

**Report of the
Comptroller and Auditor General of India
on
Social, Economic, Revenue and General Sectors
for the year ended 31 March 2017**



GOVERNMENT OF NAGALAND
Report No. 2 of 2018

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PREFACE

1. This Report for the year ended March 2017 has been prepared for submission to the Governor of Nagaland under Article 151(2) of the Constitution of India.
2. The Report contains significant results of the performance audit and compliance audit of the departments of the Government of Nagaland under the Social, Economic, Revenue and General Sectors.
3. The cases mentioned in this Report are those which came to notice in the course of test audit during the year 2016-17 as well as those which came to notice in earlier years but could not be reported in the previous Reports.
4. The audits have been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

This Report is arranged in six chapters and contains one Performance Audit under Social Sector (Chapter I) viz. 'National Rural Drinking Water Programme', three Performance Audits under Economic Sector (Chapter II) viz. 'Utilisation of Grants under Article 275(1) of the Constitution of India', 'Border Area Development Programme' and 'Activities of Fisheries Department in Nagaland and eleven compliance audit paragraphs. According to the existing arrangements, copies of the draft audit paragraphs and draft performance audits were sent to the Secretaries of the departments concerned by the Accountant General (Audit) with a request to furnish replies within six weeks. Replies were not received from the Secretaries of the Departments concerned in respect of two compliance audit paragraphs.

Chapter-I Social Sector

Performance Audits

National Rural Drinking Water Programme

National Rural Drinking Water Programme (NRDWP) was launched in April 2009 by the Government of India (GoI) to ensure delivery of safe and adequate drinking water to the rural population of the country. The Ministry of Drinking Water and Sanitation (MDWS) implements the programme through the State Government.

Highlights

Village/District water security plans based on demography, physical features, water sources, available drinking water infrastructure and gaps to augment existing infrastructure and water sources were not prepared.

(Paragraph 1.3.9.1)

The Department was not able to achieve coverage as targeted in the Strategic Plan of MDWS. As per IMIS data, only 4.91 per cent had piped water supply connections within the household premises in the State.

(Paragraph 1.3.11.1)

The district laboratories of Dimapur, Kohima and Tuensang had significantly failed in carrying out the prescribed number of bacteriological and chemical contamination tests to ensure the supply of safe drinking water. The extent of bacteriological and chemical contamination of water sources in the three districts of Kohima, Dimapur and Tuensang was high.

(Paragraph 1.3.11.5)

Field testing kits purchased at the cost of ₹ 1.32 crore were not distributed to all the targeted villages/habitations and therefore the quality of water supplied to these villages/habitations remained untested.

(Paragraph 1.3.11.6)

During 2012-17, galvanised mild steel pipes of different specifications valued at ₹241.81 crore was procured through local suppliers and firms from outside the State without inviting tenders.

(Paragraph 1.3.11.7)

The Department paid ₹ 2.67 crore for three unexecuted works and ₹ 0.61 crore for three short executed works.

(Paragraphs 1.3.11.9 (i) and 1.3.11.9 (ii))

There were no records of monitoring carried out by officials from National, State, District and Block levels.

(Paragraph 1.3.12.2)

Compliance Audit Paragraphs

Implementation of Indira Gandhi National Old Age Pension Scheme in Nagaland

The Department of Social Welfare, Government of Nagaland (GoN) implements the welfare programmes for upliftment of vulnerable sections of the society. Indira Gandhi National Old Age Pension Scheme (IGNOAPS) is one such welfare programme which provides monthly pension to the senior citizens in the State. Audit of the IGNOAPS covering the period from 2012-17 was conducted during May 2017 to August 2017.

Highlights:

Two hundred twenty two persons who were below 60 years were given old age pension under '60-79 years category' and 51 beneficiaries who aged below 80 years were given scheme benefits under '80 years and above category' resulting in payment of ₹ 23.07 lakh to these ineligible beneficiaries. The Department also paid scheme benefits of '60-79 years category' to senior citizens who aged '80 years and above' thereby paying less pension to '80 years and above category' senior citizens by ₹ 3.15 crore.

(Paragraph 1.4.8.2)

Government of Nagaland released only ₹ 9.57 crore against its matching share of ₹ 31.39 crore. Further, the Department did not utilise the State share of ₹ 3.61 crore during 2014-17.

(Paragraph 1.4.9.1)

Delay in release of funds by Government of Nagaland and the Department resulted in delay in disbursement of pension to the beneficiaries by 8 to 25 months.

(Paragraph 1.4.9.3)

The Directorate of Technical Education diverted ₹ 56.12 lakh from the funds for scholarship schemes for private use. An amount of ₹ 51.87 lakh was also suspected to be misappropriated as there was no records for utilisation of this amount.

(Paragraph 1.5)

The Urban Development Department abandoned the construction of burial and cremation ground at Kohima after incurring an expenditure of ₹ 1.62 crore.

(Paragraph 1.6)

Chapter-II Economic Sector

Performance Audits

Utilisation of Grants under Article 275(1) of the Constitution of India

Article 275(1) of the Constitution of India provides that such sums as Parliament may by law provide, in each year as grants-in-aid to such states as Parliament may determine to be in need of assistance. The Grants under Article 275(1) is provided as an additionality to normal central assistance to the State plan to enable them to meet the costs of projects/schemes for welfare and development of the Scheduled Tribes (ST) in that State.

Highlights:

The Department did not prepare AAP indicating sector-wise allocation for utilisation of the grants during 2012-16.

(Paragraph 2.3.8.1)

There were delays in release of fund by GoN ranging between five and 335 days in 27 instances. ₹ 31.78 crore released by GoI during 2016-17 was not released by GoN to the Department (March 2017).

(Paragraph 2.3.9.1)

The unspent balance in UC submitted to MoTA during 2015-16 was understated by ₹ 16.47 crore.

(Paragraph 2.3.9.4)

The works related to all the 180 projects/schemes were awarded directly to the applicants whose project/schemes were taken up for implementation without calling for tenders.

(Paragraph 2.3.10.1)

The Department paid ₹ 20.23 crore for 13 unverifiable works, six doubtful execution of projects and nine short executed projects.

(Paragraph 2.3.10.2)

The Department made payment of ₹ 1.50 crore to an individual for obtaining sanction of a project from Ministry of Tribal Affairs, Government of India.

(Paragraph 2.3.10.3 (ii))

Border Area Development Programme

The Department of Border Management, Ministry of Home Affairs (MHA), Government of India (GoI) implements the Border Area Development Programme (BADP) through the State Government as part of a comprehensive approach to border management. The programme aims to meet the development needs of the people living in remote and inaccessible areas near the International Border (IB). In

Executive Summary

Nagaland there are four districts, viz, Mon, Tuensang, Kiphire and Phek, sharing a 215 kilometer international boundary with Myanmar.

Highlights:

The baseline survey conducted by the Department did not bring out quantifiable gaps in social and physical infrastructure and therefore did not provide decisive inputs in preparation of Annual Action Plan.

(Paragraph 2.4.7.1)

Allocation of funds indicated disproportionate emphasis on infrastructure and other sectors like Education, Health, Agriculture and Social were given minimal share.

(Paragraph 2.4.8.1)

DCC Bills for an amount of ₹4.56 crore out of ₹7.62 crore were not submitted even after delays ranging between two to three years.

(Paragraph 2.4.8.4)

Payments amounting to ₹15.95 crore without execution of works, short execution, incomplete and abandonment of works were noticed.

(Paragraphs 2.4.9.2 (i), (ii), (iii), (iv) and (v))

Third Party Inspection Agency for monitoring of works under BADP was not constituted.

(Paragraph 2.4.10.1)

Activities of Fisheries Department in Nagaland

Department of Fisheries is responsible for development of inland fisheries to increase fish production by giving technical support and developing infrastructure in the State. The audit of the Department was carried out from May 2017 to August 2017.

Highlights:

The Department did not have a perspective long-term plan for development of fisheries in the State. Although the Department prepared Annual Action Plans (AAPs) during the period from 2012-17, these were more in the nature of stand-alone exercises with no linkages to the medium or long-term goals/plans of the Department.

(Paragraph 2.5.8)

Utilisation Certificates for an amount of ₹12.79 crore was furnished even before the funds were released by the State Government.

(Paragraph 2.5.9.2)

The Department paid ₹3.98 crore for seven un-executed projects and ₹16.37 crore for six short executed projects.

(Paragraphs 2.5.10.1 and 2.5.10.2)

An expenditure ₹2.78 crore was made on a single project twice which was ultimately abandoned, rendering the expenditure as infructuous.

(Paragraph 2.5.10.4)

There was a shortfall in production of fingerlings by 471.93 lakh (94.40 per cent) during the last five years which may have impacted introduction of economically improved fish species in the State.

(Paragraph 2.5.11)

Compliance Audit Paragraphs

The Project Director, DRDA, Kiphire paid ₹ 2.03 crore for supply of 3,741 bundles of CGI sheets against fictitious transportation challans and non-existent vehicles.

(Paragraph 2.6)

There was short distribution of housing materials and cash component under Indira Awaas Yojana (IAY) totaling ₹ 73 lakh in Chiephobozou Block.

(Paragraph 2.7)

Chapter-III Economic Sector (Public Sector Undertakings)

Compliance Audit Paragraph

Poor recovery of loans by Nagaland Handloom and Handicrafts Development Corporation Limited (NHHDC) resulted in borrowers owing ₹ 5.83 crore to NHHDC as a result of which NHHDC was not in a position to avail an offer of a waiver of ₹ 1.03 crore.

(Paragraph 3.2)

Chapter-IV Revenue Sector

Compliance Audit Paragraphs

Sixteen dealers under the Deputy Commissioner of Taxes, Dimapur concealed inter-state purchase of ₹ 77.56 crore and evaded tax of ₹ 11.47 crore.

(Paragraph 4.2.1)

Three dealers under the Deputy Commissioner of Taxes, Dimapur concealed purchases and evaded tax of ₹ 3.61 crore.

(Paragraph 4.2.2)

The Assessing Authority, under Deputy Commissioner of Taxes, Dimapur failed to exercise the prescribed checks resulting in concealment of purchases for ₹ 5.71 crore, irregular exemption of taxable purchases of ₹ 28.60 crore and evasion of tax ₹ 1.66 crore.

(Paragraph 4.2.3)

Chapter-V General Sector

Compliance Audit Paragraphs

The Department of School Education incurred an avoidable expenditure of ₹ 10.73 crore due to delay in handing over the project site. The Department also extended undue financial benefit of ₹ 7.37 crore to the contractor on enhancement of rate for newly incorporated items of works not approved by the Government.

(Paragraph 5.3)

Failure of the Drawing and Disbursing Officers (DDOs) of seven departments and Treasury Officers (TOs) in exercising prescribed checks resulted in fraudulent drawal of ₹ 1.72 crore.

(Paragraph 5.4)

CHAPTER – I
SOCIAL SECTOR

CHAPTER - I

SOCIAL SECTOR

1.1 Introduction

This chapter of the Report deals with the findings on audit of the State Government departments under Social Sector.

The departments under Social Sector and their total budget vis-à-vis expenditure during 2016-17 are given below:

Table No. 1.1.1

(₹ in crore)

Sl. No	Name of the departments	Total Budget	Expenditure
1	School Education	1453.19	1104.95
2	Technical Education	29.11	15.42
3	Higher Education	201.37	138.35
4	SCERT	44.15	43.70
5	Youth Resources and Sports	46.17	41.79
6	Art and Culture	19.37	18.97
7	Health and Family Welfare	646.39	496.56
8	Water Supply and Sanitation	309.14	243.52
9	Urban Development	101.49	82.67
10	Municipal Affairs	136.20	113.90
11	Information and Public Relations	29.54	29.31
12	Labour	9.34	9.34
13	Employment and Training	71.83	23.85
14	Social Welfare	237.85	222.36
15	Women Welfare	16.08	15.16
Total		3351.22	2599.85

(Source: Appropriation Accounts)

1.2 Planning and Conduct of Audit

Audit process starts with the assessment of risks of the departments based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders.

On completion of audit of each Department on a test check basis, Inspection Reports (IRs) containing audit findings are issued to the heads of the departments. The departments are required to furnish replies within one month of receipt of the IRs. Whenever replies are received, audit findings are either settled based on reply/action taken or further action for compliance is advised. Some of the important audit observations in the IRs are processed for inclusion in the Audit Report of the C&AG of India which is submitted to the Governor of the State under Article 151 of the Constitution of India for being laid on the table of the Legislature.

During the year, an expenditure of ₹ 3,765.39 crore (including funds pertaining to previous years audited during the year) of the State Government under Social Sector

was test checked. This chapter contains findings on the Performance Audit (PA) of 'National Rural Drinking Water Programme' and three compliance audit paragraphs.

Performance Audit

DEPARTMENT OF PUBLIC HEALTH ENGINEERING

1.3 Performance Audit on National Rural Drinking Water Programme

National Rural Drinking Water Programme (NRDWP) was launched in April 2009 by the Government of India (GoI) to ensure delivery of safe and adequate drinking water to the rural population of the country. The Ministry of Drinking Water and Sanitation (MDWS) implements the programme through the State Government.

Highlights

- *Village/District water security plans based on demography, physical features, water sources, available drinking water infrastructure and gaps to augment existing infrastructure and water sources were not prepared.*

(Paragraph 1.3.9.1)

- *The Department was not able to achieve coverage as targeted in the Strategic Plan of MDWS. As per IMIS data, only 4.91 per cent had piped water supply connections within the household premises in the State.*

(Paragraph 1.3.11.1)

- *The district laboratories of Dimapur, Kohima and Tuensang had significantly failed in carrying out the prescribed number of bacteriological and chemical contamination tests to ensure the supply of safe drinking water. The extent of bacteriological and chemical contamination of water sources in the three districts of Kohima, Dimapur and Tuensang was high.*

(Paragraph 1.3.11.5)

- *Field testing kits purchased at the cost of ₹ 1.32 crore were not distributed to all the targeted villages/habitations and therefore the quality of water supplied to these villages/habitations remained untested.*

(Paragraph 1.3.11.6)

- *During 2012-17, galvanised mild steel pipes of different specifications valued at ₹241.81 crore was procured through local suppliers and firms from outside the State without inviting tenders.*

(Paragraph 1.3.11.7)

- *The Department paid ₹ 2.67 crore for three unexecuted works and ₹ 0.61 crore for three short executed works.*

(Paragraphs 1.3.11.9 (i) and 1.3.11.9 (ii))

- There were no records of monitoring carried out by officials from National, State, District and Block levels.

(Paragraph 1.3.12.2)

1.3.1 Introduction

The NRDWP aims to provide adequate safe water for drinking, cooking and other domestic needs on a sustainable basis to every rural person. Funds are provided for rural water supply schemes with focus on water-stressed and quality affected areas. The NRDWP is implemented in the State under six components viz. Coverage, Water Quality, Operation and Maintenance, Sustainability, Support and Water Quality Monitoring and Surveillance.

1.3.2 Organisational set up

The Secretary to the Government of Nagaland (GoN), Public Health Engineering Department (PHED) is the administrative head of the Department. The Chief Engineer, PHED is the Head of the Department and is assisted by an Additional Chief Engineer, one Superintendent Engineer, 14 Executive Engineers (EEs) and 42 Sub-Divisional Officers.

1.3.3 Scope of audit

This PA covered all the components of NRDWP for the period 2012-17. The office of the Chief Engineer, PHED, three out of 11 districts (Dimapur, Kohima and Tuensang), six out of 22 blocks and 52 schemes under NRDWP implemented at a cost of ₹ 22.40 crore in 24 out of 504 villages in the selected districts were covered (*Appendix 1.3.1*). The data from the Integrated Management Information System (IMIS) of the MDWS was also used to evaluate the performance of NRDWP.

1.3.4 Audit Objectives

The objectives of the PA were to ascertain whether:

- institutional mechanisms and planning processes were adequate;
- the fund management was economical and effective;
- the implementation of the NRDWP was effective and efficient; and,
- adequate and effective mechanism existed for monitoring and evaluation of the programme.

1.3.5 Audit Criteria

Audit criteria were drawn from:

- Guidelines of NRDWP issued in 2009 and 2013; strategic plans, notifications, orders and circulars issued by the Ministry of Drinking Water and Sanitation;
- Guidelines and Reports of National and State Level Monitors;
- State Government orders relating to implementation of the NRDWP;
- Management Information System (MIS) available on website of the NRDWP (indiawater.gov.in); and,
- NRDWP guidelines providing convergence with all other related programmes of GoI viz. MGNREGS (Department of Rural Development), National

Afforestation Programme (Ministry of Environment and Forests), National Project for Repair, Restoration, Renovation of Water Bodies (Ministry of Water Resources) etc.

1.3.6 Audit methodology

The PA comprised of an entry conference (April 2017), requisition and examination of records, issue of audit observations, examination of response to audit observations, joint inspection (team comprising of Departmental officials and audit team), issue of draft report to the Government to solicit its replies and exit conference (24 October 2017). The replies received and views expressed by the Government during the exit meeting were considered and incorporated in the report wherever relevant.

1.3.7 Acknowledgement

We acknowledge the cooperation and assistance extended to us by the Department during the conduct of this PA.

Audit Findings

The findings of the PA on the implementation of NRDWP are discussed in the succeeding paragraphs.

1.3.8 Institutional mechanism for implementation of the programme

To strengthen and restructure the existing institutional mechanism and make it responsive to the needs of the community, NRDWP guidelines (2009) issued by MDWS, GoI, prescribed the following institutions at the State, District, Block and Village level to be constituted:

1.3.8.1 State Water and Sanitation Mission (SWSM)

As per Para 12.4 of the NRDWP guidelines (2009), each State was required to constitute SWSM. The responsibilities of SWSM includes providing policy guidance, co-ordination with other Government departments and other partners, monitoring and evaluation of physical and financial performance of schemes, maintaining the accounts for programmes and support funds etc. The SWSM was required to have one meeting in every quarter and not less than four times in a year.

Examination of records revealed that SWSM¹ was constituted in the State as a society headed by the Chief Secretary. However, there was no record of any meeting of SWSM held during the period 2012-17.

1.3.8.2 State Level Scheme Sanctioning Committee (SLSSC)

As per Para 12.4 of the NRDWP guidelines (2009), each State was required to constitute SLSSC. The SLSSC was responsible for approval of Annual Action Plan (AAP), sanction for new schemes and review progress of on-going schemes. The Committee was to meet at least twice in a year.

¹ SWSM is headed by the Chief Secretary with Secretaries in-charge of PHED, Rural Development, Panchayati Raj, Finance, Health, Education, Women and Child Development, Water Resources, Agriculture, Information and Public Relations as members.

Examination of records revealed that the Department had constituted (June 2009) SLSSC under the Chairmanship of the Secretary, PHED. It was however observed that, SLSSC was involved only for approval of the AAPs and sanctioning of projects. No periodic review of the on-going schemes was carried out. It was also observed that against the requirement of two meetings in a year, the SLSSC had conducted only one meeting during 2012-16. No meeting was held during 2016-17.

The Department while accepting the facts stated (November 2017) that committee meets only when new schemes were required to be sanctioned.

1.3.8.3 Source Finding Committee (SFC)

As per Annexure 7 of the NRDWP guidelines (2009), the schemes submitted for approval to the SLSSC should be cleared by the SFC. The Committee was responsible to review the functioning/performance of existing water supply schemes for availability of potable drinking water in adequate quantity in the rural habitations.

The SFC was not constituted in the State.

1.3.8.4 State Technical Agency (STA)

As per Para 12.4 of the NRDWP guidelines (2009), the SWSM was required to identify reputed technical institutions to be designated as STA to provide technical support for preparation of AAPs and scientific/cost effective rural water supply schemes.

The Department was yet to notify a STA.

1.3.8.5 Water and Sanitation Support Organisation (WSSO)

As per Para 12.4 of the NRDWP guidelines (2009), WSSO was required to set up by each State. The WSSO was responsible for Water Quality Monitoring and Surveillance (WQM&S), Information, Education and Communication (IEC), HRD, R&D, activities *etc.* The WSSO was also required to assist the Village Water and Sanitation Committee to prepare Water Security Plan (WSP) and implement and maintain Rural Water Supply (RWS) projects.

Examination of records revealed that WSSO established in 2009 carried out WQM&S, information, education and communication (IEC). It was however observed that R&D activities, evaluation studies and impact assessment studies of the programme in the State were also not carried out.

The Department accepted the facts (November 2017).

1.3.8.6 Vigilance and Monitoring Committee

As per Para 20 of NRDWP guidelines (2009), vigilance committee at state, district, blocks and village level should be constituted to address the issues relating to the programmes.

In Nagaland, the committees were not set up at any level.

1.3.8.7 District Water and Sanitation Mission (DWSM)

As per Para 12.2 (Annexure 8) of NRDWP guidelines (2009), the DWSM was required to be constituted. The DWSM headed by the Deputy Commissioner was responsible for formulation, management and monitoring of projects.

Examination of records revealed that DWSM was constituted in all the districts. It was however observed that the Department did not have any records of the formation and the activities carried out by DWSM.

The Department accepted the facts (November 2017).

1.3.8.8 Block Resource Centre (BRC)

As per Para 12.6 of the NRDWP guidelines (2013), BRC was required to be set up at block levels to provide continuous support in creating awareness, motivation, training and handholding to village communities.

It was observed that BRCs were not set up in the State.

The Department in reply stated (November 2017) that the BRCs were not constituted as Nagaland being a small State, the activities conducted at the district and village levels by the departmental officials were found to be adequate.

1.3.8.9 Village Water and Sanitation Committee (VWSC)

As per Para 12.7 of the NRDWP guidelines (2013), VWSC was required to be set up in each village for planning, designing and management of Rural Water Supply (RWS) schemes with participation of the villagers. The VWSC was to consist of six to 12 persons with at least 50 *per cent* women members.

Examination of records and joint inspection of 24 villages revealed that VWSC were not constituted in eight out of 24 villages. In 16 villages where VWSC was constituted, nine villages did not have any women member.

1.3.9 Planning

1.3.9.1 Village and District Water Security Plan

As per Para 13 of the NRDWP guidelines (2009), Village Water Security Plan (VWSP) was required to be prepared which should include demography, physical features, water sources, available drinking water infrastructure and gaps to augment existing infrastructure and water sources. Based on the VWSP, the District Water Security Plan (DWSP) was to be prepared by dovetailing funds from different sources including NRDWP funds.

Examination of records revealed that the VWSP and DWSP were not prepared in the State.

The Department stated (November 2017) that the information was collected from the villages/communities for selection, planning and execution of schemes according to their needs. The fact however remains that the VWSP and DWSP were not prepared.

1.3.9.2 Comprehensive Water Security Action Plan and State Specific Policy Framework

As per Para 14 of the NRDWP guidelines (2009) a rolling five-year Comprehensive Water Security Action Plan (CWSAP) with broad directions, thrust areas and tangible targets was required to be prepared. As per Para 15 of the guidelines *ibid*, the Government was also required to prepare a State Specific Sector Policy Framework in line with the National Policy Framework.

Examination of records revealed that the CWSAP and State Specific Policy Framework were not prepared.

The Department accepted (November 2017) the facts pointed out by Audit.

1.3.9.3 Annual Action Plan (AAP)

As per Para 14 of the NRDWP guidelines (2013), each State was required to prepare an AAP taking into consideration the on-going schemes, new schemes and schemes which required augmentation and link the habitations proposed to be covered. During planning, priority was to be given to habitations with zero or less than 50 *per cent* of the population having access to adequate and safe drinking water. The target for consumption of water from 40 Litres Per Capita Daily (LPCD) was increased (August 2013) to 55 LPCD by GoI.

Examination of records revealed that the Department prepared AAPs for 2014-15, 2015-16 and 2016-17 with the norm of 40 LPCD instead of 55 LPCD as revised by GoI.

The Department in reply stated (November 2017) that all new water supply schemes are designed for 55 LPCD and upgradation of old schemes from 40 LPCD to 55 LPCD was taken up depending on fund availability.

1.3.9.4 Preparation and implementation of Sustainability Plan

As per Paras 6 (Annexure II) of the NRDWP guidelines (2013), sustainability plans should be prepared and implemented prioritising over-exploited, critical and semi-critical blocks using ground water prospect hydro-geo-morphological maps, GIS mapping and appropriate geophysical investigation.

Examination of records revealed that during the period 2012-17, the Department did not conduct comprehensive studies to prepare a sustainability plan. The GIS mapping of water sources, water bodies and inter-village pipelines were also not carried out.

The Department in reply stated (November 2017) that it was in the process of GIS mapping of water sources and comprehensive sustainability plan would be prepared once all required GIS data was compiled. The fact remains that the Department had utilized ₹ 23.98 crore under sustainability component without preparation of a sustainability plan.

1.3.10 Fund management

The NRDWP is funded by GoI and State Governments on cost sharing basis as detailed below:

Table No. 1.3.1

Nature of fund	Component	2012-13 to 2014-15			2015-16 to 2016-17		
		Percentage	Central Share (per cent)	State Share (per cent)	Percentage	Central Share (per cent)	State Share (per cent)
Programme	Coverage	67	90	10	67	90	10
	Water Quality						
	Operation and Maintenance	15	90	10	15	90	10
	Sustainability	10	100	0	10	90	10
Support	Support	5	100	0	5	90	10
	WQM&S ²	3	100	0	3	90	10

In Nagaland, till 2013-14 funds allocated by GoI were routed through bank accounts operated by the SWSM separately for ‘programme’ accounts and ‘support’ activities accounts. The funding pattern was changed from April 2014 and the funds allocated by GoI are routed through State Finance Department which further allocates the programme funds to the concerned Department.

The findings of audit on funds management are discussed below.

1.3.10.1 Release and utilisation of funds

During 2012-17, an amount of ₹ 431.77 crore was available and ₹ 379.43 crore was utilised for implementation of NRDWP. The year wise details of funds released by GoI, State share and expenditure under NRDWP during the period from 2012-17 is given below.

Table No. 1.3.2

(₹ in lakh)

Year	Opening balance	Central release	State release	Interest receipt	Total fund available	Expenditure	Closing balance	Percentage of unspent balance
2012-13	178.57	11019.86	0.00	33.37	11231.80	10760.80	471.00	4.19
2013-14	471.00	6101.32	943.26	38.55	7554.13	6175.61	1378.52	18.25
2014-15	1378.52	10143.93	0.00	31.86	11554.31	8644.64	2909.67	25.18
2015-16	2909.67	3852.58	518.47	7.24	7287.96	6860.52	427.44	5.86
2016-17	427.44	3684.08	1437.00	0.00	5548.52	5431.76	116.68	2.10
Total					43176.72	37943.21		

(Source: Departmental figures)

As seen from above, the State was unable to utilize the entire funds available for the NRDWP during the period.

1.3.10.2 Component-wise allocation of funds

The component-wise allocation of funds as per the limits (in percentage) prescribed under the scheme and the actual allocation during 2012-17 is shown in the table below.

² Water Quality Monitoring and Surveillance

Table No. 1.3.3

Components of NRDWP	Stipulated as per guidelines (per cent)	Actual utilisation (per cent)
Coverage & water quality	67	71 to 81
Sustainability	10	1 to 5
O & M	15	15
Support	5	1.29 to 4.32
WQM&S	3	0.85 to 2.55

As seen from above, the actual allocation of funds for the components was not as per the prescribed limits. The allocation under “coverage and water quality” was more than the prescribed limits whereas, allocation of funds under ‘Sustainability’, ‘Support’ and ‘WQM&S’ components were less than prescribed (*Appendix-1.3.2*).

1.3.10.3 Delay/Short release of funds received from GoI and release of matching share by State Government

As per Para 17 of the NRDWP guidelines (2013), the State should transfer the entire amount of central allocation received along with its matching share to the implementing agency(s) not later than 15 days of receipt of funds from GoI.

Examination of records revealed delay in release of funds received from GoI by the State Government ranging between one and 12 months during 2014-17 (*Appendix-1.3.3*). It was also observed that there were delays in release of State’s matching share ranging between five months and 21 months during 2012-17. Further, the State had not released its matching share of ₹ 283.50 lakh during 2016-17 (*Appendix- 1.3.4*).

The Department (November 2017) stated that release of the funds is controlled by the State Finance Department.

1.3.10.4 Diversion of funds

Examination of records revealed that the Department had utilised an amount of ₹ 15 lakh during 2012-13 out of O & M component of NRDWP funds for procurement of two vehicles which was not permissible as per the programme guidelines.

It was also observed that during 2013-14, the Department had incurred ₹ 32 lakh for conducting baseline survey on rural sanitation and booked this expenditure under ‘Support’ component of the NRDWP fund. The expenditure on baseline survey on rural sanitation was not provided in any of the components of the NRDWP.

The Department stated (November 2017) that GoI had directed the Department to recover the expenditure on procurement of vehicles. As of November 2017, the Department was yet to comply with the directions of GoI. The Department accepted the fact regarding inadmissible expenditure for conducting the baseline survey.

1.3.11 Implementation of NRDWP

1.3.11.1 Coverage of habitations with piped water supply

As per the Strategic Plan of MDWS, GoI, for 2011-22, 35 per cent of the rural households should have piped water supply within the household premises by 2017.

As per IMIS data, out of a total of 3,13,509 households (March 2017) in the State, only 15,559 (4.91 *per cent*) had piped water supply connections within the household premises. Thus, the Department was not able to achieve coverage as targeted in the Strategic Plan of MDWS.

The Department accepted the facts (November 2017).

1.3.11.2 Coverage of schools and *anganwadis*

As per Para 9.8 of NRDWP guidelines (2013), all government schools and *anganwadis* should have access to drinking water and toilets in adequate quantity in convergence with other schemes/programmes by 2017.

As per IMIS report, there were 2,362 government schools and 1,501 *anganwadis* in the State as on 31 March 2017. It was observed that out of the 2,362 schools, 69 *per cent* (1,620 schools) were reported as provided with safe and clean drinking water. The IMIS data further indicated that none of the 1,501 *anganwadis* were targeted for coverage under NRDWP during 2012-17.

During joint inspection of 36 schools in the 24 villages covered under this PA, two schools (Government Middle School Sluzong and Government Primary School Pukhaho) could not be located. Cross verification of IMIS with the data of Department of School Education (DSE) revealed that these two schools were not listed in the records of DSE. Further, as per IMIS reports, 28 out of these 36 schools were provided with drinking water facility whereas joint inspection revealed that only 20 schools were actually provided with drinking water facility.

The Department stated (November 2017) that it could not take up schemes for providing water supply facility to *anganwadis* due to shortage of fund. The Department did not furnish any reply on two non-existent schools and non-availability of drinking water facility in eight schools.

1.3.11.3 Operation and Maintenance (O&M)

As per Para 9.7 of NRDWP guidelines (2013), the Department was required to prepare an O&M plan of every scheme specifying the procedures for checks and inspections at set intervals. For this purpose, the States/UTs were authorised to utilise 15 *per cent* of NRDWP funds for O&M.

Examination of records revealed that the O&M Plans prepared by the Department during 2012-17 did not indicate project wise allocation of O&M funds. The plans only listed the names of the villages in every district of the State and the allocation of funds against each village for the purpose of O&M. The details of the projects, nature of O&M works to be undertaken, cost estimate, etc. were not indicated. It was also observed that routine checks and inspections were not conducted.

The Department in reply stated (November 2017) that it prepared the O&M Plan sector-wise and officials from GoI and National Level Monitors also visited and inspected the schemes in addition to Departmental checks and inspections. However, the Department did not produce any documents to substantiate its claims.

1.3.11.4 Deficiencies under support activities

As per Annexure 8 of NRDWP guidelines (2009), the WSSO was required to provide technical expertise to different stakeholders involved in water supply and sanitation sector by undertaking activities such as satellite data/imagery; GIS mapping; MIS and computerization; IEC³, human resource development (HRD); training; conferences; seminars; R&D activities; etc. For this purpose, 5 per cent of NRDWP funds were allotted.

Examination of records revealed that the Department had utilised ₹ 9.98 crore (3 per cent) of the NRDWP fund for various support activities during the period from 2012-17. The following deficiencies were however observed under support activity during 2012-17:

- Training needs assessment was not carried out. The capacity building plan reported as prepared was also not available on record.
- No R&D activities were carried out.
- Out of 1203 training programmes planned during 2012-15, only 132 were conducted. No training programme was planned or conducted during 2015-17.

1.3.11.5 Water Quality Monitoring and Surveillance (WQM&S)

Para 5 of the NRDWP guidelines (2013) read with Para 5.2 of Uniform Drinking Water Quality Monitoring Protocol (UDWQMP), 2013 provides that all drinking water sources should be tested⁴ at least twice a year (pre and post monsoon) for bacteriological contamination and once a year for chemical contamination and entered in IMIS for regular monitoring. Para 5.3 of the UDWQMP also provides that laboratories at all levels especially at state level shall obtain NABL accreditation at an early date. UDWQMP also envisaged that a system should be in place for continuously checking the quality of data produced by the laboratories including checking of records and follow-up on samples testing positive for contamination. Further, Para 4.1 of UDWQMP stipulated that there should be a state level drinking water quality testing laboratory in each state which will have capability of analysing a full range of physical, chemical and microbiological parameters⁵ specific to drinking water quality. The state laboratory will also monitor the performance of district and sub-district laboratories and ensure quality assurance and quality control in these laboratories.

Examination of records revealed the following:

- (i) In Nagaland, water testing laboratories set-up in 11 districts were not accredited to NABL accredited as required under the NRDWP guidelines and UDWQMP.
- (ii) The State laboratory Dimapur was set-up in 2016-17 to carry out review of normal drinking water quality parameters only. Against 78 parameters

³ Information, Education and Communication.

⁴ As per Uniform Drinking Water Quality Monitoring Protocol.

⁵ 12 parameters of pH, arsenic, fluoride, *E.Coli*, TDS, nitrate, iron, calcium, magnesium, sulphate, alkalinity and turbidity.

required for conducting water quality tests, under the NRDWP, the State laboratory had a facility for conducting tests for 12 parameters only.

- (iii) As per NRDWP guidelines, record of quality control tests is to be updated regularly on IMIS. It was observed that the IMIS data did not contain data on results of water quality control tests. In the selected three district laboratories covered under this PA, audit observed that neither IMIS contained any information regarding results of samples tested in the laboratories nor records relating to water quality test results conducted by these laboratories were furnished to audit. There was no way to gauge the extent of contamination and remedial action taken, if any.

As mentioned earlier, NRDWP guidelines and UDWQMP prescribes that all drinking water sources should be tested at least twice a year (pre and post monsoon) for bacteriological contamination and once a year for chemical contamination. The year-wise status of water quality testing for bacteriological and chemical contamination during the period 2012-13 to 2016-17 in the three district laboratories of Dimapur, Kohima and Tuensang as per IMIS data is tabulated below:

Table No. 1.3.4

Laboratory	Year	No. of water sources	Bacteriological Tests			Chemical Tests		
			No. of bacteriological tests required to be done	No. of tests actually done (as a % of column 4)	No. of samples found contaminated (as a % of column 5)	No. of chemical contamination tests prescribed	No. of tests actually done (as a % of column 7)	No. of samples found contaminated (as a % of column 8)
1	2	3	4	5	6	7	8	9
Dimapur District Laboratory	2012-13	2195	4390	0	0	2195	15	15
	2013-14	2195	4390	0	0	2195	1	1
	2014-15	2195	4390	0	0	2195	14	14
	2015-16	2195	4390	0	0	2195	50	50
	2016-17	2195	4390	0	0	2195	178	126
Total			21,950	-	-	10,975	258 (2.35)	206 (79.84)
Kohima District Laboratory	2012-13	2816	5632	6	6	2816	300	90
	2013-14	2816	5632	2	2	2816	463	139
	2014-15	2816	5632	0	0	2816	464	153
	2015-16	2816	5632	0	0	2816	1	1
	2016-17	2816	5632	201	0	2816	201	77
Total			28160	209 (0.74)	8 (3.83)	14080	1429 (10.14)	460 (32.19)
Tuensang District Laboratory	2012-13	2408	4816	0	0	2408	0	0
	2013-14	2408	4816	42	41	2408	420	57
	2014-15	2408	4816	3	3	2408	14	1
	2015-16	2408	4816	0	0	2408	0	0
	2016-17	2408	4816	143	143	2408	174	11
Total			24080	188 (0.78)	187 (99.47)	12040	608 (5.05)	69 (11.35)

As seen from above table:

- A total of 21,950 water samples were required to be tested by Dimapur district laboratory during 2012-17 from 2,195 water sources for bacteriological contamination as per the NRDWP/ UDWQMP guidelines against which the laboratory had not conducted a single such test during 2012-17. Against the prescribed 10,975 tests for ascertaining chemical contamination in 2,195 water sources, the laboratory had conducted only 258 tests (2.35 per cent).

- Kohima district laboratory was required to test a total of 28,160 water samples from 2,816 water sources during 2012-17 for bacteriological contamination. The laboratory had conducted only 209 (0.74 *per cent*) such tests during 2012-17. During 2012-17, the laboratory was required to test 14,080 water samples for chemical contamination against which it conducted only 1429 such tests (10.14 *per cent*).
- Tuensang district laboratory was required to test a total 24,080 water samples during 2012-17 from 2,408 water sources for bacteriological contamination against which only 188 tests (0.78 *per cent*) were done during 2012-17. It was required to carry out 12,040 tests for chemical contamination during 2012-17 as against which only 608 such tests (5.05 *per cent*) were done during this period.

From the above it is clear that the laboratories had significantly failed in carrying out the prescribed number of bacteriological and chemical contamination tests in the three districts to ensure the supply of safe drinking water to the populace in their districts.

With respect to the tests for bacteriological and chemical contamination carried out in the three district laboratories:

- 187 out of 188 samples tested during 2012-17 were found bacteriologically contaminated in Tuensang district; for Kohima district the corresponding figure was 8 (3.83 *per cent*) out of 209 samples; no bacteriological tests was carried out by Dimapur district laboratory during 2012-17.
- 79.84 *per cent* (206 out of 258 samples) tested positive for chemical contamination in Dimapur district; the corresponding figure for Kohima and Tuensang districts were 32.19 *per cent* and 11.35 *per cent* respectively.

The above figures indicate that the extent of bacteriological and chemical contamination of water sources in the three districts was high.

1.3.11.6 Field Testing Kits (FTKs)

As per Para 10.4 of the NRDWP guidelines (2013), FTK should be used for primary detection of chemical and bacteriological contamination of all drinking water sources in the villages. At least five persons in each village are required to be trained and their services utilised for surveillance.

Examination of records revealed that, 4,854 chemical⁶ and 2,43,383 bacteriological kits costing ₹ 1.32 crore were procured during 2012-17. The Department stated that FTKs were distributed to villages after providing training to VWSC members to handle the kits. However, the details of the distribution and the training programmes conducted were not furnished by the Department.

⁶ FTKs (2104) & Refills (2750).

During beneficiary survey, representatives of VWSCs in 13 out of the 24 villages, covered under this PA, stated that FTKs were not provided and water tests in the villages were not carried out during 2012-17. This indicated that the distribution of FTKs to all villages was doubtful as also the training on their use.

1.3.11.7 Procurement process

According to Rule 137 of GFR, every authority delegated with the financial power of procuring goods in public interest shall have the responsibility to ensure efficiency, economy and transparency in such procurement.

It was observed that during 2012-17, Galvanised Mild Steel pipes of different specifications for ₹ 241.81 crore were procured through local suppliers and firms from outside the State without inviting tenders contravening the GFR provisions.

The Department stated (November 2017) that the rates of pipes were fixed in 2008 on the basis of NIT and subsequently revised taking into account the increase in cost excise duties, taxes, etc. The reply is not acceptable as it is a fundamental requirement that all public procurement should be done through wide publicity so that the most competitive rates are obtained. The Department also did not furnish any supporting documents for the rates fixed in 2008 and the subsequent revision.

1.3.11.8 Non-receipt/ delay in receipt of GMS pipes

a) Examination of the stock issue register in Store Division, Dimapur and material receipt register of Tuensang Division revealed that GMS pipes for ₹ 58.63 lakh⁷ issued by Store Division, Dimapur to Tuensang Division during April to October 2014 were not received in Tuensang Division as detailed below:

Table No. 1.3.5

Sl No.	Carriage challan No.	Date	Specification	Issue rate (in ₹)	Quantity (in metres)	Total value (in ₹)
1	TSG/S/108	23.10.2014	GS pipe 25 MM	469	2500	58,62,500
2	TSG /S/109	30.10.2014	GS pipe 25 MM		2500	
3	TSG /S/110	23.10.2014	GS pipe 25 MM		2500	
4	TSG /S/111	30.10.2014	GS pipe 25 MM		2500	
5	TSG /S/05	30.04.2014	GS pipe 25 MM		2500	
Total					12500	

b) It was also observed Store Division, Dimapur had not received materials worth ₹ 1.80 crore pertaining to supply orders issued by the Division between February 2016 to February 2017 although full payment for the same had been made to the suppliers by the Department.

The Department stated (November 2017) that the materials were not received in time and lifting from Store Division, Dimapur for issue to various divisions was further delayed due to landslides, blockage of roads etc. The reply is not acceptable as the materials dispatched by Store Division, Dimapur more than three years back had still

⁷ ₹ 469 (issue rate) x 12,500 m = ₹ 58,62,500

not been received by Tuensang Division till July 2017. The Department was silent on the non-receipt of material worth ₹ 1.80 crore at Store Division, Dimapur even though full payment had been made to the suppliers.

It is recommended that the Department conduct an enquiry into the above matters and lodge FIRs in respect of the material not received by the Tuensang Division and for the material worth ₹ 1.80 crore not received from suppliers.

1.3.11.9 Irregularities in work execution

Out of 1048 schemes implemented in the three districts covered by this PA, 52 schemes⁸ executed for an amount of ₹ 22.04 crore were jointly inspected by departmental and audit officials to verify the actual ground-level status of these schemes. The inspection revealed the following:

(i) Unexecuted works

It was observed that three schemes taken up at a cost of ₹ 2.67 crore during 2014-16 were reported as completed (March 2017) as per the monthly accounts and IMIS report. Joint Inspection (July 2017) revealed that no work in these projects was executed (*Appendix 1.3.5*).

(ii) Short execution of works

Three schemes taken up at a cost of ₹ 1.68 crore during 2014-16 were reported as completed. Joint inspection (July 2017) however revealed that works for an amount of ₹ 0.61 crore were not executed even though full payment was made (*Appendix 1.3.6*).

(iii) Incomplete works

Two schemes ('Providing water supply to Mitelephe village' and 'Augmentation of water supply to Kigwema') taken up at a cost of ₹ 2.14 crore during 2014-16 were reported as completed in March 2016. Joint Inspection (July 2017) revealed that these projects were incomplete and were still ongoing (*Appendix 1.3.7*).

(iv) Non- maintenance of assets created

During 2012-13, a project 'Providing water supply to Longkhim town and four surrounding villages (Holongba, Old Sangsamong, New Sangsamong and Yangli Mission Compound)' under Tuensang district was taken up and completed (March 2015) at a cost of ₹ 4.51 crore.

Joint inspection (July 2017) of two villages (Holongba and Yangli Mission Compound) revealed that two Galvanised Passivated Steel tanks (one unit of 7800 litre capacity and one 50,000 litre capacity service reservoir) were constructed in the villages. It was however, observed that the service reservoir installed in both the villages was found rusted and was not functional. It was also observed that the main supply line to Yangli Mission was damaged affecting supply of drinking water. This indicated that the assets created under NRDWP were not maintained.

⁸ Dimapur-10, Kohima-30 and Tuensang-12

The Department assured (November 2017) that rusting of reservoirs shall be taken care of and damaged pipeline would be repaired and water supply restored.

(v) Non –functional projects

Joint inspection (July-September 2017) revealed that 23 projects executed at a cost of ₹ 2.37 crore, were non-functional due to various (defective machineries, incomplete iron removal plant units, wrong selection of water source, etc.) as detailed in **Appendix-1.3.8** thereby depriving the population of these villages/habitations access to safe drinking water.

The Department stated (November 2017) that once the projects were commissioned they were handed over to VWSCs for O&M. The Department assured that it would rectify the defects and take steps to educate and train the VWSCs in this regard.

1.3.12 Monitoring and evaluation of the programme

1.3.12.1 Inconsistencies in IMIS data

Monitoring and evaluation are two important aspects for ensuring the success of any project. MDWS, GoI had adopted the Integrated Management Information System (IMIS) software for monitoring implementation of the NRDWP. Under IMIS, the data and information as prescribed by the Ministry from time to time, was to be uploaded by the concerned State agency in the relevant module.

The State Government was also required to identify one officer of sufficient seniority and having adequate knowledge of IT to function as State IT Nodal Officer to oversee the accuracy of the IMIS data being furnished by the districts. It was observed that no State IT Nodal officer was appointed to oversee the regularity and accuracy of the data being furnished by the districts. The Department however stated that all data collected/entered at the district level was checked at the State level.

Examination of IMIS data revealed the following inconsistencies:

- The Department had established (during 2016) a State level water quality testing laboratory at Dimapur. The IMIS however, had not been updated to include the laboratory in its database and as a consequence the tests and other reports of the State level laboratory were not available on the IMIS.
- As per format B-15 (IMIS data) there were 475 completed projects under NRDWP in the State mentioning the date of commencement as 01-01-1900.
- As per format 5, the total number of iron contaminated habitations were 53 and bacteriological contaminated were three. However, only 43 water quality affected habitations were uploaded in IMIS.
- As per format C-36, the opening and closing balances in respect of household connections with piped water supply pertaining to the years 2014-17 did not tally as shown below.

Table No. 1.3.6

Year	Opening Balance	Closing Balance
2014-15	17561	17561
2015-16	7987	8095
2016-17	16144	16144

- As per format C-38, 189 habitations were shown as covered during 2015-16 whereas the actual coverage was 168.

1.3.12.2 Monitoring by National, State and District level officers

As per Para 8 of NRDWP guidelines (2009), monitoring through regular field inspections by officials at the National, State and District levels is essential for the effective implementation of the programme. The DWSM was to constitute a team of experts in the district to review (at least once in a quarter) the implementation of the programme in the blocks.

The Department had no records of any field inspections carried out by officers from National, State and District levels.

The Department stated (November 2017) that efforts would be made to maintain the records henceforth.

1.3.12.3 Community monitoring and Social Audit

As per Para 21 of NRDWP guidelines (2009) the community and community-based organisations should monitor the demand/need of the people in the villages and coverage of the programme and social audit should be conducted to measure, understand, report and improve the organizations' social responsibility and ethical performance.

During the period 2012-17, no social audit was conducted in any of the 24 villages covered under this PA.

1.3.12.4 Impact of the Programme

To assess the impact of the NRDWP, 10 beneficiaries each from 22 villages⁹ covered under this PA were interviewed. The findings of the beneficiary survey were as under:

- (i) 75 out of 220 (34 *per cent*) beneficiaries stated that the sources of water supply in their respective villages were non-functional;
- (ii) 84 beneficiaries (38 *per cent*) stated that they were getting sufficient water supply for drinking, cooking and other domestic needs; the remaining 136 beneficiaries (62 *per cent*) stated that they did not get sufficient water supply;
- (iii) 62 beneficiaries (28 *per cent*) stated that drinking water was supplied throughout the year: 158 beneficiaries (72 *per cent*) stated that water was supplied occasionally;

⁹ Two villages/ habitations could not be accessed due to landslide.

- (iv) 87 beneficiaries (40 *per cent*) stated that they had piped water connections in their households; 133 beneficiaries (60 *per cent*) stated that they get water through common community connections;
- (v) 98 beneficiaries (45 *per cent*) stated that the distance of their home from the water supply point was more than 100 metres.

1.3.13 Conclusion

The Department had not prepared water security plans at different levels as envisaged in the guidelines. A five-year comprehensive water security action plan and State specific policy framework were not prepared. Component wise expenditure was not ensured as per the norms prescribed in the guidelines. There was delay in the release of the grants by the Department. Only 4.9 *per cent* of the households in the State were covered with individual piped water supply connections. None of the *anganwadis* in the State were targeted for coverage under the NRDWP during 2012-17. The State and District level laboratories did not carry out water quality tests as mandated. The bacteriological and chemical contamination was high in Dimapur, Kohima and Tuensang. Public procurement was not carried out as per GFR provisions. There were instances of payments made for unexecuted works, short execution of works and non-functional works. There were no records of inspections carried out to monitor the implementation of the projects and no social audit was conducted.

1.3.14 Recommendations

- The Department should make efforts to prepare rolling State five-year comprehensive water security action plans under the aegis of a State specific policy framework.
- Efforts should be made to fully utilize the available funds and avoid delays in release of GoI funds and the State's matching share.
- The implementation of the schemes should be closely monitored to avoid payments for unexecuted and short executed works.
- The quality of safe drinking water should be ensured by conducting requisite number of tests for contamination in water and prompt action should be taken for the contaminations.
- Regular monitoring through regular field inspections of the projects should be carried out and social audit as envisaged in the NRDWP guidelines should be conducted.

Compliance Audit paragraphs

DEPARTMENT OF SOCIAL WELFARE

1.4 Implementation of Indira Gandhi National Old Age Pension Scheme in Nagaland

The Department of Social Welfare, Government of Nagaland (GoN) implements the welfare programmes for upliftment of vulnerable sections of the society. Indira Gandhi National Old Age Pension Scheme (IGNOAPS) is one such welfare programme which provides monthly pension to the senior citizens in the State. Audit of the IGNOAPS covering the period from 2012-17 was conducted during May 2017 to August 2017.

Highlights:

- *Two hundred and twenty two persons who were below 60 years were given old age pension under '60-79 years category' and 51 beneficiaries who aged below 80 years were given scheme benefits under '80 years and above category' resulting in payment of ₹ 23.07 lakh to these ineligible beneficiaries. The Department also paid scheme benefits of '60-79 years category' to senior citizens who aged '80 years and above' thereby paying less pension to '80 years and above category' senior citizens by ₹3.15 crore.*

(Paragraph 1.4.8.2)

- *Government of Nagaland released only ₹9.57 crore against its matching share of ₹ 31.39 crore. Further, the Department did not utilise the State share of ₹3.61 crore during 2014-17.*

(Paragraph 1.4.9.1)

- *Delay in release of funds by Government of Nagaland and the Department resulted in delay in disbursement of pension to the beneficiaries by 8 to 25 months.*

(Paragraph 1.4.9.3)

1.4.1 Introduction

Indira Gandhi National Old Age Pension Scheme (IGNOAPS) is one of the five components of National Social Assistance Programme (NSAP)¹⁰ launched in 1995 by Government of India (GoI) to provide social assistance benefits through monthly pension to Below Poverty Line (BPL) persons of 60 years and above. In June 2011, GoI divided pensioners into two age-groups - '60-79 years' and '80 years or above'. The amount of pension was ₹ 200/- per month for beneficiaries falling in the age group of '60 - 79 years' and ₹ 500/- per month for the age group of '80 years

¹⁰ NSAP comprises of Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS), Indira Gandhi National Disability Pension Scheme (IGNDPS), National Family Benefit Scheme (NFS) and Annapurna.

or above'. GoN also notified (August 2009) to contribute State share of ₹100/- per month w.e.f. 2009-10, thereby, enhancing the monthly pension amount to ₹300/- per month for the age group of '60 - 79 years' and ₹ 600/- per month for the age group of '80 years or above'.

1.4.2 Organizational set-up

Department of Social Welfare, GoN, is the implementing Department of IGNOAPS in the State. The Secretary to the GoN, Department of Social Welfare is the Administrative Head of the Department and the Director is the Head of Department at Directorate level. District Welfare Officers (DWOs) implements the welfare scheme at District level.

1.4.3 Audit Objectives

The audit was conducted with the objectives to assess whether:

- the system adopted for identifying the beneficiaries was adequate and effective;
- adequate funds were available and released timely in accordance with the provisions of the scheme guidelines; and,
- the internal control mechanism was adequate and effective and the grievance redressal system was prompt.

1.4.4 Scope of audit

The office of the Director, Social Welfare Department and the Department offices in the three districts (Kohima, Mokokchung and Tuensang) of the State for the period from 2012-17 were covered. 25 villages/wards (***Appendix-1.4.1***) under each selected Districts were selected using Simple Random Sampling Without Replacement method (SRSWOR) for detailed verification and beneficiary survey.

1.4.5 Audit criteria

The audit criteria were drawn from the following:

- National Social Assistance Programme (NSAP) guidelines 1998 of GoI (Revised in 2014).
- Nagaland Social Security Rules 1998.
- Guidelines, Circulars, Notifications and various orders issued by the GoI/GoN from time to time.
- General Financial Rules and Receipt and Payment Rules.

1.4.6 Audit Methodology

The audit methodology comprised of an entry conference (April 2017), requisition and examination of records, issue of audit observation, examination of responses to audit observation, joint inspection, beneficiary survey, issue of draft report to the Government to solicit its replies and an exit conference. The replies received and the views expressed by the Government during the exit meeting were incorporated in the report wherever considered relevant.

1.4.7 Acknowledgement

We acknowledge the cooperation and assistance extended by the Department of Social Welfare at all levels during the conduct of audit.

Audit Findings

The audit findings are discussed in the following paragraphs:

1.4.8 Identification and selection of beneficiaries

As per Para 13(iii) of NSAP Guidelines (1998), the beneficiaries for IGNOAPS are to be identified by the States/UTs, with the objective of providing a basic level of financial support. Para 18(ii) of the Guidelines *ibid.* states that it is the responsibility of the implementing authorities to prioritise the applicants whose socio-economic and health condition is vulnerable. The coverage of the scheme during the last 5 years in the State was as under:

Table No. 1.4.1

Year	Eligible Beneficiaries		Total	Beneficiaries benefitted		Total	Scheme coverage percentage
	60-79	80+		60-79	80+		
2012-13	146081	16103	162184	44527	2664	47191	29.10
2013-14	106081	13103	119184	44527	2664	47191	39.60
2014-15	138291	12103	150394	51750	3161	54911	36.51
2015-16	138291	12103	150394	51750	5650	57400	38.17
2016-17	138291	12103	150394	51750	5650	57400	38.17

(Source: Departmental figures)

From the table above, it can be seen that the coverage of the scheme had shown an increasing trend. However, 62 per cent of the eligible beneficiaries were still not covered in the scheme as of March 2017.

The following deficiencies were noticed in identification and selection of beneficiaries by the Department in respect of IGNOAPS:

1.4.8.1 Non-adherence to scheme guidelines in selection of beneficiaries

As per para 15 of NSAP Guidelines (1998), Gram Panchayats/ Municipalities should be given the responsibility of identification of new beneficiaries. The beneficiaries should be identified based on the BPL list. Para 6 & 7 of Nagaland Social Security Rules (1998) also states that the application for grant of pension duly recommended by the Village Council Chairman (VCC) should be submitted to DWOs supported by age and economic status certificate issued by the concerned VCC. The DWOs should submit the list of eligible beneficiaries along with applications for consideration of the State Level Selection Board (SLSB) after verification and recommendation by the District Level Monitoring Board.

Examination of records revealed that:

- the SLSB was not involved in the selection of new beneficiaries during 2013-16;

- 284 beneficiaries were selected as replacement for dead beneficiaries and 40 new beneficiaries were added due to shifting of beneficiaries from '60-79 years category' to '80 years and above category' without the approval of District and State Selection Board in Mokokchung district during 2014-15;
- there was no records as to the how 106 new beneficiaries in the '60-79 years category' were added during 2015-16 in Kohima district against a similar number of beneficiaries who had in 2015-16 shifted from the '60-79 years category' to '80 years and above category'.

Test check of 600 applications received by the Department from Kohima, Mokokchung and Tuensang districts revealed the following:

- BPL details and economic status certificates were not found in any of the 600 application forms.
- Village/Ward Councils were not involved in identification and recommendation of 162 cases¹¹.

Non-adherence to scheme guidelines may result in irregularities in identification and selection of beneficiaries.

The Department accepted (September 2017) the audit observation and assured that the scheme guidelines will be strictly adhered to during identification and selection of beneficiaries.

1.4.8.2 Inclusion of ineligible beneficiaries and exclusion of eligible beneficiaries

Analysis by Audit of the beneficiary database¹² for the period 2012-17 furnished by the Department revealed that during 2013-17, pension benefits were extended to the beneficiaries who were below their entitled age group as shown in the table below:

Table No. 1.4.2

Year	Kohima		Mokokchung		Tuensang		Total	
	60-79	80+	60-79	80+	60-79	80+	60-79	80+
2013-14	9	9	41	0	6	2	56	11
2014-15	9	9	34	1	7	2	50	12
2015-16	10	11	41	1	7	2	58	14
2016-17	10	11	41	1	7	2	58	14
Total	38	40	157	3	27	8	222	51

As can be seen above, the Department during extended the IGNOAP benefits to 222 persons who were below 60 years of age and thus were ineligible for scheme benefits under '60-79 years category'. The Department had also included 51 beneficiaries under '80 years and above category' whereas they were below 80 years of age, resulting in payment of ₹23.07 lakh¹³ (calculated upto June 2016) to these ineligible beneficiaries.

¹¹ Kohima:160, Mokokchung: One and Tuensang: One.

¹² Department furnished database for four years only (2013-14 to 2016-17).

¹³ Calculated for the months for which pension was actually paid upto June 2016.

It also revealed that during 2013-17, beneficiaries above the age of 80 years were being extended the benefit of '60-79 years category' as shown in the table below:

Table No. 1.4.3

Year	Kohima	Mokokchung	Tuensang	Total
2013-14	656	753	980	2389
2014-15	696	2159	1041	3896
2015-16	643	1744	908	3295
2016-17	643	1744	908	3295
Total	2638	6400	3837	12875

Payment of lower rate of pension to the beneficiaries above the age of 80 years had resulted in less payment of pension of ₹ 3.15 crore¹⁴ (calculated upto June 2016) to them.

The Department in reply (September 2017) stated that IGNOAPS benefits were extended to some beneficiaries not falling within the entitlement purview as per relaxations laid down in NSAP guidelines. It was also stated that many senior citizens above the age of 80 years were deprived of their due pension due to limited funds released by the Ministry.

The reply is not acceptable since there is no such relaxation provided in NSAP guidelines for extension of benefits outside the entitlement purview.

1.4.8.3 Confirmation of existing beneficiaries

As per Para 3.1.2 of NSAP guidelines (revised in 2014), the States should constitute Special Verification Teams (SVTs) for annual verification of existing beneficiaries under an authorised officer. The teams should include representatives of Non-Government Organisations (NGOs) of repute in the locality. Details of members of the team and the process followed should be given wide publicity. After the verification, list of persons proposed to be confirmed or deleted should be published separately. Any interested person may file claims and objections within 15 days to the head of the SVT whose details would be clearly indicated.

The audit team visited and issued questionnaire to 75 Village/Ward Councils Chairmen (VCC). Examination of the responses revealed the following:

Number of months = 12 (2013-14) + 12 (2014-15) + 6 (2015-16) + 3 (2016-17) = 33 months, 60-79 years = 222 x 33 x 200 = ₹ 14,65,200 and 80 years & above = 51 x 33 x 500 = ₹ 8,41,500

¹⁴

(Amount in ₹)

Year	No of beneficiaries above 80 years	No. of months for which pension paid	Difference in monthly pension (₹ 500/- minus ₹ 200/-)	Total less payment of pension
2013-14	2389	12	300	8600400
2014-15	3896	12	300	14025600
2015-16	3295	6	300	5931000
2016-17	3295	3	300	2965500
Total	12875	33	300	31522500

- 69 Village/ Ward Councils Chairmen stated that annual verification of existing beneficiaries was conducted by the Department along with the Village/Ward Council members only. Representatives of NGOs were not involved in the annual verification of beneficiaries.
- 62 Village/ Ward Council Chairmen stated that list of beneficiaries was not displayed in the Village/Ward Council's notice board for public scrutiny.
- 48 Village/Ward Councils Chairmen stated that they did not have records of IGNOAPS beneficiaries of their village/ward.

The above survey brought out the non-involvement of NGOs in the verification exercise of IGNOAPS beneficiaries which was a requirement under NSAP guidelines. This exclusion, coupled with the fact that in a majority of the Village/ Ward Councils surveyed, the list of beneficiaries was not displayed in the Village/ Ward Council notice board and Village/ Ward Councils Chairmen did not have records of IGNOAPS beneficiaries of their village/ ward, ran the risk of exclusion of eligible beneficiaries and inclusion of ineligible or non-existent beneficiaries.

1.4.8.4 Incomplete beneficiary information in database

The Ministry of Rural Development, GoI has developed an IT-enabled fund management system software (NSAP-MIS) for monitoring transaction/work-flow. It is mandatory that the States having their own software must ensure/enable porting of data to the Ministry's NSAP-MIS as stipulated in Para 5.2 of NSAP Guidelines (revised in 2014)

In Nagaland, the Department was yet (May 2017) to operationalise the function of NSAP-MIS portal. The database maintained by the Department in excel format was incomplete and not updated (as on March 2017). Analysis of this database revealed:

- Age of the beneficiaries remained the same every year.
- The unique pension payment book number/card number was also not maintained in the database.

It was also noticed that father's/husband's name and age of beneficiaries were not recorded in the database as shown in the table below:

Table No. 1.4.4

District	No. of beneficiaries	Beneficiaries without father/husband's name in database	Beneficiaries without age record in database
Kohima	7228	963	47
Mokokchung	7443	7	1
Tuensang	6140	77	33
Total	20811	1047	81

The Department in reply (September 2017) accepted the audit findings and assured to upload complete data of all districts at the earliest possible time and correct the discrepancies pointed out by audit.

1.4.9 Fund allocation and disbursement

As per para 33 of NSAP Guidelines 1998, Central assistance to States/UT under NSAP is determined on the basis of reports of the previous year submitted by the State Governments. Ministry of Rural Development, GoI sanctions funds to the States/UTs for implementation of NSAP as Additional Central Assistance (ACA) every year in different instalments.

Examination of records relating to fund allocation and disbursement revealed the following:

1.4.9.1 Short release of State's matching share and non-utilisation of funds

As per Para 7 of NSAP Guidelines (1998), it should be ensured that Central assistance does not displace State's own expenditure for coverage of social assistance independently. GoN notified (August 2009), that the State would provide matching contribution of ₹ 100/- per month with effect from April 2009 to every beneficiary under IGNOAPS.

Examination of records revealed that funds sanctioned by GoN as State's matching contribution were less than the funds required as shown in the table below:

Table No. 1.4.5

(₹in lakh)

Year	No of beneficiaries (refer Table No. 1.4.1)	State matching share required	State matching share released	Short release
1	2	3 (Col. 2 x 100 x 12)	4	5
2012-13	47191	566.30	493.22	73.08
2013-14	47191	566.30	102.37	463.93
2014-15	54911	658.78	122.67	536.11
2015-16	57400	658.78*	119.28	539.5
2016-17	57400	688.8	119.28	569.52
Total	264093	3138.96	956.82	2182.14

*Beneficiary figure of 2014-15 was taken by the Department for calculation of State matching share (₹658.78 lakh) in 2015-16 as the details of the additional 2489 beneficiaries (57400 - 54911) in 2015-16 was not received in time by the Department that year.

It could be seen from above that GoN released ₹ 9.57 crore only against the total requirement of ₹ 31.39 crore as State's matching share resulting in short release of ₹ 21.82 crore during the period from 2012-17. Due to short release of funds by GoN, the Department could not provide additional State share of ₹ 100/- per month during 2013-17. Funds released by GoN during 2013-14 was utilised for payment of one month's normal pension¹⁵ since amount sanctioned by GoI was insufficient for payment of 12 months pension under the scheme. State's matching share amounting to ₹ 3.61 crore sanctioned under IGNOAPS for the period 2014-17 had remained unutilised till date and was retained by the Department in its accounts.

¹⁵ ₹ 200/- for 60-79 years and ₹ 500/- for 80 years & above for one month during 2013-14.

The Department in reply (September 2017) accepted the facts and stated that the Department had been pursuing for release of State contribution and the funds released by the State Government were insufficient to provide State share of ₹ 100/- per month. The fact remains that due to non-release of State's contribution, the beneficiaries were deprived of the enhanced pension.

1.4.9.2 Delay in release of funds by GoN against GoI sanction

Examination of records revealed that GoN did not release to the Department, ₹ 89.05 lakh released by GoI in September 2012 for implementation of IGNOAPS. Instead, this amount was released to the Department during 2013-14 and the Department utilised the amount for the disbursements due under IGNOAPS in 2013-14. This resulted in short payment to IGNOAPS beneficiaries by four months in 2012-13 as the Department could only disburse pension for eight months during 2012-13 through Central share.

It was also noticed that GoN released ₹ 3.95 crore only to the Department against GoI sanction of ₹ 18.61 crore during the year 2016-17 under IGNOAPS. The remaining amount of ₹ 14.66 crore was retained by GoN. This resulted in disbursement of pension under IGNOAPS for only three months during 2016-17 instead of the twelve months.

The Department (September 2017) accepted the facts and stated that it had been pursuing for timely release of funds by State Government for proper implementation of the scheme. The Department further stated that it had no control on the retention and transfer of funds to CD and pension disbursement was done only after funds were released by Finance Department of GoN.

1.4.9.3 Delay in payment of pension to the beneficiaries

As per para 18(v) of NSAP Guidelines (1998), the benefit under IGNOAPS should be disbursed in not less than two installments in a year and para 2.1 (c) of NSAP Guidelines 2014 envisaged that pension amount should be disbursed monthly.

Examination of records revealed that there was delay in release of funds by GoN to Directorate and onward release to DWOs resulting in delay of pension payment to the beneficiaries as shown in the table below:

Table No. 1.4.6

Year	Months of pension	Paid to beneficiaries during	Period of delay
2012-13	Apr 2012 to Dec 2012	Sept 2013	8 to 16 months
2013-14	Apr 2013 to Mar 2014	Oct 2014	6 to 17 months
2014-15	Apr 2014 to Mar 2015	March 2016	11 to 22 months
2015-16	Apr 2015 to Sept 2015	June 2017	20 to 25 months
2016-17	Apr 2016 to June 2016	June 2017	11 to 13 months
	July 2016 to March 2017	No release by GoN against GoI sanction	

It could be seen from above that the Department did not disburse the pension amount monthly instead, pension payments were made on the basis of funds availability. The pension payments for 2015-16 were disbursed in June 2017 after a delay of more than a year.

The Department accepted (September 2017) the facts and stated that disbursement of pensions was done on annual basis on the request of the beneficiaries. The reply is not acceptable since the guidelines prescribed that pension should be disbursed monthly or at the very least, in two installments in a year.

1.4.9.4 Pension disbursement in cash

The modes of pension payment as per para 16 of NSAP Guidelines (1998) are bank account, post office account, money order and cash disbursement although the preferred mode of payment should be bank account or post office savings account. In case of cash disbursement, the same should be disbursed in public meetings such as Gram Sabha in rural areas and Ward Committees/Area Sabhas in urban areas. Para 4.5 of NSAP Guidelines 2014 also states that the list of beneficiaries in respect of that particular Gram Panchayat/Ward in vernacular language must be displayed at the place of disbursement for information of general public on the day of disbursement. The cash disbursement process should be verified specifically in Social Audit.

It was observed that during 2012-17, the Department throughout the State was disbursing pension payments to IGNOAPS beneficiaries in cash. With respect to the three districts covered under this PA, the pension payments in Tuensang and Mokokchung districts were disbursed in the respective DWO offices or through Village/Ward Councils. In Kohima district, pension was being disbursed either at beneficiary's doorstep or through Village/Ward Councils or at the DWO office.

The fact that pension disbursements were being made entirely in cash mode and also at times in the DWO offices or directly at the beneficiary's doorstep (in Kohima district) and the fact that no social audit of this process as prescribed under NSAP Guidelines was carried during 2012-17, made this mode of disbursement vulnerable to possible leakage of pension funds.

Audit recommends that in line with the "Direct Benefit Transfer Scheme" propagated by GoI, the Department should initiate steps to disburse all pension payments under IGNOAPS directly to the individual beneficiary's bank account/post office account.

1.4.9.5 Incorporation of wrong information in Utilisation Certificate

As per para 33(iv) of NSAP Guidelines (1998), State Governments should submit Utilisation Certificates (UC) to obtain subsequent release of funds for implementation of the scheme. Examination of UCs submitted by the Department to the MoRD revealed that there were discrepancies in the information contained in the UCs as detailed below:

- The Department furnished UC for the year 2012-13 (nine months only) in April 2013 disclosing payment of old age pension of ₹ 9.21 crore under IGNOAPS. However, payment of only ₹ 8.19 crore old age pension for 2012-13 (eight months only) was made during July 2013 only.

- As per UC of 2013-14 (April 2014), old age pension of ₹ 12.28 crore for twelve months was paid to IGNOAPS beneficiaries when actual payment was ₹ 11.26 crore for eleven months. The UC also stated that 100 *per cent* funds (₹ 12.28 crore) had been utilized with 'Nil' balance but the expenditure (₹ 11.26 crore) under IGNOAPS was incurred only in July and August 2014.
- As per UC of 2014-15 (July 2015), 100 *per cent* funds under NSAP¹⁶ had been utilized with 'Nil' balance but the actual expenditure of ₹ 18.38 crore was incurred only in February 2016.
- The second instalment during 2015-16 (for six months) was not released by GoI due to non-submission of UC in prescribed proforma. It was also stated in the UC (October 2015) for the first instalment that 100 *per cent* funds under NSAP had been utilized with 'Nil' balance though the actual expenditure of ₹ 9.86 crore was incurred only in April 2017.
- As per UC (December 2016) for first instalment of 2016-17, 100 *per cent* utilisation of ₹ 8.92 crore for six months under IGNOAPS was reported whereas actual expenditure incurred was of ₹ 3.95 crore (April 2017) for three months and the remaining amount of ₹ 4.97 crore was retained in Civil Deposit.

The Department did not report the actual status of actual implementation of the scheme in the state by submitting incorrect UCs to the MoRD.

The Department while accepting the facts (September 2017) stated that UCs in prescribed format was submitted as per time frame laid down by the MoRD for availing next installment of funds. The fact, however, remained that wrong information was reported to MoRD through UCs.

1.4.10 Control and monitoring mechanism

Para 13(iv) of the NSAP Guidelines (1998) stipulates the constitution of State level and District level committees for monitoring the implementation of the scheme. Further, para 29 of the NSAP Guidelines (1998) prescribes that the State level committee shall institute adequate and appropriate arrangements for monitoring and evaluation of NSAP. For this purpose, the State level committee could utilize the District level committees, government evaluation agencies and independent academic and other institutions. The following shortcomings were observed in control and monitoring mechanism of the Scheme.

1.4.10.1 Inadequate monitoring of the programme

The Department had constituted State Level Committee (SLC) and District Level Committees (DLC) as per the NSAP Guidelines. The SLC was required to meet at least twice a year. It was observed that against 10 meetings required to be held during 2012-17, the SLC had met only twice during this period. Further, DLCs had not submitted any report during 2012-17 to the Department or the SLC about the

¹⁶ Details of bifurcation of amount received and expenditure incurred was not mentioned in the UC.

implementation of the scheme. As a result, the SLC was not in a position to monitor and evaluate NSAP as envisaged under para 29 of the NSAP Guidelines.

The Department accepted the facts (September 2017) and stated that it would initiate action for more involvement of SLC and DLCs for proper monitoring and evaluation of the scheme as per the scheme guidelines.

1.4.10.2 Non-setting up of grievance redressal mechanism

Para 6.9 of the NSAP Guidelines (2014) stipulated that States should put in place a grievance redressal system at the Gram/Intermediate Panchayat/District/Municipality levels, and designate an officer of appropriate seniority to whom the grievances can be addressed. Timelines for dealing with such grievances should be fixed. Complainant must be given a receipt, indicating the time line for redressal. The office of the designated officer must keep a record of complaints received, action taken and the outcome. The complainant must be informed in writing about action taken.

The Department did not set up any grievance redressal mechanism at any level to address the complaints or grievances of the beneficiaries.

The Department (September 2017) stated that the process was on for setting up District/Project/Village Level Grievance Redressal Mechanism.

1.4.10.3 Non-conduct of Social Audit of the scheme

Para 6.10 of the NSAP Guidelines (2014) envisage social audit to be conducted by the Gram Sabha/Ward Committee at least once in every six months. The minutes of social audit held shall be recorded by an officer authorized, signed by all the participants, and sent to the District Officer. The nodal Department of the State should monitor reports of Social Audits conducted and send reports to the Ministry of Rural Development in NSAP-MIS.

It was observed that no social audit was conducted by any village/ward council in the State. Non-conduct of social audit may result in inaccurate identification of the beneficiaries and opaqueness in the implementation of the scheme.

The Department accepted the facts (September 2017) and assured that social audit would be organized in accordance with scheme guidelines.

1.4.11 Conclusion

Audit of IGNOAPS revealed that the Department did not adhere to the scheme guidelines in identifying new beneficiaries and in confirmation/ deletion of beneficiaries resulting in irregular selection of beneficiaries in the State. The Department could cover only 38.17 *per cent* of the senior citizens under the scheme. The State Government released only ₹ 9.57 crore against its matching contribution. of ₹ 31.39 crore. Due to short release of funds, the Department could not release its share of pension contribution to the pensioners during the last four years. State share of ₹ 3.61 crore under IGNOAPS was not utilised by the Department. There was delay in release of funds by GoN to the Department and by the Department to the

beneficiaries. The Department had been submitting UCs to the MoRD containing false information. No mechanism of ‘Social Audit’ of the scheme was instituted.

1.4.12 Recommendations

- The Department should strictly adhere to the scheme guidelines for identifying and selection of new beneficiaries. It should involve local bodies like Village/Ward Council for addition/deletion of beneficiaries.
- The scheme funds should be utilized fully and the delays in release and disbursement of pension should be avoided.
- NSAP-MIS should be fully operationalised and updated regularly with complete and accurate details of the beneficiaries.
- Adequate internal control and monitoring mechanism like grievance redressal system and social audit may be put in place to strengthen the implementation of the scheme.

TECHNICAL EDUCATION DEPARTMENT

1.5 Diversion/ suspected misappropriation of scholarship funds

An amount of ₹ 56.12 lakh from the funds for scholarship schemes were diverted for private use. An amount of ₹ 51.87 lakh was also suspected to be misappropriated as there was no records for utilisation of this amount

The Directorate of Technical Education, Government of Nagaland (GoN), implements three scholarship schemes *viz.* State Technical Scholarship, Merit-cum-Means based Scholarship and Post Matric Scholarship.

Examination of records (March 2017) revealed that, during the years 2014-16, the Directorate received an amount of ₹ 3.30 crore¹⁷ under State Technical Scholarship scheme from the GoN. Out of this, an amount of ₹ 1.81 crore¹⁸ was disbursed to 2,175 students¹⁹ by Direct Benefit Transfer leaving a balance of ₹ 1.49 crore.

Examination (March 2017) of subsidiary cash book of the Directorate of Technical Education and bank statements²⁰ solely operated for transaction of scholarship funds revealed that the an amount of ₹ 1.32 crore out of the balance of ₹ 1.49 crore was utilised for purposes other than scholarships as detailed below:

- ₹ 35 lakh was utilised as admission fee of three candidates belonging to the backward tribes of Nagaland for MBBS course and consultancy fee.
- ₹ 40.01 lakh was utilised for farewell function of retired Director.
- ₹ 1.80 lakh was utilised for purchase of computers/ laptops.
- ₹ 3.32 lakh was diverted for salaries of fixed pay employees.

¹⁷ 2015-16: ₹ 1,64,99,600.00; 2014-15: ₹ 16496300.00

¹⁸ 2015-16: ₹ 1,20,16,400.00; 2016-17: ₹ 61,02,300.00

¹⁹ 2015-16: 1368 students and 2016-17: 807 students

²⁰ Bank Account No. 1041050017790 – United Bank of India, Kohima branch.

- Details of utilisation of remaining amount of ₹ 51.87 lakh was not ascertainable.

While accepting (July 2017) the diversion of scholarship funds, the Department stated that:

- (i) advances²¹ were granted to some staff from the scholarship fund due to urgent needs;
- (ii) ₹ 6.01 lakh had been recovered from the staff and another ₹ 18 lakh (out of ₹ 40.01 lakh) was recovered from a retired Director and the balance amount would be recovered from him on instalment basis;
- (iii) ₹ 3.32 lakh which was utilised for payment of salaries of employees had also been recovered (no documentary evidence in support of the recovery of this amount was furnished to Audit); and,
- (iv) ₹ 51.87 lakh had not been utilised and the same was lying with the Department.

The reply of the Department is not acceptable as the scholarship fund cannot be utilised for private functions, payment of admission fees and individual needs of the staff. The claim of the Department that ₹ 51.87 lakh was not utilised was also not acceptable as this amount was drawn through self-cheques and there was also no documentary evidence of this amount being remitted back to the scholarship account.

The Department of Technical Education, therefore, irregularly diverted scholarship funds amounting to ₹ 56.12 lakh²². The unspent amount of ₹ 51.87 lakh was drawn through self-cheques and not remitted back to the scholarship account.

The Department should (i) lodge FIRs against the concerned officials for diversion/ suspected misappropriation of scholarship funds amounting to ₹ 1.08 crore, and (ii) refer the matter to the State Vigilance Commission for investigation.

URBAN DEVELOPMENT DEPARTMENT

1.6 Infertuous expenditure of ₹ 1.62 crore

Construction of burial and cremation ground at Kohima was abandoned after incurring an expenditure of ₹ 1.62 crore

As per sub-clause (ii) of Clause 8 of the operational guidelines for undertaking projects under the GoI scheme 'Lumpsum Provision for North Eastern Region²³', the proposals should be accompanied by a Detailed Project Report (DPR) and should be cleared from all administrative and regulatory angles such as land free of encumbrance, environment clearance, observance of land use zoning under master plan/building plan bye-laws of the respective State. The DPR should be submitted

²¹ Did not mention the amount of advance disbursed out of scholarship fund but stated that ₹ 6.01 lakh had been recovered and deposited to the account.

²² Figures in ₹ in lakh: $(35.00 + 40.01 + 1.80 + 3.32) - (18.00 + 6.01) = 56.12$

²³ Ministries / departments are to make a lump sum provision of 10 per cent of their Central plan allocation for projects/schemes for the benefit of North Eastern Region and Sikkim.

after endorsement by the concerned Municipal Council (Urban Local Body) in the case of City/Town level.

The Director, Urban Development Department (UDD) proposed (April 2013) a project for construction of a burial and cremation ground at Kohima at a cost of ₹ 15 crore under “10 *per cent* Lumpsum Provision for Development of North Eastern States including Sikkim” to the Ministry of Urban Development, GoI. The Ministry approved (November 2013) the project for ₹ 10.89 crore on 90:10 Centre/State sharing basis. The GoI released ₹ 6.86 crore²⁴ in two instalments to the State Government, against which the State Government released an amount of ₹ 2.94 crore as its share to the Department.

The Executive Engineer (EE) of UDD identified eight acres of land at Kiyake, Kohima for the project and commenced (April 2014) the work of construction of burial ground. The construction works were discontinued (December 2014) after incurring an expenditure of ₹ 1.62 crore as the Village Councils objected (June 2014) to construction of crematorium on environmental and health grounds and the existence of five cemeteries in the neighborhood. Considering the complaint made by the local authorities the State Level Programme Implementation Committee (SLPIC) directed (May 2016) the UDD to relocate the project to an alternative site.

Thus, failure of the UDD to select a dispute-free land - as required under the operational guidelines of the GoI scheme – for the burial and cremation ground resulted in the project being aborted thereby rendering the expenditure of ₹ 1.62 crore infructuous.

While accepting the facts, the Department stated (August 2017) that an alternate site has already been identified and work was expected to start soon. The Department however, did not furnish any documentary evidence for the selection of the alternate site.

²⁴ 1st Instalment - ₹ 2.94 crore (June 2014) & 2nd Instalment - ₹ 3.92 crore (July 2015)

CHAPTER – II
ECONOMIC SECTOR

CHAPTER - II

ECONOMIC SECTOR

2.1 Introduction

This chapter of the Audit Report for the year ended 31 March 2017 deals with the findings on audit of the State Government departments under Economic Sector.

The departments and the total budget allocation *vis-a-vis* expenditure of the departments under Economic Sector during 2016-17 are given below:

Table No. 2.1.1

(₹ in crore)

Sl. No.	Name of the departments	Total Budget Provision	Expenditure
1	Agriculture	165.11	164.69
2	Horticulture	78.78	37.14
3	Soil and Water Conservation	58.51	55.18
4	Veterinary and Animal Husbandry	114.08	94.24
5	Fisheries	37.44	33.67
6	Land Resources	121.12	76.78
7	Cooperation	19.32	19.00
8	Civil Supplies	36.76	33.71
9	Rural Development	838.64	776.96
10	SIRD	9.55	5.21
11	Sericulture	25.88	16.72
12	Land Records and Survey	18.76	18.83
13	Irrigation and Flood Control	262.17	71.40
14	Power	461.35	460.54
15	New and Renewable Energy	7.74	7.53
16	Industries and Commerce	82.06	64.82
17	Geology and Mining	39.29	39.23
18	Roads and Bridges	589.64	540.95
19	Science & Technology	4.25	3.25
20	Tourism	30.21	24.62
21	Planning and Coordination Department	768.42	192.22
22	Evaluation	9.10	8.13
23	Department of Under Developed Areas	62.78	87.70
24	Information Technology & Communication	13.73	7.18
25	Forest, Ecology, Environment and Wildlife	80.66	77.19
26	Road Transport	84.32	83.29
Total		4019.67	3000.18

(Source: Appropriation Accounts)

2.2 Planning and conduct of Audit

Audit process starts with the assessment of risks in the departments based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders.

After completion of audit of each department on a test check basis, Inspection Reports (IRs) containing audit findings are issued to the heads of the departments. The departments are required to furnish replies within one month of receipt of the IRs. Whenever replies are received, audit findings are either settled based on reply/action taken or further action for compliance is advised. Some of the important audit observations from the IRs are processed for inclusion in the Audit Reports of C&AG of India which is submitted to the Governor under Article 151 of the Constitution of India for laying on the table of the Legislature.

During the year, an expenditure involving ₹ 2060.78 crore (including funds pertaining to previous years audited during the year) of the departments under Economic Sector were test checked. This chapter contains findings on three Performance Audit viz., 'Utilisation of grants released by Government of India (GoI) to Nagaland under Article 275(1) of the Constitution of India', 'Activities of Fisheries Department in Nagaland' and 'Border Area Development Programme' and two compliance audit paragraphs.

Performance Audits

PLANNING AND COORDINATION DEPARTMENT

2.3 Performance audit on 'Utilisation of Grants released by GoI to Nagaland under Article 275(1) of the Constitution of India'

Article 275(1) of the Constitution of India provides that such sums as Parliament may by law provide, in each year as grants-in-aid to such states as Parliament may determine to be in need of assistance. The Grants under Article 275(1) is provided as an additionality to normal central assistance to the State plan to enable them to meet the costs of projects/schemes for welfare and development of the Scheduled Tribes (ST) in that State.

Highlights:

The Department did not prepare AAP indicating sector-wise allocation for utilisation of the grants during 2012-16.

(Paragraph 2.3.8.1)

There were delays in release of fund by GoN ranging between five and 335 days in 27 instances. ₹ 31.78 crore released by GoI during 2016-17 was not released by GoN to the Department (March 2017).

(Paragraph 2.3.9.1)

The unspent balance in UC submitted to MoTA during 2015-16 was understated by ₹ 16.47 crore.

(Paragraph 2.3.9.4)

The works related to all the 180 projects/schemes were awarded directly to the applicants whose project/schemes were taken up for implementation without calling for tenders.

(Paragraph 2.3.10.1)

The Department paid ₹ 20.23 crore for 13 unverifiable works, six doubtful execution of projects and nine short executed projects.

(Paragraph 2.3.10.2)

The Department made payment of ₹ 1.50 crore to an individual for obtaining sanction of a project from Ministry of Tribal Affairs, Government of India.

(Paragraph 2.3.10.3 (ii))

2.3.1 Introduction

Grants under Article 275(1) are provided for creation and upgradation of critical infrastructure of tribal areas in the State and also to bridge the gap between development indices and infrastructure in tribal areas with the other areas in the country. The Ministry of Tribal Affairs (MoTA) administers Grants under Article 275 (1) of the Constitution of India. Funds are provided to the State Governments as an additionality to other components of tribal sub- plan for undertaking various tribal development initiatives.

The Planning and Coordination Department (PCD) of the Government of Nagaland (GoN) is the nodal Department for utilization and implementation of projects/schemes funded from grants received by the State under Article 275(1) of the Constitution of India.

2.3.2 Organisational set up

Development Commissioner is the Administrative Head of the Department. At the Directorate level, the Department is headed by Additional Development Commissioner and is assisted by two Joint Development Commissioners. For technical guidance, supervision and implementation of the projects/schemes, an engineering wing headed by Executive Engineer (EE) is attached to the Directorate.

2.3.3 Scope of audit

The records of the office of the Additional Development Commissioner and the Engineering wing of the PCD for the period 2012-17 were examined. Out of 300 projects/schemes (₹ 192.45 crore) sanctioned by the MoTA under Article 275(1), 214 projects/schemes²⁵ (₹ 130.80 crore) were executed during 2012-13 to 2016-17. All 214 projects/schemes were examined and 54 projects/schemes (₹ 61.55 crore) were selected by simple random sampling without replacement for joint inspection.

²⁵ Includes recurring cost sanctioned against EMRS

2.3.4 Audit Methodology

Audit methodology comprised of an entry conference (May 2017), requisition and examination of documents/records, issue of audit observations, examination of responses to audit observations, joint inspection of projects/schemes²⁶, issue of draft report to the Government to solicit its replies and an exit conference (November 2017). The replies received and the views expressed by the Government during the exit conference were incorporated in the report where considered relevant.

2.3.5 Audit objectives

The audit objectives was to assess whether:

- Planning process for implementation of projects/schemes was comprehensive and need based;
- Allocation and release of funds were in accordance with the provisions of the Guidelines;
- Implementation of the projects/schemes was effective, efficient and economical to achieve the project/scheme objectives.

2.3.6 Audit Criteria

The findings were benchmarked against the following criteria:

- Guidelines issued by the Government of India (July, 2002) for release and utilisation of grants received from Government of India under Article 275(1) of the Constitution of India;
- Modified guidelines issued by the Government of India (June 2010) for release funds under Article 275(1) of the Constitution of India for setting up of EMRSs;
- Guidelines for Inter-State allocation of funds and implementation of Programmes/Activities under Proviso to Article 275(1) of the Constitution of India during 2016-17 and onwards;
- General Financial Rules 2005, Central Treasury Rules, Receipts & Payment Rules;
- Notifications, circulars with regard to implementation of projects/ schemes, issued by the Government of India and Government of Nagaland, and
- Notifications, circulars with regard to implementation of projects/ schemes, issued by various administrative departments of Government of Nagaland.

²⁶ Joint inspection was carried out by Audit Team and EE, SDO and JEs of Department. In Peren District, District Planning Officer, Peren, represented the Department. The quantities executed were re-measured wherever feasible, by the Departmental representatives in the presence of audit team and actual value of work done was calculated on the basis of such measurement. Photographic evidences of works executed were also obtained during the joint inspection.

2.3.7 Acknowledgement

We acknowledge the co-operation and assistance extended by the Department at all levels during the conduct of this Performance Audit.

Audit Findings

2.3.8 Planning process for implementation of projects/ schemes

2.3.8.1 Annual Action Plan (AAP)

As per para (iii) of the guidelines for release and utilization of grants under proviso 1 of Article 275(1) of the Constitution of India issued by GoI in July 2002, the specific projects/schemes showing sector-wise and year-wise phasing of activities should form an integral part of the AAP of the State. Para (vi) and (vii) of the guidelines *ibid.* also provide that critical gaps and thrust areas should be identified and form central theme of the planning process and preparation of projects/schemes.

Examination of records revealed that the Department did not prepare AAP indicating sector-wise allocation for utilisation of the grants during 2012-16. It was also observed that critical gaps and thrust areas where developmental projects/schemes were required to be taken up were not identified and the projects were proposed without indicating target population.

The Department stated (November 2017) that AAPs were not prepared during 2012-16. However, AAP for the year 2016-17 was prepared and submitted to the MoTA in accordance with the new guidelines of 2016.

2.3.8.2 Lack of community participation in selection of projects/schemes

As per para (iv) of the guidelines (2002), people's participation should be ensured in selection and implementation of the projects/schemes to harness the strength of tribal community participation.

It was observed that people's participation in the selection of the projects/schemes was not ensured by the Department as envisaged in the guidelines. It was also observed that the Department had not identified/defined any criteria for selection of projects/schemes

The Department stated (November 2017) that the projects/schemes were not selected by the Department. All applications received by the Department were forwarded to the Government for selection. The fact remained that selection process was based on applications from individuals or groups and no criteria was defined for selection of the projects/schemes.

2.3.9 Allocation and release of funds

2.3.9.1 Delay in release of funds

Grants under Article 275(1) of the constitution are fully financed by GoI. During 2012-17, GoI released an amount of ₹ 192.45 crore. As per the terms and conditions

in the sanction orders, the funds were required to be transferred to the implementing agency within 30 days from the date of release of fund.

Examination of records revealed there were delays in release of fund by GoN ranging between five and 335 days in 27 instances (***Appendix-2.3.1***). It was also observed that ₹ 31.78 crore released by GoI during 2016-17, was released by GoN to the Department in 2017-18 after delays ranging from 30 days to 335 days.

The Department stated (November 2017) that it was difficult to release the fund within 30 days as financial procedures were to be followed. The fact remains that there were delays in release of funds which was in contravention with the terms and conditions mentioned in the sanction orders.

2.3.9.2 Irregularities in maintenance of cash book

Rule 13 of the Central Government Account Receipt and Payment Rules provides that every officer discharging the functions of Drawing and Disbursing Officer (DDO) should maintain a cash book. All monetary transactions should be entered in the cash book as soon as they occur and attested by the Head of the Office. Examination of the records of the Planning & Coordination Department, GoN revealed the following:

- (i) The entries for transactions occurring after June 2016 were not recorded in the cash book.
- (ii) During the period 2012-17, funds drawn for implementation of projects/schemes under Article 275(1) were deposited in the bank account of the Department. However, the dates of the actual payments were not recorded in the cash book for the entire period 2012-17.
- (iii) Entries in the Cash Book were not attested by the Head of the Office every month during 2012-17.

The serious irregularities in the maintenance of the cash book, as pointed out above, is a serious transgression of the Rules and is fraught with possibility of misappropriation of the funds.

While accepting the facts, the Department stated (November 2017) that the cash book was not maintained due to time constraints and assured that cash book shall be updated at the earliest.

2.3.9.3 Discrepancy between cash book and bank statement

Examination of the cash book revealed that an amount of ₹ 5.50 crore was recorded as paid in July 2014 (₹ 4.13 crore) and December 2014 (₹ 1.37 crore) for four fishery projects.

Cross verification of the cash book and transactions with bank statement revealed that, out of ₹ 5.50 crore, only ₹ 4.45 crore (***Appendix-2.3.2***) was actually paid to the contractors resulting in short payment of ₹ 1.05 crore. It was also noticed from the

bank statement that ₹ 1.05 crore was paid to four²⁷ individuals which was not recorded in the cash book.

The Department stated (November 2017) that ₹ 5.50 crore was paid to the contractors. The fact remained that as per the bank statement only ₹ 4.45 crore was actually paid to the contractors.

Audit recommends that the Department refer this matter to the State Vigilance Commission for investigation.

2.3.9.4 Submission of incorrect Utilistion Certificates (UC)

As per the conditions of the sanction orders of MoTA, the Department was required to furnish UCs to MoTA within 12 months from the date of closure of the financial year.

Examination of records revealed that ₹ 54.69 crore was released by GoI during 2015-16 which was shown as utilized except ₹ 8 crore which was shown as closing balance. Further examination of records revealed that, out of ₹ 15 crore provided for establishment of Modern Mechanical Workshop cum Training Centre (MMWTC) at Dimapur and ₹ 16 crore for establishment of two Eklavya Model Residential Schools (EMRSs) in Kohima and Phek districts, only ₹ 6.53 crore (₹ 3.13 crore for MMWTC and ₹ 3.40 crore against EMRS) was utilised leaving an unspent balance of ₹ 24.47 crore. The closing balance was incorrectly shown as ₹ 8 crore and reported in the UCs submitted to the MoTA instead of ₹ 24.47 crore.

The Department however maintained (November 2017) that the closing balance was ₹ 8 crore for the year 2015-16 in the UC submitted to MoTA. The fact nonetheless was that the actual closing balance was understated by ₹ 16.47 crore and therefore the actual availability of funds was misreported to MoTA.

2.3.10 Implementation of the projects/ schemes

2.3.10.1 Lack of transparency in awarding of works

Para 291 of NPWD code provides that open tenders should be invited before awarding the works. Central Vigilance Commission Order No. 23-07-2007 also provides that tendering process is a basic requirement for award of contract by any Government agency. The order reiterated that equal right should be provided to all interested parties and no contract work should be awarded on nomination basis as it tantamount to breach of Article 14 of the Constitution guaranteeing right to equality.

²⁷

Date of payment	Name of the recipient	Cheque No.	Amount (in ₹)
22-12-2014	Shri. Wozamo	805784	5,49,821
22-12-2014	Shri. K Kronu	805783	13,74,554
24-07-2014	Shri. Azhou	718696	61,21,000
24-07-2014	Shri. Wozamo	718695	20,40,000
19-08-2014	Shri. Meren	718704	4,00,000
Total			1,04,85,375

During the period 2012-17, a total of 214 projects/ schemes (estimated cost ₹ 130.80 crore) were taken up by the Department for execution. Out of the 214 projects/ schemes, 34 schemes/projects were for works (training, farming, horticulture plantations, etc.) which did not require any tendering action. In the balance 180 project/schemes (estimated cost ₹ 107.64 crore), tendering action was required. It was however, observed that the Department did not follow tendering process in award of the works relating to these 180 projects/schemes. From records available, it was seen that the works related to all the 180 projects/schemes were awarded directly to the applicants whose project/schemes were taken up for implementation without calling for tenders.

The Department stated (November 2017) that the projects/schemes were taken up on the basis of applications received from the individuals and groups. The Department further stated that if tendering takes place, the applicants whose proposals were selected may not get the work.

The justification is totally unacceptable. The fact that none of the 180 projects/schemes/works taken up by the Department during 2012-17, which compulsorily required calling of open tenders, were put to tender, was a serious violation of codal and vigilance provisions on an exceptional scale.

Audit recommends that all works pertaining to projects/schemes/works taken up by the Department should be awarded only after following the due process without fail.

2.3.10.2 Execution of works

Rule 135 of Receipt and Payment Rules, stipulates that payment for all work done other than by daily labour and for all supplies shall be made on the basis of measurements recorded in Measurement Books (MBs). No payment other than an advance payment may be given, unless the correctness of the claim in respect of quantities and rates as well as the quality of the works done and all calculations carefully checked by a responsible officer.

Examination of records revealed that the Department released payments to the contractors on the basis of progress certificates furnished by the EE. To ascertain the veracity of the progress certificates, 54 out of 300 projects/ schemes involving an expenditure of ₹ 61.55 crore were jointly inspected. The Department did not maintain records of measurements of the work done with respect to these 54 projects/schemes which was a serious contravention of the codal provisions. Further, the joint inspection revealed instances of unverifiable projects/schemes, doubtful execution, short execution and diversion of projects with respect to 28 out of the 54 projects/schemes jointly verified. The position is summarised in the succeeding page:

Table 2.3.1

(₹ in crore)			
Sl No.	Type of observation	No. of works	Amount involved
(i)	Unverifiable projects/schemes	13	7.11
(ii)	Doubtful execution of projects	6	6.68
(iii)	Short execution of projects	9	6.44
Total		28	20.23

(i) Unverifiable projects/schemes

Out of 54 projects/schemes selected for joint inspection, in 13 projects/schemes the exact location of the works to be taken up was neither mentioned in the estimates nor in the work orders. It was also observed that payments were made on the basis of progress reports furnished by EE which did not contain the location/address of the project/work.

During joint inspection, the Department officials could not locate the 13 projects/schemes on which ₹ 7.11 crore had been spent (details in *Appendix-2.3.3*).

The Department at the exit conference stated (November 2017) that the contractors could not be contacted and the location of the project could not be shown during joint inspection and requested the Accountant General for a second visit of the sites. In response the Accountant General asked the Department to furnish details of beneficiaries and exact locations of the projects/schemes. The Department, however, had not furnished this information till the time of finalization of this report (May 2018).

(ii) Doubtful execution of projects/schemes

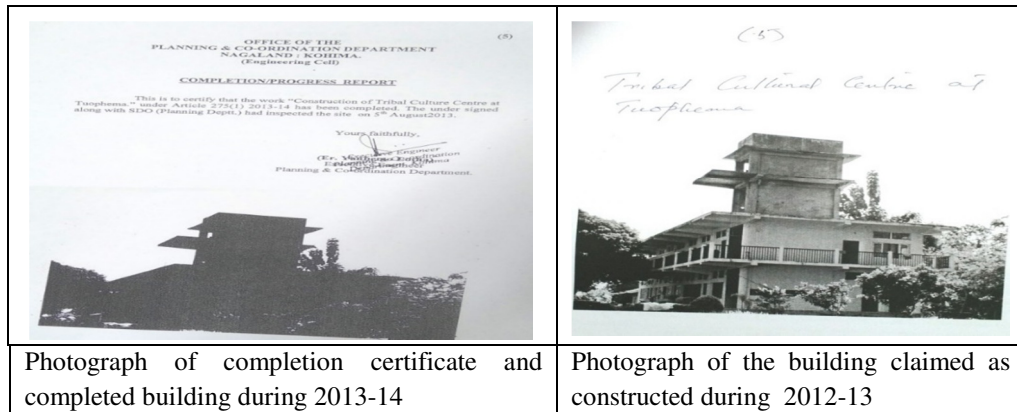
Joint inspection (May-July 2017), revealed doubtful execution of six out of 54 projects/schemes involving ₹ 6.68 crore as discussed below:

(a) Cultural Centre at ToupHEMA

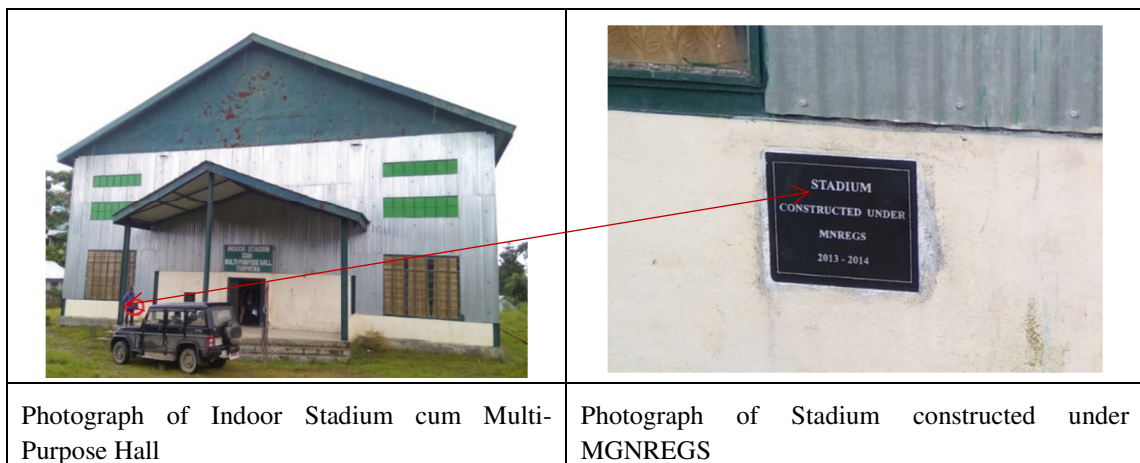
The work of construction of 'Cultural Centre building at ToupHEMA village' in Kohima district was taken up (2012-13) at a cost of ₹ 1 crore. Audit observed that no work order was issued for this work. The Department instead directed (September 2012) the contractor (Shri Pfudoulhuo, C/o CMO, ToupHEMA, Kohima) to submit progress reports. The contractor in October 2012 submitted a progress report showing that 70 per cent of the work as complete on the basis of which the Department made full payment of ₹ 1 crore to the contractor against an undated actual payee receipt (APR) obtained from the contractor.

From departmental records, Audit observed that the same work (₹ 1 crore) was again taken up by the Department through the same contractor (Shri Pfudoulhuo, ToupHEMA village, Kohima) which was certified as completed (August 2013) and payment of ₹ 1 crore made to him against an undated APR. On both occasions, separate estimates for

the buildings were prepared and photograph of the building was attached to the progress/completion certificate during 2012-13 and 2013-14 as shown below:



During joint inspection (July 2017), the building shown in the progress/completion reports of the two contractors could not be located. Instead the departmental officials showed an indoor stadium (photograph below) purported to be the ‘Cultural centre’ building at Touphema.



As seen from the photographs above, one of the plaques fixed on the wall of the building read “Stadium constructed under MGNREGS 2013-14”. To ascertain the authenticity of the plaque, audit cross examined the records of the District Rural Development Agency (DRDA), Kohima which revealed that two sanctions for ₹ 50 lakh (₹ 20 lakh in June 2013 and ₹ 30 lakh in November 2013) were issued for construction of indoor stadium under Mahatma Gandhi National Employment Guarantee Scheme (MGNREGS) in Touphema village.

In the light of the above facts, the construction of the “Cultural centre building at Touphema village” against which the Department had released ₹ 2 crore (₹ 1 crore each time during 2012-13 and 2013-14), was doubtful.

The Department stated (November 2017) that the amount was released to the contractor to complete the work in public interest. The fact, however, remained that the Department made the payment twice against the work, execution of which was doubtful.

(b) Skill Development Centre at Dimapur

The Department awarded (September 2015) the work ‘Establishment of Skill Development Centre at Dimapur’ to a contractor (Shri P. Chuba, Dimapur) at a cost ₹ 1.79 crore. Within one month (October 2015), the contractor was paid the full amount. Completion/progress report of this work was not available.

As per the estimate, a three storey building was to be constructed. During joint inspection (July 2017), an under-construction building owned by Changki Mission Society was shown to audit as in the photograph below:



Photograph of CHANGKI MISSION AKI Building, Dimapur

As seen in the photograph, the ongoing building was owned by Changki Mission on a plot of land donated by Shri J. Changkiri and construction was funded from contributions by Changki citizens. The dedication programme (21 February 2017) also appeared in the local newspaper ‘Morung Express’ dated 22 February 2017 as shown below:



(Newspaper clipping of inauguration of Changki Mission Aki Building, Dimapur appeared in Local daily on 22 February 2017)

The above clearly indicated that the fund of ₹ 1.79 crore provided for setting up a ‘Skill Development Centre’ was not utilised for the purpose for which it was sanctioned. In the absence of completion certificate/progress report of the project and other relevant records, possibility of misappropriation of funds of ₹ 1.79 crore could not be ruled out.

The Department stated (November 2017) that the building was constructed with the fund from MoTA and contribution of fund from Changki Mission Society. The reply is not acceptable as the building was constructed and owned by Changki Mission and therefore the establishment of the ‘Skill Development Centre’ was doubtful.

(c) Tribal Old Age Day Care

A contractor (Shri I. Yanger Jamir) was paid ₹ 1 crore against an undated actual payee receipt for the construction of a “Tribal Old Age Day Care Home” at Padampukhuri, Dimapur” which was certified as completed by the EE in October 2012.

During joint inspection (July 2017) an under-construction building, on a private land, was shown to the inspection team as shown in the photograph below:



Photograph of Tribal Old Age Day Care Home at Padampukhuri, Dimapur

The fact that departmental officials showed an under-construction building as the purported Old Age Home - even though departmental records indicated that the building was completed almost five years back in October 2012 at a cost of ₹ 1 crore and for which the contractor was paid in full - raises a doubt as to whether the facility was constructed at all.

(d) Tribal Co-education Centre at Khermahal, Dimapur

A contractor (Shri Imli Yanger, Dimapur) was paid ₹ 1 crore against an undated actual payee receipt for the construction of a “Tribal Co-education Centre at Khermahal, Dimapur” on the basis of certification by the EE in July 2013 that 60 *per cent* of the work was complete.

During joint inspection (July 2017), a computer training centre functioning in the first floor of the three storey RCC building shown to audit (*photograph in the succeeding page*).



Photograph of Tribal Co-education Centre at Khermahal Dimapur shown during site inspection

As seen from the photograph, the Tribal Co-education Centre building shown to audit as constructed was actually a commercial building located in the heart of Dimapur town. The computer training center in the building was owned by private parties. It was also noticed that as per Tax registration certificate of M/s L.A. Enterprise, the firm was functioning in the building since

September 2011. This indicated that the building was in existence prior to sanction of the project (2013). Given these facts, the construction of the Co-education centre at a cost of ₹ 1 crore was doubtful.

(e) Community Training Institute, Burma Camp, Dimapur

A contractor (Shri K. Francis, Burma Camp, Dimapur) was paid ₹ 0.40 crore (in two installments in December 2013 and March 2014) for the construction of 'Community Training Institute, at Burma Camp, Dimapur'. The building was certified as completed in July 2013.

During joint inspection (July 2017), a four storey building (photograph below) located in a private land was shown to audit.



Photograph of the Community Training Institute shown

The building was being used as residential apartment and not as a Training Centre.

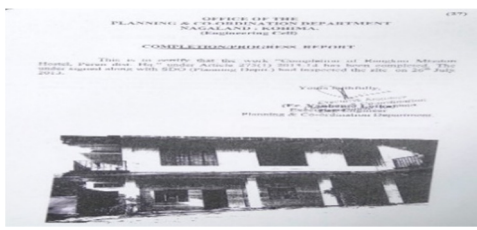

The Department stated (November 2017) that the building was constructed with the resources of the contractor in convergence with the financial assistance from MoTA. The Department also stated that the contractor had verbally stated that the basement of the building was

used for meetings, social awareness programmes and training courses.

The reply is not acceptable as during joint inspection it was seen that the building was only utilised for residential purposes. Thus, the expenditure of ₹ 0.40 crore was doubtful.

(f) Rangkau Mission Hostel, Peren District HQ

The Department undertook construction of Rangkau Mission Hostel, in Peren District at a cost of ₹ 0.50 crore during 2013-14. Progress report of the work was submitted (June 2013) by the contractor (Shri Disuing, Peren) with two photographs and the building was certified by the EE as completed in July 2013. The contractor was paid the full amount of ₹ 0.50 crore in two instalments in December 2013. The photographs attached to the completion/progress report submitted by the contractor (one photograph reproduced on the left below), indicated a double storey RCC building. During joint inspection (June 2017), it was noticed that the building at the site belonging to an individual was a single storey building and not the double storey building. Further, the building at the site was not being used as a hostel.

	
<p>Photograph as per completion/progress report</p>	<p>Photograph of single storey structure shown to Audit</p>

In the light of the above revelations, the expenditure of ₹ 0.50 crore on construction of Rangkau Mission Hostel was doubtful.

(iii) Short execution of works

Out of the sample of 56 projects/schemes selected for joint inspection, nine works were executed during 2012-16 at a cost of ₹ 9.78 crore.

During joint inspection, execution of items of work costing ₹ 8.67 crore (out of ₹ 9.78 crore) were examined and it was observed that items of works executed to the extent of only ₹ 2.23 crore - there was short execution of items of work to the value of ₹ 6.44 crore (details given in **Appendix 2.3.4**). The details are as under:

Table No. 2.3.2

(₹ in lakh)

Sl. No.	Name of the Project	Year of sanction	Amount paid to contractor	Value of items of works examined	Value of work actually executed	Value of work short executed
1	2	3	4	5	6	7 (Col 5- Col 6)
1	Development of Aguonuo fishery project at Razaphe, Dimapur	2013-14	175.94	156.26	1.81	154.45
2	N Putsere fishery project	2013-14	163.11	109.03	24.98	84.05
3	Construction of village marketing shed at Kiphire	2012-13	100.00	99.00	11.20	87.80
4	Construction of community multipurpose	2013-14	50.00	50.00	27.80	22.20

Sl. No.	Name of the Project	Year of sanction	Amount paid to contractor	Value of items of works examined	Value of work actually executed	Value of work short executed
1	2	3	4	5	6	7 (Col 5- Col 6)
	training institute at Tizit					
5	Construction of Baudi community building at Peren new HQ	2013-14	40.00	40.00	26.96	13.04
6	Approach road to rubber plantation area at Kejanglo village	2013-14	199.00	199.00	65.41	133.59
7	Construction of tribal girls hostel at Peren	2015-16	50.00	50.00	19.83	30.17
8	Construction of integrated community based fishery, poultry and piggery project at Rengmapani village, Kohima	2015-16	100.00	64.94	26.42	38.51
9	Skill development and training for women group at Mokokchung	2015-16	100.00	99.00	18.53	80.46
TOTAL			978.05	867.23	222.95	644.28

Thus, the Department had made an excess payment of ₹ 6.44 crore.

The Government accepted (November 2017) the facts noted at serial No. 4, 7, 8 and 9 of the above table. With regards to serial No. 1 and 2, it was stated that it was difficult to assess the actual quantum of work executed due to lapse of time. In respect of serial No. 3, it was stated that the length of the road was more than two KMs where some portion of the road leading to Saijang comprised of hard rock. In respect of serial No. 5 and 6, the Department stated (November 2017) that the projects were completed after the joint inspection.

The reply to serial No. 1 and 2 was not acceptable as the total area of ponds to be constructed as per the estimate was 56,800 sq. metres, whereas only 7488 sq. metres (13.18 per cent) was constructed. The reply to serial No. 3 is also not acceptable as, no evidence of excavation of rock in the entire stretch was seen during joint inspection. For serial No. 5 and 6, the Department did not submit any documents in support of its claim till date (December 2017).

Audit recommends that the findings relating to ‘Execution of works’ (paragraph 2.3.10.2) be referred to the State Vigilance Commission and FIRs be lodged against the concerned officials and beneficiaries/contractors.

2.3.10.3 Modern Mechanical Workshop cum Training Centre at Dimapur

Chief Engineer, Mechanical, Nagaland Public Works Department, proposed (May 2015) establishment of a Modern Mechanical Workshop–cum–Training Centre (MMWTC) at Dimapur at a cost of ₹ 15 crore. The MMWTC was to cater to the maintenance of high-tech machinery, impart refresher courses and training on proper usage of different machinery to potential users such as farmers, entrepreneurs, developers, etc. The project at a cost of ₹ 15 crore was sanctioned (March 2016) by

MoTA. The work order for execution of civil works for ₹ 8.86 crore was issued on April 2016 to M/S C&Y Trading Co. Kohima without calling of any open tenders. Examination of records revealed the following:

(i) Sub-letting of contract

As per clause (1) of the terms and conditions of the work order, the contractor shall under no circumstances, sublet the work. It was observed that M/s C&Y Trading Co. appointed (September 2016) M/s P.I.P Enterprises, through an irrevocable power of attorney to execute the work on its behalf. M/s P.I.P further authorised Chairman of M/S Sunrise Welfare Society to draw the bill through an undated authorisation.

The above clearly indicated that the contract for civil works originally awarded to M/s C&Y Trading & Co. was sublet to M/s P.I.P Enterprises in violation of the clause (1) of the special terms and conditions of the work order. Further, the Department, overlooked the violation of terms and conditions of the work order and released the payment of ₹ 3.13 crore²⁸ to Sunrise Welfare Society towards progressive cost of civil works done.

The Department while accepting the facts (November 2017) stated that proprietor of M/s P.I.P. Enterprises was a member of the Board of Directors of the Sunrise Welfare Society. The reply is not acceptable as M/s C&Y Trading & Co, M/s P.I.P Enterprises and M/s Sunrise Welfare Society are separate legal entities.

(ii) Unauthorised payment

Examination of the records of the Department revealed that Shri I Yanger Jamir, (proprietor of M/S C&Y Trading and Co) claimed (11 August 2016) 15 *per cent* of the total cost of the project for successfully obtaining the sanction from MoTA to fund the establishment of the MMWTC at Dimapur. Accordingly the Department paid ₹ 1.50 crore²⁹ to Shri I. Yanger Jamir. Audit observed that the payment for an amount of this nature was neither provided in the DPR submitted to MoTA nor was it provided in the work order.

The Department stated (November 2017) that the payment was made to Shri I Yanger who is the proprietor of M/S C&Y Trading and Co. against the works executed by him. The fact, however, remained that no record to indicate that this payment was made against any work executed by Shri. I. Yanger was maintained by the Department.

Audit recommends that the above issues relating to the MMWTC Dimapur be referred to the State Vigilance Commission.

2.3.11 Conclusion

The Department did not prepare Annual Action Plans indicating sector-wise allocation of funds during 2012-16. The cash book was not updated after June 2016

²⁸ Vide cheque No.000111 dated 28 March 2017

²⁹ Vide cheque No. 808910 dated 25 October 2016.

and the day-to-day transactions relating to payments were not recorded in the cash book which was a serious violation of rules and fraught with the possibility of misappropriation of funds. The Department also furnished incorrect UCs to the Ministry. Not a single project/scheme undertaken by the Department during 2012-17 was awarded through open tenders. Serious irregularities (unverifiable projects/schemes, doubtful execution/short execution of items of work, unauthorised payment) were observed in 28 out of the 54 projects/schemes jointly verified.

2.3.12 Recommendations

- The cash book should be maintained as prescribed under codal provisions without fail.
- The tendering process should be invariably followed in the award of contracts to ensure transparency.
- The cases of payments made without execution of works/doubtful or short execution of works, etc. should be handed over to the State Vigilance Commission and disciplinary proceedings/FIRs be initiated/lodged against the concerned officials.

DEPARTMENT OF UNDER DEVELOPED AREAS

2.4 Border Area Development Programme

Introduction

The Department of Border Management, Ministry of Home Affairs (MHA), Government of India (GoI) implements the Border Area Development Programme (BADP) through the State Government as part of a comprehensive approach to border management. The programme aims to meet the development needs of the people living in remote and inaccessible areas near the International Border (IB). In Nagaland there are four districts, viz, Mon, Tuensang, Kiphire and Phek, sharing a 215 kilometer international boundary with Myanmar.

Highlights:

The baseline survey conducted by the Department did not bring out quantifiable gaps in social and physical infrastructure and therefore did not provide decisive inputs in preparation of Annual Action Plan.

(Paragraph 2.4.7.1)

Allocation of funds indicated disproportionate emphasis on infrastructure and other sectors like Education, Health, Agriculture and Social were given minimal share.

(Paragraph 2.4.8.1)

DCC Bills for an amount of ₹4.56 crore out of ₹7.62 crore were not submitted even after delays ranging between two to three years.

(Paragraph 2.4.8.4)

Payments amounting to ₹ 15.95 crore without execution of works, short execution, incomplete and abandonment of works were noticed.

(Paragraphs 2.4.9.2 (i), (ii), (iii), (iv) and (v))

Third Party Inspection Agency for monitoring of works under BADP was not constituted.

(Paragraph 2.4.10.1)

2.4.1 Organisational set up

In Nagaland, the Department of Under Developed Areas (DUDA) is nodal department for BADP. The Department is headed by a Commissioner & Secretary level officer. Under the Department, the Directorate of Under Developed Areas is the implementing agency for BADP in the State. The Director is the head of the Directorate and he is assisted by one Additional Director, one Joint Director and two Deputy Directors. An Engineering wing is attached to the Directorate which executes the projects under BADP.

2.4.2 Scope of Audit

This Performance Audit covered the period from 2012-17. The records of the Directorate, two districts (Mon and Tuensang), three blocks and 16 villages (11 villages of Mon district and five villages in Tuensang district) were examined. The details are given in **Appendix 2.4.1**. In addition, the offices of Chief Engineer (PWD, R&B), Chief Engineer (PHED), Executive Engineer (PWD, R&B) Mon and Aboi Divisions and Executive Engineer (PHED) Mon Division were also covered. Further, 97 works (₹ 50.02 crore) taken up under BADP during 2012-17 in the 16 villages covered by this performance audit were jointly inspected by departmental officials and audit.

2.4.3 Audit Objectives

The audit of BADP was conducted to ascertain whether:

- Planning process for the programme was adequate, effective and according to the BADP guidelines;
- The programme was implemented with due regard to economy, efficiency and effectiveness; and,
- Monitoring of the programme was properly done.

2.4.4 Audit Criteria

Audit findings were benchmarked against the following criteria:

- Guidelines for BADP issued by GoI during 2009, 2014 and 2015;
- Orders/guidelines/circulars issued by Ministry of Home Affairs, Department of Border Management and the State Government from time to time;
- Directives of the 13th Finance Commission on release of State Specific grants;
- Approved Annual Action Plan;

- Nagaland PWD Code and Manual, Schedule of Rates;
- General Financial Rules and Treasury Rules; and,
- Reports of National Quality Control Monitors and other Third party inspections.

2.4.5 Audit Methodology

The audit methodology comprised of an entry conference (9 June 2017), requisitioning of records, questionnaires, examination and issue of observations, joint inspection³⁰, beneficiary survey, issue of draft report to the Department and an exit conference (1 November 2017). The replies received and the views expressed by the Department during the exit conference have been incorporated in this report wherever relevant.

2.4.6 Acknowledgement

We acknowledge the assistance and cooperation extended to us at all levels during the conduct of this performance audit.

Audit Findings

The findings of audit are discussed in the following paragraphs.

2.4.7 Selection of villages

As per Para 2.1 of BADP guidelines (2009), priority should be given to villages located within 0-10 KM from the IB. Only after saturation of 0-10 KM villages, State Government may take up the next set of villages within the 0-20 KM distance and so on upto 0-50 KM. Further, as per Para 2.2 of the guidelines *ibid*, the District Level Committees (DLC) shall make their own definition for saturation of a village infrastructure.

The details of the villages located between 0-10 KM, 10 to 20 KM, and from 20 to 30 KM from the IB and the coverage of villages under BADP during 2012-17 is shown below:

Table No.2.4.1

District	Block	Village distance statistics				Villages covered under BADP			
		Total villages	0-10 KM	10-20 KM	20-30 KM	Total coverage	0-10 KM	10- 20 KM	20 -30 KM
Kiphire	Khongsa	25	25	0	0	7	7	0	0
	Pungro	25	15	10	0	11	3	8	0
Mon	Aboi	14	3	11	0	7	1	6	0
	Angjangyang	16	14	2	0	6	4	2	0
	Chen	18	17	1	0	8	7	1	0
	Mon Sadar	2	1	1	0	2	1	1	0
	Phomching	16	14	2	0	15	13	2	0
	Tobu	22	18	4	0	13	11	2	0

³⁰ Joint inspection team comprised of Project officer, BADP, SDO/JE representing the Department and Audit team comprising of three members. Photographic evidences were taken in presence of the representatives of the Department

Phek	Meluri	12	3	3	6	11	2	3	6
	Waziho	21	11	10	0	9	4	5	0
Tuensang	Noklak	24	21	3	0	16	13	3	0
	Panso	10	3	7	0	1	0	1	0
	Thonoknyu	19	17	2	0	10	8	2	0
TOTAL		224	162	56	6	116	74	36	6

(Source: Analysis made from Departmental data and confirmed with google map on aerial distance of villages.)

Note: As per BADP guidelines, zero KM is either zero KM from IB (if the first village falls in the borderline) or first village from IB (irrespective of its distance from border).

As seen from above,

- there were a total of 224 villages in Nagaland within 0-30 KM of the IB of which 116 villages (52 per cent) were covered under BADP during 2012-17;
- although the BADP guidelines prescribed that priority was to be given to villages within 0-10 KM. of the IB and there were a total of 162 villages in the State falling in this category, only 74 of these villages (46 per cent) were covered under BADP during 2012-17;
- 42 villages within 10-30 KM. of the IB were also covered under BADP during 2012-17; coverage of these 42 villages was at the expense of another 42 villages that could have been additionally covered during 2012-17 from the remaining 88 villages (162 – 74) within 0-10 KM. of the IB which in terms of the BADP guidelines, were to have been given priority; and,
- it was further observed that none of the 116 villages covered under BADP during 2012-17 were declared ‘saturated’ in terms of infrastructure by any DLC in the State.

2.4.7.1 Inadequate planning

Para 3.1 of BADP guidelines (2014) provides that the fund shall be used for meeting critical gaps and the immediate needs of the border population. Planning and implementation should be participatory and decentralized through the Panchayati Raj Institutions (PRI)/Autonomous councils/other local bodies/councils. The guidelines *ibid* provide for a diagnostic and professional study on the backwardness of the prioritised villages through baseline survey and inputs from grass-root level. Para 4.3 and 4.4 of BADP Guidelines *ibid*, envisaged creation of DLC headed by Deputy Commissioner (DC) as Chairman and District Forest Officer, District Planning Officer, Superintendent of Police of concerned district and Commandant or Deputy Commandant of the Border Guards as members which would be responsible for planning and implementation of BADP. The DLC shall prepare village wise plans through a baseline survey to identify physical and social infrastructural gaps and work out the overarching sectoral priorities.

Examination of records revealed the following:

- (i) The baseline survey was conducted on two occasions (2009 and 2014) through a committee constituted by the Department. It was observed that the report of the

baseline surveys conducted did not bring out quantifiable gaps in social and physical infrastructure and contained only objective narrations (e.g. “poor road”, “poor water supply, need improvement” etc.). The surveys therefore could not provide decisive inputs in preparation of Annual Action Plan (AAP).

The Government while accepting the facts (October 2017) stated that though baseline survey was conducted, failures still existed in certain areas.

- (ii) The DLCs were not involved in preparation of Village Plans or Long Term Plans. The AAPs which was required to be prepared by the DLC from a shelf of programme derived from the Long Term Plans and submit to the State Level Screening Committee (SLSC) for approval was prepared by DUDA and was not derived from inputs from perspective plans.

2.4.8 Financial Management

2.4.8.1 Sector-wise allocation of funds

Para 5.2 of the BADP guidelines (2015) states that the schemes should be planned to take care of the special problems faced by people living in the border areas. State Government shall draw the annual plan keeping in view the balanced development of the region based on the gaps in physical and social infrastructure. It should ensure that no single sector gets disproportionate share of the allocation. The limits prescribed in the guidelines and sectoral allocation made during 2015-17 is shown in the table below:

Table No. 2.4.2

Sectors	Maximum/Minimum (%)	Limit	2015-16		2016-17	
			Allocation	Percentage of allocation	Allocation	Percentage of allocation
Infrastructure	35	Maximum	1768.62	60.77	1851.81	57.51
Drinking water supply	0	No limit	120.00	4.12	295.48	9.18
Special or Specific area scheme	10	Minimum	100.00	3.44	214.92	6.67
Social	20	Maximum	147.50	5.07	167.00	5.19
Capacity building/Skill Development	10	Maximum	142.00	4.88	165.00	5.12
Health	10	Minimum	164.75	5.66	155.06	4.82
Agriculture & Allied	10	Maximum	152.50	5.24	137.21	4.26
Sports	5	Minimum	100.00	3.44	119.78	3.72
Education	10	Minimum	185.00	6.36	83.66	2.60
Administrative expenses & Monitoring	1.5	Maximum	30.00	1.03	30.00	0.93
Maintenance	15	Maximum	0.00	0.00	0.00	0.00
TOTAL			2910.37	100.00	3219.92	100.00

(Source: Departmental data)

As seen from above, the allocation made for infrastructure development ranged between 57.51 and 60.76 *per cent* which was much higher than the prescribed 35 *per cent*. Allocation under education ranged between 2.60 *per cent* and 6.36 *per cent* was much below the minimum prescribed limit of 10 *per cent*.

The allocation of funds indicated disproportionate emphasis on infrastructure and other sectors like Education, Health, Agriculture and Social were given minimal share.

2.4.8.2 Delay in release of fund by State Government

The Empowered Committee³¹ of GoI decided (March 2011) that all States should release the funds within 15 days of release of fund by GoI.

Examination of records revealed that there were delays in release of funds by the State Government after receipt of the same from GoI. The details of funds received from GoI, released by the State Government and delays are given in *Appendix-2.4.2*. The delay in release of funds by GoN ranged between 17 days and eight months³² during 2012-17. It was also noticed that ₹ 3.58 crore (10 *per cent* State share of 2016-17) was not released (August 2017) by the GoN to the Department.

2.4.8.3 Administrative overheads

Para 4.2 of BADP guidelines (2009) states that State governments can reserve 1.50 *per cent* of the annual allocation subject to a maximum of ₹ 40 lakh per year (which was subsequently revised to ₹ 50 lakh in 2015) for monitoring, training, evaluation, administrative expenditure for preparing the perspective plans, survey, logistic support (excluding purchase of vehicles), media publicity, etc.

Examination of records revealed that in 97 works taken up under BADP during 2012-17 in the 17 villages of Mon and Tuensang, covered under this PA, in addition to the prescribed administrative overhead of 1.50 *per cent*, an additional five *per cent* was added towards administrative overheads during preparation of estimates and DPRs. The inclusion of five *per cent* administrative overheads in the estimate increased the allocation of administrative expenditure to 6.50 *per cent* in violation of the guidelines.

The Government stated (November 2017) that 1.50 *per cent* reserved amount did not include technical parameter and expertise charges such as preparation of pre-feasibility report, detail project report, contingency, consultancy, etc. The reply is not acceptable as BADP guidelines prescribes only 1.50 *per cent* for administrative overheads.

2.4.8.4 Delay in submission of Detailed Countersigned Contingent Bills

Rule 308 of Central Treasury Rules provides that funds for contingent charges may be drawn from the Treasury by presenting Abstract Contingent Bill (AC). Detailed Countersigned Contingent Bill (DCC Bill) should be submitted to the controlling officer within one month from the date of drawal of such AC bills.

³¹ Comprising of 12 members who are secretaries in various Departments of GoI

³² Calculated after 15 days of release of funds by GoI

It was observed that the Director, DUDA drew funds during 2012-17 on AC bills (Capacity Building, medical camps, monitoring and agriculture and allied activities etc) and delayed submission of DCC bills to the Accountant General as detailed below:

Table No.2.4.3

(₹ in crore)

Year	Drawal of AC Bills		Submission of DC Bills		Delay
	Date	Amount	Date	Amount	
2012-13	18-03-2013	0.78	02-08-2016	0.78	3 years 4 months 17 days
2012-13	25-07-2013	0.78	02-08-2016	0.78	3 years 8 days
2013-14	21-03-2014	1.50	02-08-2016	1.50	2 years 4 months 14 days
2014-15	20-03-2015	1.30	Not submitted	-	-
2016-17	16-12-2016	3.26	Not submitted	-	-
Total		7.62		3.06	

(Source: Compiled from Departmental records)

As seen from above, during the last five years, the Department had drawn ₹ 7.62 crore in AC bills, out of which, DCC bills for ₹ 3.06 crore only was submitted after delays ranging between two to three years. DCC bills for the remaining amount of ₹ 4.56 crore were yet to be submitted (August 2017).

2.4.8.5 Submission of incorrect Utilisation Certificates

GoI releases BADP funds in two instalments. The first instalment of 90 per cent of the allocation is released to the State Government only after receipt of UCs for the amount released in the previous years except the preceding year. If there is any shortfall in furnishing the UCs, the same would be deducted at the time of release of the 1st instalment. The second instalment is released to the state only after furnishing of UCs of not less than 50 per cent of the amount released during the month of preceding year, along with Quarterly Progress Reports up to the quarter ending September.

Examination of records revealed that UCs were not furnished on the basis of actual fund utilized as shown below:

Table No. 2.4.4

(₹ in crore)

Year	Instalment	Amount	Date of release by GoI	Date of release by GoN	UC issued date	Amount for which of UC issued	Actual utilisation on the date of UC	Percentage of utilisation (per cent)
2012-13	1	18	16-07-2012	16-03-2013	08-10-2013	15.23	12.31	
	2	2	20-02-2013	25-03-2013	08-10-2013	4.77		
Total		20				20	12.31	61.55
2013-14	1	12.05	18-07-2013	17-03-2014	09-10-2014	20	13.82	
	2	7.95	28-11-2013	17-03-2014				
Total		20				20	13.82	69.1
2014-15	1	9.93	25-08-2014	29-03-2015	17-07-2015	10	4.85	
	2	10.07	25-11-2014	29-03-2015	01-03-2016	10	7.9	
Total		20				20	12.75	63.72

(Source: Compiled from Departmental data; at the time of undertaking this PA, UCs for 2015-16 and 2016-17 were not due.)

As seen from the table above, actual utilisation of funds during 2012-15 ranged between 61.55 *per cent* and 69.10 *per cent*. However, UCs were issued for the entire amounts released by GoI during 2012-15 resulting in submission of incorrect UCs to the Ministry of Home Affairs, GoI.

2.4.9 Programme implementation

2.4.9.1 Discrepancies in the execution of works

During 2012-17, 457 works were taken up under BADP in the State in 116 villages at a cost of ₹ 123.69 crore. Out of these 457 works, 97 works (estimated cost ₹ 50.07 crore) were taken up in the 16 villages covered under this performance audit during 2012-17. All the selected 97 works were selected for joint inspection by Departmental officials and Audit.

Examination of records and joint inspection of the 97 works (construction of roads/bridges/community centers/drainage/school buildings, etc.) revealed instances of unexecuted works, short execution of works, incomplete or abandoned works, etc., the position of which is summarized below:

Table No. 2.4.5

(₹ in crore)

Sl No.	Type of observation	No. of works	Amount	Paragraph reference
i)	Unexecuted works	3	0.50	Paragraph 2.4.9.1 (i)
ii)	Short execution	16	1.60	Paragraph 2.4.9.1 (ii)
iii)	Incomplete works	4	12.16	Paragraph 2.4.9.1 (iii)
iv)	Undue delay in commencement of work	13	1.68	Paragraph 2.4.9.1 (iv)
Total		36	15.94	

(i) Unexecuted works

Four works (*Appendix 2.4.3*) taken up at a cost of ₹ 0.50 crore were reported as complete and ₹ 0.50 crore was paid to the contractors. During joint inspection (July 2017), it was revealed that no work was executed.

The Government stated (October 2017) that the works were completed. The reply of the Government was not correct as during joint inspection (June/July 2017) it was seen that the works were not executed. The finding of the joint inspection was also endorsed by the village representatives during interviews.

(ii) Short execution of work

Sixteen works at a cost of ₹ 18.64 crore were reported as complete against which ₹ 15.97 crore was paid to the concerned contractors. Joint inspection (June/July 2017) of these works revealed that the actual value of these 16 works executed was less than the amount paid by ₹ 1.60 crore (*Appendix 2.4.4*).

The short execution of work resulted in excess payment of ₹ 1.60 crore to the contractors.

The Department accepted the facts (November 2017).

(iii) Incomplete works

Four works (estimated cost ₹ 13.90 crore) which had been certified as completed and against which for ₹ 12.16 crore had been paid to contractors were found incomplete during joint inspection. One of these works had been executed twice as detailed at paragraph 2.4.9.2. The details are given in *Appendix-2.4.5*.

(iv) Undue delay in commencement of works

13 works (estimated costs ₹ 1.68 crore) for which work orders were issued in December 2015, December 2016 and January 2017 (*Appendix-2.4.6*) had not commenced (as of June 2017) even after the expiry of their stipulated dates of completion.

2.4.9.2 Construction of bailey bridge in Tobu - work executed twice

The Department proposed an amount of ₹ 10 crore in the AAP of 2013-14 for construction of bailey bridge over river Yetyong in Tobu which was approved (March 2014) by GoI.

Work order was issued by EE, DUDA (May 2014) to M/s Squareddeal Enterprises for ₹ 9.46 crore with a stipulation to complete the work within 24 months. The scope of work as per the work order included construction of bailey bridge, widening of existing 10 KM road from three metres to six metres from Tobu main road to Auching and construction of 10 hume pipe culverts and five RCC culverts. Examination of records revealed that the EE, DUDA certified the work as complete and consequently the contractor was paid ₹ 9.46 crore in August 2014 in one installment³³.

Records further revealed that another ₹ 42 lakh was sanctioned by GoI as per the approved³⁴ AAP of 2015-16 for construction of “Bridge at Yetyong river at Tobu”. Work order was issued to M/s Trident Enterprises (December 2015) for ₹ 39.90 lakh for construction of bridge to be completed within 12 months. The EE, DUDA certified the work as complete (April 2016) and payment of ₹ 39.90 lakh³⁵ was made to the contractor in May 2016.



Joint inspection (June/July 2017) revealed that the work order issued to M/s Trident Enterprises on December 2015 for the construction of “Bridge at Yetyong river at Tobu” was the same bailey bridge for which work order was issued to M/s Squareddeal Enterprises in May 2014. The construction of bailey bridge had not been completed despite making full payments to the two contractors for the same work. Work in respect of widening of road from three to six metres was also not done and

³³ Bill No.30 dated 30-08-2014

³⁴ By SLSC

³⁵ Vide Bill No.37 dated 30-05-2016

construction of culverts remained incomplete (July 2017). Photographs taken on the work during the joint inspection are shown below:

Photographs on Construction of bailey bridge at Yetyong river including road between Tobu and Auching	
	
Abutment walls of ongoing work of construction bailey bridge	Road from Tobu to Auching (Widening) – not done

As can be seen from the photographs, the works remained incomplete but were certified as completed.

The Department did not offer any reply (November 2017).

Audit recommends that an FIR be filed against the concerned officials and contractors concerned and the matter handed over to the State Vigilance Commission for further investigation.

2.4.9.3 Basic physical and social infrastructure

Para 3.1 of BADP guidelines (2014) envisions that funds under the programme shall be used for meeting critical gaps in physical and social infrastructure to meet the immediate needs of the border population.

Interviews with the Village Chairmen and VDB members of the 16 villages covered under this performance audit revealed that gaps in basic infrastructure in these villages still existed even though BADP was implemented in the State since 2009:

Table No. 2.4.6

District	Mon	Tuensang
Villages selected for verification	11	5
No of households	4766	2893
Village without Public Health Centres	2	4
Villages without public toilet	9	2
Villages without women public toilet	11	5
Villages yet to be electrified	0	0
Household yet to be electrified	2650	921
Blacktopped roads	0	0
Villages without drinking water supply	2	0
Households without drinking water supply	2201	73

As seen from the table above, some of the villages still lacked basic infrastructure such as Public Health Centres, 30 *per cent* households (2,274 out 7,659 households) still lacked piped water supply and as much as 47 *per cent* (3,571 households out of 7,659 households) were yet to electrified.

2.4.10 Monitoring and evaluation

Para 10.1 of the BADP guidelines requires the state governments to develop an institutional system for inspection of BADP and submit reports to the Department of Border Management, MHA. In addition, each border block should be assigned to a high-ranking State Government Nodal Officer who should regularly visit the block and take responsibility for BADP. Third party inspections are also to be commissioned by the states for an independent feedback on the quality of work and other relevant issues.

2.4.10.1 Inadequate institutional mechanism for inspection

Examination of records revealed that the GoN had not developed an institutional mechanism for inspection of works taken up under BADP. The Department stated that, though an institutional mechanism was not developed, inspection teams (consisting of officials of the Department) were constituted twice in a year to monitor the implementation of the programmes and reports were submitted. The Department furnished only two notifications (February 2011 and October 2015) for constitution of inspection teams.

During the period of audit, no Third Party Inspection Agency (TPIA) was also commissioned by the Government as prescribed under BADP guidelines.

2.4.10.2 Social Audit

As per para 9.1 of BADP guidelines (2014), an appropriate 'Social Audit System' should be put in place by the State Government. No Social Audit was conducted on the works executed under BADP.

2.4.10.3 Inventory of Assets

As per para 9.3 of BADP guidelines (2009), the State Governments shall develop an inventory of assets created under the BADP in border villages/hamlets for analytical purposes etc.

It was observed that the Department did not maintain an inventory of assets created under the programme with asset marking, measurements of the asset, etc.

2.4.11 Conclusion

The preparation of Annual Action Plans was not based on integrated approach or identified gaps incorporated in the baseline survey or from long-term plans. The DPDBs/DLCs which are important entities were side-lined in the selection of projects. There were delays in releases of funds by the State Government. Instances of excess payments, payment without execution of work, abandonment of the projects, incomplete projects, short execution of projects and deviation from the approved works were noticed. Allocation of funds was emphasised more on infrastructure as compared with other sectors like Education, Health, Agriculture and Social sectors. Some of the villages already covered under the programme lacked basic infrastructure

such as Public Health Centres, piped water supply and electricity. The institutional monitoring mechanism was inadequate.

2.4.12 Recommendations

- The State/DLCs should define 'saturation level' of a border village;
- The primary focus should be given to villages falling within 0-10 KM from the IB and only after these villages are 'saturated' with the necessary infrastructure to meet the developmental needs of the people of these villages should the next set of villages should be taken up;
- Management of the project execution should be improved to avoid instances of abandonment of the works, payment against incomplete/unexecuted works, delay in completion of works, etc.; and,
- An adequate institutional monitoring mechanism should be put in place to ensure that the programme objectives are achieved.

DEPARTMENT OF FISHERIES

2.5 Performance Audit on activities of Fisheries Department in Nagaland

Highlights:

The Department did not have a perspective long-term plan for development of fisheries in the State. Although the Department prepared Annual Action Plans (AAPs) during the period from 2012-17, these were more in the nature of stand-alone exercises with no linkages to the medium or long-term goals/plans of the Department.

(Paragraph 2.5.8)

Utilisation Certificates for an amount of ₹ 12.79 crore was furnished even before the funds were released by the State Government.

(Paragraph 2.5.9.2)

The Department paid ₹ 3.98 crore for seven un-executed projects and ₹ 16.37 crore for six short executed projects.

(Paragraphs 2.5.10.1 and 2.5.10.2)

An expenditure ₹ 2.78 crore was made on a single project twice which was ultimately abandoned, rendering the expenditure as infructuous.

(Paragraph 2.5.10.4)

There was a shortfall in production of fingerlings by 471.93 lakh (94.40 per cent) during the last five years which may have impacted introduction of economically improved fish species in the State.

(Paragraph 2.5.11)

2.5.1 Introduction

Nagaland is predominantly an agrarian state, dependent on agriculture and allied activities for livelihood. Fishery³⁶ is one of the potential sectors of food production in the State. Surface water bodies³⁷ in the State provide opportunities to develop the fisheries sector. Fisheries resources such as ponds, wet terrace fields, lakes and reservoirs, streams and rivers etc., can contribute considerably in the improvement of livelihood of the people in the State.

2.5.2 Organisational Set-up

The Secretary, GoN is the Administrative Head of the Fisheries Department. At the Directorate level, the Director is the Head of the Department assisted by an Additional Director, Joint Director, three Deputy Directors and an Assistant Engineer. Seven districts³⁸ were headed by District Fishery Officers, while the remaining four districts³⁹ were headed by Sub-Divisional Fishery Officers.

2.5.3 Scope of Audit

This Performance Audit (PA) covered the period from 2012-13 to 2016-17. The records of the Directorate and three⁴⁰ out of 11 districts were test checked. During 2012-17, the Department implemented 18 schemes (of GoI/ State/NEC/NABARD) out of which the records of 15 schemes (details given in *Appendix 2.5.1*) were examined in the course of this PA. Further, joint inspection⁴¹ of all 28 projects executed during 2012-17 under the selected 15 schemes was undertaken to assess the implementation and impact of these projects at the ground level in the three districts covered under this PA.

2.5.4 Audit Objectives

The audit objectives were to assess whether:

- (i) the planning process was comprehensive and in accordance with the guidelines for implementation of the project/schemes;
- (ii) the allocation and release of funds was adequate, timely and their utilization was economical and efficient;
- (iii) the projects were implemented efficiently to meet the schemes objectives; and,
- (iv) the monitoring and evaluation of the project/schemes was adequate and effective.

³⁶ Fishery means any activity or occupation or profession connected with rearing, culture, development, conservation, protection, exploitation, utilisation, extension, augmentation or disposal of fish, fish products and fish by-products.

³⁷ Ponds/Tanks 3298 Hectares, Paddy-cum-fish culture 3230 Hectares, Reservoir 2258 Hectares and Lakes/Weirs/Swamps 1000 hectares (31st March 2017).

³⁸ Kohima, Dimapur, Mokokchung, Wokha, Zunheboto, Tuensang and Mon.

³⁹ Peren, Phek, Longleng and Kiphire.

⁴⁰ Wokha, Dimapur and Peren.

⁴¹ Joint inspection team comprised of District Fishery Officer of the concerned district assisted by SDO/AE of the engineering wing of the Department and Audit team comprising of three members.

2.5.5 Audit Criteria

Audit findings were benchmarked against the following criteria:

- Twelfth Five Year Plan (12th FYP) and Annual Plans.
- Perspective Plan, Annual Action Plan, Detailed Project Reports.
- Scheme guidelines.
- Guidelines, circulars and instructions by GoI, State Government etc.
- General Financial Rules.

2.5.6 Audit Methodology

The audit methodology comprised of an entry conference (20 April 2017), requisition and examination of records, issue of audit observations, questionnaire, beneficiary survey, joint inspection, issue of draft report to the Government to solicit its replies and an exit conference (16 October 2017). The replies received and the views expressed by the departmental officers during exit meeting were considered and incorporated in this report wherever relevant.

2.5.7 Acknowledgement

We acknowledge the co-operation and assistance given to us by the Department of Fisheries during the conduct of this Performance Audit.

Audit Findings

2.5.8 Planning process

Examination of records revealed that the Department did not have a perspective long-term plan for development of fisheries in the State. Although the Department prepared Annual Action Plans (AAPs) during the period from 2012-17, these were more in the nature of stand-alone exercises with no linkages to the medium or long-term goals/plans of the Department. The AAPs were prepared without any baseline surveys of fishery resources, identification of the overall scope and primary areas for development of fishery in the State and no inputs were taken from the district or grassroots level. It was also yet to develop a reliable database of its own as evidenced from the fact that the data on 'potential area of reservoir' in the State adopted by the Department was the one arrived at in 1990 by the North Eastern Power Corporation and the 'paddy-cum-fish culture' data was that of the Agriculture Department, GoN.

The Department accepted (October 2017) that the data used for planning process were obtained from external sources. It also stated that baseline surveys could not be carried out due to paucity of fund and manpower.

2.5.9 Allocation and release of funds

The budget allocation and expenditure of the Department during 2012-17 are shown below:

Table No.2.5.1

(₹ in crore)				
Year	Budget allocation	Total expenditure	Excess(+)/ Savings (-)	Remarks
2012-13	38.49	34.70	(-) 3.79	
2013-14	42.47	37.06	(-) 5.41	₹ 0.03 crore not surrendered
2014-15	39.28	29.45	(-) 9.83	Including supplementary grant of ₹ 10.93 crore and ₹ 0.25 crore not surrendered
2015-16	42.19	33.43	(-) 8.76	-
2016-17*	37.44	33.62	(-) 3.82	-
Grand total	199.87	168.26	(-) 31.61	0.28

(Source: Appropriation Accounts & *Departmental records)

The Department also received ₹ 13.22 crore during the five-year period from the National Fisheries Development Board (NFDB).

It can be seen from the above that there were persistent savings ranging between ₹ 3.79 crore and ₹ 9.83 crore. The supplementary provision of ₹ 10.93 crore obtained during 2014-15, was not required as ₹ 9.83 crore was not utilised during the year. It was also seen that against the total savings of ₹ 31.61 crore during 2012-17, ₹ 0.28 crore was not surrendered.

The Department stated (October 2017) that persistent savings occurred due to delay in release of funds and sanctions received towards the end of the financial year.

2.5.9.1 Delay and short release of matching State share

Examination of records revealed that during 2012-17, the Department received ₹ 90.86 crore from GoI/NEC to implement 24 projects (*excluding one project – RKVY which is 100 per cent Central sponsored project*) under seven schemes on a cost sharing basis between the Centre and the State⁴². The Central share of the cost of implementation of these 24 projects was ₹ 90.86 crore which was received by the Department during 2012-17 and the State's corresponding share was ₹ 23.78 crore. It was observed that GoN released only ₹ 12.98 crore, resulting in short release of its share amounting to ₹ 10.80 crore (details in **Appendix 2.5.2**). There were also inordinate delays ranging between 22 and 386 days in release of funds by GoN to the implementing Department (details in **Appendix-2.5.3**).

⁴² Cost sharing basis ranged from 55:45 (in respect of National Fisheries Development Board) to 90:10 between the Centre and the State.

The Government accepted the facts (October 2017) and added that the delay in release of funds hampered timely completion of the projects.

2.5.9.2 Utilisation Certificates (UCs) submitted even before the funds were received

Examination of UCs submitted by the Department to GoI, NEC and NABARD revealed that UCs for an amount of ₹12.79 crore under seven projects were furnished to GoI, NEC and NABARD even before the funds were released by the State Government to the Department – details are given in *Appendix-2.5.4*.

The Department, while accepting the facts, stated (October 2017) that these were necessitated to avail timely sanction of installments from the GoI.

2.5.10 Implementation of the projects

As stated in paragraph 2.5.3, the Department implemented 18 schemes during 2012-17 out of which the records of 15 schemes and the 28 projects taken up under these 15 schemes were examined in the course of this PA. Further, joint inspection of all 28 projects executed under the 15 schemes during 2012-17 was also undertaken. The details and the number of audit observations arising out of this exercise is summarized in the table below:

Table. 2.5.2

Type of Scheme	Total No. of schemes implemented during 2012 -17	Total No. of projects under the Schemes	Schemes selected for this PA	Total No. of projects under the selected schemes	No. of audit observations	Money value of audit observations (₹ in crore)	Reference to para number in this PA
Central	7	18	7	15	9	10.68	2.5.10.1 (iii); 2.5.10.2;2.5.12 (iii);
State	9	9	6	6	4	2.68	2.5.10.1 (i – ii); 2.5.12 (i, ii)
NEC	1	7	1	5	6	14.10	2.5.10.1 (iii); 2.5.10.2; 2.5.10.3; 2.5.10.4
NABARD assisted schemes	1	2	1	2	-	-	-
TOTAL	18	36	15	28	19	27.46	

The audit observations are detailed in the succeeding paragraphs.

2.5.10.1 Un-executed Projects

During joint inspection/site visits, it was found that projects/components under these projects amounting to ₹ 3.98 crore had not been executed. Details are given in succeeding page:

(i) Development of Fishery at Tir Village, Dimapur taken up in 2013-14 under a State scheme at a cost of ₹ 50 lakh to develop 2.6 hectares of water spread area was reported as complete in July 2014. The project could not be located during joint inspection (July 2017).

(ii) Construction of a fishery pond at Samziuram village in Peren district was taken up under a State scheme in 2012-13 at a cost of ₹ 40 lakh and was reported as complete in February 2013. During joint inspection (July 2017) it revealed that the project had not been executed. This fact was also confirmed by Samziuram Village Council.

(iii) ₹13 lakh was paid to seven beneficiaries in 2013-14 under two projects for development of fishery ponds in two villages as under:

Table No. 2.5.3

District	Scheme	Project	Village	No. and Name of beneficiaries	Amount paid (₹ in lakh)
Dimapur	NEC	Reclamation & renovation of old ponds and Tanks	Toulazouma	1) Shri Dupra Khesoh, 2) Shri Luhuto Lohe 3) Shri Dizu Shupao	6.00
	Central (RKVY)	Development of fresh water aquaculture, water logged areas and cold fisheries and aquaculture	Toulazouma	1) Shri Sani 2) Shri Asau	0.28
Peren	Central (RKVY)	Development of fresh water aquaculture, water logged areas and cold fisheries and aquaculture	Samziuram	1) Shri R. Kuki	4.72
	NEC	Reclamation and Renovation of old Ponds & Tanks	Samziuram	1) Shri Beichu	2.00

During joint inspection, the location of the above projects in the two villages could not be located.

(iv) During joint verification it was ascertained that in three projects, items of work and equipment to be procured were not executed/procured to the value of ₹ 2.95 crore although departmental records indicated that expenditure on the same had been incurred – details are given in **Appendix 2.5.5**.

The Department stated (October 2017) that (a) investigation was underway with respect to the project at Sl. No. (i) above; (b) the construction of fishery pond at Samziuram village, Peren was not implemented as it was relocated to Dihoma village, Kohima; and, (c) the issue of bogus beneficiaries was under investigation. The Department was silent on the non-execution of works valued at ₹ 2.95 crore [Sl. No. (iv) above].

2.5.10.2 Short execution of works

The Department targeted to develop 246.79 hectares of water spread area under six projects at a cost of ₹ 29.34 crore during the period 2012-15. As against this, as ascertained from departmental records, water spread area of 231.15 hectares was developed at accost of ₹ 21.77 crore. During joint inspection (June/July/August 2017), it was observed that only 14.63 hectares of water spread area was developed. The

short execution 216.52 hectares of water spread area resulted in excess expenditure of ₹ 16.37 crore. Details are given in **Appendix-2.5.6**.

2.5.10.3 Inadmissible payment

North Eastern Council in March 2012 sanctioned ₹5 crore for a project “Reclamation and renovation of old ponds and tanks” on the basis of a proposal submitted by the Department. Under the project, 250 hectares of water spread area held by 465 beneficiaries was to be developed by providing financial to beneficiaries at the rate of ₹ 2 lakh per hectare of water spread area.

Examination of records revealed that the Department released ₹ 4.90 crore⁴³ to 245 beneficiaries⁴⁴ during December 2012 to August 2016 at a flat rate of ₹ 2 lakh per beneficiary. However, as per the project financial assistance was to be released to an individual beneficiary on the basis of his/her holding of water spread area. Audit observed that the 245 beneficiaries between them had a total holding of 132.80 hectares of water spread area and were thus entitled to a financial assistance of ₹ 2.66 crore⁴⁵ as against ₹ 4.90 crore paid to them. The Department thereby violated the project guidelines and made an inadmissible payment of ₹ 2.24 crore to the 245 beneficiaries.

The Department stated (October 2017) that the project was taken up at a cost of ₹ 4.90 crore for 245 beneficiaries at the rate of ₹ 2 lakh. The reply is not acceptable as the Department had deviated from the approved rates in disbursement of the assistance by not considering the water area held by each beneficiary.

2.5.10.4 Funds drawn twice for the same project

NEC approved (March 2012) a project “Development of Kezha Fish Production Farm Project at Metha Colony, Signal Village, Dimapur,” for ₹ 3.27 crore on a 90:10 sharing basis between NEC and GoN. The project included construction of 25 ponds with total water area of 13.52 hectares (₹ 3 crore), watchmen’s quarter (₹ 8 lakh), labour shed (₹ 3 lakh), machinery & equipment (₹ 5 lakh) and operational cost (₹ 11 lakh). Examination of records revealed that ₹ 1.31 crore was paid to the beneficiary (Shri Kezha) in two installments in October/November 2012. Details of work order, actual quantity of work done etc. were not on record. It was observed that the project was closed (July 2015) after spending ₹ 1.31 crore⁴⁶ due to lack of sufficient land. Joint inspection (July 2017) revealed that out of 25 ponds, only one pond measuring 324 x 152 feet (0.45 hectares water spread area⁴⁷), watchman quarter and water pump and dragnet for an amount of ₹ 20 lakh was constructed. A signboard erected at the project site displayed “Kezha Fishery, Innovative Grant during 2013-14 under Ministry of Tribal Affairs” as shown in the photograph below:

⁴³ ₹ 60 lakh (December 2012), ₹ 40 lakh (January 2013), ₹ 30 lakh (March 2013), ₹ 20 lakh (April 2013), ₹ 100 lakh (November 2013), ₹ 100 lakh (December 2013), ₹ 30 lakh (January 2014), ₹ 40 lakh (March 2016), ₹ 50 lakh (May 2016) and ₹ 20 lakh (August 2016)

⁴⁴ Including 13 beneficiaries selected outside the approved list.

⁴⁵ 132.80 hectares @ ₹ 2 lakh per hectare

⁴⁶ GoI (NEC) share of ₹ 117.84 lakh and GoN matching share of ₹ 13.09 lakh.

⁴⁷ 107639 sq.ft = 1 HA.



Cross check of records of Planning and Coordination Department (PCD) revealed that PCD had proposed a project at the same site “Fishery Project at Metha Colony, Dimapur” for ₹ 1.47 crore during 2013-14. The work order was issued (February 2014) to the beneficiary contractor (M/S Kuolie Metha) and full payment of ₹ 1.47 crore was released to the contractor in two installments (July 2014 and December 2014) on the basis of progress report furnished by the EE. There was no record to verify the basis on which the progress report was certified by the EE. PCD records revealed that the project site was located in a residential area with no scope of expansion which indicated that the project was ill conceived from inception. The PCD in November 2017 informed Audit that the project was abandoned.

Thus, an expenditure of ₹2.78 crore⁴⁸ was rendered infructuous. The misappropriation of the funds cannot be ruled out which needs to be investigated.

The Fisheries Department stated (October 2017) that after release of 1st instalment, NEC recommended for change of scope of the project as the original site was not feasible for further development. The project was therefore closed after the first instalment. The Department also stated that it was not aware of implementation of any other project funded out of grants received by the State at the same location.

The reply is not acceptable as the concept note and the DPR for the project funded by PCD was also prepared (December 2013) by the Fisheries Department.

Audit recommends that the matter be referred to the State Vigilance Commission for further investigation.

2.5.11 Performance of seed production farms

As of March 2017, there were two carp seed production farms namely, Jorpukhuri Government Fish Farm, Dimapur and Nathanglu Fish Farm, Mokokchung. The production capacity, actual fish seed production and shortfall is detailed in succeeding page:

⁴⁸ ₹ 1.31 crore + ₹ 1.47 crore

Table-2.5.4

(Production in lakh)

Year	Fish seed/ fingerlings production capacity		Actual fish seed/ fingerlings production		Shortfall in production	
	Nathanglu Govt. Fish Farm	Jorpukhuri Govt. Fish Farm	Nathanglu Govt. Fish Farm	Jorpukhuri Govt. Fish Farm	Nathanglu Govt. Fish Farm	Jorpukhuri Govt. Fish Farm
2012-13	20.00	80.00	0.00	4.70	20.00	75.30
2013-14	20.00	80.00	0.00	0.00	20.00	80.00
2014-15	20.00	80.00	0.81	0.00	19.19	80.00
2015-16	20.00	80.00	4.00	5.14	16.00	74.86
2016-17	20.00	80.00	4.00	9.42	16.00	70.58
Total	100.00	400.00	8.81	19.26	91.19	380.74

(Source: Departmental records)

As seen from above, there was a shortfall in production of fingerlings by 471.93 lakh (94.40 per cent) during the last five years. The low performance of these farms would have negatively impacted the introduction of economically improved fish species in the State.

The Department stated (October 2017) that the shortfall in production of fingerlings was attributed to short duration of breeding cycles coupled with unpredictable weather, shortage of nursery ponds and manpower. The fact however remains that the production capacity had been fixed after taking into consideration the breed cycles, unpredictable weather, nursery ponds and manpower.

2.5.12 Unfruitful expenditure

- (i) To improve inland fish production, the Department procured 60 floating cages⁴⁹ in 2012-14 with fingerling nets (15 mm), grow out nets (30 mm) and other accessories for ₹ 1.33 crore. These cages were meant for installation at different locations in the State.

Examination of records revealed that the Department installed 24 cages at Doyang Reservoir, 12 at Jorpukhuri Government Fish Farm, six each at Nouné Resorts, Vihokhu Resorts, Zuheshe Resort and Shilloi Lake, Phek district. Joint inspection (June & July 2017) revealed that 42 cages⁵⁰ installed in Wokha and Dimapur districts were lying idle and 12 cages installed at Jorpukhuri Government Fish Farm, Dimapur were dismantled. It was also noticed that cages installed at Vihokhu, Zuheshe and Jorpukhuri Government Fish Farm were not utilised since installation.

The Department while accepting (October 2017) the facts stated that after installation, the cages were handed over to private parties and did not carry out follow up actions since it was a one-time grant. The fact remains that the expenditure of ₹ 1.33 crore to procure the floating cages was unfruitful.

⁴⁹ Inner size 6M (length) x 4M (width) x 4M (height)

⁵⁰ Wokha district (Doyang Reservoir 24 cages) and Dimapur district (Nouné Resort six cages, Vihokhu Resort six cages, Zuheshe Resort six cages)

- (ii) The Department completed the construction of a Fish Feed Mill at Tir village, Dimapur (March 2013) at a cost of ₹ 45 lakh for production of quality fish feed to be used in the fisheries sector. As of September 2017, the Fish Feed Mill was yet to be commissioned as the facility required a three-phase power line to be operational. The expenditure of ₹ 45 lakh on construction of the Mill was thus, so far, unfruitful.
- (iii) The Department completed the construction of two 10 MT cold storage facilities at Chumukedima and Diphupar (both in Dimapur district) in March 2014 at a cost of ₹ 1.78 crore. During joint inspection (July 2017), it was observed that the plants remained un-operational due to non-availability of three-phase power supply. This resulted in unfruitful expenditure of ₹ 1.78 crore.

2.5.13 Conclusion

The Department did not have reliable database of water bodies in the State to serve as a sound basis for systematically planning the development of the fishery sector in the State. Annual plans were prepared without conducting baseline surveys of fishery resources in the State. There was short execution in development of water spread bodies by 216.52 HA in six projects valued ₹ 16.37 crore. Cold Storage/ Feed Mill/ Cages installed/constructed at a cost of ₹ 3.56 crore was non-operational. Instances of lapses in implementation of the Scheme were noticed. The Department paid ₹ 3.98 crore for un- executed items of works.

2.5.14 Recommendations

- The Department should undertake survey of fisheries resources to ascertain the area of water bodies already developed and to be developed.
- The Department should prepare a long-term strategy for development of fisheries as an important economic activity in the State based which would be the basis for preparation of a rolling five-year plan and annual plans.
- Project management should be strengthened to avoid excess payments, non-execution and incomplete projects.

RURAL DEVELOPMENT DEPARTMENT

2.6 Payment against fictitious transportation challans

Project Director, DRDA, Kiphire paid ₹ 2.03 crore for supply of 3,741 bundles of CGI sheets against fictitious transportation challans and non-existent vehicles.

Examination of records of Project Director (PD), District Rural Development Agency (DRDA) Kiphire revealed that the Department issued (April 2016) a supply order to a supplier⁵¹ to supply 11,313 bundles of CGI sheets to DRDA, Kiphire at a cost of ₹ 6.15 crore. The supply order stipulated that CGI sheets should be 50 KG per bundle in weight and 10 feet in length per sheet and materials should be delivered at the district headquarter. PD, DRDA, Kiphire in May 2016 paid ₹ 6.15 crore to the

⁵¹ M/s Niholu Ayemi, Dimapur

supplier after the receipt of the 11,313 bundles of CGI sheets was authenticated by the Project Director, DRDA, Kiphire and the respective Block Development Officers (BDO).

The transportation challans furnished by the supplier to PD, DRDA, Kiphire indicated that 33 vehicles were engaged by the supplier for transporting the contracted quantity of CGI sheets to Kiphire. Further, the registration numbers of the vehicles noted in the transportation challans indicated that these 33 vehicles were registered in six districts, viz., Kohima, Dimapur, Mokokchung, Tuensang, Mon and Phek. In July 2017, Audit wrote to the District Transport Officers (DTO) of these six districts requesting for the details of the permissible carriage capacity of the 33 vehicles registered in their respective districts.

Audit received a response only from DTO, Dimapur with respect to 18 vehicles bearing Dimapur district registration numbers which revealed that:

- In three cases⁵², the registration number of vehicles furnished by the supplier did not exist in the records of DTO Dimapur. The transportation challans showed that these fictitious vehicles were used for transporting 1,075 bundles of CGI sheets valued at ₹ 0.58 crore⁵³.
- With respect to the remaining 15 vehicles registered under DTO, Dimapur it was seen that with reference to the trips made, these vehicles transported 2,666 bundles of CGI sheets worth ₹ 1.45 crore in excess of the permissible carriage capacity of the vehicles (details in *Appendix-2.6.1*). The excess carriage beyond the permissible capacity of the vehicles ranged between 55 per cent and 2991 per cent. In one instance a TATA Ace vehicle bearing registration number NL-07-A/ 2445 had carried 345 bundles on one trip against its capacity of only 15 bundles.

In the light of the above facts, the actual receipt of 3,741 bundles of CGI sheet worth ₹ 2.03 crore was doubtful.

Audit further noted that the Department had directed that photographs of the beneficiaries and the houses constructed should be maintained by the Block Development Officers (BDO) and also submitted to the PD, DRDA. The records pertaining to the receipt and distribution of the 11.313 bundles of CGI sheets by the concerned BDOs through the Village Development Boards (VDB) to individual beneficiaries and the photographs of beneficiaries and houses were not furnished to Audit though called for. In the absence of documents in support of distribution of materials to the beneficiaries and against the backdrop of the fictitious transport challans, audit could not vouchsafe whether the full quantity of the material was received or not.

The Department stated (September 2017) that the payment was released as per the challan bills produced by the supplier. The Department also stated that it had received all the CGI sheets in full and good condition.

⁵² NL 07A -4186, NL 07A-1378 and NL 07A-3282

⁵³ 1075 bundles @ ₹ 5440/- per bundle

The reply was not acceptable in view of the fictitious transportation challans revealed in audit and the fact that the claim of receipt of materials was neither supported by documents against the receipts and delivery of CGI sheets upto VDB level nor photographs of beneficiaries and the houses constructed were on record.

Audit recommends that the case be referred to the State Vigilance Commission for further inquiry into the matter.

2.7 Short distribution of housing materials and cash component under Indira Awaas Yojana (IAY)

Short distribution of housing materials and cash component under IAY totaling ₹ 73 lakh in Chiephobozou Block

IAY⁵⁴ is a scheme to enable Below Poverty Line households identified by the community through Gram Sabhas⁵⁵ to get financial and technical assistance to build their houses or get house sites. In Nagaland, Department of Rural Development is implementing the scheme through Village Development Boards (VDBs).

Examination of records (June 2016) of the Block Development Officer (BDO), Rural Development Block, Chiephobozou revealed that under IAY, 4520 bundles of CGI sheets (cost- ₹ 2.37 crore), 121 Syntex water tanks (cost- ₹ 0.13 crore), 452 bundles of Ridging (cost- ₹ 0.04 crore, 1980 litres of metal primer (cost- ₹ 0.03 crore), 2475 litres of green paint (cost- ₹ 0.06 crore) and cash component (₹ 0.19 crore) were distributed in 18 villages.

Audit cross-verified the above information with stock registers maintained by VDBs of seven⁵⁶ of the 18 villages which revealed that there was a short receipt of materials and cash component in these seven villages as under:

Table No. 2.7.1

Sl. No.	Materials/ Item	Unit	Total issued as per BDO records	Total received in seven VDBs	Total short receipt
1	CGI Sheets	Bundle (10 sheets)	1940	790	1150
2	Syntex Water Tank	Number	57	17	40
3	Ridging	Bundle	194	80	114
4	Green paint	Litre	1000	400	600
5	Metal Primer	Litre	805	160	645
6	Cash Component	₹ in Lakh	8.21	3.57	4.64

The value of short receipt of housing materials and cash component worked out to ₹ 73 lakh (details in *Appendix 2.7.1*).

The matter was reported to the Department in June 2017; reply was awaited (April 2018).

Audit recommends that this case be referred to the State Vigilance Commission for further investigation.

⁵⁴ Now renamed *Pradhan Mantri Gramin AwaasYojana*.

⁵⁵ In States where there are no Panchayats, democratic institutions at the appropriate levels were to be assigned the roles specified for Panchayats.

⁵⁶ Kijutouma Basa, Zhadima, Chiechama, Nerhema, Viphoma, Phezha and Ziezou villages.

CHAPTER – III
ECONOMIC SECTOR
(PUBLIC SECTOR UNDERTAKINGS)

CHAPTER III

ECONOMIC SECTOR (PUBLIC SECTOR UNDERTAKINGS)

3.1 Introduction

3.1.1 The State Public Sector Undertakings (SPSUs) consist of State Government Companies and Statutory Corporations. The SPSUs are established to carry out activities of a commercial nature and they occupy an important place in the State economy. As on 31 March 2017, there were 6 (Six) SPSUs in Nagaland as under:

Table No. 3.1.1

Working SPSUs	1. Nagaland Industrial Development Corporation (NIDC) Ltd.
	2. Nagaland State Mineral Development Corporation (NSMDC) Ltd.
	3. Nagaland Hotels (NHL) Ltd.
	4. Nagaland Industrial Raw Materials & Supply Corporation (NIRMSC) Ltd.
	5. Nagaland Handloom & Handicrafts Development Corporation (NHHDC) Ltd.
Non-working SPSUs	1. Nagaland Sugar Mills Company Ltd., Dimapur

The working SPSUs registered a turnover of ₹ 6.61 crore as per their latest finalised accounts (September 2017). This turnover was 0.03 *per cent* of State Gross Domestic Product⁵⁷ (SGDP) of 2016-17. During 2016-17, the working SPSUs had incurred an aggregate loss of ₹ 58.70 crore as compared to the aggregate loss of ₹ 49.28 crore during 2015-16. At the end of March 2017, the working SPSUs employed 563 employees.

As on 31 March 2017, one SPSU (Nagaland Sugar Mills Company Limited) with an investment of ₹ 5.89 crore⁵⁸ was not operational for the last 18 years (since 1999-2000).

3.1.2 Accountability framework

The audit of the financial statements of a company in respect of financial years commencing on or after 01 April 2014 is governed by the provisions of the Companies Act, 2013. However, the audit of a company in respect of financial years that commenced earlier than 01 April 2014 continue to be governed by the Companies Act, 1956. The process of audit of government companies under the Act is governed by respective provisions of Section 139 and 143 of the Act.

3.1.3 Statutory Audit

The financial statements of a government company are audited by the statutory auditors, who are appointed by the Comptroller and Auditor General of India (CAG) as per the provisions of Section 139 (5) or (7) of the Companies Act. These financial

⁵⁷ Source: Directorate of Economics and Statistics, Government of Nagaland.

⁵⁸ Figure as per the latest finalised account (2001-02).

statements are subject to supplementary audit to be conducted by CAG within 60 days from the date of receipt of the audit report under the provisions of Section 143 (6) of the Act.

Audit of statutory corporations is governed by their respective legislations. However, there is no statutory corporation in Nagaland.

3.1.4 Role of Government and Legislature

The State Government exercises control over the affairs of SPSUs through its administrative departments. The Chief Executive and Directors to the Board are appointed by the Government.

The State Legislature also monitors the accounting and utilisation of government investment in the SPSUs. For this, the Annual Reports together with the Statutory Auditors' Reports and comments of the C&AG thereon, in respect of State Government Companies are placed before the legislature under Section 394 of the Act or as stipulated in the respective Acts. The Audit Reports of C&AG are submitted to the Government under Section 19A of the C&AG's (Duties, Powers and Conditions of Service) Act, 1971.

3.1.5 Stake of State Government

The State Government's financial stake in these SPSUs are mainly of three types:

- **Share Capital and Loans-** In addition to the Share Capital Contribution, State Government also provides financial assistance by way of loans to the SPSUs.
- **Special Financial Support-** State Government provides budgetary support by way of grants and subsidies to the SPSUs as and when required.
- **Guarantees-** State Government also guarantees the repayment of loans with interest availed by the SPSUs from financial institutions.

3.1.6 Investment in SPSUs

As on 31 March 2017, the investment (capital and long-term loans) in six SPSUs⁵⁹ was ₹112.80 crore as detailed below.

Table No. 3.1.2

(₹ in crore)

Type of SPSUs	Government Companies		
	Capital*	Long Term Loans	Total
Working SPSUs	35.95	67.77	103.72
Non-working SPSUs	5.89	3.19	9.08
Total	41.84	70.96	112.80

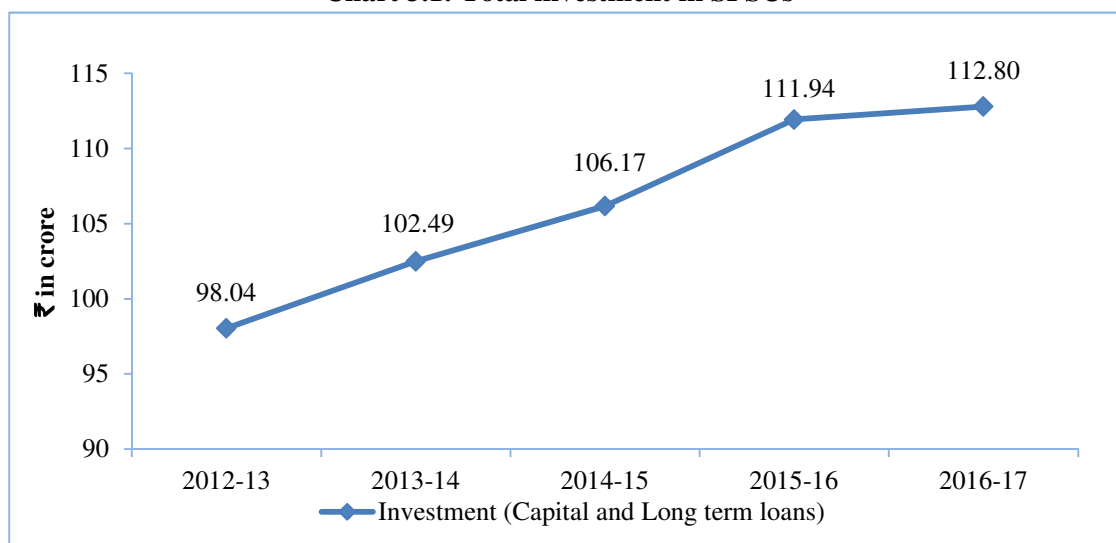
*also, includes ₹6.78 crore from sources other than State Government.

Out of the total investment of ₹ 112.80 crore in SPSUs as on 31 March 2017, 91.95 per cent was in working SPSUs and the remaining 8.05 per cent in non-working

⁵⁹ There are no Statutory Corporations in Nagaland.

SPSUs. This total investment consisted of 37.09 *per cent* towards capital and 62.91 *per cent* in long-term loans. The investment had increased by 15.06 *per cent* from ₹ 98.04 crore in 2012-13 to ₹ 112.80 crore in 2016-17 as shown in the graph below:

Chart 3.1: Total investment in SPSUs



3.1.7 Summary of Investments

The sector-wise summary of investments in the SPSUs as on 31 March 2017 is given below:

Table No. 3.1.3

Name of Sector	Government Companies		Total Investment (₹ in crore)
	Working	Non-Working	
Manufacturing	1.60	9.08	10.68
Finance	72.15	0	72.15
Miscellaneous	19.48	0	19.48
Service	10.49	0	10.49
Total	103.72	9.08	112.8

The investment in four significant sectors and percentage thereof to the total investment at the end of March 2013 to March 2017 are indicated in the chart below. The thrust of SPSU investment was mainly in finance sector which had increased from ₹ 58.74 crore in 2012-13 to ₹ 72.15 crore in 2016-17.

3.1.8 Special support and returns during the year

The State Government provides financial support to SPSUs in various forms through annual budget. The summarized details of budgetary outgo towards equity, loans, grants/ subsidies, loans written off and interest waived along with the position of guarantee for three years ended 2016-17 in respect of SPSUs are given below.

Table No. 3.1.4

(₹ in crore)

Sl. No	Particulars	2014-15		2015-16		2016-17	
		No. of SPSUs	Amount	No. of SPSUs	Amount	No. of SPSUs	Amount
1.	Equity Capital outgo from budget	0	0	0	0	0	0
2.	Loans given from budget	1	8.68	1	5.64	1	2.98
3.	Grants/Subsidy from budget	3	10.66	4	16.25	4	18.90
4.	Total Outgo (1+2+3)		19.34		21.89		21.88
5.	Repayment of loans	1	4.48	1	2.57	2	2.14
6.	Guarantees issued	1	4.48	1	5.64	1	2.98
7.	Guarantee Commitment	1	8.68	1	15.00	1	15.00

During the year 2016-17, two SPSUs namely Nagaland Industrial Development Corporation Limited (NIDC) and Nagaland Handloom and Handicraft Development Corporation Limited repaid a loan amount of ₹ 1.43 crore and ₹ 0.71 crore respectively.

In order to enable SPSUs to obtain financial assistance from Banks and Financial Institutions, State Government gives guarantee. However, the State Government had not framed any rules regarding extending guarantee for the same. In 2016-17 the State Government had given guarantee to Nagaland Industrial Development Corporation Limited for an amount of ₹ 2.98 crore. The guarantee commitment had increased from ₹ 8.68 crore in 2014-15 to ₹ 15 crore in 2016-17. No SPSU paid guarantee fee to the State Government during 2016-17 as there was no demand from the State Government.

3.1.9 Reconciliation with Finance Accounts

The figures in respect of equity, loans and guarantees outstanding as per the records of SPSUs should agree with that of the figures appearing in the Finance Accounts of the State. In case the figures do not match, the SPSUs concerned and the Finance Department should carry out reconciliation of differences. The position in this regard as at 31 March 2017 is given below.

Table No. 3.1.5

(₹ in crore)

Outstanding in respect of	Amount as per Finance Accounts	Amount as per records of SPSUs	Difference
Equity	106.34	33.92	72.42
Loans	0	0.81	-0.81
Guarantees	48.95	20.64	28.31

Audit observed that the differences occurred in respect of all the SPSUs which were pending for reconciliation since 2010-11. The Government and the SPSUs should take concrete steps to reconcile the differences in a time-bound manner.

3.1.10 Arrears in finalisation of accounts

The financial statements of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year i.e. by September end in accordance with the provisions of Section 96 (1) of the Act. Failure to do so may attract penal provisions under Section 99 of the Act.

The table below provides the details of progress made by working SPSUs in finalisation of accounts as of 30 September 2017.

Table No. 3.1.6

Sl. No.	Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
1	Number of Working PSUs	5	5	5	5	5
2	Number of accounts finalised during the year	21	17	6	2	3
3	Number of accounts in arrears	30	18	17	20	22
4	Number of Working PSUs with arrears in accounts	5	5	5	5	5
5	Extent of arrears (numbers in years)	1 to 9	1 to 5	1 to 5	1 to 6	1 to 7

It can be seen that the number of accounts in arrears had decreased from 30 in 2012-13 to 22 in 2016-17. However, the arrears increased from 20 to 22 in 2016-17 as compared to the previous year. Three SPSUs (NIDC, NSMDC & NIRMSC) finalised one accounts each as of 30 September 2017, while the remaining two SPSUs did not finalise any accounts. The delay in finalisation of accounts of these SPSUs was mainly due to delay in compilation/adoption of accounts by the Board of Directors of respective SPSUs.

In addition to above, the accounts of one non-working SPSU pertaining to the year 1981-82 to 2000-01 was finalised during the year. However, the SPSU had arrears of accounts for 16 years.

In view of the above, it is recommended that the Government should monitor and ensure timely finalisation of accounts in conformity with the provisions of the Companies Act, 1956 and orders of the Ministry of Corporate Affairs from time to time.

3.1.11 Investment by State Government in SPSUs whose accounts are in arrears

The State Government had invested ₹ 68.01 crore in five SPSUs {equity: ₹ 0.85 crore (one SPSUs) and grants ₹ 67.16 crore (five SPSUs)} during the years for which accounts have not been finalised as detailed in **Appendix-3.1.1**. In the absence of finalisation of accounts and their subsequent audit, it could not be ensured whether the investments and expenditure incurred have been properly accounted for and the purpose for which the amount was invested was achieved or not and thus Government's investment in such PSUs remained outside the control of the State Legislature.

3.1.12 Impact of non-finalisation of Accounts

As pointed out above (**Paragraph 3.1.10 to 3.1.11**), the delay in finalisation of accounts may result in risk of fraud and leakage of public money apart from violation of the provisions of the relevant statutes. In view of the above state of arrears of accounts, the actual contribution of SPSUs to the State GDP for the year 2016-17 could not be ascertained and their contribution to State exchequer was also not reported to the State Legislature.

3.1.13 Performance of SPSUs

The financial position and working results of working Government companies and Statutory Corporations are detailed in **Appendix-3.1.2**. A ratio of SPSU-turnover to State GDP shows the extent of SPSU activities in the State economy. Table below provides the details of working SPSU turnover and State GDP for five years ending 2016-17.

Table No. 3.1.7

(₹ in crore)

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Turnover*	6.75	5.98	6.26	6.23	6.61
State GDP	15676	17749	20099	20524	21119
Percentage of Turnover to State GDP	0.04	0.03	0.03	0.03	0.03

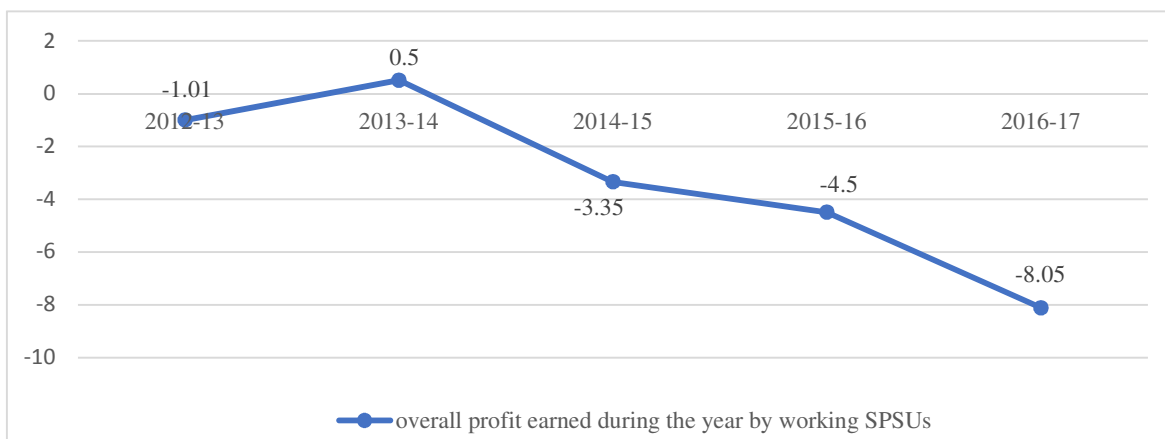
*Turnover as per the latest finalised accounts as of 30 September of the respective year

It can be noticed that during 2012-17, the State GDP had grown by 35 *per cent* while the turnover of SPSUs during the corresponding period had decreased by 2 *per cent*. Thus, the decrease in SPSUs turnover during the period of five years as compared to the growth in the State GDP during the corresponding period shows the declining activities of SPSUs.

3.1.14 Overall Profit/Loss of SPSUs

Overall profit and losses earned/incurred by State working SPSUs during 2012-13 to 2016-17 are given in the succeeding bar chart.

Chart 3.2: Profit/Loss of working SPSUs



It could be seen from the chart above that overall losses incurred by the working SPSUs had been increasing over the last three years. Three PSUs namely Nagaland Industrial Development Corporation Limited (NIDC), Nagaland State Mineral Development Corporation Limited (NSMDC) and Nagaland Industrial Raw Materials and Supply Corporation Limited (NIRMSC) which finalized their accounts during the year showed an increasing trend in the net loss. The figures for the other two PSUs were not available as no accounts were finalized during the year. Hence, increase in the net loss indicates loss incurred by the three SPSUs only.

3.1.15 Key Indicators

Some other key parameters of SPSUs are given below:

Table No. 3.1.8

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Return on Capital Employed (Per cent)	0.63	5.02	-	-	-
Debt	61.46	61.66	65.26	70.12	70.96
Turnover ⁶⁰	6.75	5.98	6.26	6.23	6.61
Debt/Turnover Ratio	9.11:1	10.31:1	10.42:1	11.26:1	10.74:1
Interest Payments					
Accumulated Profits/Losses	(51.38)	(49.35)	(51.84)	(49.28)	(73.80)

From the above it can be seen that the debt-turnover ratio of SPSUs had increased consistently due to increase in the long term borrowings of SPSUs. The accumulated losses of SPSUs had increased by 50 per cent in 2016-17 as compared to previous year. There was no return on capital employed during 2014-15 to 2016-17.

⁶⁰ Turnover of working SPSUs as per the latest finalised accounts as of 30 September of the respective year

3.1.16 Dividend

The State Government had not formulated any dividend policy for SPSUs regarding payment of minimum return on the paid up share capital contributed by the State Government.

3.1.17 Winding up of non-working SPSUs

There was one non-working SPSU (Nagaland Sugar Mills Company Ltd., Dimapur) during the last five years (2012-17). The liquidation process of this SPSU had not started.

3.1.18 Accounts Comments

Three working Companies forwarded one year audited accounts to Accountant General (Audit) during the year 2016-17. Non-Review Certificates were issued to all the accounts. The Statutory Auditors had given qualified certificates to two accounts and unqualified certificate to one account.

3.1.19 Replies outstanding

The Report of the CAG represents the culmination of the process of audit scrutiny. It is, therefore, necessary that they elicit appropriate and timely response from the executive. The Finance Department, Government of Nagaland did not issue any instruction to any Administrative Departments to submit replies/explanatory notes to paragraphs/reviews included in the Audit Reports of the CAG within a period of three months of their presentation to the legislature, in the prescribed format without waiting for any questionnaires from the COPU.

Table No. 3.1.9

Year of the Audit Report (Commercial/ SPSUs)	Date of placement of Audit Report in the State Legislature	Number of Paragraphs in the Audit Report	Number of Paragraphs for which explanatory notes were not received
2012-13	25 July 2014	1	0
2013-14	17 March 2015	1	0
2014-15	19 March 2016	0	0
2015-16	28 March 2017	0	0
Total		2	0

3.1.20 Discussion of Audit Reports by Committee on Public Undertakings

The status as on 30 September 2017 of Performance Audits and paragraphs that appeared in Audit Reports (PSUs) and discussed by the Committee on Public Undertakings (COPU) was as under:

Table No. 3.1.10

Period of Audit Report	Number of reviews/paragraphs as on September 2017	
	Paragraphs appeared in Audit Report	Paragraphs discussed
2012-13	1	Nil
2013-14	1	
2014-15	0	
2015-16	0	
Total	2	

During the period 2012-13 to 2015-16 two paragraphs relating to SPSUs had appeared in the State Audit Reports which are pending for discussion by COPU (November 2017).

3.1.21 Coverage of this chapter

This chapter contains one compliance audit paragraph.

3.1.22 Disinvestment, Restructuring and Privatisation of SPSUs and any reforms in power sector

There is no instance of disinvestment, restructuring and privatization of SPSUs during the year under Report. As part of the power sector reforms, separate companies were to be formed to look after the activities of generation, transmission and distribution of electricity in the State. The activities relating to generation, transmission and distribution of electricity in the State at present are being managed and controlled by the Power Department, GoN.

Compliance Audit

Nagaland Handloom and Handicrafts Development Corporation Limited (NHHDC)

3.2 Poor recovery of loans

Poor recovery of loans by NHHDC has resulted in borrowers owing ₹ 5.83 crore to NHHDC as a result of which NHHDC was not in a position to avail an offer of a waiver of ₹ 1.03 crore

Nagaland Handloom and Handicrafts Development Corporation Limited (NHHDC) was established in May 1979 with the objective to develop, promote, execute and operate business for development of handloom and handicraft industry in the State. NHHDC was nominated (September 2001) by the GoN as the State Channelizing Agency (SCA) for availing refinance from the National Minorities Development &

Finance Corporation (NMDFC⁶¹) and to extend loans under various schemes to beneficiaries in handloom and handicraft sector of the State.

The two schemes availed by NHHDC from NMDFC were (i) Term loan at interest rate of three *per cent* p.a. to finance projects costing upto ₹ 20 lakh and (ii) micro finance scheme at an interest rate of one *per cent per annum* to finance projects costing upto Rupee one lakh. NHHDC provided loans (ranging between ₹15,000 to ₹10,00,000) to beneficiaries under these schemes at interest rate of six *per cent per annum* under term loan scheme and three *per cent* under micro finance scheme.

The total outstanding loans taken by NHHDC from NMDFC as on 31 March 2016 stood at ₹ 6.88 crore (including interest Rupee one crore and penal interest ₹ 0.22 crore). In October 2016, NMDFC offered to write off ₹ 1.03 crore as a one-time settlement on the condition that NHHDC make an upfront payment of the balance loan amount owed by the NHHDC to NMDFC. However, due to financial constraints brought upon largely on account of poor recovery of loans from loanees (as brought out in the succeeding paragraphs), NHHDC could not avail NMDFC's offer.

As on 31 March 2017, NHHDC had disbursed loans of ₹ 13.57 crore to 2210 loanees. Audit observed that out of 2210 loanees, 1217 loanees (55 *per cent*) had defaulted in repayment of dues of ₹ 5.83 crore for periods ranging between one and eleven years. Out of the 1217 loan defaulters, 522 defaulters (43 *per cent*) had not repaid even a single instalment after availing the loan aggregating to ₹ 2.01 crore. The position in this respect was as under:

Table 3.2.1

Type of loans	No. of loanees	Amount Loaned (in ₹ crore)	No. of loan defaulters	Amount due (in ₹ crore)
Term loans	2116	11.37	1178	5.20
Micro Finance Loans	94	2.20	39	0.63
Total	2210	13.57	1217	5.83

Out of 1217 cases of default, audit test checked 305 cases (25 *per cent*). Reasons for non-recovery of dues as analyzed by audit in these cases were as follows:

(i) Absence of collateral security

The terms and conditions of loan stipulated that the loan advanced by NHHDC shall be secured by a first charge on all the immovable assets of the borrower. NHHDC had however, disbursed loans without any collateral security like hypothecation/ mortgage of property to secure the loan in all the cases test checked.

⁶¹ NMDFC (incorporated on 30th September 1994) is a company not for profit, registered under Section 25 of the Companies Act 1956. It is a National Level Apex Body for the benefit of Minorities as defined under the National Commission for Minorities Act 1992. The prime mandate of NMDFC is to provide concessional finance to the minorities for self-employment/ income generation activities.

(ii) Absence of monitoring mechanism and follow up

One of the conditions of the loan was that the project should be implemented within one month of the loan disbursement and progress reports were to be submitted during project implementation till commercial production. However, no such reports were submitted by any loanees and NHHDC did not conduct any pre and post inspections of the project. The beneficiaries were to take insurance for the project equipment during the currency of loan. However, no insurance documents were found in the records. Thus, in the absence of these documents audit could not ascertain whether the loan availed were actually utilized for the said purposes or not in all test checked cases.

(iii) Non-invocation of Guarantee

It was observed that in all the 305 cases checked by Audit, government employees of different departments of GoN had stood as guarantors for the loans and had accordingly executed an undertaking for deduction of instalments from their salary in the event of failure on the part of loanee to repay the loan. However, the NHHDC did not pursue with the concerned department immediately for deduction of instalment from the salary of the guarantor in accordance with the terms and conditions of the undertaking executed. The NHHDC only served notices to the Head of Departments for recovery of dues after delays ranging from three months to six years. Audit observed that 78 guarantors of loan defaulters had retired from service and 25 guarantors had expired.

(iv) No recovery suit/ legal cases filed

The Nagaland Recovery of Loan Act, 2007 was notified (January 2008) by GoN to provide for recovery, as public demands, of loans advanced by banks and other financial institutions. However, till date no recovery suit under the Act has been filed by NHHDC against its loan defaulters.

In sum, the poor record of repayment of loans by the borrowers of NHHDC indicated a weak monitoring mechanism. NHHDC's inadequate follow up on loan recovery and failure to invoke guarantees or file recovery suits against defaulting borrowers resulted in accumulation of outstanding dues of ₹ 5.83 crore from its borrowers. This situation in turn resulted in NHHDC not being able to avail the waiver of ₹ 1.03 crore offered by NMDFC.

The Government accepted (August 2017) the above facts and assured that positive steps will be taken for recovery of the outstanding loans.

CHAPTER – IV

REVENUE SECTOR

CHAPTER-IV

REVENUE SECTOR

4.1 General

4.1.1 Trend of revenue receipts

The tax and non-tax revenue raised by the Government of Nagaland during year 2016-17, the State's share of net proceeds of divisible Union taxes and duties assigned to the State and Grant-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are given below:

Table-4.1.1

(₹ in crore)

Sl. No	Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
1.	Revenue raised by the State Government					
	• Tax revenue	339.95	333.39	388.60	427.10	510.75
	• Non-tax revenue	207.17	216.57	270.61	256.39	345.52
	Total	547.12	549.96	659.21	683.49	856.27
2.	Receipts from the Government of India					
	• Share of net proceeds of divisible Union taxes and duties	917.14	1001.27	1062.69	2540.72	3032.63
	• Grants-in-aid	4740.03	4946.67	5929.04	4819.36	5553.38
	Total	5657.17	5947.94	6991.73	7360.08	8586.01
3.	Total revenue receipts of the State Government (1 and 2)	6204.29	6497.90	7650.94	8043.57	9442.28
4.	Percentage of 1 to 3	9	8	9	8	9

(Source: Finance Accounts)

The above table indicates that during the year 2016-17, the revenue raised by the State Government (₹ 856.27crore) was nine *per cent* of its total revenue receipts. The balance 91 *per cent* of the receipts during 2016-17 was from the Government of India.

4.1.2 The details of the tax revenue raised against the Budget Estimate (BE) during the period 2012-13 to 2016-17 are given in **Table 4.1.2**.

Table-4.1.2

(₹ in crore)

Sl. No	Head of revenue	2012-13		2013-14		2014-15		2015-16		2016-17		Percentage of increase/decrease in 2016-17 over 2015-16
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	
		Actual										
1	Police	3.66	7.34	4.02	3.37	4.3	1.45	4.73	1.68	5.11	31.54	1,777
2	Miscellaneous General Services	11.88	6.6	10	6.57	10	13.08	10	13.43	11	13.64	2
3	Education, Sports, Art and Culture	0.38	45.57	0.42	67.83	0.46	103.56	40.21	76.52	44.23	119.4	56
4	Power	120	102.83	110	88.31	125	98.91	100	111.1	125	114.58	3
5	Civil Aviation	9.11	1.03	8	0.99	8.8	1.43	9.68	1.04	10.64	20.77	1897
6	Road Transport	15.64	11.37	14.26	12.17	15.69	12.97	17.26	10.81	18.12	9	(-17)
7	Other Non-tax receipts	41.02	32.43	39.32	37.33	41.57	39.21	48.72	41.8	47.49	36.59	(-12)
Total		201.69	207.17	186.02	216.57	205.82	270.61	230.6	256.38	261.59	345.52	35

(Source: Budget documents and Finance Accounts of the State)

The Departments did not furnish the reasons for variations in receipts from that of the previous year (2015-16).

4.1.3 The details of the Non-tax revenue against the Budget Estimate (BE) raised during the period 2012-13 to 2016-17 are indicated in **Table 4.1.3**:

Table-4.1.3

Sl. No	Head of revenue	2012-13		2013-14		2014-15		2015-16		2016-17		Percentage of increase/decrease in 2016-17 over 2015-16
		BE	Actuals	BE	Actuals	BE	Actuals	BE	Actuals	BE	Actuals	
1	Sales Tax/VAT	220.6	257.21	252.61	250.20	294.36	294.29	332.78	328.58	400.00	400.12	(+) 22
2	Taxes on vehicle	29.95	41.59	36.23	36.15	46.00	46.46	46.00	53.09	57.63	57.39	(+) 8
3	Stamps and Registration Fees	1.39	1.58	1.52	1.77	1.67	1.93	1.98	2.04	2.14	2.05	0
4	State Excise	4.3	3.73	4.06	4.86	4.47	4.70	4.90	5.12	5.40	4.63	(-) 10
5	Taxes on Goods and Passengers	3.01	6.71	5.01	10.79	7.50	9.73	12.10	5.88	13.31	14.76	(+)151
6	Land Revenue	0.96	0.72	0.74	0.70	0.81	0.74	0.89	0.75	0.98	0.82	(+) 9
7	Others	31.95	28.41	31.97	28.92	31.97	30.76	35.81	31.64	35.85	30.98	(-) 2
Total		292.1	339.95	332.14	333.39	386.78	388.61	434.46	427.10	515.31	510.75	20

The Department did not furnish the reasons for variation in receipts from that of the previous year (2015-16).

4.1.4 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2017 on some principal heads of revenue amounted to ₹ 11.71 crore out of which ₹ 4.56 crore was outstanding for more than five years, as detailed in the **Table 4.1.4**.

Table-4.1.4

(₹ in crore)

Sl. No.	Head of revenue	Total Amount outstanding as on 31 March 2017	Amount outstanding for more than 5 years as on 31 March 2017	Replies of Department
1	Nagaland Value Added Tax	6.62	1.08	Reply not furnished
2	Petroleum Tax	2.02	0.55	
3	Central Sales Tax	1.68	0.62	
5	Purchase Tax	0.47	0.00	
6	Professional Tax	0.16	0.02	
Total		10.95	2.27	

(Source: Departmental figure)

It would be seen from the table that recovery of ₹ 2.27 crore was pending for more than five years and no efforts were being made to recover them. The entire arrears of ₹10.95 crore were pending with the departmental authorities.

4.1.5 Arrears in assessments

The details of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed of during the year and number of cases pending for finalisation at the end of the year as furnished by the Sales Tax Department in respect of Sales Tax/VAT on Sales, Trades etc. was as below in **Table 4.1.5**:

Table-4.1.5

(₹ in crore)

Head of Revenue	Opening Balance as on 1st April 2016	New cases due for assessment during 2016-17	Total assessment due	Cases disposed off during 2016-17	Balance at the end of the 31st March 2017	Percentage of cases disposed to the total assessment due
1	2	3	4	5	6	7 (5 to 4)
Taxes /VAT on Sales, Trades, etc.	5,881 ⁶²	10,861	16,742	12,384	4,358	74

(Source: Departmental figure)

The arrears in assessment decreased from 5881 to 4358 cases with the addition of 10,861 cases which became due for assessment during 2016-17 and 12,384 cases disposed off during the year. The percentage (74 per cent) of cases disposed during 2016-17 was encouraging and the pace needs to be maintained.

⁶² Opening balance taken as per the revised figure furnished by the Department.

4.1.6 Evasion of tax detected by the Department

The details of cases of evasion of tax detected by the Department, cases finalised and the demands for additional tax raised were not furnished by the Commissioner Taxes Dimapur despite a request (February 2018) in this regard.

4.1.7 Pendency of Refund Cases

A request (February 2018) was made to the Commissioner of Taxes, Dimapur on number of refund cases pending at the beginning of the year 2016-17, claims received during the year, refunds allowed during the year and the cases pending at the close of the year 2016-17. This information was not furnished by the Department.

4.1.8 Response of the Government/Departments towards audit

The Accountant General (Audit), conducts periodical inspection of the government departments to test check the transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with the Inspection Reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot, which are issued to the heads of the offices inspected with copies to the next higher authorities for taking prompt corrective action. The heads of the offices / Government are required to promptly comply with the observations contained in the IRs, rectify the defects and omissions and report compliance through initial reply to the Accountant General (Audit) within one month from the date of issue of the IRs. Serious financial irregularities are reported to the heads of the Department and the Government.

IRs issued upto June 2017 disclosed that 261 Paragraphs involving ₹ 107.89 crore relating to 85 IRs remained outstanding as mentioned in the following table along with the corresponding figures for the preceding two years in **Table 4.1.6**:

Table-4.1.6

	June 2015	June 2016	June 2017
Number of outstanding IRs	74	76	85
Number of outstanding audit observations	226	228	261
Amount involved (₹ in crore)	50.62	73.37	107.89

4.1.8.1. Outstanding Inspection Reports and Audit Observations

The Department-wise details of the IRs and audit observations outstanding as on 30 June 2017 and the amount involved are given in **Table 4.1.7**:

Table-4.1.7

Sl. No.	Name of Department	Name of Receipts	No. of outstanding IRs	No. of Outstanding Audit Observations	Money Value involved (₹ in crore)
1.	Finance	Taxes/VAT on Sales, Trade, etc	33	160	92.59
2.	Finance	Miscellaneous General Services/Lottery	3	16	2.59
3.	Transport	Taxes on Vehicles/ Taxes on Goods & Passengers	30	53	6.57
4.	Forest & Environment	Forest & Wildlife	19	32	6.14
Total			85	261	107.89

In respect of seven IRs, even the first reply was not received which was required to be received within one month from the date of issue of the IRs. This large pendency of IRs due to non-receipt of replies is indicative of the fact that the Heads of offices/departments failed to initiate action to rectify the defects, omissions and irregularities pointed out by the Accountant General in the IRs.

The Government may consider to have an effective system for prompt and appropriate response to audit observations.

4.1.8.2 Departmental Audit Committee meetings

In order to expedite settlement of the outstanding audit observations contained in the IRs, Departmental Audit Committees are constituted by the Government. These Committees are chaired by the Secretaries of the concerned Administrative Department and attended by the concerned officers of the State Government and officers of the Accountant General (Audit). The Audit Committees need to meet regularly in order to expedite clearance of the outstanding audit observations.

During 2016-17, no Audit Committee meeting was convened by any department to clear the outstanding audit observations.

The Government may ensure holding of regular meetings of the committees for ensuring effective remedial action on the audit observations.

4.1.8.3 Response of the departments 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 Accountant General (Audit) to the Principal Secretaries/Secretaries of the concerned departments, drawing their attention to audit findings and requesting them to send their response within six weeks.

The fact of non-receipt of the replies from the Departments/ Government is invariably indicated at the end of such paragraphs included in the Audit Report.

Four draft paragraphs were sent to the Principal Secretaries/Secretaries of the respective departments during August 2017 to September 2017. Replies (November 2017) were furnished in respect of three draft paragraphs only.

4.1.8.4 Follow up on the Audit Reports-summarised position

The internal working system of the Public Accounts Committee (PAC), notified in December 2002, laid down that after the presentation of the Report of the Comptroller and Auditor General of India in the Legislative Assembly, the departments shall initiate action on the audit paragraphs and the action taken explanatory notes thereon should be submitted by the Government within three months of tabling the Report, for consideration of the Committee. In spite of these provisions, the explanatory notes on audit paragraphs of the Reports were being delayed inordinately. Twelve paragraphs and two Performance Audits included in the Reports of the Comptroller and Auditor General of India on the Revenue Sector of the Government of Nagaland for the years 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 were placed before the State Legislature Assembly on 18 July 2013, 25 July 2014, 17 March 2015, 19 March 2016 and 28 March 2017 respectively.

PAC discussed six paragraphs pertaining to the years 2011-12 to 2013-14. *Suo-moto* explanatory notes were not furnished to Accountant General (Audit) by the Departments and were also not received through Nagaland Legislative Assembly Secretariat in respect of paragraphs/reviews which appeared in the Audit Reports.

4.1.9 Analysis of the mechanism for dealing with the issues raised by Audit

To analyse the system of addressing the issues highlighted in the Inspection Reports / Audit Reports by the departments/government, the action taken on the paragraphs and performance audits included in the Audit Reports of the last 10 years for Taxation Department was evaluated.

The succeeding paragraphs 4.1.9.1 and 4.1.9.2 discuss the performance of Taxation Department in dealing with the cases detected in the course of local audit conducted during the last ten years and also the cases included in the Audit Reports for the years 2006-07 to 2015-16.

4.1.9.1 Position of Inspection Reports

The summarised position of the IRs issued during the last 10 years, paragraphs included in these reports and their status as on 30 June 2017 are tabulated in **Table-4.1.8:**

Table-4.1.8

(₹ in crore)

Year	Opening Balance			Addition during the year			Clearance during the year			Closing Balance		
	IRs	Paras	Money Value	IRs	Paras	Money Value	IRs	Paras	Money Value	IRs	Paras	Money Value
2006-07	29	136	65.42	0	0	0	0	0	0	29	136	65.42
2007-08	29	136	65.42	0	0	0	0	1	0.03	29	135	65.39
2008-09	29	135	65.39	0	0	0	0	4	0.02	29	131	65.37
2009-10	29	131	65.37	0	0	0	0	0	0	29	131	65.37
2010-11	29	131	65.37	0	0	0	1	2	0.03	28	129	65.34
2011-12	28	129	65.34	0	0	0	0	0	0	28	129	65.34
2012-13	28	129	65.34	0	0	0	0	0	0	28	129	65.34
2013-14	28	129	65.34	0	0	0	0	0	0	28	129	65.34
2014-15	28	129	65.34	0	0	0	0	0	0	28	129	65.34
2015-16	28	129	65.34	0	0	0	0	0	0	28	129	65.34
2016-17	28	129	65.34	5	31	27.25	0	0	0	33	160	92.59

As would be evident from the above table, against 29 outstanding IRs with 136 paragraphs at the start of 2006-07, the number of outstanding IRs increased to 33 with 160 paragraphs at the end of 30 June 2017. This indicated that adequate steps were not taken by the Department in this regard resulting in accumulation of the outstanding IRs and paragraphs despite Audit reminding the Department periodically to furnish the replies.

4.1.9.2 Recovery of accepted cases

The position of paragraphs included in the Audit Reports of the last five years, those accepted by the Department and the amount recovered are mentioned in **Table 4.1.9**:

Table-4.1.9

(₹ in crore)

Year of Audit Report	Number of paragraphs included	Money value of the paragraphs	Number of paragraphs accepted including money value	Money value of accepted paragraphs	Amount recovered during the year	Cumulative position of recovery of accepted cases as of 31.03.2017
2011-12	1	0.20	-	-	-	0
2012-13	2	0.53	2	0.17	0.17	0.17
2013-14	2	8.46	-	-	-	0.17
2014-15	3	1.64	3	0.25	-	0.17
2015-16	3	16.10	2	5.64	-	0.17
Total	11	26.93	7	6.06	0.17	0.17

From the above table, it is seen that during the last five years, an amount of ₹ 6.60 crore was accepted as against which only ₹ 0.17 crore was recovered by the Department. Thus, it is evident that the progress of recovery even in accepted cases was very slow throughout the last five years.

The Department may take immediate action to pursue and monitor prompt recovery of the dues involved in the accepted cases.

**4.1.9.3 Action taken on the recommendations accepted by the Departments/
Government**

The draft Performance Audit (PAs) conducted by the Accountant General (Audit) are forwarded to the concerned departments/government with a request to furnish their replies. These PAs are also discussed in the exit conference and the department's/government's views are included while finalising the PAs for the Audit Reports.

During 2012-13 to 2016-17, two PAs in respect of Finance Department and Transport & Communication Department were included in the Audit Report. Nine recommendations were made by audit for consideration by government. The status of acceptance of these recommendations is given in the following table:

Table-4.1.10

Year of Audit Report	Name of the Performance audit	Name of Administrative Department	No. of recommendations	Details of recommendations accepted
2015-16	Nagaland State Lotteries	Finance	5	Not communicated
	Computerisation of Motor Vehicles Department.	Transport & Communication	4	Not communicated

4.1.10 Audit Planning

The offices under various Departments are, for the purpose of audit, 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 which inter-alia include critical issues in government revenues and tax administration i.e. budget speech, white paper on state finances, Reports of the Finance Commission (State and Central), recommendations of the Taxation Reforms Committee, statistical analysis of revenue earnings during the past five years, factors of the tax administration, audit coverage and its impact during past five years etc.

During 2016-17, there were 75 auditable offices, of which 27 offices were planned for audit during the year against which however, only 29 offices were actually audited.

4.1.11 Results of audit

4.1.11.1 Position of local audit conducted during the year

Test check of the records of the 29 offices during 2016-17 revealed under assessment/ short levy/ loss of revenue/non-realisation of outstanding revenue aggregating ₹ 98.54 crore in 55 cases.

4.1.12 Coverage of this chapter

This chapter contains three compliance audit paragraphs (selected from the audit detections made during the local audit referred to above) involving financial effect of ₹ 25.59 crore. The Department accepted the audit observation involving ₹ 11.47 crore and recovered ₹ 0.12 crore.

Compliance Audit

FINANCE (TAXATION) DEPARTMENT

NAGALAND VALUE ADDED TAX (NVAT) ACT

Section 28 of the Nagaland Value Added Tax (NVAT) Act, 2005 stipulates that every dealer registered under the Act shall furnish Annual Returns containing information in respect of gross purchases including exemption, non-taxable purchases, gross sales including export sales, inter-state sales and consignment transfers, total tax due including interest and penalty less tax credit during the assessment year and tax payable and paid.

Section 32 of the NVAT Act, 2005 provides that the Assessing Authority (AA) is required to consider all aspects during scrutiny to avoid any mistake, cross verify the items of inter-state purchase of goods through utilisation of statutory forms and the rate of taxes applicable in respect of those items submitted by the dealers.

Under Section 49 of the NVAT Rules 2005, if a dealer fails to pay the amount of tax by the due date interest at 2 *per cent* per month is payable on the balance amount of tax.

Section 78 of NVAT Act provides that the Commissioner of Taxes may, on his own motion, call for and examine the record of any proceedings under NVAT Act if he considers that any order passed therein by any officer including the first appellate authority, is erroneous in so far as it is prejudicial to the interest of the revenue, and after giving the assessee an opportunity of being heard, pass such orders as he deems fit; he may also, if necessary, stay the operation of such order for such periods as he deems fit and after giving the assessee an opportunity of being heard and after making or causing to be made such enquiry as he deems necessary, pass such order thereon as the circumstances of the case justify, including an order enhancing or modifying the assessment, or canceling the assessment or directing a fresh assessment.

4.2 Evasion of tax due to concealment of turnover

4.2.1 Sixteen dealers concealed inter-state purchase of ₹ 77.56 crore and evaded tax of ₹ 11.47 crore

Examination of assessment records (June 2017) of the three Superintendent of Taxes, (Assessing Authorities of Ward 'A', 'C' and 'E') under Deputy Commissioner of

Taxes, Dimapur Zone revealed that 16 dealers⁶³ declared a gross turnover of ₹ 222.79 crore⁶⁴ during the period 2013-17. The 16 dealers declared a consolidated gross purchases of ₹ 153.92 crore⁶⁵ by utilizing ‘C’ forms. The returns filed by these dealers were scrutinised and accepted by the STs under sections 32 of the NVAT Act, 2005.

Cross examination of utilisation of ‘C’ forms submitted by the dealers with the trading account and tax returns of the dealers and commodity and tax rate applicable to each purchase declared by the dealers revealed that the dealers actually purchased goods of ₹ 231.48 crore during the same period. The dealers thus concealed interstate purchases of ₹ 77.56 crore taxable at different rates as detailed in **Table 4.2.1**.

Table-4.2.1

(₹ in crore)

Particulars	Interstate purchase of goods of Taxable @						Total
	4.75%	5%	13.25%	14.50%	18%	25%	
Purchases as per ‘C’ forms	19.28	5.87	107.02	65.90	18.74	14.67	231.48
Purchases declared by the dealers	15.54	0.53	84.89	38.17	10.48	4.31	153.92
Purchases concealed by the dealers	3.74	5.34	22.13	27.73	8.26	10.36	77.56
Tax evaded	0.18	0.27	2.93	4.02	1.49	2.59	11.47

From the above table it can be seen that due to concealment of purchase, the dealers evaded tax of ₹ 11.47 crore (**details in Appendix 4.2.1**) consequent on which they were also liable to pay interest of ₹ 6.16 crore (calculated up to February 2018) for such concealment under Section 49 of the NVAT Act.

The Assessing Authorities thus failed to exercise the necessary checks as required under Section 32 of the NVAT Act, 2005 while assessing the returns filed by the dealers.

The Department stated (August 2017) that in respect of two dealers⁶⁶, revision by the Commissioner of Taxes under Section 78 of NVAT Act, had been carried out during 2016, necessary orders passed and an additional revenue of ₹ 0.12 crore realized from the dealers. In respect of a third dealer⁶⁷ it was stated that the returns of the dealer for 2014-15 and 2015-16 were recommended for revision by the Commissioner of Taxes under Section 78 of the NVAT Act. Action by the Department in respect of the other thirteen dealers was awaited (February 2018).

⁶³ M/s KG Store, M/s MS Store, M/s Ratan & Co., M/s Awomi Cements, M/s Yephthomi Speeds, M/s Kashliwal Enterprises Pvt. Limited, M/s Apex Motors, M/s Yephthomi Motors, M/s Power Cell, M/s Yephthomi Auto, M/s Nili Motors, M/s Prative Enterprises, M/s Synergy Systems, M/s Z.C. Traders, M/s Madan Sharma & Co. and M/s SM Enterprises.

⁶⁴ GTO includes taxable and non-taxable sales, warranty sales, but exclusive of closing stock, goods damaged/returned/expired etc.

⁶⁵ Gross Purchases includes non-taxable items, capital goods, goods damaged/ expired/ returned.

⁶⁶ (i) M/S KG Store for the years 2014-15 and 2015-16, (ii) M/S M.S. Store – 2015-16

⁶⁷ M/s. Ratan & Co. TIN: 13030002017

4.2.2 Three dealers concealed purchases and evaded tax of ₹ 3.61 crore

Examination of assessment records (June 2017) of the Superintendent of Taxes for Ward 'A' and 'C' under Deputy Commissioner of Taxes, Dimapur Zone revealed that the returns of three dealers were scrutinised and accepted by the AAs under Sections 32 of the NVAT Act, 2005. Audit scrutiny of returns and trading accounts of these dealers revealed that goods purchases for ₹ 19.21 crore and ₹ 42.67 crore were taxable @ 13.25 per cent and 14.50 per cent respectively as detailed below:

Table-4.2.2*(₹ in crore)*

Sl. No.	Name, TIN number and ward of the Dealer	Year (Tax Period)	Purchases taxable @ 13.25 % as per Trading Account	Purchases taxable @ 14.50 % as per Trading Account
1	M/S Global Marketing, TIN-13501462029, Ward - A	2014-15	16.37	00
		2015-16	2.84	17.91
		2016-17	00	14.92
2	M/S Steel Centre, TIN-13503024032, Ward- C	2016-17	00	7.48
3	M/S Brightway Auto Distributors, TIN- 13010773078, Ward-A	2016-17	00	2.36
Total			19.21	42.67

Further examination of the annual tax returns and trading accounts of the three dealers revealed that they declared sales within the state of ₹ 8.20 crore taxable @ 13.25 per cent and ₹ 18.03 crore taxable at 14.50 per cent. The dealers declared in their returns furnished to the AAs the value of goods returned (₹ 0.20 crore) and inter-state sale (₹ 9.62 crore) taxable at 14.50 per cent.

The dealers did not disclose any closing balance in their returns furnished to the Assessing Authority and avoided taxable turnover of ₹ 11.01 crore⁶⁸ taxable at 13.25 per cent and ₹ 14.82 crore⁶⁹ against goods taxable at 14.5 per cent.

The dealers concealed the total purchase value of goods worth ₹ 25.82 crore and evaded payment of tax of ₹ 3.61 crore (**Appendix-4.2.2**).

The failure of the Assessing Authority failed to exercise necessary checks as required under Section 32 of the NVAT Act, while assessing the returns filed by the dealers enabled the dealers to evade payment of tax. The dealers are liable to pay tax of ₹ 3.61 crore along with interest of ₹ 1.56 crore (calculated up to February 2018) as interest under Section 49 of the NVAT Act, 2005.

The matter was reported to the Department (September 2017); reply was awaited (February 2018).

⁶⁸ Total purchase of ₹ 19.21 crore minus declared sale of ₹ 8.20 crore.

⁶⁹ ₹ 42.67 crore ₹ (total purchase) - ₹ 0.20 crore (returned) - ₹ 9.62 crore (inter-state sale) - ₹ 18.03 crore (declared by dealers) = ₹ 14.82 crore.

4.2.3 Inadmissible exemption

Failure of the Assessing Authority to exercise prescribed checks resulted in concealment of purchases for ₹ 5.71 crore, irregular exemption of taxable purchases of ₹ 28.60 crore and evasion of tax ₹ 1.66 crore

Examination of records (June 2017) of the Superintendent of Taxes, Ward 'C', Dimapur under Deputy Commissioner of Taxes, Dimapur Zone revealed that one dealer (M/s Gemini Enterprises Pvt. Ltd. bearing TIN-13501446063) registered for dealing with taxable items at different rates declared purchases of ₹ 31.51 crore which included goods worth ₹ 2.91 crore taxable at the rate of 4.75 per cent and ₹ 28.60 crore as non-taxable goods for the year 2014-15. The dealer declared a 'Nil' closing balance in his returns indicating that all goods imported by him had been sold during the same year. The Assessing Authority (AA) accepted the return filed by the dealer and assessed the dealer for ₹ 0.12 crore as tax which was paid by the dealer.

To authenticate the returns filed by the dealer and the assessment done by the AA, Audit cross examined the utilisation of 'C' Forms from the Tax Information Exchange System (TINXSYS) website which revealed that goods valued at ₹ 37.22 crore was purchased by the dealer through 19 'C' forms during 2014-15. Out of the total purchases made, goods worth ₹ 0.42 crore were taxable at 13.25 per cent. The remaining purchase of goods worth ₹ 36.80 crore was taxable at 4.75 per cent. Against the purchase of taxable commodities valuing ₹ 37.22 crore the dealer declared purchase of ₹ 31.51 crore, out of which only ₹ 2.91 crore was declared as taxable goods and goods valuing ₹ 28.60 crore was declared as non-taxable purchases. The AA accepted the return filed by the dealer without verifying the inter-state purchases and allowed the claim of the dealer of purchase of non-taxable items of ₹ 28.60 crore. This resulted in concealment of purchase of ₹ 5.71 crore (₹ 37.22 crore - ₹ 31.51 crore) and irregular exemption of taxable purchases of ₹ 28.60 crore which led to evasion of tax ₹ 1.66 crore⁷⁰.

Failure of the AA to exercise the necessary checks as required under Section 32 of the NVAT Act 2005 while assessing the returns filed by the dealer thus enabled the dealer to evade tax of ₹ 1.66 crore on which interest of ₹ 1.13 crore (calculated up to February 2018) was leviable under Section 49 of the NVAT Act, 2005.

The Department stated (August 2017) that as per 'C' form utilisation, the purchases made by the dealer were non-taxable items.

The reply was not acceptable as the cross examination of the 'C' forms revealed that the dealer had actually imported refined oil which is a taxable commodity. This was corroborated by the fact that the request of the dealer for issue of 'C' forms against the sales made by him to M/S Gemini Enterprises was for refined oil. Given the facts, the dealer therefore, is liable to pay tax of ₹ 1.66 crore along with ₹ 1.13 crore as interest (calculated up to February 2018).

⁷⁰ (₹ 34.31 crore - ₹ 0.42 crore) x 4.75% plus (₹ 0.42 crore x 13.25%)

CHAPTER – V
GENERAL SECTOR

CHAPTER - V

GENERAL SECTOR

5.1 Introduction

This chapter of the Report for the year ended 31 March 2017 deals with the findings on audit of the State Government units under General Sector.

The departments and the total budget allocation vis-a-vis expenditure of the State Government under General Sector during 2016-17 are given below:

Table-5.1.1

(₹ in crore)

Sl.No	Name of the Departments	Total Budget Provision	Expenditure
1	State Legislature	25.21	24.86
2	Head of State	6.23	6.07
3	Council of Ministers	16.79	16.69
4	Law & Justice	60.40	60.02
5	Election	14.26	14.15
6	Public Service Commission	5.88	5.41
7	District Administration	121.53	119.25
8	CAWD	23.13	23.07
9	Mechanical Engineering	40.69	39.94
10	Public Works (Housing)	162.36	160.28
11	Treasuries and Accounts	35.35	34.51
12	Village Guards	32.86	32.14
13	Jails	39.24	39.56
14	Vigilance Commission	7.07	6.80
15	State Guest Houses	14.57	14.36
16	Rajya Sainik Board	3.03	3.02
17	Relief & Rehabilitaion	1.50	1.50
18	Civil Secretariat	150.80	132.07
19	Police	1,182.77	1,211.18
20	Police Engineering Project	34.92	34.89
21	Stationery & Printing	21.27	19.85
22	Administrative Training Institute	6.14	6.04
23	Statistics	35.92	29.59
24	Legal Metrology and Consumer Protection	10.52	8.91
25	Home Guards	23.90	19.05
26	Fire and Emergency Services	28.88	28.33
27	Parliamentary Affairs	1.04	1.04
28	State Information Commission	2.54	2.28
Total		2,108.80	2,094.86

(Source: Appropriation Accounts)

5.2 Planning and conduct of Audit

Audit process starts with the assessment of risks of the departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders.

After completion of audit of each unit on a test check basis, IRs containing audit findings are issued to the heads of the departments. The departments are required to furnish replies to the audit findings within one month of receipt of the IRs. Whenever replies are received, audit findings are either settled based on reply/action taken or further action for compliance is advised. Some of the important audit observations arising out of these IRs are processed for inclusion in the audit reports, which are submitted to the Governor of State under Article 151 of the Constitution of India for being laid on the table of the Legislature.

During the year, an expenditure involving ₹ 2,769.86 crore (including funds pertaining to previous years audited during the year) of the State Government under General Sector were test checked. This chapter contains two compliance audit paragraphs.

PUBLIC WORKS (HOUSING) DEPARTMENT

5.3 Avoidable expenditure/ Undue financial benefit

The Department incurred an avoidable expenditure of ₹ 10.73 crore due to delay in handing over the project site. The Department also extended undue financial benefit of ₹ 7.37 crore to the contractor on enhancement of rate for newly incorporated items of works not approved by the Government.

Rule 248 of the NPWD code states that the site for building should be settled before the detailed designs and estimates are prepared and the local authorities must be consulted in all cases. The Chief Engineer, PWD (Housing) Division, Kohima issued (June 2007) a work order for construction of office building for Directorate of School Education at Kohima to a contractor⁷¹ on item rate basis at a amount of ₹ 16.46 crore⁷² with the stipulation to complete the work within 36 months from the date of issue of work order⁷³. Due to enhancement of rates, change in scope of work and inclusion of 38 new items, the contract value was revised (May 2012) to ₹ 47.46 crore⁷⁴. The stipulated period for completion of the work was also extended to August 2016.

Examination of records (March 2017) of the Executive Engineer (EE), PWD (Housing) Education Division, Kohima revealed the following:

⁷¹ Shri. Vilelie Khamo.

⁷² Excluding ₹ 2.83 crore as departmental charges, architectural fee, contingencies etc.

⁷³ Letter No. CE(II)/DIR-EDN/2006 dated 30-06-2010.

⁷⁴ Excluding 13 per cent Departmental charges ₹ 6.55 crore, 2 per cent work charge establishment- ₹ 0.69 crore, 3 per cent contingencies- ₹ 1.04 crore and 4 per cent architectural fee- ₹ 1.20 crore.

A. Avoidable expenditure

The Department handed over 20 *per cent* of project site to the contractor in November 2008 after a delay of 18 months and only in June 2012 handed over the whole project site to the contractor i.e., after a delay of 61 months. The contractor requested (June 2010) for enhancement of rates of the remaining works at 52 *per cent* above the approved rate on account of delay in handing over of project site by the Department. The Government approved (July 2010) enhancement of the rates @ 52 *per cent* on the items quoted in the tender documents of 2007. Even after allowing the cost escalation, only 93 *per cent* of the work had been completed (March 2017). The Department passed an amount of ₹ 41.37 crore upto the 13th RA Bill (December 2016) of the contractor which included cost escalation of ₹ 10.73 crore on account of the enhancement of the rate.

Audit observed that the delay of 61 months in handing over the project site to the contractor had resulted in avoidable cost escalation of ₹ 10.73 crore on civil works.

While accepting the facts, the Department stated (September 2017) that only 20 *per cent* of the site was handed over to the contractor in December 2007 as the order for demolition of the old building was obtained in December 2008. The remaining site was handed over in November 2008 (30 *per cent*) and June 2012 (50 *per cent*).

The reply confirms the fact that the cost escalation of ₹ 10.73 crore on civil works was entirely attributable to the failure of the Department to hand over the site to the contractor in time.

B. Undue financial benefit to the contractor ₹ 7.37 crore

The revised sanction (May 2012) for civil works of ₹ 47.46 crore⁷⁵ was accorded based on the revised estimate after incorporating 38 new items of work valued at ₹ 15.64 crore in addition to the 62 civil items of work in the original estimate. It was noticed that the Department allowed the contractor enhancement of 52 *per cent* on the revised estimates on 38 new items instead of allowing rates at par with the Nagaland PWD Schedule of Rates, 2013. Out of ₹ 41.37 crore paid to the contractor against 13 Running Account bills, ₹ 7.37 crore was on account of enhancement in rates of the 38 new items of work by 52 *per cent* above the schedule of rates/prevaling rates of 2013. The enhancement of rates 52 *per cent* above the schedule of rates/prevaling rates for 38 new items of work tantamounted to extension of undue financial benefit of ₹ 7.37 crore to the contractor.

The Department stated (September 2017) that the revised DPR was prepared as per the approved tender rate of 2007 and all the items are eligible were enhancement as per the order. The Department also enclosed an annexure of the 38 new items stating that although they were not included in the original DPR they are technically not new items of works.

⁷⁵ Including Miscellaneous Departmental charges ₹ 9.48 crore

The reply is not acceptable as the 38 new items of work were not included in the original DPR and these items of works were not put to tender and quoted in the tender of 2007. The contention that the revised DPR was prepared as per the approved tender rate of 2007 was also not correct as the rates applied for the 38 new were compatible with SOR 2013.

FINANCE DEPARTMENT (Directorate of Treasuries & Accounts)

5.4 Fraudulent/ Excess drawal of ₹ 1.72 crore

Failure of the Drawing and Disbursing Officers (DDOs) and Treasury Officers (TO) to exercise prescribed checks resulted in fraudulent drawal of ₹ 1.72 crore.

Sub-Clause 3, Rule 66 of the Receipts and Payment Rules 1983 prescribes that entries in all money columns of the pay bills are to be totalled separately under each section and parts, to arrive at the total entitlements as well as net payable after statutory deductions. Section wise totalling of the pay bills must be checked by the DDO himself or by some responsible official other than the person preparing the bill. Central Treasury Rules further prescribe the checks to be exercised by the TO before accepting the claim and to record the omission or correction and to limit the payment admissible in respect of each bill presented by the DDO.

A check of the paid pay bill vouchers received along with the monthly accounts submitted by DDOs to the Accountant General's office during 2016-17 revealed serious cases of fraudulent drawal and embezzlement in seven departments, the position of which is summarized in the table below:

Table-5.4.1

(₹ in lakh)

Sl. No.	Department involved	Nature of irregularity noticed	No of cases	Amount involved
1	District Administration	Inadmissible drawal of arrears of house rent allowances	1	1.89
2	Jail	Inflated net total of pay and allowances	1	6.53
3	Nagaland State Transport	Inadmissible drawal of arrears of house rent allowances	1	0.58
4	Police	Inflated basic pay and grade pay	1	39.28
5	Rural Development	Inadmissible drawal of arrears of house rent allowances	1	2.58
6	School Education	Double drawal of pay and allowances	1	2.25
		Inflated basic pay and grade pay	4	61.96
		Inflated net total of pay and allowances	3	14.98
		Inflated rate of dearness allowance	1	2.17
		Multiple drawal of pay and allowances	1	7.88
		Pay and allowances of non-existent staffs	2	16.49
		Unauthorised drawal of MACP	1	0.72
7	Veterinary & Animal Husbandry	Inadmissible drawal of arrears of house rent allowances	2	14.19
TOTAL				171.50

Details are discussed in the succeeding paragraphs.

5.4.1 SCHOOL EDUCATION DEPARTMENT

Five DDOs of the School Education Department fraudulently withdrew ₹ 106.45 lakh by presenting false bills, inflating the net total of the bill, double drawal, etc. as discussed below:

5.4.1.1 Sub Divisional Education Officer, Mangkolemba

- a) The pay scale and the grade pay of Grade III employees was inflated ranging from ₹ 1,380 to ₹ 6,550 for five months (August 2015 to January 2016) which increased the allowances payable to those employees by ₹ 22.33 lakh in excess of the amount admissible to the employees as detailed in *Appendix -5.4.1 Item No. (i)*.
- b) The pay scale and the grade pay of 35 Grade III employees was inflated by amounts ranging between ₹ 5290/- and ₹ 13970/- for three months (November 2015 to January 2016) which increased the allowances payable to those employees by ₹ 24.33 lakh in excess of the amount admissible to the employees (*Appendix- 5.4.1 Item No. (ii)*).
- c) An amount of ₹ 2.17 lakh was drawn fraudulently by preparing the Dearness Allowance (DA) at inflated basic pay and grade pay for 291 employees during December 2015 (*Appendix-5.4.1 Item No. (iii)*).

5.4.1.2 Headmaster, Government High School, Merangkong

- a) An amount of ₹ 7.88 lakh was drawn as pay and allowances thrice for nine employees and six adhoc employees during September 2016 which resulted in fraudulent drawal of pay and allowances of ₹ 7.88 lakh (*Appendix-5.4.2*). Further, an amount of ₹ 2.36 lakh was drawn in respect of non-existent staff as pay and allowances during March 2016 to August 2016 resulting in fraudulent drawal of ₹ 2.36 lakh (*Appendix-5.4.3*).
- b) An amount of ₹ 2.71 lakh was drawn by inflating net total of pay and allowances of 29 employees during the period from February 2016 to September 2016 which resulted in fraudulent drawal of ₹ 2.71 lakh (*Appendix-5.4.4*).
- c) An amount of ₹ 14.13 lakh was drawn as pay and allowances in respect of non-existent employees during May 2016 to August 2016 which resulted in fraudulent drawal of pay and allowances of ₹ 14.13 lakh (*Appendix-5.4.5*).
- d) An amount of ₹ 4.59 lakh was drawn fraudulently as increment arrear by inflating pay scale & grade pay and admissible daily allowance (DA) rate in respect of two employees during June 2016, September 2016 and October 2016. Further, increment arrears were drawn twice for the same period in respect one employee and an amount of ₹ 0.72 lakh was drawn fraudulently as MACP arrear during February 2016 without authority (*Appendix-5.4.6*).

The Headmaster, Government High School, Merangkong while accepting (November 2017) the facts stated that an amount ₹ 37.74 lakh under objection had been recovered in four instalments through challan.

The reply is not acceptable as the treasury challan did not bear the signature of the bank authority to authenticate the actual receipt of the money by the bank.

5.4.1.3 Government High School, Akuhaito

An amount of ₹ 10.13 lakh was drawn fraudulently by inflating the net total of 12 bills withdrawn as pay and allowances in during the period from May 2015 to December 2015 (*Appendix 5.4.7*).

Further, an amount of ₹ 2.25 lakh was drawn as pay and allowances of four employees twice in two different bills during March 2016 which resulted in fraudulent drawal of pay and allowances of ₹ 2.25 lakh (*Appendix-5.4.8*).

5.4.1.4 Sub-Divisional Education Officer, Kohima

An amount of ₹ 2.14 lakh was drawn by inflating the net total of pay and allowances during the month of December-2014, January, March, April, May and September 2015 which resulted in fraudulent drawal of pay and allowances of ₹ 2.14 lakh (*Appendix-5.4.9*).

The Sub-Divisional Education Officer while accepting the facts (October 2017) stated that the entire amount of ₹ 2.14 lakh had been recovered in two instalments.

5.4.1.5 Sub-Divisional Education Officer: Aboi

The Sub-Divisional Education Officer, Aboi, Mon had drawn an amount of ₹ 1.57 crore in 18 pay bills of Grade III employees during the period from February 2015 to November 2015. Examination of the paid vouchers revealed that the basic pay of 74 grade III employees was inflated which resulted in excess drawal of pay and allowances. As a result, the Sub-Divisional Education Officer withdrew ₹ 1.57 crore whereas the actual amount to be drawn during the aforementioned period was only ₹ 1.46 crore. This resulted in excess drawal of ₹ 10.71 lakh (*Appendix- 5.4.10*).

The Department stated (October 2017) that the bills in some months were prepared showing pay band and grade pay separately. In some months, the bills were prepared by adding them together and also the bills were authenticated in the Directorate of School Education. Hence, there was no excess drawal.

The reply was not acceptable as the basic pay of the year 2015 was more than the basic pay of the year 2016 even after awarding 3 *per cent* annual increment in the month of December.

5.4.2 VETERINARY AND ANIMAL HUSBANDRY DEPARTMENT

An amount of ₹ 14.19 lakh was fraudulent drawn by two DDOs of the Veterinary and Animal Husbandry Department by presenting false bills and double drawal as discussed below:

5.4.2.1 Chief Veterinary Officer, Dimapur

An amount of ₹ 7.97 lakh was drawn as arrears of house rent allowance for the period from January 2009 to February 2016 in respect of 12 employees who were regularly

drawing HRA in their monthly pay and allowances. This resulted in fraudulent drawal of arrears of house rent allowance amounting to ₹ 7.97 lakh (*Appendix-5.4.11*).

The Chief Veterinary Officer while accepting (April 2017) the facts stated that the amount of ₹ 7.97 lakh was recovered in four instalments (April to July 2017) and deposited into government account through the treasury.

5.4.2.2 Chief Veterinary Officer, Peren

An amount of ₹ 6.22 lakh was drawn as arrears of house rent allowance in respect of 17 employees in three bills during March 2016.

Scrutiny of the pay bills revealed that these 17 employees were regularly drawing their pay and allowances for those months and the GPF account number and amount of deduction did not match with the names of employee/monthly subscription as detailed in *Appendix-5.4.12*.

The Chief Veterinary Officer accepted (August 2017) the facts and deposited the full amount of ₹ 6.22 lakh into government account through the treasury in two instalments.

5.4.3 Superintendent of Jail, District Jail: Zunheboto

An amount of ₹ 6.53 lakh was drawn by inflating the monthly net total amount of pay and allowances on 20 bills drawn during the period from February 2014 to October 2015 which resulted in fraudulent drawal of pay and allowances amounting to ₹ 6.53 lakh (*Appendix 5.4.13*).

5.4.4 Block Development Officer (BDO), Sangsangyu

An amount of ₹ 2.58 lakh was drawn fraudulently as arrears of house rent allowance for ten employees during March 2016 (*Appendix-5.4.14*). While accepting the facts, the Block Development Officer stated (May 2017) that the said amount had been recovered and deposited to government account.

5.4.5 Additional Deputy Commissioner, Pungro

An amount of ₹ 1.89 lakh⁷⁶ was drawn as arrears of house rent allowance for 15 employees during March 2016 which resulted in fraudulent drawal of arrears of house rent allowance amounting to ₹ 1.89 lakh. While accepting the facts, the Additional Deputy Commissioner stated (March 2017) that entire amount had been recovered the said amount and deposited to government account.

5.4.6 Assistant General Manager, NST, Zunheboto

An amount of ₹ 0.58 lakh⁷⁷ was drawn as arrears of house rent allowance for the period from May 2015 to January 2016 in respect of seven employees who were regularly drawing HRA in their monthly pay and allowances. This resulted in fraudulent drawal of arrears of house rent allowance amounting to ₹ 0.58 lakh.

⁷⁶ Vide bill No. 179 dated 'Nil' and TV No. 50 of 29-03-2016 for the period from 01-03-2014 to 29-02-2016

⁷⁷ Vide. Bill no. 101 of 29-02-2016

While accepting the facts, the Assistant General Manager, NST stated that the amount had been recovered (April 2017) and deposited to government account.

5.4.7 Commandant, 7th NAP, Bhandari, Wokha

The Commandant, 7th NAP Battalion, Bhandari, Wokha had drawn an amount of ₹ 34.53 crore being pay and allowances of Grade IV employees of the battalion during the period from October 2015 to February 2017. Detailed examination of the paid vouchers revealed that the basic pay of 114 employees was manipulated thereby inflating the gross pay and allowances of the employees. Against the actual pay and allowances entitlement of ₹ 34.13 crore, during the aforementioned period, ₹ 34.53 crore was drawn resulting in excess drawal of ₹ 39.28 lakh (*Appendix-5.4.15*).

The Commandant while accepting (September 2017) the facts stated that excess amount had been recovered and deposited to government account through the treasury.

The above instances of fraudulent/excess drawals by 12 DDOs of seven departments indicated failure on the part of the DDOs and TOs to exercise internal control/non-adherence to prescribed rules and procedures. It is also pertinent to mention that over the years, misappropriations of similar nature by the DDOs in collusion with the TOs were highlighted in the Audit Reports of the Comptroller and Auditor General of India, Government of Nagaland. (Details of last five years are given in *Appendix 5.4.16*). However, these malpractices continue to persist which indicates the seriousness of the problem. It is therefore, recommended that Government should take immediate steps to tackle this recurring wrongdoing.

In the instant cases pointed out by Audit, it is recommended that FIRs be lodged, disciplinary action initiated against the concerned officers and the cases handed over to the State Vigilance Commission for prosecutorial action.

CHAPTER – VI
FOLLOW UP OF AUDIT OBSERVATIONS

CHAPTER – VI

FOLLOW UP OF AUDIT OBSERVATIONS

6.1 Response of the Departments to the recommendations of the Public Accounts Committee

Finance Department issued instructions to all departments to submit Action Taken Notes (ATNs) on various suggestions, observations and recommendations made by Public Accounts Committee for their consideration within 15 days of presentation of the Public Accounts Committee Reports to the Legislature. The Public Accounts Committee Reports/recommendations are the principal medium by which the Legislature enforces financial accountability of the Executive to the Legislature and it is appropriate that they elicit timely response from the departments in the form of ATNs.

As of December 2017, out of 1,423 recommendations of the Public Accounts Committee, made during the period from 1990-91 and 2015-16, 880 ATNs on the recommendations had been submitted to the Public Accounts Committee and discussed.

6.2 Monitoring

The following Committee had been formed at the Government level to monitor the follow up action on audit related matters. State Level Audit and Accounts Committee was formed (June 2008) at the State level under the Chairmanship of the Chief Secretary to monitor the response and corrective action on the findings reported by audit. The Committee was also to review and oversee the working of Departmental Audit and Accounts Committee and also to hold meetings once in six months.

During 2016-17, no State Level Audit and Accounts Committee meeting was convened.

6.3 Outstanding Inspection Reports

The Accountant General (Audit), Nagaland conducts periodic inspection of the Government Departments to test-check the transactions and verify the maintenance of important accounts and other records as prescribed under the rules and procedures. These inspections are followed up with the Inspection Reports (IRs) incorporating irregularities noticed during the inspection and not settled on the spot. The IRs are issued to the Heads of the Offices inspected with copies to the higher authorities for taking prompt corrective action.

The Heads of the Offices/Government are required to promptly comply with the observations contained in the IRs, rectify the defects and omissions and report compliance through initial reply to the Accountant General (Audit) within one month from the date of issue of the IRs. Serious irregularities are reported to the Heads of the departments and the Government.

The position of outstanding IRs pertaining to Civil (Expenditure audit including that of Works, Forest and Autonomous Bodies), Revenue (Audit of Revenue Departments) and Commercial (Audit of Public Sector Undertakings) audit as of September 2017 is shown below:

Table-6.3.1

Year	Civil*		Revenue		Commercial	
	Number of Inspection Reports	Number of Paragraphs	Number. of Inspection Reports	Number of Paragraphs	Number of Inspection Reports	Number of Paragraphs
Upto 2012-13	359	2,324	52	123	13	20
2013-14	206	1,213	15	52	1	1
2014-15	198	1,067	4	17	2	2
2015-16	94	424	2	23	2	1
2016-17	242	1,440	12	46	5	7
Total	1,099	6,468	85	261	23	31

** including Works, Forest and Autonomous Bodies*

The large pendency of IRs was indicative of absence of adequate action to rectify the defects, omissions and irregularities pointed out through IRs by the Heads of Offices and Heads of the Departments.

It is recommended that the Government looks into the matter and streamlines the system to ensure response to audit observations. Action may be taken against the officials who fail to send replies to IRs/paragraphs as per prescribed time schedule and the losses/outstanding advances/overpayments may be recovered in a time bound manner.


6.4 Departmental Audit Committee Meetings

In order to expedite the settlement of the outstanding audit observations contained in the IRs, departmental audit committees had been constituted by the Government.

Departmental audit committees are chaired by the Secretaries of the concerned Departments and their meetings are attended by the concerned officers of the State Government and officers from the office of the Accountant General (Audit).

During 2016-17, no audit committee meeting was convened to clear the outstanding audit observations.

Kohima
The 09 June 2018


(A P Choppy)
Accountant General (Audit)
Nagaland

Countersigned

New Delhi
The 11 June 2018


(Rajiv Mehrishi)
Comptroller and Auditor General of India

APPENDICES

Appendix-1.3.1
Statement showing selection of districts, blocks and villages
(Paragraph reference: 1.3.3)

State	Administrative Units		Total	Sampled			
Nagaland	Districts		11	3			
	Blocks		22 (in the 3 districts sampled)	6			
	Villages (Gram Panchayats)		504 (in the 3 districts sampled)	24			
Districts, Blocks, Villages sampled/selected for Performance Audit on NRDWP							
State	Name of selected			Name of habitations test checked			
	District	Block	Gram Panchayat				
1	2	3	4	5			
Nagaland	Dimapur	Dhansiripar	K. Hetoi	K. Hetoi			
			Pukaho	Pukaho			
			Doyapur Bazar	Doyapur Bazar			
			Keyeto	Keyeto			
			Dairy farm	Dairy farm			
		Medziphema	Piphema Old	Piphema Old			
			CPC Chathe	CPC Chathe			
			J.V Perherlie	J.V Perherlie			
		Kohima	Sechu-Zubza	Khonoma	Khonoma		
				Menguzuma	Menguzuma		
	Kiruphema Bawe			Kiruphema Bawe			
	Sechu Hq			Sechu Hq			
	Kohima		Tsuru	Tsuru			
			Science College	Science College			
			Sanuoru/ Paraciezie	Sanuoru/Paraciezie			
			JNV Rusoma	JNV Rusoma			
	Tuensang	Longkhim	Yangli Mission Compound	Yangli Mission Compound			
			Chungtor	Chungtor			
			Govt. Nursery Farm Mangakhi	Govt. Nursery Farm Mangakhi			
			Angangba	Angangba			
		Chare	New Chungliyimti	New Chungliyimti			
			Chare Hq.	Chare Hq.			
			JNV Chare	JNV Chare			
			Tonglongsor	Tonglongsor			
Total			3	6	24 Gram Panchayats	24 Gram Panchayats	

Note: In Nagaland, one GP has one habitation

Appendix-1.3.2
Statement showing receipt and component-wise usage of funds
(Paragraph reference: 1.3.10.2)

(₹ in lakh)

Year	Total receipt*	Coverage (Per cent)	Water Quality (Per cent)	Percentage utilisation (Per cent)	Sustain- ability (Per cent)	O & M (Per cent)	WQMS (Per cent)	Support (Per cent)
	1	2	3	4 (Col. 2+3)	5	6	7	8
2012-13	11019.86	7079.73 (64)	1194.65 (11)	8274.38 (75)	549.54 (5)	1636.54 (15)	201.06 (2)	335.09 (3)
2013-14	6579.58	3709.27 (56)	967.21 (15)	4676.48 (71)	518.48 (8)	933.08 (14)	167.54 (3)	284.00 (4)
2014-15	9643.93	5594.32 (58)	1488.85 (15)	7083.17 (73)	944.42 (10)	1416.63 (15)	74.89 (1)	124.82 (1)
2015-16	3971.06	2170.82 (55)	765.56 (19)	2936.38 (74)	333.82 (8)	586.44 (15)	42.91 (1)	71.50 (2)
2016-17	5121.08	3129.94 (61)	1028.90 (20)	4158.84 (81)	52.11 (1)	750.04 (15)	43.37 (1)	72.28 (1)

*Total receipt figure does not include Calamity and Additional (Water Quality) release and Opening balances

Appendix-1.3.3
Statement showing delay in release of Central allocation by the State Government
(Paragraph reference: 1.3.10.3)

(₹ in crore)

Year	Amount of Central share	Amount released to the implementing agency	Period of delay/months
2014-15	101.44	101.44	1 to 6 months
2015-16	38.53	38.53	6 to 12 months
2016-17	36.84	36.84	6 to 12 months

(Source: Departmental figures)

Appendix-1.3.4
Statement showing delay in release of State matching share by the State Government
(Paragraph reference: 1.3.10.3)

(₹ in lakh)

Year	Amount of matching share	Amount released	Period of delay/months
2012-13	943.26	943.26	12 months
2013-14	518.72	518.72	21 months
2014-15	944.42	944.42	17 months
2015-16	333.82	333.82	5 months
2016-17	397.92	114.42	

(Source: Departmental figures)

Appendix-1.3.5
Statement showing unexecuted projects in the selected three districts
(Paragraph reference :(1.3.11.9(i))

(₹in lakh)

Sl. No.	Name of the schemes	Year of sanction	Sanctioned cost	Expenditure (as per IMIS)	Physical status (as per IMIS)	Expenditure as per monthly accounts	Joint inspection finding
1	Augmentation of water supply to Mima village	2015-16	45.46	43.64 (March 2017)	Work commenced in April 2015	43.64 (March 2017)	The work had not commenced as of September 2017.
2	Augmentation of water supply to Ganeshnagar, Doyapur Bazar and Keyeto village (07/2017)	2015-16	222.95	219.64 (March 2017)	Work commenced in March 2017	219.64 (March 2017)	The work had not commenced as of July 2017.
3	Providing water supply to Government Nursery Farm, Mangakhi (07/2017)	2013-14	4.20	4.20	Completed during 2013-14	4.20	Installation of GPS tanks and water supply pipeline were not executed as of July 2017
Total							267.48 lakh

Appendix-1.3.6

Statement showing short execution of Projects in the selected three districts

(Paragraph reference :(1.3.11.9(ii))

(₹in lakh)

SI No.	Name of the schemes	Year of sanction	Sanctioned cost	Expenditure (as per IMIS)	Physical status (as per IMIS)	Expenditure as per monthly accounts	Joint inspection finding
1	Augmentation of water supply to Angangba village	2015-16	100.82	99.00 (March 2017)	Village was fully covered as on 01-04-2017	99.00 (March 2017)	Five items of the approved project for ₹ 29.30 lakh were not executed as of July 2017.
2	Construction of 35 units of Roof Top Rain Water Harvesting Tanks at Holongba	2013-14	55.46	55.46	Completed August 2014	55.46	15 units of Roof Top Rain Water Harvesting Tanks (₹ 23.77 lakh) were not at all constructed as of July 2017.
3	Providing water supply to Sanoru-Peraciezie	2014-15	14.00	14.00	Completed in November 2014	14.00	Inlet and outlines (₹ 7.59 lakh) were not drawn to the project. Work was not completed as of June 2017.
Total						168.46	60.66

Appendix-1.3.7

Statement showing incomplete scheme in the selected three districts

(Paragraph reference: 1.3.11.9 (iii))

(₹in lakh)

SI No.	Name of the schemes	Year of sanction	Sanctioned cost	Expenditure (as per IMIS)	Physical status (as per IMIS)	Expenditure as per monthly accounts	Joint inspection finding
1	Providing water supply to Mitelephe village(Solar Power (WTU)) 09/17	2015-16	₹ 50.00	₹ 50.00 (March 2016)	Completed during 2015-16	50.00 (March 2016)	Solar operated advanced membrane filtration system-fully automated water pumping system was not installed as of September 2017.
2	Augmentation of water supply to Kigwema 09/17	2014-15	₹ 164.31	₹ 164.31 (March 2016)	Completed in February 2016	164.31 (March 2016)	Installation of GPS tank, public fountain and laying of GMS were in progress. Full payment was made without completion of work.
Total						214.31	

Appendix-1.3.8
Statement showing non-functional scheme in the selected three districts
(Paragraph reference : 1.3.11.9 (v))

(₹ in lakh)

Sl. No.	Name of the village/habitation	Name of the works	Estimated cost	Type	Scheme became non-functional within	Reasons for non-functionality of the scheme
A	Non functional projects in Kohima District					
1	Meriema	Providing water supply to Meriema completed during 2014-15	23.96	Surface Water	Not functional for the last 12 months due to defects in submersible pump set	Non function of submersible pump set
2	Meriema	Providing water supply through Solar Power Treatment Unit to Meriema” completed at a cost of crore during	49.78	Surface Water	Since July 2016	Non-functional due to shortage of water at source and technical defect in solar operated advanced membrane filtration system
3	Tsiesema Basa	Providing water supply	23.96	Surface Water	Since March 2017	Due to problem in the submersible pump set.
4	Kiruphema Bawe	Providing water supply to GPS Kiruphema Bawe	2.23	Surface water	Between two to five year of commissioning	Non provision of pipe connection to the tank
5	Mengozuma	Providing water supply to GPS Mengozuma	3.30	Surface water	Between two to five year of commissioning	Non provision of pipe connection to the tank
6	Mengozuma	Providing water supply to GMS Mengozuma	2.86	Surface water	Between two to five year of commissioning	Non provision of pipe connection to the tank
7	Menguzuma	Augmentation of Water Supply to Menguzuma	21.90	Surface Water	-	Non-availability of water at the source
8	Sechu HQ	Providing water supply to GPS Sechu HQ	2.44	Surface water	One year of commission	Due to non-connection of pipe
9	Sanoru/Peraciezie	Providing W/S to Sanoru/peraciezie by Gravity	14.00	Surface water	One year of commission	Non-operational due to land owners problem
B	Non functional projects in Tuensang District					
10	Chungtor	Providing water supply to GMS Chungtor	2.91	Surface water	One year of commission	Non provision of pipe connection to the tank
11	Angangba	Providing water supply to GMS Angangba	2.38	Surface water	One year of commission	Due to leaking tank

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12	Mangakhi	Providing W/S to Govt. Nursery Farm, Mangakhi	4.20	Surface water	Between two to five year of commissioning	Due to migration of residents to parent village
13	New Chungliyimti	Providing water supply to GPS New Chungliyimti	1.93	Surface water	One year of commission	Due to leaking tank
14	Chare HQ	Providing water supply to GMS Sluzong Chare town	2.84	Surface water	One year of commission	The work had not been executed at all
15	Tronglongsor	Providing water supply to GPS Tronglongsor	2.82	Surface water	One year of commission	There was no drinking water facility in the school
16	Tronglongsor	Providing water supply to GMS Tronglongsor	2.64	Surface water	One year of commission	There was no drinking water facility in the school
C	Non functional projects in Dimapur District					
17	Pukhaho	Providing Iron Removal Plant (IRP) with water distribution system at Pukhaho village	17.62	Surface Water	Since Construction	It was noticed that only one unit was installed instead of two IRP units. The IRP unit was not functional as aerator and aluminium bowls for filtration were not installed.
18	Dairy Farm	Installation of two IRP units constructed during at Dairy farm, Dimapur at a cost of ` 0.15 crore, one IRP unit was non-functional since 2012-13.	7.73	Surface Water	Since its installation	Aerator is without aluminum bowls for water filtration.
19	K.Hetoi	Providing water supply GPS K. Hetoi	3.03	Ground water	One year of commission	Due to non-existence of school
20	K.Hetoi	Const. of IRP at K. Hetoi village	22.57	Ground Water	One Year of Commission	Due to non-installation of IRP unit
21	Piphema Old	Traditional well (2 Nos.)	3.00	Surface water	One year of commission	Damaged due to landslides
22	Piphema Old	Traditional well	1.50	Surface water	One year of commission	Damaged due to landslides
23	CPC Chathe	Prov. W/S to Chathe CPC through IRP	17.11	Ground Water	One year of Commission	Due to non-functional of IRP
Total			236.71			

Appendix-1.4.1
Statement showing list of selected villages/wards for beneficiary survey
(Paragraph reference: 1.4.4)

(i) Kohima District				
Sl. No.	Village/ Ward	60-79 years category	80 years and above category	Total Beneficiaries
1	Kiruphema	11	3	14
2	Phekerukriema	15	3	18
3	Nachama	28	6	34
4	Chiephobozou	38	4	42
5	Ziphenyu	34	8	42
6	Sishunu	44	11	55
7	Kohima Town, Agri Elect Forest Ward	64	5	69
8	Pfuchama	67	8	75
9	Mezoma	68	11	79
10	Dihoma	77	5	82
11	Kohima Town, AG Ward	91	6	97
12	Phenshunyu	82	16	98
13	Phesama	93	8	101
14	Meriema	100	8	108
15	Kohima Village, T Khel	104	5	109
16	Gariphema	97	22	119
17	Chedema	125	10	135
18	Kohima Town, High School Ward	121	20	141
19	Khuzama	134	13	147
20	Khonoma	138	12	150
21	Kidima Vill.	146	9	155
22	Kohima Village, P Khel	145	18	163
23	Kigwema	155	10	165
24	Kohima Village, L Khel	200	22	222
25	Jakhama	219	16	235

(ii) Mokokchung District				
Sl. No.	Village/ Ward	60-79 years category	80 years and above category	Total Beneficiaries
1	Moalenden Village	13		13
2	Chubayimkum Village	18		18
3	Settsu Village	30	3	33
4	Mokokchung Town, Mongsenbai Ward	47		47
5	Mekuli Village	48	5	53
6	Salulamang Village	54	2	56
7	Mokokchung Town, Kichutip Ward	63	2	65
8	Mokokchung Town, Sungkomen Ward	58	7	65
9	Mokokchung Town, Arkong Ward	61	5	66
10	Changtongya Village	55	12	67

(ii) Mokokchung District				
Sl. No.	Village/ Ward	60-79 years category	80 years and above category	Total Beneficiaries
11	Mokokchung Town, Sangtemla Ward	64	6	70
12	Mokokchung Town, Aongza Ward	81	3	84
13	Mokokchung Town, Artang Ward	81	3	84
14	Chuchuyimpang Village	102	8	110
15	Mokokchung Town, Kumlong Ward	114	4	118
16	Mokokchung Town, Alempang Ward	112	7	119
17	Khensa Village	123	9	132
18	Yimyu Comp	147	10	157
19	Mokokchung Village	159	11	170
20	Sungratsu Village	155	17	172
21	Mangmetong Village	179	16	195
22	Mopungchuket Village	224	39	263
23	Longsa Village	256	15	271
24	Chuchuyimlang	267	35	302
25	Ungma Village	442	56	498

(iii) Tuensang District				
Sl. No.	Village/ Ward	60-79 years category	80 years and above category	Total Beneficiaries
1	Tuensang Town, High School A Ward	15		15
2	Yakhur	27	5	32
3	Nyinyim	30	5	35
4	Thongsonyu	31	4	35
5	Tuensang Town, Post Office Ward	37	1	38
6	Tuensang Town, St. John A Ward	40		40
7	Longtoker	35	6	41
8	Sukiur Village.	40	5	45
9	Tuensang Village P Khel	41	5	46
10	Tuensang Village K Khel	43	3	46
11	Nakshou	41	6	47
12	Tuensang Town, Old Medical A Ward	49		49
13	Tuensang Village, L Khel	45	4	49
14	Mangakhi	55	4	59
15	Tuensang Village, C Khel	64	5	69
16	Kuthur	82	10	92
17	Peshu Village	85	8	93
18	Noklak village	79	15	94
19	Pangsha	86	14	100
20	Alisopur	85	16	101
21	Yangli village	83	19	102
22	Chessore	130	10	140
23	Chimonger	158	9	167
24	Angangba	183	19	202
25	Shamator	212	29	241

Appendix 2.3.1
Statement showing delay in release of fund by Government of Nagaland
(Paragraph reference: 2.3.9.1)

Year	GoI Sanction order number	Date of release of funds by GoI	Sanction amount (₹ in lakh)	Date of release of funds by GoN	Delay in release of funds by GoN (in days)
2012-13	F. No 14020/4(18)/2012-SG-1	30-08-2012	1537.50	16-01-2013	107
	F. No 14020/4(18)/2012-SG-1	30-08-2012	100.50	16-01-2013	107
	F. No 14020/4(18)/2012-SG-1	20-09-2012	202.50	22-03-2013	151
	F. No 14020/4(18)/2012-SG-1	30-11-2012	33.50	18-02-2013	48
	F. No 14020/4(18)/2012-SG-1	30-11-2012	580.00	18-02-2013	48
2013-14	F. No 14020/7(18)/2013-SG-1	28-06-2013	1631.50	03-09-2013	35
	F. No 14020/7(18)/2013-SG-1	28-06-2013	9.00	03-09-2013	35
	F. No 14020/7(18)/2013-SG-1	07-08-2013	50.00	22-11-2013	75
	F. No 14020/7(18)/2013-SG-1	24-09-2013	610.50	28-02-2014	125
	F. No 14020/7(18)/2013-SG-1	24-09-2013	3.00	28-02-2014	125
	F. No 14020/13/2013-SG-1	26-03-2014	432.93	18-07-2014	82
2014-15	F.No 14020/13/2013-SG-1	29-09-2014	144.31	19-12-2014	49
	F. No 11015/16(18)/2014-SG-1	24-02-2015	200.34	04-08-2015	129
	F.No 11016/18/2014-SG-1	29-12-2014	734.80	25-02-2015	26
	F.No 11015/02/2014-SG-II	19-06-2014	92.54	21-07-2014	0
	F.No 11015/02/2014-SG-II	19-06-2014	390.16	18-09-2014	59
2015-16	F. No 11015/5(19)/2015-SG-1	10-06-2015	55.00	11-12-2015	152
	F. No 11015/5(19)/2015-SG-1	10-06-2015	440.34	11-12-2015	152
	F. No 11015/5(19)/2015-SG-1	22-02-2016	1600.00	30-03-2016	5
	F.No 11015/5(19)2015-SG-I	28-03-2016	1700.00	16-06-2016	48
2016-17	F.No 11020/02/2016-Edu (Hostel)	28-03-2017	200.50	29-05-2017	30
	F.No 11020/02/2016-Edu (Hostel)	28-03-2017	802.00	29-05-2017	30
	F.No 11015/4(18)2016-Grant	23-03-2017	27.10	29-06-2017	66
	F.No 11015/4(18)2016-Grant	23-03-2017	158.38	29-06-2017	66
	F.No 11015/4(18)2016-Grant	26-09-2016	57.97	29-06-2017	244
	F.No 11015/4(18)2016-Grant	27-06-2016	1350.00	29-06-2017	335
	F.No 11015/4(18)2016-Grant	28-06-2016	350.00	29-06-2017	334
	F.No 11015/4(18)2016-Grant	26-09-2016	231.89	29-06-2017	244

Appendix 2.3.2

Statement showing discrepancy between cash book and bank transaction statement

(Paragraph reference: 2.3.9.3)

(Amount in ₹lakh)

Sl. No.	Name of the Contractor/Beneficiary	Name of work	Amount shown as paid as per cash book			Amount paid as per bank statement							Difference Amount
			July 2014	December 2014	Total	July 2014			December 2014			Total Amount	
						Cheque No.	Date	Amount	Cheque No.	Date	Amount		
1	2	3	4	5	6 (Col. 4 + 5)	7	8	9	10	11	12	13 (Col. 9 + 12)	14 (Col. 6 - 13)
1	Kuolie Metha	Development of Kezha Fishery Project at Metha Colony, Signal Angami, Dimapur	106.83	34.98	141.81	718698	25/07/2014	83.06	805778	22/12/2014	30.08	113.14	28.67
2	Aguonuo	Development of Aguonuo Fishery Project at Razaphe village, Dimapur	125.69	41.89	167.58	718699	26/07/2014	99.5	805779	22/12/2014	36.02	135.52	32.06
3	Kedou	Development of N. Putsere Fish and Fish Seed Production Farm at Sovima village, Dimapur	116.52	38.84	155.36	718700	26/07/2014	92.24	805780	22/12/2014	33.4	125.64	29.72
4	Vikuolie	Innovative Project for Integrated Fisheries Project at Burma Camp	63.32	21.75	85.07	718701	25/07/2014	51.6	805781	22/12/2014	18.7	70.3	14.77
TOTAL			412.36	137.46	549.82			326.4			118.2	444.6	105.22

Appendix 2.3.3
Statement showing unverifiable projects
(Paragraph reference: 2.3.10.2 (i))

(₹ in lakh)

Sl. No.	Year	Name of the projects	District	Amount Approved/ released by Gol
1	2012-13	Innovative Project for Construction of Integrated Fisheries Project at Burma Camp, Dimapur	Dimapur	91
2	2013-14	Construction of Amenity Centre.	Dimapur	30
3	2013-14	Approach road from playground to Bamunpukhuri-II village Dimapur.	Dimapur	25
4	2013-14	Setting up of computer training centre for STs at Purana Bazar, Dimapur (Backward class Development society)	Dimapur	95
5	2013-14	Construction of tribal Approach road at Old veterinary colony, Dimapur	Dimapur	60
6	2014-15	Construction of minority tribal girls hostel at Nagarjan	Dimapur	65
7	2012-13	Construction of Tribal Bhavan at Midland Kohima	Kohima	40
8	2012-13	Construction of tribal working women lodge	Kohima	50
9	2012-13	Construction of road between Gariphema and Gariphe Basa	Kohima	80
10	2015-16	Construction of Orphanage Home at Kohima Village, Kohima.	Kohima	50
11	2015-16	Const, of Human Resource Centre, Mokokchung	Mokokchung	25
12	2014-15	Construction of Youth sports Training Centre at Mhaikam Peren.	Peren	50
13	2015-16	Development of Skill in woodcrafts at Mhainamtsi.	Peren	50
Total				711

Appendix-2.3.4

Statement showing short execution of works in nine projects

(Paragraph reference: 2.3.10.2 (iii))

A. Statement showing short execution of works in five projects

(Amount in ₹)

1 Aguonuo fishery project at Razaphe, Dimapur									
Sl No	Components of work to be executed	Unit	Estimated cost	Quantity work to be executed	Rate	Quantity of work executed	Value of work executed	Quantity of work short executed	Value ow work short executed
1	2	3	4	5	6	7	8	9	10
i	Digging pond	sqm	8454000	26600	317.83	570	181163.10	26030.00	8273114.90
ii	Security fencing	lumpsum	2343800	lumpsum	2343800	0	0.00	2343800.00	2343800.00
iii	Side wall of the pond	lumpsum	4828206	lumpsum	4828206	0	0.00	4828206.00	4828206.00
Total							181163.10		15445120.90
2 N. Putsera fishery project									
i.	Digging pond	sqm	10902700	30200	361.02	6918	2497536.36	23282.00	8405267.64
3 Construction of village marketing shed at Kiphire									
Sl. No.	Particulars	Unit	Estimated cost	Quantity of work to be executed	Rate	Quantity executed	Value of work executed	Amount paid to contractor	Value of work short executed
i.	Plinth area of village marketing shed to be constructed	sqm	764635.78	456.75	16740.79	66.89	1119791.44	9900000	8780208.56
4 Construction of community multipurpose training Institute at Tizit									
Sl. No.	Components of work to be executed	Unit	Estimated cost	Rate	Quantity executed	Value of work executed	Amount paid to contractor	Value of work short executed	
i.	Brick walled building	sqm	240	15119.93	183.85	2779768.89	5000000	2220231.11	
5 Construction of Baudi community building at Peren new HQ									
Sl. No.	Particulars	Quantity to be executed	Unit	Estimate	Rate	Quantity executed	Amount of work executed	Amount paid to contractor	Value of work short executed
i.	Brick walled building	240	sqm	4570080	19042	141.54	2695204.68	4000000	1304795.32

B. Statement showing short execution of works in five projects

6 Approach road to Kejanglo rubber plantation								
Sl. No	Particulars	Unit	Rate allowed	Estimated cost of the items of work to be executed	Rate to be allowed (for ordinary soil)	Value of work executed	Amount paid to contractor	Value of work short executed
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>Col 9 (Col. 8 -7)</i>
i.	Ordinary Rock	Cum	286.77	10550	179.01	1888555.5	-	-
ii.	Hard Rock	cum	406.8	18309.8	179.01	3277637.298	-	-
iii.	Hard Rock (blasting Prohibited)	cum	430.53	7680	179.01	1374796.8	-	-
Total						6540989.598	19900000	13359010.40

C. Statement showing short execution of works in Construction of tribal girls hostel at Peren

7 Construction of tribal girls hostel at Peren									
Sl. No	Particulars of work	Unit	Executed	Rate	Estimate	Quantity executed	Value of work done	Amount paid to contractor	Value of work short executed
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>Col. 10 (Col. 9- 8)</i>
i.	Plinth area of the hostel to be constructed	sqm	189.23	19402	3671440.46	92.9	1802445.8	5000000	3017309.62
ii.	Approach road and site levelling	10 per cent of value of work done	-	-	367144.046	-	180244.58		
Total					4038584.506	-	1982690.38		

D. Statement showing short execution of work in Construction of Construction of Community based poultry, piggery farms and fishery ponds at Rengmapani

8 Construction of Community based poultry, piggery farms and fishery ponds at Rengmapani								
Sl. No.	Particulars of work	No. of farms. Ponds to be constructed	Rate	To be done	Expenditure per beneficiary	Quantity of work executed	Value of work done	Value of work short executed
i.	Construction of poultry farm	192	13375	2568000	14266.67	72.65	971693.75	1596306.25
ii.	Construction of Piggery farm	180	8783.33	1581000	325.91	137.13	1204458.043	376541.96
iii.	Construction of fishery pond	4851	483.4	2345000	483.41	963.97	465983.098	1879016.90
Total				6494000			2642134.891	3851865.11

E. Statement showing short execution of work Skill Development and Training for women group at Mokokchung

9 Skill Development and Training for women group at Mokokchung								
Sl. No.	Type of project	Cost of project	Unit (No. of beneficiaries)	Expenditure per beneficiary	Actual number of beneficiaries provided	Value of work done	Amount paid to contractor	Value of work short executed
i.	Poultry	5765000	50	115300	5	576500	9900000.00	8046585.71
ii.	Piggery	3769200	70	53845.71	20	1076914.3		
iii.	Tailoring unit	400000	20	20000	10	200000		
Total						1853414.286		

Appendix 2.4.1
Statement showing sample selection
(Paragraph reference: 2.4.2)

State	Administrative units	Total	Total border units	Sampled
Nagaland	Districts	11	4	2
	Blocks	74	13	3
	Villages (Gram Panchayats)	1530	224#	16
<p><i># out of 224 villages, BADP was implemented in 116 villages during 2012-17.</i></p> <p><i>457 works valuing ₹ 123.69 crore were undertaken in 116 villages out of which 97 works in sampled 16 villages valuing ₹ 50.02 crore were selected for joint verification.</i></p> <p align="center">Districts, blocks, Villages sampled/selected for Performance Audit on BADP</p>				
State	Name of selected			
	District	Block	Gram Panchayat	
1	2	3	4	
Nagaland	Mon	Chen	Choknyu	
			Chenwetnyu	
			Chen town	
			Wangti	
			Angjangyang	
			Longching	
	Aboi	Mohung		
		Aboi Hq		
		Aopao		
		Sowa		
		Choaha		
	Tuensang	Noklak	Noklak town/ Village	
			Nokyan	
Pangsha				
Dan				
Chendang Saddle				
Total	2	3	16	

Appendix-2.4.2

Statement showing delay in release of fund by the State Government

(Paragraph reference 2.4.8.2)

(₹ in crore)

Year	GoI release		GoN release		Delay in release	Kept in CD	Drawn from CD	
	Date	Amount	Date	Amount			Date	Amount
2012-13	16-07-2012	18.00	16-03-2013	16.45	7 months 14 days	10.00	0	0
2012-13		0	12-03-2013	1.55	7 months 10 days	0.78	18-07-2013	0.78
2012-13	20-02-2013	2.00	25-03-2013	2.00	17 days	0		0
2013-14	18-06-2013	7.95	17-03-2014	6.45	7 months 13 days	5.00		0
2013-14		0	18-03-2014	1.50	8 months 12 days	0		0
2013-14	18-07-2013	12.05	17-03-2014	12.05	8 months 13 days	8.44	13-02-2014	4.00
2013-14	14-03-2014	10.00	21-08-2014	10.00	4 months 23 days	0		0
2014-15	25-08-2014	9.93	21-01-2015	4.31	4 months 12 days	0	13-09-2013	6.00
2014-15		0	16-03-2015	1.30	6 months 5 days	0	13-08-2014	8.03
2014-15		0	29-03-2015	4.31	6 months 18 days	4.31	25-08-2014	4.76
2014-15	25-11-2014	10.08	29-03-2015	10.08	3 months 17 days	5.04	30-03-2015	0
2015-16	22-7-2015	16.65	01-03-2016	16.65	6 months 25 days	8.33	15-02-2016	4.80
2015-16	06-02-2016	3.35	30-03-2016	3.35	1 month 6 days	0	11-12-2015	4.11
2015-16	21-03-2016	9.10	15-09-2016	9.10	5 months 10 days	0	1-08-2016	4.00
2016-17	30-06-2016	22.39	12-12-2016	3.26	4 months 28 days	0	09-12-2016	3.91
2016-17	27-1-2017	2.61	18-03-2017	2.61	1 months 3 days	0		0
2016-17		0	07-03-2017	19.13	7 months 21 days	14.65		0
2016-17	20-03-2017	6.14		0	4 months 27 days	0		0
2016-17	30-03-2017	1.01		0	4 months 17 days	0		0
Total		131.26		124.10	Total	56.55		40.39
Balance in Civil Deposit						16.16		

Appendix-2.4.3

Statement showing unexecuted works found during joint inspection

(Paragraph reference: 2.4.9.1 (i))

(₹ in crore)

SL No	AAP year	Dist rict	Block/Village	Name of work	Value of works	Date of work order	Completed as per record	Payment Made
1	2013-14	Mon	Longching	Construction of approach road from border road junction to Longching	0.10	20-12-2013	By March 2014	0.10
2	2013-14	Tuen sang	Noklak/Dan	Construction of approach road teacher quarters to Main road	0.30	17-11-2014	November 2015	0.30
3	2014-15	Mon	Aboi/ Longching	Community building	0.10	16-12-2016	by	0.10
Total					0.50			0.50

Source: Records of the Department and result of joint inspection of works

Appendix-2.4.4
Statement showing short execution of works
(Paragraph reference: 2.4.9.1 (ii))

(Amount in ₹)

Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate			As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)		
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
1	Construction of Circular Road - Angiangyang	20-08-2012	21-10-2013	30,00,000	24,75,000	Providing , laying, spreading and compacting stone, with roller, watering etc. Grading No.I	362.40	3203.00	1160767.00	362.40	1160767.20	-	0.00
						Grading No.III using screening crushable type such as Moorum or gravel	181.20	3440.00	623328.00	0.00	0.00	181.20	623328.00
						Construction of retaining wall	44.00	24494.00	1077736.00	0.00	0.00	44.00	1077736.00
Sub Total (A)								2861831.00		1160767.20		1701064.00	
2	Construction of Drainage at Angiangyang	13-05-2016	01-09-2016	8,00,000	6,50,000	Earth Work Excavation of Foundation of structure ordinary soil, manual means	154.35	137.00	21146.00	154.35	21145.95	0.00	-
						Plain Cement concrete 1:3:6 nominal mix in foundation with crushed stone aggregate 40 mm nominal size	38.59	7977.00	307832.00	0.00	0.00	38.59	307832.00
						Stone Masonry work in cement mortar 1:3 in foundation complete, square rubble coursed rubble	46.31	9362.00	433554.00	0.00	0.00	46.31	433554.00
Sub Total (B)								762532.00		21145.95		741386.00	
3	Construction of Village Connectivity Road at Wangti Langshai	19-02-2015	20-08-2015	20,00,000	13,81,000	Excavation of road way in soil in mechanical means	3240.00	168.00	544320.00	3240.00	544320.00	0.00	0.00
						Excavation of road way in ordinary rock by deploying a dozer	4160.00	284.00	1181440.00	4160.00	1181440.00	0.00	-
						Construction of unlined surface drains of average cross sectional area 0.40 sqm in soil	630.00	75.00	47250.00	0.00	0.00	630.00	47250.00
						Construction of unlined surface drains of average cross sectional area 0.40 sqm in ordinary rock	880.00	152.00	133760.00	0.00	0.00	880.00	133760.00
Sub Total (C)								1906770.00		1725760.00		181010.00	
4	Construction of 2 Nos of houses for GHS Noklak Hq	19-12-2015	11-07-2016	20,00,000	16,34,000	Total Cost of house	2.00	996874.00	1993748.00	1.00	996874.00	1.00	996874.00
Sub Total (D)								1993748.00		996874.00		996874.00	

Audit Report for the year ended 31 March 2017

Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate			As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)		
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
5	Chenwetnyu Common Facility	03-01-2012	06-11-2012	4000000	3299000	Plinth area as per estimate and actuals	1835.00	1404.69	2577606.15	1296.60	1821324.38	538.40	756281.77
Sub Total (E)									2577606.15		1821324.38		756281.77
6	Construction of GHHS Staff Quarters (2 Nos) Ph-I & Ph-II	06-01-2014	28-09-2014	1000000	1000000	Cost of construction of quarters	2.00	500000.00	1000000.00	1.00	500000.00	1.00	500000.00
Sub Total (F)									1000000.00		500000.00		500000.00
7	Construction of Retaining wall - Noklak town	17-08-2012	09-07-2013	800000	661000	Excavation for structure -Earth work in excavation of foundation of structures	37.31	205.00	7648.55	37.31	7648.55	0.00	0.00
						PCC 1:3:6 in foundation	4.95	7169.00	35486.55	4.95	35486.55	0.00	0.00
						Stone masonry work in cement mortar	63.38	7097.00	449807.86	41.95	297733.34	21.43	152074.52
						Back filling behind abutment, wing wall and return wall etc	44.19	6093.00	269249.67	44.19	269249.67	0.00	0.00
Sub Total (G)									761992.63		610118.11		152074.52
8	Construction of Retaining wall- Noklak village	06-01-2014	28-05-2014	1000000	819000	Excavation for structure work in excavation of foundation of structures as per drawing and technical specification, i/c setting etc complete 1x16.80x1.30x1.00	21.84	412.00	8998.08	21.84	8998.08	0.00	0.00
						PCC 1:3:6 in foundation (Plain CC 1:3:6 mix with crushed stone aggregate 40 mm size	2.90	12150.00	35235.00	2.90	35235.00	0.00	0.00
						Stone masonry work in cement mortar 1:3 for substructure complete	54.15	11708.00	633988.20	47.85	560227.80	6.30	73760.40
						Back filling behind abutment, wing wall and return wall etc complete	25.60	10818.00	276940.80	0.00	0.00	25.60	276940.80
Sub Total (H)									955162.08		604460.88		3507012.00
9	Construction of Morung at Choknyu	01-01-2016	01-01-2017	2000000.00	523000.00	Earth work in excavation foundation or drain dressing of side and ramming of bottom							
						All kind of soil	39.56	311.38	12318.19	39.56	12318.19	0.00	0.00
						Providing 100 mm thick soiling with approved quality of stone, carriage watering ramming, consolidation	42.82	339.77	14548.95	42.82	14548.95	0.00	0.00
						Providing and laying in position cement concrete of specified grade	9.36	8462.47	79208.72	9.36	79208.72	0.00	0.00

Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate				As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)	
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
						Reinforcement for RCC work Straightening cutting bending placing in position and binding	1072.84	98.37	105535.27	1072.84	105535.27	0.00	0.00
						Mild steel and medium tensile bar	390.79	78.30	30598.86	390.79	30598.86	0.00	0.00
						Providing and laying in position reinforced cement concrete, 20 mm	8.29	8941.71	74126.78	8.29	74126.78	0.00	0.00
						Centering and shuttering	73.30	439.50	32215.35	73.30	32215.35	0.00	0.00
						Lintels beams plinth beams girders	90.68	301.77	27364.50	90.68	27364.50	0.00	0.00
						Reinforced cement concrete work in wall, abutment post, struts, column pillars	4.13	9076.85	37487.39	4.13	37487.39	0.00	0.00
						Brick work, foundation, plinth, step	27.31	8356.79	228223.93	27.31	228223.93	0.00	0.00
						Half brick work masonry - deduct door windows	132.41	895.90	118626.12	132.41	118626.12	0.00	0.00
						Extra brick work in superstructure above plinth level upto five floor level	132.41	82.40	10910.58	132.41	10910.58	0.00	0.00
						Reinforcement cement concrete work in beams suspended floor roofs...	8.55	9087.07	77694.45	8.55	77694.45	0.00	0.00
						Providing wood work in frames of door, windows,, etc	5.48	45201.32	247703.23	0.00	0.00	5.48	247703.23
						Providing ad fixing paneled glazed shutter for doors and window	21.64	2977.27	64428.12	0.00	0.00	21.64	64428.12
						Providing and fixing paneling and glazing in	15.34	1767.32	27110.69	0.00	0.00	15.34	27110.69
						Providing and fixing S grills of required pattern	224.37	112.50	25241.63	0.00	0.00	224.37	25241.63
						Providing and fixing ISI marked MS sliding door	2.00	243.57	487.14	0.00	0.00	2.00	487.14
						Providing and fixing ISI marked MS tower bolt	8.00	126.28	1010.24	0.00	0.00	8.00	1010.24
						for window	54.00	84.81	4579.74	0.00	0.00	54.00	4579.74
						ISI marked oxidised MS handle with screws 100 mm	31.00	30.39	942.09	0.00	0.00	31.00	942.09
						Filling excavated earth in trenches plinth side of foundation etc	68.51	45.79	3137.07	68.51	3137.07	0.00	0.00
						Providing 100 m thick soiling with stone carriage etc	152.25	339.77	51729.98	152.25	51729.98	0.00	0.00
						Cement concrete flooring with floating	152.25	421.40	64158.15	87.21	36749.45	65.04	27408.70

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Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate				As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)	
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
						coat							
						12 mm cement plaster, plinth wall outside, inside, deduct door, windows	330.07	230.93	76223.07	330.07	76223.07	0.00	0.00
						Distempering with oil bound washable distemper	330.07	89.08	29402.64	0.00	0.00	330.07	29402.64
						Paining wood work	12.55	145.04	1820.25	0.00	0.00	12.55	1820.25
						Corrugated GS sheet roofing fixed with polymer coated j or l hook	146.56	1108.84	162511.59	0.00	0.00	146.56	162511.59
						Providing ridges or hips of width 60 cm	17.70	778.58	13780.87	17.70	13780.87	0.00	0.00
						Fixing insulated board ceiling or approved quality	149.68	781.20	116930.02	0.00	0.00	149.68	116930.02
Sub Total (I)									1740055.61		1030479.50		709576.08
10	Improvement of Road from Choknyu Village to Mon-Tuensang Road Phase-I	Jan-15	01-04-2015	150,00,000	130,02,000	Excavation of road way in soil in mechanical means	10370.00	168.00	1742160.00	0.00	0.00	10370.00	1742160.00
						Excavation of road way in Ordinary rock by deploying dozer	13681.00	284.00	3885404.00	0.00	0.00	13681.00	3885404.00
						Construction of unlined surface drains in soil	2860.00	75.00	214500.00	2860.00	214500.00	0.00	0.00
						Construction of unlined surface drains in ordinary rocks.	4140.00	152.00	629280.00	4140.00	629280.00	0.00	0.00
						Construction of RCC Slap Culvert	3.00	597558.00	1792674.00	3.00	1792674.00	0.00	0.00
						Construction of Toe Wall	60.00	24500.00	1470000.00	60.00	1470000.00	0.00	0.00
Sub Total (J)									9734018.00		4106454.00		5627564.00
11	Construction of 5 nos. of toilet at GHS Noklak for boys & Girls	Jan-16	12 Months	15,00,000	3,92,000	Cost of construction of toilet for boys and girls	5.00	300000.00	1500000.00	2.00	600000.00	3.00	900000.00
Sub Total (K)									1500000.00		600000.00		900000.00
12	Construction of 1 no. of Teacher's Quarter at Dan village	03-09-2012	08-07-2013	800000	762000	Earth work excavation in foundation trenches of drains	26.64	179.01	4768.83	26.64	4768.83	0.00	0.00
						Providing and laying in position cement concrete	2.78	7258.50	20178.63	0.00	0.00	2.78	20178.63
						Brick work with FPS bricks of class	41.32	9782.58	404216.21	62.48	57942.66	-21.16	346273.54
						Filling available excavated earth in trenches plinth side of foundation	13.86	54.94	761.47	13.86	761.47	0.00	0.00
						Providing wood work in frames of door, windows and outer frames	0.87	39307.30	34236.66	0.76	30046.50	0.11	4190.16

Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate				As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)	
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
						Providing and fixing paneling or paneling and glazing in paneled door etc	12.28	1281.12	15732.15	10.85	13900.15	1.43	1832.00
						Providing wood work in frames of false ceiling partitions etc	2.52	34755.63	87618.94	2.52	87618.94	0.00	0.00
						Providing corrugated G.S sheet roofing fixed with polymer coated J or L hooks bolts and nuts 8mm dia etc. complete (0.63mm thick)	83.10	927.32	77060.29	83.10	77060.29	0.00	0.00
						Providing rides or hip	20.60	607.03	12504.82	20.60	12504.82	0.00	0.00
						12 mm cement plaster	183.36	208.48	38226.89	0.00	0.00	183.36	38226.89
						Providing 100mm thick soiling with approved quality of stone	37.13	264.26	9811.97	0.00	0.00	37.13	9811.97
						Cement concrete flooring	37.13	320.58	11903.14	56.00	108676.40	-18.87	-96773.26
						Providing and fixing plain AC sheet ceiling	37.13	670.66	24901.61	37.13	24901.61	0.00	0.00
						Providing and fixing Aluminum tower bolts	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						300 x 10 mm	12.00	125.83	1509.96	12.00	1509.96	0.00	0.00
						150 x 10 mm	20.00	80.55	1611.00	20.00	1611.00	0.00	0.00
						Providing and fixing Aluminum handles	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						125 mm	6.00	88.75	532.50	6.00	532.50	0.00	0.00
						75 mm	10.00	54.12	541.20	10.00	541.20	0.00	0.00
						Providing and fixing 50 cm long Aluminum kicking plate 100x3 15 mm etc	3.00	230.75	692.25	3.00	692.25	0.00	0.00
						Finishing walls with water proofing cement paints	214.20	51.21	10969.18	0.00	0.00	214.20	10969.18
						Applying priming coat mixed pink or grey primer on wood work	78.04	29.02	2264.58	78.04	2264.58	0.00	0.00
						Painting with oil type wood preservative of approved brand manufacture	78.04	24.45	1907.96	78.04	1907.96	0.00	0.00
Sub Total (L)									761950.24		427241.12		334709.11
13	Construction of Community Toilet at Chen Hq (2 units)	Jan-16	12 Months	20,00,000	16,73,000	Construction of 1st unit of Community toilet (plinth area)	30.00	20926.00	627780.00	13.50	282501.00	16.50	345279.00
						Construction of 2nd unit of Community toilet with Water supply			911902.00	0.00	0.00		911902.00
Sub Total (M)									1539682.00		282501.00		1257181.00

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Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate				As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)	
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
14	Construction of community toilet at Chendang Saddle	01-01-2016	01-01-2017	500000	131000	Construction work: Plinth area	15.68	28282.87	443333.95	4.96	140283.02	10.72	303050.93
						Furnishing and accessories							
						Providing & Fixing water closet	1.00	7386.92	7386.92	0.00	0.00	1.00	7386.92
						Providing and fixing white vitreous chain	1.00	936.48	936.48	0.00	0.00	1.00	936.48
						Providing and fixing china squatting plate urinal	1.00	2094.00	2094.00	0.00	0.00	1.00	2094.00
						Providing and fixing wash basin	1.00	268.60	268.60	0.00	0.00	1.00	268.60
						100 mm dia centrifugally cast	9.00	742.00	6678.00	0.00	0.00	9.00	6678.00
						75 dia mm pipe	2.00	62.98	125.96	0.00	0.00	2.00	125.96
						100 mm dia pipe	2.00	75.57	151.14	0.00	0.00	2.00	151.14
						100 mm sand cast iron	1.00	350.00	350.00	0.00	0.00	1.00	350.00
						100 mm sand cast iron	1.00	342.00	342.00	0.00	0.00	1.00	342.00
						75 mm	4.00	109.15	436.60	0.00	0.00	4.00	436.60
Container 109 mm wide	1.00	328.48	328.48	0.00	0.00	1.00	328.48						
Providing and fixing G.I Pipe	6.00	323.37	1940.22	0.00	0.00	6.00	1940.22						
Sub Total (N)								464372.35		140283.02		324089.33	
15	Purchase of Ambulance at Aboi PHC	16-12-2015	01-01-2017	1500000	892000	Supply order for supply of Medicine	1.00	475000.00	475000.00	0.00	0.00	1.00	475000.00
						Supply of Ambulance (including construction of Garage) Ph. I	1.00	475000.00	475000.00	1.00	425000.00	0.00	50000.00
						Supply of Ambulance (including construction of Garage) Phase II	1.00	475000.00	475000.00	0.00	0.00	1.00	475000.00
Sub Total (O)								1425000.00		425000.00		1000000.00	
16	Construction of Bridge over Tapi at Chen	16-06-2016	16-06-2017	148537000	79366000	Foundation							
						Excavation for Structure Earth of foundation	1261.40	176.00	222006.40	1261.40	222006.40	0.00	0.00
						Providing 100 mm thick soiling with approved quality of stone including carriage, watering, ramming	219.05	339.77	74426.62	219.05	74426.62	0.00	0.00
						Providing Plain cement concrete 1:3:6mixed with crushed stone	57.16	7977.00	455981.27	57.16	455981.27	0.00	0.00
						Filling Annular space around footing in lean cement concrete 1:3:6 nominal mix	18.01	8776.00	158073.31	18.01	158073.31	0.00	0.00
						Plain/RCC in open foundation RCC M35 grade using concrete mixer	255.52	10788.00	2756573.93	255.52	2756573.93	0.00	0.00
Supply fitting and placing un-coated mild steel reinforcement in foundation	230.92	83508.00	19283667.36	230.92	19283667.36	0.00	0.00						

Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate				As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)	
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
						Sub-Structure							
						i. Plain/reinforced cement concrete in substructure RCC M35 grade height 5 m to 10 m	470.17	11773.00	5535275.05	470.17	5535275.05	0.00	0.00
						ii. Supply, fitting and placing Mild steel reinforcement in Sub-structure	136.85	82474.00	11286566.90	136.85	11286566.90	0.00	0.00
						iii. Providing weep holes in brick masonry/plain/reinforced concrete abutment wing wall with 10 mm dia AC pipe	1000.00	715.00	715000.00	1000.00	715000.00	0.00	0.00
						iv. Back filling behind abutment, wing wall and return wall with sandy material	440.23	4245.00	1868774.45	440.23	1868774.45	0.00	0.00
						v. Providing and laying filter media granular materials/stone	20.52	981.00	20130.12	20.52	20130.12	0.00	0.00
						Superstructure						0.00	0.00
						i. Furnishing and placing reinforced cement concrete in superstructure RCC grade M 35	170.76	12924.00	2206851.06	155.64	2011440.18	15.12	195410.88
						ii. Supply , fitting nd placing HYSD bar reinforcement in super structure	810.53	86026.00	69726782.82	810.53	69726782.82	0.00	0.00
						Bearing and Joints						0.00	0.00
						i. Supplying, fitting and fixing in position true to line and level elastomeric bearing	3840.00	6.80	26112.00	3840.00	26112.00	0.00	0.00
						ii. Modular strip/box seal joint (Providing and laying of modular strip box expansion joint including anchorage catering etc	17.10	1092.00	18673.20	12.30	13431.60	4.80	0.00
						iii. Providing & Fixing 2 mm thick corrugated copper plate in expansion joint	17.10	839.00	14346.90	17.10	14346.90	0.00	0.00
						Formwork						0.00	0.00
						Centering and shuttering including strutting, Propping etc and removal of form using steel sections	1593.20	238.50	379978.20	1593.20	379978.20	0.00	0.00
						Columns, Pillars, Piers, Abutment, Post and Struts	1860.00	395.55	735723.00	1860.00	735723.00	0.00	0.00
						Centering and shuttering including strutting, propping etc and removal of	756.00	337.50	255150.00	756.00	255150.00	0.00	0.00

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Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate				As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)	
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
						form using steel sections.							
						Extra for additional height in centering, shuttering where ever required with adequate bracing, propping etc	756.00	185.57	140290.92	756.00	140290.92	0.00	0.00
						Furnishing of Superstructure						0.00	0.00
						i. Providing and applying tack coat with bitumen emulsion pressure distributor at rate 20 kg per sqm	232.96	18.20	4239.87	0.00	0.00	232.96	4239.87
						Mastic Asphalt (Providing and laying 12 mm thick mastic asphalt wearing course on top of deck including approach slab	232.96	487.00	113451.52	0.00	0.00	232.96	113451.52
						Seal Coat (Providing and laying seal coat sealing the voids in a bituminous surface	232.96	112.00	26091.52	0.00	0.00	232.96	26091.52
						Construction of RCC Railing of M30 grade in situ with 20 mm nominal size aggregate	1.99	2510.00	5004.31	1.99	5004.31	0.00	0.00
						Providing, fitting and fixing mild steel railing	181.60	4196.00	761993.60	152.00	637792.00	29.60	124201.60
						Drainage spouts	17.00	4328.00	73576.00	17.00	73576.00	0.00	0.00
						Painting Works on concrete surface	360.84	190.00	68559.36	345.72	65686.56	15.12	2872.80
						River Training and Protection Works						0.00	0.00
						i. Providing and laying stone pitching on slopes laid over prepared filter	54.47	1598.00	87046.26	54.47	87046.26	0.00	0.00
						Stone Masonry work in cement mortar for sub structure complete						0.00	0.00
						Toe wall	18.00	9089.00	163602.00	18.00	163602.00	0.00	0.00
						Providing and laying flooring over cement concrete bedding	96.03	11434.00	1098007.02	96.03	1098007.02	0.00	0.00
						Providing a gabion structure for erosion control, river training work and protection works	720.00	7428.00	5348160.00	720.00	5348160.00	0.00	0.00
						Detail Estimate for construction of Approach road to bridge						0.00	0.00
						Cutting of trees etc girth from 300 mm to 600 mm	118.00	287.00	33866.00	118.00	33866.00	0.00	0.00
						Cutting of trees etc girth from 600 mm to 900 mm	66.00	516.00	34056.00	66.00	34056.00	0.00	0.00
						Clearing and grubbing road land						0.00	0.00

Sl. No.	Name of the project:	Year/ date of commencement	Target date of Completion/ date of completion	Estimated cost of the project:	Net Payment made upto 31-03-2017	Quantity to be executed as per estimate				As per Actual Joint inspection		Value of work short executed (difference calculated at Pro rata basis/ SOR applicable)	
						Description of the work	Quantity	Rate	Amount	Quantity	Amount	Quantity	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13 (Col. 8-11)	14 (Col. 10-12)
						In widening	0.58	79289.00	45987.62	0.58	45987.62	0.00	0.00
						Excavation in Hill Area in soil by mechanical means	13757.40	230.00	3164202.00	13757.40	3164202.00	0.00	0.00
						Excavation in Hill Area in ordinary rock by mechanical means	7857.45	329.00	2585101.05	7857.45	2585101.05	0.00	0.00
						Construction of Sub grade and earthen Shoulders	384.00	781.00	299904.00	384.00	299904.00	0.00	0.00
						Providing, laying, spreading and compacting stone aggregates of specific to WBM						0.00	0.00
						Grade I using screening crushable type gravel	720.00	3889.00	2800080.00	720.00	2800080.00	0.00	0.00
						Grade II	540.00	3900.00	2106000.00	540.00	2106000.00	0.00	0.00
						Grade III	540.00	4166.00	2249640.00	540.00	2249640.00	0.00	0.00
						Providing and applying Prime coat with bitumen emulsion on prepared surface of granular base	7200.00	51.70	372240.00	7200.00	372240.00	0.00	0.00
						Providing and applying tack coat with bitumen emulsion	7200.00	18.20	131040.00	7200.00	131040.00	0.00	0.00
						Providing laying and rolling of open graded premix surfacing of 20 mm thickness	7200.00	227.00	1634400.00	7200.00	1634400.00	0.00	0.00
						Seal Coat using type C	7200.00	112.00	806400.00	7200.00	806400.00	0.00	0.00
						Surface drain in soil	650.00	75.00	48750.00	650.00	48750.00	0.00	0.00
						Surface drain in ordinary rock	1270.00	152.00	193040.00	1270.00	193040.00	0.00	0.00
Sub Total (P)									140134821.60		139663311.90		471509.79
TOTAL (A to P)									170119741.70		154115721.05		16004020.66

Compiled from Departmental records.

Appendix-2.4.5
Statement showing incomplete works
(Paragraph reference: 2.4.9.1 (iii))

(₹ in crore)

Sl. No.	AAP year	District	Block	Name of work	Project cost	Date of issue of work order	To be completed within	Payment made till date	Date of completion as certified by the Department	Remarks
1	2013-14	Mon	Tobu	Construction of road with bailey bridge from Tobu road junction to Auching Village (Additional Fund)	10.00	29-05-2014	24 months	9.46	27-9-2014	-
	2015-16	Mon	Tobu	Construction of bridge at Yetyong river at Tobu	0.42	16-12-2015	12 months	0.40	5-4-2016	-
2	2012-13	Mon	Chen (Angjangy ang)	Multi Utility Centre	1.30	2-6-2013	2-6-2013	1.30	30-5-2016	Electrical works, including wiring, and fitting, Water supply and sanitary works pending.
3	2015-16	Mon	Choknyu	Improvement of road from Choknyu Village to Mon-Tuesang Road Ph-II	1.68	16-12-2015	12 months	0.50	24-5-2016	Vr. No.267 dt 31-3-2016
4	2014-15	Tuensang	Noklak/Pangsha	Construction of road from ITC Pangsha to Shingnyu	0.50	3-1-2015	12 months	0.50	29-5-2014	
Total					13.90			12.16		

Appendix-2.4.6
Statement showing delay in commencement of works
(Paragraph reference: 2.4.9.1 (iv))

(₹ in lakh)

Sl. No.	District	Village	Name of the project	Estimated cost	Date of joint inspection	Date of issue of work order	Work to start within	To be completed Within	No. of months lapsed from start of work (as on date of joint inspection)
1	Mon	Aboi Hq	Construction of town circular road at Aboi	21.00	24-06-2017	15-12-2016	10 days		6 Months
2		Angjanyang	Construction of retaining wall	3.00	24-06-2017	15-12-2016	10 days	12 Months	6 Months
3		Angjanyang	Maintenance of road	10.00	24-06-2017	15-12-2016	10 days	12 Months	6 Months
4		Angjanyang	Purchase of 25 mm GI Pipes	20.06	24-06-2017	15-12-2016	10 days	60 days	6 months
5		Chen Hq	Purchase of G.I. pipe for Chen block water supply restoration	20.00	23-06-2017	16-12-2015	10 days	6 Months	6 Months
6		Chen Town	Construction of teachers quarters	20.00	22-06-2017	15.12.2016	10 days	12 Months	6 Months
7		Choknyu	Construction of footstep	5.00	22-06-2017	15.12.2016	10 days	12 Months	6 Months
8		Choknyu	Construction of side-drainage of village approach road	10.00	22-06-2017	15.12.2016	10 days	12 Months	6 Months
9		Longching	Construction of rostrum	10.00	24-06-2017	15.12.2016	10 days	12 Months	6 Months
10		Mohung	Improvement of circular road	10.00	30-06-2017	15.12.2016	11 days	12 Months	6 Months
11		Mohung/ Apoa	Cardamom farming	14.00	30-06-2017	25-1-2017	0	12 months	3 months
12	Tuensang	Noklak	Khedi link road at Panso/Noklak road at Kowang	5.00	09-07-2017	15.12.2016	10 days	12 Months	6 Months
13		Noklak Vill & Noklak Town	Construction of retaining and footstep in six different locations in Noklak village and Noklak town	20.00	09-07-2017	15.12.2016	10 days	12 Months	6 Months
TOTAL				168.06					

Appendix-2.5.1
Statement showing year-wise expenditure of selected projects
(Paragraph reference: - 2.5.3)

(₹ in lakh)

Sl. No.	Name of the scheme	Name of project	Project year	Project cost	Total expenditure as of 31-03-2017	Expenditure details of various implementing units					Percentage of expenditure	
						Directorate	Dimapur	Wokha	Peren	Other districts	Directorate	Districts
1	CSS - Development of Marine Fisheries, Infrastructure & Post Harvest Operations	Development of Fisheries Post Harvest facilities through M/s Nagaland Fisheries Co-operative Federation Ltd. (NAFCOF) under the Centrally Sponsored Scheme on Development of Marine Fisheries, Infrastructure & Post Harvest Operations	2014-15	451	300	300	0	0	0	0	100	0
2	CSS - Development of Inland Fisheries & Aquaculture	"Development of freshwater aquaculture, waterlogged areas and coldwater fisheries & aquaculture" (FFDA) component of the Centrally Sponsored Scheme on Development of Inland Fisheries & Aquaculture	2012-13, 2013-14 and 2014-15	1290	982.32	587.01	52.9	35.98	32.75	273.68	60	40
3		Establishment of Government Fish Farm at Longra Etsao, Wokha district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	2014-15	941.06	200	200	0	0	0	0	100	0
4		Development of Freshwater Aquaculture-Wopan Multipurpose Welfare Society, Yimpang village, Wokha under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	2013-14	198	198	198	0	0	0	0	100	0
5		Ayinato Fishery Project at Dimapur under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	2013-14	692.34	692.33	692.33	0	0	0	0	100	0
6		Establishment of Table Fish Production Farm at New Beisumpui village, Peren district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	2014-15	691.28	409.41	409.41	0	0	0	0	100	0

Sl. No.	Name of the scheme	Name of project	Project year	Project cost	Total expenditure as of 31-03-2017	Expenditure details of various implementing units					Percentage of expenditure	
						Directorate	Dimapur	Wokha	Peren	Other districts	Directorate	Districts
7		Establishment of Fish Seeds and Table Fish Production Farm at Zutovi village, Dimapur district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	2014-15	783.47	686.98	686.98	0	0	0	0	100	0
8		Development of Freshwater Aquaculture & Fisheries at Diezephe Village, Dimapur through the M/s Bhangka Multipurpose Co-operative Society Ltd. under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	2012-13	180	168.32	168.32	0	0	0	0	100	0
9		Development of Inland Fisheries & Aquaculture for Inland Capture Fisheries (Reservoirs/Lakes/Rivers, etc) under CSS Development of Inland Fisheries & Aquaculture	2013-14	207	100	100	0	0	0	0	100	0
10	CSS - National Scheme of Welfare of Fishermen	Development of Model Fishermen Villages and Training & Extension of the Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	2012-13, 2013-14 and 2014-15	1248.17	1061.46	1061.46	0	0	0	0	100	0
11		Saving-cum-Relief component of the Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	2012-13 and 2013-14	504	504	504	0	0	0	0	100	0
12	CSS - Blue Revolution	Blue Revolution-Integrated Development and Management of Fisheries	2016-17	1025	205	205	0	0	0	0	100	0
13	CSS - RKVY	Rashtriya Krishi Vikas Yojana	2012-17	2663	2663	2663	0	0	0	0	100	0
14	CSS - National Fisheries Development Board	National Fisheries Development Board	2012-17	2169.32	1296.27	1296.27	0	0	0	0	100	0
15	Central - Special Plan Assistance	Table Fish Raising & Multiplication Farm at Dimapur (Jorpukhuri Government Fish Farm, Purana Bazar, Dimapur)-Special Plan Assistance	2013-14	480	280	280	0	0	0	0	100	0
16	State Plan – State Earmarked Plan	Development of Freshwater Eel Culture & Feed Procurement Under Innovation-State Earmarked Plan	2012-13	250	250	250	0	0	0	0	100	0
17	State Plan – State Earmarked Plan	Development of Ponds on PPP Mode in Compact Area Fishery Development Programme (Mission Mode)-State Earmarked Plan	2012-13	200	200	200	0	0	0	0	100	0
18	State Plan – State	Development of Fishery at TIR Village, Dimapur	2013-14	50	50	50	0	0	0	0	100	0

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Sl. No.	Name of the scheme	Name of project	Project year	Project cost	Total expenditure as of 31-03-2017	Expenditure details of various implementing units					Percentage of expenditure	
						Directorate	Dimapur	Wokha	Peren	Other districts	Directorate	Districts
	Earmarked Plan	district-State Earmarked Plan										
19	State Plan	Women Empowerment/Development (Gender Budgeting)-State Plan	2012-13, 2013-14 and 2016-17	25	25	25	0	0	0	0	100	0
20	State Plan	Survey on Fisheries Resources (Database Networking)-State Plan	2012-13, 2015-16 and 2016-17	16	16	16	0	0	0	0	100	0
21	State Plan	Assistance to Pisciculturist	2012-13, 2013-14, 2015-16 and 2016-17	152.27	152.27	152.27	0	0	0	0	100	0
22	NEC	Development of Chabou Fishery Project at Rio Colony, Dimapur under North Eastern Council (NEC)	2010-11	363.44	356.18	356.18	0	0	0	0	100	0
23		Reclamation and Renovation of old ponds and tanks under NEC	2011-12	500	490	490	0	0	0	0	100	0
24		Fishery Project at Lamhai Dunki Village, Peren under NEC	2015-16	334	253.84	253.84	0	0	0	0	100	0
25		Community Based Fishery Project at Beiswampui village, Peren under NEC	2012-13	499.09	499.09	499.09	0	0	0	0	100	0
26		Kezha Fish Production Farm Project at Metha Colony, Signal Village, Dimapur under NEC	2011-12	327.32	130.93	130.93	0	0	0	0	100	0
27	NABARD	Construction of Fish Kiosks under negotiated Loan from NABARD	2013-14	250	250	250	0	0	0	0	100	0
28		Community Based Fishery & water bodies-NABARD	2012-13	300	300	300	0	0	0	0	100	0
Total				16790.76	12720.4	12325.09	52.9	35.98	32.75	273.68		

(Source: Departmental records)

Appendix-2.5.2
Statement showing short release of matching State share
 (Paragraph reference- 2.5.9.1)

(₹ in lakh)

Sl. No.	Name of the scheme	Name of project	Total project cost	Sharing pattern (Ratio GoI: GoN)	GoI share released	Corresponding share to be released by GoN	GoN share released	Total released (GoI + GoN)	Short release of State matching share
1	2	3	4	5	6	7	8	9 (Col. 6 + 8)	10 (Col. 7 - 8)
1	Centrally Sponsored Scheme on Development of Marine Fisheries, Infrastructure & Post Harvest Operations	Development of Fisheries Post Harvest facilities through M/s Nagaland Fisheries Co-operative Federation Ltd. (NAFCOF) under the Centrally Sponsored Scheme on Development of Marine Fisheries, Infrastructure & Post Harvest Operations	451.00	85:15	300	52.94	0	300	52.94
2	Special Plan Assistance	Table Fish Raising & Multiplication Farm at Dimapur (Jorpukhuri Government Fish Farm, Purana Bazar, Dimapur)-Special Plan Assistance	480.00	90:10	270	30	10	280	20
3	Centrally Sponsored Scheme on Development of Inland Fisheries & Aquaculture	"Development of freshwater aquaculture, waterlogged areas and coldwater fisheries & aquaculture" (FFDA) component of the Centrally Sponsored Scheme on Development of Inland Fisheries & Aquaculture	1290.00	75:25	738.25	246.07	244.07	982.32	2
4		Establishment of Government Fish Farm at Longra Etsao, Wokha district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	941.06	75:25	200	66.67	66.67	266.67	0
5		Development of Freshwater Aquaculture-Wopan Multipurpose Welfare Society, Yimpang village, Wokha under the innovative component of the centrally	198.00	75:25	148.5	49.5	49.5	198	0

Sl. No.	Name of the scheme	Name of project	Total project cost	Sharing pattern (Ratio GoI: GoN)	GoI share released	Corresponding share to be released by GoN	GoN share released	Total released (GoI + GoN)	Short release of State matching share
1	2	3	4	5	6	7	8	9 (Col. 6 + 8)	10 (Col. 7 - 8)
		sponsored scheme on Development of Inland Fisheries and Aquaculture.							
6		Ayinato Fishery Project at Dimapur under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	692.34	75:25	519.25	173.08	173.08	692.33	0
7		Establishment of Table Fish Production Farm at New Beisumpui village, Peren district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	691.28	75:25	300	111.08	111.08	411.08	0
8		Establishment of Fish Seeds and Table Fish Production Farm at Zutovi village, Dimapur district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	783.47	75:25	565.24	188.41	121.74	686.98	66.67
9		Development of Freshwater Aquaculture & Fisheries at Diezephe Village, Dimapur through the M/s Bhangka Multipurpose Co-operative Society Ltd. under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	180.00	75:25	135	45	33.32	168.32	11.68
10		Development of Inland Fisheries & Aquaculture for Inland Capture Fisheries (Reservoirs/Lakes/Rivers, etc) under CSS Development of Inland Fisheries & Aquaculture	207.00	75:25	100	33.33	0	100	33.33

Sl. No.	Name of the scheme	Name of project	Total project cost	Sharing pattern (Ratio GoI: GoN)	GoI share released	Corresponding share to be released by GoN	GoN share released	Total released (GoI + GoN)	Short release of State matching share
1	2	3	4	5	6	7	8	9 (Col. 6 + 8)	10 (Col. 7 - 8)
11		Construction of Semi-permanent embankment in modified Paddy-cum- Fish Culture Practice at Surumi village Zunheboto through the M/s Suruto Multipurpose Co-operative Society Ltd. Surumi village	200.00	75:25	150	50	25	175	25
12		Integrated Fishery Project in 1000 ha (Fish-cum-Paddy culture) implemented through Sotsu Fishery Cooperative Ltd Pfutsero, Phek district	337.49	75:25	253.12	84.37	49.99	303.11	34.38
13		Construction of Semi-permanent embankment in modified Paddy-cum- Fish Culture Practice in 100 ha covering 6 districts of the State of Nagaland	200.00	75:25	150	50	16.66	166.66	33.34
14	Centrally Sponsored Scheme on National Scheme for Welfare of Fishermen	Development of Model Fishermen Villages and Training & Extension of the Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	1248.17	75:25	936.12	312.04	125.34	1061.46	186.7
15		Saving-cum-Relief component of the Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	900.00	75:25	675	225	126	801	99
16	Centrally Sponsored Scheme-Blue Revolution	Blue Revolution-Integrated Development and Management of Fisheries	1025.00	80:20	600.60	150.15	0	410*	150.15
17	National Fisheries Development Board	National Fisheries Development Board	2169.32	Consists of 10 sub-projects of which sharing	1296.27	316.43	0	1296.27	316.43

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Sl. No.	Name of the scheme	Name of project	Total project cost	Sharing pattern (Ratio GoI: GoN)	GoI share released	Corresponding share to be released by GoN	GoN share released	Total released (GoI + GoN)	Short release of State matching share
1	2	3	4	5	6	7	8	9 (Col. 6 + 8)	10 (Col. 7 - 8)
				pattern ranged from 55:45 to 100 per cent Central share					
18	North Eastern Council	Development of Chabou Fishery Project at Rio Colony, Dimapur under North Eastern Council (NEC)	363.44	90:10	327.10	36.34	29.08	356.18	7.26
19		Reclamation and Renovation of old ponds and tanks under NEC	500.00	90:10	450	50	40	490	10
20		Fishery Project at Lamhai Dunki Village, Peren under NEC	334.00	90:10	240.48	26.72	13.36	253.84	13.36
21		Community Based Fishery Project at Beiswampui village, Peren under NEC	499.09	90:10	449.18	50	49.91	499.09	0
22		Kezha Fish Production Farm Project at Metha Colony, Signal Village, Dimapur under NEC	327.32	90:10	117.84	13	13.09	130.93	0
23		Development of Paddy Cum Fish Culture under NEC	400.00	90:10	76.85	8.53	0	76.85	8.53
24		Fishery Project at Molungyimsen, Mokokchung	241.30	90:10	86.87	9.65	0	86.87	9.65
Total			14659.28		9085.67	2378.31	1297.89	10192.96	1080.42

*GoI second instalment of ₹190.60 lakh not released by the State Finance Department, GoN.

(Source: Departmental records)

Appendix-2.5.3

Statement showing inordinate delay in release of Central Assistance

(Paragraph reference: - 2.5.9.1)

Sl. No.	Central releases			Purpose	State releases			Delay in release of funds (in days)
	Sanction Order No.	Dated	Amount		Sanction order No.	Dated	Amount	
1	No. 31012-16/2013-Fy (P&M)	15-10-2014	100.00	Development of Fisheries Post Harvest facilities through M/s Nagaland Fisheries Co-operative Federation Ltd. (NAFCOF) under Centrally Sponsored Scheme on Development of Marine Fisheries, Infrastructure & Post Harvest Operations	No. FY/FF-2/19/89 (Pt)/501	21-03-2015	100.00	174
2	No. 31012-16/2013-Fy (P&M)	31-03-2015	100.00		No. FY/FF-2/19/89 (Pt)/98	20-11-2015	100.00	250
3	No. 31012-16/2013-Fy (P&M)	21-08-2015	100.00		No. FY/FF-2/19/89 (Pt)/220	26-02-2016	100.00	205
4	F.No.M-13048/19/NL/2012-SP-NE	21-10-2013	90.00	Table Fish Raising & Multiplication Farm at Dimapur (Jorpukhuri Government Fish Farm, Purana Bazar, Dimapur)- Special Plan Assistance	No. FY/SPA-7/2013	29-03-2014	100.00	175
5	F. No.44 (3) PFI/2011-1472	26-02-2015	180.00		No. FY/SPA-7/2013/526	30-03-2015	180.00	48
6	No. 31013/2/07-Fy(3)	16-08-2012	150.50	Development of freshwater aquaculture, waterlogged areas and coldwater fisheries & aquaculture' of the Centrally Sponsored Scheme on Development of Inland Fisheries & Aquaculture-status as of 31.03.2017	No. FY/FF-2/8/2002 (Pt)	19-03-2013	150.50	231
7	No. 31013/2/2007-Fy(3)	28-02-2013	57.00		No. FY/FF-2/8/2002 (Pt)	30-12-2013	76.00	321
8	No. 31013/2/2007-Fy(3)	09-07-2013	162.00		No. FY/FF-14/6/2005/(Pt-1)	20-12-2013	162.00	118
9	No. 31013/2/2007-Fy(3)	31-03-2014	162.00		No. FY/FF-14/6/2005 (Pt-I)/381	15-12-2014	107.50	275
10	No. 31013/2/07-Fy(3)	30-03-2015	78.75		No. FY/FF-14/1/2014/195	16-02-2016	105.00	339
11	No. 31013/2/2007-Fy(3)	21-09-2015	128.00		No. FY/FF-14/1/2014/221	26-02-2016	128.00	174
12	No. 31035-4/2014-Fy (3)	12-02-2015	200.00	Establishment of Government Fish Farm at Longra Etsao, Wokha district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	No. FY/CSS-8/14/2014/521	30-03-2015	200.00	62
13	No. 31035/08/2011-Fy (3)	26-09-2013	75.00	Development of Freshwater Aquaculture-Wopan Multipurpose Welfare Society, Yimpang village, Wokha under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	No. FY/CSS-15/2013-14/595	03-03-2014	75.00	174
14	No. 31035/08/2011-Fy (3)	14-10-2014	50.00		No. FY/CSS-15/2013-14/502	21-03-2015	50.00	174
15	No. 31013/2/2007-Fy (3)	12-01-2016	23.50		No. FY/CSS-15/2013-14/273	30-03-2016	23.50	94
16	No. 31013/02/2004-Fy (3)	01-10-2013	250.00	Ayinato Fishery Project at Dimapur under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	No. FY/CSS-8/10/2013/317	29-11-2013	250.00	75
17	No. 31013/02/2004-Fy (3)	29-01-2014	269.25		No. FY/CSS-8/10/2013/591	01-03-2014	269.25	47
18	No. 31035/16/2014-Fy(3)	25-03-2015	100.00	Establishment of Table Fish Production Farm at New Beisumpui village, Peren district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	No. FY/CSS-26/2015/534	31-03-2015	100.00	22
19	No. 31015/16/2014-F(3)	27-06-2016	200.00		No. FY/CSS-26/2015/483	24-08-2016	277.75	64
20	No. 31035/05/2014-Fy(3)	09-09-2014	200.00	Establishment of Fish Seeds and Table Fish Production Farm at Zutovi village, Dimapur district under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	No. FY/CSS-8/10/2013 (A)/483	16-03-2015	200.00	204
21	No. 31035/05/2014-Fy(3)	06-08-2015	200.00		No. FY/CSS-8/10/2013 (A)/82	06-11-2015	266.66	108
22	No. 31035/05/2014-Fy(3)	17-06-2016	165.24		No. FY/CSS-8/10/2013 (A)	10-08-2016	220.32	70
23	No. 31035/08/2011-Fy (3)	23-11-2012	50.00	Development of Freshwater Aquaculture & Fisheries at Diezphe Village, Dimapur through the M/s Bhangka Multipurpose Co-operative Society Ltd under the innovative component of the centrally sponsored scheme on Development of Inland Fisheries and Aquaculture.	No. FY/CSS-14/2011/12	26-03-2013	50.00	139
24	No. 31035/08/2011-Fy (3)	21-03-2013	50.00		No. FY/CSS-14/2011-12/341	23-01-2014	66.66	324
25	No. 31035/08/2011-Fy (3)	26-09-2013	35.00		No. FY/CSS-14/2011-12 (Pt)/463	29-03-2014	35.00	200

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Sl. No.	Central releases			Purpose	State releases			Delay in release of funds (in days)
	Sanction Order No.	Dated	Amount		Sanction order No.	Dated	Amount	
26	No. 31035/13/2013-Fy (3)	17-02-2014	50.00	Development of Inland Fisheries & Aquaculture for Inland Capture Fisheries (Reservoirs/Lakes/Rivers, etc) under CSS Development of Inland Fisheries & Aquaculture	No. FY/CSS-8/3/2013	29-03-2014	50.00	56
27	No. 31035/13/2013-Fy (3)	08-10-2014	50.00		No. FY/CSS-8/3/2013/495	19-03-2015	50.00	178
28	F.No.12012/18/2009-Fy (WU)	13-09-2012	135.00	Development of Model Fishermen Villages under Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	No. FY/BUD-44/92 (Pt-IV)	23-03-2013	135.00	207
29	F.No.12012/19/2009-Fy (WU)	07-03-2013	134.66		No. FY/BUD-44/92 (Pt-V)/713	12-03-2014	134.66	386
30	F.No.12012/19/2009-Fy (WU)	10-07-2013	146.00	Development of Model Fishermen Villages under Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	No. FY/BUD-44/92 (Pt-IV)	20-12-2013	146.00	179
31	F.No.12012/19/2009-Fy (WU)	06-02-2014	145.00		No. FY/BUD-44/92 (Pt-IV)/263	31-03-2014	145.00	69
32	F.No.12012/19/2009-Fy (WU)	20-11-2014	188.00	Development of Model Fishermen Villages and Training & Extension under Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	No. FY/BUD-44/92 (Pt-IV)/522	30-03-2015	180.00	146
33	F.No.12012/19/2009-Fy (WU)	06-08-2015	187.46		No. FY/BUD-44/92 (Pt-IV)/251	18-03-2016	187.46	241
34	F. No.12012/19/2009-Fy (WU)	26-08-2013	198.00	Saving cum Relief Component to M/s Kida Multipurpose Cooperative Society, Jalukie, Peren under Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	No. FY/CSS-9/2013	20-12-2013	132.00	132
					No. FY/CSS-9/2013/706	07-03-2014	132.00	198
35	F. No.12012/19/2009-Fy (WU)	03-10-2012	180.00	Saving cum Relief to M/s Amulungdor Multipurpose Cooperative Society, Bank Colony, Dimapur, Nagaland under Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	No. FY/CSS-43/2012	13-02-2013	240.00	149
36	F.No. 31013/26/2016-Fy (3)	18-08-2016	410.00	Integrated Development and Management of Fisheries under Centrally Sponsored Scheme-Blue Revolution	No. FY/CSS-8/1/2016/612	20-12-2016	205.00	140
37					No. FY/CSS-8/1/2016/671	18-03-2017	205.00	228
38	NEC/AGRI/FY Project/Nagaland/2012	03-12-2012	150.00	Community Based Fishery Project at Beiswampui Village, Peren District under NEC	FY/NEC-38/2012(PT)	23-03-2013	166.66	126
39	NEC/AGRI/FY Project/Nagaland/2012	19-12-2013	150.00		FY/NEC-38/2012(PT)/251	24-03-2014	166.66	111
40	NEC/AGRI/FY Project/Nagaland/2012	28-05-2015	149.18		FY/NEC-38/2012(PT)/71	11-12-2015	165.75	213
41	No. NEC/FY/NG/7/10	16-03-2012	117.84	Kezha Fish Production Farm Project At Metha Colony, Signal Village Dimapur, Nagaland under NEC	FY/NEC-27/2011	22-10-2012	117.84	236
42	1st instalment No. NEC/FY/NG/6/10	22-03-2011	130.84	Development Of Chabou Fishery Project At Rio Colony, Dimapur under NEC	No.FY/NEC-20/2010	27-06-2011	130.84	113
43	2nd instalment No. NEC/FY/NG/6/10	16-03-2012	130.84		No.FY/NEC-20/2010	07-09-2012	145.38	193
44	3rd instalment No. NEC/FY/NG/6/10	26-11-2015	65.42		No.FY/NEC-20/2010/274	30-03-2016	65.42	141
45	NEC/FY/NG/9/11	23-03-2012	180.00	Reclamation and Renovation of old ponds and tanks under NEC	FY/NEC-8/15/2010	15-12-2012	100.00	283
46	NO.NEC/AGRI/NG/9/11	21-12-2012	180.00		FY/NEC-8/15/2010	22-11-2013	180.00	352
47	NEC/FY/NG/9/11	20-10-2015	90.00		FY/NEC-8/15/2010/265	28-03-2016	90.00	176
48	1st instalment NEC/FY/NG/Lamhai/8/15	17-03-2016	120.24	Fishery Project at Lamhai Dunki Village, Peren under NEC	No.FY/NEC-8/3/2016/395	21-07-2016	133.60	142
	49	2nd instalment NEC/FY/NG/LAMHAI/8/15	28-02-2017		120.24	No.FY/NEC-8/3/2016/699	24-03-2017	120.24

Appendix-2.5.4
Statement showing misreporting of Utilisation Certificates
 (Paragraph reference: - 2.5.9.2)

(₹ in lakh)

Sl. No.	Date of release by GoI	Name of the scheme	Purpose	Amount	Release of funds by State Government to the Department		Date of submission of UC	Amount for which UC furnished	
					Dated	Amount			
1	15-10-2014	CSS - Development of Marine Fisheries, Infrastructure & Post Harvest Operations	Development of Fisheries Post Harvest facilities through M/s Nagaland Fisheries Co-operative Federation Ltd. (NAFCOF)	100.00	21-03-2015	100.00	18-02-2015	100.00	
	31-03-2015			100.00	20-11-2015	100.00	14-07-2015	100.00	
2	16-08-2012	CSS - Development of Inland Fisheries & Aquaculture	Development of freshwater aquaculture, waterlogged areas and coldwater fisheries & aquaculture" of the Centrally Sponsored Scheme on Development of Inland Fisheries & Aquaculture	150.50	19-03-2013	150.50	29-10-2012	150.50	
	28-02-2013			57.00	30-12-2013	76.00	04-06-2013	57.00	
	30-03-2015			78.75	16-02-2016	105.00	21-07-2015	78.75	
3	26-09-2013		Development of Freshwater Aquaculture-Wopan Multipurpose Welfare Society, Yimpang village, Wokha	75.00	03-03-2014	75.00	17-12-2013	75.00	
4	23-11-2012		Development of Freshwater Aquaculture & Fisheries at Diezephe Village, Dimapur through the M/s Bhangka Multipurpose Co-operative Society Ltd	50.00	26-03-2013	50.00	25-02-2013	50.00	
	21-03-2013		50.00	23-01-2014	66.66	23-07-2013	50.00		
5	24-07-2012		Integrated Fishery Project in 1000 ha (Fish-cum-Paddy culture) implemented through Sotsu Fishery Cooperative Ltd Pfutsero, Phek district	100.00	18-01-2013	133.33	07-11-2012	100.00	
6	16.03.2015		Construction of Semi-permanent embankment in modified Paddy-cum- Fish Culture Practice in 100 ha covering 6 districts of the State of Nagaland	50.00	16.02.2016	66.66	14-07-2015	50.00	
7	13-09-2012		CSS - National Scheme of Welfare of Fishermen	Development of Model Fishermen Villages and Training & Extension under the Centrally Sponsored Scheme on National Scheme of Welfare of Fishermen	135.00	23-03-2013	135.00	08-02-2013	135.00
	06-02-2014				145.00	04-08-2014	145.00	28-07-2014	145.00
	20-11-2014	188.00			08-07-2015	188.00	19-06-2015	188.00	
Total				1279.25				1279.25	

(Source: Departmental records)

Appendix-2.5.5

Statement showing non-execution of eight items of work in three projects

(Paragraph reference: - 2.5.10.1)

Sl. No.	Scheme	Description of the Items	Unit	Achievements as per Departmental Records as of 31-03-2017		Achievement as per joint inspection		Value of unexecuted works (₹ in lakh)
				Physical	Financial (₹ in lakh)	Physical	Financial (₹ in lakh)	
1	CSS - Development of Inland Fisheries and Aquaculture.	Establishment of Fish Seeds and Table Fish Production Farm at Zutovi village, Dimapur						
		(i) Const. of brick wall to pond	Ha	1	228.56	0	0	228.56
		(ii) Const. of fishermen house barrack type	No.	1	14.33	0	0	14.33
		(iii) Const. of store	No.	1	2.91	0	0	2.91
2	CSS - Development of Inland Fisheries and Aquaculture.	Establishment of Table Fish Production Farm at New Beisumpui village, Peren under Centrally Sponsored scheme on Development of Inland Fisheries and Aquaculture.						
		(iv) Const. of CC outlet drainage	Mtr	550	21.19	0	0	21.19
		(v) Const. of store cum working shed	No.	1	4.51	0	0	4.51
		(vi) Const. of staff quarter Type-I	No.	1	11.09	0	0	11.09
3	CSS - RKVY	Const. of Analytical Lab-cum-office, water supply and approach road under RKVY (NMPS) 2012-13						
		(vii) Machinery & Equipment	₹ in lakh	4.99	4.99	0	0	4.99
		(viii) Approach Road to Analytical Lab-cum-office (GSB-I to laying seal coat)	Mtr	100	7.27	0	0	7.27
		Grand Total						294.85

(Source: Departmental records & Joint Inspection.)

Appendix-2.5.6

Statement showing short execution of works

(Paragraph reference: - 2.5.10.2)

(₹ in lakh)

Sl. No.	Name of the Scheme	Project Name	Project year	As per Detailed Project Report			Achievements as per Departmental Records as of 31.03.2017		Actual achievement as per joint inspection		Difference in Money value	Joint inspection date
				Description of the Item	Target (in Hectares)	Total cost	Physical (ha)	Financial	Physical (ha)	Financial		
1	NEC	Development of Chabou Fishery Project at Rio Colony, Dimapur under NEC	2010-11	Construction of Ponds and reveted wall to ponds	6.16	336.08	6.16	336.08	2.54	138.57	197.51	04-07-2017
2		Community based Fishery Project at Beiswampui village, Peren district under NEC	2012-13	Construction of Ponds	14.25	464.75	14.25	464.75	5.49	179.06	285.72	01-08-2017
3	CSS - Development of Inland Fisheries and Aquaculture.	Development of Freshwater Aquaculture-Wopan Multipurpose Welfare Society, Yimpang village, Wokha	2013-14	Construction of ponds	176.00	176.00	175.26	175.26	0.80	0.80	174.46	19-07-2017
4		Ayinato Fishery Project at Dimapur	2013-14	Construction of ponds	20.15	644.26	20.15	644.26	2.52	80.56	563.70	05-07-2017
5		Establishment of Fish Seeds and Table Fish Production Farm at Zutovi village, Dimapur	2014-15	Construction of ponds	14.77	472.44	12.55	405.77	1.67	53.42	352.35	05-07-2017
6		Establishment of Govt Fish Farm at Longra Etsao, Wokha	2014-15	Construction of ponds	15.46	840.45	2.78	150.88	1.61	87.52	63.36	24-06-2017
Total					246.79	2933.98	231.15	2177.00	14.63	539.93	1637.10	

(Source: Departmental records and results of joint inspection.)

Appendix-2.6.1

Statement showing details of fictitious transportation of CGI sheets under DRDA Kiphire during 2016-17

(Paragraph reference: 2.6)

Sl. No.	Vehicle No.	Bundles of CGI sheet carried	Dated	Carriage capacity of the Vehicle (in bundles)	Excess CGI sheet bundles carried (in bundles)	Percentage in excess of the capacity	Vehicle type
1	2	3	4	5	6 (col. 3-5)	7 (col. 6/5*100)	8
1	NL-07-A/ 4722	340	04-05-2016	200	140	70	LPT 1613 (Truck)
2	NL-07-A/ 3543	330	04-05-2016	63	267	423.81	LP 407 (Mini Truck)
3	NL-07-A/ 1709	360	02-05-2016	200	160	80	SE 1613 (Truck)
4	NL-07-A/ 1525	350	02-05-2016	200	150	75	SE 1613 (Truck)
5	NL-07-A/ 4722	350	02-05-2016	200	150	75	LPT 1613 (Truck)
6	NL-07-A/ 4003	360	02-05-2016	200	160	80	LPT 1616 (Truck)
7	NL-07-A/ 1565	365	03-05-2016	200	165	82.5	LPT 1613 (Truck)
8	NL-07-A/ 3581	360	03-05-2016	200	160	80	SE 1613 (Truck)
9	NL-07-A/ 4002	330	30-04-2016	200	130	65	LPT 1616 (Truck)
10	NL-07-A/ 3855	340	30-04-2016	200	140	70	LPT 1613 (Truck)
11	NL-07-A/ 3567	310	30-04-2016	200	110	55	LPT 1613 (Truck)
12	NL-07-A/ 0441	330	05-05-2016	200	130	65	Tata Truck
13	NL-07-A/ 3571	330	30-04-2016	200	130	65	LPT 1613 (Truck)
14	NL-07-A/ 2445	360	02-05-2016	15	345	2300	Tata Ace (Light vehicle)
15	NL-07-A/ 3274	340	30-04-2016	11	329	2991	Pick Up (Tata Mobile)
TOTAL		5155		2489	2666		
Number of bundles					2,666		
Rate per bundle (₹)					5,440		
Total cost (₹)					1,45,03,040		

Appendix-2.7.1

Statement showing fictitious issuance of housing materials and cash component under the Block Development Officer (BDO), Rural Development Block, Chiephobozou for the period from 01-04-2013 to 30-04-2016

(Paragraph reference: 2.7)

Sl. No.	Name of materials/ Items	Unit	Central share				State share		Total issued	Total receipt in seven VDBs	Total short receipt	Rate (amount in ₹)	Total Money Value (amount in ₹)
			2013-14		2014-15		2014-15						
			Issued as per BDO records	Receipt as per VDB records	Issued as per BDO records	Receipt as per VDB records	Issued as per BDO records	Receipt as per VDB records					
1	2	3	4	5	6	7	8	9	10 (Col. 4 + 6 + 8)	11 (Col. 5 + 7 + 9)	12 (Col. 10 - 11)	13	14 (Col. 12 x 13)
1	CGI Sheets	Bundle (10 sheets)	750	510	800	260	390	20	1940	790	1150	5,240	60,26,000
2	Syntex Water Tank	Number (1000 Litre)	21	17	0	0	36	0	57	17	40	11,000	4,40,000
3	Ridging	Bundle (8 sheets)	75	52	80	26	39	2	194	80	114	910	1,03,740
4	Green paint	Litre	0	0	900	300	100	100	1000	400	600	250	1,50,000
5	Metal Primer	Litre	0	0	720	120	85	40	805	160	645	180	1,16,100
6	Cash Component	Amount in ₹	3,33,000	2,17,000	3,64,000	1,24,000	1,24,000	16,000	821000	357000	464000	-	4,64,000
TOTAL													72,99,840

Appendix 3.1.1

**Statement showing Investments by State Government in State Public Sector Undertakings
whose accounts are in arrears
(Paragraph reference: 3.1.11)**

(₹ in crore)

Sl. No.	Name of the Public Sector Undertaking	Year up to which accounts finalised	Paid up capital	Period of accounts pending finalisation	Investment made by State Government during the year of which accounts are in arrears		
					Equity	Loans	Grants
1	2	3	4	5	6	7	8
A	Working Government Companies						
(i)	Nagaland Industrial Development Corporation (NIDC) Ltd.	2015-16	18.47	2016-17	0	0	0.80
(ii)	Nagaland State Mineral Development Corporation (NSMDC) Ltd.	2014-15	1.60	2015-16 to 2016-17	0	0	12.00
(iii)	Nagaland Hotels (NHL) Ltd.	2010-11	0.40	2011-12 to 2016-17	0	0	8.89
(iv)	Nagaland Industrial Raw Materials & Supply Corporation (NIRMSC) Ltd.	2010-11	1.23	2011-12 to 2016-17	0	0	6.32
(v)	Nagaland Handloom & Handicrafts Development Corporation (NHHDC) Ltd.	2009-10	6.00	2010-11 to 2016-17	0.85	0	39.15
	Total A (Working Government Companies)		27.70		0.85	0	67.16
B	Working Statutory corporations						
	NIL	-	0	-	0	0	0
	Total B (Working Statutory Corporations)	-	0	-	0	0	0
Grand Total (A+B)			27.70		0.85	0	67.16

* Note: There are no Statutory Corporations in the state of Nagaland

Appendix-3.1.2

Statement showing summarised financial results of Government Companies for the latest year for which accounts are finalised

(Paragraph reference: 3.1.13)

(`in crore)

Sl. No.	Sector & Name of the Company	Period of accounts	Year in which finalized	Net Profit (+)/Loss (-)				Turnover	Impact of accounts comments	Paid up Capital	Accumulated Profit (+)/Loss(-)	Capital Employed @	Return on Capital Employed #	Percentage of return on Capital Employed
				Net Profit/Loss before interest & depreciation	Interest	Depreciation	Net Profit/Loss							
A. Working Government Companies														
FINANCE														
1	Nagaland Industrial Development Corporation Ltd, Dimapur	2015-16	2017-18	-0.73	1.97	0.96	-3.66	1.78	0	23.20	-33.30	82.06	-1.69	0
Sector-wise total				-0.73	1.97	0.96	-3.66	1.78	0	23.20	-33.30	82.06	-1.69	0
MANUFACTURING														
2	Nagaland State Mineral Development Corporation Ltd., Kohima	2014-15	2017-18	-2.64	0.25	1.39	-4.28	0.70	0	1.60	-11.08	31.99	-4.02	0
Sector-wise total				-2.64	0.25	1.39	-4.28	0.70	0	1.60	-11.08	31.99	-4.02	0
SERVICES														
3	Nagaland Hotels Ltd, Dimapur	2010-11	2015-16	0.15	0	0.25	-0.10	3.81	0	0.40	-9.45	1.98	0.10	5
Sector-wise total				0.15	0	0.25	-0.10	3.81	0	0.40	-9.45	1.98	0.10	5
MISCELLANEOUS														
4	Nagaland Handloom & Handicrafts Development Corporation., Ltd	2009-10	2013-14	0.16	0.16	0.14	-0.14	0.28	0	0.83	-4.16	21.11	-0.14	0
5	Nagaland Industrial Raw Materials Supply Corporation Ltd., Dimapur	2010-11	2017-18	0.15	0	0.02	0.13	0.04	0	0.10	-0.71	0.52	0.13	25
Sector-wise total				0.31	0.16	0.16	-0.01	0.32	0	0.93	-4.87	21.63	-0.01	25
Total A (All sector wise working Government Companies)				-2.91	2.38	2.76	-8.05	6.61	0	26.13	-58.70	137.66	-5.62	30

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Sl. No.	Sector & Name of the Company	Period of accounts	Year in which finalized	Net Profit (+)/Loss (-)				Turnover	Impact of accounts comments	Paid up Capital	Accumulated Profit (+)/Loss(-)	Capital Employed @	Return on Capital Employed #	Percentage of return on Capital Employed
				Net Profit/Loss before interest & depreciation	Interest	Depreciation	Net Profit/Loss							
B.. Non-working Companies														
MANUFACTURING														
6	Nagaland Sugar Mills Company Ltd., Dimapur	2001-02	2017-18	-0.06	0	0.02	-0.08	0	0	5.89	-15.10	-2.76	0.07	0
Sector-wise total				-0.06	0	0.02	-0.08	0	0	5.89	-15.10	-2.76	0.07	0
Total B (All sector wise non-working Government Companies)				-0.06	0	0.02	-0.08	0	0	5.89	-15.10	-2.76	0.07	0
Grand Total (A+B)				-2.97	2.38	2.78	-8.13	6.61	0	32.02	-73.80	134.9	-5.55	30

Return on Capital Employed has been worked out by adding back the interest charged to Profit and Loss account to net profit/Loss figure.

@ Capital employed represents shareholders' fund plus long term borrowing.

Appendix 4.2.1
Statement showing the details purchase concealed by the dealer, tax evaded and interest thereon

(Paragraph reference: 4.2.1)

(₹ in crore)

Name of the dealer	Year (Tax period)	Gross turnover declared by the dealer	Interstate purchase of taxable goods declared by the dealer							Purchased as per C Form declaration							Purchases concealed by the dealer					Tax Payable on concealed purchase	Interest on Tax upto Feb 2018	
			4.75%	5%	13.25%	14.50%	18%	25%	Total purchase	4.75%	5%	13.25%	14.50%	18%	25%	Total purchase	4.75%	5%	13.25%	14.50%	18%			25%
M/s KG store TIN: 13501758079	2014-15	7.02	0	0	0	0	2.7	0	2.7	0	0	0	0	6	0	6	0	0	0	0	3.3	0	0.59	0.40
	2015-16	15.18	0	0	0	0	1.52	0.58	2.1	0	0	0	0	3.29	7.74	11.03	0	0	0	0	1.77	7.16	2.11	0.93
M/s M S store TIN: 13502906016	2015-16	12.26	0	0	0	2.63	1.41	0.9	4.94	0	0	0	8.62	2.09	3.1	13.81	0	0	0	5.99	0.68	2.2	1.54	0.68
M/s Ratan & Co TIN: 13030002017	2014-15	20.24	0	0	2.64	0	3.94	0	6.58	0	0	6.58	0	6.2	0	12.78	0	0	3.94	0	2.26	0	0.93	0.63
	2015-16	11.83	0	0	0.15	1.93	0.91	2.83	5.82	0	0	1.2	2.5	1.16	3.83	8.69	0	0	1.05	0.57	0.25	1	0.52	0.23

Name of the dealer	Year (Tax period)	Gross turnover declared by the dealer	Interstate purchase of taxable goods declared by the dealer							Purchased as per C Form declaration							Purchases concealed by the dealer					Tax Payable on concealed purchase	Interest on Tax upto Feb 2018	
			4.75%	5%	13.25%	14.50%	18%	25%	Total purchase	4.75%	5%	13.25%	14.50%	18%	25%	Total purchase	4.75%	5%	13.25%	14.50%	18%			25%
M/S Awomi Cements, TIN-1350264906 5, Ward- E	2015-16	0.71	0	0	0	0.97	0	0	0.97	0	0	0	2.8	0	0	2.8	0	0	0	1.83	0	0	0.27	0.12
M/S Yepthomi Speeds, TIN-1304117005 0, Ward- E	2015-16	11.48	0	0	3.84	8.6	0	0	12.44	0	0	4.21	10.32	0	0	14.53	0	0	0.37	1.72	0	0	0.30	0.13
M/S Kashliwal Enterprises Pvt. Limited, TIN-1301029212 2, Ward- A	2014-15	8.7	0	0	0	0	0	0	0	0	0	0	10.62	0	0	10.62	0	0	0	10.62	0	0	1.54	1.05
Apex Motors, TIN-1301006406 9, Ward -A	2014-15	65.61	0	0	62.45	0	0	0	62.45	0	0	67.37	0	0	0	67.37	0	0	4.92	0	0	0	0.65	0.44
M/S Yepthomi Motors, TIN-1350192500 3, Ward- E	2014-15	8.34	0	0	4.88	0	0	0	4.88	0	0	8.49	0	0	0	8.49	0	0	3.61	0	0	0	0.48	0.33
	2015-16	9.49	0	0	2.08	6.65	0	0	8.73	0	0	3.67	7.84	0	0	11.51	0	0	1.59	1.19	0	0	0.38	0.17
M/S Power Cell, TIN-1350245708 5, Ward- E	2014-15	0.17	0	0	0.15	0	0	0	0.15	0	0	0.51	0	0	0	0.51	0	0	0.36	0	0	0	0.05	0.03
	2015-16	0.65	0	0	0.04	0.14	0	0	0.18	0	0	0.46	1.13	0	0	1.59	0	0	0.42	0.99	0	0	0.20	0.09
	2016-17	2.19	0	0	0.25	0	0	0	0.25	0	0	0	2.45	0	0	2.45	0	0	0	2.2	0	0	0.32	0.06
M/S Yeptomi Auto, TIN-1304128109 3, Ward- E	2014-15	12.44	0	0	8.53	0	0	0	8.53	0	0	13.06	0	0	0	13.06	0	0	4.53	0	0	0	0.60	0.41
M/S Nili	2015-16	10.02	0	0	0	17	0	0	17	0	0	0	19.18	0	0	19.18	0	0	0	2.18	0	0	0.32	0.14

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Name of the dealer	Year (Tax period)	Gross turnover declared by the dealer	Interstate purchase of taxable goods declared by the dealer							Purchased as per C Form declaration							Purchases concealed by the dealer						Tax Payable on concealed purchase	Interest on Tax upto Feb 2018	
			4.75%	5%	13.25%	14.50%	18%	25%	Total purchase	4.75%	5%	13.25%	14.50%	18%	25%	Total purchase	4.75%	5%	13.25%	14.50%	18%	25%			
Motors, TIN135016 45016, Ward- E																									
M/S Prative Enterprises, TIN- 1301017703 5, Ward-A	2014-15	4.11	6.06	0	0	0	0	0	6.06	6.9	0	0	0	0	0	6.9	0.84	0	0	0	0	0	0.04	0.03	
M/S Synergy Systems, TIN- 1310232003 , Ward- A	2014-15	7.01	5.01	0	0	0	0	0	5.01	6.8		0.57	0	0	0	7.37	1.79	0	0.57	0	0	0	0.16	0.11	
	2015-16	7.72	0	0	0	0	0	0	0	0		0.12	0.37	0	0	0.49	0	0	0.12	0.37	0	0	0.07	0.03	
M/S Z.C. Traders, TIN- 1350349407 6, Ward- C	2016-17	0.67	0	0.53	0	0	0	0	0.53	0	5.87	0	0	0	0	5.87	0	5.34	0	0	0	0	0.27	0.05	
M/S Madan Sharma & Co., TIN- 1303010801 0, Ward- C	2013-14	1.88	1.87	0	0	0	0	0	1.87	2.25	0	0	0	0	0	2.25	0.38	0	0	0	0	0	0.02	0.02	
	2014-15	2.97	2.6	0	0.13	0	0	0	2.73	3.33	0	0.27	0	0	0	3.6	0.73	0	0.14	0	0	0	0.05	0.04	
M/S SM Enterprises, TIN- 1303011508 0, Ward- C	2013-14	0.54	0	0	0	0	0	0	0	0	0	0.3	0	0	0	0.3	0	0	0.3	0	0	0	0.04	0.04	
	2014-15	0.74	0	0	0	0	0	0	0	0	0	0.18	0	0	0	0.18	0	0	0.18	0	0	0	0.02	0.016	
	2015-16	0.82	0	0	0	0	0	0	0	0	0	0.03	0.07	0	0	0.1	0	0	0.03	0.07	0	0	0.01	0.006	
TOTAL		222.79	15.54	0.53	84.89	38.17	10.48	4.31	153.92	19.28	5.87	107.02	65.9	18.74	14.67	231.48	3.74	5.34	22.13	27.73	8.26	10.36	11.47	6.16	

Appendix 4.2.2

(Paragraph reference: 4.2.2)

(i) **Statement showing concealment of sales by M/S Global Marketing**

(Amount in ₹)

Particulars	Tax rate	2014-15	2015-16	2016-17
Opening Stock	Not Available	4600812	18843281	42640437
Purchases declared by the Dealer	13.25% (interstate)	116630637	18225477	
	13.25 (Local Purchases)	47051730	10165194	
	Total Purchases for commodities taxable @ 13.25%	163682367	28390671	
	14.50% (interstate)		55851912	29461654
	14.50 % (Local Purchases)		123220525	119757778
	Total Purchases for commodities taxable @ 14.50 %		179072437	149219432
Sales Declared by the dealer	2%			51683400
	13.25%	57962264	24030760	
	14.50%		76540230	78067914
Closing Stock	Treated as taxable @ 13.25%	18843281		0
	Treated as taxable @ 14.50%		42640437	0
Sales concealed. (Purchase-sales-Closing Stock)	13.25%	86876822	23203192	
	14.50%		59891770	62108555
Tax on concealed sale	13.25%	11511179	3074423	
	14.50%		8684307	9005741
Interest on tax amount calculated upto Feb 2018		7827602*	5173841	1801148

*Interest calculated from the month of May of the succeeding year.

(ii) **Statement showing sales concealed by M/S Steel Centre**

(Amount in ₹)

Particulars	Tax rate	2016-17
Opening stock	Not available	81018138
Purchases declared by dealer	14.5 %(interstate)	4785289
	14.5 %(Local Purchases)	69965793
	Total Purchases under 14.5%	74751082
Sales declared by the dealer	2% (interstate sales)	44525286
	14.50%	21209310
Closing Stock		0
Sales concealed	14.50%	9016486
Tax on concealed sales		1307391
Interest on tax amount calculated upto Feb 2018		261478

(iii) **Statement showing tax concealed by M/S Brightway Auto Distributors**

(Amount in ₹)

Particulars	Tax rate	2016-17
Opening stock		0
Purchases declared by the dealer	14.5% (Interstate Purchases)	23575320
	14.5 % (Local purchases)	0
	Total purchases under 14.5%	23575320
Sales Declared by the dealer	2%	0
	14.50%	4530760
Goods Returned		1970130
Closing stock		0
Sales concealed	14.50%	17074430
Tax on concealed sales	14.50%	2475792
Interest on tax amount calculated upto Feb 2018		495158

Appendix-5.4.1

Statement showing fraudulent draws

(Paragraph reference: 5.4.1.1)

(Amount in ₹)

(i) Statement showing fraudulent draws of Pay and allowances by Sub Divisional Education Officer (SDEO), Mangkolemba, Mokokchung

Sl. No.	Bill/TV No./Date	Month of pay/ period of DA Arrear	No. of Staff	Net amount Drawn	Net amount Due	Fraudulent draws	Nature of Fraudulent draws
1	2	3	4	5	6	7 (Col. 5 – 6)	8
1	101 & 102 Dated 17-08-15	Aug-15	56	16,93,453	12,53,371	4,40,082	Fraudulent drawal of Pay and Allowances by inflating the basic pay in Bill No. 101 & 102 Dated 17-08-2015, 128 &129 Dated 16-09-2015, 155&156 Dated 12-11-2015 and 195 & 196 dated 18-01-2016 of NPS staff
2	128 & 129 Dated 16-09-15	Sep-15	56	16,93,453	12,53,371	4,40,082	
3	155 & 156 Dated 12-11-15	Nov-15	56	16,93,453	12,53,371	4,40,082	
4	174 & 175 Dated 08-12-15	Dec-15	56	17,39,716	12,89,160	4,50,556	
5	195 & 196 Dated 18-01-16	Jan-16	56	17,89,987	13,27,309	4,62,678	
TOTAL						22,33,480	

(ii) Statement showing fraudulent draws of Pay and allowances by Sub Divisional Education Officer (SDEO), Mangkolemba, Mokokchung

Sl. No.	Bill/TV No./Date	Month of pay/ period of DA Arrear	No. of Staff	Net amount Drawn	Net amount Due	Fraudulent draws	Nature of Fraudulent draws
1	2	3	4	5	6	7 (Col. 5 – 6)	8
1	146 & 147 dated 12-11-2015	Nov-15	35	17,03,968	9,28,931	7,75,037	Fraudulent drawal of Pay and Allowances by inflating the basic
2	172 & 173 dated 8-12-2015	Dec-15	35	17,71,381	9,45,393	8,25,988	

3	186 & 187 dated 18-01-2016	Jan-16	35	18,18,404	9,86,699	8,31,705	pay in Bill No.146 &147 dated 12-11- 2015, 172 & 173 dated 8-12-2015 and 186 & 187 dated 18-01-2016
TOTAL						24,32,730	
(iii) Statement showing fraudulent draws of Pay and allowances by Sub Divisional Education Officer (SDEO), Mangkolemba, Mokokchung							
Sl. No.	Bill/TV No./Date	Month of pay/ period of DA Arrear	No. of Staff	Net amount Drawn	Net amount Due	Fraudulent draws	Nature of Fraudulent draws
1	2	3	4	5	6	7 (Col. 5 – 6)	8
1	166 dated 08-12-2015	July-15 to Dec-15	213	3,85,885	2,39,905	1,45,980	Fraudulent draws of DA arrear by inflating the basic pay in Bill No. 166, 172 & 167 dated 08-12-2015
2	172 dated 8-12-2015	July-15 to Dec-15	57	2,86,768	2,15,904	70,864	
TOTAL						2,16,844	

Appendix-5.4.2

Statement showing fraudulent drawal of Pay and Allowances by Headmaster, Government High School, Merangkong

(Paragraph reference: 5.4.1.2)

(Amount in ₹)

TV No & Date Bill No. & Date	Sl. No.	Name of the Staff	Designation	Basic pay	Gross Amount
34 dated 07-04-2016	1	Longrisenla	LHA	11,910	28,074
	2	Takonangshi	Peon	11,460	27,043
	3	Teronjungba	N/Chowkidar	10,790	25,509
	4	Imlikilep	Mali	10,950	25,876
	5	Sangtemongba	Chowkidar	10,560	24,982
	6	Takochuba	Peon	9,500	22,555
	7	Zulutoshi	N/Chowkidar	9,390	22,303
	8	Maonaro	LHA	10,010	23,723
	9	Rongsenwaty	Mali	8,100	19,349
56 dated Nil	1	Longrisenla	LHA	26,510	57,927
01 dated 02-03-2015	1	Takonangshi	Peon	22,180	48,531
	2	Teronjungba	N/Chowkidar	26,050	56,929
	3	imlikilep	Mali	17,850	39,135
	4	Sangtemongba	Chowkidar	14,740	32,386
	5	Takochuba	Peon	13,780	30,303
	6	Zulutoshi	N/Chowkidar	20,220	44,277
	7	Maonaro	LHA	20,220	44,277
	8	Rongsenwaty	Mali	21,300	46,621
	9	Tsudong	PT	15,300	34,101
	10	Tiamenla		18,490	40,487
	11	Imtirenla	GT	14,190	31,192
	12	Chubatola		13,230	29,109
	13	Maoinla		11,630	25,637
	14	Busowa	GT	11,240	7,968
TOTAL					7,88,294

Appendix-5.4.3

Statement showing fraudulent draws of Pay and allowances of non-existent employees by Headmaster, Government High School, Merangkong.

(Paragraph reference: 5.4.1.2)

(Amount in ₹)

TV No & Date	Salary month	Basic pay	DA	HRA	Gross amount as per the bills	Net Amount
Bill No. & Date						
14 dated Nil 106 dated 02-09-2016	August, 2016	26,850	31,952	2,685	62,162	61,954
Nil 8 dated 01-08-2016	July, 2016	18,950	22,551	1,995	43,796	42,988
9 dated nil 19 dated 01-07-2016	June, 2016	21,460	25,537	2,146	49,876	49,648
5 dated Nil 79 dated 06-06-2016	May, 2016	Name not found in the Pay and allowances for May 2016				
67 dated 05-05-2016	April, 2016	10,950	12,561	9,39	41,369	43,569
34 dated 07-04-2016	March, 2016	16,650	2,615	1,965	38,228	38,000
TOTAL					2,35,431	2,36,159

Appendix-5.4.4

Statement showing fraudulent draws of excess Pay and allowances by Headmaster, Government High School, Merangkong

(Paragraph reference: 5.4.1.2)

(Amount in ₹)

Sl. No.	TV No & Date	Inflated net amount	Actual net amount	Excess amount
	Bill No. & Date			
1	14 dated Nil 106 dated 02-09-2016	10,52,952	10,31,174	21,778
2	Nil 8 dated 01-08-2016	10,69,724	9,96,437	73,287
3	9 dated Nil 19 dated 01-07-2016	10,54,725	9,99,843	54,882
4	5 dated 79 dated 06-06-2016	10,15,168	9,48,591	66,577
5	67 dated 15-05-2016	10,15,168	9,94,744	20,424
6	34 dated 07-04-2016	10,12,568	9,95,568	17,000
7	108 dated 04-02-2016	9,74,568	9,57,568	17,000
TOTAL				2,70,948

Appendix-5.4.5
Statement showing fraudulent draws of Pay and Allowances of non-existent employees by Headmaster,
Government High School, Merangkong
(Paragraph reference: 5.4.1.2)

(Amount in ₹)

TV No & Date	Sl. No.	Name and Designation	Basic pay	DA	HRA	MA	Gross amount as per the bills	Deduction	Net amount as per the bills
19 dated 01-09-2016	1	Chubasenla, GT	23,540	28,013	2,354	400	54,309	208	54,101
	2	Sanenlong, ST	27,650	32,904	2,765	400	63,719	208	63,511
	3	Tiameren, PT	26,850	31,952	2,685	400	62,062	208	61,854
	4	Maotila, HT	22,600	26,894	2,260	400	52,154	208	51,946
	5	Lanunungnochiba	21,460	25,537	2,146	400	49,543	208	49,335
	6	Menangnochiba	19,630	24,248	1,963	400	46,241	208	46,033
		TOTAL (A)						3,28,028	
7 dated 01-08-2016	1	Chubasenla, GT	15,060	21,624	1,506	400	39,239	208	39,031
	2	Yiajungba, GT	23,540	28,018	2,354	400	54,309	208	54,101
	3	Sentinaro,	21,460	25,537	2,146	400	49,543	208	49,335
	4	Jungshilemba, GT	21,460	25,537	2,146	400	49,543	208	49,335
	5	Shisanaro, GT	26,894	22,600	2,260	400	52,154	208	51,946
	6	Amenla	15,060	20,921	1,506	400	37,887	208	37,679
	7	Waitsuba, HT	19,630	23,360	1,963	400	45,353	208	45,145
	TOTAL (B)						328028		
35 dated 01-07-2016	1	Chubasenla, GT	23,540	28,013	2,354	400	54,309	208	54,101
	2	Maoremla, GT	21,460	25,537	2,146	400	49,543	208	49,335
	3	Tiatoshi, PT	21,460	25,537	2,146	400	49,543	208	49,335
	4	Sentikumba, GT	22,600	26,894	2,260	400	52,124	208	51,916
	5	Longrisemba, GT	15,060	17,921	1,506	400	34,887	208	34,679
	6	Zuluchila, LHA	19,630	23,360	1,963	400	45,353	208	45,145
	7	Alemsenla, LT	18,950	22,551	1,895	400	43,796	208	43,588
	TOTAL (C)						329555		
12 of 02-06-2016	1	Chubasunep, GT	15,650	18,624	1,565	400	36,239	208	36,031
	2	Temsensenla, GT	14,630	17,410	1,463	400	33,903	208	33,695
	3	Senenchiba, PT	23,540	28,013	2,354	400	54,309	208	54,101
	4	Maomenla, LHA	21,460	25,537	2,146	400	49,543	208	49,335
	5	Tialila, HT	21,460	25,537	2,146	400	49,543	208	49,335
	6	T. Chubatola, LT	22,600	26,894	2,260	400	52,154	208	51,946
	7	M. Gurung	15,060	17,921	1,506	400	34,887	208	34,679
	8	Limatoshi, PT	19,630	23,360	1,963	400	45,353	208	45,145
	9	S. Maya, ST	18,560	22,086	1,856	400	42,902	208	42,694
	10	Zulumongba	11,910	14,173	1,191	400	28,074	208	27,866
	TOTAL (D)						4,26,907		
Grand TOTAL (A+B+C+D)							14,12,518		

Appendix-5.4.6

Statement showing fraudulent draws of increment arrear and MACP by Headmaster, Government High School, Merangkong
(Paragraph reference: 5.4.1.2)

(Amount in ₹)

Bill No and Date	Name of the staff	Particular	Amount
98 dated 10-06-2016	Smti. Limakumla, UDA	Increment arrear	1,87,674
217 dated 15-09-2015	Smti. Limakumla, UDA	Missing Increment Arrear	93,792
149 dated 07-09-2015	Smti. Limakumla, UDA	Missing Increment Arrear	83,952
164 dated 20-10-2015	Smti. Longrisela, GT	Missing Increment Arrear	93,792
126 dated 16-02-2016	Smti. Limakumla, UDA	MACP Arrear	72,376
TOTAL			5,31,586

Appendix-5.4.7

Statement showing fraudulent draws of excess Pay and allowances of employees by Headmaster, Government High School, Akuhaito
(Paragraph reference: 5.4.1.3)

(Amount in ₹)

Bill/ TV No.	Dated	Particulars	Month of Pay	Gross Amount	Deduction	Net Amount as per Bill	Actual Net Amount Payable	Excess drawn
60/18	7-1-2015	Pay & Allowances	Dec-2015	3,29,604	10,710	3,18,894	2,79,006	39,888
59/17	7-1-2015	Pay & Allowances	Dec-2015	6,67,760	29,464	6,38,296	5,09,785	1,28,511
8/55	2-6-2015	Pay & Allowances	May- 2015	6,22,594	29,464	5,93,130	4,63,577	1,29,553
9/54	2-6-2015	Pay & Allowances	May- 2015	3,00,990	10,710	2,90,280	2,58,939	31,341
15/41	2-7-2015	Pay & Allowances	June-2015	6,22,594	29,464	5,93,130	4,63,577	1,29,553
16/40	2-7-2015	Pay & Allowances	June-2015	3,00,990	10,710	2,90,280	2,58,939	31,341
23/19	3-8-2015	Pay & Allowances	July- 2015	3,00,990	10,710	2,90,280	2,58,939	31,341
22/18	3-8-2015	Pay & Allowances	July- 2015	6,22,594	29464	5,93,130	4,63,577	129553
34/44	3-9-2015	Pay & Allowances	August-2015	3,18,202	10710	3,07,492	2,65,959	41533
33/43	3-9-2015	Pay & Allowances	August-2015	6,46,067	29464	6,16,603	4,75,762	140841
47/31	2-11-2015	Pay & Allowances	October-2015	6,46,067	29464	6,16,603	4,78,097	138506
48/30	2-11-2015	Pay & Allowances	October-2015	3,18,207	10710	307,497	26,6159	41338
TOTAL						54,55,615	44,42,316	10,13,299

Appendix-5.4.8
Statement showing fraudulent double draws of Pay and allowances of employees by Headmaster,
Government High School, Akuhaito
(Paragraph reference: 5.4.1.3)

(Amount in ₹)

Sl. No.	Bill No. & Date	TV No. & Date	Name and Designation	Gross Amount	Amount to be recovered
1	80 of Nil	109 of 03-03-2016	Chakraborty, GT	59,734	59,734
	82 of Nil	111 of 03-03-2016		59,734	
2	80 of Nil	109 of 03-03-2016	S. Mishra, GT	58,589	58,589
	82 of Nil	111 of 03-03-2016		58,589	
3	80 of Nil	109 of 03-03-2016	SK Ghosh, GT	58,589	58,589
	82 of Nil	111 of 03-03-2016		58,589	
4	80 of Nil	109 of 03-03-2016	Khekivi, GT	43,681	48,681
	82 of Nil	111 of 03-03-2016		48,681	
TOTAL					2,25,593

Appendix-5.4.9
Statement showing fraudulent draws of excess Pay and allowances of employees by Sub-Divisional
Education Officer, Kohima
(Paragraph reference: 5.4.1.4)

(Amount in ₹)

Month	Bill No. and date	TV No. and Date	Net amount drawn	Actual due	Excess drawn
Dec-14	294 of 10-12-2014	7 of nil	26,87,556	26,77,556	10,000
Jan-14	328 of 27-01-2015	95 of nil	26,66,856	26,06,856	60,000
Mar-15	22 of 20-03-2015	147 of nil	38,11,819	37,87,880	23,939
Apr-15	55 of 22-04-2015	103 of nil	26,37,472	25,97,474	39,998
May-15	88 of 20-05-2015	16 of nil	26,37,472	25,97,468	40,004
Sep-15	234 of 21-09-2015	22 of nil	26,37,772	25,97,761	40,011
TOTAL			1,70,78,947	1,68,64,995	213,952

Appendix-5.4.10
Statement showing excess drawal of pay and allowances in respect of Sub-Divisional Education Officer,
Aboi, Mon
(Paragraph reference: 5.4.1.5)

(Amount in ₹)

Sl. No.	Month	No. of staff	Bill number	TV number/ Dated	Amount drawn	Excess drawal
1	Feb, 15	32	261	289/31-03-2015	9,01,004	1,66,665
2	Mar, 15	29	4	76/15-04-2015	10,60,744	51,212
3	Mar, 15	37	5	77/15-04-2015	14,05,359	82,359
4	Mar, 15	31	7	79/15-04-2015	9,27,931	63,998
5	July, 15	30	69	97/Nil	11,01,353	51,212

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Sl. No.	Month	No. of staff	Bill number	TV number/ Dated	Amount drawn	Excess drawal
6	July, 15	36	70	98/Nil	13,73,908	82,359
7	July, 15	16	72	100/Nil	5,85,363	63,998
8	July, 15	18	73	101/Nil	3,80,042	12,413
9	Aug, 15	30	81	156/17-09-2015	11,31,744	51,212
10	Aug, 15	36	82	157/17-09-2015	14,11,855	82,359
11	Aug, 15	16	84	154/17-09-2015	6,01,518	63,998
12	Aug, 15	18	86	161/17-09-2015	3,89,910	12,413
13	Sept, 15	16	109	97/25-10-2015	5,59,031	63,998
14	Sept, 15	18	111	99/25-10-2015	3,89,910	12,413
15	Nov, 15	29	141	22-12-2015	10,93,807	51,212
16	Nov, 15	36	142	153/22-12-2015	14,11,871	82,359
17	Nov, 15	15	144	155/22-12-2015	5,59,031	63,998
18	Nov, 15	17	145	156/22-12-2015	3,90,760	12,413
TOTAL		460			1,56,75,141	10,70,591

Appendix-5.4.11

Statement showing fraudulent drawals of arrears of house rent allowances by Chief Veterinary Officer, Dimapur

(Paragraph reference: 5.4.2.1)

(Amount in ₹)

Bill No.	Name and designation	Amount
194 dt. 18-03-2016	Smti. Kinuvino, LDA	63,431
	Smti. Tatongrenla, Sr. FA	1,13,338
	Shri. Nchum bemo Kikon, Sr. Driver	84,840
	Shri. HarimalMech, Sr. VFA	74,096
	Smti. Merenchiba, Supervisor	38,773
	Smti. Imkon gmeren, G/Operator	77,212
	Shri. Mhajan Ennio, S/C	41,389
	Shri. Watilong, P/A	52,288
	Shri. Yaosangba, Peon	48,292
	Srhri. John, Peon	74,397
	Shri. Nitoshe, Peon	69,624
	Smti. Khuili, Peon	59,482
TOTAL		7,97,162

Appendix-5.4.12

Statement showing fraudulent drawals of arrears of house rent allowances by Chief Veterinary Officer, Peren

(Paragraph reference: 5.4.2.2)

(Amount in ₹)

Bill No/TV No and date	No of Staffs	Gross amount drawn	Net amount drawn
148 dt 07-03-2016	6	2,31,666	2,26,050
146 dt 07-03-2016	6	2,19,050	2,14,770
144 dt 07-03-2016	5	1,89,460	1,81,064
TOTAL	17	6,40,176	6,21,884

Appendix-5.4.13

Statement showing excess drawals of pay and allowances by inflating net total by Superintendent of Jail,
District Jail, Zunheboto
(Paragraph reference: 5.4.3)

(Amount in ₹)

Bill No. and Date	TV No and Date	Net Amount as per Bill	Actual net Amount to be drawn	Excess
100 of Nil	4 of 03-02-2014	3,77,313	3,27,333	49,980
109 of Nil	8 of 03-03-2014	3,77,313	3,27,333	49,980
4 of Nil	9 of 7-4-2014	3,75,373	3,25,393	49,980
14 of Nil	5 of 01-05-2014	3,75,373	3,25,395	49,978
24 of Nil	5 of 02-06-2014	3,75,373	3,25,395	49,978
34 of Nil	5 of 01-7-2014	3,75,373	3,25,395	49,978
44 of Nil	9 of 01-8-2014	3,75,373	3,25,393	49,980
63 of Nil	3 of 7-10-2014	3,53,326	3,03,326	50,000
74 of Nil	3 of 03-11-2014	3,67,498	3,17,498	50,000
89 of Nil	4 of 02-12-2014	3,67,498	3,17,498	50,000
Nil	6 of 02-02-2015	3,56,689	3,40,859	15,830
124 of Nil	3 of 12-03-2015	3,56,689	3,40,859	15,830
130 of Nil	9 of 12-03-2015	1,55,796	1,42,813	12,983
8 of Nil	8 of 02-04-2015	1,55,796	1,42,813	12,983
5 of Nil	5 of 02-04-2015	2,27,728	2,07,728	20,000
3 of Nil	3 of 02-04-2015	3,62,740	3,40,707	22,033
4 of Nil	4 of 04-05-2015	2,27,728	2,07,728	20,000
15 of Nil	3 of 04-05-2015	2,33,694	2,20,711	12,983
63 of Nil	6 of 01-10-2015	2,82,177	2,68,740	13,437
61 of Nil	7 of 01-10-2015	3,65,165	3,58,154	7,011
TOTAL		64,44,015	57,91,071	6,52,944

Appendix-5.4.14

Statement showing fraudulent drawals of arrears of house rent allowances by Block Development Officer
(BDO), Sangsangyu
(Paragraph reference: 5.4.4)

(Amount in ₹)

Bill No and Date	Name & Designation	HRA arrear claimed
34 dated Nil	I N Chingmak, SIS	36,652
	P Hongkin, SO	32,516
	Antilepla, UDA	32,219
	S Apenla, UDA	31,163
	Thungtimongko, HA	39,347
	Odijungla, Dhai	18,535
	ThongdiCholen, Peon	20,031
	M Sepong, Peon	18,007
	Sipongla, Chowkidar	16,214
	N Chemten, Peon	13,134
TOTAL		2,57,818

Appendix-5.4.15

Statement on irregular drawal of pay and allowances in respect of 7th NAP Bhandari, Wokha
(Paragraph reference: 5.4.7)

(Amount in ₹)

Sl. No	Salary month	No of personnel	Bill No & Date /TV No & Date	Amount due	Amount drawn	Excess amount
1	Oct-15	785	Nil/Nil	2,01,76,008	2,05,79,083	4,03,075
2	Dec-15	778	186 of Nil/Nil	2,05,45,668	2,10,04,963	4,59,295
3	Jan-16	780	Nil/Nil	2,09,78,570	2,14,47,184	4,68,614
4	Feb-16	776	Nil/Nil	2,09,02,916	2,13,40,757	4,37,841
5	Mar-16	776	Nil/Nil	2,08,75,612	2,13,76,126	5,00,514
6	Apr-16	790	Nil/Nil	2,08,56,029	2,12,63,799	4,07,770
7	May-16	731	110 of 5/2016/ Nil	2,09,05,571	2,11,95,819	2,90,248
8	Jun-16	796	Nil/Nil	2,10,21,166	2,12,60,480	2,39,314
9	Jul-16	793	Nil/Nil	2,10,40,554	2,12,06,440	1,65,886
10	Aug-16	796	Dated 22-08-2016/Nil	2,10,73,046	2,11,92,375	1,19,329
11	Sep-16	799	160 of 20-09-2016/Nil	2,10,08,350	2,11,36,576	1,28,226
12	Oct-16	871	177 of 24-10-2016/Nil	2,22,29,311	2,23,48,831	1,19,520
13	Nov-16	803	185 of 22-112016/Nil	2,11,00,890	2,12,20,500	1,19,610
14	Dec-16	797	207 of 19-12-2016/Nil	2,26,92,441	2,27,15,808	23,367
15	Jan-17	798	Nil/Nil	2,27,00,905	2,27,24,328	23,423
16	Feb-17	815	230 of 2/2017/Nil	2,32,73,162	2,32,94,797	21,635
TOTAL				34,13,80,199	34,53,07,866	39,27,667

Appendix-5.4.16
Statement showing fraudulent/ excess payments
(Paragraph reference: 5.4.7)

(₹ in crore)

Sl. No.	Year of Audit Report	Department	Paragraph reference	Particulars	Money Value (in ₹ Crore)
1	Audit Report for the Year ended 31 March 2016	Finance (Treasuries and Accounts Department)	5.3	Fraudulent payment of pension from Treasuries at Zunheboto and Dimapur by duplicating the pension payment authorisation letters and admitting multiple claims in respect of the same pension payment orders and same person for the same period	5.58
			5.4	Fraudulent drawal of pay & allowances by 12 different DDOs	1.96
2	Audit Report for the Year ended 31 March 2015	Finance (Treasuries and Accounts Department)	5.3	Fraudulent/ excess drawal by 41 DDOs	2.81
3	Audit Report for the Year ended 31 March 2014	PWD (R&B)	2.5	Fraudulent drawal	0.79
4	Audit Report for the Year ended 31 March 2012	Health and Family Welfare	1.4	Fraudulent drawal by one DDO	0.31
		School Education Department	1.8	Fraudulent drawal by one DDO	0.26
		Home (General Administration)	5.3	Excess payment of works	1.28
		Home Department	5.5	Fraudulent drawal of ration allowance	0.4
Total					13.39

GLOSSARY

Glossary

1.	AA	Assessing Authority
2.	AAP	Annual Action Plan
3.	AC Bill	Abstract Contingent Bill
4.	ADC	Additional Development Commissioner
5.	APR	Actual Payee Receipt
6.	ATNs	Action Taken Notes
7.	BADP	Border Area Development Programme
8.	BDO	Block Development Officer
9.	BODs	Board of Directors
10.	BPL	Below Poverty Line
11.	BRC	Block Resource Centre
12.	CAG	Comptroller & Auditor General of India
13.	CBSD	Capacity Building and Skill Development
14.	CD	Civil Deposit
15.	CE	Chief Engineer
16.	CGI	Corrugated Galvanized Iron
17.	CIFRI	Central Inland Fisheries Research Institute
18.	COPU	Committee on Public Undertakings
19.	CPWD	Central Public works Department
20.	CSS	Centrally Sponsored Schemes
21.	CWSAP	Comprehensive Water Security Action Plan
22.	DC	Deputy Commissioner
23.	DCC Bill	Detailed Countersigned Contingent Bill
24.	DDO	Drawing and Disbursing Officer
25.	DLC	District Level Committee
26.	DPDB	District Planning Development Board
27.	DPR	Detailed Project Report
28.	DRDA	District Rural Development Agency
29.	DSE	Department of School Education
30.	DTO	District Transport Officer
31.	DUDA	Department of Under Developed Areas
32.	DWO	District Welfare Officer
33.	DWSM	District Water and Sanitation Mission
34.	DWSP	District Water Security Plan
35.	EE	Executive Engineer
36.	EMRS	Eklavya Model Residential School
37.	FIR	First Information Report
38.	FTKs	Field Testing Kits
39.	FYP	Five Year Plan
40.	GB	Gaon Bura
41.	GDP	Gross Domestic Product
42.	GFR	General Financial Rules

43.	GHS	Government High School
44.	GI	Galvanized Iron
45.	GIS	Geographic Information System
46.	GMS	Government Middle School
47.	GoI	Government of India
48.	GoN	Government of Nagaland
49.	GP/VWSC	Gram Panchayat/Village Water and Sanitation Committee
50.	GPF	General Provident Fund
51.	GPS	Government Primary School
52.	GS	Galvanised Mild Steel
53.	HA	Hectare
54.	HRA	House Rent Allowance
55.	HRD	Human Resource Development
56.	HSLC	High School Leaving Certificate
57.	IAY	Indira Awaas Yojana
58.	IB	International Border
59.	IEC	Information, Education and Communication
60.	IGNDPS	Indira Gandhi National Disability Pension Scheme
61.	IGNOAPS	Indira Gandhi National Old Age Pension Scheme
62.	IGNWPS	Indira Gandhi National Widow Pension Scheme
63.	IMIS	Integrated Management Information System
64.	IRP	Iron Removal Plant
65.	IRs	Inspection Reports
66.	IT	Information Technology
67.	ITC	International Trade Centre
68.	JE	Junior Engineer
69.	KG	Kilogram
70.	LPCD	Liters Per Capita Daily
71.	MB	Measurement Book
72.	MDWS	Ministry of Drinking Water and Sanitation
73.	MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
74.	MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
75.	MHA	Ministry of Home Affairs
76.	MIS	Management Information System
77.	MM	Millimeter
78.	MMWTC	Modern Mechanical Workshop cum Training Centre
79.	MoRD	Ministry of Rural Development
80.	MoTA	Ministry of Tribal Affairs
81.	MoU	Memorandum of Understanding
82.	MT	Metric Ton
83.	NABL	National Accreditation Board for Testing and Calibration Laboratories
84.	NAFCOF	Nagaland Fisheries Co-operative Federation Limited

85.	NAP	Nagaland Armed Police
86.	NEC	North Eastern Council
87.	NFBS	National Family Benefit Scheme
88.	NFDB	National Fisheries Development Board
89.	NGOs	Non-Government Organisations
90.	NHHDC	Nagaland Handloom and Handicrafts Development Corporation Limited
91.	NIDC	Nagaland Industrial Development Corporation Limited
92.	NIRMSC	Nagaland Industrial Raw Materials and Supply Corporation Limited
93.	NIT	Notice Inviting Tender
94.	NMDFC	National Minorities Development & Finance Corporation
95.	NMPS	National Mission for Protein Supplements
96.	NPWD	Nagaland Public Works Department
97.	NQM	National Quality Control Monitors
98.	NRDWP	National Rural Drinking Water Programme
99.	NRHM	National Rural Health Mission
100.	NSAP	National Social Assistance Programme
101.	NSMDC	Nagaland State Mineral Development Corporation Limited
102.	NST	Nagaland State Transport
103.	NVAT	Nagaland Value Added Tax
104.	O & M	Operation & Maintenance
105.	OTS	One Time Settlement
106.	PA	Performance Audit
107.	PAC	Public Accounts Committee
108.	PCD	Planning and Coordination Department
109.	PD	Project Director
110.	PHED	Public Health Engineering Department
111.	PMGSY	Pradhan Mantri Gram Sadak Yojana
112.	POL	Petrol Oil & Lubricant
113.	PPP	Public Private Partnership
114.	PPSWOR	Probability Proportional to Size Without Replacement
115.	PRI	Panchayati Raj Institution
116.	PWS	Piped Water Supply
117.	R & D	Research & Development
118.	R&B	Roads & Bridges
119.	RCC	Reinforced Cement Concrete
120.	RKVY	Rashtriya Krishi Vikas Yojana
121.	RWS	Rural Water Supply
122.	SBI	State Bank of India
123.	SDO	Sub Divisional Officer
124.	SFC	Source Finding Committee
125.	SLC	State Level Committee
126.	SLPIC	State Level Programme Implementation Committee

127.	SLSB	State Level Selection Board
128.	SLSC	State Level Screening Committee
129.	SLSSC	State Level Scheme Sanctioning Committee
130.	SOR	Schedule of Rate
131.	SPSUs	State Public Sector Undertakings
132.	SRSWOR	Simple Random Sampling without Replacement
133.	ST	Scheduled Tribe
134.	STA	State Technical Agency
135.	SWSM	State Water and Sanitation Mission
136.	TFC	Thirteenth Finance Commission
137.	TOs	Treasury Officers
138.	TTO	Taxable Turnover
139.	UC	Utilisation Certificate
140.	UDD	Urban Development Department
141.	UDWQMP	Uniform Drinking Water Quality Monitoring Protocol
142.	UTs	Union Territories
143.	VC	Village Council
144.	VCC	Village Council Chairman
145.	VDB	Village Development Board
146.	VWSC	Village Water and Sanitation Committee
147.	VWSP	Village Water Security Plan
148.	WATSAN	Water and Sanitation
149.	WBM	Water Bound Macadam
150.	WQM&S	Water Quality Monitoring & Surveillance
151.	WSP	Water Security Plan
152.	WSSO	Water and Sanitation Support Organisation
153.	WTU	Water Treatment Unit

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