



# Summary Report for the State of Manipur



## ***1. Demography***

As per Census population projections for 2023, Manipur has a population of 3.2 million and represents 0.2 percent of the country's total population.<sup>1</sup> The State's projected population growth, at 0.9 percent, is equal to the national average, as of 2023. The State's population density is very low, at 115 people per sq. km. Its dependency ratio (59.4 percent) is slightly lower than the national average as per 2021 projections. According to the 2023 projections, the majority of the State's population lives in rural areas, with only 32.4 percent residing in urban areas. As per the National Family Health Survey (NFHS V), sex ratio at birth in the State (967 female births per 1000 males) is better than the national average of 929 female births per 1000 males.

As of 2022-23, the State's annual unemployment rate, at 4.7 percent, is higher than the national average of 3.2 percent and Female Labour Force Participation Rate, at 31.3 percent, is lower than the national average of 37 percent. The working population in the State is predominantly concentrated in the Services (38 percent) and Agriculture (35.7 percent), respectively.<sup>2</sup>

## ***2. Economic Structure (Growth and Sectoral Composition)***

Manipur's real GSDP grew at an average rate of 4.9 percent during the period 2012-13 to 2021-22, which is lower than the national average growth of 5.6 percent.<sup>3</sup> The State's share in the country's nominal GDP is 0.2 percent and its nominal per capita income is 41 percent lower than the national per capita income, as of 2021-22.

Among the major sectors, the Services sector has a share of 64.8 percent in the State's GSVA, followed by the Agriculture (26.8 percent) and Industry (8.5 percent) sectors, in that order. During the period 2013-14 to 2022-23, these three sectors grew by 5.0 percent, 5.6 percent, and 0.9 percent per annum, respectively.<sup>4</sup>

## ***3. Socio-economic Indicators***

Manipur's literacy rate, at 79.2 percent, is higher than the national average of 73 percent, as of 2011<sup>5</sup>. As of 2016-17, the State had a similar school drop-out rate (21.1 percent for Classes VIII to X) and a higher pass percentage (99 percent for Class X), as compared to the respective national averages. The Gross Enrolment Ratio at the Higher Secondary level (68 percent in 2015-16) and at the Higher Education level (37.8 percent in 2021) are both above the respective

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<sup>1</sup> Projected data on population growth rate, dependency ratio, population density, and urban population is sourced from "Population Projections for India and States, 2011-2036" by the Technical Group on Population Projections, National Commission on Population, Ministry of Health and Family Welfare, Government of India.

<sup>2</sup> Data on unemployment, female labour force participation, and workforce distribution is from the Periodic Labour Force Survey, 2017-18 to 2023-24.

<sup>3</sup> Data on Economic Structure is sourced from Ministry of Statistics and Programme Implementation (MoSPI), as of August 2023.

<sup>4</sup> Data used is sourced from MoSPI, as of March 2024.

<sup>5</sup> Literacy data is sourced from Office of the Registrar General and Census Commissioner, Ministry of Home Affairs, 2011.

national averages.<sup>6</sup> For the age group 18 to 23 years, the Gender Parity Index in higher education (the ratio of girls to boys enrolled in higher education institutions) is at par with the national average, as of 2021.<sup>7</sup>

In terms of health indicators, the Infant Mortality Rate in the State, at 6 deaths per 1000 live births, is very low as compared to the national average of 28 deaths per 1000 live births, as of 2020. The Total Fertility Rate in the State, at 2.2 children per woman, is slightly above the national average, as of 2019-21.<sup>8</sup> The share of fully immunised children (68.8 percent) is lower than the national average (76.4 percent), as of 2019-21. The State has shown improvement on the “quality of life” indicators over the decades. The households’ access to electricity (97.8 percent) and sanitation facilities (62.1 percent) are close to the respective national averages, as of 2019-21. However, the State fares poorly in terms of access to drinking water, with only 77 percent of the households having access to potable drinking water, as of 2019-21.

#### ***4. State of Public Finances***

Manipur’s debt-to-GSDP ratio, at 47 percent in 2022-23, is markedly higher than that of a median State,<sup>9</sup> and its contingent liabilities, at 5 percent of GSDP, are also much higher than those of a median State, as of 2022-23.<sup>10</sup> The fiscal deficit and primary deficit levels, at 6.9 percent and 4.5 percent of GSDP, respectively, are also much higher than those of a median State, as of 2022-23. The State has a revenue surplus of 16.3 percent of GSDP in 2022-23, which is much higher than a median State's deficit of 0.4 percent. As of 2022-23, Manipur collects more revenue as compared to a median State and its expenditure-to-GSDP ratio, at 76.2 percent, is also much higher than that of a median State.

Manipur’s share in taxes from the Centre, as per the recommendations of the Finance Commission (FC), increased from 0.6 percent under the 14<sup>th</sup> FC to 0.7 percent under the 15<sup>th</sup> FC. And, its share in the total grants-in-aid decreased by 0.6 percentage points to 1.4 percent under the 15<sup>th</sup> FC, as compared to 2 percent under the 14<sup>th</sup> FC.

#### ***5. Fiscal Rules***

The Manipur Fiscal Responsibility and Budget Management Act, 2005, enacted under the 12<sup>th</sup> FC recommendations, establishes fiscal targets that need to be maintained by the State.<sup>11</sup> Since 2005, the Act has been amended seven times in 2006, 2010, 2011, 2020, 2021, 2022 and 2024. **Revenue Deficit:** The 2005 Act required the State to maintain a revenue surplus by making a

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<sup>6</sup> Data on dropout rates, pass percentage of students and Gross Enrolment Ratio at Higher Secondary Level is taken from Unified District Information System for Education, 2015-16.

<sup>7</sup> Data on Gross Enrolment Ratio at Higher Education Level, Data on Gender Parity Index, and college density is taken from the All-India Survey on Higher Education, 2020-21.

<sup>8</sup> Data on health variables is sourced from National Family Health Survey and the Sample Registration System

<sup>9</sup> Data on fiscal variables is sourced from Reserve Bank of India, State Finances Report, as of December 2023.

<sup>10</sup> For calculation of a median State, the variable as a percentage of GSDP was computed for each State, with the median across 22 major States shown (excluding all Union Territories and the North-eastern States, except Assam). The Macro and Fiscal Landscape State brief includes this benchmark in the States’ Median (Large States), Column 6, Table 4A.

<sup>11</sup> Data is sourced from the State Audit Report of the CAG for the respective years and the State Government Gazette.

balance in revenue receipts and expenditure and build up a further surplus.

**Fiscal Deficit:** The initial Act mandated the State to bring down its fiscal deficit to 3 percent of the GSDP. The 2006 amendment required the State to reduce its fiscal deficit to 3 percent or below by 2008-09. The 2010 and 2011 amendments mandated to reduce the fiscal deficit to a maximum of 3.5 percent of the GSDP by 2010-11 and to reduce it to a maximum of 3 percent of the GSDP from 2013-14 and beyond. The 2020 amendment granted a one-time additional borrowing space of Rs 363 crores and the 2021 amendment granted an additional borrowing of 2 percent of GSDP with relaxations based on implementation of certain reforms. The 2022 amendment granted a one-time borrowing up to 4.5 percent of GSDP during 2022-23 only while the 2024 amendment provided an additional borrowing of up to 0.5 percent of GSDP during 2023-24 and 2024-25 only.

**Outstanding Liabilities:** The 2010 and 2011 amendments required the State to maintain its outstanding debt to a maximum of 65.8 percent of GSDP in 2010-11 and to bring it down to 54.3 percent of GSDP in 2014-15.

**Fiscal Discipline:** As per the State Finances Audit Report of the Comptroller and Auditor General of India (CAG), during the period 2017-18 to 2021-22, the State was able to meet its revenue deficit and outstanding liabilities targets for all the five years, but missed achieving the fiscal deficit targets for three out of five years (2018-19, 2020-21, and 2021-22).