

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

**for the year ended 31 March 2019**



**लोकहितार्थ सत्यनिष्ठा**  
**Dedicated to Truth in Public Interest**

**GOVERNMENT OF MEGHALAYA**  
*Report No. 1 of 2020*



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

**for the year ended 31 March 2019**

**GOVERNMENT OF MEGHALAYA**  
*Report No. 1 of 2020*



## Table of Contents

	<i>Paragraph(s)</i>	<i>Page(s)</i>
<b>Preface</b>		v
<b>Executive Summary</b>		vii
<b>CHAPTER I</b>		
<b>Finances of the State Government</b>		
Profile	1.1	1
GSDP Concept and Trend Analysis	1.2	1
State FRBM/Fiscal Correction Path – Summary	1.3	2
Meghalaya Fiscal Responsibility and Budget Management Act, 2006	1.3.1	2
Performance of the State in terms of Key Fiscal Targets	1.3.2	3
Analysis of Finances of State Government	1.4	3
Budget Estimates and Actuals	1.5	6
Fiscal Balance	1.6	7
Resources of the State	1.7	9
Application of Resources	1.8	16
Public Account	1.9	26
Assets and Liabilities	1.10	30
Debt Management and Sustainability	1.11	33
Effective Revenue Deficit & Fiscal Deficit	1.12	36
Overall Cash Position of the Government	1.13	36
Conclusion	1.14	37
Recommendations	1.15	38
<b>CHAPTER II</b>		
<b>Financial Management and Budgetary Control</b>		
Introduction	2.1	39
Review of Budgetary Process	2.2	39
Summary of Appropriation Accounts	2.3	40
Financial Accountability and Budget Management	2.4	41
Reconciliation of departmental figures	2.5	47
Outcome of review of selected Grant	2.6	47
Significant Findings	2.7	50
Conclusion	2.8	50
Recommendations	2.9	50

	<i>Paragraph(s)</i>	<i>Page(s)</i>
<b>CHAPTER III</b> <b>Financial Reporting</b>		
Opaqueness in Accounts – Operation of Omnibus Minor Head 800	3.1	51
Delay in Furnishing Utilisation Certificates	3.2	52
Detailed Countersigned Contingent Bills against Abstract Contingent Bills	3.3	53
In-operative Personal Deposit Accounts	3.4	53
Non-submission/Delay in Submission of Accounts	3.5	54
Delay in Submission of Accounts of Autonomous Bodies	3.6	54
Building and Other Constructions Workers Welfare Cess	3.7	55
Misappropriation, Loss, <i>etc.</i>	3.8	55
Follow Up Action on Audit Reports	3.9	56
Significant Findings	3.10	57

## Appendices

Appendix No.	Particulars	Page (s)
Appendix 1.1	Part A : Structure and Form of Government Accounts	59
	Part B : Layout of Finance Accounts	60
	Part C : Methodology adopted for the assessment of Fiscal position	61
	Part D : State Profile	63
	Part E : Fiscal Responsibility and Budget Management Act	64
Appendix 1.2	Time Series Data on State Government Finances	65
Appendix 1.3	Abstract of Receipts and Disbursements for the year 2018-19	68
Appendix 1.4	Summarised Financial Position of the Government of Meghalaya as on 31 March 2019	71
Appendix 1.5	Funds transferred directly to State Implementing Agencies	72
Appendix 1.6	Details of financial assistance to other institutions for the year 2018-19.	74
Appendix 2.1	Department-wise position of savings/ excess (exceeding ₹ 10 crore) for which reasons were not furnished	75
Appendix 2.2	Statement of various Grants/Appropriations where saving was more than Rupees one crore each and more than 20 <i>per cent</i> of the total provision	77
Appendix 2.3	Statement showing the amount debited Head-wise and credited to 8443 – Civil Deposits	79
Appendix 2.4	Excess over provision of previous years requiring regularisation	80
Appendix 2.5	Cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary	82
Appendix 2.6	Injudicious re-appropriation resulted in savings/excess of over Rupees one crore	84
Appendix 2.7	Cases of 100 <i>per cent</i> surrender of fund	89
Appendix 2.8	Surrender in excess of actual savings	93
Appendix 2.9	Statement of various Grants/Appropriations in which savings occurred but no part of which had been surrendered	94
Appendix 2.10	Details of saving of Rupees one crore and above not surrendered	95

<b>Appendix No.</b>	<b>Particulars</b>	<b>Page (s)</b>
Appendix 2.11	Cases of surrender of funds in excess of Rupees one crore on 31 March 2019	97
Appendix 2.12	Information regarding un-reconciled expenditure for the year 2018-19	99
Appendix 3.1	Statement showing names of Autonomous Bodies and Authorities, the accounts of which had not been received under Section 14(1) and 15.	100
Appendix 3.2	Department-wise/ duration-wise break-up of the cases of misappropriation, theft and loss	101





## **PREFACE**

This Report has been prepared for submission to the Governor of Meghalaya under Article 151 of the Constitution for being placed in the Meghalaya Legislative Assembly.

2. Chapters I and II of this Report respectively contain Audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2019. Information has been obtained from the Government of Meghalaya, wherever necessary.

3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.



# **EXECUTIVE SUMMARY**



# EXECUTIVE SUMMARY

## The Report

Based on the audited accounts of the Government of Meghalaya for the year ended 31 March 2019, this Report provides an analytical review of the finances of the State Government. The Report has three Chapters:

Chapter I is based on the Finance Accounts and makes an assessment of the Government's fiscal position as on 31 March 2019. It broadly presents and analyses the State Government's resources and their applications.

Chapter II is based on audit of Appropriation Accounts and reviews the allocative priorities of the State Government and the manner in which the allocated resources were managed by various Departments.

Chapter III gives an overview and status of the State Government's compliance with various financial rules, procedures and directives during 2018-19.

## 2 Audit Findings

### 2.1 Finances of the State Government

The fiscal position of the State is reviewed in terms of key fiscal parameters – Revenue Deficit, Fiscal Deficit, Primary Deficit. During 2018-19, the State failed to maintain a Revenue Surplus as in the preceding year (Revenue Surplus of ₹ 850.80 crore) and instead there was Revenue Deficit of ₹ 537.32 crore. The Fiscal Deficit of the State had increased significantly during 2018-19 compared to previous year. Primary surplus turned into Primary Deficit during the current year.

The prevalence of Fiscal Deficit during 2014-19 indicated continued reliance of the State on borrowed funds, resulting in increasing the fiscal liabilities of the State over the period 2014-19. Fiscal liabilities increased by 12 *per cent* during 2018-19 compared to previous year. The fiscal liabilities during 2018-19 stood at 30.89 *per cent* of the GSDP during the current year against 30.81 *per cent* during 2017-18 and exceeded the limit of total outstanding Debt-GSDP ratio projected by XIV FC (27.86 *per cent*) for the year. Debt Repayment as a percentage of Tax Revenue ranged between 151 *per cent* and 236.46 *per cent* during 2014-19.

Central tax transfers comprising State's share of Union taxes and duties from Government of India continued to be a key factor in the increase in revenue receipts of the State. The Central Tax Transfers increased by 254 *per cent* during 2014-19 and constituted 50.31 *per cent* of the revenue receipts of the State during 2018-19. The State's own resources (Tax and Non-Tax Revenue) (₹ 2,220.94 crore) during 2018-19 increased by 22.25 *per cent* over previous year and constituted 22.85 *per cent* of the revenue receipts (₹ 9,718.62 crore) during 2018-19.

The State could not meet the targets set (₹ 2,365 crore) by the XIV FC as the Tax Revenue (₹ 1,793.24 crore) fell short of normative assessment made by XIV FC by 24.18 *per cent* and the Non-Tax Revenue (₹ 427.70 crore) was 48.72 *per cent* lower than the target of XIV FC (₹ 834 crore).

The expenditure pattern of the State revealed that the Revenue Expenditure as a percentage of Total Expenditure hovered around 86 *per cent* during the period (2014-19) leaving inadequate resources for creation of assets.

Capital Outlay during 2018-19 (₹ 1,417.28 crore) increased by ₹ 433.84 crore (44.11 *per cent*) over previous year and fell short by 31.39 *per cent* (₹ 648.31 crore) of the projection (₹ 2,065.59 crore) made by the State Government in its Budget Estimate for the year. Share of Capital Outlay to total expenditure during 2014-15 decreased from 15.06 *per cent* (2014-15) to 12.05 *per cent* (2018-19) despite more than three-fold increase in the Central Tax Transfer during the same period from ₹ 1,381.69 crore (2014-15) to ₹ 4,889.07 crore (2018-19).

The average return on Meghalaya Government's investments (₹ 2,638.43 crore) in Statutory Corporations, Government Companies and Co-operative Societies was less than one *per cent* during 2014-19, whereas the average interest payment on Government borrowings was in the range of 6.22 to 6.70 *per cent*. The State Government should review the performance of the above units. The Meghalaya FRBM Act 2006, also provides that the State Government should review the performance of the State PSUs including restructuring of those that are absolutely essential and close those which are no longer viable.

Therefore, it is recommended that the State Government may review the working of the units<sup>1</sup> which were incurring losses and take appropriate action to avoid further financial burden on the Government.

(Chapter I)

## 2.2 Financial Management and Budgetary Control

Sound financial management requires advance planning and accurate estimation of revenues and expenditure. There were several instances of excess expenditure or substantial savings with reference to provisions made during the year, exhibiting weakness in expenditure monitoring and control.

The overall saving of ₹ 3,232.63 crore during 2018-19 was the result of saving of ₹ 3,456.68 crore in 59 Grants and seven Appropriations under Revenue Section, 25 Grants and two Appropriations under Capital Section. This was offset by excess of ₹ 224.05 crore in one Grant under Revenue Section.

There was excess expenditure over the budget allocation amounting to ₹ 2,176.83 crore pertaining to the years from 1971-72 to 2017-18 which was yet to be

---

<sup>1</sup> Statutory corporations, Government companies and co-operative Banks/Societies.

regularised as of December 2019. The excess expenditure over grants is a serious matter as it is a violation of the will of the Legislature which calls for fixing of responsibility to discourage this practice.

Out of the total savings of ₹ 3,232.63 crore, ₹ 2,862.41 crore (88.55 per cent) was surrendered during the year and the balance savings of ₹ 370.20 crore (11.45 per cent) remained un-surrendered, which indicated inadequate budgetary control.

There were also instances of inadequate provision of funds and unnecessary/excessive re-appropriations. In many cases, the anticipated savings were not surrendered. All this shows that budgetary procedure and expenditure monitoring and control of the Government was weak.

*(Chapter II)*

## **2.3 Financial Reporting**

Audit observed various instances of non-observance of financial rules and procedures and absence of financial controls.

There were delays in furnishing utilisation certificates for grants given by Government departments. Delays were also noticed in submission of annual accounts by some autonomous bodies. The total amount of labour cess collected by the Meghalaya Building and Other Construction Worker's Welfare Board was ₹ 137.70 crore while the total amount spent since inception till 2018-19 was only ₹ 4.13 crore (3 per cent). There were also 74 instances of loss and misappropriation.

*(Chapter III)*

## **Recommendations**

It is recommended that:

- *The Government should exercise fiscal prudence to contain Revenue Expenditure and should seek to mobilise additional resources both through tax and non-tax sources to bring down its fiscal deficit and maintain revenue surplus.*
- *Efforts should be made to increase the developmental expenditure in order to improve the productive capacity of the State's economy.*
- *State Government should review the working of the loss making corporations, companies and co-operative societies and take appropriate action to avoid further financial burden.*
- *Thorough review of incomplete projects should be undertaken so that the projects are completed in time to achieve the desired objectives.*
- *The Government needs to enforce strict compliance to the timelines for submission of the UCs by the recipients and failure to comply with the timelines should be scrupulously dealt with. Action against erring officials needs to be initiated.*





# **CHAPTER-I**

## **FINANCES OF THE STATE GOVERNMENT**



# CHAPTER I

## Finances of the State Government

### 1.1 Profile

Meghalaya is situated in the North Eastern region of India and is bound in the north and east by Assam and in the south and west by Bangladesh.

As indicated in **Appendix 1.1 (Part-D)**, the State's population increased from 26 lakh (approx.) in 2001 to 29 lakh (approx.) in 2011 recording a decadal growth of 11.60 per cent.

State's Gross Domestic Product (GSDP) in 2018-19 at current prices was ₹ 34,389 crore. General data relating to the State as well as interstate financial data of the North Eastern Region States is given in **Appendix 1.1 (Part-D)**.

### 1.2 GSDP Concept and Trend Analysis

Gross State Domestic Product (GSDP) is the market value of all officially recognised final goods and services produced within the State in a given period. The growth of GSDP of the State is an important indicator of the State's economy as it indicates the standard of living of the State's population. **Table 1.1** presents trends in annual growth of India's GDP *vis-à-vis* State's GSDP at current prices and **Charts 1.1 and 1.2** present a sectoral analysis of GSDP.

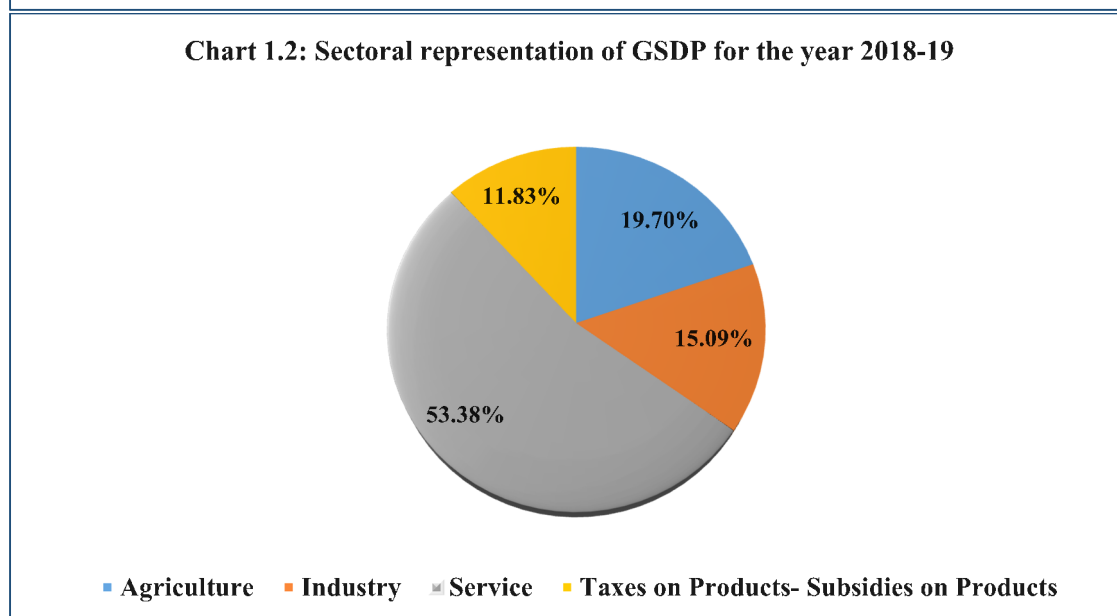
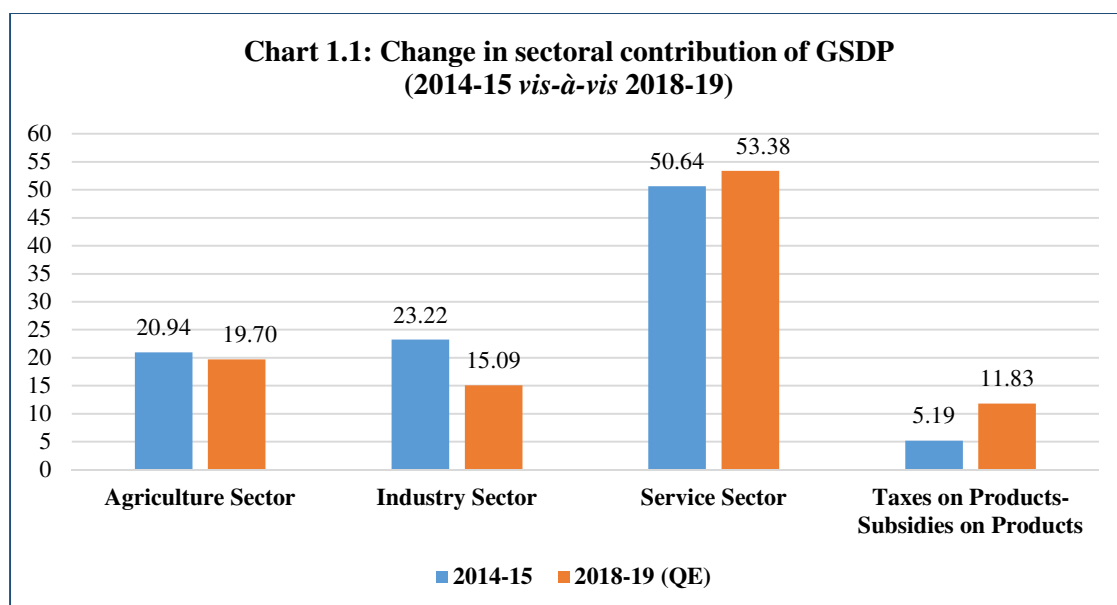
**Table 1.1: Trends in Gross State Domestic Product**

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
India's GDP (₹ in crore)	1,24,67,959	1,37,71,874	1,53,62,386	1,70,95,005	1,90,10,164
Growth rate of GDP ( <i>per cent</i> )	10.99	10.40	10.82	9.97	13.34
Gross State Domestic Product (₹ in crore)	23,235	25,117	27,439	30,790	34,389
Growth rate of GSDP ( <i>per cent</i> )	1.29	8.10	9.24	12.21	11.69
Per capita GDP of India					1,42,719
Per capita GSDP of Meghalaya					98,620

Source: (1) For GDP, Press Release, Ministry of Statistics and Program Implementation, Government of India. (31 May 2019).

(2) GSDP as per the Directorate of Economics and Statistics, Government of Meghalaya.

The GSDP increased from ₹ 30,790 crore in 2017-18 to ₹ 34,389 crore in 2018-19, representing an increase of 11.69 per cent. The growth of GSDP during 2018-19 at 11.69 per cent fell short of the assessment of the XIV Finance Commission (FC) (12.22 per cent). The average compound annual growth rate in respect of GSDP for Meghalaya between 2009-10 and 2018-19 was 11.90 per cent which was less than the all India average (13.44 per cent). The per capita GSDP of the State was less than the All India Average.



### 1.3 State FRBM/Fiscal Correction Path - Summary

#### 1.3.1 Meghalaya Fiscal Responsibility and Budget Management Act, 2006

In accordance with the recommendations of XII FC, the GoM has enacted the Meghalaya Fiscal Responsibility and Budget Management (MFRBM) Act, 2006. In accordance with the recommendations of the XIV FC, the MFRBM Act was amended by the State Government and came into force from 29 September 2015. The amended MFRBM Act (**Appendix 1.1- Part E**) laid down the following fiscal targets.

- (a) To ensure Revenue Surplus during the award period 2015-16 to 2019-20;
- (b) (i) to maintain fiscal deficit at an annual limit of 3 *per cent* of GSDP during the award period 2015-16 to 2019-20;

- (ii) provide for flexible limit of 0.25 *per cent* over and above the 3 *per cent* of GSDP for any given fiscal year to which its fiscal deficit is to be fixed if its debt-GSDP ratio is less than or equal to 25 *per cent* of the preceding year; and
- (iii) be further eligible for additional 0.25 *per cent* of the GSDP in a year for which the borrowing limits will be fixed if the interest payments are less than or equal to 10 *per cent* of the revenue receipts in the preceding year.
- (c) The government shall notify a Medium Term Fiscal Plan (MTFP) with three years rolling targets, giving details of all significant items of receipts and expenditure along with underlying assumptions made for projection purpose.

As prescribed in the MFRBM Act, 2006 (as amended), the State Government was to notify the MTFP to provide details of all significant items of receipts and expenditure along with projection for the years 2018-19 to 2020-21. The State Government had however, not notified the MTFP as required under the Act. On being pointed out (November 2019), the Finance Department notified (December 2019) the MTFP, 2019-20 showing projections for the years 2020-21, 2021-22 and 2022-23. No reason was furnished for failing to notify MTFP for the year 2018-19.

### 1.3.2 Performance of the State in terms of Key Fiscal Targets

The performance of the State during 2018-19 in terms of key fiscal targets set for selected parameters laid down in the MFRBM Act, 2006 *vis-à-vis* achievements are given in **Table 1.2**.

**Table 1.2: Trends in Major Fiscal Parameters *vis-à-vis* Projections for 2018-19**

Fiscal parameters	2018-19		
	Projections as per		Actual
	XIV FC	MFRBM	
Revenue Surplus (+)/ Deficit (-) (₹ in crore)	Maintain revenue surplus		-537.32
Fiscal Deficit/ GSDP ( <i>per cent</i> )	3.00	3.25	5.89
Total Outstanding Liabilities/ GSDP ( <i>per cent</i> )	27.86	*	30.89

Source: XIV FC Report, MFRBM and Finance Accounts.

\*Not prescribed.

The above table indicated that during 2018-19, the State could not achieve any of the three projections set out in XIV FC and neither of the two projections set out in the MFRBM Act, 2006.

## 1.4 Analysis of Finances of State Government

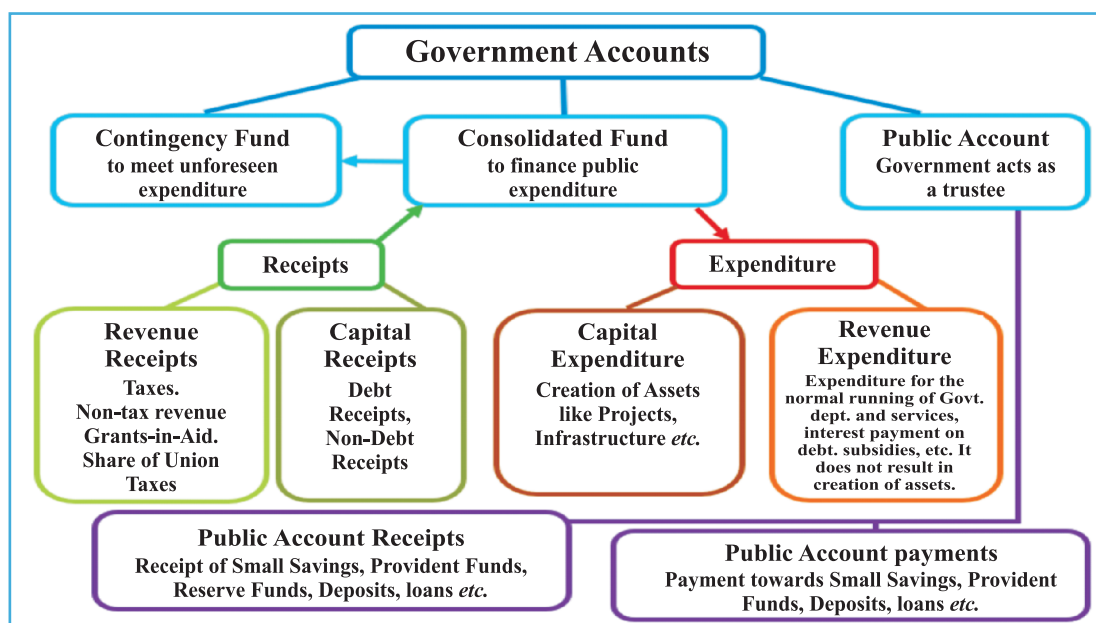
This section provides a broad perspective of the finances of the Government of Meghalaya (GoM) during the current year and analysis critical changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years. The analysis has been made based on State Finance Accounts and the information obtained from State Government. The structure and form of Government Accounts, layout of Finance Accounts, methodology adopted for the assessment of fiscal position and State Profile are given in **Appendix 1.1 (Parts A, B, C & D)**. The time series data on key fiscal variables/ parameters and fiscal

ratios relating to the State Government finances for the period 2014-19 are presented in **Appendix 1.2**.

Government Accounts are maintained in three parts for maintaining the records of all sorts of financial transactions viz. Consolidated Fund, Contingency Fund and Public Account. ‘Consolidated Fund of the State includes Revenue Receipts and Expenditure; Capital Receipts and Disbursements; and Debts, Loans and Advances. The ‘Contingency Fund of the State’ is in the nature of an imprest. The Fund is placed at the disposal of the Governor to enable him to pay advances out of this Fund for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature, under appropriation made by law. Each such Fund is financed from time to time by such sums as may be determined by the Act of the Legislature establishing the Fund. Receipts and Disbursements in respect of certain transactions such as Small Savings, Provident Fund, Reserve Funds, Deposits, Suspense, Remittances, etc. which do not form part of the Consolidated Fund are kept in the Public Account set up under Article 266 (2) of the Constitution of India and are not subject to vote by the State Legislature.

The structure of Government Accounts is given below:

**Chart 1.3: The Structure of Government Accounts**



**Table 1.3** presents the summary of the State Government’s fiscal transactions while **Appendix 1.3** provides details of receipts and disbursements as well as the overall fiscal position during the current year (2018-19) vis-à-vis the previous year (2017-18).

**Table 1.3: Summary of Current Year’s Fiscal Transactions** (₹ in crore)

Receipts			Disbursements		
	2017-18	2018-19		2017-18	2018-19
<b>Section – A : Revenue</b>					
<b>Revenue Receipts</b>	<b>9273.48</b>	<b>9718.62</b>	<b>Revenue Expenditure</b>	<b>8422.68</b>	<b>10255.94</b>
Tax revenue	1450.10	1793.24	General Services	2826.87	3535.88
Non-tax revenue	366.63	427.70	Social Services	3147.61	4100.07

Receipts			Disbursements		
	2017-18	2018-19		2017-18	2018-19
Share of Union Taxes/ Duties	4323.14	4889.07	Economic Services	2448.20	2619.99
Grants-in-Aid from Government of India	3133.61	2608.61			
<b>Section – B : Capital</b>					
Misc. Capital receipts	NIL	NIL	Capital Expenditure	983.44	1417.28
Recoveries of Loans and Advances	17.45	18.01	Loans and Advances disbursed	22.05	89.49
Public Debt Receipts	1225.14	1324.69	Repayment of Public Debt	329.62	395.94
Contingency Fund	100.00	NIL	Contingency Fund	100.00	NIL
Public Account Receipts <sup>1</sup>	4187.87	4568.43	Public Account Disbursements <sup>2</sup>	4569.16	4373.19
Opening Cash Balance	1339.69	1716.68	Closing Cash Balance	1716.68	814.58
<b>Total</b>	<b>16143.63</b>	<b>17346.43</b>	<b>Total</b>	<b>16143.63</b>	<b>17346.43</b>

Source: Finance Accounts.

Following are the significant changes during 2018-19 over the previous year:

- Revenue receipts increased by 4.80 *per cent* (₹ 445.14 crore) over the previous year. The increase was due to increase in State share of Union taxes and duties (₹ 565.93 crore), tax revenue (₹ 343.14 crore) and non-tax revenue (₹ 61.07 crore), offset by decrease in Grants-in-Aid (₹ 525.00 crore) from Government of India.
- Revenue expenditure increased by 21.77 *per cent* (₹ 1,833.26 crore) over the previous year. There was significant increase under General Services by 25.08 *per cent* (₹ 709.01 crore), Social Services by 30.26 *per cent* (₹ 952.47 crore) and Economic Services by 7.02 *per cent* (₹ 171.79 crore) compared to the previous year.
- Compared to previous year, the capital outlay of the State increased by 44.11 *per cent* (₹ 433.84 crore), which was the net result of increase under Economic Services (₹ 399.20 crore) and General Services (₹ 35.21 crore).
- Recovery of loans and advances during the current year increased marginally by ₹ 0.56 crore while disbursement of loans and advances had increased by ₹ 67.44 crore (305.85 *per cent*) compared to the previous year.
- Public debt receipts and public debt repayments increased by ₹ 99.55 crore and ₹ 66.32 crore respectively over the previous year.
- Public account receipts increased by ₹ 380.56 crore while Public Account disbursements decreased by ₹ 195.97 crore over the previous year.
- Closing cash balance decreased significantly by ₹ 902.10 crore over the previous year.

<sup>1</sup> Gross Receipts.

<sup>2</sup> Gross Disbursements.

## 1.5 Budget Estimates and Actuals

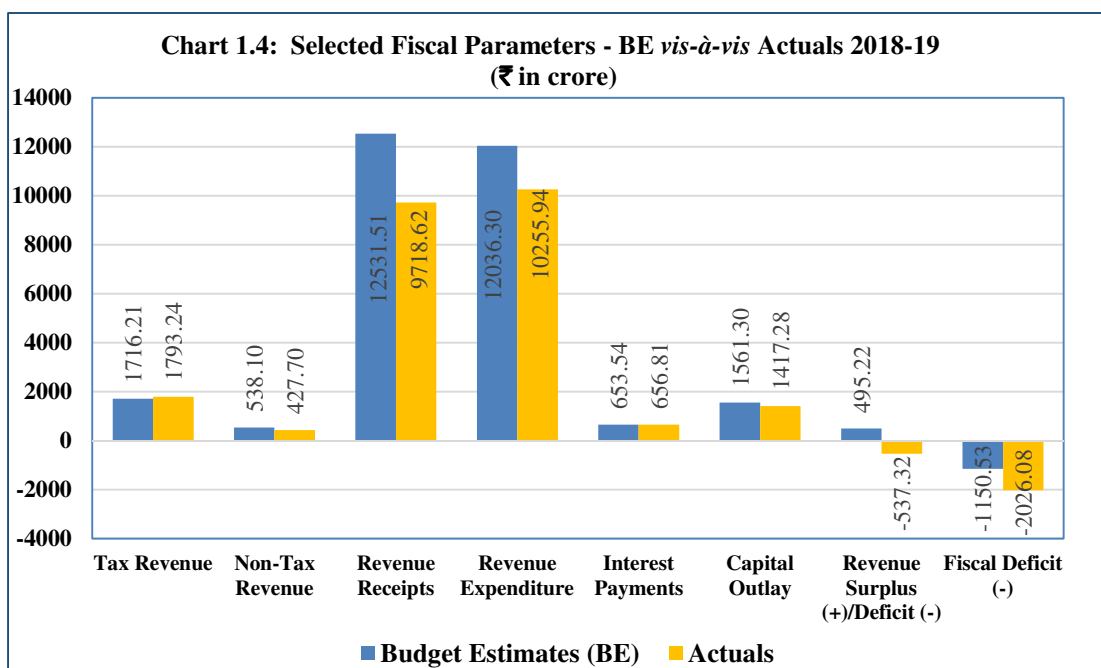
The budget papers presented by the State Government provide descriptions of projections or estimations of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviation from the Budget Estimates (BE) are indicative of non-attainment and non-optimisation of the desired fiscal objectives due to a variety of reasons, some within the control of the Government and some beyond the control of the Government. **Table 1.4** presents the consolidated picture of finances of the State during 2017-18 (actuals) and 2018-19 [BE, Revised Estimates (RE) and actuals] and **Chart 1.4** presents the BE and actuals for some important fiscal parameters.

**Table 1.4: Variation in major items**

(₹ in crore)

Parameters	2017-18	2018-19			Excess (+)/ Shortfall (-) with reference to (in per cent)	
	Actuals	BE	RE	Actuals	Actuals of 2017-18	RE
Tax Revenue	1450.10	1716.21	1716.21	1793.24	23.66	4.49
Non-Tax Revenue	366.63	538.10	538.10	427.70	16.66	-20.52
Revenue Receipts	9273.48	12531.51	12531.51	9718.62	4.80	-22.45
Non-debt Capital Receipts	17.45	22.67	22.67	18.01	3.21	-20.56
Revenue Expenditure	8422.68	12036.30	12036.30	10255.94	21.77	-14.79
Interest Payments	591.18	653.54	653.54	656.81	11.10	0.50
Capital Outlay	983.44	1561.30	1561.30	1417.28	44.11	-9.22
Disbursement of Loans & Advances	22.05	107.12	107.12	89.49	305.85	-16.46
Revenue Surplus (+)/Deficit (-)	850.80	495.22	495.22	-537.32	-163.15	-208.50
Fiscal Deficit (-)	-237.24	-1150.53	-1150.53	-2026.08	-754.02	-76.10
Primary Deficit (-)/ Surplus (+)	353.94	-496.99	-496.99	-1369.27	-486.87	-175.51

Source: Budget Estimates and Finance Accounts.





## 1.6 Fiscal Balance

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 2018-19.

### 1.6.1 Review of Actuals of Deficit Variables *vis-à-vis* Prescription as per Fiscal Correction Path Adopted

Chart 1.5 presents the trends in deficit indicators over the period 2014-19.

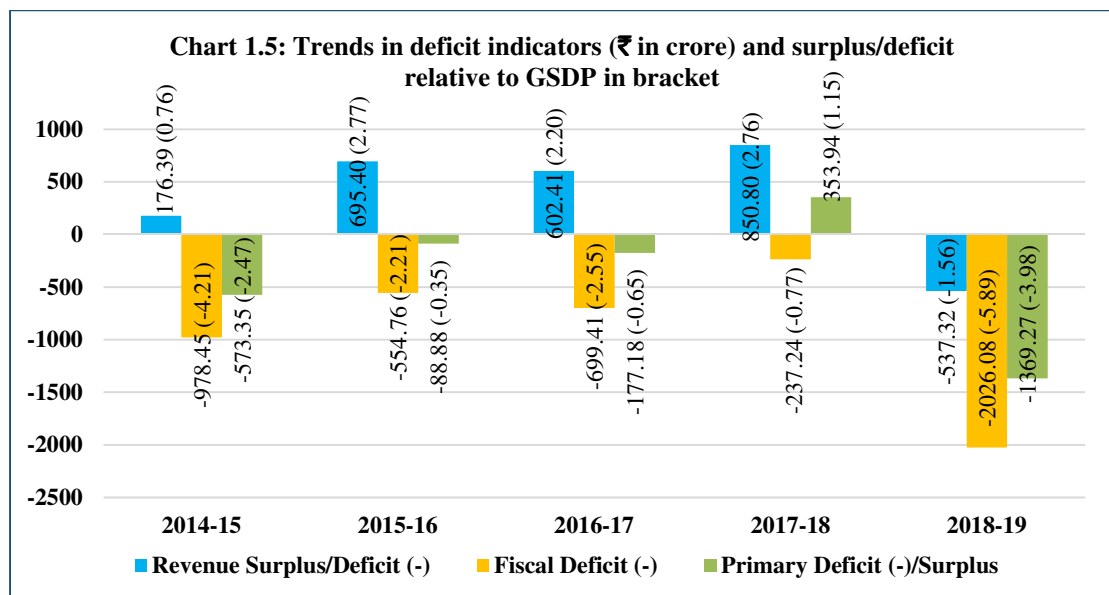


Chart 1.5 reveals that the State had a revenue deficit of (-) ₹ 537.32 crore during 2018-19, as against a revenue surplus of ₹ 850.80 crore in the previous year. This revenue imbalance was due to a considerable increase in revenue expenditure (₹ 1,833.26 crore). State Government was not able to meet the projections made in the MFRBM Act, 2006 (as amended) to maintain revenue surplus during 2018-19, as recommended by the XIV FC.

The fiscal deficit, which represents the total borrowings of the Government and total net debt available to the State significantly increased from ₹ 237.24 crore in 2017-18 to ₹ 2,026.08 crore in 2018-19. This was mainly due to the fact that the increase in revenue expenditure was more compared to increase in revenue receipts and non-debt capital receipts during the current year, relative to the previous year. During the current year, the revenue receipts and non-debt capital receipts increased by 4.80 per cent against increase of 3.72 per cent during the previous year, while the increase in revenue expenditure was 21.77 per cent against increase of 1.03 per cent during previous year.

As per the recommendations of the XIV FC, fiscal deficit of all States should be anchored to an annual limit of 3 per cent of GSDP. GoM also agreed in the MFRBM Act, 2006 (as amended) to reduce fiscal deficit to 3 per cent of GSDP or less during 2016-20 of the award period of the XIV FC. The fiscal deficit-GSDP ratio was at 5.89 per cent during 2018-19. GoM was unable to restrict this ratio as per recommendation of the XIV FC (3 per cent) and its own commitment in the amended MFRBM Act, 2006.

The primary surplus of ₹ 353.94 crore of the State during 2017-18 took a turnaround in 2018-19 and resulted in primary deficit of ₹ 1,369.27 crore. A sharp increase of ₹ 1,788.84 crore in fiscal deficit (from ₹ 237.24 crore in 2017-18 to ₹ 2,026.08 crore in 2018-19) and the moderate increase in interest payment of ₹ 65.63 crore (from ₹ 591.18 crore in 2017-18 to ₹ 656.81 crore in 2018-19) resulted in primary deficit of ₹ 1,369.27 crore during the current year.

### 1.6.2 Components of Fiscal Deficit and its Financing Pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in Table 1.5.

Table 1.5: Components of Fiscal Deficit and its Financing Pattern (₹ in crore)

Sl. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Composition of Fiscal Deficit</b>		<b>978.45</b>	<b>554.76</b>	<b>699.41</b>	<b>237.24<sup>3</sup></b>	<b>2026.08</b>
1.	Revenue Surplus (+)/ Deficit (-)	176.39	695.40	602.41	850.80	-537.32
2.	Net Capital Outlay	-1118.49	-1110.89	-1289.80	-983.44	-1417.28
3.	Net Loans and Advances	-36.35	-139.27	-12.02	-4.60	-71.48
<b>Financing Pattern of Fiscal Deficit<sup>(a)</sup></b>						
1.	Market Borrowing	442.92	459.69	718.33	919.81	862.60
2.	Loans from GoI	-15.05	-17.61	-15.64	-13.67	1.79
3.	Special Securities issued to NSSF	84.12	59.76	-42.38	45.38	-49.62
4.	Loans from Financial Institutions	12.31	-2.25	135.71	34.76	113.98
5.	Small Savings, PF, etc.	133.28	131.74	141.17	157.71	179.36
6.	Reserve Funds	-13.70	6.74	2.07	-23.89	3.97
7.	Deposits and Advances	-161.66	-234.85	889.56	-527.76	26.52
8.	Suspense and Miscellaneous	82.28	-55.40	13.09	8.57	-17.21
9.	Remittances	-8.34	-2.70	1.26	4.09	2.59
10.	<b>Overall Deficit</b>	<b>556.16</b>	<b>345.12</b>	<b>1843.17</b>	<b>605.00</b>	<b>1123.98</b>
11.	Increase (-)/ Decrease (+) in Cash Balances	422.29	209.64	-1143.76	-467.76	902.10
12.	Appropriation to Contingency Fund	-	-	-	100.00	-
<b>Gross Fiscal Deficit</b>		<b>978.45</b>	<b>554.76</b>	<b>699.41</b>	<b>237.24</b>	<b>2026.08</b>
<b>Fiscal Deficit (percentage to GSDP)</b>		<b>4.21</b>	<b>2.21</b>	<b>2.55</b>	<b>0.77</b>	<b>5.89</b>

<sup>(a)</sup> All these figures are net of disbursements/ outflows during the year.

Fiscal deficits during the five year period ending 2018-19, peaked at ₹ 2,026.08 crore during 2018-19.

During 2018-19, fiscal deficit was primarily financed by net market borrowings (₹ 862.60 crore), loans from financial institutions (₹ 113.98 crore), small savings, provident funds, etc. (₹ 179.36 crore) and cash balances (₹ 902.09 crore).

<sup>3</sup> Includes Contingency Fund Appropriation of ₹ 100.00 crore.

The increase in net capital outlay during the year indicated that borrowed funds were being utilised for productive uses more than in previous year. The Government should continue this trend as the solution to the Government debt problem lies in the productive application of borrowed funds. This would either provide returns directly or result in increased productivity of the economy. It may also result in increase in Government revenue in future, making debt payments more manageable.

## 1.7 Resources of the State

**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 (GIA) from Government of India (GoI). Capital Receipts comprise of non-debt capital receipts and debt capital receipts. Non-debt capital receipts consist of miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances while debt capital receipts consist of debt receipts from internal sources (market loans, borrowings from financial institutions/ commercial banks) and loans and advances from GoI. Besides, funds available in the public accounts after disbursement are also utilised by the Government to finance its deficit. **Chart 1.6** presents the receipts of the State during the current year as recorded in its Annual Finance Accounts while **Chart 1.7** depicts trends in various components of the receipts of the State during 2014-19 and **Chart 1.8** depicts composition of resources of the State during the current year.

Chart 1.6: Composition of resources during 2018-19

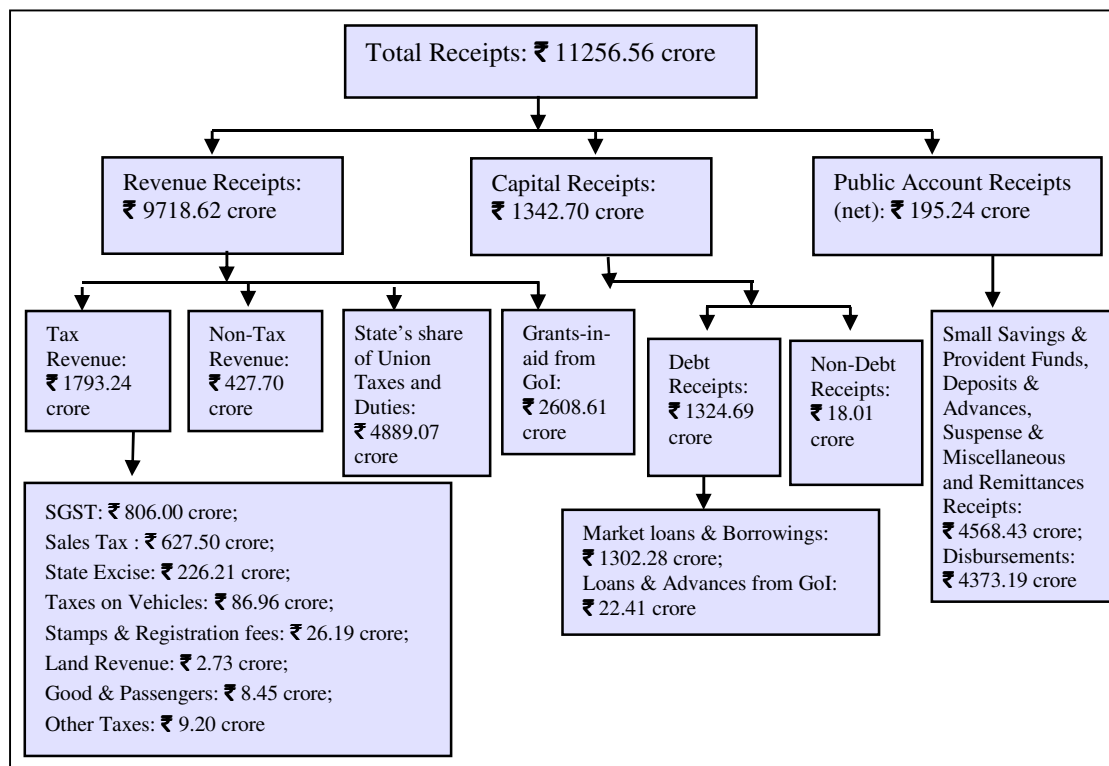
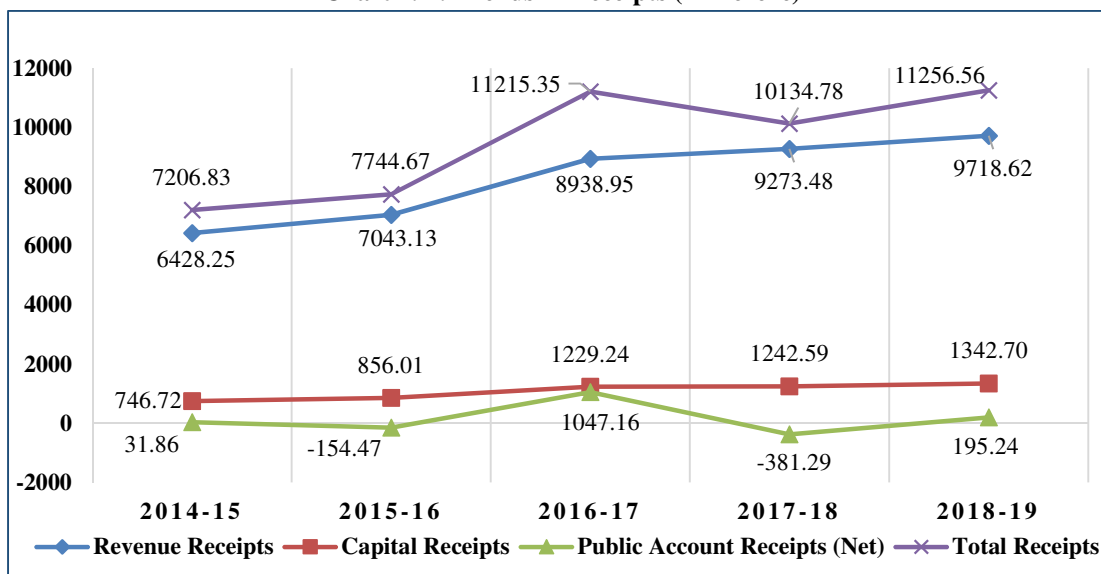


Chart 1.7 : Trends in Receipts (₹ in crore)



Total Receipts of the State during the current year increased by ₹ 1,121.78 crore (11.07 per cent) over the previous year. The increase is attributed to all receipts heads, Revenue Receipts, Capital Receipts and Public Account Receipts during 2018-19 when compared to the previous year.

Total receipts of the State for 2018-19 was ₹ 11,256.56 crore, of which ₹ 9,718.62 crore (86.34 per cent) came from Revenue Receipts, ₹ 1,342.70 crore (11.93 per cent) from Capital Receipts (recoveries of loans and advances plus public debt receipts) and ₹ 195.24 crore (1.73 per cent) from net receipts of Public Account. Total receipts of the State increased by 56.19 per cent over a five year period from ₹ 7,206.83 crore in 2014-15 to ₹ 11,256.56 crore in 2018-19.

Debt Capital Receipts which create future repayment obligation increased by 82.22 per cent from ₹ 726.96 crore (10.09 per cent of total receipts) in 2014-15 to ₹ 1,324.69 crore (11.77 per cent of total receipts) in 2018-19.

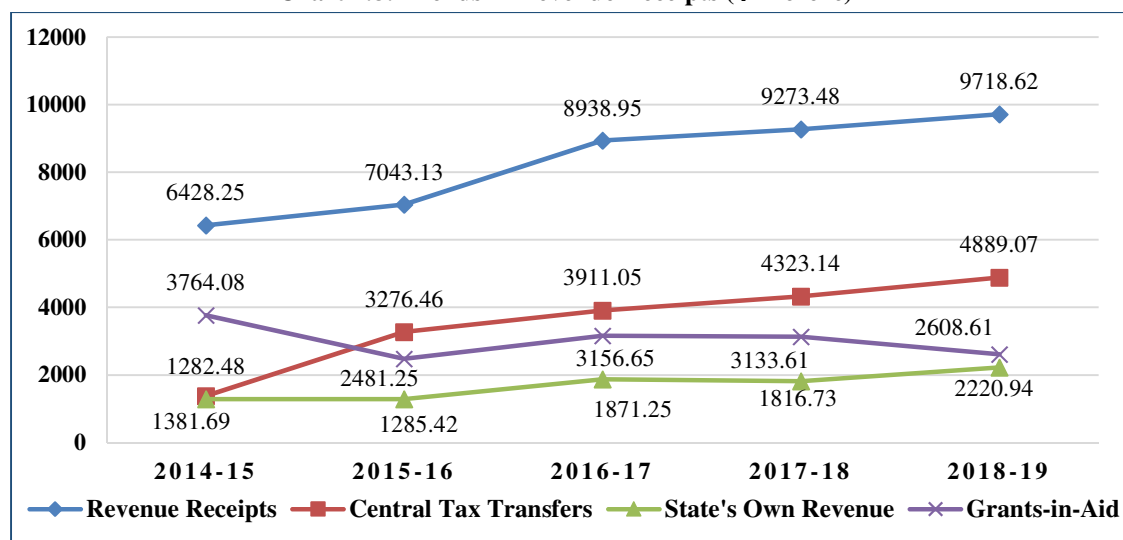
In addition to the total receipts, the State also received ₹ 704.79 crore under 41 schemes (Appendix 1.5) which was not routed through the budget of the State Government but released directly to the Implementing Agencies. With the release of these funds directly to the Implementing Agencies in the State, the resources of the State during the year 2018-19 stood at ₹ 16,334.57 crore (including the net receipts of ₹ 15,629.75 crore in the State) as on 31 March 2019.

### 1.7.1 State's Revenue Receipts

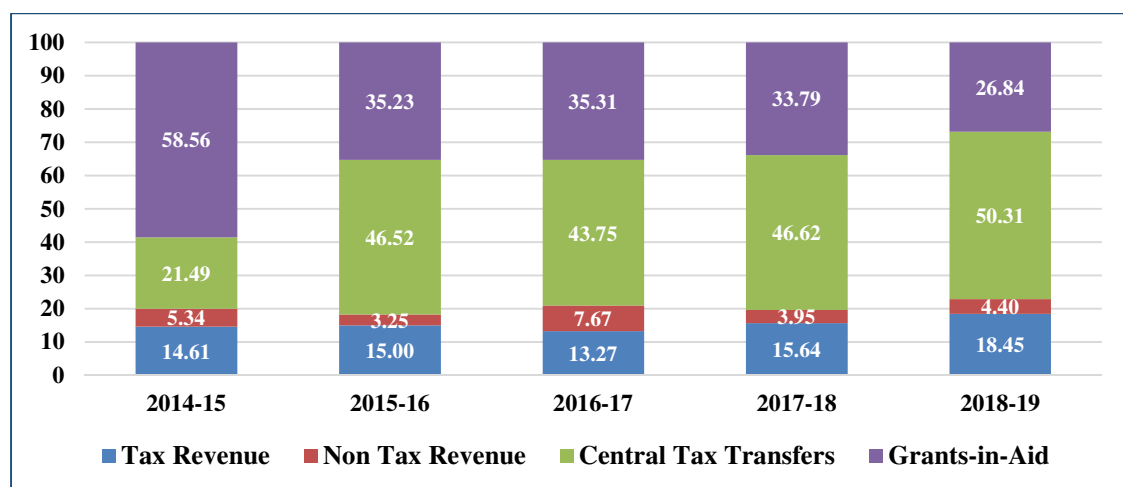
Revenue Receipts of the State increased by ₹ 3,290.37 crore from ₹ 6,428.25 crore in 2014-15 to ₹ 9,718.62 crore in 2018-19. There were, however, wide inter-year variations in the growth rates. The rate of growth of Revenue Receipts was 4.80 per cent in 2018-19 compared to growth rate of 3.74 per cent during the preceding year.

Statement 14 of the Finance Accounts details the Revenue Receipts of the Government. The trends and composition of revenue receipts over the period 2014-19 are presented in **Appendix 1.2** and also depicted in **Charts 1.8** and **1.9** respectively. The trends in revenue receipts relative to GSDP are presented in **Table 1.6**.

**Chart 1.8: Trends in Revenue Receipts (₹ in crore)**



**Chart 1.9: Composition of Revenue Receipts (figures in per cent)**



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

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue Receipts (RR) (₹ in crore)	6428.25	7043.13	8938.95	9273.48	9718.62
Rate of Growth of RR ( <i>per cent</i> )	2.58	9.57	26.92	3.74	4.80
Rate of Growth of Own Taxes ( <i>per cent</i> )	-1.06	12.52	12.22	22.27	23.65
RR/GSDP ( <i>per cent</i> )	27.67	28.04	36.13	30.12	28.26
<b>Buoyancy Ratio<sup>4</sup></b>					
Revenue Buoyancy Ratio with reference to GSDP	2.00	1.18	2.91	0.31	0.41

<sup>4</sup> Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance revenue buoyancy at 0.41 during 2018-19 implies that revenue receipts tend to increase by 0.41 percentage points, if the GSDP increases by one *per cent*.

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
State's Own Taxes Buoyancy Ratio with reference to GSDP	-0.82	1.55	1.32	1.82	2.02
State's Own Taxes Buoyancy Ratio with reference to Revenue Receipts	-0.41	1.31	0.45	5.95	4.93

Source: Finance Accounts.

The rate of growth of Revenue Receipts ranged between 2.58 per cent and 26.92 per cent during the period from 2014-15 to 2018-19.

The State's share in central taxes and GIA is determined on the basis of recommendations of the Finance Commission, collection of central tax receipts and central assistance for schemes, etc. The State's performance in mobilisation of resources should, therefore, be assessed in terms of its own resources comprising own tax and non-tax sources.

The State's own tax and non-tax receipts for the year 2018-19 vis-à-vis assessments made by the XIV FC and the State Government in BE are given below:

**Table 1.7: State's tax and non-tax receipts for the year 2018-19 (₹ in crore)**

	XIV FC projections	Budget Estimates	Actuals
Tax revenue	2365	1716.21	1793.24
Non tax revenue	834	538.10	427.70

Source: XIV FC Report, Budget Estimates and Finance Accounts.

During the year, tax revenue was 24.18 per cent lower than the assessment made by the XIV FC and 4.49 per cent higher than the projection made in the BE. The non-tax revenue was 48.72 per cent lower than the target of XIV FC and 20.52 per cent lower than the assessment made in the BE for the year. State's own resources (tax and non-tax revenue) during 2018-19 (₹ 2,220.94 crore) were 22.25 per cent more than the previous year (₹ 1,816.73 crore) but constituted only 22.85 per cent of the Revenue Receipts of the year.

### 1.7.1.1 Tax Revenue

**Table 1.8: Tax Revenue (₹ in crore)**

Heads	2014-15	2015-16	2016-17	2017-18	2018-19	Variations*
State Goods and Services Tax	-	-	-	376.00	805.96	290.83 (25.45)
Sales Tax	726.20	811.79	931.06	766.63	627.50	
State Excise	151.14	170.04	168.98	199.30	226.21	26.91 (13.50)
Taxes on Vehicles	39.38	42.01	48.22	67.01	86.95	19.94 (29.77)
Stamps and Registration Fees	9.90	12.74	17.19	20.25	26.19	5.94 (29.33)
Land Revenue	0.08	3.18	1.27	2.08	2.73	0.65 (31.25)
Goods & Passengers	...	...	...	7.83	8.45	0.62 (7.92)
Other Taxes <sup>5</sup>	12.49	17.06	19.29	11.00	9.25	-1.75 (15.91)
<b>Total</b>	<b>939.19</b>	<b>1056.82</b>	<b>1186.01</b>	<b>1450.10</b>	<b>1793.24</b>	<b>343.14 (23.66)</b>

Source: Finance Accounts.

\*Variations over previous year and percentage of increase (+)/decrease (-) given in bracket.

**Tax revenue** had increased by 23.66 per cent during the current year (₹ 1,793.24 crore) over the previous year (₹ 1,450.10 crore). The revenue from 'sales tax' and 'SGST' contributed 79.94 per cent (₹ 1,433.46 crore) of the total tax revenue

<sup>5</sup> Other Taxes include taxes on professions, trades, callings and employment, taxes and duties on electricity and other taxes and duties on commodities and services.

(₹ 1,793.24 crore). Revenue from taxes on State Excise, Taxes on Vehicles, Stamps & Registration Fees, Taxes on Goods & Passenger and Land Revenue were among the other contributors to the State's tax revenue. The Tax-GSDP ratio (5.21 per cent) during 2018-19 was less than the projection (6.26 per cent) made by the XIV FC as well as the Tax-GSDP ratios of NER States which was 6.69 per cent.

### 1.7.1.2 Position of Protected Revenue to Actual Collection after Implementation of Goods & Service Tax (GST)

The Meghalaya Goods and Services Tax Act, 2017 was passed by the State Legislature on 15 June 2017 and made effective from 01 July 2017. According to GST (Compensation to the States) Act 2017, the Central Government will compensate the States for loss of revenue arising on account of implementation of GST for a period of five years. The compensation to be paid is calculated by taking into account the protected revenue<sup>6</sup> with 2015-16 as the base year. In case of Meghalaya, the revenue during the base year 2015-16 was ₹ 636.17 crore. The protected revenue of the State for the year 2018-19 works out to ₹ 942.51 crore.

With automation of the collection of GST having taken place, it is essential for Audit to transit from sample checks to a comprehensive check of all transactions, to fulfil the CAG's constitutional mandate of certifying the Accounts. The required access to data is yet to be provided. Not having access to the data pertaining to all GST transactions has come in the way of comprehensively auditing the GST receipts. The accounts for the year 2018-19 are, therefore, certified on the basis of test audit, as was done when records were manually maintained, as a one-time exception.

Details of SGST and compensation received by the State during April 2018 to March 2019 is given in **Table 1.9**.

**Table 1.9: Details of SGST and compensation received by the State** (₹ in crore)

Particulars	Amount
Revenue to be protected	942.51
State Goods & Service Tax	805.96
Collection of Pre-GST Taxes	21.98
Total Collection	827.94
Compensation to be received during the year	114.57
Compensation received	66.00 <sup>7</sup>

Source: Finance Accounts and figures by Ministry of Finance, GoI.

The compensation amount released by GoI to the State was however, provisional and subject to adjustment in subsequent financial year on receipt of audited figures.

### 1.7.1.3 Non-Tax Revenue

**Table 1.10: Non-Tax Revenue** (₹ in crore)

Sl. No.	Heads	2014-15	2015-16	2016-17	2017-18	2018-19	Variations*
1.	Interest receipts	37.73	39.34	46.25	52.50	58.26	5.76 (10.97)
2.	Dividends and Profits	0.13	0.07	0.11	0.11	0.11	0

<sup>6</sup> Projected revenue is calculated/ arrived at by taking into consideration the revenue collected during the base year (2015-16) plus 14 per cent increase for every following year.

<sup>7</sup> This does not include ₹ 16.00 crore received on 29 May 2018 which relates to the previous year.

Sl. No.	Heads	2014-15	2015-16	2016-17	2017-18	2018-19	Variations*
3.	General Services	18.00	30.99	41.57	26.87	46.29	19.42 (72.27)
4.	Social Services	8.92	10.39	14.93	14.33	69.38	55.05 (384.16)
5.	Economic Services	278.51	147.81	582.38	272.82	253.66	-19.16 (7.02)
5.1	Non-ferrous Mining and Metallurgical Industries	195.10	60.75	469.52	207.88	147.56	-60.32 (29.02)
5.2	Forestry and Wildlife	71.99	72.08	103.99	55.61	78.31	22.70 (40.82)
5.3	Other Economic Services	11.42	14.98	8.87	9.33	27.79	18.46 (197.86)
<b>Total (1 to 5)</b>		<b>343.29</b>	<b>228.60</b>	<b>685.24</b>	<b>366.63</b>	<b>427.70</b>	<b>61.07 (16.66)</b>

Source: Finance Accounts.

\*Variations over previous year and percentage of increase (+)/ decrease (-) given in bracket.

**Non-Tax Revenue (NTR)**, which constituted only 4.39 per cent of the total revenue receipts, had increased by ₹ 61.07 crore during 2018-19 recording a positive growth rate of 16.66 per cent over the previous year. Over 59.31 per cent (₹ 253.66 crore) of NTR during 2018-19 was received from economic services. Within this category, receipts under non-ferrous Mining and Metallurgical Industries alone contributed 58.17 per cent (₹ 147.56 crore) although recording a decrease of 60.32 crore (29.02) vis-à-vis the previous year due to fresh ban on mining.

#### 1.7.1.4 Central Tax Transfers

As per XIV FC recommendations, the share of the States in shareable Central Taxes increased from 32 per cent (XIII FC award period) to 42 per cent. The State share during the XIII FC award period was 0.41 per cent and 0.42 per cent for all shareable taxes and Service Tax respectively which increased to 0.64 per cent and 0.65 per cent respectively during XIV FC award period.

The Central Tax transfers i.e. State's share of Union Taxes and Duties alone increased by ₹ 565.93 crore (13.09 per cent) over the previous year and constituted 50.31 per cent of Revenue Receipts. The increase was mainly due to devolution of Central Goods and Services Tax (₹ 1,145.33 crore).

Central Tax Transfers were the main source of Revenue Receipts for the State of Meghalaya. The State share of Central taxes and GIA from GoI together contributed 77.00 per cent (₹ 7,497.68 crore) of the total Revenue Receipts (₹ 9,736.63 crore) during 2018-19.

**Table 1.11: State's Share of Central Taxes and GIA with reference to total revenue receipts**  
(₹ in crore)

	2017-18	2018-19
State Share of Union Taxes and Duties	4323.14	4889.07
Grants in Aid from GoI	3133.61	2608.61
<b>Sub Total</b>	<b>7456.75</b>	<b>7497.68</b>
Total Revenue Receipts	9290.93	9736.63
Percentage of Central Taxes and Grants-in-Aid to Total Revenue Receipts	80.41	77.00



### 1.7.1.5 Grants-in-Aid from GoI

Details of GIA received from GoI are given in **Table 1.12**.

**Table 1.12: Grants-in-Aid from GoI** (₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Non-Plan Grants	803.71	673.86	640.47	...	...
Grants for State Plan Schemes	2580.17	1240.15	2263.52	...	...
Grants for Central Plan Schemes	8.89	270.44	19.33	...	...
Grants for Centrally Sponsored Schemes	293.44	196.36	138.19	2145.85	2011.17
Grants for Special Schemes	77.87	100.44	95.14	...	...
Finance Commission's grant	...	...	...	499.96	225.60
Grants to State	...	...	...	487.80	371.84
<b>Total</b>	<b>3764.08</b>	<b>2481.25</b>	<b>3156.65</b>	<b>3133.61</b>	<b>2608.61</b>
Percentage of increase over previous year	10.15	-34.08	27.22	-0.73	-16.75

Source: Finance Accounts.

**Grants-in-Aid** from GoI had decreased by 16.75 per cent (₹ 525.00 crore) from ₹ 3,133.61 crore in 2017-18 to ₹ 2,608.61 crore in the current year. Grants for Centrally Sponsored Schemes<sup>8</sup> (₹ 2,011.17 crore) decreased by ₹ 134.68 crore during the current year. In addition, GoI also allotted a separate Grant to State amounting to ₹ 371.84 crore during 2018-19.

### 1.7.2 Capital Receipts

The trends in growth and composition of Capital Receipts are given in **Table 1.13**.

**Table 1.13: Trends in Growth and Composition of Capital Receipts** (₹ in crore)

Sources of State's Receipts	2014-15	2015-16	2016-17	2017-18	2018-19	
Capital Receipts (CR)	<b>746.72</b>	<b>856.01</b>	<b>1229.24</b>	<b>1242.59</b>	<b>1342.69</b>	
Recovery of Loans and Advances	19.76	19.08	18.81	17.45	18.01	
Public Debt Receipts	Market Loans	545.00	680.00	1001.00	1115.50	1122.00
	Other Internal Sources	177.19	154.70	205.16	102.97	180.27
	Loans & Advances from GoI	4.77	2.23	4.27	6.67	22.41
	Total	726.96	836.93	1210.43	1225.14	1324.68
Rate of growth of debt Capital Receipts	52.91	15.13	44.63	1.22	8.13	
Rate of growth of non-debt (Loans & Advances) Capital Receipts	-3.52	-3.44	-1.42	-7.23	3.21	
Rate of growth of CR (per cent)	50.58	14.64	43.60	1.09	8.06	

Source: Finance Accounts.

**Capital Receipts** increased by 79.81 per cent from ₹ 746.72 crore in 2014-15 to ₹ 1,342.70 crore in 2018-19. The rate of growth of Capital Receipts increased from 1.09 per cent in 2017-18 to 8.06 per cent in 2018-19. The rate of growth of debt Capital Receipts, which is the main component of Capital Receipts, increased from 1.22 per cent in 2017-18 to 8.13 per cent in 2018-19. The debt receipts from internal sources (market loans and other internal sources) increased by ₹ 83.81 crore and loans & advances from GoI increased by ₹ 15.74 crore during 2018-19, over previous year. Market loans constituted the major share of debt Capital Receipts during the current year and increased from ₹ 1,115.50 crore in 2017-18 to ₹ 1,122.00 crore during

<sup>8</sup> National Rural Employment Guarantee Scheme, Sarva Shiksha Abhiyan, National Rural Drinking Water Programme, Shyama Prasad Mukherjee RUrban Mission and Pradhan Mantri Krishi Sinchai Yojana, etc.

2018-19. Non-debt Capital Receipts in the form of recoveries of loans & advances marginally increased by ₹ 0.56 crore during 2018-19 over previous year.

## 1.8 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 the expenditure directed towards development and social sectors.

### 1.8.1 Growth and Composition of Expenditure

Total Expenditure and its composition during the years 2014-15 to 2018-19 are presented in **Table 1.14**.

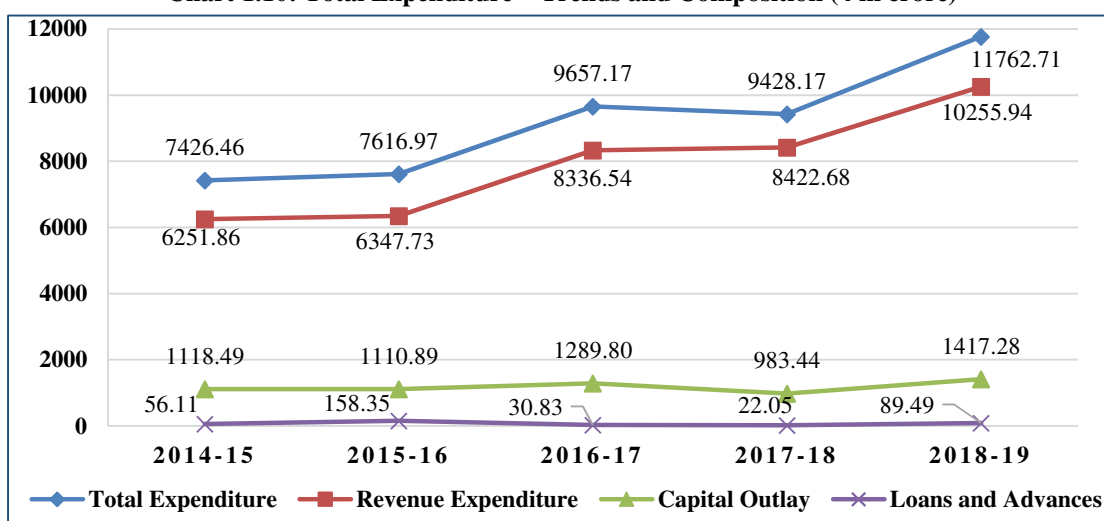
**Table 1.14: Total Expenditure and its Composition (₹ in crore)**

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Total Expenditure</b>	<b>7426.46</b>	<b>7616.97</b>	<b>9657.17</b>	<b>9428.17</b>	<b>11762.71</b>
Revenue Expenditure (RE)	6251.86	6347.73	8336.54	8422.68	10255.94
Rate of Growth of RE	12.61	1.53	31.33	1.03	21.77
<b>Capital Outlay (CO)</b>	<b>1118.49</b>	<b>1110.89</b>	<b>1289.80</b>	<b>983.44</b>	<b>1417.28</b>
Rate of Growth of CO	4.00	-0.68	16.11	-23.75	44.11
<b>Loans and Advances</b>	<b>56.11</b>	<b>158.35</b>	<b>30.83</b>	<b>22.05</b>	<b>89.49</b>

Source: Finance Accounts.

**Charts 1.10, 1.11 and 1.12** present the trends in Total Expenditure over a period of five years (2014-19) and its composition both in terms of 'economic classification' and 'expenditure by activities':

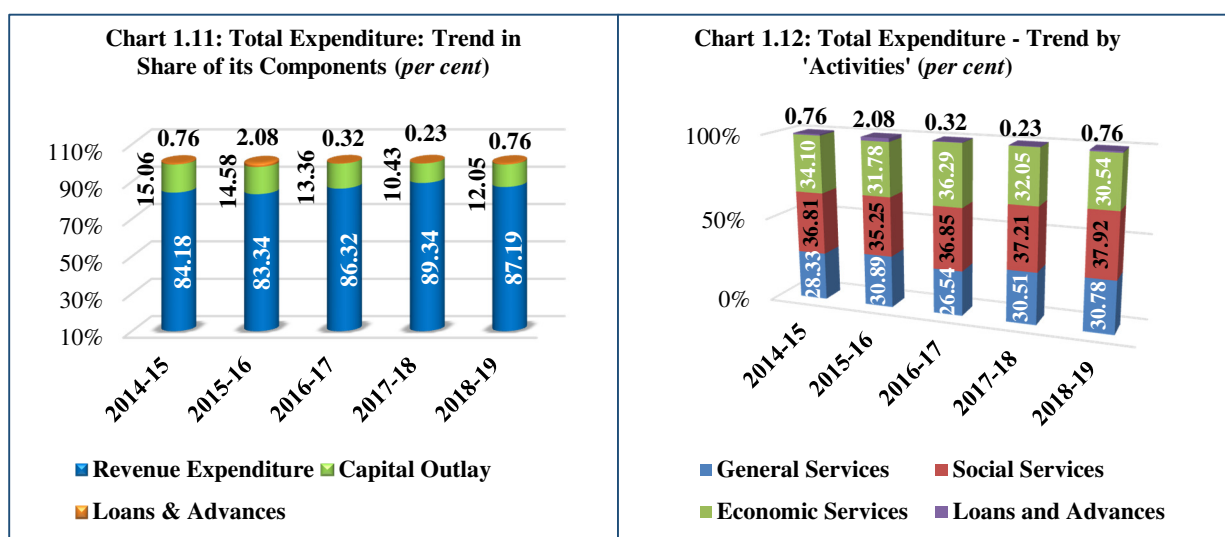
**Chart 1.10: Total Expenditure – Trends and Composition (₹ in crore)**



**Charts 1.10, 1.11 and 1.12** show that:

- Share of Revenue Expenditure (₹ 10,255.94 crore) constituted 87.19 per cent of Total Expenditure (₹ 11,762.71 crore).

- In terms of activities, Total Expenditure comprises expenditure on General Services including interest payments, Social and Economic services, Grants-in-Aid and Loans & Advances. Of the Total Expenditure during 2018-19, expenditure on General Services (Revenue *plus* Capital Expenditure) including interest payments, which is considered as non-developmental, accounted for 30.77 per cent.
- Expenditure on Social and Economic Services (excluding loans & advances) together accounted for 68.46 per cent during 2018-19. The relative share of Social Services expenditure to Total Expenditure marginally increased from 37.21 per cent in 2017-18 to 37.92 per cent in 2018-19.
- The relative share of Economic Services expenditure to Total Expenditure decreased from 32.05 per cent during 2017-18 to 30.54 per cent during 2018-19.
- Loans & Advances revealed wide fluctuations during the period 2014-19 and stood at 0.76 per cent of Total Expenditure during 2018-19.



## 1.8.2 Revenue Expenditure

Revenue Expenditure had a predominant share in the total expenditure. Overall Revenue Expenditure, its rate of growth, ratio of Revenue Expenditure to GSDP and to Revenue Receipts and its buoyancy are indicated in **Table 1.15**.

**Table 1.15: Revenue Expenditure – Basic Parameters** (₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Revenue expenditure (RE)	6251.86	6347.73	8336.54	8422.68	10255.94
Rate of Growth of RE (per cent)	12.61	1.53	31.33	1.03	21.77
Total Expenditure (TE)	7426.46	7616.97	9657.17	9428.17	11762.71
RE as percentage of TE <sup>9</sup>	84.18	83.34	86.32	89.34	87.19
<b>Buoyancy Ratio of Revenue expenditure with</b>					
GSDP <sup>10</sup>	9.78	0.19	3.39	0.08	1.86
Revenue Receipts <sup>11</sup>	4.89	0.16	1.16	0.28	4.54

Source: Finance Accounts.

<sup>9</sup> RE as percentage of TE = RE/TE×100.

<sup>10</sup> GSDP (ratio) = Rate of Growth of Revenue Expenditure ÷ Growth Rate of GSDP.

<sup>11</sup> Revenue Receipt (ratio) = Rate of Growth of Revenue Expenditure ÷ Rate of Growth of Revenue Receipts.

Revenue Expenditure constituted 84.18 *per cent* to 89.34 *per cent* of Total Expenditure during 2014-19 and increased by ₹ 4,004.08 crore (64.05 *per cent*) from ₹ 6,251.86 crore in 2014-15 to ₹ 10,255.94 crore in 2018-19.

The increase in Revenue Expenditure (₹ 1,833.26 crore) during 2018-19 was collectively attributed to increase in expenditure under General Services (₹ 709.01 crore), Social Services (₹ 952.46 crore) and Economic Services (₹ 171.79 crore) over the previous year.

### 1.8.2.1 Components of Revenue Expenditure

The expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages and pensions. **Table 1.16** presents the trends in the expenditure on these components during 2014-19.

**Table 1.16: Components of Revenue Expenditure** (₹ in crore)

Components of expenditure	2014-15	2015-16	2016-17	2017-18	2018-19
Salaries and Wages	2037.65 (31.70)	2181.80 (30.98)	2305.16 (25.79)	2669.48 (28.79)	3353.65 (34.51)
Interest Payments	405.10 (6.30)	465.88 (6.61)	522.23 (5.84)	591.18 (6.37)	656.81 (6.76)
Expenditure on Pension and other retirement benefits	514.94 (8.01)	589.44 (8.37)	647.85 (7.25)	750.90 (8.10)	1004.91 (10.34)
Other Components of Revenue Expenditure, <i>i.e.</i> , other than salaries and wages, interest payments and pensionary benefits	3294.17 (51.24)	3110.61 (44.17)	4861.30 (54.39)	4411.12 (47.57)	5240.58 (53.92)

Source: Finance Accounts. (Figures in the parentheses indicate percentage to Revenue Receipts).

#### (A) Salaries and Wages

Increase in expenditure on salaries & wages by 25.63 *per cent* during 2018-19 was mainly due to the implementation of recommendation of the Fifth Meghalaya Pay Commission.

#### (B) Interest Payments

Compared to the previous year, interest payments during 2018-19 increased by 11.10 *per cent* (₹ 65.63 crore). Interest payments during 2018-19 were on market loans (₹ 414.31 crore), State Provident Funds (₹ 128.15 crore), Special Securities issued to National Small Savings Fund of the Central Government (₹ 65.53 crore), loans and advances received from Central Government (₹ 0.27 crore) and other internal debts including other obligations (₹ 48.55 crore). The overall interest payments were much higher than the projections made by the XIV FC (₹ 554.00 crore).

#### (C) Pension Payments

The pension payments (including other retirement benefits) indicated an increasing trend during the five-year period 2014-19. Pension payments during the current year had increased by ₹ 254.01 crore, an increase of 33.83 *per cent* over the previous year.

**(i) National Pension System**

State Government employees recruited on or after 01 April 2010 are covered under the ‘The New Defined Contribution Pension Scheme (NPS), 2010’.

In terms of the scheme, such employees contribute 10 *per cent* of basic pay and dearness allowance, which is matched by the State Government and the entire amount is to be transferred to the National Securities Depository Limited (NSDL) through the designated Fund Account. As per accounting procedure, both employee’s and employer’s contributions are at first transferred to the Public Account under the Major Head ‘8342-117-Defined Contributory Pension Scheme’ and the total amount is thereafter transferred to the NSDL, which is responsible for management of funds under the scheme. The details of funds under NPS and amount transferred to NSDL during 2014-19 are shown in the **Table 1.17** below:

**Table 1.17: Details of funds under NPS during 2014-19** (₹ in crore)

Year	Opening Balance	Contribution			Transfer to NSDL	Less Transfer	Closing Balance
		Employees	Employer	Total			
2014-15	0.28	11.35	11.67	23.02	23.25	-0.23	0.05
2015-16	0.05	15.31	15.00	30.31	30.33	-0.02	0.03
2016-17	0.03	22.08	22.50	44.58	44.08	0.50	0.53
2017-18	0.53	30.60	31.36	61.96	61.63	0.33	0.86
2018-19	0.86	41.67	41.57	83.24	83.33	-0.09	0.77

Source: Finance Accounts.

As on March 2019, an amount of ₹ 0.77 crore remained to be transferred to NSDL since some employees under NPS were yet to be allotted Permanent Retirement Account Number (PRAN).

In terms of the guidelines, Government of Meghalaya is liable to pay interest on amount not transferred to NSDL.

**1.8.3 Capital Expenditure**

Capital outlay during the current year (2018-19) increased by ₹ 433.84 crore over the previous year (**Appendix 1.2**). As compared to the total expenditure, the capital outlay showed a fluctuating trend over the period 2014-15 to 2018-19. Capital Expenditure was less by 10.16 *per cent* (₹ 144.01 crore) of the BE (₹ 1,561.29 crore) for the year.

**1.8.4 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 **Table 1.18**.

**Table 1.18: Financial Assistance to Local Bodies and others** (₹ in crore)

Financial Assistance to Institutions	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actual
University and Educational Institutions	560.46	697.54	918.37	915.75	1223.08	1337.19
Co-operative Societies	1.78	2.06	1.99	13.55	2.51	2.09
District Councils	1.60	0.36	262.58	19.68	11.92	92.81
Municipalities, Meghalaya Urban Development Authority, etc.	5.40	4.70	11.42	9.62	11.72	12.74
Power Sector	203.19	102.44	133.44	99.02	19.32	19.77

Financial Assistance to Institutions	2014-15	2015-16	2016-17	2017-18	2018-19	
					BE	Actual
Other Institutions <sup>12</sup>	68.07	53.19	293.62	217.74	21.69	29.71
<b>Total</b>	<b>840.50</b>	<b>860.29</b>	<b>1621.42</b>	<b>1275.36</b>	<b>1290.24</b>	<b>1494.31</b>
Assistance as percentage of RE	13.44	13.55	19.45	15.14	12.58	14.57

Source: Detailed Appropriation Accounts.

The financial assistance extended to the local bodies and other institutions increased by 17.17 per cent from ₹ 1,275.36 crore in 2017-18 to ₹ 1,494.31 crore in 2018-19. The share of financial assistance in revenue expenditure decreased from 15.14 per cent in 2017-18 to 14.57 per cent during the current year.

University and Educational Institutions were the major recipients followed by Power Sector. The financial assistance to District Councils increased from ₹ 19.68 crore during 2017-18 to ₹ 92.81 crore during 2018-19. Around 89.49 per cent of the total financial assistance during 2018-19 was given to University and Educational Institutions. The assistance under this sector increased by 46.02 per cent, i.e. from ₹ 915.75 crore during 2017-18 to ₹ 1,337.19 crore during the current year. Of ₹ 1,337.19 crore, ₹ 888.15 crore was given to Non-Government Primary Schools, ₹ 282.58 crore was given to Non-Government Secondary Schools and ₹ 129.24 crore to Non-Government Colleges and Institutes.

#### 1.8.4.1 Local Bodies

There are no Panchayati Raj Institutions (PRIs) in Meghalaya. Instead, there are three Autonomous District Councils (ADCs) in Meghalaya viz. Khasi Hills, Garo Hills and Jaintia Hills ADCs. The Community and Rural Development Department (C&RD) governs the rural population in areas which are not covered by ADCs. Moreover, there are six Urban Local Bodies (ULBs), viz. (i) Shillong Municipal Board, (ii) Tura Municipal Board, (iii) Jowai Municipal Board, (iv) Williamnagar Municipal Board, (v) Baghmara Municipal Board and (vi) Resubelpara Municipal Board. The main function of these Municipal Boards is to provide civic amenities, e.g., water supply, street lighting, drainage and sanitation.

#### 1.8.4.2 Devolution of Funds to Urban Local Bodies

As per the information furnished (November 2019) by the Director, Urban Affairs, Meghalaya, the devolution of funds by the State Government to Urban Local Bodies (ULBs) during 2014-15 to 2018-19 is as indicated in **Table 1.19**.

**Table 1.19: Devolution of Funds to ULBs** (₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19	Total
<b>Amount sanctioned</b>						
Grants-in-Aid	4.41	4.22	9.36	4.65	0.30	22.94
XIII FC/ XIV FC Award	1.81	NA	NA	NA	NA	1.81
<b>Total</b>	<b>6.22</b>	<b>4.22</b>	<b>9.36</b>	<b>4.65</b>	<b>0.30</b>	<b>24.75</b>
<b>Expenditure</b>						
Grants-in-Aid	4.41	3.33	2.67	2.52	0.05	12.98
XIII FC/ XIV FC Award	1.63	NA	NA	NA	NA	1.63
<b>Total</b>	<b>6.04</b>	<b>3.33</b>	<b>2.67</b>	<b>2.52</b>	<b>0.05</b>	<b>14.61</b>

Source: Director, Urban Affairs Department.

<sup>12</sup> Other Institutions (2018-19) : Details given in **Appendix 1.6**.

From 2014-15 to 2018-19, the State Government had sanctioned an amount of ₹ 24.75 crore but expenditure incurred by the Director, Urban Affairs, Meghalaya was ₹ 14.61 crore only.

### 1.8.5 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 provision for providing public services), efficiency of expenditure and the effectiveness (assessment of outlay-outcome relationships for select services).

#### 1.8.5.1 Adequacy of Public Expenditure

In view of the importance of public expenditure for social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public and merit goods<sup>13</sup>. Apart from improving the allocation towards Development Expenditure, 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. **Table 1.20** presents the trends in Development Expenditure relative to the Aggregate Expenditure of the State during the current year *vis-à-vis* budgeted and the previous years and provides the details of capital outlay and the components of Revenue Expenditure incurred on selected Social and Economic Services.

**Table 1.20: Fiscal Priority of the State in 2014-15 and 2018-19**

	AE/ GSDP	SSE/ AE	ESE/ AE	DE/ AE	CE/ AE	Education/ AE	Health/ AE
SCS Average 2014-15 (Ratio)	26.00	36.27	30.49	66.76	14.46	18.52	5.60
Meghalaya 2014-15 (Ratio)	31.96	36.81	34.63	71.44	15.06	17.53	7.69
SCS Average 2018-19 (Ratio)	26.73	35.75	29.08	64.82	15.69	18.21	6.48
Meghalaya 2018-19 (Ratio)	34.20	37.92	31.03	68.95	12.05	17.90	9.06

SCS: Special Category States, AE: Aggregate Expenditure (Total Expenditure), SSE: Social Sector Expenditure, ESE: Economic Sector Expenditure, DE: Development Expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans & Advances disbursed, CE: Capital Expenditure.

**Table 1.20** analyses the fiscal priority of the State Government with regard to Development Expenditure, Social Sector Expenditure and Capital Expenditure during 2018-19.

Government of Meghalaya's Aggregate Expenditure contributed a higher portion to GSDP *vis-à-vis* Special Category States in 2014-15 and 2018-19.

The trends in the efficiency of expenditure in selected Social and Economic Services are depicted in **Table 1.21**.

<sup>13</sup> As defined in Appendix 1.1: Part C under List of Term used in Chapter I of this Audit Report.

**Table 1.21: Efficiency of Expenditure use in selected Social and Economic Services***(In per cent)*

Social/ Economic Infrastructure	Ratio of Capital Expenditure to Total Expenditure <sup>14</sup>		In Revenue Expenditure, share of Salaries & Wages	
	2017-18	2018-19	2017-18	2018-19
<b>Social Services (SS)</b>	<b>10.28</b>	<b>8.07</b>	<b>33.14</b>	<b>32.32</b>
General Education	0.11	0.13	27.48	28.52
Technical Education, Sports, Arts and Culture	0.12	0.12	15.73	38.45
Health and Family Welfare	4.87	3.99	54.30	46.63
Water Supply & Sanitation, Housing and Urban Development	52.99	45.31	41.57	39.46
Other SS	2.52	4.39	20.68	16.46
<b>Economic Services (ES)</b>	<b>18.97</b>	<b>27.07</b>	<b>22.14</b>	<b>25.70</b>
Agriculture and Allied Activities	0.90	1.37	56.56	49.88
Irrigation & Flood Control	34.63	61.88	61.65	64.29
Energy	21.82	1.97	0.00	0.03
Transport	72.19	81.02	2.17	0.00
Other ES	3.82	24.74	11.95	19.51

Source: Finance Accounts.

**1.8.5.2 Social Services**

The trends presented in **Table 1.21** reveal that Development Capital Expenditure as a percentage of Total Expenditure constituted only 8.07 *per cent* in 2018-19, which indicated that Revenue Expenditure was dominant. Compared to 2017-18, there was no improvement in the share of Capital Expenditure during 2018-19 under Social Services<sup>15</sup>.

Of the Revenue Expenditure on Social Services, the share of salaries and wages component decreased from 33.14 *per cent* in 2017-18 to 32.32 *per cent* in 2018-19.

**1.8.5.3 Economic Services**

The share of Capital Expenditure on Economic Services to Total Expenditure on Economic Services increased to 27.07 *per cent* during 2018-19 from 18.97 *per cent* in 2017-18. Salaries and wages component within the Revenue Expenditure on Economic Services as a percentage of Total Expenditure on Economic Sector increased from 22.14 *per cent* in 2017-18 to 25.70 *per cent* during 2018-19.

**1.8.6 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 & 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, taking requisite steps to infuse transparency in financial operations. This section

<sup>14</sup> Total Revenue and Capital Expenditure of the Services concerned.

<sup>15</sup> Except General Education and other Social Sectors.



presents the broad financial analysis of investments undertaken by the Government during the current year *vis-à-vis* previous years.

### 1.8.6.1 Investment and Returns

As per Statements 8 and 19 of Finance Accounts for the year 2018-19, as on 31 March 2019, the State Government had invested ₹ 2,638.43 crore in three Statutory Corporations (₹ 2,253.06 crore), eight Government Companies (₹ 272.67 crore) and in 1,448 Co-operative Banks and Societies (₹ 112.70 crore) as detailed in **Table 1.22**.

**Table 1.22: Return on Investment**

Investment/Return/Cost of Borrowings	2014-15	2015-16	2016-17	2017-18	2018-19
Investment at the end of the year (₹ in crore)					
(i) Statutory Corporations	83.41	91.29	2095.67	2249.70	2253.06
(ii) Government Companies	273.90	273.90	270.17	270.17	272.67
(iii) Co-operative Societies	97.68	101.74	105.79	108.69	112.70
<b>Total</b>	<b>454.99</b>	<b>466.93</b>	<b>2471.63</b>	<b>2628.56</b>	<b>2638.43</b>
Return (₹ in crore)	0.13	0.07	0.11	0.11	0.11
Return ( <i>per cent</i> )	0.03	0.02	0.02	0.01	0.01
Average rate of interest paid on Government borrowing ( <i>per cent</i> )	6.22	6.70	6.47	6.40	6.53
Difference between interest rate paid and return ( <i>per cent</i> )	6.19	6.68	6.45	6.39	6.52

Of the three Statutory Corporations, bulk of the investment (₹ 399.54 crore) was made in the Meghalaya Energy Corporation Limited during 2013-2019 which had accumulated loss of ₹ 1,836.03 crore till 2016-17. Out of ₹ 272.67 crore invested in Government Companies, ₹ 272.62 crore was invested in seven loss making Government Companies, which had accumulated loss of ₹ 287.18 crore, as detailed in **Table 1.23**:

**Table 1.23: Details of loss making Government Companies (₹ in crore)**

Name of Companies	Amount invested up to March 2019	Last investment made	Accumulated loss	Accounts finalised up to <sup>16</sup>
Mawmluh-Cherra Cements Limited	165.29	2018-19	209.28	2017-18
Meghalaya Industrial Development Corporation	91.59	2014-15	45.99	2015-16
Meghalaya Tourism Development Corporation Limited	7.96	1999-02	9.55	2014-15
Meghalaya Handloom and Handicraft Development Corporation Limited	2.74	2009-10	4.83	2016-17
Meghalaya Mineral Development Corporation Limited	2.32	2001-02	6.89	2017-18
Forest Development Corporation of Meghalaya Limited	1.97	2001-02	1.98	2014-15
Meghalaya Government Construction Corporation Limited	0.75	2000-01	8.66	2016-17
<b>Total</b>	<b>272.62</b>		<b>287.18</b>	

Further, out of ₹ 112.70 crore invested in Co-operative Banks/ Societies, ₹ 80.53 crore was invested in 1,322 loss making Co-operative Banks/ Societies, which had accumulated losses of ₹ 8.09 crore up to 31 March 2010. Working results of these Co-operative Banks/ Societies had not been intimated (August 2019).

<sup>16</sup> Working results for the subsequent years are in arrears.

Non-preparation of working results are a cause of serious concern as it may be indicative of erosion of working capital or serious fraud.

The average return on investment in Statutory Corporations, Government companies and Co-operative Banks/ Societies was less than one *per cent* during 2014-19. Government however, paid interest on its borrowings at an average rate of interest of 6.22 *per cent* to 6.70 *per cent* during 2014-19. The State Government should review the performance of the above units. The MFRBM Act 2006, also provides that the State Government should review the performance of the State PSUs including restructuring of those that are absolutely essential and closing those which are no longer viable.

### 1.8.6.2 Incomplete Projects

As per Appendix IX and Statement 16 of the Finance Accounts for the year 2018-19, there were 193 incomplete/ ongoing projects in the State as on 31 March 2019. Age profile of incomplete projects based on the year of sanction of these project as on 31 March 2019 is given in **Table 1.24**.

**Table 1.24: Age Profile of Incomplete Projects as on 31 March 2019** (₹ in crore)

Year	Number of incomplete projects	Estimated cost	Expenditure (as on 31 March 2019)	Projects for which Estimated Cost were revised				
				Number	Original Cost	Revised Cost	Expenditure (as on 31 March 2019)	Cost overrun
1	2	3	4	5	6	7	8	9 (7-6)
Prior to 2005-06	4	46.96	58.36	2	24.40	42.20	34.50	17.80
2005-06 to 2009-10	16	253.03	239.36	3	30.71	42.37	38.47	11.66
2010-11 to 2014-15	71	1567.71	942.21	7	85.34	133.55	101.50	48.21
2015-16 to 2016-17	77	1188.52	558.47	0	0	0	0	0
2017-18 onwards	25	225.08	26.81	0	0	0	0	0
<b>Total</b>	<b>193</b>	<b>3281.30</b>	<b>1825.21</b>	<b>12</b>	<b>140.45</b>	<b>218.12</b>	<b>174.47</b>	<b>77.67</b>

Source: Finance Accounts.

The above incomplete projects had a total sanctioned estimated cost of ₹ 3,281.30 crore which was revised to ₹ 3,358.97 crore. Cumulative expenditure incurred on these projects as on 31 March 2019 was ₹ 1,825.21 crore. Out of these 193 incomplete projects, 25 projects had commenced after the year 2017; as such, scheduled date of completion of these projects were after 31 March 2019.

Out of the remaining 168 incomplete projects, audit analysed 32 projects which had overshoot their scheduled completion dates by over one to seven years. Department-wise details of these 32 incomplete projects as on 31 March 2019 is given in **Table 1.25**.

**Table 1.25: Department-wise Profile of Incomplete Projects** (₹ in crore)

Department	Number of incomplete projects	Estimated cost	Expenditure	Projects for which Estimated Cost were revised				
				No.	Estimated Cost	Revised Cost	Expenditure	Cost overrun
1	2	3	4	5	6	7	8	9 (7-6)
Public Works (R& B)	27	372.92	287.29	1	16.60	26.26	6.87	9.66
Public Health Engineering	2	163.46	19.01	1	12.04	17.34	12.04	5.30
Water Resources	1	9.61	9.43	1	9.61	12.11	9.43	2.50
Agriculture	1	6.66	6.43	1	6.66	14.45	6.43	7.79
Urban Affairs	1	6.00	7.44	1	6.00	7.44	7.44	1.44
<b>Total</b>	<b>32</b>	<b>558.65</b>	<b>329.60</b>	<b>5</b>	<b>50.91</b>	<b>77.60</b>	<b>42.21</b>	<b>26.69</b>

Source: Finance Accounts.

Out of these 32 projects, Audit noticed that the delay in completion of 18 incomplete project was attributed to land dispute, change in specifications, adoption of new technology, non-availability of funds, cost escalation, prolonged monsoon & less working season, scarcity of material & insurgency problem, *etc.* Audit further noticed that the scheduled date of completion of these projects was being extended year after year without assigning any reason. Neither the applications of the contractors seeking time extension nor the approval of the departments for such extension was found on record.

The reasons attributed by respective departments for delay such as prolonged monsoon & less working season, insurgency problem, *etc.* are known factors and should have been kept in mind by the departments concerned while framing the Detailed Project Reports (DPRs) whereas, land dispute, change in specification, adoption of new technology, *etc.* points towards lack of due diligence and survey of the proposed site at the time of preparation of DPRs.

Blocking of funds on incomplete projects/ works beyond their scheduled date of completion, adversely impinged on the quality of expenditure and deprived the State of intended benefits for prolonged periods. Further, the funds borrowed for implementation of these projects during the respective years proved ineffectual with the State having to bear additional burden for servicing the debt and interest liabilities. Effective steps need to be taken to complete all the above projects without further delay.

### 1.8.7 Reconciliation with Finance Accounts

The figures in respect of equity, loans and guarantees outstanding as per records of State Public Sector Undertakings (SPSUs) should agree with that of the figures appearing in the Finance Accounts of the State. In case the figures do not agree, the concerned SPSUs and the Finance Department should carry out reconciliation of differences. The position in this regard as at 31 March 2019 is stated in **Table 1.26**.

**Table 1.26: Status of reconciliation between Finance Accounts and records of SPSUs**

(₹ in crore)

Outstanding in respect of	Amount as per Finance Accounts	Amount as per records of SPSUs	Difference
Equity	2525.73 <sup>17</sup>	2488.93	36.80
Loans	Not available <sup>18</sup>	179.22	Not workable
Guarantees	1096.78 <sup>19</sup>	1096.78	-

<sup>17</sup> Includes ₹ 2.14 crore in Meghalaya State Warehousing Corporation (MSWC), ₹ 90.63 crore in Meghalaya Transport Corporation (MTC), ₹ 91.59 crore in MIDC, ₹ 165.29 crore in MCCL, ₹ 2.32 crore in MMDCL, ₹ 2,160.29 crore in MeECL ₹ 1.97 crore in FDCML, ₹ 0.75 crore in MGCCL, ₹ 7.96 crore in MTDCCL and ₹ 2.74 crore in MH&HDCL.

<sup>18</sup> State Government's loans to State PSUs are extended through the Government Departments. These Government Departments reallocate the loan funds to different PSUs. Hence, the PSU-wise figures of State Government loans are not available in the Finance Accounts.

<sup>19</sup> Guarantee given by the State Government against loans were ₹ 1,096.78 crore for MeECL.

Audit observed that the difference in equity occurred in respect of eight SPSUs<sup>20</sup> and some of the differences were pending reconciliation since 2012-13. The Additional Chief Secretary, Finance Department, Government of Meghalaya as well as the management of the SPSUs concerned were apprised of the differences from time to time and the need for early reconciliation emphasised. However, no significant progress was noticed in this regard. The Government and the SPSUs concerned should take concrete steps to reconcile the differences in a time-bound manner.

### 1.8.8 Loans and Advances by the State Government

Government has also been providing loans and advances for other purposes, e.g., loans for power projects, loans to Government servants, loans for tourism, etc. Table 1.27 presents the outstanding loans and advances, interest receipts vis-à-vis interest payments during the last five years.

Table 1.27: Average Interest Received on Loans and Advances given by the State Government  
(₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Opening Balance</b>	<b>590.57</b>	<b>626.92</b>	<b>766.19</b>	<b>778.21</b>	<b>782.82<sup>21</sup></b>
Amount advanced during the year	56.11	158.35	30.83	22.05	89.49
Amount recovered during the year	19.76	19.08	18.81	17.45	18.02
<b>Closing Balance</b>	<b>626.92</b>	<b>766.19</b>	<b>778.21</b>	<b>782.81</b>	<b>854.29</b>
Net Addition	36.35	139.27	12.02	4.60	71.48
Interest Receipts	8.28	7.69	8.27	7.61	6.06
Interest received as <i>per cent</i> to outstanding Loans and Advances	1.36	1.10	1.07	0.98	0.71
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government	6.22	6.70	6.47	6.40	6.53
Difference between interest payments and interest receipts ( <i>per cent</i> )	4.86	5.60	5.41	5.43	5.78

Loans and advances given by the State Government during 2018-19 increased by 305.85 *per cent* over the previous year. The total outstanding loans and advances as on 31 March 2019 was ₹ 854.29 crore. Out of the loans of ₹ 89.49 crore advanced during 2018-19, ₹ 32.58 crore was given for power projects and ₹ 31.47 crore was given to Government servants and ₹ 25.44 crore to others. Interest receipt of ₹ 6.06 crore on loans and advances given by GoM during 2018-19 constituted 0.71 *per cent* only of the outstanding loans and advances given by the State Government, whereas the Government was paying interest at an average rate of 6.53 *per cent* for the outstanding liabilities.

## 1.9 Public Account

Receipts and disbursements in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances, etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under

<sup>20</sup> Forest Development Corporation Limited, Meghalaya Industrial Development Corporation Limited, Meghalaya Infrastructure Development & Finance Corporation Limited, Mawluh Cherra Cements Limited, Meghalaya Energy Corporation Limited, Meghalaya Handloom & Handicraft Development Corporation Limited, Meghalaya Basin Management Agency and Meghalaya Transport Corporation.

<sup>21</sup> Difference of ₹ 0.01 crore with last years' balance is due to rounding.

Article 266 (2) of the Constitution and are not subject to vote by the State Legislature. Here, the Government acts as a banker. The balance after disbursements is the fund available with the government for use. Public Account Receipts and Disbursements during the period 2014-19 are given in **Table 1.28**.

**Table 1.28: Public Account receipts and disbursement during 2014-19** (₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>A. Public Account Receipts</b>					
(a) Small Savings, Provident Fund, etc.	252.74	275.08	297.89	319.15	395.04
(b) Reserve Fund	59.60	98.49	59.57	84.62	70.98
(c) Deposits and Advances	1330.53	975.20	1932.61	1363.48	1446.60
(d) Suspense and Miscellaneous	91.14	-67.23	1.77	15.87	2.21
(e) Remittances	2263.59	2245.61	2344.90	2404.74	2653.60
<b>Total (A)</b>	<b>3997.60</b>	<b>3527.15</b>	<b>4636.74</b>	<b>4187.86</b>	<b>4568.43</b>
<b>B. Public Account Disbursements</b>					
(a) Small Savings, Provident Fund, etc.	119.46	143.34	156.72	161.44	215.67
(b) Reserve Fund	73.29	91.75	57.50	108.51	67.01
(c) Deposits and Advances	1492.19	1210.06	1043.05	1891.25	1420.08
(d) Suspense and Miscellaneous	8.86	-11.83	-11.32	7.30	19.42
(e) Remittances	2271.93	2248.32	2343.64	2400.66	2651.01
<b>Total (B)</b>	<b>3965.73</b>	<b>3681.64</b>	<b>3589.59</b>	<b>4569.16</b>	<b>4373.19</b>
<b>Public Account Net (A) – (B)</b>	<b>31.87</b>	<b>-154.49</b>	<b>1047.15</b>	<b>-381.30</b>	<b>195.24</b>

Source: Finance Accounts.

- (i) Small Savings, Provident Fund, etc. are the fund where Government has to pay interest on moneys deposited in these funds at the prescribed rates, and in return use this money for investment in specified Government securities, and can eventually utilise for developmental purposes. The receipts as well as disbursement increased by ₹ 75.89 crore (23.78 per cent) and ₹ 54.23 crore (33.59 per cent) respectively over the previous year. The net fund available as on 31 March 2019 was ₹ 179.37 crore as compared to previous year balance of ₹ 157.71 crore.
- (ii) Reserve Funds *i.e.* (a) Reserve Funds bearing interest and (b) Reserve Funds not bearing interest, are created for specific purposes by the Government out of their own balances. The receipts as well as disbursement decreased by ₹ 13.64 crore (16.12 per cent) and ₹ 41.50 crore (38.24 per cent) respectively over the previous year. The net fund available as on 31 March 2019 was ₹ 3.97 crore as compared to previous year which had a negative balance of ₹ 23.89 crore.
- (iii) Deposits are received by Government for various purposes by or on behalf of various public bodies and members of the public, which are accounted for by repayment or otherwise. Government sometimes decides to set aside sums from the revenues of a year or a series of years, to be accumulated as a “fund”. The balance at the credit of such a “fund” is held as a deposit and expended on specified objects. The receipts under deposits and advances increased by ₹ 83.12 crore (6.10 per cent) while the disbursement decreased by ₹ 471.17 crore (24.91 per cent) respectively over the previous year. The net fund available as on 31 March 2019 was ₹ 26.52 crore as compared to previous year which had a negative balance of ₹ 527.77 crore.

- (iv) Suspense heads are operated in Government accounts to reflect transactions that cannot be booked initially to their final head of account for some reason or the other. These are finally cleared by minus debit or minus credit when the amount is taken to its final head of account. If the amounts under suspense heads remain unadjusted, the balances under these heads get accumulated resulting in understatement of Government's receipts and payments. The receipts decreased by ₹ 13.66 crore (86.07 per cent) while the disbursement increased by ₹ 12.12 crore (166.03 per cent) respectively over the previous year. The net fund available as on 31 March 2019 was (-) ₹ 17.21 crore as compared to ₹ 8.57 crore during the previous year.
- (v) Remittances embrace all transactions which are adjusting heads of account and the debits or credits under these heads are eventually cleared by corresponding credit or debit either within the same or in another circle of accounting. The receipts as well as disbursement increased by ₹ 248.86 crore (10.35 per cent) and ₹ 250.35 crore (10.43 per cent) respectively over the previous year. The net fund available as on 31 March 2019 was ₹ 2.59 crore as compared to ₹ 4.08 crore during the previous year.

Net Public Account receipts increased from (-) ₹ 381.30 crore during 2017-18 to ₹ 195.24 crore during the current year.

### **1.9.1 Transactions under Reserve Funds**

Reserve Funds are created for specific and well defined purposes under Sector 'J' in the accounts of the State Government (public account). These funds are fed by contributions or grants from the Consolidated Fund of India or State. The contributions are treated as expenditure under the Consolidated Fund. The expenditure relating to the fund is initially accounted under the Consolidated Fund itself for which the vote of the legislature is obtained. At the end of the year, at the time of closure of accounts, the expenditure relating to the fund is transferred to public account under the concept of gross budgeting through an operation of deduct entry in accounts. The funds are further classified as 'Funds carrying interest' and 'Funds not carrying interest'.

The total accumulated balance as on 31 March 2019 was ₹ 382.46 crore in 10 reserve funds (three active funds: ₹ 380.42 crore and seven inactive funds: ₹ 2.04 crore). Investment out of these funds was ₹ 366.11 crore, which was 95.73 per cent of the accumulated balance. The transactions during the year 2018-19 under major Reserve Funds are detailed below:

#### **1.9.1.1 Consolidated Sinking Fund**

The Consolidated Sinking Fund (CSF) was constituted by the State Government in the year 1999-2000 for amortisation of liabilities which is administered by the Reserve Bank of India on the instructions of the State Government. Under the Scheme, the State Government is required to make annual contributions to the Fund at a minimum of 0.5 per cent of the total outstanding liabilities at the end of the previous year.

During 2018-19, against requirement of ₹ 47.42 crore<sup>22</sup>, an amount of ₹ 49.91 crore was added to CSF which includes ₹ 48.82 crore transferred by the State Government from MH 2048-01 and ₹ 1.09 crore as interest realised on investment on Government of India Securities. The balance under CSF was ₹ 346.50 crore as on 31 March 2019.

### **1.9.1.2 Guarantee Redemption Fund**

The Government of Meghalaya constituted a Guarantee Redemption Fund (GRF) in 2014-15 with an amount of ₹ 11.74 crore for meeting its obligations arising out of the Guarantees issued on behalf of State level bodies through an Act dated 23 June 2014. As per the Act, the Fund shall be set up by the Government with an initial contribution of minimum one *per cent* of outstanding Guarantees at the end of the previous year and thereafter, minimum 0.50 *per cent* every year to achieve a minimum level of 3 *per cent* in the next five years. During the year 2018-19, contribution of ₹ 7.07 crore was made to the Fund Account (0.62 *per cent* of outstanding Guarantees of ₹ 1,135.85 crore as on April 2018) and the balances under the Fund as on 31 March 2019 was ₹ 29.23 crore. No Guarantees were invoked during the year 2018-19.

### **1.9.1.3 State Disaster Response Fund**

Government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 01 April 2010. In terms of the guidelines on constitution and administration of the Fund (30 July 2015), the Centre and Special Category States are required to contribute to the Fund, in the proportion of 90:10 and the contributions are to be transferred to the Public Account under the Major Head-8121-General and other Reserve Fund. The states were to make budget provisions under respective Sub/ minor head<sup>23</sup> within Major Head 2245-Relief on account of Natural Calamities for incurring expenditure. The expenditure to be charged to SDRF was to be shown as a negative entry under 2245-05-901 – Deduct amount met from SDRF for relief expenditure. Direct expenditure should not be made from the Public Account. Even if for some administrative reasons, expenditure on immediate relief has been made under heads of account other than MH: 2245, these should be finally booked under MH: 2245 through inter-account transfers.

As per Paragraph 4 of the Guidelines, the State Government shall pay interest to the SDRF at the rate applicable to overdrafts under overdraft Regulation Guidelines of the RBI. The interest will be credited on a half yearly basis. Further, as per Paragraph 19 of the said Guidelines, the accretions to the SDRF together with the income earned on the investment of SDRF shall be invested in Central Government dated Securities,

<sup>22</sup> 0.5 *per cent* of outstanding liabilities of ₹ 9485.08 crore as on March 2018.

<sup>23</sup> Sub-Major Head 01 for draught, 02 for flood, 03 for cyclones, 04 for earthquake, 05 for hailstorm, 06 for landslides, 07 for cloud burst, 08 for fire, 09 for tsunami, 10 for avalanche, 11 for pest attack, 12 for cold wave/frost, 13 for other State specific disasters, 13.1 for specific disaster, 13.2 for specific disaster, 13.3 for specific disaster, 13.4 for specific disaster, 13.5 for specific disaster, etc.; 16 for “State Disaster Response Fund” and 80 for General.

auctioned Treasury Bills and other interest earning deposits with Scheduled Commercial Banks.

In terms of the guidelines, the Centre and the Special Category States are required to contribute to the Fund in the ratio of 90:10. During the year 2018-19, the State Government received ₹ 12.60 crore as grants towards SDRF. The SDRF had an opening balance of ₹ 4.70 crore at the beginning of 2018-19 and ₹ 14.00 crore (₹ 12.60 crore Central Share and ₹ 1.40 crore State Share) was transferred to the Fund. Against the total available funds of ₹ 18.70 crore, the State Government withdrew ₹ 14.00 crore from the funds leaving a balance of ₹ 4.70 crore unutilised at the end of the year.

Contrary to the above provision, the Department kept the withdrawn fund in State Bank of India's current account for utilisation in relief measures. The State Government should not divert the fund to current account and ensure that the expenditure incurred from the SDRF is shown as negative entry under '2245-05-901 – deduct amount met from SDRF for immediate relief expenditure'.

Moreover, as the SDRF is an interest bearing Reserve Fund, the liability of interest payment rests with the State Government. Non-payment of interest amounting to ₹ 0.35 crore<sup>24</sup> resulted in understatement of Revenue Deficit to that extent.

## 1.10 Assets and Liabilities

### 1.10.1 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, 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 2019, compared with the corresponding position on 31 March 2018. While the liabilities consist mainly of internal borrowings, loans and advances from 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.

### 1.10.2 Fiscal Liabilities

The trends in outstanding fiscal liabilities<sup>25</sup> of the State are presented in **Appendix 1.2**. However, the composition of fiscal liabilities during the current year *vis-à-vis* the previous year are presented in **Charts 1.13** and **1.14**.

<sup>24</sup> ₹ 0.35 crore = Opening Balance of ₹ 4.70 crore X 7.5 per cent (WMAs of RBI)

<sup>25</sup> Includes Internal debt, Loans and Advances from Government of India, Small Savings, Provident Funds, etc., Reserve Funds and Deposits.



Chart 1.13: Composition of Outstanding Fiscal Liabilities as on March 2018

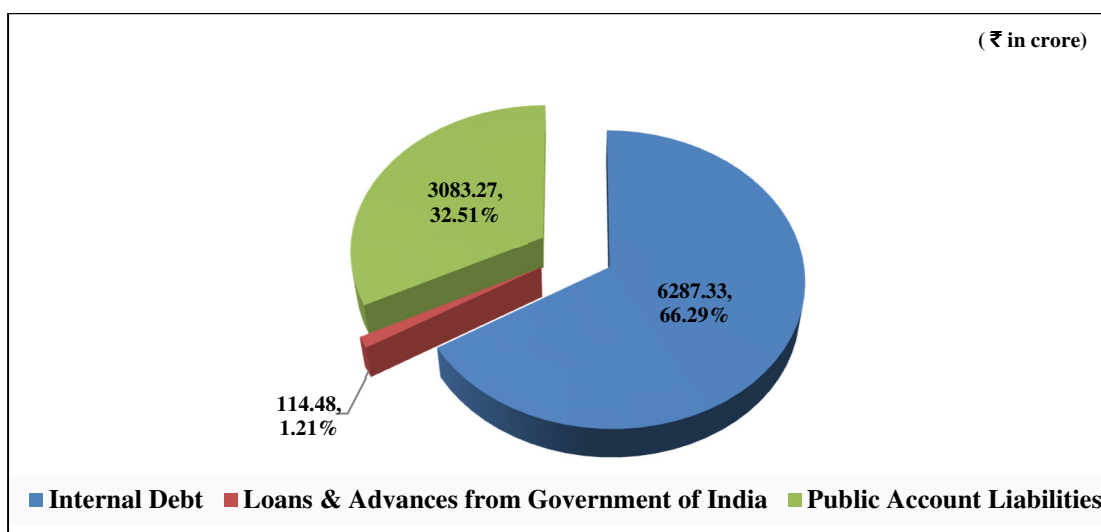
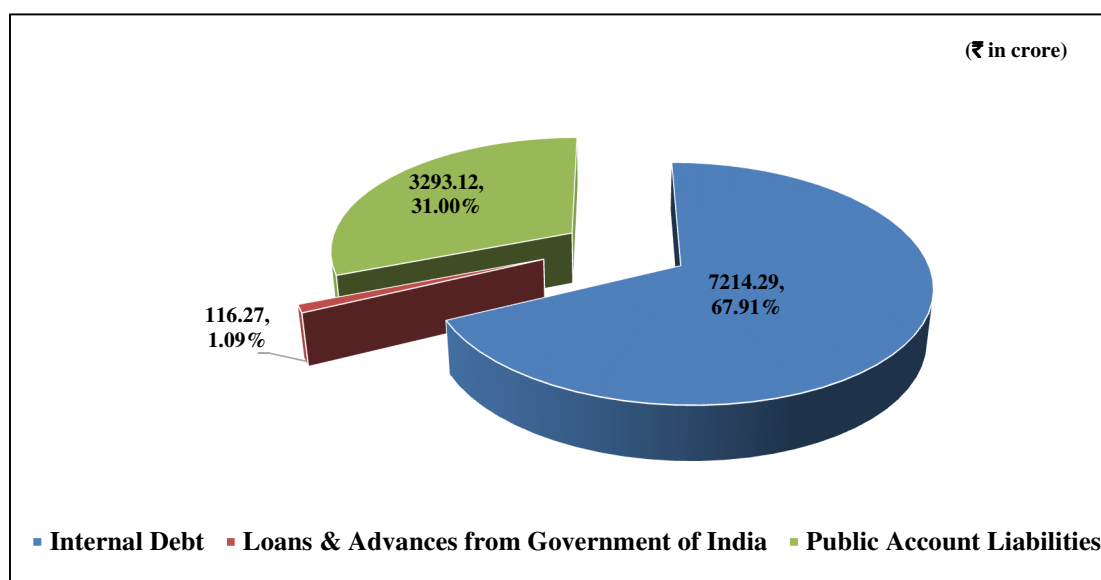


Chart 1.14: Composition of Outstanding Fiscal Liabilities as on March 2019



**Table 1.29** gives the fiscal liabilities/ debt of the State, their rate of growth, the ratio of these liabilities to GSDP, revenue receipts and State's own resources as also the buoyancy of fiscal liabilities with reference to these parameters.

Table 1.29: Fiscal Liabilities – Basic Parameters

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Fiscal Liabilities (₹ in crore)	6751.46	7154.68	8983.50	9485.08	10623.68
Rate of Growth ( <i>per cent</i> )	7.69	5.97	25.56	5.58	12.00
<b>Ratio of Fiscal Liabilities to</b>					
GSDP ( <i>per cent</i> )	29.06	28.49	32.74	30.81	30.89
Revenue Receipts ( <i>per cent</i> )	105.03	101.58	100.50	102.28	109.31
Own Resources ( <i>per cent</i> )	526.44	556.60	480.08	522.10	478.34
<b>Buoyancy of Fiscal Liabilities to</b>					
GSDP (ratio)	5.96	0.74	2.77	0.46	1.03
Revenue Receipts (ratio)	2.98	0.62	0.95	1.49	2.50
Own Resources (ratio)	-0.45	25.96	0.56	-0.10	0.54

Fiscal liabilities of ₹ 10,623.68 crore as on 31 March 2019 consist of internal debt, e.g., market loans, loans from financial institutions, Special Securities issued to National Small Savings Fund, etc. (₹ 7,214.29 crore), loans and advances from Central Government (₹ 116.27 crore), small savings, provident funds, etc. (₹ 1,710.88 crore) and other liabilities, e.g., Reserve Funds and Deposits (₹ 1,582.24 crore).

Fiscal liabilities of the State increased from ₹ 6,751.46 crore as on 31 March 2015 to ₹ 10,623.68 crore as on 31 March 2019. Compared to previous year, the fiscal liabilities at the end of 2018-19 increased by 12.00 per cent (₹ 1,138.60 crore).

The ratio of fiscal liabilities to GSDP increased from 30.81 per cent in 2017-18 to 30.89 per cent in 2018-19. These liabilities were a little above the Revenue Receipts and almost five times of the State's own resources at the end of 2018-19. The buoyancy of these liabilities with respect to GSDP during the year was 1.03 indicating that for each one point increase in GSDP, fiscal liabilities increased by 1.03 point basis. As can be seen from the **Table 1.29** above, the Fiscal Liabilities-GSDP ratio of the State (30.89 per cent) was higher than the limit fixed by the XIV FC (27.86 per cent).

### 1.10.3 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 Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees at the end of the year since 2014-15 are given in **Table 1.30**.

**Table 1.30: Guarantees given by GoM** (₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Maximum amount guaranteed	1054.43	868.09	860.04	1139.94	1376.74
Outstanding amount of guarantees (including interest)	1173.81	1042.19	983.11	820.68	1163.09
Percentage of maximum amount guaranteed to Revenue Receipts	16.40	12.33	9.62	12.29	14.17

Government had guaranteed loans raised by various Corporations and others, which at the end of 2018-19 stood at ₹ 1,163.09 crore (including interest). Bulk of the guaranteed amount (₹ 1,096.78 crore) was outstanding against the power sector for repayment of principal on loans from Rural Electrification Corporation (₹ 321.78 crore), and short term loans, bonds, etc. (₹ 775.00 crore). The outstanding amount of guarantees is in the nature of contingent liabilities, which was 14.17 per cent of revenue receipts of the State during 2018-19. In order to provide for sudden discharge of the States' obligations on guarantees, the XIII FC recommended that State should set up guarantee redemption funds. The State Government had constituted (June 2014) the Meghalaya Guarantee Redemption Fund to be managed by the Reserve Bank of India to service contingent liabilities arising out of the invocation of State Government Guarantees.

As on 31 March 2019, commission/ fee amounting to ₹ 36.14 crore for the guarantees given by the State Government was receivable.

## 1.11 Debt Management and Sustainability

### 1.11.1 Debt Profile

The receipts and payments of debt of the Government such as internal debt, loans and advances from GoI and other liabilities (*i.e.* small savings, provident funds, reserve funds and deposits) as per Statements 15 (interest paid on debt) and 17 (receipts and repayment of debt) of the Finance Accounts during the period 2014-19 are given in **Table 1.31**.

**Table 1.31: Receipts and payments of debt during 2014-19** (₹ in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
<b>A. Debt receipts</b>					
(a) Internal Debt					
(i) Market loans	545.00	680.00	1001.00	1115.50	1122.00
(ii) Other loans	177.19	154.70	205.16	102.97	180.28
(b) Loans and advances from GoI	4.77	2.23	4.27	6.67	22.41
(c) Other liabilities <sup>26</sup>	1570.95	1314.99	2244.26	1729.22	1864.96
<b>Total</b>	<b>2297.91</b>	<b>2151.92</b>	<b>3454.69</b>	<b>2954.36</b>	<b>3189.65</b>
<b>B. Debt repayment (including interest)</b>					
(a) Internal Debt					
(i) Market loans	320.07	480.04	588.30	551.53	673.71
(ii) Other loans	165.59	191.18	206.52	219.35	215.99
(b) Loans and advances from GoI	38.81	37.58	36.25	36.19	34.90
(c) Other liabilities	1696.31	1505.77	1317.03	2236.89	1783.25
<b>Total</b>	<b>2220.78</b>	<b>2214.57</b>	<b>2148.10</b>	<b>3043.96</b>	<b>2707.85</b>

Source: Finance Accounts.

During the current year, against total debt receipts of ₹ 3,189.65 crore, Government repaid ₹ 2,707.85 crore as principal and interest on internal debt (₹ 889.70 crore), loans and advances from Central Government (₹ 34.90 crore) and other liabilities (₹ 1,783.25 crore). As a result, borrowed fund of ₹ 481.80 crore was available at the end of the year.

### 1.11.2 Maturity Profile of Outstanding Public Debt

As per Annexure to Statement 17 of the Finance Accounts for the year 2018-19, the maturity profile of the State public debt is as indicated in **Table 1.32**.

**Table 1.32: Maturity Profile of Outstanding Debt** (₹ in crore)

Debt maturity	Maturity Profile	Amount			Per cent of outstanding Public Debt
		Internal Debt	Loans & Advances from GoI	Total	
During 2019-20	0-1 year	395.46	14.64	410.1	5.59
Between 2020-21 & 2021-22	Over 1 year to 2 years	769.95	27.54	797.49	10.88
Between 2022-23 & 2023-24	Over 2 years to 5 years	1022.42	26.47	1048.89	14.31
Between 2024-25 & 2025-26	Over 5 years to 7 years	1435.13	22.19	1457.32	19.88
2026-27 onwards	Over 7 years and above	3591.33	25.43	3616.76	49.34
<b>Total</b>		<b>7214.29</b>	<b>116.27</b>	<b>7330.56</b>	<b>100</b>

<sup>26</sup> Small Savings, Provident Funds, Reserve Funds, Deposits, etc.

The maturity profile of outstanding stock of public debt as on 31 March 2019 indicated that out of the outstanding public debt of ₹ 7,330.56 crore, 50.66 per cent (₹ 3,713.80 crore) is payable within the next seven years. The remaining 49.34 per cent was in the maturity bracket of seven years and above. Of the total outstanding public debt, internal debt consisting of market borrowings, loans from LIC, GIC, NABARD, etc. constituted 98.41 per cent (₹ 7,214.29 crore).

The State's track record in repayment of public debt as per amortisation schedule of the past seven years is given below:

**Table 1.33: Details of scheduled and actual repayment of public debt (₹ in crore)**

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Scheduled payment of Public Debt as per Maturity Profile</b>	177.03	142.55	200.87	331.81	412.85	329.74	394.73
<b>Actual payment</b>	168.51	141.62	202.66	337.34	414.41	329.62	395.94

As evident from the above table, repayment of public debt was on track in Meghalaya during the last seven years.

The past record of repayments as per schedule in conjunction with the proportion of debt repayable in the forthcoming seven years, is indicative of an adequate debt servicing position.

### 1.11.3 Debt Sustainability

Debt sustainability is defined as the ability of the State to service its debt in future. 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 increase in capacity to service the debt.

Apart from the magnitude of debt of State Government, it is important to analyse various indicators that determine the debt sustainability of the State. This section assesses the sustainability of debt of the State Government in terms of debt/ GSDP ratio, burden of interest payments (measured by interest payments to revenue receipts ratio); and also the maturity profile of State Government securities as given in the preceding para 1.11.2.

The rate of growth of GSDP ranged between 1.29 per cent and 12.21 per cent during 2014-15 to 2018-19 whereas average interest rate on outstanding debt ranged between 6.22 per cent and 6.70 per cent during 2014-15 to 2018-19. **Table 1.34** analyses debt sustainability indicators of the State for the five years beginning from 2014-15.

**Table 1.34: Debt Sustainability: Indicators and Trends (₹ in crore)**

Indicators of Debt Sustainability	2014-15	2015-16	2016-17	2017-18	2018-19
Outstanding debt (year-end)	6751.46	7154.68	8983.50	9485.08	10623.68
Rate of Growth of Outstanding debt (ratio)	7.69	5.97	25.56	5.58	12.00
Gross State Domestic Product (GSDP)	23235	25117	27439	30790	34389
Rate of Growth of GSDP (ratio)	1.29	8.10	9.24	12.21	11.69
Debt/GSDP (in per cent)	29.06	28.49	32.74	30.81	30.89
Tax Revenue	939.19	1056.82	1186.81	1450.10	1793.24

Indicators of Debt Sustainability	2014-15	2015-16	2016-17	2017-18	2018-19
Debt Repayment/Tax Revenue ( <i>in per cent</i> )	236.46	209.55	181.12	209.91	151.00
Average interest rate of Outstanding debt	6.22	6.70	6.47	6.40	6.53
Interest Payment/ Revenue Receipts (IP/RR)	6.30	6.61	5.84	6.37	6.76
Debt Repayment/Debt Receipts	0.97	1.03	0.62	1.03	0.85
Total Debt Receipts	2297.91	2151.92	3454.69	2954.36	3189.65
Total Debt Payments (including interest)	2220.78	2214.57	2148.10	3043.96	2707.85
Net Debt available to the State	77.13	-62.65	1306.59	-89.60	481.80

**Table 1.34** reveals that the Debt-GSDP ratio ranged between 28.49 *per cent* and 32.74 *per cent* during the five year period, 2014-15 to 2018-19. Debt Repayment as a percentage of Tax Revenue had improved to 151 *per cent* during 2018-19 as compared to 209.91 *per cent* during the previous year and a high of 236.46 *per cent* during 2014-15. At 30.89 *per cent*, the Debt-GSDP ratio during 2018-19 (**Appendix 1.2**) was above the target of outstanding debt to GSDP (27.86 *per cent*) determined by XIV FC for Meghalaya. Net Debt available to the State oscillated between positive and negative magnitudes. It has been negative in two years of the five year period ending 2018-19. Compared to 2017-18, the situation had recovered during 2018-19, when the net debt available to the State turned positive at ₹ 481.80 crore against (-) ₹ 89.60 crore during 2017-18. The trends in Debt-repayment/ Debt receipts ratio fluctuated widely during 2014-19 and decreased to 0.85 during 2018-19 against 1.03 during the previous year (**Appendix 1.2**). The burden of interest payment, which ranged from 5.84 to 6.76 *per cent* of the Revenue Receipts, has been less than 10 *per cent* as recommended by the XIV FC.

Sustainability of debt of the Government of Meghalaya is also assessed in terms of the Domar model in **Table 1.35**, where the sustainability of debt is based on the relationship between the key fiscal values - public debt, growth rate, interest rate and primary balance. As per this model, for debt to be sustainable, the rate of interest payable on the outstanding debt should be lower than the rate of growth of GSDP (Domar gap); and there should be a primary surplus.

Debt sustainability of Government of Meghalaya is given below as per the Domar model.

**Table 1.35: Debt sustainability as per the Domar model**

Year	Growth Rate (g) of GSDP	Average Interest Rate (r)	g-r	Primary Deficit/ Surplus (s) (₹ in crore)	Remarks
2014-15	1.29	6.22	-4.93	-573.35	As $g-r < 0$ and $s < 0$ , public debt will increase indefinitely, without converging to a stable level
2015-16	8.10	6.70	1.4	-88.88	As $g-r > 0$ and $s < 0$ , public debt will converge to a stable level
2016-17	9.24	6.47	2.77	-177.18	As $g-r > 0$ and $s < 0$ , public debt will converge to a stable level
2017-18	12.21	6.40	5.81	353.94	As $g-r > 0$ and $s > 0$ , public debt will converge to a stable level less than zero leading to public savings
2018-19	11.69	6.53	5.16	-1369.27	As $g-r > 0$ and $s < 0$ , public debt will converge to a stable level

*Note: Since the CPI rate for the State is not available in almost all the NE States, the average interest rate, as featured in the SFARs of the respective years, has been taken as 'r' rather than the real interest rate, GSDP is nominal.*

The positive Domar gap is, however, combined with a high primary deficit in 2018-19. This related with the indicator analysis above as well as the fiscal consolidation roadmap recommended by the XIV FC, is indicative of the need for Government of Meghalaya to exercise caution concerning its debt.

### 1.12 Effective Revenue Deficit & Fiscal Deficit

The impact on Revenue Deficit and Fiscal Deficit of the Government of Meghalaya during the year 2018-19 of under-booking of expenditure or non-crediting of receipts is detailed in **Table 1.36**.

**Table 1.36: Impact on Revenue Deficit & Fiscal Deficit** (₹ in crore)

Paragraph No & Name	Item	Impact on Revenue Deficit		Impact on Fiscal Deficit	
		Over-statement	Under-statement	Over-statement	Under-statement
1.6.1.8	Short Contribution by State Government	-	0.86	-	0.86
New Pension Scheme	Interest Liability due to non-transfer of funds to NSDL	-	0.17	-	0.17
1.10.3 (iii) SDRF	Non Discharge of Interest liabilities on SDRF	-	0.35	-	0.35
<b>Impact</b>		<b>1.38</b>		<b>1.38</b>	

As could be seen from the table above, the Revenue Deficit and Fiscal Deficit were understated by an amount of ₹ 1.38 crore due to short contribution under NPS and non-discharge of interest liability under NPS and SDRF.

### 1.13 Overall Cash Position of the Government

**Table 1.37** depicts the cash balances and investments made by the State Government out of cash balances during the year.

**Table 1.37: Cash Balances and Investment of Cash Balances** (₹ in crore)

Particulars	Opening balance on 01 April 2018	Closing balance on 31 March 2019
<b>(a) General Cash Balance-</b>		
Cash in Treasuries	33.20	20.20
Deposits with Reserve Bank	2.10	-275.91
	<b>35.30</b>	<b>-255.71</b>
Investments held in Cash Balance Investment Account	1680.66	1070.04
<b>Total (a)</b>	<b>1715.96</b>	<b>814.33</b>
<b>(b) Other Cash Balances and Investments</b>		
Cash with departmental officers of Forest and Public Works Department	0.68	0.22
Permanent advances for contingent expenditure with departmental officers	0.04	0.04
Investment of earmarked funds	313.11	366.11
- <i>Sinking Fund Investment Account</i>	<i>291.21</i>	<i>340.11</i>
- <i>Other Development and Welfare Fund</i>	<i>21.90</i>	<i>26.00</i>
<b>Total (b)</b>	<b>313.83</b>	<b>366.37</b>
<b>Grand Total (a) + (b)</b>	<b>2029.79</b>	<b>1180.70</b>

General Cash balance of the State Government at the end of the current year decreased by 52.54 per cent from ₹ 1,715.96 crore in 2017-18 to ₹ 814.33 crore in 2018-19. The Government borrowed ₹ 1,324.69 crore in the same year. The State

Government should examine whether it is prudent to borrow funds at higher rates of interest when there are large cash balances available which are earning lower rates of interest. Under an agreement with the RBI, the State Government was to maintain a minimum cash balance of ₹ 21.00 lakh only.

It is generally desirable that the State's flow of resources should match its expenditure obligations. However, to take care of any temporary mismatches in the flow of resources and expenditure obligations, a mechanism of Ways and Means Advances (WMAs) – Ordinary and Special – from Reserve Bank of India (RBI) has been put in place.

During the five-year period ending 2018-19, the Government did not have to resort to WMAs and overdraft, indicating comfortable position of cash balances of the State.

### 1.14 Conclusion

Revenue receipts during 2018-19 increased by 4.80 *per cent* (₹ 445.14 crore) over previous year. The tax revenue receipts fell short by 24.18 *per cent* and the non-tax revenue by 48.72 *per cent* of the normative assessment made by XIV FC. The Central transfers comprising State's share of central taxes and Grants-in-aid from GoI increased by ₹ 40.93 crore in 2018-19 compared to previous years and contributed 77.15 *per cent* of the revenue receipts during the year, indicating central transfers being the key in revenue receipts of the State.

Compared to the previous year, the revenue expenditure during 2018-19 increased by 21.77 *per cent*. The expenditure pattern of the State revealed that though the revenue expenditure as a percentage of total expenditure decreased from 89.34 *per cent* in 2017-18 to 87.19 *per cent* in the current year, it hovered around 86 *per cent* during the period (2014-19) leaving inadequate resources for creation of assets. Expenditure on salaries and wages, pensions, interest payments and subsidies continued to consume a large share of revenue expenditure which was 49.47 *per cent* (₹ 5,074.17 crore) during 2018-19. Capital outlay during 2018-19 (₹ 1,417.28 crore) increased by ₹ 433.84 crore (44.11 *per cent*) more than the previous year. It increased to 12.05 *per cent* of total expenditure during 2018-19 against 10.43 *per cent* during the preceding year and also fell short by 31.39 *per cent* (₹ 648.31 crore) of the projection (₹ 2,065.59 crore) made by the State Government in its budget estimate for the year.

Revenue Surplus of ₹ 880.80 crore in 2017-18 turned into Revenue Deficit of ₹ 537.32 crore in 2018-19. The fiscal deficit increased from ₹ 237.24 crore in 2017-18 to ₹ 2,026.08 crore during the current year. The last year primary surplus of ₹ 353.94 crore took a turnaround resulting in primary deficit of ₹ 1,369.27 crore during the current year. The fiscal deficit-GSDP ratio stood at 5.89 *per cent* during 2018-19 which was above the ceiling of 3 *per cent* or less prescribed in the MFRBM Act, 2006 (as amended) and also the recommendation of the XIV FC to maintain this ratio at 3 *per cent* of GSDP. The prevalence of fiscal deficit during 2014-19 indicated

continued reliance of the State on borrowed funds resulting in increasing fiscal liabilities of the State over the period 2014-19. Fiscal liabilities increased by 12 per cent during 2018-19 as compared to previous year. The fiscal liabilities during 2018-19 stood at 30.89 per cent of the GSDP during the current year against 30.81 per cent during 2017-18 and was more than the limit of total outstanding Debt-GSDP ratio as recommended by XIV FC (27.86 per cent) for the year. The average return on investment in Statutory corporations, Government companies and Co-operative banks/ societies was less than one per cent during 2014-19. State Government paid interest at an average rate of 6.22 per cent to 6.70 per cent on its borrowings while the interest received on Loans and Advances given by the State Government was inadequate, ranging between 0.71 per cent and 1.36 per cent during 2014-19 and stood at 0.71 per cent during 2018-19.

### **1.15 Recommendations**

*The Government should exercise fiscal prudence to contain Revenue Expenditure and to mobilise additional resources both through the tax and non-tax sources to bring down its fiscal deficit and maintain revenue surplus.*

*Efforts should be made to increase developmental expenditure in order to improve the productive capacity of the State's economy.*

*State Government should review the working of the loss making corporations, companies and co-operative societies and take appropriate action to avoid further financial burden.*

*Thorough review of incomplete projects should be taken so that the projects are completed in time to achieve the desired objectives of the projects.*

*State Government should consider restricting market borrowing to need-based borrowing, by utilising existing cash balances before resorting to market borrowings at higher rates of interest.*



## **CHAPTER-II**

# **FINANCIAL MANAGEMENT AND BUDGETARY CONTROL**



## **CHAPTER II**

### **Financial Management and Budgetary Control**

#### **2.1 Introduction**

Effective financial management ensures that policy decisions are implemented at the administrative level without wastage or diversion of funds and with reasonable assurance about successful implementation of policy at the ground level. This Chapter reviews the appropriations and allocative priorities of the State Government and comments on the transparency and effectiveness of its budgetary processes.

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 authorised by the Appropriation Act in respect of both charged and voted items of budget. Appropriation Accounts is thus a control document facilitating management of finances and monitoring of budgetary provisions and is complementary to Finance Accounts.

Audit of appropriations seeks to ascertain whether the expenditure actually incurred under various grants is within the authorisation 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 Review of Budgetary Process**

A major concern is that budgetary processes are being undertaken in a mechanical and routine fashion without adequate due diligence. This can reduce the effectiveness of the Government to ensure that developmental goals are achieved as intended by Government.

The Annual Financial Statement of the estimated receipt and expenditure of the State for a financial year is laid before the House of the Legislature in accordance with Article 202 of the Constitution of India. The estimates of expenditure embodied in the Annual Finance Statement show separately – (a) the sums required to meet expenditure charged upon the Consolidated Fund of the State, and (b) the sums required to meet other expenditure proposed to be made from the Consolidated Fund of the State.

Government accounts are kept in three parts, namely Part –I Consolidated Fund, Part-II Contingency fund and Part – III Public Account. The details of transactions under the three parts are classified according to various Major Heads, Sub-Major Heads, Minor

Heads, Sub-Heads and Detailed Heads of accounts prescribed by the Controller General of Accounts.

The outlays on the various activities of Government are met from the Consolidated Fund which is made up of (a) Revenue-consisting of receipts heads (Revenue Account) and expenditure heads (Revenue Account), (b) Capital, Public Debt, Loans, *etc.* – consisting of receipt heads (Capital Account) and Expenditure Heads (Capital Account). No money (except expenditure charged upon the Consolidated Fund) can be withdrawn from the Consolidated Fund without the authority of the Legislature and for this purpose, necessary Demands for Grants are placed before the Legislature at the beginning of each financial year. The Grants, as and when passed by the Legislature, are incorporated in an Appropriation Act authorising necessary appropriation from the Consolidated Fund. Funds from the Contingency Fund are advanced for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. In Public Account, records are kept for all transactions relating to public moneys other than those of the Consolidated Fund and the Contingency Fund.

As contemplated in Paragraphs 1 and 78 of Budget Manual<sup>1</sup>, the duty of preparing Budget Estimates (BE) (Receipts and Expenditure) and Revised Estimates (RE) for laying before the Legislature vests with the Finance Department. The BE are prepared on departmental basis. The budget making process moves from the bottom to the top. As soon as the departmental estimates and RE are received, the Finance Department scrutinises these and after consultation with the administrative departments, enters the figures, which it accepts for the RE and BE. The estimates of receipts should show the amount expected to be actually realised within the year and in case of fluctuating revenue, the estimate should be based upon a comparison of last three years' receipts.

During scrutiny of records of Finance Department, it was noticed that the departmental BE were not submitted by the Administrative Departments within the target date (30 November 2017) fixed by the Finance (Budget) Department. Further, it was noticed that out of 65 Controlling Officers (COs), 10 COs had submitted the BE on time and 55 COs submitted after due date. There were delays ranging from one month to three months in submission of departmental budget estimates to the Finance Department. Consequently, there was little scope for scrutiny of these estimates by the Finance Department.

### **2.3 Summary of Appropriation Accounts**

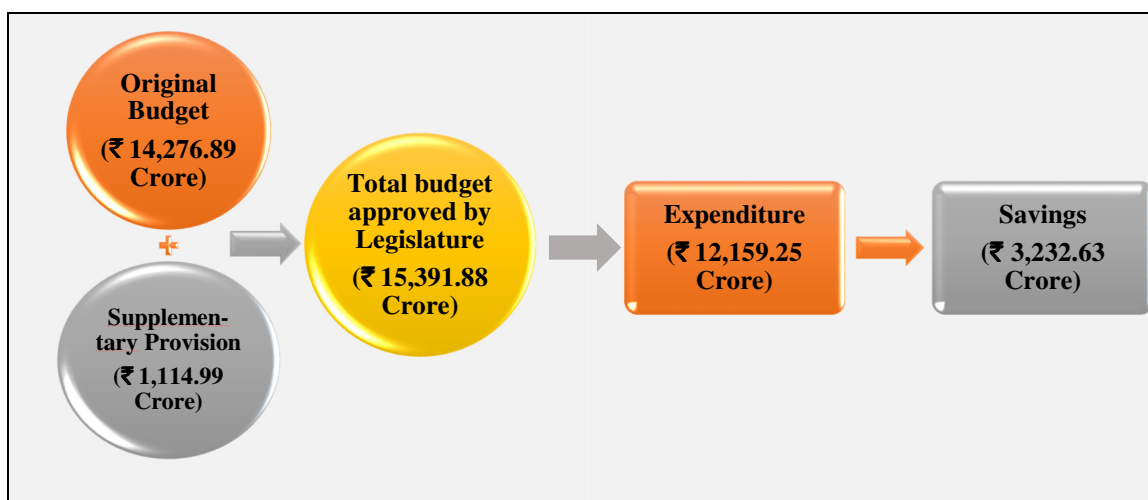
The summarised position of actual expenditure during 2018-19 against 61 Grants including 11 Appropriations is given in **Table 2.1**.

---

<sup>1</sup> Budget Manual of the Government of Assam (Volume I) as adopted by the Government of Meghalaya.

**Table 2.1: Summarised position of actual expenditure vis-à-vis Original/ Supplementary provision (₹ in crore)**

Nature of expenditure	Details of Grant/ Appropriation			Expenditure	Savings	Details of surrender of savings		
	Original	Supplementary	Total			Total	On 31 March 2019	On 31 March 2019 (per cent)
<b>Voted</b>								
I. Revenue	11302.46	758.31	12060.77	9517.21	2543.56	2479.54	2479.54	97.48
II. Capital	1596.33	347.53	1943.86	1417.28	526.58	382.36	382.36	75.01
III. Loans and Advances	72.53	Nil	72.53	89.49	-16.96			
<b>Total Voted</b>	<b>12971.32</b>	<b>1105.84</b>	<b>14077.16</b>	<b>11023.98</b>	<b>3053.18</b>	<b>2861.90</b>	<b>2861.90</b>	<b>93.74</b>
<b>Charged</b>								
IV. Revenue	733.40	9.15	742.55	739.32	3.23	0.51	0.51	15.79
V. Capital	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-
VI. Public Debt- Repayment	572.17	Nil	572.17	395.95	176.22	Nil	Nil	0.00
<b>Total Charged</b>	<b>1305.57</b>	<b>9.15</b>	<b>1314.72</b>	<b>1135.27</b>	<b>179.45</b>	<b>0.51</b>	<b>0.51</b>	<b>28.42</b>
Appropriation to Contingency Fund	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total</b>	<b>14276.89</b>	<b>1114.99</b>	<b>15391.88</b>	<b>12159.25</b>	<b>3232.63</b>	<b>2862.41</b>	<b>2862.41</b>	<b>88.55</b>



The overall saving of ₹ 3,232.63 crore was the result of saving of ₹ 3,456.68 crore in 59 Grants and seven Appropriations under Revenue Section and 25 Grants and two Appropriations under Capital Section. This was offset by excess of ₹ 224.05 crore in one Grant and one Appropriation under Revenue Section. Out of the total savings of ₹ 3,232.61 crore, ₹ 2,862.41 crore (88.55 per cent) was surrendered during the year and savings of ₹ 370.20 crore (11.45 per cent) was not surrendered which indicated lack of or inadequate budgetary control.

The savings/ excess were intimated (August 2019) to the Controlling Officers requesting them to explain the significant variations. Department-wise position involving substantial amount of savings/ excess (exceeding ₹ 10 crore in each case), for which reasons were not furnished (August 2019) by the departments concerned, is given in **Appendix 2.1**.

## 2.4 Financial Accountability and Budget Management

### 2.4.1 Appropriation vis-à-vis Allocative Priorities

The outcome of appropriation audit revealed that in 42 cases of total savings of ₹ 2,659.31 crore, the savings exceeded Rupees one crore in each case and was more

than 20 per cent of total provision (**Appendix 2.2**). In 11 cases, relating to ten Grants and one Appropriation, the savings exceeded ₹ 50 crore and above and resulted in total savings of ₹ 2,081.90 crore (78.29 per cent). It was further noticed that in 11 grants, supplementary provision was made even though the expenditure did not exceed the original provision as detailed in **Appendix-2.5**.

Reasons for savings resulting out of unnecessary supplementary provision which did not reach even the level of original provision was sought for from the Finance Department (February 2020). Reply is however, awaited.

#### 2.4.2 Budgetary Process and Supplementary Grants

Paragraph 98 of the Budget Manual requires that when the expenditure requiring provision is obligatory, a supplementary grant or appropriation may be taken towards the end of the year provided that the total provision made by law under the grant concerned, is not exceeded before the Supplementary Demand is obtained.

We observed that implementation of the Budget in the State was not in conformity with the approved Budget leading to large-scale savings under the Revenue (voted) and Capital (voted) sections as under:

- Under Revenue (voted) the original grants and supplementary grants were ₹ 11,302.45 crore and ₹ 758.31 crore respectively aggregating ₹ 12,060.76 crore, against which the actual expenditure was ₹ 9,517.21 crore resulting in savings of ₹ 2,543.55 crore. This was more than the supplementary provision (₹ 758.31 crore) which were taken during September 2018 and March 2019.
- Similarly, under Capital (voted) including Loans and Advances, the original and supplementary grants were ₹ 1,668.85 crore and ₹ 347.53 crore respectively aggregating ₹ 2,016.38 crore against which actual expenditure was ₹ 1,506.77 crore, resulting in savings of ₹ 509.61 crore. This was more than the supplementary grants (₹ 347.53 crore) which were taken during September 2018 and March 2019.

In the above cases, the supplementary provision of ₹ 758.31 crore under Revenue (voted) and ₹ 347.53 crore under Capital (voted) obtained during the year, proved unnecessary as the actual expenditure did not come up to the level of original provisions as indicated in **Table 2.2**.

**Table 2.2: Actual Expenditure vis-à-vis Original/Supplementary provisions**

(₹ in crore)

Sl. No.	Nature of expenditure	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Total	Expenditure	Savings
1.	Revenue (voted)	11302.45	758.31	12060.76	9517.21	2543.55
2.	Capital (voted)	1668.85	347.53	2016.38	1506.77	509.61
	<b>Total</b>	<b>12971.30</b>	<b>1105.84</b>	<b>14077.14</b>	<b>11023.98</b>	<b>3053.16</b>

### 2.4.3 Persistent Savings

In three cases, during the last five years, there were persistent savings (Table 2.3).

Table 2.3: List of Grants indicating Persistent Savings during 2014-19 (₹ in crore)

Sl. No.	Number and Name of the grant	Amount of savings				
		2014-15	2015-16	2016-17	2017-18	2018-19
<b>Revenue-Voted</b>						
1.	11- Other Taxes and Duties on Commodities and Services, <i>etc.</i>	77.67 (32)	65.34 (48)	82.37 (39)	79.07 (40)	218.83 (56)
2.	43 – Housing, Crop Husbandry, Agricultural Research and Education <i>etc.</i>	234.43 (48)	135.99 (34)	204.68 (49)	212.16 (47)	128.31 (37)
<b>Capital-Voted</b>						
3.	19 – Secretariat General Services, Public Works, <i>etc.</i>	95.11 (57)	39.66 (27)	70.43 (46)	100.81 (71)	46.92 (36)

(Figures in the parentheses indicate percentage of saving to total provision).

- (i) In the case of Other Taxes and Duties on Commodities and Services, *etc.* the savings ranged from ₹ 77.67 crore to ₹ 218.83 crores. In 2018-19, out of savings of ₹ 218.83 crore, an amount of ₹ 215.96 crore was surrendered on 31 March 2019.
- (ii) In Housing, Crop Husbandry, Agricultural Research and Education *etc.*, the savings ranged between ₹ 128.31 crore and ₹ 234.43 crore. In 2018-19, out of savings of ₹ 128.31 crore, an amount of ₹ 84.13 crore was surrendered on 31 March 2019.
- (iii) In Secretariat General Services, Public Works, *etc.* the savings ranged from ₹ 39.66 crore to ₹ 100.81 crore. In 2018-19, none of the savings was surrendered.

### 2.4.4 Expenditure without Budget Provision

Article 266 (3) of the Constitution states that ‘No moneys out of the Consolidated Fund of India or the Consolidated Fund of the State shall be appropriated except in accordance with law and for the purposes and in the manner provided in the Constitution’.

The cases of excess expenditure over Budget provision is a very serious matter as it is a violation of the will of the Legislature. In all such cases, the responsibility needs to be fixed. It was, however, noticed that expenditure of ₹ 34.12 crore was incurred in ten cases without any budget provision in the original estimates/ supplementary demand and without any re-appropriation orders to this effect as detailed in Table 2.4.

Table 2.4: Expenditure incurred without provision during 2018-19 (₹ in crore)

Sl. No.	Grant/Appropriation Number – Major Head of Accounts – Sub Head – Detailed Head	Expenditure without provision
1.	15-2054-911 (01) VSAT Project for K105K Machine – General	0.47
2.	16-2055-800(03) Payment of Decretal amount – General	0.05
3.	19-2059-80-052(03) R/C of T& P <i>etc.</i> – Sixth Schedule (Part-II) Areas	1.23
4.	19-2059-80-052(04) Deduct – Transfer of T&P on charges on Percentage Basis to Major Heads - Sixth Schedule (Part-II) Areas	0.31
5.	29-4217-60-051 (01) Lumpsum Fund for Development of North Eastern States - General	0.56
6.	43-2401-108(37) Organic Manure – General	0.04

Sl. No.	Grant/Appropriation Number – Major Head of Accounts – Sub Head – Detailed Head	Expenditure without provision
7.	56-3054-01-902(01) Deduct-Amount met from Central Roads Fund - Sixth Schedule (Part-II) Areas	13.72
8.	56-2059-80-799(02) Stock - Sixth Schedule (Part-II) Areas	2.00
9.	56-5054-03-800(01) Construction - Sixth Schedule (Part-II) Areas	14.31
10.	56-5054-03-800(21) Projects Undertaken under Special Plan Assistance (SPA) - Sixth Schedule (Part-II) Areas	0.70
11.	56-5054-04-800(17) New Schemes (MLA's) Proposal for Roads and Bridges - Sixth Schedule (Part-II) Areas	0.73
	<b>Total</b>	<b>34.12</b>

#### 2.4.5 Drawal of funds to avoid lapse of budgetary provision

As per Paragraph 152 (iii) of Budget Manual, Controlling Officers are to surrender to the Finance Department all savings anticipated in the budget under their control as soon as the certainty of non-requirement is known and in any case latest by the 15<sup>th</sup> of March. Further, as per Rule 211 of Meghalaya Treasury Rules, 1986, no money shall be drawn from the Treasury unless it is required for immediate disbursement. Contrary to the prescribed procedure, ₹ 614.50 crore was transferred in March 2019 into the major head of Account '8443 – Civil Deposits' primarily to exhaust the unspent budgetary provision. Details of all such transfers (₹ five crore and above in each case) in respect of the 18 cases involving ₹ 614.50 crore are mentioned in **Appendix 2.3**.

While there is no Rule to prevent transfers to Civil Deposits, it was violative of the spirit of Rule 211 of Meghalaya Treasury Rules, 1986. The funds were transferred to Civil Deposits primarily to avoid lapse of budgetary provision.

#### 2.4.6 Excess over provision relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/ appropriation regularised by the State Legislature. Although no time limit for regularisation of excess expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). As indicated in the Report of the Comptroller and Auditor General of India for the previous years, excess expenditure of ₹ 2,176.83 crore for the years from 1971-72 to 2017-18 had not been regularised, details of which are given in **Appendix 2.4**. This is contrary to legislative intent and defeats the objective of ensuring accountability of the executive over utilisation of public money. Excess expenditure remaining un-regularised for such extended period needs to be viewed seriously as this dilutes parliamentary control over the exchequer. All existing cases of excess expenditure need to be regularised at the earliest and strict departmental action taken against the Controlling Officer who exceed the budget.

During the current year, expenditure under one Grant under Revenue Section and one Appropriation under Capital Section amounting to ₹ 224.06 crore, are in excess of authorisation; and require regularisation under Article 205 of the Constitution, as detailed in **Table 2.5**. This is in violation of Article 204 of the Constitution which provides that no money shall be withdrawn from the Consolidated Fund except under



appropriation made by Law by the State Legislature. This vitiates the system of budgetary and financial control and encourages financial indiscipline in management of public resources.

**Table 2.5: Expenditure over provision during 2018-19 requiring regularisation**

(₹ in crore)

Sl. No.	Number and title of Grant/ Appropriation	Total Grant/ Appropriation	Expenditure	Excess (+) (per cent to Total Grant/ Appropriation)
<b>Revenue – Voted</b>				
1.	24 – Pensions and Other Retirement Benefits	784.15	1004.94	220.79 (30.24)
<b>Capital – Charged</b>				
1.	Appropriation – Interest Payment	653.54	656.81	3.27 (0.50)
<b>Total</b>		<b>1437.69</b>	<b>1661.75</b>	<b>224.06</b>

In one of the above cases, viz. Grant No.24 - Pension & Other Retirement Benefits, expenditure in excess of the budget provision has been observed consistently for the last five years (**Table 2.6**) which is reflective of poor budgeting.

**Table 2.6: Persistent excess expenditure during 2014-19**

(₹ in crore)

Number and name of the Grant	Amount of Excess Expenditure				
	2014-15	2015-16	2016-17	2017-18	2018-19
24- Pension and other Retirement benefits (Revenue - Voted)	114.63	142.92	154.37	20.66	220.79

*Government may consider fixing responsibility of officials responsible for incurring expenditure in excess of the Grants/provisions.*

#### 2.4.7 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. As per the Appropriation Accounts, re-appropriation made under 223 sub-heads proved excessive or insufficient and resulted in savings/ excess of over ₹ 10 lakh. Instances of 69 such cases where excess/ saving was Rupees one crore or above in each case are detailed in **Appendix 2.6**.

#### 2.4.8 Surrender of funds

**Table 2.1** showed total surrender of ₹ 2,861.90 crore as on 31 March 2019. In 75 cases there were 100 per cent surrender of funds totalling ₹ 454.56 crore, details of which are given in **Appendix 2.7**. Surrender of funds at the end of March 2019 indicated poor budget monitoring/ review and in contravention of the order relating to surrenders by mid-March. Delay in surrender also denied the utilisation of savings for other developmental purposes.

#### 2.4.9 Surrender in excess of actual savings

As per the provision of the Budget Manual, spending departments, are required to surrender the grants/ appropriations or portion thereof to the Finance Department as and

when the savings are anticipated. Surrender of the provision in anticipation of savings and incurring expenditure subsequently by Controlling Officers results in surrender in excess of overall saving under grant/ appropriation.

In 19 cases, the amount surrendered was in excess of actual savings indicating lack of or inadequate budgetary control in those departments. As against savings of ₹ 532.65 crore, the amount surrendered was ₹ 550.13 crore resulting in excess surrender of ₹ 17.48 crore (**Appendix 2.8**). The surrender in excess of actual savings indicated that the departments did not exercise adequate budgetary controls by watching flow of expenditure. Eight significant cases of surrender in excess of actual savings are shown in **Table 2.7**.

**Table 2.7: Cases of surrender in excess of savings (₹ in crore)**

Sl No.	Number and Name of Grant/ Appropriation	Total Grant	Savings	Amount surrendered	Excess surrender
1.	5 – Elections (Revenue – Voted)	112.73	9.00	10.38	1.38
2.	8 – State Excise (Revenue – voted)	19.92	0.08	0.97	0.89
3.	14 – District Administration (Revenue – Voted)	59.99	4.27	5.12	0.85
4.	19 – Secretariat General Services, Public Works, Housing, Capital Outlay on Public Works, Capital Outlay on Education, etc. Revenue – Voted	76.25	11.93	14.15	2.22
5.	22 – Other Administrative Services, Housing Revenue – Voted	54.59	5.43	6.55	1.12
6.	34 – Social Security and Welfare, Nutrition Capital Outlay on Social Security and Welfare, etc. (Revenue – Voted)	580.84	147.72	149.27	1.55
7.	50 – Forestry and Wildlife, Agricultural Research and Education, etc. Revenue – Voted	241.48	99.68	103.25	3.57
8.	52 – Industries, Capital Outlay on Cement, Capital Outlay on Industries and Minerals, etc. Revenue – Voted	23.65	2.54	5.66	3.12

The above indicated lack of financial prudence in the management of budget in the concerned departments.

#### **2.4.10 Anticipated savings not surrendered**

As per Paragraph 152 (iii) of Budget Manual, Controlling Officers are to surrender to the Finance Department all savings anticipated in the budget under their control as soon as the certainty of non-requirement is known and in any case latest by the 15<sup>th</sup> of March. Scrutiny of the appropriation accounts however revealed the following:

- In 10 Grants, it was seen that savings occurred but the entire savings were not surrendered by the concerned departments. The amount involved in those cases was ₹ 236.83 crore (7.33 per cent of the overall savings of ₹ 3,232.61 crore for the year 2018-19) (**Appendix 2.9**).
- In 27 Grants (which had savings of Rupees one crore and above), it was seen that out of savings of ₹ 2,213.84 crore, an amount of ₹ 1,607.24 crore was surrendered while the remaining ₹ 606.60 crore (27.40 per cent) were not surrendered (**Appendix 2.10**).

- In 60 cases, (surrender of funds in excess of Rupees one crore), an amount of ₹ 2,856.55 crore was surrendered on the last working day of March 2019 (**Appendix 2.11**). Surrender of funds on the last working day of March denied utilisation of savings for other developmental purposes.

This indicated inadequate financial control and also resulted in idling of these funds since they could not be utilised for other development purposes.

## **2.5 Reconciliation of departmental figures**

### **2.5.1 Un-reconciled Expenditure**

Budget Manual stipulates that expenditure recorded in the Controlling Officers (COs) books should be reconciled by them every month during the financial year with the books of the Accountant General (Accounts & Entitlement). This is in order to enable COs of Departments to exercise effective control over expenditure, to keep it within the budget grants and to ensure accuracy of their accounts. During 2018-19, 27 out of 59 COs did not reconcile expenditure amounting to ₹ 1,708.56 crore (14.05 *per cent* of total gross expenditure of ₹ 12,159.25 crore) as of March 2019 (**Appendix 2.12**). This is despite the fact that non-reconciliation of departmental figures is being pointed out regularly in Audit Reports. Out of the unreconciled expenditure of ₹ 1,708.56 crore, ₹ 963.33 crore related to the Secretary, Finance Pension Cell Department followed by ₹ 154.74 crore in respect of Secretaries of Planning, Secretariat Administration, Finance and Public Works Departments and ₹ 67.80 crore in respect of Director of Civil Aviation.

## **2.6 Outcome of review of selected Grant**

A review of budgetary procedure and control over expenditure was conducted (November 2019) in respect of 'Grant Number – 51 Housing, Special programme for Rural Development, Rural Employment, Other Rural Development Programmes, Capital Outlay on North Eastern Areas, Capital Outlay on other Rural Development Programmes.

The Director of Community and Rural Development was the Controlling Officer of this Grant. Under this Grant, expenditure during the year 2018-19 was booked under the major heads of account 2216 – Housing, 2501 – Special Programmes for Rural Development, 2505 – Rural Employment, 2515- Other Rural Development Programmes, 4515 - Capital outlay on Other Rural Development Programme, 4552- Capital outlay on North Eastern Areas.

In this regard, significant cases of savings and excess expenditure over budget provisions noticed during the review are discussed below:

### **2.6.1 Excessive supplementary provision/non-surrender of savings**

Against budget provision of ₹ 1,501.22 crore (including supplementary provision of ₹ 16.48 crore), under revenue head the actual expenditure incurred was ₹ 777.75 crore resulting in final savings of ₹ 723.47 crore. In view of the final savings of

₹ 723.47 crore, the supplementary provision of ₹ 16.48 crore<sup>2</sup> obtained during the year was in excess of requirement. Out of the savings of ₹ 723.47 crore the Controlling Officer surrendered only ₹ 714.98 crore during the year, on 31 March 2019. The balance savings of ₹ 8.49 crore, was not surrendered contrary to the provision in Paragraph 152 (iii) of the Budget Manual, providing for surrender of all anticipated savings to the Finance Department latest by 15 March so that the same can be utilised for other purposes.

Under the capital head, expenditure of ₹ 5.10 crore was incurred during the year against the budget provision of ₹ 28.48 crore resulting in saving of ₹ 23.38 crore. The savings were surrendered during the year.

## 2.6.2 Savings

As per the Detailed Appropriation Accounts for the year 2018-19, savings ranging between 15.74 per cent to 100 per cent occurring under nine schemes in respect of major Head of Accounts 2216 - Housing and 2515 – Other Rural Development Programme are shown in **Table 2.8**.

**Table 2.8: Cases where part of budget provisions was utilised**

(₹ in lakh)

Sl. No.	Name of Scheme	Original Provision	Savings	Percentage
<b>2216 - Housing</b>				
1.	07 Other Housing 053(02) Other maintenance expenditure - Sixth Schedule	0.66	0.66	100
<b>2515 – Other Rural Development Programme</b>				
2.	001(01) Directorate of Community Development – General	623.90	182.85	29.31
3.	001(02) District Office under Community Development – Sixth Schedule	128.45	66.87	52.06
4.	001(03) Sub-divisional Organisation Planning - Sixth Schedule	41.00	31.16	76.00
5.	001(12) Payment due to MeSEB/Municipal/Telephone Bill(BSNL) - Sixth Schedule	21.65	18.82	86.93
6.	102 Community Development 0002(02) Stage II Block - Sixth Schedule	441.16	241.16	54.66
7.	0004(04) Re organisation of C&RD Block	100.65	15.84	15.74
8.	800 Other expenditure 0017(17) Construction & maintenance of Dept. Build/non-residential Build	23.26	11.69	50.26
9.	Centrally Sponsored Scheme 0019(19) National Social Assistance Programme - Sixth Schedule	375.40	230.67	61.45

As per Paragraph 152 (iii) of the Budget Manual (Volume I), the Controlling Officers should surrender to the Finance Department all savings anticipated in the Budget under their control as soon as the certainty of non-requirement of fund is known by the 15<sup>th</sup> of March at the latest for utilisation by the Finance Department for other purposes. In the above cases, none of the amounts had been surrendered during the year.

<sup>2</sup> ₹ 10.49 crore: September 2018.  
₹ 5.99 crore: March 2019.

### 2.6.3 Excess expenditure over budget provision

As per detailed Appropriation Accounts for the year 2018-19, under three schemes, expenditure of ₹ 5.81 crore exceeded the budget provision by ₹ 2.50 crore. The details are given in **Table 2.9**.

**Table 2.9: Excess expenditure over budget provisions**

(₹ in crore)			
Major Head and Group Head	Final Grant or Appropriation	Actual expenditure	Excess
<b>2515 – Other Rural Development Programme</b>			
800 – Other expenditure 0018(18) DRDA – Administration – Voted – Sixth schedule	0.55	0.74	0.19
800 – Other expenditure 0019(19) National Social Assistant Programme – Voted - Sixth schedule	1.76	3.46	1.70
102 –Community Development 0012(12) National Family Benefit Scheme – Voted – Sixth schedule	1.00	1.61	0.61
<b>Total</b>	<b>3.31</b>	<b>5.81</b>	<b>2.50</b>

On being pointed out (November 2019), the Directorate of Community & Rural Development stated (January 2020) that there was no excess expenditure as amount was re-appropriated/part of Central Share/Centrally Sponsored Scheme. The reply was however, incorrect since the expenditure was more than the final grant. This resulted in incurring excess expenditure over Budget provision. The cases of excess expenditure over Budget provision is a violation of the will of the Legislature. Government may consider fixing responsibility of officials responsible for incurring expenditure without budget provisions.

### 2.6.4 Re-appropriation/non utilisation of the funds led to surrender

As per detailed Appropriation Accounts for the year 2018-19, budget provisions were made for five schemes in respect of major Head of Accounts 2515 – Other Rural Development Programme. The amount of ₹ 1.60 crore was re-appropriated but not utilised. The details are given below:

**Table 2.10: Cases where Fund were re-appropriated and not utilised** (₹ in crore)

Sl. No.	Name of Scheme	Original provision	Re-appropriated/ surrender
<b>2515 – Other Rural Development Programme</b>			
1.	001 Direction and administration 0012(12) Payment due to MeSEB/Municipal/Telephone Bill (BSNL)	0.03	(-)0.03
2.	003 Training 001 (01) Study Tour <i>etc.</i> , for non-officers – General	0.01	(-)0.01
3.	002 (02) Training of community development Personal	0.01	(-)0.01
4.	800 Other expenditure 0026(26) Social mobilisation centre at district headquarter	1.00	(-)1.00
5.	07 NLCPR 800 Other expenditure 0013(13) Non-lapsable Central Pool of Resources for Development of North East	0.55	(-)0.55
<b>Total</b>		<b>1.60</b>	<b>(-) 1.60</b>

The re-appropriation/ non utilisation of the funds led to surrender of the amounts which indicated injudicious budgeting.

## 2.7 Significant Findings

The financial management and budgetary control of the Government was not satisfactory. Government presented an ambitious budget of ₹ 15,319.88 crore<sup>3</sup> for the year 2018-19, of which it could incur an expenditure of ₹ 12,159.25 crore resulting in an overall savings of ₹ 3,160.63 crore (20.63 per cent of total provision).

There were deficiencies in budgetary procedure and expenditure control.

- The estimates for receipts and expenditure were prepared without adequate due diligence in observing prescribed budgetary regulations.
- Delayed submission of departmental estimates, poor verification of departmental figures, etc. indicates absence of financial control.
- In many cases, the anticipated savings were not surrendered for utilising these for other development purposes.

## 2.8 Conclusion

Budgetary forecasting of the State Government were not realistic during 2018-19 as the budgetary estimates were off the mark to a considerable extent, and control over the execution and monitoring of budget was inadequate.

Supplementary Grants/ Appropriations were obtained without adequate justification, and large amounts were expended without budgetary provision. Despite flagging this issue every year over the last several years, the State Government had not failed to take corrective measures in this regard.

Savings during the year accounted for almost a third of the budget; however, the Controlling Officers did not surrender the funds on time. Explanations were also not provided to the Accountant General (A&E) for variations in expenditure *vis-à-vis* allocations. Departments were not cautioned against persistent savings; nor were their budgets varied in accordance with their ability to absorb the allocations.

## 2.9 Recommendations

***State Government needs to formulate a realistic budget based on reliable assumptions of the needs of the Departments and their capacity to absorb the allocations;***

***Appropriate control and monitoring mechanism need to be instituted for identification and surrender of anticipated savings within the specified timeframe; and***

***Controlling Officers need to be made aware of their responsibility to explain the variation in expenditure from the allocation to facilitate proper analysis of budget and preparation of meaningful Appropriation Accounts.***

<sup>3</sup> Original plus Supplementary.

## **CHAPTER-III**

# **FINANCIAL REPORTING**





## CHAPTER III Financial Reporting

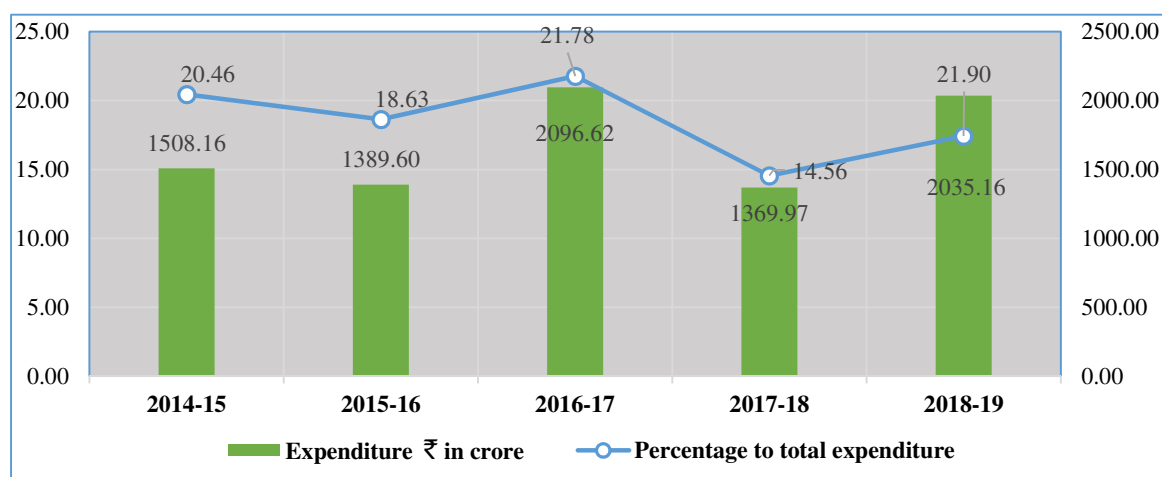
A sound internal financial reporting system with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such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

### 3.1 Opaqueness in Accounts - Operation of Omnibus Minor Head 800

The omnibus Minor Head 800 relating to Other Receipts/ Other Expenditure is to be operated only in cases where the appropriate Minor Head has not been provided under a Major Head in the accounts. If such instances occur on a regular basis, it is the responsibility of the State Government to discuss with the Accountant General (A&E) and obtain approval to open appropriate Minor Heads. Indiscriminate booking of receipts and expenditure under Minor Head 800 affects transparency and nature of transactions, and renders the accounts opaque.

Government of Meghalaya operated this Minor Head extensively during the five year period 2014-19. Government of Meghalaya has however, drastically reduced operation of Minor Head 800 under Receipts Major Heads. The quantum of bookings of Receipts under Minor Head 800 has come down from 26.74 *per cent* of Total Receipts during 2016-17 to 1.37 *per cent* during 2018-19. The quantum of expenditure booked under this Minor Head showed a mixed trend over the years. During 2018-19, the State Government booked an expenditure of ₹ 2,035.16 crore under Minor Head 800 under 56 Revenue and Capital Major Heads of Account, constituting 17.43 *per cent* of the total Revenue and Capital Expenditure of ₹ 11,673.22 crore. The extent of operation of Minor Head 800 for Other Expenditure, as a percentage of Total Expenditure during 2014-19 is given below:

**Chart 3.1: Operation of Minor Head 800 - Other Expenditure during 2014-19**



Above chart shows that there has been largescale operation of 800 for Other Expenditure, with its share in total expenditure ranging from 14.56 per cent to 21.90 per cent during the period. Instances of substantial proportion (50 per cent or more) of the expenditure within a given Major Head, classified under the Minor Head 800 – ‘Other Expenditure’, are given below:

**Table 3.1: Significant expenditure booked under Minor Head 800 – Other Expenditure during 2018-19 (₹ in crore)**

Major Head and Description		Details of Expenditure		Per cent
		Total	Under Minor Head - 800	
2225	Welfare of Schedule Castes, Schedules Tribes and Other Backward Classes	92.81	92.81	100
2501	Special Programmes for Rural Development	87.90	63.41	72
2515	Other Rural Development Programmes	245.68	163.34	66
2575	Special Programmes for Rural Development	47.28	41.24	87
2853	Non-ferrous mining and Metallurgical Industries	94.68	76.62	81
3451	Secretariat-Economic Services	383.17	196.53	51
4055	Capital Outlay on Police	9.27	4.90	53
4235	Capital Outlay on Social Security and Welfare	28.75	28.75	100
4401	Capital outlay on Crop Husbandry	0.86	0.86	100
4405	Capital outlay on Fisheries	4.12	3.75	91
5054	Capital outlay on Roads and Bridges	746.26	746.25	100
5055	Capital outlay on Road Transport	2.78	2.78	100

Classification of large amounts under the omnibus Minor Head 800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

### 3.2 Delay in Furnishing Utilisation Certificates

Rule 515 (Appendix 14) of the Meghalaya Financial Rules, 1981, provides that unless otherwise ruled by the State Government, every grant made for a specified object is subject to the implied conditions that the grant will be spent upon that object within a reasonable time (one year from the date of issue of the letter sanctioning the grant, if no time-limit has been fixed by the sanctioning authority). Grantee Institutions receiving Grants-in-Aid from Government are required to furnish Utilisation Certificates (UCs) to the Principal Accountant General (Accounts & Entitlement) countersigned by the disbursing authority after thorough verification. The purposes for which the Grant-in-Aid were utilised can be confirmed only on receipt of UCs which would safeguard against diversion of funds for other purposes. To the extent of non-receipt of UCs, the expenditure shown in the accounts can neither be treated as final nor can it be confirmed that the amount has been utilised for the intended purposes. The year-wise details of outstanding UCs during 2014-19 are given in **Table 3.2**.

**Table 3.2: Details of submission of Utilisation Certificates from 2014-15 to 2018-19 (₹ in crore)**

Year	Opening Balance		Addition During the Year		Disposal		Closing Balance	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
2014-15	262	876.89	319	917.30	356	972.25	225	821.94
2015-16	225	821.94	279	705.68	217	430.49	287	1097.13
2016-17	287	1097.13	447	1620.70	226	716.45	508	2001.39
2017-18	508	2001.39	382	1222.10	174	489.81	716	2733.59
2018-19	716	2733.59	527	1892.51	133	326.48	1110	4299.62

Source: Office of the Principal Accountant General (A&E), Meghalaya, Shillong.

It was seen that at the close of March 2019, 1,110 UCs amounting to ₹ 4,299.62 crore remained outstanding in the books of the Principal Accountant General (Accounts & Entitlement), Meghalaya. The age-wise arrears of the 1,110 UCs are given in **Table 3.3**.

**Table 3.3: Age-wise arrears of Utilisation Certificates** (₹ in crore)

Year*	Number of Utilisation Certificate awaited	Amount
Up to 2016-17	508	2001.39
2017-18	208	732.20
2018-19	394	1566.03
<b>Total</b>	<b>1110</b>	<b>4299.62</b>

\*The year mentioned above relates to 'Due Year' i.e. after 12 months of actual drawal.

Major defaulting departments which have not submitted UCs and their percentage out of total outstanding amount under Grants-in-Aid are Education Department (₹ 1,757.25 crore, 40.87 per cent); Economic Service Department (₹ 532.87 crore, 12.39 per cent); Rural Employment Department (₹ 506.06 crore, 11.77 per cent); Rural Development Department (₹ 424.50 crore, 9.87 per cent); Health & Family Welfare Department (₹ 410.79 crore, 9.55 per cent); Welfare of Scheduled Castes/ Scheduled Tribes and Other Backward Classes (₹ 273.30 crore, 6.36 per cent); Power Department (₹ 123.55 crore, 2.87 per cent); Arts and Culture Department (₹ 76.78 crore, 1.79 per cent), Social Security & Welfare (₹ 58.83 crore, 1.37 per cent) and Sports & Youth Affairs (₹ 45.24 crore, 1.05 per cent).

In the absence of UCs, it could not be ascertained whether the recipients had utilised the grants for the purposes for which these were disbursed. Huge pendency in submission of UCs is fraught with the risk of fraud and misappropriation of funds.

### **3.3 Detailed Countersigned Contingent Bills Against Abstract Contingent Bills**

According to the Meghalaya Treasury Rules, 1985, the Controlling Officers are required to submit Detailed Countersigned Contingent (DCC) bills against the drawal of Abstract Contingent (AC) bills to the Accountant General (AG) within a month from the date of receipt of such bills in his office. As per Finance Accounts for the year 2018-19, against AC bills of an amount of ₹ 88.09 crore, no DCC Bills were received. Major defaulter in this regard is the Election Department where AC bills for ₹ 87.89 crore remained outstanding as of March 2019.

Advances drawn and not accounted for increase the possibility of wastage/ misappropriation/ malfeasance, etc. It amounts to unhealthy practices and therefore, requires close monitoring by the DDOs for ensuring timely adjustment.

Government may consider fixing responsibility on officials for failing to settle the outstanding AC bills within the stipulated period of one month.

### **3.4 In-operative Personal Deposit Accounts**

Personal Deposit (PD) Accounts are created for discharging the liabilities of the Government arising out of special enactment. As per Rule 392 of the Meghalaya Treasury Rules, 1985, if PD accounts are created by transferring funds from the Consolidated Fund for discharging liabilities of the Government arising out of the special enactment, such

accounts should be closed at the end of the financial year and the unspent balance should be transferred to the Consolidated Fund. The amount credited to these accounts will be debited to the Consolidated Fund of the State and booked as expenditure of the year. Further, if a PD Account is not operated for a considerable period and there is reason to believe that the need for deposit account has ceased, the same should be closed in consultation with the officer in whose favour the deposit account had been opened.

As on 01 April 2018, there were seven PD accounts with an opening balance of ₹ 18.81 crore. One account was closed after disbursement during 2018-19. As on 31 March 2019, there were six PD accounts with a closing balance of ₹ 16.38 crore. Out of these six PD accounts, one PD account having a balance of ₹ 0.02 crore remained inoperative for more than five years and had not been closed in compliance with the rule.

Non-transfer of unspent balances lying in PD Accounts to Consolidated Fund of the State entails the risk of misuse of public fund, fraud and misappropriation. Further, the State Government should take necessary steps to close the inoperative PD account and transfer the balances to the Consolidated Fund of India.

### 3.5 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 (DPC Act), the Government/ Heads of the Department 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. On receipt of this information, the following was observed:

The annual accounts of 25 bodies/ authorities due up to 2018-19 had not been received (October 2019) by the Principal Accountant General (Audit). The details of these accounts are given in **Appendix 3.1** and their age-wise pendency is presented in **Table 3.4**.

**Table 3.4: Age-wise arrears of Annual Accounts due from Government Bodies**

Sl. No.	Delay in number of years	Total No. of Accounts
1.	0 to 1 year	02
2.	Above 1 year to 3 years	20
3.	Above 3 years to 5 years	19
4.	Above 5 years to 7 years	18
5.	Above 7 years to 9 years	34
6.	Above 9 years	65
<b>Total</b>		<b>158</b>

### 3.6 Delay in Submission of Accounts of Autonomous Bodies

Several autonomous bodies have been set up by the State Government in the field of Khadi and Village Industries, Labour, etc. The position of annual accounts of three of the autonomous bodies whose audit was entrusted to the Comptroller and Auditor General of India (CAG) under Section 19 & 20 of DPC Act is given in **Table 3.5**.

**Table 3.5: Position of outstanding annual accounts**

Name of Autonomous Body	Section of DPC Act under which audit is conducted	Due date for submission of Annual Accounts	Year of Annual Accounts received	Outstanding Annual Accounts
Meghalaya Khadi and Village Industries Board	19(3)	June every year	2016-17	2017-18 to 2018-19
Special Purpose Vehicle Society for Development of the Lafarge Umiam Mining Areas, Shillong	20(1)	June every year	2015-16	2016-17 to 2018-19
Meghalaya Building and Other Construction Workers' Welfare Board	19(2)	- Do -	2014-15	2015-16 to 2017-18

### 3.7 Building and Other Construction Workers Welfare Cess

Meghalaya Building and Other Construction Worker's Welfare Board (MBOCWFB) was constituted on 02 September 2009 and reconstituted in 23 April 2018 to oversee implementation of welfare schemes for its beneficiaries from the funds collected by the Board.

As per information furnished by the Board, the total amount of labour cess collected since inception till 2018-19 was ₹ 137.70 crore while the total amount spent was only ₹ 4.15 crore (Three per cent). Less utilisation of the cess amounts indicated that the welfare measures for workers were not being undertaken at a scale as envisaged in the Meghalaya Building and Other Construction Workers' Welfare Act.

Moreover, the cess so collected was not credited into the Government Accounts but was deposited into the Board's Bank Account. While agreeing to the audit observation, the Finance Department instructed (February 2020) the Secretary, Labour Department to henceforth deposit the cess under the appropriate Head of Account.

### 3.8 Misappropriation, Loss, etc.

According to Rule 112 of the Meghalaya Financial Rules, 1981, any defalcation or loss of public money or other property discovered in Government Treasury or other office or department, which is under the audit of the Accountant General, should be immediately reported to the Accountant General, even when such loss has been made good by the person responsible for it. Further, in all cases of theft, misappropriation, fraud and loss involving Government money, the First Information Report (FIRs) should invariably be lodged with the Police Department.

State Government reported 74 cases of theft, misappropriation and loss involving Government money amounting to ₹ 200.75 lakh up to March 2019 on which final action was pending. A break up of pending cases and age-wise analysis is given in **Appendix 3.2** and department-wise break up of pending cases is given in **Table 3.6**.

**Table 3.6: Department-wise break-up of pending cases**

(₹ in lakh)

Name of Department	Cases of Theft		Cases of Misappropriation		Cases of loss of Government material		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Public Works	2	3.75	1	9.96	1	3.80	4	17.51
Health & Family Welfare	1*	-*	0	0	1* + 2	0.92	2* + 2	0.92

\* Amount not intimated.

Name of Department	Cases of Theft		Cases of Misappropriation		Cases of loss of Government material		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Public Health Engineering	57	7.41	0	0	1	0.18	58	7.59
Legislative Assembly	0	0	2	44.09	0	0	2	44.09
Finance	1	86.50	0	0	1	1.94	2	88.44
Mining	0	0	1	16.55	0	0	1	16.55
Community & Rural Development	1	3.03	0	0	0	0	1	3.03
Land Record & Survey	1	1.56	0	0	0	0	1	1.56
Horticulture	0	0	0	0	1	21.06	1	21.06
<b>Total</b>	<b>63</b>	<b>102.25</b>	<b>4</b>	<b>70.60</b>	<b>1* + 6</b>	<b>27.90</b>	<b>74</b>	<b>200.75</b>

The age-profile of pending cases and the number of cases pending in each category (theft, misappropriation and loss) are summarised in **Table 3.7**.

**Table 3.7: Age Profile of Pending cases of Theft, Misappropriation and Loss (₹ in lakh)**

Age-Profile of the Pending Cases			Nature of the Pending Cases		
Range in years	Number of cases	Amount involved	Nature/characteristics of the cases	Number of cases	Amount involved
0 - 5	-	-	Theft	63	102.25
5 - 10	3	41.81			
10 - 15	2	21.24	Misappropriation/ loss of material	11	98.50
15 - 20	5	6.64			
20 - 25	34	22.62			
25 & above	30	22.62	<b>Total</b>	<b>74</b>	<b>200.75</b>
			Cases of theft and loss written off during the year	-	-
<b>Total</b>	<b>74</b>	<b>200.75</b>	<b>Total Pending Cases</b>	<b>74</b>	<b>200.75</b>

Out of 74 cases, Departments concerned had filed FIRs with the Police Department only in respect of 69 cases involving ₹ 154.73 lakh. In the remaining five cases involving ₹ 46.02 lakh, information on filing of FIRs had not been furnished.

A further analysis indicated that the reasons due to which the cases were outstanding could be classified in the categories listed in **Table 3.8**.

**Table 3.8: Reasons for Outstanding cases of Misappropriation, loss, defalcation etc.**

(₹ in lakh)

Reasons for the Delay/Outstanding Pending Cases		Number of cases	Amount
1.	Awaiting departmental investigation/enquiry	54	28.20
2.	Departmental action initiated but not finalised	9	44.54
3.	Awaiting orders for recovery or write off	10	111.46
4.	Pending in the court of law	1	16.55
	<b>Total</b>	<b>74</b>	<b>200.75</b>

Out of ₹ 200.75 lakh, the highest amount of theft and loss of ₹ 88.44 lakh pertained to Finance Department involving two cases. The highest amount of misappropriation of ₹ 44.09 lakh pertained to Meghalaya Legislative Assembly involving two cases. Loss of Government material of ₹ 21.06 lakh pertained to the Horticulture Department involving one case.

### 3.9 Follow up Action on Audit Reports

The Audit Reports can achieve the desired results only if they evoke positive and adequate response from the administration itself. To ensure accountability of the executive about the issues contained in the Audit Reports, the Public Accounts Committee of Meghalaya Legislative Assembly issued instructions (July 1993) for submission of *suo motu*

explanatory notes by the concerned administrative departments within one month of presentation of the Audit Reports to the State Legislature.

The State Finances Audit Report for the years from 2008-09 to 2017-18 were placed before the State Legislature in March 2010, March 2011, March 2012, April 2013, June 2014, March 2015, March 2016, March 2017, April 2018 and September 2019 respectively. However, *suo motu* explanatory notes on the observations made in those Audit Reports had not been furnished by the departments. Some random replies on only certain portions of Appendices to these Reports were sent by some departments after placing of these Reports in the Legislative Assembly.

### 3.10 Significant Findings

There were largescale operation of 800 Minor Head for Other Expenditure, with its share in total expenditure ranging from 14.56 *per cent* to 21.90 *per cent* during the period 2014-15 to 2018-19. High pendency of UCs (1,110 UCs worth ₹ 4,299.62 crore) was fraught with the risk of misappropriation of funds and fraud. Seventy four cases of theft, misappropriation and loss involving Government money amounting to ₹ 2.01 crore were pending for final action.

***Recommendation: The Government needs to enforce strict compliance to the timelines for submission of the UCs by the recipients and failure to comply with the timelines should be scrupulously dealt with. Action against erring officials needs to be initiated.***



**(Stephen Hongray)**

Principal Accountant General (Audit),  
Meghalaya

Shillong  
The 20 July 2020

**Countersigned**



**(Rajiv Mehrishi)**

Comptroller and Auditor General of India

New Delhi  
The 28 July 2020





# **APPENDICES**



## APPENDIX 1.1

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

(Reference: Paragraph 1.4)

**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 the 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, remittances, *etc.* which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature.

## APPENDIX 1.1

### Part-B: Layout of Finance Accounts

(Reference: Paragraph 1.4)

#### Layout of Finance Accounts

The Finance Accounts (new format introduced from the year 2009-10) has been divided into two Volumes – Volume I and II. Volume I represents the financial statements of the Government in summarised form while Volume II represents detailed financial statement. The layout of the Finance Accounts is chalked out in the following manner:

<b>Layout</b>	
<b>VOLUME I</b>	
Statement No. 1	Statement of Financial Position
Statement No. 2	Statement of Receipts and Disbursements
Statement No. 3	Statement of Receipts in Consolidated Fund
Statement No. 4	Statement of Expenditure in Consolidated Fund
Annexure A	Cash Balances and Investment of Cash Balances
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 Investment of the Government
Statement No. 9	Statement of Guarantees given by the Government
Statement No. 10	Statement of Grants-in-aid given by the Government
Statement No. 11	Statement of Voted and Charged Expenditure
Statement No. 12	Statement of Sources and Application of Funds for expenditure other than Revenue Account
Statement No. 13	Summary of Balances under Consolidated Fund, Contingency Fund & Public Account
<b>VOLUME II - PART I</b>	
Statement No. 14	Detailed Statement of Revenue and Capital Receipts by Minor Heads
Statement No. 15	Detailed Statement of Revenue Expenditure by Minor Heads
Statement No. 16	Detailed Statement of Capital Expenditure by Minor Heads and Sub-Heads
Statement No. 17	Detailed Statement of Borrowings and Other Liabilities
Statement No. 18	Detailed Statement of Loans and Advances given by the State Government
Statement No. 19	Detailed Statement of Investments of the Government
Statement No. 20	Detailed Statement of Guarantees given by the Government
Statement No. 21	Detailed Statement on Contingency Fund and Other Public Account transactions
Statement No. 22	Detailed Statement on Investments of Earmarked funds
<b>VOLUME II - PART II</b>	
APPENDIX-I	Comparative Expenditure on Salary
APPENDIX-II	Comparative Expenditure on Subsidy
APPENDIX-III	Grants-in-Aid/Assistance given by the State Government (Institution wise and Scheme wise)
APPENDIX-IV	Details of Externally Aided Projects
APPENDIX-V	Plan Scheme expenditure (Central and State Plan Schemes)
APPENDIX-VI	Direct transfer of Central Schemes funds to implementing agencies in the State
APPENDIX-VII	Acceptance and Reconciliation of Balances as depicted in Statement 18 & 21
APPENDIX-VIII	Financial results of Irrigation Schemes
APPENDIX-IX	Commitments of the Government – List of Incomplete Capital Works
APPENDIX-X	Maintenance expenditure with segregation of salary and non-salary portion
APPENDIX-XI	Major Policy decisions of the Government during the year or New Schemes proposed in the Budget
APPENDIX-XII	Committed Liabilities of the Government
APPENDIX-XIII	Re-organisation of the States - items for which allocation of balances between/among the States has not been finalised

## APPENDIX 1.1

### Part-C: Methodology adopted for the assessment of Fiscal position

#### (Reference: Paragraph 1.4)

The norms/ceilings prescribed by the Twelfth Finance Commission for selected fiscal variable along with its projections for a set of fiscal aggregates and the commitments/projections made by the State Governments in their Fiscal Responsibility Acts and in other statements required to be laid in the Legislature under the Act are used to make qualitative assessment of the trends and pattern of major fiscal aggregates. Assuming that Gross State Domestic Product<sup>1</sup> (GSDP) is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilisation 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 GSDP figures with 2011-12 as base, downloaded from the site of the Ministry of Statistics and Programme Implementation, Government of India, have been used in estimating these percentages and buoyancy ratios.

The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

#### 1. List of terms used in 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 parameter (X)/ Rate of Growth of parameter (Y)
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Development Expenditure	Social Services + Economic Services
Average interest paid by the State	$\text{Interest paid} / [(\text{Opening Balance of Public Debt} + \text{Closing Balance of Public Debt}) / 2] * 100$
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
Compound Annual Growth Rate (CAGR)	The compound annual growth rate is calculated by taking the $n^{\text{th}}$ root of the total percentage growth rate, where $n$ is the number of years in the period being considered. $\text{CAGR} = [\text{Ending Value} / \text{Beginning Value}]^{(1/\text{no. of years})} - 1$

<sup>1</sup> GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production.

Terms	Basis of calculation
Core public goods and merit goods	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. <i>Merit goods</i> are commodities that the public sector provides free or at subsidised 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 subsidised 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.
Development expenditure	The analysis of expenditure data is disaggregated into development and non-development expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances 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.
Net Debt available to the State	Defined as the difference of total debt receipts and total debt paid including interest paid by the State.

**APPENDIX 1.1**  
**Part D: State Profile**  
**(Reference: Paragraphs 1.1 & 1.4)**

<b>A. General Data</b>			
<b>SI No.</b>	<b>Particulars</b>	<b>Meghalaya</b>	<b>All India</b>
1.	Area in sq km.	22,429	32,87,240
2.	Population in lakh (As per Census 2011)	29.67	12,108.55
3.	Density of Population (Census 2011) (persons per sq km)	132	380
4.	Population below poverty line	11.90%	21.90%
5.	Literacy (Census 2011)	74.40%	73.00%
6.	Infant Mortality (per 1000 live births)	46	34
7.	Gross State Domestic Product (GSDP)/ Gross Domestic Product (GDP) 2018-19 at current prices (₹ in crore)	34,389 <sup>2</sup>	1,90,10,164
8.	GSDP CAGR (2009-10 to 2018-19)	11.90	13.44
9.	Per capita GSDP (2018-19)	98,620	1,42,719

<b>B. Financial Data</b>					
<b>Particulars</b>		<b>Figures (in per cent)</b>			
		<b>2009-10 to 2017-18</b>		<b>2017-18 to 2018-19</b>	
<b>CAGR of</b>					
		<b>SCS</b>	<b>Meghalaya</b>	<b>SCS</b>	<b>Meghalaya</b>
(a)	Revenue Receipts	13.41	13.17	11.64	4.80
(b)	Own Tax Revenue	17.65	15.95	23.22	23.66
(c)	Non-Tax Revenue	8.57	3.66	19.16	16.66
(d)	Total Expenditure	11.95	12.44	13.97	17.32
(e)	Capital Expenditure	9.64	9.34	13.68	44.11
(f)	Revenue Expenditure on General Education	13.97	15.29	16.16	21.49
(g)	Revenue Expenditure on Health & Family Welfare	15.37	17.30	17.91	53.04
(h)	Salaries and Wages	12.81	10.19	14.70	25.63
(i)	Pension	19.15	17.41	13.33	33.83

Source: Sl.4: Press Note on Poverty Estimation – 2011-12 by Tendulkar Methodology; Sl 7: SRS Bulletin September 2013.

(₹ in crore)

<b>C: Interstate Financial Data</b>									
	<b>Particulars</b>	<b>Meghalaya</b>	<b>Assam</b>	<b>Arunachal Pradesh</b>	<b>Manipur</b>	<b>Mizoram</b>	<b>Nagaland</b>	<b>Sikkim</b>	<b>Tripura</b>
(a)	Revenue Receipts	9718.62	63479	16195.96	10561.71	9039.50	11437.41	5920.36	12030.89
(b)	Own Tax Revenue	1793.24	15925	1068.04	1046.05	726.70	846.43	892.92	1765.91
(c)	Non-Tax Revenue	427.70	5087	608.87	166.24	449.96	255.24	657.78	372.20
(d)	Total Expenditure	11762.72	68261	18177.07	11479.49	9414.58	12520.81	6564.45	13371.19
(e)	Capital Expenditure	1417.28	11034	5727.43	1730.64	1868.47	1595.56	1291.31	1480.87
(f)	Revenue Expenditure on General Education	2035.40	15609	1707.88	1331.64	1348.54	1807.43	994.65	2437.02
(g)	Revenue Expenditure on Health & Family Welfare	1022.74	4252	1035.30	573.17	454.84	615.56	316.24	798.52
(h)	Salaries and Wages	3353.65	26617	4372.49	3538.46	2739.45	4944.95	1944.32	5399.98
(i)	Pension	1004.91	8112	894.37	1534.26	970.37	1552.79	737.24	2036.49
(j)	GSDP	34389	315372	24489.36	26978.82	22240.57	26637	26786	50544.52
(k)	Per capita income	98620	81379	152013.00	80149	168626	...	...	125639

<sup>2</sup> Directorate of Economics and Statistics – Government of Meghalaya.

## APPENDIX 1.1

### Part E: Fiscal Responsibility and Budget Management Act (Reference: Paragraph 1.3.1)

In accordance with the recommendations of the Twelfth Finance Commission (XII FC), the GoM has enacted the Meghalaya Fiscal Responsibility and Budget Management (MFRBM) Act, 2006. In accordance with the recommendations of the XIV FC, the MFRBM Act has been amended by the State Government in September 2015 (came into force from 29 September 2015) which substituted clauses (a) and (b) and inserted a new clause (g) under Section 4 of the MFRBM Act, 2006 as follows:

- (a) ensure revenue surplus during the award period 2015-16 to 2019-20;
- (b) (i) maintain fiscal deficit to an annual limit of 3 *per cent* of GSDP during the award period 2015-16 to 2019-20;  
(ii) Provide for flexible limit of 0.25 *per cent* over and above the 3.00 *per cent* of GSDP for any given fiscal year to which its fiscal deficit is to be fixed if its debt-GSDP ratio is less than or equal to 25.00 *per cent* of the preceding year.  
(iii) be further eligible for additional 0.25 *per cent* of the GSDP in a year for which the borrowing limits will be fixed if the interest payments are less than or equal to 10 *per cent* of the revenue receipts in the preceding year.
- (c) restrict issuing of guarantees except on selective basis where the quality and viability of the scheme to be guaranteed is properly analysed [Clause 4(1)(d) of MFRBM Act, 2006];
- (d) bring out an annual statement that gives a perspective on the State's economy and related fiscal strategy [Clause 4(1)(e) of MFRBM Act, 2006]; and,
- (e) bring out a special report along with the budget giving details of the number of employees in the Government, Public Sector Undertakings and aided institutions and related salaries, not later than two years from the date on which the Meghalaya Fiscal Responsibility Rules, 2006 came into force [Clause 4(1)(f) of MFRBM Act, 2006].
- (f) Government shall notify a Medium Term Fiscal Plan with three years rolling targets, giving details of all significant items of receipts-expenditure along with underlying assumptions made for projection purpose [Act No. 14 of MFRBM (Amendment) Act, 2011].
- (g) Maintain a ceiling on the sanction of new capital works to three times of the annual budget provision [newly inserted Clause].

The Act also provides that the above limits may exceed on account of unforeseen circumstances such as natural calamities, internal disturbances and shortfall in the transfer of financial resources from the GoI.

As prescribed in the Act, the State Government had incorporated the following disclosure statements for the year 2018-19:

- Macro Economic Framework Statement
- Medium Term Fiscal Policy (MTFP) Statement prescribing fiscal targets and assumptions for achieving them. The targets for the year 2018-19 were as under:
  - Revenue surplus as percentage of total revenue receipts: 3.95
  - Total Outstanding Liabilities as percentage of GSDP: 30.71
  - Fiscal deficit as percentage of GSDP: -3.49
- Fiscal Policy Strategy Statement



**APPENDIX 1.2**  
**Time Series Data on State Government Finances**  
**(Reference: Paragraphs 1.4, 1.7.1, 1.8.3, 1.10.2 & 1.11.3)**

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19
<b>Part A – Receipts</b>					
<b>1. Revenue Receipts</b>	<b>6428.25</b>	<b>7043.13</b>	<b>8938.95</b>	<b>9273.48</b>	<b>9718.62</b>
<i>(i) Tax Revenue</i>	939.19 (14.61)	1056.82 (15.00)	1186.01 (13.27)	1450.10 (15.64)	1793.24 (18.45)
State Goods and Services Tax (SGST)	...	...	...	376.00 (25.93)	805.96 (44.95)
Sales Tax	726.20 (77.32)	811.79 (76.81)	931.06 (78.50)	766.63 (52.87)	627.50 (34.99)
State Excise	151.14 (16.09)	170.04 (16.09)	168.98 (14.25)	199.30 (13.74)	226.21 (12.61)
Taxes on Vehicles	39.38 (4.20)	42.01 (3.98)	48.22 (4.07)	67.01 (4.62)	86.95 (4.85)
Stamps and Registration fees	9.90 (1.05)	12.74 (1.21)	17.19 (1.45)	20.25 (1.40)	26.19 (1.46)
Land Revenue	0.08 (0.01)	3.18 (0.30)	1.27 (0.11)	2.08 (0.14)	2.73 (0.15)
Taxes on Goods and Passengers	...	...	...	7.83 (0.54)	8.45 (0.47)
Other Taxes	12.49 (1.33)	17.06 (1.61)	19.29 (1.63)	11.00 (0.76)	9.25 (0.51)
<i>(ii) Non Tax Revenue</i>	343.29 (5.34)	228.60 (3.25)	685.24 (7.67)	366.63 (3.95)	427.70 (4.40)
<i>(iii) State's share of Union Taxes and Duties</i>	1381.69 (21.49)	3276.46 (46.52)	3911.05 (43.75)	4323.14 (46.62)	4889.07 (50.31)
<i>(iv) Grants-in-aid from Government of India</i>	3764.08 (58.56)	2481.25 (35.23)	3156.65 (35.31)	3133.61 (35.46)	2608.61 (26.84)
<b>2. Miscellaneous Capital Receipts</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>3. Recoveries of Loans and Advances</b>	<b>19.76</b>	<b>19.08</b>	<b>18.81</b>	<b>17.45</b>	<b>18.01</b>
<b>4. Total revenue and Non-debt capital receipts (1+2+3)</b>	<b>6448.01</b>	<b>7062.21</b>	<b>8957.76</b>	<b>9290.93</b>	<b>9736.63</b>
<b>5. Public Debt Receipts</b>	<b>726.96</b>	<b>836.93</b>	<b>1210.43</b>	<b>1225.14</b>	<b>1324.69</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	722.19 (99.34)	834.70 (99.73)	1206.16 (99.65)	1218.47 (99.46)	1302.28 (98.31)
Net transactions under Ways and Means Advances and Overdraft	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
Loans and Advances from Government of India <sup>3</sup>	4.77 (0.66)	2.23 (0.27)	4.27 (0.35)	6.67 (0.54)	22.41 (1.69)
<b>6. Total receipts in the Consolidated Fund (4+5)</b>	<b>7174.97</b>	<b>7899.14</b>	<b>10168.19</b>	<b>10516.07</b>	<b>11061.32</b>
<b>7. Contingency Fund Receipts</b>	<b>NIL</b>	<b>NIL</b>	<b>100.00</b>	<b>100.00</b>	<b>NIL</b>
<b>8. Public Accounts Receipts</b>	<b>3997.59</b>	<b>3527.16</b>	<b>4636.76</b>	<b>4187.87</b>	<b>4568.43</b>
<b>9. Total receipts of the State (6+7+8)</b>	<b>11172.56</b>	<b>11426.30</b>	<b>14904.95</b>	<b>14803.94</b>	<b>15629.75</b>
<b>Part B – Expenditure</b>					
<b>10. Revenue Expenditure</b>	<b>6251.86</b>	<b>6347.73</b>	<b>8336.54</b>	<b>8422.68</b>	<b>10255.94</b>
<i>Plan</i>	2180.49 (34.88)	2040.09 (32.14)	3695.32 (44.33)	...	...
<i>Non-Plan</i>	4071.37 (65.12)	4307.64 (67.86)	4641.22 (55.67)	...	...
General Services (including Interest payments)	2021.65 (32.34)	2255.52 (35.53)	2480.16 (29.75)	2826.87 (33.56)	3535.88 (34.48)

<sup>3</sup> Includes Ways and Means Advances.

	2014-15	2015-16	2016-17	2017-18	2018-19
Social Services	2370.24 (37.91)	2395.17 (37.73)	3099.11 (37.18)	3147.61 (37.37)	4100.07 (39.98)
Economic Services	1859.97 (29.75)	1697.04 (26.73)	2757.27 (33.07)	2448.20 (29.07)	2619.99 (25.55)
<b>11. Capital Expenditure (Capital Outlay)</b>	<b>1118.49</b>	<b>1110.89</b>	<b>1289.80</b>	<b>983.44</b>	<b>1417.28</b>
<i>Plan</i>	1118.49 (100)	1110.66 (99.98)	1238.19 (96.00)	...	...
<i>Non-Plan</i>	NIL	0.23 (0.02)	51.61 (4.00)	...	...
General Services	82.38 (7.37)	97.24 (8.75)	83.00 (6.44)	49.77 (5.06)	84.98 (6.00)
Social Services	363.34 (32.48)	289.69 (26.08)	459.36 (35.61)	360.57 (36.66)	360.00 (25.40)
Economic Services	672.77 (60.15)	723.96 (65.17)	747.44 (57.95)	573.10 (58.28)	972.30 (68.60)
<b>12. Disbursement of Loans and Advances</b>	<b>56.11</b>	<b>158.35</b>	<b>30.83</b>	<b>22.05</b>	<b>89.49</b>
<b>13. Total Expenditure (10+11+12)</b>	<b>7426.46</b>	<b>7616.97</b>	<b>9657.17</b>	<b>9428.17</b>	<b>11762.71</b>
<b>14. Repayments of Public Debt</b>	<b>202.66</b>	<b>337.34</b>	<b>414.41</b>	<b>329.62</b>	<b>395.94</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	182.84 (90.22)	317.49 (94.12)	394.50 (95.20)	309.28 (93.83)	375.32 (94.79)
Net transactions under Ways and Means Advances and Overdraft	NIL	NIL	NIL	NIL	NIL
Loans and Advances from Government of India	19.82 (9.78)	19.85 (5.88)	19.91 (4.80)	20.34 (6.17)	20.62 (5.21)
<b>15. Appropriation to Contingency Fund</b>	<b>NIL</b>	<b>NIL</b>	<b>100.00</b>	<b>100.00</b>	<b>NIL</b>
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>7629.12</b>	<b>7954.31</b>	<b>10171.58</b>	<b>9857.79</b>	<b>12158.65</b>
<b>17. Contingency Fund disbursements</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>18. Public Account disbursements</b>	<b>3965.73</b>	<b>3681.63</b>	<b>3589.59</b>	<b>4569.16</b>	<b>4373.19</b>
<b>19. Total disbursement by the State(16+17+18)</b>	<b>11594.85</b>	<b>11635.94</b>	<b>13761.17</b>	<b>14426.95</b>	<b>16531.84</b>
<b>Part C – Deficits</b>					
<b>20. Revenue Surplus (+) /Deficit (-) (1-10)</b>	<b>+ 176.39</b>	<b>+695.40</b>	<b>+602.41</b>	<b>+850.80</b>	<b>-537.32</b>
<b>21. Fiscal Deficit (-) (4-13)</b>	<b>- 978.45</b>	<b>-554.76</b>	<b>- 699.41</b>	<b>-237.24<sup>4</sup></b>	<b>-2026.08</b>
<b>22. Primary Deficit (-)/Surplus (+) (21-23)</b>	<b>- 573.35</b>	<b>- 88.88</b>	<b>- 177.18</b>	<b>+353.94</b>	<b>-1369.27</b>
<b>Part D – Other Data</b>					
23. Interest Payments (included in revenue expenditure)	405.10	465.88	522.23	591.18	656.81
24. Financial Assistance to local bodies, etc.	840.50	860.29	1621.42	1275.36	1494.31
25. Ways and Means Advances/Overdraft availed (days)	NIL	NIL	NIL	NIL	NIL
26. Interest on WMA/Overdraft	NIL	NIL	NIL	NIL	NIL
27. Gross State Domestic Product (GSDP) <sup>5</sup>	23235	25117	27439	30790	34389
28. Rate of Growth of GSDP	1.29	11.76	9.55	11.21	11.69
29. Outstanding Debt (year end)	6751.46	7154.68	8983.50	9485.08	10623.68
30. Rate of Growth of Outstanding Debt	7.69	5.97	25.56	5.58	12.00
31. Outstanding guarantees (year end) including interest	1173.81	1042.19	983.11	820.68	1163.09
32. Maximum amount guaranteed (year end)	1054.43	868.09	860.04	1139.94	1376.74
33. Number of incomplete projects	76	65	225	194	193
34. Capital blocked in incomplete projects <sup>6</sup>	447.07 (33)	215.68 (24)	734.30 (70)	1040.42 (79)	329.60 (32)
35. Total Debt Receipts	2297.91	2151.92	3454.69	2954.36	3189.65
36. Total Debt Payments (Including Interest)	2220.78	2214.57	2148.10	3043.96	2707.85

<sup>4</sup> The Fiscal Deficit is inclusive of ₹ 100.00 crore transferred to Contingency Fund during the year.

<sup>5</sup> Source: GSDP as per the Directorate of Economics and Statistics, Government of Meghalaya.

<sup>6</sup> Expenditure incurred up to the end of the year on incomplete works (in brackets) scheduled to be completed by end of the respective financial year.

	2014-15	2015-16	2016-17	2017-18	2018-19
37. Net Debt available to the State	77.13	-62.65	1306.59	-89.60	481.80
<b>Part E – Fiscal Health Indicator (in per cent)</b>					
<b>I. Resource Mobilisation</b>					
Own Tax Revenue/GSDP	4.04	4.07	4.17	4.58	5.21
Own Non-Tax Revenue/GSDP	1.48	0.88	2.41	1.16	1.24
Central Transfers <sup>7</sup> /GSDP	22.15	22.17	24.85	23.57	21.80
<b>II. Expenditure Management</b>					
Total Expenditure/GSDP	31.96	29.33	33.95	29.80	34.20
Total Expenditure/Revenue Receipts	115.53	108.15	108.03	101.67	121.03
Revenue Expenditure/Total Expenditure	84.18	83.34	86.32	89.34	87.19
Expenditure on Social Services/Total Expenditure	36.81	35.25	36.85	37.21	37.92
Expenditure on Economic Services <sup>8</sup> /Total Expenditure	34.63	33.63	36.43	32.11	31.03
Capital Expenditure/Total Expenditure	15.06	14.58	13.36	10.43	12.05
Capital Expenditure on Social and Economic Services/Total Expenditure	13.95	13.31	12.50	9.90	11.33
<b>III. Management of Fiscal Imbalances</b>					
Revenue Surplus / GSDP	0.76	2.68	2.12	2.69	-1.56
Fiscal Deficit (-) / GSDP	-4.21	-2.10	-2.46	-0.75	-5.89
Primary Deficit (-) Surplus (+) / GSDP	-2.47	-0.34	-0.62	+1.12	-3.98
Revenue Deficit (-) Surplus (+) / Fiscal Deficit	-18.03	-125.35	-86.13	-358.62	26.52
Primary Revenue Balance <sup>9</sup> /GSDP	2.50	4.47	3.95	4.56	0.35
<b>IV. Management of Fiscal Liabilities</b>					
Fiscal Liabilities/GSDP	29.06	28.49	32.74	30.81	30.89
Fiscal Liabilities/RR	105.03	101.58	100.50	102.28	109.31
Primary deficit <i>vis-à-vis</i> quantum spread (₹ in crore)	10.32	367.52	415.23	910.17	-821.09
Debt Repayment (Principal +Interest)/ Total Debt Receipts	96.64	102.91	62.18	103.03	84.90
<b>V. Other Fiscal Health Indicators</b>					
Return on Investment ( <i>per cent</i> )	0.03	0.02	0.02	0.01	0.01
Balance from Current Revenue (₹ in crore)	-579.35	959.48	1815.33	-2233.77	-3097.11
Financial Assets/Liabilities (Ratio)	1.48	1.54	1.50	1.55	1.44

**Note:** Figures in brackets represent percentages (rounded) to total of each sub-heading.

<sup>7</sup> State's share of central taxes and grants-in-aid from Government of India.

<sup>8</sup> Including loans and advances.

<sup>9</sup> Revenue Receipts – (Revenue Expenditure – Interest Payments).

**APPENDIX 1.3**  
**Abstract of Receipts and Disbursements for the year 2018-19**  
**(Reference: Paragraph 1.4)**

(₹ in crore)

2017-18	Receipts	2018-19	2017-18	Disbursements	2018-19
<b>Section – A : Revenue</b>					
	<b>I. Revenue Receipts</b>			<b>I. Revenue Expenditure</b>	<b>Total</b>
1450.10	Tax Revenue <sup>10</sup>	1793.24	<b>2826.87</b>	<b>General Services</b>	<b>3535.88</b>
366.63	Non-Tax Revenue	427.70	<b>3147.61</b>	<b>Social Services</b>	<b>4100.07</b>
4323.14	State's Share of Union Taxes and Duties <sup>11</sup>	4889.07	1663.08	General Education	2020.43
			72.11	Technical Education, Sports, Art and Culture	84.94
2.66	Non-Plan Grants	...	668.27	Health and Family Welfare	1022.74
...	Grants for State Plan Schemes	...	212.23	Water Supply and Sanitation	254.60
...	Grants for Central Plan Schemes	...	64.92	Housing and Urban Development	90.77
2145.85	Centrally Sponsored Plan Schemes	2011.17	11.04	Information and Broadcasting	19.76
...	Grants for Special Plan Schemes	...	81.67	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	92.81
499.96	Finance Commission Grants	225.60	35.51	Labour and Labour Welfare	50.93
485.14	Other Transfer/ Grants to State	371.84	120.75	Social Welfare and Nutrition	282.93
			218.03	Others	180.16
			<b>2448.20</b>	<b>Economic Services</b>	<b>2619.99</b>
			573.35	Agriculture and Allied Activities	676.27
			1067.91	Rural Development	781.23
			12.97	Special Areas Programmes	59.81
			48.58	Irrigation and Flood Control	58.56
			114.22	Energy	167.44
			231.21	Industry and Minerals	198.75
			173.08	Transport	189.09
			0.45	Science, Technology and Environment	0.57
			226.43	General Economic Services	488.27
<b>9273.48</b>	<b>Total</b>	<b>9718.62</b>	<b>8422.68</b>	<b>Total</b>	<b>10255.94</b>
Nil	<b>II. Revenue Deficit carried over to Section B</b>	537.32	850.80	<b>II. Revenue Surplus carried over to Section B</b>	...
<b>9273.48</b>	<b>Total</b>	<b>10255.94</b>	<b>9273.48</b>	<b>Total</b>	<b>10255.94</b>

<sup>10</sup> Excluding share of net proceeds of taxes and duties assigned to State.

<sup>11</sup> Share of net proceeds assigned to State.

(₹ in crore)

2017-18	Receipts	2018-19	2017-18	Disbursements	2018-19
<b>Section – B : Others</b>					
					Total
1339.69	III. Opening Cash Balance including permanent advances and cash balance investment	1716.68	NIL	III. Opening Overdraft from RBI	
<b>NIL</b>	<b>IV. Miscellaneous Capital Receipts</b>		<b>983.44</b>	<b>IV. Capital Outlay</b>	<b>1417.28</b>
			49.77	General Services	84.98
			360.57	Social Services	360.00
			1.76	General Education	2.56
			0.09	Technical Education, Sports, Art and Culture	0.10
			34.21	Health and Family Welfare	42.52
			312.42	Water Supply and Sanitation Housing and Urban Development	286.07
			12.09	Social Welfare and Nutrition	28.75
			<b>573.10</b>	Economic Services	<b>972.30</b>
			5.20	Agriculture and Allied Activities	9.41
			1.41	Rural Development	0.80
			39.92	Special Areas Programmes	41.73
			25.73	Irrigation and Flood Control	95.07
			9.80	Industry and Minerals	3.87
			449.24	Transport	807.05
			9.93	General Economic Services	11.01
			31.87	Energy	3.36
<b>17.45</b>	<b>V. Recoveries of Loans and Advances</b>	<b>18.01</b>	<b>22.05</b>	<b>V. Loans and Advances Disbursed</b>	<b>89.49</b>
Nil	From Power Projects ...		1.12	For Power Projects	58.02
17.32	From Government Servants 17.87		15.91	To Government Servants	31.47
0.13	From Others 0.14		5.02	To Others	...
<b>850.80</b>	<b>VI. Revenue Surplus brought down</b>		<b>NIL</b>	<b>VI. Revenue Deficit brought down</b>	<b>537.33</b>
<b>1225.14</b>	<b>VII. Public Debt receipts</b>	<b>1324.69</b>	<b>329.62</b>	<b>VII. Repayment of Public Debt</b>	<b>395.95</b>
1218.47	Internal debt other than WMAs and Overdraft 1302.28		309.28	Internal debt other than WMAs and Overdraft	375.33
Nil	Net transactions under WMAs including Overdraft ...		Nil	Net transactions under WMAs including Overdraft	...
6.67	Loans and Advances from Government of India 22.41		20.34	Repayment of Loans and Advances to Government of India	20.62
<b>4187.87</b>	<b>VIII. Public Account Receipts</b>	<b>4568.45</b>	<b>4569.16</b>	<b>VIII. Public Account Disbursements</b>	<b>4373.19</b>
319.15	Small Savings and Provident Funds 395.04		161.44	Small Savings and Provident Fund	215.67
84.62	Reserve Funds <sup>12</sup> 70.98		108.51	Reserve Funds <sup>13</sup>	67.01
1363.49	Deposits and Advances 1446.61		1891.25	Deposits and Advances	1420.08
15.87	Suspense and Miscellaneous <sup>14</sup> 2.21		7.30	Suspense and Miscellaneous <sup>13</sup>	19.42
2404.74	Remittances 2653.61		2400.66	Remittances	2651.01
<b>NIL</b>	<b>IX. Closing Overdraft from RBI</b>	<b>NIL</b>	<b>1716.68</b>	<b>IX. Cash Balance at end<sup>15</sup></b>	<b>814.59</b>
			33.20	Cash in Treasuries	20.20
			2.10	Deposits with Reserve Bank	-275.91
			0.72	Departmental Cash Balance including permanent advances	0.26
			1680.66	Cash Balance Investment	1070.04
<b>7620.95</b>	<b>Total</b>	<b>7627.83</b>	<b>7620.95</b>	<b>Total</b>	<b>7627.83</b>

<sup>12</sup> Includes receipts on investment.

<sup>13</sup> Includes disbursement on investment.

<sup>14</sup> Excluding 'Other Accounts'.

<sup>15</sup> Excluding 'Investment of earmarked funds'.

Explanatory Notes to Appendices 1.2 and 1.3

1. The abridged accounts in the above Appendices have to be read with comments and explanations in the Finance Accounts.
2. Government accounts being mainly on cash basis the surplus/deficit on Government account, as shown in **Appendix 1.3** indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation in stock figure, *etc.*, do not figure in the accounts.
3. Suspense and Miscellaneous balances include cheques issued but not paid, payment made on behalf of the State and other pending settlement, *etc.*
4. There was a net difference of ₹ 48.18 crore between the figures reflected in the accounts {(+) ₹ 2.10 crore} and that intimated by the Reserve Bank of India {(-) ₹ 46.08 crore} due to (i) misclassification by Bank/ Treasury (₹ 47.56 crore) and (ii) non-receipt of details of adjustment made by RBI (₹ 0.62 crore).

**APPENDIX 1.4**  
**Summarised Financial Position of the Government of Meghalaya as on**  
**31 March 2019**

(Reference: Paragraph 1.10.1)

(₹ in crore)

As on 31 March 2018	Liabilities		As on 31 March 2019
<b>NIL</b>	<b>External Debt</b>		<b>NIL</b>
<b>6287.33</b>	<b>Internal Debt</b>		<b>7214.29</b>
5099.44	Market loans bearing interest	5962.04	
<sup>16</sup>	Market loans not bearing interest	<sup>16</sup>	
0.10	Loan from LIC	0.10	
1187.79	Loans from other Institutions	1252.15	
Nil	Ways and Means Advances	Nil	
Nil	Overdraft from Reserve Bank of India	Nil	
<b>114.48</b>	<b>Loans and Advances from Central Government</b>		<b>116.27</b>
5.37	Pre 1984-85 Loans	5.37	
10.47	Non-plan Loans	10.47	
106.33	Loans for State Plan Schemes	106.33	
0.10	Loans for Central Plan Schemes	0.10	
4.22	Loans for Centrally Sponsored Plan Schemes	9.88	
1.66	Loans for Special Schemes	1.66	
-13.67	Other loans for State	-17.54	
<b>305.00</b>	<b>Contingency Fund</b>		<b>305.00</b>
<b>1531.52</b>	<b>Small Savings, Provident Funds, etc.</b>		<b>1710.89</b>
<b>1539.38</b>	<b>Deposits</b>		<b>1565.90</b>
<b>325.48</b>	<b>Reserve Funds</b>		<b>382.46</b>
<b>102.72</b>	<b>Remittance Balances</b>		<b>105.31</b>
<b>5575.43</b>	<b>Surplus on Government Accounts</b>		<b>5038.11</b>
4724.63	(i) Revenue Surplus as on 31 March 2018	5575.43	
850.80	(ii) Revenue Deficit for the year 2018-19	-537.32	
<b>15781.34</b>			<b>16438.23</b>
<b>Assets</b>			
<b>12619.50</b>	<b>Gross Capital Outlay on Fixed Assets</b>		<b>14036.78</b>
2628.56	Investment in shares of Companies, Corporation, etc.	2638.43	
9990.94	Other Capital Outlay	11398.35	
<b>782.81</b>	<b>Loans and Advances</b>		<b>854.29</b>
618.43	Loans for power projects	651.02	
149.42	Other Development Loans	174.71	
14.96	Loans to Government Servants and miscellaneous loans	28.56	
<b>313.10</b>	<b>Investment of Earmarked Funds</b>		<b>366.11</b>
<b>1.81</b>	<b>Advances</b>		<b>1.81</b>
<b>42.44</b>	<b>Suspense and Miscellaneous Balances</b>		<b>59.65</b>
<b>305.00</b>	<b>Appropriation to Contingency Fund</b>		<b>305.00</b>
<b>NIL</b>	<b>Remittances</b>		<b>NIL</b>
<b>1716.68</b>	<b>Cash<sup>16</sup></b>		<b>814.59</b>
33.20	Cash in Treasuries	20.20	
2.10	Deposits with Reserve Bank of India	-275.91	
0.68	Departmental Cash Balance	0.22	
0.04	Permanent Advances	0.04	
1680.65	Cash Balance Investment	1070.04	
<b>15781.34</b>			<b>16438.23</b>

<sup>16</sup> Excluding 'Investment of earmarked funds'.

**APPENDIX 1.5**  
**Funds transferred directly to State Implementing Agencies**  
**(Reference: Paragraph 1.7)**

(₹ in crore)

Sl. No.	Programme/Scheme	Implementing Agency in the State	Funds transferred by the GOI
1.	North Eastern Council	Eastern Panorama	1.32
		Bio-Resources Development Centre.	0.07
		William Carey University, Shillong	0.01
		State Sports Council Meghalaya	1.60
		North East India Mission Association	0.10
		Meghalaya Government Construction Corporation Ltd.	2.45
		NICE Infotech	0.06
		Directorate of School Education & Literacy	0.45
		Merliham Arrangement	0.10
		Moreau Institute of Integral Training and Research Policy	0.20
		Meghalaya Information Technology Society	1.59
		Ramakrishna Mission, Shillong, Meghalaya	1.25
2.	Small Hydro Power-Grid Interactive	Animal Husbandry & Veterinary Department	0.38
3.	Solar Power - OFFGRID	Meghalaya Non-Conventional Rural Energy Development Agency	1.57
4.	Biogas Programme – OFFGRID	Meghalaya Non-Conventional Rural Energy Development Agency	0.12
5.	Grants-in-Aid to Voluntary Organisation Working for the Welfare of Scheduled Tribes	Ramakrishna Mission Ashrama, Meghalaya	7.96
6.	MPs Local Area Development Scheme MPLADS	Deputy Commissioner	10.00
7.	NER-Textile Promotion Scheme	Director of Sericulture and Weaving, Government of Meghalaya	8.67
8.	Organic Value Chain Development of NE Region	Directorate of Horticulture	16.47
9.	Management Support to RD Programmes and Strengthening of District Planning Process in lieu of Programmes	Extension Training Centre Tura	1.10
10..	Beti Bachao Beti Padhao	Deputy Commissioner Ri-Bhoi	0.16
11	National AIDs and STD Control Programme (NACO)	Meghalaya AIDS Control Society	5.67
12.	Pradhan Mantri Matri Vandana Yojna	Montfort Center for Education	0.16
13.	Deen Dayal Disabled rehabilitation Scheme SJE	ASHA Rehabilitation Centre, Shillong	0.03
		Bethany Society	0.17
		Dwar Jingkyrmen School for Children in Need of Special Education	0.13
		The Society for the Welfare of the Disabled	0.06
14.	National Plan for Dairy Development	East Khasi Hills District Co-operative Milk Union Ltd.	4.28
15.	National Rural Livelihood Mission	Meghalaya State Rural Livelihood Society, Shillong, Meghalaya	1.00
16.	Swadesh Darshan – Integrated Development of Theme Based Tourism Circuits	Meghalaya Tourism Development Corporation Ltd.	34.70
17.	E-Court Phase-II	Registrar General, High Court of Meghalaya	0.62
18.	Establishment Expenditure Election Commission of India	Chief Electoral Officer, Meghalaya Additional Secretariat	0.75



Sl. No.	Programme/Scheme	Implementing Agency in the State	Funds transferred by the GOI
19.	Training Schemes PPG & P	Meghalaya Administrative Training Institute	0.54
20.	Infrastructure Development and Capacity Building	Meghalaya Institute of Entrepreneurship	0.07
21.	Pollution Abatement	Meghalaya State Pollution Control Board	1.05
22.	Biotechnology Research and Development	St Anthony's College	0.36
		St Mary's College	0.05
		St Edmund's College	0.55
		Synod College	0.08
		Kiang Nangbah Govt. College, Jowai	0.07
		Lady Keane Girls College Educational Society	0.06
		State Council of Science, Technology & Environment (SCSTE), Meghalaya	0.10
23.	S&T Institutional and Human Capacity Building	State Council of Science, Technology & Environment (SCSTE), Meghalaya	4.28
		University of Science and Technology	0.18
24.	National Rural Employment Guarantee Scheme (MGNREGA) CS	State Rural Employment Society, Shillong, Meghalaya	572.67
25.	Innovation, Technology Development and Deployment	State Council of Science, Technology & Environment (SCSTE), Meghalaya	0.25
		University of Science and Technology	0.05
26.	Rashtriya Gokul Mission	State Implementing Agency Meghalaya	10.26
27.	One Stop Centre	Deputy Commissioner	1.48
28.	Assistance to IHMS FCIS etc.	Food Craft Institute Society, Tura (West Garo Hills)	0.80
29.	AID to Voluntary Organisation working for the Welfare of Scheduled Tribe	Nongkrem Youth Development Association	0.27
		Ramakrishna Mission, Shillong, Meghalaya	0.29
30.	Khelo India	State Sports Council Meghalaya	0.70
31.	Pradhan Mantri Kisan Sampada Yojana-Creation/Expansion of Food Processing and Preservation Capacities	Seshu Nutrition Private Limited	0.68
32.	Schemes Arising out of the Implementation of the person with Disabilities SJE	Office of the Commissioner for Persons with Disabilities, Government of Meghalaya	0.06
33.	Young Leaders Programme	Meghalaya State NSS Cell	0.02
34.	Action Research and Studies on Judicial Reforms	Meghalaya State Commission for Women, Shillong	0.07
35.	Womens Helpline	Deputy Commissioner, East Khasi Hills District	0.33
36.	Domestic Promotion and Publicity Including Hospitality	Director of Tourism	0.50
37.	Management Support to RD Programs and Strengthening of District Planning Process in Lieu of Programmes	Director State Institute of Rural Development Meghalaya	2.88
38.	National Social Assistance Programme CS	Director State Institute of Rural Development Meghalaya	0.01
39.	Support for Statistical Strengthening CS	Director of Economic and Statistics	2.73
40.	Institutional Development for inclusive Urban Governance, Building Material and Technology Promotion Council (BMTPC)	Urban Development and Urban Poverty Alleviation	0.15
41.	Central Council of Homeopathy, New Delhi	Meghalaya Board of Homeopathic Medicine	0.01
<b>Total</b>			<b>704.79</b>

Source: Finance Accounts.

**APPENDIX 1.6**

**Details of financial assistance to others institutions for the year 2018-19**

**(Reference: Paragraph 1.8.4)**

**(₹ in crore)**

<b>Sl. No.</b>	<b>Name of Institutions</b>	<b>Amount of financial assistance</b>
1	Public Sector Undertakings and other Undertakings	9.36
2	Meghalaya Transport Corporation	7.50
3	Voluntary Cultural Organisation	7.19
4	State Sports Council	3.29
5	Housing Board Corporation	0.71
6	Indian Red Cross Society, Shillong	0.15
7	Voluntary Organisations	0.26
8	State for control Animal Diseases	0.02
9	Artisan Organisations	0.27
10	Farming Cooperation (RKVY)	0.18
11	Krishi Vikas Kendra	0.49
12	Modernisation of Handloom	0.08
13	Meghalaya Tourism Development Corporation	0.21
	<b>Total</b>	<b>29.71</b>

## APPENDIX 2.1

## Department-wise position of savings/ excess (exceeding ₹ 10 crore) for which reasons were not furnished

(Reference: Paragraph 2.3)

(₹ in crore)

Name of Department	Number & Name of Grant/Appropriation	Savings (-) Excess (+)
Justice	4 – Administration of Justice Revenue – Voted	(-) 21.63
Land Revenue	6 – Land Revenue, Relief on Account of Natural Calamities Revenue – Voted	(-) 20.88
Power (Electricity)	11 - Other Taxes and Duties on Commodities and Services, <i>etc.</i> Revenue – Voted Capital - Voted	(-) 218.83 (-) 39.12
Chief Minister's Secretariat, Secretariat Administration, Finance, Law and Political	13 – Council of Ministers, Secretariat General Services, <i>etc.</i> Revenue – Voted	(-) 25.23
Home (Police)	16 – Police, Other Administrative Services, Housing, Capital Outlay on Police Revenue – Voted Capital – Voted	(-) 179.51 (-) 24.03
Public Works	19 – Secretariat General Services, Public Works, <i>etc.</i> Revenue – Voted Capital - Voted	(-) 11.93 (-) 46.92
Education, Sports and Youth Affairs and Arts & Culture	21–General Education, Technical Education, <i>etc.</i> Revenue – Voted	(-) 164.09
Finance	24 - Pensions and other Retirement Benefits, <i>etc.</i> Revenue – Voted	(+) 220.79
Health and Family Welfare	26 – Medical and Public Health, Family Welfare, Capital Outlay on Medical and Public Health, <i>etc.</i> Revenue – Voted	(-) 163.39
Public Health Engineering	27 - Water Supply and Sanitation, Housing, Capital Outlay on Water Supply and Sanitation, Capital Outlay on Housing, <i>etc.</i> Capital – Voted	(-) 101.21
Urban Development	29 – Urban Development, Capital Outlay on Housing, Capital Outlay on Urban Development. Revenue – Voted Capital – Voted	(-) 39.39 (-) 97.06
Labour	31 – Labour, Employment and Skilled Development Revenue – Voted	(-) 44.69
Supplies	32 – Civil Supplies Revenue – Voted	(-) 21.97
Social Security and Welfare	34 – Social Security and Welfare, Nutrition, Capital Outlay on Social Security and Welfare, <i>etc.</i> Revenue – Voted Capital - Voted	(-) 147.72 (-) 22.76
Social Security and Welfare	35 – Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes, Social Security and Welfare Revenue – Voted	(-)33.92
Planning	38 – North Eastern Areas, Secretariat Economic Services Revenue – Voted	(-) 152.86
Agriculture	43 – Housing, Crop Husbandry, <i>etc.</i> Revenue – Voted	(-) 128.31
Soil Conservation	45 – Housing, Soil and Water Conservation, Agricultural Research and Education Revenue – Voted	(-) 175.88
Animal Husbandry and Veterinary	47 – Housing, Animal Husbandry, Agricultural Research and Education Revenue – Voted	(-) 13.72
Housing	48 – Housing, Dairy Development, Agricultural Research and Education Revenue - Voted	(-) 20.39

Name of Department	Number & Name of Grant/Appropriation	Savings (-) Excess (+)
Fisheries	49 – Housing, Fisheries, Agricultural Research and Education, Capital Outlay on Housing, Capital Outlay on Fisheries Revenue – Voted	(-) 16.28
Forest	50- Forestry and Wildlife, Agricultural Research and Education, Capital Outlay on Forestry and Wildlife Revenue – Voted	(-) 99.68
Community and Rural Development	51– Housing, Special Programmes for Rural Development, Rural Employment, <i>etc.</i> Revenue – Voted Capital - Voted	(-) 723.47 (-) 23.38
Industries (Sericulture and Weaving)	53 – Village and Small Industries Revenue – Voted	(-) 33.75
Village and Small Industries	54 – Village and Small Industries, Capital Outlay on Housing, Capital Outlay on North Eastern Areas, Capital Outlay on Village and Small Industries Revenue – Voted	(-) 11.92
Public Works	56 – Public Works, Road and Bridges, Capital Outlay on Roads and Bridges Revenue - Voted Capital – Voted	(-) 34.76 (-) 54.60
Tourism	57 – North Eastern Areas, Tourism, Capital Outlay on North Eastern Areas, Capital Outlay on Tourism Revenue – Voted Capital – Voted	(-) 60.82 (-) 13.34
Art and Culture	64 – Art and Culture, North Eastern Areas, Other Scientific Research, Census, Surveys and Statistics Revenue – Voted	(-) 29.51
Flood Control and Drainage	65 – Medium Irrigation, Minor Irrigation, Flood Control and Drainage, Capital Outlay on North Eastern Areas, Capital Outlay on Medium Irrigation, Capital Outlay on Minor Irrigation, Capital Outlay on Flood Control and Drainage Revenue – Voted Capital – Voted	(-) 26.81 (-) 41.38
Finance	Appropriation – Internal Debt of the State Government Capital – Charged	(-) 176.06

**APPENDIX 2.2**  
**Statement of various Grants/ Appropriations where saving was more than**  
**Rupees one crore each and more than 20 per cent of the total provision**  
**(Reference: Paragraph 2.4.1)**

(₹ in crore)						
Sl. No.	Grant No.	Name of the Grant/Appropriation	Original Grant / Appropriation (O) /Supplementary (S)	Total Grant/ Appropriation	Savings	Percentage
1.	1	Parliament/State/Union Territory Legislature, Stationery and Printing Revenue – Charged	1.98 (O)	1.98	1.04	53
2.	3	Council of Ministers, Secretariat – General Services Revenue – Voted	6.42 (O)	6.42	1.53	24
3.	4	Administrative of Justice Revenue – Voted	56.89 (O)	56.89	21.63	38
4.		Revenue – Charged	11.73(O) 9.15 (S)	20.88	4.87	23
5.	6	Land Revenue, Relief on Account of Natural Calamities Revenue – Voted	55.04 (O) 0.42 (S)	55.46	20.88	38
6.	11	Other Taxes and Duties on Commodities and Services, Special Programmes for Rural Development, etc. Revenue – Voted	391.79 (O)	391.79	218.83	56
7.		Capital – Voted	76.25(O) 3.36(S)	79.61	39.12	49
8.	16	Police, Other Administrative Services, Housing, Capital Outlay on Police Capital – Voted	33.30(O)	33.30	24.03	72
9.	19	Secretariat General Services, Public Works, Housing, Capital Outlay on Public Works, etc., Capital Outlay on Housing Capital – Voted	100.91(O) 29.00(S)	129.91	46.92	36
10.	21	General Education, Technical Education, Sports and Youth Services, Art and Culture, etc. Capital - Voted	5.22(O)	5.22	3.12	60
11.	23	Other Administrative Services, Secretariat Social Services Revenue – Voted	2.66(O)	2.66	1.55	58
12.	27	Water Supply and Sanitation, Housing, Capital Outlay on Water Supply and Sanitation, Capital Outlay on Housing, Capital Outlay on North Eastern Areas Capital – Voted	288.89(O) 40.00(S)	328.89	101.21	31
13.	29	Urban Development, Capital Outlay on Housing, Capital Outlay on Urban Development, etc. Revenue – Voted	78.13(O)	78.13	39.39	50
14.		Capital – Voted	150.91(O)	150.91	97.06	64
15.	31	Labour, Employment and Skilled Development Revenue – Voted	94.97(O) 0.65(S)	95.62	44.69	47
16.	32	Civil Supplies Revenue – Voted	53.82(O) 36.59(S)	90.41	21.97	24
17.	33	District Administration, Vigilance, Other Administrative Services, Miscellaneous General Services, Social Security and Welfare Revenue- Voted	6.40(O) 0.36(S)	6.76	2.98	44
18.	34	Social Security and Welfare, Nutrition, Capital Outlay on Social Security and Welfare, etc. Revenue – Voted	501.33(O) 79.51(S)	580.84	147.72	25
19.		Capital – Voted	51.51(O)	51.51	22.76	44

20.	37	North Eastern Areas, Secretariat-Economic Services Revenue – Voted	20.27(O)	20.27	5.64	28
21.	38	North Eastern Areas, Secretariat Economic Services Revenue – Voted	361.93(O) 0.09(S)	362.02	152.86	42
22.	39	Co-operation, Other Agricultural Programmes, Capital Outlay on Co-operation, Capital Outlay on Other Agricultural Programmes, etc. Revenue – Voted	33.29(O) 10.49(S)	43.78	8.65	20
23.	43	Housing, Crop Husbandry, Agricultural Research and Education, etc. Revenue – Voted	344.43(O)	344.43	128.31	37
24.		Capital – Voted	4.67(O)	4.67	3.44	74
25.	44	Flood Control and Drainage, Capital Outlay on Flood Control Projects, etc. Capital – Voted	10.50(O)	10.50	5.00	48
26.	45	Housing, Soil and Water Conservation, etc. Revenue – Voted	276.35(O)	276.35	175.88	64
27.	46	Special Programme for Rural Development, North Eastern Areas, Other Special Area Programmes, Capital Outlay on North Eastern Areas Capital – Voted	5.02(O)	5.02	5.02	100
28.	48	Housing, Dairy Development, Agricultural Research and Education Revenue – Voted	32.49(O)	32.49	20.39	63
29.	49	Housing, Fisheries, Agricultural Research and Education, Capital Outlay on Housing, Capital Outlay on Fisheries Revenue – Voted	69.67(O)	69.67	16.28	23
30.		Capital – Voted	6.38(O)	6.38	2.02	32
31.	50	Forestry and Wild Life, Agricultural Research and Education, Capital Outlay on Forestry and Wild Life Revenue – Voted	241.48(O)	241.48	99.68	41
32.	51	Housing, Special Programmes for Rural Development, Rural Employment, etc. Revenue – Voted	1484.74(O) 16.48(S)	1501.22	723.47	48
33.		Capital – Voted	28.48(O)	28.48	23.38	82
34.	53	Village and Small Industries Revenue – Voted	83.74(O)	83.74	33.75	40
35.	54	Village and Small Industries, etc. Revenue – Voted	43.55(O) 1.34(S)	44.89	11.92	27
36..	57	North Eastern Areas, Tourism, Capital Outlay on Tourism, etc. Revenue – Voted	73.02(O)	73.02	60.82	83
37.		Capital – Voted	25.84(O)	25.84	13.34	52
38.	58	Sports and Youth Services, North Eastern Areas Revenue – Voted	74.78(O) 1.97(S)	76.75	34.40	45
39.	64	Art and Culture, North Eastern Areas, Other Scientific Research, Census, Surveys and Statistics Revenue – Voted	44.58(O) 14.25(S)	58.83	29.51	50
40.	65	Medium Irrigation, Minor Irrigation, Flood Control and Drainage, Capital Outlay on North Eastern Areas, etc. Revenue – Voted	84.33(O)	84.33	26.81	32
41.		Capital – Voted	134.76(O)	134.76	41.38	31
42.	Appropriation	Internal Debt of the State Government Capital – Charged	551.38(O)	551.38	176.06	32
<b>Total</b>				<b>6238.49</b>	<b>2659.31</b>	<b>43</b>

**APPENDIX 2.3****Statement showing the amount debited Head-wise and credited to 8443 – Civil Deposits****(Reference: Paragraph 2.4.5)****(₹ in crore)**

<b>Sl. No.</b>	<b>Debit Head</b>	<b>Credit Amount</b>
1.	2055	14.27
2.	2070	8.81
3.	2202	10.59
4.	2204	5.71
5.	2205	11.05
6.	2210	157.60
7.	2225	50.18
8.	2235	51.44
9.	2401	8.31
10.	2402	10.17
11.	2425	9.42
12.	2435	13.28
13.	2505	38.62
14.	2575	8.96
15.	2801	125.92
16.	3456	37.62
17.	4215	18.54
18.	5054	34.01
	<b>Total</b>	<b>614.50</b>

**APPENDIX 2.4**  
**Excess over provision of previous years requiring regularisation**  
**(Reference: Paragraph 2.4.6)**

(₹ in crore)

Year	Number of Grant/Appropriation	Grant(s)/Appropriation(s) numbers	Amount of excess
1971-72	4	64, 79, 80, 88	0.08
1972-73	3/1	12, 16, 71/ Interest on Debt and other obligations	0.26
1973-74	2	10, 64	0.01
1974-75	4	13, 15, 29, 54	0.05
1975-76	3/1	13, 29, 82/Governor	0.07
1976-77	4/1	29, 32, 54, 62/Interest Payment	0.10
1977-78	3/1	7, 13, 54/Governor	0.07
1978-79	2	3, 22	0.05
1979-80	2	13, 22	0.03
1980-81	4/1	13, 20, 30, 39/Governor	0.09
1981-82	7/1	13, 14, 20, 28, 31, 34, 37/Governor	0.37
1982-83	12/2	3, 5, 14, 19, 20, 22, 24, 26, 27, 31, 37, 55/Governor, Administration of Justice	7.29
1983-84	8	3, 8, 27, 31, 37, 40, 45, 56	3.30
1984-85	12	9, 10, 18, 20, 22, 24, 25, 27, 30, 43, 59, 64	3.15
1985-86	9/2	7, 8, 17, 18, 24, 27, 37, 38, 64/ Administration of Justice, Loans and Advances from Central Government	4.70
1986-87	10	7, 8, 9, 24, 25, 27, 29, 39, 55, 56	0.95
1987-88	11/1	1, 11, 13, 16, 20, 24, 28, 36, 38, 48, 54/ Public Service Commission	1.78
1988-89	6/1	9, 15, 20, 24, 36, 54/ Public Service Commission	0.71
1989-90	9/1	8, 11, 22, 24, 29, 36, 41, 48, 54/ Police	4.37
1990-91	10	9, 18, 24, 26, 28, 36, 37, 53, 54, 58	2.44
1991-92	12	5, 7, 8, 9, 18, 24, 26, 30, 33, 36, 54, 61	2.56
1992-93	11/2	5, 7, 8, 9, 13, 20, 24, 26, 33, 49, 54 / Internal Debt of State Government, Governor	30.31
1993-94	7/3	6, 8, 20, 24, 26, 40, 53 / Internal Debt of State Government, Loans and Advances, Public Service Commission	263.13
1994-95	4/3	20, 24, 53, 60/Interest Payment, Public Service Commission, Internal Debt	183.34
1995-96	5/2	1, 14, 24, 47, 53 /Parliament/ State/Union Territory Legislature, Water Supply and Sanitation	4.34
1996-97	14/2	1, 3, 5, 7, 9, 14, 20, 21, 22, 24, 29, 36, 41, 53 / Governor, Administration of Justice	7.94
1997-98	10/1	1, 6, 7, 8, 9, 15, 18, 20, 24, 25 / Governor	6.23
1998-99	5	1, 2, 6, 11, 24	22.82
1999-2000	2/1	9, 18/Governor	0.17
2000-01	2/3	1, 40 / 1, 2, 4	3.92



Year	Number of Grant/Appropriation	Grant(s)/Appropriation(s) numbers	Amount of excess
2001-02	3/2	1, 18, 35/ 1, 2	1.76
2002-03	4/3	11, 26, 35, 56/ 1, Internal Debt of the State Government, Loans & Advances from Central Government	22.10
2003-04	3/2	1, 20, 56/1 and Loans & Advances from Central Government	30.18
2004-05	5/2	1, 7, 19, 24, 56/ 1, Loans and Advances from the Central Government	36.74
2005-06	5/4	1, 16, 24, 54, 56/ 1, 36, Public Service Commission, Internal Debt of the State Government.	34.69
2006-07	6/2	1, 4, 8, 20, 24, 40/1, Loans and Advances from the Central Government	65.41
2007-08	8/1	1, 4, 8, 16, 20, 24, 26, 40 /1	72.79
2008-09	7/1	1, 4, 8, 20, 24, 35, 44,/ Loans and Advances from the Central Government	107.57
2009-10	8	1,2,20,23,24,26,35,52	49.71
2010-11	11/1	1,2,4,7,9,14,24,26,35,36,44/63- Appropriation to Contingency Fund	235.38
2011-12	10/2	7, 14, 23, 24, 25, 32, 35, 44, 52, 56, Appropriation- Loans and Advances from the Central Government, Public Service Commission	177.48
2012-13	7/3	2, 7, 24, 44, 46, 48, 56/ Appropriation – 12, 16, 19	114.45
2013-14	5/3	7,9,24,26,44,/Appropriation viz. 12,44, Internal Debt of the State Govt.	189.50
2014-15	2/2	7,24,/Appropriation – Public Service Commission, Loans and Advances from the Central Government,	114.99
2015-16	6/1	7,20,24,26,27,56/Appropriation – 2 – Governor	167.49
2016-17	4/2	7,24,27,56/21,28	168.06
2017-18	2/2	24,56/47, Appropriation-Interest Payment	33.90
<b>Total</b>			<b>2176.83</b>

## APPENDIX 2.5

## Cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary

(Reference: Paragraph 2.4.1)

(₹ in lakh)

Sl. No.	Number & name of Grant	Original provision	Actual expenditure	Savings out of original provision	Supplementary provision	Reasons for supplementary provision
1.	1 – Parliament/State/Union Territory Legislature, Stationery and Printing Revenue – Voted	10229.14	9606.10	623.04	223.01	Long duration of budget session, Dinner hosted by Speaker & Dy. Speaker and refreshments. Contribution, purchase of new vehicle and renovation of Press building
2.	6 – Land Revenue, Relief on Account of Natural Calamities Revenue – Voted	5504.00	3457.82	2046.18	42.00	Payment for salaries and arrears. 2ns installment to NDMA for training of community volunteers
3.	11 – Other Taxes and Duties on Commodities and Services, Special Programmes for Rural Development, Power, New and Renewal of Energy, etc. Capital – Voted	7624.50	4048.20	3576.30	336.00	Equity expenditure for MePDCL under UDAY.
4.	17 – Jails Revenue – Voted	2037.00	1868.86	168.14	74.00	Implementation of e-Prison.
5.	19 – Secretariat General Services, etc. Capital – Voted	10090.60	8298.94	1791.66	2900.00	To clear committed liabilities for construction of Annex Building for High Court, Mobilisation Advance for construction of Assembly Building at Mawdiangdiang, etc.
6.	20 – Other Administrative Services Revenue – Voted	4948.00	4497.00	451.00	424.68	Salaries and payment of arrears.
7.	21 – General Education, Technical Education, Sports and Youth Services, Arts and Culture, etc. Revenue - Voted	212666.16	204317.63	8348.53	8060.54	Requirement for corpus fund for implementation of SSA-RMSA for payment of salaries. Construction of Block Institute of Teachers Educations (BITEs)
8.	27 – Water Supply and Sanitation, Housing, Capital Outlay on Water Supply and Sanitation, etc. Capital – Voted	28889.00	22768.14	6120.86	4000.00	Payment of procurement of pipes etc.
9.	30 – Information and Publicity Revenue – Voted	2062.00	1976.41	85.59	232.63	Purchase of Technical equipments, Printing of calendar, payment of Advertisement bills.
10.	31 – Labour, Employment and Skilled Development Revenue – Voted	9497.00	5093.29	4403.71	65.00	Payment of reimbursement to ESI beneficiaries and procurement of medicines for ESI dispensaries.
11.	33 – District Administration, Vigilance, Other Administrative Services, Miscellaneous General Services, Social Security and Welfare Revenue – Voted	640.45	378.35	262.10	35.57	Expenditure for Meghalaya State Legal Service Authority. Payment of office expenses.
12.	34 – Social Security and Welfare, Nutrition, Capital Outlay on Social Security and Welfare, Capital Outlay on North Eastern Areas Revenue – Voted	50133.15	43312.90	6820.25	7951.27	Fund for Social Assistance scheme for infirm and single mother. Fund for CM Social Assistance to person with disabilities and additional honorarium to Anganwadi Workers etc.

13.	40 – North Eastern Areas, <i>etc.</i> Revenue – Voted	334.65	318.55	16.10	42.21	Payment of salaries and expenditure for implementation of Community participation.
14.	41 – Census, Survey and Statistics Revenue – Voted	1808.00	1707.37	100.63	33.61	Payment of outstanding bill.
15.	46 – Special Programme for Rural Development, North Eastern Areas, Other Special Area Programmes, <i>etc.</i> Revenue – Voted	4811.00	4727.82	83.18	625.01	Additional fund for State share for implementation of BADP
16.	51 – Housing, Special Programmes for Rural Development, Rural Employment, <i>etc.</i> Revenue - Voted	148474.16	77774.93	70699.23	1648.07	To meet the expenditure on State and Central scheme
17.	54 – Village and Small Industries, Capital Outlay on Housing, Capital Outlay on North Eastern Areas, <i>etc.</i> Revenue - Voted	4355.00	3296.94	1058.06	134.20	Fund for scheme and payment of salaries.
18.	56 – Public Works, Roads and Bridges, Capital Outlay on North Eastern Areas, Capital Outlay on Roads and Bridges Revenue – Voted	36619.41	35773.16	846.25	2629.87	Reappointment of terminated adhoc employees. Payment of salary to the incumbent working under PWD (Roads) and arrear pay to the work charged staff and enhanced wages to muster roll under PWD (Roads).
19.	58 – Sports and Youth Services, North Eastern Areas Revenue – Voted	7477.52	4234.95	3242.57	197.00	Renovation and up-gradation of Mini Stadium
20.	64 – Art and Culture, North Eastern Areas, Other Scientific Research, Census, Surveys and Statistics Revenue – Voted	4458.22	2931.85	1526.37	1425.10	Providing grants in aid to soft skill coaching. Renovation an up-gradation of District Auditorium at Shillong, Tura and WGH District. Payment to New Shillong Township Development Agency.
	<b>Total</b>	<b>552658.96</b>	<b>440389.21</b>	<b>112269.75</b>	<b>31079.77</b>	

## APPENDIX 2.6

## Injudicious re-appropriation resulted in savings/ excess of over Rupees one crore

(Reference: Paragraph 2.4.7)

(₹ in crore)

Sl. No.	Grant Number/ Appropriation	Description	Head of Account	Re-appropriation	Excess (+) Savings (-)	Reasons for Re-Appropriation
1.	1	101 – Legislative Assembly (01) Members of Legislature – General	2011	(-)4.14	(-)2.19	Less requirement of fund.
2.		103 – Legislative Secretariat (01) Secretariat Establishment – General		(+)6.01	(-)4.45	Due to requirement of fund under professional services, domestic travel expenses, etc.
3.	4	105 – Civil and Session Courts (01) District and Sessions Judges including Munsif Courts etc. – General	2014	(+)3.22	(-)4.89	Due to requirement of fund due to payment of fixed salaries, travelling allowances etc.
4.		108 – Criminal Courts (03) Establishment of Chief Judicial Magistrate and Other Judicial Magistrate – General		(+)0.17	(-)4.19	Due to requirement of fund for paying of TA of Chief Judicial Magistrate, wages and office expenses.
5.		800 – Other Expenditure (07) Upgradation of Standard of Administration of Justice Recommended by the 12 <sup>th</sup> /13 <sup>th</sup> Finance Commission – General		(-)13.92	(-)12.56	Less expenditure than anticipated.
6.	6	101 – Transfer to Reserve Funds and Deposit Accounts-State Disaster Response Fund (03) Transfer to 8121-General and Other Reserve Fund-122-SDRF – General	2245	(-)28.00	(-)14.00	In accordance with the recommendation of the XIV FC.
7.	16	104 – Special Police (04) 2 <sup>nd</sup> Meghalaya Police Battalion – General	2055	(-)3.99	(-)1.14	Less expenditure than anticipated.
8.		104 – Special Police (06) Raising of 4 <sup>th</sup> MLP Bn./2 <sup>nd</sup> IRBn – General		(-)3.46	(+)3.13	Requirement of fund for meeting expenditure of office expenses, domestic travel expenses, etc.
9.		104 –Special Police (11) Raising of 5 <sup>th</sup> M.L.P. Bn/3 <sup>rd</sup> IRBN– General		(-)2.70	(-)7.51	
10.	16	109 – District Police (01) District Executive Police – Sixth Scheduled (Part II) Areas	2055	(-)49.52	(-)7.26	Less expenditure than anticipated.
11.		109 – District Police (04) Payments towards Charges for Requisition of CRP/Outside Battalion - Sixth Scheduled (Part II) Areas		(+)1.21	(-)2.98	Requirement of fund to meet the expenditure for recovery of cost of deployment of detachment of RAF/CRPF deployed in Meghalaya State
12.	19	80 – General – 001 – Direction and Administration (02) Chief Engineer and his Establishment (Buildings) – General	2059	(+)0.02	(+)1.73	Requirement of fund to meet the expenditure for installation of LAN, etc.
13.		80 – General – 001 – Direction and Administration (08) Divisional and Subordinate Offices (Buildings) - Sixth Scheduled (Part II) Areas		(+)0.12	(+)1.67	Requirement of fund for meeting the expenditure of salaries of casual employees.
14.			80 – General – 051 – Construction (01) Functional Non-residential Buildings under General Services – General	4059	(+)1.42	(-)37.54

Sl. No.	Grant Number/ Appropriation	Description	Head of Account	Re-appropriation	Excess (+) Savings (-)	Reasons for Re-Appropriation
15.	19	80 – General – 051 – Construction (01) Functional Non-residential Buildings under General Services - Sixth Scheduled (Part II) Areas	4059	(-)1.42	(-)1.20	Less expenditure than anticipated.
16.	20	107 – Home Guards (01) Expenditure on Home Guards – General	2070	(-)0.13	(-)1.22	
17.		107 – Home Guards (02) Creation/Raising of Border Wing Home Guards – General		(-)3.40	(-)2.95	
18.	21	110 – Assistance to Non-Government Secondary Schools (01) Expenditure on Secondary Schools under Deficit System for Boys – General	2202	(-)0.93	(-)9.31	Curtailement of expenditure under the scheme.
19.		110 – Assistance to Non-Government Secondary Schools (02) Expenditure on Secondary Schools under Deficit System for Girls – Sixth Scheduled (Part II) Areas		(-)5.38	(-)1.72	
20.		110 – Assistance to Non-Government Secondary Schools (03) Expenditure on Non- Deficit Secondary Schools for Boys - Sixth Schedule (Part II) Areas		(-)1.81	(-)1.08	
21.		110 – Assistance to Non-Government Secondary Schools (04) Expenditure on Non- Deficit Secondary Schools for Girls - Sixth Schedule (Part II) Areas		(-)13.05	(+)1.19	Due to (i) less requirement of fund and (ii) curtailement of expenditure under the scheme.
22.		110 – Assistance to Non-Government Secondary Schools (04) Expenditure on Non- Deficit Secondary Schools for Girls – General		(-)1.63	(-)5.63	Less requirement of fund under the scheme.
23.		110 – Assistance to Non-Government Secondary Schools (09) Improvement Facilities for Teaching of Science in High Schools – Sixth Scheduled (Part II) Areas		(-)0.79	(-)4.03	Due to requirement of fund for purchase of scientific equipment of Tura Govt. College, Tura and Kiang Nongbah College, Jowai.
24.		103 – Government Colleges and Institutes (13) Government College – Sixth Schedule (Part II) Areas		(+)0.73	(+)2.51	Due to requirement of fund for (i) rent, rates and taxes and (ii) Office expenses.
25.		003 – Training (01) Directorate (SCERT) – General		(-)0.30	(-)1.05	Less requirement of fund under the scheme.
26.		003 – Training (32) Other Programme-Central Assistance for CSS - General		(-)0.03	(-)24.21	Requirement of fund for meeting the expenditure of medical treatment.
27.		003 – Training (30) DIET-Central Assistance for CSS – General		(-)0.03	(-)6.31	Curtailement of expenditure under the scheme.
28.		102 – Assistance to Non-Government Primary Schools (25) Sarva Shiksha Abhiyan – Sixth Schedule (Part II) Areas		(-)11.12	(-)3.59	
29.	102 – Assistance to Non-Government Primary Schools (29) Mid-Day Meal Incentive to Student – General	(-)1.35	(-)9.81			
30.	102 – Assistance to Non-Government Primary Schools (29) Mid-Day Meal Incentive to Student - Sixth Schedule (Part II) Areas	(-)2.28	(-)3.90			
31.	107 – Scholarships (01) Post Matric Scholarship Scheduled Tribes – General	(-)5.00	(-)2.73			

Sl. No.	Grant Number/ Appropriation	Description	Head of Account	Re-appropriation	Excess (+) Savings (-)	Reasons for Re-Appropriation
32.	21	102 – Assistance to Non-Government Primary Schools (02) Expenditure on Schools under Non-deficit System - Sixth Schedule (Part II) Areas	2202	(+02.94	(-)1.40	Due to requirement of fund for meeting repayment of Arrear in respect of Adhoc L.P. School teaches.
33.		110 – Assistance to Non-Government Secondary Schools (01) Expenditure on Secondary Schools under Deficit System for Boys - Sixth Schedule (Part II) Areas		(+)11.13	(+)5.09	Requirement of fund for meeting expenditure for salaries and arrear DA in respect of Deficit Secondary Schools under DSEO Shillong and Nongstoin.
34.	24	101 – Superannuation and Retirement Allowances (01) Superannuation and Retirement Allowances – General	2071	(-)16.00	(+)79.34	Less requirement of fund under the scheme.
35.		104 - Gratuities (02) Death Gratuities - General		(+)16.00	(-)14.91	Requirement of fund for meeting the expenditure for death gratuity of retired Govt. employees.
36.	26	110 – Hospital and Dispensaries (01) Shillong Civil Hospital (including improvement thereof) – Sixth Schedule (Part II) Areas	2210	(+)0.06	(-)4.62	Due to requirement of fund for meeting the expenditure for payment of arrear rent.
37.		106 – Manufacture of Sera/Vaccine (02) Testing of Polio Vaccine attached (Pasture Institute) – General		(-)21.03	(-)38.97	Non-allocation of schemes.
38.		104 – Community Health Centres (01) Up-gradation of Primary Health Centres to 30 Bedded Hospitals - Sixth Schedule (Part II) Areas		(-)0.22	(+)8.79	Less expenditure under the scheme.
39.		110 – Hospitals and Dispensaries (01) Other existing and New Dispensaries with or without Indoor Facilities - Sixth Schedule (Part II) Areas		(+)0.06	(+)3.58	Due to requirement of fund for meeting the expenditure for payment of arrear rent.
40.		101 – Prevention and Control of Disease (18) Flexi Pool for Communicable Disease under NHM – General		(+)2.96	(+)6.57	Requirement of fund for meeting the expenditure for implementation of the scheme 'Flexi Pool for communicable diseases.'
41.	27	102 – Rural Water Supply (18) National Rural Drinking Water Programme – Sixth Schedule (Part II) Areas	4215	(-)1.58	(-)5.18	Less requirement of fund under the scheme.
42.		102 – Rural Water Supply (18) National Rural Drinking Water Programme – Sixth Schedule (Part II) Areas		(+)0.18	(+)3.53	Requirement of fund for meeting the state share of Rural Water Supply Programme under NRDWP under CSS.
43.	31	001 – Direction and Administration (02) District Establishment - Sixth Schedule (Part II) Areas	2230	(+)0.01	(+)1.86	Requirement of fund for meeting the expenditure on (i) rent, (ii) wages and salaries.
44.	39	101 – Audit of Co-operatives (01) Audit Staff – Sixth Schedule (Part II) Areas	2425	(-)0.44	(-)1.17	Less expenditure than anticipated.

Sl. No.	Grant Number/ Appropriation	Description	Head of Account	Re-appropriation	Excess (+) Savings (-)	Reasons for Re-Appropriation
45.	39	001 – Direction and Administration – (02) District Organisation – Sixth Schedule (Part II) Areas	2425	(+)0.92	(+)1.10	Requirement of fund for meeting the expenditure for salaries and medical treatment.
46.	43	119 – Horticulture and Vegetable Crops (05) Mission for Integrated Development of Horticulture (MIDH) Horticulture Mission for North East and Himalayan States (HMNEH) – General	2401	(+)1.00	(-)3.74	Requirement of fund for meeting the expenditure for wages, supplies and materials and subsidies.
47.		119 – Horticulture and Vegetable Crops (10) Horticulture Mission for Strengthening Development Schemes – General		(-)2.11	(-)1.89	Less requirement of fund.
48.		001 – Direction and Administration (02) District Offices – Sixth Schedule (Part II) Areas		(+)6.17	(-)3.01	Requirement of fund for meeting the expenditure for wages.
49.		101 – Marketing Facilities (08) ACA under RKVY – General	2435	(-)25.26	(-)8.33	Less requirement of fund.
50.		101 – Marketing Facilities (01) Agricultural Marketing Organisation Including Transport Subsidy – General		(-)0.18	(+)8.54	
51.		47	001 – Direction and Administration (02) District Offices – Sixth Schedule (Part II) Areas	2403	(+)0.24	(-)2.41
52.	101 – Veterinary Services and Animal Health (24) Veterinary Dispensaries - Sixth Schedule (Part II) Areas		(+)0.01		(-)2.68	Requirement of fund for meeting the expenditure on wages and domestic travel expenses.
53.	102 – Cattle and Buffalo Development (30) National Programme for Bovine Breeding - General		(-)0.29		(-)1.21	Less requirement of fund.
54.	49	101 – Inland Fisheries (38) Blue Revolution Integrated Development and Management of Fisheries – General	2405	(+)20.60	(+)2.93	Requirement of fund for meeting the expenditure for other administrative expenses and subsidies.
55.	51	001 – Direction and Administration (05) Stage-II Block Offices - Sixth Schedule (part –II) Areas	2515	(-)0.06	(-)2.80	Less requirement of fund.
56.		800 – Other Expenditure (19) National Social Assistance Programme - Sixth Schedule (part –II) Areas		(-)0.07	(-)2.31	
57.		800 – Other Expenditure (19) National Social Assistance Programme - Sixth Schedule (part –II) Areas		(+)1.76	(+)1.70	Requirement of fund for meeting the expenditure for salary.
58.	52	001 – Direction and Administration (02) District Organisation – Sixth Schedule (Part II) Areas	2852	(-)3.10	(+)3.26	Less expenditure than anticipated.
59.	56	001 – Direction and Administration (07) Divisional and Subordinate Offices (Roads) – Sixth Schedule (Part II) Areas	2059	(-)0.32	(-)22.77	Requirement of fund for meeting the expenditure for medical bills.
60.		001 – Direction and Administration (01) Chief Engineer and his General Establishment (Roads) – General		(-)0.22	(+)15.69	Requirement of fund for meeting the expenditure

Sl. No.	Grant Number/ Appropriation	Description	Head of Account	Re-appropriation	Excess (+) Savings (-)	Reasons for Re-Appropriation
61.	56	001 – Direction and Administration (04) Superintending Engineers and their Establishments (Roads) – General	2059	(-)0.01	(+)3.01	for (i) purchase of two nos of vehicles, (ii) salaries and travelling expenses, etc.
62.		800 – Other Expenditure (21) Special Plan Assistance (SPA 2014-15) – Sixth Schedule (Part II) Areas	5054	(+)21.66	(-)4.96	Requirement of fund for meeting the expenditure for Special Plan Assistance schemes.
63.		800 – Other Expenditure (17) Special Plan Fund (SPF) – Sixth Schedule (Part II) Areas		(+)25.00	(+)22.65	Requirement of fund for meeting the expenditure for Special Plan Fund schemes.
64.	57	101 – Tourist Centre (09) Development of Tourist Spots – General	3452	(-)0.14	(-)5.63	Less requirement of fund.
65.	58	104 – Sports and Games (24) Special Central Assistance (SCA) – General	2204	(+)0.19	(+)1.97	Requirement of fund for meeting the expenditure for construction of Mini Indoor Sports Hall at Lower Lumparing.
66.	65	001 – Direction and Administration (03) Establishment of Irrigation Wing – Sixth Schedule (Part II) Areas	2702	(+)0.05	(-)1.02	Requirement of fund for meeting the expenditure on wages and medical treatment.
67.		001 – Direction and Administration (04) Strengthening of Surface Water-Minor Irrigation or (Investigation Division) – General		(+)0.35	(+)2.25	Requirement of fund for meeting the expenditure on (i) rent, rates and taxes, (ii) salaries and wages and (iii) medical treatment.
68.		001 – Direction and Administration (04) Strengthening of Surface Water-Minor Irrigation or (Investigation Division) – Sixth Schedule (Part II) Areas		(+)3.58	(-)2.99	
69	Appropriation	104 – Interest on State Provident Funds (01) Interest on General Provident Fund – General	2049	(+)5.91	(+)3.26	Payment of interest on General Provident Fund.



**APPENDIX 2.7**  
**Cases of 100 per cent surrender of fund**  
**(Reference: Paragraph 2.4.8)**

(₹ in lakh)

Sl. No.	Number and title of Grant/Appropriation	Name of the Scheme (Head of Account)	Budget Provision	Amount of surrender	Reasons attributed for surrender
1	2	3	4	5	6
1	11 – Other Taxes and Duties on Commodities and Services, Special Programmes for Rural Development, Power, etc.	Setting up of Integrated Rural Energy Planning Cells (2501)	140.00	140.00	Non-receipt of sanction.
2		Green City Project (SPA/ One Time ACA (2801)	900.00	900.00	
3		Re-engineering works of Umiam Stage-I Power Station, Sumer (2801)	346.97	346.97	
4		Re-engineering works of Umiam Stage-IV Power Station, Nongkhyllem (2801)	835.28	835.28	
5		Non Lapsable Central Pool of Resources (2801)	505.00	505.00	
6		General Programmes (2810)	150.00	150.00	
7		Village Electrification State Share (MNES Special Sponsored Scheme) (2810)	125.00	125.00	
8		Solar Street Lighting System (2810)	158.40	158.40	
9		Village Electrification State Share (MNES Special Sponsored Scheme) (2810)	500.00	500.00	
10		Accelerated Power Development Programme (6801)	532.00	532.00	
11		Other Loans (6801)	442.50	442.50	
12	16 – Police, Other Administrative Services etc., Housing, Capital Outlay on Police	Expenditure on Modernisation of Criminal Investigation Department and Vigilance (including Police Wireless Organisation) (2055)	311.50	311.50	Non requirement of fund.
13		District Mobile Forensic Unit (2055)	1500.00	1500.00	
14		Construction of Residential Building for Police Accommodation/Facilities (4055)	1000.00	1000.00	Non receipt of grants from GoI.
15		Construction of Residential Building for Fire Emergency Services Accommodation/Facilities (4055)	100.00	100.00	
16	Non Lapsable Central Pool of Resources (4055)	330.00	330.00		
17	21 – General Education, Technical Education, Sports and Youth Services , Art and Culture, etc.	Strengthening of Colleges (2202)	200.00	200.00	Without assigning any reason.
18		Expenditure on Trainees in Basic Training Centres (2202)	600.00	600.00	Non-requirement of fund.
19		In-Service Training (2202)	185.61	185.61	
20		Expenditure on Trainees (2202)	243.00	243.00	
21		Pre-matric Scholarship for Schedule Tribe (2202)	250.00	250.00	Non-receipt of sanction from the GoI.
22		Pre-matric Scholarship for Schedule Caste (2202)	250.00	250.00	

1	2	3	4	5	6
23	21 – General Education, Technical Education, Sports and Youth Services , Art and Culture, etc.	Non-Lapsable Central Pool of Resources (2202)	280.00	280.00	Non-receipt of sanction from the GoI.
24		Infrastructure for Running Degree Level Professional Courses, Short Term Vocational for Master Degree Courses in 4 Deficit Colleges- St. Anthony’s, Edmunds, Mary’s and Lady Keane, Shillong (2552)	158.00	158.00	
25		Up-gradation of Existing/Setting up New Polytechnics (2203)	800.00	800.00	
26	27 – Water Supply and Sanitation, Housing, Capital Outlay on Water Supply and Sanitation, etc.	New Shillong Water Supply Project (SPA) (4215)	500.00	500.00	Non-requirement of fund.
27		Up-gradation Grant under Thirteen Finance Commission Award Augmentation Tura Phase I & II WSS (initiated under 13 <sup>th</sup> Finance Commission) (4215)	500.00	500.00	Non-release of fund by the Ministry during the year.
28	29 – Urban Development, Capital Outlay on Housing and Capital Outlay on Urban Development.	Atal Mission for Rejuvenation and Urban Transformation (AMRUT) - Centrally Sponsored Schemes Inclusive of State Share (2217)	176.30	176.30	Non-release of fund by GoI.
29		Smart Cities Mission (SCM) Centrally Sponsored Schemes inclusive of State Share (2217)	2032.57	2032.57	
30		Special Plan Assistance (SPA) (4217)	102.70	102.70	Non-receipt of proposal
31		Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for Centrally Sponsored Schemes Inclusive of State Share (4217)	190.75	190.75	Non-release of Central Share by the Ministry.
32	33	Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for Centrally Sponsored Schemes Inclusive of State Share (2217)	1830.90	1830.90	Non-release of fund by the GoI.
33		Housing for all (Urban Mission) Centrally Sponsored Schemes inclusive of State Share (4217)	2349.35	2349.35	
34	31 – Labour, Employment and Skilled Development	District Establishment (2230)	245.25	245.25	Without assigning any reason.
35		Enhancing Skill Development Infrastructure in North Eastern States and Sikkim (2230)	2000.00	2000.00	Non-requirement of fund.
36	32 – Civil Supplies	Subsidy for Procurement of Sugar (3456)	850.00	850.00	Non-receipt of sanction
37	34 – Welfare of Scheduled Caste, Scheduled Tribe, Other Backward Classes and Minorities, Social Security and Welfare, Nutrition, Capital Outlay on Social Security and Welfare	Grant under 1 <sup>st</sup> Provision to Article 275(1) of the Constitution (2235)	1000.00	1000.00	Non-receipt of sanction.
38		Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (RGSEAG)-SABLA (2235)	1600.00	1600.00	Reduction of beneficiaries.

1	2	3	4	5	6
39	34 – Welfare of Scheduled Caste, Scheduled Tribe, Other Backward Classes and Minorities, Social Security and Welfare, Nutrition, Capital Outlay on Social Security and Welfare	National Creche Scheme for the Children of Working Mother (2235)	200.00	200.00	Non-receipt of fund from the GoI.
40		Multi Sectoral Development Programme (MSDP) (2235)	767.00	767.00	
41		Construction of Joint Directorate of Social Welfare at Tura (4235)	100.00	100.00	Non-receipt of Government sanction.
42	35 – Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes, Social Security and Welfare	Financial Assistance to District Council for Construction of District Councils Buildings (2225)	200.00	200.00	Non-release of fund by the Ministry.
43		Financial Assistance to the District Council for Special Purposes (2225)	172.00	172.00	
44		Construction or Development of Rural Market under NLCPR Schemes (2225)	330.00	330.00	
45	37 – North Eastern Areas, Secretariat-Economic Services	Development of IT Human Resources (2552)	100.00	100.00	Non-receipt of sanction from NEC.
46	39 – Co-operation, Other Agricultural Programmes, Capital Outlay on Co-operation, etc.	Funding under Article 275(1) of the Constitution of India (2425)	400.00	400.00	Non-approval of the proposal by the GoI.
47		Construction of 1500 MT Capacity Godown of MECOFED at Mawiong (2552)	264.00	264.00	
48		Construction of Warehouse of the Meghalaya State Warehousing Corporation (4435)	100.00	100.00	Non-approval of proposal by NCDC.
49		Token Provision for RIDF/ Financial Institution etc. (4435)	200.00	200.00	Non-approval of proposal by NABARD.
50	43 – Housing, Crop Husbandry, Agricultural Research & Education, Other Agricultural Programmes, Medium & Minor Irrigation, Flood Control and Drainage, Capital Outlay on Crop Husbandry, Investments in Agricultural Financial Institutions, etc.	Paddle Pumps (2401)	200.00	200.00	Due to non-sanction of the scheme.
51		Under Article 275 (1) (2401)	600.00	600.00	Non-submission of fund under the scheme.
52		Strengthening of Existing Seed Testing Laboratory (2552)	799.00	799.00	Non-receipt of fund from the GoI.
53	45 – Housing, Soil and Water Conservation, Agricultural Research & Education	Scheme under Art 275 (1) Ministry of Tribal Affairs (2402)	400.00	400.00	Non-release of fund by the Government.
54		Accelerated Irrigation Benefits Programme (AIBP) (2402)	750.00	750.00	Non-sanction of the scheme by the GoI.
55		Integrated Wasteland Development Programme (2402)	1800.00	1800.00	Less sanction of fund under the scheme by GoI.
56		Accelerated Irrigation Benefits Programme (AIBP)(2402)	6750.00	6750.00	
57	50 – Forestry and Wildlife, Agricultural Research and Education, Capital Outlay on Forestry and Wildlife.	Studies and Training in Forest Colleges (2406)	100.64	100.64	Non-requirement of fund.
58		Green India Mission (2406)	400.00	400.00	Non-release of fund.
59		National Mission on Medicinal Plant (2406)	120.00	120.00	Non-submission of proposal.

1	2	3	4	5	6
60	50 – Forestry and Wildlife, Agricultural Research and Education, Capital Outlay on Forestry and Wildlife.	National Bamboo Mission (2406)	140.00	140.00	Non-submission of proposal.
61	51 – Housing, Special Programmes for Rural Development, Employment, etc.	Shyama Prasad Mukherjee Rurban Mission (SPMRM) (2515)	100.00	100.00	Less requirement of fund.
62		Social Mobilization Centre at District Head Quarter (2515)	100.00	100.00	
63		Directorate of Community Development (4515)	500.00	500.00	
64		Multi facility Centres (4515)	100.00	100.00	
65		Construction of Market Complex at Betasing, West Garo Hills District (4552)	220.00	220.00	
66		Construction of guest House and Wayside Amenties at Swangngrei Hamegoan, West Khasi Hills District (4552)	283.00	283.00	
67	53 - Village and Small Industries	North Eastern Region Textile Promotion Scheme (2851)	250.00	250.00	Non-receipt of sanction from the GoI.
68		North Eastern Region Textile Promotion Scheme (2851)	1765.07	1765.07	
69	54 – Village and Small Industries, Capital Outlay on Housing, Capital Outlay on North Eastern Areas, etc.	Package Scheme for Inventive Large and Medium (2851)	313.05	313.05	Non-receipt of sanction from the GoI.
70	56 – Public Works, Roads and Bridges, Capital Outlay on North Eastern Areas, Capital Outlay on roads and Bridges	Anti-erosion Measures to Protect Left Bank Embankment of River Galwang (4552)	103.00	103.00	Non-release of fund by NEC.
71		Construction (5054)	100.00	100.00	Non-sanctioned of the scheme.
72	58 – Sports and Youth Services	Panchayat Yuva Krida Aur Khel Abhiyan (PYKKA) (2204)	1800.00	1800.00	Non-receipt of sanction
73		Construction of Indoor Stadium at Ampati South West Garo Hills District, Meghalaya (2552)	150.00	150.00	
74	64 – Art and Culture, North Eastern Areas, Other Scientific Research, Census, Surveys and Statistics	Special Central Assistance to Tribal Sub Schemes-Renovation and Up-gradation of Arts and Culture Centre cum Museum (2205)	408.00	408.00	
75		Non-Lapsable Central Pool of Resources (2205)	150.00	150.00	
<b>Total</b>			<b>45455.84</b>	<b>45455.84</b>	

**APPENDIX 2.8**  
**Surrender in excess of actual savings**  
**(Reference: Paragraph 2.4.9)**

(₹ in lakh)

Sl No.	Number and Name of Grant/Appropriation	Total Grant	Saving	Amount surrendered	Amount surrendered in excess of savings
1.	3 – Council of Ministers Revenue – Voted	642.20	153.05	158.22	5.17
2.	5 – Elections Revenue – Voted	11273.44	899.88	1037.77	137.89
3.	8 – State Excise Revenue – voted	1992.00	8.04	97.44	89.40
4.	9 – Taxes on Sales, Trade <i>etc.</i> , Other Taxes and Duties on Commodities and Services Revenue – Voted	3057.00	529.33	557.11	27.78
5.	10 – Taxes on Vehicles, Other Administrative Services, <i>etc.</i> Revenue - Voted	7676.50	694.80	696.15	1.35
6.	14 – District Administration Revenue – Voted	5999.45	427.31	511.87	84.56
7.	16 – Police, Other Administrative Services, <i>etc.</i> , Housing, Capital Outlay on Police Revenue – Charged	40.14	35.36	40.14	4.78
8.	19 – Secretariat General Services, Public Works, Housing, Capital Outlay on Public Works, Capital Outlay on Education, <i>etc.</i> Revenue – Voted	7625.04	1192.77	1414.81	222.04
9.	22 – Other Administrative Services, Housing Revenue – Voted	5459.32	543.12	654.93	111.81
10.	25 – Miscellaneous General Services Revenue – Voted	135.08	18.08	25.45	7.37
11.	28 – Housing, Capital Outlay on Housing, Loans for Housing Revenue – Voted	1545.00	91.29	112.67	21.38
12.	30 – Information and Publicity Revenue – Voted	2294.63	318.22	347.62	29.40
13.	32 – Civil Supplies Revenue – Voted	9040.86	2197.42	2201.96	4.54
14.	34 – Social Security and Welfare, Nutrition Capital Outlay on Social Security and Welfare, <i>etc.</i> Revenue – Voted	58084.42	14771.52	14926.60	155.08
15.	41 – Census, Survey and Statistics Revenue – Voted	1841.61	134.24	212.31	78.07
16.	45 – Housing, Soil and Water Conservation, Agricultural Research and Education Revenue – Voted	27635.00	17588.46	17652.33	63.87
17.	50 – Forestry and Wildlife, Agricultural Research and Education, <i>etc.</i> Revenue – Voted	24148.12	9968.06	10325.46	357.40
18.	52 – Industries, Capital Outlay on Cement, Capital Outlay on Industries and Minerals, <i>etc.</i> Revenue – Voted	2365.00	254.00	565.60	311.60
19.	58 – Sports and Youth Services, North Eastern Areas Revenue – Voted	7674.52	3439.57	3474.07	34.50
	<b>Total</b>	<b>178529.33</b>	<b>53264.52</b>	<b>55012.51</b>	<b>1747.99</b>

## APPENDIX 2.9

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

(Reference: Paragraph 2.4.10)

			(₹ in crore)
Sl. No.	Grant No./ Appropriation	Name of Grant/Appropriation	Saving
1.	1	Parliamentary/State/Union Territory Legislature, Stationery and Printing Revenue – Charged	1.04
2.	4	Administration of Justice Revenue – Voted	21.63
3.		Revenue – Charged	4.87
4.	17	Jails Revenue – Voted	2.42
5.	19	Secretariat General Services, Public Works, Housing, Capital Outlay on Public Works, Capital Outlay on Education, Sports, Arts and Culture, etc. Capital – Voted	46.92
6.	26	Medical and Public Health, Family Welfare, Capital Outlay on Medical and Public Health Capital – Voted	4.57
7.	44	Flood Control and Drainage, Capital Outlay on Flood Control Project Revenue – Voted	0.01
8.		Capital – Voted	5.00
9.	46	Special Programme for Rural Development, North Eastern Areas, Other Special Area Programmes, Capital Outlay on North Eastern Areas Capital – Voted	5.02
10.	57	North Eastern Areas, Tourism, Capital Outlay on Tourism, etc. Revenue – Voted	60.82
11.		Capital – Voted	13.34
12.	59	Miscellaneous General Services, Secretariat-Economic Services Revenue – Voted	3.00
13.	65	Medium Irrigation, Minor Irrigation, Flood Control and Drainage, Capital Outlay on North Eastern Areas, Capital Outlay on Medium Irrigation, etc. Revenue – Voted	26.81
14.		Capital – Voted	41.38
<b>Total</b>			<b>236.83</b>

**APPENDIX 2.10**  
**Details of saving of Rupees one crore and above not surrendered**  
**(Reference: Paragraph 2.4.10)**

(₹ in crore)

Sl. No.	Number and Name of Grant/Appropriation	Saving	Surrender	Saving which remained to be surrendered
1.	1 – Parliamentary/State/Union Territory Legislature, Stationery and Printing Revenue – Voted	8.46	0.93	7.53
	Revenue – Charged	1.04	...	1.04
2.	4 – Administration of Justice Revenue – Voted	21.63	...	21.63
	Revenue – Charged	4.87	...	4.87
3.	6 – Land Revenue, Relief on Account of Natural Calamities Revenue – Voted	20.88	4.30	16.58
4.	10 – Taxes on Vehicles, Other Administrative Services, Capital Outlay on Civil Aviation, <i>etc.</i> Capital – Voted	9.31	4.09	5.22
5.	11 – Other Taxes and Duties on Commodities and Services, Special Programmes for Rural Development, Power, New and Renewal of Energy, <i>etc.</i> Revenue – Voted	218.83	215.96	2.87
6.	16 – Police, Other Administrative Services, Housing, <i>etc.</i> Revenue – Voted	179.51	162.29	17.22
7.	17 – Jails Revenue – Voted	2.42	...	2.42
8.	19 – Secretariat General Services, Public Works, Housing, Capital Outlay on Education, Sports, Arts and Culture, <i>etc.</i> Capital – Voted	46.92	...	46.92
9.	20 – Other Administrative Services Revenue – Voted	8.76	4.53	4.23
10.	21 – General Education, Technical Education, Sports and Youth Services, Art and Culture, Other Scientific Research, <i>etc.</i> Revenue – Voted	164.09	159.91	4.18
11.	26 – Medical and Public Health, Family Welfare, Capital Outlay on Medical and Public Health Revenue – Voted	163.39	3.99	15.94
	Capital – Voted	4.57	...	4.57
12.	27 – Water Supply and Sanitation, Housing, Capital Outlay on Water Supply and Sanitation, <i>etc.</i> Revenue – Voted	6.60	4.53	2.07
13.	31 – Labour, Employment and Skilled Development Revenue – Voted	44.69	42.97	1.72
14.	35 – Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes, <i>etc.</i> Revenue – Voted	33.92	15.22	18.70
15.	37 – North Eastern Areas, Secretariat-Economic Services Revenue – Voted	5.64	3.86	1.78
16.	38 – North Eastern Areas, Secretariat – Economic Services Revenue – Voted	152.86	144.59	8.27

Sl. No.	Number and Name of Grant/Appropriation	Saving	Surrender	Saving which remained to be surrendered
17.	43 – Housing, Crop Husbandry, Agricultural Research and Education, Other Agricultural Programmes, Medium Irrigation, Minor Irrigation, Flood Control and Drainage, <i>etc.</i> Revenue – Voted	128.31	84.13	44.18
	Capital – Voted	3.44	1.16	2.28
18.	44 – Flood Control and Drainage, Capital Outlay on Flood Control Project Capital – Voted	5.00	...	5.00
19.	46 – Special Programme for Rural Development, North Eastern Areas, Other Special Area Programmes, Capital Outlay on North Eastern Areas Capital – Voted	5.02	...	5.02
20.	47 – Housing, Animal Husbandry, Agricultural Research and Education, Capital Outlay on Animal Husbandry Revenue – Voted	13.72	2.83	10.89
	Capital – Voted	2.24	0.22	2.02
21.	48 – Housing, Dairy Development, Agricultural Research and Education Revenue – Voted	20.39	0.51	19.88
22.	51 – Housing, Special Programmes for Rural Development, Rural Employment, Other Rural Development Programmes, <i>etc.</i> Revenue – Voted	723.47	714.98	8.49
23.	53 – Village and Small Industries Revenue – Voted	33.75	29.85	3.90
24.	56 – Public Works, Roads and Bridges, Capital Outlay on Roads and Bridges Revenue – Voted	34.76	6.39	28.37
25.	57 – Tourism, Capital Outlay on Tourism Revenue – Voted	60.82	...	60.82
	Capital – Voted	13.34	...	13.34
26.	59 – Miscellaneous General Services, Secretariat-Economic Services Revenue – Voted	3.00	...	3.00
27.	65 – Medium Irrigation, Minor Irrigation, Flood Control and Drainage, Capital Outlay on North Eastern Areas, Capital Outlay on Medium Irrigation, <i>etc.</i> Revenue – Voted	26.81	...	26.81
	Capital – Voted	41.38	...	41.38
<b>Total</b>		<b>2213.84</b>	<b>1607.24</b>	<b>606.60</b>



## APPENDIX 2.11

## Cases of surrender of funds in excess of Rupees one crore on 31 March 2019

(Reference: Paragraph 2.4.10)

(₹ in crore)

Sl. No.	Grant No. & Name	Head of Account	Amount surrendered
1.	Council of Ministers, Secretariat-General Services	2013, 2052	1.58
2.	5 – Elections	2015	10.38
3.	6 – Land Revenue, Relief on Account of Natural Calamities	2029, 2245	4.30
4.	9 – Taxes on Sales, Trade <i>etc.</i> Other Taxes and Duties on Commodities and Services	2040, 2045	5.57
5.	10 – Taxes on Vehicles, Other Administrative Services,	2041, 2070	6.96
6.	Capital Outlay on Civil Aviation, <i>etc.</i>	4552, 5053, 5055	4.09
7.	11 – Other Taxes and Duties on Commodities and Services, Special Programmes for Rural Development, Power, <i>etc.</i>	2045, 2501, 2801, 2810	215.96
8.		4552, 4801, 6801	39.12
9.	13 – Secretariat General Services, Secretariat Social Services, Secretariat Economic Services	2013, 2052, 2251, 3451	25.15
10.	14 – District Administration	2053, 2070	5.12
11.	15 – Treasury and Accounts Administration	2054	3.10
12.	16 – Police, Other Administration Services, <i>etc.</i> , Housing,	2055, 2070, 2216	162.29
13.	Capital Outlay on Police	4055	24.03
14.	18 – Stationery and Printing, Capital Outlay on Stationery and Printing	2058	2.71
15.	19 – Secretariat General Services, Public Works, Housing, Capital Outlay on Public Works, <i>etc.</i>	2052, 2059, 2216	14.15
16.	20 – Other Administrative Services	2070	4.53
17.	21 – General Education, Technical Education, Sports and Youth Services, Art and Culture, Capital Outlay on North	2202, 2203, 2204, 2552	159.91
18.	Eastern Areas	4202, 4552	3.12
19.	22 – Other Administrative Services, Housing	2070, 2216, 2235	6.55
20.	23 – Other Administrative Services	2070, 2251	1.52
21.	26 – Medical and Public Health, Family Welfare, North Eastern Areas, <i>etc.</i>	2210, 2211, 2552	3.99
22.	27 - .Water Supply and Sanitation, Housing, Capital Outlay	2215, 2216	4.53
23.	on Water Supply and Sanitation, Capital Outlay on Housing	4215, 4216, 4552	101.11
24.	28 – Housing, Capital Outlay on Housing	2216	1.13
25.	29 – Urban Development, Capital Outlay on Housing,	2217	39.14
26.	Capital Outlay on Urban Development, <i>etc.</i>	4216, 4217	97.06
27.	30 – Information and Publicity	2220	3.48
28.	31 – Labour, Employment and Skilled Development	2230	42.97
29.	32 – Civil Supplies	3456	22.02
30.	33 – District Administration, Vigilance, Other Administrative Services, Miscellaneous General Services, Social Security and Welfare	2053, 2062, 2070, 2075, 2235	2.94
31.	34 – Welfare of Scheduled Caste, Scheduled Tribe, Other	2235, 2236	149.27
32.	Backward Classes and Minorities, <i>etc.</i>	4235, 4552	22.26
33.	35 – Welfare of Scheduled Caste, Scheduled Tribe and Other Backward Classes, Social Security and Welfare	2225, 2235	15.22
34.	37 – North Eastern Areas, Secretariat-Economic Services	2552, 3451	3.86
35.	38 – North Eastern Areas, Secretariat-Economic Services	2552, 3451	144.59
36.	39 – Co-operation, Other Agricultural Programmes, Capital	2425, 2435, 2552	8.62
37.	Outlay on Co-operation, <i>etc.</i>	4425, 4435, 6425	3.97

Sl. No.	Grant No. & Name	Head of Account	Amount surrendered
38.	41 – Census, Survey and Statistics	3454	2.12
39.	42 – Housing, Other General Economic Services	2216, 3475	1.03
40.	43 – Housing, Crop Husbandry, Agricultural Research & Education, <i>etc.</i>	2216, 2401, 2415, 2435, 2552	84.13
41.		4216, 4401, 4416	1.16
42.	45 – Housing, Soil, and Water Conservation, Agricultural Research and Education	2216, 2402, 2415	176.52
43.	46 – Special Programme for Rural Development	2501, 2552, 2575	6.86
44.	47 – Housing, Animal Husbandry, Agricultural Research and Education, Capital Outlay on Animal Husbandry	2216, 2403, 2415	2.83
45.	49 – Housing, Fisheries, Agricultural Research and Education, Capital Outlay on Housing, Capital Outlay on Fisheries	2216, 2405, 2415	15.82
46.		4216, 4405	2.02
47.	50 – Forestry and Wildlife, Agricultural Research and Education, Capital Outlay on Forestry and Wildlife	2406, 2415	103.25
48.	51 – Housing, Special Programmes for Rural Development, <i>etc.</i> , Capital Outlay on Other Rural Development Programmes	2216, 2501, 2505, 2515	714.98
49.		4515, 4552	23.38
50.	52 – Industries, Other Capital Outlay on Industries and Minerals, <i>etc.</i>	2852	5.66
51.	53 – Village and Small Industries	2851	29.85
52.	54 – Village and Small Industries, Capital Outlay on Housing, <i>etc.</i>	2851	11.76
53.		4216, 4552, 4851	2.03
54.	55 – Non-Ferrous Mining and Metallurgical Industries	2853	3.23
55.	56 – Public Works, Roads and Bridges, Capital Outlay on North Eastern Areas, Capital Outlay on Roads and Bridges	2059, 3054	6.39
56.		4552, 5054	53.93
57.	58 - Sports and Youth Services, North Eastern Areas	2204, 2552	34.74
58.	60 – Loans to Government Servants, <i>etc.</i>	7610	3.47
59.	64 – Art and Culture, North Eastern Areas, Other Scientific Research, Census, Surveys and Statistics	2205, 2552, 3425, 3454	29.03
60.	Appropriation – Internal Debt of the State	6003	176.06
	<b>Total</b>		<b>2856.55</b>

## APPENDIX 2.12

## Information regarding un-reconciled expenditure for the year 2018-19

(Reference: Paragraph 2.5.1)

(₹ in crore)

Sl. No.	Name of the Controlling Officers	Head of Accounts involved	Amount not reconciled
1.	Director General of Police	4055	9.27
2.	Director of Health Services (Research)	4210, 2552	46.80
3.	Director of Information and Publicity	2220	19.76
4.	Director of Social Welfare	2225	92.81
5.	Additional Secretary, Finance (EA) Department	6425	25.44
6.	Registrar of Stamps and Registration	2030	6.67
7.	Director of Agriculture	4401, 2435	0.91
8.	Deputy Secretary Power Department	6801	32.58
9.	Secretary Finance (EA)	7610	31.46
10.	Registrar of Co-operative Societies	2425, 4425	39.09
11.	Director of Fisheries	2405, 2415, 4405	57.51
12.	Administration of Information and Technology	3451	14.63
13.	Director of Civil Aviation	5053, 5055, 4552	67.80
14.	Secretary Finance Pension Cell Department	2071	963.33
15.	Secretary, Secretariat Administration Department (SAD)	2251	1.11
16.	Secretary District Administration	2053, 2070	55.72
17.	Director of Printing and Stationery	4058	6.46
18.	Director of Higher and Technical Education, Director of Education Research	2552, 2203, 4552	18.98
19.	Director of Art and Culture	2552	0.56
20.	Secretary Planning/ Secretary SAD/Secretary Finance/ Secretary Public Works Department	2075, 3451,	154.74
21.	Director of Tourism (Shillong)	3452, 2552, 4552, 5452	24.70
22.	Chief Engineer PWD (Roads) and National Highway	2711, 4711	1.64
23.	Chief Engineer PWD (Buildings)	2216	13.08
24.	Chief Engineer, Public Health Engineering	2216	0.22
25.	Chief Engineer, Water Resources	2711, 4711, 2216	1.64
26.	Estate Officer (GAD)	2216	16.18
27.	Director of Sports and Youth Affairs	2552	5.47
	<b>Total</b>		<b>1708.56</b>

**APPENDIX 3.1****Statement showing names of Autonomous Bodies and Authorities, the accounts of which had not been received under Section 14 (1) and 15****(Reference: Paragraph 3.5)**

<b>Sl. No</b>	<b>Name of the bodies Authorities</b>	<b>Under which Audited</b>	<b>Accounts pending</b>	<b>Number of Accounts Pending</b>
1	Meghalaya State Social Welfare Board (MSSWB)	14 (1)	2008-2009 to 2018-19	11
2	Meghalaya Urban Development Authority	14 (1)	2013-2014 to 2018-19	6
3	State Sports Council	14 (1)	2017-18 to 2018-19	2
4	District Rural Development Agency Shillong	14 (1)	2010-11 to 2018-2019	8
5	District Rural Development Tura	14 (1)	2007-08 to 2018-19	12
6	District Rural Development Williamnagar	14 (1)	2008-09 to 2018-19	11
7	District Rural Development Jowai	14 (1)	2010-11 to 2018-19	9
8	District Rural Development Nongstoin	14 (1)	1998-99 to 2018-19	21
9	Meghalaya State Agricultural Marketing Board, Shillong	14 (1)	2010-11 to 2018-19	9
10	District Council Affairs Department	15	2014-15 to 2018-19	5
11	DHTE	15	2014-15 to 2018-19	5
12	District Rural Development Agency Nongpoh	14 (1)	2009-10 to 2018-19	10
13	Project Director State Investment Programme Management & Implementation Unit (SIPMIU)	14 (1)	2011-12 to 2018-19	8
14	Project Co-ordinator & Development Strategies North Eastern Region Community Resource Management Project (NERCORMP)	15	2016-17 to 2018-19	3
15	State Institute of Rural Development (SIRD)	14 (1)	2016-17 to 2018-19	3
16	Meghalaya State Co-operative Marketing & Consumer, Federation (MECOFFD).	14 (1)	2013-14 to 2018-19	6
17	Hospital Management Society, Civil Hospital	14 (1)	2018-19	1
18	State Rural Employment Society (SRES)	14 (1)	2013-14 to 2018-19	6
19	Meghalaya Information Technology Society (MITS)	14 (1)	2014-15 to 2018-19	5
20	National Rural Health Mission (NRHM)	14 (1)	2018-19	1
21	State Council of Science, Technology & Environment	14 (1)	2015-16 to 2018-19	4
22	Meghalaya Urban Development Agency	14 (1)	2016-17 to 2018-19	3
23	Meghalaya State Rural Livelihood Society	14 (1)	2016-17 to 2018-19	3
24	Rama Krishna Mission Ashram (RKM)	14 (1)	2016-17 to 2018-19	3
25	Meghalaya State Skill Development Society Shillong	14 (1)	2016-17 to 2018-19	3
<b>Total</b>				<b>158</b>

## APPENDIX 3.2

Department-wise/ duration-wise break-up of the cases of misappropriation,  
theft and loss

(Cases where final action pending at the end of March 2019)

(Reference: Paragraph 3.8)

(₹ in lakh)

Name of the Department	Up to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	25 Years to more	Total number of cases
Public Works	NIL	NIL	NIL	1 (3.80)	NIL	3 (13.71)	4 (17.51)
Health and Family Welfare	NIL	1 (0.65)	NIL	1*	NIL	1*1 (0.27)	2* 2 (0.92)
Public Health Engineering	NIL	1 (0.41)	1 (0.18)	2 (1.28)	31 (2.36)	23 (3.36)	58 (7.59)
Legislative Assembly	NIL	1 (40.75)	NIL	NIL	NIL	1 (3.34)	2 (44.09)
Finance	NIL	NIL	NIL	NIL	1 (86.50)	1 (1.94)	2 (88.44)
Mining	NIL	NIL	NIL	NIL	1 (16.55)	NIL	1 (16.55)
Community and Rural Development	NIL	NIL	NIL	NIL	1 (3.03)	NIL	1 (3.03)
Land Record and Survey	NIL	NIL	NIL	1 (1.56)	NIL	NIL	1 (1.56)
Horticulture	NIL	NIL	1 (21.06)	NIL	NIL	NIL	1 (21.06)
<b>Total</b>	<b>NIL</b>	<b>3 (41.81)</b>	<b>2 (21.24)</b>	<b>5 (6.64)</b>	<b>34 (108.44)</b>	<b>30 (22.62)</b>	<b>74 (200.75)</b>

(Figures in brackets indicate ₹ in lakh)

\* Amount not intimated.





**© COMPTROLLER AND  
AUDITOR GENERAL OF INDIA  
2020**

**[www.cag.gov.in](http://www.cag.gov.in)**