



सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
on
Social, General, Economic and Revenue Sectors
for the year ended 31 March 2022**



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Government of Mizoram
(Report No. 2 of 2023)

Laid before the Legislature on
23 August 2023

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Comptroller and Auditor General of India**

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GOVERNMENT OF MIZORAM
(Report No. 2 of 2023)

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PREFACE

This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor of Mizoram under Article 151 of the Constitution of India.

The Report contains significant results of the performance and compliance audits of the departments of the Government of Mizoram under the Social, General, Economic and Revenue Sectors including School Education Department, Higher & Technical Education Department, Urban Development & Poverty Alleviation Department, General Administration Department, Information and Communication Department, Planning & Programme Implementation Department, Agriculture Department, Public Works Department, Aizawl Smart City Limited and Taxation Department.

The cases mentioned in this Report are those which came to notice in the course of test audit of accounts for the years 2020-21 and 2021-22, as well as those which came to notice in earlier years, but could not be dealt with in previous Reports. Matters relating to the period subsequent to 2020-21 and 2021-22 have also been included, wherever necessary.

The audits have been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

Overview

This Audit Report has been prepared in six Chapters. Chapters-I to V deals with Social Sector, General Sector, Economic Sector, Economic Sector (Public Sector Enterprises) Sector and Revenue Sector respectively. Chapter-VI deals with cases of follow up of Audit Reports.

The Report contains one Performance Audits on “Direct Benefit Transfer” and 13 compliance audit paragraphs including two Subject Specific Compliance Audit. The draft audit findings included in this Report were sent to the Head of the Departments concerned with a request to furnish replies within six weeks. The views of the Department/ Government have been incorporated wherever received. The audit findings were also discussed in Exit Conferences held with the representatives of the Government of Mizoram and their views were duly acknowledged in the Report. A synopsis of the important findings contained in the Report is presented below.

Chapter-I Social Sector

Compliance Audit Paragraphs

School Education Department

The School Education Department incurred expenditure of ₹ 46.00 lakh on construction of new school building which was transferred to a different Department.

(Paragraph 1.3)

The Department did not take steps for termination of the contract as per the agreement on account of sub-contracting of 87 works by the contractors leading to grant of undue financial benefits of ₹ 0.72 crore.

(Paragraph 1.4)

Higher & Technical Education Department

Failure of the State Government to create sanctioned posts rendered expenditure of ₹ 24 crore on construction of three new polytechnic buildings wasteful.

(Paragraph 1.5)

Urban Development and Poverty Alleviation Department

Aizawl Municipal Corporation incurred irregular expenditure of ₹ 1.01 crore on improvement of ‘City park’.

(Paragraph 1.6)

Chapter-II General Sector

Compliance Audit Paragraph

General Administration Department

There was irregular expenditure of ₹ 1.24 crore on the purchase of materials and on financial assistance in violation of the Member of Legislative Assembly Local Area Development Scheme guidelines.

(Paragraph 2.2)

Chapter-III Economic Sector

Performance Audit

Direct Benefit Transfer (covering cash transfer only)

Information and Communication Technology Department

Audit noticed that there was absence of proper plan for implementation of the schemes through Direct Benefit Transfer (DBT) mechanism in the State.

The implementation of scholarship schemes was fraught with irregularities due to inadequate system for verification of applications. The absence of District level verification created a lacuna in the system, due to which proper verification as per Standard Operating Procedure for National Scholarship Portal could not be enforced at the Institute level. Payments for fraudulent claim of scholarship were made to non-resident and non-*bonafide* students. Multiple claims or claims for courses not offered by institutions, *etc.*, were processed due to improper verification of applications.

Mizoram Scholarship Portal was developed without proper planning or budgeting and was implemented without approval and sanction of the competent authority. Non-preparation of User Requirement Specification, System Design Document, Service Level Agreement and Change Management Policy as well as lack of documentation indicated poor management and implementation of the project. Deficiencies in input controls as well as weak security features led to discrepancies in maintenance of applications database and doubtful payment of scholarships.

The implementation of Indira Gandhi National Old Age Pension Scheme through DBT was lagging behind due to delay in digitisation of beneficiary database. Non-updation of beneficiary list not only resulted in irregular payment of assistances to ineligible beneficiaries but also prevented the eligible beneficiaries from availing the benefits.

The Advisory Board for the State DBT cell was not created as per the guidelines. Audit noticed lack of coordination among the stakeholders in the process of validation and verification of bank accounts and unique biometric identification numbers, delay

in onboarding of schemes on PFMS and absence of DBT enabling facilities in the remote areas remained unaddressed due to improper monitoring of the implementation of the Schemes.

Recommendations

The Government may consider the following recommendations:

- ***The beneficiary database should be updated regularly, after thorough verification, by deleting obsolete data and data of ineligible and expired beneficiaries and include new eligible beneficiaries.***
- ***The Mizoram Scholarship Board should take necessary steps to upgrade the portal and link Mizoram Scholarship Portal with Public Finance Management System (PFMS) platform and National Payment Corporation of India (NPCI).***
- ***Verification of bank accounts of beneficiaries should be made mandatory and the bank account should be linked with unique biometric identification number.***
- ***The Social Welfare and Tribal Affairs Department should ensure mandatory submission of proof of existence of the beneficiaries either in the form of physical life certificate or authentication through electronic means using biometric credentials for old age pension.***
- ***Responsibility may be fixed and action may be initiated for all cases of fraud resulting in drawal of irregular scholarship benefits.***
- ***The Government may strengthen the monitoring mechanism for implementation of the Direct Benefit Transfer (DBT) schemes and create the Advisory Board.***

(Paragraph 3.2)

Compliance Audit Paragraphs

Implementation of Ministry of Development of North Eastern Region (MDoNER) Projects in Mizoram

Planning and Programme Implementation Department

The success of projects funded by Ministry of Development of North Eastern Region (MDoNER) essentially depended on effective implementation of project activities, regular monitoring and efficient financial management. There were inadequacies in all these three key aspects, as brought out by audit.

The execution of projects was not satisfactory, since none of the sampled projects sanctioned by the Ministry were completed within the stipulated time. The delay in completion of works/ projects ranged from 63 to 2,323 days from the stipulated date of completion. Major hurdles in timely completion of projects were lack of adequate planning and delays in transmission of funds to the executing agencies. Further, it was

also noticed that there was diversion of funds and irregular expenditure on unapproved items in violation of the Guidelines. Three projects were closed on “as is where is” basis resulting in unfruitful expenditure.

One project, reported as completed, was not completed even after a lapse of more than 13 years from the original stipulated date of completion due to change in scope/specification, slow progress of work, time overrun, cost escalation and legal issues. The objective of setting up Rural Information Kiosks (RIKs) and strengthening of Government Press remained unachieved.

Recommendations

- *State Government should ensure timely release of funds to avoid delay in completion of projects.*
- *MDoNER guidelines, State Government orders and codal provisions relating to tendering process, parking of funds, sub-letting of contracts, etc., should be strictly followed.*
- *Factors attributable to stoppage of work, works remaining incomplete/abandoned, assets lying idle and slow progress of work should be analysed, responsibilities fixed and remedial action taken up in a time bound manner.*
- *State Government should conduct impact studies and social audit to evaluate the benefits and impact of the projects funded by Ministry of DoNER.*
- *State Government should fix responsibility on the concerned officials for non-completion of projects and non-achievement of project objectives.*

(Paragraph 3.3)

Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) in Mizoram

Agriculture Department

The PM-Kisan scheme which was implemented from 1 December 2018 has brought benefits to the farmer beneficiaries in the State. However, the implementation of the scheme was marred by issues especially on the requirements of verification of the beneficiaries. Monitoring mechanism was weak as the disposal of grievances of farmers was very low. Moreover, the scheme was meant only for the land-holding farmer families. However, in the absence of proper land records in the State, the registration of beneficiaries on the basis of the landholding status was doubtful. Details of 75 out of the 250 sampled beneficiaries was not furnished thus casting doubts on the genuineness of the applicants. An amount of ₹ 13.19 crore was credited to the accounts of 65,926 beneficiaries who were found to be ineligible due to various reasons such as wrong unique biometric identification number, incorrect bank account details, bank and unique biometric identification details not matching, being Income Tax payees, etc. Eight beneficiaries whose family members had already received financial assistance, irregularly received a total of 28 instalments again amounting to ₹ 0.56 lakh.

Recommendations

The State Government may consider the following recommendations:

- *An alternate mechanism to ascertain the land holdings and farmer status of the applicants may be developed.*
- *Proper screening of the applications and validation of bank accounts with unique biometric identification number linking should be done so that ineligible beneficiaries are not registered and approved in the first place.*
- *The beneficiary database on PM-KISAN portal should be updated regularly, after verification, by deleting obsolete data or data of ineligible or expired beneficiaries.*
- *Verification of the beneficiaries should be done annually as prescribed in the scheme guidelines.*
- *Prompt redressal of grievances should be done by State & District Grievance Redressal Committees as per the timelines prescribed in the scheme guidelines.*
- *Responsibility may be fixed for improper verification of documents at the time of approval which resulted in payments to ineligible beneficiaries.*

(Paragraph 3.4)

Public Works Department

Public Works Department incurred avoidable expenditure of ₹ 4.88 crore for construction of Darlak to Sihthiang road as the villages were already connected.

(Paragraph 3.5)

Chapter-IV

Economic Sector (Public Sector Enterprises)

Functioning of Public Sector Undertakings

As of 31 March 2021 and 31 March 2022, the State of Mizoram had six Public Sector Enterprises (SPSEs) (including one non-working Government company) in which, the investment of the State Government (capital and long-term loans) was ₹ 62.92 crore consisting of ₹ 53.47 crore (84.98 *per cent*) towards equity capital and ₹ 9.45 crore (15.02 *per cent*) long-term loans. The losses of two of these State Public Sector Enterprises (SPSEs) (accumulated losses of ₹ 29.45 crore) had completely eroded the State Government investment in paid-up capital (₹ 25.45 crore) as per their latest finalised accounts.

(Paragraphs 4.1.1 and 4.1.2.1)

The State Government has provided budgetary support to SPSEs of ₹ 13.49 crore and ₹ 6.22 crore in the form of grants during the years 2020-21 and 2021-22 respectively mainly to meet salary and other establishment expenditure.

(Paragraph 4.1.4)

The paid-up capital and accumulated losses of six SPSEs as per their latest finalised accounts were ₹ 58.73 crore and ₹ 55.18 crore respectively as of 30 September 2021 and ₹ 58.47 crore and ₹ 56.28 crore respectively as of 30 September 2022 as per their latest accounts. During 2020-21 and 2021-22, out of six SPSEs, one SPSE (Zoram Infrastructure and Industrial Development Corporation Limited) earned profit of ₹ 0.82 crore and ₹ 0.98 crore respectively while remaining four SPSEs incurred aggregate losses of ₹ 3.14 crore in 2020-21 and ₹ 3.75 crore in 2021-22.

(Paragraph 4.1.8.2)

Compliance Audit Paragraphs

Aizawl Smart City Limited

There was extra expenditure of ₹ 19.55 crore due to award of contract on nomination basis at a higher rates without call of tender and acceptance of the same item of materials at different rates. Further, there was non-recovery of mobilisation advance of ₹ 17.72 crore and accrued interest of ₹ 3.54 crore.

Recommendation: Responsibility may be fixed for awarding the contract on nomination basis which resulted in extra expenditure.

(Paragraph 4.2)

Chapter-V Revenue Sector

Compliance Audit Paragraphs

Taxation Department

A dealer was under-assessed of tax to the tune of ₹ 17.94 lakh due to under-assessment of turnover and application of incorrect tax rate.

(Paragraph 5.9)

There was short payment of tax of ₹ 31.27 lakh by a dealer due to adoption of incorrect rate of tax and under assessment of turnover.

Recommendation: Responsibility may be fixed for the under-assessment.

(Paragraph 5.10)

There was non-levy of tax of ₹ 1.62 crore resulting in loss of revenue to the Government due to non-assessment of a dealer by the Assessing Officer within the timeframe.

(Paragraph 5.11)

There was short levy of tax by ₹ 0.12 crore due to erroneous determination of opening stock during assessment of the dealer. Further, the dealer also evaded tax of ₹ 0.67 crore.

(Paragraph 5.12)

Chapter-VI

Follow up of Audit Observations

A review of follow up action on submission of Non-submission of Action Taken Notes (ATNs) disclosed that there was pendency in respect of the Audit Reports for the years 2015-16 to 2018-19.

(Paragraph 6.1)

State Government had constituted (04 September 2013) Audit Committees to consider and take measures for timely response and speedy settlement of outstanding IRs/ paragraphs pending in various Departments.

However, no meetings of the Audit Committee took place during the years 2020-2021 and 2021-2022.

(Paragraph 6.4)

CHAPTER – I
SOCIAL SECTOR

CHAPTER-I

SOCIAL SECTOR

1.1 Introduction

This Chapter of the Audit Report for the years ended 31 March 2021 and 31 March 2022 deals with the findings on audit of State Government Departments under Social Sector.

The 13 departments under the Social Sector spent ₹ 3,356.19 crore in 2020-21, while the budget allocation was ₹ 4,364.97 crore. In the following year 2021-2022, these departments spent ₹ 3,383.46 crore against the budget provision of ₹ 5,019.64 crore as shown in **Table-1.1**.

Table-1.1: Department-wise budget provision and expenditure

(₹ in crore)

Sl. No.	Name of the Department	Budget Allocation (BA)		Expenditure		Percentage of Expenditure to BA	
		2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
1.	School Education	1,636.90	1,625.06	1,246.37	1,264.30	76.14	77.80
2.	Medical and Public Health Services	775.56	836.98	569.52	686.05	73.43	81.97
3.	Water Supply and Sanitation	497.24	614.65	466.99	427.47	93.92	69.55
4.	Higher and Technical Education	324.24	304.93	235.11	245.52	72.51	80.52
5.	Urban Development and Poverty Alleviation	301.46	473.19	275.81	284.70	91.49	60.17
6.	Social Welfare	286.67	676.85	208.62	159.79	72.77	23.61
7.	Local Administration	244.31	213.22	89.57	98.98	36.66	46.42
8.	Sports and Youth Services	150.34	131.19	145.94	128.92	97.07	98.27
9.	Disaster Management and Rehabilitation	65.00	70.64	57.29	40.86	88.14	57.84
10.	Labour, Employment, Skill Development and Entrepreneurship	34.44	35.86	24.60	17.18	71.43	47.91
11.	Information and Public Relations	21.73	18.48	14.13	14.44	65.03	78.14
12.	Art and Culture	21.25	13.37	17.41	10.49	81.93	78.46
13.	Personnel and Administrative Reforms	5.83	5.22	4.83	4.76	82.85	91.19
Total		4,364.97	5,019.64	3,356.19	3,383.46	76.89	67.40

Source: Appropriation Accounts: 2020-21 & 2021-22

As indicated in the **Table-1.1** above, out of 13 departments, 11 departments could utilise more than 70 per cent of the budget allocation during the year 2020-21 and during 2021-22 seven departments could utilise more than 70 per cent of their budget allocation. The overall savings under Social Sector was 23.11 per cent during 2020-21 and 32.60 per cent during 2021-22 against the budget allocation.

1.2 Planning and conduct of Audit

Audit process commences with the assessment of risks for the various departments of the State Government. The risk criteria were the expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls, etc.

After completion of audit of each unit, Inspection Reports (IRs) containing audit findings are issued to the Heads of the offices with a request to furnish replies within four weeks of receipt of the IRs with a copy to the next higher authority. On the basis of responses, audit findings are either settled or further action for compliance is advised. Significant audit observations arising out of these IRs are processed for inclusion in the Audit Report. The Audit Report is submitted to the Governor of the State under Article 151 of the Constitution of India for being tabled in the State Legislature.

Out of 227 auditable units, Audit test checked 28 units during 2020-21 and 24 units during 2021-22 involving expenditure of ₹ 4,828 crore and ₹ 2,657 crore respectively (including expenditure from previous years) of the State Government pertaining to Social Sector. This Chapter includes four Compliance Audit Paragraphs, as discussed in the following paragraphs.

COMPLIANCE AUDIT PARAGRAPHS

SCHOOL EDUCATION DEPARTMENT

1.3 Diversion of funds

The School Education Department incurred expenditure of ₹ 46.00 lakh on construction of new school building which was transferred to a different Department

Ministry of Development of North Eastern Region (DoNER), Government of India accorded (12 September 2006) administrative approval for Central Financial Assistance under Non-Lapsable Central Pool of Resources (NLCPR) *inter alia* for construction of Mizoram Institute of Comprehensive Education (MICE¹) building at a cost of ₹ 46.00 lakh on 90:10 Central-State share basis. The terms and conditions of the administrative approval, *inter alia*, was that the fund shall be utilised strictly for the purpose for which it was sanctioned and no diversion of the fund was allowed.

Test check (October-November 2020) of records of the Director, School Education Department and cross check with records of the Executive Engineer, Project Division-II of the State Public Works Department (PWD) revealed that the construction work of MICE building at Zemabawk, Aizawl was awarded by the Executive Engineer, Project Division-II in May 2007 to a contractor. The contract value was ₹ 33.37 lakh and the

¹ MICE run in rented houses at Venghlui, Aizawl is the only Central Board of Secondary Education affiliated school in the capital city, Aizawl catering to the general population, the other two Kendriya Vidyalaya Schools in Aizawl being restrictive mostly to the children of employees of Central Government offices and Central Autonomous bodies

work was to be completed by 19 April 2008 which was within 11 months from the 15th day after the date of issue of work order.

Further scrutiny of records showed that the construction work of MICE building at Zemabawk, Aizawl was not taken up due to damage of the plot of land earmarked for the construction by landslide which therefore became unsuitable. The contractor clarified (November 2010) to the Director, School Education that the School Education Department had no land to be handed over to Public Works Department for construction of MICE building and as such the construction work could not be started.

Subsequently, the General Administration Department, Mizoram allotted (September 2010) Plot No. A-24 within the New Secretariat Complex, Khatla for construction of MICE building without consulting the School Education Department. Scrutiny of records, however, showed that the construction work for MICE building started only on 11 March 2015 through another contractor which was after around five years from the allotment of the new site. There was nothing on record to explain the delay in commencement of work in the new site. The work was completed on 28 May 2016 at a cost of ₹ 46.00 lakh and was handed over to the School Education Department by the PWD on 30 May 2017.

However, the School Education Department stated that the building so constructed had only two rooms and was insufficient for accommodation of MICE and hence was not occupied. Subsequently, as per the decision of the New Secretariat Complex Management Committee, the plot/ building was transferred and allotted to the Planning & Programme Implementation Department (P&PID) for establishment of Common Utility Services on 2 June 2017.

Thus, the School Education Department did not occupy the building and the school continues to be run in rented houses at Venghlui, Aizawl by incurring expenditure of ₹ 20.14 lakh on rent during the period from June 2017 to March 2022 (after the building was handed over).

The project site of MICE building was relocated by the State Government from New Secretariat Complex to RM High School Campus, Tuikual North in March 2016 after amalgamation of MICE with Government R.M. High School and Government Tuikual Primary School-II at Government R.M High School Campus, Tuikual. Accordingly, the Government of Mizoram approved expenditure sanction of ₹ 3.00 crore for 'Construction of MICE building at R.M. Complex Tuikual, Aizawl' under the State development programme *viz.*, "New Economic Development Policy" (NEDP) during October 2018. The construction was taken up by the School Education Department under NEDP 2018-19 through an empanelled firm selected through restricted tender. The original due date of completion was 30 November 2021 which was extended till 31 October 2022 and the firm completed (26 August 2022) 98 *per cent* of the work. The up-to-date payment made to the contractor on construction of the new school building was ₹ 2.40 crore as of May 2022.

The matter was brought to the notice of the Department and the Government in July 2022 and the Department, while agreeing to the audit observation, stated (August 2022) that due to transfer of the building constructed at New Secretariat Complex, Khatla to P&PID as per decision of the competent authority, the building could not be utilised for the purpose for which it was sanctioned and the expenditure on rent was an inevitable requirement due to non-completion of the new building at R.M. Complex, Tuikual and as such the total expenditure of ₹ 66.14 lakh (including rent of ₹ 20.14 lakh) was unavoidable.

Due to the allotment of the building to a different entity, Audit observed that the purpose for which the fund of ₹ 46 lakh was sanctioned and expended, was not fulfilled and the fund was diverted in violation of the terms and conditions of the administrative approval for which it was sanctioned.

SCHOOL EDUCATION DEPARTMENT

1.4 Grant of undue financial benefits to contractor

The Department did not take steps for termination of the contract as per the agreement on account of sub-contracting of 87 works by the contractors leading to grant of undue financial benefits of ₹ 0.72 crore

The National Bank for Agriculture and Rural Development sanctioned (December 2016) a loan assistance of ₹ 22.98 crore under Rural Infrastructure Development Fund (RIDF)-XXII (2016-17) to the Government of Mizoram (GoM) for infrastructure development of 194 Rural Education Institutions in the State. The sanction was out of the total project cost of ₹ 25.53 crore with the balance of ₹ 2.55 crore being the State contributory component.

The Department of School Education, GoM, based on the bids submitted by the GoM's empanelled firms, selected and entered into an agreement (16 May 2018) with a contractor² to execute the construction of 193³ Rural Education Institutions in seven districts of Mizoram at the quoted rate of ₹ 24.32 crore to be completed in 12 months counted from the last date of the commencement of work (*i.e.*, from 18 May 2018 as per work commencement order) as per Clause 7.2 of the agreement.

As per Clause 4.3 of the agreement between the Department and the contractor, the contractor shall, within 30 days of the effective date, submit to the employer's representative (the person appointed by the employer/ the Department to act as its representative for the purposes of the contract) for consent the name and particulars of the person that the contractor proposes to appoint as the contractor's representative. The contractor's representative shall give his whole time to directing the preparation of the construction documents and the execution of the works and shall receive (on behalf of

² M/s Lushai Engineers, Ramhlun

³ One less than the sanctioned number due to change of two works costing ₹ 4 lakh each on repair of School building of Government Chalkunga High School, Bukpui and Government Zobawk High School Lunglei to repair/ renovation of office building of Government Centenary Middle School, Thenzawl at the rate of ₹ 8 lakh

the contractor) all notices, instructions, consents, approvals, and other communications under the contract.

Also, as per Clause 4.5 of the signed agreement, the contractor shall, under no circumstances, sub-contract any portion of the works. If the contractor assigns the contract or sub-contracts the works, the employer may, after having given 14 days' notice to the contractor, terminate the contractor's employment under the contract and expel him from the site as per Clause 11.2.f of the agreement.

Further, as per the circular dated 8 June 2009 of the Engineer-in-Chief, Public Works Department, GoM, since contract work is awarded to a particular contractor only after the contractor has been qualified through a series of qualification criteria, transferring the contract work to others will defeat the very purpose of registration of contractor and also the purpose of tendering and the qualification criteria prescribed in the process of awarding the contract.

Test-check (October - November 2020) of the records of the Director of School Education, Aizawl showed that Government of Mizoram conveyed administrative approval of ₹ 25.53 crore and expenditure sanction of ₹ 25.05 crore during March 2018 and August 2018 for the execution of the works by the contractor as detailed below:

Table-1.2: Details of works executed

(₹ in lakh)

Sl. No.	Number of works/ schools	Name of the works	Rate	Total Amount
1.	13	Reconstruction of Primary School buildings	34.00	442.00
2.	8	Reconstruction of Middle School buildings	37.00	296.00
3.	8	Reconstruction of High School buildings	108.31	866.48
4.	22	Repair of Government High School buildings	4.00	88.00
5.	117	Repair of Government Elementary School buildings	4.00 ⁴	472.00
6.	25	Construction of Kitchen Shed and Dining Hall	10.70	267.50
Total	193			2,431.98

Further scrutiny of records in the Directorate office revealed that the contractor did not submit for consent the name and particulars of the person it proposed to appoint as its representative as per Clause 4.3 of the agreement. Instead, the contractor irregularly sub-contracted 28 works⁵ with the original contract value of ₹ 1.72 crore to third parties by signing deeds of agreement at a lower value of ₹ 1.31 crore as detailed in **Appendix-1.4.1**. This resulted in the contractor deriving undue financial benefits of ₹ 0.41 crore.

⁴ Government Centenary Middle School, Thenzawl Office Building at the rate of ₹ 8 lakh

⁵ Aizawl District (17 works), Lunglei District (5 works), Champhai District (1 work), Serchhip District (2 works), Mamit District (2 works), Kolasib District (1 work)

Further details of the works executed were directly requisitioned by audit from the seven District Education Officers (DEOs)⁶ of the State. As per the information furnished by the DEOs, in addition to the above 28 works, another 26 works (Aizawl-22 works and Serchhip-4 works) involving the combined original contract value of ₹ 1.28 crore, were also sub-contracted at a combined lower value of ₹ 0.97 crore resulting in further undue financial benefits of ₹ 0.31 crore to the contractor.

The DEO, Champhai stated that 33 works out of 36 works were sub-contracted to third parties at the original rates/ values as detailed in **Appendix-1.4.2**. The DEOs of Aizawl, Lawngtlai and Champhai stated that six works out of 48 works, both the works and two works out of 36 works respectively were executed by the contractor but the DEOs of Mamit (27 works out of which Audit observed that two works were sub-contracted by signing deed of agreement) and Lunglei (62 works out of which Audit observed that five works were sub-contracted by signing deed of agreement) stated that all the works were executed by the contractor. In respect of Kolasib (12 works out of which Audit observed that one work was sub-contracted by signing deed of agreement), the DEO did not furnish the information sought for. Further, the DEO Aizawl could not provide information on who executed the work in respect of three works.

Out of the contract value of ₹ 24.32 crore, the Department stated (October 2022) that an amount of ₹ 24.09 crore was released to the contractor for the 193 works and all the works were completed. However, scrutiny of the fund release order revealed that the Department issued fund release order amounting to ₹ 24.06 crore, the last of which was issued on 13 April 2022.

Audit observed that as per the agreement, the Department could have terminated the contractor for sub-contracting the works, which however, was not done. Thus, as against the provision of the deed of agreement disallowing the sub-contracting of the works, 87 out of 193 works were sub-contracted to third parties who were not selected by the Department to execute the works, leading to grant of undue financial benefits of ₹ 0.72 crore to the contractor. Thus, out of 193 works, 87 works were sub-contracted to third parties, 10 works were executed by the contractor and the execution of work on the remaining 96⁷ works could not be established due to incorrect information from the DEOs of Lunglei and Mamit Districts and non-furnishing of information from the DEO of Kolasib District.

The Director, School Education Department admitted (30 July 2021) the occurrence of sub-contracting of works. It was further stated that the system of sub-contracting of works must be stopped at all costs by drawing the attention of all concerned.

The matter was brought to the notice of the Government in August 2022, however, their reply was not received.

⁶ Aizawl (48 works), Lunglei (62 works), Champhai (36 works), Serchhip (6 works), Mamit (27 works), Lawngtlai (2 works) and Kolasib (12 works)

⁷ Aizawl (03 works), Mamit (25 works), Lunglei (57 works) and Kolasib (11 works).

HIGHER & TECHNICAL EDUCATION DEPARTMENT

1.5 Wasteful Expenditure

Failure of the State Government to create sanctioned posts rendered expenditure of ₹ 24 crore on construction of three new polytechnic buildings wasteful

Under the Scheme of Sub-mission on Polytechnics under Coordinated Action for Skill Development, the Ministry of Human Resource Development, Higher Education Department, Government of India approved financial assistance of ₹ 36.90 crore for setting up of new polytechnics in the three⁸ unserved districts in the State during the period⁹ December 2008 to August 2009. The financial assistance given was at the rate of ₹ 12.30 crore (₹ 8 crore on civil works + ₹ 4.30 crore on equipment, machinery, library books, *etc.*) per polytechnic. The aim of the polytechnic education is to create a pool of skill-based manpower by imparting Diploma courses in Civil, Electrical and Mechanical Engineering, Computer Science and Engineering, *etc.*, to support shop floor and field operations as a middle level link between technicians and engineers.

As per the terms and conditions of the release of the grant, any additional requirements of funds over and above the ceiling of ₹ 12.30 crore will be met by the State Government. As per the guideline of the new polytechnic scheme, it shall be the responsibility of the State Government to bear all the recurring expenditure in running the polytechnic. Further, as per the project proposal submission, the Government of Mizoram stated (July 2007) that it has no objection to provide the land and the required expenditure for setting up of the polytechnics.

Test check (January 2021) of records of the Director, Higher and Technical Education (H&TE) Department, Aizawl showed that out of the approved cost of ₹ 36.90 crore, the Ministry released ₹ 33.27 crore during the period December 2008 to March 2015 as detailed in **Appendix – 1.5.1**. The construction of the three polytechnics in the three districts was taken up by the State Public Works Department (PWD) and an amount of ₹ 24 crore meant for civil works was transferred and placed at the disposal of the Engineer-in-Chief, PWD during the period August 2010 to October 2011. The balance ₹ 9.27 crore meant for the components on equipment, machinery, library books, *etc.*, was not released by the Finance Department and as such equipment, machinery, library books, *etc.*, required for the functioning of the polytechnic was not purchased. Non-release of ₹ 9.27 crore was due to the non-creation of the posts to run the polytechnics, owing to which the requirements of machinery and equipment, library, furniture, *etc.*, were not assessed and no proposal was submitted to the Finance Department to release the fund.

The PWD completed the construction of the administrative buildings and other components during the period April 2013 to June 2016 with an amount of ₹ 24 crore as

⁸ Kolasib District, Champhai District and Mamit District

⁹ On 31 December 2008 for Kolasib and Champhai Districts and on 6 August 2009 for Mamit District

detailed in **Appendix-1.5.2**.

The H&TE Department stated (September 2022) that out of the three polytechnics, it has taken over (June 2018) the constructed building of Mamit Polytechnic and some portions of the buildings are occupied by Jawahar Navodaya Vidyalaya School.

The reasons for not taking over the Kolasib Polytechnic building was stated to be due to non-availability of water and electricity connections in the polytechnic buildings, non-fitting of ceiling fans and tube lights and need for redesign/ replacement of the toilets of all buildings due to leakage. Further, there was damage of ceiling and roofs truss in Common Facility building block, requirement of repair/ refit of all internal electrical wiring and related materials due to theft in case of Administrative building, Textile Technology building and Automobile Engineering blocks and also in the Common Facility building.

In respect of Champhai Polytechnic, the building has not been taken over as all water taps, tube light frames and bulbs were not fitted. Further, there was theft and damage of internal electrical wiring, sanitary wares in all blocks of the buildings – Administrative building, Common Facilities building, Food Processing Technology building, Mechanical Engineering building and that of floor tiles mainly in Food Processing Technology building.

The Department also stated that due to financial constraints of the State Government, creation and filling up of post was banned except in very special cases since July 2014 by the State Government and consequently none of the three entities have started their operations. This was against the commitment of the State Government to bear the required expenditure on their part for setting up of the polytechnics.

Audit conducted joint physical verification of Kolasib Polytechnic on 28 September 2022 and noticed that -

- Internal electrification was not completed and items such as hooks for ceiling fans, frames for tube light/ bulbs, switchboard were found missing in all the blocks;
- Most of the glasses fitted in the windows and ventilators were broken in the three blocks viz., Textile Technology block, Automobile and Engineering Building block and Common Facility Building block;
- No water pump of 750 watts was found fitted as per the estimates and the MS pipe railings were found cut and stolen by miscreants in the Administrative Building block;
- No railing was found on the stairs, no water storage tank/ rain water harvesting



Pic: Kolasib Polytechnic building I

tank and no water pump were found in both the Textile Technology block and Automobile and Engineering Building blocks; and

- The false ceiling of multipurpose hall of the Common Facility Building block was damaged/ broken.

The matter was brought to the notice of the Department/ Government in August 2022 and the Government, while agreeing to the audit observation, stated (October 2022) that in an attempt to operate the three newly constructed Polytechnics, a proposal was submitted for creation of 113 posts¹⁰ in the meeting of the Council of Ministers in March 2018, however, the same was deferred. It was also stated that another proposal submitted to the Government in June 2018 to conduct short-term skill development courses by creating 18 posts, six posts for each polytechnic, also could not materialise.

Thus, due to the failure of the State Government to create sanctioned posts, the polytechnic infrastructure remained unutilised resulting in wasteful expenditure of ₹ 24 crore. As such, the objective of establishing the polytechnic institutes to create a pool of skill-based manpower in the State through polytechnic education was not achieved.

URBAN DEVELOPMENT AND POVERTY ALLEVIATION DEPARTMENT

1.6 Irregular expenditure

Aizawl Municipal Corporation incurred irregular expenditure of ₹ 1.01 crore on improvement of 'City park'

Government of India launched (25 June 2015) Atal Mission for Rejuvenation and Urban Transformation (AMRUT) with the aim of providing basic civic amenities like water supply, sewerage, urban transport, parks, *etc.*, to improve the quality of life for all, especially the poor and the disadvantaged. The focus of the Mission is on infrastructure creation that has a direct link to provision of better services to the citizens. One of the thrust areas of "AMRUT" mission is to enhance the amenity values of cities by creating and upgrading green spaces, parks and recreation centres, especially for children.

Test check (December 2021) of records of the Aizawl Municipal Corporation (AMC) revealed that a Memorandum of Understanding was signed (October 2016) between AMC and Aijal Club (a registered Society under the Societies Registration Act, 1860) to renovate and develop 'City park', a park privately managed by and also located within the premises of M/s Aijal Club from the AMRUT Mission fund of ₹ 1.01 crore which was set aside during the year 2015-16. As per the agreement, AMC would renovate and develop the 'City park' with the fund of ₹ 1.01 crore and hand over the 'City park' to Aijal Club after completion of the renovation. The AMC or the State Government or the funding agency or by any one through them shall not make any claim whatsoever to the park and the ownership of the park would be exclusively with

¹⁰ 38 numbers for Champhai Polytechnic, 38 numbers for Kolasib Polytechnic and 37 numbers for Mamit Polytechnic

Aijal Club. The AMC also shall not charge any expenses on cost of the renovation/ development of the 'City park' from the Club.

Scrutiny of records relating to the work for improvement of the 'City park' under AMRUT revealed that an agreement was signed (01 August 2017) between AMC and the contractor¹¹ selected through restricted tender system for the improvement of 'City park' at a cost of ₹ 1.01 crore. The work was completed on 31 August 2018 and the renovated park was handed over to Aijal Club on 10 December 2018.

A joint site inspection of the 'City park' was conducted with AMC officials during the time of the audit. It was observed that the 'City park' was not made accessible to the general public as the main gate was locked and closed and was accessible through a bridge connected from the main building of the Aijal Club only.

Further, children's play equipment worth ₹ 14 lakh like swings, slides, sand pit, children's climbing wall, *etc.*, which were approved in the DPR were also not installed or constructed and Gate No. 2, approved in the DPR for construction at a cost of ₹ 3.02 lakh was not constructed.



Audit observed that signing of agreement by AMC with Aijal Club with complete relinquishment of any claim whatsoever on the park enabled the Club to frame its own restrictive rule of access to the park. Due to handover of the park to a private party, the aim of AMRUT to provide basic civic amenities like parks, *etc.*, to improve the quality of life for all, especially the poor and the disadvantaged was not fulfilled. Thus, the expenditure of ₹ 1.01 crore incurred was irregular as the benefits of the park were restricted to only the Club members and was not available to the general public which is against the guidelines of AMRUT scheme.

The matter was brought to the notice of the AMC and Government (September 2022). The Government while accepting the audit observation, stated (October 2022) that although City park is owned by the Aijal Club, it is accessible to the general public for holding a few exhibitions and fare-cum sale events. Regarding the non-construction/ installation of children's play equipment and gate No. 2, the Government stated that the fund allotted was utilised for other items of works. However, the details of other items of works were not mentioned in the replies.

The reply of the Government showed that the entry to the park is conditional and restrictive which is against the aim of AMRUT scheme which is to provide basic civic amenities to improve the quality of life for all, especially the poor and the disadvantaged. Further, there was diversion of scheme funds of ₹ 17.02 lakh for other purposes.

¹¹ Shri T. Thanzaava

CHAPTER – II
GENERAL SECTOR

CHAPTER-II

GENERAL SECTOR

2.1 Introduction

This Chapter of the Audit Report for the years ended 31 March 2021 and 31 March 2022 deals with the findings on audit of State Government Departments under General Sector.

The 13 departments under the General Sector incurred a total expenditure of ₹ 3,033.11 crore in 2020-21, against a budget provision of ₹ 3,907.32 crore. In 2021-22, total expenditure of ₹ 2,928.49 crore was incurred against a budget provision of ₹ 4,029.58 crore. Department-wise (grant-wise) details of budget provision and expenditure incurred there-against are shown in **Table-2.1**.

Table-2.1: Department-wise budget provision and expenditure

(₹ in crore)

Sl. No.	Name of the Department	Budget Allocation (BA)		Expenditure		Percentage of Expenditure to BA	
		2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
1.	Finance	2,227.45	2,359.18	1,530.21	1,376.25	68.70	58.34
2.	Home	823.90	792.86	710.58	713.13	86.25	89.94
3.	District Council and Minority Affairs	463.11	496.83	459.72	496.97 ¹²	99.27	100.03
4.	Secretariat Administration	133.66	126.50	114.11	115.00	85.37	90.91
5.	General Administration	129.58	120.94	106.92	110.14	82.51	91.07
6.	Law and Judicial	41.13	47.40	36.29	42.43	88.23	89.51
7.	Legislative Assembly	33.73	33.19	30.30	29.20	89.83	87.98
8.	Printing and Stationery	16.16	15.01	13.12	12.21	81.19	81.35
9.	Vigilance	12.12	10.05	8.99	8.45	74.17	84.08
10.	Governor's Secretariat	9.00	10.14	8.46	8.96	94.00	88.36
11.	Mizoram Public Service Commission	8.74	9.64	7.85	8.84	89.82	91.70
12.	Council of Ministers	7.73	6.89	5.65	6.04	73.09	87.66
13.	Parliamentary Affairs	1.01	0.95	0.91	0.87	90.10	91.58
Total		3,907.32	4,029.58	3,033.11	2,928.49	77.63	72.67

Source: Appropriation Accounts: 2020-21 & 2021-22

As indicated in the **Table-2.1** above, out of 13 departments, 12 departments could utilise more than 70 per cent of the budget allocation during the years 2020-21 and 2021-22. Finance Department could utilise 68.70 per cent and 58.34 per cent of their budget allocation during 2020-21 and 2021-22 respectively. The overall savings under General Sector was 22.37 per cent during 2020-21 and 27.33 per cent during 2021-22, against the budget allocation.

¹² Excess of ₹ 13.66 lakh, intimated due to delay in passing of bill (fourth quarter for the year 2020-21) for Village Council Remuneration (VCR) non-salary, amounting to ₹ 13.66 lakh by Chawngte Treasury (submitted on 26.03.2021) which was passed by the Treasury on 11.05.2021 and inclusion of the said amount of ₹ 13.66 lakh with the transaction/ figures for the year 2021-22

Out of 128 auditable units, Audit test-checked 11 units during 2020-21 and 5 units during 2021-22 involving expenditure of ₹ 152.61 crore and ₹ 4,517 crore respectively (including expenditure from previous years) of the State Government pertaining to General Sector. This Chapter includes one Compliance Audit Paragraph, as discussed below.

COMPLIANCE AUDIT PARAGRAPH

GENERAL ADMINISTRATION DEPARTMENT

2.2 Irregular expenditure

There was irregular expenditure of ₹ 1.24 crore on the purchase of materials and on financial assistance in violation of the Member of Legislative Assembly Local Area Development Scheme guidelines

Member of Legislative Assembly Local Area Development Scheme (MLALADS) is a scheme to enable the Member of Legislative Assembly (MLA) to have small works of capital nature executed in their constituencies. Under this scheme, each MLA will have the choice to suggest to the Deputy Commissioner works to the tune of fund earmarked by the Government from time to time, to be taken up in his/ her constituency.

As per Clause 2.2 of the MLALADS Guidelines, 2010 and 2019, the fund under MLALADS may be used for creation of durable assets which shall always be available for public use at large. The ownership of such assets created with MLALADS fund would vest in the concerned line departments of the Government. Further, as per Clause 2.3, the works under this scheme should primarily be assets creation works and purchase of inventory and equipment strictly of public utility as certified by the concerned MLA. Further, on receipt of goods and materials purchased from private suppliers, Rule 208 (ii) & (iii) of the General Financial Rules, 2017 (as adopted by the Government of Mizoram) provides that all materials shall be counted, measured or weighed and subjected to visual inspection at the time of receipt to ensure that the quantities are correct, the quality is according to the required specifications and there is no damage or deficiency in the materials. The details of the material so received should thereafter be entered in the appropriate stock register and the officer-in-charge of stores should certify that the material is actually received and the details entered in the appropriate stock registers.

Test check (February 2020) of the records of the Deputy Commissioner, Mamit revealed that expenditure of ₹ 1.24 crore was incurred under MLALADS during the period 2014-15 to 2019-20 on purchase of materials like sewing machines, silpauline, computers, *etc.*, and on financial assistances based on the recommendation of the concerned MLAs and the bills or cash memos attached therewith without any certificate of public utility as detailed in **Appendix-2.2.1**.

Audit observed that there were no records of the materials being actually received by the Deputy Commissioner like a certificate of the materials received, entry in stock register, or issue register, *etc.*, and the items of expenditure did not pertain to works of creation of durable assets which shall always be available for public use at large, as

against the stipulation of the MLALADS Guideline. Further, the ownership of the assets bought was not as such as to be vested with the Government. Scrutiny of records also revealed that there were no documentary records regarding the distribution of the above materials purchased.

Thus, there was irregular expenditure of ₹ 1.24 crore under MLALADS fund as the same was incurred on impermissible items and did not lead to creation of any durable asset of capital nature and of public utility that are always available for public use at large.

The matter was pointed out to the Government/ Department (September 2022) and the same was accepted (October 2022).

CHAPTER – III
ECONOMIC SECTOR

CHAPTER-III

ECONOMIC SECTOR

3.1 Introduction

This Chapter of the Audit Report for the years ended 31 March 2021 and 31 March 2022 deals with the findings arising from audit of State Government Departments under Economic Sector.

The 16 departments under the Economic Sector spent ₹ 2,684.21 crore, against the budget allocation of ₹ 3,729.28 crore during 2020-21. In the following year 2021-22, these departments spent ₹ 2,587.60 crore against the budget provision of ₹ 3,533.37 crore as shown in **Table-3.1**.

Table-3.1: Department-wise budget provision and expenditure

(₹ in crore)

Sl. No.	Name of the Department	Budget Allocation (BA)		Expenditure		Percentage of Expenditure to BA	
		2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
1.	Public Works	1,188.84	1,004.30	667.36	701.93	56.14	69.89
2.	Power and Electricity	898.95	900.44	859.99	765.30	95.67	84.99
3.	Rural Development	536.69	511.47	307.82	237.75	57.36	46.48
4.	Food, Civil Supplies and Consumer Affairs	298.06	321.56	223.64	313.01	75.03	97.34
5.	Agriculture	221.71	208.22	153.98	132.51	69.45	63.64
6.	Commerce and Industries	113.92	96.44	76.45	69.77	67.11	72.35
7.	Horticulture	111.14	111.14	92.82	73.73	83.52	66.34
8.	Planning and Programme Implementation	105.73	102.69	91.71	96.86	86.74	94.32
9.	Animal Husbandry and Veterinary	101.57	94.59	82.55	68.99	81.27	72.94
10.	Irrigation and Water Resources	51.68	62.57	39.31	20.58	76.06	32.89
11.	Sericulture	26.33	25.62	22.40	19.82	85.07	77.36
12.	Soil and Water Conservation	24.30	31.44	20.39	27.76	83.91	88.30
13.	Co-operation	16.48	18.12	14.77	16.57	89.62	91.45
14.	Tourism	14.10	17.24	13.54	17.02	96.03	98.72
15.	Fisheries	14.06	22.02	12.29	21.11	87.41	95.87
16.	Information and Communication Technology	5.72	5.51	5.19	4.89	90.73	88.75
Total		3,729.28	3,533.37	2,684.21	2,587.60	71.98	73.23

Source: Appropriation Accounts: 2020-21 & 2021-22

As indicated in the **Table-3.1** above, out of 16 departments, 12 departments could utilise more than 70 per cent of the budget allocation during the year 2020-21 and during 2021-22, 11 departments could utilise more than 70 per cent of their budget allocation. The overall savings under Economic Sector was 28.02 per cent during 2020-21 and 26.77 per cent during 2021-22 against the budget allocation.

Out of 219 auditable units, Audit test checked 27 units during 2020-21 and 25 units during 2021-22 involving expenditure of ₹ 4,548.10 crore and ₹ 1,093.10 crore respectively (including expenditure from previous years) of the State Government pertaining to Economic Sector. This Chapter includes one Performance Audit on “Direct Benefit Transfer” (covering cash transfer only), two Subject Specific Compliance Audit Paragraphs on “Implementation of Ministry of Development of North Eastern Region (MDoNER) Projects in Mizoram” and “Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) in Mizoram” and one Compliance Audit Paragraph.

PERFORMANCE AUDIT

INFORMATION AND COMMUNICATION TECHNOLOGY DEPARTMENT

3.2 Performance Audit on “Direct Benefit Transfer” (covering cash transfer only)

3.2.1 Introduction

Direct Benefit Transfer (DBT) was rolled out in the country in 2013. As of 01 April 2017, DBT was implemented in 66 schemes of the Central Government across the country, delivering benefits to more than 30 crore beneficiaries with more than 100 crore DBT transactions.

DBT is a major reform initiative of the Government of India (GoI) to ensure better and timely delivery of benefits from the Government to the people. This marks a paradigm shift in the process of delivering benefits like wage payments, fuel subsidies, food grain subsidies, *etc.*, directly into the bank accounts of the beneficiaries, thereby removing leakages and enhancing financial inclusion. The vision of DBT is ‘*a governance regime which ensures a simple and user-friendly Government to People (G2P) interface and directly delivers entitlements to eligible individuals and households in a fair, transparent, efficient and reliable manner*’.

An ambitious target was set by GoI of ensuring that all Central Sector & Centrally Sponsored welfare and subsidy schemes are brought within the purview of DBT by March 2017. This required bringing in new mechanisms, re-engineering of Government processes, and appropriate distribution of authority and responsibility as well as financial resources for the delivery of public benefits/ services. The success of this endeavour would be particularly enhanced with cooperation and support from all the States which implement the schemes. A coordinated effort between the Centre and States would enable faster decision-making, eliminate duplication of efforts, and smoothen out differences, if any, hence fostering an easier transition of schemes to DBT.

The DBT performance ranking of Mizoram *vis-à-vis* other North-Eastern States is shown in **Table-3.2**.

Table-3.2: DBT Performance ranking

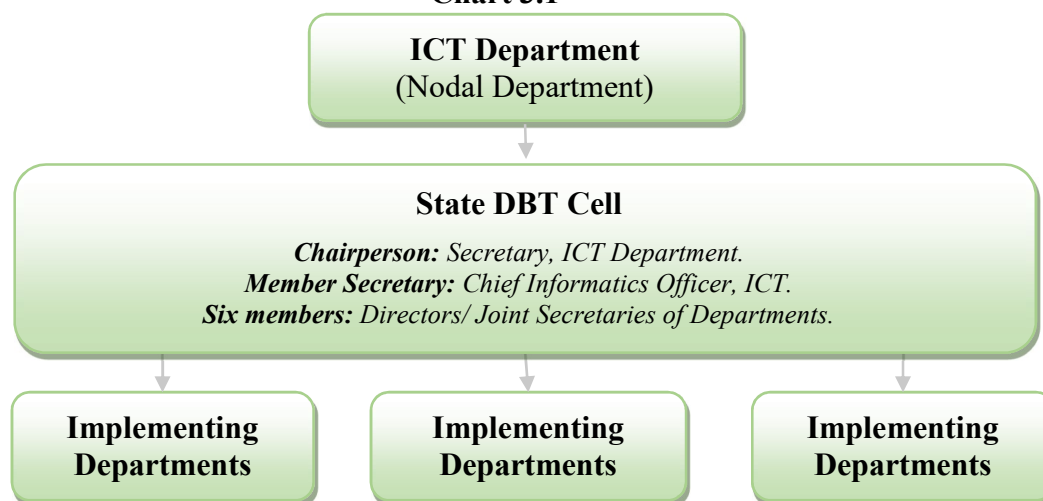
Name of State	State/ Union Territories Ranking <i>vis-à-vis</i>		Name of State	State/ Union Territories Ranking <i>vis-à-vis</i>	
	NE States	All India		NE States	All India
Tripura	1	3	Sikkim	5	24
Mizoram	2	13	Meghalaya	6	27
Manipur	3	20	Arunachal Pradesh	7	31
Nagaland	4	23	Assam	8	35

Source: <https://dbtbharat.gov.in/state/state-ranking>.

3.2.2 Organisational Structure

The Information and Communication Technology (ICT) Department, Government of Mizoram (GoM) was the Nodal Department for implementation of DBT across all Government welfare programmes. The Nodal Officers of the implementing departments as part of the DBT Cell¹³ coordinated efforts for onboarding of DBT schemes in addition to addressing issues affecting DBT implementation.

Chart 3.1



3.2.3 Scope of Audit

A Performance Audit on DBT (covering cash transfer only) was conducted during the period from October 2020 to November 2021 covering the period from 2017-18 to 2019-20. There were a total of 318 schemes being implemented through DBT in the country, out of which 33 schemes had been implemented by nine departments in Mizoram (as on 07 October 2020). For the purpose of audit, two schemes *viz.*, Scholarship Schemes and Indira Gandhi National Old Age Pension Scheme (IGNOAPS) were selected:

¹³ DBT Cell comprises of (i). Secretary, ICT (Chairperson), (ii). Jt. Secretary, GAD (Member), (iii). Director, RD (Member), (iv). Director, FCS&CA (Member), (v). Director, SWD (Member), (vi). Director, UD&PA (Member), (vii). Director, School Education (Member) and (viii). Chief Informatics Officer, ICT

- i. Scholarship Schemes covering five scholarship schemes viz., Pre-Matric Scholarship Schemes, Post-Matric Scholarship Schemes, Merit cum Means (MCM) based scholarship for 'Minority' community students, Pre-Matric Scholarship Schemes and Post Matric Scholarship Schemes for ST students, with expenditure to the tune of ₹ 186.56 crore during 2017-20. The schemes were implemented by Mizoram Scholarship Board (MSB), and
- ii. IGNOAPS implemented by the Social Welfare and Tribal Affairs (SW&TA) Department, with expenditure to the tune of ₹ 26.60 crore during 2017-20.

The Performance Audit involved scrutiny of records of MSB, Directorate of SW&TA Department and District Social Welfare Officers (DSWOs), Village Councils and Schools/ Institutions. Joint field visits were also conducted in the sampled Schools/ Institutions, sampled Village Councils in Lunglei District (under Lunglei and Bnghmun Rural Development (RD) Blocks) and Mamit District (under Zawlnuam and Reiek RD Blocks) with the State Nodal Officer of the MSB for scholarships schemes and along with the respective DSWO for IGNOAPS.

3.2.4 Audit Objectives

The objectives of the Performance Audit were to ascertain whether:

- The infrastructure, organisation and management of DBT were adequate and effective; and
- Necessary process re-engineering was done for implementation of DBT so as to minimise (a) intermediary levels (b) delay in payments to intended beneficiaries and (c) pilferage and duplication.

3.2.5 Audit Criteria

Audit criteria were derived from the following sources:

- Documents, circulars, orders, instruction and notification issued by the DBT Mission, GoI and State Government;
- Standard Operating Procedures (SOP), Handbook on DBT and Guidelines for State DBT Cell issued by DBT Mission;
- Guidelines of the schemes viz., Scholarships Schemes and IGNOAPS; and
- Instructions regarding maintenance of database, generation of various reports and IT controls.

3.2.6 Audit methodology

The audit commenced with an Entry Conference held on 07 October 2020 with the Under Secretary, Finance Department; Secretary, Mizoram Scholarship Board (MSB), Informatics Officer, ICT Department and the Joint Secretary, RD Department, GoM wherein the audit objectives, audit criteria and the scope of the Performance Audit were discussed. This was followed by scrutiny of records covering the period from 2017-18 to 2019-20 keeping in view the audit objectives and the audit criteria to arrive at the audit findings, conclusions and recommendations.

An Exit Conference was held on 15 March 2022 with the Dy. Secretary, Finance Department; Secretary, Social Welfare & Tribal Affairs Department; Secretary, RD Department; Secretary, MSB and Senior Informatics Officer, ICT Department, GoM wherein the audit findings were discussed. The comments/ replies of the Government have been duly incorporated in the report.

3.2.7 Planning

(a) Process of DBT and Process flow:

As per the Standard Operating Procedure (SOP) for DBT, DBT framework has a multi-stakeholder architecture which capitalises on the competencies of various departments and institutions to deliver benefits to beneficiaries in a timely and effective manner. The diagram below explains how different stakeholders work together to facilitate a holistic environment for successful implementation of DBT system.

Chart- 3.2



(b) DBT schemes

DBT schemes had been identified by the respective Ministries of the GoI. In Mizoram, the DBT schemes identified by the Ministries and for which funds had been transferred, were implemented by the State departments.

(i) Scholarship Schemes

The scholarship schemes were implemented by MSB. DBT of scholarships was started in Mizoram from the year 2014-15. Scholarship Schemes for ‘Minority’ community students, implemented through National Scholarship Portal (NSP), were onboarded to Public Financial Management System (PFMS) with Aadhaar linked to National Payment Corporation of India (NPCI). Scholarship schemes for ‘ST’ students, implemented through the Mizoram Scholarship Portal (MSP)¹⁴, were not onboarded to PFMS or linked with NPCI during audit coverage period. However, scholarship scheme for ‘ST’ students, were onboarded to PFMS on 5 October 2021 but not yet linked with NPCI (February 2023).

¹⁴ MSP was developed by the Mizoram State e-Governance Society

(ii) Indira Gandhi National Old Age Pension Scheme

Indira Gandhi National Old Age Pension Scheme (IGNOAPS) is a sub-scheme of the National Social Assistance Programme (NSAP)¹⁵ for giving monthly pension to old aged persons belonging to BPL category in both rural areas as well as urban areas. The rates of assistance per month given under the scheme were (a) ₹ 200 (Central share) plus ₹ 50 (State share) to persons of age between 60 years to 79 years, and (b) ₹ 500 (Central share) plus ₹ 50 (State share) to persons of age 80 years and above. In 2012, the Ministry of Rural Development, GoI fixed the cap for number of IGNOAPS beneficiaries in Mizoram at 25,251 which was followed till 2020.

In Mizoram, IGNOAPS was implemented through National Social Assistance Programme - Pension Processing System (NSAP-PPS) portal but was not yet onboarded with PFMS (February 2023).

(c) Fund flow System of DBT Mechanism

In respect of Scholarship schemes for Minority students, funds were directly transferred by the Ministry of Minority Affairs, GoI to the beneficiaries' accounts through the PFMS platform. In respect of Scholarship schemes for Scheduled Tribes (ST) students, funds released by the Ministry of Tribal Affairs, GoI were kept in bank accounts operated by the Mizoram Scholarship Board (MSB). Payments were made to the beneficiaries' accounts through National Electronic Funds Transfer (NEFT).

Thus, ST scholarship during 2017-20 was not implemented through a full-fledged DBT mechanism as the scheme was not yet onboarded onto the PFMS platform.

Under Indira Gandhi National Old Age Pension Scheme (IGNOAPS), the process of fund flow during the period was as follows:

- During 2017-18, funds received from the Ministry were transferred from the State Treasury to the District Social Welfare Officers (DSWOs)¹⁶ through Letter of Credit (LOC). During 2018-19, funds received from the Ministry were withdrawn by the Directorate of Social Welfare and Tribal Affairs Department and then transferred through cheque to the DSWOs. During 2019-20, e-payment bills were generated by the Directorate through e-payment software and were submitted to the treasury for transfer to the DSWOs.
- DSWOs transferred the funds to the concerned Child Development and Project Officers (CDPOs) at the Block level. CDPO disbursed the amounts to the beneficiaries either by bank transfer or in cash.

Thus, during 2017-18 to 2019-20, IGNOAPS was not yet implemented through a full-fledged DBT mechanism.

¹⁵ The NSAP is a welfare programme administered by the Ministry of RD

¹⁶ DSWO Aizawl East covers Aizawl East, Serchhip & Champhai Districts, DSWO Aizawl West covers Aizawl West, Mamit & Kolasib Districts, DSWO Lunglei covers Lunglei District and DSWO Siaha covers Siaha & Lawngtlai Districts

Audit Findings

The audit findings in planning are discussed below:

3.2.8 Selection of beneficiaries

Identification of beneficiaries was to be carried out as per the eligibility criteria of the concerned schemes. In respect of Pre-Matric and Post-Matric scholarship, students who have secured not less than 50 *per cent* marks in the previous final examination were eligible for availing scholarships. The annual income of their parents/ guardian from all sources should not exceed ₹ 1 lakh (Pre-Matric), ₹ 2 lakh (Post Matric) and ₹ 2.50 lakh (Merit cum Means). A student shall be eligible for only one scholarship out of all the available scholarships of Central Government meant for SC/ ST/ OBC/ Minority. A student residing in a particular State/ UT will be entitled for scholarship under the quota of that State/ UT only irrespective of his/ her place of study.

Under Indira Gandhi National Old Age Pension Scheme (IGNOAPS), persons aged 60 years and above, belonging to BPL category in both rural as well as urban areas were eligible for a monthly pension.

The number of beneficiaries covered under each scheme during the period 2017-18 to 2019-20 are as shown in **Table-3.3**.

Table-3.3: Status of beneficiaries covered and amount transferred

(₹ in crore)

Name of Schemes	Year	No. of beneficiaries	Amount
Pre-Matric Scholarship for Minority community students	2017-18	34,436	8.24
	2018-19	25,050	5.81
	2019-20	52,461	15.08
Sub Total		1,11,947	29.13
Post Matric Scholarship for Minority community students	2017-18	1,367	1.00
	2018-19	1,109	0.89
	2019-20	1,308	1.17
Sub Total		3,784	3.06
Merit cum Means based scholarship for Minority community students (MCM)	2017-18	407	1.12
	2018-19	453	1.34
	2019-20	1,115	3.24
Sub Total		1,975	5.70
Pre-Matric Scholarship for 'ST' students	2017-18	8,947	2.52
	2018-19	14,880	3.83
	2019-20	12,914	5.14
Sub Total		36,741	11.49
Post Matric Scholarship for 'ST' students	2017-18	49,269	47.04
	2018-19	47,203	50.56
	2019-20	37,858	39.58
Sub Total		1,34,330	137.18
Total		2,88,777	186.56

(Source: MSB data.)

(Name of Schemes)	Year	Number of beneficiaries	Amount
Indira Gandhi National Old Age Pension Scheme (IGNOAPS)	2017-18	25,469	10.07
	2018-19	25,469	7.87
	2019-20	25,469	8.66
Total		76,407	26.60

(Source: NSAP portal & fund sanction orders of GoM.)

Due to loopholes in the selection and verification of beneficiaries, the following irregularities were noticed in audit:

- Improper verification of addresses resulted in irregular claim of scholarship by 945 non-resident beneficiaries, as detailed in **Paragraph 3.2.10.5**.
- Improper verification of applicants resulted in irregular claim of scholarships by 264 non-bonafide students, as detailed in **Paragraph 3.2.10.6**.
- Improper verification of courses for which scholarships were claimed resulting in irregular claim of scholarship by 929 students as detailed in **Paragraph 3.2.10.7**.
- There were cases of deceased/ ineligible beneficiaries under IGNOAPS as detailed in **Paragraph 3.2.11.1**.

3.2.9 Financial management

(i) Deficiency in the system of payment of ST scholarships

Total amount of fund received under Pre Matric and Post Matric Scholarship for ST students in Mizoram and expenditure incurred on payment of scholarship during 2017-20 is given the in **Table-3.4** below:

Table-3.4: Fund receipt and expenditure under ST scholarships Scheme

Year	Schemes	No. of beneficiaries	Fund Received			Expenditure
			Central	State	Total	
2017-18	Pre Matric	8,947	226.47	25.16	251.63	251.63
	Post Matric	49,269	4,233.72	470.41	4,704.13	4,704.13
2018-19	Pre Matric	14,880	344.95	38.33	383.28	383.28
	Post Matric	47,203	4,550.80	505.64	5,056.45	5,056.45
2019-20	Pre Matric	12,914	462.99	51.44	514.43	514.43
	Post Matric	37,858	3,561.74	395.75	3,957.49	3,957.49
Total			13,380.67	1,486.73	14,867.41	14,867.41

Source: Departmental reply.

In respect of ST scholarships funded by the Ministry of Tribal Affairs, the implementation was done through the Mizoram Scholarship Portal (MSP). Transfer of funds to the beneficiary's account was carried out through NEFT as the MSP portal was not linked to the PFMS. Mizoram Scholarship Board (MSB) opened bank accounts in Mizoram Co-Operative Apex Bank (MCAB). For transfer of scholarship, lists of beneficiaries containing details such as account numbers and amount of scholarship, were sent to the bank in compact discs (CDs) by MSB. MCAB generated Fund Transfer Orders (FTOs) and transferred the amount to the respective banks/ branches where the

accounts of the beneficiaries were operated. The banks/ branches then credited the scholarships to the beneficiaries' accounts.

During joint field visit (November 2021), it was found that there was no automated reverse feedback mechanism to track the status of FTOs. Reports/ Bank Reconciliation Statements showing the success or failure of transactions, the status of FTOs, *etc.*, was not maintained by the MSB. On scrutiny of the data sent by the MSB to the banks, it was noticed that data sent to the bank for generation of original FTOs and data sent again for re-generation of FTOs when transactions failed could not be segregated for audit analysis. MCAB was then requested (25 October 2021) to give the detailed status of FTOs generated for payment of scholarships. MCAB stated (30 November 2021) that the reconciliation machine was damaged and some data were lost/ could not be recovered.

The State Nodal Officer (SNO) also stated that failure in transactions occurred as bank accounts submitted by the applicants were found to be either dormant, closed or incorrect. In such cases, the students used to complain to the MSB. The students were then instructed to activate their accounts or submit new accounts. The complaint lists were then sent to the bank for processing payments.

Thus, there was lack of transparency in the process of DBT of scholarship for ST students in Mizoram. The status of FTOs was not available with the MSB and fund flow could not be tracked. MSB relied solely on the beneficiaries' feedback to know whether scholarships had been duly transferred to the beneficiaries' accounts, or not. Due to implementation of scholarship schemes for ST students through a portal which was not linked with any payment mechanism and payment to beneficiaries through NEFT without any mechanism for tracking fund flow, the objectives of DBT remained unachieved.

The Secretary, Mizoram Scholarship Board (MSB) stated (9 December 2021) that Mizoram Scholarship Portal (MSP) was developed for receiving applications for scholarship and onward submission of data/ information to the Ministry. MSP was not linked with any funds transfer platform and thus not involved in the payments processes.

The reply of MSB was not tenable as even if the NEFT system was to be adopted by MSB for the disbursement of the ST scholarships, system for establishing proper trail of the transactions should have been put in place.

Recommendation: The ST scholarships schemes should be implemented through NSP portal and onboarded onto PFMS platform for disbursement of scholarships.

3.2.10 Implementation of DBT Schemes

The audit findings on implementation of DBT Schemes are discussed below:

Scholarship Schemes

Audit findings related to the operation of DBT mechanism under various scholarship schemes are discussed in the succeeding paragraphs.

3.2.10.1 Improper verification of INOs within the State

As per Clause 4.2.3 (4) of Standard Operating Procedure (SOP) for National Scholarship Portal (NSP), which was followed in the implementation of ST as well as Minority scholarship schemes in Mizoram, there should be three levels of verification viz., Institute level, District level and the State level. Verification should be carried out by the Institute Nodal Officers (INOs), District Nodal Officers (DNO) and State Nodal Officers (SNO) respectively.

The INO must verify the correctness of the details in the application form and verify the supporting documents uploaded in the portal with physical copies submitted by the student/ applicant. The INO should ensure that verification of applications was carried out with due diligence in accordance with the scheme guidelines and all the prescribed procedures were followed. The INO could mark any application as 'Fake' at any stage before payments were made, using the option "Mark as Fake" under the verification section in his/ her profile, in case fraud is suspected in the application.

The login credentials of the SNO were to be created by the Ministry and sent to the registered mobile number of the SNO. The login credentials for DNOs were to be created by the SNO and unique usernames and passwords sent to the mobile number of the DNOs as registered by the SNO. Institutes logging in for the first time had to mandatorily fill the Institute Nodal Officer's Registration Form by submitting valid identity proof like Aadhaar, Voter ID or Driving license, *etc.* Unique IDs for the INOs were generated by the system and One Time Password (OTP) were sent to their registered mobile numbers.

As per Clause 4.2.2(2) of SOP for NSP, INOs should complete Registration Form by entering his/ her details and uploading the identity document, print out the form and paste his/ her photograph and get it attested by the Institute Head (Signature and Institute's seal/ stamp). The physical copy of the form should be submitted to the respective DNO who would verify the form and the details entered in the system. The original physical copy of the form should be kept with DNO/ SNO and a duplicate copy was to be maintained by the INO in the Institute's records.

In Mizoram, the INOs registration were directly approved by the SNO due to the absence of DNO. In the course of the audit, it was found that physical copies of the Registration Form, duly signed and stamped, were not kept on record either by the SNO or by the INO. During joint field visits, it was found that the INO/ institutes also did not maintain any such record.

Further, records containing the list of INOs along with personal details was found not maintained by the SNO. Thus, MSB was not in a position to establish the identify of either the INO or the applicants when there were suspected cases of fake claims in the later course of verification.

3.2.10.2 Deficiency in the process for selection and verification of beneficiaries

The documents needed to be uploaded on the portal varied from scheme to scheme. In the Pre-Matric Scholarship schemes, only one document *viz.*, 'Bona-fide Student of Institution Certificate' was to be uploaded. In the case of Post Matric and Merit-cum-Means based Scholarship schemes, eight¹⁷ documents were to be uploaded. However, the following documents were required to be uploaded for fresh applications if the amount of scholarship was more than ₹ 50,000 per annum *viz.*, (1) Caste/ Community certificate, (2) Income Certificate issued by the Competent Authority in the State/ UT Government, (3) Scanned copy of Bank Passbook reflecting bank account number and IFSC details, (4) Residential/ Domicile Certificate.

In Mizoram, the INOs directly forwarded the applications to the SNO as there were no DNOs. It was stated by MSB that schools in rural areas had inadequate IT infrastructure, technical manpower, and poor internet connectivity and as such the service of private computers or Common Service Centres were availed of during filling up of applications for scholarships. This posed a risk to the portal's login security system being compromised at the institution level in the rural areas. Thus, there was high risk of non-detection of fraudulent and irregular applications due to absence of the District level verification which is discussed at **Paragraph 3.2.10.5**.

3.2.10.3 Improper verification of applicants

Audit noticed that there was no mechanism for survey and identification of beneficiaries. Applications submitted online were verified by the INOs to check their eligibility and identification is based on the applications uploaded in the portal by the beneficiaries. In the absence of DNOs, the applications were forwarded to the SNO for further verification and for approval/rejection. Further, during test-check of application verification logs of the SNO, it was found that some applications were found to have been approved by the SNO within an unreasonably short span of time¹⁸. This cast doubts on the quality of the verification carried out by the SNO. There was also no record of the SNO demanding documents from the INOs for verification.

The SNO stated that MSB did not have adequate technical manpower, sufficient IT infrastructure and internet connectivity. Since specific timelines were set for completion of verification and submission to the Ministry and in order to complete the process of verification timely and ensure that all eligible students get the scholarship, MSB was compelled to verify all the applications without following all the prescribed procedures.

¹⁷ 1 Domicile Certificate, 2 Student Photograph, 3 Self-declaration of Minority Community Certificate by the students, 4 Self-attested certificate of previous Academic Marksheet, 5. Fee receipt of current course year, 6 Proof of Bank Account in the name of student or joint account with Mother/ Father, 7 Income Certificate issued by the designated State/ UT authority and 8 Bona-fide Student of Institution Certificate

¹⁸ *i.e.*, out of the 67 applications verified on 01 November 2018, a total of 62 applications had been verified at mid-night between 00:00:15 Hrs. to 00:06:29 Hrs. within a time-span of 6 minutes and 14 seconds and out of 25 applications verified on 12 December 2019, a total of 18 applications had been verified at mid-night between 12.23.29 Hrs. to 12.23.36 Hrs within a time-span of 7 seconds

The Secretary, MSB stated (9 December 2021) that since MSB has no District Office, the Ministry approved two levels of verification *i.e.*, “Institute to State”. Hence all the roles and responsibilities of DNO were carried out by the MSB despite having inadequate technical manpower. It was also stated that even in the absence of DNO, if the INOs were to discharge their respective roles and responsibilities adequately, the SNO would have ample time to verify each and every application and identify fraudulent claims.

During field audit (November 2021), the INOs of two¹⁹ institutions stated that unknown names and mobile numbers had previously been found to be registered in the portal as INOs. MSB also stated that 37 INOs had been suspected to be fake during verification. However, action taken against the suspected fake INOs/ institutions were not found on record.

The Secretary, MSB stated (9 December 2021) that prior to 2019, INOs could register themselves in NSP by submitting their names and mobile numbers without the requirement of the approval of the SNO. MSB suspected the veracity of 37 INOs and tried to communicate with them. Unfortunately, the mobile numbers registered in the portal could not be connected and thus, necessary action could not be taken. It was further stated that since all the records were stored in NSP, maintenance of records of INOs and their identity proofs was not felt necessary by MSB.

The reply of the Board on non-maintenance of records of INO could not be accepted as the records/ details of INOs who verified the suspected fake applications remained untraceable. Further, the non-maintenance of records of INO was not in accordance with the SOP of NSP. Steps taken by the MSB to notify the 37 institutions whose INOs were suspected to be fake, was also not mentioned. Further, forwarding of suspected fake applications to the Ministry for approval, instead of marking them as “fake” and resorting to further verification processes, was highly irregular.

Recommendation: Proper verification of the INOs should be carried out by the SNO. In case of applications forwarded by suspect INO, they should be contacted through the mobile numbers/ emails registered in the portal and the applications should be put on hold till completion of INO authentication.

3.2.10.4 Lack of mechanism to ascertain the authenticity of INOs who have forwarded applications from institutions outside of the State

In respect of institutions located outside the State, records in respect of verification done to ascertain whether the INOs were approved by the SNO of the concerned states, were not found during audit. As requested by Audit, MSB tried to contact the INOs/ Institutions of 17 test-checked institutions from outside the State, but to no avail. Thus, information about the applicants and the INOs could not be collected by the MSB.

The Secretary stated (9 December 2021) that every State was entrusted to approve their respective INOs. Details of INOs of institutes located outside the State could not be

¹⁹ ZMC Falkawn and Brighter HSS Kulikawn

viewed by MSB. In certain cases, MSB suspected applications to be fake and tried to communicate with the INOs, but the phone numbers registered in the portal could not be connected to.

It was observed that there was lack of an in-built mechanism to ascertain the authenticity of INOs who have forwarded applications from institutions outside of the State. Thus, acceptance of applications received from other states without ascertaining the authenticity of the INOs was fraught with the risk of fraudulent applications being processed as seen in **Paragraph 3.2.10.17(a)**.

Recommendation: There should be a mechanism to ascertain the authenticity of the INOs who have forwarded applications from institutions outside of the State.

3.2.10.5 Irregular claim of ₹ 1.03 crore of scholarship by 945 beneficiaries who were not residents of Mizoram

As per the scheme guidelines, Clause 5 (iii) of Merit cum Means based Scholarship and Clause 6 (iii) for Pre-Matric and Post Matric Scholarship for students belonging to Minority Community, a student residing (domiciled) in a particular State/ UT will be entitled to scholarship under the quota of that State/ UT only irrespective of his/ her place of study. During the period 2017-18 to 2019-20, a total of 1,17,706 claims with total amount of ₹ 37.89 crore of scholarship were approved and payment made under Pre-Matric, Post Matric, and Merit cum Means-based Scholarship for students belonging to Minority Community.

On analysis of the beneficiary data, the genuineness of the addresses furnished in some of the applications was found doubtful. In 51,152 applications, only numerals or alpha-numerals were given in the address column.

Again in 562 applications, unknown locations or places outside Mizoram were found entered in the address column²⁰.

It could be seen that proper verification of the applicants' addresses was not carried out either by the Institutions or by the MSB. During field audit, the same was intimated to the SNO of MSB who re-verified the list of beneficiaries and confirmed that the addresses of 945 beneficiaries²¹ could not be traced in Mizoram. The total amount of scholarship disbursed to such beneficiaries was ₹ 1.03 crore²² during 2017-20.

On further scrutiny of the credentials of the above 945 numbers of bogus beneficiaries, it was found that 15 schools (with 480 beneficiaries under Pre-Matric scholarship) were located in the State of Assam, in the districts of Karbi Anglong (six schools), Jorhat, Dibrugarh and Dima Hasao (two schools each), Chirang, Udalguri and Nagaon (one

²⁰ Only numeral or random combination of letters and numbers given as address such as - 2, 4, 10, 12, 45623, Ward No.515, W 2, FF-4510, HG4454, H68776, ss55s2, etc. Address of locations outside Mizoram or unknown locations - No.73, Nagavarapalya, Old Madras Road; Hyderabad Maredpally Ghs W Maredpally Secunderabad, Andhra Pradesh; Kharang Block, Mawkynew, District East Khasi Hills Meghalaya, etc.

²¹ 605 beneficiaries under Pre-Matric scholarship and 340 beneficiaries under Post Matric scholarship

²² ₹ 56.79 lakh under Pre-Matric and ₹ 46.37 lakh under Post Matric

school each). It was seen that these bogus beneficiaries had filled only numbers in the 'addresses column', which were processed for payment in spite of the irregularities. Audit also checked the details of the bank accounts in which these bogus beneficiaries received the scholarship amounts and found that the banks were located in the above districts of Assam. It was stated during audit that the INOs of the Institutions could not be contacted as the contact details given in the application forms were not communicable.

During scrutiny of verification logs of applications, it was found that 35 applications (out of 67 test checked applications) under Pre-Matric Minority scholarships were verified on 01 November 2018 at mid-night within a time-span of 6 minutes and 14 seconds. Again, 19 applications (out of test checked 25 applications) under Pre-Matric Minority scholarship were verified on 12 December 2019 at mid-night within a time-span of 7 seconds as detailed in **Paragraph 3.2.10.3** and also in **Appendix 3.2.1** and **Appendix 3.2.2**.

Audit observed that the fraudulent claims of scholarship had occurred due to laxity in checking of the applicant documents at both the institutional and State level before processing and according approval of the same.

The Board, while accepting the audit observation, stated (16 September 2021) that the INOs were the first level verifier who should verify the correctness of details in the application form and documents uploaded in the portal. The applications received from the INOs were considered as genuine and verified. It was further stated that all the applications (1,35,000 approx. per year) were to be verified within the stipulated times and owing to poor internet connectivity and congested network, the process of verification of applications used to be unduly delayed. The fear that eligible applicants might be left out in the process compelled the MSB to forward all the applications without proper verification of the addresses. In the case of institutions belonging to other states, the phone numbers given in the portal by the applicants were not communicable for further queries, and copies of the documents could not be sought for verification.

Thus, scholarship of ₹ 1.03 crore had been irregularly claimed by 945 beneficiaries which was a drain on the exchequer and could have been avoided had proper verification of the applications been carried out.

Recommendation: Criminal proceedings should be initiated against bogus beneficiaries. All scholarship applications with unverifiable or insufficient addresses or those showing residential addresses in other states may be put on hold and passed only after proper verification.

3.2.10.6 Authorisation of scholarship to the tune of ₹ 35.29 lakh to non-bonafide students

As per Clause 4.2.2 (4) of SOP for NSP, the INO must verify the correctness of details in the application form and the documents uploaded and submitted by the student/applicant and maintain physical copies of the supporting documents. The documents

needed to be uploaded in the portal varied from scheme to scheme. In Pre-Matric Scholarship, 'Bonafide Student Certificate' was to be uploaded. In Post Matric and Merit-cum-Means based Scholarship, eight types of documents were to be uploaded including 'Bonafide Student Certificate'. The scheme guidelines for scholarships further provided that students should be regular in attendance for which the yardstick will be decided by the competent authority of the school.

It was seen in audit that students had uploaded documents like bank passbooks, blank or ineligible documents, forged documents, etc., as proof of being 'bonafide students' of institutions. The said documents could not be proof of being bonafide students of the school and as such the applications were irregular. During field audit, the institutions were requested to verify the beneficiaries pertaining to their institutions as to their genuineness. After cross-verification, the institutions confirmed that 264 non-bonafide students had availed scholarships to the tune of ₹ 35.29 lakh during 2017-20 from their schools/ institutions as detailed in Table-3.5 below:

Table-3.5: Claim of scholarship by non-bona fide students

(₹ in lakh)

Sl. No.	Name of institution	Scheme	No of beneficiary	Amount
1.	Foxall Higher Secondary School, Siaha	Pre-Matric Scholarship for Minorities	83	7.19
2.	Jawahar Navodaya Vidyalaya, Thenzawl, Serchhip		32	3.18
3.	Mizoram Nursing College	MCM	23	10.50
4.	Zoram Medical College (previously MIMER)	MCM	13	3.85
5.	Government Hnahthial College	Post Matric Scholarship for Minorities	19	2.15
6.	Government Lunglei College, Mizoram		12	1.04
7.	Government Siaha College, Mizoram		20	1.74
8.	Government Lianchhiari Middle School, Mizoram		06	0.65
9.	Higher and Technical Institute, Mizoram, Lunglei		11	0.96
10.	Lalthanhawla Higher Secondary Serchhip, Mizoram		10	0.75
11.	N.E. Khawdungsei Higher Secondary		24	2.37
12.	Serchhip Government HSS Mizoram		11	0.91
Total			264	35.29

Source: Departmental record and replies from the institutions

In reply to the audit query, the institutions admitted the irregularity and stated that the INOs were not aware of such claims. However, it was not clarified to Audit as to how applications of non-bona fide students were forwarded from the INO's accounts to the MSB.

The Department stated (16 September 2021) that as per the scheme guidelines, the documents were required to be uploaded in the portal only if the eligible claim of annual scholarship was more than ₹ 50,000 per student. The Department, however, could not explain as to how third parties could login to the INOs accounts and verify the applications. It was also stated that the matter had been discussed in meetings convened by the Ministry, but no solution could be found.

The reply was not tenable as improper documents were uploaded by the applicants and scholarship granted on the basis of such documents in violation of the SOP for NSP.

This was due to the loopholes in the system which was being exploited and resulted in irregular grant of scholarships to the tune of ₹ 35.29 lakh to 264 non-*bonafide* students.

Recommendation: The INOs must verify the scholarship applications by cross-checking with the physical copies of the supporting documents.

3.2.10.7 Scholarship claimed and availed for courses not offered by institutions to the tune of ₹ 2.36 crore

Clause 4.2.2. of the SOP for NSP states that the primary role of the INO is first level verification of the applications submitted by the applicants on NSP. The application form for students has been simplified with minimal uploading of scanned documents by students on NSP. The Institute Nodal Officer using NSP must adhere to the points that the Institute/ School/ Industrial Training Institute (ITI) shall possess a valid All India Survey on Higher Education (AISHE)/ District Information System for Education (DISE)/ National Council for Vocational Training (NCVT)/ State Council for Vocational Training (SCVT) code before registering on NSP. Hence, the role of the INO becomes very critical in the entire chain of verification process.

During audit, the courses for which the scholarships had been claimed were cross-checked with the list of courses offered by the institutions. The discrepancies observed in the analysis are illustrated below:

- Scholarship for pursuing B. Tech (Mining Engineering) claimed from a Primary School;
- Scholarship for pursuing Bachelor of Engineering (Environment) claimed from an Institute of Hotel Management and Tourism or College of Nursing, *etc.*;
- Scholarship for pursuing B. Tech (Mechanical Engineering), Bachelor/ Master of Engineering (Civil) claimed from Industrial Training Institutes; and
- Scholarship for pursuing MCA, MBA, BE (CSE) claimed from Medical Colleges.

On further scrutiny, it was seen that institutions and courses could be selected by the applicants from the 'drop down list of institutions' and 'drop down list of courses' independently in the portal. The INOs should have verified the courses claimed with the courses offered by the institutions and accordingly process/ reject the applications. The same process of verification should have been repeated at the State level. Due to improper verification of applications in this respect, during the period 2017-20, a total of 929 students had claimed scholarship amount of ₹ 2.36 crore for courses which were not offered by the institutions.

- 401 students claimed ₹ 80.84 lakh under Post Matric Scholarship scheme for ST students as detailed in **Appendix-3.2.3**; and
- 528 students claimed ₹ 1.55 crore under Post Matric Scholarship for students belonging to Minority Community as detailed in **Appendix-3.2.4**.

The Department, while accepting the audit observation, stated (16 September 2021) that initially institutions registered themselves in the portal along with the courses offered using Unified District Information System for Education (UDISE)/ All India Survey on Higher Education (AISHE) codes. When fraudulent claims for courses not offered by institutions were detected in many states, NIC Delhi was authorised to register institutions and courses since 2019. Many students also committed mistakes while selecting the institutions and courses from the drop-down menu of the portal. Due to limited timeframe, inadequacy of IT infrastructure and staff, MSB could not carry out proper verification of applications.

Thus, it was observed that due to improper verification of applications both at the institution as well as the State level, Post-matric scholarships to the tune of ₹ 2.36 crore were claimed and availed for courses not offered by the respective institutions.

Recommendation: *The institutions should verify the applications with respect to the courses offered by them. Courses for which scholarships are claimed should be cross-checked with the courses given by the institutions at the State level too.*

3.2.10.8 Multiple claims of scholarship - ₹ 91.68 lakh

(a) Multiple claims of scholarship of ₹ 60.94 lakh under different schemes

The Scholarship Scheme guidelines laid down certain conditions for availing scholarship, which *inter alia* states that a student shall be eligible for only one scholarship out of all the available scholarship schemes of the Central Government meant for SC/ ST/ OBC/ minority.

During cross-check of bank accounts used for claiming scholarship under Post-Matric “Minority” and Post-Matric “ST”, it was noticed that the same bank accounts had been used by some applicants. On further scrutiny, it was found that the names and other credentials matched and the same applicants had been making multiple claims from more than one scholarship scheme against the guidelines. It was seen that a total scholarship amount of ₹ 60.94 lakh was irregularly claimed by 209 students under both Post-Matric Scholarship for Minority community students as well as Post-Matric Scholarship for ST students during 2017-19, as shown in the **Table-3.6** below:

Table-3.6: Multiple claims from different schemes

Year	No of students	Amount of scholarship	
		Post-Matric ‘ST’	Post-Matric ‘Minority’
2017	17	4.27	4.62
2018	82	15.76	6.48
2019	110	20.96	8.85
Total	209	40.99	19.95

(₹ in lakh)

Source: MSB data/ records

Further, it was found that unique application IDs were not generated by the MSP. Aadhaar numbers, which is the only ID based on biometric authentication, was not furnished by all the 209 applicants under the two schemes. Thus, there was no common ID of the applicant used for both the schemes and captured in the NSP as well as the

MSP. In the absence of such common IDs used in the schemes, detection of applications making multiple claims could not be carried out by the system as detailed in **Appendix 3.2.5**.

The Department, while accepting the audit observation, stated (16 September 2021) that there was no mechanism to automatically detect multiple claims by the same applicants. Cross-checking was carried out manually, but due to inadequate manpower and fixed timeframe, omissions could have occurred.

Thus, it was observed that the non-existence of a system for automatic detection of multiple claims across schemes and improper verification of applications at the State level, resulted in multiple claims of scholarship to the tune of ₹ 60.94 lakh.

(b) Multiple claims of scholarship of ₹ 30.74 lakh from different states

The procedures followed in the implementation of DBT of scholarship were as follows:

- Lists of beneficiaries selected by the concerned Ministry were to be pushed from the NSP server to PFMS for bank account checking and validation;
- PFMS was to validate the bank accounts of the beneficiaries; and
- After validation of bank accounts, the lists were to be pushed to the concerned banks for processing of the payments.

The Ministry of Minority Affairs issued a Notification (21 April 2017) by which eligible individuals desirous of availing the benefits under the scholarship schemes were required to furnish proof of possession of Aadhaar (unique biometric identification) or undergo Aadhaar authentication by 30 June 2017²³.

During scrutiny of records it was found that proper verification of unique biometric identification with National Payments Corporation of India (NPCI) and validation of bank accounts with the banks was not carried out. In the absence of proper validation of bank accounts and linking of the account with unique biometric identification, an important control measure *i.e.*, an individual beneficiary using only one bank account linked with unique biometric identification number for the purpose of claiming scholarship, was not in place. As a result, the system failed to detect multiple claims of scholarship by the same individual. Some students were found to have claimed scholarships from Mizoram as well as other states²⁴. The scholarship amount had been credited to the same bank accounts and PFMS failed to detect the multiple claims by the same applicants. A total of 63 such claims amounting to ₹ 30.74 lakh were made from different states and approved/ passed by the system as detailed in **Appendix-3.2.6**.

Recommendation: A mechanism for automatic detection of multiple scholarship applications from one individual should be inbuilt in the system.

²³ In case of non possession, they should apply for Aadhaar enrolment by 30 June 2017 and submit the enrolment ID slip along with the documents as proof of identity such as bank passbook with photograph

²⁴ Assam, Meghalaya, Andhra Pradesh, Maharashtra, Jammu & Kashmir, West Bengal, *etc.*

3.2.10.9 Shortcomings in the Mizoram Scholarship Portal (MSP)

The Ministry of Tribal Affairs, Government of India issued instructions (03 July 2017) to the States allowing the use of the State's own portals for receiving applications and disbursement of scholarship to eligible ST students for Pre and Post-Matric Scholarships under Direct Benefit Transfer, a major reform initiative of the Government of India. It was also stated that States which did not have their own portal could continue manual processing of applications till such time their own portal was developed.

Consequently, the Mizoram Scholarship Portal (MSP) was developed at the behest of the Mizoram Scholarship Board (MSB) by the Mizoram State e-Governance Society in 2017. MSP was hosted by the Department of Information & Communication Technology (ICT), Government of Mizoram (GoM). Data collected through MSP was stored using shared hosting of GoM in two locations namely, State Data Centre, Aizawl and Control F Data Centre, Hyderabad. MSP can be accessed through the web address <https://scholarships.mizoram.gov.in>. As per information furnished by MSB, during 2017-18 to 2019-20 MSP was used to receive 2,05,307 applications out of which 1,71,071 applications were approved for payment of Pre and Post Matric Scholarships. Year wise details of applications received and approved are shown in the **Table-3.7** and **Table-3.8** below:

Table-3.7 : Details of Pre Matric Scholarship processed by MSB

Particulars	2017-18	2018-19	2019-20
Applications received	9,170	14,990	14,559
Applications approved by INO ²⁵	8,947	14,880	12,914
Applications approved by SNO ²⁶	8,947	14,880	12,914

Source: Mizoram Scholarship Board

Table-3.8 : Details of Post Matric Scholarship processed by MSB

Particulars	2017-18	2018-19	2019-20
Applications received	49,305	47,509	69,774
Applications approved by INO	49,269	47,203	37,858
Applications approved by SNO	49,269	47,203	37,858

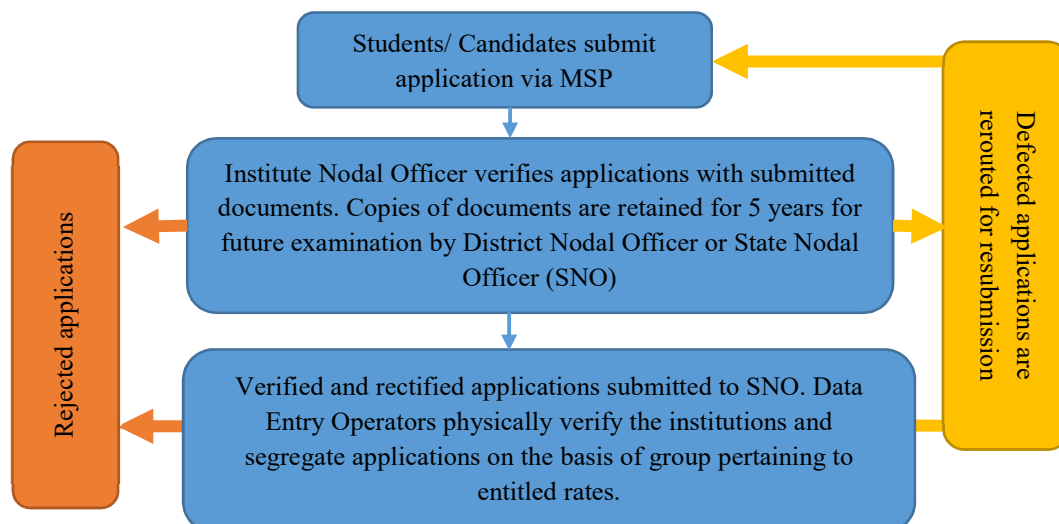
Source: Mizoram Scholarship Board

The Mizoram Scholarship State Nodal Officer (SNO), MSB is the Administrator of the MSP portal. The main functions of MSP were (a) Submission of students' scholarship applications and (b) Validation/ verification of submitted applications. Pictorial representation of the entire process of scholarship disbursal is shown in **Chart-3.3**.

²⁵ INO – Institute Nodal Officer

²⁶ SNO – State Nodal Officer

Chart 3.3 : Scholarship processing through Mizoram Scholarship Portal



Source: Mizoram Scholarship Board

After the processes showed in the flowchart above are completed, the SNO proceeds with manual processing of the applications. Generation of payment file instructions, processing of payment file and payment to beneficiaries are, therefore, processed outside of the MSP.

The following observations were made during Information Technology Audit of Mizoram Scholarship Portal:

3.2.10.10 Absence of strategic planning, non-formulation of user requirement specification and system design document

Strategic planning is a core element in the implementation of any IT system which includes the goals, objectives and rationale for development of the system. The requirements of the end user, from the application/ system being created should also be conceptualised and clearly earmarked in the User Requirement Specification (URS). It allows system designers to understand the needs of the stakeholders thus enabling them to design a system that can most efficiently cater to their requirements. The functionalities as per URS are to be implemented within specific timeline as per System Design Document (SDD). This is to ensure that the scope of the project is clearly defined and the system is developed as per the requirements of the end user by creating a roadmap for the developers.

During audit, it was found that User Requirement Specification and System Design Document were also not formulated for developing the MSP. Thus, there is no assurance that MSP was comprehensively conceived as required by the stakeholders and that there was specific timeline with quantifiable and concrete targets for developing the system to ensure service delivery in time. Absence of such a basic element of the software development process indicated poor management and lack of planning. It was not clear as to what the development of MSP was supposed to achieve, whether it should be used only for receiving online applications or it should cater to the whole gamut of scholarship processing from receipt of applications to payment of

scholarship. MSP was developed by ICT and used by MSB only for receipt of online applications. Disbursement of scholarships was independently carried out through NEFT.

The Secretary, MSB stated (8 July 2022) that based on the directive of the Ministry of Tribal Affairs (MOTA), Government of India (3 July 2017) the ICT Department, Government of Mizoram was requested to develop the MSP. It was also stated (6 September 2022) that MSP was comprehensively designed by the ICT Department, GoM on the basis of the requirement communicated by MSB (records of requirements submitted by MSB to the ICT were not produced to Audit). However, due to lack of fund and manpower in the technical sector, preparation of SDD before development was impossible.

Thus, it was observed that MSB proceeded to develop the MSP without taking the time to work out a strategic plan with specified requirements. This went against the intent and purpose of the directive of MOTA which clearly stated that both receipt of scholarship applications and disbursement of scholarships was to be accomplished by the State Portal. Further, modifications or upgradations for scalability of the system in future was likely to pose problems in the absence of properly documented system design. In view of the above deficiencies, the MSB should, henceforth, implement the schemes through NSP.

3.2.10.11 Non-availability of records of Trial and Parallel runs

Trial runs and parallel runs of software modules should be undertaken before a system is operationalised to ascertain that the system has met the user requirement. Detailed documentation of such testing should also be prepared and preserved to understand the availability and usability of the system.

It was observed by Audit that no documentation relating to system testing was maintained. Although the MSB had stated (July 2022) that testing had been performed, no records were available to ensure audit of the results and extent of the modifications consequently made to the system.

The Department stated (6 September 2022) that due to lack of administratively skilled personnel, no physical records were maintained. Henceforth, every move with regards to MSP would be recorded.

The reply is not tenable as non-maintenance of these records indicate failure of management and give no assurance that adequate testing via trial runs or parallel runs were performed before operationalisation of MSP.

3.2.10.12 Non-formalisation of Service Level Agreement

Service level agreements (SLA) allows stakeholders to specify and agree, preferably in writing, what levels of service, in terms of quantity and quality they should receive. SLAs are, in effect, service delivery contracts.

It was observed by Audit that ICT Department, GoM developed the scholarship portal for MSB free of cost. However, the MSB did not formalise any SLA with the developer

i.e., ICT Department, GoM. As a result, there is no arrangement to ensure that MSB will be provided with the services required to ensure the continued operation of MSP.

The Department stated (6 September 2022) that ICT developed and hosted the site free of cost as it was an entity under the same State Government and since MSP was developed urgently the need to formalise any service level agreement did not occur.

The reply is not acceptable as non-formalisation of an SLA leaves MSP without any formal technical support mechanism as the MSB does not have its own technical expertise to administer the portal nor does it have any formalised agreement with ICT Department, GoM to ensure continued technical support. This had left MSB vulnerable to the risk of failure of service delivery in future.

Recommendation: The MSB may take steps to ensure that Service Level Agreements and Change Management Policy are formulated and implemented to ensure better service delivery.

3.2.10.13 Lack of Change Management Policy

Change management is a systematic approach to dealing with the transition or transformation of processes or technologies. The purpose of change management is to implement strategies for effecting change, controlling change and helping people to adapt to change.

It was observed by Audit that MSB did not have any change management policy in place. Upgradations or revisions to the portal were accomplished in an unplanned manner mainly through verbal/ telephonic requests to the developer *i.e.*, ICT Department, GoM. As a result, there is no way to ascertain that upgradations or revisions to the portal were justifiable and approved by a competent authority.

The Department stated (6 September 2022) that since ICT Department was considered a part and parcel of the State Government, no systematic approach was observed. Efforts would be given to adopt systematic change management approach.

Recommendation: MSB should ensure that a change management policy is formulated and adhered to by all concerned stakeholders. This will ensure that proper cognizance is given to the additional requirements of MSB arising from any issues encountered in the application process.

3.2.10.14 Deficiencies in applications database

During the period 2017-18 to 2019-20, MSP showed 1,43,734 Verified and Approved²⁷ applications under Pre-Matric and Post-Matric Scholarship (September 2022). The year-wise details of scholarships paid as per the portal are shown in **Table-3.9**.

²⁷ Scholarship payment was made only for Verified and Approved applications

Table-3.9: Scholarship payments as per MSP

Year	No. of applications		
	Approved by SNO after verification by INO	Verified by INO (not approved by SNO)	Total
2017-18	42,496	26	42,522
2018-19	12,641	39,358	51,999
2019-20	12,291	36,922	49,213
Total	67,428	76,306	1,43,734

As per information furnished by the MSB (September 2022), the number of applications which received payment of scholarship under Pre-Matric and Post-Matric Scholarship during 2017-18 to 2019-20 was 1,71,071 as shown in Table-3.7 and Table-3.8.

Table-3.10: Scholarship payments as per MSB

Year	Pre-Matric	Post-Matric	Total
2017-18	8,947	49,269	58,216
2018-19	14,880	47,203	62,083
2019-20	12,914	37,858	50,772
Total	36,741	1,34,330	1,71,071

Thus, there was a discrepancy of 27,337 applications (1,71,071 minus 1,43,734) between the MSP data and the data furnished by the MSB.

The Secretary, MSB stated (6 September 2022) that many students forgot their login passwords and could not log in to renew their applications. Since there was no mechanism to retrieve students' passwords, MSB was compelled to delete captured data from database to enable these pre-registered applicants to apply as fresh applicants.

MSB could not produce the records of 27,337 applications, consequently, Audit could not ascertain the amount of associated scholarship payments showed the lack of database integrity and exposed the system to the risk of fraudulent scholarship payments. This is a serious deficiency in system design and needs to be rectified by MSB.

3.2.10.15 Insecure login system and weak password policy

Robust security is a requirement of any IT system. A secure login system and strong password policy should be a mandatory requirement to ensure the safety of information that is personal and sensitive in nature such as the information contained in MSP. Due to the similarity of the two systems, Audit undertook a comparison of the login security features of MSP and NSP. The following deficiencies were found in MSP:

- 1) Absence of two factor authentication system where system generated OTPs were sent to the registered mobile number for each log in.
- 2) The INOs could change/ update their profiles without approval of the SNO e.g., mobile number of the INO could be changed without approval of the SNO. Also, the SNO could change the mobile number of the INO without his knowledge.

Additionally, as per MSP password policy, user passwords were only required to be case-sensitive, with no additional security features and there was no system for retrieval

of passwords through the registered mobile number. Thus, it was observed that MSP had an insecure login system and weak password policy.

The Secretary, MSB stated (6 September 2022) that the system of changing INOs and updating their respective profiles only after approval of SNO is under process.

The reply was silent on steps being taken up or proposed to be taken up to ensure security of the login system of the MSP. MSB should ensure that a proper control system for change/ updation of profiles and monitoring of INOs by SNO is implemented pending which the possibility of fraudulent claims being approved/ verified by unauthorised parties could not be ruled out.

Thus, MSP was developed without proper planning or budgeting and was implemented without approval and sanction of the competent authority. Non-preparation of User Requirement Specification, System Design Document, Service Level Agreement and Change Management Policy as well as lack of documentation indicated poor management and implementation of the project. Deficiencies in input controls as well as weak security features led to discrepancies in maintenance of applications database and doubtful payment of scholarships.

Recommendation: The MSB should take up steps to rectify the deficiencies in the application controls, to create a secured login system and password policy to assure safety of sensitive user information and negate the possibility of fraud or shift to NSP for better implementation of scholarship for ST students.

3.2.10.16 Analysis of sampled applications in respect of Scholarship schemes

(i) Detailed analysis of sampled applications

Audit sampled 356 applications under Minority scholarship schemes (204 applications from institutions outside Mizoram and 152 applications from institutions in Mizoram) for detailed analysis.

• Proper address not furnished by applicants

On scrutiny of the applications uploaded in the NSP, it was found that the applicants did not upload Domicile Certificates. In the 'Address Column', 195 applicants entered numeric or alphanumeric data; 40 applicants furnished places which were not found in Mizoram. Thus, the eligibility of the applicants for claiming scholarship from Mizoram could not be ascertained in audit.

• Fake, incomplete and illegible documents used for claiming scholarships

Only one applicant uploaded all the necessary documents. The remaining 355 applicants did not furnish proper supporting documents as stated below:

- 185 applicants did not upload any supporting document,
- Out of the eight required documents, 87 applicants uploaded only one supporting document (*Bonafide* Student Certificate) which were again found in audit to be 'blank pages',

- Seven applicants uploaded blurred and illegible documents in lieu of bank passbook,
- 10 applicants uploaded fake documents²⁸, and
- 65 applicants uploaded the same documents which were blurred²⁹.

Further scrutiny of the same documents uploaded by 65 applicants revealed collusion among the applicants in the irregular claim for scholarship as shown in the **Table-3.11** below:

Table-3.11:

(A). Same document submitted by many applicants from the same institutions.

Sl. No	Name of institutions	No of applicants	Remarks
1.	R. K. S. Sidoji Thopte Vidyalaya, Pune, Maharashtra.	02	The applicants submitted the <i>Bonafide</i> Student Certificate that they study in the same institution
2.	Barkola HSS, Nagaon, Assam.	10	
3.	S.A.S. Government Degree College, Andhra Pradesh.	08	
4.	Foxall HSS, Saiha.	19	
Total		39	

(B). Same document submitted by many applicants from different institutions.

Sl. No	Name of institutions	No of applicants	Remarks
1.	Government Hnahtial College, Hnahtial.	10	Domicile Certificate: A blurred and ineligible document issued by Chopra Gram Panchayat was uploaded by the applicants from these institutions. Student photograph: The same photograph was uploaded by three applicants from Government Hnahtial College, Government Lunglei College and HATIM. Bank passbook: One blurred ineligible SBI passbook was uploaded by three applicants from Government Hnahtial College, Government Lunglei College and HATIM, <i>etc.</i>
2.	Government Lunglei College, Lunglei.	07	
3.	Higher & Technical Institute, Mizoram, Lunglei (HATIM).	06	
4.	Lalthanhawla HSS, Serchhip, Lunglei.	03	
Total		26	

The institutions given in **Table-3.11 (A)** could not be contacted as the contact details given in the portal were not functional. The INOs of the institutions in **Table-3.11 (B)** stated that the applicants were not their *bonafide* students.

Recommendation: Responsibility should be fixed for non-verification of application forms and allowing fake, incomplete and illegible documents for claiming scholarships.

3.2.10.17 Case study of institutes

(a) Foxall Higher Secondary School, Siaha

- Test check of 21 applicants (out of 83 applications for Minority scholarship during 2017-20) had uploaded false documents in lieu of '*Bonafide* Student Certificate'.

²⁸ *Bonafide* student certificate, domicile certificate, marksheet, *etc.*

²⁹ Domicile certificate, students' photograph, income certificate, *etc.*

Out of these, 19 applicants uploaded the same fake³⁰ document while two students uploaded blank/ blurred documents.

- 66 applications were approved using IP addresses 47.11.204.8 while 12 applications were approved from IP addresses 47.11.159.157 both of which were located at Kolkata.
- The same IP address 47.11.204.8 was used for submission of 34 applications as well as for approval by INO.
- 78 applicants had opened Flexi RD Accounts at SBI Lakhimpur, Uttar Dinajpur, West Bengal, but furnished wrong IFSC codes in their applications *i.e.*, 47 students had furnished the IFS Code of SBI Aizawl Branch and 21 students had furnished the IFS code of SBI Chaltlang Branch.

Thus, it was observed that an amount of ₹ 7.19 lakh was fraudulently drawn by 83 non-*bonafide* students as detailed in **Appendix 3.2.7**.

In reply to the audit query, the Principal of Foxall HSS stated (3 December 2020) that he had no knowledge of Minority scholarship being availed by any students from the institution. The reply is not acceptable as on scrutiny it was found that the current INO with his mobile number was registered in the NSP on 26 September 2019 and the applications were verified by him after 30 October 2019. As OTPs were received in the registered mobile number of the INO, the matter required further investigation. The competent authority should initiate the investigation and take necessary action accordingly.

(b) Zoram Medical College, Falkawn, Aizawl
(Previously Mizoram Institute of Medical Education and Research)

- Test-check revealed that 07 applicants (out of 13 applications under MCM scholarship during 2019) had uploaded blank document in lieu of '*bonafide* Student Certificate'.
- Courses for which the Merit cum Means based scholarship for Minority Community Students (MCM) scholarships had been claimed were not offered by the institutions.
- The IP address of the system used by the INO in the institute was 136.232.108.154 whereas the IP address from which the applications had been approved were #157.43.216.217, #157.43.226.170, #47.11.195.185 and #47.11.240.197.

The INO stated that all the students had claimed for ST scholarship and no claim for scholarship under Minority schemes was processed. It was also stated that the State Nodal Officer (SNO) informed (27 November 2019) the INO that fake applications were forwarded from the institutions on the same day that the INO registered his mobile number in the portal. The INO further stated that on his first login to the NSP he noticed that incorrect information about the institution/ INO had been furnished in the portal *viz.*, address of the Institute was shown as Aizawl instead of Falkawn, the name of the

³⁰ Issued in the name of Sachin Mahto, Halkhori Shah High School, Manjhi, Nasaran, Bihar

Board/ University was wrongly recorded as ‘Mizoram Board of School Education’ instead of Mizoram University, unknown mobile were recorded instead of the mobile number of the INO and incorrect email ID instead of the correct e-mail ID. The INO further stated that an FIR was lodged in Kulikawn Police Station on 5 February 2021.

On further scrutiny, it was observed that, the current INO was registered on 27 November 2019. Previously an unknown person had been registered (5 November 2019) as the INO, who approved the applications on 8 November 2019.

It was seen in audit that instead of taking steps against the fake applications which was known on 27 November 2019, the SNO approved the applications on 13 December 2019. Thus, it was observed that the applications were passed by the SNO inspite of knowing the fact that the applications were fraudulent and an amount of ₹ 3.85 lakh was fraudulently drawn by 13 non-*bonafide* students as detailed in **Appendix 3.2.7**.

(c) Mizoram College of Nursing (MCON), Falkawn, Aizawl

Test check of 10 applicants (out of 35 applications under Merit Cum Means (MCM) during 2017-20) revealed that the applicants had not uploaded any document in the NSP. During joint field visit, it was stated that the institution (MCON) was not registered in the NSP and no claim under Minority scholarship schemes was approved by the institution. When the list of students of the institution for the years 2017-19 were cross-checked with the records of the institution, it was found that the 35 beneficiaries were not enrolled in the institution. Thus, an amount of ₹ 10.50 lakh was fraudulently drawn by 35 non-*bonafide* students as detailed in **Appendix 3.2.7**.

Further analysis showed that the current INO was registered in the NSP on 26 September 2019, while the above claims had been made during 2018. As details of the INO registered in the portal during 2018 were not available, the official who processed the fraudulent claims of scholarship could not be tracked.

Recommendation: Responsibility should be fixed on the erratic officials for fraudulent drawal of scheme fund. Proper verification of applicant’s details based on physical documents submitted at the institutions should be carried out. The SNO/ DNO should maintain the records of INOs and update it on a regular basis.

3.2.11 Indira Gandhi National Old Age Pension Scheme (IGNOAPS)

Under IGNOAPS, identification/ selection of beneficiaries is done based on the application of the intending beneficiary. The application form is obtained from the Social Welfare and Tribal Affairs Department and the applicants submit the duly filled application form containing the recommendation of the concerned Local/ Village Council Chairman supported by a copy of their family ration cards showing their below poverty level status.

The number of beneficiaries covered under Indira Gandhi National Old Age Pension Scheme (IGNOAPS) and the amount of assistance disbursed during the period 2017-20 is shown in **Table-3.12**.

Table - 3.12: Number of beneficiaries and amount released during 2017-18 to 2019-20

Year	Number of beneficiaries	Expenditure in ₹ lakh
2017-18	25,469	10.07
2018-19	25,469	7.87
2019-20	25,469	8.66
Total	76,407	26.60

Source: NSAP portal & fund sanction orders of GoM.

Audit findings related to the operation of DBT mechanism under IGNOAPS is given in the following paragraph:

3.2.11.1 Non-updation of beneficiary list

Clause 3.1.2 of National Social Assistance Programme (NSAP) Guidelines stipulated that there should be annual verification of the existing beneficiaries under NSAP. The States may constitute Special Verification Teams for the purpose under an authorised officer.

In Mizoram, the beneficiary list under IGNOAPS was not updated during the period covered by audit. During joint field visit³¹, 73 beneficiaries (36 beneficiaries in Lunglei and 37 beneficiaries in Mamit district) were surveyed and it was found that deceased/ineligible beneficiaries were not deleted from the beneficiary list and had been given assistances under IGNOAPS, as shown in the **Table-3.13** below:

Table-3.13: Deceased/ ineligible beneficiaries under IGNOAPS

Sl. No.	Name	Village	Remarks
1.	Lalchamliana	Pukpui	Expired on 12.12.2020
2.	Vanlalmawia	Pukpui	Expired on 02.07.2021
3.	Lahliri	Pukpui	Expired on 25.05.2012
4.	Zomawii	Pukpui	Expired on 05.10.20
5.	Lianthangi Sailo	Pukpui	Expired on 14.08.21
6.	T. Rokima	Sethlun	Expired
7.	Darzawni	Sethlun	Expired
8.	J. Lawmchhungi	Sethlun	Expired
9.	KT Khumi	Thuampui	Expired on 13.02.2021
10.	Saithanthiangi	Thuampui	Expired on 23.12.2020
11.	Darchhingi	Thuampui	Expired on 11.04.2021
12.	Laltanpuui	Reiek	Her husband was a Govt. pensioner
13.	Chhingpuui	Reiek	Her husband was a Govt. pensioner
14.	Zolawmi	Reiek	Her son was a State Govt. employee

The Village Council (Sethlun) stated that it had sent (05 October 2020) a new list of beneficiaries with details such as unique biometric identification number, date of death/migration of beneficiaries to the DSWO for updation. However, the list was not updated till the date of audit (November 2021).

The Government stated (16 December 2021) that the Department is taking up digitisation of beneficiaries' data in full swing. Weeding out of ineligible beneficiaries after death or migration would be carried out at the earliest accordingly in the

³¹ Two districts viz., Lunglei and Mamit and two Blocks each in each district i.e., Lunglei and Bnghmun under Lunglei District, Zawlnuam and Reiek under Mamit District and two villages under each of the selected blocks were test-checked.

NSAP-PPS portal. The Department further stated that the findings of the Audit team will be verified and necessary steps shall be taken up.

It was further stated (24 March 2022) that verification of existing beneficiaries under NSAP should be completed before 30 April 2022 and the names of all deceased and ineligible beneficiaries mentioned above had been removed.

During the exit meeting held on 15 March 2022, the Director, Social Welfare and Tribal Affairs Department stated that audit findings were verified at the field level and it was found that the excess payment to the ineligible/ deceased beneficiaries amounted to ₹ 71,200.

Recommendation: The Department should complete digitisation of beneficiaries' list and regularly update the same in the portal.

3.2.11.2 Access to e-payment software and NSAP-PPS by unauthorised users

The NSAP-PPS portal was developed by the Ministry of Rural Development (RD) for the implementation of DBT of IGNOAPS. The GoM was using Government e-Payment Gateway (GePG) for making e-transactions from the treasury.

During audit, an employee in the office of the Directorate of Social Welfare & Tribal Affairs (SW & TA), without formal authorisation, was found to be having access to the e-payment software and accordingly was generating bills. Similarly, in the office of District Social Welfare Officer (DSWO) Lunglei, the mobile number of a contractual employee was registered in the NSAP portal. Thus, access to the GePG and the NSAP by the employees without authorisation by the competent authorities, was irregular.

The Government stated (16 December 2021) that most of the DDOs were not well versed with the e-payment software. Employees who had good computer knowledge and trained to handle the software were assigned the works. The Under Secretary to the GoM stated (24 March 2022) that formal authorisation has been issued (21 March 2022) for accessing of the e-Payment Gateway. Further, it was stated that instruction had been issued (11 March 2022) for the NSAP portal to be accessed by authorised employee only.

Recommendation: The concerned authority should strictly ensure that only authorised persons have access to the system.

3.2.12 Monitoring and internal control mechanism

3.2.12.1 State DBT Cell could not function as a nodal point for all activities and matter related to DBT operations in the State

As envisaged by the Guidelines for State DBT Cell, the State DBT Cells shall primarily work towards co-ordinating the implementation of DBT in various schemes. The cell should be a nodal point for all activities and matters related to DBT operations in the State. The Cell, *inter alia*, should coordinate with the Ministries and the respective State departments and develop scheme/ department-specific Information and Communication Technology (ICT) applications to capture data pertaining to DBT more

effectively and closely monitor and evaluate the progress of various departments on DBT related indicators *vis-à-vis* expected outcomes.

The State DBT Cell of Mizoram was created by the Governor on 17 November 2016. The Cell comprised of eight members, headed by the Secretary, ICT Department as the Chairperson, Chief Informatics Officer, ICT as the Member Secretary, and six other members (Directors/ Joint Secretaries of various departments).

The Departments implementing DBT schemes directly received funds from Ministries of GoI and implemented the schemes as per instructions received from their Ministries. There was no intermediation by the State DBT Cell in the process of implementation of DBT schemes in Mizoram. Therefore, it was observed in audit that the State DBT Cell could not function as the nodal point for DBT operations and one-stop point for implementation of DBT in the State.

The Chief Informatics Officer/ technical Co-ordinator (DBT Cell) in reply (November 2020) stated that there was no dedicated manpower for the DBT Cell. All departments implementing the DBT schemes utilised the IT application (MIS software) provided by the Central Government.

The State DBT Cell did not function as envisaged in the Guidelines and no initiative by the State DBT Cell was made in this regard.

3.2.12.2 Non-creation of Advisory Board

The Guidelines for State DBT Cell provide for the creation of an Advisory Board, as a parallel body to the State DBT Cell. It shall comprise of representatives from various enablers and stakeholders of DBT - Government Departments which implement schemes falling under the purview of DBT, Unique Identification Authority of India (UIDAI), State Level Bankers Committee (SLBC), IT Team, National Informatics Centre (NIC), NPCI, Telecom Service Providers (TSP) *etc.* The main role of this body was to provide the Cell's Executive Body, holistic, well-rounded advisory and consulting inputs.

It was seen in Audit that the Advisory Board was not constituted without any recorded reason as envisaged in the Guidelines. In absence of the Advisory Board, State DBT Cell could not get the well-rounded advisory and consulting inputs that could help the Cell to function properly and fulfil its responsibilities.

The Secretary to the GoM, ICT Department while accepting the Audit observation stated (16 December 2021) that there was no allocation of business in GoM (Allocation of Business) Rules 2019 for DBT in the State. The Advisory Board may be constituted after the General Administration Department, GoM allocates the subject to the concerned Department.

Recommendation: Advisory Board may be constituted as per the Guidelines for State DBT Cell.

3.2.12.3 Non-creation of Implementation Supports in the State DBT Cell

As per the Guidelines for State DBT Cell issued by the DBT Mission, three Implementation Supports viz., Technical, Non-Technical and Finance & Administration should be created in State DBT Cell.

- The Technical Support should facilitate all kinds of IT support for implementing DBT in the different schemes, function as a research unit in developing scheme/department specific ICT applications, driving growth and achievement on all the IT related indicators for successful implementation of DBT like digitisation of data, streamlining beneficiary database, cross verification of duplicate applications, interacting and liaising with all IT related stakeholders³² and enable on-boarding of all the schemes on the live Management Information System (MIS) portal for capturing the information pertaining to DBT.
- The Non-Technical Support should implement customised ICT application as developed by the technical support team, setting up goals and deadlines for boarding of schemes on DBT, collect data from various departments and technical support teams on factors like biometric enrolment, number of beneficiaries, number of active bank accounts, rate of seeding of bank account, monitoring progress of each department against targets, training and capacity building of State Officials, organising benchmarking studies on best practices and developing roadmap to incorporate those practices in the State operations.
- The Finance and Administration Support should link all financial transactions under different schemes on to PFMS platform, budget, fund flow and other administrative tasks.

The Secretary to the GoM, ICT Department claimed (16 December 2021) that the three Implementation Supports had been created on 30 November 2016. It was, however, seen in Audit that the three Implementation Supports viz., Technical Support, Non-Technical Support and Finance and Administration Support were not operational.

Thus, without technical and non-technical supports from the State DBT Cell, the Departments implemented the DBT schemes as per the guidelines of their respective Ministries. Problems arising during the course of implementation due to inadequate IT infrastructure, lack of banking connectivity, delay in onboarding onto PFMS platform and seeding of bank accounts persisted requiring the intervention of the State DBT Cell.

Recommendation: The three Implementation Supports should be operationalised in State DBT Cell as per Guidelines for State DBT Cell.

3.2.12.4 Deficiencies of State DBT portal

The State DBT portal provides information about the composition of DBT Cell and the contact for Technical Coordinator only. Audit noticed that the Home tab and Scheme tab in the portal home screen showed errors. Thus, no information about the DBT

³² NIC, third party consultants, telecom service providers

schemes being implemented and funds transferred through DBT in Mizoram was found in the portal.

3.2.12.5 Ineffective monitoring of implementation of DBT in Mizoram

As per Guidelines for State DBT Cell issued by the DBT Mission, the State DBT Cell has to closely monitor and evaluate the progress of various departments on DBT related indicators *vis-à-vis* expected outcomes.

In the course of audit, it was noticed that there was no State Level Monitoring Committee and no dedicated manpower for the State DBT Cell. It was also found that no assessment was carried out to find out the shortcomings/ improvements required such as inefficiency of IT infrastructure, internet connectivity, banking connectivity in rural areas for successful implementation of DBT in the State. Targets set by the DBT Cell for onboarding of schemes onto PFMS platform *etc.*, was also not found on record.

Thus, due to improper monitoring of the implementation of DBT in the State, issues of lack of coordination among the stakeholders in the process of validation and verification of bank accounts and unique biometric identification numbers, delay in onboarding of schemes on PFMS and absence of DBT enabling facilities in the remote areas remained unaddressed.

The Secretary to the GoM, ICT Department while accepting the Audit observation stated (16 December 2021) that there was no fund for the engagement of dedicated manpower in the DBT Cell.

Recommendation: The State DBT Cell may closely monitor and evaluate the progress of various departments on DBT related indicators vis- à-vis expected outcomes.

3.2.12.6 Non-constitution of dedicated body to deal with complaints and grievances

As per SOP of DBT issued by the DBT Mission, the DBT Cell has to constitute a dedicated body to deal with the complaints and grievances of beneficiaries pertaining to various issues like delays in receiving subsidy amount in their bank accounts, incorrect or delayed feedback, incorrect set of entitlements received by the end beneficiaries.

It was seen in Audit that the Cell has not created a dedicated body in stipulation of the Guidelines. It was stated that complaints and grievances were not lodged directly to the Cell as the implementation was done by the departments concerned.

The Secretary to the GoM, ICT Department admitted (16 December 2021) that the DBT Cell has not constituted a dedicated body to deal with the complaints and grievances of beneficiaries.

Recommendation: A dedicated body to deal with complaints and grievances of beneficiaries pertaining to various issues like delays in receiving subsidy amount in the bank accounts of beneficiaries, incorrect set of entitlements received by the end beneficiary as per SOP Module of DBT may be constituted.

3.2.13 Conclusion

Audit noticed that there was absence of a proper plan for implementation of the schemes through Direct Benefit Transfer (DBT) mechanism in the State.

The implementation of scholarship schemes was fraught with irregularities due to inadequate system for verification of applications. The absence of District level verification created a lacuna in the system, due to which proper verification as per Standard Operating Procedure for National Scholarship Portal could not be enforced at the Institute level. Payments for fraudulent claim of scholarship were made to non-resident and non-*bonafide* students. Multiple claims or claims for courses not offered by institutions, *etc.*, were processed due to improper verification of applications.

Mizoram Scholarship Portal was developed without proper planning or budgeting and was implemented without approval and sanction of the competent authority. Non-preparation of User Requirement Specification, System Design Document, Service Level Agreement and Change Management Policy as well as lack of documentation indicated poor management and implementation of the project. Deficiencies in input controls as well as weak security features led to discrepancies in maintenance of applications database and doubtful payment of scholarships.

The implementation of Indira Gandhi National Old Age Pension Scheme through DBT was lagging behind due to delay in digitisation of beneficiary database. Non-updation of beneficiary list not only resulted in irregular payment of assistances to ineligible beneficiaries but also prevented the eligible beneficiaries from availing the benefits.

The Advisory Board for the State DBT cell was not created as per the guidelines. Audit noticed lack of coordination among the stakeholders in the process of validation and verification of bank accounts and unique biometric identification numbers, delay in onboarding of schemes on PFMS and absence of DBT enabling facilities in the remote areas remained unaddressed due to improper monitoring of the implementation of the Schemes.

3.2.14 Recommendations

The Government may consider the following recommendations:

- *The beneficiary database should be updated regularly, after thorough verification, by deleting obsolete data and data of ineligible and expired beneficiaries and include new eligible beneficiaries.*
- *The Mizoram Scholarship Board should take necessary steps to upgrade the portal and link Mizoram Scholarship Portal with Public Finance Management System (PFMS) platform and National Payment Corporation of India (NPCI).*
- *Verification of bank accounts of beneficiaries should be made mandatory and the bank account should be linked with unique biometric identification number.*

- *The Social Welfare and Tribal Affairs Department should ensure mandatory submission of proof of existence of the beneficiaries either in the form of physical life certificate or authentication through electronic means using biometric credentials for old age pension.*
- *Responsibility may be fixed and action may be initiated for all cases of fraud resulting in drawal of irregular scholarship benefits.*
- *The Government may strengthen the monitoring mechanism for implementation of the Direct Benefit Transfer (DBT) schemes and create the Advisory Board.*

COMPLIANCE AUDIT

PLANNING AND PROGRAMME IMPLEMENTATION DEPARTMENT

3.3 Subject Specific Compliance Audit on Implementation of Ministry of Development of North Eastern Region (MDoNER) Projects in Mizoram

3.3.1 Introduction

The Department of Development of North Eastern Region (DoNER) was set up in 2001 to deal with matters relating to the planning, execution and monitoring of development schemes and projects in the North Eastern Region (NER). It was converted into a full-fledged Ministry in 2004.

The Ministry of Development of North Eastern Region (MDoNER) coordinates with various Ministries/ Departments and is concerned with development and welfare activities in North Eastern Region. MDoNER has been sanctioning projects to eight States in North Eastern Region (NER) to fill up gaps in infrastructure through block grants of the Non-Lapsable Central Pool of Resources (NLCPR) that has been restructured as North East Special Infrastructure Development Scheme (NESIDS) from 2017-18 and Special Packages through State Governments of NER and some Central Ministries. The fund sharing pattern of all MDoNER projects is 90:10 between the Central and the State Government.

The North Eastern Council (NEC), Shillong, which was set up in 1971, is under the administrative control of Ministry of DoNER. It is a statutory regional planning body, which provides financial assistance for a variety of projects including infrastructure projects like construction of roads, improving air connectivity, *etc.*, through State Governments.

3.3.2 Implementing Department/ Agencies

Planning & Programme Implementation Department (P&PID), Government of Mizoram (GoM) is designated as the nodal department for all projects sanctioned by MDoNER. The Deputy Advisor, Project Monitoring Division, Research & Development Branch, is responsible for examination of line departments' proposals and conveying approval, rejection or revision as per decision taken on project proposals/ DPRs. Besides, the division is also responsible for monitoring of projects under NLCPR, NEC, *etc.* including special monitoring of delayed projects. The projects are

executed by the concerned line departments/ implementing agencies as per the sector under which the projects are classified.

3.3.3 Audit Sample

The Subject Specific Compliance Audit covered the projects completed/ abandoned during the period 2016-17 to 2020-21. It involved scrutiny of records and other evidences in the P&PID, GoM, and also in the various implementing departments/ agencies under the State Government implementing the selected works/ projects. The audit observations were also corroborated with joint physical inspection, wherever necessary and feasible.

In Mizoram, there were 74 projects completed/ abandoned (excluding projects already covered in previous audit) at a total approved cost of ₹ 716.05 crore (NLCPR: 30 projects at approved cost of ₹ 276.45 crore and schemes of NEC: 44 projects at approved cost of ₹ 439.60 crore) during the period covered by audit *i.e.*, 2016-17 to 2020-21. Accordingly, 19 (25.67 per cent) out of the 74 completed/ abandoned MDoNER projects involving 44.55 per cent of total project cost were selected for the Compliance Audit as shown in the following **Table-3.14**:

Table-3.14: Sector-wise completed/ abandoned projects selected for audit for the years 2016-17 to 2020-21

(₹ in crore)

Sl. No.	Sector-wise break up of 19 projects:	Completed/ Abandoned projects	Approved cost	Selected for audit					Percentage of selected project cost vis-à-vis total approved cost
				No.	Approved cost	Fund released			
						GoI	GoM	Total	
1.	Agri and allied	1	2.66	1	2.66	2.39	0.27	2.66	100.00
2.	Human Resource Development & Education (Education & Social)	12	109.23	2	58.38	51.65	5.64	57.29	53.45
3.	Human Resource Development and Education (Sports)	5	25.49	2	16.48	16.11	0.37	16.48	64.65
4.	Irrigation & Flood Control & Watershed Management/ Water supply	14 ³³	100.75	3	40.36	26.15	2.89	29.04	40.06
5.	Industries	1	9.23	1	9.23	8.31	0.92	9.23	100.00
6.	Information and Public Relations	1	6.19	1	6.19	5.57	0.62	6.19	100.00
7.	Medical & Health	8	40.03	2	20.91	18.82	2.09	20.91	52.24
8.	Miscellaneous	3	14.11	1	8.42	7.30	0.81	8.11	59.67
9.	Power	9	84.65	2	36.29	30.34	9.41 ³⁴	39.75	42.87

³³ East Lungdar Multi village Water Supply Scheme (Pumping), Serchhip District, Mizoram

³⁴ Includes gap funding by State Government amounting to ₹ 6.04 crore

Sl. No.	Sector-wise break up of 19 projects:	Completed/ Abandoned projects	Approved cost	Selected for audit					Percentage of selected project cost vis-à-vis total approved cost
				No.	Approved cost	Fund released			
						GoI	GoM	Total	
10.	Science & Technology	6	17.53	1	4.90	4.41	0.49	4.90	27.95
11.	Transport & Communication/ Roads & Bridges	14 ³⁵	306.18	3	115.19	75.87	7.65	83.52	37.62
	Total	74	716.05	19	319.01	246.92	31.16	278.08	44.55

Source: MDoNER website and Department's records. Details are given in Appendix – 3.3.1

Out of 19 selected projects, three projects were abandoned/ closed on “as is where is” basis while 15 projects were completed during 2016-17 to 2020-21. One project reported as completed was found to be incomplete in Audit.

Audit Findings

The findings of Audit are discussed in the succeeding paragraphs.

3.3.4. Planning

3.3.4.1 Priority List

Paragraph 4 (a) of the NLCPR Guidelines, 2016 provides that State Governments should prepare a shelf of projects/ Priority List and submit it along with a comprehensive concept note, including *inter alia*, geo-tagging, scope of work with cost, likely benefits and outcomes while also clearly spelling out the techno-economic viability of the project. Paragraph 8.2 of the NEC Guidelines, 2015 provides that an annual priority list of projects should be proposed by the State Government for NEC funding each year. The projects in the priority list should be accompanied by concept papers and sent through the State Planning Department.

It was noticed that P&PID, GoM did not submit Priority List of projects for the years 2018-19 and 2019-20. P&PID stated that NEC did not request for submission of Priority list of projects and therefore this was not submitted for these years. Further, NLCPR was discontinued from 2017-18 and replaced by NESIDS. One time allocation was made for NESIDS by NEC for three years 2017-18 to 2019-20. Thus, one priority list for the 3 (three) years was submitted to MDoNER by P&PID.

The reply of the State Government is not tenable as non-submission of priority list was a violation of the guidelines of NEC.

³⁵ Construction of Bamboo Plantation Link Road to proposed Bamboo Plantation Areas from Tuirial Airfield to Bukpui-I (0-40 Kmp) and Construction of Bamboo Plantation Link Road to proposed Bamboo Plantation Areas from Tuirial Airfield to Bukpui - I (40-84 Kmp)

3.3.5 Financial Management

3.3.5.1 Delay in release of fund and delay in submission of Utilisation Certificates

Paragraph 18.1 of revised NEC General Guidelines, 2015 provides that funds released by NEC must be transferred to the implementing agency/ project authority by the State Government within 30 days from the date of release of funds from NEC. Paragraph 18.2, *ibid*, provides that State's matching share should also be released simultaneously. Paragraph 13.2 of NEC Guidelines 2018 also provides the same provision.

Further, Paragraph 8.6 of NLCPR Guidelines 2009, provides that fund release from the pool must be transmitted to the implementing agency/ project authority by the State Government within 15 days from the date of release of funds from Government of India.

As per sanction orders of NEC, utilisation certificates should be submitted within 12 months of the date of closure of accounts.

It was seen that in 17 out of 19 sampled projects, there was huge delay in release of fund to the implementing departments/ agencies for execution of the work in violation of the guidelines. Project-wise details are given in **Appendix - 3.3.1**. The delay in release of fund ranged from 49 to 1,122 days as shown in **Table-3.15** below.

Table – 3.15 : Delay in release of funds under NLCPR and NEC Schemes

Sl. No.	Scheme	Number of projects	Delay in days (Range)
1.	NLCPR	8	52 to 1,122
2.	Schemes of NEC	9	49 to 998
Total		17	49 to 1,122

Further, there was delay in submission of utilisation certificates ranging from 51 to 2,363 days in 13 instances involving 11 projects. Details are given in **Appendix-3.3.2**.

Due to delay in release of funds by the State Government to the implementing agencies and submission of utilisation certificates, it was noticed that there were delays in release of subsequent installments by MDoNER/ NEC after submission of utilisation certificates by the State Government. The delays ranged from 9 to 963 days. Details are given in **Appendix – 3.3.2**.

Recommendation: *The State Government should fix responsibility for delays of more than two months in release of funds to the implementing agencies.*

3.3.5.2 Short release of fund

Against approved cost of ₹ 102.10 crore for four projects, it was seen that MDoNER released an amount of ₹ 88.02 crore (against share of ₹ 91.90 crore) while the State Government released ₹ 9.68 crore as matching share (against share of ₹ 10.20 crore). This resulted in short release of fund amounting to ₹ 4.40 crore. The State Government, however, sanctioned ₹ 6.04 crore as gap funding for one project³⁶. Details are given in the following **Table-3.16**:

³⁶ Construction of 132 kV S/C line on D/C towers from Kolasib to Aizawl (Melriat) with LILO of one circuit at Aizawl (Zuangtui) 132 kV Sub Station.

Table-3.16: Statement showing details of short release of fund

(₹ in crore)

Sl. No.	Scheme	Name of Project	Approved Amount			Amount Released			Short release			In per cent
			Cost	GoI share	GoM share	GoI	GoM	Total	GoI	GoM	Total	
1.	NLCPR	Establishment of Sainik School at Chhingchhip, Serchhip District, Mizoram	50.64	45.58	5.06	44.68	4.87	49.55	0.89	0.20	1.09	2.15
2.	NLCPR	Greater Saitual Water Supply Scheme in Mizoram	21.53	19.38	2.15	19.00	2.11	21.11	0.38	0.04	0.42	1.95
3.	NLCPR	Strengthening of Government Press, Aizawl, Mizoram	8.42	7.58	0.84	7.30	0.81	8.11	0.28	0.03	0.31	3.68
4.	NLCPR/ Special Central Assistance	Construction of 132 kV S/C line on D/C towers from Kolasib to Aizawl (Melriat) with LILO of one circuit at Aizawl (Zuangtui) 132 kV Sub Station	21.51	19.36	2.15	17.04	1.89	18.93	2.32	0.26	2.58	11.99
Total			102.10	91.90	10.20	88.02	9.68	97.70	3.87	0.53	4.40	4.32

Source: Departmental records

Reasons for short release of fund by MDoNER were not on record.

It was seen that short release of fund resulted in non-completion of the project “Construction of 132 kV S/C line on D/C towers from Kolasib to Aizawl (Melriat) with LILO of one circuit at Aizawl (Zuangtui) 132 kV Sub Station”.

3.3.5.3 False Utilisation Certificate

Rule 238 (1) of General Financial Rules (GFR) 2017 provides that in respect of non-recurring grants to an institution or organisation, a certificate of actual utilisation of the grants received for the purpose for which it was sanctioned should be insisted upon in the order sanctioning the grants-in-aid.

As per NLCPR (2009) and NEC (2015) guidelines, subsequent installments of assistance will be released by the Ministry/ NEC when the State Government furnishes UCs in the prescribed proforma.

Scrutiny of records revealed that in nine out of 19 sampled projects, the State Government furnished utilisation certificates (UCs) amounting to ₹ 38.51 crore to MDoNER. However, it was seen that UCs were furnished before funds were actually released to the implementing departments/ agencies in some of the projects. Details of utilisation certificates submitted before actual release of fund are shown in **Table-3.17**.

Table-3.17: Statement showing details of UC furnished before actual release of fund

(₹ in crore)

Sl. No. & Name of project	Inst.	Amount Released by GoI	Administrative Approval and Expenditure Sanction of GoM		Parking of fund in K-Deposit		Release from K-Deposit		UC furnished to MDoNER	
			Date	Amt.	Date	Amt.	Date	Amt.	Date	Amt.
Projects under NEC:										
1. Construction of Approach Road and Internal Roads of Industrial Growth Centre at Luangmual, Aizawl, Mizoram	1 st	3.32	20-03-17	3.32	31-03-17	3.32	13-10-17	1.66	22-12-17	3.32
							27-03-18	1.66		
	3 rd	1.67	13-12-19	1.67	27-03-20	1.21	24-03-21	0.19	21-09-20	1.67
2. Upgradation of Thanlon to Singhat Road (Ngopa to Tuivai) within Mizoram	6 th	2.00	29-08-18	2.00					31-07-18	2.00
3. Strengthening of Cardiology Department at Civil Hospital, Aizawl	2 nd	2.00	10-12-13	2.00	31-03-14	0.10	20-08-14	0.10	28-04-14	2.00
	4 th	0.24	29-03-18	0.18	31-03-18	0.18	13-09-18	0.18	26-03-18	0.24
4. Construction of 33 kV line on tower from Aibawk to Sialsuk with associated bays and 11 kV line	1 st	0.90	12-01-17	0.86	-	-	-	-	01-11-16	0.90
	2 nd	4.00	27-03-17	4.00	31-03-17	3.54	13-06-17	3.54	05-06-17	4.00
5. Establishment of Rural Information Kiosks in 300 villages	1 st	1.30	18-10-12	1.30					29-08-12	1.30
Projects under NLCPR										
6. Strengthening of Government Press, Aizawl	2 nd	2.97	05-03-14	2.97	29-03-14	2.40	16-03-15	2.40	26-03-14	2.97
7. Greater Saitual Water Supply Scheme in Mizoram	2 nd	7.60	07-03-13	7.60	28-03-13	0.87	17-09-13		25-06-13	7.60
8. Construction of 100 bedded Civil Hospital at Saiha	2 nd	5.73	17-01-18	5.73	29-03-18	0.80	27-06-18	0.80	27-02-18	5.73
9. Construction of 132 kV S/C line on D/C towers from Kolasib to Aizawl (Melriat) with LILO of one circuit at Aizawl (Zuangtui) 132 kV Sub Station	1 st	6.78	01-11-06	6.78					19-09-06	6.78
Total										38.51

Source: Departmental records

It can be seen from **Table-3.17** above that the State Government furnished UCs in respect of nine projects before funds were fully or partially released to the implementing departments. This indicated that the State Government submitted false UCs in order to

obtain subsequent installments. Due to submission of false UCs, it could not be ascertained as to whether the funds were actually utilised for the purpose for which they were sanctioned.

This indicated that there was lack of monitoring of projects by P&PI Department, GoM and the UCs were countersigned by the P&PI Department without verifying the genuineness and correctness of utilisation by the implementing departments/ agencies.

3.3.6 Project Implementation

3.3.6.1 Tendering

As per guidelines of NLCPR and NEC, it shall be mandatory on the part of State Governments to award contract(s) after following a transparent tender procedure. Tender notices and contracts will incorporate binding clauses for incentives to contractors for early completion and penal provisions for delays.

Also, as per Section 15.6 of the CPWD Works Manual, 2014, restricted tender should be invited *inter alia* only in case work is required to be executed with very great speed, and not all contractors are in a position to generate, the work is of special nature requiring specialised equipment and other exigencies of the work so demand.

On scrutiny of records, it was observed that guidelines/ codal provisions on tendering were not complied as discussed below:

3.3.6.2 Unwarranted use of restricted tender mechanism

It was seen that works were awarded through limited/ restricted tender in three out of 19 sampled projects is shown in **Table-3.18**.

Table-3.18: Details of works awarded through limited/ restricted tender

(₹ in crore)

Sl. No.	Name of work/ project	Name of Department	MDoNER approved date	Tender amount	Date of award of work	Tentative date of completion	Date of completion	Delay in completion (Days)
1.	Scheme of NEC: Construction of Approach Road and Internal Roads of Industrial Growth Centre at Luangmual, Aizawl, Mizoram	Urban Development & Poverty Alleviation Department	29.09.16	8.43	08.05.17	29.09.19	25.06.20	270
2.	NLCPR: Construction of Table Tennis Training Centre at Mission Vengthlang in Aizawl		20.10.15	3.70	18.05.17	20.10.17	31.12.19	802
3.	Scheme of NEC: Establishment of Multipurpose Indoor Hall at Sihphir, Mizoram	Mizoram State Sports Council (MSSC)	29.09.16	11.57	02.02.17	29.09.19	26.02.20	150
Total				23.70				

Source: Departmental records

It was seen that the UD&PA Department obtained GoM's approval (December 2016) for restricted tender. The Department resorted to restricted tender on the condition that reputed empanelled firms and first-class contractors under Mizoram PWD would be

invited so that the process may be shortened while ensuring quality and quick completion of the project.

Accordingly, restricted tender for the project “Construction of Table Tennis Training Centre at Mission Venghlang in Aizawl” was invited from three Class – I contractors on 03 February 2017 while restricted tender for the project “Construction of Approach Road and Internal Roads of Industrial Growth Centre at Luangmual, Aizawl, Mizoram” was invited from one Class-I contractor and two empanelled firms on 07 February 2017. Works were awarded (between February 2017 to May 2017) on the recommendation (March 2017) of the Works Advisory Committee-I, headed by the Chief Secretary, GoM.

Further, the Mizoram State Sports Council (MSSC) did not obtain GoM’s approval for resorting to restricted tendering of the work ‘Establishment of Multipurpose Indoor Hall at Sihphir, Mizoram’.

The UD&PA Department stated that permission from the Government to invite restricted tender was obtained. Reply of the MSSC is awaited on the third project.

The response of the UD&PA Department is not tenable since none of the works fulfilled the criteria for award of the contracts through restricted tendering. This was not only in violation of the guidelines but also deprived the Department of availing competitive rates which could have been possible had the departments/ offices adopted open tendering. Further, the justification for resorting to restricted for quick completion of the projects was not tenable since there were delays ranging from 150 to 802 days.

3.3.6.3 Award of work worth ₹ 7.29 crore on nomination basis

Central Vigilance Commission (CVC) *vide* Office Order No.23/07/07 dated 05 July 2007 regarding transparency in Consultancy contracts awarded on nomination basis stated that award of contract on nomination basis amounted to breach of Article 14 of the Constitution and may be resorted to only in exceptional circumstances such as during natural calamities and emergencies declared by the Government and where availability of procurement is possible from a single source only; where the supplier or contractor has exclusive rights in respect of the goods or services; where there were no bidders or the bids offered were too low, *etc.* The instruction was reiterated *vide* CVC Circulars dated 19 May 2010, 11 December 2012 and 11 July 2018.

Rule 194 of GFR provides that the selection by direct negotiation/ nomination, on the lines of single tender mode of procurement of goods, is considered appropriate only under exceptional circumstances. Full justification for single source selection should be recorded in the file and approval of the competent authority obtained before resorting to such single-source selection.

Further, Finance Department, GoM, OM dated 06 December 2010 on Guidelines for Engagement of Consultant(s) provided for obtaining a ‘No Objection Certificate’ or clearance letter from PWD and mandatory permission of Finance Department prior to engagement of consultants.

Moreover, the guidelines also provided for consultancy by nomination in special circumstances subject to prior approval of Finance Department and financial ceiling of ₹ 10.00 lakh. Special circumstances (Clause 6(b)) include emergency situation arising from natural disaster or situations where timely completion of the assignment is of utmost importance.

On scrutiny of records in respect of “Construction of Comprehensive Spastic Children Care Complex at Bawngkawn” (Schemes of NEC) in the office of the Director, Health Services, GoM, it was seen that *post-facto* approval for awarding “Design & Build” was accorded by the Consultative Evaluation Committee (13 December 2017), headed by the Chief Secretary, GoM in terms of Clause 6(b) of Finance Department, GoM OM dated 06 December 2010 and as per Terms of Reference (TOR). *Ex-post-facto* approval was accorded due to delay arising from shifting of the project site which was duly approved by NEC on 19 June 2017 and for timely completion of the project.

Accordingly, the project was awarded (18 January 2018) to a contractor and contract agreement was executed (12 March 2018) for an amount of ₹ 7.29 crore for execution of the project on “Build and Design” mode.

In this regard, the following irregularities were observed:

1. ‘No Objection Certificate’ or clearance letter from PWD clearly stating the reasons for their inability to take up the project was not available.
2. Prior approval of Finance Department for “Consultancy by Nomination” was not available.
3. The Consultative Evaluation Committee’s *ex-post-facto* approval for awarding the project to M/s Brilliant Consultancy amounting to ₹ 7.29 crore by flouting financial ceiling of ₹ 10.00 lakh was irregular.

In view of the above, award of work to M/s Brilliant Consultancy without open tendering was in violation of codal provisions eliminating competition and fairness.

The Department stated (July 2022) that necessary procedures could not be adhered to due to time constraint and essentiality of the project.

The reply of the Department is not tenable since there was a gap of six months from the date of approval for change of project site by NEC (19 June 2017) and award of work (18 January 2018). This indicated that there was no time constraint and the Department could have floated NIT for the project. Further, necessary clearances such as NOC of the PWD and prior permission of the Finance Department were not obtained. The Department did not provide reasons for flouting of financial ceiling.

Thus, the State Government violated codal provisions and accorded undue favour to the consultancy firm by awarding the work worth ₹ 7.29 crore by nomination. Besides, allocation of the project on nomination basis did not result in completion of the project on time as it was seen that the completion of the work was delayed by 706 days from the stipulated date of completion fixed by NEC.

3.3.6.4 Delay in award of work

Paragraph 7.1 of NLCPR Guidelines, 2009 provides that once the project is approved by the Ministry of DoNER, the State Government should ensure that the tender has been called on competitive basis by giving wide publicity in print media & website, etc., and the works have been awarded within three months of its sanction, even without waiting for the release of funds from State Government to implementing agency.

Also, as per Paragraph 18.4 of NEC Guidelines, 2015, the State Government shall ensure that the implementing department/ executing agency invite tender on competitive basis by giving wide publicity in print media & website, preferably through e-tendering, and also ensure that the work is awarded within three months of sanction of NEC.

Scrutiny of records revealed that there were huge delays in award of work of projects sanctioned by MDoNER in contravention of the guidelines. The delay in award of work ranged from 22 to 476 days from the stipulated date. Details are given in **Appendix – 3.3.3**.

Delay in award of work resulted in delay in completion of work/ project ranging from 63 to 2,323 days.

3.3.6.5 Subletting of works contracts

The Engineer-in-Chief, PWD, Mizoram, Aizawl *vide* No. B-15028/ 41/ 06/ PMGSY/ EC/ PWD dated 08 June 2009 circulated that ‘Power of Attorney given by contractors authorising other persons to perform and execute the contract on their behalf literally amounted to sub-contracting the whole work or working the contract through proxy which was highly objectionable and against the interest of the public. Contract work is awarded to a particular contractor only after the contractor has been qualified through series of qualification criteria. Transferring the contract work to others through power of attorney defeated the very purpose of registration of contractor and also the purpose of tendering.’

On scrutiny of records, it was noticed that five contractors authorised individuals through Power of Attorney to execute the works on their behalf. Further, it was seen that the authorised individuals did not have a valid registration with the Department. Details of works sub-contracted, contractors and sub-contractors involved are given in the following **Table-3.19**:

Table-3.19: Details of works sub-contracted

(₹ in crore)

Sl. No.	Name of project	Executing Department	Name of contractor	Sub-Contractor	Contract Amount
1.	Construction of Bamboo Link Road from R. Tuirial to Bukpui 0-40 Km (Phase I) <i>Sub-Head: Formation Cutting (0-11 KMP)</i>	PWD	Lalhluna	Lalruata	0.96
2.	Upgradation of Thanlon-Singhat Road (Ngopa-Tuivai)	PWD	H. Lalengliana	C. Thanchungnunga	0.49

Sl. No.	Name of project	Executing Department	Name of contractor	Sub-Contractor	Contract Amount
	<i>Sub-Head: Formation Cutting (63-65 KMP)</i>				
3.	Upgradation of Thanlon-Singhat Road (Ngopa-Tuivai) <i>Sub-Head: Formation cutting (92-94 KMP)</i>	PWD	R. Rokunga	Lalnunmawia	0.68
4.	Construction of 100 Bedded Civil Hospital at Saiha <i>Sub-Head: Main Building</i>	PWD	F. Sangkunga	Ram Kripal Singh	10.69
5.	Construction of Table Tennis Training Centre cum Basket Ball Court, Mission Vengthlang, Aizawl	UD&PA	T. Neihlaia	Abdulla	3.70
Total					16.52

Source: Departmental records

Thus, authorisation of individuals through Power of Attorney for execution of the work costing ₹ 16.52 crore by the contractors was in violation of the State Government's order and also defeated the very purpose of tendering. Further, there was risk of deficiency in the quality of the works executed due to the non-establishment of the technical competency of the sub-contractors who were not registered with the Department.

Recommendation: *The State Government should fix responsibility on the concerned officials for allowing sub-contracting of work.*

3.3.6.6 Status of Completion of work/ project

(i) Delay in completion

Scrutiny of records revealed that none of the works were completed on time. Project-wise details of delay in completion of work/ project are given in **Appendix – 3.3.3**. The delay in completion of projects ranged from 63 to 2,323 days from the stipulated date of completion. An overview of the same is given in the following **Table-3.20**:

Table-3.20 : Details of delay in completion of projects

Sl. No.	Scheme	No. of projects	Delay in days (Range)	Remarks
1	Schemes of NEC	11	63 to 2,323	One project was closed on "as is where is" basis. Others were completed beyond their scheduled date of completion.
2	NLCPR	8	802 to 1,893	Two projects were closed on "as is where is" basis while one project reported as completed was not completed till the time of audit. Others were completed beyond their scheduled date of completion
Total		19	63 to 2,323	

It was noticed in audit that one project reported as completed was yet to be completed as on date of audit (July 2022) and discussed in **Paragraph 3.3.7.1(I)**.

(ii) Abandoned/ Closed on “as is where is” project:

Three out of 19 selected projects were abandoned/ closed on “as is where is” basis as shown in the following **Table-3.21**:

Table-3.21: Projects were abandoned/ closed**(₹ in crore)**

Sl. No.	Sector	Scheme	Name of project	Approved cost	Expenditure
1.	Irrigation & Flood Control & Watershed Management)/ Water supply	Scheme of NEC	East Lungdar Multi village Water Supply Scheme (Pumping), Serchhip District, Mizoram	11.00	0.00
2.	Transport & Communication/ Roads & Bridges	NLCPR	Construction of Bamboo Plantation Link Road to proposed Bamboo Plantation Areas from Tuirial Airfield to Bukpui - I (0-40 Kmp)	22.39	7.05
3.		NLCPR	Construction of Bamboo Plantation Link Road to proposed Bamboo Plantation Areas from Tuirial Airfield to Bukpui - II (40-84 Kmp)	25.13	8.79
Total				58.52	15.84

The status of abandoned/ closed projects are discussed as follows:

(I) Schemes of NEC: East Lungdar Multi village Water Supply Scheme (Pumping), Serchhip District, Mizoram

MDoNER accorded (09 February 2018) administrative approval of the project at a cost of ₹ 11.00 crore and released a token amount of ₹ 10.00 lakh. The project was, however, put on hold by the Ministry and eventually dropped (17 September 2018) by NEC’s Project Identification Committee. The SLEC proposed for retention of the project under “one time exemption” and requested (25 April 2019) NEC for approval. NEC, however, advised (16 January 2020) the State Government to propose the project to the concerned line ministry and refund the token amount. NEC declared the project closed/ cancelled on “as is where is” basis *w.e.f.* 31 March 2020.

The token amount of ₹ 10.00 lakh was refunded on 20 July 2020.

(II) NLCPR: Transport & Communication/ Roads & Bridges Sector: Construction of Bamboo Link Road from R. Tuirial to Bukpui - Unfruitful Expenditure of ₹ 15.84 crore

(1) Phase – I (0-40 Km): ₹ 22.39 crore and

(2) Phase – II (40-84 Km): ₹ 25.13 crore

With a view to provide road link to an area earmarked for bamboo plantation along the basin of River Tuirial between Aizawl and Bukpui village, State Government proposed construction of link road to proposed bamboo plantation areas from Tuirial Airfield to Bukpui, Phase – I (00/00 – 40/00 Kmp) and Phase – II (40 to 84 Kmp). The project was

expected to benefit a large number of families, particularly in rural areas, apart from the various economic impacts derived from the bamboo industry.

MDoNER, Government of India accorded (December 2006) administrative and financial approval under Non-Lapsable Central Pool of Resources (NLCPR) of ₹ 20.15 crore (90 per cent of the admissible grant with a total estimated cost of ₹ 22.39 crore) for Phase – I and ₹ 22.61 crore (90 per cent of the admissible grant with a total estimated cost of ₹ 25.13 crore) for Phase-II. The remaining ₹ 2.24 crore and ₹ 2.51 crore (10 per cent each) were to be raised by the State Government for Phase – I and Phase – II respectively. Components of the projects included (i) Formation cutting with unlined side drain and jungle clearance, (ii) Gravel pavement, (iii) Construction of Culverts and (iv) Construction of Bailey bridges. The work was to be completed within 24 months from the date of sanction *i.e.*, by December 2008.

Accordingly, first installments amounting to ₹ 7.05 crore and ₹ 7.91 crore were released (December 2006) by MDoNER for Phase – I and Phase – II respectively. The time frame for completion of the work was 24 months from the date of financial sanction; therefore, the target date of completion was December 2008. The State Government released (August 2007) the State matching share of ₹ 88 lakh for Phase - II of the project only.

Inspections undertaken (December 2012) by officials from the Ministry of DoNER revealed compromise with the quality and quantity of the work and considerable delay leading to cost escalation and time overrun. As such, there was no release of subsequent installments by the Ministry of DoNER and the projects were put on hold after first installment funds were exhausted. The overall physical progress of Phase – I was 37.75 per cent while it was 43 per cent for Phase – II as per Quarterly Progress Report ending September 2015.

The State Government was directed (January 2013) by the Ministry to prepare detailed action plan for completion of the project within the sanctioned cost indicating physical quantities (scope), quality (specification), financial estimates and timeframe for execution of balance work as per administrative sanction of the schemes. MDoNER also intimated GoM that further release will be possible provided the action plan is found satisfactory. However, the Ministry of DoNER rejected (May 2013) the action plans submitted by the State Government as it was not prepared as per Indian Road Congress (IRC) specifications and involved change in scope of the work which was in violation of the NLCPR guidelines. Further, MDoNER decided (March 2015) not to release any further amount as the project failed to achieve its objectives.

The State Government, in order to avoid recovery of the released amount, proposed (July 2017) for closure of the projects on an “*as is and where is*” basis stating that serviceable construction has been done serving useful communication and transport needs of the people of the area during *Mautam*/ bamboo flowering period and considered the project successfully closed. Accordingly, the projects were closed (November 2017) on “*as is and where is*” basis by MDoNER.

It was seen that the implementation of the project was beset with irregularities like delay in completion or non-completion of work by contractor, huge deviation in executed quantity, non-execution of items of work, non-release of state matching share against the first installment, preparation of action plan with change of scope of work in violation of NLCPR guidelines, *etc.*

Further, it was noticed during joint physical inspection (27 January 2022) that the Link Road was accessible upto a stretch of 0 to 11 km only. In the entire stretch of the road inspected by audit, no side drain was visible and there was no sign of water bound macadam (WBM)/ Granular Pavement.

Illustrative photos are given as follows:



Pic: Link-road without side drain and gravel **Pic: Link-road without side drain and gravel**

In view of the above, the State Government's contention that serviceable construction has been done serving useful communication and transport needs of the people of the area during *Mautam*/ bamboo flowering period and treating the project as successfully closed, was not tenable.

Thus, the entire expenditure amount of ₹ 15.84 crore (Phase – I: ₹ 7.05 crore and Phase – II: ₹ 8.79 crore) was unfruitful.

Reply of the Department has not been received (February 2023).

3.3.7 Major observations - Individual projects

Scrutiny of records revealed that there were other major irregularities in the execution of the projects such as non-completion of works, diversion of funds, non-achievement of project objectives, wasteful expenditure and irregularities in procurement, *etc.* These irregularities, observed in course of the audit, are discussed in the succeeding paragraphs sector-wise, scheme-wise.

3.3.7.1 Power Sector

(I) NLCPR: Construction of 132 kV Single Circuit line on Double Circuit towers from Kolasib to Aizawl (Melriat) with LILO of one circuit at Aizawl (Zuangtui) 132 kV Sub Station - ₹ 22.49 crore – Non completion of the project

Based on a proposal submitted (September 2005) by GoM for construction of 132 kV Single Circuit Line of length 90 KM on Double Circuit tower from Kolasib to Melriat with Loop In Loop Out (LILO) at Zuangtui 132 kV Sub-Station and 132 kV Line Bays at Kolasib and Melriat 132 kV Sub-Stations with an estimated cost of ₹ 24.97 crore, MDoNER accorded (December 2005) administrative approval at the revised estimated cost of ₹ 21.51 crore and sanctioned financial assistance of ₹ 19.36 crore (90 per cent) on 22 December 2005. The balance amount of ₹ 2.15 crore was to be contributed by the State Government. The project aimed at (i) Evacuation of power to be generated by Bairabi Thermal Project (22.92 MW) and Bairabi HEP (80 MW) and (ii) enabling the State to draw power directly from Assam as and when power is not available from Manipur or Tripura. The timeframe for completion of the project was 36 months from the date of administrative approval *i.e.*, by December 2008. DoNER and the State Government released ₹ 17.04 crore and ₹ 1.89 crore respectively in three installments. The State Government further released ₹ 6.04 crore (₹ 3.46 crore as gap funding on 31 January 2014 and Special Central Assistance: ₹ 2.58 crore on 07 January 2021) of which an amount of ₹ 90 lakh is lying in K-Deposit as of date of audit (January 2022).

The work was awarded to a contractor³⁷ (October 2006) for ₹ 28.66 crore (33 per cent above the estimated cost) against the sanctioned amount of ₹ 21.51 crore. Contract agreement was signed (January 2007) between the Power and Electricity Department, GoM and contractor at 50 per cent of the cost of the quoted price as evaluated on provisional quantity subject to change after actual quantities are ascertained. The target date of completion of the project was December 2008. Letter of Intent was issued (December 2006) for an amount of ₹ 14.33 crore. As of February 2022, an amount of ₹ 24.07³⁸ crore was expended towards the execution of the project.

(a) Price variation and cost escalation due to time overrun

As per the agreement (05 January 2007), price of materials was *per* MT basis on Free on Truck (FOT) destination including all taxes, duties, freight, *etc.* Price for steel structure was variable as per Indian Electrical and Electronics Manufacturers Association's (IEEMA) price variation formula and the material has to be delivered within three months from the date of contract agreement. The scope of agreement include *inter alia* design, manufacture, testing, supply and delivery of towers.

As per Schedule of Items and prices annexed to the contract agreement, the contractor was to supply 1,380.26 MT of galvanised steel works including charges, gussets, *etc.*, for superstructure @ ₹ 76,302 per MT.

It was seen that set of designs and drawings for B&C-type and S-type towers necessary for commencement of work were submitted in January and March 2008 by the contractor for which approval was conveyed by the Department in April 2008 and September 2008 respectively.

³⁷ M/s ZT Power, Aizawl

³⁸ MDoNER share: ₹ 17.04 crore, State share: ₹ 1.89 crore, Gap funding: ₹ 3.46 crore and SCA: ₹ 1.68 crore

It was also seen that due to late submission of set of drawings and delay in approval of drawings, the contractor commenced supplying galvanised superstructure materials for B-Type tower from September 2008 onwards *i.e.*, 14 months after the expiry of the stipulated delivery period of three months from date of agreement leading to cost escalation. A total of 406.168 MT galvanised superstructure materials for B-Type tower was supplied during September 2008 to April 2014 and an expenditure of ₹ 3.85 crore was incurred. It was observed that the same supplies could have been made at the cost of ₹ 3.10 crore if the supply was made during the stipulated time. Thus, the Department made payment amounting to ₹ 75 lakh towards price escalation in contravention of the contract agreement. Details are given in the following **Table-3.22**:

Table – 3.22 : Details of price variation paid in contravention of the Contract Agreement

(₹ in lakh)

Sl. No.	Supply as per agreement				Price Variation paid				Total paid	Price variation for the month (as per IEEMA)
	Date	Qty.	Rate	Amount	Date	Qty.	Rate	Amount		
1.	05-09-08	176.236	0.763	134.47	23-09-08	26.626	0.189	5.04	139.51	June 2008
						149.61	0.199	29.78	29.78	July 2008
2.	22-10-08	60.247	0.763	45.97	22-10-08	60.247	0.198	11.91	57.88	Aug. 2008
3.	22-10-08	30.21	0.763	23.05	22-10-08	30.21	0.008	0.24	23.29	Sept. 2008
4.	25-04-12	19.365	0.763	14.78	25-04-12	19.365	0.194	3.75	18.53	Sept. 2011
5.	25-04-12	60.217	0.763	45.95	25-04-12	60.217	0.180	10.84	56.79	July 2011
6.	25-04-12	23.534	0.763	17.96	25-04-12	23.534	0.193	4.55	22.51	Aug. 2011
7.	07-01-13	20.623	0.763	15.74	07-01-13	20.623	0.263	5.43	21.17	May 2012
8.	03-07-14	15.736	0.763	12.01	03-07-14	15.736	0.194	3.05	15.06	New agreement dated 24 July 2014
Total		406.17	-	309.93	-	406.17	-	74.59	384.52	-

Source: Departmental records

The Department frequently changed the scope of the work as the engineers of the Power and Electricity Department, GoM had no experience in construction of 132 kV Single Circuit line on Double Circuit tower which necessitated redesigning of the tower structures and also curtailment of the length of the line from 90 kms. to 59.09 kms. (December 2013). Again, the Department prepared revised DPR (October 2016) amounting to ₹ 24.97 crore by further reducing the length of the line to 46.3 kms. and incorporating the quantity of work done, balance work, expenditure statement and additional fund requirement of ₹ 5.11 crore for completion of the work. It was seen that against fund requirement of ₹ 5.11 crore, the State Government released (07 January 2021) ₹ 2.58 crore under Special Central Assistance.

The Department submitted (December 2017) completion certificate to the MDoNER indicating that the project was completed (June 2017) in all respects. However, scrutiny of records showed that the project was yet to be completed as on date of audit (February 2022) as discussed below:

- Items of works such as ground wire, arm-fitting, stringing, *etc.*, in 68 locations were yet to be completed (18 October 2018).
- As of July 2022, lawsuits which were still pending in connection with non-settlement of compensation by five land owners resulted in stoppage of work.
- Further, the project was yet to be commissioned till date of audit (February 2022).

Thus, it was observed that the completion certificate submitted by the Department to the Ministry was false.

Thus, poor planning not only resulted in slow progress of the work but also resulted in non-completion of the project even after a lapse of more than 13 years from the original stipulated date of completion and, therefore, the State has been deprived of the envisaged benefits as the project is not operational.

The reply of the Department has not been received (February 2023).

Recommendation: The State Government should fix responsibility on the concerned officials for non-completion of the project even after 13 years.

(II) Schemes of NEC: Construction of 33 kV line on tower from Aibawk to Sialsuk with associated bays and 11 kV line, Aizawl, Mizoram – Diversion of funds amounting to ₹ 76.75 lakh and doubtful expenditure of ₹ 52.20 lakh

MDoNER accorded (February 2016) administrative approval for the project “Construction of 33 kV line on tower from Aibawk to Sialsuk with associated bays and 11 kV line, Aizawl, Mizoram” for an amount of ₹ 14.78 crore (NEC: ₹ 13.30 crore and SMS: ₹ 1.48 crore). The project was executed departmentally by the Executive Engineer, Generation Division, P&E, Aizawl. The project was completed in June 2019, after a delay of two months from the stipulated date of completion (March 2019). As per the DPR approved by NEC on 26 February 2016 the length of 33 kV lines between Aibawk and Sialsuk Sub-stations would be 34 Kms and forest & environment clearance *etc.*, was not required as there was an existing 11 kV line connecting the two sub-stations. Proposed 11 kV outgoing line from Sialsuk sub-station would be 9 Kms.

(a) Unapproved change in the scope of work

As per Paragraph 19.2 N of the Revised NEC Guidelines 2015, no change in the scope of the work will be allowed. It shall be incumbent on the part of the State Government to inform the NEC about any modification/ alteration required including changes in the scheme of financing/ funding pattern of the project.

The guidelines also states that purchase of vehicle is not allowed from NEC fund, except for survey and investigations projects or projects where van/ vehicle are required for marketing and extension services. No working capital will be funded by NEC.

After the approval of the DPR, a detailed survey was conducted on the instruction (23 March 2016) of the Chief Engineer, System Operation, P&E, GoM and the length of 33 kV line was reduced from 34 Kms to 26 Kms while the length of 11 kV line was increased from 9 Kms to 15 Kms. Further, extension of 33 kV sub-station at both

Aibawk and Sialsuk was incorporated in place of 33 kV Bay at Sialsuk. Accordingly, working estimates was prepared by changing the scope of the work.

Scope of the work as per actual execution based on the revised DPR *vis-à-vis* the DPR approved by NEC is given in **Table-3.23**:

Table – 3.23 : Details of actual execution

(₹ in lakh)

Sl. No.	As per NEC Approval					As per Working Estimate/ Execution			Excess/ Savings
	Item	Unit	Qty.	Rate	Amount	Item	Qty.	Amount	
1.	33 kV Bay at Sialsuk	Number	1	28.19	28.19	Extension of 33 kV sub-station at Aibawk		181.43	
						Extension of 33 kV sub-station at Sialsuk		70.86	
					28.19		252.29	-224.10	
2.	33 kV S/C on DC Tower between Aibawk and Sialsuk	Km	34	40.70	1,383.80	33 kV SC Line on DC Tower from Aibawk to Sialsuk	26	1,113.00	270.80
3.	11 kV line Sialsuk to Chamring	Km	9	7.38	66.42	11 kV Outgoing feeder from Sialsuk sub-station	15	112.71	-46.29
Total					1,478.41	-	-	1,478.00	-

In this regard, it was seen that:

- (i) There was no record to indicate that the change in scope of work was either reported or approval obtained from the NEC.
- (ii) The justification for reduction of length of 33 kV line from 34 Kms to 26 Kms was not tenable since the proposed 33 kV line would follow the existing 11 kV line. This indicated that the length was either inflated intentionally in the DPR to inflate the cost of the project or the project DPR was prepared without following due diligence such as detailed survey, route alignment, tower spotting, *etc.* By reducing the length from 34 Kms to 26 Kms, the Department included estimates amounting to ₹ 91.19 lakh for inadmissible items such as vehicles and tools & plants such as which are in the nature of working capital and incurred inadmissible expenditure amounting to ₹ 76.75 lakh towards purchase of vehicles (₹ 56.44 lakh) and tools³⁹ (₹ 20.31 lakh) which are in the

³⁹ Digital Earth Tester, Digital Tong Tester, Single way Pulley, Portable welding machine, *etc.*

nature of working capital. This amounted to diversion of fund. Details are given in **Appendix – 3.3.4.**

- (iii) The proposed 11 kV outgoing line from Sialsuk sub-station to Chamring would be 9 Kms. However, it was revised to 15 Kms which indicated that due diligence such as detailed survey, route alignment, *etc.*, was not followed during the preparation of the DPR. Further, justification for the same was not recorded in the working estimates.
- (iv) The change in scope of work without the approval of NEC not only violated NEC guidelines but also resulted in incurring expenditure on inadmissible items amounting to ₹ 76.75 lakh.

(b) Doubtful expenditure on hiring of vehicle

The Department hired (15 May 2017) one vehicle, a pickup truck (MZ-01 D-2763) from Ms. Tlangpari for utilisation during “construction of 33 kV DC line on Lattice Type from Aibawk to Sialsuk Sub-station” at the rate of ₹ 45 per km. The terms and condition for hiring of vehicle (issued on 15 May 2017) include, *inter alia*, that the daily mileage would be restricted to 500 kms and bills along with log book should be submitted. The cost of hiring the vehicle for eight months from June 2017 to January 2018 amounted to ₹ 52.20 lakh. Log book of the hired vehicle was not maintained.

In this regard, it was seen that the distance from Aibawk to Sialsuk is 18 kms (*approx.*) with a travel time of 35 minutes (*approx.*). As per bills/ vouchers, the vehicle travelled 491 km daily on average. This indicated that the vehicle travelled “to and fro” between Aibawk and Sialsuk 13.64 times per day which was doubtful.

Further, it was noticed, the present owner of the vehicle was residing in Assam (Second owner) and No Objection Certificate (NOC) for the vehicle was issued for Hailakandi, Assam (MZ1) *vide* No. MZ/0218/01/LGV dated 25 March 2010.

In view of the above, Audit could not ascertain the veracity of the utilisation of the hired vehicle and thus expenditure of ₹ 52.20 lakh towards hiring of vehicle was doubtful.

Thus, due to change in scope of work, the Department incurred expenditure on inadmissible items amounting to ₹ 76.75 lakh and also incurred doubtful expenditure of ₹ 52.20 lakh on hiring of vehicle.

Reply of the Department has not been received (February 2023).

3.3.7.2 Science & Technology Sector

(I) Schemes of NEC: Establishment of Rural Information Kiosks in 300 villages - ₹ 4.90 crore – Non achievement of project objectives

The project ‘Establishment of Rural Information Kiosks (RIKs) in 300 villages’ was sanctioned (March 2012) by NEC at an approved cost of ₹ 4.90 crore for setting up RIKs in 300 villages for Information and Communication Technology (ICT) -enabled service delivery outlets in all villages of Mizoram providing a range of Government

and business services to the people in the village in which he/ she resides in a single window clearance like birth certificate, caste certificate, land registration, property registration, utility bills, public grievances, inner line permit, tax payment and online passport application.

RIKs would be provided with terminal software for B2C (Business to Consumer) services and application software for G2C (Government to Consumer) services at each kiosk that would help in delivering end-to-end service applicability in a marketable format. The fund earmarked for application software⁴⁰ and terminal software⁴¹ as per NECs approved cost was ₹ 10.00 lakh and ₹ 30 lakh (at the rate of ₹ 10,000/ unit for 300 units/ terminals) respectively. The project was to be completed within 12 months from the date of release of fund by NEC *i.e.*, March 2013.

An agreement was made (15 October 2012) between the Mizoram State e-Governance Society (MSeGS)/ Nodal Agency, a society under the Department of Information & Communication Technology, GoM and M/s Zoram Electronics Development Corporation Ltd. (ZENICS), a GoM's public sector undertaking as Service Centre Agency (SCA). ZENICS would assume complete responsibility for the managerial, technical, financial, human resources, logistics and other resources and ensure its viability, visibility and high quality of performance of Rural Information Kiosks.

It was, however, observed that the project was taken over by the Department/ MSeGS *w.e.f.* April 2016 due to dissolution/ winding up of ZENICS. However, copy of dissolution/ winding up of ZENICS was not available.

As per available records such as UCs, vouchers, *etc.*, it was seen that an amount of ₹ 4.45 crore was utilised for procurement of equipment and its installation, bandwidth charges, multi-functional devices, *etc.*, including development of terminal software and application module amounting to ₹ 40.00 lakh⁴² (October 2018).

It was, however, observed that proposal for expenditure sanction of ₹ 44.44 lakh (5th and final installment) was submitted (05 September 2018) by the Chief Informatics Officer, Department of ICT for terminal software and application software for e-services and Mizoram Online Public Service Delivery portal acting as a one-stop window. It was also stated in the proposal that Village Level Entrepreneurs (VLEs) under RIK found it difficult to sustain as RIK was not very successful due to absence of online public service from the Government departments.

Accordingly, expenditure sanction of ₹ 44.44 lakh was accorded in March 2019. Instead of procuring the terminal and application software for the e-services, the Department utilised ₹ 38.91 lakh out of the sanctioned amount of ₹ 44.44 lakh towards procurement of computer and its peripherals for upgradation of ICT Training Centre,

⁴⁰ **Application software** is a type of computer program that performs a specific personal, educational, and business function.

⁴¹ **Terminal application**, is a computer programme that emulates a video terminal within some other display architecture. Though typically synonymous with a shell or text terminal, the term terminal covers all remote terminals, including graphical interfaces.

⁴² from Interlace India Private Limited.

ICT Offices, Secretariat Offices and Chief Minister's Office, etc. Thus, it can be seen that an amount of ₹ 38.91 lakh was diverted from the scheme fund.

The Department stated (July 2022) that computer peripherals were utilised for training of RIK VLEs and upgrading and replacing of outdated systems.

The reply is not tenable since relevant records/ documents in support of trainings conducted and Stock and Issue Register for replacement of outdated systems were not maintained by the Department. Further, the justification for proposal was not tenable as terminal software and application software for one stop window/ single window portal were already procured (October 2018) by incurring an expenditure of ₹ 40.00 lakh.

A joint physical inspection (JPI) was conducted on 27 May 2022. Out of 18 RIKs selected for JPI, two RIKs could not be visited since the concerned VLEs were out of station, seven RIKs were stated to be non-functional by the Department and as such were not visited, while five (28 per cent) VLEs could not be contacted/ traced. In four RIKs visited, it was seen that VSAT equipment was provided but there were issues in internet/ bandwidth connectivity. Thus, internet arrangement was made by the VLEs themselves and services were provided through e-District, e-Bharat, Digital Seva, etc. Mizoram Online Public Service Delivery Portal was not set up in all the cases.

It was stated (July 2022) that the Department did not have contact details of RIK-VLE since detailed information regarding the project were not handed over by ZENICS. Further, RIK-VLEs joined and registered themselves as Common Service Centre-Special Purpose Vehicle (CSC-SPV) CSC under SEVA Portal. Consequently, the Department could not trace out RIK-VLEs among the CSC-VLEs since there are approximately 900 CSC-VLEs operational in Mizoram.

As per list of RIK-VLEs recommended by Selection Committee in three phases, there were only 286 selected RIK-VLEs. Cross-checking of selected 286 RIK-VLE list and 899 registered CSC-VLEs revealed that only 67 RIK-VLEs were found (22.33 per cent of 286 RIK-VLEs) registered in CSC-SPV.

Thus, the objective of setting up RIKs in 300 villages for ICT-enabled service delivery outlets providing a range of Government and business services to the people in the villages remained unachieved as of July 2022.

3.3.7.3 Medical and Health Sector

(I) Schemes of NEC - Construction of 100 bedded Civil Hospital at Siaha: Irregularities in execution of electrical works and procurement of bed lift

NEC accorded (23 September 2013) administrative and financial approval for the project "Construction of 100 bedded Civil Hospital at Siaha" at a cost of ₹ 15.92 crore (NEC: ₹ 14.33 crore and State matching share: ₹ 1.59 crore). The components of the project are shown in the following **Table-3.24**:

Table-3.24 : Details of the components of the projects

Sl. No.	Items of works	Approved cost (₹ in crore)
1.	Main Building	13.15
2.	Administrative Building	0.67
3.	Type IV Quarters	1.13
Sub-Total		14.95
4.	Add: Cost Index at 6.50 per cent	0.97
Grand Total		15.92

Out of the expenditure sanction of ₹ 15.92 crore, an amount of ₹ 12.29 crore was incurred for construction of three components of work (Civil) and ₹ 3.63 crore was transferred to Lunglei Electrical Division, PWD for internal electrification, power distribution, Supply, Installation Testing & Commissioning (SITC) of passenger (Bed) Lift, firefighting/ detection system, *etc.* Accordingly, EE, Electrical Division, Lunglei PWD executed the works departmentally (Internal Electrification) and through three firms (SITC).

(a) Irregularities in execution of electrical works

Scrutiny of records such as bills/ vouchers, Measurement Books, Material-at-Site (MAS) Accounts, detailed estimates, technical sanctions *etc.*, revealed the following lapses in execution of electrical works:

- (i) Supply of electrical peripherals such as PVC casing & capping pipe, flame retardant low smoke & halogen, LED tubes, modular switch & sockets, exhaust fan, ceiling fan *etc.*, were made by private individuals and one firm (M/s Eastern Electricals, Aizawl) with bills prepared in A4 paper sheets amounting to ₹ 40.67 lakh during November 2017, December 2017 and June 2018. There was no GST/ TIN information.
- (ii) **Main building:** Materials worth ₹ 33.26 lakh were shown as utilised during the month of November and December 2017 as per Material-at-Site A/c while 316 muster roll labourers were shown as engaged for an amount of ₹ 28.14 lakh during January 2018 (Skilled-II: 43, Semi-Skilled: 54 and Unskilled: 67) and February 2018 (Skilled-II: 41, Semi-Skilled: 53 and Unskilled: 58). It was highly improbable that such a huge number of muster roll (MR) labourers (316 nos.) would be engaged for two months for electrical works of the main building of the hospital.
- (iii) **Type-IV quarters:** Materials worth ₹ 7.41 lakh were shown as utilised during the month of June 2018 as per MAS A/c while 27 MR labourers (Skilled-II: 8, Semi-Skilled: 10 and Unskilled: 9) were shown as engaged for an amount of ₹ 2.59 lakh during January and February 2018. It can be seen that materials were utilised during June 2018 while MR labourers were engaged during January and February 2018.

In view of the above, Audit could not vouchsafe the authenticity of the vouchers/ MRs amounting to ₹ 71.40 lakh (Material cost: ₹ 40.67 lakh *plus* Labour cost: ₹ 30.73 lakh).

(b) Irregularities in procurement and installation of Bed Lift

EE, Electrical Division, Lunglei PWD technically approved (March 2017) installation of “OTIS make electric traction passenger cum stretcher elevator for 20 persons” costing ₹ 50.50 lakh in the 100 bedded Civil Hospital at Siaha.

It was, however, noticed that the Department installed “13 passengers, SS Side slide Auto Door Lift with V3F” supplied by L.T. Elevator Pvt. Ltd., Kolkata at a cost of ₹ 50.50 lakh in the hospital (March 2021). Reasons for non-installation of approved specification of passenger (Bed) lift was not on record. Further, during joint physical inspection, it was seen that the lift was non-functional since the time of installation.

Reasons for non-repairing of lift was not furnished (February 2023).

3.3.7.4 Miscellaneous Sector

(I) NLCPR: Strengthening of Government Press – ₹ 8.42 crore: Non-achievement of project objectives

The project “Strengthening of Government Press at Aizawl” aimed at setting up of the first printing institute in Mizoram which will help in producing skilled labor by imparting practical training and in turn meet the requirement of printing press in the State by minimising the State’s dependency on neighbouring states.

MDoNER, GoI accorded (March 2011) administrative and financial approval for implementation of the project “Strengthening of Government Press at Aizawl” at a cost of ₹ 8.42 crore (NEC: ₹ 7.58 crore and SMS: ₹ 84 lakh) mainly for procurement of printing press equipment/ machineries. Target date for completion was March 2012 *i.e.*, 12 months from the date of sanction of the project. An amount of ₹ 8.11 crore (NEC: ₹ 7.30 crore plus SMS: ₹ 81 lakh) was released to the Printing and Stationery (P&S) Department, GoM for execution of the project.

(a) Faulty planning and preparation of unrealistic DPR

As per the DPR and Concept paper prepared by the Department, land & buildings for the project were already available at Luangmual and Chawnpui localities which are easily accessible and having enough space to accommodate office, class rooms, practical rooms and library for the printing institute.

On scrutiny of records (January 2022), it was observed that the buildings at the proposed site were utilised as stationery depot as well as for staff quarters. Besides, these buildings were not suitable for installation of heavy machinery since the buildings were located on a slope. As such, attempt was made to install the machines where the office of the P&S Department was temporarily located. However, an objection was raised as the land lease belonged to Information & Public Relation Department. As a stop-gap arrangement, the machine (Sheet fed SM 74⁴³) was shifted and installed (July 2016) in the basement of Secretariat Annex-II.

⁴³ Offset Colour Printing Machine

The project was reported as completed in June 2017 after a delay of five years three months from the stipulated date of completion.

As per DPR, all the machines are related to each other and therefore installation has to be done simultaneously for functioning/ commissioning of the printing press.

However, during joint physical inspection, it was noticed that printing equipment and materials worth ₹ 1.16 crore were lying idle rendering the expenditure wasteful. Details are given in **Appendix – 3.3.5**.

Illustrative photos are given below:



Pic: Digital Press (₹ 60.50 lakh) lying idle at Assistant Controller room



Pic: UV Coating Machine (₹ 29.00 lakh) lying idle at Assistant Controller room

It was also observed that school text books printing was not done by the Department during the period 2018-19 to 2021-22. For the session 2022-23, text book printing was entrusted to the Department by the Government. However, it was outsourced to a private printing press⁴⁴.

Further, the prospect of establishing the first printing institute in the State could not materialise due to non-availability of space/ buildings. During physical inspection, training materials like projector, personal computers, *etc.*, were found lying idle.

Thus, the objective of strengthening of Government press remained unachieved. Besides skill development of labour through training could not be achieved due to non-establishment of printing institute even after incurring an expenditure of ₹ 8.11 crore.

Reply of the Department is awaited (February 2023).

Recommendation: The State Government should fix responsibility on the concerned officials for non-achievement of the project objective even after incurring expenditure of ₹ 8.11 crore.

3.3.8 Monitoring

3.3.8.1 Evaluation

As per Paragraph 6.3 of NLCPR Guidelines, 2016 and Paragraph 24.6 of NEC Guidelines 2015, monitoring and evaluation of implementation of the project shall be

⁴⁴ M/s Maranatha Printing Press, Aizawl

undertaken through field inspections by officers of the Ministry of DONER, as well as through impact studies, social audits and evaluations conducted by Government or through independent agencies at the request of the Ministry (DONER).

MDoNER schemes envisaged creation of assets for improvement of infrastructure, which included construction of roads and bridges, power infrastructure, information and communication technology, medical and health facilities, water supply, *etc.*, having direct impacts on the day-to-day life of the people of the State. Hence, it is desirable to conduct a post-implementation study to ascertain the efficiency and effectiveness of operation of such infrastructure and to measure its impact on the targeted population/beneficiaries.

However, the Government of Mizoram has not conducted any impact studies, social studies and evaluation of projects funded by Ministry of DoNER.

3.3.8.2 Transparency, Information and Publicity about projects

After approval of a project by the Ministry of DoNER, the State Government was required to put up display boards at the project site indicating the date of sanction of project, duration, due date of completion, estimated cost, source of funding, name of contractor and physical targets to be achieved. All schemes/ projects supported from the Central Pool were to be given wide publicity in the local media. Even after completion of the projects, the State Government was required to put a permanent display on sites. (Paragraph 26.1 of NEC Guidelines, 2015 and Paragraph 7 of NLCPR guidelines 2016).

It was noticed that out of 13 projects visited by joint physical inspection team, the guidelines were adhered to in only seven projects. Display boards were not put up in six project sites.

This indicated that the implementing and nodal departments had not ensured adequate dissemination of information to the general public and also failed to ensure transparency, as envisaged in the guidelines.

3.3.8.3 Social Audit

Paragraph 17.8 of NEC Guidelines, 2018 provides that States implementing social audit should include all NEC-funded projects in the Social Audit calendar. States are also encouraged to facilitate social audit with a view to enabling people at the grass root level including beneficiaries themselves to actually know that NEC funded projects are properly implemented and funds are properly utilised as envisaged in the aims and objectives of the different projects.

It was observed that the Planning & Programme Implementation Department, GoM has not taken any step for conduct of social audit of NEC-funded projects as of date (July 2022).

3.3.9 Conclusion

The success of projects funded by Ministry of Development of North Eastern Region (MDoNER) essentially depended on effective implementation of project activities,

regular monitoring and efficient financial management. There were inadequacies in all these three key aspects, as brought out by audit.

The execution of projects was not satisfactory since none of the sampled projects sanctioned by the Ministry were completed within the stipulated time. The delay in completion of works/ projects ranged from 63 to 2,323 days from the stipulated date of completion. Major hurdles in timely completion of projects were lack of adequate planning and delays in transmission of funds to the executing agencies. Further, it was also noticed that there was diversion of funds and irregular expenditure on unapproved items in violation of the NLCPR Guidelines. Three projects were closed on “as is where is” basis resulting in unfruitful expenditure.

One project, reported as completed, was not completed even after a lapse of more than 13 years from the original stipulated date of completion due to change in scope/ specification, slow progress of work, time overrun, cost escalation and legal issues. The objective of setting up Rural Information Kiosks (RIKs) and strengthening of Government Press remained unachieved.

3.3.10 Recommendations

- *State Government should ensure timely release of funds to avoid delay in completion of projects.*
- *MDoNER guidelines, State Government orders and codal provisions relating to tendering process, parking of funds, sub-letting of contracts, etc., should be strictly followed.*
- *Factors attributable to stoppage of work, works remaining incomplete/ abandoned, assets lying idle and slow progress of work should be analysed, responsibilities fixed and remedial action taken up in a time bound manner.*
- *State Government should conduct impact studies and social audit to evaluate the benefits and impact of the projects funded by Ministry of DoNER.*
- *State Government should fix responsibility on the concerned officials for non-completion of projects and non-achievement of project objectives.*

COMPLIANCE AUDIT

AGRICULTURE DEPARTMENT

3.4 Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) in Mizoram

3.4.1 Introduction

Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) scheme is a Central Sector Scheme with 100 per cent Government of India funding to provide income support to all landholding farmer families in the country having cultivable land. It took effect from 1 December 2018 and the cut-off date for determination of eligibility of beneficiaries was 1 February 2019. The scheme aims to provide income support and risk mitigation for farmers on Direct Benefit Transfer (DBT) mode. Under this scheme, income support

of ₹ 6,000 *per annum* is provided by the Central Government directly into the bank accounts of all eligible farmers' families across the country in three equal installments of ₹ 2,000 every four months as income support for meeting expenses related to agriculture and allied activities, as well as for domestic needs. The salient features of the scheme are as under:

1. A landholder farmer's family is defined as "a family comprising of husband, wife and minor children, who own cultivable land as per land records of the State". Only one person from the defined farmer family is entitled⁴⁵ to the scheme benefits, provided that the person is the landowner as per records.
2. Identification of the beneficiaries is to be based on the existing land ownership systems in the States and payment will be made only to those families whose names figure in the land records.
3. The State Government is entirely responsible for identification and ensuring the correctness of beneficiaries' details and for preparation of database of eligible landholder farmer families in the villages capturing the name, Age, Gender, Category (SC/ ST), Aadhaar (unique biometric identification) number, Bank Account Number and the Mobile number of the beneficiaries.
4. The amount due to the beneficiaries under the scheme is to be paid directly into their bank accounts through Direct Benefit Transfer (DBT) using Public Financial Management System (PFMS) portal.

The scheme is being implemented through a unique biometric identification number - linked electronic database containing details of all members of the families of the farmers 'whose names appear in the land records'. The list of beneficiaries identified by the State shall be valid for one year.

In Mizoram, PM-KISAN is implemented wholly on DBT mode. All installments are paid directly into the bank accounts of the beneficiaries using Public Financial Management System (PFMS) portal. The overall updated total number of beneficiaries and amount released in Mizoram till 26 August 2022 is shown in in the following

Table-3.25:

Table - 3.25 : Number of beneficiaries and amount released

(₹ in crore)

Year of registrations	No. of Beneficiaries		Amount released	Remarks
	Total No. of registrations	Total No. of registrations verified by PM-Kisan Portal		
2018-19	74,724	36,932	64.28	1 st to 11 th installments
2019-20	71,856	50,841	71.43	1 st to 9 th installments
2020-21	95,475	95,571	58.99	1 st to 7 th installments
Total	2,42,055	1,83,344	194.70	

⁴⁵ Land holding family provided they are not Government servant or pensioner

The Nodal Department for the implementation of PM-Kisan Scheme in Mizoram is the Department of Agriculture. However, the actual execution of the scheme at the field level including the registration and verification of the scheme beneficiaries was done by the Block Development Officers of the Rural Development Department, Government of Mizoram.

3.4.2 Scope, Sample and Methodology

The audit covered the period from the date of commencement of the scheme *i.e.*, 24 February 2019 till 31 March 2021. In Mizoram there are eight Districts with 26 blocks. Out of the eight Districts, three Districts *viz.*, Lawngtlai, Lunglei and Champhai Districts were selected on the basis of simple random sampling method. The blocks and villages were selected giving weightage to the saturation level of PM-Kisan scheme beneficiaries. Selection of block and villages was done as shown in the following **Table-3.26:**

Table - 3.26 : Selected units for Audit

Name of District	Name of Block	Name of Village	No. of beneficiaries	No. of beneficiaries Selected
Lawngtlai	Chawngte	Kamalanagar II	1,370	15
		New Jagansury II	138	15
		Parva III	44	15
	Sangau	Lungpher S	560	15
		Lungtian I	186	15
		Siachangkawn	36	15
Sub – Total (A)	2	6	2,334	90
Lunglei	Lungsen	Phairuankai	136	15
		Zawlpui	183	15
		Bornasuri	34	15
	Hnahthial	S Vanlaiphai	511	15
		Muallianpui	130	15
		Lungpuitlang	38	15
Sub Total (B)	2	6	1,032	90
Champhai	Ngopa	Mimbung	749	15
		NE Khawdungsei	328	15
		Lamzawl	66	15
	Khawzawl	Tualte	597	15
		Dilkawn	179	15
		Chawngtlai	48	15
Sub – Total (C)	2	6	1,967	90
Grand Total	6	18	5,333	270

Significant audit findings noticed in the course of the audit are discussed in the succeeding paragraphs:

3.4.3 Absence of proper land records

As per paragraph 3.5 of the first Operational Guidelines of PM-Kisan, 2018, in some of the North-Eastern States, the land ownership rights are community based and it might not be possible to assess the quantum of landholder farmers. In such States, an alternate implementation mechanism for eligibility of the farmers was to be developed and approved by the Committee of Union Ministers of Ministry of Development of North East Region (DoNER), Ministry of Land Resources, Union Agriculture Minister and concerned State Chief Ministers or their Ministerial representative, based on the proposal by the concerned North Eastern States.

It was seen in Audit that the land ownership system in the rural areas of Mizoram is community-based (administrative control of the Village Council). There were no proper records of individual ownership of the agricultural land and the applications of some of the intending beneficiaries were submitted simply with an endorsement by the Village Council. In spite of this, the State Government did not submit proposal for an alternate implementation mechanism for eligibility of the farmers during the audit period. As such, as per the revised (29 March 2020) Operational Guidelines of PM-Kisan, specific provisions for Mizoram and exceptions on the subject of land records requirements was not made.

Thus, in the absence of a well laid-out system and mechanism approved by the Committee of Union Ministers, as done in the neighbouring states of Manipur and Nagaland, the establishment of the landholding status of the beneficiaries in the State merely on the basis of endorsement was fraught with risk of registration of ineligible beneficiaries.

The Department, while agreeing with the audit observation, stated (7 July 2022) that it is true that there are no proper records of individual ownership of agricultural land in the rural areas. Land ownership system in the rural areas of Mizoram is community-based (administrative control of the Village Council) and the applicants under this scheme mostly got endorsement of land ownership issued by their respective Village Councils.

The Department further stated that a letter has been sent to the Ministry on 29 July 2022 to exempt the State from the land record document requirement and to allow temporary Village Council Pass as a land record document. However, approval from the Ministry is awaited (February 2023). The Department also stated that at present the Department has taken up village level monitoring of all the beneficiaries of the scheme and on completion of this village level monitoring programme, it is expected that problems regarding land records of the beneficiaries will be solved to a great extent.

3.4.4 Non-maintenance of beneficiary records by the BDOs

Scrutiny of records of the six sampled BDOs revealed that 150 beneficiaries out of 270 sampled beneficiaries were registered manually by the Block Development Officers. However, out of the 150 registrations done, records of 75 beneficiaries could not be furnished to Audit. Hence, beneficiary application forms and documents which are the

primary basis for determination of eligibility were not maintained/ preserved and could not be produced to audit by the registering authority for verification.

Thus, the veracity of the applications submitted and for which financial assistances has been provided could not be ascertained in respect of the 75 beneficiaries whose records were not available.

The Department, while agreeing with the audit observation, stated (7 July 2022) that at the initial stage of implementation of the scheme, BDOs were entrusted to take up registration of beneficiaries as the 26 BDOs could cover the whole State in a short period of time due to instructions received from the Ministry to start registration of beneficiaries urgently. It was also stated that all the BDOs were presumed to maintain beneficiary records but having come to know the shortfalls in the implementation process, district level monitoring of beneficiaries is being taken up by the Agriculture Department. On completion of the monitoring, it is expected that the shortcomings in implementation will be addressed. The fact however remains that records of 75 beneficiaries could not be verified in Audit due to non-maintenance/ production of records.

Further, it was seen that there was a high saturation of farmer's enrolment as beneficiaries under the PM Kisan scheme *vis-à-vis* the total number of farmers in the districts as per Agriculture Census 2015-16 as shown in **Table – 3.27**:

Table – 3.27

District Name	Number of Farmer/ Cultivator families		Saturation (%)
	PM-KISAN Data as on 31.03.2021	As per Agriculture Census 2015-16	
Lawngtlai	63,596	15,382	413.44
Lunglei	17,082	5,975	285.89
Champhai	21,978	12,784	171.92
Aizawl	33,167	9,209	360.16
Kolasib	9,349	4,473	209.01
Mamit	21,998	5,713	385.05
Siaha	6,276	2,237	280.55
Serchhip	9,935	6,260	158.71
Total	1,83,381	62,033	295.62

Source: Departmental records/ PM-Kisan Portal

From **Table-3.27** above, it can be seen that the saturation level of beneficiaries' enrolment under the PM Kisan Scheme was very high in all the districts, with the saturation being unusually very high in Lawngtlai, Mamit and Aizawl Districts.

Audit observed that there was a high risk of ineligible beneficiaries being enrolled under the PM Kisan scheme due to lack of verification of the credentials of the applicant on the part of the Department.

The Department, while agreeing with the audit observation, stated (7 July 2022) that the BDOs were supposed to conduct mandatory five *per cent* physical verification of

beneficiaries as verification and registration of applicants were done by them. It was further stated that verification will be done along with district level monitoring of beneficiaries being carried out by the District Agriculture Officers.

3.4.5 Non-recovery of amount received by ineligible beneficiaries

Paragraph 4.2 of the revised (29 March 2020) Operational Guidelines provides that in case of incorrect self-declaration, the beneficiary shall be liable for recovery of transferred financial benefit and other penal actions as per law. Further, all persons who paid Income Tax in the last assessment year are not eligible for the benefits as per the guidelines.

Based on the data available with the Department and uploaded on the PM Kisan portal (as on 30 June 2022), it was observed that the Department detected a total of 1,142 ineligible beneficiaries due to various reasons such as wrong entry of personal details. These beneficiaries had received 3,271 installments as of March 2021 amounting to a total of ₹ 65.42 lakh. Further, 16 beneficiaries out of 1,142 ineligible beneficiaries, who received a total amount of ₹ 0.94 lakh, were also found to be income tax payees who were ineligible to receive the benefits. The District Agriculture Officers have so far detected a total of 67,534 ineligible beneficiaries from their verification as of 30 June 2022 out of a total 1,83,381 beneficiaries registered as of March 2021.

The Department intimated (July 2022) that no recovery has been made till date and instruction has been issued to District Agriculture Officers for recovery of ₹ 0.94 lakh from the 16 income tax payee ineligible beneficiaries and ₹ 22.06 lakh from 467 other ineligible beneficiaries. The Department further stated (September 2022) that a total amount of ₹ 13.19 crore was credited to the accounts of 65,926 ineligible beneficiaries identified in the State. No payment was made to 1,608 ineligible beneficiaries.

Thus, due to improper verification of documents at the time of approval of registration, 67,534 ineligible beneficiaries out of 1,83,381 beneficiaries were registered.

Recommendation: The Department should take immediate steps to recover the amount paid to all the ineligible beneficiaries after thorough verification.

3.4.6 Benefits of the scheme irregularly extended to more than one family member

As per the guidelines, a landholder farmer's family is defined as a family comprising of husband, wife and minor children, who own cultivable land as per land records of the State. Further as per paragraph 3.2 of the operational guidelines (pre-revised), if the quantum of cultivable land owned by two or more individual family members is same, the benefit will be transferred to the bank account of the elder/ eldest, as the case may be, of such members of that farmer family.

Audit noticed that out of the 270 sampled beneficiaries selected under six BDOs, eight beneficiaries were not eligible under the scheme as the elder siblings have already availed the assistance, is shown in **Table-3.28**.

Table – 3.28

Sl. No	Particulars of ineligible beneficiaries	Lawngtlai	Lunglei	Champhai	Total
1.	Same father/ same family	4	3	1	8

Source: PM-Kisan Portal

It was noticed that the eight beneficiaries have received a total of 28 installments (till March 2021) as detailed in **Appendix-3.4.1** and the total payment to them amounted to ₹ 0.56 lakh. Thus, there was irregular payment of ₹ 0.56 lakh to beneficiaries who were ineligible due to being from the same family.

The Department, while agreeing with the audit observation, stated (July 2022) that Government of India has initiated Common Service Centres (CSC) and Self Registration in PM-KISAN portal in September 2019 and mobile application on 21 February 2020. It was considered that the registration done through Common Service Centres and Self-Registration were genuine and approved accordingly. However, this kind of approval was suddenly stopped in 2021 when it was found that more than one family member got registered and even ineligible farmers registered themselves. These irregularities are expected to be addressed after completion of the monitoring by the Village Level Monitoring Committee. However, there was no record on the recovery of the expenditure of ₹ 0.56 lakh from the ineligible beneficiaries and also setting up of Village Level Monitoring Committee.

3.4.7 Review, monitoring and Grievance Redressal Committee

3.4.7(i) Poor functioning of the Grievances Redressal Monitoring Committee

As per Paragraph 7 of the revised operational guidelines of PM-KISAN, there shall be stratified review/ monitoring mechanism at National, State and District level. The States shall also notify the State and District Level Grievances Redressal Monitoring Committees for looking into all the grievances related to implementation of the scheme. Any grievances or complaints which are received should be disposed of on merit, preferably within two weeks' time.

Scrutiny of records showed that a total of 2,982⁴⁶ grievances were received by the nodal Department since implementation of the scheme till 31 March 2021. Out of these, only 15 grievances cases (0.50 per cent) were disposed of within two weeks' time by the Department. The remaining cases totaling 2,967 (99.50 per cent) were still pending as on date of audit (September 2021). There was also nothing on record to show that efforts had been undertaken to dispose of these grievances.

Scrutiny of records revealed that State and the District Grievances Redressal Monitoring Committees were constituted in March 2019. However, there were no records of meetings conducted or any activities with regard to monitoring or grievance redressal undertaken by the committees. Audit observed that the percentage of the

⁴⁶ 2,932 grievances received through web portal and 50 grievances received through email

grievances redressed was abysmally low due to the non-functioning of the grievances redressal committees.

The Department replied (July 2022) that due to the occurrence of COVID-19 and continuous lockdown in the State it was difficult to convene State & District Grievance Redressal Committee meetings. However, with cases of COVID-19 in the State coming down, the Committee will function smoothly from now on.

The reply is not acceptable as the grievances started coming in even before the COVID-19 pandemic, however, the Nodal Department did not take action to dispose of the pending grievances for a long time.

3.4.7(ii) Huge shortfall in mandatory 5 per cent verification of beneficiaries

Paragraph 10.5 of the revised (29 March 2020) Operational Guidelines provides that efforts should be undertaken by State Government to ensure checking for around five per cent of the beneficiaries for eligibility during the year.

Scrutiny of the records maintained by the Agriculture Department revealed that out of the 26 blocks in the State, BDOs of only two blocks, viz., Lungsen block in Lunglei District and Lawngtlai block in Lawngtlai District submitted the only verification report conducted in December 2019 as on date of audit (September 2021).

The Department, while agreeing with the audit observation, stated (7 July 2022) that the BDOs were supposed to conduct mandatory five per cent physical verification of beneficiaries as verification and registration of applicants were done by them. It was further stated that verification will be done along with district level monitoring of beneficiaries being carried out by the District Agriculture Officers.

3.4.8 Conclusion

The PM-Kisan scheme which was implemented from 1 December 2018 has brought benefits to the farmer beneficiaries in the State. However, the implementation of the scheme was marred by issues especially on the requirements of verification of the beneficiaries. Monitoring mechanism was weak as the disposal of grievances of farmers was very low. Moreover, the scheme was meant only for the land-holding farmer families. However, in the absence of proper land records in the State, the registration of beneficiaries on the basis of the landholding status was doubtful. Details of 75 out of the 250 sampled beneficiaries was not furnished thus casting doubt on the genuineness of the applicants. An amount of ₹ 13.19 crore was credited to the accounts of 65,926 beneficiaries who were found to be ineligible due to various reasons such as wrong unique biometric identification number, incorrect bank account details, bank and unique biometric identification details not matching, being Income Tax payees, etc. Eight beneficiaries whose family members have already received financial assistance, irregularly received a total of 28 installments again amounting to ₹ 0.56 lakh.

3.4.9 Recommendations

The State Government may consider the following recommendations:

- *An alternate mechanism to ascertain the land holdings and farmer status of the applicants may be developed.*
- *Proper screening of the applications and validation of bank accounts with unique biometric identification number linking should be done so that ineligible beneficiaries are not registered and approved in the first place.*
- *The beneficiary database on PM-KISAN portal should be updated regularly, after verification, by deleting obsolete data or data of ineligible or expired beneficiaries.*
- *Verification of the beneficiaries should be done annually as prescribed in the scheme guidelines.*
- *Prompt redressal of grievances should be done by State & District Grievance Redressal Committees as per the timelines prescribed in the scheme guidelines.*
- *Responsibility may be fixed for improper verification of documents at the time of approval which resulted in payments to ineligible beneficiaries.*

PUBLIC WORKS DEPARTMENT

3.5 Avoidable expenditure

Public Works Department incurred avoidable expenditure of ₹ 4.88 crore for construction of Darlak to Sihthiang road as the villages were already connected

As per Paragraph 2.1 of Pradhan Mantri Gram Sadhak Yojana (PMGSY) programme guidelines, 2015, the primary objective of PMGSY is to provide connectivity by an all-weather road with necessary culverts and cross-drainage structures operable throughout the year to the eligible unconnected habitations in rural areas with a population of 250 persons and above as per census 2001 in respect of the special category states⁴⁷, the desert areas, the tribal (Schedule V) areas and selected tribal and backward districts. As per Paragraph 3.1 of the Guidelines *ibid*, a habitation which was earlier provided all-weather connectivity would not be eligible even if the present condition of the road is bad.

Test-check (February 2020) of records of the Executive Engineer, Kawrthah Division of the State Public Works Department showed that Sihthiang village was connected by 11 km Chuhvel-Sihthiang paved road under Rural Infrastructure Development Fund of NABARD⁴⁸ with estimated cost of ₹ 9.59 crore. This work was executed by two contractors *viz.*, (i) M/s Northeast Consultancy Services for construction of Culverts and Protection walls at a cost of ₹ 0.93 crore starting from 13 May 2016 and

⁴⁷ Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh, Jammu & Kashmir and Uttarakhand

⁴⁸ National Bank for Agriculture and Rural Development

(ii) M/s V. Malsawmdawngliana for construction of flexible pavements at a cost of ₹ 7.77 crore starting from 23 June 2016 totalling ₹ 8.70 crore and was completed in December 2020. Therefore, Sihthiang was connected by an all-weather road from Chuhvel since December 2020.

However, it was also seen that while the construction of Chuhvel-Sihthiang paved road was being taken up since May 2016, an agreement was signed (6 August 2019) between Mizoram Rural Roads Development Agency of the State Public Works Department and the Contractor⁴⁹ for construction of Darlak-Sihthiang road under PMGSY programme at a cost of ₹ 52.81 crore to be completed by June 2020. As per the detailed project report, Sihthiang village with a population of 495 was unconnected from any part of Mamit District and the length of the proposed Darlak-Sihthiang road was 35.61 km long and the estimated project cost was ₹ 58.32 crore. The contractor started the work from February 2020 and completed the formation cutting of 7.3 km in June 2021. The work was put on hold since July 2021 due to non-availability of Forest Clearance and the Department proposed for dropping the project to the Ministry in July 2022. Out of the contract value of ₹ 52.81 crore, the Department incurred expenditure of ₹ 4.88 crore till April 2022. Thus, the expenditure of ₹ 4.88 crore on formation cutting of this road was wasteful as the project was proposed to be dropped.

The Department stated (October 2020) that PMGSY road from Darlak to Sihthiang was conceived during 2001 when Sihthiang was not connected as per PMGSY norms and was included in the Core Network-1, 2001 to provide easy access to Bairabi rail head, while the paved road from Chuhvel to Sihthiang villages was taken up during 2016.

The reply of the Department is not acceptable as the construction of PMGSY road from Darlak to Sihthiang (August 2019) was preceded by the construction of Chuhvel to Sihthiang road (May 2016) under NABARD fund.

The matter was brought to the notice of the Department and the Government (July 2022). The Government, while admitting the fact stated (August 2022) that since Sihthiang village has since been connected through NABARD loan, the project under PMGSY was proposed for dropping to the Ministry of Rural Development in July 2022.

Thus, due to negligence of the Government there was an avoidable expenditure of ₹ 4.88 crore on formation cutting of Darlak – Sihthiang road as the project was proposed to be dropped.

⁴⁹ M/s ABCI Infrastructures Pvt. Ltd, Silchar, Assam

CHAPTER – IV

**ECONOMIC SECTOR
(PUBLIC SECTOR
ENTERPRISES)**

CHAPTER-IV

ECONOMIC SECTOR (PUBLIC SECTOR ENTERPRISES)

4.1 Functioning of Public Sector Enterprises

4.1.1 Introduction

The State Public Sector Enterprises (SPSEs) consist of the State Government Companies and Statutory Corporations. The SPSEs are established to carry out activities of commercial nature keeping in view the welfare of people and the State economy. As of 31 March 2021 and 31 March 2022, there were six SPSEs (all Government companies) in Mizoram as detailed in **Table-4.1**:

Table-4.1: Total number of SPSEs as on 31 March 2021 & 2022

Type of SPSEs	Working SPSEs		Non-working SPSEs		Total	
	As of 31 March 2021	As of 31 March 2022	As of 31 March 2021	As of 31 March 2022	As of 31 March 2021	As of 31 March 2022
Government Companies ⁵⁰	5	5	1 ⁵¹	1	6	6
Total	5	5	1	1	6	6

None of these companies were listed on the stock exchange, which means that the shares of the SPSEs cannot be traded in the stock exchange. A Special Purpose Vehicle namely, Aizawl Smart City Limited (ASCL) was established⁵² (November 2017) by the State Government and incorporated under the Companies Act, 2013 (March 2018). Accounts for the years 2018-19 and 2019-20 were submitted by ASCL in July 2021.

4.1.2 Investment in SPSEs

4.1.2.1 State Government's investment in SPSEs

The State's investment in its SPSEs was by way of share capital/ loans and special financial support by way of grants.

As of 31 March 2021 and 31 March 2022, the investment by the Government of Mizoram (GoM) (capital and long-term loans) in six SPSEs was ₹ 62.92 crore⁵³ each as detailed in **Table-4.2**.

⁵⁰ Government Companies include other companies referred to in Section 139(5) and 139(7) of the Companies Act, 2013

⁵¹ Pursuant to the decision taken by the Government of Mizoram to close the Company viz., Zoram Electronics Development Corporation Limited (ZENICS), all the assets of the Company had been transferred to Mizoram e-Governance Society (MSeGS) during 2015-16. However, the process of liquidation has not been initiated till date, therefore, necessary action needs to be taken by the Government

⁵² Notification No.B.11030/114 (SPV.Est)/2017-UD&PA(SC) dated 9th November 2017.

⁵³ The figures of investment are provisional and as provided by the SPSEs, as none of the six SPSEs had finalised their accounts for 2020-21 & 2021-22 as of September 2021 & 2022 respectively

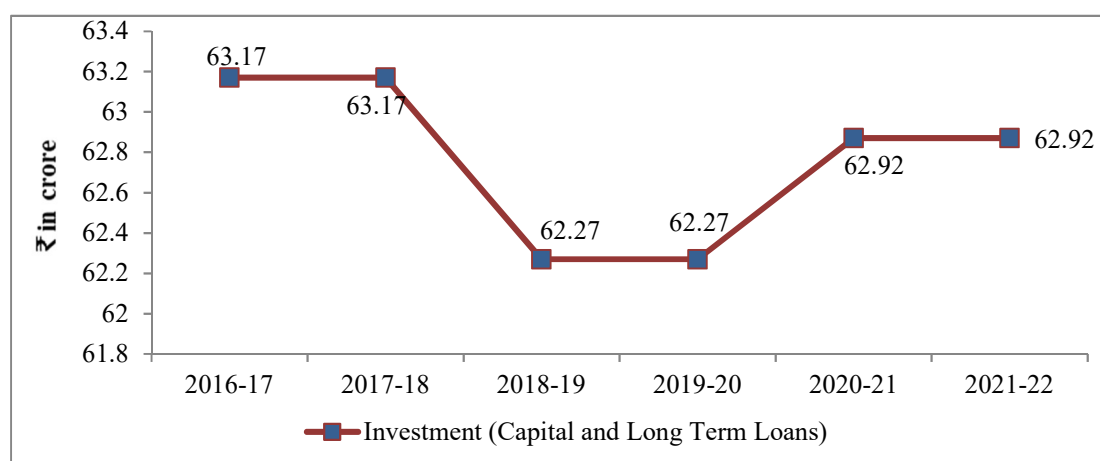
Table-4.2: Details of State's investment in SPSEs

(₹ in crore)

Investment	As of 31 March 2021		As of 31 March 2022	
	2016-17	2020-21	2017-18	2021-22
Equity Capital	52.82	53.47	52.82	53.47
Long Term Loans	10.35	9.45	10.35	9.45
Total	63.17	62.92	63.17	62.92

The State Government's investment as on 31 March 2021 and 31 March 2022 was at the same level and consisted of ₹ 53.47 crore (84.98 per cent) towards equity capital and ₹ 9.45 crore (15.02 per cent) in long-term loans as against ₹ 52.82 crore (83.62 per cent) towards equity capital and ₹ 10.35 crore (16.38 per cent) in long-term loans as on 31 March 2017 and 31 March 2018 respectively. A graphical presentation of the State Government's investment in SPSEs during the last six years (2016-17 to 2021-22) is given in **Chart-4.1**:

Chart-4.1: State's total investment in SPSEs



As can be noticed from **Chart-4.1.1** above, the State Government's investment in Public Sector Enterprises (SPSEs) over the past six years has decreased by 0.40 per cent, from ₹ 63.17 crore in 2016-17 to ₹ 62.92 crore as of 31 March 2022. This reduction was mainly due to a decrease of ₹ 0.90 crore in the loans to Mizoram Handloom and Handicrafts Development Corporation Limited.

During the financial years 2020-21 and 2021-22, of the six SPSEs in which the State Government had directly invested, only Zoram Infrastructure and Industrial Development Corporation Limited recorded a profit of ₹ 0.82 crore in 2020-21 and ₹ 0.98 crore in 2021-22 as per their latest finalised accounts (**Appendix-4.1.1 and 4.1.2**). The remaining four SPSEs incurred losses. Despite its profit, Zoram Infrastructure and Industrial Development Corporation Limited did not declare any dividends. State Government has not established a policy mandating a minimum dividend payout by the SPSEs.

Over the past two financial years, the State Government's investment (historical value) in the five SPSEs has decreased by 1.52 per cent in 2020-21 (**Appendix 4.1.3**) and 1.74 per cent in 2021-22 (**Appendix 4.1.4**). According to their latest finalised accounts

as of 31 March 2022, the accumulated losses of two⁵⁴ of these five SPSEs, totalling ₹ 29.45 crore, have completely eroded the State's investment in their paid-up capital, which was ₹ 25.45 crore.

4.1.2.2 Total Sector-wise investment in SPSEs

The total investment by the State Government and other stakeholders (Central Government, Holding companies, Banks, Financial Institutions, etc.) in SPSEs across various key economic sectors for the five-year period ending 31 March 2021 and 31 March 2022 is given in **Table-4.3**.

Table-4.3: Sector-wise details of total investments in SPSEs

(₹ in crore)

Sector	Number of SPSEs	Total Investment			
		As of 31 March 2021		As of 31 March 2022	
		2016-17	2020-21	2017-18	2021-22 ⁵⁵
Agricultural Marketing	1	5.45	6.05	5.45	6.05
Financing	1	45.46	45.46	45.46	45.46
Manufacturing	2	27.23	27.23	27.23	27.23
Miscellaneous	2	11.15	10.15	11.15	10.15
Total	6	89.29	88.89	89.29	88.89

A five-year comparison period from 2016-17 to 2020-21 and 2017-18 to 2021-22 revealed that the combined investment of the State Government and other stakeholders in the Agricultural Marketing sector increased by ₹ 0.60 crore (11 *per cent*) due to an increase of ₹ 0.60 crore in the equity of Mizoram Agricultural Marketing Development Corporation Limited during 2020-21 and 2021-22. Similarly, investment in the Miscellaneous sector decreased by ₹ 1.00 crore (8.97 *per cent*) as a result of a decrease of ₹ 0.90 crore in the long-term loans to Mizoram Handloom and Handicrafts Development Corporation Limited, and a decrease of ₹ 0.10 crore due to the dissolution of Mizoram Mineral Development Corporation Limited.

4.1.3 Reconciliation with Finance Accounts

The records of SPSEs should match the figures listed in the State's Finance Accounts regarding outstanding equity, loans, and guarantees. If there are discrepancies, the Finance Department and the relevant SPSEs should conduct reconciliation of accounts to resolve the differences. The status of this as of 31 March 2021 and 31 March 2022 are given in **Table-4.4**.

⁵⁴ Mizoram Agricultural Marketing Corporation Limited and Mizoram Food & Allied Industries Corporation Limited

⁵⁵ The figures of investment are provisional and as provided by the SPSEs as none of the six SPSEs had finalised their accounts for 2020-21 and 2021-22 as of September 2022.

Table-4.4: Equity, loans, guarantees outstanding⁵⁶ as per the Finance Accounts *vis-à-vis* records of SPSEs

(₹ in crore)

Outstanding in respect of	Amount as per Finance Accounts		Amount as per records of SPSEs		Difference	
	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
Equity	6.99	6.99	53.47	53.47	46.48	46.48
Loans ⁵⁷	31.99	31.13	9.45	9.45	22.54	21.68
Guarantee	29.46	29.46	29.46	30.56	-	1.10

Source: Finance Accounts 2020-21 & 2021-22 and SPSEs' records

As on 31 March 2021, there were unreconciled differences in the figures of equity (₹ 46.48 crore) and loans (₹ 22.54 crore) between the two sets of figures. Further, as on 31 March 2022, there were unreconciled differences in the figures of equity (₹ 46.48 crore); loans (₹ 21.68 crore) and Guarantee (₹ 1.10 crore) in the three sets of figures. The differences occurred in respect of all six SPSEs where State Government had made direct investment and reconciliation of these three sets of figures has been pending for more than ten years.

The Finance Department of the State Government allocates loans to various departments for specific sectoral purposes. The loan amounts are recorded in the Finance Accounts based on the sector they are allocated to. The departments receiving the loans then distribute them to the SPSEs under their control. However, the actual details of loans received by the SPSEs from the Departments concerned and from the loans provided by the State Government, are not available in the State Finance Accounts.

Though the Principal Secretary, Finance Department, GoM as well as the Management of the SPSEs concerned were being informed regularly about the outstanding differences, and the urgency for prompt reconciliation, there has been no substantial improvement in the situation.

Recommendation: The State Government and the SPSEs concerned should take prompt and effective action to reconcile the differences in a time-bound manner.

4.1.4 Special support and guarantees to SPSEs during the year

The State Government provides financial support to SPSEs in various forms through annual budgetary allocations. The details of budgetary outgo towards equity, loans and grants/ subsidies in respect of SPSEs for six years ended 2021-22 are shown in **Table-4.5**.

⁵⁶ Figures of investment (equity and loans) as per SPSE's records are provisional and as provided by the SPSEs as none of the six SPSEs had finalised their up-to-date accounts during any of the last three years.

⁵⁷ Loans as per Finance Accounts represent the aggregate of 'Detailed Statement of Loans and Advances given by the Government' as depicted under Statement 18 to the State Finance Accounts for the respective year.

Table-4.5: Details of budgetary support to SPSEs

(₹ in crore)

Particulars	2016-17		2017-18		2018-19		2019-20		2020-21		2021-22	
	No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount
Equity Capital outgo from budget	-	-	-	-	-	-	-	-	-	-	-	-
Loans given from budget	-	-	-	-	-	-	-	-	-	-	-	-
Grants provided	4	6.88	2	5.17	2	4.54	2	5.53	3	13.49	2	6.22
Total Outgo (1+2+3)	4	6.88	2	5.17	2	4.54	2	5.53	3	13.49	2	6.22
Guarantees issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Guarantee Commitment (Cumulative)	1	24.93	1	27.34	1	28.49	1	30.60	1	29.46	1	30.56

Source: As furnished by the state SPSEs

As shown in **Table-4.5**, the State Government's budgetary support for SPSEs increased from ₹ 6.88 crore in 2016-17 to ₹ 13.49 crore in 2020-21, then decreased to ₹ 6.22 crore in 2021-22. During the past six years (2016-22), no equity capital or long-term loans were provided as budgetary support. Grants/subsidy totalling ₹ 13.49 crore (2020-21) and ₹ 6.22 crore (2021-22) were provided mainly to meet salaries and other operating expenses of the SPSEs⁵⁸.

Government of Mizoram provides guarantee under Mizoram Guarantee Act, 2011 allowing SPSEs to secure long-term loans from banks and other financial institutions. Guarantee commitments of ₹ 29.46 crore (2020-21) and ₹ 30.56 crore (2021-22) were outstanding pertaining to one SPSE (Zoram Infrastructure and Industrial Development Corporation Limited).

4.1.5 Accountability framework

The financial statements of a company for financial years starting on or after April 1, 2014, are subject to audit under the provisions of the Companies Act, 2013. Financial statements for years starting before April 1, 2014, continue to be audited under the Companies Act, 1956. The new act brings about a more comprehensive regulatory framework, increased management responsibility, and greater professional accountability.

4.1.5.1 Statutory Audit/ Supplementary Audit

Statutory Auditors appointed by the Comptroller and Auditor General of India (CAG) audit the financial statements of a Government Company. In addition, CAG conducts

⁵⁸ ZIDCO (₹ 3.71 crore); MIFCO (₹ 2.22 crore) and ASCL (₹ 7.56 crore) in 2020-21 and ZIDCO (₹ 3.89 crore) and MIFCO (₹ 2.33 crore) in 2021-22

supplementary audit of these financial statements under the provisions of Section-143(6) of the Act.

4.1.5.2 Role of Government and Legislature

The State Government oversees the operations of these SPSEs through its administrative departments and appoints the Board of Directors.

The State Legislature also monitors the accounting and usage of Government investments in the SPSEs through the examination of Annual Reports, Statutory Auditors' Reports and the comments of the CAG, which are placed before the Legislature as required by Section 394 of the Act.

4.1.6 Arrears in finalisation of accounts

The companies must finalise their financial statements within six months following the end of the fiscal year *i.e.*, by September end, in accordance with Section 96(1) of the Act. Non-compliance may result in penalties under Section 99 of the same Act. Timely completion of financial accounts is crucial for the State Government to evaluate the financial stability of the SPSEs, prevent financial inaccuracies and mismanagement. Persistent delay in the finalisation of financial accounts poses significant risks, including the potential for undetected fraud and misappropriation of public funds, as well as a violation of the provisions outlined in the Companies Act of 2013.

Details of progress made by the working SPSEs in finalisation of their annual accounts for the period 2016-17 to 2021-22 are given in **Table-4.6**.

Table-4.6: Position relating to finalisation of accounts of working SPSEs

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Number of SPSEs	6	6	6	5 ⁵⁹	5 ⁶⁰	5
Number of accounts finalised during current year	15	2	2	2	1	5
Number of SPSEs with arrears in accounts	6	6	6	5	6	6
Number of accounts in arrears	20	24	28	27 ⁶¹	34 ⁶²	35
Extent of arrears in years	1 to 7	2 to 8	1 to 9	1 to 10	2 to 11	1 to 12

As shown in **Table-4.6**, the number of accounts in arrears of SPSEs has increased over the years, starting from 20 accounts in 2016-17 to 35 accounts in 2021-22. During the four years' period between 1st April 2017 and 31st March 2021, only two⁶³ SPSEs were able to finalise five accounts, leading to a backlog of 35 accounts as of 31 March 2022.

⁵⁹ One SPSE *viz.*, M/s Mizoram Mineral Development Corporation Limited was dissolved

⁶⁰ One new SPSE *viz.*, Aizawl Smart City Limited was created

⁶¹ Four Accounts in arrears in respect of M/s Mizoram Mineral Development Corporation Limited were not included due to dissolution of the Company in 2019-20

⁶² Two Accounts of Aizawl Smart City for the years 2018-19 and 2019-20 were submitted during 2020-21

⁶³ During 2018-19, Zoram Infrastructure and Industrial Development Corporation Limited (2016-17) & Mizoram Handloom and Handicrafts Development Corporation Limited (2017-18). During 2019-20, Zoram Infrastructure and Industrial Development Corporation Limited (2017-18 & 2018-19) and during 2020-21, Mizoram Handloom and Handicrafts Development Corporation Limited (2018-19)

During 2020-21, only one of the five working SPSEs was able to finalise one annual account. As of 30 September 2021, none of the SPSEs had prepared their accounts for 2020-21 (**Appendix 4.1.1**). In 2021-22, three of the working SPSEs were able to finalise five annual accounts, but as of 30 September 2022, none of the SPSEs had prepared their accounts for 2021-22. The oldest accounts in arrears pertains to Zoram Electronics Development Corporation Limited (**Appendix 4.1.2**), with a total of twelve accounts in arrears since 2010-11.

The administrative departments concerned have the responsibility to oversee the activities of these entities and to ensure that the accounts are finalised and adopted by the SPSEs within the stipulated period.

The Principal Accountant General, Mizoram had been regularly pursuing with the Chief Secretary of Mizoram and the administrative departments concerned for liquidating the arrears of accounts of SPSEs. However, the State Government and the SPSEs concerned could not address the issue to clear pendency of accounts of the SPSEs in a time-bound manner.

Recommendation: The SPSEs may get the figures of equity and loans reconciled with the State Government Departments.

4.1.7 Grants by State Government in SPSEs whose accounts are in arrears

Persistent delay in finalisation of accounts is fraught with the risk of fraud and leakage of public money apart from violation of the provisions of the Companies Act, 2013. Audit analysis revealed that as on 31 March 2022, Government of Mizoram had provided Grants of ₹ 53.54 crore in five SPSEs during the years for which their accounts are still in arrears as shown in **Table-4.7**.

Table-4.7: Grants by State Government in SPSEs having accounts in arrears as of 31 March 2022

(₹ in crore)

Sl. No.	Name of PSU	Accounts finalised up to	Details of Accounts in arrears		Grants made by State Government during the period for which accounts are in arrears
			Period	Number	Grants
1.	Mizoram Agricultural Marketing Corporation Limited	2011-12	2012-13 to 2021-22	10	1.12
2.	Zoram Infrastructure and Industrial Development Corporation Limited	2020-21	2021-22	01	3.89
3.	Zoram Electronics Development Corporation Limited	2009-10	2010-11 to 2021-22	12	8.41

Sl. No.	Name of PSU	Accounts finalised up to	Details of Accounts in arrears		Grants made by State Government during the period for which accounts are in arrears
			Period	Number	Grants
4.	Mizoram Food and Allied Industries Corporation Limited	2014-15	2015-16 to 2021-22	07	32.56
5.	Aizawl Smart City Limited	2019-20	2020-21 to 2021-22	02	7.56
Total				32	53.54

Source: Information as furnished by the SPSEs

As can be seen from **Table 4.7**, three SPSEs having arrear of accounts of seven or more years received budgetary support of ₹ 42.09 crore by way of grants. In the absence of accounts and subsequent audit, it could not be ascertained whether the grants provided to five SPSEs and expenditures incurred thereagainst have been properly accounted for.

Recommendation: *The Government may take special measures for expeditious settlement of arrears of accounts of the SPSEs. Until these accounts are brought up to date, the Government may contemplate withholding financial assistance to such companies.*

4.1.8 Performance of SPSEs as per their latest finalised accounts

The financial position and working results of working SPSEs are detailed in **Appendix-4.1.1 and 4.1.2. Table-4.8** provides a comparative detail of working SPSE's turnover and State GDP for a period of six years ending 2021-22.

Table-4.8: Details of working SPSEs turnover vis- à-vis State GDP

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Turnover ⁶⁴	3.77	17.58	13.87	10.78	10.78	82.19
State GDP ⁶⁵	17,192	19,385	21,912	24,990	24,712	24,807
Percentage of Turnover to State GDP	0.02	0.09	0.06	0.04	0.04	0.33

Source: Latest finalised accounts, Economics and Statistics Department

As shown in **Table-4.8**, the contribution of SPSEs turnover to the State Gross Domestic Product (GDP) has fluctuated over the years. In 2016-17, the contribution was 0.02 per cent, but it increased to 0.09 per cent in 2017-18 due to an overall increase in SPSEs turnover from ₹ 3.77 crore to ₹ 17.58 crore (366.31 per cent).

However, the contribution of SPSEs turnover to the State GDP decreased from 0.09 per cent in 2017-18 to 0.04 per cent in 2020-21, as the overall turnover decreased from ₹ 17.58 crore to ₹ 10.78 crore. The decrease in turnover was mainly due to a decrease in the turnover of Zoram Infrastructure and Industrial Development

⁶⁴ Turnover of working SPSEs as per their latest finalised accounts

⁶⁵ Information furnished by the Directorate of Economics and Statistics, GoM

Corporation Limited, which decreased by ₹ 3.09 crore (24.12 per cent) from ₹ 12.81 crore in 2018-19 to ₹ 9.72 crore in 2020-21.

On the other hand, the contribution of SPSEs turnover to the State GDP increased again in 2021-22 to 0.33 per cent, due to the overall increase in turnover from ₹ 10.78 crore to ₹ 82.19 crore. This was mainly due to an increase in the turnover of Zoram Infrastructure and Industrial Development Corporation Limited by ₹ 71.69 crore (737.55 per cent) from ₹ 9.72 crore in 2020-21 to ₹ 81.41 crore in 2021-22.

4.1.8.1 Key parameters

Some other key parameters of SPSEs performance as per their latest finalised accounts as on 30 September of the respective years are given in **Table-4.9** below.

Table-4.9: Key Parameters of SPSEs

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Debt	30.68	30.68	31.87	31.87	31.87	74.85
Turnover ⁶⁶	3.77	17.58	13.87	10.78	10.78	82.19
Debt/ Turnover Ratio (DTR)	8.14:1	1.75:1	2.30:1	2.96:1	2.96:1	0.91:1
Interest Payments	0.02	0.02	0.02	0.02	0.02	0.02
Accumulated losses	62.09	59.14	57.10	54.89	55.18	56.28

Source: Latest finalised accounts

Debt-Turnover Ratio

A low debt-to-turnover ratio (DTR) demonstrates a good balance between debt and income. Conversely, a high DTR can be a signal of having too much of debt against the income of SPSEs from core activities. Thus, SPSEs having lower Debt Turnover Ratio (DTR) are more likely to comfortably manage their debt servicing and repayments.

SPSE Debt

As shown in **Table-4.9**, debt of the SPSEs have risen significantly over the past six years. In 2016-17, the debt was ₹ 30.68 crore, and it increased by 3.88 per cent to ₹ 31.87 crore in 2020-21. In the following year, the debt rose again by 134.86 per cent to ₹ 74.85 crore, primarily due to the debt of Aizawl Smart City Limited, which stands at ₹ 44.98 crore.

In addition, turnover of the SPSEs has also seen substantial growth, from ₹ 3.77 crore in 2016-17 to ₹ 82.19 crore in 2021-22. This has resulted in an improvement in the DTR over the past six years, from 8.14:1 in 2016-17 to 0.91:1 in 2021-22. Furthermore, the accumulated losses of the SPSEs recorded marginal decrease of ₹ 5.81 crore (9.36 per cent) from ₹ 62.09 crore in 2016-17 to ₹ 56.28 crore in 2021-22.

4.1.8.2 Erosion of capital due to losses

As of 30 September 2021 (**Appendix-4.1.1**), the paid-up capital and accumulated losses of six working SPSEs were ₹ 58.73 crore and ₹ 55.18 crore respectively as per

⁶⁶ Turnover of working SPSEs as per the latest finalised accounts as on 30 September of the respective year

their latest finalised accounts. As of 30 September 2022 (**Appendix-4.1.2**), these figures were ₹ 58.47 crore and ₹ 56.28 crore, respectively.

During 2020-21, the Return on Equity⁶⁷ (RoE) of three working SPSEs⁶⁸ was (-) 27.83 *per cent* as per their latest finalised accounts. The accumulated losses of two SPSEs, which amounted to ₹ 27.34 crore, has completely eroded their paid-up capital of ₹ 25.72 crore as detailed in **Table-4.10**:

Table-4.10: SPSEs with primary erosion of paid-up capital

(₹ in crore)

Sl. No.	Name of SPSE	Latest finalised accounts	Paid up capital	Accumulated loss
1.	Mizoram Agricultural Marketing Corporation Limited	2010-11	5.72	6.43
2.	Mizoram Food and Allied Industries Corporation Limited	2014-15	20.00	20.91
Total			25.72	27.34

Source: Latest finalised accounts of SPSEs

In 2021-22, the RoE of three working SPSEs⁶⁹ was (-) 26.82 *per cent* as per their latest finalised accounts. The accumulated losses of two SPSEs, which amounted to ₹ 29.45 crore, has completely eroded their paid-up capital of ₹ 25.45 crore as detailed in **Table-4.11**:

Table-4.11: SPSEs with primary erosion of paid-up capital

(₹ in crore)

Sl. No.	Name of SPSE	Latest finalised accounts	Paid up capital	Accumulated loss
1.	Mizoram Agricultural Marketing Corporation Limited	2011-12	5.45	8.54
2.	Mizoram Food and Allied Industries Corporation Limited	2014-15	20.00	20.91
Total			25.45	29.45

Source: Latest finalised accounts of SPSEs

The continued losses incurred by the SPSEs have resulted in a significant depletion of public assets, raising serious concerns. In light of this, it is imperative for the State Government to re-evaluate the functioning of these SPSEs and take necessary measures to either enhance their financial viability or shut down their operations if deemed necessary.

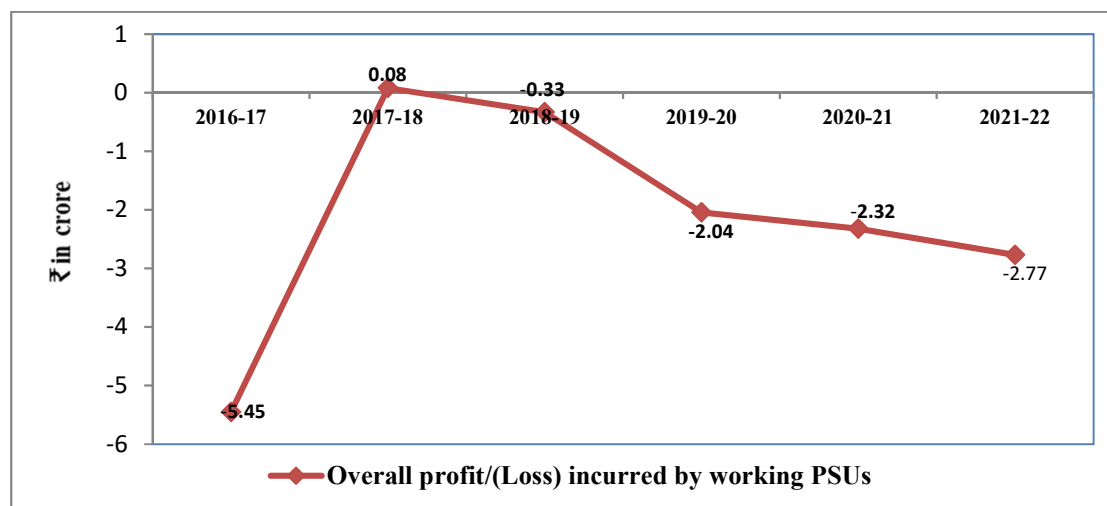
⁶⁷ Return on Equity = Net Profit after taxes *less* preference dividend ÷ Shareholders' Fund/ Equity; Where, Shareholders' Fund/ Equity represents 'Paid up Share Capital *plus* Free Reserves and Surplus *minus* Accumulated Loss *minus* Deferred Revenue Expenditure

⁶⁸ Zoram Infrastructure and Industrial Development Corporation Limited (ZIDCO), Zoram Electronics Development Corporation Limited (ZENICS) and Mizoram Handloom and Handicrafts Development Corporation Limited (ZOHANCO)

⁶⁹ ZIDCO, ZENICS and ZOHANCO

The overall status of profit or loss incurred by the working SPSEs from 2016-17 to 2021-22, as per their latest finalised accounts as on 30 September of the respective years, is depicted in **Chart-4.2**:

Chart-4.2: Overall profit (+)/ losses (-) of working SPSEs⁷⁰



It can be seen from **Chart-4.2** above that during the past six years, all SPSEs combined have earned profits only once in 2017-18 (₹ 0.08 crore). In the remaining five years, they incurred losses ranging from ₹ 5.45 crore (2016-17) to ₹ 2.77 crore (2021-22). Profits during 2017-18 were mainly due to the combined profits of ₹ 2.94 crore by Zoram Infrastructure and Industrial Development Corporation Limited (₹ 1.66 crore) and Mizoram Handloom and Handicrafts Development Corporation Limited (₹ 1.28 crore).

During 2020-21 and 2021-22, Zoram Infrastructure and Industrial Development Corporation Limited was the only SPSE out of the six to earn a profit, with ₹ 0.82 crore and ₹ 0.98 crore respectively. The remaining four SPSEs incurred total losses of ₹ 3.14 crore in 2020-21 and ₹ 3.75 crore in 2021-22. Details of major contributors to profits and losses are given in **Tables-4.12** and **4.13**.

Table-4.12: Major Contributors to profits and losses of working SPSEs during 2020-21

(₹ in crore)

Name of SPSE	Latest finalised accounts	Profit (+)/ loss (-)
Contributors to profit		
Zoram Infrastructure and Industrial Development Corporation Limited	2018-19	(+) 0.82
Contributors to losses		
Mizoram Food and Allied Industries Corporation Limited	2014-15	(-) 1.59
Mizoram Agricultural Marketing Corporation Limited	2010-11	(-) 1.02

⁷⁰ As per the latest finalised accounts as on 30 September of the respective years

Table-4.13: Major Contributors to profits and losses of working SPSEs during 2021-2022

(₹ in crore)

Name of SPSE	Latest finalised accounts	Profit (+)/ loss (-)
Contributors to profit		
Zoram Infrastructure and Industrial Development Corporation Limited	2020-21	(+) 0.98
Contributors to losses		
Mizoram Agricultural Marketing Corporation Limited	2011-12	(-) 1.63
Mizoram Food and Allied Industries Corporation Limited	2014-15	(-) 1.59

Pursuant to the decision taken by the Government of Mizoram to close the Company viz., Zoram Electronics Development Corporation Limited (ZENICS), all the assets of the Company had been transferred to Mizoram e-Governance Society (MSeGS) during 2015-16. However, the process of liquidation has not been initiated till date, therefore, necessary action needs to be taken by the Government.

4.1.8.3 Return on Capital Employed

Return on Capital Employed (ROCE) is a profitability metric that measures the long term profitability and efficiency of the total capital employed by a company. Companies create value when they generate returns on the capital employed. ROCE is an important decision metric for long term lenders. ROCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed⁷¹.

During 2020-21, the overall capital employed in six working SPSEs as per their latest accounts was ₹ 35.42 crore. The percentage of ROCE of the SPSEs ranged from (-) 72.46 per cent (Mizoram Agricultural Marketing Corporation Limited) to (+) 2.68 per cent (Zoram Infrastructure and Industrial Development Corporation Limited⁷²). Further, out of six SPSEs, one SPSE⁷³ had negative capital employed and hence, their percentage of ROCE was not workable (**Appendix-4.1.1**).

During 2021-22, the overall capital employed in six working SPSEs as per their latest accounts was ₹ 77.04 crore. The percentage of ROCE of the SPSEs ranged from (-) 37.50 per cent (Zoram Electronics Development Corporation Limited) to (+) 3.32 per cent (Zoram Infrastructure and Industrial Development Corporation Limited⁷⁴). Further, out of six SPSEs, two SPSEs⁷⁵ had negative capital employed and, the percentage of ROCE of three SPSE⁷⁶ was not workable (**Appendix-4.1.2**).

4.1.9 Return on Investment on the basis of Present Value of Investment

The Rate of Real Return (RORR) measures the profitability and efficiency with which equity and similar non-interest bearing capital have been employed, after adjusting

⁷¹ Capital employed = Paid up share capital + free reserves and surplus + long term loans – accumulated losses - deferred revenue expenditure

⁷² The only SPSE with positive ROCE

⁷³ Serial No. 4 of **Appendix-4.1.1**

⁷⁴ The only SPSE with positive ROCE

⁷⁵ Serial No. 3 & 5 of **Appendix-4.1.2**

⁷⁶ ASCL did not have any profit/loss for the year, hence, ROCE could not be worked out

them for their time value. To determine the RORR on Government investment in the State SPSEs, the investment of State Government in the form of equity, interest free loans and grants/ subsidies given by the State Government for operational and management expenses less the disinvestments (if any), has been considered and indexed to their Present Value (PV) and summated. The RORR is then calculated by dividing the 'profit after tax' (PAT) of the SPSEs by the sum of the PV of Government investment.

In 2020-21 and 2021-22, out of the six SPSEs where State Government had made direct investment, four incurred losses while only one⁷⁷ earned profit (**Appendix-4.1.1** and **Appendix-4.1.2**). Based on return of historical value, the State Government's investment eroded by 1.52 per cent and 1.74 per cent respectively. On the other hand, as per the RORR where the PV of investment is considered, the State Government's investment eroded by 1.10 per cent and 1.28 per cent in 2020-21 and 2021-22 respectively (**Appendix-4.1.3** and **Appendix-4.1.4**). The variation in the investment erosion percentage was due to the adjustment of the investment amount for the time value of money.

4.1.10 Audit Comments on Annual Accounts of SPSEs

During October 2020 to September 2021, five⁷⁸ working companies submitted eight audited accounts to the Principal Accountant General, Mizoram. However, none of these accounts could be finalised during 2020-21. Only one⁷⁹ account from the previous year was finalised during 2020-21. Details of aggregate monetary value of the comments made by the statutory auditors and the CAG are listed in **Table-4.14**.

Table-4.14: Audit comments on working Companies

(₹ in crore)

Sl. No.	Particulars	2019-20		2020-21	
		No. of accounts	Amount	No. of accounts	Amount
1.	Decrease in profit	-	-	1	0.10
2.	Increase in loss	1	10.01	1	42.15
3.	Non-disclosure of material facts	1	4.59	1	16.76
4.	Errors of classification	-	-	-	-

Source: As per latest finalised annual accounts of SPSEs

CAG had issued qualified opinion on the accounts of Mizoram Handloom and Handicrafts Development Corporation for the year 2018-19. The statutory auditor also had provided a similar qualified opinion.

During October 2021 to September 2022, only one⁸⁰ working company had forwarded one audited accounts to the Principal Accountant General, Mizoram, for which 'Non-

⁷⁷ Zoram Infrastructure and Industrial Development Corporation Limited

⁷⁸ Mizoram Agricultural Marketing Corporation Limited (2011-12); Zoram Infrastructure and Industrial Development Corporation Limited (2019-20); Mizoram Food and Allied Industries Corporation Limited (2015-16 to 2018-19); Aizawl Smart City Limited (2018-19 & 2019-20)

⁷⁹ Mizoram Handloom and Handicrafts Development Corporation Limited (2018-19)

⁸⁰ Zoram Infrastructure and Industrial Development Corporation Limited (2020-21)

Review Certificate' was issued. Four⁸¹ accounts that were received in previous years were finalised during 2021-22. Details of aggregate monetary value of the comments made by the statutory auditors and CAG are listed in **Table-4.15**.

Table-4.15: Audit comments on working Companies

(₹ in crore)

Sl. No.	Particulars	2019-20		2020-21		2021-22	
		No. of accounts	Amount	No. of accounts	Amount	No. of accounts	Amount
1.	Decrease in profit	-	-	1	0.10	-	-
2.	Increase in loss	1	10.01	1	42.15	1	21.34
3.	Non-disclosure of material facts	1	4.59	1	16.76	2	2.61
4.	Errors of classification	-	-	-	-	3	14.87

Source: As per latest finalised annual accounts of SPSEs

CAG had issued Non-Review Certificate to Zoram Infrastructure and Industrial Development Corporation Limited for the year 2020-21 and qualified opinion on the accounts of Zoram Infrastructure and Industrial Development Corporation Limited for the year 2019-20. The statutory auditor also had given similar qualified opinions.

Audit reports from the statutory auditors appointed by the CAG, as well as the supplementary audit conducted by the CAG revealed a significant need for improvement in the quality of maintenance of accounts and compliance to Accounting Standards.

4.1.10.1 Gist of some of the important comments of the statutory auditors and CAG in respect of accounts of the SPSEs are as follows:

(i) Mizoram Handloom and Handicrafts Development Corporation Limited (2017-18)

➤ The Company completed the construction of a building in Thenzawl during the 2013-14 fiscal year, using capital grants of ₹ 60.00 lakh received from the Government of India under the Assistance to States for Development of Export Infrastructure and other Allied Activities (ASIDE) scheme. The total cost of construction was ₹ 58.17 lakh. Although the building was completed in 2013-14, only a portion of its cost of ₹ 0.10 lakh was transferred to "Fixed Assets - Building" (Note 5). The balance of ₹ 58.07 lakh was kept under "Capital Work in Progress" without being depreciated. Additionally, the depreciation of ₹ 0.02 lakh charged to revenue over five years (2014-15 to 2018-19) on the accounted value of the grant Asset (₹ 0.10 lakh) was not recovered from the ASIDE grant, which is contrary to the provisions of Accounting Standard-12.

➤ As of 31 March 2019, the Company's inventories amounting to ₹ 35.41 lakh and the net book value of its "Plant & Machinery" (after depreciation) amounting to ₹ 0.90 lakh were not physically present and had no actual value. Despite this, the

⁸¹ Mizoram Agricultural Marketing Corporation Limited (2011-12); Zoram Infrastructure and Industrial Development Corporation Limited (2019-20); Aizawl Smart City Limited (2018-19 & 2019-20)

Company has neither recognised the loss related to these non-existent assets nor disclosed it in the "Notes to Accounts".

➤ As of 31 March 2019, the bank account with State Bank of India, Aizawl Main Branch had already been closed on 28 June 2018, and had a balance of "nil" on the Balance Sheet date. Despite this, the Company showed a balance of ₹ 4.72 lakh in its accounts, leading to an overstatement of Current Assets.

➤ During the year 2018-19, the Company wrote off Cash balance aggregating ₹ 16.76 lakh related to different Emporia and Sales outlets in the Profit and Loss Account as Extraordinary items (Schedule 20). However, the write-off was not authorised by the competent authority.

(ii) Zoram Infrastructure and Industrial Development Corporation Limited (2019-20)

➤ The Company received a total of ₹ 3.91 crore in capital grants from the Government of India and Government of Mizoram for the construction of an infrastructure development center. The project was completed in 2008 at a cost of ₹ 3.40 crore and handed over in 2016. The remaining unutilised grants of ₹ 0.51 crore should be shown under "Other Current Liabilities" as "Unutilised Grants refundable to the GoI/ GoM." On the contrary, the Company has wrongly recognised the Project Asset (IIDC) as its own Assets in the Balance Sheet under 'Fixed Assets-Office Buildings (Note-5)' at actual cost (₹ 3.40 crore) and charged depreciation thereon amounting to ₹ 0.60 crore as of 31 March 2020. This has resulted in (i). overstatement of 'Capital Grant GoI/ GoM (IIDC Zote)' by ₹ 3.91 crore, understatement of 'Unutilised Grants refundable to GoI/ GoM' by ₹ 0.51 crore with corresponding overstatement of 'Other Current Liabilities' by ₹ 3.40 crore (net); (ii) overstatement of Fixed Assets-Office Buildings (net block) by ₹ 2.80 crore and 'accumulated depreciation as on 31 March 2020 by ₹ 0.60 crore with corresponding overstatement of 'accumulated losses' (Note-2) by ₹ 0.60 crore.

➤ The Company showed Unsecured Advances - Investment Call Centre amounting to ₹ 1.00 crore under the head Current Assets - Short Term Loans and Advances (Note-4) which represents the capital expenditure incurred by the Company on setting up the Call Centre, which was closed in July 2009. This has resulted in overstatement of the above head by ₹ 1.00 crore with corresponding overstatement of 'Profit for the year' to the same extent.

➤ The Company has defaulted in repayment of interest accrued and due to National Minorities Development & Finance Corporation (NMDFC) and Housing and Urban Development Corporation (HUDCO) amounting to ₹ 19.78 crore as on 31 March 2020.

➤ The Company included ₹ 0.16 crore as Soft Seed Capital under the head Secured on Tangible Assets in the Balance Sheet representing the short term advances paid to the ex-servicemen pending for recovery since 1990. Since chances of recovery of these advances are remote, the same should have been provided for in the Accounts.

This has resulted in overstatement of the above head by ₹ 0.16 crore with corresponding overstatement of 'Profit for the year' to the same extent.

(iii) Mizoram Agricultural Marketing Corporation Limited (2011-12)

➤ Depreciation (Note 9) amounting to ₹ 45.48 lakh included cost of Cold Storage received as Grants-in-Aid from the Government of Mizoram at a book value of ₹ 67.58 lakh in the year 1995. The cold storage was not operating since inception *i.e.*, prior to 1994 and the chances of operating the plant are also remote. Neither did the Company take any action to revive the plant nor declare the plant as obsolete during the last twenty years. This fact was neither reported by the statutory auditors in their report nor disclosed in the 'Notes to Accounts'.

➤ An amount of ₹ 1.10 crore was shown under Capital Work-in-progress: Building under construction (MIS) in the Annual Accounts since the year 2007-08. Vouchers and other necessary papers relating to construction under MIS scheme were not produced to audit. The present status of the building was not disclosed properly in the 'Notes to Accounts'.

(iv) Aizawl Smart City Limited (2018-19)

➤ The Company accounted ₹ 1.38 crore as Office Expenses – UD & PA Directorate under the head – Office & Administrative Expenses (Note-11) in the Balance Sheet which includes ₹ 11.28 lakh (₹ 11.12 lakh and ₹ 0.16 lakh) being expenditure incurred by the Directorate (Urban Development & Poverty Alleviation) which is the parent department of the Company. However, vouchers in support of the expenses were not available. As such, audit could not verify the expenditures.

(v) Aizawl Smart City Limited (2019-20)

➤ Interest earned on Grants-in-Aid (GIA-Central) parked in bank during the financial year 2019-20 by the Company was ₹ 1.65 crore. This was accounted under Non-current liabilities (Other long term liabilities).

Since all interest or other earnings against Grants-in-Aid or advances (other than reimbursement) released to any Grantee institution should be mandatorily remitted to the Consolidated Fund of India immediately after finalisation of the accounts, the interest earned on Grants-in-Aid corpus should have been accounted under Current liabilities.

This resulted in understatement of Current liabilities (Other Current Liabilities) by ₹ 1.65 crore and overstatement of Non-current liabilities (Other long term liabilities) by the same amount.

COMPLIANCE AUDIT PARAGRAPH

AIZAWL SMART CITY LIMITED

4.2 Extra expenditure

There was extra expenditure of ₹ 19.55 crore due to award of contract on nomination basis at a higher rate without call of tender and acceptance of the same item of materials at different rates. Further, there was non-recovery of mobilisation advance of ₹ 17.72 crore and accrued interest of ₹ 3.54 crore.

As per paragraph 14.1 of the Central Public Works Department (CPWD) Works Manual 2014 (adopted by the Government of Mizoram), tenders should be normally called for all works costing more than ₹ 50,000. Paragraph 15.2.2 of the Manual provides that the tenders shall be invited under Two/ Three envelope system for works costing over ₹ 20 crore. Further, as per Paragraph 4.1 of CPWD Works Manual 2019, normally tenders should be called for all works. In case the work is to be awarded expeditiously, the precise reasons should be recorded by the Engineer -in- Charge before dispensing with call of tenders. Also, as per Circular No. 06/07/18 of 11 July 2018 read with Order No.23/7/07 of 05 July 2007 of the Central Vigilance Commission, award of contracts/ projects on nomination basis without adequate justification amounts to a restrictive practice eliminating competition, fairness, equity and a breach of Article 14 of the Constitution which provides for right to equality.

Test check (March 2022) of records of the Chief Executive Officer, Aizawl Smart City Limited (ASCL), Aizawl revealed that an amount of ₹ 196 crore was sanctioned during the period between 01 September 2015 and 21 February 2022 by the Ministry of Urban Development/ Ministry of Housing and Urban Affairs, Government of India for development of Aizawl as Smart City by undertaking different projects including Integrated Command & Control Centre (ICCC) at a contract value of ₹ 101.21 crore.

On scrutiny of the execution of the ICCC project, the following irregularities were observed:

A. Award of work on nomination basis without call of tender resulted in extra expenditure of ₹ 19.21 crore

Bharat Electronics Limited (BEL) proposed (26 November 2018) to the Joint Secretary, (Mission Director Smart Cities), Ministry of Housing & Urban Affairs (MoHUA), Government of India (GoI) to enter into Memorandum of Understanding (MoU) with Smart Cities Projects of North Eastern States to explore the possibility of development of ICCC (Smart City) Projects in the North East. The Director (Smart Cities Division), MoHUA, GoI while forwarding the BEL proposal, requested (26 November 2018) the Chief Executive Officer, Aizawl Smart City Limited (ASCL) to consider Memorandum of Understanding (MoU) with BEL based on the City's and the State Government plan for development of ICCC in the Aizawl Smart City project and fixed the proposed schedule of ceremony for signing the MoU on 01 December 2018.

However, BEL prepared the initial preliminary commercial proposal of ₹ 140.65 crore and submitted it to ASCL on 18 February 2019 without the support of technical

proposal, and hence ASCL requested BEL to give presentation on 21 August 2019. A comprehensive technical proposal and Bill of Materials (BoM) without pricing were again submitted by BEL on 01 October 2019 which was rejected (25 November 2019) by the technical committee established by ASCL to supervise the implementation of ICCC project in Aizawl City. Further, the technical committee of ASCL for ICCC also could not accept BEL's revised proposed BoMs of ₹ 125.27 crore (5 December 2019), ₹ 115.24 crore (25 February 2020) and ₹ 106.09 crore (5 March 2020). However, after negotiation, the State Government approved (20 March 2020) the revised BEL proposal for ICCC project of Aizawl city at ₹ 101.03 crore.

Meanwhile, M/s WAPCOS Limited, the Project Management Consultant (PMC) of ASCL, in consortium with Vayam Technologies Limited, also prepared and submitted (12 March 2020) the BoM based on market survey⁸² for the ICCC project of Aizawl city at ₹ 81.82 crore but this was not considered by the ASCL or the State Government for determination of the project cost. Therefore, ASCL entered into an agreement on 31 March 2020 with BEL at the project cost of ₹ 101.03 crore excluding the applicable Goods and Services Tax (GST) without call of tender on nomination basis and also without considering their PMC's assessed project cost of ₹ 81.82 crore. Thus, award of work without call of tender on nomination basis and by ignoring the PMC's proposal resulted in extra expenditure of ₹ 19.21 crore (₹ 101.03 crore *minus* ₹ 81.82 crore) on ICCC project of Aizawl city.

The matter was brought to the notice of the management of the firm, Department and Government (January 2023). The Government while agreeing with the Audit observation stated (February 2023) that MoU was entered with BEL as it is a GoI entity already associated with similar ICCC projects under Smart City Mission due to urgency and limited time for completion of the project. BoM submitted by the PMC was based on market survey without considering the GST, price escalation and contingencies, *etc.* The reply of the Government is not acceptable as the action of the firm in dispensing the tender process ruled out competitors.

B. Rate difference of same items in the price schedule of the contract agreement resulted in extra expenditure to the tune of ₹ 0.34 crore

Scrutiny of the price schedule in the contract agreement revealed that the following same items with same configuration from the same manufacturer were charged at different rates as shown in **Table -4.16**.

⁸² As the rates for the items of works are not available in the Schedule of Rates, Government of Mizoram

Table-4.16: Statement showing extra payment

Sl. No.	Sl. No. of the price schedule in the agreement	Description of materials	Quantity (in Nos.)	Original Equipment Manufacturer	Unit Price (in ₹)	Unit price difference (in ₹)	Extra payment due to price difference (in ₹)
	(1)	(2)	(4)	(5)	(6)	(7)	(8) = (7)*qty.
1.	1.5	UPS 2 kVA with 4 Hr Back Up on 50 per cent Load	45	Microtek/ Eaton/ Delta/Numeric	77,510	29,810 on 45 nos.	13,41,450
2.	6.3	UPS 2 kVA with 4 Hr Back Up on 50 per cent Load	5	Microtek/ Eaton/ Delta/Numeric	47,700		
3.	1.8	Ruggedised Industrial Switches 8 Port POE with 2x IG SFP port with SFP	65	Allied Telisis/ Trendnet/ Arista/ Rad/ CISCO	1,93,775	24,990 on 65 nos.	16,24,350
4.	6.2	Ruggedised Industrial Switches 8 Port POE with 2x IG SFP port with SFP	5	Allied Telisis/ Trendnet/ Arista/ Rad/ CISCO	2,60,850	92,065 on 5 Nos.	4,60,325
5.	4.11	Ruggedised Industrial Switches 8 Port POE with 2x IG SFP port with SFP	11	Allied Telisis/ Trendnet/ Arista/ Rad/ CISCO	1,68,785	--	--
Total							34,26,125

From the above **Table-4.16**, it can be seen that the contractor was paid extra amount of ₹ 0.13 crore in respect of 45 Nos. of 2 kVA UPS with 4 hour back up on 50 per cent load and ₹ 0.21 crore in respect of 70 Nos. of Ruggedised Industrial Switches 8 Port POE with 2x IG SFP port with SFP. As a result, there was extra payment of ₹ 0.34 crore calculated based on the minimum unit price of the same items excluding 12 per cent GST paid over and above the price schedule as per the price schedule included in the agreement.

From the running account bill number 15, it was observed that the contractor BEL was paid in full based on the above unit price including the above items except serial no. five of **Table-4.16** which was not yet paid.

The matter was brought to the notice of the management of the firm, Department and Government (January 2023). The Government stated (February 2023) that ₹ 0.17 crore was fully recovered and any further payments shall be made on the lowest price to avoid extra expenditure but the reply was silent on the recovery of the balance amount of ₹ 0.17 crore (₹ 0.34 crore-₹ 0.17 crore).

C. Non-recovery of mobilisation advance paid of ₹ 17.72 crore and accrued interest - ₹ 3.54 crore

As per Clause No. 10 of Section A of the Contract Agreement between ASCL and BEL 20 per cent mobilisation advance plus 100 per cent applicable GST against submission of 100 per cent Bank Guarantee from any Nationalised or Scheduled Commercial Bank is payable to the contractor.

Central Vigilance Commission vide O.M. No. 4CC-1-CTE-2 dated 10 April 2007 stated that the provision of mobilisation advance should essentially be need-based. If the management feels its necessity in specific cases to provide interest free mobilisation advance, it should be clearly stipulated in the tender document and its recovery should be time-based and not linked with progress of work. The amount of mobilisation advance; interest to be charged, if any, and its recovery schedule and any other relevant detail should be explicitly stipulated in the tendered document upfront.

Paragraph 32.5 of CPWD Works Manual 2014 provides for grant of mobilisation advance of 10 *per cent* of the tendered amount with simple interest at the rate of 10 *per cent*. Recovery should be commenced after 10 *per cent* of the works is completed and the entire amount together with interest by the time 80 *per cent* of the works is completed.

During scrutiny of records of the Chief Executive Officer, ASCL it was observed that though the project was not put to tender, as per Clause 10 of the contract agreement signed between ASCL and BEL on 31 March 2020, mobilisation advance of 20 *per cent plus 100 per cent* applicable Goods and Service Tax (GST) was payable to BEL. However, there is no provision in the agreement on interest free mobilisation advance.

ASCL paid a mobilisation advance of ₹ 17.72 crore to BEL on 31 March 2020 *i.e.*, on the day of signing the contract agreement. Since there was no provision on levy of interest in the terms of the contract on the mobilisation advance paid, the Chief Executive Officer, ASCL on 18 May 2020 informed BEL that a simple interest of 10 *per cent* per annum on ₹ 17.72 crore (Mobilisation Advance) would be imposed on their invoice as per Section 32.5 of the CPWD Works Manual without any stipulated time schedule for recovery of the mobilisation advance paid as well as the interest.

It was, however, observed in Audit that though physical progress of the works was 78 *per cent*, no recovery was made on the mobilisation advance of ₹ 17.72 crore in the running account bill accounts from one to 15 even though payment of ₹ 25.21 crore was made during the period between 31 March 2021 and 24 November 2021.

The interest leviable for two years from April 2020 to March 2022 works out to ₹ 3.54 crore to the rate of 10 *per cent* on 17.72 crore per annum for two years. Thus, there was non-recovery of mobilisation advance of ₹ 17.72 crore and accrued interest of ₹ 3.54 crore leviable but not levied as of March 2022. However, this accrued interest of ₹ 3.54 crore is also susceptible to loss as there was no provision in the contract agreement for its recovery.

The matter was brought to the notice of the management of the firm, Department and Government (January 2023). The Government stated (February 2023) that the term mobilisation advance was erroneously inserted in payment terms of the contract while the intention was an advance. The reply of the Government is in violation of the terms of the contract agreement as well as the Chief Executive Officer, ASCL letter dated 18 May 2020 on levy of simple interest.

Thus, it can be concluded from the above that there was extra expenditure of ₹ 19.55 crore due to award of contract/ project on nomination basis without call of tender and acceptance of the same items with same configuration from the same manufacturer at different rates. Further, there was non-recovery of mobilisation advance of ₹ 17.72 crore paid to the contractor and accrued interest of ₹ 3.54 crore.

Recommendation: Responsibility may be fixed for awarding the contract on nomination basis which resulted in extra expenditure.

¹¹³ 32 vehicles category/ class was not specified and thus the tax leviable was also not calculated

CHAPTER – V
REVENUE SECTOR

CHAPTER-V

REVENUE SECTOR

5.1 Trend of revenue receipts

5.1.1 The tax and non-tax revenue raised by the Government of Mizoram, State's share of net proceeds of divisible Union taxes and duties and Grants-in-aid from the Government of India (GoI) during the years 2020-21 and 2021-22 and corresponding figures for the preceding four years are given in the following **Table-5.1**.

Table-5.1: Trend of revenue receipts

(₹ in crore)

Sl. No.	Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1.	Revenue raised by State Government						
	Tax revenue	441.81	545.91	726.69	730.98	647.56	853.94
	Non-tax revenue	365.22	390.65	449.95	522.35	561.76	622.12
	Total	807.03	936.56	1,176.64	1,253.33	1,209.32	1,476.06
2.	Receipts from GoI						
	State's share of net proceeds of divisible Union taxes and duties	2,800.63	3,097.05	3,502.96	3,017.80	3,010.55	4,222.86
	Grants-in-aid	3,790.64	4,546.59	4,359.88	5,387.13	3,520.80	3,460.82
	Total	6,591.27	7,643.64	7,862.84	8,404.93	6,531.35	7,683.68
3.	Total Revenue Receipts of State Government (1 + 2)	7,398.30	8,580.20	9,039.48	9,658.26	7,740.67	9,159.74
4.	Percentage of 1 to 3	10.91	10.92	13.02	12.98	15.62	16.11

Source: Finance Accounts, Vol-I of respective years

In the years 2020-21 and 2021-22, the State Government's revenue constituted 15.62 per cent (₹ 1,209.32 crore) and 16.11 per cent (₹ 1,476.06 crore) respectively of its total revenue receipts, while the balance receipts (84.38 per cent in 2020-21 and 83.89 per cent in 2021-22) came from the Government of India (GoI) with ₹ 6,531.35 crore and ₹ 7,683.68 crore respectively.

5.1.2 Details of Budget Estimates (BEs) and tax revenue raised during the period from 2017-18 to 2021-22 are given in the following **Table-5.2**.

Table-5.2: Details of tax revenue

(₹ in crore)

Head of Accounts	Year										Percentage of increase (+)/ decrease (-) in 2020-21 over 2019-20	Percentage of increase (+)/ decrease (-) in 2021-22 over 2020-21
	2017-18		2018-19		2019-20		2020-21		2021-22			
	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual		
Taxes on Sales, Trade, etc.	285.00	242.85	307.80	135.93	150.06	117.61	81.00	113.66	95.00	150.75	(-) 3.36	(+)32.63
State Goods and Services Tax	---	169.76	50.00	454.73	355.03	532.22	504.00	457.91	538.00	632.34	(-) 13.96	(+)38.09
State Excise	51.50	65.83	59.40	65.34	5.00	2.73	1.00	0.96	1.00	1.79	(-) 64.84	(+)86.46

Head of Accounts	Year										Percentage of increase (+)/ decrease (-) in 2020-21 over 2019-20	Percentage of increase (+)/ decrease (-) in 2021-22 over 2020-21
	2017-18		2018-19		2019-20		2020-21		2021-22			
	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual		
Taxes on Vehicles	23.84	31.58	25.74	38.36	27.06	40.66	32.27	29.01	34.35	27.90	(-)28.65	(-) 3.83
Land Revenue	10.01	8.29	10.81	8.64	11.00	9.05	15.00	20.74	18.00	13.04	(+) 129.17	(-) 37.13
Stamps and Registration fees	9.16	3.20	9.89	4.43	5.92	5.85	7.01	4.73	11.16	7.48	(-) 19.15	(+)58.13
Taxes on Goods and Passengers	3.20	7.83	3.50	4.71	2.75	7.44	6.40	4.85	5.03	5.39	(-) 34.81	(+)11.13
Other Taxes	15.00	16.57	16.20	14.55	16.87	15.42	15.01	15.70	17.46	15.25	(+) 1.82	(-) 2.87
Total	397.71	545.91	483.34	726.69	573.69	730.98	661.69	647.56	720.00	853.94	(-) 11.41	31.87

Source: Finance Accounts, Vol-II and Annual Financial Statement of respective years

The State's own tax revenue saw a decrease of 11.41 per cent in 2020-21 compared to 2019-20, due to a decrease of ₹ 3.95 crore (3.36 per cent) in Taxes on sales, trades, etc., and receipts on account of GST decreased by ₹ 74.31 crore (13.96 per cent) to ₹ 457.91 crore. However, in 2021-22, the State's own tax revenue increased by ₹ 206.38 crore compared to 2020-21, with an increase of ₹ 37.09 crore (32.63 per cent) in Taxes on sales, trades, etc., and an increase of ₹ 174.43 crore (38.09 per cent) in GST receipts to ₹ 632.34 crore.

In 2020-21, the tax on Vehicles decreased by ₹ 11.65 crore (28.65 per cent) due to a decrease in the number of registered vehicles. Taxes on Goods and Passengers saw a decrease of ₹ 2.59 crore (34.81 per cent) and State Excise saw a decrease of ₹ 1.77 crore (64.84 per cent) primarily because of decreased revenue from "Foreign Liquors and Spirits" and "Fines and Confiscations". In 2021-22, the tax revenue on Vehicles decreased by ₹ 1.11 crore (3.83 per cent), again due to a decrease in the number of registered vehicles. However, Taxes on Goods and Passengers increased by ₹ 0.54 crore (11.13 per cent), and State Excise increased by ₹ 0.83 crore (86.46 per cent).

5.1.2.1 State Goods and Services Tax

Goods and Services Tax (GST) was implemented with effect from 01 July 2017 on supply of goods or services or both. GST is concurrently administered by the Union (Central GST) and the States (State GST) on supply within the State while Integrated Goods and Services Tax (IGST) is levied on inter-state supply of goods or services or both.

The Central Goods and Services Tax (CGST) Act, 2017, the Mizoram State Goods and Services Tax Act, 2017 and the Integrated Goods and Service Tax Act, 2017 and allied Rules of all the three Acts are applicable in the State of Mizoram.

Goods and Services Tax Network (GSTN), a Company set up by Government of India provides both front-end and back-end services to Mizoram, being a Model-II⁸³ State. Front-end services provided to taxpayers include registration, return filing, payment of tax, *etc.*, while back-end services include approval of registration, taxpayer detail viewer, refund processing, MIS reports, *etc.*

Implementation of GST necessitated smooth transitional provisions which enable migration of all existing businesses to the new regime. The transitional provisions have been specifically incorporated in all the three GST Acts/ Rules.

5.1.2.1.1 Registrations under GST

As per the GST Act, every taxpayer with turnover of above ₹ 10 lakh (enhanced to ₹ 20 lakh with effect from 01 April 2019 in respect of dealers dealing with sale of goods only) has to be registered under GST. During transition period, the Department had to deal with migration of existing dealers as well as approval of new registrations. The due date for migration of existing dealers was February 2020.

The category-wise registrations under GST as on March 2021 and March 2022 are given in **Table-5.3**:

Table-5.3: Registered taxpayers under GST

Types of Taxpayers	Number of dealers		Percentage of total	
	2020-21	2021-22	2020-21	2021-22
Normal Taxpayers ⁸⁴	10,842	7,409	70.40	93.33
Tax Deductors at source (TDS)	4,212	290	27.35	3.65
Tax Collectors at source (TCS)	84	67	0.55	0.84
Composition Taxpayers	255	169	1.66	2.13
Input Service Distributors (ISD)	6	4	0.04	0.05
Total Registrants	15,399	7,939	100	100

Source: Information as provided by State Taxation Department and CGST, Aizawl

As of 31 March 2021, there were 15,399 GST registrations in Mizoram, with normal taxpayers accounting for 70.40 *per cent*, tax deductors at source accounting for 27.35 *per cent*, and others (including TCS, Composition taxpayers and ISD) accounting for 2.25 *per cent*.

As of 31 March 2022, there were 7,939⁸⁵ GST registrations in Mizoram, with normal taxpayers accounting for 93.33 *per cent*, tax deductors at source accounting for 3.65 *per cent*, and others (including TCS, Composition taxpayers and ISD) accounting for 3.02 *per cent*.

5.1.2.1.2 Division of Dealers between Central and State Government

As per the recommendation⁸⁶ of the GST Council, administrative control of over 90 *per cent* of the dealers with turnover less than ₹ 1.50 crore shall vest with the State

⁸³ States depending on GSTN to manage back-end task such as tax settlement, assessment, refunds, *etc.*

⁸⁴ Including casual taxpayers

⁸⁵ Includes only data from State Taxation Department. Information could not be provided by CGST, Aizawl as the data was not available in their system

⁸⁶ Circular dated 20 September 2017

tax administration and 10 per cent with the Central tax administration. In respect of dealers with turnover of ₹ 1.50 crore and above, the administrative control shall be divided in the ratio of 50 per cent each for the Central and State tax administration. The division of taxpayers as notified in Mizoram up to March 2021 and March 2022 are shown below.

Table-5.4: Division of dealers between Centre and State Government

Jurisdiction	Number of dealers				Total	
	Turnover above ₹ 1.5 crore		Turnover below ₹ 1.5 crore			
	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
Centre	Not Available*	Not Available*	Not Available*	Not Available*	Not Available*	Not Available*
State	786	926	6,000	6,375	6,786	7,301
Total	786	926	6,000	6,375	6,786	7,301

Source: Information as provided by State Taxation Department and CGST, Aizawl

* Could not be provided by CGST, Aizawl as the figures could not be generated from their system dashboard

5.1.2.1.3 Filing of Returns under GST

As per Mizoram Goods and Services Tax Rules⁸⁷, 2017 (MGST Rules, 2017), regular taxpayers were required to file monthly returns⁸⁸ in GSTR-1, GSTR-2 and GSTR-3, whereas composition taxpayers were required to file quarterly returns in GSTR-4. However, the provisions of the rules could not be implemented due to issues relating to information technology infrastructure. Accordingly, filing of GSTR-2 and GSTR-3 were postponed and regular taxpayers are required to file GSTR-1 and GSTR-3B (self-declaration) and composition dealers were to file GSTR-4 quarterly.

The trends of filing of GSTR-1 and GSTR-3B in Mizoram during 2020-21 and 2021-22 are depicted in **Table-5.5 (A)** and **Table-5.5 (B)** respectively:

Table-5.5 (A): Filing pattern of GSTR-1

Month	GSTR 1	
	2020-21	2021-22
April	4,712	4,671
May	4,721	4,666
June	4,739	4,672
July	4,791	4,643
August	4,855	4,668
September	4,842	4,729
October	4,889	4,719
November	4,976	4,820
December	5,080	4,871
January	3,685	4,889
February	3,690	4,956
March	4,758	5,014
Total	55,738	57,318

⁸⁷ Rule 59, 60 and 61

⁸⁸ GSTR-1: containing outward supply, GSTR-2: Auto populated from GSTR-1 showing inward supply of the dealer and GSTR-3: Summarised details of outward and inward supplies of a dealer during the month along with amount of GST liability

Table-5.5 (B): Filing pattern of GSTR-3B

GSTR-3B		
Month	2020-21	2021-22
April	6,564	4,676
May	6,594	4,669
June	6,618	5,400
July	6,718	4,647
August	6,819	4,669
September	6,813	5,455
October	6,936	4,720
November	7,055	4,821
December	7,196	5,654
January	5,263	4,889
February	5,291	4,956
March	7,161	5,821
Total	79,028	60,377

Source: Information as provided by State Taxation Department and CGST, Aizawl

5.1.3 The details of non-tax revenue receipts during the period 2017-18 to 2021-22 are given in the following **Table-5.6**:

Table-5.6: Details of non-tax revenue

(₹ in crore)

Head of account	2017-18		2018-19		2019-20		2020-21		2021-22		Percentage of increase (+)/ decrease (-) in 2020-21 over 2019-20	Percentage of increase (+)/ decrease (-) in 2021-22 over 2020-21
	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual		
Interest receipts	22.26	51.14	24.04	57.68	25.96	32.84	50.27	19.12	53.07	41.83	(-) 41.78	(+) 118.72
Power	181.00	213.10	198.70	270.23	300.00	373.61	330.00	398.01	625.00	401.90	(+) 6.53	(+) 0.98
Others	93.67	126.41	101.11	122.04	132.06	115.90	202.80	144.63	174.19	178.39	(+) 24.79	(+) 23.35
Total	296.93	390.65	323.85	449.95	458.02	522.35	583.07	561.76	852.26	622.12	(+) 7.54	(+) 10.74

Source: Finance Accounts, Vol-II and Annual Financial Statement of respective years

Over the past five years, non-tax revenue has made up between 4.55 per cent and 8.10 per cent of the total revenue receipts. In 2020-21, non-tax revenue recorded a growth of 7.54 per cent compared to the previous year, and in 2021-22 it saw a growth of 10.74 per cent compared to 2020-21. There has been a steady increase in non-tax revenue, from ₹ 390.65 crore in 2017-18 to ₹ 622.12 crore in 2021-22, with the major contributors being Power (₹ 401.90 crore) and Interest Receipts (₹ 41.83 crore).

5.2 Analysis of arrears of revenue

As of 31 March 2021, the arrears of revenue on some principal heads amounted to ₹ 23.01 crore, with ₹ 1.39 crore of that amount being overdue for more than five years. By 31 March 2022, the arrears of revenue had increased to ₹ 36.76 crore, with ₹ 2.50 crore being overdue for over five years as detailed below:

Table-5.7: Arrears of revenue

(₹ in crore)

Sl. No.	Head of revenue	Total amount outstanding as on		Amount outstanding for more than five years as on	
		31 March 2021	31 March 2022	31 March 2021	31 March 2022
1.	Taxes/ VAT on Sales, Trades, GST etc.	22.76	36.11	1.39	2.50
2.	Taxes on Professions, Trades, Callings and Employment, etc.	0.19	0.36	0.00	Nil
3.	Taxes on Entertainment	0.08	0.29	0.00	Nil
Total		23.03	36.76	1.39	2.50

Source: Information furnished by the Taxation Department

5.3 Arrears in assessment

The Taxation Department provided the following information on Sales Tax, Motor Spirit Tax, Luxury Tax, Tax on Works Contracts, and Professional Tax for 2020-21 and 2021-22, including the number of cases pending at the beginning of the year, cases due for assessment, cases disposed of during the year, and cases pending finalisation at the end of the year:

Table-5.8: Arrears in assessments

2020-21						
Head of account	Opening balance as on 01 April 2020	New cases due for assessment during 2020-21	Total assessments due	Cases disposed of during 2020-21	Closing balance as on 31 March 2021	Percentage of disposal
Taxes/VAT on Sales, Trades etc., & GST	2,488	16	2,504	23	2,481	0.92
Taxes on Professions, Trades, Callings and Employment, etc.	-	78	78	78	-	100.00
Total	2,488	94	2,582	101	2,481	3.91

Source: Information furnished by the Taxation Department

2021-22						
Head of account	Opening balance as on 01 April 2021	New cases due for assessment during 2021-22	Total assessments due	Cases disposed of during 2021-22	Closing balance as on 31 March 2022	Percentage of disposal
Taxes/VAT on Sales, Trades etc., & GST	2,481	13	2,494	2,487	7	99.72
Taxes on Professions, Trades, Callings and Employment, etc.	Nil	6,723	6,723	6,723	Nil	100
Total	2,481	6,736	9,217	9,210	7	99.92

Source: Information furnished by the Taxation Department

As seen in the **Table-5.8**, only 3.91 per cent (101 out of 2,582) of the assessments due were disposed of in 2020-21. However, 99.92 per cent (9,210 out of 9,217) were disposed of in 2021-22.

5.4 Evasion of tax detected by the Department

The details of cases of tax evasion detected by the Taxation Department, cases finalised and demands for additional tax raised as reported by the Department are given below in **Table-5.9**:

Table-5.9: Evasion of tax

2020-21						
Name of tax/ duty	Opening balance as on 01 April 2020	Cases detected during the year 2020-21	Total	Cases in which assessments/ investigation completed and additional demand including penalty, etc., raised during 2020-21		Number of cases pending on 31 March 2021
				No. of cases	₹ in crore	
Sales Tax/ VAT	391	16	407	16	4.20	391
Taxes on Entertainment	2	-	2	2	-	-
Total	393	16	409	18	4.20	391

Source: Departmental figures

2021-22						
Name of tax/ duty	Opening balance as on 01 April 2021	Cases detected during the year 2021-22	Total	Cases in which assessments/ investigation completed and additional demand including penalty, etc., raised during 2021-22		Number of cases pending on 31 March 2022
				No. of cases	₹ in crore	
Sales Tax/ VAT	391	13	404	401	91	3
Taxes on Entertainment	Nil	Nil	Nil	Nil	Nil	Nil
Total	391	13	404	401⁸⁹	91	3

Source: Departmental figures

5.5 Pendency of refund cases

Details reported by the Taxation Department on the number of pending refund cases at the start of 2020-21 and 2021-22, claims received during the year, refunds allowed during the year and the cases pending at the close of 2020-21 and 2021-22 respectively are shown in **Table 5.10**.

Table-5.10: Details of pendency of refund cases

(₹ in crore)

2020-21			
Sl. No.	Particulars	Sales Tax/ VAT	
		No. of Cases	Amount
1.	Claims outstanding at the beginning of the year	20	0.03
2.	Claims received during the year	44	2.12

⁸⁹ High rate of assessments/ investigation completed is due to re-evaluation done by Zonal Offices, wherein cases disposed in previous years were adjusted

2020-21			
Sl. No.	Particulars	Sales Tax/ VAT	
		No. of Cases	Amount
3.	Refunds made during the year	20	1.15
4.	Balance outstanding at the end of year	44	1.00

Source: Information furnished by the Taxation Department

(₹ in crore)

2021-22			
Sl. No.	Particulars	Sales Tax/ VAT	
		No. of Cases	Amount
1.	Claims outstanding at the beginning of the year	44	1.00
2.	Claims received during the year	39	5.43
3.	Refunds made during the year	32	5.13
4.	Claims rejected during the year	32	1.29
5.	Balance outstanding at the end of year	19 ⁹⁰	0.01

Source: Information furnished by the Taxation Department

The Department should examine the claims and dispose the cases on top priority to avoid future liability on payment of interest.

5.6 Audit planning

There are 144 auditable units under Revenue Sector of the State Government. The units are categorised into high, medium and low risk units according to their revenue position, past trends of audit observations and other parameters. The annual audit plan is prepared on the basis of risk analysis. The risk criteria involved scrutiny of budget speech, white paper on State finances, Reports of the Finance Commission, recommendations of the Taxation Reforms Committee, analysis of the revenue earnings, tax administration, etc.

Out of the 144 auditable units, 28 units were planned for audit in 2020-21 and 19 units audited, and 12 units were planned for audit in 2021-22, all of which were audited during the year.

5.7 Results of audit

Position of local audit conducted during the year

In 2020-21, records of 19 units of Taxation, Land Revenue & Settlement, and Geology & Mineral Resources Departments were test-checked, revealing short levy of penalties, mutation fees, MVAT, and license fees totalling ₹ 2.93 crore in 52 of 84 cases. The Departments made recovery of ₹ 0.29 crore from 2020-21 cases and from 13 pending cases from previous years.

Similarly short levy of penalties, mutation fees, MVAT, and license fees totalling ₹ 18.71 crore in 16 of 57 cases was noticed on test-check of records of 12 units of Taxation, Forest & Environment, Transport, and Excise & Narcotics Departments during the year 2021-22. The Departments made recovery of ₹ 0.44 crore from 2021-22 cases and from 8 pending cases from previous years.

⁹⁰ 32 claims rejected

5.8 Coverage of this Report

This Chapter contains four Compliance Audit Paragraphs involving a money value of ₹ 2.90 crore. The Departments/ Government have accepted audit observations involving ₹ 1.26 crore. However, no recovery was made.

COMPLIANCE AUDIT PARAGRAPHS

TAXATION DEPARTMENT

5.9 Under assessment of tax

A dealer was under-assessed of tax to the tune of ₹ 17.94 lakh due to under-assessment of turnover and application of incorrect tax rate

As per Section 34(1) of the Mizoram Value Added Tax (MVAT) Act, 2005, where, after a dealer is assessed under section 31 or section 32 for any year or part thereof, the Commissioner has reason to believe that the whole or any part of the turnover of the dealer in respect of any period has escaped assessment, been under assessed and assessed at a lower rate, he may serve a notice on the dealer and after giving a reasonable opportunity of being heard, proceed to assess to the best of his judgement and the provisions of this act will apply accordingly.

Test check (July-August 2019) of 46 records out of 379 records of dealers' assessed by the Dy. Commissioner of State Tax (DCST), Lunglei Zone, Lunglei revealed that a dealer⁹¹ was assessed (July 2017 and May 2019) by the Assessing Officer for the years 2009-10 to 2013-14, 2014-15 to 2016-17 and 2017-18 (upto June 2017). For the years 2012-13 to 2017-18 (upto June 2017), the Assessing Officer determined the purchase value of goods at ₹ 124.66 lakh taxable at five *per cent* and ₹ 378.58 lakh taxable at 13.5 *per cent* and worked out tax payable due at ₹ 54.31 lakh after taking profit margin of five *per cent*. The dealer paid tax of ₹ 7.59 lakh against the due amount of ₹ 61.90 lakh as detailed in **Appendix-5.9.1**.

Scrutiny of waybill/ c-form records, however, revealed that the dealer actually purchased goods worth ₹ 56.52 lakh and ₹ 530.32 lakh taxable at five and 13.5 *per cent* respectively during the same period *i.e.*, 2012-13 to 2017-18 (upto June 2017) resulting in excess determination of goods taxable at the rate of five *per cent* by ₹ 68.14 lakh and short determination of goods taxable at the rate of 13.5 *per cent* by ₹ 151.74 lakh by the Assessing Officer. After adding five *per cent* profit margin as was done by the Assessing Officer, the dealer was liable to pay tax of ₹ 79.84 lakh (₹ 3.09 lakh taxable at five *per cent* and ₹ 76.75 lakh taxable at 13.5 *per cent*).

Thus, due to failure of the Assessing Officer to cross verify the records while assessing returns of the dealer, the dealer suppressed taxable goods which resulted in evasion of tax of ₹ 17.94 lakh as detailed in **Appendix-5.9.1(A)**.

The matter was reported to the Department (October 2019) and Government (August 2022). The Department informed (September 2021) that the dealer was

⁹¹ M/s Jenny Cosmetics TIN 15160020064

re-assessed in March 2021 and an additional tax of ₹ 11.78 lakh was levied instead of leviable tax of ₹ 17.94 lakh. The re-assessment order of the Assessing Officer is not acceptable to audit as on further verification of the re-assessment order, audit noticed that the dealer paid tax of ₹ 6.16 lakh for the period 2014-15 to 2016-17 which was deducted twice as tax already paid and hence, the difference arose. The Government informed (September 2022) that re-assessment of the dealer incorporating the double deduction will be done. Current status of re-assessment and recovery is awaited (February 2023).

5.10 Under assessment of tax

Due to adoption of incorrect rate of tax and under assessment of turnover, there was short payment of tax of ₹ 31.27 lakh by a dealer

As per Section 34(1) of the Mizoram Value Added Tax (MVAT) Act, 2005, where, after a dealer is assessed under section 31 or section 32 for any year or part thereof, the Commissioner has reason to believe that the whole or any part of the turnover of the dealer in respect of any period has escaped assessment, been under assessed and assessed at a lower rate, he may serve a notice on the dealer and after giving a reasonable opportunity of being heard, proceed to assess to the best of his judgement and the provisions of this act will apply accordingly.

Test-check (January 2021) of 24 records out of 62 dealers' assessed records in the office of the Dy. Commissioner of State Tax (DCST), Aizawl West Zone, Aizawl revealed that a dealer⁹² dealing with biscuits, confectionaries, cosmetics, processed or preserved vegetables & fruits, soap & detergents, tobacco products, etc., was assessed (July 2020) by the Assessing Officer for the years 2013-14 to 2017-18 (upto June 2017). For the years 2016-17 and 2017-18 (upto June 2017), the Assessing Officer took the purchase value of goods at ₹ 36.42 lakh taxable at five *per cent*, ₹ 33.07 lakh taxable at 13.5 *per cent* and ₹ 218.11 lakh taxable at 20 *per cent* as per the dealer's return in Form-5. The Assessing Officer finalised his assessment after deducting damaged goods worth ₹ 24.39 lakh taxable at 20 *per cent* and worked out tax payable due at ₹ 1.91 lakh at five *per cent*, ₹ 4.68 lakh at 13.5 *per cent* and ₹ 40.68 lakh at 20 *per cent* with a profit margin of five *per cent* on sale.

Scrutiny of the assessment order revealed that there was under assessment of turnover and application of incorrect tax rate in respect of tobacco products which were taxable at the rate of 30 *per cent*. Government of Mizoram had revised (8 January 2016) the rate of tobacco products from the existing 20 *per cent* to 30 *per cent* with effect from 1 April 2016. However, the Assessing Officer failed to adopt the correct rate of 30 *per cent* and wrongly calculated the tax payable at ₹ 40.68 lakh at the rate of 20 *per cent* instead of the correct amount at ₹ 61.02 lakh resulting in under assessment of tax of ₹ 20.34 lakh.

⁹² M/s LMP Store TIN 15500275048

Further scrutiny of the dealer's return in Form-5 relating to the period 2016-17 to 2017-18 (upto June 2017) revealed that the dealer actually declared purchase of tobacco products worth ₹ 252.82 lakh thereby leading to concealment of purchase by ₹ 34.71 lakh. Adding a profit margin of five *per cent* as adopted by the Assessing Officer, the taxable turnover that escaped assessment was ₹ 36.45 lakh resulting in further evasion of tax to the tune of ₹ 10.93 lakh.

On this being pointed out (February 2021), the Government stated (September 2022) that the dealer was re-assessed (March 2021) with a tax of ₹ 33.70 lakh including penalty of ₹ 0.77 lakh. It was also stated that the dealer was issued notice of demand in March 2021 to pay the assessed tax including penalty on or before 30 April 2021 and was reminded in September 2021 and August 2022 but, no information on payment was received till date (February 2023).

Thus, there was under assessment of tax of ₹ 31.27 lakh due to under-assessment of turnover and application of incorrect tax rate.

Recommendation: Responsibility may be fixed for the under-assessment.

5.11 Loss of revenue

Due to non-assessment of a dealer by the Assessing Officer within the timeframe, there was non-levy of tax of ₹ 1.62 crore resulting in loss of revenue to the Government

Section 33(1) of the Mizoram Value Added Tax (MVAT) Act, 2005 provides that no assessment under section 31 or section 32 shall be made after expiry of five years from the end of the tax period to which the assessment relates.

Test-check (January 2021) of records of 24 out of 62 dealers' assessed under the Dy. Commissioner of State Tax (DCST), Aizawl West Zone, Aizawl revealed that a dealer⁹³ dealing with carpet, HDPE silpauline, PVC laminated sheet, taxable at 12.5 *per cent* (upto 31 December 2011) or 13.5 *per cent* (*w.e.f.* 01 January 2012) and sewing machine taxable at four or five *per cent* and exempted goods – textile, *etc.*, was assessed by the Assessing Officer for the years 2005-06 to 2006-07 on 29 June 2009 and for the period October 2014 to June 2017 on 16 July 2017. For the period between April 2007 and September 2014, however, no tax was assessed by the Assessing Officer. The reason for the non-assessment as recorded in the assessment order was that the dealer's supply of a cross laminated plastic sheet called HDPE silpauline to Disaster Management and Rehabilitation Department did not include the provision of VAT in the approved supply rate.

Scrutiny of the dealer's return revealed that the dealer declared purchase of goods, taxable at four *per cent*, worth ₹ 76.20 lakh and goods, taxable at 12.5 *per cent*, worth ₹ 167.91 lakh during the period April 2007 to March 2011 as per the dealer's return in Form-5. The DCST, Aizawl West Zone, did not maintain any waybill record and as such audit could not scrutinise the correctness of the returns during this period. During

⁹³ M/s Floria Glamour TIN 15110404059

the period April 2011 to December 2011 the dealer purchased and imported goods like carpet, silpauline, tarpauline, PVC laminated sheet, etc., taxable at 12.5 per cent, worth ₹ 221.88 lakh (silpauline ₹ 63.34 lakh + other items ₹ 158.54 lakh) on inter-state trade through waybills of which the dealer declared goods taxable at four per cent worth ₹ 5.30 lakh only. Further, during the period January 2012 to September 2014, the dealer also imported goods like carpet, silpauline, tarpauline, PVC laminated sheet, etc., taxable at the rate of 13.5 per cent worth ₹ 734.83 lakh (silpauline ₹ 380.73 lakh + other items ₹ 354.10 lakh) on inter-state trade through waybills, of which the dealer again declared goods worth ₹ 20.22 lakh only and taxable at just five per cent. The dealer paid tax of ₹ 2.05 lakh on his turnover between April 2007 and September 2014.

Taking the dealer's purchase volume as per her returns (in absence of any waybill) during April 2007 to March 2011 and waybill values from April 2011 to September 2014 and subtracting the tax paid of ₹ 2.05 lakh for the period between April 2007 and September 2014, there was evasion of tax resulting in revenue loss of ₹ 1.62 crore due to non-assessment of the dealer by the Assessing Officer as per the details given below:

Table-5.11: Details of evasion of tax

(₹ in lakh)

Sl. No.	Particulars	Goods taxable at 4 per cent	Goods taxable at 12.5 per cent	Goods taxable at 5 per cent	Goods taxable at 13.5 per cent	Total evasion
1.	Opening stock	0.00	51.51 ⁹⁴	0.86 ⁹⁵	0.00	52.37
2.	Purchase	76.20 ⁹⁶	389.79 ⁹⁷	0.00	734.83	1,200.82
3.	Total (1 + 2)	76.20	441.30	0.86	734.83	1,253.19
4.	Less: Closing stock as per return	0.86 ⁹⁸	0.00	0.00	6.84 ⁹⁹	7.70
5.	Taxable turnover at purchase (3-4)	75.34	441.30	0.86	727.99	1,245.49
6.	Add: Profit margin of 5 per cent as per pre and post period assessment (5)*5/100	3.77	22.06	0.04	36.40	62.27
7.	Taxable turnover of sale (6+7+8)	79.11	463.36	0.90	764.39	1,307.76
8.	Tax payable	3.16	57.92	0.05	103.19	164.32
9.	Tax paid in the returns	0.53	0.68	0.84	0.00	2.05
10.	Tax not paid = Loss of revenue (8-9)	2.63	57.24	(-) 0.79	103.19	162.27

⁹⁴ As on 01 April 2007

⁹⁵ As on 01 January 2012 where the rate of tax was revised from 4 per cent to 5 per cent

⁹⁶ ₹ 76.20 lakh as per returns during April 2007 to March 2011 of goods taxable at four per cent

⁹⁷ ₹ 167.91 lakh as per returns during April 2007 to March 2011 + ₹ 221.88 lakh during April 2011 to December 2011 as per manual waybill of goods taxable at 12.5 per cent

⁹⁸ As on 31 December 2011 where the rate of tax was revised from 4 per cent to 5 per cent w.e.f. 01 January 2012

⁹⁹ As on 30 September 2014

The matter was reported to the DCST, Aizawl West Zone, Aizawl (February 2021) and the Government (August 2022). The DCST in its reply stated (September 2021) that the dealer was not assessed as the dealer supplied HDPE silpauline to Disaster Management Department without billing VAT as quotation was submitted in 2004 before implementation of VAT. However, the DCST did not furnish documentary evidences on the quantity supplied by the dealer to the Disaster Management Department and also on the continued supply of silpauline at the quoted rate of 2004 till September 2014. The reply is not acceptable as the dealer imported carpet, PVC laminated sheet, silpauline and tarpauline as per his way-bills/ returns which are taxable but not accounted for by the Assessing Officer.

Thus, due to non-assessment by the Assessing Officer within the permissible time of five years relating to the period for assessment, there was non-levy of the evaded tax resulting in loss of revenue of ₹ 1.62 crore to the State exchequer.

5.12 Short levy and evasion of tax

Due to erroneous determination of opening stock during assessment of the dealer there was short levy of tax by ₹ 0.12 crore. Further, the dealer also evaded tax of ₹ 0.67 crore.

As per Section 31(1) (b) of the Mizoram Value Added Tax (MVAT) Act, 2005, if a registered dealer is selected for audit assessment by the Commissioner, the Commissioner may serve notice to the dealer to appear and produce books of accounts in support of his returns. Further, as per Section 31(6) of the MVAT Act, if any dealer has not furnished returns in respects of any period by the prescribed date or furnished incomplete and incorrect returns, the Commissioner can assess the dealer to the best of his judgement the amount of tax due from such dealer. If the dealer, in order to evade or avoid payment of tax, has failed to furnish returns or furnished incomplete returns for any period, the Commissioner, after giving the dealer reasonable opportunity may direct to pay as penalty a sum not exceeding twice the amount of tax assessed as per Section 31 (7) of the said Act.

Test-check (November – December 2019) of the records of 20 out of 50 dealers assessed under Dy. Commissioner of State Tax (DSCT), Aizawl, West Zone revealed that a dealer's¹⁰⁰ returns were assessed by the Assessing Officer for the years 2013-14 and 2014-15 on 20 July 2016 and for the years 2015-16 and 2016-17 on 08 March 2017 under Section 31(1) (b) and 31 (6) of MVAT Act. In the assessment order of 2015-17, the opening stock was taken as ₹ 4.31 crore (₹ 1.96 crore taxable at five *per cent* and ₹ 2.35 crore taxable at 13.5 *per cent*). The dealer's total purchase during 2015-16 and 2016-17 was determined as ₹ 20.04 crore (₹ 10.51 crore taxable at five *per cent* and ₹ 9.53 crore taxable at 13.5 *per cent*) based on the waybills utilisation by the dealer. The turnover of the dealer was taken at a minimum of 60 *per cent* of the total stock during 2015-17. The taxable turnover was determined by the Assessing Officer as ₹ 24.36 crore (₹ 12.47 crore taxable at five *per cent* and ₹ 11.89 crore taxable at

¹⁰⁰ M/s Modernes TIN 15110524095

13.5 per cent). The Assessing Officer worked out the taxable sale after adding five per cent profit margin. Accordingly, the total tax payable by the dealer was determined at ₹ 1.40 crore (₹ 0.39 crore @ five per cent and ₹ 1.01 crore @ 13.5 per cent).

Out of total tax of ₹ 1.40 crore as per the assessment order, the Assessing Officer found that the dealer already paid tax of ₹ 0.73 crore and evaded tax of ₹ 0.67 crore. Due to less payment of tax, penalty of ₹ 0.05 lakh was imposed by the Assessing Officer under Section 31(7) of MVAT Act. Notice of demand was issued by the Assessing Officer to the dealer in March 2018, however, payment was not received (February 2023).

Audit cross-verified the records of the dealer and found that the closing stock as per assessment order for the year 2014-15 was not taken as opening stock in the assessment order of 2015-17. Further examination of assessment order of 2013-15 revealed that the assessing officer erroneously took closing stock as on 31 March 2014, as the opening stock as on 1 April 2015 instead of the closing stock as on 31 March 2015. As per the assessment order, the closing stock for the year 2014-15 was ₹ 5.31 crore (₹ 2.16 crore taxable at five per cent and ₹ 3.15 crore taxable at 13.5 per cent) which should have been brought forward as the opening stock for the assessment year 2015-16. However, the assessing officer took the opening stock for the year 2015-16 incorrectly as ₹ 4.31 crore (₹ 1.96 crore taxable at five per cent and ₹ 2.35 crore taxable at 13.5 per cent) resulting in less determination of stock by ₹ 1.00 crore (₹ 0.20 crore taxable at five per cent and ₹ 0.80 crore taxable at 13.5 per cent) at purchase value.

Due to erroneous determination of opening stock during assessment of the dealer for the year 2015-17, there was short levy of tax by ₹ 0.12 crore (₹ 0.01 crore at the rate of five per cent and ₹ 0.11 crore at the rate of 13.5 per cent). Further, the dealer also evaded tax of ₹ 0.67 crore.

The matter was reported to the Department (February 2020) and Government (August 2022). The Department informed (September 2022) that re-assessment of the dealer was done (March 2020) and notice served to the dealer for payment of tax of ₹ 0.80 crore alongwith a penalty of ₹ 0.15 lakh. The Government informed (September 2022) that reminders were issued in July 2020 and August 2021. However, the current status of recovery of the tax due is awaited (February 2023).

CHAPTER – VI

**FOLLOW UP OF AUDIT
OBSERVATIONS**

CHAPTER-VI

FOLLOW UP OF AUDIT OBSERVATIONS

6.1 Non-submission of Action Taken Notes

With a view to ensure accountability of the Executive in respect of all the issues dealt with in various Audit Reports, the Public Accounts Committee (PAC) of Mizoram issued (May 2000) instructions for submission of *suo moto* Action Taken Notes (ATNs) on all paragraphs and reviews (Performance Audits) featured in the Audit Report within three months of its presentation to the Legislature. For submission of the ATNs on its recommendations, the PAC has provided six months' time.

A review of follow-up action on submission of ATNs disclosed that there was pendency in respect of the Audit Reports for the years 2015-16 to 2018-19. The Audit Report for the year 2019-20 was laid on the table of the State Legislature on 16.02.2023.

6.2 Response to audit observations and compliance thereof by the Executive

Principal Accountant General (Audit) conducts periodical inspections of Government Departments to assess, on a test-check basis, whether proper financial records and accounting practices are being maintained according to established rules and procedures. These inspections result in the issuance of Inspection Reports (IRs), which are sent to the heads of the inspected offices and higher authorities. Government regulations mandate prompt action on IRs by the Executive, and the heads of offices and higher authorities are obligated to rectify any identified issues and report their compliance to the Principal Accountant General. The office of the Principal Accountant General also brings significant irregularities to the attention of the heads of departments.

6.2.1 Outstanding Inspection Reports and Paragraphs

Details of outstanding paragraphs pertaining to Social, General and Economic Sectors during the last five years are as shown in **Table-6.1** below:

Table-6.1: Number (cumulative) of outstanding paragraphs

Year	Social Sector	General Sector	Economic Sector
2016-17	802	244	630
2017-18	926	320	879
2018-19	1,055	410	1,018
2019-20	1,244	450	1,236
2020-21	1,336	491	1,315
2021-22	1,428	527	1,392

6.2.2 Revenue Sector

As of June 2022, there were 186 pending IRs (Inspection Reports) totalling 719 paragraphs with a money value of ₹ 123.56 crore. The status of IRs for the past three years is outlined in the **Table-6.2** below:

Table-6.2: Details of outstanding IRs under Revenue Sector

Particulars	June 2019	June 2020	June 2021	June 2022
Number of outstanding IRs	123	159	174	186
Number of outstanding audit observations	378	611	666	719
Amount involved (₹ in crore)	90.55	75.87	104.87	123.56

6.2.2.1 Recovery of accepted cases

Details of revenue paragraphs included in the Audit Reports of the last five years and those accepted by the Departments and amount recovered are given in the following **Table-6.3:**

Table-6.3: Details of Revenue Paragraphs included in the Audit Reports and recovery made thereagainst

Year of Audit Report	No. of paragraphs included	Money value of the paragraphs	No. of paragraphs accepted	Money value of accepted paragraphs	(₹ in crore)	
					Amount recovered as on 31 March 2022	Cumulative position of recovery of accepted cases
2015-16	5	3.63	4	1.61	0.02	0.02
2016-17	6	3.16	4	2.14	--	0.02
2017-18	3	2.06	3	2.05	0.15	0.17
2018-19	5	10.54	4	4.07	0.37	0.54
2019-20	5	2.45	5	2.45	0.44	0.98
Total	24	21.84	20	12.32		

The above **Table-6.3** shows that over the past five years, departments under the Revenue Sector have acknowledged 20 paragraphs with a money value of ₹ 12.32 crore, of which only ₹ 0.98 crore had been recovered as of 31 March 2022.

The Departments need to evolve a strong mechanism to monitor and ensure recovery of accepted cases.

6.3 Response of departments concerned to the draft audit paragraphs

The draft audit paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India are forwarded by the Principal Accountant General to the Principal Secretaries/ Secretaries of the departments concerned, drawing their attention to audit findings with a request to send their response within six weeks. Non-receipt of replies from departments/ Government is invariably indicated at the end of such paragraphs included in the Audit Report.

Eleven draft paragraphs proposed to be included in the Audit Report for the year ended 31 March 2022 were sent to Principal Secretaries/ Secretaries of the respective departments for their responses. Government response was received in respect of nine draft paragraphs which have been incorporated at appropriate places. No response was received from the Government in respect of two paragraphs.

6.4 Audit Committee Meetings

The State Government had constituted (04 September 2013) Audit Committee to consider and take measures for timely response and speedy settlement of outstanding IRs/ paragraphs pending in various Departments.

However, no meetings of the Audit Committee took place during the years 2020-2021 and 2021-2022.

The Government may ensure that Audit Committee convenes regularly to review, discuss, settle and take action on audit observations.

Aizawl
The: 02 August 2023


(LHUNKHOTHANG HANGSING)
Principal Accountant General, Mizoram

Countersigned

New Delhi
The: 04 August 2023


(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

APPENDICES

Appendix - 1.4.1
Statement showing the works sub-contracted by M/s Lushai Engineers Pvt. Ltd., by signing Deed Agreement
(Reference: Paragraph 1.4)

(₹ in lakh)

Sl. No.	Name of Works	Contract Amount	Name of District	Date of		Date of signing deed of agreement with the third party	Name of third party Work Supervisor	Sub-Contracted Amount	Difference
				Commencement of work	Completion of work				
1	2	3	4	5	6	7	8	9	10=3-9
A. Construction of Kitchen Shed & Dining Hall									
1.	Government Ramhlun North Primary School	10.70	Aizawl	25.03.2019	14.05.2019	22.02.2019	Malsawmdawngliana, Venglai, Aizawl	8.13	2.57
2.	Government Lengpui Primary School-I	10.70	Aizawl	23.04.2019	12.08.2019	21.02.2019	Samuel, Lengpui village	8.13	2.57
3.	Government Bethlehem Vengthlang Primary School	10.70	Aizawl	16.06.2019	21.08.2019	26.02.2019	Lalnunsiana, Bethlehem Vengthlang	8.13	2.57
4.	Government Salem Middle School	10.70	Aizawl	08.04.2019	20.05.2019	26.06.2019	A. Rokima, Bawngkawn, Aizawl	8.13	2.57
5.	Government Middle School-II, Bawngkawn	10.70	Aizawl	20.05.19	27.06.19	21.02.2019	MS Dawngliana,	8.13	2.57
6.	Government Chhiahtlang Middle School	10.70	Serchhip	16.05.19	20.06.19	06.05.2019	Chalngbaka & Lalchhuanga	8.13	2.57
7.	Government Primary School-I, Kolasib	10.70	Kolasib	04.07.2019	06.08.19	23.04.2019	VL Dika Pachuau	8.13	2.57
8.	Salem Middle School Lunglei	10.70	Lunglei	20.5.2019	08.08.19	25.03.2019	B. Lalrinhunga	8.13	2.57
9.	Government Mamit Primary School-V	10.70	Mamit	15.05.2019	19.08.2019	06.03.2019	Hmangaihzuala	8.13	2.57
	Total	96.30						73.17	23.13

Audit Report for the year ended 31 March 2022

Sl. No.	Name of Works	Contract Amount	Name of District	Date of		Date of signing deed of agreement with the third party	Name of third party Work Supervisor	Sub-Contracted Amount	Difference
				Commencement of work	Completion of work				
1	2	3	4	5	6	7	8	9	10=3-9
B. Repair of Secondary/ High School Building									
10.	Government Rulchawm High School	4.00	Aizawl	11.06.2018	20.06.2018	12.06.2018	K. Lalchhandama, Puiilo Village, Aizawl	3.04	0.96
11.	Government Central High School, College Veng	4.00	Aizawl	29.07.2019	02.08.2019	02.07.2019	A. Rokima Ralte, Bawngkawn, Aizawl	3.04	0.96
	Total	8.00						6.08	1.92
C. Repair of Elementary School Building									
12.	Government L.M. Primary School, Ramhlun Venglai	4.00	Aizawl	10.12.2018	27.02.2019	28.05.2018	Vanlalsiama, Ramthar Veng, Aizawl	3.04	0.96
13.	Government Dinthar Middle School-I	4.00	Aizawl	28.08.2018	20.09.2018	10.08.2018	Thanliana, Dinthar Veng	3.04	0.96
14.	Government Thanbuka Middle School (T.B.L.)	4.00	Aizawl	01.10.2019	31.10.2019	29.05.2018	Thangromuana, Tuikual	3.04	0.96
15.	Government DIET Practicing Middle School	4.00	Aizawl	02.10.2019	26.10.2019	29.05.2018	Thangromuana, Tuikual	3.04	0.96
16.	Government Bawngkawn Middle School-I	4.00	Aizawl	22.10.2019	13.12.2019	28.05.2018	Vanlalsiama, Ramthar Veng, Aizawl	3.04	0.96
17.	Government Maubuang Primary School	4.00	Aizawl	13.04.2019	27.04.2019	10.06.2019	Rotluanga, Maubuang	3.04	0.96
18.	Government Laipuitlang English Middle School	4.00	Aizawl	11.03.2019	04.04.2019	04.03.2019	R. Romawia, Laipuitlang, Aizawl	3.04	0.96
19.	Government TS Middle School	4.00	Aizawl	18.03.2019	04.04.2019	08.03.2019	Sangliana, Thuampui, Aizawl	3.04	0.96

Sl. No.	Name of Works	Contract Amount	Name of District	Date of		Date of signing deed of agreement with the third party	Name of third party Work Supervisor	Sub-Contracted Amount	Difference
				Commencement of work	Completion of work				
1	2	3	4	5	6	7	8	9	10=3-9
20.	Government Ramthar Primary School-II	4.00	Aizawl	16.07.2018	18.08.2019	05.07.2018	Sanglura Colney, Ngopa village	3.04	0.96
21.	Government Primary School, West Lungdar	4.00	Aizawl	18.06.2018	22.06.2018	-	Lalnginglova, West Lungdar Village, Aizawl	3.04	0.96
22.	Government Midland Middle School, Serehip	4.00	Serehip	10.02.19	04.04.19	05.03.2019	Jerry Lalrintluanga	3.04	0.96
23.	Government Middle School-I, Kawlkuh	4.00	Champhai	..	01.11.19	30.05.2018	Lalthenlova, Kawlkuh	3.04 ¹	0.96
24.	Government Bunglang West Primary School	4.00	Lunglei	02.09.19	07.09.19	27.08.2019	A. RokimaRalte	3.04	0.96
25.	Government Hauruang Primary School-II	4.00	Lunglei	04.09.19	14.09.19	27.08.2019	A. RokimaRalte	3.04	0.96
26.	Sukurbasora Upper Primary School (SSA)	4.00	Lunglei	10.07.2019	30.07.19	05.07.2019	H. Thangiana	3.04	0.96
27.	Edomuktisora Upper Primary School (SSA)	4.00	Lunglei	14.06.2019	04.07.19	05.07.2019	Jocky Lalremruata	3.04	0.96
28.	Government Thinghlun Primary School	4.00	Mamit	..	10.05.19	28.02.2019	Vanpuilala	3.04	0.96
	Total	68.00						51.68	16.32
	Grand total	172.30						130.93	41.37

¹ In the completion report it was mentioned that the work was completed as per agreement between Pu R. Lalthenlova, Kawlkuh and the contractor Lushai Engineers, so the amount is taken as ₹ 3.04 lakh at par with other works

Appendix - 1.4.2

Statement showing the works sub-contracted by M/s Lushai Engineers Pvt. Ltd.

(Reference: Paragraph 1.4)

Sl. No.	Name of Works	Amount (₹ in lakh)	Name of District	Date of		Name of third party Work Supervisor	Value of work/ contract	Difference
				Commence-ment of work	Completion of work			
1	2	3	4	5	6	7	8	9=3-8
A. Construction of Kitchen Shed & Dining Hall								
1.	Government Chanmari Primary School	10.70	Aizawl	17.06.2019	26.11.2019	Lalzaimawii, Edenthar veng	8.13	2.57
2.	Government College Veng Primary School	10.70	Aizawl	15.05.2019	19.08.2019	Nicky Hunlawmawma, Zemabawk North, Aizawl	8.13	2.57
3.	Government Vengchung Primary School	10.70	Serchhip	21.06.2019	17.06.2019	Zohmangaiha Ralte	8.13	2.57
4.	Government Kawlbem Primary School	10.70	Champhai	31.05.2018	31.05.2019	Zambenthanga, Chunkhuma & Pauthuama	10.70	0
5.	Government Ngopa Middle School-II	10.70	Champhai	31.05.2018	31.05.2019	K. Lalkima	10.70	0
6.	Government Primary School-II	10.70	Champhai	05.11.2018	05.11.2019	Zahmingthanga	10.70	0
Total		64.20					56.49	7.71
B. Repair of Secondary/High School Building								
7.	Government Ratu High School	4.00	Aizawl	23.06.2018	08.07.2018	R.D. Lawmkima, Ratu Village, Aizawl	3.04	0.96
8.	Government Keifang High School	4.00	Aizawl	15.06.2018	29.08.2018	Lalsilova Sailo, Kawlkulh village, Aizawl	3.04	0.96
9.	Government Durtlang High School	4.00	Aizawl	08.04.2018	20.08.2018	Lawmkima, NE Khawdungsei village, Aizawl	3.04	0.96

Sl. No.	Name of Works	Amount (₹ in lakh)	Name of District	Date of		Name of third party Work Supervisor	Value of work/ contract	Difference
				Commencement of work	Completion of work			
1	2	3	4	5	6	7	8	9=3-8
10.	Government Awithangpa High School, Thiak	4.00	Aizawl	28.03.2019	02.04.2019	T. Lalruatkima, Thiak, Aizawl	3.04	0.96
11.	N. Vanlaiphai Government High School	4.00	Serchhip	13.03.2019	15.07.2019	F. Thangkunga & Lalthangliana	3.04	0.96
12.	Government Democratic High School, Khumtung	4.00	Serchhip	04.05.2019	02.06.2019	C. Laltanpuia	3.04	0.96
13.	Government Ngopa High School	4.00	Champhai	31.05.2018	31.05.2019	PB Sangthanga	4.00	0
14.	Government Kawlbem High School	4.00	Champhai	31.05.2018	31.05.2019	V. Lalrinawma & H. Thangdawla	4.00	0
15.	Government Kawlkulh High School	4.00	Champhai	31.05.2018	31.05.2019	Hrangmuana	4.00	0
16.	Government Saichal High School	4.00	Champhai	31.05.2018	31.05.2019	Zohmangaiha	4.00	0
	Total	40.00					34.24	5.76
C.	Repair of Elementary School Building							
17.	Government Tlangnuam Primary School-I	4.00	Aizawl	12.07.2018	19.07.2018	Laithanzami, Tlangnuam, Aizawl	3.04	0.96
18.	Government Mice Primary School (Section)	4.00	Aizawl	05.11.2018	29.01.2019	Vannuaithanga, Dintharveng, Aizawl	3.04 ²	0.96
19.	Government Kanan Primary School	4.00	Aizawl	10.07.2019	05.07.2019	D.K. Vala, Kanan, Aizawl	3.04	0.96
20.	Government Hlimen Primary School-I	4.00	Aizawl	28.03.2019	09.04.2019	Joshua Zotc, Hlimen, Aizawl	3.04	0.96
21.	Government Melthum Primary School	4.00	Aizawl	25.03.2019	17.04.2019	Lalrinawma, Melthum, Aizawl	3.04	0.96

² Though the District Education Officer, Aizawl provided ₹ 12,16,000 as the value of work, but since the agreed full amount is only ₹ 4 lakh, the sub-contracted value is therefore taken as ₹ 3.04 lakh as per the other similar works in the District.

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Sl. No.	Name of Works	Amount (₹ in lakh)	Name of District	Date of		Name of third party Work Supervisor	Value of work/ contract	Difference
				Commencement of work	Completion of work			
1	2	3	4	5	6	7	8	9=3-8
22.	Government Armed Veng South Primary School-II	4.00	Aizawl	09.09.2019	19.10.2019	Lalmuansangi	3.04	0.96
23.	Government Chaltlang Primary School-I	4.00	Aizawl	07.03.2019	29.03.2019	Laltlankima, Chaltlang Dawrkawn, Aizawl	3.04	0.96
24.	Government Chite Primary School	4.00	Aizawl	18.04.2019	14.05.2019	Zoramiana, Chite Veng, Aizawl	3.04	0.96
25.	Government DIET Practicing Primary School	4.00	Aizawl	02.03.2019	25.03.2019	Robert Lalremuata, Chaltlang, Aizawl	3.04	0.96
26.	Government Maubuang Middle School	4.00	Aizawl	11.06.2019	05.07.2019	Rotluanga, Maubuang, Aizawl	3.04	0.96
27.	Government Sihphir Middle School-II	4.00	Aizawl	13.03.2019	18.04.2019	R. Rosanga, Sihphir, Aizawl	3.04	0.96
28.	Government Lawipu Middle School	4.00	Aizawl	28.05.2019	08.06.2019	Biakliana, Lawipu, Aizawl	3.04	0.96
29.	Government Maubawk Middle School-I	4.00	Aizawl	15.04.2019	21.06.2019	Lalchangkima, Maubawk, Aizawl	3.04	0.96
30.	Government Khatla Nepali Middle School	4.00	Aizawl	NA	30.04.2019	Zonunsanga, Khatla, Aizawl	3.04	0.96
31.	Government Kulikawn Middle School	4.00	Aizawl	05.03.2019	14.03.2019	K. Malsawmtluanga, Kulikawn, Aizawl	3.04	0.96
32.	Government Tuirial Airfield Middle School	4.00	Aizawl	05.03.2019	23.03.2019	H. Vanlalzana, Zemabawk, Aizawl	3.04	0.96
33.	Government Centenary Middle School, Thenzawl Office Building	8.00	Serchhip	07.01.2019	11.02.2019	Lalchhanchhuahi & Lalvulmawia	6.08	1.92
34.	Government Kaw/kulh Primary School-II	4.00	Champhai	31.05.2018	31.05.2019	Thansanga & Lalsipaia	4.00	0
35.	Government Changzawl Primary School	4.00	Champhai	31.05.2018	31.05.2019	Lalhmuliana	4.00	0

Sl. No.	Name of Works	Amount (₹ in lakh)	Name of District	Date of		Name of third party Work Supervisor	Value of work/ contract	Difference
				Commencement of work	Completion of work			
1	2	3	4	5	6	7	8	9=3-8
36.	Government Vankal, Primary School	4.00	Champhai	31.05.2018	31.05.2019	F. Lalremsiana	4.00	0
37.	Government Dulte, Primary School	4.00	Champhai	31.05.2018	31.05.2019	Biakliana	4.00	0
38.	Government NE Khawdungsei, Primary School-II	4.00	Champhai	31.05.2018	31.05.2019	Lalrinkima	4.00	0
39.	Government Vanchengppui Primary School	4.00	Champhai	31.05.2018	31.05.2019	Vanlalropeka	4.00	0
40.	Government Teikhang Primary School	4.00	Champhai	31.05.2018	31.05.2019	T. Khaikhansuana	4.00	0
41.	Government Chhawrtui Primary School	4.00	Champhai	31.05.2018	31.05.2019	Hmangaihzauva	4.00	0
42.	Government Dulte Middle School	4.00	Champhai	31.05.2018	31.05.2019	Laltanpuia	4.00	0
43.	Government Changzawl Middle School	4.00	Champhai	31.05.2018	31.05.2019	R. Lalvulmawizuala	4.00	0
44.	Government Kawlkuh Middle School-II	4.00	Champhai	31.05.2018	31.05.2019	Lalbiakfela	4.00	0
45.	Government Saichal Middle School	4.00	Champhai	31.05.2018	31.05.2019	K. Lalnglneia	4.00	0
46.	Government Hliappui Middle School-I	4.00	Champhai	31.05.2018	31.05.2019	Lalthanliana	4.00	0
47.	Government Mimbung Middle School	4.00	Champhai	31.05.2018	31.05.2019	Johny Kamthansanga	4.00	0
48.	Government Kawlbem Middle School	4.00	Champhai	31.05.2018	31.05.2019	G. Thantluanga	4.00	0
49.	Government Ngopa Primary School-III	4.00	Champhai	05.11.2018	05.11.2019	JC Khualkunga	4.00	0
50.	Government Khawkawwn Primary School	4.00	Champhai	05.11.2018	05.11.2019	Thawnzagina & Thangliana	4.00	0

Sl. No.	Name of Works	Amount (₹ in lakh)	Name of District	Date of		Name of third party Work Supervisor	Value of work/ contract	Difference
				Commence-ment of work	Completion of work			
1	2	3	4	5	6	7	8	9=3-8
	Total	140.00					122.72	17.28
D.	Re-Construction of School Building							
51.	Government N.E. Khawdungsei High School	108.31	Champhai	31.05.2018	31.05.2019	K. Lalramhluna	108.31	0
52.	Government Vanchengpui Middle School	37.00	Champhai	31.05.2018	31.05.2019	Thangchuanga	37.00	0
53.	Government Ngopa Middle School-II	37.00	Champhai	31.05.2018	31.05.2019	R. Lalchhunga	37.00	0
54.	Government Ngopa Primary School-I	34.00	Champhai	31.05.2018	31.05.2019	F. Dawngliana	34.00	0
55.	Government Puiilo Primary School	34.00	Champhai	31.05.2018	31.05.2019	K. Siamliana	34.00	0
56.	Government Mimbung Primary School-II	34.00	Champhai	31.05.2018	31.05.2019	Neithanga & Lalchhuanmawii	34.00	0
57.	Government Hriangmun Primary School	34.00	Champhai	31.05.2018	31.05.2019	PB Lawttluanga	34.00	0
58.	Government Kawlkuh Primary School-V	34.00	Champhai	05.11.2018	05.11.2019	Lalduailova Sailo	34.00	0
59.	Government Ngopa Primary School-III	34.00	Champhai	05.11.2018	05.11.2019	C. Ruatsanga	34.00	0
	Total	386.31					386.31	0
	Grand total	630.51					599.76	30.75

Appendix – 1.5.1
Statement showing fund released by the Ministry of Human Resource Development, Higher Education Department, Government of India to the State Government in district-wise
(Reference: Paragraph 1.5)

(₹ in lakh)

Name of the District polytechnic	Component of the Scheme fund			Ministry funding positing/ status as of 22.01.2021	
	Approved cost	Civil Work	Equipment, machinery, library, etc.	Fund release order No & Date	Amount released
Kolasib Polytechnic	1,230	800	430	F. No. 22-10/2008-TS.IV of 31.12.08	200
				F. No.22-10/2008-TS/ IV of 30.03.09	12
				F. No. 22-20/2009-TS/IV of 30.08.11	468
				F. No. 22-20/2009-TS/IV of 30.08.11	90
				F. No. 22-20/2009-TS/IV of 30.08.11	42
				F. No. 22-20/2009-TS/IV of 27.03.15	233
				F. No.22-20/2009-TS/IV of 27.03.15	45
				F. No. 22-20/2009-TS/IV of 27.03.15	23
Total	1,230	800	430		1,113
Champhai Polytechnic	1,230	800	430	F. No. 22-10/2008-TS/IV of 31.12.08	200
				F. No. 22-10/2008-TS/IV of 30.03.09	12
				F. No. 22-20/2009-TS/IV of 30.08.11	468
				F. No. 22-20/2009-TS/IV of 30.08.11	90
				F. No. 22-20/2009-TS/IV of 30.08.11	42
				F. No. 22-20/2009-TS/IV of 27.03.15	233
				F. No. 22-20/2009-TS/IV of 27.03.15	45
				F. No. 22-20/2009-TS/IV of 27.03.15	23
Total	1,230	800	430		1,113
Mamit Polytechnic	1,230	800	430	F. No.22-10/2008-TS/IV of 06.08.09	200
				F. No. 22-20/2009-TS/IV of 30.08.11	468
				F. No. 22-20/2009-TS/IV of 30.08.11	90
				F. No. 22-20/2009-TS/IV of 30.08.11	42
				F. No. 22-20/2009-TS/IV of 27.03.15	233
				F. No. 22-20/2009-TS/IV of 27.03.15	45
				F. No. 22-20/2009-TS/IV of 27.03.15	23
Total	1,230	800	430		1,101
Grand total	3,690	2,400	1,290		3,327

Appendix – 1.5.2

Status of fund transferred by the State Finance Department to Mizoram Public Works Department and expenditure incurred thereof with present status of the civil works.

(Reference: Paragraph 1.5)

(₹ in lakh)

Name of Polytechnic	Name of the MPWD Division executing the work	Fund transfer letter No & Date of the Finance Department	Amount transferred	Expenditure incurred as per completion certificate	Date of Completion the Administrative block buildings
(1)	(2)	(3)	(4)	(5)	(6)
Kolasib Polytechnic	Executive Engineer, Project Division-II, Laipuitlang, Aizawl.	No. G. 20016/1/09-FBT/86 dt. 18.11.2010 : ₹ 200 lakh	800.00	800.00	18.04.2013
		No. G. 20016/1/2011-FBT/1 dt. 07.10.2011 : ₹ 600 lakh			
Champhai Polytechnic	Executive Engineer, Project Division-III, Babutlang, Aizawl.	No. G. 20016/1/09-FBT/86 dt. 18.11.2010 : ₹ 200 lakh	800.00	800.00	05.12.2013
		No. G. 20016/1/2011-FBT/1 dt. 07.10.2011 : ₹ 600 lakh			
Mamit Polytechnic	Executive Engineer, Project Division-II, Laipuitlang, Aizawl.	No. G. 20016/1/09-FBT dt. 02.08.2010: ₹ 200 lakh	800.00	800.00	15.06.2016
		No. G. 20016/1/2011-FBT/1 of 07.10.2011 : ₹ 600 lakh			
Total			2,400.00	2,400.00	

Source: Department record

Appendix - 2.2.1
Statement showing disbursement of ₹ 124.19 lakh on purchase of non-durable assets like, sewing machines, computers, oxygen concentrator, Silpauline, etc.
(Reference: Paragraph 2.2)

Sl. No.	Year of expenditure	Date of Payment/ disbursement		Particulars of expenditure	Assembly Constituency	Implementing Agencies	Amount
		Voucher No.	Date				
1.	2014-15	7	13.06.2014	Purchase of sewing machine 100 nos. @ ₹ 4,255	Mamit	MLA	4,25,500
2.	2015-16	2	16.11.2015	Purchase of materials		PS to MLA	7,03,495
3.	2015-16	39	14.03.2016	Purchase of materials		MLA	3,36,500
4.	2016-17	7	07.06.2016	Purchase of materials (i.e., utensils, GI Sheets, Sewing machine and computer set)		PS to MLA	6,59,000
5.	2016-17	45	03.11.2016	Purchase of sewing machine 45 nos. @ ₹ 4,250		MLA	1,91,250
6.	2016-17	72	15.12.2016	Purchase of computer sets for Bru & Chakma Community		MLA	1,50,000
7.	2016-17	4	07.06.2016	For participation in the Inter District Boxing Competition at Ramhlun, Aizawl		Mamit District Boxing Assn.	20,000
8.	2017-18	6	05.07.2017	Purchase of sewing machine 50 nos. and five computer sets		MLA	3,62,500
9.	2017-18	35	21.09.2017	Purchase of sewing machine 30 nos. @ ₹ 4,250		MLA	1,27,500
10.	2017-18	44	29.08.2017	Purchase of 50 nos. of sewing machine for Bru and Chakma @ ₹ 4,250		MLA	2,12,500
11.	2017-18	65	16.01.2018	Purchase of sewing machine 50 nos. @ ₹ 4,250 for Bru & Chakma Communities of various village	MLA	2,12,500	
12.	2018-19	150	02.08.2018	Purchase of 400 nos. of silpauline @ ₹ 600	MLA	2,40,000	
13.	2018-19	183	05.10.2018	Purchase of 50 bundles of sewing machine for Bru & Chakma Community	MLA	2,12,500	
14.	2018-19	184	05.10.2018	Purchase of 78 bundles GCI Sheet for Bru & Chakma community	MLA	2,80,800	
15.	2019-20	186	03.06.2019	Purchase of 200 nos. of silpauline for Bru & Chakma community	MLA	2,40,000	
16.	2019-20	4	24.07.2019	Purchase of silpauline, alu (GI)sheet	MLA	6,84,000	
17.	2019-20	13	02.12.2019	Contribution to Mizoram State Games	State Games Expenses	5,00,000	
18.	2014-15	28	02.02.2015	Purchase of computer	MLA	3,02,000	
19.	2015-16	7	01.02.2015	Purchase of computers	MLA	4,50,000	
20.	2015-16	23	01.02.2016	Purchase of sewing machine	MLA	82,800	
21.	2016-17	12	19.02.2017	Purchase of computer 04 nos.	MLA	1,00,000	
22.	2017-18	4	28.03.2018	Reiek Zone Football Tournament & Training	RZFA, Reiek	2,20,000	

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Sl. No.	Year of expenditure	Date of Payment/ disbursement		Particulars of expenditure	Assembly Constituency	Implementing Agencies	Amount
		Voucher No.	Date				
23.	2018-19	5	29.05.2018	Purchase of 1,000 nos. of silpauline @ ₹ 600		MLA	6,00,000
24.	2019-20	3	23.08.2019	Purchase of silpauline for public utility		MLA	5,05,000
25.	2016-17	30	21.07.2016	Purchase of materials		PS to MLA	7,37,000
26.	2016-17	86	31.03.2017	Purchase of computers and PA Sets		MLA	1,46,700
27.	2017-18	4	01.09.2017	Purchase of sport equipment		MLA	10,22,500
28.	2017-18	44	06.02.2018	Purchase of computer set and printers		MLA	1,66,490
29.	2018-19	47	11.04.2018	Purchase of 400 silpauline		MLA	4,80,000
30.	2018-19	80	24.09.2018	Purchase of silpauline		MLA	8,00,400
31.	2018-19	123	24.09.2018	Purchase of computer with printer 12 sets		MLA	4,20,000
32.	2018-19	124	24.09.2018	Purchase of portable speaker		MLA	3,40,000
33.	2018-19	126	05.10.2018	Purchase of computer with printer		MLA	4,88,000
				Total			1,24,18,935

Appendix - 3.2.1
List of 35 applicants out of 67 applicants verified on 01.11.2018 who were also found in the list of 945 beneficiaries
 (Reference: Paragraph 3.2.10.5)

(Amount in ₹)

Sl. No	Applicant Id	Name/ Father Name	Account Number	Institute name	M /F	Religion	H / D	F / R	Address as per record	Course/ Year	Amount
1.	MZ2018190 09962663	Aptar Uddin/ Abdul Karir	XXXXXXXXXX XX4832	Jakaibowa Kalia HS/ 18170430105	M	Muslim	H	F	23	VII/ 0	10,200
2.	MZ2018190 10061175	Rijaul Islam/ Saidur Rahman	XXXXXXXXXX XXX1781	Jakaibowa Kalia HS/ 18170430105	M	Muslim	H	F	136	VII/ 0	10,200
3.	MZ2018190 09965747	Jarina Khatun/ Lal Miya	XXXXXXXXXX XX5605	Jakaibowa Kalia HS/ 18170430105	F	Muslim	H	F	267	VII/ 0	10,200
4.	MZ2018190 10022828	Earashwad Hussain Khandakar/ Tawel Ali Khandar	XXXXXXXXXX XX0367	Langsoliet ASS. Me/ 18190501606	M	Muslim	H	F	72	VIII/ 0	10,000
5.	MZ2018190 10023603	Hussain Ali/ Ismial	XXXXXXXXXX XX0370	Langsoliet ASS. Me/ 18190501606	M	Muslim	H	F	98	VII/ 0	10,000
6.	MZ2018190 09962004	Halima Khatun/ Abdul Rejak	XXXXXXXXXX XX3544	Langsoliet ASS. Me/ 18190501606	F	Muslim	D	F	159	X/ 0	1,600
7.	MZ2018190 09950861	Jakia Begum/ Sahur Ali	XXXXXXXXXX XX3618	Langsoliet ASS. Me/ 18190501606	F	Muslim	D	F	261	IX/ 0	1,600
8.	MZ2018190 08860727	Dilder Hussain/ Abdur Rahman	XXXXXXXXXX 2355	Martha Memorial School/ 18190100403	M	Muslim	H	F	85	VII/ 0	8,000
9.	MZ2018190 08749007	Ajifa Khatun/ Urmat Khan	XXXXXXXXXX 2532	Naiso Smriti Vidya Pith/ 18200504911	F	Muslim	D	F	32	VIII/ 0	5,700
10.	MZ2018190 08748676	Habiba Faruki/ Mainul Islam	XXXXXXXXXX XX6689	Naiso Smriti Vidya Pith/ 18200504911	F	Muslim	H	F	45	VIII/ 0	10,700
11.	MZ2018190 09044260	Afatara Begum/ Rahamat Ali	XXXXXXXXXX 5799	Naiso Smriti Vidya Pith/ 18200504911	F	Muslim	H	F	118	IX/ 0	10,700
12.	MZ2018190 08667841	Aklima Khatun/ Hasen Ali	XXXXXXXXXX XX3150	New Songkai High School/ 18200309105	F	Muslim	H	F	11	VI/ 0	10,700

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Sl. No	Applicant Id	Name/ Father Name	Account Number	Institute name	M /F	Religion	H / D	F / R	Address as per record	Course/ Year	Amount
13.	MZ2018190 08670339	Motibur Rahman/ Abdul Jabbar	XXXXXXXXXX XX2979	New Songkai High School/ 18200309105	M	Muslim	H	F	103	VI/0	10,700
14.	MZ2018190 08578788	Afia Begum/ Tazul Islam	XXXXXXXXXX XX9129	NO.3 DHANSIRI HIGH SCHOOL/ 18260224803	F	Muslim	D	F	16	X/0	5,200
15.	MZ2018190 08665478	Sadikul Islam/ Forkan Ali	XXXXXXXXXX XX5025	NO.3 Dhansiri High School/ 18260224803	M	Muslim	D	F	35	IX/0	5,200
16.	MZ2018190 08579194	Shahanaj Begum/ Fali Uddin	XXXXXXXXXX XXX1251	NO.3 Dhansiri High School/ 18260224803	F	Muslim	H	F	36	X/0	10,200
17.	MZ2018190 08578864	Saddam Hussain/ Rahmat Ali	XXXXXXXXXX XX1723	NO.3 Dhansiri High School/ 18260224803	M	Muslim	D	F	46	X/0	5,200
18.	MZ2018190 08579387	Ashmina Begum/ Tazu Islam	XXXXXXXXXX XX4197	NO.3 Dhansiri High School/ 18260224803	F	Muslim	D	F	56	IX/0	5,200
19.	MZ2018190 08579091	Atikul Islam/ Abdul Mutalib	XXXXXXXXXX XX9338	NO.3 Dhansiri High School/ 18260224803	M	Muslim	D	F	63	X/0	5,200
20.	MZ2018190 08579272	Amdadul Islam/ Abdul Jabbar	XXXXXXXXXX XX4260	NO.3 Dhansiri High School/ 18260224803	M	Muslim	H	F	83	X/0	10,200
21.	MZ2018190 08578958	Nazrul Islam/ Zamir Uddin	XXXXXXXXXX XX6804	NO.3 Dhansiri High School/ 18260224803	M	Muslim	D	F	96	X/0	5,700
22.	MZ2018190 08579484	Musfia Begum/ Zakir Ahmed	XXXXXXXXXX XX4162	NO.3 Dhansiri High School / 18260224803	F	Muslim	D	F	102	IX/0	5,200
23.	MZ2018190 08579752	Kamena Khatun/ Shoriful Islam	XXXXXXXXXX XX4154	NO.3 Dhansiri High School/ 18260224803	F	Muslim	D	F	W 12	IX/0	5,200
24.	MZ2018190 08579642	Abdul Jabbar/ Fajjur Rahman	XXXXXXXXXX XX5092	NO.3 Dhansiri High School/ 18260224803	M	Muslim	H	F	W 5	IX/0	10,200
25.	MZ2018190 08785554	Foridul Islam/ Abdul Mutaleb	XXXXXXXXXX XX3525	SI. Bwrai U N Acadamy, Barobazar / 18260217505	M	Muslim	H	F	11	VII/0	10,700
26.	MZ2018190 10065284	Jakir Hussain/ Ahmed Ali	XXXXXXXXXX 9418	SI. Bwrai U N Acadamy, Barobazar / 18260217505	M	Muslim	H	F	24	VII/0	10,500

Sl. No	Applicant Id	Name/ Father Name	Account Number	Institute name	M /F	Religion	H / D	F / R	Address as per record	Course/ Year	Amount
27.	MZ201819010084444	Jahura Khatun/ Hibjur Rahman	XXXXXXXXXX8197	Sl. Bwrai U N Acadamy, Barobazar / 18260217505	F	Muslim	H	F	37	VIII/ 0	10,500
28.	MZ201819009969490	Hamodul Islam/ Dulal Hussain	XXXXXXXXXX2636	Sl. Bwrai U N Acadamy, Barobazar / 18260217505	M	Muslim	H	F	45	VI/ 0	10,500
29.	MZ201819010068208	Hajera Khatun/ Nasir Uddin	XXXXXXXXXX9134	Sl. Bwrai U N Acadamy, Barobazar / 18260217505	F	Muslim	H	F	55	VII/ 0	10,500
30.	MZ201819010080796	Ismail Hussain/ Gulap Khan	XXXXXXXXXX8958	Sl. Bwrai U N Acadamy, Barobazar / 18260217505	M	Muslim	H	F	549	VIII/ 0	10,500
31.	MZ201819010080962	Hibjur Rahman/ Tafajul Hussain	XXXXXXXXXX8084	Sl. Bwrai U N Acadamy, Barobazar/ 18260217505	M	Muslim	H	F	945	VIII/ 0	10,500
32.	MZ201819008577208	Amir Hussain/ Abdilllah	XXXXXXXXXXXX8142	Siloni/ 18190510601	M	Muslim	D	F	11	VI/ 0	2,100
33.	MZ201819009075192	Anarul Yhussain/ Amir Hamja	XXXXXXXXXX6055	Siloni/ 18190510601	M	Jain	H	F	35	IX/ 0	7,100
34.	MZ201819008577328	Asmina Khatun/ Jabed Ali	XXXXXXXXXXXX5059	Siloni/ 18190510601	F	Muslim	D	F	74	VI/ 0	2,100
35.	MZ201819008576532	Abdul Motin/ Bajit Ullah	XXXXXXXXXXXX5336	Siloni/ 18190510601	M	Muslim	D	F	111	VI/ 0	2,100
Total											2,70,100

Note: The serial number as given in the List of 945 beneficiaries are kept unchanged for easy reference.

Appendix - 3.2.2
List of 19 applicants out of 25 applicants verified on 12.12.2019 who were also found in the list of 945 beneficiaries
(Reference: Paragraph 3.2.10.5)

(Amount in ₹)

Sl. No	Applicant Id	Name/ Father Name	Account Number	Institute name	M/F	Religion	H/D	F/R	Address as per record	Course/ Year	Amount
1.	MZ2019200 08890032	Aklima Khatun/ Inamul Hoque	XXXXXXXXXX X2817	Barkola HSS/ 18100712002	F	Muslim	H	F	65	VII/ 0	10,700
2.	MZ2019200 08893037	Aklima Khatun/ Shajahan Ali	XXXXXXXXXX 56	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	622	IX/ 0	10,300
3.	MZ2019200 08899093	Husnara Khatun/ Monsur Alom	XXXXXXXXXX X0313	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	83	VIII/ 0	10,300
4.	MZ2019200 08892880	Ibrahim Ali/ Muksidul Islam	XXXXXXXXXX X0043	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	76	IX/ 0	10,300
5.	MZ2019200 08893564	Ismatara Begum/ Shoriful Islam	XXXXXXXXXX 04	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	015	VII/ 0	10,300
6.	MZ2019200 08892813	Jahura Khatun/ Khairul Islam	XXXXXXXXXX 11	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	258	X/ 0	10,300
7.	MZ2019200 08890726	Jakir Hussain/ Hamid Khan	XXXXXXXXXX X0178	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	100	VIII/ 0	10,300
8.	MZ2019200 08887352	Jakir Hussain/ Jahangir Alom	XXXXXXXXXX X1138	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	82	VIII/ 0	10,300
9.	MZ2019200 08874643	Jamila Khatun/ Esmail Hussain	XXXXXXXXXX X8342	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	73	VIII/ 0	10,300
10.	MZ2019200 08885015	Jobeda Khatun/ Jakir Ahmed	XXXXXXXXXX X0324	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	98	VIII/ 0	10,300
11.	MZ2019200 08887125	Kasam Ali/ Khairul Islam	XXXXXXXXXX X6258	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	133	VIII/ 0	10,300
12.	MZ2019200 08890650	Khirau Islam/ Guljar Hussain	XXXXXXXXXX X6608	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	652	IX/ 0	10,300
13.	MZ2019200 08864994	Majibur Rahman/ Shoriful Islam	XXXXXXXXXX X8411	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	76	IX/ 0	10,300
14.	MZ2019200 08877413	Majida Khatun/ Abbach Ali	XXXXXXXXXX X9989	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	54	VIII/ 0	10,300
15.	MZ2019200 08890542	Masuma Khatun/ Inamul Hoque	XXXXXXXXXX XX0924	Barkola HSS/ 18100712002	F	Muslim	H	F	65	VIII/ 0	10,700
16.	MZ2019200 08885231	Nabi Hussain/ Latif Ahmed	XXXXXXXXXX X0010	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	85	VIII/ 0	10,300

Sl. No	Applicant Id	Name/ Father Name	Account Number	Institute name	M/F	Religion	H/D	F/R	Address as per record	Course/ Year	Amount
17.	MZ2019200 08890464	Nabi Hussain/ Muksidul Islam	XXXXXXXXXX X0189	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	63	VIII/ 0	10,300
18.	MZ2019200 08891463	Rafiqul Islam/ Julfikar Bhuttu	XXXXXXXXXX X6513	Kendriya Vidyalaya Namrup/ 18150204908	M	Muslim	H	F	455	VI/ 0	10,300
19.	MZ2019200 08861524	Sulema Khatun/ Amir Hussain	XXXXXXXXXX X7536	Kendriya Vidyalaya Namrup/ 18150204908	F	Muslim	H	F	79	IX/ 0	10,300
Total											1,96,500

Appendix - 3.2.3
Institute-wise list of 401 applicants of Post Matric Scholarship for Minority
(Reference: Paragraph 3.2.10.7)

(Amount in ₹)

Sl. No.	Name of institution	Amount	No. of applicants
1.	Acharya B M Reddy College of Pharmacy/c.40354	20,500	1
2.	Adarsha College of Nursing, Bangalore/c.40566	1,62,000	6
3.	Aditya Academy Scondary/c.56033	5,000	1
4.	Aizawl North High School(adhoc)/15030100220	21,700	1
5.	Alameen Arts. Science & Commerce College. Bangalore/c.20663.	17,800	2
6.	Alameen College of Pharmacy/c.40298	54,000	2
7.	Alpine Institute of Management and Technology . Dehradun/s.3432	54,000	2
8.	Anjuman Khairul Islams Poona College of Arts. Science & Commerce. Pune/c.41747	39,500	3
9.	Arihant Education Foundations Arts Science & Commerce College. Pune/c.42181	8,900	1
10.	Aryans College of Education. Rajpura/c.40759	21,700	1
11.	Asian Institute of Management & Technology/c.10744	27,000	1
12.	Asian Theological Association (ata)/c.085	2,20,000	10
13.	Auxilium girls Higher Secondary School, Shillong/17060206202	15,000	3
14.	B.P.H.E. Societys Ahmednagar College Ahmednagar Research Centre. Ahmednagar/c.41242	21,700	1
15.	Baba Farid College of Engineering & Technology. Bathinda/c.22250	27,000	1
16.	Baba Farid Institute of Technology. Dehradun/c.24558	54,000	2
17.	Bdps/c.31245	3,88,900	18
18.	Bethesda College of Nursing, Manipur/902	27,000	1
19.	Burdwan Medical College/c.16374	27,000	1
20.	Calcutta Bible Seminary/c.16391	21,700	1
21.	Calvary Bible College, Shillong/c.16367	21,700	1
22.	Campus Law Centre/c.54000	21,700	1
23.	Central Agricultural University. Imphal/c.26831	27,000	1
24.	Central Cerucltural Research & Training Institute/c.44043	1,62,000	6
25.	College of Agricultural Engineering and Post Harvest Technology. Gangtok/c.26829	27,000	1
26.	College of Engineering. Thiruvananthapuram/c.43708	27,000	1
27.	College of Horticulture & Forestry, Pasighat Arunachal Pradesh/c.26828	27,000	1
28.	College of Veterinary Science, Khanapara/c.24845	27,000	1
29.	Ct Institute of Technology. Shahpur/c.10394	27,000	1
30.	D.A.V. College. sector /c.29426	8,900	1
31.	Degree College of Physical Education. Amravati./c.6217	18,800	1
32.	Dolphin (pg) College of Science and Agriculture/c.22189	27,000	1
33.	Domkam Mandal Sabkat College of Education/c.13154	21,700	1
34.	Doon Business School/c.21266	27,000	1
35.	Doon Paramedical College. Dehradun/c.24544	27,000	1
36.	Dr Ambedkar Institute of Technology/c.1291	48,700	2

Sl. No.	Name of institution	Amount	No. of applicants
37.	Dr. D. Y. Patil Institute of Nursing Education/s.4790	15,500	1
38.	Dr. D.Y. Patil Pratishthan Kolhapur's Padmashree Dr. D.Y. Patil Institute of Engineering. Management and Research. Pune/u.0178	21,700	1
39.	Dr. Bhaskar Pandurang Hivale Education Societys Ahmednagar College Arts. Science & Commerce. Ahmednagar/201	43,400	2
40.	Durgabai Deshmukh Hospital & Research Centre College of Physiotherapy/c.30634	18,200	1
41.	English and Foreign Languages University/c.43694	30,600	2
42.	Florence College of Nursing/c.40457	27,000	1
43.	Gnana Saraswathi College of Education/c.26353	86,800	4
44.	Government College of Engineering/c.22884	54,000	2
45.	Himachal Institute of Dental Sciences. Sirmour/c.11255	27,000	1
46.	Hindi Seva Mandals Shri. Sant Gadge Baba College of Engineering & Technology. Bhusawal/c.8830	27,000	1
47.	Hkes College of Pharmacy/c.40535	27,000	1
48.	Holy Mary College of Nursing./c.30399	81,000	3
49.	Icon Commerce College/c.17135	32,700	3
50.	Indian Academy Degree College. Bangalore/c.40459	8,900	1
51.	Indian Academy School of Management Studies/u.0683	27,000	1
52.	Indian Insitute of Professional Studies/c.31198	1,89,500	8
53.	Indira Gandhi Krishi Vishwavidyalaya, Raipur/c.24558	27,000	1
54.	Institute of Engg. & Tech. Bhaddal/c.10328	54,000	2
55.	Jawaharlal Institute of Postgraduate Medical Education and Research (JIPMER)/u.0392	54,000	2
56.	JB Law College/c.17295	21,700	1
57.	Jmj School of Nursing/c.27211	18,200	1
58.	Jnafau School of Planning and Architecture/u.0017	27,000	1
59.	Jntuh College of Engineering Hyderabad/c.19913	27,000	1
60.	John Roberts Theological Seminary, Shillong/c.52458	21,700	1
61.	Jorhat Engineering College Jorhat/c.8406	27,000	1
62.	K.C. Das Commerce College/c.17090	27,000	1
63.	K.LE. Society Law College. Bangalore/c.1306	21,700	1
64.	Kempegowda College of Nursing/c.40542	54,000	2
65.	Kempegowda Institute of Nursing .Bangalore/s.4097	45,200	2
66.	Koshys College of Nursing/c.40591	99,200	4
67.	Kristu Jayanti College. Bangalore/c.11695	54,000	2
68.	Krupanidhi College of Physiotherapy/s.4084	27,000	1
69.	Krupanidhi Degree College/s.4084	30,600	2
70.	L.D. College of Engineering. Ahmedabad /c.212	1,02,700	4
71.	L.H. Hindi School/mhps.06	17,800	2
72.	Loyala Academy Degree & PG College, Hyderabad/c.25911	8,900	1
73.	M.C.E. Societys Abeda Inamdar Senior College for Girls. Pune /c.41478	36,800	3
74.	M.S Ramaiah Institute of Nursing Education & Research, Bangalore/c.40366	27,000	1
75.	Mizoram Hindi Training College/s.11210	28,99,300	160
76.	Mizoram Polytechnic Lunglei/msctempl16	45,900	3

Sl. No.	Name of institution	Amount	No. of applicants
77.	Modern College of Arts Science Commerce Ganeshkhind Pune/448	8,900	1
78.	Modern Education Society's Nowrosjee Wadia College Arts. Science. Pune /c.41328	21,700	1
79.	N.E.F Law College/c.17138	1,35,500	6
80.	Narangi Anchalik Mahavidyalaya/c.17322	8,900	1
81.	Narayana Hrudayalaya College of Nursing/c.40305	36,400	2
82.	National Institute of Homoeopathy/c.45637	27,000	1
83.	Nios, Scert/u.0683	30,100	2
84.	Osmania University. Hyderabad/u.0027	1,31,200	9
85.	Pes. College of Engineering /c.1408	20,500	1
86.	Pgdav College (eve.)/c.22471	6,200	1
87.	Purbanchal Educational Welfare Societys (pews) college of Physiotherapy and Medical Sciences/c.17304	45,200	2
88.	Regional College of Nursing/c.17214	2,43,000	9
89.	Regional Dental College/c.17106	1,62,000	6
90.	Regional Institute of Medical Sciences/c.9435	81,000	3
91.	Regional Institute of Pharmaceutical Science & Technology/c.9572	15,800	1
92.	Royal School of Business/ Royal School of Engineering & Technology/c.17331	27,000	1
93.	Rr School of Nursing/c.47378	27,000	1
94.	S J M College of Pharmacy/c.40420	20,500	1
95.	Sanskriti Institute of Management & Technology/c.46301	21,700	1
96.	Sarada Vilas College of Pharmacy/c.40409	27,000	1
97.	Sarvodaya School of Nursing/c.40584	18,200	1
98.	Seven Set Higher Secondary School/17060900606	5,000	1
99.	Seventhday Adventist College of Education/c.14404	21,700	1
100.	Shillong Law College/c.16339	21,700	1
101.	Shree Dev Bhoomi Institute of Education Science & Technology/c.21315	27,000	1
102.	Slopland College of Teachers Education/c.51328	21,700	1
103.	Spicer Adventist University/u.0992	21,700	1
104.	Sri Guru Gobind Singh College of Commerce/c.17138	43,400	2
105.	Sri Guru Gobind Singh College of Commerce/c.29346	21,700	1
106.	SRM College of Engg. And technology/u.0473	27,000	1
107.	St Margaret's Hr. Secondary school/2730146	3,500	1
108.	St. Mary's Group of Institutions/c.6420	27,000	1
109.	St. Philomina's College of Nursing/c.40206	18,200	1
110.	St. Pious X Degree and P G College for women/17453	8,900	1
111.	Tagore College of Education, Kodumur/c.26333	40,500	2
112.	The George Telegraph Technical Training Institute/c.24558	91,800	6
113.	Tvm College of Pharmacy/u.0875	27,000	1
114.	Umshyrpi College/c.16311	8,900	1
115.	United College of Education/c.1087	21,700	1
116.	University of Hyderabad. Hyderabad/c.12977	21,700	1

Sl. No.	Name of institution	Amount	No. of applicants
117.	Vardhman Mahavir Medical College & Safdarjung Hospital, Delhi/c.32922	27,000	1
118.	Vijaya College of Pharmacy/c.36348	54,000	2
119.	Vimal Jyothi Engineering College/c.43795	27,000	1
120.	Vvpura College of Science/c.21243	54,000	2
121.	Women College Shillong/c.21243	8,900	1
122.	Yamuna Institute of Dental Sciences and Research/c.48346	27,000	1
123.	Yashoda School of Nursing, Saidabad Hyderabad/c.27211	18,200	1
Grand Total		80,83,900	401

Appendix - 3.2.4

Institute-wise list of 528 applicants of Post Matric Scholarship for Schedule Tribe
(Reference: Paragraph 3.2.10.7)

(Amount in ₹)

Sl. No.	Name of institution	Amount	No. of applicants
1.	AECS Maaruti College of Nursing/ 35030339200	60,000	2
2.	Air Force Technical College, Bangalore/ 31120	60,000	2
3.	Annapoorana Medical College and Hospital (inst. Code . 491), Salem/ 40900	3,90,000	13
4.	Anusaya Private Industrial Training Center/ 157142	90,000	3
5.	Arvinbabu Deshmukh private Industrial Training Institute/ 157396	90,000	3
6.	Central Agricultural University, Imphal/ 100068	90,000	3
7.	Cmc Nursing College, the Cooperative Medical College, Kochi (recognition to the students admitted up to the academic year 2009.10 only)/ 18976	90,000	3
8.	Government Industrial Training Institute (Adivasi), Charmorshi, Dist: Gadchiroli/ 157203	30,000	1
9.	Government Industrial Training Institute (Adivasi), Jawhar, Dist: Thane/ 157745	90,000	3
10.	Government Industrial Training Institute, Pusad, Dist: Vavatmal/ 157808	75,000	3
11.	Government Industrial Training Institute, Tuljapur, Dist: Osmanabad/ 157538	4,19,200	14
12.	Government Industrial Training Institute, Dindigul/ 160399	8,95,000	30
13.	Government Nursing School Tumkur (id: s.4060)/ 35030346433	90,000	3
14.	Govt Industrial Training Institute, Tribal Mandla/ 156392	3,00,000	10
15.	Govt. Hnaathial College	1,06,100	6
16.	Govt. Hrangbana College/ 9781	25,000	1
17.	Jai Jawan S.P.M.'s College of B.B.A. & B.C.A., Taroda, Manik Nagar, Nanded/ 23891	30,000	1
18.	Jaykhlong Academy, Panbari/ 18250125313	3,90,000	13
19.	Jeevika Pvt. ITI Katni/ 156376	60,000	2
20.	K V N Naik Shikshan Prasarak Sanstha Sanchalit Private Industrial Training Institute Nashik/ 157511	3,00,000	10
21.	K.s.r.m. College of Engineering (mba)/ 34265	5,70,000	19
22.	Khadia Institute of Nursing Gulbarga/ 35030343246	30,000	1
23.	Mahalakshmi Private Industrial Training Institute/ 160365	8,02,672	31
24.	Maharshi Karve Stree Shikshan Sanstha, Karvenagar, Pune Nursing College, Nagpur/ 19760	24,000	1
25.	Mahila Vanijya Mahavidyalaya/ 11097	30,000	1
26.	Minigurukulam(girls)/ 28111304720	11,35,000	38
27.	Mother Theresa College of Nursing (id: c.44831)/ 22103	3,00,000	10
28.	Nava Jeevan College of Medical lab Technology, Kadapa/ 12232	3,17,110	12
29.	Navodaya Industrial Training Centre/ 157907	2,30,000	8

Sl. No.	Name of institution	Amount	No. of applicants
30.	P.N.C. A Degree College (id: c.32620)/ 28203901095	1,50,000	5
31.	P.S. Degree College, Koksara/ 23379	7,20,000	24
32.	Pandi Nadu Instt of Co.operative Management Private Industrial Training Institute/ 160509	3,00,000	10
33.	PES College of Engineering/ 35030327069	25,000	1
34.	Povunammal Ramakrishna Educational Trust Private Industrial Training Institute/ 160528	5,70,000	19
35.	RKS Sidoji Thopte Vidyalā	5,10,000	17
36.	Regiol Computer College Private Industrial Training Institute/ 160227	2,70,000	9
37.	SAS Govt. Degree College	4,05,000	14
38.	Sardar Patel Pvt. ITI Balaghat/ 156153	4,50,000	15
39.	Satpuda Itc, Seoni/ 156542	90,000	3
40.	Shree Dhriti Industrial Training Center/ 155374	6,30,000	21
41.	Shree J. L. K. Kotecha Arts & S. H. Gardi Commerce College/ 29574	30,000	1
42.	Shri Chhatrapati Sambhaji Shikshan Sanstha's Private Industrial Traning Institute/ 157610	90,000	3
43.	Shri Sharad Chandraji Pawar Arts & Science College, Narangwadi. (id: c.34598)/ 19117	60,000	2
44.	Shri Shri Harmilap Pvt. ITI, Balpurwa, Distt. Shahdol/ 156555	30,000	1
45.	Sri Kakatiya Degree Kalasala/ 26328	55,000	2
46.	Sri Krishna College of Nursing (id: c.40553)/ 98889414191	30,000	1
47.	Sri Malayala Swamy College of Education/ 24687	9,30,000	31
48.	Sri Raghavendra College of Nursing/ 11983	30,000	1
49.	Sri Seelam Nageswara Rao Memorial Industrial Training Centre/ 158278	60,000	2
50.	Sri Shiridisai Pvt. ITI, Tekkali/ 158153	85,000	3
51.	Sri Venkateswara Industrial Training Centre, Giddalur/ 158128	1,80,000	6
52.	Sriji Degree College (id: c.32774)/ 28161791302	30,000	1
53.	St. John College of Education/ 4391	30,000	1
54.	St. Pauls College of Education/ 35030325065	1,02,000	4
55.	Swami Premanand College of Nursing, G.T. Road, Mukerian, Distt. Hoshiarpur.144211/ 13681	7,20,000	24
56.	Thiru. A. Govindasamy Govt. Arts College, Tindivanam.604 001/ 40807	1,50,000	5
57.	Thiruvalluvar University College of Arts & Science, Thiruvannainallur, Tirukoilur.607 203/ 37604	30,000	1
58.	U.N. Academy, Runikhata/ 18250209306	3,30,000	11
59.	Udupi Institute of Hotel & Tourism nh.17, Karavali Hotel Complex, Adiudupi.Udupi.576103/ 7472	5,70,000	19
60.	Universal Degree College, Yerragondlapalem (id: c.49193)/ 28163791221	1,80,000	6
61.	University College of Fine Arts for Women, Mysore/ 9423	60,000	2
62.	Vijayanagara Institute of Nursing Bellary/ 35030308113	3,30,000	11
63.	Zobawk P/S - iii/ 15060203505	1,50,000	5
Grand Total		1,55,01,082	528

Appendix - 3.2.5
Institute-wise list of multiple claims of Scholarship by 209 applicants
(Reference: Paragraph 3.2.10.8(a))

(Amount in ₹)

Sl. No.	Name of institution	No. of applicants	Minority Amount	ST Amount
1.	Annamalai University, Annamalainagar/ 100005	1	8,700	21,700
2.	B.P.H.E. Society's Ahmednagar College, Ahmednagar 414001. (id: c.41242)/ 98889447800	20	1,44,860	3,82,800
3.	Blde Association's College of Pharmacy/ 7619	1	30,000	27,000
4.	Bphes Ahmednagar	4	30,160	86,800
5.	Dayananda Sagar College of Nursing/ 30105	6	52,200	1,41,200
6.	Don Bosco HSS/ 15080103103	2	20,100	8,500
7.	Dr. J. J. Magdum College of Engineering, Jaysingpur/ 20535	1	6,000	27,000
8.	Govt. Mamit Higher Secondary School/ 15010104305	2	11,200	7,000
9.	Home Mission Higher Secondary School/ 15030200110	2	20,100	25,500
10.	Index Institute of Dental Sciences, Indore/ 33322	3	26,100	81,000
11.	J.B. Law College/ 1402	1	8,700	21,700
12.	Jorhat Engineering College Jorhat/ 14986	1	8,700	27,000
13.	Kempegoda Instute of Nursing/ 98889413490	1	8,700	27,000
14.	Mizoram University/ 35030330981	11	1,42,940	2,53,600
15.	Mizoram University, Aizwal/ 100004	34	2,76,880	7,94,600
16.	Mount Carmel School/ 35030304052	1	10,800	5,000
17.	New Life Academy (hss section)/ 15060203107	1	10,800	5,000
18.	North Eastern Hill University, Shillong/ 100213	2	15,420	43,400
19.	Pachhunga University College (id: c.8308)/ 32046	7	46,500	78,400
20.	Pachhunga University College/ 32046	14	93,000	1,30,900
21.	Pes College of Pharmacy/ 33378	1	8,500	27,000
22.	Pes. College of Engineering/ 35030327069	1	30,000	27,000
23.	Rajadhani Institute of Engineering and Technology, Alamcode, Attingal/ 16032	1	8,700	21,700
24.	Regional Institute of Medical Sciences/ 18659	35	3,67,550	9,45,000
25.	S JM College of Pharmacy/ 13913	3	36,000	81,000
26.	S P Medical College and Hospital, basic English ss Bikaner/ 35030342614	1	5,700	27,000
27.	Sacred Heart School/ 15060400120	3	24,400	10,500
28.	Shillong Law College/ 35030336444	1	30,000	21,700
29.	Silver Mount/ 15060200605	7	63,100	35,000
30.	Sri Venkateswar College of Engineering & technology, RVS Murukambattu, Chittoor/ 16588	1	8,700	27,000
31.	St Ignatius Institute of Health Sciences, Honavar/ 25752	8	1,91,400	1,72,000
32.	St. Anthony's College/ 9954	13	99,540	1,13,000
33.	St. Edmunds College/ 35030303606	1	7,160	8,900
34.	St. Edmunds College/ 35030349581	2	15,860	15,100
35.	St. Edmund's hr. Sec. School/ 98889454496	1	9,300	5,000
36.	University Vishweshwaraya College of Engineering/ 90	14	1,10,700	3,58,000
37.	Wilson College Chowpatty Mumbai 400 007/ 17592	1	6,700	8,900
Grand Total		209	19,95,170	40,98,900

Appendix - 3.2.6
Institute-wise list of multiple claims of Scholarship by applicants
(Reference: Paragraph 3.2.10.8 (b))

(Amount in ₹)

Sl. No.	Name of institutions	No. of applications	Amount claimed		States other than Mizoram
			Mizoram	Other States	
1.	A ECS Maaruti College of Nursing	03	90,000	0	
2.	Annapoorana Medical College and Hospital, Salem	01	30,000	10,700	Assam
3.	Arvindbabu Deshmukh Private ITI/ 157396	01	60,000	1,000	Maharashtra
4.	College of Horticulture Engineering and Food Technology	01	30,000	0	
5.	DJR Institute of Engineering and Technology, Velpur (V), Via Godavalli, Vijayawada	04	1,20,000	89,700	West Bengal & Maharastra
6.	Dnyan, Kala, Krida & Krishi Pratishthan Sanchalit ITI	01	30,000	8,700	Assam
7.	Govt. ITI (Adivasi), Jawahar, Dist: Thane	01	30,000	8,700	Assam
8.	Guwahati College of Architecture	01	30,000	0	Assam
9.	Jorhat Medical College & Hospital, Jorhat	03	1,20,000	0	Assam
10.	M V M Suma Institute of Nursing Sciences Bangalore Urban	02	60,000	6,850	Andhra Pradesh
11.	Mahatma Gandhi Professional College of Nursing	10	4,80,000	1,02,400	Assam and Meghalaya
12.	Mother Theresa College of Nursing	07	3,90,000	30,000	Maharashtra
13.	Neo Noble College of Science & Technology, Gulbarga	01	30,000	0	
14.	Sarojini College of Nursing	05	1,80,000	41,900	Assam & Maharashtra
15.	Sri Kalabhyraveswara Swamy College of Nursing	04	1,20,000	24,600	Assam
16.	Srilakshmi College of Nursing Bangalore	05	2,10,000	55,600	Assam
17.	Swami Premanand College of Nursing, G.T. Road, Mukerian, Distt. Hoshiarpur	01	30,000	1,000	West Bengal
18.	Victory Collge of Nursing	06	2,70,000	22,900	Assam
19.	Vijayanagara Institute of Nursing Bellary	06	3,60,000	0	
Grand Total		63	26,70,000	4,04,050	

Appendix - 3.2.7

Statement showing fraudulent drawal of scholarship by non-bonafide students

(Reference: Paragraph 3.2.10.17(a))

(Amount in ₹)

Sl. No	Applicant Id	Name/ Father Name	Year	Scheme	Scholarship Amount
Zoram Medical College, Falkawn (Mizoram Institute of Medical Education and Research)					
1.	MZ201920008674098	Siddique Alam/ Sarfaraj Ames	2019	MCM	30,000
2.	MZ201920008613084	Rousnara Begum/ Sanju Khan	2019	MCM	25,000
3.	MZ201920008684991	Anjuna Khatun/ S Filuomk	2019	MCM	30,000
4.	MZ201920008684619	Siddique Alam/ Sarfaraj	2019	MCM	30,000
5.	MZ201920008683905	Siddique Alam/ Sarilamkalmko	2019	MCM	30,000
6.	MZ201920008684139	Siddique Alam/ Ami Gaknji	2019	MCM	30,000
7.	MZ201920008615120	Joya Das/ Tanish Das	2019	MCM	30,000
8.	MZ201920008682916	Siddique Alam/ Zastklo	2019	MCM	30,000
9.	MZ201920008684629	Siddique Alam/ Zasi Khatinu	2019	MCM	30,000
10.	MZ201920008679966	Anjuna Khatun/ B Najilomk	2019	MCM	30,000
11.	MZ201920008683057	Siddique Alam/ Amit Halko	2019	MCM	30,000
12.	MZ201920008685945	Anjuna Khatun/ Jaliko	2019	MCM	30,000
13.	MZ201920008682739	Siddique Alam/ Amit Jaknj	2019	MCM	30,000
.Total					3,85,000
Mizoram Nursing College/ 3126					
1.	MZ201718009068323	Jannatunnehar/ Yasaf	2017	MCM	30,000
2.	MZ201718005921230	Tahmina S Sten/ Nadur S Sten	2017	MCM	30,000
3.	MZ201718009073689	Abedabegum/ Alimmama	2017	MCM	30,000
4.	MZ201819002568970	Jaymoti B/ Jamson B	2018	MCM	30,000
5.	MZ201819006559852	Farhanam/ Timung	2018	MCM	30,000
6.	MZ201819006560434	Faridab/ Yaphet	2018	MCM	30,000
7.	MZ201819000002426	Banu B/ Ranuj Bagni	2018	MCM	30,000
8.	MZ201819007647920	Aaliyakhatun/ Samun	2018	MCM	30,000
9.	MZ201819007649858	Asmakhatun/ Demn	2018	MCM	30,000
10.	MZ201819002765881	Samsunnehar/ Ali	2018	MCM	30,000
11.	MZ201819002655187	Asubala B/ Adlai B	2018	MCM	30,000
12.	MZ201819002629930	Minata B/ Denmark B	2018	MCM	30,000
13.	MZ201819002568816	Hasinabegum/ Simon	2018	MCM	30,000
14.	MZ201819002771909	Saijulnessa/ Cyrus	2018	MCM	30,000
15.	MZ201819006545975	Afsana B/ Ratan Timung	2018	MCM	30,000
16.	MZ201819006599803	Nilufa B/ Charles	2018	MCM	30,000
17.	MZ201819006575009	Jordjna/ Ballard	2018	MCM	30,000
18.	MZ201819006557294	Dilrubab/ ALIK	2018	MCM	30,000
19.	MZ201819002838131	Mirabib/ Umen M	2018	MCM	30,000
20.	MZ201819007640737	Nainarahman/ Alphonse	2018	MCM	30,000
21.	MZ201819006632125	Ummekulsum/ Robatsn	2018	MCM	30,000
22.	MZ201819002661035	Kalyanai B/ Barak B	2018	MCM	30,000
23.	MZ201819006622585	Sania B/Eden	2018	MCM	30,000

Sl. No	Applicant Id	Name/ Father Name	Year	Scheme	Scholarship Amount
24.	MZ201819006559852	Farhanam/ Timung	2019	MCM	30,000
25.	MZ201819007647920	Aaliyakhatun/ Samun	2019	MCM	30,000
26.	MZ201819006560434	Faridab/ Yaphet	2019	MCM	30,000
27.	MZ201819000002426	Banu B/ Ranuj Bagni	2019	MCM	30,000
28.	MZ201819007649858	Asmakhatun/ Demn	2019	MCM	30,000
29.	MZ201819006545975	Afsana B/ Ratan Timung	2019	MCM	30,000
30.	MZ201819006599803	Nilufa B/ Charles	2019	MCM	30,000
31.	MZ201819006575009	Jordjna/ Ballard	2019	MCM	30,000
32.	MZ201819006557294	Dilrubab/ Alik	2019	MCM	30,000
33.	MZ201819007640737	Nainarahman/ Alphonse	2019	MCM	30,000
34.	MZ201819006632125	Ummekulsum/ Robatsn	2019	MCM	30,000
35.	MZ201819006622585	Sania B/ Eden	2019	MCM	30,000
Total					10,50,000
FOXALL HSS SIAHA/ 15080102907					
1.	MZ201819010032330	Panu Karmakar/ Raju Karmaj	2018	Pre Matric	10,340
2.	MZ201920008183919	Rumpa Das/ Sadiya Jakolo	2019	Pre Matric	10,700
3.	MZ201920008198947	Halima Khatun/ Amir Khatu	2019	Pre Matric	5,650
4.	MZ201920004887124	Khairon Nesha/ Arons A	2019	Pre Matric	10,700
5.	MZ201920004885634	Safiruddin/ Fajir	2019	Pre Matric	10,700
6.	MZ201920008225296	Mira Khatun/ Abera Nami	2019	Pre Matric	5,340
7.	MZ201920008184834	Halima Khatun/ Amijuddin	2019	Pre Matric	5,700
8.	MZ201920008198360	Rumpa Das/ Zasim Akhtar	2019	Pre Matric	5,700
9.	MZ201920008245042	Layle Banu/ Zasin Namu	2019	Pre Matric	10,700
10.	MZ201920008201518	Halima Khatun/ Bahadur Alam	2019	Pre Matric	10,700
11.	MZ201920008183239	Hina Begum/ Sadiya Jaolo	2019	Pre Matric	10,700
12.	MZ201920008198818	Halima Khatun/ Zasim	2019	Pre Matric	5,680
13.	MZ201920008183000	Hina Begum/ Zasiruddin	2019	Pre Matric	10,700
14.	MZ201920008228388	Hapija Khatun/ Amir Tailo	2019	Pre Matric	10,700
15.	MZ201920008183104	Hina Begum/ Zasimahj Ajilo	2019	Pre Matric	10,700
16.	MZ201920008202039	Swealy Das/ Zasim Ahamed	2019	Pre Matric	10,700
17.	MZ201920008201081	Halima Khatun/ Sadinami	2019	Pre Matric	10,650
18.	MZ201920008198068	Rumpa Das/ Zasdink	2019	Pre Matric	10,350
19.	MZ201920004885989	Padina Begum/ Dina Tod	2019	Pre Matric	10,700
20.	MZ201920008183814	Rumpa Das/ Sadiu Banju	2019	Pre Matric	10,700
21.	MZ201920008185323	Halima Khatun/ Amirud	2019	Pre Matric	5,650
22.	MZ201920008200516	Halima Khatun/ Asmuddin	2019	Pre Matric	5,700
23.	MZ201920008182550	Hina Begum/ Zasim Sadiko	2019	Pre Matric	10,700
24.	MZ201920008225583	Mira Khatun/ Amera	2019	Pre Matric	7,700
25.	MZ201920008183423	Rumpa Das/ Safiya Nami	2019	Pre Matric	10,700
26.	MZ201920008230125	Rani Das/ Sajila	2019	Pre Matric	10,700
27.	MZ201920008183497	Rumpa Das/ Amir Jalo	2019	Pre Matric	10,700
28.	MZ201920008182753	Hina Begum/ Wasi Banhu	2019	Pre Matric	10,650
29.	MZ201920008198225	Rumpa Das/ Sadijahag	2019	Pre Matric	10,700
30.	MZ201920008219815	Nirmala Ghosh/ Zasim Jahq	2019	Pre Matric	5,700

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Sl. No	Applicant Id	Name/ Father Name	Year	Scheme	Scholarship Amount
31.	MZ201920008183719	Rumpa Das/ Zasim Jakilo	2019	Pre Matric	8,000
32.	MZ201920008244219	Nasima Khatun/ Amirul Haque Jali	2019	Pre Matric	10,700
33.	MZ201920008197958	Rumpa Das/ Zasmuni	2019	Pre Matric	10,700
34.	MZ201920008185378	Halima Khatun/ Zasilo	2019	Pre Matric	5,700
35.	MZ201920008201340	Halima Khatun/ Amir Ali	2019	Pre Matric	5,700
36.	MZ201920008185209	Halima Khatun/ Afajuloddi	2019	Pre Matric	10,700
37.	MZ201920008183636	Rumpa Das/ Zasmijh	2019	Pre Matric	10,700
38.	MZ201920008185060	Halima Khatun/ Sujalo	2019	Pre Matric	8,000
39.	MZ201920008243918	Layle Banu/ Asimudin	2019	Pre Matric	8,000
40.	MZ201920008219250	Gume Sa/ Samima Khat	2019	Pre Matric	10,700
41.	MZ201920004884749	Maksuda Khatun/ Samsul	2019	Pre Matric	10,700
42.	MZ201920008229738	Rani Das/ Amena Khatun	2019	Pre Matric	10,700
43.	MZ201920008182431	Hina Begum/ Cholima Na	2019	Pre Matric	5,650
44.	MZ201920008223971	Diplka Singha/ Najuj	2019	Pre Matric	2,340
45.	MZ201920008198499	Rumpa Das/ Daimul Haque	2019	Pre Matric	10,700
46.	MZ201920004886424	Sapina/ Sopir Md	2019	Pre Matric	8,000
47.	MZ201920008200190	Halima Khatun/ Zasafai Logloo	2019	Pre Matric	10,700
48.	MZ201920008184383	Halima Khatun/ Saratololo	2019	Pre Matric	10,650
49.	MZ201920004885198	Sebat Ali/ Ranju	2019	Pre Matric	10,700
50.	MZ201920008184689	Halima Khatun/ Safar Bolo	2019	Pre Matric	5,700
51.	MZ201920002280401	Hazara Khatun/ Asoolijname	2019	Pre Matric	5,700
52.	MZ201920008186425	Rumpa Das/ Asiua Noli	2019	Pre Matric	5,650
53.	MZ201920008226177	Hapija Khatun/ Zasimu Dinj	2019	Pre Matric	10,700
54.	MZ201920004884445	Eltaj Alam/ Gaji Nani	2019	Pre Matric	10,700
55.	MZ201920002280745	Priyatma Singha/ Nunuoop Poul	2019	Pre Matric	5,700
56.	MZ201920008244653	Nasima Khatun/ Naimudlo	2019	Pre Matric	7,700
57.	MZ201920008227734	Hapija Khatun/ Amit	2019	Pre Matric	5,700
58.	MZ201920008186559	Rumpa Das/ Zasimi	2019	Pre Matric	10,700
59.	MZ201920008220889	Rumpa Das/ Zasim	2019	Pre Matric	10,650
60.	MZ201920008183174	Hina Begum/ Zasim Gahu	2019	Pre Matric	10,700
61.	MZ201920008201774	Halima Khatun/ Amir Hajki	2019	Pre Matric	10,700
62.	MZ201920008184770	Halima Khatun/ Dailo Mahin	2019	Pre Matric	10,650
63.	MZ201920008184458	Halima Khatun/ Sadilop	2019	Pre Matric	10,700
64.	MZ201920008224571	Diplka Singha/ Akimk	2019	Pre Matric	2,700
65.	MZ201920008183331	Rumpa Das/ Sadolollk	2019	Pre Matric	8,000
66.	MZ201920008186506	Rumpa Das/ Zasim Jahan	2019	Pre Matric	5,650
67.	MZ201920008171495	Hina Begum/ Chanimaomil	2019	Pre Matric	5,700
68.	MZ201920008184615	Halima Khatun/ Sadimlj	2019	Pre Matric	5,700
69.	MZ201920008218643	Pinki Singha/ Sadimjk	2019	Pre Matric	5,700
70.	MZ201920008224955	Mira Khatun/ Zasimu	2019	Pre Matric	7,700
71.	MZ201920008172813	Hina Begum/ Chaoliokoll	2019	Pre Matric	5,650
72.	MZ201920008199248	Halima Khatun/ Sadiya Kamk	2019	Pre Matric	5,700
73.	MZ201920008184139	Rumpa Das/ Sarina Hakilo	2019	Pre Matric	10,700
74.	MZ201920008184951	Halima Khatun/ Zasdimek	2019	Pre Matric	5,650

Sl. No	Applicant Id	Name/ Father Name	Year	Scheme	Scholarship Amount
75	MZ201920008223071	Diplka Singha/ Zasimdlo	2019	Pre Matric	10,700
76.	MZ201920008186351	Amirul Islam/ Waslop	2019	Pre Matric	7,640
77.	MZ201920008186623	Rumpa Das/ Fadukoli	2019	Pre Matric	3,000
78.	MZ201920008222143	Diplka Singha/ Maiuddin	2019	Pre Matric	10,650
79.	MZ201920001140456	B Denari/ VB Chohnai	2019	Post Matric	10,800
80	MZ20192000276772	J H Sothlia/ JH Chhuasa	2019	Post Matric	10,800
81.	MZ201920001978268	Isaac Lalremruata/ K Lalthanpuia	2019	Post Matric	10,800
82.	MZ201920001712015	J Lalmuankima/ J Lallianmawia	2019	Post Matric	9,300
83.	MZ201920001833015	T Vasalempawpha/ T Vabeihrohnei	2019	Post Matric	9,300
Total					7,19,240

Appendix – 3.3.1
Statement showing project-wise details of release of fund to the implementing agencies
(Reference: Paragraph 3.3.5.1)

(₹ in lakh)

Sector	Sl. No. & Name of project	Inst.	Release by MDoNER		Release by GoM		Parking of fund in K-Deposit			Release from K-Deposit		UC furnished to NEC		Due date of release (30 for NEC & 60 days for NLCPR from Col.4	Delay in release (days) & (From Col.6 or Col.11, wherever applicable)		
			Date	Amount	Date	Amount	Challan No.	Date	Amount	Date	Amount	Date	Amount				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)		
Agri and Allied	1. Schemes of NEC: Establishment of Integrated Horticulture Training Centre at Chite	1st	25.05.11	95.76	22.03.12	95.76	16760	30.03.12	104.45	13.07.12	50.00	26.03.13	106.40	24.06.11	385		
		SMS			22.03.12	8.69			30.03.12		09.01.13	54.45			24.06.11	565	
					28.03.12	1.95									24.06.11	278	
		2nd	21.11.13	95.76	21.03.14	95.76	32561	24.03.14	95.76	18.06.14	95.76	106.40	20.10.15	106.40	21.12.13	179	
		SMS				10.64									21.12.13	451	
		3rd	30.12.15	47.88	08.11.16	20.88							21.07.17	53.19	29.01.16	284	
		SMS				26.99									29.01.16	301	
							14.11.16	5.32							29.01.16	290	
		Total			239.40		265.99			200.21		200.21			265.99		
				1st	21.07.16	60.00	07.03.18	60.00						21.05.18	60.00	20.08.16	564
Human Resource Development & Education (Edn. & Social)	2. Schemes of NEC: Construction of Comprehensive Spastic Children Care Complex at Bawngkawn	SMS			18.06.18	6.67						16.07.18	6.67	20.08.16	667		
		2nd	31.07.18	500.00	19.11.18	500.00	14584	31.03.19	500.00	10.06.19	300.00	14.03.19	500.00	30.08.18	284		
		SMS							31.03.19		03.10.19	200.00	14.03.19		30.08.18	399	
													14.03.19	55.56	30.08.18	137	
		3rd	01.10.19	136.75	16.12.19	136.75	23743	27.03.19	136.75	11.05.20	64.23	11.03.20	136.75		31.10.19	193	
		SMS							27.03.19		08.05.20	72.52	11.03.20		31.10.19	190	
															05.03.20	188	
		Total			696.75		774.17			651.94		651.94			774.17		
				1st	29.02.12	1,787.38	18.10.12	1,787.38						25.06.13	1,707.57	15.03.12	217
		3. NLCPR: Establishment of Samik School at Chhingchip, Serechhip	SMS				18.10.12	198.59								15.03.12	217
2nd	30.08.13		1,787.38	19.02.14	595.79							22.09.14	3,410.29	14.09.13	158		
					16.04.14	595.79								14.09.13	214		

Sector	Sl. No. & Name of project	Inst.	Release by MDDoNER		Release by GoM		Parking of fund in K-Deposit			Release from K-Deposit		UC furnished to NEC		Due date of release (30 for NEC & 60 days for NLCPR from Col.4	Delay in release (days) & (From Col.6 or Col.11, wherever applicable)	
			Date	Amount	Date	Amount	Challan No.	Date	Amount	Date	Amount	Date	Amount			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
	District, Mizoram				16.02.15	595.80	32418	28.03.14	595.80	23.07.14	595.80			14.09.13	520	
		SMS			10.10.16	198.59								14.09.13	1122	
		3rd	24.02.15	893.66	23.02.16	893.66						01.10.18	4,954.96	11.03.15	349	
		SMS			10.10.16	89.36								11.03.15	579	
	Total			4,468.42		4,954.96			595.80		595.80		4,954.96			
Human Resource Development & Education (Sports)	4. Schemes of NEC:	1st	26.09.16	320.52		320.52						13.12.17	320.52			
		2nd	08.02.18	320.00		320.00						05.12.18	320.00			
		3rd	07.01.19	438.92		438.92						16.12.19	438.92			
		4th	29.01.20	198.35		198.35						01.09.20	198.35			
		Total			1,277.79		1,277.79			-		-		1,277.79		
		1 st	30.10.15		133.15	04.08.16	133.15								14.11.15	264
		SMS.1				17.02.17	14.79						25.06.18	147.94	14.11.15	461
		2 nd	25.07.18	133.15	133.15	26.11.18	133.15	23764	30.03.19	36.68	07.06.19	36.68			09.08.18	302
		SMS.2				23.07.19	14.80								09.08.18	348
		SMS.3				03.09.19	7.40						13.11.19	303.29	26.12.19	
	3rd & Final		11.12.19	66.58	11.03.20	66.58						03.06.20	369.86	26.12.19	76	
	Total			332.88		369.87			36.68		36.68		369.86			
Irrigation & Flood Control & Watershed Management/ Water supply	6. Schemes of NEC:	Token amt.	09.02.18	10.00		10.00										
		1st	01.10.13	140.96	20.03.14	140.96						03.11.14	140.96	31.10.13	140	
		SMS			02.11.15	15.66						17.12.15	15.66	31.10.13	732	
		2nd	17.12.14	280.00	18.08.16	280.00						21.02.17	280.00	16.01.15	580	
		SMS			20.07.16	15.66						21.02.17	15.66	16.01.15	551	
	Total			332.88		369.87			36.68		36.68		369.86			
	7. Schemes of NEC:	Construction of Vaarengte														

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Sector	Sl. No. & Name of project	Inst.	Release by MDDoNER		Release by GoM		Parking of fund in K-Deposit			Release from K-Deposit		UC furnished to NEC		Due date of release (30 for NEC & 60 days for NLCPR from Col.4	Delay in release (days) & (From Col.6 or Col.11, wherever applicable)		
			Date	Amount	Date	Amount	Challan No.	Date	Amount	Date	Amount	Date	Amount				
	(2) (Augmentation) Water Supply Scheme	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)		
		SMS			10.10.17	31.11							31.10.17	31.11	16.01.15	998	
		3rd	20.03.17	64.00	20.06.17	64.00							31.10.17	64.00	19.04.17	62	
		SMS			10.10.17	7.11							31.10.17	7.11	19.04.17	174	
		4th	09.02.18	219.84	07.05.18	219.84							16.08.18	219.84	11.03.18	57	
		SMS			07.05.18	8.77							16.08.18	8.77	11.03.18	57	
		Total			704.80		783.11								783.11		
		1st	12.10.10	759.90	11.02.11	759.90	575	30.03.11	276.46	Aug.11	276.46	19.09.11	844.33	19.09.11	844.33	27.10.10	107
		SMS			11.02.11	84.43										27.10.10	107
		2nd	19.11.12	759.90	07.03.13	759.90	5549	28.03.13	87.01	17.09.13	87.01	25.06.13	844.33	25.06.13	844.33	04.12.12	93
SMS			07.03.13	84.43										04.12.12	93		
3rd	13.03.14	212.72	01.08.14	212.72								30.10.14	212.72	28.03.14	126		
SMS			22.03.16	23.64								02.04.16	23.64	28.03.14	725		
4th	06.12.16	167.36	02.03.17	167.36								12.06.17	167.36	21.12.16	71		
SMS			06.10.17	18.59								..		21.12.16	289		
Total			1,899.88		2,110.97				363.47		363.47		2,092.38				
Industries	9. Schemes of NEC: Construction of Approach Road and Internal Roads of Industrial Growth Centre at Luangmuai, Aizawl, Mizoram	1st	29.09.16	332.00	20.03.17	332.00	43020	31.03.17	332.00	13.10.17	166.00	22.12.17	368.90	29.10.16	349		
		SMS						31.03.17	166.00	27.03.18	166.00			29.10.16	514		
		2nd	23.01.18	332.00	06.08.18	332.00	23760	30.03.19	238.86	15.05.19	238.86	04.07.19	368.90	22.02.18	447		
		SMS			24.06.19	36.90	20426	27.03.20	36.90	13.07.20	36.90			22.02.18	872		
		3rd	17.09.19	166.70	13.12.19	166.70	20427	27.03.20	121.10	24.03.21	18.17	21.09.20	185.22	17.10.19	524		
		SMS			27.02.20	18.52	20429	27.03.20	18.52					17.10.19			
		Total			830.70		923.02		747.38		625.93		923.02				
		1st	31.01.13	145.00	11.02.14	145.00	32303	29.03.14	132.22	27.01.15	100.00	03.03.16	161.11	03.03.16	161.11	02.03.13	696
		SMS			11.02.14	16.11				14.09.15	32.22					02.03.13	926
		2nd	23.02.17	150.00	17.07.17	150.00							13.02.18	166.67	25.03.17	114	
SMS			31.10.17	16.67										25.03.17	220		

Sector	Sl. No. & Name of project	Inst.	Release by MDoNER		Release by GoM		Parking of fund in K-Deposit			Release from K-Deposit		UC furnished to NEC		Due date of release (30 for NEC & 60 days for NLCPR from Col.4	Delay in release (days) & (From Col.6 or Col.11, wherever applicable)		
			Date	Amount	Date	Amount	Challan No.	Date	Amount	Date	Amount	Date	Amount				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)		
		Final	30.03.18	262.19	06.08.18	262.19	23458	29.03.19	259.61	07.06.19	259.61	04.10.19	291.32	29.04.18	404		
		SMS			06.08.18	29.13								29.04.18	99		
		Total		557.19		619.10			391.83		391.83		619.10				
		1st	26.11.12	150.00	22.03.13	150.00						19.06.13	166.67	26.12.12	86		
		SMS			13.02.13	16.67								26.12.12	49		
		2nd	12.08.13	200.00	10.12.13	200.00	17606	31.03.14	9.86	20.08.14	9.86	28.04.14	200.00	11.09.13	343		
		SMS			16.09.14	22.22						01.09.15	22.22	11.09.13	370		
		3rd	23.03.15	75.00	11.12.15	69.02						18.05.16	83.33	22.04.15	233		
		SMS			28.03.16	5.98								22.04.15	341		
					28.03.16	7.22								22.04.15	341		
					27.06.16	1.11								22.04.15	432		
		4th	24.04.17	24.10	29.03.18	17.50	12147	31.03.18	17.50	13.09.18	17.50	26.03.18	26.78	24.05.17	477		
					06.03.18	6.60	12144	31.03.18	2.50	13.09.18	2.50			24.05.17	286		
		SMS			29.08.17	2.68								24.05.17	477		
		Total		449.10		499.00			29.86		29.86		499.00				
Medical & Health		1st	26.09.13	573.31	29.03.14	573.31		31.03.14		28.07.15	60.00			11.10.13	655		
								31.03.14		25.08.15	70.00			11.10.13	683		
									605	31.03.14	573.31	23.09.15	70.00	23.09.16	573.31	712	
										31.03.14		21.01.16	300.00		11.10.13	832	
										31.03.14		06.05.16	73.31		11.10.13	938	
				SMS			11.11.14	63.70	232	18.11.14	63.70	06.05.16	63.70		11.10.13	938	
				2nd	16.08.17	573.30	17.01.18	573.00	11812	29.03.18	80.00	27.06.18	80.00	27.02.18	573.30	31.08.17	300
				SMS			17.01.18	63.70							31.08.17	139	
				3rd	30.12.19	286.66	27.07.20	286.66	4855	31.03.20	14.56	25.11.20	14.56	22.12.20	286.66	14.01.20	316
				SMS			27.02.20	31.85							14.01.20	195	
													14.01.20	44			

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Sector	Sl. No. & Name of project	Inst.	Release by MDoNER		Release by GoM		Parking of fund in K-Deposit			Release from K-Deposit		UC furnished to NEC		Due date of release (30 for NEC & 60 days for NLCPR from Col.4	Delay in release (days) & (From Col.6 or Col 11, wherever applicable)		
			Date	Amount	Date	Amount	Challan No.	Date	Amount	Date	Amount	Date	Amount				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)		
		Total		1,433.27		1,592.22		731.57	731.57		731.57		1,433.27				
Miscellaneous	13. NLCPR: Strengthening of Government Press, Aizawl	1st	17.03.11	297.34	31.10.11	297.34						08.02.12	297.34	01.04.11	213		
		SMS			31.10.11	33.04							08.02.12	33.04	01.04.11	213	
		2nd	06.09.12	297.34	05.03.14	297.34	29.03.14	240.11	16.03.15	240.11			26.03.14	297.34	21.09.12	530	
		SMS			24.03.14	33.05							26.03.14	33.05	21.09.12	549	
		3rd & Final	11.12.14		135.65	17.07.15	135.65						16.06.17	135.65	26.12.14	203	
		SMS				23.03.15	15.07	34957	31.03.15	15.07	21.10.15	15.07	16.06.17	15.07	26.12.14	87	
		Total			730.33		811.49		255.18	255.18		255.18		811.49			
		1st	26.02.16		90.00	12.01.17	85.90							07.11.16	90.00	26.04.16	261
		SMS				20.03.17	10.00							07.11.16	10.00	26.04.16	328
		2nd	30.12.16		400.00	27.03.17	400.00		14312 & 14319	31.03.17	353.60	13.06.17	353.60	05.06.17	400.00	28.02.17	105
Power	14. Schemes of NEC: Construction of 33 kV line on tower from Aibawk to Sialsuk with associated bays and 11 kV line				27.03.17	4.10								28.02.17	335		
		SMS			16.03.18	44.44							21.03.18	44.44	28.02.17	381	
		3rd	24.07.17	200.00	12.03.18	200.00							21.03.18	200.00	22.09.17	171	
		SMS			16.03.18	22.22							21.03.18	22.22	22.09.17	175	
		4th	30.03.18	300.00	31.08.18	300.00							11.09.18	300.00	29.05.18	94	
		SMS			31.08.18	33.33							11.09.18	33.33	29.05.18	94	
		Final	07.03.19	340.20	09.07.19	340.20								23.10.19	340.20	06.05.19	64
		SMS			09.07.19	37.80								23.10.19	37.80	06.05.19	64
		Total			1,330.20		1,477.99		353.60	353.60		353.60		1,477.99			
		1st	27.12.05		677.60	01.11.06	677.60							19.09.06	677.60	26.01.06	279
SMS				20.08.07	75.29									26.01.06	571		
2nd	26.09.07		677.60	17.12.07	677.60							31.07.08	677.60	26.10.07	52		
SMS				16.10.08	75.25									26.10.07	356		
3rd	21.03.11		348.47	28.07.11	348.47							18.06.12	348.47	20.04.11	99		
SMS				28.07.11	38.72									20.04.11	99		
Gap Funding				31.01.14	345.90												
SCA				07.01.21	258.00		NA	31.03.21	154.35	Jan.22	64.00						

Sector	Sl. No. & Name of project	Inst.	Release by MDO/NER		Release by GoM			Parking of fund in K-Deposit			Release from K-Deposit		UC furnished to NEC		Due date of release (30 for NEC & 60 days for NL/CPR from Col.4	Delay in release (days) & (From Col.6 or Col.11, wherever applicable)
			Date	Amount	Date	Amount	Date	Amount	Challan No.	Date	Amount	Date	Amount			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
	(Zuangtui) 132 kV Sub Station	Total		1,703.67		2,496.83	.		154.35		64.00		1,703.67			
		First	01.03.12	130.00	18.10.12	130.00						29.08.12	130.00	31.03.12	201	
		SMS			19.03.13	14.44						NA	14.44	31.03.12	353	
		Second	29.11.12	90.00	19.03.13	90.00						10.04.13	90.00	29.12.12	80	
		SMS			19.03.13	10.00						NA	10.00	29.12.12	80	
		Third	21.11.13	100.00	05.03.14	100.00						05.08.15	100.00	21.12.13	74	
		SMS			23.03.16	11.11						14.08.19	11.11	21.12.13	823	
		Fourth	28.09.15	80.87	23.03.16	80.87						05.07.16	80.87	28.10.15	147	
		SMS			23.03.16	8.99						14.08.19	8.99	28.10.15	147	
		Final	23.11.17	40.00	28.03.19	40.00						11.07.19	40.00	23.12.17	460	
		SMS			28.03.19	4.44						11.07.19	4.44	23.12.17	460	
		Total		440.87		489.85			-		-		489.85			
		1st	17.08.10	1,400.00	18.01.11	1,400.00						21.02.12	1,400.00	16.09.10	124	
		SMS			18.01.11	155.55							155.55	16.09.10	124	
		2nd	15.05.12	1,400.00	09.01.13	1,400.00						20.05.13	1,400.00	14.06.12	209	
		SMS			09.01.13	155.55							155.55	14.06.12	209	
		3rd	18.06.13	1,000.00	01.10.13	1,000.00						16.12.14	1,000.00	18.07.13	75	
		SMS			28.10.15	111.11							111.11	18.07.13	832	
		4th	30.04.15	1,500.00	27.08.15	1,500.00						07.06.16	1,500.00	30.05.15	89	
		SMS			10.11.16	166.67							166.67	30.05.15	530	
		5th	17.06.16	500.00	30.09.16	500.00						01.03.17	500.00	17.07.16	75	
		SMS			29.03.17	55.55							55.55	17.07.16	255	
		6th	22.03.18	200.00	29.08.18	200.00						31.07.18	200.00	21.04.18	130	
		SMS			29.08.18	22.22							22.22	21.04.18	130	
		7th	28.09.18	90.30	18.02.19	90.30						03.05.19	90.30	28.10.18	113	
		SMS			18.02.19	10.00							10.00	28.10.18	113	
		Total		6,090.30		6,766.95			-		-		6,766.95			

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Sector	Sl. No. & Name of project	Inst.	Release by MDoNER		Release by GoM		Parking of fund in K-Deposit			Release from K-Deposit		UC furnished to NEC		Due date of release (30 for NEC & 60 days for NLCPR from Col.4	Delay in release (days) & (From Col.6 or Col.11, wherever applicable)
			Date	Amount	Date	Amount	Challan No.	Date	Amount	Date	Amount	Date	Amount		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	18. NLCPR: Construction of Bamboo Plantation Link Road to proposed Bamboo Plantation Areas from Tuirial Airfield to Bukpui - I (0-40)	1st	15.12.06	705.29	22.03.07	705.29						27.10.09	705.29	30.12.06	82
	Total			705.29		705.29			-		-		705.29		
	19. NLCPR: Construction of Bamboo Plantation Link road from Tuirial airfield to Bukpui Phase - II (40 - 84)	1st	21.12.06	791.44	10.08.07	791.44						19.09.14	791.44	05.01.07	217
		SMS			10.08.07	87.93							87.93	05.01.07	217
				791.44		879.37			-		-		879.37		
	Grand Total			24,692.28	-	27,807.97	-	-	4,511.87		4,300.07	-	26,827.26		

Appendix - 3.3.2
Statement showing project-wise details of release of fund by MDoNER/ NEC to the State Government
(Reference: Paragraph -3.3.5.1)

Sector	Sl. No. & Name of project	Inst.	GoI share released by MDoNER		Utilisation Certificate (GoI share)		No. of Days between UC and next sanction (Col.4 minus Col.6)	Due date for UC (within 12 months of the date of closure of accounts)	Delay in submission of UC (days)	
			Date	Amount	Date	Amount				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Agri and Allied	1. Schemes of NEC: Establishment of Integrated Horticulture Training Centre at Chite	1st	25.05.11	95.76	26.03.13	106.40		31.03.2013		
		2nd	21.11.13	95.76	20.10.15	106.40	240	31.03.2015	203	
		3rd	30.12.15	47.88	21.07.17	53.19	71	31.03.2017	112	
		Total		239.40		265.99				
		1st	21.07.16	60.00	21.05.18	66.67			31.03.2018	51
Human Resource Development & Education (Edn. & Social)	2. Schemes of NEC: Construction of Comprehensive Spastic Children Care Complex at Bawngkawn	2nd	31.07.18	500.00	14.03.19	555.56	71	31.03.2020		
		3rd	01.10.19	136.75	11.03.20	151.94	201	31.03.2021		
		Total		696.75		774.17				
		1st	29.02.12	1,787.38	25.06.13	1,707.57			31.03.2014	
		2nd	30.08.13	1,787.38	22.09.14	1,702.72	66	31.03.2015		
Human Resource Development & Education (Sports)	3. NLCPR: Establishment of Saimik School at Chhingchhip, Serchhip District, Mizoram	3rd	24.02.15	893.66	01.10.18	1,544.67	155	31.03.2017	549	
		Total		4,468.42		4,954.96				
		1st	26.09.16	320.52	13.12.17	320.52			31.03.2018	
		2nd	08.02.18	320.00	05.12.18	320.00	57	31.03.2020		
		3rd	07.01.19	438.92	16.12.19	438.92	33	31.03.2021		
Human Resource Development & Education (Sports)	4. Schemes of NEC: Establishment of Multipurpose Indoor Hall at Siphir, Mizoram	4th	29.01.20	198.35	01.09.20	198.35	44	31.03.2022		
		Total		1,277.79		1,277.79				
		1st	30.10.15	133.15	25.06.18	147.94			31.03.2017	451
		2nd	25.07.18	133.15	13.11.19	155.35	30	31.03.2020		
		3rd	11.12.19	66.58	03.06.20	66.57	28	31.03.2021		
Total		332.88		369.86						
Human Resource Development & Education (Sports)	5. NLCPR: Construction of Table Tennis Training Centre cum Basket Ball Court, Mission Vengthlang, Aizawl	1st	30.10.15	133.15	25.06.18	147.94		31.03.2017	451	
		2nd	25.07.18	133.15	13.11.19	155.35	30	31.03.2020		
		3rd	11.12.19	66.58	03.06.20	66.57	28	31.03.2021		
Total		332.88		369.86						

Sector	Sl. No. & Name of project	Inst.	GoI share released by MD&NER		Utilisation (GoI share)		No. of Days between UC and next sanction (Col.4 minus Col.6)	Due date for UC (within 12 months of the date of closure of accounts)	Delay in submission of UC (days)	
			Date	Amount	Date	Amount				
Irrigation & Flood Control & Watershed Management)/ Water supply	6. Schemes of NEC: East Lungdar Multi village Water Supply Scheme (Pumping), Serchhip District, Mizoram	Token amt.	09.02.18	10.00						
		1st	01.10.13	140.96	03.11.14	140.96		31.03.2015		
		2nd	17.12.14	280.00	21.02.17	280.00	44	31.03.2016	327	
		3rd	20.03.17	64.00	31.10.17	64.00	27	31.03.2019		
		4th	09.02.18	219.84	16.08.18	219.84	101	31.03.2020		
	Total		704.80		704.80					
	7. Schemes of NEC: Construction of Vairengte (Augmentation) Water Supply Scheme	1st	12.10.10	759.90	19.09.11	759.90		31.03.2012		
		2nd	19.11.12	759.90	25.06.13	759.90	427	31.03.2014		
		3rd	13.03.14	212.72	30.10.14	212.72	261	31.03.2016		
		4th	06.12.16	167.36	12.06.17	167.36	768	31.03.2018		
		Total		1,899.88		1,899.88				
Industries	8. NLCPR: Greater Saitual Water Supply Scheme in Mizoram	1st	29.09.16	332.00	22.12.17	332.00		31.03.2018		
		2nd	23.01.18	332.00	04.07.19	332.00	32	31.03.2020		
		3rd	17.09.19	166.70	21.09.20	166.70	75	31.03.2021		
		Total		830.70		830.70				
		1st	31.01.13	145.00	03.03.16	145.00		31.03.2015	338	
Information and Public Relations	9. Schemes of NEC: Construction of Approach Road and Internal Roads of Industrial Growth Centre at Luangmual, Aizawl, Mizoram	2nd	23.02.17	150.00	13.02.18	150.00	357	31.03.2019		
		3rd	30.03.18	262.19	04.10.19	262.19	45	31.03.2020		
		Total		557.19		557.19				
		1st	26.11.12	150.00	19.06.13	150.00		31.03.2014		
		2nd	12.08.13	200.00	28.04.14	200.00	54	31.03.2015		
Medical & Health	11. Schemes of NEC: Strengthening of Cardiology Department at Civil Hospital, Aizawl	3rd	23.03.15	75.00	18.05.16	75.00	329	31.03.2017		

Sector	Sl. No. & Name of project	Inst.	GoI share released by MDDoNER		Utilisation (GoI share)		No. of Days between UC and next sanction (Col.4 minus Col.6)	Due date for UC (within 12 months of the date of closure of accounts)	Delay in submission of UC (days)		
			Date	Amount	Date	Amount					
Miscellaneous		4th	24.04.17	24.10	26.03.18	24.10	341	31.03.2019			
		Total		449.10		449.10					
		1st	26.09.13	573.31	23.09.16	573.31			31.03.2015	542	
		2nd	16.08.17	573.30	27.02.18	573.30			31.03.2019		
		3rd	30.12.19	286.66	22.12.20	286.66			31.03.2021		
		Total		1,433.27		1,433.27					
			1st	17.03.11	297.34	08.02.12	297.34		31.03.2013		
			2nd	06.09.12	297.34	26.03.14	297.34			31.03.2014	
			3rd	11.12.14	135.65	16.06.17	135.65			31.03.2016	442
			Total		730.33		730.33				
1st			26.02.16	90.00	07.11.16	90.00			31.03.2018		
Power	14. Schemes of NEC: Construction of 33kV line on tower from Aibawk to Sialsuk with associated bays and 11kV line	2nd	30.12.16	400.00	05.06.17	400.00		53	31.03.2018		
		3rd	24.07.17	200.00	21.03.18	200.00		49	31.03.2019		
		4th	30.03.18	300.00	11.09.18	300.00		9	31.03.2020		
		5th	07.03.19	340.20	23.10.19	340.20		177	31.03.2021		
		Total		1,330.20		1,330.20					
		15. NLCPR: Construction of 132 kV S/C line on D/C towers from Kolasib to Aizawl (Melriat) with LLO of one circuit at Aizawl (Zuangtui) 132 kV Sub Station	1st	27.12.05	677.60	19.09.06	677.60			31.03.2007	
			2nd	26.09.07	677.60	31.07.08	677.60		372	31.03.2009	
			3rd	21.03.11	348.47	18.06.12	348.47		963	31.03.2013	
			Total		1,703.67		1,703.67				
			1st	01.03.12	130.00	29.08.12	130.00			31.03.2014	
Science & Technology	16. Schemes of NEC: Establishment of Rural Information Kiosks in 300 villages	2nd	29.11.12	90.00	10.04.13	90.00		92	31.03.2014		
		3rd	21.11.13	100.00	05.08.15	100.00		225	31.03.2015	127	
		4th	28.09.15	80.87	05.07.16	80.87		54	31.03.2017		
		Total		80.87		80.87					

Sector	Sl. No. & Name of project	Inst.	GoI share released by MDDoNER		Utilisation Certificate (GoI share)		No. of Days between UC and next sanction (Col.4 minus Col.6)	Due date for UC (within 12 months of the date of closure of accounts)	Delay in submission of UC (days)
			Date	Amount	Date	Amount			
		5th	23.11.17	40.00	11.07.19	40.00	506	31.03.2019	102
		Total		440.87		440.87			
		1st	17.08.10	1,400.00	21.02.12	1,400.00		31.03.2012	
		2nd	15.05.12	1,400.00	20.05.13	1,400.00	84	31.03.2014	
		3rd	18.06.13	1,000.00	16.12.14	1,000.00	29	31.03.2015	
		4th	30.04.15	1,500.00	07.06.16	1,500.00	135	31.03.2017	
		5th	17.06.16	500.00	01.03.17	500.00	10	31.03.2018	
		6th	22.03.18	200.00	31.07.18	200.00	386	31.03.2020	
		7th	28.09.18	90.30	03.05.19	90.30	59	31.03.2020	
		Total		6,090.30		6,090.30			
		1st	15.12.06	705.29	27.10.09	705.29		31.03.2008	575
				705.29		705.29			
		1st	21.12.06	791.44	19.09.14	791.44		31.03.2008	2,363
		Total		791.44		791.44			
	Grand Total	Total		24,692.28		25,309.81			
Transport & Communication/Roads & Bridges	<p>17. Schemes of NEC: Upgradation of Thanlon to Singhat Road (Ngopa to Tuivai) within Mizoram</p> <p>18. NLCPR: Construction of Bamboo Plantation Link Road to proposed Bamboo Plantation Areas from Tuirial Airfield to Bukpui - I (0 - 40)</p> <p>19. NLCPR: Construction of Bamboo Plantation Link road from Tuirial airfield to Bukpui Phase - II (40 - 84)</p>								

Appendix – 3.3.3
Statement showing details of delay in award and delay in completion of work
(Reference: Paragraph 3.3.6.4 and Paragraph 3.3.6.6(i))

Sl. No.	Sector	Scheme	Sl. No. & Name of project	MDoNER Sanction Date	Due Date for award of work (Three months from date of sanction)	Date of Award of work	Delays in award of work (Day)	Date of Completion		Delay in completion (days)	Remarks
								Scheduled	Actual		
1.	Agri and Allied	Schemes of NEC	Establishment of Integrated Horticulture Training Centre at Chite	25.05.11	23.08.11	23.08.11	-	25.05.12	06.10.17	1,960	Departmental work
2.	Human Resource Development & Education (Edn. & Social)	Schemes of NEC	Construction of Comprehensive Spastic Children Care Complex at Bawngkawn	21.07.16	19.10.16	18.01.18	456	21.07.18	26.06.20	706	Works contract. Delay due to shifting of project site
3.		NLCPR	Establishment of Sainik School at Chhingchhip, Serchhip District, Mizoram	29.02.12	29.05.12	02.01.12	-	28.02.15	30.06.18	1,218	Works contract
4.	Human Resource Development & Education (Sports)	Schemes of NEC	Establishment of Multipurpose Indoor Hall at Sihphir, Mizoram	26.09.16	25.12.16	02.02.17	39	29.09.19	26.02.20	150	Works contract
5.		NLCPR	Construction of Table Tennis Training Centre cum Basket Ball	30.10.15	28.01.16	18.05.17	476	20.10.17	31.12.19	802	Works contract

Sl. No.	Sector	Scheme	Sl. No. & Name of project	MDoNER Sanction Date	Due Date for award of work (Three months from date of sanction)	Date of Award of work	Delays in award of work (Day)	Date of Completion		Delay in completion (days)	Remarks
								Scheduled	Actual		
			Court, Mission Vengthlang, Aizawl								
6.	Irrigation & Flood Control & Watershed Management)/ Water supply	Schemes of NEC	East Lungdar Multi village Water Supply Scheme (Pumping), Serchhip District, Mizoram	09.02.18	-	-	-		Closed/ Cancelled on 'as is where basis'.	Abandoned before execution	
7.		NLCPR	Greater Saitual Water Supply Scheme in Mizoram	12.10.10	10.01.11	11.07.11	182	15.10.13	30.09.16	1,081	Works contract
8.		Schemes of NEC	Construction of Vairengte (Augmentation) Water Supply Scheme	01.10.13	30.12.13	26.05.14	147	01.10.15	17.09.18	1,082	Works contract
9.	Industries	Schemes of NEC	Construction of Approach Road and Internal Roads of Industrial Growth Centre at Luangmual, Aizawl, Mizoram	29.09.16	28.12.16	08.05.17	131	29.09.19	25.06.20	270	Works contract
10.	Information and Public Relations	Schemes of NEC	Construction of Cultural Centre-cum-Auditorium at Vaivakawn, Mizoram	31.01.13	01.05.13	10.12.13	223	20.06.15	10.09.19	1,543	Works contract

Sl. No.	Sector	Scheme	Sl. No. & Name of project	MDoNER Sanction Date	Due Date for award of work (Three months from date of sanction)	Date of Award of work	Delays in award of work (Day)	Date of Completion		Delay in completion (days)	Remarks
								Scheduled	Actual		
11.	Medical & Health	Schemes of NEC	Strengthening of Cardiology Department at Civil Hospital, Aizawl	26.11.12	24.02.13	18.03.13	22	26.11.15	01.03.18	826	Supply and Installation
12.		NLCPR	Construction of 100 bedded Civil Hospital at Saiha	26.09.13	25.12.13	05.02.15	407	30.08.16	30.09.20	1,492	Works contract
13.	Miscellaneous	NLCPR	Strengthening of Government Press, Aizawl	17.03.11	15.06.11	28.07.11	43	31.03.12	06.06.17	1,893	Supply and Installation
14.	Power	Schemes of NEC	Construction of 33 kV line on tower from Aibawk to Sialsuk with associated bays and 11 kV line	26.02.16	26.05.16	26.02.16	-	31.03.19	02.06.19	63	Departmental
15.		NLCPR	Construction of 132 kV S/C line on D/C towers from Kolasib to Aizawl (Melriat) with LILO of one circuit at Aizawl (Zuangtui) 132 kV Sub Station	27.12.05	27.03.06	05.01.07	284	31.12.08	Incomplete	Yet to be completed	Works contract
16.	Science & Technology	Schemes of NEC	Establishment of Rural Information Kiosks in 300 villages	01.03.12	30.05.12	15.10.12	138	01.03.13	11.07.19	2,323	Supply and Installation
17.	Transport & Communication	NLCPR	Construction of Bamboo Plantation	15.12.06	15.03.07	14.05.07	60	01.12.08	17.11.17	Closed "as is where is"	Works contract

Sl. No.	Sector	Scheme	Sl. No. & Name of project	MDoNER Sanction Date	Due Date for award of work (Three months from date of sanction)	Date of Award of work	Delays in award of work (Day)	Date of Completion		Delay in completion (days)	Remarks
								Scheduled	Actual		
	/ Roads & Bridges		Link Road to proposed Bamboo Plantation Areas from Tuirial Airfield to Bukpui - I (0-40)							on 17 November 2017	
18.		NLCPR	Construction of Bamboo Plantation Link road from Tuirial airfield to Bukpui Phase - II (40 - 84)	21.12.06	21.03.07	30.04.07	40	01.12.08	17.11.17	Closed "as is where is" on 17 November 2017	Works contract
19.		Schemes of NEC	Upgradation of Thanlon to Singhat Road (Ngopa to Tuivai) within Mizoram	07.08.10	05.11.10	30.05.11	206	31.03.13	02.06.18	1,889	Works contract

Sl. No.	As per Working Estimate				As per actual Execution of Work		
	Unit	Quantity	Rate	Amount	Quantity	Rate	Amount
16.		5	15,080.00	75,400.00	2.000	15,080.00	30,160.00
	xii. Digital Multimeter				2.000	15,080.00	30,160.00
17.		4	42,550.00	1,70,200.00	1.000	14,500.00	14,500.00
	xiii. Digital Earth Tester with testing kit				4.000	42,550.00	1,70,200.00
18.		3	17,800.00	53,400.00	1.000	17,800.00	17,800.00
	xiv. Digital Tong Tester 1000A				3.000	17,800.00	53,400.00
19.		3	42,550.00	1,27,650.00	3.000	39,500.00	1,18,500.00
	xv. Insulation Testing Megger (Digital) KEW Make				3.000	39,500.00	1,18,500.00
20.		3	39,000.00	1,17,000.00	1.000	39,500.00	39,500.00
	xvi Insulation Testing Megger (Analog) WACO Make				1.000	39,500.00	39,500.00
21.		1	1,76,400.00	1,76,400.00	3.000	34,150.00	1,02,450.00
	xvii. Portable Standby Generator, 3 kVA						
Total of Tools							
Grand Total				91,19,912.00			20,30,904.00
							76,74,648.000

Annexure – 3.3.5
Statement showing list of plants and machineries lying idle
{Reference: Paragraph 3.3.7.4(I)}

Sl. No.	Plant & Machinery procured	Quantity as per DPR	Actual procurement	Findings	Rate per items	Total	Place of Installation
1.	Plate Processor	2	2	Only one machine is available and is being utilised and the other one is not available for physical verification	9,00,000	9,00,000	Secretariat Annex-II, Old Secretariat building
2.	1.5 Ton Air Conditioner	8	5	Lying idle due to shifting of office	30,000	1,50,000	O/o The Assistant Controller, P&S Department, Luangmual
3.	Digital Press	2	1	The machine is lying idle and is not running due to want of AMC as well as shifting of office	60,50,000	60,50,000	O/o The Assistant Controller, P&S Department, Luangmual
4.	Projector	2	2	Available but not utilised due to non-continuation of the courses of the Printing Institute	96,292	1,92,584	Secretariat Annex-II, Old Secretariat building
5.	Plate Exposing Machine	1	1	Available but lying idle due to shifting of office and non-availability of space	3,00,000	3,00,000	Secretariat Annex-II, Old Secretariat building
6.	Scanner	2	2	Both scanners are in running condition but not utilised due to shifting of office	1,35,000	2,70,000	Secretariat Annex-II, Old Secretariat building
7.	Personal Computer	25	25	Available but not utilised due to non-continuation of the courses of the Printing Institute	32,000	8,00,000	Secretariat Annex-II, Old Secretariat building
8.	UV Coating Machine	1	1	The machine is lying idle as it is not installed fully due to shifting of office	29,00,000	29,00,000	O/o The Assistant Controller, P&S Department, Luangmual
Grand Total						1,15,62,584	

Appendix – 3.4.1
Assistances availed irregularly from more than one member of the same family
(Reference: Paragraph 3.4.6)

District Name	Block Name	Village Name	Regd. No.	Farmer Name	Father's name	Dob	Gender	Home address	Regd. date	No. of Installment Received
Lawngtlai	Chawngte	Kamlanagar-II	MZ288245134	Heedoth Dewan	Amiyo Kanti Dewan	23.02.1997	M	Kamalanagar II	15.12.2020	1
			MZ288256667	Reemi Dewan	Amiyo Kanti Dewan	17.03.1994	F	Kamalanagar II	15.12.2020	1 (eligible)
		MZ288251475	Rongsong Dewan	Amiyo Kanti Dewan	17.09.1996	F	Kamalanagar II	15.12.2020	1	
	Sangau	Parva	MZ219386270	Lalmachhuana	Sunnawla	18.09.1978	M	Parva III	31.05.2019	8
			MZ219385952	Labuka	Sunnawla	04.12.1975	M	Parva III	31.05.2019	8 (eligible)
			MZ271747457	Lalmangailhzam	Kaplianthanga	07.04.1982	F	Siachangkawn	12.03.2020	4 (eligible)
Lunglei	Lungsen	Bornasuri	MZ271745228	Vanlaidika	Kaplianthanga	06.10.1998	M	Siachangkawn	12.03.2020	4
			MZ144354969	Jalabi Chakma	Ananta Singh Chakma	04.06.1976	M	Bornasury	21.02.2019	3 (eligible)
			MZ144312468	Ranjit Chakma	Ananta Singh Chakma	24.04.1979	M	Bornasury	21.02.2019	3
	Hnahthial	Lungpuitlang	MZ144312347	Goda Dhar Chakma	Ananta Singh Chakma	05.08.1977	M	Bornasury	21.02.2019	3
			MZ276475083	Zachhawna	Taidawna	03.10.1952	M	Lungpuitlang	21.05.2020	5 (eligible)
			MZ276471766	Ngunhari	Taidawna	24.10.1954	F	Lungpuitlang	21.05.2020	5
Champhai	Khawzawl	Chawngtlai	MZ275626660	R Lalmingchhuan puii	R Rochuangkima	19.12.2001	F	Khawhai	20.05.2020	3
			MZ275617661	R Lahremruatkima	R Rochuangkima	04.03.2000	M	Khawhai	20.05.2020	3 (eligible)
Total ineligible instalment received										
52-24=28										

Appendix-4.1.1
Summarised financial position and working results of Government Companies as per their latest finalised accounts as on 30 September 2021

(Reference: Paragraphs 4.1.2.1, 4.1.6, 4.1.8, 4.1.8.2, 4.1.8.3 and 4.1.9)

(Figures in columns (5) to (12) are ₹ in crore)

Sl. No.	Sector/ name of the Company	Period of accounts	Year in which accounts finalised	Paid-up capital ³	Loans outstanding at the end of year	Accumulated profit(+)/ loss(-)	Turnover	Net profit (+)/ loss (-)	Net impact of Audit comments	Capital employed ⁴	Return on capital employed ⁵	Percentage of return on capital employed	Manpower
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Working Government Companies													
SECTOR: AGRICULTURAL MARKETING													
1.	Mizoram Agricultural Marketing Corporation Limited	2010-11	2015-16	5.72	2.09	(-) 6.43	0.28	(-) 1.02	-	1.38	(-) 1.00	(-) 72.46	1
	Sector Wise Total			5.72	2.09	(-) 6.43	0.28	(-) 1.02	-	1.38	(-) 1.00	(-) 72.46	1
SECTOR: FINANCING													
2.	Zoram Infrastructure and Industrial Development Corporation Limited	2018-19	2019-20	15.78	29.68	(-) 14.91	9.72	0.82	-	30.55	0.82	2.68	39
	Sector Wise Total			15.78	29.68	(-) 14.91	9.72	0.82	-	30.55	0.82	2.68	39
SECTOR: MANUFACTURING													
3.	Zoram Electronics Development Corporation Limited	2009-10	2016-17	7.23	-	(-) 6.59	0.00	(-) 0.24	-	0.64	(-) 0.24	(-) 37.50	0
4.	Mizoram Food and Allied Industries Corporation Limited	2014-15	2016-17	20.00	-	(-) 20.91	0.78	(-) 1.59	-	(-) 0.91	(-) 1.59	Not workable	22
	Sector Wise Total			27.23	-	(-) 27.50	0.78	(-) 1.83	-	(-) 0.27	(-) 1.83	**	22
SECTOR: MISCELLANEOUS													
5.	Mizoram Handloom and Handicrafts Development Corporation Limited	2018-19	2020-21	10.00	0.10	(-) 6.34	0.00	(-) 0.29	-	3.76	(-) 0.29	(-) 7.71	3
6.	Aizawl Smart City Limited	-	-	-	-	-	-	-	-	-	-	-	18
	Sector Wise Total			10.00	0.10	(-) 6.34	0.00	(-) 0.29	-	3.76	(-) 0.29	(-) 7.71	21
	Grand Total			58.73	31.87	(-) 55.18	10.78	(-) 2.32	-	35.42	(-) 2.30	(-) 6.49	83

Source: Records furnished by SPSEs

- ³ Paid up capital includes 'Share application money pending allotment' (₹ 2.73 crore) in respect of Mizoram Agricultural Marketing Corporation Limited (₹ 0.27 crore) and Zoram Electronics Development Corporation Limited (₹ 2.46 crore)
- ⁴ Capital employed represents Shareholders' fund *plus* long term borrowings
- ⁵ Return on capital has been worked out by adding back the 'interest' charged to profit and loss account to the 'net profit' or 'net loss' for the year

Appendix-4.1.2
Summarised financial position and working results of Government Companies as per their latest finalised accounts as on 30 September 2022

(Reference: Paragraphs 4.1.2.1, 4.1.6, 4.1.8, 4.1.8.2, 4.1.8.3 and 4.1.9)

(Figures in columns (5) to (12) are ₹ in crore)

Sl. No.	Sector/ name of the Company	Period of accounts	Year in which accounts finalised	Paid-up capital ⁶	Loans outstanding at the end of year	Accumulated profit(+)/ loss(-)	Turnover	Net profit (+)/ loss (-)	Net impact of Audit comments	Capital employed ⁷	Return on capital employed ⁸	Percentage of return on capital employed	Manpower
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Working Government Companies													
SECTOR: AGRICULTURAL MARKETING													
1.	Mizoram Agricultural Marketing Corporation Limited	2011-12	2021-22	5.45	2.09	(-) 8.54	-	(-) 1.63	-	(-) 1.00	(-) 1.61	Not workable	1
Sector Wise Total				5.45	2.09	(-) 8.54	-	(-) 1.63	-	(-) 1.00	(-) 1.61	**	1
SECTOR: FINANCING													
2.	Zoram Infrastructure and Industrial Development Corporation Limited	2020-21	2021-22	15.78	27.68	(-) 13.90	81.41	0.98	-	29.56	0.98	3.32	39
Sector Wise Total				15.78	27.68	(-) 13.90	81.41	0.98	-	29.56	0.98	3.32	39
SECTOR: MANUFACTURING													
3.	Zoram Electronics Development Corporation Limited	2009-10	2016-17	7.23	-	(-) 6.59	0.00	(-) 0.24	-	0.64	(-) 0.24	(-) 37.50	0
4.	Mizoram Food and Allied Industries Corporation Limited	2014-15	2016-17	20.00	-	(-) 20.91	0.78	(-) 1.59	-	(-) 0.91	(-) 1.59	Not workable	22
Sector Wise Total				27.23	-	(-) 27.50	0.78	(-) 1.83	-	(-) 0.27	(-) 1.83	**	22
SECTOR: MISCELLANEOUS													
5.	Mizoram Handloom and Handicrafts Development Corporation Limited	2018-19	2020-21	10.00	0.10	(-) 6.34	0.00	(-) 0.29	-	3.76	(-) 0.29	(-) 7.71	3
6.	Aizawl Smart City Limited	2019-20	2021-22	0.01	44.98	-	-	-	-	44.99	-	-	18
Sector Wise Total				10.01	45.08	(-) 6.34	0.00	(-) 0.29	-	48.75	(-) 0.29	(-) 7.71	21
Grand Total				58.47	74.85	(-) 56.28	82.19	(-) 2.77	-	77.04	(-) 2.75	(-) 3.57	83

Source: Records furnished by SPSEs

- ⁶ Paid up capital includes 'Share application money pending allotment' (₹ 2.73 crore) in respect of Mizoram Agricultural Marketing Corporation Limited (₹ 0.27 crore) and Zoram Electronics Development Corporation Limited (₹ 2.46 crore)
- ⁷ Capital employed represents Shareholders' fund *plus* long term borrowings
- ⁸ Return on capital has been worked out by adding back the 'interest' charged to profit and loss account to the 'net profit' or 'net loss' for the year

Appendix - 4.1.3
Statement showing Rate of Real Return on Government Investment for the year 2020-21
(Reference: Paragraphs 4.1.2.1 and 4.1.9)

Financial Year	Present value of total investment at the beginning of the year	Equity infused by the State government during the year	Net interest free loan given by the State Government during the year	Interest free loan converted into equity during the year	Grants/subsidies given by the State government for operational and administrative expenditure	Disinvestment by the State Government during the year at face value	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year*
												M
A	B	C	D	E	F	G	H = C+D+E+F+G	I = B+H	J	K = I x (1+J/100)	L = I x J/100	M
Upto 2015-16**	-	54.04	0.00	0.00	63.15	0.00	117.19	117.19	5.30	123.40	6.21	-
2016-17	135.15	0.00	0.00	0.00	6.88	0.00	6.88	142.03	5.20	149.42	7.39	-5.45
2017-18	149.42	0.00	0.00	0.00	5.17	0.00	5.17	154.59	4.84	162.07	7.48	0.08
2018-19	162.07	0.00	0.00	0.00	4.54	0.00	4.54	166.61	5.04	175.01	8.40	-0.33
2019-20	175.01	0.00	0.00	0.00	5.53	0.00	5.53	188.54	4.29	180.29	7.75	-2.05
2020-21	188.15 ⁹	0.00	0.00	0.00	13.49	0.00	13.49	201.64	4.32	210.35	8.71	-2.32
		54.04					152.80					

* worked out in respect of five SPSEs where State Government made direct investment on the basis of profit/ loss as per their latest finalised accounts
** These are cumulative figures upto 2015-16 for Columns C, D, E, F, G and H

Year	Total earnings/ loss in 2018-19	Investment by the State Government as per total of the column H above	Return on State Government investment on the basis of historical value	Present value of State Government investment at the end of 2018-19	Real return on State Government investment considering the present value of investments
	A	B	C	D	E
	Value of column M of above table	Total of the column H of above table	A*100/B	Value of column K of above table	A*100/D
2020-21	-2.32	152.80	-1.52	210.35	-1.10

Source: Records furnished by SPSEs

⁹ New Company viz., Aizawl Smart City Limited incorporated and investment amounting to ₹ 0.05 crore was added

Appendix - 4.1.4
Statement showing Rate of Real Return on Government Investment for the year 2021-22
(Reference: Paragraphs 4.1.2.1 and 4.1.9)

Financial Year	(₹ in crore)											
	Present value of total investment at the beginning of the year	Equity infused by the State government during the year	Net interest free loan given by the State Government during the year	Interest free loan converted into equity during the year	Grants/subsidies given by the State government for operational and administrative expenditure	Disinvestment by the State Government during the year at face value	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year*
A	B	C	D	E	F	G	H = C+D+E+F+G	I = B+H	J	K = I x (1+J/100)	L = I x J/100	M
Upto 2015-16**	-	54.04	0.00	0.00	63.15	0.00	117.19	117.19	5.30	123.40	6.21	-
2016-17	135.15	0.00	0.00	0.00	6.88	0.00	6.88	142.03	5.20	149.42	7.39	-5.45
2017-18	149.42	0.00	0.00	0.00	5.17	0.00	5.17	154.59	4.84	162.07	7.48	0.08
2018-19	162.07	0.00	0.00	0.00	4.54	0.00	4.54	166.61	5.04	175.01	8.40	-0.33
2019-20	175.01	0.00	0.00	0.00	5.53	0.00	5.53	188.54	4.29	180.29	7.75	-2.05
2020-21	188.15 ¹⁰	0.00	0.00	0.00	13.49	0.00	13.49	201.64	4.32	210.35	8.71	-2.32
2021-22	201.64	0.00	0.00	0.00	6.22	0.00	6.22	207.86	4.41	217.03	9.17	-2.77
		54.04			104.98		159.02					

* worked out in respect of five SPSEs where State Government made direct investment on the basis of profit/ loss as per their latest finalised accounts

** These are cumulative figures upto 2015-16 for Columns C, D, E, F, G and H

Year	(₹ in crore)				
	Total earnings/loss in 2018-19	Investment by the State Government as per total of the column H above	Return on State Government investment on the basis of historical value	Present value of State Government investment at the end of 2018-19	Real return on State Government investment considering the present value of investments
A	B	C	D	E	
	Value of column M of above table	Total of the column H of above table	A*100/B	Value of column K of above table	A*100/D
2021-22	-2.77	159.02	-1.74	217.03	-1.28

Source: Records furnished by SPSEs

¹⁰ New Company viz., Aizawl Smart City Limited incorporated and investment amounting to ₹ 0.05 crore was added

Appendix - 5.9.1
Statement showing under assessment of tax by the Assessing Officer
(Reference: Paragraph 5.9)

(₹ in lakh)

Sl. No.	Particulars	2012.13		2013.14		2014.15		2015.16		2016.17		2017.18		Total	
		5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%
1.	Opening stock	2.33	11.07	3.40	12.63	5.33	32.90	5.31	25.85	6.10	48.73	11.43	32.80	33.90	163.98
2.	Purchase	9.01	31.04	14.36	97.10	12.37	53.27 ¹¹	15.02	136.58	31.99	60.59	41.91	0	124.66	378.58
3.	Total stock (sl. no.1+2)	11.34	42.11	17.76	109.73	17.70	86.17	20.33	162.43	38.09	109.32	53.34	32.80	158.56	542.56
4.	Less: closing stock	3.40	12.63	5.33	32.92	5.31	25.85	6.10	48.73	11.43	32.80	0.00	0.00	31.57	152.93
5.	Taxable turnover at purchase value (sl. no. 3-4)	7.94	29.48	12.43	76.81	12.39	60.32	14.23	113.70	26.66	76.52	53.34	32.80	126.99	389.63
6.	Add: five per cent profit (five per cent of sl. no. 5)	0.40	1.47	0.62	3.84	0.62	3.02	0.71	5.69	1.33	3.83	2.67	1.64	6.35	19.49
7.	Taxable turnover (sl. no. 5 + 6)	8.34	30.95	13.05	80.65	13.01	63.34	14.94	119.39	27.99	80.35	56.01	34.44	133.34	409.12
8.	Tax Payable (tax rate * sl. no. 7)	0.42	4.18	0.65	10.89	0.65	8.55	0.75	16.12	1.40	10.85	2.80	4.65	6.67	55.23
9.	Tax paid	0.00	0.12	0.00	0.32	0.00	0.62	1.71	1.12	2.04	0.66	1.00	0.00	4.75	2.84
10.	Tax due (sl. no. 8-9)	0.42	4.06	0.65	10.57	0.65	7.93	0.96	15.00	0.64	10.19	1.80	4.65	1.92	52.39
Tax due assessed (Total of five and 13.5 per cent)														54.31	

¹¹ Though the Assessing Officer has written in his assessment order that the dealer purchase during 2014-15 taxable at 13.5 per cent as ₹ 139.98 lakh (₹ 43.62 lakh as per manual waybill and ₹ 96.36 lakh as per e-waybill, but wrongly taken the total stock as ₹ 86.17 lakh (opening stock of ₹ 32.90 lakh + the purchase). Therefore, the purchase is taken as ₹ 53.27 lakh (₹ 86.17 lakh – opening stock of ₹ 32.90 lakh)

Appendix - 5.9.1(A)
Statement showing under assessment of tax by the Assessing Officer
(Reference: Paragraph 5.9)

(₹ in lakh)

Sl. No.	Particulars	2012.13		2013.14		2014.15		2015.16		2016.17		2017.18		Total	
		5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%	5%	13.50%
1.	Opening stock	2.33	11.07	3.40	12.63	5.33	32.92	5.31	25.85	6.10	48.73	11.43	32.80	33.90	164.00
2.	Purchase as per waybill/ c-form	2.33	38.01	10.48	91.51	4.43	153.98	6.76	144.85	18.23	74.35	14.29	27.62	56.52	530.32
3.	Total stock (sl.no.1+2)	4.66	49.08	13.88	104.14	9.76	186.90	12.07	170.70	24.33	123.08	25.72	60.42	90.42	694.32
4.	Less: Closing stock	3.40	12.63	5.33	32.92	5.31	25.85	6.10	48.73	11.43	32.80	0.00	0.00	31.57	152.93
5.	Taxable turnover at purchase value (sl.no. 3-4)	1.26	36.45	8.55	71.22	4.45	161.05	5.97	121.97	12.90	90.28	25.72	60.42	58.85	541.39
6.	Add: five per cent profit as was done by Assessing Officer (five per cent of sl.no. 5)	0.06	1.82	0.43	3.56	0.22	8.05	0.30	6.10	0.65	4.51	1.29	3.02	2.95	27.06
7.	Taxable turnover (sl.no. 5 + 6)	1.32	38.27	8.98	74.78	4.67	169.10	6.27	128.07	13.55	94.79	27.01	63.44	61.80	568.45
8.	Tax Payable (tax rate * sl. no. 7)	0.07	5.17	0.45	10.10	0.23	22.83	0.31	17.29	0.68	12.80	1.35	8.56	3.09	76.75
9.	Tax paid by the dealer	0.00	0.12	0.00	0.32	0.00	0.62	1.71	1.12	2.04	0.66	1.00	0.00	4.75	2.84
10.	Tax due (sl.no. 8-9)	0.07	5.05	0.45	9.78	0.23	22.21	(-) 1.40	16.17	(-) 1.36	12.14	0.35	8.56	(-) 1.66	73.91
11.	Tax due assessed by the Assessing Officer	0.42	4.06	0.65	10.57	0.65	7.93	0.96	15.00	(-) 0.64	10.19	1.80	4.65	1.92	52.39
12.	Tax under-assessed (sl. no. 10-11)	(-) 0.35	0.99	(-) 0.20	(-) 0.79	(-) 0.42	14.28	0.44	1.17	0.72	1.95	1.45	3.91	(-) 3.58	21.52
Net difference under assessed (total of sl.no. 12)														17.94	

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