sup> Refer glossary in Appendix 1.7

<sup>35</sup> Refer glossary in Appendix 1.7

<sup>36</sup> Including Debt under Public Accounts other than Reserve Fund

The growth rate of Outstanding Debt which ranged between 3.18 *per cent* to 4.23 *per cent* during 2011-12 and 2014-15 grew substantially by 9.28 *per cent* in 2015-16. This was nearly equal to the growth rate of GSDP in 2015-16, which hitherto had maintained a higher growth rate than the growth rate of Outstanding Debt during 2011-12 to 2014-15. The increase in Outstanding Debt was mostly due to increase in Internal Debt.

Unlike the last four years during 2011-12 to 2014-15 when Net availability of borrowed funds was negative, there was Net availability of borrowed funds of ₹ 141.07 crore in 2015-16. This indicates that funds from Borrowed funds were available for other purpose after meeting the re-payment obligations of past debt and Interest. Interest payment-Revenue receipt ratio which depicted a declining trend from 7.03 *per cent* in 2011-12 to 5.92 *per cent* in 2014-15 reversed its trend in 2015-16 and increased to 6.23 *per cent*. As Debt has increased substantially in 2015-16, there is a likelihood that the ratio may increase further unless Revenue receipt grows at a faster rate.

### **1.10.3 Debt consolidation and relief facility**

The States' enactment/amendment of the FRBM Act, incorporating the targets prescribed in the Finance Commission 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**.

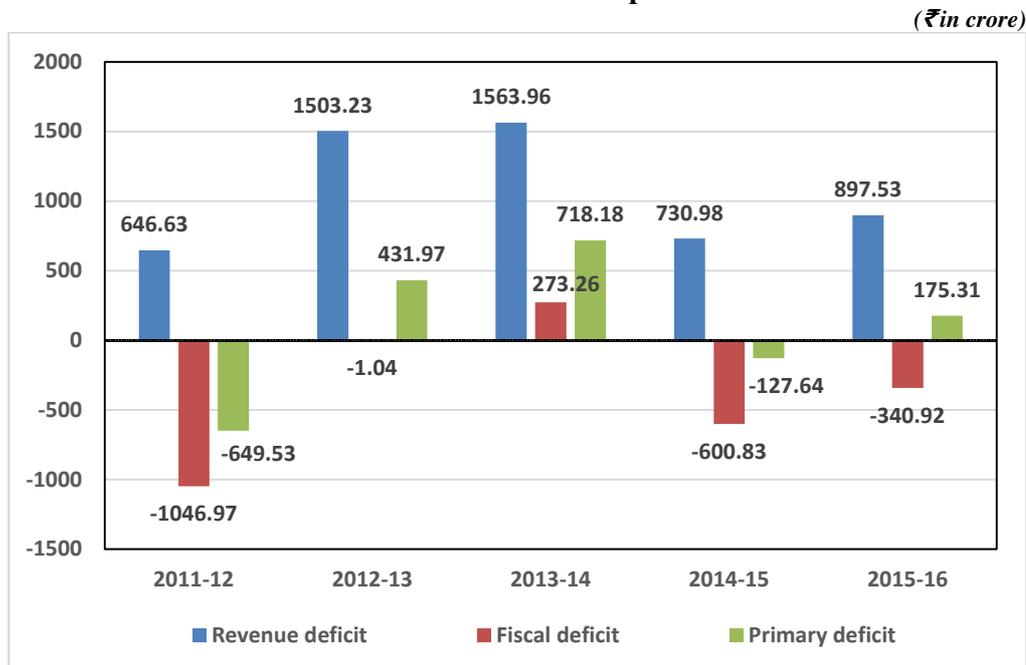
## **1.11 Fiscal imbalances**

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/surplus in the Government accounts represents the gap between its receipt and expenditure. The nature of deficit/surplus 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, are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits/utilisation of surplus.

### 1.11.1 Trends in Deficits/Surplus

The following chart presents the trends in deficit indicators during 2011-16:

**Chart 1.13: Trends of deficit/surplus indicators**



The State was able to maintain Revenue surplus throughout 2011-12 to 2015-16, which ranged from ₹ 646.63 crore to ₹ 1563.96 crore. As compared to 2014-15, Revenue surplus improved by ₹ 166.55 crore in 2015-16.

The Fiscal deficit has been reduced from its peak level 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 trend reversed to a Fiscal deficit of ₹ 600.83 crore in 2014-15. However, Fiscal deficit was reduced to ₹ 340.92 crore in 2015-16.

The Primary deficit of ₹ 649.53 crore experienced in 2011-12 turned its trend in 2012-13 to a 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 to Primary deficit of ₹ 127.64 crore. This, however, again reverted into a surplus of ₹ 175.31 crore in 2015-16.

Reduction of growth of expenditure by the State Government in 2015-16 resulted in corresponding improvement of these key fiscal parameters *i.e.* Revenue, Fiscal and Primary deficits to tighten the overall fiscal imbalances in the Finances of the State Government in 2015-16. Reduction of Capital expenditure in 2015-16 needs to be reviewed so that pace of development

activities and creation of assets are not compromised. Thus, the State Government may consider stepping up of collection of more revenues, recovering loans, earning more returns on investments.

### 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 1.30: Components of Fiscal deficit and its financing pattern**

(₹ in crore)

Sl. No.	Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Decomposition of Fiscal deficit (-) /surplus (+)		(-)1046.97	(-)1.04	(+) 273.26	(-) 600.83	(-) 340.92
1	Revenue surplus	646.63	1503.23	1563.96	730.98	897.53
2	Net capital expenditure	(-)1695.41	(-)1501.56	(-) 1291.89	(-) 1332.44	(-) 1237.87
3	Net Loans and Advances	1.81	(-)2.71	1.19	0.63	(-) 0.58
<b>Financing/utilisation pattern of Fiscal deficit/surplus*</b>						
1	Market Loans	76.97	182.01	288.17	339.23	311.29
2	Loans from the GoI	(-)64.93	(-)44.01	(-) 47.08	(-) 44.17	(-) 44.13
3	Special Securities Issued to NSSF**	(-)12.85	(-)16.19	(-) 21.50	(-) 26.03	18.51
4	Loans from Financial Institutions and other loans	43.96	38.66	0.94	(-) 52.87	9.29
5	Ways and Means Advance	89.95	7.97	(-) 97.92	-	184.75
6	Small Savings, PF** etc.	233.69	138.01	103.11	86.30	60.74
7	Deposits and Advances	(-)114.24	(-)36.74	(-) 14.43	(-) 70.88	116.85
8	Suspense and Miscellaneous	6.23	1.77	1.91	(-) 15.56	(-) 19.13
9	Remittances	21.57	(-)2.09	(-) 15.71	(-) 21.81	(-) 144.54
10	Reserve Fund	38.35	48.08	48.46	64.55	110.71
Increase (-)/decrease (+) in cash balance		728.28	(-)316.43	(-) 519.21	342.07	(-) 263.42

\* 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 ₹ 340.92 crore in 2015-16 was mainly due to expenditure on Capital account partially reduced by the Revenue surplus. The deficit was mainly financed by Market loan and Other Loans (₹ 311.29 crore) and Ways and Means Advance (₹ 184.75 crore) partially reduced by outflow of Loans from the GoI (₹ 44.13 crore). As stated earlier, increase of Internal Debt of ₹ 523.84 crore<sup>37</sup> in 2015-16 is higher than ₹ 260.33 crore<sup>38</sup> made in 2014-15.

<sup>37</sup> Market Loans (₹ 311.29 crore) + Special Securities issued to NSSF (₹ 18.51 crore) + Loans from Financial Institutions etc. (₹ 9.29 crore) + WMA (₹ 184.75 crore)

### 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 1.31: Primary deficit/surplus, Bifurcation of factors**

(₹ in crore)

Year	Non-debt receipt	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)
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
2015-16	8281.12	6866.34	1237.86	1.60	8105.81	1414.78	(+) 175.31

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

The Non-debt receipt of the State during 2011-16 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 2011-12 and 2014-15 the Primary revenue surplus was not adequate to cover the Capital expenditure and Loans and Advances, resulting in Primary deficit during these years. There was Primary surplus of ₹ 175.31 crore in 2015-16 reverting the trend of the previous year (2014-15). As compared to growth of Non-debt receipt by 9.82 per cent in 2014-15, Non-debt receipt in 2015-16 grew by only 3.52 per cent. Against this, Primary expenditure which increased by 23.78 per cent in 2014-15 decreased by 0.26 per cent in 2015-16. This was the main reason of achieving Primary surplus in 2015-16.

<sup>38</sup> Market Loans (₹ 339.23 crore) + Special Securities issued to NSSF (minus ₹ 26.03 crore) + Loans from Financial Institutions etc. (minus ₹ 52.87 crore)

## **1.12 Conclusion and recommendations**

### ***Revenue receipt***

Revenue receipt increased by ₹ 281.83 crore (3.52 per cent) over the previous year. The increase was mainly due to increase in Share of Union Taxes and duties (₹ 1615.53 crore) offset by decrease in Grants-in-Aid (GIA) from Government of India (GoI) (₹ 1333.06 crore). 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 2011-16. The State's share of Union taxes and duties and GIA from GoI contributed in the range of 88 per cent to 92 per cent to the Revenue receipt during 2011-16 and remained the main contributor to Revenue receipt of the State.

Both under Own Tax revenue and Non-tax revenue targets/assessment of XIV FC, Budget estimates and MTFPS could not be achieved during 2015-16. (paras 1.1.2, 1.3 and 1.3.1)

*The State Government should enforce adequate measures to increase own resources of revenue.*

### ***Expenditure status***

Total expenditure of the State increased by ₹ 1919.63 crore (28.65 per cent) from ₹ 6702.41 crore in 2011-12 to ₹ 8622.04 crore in 2015-16. The Revenue expenditure of the State increased by ₹ 2375.65 crore (47.45 per cent) from ₹ 5006.92 crore in 2011-12 to ₹ 7382.57 crore in 2015-16.

Capital expenditure exhibited a declining trend since 2011-12 to 2013-14. It increased in 2014-15 and then decreased again in 2015-16. Revenue expenditure, on the other hand has increased steadily during 2011-16. Revenue expenditure as a percentage of the Total expenditure increased from 74.70 per cent in 2011-12 to 85.62 per cent in 2015-16. This shows that a bulk of the Total expenditure has been increasingly spent to meet expenditure on maintenance, salary, etc. (para 1.6.1)

*The State Government may give priority to increase Capital expenditure.*

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

During 2011-16, investment in companies, corporations and co-operative societies ranging from ₹ 160.18 crore to ₹ 175.24 crore was made by the State Government. Against this, the State Government could earn only ₹ 15,000 during 2011-16. The State Government paid an average rate of interest ranging

from 6.27 *per cent* to 6.67 *per cent* on its borrowings. However, the rate of return from the investment was insignificant. **(para 1.8.2)**

*The State Government may critically review the functioning of the corporations and companies to make their operations viable to ensure more returns on the investments.*

***Fiscal liabilities and fiscal position***

The overall Fiscal liabilities of the State Government increased from ₹ 6483.16 crore in 2011-12 to ₹ 8125.39 crore in 2015-16. This was mainly due to increase of ₹ 523.84 crore under Internal Debt.

Fiscal liabilities in 2015-16 increased by 10.44 *per cent* as compared to 2014-15. However, the annual growth rate of Fiscal liabilities during 2011-12 to 2014-15 was around 4 *per cent*. This underlines the extent of increase of Fiscal liabilities in 2015-16. Such a trend, if continued in coming years, would put pressure on the State Government in meeting the burden on re-payment of debt and interest thereon. **(paras 1.9.2)**

*The State Government should review the Internal Debt of the State and devise a road map to handle re-payment of principal and interest.*



**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 2015-16 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) (4-5)	(7)	(8)
<b>Voted</b>							
Revenue	7551.71	523.90	8075.61	6874.73	(-)1200.88	300.43 (300.43)	25.02
Capital	1280.79	419.81	1700.60	1237.87	(-) 462.73	29.77 (29.77)	6.43
Loans and Advances	3.60	0.00	3.60	1.60	(-) 2.00	0 (0)	0
<b>Sub-total Voted</b>	<b>8836.10</b>	<b>943.71</b>	<b>9779.81</b>	<b>8114.20</b>	<b>(-)1665.61</b>	<b>330.20</b> <b>(330.20)</b>	<b>19.82</b>
<b>Charged</b>							
Revenue	486.56	2.43	488.99	537.88	(+) 48.89	0 (0)	0
Capital	0	0	0	0	0	0 (0)	0
Public Debt- Repayment	405.95	0	405.95	446.08	(+) 40.13	62.56 (62.56)	0
<b>Sub-total Charged</b>	<b>892.51</b>	<b>2.43</b>	<b>894.94</b>	<b>983.96</b>	<b>(+) 89.02</b>	<b>62.56</b> <b>(62.56)</b>	<b>0</b>
Appropriation to Contingency Fund	0	0	0	0	0	0	0
<b>Grand Total</b>	<b>9728.61</b>	<b>946.14</b>	<b>10674.75</b>	<b>9098.16</b>	<b>1576.59</b>	<b>392.76</b> <b>(392.76)</b>	<b>19.82</b>

(Source: Appropriation Accounts)

During 2015-16, an expenditure of ₹ 9098.16 crore was incurred against a total budget provision of ₹ 10674.75 crore resulting in overall saving of ₹ 1576.59 crore. The overall saving of ₹ 1576.59 crore was the net result of saving of ₹ 1720.19 crore in 47 Grants and two Appropriations under Revenue section and 28 Grants under Capital section, offset by an excess of ₹ 143.60 crore in five Grants and one Appropriations under Revenue section and four Grants and one Appropriation under Capital section.

Substantial savings occurred in Education (Revenue voted – ₹ 253.69 crore) (Grant no. 10), Planning (Revenue voted - ₹ 293.56 crore) (Grant no. 30), Public Works Department (Capital voted - ₹ 125.00 crore) (Grant no. 8) and Irrigation and Flood Control Department (Capital voted - ₹ 129.79 crore) (Grant no. 40).

Excess expenditure occurred mainly in Interest Payment and Debt Services (Revenue Charged - ₹ 52.39 crore & Capital Charged - ₹ 40.13 crore) (Appropriation No. 2) and Relief and Disaster Management (Revenue Voted - ₹ 25.50 crore) (Grant no. 48).

## 2.3 Financial Accountability and Budget Management

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

The outcome of appropriation audit shows that in 58 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**. There were 10 cases<sup>1</sup> where Savings were 50 per cent and above of the total provision in each case. Out of these 100 per cent savings occurred in 4 Grants<sup>2</sup> under Capital voted. Against the total savings of ₹ 1665.61 crore, savings of ₹ 1196.79 crore (72 per cent) occurred in 9 cases relating to 8 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	Grant No. and Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Saving
<b>Revenue Voted</b>						
1	7. Police	1047.06	55.99	1103.05	1029.98	73.07
2	8. Public Works Department	207.72	6.29	214.01	140.14	73.87
3	10. Education	1174.34	85.52	1259.86	1006.17	253.69
4	19. Environment and Forest	184.98	0	184.98	122.34	62.64
5	20. Community and Rural Development	679.30	44.90	724.20	672.20	52
6	30. Planning	362.66	0	362.66	69.10	293.56
7	44. Social Welfare Department	273.79	38.55	312.34	179.16	133.18
	<b>Sub Total</b>	<b>3929.85</b>	<b>231.25</b>	<b>4161.10</b>	<b>3219.09</b>	<b>942.01</b>
<b>Capital Voted</b>						
8	8. Public Works Department	432.27	141.92	574.19	449.19	125.00
9	40. Irrigation and Flood Control Department	215.81	22.51	238.32	108.53	129.79
	<b>Sub Total</b>	<b>648.08</b>	<b>164.43</b>	<b>812.51</b>	<b>557.72</b>	<b>254.79</b>
	<b>Total</b>	<b>4577.93</b>	<b>395.68</b>	<b>4973.61</b>	<b>3776.81</b>	<b>1196.80</b>

(Source: Appropriation Accounts)

It is seen from the above table that except under Public Works Department (Sl. No. 8) the actual expenditure was less than the original provision in each case. Further, in five cases viz. Education (₹ 253.69 crore); Planning (₹ 293.56 crore) and Social Welfare Department (₹ 133.18 crore) under Revenue Voted, Public Works Department (₹ 125.00 crore), and Irrigation and Flood Control Department (₹ 129.79 crore) under Capital Voted, there was savings of more than ₹ 100 crore in each case.

<sup>1</sup> Grants No.30 (Revenue Voted), and Grants No. 2, 5, 9, 13, 15, 17, 30, 40 and 49(Capital Voted)

<sup>2</sup> Grant No. 2 – Council Of Ministers (Sl. No. 39), Grant No. 5 – Finance Department (Sl. No. 40), Grant No.15 - Consumers Affairs, Food and Public Distribution (Sl. No. 47) and Grant No.17 – Agriculture (Sl. No. 50) under Capital Voted.

### **2.3.2 Expenditure without provision**

Expenditure should not be incurred on a scheme/service without provision of funds. Audit noticed that expenditure of ₹ 61.82 crore was incurred in 20 cases (**Appendix 2.2**) without any provision of funds in the original estimates/supplementary demand. Out of expenditure of ₹ 61.82 crore without provision, ₹ 29.27 crore (47 per cent) was incurred by Education Department under Central Plan Schemes<sup>3</sup> as Capital expenditure. Expenditure without budgetary provision tantamount to expenditure without legitimate sanction and is a serious breach of Legislative power.

### **2.3.3 Persistent savings**

There were 17 cases where persistent savings had occurred during the last five years *i.e.* 2011-12 to 2015-16. Of these, 11 cases pertained to Revenue Voted accounts and the remaining 6 cases under Capital Voted accounts. The details are given **Appendix 2.3**. In 3 cases<sup>4</sup>, during the last five years (2011-16) 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 2011-16. Persistent savings occurring year after year is indicative of the fact that proper analysis was not done while framing the estimates.

### **2.3.4 Drawal of funds at the 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**, ₹ 103.61 crore drawn at the end of the year during March 2016 were deposited into the head of account “8449-Other Deposits” and the amount remained in this accounts at close of 2015-16.

### **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 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 2016) by the State Government. Excess expenditure amounting to ₹ 2907.80 crore for the years 2012-13, 2013-14 and 2014-15 were yet to be examined (October

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<sup>3</sup> Sl. No. 3 of Appendix 2.2, under Grant No. 10

<sup>4</sup> Sl. No. 1, 5 and 8 of Appendix 2.3

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

2016) by the PAC. The details of excess expenditure during 2010-15 is shown in **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 2016)
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-
2014-15	1	1	1996.48	-do-
<b>Total:</b>	<b>21</b>	<b>8</b>	<b>3059.60</b>	

(Source: Appropriation Accounts)

### 2.3.6 Excess expenditure incurred during 2015-16

The following table contains the summary of total excess over provisions in 11 cases amounting to ₹ 143.60 crore from the Consolidated Fund of the State during 2015-16 and requires regularization under Article 205 of the Constitution. The excess expenditure incurred during 2015-16 is shown in the following table:

**Table 2.4: Excess over provisions during 2015-16 requiring regularization**

(in ₹)

Sl. No.	Number and title of Grant/Appropriation	Total provision	Expenditure	Excess
<b>Revenue Voted</b>				
1	5. Finance Department	10609757000	10618690000	8933000
2	12. Municipal Administration, Housing and Urban Development	621728000	657127000	35399000
3	38. Panchayat	614565000	622520000	7955000
4	48. Relief and Disaster Management	254774000	509785000	255011000
<b>Sub Total</b>		<b>12,10,08,24,000</b>	<b>12,40,81,22,000</b>	<b>30,72,98,000</b>
<b>Capital Voted</b>				
5	14. Department of Tribal Affairs, Hills and Scheduled Caste Development	134542000	156160000	21618000
6	18. Animal Husbandry and Veterinary including Dairy Farming	13100000	43015000	29915000
7	21. Commerce and Industries	20150000	137705000	117555000
8	43. Horticulture and Soil Conservation	12800000	47072000	34272000
<b>Sub Total</b>		<b>18,05,92,000</b>	<b>38,39,52,000</b>	<b>20,33,60,000</b>
<b>Revenue Charged</b>				
9	Appropriation No. 2 - Interest Payment & Debt Services	4638362000	5162297000	523935000
10	5. Finance Department	1001000	1050000	49000
<b>Sub Total</b>		<b>4,63,93,63,000</b>	<b>5,16,33,47,000</b>	<b>52,39,84,000</b>
<b>Capital Charged</b>				
11	Appropriation No. 2 - Interest Payment & Debt Services	4059488000	4460827000	401339000
<b>Sub Total</b>		<b>4,05,94,88,000</b>	<b>4,46,08,27,000</b>	<b>40,13,39,000</b>
<b>Total</b>		<b>20,98,02,67,000</b>	<b>22,41,62,48,000</b>	<b>1,43,59,81,000</b>

(Source: Appropriation Accounts)

### 2.3.7 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provision aggregating to ₹ 4972.35 crore in 27 cases, during the year proved unnecessary as the expenditure did not come up to the level of original provision. Out of these, in six cases unnecessary supplementary provisions provided exceeded ₹ 20 crore viz., Police (₹ 55.99 crore), Education (₹ 85.52 crore), Community and Rural Development (₹ 44.90 crore), Social Welfare Department (₹ 38.55 crore) under Revenue Voted and Agriculture (₹ 22.57 crore), and Irrigation and Flood Control Department (₹ 22.51 crore) and 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	Supplementary
(1)	(2)	(3)	(4)	(5)(3-4)	(6)
<b>Revenue Voted</b>					
1	2. Council Of Ministers	591.66	450.02	141.64	11.77
2	7. Police	104705.80	102998.12	1707.68	5599.27
3	8. Public Works Department	20772.53	14014.56	6757.97	628.75
4	10. Education	117434.67	100617.06	16817.61	8551.72
5	11. Medical, Health and Family Welfare Services	46350.16	44292.46	2057.70	1842.27
6	13. Labour and Employment	1701.79	1555.45	146.34	127.09
7	14. Department of Tribal Affairs, Hills and Scheduled Caste Development	42234.17	39303.18	2930.99	560.36
8	17. Agriculture	12108.04	10427.44	1680.60	808.86
9	20. Community and Rural Development	67929.80	67219.90	709.90	4490.31
10	24. Vigilance Department	307.75	293.80	13.95	0.59
11	25. Youth Affairs and Sports Department	3998.08	3884.09	113.99	47.03
12	27. Election	845.10	729.88	115.22	209.78
13	28. State Excise	1765.00	1750.28	14.72	79.59
14	37. Fisheries	2604.39	2564.74	39.65	233.00
15	40. Irrigation and Flood Control Department	6641.42	5853.77	787.65	1.53
16	41. Art and Culture	2516.44	2035.97	480.47	71.65
17	42. State Academy of Training	496.88	459.53	37.35	68.37
18	44. Social Welfare Department	27379.19	17915.97	9463.22	3854.98
19	45. Tourism	1271.52	1170.05	101.47	84.76
20	46. Science and Technology	399.01	270.69	128.32	75.99
21	47. Minorities and Other Backward Classes Department	1666.58	1620.92	45.66	1014.73
<b>Revenue Charged</b>					
22	Appropriation no. 3 - Manipur Public Service Commission	381.58	376.20	5.38	55.00
23	26. Administration of Justice	1313.18	1167.34	145.84	91.32
<b>Capital Voted</b>					
24	13. Labour and Employment	300.02	56.50	243.52	56.50
25	17. Agriculture	2550.00	0.00	2550.00	2257.32
26	36. Minor Irrigation	7389.00	6471.27	917.73	267.63
27	40. Irrigation and Flood Control Department	21580.81	10852.97	10727.84	2251.45
<b>Total</b>		<b>438352.16</b>	<b>58882.41</b>	<b>33341.62</b>	<b>497234.57</b>

(Source: Appropriation Accounts)

As can be seen from the table, in case of Grant-17 Agriculture (Capital Voted), supplementary provision of ₹ 22.57 crore was provided even though no expenditure was made under this grant.

In three cases, supplementary provision of ₹ 53.72 crore was insufficient and there was an aggregate excess expenditure of ₹ 28.56 crore. Details are given in the following table:

**Table 2.6: Statement showing major cases of insufficient supplementary provision**

( ₹ in lakh)

Sl. No.	Number and Title of Grant and Appropriation	Original	Supplementary	Total	Expenditure	Excess
<b>Revenue Voted</b>						
1	5. Finance Department	101583.64	4513.93	106097.57	106186.90	89.33
2	48. Relief and Disaster Management	2095.58	452.16	2547.74	5097.85	2550.11
<b>Capital Voted</b>						
3	14. Department of Tribal Affairs, Hills and Scheduled Caste Development	940.00	405.42	1345.42	1561.60	216.18
<b>Total</b>		<b>104619.22</b>	<b>5371.51</b>	<b>109990.73</b>	<b>112846.35</b>	<b>2855.62</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. Audit noticed that re-appropriation proved insufficient by one crore or more in each case and resulted in excess expenditure of ₹ 223.54 crore<sup>6</sup> in 23 sub-heads (Sl. Nos. 106 to 128 of **Appendix 2.6**). It was also noticed that re-appropriation proved excessive by one crore or above in 105 sub-heads (Nos. 1 to 105 of **Appendix 2.6**) resulting in savings of ₹ 867.41 crore. This resulted in overall savings of ₹ 643.87 crore in these 128 sub-heads as detailed in **Appendix 2.6**. Thus, the re-appropriations proved injudicious.

Despite re-appropriation, there were savings of more than ₹ 50 crore in four cases<sup>7</sup>. On the excess side, there were two cases<sup>8</sup> in which excess of expenditure exceeded more than ₹ 20 crore.

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

<sup>7</sup> Grant No. 10 - Education ₹ 58.73 crore under Major Head (MH) - 2202.02.109.24 NP at Sl. No. 31 and ₹ 63.39 crore under MH - 2202.01.111.82 (Valley) at SL no. 36, Grant No. 30 - Planning ₹ 82.00 crore under MH - 3451.00.092.26 (Valley) at Sl. No. 88 and Grant No. 40 - Irrigation and Flood Control Department ₹ 95.89 crore under MH 4700.03.800.11 (Valley) at Sl. No. 91

<sup>8</sup> Appropriation 2 - Interest Payment & Debt Services ₹ 92.71 crore under MH 6003.00.101.25(NP) of Sl. No. 106 and Grant No. 5 - Finance Department ₹ 35.89 crore under MH - 2071.01.101.36(NP) of Sl. No. 109.

### **2.3.9 Substantial surrenders**

Substantial surrenders exceeding ₹ 10 crore and more than 25 per cent of the Total Provision<sup>9</sup> in each case were made in respect of 7 sub-heads. The details are given in **Appendix 2.7**. An amount of ₹ 347.36 crore (51 per cent of the Provisions) was surrendered in these 7 cases. This constituted 88 per cent of the Total amount of ₹ 392.76 crore surrendered in 2015-16.

In three cases/schemes/programmes (under Grant No. 19 - Environment & Forest and under Grant No. 30- Planning) the whole provisions were surrendered. Surrender of 100 per cent of fund is a matter of concern and indicates that fund provisions had been made without adequate planning and due consideration of requirements.

### **2.3.10 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 2015-16, no part of savings in 61 cases was surrendered by the concerned Departments. The amount involved in these cases was ₹ 1173.25 crore (74.42 per cent of the overall savings of ₹ 1576.59 crore) (**Appendix 2.8**). It is observed that in four cases<sup>10</sup>, savings exceeded ₹ 100 crore but no part of which was surrendered.

Similarly, out of savings of ₹ 1710.66 crore under 37 Grants/Appropriations (52 cases) where saving was one crore and above in each case, only ₹ 327.15 crore pertaining to 16 Grants<sup>11</sup> could be surrendered leaving an un-surrendered balance savings of ₹ 1383.52 crore (81 per cent). Details are given in **Appendix 2.9**.

Besides, in 20 Grants (20 cases), ₹ 392.76 crore were surrendered on 31 March 2016 (**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.

### **2.3.11 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 30 cases as listed as shown in **Appendix 2.11**, expenditure more than ₹ 10 crore and 25 per cent of the total expenditure for the year was incurred in March 2016. Of these, in 2 cases<sup>12</sup> involving ₹ 34.51 crore, the whole

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<sup>9</sup> Original and Supplementary

<sup>10</sup> Education (₹ 253.69 crore – Sl. No. 5 of the Appendix 2.8), Social Welfare Department (₹ 133.18 crore - Sl. No. 27 of the Appendix 2.8) under Revenue Voted and Public Works Department (₹ 124.99 crore – Sl. No. 42 of Appendix 2.8) and Irrigation and Flood Control Department (₹ 129.79 crore – Sl. No. 55 of Appendix 2.8) under Capital Voted.

<sup>11</sup> Grants Nos.1, 3, 4, 16, 18, 19, 21, 26, 30, 31, 36, 43 and 49 under Revenue Voted, Grant No. 12, 15 and 22 under Capital Voted.

<sup>12</sup> Sl. Nos. 4 & 9 of Appendix 2.11

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

Abstract Contingent (AC) bills are to be used for drawing advances with specific sanction for departmental purposes. As per Central Treasury Rules<sup>13</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 2003-16 was ₹ 2535.53 crore against the amount of AC bills of ₹ 4096.54 crore leading to an outstanding balance of 1193 AC bills of ₹ 1561 crore as on June 2016. Year wise details are given in the following table:

**Table 2.7: Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills as on June 2016**

(₹ 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	39.9	6.10	13.26
2006-07	149.69	107.41	42.28	28.25
2007-08	355.57	268.87	86.70	24.38
2008-09	592.33	542.8	49.53	8.36
2009-10	422.83	359.69	63.14	14.93
2010-11	354.36	210.03	144.33	40.73
2011-12	374.63	237.66	136.97	36.56
2012-13	205.81	143.53	62.28	30.26
2013-14	297.67	156.87	140.80	47.3
2014-15	810.58	255.92	554.66	68.43
2015-16	369.97	121.42	248.55	67.18
<b>Total:</b>	<b>4096.53</b>	<b>2535.53</b>	<b>1561</b>	<b>38.10</b>

(Source: - Voucher Level Computerization data)

<sup>13</sup> Rule 308, Rule 309 & Note 4 under Rule 312

Department-wise pending DCC bills for the years up to 2015-16 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.

Out of total outstanding DCC bills of ₹ 1561 crore, 325 AC bills amounting to ₹ 464.12 crore (21 *per cent*) was pending regularization in Medical and Health Services Department, as shown below:-

**Table 2.8: Pendency of DCC bills in respect of Medical & Health Services Department as on June 2016**

*(₹ in crore)*

Year	Number of Vouchers	Amount	Reasons for which AC bills were drawn
2005-06	15	3.96	Not intimated by the Department
2006-07	23	18.42	Not intimated by the Department
2007-08	19	26.44	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	86	21.60	Not intimated by the Department
2011-12	26	20.35	Not intimated by the Department
2012-13	13	54.05	Not intimated by the Department
2013-14	9	82.01	Not intimated by the Department
2014-15	47	144.13	Not intimated by the Department
2015-16	18	58.45	Not intimated by the Department
<b>Total</b>	<b>325</b>	<b>464.12</b>	

(Source: - Voucher Level Computerization data)

As can be seen from the above table, out of pending DCC bills pertaining to 325 vouchers of ₹ 464.12 crore during 2005-16, maximum amount of pending AC bills pertained to 2014-15 involving 47 vouchers (14 *per cent*) amounting to ₹144.13 crore (31 *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 2015-16 also. Out of 81 Controlling Officers (COs), 36 COs could not reconcile their expenditure with the expenditure figure booked in the books of the Accountant General (A&E), Manipur during 2015-16. 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 keeping of funds by debit to the Consolidated Fund of the State which is required to be closed at the end of the same financial year by minus debit to the relevant service heads. However, there were four<sup>14</sup> PD accounts existing at the beginning of the year 2015-16. Out of these four PD accounts, two PD accounts viz. Planning and Development Authority and Apex Housing Co-operative Society were re-opened without approval of Accountant General (A&E), Manipur which was not as per prescribed procedure of General Financial Rules, 2005.

At the end of 31 March 2016, there were two PD accounts viz. Planning and Development Authority and Apex Housing Co-operative Society which had not been closed. These accounts had a closing balance of ₹ 86.03 lakh, which was not transferred back to the respective service heads. The number of PD accounts which has been inoperative for more than one year is nil.

## 2.6 Outcome of review of selected grant

A review on budgetary procedure and control over expenditure was conducted (October 2016) in respect of “Grant No. 21: Commerce & Industries”. It was noticed that against a budget provision of ₹ 85.28 crore under Revenue Head, the actual expenditure was ₹ 57.24 crore resulting in savings of ₹ 28.04 crore, out of which an amount of ₹ 7.94 crore only was surrendered. Thus, an amount of ₹ 20.10 crore remained un-surrendered. Under Capital Head, against a budget provision of ₹ 2.02 crore, the actual expenditure was ₹ 13.77 crore resulting in excess of ₹ 11.75 crore.

Cases of Excess/Unnecessary/Insufficient re-appropriation of funds exceeding ₹ 50 lakh and above (7cases) and substantial surrender exceeding one crore (1 case) noticed are detailed below:

**Excess/unnecessary re-appropriation/surrender of funds:** There were seven (7) cases of excess/unnecessary re-appropriation/surrender of funds of ₹ 50 lakh and above which resulted in a total savings ₹ 2.36 crore. Details are as shown in the following table:

<sup>14</sup> Planning and Development Authority, Government Oil Depot, Apex Housing Co-operative Society, Procurement and Sale of Urea fertilizer.

**Table 2.9: 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	2851(NP).00.002.03	195.95	0	154.07	350.02	258.02	-92
2	2851[SP(V)].00.103.96	350	0	-250.00	100	132.08	32.08
3	2851[SP(H)].00.103.96	650	0	250.00	900	867.91	-32.08
4	4552[SP(H)].20.800.01	0	0	68.18	68.18	0.00	-68.18
5	4552[SP(V)].21.800.01	0	0	866.00	866.00	934.18	68.18
6	4851[SP(V)].00.800.83	0	0	384.00	384.00	292.18	-91.82
7	2552(NEC).00.800.40	0	0	52.44	52.44	0.00	-52.44
<b>Total</b>		<b>1195.95</b>	<b>0</b>	<b>1524.69</b>	<b>2720.64</b>	<b>2484.37</b>	<b>-236.26</b>

NP - Non-Plan, SP – State Plan and V – Valley  
(Source: Detailed Appropriation Accounts)

In two cases<sup>15</sup>, there was savings of more than ₹ 90 lakh though re-appropriation of ₹ 1.54 crore and ₹ 3.84 crore were made respectively. In two cases<sup>16</sup>, there was excess of expenditure. In view of the saving/excess, the re-appropriation/surrender of funds proved inadequate/unnecessary.

**Substantial surrender of funds:** In one case, there was substantial surrender of funds under Grant No. 21 - Commerce & Industries during 2015-16 as shown in the following table.

**Table 2.10: Substantial surrender during 2015-16**

(₹ in crore)

Head of Account	Total Provision	Amount Surrendered	Percentage of Surrender
2851 - Village and Small Industries 102 Small Scale Industries 42 North Eastern Region Textile Promotion Scheme	19.60	7.94	40.51
<b>Total</b>	<b>19.60</b>	<b>7.94</b>	<b>40.51</b>

(Source: Detailed Appropriation Accounts)

The amount surrendered in this MH – 2851 alone amounted to ₹ 7.94 crore and was 40.5 per cent of the total provisions.

## 2.7 Errors in budgeting process

The following deficiencies were observed in the State budget for the year 2015-16:

**Incorrect heads of accounts:** There were 20 heads of accounts in the budget which did not conform with the list of Major and Minor Heads of Accounts, of which 4 cases belonged to Major Head, 1 case belonged to Sub-Major Head and 15 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

<sup>15</sup> ₹ 92 lakhs (Sl. No.1) and ₹ 91.82 lakh (Sl. No. 6)

<sup>16</sup> ₹ 32.08 (Sl. No. 2) and ₹ 68.18 (Sl. No. 5)

given in **Appendix 2.14**. The matter was pointed out (September 2016) by Accountant General (A&E) to the State Finance Department. Reply has not been received (October 2016).

## 2.8 Outcome of inspection of Treasuries

The following shortcomings were observed in audit of Treasuries<sup>17</sup> during 2015-16:

**Excess payment of pension/gratuity:** During audit of four Treasuries *viz.* Imphal East Treasury (period of accounts: July 2014 to June 2015), Senapati treasury (period of accounts: July 2014 to June 2015), Tamenglong Treasury (period of accounts: July 2014 to June 2015), and Moreh Treasury (period of account: December 2014 to November 2015) excess payment of ₹ 2.22 lakh on account of pension/gratuity was noticed. The excess payment has occurred during July 2014 to November 2015 due to over payment of arrear family pension, payment after death of family pensioner *etc.* Action taken to address these excess payments has not been intimated (October 2016) by the State Government.

**Non submission of paid vouchers:** During audit of Imphal West Treasury (period of account: October 2014 to February 2016) it was noticed that vouchers amounting to ₹ 33.57 lakh<sup>18</sup> for the period during October 2014 to February 2016 was not submitted. As such, the amount was booked under suspense head. Action taken in this regard has not been intimated (October 2016).

**Deposit under Major Head ‘8449–Other Deposits’:** Deposits for more than three years shall be credited to the Government under Consolidated Fund is called lapsed deposit (Rule 189 of the Receipts & Payment Rules, 1983). During 2015-16, there was lapsed deposit of ₹ 925.18 lakh under Major Head ‘8449 – Other Deposits’ under Moirang, Lamphel and Senapati Treasury. As the amount was deposited during March 2011 to March 2012, the same should have been credited into Consolidated Fund. Details of these are given in **Appendix 2.15**.

## 2.9 Conclusion and recommendations

### Conclusions

During 2015-16, an expenditure of ₹ 9098.16 crore was incurred against a total budget provision of ₹ 10674.75 crore resulting in overall saving of ₹ 1576.59 crore. The overall savings was the net result of saving of ₹ 1720.19 crore offset by excess of ₹ 143.60 crore. The excess requires regularization under Article 205 of the Constitution of India. Excess

<sup>17</sup> Conducted by Office of the Accountant General (A&E), Manipur

<sup>18</sup> General Administration Department (₹ 15.36 lakh), Governor’s secretariat (₹ 13.33 lakh), Manipur Legislative Assembly (₹ 4.03 lakh), Police Department (₹ 0.48 lakh), Printing and Stationery Department (₹ 0.27 lakh) and Information and Public Relation Department (₹ 0.10 lakh)

expenditure ( ₹ 151.80 crore) for the period 2010-12 had been recommended for regularization by Public Accounts Committee (PAC). However, the excess expenditure was still pending for regularisation. **(paras 2.2 and 2.3.5)**

Supplementary provision aggregating to ₹ 4972.35 crore in 27 cases during 2015-16 proved unnecessary as the expenditure did not come up to the level of original provision. **(para 2.3.7)**

There was outstanding balance of 1193 AC bills of ₹ 1561 crore as on June 2016. Out of 81 Controlling Officers (CO), 36 CO did not reconcile their expenditure with the expenditure booked in the books of accounts maintained by the Accountant General (A&E), Manipur. **(paras 2.4)**

### ***Recommendations***

*The Government may consider to:*

- *ensure timely regularization of excess expenditure, as required under Article 205 of the Constitution of India,*
- *strengthen budgetary control to avoid unnecessary supplementary provision,*
- *put in place a mechanism in the Departments for timely submission of DCC bills against drawal made on AC bills and ensure reconciliation of accounts with Accountant General (A&E).*

# **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 (2015-16).

#### 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 5160 UCs aggregating to ₹ 3964.78 crore in respect of grants were in arrears as of 31 March 2016 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**

Year	Total Grant paid		Utilization Certificates outstanding	
	No. of cases	Amount	No. of certificates	Amount
Upto 2012-13	3560	2185.95	2888	1675.92
2013-14	1159	807.62	961	644.04
2014-15	1415	1869.64	1311	1644.82
<b>Total</b>	<b>6134</b>	<b>4863.21</b>	<b>5160</b>	<b>3964.78</b>

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

The UCs were mainly pending in respect of (i) Development of Tribal and Other Backward Classes (2314 UCs: ₹ 1252.63 crore), (ii) Rural Development and Panchayati Raj Department (464 UCs: ₹ 988.67 crore), (iii) Planning Department (104 UCs: ₹ 353.61 crore) (iv) Medical and Health Services (40 UCs: ₹ 287.27 crore) (v) Education (Schools) Department (802 UCs: ₹ 287.04 crore) (vi) Power Department (39 UCs: ₹ 192.23 crore) (vii) Municipal Administration, Housing and Urban Development (180 UCs: ₹ 182.48 crore).

These 7 departments together accounted for 3943 UCs (76.41 *per cent*) out of 5160 outstanding UCs; involving an amount of ₹ 3,543.93 crore (89.39 *per cent*) out of outstanding amount of ₹ 3964.78 crore. In the absence of UCs it could not be ascertained whether the recipients had utilized the grants for its specific purposes.

### **3.2 Non-submission/pending 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 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 2015-16 had not been received till October 2016. The details 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	2	1	-do-
<b>Total</b>	<b>9</b>	<b>7*</b>	<b>NA</b>

\* In respect of one Autonomous body, delay was both in (0-1) year & (1-3) year range

The Annual accounts of Autonomous District Councils of Tamenglong, Churachandpur, Senapati, Chandel, Ukhrul, Kangpokpi (Sadar Hills) are outstanding for the last one year; whereas the accounts of Manipur State Legal Service Authority are outstanding for the last three years. To exercise an effective control and management of these bodies, finalization of accounts on time needs to be ensured.

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

### 3.3 Delay 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 (CAG) of India under Sections 14(1) and 20(1) of CAG's (Duties, Power and Conditions of Service) Act, 1971 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 CAG. 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**. Position of placement of Separate Audit Reports (SAR) in the Legislature is summarized in the following table:

**Table 3.3: Position of placement of Separate Audit Report as on 31 March 2016**

Sl. No.	Name of the ADC/Autonomous Bodies	Year <sup>2</sup>	Date of issue	Date of placement of SAR	Remark
(1)	(2)	(3)	(4)	(5)	(6)
1	ADC,Chandel	2009-10	11.6.13	26.06.2013	No delay-
2	ADC,Churachandpur	2010-11	11.6.13	19.12.2013	-do-
3	ADC,Sardar Hills	2006-07	19.6.09	19.12.2013	Over 4 years
4	ADC,Senapati	2007-08	20.10.10	19.12.2013	Over 3 years
5	ADC,Tamenglong	2007-08	21.10.10	19.12.2013	Over 3 years
6	ADC,Ukhrul	2006-07	13.1.10	19.12.2013	Over 3 years
7	Manipur State Legal Service Authority	2010-11	6.12.13	19.12.2013	-

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

The above table shows that there was delay of 3 – 4 years in the placement of SARs in the legislature. The reasons for the delays were not furnished to Audit by the Government. The State Government needs to take appropriate action to place SARs in a timely manner to the State legislature.

In respect of the six ADCs, accounts upto 2014-15 have been rendered (March 2016). In respect of Manipur State Legal Service Authority accounts of 2012-13 have been rendered (March 2016). SARs of these Bodies are under preparation.

<sup>2</sup> Accounts of the Autonomous Bodies finalized upto the year as mentioned in the column.

### **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 CAG. As of 31 October 2016, there were 13 such undertakings (including 3 non-working companies) which had not prepared their Annual accounts upto 2015-16. The details of which are shown in the table below:

**Table 3.4: Status of accounts of Undertakings as on 2015-16**

<b>Sl. No.</b>	<b>Name of the Undertaking</b>	<b>Prepared upto</b>	<b>No. of years of account not prepared</b>
1	Manipur Electronic Development Corporation	2014-15	1 year
2	Manipur State Power Company Ltd.	2013-14	2 years
3	Manipur State Power Distribution Company Ltd.	2013-14	2 years
4	Manipur Industrial Development Corporation	2009-10	6 years
5	Manipur Food Industries Corporation	2009-10	6 years
6	Manipur Police Housing Corporation	1997-98	18 years
7	Manipur Handloom & Handicrafts Development Corporation	2004-05	11 years
8	Manipur Tribal Development Corporation	1987-88	28 years
9	Manipur IT SEZ Project Development Company Ltd.	Nil *	2 years
10	Tourism Corporation of Manipur Ltd.	Nil **	-
<b>Non-Working Companies</b>			
11	Manipur Pulp & Allied Product Ltd.	1997-98	18 years
12	Manipur Agro Industries	1988-89	27 years
13	Manipur Plantation Crop Corporation	1983-84	32 years

\* Established on 30.12.2013 & accounts of 2014-15 & 2015-16 yet to be prepared

\*\* Newly established company on 13.7.2016

Amongst the working companies, two companies viz. Manipur Industrial Development Corporation and Manipur Food Industries Corporation had not finalized their accounts for six years. The delay was much more in respect of three companies viz. Manipur Police Housing Corporation, Manipur Handloom and Handicraft Development Corporation and Manipur Tribal Development Corporation which had arrears in accounts ranging from 11 years to 28 years. The three non-working companies had arrears of accounts ranging from 18 years to 32 years. The Reports of the CAG have repeatedly highlighted the issues of arrears in preparation of accounts.

The position of preparation of accounts and investment made by the Government in departmental undertakings are given in **Appendix 3.4**. The delay in preparation of annual accounts of these Departmental undertakings is fraught with the risk of misappropriations of public money.

### 3.5 Misappropriations, losses, defalcations etc.

Rule 33 of GFR provides that any loss of public money, departmental revenue or receipts, stamp, stores or other property of the State Government shall be immediately reported to the 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 64 Departments/Autonomous Bodies/Departmental Commercial Undertakings.

Only 22 Departments<sup>3</sup> furnished (May 2016 to July 2016) the information. No pending cases of Advances and no cases of write-off was reported, except by Manipur Police Housing Corporation Limited (MPHCL). The MPHCL reported (May 2016) one case of misappropriation. The detail of case of misappropriation reported by the Directorate of Manipur Police Housing Corporation Limited is given in the following table:

**Table 3.5: Profile of misappropriations, losses, defalcations, etc.**

Name of Department	Nature of the Pending Cases*		
	Nature/ characteristics of the cases	Number of cases	Amount involved (₹ in lakh)
Manipur Police Housing Corporation Limited	Cases of misappropriation	1	31.88
<b>Total</b>		<b>1</b>	<b>31.88</b>

\* Year of occurrence of the case had not been mentioned  
(Source: Departmental record)

Misappropriation involving ₹ 31.88 lakh was pending for about 8 years in the Directorate of Manipur Police Housing Corporation Limited. The department, however, stated that the reason for the delay in settlement of cases of misappropriation was due to waiting for departmental and criminal investigation report.

Without completion of departmental enquiry, recovery of the misappropriated amount from the concerned officers would be difficult. Therefore, the department should ensure that enquiry is expedited so that appropriate action can be initiated against the concerned officers.

<sup>3</sup> (i) Horticulture & Soil (ii) Autonomous District Council (ADC), Tamenglong (iii) ADC, Churachandpur (iv) ADC, Kangpokpi (v) ADC, Senapati (vi) Police Department (vii) Forest Department (viii) Manipur State Power Company Ltd. (ix) PWD (x) PHED (xi) Manipur State Power Distribution Com. Ltd. (xii) Dir. of Adult Edn. (xiii) MOBC (xiv) Family Welfare Services (xv) Dir. of Consumer Affairs (xvi) Food and Public Distribution Dept. (xvii) Dir. of Agriculture Dept. (xviii) Horti. & Soil Conservation Dept. (xix) Tourism Dept. (xx) Law Dept. (xxi) Technical Edn. (xxii) Vigilance Department.

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

As per Article 151 (2) of the Constitution of India, Audit Reports of the CAG of India on State Finances 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 the last six years (2009-10 to 2014-15) to the Legislative Assembly and their discussion by the PAC are shown in the following table:

**Table 3.6: Discussion of Audit Report on State Finances 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	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	The report was discussed
2011-12	11.6.2013	14.11.13 & 15.11.13 (24.7.2014)	-do-	-do-	-
2012-13	16.7.2014	Not yet discussed	-	-	-
2013-14	29.6.2015	-do-	-	-	-
2014-15	02-09-2016	-do-	-	-	-

\* Exact date of discussion of Report not readily available

In case of 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 2010-11 and 2011-12 were recommended (July 2014) for regularization by the PAC. However, the State Government has not taken action in this regard.

The PAC discussed (November 2013) the Report on State Finance for the year 2011-12. A comprehensive recommendation on the finances of State Government was published on 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 of accounting was recommended by the PAC.

The recommendation of the PAC is given in **Appendix-3.5**. Action taken note of the Government on the recommendation is awaited till date. (October 2016).

### 3.7 Conclusion and recommendations

#### *Conclusion*

There were 5160 Utilization Certificates aggregating to ₹ 3964.78 crore in arrears in respect of grants given to 34 Departments as of March 2016. **(para 3.1)**

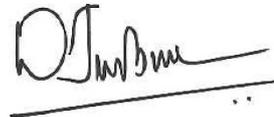
There were also delays and arrears in finalization of accounts by the Autonomous District Councils (ADCs), Autonomous Bodies and Departmental Commercial Undertakings and in the placement of SARs in the legislature. Six Undertakings have not submitted their accounts for more than 10 years, out of which three are non-working companies. **(paras 3.2, 3.3 and 3.4)**

#### *Recommendations*

*The State Government may strengthen internal controls of the departments to ensure timely submission of utilization certificates. The State Government may also ensure timely finalization of Annual Accounts by the Autonomous District Councils, Autonomous Bodies and Departmental Commercial Undertakings and timely placement of Separate Audit Reports in the State legislature.*

Imphal

Dated: 10 JAN 2017



(D. Jaisankar)

Accountant General (Audit), Manipur

Countersigned

New Delhi

Dated: 23 JAN 2017



(Shashi Kant Sharma)

Comptroller and Auditor General of India

## **APPENDICES**

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## 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 1 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 1</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.

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^ (All India Average = 27.5 per cent)		46.70 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 2015-16 at current prices		` 19890 crore (A)		
<b>Financial Data</b>					
Particulars		Figures (in per cent)			
		CAGR (2006-07 to 2014-15)		Growth (2014-15 to 2015-16)	
		SCS states#	Manipur	SCS states#	Manipur
a	Revenue Receipts	13.54	13.70	11.45	3.52
b	Own Tax Revenue	15.47	19.78	19.80	6.50
c	Non Tax Revenue	5.62	0.19	(-) 18.75	(-) 18.64
d	Total Expenditure	15.10	12.55	2.73	0.26
e	Capital Expenditure	12.38	5.52	(-) 6.26	(-) 7.10
f	Revenue Expenditure on Education	17.28	14.14	1.24	(-) 4.16
g	Salary & Wages	16.86	15.89	5.19	4.79
h	Pension	19.48	18.56	16.65	8.13
i	Revenue expenditure on Health	18.14	25.54	20.65	(-) 6.99

^ 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.

(A) – Advance Estimates

CAGR - Compounded Annual Growth Rate

# 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 2015-16**

(₹ in crore)

2014-15	Receipts	2015-16		2014-15	Disbursements	2015-16		
						Non-Plan	Plan	Total
<b>Section-A: Revenue</b>								
<b>7998.27</b>	<b>I – Revenue receipts</b>		<b>8280.10</b>	<b>7267.29</b>	<b>I-Revenue expenditure-</b>	<b>5065.34</b>	<b>2317.23</b>	<b>7382.57</b>
516.83	-Tax revenue	550.44		2751.13	General Services-	2935.89	14.91	2950.80
183.73	-Non-tax revenue	149.48		2028.06	Social Services of which	1130.47	843.13	1973.60
1526.89	-State's share of Union Taxes	3142.42		1111.22	-Education, Sports, Art and Culture	745.97	316.55	1062.52
1899.17	-Non-plan Grants	2218.18		417.66	-Health and Family Welfare	212.74	230.19	442.93
2929.12	-Grants for State Plan Schemes	1758.38		115.93	-Water Supply, Sanitation, Housing and Urban Development	89.97	21.31	111.28
850.19	-Grants for Central and Centrally sponsored Plan Schemes	261.50		5.16	-Information and Broadcasting	3.91	1.19	5.10
92.34	-Grants for Special Schemes for NEC and for other purposes	199.70		157.60	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	11.19	97.16	108.35
				13.37	-Labour and Labour Welfare	10.49	5.01	15.50
				203.82	-Social Welfare and Nutrition	56.17	171.72	227.89
				3.30	-Others	0.03	0	0.03
				2012.37	Economic Services of which	787.35	1322.77	2110.12
				469.70	-Agriculture and Allied Activities	200.84	173.34	374.18
				539.92	-Rural Development	53.03	644.11	697.14
				45.67	-Special Areas Programmes	0	36.81	36.81
				95.16	-Irrigation and Flood Control	52.32	22.92	75.24
				452.93	-Energy	304.49	320.31	624.80
				78.16	-Industry and Minerals	47.42	37.54	84.96
				131.78	-Transport	99.03	-	99.03
				76.85	-Science, Technology and Environment	3.49	35.10	38.59
				122.20	-General Economic Services	26.73	52.64	79.37

				475.73	Grants-in-aid and Contributions	211.63	136.42	348.05
	<b>II- Revenue deficit carried over to Section B</b>			<b>730.98</b>	<b>II- Revenue Surplus carried over to Section B</b>			<b>897.53</b>
<b>7998.27</b>	<b>Total: Section A</b>		<b>8280.10</b>	<b>7998.27</b>	<b>Total: Section A</b>			<b>8280.10</b>
<b>Section-B: Others</b>								
<b>463.84</b>	<b>III – Opening Cash balance including Permanent Advances and Cash Balance Investment</b>		<b>121.77</b>		<b>III – Opening Overdraft from Reserve Bank of India</b>			<b>-</b>
<b>-</b>	<b>IV – Miscellaneous Capital receipts</b>		<b>-</b>	<b>1332.44</b>	<b>IV – Capital Expenditure-</b>	<b>0.01</b>	<b>1237.86</b>	<b>1237.87</b>
				208.81	General Services-	0	165.03	165.03
				547.63	Social Services of which	0.01	385.87	385.88
				129.19	-Education, Sports, Art and Culture	0	73.30	73.30
				158.64	-Health and Family Welfare	0	42.73	42.73
				228.03	-Water Supply, Sanitation, Housing and Urban Development	0.01	201.32	201.33
				2.15	-Information and Broadcasting	0	0.01	0.01
				29.54	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	0	45.45	45.45
				0.08	-Social Welfare and Nutrition	0	22.49	22.49
					-Others	0	0.57	0.57
				576.00	Economic Services of which	0	686.96	686.96
				6.75	-Agriculture and Allied Activities	0	8.76	8.76
				-	-Rural Development	0	0	0
				68.43	-Special Areas Programmes	0	127.44	127.44
				181.09	-Irrigation and Flood Control	0	171.07	171.07
				38.89	-Energy	0	43.98	43.98
				17.13	-Industry and Minerals	0	4.43	4.43
				2.50	-Science Technology and Environment	0	9.26	9.26
				217.43	-Transport	0	258.55	258.55
				43.78	-General Economic Services	0	63.47	63.47

0.97	<b>V – Recoveries of Loans and Advances-</b>		1.02	0.34	<b>V – Loans and Advances disbursed-</b>	1.60		1.60
-	-From Power Projects			-	-For Power Projects		0	
0.76	-From Government Servants			0.34	To Government Servants		1.60	
0.21	-From Others			-	-To Others		0	
730.98	<b>VI – Revenue Surplus brought down</b>		897.53	-	<b>VI – Revenue Deficit brought down</b>	-	-	-
489.40	<b>VII – Public debt receipts-</b>		925.79	273.24	<b>VII – Repayment of Public debt</b>			446.08
-	-External debt		-	-	External debt	-	-	
489.40	-Internal debt other than Ways and Means Advances and overdrafts	741.04		229.07	-Internal debt other than Ways and Means Advances and Overdrafts	401.95		
-	-Net transactions under Ways and Means Advances	184.75	-		-Net transactions under Ways and Means Advances			
-	-Loans and Advances from Central Government	-	-	44.17	-Repayment of Loans and Advances to Central Government	44.13		
	-Net transactions under over- draft	-	-					-
	<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>			
2901.43	<b>X – Public Account receipts-</b>		2871.65	2858.83	<b>X – Public Account disbursement-</b>			2747.02
290.93	Small Savings and Provident Funds	306.43		204.64	-Small Savings and Provident Funds		245.69	
64.55	-Reserve Funds	138.50		-	-Reserve Funds		27.79	
131.43	Suspense and Miscellaneous	134.32		146.99	-Suspense and Miscellaneous		153.45	
1620.72	Remittances	1529.94		1642.52	-Remittances		1674.48	
793.80	Deposits and Advances	762.46		864.68	-Deposits and Advances		645.61	
	<b>XI – Closing Overdraft from Reserve Bank of India</b>			121.77	<b>XI – Cash Balance at end-</b>			385.19
				4.64	-Cash in Treasuries and Local Remittances		4.64	

				(-)297.96	-Deposits with Reserve Bank		(-) 5.14	
				53.47	-Departmental Cash Balance including permanent Advances		34.71	
				361.62	-Cash Balance Investment and Investment of earmarked fund		350.98	
<b>12584.89</b>	<b>Total:</b>		<b>13097.86</b>	<b>12584.89</b>	<b>Total:</b>		<b>13097.86</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 2015-16**

(₹ in lakh)

Implementing Agency	Scheme	Amount
2 Non-Government Organizations (NGO)	Advocacy and Publicity	2.76
INGO (Individuals)	Archives and Archival Libraries	0.40
25 NGOs	Assistance to Voluntary Organisation for providing Social Defence	3,13.34
1 NGOs	Assistance to Voluntary Organisation for OBCs	1.70
62 NGOs	Assistance to Voluntary Organisation under the Scheme of integrated	2,52.02
1 NGO	Assistance to Voluntary Organisations for Welfare of SC CS	4.05
8 NGOs	Baba Saheb Ambedkar Hastashilpa Yojana	7.40
S. Kula Women's College	Bioinformatics	9.32
4 NGOs	Biotechnology for Social Development	27.94
16 NGOs	Comprehensive Scheme for Combating Trafficking	1,52.23
DM. college of Science State Government institution	Bioinformatic.	16.32
Naga Hindi Vidhyapeeth Manipur	Central Hindi Directorate	12.26
Directorate of Education Sschools	Alliance and R & D Mission -	7.10
Manipur State Medicinal Plants Board, Manipur	National Medicinal Plants Board	22.61
Department of Commerce & Industries, Manipur	Infrastructure Development & Capacity Building	6,00.00
Directorate of Sericulture, Government of Manipur	NER- Textile Promotion Scheme	2,19.41
	-do-	32,74.66
Directorate of Sericulture, Government of Manipur	NER-Textile Promotion Scheme	2,19.41
Directorate of Sericulture, Government of Manipur	NER-Textile Promotion Scheme	32,74.66
State Nodel Officer	NHM CS Component	4.90
47 NGOs	Deen Dayal Disabled Rehabilitation Scheme	2,84.38
20 NGOs	Design and Technical Upgradation Scheme	34.24
1 NGO	Disha Programme for Women in Science	14.00
1 NGOs	Environment Information Education and Awareness	0.70
Manipur ENVIS Centre on Status of Environment and related issues	-do-	46.17
2 NGOs	Free Coaching and Allied Scheme for Minorities	17.15
1 NGO	Free Coaching for SCs & OBCs	7.35
Manipur Commission for Protection of Child Rights	GIA for Research Publication and Monitoring	3.97
6 NGOs	GIA Voluntary Organization Working for the Welfare of Scheduled Tribe	63.46

4 NGOs	Grants for Construction of Boys & Girls Hostel for SC & OBC	1,44.31
2 NGOs	Hostels for Working Women	92.08
20 NGOs	Human Resource Development (HRD) , Handicraft	33.42
3 NGOs	Handicrafts – Infrastructure and Technical Development Scheme	68.81
Manipur Renewable Energy Development Agency (MANIREDA)	Off Grid DRPS	11,95.01
Manipur Renewable Energy Development Agency	Grid Interactive Renewable Power MNRE	91.00
Department of Commerce and Industries	India Innovation Entrepreneurship and Agro Industry Fund	6,33.98
Manipur Livestock Development	Indigeneous Breeds	1,03.55
Manipur Renewable Energy Development Agency (MANIREDA)	Information Publicity and Extension	3.00
State Institute of Rural Development (SIRD)	Management support to RD Programme and strengthening of District	1,25.37
Manipur Apex Handloom weavers and Handicrafts. Artisans Co-operative society	National Handloom Development Programme CS	1,21.91
5 NGOs	MDA Programme	1.63
Manipur Handloom & Handicrafts Development Corporation, Ltd.	National Handloom Development Programme CS	1,19.91
The Public Museum	Museums	21.80
15 NGOs	Marketing Support and Services & Export Promotion Scheme	1,07.02
Deputy Commissioner, Imphal West	MPs Local Area Development Scheme (MPLADS)	5,00.00
Deputy Commissioner, Churachanpur	-do-	5,00.00
State Forest Development Agency, Manipur	National Medicinal Plants Board	4,15.30
2 NGOs	National Mission on Food Processing	1.00
26 NGOs	National Programme for Youth and Adolescent Development General Component	57.59
Manipur Livestock Development Board, Ltd.	National Plan for Dairy Development	2,54.00
Manipur State Rural Development	National Rural Employment Guarantee Scheme (MGNREGA) CS	13.00
State Livelihood Mission Manipur	National Rural Livelihood Mission CS	10.00
Dy. Commissioner Churachandpur	North Eastern Council	89.20
Manipur Industrial Development Corporation	-do-	13.58
Manipur Tribal Development Corporation	-do-	2,26.80
Manipur Pollution Control Board	Pollution Abatement	47.52
4 NGOs	Promotion of Sports among Disabled	12.17
Manipur Information Commission	Propagation on RTI- Improving transparency & Accountability	3.00

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Manipur Renewable Energy Development	Renewable Energy for Rural Application for all Villages	1,68.58
Sangai Foundation	Scheme for Leadership Development of Minority Women	7.23
15 NGOs	-do-	25.90
Imphal East District Boys Scouts and Girls Guides Association	-do-	1.43
Manipur State Rural Development	SECC	17.79
6 NGOs	Seekho Aur Kamao Skill Development Initiatives	2,23.65
Rural Development Panchayati Raj Department	Shyama Prasad Mukherjee Rurban Mission	35.00
10 NGOs	Scheme for the Welfare of Working Children in Need of Care and Protect	56.66
213 NGOs	Scheme of Art and Culture and Centenary Celebration (Other Mission)	5,95.37
30 Individual Unique Trust	-do-	49.22
	-do-	0.04
9 NGOs	Science and Technology Programme for Socio Economic Development	3,05.29
Manipur Science and Technology Council	-do-	1,19.43
Manipur Science and Technology Council	State Science and Technology Programme	72.40
11 NGOs	Step Support to Training and Employment Programme for Women.	1,01.24
Manipur Renewable Energy Development	Supports to States	3.00
4 NGOs	Swadhar Grah	40.88
Jana Shikshan Sansthans, Senapati	Support to NGOs, SRCs for Adult Education and Skill Development Merged Schemes of NGOs, JSS and SRCs.	44.74
Jana Shikshan Sansthan, Imphal West	-do-	29.95
Jana Shikshan Sansthan, Thoubal	-do-	29.97
Manipur Science and Technology Council	Technology Development Programme	19.02
Manipur Institute of Technology	-do-	7.70
Imphal College	Technology Development Programme	5.29
Public Works Department (PWD)	Technical Textiles- Scheme for usage of GEO Textiles in North Eastern Region	91.83
State Academy of Training (ATI)	Training for all Support for Training activities and Capacity Building	16.38
Th. Rajen Singh (Individual Agency)	Youth Hostel	1.69
<b>Total:</b>		<b>1,24,75.47</b>

**Foot note :** The total releases shown in this appendix exclude an amount of ₹ 5,37,85.76 lakh (2015-16) and ₹ 5,27,19.88 lakh (2014-15) released to Central bodies located in the State as well as various other organizations outside the purview of the Government of Manipur. As per information received from CGA M/O Finance, total released amount under SPV Route for 2015-16 was ₹ 6,72,63.23 lakh. However, a sum of ₹ 6,62,61.23 lakh only, was uploaded in the website of CGA. Accordingly, the details of the difference of ₹ 10,02.00 lakh is not reflected in this Annexure.

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

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

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
<b>Part A Receipts</b>					
<b>1. Revenue Receipts (i +ii+iii+iv)</b>	<b>5653.55</b>	<b>6819.76</b>	<b>7282.79</b>	<b>7998.27</b>	<b>8280.10</b>
(i) Tax Revenue of which	368.07	332.83	472.73	516.83	550.44
<i>Taxes on Agricultural Income</i>	-	-	-	-	-
<i>Taxes on Sales, Trade, etc.</i>	296.92	258.52	395.74	433.33	466.51
<i>State Excise</i>	9.80	9.94	9.20	9.32	8.78
<i>Taxes on Vehicles</i>	13.21	15.83	18.73	20.77	23.29
<i>Stamps and Registration fees</i>	4.82	5.98	7.90	7.76	10.45
<i>Land Revenue</i>	0.84	1.24	1.12	1.42	2.59
<i>Taxes on Goods and Passengers</i>	1.40	1.43	1.24	1.20	1.02
<i>Other taxes</i>	40.74	39.85	38.76	43.03	37.80
<i>Taxes and duties on electricity</i>	0.34	0.04	0.04	-	#
(ii) Non-Tax Revenue	311.53	231.78	260.67	183.73	149.48
(iii) State's share of Union taxes and duties	1154.03	1317.83	1438.79	1526.89	3142.42
(iv) Grants-in-aid from Government of India	3819.92	4937.32	5110.60	5770.82	4437.76
<b>2. Miscellaneous Capital Receipts</b>	-	-	-	-	-
<b>3. Recoveries of Loans and Advances</b>	<b>1.89</b>	<b>0.59</b>	<b>1.23</b>	<b>0.97</b>	<b>1.02</b>
<b>4. Total Revenue and Non-debt capital receipts (1+2+3)</b>	<b>5655.44</b>	<b>6820.35</b>	<b>7284.02</b>	<b>7999.24</b>	<b>8281.12</b>
<b>5. Public Debt Receipts of which</b>	<b>293.33</b>	<b>340.25</b>	<b>382.68</b>	<b>489.40</b>	<b>925.79</b>
<i>Internal Debt (excluding Ways and Means Advances and Overdrafts)</i>	203.38	332.28	382.68	489.40	741.04
<i>Net transactions under Ways and Means Advances and Overdrafts</i>	89.95	7.97	-	-	184.75
<i>Loans and Advances from the Government of India</i>	-	-	-	-	-
<b>6. Total Receipts in the Consolidated Fund (4+5)</b>	<b>5948.77</b>	<b>7160.60</b>	<b>7666.70</b>	<b>8488.64</b>	<b>9206.91</b>
<b>7. Contingency Fund Receipts</b>	-	-	-	-	-
<b>8. Public Account Receipts</b>	<b>5582.21</b>	<b>3921.37</b>	<b>3883.75</b>	<b>2901.43</b>	<b>2871.65</b>
<b>9. Total Receipts of the State (6+7+8)</b>	<b>11530.98</b>	<b>11081.97</b>	<b>11550.45</b>	<b>11390.07</b>	<b>12078.56</b>
<b>Part B Expenditure/Disbursement</b>					
<b>10. Revenue Expenditure</b>	<b>5006.92</b>	<b>5316.53</b>	<b>5718.83</b>	<b>7267.29</b>	<b>7382.57</b>
<i>Plan</i>	1081.09	1066.20	1212.94	2299.18	2317.23
<i>Non-Plan</i>	3925.83	4250.33	4505.89	4968.11	5065.34
<i>General Services (including interest payments)</i>	2133.60	2281.83	2441.07	2751.13	2950.80
<i>Social Services</i>	1439.29	1528.22	1603.66	2028.06	1973.60
<i>Economic Services</i>	1257.37	1313.26	1338.61	2012.37	2110.12
<i>Grants-in-aid and contributions</i>	176.66	193.22	335.49	475.73	348.05
<b>11. Capital Expenditure</b>	<b>1695.41</b>	<b>1501.56</b>	<b>1291.89</b>	<b>1332.44</b>	<b>1237.87</b>
<i>Plan</i>	1698.63	1493.69	1291.90	1332.96	1237.86

	2011-12	2012-13	2013-14	2014-15	2015-16
<i>Non-Plan</i>	(-)3.22	7.87	(-)0.01	(-) 0.52	0.01
<i>General Services</i>	293.41	225.87	220.32	208.81	165.03
<i>Social Services</i>	477.32	354.04	328.05	547.63	385.88
<i>Economic Services</i>	924.68	921.65	743.52	576	686.96
<b>12. Disbursement of Loans and Advances</b>	<b>0.08</b>	<b>3.30</b>	<b>0.04</b>	<b>0.34</b>	<b>1.60</b>
<b>13. Total/Aggregate Expenditure (10+11+12)</b>	<b>6702.41</b>	<b>6821.39</b>	<b>7010.76</b>	<b>8600.07</b>	<b>8622.04</b>
<b>14. Repayments of Public Debt of which</b>	<b>160.24</b>	<b>171.81</b>	<b>260.07</b>	<b>273.24</b>	<b>446.08</b>
<i>Internal Debt (excluding Ways and Means Advances and Overdrafts)</i>	95.31	127.81	115.07	229.07	401.95
<i>Net transactions under Ways and Means Advances and Overdrafts</i>	-	-	97.92	-	-
<i>Loans and Advances from Government of India</i>	64.93	44.00	47.08	44.17	44.13
<b>15. Appropriation to Contingency Fund</b>	-	-	-	-	-
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>6862.65</b>	<b>6993.20</b>	<b>7270.83</b>	<b>8873.31</b>	<b>9068.12</b>
<b>17. Contingency Fund disbursements</b>	-	-	-	-	-
<b>18. Public Account disbursements</b>	<b>5396.61</b>	<b>3772.34</b>	<b>3760.41</b>	<b>2858.83</b>	<b>2747.02</b>
<b>19. Total disbursement by the State (16+17+18)</b>	<b>12259.26</b>	<b>10765.54</b>	<b>11031.24</b>	<b>11732.14</b>	<b>11815.14</b>
<b>Part C Deficits</b>					
<b>20. Revenue Deficit (-)/Surplus (+) (1-10)</b>	<b>(+) 646.63</b>	<b>(+) 1503.23</b>	<b>(+) 1563.96</b>	<b>(+) 730.98</b>	<b>(+) 897.53</b>
<b>21. Fiscal Deficit (-)/Surplus (+) (4-13)</b>	<b>(-) 1046.97</b>	<b>(-) 1.04</b>	<b>(+) 273.26</b>	<b>(-) 600.83</b>	<b>(-) 340.92</b>
<b>22. Primary Deficit(-)/ Surplus(+) (21+23)</b>	<b>(-) 649.53</b>	<b>(+) 431.97</b>	<b>(+) 718.18</b>	<b>(-) 127.64</b>	<b>(+) 175.31</b>
<b>Part D Other data</b>					
<b>23. Interest Payments (included in revenue expenditure)</b>	<b>397.44</b>	<b>433.01</b>	<b>444.92</b>	<b>473.19</b>	<b>516.23</b>
<b>24. Financial Assistance to local bodies etc.</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>	<b>1</b>	<b>103</b>	<b>13</b>	-	-
<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>12914.61</b>	<b>13747.79</b>	<b>16198.43</b>	<b>18042.76 (Q)</b>	<b>19889.88 (A)</b>
<b>28. Outstanding Fiscal liabilities</b>	<b>6483.16</b>	<b>6800.94</b>	<b>7060.68</b>	<b>7357.38</b>	<b>8125.39</b>
<b>29. Outstanding guarantees (year end) (including interest)</b>	<b>175.35</b>	<b>199.73**</b>	<b>215.30</b>	<b>192.95</b>	<b>339.53</b>
<b>30. Maximum amount guaranteed (year end)</b>	<b>195.55</b>	<b>193.38</b>	<b>197.45</b>	<b>197.45</b>	<b>588.00</b>
<b>31. Number of incomplete projects<sup>§</sup></b>	<b>96</b>	<b>11</b>	<b>37</b>	<b>9</b>	<b>100</b>
<b>32 Capital blocked in incomplete projects</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	2.85	2.42	2.92	2.86	2.77
Own Non-Tax Revenue/GSDP	2.41	1.69	1.61	1.02	0.75

	2011-12	2012-13	2013-14	2014-15	2015-16
Central Transfers/GSDP	8.94	9.59	8.88	8.46	15.80
<b>II Expenditure Management (in per cent)</b>					
Total Expenditure/GSDP	51.90	49.62	43.28	47.66	43.35
Total Expenditure/Revenue Receipts	118.55	100.02	96.26	107.52	104.13
Revenue Expenditure/Total Expenditure	74.70	77.94	81.57	84.50	85.62
Expenditure on Social Services/Total Expenditure	28.60	27.59	27.55	29.95	27.37
Expenditure on Economic Services/Total Expenditure	32.56	32.76	29.70	30.10	32.44
Capital Expenditure/Total Expenditure	25.30	22.01	18.43	15.49	14.36
Capital Expenditure on Social and Economic Services/Total Expenditure	20.92	18.70	15.28	13.07	12.44
<b>III Management of Fiscal Imbalances (in per cent)</b>					
Revenue deficit (surplus)/GSDP	5.00	10.93	9.66	4.05	4.51
Fiscal deficit (surplus)/GSDP	(-) 8.11	(-) 0.008	(+) 1.69	(-) 3.33	(-)1.71
Primary Deficit (surplus)/GSDP	(-) 5.03	3.14	4.43	(-)0.71	(+) 0.88
Revenue Deficit/Fiscal Deficit	(-) 61.76	(-)144541.35	572.33	(-) 121.66	(-) 263.27
Primary Revenue Balance/GSDP	8.10	14.09	12.41	6.68	7.11
Fiscal Liabilities/GSDP	50.20	49.46	43.59	40.77	40.85
Fiscal Liabilities/RR	114.67	99.72	96.95	91.99	98.13
Primary deficit <i>vis-à-vis</i> quantum spread	(-) 152.29	820.96	1504.37	414.62	437.97
Debt Redemption (Principal+Interest)/Total Debt Receipts	110.78	107.55	110.19	111.19	155.09
<b>V Other Fiscal Health Indicators</b>					
Return on Investment	Only ₹ 3000	Only ₹ 4000	Only ₹ 3000	Only ₹ 2000	Only ₹ 3000
Balance from Current Revenue (₹ in crore)	(-) 773.38	(-) 1457.11	(-) 533.53	(-) 806.54	1033.34
Financial Assets/Liabilities	(-)14.57	2.24	2.42	2.46	2.43

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

# Only ₹ 35,000/-

**Appendix 1.5**

(Reference: Paragraph 1.9.1)

**Assets and Liabilities of the Government of Manipur as on 31 March 2016**

(₹ in crore)

As on 31.03.2015		Liabilities	As on 31.03.2016	
3940.67		<b>Internal Debt -</b>		4464.52
	2989.99	<i>Market Loans bearing interest</i>	3301.27	
	0.04	<i>Market Loans not bearing interest</i>	0.04	
	5.93	<i>Loans from Life Insurance Corporation of India</i>	5.93	
	137.09	<i>Loans from NABARD</i>	165.30	
	0.11	<i>Loans from SBI and others</i>	0.11	
	6.12	<i>Loans from National Co-operative Development Corporation</i>	6.12	
	772.67	<i>Special Securities issued to National Small Savings Fund of the Central Government</i>	791.19	
	28.72	<i>Other Loans</i>	9.81	
	-	<i>Ways and Means Advance</i>	184.75	
439.18		<b>Loans and Advances from Government of India -</b>		395.04
	0.06	<i>Pre 1984-85 Loans</i>	0.06	
	375.97	<i>Non-Plan Loans</i>	338.06	
	60.21	<i>Loans for State Plan Schemes</i>	54.26	
	-	<i>Loans for Central Plan Schemes</i>	-	
	-	<i>Loans for Centrally Sponsored Plan Schemes</i>	-	
	2.94	<i>Loans for Special Plan Schemes</i>	2.66	
	-	<i>Other Ways &amp; Means Advances</i>	-	
	-	<i>Contingency Fund</i>	-	
1402.91		<b>Small Savings, Provident Funds, etc.</b>		1463.64
1299.74		<b>Deposits</b>		1416.59
274.88		<b>Reserve Funds</b>		385.60
10726.25		<b>Deficit on Government Account</b>		
	730.98	<i>Add Revenue Surplus of the current year</i>		897.53
		<i>Miscellaneous Deficit</i>		
	9995.27	<i>Accumulated Deficit at the beginning of the year</i>		10726.26
<b>18083.63</b>		<b>Total</b>		<b>19749.18</b>

Assets				
17338.92		<b>Gross Capital Outlay on Fixed Assets -</b>		18576.79
	167.13	<i>Investments in shares of Companies, Corporations, etc.</i>	177.24	
	17171.79	<i>Other Capital Expenditure</i>	18399.55	
204.50		<b>Loans and Advances -</b>		205.09
		<i>Loans for Power Projects</i>	-	
	10.55	<i>Loans to Government servants and Miscellaneous loans</i>	11.48	
	193.95	<i>Other Development Loans</i>	193.61	
2.29		<b>Advances</b>		2.29
(-)297.96		<b>Deposit with Reserve Bank and other banks</b>		(-) 5.14
285.56		<b>Remittance Balance</b>		430.10
130.59		<b>Suspense and Miscellaneous Balance</b>		149.72
419.73		<b>Cash -</b>		390.33
	4.64	<i>Cash in Treasuries and Local Remittances</i>	4.64	
	53.45	<i>Departmental Cash Balance</i>	34.69	
	0.02	<i>Permanent Advances</i>	0.02	
	125.65	<i>Cash Balance Investments</i>	0	
	235.97	<i>Investment of earmarked funds</i>	350.98	
<b>18083.63</b>		<b>Total</b>		<b>19749.18</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 2016-17)	Internal Debt	Loans and advances from the Central Government	Amount
(1)	(2)	(3)	(4) (2 + 3)
2016-17(1)	12649.01	2.63	12651.64
2017-18(2)	17344.68	7.69	17352.37
2018-19(3)	38540.45	6.96	38547.41
2019-20(4)	30636.28	6.17	30642.45
2020-21(5)	31796.54	16.85	31813.39
2021-22(6)	41210.54	24.43	41234.97
2022-23(7)	27500.00	368.36	27868.36
2023-24(8)	35848.70	158.69	36007.39
2024-25(9)	47441.50	38070.40	85511.90
2025-26(10)	61388.75	99.02	61487.77
2026-27(11)	-	208.58	208.58
2027-28(12)	-	134.11	134.11
2028-29(13)	-	393.66	393.66
<b>(i) Sub-Total</b>	<b>344356.45</b>	<b>39497.55</b>	<b>383854</b>
<i>(ii) Amount for which year of Maturity is not known</i>	<i>10,20,95.00</i>	<i>6.66</i>	<i>102101.66</i>
<b>Total (i + ii)</b>	<b>446451.45</b>	<b>39504.21</b>	<b>485955.66</b>

<sup>1</sup> Maturity profile at the end of 2014-15, 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	Net availability of borrowed funds	Difference between Debt receipt and debt redemption (Principal +Interest payments)
10	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	4869.86	184.56	3.79
2	2- Council Of Ministers	603.43	153.41	25.42
3	3 - Secretariat	6953.49	591.43	8.51
4	4 - Land Revenue, Stamps & Registration and District Administration	8031.90	949.82	11.83
5	7 - Police	110305.07	7306.95	6.62
6	8 - Public Works Department	21401.28	7386.72	34.52
7	10 - Education	125986.39	25369.30	20.14
8	11 - Medical, Health and Family Welfare Services	48192.43	3899.97	8.09
9	13 - Labour and Employment	1828.88	273.43	14.95
10	14 - Department of Tribal Affairs, Hills and Scheduled Caste Development	42794.53	3491.35	8.16
11	15 - Consumers Affairs, Food and Public Distribution	1989.15	213.44	10.73
12	16- Co-operation	1723.70	273.99	15.90
13	17 - Agriculture	12916.90	2489.46	19.27
14	18 - Animal Husbandry and Veterinary including Dairy Farming	9381.10	3269.29	34.85
15	19 - Environment and Forest	18498.16	6264.28	33.86
16	20 - Community and Rural Development	72420.11	5200.21	7.18
17	21 - Commerce and Industries	8527.51	2803.32	32.87
18	22. Public Health Engineering	5339.95	156.16	2.92
19	23. Power	64890.9	1649.41	2.54
20	25. Youth Affairs and Sports Department	4045.11	161.02	3.98
21	26. Administration of Justice	4247.01	627.42	14.77
22	27. Election	1054.88	325.00	30.81
23	30. Planning	36266.01	29355.76	80.95
24	31. Fire Protection and Control	1048.00	106.12	10.13
25	33. Home Guards	1877.31	121.11	6.45
26	36. Minor Irrigation	1190.6	137.92	11.58
27	37. Fisheries	2837.39	272.65	9.61
28	40. Irrigation and Flood Control Department	6642.95	789.18	11.88
29	41. Art and Culture	2588.09	552.12	21.33
30	42. State Academy of Training	565.25	105.72	18.70
31	43. Horticulture and Soil Conservation	8392.44	2988.62	35.61
32	44. Social Welfare Department	31234.17	13318.20	42.64
33	45. Tourism	1356.28	186.23	13.73
34	46. Science and Technology	475.00	204.31	43.01
35	47. Minorities and Other Backward Classes Department	2681.31	1060.39	39.55
36	49. Economics and Statistics	1563.25	512.79	32.80
<b>Revenue Charged</b>				
37	26. Administration of Justice	1404.5	237.16	16.89

Sl. No.	Grant/ Appropriation	Total provision	Saving	Percentage
1	2	3	4	5
<b>Capital Voted</b>				
38	1. State Legislature	240	80	33.33
39	2. Council Of Ministers	80	80	100.00
40	5. Finance Department	40.01	40.01	100.00
41	7. Police	2480	538.89	21.73
42	8. Public Works Department	57418.76	12499.55	21.77
43	9. Information and Publicity	5	3.75	75.00
44	10. Education	5318.76	601.18	11.30
45	11. Medical, Health and Family Welfare Services	5398.31	1124.96	20.84
46	12. Municipal Administration, Housing and Urban Development	5151.8	1624.48	31.53
47	13. Labour and Employment	356.52	300.02	84.15
48	15. Consumers Affairs, Food and Public Distribution	300	300	100.00
49	16. Co-operation	425	200	47.06
50	17. Agriculture	4807.32	4807.32	100.00
51	22. Public Health Engineering	21885.61	4621.48	21.12
52	30. Planning	4300	3906	90.84
53	36. Minor Irrigation	7656.63	1185.36	15.48
54	37. Fisheries	131.15	38.58	29.42
55	40. Irrigation and Flood Control Department	23832.26	12979.29	54.46
56	44. Social Welfare Department	4362.1	2113	48.44
57	47. Minorities and Other Backward Classes Department	4513.6	1276.48	28.28
58	49. Economics and Statistics	45	25	55.56
<b>Total</b>		<b>824872.12</b>	<b>171333.60</b>	

(Source: Appropriation Accounts)

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

**Statement showing expenditure incurred without provision during 2015-16**

(₹ in lakh)

Sl. No.	No. and Name of Grant/Appropriation (Heads of Accounts)	Amount of Expenditure without provision	Reasons/Remarks
<b>Grant No. 10 – Education</b>			
1	4522(SP).20.800.28	84.80	Reasons for incurring expenditure without provisions have not been intimated (October 2016)
2	2202(CPS).01.800.19	706.41	-do-
3	4202(CPS).01.800.16	2927.37	-do-
<b>Grant No. 11 – Medical, Health and Family Welfare Services</b>			
4	2210(NP).01.200.12	162.96	-do-
<b>Grant No. 14 – Tribal Affairs, Hills and Scheduled Castes Development</b>			
5	2225(SP).02.800.15	150.00	-do-
6	2225(SP).02.800.15	99.99	-do-
<b>Grant No. 15 – Consumer Affairs, Food and Public Distribution</b>			
7	2408(CPS).01.800.01	36.00	-do-
<b>Grant No. 18 – Animal Husbandry and Veterinary including Dairy Farming</b>			
8	2403(CSS).00.800.09	6.00	-do-
<b>Grant No. 20 – Community and Rural Development</b>			
9	2575(SP).02.800.16	500.00	-do-
<b>Grant No. 23 – Power</b>			
10	2801(NP).80.800.38	304.95	-do-
11	2552(SP).24.800.15	140.00	-do-
12	2552(SP).24.800.16	140.00	-do-
13	2801(SP).05.800.13	125.18	-do-
14	2801(SP).05.800.15	42.64	-do-
15	2801(SP).05.800.21	139.16	-do-
16	2801(SP).05.800.24	136.85	-do-
<b>Grant No. 40 – Irrigation &amp; Flood Control Department</b>			
17	4552(SP).03.800.05	30.97	-do-
18	4700(SP).04.800.12	28.16	-do-
<b>Grant No. 43 – Horticulture and Soil Conservation</b>			
19	4552(SP).24.800.01	342.72	-do-
<b>Grant No. 44 – Social Welfare</b>			
20	2235(SP).02.102.59	77.55	-do-
<b>Total</b>		<b>6181.71</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 2011-16

(₹ in lakh)

Sl. No.	Heads of Accounts	Amount of savings				
		2011-12	2012-13	2013-14	2014-15	2015-16
<b>Revenue-Voted</b>						
1	2011 – Parliament/State/Union Territory Legislature (NP) 02 – State/Union Territory Legislature 101 – Legislative Assembly 08 – Members	1,79.23	2,14.45	1,97.57	1,57.11	1,37.00
2	2013 – Council of Ministers (NP) 101 – Salaries of Ministers & Dy. Ministers 03 – Salaries of Ministers & Dy. Ministers	24.11	18.69	22.15	37.41	19.26
3	2013 – Council of Ministers (NP) 108 – Tour Expenses 04 – Tour Expenses	18.58	24.45	29.47	39.89	85.02
4	2235 – Social Security & Welfare (NP) 01 – Rehabilitation 200 – Other Relief Measures 35 – Victims of Extremist Action	20.50	45.00	46.00	35.00	17.00
5	2059 – Public Works (NP) 60 – Other Buildings 053 – Maintenance & Repairs 09 – Functional Building	6,48.85	6,74.58	6,16.97	2,95.05	3,52.80
6	2216 – Housing (NP) 80 - General 800 – Other Expenditure 10 – Furnishing of Residential Quarters	20.42	20.42	22.00	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	6.00	6.00	6.00
8	3054 – Roads & Bridges (NP) 04 – District & Other Roads 337 – Road Works 19 – Other District Roads	13.86	1,38.90	1,52.93	50.72	1,51.97
9	2216 – Housing (NP) 80 – General 001 – Direction and Administration 22 – Raj Bhavan	53.99	14.97	16.19	75.00	0.18
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	0.14	32.12	40.48	11.92	47.49

Sl. No.	Heads of Accounts	Amount of savings				
		2011-12	2012-13	2013-14	2014-15	2015-16
<b>Capital Voted</b>						
12	7610 – Loans to Government Servants 202 - Advances for Purchase of Motor Conveyances 13 – Loans to Members	30.00	20.00	58.90	89.10	35.00
13	7610 – Loans to Government Servants 201- House Building Advances 05 – Loans to Ministers	40.00	40.00	40.00	40.00	40.00
14	7610 – Loans to Government Servants 202 - Advances for Purchase of Motor Conveyances 05 – Loans to Ministers	40.00	30.00	40.00	25.00	40.00
15	7610 – Loans to Government Servant etc. (NP) 201 – House Building Advances 21 – Loans to All India Service Officers	17.50	25.00	23.20	17.50	25.00
16	4216 – Capital Outlay on Housing (P) 01 – Government Residential Buildings 106 – General Pool Accommodation 08 (V) – Building at District and Sib-Divisions	1,44.64	1,22.29	81.49	48.00	28.49
17	4702 – Capital Outlay on Minor Irrigation (P) 101 – Surface Water 05 – Pick up weir, Low Head Barrage, percolation tank (H)	60.00	35.00	30.00	3,40.00	2,08.20

\* 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 2016**

(₹ in lakh)

Sl. No.	Name of Department	Debit Head	Credit Head	Amount Credited
1	Chief Executive Officer Autonomous District Council	Not furnished by A&E Office	8449	940.00
2	District Supply Officer (CAF&PD) Ukhrul District UKHRUL	Not furnished by A&E Office	8449	0.002
3	Joint Directorate (Planning) Director of Vety. (A.H), Govt. of Manipur	Not furnished by A&E Office	8449	353.91
4	Superint. of State Archaeology, Govt. of Manipur	Not furnished by A&E Office	8449	85.84
5	Dy. Director H.Q Directorate of Horticulture & Soil conservation Manipur	Not furnished by A&E Office	8449	106.49
6	Directorate of (MOBC), Govt. of Manipur (Agri Office)	Not furnished by A&E Office	8449	1457.00
7	Joint Director, YAS, Govt. of Manipur	Not furnished by A&E Office	8449	11.29
8	Addl. Chief Secy. Finance, Govt. of Manipur	Not furnished by A&E Office	8449	44.47
9	Asst Director (Admn) Sectt. Planning Deptt., Govt. of Manipur	Not furnished by A&E Office	8449	840.69
10	Deptt. Of Information Technology, Govt. of Manipur	Not furnished by A&E Office	8449	130.00
11	DGP Office, Manipur Imphal	Not furnished by A&E Office	8449	1934.00
12	Dy. Director Tribal Affairs & Hills, Govt. of Manipur	Not furnished by A&E Office	8449	746.31
13	Dy. Director (Soil Chemist), Govt. of Manipur	Not furnished by A&E Office	8449	197.09
14	Joint Director Art & Culture, Govt. of Manipur	Not furnished by A&E Office	8449	663.97
15	Director Social Welfare, Govt. of Manipur	Not furnished by A&E Office	8449	266.22
16	Joint Director, MAHUD, Govt. of Manipur	Not furnished by A&E Office	8449	122.72
17	Dy. Director (RD&PR), Govt. of Manipur	Not furnished by A&E Office	8449	53.69
18	Cotton Development Officer, Govt. of Manipur	Not furnished by A&E Office	8449	129.24
19	EE (Agri/CSC Deptt. Of Agriculture, Govt. of Manipur	Not furnished by A&E Office	8449	190.00
20	Director of Education (S), Govt. of Manipur	Not furnished by A&E Office	8449	780.50
21	Director of AYUSH, Manipur	Not furnished by A&E Office	8449	8.62
22	The Directorate of Commerce & Industries Govt. of Manipur	Not furnished by A&E Office	8449	809.90
23	AO Medical, the Director of Health Service Govt. of Manipur	Not furnished by A&E Office	8449	59.34
24	Director Settlement & Land Records	Not furnished by A&E Office	8449	80.07
25	Addl. Director of Fisheries	Not furnished by A&E Office	8449	150.00
26	Register Co-operative Society	Not furnished by A&E Office	8449	200.00
<b>Total</b>				<b>1,03,61.37</b>

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

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

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

( ₹ in crore)

Year	No. of Grants/ Appropriations	Grant/Appropriation No.	Amount of excess	Stage of consideration by Public Accounts Committee (PAC)
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 (October 2016)
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-
2014-15	2	Appropriation No. 2 (Revenue Charged) Public Health Engineering -22 (Capital Voted)	1996.48	-do-
<b>Total</b>	<b>29</b>		<b>3059.60</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)	-14.47	-137.00
2.	Appropriation 2 – Interest Payment & Debt Services	6003.00.800.35(NP)	396.42	-257.18
3.	Grant 7 – Police	2055.00.001.01(NP)	487.98	-838.72
4.	Grant 7 – Police	2055.00.104.03(NP)	4.49	-181.86
5.	Grant 7 – Police	2055.00.104.04(NP)	64.29	-300.44
6.	Grant 7 – Police	2055.00.104.05(NP)	80.58	-142.18
7.	Grant 7 – Police	2055.00.104.07(NP)	-74.21	-167.56
8.	Grant 7 – Police	2055.00.104.08(NP)	-241.83	-183.15
9.	Grant 7 – Police	2055.00.104.29(NP)	131.76	-387.65
10.	Grant 7 – Police	2055.00.104.30(NP)	197.54	-251.78
11.	Grant 7 – Police	2055.00.104.31(NP)	15.54	-214.92
12.	Grant 7 – Police	2055.00.104.32(NP)	62.70	-172.73
13.	Grant 7 – Police	2055.00.109.17(NP)	281.63	-401.07
14.	Grant 7 – Police	2055.00.109.22(NP)	-1300.31	-555.55
15.	Grant 7 – Police	2055.00.109.23(NP)	344.13	-379.60
16.	Grant 7 – Police	2055.00.109.31(NP)	97.35	-205.42
17.	Grant 7 – Police	2055.00.109.32(NP)	15.59	-147.63
18.	Grant 7 – Police	2055.00.109.34(NP)	42.48	-111.13
19.	Grant 7 – Police	2055.00.114.36(NP)	-37.8	-145.28
20.	Grant 7 – Police	4055.00.115.25(V)	300.00	-538.89
21.	Grant 8 – Public Works Department	2059.60.053.09(NP)	15.00	-352.81
22.	Grant 8 – Public Works Department	2059.80.001.08(NP)	-187.90	-1287.07
23.	Grant 8 – Public Works Department	2216.07.053.01(NP)	495.00	-646.59
24.	Grant 8 – Public Works Department	3054.01.337.23(NP)	29.25	-1313.50
25.	Grant 8 – Public Works Department	3054.03.337.23(NP)	40.00	-127.62
26.	Grant 8 – Public Works Department	3054.04.337.12(NP)	40.00	-140.29
27.	Grant 8 – Public Works Department	3054.04.337.14(NP)	20.00	-206.10
28.	Grant 8 – Public Works Department	3054.80.001.08(NP)	-229.77	-157.21
29.	Grant 10 – Education	2202.01.101.19(NP)	10.00	-2179.41
30.	Grant 10 – Education	2202.01.102.04(NP)	15.00	-534.04
31.	Grant 10 – Education	2202.02.109.24(NP)	5.00	-5873.32
32.	Grant 10 – Education	2202.03.103.11(NP)	474.84	-1099.64
33.	Grant 10 – Education	2202.04.001.07(NP)	-15.16	-177.71
34.	Grant 10 – Education	2202.80.001.01(NP)	-10.19	-104.27
35.	Grant 10 – Education	2203.00.105.12(NP)	14.42	-124.06
36.	Grant 10 – Education	2202.01.111.82(V)	-1268.54	-6338.96
37.	Grant 10 – Education	2202.01.111.83(V)	-284.00	-716.25
38.	Grant 10 – Education	2202.02.800.62(H)	150.16	-141.25
39.	Grant 10 – Education	2202.02.800.94(V)	1930.22	-4089.67
40.	Grant 10 – Education	2202.02.800.96(V)	86.00	-380.00
41.	Grant 10 – Education	2202.03.103.31(H)	-11.00	-347.94
42.	Grant 10 – Education	2202.04.001.01(H)	7.58	-197.27
43.	Grant 10 – Education	2202.80.800.72(V)	-114.07	-510.29
44.	Grant 10 – Education	4202.01.203.97(V)	44.00	-215.00
45.	Grant 10 – Education	4202.01.800.05(V)	-685.93	-164.61
46.	Grant 10 – Education	4202.02.104.94[CPS(V)]	200.00	-200.00

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47.	Grant 11 – Medical, Health and Family Welfare Services	2210.04.200.12(NP)	722.93	-421.46
48.	Grant 11 – Medical, Health and Family Welfare Services	2210.03.103.26(V)	-1220.27	-3064.58
49.	Grant 13 – Labour and Employment	2230.03.101.11(V)	32.91	-110.86
50.	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Castes Development	3604.00.200.02(NP)	1870.92	-419.07
51.	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Castes Development	2225.02.794.19(H)	-110.00	-400.02
52.	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Castes Development	2225.02.800.13(V)	-605.34	-716.09
53.	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Castes Development	2225.02.800.15(H)	170.00	-170.00
54.	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Castes Development	2225.02.800.16(H)	100.32	-100.32
55.	Grant 14 – Department of Tribal Affairs, Hills and Scheduled Castes Development	4225.02.800.32(H)	-383.00	-377.00
56.	Grant 15 – Consumer Affairs, Food and Public Distribution	2408.01.800.15(V)	100.00	-100.00
57.	Grant 16 – Co-operation	4425.00.107.01(H)	-7.60	-142.40
58.	Grant 17 – Agriculture	2401.00.800.25(H)	97.00	-183.95
59.	Grant 17 – Agriculture	4705.00.103.01(H)	-398.00	-422.00
60.	Grant 17 – Agriculture	4705.00.103.01(V)	398.00	-2578.00
61.	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.001.01(NP)	-101.06	-301.11
62.	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.001.05(NP)	-111.26	-388.59
63.	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.101.04(NP)	-915.99	-101.82
64.	Grant 18 – Animal Husbandry and Veterinary including Dairy Farming	2403.00.102.09(NP)	-405.00	-410.05
65.	Grant 19 – Environment and Forest	2406.01.800.55(NP)	600.00	-532.72
66.	Grant 19 – Environment and Forest	2402.00.800.02(NP)	2000.00	-2000.00
67.	Grant 19 – Environment and Forest	2406.01.105.05(H)	-80.00	-150.56
68.	Grant 19 – Environment and Forest	2406.01.800.59(H)	-973.00	-1307.00
69.	Grant 19 – Environment and Forest	2406.01.800.60(H)	230.00	-228.50
70.	Grant 19 – Environment and Forest	2406.02.110.38(V)	13.68	-108.18
71.	Grant 19 – Environment and Forest	2406.04.101.01(H)	-250.00	-270.00
72.	Grant 21 – Commerce & Industries	2851.00.103.86(H)	10.00	-140.00
73.	Grant 22 – Public Health Engineering	2215.01.101.10(NP)	-28.50	-158.26
74.	Grant 22 – Public Health Engineering	4215.01.102.03(H)	135.48	-135.48
75.	Grant 22 – Public Health Engineering	4215.01.102.14(V)	20.00	-228.20
76.	Grant 22 – Public Health Engineering	4215.01.102.19(V)	-22.00	-134.44
77.	Grant 22 – Public Health Engineering	4215.01.102.20(H)	-1024.49	-325.43
78.	Grant 22 – Public Health Engineering	4215.01.102.20(V)	-1475.51	-1378.05
79.	Grant 22 – Public Health Engineering	4215.02.102.13(H)	301.46	-400.30
80.	Grant 23 – Power	2552.24.800.15(H)	140.00	-140.00
81.	Grant 23 – Power	2552.24.800.16(H)	140.00	-140.00
82.	Grant 23 – Power	2801.05.800.13(H)	288.92	-288.92
83.	Grant 23 – Power	2801.05.800.15(H)	120.97	-120.97
84.	Grant 23 – Power	2801.05.800.21(H)	193.99	-193.99
85.	Grant 23 – Power	2801.05.800.24(H)	136.85	-136.85
86.	Grant 30 – Planning	3451.00.092.03(NP)	2.57	-119.61
87.	Grant 30 – Planning	3451.00.092.23(V)	162.54	-151.99
88.	Grant 30 – Planning	3451.00.092.26(V)	8200.00	-8200.00
89.	Grant 36 – Minor Irrigation	4702.00.800.02(H)	-2.00	-1866.59
90.	Grant 40 – Irrigation and Flood Control Department	2711.01.001.03(NP)	1.50	-252.10
91.	Grant 40 – Irrigation and Flood Control Department	4700.03.800.11(V)	200.00	-9588.74

92.	Grant 40 – Irrigation and Flood Control Department	4700.04.800.12(H)	240.00	-1910.86
93.	Grant 40 – Irrigation and Flood Control Department	4711.01.103.03(V)	-605.66	-1516.05
94.	Grant 41 – Art and Culture	2205.00.001.01(V)	-133.97	-161.96
95.	Grant 43 – Horticulture and Soil Conservation	2401.00.800.01(V)	-750.00	-1875.00
96.	Grant 44 – Social Welfare	2235.02.102.52(V)	-0.56	-148.44
97.	Grant 44 – Social Welfare	2235.02.102.53(V)	-82.71	-150.55
98.	Grant 44 – Social Welfare	2235.02.102.54(V)	-12.54	-1922.47
99.	Grant 44 – Social Welfare	2235.02.102.76(V)	-108.02	-128.06
100.	Grant 44 – Social Welfare	2235.02.106.19(H)	7.50	-657.56
101.	Grant 44 – Social Welfare	2235.02.106.19(V)	17.50	-370.09
102.	Grant 44 – Social Welfare	2236.02.101.48(V)	18.52	-2211.32
103.	Grant 44 – Social Welfare	4235.02.800.38(V)	15.00	-450.00
104.	Grant 44 – Social Welfare	2236.02.101.48[CSS(V)]	1948.17	-2668.36
105.	Grant 49 – Economics and Statistics	345401.001.01(NP)	4.65	-121.69
<b>Sub Total</b>			<b>10458.67</b>	<b>-86741.23</b>
<b>Excess cases</b>				
106.	Appropriation 2 – Interest Payment & Debt	6003.00.101.25(NP)	-7700.41	9271.35
107.	Appropriation 2 – Interest Payment & Debt	6003.00.111.43(NP)	-1000.00	1303.30
108.	Grant 4 – Land Revenue, Stamps and	2029.00.101.10(NP)	-140.72	110.70
109.	Grant 5 – Finance Department	2071.01.101.36(NP)	31.65	3588.94
110.	Grant 8 – Public Works Department	2059.01.053.21(NP)	35.00	157.02
111.	Grant 8 – Public Works Department	2059.80.001.03(NP)	-12.78	319.28
112.	Grant 10 – Education	2202.01.001.01(NP)	-94.83	237.99
113.	Grant 10 – Education	2202.01.102.06(V)	-29.50	168.94
114.	Grant 10 – Education	2202.04.001.01(V)	-7.58	103.29
115.	Grant 12 – Municipal Administration, Housing	2217.01.191.01(NP)	-625.97	625.97
116.	Grant 14 – Department of Tribal Affairs, Hills	3604.00.200.06(NP)	70.67	439.39
117.	Grant 14 – Department of Tribal Affairs, Hills	4225.01.800.32(V)	-20.00	193.81
118.	Grant 14 – Department of Tribal Affairs, Hills	4225.02.800.32(V)	55.00	462.60
119.	Grant 15 – Consumer Affairs, Food and Public	4408.01.101.12(NP)	-251.27	551.27
120.	Grant 19 – Environment and Forest	2402.00.102.28(NP)	-2000.00	1989.17
121.	Grant 19 – Environment and Forest	2406.01.105.05(V)	-82.00	162.56
122.	Grant 19 – Environment and Forest	2406.04.101.01(V)	-142.00	229.13
123.	Grant 22 – Public Health Engineering	2215.01.001.01(NP)	-53.40	206.54
124.	Grant 22 – Public Health Engineering	4215.01.102.14(H)	16.55	358.50
125.	Grant 22 – Public Health Engineering	4215.02.102.13(V)	418.54	307.59
126.	Grant 23 – Power	2801.80.800.39(NP)	-1765.91	444.30
127.	Grant 36 – Minor Irrigation	4702.00.800.02(V)	2.00	524.99
128.	Grant 38 – Panchayat	3604.00.200.04(NP)	-597.30	597.30
<b>Sub Total</b>			<b>-13894.26</b>	<b>22353.93</b>
<b>Total</b>			<b>-3435.59</b>	<b>-64387.30</b>

(Source: Detailed Appropriation Accounts)

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

**Statement showing cases of substantial surrenders (exceeding ₹10 crore) and more than 25 per cent of Total provision made during the year 2015-16**

(₹ in crore)

SI No.	Name of Grant	Head of Account	Total provision (O+S)	Amount surrendered	Percentage of surrender
1	2	3	4	5	6
1	Appropriation-2 Interest Payment & Debts Services	6003- Internal Debt of the State Govt.			
		00 -			
		101 – Market Loans			
		25 - Market Loans	273.00	62.56	22.92
2	19 - Environment and Forest	2402 – Soil & Water Conservation			
		00 -			
		102 – Soil Conservation			
		28 – Loktak Development	28.50	12.16	42.67
3	19 - Environment and Forest	2406 - Forestry and Wild Life			
		01 - Forestry			
		800 - Other Expenditure			
		58 - Scheme under EAP	20.00	20.00	100.00
4	22 - Public Health Engineering	4215 – Capital Outlay on Water Supply And Sanitation			
		01 - Water Supply			
		102- Rural Water Supply			
		20 - National Rural Drinking Water Programme (Central Share of NRDWP)	85.00	26.89	31.64
5	30 - Planning	2522 - North Eastern Areas			
		00 -			
		800 - Other Expenditure			
		01 – Schemes under NEC	76.36	31.17	40.82
6	30 - Planning	3451 - Secretariat Economic Services			
		00 -			
		092 - Other Offices			
		13 - Special Development Fund	84.38	84.38	100.00
7	30 - Planning	3451 - Secretariat Economic Services			
		00 -			
		800 -Other Expenditure			
		17 - Schemes under NLCPR	110.20	110.20	100.00
		<b>Total</b>	<b>677.44</b>	<b>347.36</b>	

(Source: Detailed Appropriation Accounts)

**Appendix 2.8**  
(Reference: Paragraph 2.3.10)

**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	2. Council Of Ministers	603.43	450.02	153.41
2	6. Transport	727.63	673.58	54.05
3	7. Police	110305.07	102998.12	7306.95
4	8. Public Works Department	21401.28	14014.56	7386.72
5	10. Education	125986.39	100617.06	25369.33
6	11. Medical, Health and Family Welfare Services	48192.43	44292.46	3899.97
7	13. Labour and Employment	1828.88	1555.45	273.43
8	14. Department of Tribal Affairs, Hills and Scheduled Caste Development	42794.53	39303.18	3491.35
9	15. Consumers Affairs, Food and Public Distribution	1989.15	1775.71	213.44
10	17. Agriculture	12916.9	10427.44	2489.46
11	20. Community and Rural Development	72420.11	67219.90	5200.21
12	22. Public Health Engineering	5339.95	5183.79	156.16
13	23. Power	64890.90	63241.49	1649.41
14	24. Vigilance Department	308.34	293.80	14.54
15	25. Youth Affairs and Sports Department	4045.11	3884.09	161.02
16	27. Election	1054.88	729.88	325.00
17	28. State Excise	1844.59	1750.28	94.31
18	29. Sales Tax, Other Taxes/Duties on Commodities and Services	463.13	454.73	8.40
19	32. Jails	1690.50	1671.19	19.31
20	33. Home Guards	1877.31	1756.20	121.11
21	34. Rehabilitation	767.82	686.26	81.56
22	37. Fisheries	2837.39	2564.74	272.65
23	39. Sericulture	2824.15	2772.00	52.15
24	40. Irrigation and Flood Control Department	6642.95	5853.77	789.18
25	41. Art and Culture	2588.09	2035.97	552.12
26	42. State Academy of Training	565.25	459.53	105.72
27	44. Social Welfare Department	31234.17	17915.97	13318.20
28	45. Tourism	1356.28	1170.05	186.23
29	46. Science and Technology	475.00	270.69	204.31
30	47. Minorities and Other Backward Classes Department	2681.31	1620.92	1060.39
31	50. Information Technology	2150.17	2147.08	3.09
<b>Revenue Charged</b>				
32	1. State Legislature	50.68	40.69	9.99
33	Appro 1 - Governor	493.82	453.08	40.74
34	Appro 3 - Manipur Public Service Commission	436.58	376.20	60.38
35	8. Public Works Department	120.00	116.99	3.01
36	26. Administration of Justice	1404.50	1167.34	237.16
<b>Capital Voted</b>				
37	1. State Legislature	240.00	160.00	80.00
38	2. Council Of Ministers	80.00	0.00	80.00

<b>Sl. No.</b>	<b>Grants/Appropriation No.</b>	<b>Total Provision</b>	<b>Expenditure</b>	<b>Saving</b>
39	5. Finance Department	40.01	0	40.01
40	6. Transport	621.00	600.00	21.00
41	7. Police	2480.00	1941.11	538.89
42	8. Public Works Department	57418.76	44919.21	12499.55
43	9. Information and Publicity	5.00	1.25	3.75
44	10. Education	5318.76	4717.59	601.17
45	11. Medical, Health and Family Welfare Services	5398.31	4273.35	1124.96
46	13. Labour and Employment	356.52	56.50	300.02
47	16. Co-operation	425.00	225.00	200.00
48	17. Agriculture	4807.32	0.00	4807.32
49	23. Power	6007.17	5998.20	8.97
50	25. Youth Affairs and Sports Department	1790.00	1749.58	40.42
51	26. Administration of Justice	2165.00	2163.12	1.88
52	30. Planning	4300.00	394.00	3906.00
53	36. Minor Irrigation	7656.63	6471.27	1185.36
54	37. Fisheries	131.15	92.57	38.58
55	40. Irrigation and Flood Control Department	23832.26	10852.97	12979.29
56	41. Art and Culture	1144.62	1064.58	80.04
57	42. State Academy of Training	6.00	5.71	0.29
58	44. Social Welfare Department	4362.10	2249.10	2113.00
59	45. Tourism	6596.49	6588.12	8.37
60	47. Minorities and Other Backward Classes Department	4513.60	3237.12	1276.48
61	49. Economics and Statistics	45.00	20.00	25.00
<b>Grand Total</b>		<b>717049.37</b>	<b>599724.56</b>	<b>117324.81</b>

(Source: Appropriation Accounts)

**Appendix 2.9**  
(Reference: Paragraph 2.3.10)

**Statement showing details of savings 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	4869.86	4685.3	184.56	49.45	135.11
2	2. Council Of Ministers	603.43	450.02	153.41	0	153.41
3	3. Secretariat	6953.49	6362.06	591.43	121.09	470.34
4	4. Land Revenue, Stamps & Registration and District Administration	8031.9	7082.08	949.82	184.24	765.58
5	7. Police	110305.07	102998.12	7306.95	0	7306.95
6	8. Public Works Department	21401.28	14014.56	7386.72	0	7386.72
7	10. Education	125986.39	100617.06	25369.33	0	25369.33
8	11. Medical, Health and Family Welfare Services	48192.43	44292.46	3899.97	0	3899.97
9	13. Labour and Employment	1828.88	1555.45	273.43	0	273.43
10	14. Department of Tribal Affairs, Hills and Scheduled Caste Development	42794.53	39303.18	3491.35	0	3491.35
11	15. Consumers Affairs, Food and Public Distribution	1989.15	1775.71	213.44	0	213.44
12	16. Co-operation	1723.7	1449.71	273.99	213.90	60.09
13	17. Agriculture	12916.90	10427.44	2489.46	0	2489.46
14	18. Animal Husbandry and Veterinary including Dairy Farming	9381.10	6111.81	3269.29	1497.41	1771.88
15	19. Environment and Forest	18498.16	12233.88	6264.28	3216.24	3048.04
16	20. Community and Rural Development	72420.11	67219.90	5200.21	0	5200.21
17	21. Commerce and Industries	8527.51	5724.19	2803.32	794.01	2009.31
18	22. Public Health Engineering	5339.95	5183.79	156.16	0	156.16
19	23. Power	64890.90	63241.49	1649.41	0	1649.41
20	25. Youth Affairs and Sports Department	4045.11	3884.09	161.02	0	161.02
21	26. Administration of Justice	4247.01	3619.59	627.42	75.65	551.77
22	27. Election	1054.88	729.88	325.00	0	325
23	30. Planning	36266.01	6910.25	29355.76	22574.83	6780.93
24	31. Fire Protection and Control	1048.00	941.88	106.12	37.26	68.86
25	33. Home Guards	1877.31	1756.20	121.11	0	121.11
26	36. Minor Irrigation	1190.60	1052.68	137.92	107.29	30.63
27	37. Fisheries	2837.39	2564.74	272.65	0	272.65
28	40. Irrigation and Flood Control Department	6642.95	5853.77	789.18	0	789.18
29	41. Art and Culture	2588.09	2035.97	552.12	0	552.12
30	42. State Academy of Training	565.25	459.53	105.72	0	105.72

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(1)	(2)	(3)	(4)	(5)	(6)	(7) (5-6)
31	43. Horticulture and Soil Conservation	8392.44	5403.82	2988.62	567.49	2421.13
32	44. Social Welfare Department	31234.17	17915.97	13318.20	0	13318.2
33	45. Tourism	1356.28	1170.05	186.23	0	186.23
34	46. Science and Technology	475.00	270.69	204.31	0	204.31
35	47. Minorities and Other Backward Classes Department	2681.31	1620.92	1060.39	0	1060.39
36	49. Economics and Statistics	1563.25	1050.46	512.79	298.76	214.03
<b>Revenue Charged</b>						
37	26. Administration of Justice	1404.50	1167.34	237.16	0	237.16
<b>Capital Voted</b>						
38	7. Police	2480.00	1941.11	538.89	0	538.89
39	8. Public Works Department	57418.76	44919.21	12499.55	0	12499.55
40	10. Education	5318.76	4717.58	601.17	0	601.17
41	11. Medical, Health and Family Welfare Services	5398.31	4273.35	1124.96	0	1124.96
42	12. Municipal Administration, Housing and Urban Development	5151.80	3527.32	1624.48	238.94	1385.54
43	13. Labour and Employment	356.52	56.50	300.02	0	300.02
44	15. Consumers Affairs, Food and Public Distribution	300	0.00	300	48.73	251.27
45	16. Co-operation	425.00	225.00	200.00	0	200
46	17. Agriculture	4807.32	0.00	4807.32	0	4807.32
47	22. Public Health Engineering	21885.61	17264.13	4621.48	2689.31	1932.17
48	30. Planning	4300.00	394.00	3906.00	0	3906
49	36. Minor Irrigation	7656.63	6471.27	1185.36	0	1185.36
50	40. Irrigation and Flood Control Department	23832.26	10852.97	12979.29	0	12979.29
51	44. Social Welfare Department	4362.10	2249.10	2113.00	0	2113
52	47. Minorities and Other Backward Classes Department	4513.60	3237.12	1276.48	0	1276.48
<b>Grand Total</b>		<b>824330.96</b>	<b>653264.70</b>	<b>171066.25</b>	<b>32714.60</b>	<b>138351.65</b>

(Source: Appropriation Accounts)

**Appendix 2.10**  
(Reference: Paragraph 2.3.10)

**Statement showing cases of surrender of funds made as on 31 March 2016**

(₹ 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	1. State Legislature	4869.86	4685.30	-184.56	49.45	1.02
2	3. Secretariat	6953.49	6362.06	-591.43	121.09	1.74
3	4. Land Revenue, Stamps & Registration and District Administration	8031.9	7082.08	-949.82	184.24	2.29
4	9. Information and Publicity	520.76	472.12	-48.64	15.16	2.91
5	16. Co-operation	1723.70	1449.71	-273.99	213.90	12.41
6	18. Animal Husbandry and Veterinary including Dairy Farming	9381.10	6111.81	-3269.29	1497.41	15.96
7	19. Environment and Forest	18498.16	12233.88	-6264.28	3216.24	17.39
8	21. Commerce and Industries	8527.51	5724.19	-2803.32	794.01	9.31
9	26. Administration of Justice	4247.01	3619.59	-627.42	75.65	1.78
10	30. Planning	36266.01	6910.25	-29355.76	22574.83	62.25
11	31. Fire Protection and Control	1048.00	941.88	-106.12	37.26	3.56
12	35. Stationery and Printing	536.78	502.01	-34.77	17.30	3.22
13	36. Minor Irrigation	1190.60	1052.68	-137.92	107.29	9.01
14	38. Panchayat	6145.65	6225.20	79.55	272.83	4.44
15	43. Horticulture and Soil Conservation	8392.44	5403.82	-2988.62	567.49	6.76
16	49. Economics and Statistics	1563.25	1050.46	-512.79	298.76	19.11
<b>Capital voted</b>						
17	12. Municipal Administration, Housing and Urban Development	5151.80	3527.32	-1624.48	238.94	4.64
18	15. Consumers Affairs, Food and Public Distribution	300	0	-300	48.73	16.24
19	22. Public Health Engineering	21885.61	17264.13	-4621.48	2689.31	12.29
<b>Capital Charged</b>						
20	Appropriation No. 2 - Interest Payment and Debt services	40594.88	44608.27	4013.39	6256.23	15.41
<b>Total</b>		<b>185828.51</b>	<b>135226.76</b>	<b>-50601.75</b>	<b>39276.12</b>	<b>21.14</b>

(Source: Appropriation Accounts)

**Appendix 2.11**  
(Reference: Paragraph 2.3.11)

**Rush of expenditure during March 2016 where expenditure was more than ₹ 10 crore and 25 per cent of the Total expenditure for the year 2015-16**

(₹ 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	20.18	14.86	47.26	43	31.43
2	5	Pension and other Retirement Benefits/2071	270.05	106.54	1010.00	27	10.55
3	7	Police/ 2055	309.55	107.11	1029.10	30	10.41
4	7	Capital Outlay on Police/4055	19.41	19.41	19.41	100	100.00
5	10	General Education /2202	299.43	142.48	995.17	30	14.32
6	11	Medical and Public Health/2210	110.15	91.40	426.50	26	21.43
7	11	Capital Outlay on Medical and Public Health/4210	12.48	10.72	42.73	29	25.09
8	12	Urban Development/2217	24.98	23.88	50.61	49	47.16
9	12	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions/3604	15.10	15.10	15.10	100	100.00
10	14	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities/2225	76.61	71.48	92.14	83	77.57
11	14	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions/3604	96.41	71.76	300.64	32	23.87
12	17	Crop Husbandry/2401	42.98	326.30	94.95	45	34.37
13	18	Animal Husbandry/2403	19.02	10.49	59.52	32	17.63
14	20	Special Programmes for Rural Development/2501	140.79	30.46	305.60	46	9.97
15	20	Rural Employment/2505	107.45	95.86	336.24	32	28.51

1	2	3	4	5	6	7	8
16	21	Village and Small Industries/ 2851	14.86	10.26	50.56	29	20.30
17	23	Power/2801	314.82	242.33	623.46	50	38.87
18	23	Capital Outlay On Power Projects/4801	11.81	11.81	43.98	27	26.85
19	26	Administration of Justice/ 2014	18.36	14.33	37.23	49	38.48
20	26	Capital Outlay on Public Works/4059	20.36	20.36	21.63	94	94.13
21	30	Other Special Area Programmes/2575	11.01	11.01	20.00	55	55.07
22	30	Secretariat Economic Services/ 3451	36.97	32.43	49.00	75	66.18
23	38	Other Rural Development Programmes/2515	14.14	11.65	29.94	47	38.90
24	38	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions/3604	25.85	24.40	32.31	80	75.52
25	39	Village and Small Industries/2851	12.81	10.41	27.72	46	37.55
26	41	Capital Outlay on Education, Sports, Art and Culture/4202	10.55	10.55	10.65	99	99.06
27	44	Social Security and Welfare/ 2235	40.43	35.31	123.74	33	28.54
28	47	Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities/2225	14.95	14.79	16.21	92	91.22
29	47	Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities/4225	29.80	19.85	32.37	92	61.32
30	50	Relief on Account Of Natural Calamities/ 2245	30.44	17.90	23.19	131	77.20

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

**Appendix 2.12**

(Reference: Paragraph 2.4.1)

**Pending DCC bills up to 2015-16 as on June 2016**

(₹ in crore)

Sl. No.	Department/Institutes	Number of AC bills	Amount of Pending DCC bills
1	Agriculture Department	14	40.74
2	Art & Culture Department	10	11.75
3	Co-operation Department	3	0.64
4	Department of Information & Public Relations	14	0.41
5	Development of Tribals and Backward Classes	158	125.12
6	Directorate of Civil Defence, Manipur	1	1.80
7	District Administration	6	1.15
8	Education (School) Department	142	176.61
9	Education (University) Department	91	60.15
10	Election Department	2	1.12
11	Family and Children Welfare Bureau	13	3.52
12	Finance Department	20	13.35
13	Fisheries Department	1	0.15
14	Food and Civil Supply Department	12	11.14
15	Forest Department	3	7.00
16	General Administration Department	6	8.34
17	Governor Secretariat	1	1.25
18	Horticulture Department	34	74.69
19	Industries Department	22	20.76
20	Information Technology	5	18.63
21	Jail (Prison) Department	4	2.93
22	Labour Department	4	0.77
23	Manipur Public Service Commission	3	0.94
24	Medical and Health Services Department	325	464.12
25	Municipal Administration, Housing and Urban	5	4.78
26	Planning Department	36	84.16
27	Police Department	41	90.52
28	Power Department	19	123.21
29	Rural Development and Panchayati Raj	13	21.19
30	Science and Technology Department	5	3.35
31	Secretariat Development Department	1	7.50
32	Sericulture Department	3	10.63
33	Sports and Youth Services Department	40	52.77
34	State Council of Educational Research & Training	13	1.08
35	Taxation Department	5	1.50
36	Tourism Department	43	54.44
37	Transport Department	8	11.23
38	Veterinary and Animal Husbandry Department	30	6.63
39	Welfare of Minorities and other Backward Classes	36	38.75
40	District and Sessions Judge	1	2.17
41	Revenue Department	0	0.02
	<b>Total</b>	<b>1193</b>	<b>1,561.01</b>

(Source Voucher Level Compilation data)

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

**Controlling Officers of the Government of Manipur who had not reconciled  
the expenditure for the year 2015-16 with the figures booked by  
the Accountant General (A&E), Manipur**

(₹in crore)

Sl. No.	Name of Controlling Officers	Amount
1	Commissioner GAD	84.89
2	D.C. Imphal East	6.34
3	D.C. Churchandpur	2.86
4	D.C. Chandel	3.72
5	D.C. Thoubal	2.61
6	D.C. Ukhrul	4.19
7	D.C. Senapati	4.39
8	Secretary, MPSC	3.76
9	Commissioner/Secretary (Finance)	535.16
10	Director Transport	6.74
11	Inspector General Registration	3.06
12	Commissioner Excise	15.40
13	Chief Engineer PWD	21.18
14	Chief Engineer IFCD	56.46
15	Chief Engineer PHED	51.11
16	Chief Engineer Power	772.45
17	Chief Engineer M.I	10.09
18	Director Food & Civil Supply	15.02
19	Director of Agriculture	223.43
20	Director Fishery	25.65
21	Director Information & Public Relation	5.49
22	Register Co-operation	16.75
23	Director Social Welfare & Child Development	821.76
24	Director Rehabilitation	6.86
25	Director Education (U)	253.16
26	Director Education (S)	1,160.39
27	Director YAS	113.53
28	Controller Technical Education	8.26
29	Deputy Director Information Technology (IT)	33.47
30	Deputy Labour Commissioner	4.69
31	Director Sericulture	78.28
32	Secretary, Manipur Legislative Assembly	47.26
33	District & Session Judge, Manipur West	2.25
34	Registrar Manipur High Court	1.32
35	Secretary Law Department	29.11
36	Director Tourism	114.65
<b>Total</b>		<b>4,545.74</b>

(Source: O/o The Accountant General (A &amp; 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	Observation
<b>Major Head not conforming to the list of Major &amp; Minor Head of Accounts</b>			
1	Demand No. 14 - Department of Tribal Affairs, Hills and Scheduled Castes Development	2225 - Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	It should be 2225 - Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities.
2	Demand No. 23 - Power	2810 - Non-Conventional Sources of Energy (Plan) 60 - Others 800 - Other Expenditure	It should be 2810 - New and Renewable Energy.
3	Demand No. 47 - Minorities and Other Backward Classes Department	2225 - Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes <u>(Non Plan &amp; Plan)</u>	It should be 2225 - Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities, and a new Sub Major Head and Minor Heads for 'Welfare of Minorities' should be inserted as below - SMH: 04 Welfare of Minorities.
4	Demand No. 47 - Minorities and Other Backward Classes Department	4225 - Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	It should be 4225 -Welfare of Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities, and a new Sub Major Head and Minor Heads for 'Welfare of Minorities' should be inserted as below - SMH: 04 Welfare of Minorities.
<b>Sub-Major Head not conforming to the list of Major &amp; Minor Head of Accounts</b>			
5	Demand No. 19- Environment and Forest	2407 - Plantation (Plan) 03 - Rubber Plantation 800 - Other Expenditure	It should be 03 - Rubber.
<b>Minor Heads not conforming to the list of Major &amp; Minor Head of Accounts</b>			
6	Appropriation No. 2 - Interest Payment and Debt Services	2049 - Interest Payment 03 - Interest on Small Savings, Provident Funds etc. 108 - Interest on Pension and Insurance Scheme	It should be 108 - Interest on Insurance and Pension Fund.
7	Appropriation No. 2 - Interest Payment and Debt Services	6003 - Internal Debt of the State Government 111- Special Security issued to NSSF of the Central Government by the State Govt.	It should be 111- Special Securities issued to National Small Savings Fund of the Central Government.
8	Demand No. 4 - Land Revenue Stamp Registration and District Administration	2053-District Administration(NP) 094- Other Establishment Sub-Divisional Establishment	It should be 094 - Other Establishments.
9	Demand No. 5 - Finance Department	7610 - Loans to Government Servants etc. (NP) 203-Advances for Purchase of Other Conveyances 21 - Loan to All India Service Officers (Purchase of Computer)	The Minor Head 203 is not in conformity with that of sub-head. It should be under a separate Minor Head 204 - Advances for Purchase of Computers.

10	Demand No. 10 - Education	2202 - General Education (Plan) <i>01 - Elementary Education</i> 800 - Other Expenditure 07 - Block Grant for New Schools (PMGY) 01 - State Share for Sarva Siksha Aviyam/EGS (Detail Head)	It should be under a separate Minor Head 111- Sarva Shiksha Abhiyan.
11	Demand No. 10 - Education	2202 - General Education (Plan) <i>01 - Elementary Education</i> 800 - Other Expenditure 42 - Mid-Day Meals (State Share)	It should be Minor Head 112- National Programme of Mid Day Meals in Schools.
12	Demand No. 10 - Education	2204 - Sports & Youth Services (NP) 102 - Youth Welfare Programme	It should be 102 - Youth Welfare Programmes for Students.
13	Demand No. 12 - Municipal Administration, Housing and Urban Development	2217 - Urban Development (NP) <i>01 - State Capital Development</i> 191 - Assistance to Local Bodies Co-operations, Urban Development Authorities, Town	It should be 191-Assistance to Local Bodies Corporations, Urban Development Authorities, Town Improvement Boards, etc.
14	Demand No. 16 - Co-operation	4425 - Capital Outlay on Co-operation (Plan) 107 - Dairy Development Project 01-National Programme for Dairy Development (NPDD) 01-Manipur Milk Producers Cooperative Union	There is no Minor Head of 107-Dairy Development Project under Major Head 4425. It should be 102 - Dairy Development Projects.
15	Demand No. 20 - Community and Rural Development	2505 - Rural Employment (Plan) <i>02 - Rural Employment Guarantee Scheme</i> 102 - National Rural Employment Guarantee Scheme	The name of the Scheme of National Rural Employment Guarantee Scheme is already under Minor Head '101'. Hence, use of the same Scheme under different Minor Head '102' amounts to unauthorized opening of Minor Heads.
16	Demand No. 21 - Commerce & Industries	4860 - Capital Outlay on Consumer Industries (Plan) <i>01 - Textiles</i> 101 - Industrial Estate	There is no Minor Head 101- Industrial Estate under Major Head 4860. Hence, use of this Minor Head amounts to unauthorized opening of Minor Heads.
17	Demand No. 22 - Public Health Engineering	2215 - Water Supply and Sanitation (Plan) 02 - Sewerage and Sanitation 001 - Direction	It should be 001 - Direction and Administration.
18	Demand No. 23 - Power	4801 - Capital Outlay on Power Projects (Plan) <i>05 - Transmission &amp; Distribution</i> 799- Transmission & Distribution System	It should be 799 Suspense.
19	Demand No. 29 - Sales Tax, Other Taxes/Duties on Commodities and Services	2045 - Other Taxes and Duties on Commodities & Services (NP) 101 - Collection Charges	It should be 101- Collection Charges - Entertainment Tax.
20	Demand No.49- and Economics Statistics	3454 - Census Survey and Statistics (Non Plan & Plan) <i>02 - Survey and Statistics</i> 205 - Statistical Agency	It should be 205 - State Statistical Agency.

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

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

**Lapsed Deposit under Major Head 8449 during 2015-16**

(₹ in lakh)

Sl. No.	Name of Department	Name of DDO	Treasury	Amount
1	Directorate of Education (S)	Directorate of Education (S)	Moirang	4,27.43
2	Medical Directorate	A.O. Medical	Lamphel	16.26
3	Directorate of Fisheries	Addl. Director, Fisheries	Lamphel	33.00
4	Directorate of Education (U)	Directorate of Education (U)	Lamphel	5.28
5	Directorate of Commerce & Industries	Deputy Directorate of Commerce & Industries	Lamphel	2,54.18
6	Labour	Labour Commissioner	Lamphel	1.00
7	Agriculture	Regional Potato Farm, Mao	Senapati	1,65.38
8	DRDA	DRDA	Senapati	22.65
<b>Total</b>				<b>9,25.18</b>

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

**Appendix 3.1**  
(Reference: Paragraph 3.1)  
**Statement showing outstanding Utilisation Certificates as on 31 March 2016**

(₹ in crore)

Year of payment	Total Grants paid		Utilization certificate			
			Received		Outstanding	
	No. of vouchers	Amount	No. of vouchers	Amount	No. of vouchers	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>1 General Administrative Department</b>						
Up to 2008-09	22	23.89	10	0.06	12	23.83
2009-10	14	7.41	11	0.20	3	7.21
2010-11	11	0.75	6	0.13	5	0.62
2011-12	21	0.49	5	0.08	16	0.41
2012-13	9	0.21	4	0.06	5	0.15
<b>Sub-Total</b>	<b>77</b>	<b>32.75</b>	<b>36</b>	<b>0.53</b>	<b>41</b>	<b>32.22</b>
2013-14	5	0.78	0	0	5	0.78
2014-15	10	0.93	0	0	10	0.93
<b>Total</b>	<b>92</b>	<b>34.46</b>	<b>36</b>	<b>0.53</b>	<b>56</b>	<b>33.93</b>
<b>2 Town Planning</b>						
2009-10	2	0.13	0	0	2	0.13
2010-11	4	1.89	0	0	4	1.89
2011-12	0	0	0	0	0	0
2012-13	3	0.63	0	0	3	0.63
<b>Total</b>	<b>9</b>	<b>2.65</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>2.65</b>
<b>3 Excise Department</b>						
Up to 2008-09	1	0.02	0	0	1	0.02
<b>Total</b>	<b>1</b>	<b>0.02</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0.02</b>
<b>4 Police Department</b>						
Up to 2008-09	9	0.49	0	0	9	0.49
2009-10	4	0.21	0	0	4	0.21
2010-11	3	0.10	0	0	3	0.10
2011-12	6	0.28	0	0	6	0.28
2012-13	1	0.05	0	0	1	0.05
<b>Sub-Total</b>	<b>23</b>	<b>1.13</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>1.13</b>
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>	<b>1.32</b>
<b>5 Youth Affairs &amp; Sports</b>						
Up to 2008-09	14	1.94	0	0	14	1.94
2009-10	6	0.65	0	0	6	0.65
2010-11	4	1.46	0	0	4	1.46
2011-12	4	1.37	0	0	4	1.37
2012-13	2	1.01	0	0	2	1.01
<b>Sub-Total</b>	<b>30</b>	<b>6.43</b>	<b>0</b>	<b>0</b>	<b>30</b>	<b>6.43</b>
2013-14	4	2.04	0	0	4	2.04
2014-15	3	3.00	0	0	3	3.00
<b>Total</b>	<b>37</b>	<b>11.47</b>	<b>0</b>	<b>0</b>	<b>37</b>	<b>11.47</b>
<b>6 Development of Tribals &amp; Other Backward Classes</b>						
Up to 2008-09	245	53.64	0	0	245	53.64
2010-11	241	101.60	55	2.57	186	99.03

2011-12	256	276.95	73	32.62	183	244.33
2012-13	596	257.30	107	52.42	489	204.88
<b>Sub-Total</b>	<b>1338</b>	<b>689.49</b>	<b>235</b>	<b>87.61</b>	<b>1103</b>	<b>601.88</b>
2013-14	608	304.61	111	55.52	497	249.09
2014-15	714	401.66	0	0	714	401.66
<b>Total</b>	<b>2660</b>	<b>1395.76</b>	<b>346</b>	<b>143.13</b>	<b>2314</b>	<b>1252.63</b>
<b>7 Industries Department</b>						
Up to 2008-09	14	8.42	0	0	14	8.42
2009-10	9	11.15	0	0	9	11.15
2010-11	14	10.00	0	0	14	10.00
2011-12	21	19.48	0	0	21	19.48
2012-13	14	14.37	0	0	14	14.37
<b>Sub-Total</b>	<b>72</b>	<b>63.42</b>	<b>0</b>	<b>0</b>	<b>72</b>	<b>63.42</b>
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>	<b>83.96</b>
<b>8 Department of Information &amp; Public Relation</b>						
2013-14	1	0.01	0	0	1	0.01
<b>Total</b>	<b>1</b>	<b>0.01</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0.01</b>
<b>9 Arts &amp; Culture Department</b>						
Up to 2008-09	41	0.66	0	0	41	0.66
2009-10	27	1.93	2	0.23	25	1.70
2010-11	8	2.11	1	0.21	7	1.90
2011-12	54	2.30	4	0.56	50	1.74
2012-13	43	5.51	25	4.23	18	1.28
<b>Sub-Total</b>	<b>173</b>	<b>12.51</b>	<b>32</b>	<b>5.23</b>	<b>141</b>	<b>7.28</b>
2013-14	47	7.02	19	3.77	28	3.25
2014-15	71	7.22	20	3.92	51	3.30
<b>Total</b>	<b>291</b>	<b>26.75</b>	<b>71</b>	<b>12.92</b>	<b>220</b>	<b>13.83</b>
<b>10 Agriculture Department</b>						
Up to 2008-09	1	0.05	0	0	1	0.05
2010-11	1	0.05	0	0	1	0.05
2011-12	2	0.05	0	0	2	0.05
2012-13	1	0.05	0	0	1	0.05
<b>Sub-Total</b>	<b>5</b>	<b>0.20</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>0.20</b>
2013-14	1	0.02	0	0	1	0.02
2014-15	3	1.77	0	0	3	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>11 Horticulture &amp; Soil Conservation</b>						
2014-15	1	0.73	0	0	1	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>12 Veterinary &amp; Animal Husbandry Services</b>						
Up to 2008-09	41	2.85	0	0	41	2.85
2009-10	2	0.60	0	0	2	0.60
2010-11	3	1.84	0	0	3	1.84
2011-12	3	1.26	0	0	3	1.26

2012-13	6	0.25	0	0	6	0.25
<b>Sub-Total</b>	<b>55</b>	<b>6.80</b>	<b>0</b>	<b>0</b>	<b>55</b>	<b>6.80</b>
2013-14	10	2.13	0	0	10	2.13
2014-15	6	6.90	0	0	6	6.90
<b>Total</b>	<b>71</b>	<b>15.83</b>	<b>0</b>	<b>0</b>	<b>71</b>	<b>15.83</b>
<b>13 Medical &amp; Health Services</b>						
Up to 2008-09	4	1.03	0	0	4	1.03
2009-10	6	16.40	3	5.26	3	11.14
2010-11	7	33.08	0	0	7	33.08
2011-12	7	62.57	3	28.42	4	34.15
2012-13	5	60.75	3	24.35	2	36.40
<b>Sub-Total</b>	<b>29</b>	<b>173.83</b>	<b>9</b>	<b>58.03</b>	<b>20</b>	<b>115.80</b>
2013-14	6	81.43	4	46.22	2	35.21
2014-15	24	192.14	6	55.88	18	136.26
<b>Total</b>	<b>59</b>	<b>447.40</b>	<b>19</b>	<b>160.13</b>	<b>40</b>	<b>287.27</b>
<b>14 Fisheries Department</b>						
Up to 2008-09	10	1.19	0	0	10	1.19
2009-10	6	0.99	5	0.95	1	0.04
2010-11	7	2.44	5	2.23	2	0.21
2011-12	5	1.62	0	0	5	1.62
2012-13	10	1.87	0	0	10	1.87
<b>Sub-Total</b>	<b>38</b>	<b>8.11</b>	<b>10</b>	<b>3.18</b>	<b>28</b>	<b>4.93</b>
2013-14	9	2.17	0	0	9	2.17
2014-15	7	1.99	0	0	7	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>15 Social Welfare Department</b>						
Up to 2008-09	23	1.80	0	0	23	1.80
2009-10	17	3.94	0	0	17	3.94
2010-11	12	0.82	0	0	12	0.82
2011-12	6	0.95	0	0	6	0.95
2012-13	12	1.88	0	0	12	1.88
<b>Sub-Total</b>	<b>70</b>	<b>9.39</b>	<b>0</b>	<b>0</b>	<b>70</b>	<b>9.39</b>
2013-14	9	1.41	0	0	9	1.41
2014-15	7	1.07	0	0	7	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>16 Sericulture Department</b>						
Up to 2008-09	1	4.94	0	0	1	4.94
2009-10	2	0.86	0	0	2	0.86
2010-11	2	6.22	0	0	2	6.22
2011-12	3	5.08	0	0	3	5.08
2012-13	4	8.75	0	0	4	8.75
<b>Sub-Total</b>	<b>12</b>	<b>25.85</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>25.85</b>
2013-14	3	11.92	0	0	3	11.92
2014-15	4	0.49	0	0	4	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>17 Planning Department</b>						
Up to 2008-09	7	15.40	0	0	7	15.40
2009-10	3	16.14	0	0	3	16.14
2010-11	18	44.52	0	0	18	44.52
2011-12	22	81.63	0	0	22	81.63
2012-13	25	67.47	0	0	25	67.47
<b>Sub-Total</b>	<b>75</b>	<b>225.16</b>	<b>0</b>	<b>0</b>	<b>75</b>	<b>225.16</b>
2013-14	13	54.00	0	0	13	54.00
2014-15	16	74.45	0	0	16	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>18 Science &amp; Technology Department</b>						
Up to 2008-09	11	7.71	7	5.63	4	2.08
2009-10	5	3.82	3	3.68	2	0.14
2010-11	6	8.21	4	7.11	2	1.10
2011-12	6	5.59	4	5.05	2	0.54
2012-13	11	2.88	11	2.88	0	0
<b>Sub-Total</b>	<b>39</b>	<b>28.21</b>	<b>29</b>	<b>24.35</b>	<b>10</b>	<b>3.86</b>
2013-14	16	6.73	16	6.73	0	0
2014-15	12	1.30	12	1.30	0	0
<b>Total</b>	<b>67</b>	<b>36.24</b>	<b>57</b>	<b>32.38</b>	<b>10</b>	<b>3.86</b>
<b>19 Education (U)</b>						
Up to 2008-09	25	5.80	0	0	25	5.80
2009-10	12	5.36	0	0	12	5.36
2010-11	10	5.72	0	0	10	5.72
2011-12	16	5.63	0	0	16	5.63
2012-13	23	7.45	0	0	23	7.45
<b>Sub-Total</b>	<b>89</b>	<b>29.96</b>	<b>0</b>	<b>0</b>	<b>89</b>	<b>29.96</b>
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>
<b>20 Education (S)</b>						
Up to 2008-09	143	15.96	0	0	143	15.96
2010-11	123	29.45	12	5.53	111	23.92
2011-12	121	39.31	30	8.10	91	31.21
2012-13	191	34.78	59	14.03	132	20.75
<b>Sub-Total</b>	<b>578</b>	<b>119.50</b>	<b>101</b>	<b>27.66</b>	<b>477</b>	<b>91.84</b>
2013-14	169	29.84	24	6.52	145	23.32
2014-15	200	174.66	20	2.78	180	171.88
<b>Total</b>	<b>947</b>	<b>324</b>	<b>145</b>	<b>36.96</b>	<b>802</b>	<b>287.04</b>
<b>21 Rural Development &amp; Panchayati Raj</b>						
Up to 2008-09	58	21.17	58	21.17	0	0
2010-11	97	54.62	7	23.52	90	31.10
2011-12	81	117.70	7	21.73	74	95.97
2012-13	106	154.41	8	31.81	98	122.60

<i>Sub-Total</i>	<b>342</b>	<b>347.90</b>	<b>80</b>	<b>98.23</b>	<b>262</b>	<b>249.67</b>
2013-14	70	192.01	4	31.64	66	160.37
2014-15	141	602.50	5	23.87	136	578.63
<b>Total</b>	<b>553</b>	<b>1142.41</b>	<b>89</b>	<b>153.74</b>	<b>464</b>	<b>988.67</b>
<b>22 Municipal Administration Housing &amp; Urban Development</b>						
Up to 2008-09	31	13.36	0	0	31	13.36
2010-11	35	24.10	14	3.73	21	20.37
2011-12	59	45.40	16	3.68	43	41.72
2012-13	51	67.54	17	23.13	34	44.41
<i>Sub-Total</i>	<b>176</b>	<b>150.40</b>	<b>47</b>	<b>30.54</b>	<b>129</b>	<b>119.86</b>
2013-14	41	41.52	19	12.46	22	29.06
2014-15	45	47.71	16	14.15	29	33.56
<b>Total</b>	<b>262</b>	<b>239.63</b>	<b>82</b>	<b>57.15</b>	<b>180</b>	<b>182.48</b>
<b>23 Forest Department</b>						
Up to 2008-09	18	5.57	0	0	18	5.57
2009-10	14	33.42	14	33.42	0	0
2010-11	15	53.96	15	53.96	0	0
2011-12	16	54.05	12	50.13	4	3.92
2012-13	27	46.88	13	23.92	14	22.96
<i>Sub-Total</i>	<b>90</b>	<b>193.88</b>	<b>54</b>	<b>161.43</b>	<b>36</b>	<b>32.45</b>
2013-14	26	25.03	0	0	26	25.03
2014-15	30	13.22	2	0.40	28	12.82
<b>Total</b>	<b>146</b>	<b>232.13</b>	<b>56</b>	<b>161.83</b>	<b>90</b>	<b>70.30</b>
<b>24 Co-operation Department</b>						
2012-13	5	0.92	2	0.48	3	0.44
<i>Sub-Total</i>	<b>5</b>	<b>0.92</b>	<b>2</b>	<b>0.48</b>	<b>3</b>	<b>0.44</b>
2013-14	4	0.79	1	0.72	3	0.07
2014-15	3	2.69	0	0	3	2.69
<b>Total</b>	<b>12</b>	<b>4.40</b>	<b>3</b>	<b>1.20</b>	<b>9</b>	<b>3.20</b>
<b>25 Law Department</b>						
Up to 2008-09	12	0.18	0	0	12	0.18
2009-10	7	0.12	0	0	7	0.12
2010-11	0	0	0	0	0	0
2011-12	1	0.05	0	0	1	0.05
2012-13	0	0	0	0	0	0
<i>Sub-Total</i>	<b>20</b>	<b>0.35</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>0.35</b>
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>
<b>26 Public Works Department</b>						
Up to 2008-09	1	0.01	0	0	1	0.01
<b>Total</b>	<b>1</b>	<b>0.01</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0.01</b>

<b>27 District Administration</b>						
Up to 2008-09	48	3.43	0	0	48	3.43
2010-11	29	1.39	0	0	29	1.39
2011-12	23	0.75	0	0	23	0.75
2012-13	21	0.56	0	0	21	0.56
<b>Sub-Total</b>	<b>121</b>	<b>6.13</b>	<b>0</b>	<b>0</b>	<b>121</b>	<b>6.13</b>
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>
<b>28 Other Administrative Services</b>						
Up to 2008-09	4	0.08	0	0	4	0.08
2009-10	0	0	0	0	0	0
2010-11	2	0.09	0	0	2	0.09
<b>Sub-Total</b>	<b>6</b>	<b>0.17</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0.17</b>
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>
<b>29 Finance Department</b>						
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
<b>Sub-Total</b>	<b>3</b>	<b>0.09</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0.09</b>
2013-14	11	9.46	0	0	11	9.46
<b>Total</b>	<b>14</b>	<b>9.55</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>9.55</b>
<b>30 Welfare of Minorities &amp; Other Backward Classes</b>						
Up to 2008-09	13	1.41	3	0.63	10	0.78
2009-10	8	0.99	6	0.98	2	0.01
2010-11	7	4.68	6	0.71	1	3.97
2011-12	9	3.90	8	3.87	1	0.03
2012-13	19	32.46	4	2.35	15	30.11
<b>Sub-Total</b>	<b>56</b>	<b>43.44</b>	<b>27</b>	<b>8.54</b>	<b>29</b>	<b>34.90</b>
2013-14	8	3.12	0	0	8	3.12
2014-15	7	3.40	0	0	7	3.40
<b>Total</b>	<b>71</b>	<b>49.96</b>	<b>27</b>	<b>8.54</b>	<b>44</b>	<b>41.42</b>
<b>31 Information Technology</b>						
2010-11	1	0.28	1	0.28	0	0
2011-12	2	1.00	2	1.00	0	0
2012-13	9	4.59	7	2.94	2	1.65
<b>Sub-Total</b>	<b>12</b>	<b>5.87</b>	<b>10</b>	<b>4.22</b>	<b>2</b>	<b>1.65</b>
2013-14	8	2.00	0	0	8	2.00
2014-15	5	2.00	0	0	5	2.00
<b>Total</b>	<b>25</b>	<b>9.87</b>	<b>10</b>	<b>4.22</b>	<b>15</b>	<b>5.65</b>
<b>32 Labour Department</b>						
2011-12	1	0.50	0	0	1	0.50
2012-13	2	0.65	0	0	2	0.65
<b>Sub-Total</b>	<b>3</b>	<b>1.15</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>1.15</b>

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>
<b>33 Governors Secretariat</b>						
2012-13	12	0.23	0	0	12	0.23
<b>Total</b>	<b>12</b>	<b>0.23</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>0.23</b>
<b>34 Power</b>						
2013-14	3	1.31	0	0	3	1.31
<i>Sub-Total</i>	<i>3</i>	<i>1.31</i>	<i>0</i>	<i>0</i>	<i>3</i>	<i>1.31</i>
2014-15	59	313.44	23	122.52	36	190.92
<b>Total</b>	<b>62</b>	<b>314.75</b>	<b>23</b>	<b>122.52</b>	<b>39</b>	<b>192.23</b>
<b>Grand Total</b>	<b>6134</b>	<b>4863.21</b>	<b>974</b>	<b>898.43</b>	<b>5160</b>	<b>3964.78</b>

### Appendix 3.2

(Reference: Paragraph 3.2)

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

Sl. No	Name of the Body/Authority	Year from which accounts had not been received	No. of account pending	Grant received (₹ in lakh)
<b>Department: Department of Tribal Affairs and Hills</b>				
1	Autonomous District Council, Churachandpur	2015-16	1	NF
2	Autonomous District Council, Chandel	2015-16	1	NF
3	Autonomous District Council, Tamenglong	2015-16	1	NF
4	Autonomous District Council, Ukhul	2015-16	1	NF
5	Autonomous District Council, Senapati	2015-16	1	NF
6	Autonomous District Council, Kangpokpi	2015-16	1	NF
<b>Department: Law Legislative Affairs</b>				
7	Manipur State Legal Service Authority	2013-14 onwards	3	NF
<b>Total</b>			<b>9</b>	

NF :- Not furnished

**Appendix 3.3**

(Reference: Paragraph 3.3)

**Statement showing position of placement of SARs of ADCs & State Autonomous body as on 31 March 2016**

Name of the Autonomous Bodies	Section under which audited	Year up to which accounts were rendered	Position of last SAR place 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	Reason 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 14 & 19 (3) of CAG's DPC Act, 1971	2014-15	2009-10	11.06.13	26.6.13	-	-	2010-11-	5.02.14	-
Churachandpur	-do-	2014-15	2010-11	11.06.13	19.12.13	-	-	-	-	-
Sardar Hills	-do-	2014-15	2006-07	19.6.09	19.12.13	Over 4 years	NA	2007-08	18.12.13	-
								2008-09	10.6.14	-
								2009-10	21.10.14	-
								2010-11		-
2011-12	11.3.16	-								
Senapati	do	2014-15	2007-08	21.10.10	19.12.13	Over 3 years	NA	2008-09 to 2011-12	9.10.15	-
Tamenglong	-do-	2014-15	2007-08	21.10.10	19.12.13	Over 3 years	NA	-	-	-
Ukhrul	-do-	2014-15	2006-07	13.1.10	19.12.13	Over 3 years	NA	-	-	-
Manipur State Legal Service Authority	-do-	2012-13	2010-11	6.12.13	19.12.13	-	-	-	-	-

NA- Not Available

**Appendix 3.4**  
(Reference: Paragraph 3.4)

**Statement of finalisation of accounts and the Government investment in departmentally managed commercial and quasi-commercial undertakings (as on 31 October 2016)**

(₹ in crore)

Sl. No.	Name of the undertaking	Accounts finalized up to	Investment as per last Account finalized*	Remarks/Reasons for Delay in Preparation of accounts
<b>Commerce and Industries</b>				
1	Manipur Electronics Development Corporation	2014-15	2.74	NA
2	Manipur Industrial Development Corporation	2009-10	12.14	NA
3	Manipur Food Industries Corporation	2009-10	5.41	NA
4	Manipur Handloom and Handicrafts Development Corporation	2004-05	11.68	NA
<b>Power</b>				
5	Manipur State Power Company Limited	2013-14	10.05	NA
6	Manipur State Power Distribution Company Ltd	2013-14	10.05	NA
<b>Tribal Areas Backward Classes Development</b>				
7	Manipur Tribal Development Corporation Limited.	1987-88	0.52	NA
<b>Home Department</b>				
8	Manipur Police housing Corporation	1997-98	0.02	NA
<b>Information Technology</b>				
9	Manipur IT SEZ Project Development Company Ltd.	Nil**	-	-
<b>Tourism Department</b>				
10	Tourism Corporation of Manipur Ltd.	Nil***	-	-
<b>Non-Working Companies</b>				
1	Manipur Plantation Crops Corporation ltd.	1983-84	0.51	NA
2	Manipur Agro Industries Corporation ltd.	1988-89	0.32	NA
3	Manipur Pulp & Allied Products Ltd.	1997-98	0.89	NA
<b>Total</b>			<b>54.33</b>	

\*Investment includes both Paid-up capital & Share application money

\*\* Established on 30.12.2013 & accounts of 2014-15 & 2015-16 yet to be prepared

\*\*\*Newly established company on 13.7.2016

NA: Not available

**Note:**

- Sl. No.4 (MFIC) (Food):- Accounts for the years 2008-09 and 2009-10 have been received and reminders have been sent calling for some vital information for issuing comments/NRC.
- Sl. No. 7(MTDC):- Accounts for the year 1988-89 to 1990-91 were submitted to this office but returned to the company due to want of authentication of the accounts.

**Appendix 3.5**

(Reference: Paragraph 3.6)

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

Date of placing Recommendation of PAC	Gist of Recommendation	Action taken notes	Remark
<b>SFR 2009-10</b> (Date of Placing -24.3.2011)			
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 affects efficient fiscal management.</p> <p>The Committee recommends that the excess expenditures for the years 2011 and 2012 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)			
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)			
24.7.2014	Same recommendation as above, for regularization of excess of expenditure.	No Action was taken	-do-
24.7.2014	<p><b>Chapter I: Finances of the State Government.</b> <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 alone 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 of 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>	No Action was taken	The whole report was also discussed

**Miscellaneous General Service:**

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.

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.

**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 have not been achieved consistently. The first is Fiscal deficit-GSDP ration 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 6th 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 Employ-ees	Empto-yees Contribu-tion	Govt. contrib-ution	Total Invested to 1st Fund Manager	Invested to 2nd Fund Manager	Invested to 3rd Fund Manager	Total Amount Invested	Balance in “MH” 834	PRAN No
(1)	(2)	(3)	(4)	(5) (6) (3)+(4)	(7)	(8)	(9) 6+7+8	(10)	(11) (5-9)

**Total**

*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 subscriber.

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"		(1st) Subsequent Release from MH- "8449 OD"		(2nd /3rd 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 )
<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

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.

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.

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.

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.

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.

**Sustainability of debt:**

The Committee is of the view that there is little scope of manoeuvring on this aspect by the State Government. However, the Committee recommends that following broad steps should be considered:

- 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.
- ii) Increase efficiency of Tax collection and make thrust on computerization of such system.
- iii) Explore more avenues of Tax collection;
- iv) Ensure that Grants-in-Aid from Central Government does not decline, as in 2011-12,
- v) Maintain a proper calendar of borrowings, so that future borrowings and re-payment could be planned properly.

**Chapter II: Financial Management and Budgetary Control Saving and Excess**

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.

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. 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.

**Expenditure without provision**

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><b>Unnecessary/Excessive/Inadequate/Supplementary provision</b></p> <p>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.</p> <p>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.</p> <p>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.</p> <p><b>Excessive/Un-necessary re-appropriation of funds:</b></p> <p>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.</p> <p><b>Substantial surrenders and anticipated savings not surrendered:</b></p> <p>The Committee strongly recommends that the Finance Department should take up stronger measures with other Departments in future.</p> <p><b>Pendency in submission of Detailed Countersigned Bills against AC bills</b></p> <p>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.</p> <p>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.</p> <p><b>Personal Deposit Account/Personal Ledger Account:</b></p> <p>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).</p>		
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