

PREFACE

1. *This Report has been prepared for submission to the Governor under Article 151 of the Constitution.*
2. *Chapters I and II of this Report contain Audit findings on matters arising from examination of Finance Accounts and Appropriation Accounts respectively of the State Government for the year ended 31 March 2010.*
3. *Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives issued during the current year.*
4. *Audit observations on matters arising from performance reviews and audit of transactions in various departments including the Public Works and Irrigation and Flood Control Departments, audit of stores and stock, audit of autonomous bodies, audit of revenue receipts and departmentally run commercial undertakings for the year ended 31 March 2010 are included in a separate Report.*
5. *The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.*

Executive Summary

Background

This Report on the Finances of the Government of Manipur is being brought out with a view to assess objectively the financial performance of the State during the year 2009-10. 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, an effort has been 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 2009-10. A comparison has been made to see whether the State has given adequate fiscal priority to developmental, social sector and capital expenditure compared to other Northeast (NE) states and whether the expenditure has been effectively absorbed by the intended beneficiaries.

The Comptroller and Auditor General (C&AG) has been commenting upon the Government's finances for over four years since the FRBM legislation and have published four Reports already. Since these comments formed part of the Civil Audit Report, it was felt that the audit findings on State finances remained camouflaged in the large body of audit findings on compliance and performance audits. The obvious fallout of this well-intentioned but all-inclusive reporting was that the financial management portion of these findings did not receive proper attention. In recognition of the need to bring State finances to centre-stage once again, a stand-alone Report on State Government finances is considered an appropriate audit response to this challenge. Accordingly, from the report year 2009 onwards, C&AG had decided to bring out a separate volume titled "Report on State Finances." This Report is the second in this endeavour.

The Report

Based on the audited accounts of the Government of Manipur for the year ending March 2010, 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 2010. It provides an insight into trends in committed expenditure, 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 Manipur Government's compliance with various reporting requirements and financial rules.

Audit findings and recommendations

FINANCES OF THE STATE GOVERNMENT

Revenue Receipts

During 2005-10, around 89 to 92 *per cent* of the Revenue receipt of the State came from the Central Government. The Revenue receipt in 2009-10 remained at the same amount of ₹ 3873 crore of 2008-09, mainly due to less devolution of Grants-in-Aid from the Central Government. As a result, there were incipient signs of financial stress to the economy of the State (Para 1.4). The Non-tax revenue collection under Power, Water Supply and Sanitation and Irrigation as percentage of their respective Non-plan revenue expenditure during 2008-09 and 2009-10 gave fluctuating figures, indicating that revenue collection for providing these services was not reliable. The cost of revenue collection of Sales tax/VAT *etc.* and Taxes on vehicles of the State was much higher than the corresponding figures of All India average. An amount of ₹ 102.58 crore due to non/short levy (including penalty) of Sales tax/VAT, and professional tax, loss of revenue (energy charges) and non-realization of registration fee in 67 cases was also noticed during 2009-10 (Para 1.5).

Grants-in-aid decreased from ₹ 2868 crore in 2008-09 to ₹ 2840 crore in 2009-10. This had an adverse impact on the Revenue receipt of the State and was the main factor of its stagnation. The **Share of Union Taxes/Duties** also increased marginally from ₹ 581 crore in 2008-09 to ₹ 598 crore in 2009-10. The **Tax revenue** increased by ₹ 25.97 crore (15 *per cent*) from ₹ 170.07 crore in 2008-09 to ₹ 196.04 crore in 2009-10, mainly due to increase in Sales Tax (₹ 21.90 crore). As in the previous years, Sales tax (₹ 163.28 crore) remained the major contributor of Tax revenue and accounted for 83 *per cent* of the tax. The **Non-tax revenue** declined by ₹ 13.71 crore (5 *per cent*) from ₹ 253.46 crore in 2008-09 to ₹ 239.75 crore in 2009-10, mainly due to Miscellaneous General Services (₹ 31.30 crore) and Interest Receipts of State Government (₹ 7.27 crore) offset by increase under Power (₹ 15.78 crore) and Public Works (₹ 9.69 crore) (Para 1.5).

Though the State's Own tax collection was more than its own projection of FCP/MTFPS/Budget estimates, it was lower than the normative assessment of Twelfth Finance Commission (TFC). Collection from own Non-Tax revenue (ONTR) was higher than such projections/assessments (Para 1.5).

In view of the deteriorating fiscal position of the State and mounting Fiscal Liabilities, the State Government should consider to take steps to mobilize additional resources both through tax and non-tax sources by expanding the tax base and rationalizing the user charges. Efforts should also be made to increase tax compliance, reduce tax administration costs, and collect revenue arrears *etc.*

so that sustainability of debt does not go out of control. Timely action on all conditionalities that are pre-requisites to release of funds and timely utilization of central funds would aid in increase of the total receipts of the State.

Expenditure status

During 2005-10, expenditure on capital accounts had increased significantly from ₹ 616 crore to ₹ 1588 crore, though as compared to previous years, there was a slower growth of capital expenditure in 2009-10. The State Government could fulfil most of the priority areas of capital expenditure highlighted in the budget. There was a healthy growth of Plan expenditure from 39 *per cent* in 2005-06 to 50 *per cent* in 2009-10. A similar trend was also noticed in terms of expenditure pattern by activities, and was orienting more towards developmental activities of Social Services and Economic Services. As per recommendations of TFC and FRBM Act target, the expenditure on salaries was to be confined at 35 *per cent* of Revenue expenditure, net of interest payment and pension. Against this, the expenditure in 2009-10 stood at 48 *per cent*. Non-plan Revenue Expenditure (NPRES) during 2009-10 exceeded the normative assessment of Twelfth Finance Commission projections of Fiscal Correction Path but was lower than the projection of Medium Term Fiscal Policy Statement. Although the State Government lived up to its budget commitment for reduction of NPRES by confining NPRES at 76 *per cent* of Revenue Expenditure in the current year from 81 *per cent* in the previous year, further NPRES needs utmost attention of State Government, especially in the worsening Fiscal deficit and re-occurrence of primary deficit in the current year and the fact that debt-sustainability indicators are showing discouraging results (Para 1.6).

The holistic picture of key criterion of expenditure pattern during 2005-10 reveals a positive note. The budget commitments of 2009-10 were also largely fulfilled. However, increase of expenditure under capital head will not necessarily materialize into actual asset creation unless projects/schemes are completed on time, or else valuable resources will remain locked up without any tangible gain to the beneficiaries. A coherent effort is required to select projects that are nearing completion so as to channelise more resources to these projects rather than spread out resources thinly. A monitoring mechanism to focus on timely completion of projects should be in place.

Fiscal position, Fiscal liabilities and sustainability of debt

During 2009-10 due to less devolution of Grants-in-aid from the Central Government and lesser Non-tax revenue, the Revenue surplus fell by ₹ 391 crore in 2009-10, and as a consequence and coupled with increase in expenditure in both revenue and capital accounts, Fiscal deficit in the current year increased more than three folds and stood at ₹ 733 crore from ₹ 217 crore in the previous year. The primary surplus of the previous two years also turned into a deficit of ₹ 410 crore, the highest during the last five years (Para 1.11).

The overall Fiscal liabilities of the State Government increased by ₹ 658 crore from ₹ 4861 crore in 2008-09 to ₹ 5519 crore in 2009-10 and exceeded the assessed figure of ₹ 4764 crore in the MTFPS. The increase was mainly due to two market loans of ₹ 188.78 crore and ₹ 314 crore. The ratio of Fiscal Liabilities to GSDP during 2005-10 remained above 60 *per cent*; much higher than the 13th Finance Commission's recommendations to limit the ratio at 25 *per cent* by 2014-15 (Para 1.9). As growth of Fiscal liabilities and servicing of liabilities in the current year is more than the growth of revenue, there is a likelihood of pressure on sustainability of debt of the State. For two consecutive years (2008-10), the incremental primary expenditure exceeded the non-debt receipt, and had resulted in re-occurrence of Primary deficit and has led to increase of resource gap. The State's receipts also had poor capacity to service the debt as 78 *per cent* of the borrowed funds was being utilized to service past liabilities of the State. All these, with the rising maturing profile of debt in coming years are an indication that the State's economy may face the problem of non-manageable debt scenario (Paras 1.10 and 1.11).

Given the position of these key fiscal parameters, the fiscal position appears to be off track of fiscal correction path. Unless the State Government increases revenue collection and tax compliance, makes efforts for more devolution of funds from the Central Government, reduces tax collection costs, collects revenue arrears and prunes unproductive expenditure so that deficits are contained and also apply scarce resources judiciously for timely completion of projects/schemes, the prospect of unmanageable fiscal situation cannot be ruled out.

The State should consider initiating steps on an urgent basis to make efforts to return to primary surplus as in previous years and continue to maintain revenue surplus. The State's flow of resources should keep up with the pace of expenditure obligation. In view of the rising maturity profile of debt, there is an urgent need to maintain a calendar of borrowings and monitor it very closely. Such mechanism may enable the State Government to resort to more need based borrowings at opportune times. The State may consider identifying a shelf of projects and chalk out a better synchronization of cash inflows and outflows as per its spending capacity so as to avoid unwarranted build-up of cash surplus. Unless measures are taken up to increase revenue receipts, tighten unproductive expenditure, reduce its dependency on borrowed funds to service its debt and initiate a prudent debt management system, the State faces the prospect of imminent financial hardship.

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

During 2009-10, an expenditure of ₹ 4,738.35 crore was incurred against a total budget provision of ₹ 5,283.91 crore, resulting in a saving of ₹ 545.56 crore. The overall savings was the net result of saving of ₹ 574.70 crore offset by excess of ₹ 29.14 crore. The excess requires regularization under Article 205 of the Constitution of India. Excess expenditure for the period 1997-2002 is still

awaiting regularization, despite recommendation of the Public Accounts Committee (PAC) to regularize the excess expenditure (Paras 2.2 and 2.3).

Supplementary provision aggregating ₹ 52.80 crore obtained in 11 cases was unnecessary as the expenditure did not come up to the level of original provision while in 7 cases, supplementary provision of ₹ 162.88 crore proved insufficient by more than ₹ 10 lakh in each case. Substantial surrender (amount exceeding ₹ 25 lakh in each case) were made in respect of 29 sub-heads, out of which in three schemes/programmes, the whole provision amounting to ₹ 5.78 crore was surrendered. There were three cases in which an amount of ₹ 16.11 crore was surrendered despite having an excess expenditure over the total provision (Para 2.3).

Out of ₹ 1,656.65 crore paid through Abstract Contingent (AC) bills during 2003-10, Detailed Countersigned Contingent bills for ₹ 1,140.16 crore are outstanding as on October 2010 (Para 2.4).

The Government should regularize the excess expenditure as it is not only a violation of constitutional provision but also a disregard of the recommendations made by the PAC. Provision of funds through supplementary provisions should be used as an instrument to fine tune the flow of expenditure and should be applied in a judicious manner so that budget provisions and actual expenditure are convergent to each other as nearest as possible. A close and rigorous monitoring mechanism should be put in place to adjust AC bills within thirty days from the date of drawal of the amount.

FINANCIAL REPORTING

All the 2595 Utilization Certificates involving ₹ 767.60 crore in respect of grants and loans paid during 2006-10 were in arrear as of March 2010. There were also delays in placement of Separate Audit Reports to Legislature and huge arrears in finalization of accounts by the ADC/Autonomous Bodies. Out of 50 departments/Autonomous bodies, only four replies were received to ascertain the status of non-adjustment of temporary advances, misappropriation, losses *etc.* (Paras 3.1, 3.2, 3.3 and 3.4).

CHAPTER I

FINANCES OF THE STATE GOVERNMENT

Manipur is a special category State and is located in the north-eastern corner of India. The land-locked State is bounded by the state of Nagaland in the North, Mizoram in the south, Cachar district of Assam in the west, and has an international border-line with Myanmar in the east. The total geographical area of 22,327 sq. km. is divided into two parts – the central valley portion and hill portion 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. The State is connected by three National Highways (NH) viz., NH-39, NH-53 and NH-150, although the road conditions of the latter two NHs are reported to be of extremely poor condition. There is an airport at Imphal, the capital town of the State. Presently, rail-line connects only Jiribam town at the border of Assam, although efforts are being made to extend it to Imphal. With a population of 21.67 lakh (2001 census), density of population of the State at 103 persons per sq. km. is quite low as compared to all India average figure. The agrarian state has 76 per cent of its working population engaged in agriculture. The literacy rate of 70.53 per cent is higher than the average literacy rate of the country.

GSDP of the State registered a robust growth of 13.47 per cent (₹ 8687 crore) during 2009-10 against a growth of 12.60 per cent (₹ 7656 crore) during 2008-09. The Compounded Annual Growth Rate (CAGR) of the State during 2000-09 was 11.91 per cent, which was marginally higher than that of NE States (11.81 per cent). The CAGR of GSDP of the State for 2000-10 improved to 12.08 per cent; indicating a faster growth of GSDP in 2009-10 (**Appendix 1.1 D**). The Fiscal deficit of the State increased from ₹ 217 crore in 2008-09 to ₹ 733 crore in 2009-10. As a result, the ratio of Fiscal Deficit to GSDP increased from 2.83 per cent in 2008-09 to 8.43 per cent in 2009-10.

This chapter provides a broad perspective of the finances of the Government of Manipur during the current year and analyses critical changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years.

1.1 Summary of Current Year's Fiscal Transactions

The table below presents the summary of the State Government's fiscal transactions during the current year (2009-10) *vis-à-vis* the previous year while **Appendix 1.2** provides details of receipts and disbursements as well as overall fiscal position during the current year.

Table 1.1 Summary of Current Year's Fiscal Operations

		(₹ in crore)					
2008-09	Receipts	2009-10	2008-09	Disbursements	2009-10		
Section-A: Revenue					Non - Plan	Plan	Total
3872.62	Revenue receipts	3873.14	2,622.28	Revenue expenditure	2304.51	709.89	3014.40
170.07	Tax revenue	196.04	1,094.61	General services	1160.89	20.40	1181.29
253.46	Non-tax revenue	239.75	803.05	Social services	573.28	317.88	891.16
580.81	Share of Union Taxes/ Duties	597.56	724.62	Economic services	444.37	371.61	815.98
2,868.28	Grants from Government of India	2839.79	-	Grants-in-aid and Contributions	125.97	-	125.97
Section-B: Capital							
-	Misc. Capital Receipts	-	1,466.80	Capital Outlay	(-) 0.80	1588.58	1587.78
0.66	Recoveries of Loans and Advances	3.28	1.08	Loans and Advances disbursed	0.19	6.70	6.89
314.54	Public Debt receipts*	519.89	309.79	Repayment of Public Debt *			116.75
-	Contingency Fund	-	-	Contingency Fund			-
2847.66	Public Account receipts	3218.15	2,559.71	Public Account disbursements			3137.29
540.23	Opening Cash Balance	616.05	616.05	Closing Cash Balance			367.40
7,575.71	Total	8230.51	7,575.71	Total			8230.51

* Excluding net transactions under ways and means advances and overdraft.

Following are the significant changes during 2009-10 over the previous year:

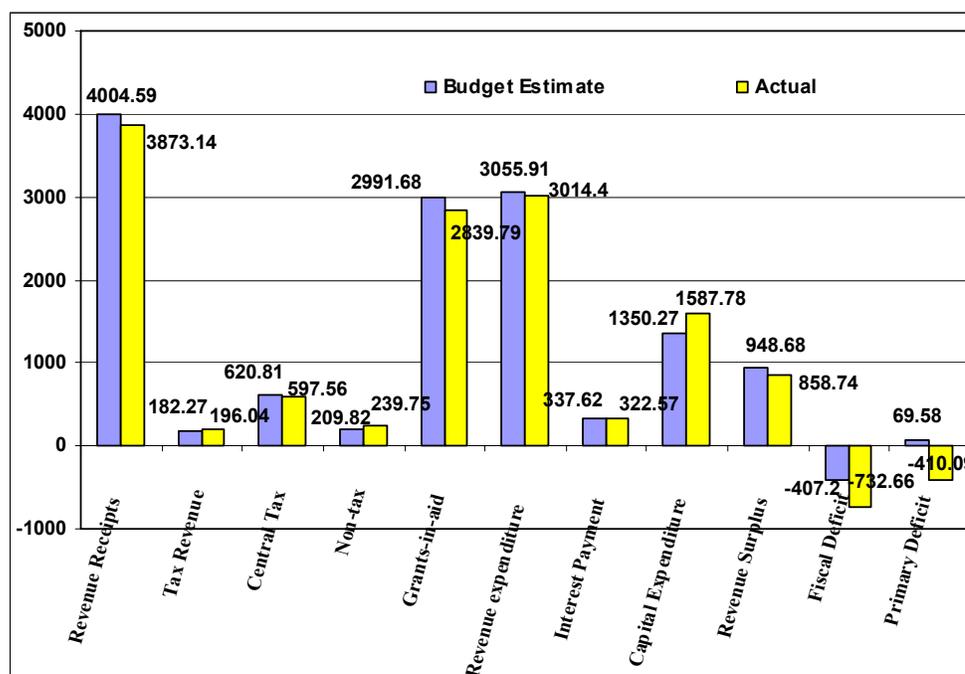
- **Revenue receipts** increased marginally by ₹ 0.52 crore (0.01 per cent) over the previous year. Though Tax revenue increased by ₹ 25.97 crore and State's share of Union Taxes and Duties by ₹ 16.75 crore, Non-tax revenue and Grants-in-aid from Government of India decreased by ₹ 13.71 crore and ₹ 28.49 crore respectively, resulting in the stagnating position of Revenue receipt. The Revenue receipts at ₹ 3873.14 crore is, however, higher by ₹ 354.58 crore than the assessment made by the State Government in its Fiscal Correction Path (FCP) (₹ 3518.56 crore), but lower by ₹ 131.45 crore than the assessment made in its Medium Term Fiscal Policy Statement (MTFPS) (₹ 4004.59 crore) for the year 2009-10.
- **Revenue expenditure and Capital expenditure** increased by ₹ 392.12 crore (14.95 per cent) and ₹ 120.98 crore (8.25 per cent) respectively over the previous year. The Revenue expenditure was higher by ₹ 380.10 crore than the FCP (₹ 2634.30 crore) but lower by ₹ 41.51 crore than the MTFPS (₹ 3055.91 crore). Capital expenditure was higher by ₹ 602.30 crore than the FCP (₹ 985.48 crore) and by ₹ 115.65 crore than the MTFPS (₹ 1472.13 crore);

- **Disbursement of Loans and Advances** increased by ₹ 5.81 crore, more than five times over the previous year. Recoveries of Loans and advances also increased by ₹ 2.62 crore, more than four times over the previous year;
- While **Public Debt receipts** increased by ₹ 205.35 crore (65.28 per cent) its repayments decreased by ₹ 193.04 crore (62.31 per cent) over the previous year;
- **Public Accounts receipts and disbursements** increased by ₹ 370.49 crore (13.01 per cent) and ₹ 577.58 crore (22.56 per cent) over the previous year. Thus, net receipts decreased by ₹ 207.09 crore during the year;
- **Cash balance** of the State decreased by ₹ 248.65 crore (40.36 per cent) over the previous year.

The chart below presents the budget estimates and Actuals for some important fiscal parameters during 2009-10.

Chart 1.1 : Selected Fiscal Parameters, Budget estimates vis-à-vis Actuals

(₹ in crore)



The above chart depicts that both Revenue Receipts and Revenue expenditure were less than the budget estimate by ₹ 131.45 crore and by ₹ 41.51 crore respectively, resulting in Revenue Surplus of ₹ 858.74 crore against budget estimate of ₹ 948.68 crore. However, due to excess expenditure on Capital expenditure vis-à-vis budget estimate, the Fiscal deficit exceeded its budget projection by ₹ 325.46 crore.

1.2 Fiscal Responsibility and Budget Management (FRBM) Act, 2005

As per recommendation of the Twelfth Finance Commission, the Manipur Fiscal Responsibility and Budget Management Act (MFRBM) Act, 2005, the State Government prepares a Medium Term Fiscal Policy Statement (MTFPS) showing the rolling fiscal targets, each year for placement in the State Assembly.

The performance of the State during 2009-10 in terms of Fiscal targets fixed for selected variables laid down in the FRBM Act, MTFPS and the Fiscal Correction Path (FCP) *vis-à-vis* achievements is given in the table below:

Table 1.2 Trends in Major fiscal parameters/variables *vis-à-vis* projections for 2009-10

Fiscal variables	Targets as per FRBM Act	Projections made in		Actual
		FCP	MTFPS	
Revenue Surplus	Revenue deficit targeted at 0.00 (by 31.3.2009)	884.27	948.68	858.74
Fiscal Deficit	--	(-) 11.40	(-) 407.20	(-) 732.66
Fiscal Deficit/ GSDP (per cent)	3 per cent of GSDP (by 31.3.2009)	0.19 (GSDP - 6074.58)	6.05 (GSDP - 6724.23)	8.43 (GSDP - 8686.81)
State's outstanding guarantees	Not to exceed thrice the State's Own tax Revenue receipts of the second preceding year i.e. ₹ 442.35 crore.	87.34	--	195
Salary expenditure	35 per cent of Revenue expenditure net interest payment and pension i.e. ₹ 839.52 crore.	912.47	1,366.91	1140.77*

* including ₹ 1.99 crore on wages

The above table reveals that except for containing Revenue Deficit and State's guarantees *vis-à-vis* FRBM targets, none of the FRBM/FCP/MTFPS targets could be achieved. Although there was Revenue surplus during 2009-10, the surplus was less than what was projected in the FCP and MTFPS. The State's guarantees was also not limited to the projections made in the FCP. Increase of Fiscal deficit from ₹ 217 crore to ₹ 733 crore, more than three times than that of 2008-09 is an indication that the State may face fiscal difficulties of debt trap, especially in view of the fact that the Fiscal deficit is more than the closing cash balance of the current year. The substantial increase in Fiscal deficit is mainly due to increase in expenditure (both under revenue and capital accounts) while there was marginal increase in Revenue receipts. The expenditure on Salary was higher than the targets of FRBM Act/FCP but lower than the MTFPS.

The Twelfth Finance Commission has recommended growth of Tax and Non-Tax Revenue during 2005-10. The targets fixed by the TFC *vis-à-vis* the Actuals are given below:

Table 1.3: TFC recommendations of Tax and Non-Tax vis-à-vis Actual
(₹ in crore)

Year	TFC			Actual			Shortfall (percentage)		
	Tax	Non-Tax	Total	Tax	Non-Tax	Total	Tax	Non-Tax	Total
2005-06	151.34	32.39	183.73	95	76	171	56.34 (37)	-	12.73 (7)
2006-07	169.65	40.15	209.80	122	181	303	47.65 (28)	-	-
2007-08	190.17	48.76	238.93	147	165	312	43.17 (23)	-	-
2008-09	213.18	58.34	271.52	170	254	424	43.18 (20)	-	-
2009-10	238.98	69.11	308.09	196	240	436	42.98 (18)	-	-

The State could not achieve the targets of Tax revenue collection fixed by the TFC during the award period of 2005-10. However, the State was able to decrease the shortfall in each succeeding year. The actual revenue collection from Non-tax revenue, however, was much higher than the TFC targets and thus as a result, there was no shortfall in own revenue collection vis-à-vis TFC targets except for the year 2005-06.

The targets fixed by the TFC in respect of Non-Plan Revenue Expenditure (NPRE) vis-à-vis actual are as follows:

Table 1.4: TFC recommendations of NPRE vis-à-vis Actual
(₹ in crore)

Sectors	TFC					Actual				
	2005-06	2006-07	2007-08	2008-09	2009-10	2005-06	2006-07	2007-08	2008-09	2009-10
General Services of which	678.08	734.75	783.47	849.44	912.14	721.10	869.08	928.72	1091.03	1160.89
Interest Payment	321.47	345.58	371.50	399.36	429.31	238	289	298	314	323
Pension	202.77	223.05	245.36	269.89	296.88	182	168	239	206	267
Social Services	441.16	480.85	524.24	571.69	623.58	455.69	446.62	484.90	571.58	573.28
Economic Services	203.91	214.36	225.34	236.91	249.06	415.69	678.95	399.70	469.62	444.37
Others	0	0	29.87	32.11	34.52	-	-	-	-	125.97
Total	1323.15	1429.96	1562.92	1690.15	1819.30	1592.48	1994.65	1813.32	2132.23	2304.51

In none of the award period of 2005-10, the State Government could contain the NPRE within the limits fixed by the TFC. However, under Social sector NPRE was kept confined within the limits fixed by TFC. NPRE was in excess of the TFC limits mainly due to excess under Economic sector and General Services sector. The excess under Economic sector was mainly due to purchase of Power. The Interest payment and Pension components under General Services sector, however, was kept within the limits fixed by TFC.

1.3 Growth and Composition of Gross State Domestic Product

Gross State Domestic Product (GSDP), a major fiscal indicator is considered to be a key factor for assessing the performance of the State's economy. It is prepared based on income generating approach that measures gross income generated by factors of production physically located within the geographical boundaries of the State and also represents the volume of goods and services

produced within the State. During 2009-10, the advance estimate GSDP for the State of Manipur was ₹ 8686.81 crore, which are arrived at on the basis of current price. The table below shows the trend of growth of GSDP for the last five years.

Table 1.5: GSDP and the rate of growth during 2005-10

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10
Gross State Domestic Product*	5723	6137	6799	7656 (Q)	8687 (A)
Growth rate of GSDP	11.55	7.22	10.79	12.60	13.47

(Q) – Quick estimates, (A) – Advanced estimates

* Difference in GSDP of Audit Reports 2008-09 and 2009-10 is due to adoption of different base years *i.e.* 1999-00 and 2004-05

Source: Economics and Statistics Department

As per the preliminary figures of 2008-09 and 2009-10, the State could register a more robust GSDP growth as compared to earlier years.

The Compounded Annual Growth Rate of GSDP in respect of Manipur (2000-01 to 2008-2009) was 11.91 *per cent* which was marginally higher than NE average of 11.81 *per cent*. Considering the GSDP growth of Manipur with respect to NE, Manipur needs to be consistent on the present rate and attempt higher growth rate by intensifying concrete income generating activities.

1.4 Resources of the State

1.4.1 Resources of the State as per Annual Finance Accounts

Revenue and capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of Tax revenues, Non-tax revenues, State's share of union taxes and duties and Grants-in-aid from the Government of India (GoI). Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI as well as accruals from Public Account. **Table-1.1** presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts while **Chart 1.2** depicts the trends in various components of the receipts of the State during 2005-10. **Chart 1.3** depicts the composition of resources of the State during the current year.

Chart 1.2: Trends in Receipts

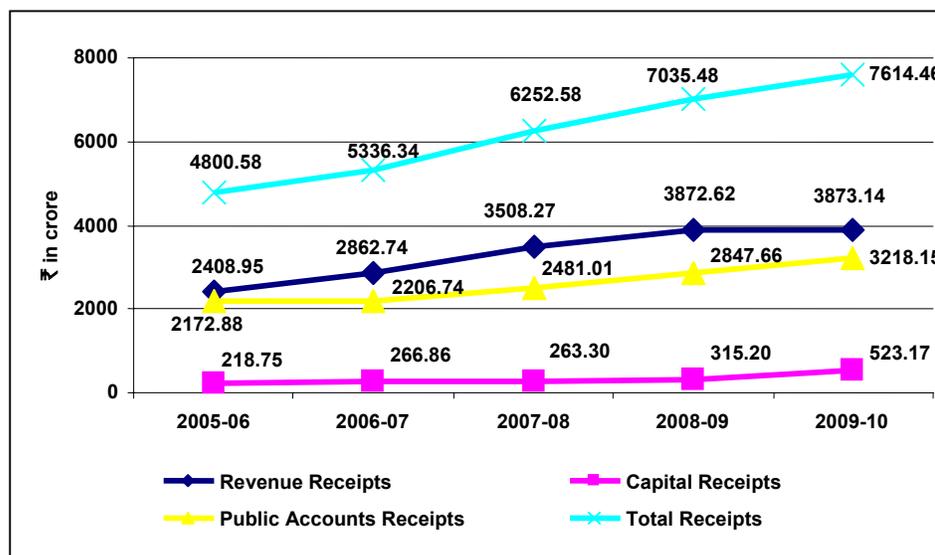
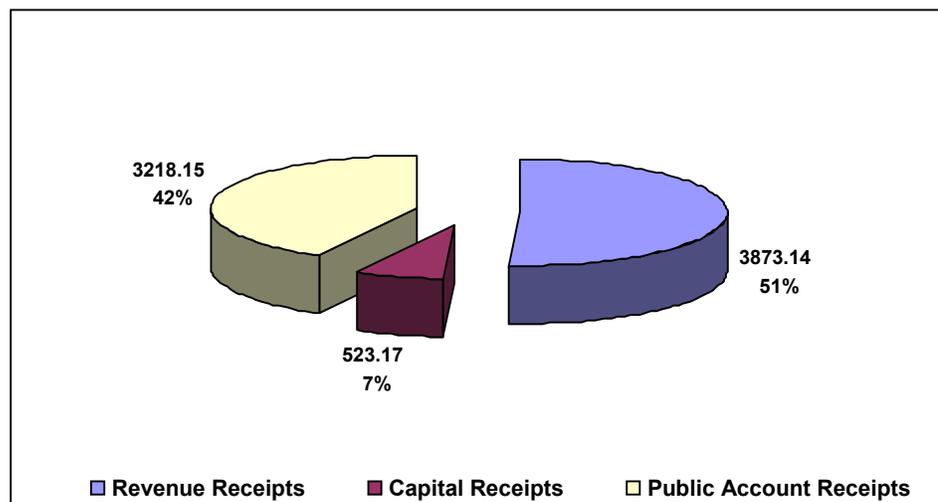


Chart 1.3: Composition of Receipts during 2009-10

(₹ in crore)



- Revenue Receipts of the State increased by 61 per cent from ₹ 2408.95 crore in 2005-06 to ₹ 3873.14 crore in 2009-10. However, as compared to 2008-09, there was marginal increase of ₹ 0.52 crore in 2009-10, mainly due to decrease in Grants-in-aid from GoI.
- Tax revenue remained stagnant at around three to five per cent of Revenue Receipts whereas Non-tax revenue increased from three per cent (2005-06) to six per cent (2009-10) of the total Revenue Receipts.
- State's share of Union taxes and duties and Grants-in-aid from GoI contributed around 89 to 92 per cent of the Revenue Receipts during

2005-10 and thus remained the main contributor of Revenue Receipts of the State.

1.4.2 Funds transferred to State Implementing Agencies outside the State Budgets

The Central Government has been transferring a sizeable quantum of funds directly to the State Implementing Agencies¹ for the implementation of various schemes/programmes in social and economic sectors recognized as critical especially for human and social development of population. As these funds are not routed through the State Budget/State Treasury System, Annual Finance Accounts do not capture the flow of these funds and to that extent State's receipts and expenditure as well as other fiscal variables/parameters derived from them are understated. During 2009-10, the Government of India has transferred an amount of around ₹ 845.30 crore² to the Implementing Agencies. Details are given in **Appendix 1.3**. Significant amount released for major programmes/schemes are detailed in the table below:

Table-1.6: Funds transferred directly to State Implementing Agencies
(₹ in crore)

Sl. No.	Programme/Scheme	Implementing Agency in the State	Total fund released by the GoI during 2009-10
1	National Rural Employment Guarantee Scheme (NREGS)	Project Director, District Rural Development Agencies (DRDA)	436.81
2	Pradhan Mantri Gram Sadak Yojana (PMGSY)	State PMGSY Implementing Agencies	118.16
3	National Rural Health Mission (NRHM)	State Health Society, State TB Society etc.	77.59*
4	Setting –up of check post	DRDA, Chandel	21.47
5	Indira Awas Yojana (IAY)	District Rural Development Agencies	20.42
6	Accelerated Rural Water Supply Programme	Public Health Engineering Department	19.84
7	National AIDS Control including STD Control	Manipur State AIDS Control Society	18.88
8	Rashtriya Madhyamik Shiksha Abhiyan	State Implementing Society	17.64
9	Central Rural Sanitation Scheme	Public Health Engineering Department	11.78
	Total		742.59

* including ₹ 10.52 crore for Hospitals and Dispensaries (AYUSH)

Source: Website of Controller General of Accounts.

The above table shows that an amount of ₹ 436.81 crore (about 52 per cent of the total funds transferred) was given for National Rural Employment Guarantee Programme, ₹ 118.16 crore (about 14 per cent) for PMGSY and ₹ 77.59 crore (about 9 per cent) for National Rural Health Mission. With the transfer of an amount of around ₹ 845.30 crore directly by the GoI to the State Implementing Agencies, the total availability of State resources during 2009-10 had increased from ₹ 7614.46 crore to ₹ 8459.79 crore during the current year. It is evident from the above that there is no single agency monitoring the funds directly transferred by the GoI and there is no readily available data on how much is actually spent in any particular year on major flagship schemes and other important schemes which are being implemented by the State

¹ 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 etc.

² Information as obtained from the website of Controller General of Accounts.

Implementing Agencies and funded directly by the GoI and therefore, utilization of these funds remains to be verified by audit to establish accountability of the State Government for these funds.

An analysis of two of these schemes *viz.*, National Rural Health Mission (NRHM) and Rashtriya Madhyamik Shiksha Abhiyan (RMSA) revealed the following:

➤ **National Rural Health Mission (NRHM)**

The activities of the NRHM in the State are carried out through State Health Society, State Tuberculosis Society, State Leprosy Society *etc.* A test check revealed that during 2009-10, ₹ 77.95 crore, including ₹ 10.52 crore for Hospitals and Dispensaries (AYUSH) under NRHM, was released by the GoI for the programme. Details are shown below:

Table-1.7: Scheme-wise receipt and expenditure under NRHM for the year 2009-10

(₹ in crore)

Implementing Agencies	Name of the Scheme/Programme	Amount	Expenditure
State Health Society	Reproduction and Child Health (RCH –II)	28.16	8.97
	Additionalities under NRHM	32.55	34.78
	Pulse Polio Immunization (PPI)	1.18	1.03
	National Vector Borne Disease Control Programme (NVBDCP)	1.95	1.95
State Blindness Control Society	National Programme for Control of Blindness (NPCB)	0.68	NA
State Leprosy Society	National Leprosy Eradication Programme (NLEP)	0.46	0.46
State Tuberculosis Society	Revised National Tuberculosis Control Programme (RNTCP)	2.09	2.08
State Health Department	Hospitals and Dispensaries (under NRHM)	10.52	NA
Total		77.59	49.27

(Source: CGA's web-site and records of the Societies)

Out of ₹ 28.16 crore allotted for RCH –II, only ₹ 8.97 crore could be spent as major portion of the fund of ₹ 22.40 crore was received at the fag end of the year. The excess in expenditure under Additionalities under NRHM was met from the unspent balance of previous year. Although ₹ 1.95 crore in respect of National Vector Borne Disease Control Programme (NVBCP) was released, the State Malaria Officer reported receipt of ₹ 1.41 crore only, as the remaining amount of ₹ 0.54 crore was released by the State Health Society in May 2010 and hence could not be accounted for in 2009-10. Out of ₹ 0.68 crore received under National Programme for Control of Blindness, only ₹ 0.56 crore had been sub-allocated to the implementing agencies. Further, an amount of ₹ 19.20 lakh and ₹ 35.73 lakh was released for implementation of Prevention and Control of Deafness and National Mental Health Programme respectively by the Central Government to the State Health Society. However, these amounts were not reflected in the web-site of the Controller General of Account's website.

As of November 2010, utilization certificates in respect of the Leprosy Programme, Revised National Tuberculosis Control Programme and NVBDCP could be furnished as audit of accounts by the Statutory Auditor was yet to be completed.

➤ **Rashtriya Madhyamik Shiksha Abhiyan (RMSA)**

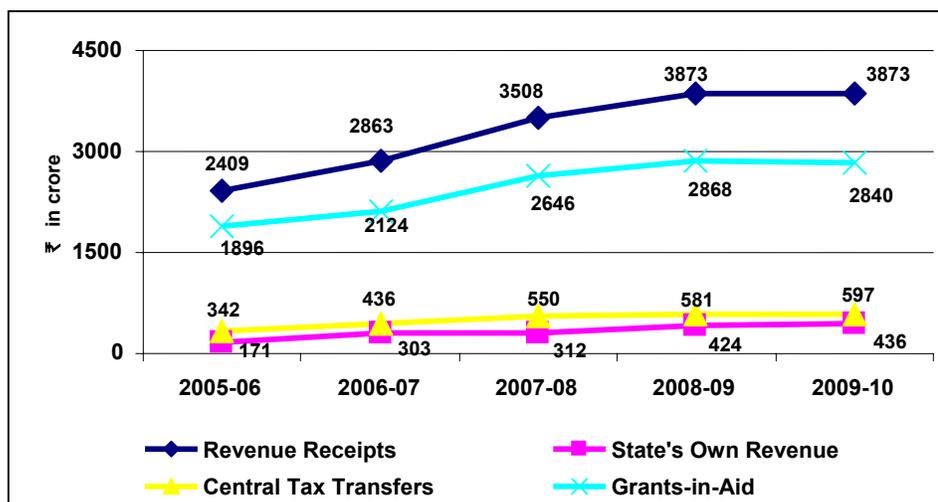
Rashtriya Madhyamik Shiksha Abhiyan (RMSA) is a new centrally sponsored scheme launched by the Government of India in 2007 for universalisation of access to and improvement of quality at the secondary and higher secondary stage. The share of financing pattern of the scheme in NE states is 90:10 between Centre and the State. In Manipur, the scheme is implemented by the State Implementation Society.

During 2009-10, the Society received an amount of ₹ 17.64 crore for implementation of the scheme. The sanction order stipulated that the State's share is to be released within a week of receiving the Central share and 1.5 per cent of the amount could be spent on Management, Monitoring, Evaluation and Research (MMER). As on October 2010, an amount of ₹ 15.95 crore has been spent, of which ₹ 49.37 lakh was on MMER account i.e. 2.80 per cent of total amount received, exceeding the limit of 1.5 per cent. The State Government had not released (October 2010) its share, the reason of which was not on record.

1.5 Revenue Receipts

Statement-11 of the Finance Accounts details the Revenue receipts of the Government. The Revenue receipts consist of its Own tax and Non-tax revenues, Central tax transfers and Grants-in-aid from GoI. The trends and composition of Revenue receipts over the period 2005-10 are presented in **Appendix 1.5** and also depicted in the chart shown below.

Chart 1.4: Trends in Revenue Receipts



The Compounded Annual Growth Rate of Revenue Receipts for Manipur between 2000-01 and 2008-2009 was 17.80 per cent which is higher than the average NE States of 14.87 per cent. However, due to stagnation of Revenue Receipt during 2009-10, the CAGR between 2000-10 dropped to 15.67 per cent; requiring special attention of the Government for generating more Revenue Receipts.

The trends in Revenue receipts relative to GSDP are presented in the table below:

Table 1.8: Trends in Revenue Receipts relative to GSDP

	2005-06	2006-07	2007-08	2008-09	2009-10
Revenue Receipts (RR) (₹ in crore)	2409	2863	3508	3873	3873
Rate of growth of RR (<i>per cent</i>)	38.21	18.85	22.53	10.40	*
GSDP (₹ in crore)	5723	6137	6799	7656 (Q)	8687 (A)
Rate of growth of GSDP (<i>per cent</i>)	11.55	7.23	10.79	12.60	13.47
R R/GSDP (<i>per cent</i>)	42.09	46.55	51.60	50.59	44.58
Buoyancy Ratios³					
Revenue Buoyancy w.r.t. GSDP	3.31	2.61	2.09	0.82	--
State's Own Tax Buoyancy w.r.t GSDP	1.49	3.93	1.89	1.24	1.13

* Only 0.01 per cent growth

(Source: Finance Accounts and records of Directorate of Economics and Statistics)

The State's Own Tax remained buoyant as compared to the GSDP during 2009-10. However, as the contribution of the State's Own Tax to the Revenue Receipts of the State is very marginal (about 5 *per cent*), its buoyancy had little impact to the revenue position in the State. As nearly 90 *per cent* of the State's Revenue Receipt is from the Grants-in-Aid and Central transfer of funds, the declining Revenue buoyancy *vis-à-vis* GSDP is a cause of concern; and unless the proportion of State's own Revenue Receipts improves, any less devolution of Central funds in future will have an adverse impact on the State's economy.

1.5.1 State's Own Resources

As the State's share in Central taxes and Grants-in-aid are determined on the basis of recommendations of the Finance Commission, collection of Central tax receipts and Central assistance for plan schemes *etc.*, the State's performance in mobilization of additional resources should be assessed in terms of its own resources comprising revenue from its Own tax and Non-tax sources. The gross collection in respect of major taxes and duties and Non-tax revenue and their percentage and also expenditure during the year 2005-10 are presented in **Appendix 1.5**. The details of actual Tax revenue and Non-tax revenue as compared to various projections are given below:

Table 1.9: Tax Revenue and Non-Tax Revenue *vis-à-vis* TFC/FCP/MTFPS/Budget

(₹ in crore)

Parameters	Assessment made by TFC	FCP	MTFPS	Budget	Actual
Tax Revenue	238.98	149.48	182.31	182.31	196.04
Non-Tax Revenue	69.11	172.11	209.82	209.82	239.75

³ 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 0.6 implies that revenue receipts tend to increase by 0.6 percentage points, if the GSDP increases by one *per cent*.

(a) Tax Revenue

The Compounded Annual Growth Rate of Own Tax Revenue for NE States between 2000-01 and 2008-2009 was 15.15 *per cent* which was lower than that of Manipur (16.81 *per cent*).

The Tax revenue during 2009-10 increased by 15 *per cent* from ₹ 170.07 crore in 2008-09 to ₹ 196.04 crore in 2009-10. The increase of ₹ 25.97 crore was mainly contributed by Sales Tax (₹ 21.90 crore). As in the previous years, Sales tax (₹ 163.28 crore) remained the only major contributor of the State Own Tax resource and accounted for 83 *per cent* of the tax. The Sector-wise component of Tax revenue is given below:

Table 1.10: Sector-wise component of Tax revenue for the years 2005-10
(₹ in crore)

Name of component	Year				2009-10		
	2005-06	2006-07	2007-08	2008-09	BE	2009-10	Variation in Actual and BE (in per cent)
Sales Tax	71.17	96.64	120.75	141.38	146.83	163.28	(+) 11
Other taxes on Income and Expenditure	11.97	13.28	14.72	15.46	17.92	17.63	(-) 2
Taxes on vehicles	3.34	3.19	3.57	4.03	5.60	4.34	(-) 23
State Excise	3.26	3.62	3.75	3.91	5.10	4.70	(-) 8
Stamps and Registration Fees	2.80	2.83	2.93	3.18	3.83	4.26	(+) 11
Others	2.46	2.01	1.73	2.11	2.99	1.83	(-) 39
Total	95.00	121.57	147.45	170.07	182.27	196.04	(+) 8

There was large variation between Actual figures and Budget estimates on Taxes on vehicles and other components of Tax revenue. The Own Tax revenue (OTR) of the State remained below the normative assessment made by TFC (₹ 238.98 crore) although it was higher than the projections of MTFPS (₹ 182.31 crore), FCP (₹ 149.48 crore) and Budget estimates (₹ 182.27 crore).

(b) Non-tax Revenue

The Non-tax revenue declined by 5 *per cent* from ₹ 253.46 crore in 2008-09 to ₹ 239.75 crore in 2009-10. The decline of ₹ 13.71 crore was mainly due to Miscellaneous General Services (₹ 31.30 crore) and Interest Receipts of State Government (₹ 7.27 crore) offset by increase under Power (₹ 15.78 crore) in addition to Public Works (₹ 9.69 crore). The Sector-wise component of Tax revenue is given below:

Table 1.11: Composition of Non-tax revenue

(₹ in crore)

Name of Component	Year				2009-10		
	2005-06	2006-07	2007-08	2008-09	BE	2009-10	Variation in Actual and BE (in per cent)
General Services	12.10	91.94	62.31	105.12	72.06	80.74	(+) 12
Social Services	4.14	3.39	4.79	9.78	6.35	11.63	(+) 83
Economic Services	54.08	50.66	70.00	98.57	92.90	114.65	(-) 23
Interest receipts and dividends etc.	6.14	35.05	27.61	39.99	38.51	32.73	(-) 15
Fiscal Services	--	--	--	--	--	*	
Total	76.46	181.04	164.71	253.46	209.82	239.75	(+) 14

* ₹ 0.12 lakh only

As can be seen from the above table, there was large variations between Actual figures and Budget estimates. The large variation under Social Services of 83 per cent was due to excess in Actual receipt over budget provision in Water Supply and Sanitation (₹ 6.94 crore) offset by less expenditure in Housing (₹ 1.03 crore), Education, Sports, Art and Culture (₹ 0.30 crore) and Medical and Public Health (₹ 0.29 crore). The Non-tax revenue was more than the normative assessment of the TFC and the projections of FCP and MTFPS.

The Compounded Annual Growth Rate of Non-Tax Revenue for Manipur between 2000-01 and 2008-2009 was 25.29 per cent which was much higher than the average NE States (17.53 per cent).

1.5.2 Cost of recovery

The details of Non-tax revenue receipts (NTR), Non-plan revenue expenditure (NPRE) and the percentage of NTR vis-à-vis NPRE of some selected services are shown in the table below:

Table 1.12: Cost of recovery of socio-economic services during 2008-10

(₹ in crore)

Name of Services	2008-09			2009-10		
	Non-tax revenue receipts	Non-plan revenue expenditure	NTR as percentage of NPRE	Non-tax revenue receipts	Non-plan revenue expenditure	NTR as percentage of NPRE
Power	88.28	185.33	48	104.07	164.67	63
Water Supply and Sanitation	6.89	16.99	41	9.48	58.17	16
Irrigation	8.11	15.21	53	7.18	11.83	61

NTR as percentage of NPRE in Water Supply and Sanitation declined significantly from 41 per cent in 2008-09 to 16 per cent in 2009-10 mainly due to increase in NPRE from ₹ 16.99 crore to ₹ 58.17 crore. The increase (₹ 41.18 crore) in NPRE in Water Supply and Sanitation was mainly due to increase in Direction and Administration (₹ 29.82 crore).

1.5.3 Cost of collection

The gross collection in respect of major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the last three years (2007-08 to 2009-10) along with relevant All India

Average percentage of expenditure on collection to gross collection for 2008-09 are mentioned in the table below:

Table 1.13: Expenditure on collection *vis-à-vis* percentage to gross collection

(₹ in crore)

Head of revenue	Year	Gross collection	Expenditure on collection	Percentage of expenditure to gross collection	All India average percentage for the year 2008-09
Taxes/VAT on sales, trade <i>etc.</i>	2007-08	120.75	1.41	1.17	0.88
	2008-09	141.38	1.62	1.15	
	2009-10	163.28	1.54	0.94	
State excise *	2007-08	3.75	1.61	42.93	3.66
	2008-09	3.91	1.75	44.76	
	2009-10	4.70	1.74	37.02	
Stamp duty and registration fees *	2007-08	2.93	0.87	29.69	2.77
	2008-09	3.18	0.93	29.25	
	2009-10	4.26	1.27	29.81	
Taxes on vehicles	2007-08	3.57	1.66	46.50	2.93
	2008-09	4.03	1.96	48.64	
	2009-10	4.34	1.90	43.78	

* Since cost of collection has not been segregated, the expenditure under Direction and Administration has been taken as cost of collection.

The table above indicates that the percentage of expenditure on collection in respect of all the components of State's Own Tax revenue were much higher than All India Average cost of collection which is indicative of the fact that excess expenditure incurred on collection of revenue might impede in the path of improvement towards achieving a healthy fiscal path in the State.

1.5.4 Loss of Revenue due to Evasion of Taxes, Write off/Waivers and Refunds

During 2009-10, evasion of tax amounting to ₹ 102.58 crore due to non/short levy (including penalty) of Sales tax/VAT and professional tax, loss of revenue (energy charges) and non-realization of registration fee in 67 cases were noticed. The above amount is only indicative based on the findings of inspection reports of audit conducted during 2009-10 and not exhaustive. Thus, the State's Revenue Receipt position could have been improved to that extent had the amount due to evasion of taxes/ short levy etc. been realized.

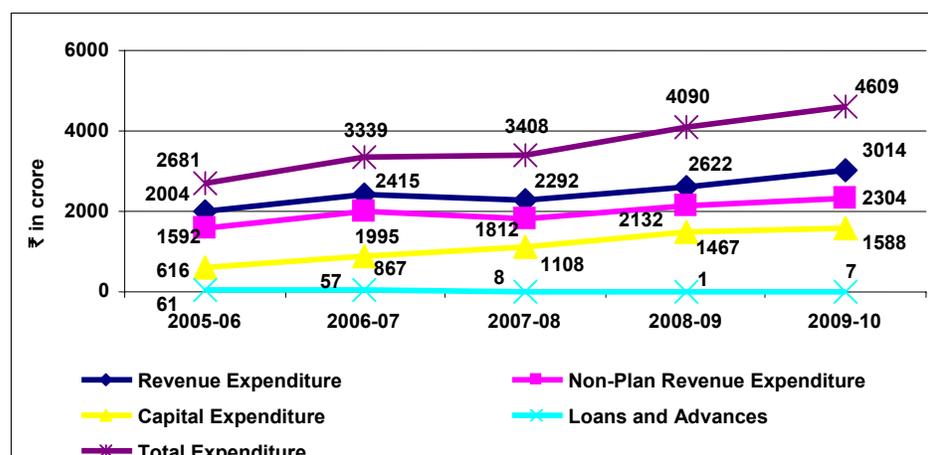
1.6 Application of resources

Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. 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 expenditure directed towards development and social sectors.

1.6.1 Growth and Composition of Expenditure

The chart below presents the trends in total expenditure over a period of five years (2005-10).

Chart 1.5: Trends in various components of Total Expenditure during 2005-10



The Compound Annual Growth Rate of Total Expenditure of the State between 2000-01 and 2008-09 was 15.72 per cent and was much higher than that of NE states (11.80 per cent).

During 2009-10 the total expenditure increased by ₹ 519 crore (13 per cent) from the previous year. The increase was mainly due to Revenue expenditure (₹ 392 crore) followed by Capital expenditure (₹ 121 crore). There was also an increase of expenditure of ₹ 6 crore under Loans and Advances.

The increase in Revenue expenditure (₹ 392 crore) was mainly due to Compensation and assignments to local bodies (₹ 125.97 crore), Soil and water conservation (₹ 67.72 crore), Police (₹ 42 crore), Water supply and sanitation (₹ 41.15 crore) and General education (₹ 29.85 crore) partially offset by Power (₹ 20.65 crore).

The increase in Capital expenditure (₹ 121 crore) was mainly due to Power (₹ 187.90 crore), Roads and bridges (₹ 76.95 crore), Public works (₹ 48.08 crore) and Medical and Public Health (₹ 32.29 crore) partially offset by Major

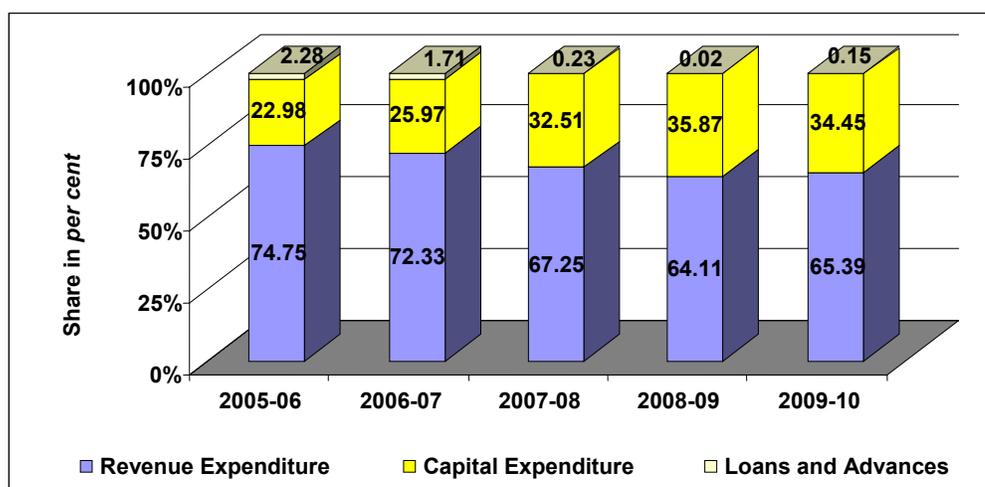
irrigation (₹ 60.61 crore), Transport services (₹ 54.16 crore), Village and small industries (₹ 54.16 crore) and Water supply and sanitation (₹ 46.01 crore).

In the budget, the priority areas highlighted were Agriculture and Allied Activities, Rural development, ongoing irrigation projects, power supply and road communication. Although there was an increase of expenditure of ₹ 86.38 crore under Agriculture and Allied Activities under Revenue accounts, the expenditure under Capital accounts decreased by ₹ 22.40 crore. An amount of ₹ 108.15 crore was spent under State plan capital accounts for two of the three ongoing irrigation projects viz., Thoubal (₹ 66.38 crore) and Dolaithabi (₹ 37.26 crore) Irrigation Projects. Substantial increase of expenditure of ₹ 163.92 crore (166 per cent increase) for power transmission and distribution was made during 2009-10 while there was an increase of ₹ 12.76 crore for Rural Electrification. An increase of ₹ 76.95 crore under Capital accounts on Roads and Bridges meant that the priority made on road communication was also met. The Government, however, fell short of fulfilling the commitment made on Rural development as expenditure on it decreased by ₹ 16.26 crore under Revenue account while no expenditure was spent under capital account.

A comparative study of expenditure in terms of Revenue, Capital and Loans and Advances reveals that since 2005-06 the State's resources allocation to Capital expenditure has been increasing steadily. The analysis also reveals that expenditure on Loans and Advances has been curtailed drastically since 2006-07. The expenditure pattern of the last five years (2005-10) commensurate with the disclosures made by the Chief Minister in the budget that Capital expenditure is on a growth path.

The Compound Annual Growth Rate of Capital Expenditure of the State between 2000-01 to 2008-09 was 33.26 per cent and was much higher than that of NE states (19.67 per cent).

Chart 1.6: Trend showing share of components of Total expenditure
(In per cent)



The composition of expenditure in terms of Plan and Non-plan expenditure is shown in the table below:

Table 1.14: Trends in composition of expenditure in terms of Plan and Non-plan
(₹ in crore)

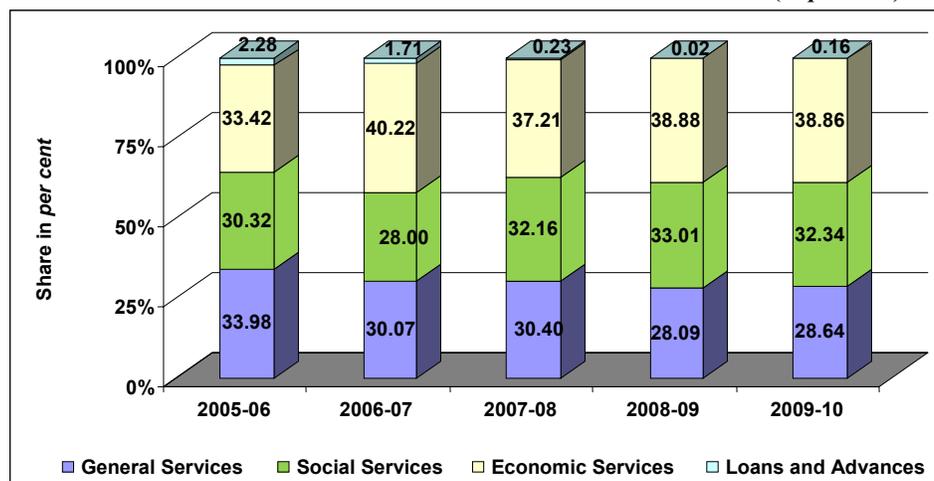
Types of Expenditure	2005-06	2006-07	2007-08	2008-09	2009-10
NON-PLAN					
Revenue	1592	1195	1812	2132	2305
Capital	--	2	(-) 2	3	(-) 0.79
Sub-total	1592 (61)	1997 (61)	1810 (53)	2135 (52)	2304 (50)
PLAN					
Revenue	412	420	480	490	710
Capital	616	865	1110	1464	1588
Sub-total	1028 (39)	1285 (39)	1590 (47)	1954 (48)	2298 (50)
TOTAL (Non-Plan and Plan)					
Revenue	1592	1997	1810	2135	3015
Capital	1028	1285	1590	1954	1587
Grand Total	2620	3282	3400	4089	4602

* Figures in bracket represent percentage with respect to Total Expenditure

The table discloses that Non-plan expenditure was reduced from 61 per cent from 2005-06 to 50 per cent in 2009-10, with corresponding increase in Plan expenditure from 39 per cent in 2005-06 to 50 per cent in 2009-10. The increase in Plan expenditure was mainly due to expenditure in Capital accounts. The Plan capital expenditure as percentage of Plan expenditure increased from 60 per cent in 2005-06 to 69 per cent in 2009-10.

The trend in composition of total expenditure by activities is shown in the chart given below:

Chart 1.7: Trends in composition of Total Expenditure by activities during 2005-10
(In per cent)



The chart reveals that expenditure on General services and Loans and advances has a decreasing trend while expenditure on Social services and Economic services increased steadily during 2005-10, indicating that expenditure pattern was orienting more towards development activities. The analysis is in tune to the statement made in the budget that contrary to the past trends, development expenditure is steadily increasing.

Revenue expenditure is incurred to maintain the current level of services and payment for past obligation and as such does not result in any addition to State's infrastructure and service network. A comparison of Non-plan revenue expenditure (NPRE) *vis-à-vis* assessment made by TFC/FCP/MTFPS/Budget estimates reveals that although NPRE could not be contained within the projections of TFC/FCP, it was confined within the limits of MTFPS/Budget estimates as shown below:

(₹ in crore)

	TFC	FCP	MTFPS	Budget	Actual
NPRE	1819.30	2058.45	2456.13	2456.13	2304.51

NPRE increased by ₹ 172.28 crore from ₹ 2132.23 crore in 2008-09 to ₹ 2304.51 crore during 2009-10. The increase was mainly due to increase in Water Supply and Sanitation (₹ 41.19 crore), Police (₹ 34 crore), Pension and others (₹ 25.73 crore), Roads and Bridges (₹ 14.69 crore) and Appropriation to reduction of debt (₹ 9.66 crore).

Although the percentage of Revenue expenditure (RE) as percentage of total expenditure remained in the range of 64 to 75 *per cent*, the contribution of NPRE to RE climbed down to 76 *per cent* in 2009-10 from 81 *per cent* in the previous year. Thus, the Government could achieve the budget commitment to emphasis on reduction of NPRE.

Revenue expenditure on some of the components in Social and Economic Sectors as provided by the TFC *vis-à-vis* actual for 2009-10 and TFC award period 2005-10 are given below:

Table 1.15: Component of expenditure recommended by TFC *vis-à-vis* actual during award period 2005-10

(₹ in crore)

Name of component	Recommended by TFC		Actual	
	2009-10	2005-10	2009-10	2005-10
Food Subsidies	2.39	11.95	0.1	0.14
General Education	402.42	1691.97	416.47	1914.37
Medical, Public Health and Family Welfare	91.46	372.22	126.64	472.63
Maintenance expenditure for Major and Medium Irrigation *	22.95	104.31	29.37	103.73
Maintenance expenditure for Minor Irrigation *	8.36	38.01	6.06	29.79
Maintenance expenditure for Roads and Bridges *	58.70	266.85	83.64	363.85
Maintenance expenditure for Buildings	40.16	182.57	51.47	196.77

* In the absence of separate minor head for maintenance, figures under the respective major head of accounts have been taken as maintenance expenditure

The State Government could spend more than what was recommended by the TFC in respect of General Education, Medical, Public Health and Family Welfare and maintenance expenditure for Buildings. However, expenditure for food subsidy fell short of what was recommended in the award period. Comparison in respect of Maintenance expenditure for Major and Medium irrigation, Minor irrigation and Maintenance for Roads and Bridges could not be made as no amount was booked separately under maintenance expenditure.

1.6.2 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. The **table below** and **Chart 1.8** present the trends in the expenditure on these components during 2005-10.

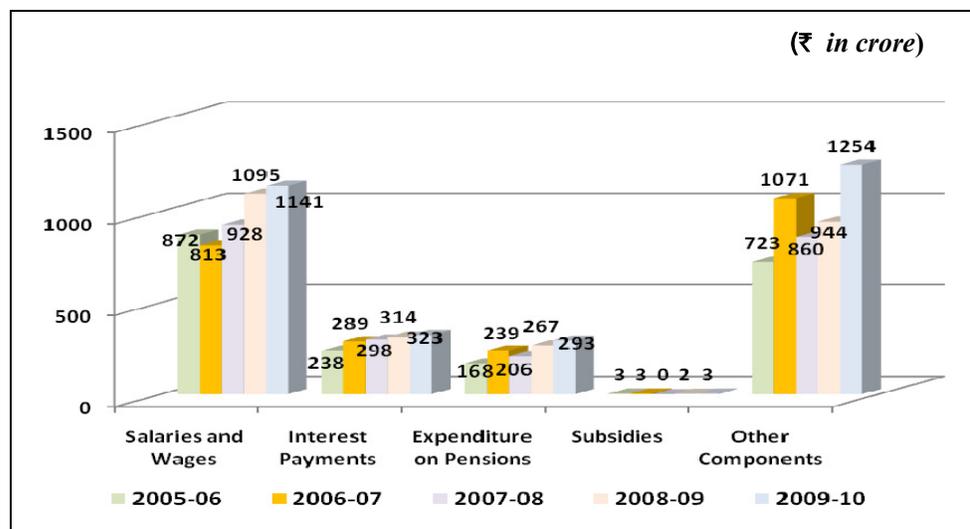
Table-1.16: Components of Committed Expenditure

(₹ in crore)

Components of Committed Expenditure	2005-06	2006-07	2007-08	2008-09	2009-10	
					BE	Actual
Salaries & Wages , of which	872 (36.20)	813 (28.40)	928 (26.45)	1095 (28.27)	1370	1141 (29.46)
<i>Non-Plan Head</i>	837	779	884	1041	1297	1077
<i>Plan Head</i>	35	34	44	54	73	64
Interest Payments	238 (9.88)	289 (10.09)	298 (8.49)	314 (8.11)	338	323 (8.34)
Expenditure on Pensions	168 (6.97)	239 (8.35)	206 (5.87)	267 (6.89)	252	293 (7.56)
Subsidies	3 (0.12)	3 (0.01)	-	2 (0.05)	6	3 (0.08)
Other Components	723 (30.01)	1,071 (37.41)	860 (24.52)	944 (24.38)	1090	1254 (32.38)
Total	2,004 (83.91)	2,415 (84.35)	2,292 (65.34)	2622 (67.71)	3056	3014 (77.82)

Figures in the parentheses indicate percentage to Revenue Receipts

Chart 1.8: Trend of Committed expenditure for the years 2007-10



Salaries alone accounted for more than 29 *per cent* of Revenue Receipts of the State during 2009-10. As compared to increase of ₹ 167 crore in 2008-09, there was an increase of ₹ 46 crore only over the previous year in 2009-10.

Expenditure on salaries during 2009-10 exceeded the assessment of the State Government in its FCP (₹ 912.47 crore) by ₹ 229 crore but was lower by ₹ 226 crore against MTFPS projection (₹ 1367 crore). The expenditure on

salaries was 47.57 per cent of the Revenue expenditure, net of interest payments and pension as against TFC norm and FRBM Act target of 35 per cent, requiring special attention of the Government to confine it within the limits set by them.

The Compounded Annual Growth Rate of Salary and Wages of the State between 2003-04 to 2008-09 is 10.36 per cent and was much higher than that of NE states (7.26 per cent).

Pension payments alone accounted for nearly 8 per cent of Revenue receipts of the State during 2009-10 and increased by ₹ 26 crore (10 per cent) from ₹ 267 crore last year to ₹ 293 crore.

While the pension payment exceeded the assessment made by the Government in its FCP (₹ 285.98 crore) and MTFPS (₹ 251.78 crore), it was marginally less than the normative assessment of TFC (₹ 296.88 crore). Increase of ₹ 26 crore in pension payments during 2009-10 over the previous year was mainly due to increase in Family Pension (₹ 13.72 crore) and Leave encashment benefits (₹ 6.11 crore) partially offset by decrease on account of Pension to legislatures (₹ 3.67 crore).

The State Government has adopted 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 contribution of the State Government employees covered under the new scheme increased from a closing balance of ₹ 10.71 crore in 2008-09 to ₹ 17.60 crore in 2009-10. However, the State Government had not contributed a matching share of the contribution of employees. Thus, the liability of the Government would be increased by ₹ 17.60 crore apart from interest accrued from the contribution.

The Compounded Annual Growth Rate of pension payment between 2000-01 and 2008-2009 of Manipur was 9.73 per cent which was lower than the average of NE States (11.03 per cent).

Interest payments alone accounted for nearly 8 per cent of the Revenue Receipts during 2009-10 and increased by ₹ 9 crore (3 per cent) from ₹ 314 crore last year to ₹ 323 crore. The interest payment exceeded the assessment made by the State Government in its FCP (₹ 309.95 crore) and MTFPS (₹ 337.62 crore) but was less than the normative assessment of TFC (₹ 429.31 crore). Increase of ₹ 9 crore was mainly due to Interest on Internal debt (₹ 29.70 crore) partially offset by decrease in repayment of interest on Loans and Advances from Central Government (₹ 21.50 crore).

The Compounded Annual Growth rate of Interest Payment for Manipur between 2000-01 and 2008-2009 is 10.11 per cent which was substantially higher than average NE State (7.51 per cent); indicating that the State's economy was comparatively more stressed due to past liabilities.

1.6.3 Financial Assistance by State Government to local bodies and other institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year relative to the previous years is presented in the table below:

Table 1.17: Financial Assistance to Local Bodies etc.

(₹ in crore)

Financial Assistance to Institutions	2005-06	2006-07	2007-08	2008-09	2009-10	
					BE	Actual
Educational Institutions (Aided Schools, Aided Colleges, Universities etc.)	75.71	40.20	40.50	29.75	31.88	32.04
Municipal Corporations and Municipalities	1.84	0.87	1.93	19.90	2.19	3.60
Other Institutions	1.03	1.25	0.84	1.02	2.38	1.67
Total	78.58	42.32	43.27	50.67	36.45	37.31
Assistance as percentage of RE	3.92	1.75	1.89	1.93	1.20	1.24

The total assistance provided during 2009-10 was almost equal to the estimates made in the budget. As compared to last year, the total assistance decreased by ₹ 13.36 crore in 2009-10. Financial assistance to universities and educational institutions alone constituted nearly 86 per cent of the total assistance of the State Government during 2009-10. Amongst education services, maximum assistance was given to Non-Government Primary Schools (₹ 18.62 crore).

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 the expenditure (*i.e.* adequate provisions for providing public services); efficiency of expenditure use and the effectiveness (assessment of outlay-outcome relationships for selected services).

1.7.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to social sector and economic infrastructure are largely assigned to the State Governments. Low fiscal priority (ratio of expenditure category to aggregate expenditure) is attached to a particular sector if it is below the respective national average. The table below analyses the fiscal priority of the State Government with regard to development expenditure, social sector expenditure and capital expenditure during 2005-06 and 2009-10.

Table-1.18: Fiscal Priority and Fiscal capacity of the State during 2005-06 and 2009-10

Fiscal Priority by the State	AE/GSDP	DE#/AE	SSE/ AE	CE/AE	Education /AE	Health/ AE
All NE States Average (Ratio) 2005-06*	28.50	65.39	32.97	15.76	18.39	4.70
Manipur's Average (Ratio) 2005-06	46.85	65.98	30.32	22.98	15.74	3.10
All NE States Average (Ratio) 2009-10*	36.08	64.80	34.25	17.90	16.43	5.50
Manipur's Average (Ratio) 2009-10	53.06	69.26	31.47	34.45	12.19	4.49

* Excluding Mizoram

AE: Aggregate Expenditure DE: Development Expenditure SSE: Social Sector Expenditure CE: Capital Expenditure.

Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans and Advances disbursed.

Source : For GSDP, the information was collected from the State's Directorate of Economics and Statistics (Manipur, Assam and Meghalaya as per new series 2004-05)

The above table shows the fiscal priority given by the Manipur Government to various expenditure heads in 2005-06 (the first year of the Twelfth Finance Commission Award Period) and the current year *viz.* 2009-10. The State had a much higher AE/GSDP in both years under consideration as compared to the average of NE states. Both DE/AE and CE/AE ratio were also higher than the NE states, indicating that the State was paying enough attention to Development Expenditure and Capital Expenditure. However, ratio of SSE/AE of the State was lower than the average of NE states. The State's expenditure pattern on Revenue expenditure on Education and Health within Social Service Sector was also lower than that of NE states. The Compounded Annual Growth Rates between 2000-01 to 2008-09 of Education (5.73 *per cent*) and Health (6.18 *per cent*) were substantially lower than that of NE states, which stood at 7.69 *per cent* and 11.29 *per cent* respectively.

1.7.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Governments to take appropriate expenditure rationalization measures and lay emphasis on provision of core public and merit goods⁴. Apart from improving the allocation towards development expenditure⁵, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of Revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.19** presents the trends in development expenditure relative to the aggregate

⁴ *Core public goods* 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; pollution free air and other environmental goods and road infrastructure *etc.* *Merit goods* 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 *etc.*

⁵The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is 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.

expenditure of the State during the current year *vis-à-vis* budgeted and the previous years, **Table 1.20** provides the details of capital expenditure and the components of salary and wages Revenue expenditure of the selected social and economic services.

Table-1.19: Development Expenditure

(₹ in crore)

Components of Development Expenditure	2005-06	2006-07	2007-08	2008-09	2009-10	
					BE	Actual
Development Expenditure (a to c)						
a. Development Revenue Expenditure	1,281 (47.78)	1,542 (46.18)	1,360 (39.91)	1,528 (37.36)	1883	1707 (37.04)
b. Development Capital Expenditure	428 (15.96)	402 (12.04)	482 (14.14)	1,412 (34.52)	766	1485 (32.22)
c. Development Loans and Advances	60 (2.24)	52 (1.56)	4 (0.12)	1 (0.02)	7	7 (0.15)

Figures in parentheses indicate percentage to aggregate expenditure

Development Revenue Expenditure increased by ₹ 179 crore from ₹ 1528 crore last year to ₹ 1,707 crore during the current year. Though Development Capital Expenditure increased by ₹ 73 crore in 2009-10 over the previous year, its share to Aggregate expenditure decreased from 34.52 *per cent* to 32.22 *per cent* in 2009-10. The Development capital expenditure, however, was more than what was estimated in the budget. The above table also revealed that during 2005-10 development expenditure was orienting more towards capital accounts.

Percentages of Revenue and Capital expenditure to the Aggregate expenditure of the sector/sub-sector of some selected Social and Economic Services are shown in the table below:

Table 1.20 –Efficiency of Expenditure in Selected Social and Economic Services

(In per cent)

Social/Economic Infrastructure	2008-09		2009-10	
	Share of CE to TE	Share of S&W in RE	Share of CE to TE	Share of S&W in RE
Social Services (SS)				
General Education	13.09	77.08	7.66	75.22
Health and Family Welfare	30.75	85.83	38.72	74.78
WS, Sanitation, & HUD	82.12	36.18	73.94	26.23
Total (SS)	40.50	61.14	38.55	57.19
Economic Services (ES)				
Agriculture & Allied Activities	14.66	54.89	3.29	37.54
Irrigation and Flood Control	88.02	74.07	79.20	73.46
Power & Energy	37.25	25.25	64.21	20.19
Transport	81.29	34.81	79.24	26.89
Total (ES)	54.41	35.33	53.15	31.91
Total (SS+ES)	48.02	48.90	46.52	45.11

TE: Total Expenditure inclusive of loans and advances of each sector/sub-sector/head; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages.

Share of Capital expenditure (CE) as ratio of Total expenditure (TE) in respect of General Education decreased from 13.09 to 7.66 *per cent* while in respect of Health and Family Welfare it increased from 30.75 to 38.72 *per cent*. The increase was mainly due to increase on account of Urban Health Services (₹ 29.20 crore). The share of CE under Water Supply, Sanitation and Housing and Urban Development decreased from 82.12 to 73.94 *per cent* due to decrease in Capital outlay on water supply and sanitation (₹ 46.01 crore) and Capital outlay on housing (₹ 36.11 crore) partially offset by increase in Capital outlay on urban development (₹ 37.21 crore).

As compared to ₹ 22.50 crore spent on Capital outlay on social and water conservation in Agriculture and Allied Activities in the previous year, no expenditure was made in 2009-10. As a result the share of CE climbed down from 14.66 *per cent* to 3.29 *per cent*. Due to decrease in Capital outlay on major irrigation (₹ 60.61 crore) and Medium irrigation (₹ 12.67 crore), the ratio of CE under Irrigation and Flood control decreased from 88.02 *per cent* to 79.20 *per cent* while increase from 37.25 *per cent* to 64.21 *per cent* under Power and Energy was due to increase in Transmission and distribution (₹ 163.92 crore). The share of CE under Transport decreased marginally as compared to 2008-09.

In all the selected services, share of salary and wages as percentage of Revenue expenditure have decreased as compared to 2008-09. However, with the impending implementation of 6th pay revision, there is a likelihood of increasing the expenditure under salary and wages in the coming years.

1.7.3 Effectiveness of the Expenditure, i.e. Outlay-Outcome Relationship

Performance reviews indicating the outlay-outcome relationship are *inter-alia* included in the State Audit Report. The effectiveness of the expenditure as brought out in performance review of National Rural Health Mission (NRHM) taken up during 2009-10 is as follows:

The National Rural Health Mission was launched in the State in November 2005. The review of NRHM revealed that the Department did not achieve the goal set for the health indicators i.e. Maternal Mortality Rate, Infant Mortality Rate, and Total Fertility Rate by March 2010. Planning process was inadequate as it was prepared without baseline survey inputs. As of March 2010, the State was yet to carry out a comprehensive household and facility survey to identify the gaps in health care facilities. Up-gradation of Community Health Centres, Primary Health Centres and Sub-Centres to the level of Indian Public Health Standards had not been achieved. While the percentage of fully immunised infants ranged from 69 and 81 *per cent* during 2005-06 and 2007-10, it exceeded the target during 2006-07. There was an absence of internal audit, evaluation, weakness in internal control and monitoring mechanism.

(Paragraph 1.3 of Audit Report 2009-10)

1.8 Financial Analysis of Government Expenditure and Investments

In the post-FRBM framework, the State is expected to keep its Fiscal deficit (and borrowing) not only at low levels but also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market based resources, the State Government needs to initiate measures to earn adequate return on its investments and recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidy and take 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 the current year *vis-à-vis* previous years.

1.8.1 Incomplete projects

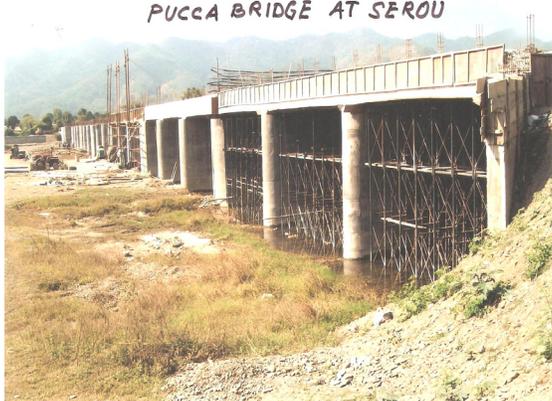
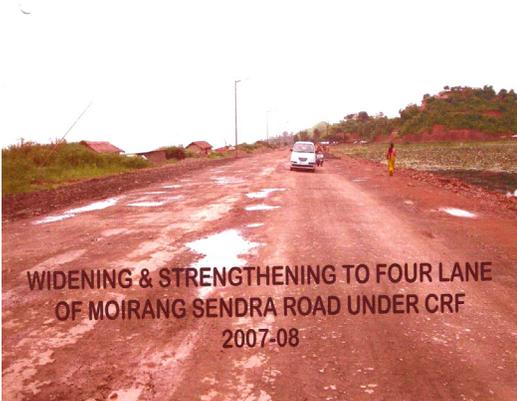
The department-wise information pertaining to incomplete projects of which the scheduled date of completion is already over as on 31 March 2010 is given in the table below:

Table 1.21: Department-wise Profile of Incomplete Projects

(₹ in crore)

Department	No. of Incomplete Projects	Initial Budgeted Cost	Cumulative actual expenditure as on 31.03.2010	Cumulative Cost Over Runs
IFCD	7	14.76	22.37	7.61
Power	18	193.37	125.72	--
PWD	16	145.73	72.22	--
PHED	3	6.82	4.31	--
Total	44	360.68	224.62	--

As of 31 March 2010, there were 44 incomplete projects each costing ₹ 1 crore and above, involving total budgeted cost of ₹ 360.68 crore on which expenditure of ₹ 224.62 crore has already been incurred. Out of these 44 projects, three IFCD projects were taken up during the period 1988 to 1992 *viz.*, Wangjing river flood control project, Merakhong river flood control project and Nambul river flood control project. The above list is only indicative and not exhaustive and does not include projects for which the targeted dates of completion have been revised. The following pictures represent few of the projects lying incomplete as of March 2010:

	
<p>A pucca bridge over the Chakpi river (Estimated cost ₹ 1900 lakh) was to be constructed at Serou. The RCC bridge which was started on February 2008 has not been completed as on March 2010 despite spending ₹ 1800 lakh.</p>	<p>Improvement of Moirang Sendra road (Estimated cost ₹ 396.42 lakh) for a length of 2.14 km started on September 2008 was scheduled to be completed by March 2010. Despite spending ₹ 396.36 lakh, widening of the road to four lane has not been completed as of March 2010.</p>

Delay in completion of works invites the risk of escalation in cost of the works besides depriving the beneficiaries the benefits of the projects. Except for the IFCD projects, the incomplete projects have not yet incurred (March 2010) the initial budgeted cost, indicating slow progress of the works.

1.8.2 Investment and returns

As of 31 March 2010, Government had invested ₹ 176 crore in Statutory Corporations, Rural Banks, Joint Stock Companies and Co-operatives. The average return on this investment was 0.02 *per cent* in the last five years while the Government paid an average interest rate of 7.47 *per cent* on its borrowings during 2005-10. Details are shown in the table below:

Table-1.22: Return on Investment

(₹ in crore)

Investment/Return/Cost of Borrowings	2005-06	2006-07	2007-08	2008-09	2009-10
Investment at the end of the year	173	173	174	176	176
Return	*	-	0.05	-	-
Return (<i>per cent</i>)	-	-	0.03	-	-
Average rate of interest on Govt. borrowing (<i>per cent</i>)	6.81	7.14	6.84	6.69	6.22
Difference between interest rate and return (<i>per cent</i>)	6.81	7.14	6.81	6.69	6.22

* Only ₹ 2730

Investments as on 31 March 2010 were made in two statutory corporations, 15 Government companies and 45 types of co-operative banks and institutions. Major investments were made in Manipur State Road Transport Corporation (₹ 41.56 crore), Manipur Spinning Mills Corporation Ltd. (₹ 33.89 crore),

Manipur Handloom and Handicrafts Development Corporation Ltd. (₹ 11.79 crore) and Manipur State Co-operative Bank Ltd. (₹ 21.99 crore). Of these, Manipur State Road Transport Corporation has been liquidated and Manipur Spinning Mills Corporation Ltd. is under liquidation process since June 2003. However, the liquidation of the company is yet to be completed as of November 2010, reason of which was not on record.

1.8.3 Loans and advances by State Government

In addition to investments in co-operative societies, Corporations and Companies, Government has also been providing loans and advances to many of these institutions/organizations. The table below presents the outstanding loans and advances as on 31 March 2010, interest receipts *vis-à-vis* interest payments during the last three years.

Table-1.23: Average Interest Received on Loans Advanced by the State Government

(₹ in crore)

Quantum of Loans/Interest Receipts/Cost of Borrowings	2007-08	2008-09	2009-10	
			BE	Actual
Opening Balance	193.11	198.78	199.20	199.20
Amount advanced during the year	7.97	1.08	8.60	6.89
Amount repaid during the year	2.29	0.66	3.00	3.28
Closing Balance	198.79	199.20	204.80	202.81
<i>Of which</i> Outstanding balance for which terms and conditions have been settled	NA	NA	NA	NA
Net addition	5.68	0.41	5.60	3.61
Interest Receipts	0.56	0.58	NA	2.23
Interest receipts as <i>per cent</i> to outstanding Loans and Advances	0.28	0.29	NA	1.10
Interest payments as <i>per cent</i> to outstanding Fiscal liabilities of the State Government	6.84	6.46	NA	5.84
Difference between interest payments and interest receipts (<i>per cent</i>)	6.56	6.17	NA	4.74

No budget provision for interest receipts on loans advanced was available in the Budget documents.

Total amount of outstanding loans and advances as on 31 March 2010 was ₹ 199.20 crore. Interest received against these loans and advances improved substantially from ₹ 0.58 crore in the previous year to ₹ 2.23 crore in 2009-10. Against repayment of ₹ 3.28 crore, an amount of ₹ 6.89 crore was advanced during 2009-10. Major recipients of loans were for social security and welfare (₹ 129.35 crore), village and small industries (₹ 19.26 crore), Housing (₹ 18.13 crore) and Co-operation (₹ 14.06 crore).

1.8.4 Cash Balances and Investment of Cash balances

It is generally desirable that 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 from RBI has been put in place. The operative limit for Normal Ways and Means Advances is reckoned on the three years average of Revenue receipts and the operative limit for Special Ways and Means

Advances is fixed by the RBI from time to time depending on the holding of Government securities. The limit for Normal Ways and Means Advances has been fixed at ₹ 60 crore while the limit of Special Ways and Means Advances is revised by the RBI from time to time.

The position of Ways and Means Advances and Overdraft is shown in the table below:

Table 1.24: Ways and Means Advances and Overdrafts

(₹ in crore)

	2005-06	2006-07	2007-08	2008-09	2009-10
Ways and Means Advance					
Availed in the year	90.90	—	38.79	—	—
Outstanding WMAs	—	—	-	—	—
Interest paid	2.51	—	0.03	—	—
Number of days	127	—	7	—	—
Overdraft					
Availed in the year	6,520.20	—	—	—	—
Number of days	44	—	—	—	—
Interest paid	1.99	—	—	—	—

The State did not avail of any overdraft facility since 2006-07 and during the last four years (2006-10) ways and means advances was taken only in 2007-08.

The table below depicts the cash balances and investments made by the State Government out of cash balances during the year.

Table-1.25: Cash Balances and Investment of Cash balances

(₹ in crore)

Particulars	As on 31 March 2009	As on 31 March 2010	Increase(+)/ Decrease(-)
Cash Balances	616.05	367.40	(-)248.65
Investments from Cash Balances (a to d)	840.89	590.80	(-)250.09
<i>a. GoI Treasury Bills</i>	838.46	588.37	(-)250.09
<i>b. GoI Securities</i>	-	-	-
<i>c. Other Securities (Long term Investment)</i>	2.43	2.43	-
<i>d. Other Investments</i>	-	-	-
Funds-wise Break-up of Investment from Earmarked balances (a to b)	13.66	33.98	(+)20.31
<i>a. Sinking Fund</i>	12.66	30.98	(+)18.32
<i>b. Guarantee Redemption Fund</i>	1.00	3.00	(+)2.00
Interest Realized	39.41	30.49	(-)8.92

The State Government has invested ₹ 590.80 crore in the GoI Treasury Bills and Long term Investment and earned ₹ 30.49 crore during 2009-10. Further, the Government invested ₹ 33.98 crore in Reserve Funds during 2009-10. The interest receipts against investment on cash balance was 5.16 per cent while the Government paid interest of ₹ 323 crore at an average rate of interest of 6.22 per cent.

1.9 Assets and Liabilities

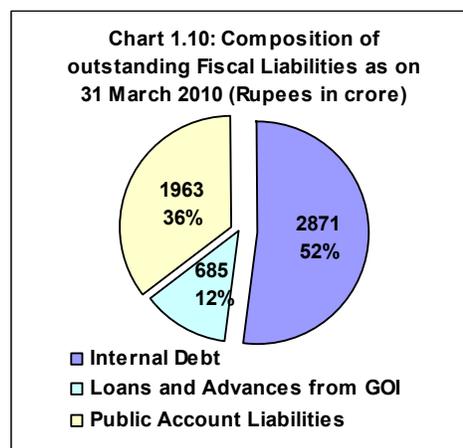
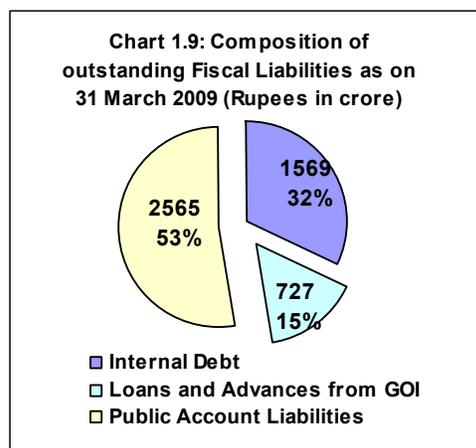
1.9.1 Growth and composition of Assets and Liabilities

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 1.4** gives an abstract of such liabilities and the assets as on 31 March 2010, compared with the corresponding position on 31 March 2009. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from the GoI, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

The FRBM Act of the State has defined the total liabilities as “*Total liabilities means the sum of the liabilities under the Consolidated Fund of the State, and the Public Account of the State and also include borrowings by the public sector undertakings and special purpose vehicles and other equivalent instruments including guarantees where principal and/or interest are to be serviced out of the State budget*”.

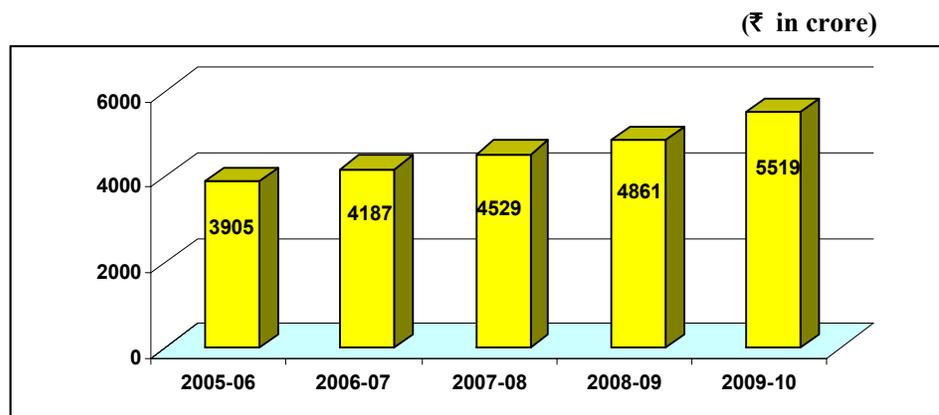
1.9.2 Fiscal Liabilities

The trends in outstanding Fiscal liabilities of the State are presented in **Appendix 1.5**. The composition of Fiscal liabilities during the current year *vis-à-vis* the previous year are presented in **Charts 1.9** and **1.10**.



The overall Fiscal liabilities of the State Government increased by ₹ 658 crore from ₹ 4861 crore in 2008-09 to ₹ 5519 crore in 2009-10. The ratio of Fiscal liabilities to GSDP during 2005-10 remained above 60 *per cent*. As per para 24 of the 13th Finance Commission recommendations, Fiscal Liabilities should be limited to 25 *per cent* of GSDP by 2014-15. Thus, there is an urgent need for the State Government to re-look at its borrowings and repayment patterns and to ensure that the increasing trend of Capital Expenditure materialize into concrete asset creation to enable a faster growth of GSDP and ensure better repayment capacity. The increasing position of Fiscal liabilities during 2005-10 is depicted in the bar chart below:

Chart 1.11: Trend showing Fiscal Liabilities during 2005-10



The increase in Fiscal liabilities was mainly due to increase in Internal debt (₹1302 crore) offset by decrease in Public Account liabilities (₹602 crore) and Loans and Advances from GoI (₹42 crore). The substantial increase in Internal debt has resulted in its contribution in the Fiscal liabilities from 32 per cent in the previous year to 52 per cent in 2009-10. Increase in Internal debt was mainly due to two market loans of ₹188.78 crore @ 8.18 per cent and ₹314 crore @ 8.49 per cent. The Fiscal liabilities during the current year exceeded by ₹755 crore than the assessed figure of ₹4764 crore in the MTFPS.

The State Government had set up (February 2008) a Consolidated Sinking Fund for amortization of market borrowings, other loans and debt obligations, as per the recommendation of the TFC, and transferred an amount of ₹18.32 crore in 2009-10. The closing balance of the fund at the close of the year was ₹30.98 crore. As compared to rate of increase of Fiscal liabilities, the corpus of the fund will not be able to cushion much of the liabilities; should a situation of redemption of loans arise.

1.9.3 Status of Guarantees – Contingent liabilities

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

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

Table-1.26: Guarantees given by the Government of Manipur

(₹ in crore)

Guarantees	2007-08	2008-09	2009-10
Maximum amount guaranteed	207	197	197
Outstanding amount of guarantees	211	274	195
Percentage of maximum amount guaranteed to Total revenue receipts	5.90	5.09	5.09

The outstanding guarantee of ₹ 195 crore was kept within the limit of the FRBM Act *ibid*. No additional guarantee has been given by the State Government in respect of loans raised by Statutory Corporations, Local bodies and other institutions during 2009-10. The principal beneficiaries of outstanding loans were Planning and Development Authority (₹ 121.02 crore), Manipur Tribal Development Corporation Limited (₹ 19.02 crore) and Khadi and Village Industries (₹ 12.12 crore). In respect of Manipur Tribal Development Corporation Limited, the Interest (₹ 11.73 crore) has exceeded the Principal amount (₹ 7.29 crore).

The State Government had set up (February 2008) a guarantee redemption fund to meet the contingent liabilities arising from such guarantees, as per the recommendation of the TFC and transferred an amount of ₹ 2 crore during 2009-10. The closing balance of the fund at the close of the year was ₹ 3 crore.

1.9.4 Off - Budget Borrowings

The State Government has not reported (November 2010) any off-budget borrowings during 2009-10.

1.10 Debt Sustainability

Apart from the magnitude of debt of State Government, it is important to analyze various indicators that determine the debt sustainability⁶ of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilization⁷; sufficiency of non-debt receipts⁸; net availability

⁶ 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.

⁷ 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.

⁸ Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

of borrowed funds⁹; burden of interest payments (measured by interest payments to Revenue receipts ratio) and maturity profile of State Government securities. The table below analyzes the debt sustainability of the State according to these indicators during 2005-10.

Table 1.27: Debt Sustainability: Indicators and Trends

(₹ in crore)

Indicators of Debt Sustainability	2005-06	2006-07	2007-08	2008-09	2009-10
Debt Stabilization (Quantum Spread + Primary Deficit)	92	(-) 250	397	303	(-) 57
Sufficiency of Non-debt Receipts (Resource Gap)	177	(-) 204	(+) 577	(-) 318	(-) 517
Net Availability of Borrowed Funds	586	(-) 7	42	32	336
Burden of Interest Payments (IP/RR Ratio)	9.88	10.09	8.49	8.11	8.33
Maturity profile of State debt (in years)					
0 - 1	--	--	--	56.45	27.21
1 - 3	--	--	--	86.60	126.44
3 - 5	--	--	--	164.48	142.98
5 - 7	--	--	--	280.16	404.82
7 - 9	--	--	--	476.94	596.08
9 -11	--	--	--	466.08	608.53
11 - 19	--	--	--	718.66	717.88
Miscellaneous*	--	--	--	45.82	974.24
Total	--	--	--	2,295.19	3598.14

* Year of maturity not known.

The poor performance of Revenue collection and the increase in the quantum of expenditure in 2009-10 had an adverse impact in the debt scenario of the economy of the State and had resulted in a Primary deficit (₹ 410 crore) which was higher than the Quantum spread (₹ 352 crore). As a result, the debt stabilization indicator suggests rising of debt *vis-à-vis* the GSDP of the State. The debt scenario as viewed from the availability of resource was also discouraging.

The incremental Aggregate expenditure (₹ 519 crore) far exceeded the Non-debt receipt (₹ 2 crore) during 2009-10, increasing the resource gap further to ₹ 517 crore in the current year from ₹ 318 crore during 2008-09.

During 2009-10 against Debt receipt of ₹ 1545 crore, Debt redemption and Interest payment was ₹ 1209 crore, leaving borrowed funds of ₹ 336 crore only for purposes other than debt redemption. Thus, 78 *per cent* of the borrowed fund was being utilized to service the past liabilities of the State. Though Interest payment as ratio of the Revenue receipt remained stabilized at around eight *per cent*, the borrowing of the State needs to be re-looked in view of the rising maturity profile of debt; otherwise the State's future borrowings would have to be channelized to service past liabilities only.

⁹ Difference between Debt receipt and debt redemption (Principal +Interest payments)

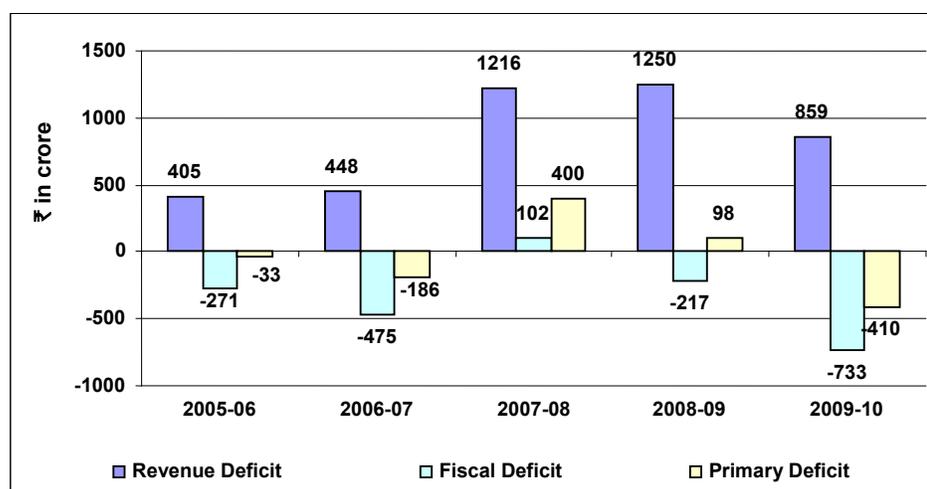
1.11 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits and also the assessment of actual levels of revenue and Fiscal deficits *vis-à-vis* targets set under FRBM Act/Rules for the financial year 2009-10.

1.11.1 Trends in Deficits

The chart below presents the trends in deficit indicators over the period 2005-10:

Chart 1.12 : Trends in Deficit Indicators



The trend of continual increase of Revenue surplus during 2005-09 has reversed in the current year and has come down to ₹ 859 crore from ₹ 1250 crore in 2008-09. This was mainly due to increase in Revenue expenditure while Revenue receipt remained stagnant at the previous year's figure. Increase in Capital expenditure further increased Fiscal deficit from ₹ 217 crore to ₹ 733 crore in the current year. The Primary surplus of previous year also reversed to a deficit of ₹ 410 crore during 2009-10, which meant that the State's receipts was not able to meet the quantum of expenditure of the current year. The deteriorating position of the surplus/deficit, the increasing resource gap and the increasing trend of repayment profile of debt in coming years is an indicator that the State's economy may face a debt trap unless Capital expenditure is able to increase the State's GSDP and have a corresponding impact on the Revenue receipts of the State.

1.11.2 Components of Fiscal Deficit and its Financing Pattern

The financing pattern of the Fiscal deficit is reflected in the table below:

Table 1.28: Components of Fiscal Deficit and its Financing Pattern

(₹ in crore)

	Particulars	2006-07	2007-08	2008-09	2009-10
Decomposition of Fiscal Deficit		(-475)	(+102)	(-217)	(-) 733
1	Revenue Surplus	448	1216	1250	859
2	Net Capital Expenditure	(-) 867	(-) 1108	(-) 1467	(-) 1588
3	Net Loans and Advances	(-) 56	(-) 6	(-) 0.42	(-) 3.61
Financing Pattern of Fiscal Deficit*					
1	Market Borrowings	224.25	192.73	248.79	445
2	Loans from the GoI	(-)238.97	(-)236.71	(-)239.96	(-) 41.97
3	Special Securities Issued to NSSF	229.53	199.92	199.46	(-) 2.67
4	Loans from Financial Institutions	(-)4.47	(-)2.74	(-)4.08	2.77
5	Small Savings, PF etc.	62.97	52.41	52.32	24.94
6	Deposits and Advances	16.01	132.78	83.72	226
7	Suspense	(-)79.58	27.64	(-)4.78	(-) 34.34
8	Remittances	197.58	111.13	(-)48.16	(-) 160.23
9	Reserve Fund	(-)7.19	3.88	5.40	24.52
Increase/decrease in cash balance with RBI		(-)535.73	(-) 156.40	36.36	28.50

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

As can be seen from the above table, Fiscal deficit of 2006-10 was mainly due to quantum of Capital expenditure. To finance this gap, the State Government relied more on Market borrowings and reduced the dependency from the Central Government. During 2009-10, borrowings from Small Savings, Provident Funds etc. increased from ₹ 52.32 crore in 2008-09 to ₹ 24.94 crore in the current year.

1.11.3 Quality of Deficit/Surplus

The table below indicates 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:

Table 1.29: Primary deficit/surplus – Bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary revenue surplus	Primary deficit (-)/surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2005-06	2,410	1,766	616	61	2,443	644	(-)33
2006-07	2,864	2,126	867	57	3,050	738	(-)186
2007-08	3,510	1,994	1,108	8	3,110	1,516	(+)400
2008-09	3,874	2,308	1,467	1	3,776	1,566	(+)98
2009-10	3,876	2,692	1,588	7	4,287	1,184	(-)410

The Non-debt receipts of the State during 2005-10 were sufficient to meet the Primary revenue expenditure. The steady growth of Non-debt receipt experienced by the State during 2005-09 could not be achieved in 2009-10 mainly due to less receipt of Grants-in-aid from the Central Government.

However, Primary expenditure increased by ₹ 511 crore (14 per cent) from ₹ 3776 crore in 2008-09 to ₹ 4287 crore in the current year. Capital expenditure as percentage of Primary expenditure increased from 25 per cent in 2005-06 to 37 per cent in 2009-10, indicating that there was a steady shift of expenditure on Capital account. However, there appears to be a slow-down at the rate growth of Capital expenditure in 2009-10 as compared to Primary revenue expenditure. Due to stagnation of Non-debt receipt and growth in Primary expenditure, the Primary surplus experienced in the last two previous years could not be maintained and there was a deficit of ₹ 410 crore in 2009-10, which was the highest Primary deficit during 2005-10.

1.12 Conclusion and recommendations

The fiscal position of the State viewed in terms of key parameters – Revenue surplus, Fiscal deficit, Primary deficit *etc.* revealed that the State could maintain Revenue surplus throughout the Twelfth Finance Commission award period of 2005-10.

Revenue Receipts

During 2005-10, around 89 to 92 per cent of the Revenue receipt of the State came from the Central Government. The Revenue receipt in 2009-10 remained at the same amount of ₹ 3873 crore of 2008-09, mainly due to less devolution of Grants-in-Aid from the Central Government. As a result, there were incipient signs of financial stress to the economy of the State (Para 1.4). The Non-tax revenue collection under Power, Water Supply and Sanitation and Irrigation as percentage of their respective Non-plan revenue expenditure during 2008-09 and 2009-10 gave fluctuating figures, indicating that revenue collection for providing these services was not reliable. The cost of revenue collection of Sales tax/VAT *etc.* and Taxes on vehicles of the State was much higher than the corresponding figures of All India average. An amount of ₹ 102.58 crore due to non/short levy (including penalty) of Sales tax/VAT, and professional tax, loss of revenue (energy charges) and non-realization of registration fee in 67 cases was also noticed during 2009-10 (Para 1.5).

Grants-in-aid decreased from ₹ 2868 crore in 2008-09 to ₹ 2840 crore in 2009-10. This had an adverse impact on the Revenue receipt of the State and was the main factor of its stagnation. The **Share of Union Taxes/Duties** also increased marginally from ₹ 581 crore in 2008-09 to ₹ 598 crore in 2009-10. The **Tax revenue** increased by ₹ 25.97 crore (15 per cent) from ₹ 170.07 crore in 2008-09 to ₹ 196.04 crore in 2009-10, mainly due to increase in Sales Tax (₹ 21.90 crore). As in the previous years, Sales tax (₹ 163.28 crore) remained the major contributor of Tax revenue and accounted for 83 per cent of the tax. The **Non-tax revenue** declined by ₹ 13.71 crore (5 per cent) from ₹ 253.46 crore in 2008-09 to ₹ 239.75 crore in 2009-10, mainly due to Miscellaneous General Services (₹ 31.30 crore) and Interest Receipts of State Government (₹ 7.27 crore) offset by increase under Power (₹ 15.78 crore) and Public Works (₹ 9.69 crore) (Para 1.5).

Though the State's own tax collection was more than its own projection of FCP/MTFPS/Budget estimates, it was lower than the normative assessment of

Twelfth Finance Commission (TFC). Collection from own Non-Tax revenue (ONTR) was higher than such projections/assessments (Para 1.5).

In view of the deteriorating fiscal position of the State and mounting Fiscal Liabilities, the State Government should consider to take steps to mobilize additional resources both through tax and non-tax sources by expanding the tax base and rationalizing the user charges. Efforts should also be made to increase tax compliance, reduce tax administration costs, and collect revenue arrears *etc.* so that sustainability of debt does not go out of control. Timely action on all conditionalities that are pre-requisites to release of funds and timely utilization of central funds would aid in increase of the total receipts of the State.

Expenditure status

During 2005-10, expenditure on capital accounts had increased significantly from ₹ 616 crore to ₹ 1588 crore, though as compared to previous years, there was a slower growth of capital expenditure in 2009-10. The State Government could fulfil most of the priority areas of capital expenditure highlighted in the budget. There was a healthy growth of Plan expenditure from 39 *per cent* in 2005-06 to 50 *per cent* in 2009-10. A similar trend was also noticed in terms of expenditure pattern by activities, and was orienting more towards developmental activities of Social Services and Economic Services. As per recommendations of TFC and FRBM Act target, the expenditure on salaries was to be confined at 35 *per cent* of Revenue expenditure, net of interest payment and pension. Against this, the expenditure in 2009-10 stood at 48 *per cent*. Non-plan Revenue Expenditure (NPRE) during 2009-10 exceeded the normative assessment of Twelfth Finance Commission projections of Fiscal Correction Path but was lower than the projection of Medium Term Fiscal Policy Statement. Although the State Government lived up to its budget commitment for reduction of NPRE by confining NPRE at 76 *per cent* of Revenue Expenditure in the current year from 81 *per cent* in the previous year, further NPRE needs utmost attention of State Government, especially in the worsening Fiscal deficit and re-occurrence of primary deficit in the current year and the fact that debt-sustainability indicators are showing discouraging results (Para 1.6).

The holistic picture of key criterion of expenditure pattern during 2005-10 reveals a positive note. The budget commitments of 2009-10 were also largely fulfilled. However, increase of expenditure under capital head will not necessarily materialize into actual asset creation unless projects/schemes are completed on time, or else valuable resources will remain locked up without any tangible gain to the beneficiaries. A coherent effort is required to select projects that are nearing completion so as to channelise more resources to these projects rather than spread out resources thinly. A monitoring mechanism to focus on timely completion of projects should be in place.

Fiscal position, Fiscal liabilities and sustainability of debt

During 2009-10 due to less devolution of Grants-in-aid from the Central Government and lesser Non-tax revenue, the Revenue surplus fell by ₹ 391

crore in 2009-10, and as a consequence and coupled with increase in expenditure in both revenue and capital accounts, Fiscal deficit in the current year increased more than three folds and stood at ₹ 733 crore from ₹ 217 crore in the previous year. The primary surplus of the previous two years also turned into a deficit of ₹ 410 crore, the highest during the last five years (Para 1.11).

The overall Fiscal liabilities of the State Government increased by ₹ 658 crore from ₹ 4861 crore in 2008-09 to ₹ 5519 crore in 2009-10 and exceeded the assessed figure of ₹ 4764 crore in the MTFPS. The increase was mainly due to two market loans of ₹ 188.78 crore and ₹ 314 crore. The ratio of Fiscal Liabilities to GSDP during 2005-10 remained above 60 *per cent*; much higher than the 13th Finance Commission's recommendations to limit the ratio at 25 *per cent* by 2014-15 (Para 1.9). As growth of Fiscal liabilities and servicing of liabilities in the current year is more than the growth of revenue, there is a likelihood of pressure on sustainability of debt of the State. For two consecutive years (2008-10), the incremental primary expenditure exceeded the non-debt receipt, and had resulted in re-occurrence of Primary deficit and has led to increase of resource gap. The State's receipts also had poor capacity to service the debt as 78 *per cent* of the borrowed funds was being utilized to service past liabilities of the State. All these, with the rising maturing profile of debt in coming years are an indication that the State's economy may face the problem of non-manageable debt scenario (Paras 1.10 and 1.11).

Given the position of these key fiscal parameters, the fiscal position appears to be off track of fiscal correction path. Unless the State Government increases revenue collection and tax compliance, makes efforts for more devolution of funds from the Central Government, reduces tax collection costs, collects revenue arrears and prunes unproductive expenditure so that deficits are contained and also apply scarce resources judiciously for timely completion of projects/schemes, the prospect of unmanageable fiscal situation cannot be ruled out.

The State should consider initiating steps on an urgent basis to make efforts to return to primary surplus as in previous years and continue to maintain revenue surplus. The State's flow of resources should keep up with the pace of expenditure obligation. In view of the rising maturity profile of debt, there is an urgent need to maintain a calendar of borrowings and monitor it very closely. Such mechanism may enable the State Government to resort to more need based borrowings at opportune times. The State may consider identifying a shelf of projects and chalk out a better synchronization of cash inflows and outflows as per its spending capacity so as to avoid unwarranted build-up of cash surplus. Unless measures are taken up to increase Revenue receipts, tighten unproductive expenditure, reduce its dependency on borrowed funds to service its debt and initiate a prudent debt management system, the State faces the prospect of imminent financial hardship.

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 list the original budget estimates, supplementary grants, surrenders and re-appropriations distinctly and indicate 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 budget. Appropriation Accounts thus facilitate management of finances and monitoring of budgetary provisions and are 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 is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarized position of actual expenditure during 2009-10 against 51 Grants/Appropriations (48 Grants and three Appropriations) is indicated in the table below:

**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 (+)
Voted	I Revenue	2721.12	237.69	2958.81	2696.15	(-) 262.66
	II Capital	1392.11	462.03	1854.14	1591.58	(-)262.56
	III Loans and Advances	8.60	0	8.60	6.89	(-) 1.71
Sub-total Voted		4121.83	699.72	4821.55	4294.62	(-) 526.93
Charged	IV Revenue	348.73	0.38	349.11	326.98	(-) 22.13
	V Capital	--	--	--	--	--
	VI Public Debt- Repayment	113.25	0	113.25	116.75	3.5
Sub-total Charged		461.98	0.38	462.36	443.73	(-) 18.63
Appropriation to Contingency Fund		--	--	--	--	--
Grand Total		4583.81	700.10	5283.91	4738.35	(-) 545.56

The overall saving of ₹ 545.56 crore was the result of saving of ₹ 574.70 crore in 45 grants and three appropriations under Revenue Section, 25 grants under Capital Section, offset by excess of ₹ 29.14 crore in seven grants under

Revenue Section, four grants under Capital Section including one appropriation (Public Debt-Repayments).

Substantial savings occurred in Irrigation and Flood Control (₹ 131.33 crore), Education Departments (₹ 44.98 crore) out of which ₹ 25.48 crore pertains to Primary Schools, Sericulture (₹ 43.46 crore), General Economic Services and Planning (₹ 43.01 crore), Minor Irrigation (₹ 40.54 crore), Public Works (₹ 39.86 crore) and Power (₹ 31.19 crore).

Excess expenditure occurred mainly in Finance Department (₹ 18.54 crore) out of which ₹ 16.94 crore pertains to Pension and other Retirement benefits, Interest Payment and Debt Services under Capital account (₹ 3.50 crore) and Medical, Health and Family Welfare (₹ 2.62 crore).

Reasons for excess of expenditure and savings were called for (September 2010) from the concerned Departments. However, no reply was received (November 2010).

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

The outcome of the appropriation audit reveals that in 41 cases, savings exceeded ₹ one crore in each case or by more than 20 *per cent* of total provision. Details are given in **Appendix 2.1**. Against the total savings of ₹ 574.70 crore, savings of ₹ 478.89 crore (83 *per cent*) occurred in 15 cases relating to 13 grants, where savings were ₹ 10 crore and above in each case. Details are indicated in the table below:

Table 2.2: List of Grants with savings of ₹ 10 crore and above

(₹ in crore)

Sl. No.	No. and Name of the Grant	Original	Supple- mentary	Total	Actual Expenditure	Savings
Revenue-Voted						
1	7 - Police	374.51	1.48	375.99	359.57	16.42
2	8 – Public Works Department	179.98	0.00	179.98	153.09	26.89
3	10 - Education	466.56	0.00	466.56	421.58	44.98
4	14 – Development of Tribals and Schedule Castes	115.90	36.52	152.42	134.28	18.14
5	17 – Agriculture	60.43	15.73	76.16	60.82	15.34
6	21 – Commerce & Industries and Weights & Measures Department	47.77	0.00	47.77	32.27	15.51
7	23 – Power	195.86	0.00	195.86	164.67	31.19
8	40 – Irrigation and Flood Control Department	63.59	0.00	63.59	39.07	24.52
9	44 – Social Welfare Department	87.74	26.94	114.68	90.62	24.06
	Sub-total	1592.33	80.67	1673.01	1455.97	217.05
Revenue Charged						
10	Appropriation No. 2 – Interest Payment and Debt Services	337.62	0.00	337.62	322.57	15.05
	Sub-total	337.62	0.00	337.62	322.57	15.05
Capital Voted						
11	8 – Public Works Department	115.67	59.46	175.13	162.16	12.97
12	30 – General Economic Services and Planning	553.91	2.95	556.85	513.85	43.01
13	36 – Minor Irrigation	55.64	7.61	63.25	22.71	40.54
14	39 – Sericulture	62.76	0.00	62.76	19.30	43.46
15	40 – Irrigation and Flood Control Department	199.47	38.27	237.74	130.93	106.81
	Sub-total	987.45	108.29	1095.73	848.95	246.79
	Total	2917.40	188.96	3106.36	2627.49	478.89

It was seen that in four cases supplementary provisions were made unnecessarily as the original provisions were even less than the actual expenditure. There was saving of more than ₹ 100 crore in one case viz. Irrigation and Flood Control Department (₹ 106.81 crore) under Capital Voted and was 45 per cent of its total provision.

2.3.2 Persistent savings

In two cases, during the last five years there were persistent savings of more than ₹ 10 lakh in each case and also by 20 per cent or more of the total grant as indicated in the table below:

Table 2.3: List of Grants indicating Persistent Savings during 2005-10

(₹ in lakh)

Sl. No.	Name of the grant	Amount of savings (per cent of savings vis-à-vis total provision)				
		2005-06	2006-07	2007-08	2008-09	2009-10
Revenue -Voted						
1	40 - Irrigation and Flood Control Department	1072.37 (26)	1172.32 (28)	990.59 (27)	2158.91 (45)	2451.82 (39)
Capital -Voted						
2	37 – Fisheries	39.55 (50)	233.74 (79)	294.45 (100)	59.74 (93)	50 (37)

Persistent savings in respect of these two Departments were reported in the Audit Report on State Finances for the year 2008-09. It was reported that the savings of Fisheries Department was due to non-clearance of projects/schemes by the Project Implementation Board (PIB). Audit noticed that despite non-clearance of projects/schemes by the PIB, no cogent measure has been taken to avoid occurrence of persistent saving in 2009-10. In respect of Irrigation and Flood Control Department, no reply was furnished (November 2010).

2.3.3 Excess Expenditure

In eight cases, expenditure aggregating ₹ 28.86 crore exceeded the total provisions by ₹ 25 lakh or more in each case. Details are given in the table below:

Table 2.4: Statement showing excess of expenditure by ₹ 25 lakh or more

(₹ in lakh)

Sl No.	Grant No.	Total Provision	Expenditure	Excess
Revenue Voted				
1	5 – Finance Department	30535.64	32390.11	1854.47
2	19 – Environment and Forest	5512.99	5681.88	168.89
3	22 – Public Health Engineering	5744.62	5849.77	105.15
4	48 – Relief and Disaster Management	1005.39	1078.35	72.96
Capital Voted				
5	11 – Medical, Health and Family Welfare Services	1898.38	2160.11	261.73
6	12 – Municipal Administration, Housing and Urban Development	8658.23	8694.23	36.00
7	22 – Public Health Engineering	15538.20	15574.38	36.18
Capital Charged				
8	Appropriation No. 2 – Interest Payment and Debt Services	11325.00	11675.24	350.24
Total		80218.45	83104.07	2885.64

Audit noticed that in five cases the excess expenditure exceeded ₹ one crore viz. Finance (₹ 18.54 crore), Environment and Forest (₹ 1.69 crore), Public Health Engineering (₹ 1.05 crore) under Revenue account and Medical, Health and Family Welfare (₹ 2.62 crore) and Appropriation no. 2 (₹ 3.50 crore) under Capital account.

2.3.4 Expenditure without provision

Expenditure should not be incurred on a scheme/service without provision of funds. It was, however, noticed that expenditure of ₹ 49.42 crore was incurred in 33 cases (**Appendix-2.2**) without any provision in the original estimates/supplementary demand and without any re-appropriation orders to this effect.

In two cases expenditure without provision exceeded ₹ five crore viz, Old Age Pension Scheme (Hill) under Social Security Welfare (State Plan) (Grant No. 44) (₹ 6.25 crore) and Accelerated Rural Water Supply Programme (Hill) under Capital Outlay on Water Supply and Sanitation (Grant No. 22) (₹ 11.40 crore). No reason was furnished for incurring expenditure without provision.

2.3.5 Drawal of funds to avoid lapse of budget grant

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. In respect of the cases mentioned in **Appendix-2.3**, the amount (₹ 250.41 crore) drawn at the fag end of the year were deposited into the head of account “8449-Other Deposits” to avoid lapse of budget grant.

2.3.6 Excess over provisions relating to previous years requiring regularization

As per Article 205 of the Constitution of India, it is mandatory for 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). However, excess expenditure amounting to ₹ 2,688.54 crore for the years 1997-2002 and 2007-09 was yet to be regularized as detailed in **Appendix 2.4**. The year-wise amount of excess expenditure pending regularization for grants/appropriations is summarized in the table below:

Table 2.5: Excess over provisions relating to previous years requiring regularization

(₹ in crore)

Year	No. of Grants	No. of Appropriation	Amount of excess	Status of Regularization*
1997-98	10	2	384.57	Regularized vide 24 th PAC Report. Act awaited.
1998-99	6	2	293.66	-do-
1999-00	14	2	844.88	Regularized vide 27 th PAC Report. Act awaited.
2000-01	8	1	85.77	-do-
2001-02	6	2	895.20	-do-
2007-08	11	2	81.59	PAC Report awaited.
2008-09	14	--	102.87	Excess expenditure yet to be discussed by PAC
Total:	69	11	2,688.54	

* as of November 2010

2.3.7 Excess over provisions during 2008-09 requiring regularization

The table below contains the summary of total excess in 10 Grants/Appropriation amounting to ₹ 29.14 crore over authorization from the Consolidated Fund of the State during 2009-10 and requires regularization under Article 205 of the Constitution.

Table 2.6: Excess over provisions requiring regularization during 2009-10

(In ₹)				
Sl. No.	Number and title of grant/appropriation	Total provision	Expenditure	Excess
Revenue Voted (Grants)				
1	5 – Finance Department	3053564000	3239010571	185446571
2	13 – Labour and Employment	81770000	84032763	2262763
3	19 – Environment and Forest	551299000	568187806	16888806
4	22 – Public Health Engineering	574462000	584977371	10515371
5	25 – Youth Affairs and Sports Department	179423000	179798506	375506
6	39 - Sericulture	182833000	183044204	211204
7	48 – Relief and Disaster Management	100539000	107834988	7295988
	Sub-Total	4723890000	4946886209	222996209
Capital Voted (Grants)				
8	11 – Medical, Health and Family Welfare Services	189838000	216010683	26172683
9	12 – Municipal Administration, Housing and Urban Development	865823000	869423000	3600000
10	22 –Public Health Engineering	1553820000	1557438254	3618254
11	Appropriation No. 2	1132500000	1167523974	35023974
	Sub-Total	3741981000	3810395911	68414911
	Total	8465871000	8757282120	291411120

2.3.8 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provision aggregating ₹ 52.80 crore obtained in 11 cases, during the year proved unnecessary as the expenditure did not come up to the level of original provision. Out of these, in five cases unnecessary supplementary provisions provided exceeded ₹ one crore viz. Police (₹ 1.48 crore) and Science and Technology and Information Technology (₹ 1.97 crore) under Revenue account and General Economic Services and Planning (₹ 2.95 crore), Minor Irrigation (₹ 7.61 crore) and Irrigation and Flood Control Department (₹ 38.27 crore) under Capital account. The details are given in the table below:

Table 2.7: Statement showing unnecessary supplementary provision

(₹ in lakh)

Sl No.	Grant No.	Original Provision	Expenditure	Saving out of Original Provision	Supplementary
Revenue Voted					
1	3 – Secretariat	3775.09	3161.84	613.25	2.88
2	7 – Police	37450.38	35957.33	1493.05	148.49
3	41 – Art and Culture	1335.00	1321.61	13.39	2.60
4	46 – Science and Technology and Information Technology	1218.54	540.91	677.63	197.17
Revenue Charged					
5	Appropriation No. 3 – Manipur Public Service Commission	190.80	178.09	12.71	15.00
6	5 – Finance Department	10.01	5.18	4.83	0.77
7	8 – Public Works Department	77.20	53.16	24.04	23.00
Capital Voted					
8	18 – Animal Husbandry and Veterinary including Dairy Farming	305.40	174.37	131.03	8.00
9	30 – General Economic Services and Planning	55390.90	51384.66	4006.24	294.54
10	36 – Minor Irrigation	5564.00	2270.86	3293.14	761.16
11	40 – Irrigation and Flood Control Department	19947.00	13093.04	6853.96	3826.83
Total		125264.32	108141.05	17123.27	5280.44

In 7 cases, supplementary provision of ₹ 162.88 crore proved insufficient by more than ₹ 10 lakh in each case, leaving an aggregate uncovered excess expenditure of ₹ 25.35 crore. Details are given in the table below:

Table 2.8: Statement showing insufficient supplementary provision by more than ₹ 10 lakh

(₹ in lakh)

Sl No.	Grant No.	Original	Supplementary	Total	Expenditure	Excess
Revenue Voted						
1	5 - Finance Department	27883.84	2651.80	30535.64	32390.11	1854.47
2	19 – Environment and Forest	5079.95	433.04	5512.99	5681.88	168.89
3	22 – Public Health Engineering	3598.62	2146.00	5744.62	5849.77	105.15
4	48 – Relief and Disaster Management	693.00	312.39	1005.39	1078.35	72.96
Capital Voted						
5	11 – Medical, Health and Family Welfare Services	1238.38	659.99	1898.37	2160.11	261.74
6	12 – Municipal, Administration, Housing and Urban Development	3475.00	5183.23	8658.23	8694.23	36.00
7	22 – Public Health Engineering	10637.01	4901.19	15538.20	15574.38	36.18
Total		52605.80	16287.64	68893.44	71428.83	2535.39

In four cases the excess of expenditure occurred despite providing supplementary provision of more than ₹ 20 crore viz. Finance Department (₹ 26.52 crore) and Public Health Engineering (₹ 21.46 crore) under Revenue account and Municipal, Administration, Housing and Urban Development

(₹ 51.83 crore) and Public Health Engineering (₹ 49.01 crore) under Capital account.

2.3.9 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriation proved insufficient by more than ₹ ten lakh or more in each case and resulted in excess of expenditure ₹ 318.54 crore in 122 sub-heads and excessive in 185 sub-heads resulting in savings of ₹ 371.45 crore. This resulted in overall savings of ₹ 52.91 crore in these 307 sub-heads as detailed in **Appendix-2.5**.

Despite re-appropriation, there were savings of ₹ 20 crore or more in four cases *viz.* Primary School under General Education (Non-plan) (Grant No.10) (₹ 25.48 crore) and Special Plan Assistance under Capital Outlay on Public Works (₹ 26.07 crore), Construction of Barrage & Retaining Wall Across over Rivers (Hill) under SPA under Capital Outlay on Flood Control Projects (₹ 20 crore) and Construction of Bridges under SPA under Capital Outlay on Roads and Bridges (₹ 31.56 crore) (Grant No. 30).

On excess side, there was three cases in which excess of expenditure exceeded more than ₹ 20 crore *viz.* Road Works (Valley) under Capital Outlay on Roads and Bridges (Grant No. 8) (₹ 42.03 crore), Backward Region Grant Fund (Hill) under Other Special Areas Programmes (Grant No. 20) (₹ 38.28 crore) and Special Plan Assistance under Capital Outlay on Public Works (Grant No.30) (₹ 22.42 crore). No reason was furnished (November 2010) by the departments.

2.3.10 Substantial surrenders

Substantial surrenders (amount exceeding ₹ 25 lakh in each case) were made in respect of 29 sub-heads, out of which in three schemes/programmes¹, the whole total provision amounting to ₹ 5.78 crore was surrendered. The details are given in **Appendix-2.6**.

2.3.11 Surrender in excess of actual saving

In five cases, the amount surrendered was in excess of actual savings indicating lack of or inadequate budgetary control in these departments. Against savings of ₹ 6.82 crore, the surrendered amount was ₹ 10.45 crore resulting in excess surrender of ₹ 3.63 crore as shown in the table below:

¹ Construction of Buildings by two Departments *viz.* Development of Tribal and SCs Department and Welfare of Minorities and Other Backward Classes Department.

Table 2.9: Cases of surrender in excess of savings

(₹ in lakh)

Sl. No.	Grant No.	Total	Expenditure	Saving	Surrender	Amount surrendered in excess
1	14 – Development of Tribals and Scheduled Castes (Capital Voted)	556.61	121.82	434.79	526.61	91.82
2	16 – Co-operation (Revenue Voted)	1133.14	948.58	184.56	203.81	19.25
3	29 – Sales Tax, Other Taxes/Duties on Commodities and Services (Revenue Voted)	214.87	212.13	2.74	6.36	3.62
4	43 – Horticulture and Soil Conservation (Revenue Voted)	3513.31	3458.70	54.61	226.50	171.89
5	47– Welfare of Minorities and Other Backward Classes (Capital Voted)	4856.69	4851.84	4.85	81.22	76.37
		10274.62	9593.07	681.55	1044.50	362.95

In respect of Development of Tribal and Scheduled Caste under Capital account the savings (₹ 4.35 crore) was in excess of the expenditure (₹ 1.22 crore).

2.3.12 Surrender despite excess of expenditure

In three cases viz. Appropriation No. 2 (Interest Payment and Debt Services), Labour and Employment and Youth Affairs and Sports Department, an amount of ₹ 16.11 crore was surrendered despite having excess of expenditure over total provision.

Table 2.10: Cases of surrender despite excess of expenditure

(₹ in lakh)

Grant No./ Appropriation	Total Provision	Expenditure	Excess	Surrender
Appropriation No. 2 (Interest Payment and Debt Services) (Capital Charged)	11325.00	11675.24	350.24	1439.59
13 - Labour and Employment (Revenue Voted)	817.70	840.33	22.63	136.13
25 - Youth Affairs and Sports Department (Revenue Voted)	1794.23	1797.99	3.76	35.55
	13936.93	14313.56	376.63	1611.27

Surrender of fund provision when there were excess of expenditure over budgetary provision shows total absence of budgetary control.

2.3.13 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 2009-10, there were, however, 42 Grants/Appropriations (55 cases) in which savings occurred but no part of which had been surrendered by the concerned departments. The amount involved in these cases was ₹ 407.93 crore (71 per cent of the total savings of ₹ 574.70 crore) (Appendix-2.7).

Similarly, out of savings of ₹ 556.13 crore under 24 Grants/Appropriations (32 cases) where savings was ₹ one crore and above in each case, only ₹ 70.88 crore pertaining to eight grants² could be surrendered leaving a balance savings of ₹ 485.25 crore (87 per cent). Details are given in **Appendix-2.8**.

Besides, in 15 cases, ₹ 83.57 crore were surrendered on 31 March 2010 (**Appendix-2.9**) indicating inadequate financial control and the fact that these funds could not be utilized for other development purposes.

2.4 Non-reconciliation of Departmental figures

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

As per Central Treasury Rules³, 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 within one month from the date of receipt of the DCC bills in his office.

The total amount of DCC bills received during the period 2003-10 was ₹ 516.49 crore against the amount of AC bills of ₹ 1656.65 crore leading to an outstanding balance of DCC bills of ₹ 1140.16 crore as on October 2010. Year wise details are given in the table below:

Table 2.11: Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills

(₹ in crore)

Year	Amount of AC bills	Amount of DCC bills	DCC bills as percentage of AC bills	Outstanding DCC bills
2003-04	34.54	7.35	21.28	27.19
2004-05	77.01	25.49	33.10	51.52
2005-06	43.60	16.09	36.90	27.51
2006-07	148.87	44.60	29.96	104.27
2007-08	354.24	129.91	36.67	224.33
2008-09	583.18	209.89	35.99	373.29
2009-10	415.21	83.16	20.03	332.05
Total	1656.65	516.49		1140.16

Department-wise pending DCC bills for the years up to 2009-10 is detailed in **Appendix-2.10**. Non-adjustment of advances for long periods is fraught with

² Grants no. 8, 10, 11, 18, 23, 36, 40 and 47 under Revenue Voted.

³ Rule 308, Rule 309 & Note 4 under Rule 312

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.

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, Financial Rules stipulate that expenditure recorded in their books be reconciled by them every month during the financial year with that recorded in the books of the Accountant General. 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 2009-10 also. Out of 81 controlling officers (CO), only 33 COs could fully reconcile (November 2010) their accounts with Accountant General (A & E) office.

2.5 Personal Deposit Accounts

Personal Deposit (PD) Accounts is created for parking funds by debit to the Consolidated Fund of the State and should be closed at the end of the financial year by minus debit to the relevant service heads. There were six PD accounts in two District Treasuries⁴ in operation during 2009-10. Of these accounts, five PD accounts were not closed as of 31 March 2010 and balance of ₹ 2.17 crore with these accounts was not transferred back to the respective service heads.

2.6 Conclusion and recommendations

During 2009-10, an expenditure of ₹ 4,738.35 crore was incurred against a total budget provision of ₹ 5,283.91 crore, resulting in a saving of ₹ 545.56 crore. The overall savings was the net result of saving of ₹ 574.70 crore offset by excess of ₹ 29.14 crore. The excess requires regularization under Article 205 of the Constitution of India. Excess expenditure for the period 1997-2002 is still awaiting regularization, despite recommendation of the Public Accounts Committee (PAC) to regularize the excess expenditure (Paras 2.2 and 2.3).

Supplementary provision aggregating ₹ 52.80 crore obtained in 11 cases was unnecessary as the expenditure did not come up to the level of original provision while in 7 cases, supplementary provision of ₹ 162.88 crore proved insufficient by more than ₹ 10 lakh in each case. Substantial surrender (amount exceeding ₹ 25 lakh in each case) were made in respect of 29 sub-heads, out of which in three schemes/programmes, the whole provision amounting to ₹ 5.78 crore was surrendered. There were three cases in which an amount of ₹ 16.11 crore was surrendered despite having an excess expenditure over the total provision (Para 2.3).

Out of ₹ 1,656.65 crore paid through Abstract Contingent (AC) bills during 2003-10, Detailed Countersigned Contingent bills for ₹ 1,140.16 crore are outstanding as on October 2010 (Para 2.4).

⁴ Imphal West and Imphal East treasuries

The Government should regularize the excess expenditure as it is not only a violation of constitutional provision but also a disregard of the recommendations made by the PAC. Provision of funds through supplementary provisions should be used as an instrument to fine tune the flow of expenditure and should be applied in a judicious manner so that budget provisions and actual expenditure are convergent to each other as nearest as possible. A close and rigorous monitoring mechanism should be put in place to adjust AC bills within thirty days from the date of drawal of the amount.

CHAPTER III FINANCIAL REPORTING

A sound internal financial reporting with relevant and reliable information significantly contributes to the efficient and effective governance by the State Government. The compliance to 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 of various financial rules, procedures and directives during the current year.

3.1 Utilization Certificates

General Financial Rules 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 within 18 months from the date of their sanction unless specified otherwise in respect of grants provided for specific purposes. However, 2595 UCs aggregating to ₹ 767.60 crore in respect of grants and loans paid during 2006-10 were in arrears as of March 2010. 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 table below:

Table 3.1 Year-wise arrears of Utilization Certificates

(₹ in crore)

Year	Total Grant paid		Utilization Certificates outstanding	
	No. of cases	Amount	No. of certificates	Amount
2009-10	416	118.94	416	118.94
2008-09	937	224.49	937	224.49
2007-08	851	211.37	851	211.37
2006-07	391	212.80	391	212.80
Total	2595	767.60	2595	767.60

UCs were mainly pending in respect of Education Department (Schools) (1636 UCs: ₹ 236.33 crore); Rural Development and Panchayati Raj Department (265 UCs: ₹ 111.36 crore); Department of Development of Tribals and Backward Classes (209 UCs: ₹ 223.58 crore) and Municipal Administration Housing and Urban Development Department (115 UCs: ₹ 57.95 crore). These four departments together accounted for 2225 UCs (86 per cent) out of 2595 outstanding UCs; involving an amount of ₹ 629.22 crore (82 per cent) out of outstanding amount of ₹ 767.60 crore. In the absence of UCs it could not be ascertained whether the recipients had utilized the grants for the purposes for which these were given.

3.2 Non-submission/delay in submission of accounts

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/Heads of the Departments are required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose of assistance granted and the total expenditure of the institutions.

The annual accounts of 14 Autonomous Bodies/Authorities due upto 2009-10 had not been received (October 2010) by the Accountant General (Audit). The details of these accounts are given in **Appendix-3.2** and their age-wise pendency is presented in table below.

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

(₹ in lakh)

Delay in Years	No. of the Bodies/Authorities	Grants Received
0 – 1	8	10348.07
1 – 3	1	133.27
3 – 5	1	NA
5 – 7	1	NA
7 – 9	1	NA
9 & above	2	NA
Total:	14	

Out of 17 Autonomous Bodies/Authorities, annual account of 2009-10 of three autonomous bodies viz. District Rural Development Authority (DRDA), Thoubal, Manipur Development Society and Eastern Border Area Development Authority (EBADA) have been received, of which audit of accounts of EBADA has been completed upto March 2010. In respect of two autonomous bodies¹, the annual accounts are outstanding for more than nine years.

3.3 Delays in submission of Accounts/Audit Reports of Autonomous Bodies

Six Autonomous District Councils (ADC) and one Autonomous Body *i.e.* Legal Services Authority have been set up by the State Government. These Bodies are audited by the Comptroller and Auditor General of India (CAG) 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**. Delay in placement of SARs in the Legislature after issuing them is summarized in the table below:

Table 3.3: Delay in submission / placement of Separate Audit Reports as on 31 March 2010

Sl. No.	Name of the ADC/ Autonomous Bodies	Year of SAR	Date of issue	Date of placement in the Legislature	Delay in submission to the Legislature
1	Chandel	2001-02	06.12.04	17.03.06	Over 1 year
2	Churachandpur	1998-99	29.12.00	17.03.06	Over 5 years
3	Sadar Hills	2000-01	10.04.03	17.03.06	Over 3 years
4	Senapati	1999-00	6.12.01	17.03.06	Over 4 years
5	Tamenglong	1999-00	11.12.01	17.03.06	Over 4 years
6	Ukhrul	1999-00	11.12.01	17.03.06	Over 4 years

¹ Manipur State Kala Academy and Manipur Pollution Control Board

The above table² shows that SAR pertaining to the period 1998-99 in respect of ADC, Churachandpur was placed in the Legislature after a lapse of over five years while the SARs for the period 1999-00 in respect of ADCs of Senapati, Tamenglong and Ukhrul was placed after a lapse of over four years from the date of issue. The SAR in respect of ADC, Sadar Hills for the period 2000-01 was placed after a lapse of over three years from the date of issue while in respect of ADC, Chandel it was placed after a lapse of one year.

The reasons for the delay in submission/placement of the SARs in the Legislature were not on record.

3.4 Misappropriations, losses, defalcations etc.

Information regarding non-adjustment of temporary advances, reasons for non-adjustment, delay in furnishing utilization certificates, non-submission/delay in submission of accounts, cases of misappropriation, losses, defalcations, if any, were called for from 50 departments/ autonomous bodies. However, information in respect of four department/ autonomous District Council/Corporations *viz.* Co-operative Department, Education (University and Higher Education) Department, Manipur Handloom and Handicrafts Development Corporation Limited and Ukhrul Autonomous District Council were received (February 2009). No cases of non-adjustment of advances, misappropriation, losses etc. were reported.

However, during 2008-09 Audit detected seven cases of misappropriation/ losses/fraudulent payment in five Departments³ involving an amount of ₹ 1.46 crore.

² In respect of Manipur State Legal Service Authority, date of placement of SAR for the year 2003-04 was placed with delay of only one month

³ Agriculture Department, Irrigation Department, Minorities and Other Backward Classes Department, Public Health Engineering Department, and Public Works Department.

3.5 Conclusion and recommendations

All the 2595 Utilization Certificates involving ₹ 767.60 crore in respect of grants and loans paid during 2006-10 were in arrear as of March 2010. There were also delays in placement of Separate Audit Reports to Legislature and huge arrears in finalization of accounts by the ADC/Autonomous Bodies. Out of 50 departments/Autonomous bodies, only four replies were received to ascertain the status of non-adjustment of temporary advances, misappropriation, losses *etc.* (Paras 3.1, 3.2, 3.3 and 3.4).

**Imphal
The**

**(Stephen Hongray)
Accountant General (Audit), Manipur**

Countersigned

**New Delhi
The**

**(Vinod Rai)
Comptroller and Auditor General of India**

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 2009-10, 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:	
Statement	Layout
Volume 1	
Statement No.1	Statement of Financial Position.
Statement No.2	Statement of Receipts and Disbursements.
Statement No.3	Statement of Receipts (Consolidated Fund)
Statement No.4	Statement of Expenditure (Consolidated Fund) by Function and Nature Notes to Accounts. Appendix I: Cash Balances and Investment of Cash Balances
Volume 2	
PART - I	
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 Grants-in-aid given by the Government
Statement No.9	Statement of Guarantees given by the Government
Statement No.10	Statement of Voted and Charged Expenditure
PART - II	
Statement No.11	Detailed Statement of Revenue and Capital Receipts by minor heads
Statement No.12	Detailed Statement of Revenue Expenditure by minor heads
Statement No.13	Detailed Statement of Capital Expenditure
Statement No.14	Detailed Statement of Investments of the Government
Statement No.15	Detailed Statement of Borrowings and other Liabilities
Statement No.16	Detailed Statement on Loans and Advances given by the Government
Statement No.17	Detailed Statement on Sources and Application of funds for expenditure other than Revenue account
Statement No.18	Detailed Statement on Contingency Fund and other Public Account Transactions
Statement No.19	Detailed Statement on Investments of Earmarked Funds
PART - III	
Appendices	
II	Comparative Expenditure on Salary
III	Comparative Expenditure on Subsidy
IV	Grants-in-aid (Scheme wise and Institution wise)
V	Externally Aided Projects
VI	Plan Scheme expenditure (Central and State Plan Schemes)
VII	Direct transfer of central scheme funds to implementing agencies in the State
VIII	Summary of Balances
IX	Financial results of Irrigation Schemes
X	Incomplete Works
XI	Maintenance expenditure with segregation of salary and non-salary portion

Appendix – 1.1-contd.
Part C: Methodology Adopted for the Assessment of Fiscal Position

The norms/Ceilings prescribed by the TFC 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 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 Gross State Domestic Product (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 minus all Plan grants and Non-plan Revenue Expenditure excluding debits under 2048 – Appropriation for reduction or Avoidance of debt
Compound Annual Growth Rate (CAGR)	The compound annual growth rate is calculated by taking the n th root of the total percentage growth rate, where n is the number of years in the period being considered. $\text{CAGR} = [\text{Ending Value}/\text{Beginning Value}]^{(1/\text{no. of years})} - 1$

**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.	2009-10	24.07 lakh
3	Density of Population (2001)(All India Average = 325 persons per sq km)		103 persons per sq km.
4	Population below poverty line [^] (All India Average = 27.5%)		17.30 <i>per cent</i>
5	Literacy (2001) (All India Average = 64.8%)		70.53 <i>per cent</i>
6	Infant Mortality (per 1000 live births) (All India Average = 53 per 1000 live births)		14
7	Gross State Domestic Product (GSDP)* in 2009-10 at current prices		₹ 8687 crore (A)
8	GSDP CAGR** (2000-01 to 2009-10)		12.08 <i>per cent</i>
9	Per capita GSDP CAGR (2000-01 to 2009-10)		11.52 <i>per cent</i>
10	GSDP CAGR (2000-01 to 2008-09)	Manipur	11.91 <i>per cent</i>
		NE States	11.81 <i>per cent</i>
11	Population Growth (2000-01 to 2009-10)	Manipur	4.65 <i>per cent</i>
		NE States	11.79 <i>per cent</i>
Financial Data			
Particulars		Figures (<i>in per cent</i>)	
		2000-01 to 2008-09	2000-01 to 2009-10
CAGR (1999-00 to 2008-09) of		NE States	Manipur
a	Revenue Receipts	14.87	17.80
b	Own Tax Revenue	15.15	16.81
c	Non Tax Revenue	17.53	25.29
d	Total Expenditure	11.80	15.72
e	Capital Expenditure	19.67	33.26
f	Revenue Expenditure on Education	7.69	5.73
g	Revenue Expenditure on Health	11.29	6.18
h	Salary and Wages #	7.26	10.36
i	Pension	11.03	9.73
j	Interest	7.51	10.11

[^]The level of poverty is being determined on different measures and the data furnished by Planning Commission & NSSO is one such indicator.

* GSDP for Manipur, Assam and Meghalaya as per new series 2004-05

** Compound Annual Growth Rate

For the period 2003-04 to 2008-09 or 2009-10 as the case may be

Source: BPL – Planning Commission & NSSO data, 61st Round, Life Expectancy at Birth – Office of the Registrar General of India, Ministry of Home Affairs and Economic Survey 2009-10, Infant Mortality Rate – SRS Bulletin (October 2009), Density of Population – Ministry of Health and Family Welfare.

Appendix – 1.1-contd.
Part E: Statement showing Fiscal Correction Path (FCP)

(₹ in crore)

FISCAL CORRECTION PATH (2005-06 TO 2009-10)							
	2004-05	2005-06	2005-06	2006-07	2007-08	2008-09	2009-10
	Pre-actual	BE	RE	Projections	Projections	Projections	Projections
1	2	3	4	5	6	7	8
1. REVENUE RECEIPTS (1.1 TO 1.6)	1659.67	2380.28	2463.02	2708.35	2966.20	3232.49	3518.56
1.1 State's own Tax Revenue	83.13	100.24	95.00	106.40	119.17	133.47	149.48
1.2 Share in Central Taxes & Duties	287.96	344.01	344.01	378.69	434.50	499.66	577.81
1.3 State's own non-tax revenue	61.00	103.08	83.00	99.60	119.52	143.42	172.11
of which Lotteries (Gross Receipts)	0.50	0.50	0.50				
1.4 Plan Grants							
i) State Plan Schemes (Central Asstt)	698.78	906.19	1014.25	1115.68	1227.24	1349.97	1484.96
ii) Grants for CSS/CPS	105.98	88.29	88.29	97.12	106.83	117.51	129.27
1.5 Grants from Finance Commission							
i) Non-Plan	398.39	827.76	821.76	885.12	933.19	962.71	979.18
ii) Plan	7.51	--	6.00	14.75	14.75	14.75	14.75
1.6 Non-Plan Grants other than F.C.	16.92	10.71	10.71	11	11	11	11
2. REVENUE EXPENDITURE (2.1+2.2)	1526.73	1849.74	2135.05	2090.75	2256.56	2437.11	2634.30
2.1 Plan Revenue Expenditure of which	242.82	393.31	393.31	432.64	475.91	523.50	575.85
2.1.1 Outlay on CSS/CPS	68.57	47.74	47.74	52.51	57.77	63.54	69.90
2.1.2 Support to State PSUs							
2.1.3 Lotteries (Gross Expenditure)							
2.2 Non-Plan Revenue Expenditure	1283.91	1456.43	1741.74	1658.11	1780.65	1913.61	2058.45
of which							
2.2.1 Interest Payment	239.51	298.18	231.25	267.93	284.09	298.37	309.95
2.2.2 Support to State PSUs							
2.2.3 Lotteries (Gross Expenditure)	0.66	0.54	0.66	0.61	0.64	0.67	0.71
3. CAPITAL RECEIPTS (3.1 TO 3.15)	787.37	211.28	759.11	391.09	415.41	420.84	253.63
3.1 Market Borrowings (Gross)	82.99	89.91	192.28	211.51	232.66	255.92	281.52
3.2 Negotiated Loans (Budgeted)	--	40.36	40.36	40.36	40.36	40.36	40.36
3.3 Loans for State Plan Schemes (Central Asstt)	99.95	113.84	--	--	--	--	--
3.4 Loans against Net Small Savings							
3.5 Loans for Central Plan Schemes	2.01	4.25	--	--	--	--	--
3.6 Loans for Centrally Sponsored Schemes	--	--	--	--	--	--	--
3.7 W&M advance from RBI (Net)	--	--	--	--	--	--	--
3.8 W&M advances from Centre (Net)	--	--	--	--	--	--	--
3.9 Recovery of Loans & Advances	0.51	5.51	5.51	0.5	0.5	0.6	0.5
3.10 Dis-investment	--	--	--	--	--	--	--
3.11 Contingency Fund (Net)	--	--	--	--	--	--	--
3.12 Appropriation Contingency Fund (Net)	--	--	--	--	--	--	--
3.13 Inter-State Settlement (Net)	--	--	--	--	--	--	--
3.14 Other capital receipt into Consolidated Fund	609.01	0.01	--	--	--	--	--
3.15 Public Account (Net), of which	(-) 7.10	(-) 42.60	520.96	138.72	141.89	124.06	(-) 68.75
Small Savings Insurance, Provident Fund (Net)	(-) 11.55	(-) 20.00	538.00	183	183	153	-50
Reserve Fund (Net)	--	--	5.56	5.72	5.89	6.06	6.25
Deposits & Advances	50.00	(-) 50.00	(-) 50.00	-15	-15	-15	-5
of which							
Deposits (Net/Budgeted)	50.00	(-) 50.00	(-) 60.00	-15	-15	-15	-5
Suspense & Miscellaneous (Net)	(-) 10.00	(-) 12.00	(-) 12.00	(-) 15.00	-12	0	0
Withdrawal from Cash Balance							
Investment Account (Net)							
Remittances (Net)	(-) 70.00	--	--	--	--	--	--
Others (Net)	34.45	39.40	39.40	(-) 20.00	(-) 20.00	(-) 20.00	(-) 20.00
4. CAPITAL EXPENDITURE (4.1 TO 4.6)	568.74	796.64	657.20	928.25	1026.19	1114.32	985.48
4.1 Plan Capital Outlay	498.08	529.99	529.99	582.99	641.29	705.42	775.96
of which outlay on CSS/CPS	89.03	41.92	41.92	46.11	50.72	55.80	61.38
4.2 Plan Lending	20.23	81.59	81.59	89.75	98.72	108.60	119.46
of which outlay on CSS/CPS	0.23	0.23	0.23	0.50	0.50	0.50	0.50
4.3 Non-Plan Capital Outlay	0.62	0.04	0.04	0.05	0.05	0.05	0.05
4.4 Non-Plan Lending	0.05	0.40	0.40	0.7	0.7	0.7	0.7
4.5 Discharge of Internal Debt	27.79	37.67	42.43	49.01	79.68	93.81	86.57
of which Market Borrowings	14.00	16.00	16.00	16	38.78	39.05	41.82
4.6 Repayment of Loans to Centre	21.97	146.95	2.75	205.75	205.75	205.75	2.75
of which repayment of W & M Advance to Centre							
A. TOTAL RECEIPTS (1+3)	2447.04	2591.56	3222.13	3099.44	3381.61	3653.34	3772.19
B. TOTAL EXPENDITURE (2+4)	2095.47	2646.38	2792.25	3019.00	3282.75	3551.43	3619.78
C. OVERALL SURPLUS (+)/DEFICIT (-) (A-B)	351.57	(-) 54.82	429.88	80.44	98.86	101.91	152.41
D. OPENING BALANCE	(-) 609.00	(-) 423.87	(-) 257.43	172.45	252.89	351.76	453.67
E. CLOSING BALANCE (C+D)	(-) 257.43	(-) 478.69	172.45	252.89	351.76	453.67	606.07
F. REVENUE SURPLUS (+)/DEFICIT (-) (1-2)	132.94	630.54	327.97	617.60	709.65	795.39	884.27
G. GROSS FISCAL DEFICIT (-)(1+3.9+3.10)-(4.1 TO 4.4+2)	(-) 385.53	(-) 75.97	(-) 278.54	(-) 55.38	(-) 30.62	(-) 18.88	(-) 11.40
H.	(-) 146.02	222.24	(-) 47.29	212.55	253.47	279.49	298.55

1. STATE'S OWN RESOURCES (i to x)	(-) 195.43	(-) 105.03	(-) 99.25	(-) 109.42	(-) 120.31	(-) 132.30	(-) 145.48
i) Balance from Current Revenues {(1.1+1.2+1.3+1.5+1.6)-(2.2+N.P. Support to PSUs)}	(-) 436.51	(-) 70.63	(-) 387.26	(-) 177.30	(-) 163.27	(-) 163.35	(-) 168.87
ii) Net Contribution from State PSUs (Non-Plan support to State PSUs)							
iii) Plan Grants under FC (1.5)	7.51	-	6.00	14.75	14.75	14.75	14.75
iv) MCR (net) (3.7 to 3.15 (-) GPF (-) 4.3 to 4.6)	563.54	(-) 202.14	(-) 57.15	(-) 299.29	(-) 326.79	(-) 328.75	(-) 108.32
v) Net Provident Fund	(-) 11.55	(-) 20.00	538.00	183.00	183.00	153.00	(-) 50.00
vi) Loans against Net Small Savings (3.4)	--	--	--	--	--	--	--
vii) Market Borrowings (Gross) (3.1)	82.99	89.91	192.28	211.51	232.66	255.92	281.52
viii) Negotiated Loans (3.2)	--	40.36	40.36	40.36	40.36	40.36	40.36
ix) Adjustment of Opening Balance (D-E)	(-) 351.57	54.82	(-) 429.88	(-) 80.44	(-) 98.86	(-) 101.91	(-) 152.41
x) CSS/CPS Deficit (-)/Surplus (+) (Receipts- Disbursements)	(-) 49.84	2.65	(-) 1.60	(-) 2.01	(-) 2.16	(-) 2.32	(-) 2.51
J. CENTRAL ASSISTANCE (1.4i+3.3)	798.73	1020.03	1014.25	1115.68	1227.24	1349.97	1484.96
K. STATE PLAN RESOURCES (1+J)	603.30	915.00	915.00	1006.25	1106.93	1217.67	1339.49
L. STATE PLAN OUTLAY (=K) OR (2.1+4.1+4.2-outlay on CSS/CPS)	603.30	915.00	915.00	1006.25	1106.93	1217.67	1339.49
Fiscal Parameters							
a) GSDP at Current Prices	4186	4465	4465	4822.20	5207.98	5624.61	6074.58
b) Salary bill	692.24	686.38	866.26	781.66	823.02	866.58	912.47
c) Pensions	178.56	171.34	198.34	214.86	236.35	259.98	285.98
d) REVENUE SURPLUS (+)/DEFICIT (-) (1-2)	132.94	530.54	327.97	617.60	709.65	795.39	884.27
e) GROSS FISCAL DEFICIT (-)	(-) 385.53	(-) 75.97	(-) 278.54	(-) 55.38	(-) 30.62	(-) 18.88	(-) 11.40
f) Ratio of total Salary bill to revenue	62.44%	49.73%	50.79%	48.61%	47.41%	46.13%	44.76%
Expenditure net of interest payment & Pensions							
g) State's Own Tax Revenue as % age of GSDP	1.99%	2.25%	2.13%	2.21%	2.29%	2.37%	2.46%
h) State's Own Non-Tax Revenue as % age of GSDP	1.46%	2.31%	1.86%	2.07%	2.29%	2.55%	2.83%
i) Interest payment as % age of GSDP	5.72%	6.68%	5.18%	5.56%	5.45%	5.30%	5.10%
j) Total Revenue Expenditure as % age of GSDP	36.47%	41.43%	47.82%	43.36%	43.33%	43.33%	43.37%
k) Capital Expenditure as % age of GSDP	13.59%	17.84%	14.72%	19.25%	19.70%	19.81%	16.22%
l) Total expenditure as % age of GSDP	50.06%	59.27%	62.54%	62.61%	63.03%	63.14%	59.59%
m) Revenue Deficit (-)/Surplus (+) as % age of GSDP	3.18%	11.88%	7.35%	12.81%	13.63%	14.14%	14.56%
n) Fiscal Deficit (-) as % age of GSDP	9.21%	1.70%	6.24%	1.15%	0.59%	0.34%	0.19%
o) Primary deficit (-) as % age of GSDP	-3.49%	4.98%	-1.06%	4.41%	4.87%	4.97%	4.91%
p) Debt as % age of GSDP	67.59%	0.00%	80.86%	78.31%	75.17%	71.68%	63.14%
q) Guarantee liability of the State Government	87.34		87.34	87.34	87.34	87.34	87.34
DEBT	2829.46		3610.41	3776.43	3914.93	4031.48	3835.43
a) Loans from G.O.I. without W & M Advance	1455.69		1414.96	1171.23	927.49	683.76	843.03
b) Other loans	958.10		1258.82	1529.85	1770.2	2006.42	1919.85
c) Public Account (net outstanding)	415.67		936.63	1075.35	1217.24	1341.30	1272.55
Foot Note							
1.	The Plan expenditure along with the plan grants and Loan component from market are assumed at 10% growth.						
2.	The State Government has revised the DA rates of employees with retrospective effect. The arrear is ₹ [] crore impounded into GPF and the annual requirement is ₹ 45 crore. An amount of ₹ 121 crore has been included for payment of Power dues. These are one-time elements and have been excluded in estimates for 2006-07. Growths in estimates have been given by following TFC recommendations.						
3.	Interest payment is based on assumption that the Government of India loans are consolidated and interest rates reduced to 7.5%. REC loans are rescheduled. Rescheduled HUDCO loans which are 100% risked guaranteed loan are also included.						
4.	Market Loans: In addition to the normal Open Market Loans 10% loan component of Central Assistance for State Plan/NLCPR/NEC has also been included.						
5.	Small Savings, Insurance fund etc. Small Savings loans for wiping out the opening deficit of ₹ 257.43 crore, Impounding of arrear of DA revision into GPF (₹ 170 crore). Small Savings loans for payment of dues of CPSUs amounting ₹ 121 crore have been included. For 2006-07, 2007-08 and 2008-09. Medium Term loans amounting ₹ 609 crore to be repaid in these years are to be financed from Small savings loans @ ₹ 203 crore annually. The same has been assumed in the forecast.						
[]	blank as per Departmental records						

Appendix – 1.1—contd.**Part F: Fiscal Responsibility and Budget Management (FRBM) Act, 2005****The 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, 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% of 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;
- (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 and in July 2006) fraud under the Act, the following fiscal targets in respect of revenue surplus and fiscal deficit was 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 by a minimum of 1% of the Gross State Domestic Product by the end of each financial years, beginning with the financial year 2005-06 so as to reduce the same to 3% or below by 2008-09 provided that, in the event of shortfall in the reduction of revenue and fiscal deficit as envisaged, the target of reduction of deficit in the succeeding year shall stand enhanced by the amount of shortfall in the preceding year.

Appendix 1.2
(Reference: Paragraph 1.1)
Abstract of Receipts and disbursements for the year 2009-10

(₹ in crore)

2008-09	Receipts		2009-10	2008-09	Disbursements			2009-10
						Non-Plan	Plan	Total
Section-A: Revenue								
3872.62	I - Revenue receipts		3873.14	2,622.28	I - Revenue expenditure-	2304.51	709.89	3014.40
170.07	-Tax revenue	196.04		1,094.61	General Services-	1160.89	20.40	1181.29
253.46	-Non-tax revenue	239.75		803.05	Social Services of which	573.28	317.88	891.16
580.81	-State's share of Union Taxes	597.56		418.42	-Education, Sports, Art and Culture	359.77	92.44	452.21
1,017.08	-Non-plan Grants	1059.41		107.19	-Health and Family Welfare	84.67	41.96	126.63
1,491.04	-Grants for State Plan Schemes	1416.73		74.63	-Water Supply, Sanitation, Housing and Urban Development	83.99	21.49	105.48
342.45	-Grants for Central and Centrally sponsored Plan Schemes	334.52		3.37	-Information and Broadcasting	2.53	0.98	3.51
17.71	-Grants for Special Schemes for NEC and for other purposes	29.13		72.06	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	4.78	73.42	78.20
				8.42	-Labour and labour Welfare	5.42	2.99	8.41
				114.18	-Social Welfare and Nutrition	27.51	84.60	112.11
				4.78	-Others	4.61		4.61
				724.62	Economic Services of which	444.37	371.61	815.98
				184.01	-Agriculture and Allied Activities	103.39	166.99	270.38
				87.81	-Rural Development	21.98	49.58	71.56
				37.02	-Special Areas Programmes		51.12	51.12
				41.85	-Irrigation and Flood Control	31.05	23.66	54.71
				190.12	-Energy	164.67	3.00	167.67
				48.03	-Industry and Minerals	26.42	24.15	50.57
				68.94	-Transport	83.63		83.63
				15.67	-Science, Technology and Environment	0.85	7.94	8.79
				51.17	-General Economic Services	12.38	45.17	57.55
					Grants-in-aid and Contributions	125.97		125.97
-	II - Revenue deficit carried over to Section B		-	1250.34	II - Revenue Surplus carried over to Section B			858.74
3872.62	Total: Section A		3873.14	3872.62	Total: Section A			3873.14
Section -B: Others								
540.23	III - Opening Cash balance including Permanent Advances and Cash Balance Investment		616.05	-	III - Opening Overdraft from Reserve Bank of India			-
-	IV - Miscellaneous Capital receipts		-	1466.80	IV - Capital Outlay-	(-) 0.80	1588.58	1587.78
				54.79	General Services-		103.01	103.01
				547.15	Social Services of which		559.10	559.10
				110.64	-Education, Sports, Art and Culture		109.29	109.29
				47.71	-Health and Family Welfare		80.00	80.00
				344.25	-Water Supply, Sanitation, Housing and Urban Development		299.28	299.28
				0.20	-Information and Broadcasting		0.20	0.20
				39.03	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes		54.13	54.13
					-Social Welfare and Nutrition			14.09
				5.32	-Others		2.11	2.11
				864.86	Economic Services of which	(-)0.80	926.47	925.67
				31.61	-Agriculture and Allied Activities	(-)0.80	10.01	9.21
				0.20	-Rural Development			
				15.37	-Special Areas Programmes		21.81	21.81

				307.38	-Irrigation and Flood Control		208.32	208.32
				112.87	-Energy		300.78	300.78
				76.75	-Industry and Minerals		24.51	24.51
				10.70	-Science and Technology and Environment	-	2.05	2.05
				299.57	-Transport	-	319.42	319.42
				10.41	-General Economic Services		39.57	39.57
0.60	V - Recoveries of Loans and Advances-		3.28	1.08	V - Loans and Advances disbursed-	0.19	6.70	6.89
-	-From Power Projects	-			-For Power Projects			
0.63	-From Government Servants	0.60		0.34	To Government Servants	0.19	-	0.19
0.03	-From Others	2.68		0.74	-To Others	-	6.70	6.70
1250.34	VI - Revenue Surplus brought down		858.74	-	VI - Revenue Deficit brought down			-
314.54	VII - Public debt receipts-		519.89	309.79	VII - Repayment of Public debt			116.75
	-External debt			-	External debt		-	
309.36	-Internal debt other than Ways and Means Advances and overdrafts	519.81		64.65	-Internal debt other than Ways and Means Advances and Overdrafts		74.70	
-	-Net transactions under Ways and Means Advances	-			-Net transactions under Ways and Means Advances			
5.18	-Loans and Advances from Central Government	0.08		245.14	-Repayment of Loans and Advances to Central Government		42.05	
-	-Net transactions under over- draft	-						
-	VIII - Appropriation to Contingency Fund		-	-	VIII - Appropriation to Contingency Fund			-
-	IX - Amount transferred to Contingency Fund		-	-	IX - Expenditure from Contingency Fund			-
2847.66	X - Public Account receipts-		3218.15	2559.71	X - Public Account disbursement-			3137.29
343.36	Small Savings and Provident Funds	143.75		91.59	-Small savings and Provident Funds		118.81	
25.08	-Reserve Funds	30.51		19.67	-Reserve Funds		5.99	
45.26	Suspense and Miscellaneous	45.37		50.04	-Suspense and Miscellaneous		79.74	
1952.25	Remittances	2130.40		2,000.41	-Remittances		2290.63	
481.71	Deposits and Advances	868.12		398.00	-Deposits and Advances		642.12	
-	XI - Closing Overdraft from Reserve Bank of India		-	616.05	XI - Cash Balance at end-			367.40
				12.27	-Cash in Treasuries and Local Remittances		4.61	
				(-) 271.30	-Deposits with Reserve Bank		(-) 299.80	
				20.53	-Departmental Cash Balance including permanent Advances		37.81	
				854.55	-Cash Balance Investment and Investment of earmarked fund		624.78	
8826.05	Total		9089.25	8826.05	Total			9089.25

Appendix – 1.3
(Reference: Paragraph 1.4.2)

Statement showing funds transferred to the State implementing Agencies under Programmes/Schemes outside the State budget during 2009-10

(₹ in lakh)

Implementing Agency	GoI Programme/Scheme	Amount
PHED	Accelerated Rural Water Supply Scheme	1983.72
Manipur State Literacy Mission Authority, Imphal	Adult Education and Skill Development Scheme	262.25
1.Development Agency for Social Justice and Rural Empowerment 2.Social Environmental Economic Development	Advocacy and Publicity	5.50
9 NGOs	Archives and Archival Libraries	1.43
22 (Self Help Groups) NGOs	Assistance to Panchayati Raj Institutions Voluntary Organizations Self Help Groups for Programmes Related to Aged SJE	97.57
15 NGOs	Assistance to Voluntary Organisation for providing Social Defense Services including Prevention of Alcoholism and Drug Abuse SJE	140.31
D.M. College of Science	Bio-informatics	11.96
Care and share (cash) foundation and other NGOs	Biotechnology for Social Development	37.87
PHED	Central Rural Sanitation Scheme	1177.54
1.Centre for Development 2. Institute for community Action & Resource	Comprehensive Scheme for Combating Trafficking	18.71
Citizen's Welfare	Credit Support Programme	0.99
Manipur Police Housing Corporation Ltd.	Crime and Criminal Tracking Network and System	175.96
State Health Society Manipur, Imphal	Deafness	19.20
12 NGOs	Deen Dayal Rehabilitation Scheme SJE	124.69
Manipur Renewable Energy Development Agency	Demonstration of Solar Thermal SPV Systems and Other Activities	4.27
4 NGOs	Development of Marine Fisheries, Infrastructure & Post Harvest Operations	15.00
9 DRDAs	DRDA Administration	495.92
Kanglei Mime Theatre, The SC/ST Backward Women & Children Development Organisation in Rural Areas (BWCDORA) Agency & Kanglei Miam Theatre Repertory	Education in Human Values DHE	5.10
Manipur Science & Technology Council	Electronic Governance	284.77
Manipur ENVIS centre and Project Implementation Committee, Environment & Ecology.	Environment Information Education and Awareness	33.23
7 NGOs	Free Coaching and Allied Scheme for Minorities MA	33.66
Type Writing Institute & Rural Development Services (TWIRDS)	Free Coaching for SC's and OBC's SJE	2.21
1.Environment and Economic Management Association 2.Public Yoga and Nature Cure	GIA for innovative Work on Women and child development	11.61

Association 3.Social Reformation and Development Organisation		
Wangjing Women and Girl Society	GIA for Research Publication and Monitoring	2.31
6 NGOs	GIA to Research Training Information and Miscellaneous SJE	33.28
6 (Educational Organisation) NGOs/ Organizations	GIA to NGOs and for Coaching ST Students for Competitive Examination	159.50
Upliftment of Human resource And Vocational Training Institute	Grants in Aid to Research Academic Institutions and Non Governmental Voluntary Organizations for undertaking research in Labour Related Subjects	1.25
107 (Manipur Handicrafts Development Corporation) NGOs	Handicrafts	637.63
6 (Manipur Handloom and Handicrafts Development Corporations) NGOs Handicrafts	Handlooms	52.00
State Health Society, Manipur,	Hospitals and Dispensaries (Under NRHM)	1052.25
7 DRDA	Indira Awaz Yojana (IAY) Rural Housing	2041.99
Development Net Working Agency	Information Education and Communication	1.00
Manipur Renewable Energy Development Agency	Information Publicity and Extension	14.69
Backward Development, Social Development and Rehabilitation Council	Integrated Scheme of Street Children	9.12
Manipur Milk Producer' Co-operative Union Ltd.	Intensive Dairy Development Programme	175.00
5 DRDAs	Integrated Watershed Management Programme (IWMP)	998.51
Institute of Bio-resources	Medicinal Plants	9.65
Deputy Commissioner	MPs Local Area Development Scheme (MPLADS)	600.00
Zoom Arts and Cultural Development	Museums	18.56
Highland Welfare	National Afforestation and Eco-Development Board	1.10
Forest Development Agencies, Thoubal	National Afforestation Programme	593.17
Manipur State AIDS Control Society, SASO –Social Awareness Service	National AIDS Control Programme including STD Control	1887.89
State Bamboo Steering Committee (SBSC)	National Bamboo Mission	130.00
Rural Education and Sports Development	National Child Labour Project including GIA to Voluntary Agencies	29.53
State Health Society	National Mental Health Programme	35.73
Manipur Horticulture Development Society	National Mission on Medicinal Plants	126.24
1.30 NGOs 2.Rural Upliftment and Development Organisation (RUDO)	National Programme for Youth and Adolescent Development General Component	49.09
Manipur Livestock Development Board Ltd.	National Project for Cattle and Buffalo Breeding	323.80
9 DRDA	National Rural Employment Guarantee Scheme	43681.36
State Health Society	National Rural Health Mission (including CSP)	6706.71
4 Local Institution	NEC	143.73
Manipur Renewable Energy Development Agency	Off Grid DRPS	91.19

Manipur Pollution & Project Implementation Committee, Environment & Ecology	Pollution Abatement	23.91
Manipur Rural Roads Development Agency	Pradhan Mantri Gram Sadak Yojana	11816.00
47 NGOs (Dance and Cultural Organisations)	Promotion and Dissemination of Art and Culture	350.13
State Institute of Rural Development (SIRD)	Rashtriya Gram Swaraj Yojana	304.19
State Implementation Society	Rashtriya Madhyamic Shiksha Abhiyan (RMSA)	1764.00
1. Imphal College 2. Integrated Rural Development Organisation, Manipur	Research and Development Support (SERC)	1.00
New Integrated Rural Management Agency, Passion Fruit grower's	Rural Business HUBS Panchayati Raj	7.89
State Implementation Society	Sarva Shiksha Abhiyan (SSA)	1500.00
1. The Centre for Rural Development 2. S. Kula Women College	Scheme for Human Resource Development FPI	11.52
SC/ST Backward Women and Children Development, Society for Progressive Development	Scheme for the Welfare of Working Children in Need of Care and Protection	131.22
People Advance in Social Service, Lions Club of Thoubal	Scheme Arising out of the Implementation of the Person with Disabilities SJE	23.36
Manipur Science and Technology	Science and Technology Programme for Socio Economic	26.64
Dy. Commissioner Chandel	Setting up of Integrated Check Post	2147.16
Manipur Agro-Business Industry (MABI)	Setting up of Technology Up-gradation Establishment Modernisation of Food Processing Industries	139.34
Department of Social Welfare, Integrated Women & Child Development	Shishu Greh Scheme	29.73
Manipur Science and Technology Council	State Science and Technology Programme	51.05
5 NGOs	Step Support to Training and Employment Programme for Women	56.51
Nursing Superintendent, Medical Directorate	Strengthening of Institutions for Medical Education Training and Research	300.00
1. Jana Shikshan Sansthan, Senapati 2. Jana Shikshan Sansthan, Imphal West 3. Jana Shikshan Sansthan, Thoubal	Support to NGO's SRCs for Adult Education and Skill Development Merged Schemes of NGOs, JSS and SRCs	66.61
1.9 NGOS 2. Department of Social Welfare	SWADHAR	85.62
9 DRDAs	Swaran Jayanti Gram Swarozgar Yojana (SJGSY)	563.70
Manipur Urban Development Agency (MUDA)	SJSRY (Swarna Jayanti Shahari Rojgar Yojana)	4,61.88
Manipur Science & Technology Council and Imphal College	Technology Development Programme	8.00
Women Govt. Polytechnic, Takyel, Imphal	Women's Hostel in Polytechnics	20.00
Leirik Memorial Hospital	Working Women Hostel (WWH)	15.96
Manipur Police Housing Corporation	Youth Hostel	75.00
Total		84530.17

Note: - ₹ 1,99,95.05 lakh released to Central Government Organizations/bodies etc located in the State not included in the Appendix.

Appendix 1.4
(Reference: Paragraph 1.9.1)
Assets and Liabilities of the Government of Manipur as on 31 March 2010

(₹ in crore)

As on 31.03.2009		Liabilities	As on 31.03.2010	
2426.43		Internal Debt -		2871.54
	1452.16	<i>Market Loans bearing interest</i>	1897.41	
	0.29	<i>Market Loans not bearing interest</i>	0.04	
	8.28	<i>Loans from Life Insurance Corporation of India</i>	5.93	
	13.73	<i>Loans from NABARD</i>	20.94	
	0.11	<i>Loans from SBI</i>	0.11	
	11.43	<i>Loans from National Co-operative Development Corporation</i>	8.79	
	857.83	<i>Special Securities issued to National Small Savings Fund of the Central</i>	855.17	
	82.60	<i>Other Loans</i>	83.15	
726.59		Loans and Advances from Central Government -		684.62
	0.06	<i>Pre 1984-85 Loans</i>	0.06	
	606.49	<i>Non-Plan Loans</i>	568.62	
	91.50	<i>Loans for State Plan Schemes</i>	89.00	
	2.21	<i>Loans for Central Plan Schemes</i>	1.96	
	21.46	<i>Loans for Centrally Sponsored Plan Schemes</i>	20.35	
	4.87	<i>Loans for Special Plan Schemes</i>	4.63	
	-	<i>Other Ways & Means Advances</i>	-	
	-	<i>Contingency Fund</i>	-	
775.56		Small Savings, Provident Funds, etc.		800.50
922.68		Deposits		1148.68
23.07		Reserve Funds		47.58
4874.33		Total		5552.92
Assets				
8,011.78		Gross Capital Outlay on Fixed Assets -		9599.56
	-	<i>Investments in shares of Companies, Corporations, etc.</i>	-	
	175.83	<i>Co-operative</i>	176.25	
	7835.95	<i>Other Capital Outlay</i>	9423.31	
199.20		Loans and Advances -		202.81
	-	<i>Loans for Power Projects</i>	-	
	11.66	<i>Loans to Government servants and Miscellaneous loans</i>	11.17	
	187.54	<i>Other Development Loans</i>	191.64	
1.73		Advances		1.73
(-)271.30		Deposit with Reserve Bank and other banks		(-)299.80
26.08		Remittance Balance		186.30
90.26		Suspense and Miscellaneous Balance		124.64
887.35		Cash -		667.20
	12.27	<i>Cash in Treasuries and Local Remittances</i>	4.61	
	20.51	<i>Departmental Cash Balance</i>	37.79	
	0.02	<i>Permanent Advances</i>	0.02	
	840.89	<i>Cash Balance Investments</i>	590.80	
	13.66	<i>Investment of earmarked funds</i>	33.98	
(-)4070.78		Deficit on Government Account		(-)4929.52
	(-)1250.34	<i>Less Revenue Surplus of the current year</i>	(-)858.74	
		<i>Miscellaneous Deficit</i>		
	(-)2820.44	<i>Accumulated Deficit at the beginning of the year</i>	(-)4070.78	
4874.32				5552.92

Appendix 1.5
(Reference: Paragraph 1.5.1)
Time series data on the State Government finances

(₹ in crore)

	2005-2006	2006-2007	2007-2008	2008-2009	2009-10
Part A Receipts					
1. Revenue Receipts (i +ii+iii+iv)	2,409	2,863	3,508	3,873	3873
(i) Tax Revenue of which	95	122	147	170	196
<i>Taxes on Agricultural Income</i>	--	--	--	--	--
<i>Taxes on Sales, Trade, etc.</i>	71	97	121	141	163
<i>State Excise</i>	3	4	4	4	5
<i>Taxes on Vehicles</i>	4	3	3	4	4
<i>Stamps and Registration fees</i>	3	3	3	3	4
<i>Land Revenue</i>	1	1	1	1	1
<i>Taxes on Goods and Passengers</i>	1	1	1	1	1
<i>Other taxes</i>	12	13	14	16	18
<i>Taxes and duties on electricity</i>	-	-	--	--	--
(ii) Non-Tax Revenue	76	181	165	254	240
(iii) State's share of Union taxes and duties	342	436	550	581	597
(iv) Grants-in-aid from Government of India	1,896	2,124	2,646	2,868	2840
2. Miscellaneous Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	1	1	2	1	3
4. Total Revenue and Non-debt capital receipts (1+2+3)	2,410	2,864	3,510	3,874	3876
5. Public Debt Receipts of which	218	266	261	314	520
<i>Internal Debt (excluding Ways and Means Advances and Overdrafts)</i>	213	260	253	309	520
<i>Net transactions under Ways and Means Advances and Overdrafts</i>	-	-	-	-	-
<i>Loans and Advances from Government of India</i>	5	6	8	5	-
6. Total Receipts in the Consolidated Fund (4+5)	2628	3130	3771	4188	4396
7. Contingency Fund Receipts	-	-	-	-	-
8. Public Account Receipts	2173	2207	2481	2848	3218
9. Total Receipts of the State (6+7+8)	4801	5337	6252	7036	7614
Part B Expenditure/Disbursement					
10. Revenue Expenditure	2004	2415	2292	2622	3014
<i>Plan</i>	412	420	480	490	710
<i>Non-Plan</i>	1592	1,995	1,812	2,132	2304
<i>General Services (including interest payments)</i>	723	873	932	1,094	1181
<i>Social Services</i>	683	664	718	803	891
<i>Economic Services</i>	598	878	642	725	816
<i>Grants-in-aid and contributions</i>	-	-	-	-	126
11. Capital Expenditure	616	867	1,108	1,467	1588
<i>Plan</i>	616	865	1,110	1,464	1589
<i>Non-Plan</i>	-	2	(-2)	3	(-1)
<i>General Services</i>	188	131	104	55	103
<i>Social Services</i>	130	271	378	547	559
<i>Economic Services</i>	298	465	626	865	926
12. Disbursement of Loans and Advances	61	57	8	1	7
13. Total/Aggregate Expenditure (10+11+12)	2681	3339	3408	4090	4609

14. Repayments of Public Debt of which	117	285	308	310	117
<i>Internal Debt (excluding Ways and Means Advances and Overdrafts)</i>	19	40	63	65	75
<i>Net transactions under Ways and Means Advances and Overdrafts</i>	55	-	-	-	-
<i>Loans and Advances from Government of India</i>	43	245	245	245	42
15. Appropriation to Contingency Fund	-	-	-	-	-
16. Total disbursement out of Consolidated Fund (13+14+15)	2798	3624	3716	4400	4726
17. Contingency Fund disbursements	-	-	-	-	-
18. Public Account disbursements	1739	1787	1953	2560	3137
19. Total disbursement by the State (16+17+18)	4537	5411	5669	6960	7863
<i>Part C Deficits</i>					
20. Revenue Deficit (-)/Surplus (+) (1-10)	(+)405	(+)448	(+)1,216	(+)1,250	(+) 859
21. Fiscal Deficit (-)/Surplus (+) (4-13)	(-)271	(-)475	(+)102	(-)217	(-) 733
22. Primary Deficit/ Surplus (21+23)	(-)33	(-)186	(+)400	(+)98	(-) 410
<i>Part D Other data</i>					
23. Interest Payments (included in revenue expenditure)	238	289	298	314	323
24. Financial Assistance to local bodies etc.	79	42	43	51	37
25. Ways and Means Advances/Overdraft availed (days)	127	-	7	-	-
Ways and Means Advances availed (days)	127	-	7	-	-
Overdraft availed (days)	-	-	-	-	-
26. Interest on Ways and Means Advances/Overdraft	3	-	0.03	-	-
27. Gross State Domestic Product (GSDP)@	5723	6137	6799	7656	8687
28. Outstanding Fiscal liabilities (yearend)	3905	4187	4529	4861	5519
29. Outstanding guarantees (yearend) (including interest)	209	251	211	274	195
30. Maximum amount guaranteed (yearend)	247	194	207	197	197
31. Number of incomplete projects*	NA	90	228	49	44
32. Capital blocked in incomplete projects	NA	149.79	176.12	144	225
<i>Part E Fiscal Health Indicators</i>					
I Resource Mobilization					
Own Tax revenue/GSDP	1.66	1.99	2.16	2.22	2.26
Own Non-Tax Revenue/GSDP	1.33	2.95	2.43	3.32	2.76
Central Transfers/GSDP	5.98	7.10	8.09	7.59	6.87
II Expenditure Management					
Total Expenditure/GSDP	46.85	54.41	50.12	53.42	53.06
Total Expenditure/Revenue Receipts	111.29	116.63	97.15	105.60	119.00
Revenue Expenditure/Total Expenditure	74.75	72.33	67.25	64.11	65.39
Expenditure on Social Services/Total Expenditure	31.03	28.49	32.24	33.01	31.46
Expenditure on Economic Services/Total Expenditure	34.20	40.92	37.29	38.88	37.80
Capital Expenditure/Total Expenditure	23.51	26.42	32.59	35.87	34.45
Capital Expenditure on Social and Economic Services/Total Expenditure	15.96	22.04	29.46	34.52	32.22
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	7.08	7.30	17.88	16.33	9.89
Fiscal deficit (surplus)/GSDP	(-) 4.74	(-) 7.74	1.50	(-)2.83	(-) 8.43
Primary Deficit (surplus)/GSDP	(-) 0.58	(-) 3.03	5.88	1.28	(-) 4.72

Revenue Deficit/Fiscal Deficit	(-)149.45	(-)94.32	1,192.16	(-)578.70	(-) 2.10
Primary Revenue Balance/GSDP	11.25	12.03	22.30	20.45	13.63
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	77.10	78.36	79.40	76.61	63.53
Fiscal Liabilities/RR	162.10	146.24	129.09	125.48	142.50
Primary deficit vis-à-vis quantum spread	(+) 263.66	(+) 1039.73	1199.76	(-) 302.77	(-) 57.69
Debt Redemption (Principal+Interest)/Total Debt Receipts	51.00	100.85	95.88	97.25	78.28
V Other Fiscal Health Indicators					
Return on Investment	0.00	-	0.05	-	-
Balance from Current Revenue (₹ in crore)	(-)232.00	(-)325	32	(-)97.15	(-) 183.44
Financial Assets/Liabilities	1.29	1.35	1.59	1.79	8.91

@ GSDP figures as communicated by the State Government

* Projects for which initial cost is more than ₹ one crore

Appendix 2.1
(Reference: Paragraph 2.3.1)
Statement of various Grants/Appropriations where savings was more than ₹ one crore in each or more than 20 per cent of the total provision

(₹ in lakh)

Sl. No.	Grant/Appropriation No.	Total	Saving	Percentage of Savings
(1)	(2)	(3)	(4)	(5)
Revenue Voted				
1	1 – State Legislature	1728.01	157.11	9
2	3 - Secretariat	3777.97	616.13	16
3	4 – Land Revenue, Stamps & Registration and District Administration	3923.14	662.90	17
4	7 - Police	37598.87	1641.54	4
5	8 – Public Works Department	17998.05	2689.07	15
6	10 - Education	46655.71	4497.87	10
7	11 – Medical, Health and Family Welfare Services	13469.00	805.67	6
8	12 – Municipal Administration, Housing and Urban Development	4997.17	156.30	3
9	14 – Development of Tribal and Schedule Caste	15242.42	1814.14	12
10	16 – Co-operation	1133.14	184.56	16
11	17 - Agriculture	7616.01	1534.44	20
12	18 – Animal Husbandry and Veterinary including Dairy Farming	4099.15	690.21	17
13	21 – Commerce & Industries and Weights & Measures Department	4777.24	1550.60	32
14	23 -Power	19585.84	3118.71	16
15	24 – Youth Affairs and Sports Department	176.10	49.72	28
16	26 – Administration of Justice	920.54	133.63	15
17	28 – State Excise	1065.93	201.86	19
18	30 - General Economic Services and Planning	12724.92	373.60	3
19	36 - Minor Irrigation	1513.08	907.52	60
20	40 - Irrigation and Flood Control Department	6358.80	2451.82	39
21	44 - Social Welfare Department	11467.80	2405.70	21
22	46 - Science and Technology and Information Technology	1415.71	874.80	62
23	47 – Welfare of Minorities and Other Backward Classes	2441.09	430.38	18
Revenue Charged				
24	1 – State Legislature	16.04	6.79	42
25	App 2 - Interest Payment and Debt Services	33762.44	1505.38	4
26	5 – Finance Department	10.78	5.60	52
27	8 – Transport	100.20	47.04	47
28	26 – Administration of Justice	600.00	600.00	100

Capital Voted				
29	8 – Public Works Department	17512.73	1297.20	7
30	10 – Education	2132.83	218.34	10
31	14 – Development of Tribal and Schedule Caste	556.61	434.79	78
32	16 – Co-operation	143.00	62.50	44
33	18 – Animal Husbandry and Veterinary including Dairy Farming	313.40	139.03	44
34	23 – Power	29387.03	404.32	1
35	24 – Vigilance Department	1822.02	151.77	8
36	30 - General Economic Services and Planning	55685.44	4300.78	8
37	32 – Jails	168.50	73.53	44
38	36 – Minor Irrigation	6325.16	4054.30	64
39	39 – Sericulture	6276.00	4345.79	69
40	40 - Irrigation and Flood Control Department	23773.83	10680.79	45
41	45 – Tourism	4360.22	403.05	9
	Total	403631.92	56679.28	

Appendix 2.2
(Reference: Paragraph 2.3.4)
Statement showing expenditure incurred without provision during 2009-10

(₹ in crore)

Sl. No.	Number and Name of Grants/Appropriations (Heads of Accounts)	Amount of Expenditure without provision	Reasons/Remarks
Appropriation No.2 – Interest Payment and Debt Services			
1	6003.105.20	1.63	Reasons for incurring expenditure without provisions had not been intimated (November 2010).
Grant No. 8 – Public Works Department			
2	4552.337.15 (V)	0.04	-do-
Grant No. 10-Education			
3	2202 (SP).01.102.06 (V)	0.02	-do-
4	2202 (SP).03.001.01 (H)	0.02	-do-
Grant No. 11 – Medical, Health and Family Welfare			
5	2210 (SP).01.110.05 (H)	2.37	-do-
6	2210 (CSS).06.101.12 (H)	0.14	-do-
7	4210 (CPS).02.110.02 (V)	4.49	-do-
Grant No. 13-Labour and Employment			
8	2230 (CSS).01.112.04 (H)	0.28	-do-
9	2230 (CSS).03.101.04 (H)	0.77	-do-
Grant No. 14 – Development of Tribal and Schedule Caste			
10	2225 (SP).02.282.13 (V)	0.62	-do-
11	2225 (SP).794.19.275 (V)	4.78	-do-
Grant No. 17 – Agriculture			
12	2401 (SP).102.04 (H)	0.23	-do-
13	2401 (SP).102.46 (H)	0.01	-do-
14	2401 (SP).104.35 (V)	0.15	-do-
15	2401 (SP).104.37 (H)	0.04	-do-
Grant No. 19 – Environment and Forest			
16	2406.02.110.22 (H)	0.97	-do-
Grant No. 20 – Community Development and ANP, IRDP and NREP			
17	2575.02.101.01 (H)	4.38	-do-
Grant No. 21 – Commerce and Industries and Weights and Measures Department			
18	2851 (SP).001.01 (H)	0.08	-do-
Grant No. 22 – Public Health Engineering			
19	4215.02.102.09 (H)	1.95	-do-
20	4215 (CPS).01.102.02	11.40	-do-
Grant No. 23 – Power			
21	4801.05.799.03 (H)	0.52	-do-
Grant No. 30 – General Economic Services and Planning			
22	4216.01.700.01 (H)	3.36	-do-
Grant No. 36 – Minor Irrigation			
23	4702 (CSP).800.02 (H)	1.09	-do-
Grant No. 37 – Fisheries			
24	2405 (SP).101.16 (H)	0.01	-do-
25	2405 (CSS).800.02 (H)	0.40	-do-
26	2851 (SP).107.12 (H)	0.18	-do-
27	2851 (SP).107.15 (H)	0.01	-do-
Grant No. 40 – Irrigation and Flood Control Deptt.			
28	2700. (SP) .01.011.01 (H)	0.05	-do-
29	4700.03.051.11 (H)	2.02	-do-
Grant No. 44 – Social Welfare Deptt.			
30	2235 (SP) .02.001.21 (H)	0.01	-do-
31	2235 (SP) .102.40 (H)	0.19	-do-
32	2235 (SP) .104.31 (H)	0.96	-do-
33	2235 (SP) .104.32 (H)	6.25	-do-
Total		49.42	

* 'H' stands for Hill, 'V' for Valley, 'SP' for Special Plan, 'CSS' for Centrally Sponsored Scheme and 'CPS' for Central Plan Scheme

Appendix 2.3
(Reference: Paragraph 2.3.5)
Statement showing amount debited head-wise and credited to
'8449 – Other Deposits' during March 2010

(₹ in lakh)

Sl. No.	Department/Name of DDO	Debit Head	Credit Head	Amount credited	Remarks
1	Soil Chemist	--	8449	439.00	Debit head awaited from the departments (November 2010)
2	Rural Development & Panchayati Raj	--	8449	3113.75	- do -
3	Environment & Ecology Wing	--	8449	50.00	- do -
4	Veterinary & Animal Husbandry	2403 & 4403	8449	228.10	--
5	Veterinary & Animal Husbandry (ICDP)	2403	8449	6.88	--
6	Conservation of Forest Administration and Planning	2406	8449	29.17	--
7	Municipal, Administration, Housing and Urban Development	--	8449	1867.53	- do -
8	State Archeology	4202	8449	274.42	--
9	State Museum	--	8449	17.67	- do -
10	Adult Education	2202	8449	10.50	--
11	Settlement	--	8449	168.53	- do -
12	Library	--	8449	43.86	- do -
13	Weight & Measures	--	8449	29.81	- do -
14	Government Polytechnic	2202	8449	40.43	--
15	Labour Commission	--	8449	52.52	- do -
16	Family Welfare (Store)	--	8449	115.44	- do -
17	Education (S) Hills	2202	8449	950.25	--
18	Commerce & Industries	--	8449	1.54	- do -
19	Co-operative Societies	--	8449	52.10	- do -
20	Sericulture	--	8449	372.52	- do -
21	Crafts man training	2230, 4250	8449	51.18	--
22	State Council of Education Research and Training (District Institute of Education and Training)	--	8449	20.78	- do -
23	Education (S) (S/V)	--	8449	632.64	- do -
24	Consumer Affairs, Food & Public Distribution	2408, 3456 & 4408	8449	459.64	--
25	Fisheries	2405, 4405	8449	114.72	--
26	Medical Directorate	--	8449	1165.09	- do -
27	Archive	4202	8449	3.31	--
28	Tribal Research Institute	3425	8449	50.82	--
29	Tourism	3452	8449	2456.44	--
30	Transport	2041	8449	245.35	--
31	Minorities & Other Backward Classes	--	8449	3923.09	- do -
32	Secretariat Planning	2053	8449	1481.67	--
33	Youth Affairs and Sports	4202, 2204	8449	2230.59	--
34	Central Jail	2056, 4059	8449	230.38	--
35	Science and Technology	2501, 3425	8449	32.38	--
36	Directorate of Information and Public Relations	2220	8449	17.76	--
37	Inspector General of Police (Admin)	2055 & 4059	8449	3476.77	--
38	Development of Tribal & Schedule Castes	2225	8449	583.44	--
Total				25040.07	

Appendix 2.4
(Reference: Paragraph 2.3.6)
Excess over provision of previous years requiring regularisation

(₹ in crore)

Year	No. of Grants/ Appropriations	Grant/Appropriation number	Amount of excess	Stage of consideration by Public Accounts Committee (PAC)
1997-98	12	5, 11, 16, 21, 26, 34, 44, Appn.2, 16, 23, 25 and Appn. 2	384.57	PAC recommended for regularization (24 th Report); but status of regularization not intimated yet. (November 2010)
1998-99	8	Appn. 2, 1, 8, 8, 20, 34 Appn. 2 and 23	293.66	-do-
1999-00	16	1, Appn. 2, 4, 5, 8, 20, 21, 29, 33, 34, 39, 44, Appn. 2, 21, 23 and 25	844.88	PAC recommended for regularization (27 th Report); but status of regularization not intimated yet. (November 2010)
2000-01	9	1, Appn. 2, 5, 8, 21, 23, 26, 27 and 34	85.77	-do-
2001-02	8	Appn. 2, 8, 21, 33,34,41,45 and Appn. 2	895.20	-do-
2007-08	13	1, Appn.2 (Charged),26 16,18,22,25,41,8,23,25 ,41 and Appn.2 (Charged)	81.59	PAC recommendation awaited. (November 2010)
2008-09	14	5, 11, 12, 13, 22, 23, 25, 27, 29, 33, 39, 45, 46, 47	102.87	Excess expenditure yet to be discussed by PAC. (November 2010)
	80	Total	2688.54	

Appendix 2.5

(Reference: Paragraph 2.3.9)
Excess/Unnecessary/Insufficient re-appropriation of funds

(₹ in lakh)

Sl. No.	Grant/ Appropriation No.	Head of Account	Re-appropriation	Final Excess(+)/ Saving(-)
	Saving cases			
1	Appn. 2 - Interest Payment and Debt Services	2049.01.101.10	241.98	(-) 1069.26
2	-do-	2049.01.200.15	237.66	(-) 74.41
3	-do-	2049.01.200.28	20.00	(-) 54.11
4	-do-	2049.03.104.12	186.86	(-) 127.07
5	-do-	2049.04.103.06	49.68	(-) 146.24
6	-do-	2049.04.105.44	8.69	(-) 43.85
7	-do-	6003.104.16	234.79	(-)234.80
8	-do-	6004.04.800.30	7.87	(-)10.42
9	Grant 7 - Police	2055.003.24	(-) 26.86	(-) 25.87
10	-do-	2055.104.03	(-) 278.03	(-) 61.23
11	-do-	2055.104.04	(-) 249.05	(-) 21.58
12	-do-	2055.104.08	(-) 116.99	(-) 57.69
13	-do-	2055.104.29	(-) 178.97	(-) 95.80
14	-do-	2055.104.30	(-) 244.98	(-) 35.56
15	-do-	2055.104.31	(-) 82.35	(-) 168.91
16	-do-	2055.109.16	19.66	(-) 157.61
17	-do-	2055.109.17	(-) 17.11	(-) 50.13
18	-do-	2055.109.23	5.27	(-) 96.70
19	-do-	2055.109.33	(-) 104.58	(-) 110.14
20	-do-	2055.144.14	5.50	(-) 31.42
21	-do-	2055.144.36	(-) 235.36	(-) 32.31
22	-do-	2055.115.25	2885.79	(-) 1337.40
23	Grant 8 - Public Works Department	2059.60.053.09	553.44	(-) 1018.31
24	-do-	2059.80.001.01	(-) 24.85	(-) 18.65
25	-do-	2059.80.001.03	(-) 9.68	(-) 15.58
26	-do-	2216.07.053.01	(-) 270.68	(-) 182.21
27	-do-	3054.03.102.05	400.00	(-) 1103.74
28	-do-	3054.04.337.12	(-) 204.00	(-) 985.63
29	-do-	4059.01.051.11(V)	570.00	(-) 179.76
30	-do-	4059.01.051.14 (V)	63.00	(-) 36.26
31	-do-	4059.80.800.40 (V)	100.00	(-)14.49
32	-do-	4210.02.104.11 (V)	30.00	(-)30.00
33	-do-	4210.01.106.09 (V)	348.00	(-) 66.67
34	-do-	5054.03.052.44 (V)	3.57	(-) 25.00
35	-do-	5054.03.101.07 (V)	164.00	(-) 190.25
36	-do-	5054.04.800.50(V)	(-) 309.00	(-) 17.01
37	-do-	5054.05.800.71 (V)	35.00	(-) 55.00
38	-do-	4552.337.15 (H)	479.00	(-)209.74
39	-do-	4552.800.01 (V)	500.00	(-) 144.19
40	-do-	5054.05.337.15 (V)	0.01	(-) 178.99
41	Grant 9 - Information and Publicity	2220.60.001.01	(-) 1.00	(-) 14.78
42	-do-	2220.60.106.03	1.00	(-) 16.82
43	Grant 10 - Education	2202.01.101.19	(-) 298.57	(-) 2547.83
44	-do-	2202.02.109.24	(-) 482.10	(-) 127.75
45	-do-	2202.03.001.29	(-) 22.53	(-) 14.65
46	-do-	2202.03.001.29	(-) 22.53	(-) 14.65
47	-do-	2202.03.103.11	(-) 198.49	(-) 849.07
48	-do-	2202.03.105.19	(-) 1.58	(-) 13.21

49	Grant 10 - Education	2202.04.001.07	(-) 10.13	(-) 114.75
50	-do-	2202.05.80.001.01	(-) 40.73	(-) 18.15
51	-do-	2202.01.001.34 (V)	(-) 30.00	(-) 10.63
52	-do-	2202.01.800.07(V)	(-) 17.00	(-) 10.00
53	-do-	2202.02.110.84 (H)	21.20	(-) 21.20
54	-do-	2202.02.110.84 (V)	31.80	(-) 31.80
55	-do-	2202.02.800.62 (H)	(-) 14.00	(-) 86.00
56	-do-	2202.02.800.62 (V)	(-)20.00	(-) 12.19
57	-do-	2202.05.800.70 (V)	257.00	(-) 256.82
58	-do-	2202.02.80.800.17 (V)	399.59	(-) 447.40
59	-do-	2202.02.80.800.19 (V)	(-) 5.68	(-) 58.35
60	Grant 11-Medical, Health and Family Welfare Services	2210.01.001.01	(-) 53.20	(-) 38.56
61	-do-	2210.01.001.11	2.00	(-) 180.70
62	-do-	2210.01.110.09	0.25	(-) 27.96
63	-do-	2210.01.110.20	(-) 95.65	(-) 83.04
64	-do-	2210.03.101.27	(-) 142.54	(-) 43.08
65	-do-	2210.03.103.26	(-) 284.53	(-) 36.30
66	-do-	2210.03.104.29	(-) 177.57	(-) 73.45
67	-do-	2210.03.110.10	11.61	(-) 42.13
68	-do-	2210.03.110.20	(-) 117.12	(-) 47.92
69	-do-	2210.05.105.21	0.87	(-) 21.67
70	-do-	2210.06.101.23	(-) 177.68	(-) 24.06
71	-do-	2210.06.101.30	(-) 93.47	(-) 11.12
72	-do-	2210.06.101.32	(-) 36.78	(-) 14.11
73	-do-	2210.03.103 (V)	78.00	(-) 292.48
74	-do-	2210.04.200.12 (V)	(-) 53.00	(-) 28.06
75	-do-	2211.001.21 (V)	(-) 12.27	(-) 111.56
76	-do-	2211.101.19 (H)	63.81	(-) 40.68
77	-do-	2211.101.19 (V)	(-) 49.22	(-) 37.33
78	-do-	4552.08.110.15 (H)	90.00	(-) 90.00
79	-do-	4552.09.112.16 (V)	68.86	(-) 68.86
80	Grant 13 - Labour and Employment	2230.03.003.14	3.50	(-) 42.14
81	Grant 14 - Development of Tribal and Schedule Castes.	3640.200.04	(-) 40.00	(-) 42.49
82	-do-	2225.01.277.04 (V)	24.56	(-) 24.56
83	-do-	2225.02.277.06 (H)	10.00	(-) 222.00
84	-do-	2225.02.277.33 (V)	11.00	(-) 27.36
85	-do-	2225.02.282.13 (H)	(-) 13.00	(-) 62.00
86	-do-	2225.02.794.15 (V)	64.31	(-) 64.31
87	Grant 15 - Consumer Affairs, Food and Public Distribution	3475.106.11	(-) 48.39	(-) 30.45
88	Grant 16 - Co-operation	2425.001.01	5.45	(-) 35.91
89	-do-	2425.101.02	5.45	(-) 17.95
90	-do-	4425.001.03 (H)	(-) 7.06	(-) 14.00
91	Grant 17 - Agriculture	2401.001.01	(-) 51.34	(-) 20.00
92	-do-	2401.001.25	(-) 43.97	(-) 34.05
93	-do-	2401.109.08	(-) 18.88	(-) 14.11
94	-do-	2401.001.53 (H)	(-) 58.39	(-) 10.01
95	-do-	2401.800.26 (V)	2.68	(-) 1161.00
96	-do-	2401.800.29 (V)	71.00	(-) 104.00
97	-do-	3454.01.101.04 (V)	2.21	(-) 11.08
98	Grant 18 - Animal Husbandry and Veterinary including Dairy Farming	2403.001.01	37.18	(-) 193.52
99	-do-	2403.001.05	(-) 114.00	(-) 17.44
100	-do-	2403.101.04	(-) 73.51	(-) 294.00
101	-do-	2403.102.09	(-)103.54	(-) 86.74
102	-do-	2404.102.03	37.91	(-) 10.91
103	-do-	2403.113.02 (H)	(-) 8.00	(-) 30.00
104	-do-	2403.103.18 (V)	43.20	(-) 25.24

105	-do-	2403.107.02 (V)	80.00	(-) 80.00
106	Grant 18 - Animal Husbandry and Veterinary including Dairy Farming	2403.113.13 (V)	57.22	(-) 94.73
107	Grant 19 - Environment and Forest	2406.01.001.06	(-) 7.87	(-) 15.67
108	-do-	2406.01.001.20	21.32	(-) 20.78
109	-do-	2406.01.001.28	(-) 1.42	(-) 19.76
110	-do-	2406.01.001.34	(-) 5.45	(-) 11.67
111	-do-	2406.01.001.01 (H)	30.35	(-) 59.05
112	-do-	2406.01.102.09 (V)	130.00	(-) 84.56
113	-do-	2406.01.800.45 (H)	(-) 19.35	(-) 10.89
114	-do-	2406.02.110.22 (V)	76.52	(-) 112.79
115	Grant 20 - Community Development and ANP, IRDP and NREP	2501.01.001.05	4.22	(-) 11.05
116	-do-	2515.002.02	(-) 182.57	(-) 29.01
117	-do-	2501.01.101.18 (H)	4.89	(-) 42.16
118	-do-	2501.01.800.17 (H)	(-) 5.00	(-) 136.28
119	-do-	2505.01.702.08 (V)	(-) 22.28	(-) 43.79
120	-do-	2505.60.800.11 (V)	94.43	(-) 94.43
121	Grant 22 - Public Health Engineering	4215.01.101.03 (V)	124.25	(-) 124.25
122	-do-	4215.01.101.09 (V)	133.73	(-) 133.73
123	-do-	4215.01.101.17 (H)	12.50	(-) 113.70
124	-do-	4215.01.102.12 (H)	488.00	(-) 488.00
125	-do-	4215.01.102.13 (V)	750.25	(-) 750.25
126	-do-	4215.01.102.14 (V)	(-) 48.00	(-) 189.72
127	Grant 23 - Power	2801.001.09	(-) 9.95	(-) 13.26
128	-do-	2801.001.15	(-) 79.82	(-) 85.22
129	-do-	2801.001.26	(-) 54.97	(-) 41.38
130	-do-	2801.001.28	(-) 76.17	(-) 10.70
131	-do-	2801.001.30	131.60	(-) 188.05
132	-do-	2801.001.31	151.94	(-) 203.39
133	-do-	2801.001.32	8.38	(-) 41.59
134	-do-	2801.001.34	(-) 76.65	(-) 11.55
135	-do-	2801.001.35	(-) 57.20	(-) 11.79
136	-do-	2801.001.36	(-) 52.11	(-) 26.79
137	-do-	4801.05.799.02 (V)	(-) 75.00	(-) 69.94
138	-do-	4801.05.799.11 (H)	25.00	(-) 64.38
139	-do-	4801.05.799.89 (H)	76.00	(-) 43.87
140	-do-	4801.05.799.91 (H)	(-) 23.00	(-) 38.46
141	-do-	4801.05.799.94 (V)	47.00	(-) 69.65
142	-do-	4801.05.799.02 (H)	220.00	(-) 257.40
143	Grant 25 - Youth Affairs and Sports Department	2204.001.01 (H)	11.86	(-) 15.20
144	-do-	2204.104.08 (V)	(-) 14.45	(-) 35.55
145	-do-	4202.03.800.08 (V)	(-) 20.00	(-) 10.49
146	-do-	4202.03.800.09 (V)	(-) 20.00	(-) 80.00
147	Grant 29 - Sales Tax, Other Taxes/Duties on Commodities and Services	2040.101.02	(-) 9.13	(-) 14.32
148	Grant 30 - General Economic Services and Planning	3451.092.03	(-) 14.56	(-) 48.02
149	-do-	3454.02.201.05	(-) 34.57	(-) 14.01
150	-do-	3451.092.08 (V)	(-) 92.19	(-) 31.92
151	-do-	3451.092.09 (H)	(-) 20.00	(-) 24.78
152	-do-	4059.01.101.01 (H)	5552.10	(-) 2606.93
153	-do-	4202.01.202.01 (H)	1000.00	(-) 1000.00
154	-do-	4202.03.800.02 (H)	1000.00	(-) 1000.00
155	-do-	4210.01.110.03 (H)	300.00	(-) 300.00
156	-do-	4210.01.110.03 (V)	300.00	(-) 60.00
157	-do-	4216.01.700.01 (V)	400.00	(-) 400.00
158	-do-	4225.02.800.01 (H)	200.00	(-) 200.00

159	-do-	4408.02.800.01 (H)	400.00	(-) 400.00
160	-do-	4702.800.01 (H)	555.55	(-) 555.55
161	Grant 30 - General Economic Services and Planning	4711.01.103.01 (H)	2000.00	(-) 2000.00
162	-do-	4801.05.799.01 (V)	900.00	(-) 900.00
163	-do-	5054.05.101.01 (H)	850.00	(-) 850.00
164	-do-	5054.05.337.02 (H)	9150.00	(-) 3156.27
165	-do-	5425.208.01 (V)	355.34	(-) 150.00
166	Grant 31 - Fire Protection and Control	2070.108.04	41.17	(-) 41.17
167	Grant 32 - Jails	2056.101.02	(-) 19.38	(-) 47.33
168	Grant 36 - Minor Irrigation	2702.80.001.01	(-) 5.60	(-) 25.03
169	-do-	2702.80.800.02 (V)	5.60	(-) 17.00
170	Grant 37 - Fisheries	2405.001.01	(-) 235.82	(-) 18.11
171	-do-	2405.001.20 (H)	70.00	(-) 124.05
172	-do-	2405.101.10 (H)	23.00	(-) 23.00
173	-do-	2405.800.01 (H)	2.00	(-) 37.00
174	-do-	2405.800.02 (V)	40.00	(-) 40.00
175	-do-	6405.800.16 (V)	25.00	(-) 50.00
176	Grant 39 - Sericulture	2851.107.12 (V)	155.47	(-) 12.26
177	Grant 40 - Irrigation and Flood Control Department	2700.01.001.01	(-) 15.00	(-) 52.56
178	-do-	2701.04.001.01	15.00	(-) 155.49
179	Grant 41 - Art and Culture	2205.105.22	20.00	(-) 20.00
180	Grant 43 - Horticulture and Soil Conservation	2401.001.01	5.05	(-) 12.58
181	-do-	2402.001.01	(-) 23.73	(-) 16.26
182	-do-	2402.001.29 (H)	2.50	(-) 11.62
183	-do-	2402.102.32 (H)	155.00	(-) 755.00
184	-do-	2402.103.02 (H)	47.00	(-) 47.00
185	Grant 46 - Science and Technology and Information Technology	3425.60.001.25 (V)	31.83	(-) 854.00
Sub Total				37144.57
Excess Cases				
186	Appr. 2 - Interest Payment & Debt Services	2049.01.123.43	(-) 318.63	144.97
187	-do-	2049.200.35	(-) 340.79	117.39
188	-do-	2049.305.24	70.55	36.73
189	-do-	2049.101.08	(-) 17.87	76.88
190	-do-	2049.104.08	(-) 71.94	73.59
191	-do-	6003.101.25	(-) 106.35	131.35
192	-do-	6003.111.43	449.00	29.70
193	Grant 7 - Police	2055.001.01	925.67	630.59
194	-do-	2055.104.05	(-) 276.06	62.54
195	-do-	2055.104.06	(-) 259.11	59.74
196	-do-	2055.104.09	(-) 458.21	214.15
197	-do-	2055.104.10	(-) 239.95	25.34
198	-do-	2055.104.28	(-) 293.88	25.55
199	-do-	2055.104.33	78.86	13.54
200	-do-	2055.109.22	(-) 730.47	55.43
201	-do-	2055.109.31	(-) 68.46	18.00
202	-do-	2055.109.32	(-) 21.34	114.97
203	-do-	2055.001.16 (V)	651.51	800.00
204	-do-	4055.207.17 (V)	50.00	50.00
205	-do-	4059.60.051.01 (V)	50.00	100.00
206	-do-	4216.700.02 (V)	(-) 100.00	100.00
207	Grant 8 - Public Works Department	2059.01.053.21	572.39	610.69
208	-do-	2059.80.08	(-) 203.91	20.44
209	-do-	3054.03.102.04	(-) 16.54	297.29
210	-do-	3054.03.102.04	(-) 16.54	297.29
211	-do-	3054.03.337.23	(-) 1055.39	311.37
212	-do-	3054.337.13	562.00	1176.59

213	-do-	3054.337.14	(-) 283.52	231.50
214	-do-	4059.01.051.11	(-) 65.00	231.50
215	-do-	4210.800.31 (V)	(-) 30.00	30.00
216	Grant 8 - Public Works Department	5054.337.57 (V0)	35.00	4202.60
217	-do-	5054.04.800.37 (H)	55.00	156.46
218	-do-	5054.04.800.37 (V)	95.00	290.39
219	-do-	5054.04.800.39 (V)	(-) 10.00	330.09
220	Grant 10 - Education	2202.102.04	155.06	91.16
221	-do-	2202.104.19	(-) 106.28	492.31
222	-do-	2202.02.101.24	(-) 10.17	78.46
223	-do-	2202.03.106.57	(-) 10.00	12.00
224	-do-	4202.02.104.94	10.50	189.00
225	Grant 11 - Medical, Health and Family Welfare Services	2210.01.110.10	(-) 23.13	34.73
226	-do-	2210.06.101.33	(-) 6.39	14.13
227	-do-	2210.05.200.13 (V)	1000.00	30.16
228	-do-	4210.01.110.15 (V)	(-) 15.00	396.36
229	-do-	4552.08.110.15 (V)	(-) 90.00	54.00
230	-do-	2211.001.21 (H)	8.50	106.39
231	Grant 13 - Labour and Employment	2230.03.101.11 (V)	3.00	47.04
232	Grant 14 - Development of Tribal and Schedule Castes	2225.02.001.01	(-) 51.51	13.47
233	-do-	2225.80.800.04	(-) 50.00	49.25
234	-do-	3604.200.03	(-) 30.00	39.82
235	-do-	2225.01.102.05 (H)	(-) 107.00	107.00
236	-do-	2225.01.277.06 (H)	(-) 10.00	10.00
237	-do-	2225.02.001.01 (V)	8.00	123.65
238	-do-	2225.02.283.08 (V)	135.00	79.97
239	-do-	2225.02.794.16 (V)	59.80	130.10
240	-do-	2225.02.794.21 (V)	80.00	50.00
241	-do-	2225.02.794.29 (V)	20.20	80.00
242	-do-	2225.02.794.30 (V)	67.69	40.00
243	Grant 15 - Consumer Affairs, Food and Public Distribution	2408.01.001.01	(-) 10.99	32.03
244	Grant 16 - Co – operation	4425.001.03 (V)	(-) 54.44	14.00
245	Grant 17 - Agriculture	2401.001.53 (V)	(-) 91.40	30.24
246	-do-	2401.102.04 (V)	200.00	209.60
247	-do-	2401.105.16 (V)	(-) 8.00	10.58
248	Grant 18 - Animal Husbandry and Veterinary including Dairy Farming	2403.102.09	(-) 103.54	86.74
249	-do-	2403.113.02 (V)	(-) 11.00	27.01
250	Grant 19 - Environment and Forest	2406.01.001.05	(-) 13.06	12.96
251	Grant 20 - Community Development and ANP, IRDP and NREP	2501.01.101.18 (V)	(-) 33.88	34.57
252	-do-	2501.01.800.17 (V)	105.00	173.07
253	-do-	2501.05.101.16 (V)	(-) 3.97	15.05
254	-do-	2505.01.702.08 (H)	(-) 27.72	19.14
255	-do-	2575.02.101.01 (V)	190.00	91.65
256	-do-	2575.02.800.16 (H)	5.00	3828.33
257	Grant 22 - Public Health Engineering	4215.01.101.05 (V)	(-) 260.00	439.66
258	-do-	4215.01.101.17 (V)	(-) 243.50	231.33
259	-do-	4215.01.102.14 (H)	(-) 132.00	280.16
260	-do-	4215.01.102.15 (V)	(-) 165.00	170.85
261	-do-	4215.01.102.16 (H)	(-) 50.00	50.00
262	-do-	4215.01.102.17 (H)	(-) 100.00	200.99
263	-do-	4215.01.102.18 (V)	(-) 30.00	139.81
264	-do-	4215.02.101.19 (V)	(-) 479.29	480.25
265	Grant 23 - Power	2801.001.33	(-) 74.93	35.40
266	-do-	2801.04.001.01	382.80	89.80

267	-do-	4059.01.051.12 (V)	(-) 55.00	35.34
268	-do-	4801.05.799.02	(-) 75.00	137.71
269	-do-	4801.05.799.11 (V)	25.00	155.75
270	-do-	4801.05.799.46 (V)	50.00	21.42
271	Grant 23 - Power	4801.05.799.51 (H)	(-) 130.00	20.50
272	-do-	4801.05.799.53 (H)	(-) 25.00	75.84
273	-do-	4801.05.799.53 (V)	(-) 25.00	49.06
274	-do-	4801.05.799.76 (H)	(-) 50.00	378.21
275	-do-	4801.05.799.84 (V)	50.00	93.31
276	-do-	4801.05.799.91 (V)	(-) 79.00	40.61
277	-do-	4801.05.799.92 (V)	511.68	41.59
278	-do-	4801.05.799.93 (H)	30.00	213.18
279	-do-	4801.05.799.94 (H)	(-) 62.00	58.56
280	-do-	4801.80.004.27 (H)	(-) 14.00	12.02
281	-do-	4552.01.005.06 (V)	(-) 191.29	27.29
282	-do-	4801.05.799.02 (V)	(-) 220.00	378.90
283	Grant 25 - Youth Affairs and Sports Department	2204.101.03	(-) 27.41	69.66
284	-do-	2204.001.01 (V)	3.00	15.59
285	-do-	4202.03.800.09 (V)	20.00	80.00
286	Grant 27 - Election	2015.108.03	(-) 45.00	45.00
287	Grant 29 - Sales Tax, Other Taxes/Duties on Commodities and Services	2040.001.01	9.13	14.33
288	Grant 30 - General Economic Services and Planning	3454.01.001.01	(-) 103.00	14.49
289	-do-	3451.092.04 (V)	615.00	599.00
290	-do-	4059.01.101.01 (V)	2776.06	2242.17
291	-do-	4202.01.202.01 (V)	1100.00	1000.00
292	-do-	4202.03.800.02 (V)	2100.00	1000.00
293	-do-	4225.02.800.01 (V)	331.00	108.18
294	-do-	4408.02.800.01 (V)	200.00	400.00
295	-do-	4702.800.01 (V)	444.45	705.56
296	-do-	4711.01.103.01 (V)	2000.00	1332.32
297	-do-	4801.05.799.01 (H)	750.00	862.89
298	-do-	5054.05.101.01 (V)	850.00	670.28
299	-do-	5054.05.337.02 (V)	8855.46	620.74
300	Grant 37 - Fisheries	2405.001.20 (V)	51.79	123.56
301	-do-	2405.101.10 (V)	40.00	22.81
302	-do-	2405.800.01 (V)	13.00	37.02
303	Grant 39 - Sericulture	2851.107.01	(-) 216.47	17.10
304	Grant 41 - Art and Culture	2205.105.22 (V)	(-)20.00	28.58
305	Grant 43 - Horticulture and Soil Conservation	2402.001.29 (V)	2.50	12.04
306	-do-	2402.103.02 (V)	(-)28.50	23.50
307	Grant 47 - Welfare of Minorities and Other Backward Classes	2225.80.800.05 (V)	(-) 30.90	30.90
	Sub-total			31853.90
	Total			68998.47

Appendix 2.6
(Reference: Paragraph 2.3.10)

Cases of substantial surrenders (amount exceeding ₹ 25 lakh) made during the year 2009-10

(₹ in crore)

Sl. No.	Name of Grant	Name of the Scheme (Head of Account)	Total provision	Amount of surrender	Percentage of surrender
1	8 – Public Works Department	2216 –Housing			
		07 – Other Housing			
		053 – Maintenance and Repairs			
		01 – Other Maintenance Expenditure	18.53	0.85	5
2	-do-	3054 – Roads and Bridges			
		04 – District and other Roads			
		337 – Road Works			
		12 – Inter Village Roads	26.08	12.12	46
3	10 - Education	2202 – General Education			
		03 – University and Higher Education			
		103 – Government Colleges and Institutes			
		11 - Government Colleges and Institutes	64.87	9.86	15
4	11 – Medical, Health and Family Welfare Services	2210 – Medical and Public Health			
		01 – Urban Health Services - Allopathy			
		001 – Direction and Administration			
		11 – District Head quarters	8.60	1.66	19
5	14 – Development of Tribal and SCs	4225 – Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes			
		02 – Welfare of Scheduled Tribes			
		283 – Housing			
		02 – State Share of Centrally Sponsored Schemes (CSS)	0.60	0.3	50
6	-do-	4225 – Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes			
		02 – Welfare of Scheduled Tribes			
		800 – Other Expenditure			
		10 – Construction of Boys and Girls Hostel	3.97	3.97	100
7	-do-	4225 – Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes			
		02 – Welfare of Scheduled Tribes			
		800 – Other Expenditure			
		32 – Construction of Building	1	1	100
8	16 – Co-operation	2425 – Co-operation			
		001 – Direction and Administration			
		01 - Direction	1.86	0.28	15
9	-do-	2425 – Co-operation			
		001 – Direction and Administration			
		03 – Zonal Administration	7.22	1.57	22
10	18 – Animal Husbandry and Veterinary including Dairy Farming	2403 – Animal Husbandry			
		101 – Veterinary Services			
		04 – District/Sub –Divisional Veterinary Hospital and Dispensaries	14.08	1.50	11

11	23 - Power	2801 - Power			
		001 – Direction and Administration			
		27 – EE Thoubal Division	5.76	1.75	30
12	-do-	2801 - Power			
		001 – Direction and Administration			
		29 – EE Jiribam Division	0.65	0.25	38
13	-do-	2801 - Power			
		001 – Direction and Administration			
		29 – EE Tamenglong Division	3.06	1.73	57
14	-do-	2801 - Power			
		001 – Direction and Administration			
		29 – EE Senapati Division	3.21	1.68	52
15	24 – Vigilance Department	2070 – Other Administrative Services			
		104 – Vigilance			
		01 – Vigilance Dept	1.76	0.31	18
16	25 – Youth Affairs and Sports Dept.	2204 – Sports and Youth Services			
		104 – Sports and Games			
		8 – National Sports Academy	0.86	0.36	42
17	28 – State Excise	2039 – State Excise			
		001 – Direction and Administration			
		02 - Execution	2.18	0.57	26
18	-do-	2235 – Social Security and Welfare			
		02 – Social Welfare			
		105 – Prohibition			
19	32 - Jails	03 - Prohibition	8.30	1.09	13
		2056 – Jails			
		001 – Direction and Administration			
20	32 - Jails	101 – Jails			
		02 -. Central Jail, Imphal	3.50	0.39	11
		4059 – C.O. on Public works (CSS)			
21	36 - Minor Irrigation	01 – Office Building			
		051 – Construction			
		03 - Modernization of Jails	0.90	0.74	82
22	40 – Irrigation & Flood Control Dept	2702 – Minor Irrigation			
		01 – Surface Water			
		103 – Diversion Schemes			
23	-do-	03 – Pick up weir	8.36	7.90	95
		2700 – Major Irrigation			
		02 – Singda Irrigation Project			
24	-do-	001 – Direction and Administration			
		01 - Direction	2.62	0.62	24
		2700 – Major Irrigation			
25	-do-	08 – General			
		800 – Other expenditure			
		05 – Irrigation Projects	22.95	19.54	85
26	-do-	2701 – Medium Irrigation			
		04 – Medium Irrigation Non – commercial			
		001 – Direction and Administration			
27	-do-	01 - Direction	7.38	1.09	15
		2711 – Flood Control and Drainage			
		01 – Flood control			
28	-do-	001 Direction and Administration			
		03 – Execution	9.03	1.08	12

26	43 – Horticulture and Soil conservation	2401 – Crop Husbandry			
		800 – Other expenditure			
		15 – Macro – Management of Agriculture	8.39	2.03	24
27	47 – Welfare of Minorities and other Backward classes (CSS)	2225 – Welfare of Scheduled Castes, Scheduled Tribes and other Backward Classes			
		03 – Welfare of Backward Classes			
		277 – Education			
		03 – Post Matric Scholarship to Other Backward Classes students	2.41	1.25	52
28	-do-	2225 – Welfare of Scheduled Castes, Schedule Tribes and Other Backward Classes			
		03 – Welfare of Backward Classes			
		277 – Education			
		04 – Pre Matric Scholarship to Other Backward Classes students	2.08	1.15	55
29	-do-	4225 – C.O. on Welfare of Schedule Castes, Schedule Tribes and Other Backward Classes			
		03 – Welfare of Backward Classes			
		800 – Other expenditure			
		01 – Boys’ Hostel	0.81	0.81	100
Total			241.02	77.45	

Appendix 2.7
(Reference: Paragraph 2.3.13)
Statement of various Grants/Appropriations in which savings occurred but no part of which had been surrendered

(₹ in lakh)

Sl. No.	Grant No.	Saving
Revenue Voted		
1	1 – State Legislature	157.11
2	2 – Council of Ministers	34.88
3	3 – Secretariat	616.13
4	4 – Land Revenue, Stamps & Registration and District Administration	662.90
5	6 – Transport	31.06
6	7 – Police	1641.54
7	9 – Information and Publicity	64.64
8	12 – Municipal Administration, Housing and Urban Development	156.30
9	14 – Development of Tribal and Schedule Caste	1814.14
10	15 – Food and Civil Supplies	28.56
11	17 – Agriculture	1534.44
12	20 – Community Development and ANP, IRDP and NREP	70.25
13	21 – Commerce & Industries and Weights & Measures Department	1550.60
14	26 – Administration of Justice	133.63
15	27 – Election	8.66
16	30 – General Economic Services and Planning	373.60
17	31 – Fire Protection and Control	4.28
18	34 – Rehabilitation	6.03
19	35 – Stationery and Printing	48.54
20	37 – Fisheries	41.02
21	38 – Panchayat	41.42
22	41 – Art and Culture	15.99
23	42 – State Academy of Training	4.31
24	44 – Social Welfare Department	2405.70
25	45 – Tourism	11.31
26	46 – Science and Technology and Information Technology	874.80
Revenue Charged		
27	1 – State Legislature	6.79
28	App. 1 – Governor	20.94
29	App. 2 – Interest Payment and Debt Services	1505.38
30	App. 3 – Manipur Public Service Commission	27.71
31	5 – Finance Department	5.60
32	8 – Public Works Department	47.04
33	26 – Administration of Justice	600.00
Capital Voted		
34	1 – State Legislature	10.00
35	2 – Council of Ministers	80.00
36	5 – Finance Department	30.71
37	11 – Medical, Health and Family Welfare Services	0.01
38	37 – Fisheries	50.00
39	8 – Public Works Department	1297.20
40	9 – Information and Publicity	0.01
41	10 – Education	218.34
42	13 – Labour and Employment	12.07

43	16 – Co-operation	62.50
44	17 – Agriculture	0.01
45	18 – Animal Husbandry and Veterinary including Dairy Farming	139.03
46	21– Commerce & Industries and Weights & Measures Department	3.56
47	23 – Power	404.32
48	24 – Vigilance Department	151.77
49	30 – General Economic Services and Planning	4300.78
50	36 – Minor Irrigation	4054.30
51	39 – Sericulture	4345.79
52	40 – Irrigation and Flood Control Department	10680.79
53	41 – Art and Culture	3.00
54	44 – Social Welfare Department	0.06
55	45 – Tourism	403.05
	Total	40792.60

Appendix 2.8
(Reference: Paragraph 2.3.13)
Details of saving of ₹ one crore and above not surrendered

(₹ in lakh)

Sl No.	Grant No.	Saving	Surrender	Saving which remained to be surrendered
Revenue Voted				
1	1 – State Legislature	157.11	--	157.11
2	3 – Secretariat	616.13	--	616.13
3	4 – Land Revenue, Stamps & Registration and District Administration	662.90	--	662.90
4	7 – Police	1641.54	--	1641.54
5	8 – Public Works Department	2689.07	1297.25	1391.82
6	10 – Education	4497.87	986.20	3511.67
7	11 – Medical, Health and Family Welfare Services	805.67	185.43	620.24
8	12 – Municipal Administration, Housing and Urban Development	156.30	--	156.30
9	14 – Development of Tribal and Schedule Caste	1814.14	--	1814.14
10	17 – Agriculture	1534.44	--	1534.44
11	18 – Animal Husbandry and Veterinary including Dairy Farming	690.21	149.80	540.41
12	21 – Commerce & Industries and Weights & Measures Department	1550.60	--	1550.60
13	23 – Power	3118.71	1173.59	1945.12
14	26 – Administration of Justice	133.63	--	133.63
15	30 – General Economic Services and Planning	373.60	--	373.60
16	36 – Minor Irrigation	907.52	797.48	110.04
17	40 – Irrigation and Flood Control Department	2451.82	2250.72	201.10
18	44 – Social Welfare Department	2405.70	--	2405.70
19	46 – Science and Technology and Information Technology	874.80	--	874.80
20	47 – Welfare of Minorities and Other Backward Classes	430.38	247.47	182.91
Revenue Charged				
21	26 – Administration of Justice	600.00	--	600.00
22	App. 2 – Interest Payment and Debt Services	1505.38	--	1505.38
Capital Voted				
23	8 – Public Works Department	1297.20	--	1297.20
24	10 – Education	218.34	--	218.34
25	18 – Animal Husbandry and Veterinary including Dairy Farming	139.03	--	139.03
26	23 – Power	404.32	--	404.32
27	24 – Vigilance Department	151.77	--	151.77
28	30 – General Economic Services and Planning	4300.78	--	4300.78
29	36 – Minor Irrigation	4054.30	--	4054.30
30	39 – Sericulture	4345.79	--	4345.79
31	40 – Irrigation and Flood Control Department	10680.79	--	10680.79
32	45 – Tourism	403.05	--	403.05
		55612.89	7087.94	48524.95

Appendix 2.9

(Reference: Paragraph 2.3.13)

Cases of surrender of funds (₹ 10 lakh and above) made on as 31 March 2010

(₹ in lakh)

Sl No.	Grant No.	Total Provision	Saving	Surrender	%age of Total Provision
Revenue Voted					
1	8 – Public Works Department	17998.05	2689.07	1297.25	7.21
2	10 – Education	46655.71	4497.87	986.20	2.11
3	11 – Medical, Health and Family Welfare Services	13469.00	805.67	185.43	1.38
4	16 – Co-operation	1133.14	184.56	203.81	17.99
5	18 – Animal Husbandry and Veterinary including Dairy Farming	4099.15	690.21	149.80	3.65
6	23 – Power	19585.84	3118.71	1173.59	5.99
7	24 – Vigilance Department	176.10	49.72	30.77	17.47
8	28 – State Excise	1065.93	201.86	168.16	15.78
9	32 – Jails	716.91	68.05	39.20	5.47
10	36 – Minor Irrigation	1513.08	907.52	797.48	52.71
11	40 – Irrigation and Flood Control Department	6358.80	2451.82	2250.72	35.40
12	43 – Horticulture and Soil Conservation	3513.31	54.61	226.50	6.45
13	47 – Welfare of Minorities and Other Backward Classes	2441.09	430.38	247.47	10.14
Capital Voted					
14	14 – Development of Tribal and Schedule Caste	556.61	434.79	526.61	94.61
15	32 – Jails	168.50	73.53	73.53	43.64
Total		119451.22	16658.37	8356.52	

Appendix 2.10
(Reference: Paragraph 2.4.1)
Pending DCC bills up to 2009-10 as on October 2010

(₹ in crore)

Sl.No.	Department/Institutes	Number of AC bills	Amount
1	Agriculture	2	0.21
2	Art & Culture	8	7.07
3	Commerce and Industries	17	1.35
4	Co-operation	2	0.39
5	Development of Tribals and Backward Classes	113	43.62
6	District Administration	5	14.08
7	Education (School)	114	171.50
8	Education (U)	30	37.52
9	Election	8	2.81
10	Family and Children Welfare Bureau	5	1.74
11	Food and Civil Supply	11	10.85
12	General Administration Department (Sectt)	6	6.16
13	Government Polytechnic	2	0.47
14	Information and Public Relation	5	0.16
15	Jail (Prison)	7	6.55
16	Labour	3	0.33
17	Manipur Fire Service	2	1.23
18	Medical and Health Services	227	202.98
19	Minorities and Other Backward Classes	16	46.59
20	Municipal Administration, Housing and Urban Development	79	170.77
21	Planning	30	45.10
22	Police	16	104.97
23	Rural Development and Panchayati Raj	24	46.73
24	Science and Technology	11	17.78
25	Sectt. Development Department	1	7.50
26	Sericulture	6	0.19
27	Settlement and Land Records	6	4.17
28	Social Welfare	4	28.03
29	Tourism	67	60.15
30	Transport	9	91.81
31	Veterinary and Animal Husbandry	29	5.69
32	Weights & Measures Department	2	0.50
33	Youth Affairs and Sports	7	1.16
	Total	874	1140.16

Appendix – 3.1
(Reference: Paragraph 3.1)

Statement showing outstanding Utilization Certificates as on 31 March 2010

(₹ in crore)

Sl. No.	Department	Year of payment of Grant	Total Grants paid		Utilization Certificates			
			Number	Amount	Received		Outstanding	
					Number	Amount	Number	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Animal Husbandry	2006-07	7	1.09	Nil	Nil	7	1.09
		2007-08	7	1.29	Nil	Nil	7	1.29
		2008-09	8	2.47	Nil	Nil	8	2.47
		2009-10	2	0.30	Nil	Nil	2	0.30
2	Arts & Culture	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	2	0.93	Nil	Nil	2	0.93
		2008-09	16	1.88	Nil	Nil	16	1.88
		2009-10	22	1.42	Nil	Nil	22	1.42
3	Co-operation	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	1	0.33	Nil	Nil	1	0.33
		2008-09	1	0.38	Nil	Nil	1	0.38
		2009-10	2	0.47	Nil	Nil	2	0.47
4	Development of Tribals and Backward Classes	2006-07	15	113.82	Nil	Nil	15	113.82
		2007-08	18	54.64	Nil	Nil	18	54.64
		2008-09	19	18.10	Nil	Nil	19	18.10
		2009-10	157	37.02	Nil	Nil	157	37.02
5	District Administration	2006-07	5	1.39	Nil	Nil	5	1.39
		2007-08	3	0.05	Nil	Nil	3	0.05
		2008-09	3	1.19	Nil	Nil	3	1.19
		2009-10	14	0.58	Nil	Nil	14	0.58
6	Fisheries	2006-07	2	0.41	Nil	Nil	2	0.41
		2007-08	1	0.34	Nil	Nil	1	0.34
		2008-09	1	0.23	Nil	Nil	1	0.23
		2009-10	2	0.19	Nil	Nil	2	0.19
7	Forest	2006-07	3	0.36	Nil	Nil	3	0.36
		2007-08	1	0.10	Nil	Nil	1	0.10
		2008-09	2	2.18	Nil	Nil	2	2.18
		2009-10	8	5.05	Nil	Nil	8	5.05
8	Education (Technical)	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	1	0.28	Nil	Nil	1	0.28
		2008-09	Nil	Nil	Nil	Nil	Nil	Nil
		2009-10	Nil	Nil	Nil	Nil	Nil	Nil
9	Education (School)	2006-07	32	38.03	Nil	Nil	32	38.03
		2007-08	725	83.07	Nil	Nil	725	83.07
		2008-09	775	92.61	Nil	Nil	775	92.61
		2009-10	104	22.62	Nil	Nil	104	22.62
10	Education (University)	2006-07	27	13.83	Nil	Nil	27	13.83
		2007-08	16	7.49	Nil	Nil	16	7.49
		2008-09	23	8.41	Nil	Nil	23	8.41
		2009-10	10	2.71	Nil	Nil	10	2.71

11	General Administrative/ Secretariat General Services	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	2	0.16	Nil	Nil	2	0.16
		2008-09	Nil	Nil	Nil	Nil	Nil	Nil
		2009-10	8	0.11	Nil	Nil	8	0.11
12	Governor's Secretariat	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	Nil	Nil	Nil	Nil	Nil	Nil
		2008-09	Nil	Nil	Nil	Nil	Nil	Nil
		2009-10	14	0.05	Nil	Nil	14	0.05
13	Industries	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	1	0.20	Nil	Nil	1	0.20
		2008-09	Nil	Nil	Nil	Nil	Nil	Nil
		2009-10	Nil	Nil	Nil	Nil	Nil	Nil
14	Information & Publicity	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	1	0.06	Nil	Nil	1	0.06
		2008-09	1	0.03	Nil	Nil	1	0.03
		2009-10	Nil	Nil	Nil	Nil	Nil	Nil
15	Law	2006-07	1	0.11	Nil	Nil	1	0.11
		2007-08	1	0.15	Nil	Nil	1	0.15
		2008-09	1	0.14	Nil	Nil	1	0.14
		2009-10	3	0.05	Nil	Nil	3	0.05
16	Medical & Family Welfare	2006-07	8	1.12	Nil	Nil	8	1.12
		2007-08	7	1.40	Nil	Nil	7	1.40
		2008-09	Nil	Nil	Nil	Nil	Nil	Nil
		2009-10	2	0.90	Nil	Nil	2	0.90
17	Municipal Administration, Housing & Urban Development	2006-07	37	12.28	Nil	Nil	37	12.28
		2007-08	34	10.11	Nil	Nil	34	10.11
		2008-09	34	30.91	Nil	Nil	34	30.91
		2009-10	10	4.65	Nil	Nil	10	4.65
18	Police	2006-07	1	0.24	Nil	Nil	1	0.24
		2007-08	1	0.43	Nil	Nil	1	0.43
		2008-09	1	0.03	Nil	Nil	1	0.03
		2009-10	1	0.12	Nil	Nil	1	0.12
19	Public Works	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	6	0.16	Nil	Nil	6	0.16
		2008-09	7	1.26	Nil	Nil	7	1.26
		2009-10	Nil	Nil	Nil	Nil	Nil	Nil
20	Rural Development & Panchayati Raj	2006-07	189	17.78	Nil	Nil	189	17.78
		2007-08	18	29.90	Nil	Nil	18	29.90
		2008-09	29	44.64	Nil	Nil	29	44.64
		2009-10	29	19.04	Nil	Nil	29	19.04
21	Science & Technology	2006-07	4	2.65	Nil	Nil	4	2.65
		2007-08	2	1.52	Nil	Nil	2	1.52
		2008-09	3	0.79	Nil	Nil	3	0.79
		2009-10	Nil	Nil	Nil	Nil	Nil	Nil
22	Secretariat Planning	2006-07	1	4.51	Nil	Nil	1	4.51
		2007-08	1	13.00	Nil	Nil	1	13.00
		2008-09	2	16.87	Nil	Nil	2	16.87
		2009-10	3	13.45	Nil	Nil	3	13.45

23	Social Welfare	2006-07	1	1.13	Nil	Nil	1	1.13
		2007-08	1	0.50	Nil	Nil	1	0.50
		2008-09	1	1.24	Nil	Nil	1	1.24
		2009-10	7	0.56	Nil	Nil	7	0.56
24	Sports & Youth Services	2006-07	56	2.61	Nil	Nil	56	2.61
		2007-08	Nil	Nil	Nil	Nil	Nil	Nil
		2008-09	9	0.99	Nil	Nil	9	0.99
		2009-10	8	0.12	Nil	Nil	8	0.12
25	Village & Small Industries/ Industry	2006-07	2	1.44	Nil	Nil	2	1.44
		2007-08	1	5.26	Nil	Nil	1	5.26
		2008-09	Nil	Nil	Nil	Nil	Nil	Nil
		2009-10	9	9.52	Nil	Nil	9	9.52
26	Capital Outlay on Education *	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	Nil	Nil	Nil	Nil	Nil	Nil
		2008-09	1	0.14	Nil	Nil	1	0.14
		2009-10	Nil	Nil	Nil	Nil	Nil	Nil
27	Other Administrative Service *	2006-07	Nil	Nil	Nil	Nil	Nil	Nil
		2007-08	Nil	Nil	Nil	Nil	Nil	Nil
		2008-09	Nil	Nil	Nil	Nil	Nil	Nil
		2009-10	1	0.01	Nil	Nil	1	0.01
Sub-total		2006-07	391	212.80	Nil	Nil	391	212.80
		2007-08	851	211.37	Nil	Nil	851	211.37
		2008-09	937	224.49	Nil	Nil	937	224.49
		2009-10	416	118.94	Nil	Nil	416	118.94
Grand total			2595	767.60	Nil	Nil	2595	767.60

* In respect of these UCs, the respective departments could not be ascertained.

Appendix 3.2

(Reference: Paragraph 3.2)

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

(₹ in lakh)

Sl. No.	Name of the Body/Authority	Year from which accounts had not been received	Grants received
	Department: Rural Development		
1	Executive Director, DRDA, Imphal West	2008-09	Not Furnished (NF)
2	Executive Director, DRDA, Imphal East	2008-09	NF
3	Executive Director, DRDA, Bishnupur	2008-09	NF
4	Executive Director, DRDA, Thoubal	2009-10	NF
5	Executive Director, DRDA, Ukhrul	2008-09	NF
6	Executive Director, DRDA, Senapati	2008-09	NF
7	Executive Director, DRDA, Chandel	2008-09	NF
8	Executive Director, DRDA, Churachandpur	2008-09	10348.07 *
9	Executive Director, DRDA, Tamenglong	2008-09	NF
	Department: Forest		
10	Loktak Development Authority	2005-06	NF
11	Manipur Pollution Control Board	1999-00	NF
	Department: Commerce and Industries		
12	Manipur Development Society	2009-10	NF
	Department: Medical and Health		
13	Manipur AIDS control Society	2001-02	NF
	Department: Art and Culture		
14	Manipur State Kala Academy	1998-99	NF
	Department: Horticulture and Soil Conservation		
15	Eastern Border Area Development Authority	2009-10	112.96 *
16	Barak River Valley Development Board	2003-04	NF
	Department: Social Welfare		
17	Manipur State Social Welfare Board	2007-08	133.27 *

* Accounts not received. However, the amount of grants received have been furnished separately by the body/authority.

**Appendix 3.3
(Reference: Paragraph 3.3)**

Statement showing position of placement of SAR of ADC/ Autonomous body as on 31 March 2010

Name of the ADC/ Autonomous Bodies	Period of entrust- ment	Year up to which accounts were rendered	Position of SAR placed in the State Legislature					Position of SARs issued but not placed		
			Year of SAR	Date of issue	Date of placement of SAR	Delay in placement of SAR	Reasons for delay	SARs issued	Date of issue	Reasons for placement
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Chandel	Under Section 19 (3)	2006-07	2001-02	6.12.04	17.3.06	Over 1 year	NA	2002-03 to 2004-05	Between 29.5.06 and 30.9.08	NA
Churachandpur	-do-	2007-08	1998-99	29.12.00	17.3.06	Over 5 years	NA	1999-00 to 2006-07	Between 31.1.02 and 24.7.09	NA
Sadar Hills	-do-	2008-09	2000-01	10.4.03	17.3.06	Over 3 years	NA	2001-02 to 2006-07	Between 4.2.05 and 19.6.09	NA
Senapati	-do-	2007-08	1999-00	6.12.01	17.3.06	Over 4 years	NA	2000-01 to 2005-06	Between 3.10.02 and 14.11.09	NA
Tamenglong	-do-	2007-08	1999-00	11.12.01	17.3.06	Over 4 years	NA	2000-01 to 2001-02	21.7.05	NA
Ukhrul	-do-	2006-07	1999-00	11.12.01	17.3.06	Over 4 years	NA	2000-01 to 2006-07	Between 11.2.05 and 13.1.10	NA
Manipur State Legal Service Authority	-do-	2003-04	2003-04	28.8.08	October 2008	Over 1 month	NA	NA	NA	NA