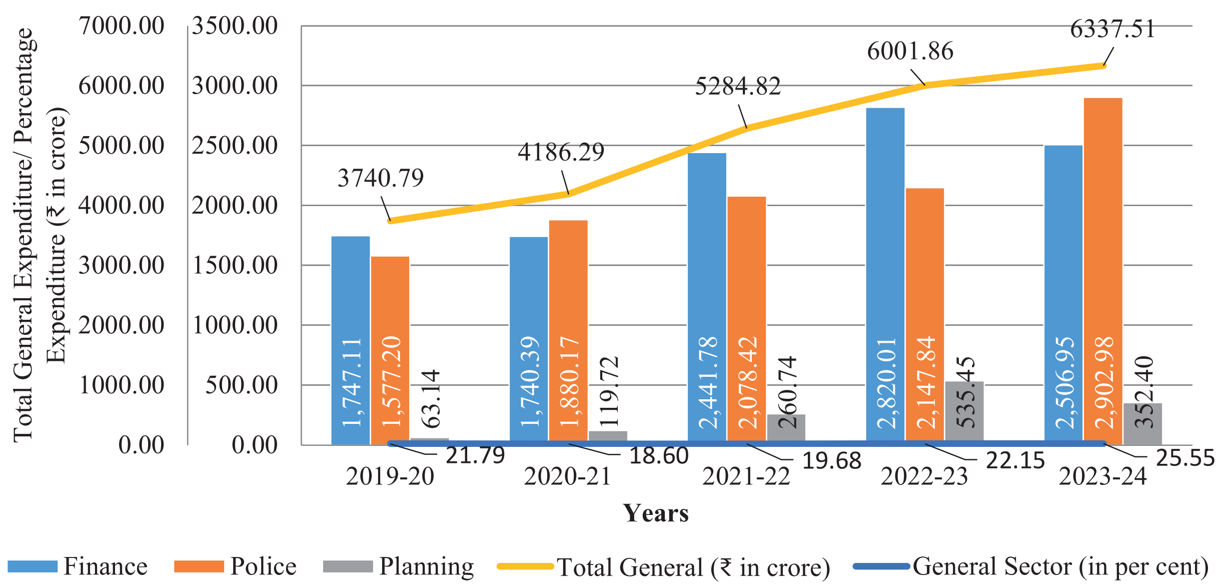
CHAPTER I
GENERAL SECTOR

1.1 Introduction

The Chapter contains findings based on audit of State Government departments under the General Sector. The General Sector plays an important role in an economy as this sector is responsible for creating the environment wherein policies and plans are formulated and implemented for economic and social development. The General Sector includes Planning, Police, Finance, Justice, Fire Department, District Administration, *etc*.

The expenditure incurred during the last five years by the major Departments under the General Sector is depicted in **Chart 1.1.1**.

Chart 1.1.1: Expenditure incurred by Major Departments (2019-2024)



Source: Appropriation Accounts of respective years

Table 1.1.1 provides department-wise details of budget provision and expenditure incurred by 16 departments pertaining to the General Sector during 2023-24.

Table 1.1.1: Department-wise budget provision and expenditure under General Sector during 2023-24

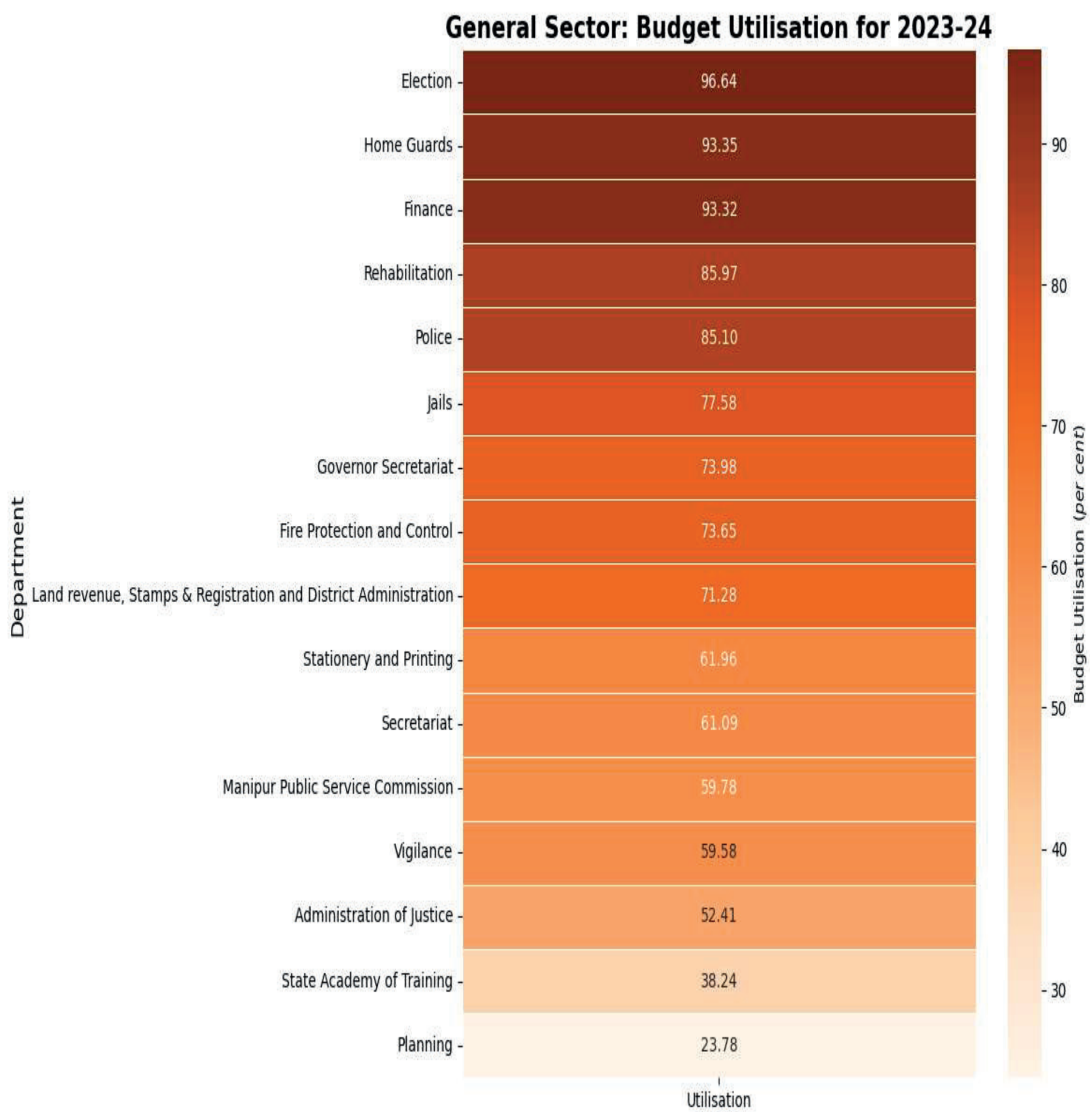
(₹ in crore)

Sl. No.	Name of Department	2023-24			
		Budget Provision	Expenditure	Savings	Savings as *per cent* of Budget Provision
1	Police	3,411.20	2,902.98	508.22	14.90
2	Finance	2,686.39	2,506.95	179.44	6.68
3	Administration of Justice	206.01	107.98	98.03	47.59
4	Planning	1,481.94	352.40	1,129.54	76.22

Sl. No.	Name of Department	2023-24			
		Budget Provision	Expenditure	Savings	Savings as *per cent* of Budget Provision
5	Land Revenue, Stamps & Registration and District Administration	163.77	116.74	47.03	28.72
6	Secretariat	184.76	112.87	71.89	38.91
7	Election	92.27	89.17	3.10	3.36
8	Jails	43.49	33.74	9.75	22.42
9	Home Guards	58.52	54.63	3.89	6.65
10	Fire Protection and Control	32.22	23.73	8.49	26.35
11	Governor Secretariat	8.07	5.97	2.10	26.02
12	Manipur Public Service Commission	7.16	4.28	2.88	40.22
13	Stationery and Printing	7.44	4.61	2.83	38.04
14	Vigilance	7.62	4.54	3.08	40.42
15	State Academy of Training	17.47	6.68	10.79	61.76
16	Rehabilitation	11.90	10.23	1.67	14.03
Total		**8,420.23**	**6,337.50**	**2,082.73**	**24.73**

Source: Appropriation Accounts, 2023-24

Heatmap 1.1 shows the Budget utilisation for 2023-24 under General Sector.



Source: Budget documents and Appropriation Accounts, 2023-24

KEY INSIGHTS

(i) Department-Wise Utilisation Analysis

A. High Budget Utilisation (≥90 *per cent*)

- **Election:** 96.64 *per cent*
- **Home Guards:** 93.35 *per cent*
- **Finance:** 93.32 *per cent*

These departments demonstrated efficient budget management with minimal savings.

B. Moderate Budget Utilisation (60 to 85 *per cent*)

- **Rehabilitation:** 85.97 *per cent*
- **Police:** 85.10 *per cent*
- **Jails:** 77.58 *per cent*
- **Governor Secretariat:** 73.98 *per cent*
- **Fire Protection & Control:** 73.65 *per cent*
- **Land Revenue, Stamps & Registration:** 71.28 *per cent*
- **Stationery & Printing:** 61.96 *per cent*
- **Secretariat:** 61.09 *per cent*

These departments managed to spend a reasonable share of funds but still recorded moderate savings ranging between 15 and 40 *per cent*.

C. Low Budget Utilisation (<60 *per cent*)

- **Manipur Public Service Commission:** 59.78 *per cent*
- **Vigilance:** 59.58 *per cent*
- **Administration of Justice:** 52.41 *per cent*
- **State Academy of Training:** 38.24 *per cent*
- **Planning:** **23.78 *per cent* (*critical concern*)**

These departments did not utilise their allocations effectively, leading to high savings and consequent probable impact on achievement of planned targets.

(ii) Key Audit Concerns

- *Excessive savings* in critical departments such as *Planning* (76.22 *per cent*) and *State Academy of Training* (61.76 *per cent*).
- Potentially indicates *ineffective planning* and *poor fund absorption capacity*.
- Possible risk of surrendering funds at the close of the Financial Year *i.e.* during February 2024.
- Probable non-achievement of programme objectives due to *low fund utilisation*.

Recommendations:

- Departments with less utilisation should submit action plans to improve fund absorption.
- Planning Department must strengthen its project implementation mechanisms to ensure timely fund deployment.
- Periodic mid-year expenditure reviews should be conducted to monitor utilisation trends.
- Unspent funds should be reallocated to the needy departments to maximise efficiency.
- The Finance Department may introduce budget execution performance indicators for better monitoring.

1.1.1 Planning and execution of Audit

Compliance audit of General Sector is conducted in accordance with an Annual Audit Plan approved by the Comptroller and Auditor General of India. Topicality, financial profile, social relevance, internal control system of the units and occurrence of defalcation/ misappropriation/ embezzlement as well as the past audit findings form the basis of risk assessment for selection of audit units. After completion of the compliance audits, Inspection Reports (IRs) are issued to the heads of units as well as to the concerned heads of departments. In the light of replies received, audit observations are reviewed and settled, if action taken by the audit client is satisfactory. However, if no action is taken or action taken is not satisfactory, the audit findings are retained and units are advised to take further suitable remedial measures. However, some very serious and selected audit findings are processed for inclusion in the Audit Report of the Comptroller and Auditor General of India for placing the same before the State Legislative Assembly as mandated by the Constitution.

During 2023-24, Office of the Accountant General (Audit), Manipur, planned for audit of 44 units, out of 117 units, pertaining to General Sector. Of which, 16 units[1] involving expenditure of ₹1,144.54 crore (details are shown in ***Appendix 1.1***) including expenditure of previous years were actually audited. As of March 2024, 08 Inspection Reports (IRs) containing 39 paragraphs were issued to the Government with copies to the Heads of the Departments concerned.

[1] Including 2 Apex Bodies for which no expenditure was incurred.