

Laid before the Legislature on 08 JUL 2015

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

for the year ended 31 March 2014

GOVERNMENT OF MIZORAM

TABLE OF CONTENTS

Para No.	Title	Page
	<i>Preface</i>	v
	<i>Executive Summary</i>	vii
CHAPTER-I		
Finances of the State Government		
1.1	<i>Introduction</i>	2
1.2	<i>Budget Analysis</i>	5
1.3	<i>Resources of the State</i>	7
1.4	<i>Revenue Receipts</i>	10
1.5	<i>Capital Receipts</i>	17
1.6	<i>Public Account Receipts</i>	18
1.7	<i>Application of Resources</i>	18
1.8	<i>Quality of Expenditure</i>	27
1.9	<i>Financial Analysis of Government Expenditures and Investments</i>	30
1.10	<i>Assets and Liabilities</i>	35
1.11	<i>Debt Management</i>	39
1.12	<i>Fiscal Imbalances</i>	41
1.13	<i>Conclusion and Recommendations</i>	45
CHAPTER-II		
Financial Management and Budgetary Control		
2.1	<i>Introduction</i>	49
2.2	<i>Summary of Appropriation Accounts</i>	49
2.3	<i>Financial Accountability and Budget Management</i>	50
2.4	<i>Reconciliation of Departmental figures</i>	58
2.5	<i>Conclusion and Recommendations</i>	60
CHAPTER-III		
Financial Reporting		
3.1	<i>Utilisation Certificates</i>	63
3.2	<i>Submission of Accounts</i>	63
3.3	<i>Departmental Commercial Undertakings</i>	64
3.4	<i>Conclusion and Recommendations</i>	66

TABLE OF CONTENTS

Appendix Number	Title	Page
Appendix-1.1	<i>Part-A: Structure and Form of Government Accounts</i>	69
	<i>Part-B: Layout of Finance Accounts</i>	70
	<i>Part C: Methodology Adopted for the Assessment of Fiscal Position</i>	71
	<i>Part D: State Profile</i>	73
	<i>Part E: Outcome Indicators of the State's Own Fiscal Correction Path (FCP)</i>	74
Appendix-1.2	<i>Abstract of Receipts and Disbursements for the year 2013-14</i>	76
Appendix-1.3	<i>Assets and Liabilities of the Government of Mizoram as on 31 March 2014</i>	79
Appendix-1.4	<i>Time Series Data on State Government Finances</i>	81
Appendix-1.5	<i>Funds transferred directly to State Implementing Agencies</i>	84
Appendix-1.6	<i>Part-A: Statement showing Efficiency of Expenditure use in Selected Social and Economic Services</i>	87
	<i>Part-B: Statement showing Efficiency of Expenditure use in Selected Social and Economic Services</i>	88
Appendix-2.1	<i>Statement of various grants/appropriations where savings were more than ₹ one crore each or more than 12 per cent of the total provision</i>	89
Appendix-2.1A	<i>Statement of various grants/appropriations where savings were more than ₹ 10 crore and above or more than 12 per cent of the total provision</i>	91

TABLE OF CONTENTS

Appendix Number	Title	Page
Appendix-2.2	<i>Statement of various grants/appropriations where Expenditure against the approved provision was more than ₹ one crore each or more than 33 per cent of the total provision</i>	92
Appendix-2.3	<i>Statement Showing unutilised provision of fund during 2013-14</i>	93
Appendix-2.4	<i>Unnecessary supplementary provision (₹ 10 lakh and above)</i>	94
Appendix-2.5	<i>Excessive/Inadequate supplementary provision (₹ 20 lakh and above)</i>	95
Appendix-2.6	<i>Excessive/Inadequate/Insufficient re-appropriation of funds (₹ 10 lakh and above)</i>	97
Appendix-2.7	<i>Results of review of substantial surrenders (more than 50 per cent of total provision) made during the year 2013-14</i>	98
Appendix-2.8	<i>Surrenders in excess of actual savings</i>	101
Appendix-2.9	<i>Unexplained surrender more than ₹ 10 lakh</i>	102
Appendix-2.10	<i>Details of savings not surrendered</i>	105
Appendix-2.11	<i>Rush of Expenditure</i>	106
	<i>Glossary of Abbreviations</i>	108

PREFACE

1. This Report has been prepared for submission to the Governor of Mizoram under Article 151 of the Constitution.
2. Chapters-I and II of the Report contain audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts respectively, of the State Government for the year ended 31 March 2014. Information has been obtained from Government of Mizoram wherever necessary.
3. Chapter-III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives during the current year.
4. The Report containing the findings of performance audit and audit of transactions in various Departments and observations arising out of audit of Statutory Corporations, Boards and Government Companies and observations on Revenue Receipts are presented separately.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

This Report on the Finances of the Government of Mizoram is being brought out with a view to assess objectively the financial performance of the State during the year 2013-14. The aim of this Report is to provide the State Government with timely inputs based on actual data so that there is a better insight into both well performing as well as ill performing schemes/programmes of the Government. In order to give a perspective to the analysis, an effort has been made to compare the achievements with the targets envisaged by the State Government in Fiscal Responsibility and Budget Management Act, 2006 as well as in the Budget Estimates of 2013-14 and projections made by Thirteenth Finance Commission.

The Report

Based on the audited accounts of the Government of Mizoram for the year ending March 2014, this Report provides an analytical review of the Annual Accounts of the State Government. The Report is structured in three Chapters.

Chapter-I is based on the audit of Finance Accounts and makes an assessment of Mizoram Government's fiscal position as on 31 March 2014. It provides an insight into trends in committed expenditure, borrowing pattern besides a brief account of central funds transferred directly to the State Implementing Agencies.

Chapter-II is based on the audit of Appropriation Accounts and gives the grant-by-grant description of appropriations and the manner in which the allocated resources

were managed by the service delivery Departments.

Chapter-III is an inventory of Mizoram Government's compliance with various reporting requirements and financial rules.

The report also has appendices of additional data collated from several sources in support of the findings and at the end gives a glossary of selected terms related to State economy, used in this report.

Audit findings

Revenue Receipts

Revenue receipts increased by ₹ 228.11 crore (5.03 *per cent*) over the previous year mainly due to increase in Grants-in-Aid (₹ 167.89 crore). The revenue receipt (₹ 4,764.85 crore) was lower by ₹ 274.57 crore (5.45 *per cent*) than the assessment of the State Government in its Fiscal Correction Path (FCP) (₹ 5,039.42 crore).

Revenue Expenditure and Capital Expenditure

Revenue expenditure increased by ₹ 408.07 crore (9.05 *per cent*) while capital expenditure decreased by ₹ 8.15 crore (1.34 *per cent*) over the previous year. Revenue expenditure was higher by ₹ 259.37 crore (5.57 *per cent*) over the assessment made by the State Government in its FCP (₹ 4,657.61 crore) while, capital expenditure was higher by ₹ 281.19 crore (32.67 *per cent*) over the projection made by the State Government in its FCP (₹ 451.80 crore)

EXECUTIVE SUMMARY

The total expenditure of the State increased progressively from ₹ 3,300.44 crore in 2009-10 to ₹ 5,547.09 crore in 2013-14 at an annual average rate of 13.61 per cent and increased by 7.78 per cent from ₹ 5,146.71 crore in 2012-13 to ₹ 5,547.09 crore in 2013-14. Of the total expenditure during 2013-14, the revenue expenditure (₹ 4,916.98 crore) constituted 88.64 per cent while capital expenditure (₹ 599.40 crore) constituted 10.81 per cent and loans and advances (₹ 30.71 crore) constituted 0.55 per cent.

The breakup of total expenditure in terms of plan and non-plan expenditure during 2013-14 reveals that while the share of plan expenditure of ₹ 2,312.59 crore constituted 41.69 per cent of the total expenditure, the remaining 58.31 per cent (₹ 3,234.50 crore) was non-plan expenditure. Moreover, out of the increase of ₹ 400.38 crore in total expenditure in 2013-14, plan expenditure constituted 3.57 per cent (₹ 14.31 crore) while non-plan expenditure contributed 96.43 per cent (₹ 386.07 crore).

Fiscal liabilities

The overall fiscal liabilities of the State increased at an average annual rate of 10.92 per cent during the period 2009-14. During the current year, the overall fiscal liabilities of the State Government increased by ₹ 494.27 crore (9.66 per cent) from ₹ 5,114.20 crore in 2012-13 to ₹ 5,608.47 crore in 2013-14. The increase in fiscal liabilities was mainly due to increase in the Public Account liabilities by ₹ 495.69 crore and Internal Debt by ₹ 185.38 crore, offset by a decrease in

Loans and Advances by ₹ 186.80 crore. *The ratio of fiscal liabilities to GSDP has decreased from 63.51 per cent in 2012-13 to 54.47 per cent in 2013-14. However, the ratio of fiscal liabilities to revenue receipts increased from 112.73 per cent in 2012-13 to 117.71 per cent in 2013-14 and with respect to Own resources it increased from 1,173.12 per cent in 2012-13 to 1,322.63 per cent in 2013-14. The buoyancy of these liabilities with respect to GSDP during the year was 0.35. However, with respect to revenue receipts it was 1.92 indicating that for each one per cent increase in revenue receipts, fiscal liabilities grew by 1.92 per cent. The buoyancy of fiscal liabilities with respect to own resources was (-) 3.54. Against the target of 79.20 per cent set by the XIII FC for the current year, the outstanding fiscal liabilities of the State at the end of the year 2013-14 stood at 54.47 per cent of GSDP.*

Investment and Returns

As of 31 March 2014, Government had invested ₹ 22.27 crore in Government Companies and Co-operative Bank, Societies, etc. out of which an amount of ₹ 4.92 crore was invested in Government Companies and ₹ 17.35 crore was invested in Co-operative Bank, Societies, etc. During the current year, the State Government invested ₹ 97 lakh in Government Companies and ₹ 11.92 lakh in Consumer Co-operatives. No dividend was received during 2013-14. *The average return on this investment was Nil in the last five years while the Government paid an average interest rate ranging from 2.60 per cent to 7.02 per cent on its borrowings during 2009-14.*

EXECUTIVE SUMMARY

Debt sustainability

During the current year, the sum of quantum spread and primary deficit remained positive indicating that the debt-GSDP ratio is stable. The sum of quantum spread and primary deficit increased considerably by ₹ 561.54 crore from ₹ 127.09 crore during 2012-13 to ₹ 688.63 crore during 2013-14, which was attributable to increase in quantum spread (quantum spread increased due to increase in the growth rate of GSDP) in 2013-14 to ₹ 1,153.25 crore as compared to quantum spread of ₹ 419.82 crore in 2012-13. This indicated improved debt stability *vis-à-vis* GSDP during the current year (mainly due to high growth rate of GSDP in 2013-14) compared to the previous year and hence the debt-GSDP ratio would eventually be falling in the upcoming years if the growth rate of GSDP is sustained at the current level.

Widening of the resource gap from a (-) ₹ 102.27 crore during 2012-13 to () ₹ 168.63 crore during 2013-14 indicates depreciating capacity of the State to sustain the debt from the non-debt receipts in the medium to long run. This also meant the State had to depend on borrowed funds for meeting current revenue and capital expenditure.

Cash Balances

Cash balance of the State Government at the end of the current year decreased by ₹ 10.49 crore from ₹ 262.52 crore in 2012-13 to ₹ 252.03 crore in 2013-14. There was also a difference of ₹ 57.43 crore (net credit) at the end of the accounting year 2013-14 between the Cash Balance as worked out

by the Principal Accountant General and as reported by the Reserve Bank of India. This difference is mainly due to erroneous reporting by the accredited banks to the Reserve Bank of India, Nagpur which is responsible for maintaining the Cash Balance of the State Government.

Fiscal Imbalances

Due to increase of ₹ 400.38 crore in total expenditure in 2013-14 over the previous year, the position of both fiscal deficit and primary deficit also deteriorated. While fiscal deficit increased by ₹ 168.63 crore, primary deficit had increased by ₹ 172.28 crore over the previous year.

Financial Management and Budgetary

Control: The estimates of receipts and expenditure under Consolidated Fund, Contingency Fund and Public Account were prepared without adequate and due diligence in observing prescribed budgetary regulations.

Non-maintenance of Budget calendar, poor verification of departmental figures *etc.*, indicate absence of financial control. Besides, failure to put in place control mechanisms, huge excess expenditure over budget provisions, non-utilisation of budget provisions and persistent savings *etc.* were noticed.

During 2013-14, an expenditure of ₹ 6,613.50 crore was incurred against the total grants and appropriations of ₹ 8,055.81 crore, resulting in savings of ₹ 1,442.31 crore. The overall savings of ₹ 1,442.31 crore were the net result of savings of ₹ 1,942.42 crore

EXECUTIVE SUMMARY

which was offset by excess of ₹ 500.11 crore. The excess requires regularisation under Article 205 of the Constitution of India. Moreover, it was seen that at the close of the financial year 2013-14, there were six grants/appropriations in which savings of ₹ 3.08 crore (0.16 per cent of the total savings) occurred but no part of the available savings was surrendered by the concerned Departments.

Out of the total provision amounting to ₹ 1,793.58 crore in 62 Schemes, an amount of ₹ 1,653.59 crore was surrendered which included 100 per cent surrender in 32 Schemes amounting to ₹ 1,157.84 crore.

In 19 cases, as against savings of ₹ 285.13 crore, an amount of ₹ 295.94 crore was surrendered resulting in excess surrender of ₹ 10.81 crore. Injudicious re-appropriation proved excessive or insufficient and resulted in savings/excess of over ₹ 10 lakh and above in 30 sub-heads.

Financial Reporting: At the end of March 2014, an amount of ₹ 2,774.19 crore remained outstanding for want of Utilisation Certificates. The annual accounts of Mizoram Khadi & Village Industries Board (MKVIB) for the year 2011-12 have been furnished. In the absence of the annual accounts, proper account/utilisation of the grants and loans disbursed to the above mentioned Autonomous Bodies remained unverified. In spite of repeated comments about the arrears in preparation of accounts of two Commercial Undertakings by the Comptroller and Auditor General of India in previous State reports, no improvement has been reported by the undertakings. In the absence of timely

finalisation of accounts, the investment of the Government remained outside the scrutiny of Audit/State Legislature. Consequently, corrective measures, if any, needed for ensuring accountability could not be taken in time.

Recommendations

Revenue Receipts: *The State Government should mobilize additional resources both through tax and non-tax sources by expanding the tax base and rationalizing user charges. It should also make efforts to collect revenue arrears. Efforts should also be made to increase tax compliance, reduce tax administration costs, etc. so that deficits are contained. The State Government should ensure that the Government of India releases all grants due to the State by taking timely action on all conditionalities that are pre-requisite to the release. There is an urgent need to improve collection of tax and non-tax revenues so that dependence on borrowed funds could be reduced.*

Prioritisation of Expenditure: *The Government should also focus on expenditure management to bring about qualitative improvement in the public spending. The State Government should initiate action to restrict the components of non-plan revenue expenditure by phasing out implicit subsidies and resort to need-based borrowings to curb interest and principal payments. In view of the improvement achieved in revenue surplus and reduction of fiscal deficit, the State Government should put in place more stringent fiscal reforms measures to maintain a sustainable space to provide scope for*

EXECUTIVE SUMMARY

fiscal stability. As such there is an urgent need to apply due prudence in expenditure pattern so that the resource gap remains within manageable controls of the fiscal capability of the State. The increasing revenue expenditure should be curtailed as it poses a threat to the State Government's capability to maintain revenue surplus and to build up the accumulated revenue surplus for financing the capital investment. In order to meet the yearly increments of revenue expenditure, the Government has to generate its own resources.

Debt Sustainability: *Recourse to borrowed funds in future should be carefully assessed and managed so that the recommendations of the Thirteenth Finance Commission to bring Fiscal Liabilities-GSDP ratio to around 25 per cent could be achieved by 2014-15. Maintaining a calendar of borrowings to avoid bunching towards the end of the fiscal year will ensure that market borrowings are sourced optimally. A clear understanding of the maturity profile of debt payments will go a long way in prudent debt management.*

Government Investments: *A performance-based system of accountability should be put in place in the Government Companies/ Statutory Corporations so as to ensure profitability and improve efficiency in service. The Government should ensure better value for money in investments by identifying the Companies/Corporations which are endowed with low financial but high socio-economic returns and justify the use of high cost borrowed funds for non-revenue generating investments*

through a clear and transparent guideline. The Government should have a re-look on the re-structuring of the loss-making Companies so as to curb the increasing debt burden of the Government.

Market Borrowings: *Strict monitoring and proper accounting by the Government is required to check the utilisation of market borrowing for generating capital assets.*

Financial Management and Budgetary control: *Government should put in place an effective mechanism to ensure financial discipline and prepare realistic budget. Budgetary controls should be strengthened in all the Government Departments where savings/excesses persisted for the last three years. Issuance of Re-appropriation/ surrender orders at the end of the year should be avoided. Provision of funds through supplementary provisions should be used as an instrument to fine-tune the flow of expenditure and should be applied in a judicious manner so that budget provisions and actual expenditure are convergent to each other as nearest as possible.*

A close and rigorous monitoring mechanism should be put in place by the DDOs to adjust the Abstract Contingent Bills within thirty days from the date of drawal of the amount.

Financial Reporting: *Finance Department should ensure strict compliance of codal provisions as well as its own instructions to honour Public Finance Accountability norms. The State Government should undertake regular monitoring and issue*

EXECUTIVE SUMMARY

necessary instructions to the concerned Departments for furnishing timely Utilisation Certificates. The Heads of Departments should ensure that the departmental undertakings prepare proforma accounts and submit the same to the Principal Accountant General for audit. Departmental inquiries in misappropriation/loss cases should be expedited to bring the defaulters to book. Internal Controls in all organisations should be strengthened to prevent such cases in future.

**FINANCES OF THE
STATE GOVERNMENT**

Profile of Mizoram

The State of Mizoram is located in the north-east of India. It is the 25th largest State in terms of geographical area (21,081 sq.km.) and the 2nd least populous State in the country. As indicated in **Appendix-1.1**, the State's population increased from 8,88,573 in 2001 to 10,97,206 in 2011 recording a decadal growth of 23.48 *per cent*. The percentage of population below the poverty line was lower (20.40 *per cent*) than the all-India average (21.92 *per cent*)¹. The State's Gross State Domestic Product (GSDP) in 2013-14 at current prices was ₹ 10,296.98 crore. The State's literacy rate increased from 88.80 *per cent* (as per 2001 census) to 91.33 *per cent* (as per 2011 census). The per capita income of the State (*Source: Directorate of Economics & Statistics, Mizoram*) stands at ₹ 76,120.00 during 2013-14. General data relating to the State is given in **Appendix-1.1**.

Gross State Domestic Product (GSDP)

GSDP is the market value of all officially recognised final goods and services produced within the State in a given period of time. The growth of GSDP of the State is an important indicator of the State's economy as it indicates the standard of living of the State's population. The trends in the annual growth of India's GDP and the State's GSDP at current prices are indicated below:

Table-1.1: Trends in the annual growth of India's GDP and State's GSDP at current prices

Year	2009-10	2010-11	2011-12	2012-13	2013-14
India's GDP (₹ in crore)	61,08,903.00	72,66,967.00	83,53,495.00	94,61,013.00	1,04,72,807
Growth rate of GDP (percentage)	15.18	18.96	14.95	13.26	10.69
State's GSDP (₹ in crore)	5,619.41	6,057.70	6,991.40	8,053.09	10,296.98
Growth rate of GSDP (percentage)	20.91	7.80	15.41	15.19	27.86

Annual growth rate of GDP and GSDP at current prices

Source : Directorate of Economics and Statistics, Government of Mizoram and http://planningcommission.nic.in/data/datatable/0814/table_14.pdf

Gross State Domestic Product (GSDP) at current prices during the year 2013-14 was ₹ 10,296.98 crore (Projected Figure) (**Appendix-1.1 Part-D**). GSDP of the State registered a higher growth of 27.86 *per cent* in 2013-14 as against a growth of 15.19 *per cent* in 2012-13.

The State Government presented its Budget for 2013-14 with the expectation of a high growth over the medium term and sustaining the double digit growth achieved during 2012-13.

¹ Press Note on Poverty Estimates, 2011-12, Planning Commission (July 2013)

Following the recommendations of the Thirteenth Finance Commission (XIII FC), the State Government in their Budget 2013-14, is committed to work within the optimum mix of economic growth and fiscal consolidation for long term fiscal stability.

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account (**Appendix-1.1 Part-A**). The annual accounts of the State Government consist of Finance Accounts and Appropriation Accounts. The Finance Accounts of the Government of Mizoram are laid out in nineteen statements, the layouts of which are depicted in **Appendix-1.1 Part-B**. The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are shown in **Appendix-1.1 Part-C**.

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

1.1 Introduction

1.1.1 Summary of Fiscal Transactions in 2013-14

Table 1.2 presents a summary of the State Government's fiscal transactions during the current year (2013-14) *vis-à-vis* the previous year (2012-13), while **Appendix 1.2** provides details of receipts and disbursements as well as the overall fiscal position during the current year.

Table-1.2: Summary of fiscal transactions in 2013-14

Receipts	2012-13	2013-14	Disbursements	2012-13	2013-14		
					Non-Plan	Plan	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Section-A: Revenue							
Revenue Receipts	4,536.74	4,764.85	Revenue Expenditure	4,508.91	3,120.14	1,796.84	4,916.98
Tax Revenue	223.15	229.78	General Services	1,420.56	1,595.54	91.08	1,686.62
Non-Tax Revenue	212.80	194.26	Social Services	1,652.21	829.93	993.71	1,823.64
Share of Union Taxes/ Duties	785.95	858.08	Economic Services	1,436.14	694.67	712.05	1,406.72
Grants from Government of India	3,314.84	3,482.73	Grants-in-Aid and Contributions	---	---	---	---

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Section-B: Capital							
Misc. Capital Receipts	---	---	Capital Outlay	607.55	114.36	485.04	599.40
Recoveries of Loans and Advances	29.48	33.11	Loans and Advances disbursed	30.25	---	---	30.71
Public Debt Receipts	420.28	955.24	Repayment of Public Debt	286.05	---	---	956.66
Contingency Fund	---	---	Contingency Fund	---	---	---	---
Public Account Receipts	3,055.71	3,435.47	Public Account Disbursement	2,677.00	---	---	2679.93
Opening Cash Balance	(-) 194.97	(-) 262.52	Closing Cash Balance	(-) 262.52	---	---	(-) 257.53
Total	7,847.24	8,926.15	Total	7,847.24	---	---	8,926.15

Source: Finance Accounts for the years 2012-13 and 2013-14

The following are the significant changes during 2013-14 over the previous year:

- **Revenue receipts** increased by ₹ 228.11 crore (5.03 per cent) over the previous year mainly due to increase in Grants-in-Aid (₹ 167.89 crore). The revenue receipt (₹ 4,764.85 crore) was lower by ₹ 274.57 crore (5.45 per cent) than the assessment of the State Government in its Fiscal Correction Path (FCP) (₹ 5,039.42 crore).
- **Revenue expenditure** increased by ₹ 408.07 crore (9.05 per cent) while **capital expenditure** decreased by ₹ 8.15 crore (1.34 per cent) over the previous year. Revenue expenditure was higher by ₹ 259.37 crore (5.57 per cent) over the assessment made by the State Government in its FCP (₹ 4,657.61 crore) while, capital expenditure was higher by ₹ 281.19 crore (32.67 per cent) over the projection made by the State Government in its FCP (₹ 451.80 crore).
- **Disbursement of loans and advances** increased by ₹ 0.46 crore (1.52 per cent) and recoveries of the same also increased by ₹ 3.63 crore (12.31 per cent) over the previous year.
- **Public Debt receipts** increased by ₹ 534.96 crore (127.29 per cent) and **repayments** also increased by ₹ 670.61 crore (234.44 per cent) over the previous year.
- **Public Account receipts** increased by ₹ 379.76 crore (12.43 per cent) and **disbursements** also increased by ₹ 2.93 crore (0.11 per cent) over the previous year.
- **Cash balance** of the State decreased by ₹ 4.99 crore (1.90 per cent) over the previous year, however, the investments from cash balances decreased by ₹ 26.18 crore from ₹ 291.51 crore in 2012-13 to ₹ 265.33 crore in 2013-14.

1.1.2 Review of the fiscal situation

As per the Mizoram Fiscal Responsibility and Budget Management (MZFRBM) Act, 2006, the State Government prepares a Medium Term Fiscal Policy Statement (MTFPS) showing the rolling fiscal targets, each year for placement in the State Assembly.

In line with the recommendation of the XIII FC, Mizoram Fiscal Responsibility and Budget Management (MZFRBM) Act, 2006 has been amended from time to time as given below:

- (1) As per the Second Amendment Act, 2010 dated 19 October 2010, sub-section (2) of Section 6 of the Principal Act envisages to reduce fiscal deficit to 3 *per cent* of the estimated Gross State Domestic Product by 2014-15. Further sub-section (4) of Section 6 of the principal Act also envisages to reduce fiscal deficit annually at a percentage of Gross State Domestic Product so as to reach the above goal with the following rates of annual reduction – 8.50 *per cent* in base year 2010-11, 6.40 *per cent* in 2011-12, 5.20 *per cent* in 2012-13, 4.10 *per cent* in 2013-14 and 3 *per cent* in 2014-15.
- (2) As per the Third Amendment Act, 2011 (Act No. 4 of 2011) dated 29 March 2011 sub-section (5) of Section 6 of the Principal Act envisages to reduce total outstanding debt at a percentage of Gross State Domestic Product so as to reach the annual target of 87.30 *per cent* in 2010-11, 85.70 *per cent* in 2011-12, 82.90 *per cent* in 2012-13, 79.20 *per cent* in 2013-14 and 74.80 *per cent* in 2014-15.

The performance of the State during 2013-14 in terms of fiscal targets fixed for selected variables laid down in the FRBM Act, MTFPS and the Fiscal Correction Path (FCP) *vis-à-vis* achievement is given in the table below:

Table-1.3: Trends in major fiscal parameters/variables *vis-à-vis* projections for 2013-14

(₹ in crore)

Fiscal variables	2013-14				
	XIII FC targets for the State	Target as prescribed in FRBM Act	Targets proposed in the Budget	Projections made in MTFP	Actual
Revenue Deficit/ Surplus	Maintain revenue surplus throughout 13 th Finance Commission award period	Maintain revenue surplus throughout 13 th Finance Commission award period	(+) 381.81	(+) 381.81	(-) 152.13
Fiscal Deficit/ GSDP (<i>per cent</i>)	3 <i>per cent</i> of GSDP by 2014-15	4.10 <i>per cent</i> of GSDP in 2013-14	0.80	0.80	7.28 <i>per cent</i> of GSDP
State's Outstanding Liabilities	Reduce total outstanding debt at a percentage of Gross Domestic Products so as to reach the annual target of 68 <i>per cent</i> by 2014-15	Reduce total outstanding debt at a percentage of Gross Domestic Products so as to reach the annual target of 79.20 <i>per cent</i> in 2013-14	4,582.85	4,582.85	5,608.47 (54.47 <i>per cent</i> of GSDP)

The State failed to maintain revenue surplus as per the target set in the FRBM Act. Against the target of ₹ 381.81 crore revenue surplus set in FCP and MTFPS, there was a revenue deficit of ₹ 152.13 crore in the current year. The State Government should therefore, endeavour to get back to revenue surplus as envisaged in the XIII FC.

The fiscal deficit during the current year could not be kept within the limit set in the Thirteenth Finance Commission for Mizoram. The fiscal deficit in 2013-14 was ₹ 749.13 crore which was ₹ 675.49 crore higher than the assessment made in the FCP and MTFPS (₹ 73.64 crore) and the fiscal deficit increased by ₹ 168.64 crore during 2013-14 in comparison to 2012-13. The increase in fiscal deficit in the current year was mainly due to increase in revenue expenditure by ₹ 408.07 crore and decrease in the State's own revenue by ₹ 11.91 crore over the previous year. Since the State's own revenue has decreased during the current year, the Government should make efforts of increasing the revenue receipt without relying on the devolution of funds from the Central Government and also by reducing non-plan revenue expenditure so as to confine the fiscal deficit to the target set for the State.

While the State's outstanding liabilities (₹ 5,608.47 crore) in 2013-14 were within the prescribed limit of 79.20 *per cent* of GSDP as per MZFRBM Act, these were more than the assessment of ₹ 4,582.85 crore made in FCP by ₹ 1,025.62 crore (22.38 *per cent*). The State's outstanding liabilities increased by ₹ 494.27 crore (9.66 *per cent*) in the current year over 2012-13. The State Government should pursue a sustainable debt management policy to restrict the State's outstanding liabilities within the annual prescribed limit.

1.2 Budget Analysis

1.2.1 Budget Estimates and Actual

The budget papers presented by State Government provide descriptions of projections or estimates of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Deviations from the budget estimate are indicative of non-attainment and non-optimisation of the desired fiscal objectives due to a variety of causes, some within the control of the Government and some beyond the control of the Government.

Table-1.4 and Chart-1.1 present the consolidated picture of budget estimate *vis-à-vis* actual of the State Finances during 2013-14.

Table-1.4: Variation in major items – 2013-14 Actual over 2013-14 Budget Estimate & Revised Estimate

(₹ in crore)

Parameters	2013-14			Percentage of excess (+)/ shortfall (-) w.r.t. Revised Estimate
	Budget Estimate	Revised Estimate	Actual	
Tax Revenue	222.25	234.82	229.78	(-) 2.15
Non-Tax Revenue	266.00	251.78	194.26	(-) 22.85
Revenue Receipts	5039.42	5528.96	4764.85	(-) 13.82
Non-Debt Capital Receipts	5066.97	5556.50	4797.96	(-) 13.65
Revenue Expenditure	4657.61	6145.02	4916.98	(-) 19.98
Interest Payment	248.49	282.47	284.50	(+) 0.72
Capital Expenditure	451.80	967.95	599.40	(-) 38.08
Disbursement of Loans and Advances	31.20	55.95	30.71	(-) 45.11
Revenue Deficit/Surplus	(+) 381.81	(+) 616.06	(-) 152.13	(-) 124.69
Fiscal Deficit/Surplus	(-) 73.64	(-) 1612.42	(-) 749.13	(-) 53.54
Primary Deficit/Surplus	(+) 174.85	(-) 1329.95	(-) 464.63	(-) 65.06

The Chart below presents the budget estimate and actual for some important fiscal parameters during 2013-14.

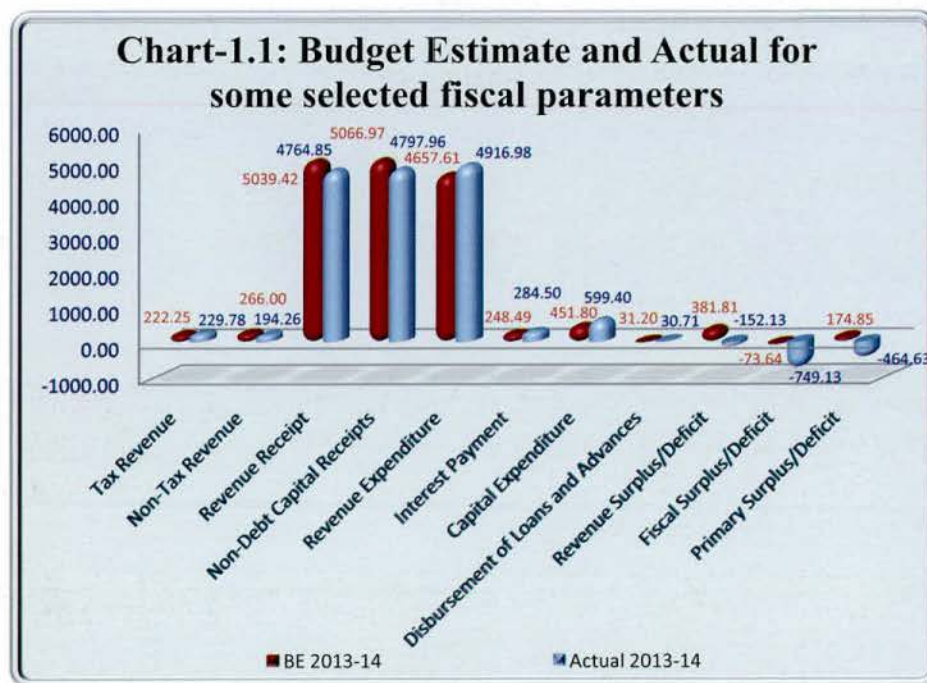


Chart-1.1 depicts that revenue receipts were lower by ₹ 274.57 crore over the estimated amount of ₹ 5,039.42 crore. Revenue expenditure was higher by ₹ 259.37 crore over the estimated amount of ₹ 4,657.61 crore. Against the estimate of revenue surplus of ₹ 381.81 crore, there was revenue deficit of ₹ 152.13 crore during 2013-14. The fiscal deficit during the current

year was higher by ₹ 675.49 crore over the estimated fiscal deficit of ₹ 73.64 crore while there was primary deficit of ₹ 464.63 crore during 2013-14 against the estimated primary surplus of ₹ 174.85 crore respectively. The key parameters of deficit indications viz. Revenue Deficit, Fiscal Deficit and Primary Deficit were way off the budget projections.

1.2.2 Reforms/Measures in Tax Administration

The Thirteenth Finance Commission introduced new roadmaps for fiscal consolidation of the State by projecting the growth rate of the State's GSDP at 9.70 *per cent* during 2010-11, 10.05 *per cent* in 2011-12, 10.35 *per cent* in 2012-13 and 10.34 *per cent* during the current year. In order to augment the State's own revenues, the State Government introduced various new tax policies as discussed below:

Tax Measures

- (a) **Mizoram Development Tax:** The Law Department & Taxation Department has undertaken initiatives to introduce Mizoram Development Tax on the lines of Income Tax currently levied by the Central Government.
- (b) **Entry Tax:** The State Government has also proposed to levy Entry Tax to the Aizawl Municipal Area.
- (c) **Mizoram Entertainment Tax:** Amendment of the Mizoram Entertainment Tax was being proposed for augmentation of the tax base.
- (d) **Presumptive Tax:** Presumptive Tax was proposed to be collected from contractors across the state on slab basis.

Non-Tax Measures

- (a) **Cess:** Initiative was undertaken to collect Cess on Road Tax, Property Tax, Water Supply, State Lottery and Petroleum Products.

1.2.3 Reduction in Revenue Expenditure

In order to contain and reduce non-productive expenditure, the State Government has introduced Special Voluntary Retirement Scheme for Teachers for reduction of expenditure on Salary and its related items. Also, restriction on tour outside the State is being imposed with an exception of prior permission of Chief Secretary.

1.3 Resources of the State

1.3.1 Resources of the State as per Annual Finance Accounts

Revenue and Capital are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of Union taxes and duties and grants-in-aid from the Government of India (GoI). Capital receipts

comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from the GoI. Besides, the funds available in the Public Accounts after disbursement is also utilised by the Government to finance its deficit. **Chart-1.2** presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts while **Chart-1.3** depicts the trends in various components of the receipts of the State during 2009-14. **Chart-1.4** depicts the composition of resources of the State during the current year. The components and sub-components of the resources are shown in the flowchart given below:

Chart-1.2: Components and sub-components of resources

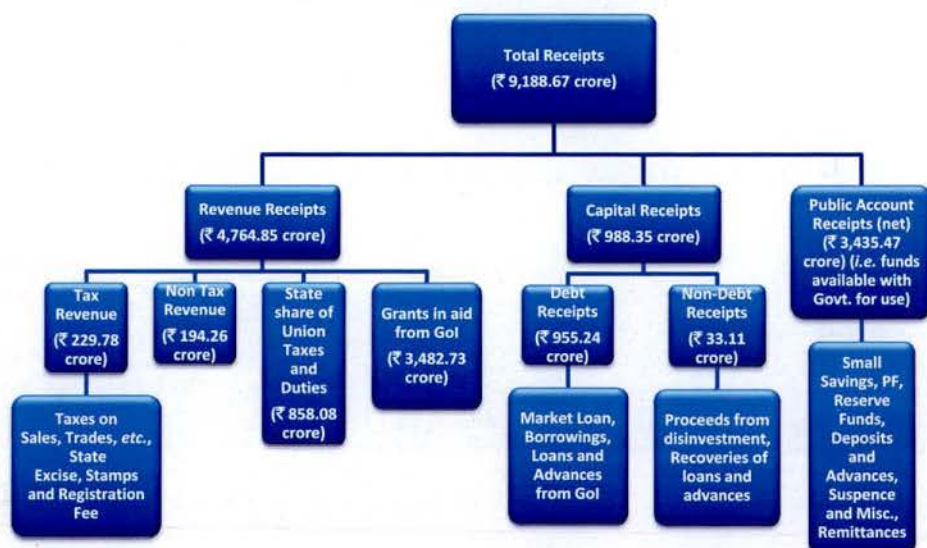
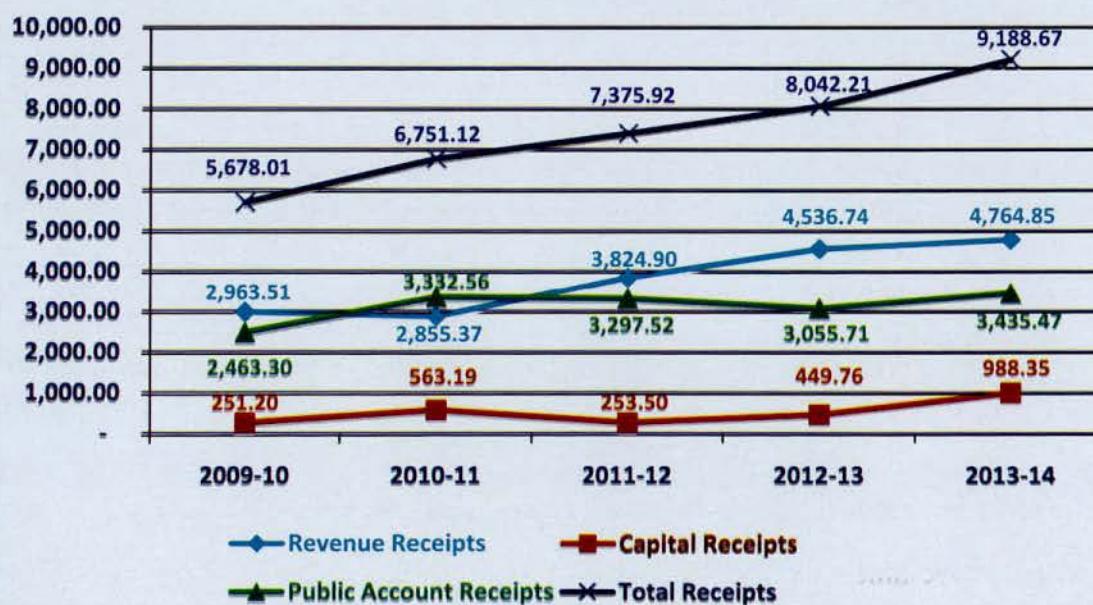


Chart-1.3: Trends in Receipts



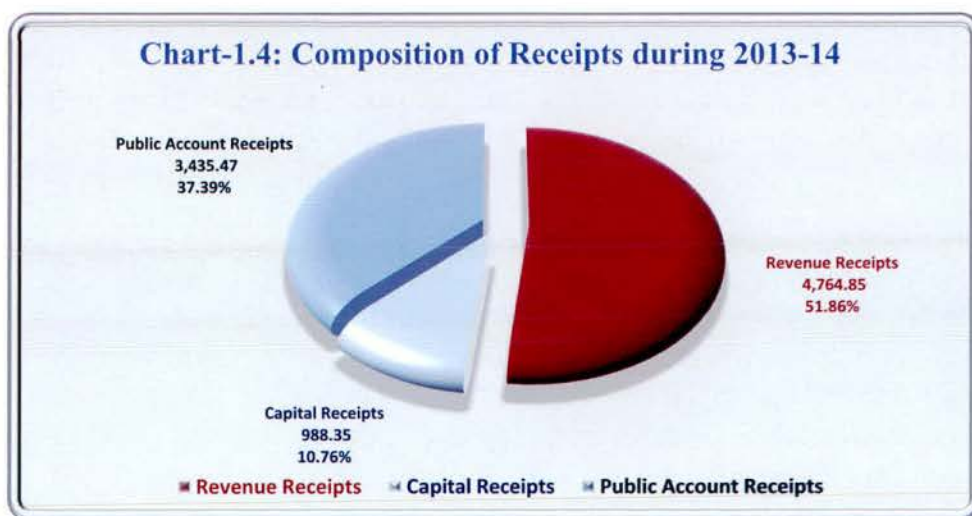


Table-1.5: Trends in growth and composition of total receipts

(₹ in crore)

Sources of State's Receipts	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Receipts	2,963.51	2,855.37	3,824.90	4,536.74	4,764.85
Capital Receipts	251.20	563.19	253.50	449.76	988.35
Contingency Fund Receipts	0.00	0.00	0.00	0.00	0.00
Public Account Receipts	2,463.30	3,332.56	3,297.52	3,055.71	3,435.47
Total Receipts	5,678.01	6,751.12	7,375.92	8,042.21	9,188.67

The total receipts of the State Government for 2013-14 were ₹ 9,188.67 crore of which ₹ 4,764.85 crore (51.86 *per cent*) came from revenue receipts and balance ₹ 4,423.82 crore (48.14 *per cent*) from Public Account and Capital Receipts.

The share of revenue receipt of the State to total receipts in 2013-14 was 51.86 *per cent* and depicted inter year fluctuations during the period 2009-14 ranging from 42.29 *per cent* to 56.41 *per cent*. On the other hand, the Capital Receipts together with Public Account receipts ranged from 43.59 *per cent* to 57.71 *per cent* of total receipts during 2009-14. Revenue receipts decreased from ₹ 2,963.51 crore in 2009-10 to ₹ 2,855.37 crore in 2010-11 followed by a steady increase in revenue receipts to ₹ 4,764.85 crore during the current year. The Capital receipts which create future repayment obligation with inter-year fluctuation increased from ₹ 251.20 crore (four *per cent* of total receipts) in 2009-10 to ₹ 988.35 crore (eleven *per cent* of total receipts) during 2013-14. The percentage share of Public Account receipts showed inter-year variation ranging from 37.39 *per cent* to 49.36 *per cent* of total receipts during 2009-14 and stood at 37.39 *per cent* in the current year.

1.3.2 Funds Transferred to State Implementing Agencies outside the State Budgets

The Central Government has been transferring a sizeable quantum of funds directly to the State Implementing Agencies for the implementation of various schemes/programmes in the

social and economic sectors which are recognized as critical. As per the present mechanism, these funds are not routed through the State Budget/State Treasury System and hence do not find mention in the Finance Account of the State. As such, the annual Finance Account of the State does not provide a complete picture of the resources under the control of the State Government.

To present a holistic picture on the availability of aggregate resources, an attempt was made in audit to obtain the scheme-wise funds directly transferred to the State Implementing Agencies which aggregated to ₹ 1,985.88 crore (**Appendix-1.5**) for implementation of various Schemes. Of the directly transferred funds to various State Implementing Agencies during 2013-14, the following Schemes were given more than ₹ 50 crore during the year, viz., ₹ 520.00 crore (Special Plan Assistance), ₹ 300.00 crore (Special Central Assistance), ₹ 244.74 crore (National Rural Employment Guarantee Scheme), ₹ 106.58 crore (Sarva Shiksha Abhiyan), ₹ 70.04 crore (Integrated Watershed Management Programme), ₹ 55.34 crore (North Eastern Areas), ₹ 54.47 crore (Special Central Assistance Border Areas) and ₹ 51.05 crore (National Rural Health Mission).

1.4 Revenue Receipts

Statement 11 of the Finance Accounts depicts the revenue receipts of the Government. The revenue receipts consist of its own tax and non-tax revenues, central tax transfers and grants-in-aid from the GoI.

The trends and composition of revenue receipts over the period 2009-14 are presented in **Appendix-1.4** and also depicted in **Chart-1.5** and **1.6** respectively.

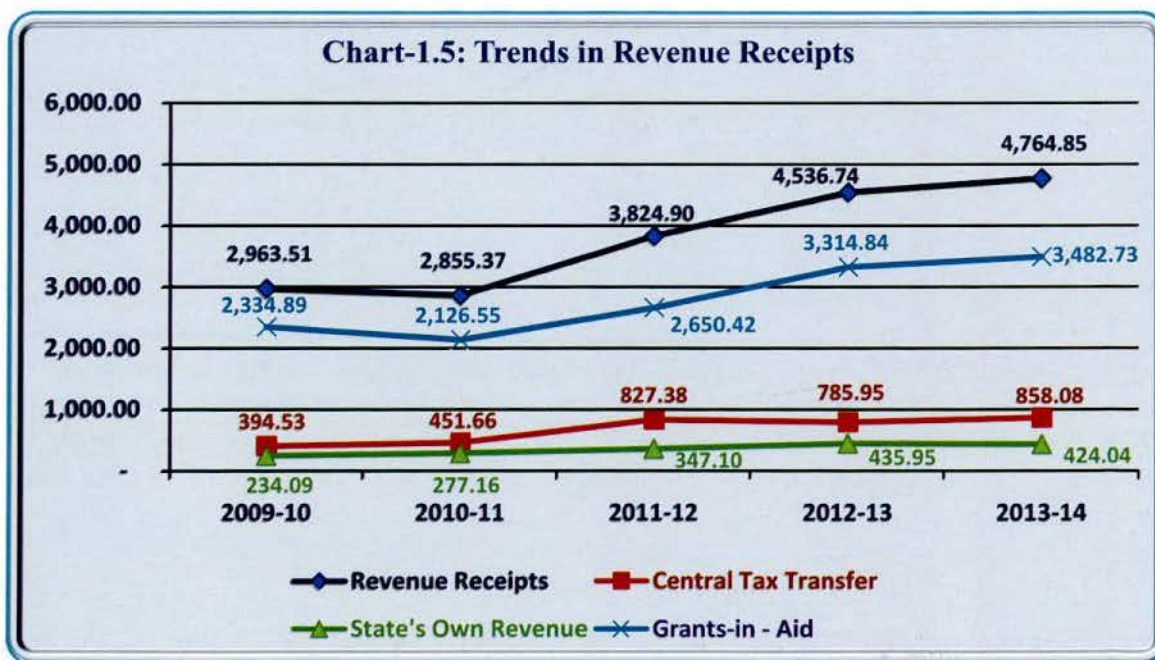


Chart-1.6: Composition of Revenue Receipts during 2009-14



During 2013-14, revenue receipts of the State increased by ₹ 228.11 crore (5.03 *per cent*) over the previous year. The revenue receipts of the State showed progressive growth from ₹ 2,963.51 crore in 2009-10 to ₹ 4,764.85 crore in 2013-14, except during 2010-11 when there was a drop in revenue receipts compared to previous year. About 91.10 *per cent* (₹ 4,340.81 crore) of revenue receipt have been contributed by central tax transfers and grants-in-aid together while only 8.90 *per cent* (₹ 424.04 crore) accrued from State's own resources during the year.

Tax Revenue:- Tax revenue constituted 4.82 *per cent* of the total revenue receipts and increased slightly by ₹ 6.63 crore during 2013-14 recording a growth rate of 2.97 *per cent* over the previous year. The percentage of tax revenue to total revenue receipts ranged between 3.63 to 4.92 *per cent* during 2009-14. The increase in tax revenue during 2013-14 over previous year was mainly due to increase in taxes on Sales, Trade, *etc.* by ₹ 7.47 crore (increase of 4.25 *per cent* over previous year) and taxes on Land Revenue by ₹ 1.50 crore (increase of 49.34 *per cent* over previous year) which was offset by a decrease in receipts under the Indian Motor Vehicles Act by ₹ 3.41 crore (decrease of 14.94 *per cent* over previous year).

Non-Tax Revenue:- Non-tax revenue constituted 4.08 *per cent* of total revenue receipts and decreased by ₹ 18.54 crore during 2013-14 recording a negative growth rate of 8.71 *per cent* over the previous year. The decrease in non-tax revenue during 2013-14 over previous year was mainly due to less receipts under Roads & Bridges (₹ 29.64 crore) and Power (₹ 2.21 crore), which was offset by a increase mainly due to more receipts in state lotteries (₹ 5.65 crore), more receipts from urban water supply schemes, fees, fines, *etc.* and other receipts (₹ 5.04 crore) and more interest receipts (₹ 1.07 crore).

Central Tax Transfer:- Central tax transfer increased by ₹ 72.13 crore from ₹ 785.95 crore in 2012-13 to ₹ 858.08 crore in 2013-14 and constituted 18.01 *per cent* of revenue receipts during the year. The increase was mainly due to increase in Service Tax by ₹ 25.00 crore (21.80 *per cent*), Taxes on Income other than Corporation Tax by ₹ 20.36 crore (12 *per cent*),

Union Excise Duties by ₹ 10.13 crore (11.41 *per cent*), Customs by ₹ 9.41 crore (7.20 *per cent*) and Corporation Tax by ₹ 6.26 crore (2.22 *per cent*).

Grants-in-Aid:- Grants-in-aid from the GoI increased by ₹ 167.89 crore (5.06 *per cent*) from ₹ 3,314.84 crore in 2012-13 to ₹ 3,482.73 crore in 2013-14 mainly due to increase in Non-Plan Grants by ₹ 84.44 crore (7.99 *per cent*), Grants for Central and Centrally Sponsored Plan Schemes by ₹ 72.02 crore (23.32 *per cent*) and Grants for State/Union Territory Plan Schemes by ₹ 39.19 crore (2.10 *per cent*) which was offset by a decrease in Grants for Special Plan Schemes by ₹ 27.76 crore (33.37 *per cent*).

The trends in revenue receipts relative to Gross State Domestic Product (GSDP) are presented in **Table-1.6**:

Table-1.6: Trends in revenue receipts relative to GSDP

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Receipts (RR) (₹ in crore)	2,963.51	2,855.37	3,824.90	4,536.74	4,764.85
Rate of growth of RR (<i>per cent</i>)	11.70	(-) 3.65	33.95	18.61	5.03
RR/GSDP (<i>per cent</i>)	52.74	47.14	54.71	56.34	46.27
Buoyancy Ratios²					
Revenue Buoyancy <i>w.r.t.</i> GSDP	0.56	(-) 0.47	2.20	1.23	0.18
State's Own Tax Buoyancy <i>w.r.t.</i> GSDP	0.66	2.72	2.42	1.62	0.11
Revenue Buoyancy with reference to State's own taxes	0.85	(-) 0.17	0.91	0.76	1.69

The revenue receipts exhibited a negative buoyancy *vis-à-vis* GSDP due to significantly lower growth rate of revenue receipts in comparison to the high growth rate of GSDP during the current year. The buoyancy of State's own taxes with reference to GSDP had declined from 2.72 during 2010-11 to 0.11 during 2013-14. Also, the Revenue Buoyancy *vis-à-vis* State's own taxes increased from 0.76 in 2012-13 to 1.69 in 2013-14 indicating that the increase in Revenue Receipts mostly resulted from increase in revenue other than State's Own Tax.

1.4.1 State's Own Resources

As the State's share in central taxes and grants-in-aid is determined on the basis of recommendations of the Finance Commission, the State's performance in mobilization of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

² Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 1.23 implies that revenue receipts tend to increase by 1.23 percentage points, if the GSDP increases by one *per cent*

The State's actual tax and non-tax receipts for the year 2013-14 *vis-à-vis* assessment made by the XIII FC and MTFP are given in **Table-1.7**:

Table-1.7: Tax Revenue and Non-Tax Revenue *vis-à-vis* XIII FC/FCP

(₹ in crore)

Parameters	Assessment made by XIII FC	Medium Term Fiscal Policy (MTFP)	Actual
State's own Tax Revenue	189.81	222.25	229.78
State's own Non-Tax Revenue	178.48	266.00	194.26

Source: Finance Accounts (2013-14), Thirteenth Finance Commission and Medium Term Fiscal Policy Statement (2013-14)

The above table indicates that tax revenue was higher by 21.06 per cent and 3.39 per cent over the normative assessment made in the XIII FC and FCP respectively. Also, the non-tax revenue was higher by 8.84 per cent over the assessment made in the XIII FC, however, it was lesser by 26.97 per cent over the normative assessment made in the FCP.

1.4.1.1 Tax Revenue

The sector-wise components of tax revenue is given in **Table-1.8**:

Table-1.8: Sector-wise component of tax revenue during 2009-14

(₹ in crore)

Name of component	Year					% increase/decrease over previous year
	2009-10	2010-11	2011-12	2012-13	2013-14	
Taxes on Sales and Trade, etc.	85.94	104.70	142.16	175.87	183.34	4.25
State Excise	2.10	2.39	2.31	2.83	3.11	9.89
Taxes on vehicles	6.71	7.72	16.71	22.83	19.42	(-) 14.94
Land Revenue	2.76	4.33	2.52	3.04	4.54	49.34
Stamps & Registration fees	0.39	0.34	0.69	0.64	1.52	137.50
Taxes on Goods & Passengers	1.39	1.72	2.05	3.77	2.63	(-) 30.24
Other Taxes	8.29	9.24	12.63	14.17	15.22	7.41
Total	107.58	130.44	179.07	223.15	229.78	2.97

Source: Statement 11 (Finance Accounts of the respective years) and Annual Financial Statement, 2013-14

The above table indicates that tax revenue increased by ₹ 6.63 crore from ₹ 223.15 crore in 2012-13 to ₹ 229.78 crore in 2013-14. The tax revenue of the State showed progressive

increase from ₹ 107.58 crore in 2009-10 to ₹ 229.78 crore in 2013-14 at an annual average rate of 22.72 *per cent*. Taxes on sales, trades, etc. (₹ 183.34 crore, 79.79 *per cent*) was the major source in the State's own tax during 2013-14 followed by taxes on vehicles (₹ 19.42 crore, 8.45 *per cent*), other taxes (₹ 15.22 crore, 6.22 *per cent*), taxes on land revenue (₹ 4.54 crore, 1.98 *per cent*), state excise (₹ 3.11 crore, 1.35 *per cent*), taxes on goods and passengers (₹ 2.63 crore, 1.14 *per cent*) and stamps & registration fees (₹ 1.52 crore, 0.66 *per cent*). Collection of taxes on sales, trades, etc. increased by ₹ 7.47 crore in 2013-14 over the previous year mainly due to increase in receipts of ₹ 37.92 crore under tax on sale of motor spirits and lubricants and of ₹ 12.55 crore under State Sales Tax Act which was offset by decrease in receipts of ₹ 21.22 crore under Central Sales Tax Act, of ₹ 19.55 crore under Other receipts and of ₹ 2.24 crore under Surcharge on Sales Tax.

1.4.1.2 Non-Tax Revenue

The composition of non-tax revenue for the year 2009-14 is given in **Table-1.9** below:

Table-1.9: Composition of Non-Tax Revenue during 2009-14

(₹ in crore)

Name of component	Year				2013-14			
	2009-10	2010-11	2011-12	2012-13	BE	Actuals	Variation of Actual over BE (in per cent)	% increase/decrease over previous year
General Services	18.05	23.19	9.14	11.48	15.33	18.99	23.87	65.42
Social Services	9.60	10.66	12.42	19.48	22.13	23.67	6.96	21.51
Economic Services	81.00	100.15	130.87	164.98	204.6	133.67	(-) 34.67	(-) 18.98
Interest received and dividends & profits	17.85	12.72	15.60	16.86	23.94	17.93	(-) 25.10	6.35
Total	126.50	146.72	168.03	212.80	266.00	194.26	(-) 26.97	(-) 8.71

Source: Statement 11 (Finance Accounts of the respective years) and Annual Financial Statement, 2013-14

The non-tax revenue, which constituted 4.08 to 5.14 *per cent* of the total revenue receipts during the last five years, decreased by ₹ 18.54 crore during the current year recording a decrease of 8.71 *per cent* over the previous year. There was steady increase in non-tax revenue from ₹ 126.50 crore during 2009-10 to ₹ 212.80 crore during 2012-13, however, it decreased to ₹ 194.26 crore in the current year. The major contributors in State's non-tax revenue during 2013-14 were Power (₹ 109.05 crore), Water Supply & Sanitation (₹ 19.54 crore), Interest received and Dividends & Profits (₹ 17.93 crore), Miscellaneous General Services (₹ 9.51 crore), Other Administrative Services (₹ 5.32 crore) and Roads and Bridges (₹ 5.22 crore).

There was variation of Actual figures over Budget Estimates on Economic Services by (-) 34.67 *per cent*, Interest received and Dividends & Profits by (-) 25.10 *per cent* and General Services by 23.87 *per cent*. Also, there was a huge shortfall in collection of non-tax revenue by (-) 26.97 *per cent* compared with Budget estimates.

1.4.2 Grants-in-Aid from GoI

Table-1.10 depicts the Grants-in-aid received from GoI during 2009-10 to 2013-14.

Table-1.10: Grants-in-aid received from GoI during 2009-10 to 2013-14

(₹ in crore)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Non-Plan Grants	725.33	724.97	797.24	1,057.17	1,141.61
Grants for State Plan Schemes	1,338.59	1,181.22	1,439.45	1,865.60	1,904.79
Grants for Central Plan Schemes	10.87	11.46	18.47	14.56	11.84
Grants for Centrally Sponsored Schemes	222.81	157.13	326.92	294.33	369.07
Grants for Special Plan Schemes	37.29	51.77	68.34	83.18	55.42
Total	2,334.89	2,126.55	2,650.42	3,314.84	3,482.73
Percentage of increase over previous year	15.79	(-) 8.92	24.63	25.07	5.06
Total grants as a percentage of Revenue Receipts	78.79	74.48	69.29	73.07	73.09

Source: Statement 11 (Finance Accounts of the respective years)

The Grants-in-aid from GoI increased by ₹ 167.89 crore (5.06 *per cent*) from ₹ 3,314.84 crore in 2012-13 to ₹ 3,482.73 crore which constituted 73.09 *per cent* of the total revenue receipts in 2013-14. Grants-in-aid increased during the current year largely due to increase in Non-Plan Grants by ₹ 84.44 crore (7.99 *per cent*), followed by Grants for Central and Centrally Sponsored Plan Schemes by ₹ 72.02 crore (23.32 *per cent*) and Grants for State Plan Schemes by ₹ 39.19 crore (2.10 *per cent*) which was offset by a decrease in Grants for Special Plan Schemes by ₹ 27.76 crore (33.37 *per cent*).

1.4.3 Central Tax Transfers

As per the XIII FC, the share of net proceeds of shareable central taxes shall be 32 *per cent* in each of the financial years from 2010-11 to 2014-15. Further, the share of Mizoram in the net proceeds of all shareable central taxes during the period is fixed at 0.269 *per cent* for all shareable taxes except Service Tax for which it is fixed at 0.273 *per cent*. Table-1.11 gives the position of Central Tax transfers during 2013-14 with reference to the target fixed by the XIII FC.

Table-1.11: Central Tax Transfers during 2013-14 vis-à-vis XIII FC

(₹ in crore)

Revenue Head	Target as per XIII FC	2012-13	2013-14	Percentage variation of Actual over XIII FC	Percentage variation of Actual over previous year
Corporation Tax	358.76	282.36	288.62	(-) 19.55	2.22
Income other than Corporation Tax	157.70	169.04	190.05	20.51	12.43
Customs	136.95	130.62	140.03	2.25	7.20
Union Excise Duties	148.80	88.77	98.90	(-) 33.53	11.41
Service Tax	92.18	114.69	139.69	51.54	21.80
Taxes on Wealth	0.59	0.48	0.79	33.90	64.58
Total of Central Tax Transfers	894.98	785.95	858.08	(-) 4.12	9.18

The Central Tax transfers increased by ₹ 72.13 crore (9.18 per cent) from ₹ 785.95 crore in 2012-13 to ₹ 858.08 crore in 2013-14. The increase was largely contributed by an increase in Service Tax (₹ 25 crore), Income other than Corporation Tax (₹ 21.01 crore), Union Excise Duties (₹ 10.13 crore) and Customs (₹ 9.41 crore). The share of Central Tax transfer was also lower by ₹ 36.90 crore (4.12 per cent) in comparison to the target set by the XIII FC during 2013-14 mainly due to lower devolution of taxes under Corporation Tax (₹ 70.14 crore) and Union Excise Duties (₹ 49.90 crore) which was offset by higher transfer of share under Service Tax (₹ 47.51 crore) and Income other than Corporation Tax (₹ 32.35 crore).

1.4.4 Optimisation of the XIII FC grants

The details of funds transferred to the State as recommended by the XIII FC during award period of 2010-15 are as follows:

Table-1.12: Funds recommended by Thirteenth Finance Commission

(₹ in crore)

Sl. No.	Transfers	Recommendation of the 13 th FC	Actual Release	Expenditure under relevant revenue head of account	Utilisation (+) Excess (-) Shortfall
1	Local Bodies, out of which	310.70	151.20	151.17	(-) 0.03
	Grants to PRIs	201.30	74.51	74.51	--
	Grants to ULBs	94.30	70.93	70.93	--
	Special Areas Grant	15.10	5.76	5.73	(-) 0.03
2	Disaster Relief	47.26	46.43	26.58	(-) 19.85
3	Improving outcome grants	--	--	--	--
4	Environmental related grants	171.20	132.57	99.08	(-) 33.49
5	Elementary Education	5.00	1.00	--	(-) 1.00
6	Roads and Bridges	89.00	63.00	63.00	--
7	State specific grants	249.71	154.70	96.42	(-) 58.28
	Total	1,183.57	700.10	587.42	(-) 112.68

Source: The XIII FC Report and Departmental Figures

The XIII FC recommended ₹ 1,183.57 crore as Grants-in-aid for the State of Mizoram during the period 2010-15. The State, however, received ₹ 700.10 crore as Grants in aid from GoI in four years of the award period *i.e.*, 2010-14. Out of the total release of ₹ 700.10 crore, an amount of ₹ 587.42 crore was expended during 2010-14 resulting in unutilised balance of ₹ 112.68 crore.

1.5 Capital Receipts

The details of Capital receipts during 2009-10 to 2013-14 are given in **Table 1.13**.

Table-1.13: Trends in growth and composition of receipts

(₹ in crore)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Capital Receipts (CR)	251.20	563.19	253.50	449.76	988.35
Miscellaneous Capital Receipts	0.00	0.00	0.00	0.00	0.00
Recovery of Loans and Advances	25.31	25.97	27.80	29.48	33.11
Public Debt Receipts	225.89	537.22	225.70	420.28	955.24
Rate of growth of debt capital receipts	113.57	137.82	(-) 57.99	86.21	127.29
Rate of growth of non-debt capital receipts	1.81	2.61	7.05	6.04	12.31
Rate of growth of CR (<i>per cent</i>)	92.30	124.20	(-) 54.99	77.42	119.75

Source: Finance Accounts of the respective years

The Public Debt receipt comprised 96.65 *per cent* of the total Capital receipt during 2013-14. The rate of growth of debt capital receipts increased from 86.21 *per cent* in 2012-13 (₹ 420.28 crore) to 127.29 *per cent* in 2013-14 (₹ 955.24 crore).

1.5.1 Debt receipts from internal sources

The main contributors of debt receipts from internal sources were Ways and Means Advances (₹ 734.53 crore), Market Borrowings (₹ 260.06 crore), Other Loans (₹ 57.50) and Loans from the National Bank for Agricultural and Rural Development (NABARD) (₹ 50.79 crore).

1.5.2 Recoveries of Loans and Advances

The recoveries of Loans and Advances increased progressively from ₹ 25.31 crore during 2009-10 to ₹ 33.11 crore during 2013-14. The major contributor of recoveries under Loans and Advances were loan recovery from Housing (₹ 17.29 crore) and Government Servants (₹ 15.41 crore).

1.5.3 Loans and Advances from GoI

The receipts under Loans and Advances from GoI was (-) ₹ 167.81 crore during 2013-14 due to adjustment of previous year's outstanding Ways and Means Advances of (-) ₹ 167.97 crore.

1.6 Public Account Receipts

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 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. **Table-1.14** depicts Public Account receipts of the State during 2009-14.

Table-1.14: Public Account Receipts for the years 2009-14

(₹ in crore)

Resources under various heads	2009-10	2010-11	2011-12	2012-13	2013-14
Public Account Receipts	2,463.30	3,332.56	3,297.52	3,055.71	3,435.47
a. Small Savings, Provident Fund, <i>etc.</i>	396.79	495.88	387.37	506.78	655.20
b. Reserve Fund	23.90	24.41	33.40	34.68	32.58
c. Deposits and Advances	476.63	809.90	746.56	964.20	1,106.20
d. Suspense and Miscellaneous	452.20	517.13	603.42	48.67	123.34
e. Remittances	1,113.78	1,485.24	1,526.77	1,501.38	1,518.15

Source: Statement 18 of Volume II, Finance Accounts of the respective years

The Public Account receipts showed inter-year fluctuation during the period 2009-14 and increased from ₹ 2,463.30 crore in 2009-10 to ₹ 3,435.47 crore in 2013-14. During 2013-14, the Public Account Receipts increased by ₹ 379.76 crore (12.43 *per cent*) over the previous year which was mainly due to increases in Small Savings, Provident Fund, *etc.* by ₹ 148.42 crore, Deposits and Advances by ₹ 142.00 crore and Suspense and Miscellaneous receipts by ₹ 74.67 crore.

1.7 Application of Resources

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

1.7.1 Growth and Composition of Expenditure

The total expenditure and its compositions during the years 2009-10 to 2013-14 are presented in **Table-1.15**.

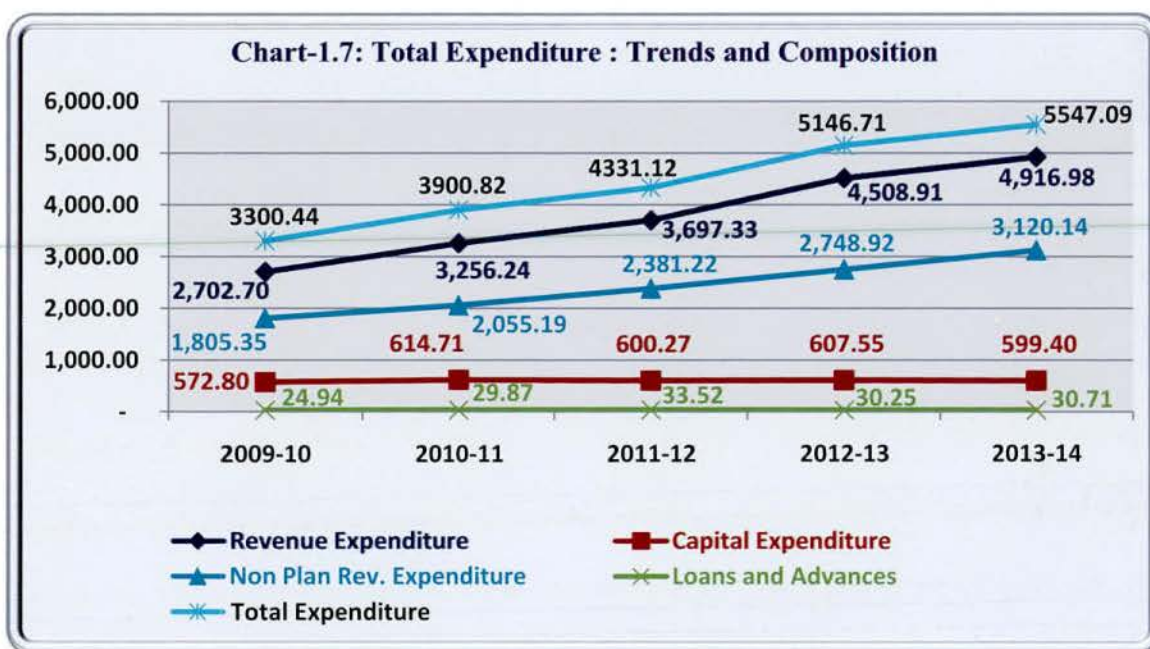
Table-1.15: Total Expenditure and its compositions

(₹ in crore)

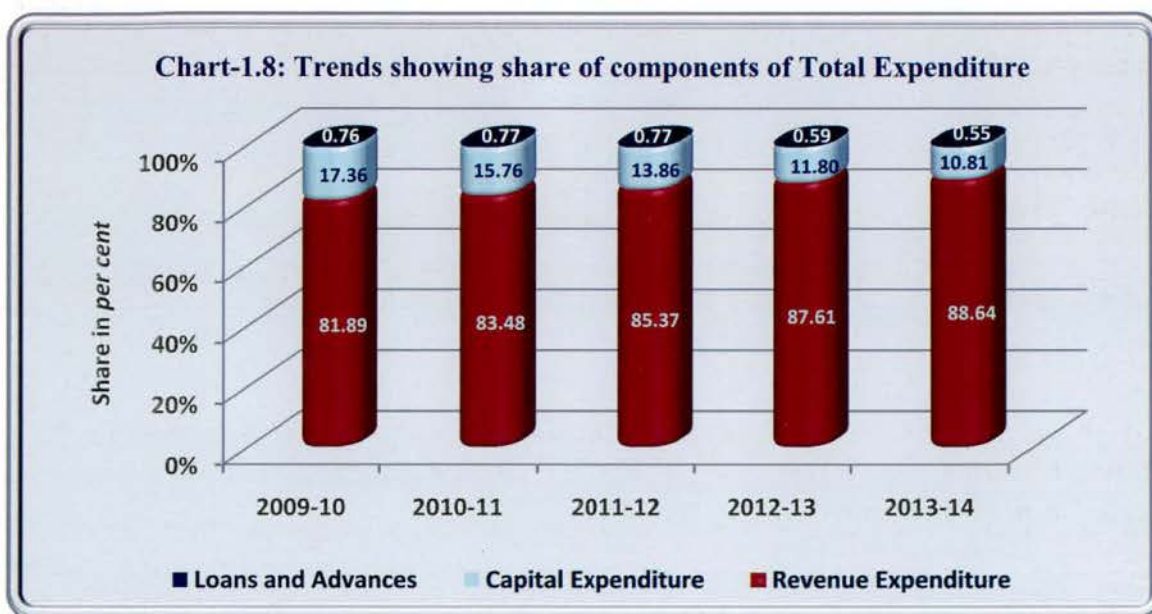
	2009-10	2010-11	2011-12	2012-13	2013-14
Total Expenditure	3,300.44	3,900.82	4,331.12	5,146.71	5,547.09
Revenue Expenditure	2,702.70	3,256.24	3,697.33	4,508.91	4,916.98
Of which, Non-plan Revenue Expenditure	1,805.35	2,055.19	2,381.22	2,748.92	3,120.14
Capital Expenditure	572.80	614.71	600.27	607.55	599.40
Loans and Advances	24.94	29.87	33.52	30.25	30.71

Source: Finance Accounts of the respective years

Chart-1.7 presents the trends in total expenditure over a period of five years (2009-14) and its composition both in terms of 'economic classification' and 'activities' is depicted in **Charts-1.8** and **1.9** respectively.



The trends showing share of components of total expenditure during 2009-14 are shown in **Chart-1.8**:



Statement 12 of the Finance Account depicts the detailed revenue expenditure and Statement 13 depicts capital expenditure. States raise resources to perform their sovereign functions to maintain their existing level of delivery of social and economic services, to extend the network of these services through capital expenditure and investments and to discharge their debt service obligations.

The total expenditure of the State increased progressively from ₹ 3,300.44 crore in 2009-10 to ₹ 5,547.09 crore in 2013-14 at an annual average rate of 13.61 *per cent* and increased by 7.78 *per cent* from ₹ 5,146.71 crore in 2012-13 to ₹ 5,547.09 crore in 2013-14. Of the total expenditure during 2013-14, the revenue expenditure (₹ 4,916.98 crore) constituted 88.64 *per cent* while capital expenditure (₹ 599.40 crore) constituted 10.81 *per cent* and loans and advances (₹ 30.71 crore) constituted 0.55 *per cent*.

The total expenditure, its annual growth rate, its ratio with respect to GSDP and revenue receipts and its buoyancy with respect to GSDP and revenue receipts are given in **Table-1.16**.

Table-1.16: Total Expenditure – basic parameters

	2009-10	2010-11	2011-12	2012-13	2013-14
Total Expenditure (TE) (₹ in crore)	3,300.44	3,900.82	4,331.12	5,146.71	5,547.09
Rate of Growth (<i>per cent</i>)	19.05	18.19	11.03	18.83	7.78
TE/GSDP ratio (<i>per cent</i>)	58.73	64.39	61.95	63.91	53.87
RR/TE ratio (<i>per cent</i>)	89.79	73.20	88.31	88.15	85.90
Buoyancy of Total Expenditure with reference to:					
GSDP (ratio)	0.91	2.33	0.72	1.24	0.28
RR (ratio)	1.63	(-) 4.98	0.32	1.01	1.55

The increase of ₹ 400.38 crore (7.78 *per cent*) in total expenditure in 2013-14 over 2012-13 was on account of increase of ₹ 408.07 crore in revenue expenditure and ₹ 0.46 crore in disbursement of loans and advances which was offset by a decrease of ₹ 8.15 crore in capital expenditure.

During the current year, 85.90 *per cent* (₹ 4,764.85 crore) of the total expenditure was met from revenue receipts and the remaining 14.10 *per cent* (₹ 782.24 crore) from capital receipts and borrowed funds.

The breakup of total expenditure in terms of plan and non-plan expenditure during 2013-14 reveals that while the share of plan expenditure of ₹ 2,312.59 crore constituted 41.69 *per cent* of the total expenditure, the remaining 58.31 *per cent* (₹ 3,234.50 crore) was non-plan expenditure. Moreover, out of the increase of ₹ 400.38 crore in total expenditure in 2013-14, plan expenditure constituted 3.57 *per cent* (₹ 14.31 crore) while non-plan expenditure contributed 96.43 *per cent* (₹ 386.07 crore).

The slight decrease in ratio of revenue receipts to total expenditure from 88.15 *per cent* in 2012-13 to 85.90 *per cent* in 2013-14 is to be viewed in the light of increase in revenue expenditure by ₹ 408.07 crore and loans and advances by ₹ 0.46 crore which was offset by a decrease in capital expenditure by ₹ 8.15 crore, although 56.97 *per cent* of the increase in total expenditure was covered by an increase in revenue receipt by ₹ 228.11 crore during 2013-14 over 2012-13. The buoyancy of total expenditure with respect to GSDP decreased to 0.28 during 2013-14 from 1.24 in 2012-13 due to a significant decrease in the rate of growth of total expenditure by 11.05 *per cent* and huge increase in the rate of growth of GSDP by 12.67 *per cent*. The buoyancy ratio of total expenditure with respect to revenue receipts in 2013-14 was 1.55 as rate of growth of total expenditure (7.78 *per cent*) was almost one and a half times the rate of growth of revenue receipts (5.03 *per cent*) during the current year.

1.7.2 Trends in total expenditure in terms of activities

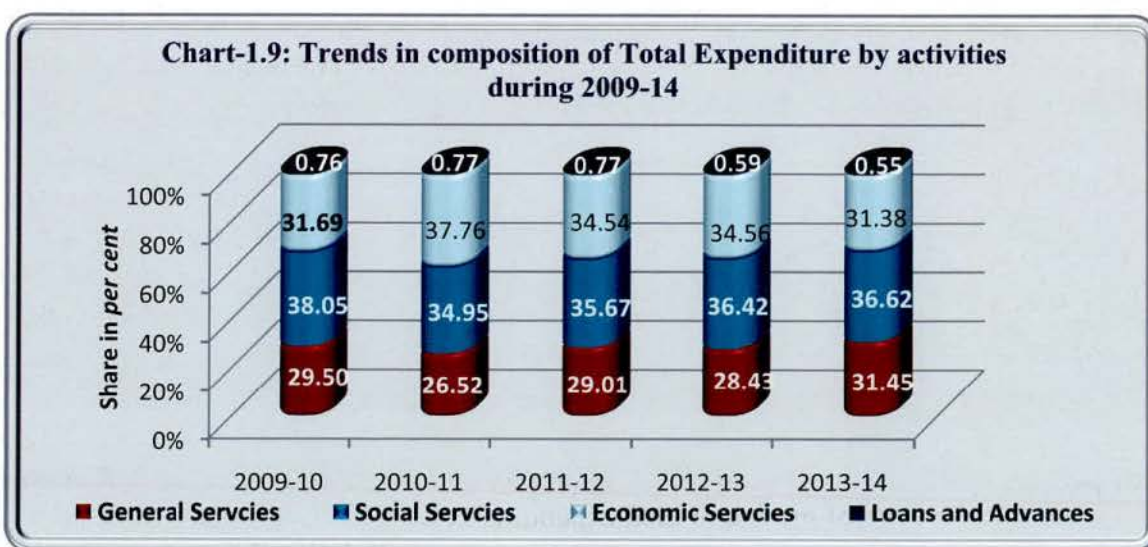
In terms of activities, total expenditure could be considered as being composed of expenditure on General Services which includes interest payments, Social Services and Economic Services and Loans and Advances. Relative shares of these components in the total expenditure are indicated in **Table-1.17** and **Chart-1.9**.

Table-1.17: Components of expenditure – relative shares

	(in <i>per cent</i>)				
	2009-10	2010-11	2011-12	2012-13	2013-14
General Services	29.50	26.52	29.01	28.43	31.45
Of which, Interest Payments	7.71	2.71	6.35	5.60	5.13
Social Services	38.05	34.95	35.67	36.42	36.62
Economic Services	31.69	37.76	34.54	34.56	31.38
Loans and Advances	0.76	0.77	0.77	0.59	0.55

The movement of relative share of these components of expenditure indicated that all components of expenditure had inter-year variations. But the expenditure on general services including interest payments, which are considered as non-developmental, accounted for 31.45 *per cent* in 2013-14 as against 28.43 *per cent* in 2012-13. On the other hand developmental expenditure, *i.e.* expenditure on Social and Economic Services together accounted for 68 *per cent* in 2013-14 as against 70.98 *per cent* in 2012-13. This indicates that there was an increase in non-developmental expenditure and a decrease in developmental expenditure in comparison to previous year.

The trends in composition of total expenditure by activities during 2009-14 are shown in the **Chart-1.9:**



1.7.3 Revenue Expenditure

Revenue Expenditure (RE) is incurred to maintain the current level of services and payment of the past obligation and as such does not result in any addition to the State's infrastructure and service network. Revenue Expenditure had a predominant share of 81.89 *per cent* of total expenditure in 2009-10 which had since escalated to 88.64 *per cent* of total expenditure during the current year. The overall revenue expenditure of the State increased from ₹ 2,702.70 crore in 2009-10 to ₹ 4,916.98 crore in 2013-14 at an annual average rate of 16.39 *per cent*. The revenue expenditure slightly increased by 9.05 *per cent* from ₹ 4,508.91 crore in 2012-13 to ₹ 4,916.98 crore in 2013-14.

A comparative position of Non-Plan Revenue Expenditure (NPRE) *vis-à-vis* assessment made by the XIII FC and FCP revealed that NPRE remained significantly higher than the normative assessment made in Thirteenth Finance Commission by 45.47 *per cent* (₹ 975.31 crore) and also higher than the projection made in FCP by 12.08 *per cent* (₹ 336.32 crore), as indicated in **Table-1.18:**

Table-1.18: Comparison of Non-plan revenue expenditure vis-à-vis XIII FC and FCP

(₹ in crore)

	Assessment/Projections		Actual
	XIII FC	FCP	
Non Plan Revenue Expenditure	2,144.83	2,783.82	3,120.14

The Plan Revenue Expenditure (PRE) slightly increased by ₹ 36.85 crore (2.09 per cent) from ₹ 1,759.99 crore in 2012-13 to ₹ 1,796.84 crore in 2013-14 mainly due to increase in Education, Sports, Art and Culture (₹ 89.42 crore), Social Welfare and Nutrition (₹ 34.03 crore), Health and Family Welfare (₹ 14.01 crore) and Water Supply, Sanitation, Housing & Urban Development (₹ 11.34 crore) which was however offset by a decrease in Agriculture and Allied Activities (₹ 124.75 crore).

The ratio of NPRE to GSDP decreased from 32.13 per cent in 2009-10 to 30.30 per cent during 2013-14, and also, it decreased from 34.13 per cent in 2012-13 to 30.30 per cent in 2013-14. The ratio of NPRE with respect to Revenue Receipts (RR) increased from 60.59 per cent in 2012-13 to 65.48 per cent in 2013-14, implying that higher percentage of revenue receipts was applied to meet the non-plan revenue expenditure. The buoyancy of NPRE to GSDP decreased significantly from 1.03 in 2012-13 to 0.48 in 2013-14 which signifies that the rate of growth of NPRE was lower than the rate of GSDP as indicated in the **Table-1.19**:

Table-1.19: NPRE vis-à-vis GSDP and Revenue Receipt

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Non Plan Revenue Expenditure	1,805.35	2,055.19	2,381.22	2,748.92	3,120.14
Growth of NPRE	14.76	13.84	15.86	15.44	13.50
Ratio of NPRE to GSDP	32.13	33.92	34.06	34.13	30.30
Ratio of NPRE to RR	60.92	71.98	62.26	60.59	65.48
Buoyancy of NPRE w.r.t. GSDP	0.71	1.77	1.03	1.02	0.48

1.7.4 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries and wages, pensions and subsidies. **Table-1.20** and **Chart-1.10** present the trends in the expenditure on these components during 2009-14.

Table-1.20: Components of Committed Expenditure

(₹ in crore)

Components of Committed Expenditure	2009-10	2010-11	2011-12	2012-13	2013-14	
					BE ^(a)	Actuals ^(a)
Salaries & Wages*, of which	1,078.75 (36.40)	1,408.92 (49.34)	1,451.69 (37.95)	1,726.74 (38.06)	1,617.13 (32.09)	1,908.22 (40.05)
Non-Plan Head	887.85	1,183.24	1,156.55	1,374.55	---	1,503.55
Plan Head**	190.90	225.68	295.14	352.19	---	404.67
Interest Payments	254.35 (8.58)	105.58 (3.70)	275.15 (7.19)	288.15 (6.35)	248.49 (4.93)	284.50 (5.97)
Expenditure on Pensions	164.26 (5.54)	249.54 (8.74)	298.36 (7.80)	370.52 (8.17)	240.17 (4.77)	524.58 (11.01)
Subsidies	4.08 (0.14)	2.15 (0.14)	1.66 (0.08)	2.48 (0.04)	---	0.74 (0.02)
Other Components	1,201.26 (40.54)	1,201.26 (40.54)	1,490.05 (52.18)	1,670.47 (43.67)	2,551.82 (50.64)	2,198.94 (46.15)
Total Revenue Expenditure	2,702.70	3,256.24	3,697.33	4,508.91	4,657.61	4,916.98

Figures in the parentheses indicate percentage to Revenue Receipts

* Represents Salaries and wages and includes those spent from Grants-in-aid

** Plan Head also includes the salaries and wages paid under Centrally Sponsored Schemes

^(a) BE figures are gross figures sourced from Fiscal Policy Strategy Statement (FPSS), Government of Mizoram, 2014-15, while Actual are net figures sourced from Finance Account, 2013-14

Chart-1.10: Share of Committed Expenditure in Revenue Expenditure during 2011-14



(A) Salaries

Salaries and wages alone accounted for more than 40.05 *per cent* of revenue receipts during the year. The expenditure on salaries and wages increased by 10.51 *per cent* from ₹ 1,726.74 crore in 2012-13 to ₹ 1,908.22 crore in 2013-14. During 2013-14, salary expenditure under Non-Plan head increased by ₹ 129 crore (9.38 *per cent*) and salary expenditure under Plan head increased by ₹ 52.48 crore (14.90 *per cent*) over the previous year. Non-plan salary expenditure ranged from 78.79 *per cent* to 83.98 *per cent* of total expenditure on salaries during 2009-14. The expenditure on salaries during 2013-14 was significantly higher by ₹ 291.09 crore (18 *per cent*) than the projections (₹ 1,617.13 crore) made by the State Government in its Budget Estimate.

(B) Interest Payments

The major sources of borrowings of the State Government were (i) Loans from the Centre, (ii) Internal Debt (Market loans, Loans from Banks and Financial Institutions, Ways and Means Advances from RBI, *etc.*) (iii) Loans from Small Savings, Provident Funds, *etc.* Interest payments decreased by 1.27 *per cent* from ₹ 288.15 crore in 2012-13 to ₹ 284.50 crore in 2013-14 mainly due to decreases in interest on Internal Debt by ₹ 2.24 crore and interest on Loans and Advances from Central Government by ₹ 1.47 crore offset by an increase in interest on Small Savings, Provident Funds, *etc.* by ₹ 0.05 crore.

Table-1.21: Interest Payments vis-à-vis XIII FC assessment and State Projection

(₹ in crore)

Year	Assessment made by the Thirteenth Finance Commission (XIII FC)	Assessment made by the State Government (BE)	Actual
2013-14	346.09	248.49	284.50

The expenditure on interest payments (₹ 284.50 crore) was significantly higher by ₹ 36.01 crore than the projection (₹ 248.49 crore) made by the State Government in Budget Estimates for the year 2013-14, however, it was lower by ₹ 61.59 crore than the assessment (₹ 346.09 crore) made by the Thirteenth Finance Commission.

(C) Pension Payments

The expenditure on pension payments grew from ₹ 164.26 crore in 2009-10 to ₹ 524.58 crore in 2013-14 and it accounted for nearly 11.01 *per cent* of revenue receipts (₹ 4,764.85 crore) of the State during the year and increased significantly by ₹ 154.06 crore (41.58 *per cent*) over the previous year. The increase was mainly due to increase in expenditure under Superannuation and Retirement Allowances by ₹ 122.92 crore and Other Pensions by ₹ 33.88 crore

The State Government had introduced 'The New Defined Contribution Pension Scheme' on 1 September 2010 which covered State Government employees recruited on or after 1 September 2010. In terms of the Scheme, an employee contributes 10 *per cent* of his monthly salary and Dearness Allowance, which is matched by State Government and the entire amount is transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/Trustee Bank. The actual amount payable by employees and the matching Government contribution has not been estimated, but during the year 2013-14,

the State Government transferred ₹ 10.03 crore (employees' contribution of ₹ 4.73 crore and Governments contribution of ₹ 5.30 crore which include ₹ 0.57 crore pertaining to earlier years) to NSDL.

Table-1.22 shows actual pension payments with reference to assessment made by the Thirteenth Finance Commission and projection of the State Government.

Table-1.22: Actual Pension Payments vis-à-vis XIII FC assessment and State Projections

(₹ in crore)

Year	Assessment made by XIII FC	Assessment made by the State Government (BE)	Actual
2013-14	194.44	240.17	524.58

The expenditure on pension payments was higher than the assessment made by the Thirteenth Finance Commission by ₹ 330.14 crore (169.79 per cent) as well as the State Government Projection made in its budget by ₹ 284.41 crore (118.42 per cent).

(D) Subsidies

Table-1.20 indicates that subsidies as a percentage of revenue receipts marginally decreased from 0.05 per cent in 2012-13 to 0.02 per cent in 2013-14. The expenditure on subsidies has progressively decreased from ₹ 4.08 crore during 2009-10 to ₹ 1.66 crore in 2011-12 followed by an increase to ₹ 2.48 crore during 2012-13 and significant decrease in the current year to ₹ 0.74 crore. During the current year the Departments which received subsidy include Co-operation and Crop Husbandry accounting for 32.76 per cent (₹ 24.35 lakh) and 67.24 per cent (₹ 49.98 lakh) of total subsidies respectively.

1.7.5 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-1.23**.

Table-1.23: Financial Assistance to Local Bodies etc.

(₹ in crore)

Financial Assistance to Institutions	2009-10	2010-11	2011-12	2012-13	2013-14
Educational Institutions (Aided Schools, Aided Colleges, Universities, etc.)	31.47	30.97	20.86	60.80	121.87
PRIs/ULBs	2.60	3.62	4.08	29.53	13.50
Consumer Co-operative Societies/MIZOFED	0.95	1.00	--	---	---
Other Institutions ³	412.21	614.58	196.35	864.99	859.00
Total	447.23	650.17	221.29	955.32	994.37
Assistance as percentage of RE	16.55	19.97	5.99	21.19	20.22

Source: Finance Account, 2013-14

³ (Figures for 2013-14) Sports Council (₹ 14.17 crore), Lai Autonomous District Council (₹ 83.78 crore), Mara Autonomous District Council (₹ 72.94 crore), Chakma Autonomous District Council (₹ 44.98 crore), Swarna Jayanti Shahari Rozgar Yojana (₹ 4.98 crore), National Rural Employment Guarantee Scheme (₹ 11.95 crore), National Service Schemes (₹ 1.60 crore), Khadi and Village Industry (₹ 7.75 crore) and Rashtriya Krishi Vikas Yojana (₹ 53.01 crore)

The grants extended to local bodies and other institutions increased by 4.09 *per cent* from ₹ 955.32 crore in 2012-13 to ₹ 994.37 crore in 2013-14. The share of grants and loans to the revenue expenditure increased from 16.55 *per cent* in 2009-10 to 20.22 *per cent* during the current year. The increase of financial assistance to Institutions by ₹ 39.05 crore was mainly attributed by increase in financial assistance to Educational Institutions (Aided Schools, Aided Colleges, Universities, *etc.*) by ₹ 61.07 crore which was offset by a decrease in assistance to PRIs/ULBs by ₹ 16.03 crore and Other Institutions by ₹ 5.99 crore.

1.8 Quality of Expenditure

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

1.8.1 Adequacy of Public 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. The expenditure responsibilities relating to social sector and economic infrastructure are largely assigned to the State Governments. Enhancing human development level requires the States to step up their expenditure on key social services like education and health *etc.* **Table-1.24** analyses the fiscal priority and fiscal capacity of the State Government with regard to development expenditure, social sector expenditure and capital expenditure during 2013-14.

Table-1.24: Fiscal Priority and Fiscal Capacity of the State during 2013-14

Fiscal Priority by the State	TE/ GSDP	DE/ TE	SSE/ TE	CE/ TE	Education/ TE	Health/ TE
Mizoram State's Average (Ratio) 2013-14	53.87	68.08	36.69	10.81	17.41	4.73

AE: Total Expenditure

DE: Development Expenditure

SSE: Social Sector Expenditure

CE: Capital Expenditure

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

Source: For GSDP, the information was collected from the State's Directorate of Economic and Statistics

1.8.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on development heads from the point of view of social and economic development, it is important for the State Governments to take appropriate

expenditure rationalisation measures and lay emphasis on provision of core public and merit goods⁴. Apart from improving the allocation towards development expenditure, particularly in view of the fiscal space being created on account of decline in debt servicing in recent years, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table-1.25** presents the trends in development expenditure relative to the total expenditure of the State during the current year *vis-à-vis* budgeted expenditure and the previous years, **Table-1.26** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table-1.25: Development Expenditure

(₹ in crore)

Components of Development Expenditure	2009-10	2010-11	2011-12	2012-13	2013-14	
					BE@	Actuals
Development Expenditure (a to c)	2,307.01 (69.90)	2,843.45 (72.89)	3,049.41 (70.41)	3,657.75 (71.07)	3,837.14	3,776.33 (68.08)
a. Development Revenue Expenditure	1,755.03 (53.18)	2,244.95 (57.55)	2,470.95 (57.05)	3,088.36 (60.01)	3,245.10	3,230.36 (58.24)
b. Development Capital Expenditure	546.81 (16.57)	591.35 (15.16)	570.15 (13.16)	564.81 (10.97)	587.29	541.68 (9.77)
c. Development Loans and Advances	5.17 (0.16)	7.15 (0.18)	8.31 (0.19)	4.58 (0.09)	4.75	4.29 (0.08)

Figures in parentheses indicate percentage to total expenditure
 (a) BE figures are gross figures sourced from Annual Financial Statement (budget), Government of Mizoram, 2013-14, while Actual are net figures sourced from Finance Account, 2013-14

The Development Expenditure on socio-economic services increased from ₹ 2,307.01 crore in 2009-10 to ₹ 3,776.33 crore in 2013-14 and it registered an increase of 3.24 *per cent* (₹ 118.58 crore) during 2013-14 over the previous year. As a percentage of total expenditure, the share of Development Expenditure ranged between 68.08 *per cent* and 72.89 *per cent* with inter year variations during 2009-14. During the current year, the State Government earmarked ₹ 3,837.14 crore out of the estimated total expenditure for development expenditure, and this assessment was higher than the actual development expenditure by ₹ 60.81 crore at the end of the year. Development Revenue Expenditure showed increasing trend since 2009-10 at an annual growth rate of 16.81 *per cent* while Development Capital Expenditure showed inter year variations during the period 2009-14 and decreased by ₹ 23.13 crore (4.10 *per cent*) during 2013-14 (₹ 541.68 crore) over 2012-13 (₹ 564.81 crore). The trend in Development Revenue Expenditure indicates that Development Revenue Expenditure increased by 4.60 *per cent* from

⁴ As defined in Appendix 1.1.C

₹ 3,088.35 crore in 2012-13 to ₹ 3,230.36 crore in 2013-14 whereas Development Capital Expenditure decreased by 4.10 *per cent* from ₹ 564.81 crore in 2012-13 to ₹ 541.68 crore in 2013-14.

Access to basic education, health services and drinking water and sanitation facilities are strong indicators of socio-economic progress. Further, expenditure on Economic services includes all such services that promote productive capacity directly or indirectly within the State by improving the quality of human resources. Therefore, it is pertinent to make an assessment with regard to expansion and efficient provision of these services in the State. **Table-1.26** summarizes percentage of expenditure under different components of economic and social services sector incurred by the State Government in expanding and maintaining social and economic services in the State during 2012-13 and 2013-14.

Table-1.26: Efficiency of expenditure use in selected Social and Economic Services

Social/ Economic Infrastructure	2012-13				2013-14			
	Ratio of CE to TE®	In RE, the share of S & W		Non-Salary	Ratio of CE to TE®	In RE, the share of S & W		Non-Salary
		₹ in crore	In per cent			₹ in crore	In per cent	
Social Services (SS)								
Education, Sports, Art and Culture	1.04	590.55	71.03	240.90	3.07	640.30	68.40	295.78
Health and Family Welfare	0.46	156.03	70.84	64.24	5.53	176.73	71.26	71.29
WS, Sanitation & HUD	48.83	46.86	24.80	142.08	38.93	51.38	23.80	164.46
Other Social Services	6.49	31.57	7.67	379.98	5.79	38.34	9.05	385.36
Total (SS)	11.84	825.01	49.93	827.20	10.23	906.75	49.72	916.89
Economic Services (ES)								
Agri. & Allied Activities	13.88	144.98	20.08	576.88	16.21	161.47	24.30	503.07
Irrigation and Flood Control	0.00	6.59	69.08	2.95	0.22	7.34	71.54	2.92
Power & Energy	19.40	66.54	22.07	234.90	17.05	74.13	23.38	242.98
Transport	46.77	65.96	55.78	52.28	41.07	70.13	51.29	66.59
Other Economic Services	14.80	73.42	25.76	211.64	16.26	84.72	30.46	193.37
Total (ES)	19.25	357.49	24.89	1,078.65	19.18	397.79	28.28	1,008.93
Grand Total (SS+ES)	15.44	1,182.50	38.29	1,905.85	14.36	1,304.54	40.38	1,925.82

TE: Total Expenditure; CE: Capital Expenditure; RE: Revenue Expenditure; S&W: Salaries and Wages

[@] Total Revenue and Capital Expenditure of the services concerned

The trends in the above table reveal that development capital expenditure as a percentage of total expenditure decreased from 15.44 *per cent* in 2012-13 to 14.36 *per cent* in current year.

The salary and wage component under revenue expenditure in Social Services increased by ₹ 81.74 crore from ₹ 825.01 crore in 2012-13 to ₹ 906.75 crore in 2013-14, showing an increase by 9.91 *per cent* over the previous year; while non-salary component increased by 10.84 *per cent* over the previous year from ₹ 827.20 crore in 2012-13 to ₹ 916.89 crore in 2013-14.

Again, within the revenue expenditure under economic services, the salary and wage component increased by ₹ 40.30 crore (11.27 *per cent*) from ₹ 357.49 crore in 2012-13 to ₹ 397.79 crore in 2013-14; while the non-salary component decreased by ₹ 69.72 crore (6.46 *per cent*) from ₹ 1,078.65 crore in 2012-13 to ₹ 1,008.93 crore in 2013-14.

The ratio of salary and wage component under Social and Economic Services to revenue expenditure during the current year was 40.38 *per cent*, an increase of 2.09 *per cent* over the previous year. The expenditure on salary and wages under Social and Economic Services increased by 10.32 *per cent* from ₹ 1,182.50 crore in 2012-13 to ₹ 1,304.54 crore in 2013-14 and the non-salary revenue expenditure on Social and Economic Services slightly increased by 1.05 *per cent* from ₹ 1,905.85 crore in 2012-13 to ₹ 1,925.82 crore in 2013-14 (Detailed in **Appendix-1.6 Part-A & Part-B**).

1.9 Financial Analysis of Government Expenditures and Investments

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

1.9.1 Incomplete projects

The Department-wise information pertaining to incomplete time overrun projects as on 31 March 2014 is given in **Table-1.27** below:

Table-1.27: Department-wise Profile of Incomplete Projects

(₹ in crore)

Department	No. of Incomplete Projects	Initial Budgeted Cost	Cost Over Runs (No. of Projects)	Cumulative actual expenditure as on 31 March 2014
Public Works (Roads)	19	86.03	0	47.03
Public Works (Buildings)	14	80.52	0.66 (2)	76.34
Power and Electricity (P&E)	6	99.12	10.37 (2)	80.57
Public Health Engineering (PHE)	15	137.80	0	97.70
Total	54	403.47	11.03 (4)	301.64

Source: Appendix X (Finance Account 2013-14)

Out of 101 ongoing projects as of March 2014, there were 54 projects which were to be completed on or before March 2014, with initial budgeted cost of ₹ 403.47 crore under Public

Works (Roads), Public Works (Buildings), Public Health Engineering and Power & Electricity Departments. There was cost overrun of ₹ 11.03 crore in four projects at the close of the current year. Due to delay in completion of the projects, not only the benefits to be accrued to the society got delayed but also the cost to the exchequer increased due to time overrun involved in their completion.

1.9.2 Investment and returns

As of 31 March 2014, Government had invested ₹ 22.27 crore in Government Companies and Co-operative Bank, Societies, etc. out of which an amount of ₹ 4.92 crore was invested in Government Companies and ₹ 17.35 crore was invested in Co-operative Bank, Societies, etc. During the current year, the State Government invested ₹ 97 lakh in Government Companies and ₹ 11.92 lakh in Consumer Co-operatives. No dividend was received during 2013-14. ***The average return on this investment was Nil in the last five years while the Government paid an average interest rate ranging from 2.60 per cent to 7.02 per cent on its borrowings during 2009-14 (Table-1.28).***

Table-1.28: Return on Investment

(₹ in crore)					
Investment/Return/Cost of Borrowings	2009-10	2010-11	2011-12	2012-13	2013-14
Investment at the end of the year (₹ in crore)	19.00	19.27	19.77	20.91	22.27
Return (₹ in crore)	--	--	--	--	--
Return (per cent)	--	--	--	--	--
Average rate of interest on Government borrowing (per cent)	7.02	2.60	6.08	5.96	5.31
Difference between interest rate and return (per cent)	7.02	2.60	6.08	5.96	5.31

Six working Government had accumulated losses of ₹ 58.40 crore as per latest finalised annual accounts (*Mizoram Electronic Development Corporation Ltd.*, ₹ 4.31 crore in 2001-2002; *Mizoram Food and Allied Industries Corporation Ltd.*, ₹ 19.33 crore in 2010-2011; *Mizoram Handloom and Handicraft Development Corporation Ltd.*, ₹ 8.23 crore in 2003-2004; *Zoram Industrial Development Corporation Ltd.*, ₹ 20.09 crore in 2011-12; *Mizoram Agricultural Marketing Corporation Ltd.*, ₹ 6.43 crore in 2008-2009 and *Mizoram Mineral Development Corporation Ltd.*, ₹ 0.01 crore in 2012-13).

A performance-based system of accountability should be put in place in the Government Companies/Statutory Corporations so as to increase profitability and improve efficiency in service.

Although the Government could not comply with the Thirteenth Finance Commission recommendation, as a positive step in that direction, the Finance Department has engaged⁵

⁵ Source: Fiscal Policy Strategy Statement, Government of Mizoram, 2013-14

specialist to submit specific recommendations to the State Government to restructure and revive some of the PSUs.

1.9.3 Loans and Advances by the State Government

In addition to investments in Co-operative Societies, Corporations and Companies, Government has also been providing loans and advances to many of these institutions/organisations. **Table-1.29** presents the outstanding loans and advances as on 31 March 2014, interest receipts *vis-à-vis* interest payments during the last three years.

Table-1.29: Average Interest received on Loans advanced by the State Government

(₹ in crore)

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2011-12	2012-13	2013-14
Opening Balance	245.04	250.76	251.53
Amount advanced during the year	33.52	30.25	30.71
Amount repaid during the year	27.80	29.48	33.11
Closing Balance	250.76	251.53	249.13
Of which Outstanding balance for which terms and conditions have been settled			
Net addition	(+) 5.72	(+) 0.77	(-) 2.40
Interest Receipts	3.03	7.69	1.34
(a) Interest receipts as <i>per cent</i> to outstanding Loans and Advances	1.21	3.06	0.54
(b) Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government	6.05	5.63	5.07
(c) = (b) – (a) Difference between interest payments and interest receipts (<i>per cent</i>)	4.84	2.57	4.53

The total amount of outstanding Loans and Advances as on 31 March 2014 was ₹ 249.13 crore. The amount of loans disbursed during the year increased marginally from ₹ 30.25 crore in 2012-13 to ₹ 30.71 crore in 2013-14. Out of the total amount of loans advanced during the year, ₹ 4.00 crore was disbursed to social services, ₹ 0.29 crore to economic services and ₹ 26.42 crore to Government servants. Under the social services, the amount of ₹ 4.00 crore was disbursed to Housing only and in economic services the amount of ₹ 0.29 crore was disbursed to Co-operation. The recovery of loans and advances increased by ₹ 3.63 crore from ₹ 29.48 crore in 2012-13 to ₹ 33.11 crore in 2013-14 mainly on account of increase in recovery under loans to Government Servants (₹ 3.43 crore) and loans for Co-operation (₹ 0.30 crore) which was offset by a decrease in recovery under loans for Housing (₹ 0.09 crore).

Interest received against these loans and advances significantly decreased from ₹ 7.69 crore in 2012-13 to ₹ 1.34 crore in 2013-14 and as a result the interest receipt to outstanding loans stood at 0.54 per cent during 2013-14.

1.9.4 Cash Balances and Investment of Cash Balances

It is generally desirable that State's flow of resources should match its expenditure obligations. However, to take care of any temporary mismatch in the flow of resources and the expenditure obligations, a mechanism of Ways and Means Advances from RBI has been put in place. The operative limit for Ordinary Ways and Means Advances is reckoned on the three years average of revenue receipts and the operative limit for Special Ways and Means Advances is fixed by the RBI from time to time depending on the holding of Government securities. The limit for Ordinary Ways and Means Advances to the State Government was ₹ 55.00 crore with effect from 1 April 2006. The limit for Special Ways and Means Advances is being revised by the RBI from time to time. Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum daily cash balance of ₹ 0.20 crore with the Bank. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking Ordinary and Special Ways and Means Advances/Overdrafts from time to time.

The position of Ways and Means Advances and Overdraft is shown in the **Table-1.30**.

Table-1.30: Ways and Means Advances and Overdraft

	(₹ in crore)				
	2009-10	2010-11	2011-12	2012-13	2013-14
Ordinary and Special Ways & Means Advances					
Availed in the year	1.37	163.36	71.39	166.58	561.73
Outstanding WMAs	12.13	27.21	46.45	115.77	14.11
Interest paid	0.09	0.09	0.03	0.04	0.66
Number of days	19	21	11	6	62
Overdraft					
Availed in the year	--	--	--	--	172.80
Outstanding Overdraft	--	--	--	--	(-) 31.62
Interest paid	--	--	--	--	--
Number of days	--	--	--	--	3

The State was able to maintain a minimum balance of ₹ 0.20 crore with the Reserve Bank for 300 days during 2013-14 except three days on which the Government had to resort to Overdraft facility in addition to availing Ordinary and Special Ways & Means Advances during 2013-14 for 24 days and 38 days respectively, against which an interest of ₹ 0.66 crore was paid. The State resorted to Ways and Means Advances of ₹ 561.73 crore and repaid ₹ 648.31 crore leaving an unpaid balance of ₹ 14.11 crore as on 31 March 2014. Also, the State availed Overdraft facility of ₹ 172.80 crore and repaid an amount of ₹ 219.50 crore leaving a balance of (-) 31.62 crore as on 31 March 2014.

The cash balances and investments made by the State Government out of cash balances during 2013-14 are shown in **Table-1.31**.

Table-1.31: Cash Balances and Investment of Cash Balances

(₹ in crore)

Particulars	Opening Balance on 1 April 2013	Closing Balance on 31 March 2014
(a) General Cash Balance		
Cash in Treasuries	---	---
Remittance in transit (local)	---	---
Deposit with Reserve Bank ⁶	(-) 101.64	(-) 143.73
Total	(-) 101.64	(-) 143.73
Investment held in Cash Balance investment account	(-) 291.51	(-) 265.33
Total (a)	(-) 393.15	(-) 409.06
(b) Other Cash Balances and Investments		
Cash with Departmental Officers viz. Forest Officers and Public Work Officers	(-) 4.77	(-) 4.77
Permanent Advances for contingent expenditure with Departmental Officers	---	---
Investments of Earmarked Funds	135.40	161.80
Total (b)	130.63	157.03
Grand Total (a) + (b)	(-) 262.52	(-) 252.03

Cash balance of the State Government at the end of the current year decreased by ₹ 10.49 crore from ₹ 262.52 crore in 2012-13 to ₹ 252.03 crore in 2013-14. There was also a difference of ₹ 57.43 crore (net credit) at the end of the accounting year 2013-14 between the Cash Balance as worked out by the Principal Accountant General and as reported by the Reserve Bank of India. This difference is mainly due to erroneous reporting by the accredited banks to the Reserve Bank of India, Nagpur which is responsible for maintaining the Cash Balance of the State Government.

The investment from cash balances decreased by ₹ 26.18 crore from ₹ 291.52 crore in 2012-13 to ₹ 265.33 crore in 2013-14 against which an amount of ₹ 6.48 crore was realized as interest. Further, during the year, the Government appropriated an amount of ₹ 20.90 crore from revenue and credited to Consolidated Sinking Fund which was constituted during 2000-01 for redemption of open market loans, for investment in the Government of India Securities. As a result the balance as on 31 March 2014 was ₹ 156.30 crore for amortisation of long term loans. In addition, as of 31 March 2014 there was a balance of ₹ 5.50 crore in investment under Guarantee Redemption Fund.

1.9.5 Outstanding balances under the head 'Cheques and Bills'

The major head '8670 – Cheques and Bills' is an intermediary account head for initial records of transaction which are to be cleared eventually. Outstanding balance under '8670 – Cheques

⁶ Balance under the head 'Deposits with Reserve Bank' is arrived after taking into account the Inter Government monetary settlements pertaining to transactions of financial year 2013-14 advised to the RBI 31 March 2014

and Bills' represents the amount of unencashed cheques. There was no transaction under this head during the period 2009-10 to 2013-14 and the balance of ₹ 0.15 crore continues to remain in this head for the last five years.

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, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix-1.3** gives an abstract of such liabilities and the assets as on 31 March 2014, compared with the corresponding position on 31 March 2013. While the liabilities in this Appendix consist mainly of internal debt (Market loans, Loans from Banks and Financial Institutions, Ways and Means Advances from RBI, *etc.*), loans and advances from the GoI and receipts from the Public Accounts (Small Savings, Provident Fund *etc.*, Reserve Funds (Gross) and Deposits), the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances.

The FRBM Act, 2006 of the State defined total liabilities as "The explicit liabilities under the Consolidated Fund of the State and the Public Account of the State including General Provident Fund".

1.10.2 Fiscal Liabilities

The trends in outstanding fiscal liabilities of the State are presented in **Appendix-1.4**. The compositions of fiscal liabilities during the current year *vis-à-vis* the previous year are presented in **Charts-1.11** and **1.12**.

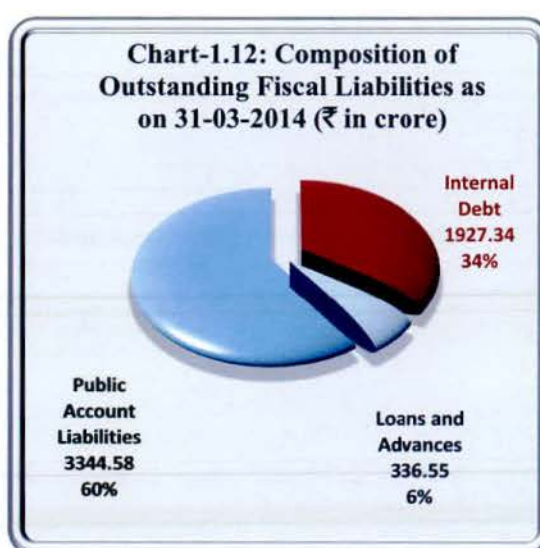
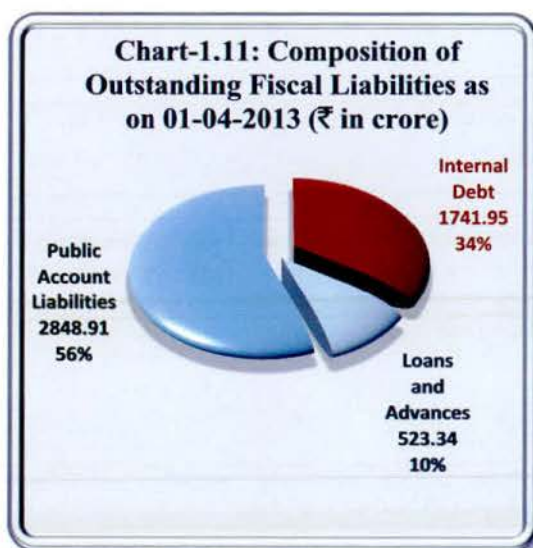


Table-1.32 gives the fiscal liabilities of the State, their rate of growth, the ratio of these liabilities to GSDP, revenue receipts and to State's own resources as also the buoyancy of fiscal liabilities with reference to these parameters.

Table-1.32: Fiscal Liabilities – Basic Parameters

	2009-10	2010-11	2011-12	2012-13	2013-14
Fiscal Liabilities [#] (₹ in crore)	3,627.69	4,496.86	4,548.45	5,114.20	5,608.47
Rate of Growth (<i>per cent</i>)	0.38	23.96	1.15	12.44	9.66
Ratio of Fiscal Liabilities to:					
GSDP (<i>per cent</i>)	64.56	74.23	65.06	63.51	54.47
Revenue Receipts (<i>per cent</i>)	122.41	157.49	118.92	112.73	117.71
Own Resources (<i>per cent</i>)	1,549.70	1,622.48	1,310.41	1,173.12	1,322.63
Buoyancy of Fiscal Liabilities with reference to:					
GSDP (ratio)	0.02	3.05	0.07	0.82	0.35
Revenue Receipts (ratio)	0.03	(-) 6.51	0.03	0.67	1.92
Own Resources (ratio)	(-) 0.05	1.30	0.05	0.49	(-) 3.54

[#] Includes Internal Debt (Market loans, Loans from Banks and Financial Institutions, Ways and Means Advances from RBI, etc.), Loans and Advances from GoI, receipts from the Public Accounts (Small Savings, Provident Fund etc., Reserve Funds (Gross) and Deposits)

The overall fiscal liabilities of the State increased at an average annual rate of 10.92 *per cent* during the period 2009-14. During the current year, the overall fiscal liabilities of the State Government increased by ₹ 494.27 crore (9.66 *per cent*) from ₹ 5,114.20 crore in 2012-13 to ₹ 5,608.47 crore in 2013-14. The increase in fiscal liabilities was mainly due to increase in the Public Account liabilities by ₹ 495.69 crore and Internal Debt by ₹ 185.38 crore, offset by a decrease in Loans and Advances by ₹ 186.80 crore. ***The ratio of fiscal liabilities to GSDP has decreased from 63.51 per cent in 2012-13 to 54.47 per cent in 2013-14, however, the ratio of fiscal liabilities to revenue receipts increased from 112.73 per cent in 2012-13 to 117.71 per cent in 2013-14 and with respect to Own resources it increased from 1,173.12 per cent in 2012-13 to 1,322.63 per cent in 2013-14.*** The buoyancy of these liabilities with respect to GSDP during the year was 0.35, however, with respect to revenue receipts it was 1.92 indicating that for each one *per cent* increase in revenue receipts, fiscal liabilities grew by 1.92 *per cent*. The buoyancy of fiscal liabilities with respect to own resources was (-) 3.54. To achieve the target of reducing the debt stock, the XIII FC has made projections for the Mizoram State to reduce total outstanding debt as a percentage of Gross State Domestic Product, so as to reach the annual target of 87.30 *per cent* in 2010-11, 85.70 *per cent* in 2011-12, 82.90 *per cent* in 2012-13, 79.20 *per cent* in 2013-14 and 74.80 *per cent* in 2014-15, which has been adopted by the State Government by an amendment in the Mizoram Fiscal Responsibility and Budget Management (MZFRBM) Act, 2006. Against the target for the current year, the outstanding fiscal liabilities of the State at the end of the year 2013-14 stood at 54.47 *per cent* of GSDP. In line with the recommendation of the Twelfth Finance Commission, the State

Government has set up sinking fund for amortisation of market borrowings as well as other loans and debt obligations.

The increasing position of fiscal liabilities during 2009-14 is depicted in the bar chart below:

Chart-1.13: Trend showing Fiscal Liabilities during 2009-14

(₹ in crore)



1.10.3 Transactions under Reserve Fund

Reserves and Reserve Funds are created for specific and well defined purposes under the 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 and accounted under the Consolidated Fund 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 may be further classified as 'Funds carrying interest' and 'Funds not carrying interest'.

The total accumulated balance at the end of 31 March 2014 in Reserve Funds was ₹ 170.51 crore, out of which, ₹ 161.80 crore (94.89 per cent) was invested. The Reserve Funds are as under:

(a) Consolidated Sinking Fund (CSF)

Following the recommendations of the Tenth Finance Commission, the Reserve Bank enabled the creation of a Consolidated Sinking Fund (CSF) in 1999 to provide the State with a cushion for repayment of open market loans, whereby the States were to contribute 1 - 3 per cent of their outstanding open market loans as at the end of the previous year. Subsequently, the ambit of the CSF was expanded in 2006-07 to include amortisation of all the liabilities with the stipulated contribution of minimum 0.50 per cent of the outstanding liabilities of the State as at the end of the previous financial year.

During 2013-14, the State Governments contribution was ₹ 20.90 crore, against the required amount of ₹ 25.57 crore (0.50 per cent of the total outstanding liabilities of the Government of Mizoram as on 31 March 2013 i.e., ₹ 5,114.21 crore). As on 31 March 2014, an amount of ₹ 156.30 crore was credited in Consolidated Sinking Fund, which was 3.06 per cent of outstanding liabilities of the previous financial year.

(b) Guarantee Redemption Fund (GRF)

Guarantee Redemption Fund (GRF) was set up in the State with initial corpus of ₹ 50 lakh to meet the possible invoking of the guarantees given by the State Government to the loans raised by its entities. The State Government was required to contribute an amount equivalent to at least 1/5th of the outstanding guarantees during the year. During 2013-14, the State Government transferred ₹ 2.00 crore to the Guarantee Redemption Fund against the required amount of ₹ 21.68 crore (1/5th of outstanding guarantee of ₹ 108.39 crore as on 31 March 2013). The balance in the Fund as on 31 March 2014 was ₹ 5.50 crore which has been invested and no guarantee was invoked during the year.

(c) State Disaster Response Fund (SDRF)

The State Government replaced the existing Calamity Relief Fund (CRF) and created the “State Disaster Response Fund” (SDRF) in 2010-11 as per the recommendation of the Thirteen Finance Commission. The recommendation of the Thirteenth Finance Commission envisaged that the Centre and the State were to contribute to the fund in the proportion 90:10. The SDRF had an opening balance of ₹ 5.35 crore at the beginning of the year and an amount of ₹ 8.71 crore and ₹ 0.97 crore was released by the Central and the State Government respectively against which an expenditure of ₹ 7.83 crore was incurred during the year from the fund. The fund had a closing balance of ₹ 7.20 crore as on 31 March 2014.

1.10.4 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 Statement 9 of the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last three years is given in **Table-1.33**.

Table-1.33: Guarantees given by the Government of Mizoram

(₹ in crore)			
Guarantees	2011-12	2012-13	2013-14
Maximum amount guaranteed	243.34	243.84	273.94
Outstanding amount of guarantees	232.19	223.13	108.39
Revenue Receipts	3,824.90	4,536.74	4,764.85
Percentage of maximum amount guaranteed to revenue receipts	6.36	5.37	5.75

The State Government had guaranteed loans raised by various corporations and others which at the end of 2013-14 stood at ₹ 108.39 crore. The maximum amount guaranteed during 2013-14 stood at ₹ 273.94 crore out of which the major extension of fresh guarantees were towards Mizoram Cooperative Apex Bank Ltd. (₹ 102.75 crore), Zoram Industrial Development Corporation Limited (₹ 59.67 crore), Consortium Bank Credit (CBC) scheme (₹ 44.28 crore), MCA (₹ 25.00 crore) and MUCO Bank Ltd. (₹ 20.17 crore) in the current year. The outstanding guarantees were 5.75 per cent of the revenue receipts of the Government and it is pertinent to note that if the liabilities arising out of the outstanding guarantees are added to the fiscal liabilities of the State Government at the close of the current year, the ratio of total liabilities to GSDP would increase from 54.47 per cent to 55.52 per cent.

1.11 Debt Management

Apart from the magnitude of debt of State Government, it is important to analyze various indicators that determine the debt sustainability⁷ of the State. The Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between cost of additional borrowings with return from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt. This section assesses the sustainability of debt of the State Government in terms of debt stabilisation⁸, sufficiency of non-debt receipts⁹, net availability of borrowed funds¹⁰, burden of interest payments (measured by interest payments to revenue receipts ratio) and maturity profile of State Government securities. **Table-1.34** analyzes the debt sustainability of the State according to these indicators for the period of five years beginning from 2009-10.

Table-1.34: Debt Sustainability: Indicators and Trends

Indicators of Debt Sustainability	2009-10	2010-11	2011-12	2012-13	2013-14
Debt Stabilization (Quantum Spread + Primary Deficit)	501.99 + (-) 57.27 = 444.72	188.64 + (-) 913.90 = (-) 725.26	419.56 + (-) 203.27 = 216.29	419.82 + (-) 292.34 = 127.48	1,153.25 + (-) 464.62 = 688.63
Sufficiency of Non-debt Receipts (Resource Gap)	(-) 217.36	(-) 707.86	541.06	(-) 102.07	(-) 168.63
Net Availability of Borrowed Funds	(-) 240.73	763.60	(-) 218.51	277.60	209.75
Burden of Interest Payments (IP/RR Ratio)	8.58	3.70	7.19	6.35	5.97

⁷ As defined in Appendix 1.1.C

⁸ As defined in Appendix 1.1.C

⁹ As defined in Appendix 1.1.C

¹⁰ It indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds

Maturity Profile of State Debt (In Years)		(₹ in crore)
Maturity Profile ^(a)	Amount	Per cent
0 – 1	803.39	17.84
1 – 3	1,039.33	23.07
3 – 5	783.82	17.40
5 – 7	760.97	16.89
Sub-total (A)	3,387.51	75.21
7 – 9	616.54	13.69
9 – 11	403.33	8.95
11 – 13	58.56	1.30
13 – 15	26.72	0.59
15 and above	11.67	0.26
Sub-total (B)	1,116.82	24.79
Total (A + B)	4,504.33	100.00

^(a) As per Finance Accounts

During the current year, the sum of quantum spread and primary deficit remained positive indicating that the debt-GSDP ratio is stable. The sum of quantum spread and primary deficit increased considerably by ₹ 561.54 crore from ₹ 127.09 crore during 2012-13 to ₹ 688.63 crore during 2013-14, which was attributable to increase in quantum spread (quantum spread increased due to increase in the growth rate of GSDP) in 2013-14 to ₹ 1,153.25 crore as compared to quantum spread of ₹ 419.82 crore in 2012-13. This indicated improved debt stability *vis-à-vis* GSDP during the current year (mainly due to high growth rate of GSDP in 2013-14) compared to the previous year and hence the debt-GSDP ratio would eventually be falling in the upcoming years if the growth rate of GSDP is sustained at the current level.

Another indicator of debt sustainability is the adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure. Negative resource gap indicates non-sustainability of debt while positive resource gap indicates sustainability of debt. Widening of the resource gap from a (-) ₹ 102.27 crore during 2012-13 to (-) ₹ 168.63 crore during 2013-14 indicates depreciating capacity of the State to sustain the debt from the non-debt receipts in the medium to long run. This also meant the State had to depend on borrowed funds for meeting current revenue and capital expenditure.

Debt sustainability also depends on the ratio of debt redemption (principal + interest payments) to total debt receipts and application of available borrowed funds. The ratio of debt redemption to debt receipts indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.

During 2013-14, against debt receipt of ₹ 2,714.65 crore, debt redemption and interest payment was ₹ 2,504.90 crore, leaving ₹ 209.75 crore for purposes other than debt redemption and for servicing of past liabilities of the State.

The maturity profile of the State's debt during the current year indicates that out of the outstanding debt stock of ₹ 4,504.33 crore, around 75.21 *per cent* (₹ 3,387.51 crore) is payable within the next seven years while the remaining 24.79 *per cent* (₹ 1,116.82 crore) are to be paid in more than seven years' time. Since there was no fiscal surplus during the last five years (2009-14), the Government will have to borrow further to discharge the repayment obligations unless there is adequate fiscal surplus. Ideally, further borrowings in future should be made in such a way that there is no bunching of repayments in any particular year as that will cause undue stress on the budget.

1.12 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government Accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised and 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 2013-14.

1.12.1 Trends in Deficits

Charts-1.14 and 1.15 present the trends in deficit indicators over the period 2009-14.



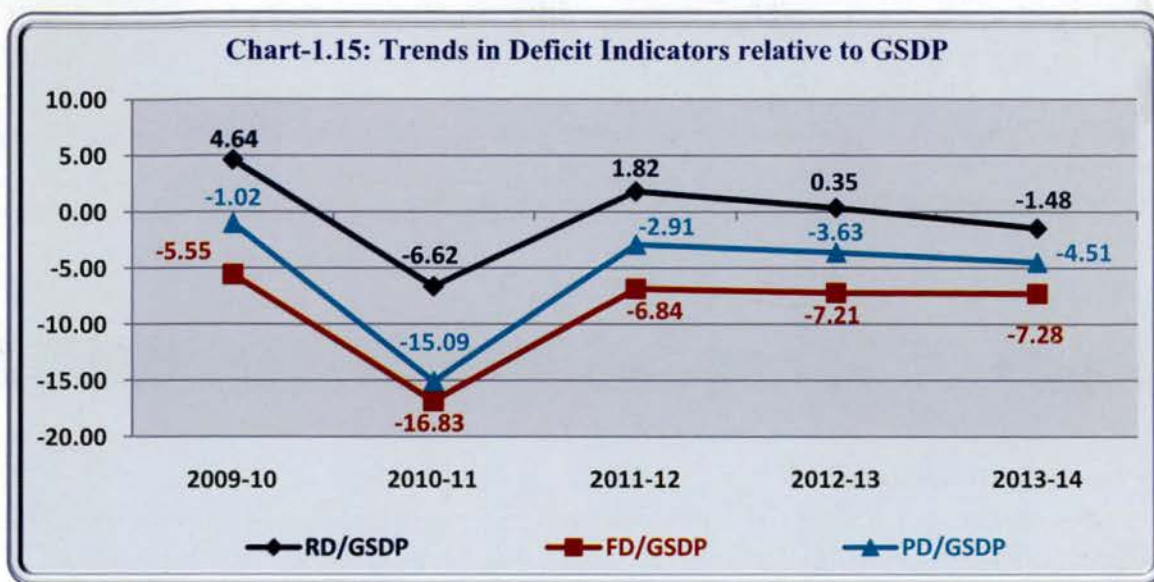


Chart-1.14 reveals that the depreciation in revenue surplus by ₹ 179.96 crore in 2013-14 over the previous year was due to increase in revenue expenditure by 9.05 *per cent*, although the revenue receipt was higher by 5.03 *per cent*. Due to increase of ₹ 400.38 crore in total expenditure in 2013-14 over the previous year, the position of both fiscal deficit and primary deficit also deteriorated. While fiscal deficit increased by ₹ 168.64 crore, primary deficit had increased by ₹ 172.29 crore over the previous year. Interest payment (₹ 284.50 crore) alone accounted for 37.98 *per cent* of the fiscal deficit (₹ 749.13 crore) and as such obligations of past liabilities formed major portion of the fiscal deficit in the current year. Interest bearing borrowing¹¹ of ₹ 955.24 crore in 2013-14 as compared to ₹ 420.28 crore in the previous year may amplify the interest burden in the coming years. A cautious and prudent management of expenditure and revenue mobilization needs to be taken up so that financial position returns to a comfortable state.

1.12.2 Components of Fiscal Deficit and its Financing Pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in **Table-1.35**:

Table-1.35: Components of Fiscal Deficit and its Financing Pattern

(₹ in crore)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Decomposition of Fiscal Deficit	(-) 311.62	(-) 1,019.48	(-) 478.42	(-) 580.49	(-) 749.13
1 Revenue Surplus/Deficit	(+) 260.81	(-) 400.87	(+) 127.57	(+) 27.83	(-) 152.13
2 Net Capital Expenditure	(-) 572.80	(-) 614.71	(-) 600.27	(-) 607.55	(-) 599.40
3 Net Loans and Advances	(+) 0.37	(-) 3.90	(-) 5.72	(-) 0.77	(+) 2.40

¹¹ Includes only Internal debt and Loans and Advances from Central Government

Particulars		2009-10	2010-11	2011-12	2012-13	2013-14
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	(-) 58.61	256.56	9.92	67.78	229.60
2	Loans from GoI	13.30	(-) 22.04	4.25	(-) 18.61	(-) 186.80
3	Special Securities Issued to NSSF	8.18	18.71	7.11	18.41	7.73
4	Loans from Financial Institutions	(-) 97.76	16.01	(-) 42.68	71.22	(-) 47.40
5	Compensation and other Bonds	(-) 4.56	(-) 4.56	(-) 4.55	(-) 4.56	(-) 4.56
6	Small Savings, PF etc.	43.58	275.91	115.72	196.33	309.95
7	Deposits and Advances	105.49	333.44	(-) 32.42	230.33	183.78
8	Suspense and Misc.	292.16	209.58	453.72	(-) 51.79	206.48
9	Remittances	(-) 39.96	(-) 35.83	57.03	(-) 18.50	6.41
10	Reserve Fund	4.03	(-) 4.37	0.11	5.39	1.85
11	Increase/decrease in Cash Balance with RBI	45.77	(-) 23.93	(-) 89.79	84.49	42.09
12	Overall Deficit (1 to 11) (% of GSDP)	(-) 311.62 (5.55)	(-) 1,019.48 (16.83)	(-) 478.42 (6.84)	(-) 580.49 (7.21)	(-) 749.13 (7.28)
* All these figures are net of disbursements/outflows during the year						

It can be seen from **Table-1.40** that there was *fiscal deficit during the last five years with lowest deficit in 2009-10 (₹ 311.62 crore), however, the fiscal deficit has drastically deteriorated since 2010-11 and finally stood at ₹ 749.13 crore during 2013-14*. During 2013-14, fiscal deficit was primarily financed by Small Savings, PF etc., Market Borrowings, Suspense and Miscellaneous, Deposits and Advances and Cash Balance with RBI.

The solution to the Government debt problem lies in the method of application of borrowed funds i.e., whether they are being used efficiently and productively for capital expenditure which either provides returns directly or results in increased productivity of the economy which may result in increase in Government revenue in future, making debt payments manageable.

1.12.3 Quality of Deficit/Surplus

The ratio of RD to FD and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the States' finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratio of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) was not having any asset backup. The bifurcation of the primary deficit (**Table-1.36**) would indicate the extent to which the deficit has been on account of enhancement in capital expenditure which might be necessary to improve the productive capacity of the State's economy.

Table-1.36: Primary Deficit/Surplus – Bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary Revenue Expenditure	Capital Expenditure	Loans and Advances	Primary Expenditure	Primary revenue deficit (-)/surplus (+)	Primary deficit (-)/surplus (+)
1	2	3	4	5	6 (3+4+5)	7 (2-3)	8 (2-6)
2009-10	2,988.82	2,448.35	572.80	24.94	3,046.09	(+) 540.47	(-) 57.27
2010-11	2,881.34	3,150.66	614.71	29.87	3,795.24	(-) 269.32	(-) 913.90
2011-12	3,852.70	3,422.18	600.27	33.52	4,055.97	(+) 430.52	(-) 203.27
2012-13	4,566.22	4,220.76	607.55	30.25	4,858.56	(+) 345.46	(-) 292.34
2013-14	4,797.96	4,632.48	599.40	30.70	5,262.58	(+) 165.48	(-) 464.62

The non-debt receipts of the State during 2009-10 to 2013-14 were sufficient to meet the primary revenue expenditure except during 2010-11. During 2012-13 and 2013-14 the non-debt receipt was in excess of the primary revenue expenditure by ₹ 345.46 crore and ₹ 165.48 crore respectively. The non-debt receipts of the State increased by 5.08 *per cent* from ₹ 4,566.22 crore in 2012-13 to ₹ 4,797.96 crore in 2013-14 which was more than the primary expenditure by ₹ 165.48 crore. The proportion of capital expenditure decreased during the current year over the previous years by ₹ 8.15 crore.

1.13 Conclusion and Recommendations

Conclusion

Revenue receipts increased by ₹ 228.11 crore (5.03 *per cent*) over the previous year mainly due to increase in Grants-in-Aid (₹ 167.89 crore). The revenue receipt (₹ 4,764.85 crore) was lower by ₹ 274.57 crore (5.45 *per cent*) than the assessment of the State Government in its Fiscal Correction Path (FCP) (₹ 5,039.42 crore).

Revenue Expenditure and Capital Expenditure

Revenue expenditure increased by ₹ 408.07 crore (9.05 *per cent*) while **capital expenditure** decreased by ₹ 8.15 crore (1.34 *per cent*) over the previous year. Revenue expenditure was higher by ₹ 259.37 crore (5.57 *per cent*) over the assessment made by the State Government in its FCP (₹ 4,657.61 crore) while, capital expenditure was higher by ₹ 281.19 crore (32.67 *per cent*) over the projection made by the State Government in its FCP (₹ 451.80 crore).

The total expenditure of the State increased progressively from ₹ 3,300.44 crore in 2009-10 to ₹ 5,547.09 crore in 2013-14 at an annual average rate of 13.61 *per cent* and increased by 7.78 *per cent* from ₹ 5,146.71 crore in 2012-13 to ₹ 5,547.09 crore in 2013-14. Of the total expenditure during 2013-14, the revenue expenditure (₹ 4,916.98 crore) constituted 88.64 *per cent* while capital expenditure (₹ 599.40 crore) constituted 10.81 *per cent* and loans and advances (₹ 30.71 crore) constituted 0.55 *per cent*.

The breakup of total expenditure in terms of plan and non-plan expenditure during 2013-14 reveals that while the share of plan expenditure of ₹ 2,312.59 crore constituted 41.69 *per cent* of the total expenditure, the remaining 58.31 *per cent* (₹ 3,234.50 crore) was non-plan expenditure. Moreover, out of the increase of ₹ 400.38 crore in total expenditure in 2013-14, plan expenditure constituted 3.57 *per cent* (₹ 14.31 crore) while non-plan expenditure contributed 96.43 *per cent* (₹ 386.07 crore).

Fiscal liabilities

The overall fiscal liabilities of the State increased at an average annual rate of 10.92 *per cent* during the period 2009-14. During the current year, the overall fiscal liabilities of the State Government increased by ₹ 494.27 crore (9.66 *per cent*) from ₹ 5,114.20 crore in 2012-13 to ₹ 5,608.47 crore in 2013-14. The increase in fiscal liabilities was mainly due to increase in the Public Account liabilities by ₹ 495.69 crore and Internal Debt by ₹ 185.38 crore, offset by a decrease in Loans and Advances by ₹ 186.80 crore. *The ratio of fiscal liabilities to GSDP has decreased from 63.51 per cent in 2012-13 to 54.47 per cent in 2013-14, however, the ratio of fiscal liabilities to revenue receipts increased from 112.73 per cent in 2012-13 to 117.71 per cent in 2013-14 and with respect to Own resources it increased from 1,173.12 per cent in 2012-13 to 1,322.63 per cent in 2013-14.* The buoyancy of these liabilities with respect to GSDP during the year was 0.35, however, with respect to revenue receipts it was 1.92 indicating that for each one *per cent* increase in revenue receipts, fiscal liabilities grew by 1.92 *per cent*. The buoyancy of fiscal liabilities with respect to own resources was

(-) 3.54. Against the target of 79.20 *per cent* set by the XIII FC for the current year, the outstanding fiscal liabilities of the State at the end of the year 2013-14 stood at 54.47 *per cent* of GSDP.

Investment and Returns

As of 31 March 2014, Government had invested ₹ 22.27 crore in Government Companies and Co-operative Bank, Societies, *etc.* out of which an amount of ₹ 4.92 crore was invested in Government Companies and ₹ 17.35 crore was invested in Co-operative Bank, Societies, *etc.* During the current year, the State Government invested ₹ 97 lakh in Government Companies and ₹ 11.92 lakh in Consumer Co-operatives. No dividend was received during 2013-14. *The average return on this investment was Nil in the last five years while the Government paid an average interest rate ranging from 2.60 per cent to 7.02 per cent on its borrowings during 2009-14.*

Debt sustainability

During the current year, the sum of quantum spread and primary deficit remained positive indicating that the debt-GSDP ratio is stable. The sum of quantum spread and primary deficit increased considerably by ₹ 561.54 crore from ₹ 127.09 crore during 2012-13 to ₹ 688.63 crore during 2013-14, which was attributable to increase in quantum spread (quantum spread increased due to increase in the growth rate of GSDP) in 2013-14 to ₹ 1,153.25 crore as compared to quantum spread of ₹ 419.82 crore in 2012-13. This indicated improved debt stability *vis-à-vis* GSDP during the current year (mainly due to high growth rate of GSDP in 2013-14) compared to the previous year and hence the debt-GSDP ratio would eventually be falling in the upcoming years if the growth rate of GSDP is sustained at the current level.

Widening of the resource gap from a (-) ₹ 102.27 crore during 2012-13 to (-) ₹ 168.63 crore during 2013-14 indicates depreciating capacity of the State to sustain the debt from the non-debt receipts in the medium to long run. This also meant the State had to depend on borrowed funds for meeting current revenue and capital expenditure.

Cash Balances

Cash balance of the State Government at the end of the current year decreased by ₹ 10.49 crore from ₹ 262.52 crore in 2012-13 to ₹ 252.03 crore in 2013-14. There was also a difference of ₹ 57.43 crore (net credit) at the end of the accounting year 2013-14 between the Cash Balance as worked out by the Principal Accountant General and as reported by the Reserve Bank of India. This difference is mainly due to erroneous reporting by the accredited banks to the Reserve Bank of India, Nagpur which is responsible for maintaining the Cash Balance of the State Government.

Fiscal Imbalances

Due to increase of ₹ 400.38 crore in total expenditure in 2013-14 over the previous year, the position of both fiscal deficit and primary deficit also deteriorated. While fiscal deficit increased by ₹ 168.63 crore, primary deficit had increased by ₹ 172.28 crore over the previous year.

Recommendations**Revenue Receipts**

The State Government should mobilize additional resources both through tax and non-tax sources by expanding the tax base and rationalizing user charges. It should also make efforts to collect revenue arrears. Efforts should also be made to increase tax compliance and reduce tax administration costs so that deficits are contained. The State Government should ensure that the Government of India releases all grants due to the State by taking timely action on all conditionalities that are pre-requisite to the release. There is an urgent need to improve collection of tax and non-tax revenues so that dependence on borrowed funds could be reduced.

Prioritisation of Expenditure

The Government should also focus on expenditure management to bring about qualitative improvement in the public spending. The State Government should initiate action to restrict the components of non-plan revenue expenditure by phasing out implicit subsidies and resort to need-based borrowings to curb interest and principal payments. In view of the improvement achieved in revenue surplus and reduction of fiscal deficit, the State Government should put in place more stringent fiscal reforms measures to maintain a sustainable space to provide scope for fiscal stability. As such there is an urgent need to apply due prudence in expenditure pattern so that the resource gap remains within manageable controls of the fiscal capability of the State.

The increasing revenue expenditure should be curtailed as it poses a threat to the State Government's capability to maintain revenue surplus and to build up the accumulated revenue surplus for financing the capital investment. In order to meet the yearly increments of revenue expenditure, the Government has to generate its own resources.

Debt Sustainability

Recourse to borrowed funds in future should be carefully assessed and managed so that the recommendations of the Thirteenth Finance Commission to bring Fiscal Liabilities-GSDP could be achieved by 2014-15. Maintaining a calendar of borrowings to avoid bunching towards the end of the fiscal year will ensure that market borrowings are sourced optimally. A clear understanding of the maturity profile of debt payments will go a long way in prudent debt management.

Government Investments

A performance-based system of accountability should be put in place in the Government Companies/Statutory Corporations so as to ensure profitability and improve efficiency in service. The Government should have a re-look on the re-structuring of the loss-making Companies so as to curb the increasing debt burden of the Government.

**FINANCIAL MANAGEMENT
AND
BUDGETARY CONTROL**

2.1 Introduction

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

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

2.2 Summary of Appropriation Accounts

The summarized position of actual expenditure during 2013-14 against 49 grants/appropriations (48 Grants and one Appropriation) are given in **Table-2.1**.

Table-2.1: Summarized Position of Actual Expenditure *vis-à-vis* Original/ Supplementary provisions

(₹ in crore)

Nature of expenditure		Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess (+)
Voted	I Revenue	5,688.99	146.15	5,835.14	4,604.01	(-) 1,231.13
	II Capital	630.90	642.91	1,273.81	699.39	(-) 574.42
	III Loans and Advances	2.10	15.60	17.70	30.71	(+) 13.01
	Total Voted	6,321.99	804.66	7,126.65	5,334.11	(-) 1,792.54
Charged	IV Revenue	319.95	0.93	320.88	322.73	(+) 1.85
	V Capital	-	-	-	-	-
	VI Public Debt Repayment	104.72	503.56	608.28	956.66	(+) 348.38
	Total Charged	424.67	504.49	929.16	1,279.39	(+) 350.23
Appropriation to Contingency Fund (if any)		-	-	-	-	-
Grand Total		6,746.66	1,309.15	8,055.81	6,613.50	(-) 1,442.31

The overall savings of ₹ 1,442.31 crore was the result of savings of ₹ 1,942.42 crore in 45 grants under Revenue Section, 18 grants under Capital Section which was offset by excess

of ₹ 500.11 crore in three grants and one appropriation under Revenue Section and one grant and one appropriation under Capital Section.

The Appropriation accounts of 2013-14 included 48 Grants and one Appropriation. Major savings occurred in Planning and Programme Implementation Department (₹ 921.40 crore), Agriculture (₹ 110.68 crore), School Education (₹ 53.04 crore), Environment and Forests (₹ 52.50 crore) and Local Administration Department (₹ 37.75 crore) under Revenue section. Substantial savings also occurred in Public Works Department (₹ 187.20 crore), Minor Irrigation (₹ 131.60 crore), Urban Development & Poverty Alleviation (₹ 113.27 crore) and Food Civil Supplies & Consumer Affairs (₹ 53.25 crore) under Capital Section (**Appendix-2.1 A**).

The reasons for savings/excess were called for from the concerned Departments. However, no reply was received (September 2014).

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

The outcome of the appropriation audit revealed that savings aggregating ₹ 1,374.93 crore in 32 cases (Revenue) and ₹ 560.82 crore in 13 cases (Capital) exceeded ₹ one crore in each case or more than 12 *per cent* of the total provision (**Appendix-2.1**). Also savings aggregating ₹ 1,890.21 crore in 32 cases (Revenue Voted, Revenue Charged and Capital Voted), exceeded ₹ 10 crore and above or more than 12 *per cent* of the total provision (**Appendix-2.1 A**). Against the overall savings of ₹ 1,942.42 crore during 2013-14, savings of ₹ 1,622.97 crore (83.55 *per cent*) occurred in eight cases relating to eight grants where savings were more than ₹ 50 crore and above as indicated in **Table-2.2**:

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

(₹ in crore)

Sl. No.	No. and Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Savings
Revenue-Voted						
1	14-Planning and Programme Implementation	955.32	5.23	960.55	39.15	921.40
2	31-Agriculture	175.29	103.20	278.49	167.81	110.68
3	20-School Education	580.07	147.10	727.17	674.13	53.04
4	36-Environment and Forests	84.42	60.95	145.37	92.86	52.51
Capital-Voted						
1	45-Public Works	95.02	312.45	407.47	220.26	187.21
2	47-Minor Irrigation	131.60	0.19	131.79	0.19	131.60
3	46-UD&PA	102.86	70.93	173.79	60.51	113.28
4	17-Food and Civil Supplies	178.27	89.26	267.93	214.68	53.25
Total		2,302.85	789.31	3,092.56	1,469.59	1,622.97

2.3.2 Persistent Savings

In one case, during the last six years there were persistent savings of more than ₹ one crore (Table-2.3).

Table-2.3: List of Grants indicating Persistent Savings during 2008-14

(₹ in crore)

Sl. No.	No. and Name of the grant	Amount of savings					
		2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
1	14 - Planning and Programme Implementation Department	112.39	8.85	109.03	50.00	29.40	921.40
		(80.00)	(21.00)	(77.95)	(61.12)	(40.51)	(95.92)

Figures in the parentheses indicate percentage to total provision of that grant

2.3.3 Excess Expenditure

Revenue expenditure aggregating ₹ 655.92 crore in 12 cases exceeded the approved provisions (₹ 374.97 crore) by ₹ 280.96 crore which was more than the approved provision by one crore in each case or more than 33 per cent of the total provision. Also Capital expenditure of ₹ 870.48 crore in six cases exceeded the approved provisions (₹ 500.14 crore) by ₹ 370.34 crore (Appendix-2.2). In six cases, expenditure exceeded more than 50 per cent over the approved provisions. Moreover, there were expenditure without any provisions/appropriations in four cases. Details are given in Table-2.4.

Table-2.4: Grants/Appropriations where expenditure exceeded more than 50 per cent over the approved provisions during 2013-14

(₹ in lakh)

Sl. No.	Grant No	Name of the Grant/Appropriation with Major or Minor heads	Total Grant/Appropriation	Expenditure	Excess Expenditure	Percentage
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenue (Voted)						
1	9	Finance	9,500.00	29,624.20	20,124.20	211.83
		2071-01-101(01) Pension	4,350.00	6,752.51	2,402.51	55.23
		2071-01-104(01) Pension/Gratuities	2,800.00	4,671.25	1,871.25	66.83
		2071-115(01) Leave Encashment	1.00	190.66	189.66	18,966.00
2	15	2071-01-103-01 Compassionate Allowances				
2	15	General Administration Department	317.63	513.16	195.53	61.56
3	30	2053-093-04 DC, Champhai				
3	30	Disaster Management & Rehabilitation	445.50	869.00	423.50	95.06
3	30	2245-80-103(01) State Disaster Response Fund (FC)				
4	Public Debt	2049-01-115-02 Overdraft	0.00	12.68	12.68	---
Total			17,414.13	42,633.46	25,219.33	---

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Capital (Voted)						
1	45	Public Works				
		4202-01-203-02 SMS for construction of college buildings (SCA)	14.44	44.44	30.00	207.76
		4202-01-203-11 Construction of three College Buildings (Auditorium for Lunglei Government College)	0.00	200.00	200.00	---
		4202-01-203-12 SMS for construction of three college buildings (Auditorium for Lunglei Government College)	0.00	22.22	22.22	---
2	Public Debt	6003-110-02 Overdraft	0.00	21,950.65	21,950.65	---
Total			14.44	22,217.31	22,202.87	---
Grand Total			17,428.57	64,850.77	47,422.20	---

2.3.4 Expenditure without provision

Expenditure should not be incurred on a scheme/service without provision of funds. It was, however, noticed that expenditure of ₹ 221.86 crore was incurred in four cases without any provision of funds in the original estimates/supplementary demand and without any re-appropriation orders to this effect as given in **Table-2.5**.

Table-2.5: Details of expenditure incurred without provision during 2013-14

(₹ in lakh)

Sl. No.	No. and Name of Grants	Amount of expenditure without provision	Reasons/Remarks
1	45-Public Works		
	4202-01-203-11 Construction of three College Building (Auditorium for Lunglei Government College)	200.00	Reasons has not been intimated (September 2014)
	4202-01-203-12 SMS for construction of three College Building (Auditorium for Lunglei Government College)	22.22	-do-
2	Public Debt		
	2049-01-115-02 Overdraft	12.68	Due to payment of interest on overdraft which was not assessed at the time of Budget Estimation
	6003-110-02 Overdraft	21,950.65	Due to inability of the Finance Dept. to assess the requirement for repayment of Loans & Advances and Overdraft
Total		22,185.55	

2.3.5 Unutilised provision of Fund

Appropriation of fund for a work/scheme during a financial year is approved by the Legislature through budget for implementation of the work/scheme. During the year 2013-14, a provision of ₹ 54.77 crore including supplementary grant for implementation of Finance Commission, NLCPR Schemes, etc. under seven departments was approved. The Departments, however, could not utilise the funds as approved and resulted in savings of the entire provision. The details are given in **Appendix-2.3**.

2.3.6 Excess over provisions relating to previous years requiring regularization

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularized by the State Legislature. Although no time limit for regularization of expenditure has been prescribed under the Article, but the regularization of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, the excess expenditure amounting to ₹ 124.17 crore for the years 2010-11 to 2012-13 was yet to be regularised. The year-wise amount of excess expenditure pending regularisation for grants/appropriations is summarised in Table-2.6.

Table-2.6: Excess over provisions relating to previous years requiring regularisation

(₹ in crore)

Year	Number of grants/appropriations	Grant/Appropriation numbers	Amount of excess	Stage of consideration by Public Accounts Committee (PAC)
2010-11	3	17, 28 & 42	4.69	-
2011-12	3	27, 16 & 25	0.59	-
2012-13	2	9 & 49	118.89	-
Total	8	-	124.17	-

2.3.7 Excess over provision during 2013-14 requiring regularisation

Table-2.7 contains the summary of total excess in four grants and one appropriation amounting to ₹ 500.10 crore over authorization from the Consolidated Fund of the State (CFS) during 2013-14 and requires regularisation under Article 205 of the Constitution.

Table-2.7: Excess over provisions requiring regularisation during 2013-14

(₹ in crore)

Sl. No.	Number and title of grant/appropriation	Total grant/appropriation	Expenditure	Excess
Voted Grants				
1	9-Finance (Revenue)	402.95	552.56	149.61
2	19-Local Administration (Capital)	4.48	4.49	0.01
3	44-Trade & Commerce (Revenue)	4.54	4.58	0.04
Total (Voted)		411.97	561.63	149.66
Charged Grants				
4	10-Mizoram Public Services Commission (Revenue)	4.63	4.67	0.04
5	Public Debt (Revenue)	305.37	307.39	2.02
6	Public Debt (Capital)	608.28	956.66	348.38
Total (Charged)		918.28	1268.72	350.44
Total		1,330.25	1,830.35	500.10

2.3.8 Unnecessary/Excessive/Inadequate supplementary provision

Supplementary provision aggregating ₹ 218.77 crore obtained in 17 cases, ₹ 10 lakh or more in each case, during the year proved unnecessary as the original provision was not fully utilised as detailed in **Appendix-2.4**. Out of the above 17 cases, ₹ 215.35 crore proved unnecessary in eight cases and were more than one crore and above in each case as detailed in **Table-2.8**.

Table-2.8: Statement showing unnecessary Supplementary Provision of ₹ one crore and above

(₹ in lakh)

Sl. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
A. Revenue (Voted)					
1	14- Planning and Programme Implementation	95,531.75	3,915.27	91,616.48	523.18
2	19-Local Administration	6,341.47	3,028.41	3,313.06	461.69
3	30-Disaster Management and Rehabilitation	1,728.01	1,684.36	43.65	555.55
4	31-Agriculture	17,529.27	16,781.06	748.21	10,320.00
Total for Revenue (Voted)		1,21,130.50	25,409.10	95,721.40	11,860.42
B. Capital (Voted)					
5	9-Finance	2,475.00	253.40	2,221.60	253.40
6	16-Home	2,466.00	2,114.47	351.53	2,114.47
7	38-Rural Development	4,432.00	4,401.75	30.25	214.35
8	46-Urban Development and Poverty Alleviation	10,286.00	6,051.32	4,234.68	7,092.77
Total for Capital (Voted)		19,659.00	12,820.94	6,838.06	9,674.99
Grand Total (A+B)		1,40,789.50	38,230.04	1,02,559.46	21,535.41

Further, in 56 cases, Supplementary Provisions aggregating ₹ 1,440.87 crore, ₹ 20 lakh and above in each case, proved excessive/inadequate as detailed in **Appendix-2.5**. Out of these, there were 40 cases where supplementary provision proved excessive by more than ₹ one crore as detailed in **Table-2.9**.

Table-2.9: Statement showing excessive supplementary provision (₹ one crore and above)

(₹ in lakh)

Sl. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Total Provision	Expenditure	Supplementary Provision Excess (+)/ Less (-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
A. Revenue (Voted)						
1	4 Law and Judicial	1,553.91	291.73	1,845.64	1,712.63	133.01
2	6 Land Revenue and Reforms	1,851.56	601.04	2,452.60	2,263.48	189.12
3	8 Taxation	1,154.90	308.37	1,463.27	1,345.49	117.78

Chapter-II: Financial Management and Budgetary Control

(1)	(2)	(3)	(4)	(5)	(6)	(7)
4	14 Planning and Programme Implementation	95,531.75	523.18	96,054.93	3,915.27	92,139.66
5	15 General Administration Department	5,076.18	6,303.16	11,379.34	10,150.59	1,228.75
6	16 Home	43,581.02	3,286.90	46,867.92	45,197.04	1,670.88
7	17 Food, Civil Supplies & Consumer Affairs	6,713.74	3,079.44	9,793.18	8,054.51	1,738.67
8	19 Local Administration Department	6,341.47	461.69	6,803.16	3,028.41	3,774.75
9	20 School Education	58,007.60	14,709.61	72,717.21	67,413.12	5,304.09
10	21 Higher & Technical Education	10,711.19	12,711.10	23,422.29	22,446.17	976.12
11	24 Medical & Public Health Services	16,792.86	9,346.03	26,138.89	24,801.26	1,337.63
12	25 Water Supply & Sanitation	10,886.00	3,020.09	13,906.09	13,692.88	213.21
13	27 District Councils	21,073.00	6,989.59	28,062.59	24,514.54	3,548.05
14	29 Social Welfare	3,216.11	10,931.79	14,147.90	13,269.38	878.52
15	30 Disaster Management and Rehabilitation	1,728.01	555.55	2,283.56	1,684.36	599.20
16	31 Agriculture	17,529.27	10,320.00	27,849.27	16,781.06	11,068.21
17	32 Horticulture	2,241.70	9,088.16	11,329.86	10,749.87	579.99
18	33 Soil and Water Conservation	1,819.53	3,756.52	5,576.05	5,210.90	365.15
19	34 Animal Husbandry & Veterinary	3,536.58	11,251.47	14,788.05	13,730.07	1,057.98
20	35 Fisheries	670.55	2,491.84	3,162.39	2,738.80	423.59
21	36 Environment & Forest	8,442.04	6,094.50	14,536.54	9,286.10	5,250.44
22	38 Rural Development	5,473.40	3,267.15	8,740.55	7,700.77	1,039.78
23	39 Power	27,910.04	5,123.37	33,033.41	31,716.33	1,317.08
24	40 Industries	4,201.46	6,351.20	10,552.66	10,451.08	101.58
25	41 Sericulture	1,156.85	893.70	2,050.55	1,881.74	168.81
26	42 Transport	4,365.81	88.00	4,453.81	3,490.66	963.15
27	45 Public Works	15,286.41	2,229.70	17,516.11	17,173.99	342.12
28	46 Urban Development and Poverty Alleviation	3,675.01	3,522.38	7,197.39	6,954.10	243.29
29	47 Minor Irrigation	1,608.75	17.70	1,626.45	1,024.68	601.77
Total for Revenue (Voted)		3,82,136.70	1,37,614.96	5,19,751.66	3,82,379.28	1,37,372.38

(1)	(2)	(3)	(4)	(5)	(6)	(7)
C. Capital (Voted)						
30	4 Law and Judicial	185.00	37.60	222.60	37.60	185.00
31	9 Finance	2,475.00	253.40	2,728.40	253.40	2,475.00
32	16 Home	2,466.00	2,114.47	4,580.47	2,114.47	2,466.00
33	17 Food, Civil Supplies & Consumer Affairs	17,826.70	8,966.41	26,793.11	21,467.92	5,325.19
34	24 Medical & Public Health Services	0.50	447.51	448.01	312.01	136.00
35	34 Animal Husbandry & Veterinary	470.00	619.14	1,089.14	594.39	494.75
36	38 Rural Development	4,432.00	214.35	4,646.35	4,401.75	244.60
37	39 Power	1,500.00	6,489.56	7,989.56	6,606.44	1,383.12
38	45 Public Works	9,502.00	31,244.75	40,746.75	22,026.35	18,720.40
39	46 Urban Development & Poverty Alleviation	10,286.00	7,092.77	17,378.77	6,051.32	11,327.45
40	47 Minor Irrigation	13,160.00	19.00	13,179.00	19.00	13,160.00
Total for Capital (Voted)		62,303.20	57,498.96	1,19,802.16	63,884.65	55,917.51
Grand Total		4,44,439.90	1,95,113.92	6,39,553.82	4,46,263.93	1,93,289.89

2.3.9 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriation proved excessive/inadequate or insufficient in 30 sub-heads and resulted in savings/excess of over ₹ 10 lakh and above as detailed in **Appendix-2.6**.

2.3.10 Substantial surrenders

Substantial surrenders (the cases where more than 50 *per cent* of total provision was surrendered) were made in respect of 62 sub-heads on account of either non-filling up of vacant posts or non-receipt/release of sanction order from Government of India or re-provision of fund for the next financial year. Out of the total provision amounting to ₹ 1,793.58 crore in these 62 Schemes, an amount of ₹ 1,653.59 crore was surrendered (**Appendix-2.7**) which included 100 *per cent* surrender in 32 Schemes (₹ 1,157.84 crore).

2.3.11 Surrenders in excess of actual savings

As against savings of ₹ 285.13 crore, an amount of ₹ 295.94 crore was surrendered resulting in excess surrender of ₹ 10.81 crore as detailed in **Appendix-2.8**. There were three cases where the surrender in excess (₹ 9.28 crore) were more than ₹ 50 lakh as shown in **Table-2.10**.

Table-2.10: Surrenders in excess of actual savings (₹ 50 lakh or more)

(₹ in lakh)

Sl. No.	Number and name of the grant/appropriation	Total grant/appropriation	Saving	Amount surrendered	Amount surrendered in excess
Revenue (Voted)					
1	30 -Disaster Management and Rehabilitation	2,283.56	599.20	1,022.70	423.50
2	46-Urban Development and Poverty Alleviation	7,197.39	243.29	498.59	255.30
Capital (Voted)					
3	45-Public Works	40,746.75	18,720.40	18,969.62	249.22
Grand Total		50,227.70	19,562.89	20,490.91	928.02

In 67 cases, an amount of ₹ 1,209.29 crore was surrendered without furnishing any reason as detailed in **Appendix-2.9**. The amount surrendered in excess of actual savings indicated lack of budgetary control in these Departments.

2.3.12 Anticipated savings not surrendered

As per extant Financial Rules, the spending Departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the financial year 2013-14, there were, however, six grants/appropriations in which savings of ₹ 3.08 crore (0.16 per cent of the total savings) occurred but no part of the available savings was surrendered by the concerned Departments as shown in **Table-2.11**.

Table-2.11: Statement of various grants/appropriations in which savings occurred but no part of which had been surrendered

(₹ in lakh)

Sl. No.	Number and Name of Grants/Appropriation	Saving which remained to be surrendered
1	11-Secretariat Administration	0.35
2	4-Law and Judicial	185.00
3	25-Water Supply and Sanitation	49.74
4	35-Fisheries	0.09
5	37-Co-operation	72.38
6	42-Transport	0.06
Total		307.62

Out of total savings of ₹ 1,498.44 crore under 40 grants/appropriations, savings of ₹ 115.32 crore remained to be surrendered as shown in **Appendix-2.10**. Besides, out of total savings of ₹ 191.29 crore under seven grants/appropriations where savings was ₹ one crore and above in each case, only savings amounting to ₹ 81.28 crore (42.49 per cent) was surrendered leaving a balance savings of ₹ 110.01 crore (57.51 per cent) not surrendered as shown in **Table-2.12** below:

Table-2.12: Details of savings not surrendered (₹ one crore and above)

(₹ in lakh)

Sl. No.	Number and Name of Grants/Appropriation	Saving	Surrender	Saving which remained to be surrendered
Revenue (Voted)				
1	20- School Education	5,304.09	4,523.44	780.65
2	24- Medical And Public Health Services	1,337.63	1,049.03	288.60
3	27- District Councils	3,548.05	505.00	3,043.05
4	42- Transport	963.15	774.03	189.12
Capital (Voted)				
5	4- Law and Judicial	185.00	0.00	185.00
6	16- Home	2,466.00	438.00	2,028.00
7	17- Food, Civil Supplies and Consumer Affairs	5,325.19	838.31	4,486.88
Total		19,129.11	8,127.81	11,001.30

2.3.13 Rush of Expenditure

According to Financial Rules, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, in respect of 25 Grants listed in **Appendix-2.11**, expenditure of more than 25 *per cent* of the total expenditure for the year was incurred in March 2014. Of these, in 18 cases involving ₹ 57.17 crore, the whole amount was incurred in March, indicating there was no control over the flow of expenditure.

2.4 Reconciliation of Departmental figures**2.4.1 Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills**

As per Central Treasury Rules, Abstract Contingent (AC) bills must be regularized by Detailed Countersigned Contingent (DCC) bills. An AC bill should not be encashed without a certificate to the effect that DCC bills in respect of earlier AC bills drawn more than a month before the date of that bill have been submitted to the Controlling Officer. The Controlling Officers must submit the DCC bills to the Principal Accountant General within one month from the date of receipt of the DCC bills in his office.

It was noticed that against the total amount (₹ 1,239.89 crore) drawn in AC bills during the period 2000-01 to 2013-14, DCC bills for ₹ 1,210.33 crore have been received by the Principal Accountant General as of 31 March 2014. Thus, an amount ₹ 29.56 crore (2.38 *per cent*) drawn in AC bills remained outstanding as of March 2014 due to non-submission of DCC bills to that extent. The year wise details are given in **Table-2.13**.

Table-2.13: Pendency in submission of Detailed Countersigned Contingent Bills against Abstract Contingent Bills

(₹ in crore)

Year	Amount drawn in AC bills	Amount adjusted through DCC bills	Amount outstanding (as of 31 March 2014)	Percentage of outstanding amount
Upto 2011-12	1,217.53	1,199.05	18.48	1.52
2012-13	0.28	0.09	0.19	67.86
2013-14	22.08	11.19	10.89	49.32
Total	1,239.89	1,210.33	29.56	2.38

Source: Finance Account 2013-14 (Vol-I)

Non-adjustment of advances for long period is fraught with risk of misappropriation and therefore, requires close monitoring by the respective Drawing and Disbursing Officers (DDOs).

2.4.2 Un-reconciled Expenditure

To enable Controlling Officers of Departments to exercise effective control over expenditure to keep it within the budgetary grants and to ensure accuracy of their accounts, Financial Rules stipulate that expenditure recorded in their books be reconciled by them every month during the financial year with that recorded in the books of the Principal Accountant General (A&E). Even though non-reconciliation of Departmental figures is being pointed out regularly in Audit Reports, lapses on the part of Controlling Officers continued to persist during 2013-14 also.

It was noticed that during the year 2013-14, out of 79 Controlling Officers, 72 Controlling Officers (91.14 *per cent*) reconciled the expenditure of ₹ 4,048.06 crore (62.24 *per cent* of the total expenditure). Similarly, out of 42 Controlling Officers under Receipt Heads, 13 Controlling Officers (30.95 *per cent*) reconciled receipts of ₹ 243.01 crore (4.22 *per cent* against the total receipts). As a result, expenditure of ₹ 2,455.68 crore and receipts of ₹ 5,510.19 crore remained un-reconciled with the Books of Accounts of the Principal Accountant General during the year 2013-14.

2.5 Conclusion and Recommendations

Conclusion

The estimates of receipts and expenditure under Consolidated Fund, Contingency Fund and Public Account were prepared without adequate and due diligence in observing prescribed budgetary regulations.

Non-maintenance of Budget calendar, poor verification of departmental figures *etc.*, indicate absence of financial control. Besides, failure to put in place control mechanism, huge excess expenditure over budget provisions, non-utilisation of budget provisions and persistent savings *etc.* were noticed.

During 2013-14, an expenditure of ₹ 6,613.50 crore was incurred against the total grants and appropriations of ₹ 8,055.81 crore, resulting in savings of ₹ 1,442.31 crore. The overall savings of ₹ 1,442.31 crore were the net result of savings of ₹ 1,942.42 crore which was offset by excess of ₹ 500.11 crore. The excess requires regularisation under Article 205 of the Constitution of India. Moreover, it was seen that at the close of the financial year 2013-14, there were six grants/appropriations in which savings of ₹ 3.08 crore (0.16 *per cent* of the total savings) occurred but no part of the available savings was surrendered by the concerned Departments.

Out of the total provision amounting to ₹ 1,793.58 crore in 62 Schemes, an amount of ₹ 1,653.59 crore was surrendered which included 100 *per cent* surrender in 32 Schemes amounting to ₹ 1,157.84 crore.

In 19 cases, as against savings of ₹ 285.13 crore, an amount of ₹ 295.94 crore was surrendered resulting in excess surrender of ₹ 10.81 crore. Injudicious re-appropriation proved excessive or insufficient and resulted in savings/excess of over ₹ 10 lakh and above in 30 sub-heads.

Recommendations

- ❖ *Government should put in place an effective mechanism to ensure financial discipline and prepare realistic budget. Budgetary controls should be strengthened in all the Government Departments where savings/excesses persisted for the last three years. Issuance of re-appropriation/surrender orders at the end of the year should be avoided. Provision of funds through supplementary provisions should be used as an instrument to fine-tune the flow of expenditure and should be applied in a judicious manner so that budget provisions and actual expenditure are convergent to each other as nearest as possible.*

A close and rigorous monitoring mechanism should be put in place by the DDOs to adjust the Abstract Contingent Bills within thirty days from the date of drawal of the amount.



FINANCIAL REPORTING

A sound internal financial reporting 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.

3.1 Utilisation Certificates

General Financial Rules provides that Utilisation Certificates (UC) should be obtained by the departmental officers from the Grantees and after verification these should be forwarded to the Principal Accountant General within 18 months from the date of their sanction unless specified otherwise in respect of grants provided for specified purposes. At the end of March 2014, an amount of ₹ 2,774.19 crore remained outstanding for want of Utilisation Certificates. Details are given in **Table-3.1**.

Table-3.1: Year-wise arrears of Utilisation Certificates

Year	Utilisation Certificate outstanding (₹ in crore)	No. of GIA Sanction awaiting Utilisation Certificate
Upto 2011-12	1,638.27	4,974
2012-13	653.34	978
2013-14	482.58	931
Total	2,774.19	6,883

Source: Finance Account, Vol.-I, 2013-14

In the absence of the UCs, it could not be ascertained whether the recipients had utilised the grants for the purpose for which these were given.

3.2 Submission of Accounts

In order to identify the institutions which attract audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, the Government/ Heads of the 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.

The Re-entrustment of the Mizoram Khadi & Village Industries Board (MKVIB) for the years 2011-16 is yet to be received by the Comptroller and Auditor General of India under

Section 19 (3) of the Comptroller and Auditor General's Duties, Powers and Conditions of Service Act, 1971. The annual accounts have been received for the year 2011-12.

In the absence of the annual accounts, proper account/utilisation of the grants and loans disbursed to the above mentioned Autonomous Body remained unverified. Reasons for non-preparation/submission of the accounts were, however, not intimated to Audit (March 2014).

3.3 Departmental Commercial Undertakings

The departmental undertakings of certain Government Departments performing activities of quasi-commercial nature are required to prepare proforma accounts in the prescribed format annually showing the working results of financial operations so that the Government can assess their performance. The finalised accounts of departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting business. In the absence of timely finalisation of accounts, the investment of the Government remains outside the scrutiny of Audit/State Legislature. Consequently, corrective measures, if any, needed for ensuring accountability and improving efficiency cannot be taken in time. Besides, the delay in finalisation of accounts may also make the system vulnerable to fraud and leakage of public money.

The Heads of Department in the Government are to ensure that the undertakings prepare such accounts and submit the same to Principal Accountant General for audit by 30 June each year. The proforma accounts in respect of Food, Civil Supplies & Consumers Affairs and Mizoram State Transport were not prepared. As of March 2014, the position of arrears in preparation of proforma accounts and working results of these two bodies for the last three years are given in Table-3.2, 3.3 and 3.4.

Table-3.2: Finalisation of Accounts and Government Investments

(₹ in crore)

Sl. No.	Name of the Undertakings	Accounts finalised up to	Investment as per the last accounts finalised	Remarks/Reasons for Delay in preparation of accounts
Department: Food, Civil Supplies and Consumer Affairs				
1	Food, Civil Supplies & Consumer Affairs	2003-04	54.20	The Proforma Accounts for the financial year 2004-05 has been audited but issue of comments is under process

Sl. No.	Name of the Undertakings	Accounts finalised up to	Investment as per the last accounts finalised	Remarks/Reasons for Delay in preparation of accounts
Department: Transport				
2	Mizoram State Transport	2001-02	16.40	Proforma Accounts for the financial years 2002-03 to 2006-07 submitted but returned to Department requesting to re-submit after making necessary corrections but so far not re-submitted

Table-3.3: Working Results of Food, Civil Supplies and Consumer Affairs

(₹ in crore)

Sl. No.	Description	2011-12	2012-13	2013-14
1	Total revenue	137.85	137.08	142.19
2	Operating revenue	135.93	133.28	137.19
3	Total expenditure	790.94	932.93	1,016.98
4	Operating expenditure	231.99	260.32	279.65
5	Total loss	653.09	795.85	874.79
6	Operating loss	96.06	127.04	142.46

Table-3.4: Working Results of Mizoram State Transport

(₹ in crore)

Sl. No.	Description	2011-12	2012-13	2013-14
1	Total revenue	2.16	2.02	1.90
2	Operating revenue	1.66	1.71	1.73
3	Total expenditure	26.28	19.73	23.03
4	Operating expenditure	19.58	16.00	18.47
5	Total loss	24.12	17.71	21.13
6	Operating loss	17.93	14.29	16.74

3.4 Conclusion and Recommendations

Conclusion

At the end of March 2014, an amount of ₹ 2,774.19 crore remained outstanding for want of Utilisation Certificates. The annual accounts of Mizoram Khadi & Village Industries Board (MKVIB) for the year 2011-12 have been furnished. In the absence of the annual accounts, proper account/utilisation of the grants and loans disbursed to the above mentioned Autonomous Bodies remained unverified. In spite of repeated comments about the arrears in preparation of accounts of two Commercial Undertakings by the Comptroller and Auditor General of India in previous State reports, no improvement has been reported by the undertakings. In the absence of timely finalisation of accounts, the investment of the Government remained outside the scrutiny of the Audit/State Legislature. Consequently, corrective measures, if any, needed for ensuring accountability could not be taken in time.

Recommendations

- ❖ *Finance Department should ensure strict compliance of codal provisions as well as its own instructions to honour Public Finance Accountability norms. The State Government should undertake regular monitoring and issue necessary instructions to the concerned Departments for furnishing timely Utilisation Certificates. The Heads of Departments should ensure that the departmental undertakings prepare proforma accounts and submit the same to the Principal Accountant General for audit.*



Aizawl
The 17 April 2015

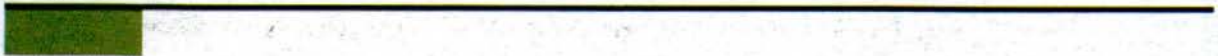
(L. Tochhawng)
Principal Accountant General (Audit), Mizoram

Countersigned



New Delhi
The 20 April 2015

(Shashi Kant Sharma)
Comptroller and Auditor General of India



APPENDICES

(Reference: Paragraph-Profile of Mizoram; Page-2)

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 **Part-B: Layout of Finance Accounts**

1.1

(Reference: Paragraph-Profile of Mizoram; Page-2)

The new format of Finance Accounts introduced from the year 2009-2010, has been divided into two Volumes – Volume 1 and 2. Volume 1 represents the financial statements of the Government in summarized form while Volume 2 represents detailed financial statement. The layout of the Finance Accounts is chalked out in the following manner:

Statement	Layout
Volume 1	
Statement No.1	Statement of Financial Position
Statement No.2	Statement of Receipts and Disbursements
Statement No.3	Statement of Receipts (Consolidated Fund)
Statement No.4	Statement of Expenditure (Consolidated Fund) by Function and Nature Notes to Accounts
	Appendix I: Cash Balances and Investment of Cash Balances
Volume 2	
Part – I	
Statement No.5	Statement of Progressive Capital Expenditure
Statement No.6	Statement of Borrowings and other Liabilities
Statement No.7	Statement of Loans and Advances given by the Government
Statement No.8	Statement of Grants-in-Aid given by the Government
Statement No.9	Statement of Guarantees given by the Government
Statement No.10	Statement of Voted and Charged Expenditure
Part – II	
Statement No.11	Detailed Statement of Revenue and Capital Receipts by minor heads
Statement No.12	Detailed Statement of Revenue Expenditure by minor heads
Statement No.13	Detailed Statement of Capital Expenditure
Statement No.14	Detailed Statement of Investments of the Government
Statement No.15	Detailed Statement of Borrowings and other Liabilities
Statement No.16	Detailed Statement on Loans and Advances given by the Government
Statement No.17	Detailed Statement on Sources and Application of funds for expenditure other than Revenue account
Statement No.18	Detailed Statement on Contingency Fund and other Public Account Transactions
Statement No.19	Detailed Statement on Investment of Earmarked Funds
Part – III : Appendices	
II	Comparative Expenditure on Salary
III	Comparative Expenditure on Subsidy
IV	Grants-in-Aid (Scheme wise and Institution wise)
V	Externally Aided Projects
VI	Plan Scheme expenditure (Central and State Plan Schemes)
VII	Direct transfer of central scheme funds to implementing agencies in the State
VIII	Summary of Balances
IX	Financial results of Irrigation Schemes
X	Incomplete Works
XI	Statement of items for which allocation of balances as a result of reorganisation of States has not been finalised
XII	Maintenance expenditure with segregation of salary and non-salary portion

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

(Reference: Paragraph-Profile of Mizoram; Page-2)

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

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

Terms	Basis of calculation
Buoyancy of a parameter	Rate of Growth of the parameter/GSDP Growth
Buoyancy of a parameter (X) with respect to another parameter (Y)	Rate of Growth of parameter (X) / Rate of Growth of parameter (Y)
Rate of Growth (ROG)	$[(\text{Current year Amount} / \text{Previous year Amount}) - 1] * 100$
Average	Trend of growth over a period of 5 years
Share shift/Shift rate of a parameter	Trend of percentage shares, over a period of 5 years, of the parameter in Revenue Expenditure as the case may be
Development Expenditure	Social Services + Economic Services
Weighted Interest Rate (Average interest paid by the State)	$\text{Interest payment} / [(\text{Amount of previous year's Fiscal Liabilities} + \text{Current year's Fiscal Liabilities}) / 2] * 100$
Interest spread	GSDP growth – Weighted Interest Rate
Quantum spread	$\text{Debt stock} * \text{Interest spread} / 100$
Interest received as <i>per cent</i> to Loans Outstanding	$\text{Interest Received} [(\text{Opening balance} + \text{Closing balance of Loans and Advances}) / 2] * 100$
Revenue Deficit	Revenue Receipt – Revenue Expenditure
Fiscal Deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary Deficit	Fiscal Deficit – Interest payments
Balance from Current Revenue (BCR)	Revenue Receipts minus all Plan grants and Non-plan Revenue Expenditure excluding expenditure recorded under the major head 2048 – Appropriation for reduction of Avoidance of debt
Compound Annual Growth Rate (CAGR)	The compound annual growth rate is calculated by taking the n^{th} root of the total percentage growth rate, where n is the number of years in the period being considered. $\text{CAGR} = [\text{Ending Value} / \text{Beginning Value}]^{(1/\text{no. of years}) - 1}$

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

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, <i>e.g.</i> enforcement of law and order, security and protection of our rights; pollution free air and other environmental goods and road infrastructure <i>etc.</i> Merit goods are http://www.britannica.com commodities that the public sector provides free or at subsidized rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidized food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation <i>etc.</i>
Debt Stabilisation	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate – interest rate) and quantum spread (Debt rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilize eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.

(Reference: Paragraph-Profile of Mizoram; Page-1)

Sl. No.	Particulars	Figures
1	Area	21,081 sq. km
2	Population as per 2011 Census	10.97 lakh
3	Density of Population (As per 2011 Census) (All India Density = 382 persons per sq.km)	52 sq. km.
4	Literacy (As per 2011 Census) (All India Average = 74.04 per cent)	91.33 per cent
5	Gross State Domestic Product (GSDP) 2013-14 at current prices	₹ 10,296.98 crore
6	GSDP CAGR (2003-04 to 2013-14)	15.43 per cent
7	Population Growth (2000-01 to 2010-11)	23.48 per cent
Financial Data		
Particulars		Figures (in per cent)
CAGR	2002-03 to 2012-13	2003-04 to 2013-14
a. of Revenue Receipts	14.36	11.86
b. of Own Tax Revenue	20.56	18.81
c. of Non Tax Revenue	13.40	11.49
d. of Total Expenditure	12.77	11.25
e. of Capital Expenditure	11.14	4.39
f. of Revenue Expenditure on Education	13.64	14.45
g. of Revenue Expenditure on Health	11.41	10.45
h. of Pension	20.39	21.21
i. of Interest	7.20	4.93

Source: Economic Survey, Mizoram 2012-13, Planning & Programme Implementation Department, Government of Mizoram

Appendix Part E: Outcome Indicators of the State's Own Fiscal Correction Path (FCP)

1.1

(₹ in crore)

	Items	2010-11 (Actuals)	2011-12 (Actuals)	2012-13 (Actuals)	2013-14 (BE)	2013-14 (RE)	2014-15 (BE)	2015-16 (Proj)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
A.	Revenue Receipts:							
1	Own Tax Revenue	130.08	178.67	223.15	222.25	234.82	270.39	297.43
2	Own Non Tax Revenue	146.71	168.03	212.80	266.00	251.78	278.48	306.33
3	Own Tax+ Non Tax Revenue (1+2)	276.79	346.70	435.95	488.25	486.60	548.87	603.76
4	Share in Central Taxes & Duties	590.78	827.78	785.96	935.66	858.08	1,030.85	1,030.85
5	Plan Grants	1,688.08	1,980.83	2,257.67	2,451.08	3,003.52	3,185.24	3,503.76
6	Non Plan Grants	819.06	856.50	1,057.16	1,164.43	1,180.76	1,114.51	1,225.96
7	Total Central Transfer (4 to 6)	3,097.92	3,665.11	4,100.79	4,551.17	5,042.36	5,330.60	5,760.57
8	Total Revenue Receipts (3+7)	3,374.71	4,011.81	4,536.74	5,039.42	5,528.96	5,879.47	6,364.33
9	Plan Expenditure	1,197.48	1,373.14	1,760.07	1,873.79	3,065.59	2,425.77	2,668.35
10	Non-Plan Expenditure	2,057.55	2,350.71	2,748.84	2,783.82	3,079.43	3,338.64	3,672.50
	<i>Of which</i>							
11	Salary Expenditure	1,171.72	1,150.09	1,377.36	1,617.13	1,632.11	1,896.80	2,086.48
12	Pension	248.75	298.36	370.52	240.17	240.17	375.87	413.46
13	Interest Payments	105.46	273.79	288.15	248.49	282.47	289.77	318.75
14	Subsidies – General	-	-	-	-	-	-	-
15	Subsidies – Power	-	-	-	-	-	-	-
16	Total Revenue Expenditure (9+10)	3,255.03	3,723.85	4,508.91	4,657.61	6,145.02	5,764.41	6,340.85
17	Salary + Interest Payments + Pension (11+12+13)	1,525.93	1,722.24	2,036.03	2,105.79	2,154.75	2,562.44	2,818.69
18	<i>As per cent of Revenue Receipts (17/8)</i>	45.22	42.93	44.88	41.79	38.97	43.58	44.29
19	Revenue Surplus(+) /Deficit(-) (8-16)	119.68	287.96	27.83	381.81	(-) 616.06	115.06	23.48

Appendix Part E: Outcome Indicators of the State's Own Fiscal Correction Path (FCP)

1.1

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
B.	Consolidated Debt:							
1	Outstanding debt and liability	3,704.55	4,548.45	5,114.20	4,582.85	5,334.81	5,651.27	5,945.27
2	Total Outstanding guarantee (of which guarantees on accounts of budgeted borrowing and SPV borrowing)	102.75	126.30	111.97	130.00	80.27	95.27	97.00
C.	Capital Account:							
1	Capital Outlay	615.38	494.84	607.55	451.80	967.95	714.28	785.71
2	Disbursement of Loans and Advances	29.87	33.52	30.25	31.20	55.95	27.45	27.45
3	Recovery of Loans and Advances	25.97	27.80	29.48	27.55	27.54	40.00	40.00
4	Other Capital Receipts	-	-	-	-	-	-	-
5	Transfer to Contingency Funds	-	-	-	-	-	-	-
D.	Gross Fiscal Deficit: (A8 + C3 + C4) – (A16+C1+C2+C5)	(-) 499.60	(-) 212.60	(-) 580.49	(-) 73.64	(-) 1,612.42	(-) 586.67	(-) 749.68
E.	GSDP at current prices	6,057.70	6,991.40	8,053.00	9,200.71	8,886.00	9,805.00	10,818.00
	Actual/Assumed Growth Rate (<i>per cent</i>)	10.18	15.41	15.18	14.25	(-) 3.42	6.57	21.74
F.	Indicators as per cent of GSDP:							
1	Own Tax Revenue (A1/E)	2.15	2.56	2.77	2.42	2.64	2.76	2.75
2	Own Non-Tax Revenue (A2/E)	2.42	2.40	2.64	2.89	2.83	2.84	2.83
3	Total Central Transfer (A7/E)	51.14	52.42	50.92	49.47	56.74	54.37	53.25
4	Total Revenue Expenditure (A16/E)	53.73	53.26	55.99	50.62	69.15	58.79	58.61
5	Revenue Surplus/ Deficit (A19/E)	1.98	4.12	0.35	4.15	(-) 6.93	1.17	0.22
6	Gross Fiscal Deficit*	8.25	3.04	7.21	0.80	18.15	5.98	6.93
7	Outstanding debt and Liabilities (B1/E)	61.15	65.06	63.51	49.81	60.04	57.64	54.96

* The State's GSDP series has been taken for measuring the GFD relative to GSDP

Appendix 1.2 Abstract of Receipts and Disbursements for the year 2013-14

(Reference: Paragraph-1.1; Page-2)

(₹ in crore)

Receipts			Disbursements				
2012-13		2013-14	2012-13		2013-14		
					Non-Plan	Plan	Total
Section –A: Revenue							
4,536.74	I. Revenue receipts	4,764.85	4,508.91	I. Revenue expenditure	3,120.14	1,796.84	4,916.98
223.15	Tax Revenue	229.78	1,420.56	General Services	1,595.54	91.08	1,686.62
212.80	Non Tax Revenue	194.26	1,652.21	Social Services	829.93	993.71	1,823.64
785.95	State's Share of Union Taxes and Duties	858.08	831.45	Education, Sports, Art and Culture	415.71	520.37	936.08
1057.17	Non-Plan grants	1,141.61	220.27	Health and Family Welfare	108.50	139.52	248.02
1,865.60	Grants for State Plan Scheme	1,904.79	188.94	Water Supply, Sanitation, Housing & Urban Development	117.73	98.11	215.84
308.89	Grants for Central and Centrally Sponsored Plan Schemes	380.91	7.63	Information and Broadcasting	6.92	2.67	9.59
83.18	Grants for Special Plan Schemes	55.42	265.58	Welfare of ST, SC and OBC	150.82	94.33	245.15
			7.31	Labour and Labour Welfare	4.45	3.46	7.91
			129.10	Social Welfare and Nutrition	23.89	135.25	159.14
			1.93	Others	1.91	0.00	1.91
			1,436.14	Economic Services	694.67	712.05	1,406.72
			721.86	Agriculture and Allied Activities	234.39	430.15	664.54
			63.61	Rural Development	18.74	38.94	57.68
			31.57	Special Areas Programmes	0.00	37.87	37.87
			9.54	Irrigation and Flood Control	4.58	5.68	10.26
			301.44	Energy	272.57	44.54	317.11
			128.35	Industry and Minerals	32.82	90.51	123.33
			118.24	Transport	103.79	32.93	136.72
			8.45	Communication	0.00	7.70	7.70
			2.97	Science, Technology and Environment	0.55	2.42	2.97
			50.11	General Economic Services	27.23	21.31	48.54
			0.00	Grants-in-aid and contributions	0.00	0.00	0.00
0.00	II. Revenue deficit carried over to Section B	152.13	27.83	II. Revenue surplus carried over to Section B	0.00	0.00	0.00
4,536.74	Total (A)	4,916.98	4,536.74	Total (A)			4,916.98

Appendix 1.2 Abstract of Receipts and Disbursements for the year 2013-14

Receipts			Disbursements				
2012-13		2013-14	2012-13		2013-14		
					Non-Plan	Plan	Total
Section – B: Others							
(-) 194.97	III. Opening Cash balance including Permanent Advances and Cash Balance investment	(-) 259.02 ¹	0.00	III. Opening Overdraft from Reserve Bank of India	0.00	0.00	0.00
---	IV. Miscellaneous Capital receipts	---	607.55	IV. Capital Outlay	114.36	485.04	599.40
			42.74	General Services	0.00	57.72	57.72
			222.42	Social Services	0.00	207.76	207.76
			8.72	Education, Sports, Art and Culture	0.00	29.62	29.62
			1.01	Health and Family Welfare	0.00	14.53	14.53
			184.12	Water Supply, Sanitation	0.00	137.59	137.59
			0.00	Information and Broadcasting	0.00	0.56	0.56
			0.00	Welfare of SC, ST and OBC	0.00	0.00	0.00
			28.57	Social Welfare and Nutrition	0.00	25.46	25.46
			0.00	Others	0.00	0.00	0.00
			342.39	Economic Services	114.36	219.56	333.92
			116.46	Agriculture and Allied Activities	114.36	14.18	128.54
			6.99	Rural Development	0.00	4.05	4.05
			41.15	Special Areas Programmes	0.00	39.77	39.77
			0.00	Irrigation & Flood Control	0.00	0.13	0.13
			72.55	Energy	0.00	65.20	65.20
			0.00	Industry and Minerals	0.00	0.00	0.00
			103.87	Transport	0.00	95.27	95.27
			1.37	General Economic Services	0.00	0.96	0.96
29.48	V. Recoveries of Loans and Advances	33.11	30.25	V. Loans and Advances disbursed			30.71
	From Power Projects	0.00	0.00	For Power Projects			0.00
11.98	From Government Servants	15.41	25.67	To Government Servants			26.42
0.01	Loans for Village and Small Industries	0.00	0.00	Loans for Village and Small Industries			0.00
17.38	Loans for Housing	17.29	4.01	Loans for Housing			4.00
0.11	From Others	0.41	0.57	To Others			0.29
27.83	VI. Revenue surplus brought down	0.00	0.00	VI. Revenue deficit brought down			152.13

¹ There is a difference in the Opening Balance [₹ (-) 259.02 crore] of 2013-14 and Closing Balance [₹ (-) 262.52 crore] of 2012-13 due to adjustment in investment of earmarked funds by ₹ 3.50 crore during 2012-13

Appendix Abstract of Receipts and Disbursements

1.2 for the year 2013-14

Receipts			Disbursements				
2012-13		2013-14	2012-13		2013-14		
					Non-Plan	Plan	Total
420.28	VII. Public Debt Receipts	955.24	286.05	VII. Repayment of Public Debt			956.66
0.00	External debt	0	0.00	External debt			0
253.60	Internal debt other than Ways and Means Advances & Overdraft	388.52	170.08	Internal debt other than Ways & Means Advances & Overdraft			69.86
166.58	Net transaction under Ways and Means Advances including Overdraft	734.53	97.26	Net transaction under Ways and Means Advances including Overdraft			867.82
0.10	Loans and Advances from Central Government	(-) 167.81	18.71	Repayment of Loans and Advances to Central Government			18.98
0.00	VIII. Appropriation to Contingency Fund	0.00	0.00	VIII. Appropriation to Contingency Fund			0.00
0.00	IX. Amount transferred to Contingency Fund	0.00	0.00	IX. Expenditure from Contingency Fund			0.00
3,055.71	X. Public Accounts receipts	3,435.47	2,677.00	X. Public Accounts Disbursements			2,677.93
506.78	Small Savings and Provident Fund	655.20	310.45	Small Savings and Provident Fund			345.25
34.68	Reserve Funds	32.58	11.38	Reserve Funds			7.83
48.67	Suspense and Miscellaneous	123.34	101.42	Suspense and Miscellaneous			(-) 109.32
1,501.38	Remittance	1518.15	1,519.88	Remittance			1,511.75
964.20	Deposits and Advances	1106.20	733.87	Deposits and Advances			922.42
	XI. Closing overdraft from Reserve Bank of India	0.00	(-) 262.52	XI. Cash Balance at end of 31 March 2014			(-) 252.03
			0.00	Cash in Treasuries and Local Remittances			0.00
			(-) 101.64	Deposits with Reserve Bank			(-) 143.73
			(-) 4.77	Departmental Cash Balance			(-) 4.77
			(-) 291.51	Cash Balance Investment			(-) 265.33
			135.40	Investment of earmarked funds			161.80
3,338.33	Total (B)	4,164.80	3,338.33	Total (B)			4,164.80
7,875.07	Grand Total (A)+(B)	9,081.78	7,875.07	Grand Total (A)+(B)			9,081.78

Appendix 1.3 Assets and Liabilities of the Government of Mizoram as on 31 March 2014

(Reference: Paragraph-1.10.1; Page-35)

(₹ in crore)

As on 31 March 2013	Liabilities		As on 31 March 2014
1,741.95	Internal Debt		1,927.33
	1,138.03	Market Loans bearing interest	1,367.63
	0.00	Market Loans not bearing interest	0.00
	71.97	Loans from Life Insurance Corporation of India	67.87
	0.07	Loans from General Insurance Corporation of India	0.07
	13.83	Loans from other Institutions	17.26
	167.09	Loans from NABARD	195.47
	15.95	Compensation and other Bonds	11.39
	4.04	Loans from NCDC	4.71
	115.78	Ways and Means Advances	(-) 17.50
	0.00	Overdrafts from Reserve Bank of India	0.00
	190.72	Special Securities to NSSF	198.46
	24.47	Other loans	81.97
523.34	Loans and Advances from Central Government		336.54
	0.00	Pre 1984-85 Loans	0.00
	41.06	Non-Plan Loans	41.05
	281.83	Loans for State Plan Schemes	263.01
	0.02	Loans for Central Plan Schemes	0.02
	16.77	Loans for Centrally Sponsored Plan Schemes	16.77
	15.69	Loans for Special Schemes	15.69
	167.97	Ways and Means Advances towards expenditure etc.	0.00
0.10	Contingency Fund		0.10
1,854.53	Small Savings, Provident Funds, etc.		2,164.49
987.51	Deposits		1,171.39
142.27	Reserve Funds		170.51
975.75	Suspense and Miscellaneous		1,208.40
944.57	Surplus on Government Account		792.43
	27.83	Current year surplus	(-) 152.14
	916.74	Add Accumulated Surplus as on 31 March 2013	944.57
7,170.02	Total		7,771.19

Appendix 1.3 Assets and Liabilities of the Government of Mizoram as on 31 March 2014

As on 31 March 2013	Assets			As on 31 March 2014
6,998.17		Gross Capital Outlay on Fixed Assets		7,597.57
	20.91	Investments in shares of Companies, Corporations, etc.	22.27	
	6,977.26	Other Capital Outlay	7,575.30	
251.53		Loans and Advances		249.12
	1.60	Loans for Power Projects	1.60	
	39.57	Other Development Loans	35.77	
	140.54	Loans for Housing	127.24	
	69.82	Loans to Government servants and Miscellaneous loans	84.51	
(-) 0.02		Civil Advances		0.08
182.86		Remittance Balances		176.45
(-) 397.92		Cash Balance		(-) 413.83
	(-) 101.64	Cash in Treasuries and Local Remittances	(-) 143.73	
	(-) 4.77	Departmental Cash Balance including Permanent Advances	(-) 4.77	
	(-) 291.51	Cash Balance Investments	(-) 265.33	
135.40		Investment out of Reserve Fund		161.80
7,170.02	Total			7,771.19

Appendix Time Series Data on State Government Finances

1.4

(Reference: Paragraphs-1.4 and 1.10.2; Pages-10 and 35)

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Part A: Receipts					
1. Revenue Receipts	2,963.51	2,855.37	3,824.90	4,536.74	4,764.85
(i) Tax Revenue	107.58	130.44	179.07	223.15	229.78
Taxes on Agricultural Income	0.00	0.00	0.00	0.00	0.00
Taxes on Sales, Trade, etc.	85.94	104.7	142.16	175.87	183.34
State Excise	2.10	2.39	2.31	2.83	3.11
Taxes on Vehicles	6.71	7.72	16.71	22.83	19.42
Stamps and Registration fees	0.39	0.34	0.69	0.64	1.52
Land Revenue	2.76	4.33	2.52	3.04	4.54
Taxes on Goods and Passengers	1.39	1.72	2.05	3.77	2.63
Other Taxes	8.29	9.24	12.63	14.17	15.22
(ii) Non Tax Revenue	126.51	146.72	168.03	212.80	194.26
(iii) State's share of Union taxes and duties	394.53	451.66	827.38	785.95	858.08
(iv) Grants in aid from Government of India	2,334.89	2,126.55	2,650.42	3,314.84	3,482.73
2. Miscellaneous Capital Receipts	0.00	0.00	0.00	0.00	0.00
3. Recoveries of Loans and Advances	25.31	25.97	27.80	29.48	33.11
4. Total Revenue and Non-debt capital receipts (1+2+3)	2,988.82	2,881.34	3,852.70	4,566.22	4,797.96
5. Public Debt Receipts	225.89	537.22	225.70	420.28	955.24
Internal Debt (excluding Ways and Means Advances and Overdrafts)	56.98	372.83	132.09	253.60	388.52
Net transactions under Ways and Means Advances and Overdrafts	136.74	163.36	71.39	166.58	734.53
Loans and Advances from Government of India	32.17	1.03	22.22	0.10	(-) 167.81 ²
6. Total Receipts in the Consolidated Fund	3,214.71	3,418.56	4,078.40	4,986.50	5,753.20
7. Contingency Fund Receipts	0.00	0.00	0.00	0.00	0.00
8. Public Account Receipts	2,463.30	3,332.56	3,297.52	3,055.71	3,435.47
9. Total Receipts of the State (6+7+8)	5,678.01	6,751.12	7,375.92	8,042.21	9,188.67
Part B: Expenditure/Disbursement					
10. Revenue Expenditure	2,702.70	3,256.24	3,697.33	4,508.91	4,916.98
Plan	897.35	1,201.05	1,316.11	1,759.99	1,796.84
Non Plan	1,805.35	2,055.19	2,381.22	2,748.92	3,120.14
General Services (including interest payments)	947.67	1,011.29	1,226.38	1,420.56	1,686.62
Social Services	1,105.68	1,237.38	1,354.69	1,652.21	1,823.64
Economic Services	649.35	1,007.57	1,116.26	1,436.14	1,406.72
Grants in aid and contributions	0.00	0.00	0.00	00.00	0.00

² Minus figure is due to adjustment of previous year's outstanding balance

Appendix Time Series Data on State Government Finances

1.4

	2009-10	2010-11	2011-12	2012-13	2013-14
11. Capital Expenditure	572.80	614.71	600.27	607.55	599.40
Plan	465.43	504.70	534.54	508.04	485.04
Non-Plan	107.37	110.01	65.73	99.51	114.36
General Services	25.99	23.36	30.12	42.74	57.72
Social Services	150.21	125.94	190.33	222.42	207.76
Economic Services	396.60	465.41	379.82	342.39	333.92
12. Disbursement of Loans and Advances	24.94	29.87	33.52	30.25	30.71
13. Total (10+11+12)	3,300.44	3,900.82	4,331.12	5,146.71	5,547.09
14. Repayments of Public Debt	365.33	272.55	251.67	286.05	956.66
Internal Debt (excluding Ways and Means Advances and Overdrafts)	209.73	86.11	181.55	170.08	69.86
Net transactions under Ways and Means Advances and overdraft	136.74	163.36	52.15	97.26	867.82
Loans and Advances from Government of India	18.86	23.08	17.97	18.71	18.98
15. Appropriation to Contingency Fund	0.00	0.00	0.00	0.00	0.00
16. Total disbursement out of Consolidated Fund (13+14+15)	3,665.77	4,173.37	4,582.79	5,432.76	6,503.75
17. Contingency Fund disbursements	0.00	0.00	0.00	0.00	0.00
18. Public Account disbursements	2,504.70	2,482.29	2,766.79	2,677.00	2,677.93
19. Total disbursement by the State (16+17+18)	6,170.47	6,655.66	7,349.58	8,109.76	9,181.68
Part C: Deficits					
20. Revenue Deficit (-)/Revenue Surplus (+) (1-10)	260.81	(-) 400.87	127.57	27.83	(-) 152.13
21. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	(-) 311.62	(-) 1,019.48	(-) 478.42	(-) 580.49	(-) 749.13
22. Primary Deficit (21-23)	(-) 57.27	(-) 913.90	(-) 203.27	(-) 292.34	(-) 464.63
Part D: Other data					
23. Interest Payments (included in revenue expenditure)	254.35	105.58	275.15	288.15	284.50
24. Financial Assistance to local bodies etc.,	447.23	650.17	221.29	955.32	944.37
25. Ways and Means Advances/Overdraft availed (days)	19	21	11	7	65
Ordinary Ways and Means Advances availed (days)	0	10	0	2	24
Special Ways and Means Advances availed (days)	0	11	11	4	38
Overdraft availed (days)	0	0	0	1	3
26. Interest on Ways and Means Advances/Overdraft	0.09	0.09	0.03	0.04	0.66
27. Gross State Domestic Product (GSDP)	5,619.41	6,057.70	6,991.40	8,053.09	10,296.98
28. Outstanding Fiscal liabilities (year-end)	3,627.69	4,496.86	4,548.45	5,114.20	5,608.47

Appendix Time Series Data on State Government Finances

1.4

	2009-10	2010-11	2011-12	2012-13	2013-14
29. Outstanding guarantees (year-end) (including interest)	102.75	102.72	232.19	223.13	108.39
30. Maximum amount guaranteed (year-end)	189.03	189.02	243.34	243.84	273.94
31. Number of incomplete projects	48	36	47	42	54
32. Capital blocked in incomplete projects	306.23	504.42	128.13	205.10	112.86
Part E: Fiscal Health Indicators					
I - Resource Mobilisation					
Own Tax revenue/GSDP	1.91	2.15	2.56	2.77	2.23
Own Non Tax Revenue/GSDP	2.25	2.42	2.40	2.64	1.89
Central Transfers/GSDP	7.02	7.46	11.83	9.76	8.33
II - Expenditure Management					
Total Expenditure/GSDP	58.73	64.39	61.95	63.91	53.87
Total Expenditure/Revenue Receipts	111.37	136.61	113.23	113.45	116.42
Revenue Expenditure/Total Expenditure	81.89	83.48	85.37	87.61	88.64
Expenditure on Social Services/Total Expenditure	38.05	34.95	35.67	36.42	36.62
Expenditure on Economic Services/Total Expenditure	31.69	37.76	34.54	34.56	31.38
Capital Expenditure/Total Expenditure	17.36	15.76	13.86	11.80	10.81
Capital Expenditure on Social and Economic Services/Total Expenditure.	16.57	15.16	13.16	10.97	9.77
III -Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	4.64	-6.62	1.82	0.35	(-) 1.48
Fiscal deficit/GSDP	(-) 5.55	(-) 16.83	(-) 6.84	(-) 7.21	(-) 7.28
Primary Deficit (surplus)/GSDP	(-) 1.02	(-) 15.09	(-) 2.91	(-) 3.63	(-) 4.51
Revenue Deficit/Fiscal Deficit	(-) 83.69	39.32	(-) 26.66	(-) 4.79	20.31
Primary Revenue Balance/GSDP	9.62	(-) 4.45	6.16	4.29	1.61
IV -Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	64.56	74.23	65.06	63.51	54.47
Fiscal Liabilities/RR	122.41	157.49	118.92	112.73	117.71
Primary deficit <i>vis-à-vis</i> quantum spread	(-) 11.41	(-) 484.47	(-) 48.45	(-) 69.63	(-) 40.29
Debt Redemption (Principal +Interest)/Total Debt Receipts	121.53	58.65	115.89	85.47	92.27
V - Other Fiscal Health Indicators					
Return on Investment	0.00	0.00	0.00	0.00	0.00
Balance from Current Revenue (₹ in crore)	(-) 434.90	(-) 584.39	(-) 387.75	(-) 450.45	(-) 673.50
Financial Assets/Liabilities	1.29	1.15	1.16	1.15	1.14

Appendix 1.5 Funds transferred directly to State Implementing Agencies

(Reference: Paragraphs-1.3.2; Pages-10)

(₹ in crore)

Sl. No.	GoI Scheme	Implementing Agency	GoI released fund
			2013-14
(1)	(2)	(3)	(4)
1	Sarva Shiksha Abhiyan (SSA)	Mizoram Sarva Shiksha Abhiyan Mission	106.58
2	National Rural Health Mission (NRHM)	Mizoram State Health Society	51.05
3	Forward linkages to NRHM New initiatives in NE	Mizoram State Health Society	5.00
4	Human Resources for Health	Mizoram State Health Society	3.35
5	National Rural Employment Guaranteed Scheme (NREGS)	Rural Development	244.74
6	Indira Awas Yojana	Rural Development	25.70
7	Rashtriya Madhyamik Shiksha Abhiyan (RMSA)	Mizoram Education Mission Society	39.45
8	National Rural Drinking Water Programme	State Water & Sanitary Mission Aizawl	44.89
9	Central Rural Sanitation Programme	State Water & Sanitary Mission Aizawl	8.06
10	Swaranjyanti Shahari Swarozgar Yojana (SJSRY)	State Urban Development Agency	4.37
11	DRDA Administration	District Rural Development Agency	5.74
12	Integrated Watershed Management Programme (IWMP)	District Rural Development Agency	6.48
13	Integrated Watershed Management Programme (IWMP)	MZWDA, Aizawl	70.04
14	National Blindness Control Programme (NBCP)	Mizoram State Health Society	0.10
15	MPs Local Area Development (MPLADs)	Deputy Commissioner, Aizawl	10.00
16	Aajeevika-Swaran Jayanti Gram Swarozkar Yojana	Mizoram State Rural Livelihood Mission (MzSRLM)	2.79
17	National Food Security Mission	Mameti (Agriculture)	7.50
18	Support to State Extension Programme for Extension	Mameti (Agriculture)	3.97
19	Infrastructure Development FPI	Mizofa Fish Seed Farm	0.70
20	Infrastructure Development FPI	Zoram Fish Seeds Production Centre	7.31
21	Technology Development Programme	Mizoram Council of Science, Technology & Environment	0.07
22	Electronic Governance	Mizoram State e-Governance Society (MSeGS)	13.17
23	Scheme for Infrastructure Development FPI	Mizoram Food & Allied Industries Corporation Limited (MIFCO)	1.29
24	Dairy Development Project	Mizoram Milk Producers Cooperative Union Ltd.	3.85

Appendix Funds transferred directly to State 1.5 Implementing Agencies

(1)	(2)	(3)	(4)
25	National Medicinal Plants Board	State Forest Development Agency	1.75
26	Product/Infrastructure Development for Destinations and Circuits	Mizoram Tourism Development Authority	16.11
27	Scheme of Modernisation of State Police Forces by Police Modernisation Division	Director General of Police	8.87
		Mizoram Government	3.00
28	National Rural Health Mission Centrally Sponsored	Mizoram Government	26.30
29	Livestock Health and Disease Control	Mizoram Government	3.24
30	National Scheme of Welfare of Fisherman	Mizoram Government	2.63
31	Jawaharlal Nehru National Urban Renewal Mission	Mizoram Government	22.41
32	Wild Life Management	Mizoram Government	2.10
33	Special Central Assistance	Mizoram Government	300.00
34	Special Central Assistance Border Areas	Mizoram Government	54.47
35	Special Plan Assistance	Mizoram Government	520.00
36	National Social Assistance Programme including Anapurna (NSAP)	Mizoram Government	8.39
37	For Development of Infrastructure Facilities for Judiciary	Mizoram Government	8.13
38	North Eastern Areas	Mizoram Government	55.34
39	Multi Sectoral Development Programme for Minorities in Selected Minority Concentration Districts	Mizoram Government	10.31
40	Post Matric Scholarship Scheme Minorities	Mizoram Government	1.52
41	Pre Matric Scholarship Scheme Minorities	Mizoram Government	23.00
42	Pre Matric Scholarship for ST Students	Mizoram Government	1.23
43	Scheme of Hostels for ST Girls and Boys	Mizoram Government	22.89
44	Strengthening of Teachers Training Institutions	Mizoram Government	15.53
45	Scheme of PMS, Book Banks and Upgradation of Merit of ST Students	Mizoram Government	8.86
46	Scholarship to the Students of ST for Studies Abroad	Mizoram Government	45.08
47	Lumpsum Provision for NE Region and Sikkim	Mizoram Government	20.12
48	Strategic Assistance for State Higher Education-Rashtriya Uchchatar Shiksha Abhiyan (RUSA)	Mizoram Government	2.73

Appendix Funds transferred directly to State 1.5 Implementing Agencies

(1)	(2)	(3)	(4)
49	National Mission on Micro Irrigation	Mizoram Government	6.75
50	Redevelopment of Hospitals/ Institutions	Regional Institute of Paramedical and Nursing Sciences	41.09
51	Crime and Criminal Tracking Network and System (CCTNS)	Mizoram Computerisation of Police Services Society	1.00
52	Skill Development	Mizoram Council for Vocational Training	5.88
53	North Eastern Areas	Zoram Electronics Development Corporation Limited	1.00
54	North Eastern Areas	Mizoram State Sports Council	1.01
55	Panchayat Yuva Krida and Khel Abhiyan (PYKKA)	Mizoram State Sports Council	4.91
56	Urban Sports Infrastructure Scheme	Mizoram State Sports Council	6.30
57	National Mission on Bamboo	National Bamboo Mission Society, Mizoram	20.09
58	Support to NIT including Ghani Khan Institute	National Institute of Technology, Mizoram	15.00
59	NLRMP	Programme Management Unit for NLRMP	1.90
60	National Aids Control Programme III	State AIDS Control Society, Mizoram	13.65
61	Aforestation and Forest Management	State Forest Development Agency, Mizoram	14.18
62	National Project for Cattle and Buffalo Breeding	State Implementation Unit Mizoram of NPCBB	2.06
63	Grid Interactive Renewable Power MNRE	Zoram Energy Development Agency	0.49
64	Off Grid DRPS	Zoram Energy Development Agency	0.06
65	Renewable Energy for Urban, Industrial & Commercial Application	Zoram Energy Development Agency	0.30
Total			1,985.88

Source: Information from Finance Accounts – 2012-13

Appendix 1.6 Part A: Statement showing Efficiency of Expenditure use in Selected Social and Economic Services

(Reference: Paragraph-1.8.2; Page-30)

(₹ in crore)

Social/Economic Infrastructure	2012-13				2013-14			
	TE				TE			
	CE	RE	L&A	Total	CE	RE	L&A	Total
Social Services (SS)								
Education, Sports, Art and Culture	8.72	831.45	0.00	840.17	29.62	936.08	0.00	965.70
Health and Family Welfare	1.01	220.27	0.00	221.28	14.53	248.02	0.00	262.55
WS, Sanitation & HUD	184.12	188.94	4.01	377.07	137.59	215.84	4.00	357.43
Other Social Services	28.57	411.55	0.00	440.12	26.02	423.70	0.00	449.72
Total (SS)	222.42	1,652.21	4.01	1,878.64	207.76	1,823.64	4.00	2,035.40
Economic Services (ES)								
Agri. & Allied Activities	116.46	721.86	0.57	838.89	128.54	664.54	0.29	793.37
Irrigation and Flood Control	0.00	9.54	0.00	9.54	0.13	10.26	0.00	10.39
Power & Energy	72.55	301.44	0.00	373.99	65.20	317.11	0.00	382.31
Transport	103.87	118.24	0.00	222.11	95.27	136.72	0.00	231.99
Other Economic Services	49.51	285.06	0.00	334.57	44.78	278.09	0.00	322.87
Total (ES)	342.39	1,436.14	0.57	1,779.10	333.92	1,406.72	0.29	1,740.93
Total (SS+ES)	564.81	3,088.35	4.58	3,657.74	541.68	3,230.36	4.29	3,776.33

Source: Statement 12,13 and 16 of Finance Accounts 2013-14

CE - Capital Expenditure
TE - Total Expenditure
RE - Revenue Expenditure
L&A - Loans and Advances

Appendix **1.6** *Part B: Statement showing Efficiency of Expenditure use in Selected Social and Economic Services*

(Reference: Paragraph-1.8.2; Page-30)

(₹ in crore)

	2012-13			2013-14		
	Salary	Non-Salary	Total	Salary	Non-Salary	Total
Social Services (SS)						
Education, Sports, Art and Culture	590.55	240.90	831.45	640.30	295.78	936.08
Health and Family Welfare	156.03	64.24	220.27	176.73	71.29	248.02
WS, Sanitation & HUD	46.86	142.08	188.94	51.38	164.46	215.84
Other Social Services	31.57	379.98	411.55	38.34	385.36	423.70
Total (SS)	825.01	827.20	1,652.21	906.75	916.89	1,823.64
Economic Services (ES)						
Agri. & Allied Activities	144.98	576.88	721.86	161.47	503.07	664.54
Irrigation and Flood Control	6.59	2.95	9.54	7.34	2.92	10.26
Power & Energy	66.54	234.90	301.44	74.13	242.98	317.11
Transport	65.96	52.28	118.24	70.13	66.59	136.72
Other Economic Services	73.42	211.64	285.06	84.72	193.37	278.09
Total (ES)	357.49	1,078.65	1,436.14	397.79	1,008.93	1,406.72
Total (SS+ES)	1,182.50	1,905.85	3,088.35	1,304.54	1,925.82	3,230.36

Source: Finance Account (Vol – II) – Statement 12 and Appendix II

Appendix 2.1 Statement of various grants/appropriations where savings were more than ₹ one crore each or more than 12 per cent of the total provision

(Reference: Paragraph-2.3.1; Page-50)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant/Appropriation	Savings	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
Revenue (Voted)					
1	4	Law and Judicial	18.46	1.33	7.20
2	5	Vigilance	5.35	0.92	17.20
3	6	Land Revenue and Reforms	24.53	1.89	7.70
4	8	Taxation	14.63	1.18	8.07
5	12	Parliamentary Affairs	0.53	0.09	16.98
6	14	Planning and Programme Implementation	960.55	921.40	95.92
7	15	General Administration Department	113.79	12.29	10.80
8	16	Home	468.68	16.71	3.57
9	17	Food, Civil Supplies and Consumer Affairs	97.93	17.39	17.76
10	19	Local Administration Department	68.03	37.75	55.49
11	20	School Education	727.17	53.04	7.29
12	21	Higher and Technical Education	234.22	9.76	4.17
13	24	Medical and Public Health Services	261.39	13.38	5.12
14	25	Water Supply and Sanitation	139.06	2.13	1.53
15	27	District Councils	280.63	35.48	12.64
16	29	Social Welfare	141.48	8.79	6.21
17	30	Disaster Management and Rehabilitation	22.84	5.99	26.23
18	31	Agriculture	278.49	110.68	39.74
19	32	Horticulture	113.30	5.80	5.12
20	33	Soil and Water Conservation	55.76	3.65	6.55
21	34	Animal Husbandry and Veterinary	147.88	10.58	7.15
22	35	Fisheries	31.62	4.24	13.41
23	36	Environment and Forests	145.37	52.50	36.11
24	38	Rural Development	87.41	10.40	11.90
25	39	Power	330.33	13.17	3.99
26	40	Industries	105.53	1.02	0.97
27	41	Sericulture	20.51	1.69	8.24
28	42	Transport	44.54	9.63	21.62
29	45	Public Works	175.16	3.42	1.95
30	46	Urban Development and Poverty Alleviation	71.97	2.43	3.38
31	47	Minor Irrigation	16.26	6.02	37.02
Revenue (Charged)					
1	1	Legislative Assembly	0.87	0.18	20.69
Total			5,204.27	1,374.93	26.42

Statement of various grants/appropriations where savings were more than ₹ one crore each or more than 12 per cent of the total provision

(1)	(2)	(3)	(4)	(5)	(6)
Capital (Voted)					
1	4	Law and Judicial	2.23	1.85	82.96
2	9	Finance	27.28	24.75	90.73
3	15	General Administration Department	3.50	0.93	26.57
4	16	Home	45.80	24.66	53.84
5	17	Food, Civil Supplies and Consumer Affairs	267.93	53.25	19.87
6	24	Medical and Public Health Services	4.48	1.36	30.36
7	34	Animal Husbandry and Veterinary	10.89	4.95	45.45
8	37	Co-operation	1.38	0.72	52.17
9	38	Rural Development	46.46	2.45	5.27
10	39	Power	79.90	13.83	17.31
11	45	Public Works	407.47	187.21	45.94
12	46	Urban Development and Poverty Alleviation	173.79	113.27	65.18
13	47	Minor Irrigation	131.79	131.60	99.86
Total			1,202.90	560.82	46.62
Grand Total			6,407.17	1,935.75	30.21

Appendix 2.1 A Statement of various grants/appropriations where savings were more than ₹ 10 crore and above or more than 12 per cent of the total provision

(Reference: Paragraph-2.2, 2.3.1; Page-50)

(₹ in crore)

Sl. No.	Grant No.	Name of the Grant/Appropriation	Total Grant/Appropriation	Savings	Percentage
Revenue (Voted)					
1	5	Vigilance	5.35	0.92	17.20
2	12	Parliamentary Affairs	0.53	0.09	17.31
3	14	Planning and Programme Implementation	960.55	921.40	95.92
4	15	General Administration Department	113.79	12.29	10.80
5	16	Home	468.68	16.71	3.57
6	17	Food, Civil Supplies and Consumer Affairs	97.93	17.39	17.76
7	19	Local Administration Department	68.03	37.75	55.49
8	20	School Education	727.17	53.04	7.30
9	24	Medical and Public Health Services	261.39	13.38	5.12
10	27	District Councils	280.63	35.48	12.64
11	30	Disaster Management and Rehabilitation	22.84	5.99	26.23
12	31	Agriculture	278.49	110.68	39.74
13	34	Animal Husbandry and Veterinary	147.88	10.58	7.15
14	35	Fisheries	31.62	4.24	13.41
15	36	Environment and Forests	145.37	52.50	36.11
16	38	Rural Development	87.41	10.40	11.90
17	39	Power	330.33	13.17	3.99
18	42	Transport	44.54	9.63	21.62
19	47	Minor Irrigation	16.26	6.02	37.02
Revenue (Charged)					
20	1	Legislative Assembly	0.87	0.18	20.69
Total			4,089.66	1,331.84	32.57
Capital (Voted)					
1	4	Law and Judicial	2.23	1.85	82.96
2	9	Finance	27.28	24.75	90.73
3	15	General Administration Department	3.50	0.93	26.57
4	16	Home	45.80	24.66	53.84
5	17	Food, Civil Supplies and Consumer Affairs	267.93	53.25	19.87
6	24	Medical and Public Health Services	4.48	1.36	30.36
7	34	Animal Husbandry and Veterinary	10.89	4.95	45.45
8	37	Co-operation	1.38	0.72	52.17
9	39	Power	79.90	13.83	17.31
10	45	Public Works	407.47	187.20	45.94
11	46	Urban Development and Poverty Alleviation	173.79	113.27	65.18
12	47	Minor Irrigation	131.79	131.60	99.86
Total			1,156.44	561.37	48.54
Grand Total			5,246.10	1,890.21	36.03

Appendix 2.2 Statement of various grants/appropriations where Expenditure against the approved provision was more than ₹ one crore each or more than 33 per cent of the total provision

(Reference: Paragraph-2.3.3; Page-51)

(₹ in lakh)

Sl. No.	Grant No	Name of the Grant/Appropriation with Major or Minor heads	Total Grant/ Appropriation	Expenditure	Excess Expenditure	Percentage
Revenue (Voted)						
1	9	Finance				
		2071-01-101(01) Pension	9,500.00	29,624.20	20,124.20	211.83
		2071-01-104(01) Pension/Gratuities	4,350.00	6,752.51	2,402.51	55.23
		2071-115(01) Leave Encashment	2,800.00	4,671.25	1,871.25	66.83
		2071-01-102-01 Commuted value of pensions	2,521.00	3,088.88	567.88	22.53
		2071-01-105-01 Family Pension	3,750.00	4,004.14	254.14	6.78
		2071-01-103-01 Compassionate Allowances	1.00	190.66	189.66	18,966.00
2	15	General Administration Department				
		2053-093-04 DC, Champhai	317.63	513.16	195.53	61.56
		2053-093-07 DC, Serchhip	166.60	230.94	64.34	38.62
3	30	Disaster Management and Rehabilitation				
		2245-80-103(01) State Disaster Response Fund (FC)	445.50	869.00	423.50	95.06
4	Public Debt	Public Debt				
		2049-01-101-09 Interest on Market Borrowings	12,045.00	13,691.92	1,646.92	13.67
		2049-122-01 Interest on investment in Spl. Central Government securities issued against net collection of S.S. from 01 April 1999	1,600.00	1,943.14	343.14	21.45
		2049-01-115-02 Overdraft	0.00	12.68	12.68	---
Total			37,496.73	65,592.48	28,095.75	74.93
Capital (Voted)						
1	45	Public Works				
		4202-01-203-02 SMS for construction of college buildings (SCA)	14.44	44.44	30.00	207.76
		4202-01-203-11 Construction of three College Buildings (Auditorium for Lunglei Government College)	0.00	200.00	200.00	---
		4202-01-203-12 SMS for construction of three college buildings (Auditorium for Lunglei Government College)	0.00	22.22	22.22	---
2	Public Debt	6003-110-02 Overdraft	0.00	21,950.65	21,950.65	---
		6003-110-02 Special Ways and Means Advances	24,000.00	33,181.00	9,181.00	38.25
		6003-110-01 Ways and Means Advances from RBI	26,000.00	31,650.00	5,650.00	21.73
Total			50,014.44	87,048.31	37,033.87	74.05
Grand Total			87,511.17	1,52,640.79	65,129.62	74.42

Appendix 2.3 Statement showing unutilised provision of fund during 2013-14

(Reference paragraph: 2.3.5; Page-52)

(₹ in lakh)

Sl. No	Grant Number and Name	Head of Account/ Description	Budget Provision			Savings due to non-utilization	Reasons/ Remarks
			Original	Supplementary	Total Provision		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	4 - Law and Judicial	2014-105-10 Family Courts, Lunglei (Voted)	2.55	---	2.55	(-) 2.55	Reasons as intimated is not tenable
		4059-01-051-(03) Construction of Alternate Dispute Resolution Centre (FC) (Voted)	185.00	---	185.00	(-) 185.00	-do-
2	9 - Finance	2020-502-03 Banking Cash Transactions Tax	50.00	---	50.00	(-) 50.00	Reasons not stated
3	15 –General Administration Department	2053-094-07 DC, Serchhip	---	100.00	100.00	(-) 100.00	Reasons not stated
		3053-60-101-01 Communication	---	36.84	36.84	(-) 36.84	Reasons not stated
		2225-80-800-19 Local Body Grants to Sinlung Hills Development Council (FC)	20.00	---	20.00	(-) 20.00	Reasons not stated
		2053-093-01 DC, Aizawl	----	12.17	12.17	(-) 12.17	Reasons not stated
4	16 –Home	4235-01-800-01 Construction of Sainik School at Chhingchhip	1,228.00	---	1,228.00	(-) 1,228.00	Reasons not stated
		4055-211-03 Building for Police House (TFC)	800.00	---	800.00	(-) 800.00	Reasons not stated
5	17 –Food, Civil, Supplies and Consumer Affairs	3456-800-05 Computerisation TPDS	---	3.87	3.87	(-) 3.87	Reasons not stated
6	27 – District Councils	2225-80-800-28 ACA for AIBP under LADC	---	785.48	785.48	(-) 785.48	Reasons not stated
		2225-80-800-29 ACA for AIBP under MADC	---	642.66	642.66	(-) 642.66	Non-Receipt of funds
		2225-80-800-30 ACA for AIBP under CADC	---	499.86	499.86	(-) 499.86	Reasons not stated
		2225-80-800-27 Construction of School Buildings within LADC/NLCPR	---	395.55	395.55	(-) 395.55	Reasons not stated
		2225-80-800-13 Infrastructure scheme within LADC (FC)	300.00	---	300.00	(-) 300.00	Reasons not stated
		2225-80-800-14 Infrastructure scheme within MADC (FC)	300.00	---	300.00	(-) 300.00	Reasons not stated
		2225-80-800-10 Local Body Grants to MADC (FC)	55.00	---	55.00	(-) 55.00	Reasons not stated
		4059-01-51-03 Construction of Alternate Dispute Resolution Centre (FC)	---	59.86	59.86	(-) 59.86	Reasons not stated
Total			2,940.55	2,536.29	5,476.84	(-) 5,476.84	

Appendix 2.4 Unnecessary supplementary provision (₹ 10 lakh and above)

(Reference: Paragraph-2.3.8; Page-54)

(₹ in lakh)

Sl. No.	Number and Name of the Grant	Original Provision	Actual Expenditure	Savings out of Original Provision	Supplementary Provision
(1)	(2)	(3)	(4)	(5)	(6)
A. Revenue (Voted)					
1	1 Legislative Assembly	1,576.75	1,555.14	21.61	42.83
2	5 Vigilance	520.81	442.61	78.20	14.04
3	14 Planning and Programme Implementation	95,531.75	3,915.27	91,616.48	523.18
4	18 Printing and Stationery	1,229.45	1,200.83	28.62	50.79
5	19 Local Administration	6,341.47	3,028.41	3,313.06	461.69
6	28 Labour and Employment	810.04	770.36	39.68	46.43
7	30 Disaster Management and Rehabilitation	1,728.01	1,684.36	43.65	555.55
8	31 Agriculture	17,529.27	16,781.06	748.21	10,320.00
9	42 Transport	4,365.81	3,490.66	875.15	88.00
10	47 Minor Irrigation	1,608.75	1,024.68	584.07	17.70
Total for Revenue (Voted)		1,31,242.11	33,893.38	97,348.73	12,120.21
B. Capital (Voted)					
11	4 Law & Judicial	185.00	37.60	147.40	37.60
12	9 Finance	2,475.00	253.40	2,221.60	253.40
13	16 Home	2,466.00	2,114.47	351.53	2,114.47
14	37 Co-operation	113.00	65.62	47.38	25.00
15	38 Rural Development	4,432.00	4,401.75	30.25	214.35
16	46 Urban Development and Poverty Alleviation	10,286.00	6,051.32	4,234.68	7,092.77
17	47 Minor Irrigation	13,160.00	19.00	13141.00	19.00
Total for Capital (Voted)		33,117.00	12,943.16	20,173.84	9,756.59
Grand Total (A+B)		1,64,359.11	46,836.54	1,17,522.57	21,876.80

Appendix 2.5 Excessive/Inadequate supplementary provision (₹ 20 lakh and above)

(Reference: Paragraph-2.3.8; Page-54)

Sl. No.	Number and Name of the Grant	Original Provision	Supplementary Provision	Total Provision	Expenditure	Sup. Pro. Excess (+)/ Less (-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
A. Revenue (Voted)						
1	1 Legislative Assembly	1,576.75	42.83	1,619.58	1,555.14	64.44
2	3 Council of Ministers	573.22	7.33	580.55	559.75	20.80
3	4 Law and Judicial	1,553.91	291.73	1,845.64	1,712.63	133.01
4	5 Vigilance	520.81	14.04	534.85	442.61	92.24
5	6 Land Revenue and Reforms	1,851.56	601.04	2,452.60	2,263.48	189.12
6	7 Excise and Narcotics	2,230.90	72.74	2,303.64	2,242.01	61.63
7	8 Taxation	1,154.90	308.37	1,463.27	1,345.49	117.78
8	9 Finance	34,818.48	5,476.72	40,295.20	55,256.38	(-) 14,961.18
9	14 Planning and Programme Implementation	95,531.75	523.18	96,054.93	3,915.27	92,139.66
10	15 General Administration Department	5,076.18	6,303.16	11,379.34	10,150.59	1,228.75
11	16 Home	43,581.02	3,286.90	46,867.92	45,197.04	1,670.88
12	17 Food, Civil Supplies & Consumer Affairs	6,713.74	3,079.44	9,793.18	8,054.51	1,738.67
13	18 Printing and Stationery	1,229.45	50.79	1,280.24	1,200.83	79.41
14	19 Local Administration Department	6,341.47	461.69	6,803.16	3,028.41	3,774.75
15	20 School Education	58,007.60	14,709.61	72,717.21	67,413.12	5,304.09
16	21 Higher & Technical Education	10,711.19	12,711.10	23,422.29	22,446.17	976.12
17	23 Art and Culture	868.79	42.56	911.35	869.84	48.51
18	24 Medical & Public Health Services	16,792.86	9,346.03	26,138.89	24,801.26	1,337.63
19	25 Water Supply & Sanitation	10,886.00	3,020.09	13,906.09	13,692.88	213.21
20	26 Information & Public Relation	1,077.50	148.05	1,225.55	1,149.71	75.84
21	27 District Councils	21,073.00	6,989.59	28,062.59	24,514.54	3,548.05
22	28 Labour and Employment	810.04	46.43	856.47	770.36	86.11
23	29 Social Welfare	3,216.11	10,931.79	14,147.90	13,269.38	878.52
24	30 Disaster Management and Rehabilitation	1,728.01	555.55	2,283.56	1,684.36	599.20
25	31 Agriculture	17,529.27	10,320.00	27,849.27	16,781.06	11,068.21
26	32 Horticulture	2,241.70	9,088.16	11,329.86	10,749.87	579.99
27	33 Soil and Water Conservation	1,819.53	3,756.52	5,576.05	5,210.90	365.15
28	34 Animal Husbandry & Veterinary	3,536.58	11,251.47	14,788.05	13,730.07	1,057.98
29	35 Fisheries	670.55	2,491.84	3,162.39	2,738.80	423.59
30	36 Environment & Forest	8,442.04	6,094.50	14,536.54	9,286.10	5,250.44
31	37 Co-operation	988.74	292.78	1,281.52	1,254.74	26.78
32	38 Rural Development	5,473.40	3,267.15	8,740.55	7,700.77	1,039.78
33	39 Power	27,910.04	5,123.37	33,033.41	31,716.33	1,317.08
34	40 Industries	4,201.46	6,351.20	10,552.66	10,451.08	101.58
35	41 Sericulture	1,156.85	893.70	2,050.55	1,881.74	168.81
36	42 Transport	4,365.81	88.00	4,453.81	3,490.66	963.15
37	43 Tourism	583.02	55.98	639.00	610.28	28.72
38	45 Public Works	15,286.41	2,229.70	17,516.11	17,173.99	342.12
39	46 Urban Development and Poverty Alleviation	3,675.01	3,522.38	7,197.39	6,954.10	243.29
40	47 Minor Irrigation	1,608.75	17.70	1,626.45	1,024.68	601.77
41	48 Information and Communication Technology	361.72	507.46	869.18	770.24	98.94
Total for Revenue (Voted)		4,27,776.12	1,44,372.67	5,72,148.79	4,49,061.17	1,23,087.62

Appendix 2.5 Excessive/Inadequate supplementary provision (₹ 20 lakh and above)

(₹ in lakh)

(1)	(2)	(3)	(4)	(5)	(6)	(7)
B. Revenue (Charged)						
42	Public Debt	27,138.50	3,398.75	30,537.25	30,739.61	(-) 202.36
Total for Revenue (Charged)		27,138.50	3,398.75	30,537.25	30,739.61	(-) 202.36
C. Capital (Voted)						
43	4 Law and Judicial	185.00	37.60	222.60	37.60	185.00
44	9 Finance	2,475.00	253.40	2,728.40	253.40	2,475.00
45	16 Home	2,466.00	2,114.47	4,580.47	2,114.47	2,466.00
46	17 Food, Civil Supplies & Consumer Affairs	17,826.70	8,966.41	26,793.11	21,467.92	5,325.19
47	24 Medical & Public Health Services	0.50	447.51	448.01	312.01	136.00
48	25 Water Supply & Sanitation	170.00	4,945.37	5,115.37	5,065.63	49.74
49	34 Animal Husbandry & Veterinary	470.00	619.14	1,089.14	594.39	494.75
50	37 Co-operation	113.00	25.00	138.00	65.62	72.38
51	38 Rural Development	4,432.00	214.35	4,646.35	4,401.75	244.60
52	39 Power	1,500.00	6,489.56	7,989.56	6,606.44	1,383.12
53	45 Public Works	9,502.00	31,244.75	40,746.75	22,026.35	18,720.40
54	46 Urban Development & Poverty Alleviation	10,286.00	7,092.77	17,378.77	6,051.32	11,327.45
55	47 Minor Irrigation	13,160.00	19.00	13,179.00	19.00	13,160.00
Total for Capital (Voted)		62,586.20	62,469.33	1,25,055.53	69,015.90	56,039.63
D. Capital (Charged)						
56	Public Debt	10,472.19	50,355.69	60,827.88	95,665.79	(-) 34,837.91
Total for Capital (Charged)		10,472.19	50,355.69	60,827.88	95,665.79	(-) 34,837.91
Grand Total		5,27,973.01	2,60,596.44	7,88,569.45	6,44,482.47	1,44,086.98

Appendix 2.6 Excessive/Inadequate/Insufficient re-appropriation of funds (₹ 10 lakh and above)

(Reference: Paragraph-2.3.9; Page-56)

(₹ in lakh)

Sl. No.	Grant No.	Description	Major Head	Re-appropriation	Final Excess(+)/ Saving (-)
(1)	(2)	(3)	(4)	(5)	(6)
1	4	Law and Judicial 105-04 District Judges, Aizawl (Voted)	2014	(+) 38.87	(+) 16.37
		General Administration Department			
		093-06 DC, Kolasib		(-) 33.04	(-) 100.23
2	15	093-03 DC, Saiha	2053	(-) 78.24	(+) 17.05
		094-05 Sub-division, Saiha		(-) 11.27	(-) 15.16
		093-04 DC, Champhai		(+) 5.96	(+) 195.53
		60-101-01 Communication	3053	(-) 50.15	(+) 36.83
		Home			
3	16	01-800-01 Construction of Sainik School at Chhingchhip	4235	(-) 438.00	(-) 1,228.00
		Food, Civil Supplies and Consumer Affairs			
4	17	01-101-01 Procurement and Supply	4408	(-) 838.31	(-) 4,486.78
		Printing and Stationery			
5	18	101-01 Forms and Stationery	2058	(-) 43.67	(-) 33.80
		School Education			
		01-101-02 Government Middle School		(-) 1,497.25	(-) 434.58
		01-101-01 Government Primary School		(-) 1,129.58	(-) 116.27
6	20	05-102-02 Appointment of Modern Language Teachers	2202	(-) 968.22	(-) 100.00
		02-109-01 Government High School		(-) 465.56	(-) 60.87
		02-101-01 Inspection		(-) 84.28	(-) 20.00
		01-104-01 Inspection		(-) 19.53	(-) 20.01
		02-105-02 District resource Centre (CSS)		(-) 12.46	(-) 25.92
		Medical and Public Health Services			
7	24	03-103-01 Primary Health Centre	2210	(-) 30.16	(-) 288.56
		Information and Public Relations			
8	26	01-001-02 Administration	2220	(-) 7.77	(-) 10.05
		Disaster Management and Rehabilitation			
9	30	05-101-01 State Disaster Response Fund (FC)	2245	(-) 445.50	(+) 423.50
		Rural Development			
10	38	001-03 Block Level Administration	2515	(-) 162.14	(-) 10.68
		001-01 Direction		(-) 43.77	(-) 15.07
		Transport			
		001-02 Administration		(-) 308.28	(-) 55.84
11	42	001-03 General Administration	3055	(-) 198.99	(-) 94.26
		001-01 Direction		(-) 71.61	(-) 37.44
		800-01 Railway Out Agency		(-) 35.53	(-) 12.02
		001-02 Administration	2041	(-) 33.90	(+) 17.86
		Public Works			
		80-051-11 Construction under SPA for ongoing project		(-) 72.01	(-) 57.18
12	45	01-51-03 Construction of Alternate Dispute Resolution Centre (FC)	4059	(-) 2.21	(-) 59.86
		80-051-12 Construction SCA-SMS of SPA		(-) 8.00	(+) 57.19
		01-203-02 SMS for construction of college building (SCA)	4202	(-) 52.22	(+) 30.00

Appendix 2.7 Results of review of substantial surrenders (more than 50 per cent of total provision) made during the year 2013-14

(Reference: Paragraph-2.3.10; Page-56)

(₹ in lakh)

Sl. No.	Grant No.	Number and details of Grant/Scheme	Total Provision	Amount of Surrender	Percentage of Surrender	Reasons/ Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	4	2014-114-11 Court Manager (FC) (Voted)	39.18	39.18	100.00	Non-filling of vacant post
		2014-114-06 Morning/Evening courts (FC) (Voted)	27.75	27.75	100.00	-do-
2	5	Vigilance 2070-104(01) Direction	100.00	80.11	80.11	Not Stated
3	6	Land Revenue and Reforms 2029-001-01 Direction (CSS)	32.60	32.21	98.80	Non Settlement of court cases on land disputes
4	8	Taxation 2040-800-01 SMS of MMPCT (ACA)	65.13	42.28	64.92	Not Stated
		Finance 2052-090-04 Finance Department	2,700.00	2,700.00	100.00	Re-provision of fund to other sub-heads of account
		2071-01-117-01 Government Contribution	1,245.00	709.66	57.00	Not Stated
5	9	2054-800-04 Database for Government Employees and pension (FC)	229.64	225.70	98.28	Not Stated
		7610-201-01 House building advances to Government servant	2,283.00	2,225.00	97.46	Re-provision of fund to other Departments
		7610-202-01 Advance for purchase of Motor Conveyance	255.40	250.00	97.89	Re-provision of fund to other Departments
6	14	Planning & Programme Implementation. 3451-101-03 Evaluation and Monitoring (ACA)	90,000.00	90,000.00	100.00	Not Stated
		3451-101-02 Evaluation & Monitoring	1770.08	1499.28	84.70	Not Stated
		3454-02--204-02 India Statistical strengthening project(ISSP) (SCA)	20.00	20.00	100.00	Non-receipt of sanction order from GoI
		General Administration Department 2053-093-01 DC, Aizawl	20.00	20.00	100.00	Not Stated
		2053-093-02 DC, Lunglei	20.00	20.00	100.00	Non- release of fund by GoI
		2053-093-03 DC, Saiha	10.00	10.00	100.00	Non- release of fund by GoI
7	15	2053-093-04 DC, Champhai	10.00	10.00	100.00	-do-
		2053-093-05 DC, Mamit	10.00	10.00	100.00	-do-
		2053-093-06 DC, Kolasib	10.00	10.00	100.00	-do-
		2053-093-07 DC, Serchhip	10.00	10.00	100.00	-do-
		2053-093-08 DC, Lawngtlai	10.00	10.00	100.00	-do-
		5053-60-101-01 Communication	92.95	92.95	100.00	Not Stated
8	17	Food, Civil Supplies and Consumer Affairs 3456-800-05 Computerization TPDS (CSS)	491.44	400.83	81.56	Re-validation of fund for the next financial year
		3456-800-05 Computerization TPDS	54.61	50.74	92.91	Re-provision of fund for the next financial year
		3475-106-01 Regulation of Weight and Measures (CSS)	75.00	75.00	100.00	Not stated
9	19	Local Administration Department 2070-198-01 General basic grants to Rural LB (FC)	3,015.00	1,678.49	55.67	Non receipt of sanction order from GoI
		2070-198-02 General basic grants to Rural LB (FC)	2,060.00	2,060.00	100.00	Non receipt of sanction order from GoI

Appendix 2.7 Results of review of substantial surrenders (more than 50 per cent of total provision) made during the year 2013-14

(1)	(2)	(3)	(4)	(5)	(6)	(7)
10	20	School Education				
		2202-01-101-03 Elementary Education (FC)	100.00	100.00	100.00	Non-earmarking of the fund in sectoral allocation
		2202-02-110-03 Vocationalisation of secondary education	126.40	98.60	78.01	Not-stated
		2202-02-103-01 Non-formal education	20.00	12.98	64.90	Not-stated
11	24	Medical and Public Health Services				
		2210-01-110-04 Referral hospital	187.00	164.00	87.70	Non-filling up of posts and non-receipt of Government approval under wages
						Non-filling up of posts, non-receipt of Government approval under wages and non-revision of rent rate
		2210-06-003-02 College of Nursing	69.00	40.36	58.49	
		2210-06-003-04 General Nursing Mid-Wifery School	39.00	39.00	100.00	Non-filling up of posts
		2210-06-101-11 Disaster Management	20.10	20.10	100.00	Re-provision of fund to other sub-heads of account
		4210-80-800-02 Matching share for Water treatment Plants (SCA)	70.00	40.00	57.14	Not-stated
12	28	Labour and Employment				
		2230-03-003-03 SMS of strengthening of infrastructure	15.00	15.00	100.00	Non-release of fund
		2230-03-101-01 Centre of Excellence (CSS)	14.77	14.77	100.00	Due to technical reasons
13	30	Disaster Management and Rehabilitation				
		2245-80-103-04 National disaster response fund	456.60	456.60	100.00	Non-release of fund by GoI
		2245-05-101-03 Capacity building fund	100.00	100.00	100.00	Non-release of fund by GoI
		2245-05-101-01 State Disaster Response Fund (FC)	891.00	445.50	50.00	Non-release of second Installment by GoI
14	31	Agriculture				
		2401-800-05 RKVY (ACA)	14,855.00	10,741.00	72.31	Not stated
		2415-01-800-02 Quality control arrangement on Seeds (CSS)	166.86	99.39	59.56	Not stated
15	34	Animal Husbandry and Veterinary				
		2403-800-77 RKVY (ACA)	1,450.00	758.74	52.33	Not stated
		2403-101-02 Control of Animal Disease (CSS)	398.94	276.34	69.27	Not stated
		4403-800-02 Animal Slaughter House/ NABARD	950.00	494.74	52.08	Not stated
16	36	Environment and Forest				
		2406-01-800-02 Maintenance of Forest (TFC)	8,560.00	5,243.20	61.25	Due to compliance of instruction of GoI for ₹ 4,280.00 lakh and for the rest amount of ₹ 963.20 lakh, the reasons are not stated
17	38	Rural Development				
		2515-800-02 Incentive for UID Registration (FC)	24.00	24.00	100.00	As per instruction from Planning and Programme Implementation Department
		4515-102-04 Construction of Market building at Vairengte/NLCPR	139.55	139.55	100.00	Re-provision of fund for the next year
		4515-800-01 Assistance to Rural Housing	100.00	50.00	50.00	Re-provision of fund to other head of account
18	39	Power				
		4801-05-800-14 Construction of 132 KV line S/C Aizawl (Melriat) to Lunglei/NLCPR	1,503.38	1,383.12	92.00	Non-receipt of bills for payment in time

Appendix 2.7 Results of review of substantial surrenders (more than 50 per cent of total provision) made during the year 2013-14

(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Public Works				
		5054-04-337-01 Construction of Roads under EAP	10,658.00	10,158.00	95.31	Due to Less receipt of fund
		5054-04-800-07 North East Road Programme (EAP-ADB)	5,000.00	5,000.00	100.00	Non-release of fund
		5054-04-800-01 Construction of roads ACA/CRF	1,088.00	850.00	78.13	-do-
19	45	4216-01-700-04 Construction of Raj Bhawan complex (FC)	750.00	750.00	100.00	-do-
		4216-01-700-05 Construction of Addl. Secct. Building(FC)	500.00	500.00	100.00	-do-
		4202-02-104-06 Setting up of Polytechnics, Serchhip/CSS	200.00	200.00	100.00	-do-
		4202-01-203-02 SMS for construction of college building (SCA)	66.66	52.22	78.34	Due to Less receipt of fund
		Urban Development and Poverty Alleviation				
20	46	4217-01-051-01 Construction (JNNURM -ACA)	12,181.56	11,098.81	91.11	Not stated
		Minor Irrigation				
		2702-80-001-02 Administration (AIBP)	690.00	373.94	54.19	Due to non-filling up of new posts
		2705-800-02 On farm development (AIBP) (ACA)	150.00	150.00	100.00	Non-release of central assistance by GoI
21	47	4702-101-03 River diversion (AIBP) (ACA)	10,160.00	10,160.00	100.00	Re-allocation of fund and non-release of central assistance by GoI
		4702-800-01 Flood Management Program (ACA) (AIBP)	3,000.00	3,000.00	100.00	Non-release of central assistance by GoI
Total			1,79,357.60	1,65,359.14	92.20	

Appendix *Surrenders in excess of actual savings*

2.8

(Reference: Paragraph-2.3.11; Page-56)

(₹ in lakh)

Sl. No.	Number and name of the grant/ appropriation	Total grant/ appropriation	Saving	Amount surrendered	Amount surrendered in excess
Revenue (Voted)					
1	3-Council of Ministers	580.55	20.80	24.02	3.22
2	4-Law and Judicial	1,845.64	133.01	138.27	5.26
3	6-Land Revenue and Reform	2,452.60	189.12	208.43	19.31
4	7-Excise and Narcotics	2,303.64	61.63	63.40	1.77
5	8-Taxation	1,463.27	117.78	122.80	5.02
6	16-Home	46,867.92	1,670.88	1,688.32	17.44
7	17-Food, Civil Supplies and Consumer affairs	9,793.18	1,738.67	1,744.08	5.41
8	25-Water Supply and Sanitation	13,906.09	213.21	226.05	12.84
9	28-Labour and Employment	856.47	86.11	100.34	14.23
10	30-Disaster Management and Rehabilitation	2,283.56	599.20	1,022.70	423.50
11	33-Soil and Water Conservation	5,576.05	365.15	365.67	0.52
12	34-Animal Husbandry and Veterinary	14,788.05	1,057.98	1,090.05	32.07
13	35- Fisheries	3,162.39	423.59	428.19	4.60
14	39-Power	33,033.41	1,317.08	1,332.50	15.42
15	41-Sericulture	2,050.55	168.81	184.53	15.72
16	46-Urban Development and Poverty Alleviation	7,197.39	243.29	498.59	255.30
Revenue (Charged)					
17	2-Governor	496.44	2.85	3.09	0.24
Capital (Voted)					
18	39-Power	7,989.56	1,383.12	1,383.14	0.02
19	45-Public Works	40,746.75	18,720.40	18,969.62	249.22
Grand Total		1,97,393.51	28,512.68	29,593.79	1,081.11

Appendix Unexplained surrender of more than 2.9 ₹ 10 lakh

(Reference: Paragraph-2.3.11; Page-57)

(₹ in lakh)

Sl. No.	Grant No.	Grant Name and Major Head	Total Grant	Expenditure	Amount Surrendered	Reasons
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	4	Law and Judicial 2014-114-09 Training of judicial officers (FC)	30.47	30.46	19.53	Not Stated
2	5	Vigilance 2070-104-01 Direction	19.89	19.89	80.11	Not Stated
3	8	Taxation 2040-001-01 Direction (CSS) 2040-800-01 SMS of MMPCT (ACA) 2040-001-02 Administration	125.37 22.85 757.07	124.26 22.85 763.22	55.92 42.28 15.32	Not Stated Not Stated Not Stated
4	9	Finance 2071-01-117-01 Government contribution 2054-095-01 Direction 2054-095-02 District Treasury 2054-800-04 Database for Government Employees and Pension (FC)	535.34 1,019.52 989.78 3.94	529.61 1,019.52 990.83 3.93	709.66 36.17 162.62 225.70	Not Stated Not Stated Not Stated Not Stated
5	14	Planning and Programme Implementation 3451-101-02 Evaluation and Monitoring 3451-101-03 Evaluation and Monitoring ACA 3451-102-02 Pilot project 3451-101-01 Plan Formulation 3454-01-001-02 Administration	271.93 0.00 612.99 275.43 245.15	274.81 0.00 612.98 276.44 246.98	1,499.28 90,000.00 500.00 73.10 19.26	Not Stated Not Stated Not Stated Not Stated Not Stated
6	15	General Administration Department 2015-104-01 Conduct of election to MP/MLA 2053-093-01 DC, Aizawl 2053-093-03 DC, Saiha 2053-093-06 DC, Kolasib 2053-094-05 Sub-division, Saiha 2070-115-03 Circuit and Guest House, Saiha 5053-60-101-01 Communication	3,738.54 0.00 319.95 367.40 79.53 28.75 0.00	3,733.49 0.00 337.00 267.17 64.37 28.72 0.00	695.46 20.00 78.24 33.04 11.27 17.75 92.95	Not Stated Not Stated Not Stated Not Stated Not Stated Not Stated Not Stated
7	17	Food, Civil Supplies and Consumer Affairs 3475-106-01 Regulation of Weights and Measures	0.00	0.00	75.00	Not Stated

Appendix *Unexplained surrender of more than* **2.9** ₹ 10 lakh

(1)	(2)	(3)	(4)	(5)	(6)	(7)
8	18	Printing and Stationery 2058-001-01 Direction	168.69	168.68	26.60	Not Stated
		School Education 2202-80-800-01 Physical Education	168.75	168.75	111.19	Not Stated
		2202-02-110-03 Vocationalization of Secondary Education	29.71	28.72	98.60	Not Stated
		2202-02-105-01 DIET	143.88	145.95	63.87	Not Stated
		2202-02-105-02 District Resource Centre	43.00	42.99	21.30	Not Stated
9	20	2202-80-001-01 Direction	611.06	611.06	111.97	Not Stated
		2202-04-001-03 District Administration	170.76	170.77	49.27	Not Stated
		2202-02-105-02 District Resource Centre (CSS)	1,354.60	1,328.68	12.46	Not Stated
		2202-80-004-01 Statistical and Educational Survey	95.34	95.35	29.92	Not Stated
		2202-02-105-01 DIET (CSS)	597.14	595.22	15.69	Not Stated
		2202-02-103-01 Non-Formal Education	7.02	7.02	12.98	Not Stated
10	23	Art and Culture 2205-001-01 Direction	235.10	232.20	22.08	Not Stated
		Medical and Public Health Services 4210-80-800-03 Matching share for Solar Power plants (SCA)	120.00	120.00	96.00	Not Stated
11	24	4210-80-800-02 Matching share for Water treatment Plant (SCA)	30.00	30.00	40.00	Not Stated
		Information and Public Relations 2220-60-109-01 Photo Services	36.24	36.34	19.76	Not Stated
12	26	2220-01-001-01 Direction	322.24	324.72	19.41	Not Stated
		Labour and Employment 2230-02-101-01 Employment Exchange	189.05	193.91	17.65	Not Stated
13	28	2230-03-003-01 Industrial Training Institute	348.15	357.67	35.73	Not Stated
		Agriculture 2401-800-05 RKVY (ACA)	4,114.00	4,114.00	10,741.00	Not Stated
14	31	2415-01-800-02 Quality Control Arrangement on Seeds (CSS)	65.32	65.32	99.39	Not Stated
15	32	Horticulture 2401-001-01 Direction	409.28	409.27	11.10	Not Stated

Appendix *Unexplained surrender of more than* **2.9** ₹ 10 lakh

(1)	(2)	(3)	(4)	(5)	(6)	(7)
16	34	Animal Husbandry and Veterinary	691.26	691.26	758.74	Not Stated
		2403-800-77 RKVY (ACA)				
		2403-101-02 Control of Animal Disease (CSS)	122.60	122.58	276.34	Not Stated
		2403-107-03 Grassland Development and Env. of cellulose waste (CSS)	178.50	178.50	21.50	Not Stated
		2403-113-02 Livestock census (CSS)	42.81	51.01	23.77	Not Stated
		4403-800-02 Animal Slaughter House/NABARD	455.26	455.25	494.74	Not Stated
17	36	Environment and Forests				
		2406-01-800-02 Maintenance of Forest (TFC)	3,316.80	3,316.40	963.20	Not Stated
18	38	Rural Development				
		2515-001-01 Direction	447.23	432.16	42.55	Not Stated
		2515-001-02 Administration	383.86	382.28	37.74	Not Stated
		2515-001-03 Block Level Administration	1,186.56	1,175.88	162.86	Not States
		2505-02-101 -01 NREGS	1,194.69	1,194.69	27.77	Not Stated
		2501-05-101-02 Integrated Watershed Management Programme	931.09	931.35	20.92	Not Stated
		2501-01-001-02 Administration of RD Programme	342.11	342.42	10.45	Not Stated
20	42	Transport				
		2041-001-01 Direction	129.72	124.62	58.64	Not Stated
		2041-001-02 Administration	525.22	543.08	38.09	Not Stated
		2057-101-01 Consumer petrol pump	77.04	76.57	16.89	Not Stated
		3055-001-01 Direction	873.16	835.72	71.71	Not Stated
		3055-001-02 Administration	900.17	844.33	212.45	Not Stated
		3055-001-03 General Administration	682.69	588.43	199.75	Not Stated
		3055-800-02 Booking Station	112.28	110.44	58.87	Not Stated
		3055-800-01 Railway Out Agency	43.68	31.66	35.40	Not Stated
		3055-800-03 Central Workshop	330.82	330.82	82.23	Not Stated
21	45	Public Works				
		4059-80-051-11 Construction under SPA for on-going project	2,648.99	2,591.81	72.01	Not Stated
22	46	Urban Development & Poverty Alleviation				
		4217-01-051-01 Construction (JNNURM -ACA)	1,082.75	1,082.75	11,098.81	Not Stated
		4217-01-051-04 Construction (JNNURM-Plan)	75.11	75.11	24.62	Not Stated
Total			35,477.63	35,102.27	1,20,928.68	

Appendix Details of savings not surrendered

2.10

(Reference: Paragraph-2.3.12; Page-57)

(₹ in lakh)

Sl. No.	Number and Name of Grants/Appropriation	Saving	Surrender	Saving which remained to be surrendered
Revenue (Voted)				
1	1- Legislative Assembly	64.44	64.40	0.04
2	5- Vigilance	92.24	92.23	0.01
3	11- Secretariat Administration	0.35	0.00	0.35
4	12- Parliamentary Affairs	9.12	8.93	0.19
5	13- Personnel and Administrative Reforms	8.31	8.28	0.03
6	14- Planning and Programme Implementation	92,139.66	92,129.04	10.62
7	15- General Administration Department	1,228.75	1,140.04	88.71
8	18- Printing and Stationery	79.41	45.60	33.81
9	19- Local Administration	3,774.75	3,774.65	0.10
10	20- School Education	5,304.09	4,523.44	780.65
11	21- Higher and Technical Education	976.12	907.78	68.34
12	22- Sports & Youth Services	4.67	3.08	1.59
13	23- Arts & culture	48.51	42.51	6.00
14	24- Medical And Public Health Services	1,337.63	1,049.03	288.60
15	26- Information and Public Relations	75.84	74.56	1.28
16	27- District Councils	3,548.05	505.00	3,043.05
17	29- Social Welfare	878.52	874.72	3.80
18	31- Agriculture	11,068.21	11,067.84	0.37
19	32- Horticulture	579.99	579.85	0.14
20	36- Environment and Forest	5,250.44	5,249.75	0.69
21	37- Co-operation	26.78	0.40	26.38
22	38- Rural Development	1,039.78	1,009.94	29.84
23	40- Industries	101.58	42.46	59.12
24	42- Transport	963.15	774.03	189.12
25	43- Tourism	28.72	26.73	1.99
26	44- Trade and Commerce	4.21	0.80	3.41
27	45- Public Works	342.12	275.24	66.88
28	47- Minor Irrigation	601.77	600.63	1.14
29	48- Information and Communication Technology	98.94	95.49	3.45
Revenue (Charged)				
30	4- Law & Judicial	2.35	2.31	0.04
Capital (Voted)				
31	4- Law and Judicial	185.00	0.00	185.00
32	16- Home	2,466.00	438.00	2,028.00
33	17- Food, Civil Supplies and Consumer Affairs	5,325.19	838.31	4,486.88
34	25- Water Supply and Sanitation	49.74	0.00	49.74
35	34- Animal Husbandry and Veterinary	494.75	494.74	0.01
36	35- Fisheries	0.09	0.00	0.09
37	37- Co-operation	72.38	0.00	72.38
38	38- Rural Development	244.60	244.55	0.05
39	42- Transport	0.06	0.00	0.06
40	46- Urban Development and Poverty Alleviation	11,327.45	11,327.44	0.01
Total		1,49,843.76	1,38,311.80	11,531.96

(Reference: Paragraph-2.3.13; Page-58)

(₹ in crore)

Sl. No.	Grant Number	Head of Accounts	Major Head	Total expenditure during the year	Expenditure during March 2014 ⁴	
					Amount	Percentage of total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	9	Secretariat-General Services	2052	2.56	1.00	39.06
		Capital Outlay on other Fiscal Services	4047	1.90	1.90	100.00
2	15	Elections	2015	43.37	21.32	49.16
		Civil Aviation	3053	5.50	4.22	76.73
3	16	Capital Outlay on Police	4055	0.21	0.21	100.00
		Capital Outlay on Social Security and Welfare	4235	17.87	11.92	66.70
4	18	Capital Outlay on Stationery and Printing	4058	3.30	3.30	100.00
5	19	Urban Development	2217	5.22	2.68	51.34
6	23	Art and Culture	2205	8.70	2.30	26.44
7	24	Capital Outlay on Medical and Public Health	4210	1.62	1.10	67.90
8	25	Capital Outlay on Water Supply and Sanitation	4215	35.06	20.33	57.99
9	29	Social Security and Welfare	2235	91.55	42.69	46.63
		Nutrition	2236	41.14	33.50	81.43
		Capital Outlay on Social Security and Welfare	4235	7.58	4.25	56.07
10	30	Relief on account of Natural Calamities	2245	15.24	7.86	51.57
11	31	Crop Husbandry	2401	155.75	131.46	84.40
12	32	Crop Husbandry	2401	107.50	85.82	79.83
		Capital Outlay on Crop Husbandry	4401	1.32	0.98	74.24
13	33	Soil and Water Conservation	2402	52.11	19.28	37.00
14	34	Animal Husbandry	2403	136.07	96.88	71.20
		Capital outlay on Animal Husbandry	4403	5.34	4.97	93.07
15	35	Fisheries	2405	27.39	10.58	38.63
16	36	Forestry and Wildlife	2406	92.46	27.65	29.90
		Ecology and Environment	3435	0.40	0.40	100.00
17	37	Capital outlay on co-operation	4425	0.12	0.12	100.00
18	38	Special Programmes for Rural Development	2501	19.14	13.36	69.80
		Rural Employment	2505	11.95	3.37	28.20
		Other Special Areas Programmes	2575	26.02	13.06	50.19
		Capital outlay on other Rural Development Programmes	4515	4.05	1.30	32.10
		Capital outlay on Other Special Areas Programmes	4575	39.77	31.45	79.08

⁴ Expenditure more than 25 per cent of the total expenditure during the year

(1)	(2)	(3)	(4)	(5)	(6)	(7)
19	39	Non-conventional sources of energy	2810	0.05	0.05	100.00
		Capital outlay on Power Projects	4801	65.20	57.89	88.79
20	40	Village and Small Industries	2851	98.91	67.79	68.54
21	41	Village and Small Industries	2851	18.82	7.11	37.78
22	42	Inland Water Transport	3056	0.05	0.05	100.00
		Capital Outlay on Road Transport	5055	0.25	0.23	92.00
		Housing	2216	5.14	1.75	34.05
		Social Security and Welfare	2235	4.75	4.75	100.00
		Medium Irrigation	2701	0.01	0.01	100.00
		Civil Aviation	3053	0.07	0.07	100.00
		Capital Outlay on Public Works	4059	47.30	46.28	97.84
		Capital Outlay on Other Administrative Services	4070	3.21	3.21	100.00
		Capital Outlay on Education, Sports & Art and Culture	4202	29.62	25.08	84.67
23	45	Capital Outlay on Medical and Public Health	4210	12.92	12.92	100.00
		Capital Outlay on Housing	4216	21.38	21.38	100.00
		Capital Outlay on Urban Development	4217	5.96	5.96	100.00
		Capital Outlay on Information and Publicity	4220	0.56	0.56	100.00
		Capital Outlay on Animal Husbandry	4403	0.95	0.54	56.84
		Capital Outlay on Fisheries	4405	0.49	0.49	100.00
		Capital Outlay on Flood Control Projects	4711	0.13	0.13	100.00
		Capital Outlay on Civil Aviation	5053	1.66	1.66	100.00
		Capital Outlay on Roads and Bridges	5054	93.36	67.77	72.59
24	46	Urban Development	2217	67.22	18.43	27.42
		Capital Outlay on Urban Development	4217	60.51	47.03	77.72
25	48	Other Communication Services	3275	7.70	4.14	53.77
Total				1,506.43	994.54	66.02

Source: Information furnished by A.G (A&E)

GLOSSARY OF ABBREVIATIONS

ACA	Additional Central Assistance
AC Bill	Abstract Contingent Bill
AE	Aggregate Expenditure
BCR	Balance from Current Revenue
BE	Budget Estimate
BPL	Below Poverty Line
C&AG	Comptroller and Auditor General of India
CAGR	Compounded Annual Growth Rate
CE	Capital Expenditure
CFS	Consolidated Fund of the State
CGA	Controller General of Accounts
CSS	Centrally Sponsored Scheme
DCC	Detailed Countersigned Contingent
DDO	Drawing and Disbursement Officer
DE	Development Expenditure
DRDA	District Rural Development Agency
ES	Economic Services
FCP	Fiscal Correction Path
FD	Fiscal Deficit
FRBM	Fiscal Responsibility and Budget Management
GIA	Grants-in-Aid
GoI	Government of India
GRF	Guarantee Redemption Fund
GSDP	Gross State Domestic Product
IAY	Indira Awaas Yojana
IP	Interest Payment
L&A	Loans and Advances
MFRBM	Mizoram Fiscal Responsibility and Budget Management
MSDL	Mizoram State Development Loan
MST	Mizoram State Transport
MTFPS	Medium Term Fiscal Policy Statement
NE	North East
NPRE	Non-Plan Revenue Expenditure
NREGS	National Rural Employment Guarantee Scheme
NRHM	National Rural Health Mission
NSDL	National Securities Depository Limited
NSSF	National Small Savings Fund
NTR	Non Tax Revenue
OTR	Own Tax Revenue

GLOSSARY OF ABBREVIATIONS

P&E	Power and Electricity
PAC	Public Accounts Committee
PD	Primary Deficit
PHE	Public Health Engineering
PRE	Plan Revenue Expenditure
PSE	Public Sector Enterprise
PWD	Public Works Department
RBI	Reserve Bank of India
RD	Revenue Deficit
RE	Revenue Expenditure
RR	Revenue Receipts
S&W	Salaries and Wages
SAP	Special Area Programme
SE	Social Expenditure
SS	Social Service
SSA	Sarva Siksha Abhiyan
SSE	Social Sector Expenditure
TE	Total Expenditure
TFC	Thirteenth Finance Commission
UC	Utilisation Certificate
UGC	University Grants Commission
VAT	Value Added Tax
WMA	Ways and Means Advances