

**Report of the
Comptroller and Auditor General of India
on
Social, Economic, Revenue and General Sectors
for the year ended 31 March 2018**



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF NAGALAND

Report No. 2 of 2019

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PREFACE

1. This Report for the year ended March 2018 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 *viz.*, School Education Department, Public Works (Roads & Bridges) Department and Finance Department (Treasury and Accounts).
3. The cases mentioned in this Report are those which came to notice in the course of test audit during the year 2017-18 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., 'Implementation of Rashtriya Madhyamik Shiksha Abhiyan', two Performance Audits under Economic Sector (Chapter II) viz., 'Implementation of North Eastern Council funded projects' and 'Implementation of rural connectivity projects funded through NABARD Loan' and 14 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. Reply in respect of one compliance audit paragraph was not received from the Secretary of the Department concerned.

Chapter-I Social Sector

Performance Audits

Rashtriya Madhyamik Shiksha Abhiyan

Rashtriya Madhyamik Shiksha Abhiyan (RMSA), a flagship scheme of the Government of India (GoI), was launched in March 2009 with the objective of universalisation and improvement of the quality of education at the secondary level. The primary goals of the scheme are accessibility, quality and equity in secondary education. In Nagaland, the scheme was implemented from the year 2010. A Performance Audit on implementation of the scheme in Nagaland covering the period 2013-18 was carried out. Some of the major audit findings are highlighted below:

Highlights

Out of 2058 habitations, only 941 habitations (45.72 per cent) had access to Secondary School education within five Kilometres.

(Paragraph 1.3.10)

Out of 391 Special Education Teachers appointed on contract basis, only 360 were identified as genuine. Similarly, out of 3695 students under "Children with Special Needs", only 650 students were eligible for benefits under Inclusive Education for Disabled at Secondary Stage.

(Paragraph 1.3.14.1)

Out of 11 girls' hostel sanctioned by the Government of India for construction during the year 2012-13, none of the girls' hostels were made operational.

(Paragraph 1.3.14.3)

Out of 168 schools approved for upgradation and construction of new buildings, upgradation of only 113 schools was completed.

(Paragraph 1.3.14.4)

Twelve Secondary School buildings constructed under the scheme in three selected districts either remained unutilised/unoccupied or were being utilised for private and other than intended purposes.

(Paragraph 1.3.14.6)

Compliance Audit Paragraph

The Department of Youth Resources and Sports, Nagaland made payment of ₹ 76 lakh without actual supply of items and execution of works. The advance payment of ₹ 80 lakh was also made without formal agreement which had not been recovered.

(Paragraph 1.4)

Chapter-II Economic Sector

Performance Audits

Implementation of North Eastern Council funded projects

The Performance Audit on implementation of North Eastern Council (NEC) funded projects in the State covering the period from 2013-18 was carried out during April to September 2018. The important findings are highlighted below:

Highlights

The State Government did not contribute the matching share of ₹ 8.96 crore for implementation of 34 projects test-checked.

(Paragraph 2.3.9.3)

An amount of ₹ 13.19 crore was irregularly incurred towards payments of departmental charges, purchase of vehicle, land compensation etc., by seven departments in contravention of NEC guidelines.

(Paragraph 2.3.9.4)

The Nodal Department submitted incorrect utilisation certificates for ₹ 49.20 crore before the funds were actually released by the State Government.

(Paragraph 2.3.9.5)

The State Government had a liability of ₹ 15.70 crore due to foreclosure of ten projects by NEC on “as is where is” basis.

(Paragraph 2.3.11)

The implementing departments paid ₹ 44.29 crore without actual execution of the works. Besides, an excess payment of ₹ 22.50 crore was made to the suppliers by inflating the rate of materials/equipment by the Department of Power.

(Paragraphs 2.3.12.1, 2.3.12.2, 2.3.12.3, 2.3.12.4 and 2.3.13)

Implementation of rural connectivity projects funded through NABARD Loan

The Performance audit on Implementation of rural connectivity projects funded through National Bank for Agriculture and Rural Development (NABARD) Loan covering the period from 2013-18 was conducted during June to August 2018 to examine the utilisation of loans, compliance of NABARD guidelines and applicable technical specifications in execution of the projects, achievement of desired objectives of the projects and the adequacy of existing mechanism for monitoring of projects. The significant findings were as under:

Highlights

The State Government neither provided its share of ₹ 22.99 crore in the budget nor released its share of funds to the implementing agencies.

(Paragraph 2.4.10.1)

Departmental Charges of ₹ 9.75 crore were irregularly deducted by the Nodal Department in contravention to the general terms and conditions of NABARD which entailed avoidable interest liability of ₹ 2.13 crore.

(Paragraph 2.4.10.3)

NABARD loans were obtained without preparing priority list or assessing financial viability in contravention to the criteria laid down for obtaining loans.

(Paragraph 2.4.9.1)

Payment of ₹ 8.29 crore was made without actual execution of works and short execution of item of works in 29 projects.

{(Paragraph 2.4.11.9 (i) & (ii))}

One bridge project constructed at a cost of ₹ 4.18 crore could not be put to use as there were no accessible roads connected to the bridge from both the ends.

(Paragraph 2.4.11.4)

Compliance Audit Paragraphs

The Department of Soil and Water Conservation misappropriated ₹ 3.59 crore out of ₹ 3.74 crore released for implementation of Flood Management Programme in Kohima and Phek districts.

(Paragraph 2.5)

The departmental officers of four District Rural Development Agencies did not observe the provisions of the Financial Rules relating to public purchase which resulted in fraudulent payment of ₹ 6.21 crore besides depriving the job card holders the benefit of work site amenities.

(Paragraph 2.6.1)

The technical personnel in charge of the Block Development Offices recorded fictitious entries in the measurement books and payments amounting to ₹ 14.68 crore were made without actual execution of works in contravention of the provisions of General Financial Rules and MGNREGA guidelines.

(Paragraph 2.6.2)

The Department of Power, Government of Nagaland paid ₹ 8.88 crore in excess over actual cost in procurement of transformer, even after admitting the transportation and margin of the supplier which was exorbitantly high.

(Paragraph 2.7.1)

The Department of Power, Government of Nagaland paid ₹ 8 crore over the actual cost even after admitting the transportation charges and the margin claimed by the supplier along with mandatory payment of taxes with a malafide intention to commit fraud and misappropriate Government money.

{(Paragraph 2.7.2 (a))}

The Department of Power, Government of Nagaland procured Galvanised Tower Parts at ₹ 1.52 crore over the actual cost after admitting the transportation charges and the margin claimed by the supplier along with mandatory payment of taxes with a malafide intention to commit fraud and misappropriate Government money.

{(Paragraph 2.7.2 (b))}

Two Executive Engineers of Public Works (Roads & Bridges) Division, paid ₹ 18.08 crore to the contractors without execution of works.

(Paragraph 2.8)

The Divisional Forest Officer, Wokha paid ₹ 54 lakh without ensuring execution of works.

(Paragraph 2.9)

Chapter-III Economic Sector (Public Sector Undertakings)

Investments in State Public Sector Undertakings

As on 31 March 2018, the investment (capital and long term loans) in six Public Sector Undertakings (PSUs) was ₹ 112.65 crore. As on 31 March 2018, 91.94 *per cent* of the total investment in PSUs was in five working PSUs and remaining 8.06 *per cent* was in one non-working PSU.

(Paragraph 3.1.6)

Arrears in finalization of Accounts

The backlog of accounts of working PSUs has increased from 18 accounts (2013-14) to 21 accounts (2017-18). The accounts of one non-working PSU had arrears of accounts for 16 years (2002-18).

(Paragraph 3.1.10)

Performance of PSUs

As per the latest finalized accounts of five working PSUs as of November 2018, the overall losses incurred by the working PSUs had decreased during the year compared to previous year. However, the losses have been increasing over the last four years.

(Paragraph 3.1.14)

Chapter-IV Revenue Sector

Compliance Audit Paragraphs

Four dealers concealed inter-state purchase of ₹ 43.66 crore and evaded tax of ₹ 7.69 crore.

(Paragraph 4.2.1)

The Deputy Commissioner of Taxes, Dimapur (Assessing Authority) allowed inadmissible input tax credit claim of ₹ 1.09 crore.

(Paragraph 4.2.2)

The Superintendent of Taxes, Mon (Assessing Authority) allowed inadmissible claim of stock transfer without supporting documents, resulting in evasion of tax of ₹ 2.53 crore.

(Paragraph 4.2.3)

Chapter-V General Sector

Compliance Audit Paragraphs

An audit on implementation of New Pension Scheme (NPS) for the period from January 2010 to March 2018 was conducted during July and August 2018. The significant findings were as under:

Highlights

10,117 regular (43 per cent) Government servants appointed after 01 January 2010 in the state were yet to be registered with National Securities and Depository Limited (NSDL) and had not been allotted Permanent Retirement Account Number (PRAN).

(Paragraph 5.3.8.1)

Delay in submission of challans by Drawing and Disbursing Officers (DDOs) to Directorate of Treasuries and Accounts delayed the remittance of the employees' contributions to NSDL. This resulted not only in liability to pay interest by the State Government on account of delay but also denied the benefit of returns from the investment to the subscribers.

(Paragraph 5.3.8.8)

As of March 2018, the State Government had not remitted ₹ 211.40 crore to NSDL. This delay in remittance to NSDL would attract a penal interest amounting to ₹ 47.48 crore (March 2018).

(Paragraph 5.3.9)

Executive Summary

Death Gratuity and Family Pensions were not granted to 40 Government servants in the test checked DDOs as the DDOs and the stakeholders were unaware of such benefits available under the scheme.

(Paragraph 5.3.9.1)

Failure of the Drawing and Disbursing Officers and Treasury Officers to exercise prescribed checks resulted in fraudulent/double/excess drawal of ₹7.36 crore out of which ₹5.73 crore was yet to be deposited.

(Paragraph 5.4)

CHAPTER - I
SOCIAL SECTOR

CHAPTER - I

SOCIAL SECTOR

1.1 Introduction

This chapter of the Report deals with the audit observations relating to the State Government departments under Social Sector.

The names of the departments under Social Sector and their budget *vis-à-vis* expenditure details during 2017-18 are given in *Appendix 1.1.1*.

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 ₹ 3659.11 crore (including funds pertaining to previous years audited during the year) of the State Government under Social Sector was test checked. This chapter contains audit observations on the Performance Audit (PA) of 'Implementation of Rashtriya Madhyamik Shiksha Abhiyan' and one compliance audit paragraph.

Performance Audit

DEPARTMENT OF SCHOOL EDUCATION

1.3 Performance Audit on Implementation of Rashtriya Madhyamik Shiksha Abhiyan

Rashtriya Madhyamik Shiksha Abhiyan (RMSA), a flagship scheme of the Government of India (GoI), was launched in March 2009 with the objective of universalisation and improvement of the quality of education at the secondary level. The primary goals of the scheme are accessibility, quality and equity in secondary education. In Nagaland, the scheme was implemented from the year 2010. A Performance Audit on implementation of the scheme in Nagaland covering the period 2013-18 was carried

out. Some of the major audit findings are highlighted below:

Highlights

Out of 2058 habitations, only 941 habitations (45.72 per cent) had access to Secondary School education within five Kilometres.

(Paragraph 1.3.10)

Out of 391 Special Education Teachers appointed on contract, only 360 were identified as genuine. Similarly, out of 3695 students under “Children with Special Needs”, only 1430 students were genuine of which 650 students studying in Government Secondary Schools were eligible for benefits under Inclusive Education for Disabled at Secondary Stage.

(Paragraph 1.3.14.1)

Out of 11 girls’ hostel sanctioned by the Government of India for construction during the year 2012-13, none of the girls’ hostels were made operational.

(Paragraph 1.3.14.3)

Out of 168 schools approved for upgradation and construction of new buildings, upgradation of only 113 schools was completed.

(Paragraph 1.3.14.4)

Twelve Secondary School buildings constructed under the scheme in three selected districts either remained unutilised/unoccupied or were being utilised for private and other than intended purposes.

(Paragraph 1.3.14.6)

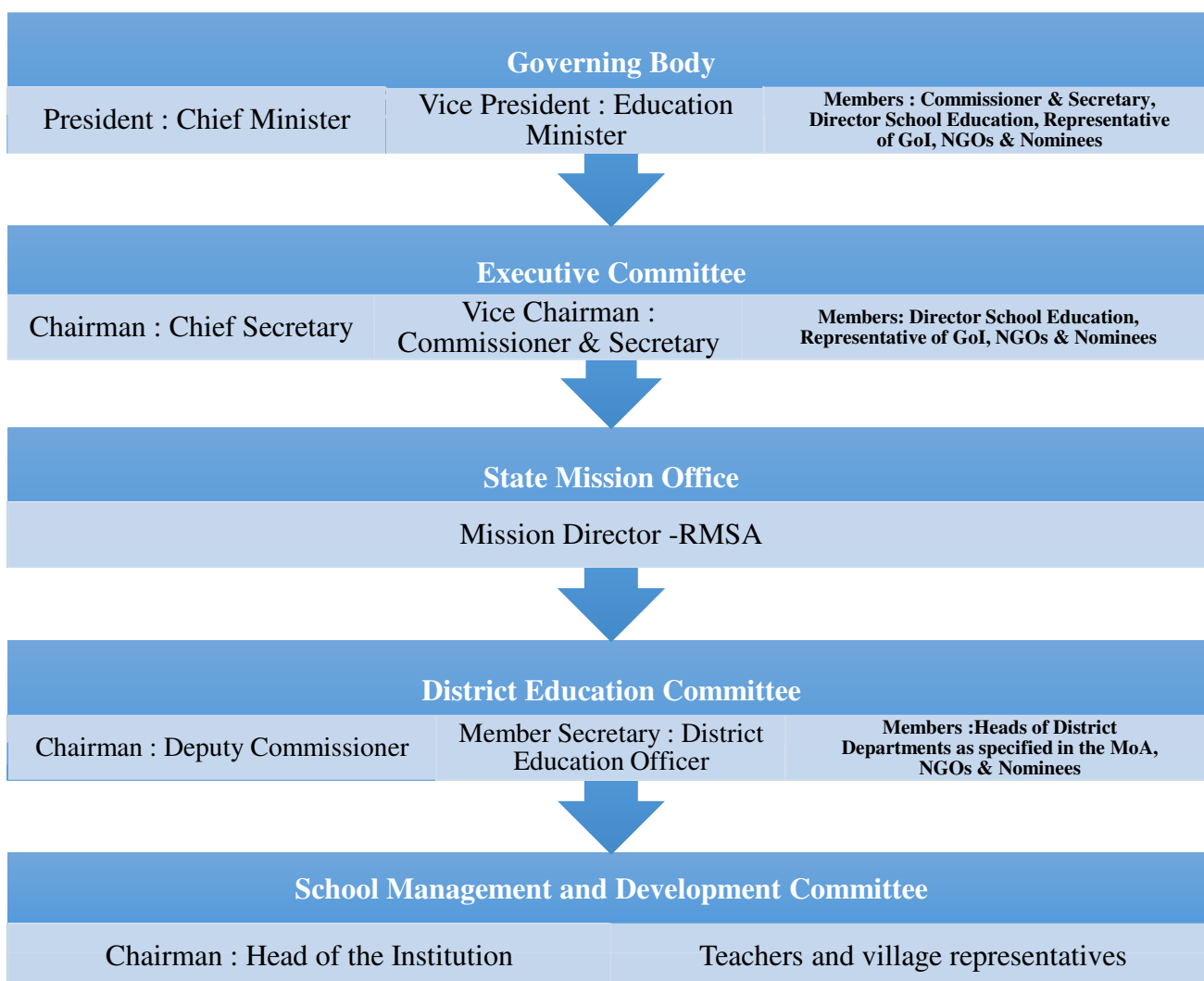
1.3.1 Introduction

Rashtriya Madhyamik Shiksha Abhiyan (RMSA), envisaged establishment of new Secondary Schools, upgradation and strengthening of existing upper primary/Secondary Schools, improvement in quality of education by providing libraries, laboratories, furniture, separate toilets for girls, boys and teachers, accommodation for teachers, residential schools in hilly and difficult areas and enhancement of the quality of teaching by providing adequate in-service training to achieve the goal of accessibility and quality in Secondary education. To ensure the objective of equity in Secondary education, the scheme envisaged free lodging and boarding facilities for students of Scheduled Castes (SCs), Scheduled Tribes (STs) and other backward communities, free girls hostel, books, uniforms, inclusive education for disabled students and to ensure that all schools are disabled friendly.

The scheme was implemented in Nagaland from the year 2010. The scheme subsumed the earlier schemes launched by the GoI, namely, Girls’ Hostel (2009-10), Information and Communication Technology in Schools (ICT@Schools) (2010-11), Inclusive Education for Disabled at Secondary Stage (IEDSS) (2013-14) and Vocational Education (VE) (2013-14).

1.3.2 Organisational setup

In Nagaland, the scheme is implemented under the umbrella of Nagaland Education Mission Society (NEMS) with Governing Body, Executive Committee at the State level and the District Education Committee at District level. At the State level, the State Mission Office is headed by the Mission Director, RMSA. At the district level, the District Education Officers (DEOs) are responsible for implementation of RMSA. The organogram of NEMS is shown below:



Source: Departmental Records.

1.3.3 Scope of Audit

The Performance Audit (PA) covered implementation of the scheme for the period from 2013-18. Records of the Directorate of School Education (DoSE), the State Mission Office, the District Education Offices (DEOs) of three selected Districts¹ (Kohima, Mokokchung and Tuensang) and all the 106 Government High Schools (GHS) and the Government Higher Secondary Schools (GHSS) of the three Districts were examined.

¹ Out of 11 districts.

1.3.4 Audit Objectives

The objective of the PA was to ascertain whether:

- i) the planning for the programmes was comprehensive and in accordance with the scheme guidelines;
- ii) the allocation of funds was adequate, timely and utilised efficiently and economically; and
- iii) the internal controls and monitoring system were adequate and effective.

1.3.5 Audit Criteria

Audit findings were benchmarked against the following sources of criteria:

- i) Guidelines (Framework for implementation of RMSA 2013).
- ii) Orders, circulars and notifications issued by the Ministry of Human Resource Development (MHRD), GoI and the State Government from time to time.
- iii) Perspective Plan, Annual Action plan, Baseline Survey, Approval and recommendations made by State Mission and State Government.
- iv) Correspondence, circulars/orders, minutes of meetings of State Executive Committee, Governing Body and Project Approval Board (PAB).
- v) Physical and Financial Progress Report.
- vi) State PWD Code and Manuals, State Schedule of Rates (SSOR), Analysis of Rates.
- vii) General Financial Rules 2005, State Treasury Rules, Government Accounting Rules.
- viii) Audit Reports of Chartered Accountants, Audited Financial Statements and Third Party reports.
- ix) Prescribed Monitoring mechanism.

1.3.6 Audit Methodology

Audit methodology comprised of an entry meeting held on 03 May 2018 wherein the audit objectives and criteria of the PA were discussed and inputs of the Department obtained. This was followed by requisition of records, questionnaires, examination of records, issue of audit observations and the draft report to the Department. Joint inspection of Government Secondary Schools and Government Higher Secondary Schools and interview of teachers were also carried out in the selected schools². An exit meeting was held on 18 December 2018 to discuss the audit observations and recommendations of the PA. The written replies received from the Department and views expressed by the Department/Government have been incorporated in the Report.

1.3.7 Acknowledgement

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

² All the 106 GHS and GHSS of the three selected Districts.

Audit Findings

1.3.8 Planning

As per Para 3.10 and 3.11 of the framework on implementation of RMSA (2013), the starting point for planning is the creation of Core Groups of government and non-governmental persons at the District level entrusted with the task of implementing the programme. The core teams should undertake extensive visits of the Districts, covering every habitation/village/urban slum and the process of micro planning should be initiated. This would involve intensive interaction with each household to ascertain the educational status and needs. Requirement of incentives like scholarship, uniforms, textbooks, notebooks, school infrastructure, teachers and teaching materials was required to be ascertained. The schools were required to play a critical role in the planning process wherein the Head Master/Principal and his/her team would function as the local resource team for planning. A School Management and Development Committee (SMDC) were to be formed in all Secondary schools to prepare school level Perspective Plans and Annual Plans which were then consolidated into District Perspective Plans and State Perspective and Annual Plan.

Examination of records by audit revealed the following:

- a) Contrary to the scheme guidelines, planning was done at the State level by RMSA Mission through a consultant agency³ without the involvement of District level Core Groups, SMDC, Parents Teachers Associations (PTAs) or any grassroots level organisations.
- b) The State Perspective Plan and Annual Plan were prepared by the Directorate of RMSA Mission based on Unified District Information System for Education (UDISE) data. The State Perspective Plan prepared in 2010 through the consultant agency, had not been revised or updated during the last five years (2013-18).
- c) District level Core Groups were not formed for preparation of District Perspective Plans and Annual Plan.
- d) The SMDC were formed in 93 schools out of the 106 schools inspected. However, none of the schools had prepared school level Perspective Plans and Annual Plans. The function of the SMDC was limited only to approval of the expenditure to be incurred by the schools. The Department stated (December 2018) that 45 school were yet to be switched to SMDC from erstwhile School Management Committee (SMC) (which was formed under Village Education Committee for schools upto upper primary classes). However, the framework had envisaged that all Secondary Schools would have SMDC for planning process, whose composition and jurisdiction was different from SMC.
- e) The Parents Teachers Associations (PTAs) were confined to discussions on academic progress of the students. No assessment by the parents or teachers on infrastructural or quality interventions required in the schools, were done and submitted to the SMDC for preparation of school plans.

³ M/s. North East Consultancy Services Ltd.

On the above being pointed out in audit, the Department/Government accepted the facts. Regarding the role of the PTAs, the Department replied (December 2018) that it was confined to academic progress of students and not on infrastructural aspects.

The reply was not acceptable as para 2.1.5 of the RMSA framework envisaged PTAs as one of the grassroots level organisations to be involved in the planning process which included infrastructure and quality interventions. Thus, the planning process was deficient because the involvement of grass-root level organisations that includes District level Core Groups, SMDC and PTA, was not ensured as envisaged in the RMSA framework.

Recommendation (1): The Department should ensure that the planning process begins at grass-root level as envisaged in RMSA framework by creating Core Groups at District level and by involving the SMDCs and PTAs for preparation of School Level Annual Action Plans and Perspective Plans.

1.3.9 Preparation of Annual plans based on District Information System for Education (U-DISE) data not updated

The school based computerized Education Management Information System (EMIS) was initiated in 1995 by National University of Educational Planning and Administration (NUEPA) with the support from MHRD which is known as the District Information System for Education (DISE). The Unified District Information System for Education (U-DISE) data is adopted by the Department of School Education for planning and management of education, including flagship programmes like the Sarva Siksha Abhiyan (SSA), RMSA, Teacher Education, etc.

The RMSA adopted the U-DISE data prepared by the SSA under DoSE for preparation of Annual Plans of RMSA. It was, however, observed that the Annual work plans for 2016-17 and 2017-18 were based on U-DISE data which had not been updated since 2015-16. Thus, Annual plans were prepared based on the District Information System for Education (U-DISE) data which was not updated thereby leaving a scope for deficient planning process.

While accepting the audit observation, the Department stated (December 2018) that Annual Plan for 2016-17 and 2017-18 was based on U-DISE data of 2015-16 and 2016-17 respectively.

The reply was not acceptable as the U-DISE data was updated only upto 2015-16 when the Annual Plans for 2016-17 and 2017-18 were prepared. However, on this being pointed out, U-DISE data had been updated upto 2017-18 (December 2018) by the SSA.

Recommendation (2): The Department should ensure timely updation of U-DISE so that the plans are based on accurate data.

1.3.10 Habitations without access to Secondary Schools

As per RMSA framework (2013), to improve accessibility, every village should be accessible within a distance of five kilometres to Secondary Schools and seven to 10 kilometres to Higher Secondary Schools with efficient and safe transport arrangements depending on local circumstances and ensure universal access to secondary education by 2017. In hilly and difficult areas, these norms can be relaxed and preferably residential schools may be set up in such areas.

The State Government prepared Perspective Plan (2009-12), with a target to establish 589 Secondary Schools by 2017. The Department, however, could setup only 253 (42.95 *per cent*) Secondary Schools (March 2018). As of March 2018, against 2058 habitations in the State, the students in only 941 habitations (45.72 *per cent*) had access to Secondary Schools within five kilometres indicating that students in 1117 habitations⁴ were deprived of access to Secondary Schools by 2017. We observed that the short achievement of target was primarily due to the following reasons:

- a) Delay in upgradation and strengthening works (discussed in **Paragraph 1.3.14.4**) relating to school infrastructure;
- b) Delay in release of State share for works (discussed in **Paragraph 1.3.13.2**); and
- c) Low enrolment in existing and upgraded Secondary Schools, which was due to non-availability of transportation facility between feeder villages (discussed further below).

Status of Secondary School and enrolment for the last five years is shown below:

Table 1.2
Enrolment status of Secondary and Higher Secondary Schools during last five years

Year	Govt. Secondary school		Govt. Higher Secondary School	
	No. of School	Enrolment	No. of School	Enrolment
2009-10 (Before inception of RMSA)	110	NA	16	NA
2013-14	195	12814	19	4541
2014-15	243	15427	40	5540
2015-16	248	17376	41	7091
2016-17	253	13498	41	6839
2017-18	253	14344	41	NA

Source: Reply to query furnished by the Department. NA: Not available.

Examination of records and joint inspection of all the 106 schools in the three selected districts revealed that:

- i) None of the villages with Secondary Schools, situated within 5 to 10 kilometres, had public transportation facility for the students.
- ii) Student enrolment in the Secondary Schools was poor as shown below:

⁴ 2058 minus 941.

Table 1.3

Status of students' enrolment in all 104 Secondary Schools in three selected districts

Year	No. of Schools	Districts	Schools having					
			Below 25 students		25 to 70 students		Above 70 students	
			Class-IX	Class-X	Class-IX	Class-X	Class-IX	Class-X
2013-14	31	Kohima	18	23	11	7	2	1
2014-15			17	25	10	3	4	3
2015-16			14	24	12	6	5	1
2016-17			14	24	11	6	6	1
2017-18			15	21	11	9	5	1
2013-14	31	Tuensang	20	23	3	6	8	2
2014-15			16	22	6	6	9	3
2015-16			18	23	3	4	10	4
2016-17			19	23	5	4	7	4
2017-18			20	23	5	7	6	1
2013-14	42	Mokok-chung	26	35	14	5	2	2
2014-15			28	38	12	3	2	1
2015-16			28	35	10	5	4	2
2016-17			29	38	11	3	2	1
2017-18			31	38	10	3	1	1
	104	03						

Source: Records from School enrolment (two schools, i.e., GHS Khonoma and GHS Chinbmei, though inspected, but records not produced to audit).

From the above, it may be seen that

- Out of 104 schools' records verified, 14 to 31 schools in class IX and 21 to 38 schools in class X had enrolment of students below 25 during the last five years.
- Only one to 10 schools in class IX and one to four schools in class X had enrolment of students above 70. Though there was an increase of 143 schools since 2009-10, the enrolment of students in class IX and X was very low.
- Out of 58 upgraded Secondary Schools in three districts, 14 schools had zero enrolment in class IX and X (2017-18) and seven schools⁵ were downgraded due to zero enrolment in class IX and X for three years continuously.
- Three schools which were upgraded to Secondary School prior to 2013 were yet to operate class X.

The low enrolment of these schools was primarily due to lack of transportation facilities between neighbouring habitations and Secondary Schools.

It was further observed that proposals for setting up of Residential Schools were not incorporated in the Annual Plans or Perspective Plan of the State though Nagaland is primarily situated in hilly and difficult areas. Therefore, accessibility to these schools was confined to the nearby villages/towns which were situated within the reach of the students, leaving the students of the neighbouring feeder villages inaccessible to the Secondary Schools.

⁵ GHS Sakshi, GHS Buranamsang, GHS Chingmei, GHS Panso, GHS Noksen, GHS Phenshunny and GHS Seyochung village.

There was 130 *per cent* increase in number of Secondary Schools from 2009-10, however, the desired objective of accessibility was not achieved mainly due to lack of transportation facilities in the hilly terrain, remote areas and natural barriers.

Considering the natural barriers and no public transportation facilities, inclusion of Residential Schools for villages of hilly terrains in the Annual Plans and Perspective Plans for implementation under the scheme would have improved both accessibility to the schools and the enrolment in the Government Secondary Schools.

While accepting the audit observations, the Department replied (December 2018) that, the proposals were made for Hostels for boys/girls under Samagra Shiksha Abhiyan, introduced in 2018-19 to cover the gaps and to achieve the objective under the scheme.

The reply was not acceptable, as the desired objective of accessibility to Secondary Schools could not be achieved within the targeted year of 2017, which was primarily due to improper planning of the Department.

Recommendation (3): Department should make efforts to establish residential schools as envisaged in the framework guidelines for hilly and difficult areas to increase enrolment and accessibility to Secondary Schools in order to achieve the intended objectives of the scheme.

1.3.11 Non- adherence to RMSA norms for upgradation of Secondary Schools

According to RMSA framework (2013), the norms for approving new Secondary Schools were as under:

- a) non-availability of Secondary School facility within a distance of five kilometres from habitations; and
- b) at least 70 children should be enrolled in VIII Standard of feeder upper primary schools within the area.

Joint Inspection by Audit with the representatives of the Department revealed the following:

- 58 out of 106 schools were upgraded to Secondary Schools during the last five years. It was observed that of the 58 schools, five schools⁶ were upgraded despite having a Secondary / Higher Secondary School within a distance of five kilometres of the habitations against the norms.
- In 16 out of 58 schools, located in remote area, upgraded during the last five years, none of the feeder schools had the prescribed minimum required strength of 70 students in Class VIII before upgradation. This was with the fact that there was no private Secondary Schools located in their vicinity.
- Only one school⁷ out of 16 schools had enrolment of more than 70 students in Class IX.

⁶ GHS Chaba, GHS Hakushang, GHS Chandmari, GHS PWD and GHS Mokokchung village

⁷ GHS New Market

- Maximum enrolment in Class IX in 15 schools in the last five years ranged between 0 and 28.

It was, thus, revealed that the upgradation to Secondary schools was done without assessing the actual requirement in the habitations and without following the prescribed norms for upgradation. The upgradation of schools in habitations where Secondary Schools already existed was unjustified as it deprived the students in habitations which did not have access to Secondary Schools.

On this being pointed out, the Department accepted (December 2018) the audit observations.

The reply was an admission of the fact that the prescribed norms for upgradation of Secondary Schools were not followed by the Department and thus, deprived the students in habitations which did not have access to Secondary Schools.

1.3.12 Posting of teaching and non-teaching staff

Project Approval Board (PAB) of the MHRD was authorised to approve all integrated plans of RMSA, including the four subsumed Centrally Sponsored Schemes of secondary education. While approving upgradation of new schools and strengthening of existing schools, PAB also approves deployment of teaching and non-teaching staff in these schools. Details of approved teaching and non-teaching staff and actual position as on March 2018 is shown in the following table:

Table 1.4

Position of teaching and non-teaching staff

(In numbers)

Year	PAB approval				Actually engaged			
	HM	Teachers	Librarians / Office Aassistants	Laboratory Assistants	HMs	Teachers	Librarians/ office assts.	Laboratory Technicians
2013-14	168	1044	168	168	35	210	0	0
2014-15	168	1044	168	168	35	210	0	0
2015-16	168	1044	168	168	111	210	0	0
2016-17	168	1044	168	168	146	590 to 705	0	0
2017-18	168	1044	168	168	146	672 to 769	0	0

Source: AWP&B and statements furnished by Department.

It was, thus, revealed that:

- Till 2016, only 210 (20.11 *per cent*) out of 1044 teachers sanctioned by PAB were posted in schools under RMSA.
- As against 168 Head Masters (HMs) and 1044 teachers sanctioned by PAB, only 146 HMs and 769 teachers were posted / appointed by the State as of March 2018.
- Librarians and laboratory technicians sanctioned by PAB, were not appointed / engaged by the Mission during the last five years, in spite of availability of laboratory and library rooms in upgraded Secondary Schools under RMSA during the last five years.

The Department's failure to complete the approved upgradation and strengthening works⁸ resulted in lack of infrastructure to operate the targeted number of Secondary schools. The strength of teachers approved by PAB also could not be operated which compromised the quality of education in Secondary schools as discussed in **Paragraph 1.3.16.2**

On this being pointed out, the Government accepted (December 2018) the audit observations and stated that efforts were being made to cover all habitations through introduction of residential schools. However, no records with regard to such a planning was furnished.

Department's acceptance of the audit observation indicated that due to deficiencies in infrastructure, qualified teachers and laboratory technicians / librarians, the objective of accessibility and quality in Secondary education was not achieved.

1.3.13 Financial Management

1.3.13.1 Position of release of funds and expenditure

Fund sharing pattern under RMSA between GoI and Government of Nagaland (GoN) is in the ratio of 90:10. During the last five years, funds released by the GoI and GoN and expenditure thereon are shown below:

Table 1.5

Fund availability and expenditure during last five years

(₹ in crore)

Year	Opening balance	GoI release	State release	Interest received	Other receipts	Total fund available	Expenditure incurred	Closing balance
2013-14	34.40	5.84	0	0.33	0	40.57	13.07	27.50
2014-15	27.50	3.64	0.40	0.28	0	31.82	5.25	26.57
2015-16	26.57	53.26	2.41	0.23	0	82.47	17.50	64.97
2016-17	64.97	25.10	2.79	0.87	0	93.73	52.91	40.82
2017-18	40.82	54.84	9.71	0.18	0.21	105.76	87.15	18.61
TOTAL		142.68	15.31	1.89	0.21		175.88	

Source: Compiled from records furnished by the Department.

Note: Figures include funds received under the subsumed programmes of Girls Hostel and Vocational Education.

During 2013-18, GoI released ₹ 142.68 crore and GoN released State share of ₹ 15.31 crore under the scheme. Out of total available funds of ₹ 194.49 crore⁹ (including interest and miscellaneous receipt: ₹ 2.10 crore), ₹ 175.88 crore was utilised leaving a balance of ₹ 18.61 crore.

⁸ out of 589 schools approved for upgradation to Secondary Schools only 253 schools could be upgraded.

⁹ ₹ 34.40 crore (OB) + ₹ 142.68 crore + ₹ 15.31 crore + ₹ 1.89 crore + ₹ 0.21 crore

1.3.13.2 Delay in release of State share

As per Para 3.12 and 3.17.2 of the Framework on implementation of RMSA, allocation of resources to the State will be based on commitment from the State Government with regard to the State share. Further, GoI while releasing 90 per cent of its share directed the State Government to release the 10 per cent state's share within 30 days.

Examination of records, revealed delay in release of funds to the RMSA as shown in the table below:

Table 1.6
Delay in release of funds by State Government under the Scheme

(₹ in lakh)

Year	GoI Release		State share		Delay from the stipulated time (approx.)	Remarks
	Amount	Date	Amount	Date		
2013-14	263.00	13.11.2013	240.91	01.2.2016	2 years 1 month	State's Share includes release for 2012-13 (₹ 184.61 lakh) and two instalment of 2013-14 (₹ 56.27 lakh)
	243.44	13.11.2013			2 years 1 month	
2013-14	363.00	27.03.2015	40.43	24.05.2016	1 month	
2015-16	5326.42	20.10.2015	591.82	14.06.2017	1 year 7 months	
2016-17	105.14	13.5.2016	278.84	07.03.2017	10 months	
	1321.27	11.07.2016			7 months	
	1083.17	24.11.2016			3 months	
2017-18	687.10	28.04.2017	76.34	03.08.2017	2 months	
	1541.71	21.06.2017	302.49	13.12.2017	4 months	
	1180.62	31.07.2017			4 months	
	913.21	23.01.2018			239.14	Not released
	15.30	31.01.2018				
	1145.88	20.03.2018				
	51.89	10.03.2014				
26.00	10.03.2013					

Source: Compiled from Department data.

As can be seen from the above table, the delay in release of State share ranged from one month to two years. Further, State share amounting to ₹ 2.39 crore¹⁰, had not been released (September 2018).

Delay in release of State share resulted in delay in execution of works, which further resulted in delay in commencement of Secondary schools and appointment of teachers. This ultimately resulted in non-achievement of the objective of universal accessibility to Secondary school education.

¹⁰ including ₹ 8.64 lakh pertaining to 2013-14, Central share ₹ 51.89 lakh and ₹26.00 lakh.

The Department while accepting the audit observations, stated (December 2018) that it would take up the matter with the Finance Department for timely release of funds.

Recommendation (4): Government should ensure timely release of funds in order to avoid delay in completion of works.

1.3.14 Programme Implementation

1.3.14.1 Implementation of Inclusive Education for Disabled at Secondary Stage

Inclusive Education for Disabled at Secondary Stage (IEDSS) was launched during 2009-10 and replaced the earlier scheme of Integrated Education for Disabled Children (IEDC). The objective of this scheme was to enable all students with disabilities to pursue four years of secondary education in an inclusive and enabling environment after completing eight years of elementary schooling. The scheme covered all children studying in Classes IX to XII in Government, local body and Government-aided schools, with one or more disabilities. Apart from financial and material aids to the Children With Special Needs (CWSN) students, the scheme requires all architectural barriers in schools to be removed so that students with disability have access to classrooms, laboratories, libraries and toilets in the school. Though the scheme was subsumed under RMSA by GoI in the year 2013-14, the implementation of the programme was done by DoSE till March 2015.

(i) During the year 2011-12, GoI approved ₹ 13.18 crore for implementation of IEDSS scheme, out of which ₹ 13.01 crore was released to the State Government. Government appointed¹¹ 391 Special Education Teachers (SET) on contract basis for six months, extendable after every 6 months, co-terminus with the scheme. The SETs were appointed for 3695 CWSN students. The implementation of IEDSS for the period 2011-12 to 2012-13 was under investigation by Special Investigation Team (SIT)¹² constituted by the Vigilance Department due to suspected misappropriation of funds amounting to ₹12.80 crore.

From the report of the SIT (2015), it was seen that the investigation team identified only 360 genuine SETs out of 391 appointed by the Government and only 1430 genuine CWSN students against 3695 stated by the Department. It was seen that out of 1430 genuine students, 780 students were studying in private unaided schools and therefore, the actual number of CWSN students entitled under IEDSS programme was only 650.

(ii) During 2013-14, GoI released an amount of ₹ 11.33 crore¹³ for implementation of the programme. Examination of records revealed that ₹ 8.08 crore was released to RMSA and ₹ 3.11 crore was released to DoSE. The details of expenditure are shown below:

¹¹ In October 2012, vide DSE/IEDSS/4-2/2012.

¹² As ordered by Chief Secretary & Vigilance Commissioner vide order No. SVC/SIT-2014-2015/309 dated 17/2/2015.

¹³ Dated 23-5-2013.

Table 1.7
Details of expenditure on IEDSS fund

(₹ in lakh)

Sl. No.	Category	Period		Total months	Unit cost	Total paid
1	Salary of 381 SET for 11 districts paid by DoSE	September 2013	June 2014	10	0.085	323.85
2	Salary for 1 SET for 1 district (Mokokchung)			4	0.085	0.34
3	Salary for 1 SET for 1 district (Zunheboto)			8	0.085	0.68
4	Salary of 357 SET paid for all 11 districts by RMSA Mission	July 2014	January 2016	19	0.085	575.60
5	Orientation programme under IEDSS for 11 districts	-	-	-	-	25.20
6	Administrative Cost					3.36
7	Payment to CWSN students					0
	Total Expenditure					929.03
	Balance (including interest)					203.97

Source: Compiled from data furnished by the Department.

Examination of records and audit analysis of the implementation of the scheme, on funds received since 2013, revealed that an amount of ₹ 9.29 crore was paid to SETs of 11 districts pertaining to the period from September 2013 to January 2016 and ₹ 28.56 lakh was paid towards orientation and administrative cost. However, since investigation by SIT was initiated during 2012-13, the services of the contract SET were not extended during the period of investigation, and hence, the services of the SETs were not utilised during 2013-16. After receiving the funds, the Department, issued orders to extend the service of the SETs up to March 2016 in June 2016¹⁴ and released the payment of salary till January 2016 and thereafter, terminated their services with effect from March 2016.

Further, on verification of records and joint inspection of 106 Secondary and Higher Secondary Schools (*Appendix 1.3.1*) of the three selected districts, the Headmasters of the respective schools stated that only 65 CWSN students were enrolled during the period 2013-14 to 2017-18 (*Appendix 1.3.2*). Details of the SETs engaged and the activities of the SETs during 2013-16 were not on records in the schools inspected. It was also seen during joint inspection that none of the schools inspected had the friendly facilities for disabled students¹⁵.

We, thus, observed that the implementation of IEDSS scheme was mired with mismanagement of funds by way of manipulating data, thereby defeating the intended objective of the scheme.

While accepting (December 2018) the facts, the Department stated that, by the time IEDSS was subsumed with RMSA, the scheme was under investigation by SIT.

¹⁴ Vide order No.NLD/RMSA/IEDSS/SET/2015-16(PT)

¹⁵ Lack of Ramps leading to school, toilets, laboratories, libraries, etc. with SET teachers and helpers.

Officials involved in the case were charge-sheeted by the Government but the case was still pending.

The reply of the Department was not acceptable, as the IEDSS was implemented by DoSE and the funds received under the scheme were mismanaged which led to investigation by SIT. Despite being investigated by the SIT on misappropriation of IEDSS funds, the Department paid an amount of ₹ 9.29 crore to SETs who were not engaged during the period of investigation (September 2013 to January 2016). The mismanagement of IESSS funds, thus, deprived the much needed assistance to CWSN students of Secondary Schools and hence, defeated the objective of the scheme.

1.3.14.2 Information and Communication Technology at Schools

Information and Communication Technology at Schools (ICT@schools), a revised centrally sponsored programme was implemented from 2010. The programme envisaged to cover all Government and Government aided Secondary and Higher Secondary Schools in the country with emphasis on educationally backward blocks and areas with concentration of SC, ST, minority and weaker sections. The programme was subsumed under RMSA since 2013-14. However, the programme continued to be implemented by State Council of Educational Research and Training (SCERT) in Nagaland.

(i) From 2005-06 to 2012-13, GoI had approved and released funds for implementation of the programme in 691 schools. The total amount of funds released by GoI and GoN till 2012-13 was ₹ 54.42 crore. During 2013-18, the Department received ₹ 82 lakh (₹ 1 lakh per school for 82 schools). Further release of funds under the scheme was stopped by GoI since the Department violated the norms of the schemes by including 403 private schools out of 691 schools. Project Approval Board (PAB) in its meeting in 2016 directed the State Government to refund or surrender the amount released by the Department to private schools and stopped further release of fund under the scheme to them.

Examination of records by Audit revealed the following:

Out of the 106 schools inspected, none of the schools had a functional Computer lab for the students. Computers received under various schemes by the school were unusable and obsolete. No computer classes, course materials/aids or computer teachers were available in any of the schools inspected.

(ii) GoN released ₹ 82 lakh (March 2015) for the implementation of scheme in 82 schools @ ₹ 1 lakh per school. However, the Department utilised the entire fund in 16 schools.

a. The Department, in violation of the prescribed norms, engaged M/s. Eastern Computers, without floating any tender to implement the scheme which included supply of computers, accessories, training kits, content development for students, course logistic, engagement of computer teachers, maintenance and monitoring *etc.*, for 16 Government schools.

- b. Joint inspection in four out of 16 schools in the selected three districts revealed that only one school¹⁶ received two computer sets.

Thus, due to mismanagement of fund and violation of norms of implementation of the scheme, the intended objective to provide education on Information Technology to the students of Government Secondary schools could not be achieved.

The Department replied (November 2018) that, with regard to extension of benefit to private schools, the matter was under investigation by the MHRD before any further release of funds under the scheme. However, in respect of other audit observations, the Department did not furnish any reply (December 2018).

Recommendation (5): The funds and activities under ICT@schools and IEDSS programmes should be monitored closely by the Government in order to avoid mismanagement of fund and violation of norms of the programmes.

1.3.14.3 Construction of Hostel for Girls

The revised scheme of “Girls’ Hostel”, launched by the GoI in the year 2009-10 was subsumed under RMSA in the year 2013-14. The scheme envisaged setting up of hostels with lodging and boarding facilities in the Educationally Backward Blocks (EBB) so that the girl students were not denied the opportunity to continue their study due to societal factors. The scheme was required to be implemented by the State Governments through a society constituted for the purpose. However, DoSE continued implementing the scheme.

Examination of records revealed that GoN released Central share of ₹ 10.61 crore¹⁷ (March 2013) and State share of ₹ 1.18 crore (December 2017) out of the total approved cost of ₹ 23.01 crore, for the construction of 11 Girls’ Hostels¹⁸. The work orders were issued (January 2014) to 11 contractors to be completed within 18 months from date of issue of work order. An amount of ₹ 9.26 crore was paid against the 11 works. The Department reported in its appraisal report to GoI in Annual Work Plan 2016-17 that three Girls Hostels¹⁹ were complete and remaining eight hostels were in progress. The State Project Engineer, however, submitted a status report to the GoN (August 2018) certifying that six hostels were complete.

Examination of records and joint inspection (July 2018) of construction of four Girls’ Hostels in Tuensang District, revealed that none of the Hostels²⁰ (inclusive of the three hostels stated above to have been completed) were completed and handed over to the beneficiaries (***Appendix 1.3.3***). Thus, Appraisal Report submitted by the Department as part of Annual Action Plan to MHRD stating the completion of all six

¹⁶ GHS Chandmari.

¹⁷ ₹ 10.61 crore released by GoI in 2012-13 (GoN release on March 2013) and 10 per cent State share of the GoI release i.e., ₹ 1.18 crore (released on December 2017).

¹⁸ Kiphire – 1, Longleng – 2, Mon – 4, Tuensang – 4.

¹⁹ Chessore, Noklak and Shamatore.

²⁰ Chessore, Noklak, Thonoknyu and Shamatore.

Hostels, was not factually correct, which calls for fixing of responsibility of officials at fault.

The scheme approved in 2012-13 with a view to setup Girls' Hostel with lodging and boarding facilities in Educationally Backward Blocks to promote education amongst girl students remained incomplete and not put to meaningful use (September 2018). Further, subsequent release of Central share was put on hold due to delay in physical progress. Thus, the objective of the programme to benefit girl students of educationally backward blocks of the State was not achieved.

The Department, while accepting the facts, stated (December 2018) that efforts shall be made to complete all the Hostels during 2018-19.

Thus, the objective of the scheme of "Girls' Hostel" failed to achieve its intended purpose depriving girl students of the benefit of the scheme. Further, action is to be taken on officials for false reporting.

Recommendation (6): Government should ensure strict monitoring of construction works to ensure timely completion and utilisation of assets created for intended purpose and fix responsibility for wrong reporting about completion of six hostels.

1.3.14.4 Construction of school building under strengthening and upgradation of Secondary Schools

To achieve the primary goals, the scheme envisaged establishment of new Secondary Schools, upgradation and strengthening of existing Upper Primary/Secondary Schools. The number of schools approved for upgradation/strengthening and number of schools taken up for upgradation/strengthening is given below:

Table 1.8
Status of schools approved for upgradation and strengthening

(in numbers)

Year	Upgradation of schools			Strengthening of schools		
	Schools approved	Schools taken up	Schools completed	Schools approved	School taken up	Schools completed
2009-10	35	0	0	0	0	0
2010-11	67	0	0	126	8	0
2011-12	45	29	0	0	0	0
2012-13	0	29	23	0	1	0
2013-14	21	12	11	0	0	0
2014-15	0	4	11	0	0	0
2015-16	0	52	5	0	0	0
2016-17	0	9	58	58	36	2
2017-18	0	2	5	0	11	34
Total	168	137	113	67*	56	36

Source: PAB minutes and AWP&B.

Note: * Funds for 117 schools were surrendered.

As can be seen from the table above, the PAB approved 168 schools for upgradation from Middle to Secondary School during the years 2009-12 and 2013-14. Out of 168 schools, only 137 schools were taken up for upgradation, out of which only 113 schools could be completed. {Appendix 1.3.4 (a)}. Further, the PAB approved 21 schools (₹ 21.90 crore) for upgradation during 2013-18 which were yet to be taken up for construction.

For strengthening of existing Secondary Schools, 126 schools were approved (₹ 42.38 crore) in the year 2010-11 out of which only nine schools were taken up. The unutilised fund of ₹ 33.99 crore (for 117 schools) was surrendered by the Department during the year 2016-17. Subsequently, the PAB approved ₹ 33.47 crore (2016-17) for strengthening of 58 schools {Appendix 1.3.4(b)} at new State Schedule of Rates (SSOR) (2013).

Non-utilisation of fund sanctioned during the year 2010-11, resulted in cost escalation and had to be revised as per new SSOR and only 67 schools could be approved for strengthening. Status of payment made against these works is shown in the table below:

Table 1.9

Status on payment made against upgradation and strengthening of schools

(₹ in crore)

PAB Approved works	Total approved cost	Total Ongoing works	Payment for ongoing works	Total completed	Payment on completed works	Works not taken up	Payment on works not taken up	Total payment
Upgradation works in new Secondary School								
35	20.34	4	1.60	28	13.50	3	0.63	15.73
67	38.04	14	4.74	48	23.12	5	0.92	28.78
45	22.33	6	1.88	37	14.56	2	0.00	16.44
21	21.90	0	0.00	0	0.00	21	0.00	0.00
168	102.61	24	8.22	113	51.18	31	1.55	60.95
Strengthening of existing Secondary School								
58	33.47	11	2.46	36	15.39	11	1.08	18.92

Source: Compiled from the records of the Department.

As can be seen from the table above, the approved cost (2009-10 to 2013-14) for upgradation of 168 schools was ₹ 102.61 crore, out of which ₹ 60.95 crore (59.40 per cent) was paid and 113 works (67 per cent) were reported as complete. Out of 113 upgradation of schools, joint inspection was carried out in 47 schools in 03 sampled districts and found that all the 47 schools were incomplete.

Similarly, an amount of ₹ 33.47 crore was approved for strengthening of 58 existing schools out of which ₹ 18.92 crore (56.53 per cent) was paid and 36 (62.07 per cent) works were reported to be complete. Out of 36 strengthening works stated to be completed, joint inspection was carried in 10 schools in 03 sampled districts and observed that none of the works in the schools inspected were completed.

From the above details, it may be seen that the department had misreported the facts about the completion of works which amounted to misleading the government, which is a serious matter requiring investigation and fixing of responsibility of officials concerned for misreporting progress of works and not ensuring completion of works.

The failure of the Department to utilise funds in time for strengthening of existing schools resulted in cost escalation which subsequently led to revision as per new SSOR with reduced number. Further, the delay in completion of approved upgradation works for Secondary Schools, adversely affected the intended objective of the scheme in providing universal access to Secondary School as envisaged in RMSA.

While accepting the facts, the Department stated (December 2018) that approval of State Level Empowered Committee was awaited for upgradation of the 21 schools approved during the year 2013-18.

The reply was not acceptable as the Department did not obtain prior approval of the SLEC before submission of proposals to the PAB. Further, the delay in completion of upgradation and strengthening works deprived the students of the habitations access to Secondary Schools and thereby the intended objective of scheme could not be achieved.

Recommendation (7): (i) Government should initiate action against the officers responsible for submission of false and incorrect completion certificate in respect of works relating to upgradation and strengthening works in infrastructure where the same were found incomplete during joint inspection.

(ii) To ascertain the actual status of completion, Government should consider checking the status of completion of upgradation and strengthening works related to rest of the schools in the state where the same was reported as complete by the authorities concerned.

1.3.14.5 Short execution of works

Joint inspection along-with the departmental officers, in respect of 70 works executed in the three selected districts involving ₹ 37.33 crore revealed short execution in components of works and plinth areas in 57 schools which were certified as complete (*Appendix 1.3.5*). The difference in actual works executed and estimated work for which work order was issued is shown in the following Table.

Table 1.12
Actual works executed and estimated work

(₹ in crore)

District	No. of schools where short execution of work was observed	Estimated cost of the work	Total Payments made	Short execution in components of work		Short execution as per plinth area					Total value of short execution
				No. of components of work not executed	Value of components of works not executed	Value of civil work	Plinth area required to be constructed (Sq.m)	Plinth area actually constructed (Sq.m)	Difference (Sq.m)	Value of short execution of works	
<i>i</i>	<i>ii</i>	<i>iii</i>	<i>iv</i>	<i>v</i>	<i>vi</i>	<i>vii</i>	<i>viii</i>	<i>ix</i>	<i>x</i>	<i>xi</i>	<i>xii</i>
									(<i>viii-ix</i>)	(<i>x * rate</i>)	(<i>vi + xi</i>)
Kohima	9	4.84	3.82	107	0.31	3.52	2407	1924.03	482.97	0.71	1.03
Mokokchung	25	13.07	10.52	252	0.69	10.09	7171	6062.36	1108.64	1.61	2.29
Tuensang	23	12.93	9.59	259	0.92	8.06	4831	3989.52	841.48	1.35	2.27
Total	57	30.84	23.93	618	1.92	21.67	14409	11975.91	2433.09	3.67	5.59

Source: Records of the Department and joint site inspection.

The Department paid ₹ 24 crore against these 57 works to the contractors. It was however observed that there was short execution in components of works and plinth areas for ₹ 5.59 crore²¹.

This indicated that the Senior Project Engineer fictitiously certified the works as complete and payments were made to the contractor in contravention of the provisions of NPWD code and provisions of GFR. The Senior Project Engineer also compromised the quantity of the plinth area and quality of works by reducing the components of works rendering the school buildings susceptible to damages and insufficiency in the assets created.

The Department while accepting the facts, stated (December 2018) that, changes at the time of execution of works had to be carried out due to land issues, land availability and escalation of cost *etc.*, which resulted in short execution of works.

The reply of the Department was misleading, as all land issues should have been settled before submitting the proposal to the Government. Besides, the Department failed to obtain prior approval of the Government before revising the drawings and specifications and should have also reduced the cost of works to commensurate with the reduction in the plinth area and components of work.

Due to the above lapses committed in the execution of various works which were at variance with approved plans, estimates and drawings, the government may get investigation done in the matter through vigilance wing of the government and file

²¹ ₹ 1.92 crore + ₹ 3.67 crore.

FIRs against the persons at fault with a view to fix responsibility for doing their job in an arbitrary and unauthorised manner in violation of prescribed norms/rules.

Recommendation (8): Government should initiate action for recovery of ₹ 5.59 crore which was paid to contractors without actual execution of works. The matter may also be investigated and responsibility of officials involved in misappropriation of funds fixed, besides referring case to Vigilance Department.

1.3.14.6 School buildings not utilised

Joint inspection of 58 upgraded Secondary Schools in the three selected districts (out of 11 Districts) revealed that 12 out of 58 school buildings had not been occupied and utilised by the Department. Details are given in **Appendix 1.3.6**.

It was observed that, five school buildings were constructed more than one kilometre away from the main school building making it impossible for the school authorities to occupy the same, as the teachers would not be able to move from the main building to the new buildings at every interval. Further, one school was occupied by private individuals and another utilised as private hostel. It was also observed that the two Secondary School buildings, i.e., GHS Konya and GHS Tseminyu, under construction, were located at a distance of two to four kilometres away from the main school building.

Thus, improper planning and lack of monitoring of implementation of works and delay in handing over of the completed buildings, resulted in assets created under the scheme remaining unutilised.

While accepting the facts, the Department stated (December 2018) that action had been initiated on the unauthorised occupation but was silent on issue of construction of buildings away from the main building, which resulted in non-utilisation of the assets created under the scheme for the intended purpose.

The reply was an admission of the fact that the assets created with an expenditure of ₹ 5.23 crore was unfruitful and did not serve the intended purpose.

Recommendation (9): Government should ensure that the intended purpose of construction of school building is served and does not become unfruitful. It should also be ensured that completed buildings are handed over without delay to avoid unauthorised occupation.

1.3.14.7 Non-construction of residential quarters for Teachers

As per Para 4.6 of RMSA framework, the construction of residential quarters for female teachers in remote/hilly areas, was envisaged.

Audit scrutiny of records revealed that, GoI released ₹ 11.82 crore (March 2011 and January 2012) for construction of 197 residential quarters at the rate of ₹ 6 lakh per unit during the year 2011-12. Department could not utilise the fund due to improper planning and surrendered the funds in 2016-17. It was observed that subsequently, the

PAB approved construction of 17 residential quarters (in seven schools) at the revised SSOR in 2016-17 and an amount of ₹ 2.01 crore was released at the rate of ₹ 11.80 lakh per unit. The contractor was paid ₹ 9.85 lakh for construction of two quarters²² (September 2018) and the balance amount remained unutilised.

Thus, the residential quarters for teachers were not constructed due to improper planning. Moreover, delay in utilisation of funds led to cost escalation which resulted in revision of cost as per new SSOR as well as reduction in the number of residential quarters for teachers.

On the above being pointed out in audit, the Department stated (November 2018) that estimates for 197 residential quarters were based on SSOR 2007. Hence, it was not workable during 2010-11 (when SSOR 2010 was in effect). Further, while accepting the delay in construction, the department stated (December 2018) that necessary formalities will be observed for the early completion of the works.

The reply was not acceptable as the estimates were prepared and approved in 2011-12, after commencement of RMSA in Nagaland. Therefore, the estimate should have been prepared as per prevailing SSOR 2010. Further, the Department kept the fund unutilised till 2016-17, before surrendering the same. This led to reduction of 197 residential quarters (2011-12) to 17 residential quarters (2016-17).

Recommendation (10): The Department should make all efforts to complete the works within the targeted dates so that the objective of the scheme is achieved.

1.3.15 Quality issues relating to RMSA

1.3.15.1 Inadequate classrooms (classroom-pupil ratio)

According to para 4.6 of RMSA framework, the infrastructure requirement for Secondary Schools, (*i.e.* classroom-pupil ratio) should be a minimum of 1:25 and not to exceed 1:40.

Joint inspection of 106 schools in three selected districts revealed that during the year 2017 and 2018, the students' enrolment in Class IX ranged between 1 to 82 and 1 to 67 in Class X.

In 23 schools, classroom-pupil ratio was not maintained. The number of students in Class IX was above 40 in a classroom while in 11 schools the students' enrolment in Class X was above 40 in a classroom which was above the prescribed norms. Further, it was also seen that in 59 schools, number of students per classroom in Class IX was below 25 and in 63 schools, students in Class X was less than 25 which was below the minimum strength prescribed in RMSA framework.

Thus, the prescribed classroom-pupil ratio to ensure quality in teaching was not maintained as per RMSA framework in 23 schools for Class IX and in case of Class X, it was noticed that in 11 schools, the number of students in a class room was above 40.

²² At Jotsoma (a twin building, occupied by a UDA)

The Department admitted (December 2018) the fact and stated that proposals for the construction of more classrooms will be sent to the Ministry as per requirement as per RMSA norms.

The reply of Department was an acceptance of the fact that due to improper planning, students were deprived of quality education as adequate classrooms were not provided in schools where enrolments were higher than the prescribed classroom-pupil ratio.

Recommendation (11): Department should ensure that the prescribed norms for classroom-pupil ratio as per RMSA guidelines are followed to ensure quality in Secondary School education.

1.3.15.2 Lack of basic amenities in the schools

As per RMSA framework, there should be basic infrastructural requirements, i.e. science laboratory, library, separate toilets for teachers and girl students, girls' activity rooms *etc.*, in Secondary Schools. However, joint inspection of 106 schools revealed deficiencies in infrastructural requirements, as per RMSA framework, was as indicated below:

- In 98 schools, laboratory rooms were constructed in all the new buildings under 'upgradation and strengthening works' of RMSA. However, these rooms were not utilised for science laboratories. Further, lab equipment received (under the scheme of RMSA) by 34 schools of the 106 schools inspected were stacked in cupboards and boxes and were not being utilised, as provisions for utilisation or facilities such as practical table, racks, safety equipment for science practical classes were not available in the rooms constructed for science labs. Lab assistants were not recruited for required assistance in labs.
- In 98 schools, the library rooms constructed under RMSA were not being utilised for the intended purpose. In 10 Schools, the library books made available were not accessible to students as the books were stacked in cupboards and left unutilised in other rooms for want of posting of librarians.
- In 85 schools, there were no hygienic toilets. In 48 schools there was no separate toilet for girl students and also there was no toilet for female teachers in 83 schools. Construction of toilets for these schools were not taken up under the 'strengthening programme' of RMSA. This deprived the students and teachers of these Secondary Schools access to hygienic toilets.
- RMSA framework mandated separate girls' activity area in all Secondary Schools. However, neither of the schools inspected had separate girls' activity area nor provision for it were included in the plans of the Department.
- In 70 schools, there was no playground for the students.
- Out of 106 schools inspected, only 14 schools had a single ramp (without railings) to access the main building. The architectural barriers for disabled students were not removed and modified in any of the schools inspected. Separate toilets accessible to CWSN students were not found constructed in any of the schools inspected.

- The condition of 41 school buildings was either very poor or dilapidated. Toilets were unusable, there was no drinking water facility and the workmanship was poor etc., as given in *Appendix 1.3.7*.

Further, feedback from 504 teachers were taken in the selected schools. The feedback received from them on quality and infrastructure interventions needed, are shown in the Table below:

Table 1.14

<i>Feedbacks for requirements in schools received from teachers</i>											
Districts	Quality interventions (facilities required)							Infrastructural interventions (facilities required)			
	Library	Teaching aids	Sports Activities	Science Lab	Teacher Shortage	Seminar & Counselling	E-learning & Computers	Girls Room	Teachers quarters	Toilets	Drinking Water
Kohima	54	31	2	27	12	18	31	5	4	46	22
Mokokchung	61	41	2	36	17	0	38	2	11	36	33
Tuensang	42	29	4	41	24	7	24	3	10	38	18
Total	157	101	8	104	53	25	93	10	25	120	73

Source: Interview and feedbacks from teachers.

The above table indicated that teachers were not satisfied with existing arrangements and sought for the quality and infrastructural interventions for better education.

We observed that the PAB approved strengthening works in 126 Schools for providing quality education in Secondary schools with all infrastructural facilities as per RMSA norms (**Paragraph 1.3.14.4**). However, the Department's failure to complete the planned works (**Paragraphs 1.3.14.5, 1.3.14.6, 1.3.15.1 and 1.3.15.2 refer**) resulted in infrastructural deficiencies as stated above. This deprived the students of basic amenities and quality education in Secondary Schools. Further, CWSN and girl students were deprived of equity interventions as prescribed in the RMSA norms.

While accepting facts, the Department stated (December 2018) that the matter will be looked into for remedial action.

The reply of the Department was an admission of the fact that it had failed in providing quality and equity interventions in Secondary Schools as prescribed in RMSA framework.

Recommendation (12): Government needs to make proper assessment of infrastructural requirements in schools and provide adequate and quality infrastructure facilities and complete the works in time to achieve the intended objectives of RMSA.

1.3.15.3 Appointment of unqualified teachers and payment without work

Government of India, in its notification dated 12 November 2014 prescribed the minimum qualification for Secondary School teachers as graduate/post graduate with B.Ed. from National Council of Teacher Education (NCTE) recognised institutions.

Further, GoN vide notification dated 4 January 2008 prescribed minimum qualification for Secondary School teachers as graduate with B.Ed.

The Department, in pursuance to Section 19 of Right to Education Act 2009, issued guidelines (26 June 2016) to train the untrained teachers under school education. As per para 2 (ii) of the guidelines, the Government shall no longer depute serving teachers for professional training courses and bear the pay of substitute teachers. It shall be the responsibility of every teacher to get professional qualification through their own arrangement and cost. According to para 2 (iii) no study leave shall be granted for pursuing professional qualification including B.Ed. and M.Ed. courses.

The Department appointed 812 teachers (210 regular, 602 contract teachers) during the period 2013-18 for Secondary School education against vacancies under RMSA. Examinations of records revealed that out of the 812 teachers, 549 teachers²³ did not possess the minimum qualification of graduation with B.Ed. The Department allowed 175 teachers to proceed for B.Ed. course and two teachers for M.Ed. course after joining the service.

We further observed as under:

- a) All 175 teachers who got admitted in professional courses, after joining service, were not sanctioned any kind of leave but were paid full pay amounting to ₹ 8.80 crore²⁴ during the period of absence from schools ranging from one to two years. This resulted in an undue benefit to the 175 teachers as well as avoidable expenditure on salaries amounting to ₹ 8.80 crore.
- b) Substitute teachers were appointed by the teachers and were paid by the teachers themselves. Hence, the appointment of substitute teachers did not go through any kind of recruitment process.
- c) Verification of records of the 106 schools revealed that the substitute teachers appointed by the teachers who proceeded for B.Ed. and other professional qualifications, did not possess the prescribed minimum qualification to teach in Secondary School classes. Further, in one school²⁵ there were three undergraduate substitute teachers.
- d) Three teachers proceeded for M.Ed. and Ph.D. courses without obtaining any permission from the Department and placed substitute teachers against them.
- e) Department allowed unqualified teachers to be appointed and allowed them to proceed for professional courses at the expense of the Government²⁶.

Year-wise number of Secondary School teachers appointed under RMSA who had undergone professional courses (B.Ed, M.Ed and Ph.D. courses, *etc.*) during the five years is shown in the Table:

²³ 344 Contract and 205 Regular teachers

²⁴ Approximate pay to 53 regular teachers ₹3.57 crore and 122 contract/adhoc/temporary teachers ₹5.23 crore

²⁵ GHS Mangko

²⁶ By paying full salary during the absence from school for undergoing the course.

Table 1.15

RMSA teachers who had undergone professional courses

Academic Session	With Approval		Without approval of the Department		Total
	Regular	Contract	Regular	Contract	
2013-15	4	0	0	0	4
2014-16	17	1	0	0	18
2015-17	8	2	0	0	10
2016-18	0	7	0	2	9
2017-19	15	36	1	11	63
2018-20	8	63	0	0	71
Total	52	109	1	13	175

Source: Records furnished by the Department and interview with teachers (Details in Appendix 1.3.8).

It can be seen from the above table that:

- During the years 2016-18, out of 602 Contract based RMSA teachers appointed after 2016, 175 teachers (29 per cent) were undergoing professional courses.
- One regular teacher and 13 contract teachers were undergoing professional courses without obtaining approval of the Department.

Further,

- The Department allowed 161 teachers to appoint substitute teachers during the professional course compromising the quality of education of the students.
- The Department appointed unqualified teachers and allowed them to proceed for professional courses with full pay in contravention to government notifications.

The Department stated (December 2018) that study leave was granted to 10 teachers as per OM dated 26 June 2016. It was also stated that the matter related to contract fixed payment made to RMSA teachers, who proceeded for B.Ed. courses would be investigated.

The reply was not acceptable as the OM *ibid*, stated that no study leave was to be granted for pursuing professional courses to any teacher by the Department, and thus, the payment to teachers who proceeded for professional course was unauthorised, irregular and hence, requires to be recovered. Further, the action of the Department in appointing unqualified teachers and allowing them to proceed for professional courses with full pay and allowing the teachers to appoint substitutes in violation of Government Notifications and norms was inappropriate which needs investigation followed by fixing of responsibility of erring officials.

1.3.16 Impact of scheme Implementation

RMSA framework envisaged universalisation of Secondary education by 2017. The performance of the state *vis-à-vis* the objective of the scheme is summarized in the succeeding paragraphs:

1.3.16.1 Transition of Students from Middle School to Secondary education in Government Schools

Transition rate of students from Class VIII to Class IX is shown below:

Table: 1.16

*Transition rate of students from class VIII to Class IX
(In percentage)*

Year	Boys	Girls	Total
2012-13	85.12	83.87	84.49
2013-14	85.85	87.53	86.68
2014-15	81.24	83.71	82.47
2015-16	91.89	92.02	91.95
2016-17	NA	NA	NA
2017-18	NA	NA	NA

Source: Department's appraisal report 2016-17.

NA: Data not available.

It can be seen from the table above that the transition rate had increased from 84.49 per cent in 2012-13 to 91.95 per cent in 2015-16. However, details for 2016-18 was not available as UDISE was not yet updated.

Joint inspection and verification of records in respect of enrolment and transition from Class VIII to Class IX and Class IX to Class X in the three selected Districts indicates decrease in transition rate from Class IX to Class X.

Details showing enrolment and transition of students in Class VIII to Class X in the selected three Districts is shown in the Table:

Table 1.17

Enrolment and transition of students from Class VIII to Class X

Year	Students enrolled in Class VIII (No.)	Students enrolled in Class IX (No.)	Students enrolled in Class X (No.)	Increase in percentage of students enrolled in Class IX	Percentage of students enrolled from Class IX to Class X	Results in Class X (No.)	Percentage of students passed in Class X out of the total enrolled
2013	1997	3184	1783	-	-	725	40.66
2014	1932	3552	1881	11.56	59.08	694	36.90
2015	1978	3925	1923	10.50	54.14	800	41.60
2016	2019	3864	1924	-1.55	49.01	860	44.70
2017	2149	3481	1812	-9.91	46.89	737	40.67

Source: Compiled from School records.

(School wise details is given in *Appendix 1.3.9*)

As can be seen from the table above, the transition from Class VIII to Class IX was showing increasing trend due to fresh enrolment from feeder middle schools during 2014 and 2015 which, however dropped during 2016 and 2017. However, transition rate from Class IX to Class X dropped to around 50 per cent (46.89 per cent to 59.08 per cent). The declining trend in transition from Class IX to Class X could be

attributable to the fact that unqualified teachers were appointed to impart quality education to the students, in the absence of regular teachers who proceeded for attaining professional qualification (*Paragraph 1.3.15.3 refers*).

1.3.16.2 Comparison of performance of students of Government and Private Schools

The performance of the students of both Government and Private Schools in Class X Board examination, which is a major indicator of quality education, was analysed to review whether RMSA's objective of providing quality education was met.

Results of students of Government High Schools and Private High Schools during the corresponding period were shown below:

Table 1.18
Comparison of results of students of Government vis-a-vis Private High Schools
(In number)

Year	Government school				Private school				Pass percentages			
	No. of schools	Enrolled	Appeared	Passed	No. of schools	Enrolled	Appeared	Passed	Compared with students appeared		Compared with enrolment	
									GHS	Private	GHS	Private
2013	17	5424	3925	1462	62	19038	17385	12073	37.25	69.44	26.95	63.42
2014	19	6067	4214	1757	61	19349	17464	12374	41.69	70.85	28.96	63.95
2015	21	6292	4900	1693	61	20370	18739	13212	34.55	70.51	26.91	64.86
2016	21	6538	6220	2041	61	17517	16750	12986	32.81	77.53	31.22	74.13
2017	23	5829	4296	1830	139	16495	18150	13924	42.60	76.72	31.39	84.41
2018	25	5798	4263	1738	142	16349	17452	12597	40.77	72.18	29.98	77.05
TOTAL		35948	27818	10521		109118	105940	77166				

Source: Report and Results Gazette of Nagaland Board of Secondary Education.

The performance of passed students of private schools in Class X examination ranged from 69.44 to 77.53 *per cent* during the last five years whereas, the performance of Government Secondary Schools was between 32.81 and 42.60 *per cent*. Further, the performance as compared with the enrolment indicates that private school pass percentage ranged between 63.42 and 84.41, whereas in Government schools, the pass percentage was ranged between 26.91 and 31.39. This indicated that the performance of Government Secondary Schools was much lower in comparison with private schools. Further, out of the total students passed in Secondary Schools (87687) during the last five years, the contribution of Government schools was only 12 *per cent*.

Thus, the performance of Government Schools was poor in comparison to Private Schools as could be evident from the results of these schools.

1.3.17 Monitoring

Para 9.1.3 of the RMSA framework stated that the District Programme Coordinators and District Panchayats will monitor all aspects of implementation including flow of funds, implementation of all components of the scheme, both at school level and

district level, progress and quality of works, timely and correct payments etc., to ensure comprehensive and continuous assessment of the scheme. Para 9.1.4 of the framework envisaged that the State Mission and State Government should have a well-structured channel and field visits to monitor all aspects of implementation including performance of all Districts on the quality and pace of implementation of all the components of the scheme.

During joint inspection, it was noticed that:

- 83 schools out of 106 schools (78 *per cent*) in three test-checked districts were not inspected by District Education Officers during 2013-18.
- District officers did not maintain a schedule of inspection programme approved by State Mission office or School Directorate.
- There was no system of reporting the outcome of inspection to the higher authorities or seeking follow up action from the schools based on the inspections carried out by the district officials.
- For effective monitoring and administration at the school level, HMs were to be posted and working in the schools. However, 32 schools out of 106 schools did not have HMs.
- In 11²⁷ schools, HMs or head teacher who were in charge of the schools were not present in the school during visit by audit.
- There was no system of recording the presence of HMs in the schools or movement of HMs out of stations.
- At the State level, only one inspection²⁸ of one school²⁹ was conducted during the last five years by state level authorities.
- It was also noticed that neither the district level authorities nor the state level authorities carried out stage wise inspection of construction works executed under RMSA to assess the quality and timely execution of works.

Lack of monitoring as envisaged in the RMSA framework not only led to slow execution of infrastructural works, but also led to lack of identification of strengthening works and quality education in Secondary Schools as discussed in the preceding paragraphs.

While accepting the audit observations, the Department stated (December 2018) that monitoring will be taken up in phased manner in due course.

Recommendation (13): Monitoring and inspection was needed to be strengthened at all levels to achieve the intended objectives of the programme.

²⁷ GHS Saring, GHS Liremen, GHS Phangsang, GHS Chaba, GHS Konya, GHS Chungtor, GHS Noksen, GHS Ngounching, GHS Phensenyu, GHS Sendenyu, GHS Tsophenyu.

²⁸ 16-7-2014.

²⁹ GHS Zadhima.

1.3.18 Conclusion

The primary objectives of the scheme to achieve *cent per cent* accessibility, quality and equity in education in Secondary School by the year 2017 could not be achieved in the state due to improper planning, non-inclusion of residential schools, non-adherence to targets in construction of Secondary School building and non-availability of qualified teachers in Secondary Schools. Delay in achievement of targets in construction works of school buildings resulted in surrender of funds, escalation of cost and reduction in number of works which affected the achievement of the programme. Delay in completion of 11 Girls' hostel which was approved during 2012-13 defeated the objective of the programme in providing lodging and boarding facilities to Girl students in Educationally Backward Blocks and areas of the State. Due to mismanagement of funds released under IEDSS and ICT@schools, new proposals pertaining to the period 2013-18 were not approved and released by the GoI, which defeated the achievement of the objective of the programme. Lack of monitoring as envisaged in the RMSA framework led to slow execution of infrastructural works, strengthening works and quality education in Government Secondary Schools as compared to Private Schools which was evident from the results of Government Schools.

Thus, the objective of universalisation and improvement of quality education at the secondary level conceived as per RMSA framework, remained unachieved.

Compliance Audit

YOUTH RESOURCES AND SPORTS DEPARTMENT

1.4 Payment without execution of work

Department made payment of ₹ 76 lakh without actual supply of items and execution of works. The advance payment of ₹ 80 lakh was also made without formal agreement which had not been recovered.

According to Rule 159 of General Financial Rules (GFR) 2005, payments for services rendered or supplies made should be released only after services have been rendered or supplies made.

Paragraph 341 of the Nagaland Public Works Department (NPWD) Code, stipulates that before the bill of the contractor is prepared, entries in the Measurement Book (MB) relating to the description and quantities of work or supplies should be scrutinised by the sub-divisional officer and calculation of 'contents or area' should be checked.

Further, paragraph 352 (a) (i) of the NPWD Code envisages that in cases requiring an advance payment on the security of materials brought to site, the Executive Engineers (EE) may sanction advances up to an amount not exceeding 90 *per cent* of the value of such materials and a formal agreement should be made with the contractor under

which Government secures a lien on the material and is safeguarded against losses due to the contractor postponing the execution of the work or shortage or misuse of the material.

The objective of the Department of Youth Resources and Sports (Department) is to achieve excellence in the field of Sports and Games. The Indira Gandhi Stadium at Kohima managed by the Department is functioning as Sports Academy for training in disciplines like Football, Taekwondo, Sepak Takraw, Archery *etc.* Audit of the accounts of the Director Youth Resource and Sports for the period from January to December 2017 was taken up during January 2018.

As per records, the Department had prepared the Detailed Project Report (DPR) for installation of Floodlights at Indira Gandhi Stadium (IGS), Kohima at a project cost of ₹ 6.85 crore under Special Plan Assistance (SPA) during 2013-14. The objective of installing flood lights was to improve the utility of stadium by increasing the number of matches to be played and to make it fit for national and international matches. Accordingly, the State Level Programme Implementation Committee (SLPIC) approved the project (June 2014). The Department received ₹ 3.20 crore³⁰ for the project and reported (December 2018) an expenditure of ₹ 2.65 crore (advance payment of ₹ 80 lakh and ₹ 1.85 crore for design, supply and installation including civil works and consultancy charges).

Scrutiny of records further revealed that the Department awarded (November 2014) the work of installation of flood light at IGS to the lowest bidder (C. Sekhose Company Kohima, Nagaland) on item rate basis at par with NPWD, Schedule of Rates 2013. As per clause 3 of the terms and condition of the contract, the work was to be completed within 24 months from the date of issue of the work order. No specific clause was incorporated in the terms and condition for advance payment to the contractor.

It was observed that the contractor was paid ₹ 2.54 crore (advance of ₹ 80 lakh and ₹ 1.74 crore³¹) which was inclusive of ₹ 76 lakh released by recording incorrect entries in the MB by the EE for supply of floodlights which had not been delivered at the spot. It was also observed that only 15 *per cent* of the work was completed (December 2018) even after expiry of 24 months from the stipulated date of completion (November 2016) whereas 79 *per cent* of the fund received by the Department was paid. Further, the advance payment of ₹ 80 lakh was irregularly made to the contractor without incorporating any clause in the contract by the EE, PWD, Youth Resource and Sports Division.

During two joint inspections by Audit alongwith the departmental officers conducted (January 2018 and December 2018) to ascertain the progress of the work, it was

³⁰ SPA 2013-15 (₹ 1.90 crore), State plan-2015-17 (₹ 1.30 crore).

³¹ Advance payment-₹ 80 lakh vide voucher No.03 dated 16/03/2016 cheque No.091449; ₹ 53.53 lakh vide voucher No.09 dated 14/03/2017 cheque No.356974-First RA bill and ₹ 1.20 crore vide voucher No.26 dated 26/04/2017 cheque No.542227-2nd RA bill.

observed that only three items of works (civil works for foundation, foundation bolts and supply of Hot dip Galvanised High Mast) valued at ₹ 98 lakh were executed as detailed in the Table:

Table 1.4.1

Statement showing the details of works executed and payments released to the contractor

(Amount in ₹)

Sl. No	Item of work as per DPR and Measurement Book	Total number	Amount paid	Item of work executed as seen during site inspection	Amount admissible	Inadmissible payment
1	Supply, Installation, Testing and Commissioning of civil foundation etc. complete	4	2586156	Foundation work completed	2586156	0
2	Supply, Installation, Testing and Commissioning of civil foundation bolts and plate etc. complete	4	1286133	Foundation with 24 bolts and plate completed	1286133	0
3	Design and Supply, Installation, Testing and Commissioning of hot dip galvanized high mast etc. complete	4	5921623	Partial set of hot dip galvanized high mast delivered to the spot and lying as is where basis.	5921623	0
4	Design and Supply, Installation, Testing and Commissioning of imported floodlights etc. complete	24	7584432	No floodlights equipment's brought to the spot/stock	0	7584432
Total			17378344		9793912	7584432

It can be seen from the details given in the table above that the floodlights for which payment of ₹ 76 lakh was made were actually not supplied and installed (December 2018) as also shown in the photographs below:

		
Base of the civil foundation	Base of the civil foundation	Hot dip Galvanised High Masts
		
Foundation bolts with numbers and plate	Base of the civil foundation	Hot dip Galvanised High Mast
(04 December 2018)		

Audit observed as under:

- Advance payment of ₹ 80 lakh was made without incorporating any clause for payment of advances in the contract.
- ₹ 76 lakh was paid by recording incorrect entries with regard to supply and installation of floodlights in the MB without actual delivery of the floodlight materials at site (as shown in Photographs above).
- The Department, therefore, had irregularly paid ₹ 1.56 crore in violation of the contractual provisions and Financial Rules.

Thus, despite making the payment of ₹ 2.54 crore to the contractor (unauthorized payment of advance of ₹ 80 lakh + excess payment of ₹ 76 lakh for purchase and installation of floodlights + ₹ 98 lakh for three items of work executed), the intended objective of improving the utility of the stadium was not achieved.

After the above lapses pointed out by Audit, the Department while accepting the facts, also stated (December 2018) that due to topographic hindrances and non-preparation of mandatory documentation, the materials could not be imported.

It is thus, recommended that on account of failure and lapses on the part of the EE concerned for not following the contractual norms and allowing irregular release of payment, a departmental investigation should be initiated for fixing responsibility of erring officials for making payment for the items of works which were not actually executed at ground level.

CHAPTER - II
ECONOMIC SECTOR

CHAPTER - II

ECONOMIC SECTOR

2.1 Introduction

This chapter of the Audit Report for the year ended 31 March 2018 deals with the audit observations on the working of the State Government departments under Economic Sector.

The names of the departments and the total budget allocation *vis-a-vis* expenditure of the departments under Economic Sector during 2017-18 are given in *Appendix 2.1.1*.

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. Wherever 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 contained in 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 ₹ 1456.06 crore (including funds pertaining to previous years audited during the year) of the departments under Economic Sector was test checked. This chapter contains audit findings on two Performance Audits *viz.*, 'Implementation of North Eastern Council funded projects' and 'Implementation of rural connectivity projects funded through NABARD Loan' and seven compliance audit paragraphs.

Performance Audits

PLANNING AND COORDINATION DEPARTMENT

2.3 Performance Audit on implementation of North Eastern Council Funded Projects

The Eastern Council (NEC) is a statutory advisory body constituted under the NEC Act, 1971 which came into being in November, 1972 with Headquarters' at Shillong, Meghalaya. The three key objectives of NEC are:

- (i) balanced development of the North Eastern Region (NER);
- (ii) better inter-state coordination; and

(iii) maintain security and public order in the region.

The NEC Act, 1971 was amended by the Parliament in 2002 to make NEC a “Regional Planning Body” and also included Sikkim as the eighth member state. Since September 2001, the NEC has been functioning under the administrative control of the Ministry of Development of the North Eastern Region (DoNER).

The Performance Audit on implementation of NEC funded projects in the State covering the period from 2013-18 was carried out during April to September 2018. The important findings are highlighted below:

Highlights

The State Government did not contribute the matching share of ₹ 8.96 crore for implementation of 34 projects test-checked.

(Paragraph 2.3.9.3)

An amount of ₹ 13.19 crore was irregularly incurred towards payments of departmental charges, purchase of vehicle, land compensation etc., by seven departments in contravention of NEC guidelines.

(Paragraph 2.3.9.4)

The Nodal Department submitted incorrect utilisation certificates for ₹ 49.20 crore before the funds were actually released by the State Government.

(Paragraph 2.3.9.5)

The State Government had a liability of ₹ 15.70 crore due to foreclosure of ten projects by NEC on “as is where is” basis.

(Paragraph 2.3.11)

The implementing departments paid ₹ 44.29 crore without actual execution of the works. Besides, an excess payment of ₹ 22.50 crore was made to the suppliers by inflating the rate of materials/equipment by the Department of Power.

(Paragraphs 2.3.12.1, 2.3.12.2, 2.3.12.3, 2.3.12.4 and 2.3.13)

2.3.1 Introduction

NEC formulates a unified and co-ordinated regional plan with regard to matters of common importance for a balanced development of the North Eastern Region¹ (NER) of India. NEC takes up schemes which normally benefits the entire region and also fills up the gaps not covered under Central Sector or Centrally Sponsored Schemes or Schemes under the State Plans.

2.3.2 Organisational set up

The Planning and Coordination Department (PCD), Government of Nagaland is the Nodal Department for implementation of NEC funded projects in the State. PCD is

¹ North Eastern Region of India comprises eight states namely Assam, Manipur, Meghalaya, Nagaland, Tripura, Arunachal Pradesh, Mizoram and Sikkim.

headed by the Development Commissioner as the Administrative Head assisted by the Commissioner & Secretary, Additional Development Commissioner, Joint Development Commissioner and Deputy Development Commissioner.

At the implementing stage, the Head of Departments (HoDs) are responsible for execution of the schemes/projects within their departments. Each Department implementing NEC funded projects is required to nominate a nodal officer for a single point contact for project implementation and monitoring.

2.3.3 Scope of Audit

The Performance Audit covered the implementation of projects for the period from 2013-18. The records of the PCD and eight out of 42 selected departments/agencies were examined. Out of 170 projects² implemented by 42 departments/agencies, 34 projects³ implemented by eight departments/agencies were selected through stratification and simple random sampling method. The details of eight selected departments/agencies, projects, approved cost and expenditure incurred are given below:

Table 2.3.1
Details of implementing departments, projects, approved cost and expenditure
(₹ in crore)

Sl. No	Name of implementing department/ agency	Total projects	No. of projects selected	Total approved cost	Funds released by NEC	Funds released by GoN	Total funds	Total expenditure
1	Public Works Department (Roads & Bridges)	5	5	395.36	343.01	31.79	374.80	374.68
2	Power	10	10	140.13	101.73	8.99	110.72	109.81
3	Health & Family Welfare	8	8	77.54	43.11	4.67	47.78	45.52
4	Animal Husbandry and Veterinary Sciences	5	5	17.84	8.79	0.73	9.52	6.42
5	Nagaland Beekeeping and Honey Mission	3	3	11.90	7.83	0.67	8.50	8.50
6	Land Resources	1	1	9.08	4.90	0.54	5.44	5.44
7	Legal Metrology and Consumer Protection	1	1	2.66	1.56	0.18	1.74	1.74
8	Nagaland Bio Resource Mission	1	1	2.24	2.02	0.22	2.24	2.24
	Total	34	34	656.75	512.95	47.79	560.74	*554.35

* including ₹ 198.34 crore released prior to 2013-14 against 18 spill over projects.

Source: Records of the implementing departments/agencies.

Out of the 34 projects, two projects were 100 per cent funded by NEC while the remaining 32 projects were funded on a sharing basis of 90:10 between NEC and the State. The statement showing details of 34 projects test-checked are given in *Appendix 2.3.1*.

² 97 projects sanctioned during 2013-18 and 73 ongoing projects sanctioned prior to 2013-14.

³ 16 projects sanctioned during 2013-18 and 18 ongoing projects sanctioned prior to 2013-14.

2.3.4 Audit Methodology

Audit methodology comprised of an entry conference (April 2018) held with the officers from project implementing departments/agencies and PCD. This was followed by requisition and examination of records, issue of questionnaires and audit observations, joint inspection, issue of draft report to the Department and an exit conference (December 2018). The replies received and the views expressed by the Government/ Departmental officers and officers from NEC during the exit conference have been appropriately incorporated in the Report.

2.3.5 Audit Objectives

The audit objectives were to assess whether:

- the planning process for different projects was adequate and effective;
- funds provided were adequate, released in a timely manner and utilised efficiently and economically; and
- the process for monitoring, inspection, reporting and evaluation in implementation of the projects was adequate.

2.3.6 Audit Criteria

The audit findings have been benchmarked against the following sources of criteria.

- NEC General Guidelines (2010, 2015), Guidelines (November 2013) for Preparation of Annual Priority List of Projects, Detailed Project Reports.
- Sanction orders issued by NEC and Government of Nagaland;
- Nagaland Public Works Account Code, PWD Schedule of Rates and General Financial Rules;
- Guidelines, Circulars and instructions with regard to financial management and implementation of projects issued by Government of India and State Government from time to time; and
- Physical and financial progress reported under Management Information System available on NEC website (necouncil.gov.in).

2.3.7 Acknowledgement

We acknowledge the co-operation and assistance extended by the Nodal Department and implementing departments/agencies during the course of conduct of audit.

Audit Findings

2.3.8.1 Preparation of Annual Priority Lists

As per NEC Guidelines (November 2013), “Annual priority list of projects” for funding under NEC should originate from the line Department concerned which will be implementing the projects. The State Government should, as far as possible, formulate and propose projects for the “Annual Priority List of Projects” from thrust

areas, NEC Regional Plan, NER Vision 2020 Document and Five Year Plan Working Group Reports having regional character that benefit more than one State in the NER.

Projects costing between ₹ 2 crore to ₹ 15 crore shall be sanctioned only with the recommendation of NEC-Project Appraisal Committee headed by the Secretary, NEC. Projects costing above ₹ 15 crore are processed by NEC for obtaining in-principle approval from the Planning Commission (now NITI Aayog) and Standing Finance Committee/Expenditure Finance Committee clearance/approval from the Ministry of DoNER. However, projects costing less than ₹ 2 crore are approved by the Secretary, NEC.

Examination of records revealed that the Planning and Coordination Department (PCD), which is the Nodal Department had received 1163 project proposals for an estimated cost of ₹ 9821.53 crore during 2013-18 from various departments/agencies, members of legislatures and private individuals for inclusion in the State Annual Priority List. Further examination of records revealed that:

- Out of 1163 projects, 846 projects (73 per cent) were originated from the line departments (*Appendix 2.3.2*) while the remaining 317 projects (27 per cent) were proposed by elected representatives, private individuals, Non-Governmental Organisation (NGO) etc., which was in contravention of the guidelines of the scheme.
- 378 projects out of 1163 projects proposals were prioritised and forwarded to the NEC by the Nodal Department. The basis for prioritisation of the projects and incorporation in the Annual Priority List was not available on record.

The Government stated in reply (December 2018) that, though the projects were proposed by elected representatives, private individuals, NGOs, etc., the concept notes, DPRs for the implementation of the projects were prepared by the line departments concerned.

The reply was not acceptable as the Annual Priority list of projects was prepared without identifying the gaps independently by the line departments due to interventions of elected representations, private individuals, NGO, etc. in contravention of the Guidelines of NEC funded projects.

Recommendation (14): The Government should ensure that all project proposals flow from the NEC General Guidelines, NEC Regional Plan and NER Vision 2020 Document and that only those projects should be selected for implementations which fulfil prescribed norms.

2.3.8.2 Retention and Sanction of Projects

As per clause 7 (f) and (g) of NEC Guidelines (2013), the projects retained by NEC from the Annual Priority List will be communicated by NEC to the State Planning Department with a copy to the line Department concerned for submission of the Detailed Project Reports (DPR) to the NEC. If the State Government fails to submit the DPR within two months of retention, the project would be liable for dropping.

Examination of records revealed that:

- Out of 378 prioritised projects during 2013-18, only 142 projects⁴ (38 per cent) were retained based on their feasibility.
- Out of 142 projects retained by NEC, 97 projects⁵ (68 per cent) were approved by the NEC during 2013-18.
- The balance 45 projects were not approved by NEC during 2013-18 of which 12 projects were not approved on grounds of delay in submission of DPRs, non-furnishing of clarification sought by NEC and delay in completion of ongoing projects *etc.*, 16 projects were declared as “put on hold” to clear the liabilities against ongoing projects, three projects were dropped, five projects were approved (June 2018) for execution during 2018-19 and the status of nine projects was awaited from NEC (March 2018).

The representative of NEC stated during exit conference (December 2018) that the system of submission of annual priority list had been done away with. As per the new NEC General guidelines 2018, the projects would be identified by ‘Project Identification Committee’ to be headed by the Chief Secretary.

The fact, however, remains that 40 projects were not approved by NEC thus, denying the intended benefits of the projects to the beneficiaries.

2.3.9.1 Financial Performance

As per paragraph 6 of NEC guidelines (2015), projects included in the priority list are funded on a sharing basis of 90:10 between NEC and the State. However, for the projects implemented by State Owned Public Sector undertaking, Societies, State Universities/State Institutions/State Organisations *etc.*, NEC provides 100 per cent funds.

Examination of records revealed that 170 projects (including 73 spill over projects) with a total approved cost of ₹ 1185.04 crore were implemented during 2013-18. NEC had released ₹ 570.12 crore and GoN also released its matching share of ₹ 50.12 crore during 2013-18. The overall physical and financial progress of the projects

⁴ Projects Retained from Annual Priority List: 2013-14 (28 projects), 2014-15 (7 projects), 2015-16 (41 projects), 2016-17(39 projects), 2017-18 (27 projects).

⁵ Projects Sanctioned from Annual Priority List: 2013-14 (20 projects) , 2014-15 (5 projects), 2015-16 (37 projects), 2016-17(32 projects), 2017-18 (3 projects).

taken up under NEC as of March 2018 is given below:

Table 2.3.2
Physical and financial progress of projects as of March 2018

No. of Implementing departments/agencies	No of project	Amount released (₹ in crore)	Expenditure (₹ in crore)	Financial progress (in %)	Physical progress		
					Completed projects	In-completed projects	% of completed projects
42	170	620.24	522.18	84	54	116	32

Source: Planning and Coordination Department.

Note: Includes amount released on projects during the years 2013-18 only.

The audit findings on utilisation of funds are discussed in the subsequent paragraphs.

2.3.9.2 Delay in release of funds to implementing departments/ agencies

As per NEC guidelines and terms and conditions of the sanction orders, funds released by NEC were required to be transferred to the implementing departments/agencies by the State Government within 30 days from the date of release of funds from NEC.

Examination of records of 34 projects test-checked revealed that there were delays in transfer of funds ranging from two days to 47 months by the State Government to the executing departments/agencies in respect of 30 projects (*Appendix 2.3.3*).

The Government while accepting (December 2018) the facts, stated that the department's failure to submit proposals on time resulted in delay in release of funds.

The reply corroborates the fact that, there were delays in release of funds to the implementing departments/agencies impacting the progress of work and timely completion of projects thereby leading to resultant delays in the accrual of intended benefits of the projects.

2.3.9.3 Short release of State matching share

As per NEC guidelines (2010), 10 per cent of the States' matching share should be released along with the funds released by NEC to the implementing agencies.

Examination of records revealed that the total approved cost of 34 projects test-checked was ₹ 656.75 crore and NEC released ₹ 512.95 crore to the State Government. The corresponding States' matching share was ₹ 56.75 crore⁶ whereas GoN released only ₹ 47.79 crore. This resulted in short release of States' matching share of ₹ 8.96 crore (*Appendix 2.3.4*).

⁶ Two projects under Animal Husbandry and Veterinary Science Department: Setting up of Dairy Farm at Dimapur, Nagaland (₹ 2.51 crore) and Setting up of 1 Poultry Breeding Farm & 30 Satellite Farms at Dimapur, Nagaland (₹ 3.08 crore) were fully funded by NEC. The total fund released by NEC (March 2018) against the two projects was ₹ 2.23 crore.

The Government while accepting (December 2018) the facts, stated that due to resource constraint, there were delays in providing States' matching share but the same were provided in the subsequent years as backlog. The States' matching share for all the listed projects had been provided in the month of November 2018 except for two projects⁷.

The reply was not acceptable as the delay in release of States' matching share to the implementing agencies impacted the completion of projects and therefore, should be avoided. Moreover, non-release of State share was against the basic principle of scheme guidelines which was indicative of State Government's lack of commitment towards faithful execution of NEC funded projects.

2.3.9.4 Expenditure on inadmissible items and Diversion of funds

As per para 9 of the NEC guidelines (2013), funds provided by NEC should not be utilised for salaries, land acquisition, maintenance and working capital. Purchase of vehicle was also not allowed. The revised guidelines of 2015 allowed purchase of vehicle only for survey and investigation projects or projects where vehicles were required for marketing and extension services. Further, in the administrative and financial sanction of NEC, it was reiterated that funds should be utilised strictly for the purpose for which they were sanctioned and no diversion of fund would be allowed.

Examination of records of 34 projects test-checked revealed diversion of ₹ 13.19 crore towards payment of inadmissible items such as work charged wages, departmental charges and components not provided in the administrative approval/approved DPR in 14 projects (41 *per cent*) implemented by seven departments as detailed in **Appendix 2.3.5**.

As a result, 14 projects were deprived of funds to that extent, thereby adversely affecting the completion of projects.

On being asked by the Audit, Government/Department accepted the audit observations

As diversion of NEC projects funds by seven departments was irregular and unauthorised, this calls for fixing of responsibility of the officials concerned for violation of rules/instruction on this issue.

2.3.9.5 Submission of incorrect utilisation certificates (UCs)

Examination of records of 34 projects test-checked revealed that 26 UCs for ₹ 99.97 crore in respect of 13 projects implemented by six departments/agencies were submitted to NEC. It was, however, observed that out of ₹ 99.97 crore, the State Government had actually released only ₹ 96.23 crore of the UCs issued. It was also observed that the Nodal Department had submitted UCs for ₹ 49.20 crore without the funds being released by the State (**Appendix 2.3.6**) on the date of submission of UCs and UCs for ₹ 16.95 crore were submitted to the NEC before the funds were utilised.

⁷ Sl. No. 20 (₹ 0.30 crore) and Sl. No. 24 (₹ 0.44 crore) (Appendix 2.3.4 refers).

This indicated that the act of submission of wrong UCs tantamount to misleading NEC which is against the principle of financial discipline.

The Secretary, Finance stated in the exit conference (December 2018) that, submission of incorrect UCs was mainly for the reasons that the funds were received at the fag end of the financial year but UCs had to be submitted within the same year.

The reply was not acceptable as funds released by NEC should have been utilised for the sanction project and UCs submitted to NEC within 12 months from the date of release of funds. However, contrary to the provisions, the action of the nodal Department where UCs were submitted without actual receipt of funds on the date of submission of UCs or without actual spending the money, was highly irregular and calls for instituting departmental enquiry.

Recommendation (15): Government may fix responsibility of the officials responsible for submission of wrong UCs to NEC.

2.3.10 Implementation of the Projects

Examination of records of the PCD revealed that 170 projects were implemented in the State during 2013-18. Out of the projects taken up, 54 projects were reported as complete and 116 projects were in progress (March 2018). The status of the 34 projects test-checked are detailed below:

Table 2.3.3

Status of projects test-checked

Sl. No	Particulars of projects	Number of projects	Period of delay/reasons for fore-closure
1	Projects completed on time	6	Nil
2	Projects completed after delay	7	Three to 35 months
3	Projects declared as closed by NEC before completion	1	Delay in completion of the project for more than three years.
4	Projects fore-closed by NEC on "as is where is" basis	3	Delay in completion of projects for more than five years from the targeted date of completion.
5	Incomplete/ongoing projects	17	Eight projects remained incomplete after expiry of three months to six years from the stipulated date of completion while remaining projects were ongoing.
	Total	34	

Source: Records of the implementing departments/agencies.

Out of total approved cost of ₹ 656.75 crore relating to the 34 projects, the departments concerned had utilized ₹ 554.35 crore (March 2018) (**Paragraph 2.3.3 refers**).

Thus, out of 34 projects, only six projects could be completed on time while seven projects were completed with a delay of three to 35 months adversely impacting the accrual of intended benefits. This indicates that projects were not implemented in a timely manner by the implementing departments/agencies.

2.3.11 Inordinate delay leading to stoppage of NEC funding

As per Expenditure Finance Committee (EFC), NEC projects are co-terminus with the term of 14th Finance Commission recommendations and therefore, all ongoing projects funded by NEC were required to be completed by March 2020. Further, NEC decided (February 2017) that projects which were delayed by more than five years from the scheduled date of completion will be closed on “as is where is” basis and the left-over works should be completed by the State Government out of their own resources.

Examination of records of the PCD revealed that 10 projects approved by NEC for ₹ 41.55 crore were fore-closed by NEC on “as is where is” basis without ensuring their completion after investment of ₹ 25.85 crore as the completion of the projects had prolonged for more than five years due to land disputes, delay in release of funds by the State Government, clarifications of observations/irregularities raised by the NEC inspection team not received from the State Government, project site found to be deficient in space, revision of DPR, etc. As a result, the State Government had additional liability of ₹ 15.70 crore to complete these projects from its own source of funds, which might increase with the passage of time.

The Government, while accepting (December 2018) the facts stated that, these projects will be reviewed and taken up on a need basis depending on the availability of resources.

The reply was not acceptable as these projects were prioritised projects of the State. The delay in completion of projects led to the denial of the intended benefits of the projects to the beneficiaries due to ill planning and lack of timely action on the part of various departments and agencies concerned.

Recommendation (16): Proper investigation should be carried out to fix responsibility of erring officials responsible for delays, which led to closure of ten projects.

2.3.12 Execution of works

Rule 135 of Receipts and Payments Rules, stipulates that payment for all work done other than by the 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 are carefully checked by a responsible officer.

Examination of records and joint inspection of 32 projects⁸ out of 34 projects test-checked revealed instances of payment without execution of works, excess payment, extension of undue financial benefit to the contractors and deviation from DPR in 21

⁸ Except two projects namely Construction of Pukhungri-Avankhu-Layshi Road (18.49 kms), Phek district-Public Works Department (Road & Bridges) and Setting up of Model Dairy Farms in Nagaland (Animal Husbandry and Veterinary Sciences).

projects/works, which are summarised in the following table:

Table 2.3.4
Summary of audit observations

(₹ in crore)

Sl. No.	Type of observation	No. of Projects/ works	No. of Departments/ Agencies involved	Amount involved	Paragraph reference
1	Unexecuted works	8	4	44.29	Para 2.3.12.1 to 2.3.12.4
2	Excess payment	6	1	22.50	Para 2.3.13
3	Undue benefit	5	2	30.40	Para 2.3.14.1 and 2.3.14.2
4	Deviation from approved estimate/DPR	2	1	6.15 (approved cost)	Para 2.3.15
	Total	21	8	103.34	

Source: Departmental records and joint inspection reports.

The issues relating to the above, are discussed below:

2.3.12.1 Public Works Department (Roads & Bridges)

Payment made for unexecuted items of work

(a) Construction of road from Longding - Nokjan in Mon district

Construction of road from Longding - Nokjan in Mon district was sanctioned (March 2010) by NEC for ₹ 49.13 crore. The Department awarded (August 2010) the work to M/s. M.S Panesar & Sons, Dimapur for ₹ 48.17 crore stipulated to be completed by March 2015. GoN submitted (January 2013) the revised DPR for ₹ 54.45 crore on grounds of additional works caused by landslides (13 to 46.35 Km) which was approved by the NEC for ₹ 54.18 crore⁹.

Examination of records revealed that NEC released its share of ₹ 48.76 crore to the State. The State Government also released its share of ₹ 5.42 crore to the Executive Engineer (EE), Mon Division. The work was reported as complete in January 2014 and the contractor was paid ₹ 52.70 crore.

Joint inspection (August 2018) of the project revealed discrepancies as given in the table below:

⁹ NEC ₹ 48.76 crore and GoN ₹ 5.42 crore.

Table 2.3.5

Sl. No	Particulars	As per DPR	As per MB	As per joint inspection	Difference (iv)-(v)	Value of unexecuted works (₹ in crore)	Rate/unit
(i)	(ii)	(iii)	(iv)	(v)	(vi) =(iv) – (v)	(vii)	(viii)
1	Length of road (Kilometer)	46.35	46.35	28.70	17.65	7.99	@ ₹ 4524393.35 per Km
2	1000 mm HP culverts (Number)	88	88	45	43	0.95	@ ₹ 220223.96/-
3	R/Walls (3 m height) (Number)	25	25	3	22	0.66	@ ₹ 298500/- for 3 m R/walls and
4	R/Walls (4 m height) (Number)	42	42	0	42	1.98	@ ₹ 470800/- for 4 m R/walls Stretch from 0.00 Km to 28.70 Km
5	HP culverts (1000 mm) (Number)	58	58	0	58	1.28	@ ₹ 220223.96 /HP culvert and @ ₹ 470800/-
6	R/Walls (4 m height) (Number)	20	20	0	20	0.94	for 4 m R/wall Stretch from 28.71 Km to 46.35 Km
Total						13.80	

Source: Departmental records and joint inspection report.

As can be seen from above table, the contractor did not execute the above six items of works valued at ₹ 13.80 crore whereas, the contractor was paid for execution of all the above items of works. Thus, the Department made an excess payment of ₹ 13.80 crore to the contractor for unexecuted items of works by recording fictitious entries in the MBs.

The Government stated (December 2018) that the excess amount paid was actually ₹ 2.35 crore and not as worked out by Audit. However, the Government did not furnish any supporting documents in support of its contention, though called for.

The reply was not acceptable as the audit findings were based on the joint inspection conducted along with departmental representatives and records submitted to Audit according to which ₹ 13.80 crore was overpaid to the contractor for the unexecuted items of works.

Recommendation (17): Recovery of ₹ 13.80 crore should be made from the contractor for the unexecuted items of work. Besides, action may be initiated to fix responsibility of the erring officials responsible for making excess payment.

(b) Improvement of Mokokchung NH-155/NH-202 Junction to Aghunato via Longsa-Suruhoto Road

The project “Improvement of Mokokchung NH-155/NH-202 Junction to Aghunato via Longsa-Suruhoto Road in Nagaland-88 Kms” estimated at ₹ 158.31 crore¹⁰ was sanctioned (November 2012) by the NEC which was stipulated to be completed by

¹⁰ NEC ₹ 142.48 crore and GoN ₹ 15.83 crore.

March 2016. The work for ₹ 158.31 crore was awarded (December 2012) to M/s M.S. Panesar & Sons, Dimapur.

Examination of records revealed that NEC released its share of ₹ 133.00 crore to the State. The State Government also released its share of ₹ 13.11 crore to the EE, Atoizu Division. The work was reported as complete in January 2018 and the contractor was paid ₹ 146.11 crore through eight running account bills leaving un-paid balance amount of ₹ 12.20 crore.

Joint inspection (September 2018) revealed that out of 88 Km, the contractor had executed improvement works only in 65 km. The results of physical inspection of the road are detailed in the following table:

Table No. 2.3.6

Sl. No.	Particulars	As per DPR	As per MB	Amount paid (₹ in crore)	As per joint inspection	Difference	Value of unexecuted works (₹ in crore)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (iv) – (vi)	(viii)
1	Length of road (Kilometre)	88	65+9=74	127.99	71.60	2.40	4.15
2	WBM Grade-II (Kilometre)		14.50 to 54.70	7.64	0	40.20	7.64
3	WBM Grade-II (Kilometre) (additional 9 Km road)	0	9	0.93	0	9	0.93
4	Girder Bridge over river Phizho (Meter)	19	19	8.36	12.42	6.58	1.10
5	HP culverts (Number)	220	220	9.24	174	46	1.78
Total							15.60

Source: Departmental records and joint inspection report.

As can be seen from above table, the contractor did not execute works for ₹ 15.60 crore whereas, the contractor was paid for execution of all items of works. This resulted in excess payment of ₹ 15.60 crore without actual execution of five items of works.

The Government while accepting (December 2018) the facts stated that additional items like river retaining works, protection works were carried out which were not included in the DPR.

The reply was not acceptable since the excess amount of ₹ 15.60 crore was paid to the contractor for the works not executed and there were no records/documents relating to the additional works carried out, as claimed by the Government.

Recommendation (18): Recovery of ₹15.60 crore may be made from the contractor for unexecuted items of works apart from fixing of responsibility of officials at fault for facilitating payment without actual execution of various item of work.

(c) Construction and Improvement of Longleng-Ladaigarh Road

The project “Construction and Improvement of Longleng-Ladaigarh Road-107.36 Km” estimated at ₹ 51.53 crore was sanctioned by the NEC in September 2006 for completion by November 2008. The cost was revised (December 2013) to ₹ 79.49¹¹ crore due to revision of rates from SOR 2008 to 2010 as a result of delay in completion of works. The work was awarded to three contractors to be completed by March 2018.

Examination of records revealed that NEC released its share of ₹ 69.26 crore and the State Government also released its share of ₹ 4.03 crore to the EE Longleng Division. It was observed from the quarterly progress report (March 2018), MBs and Running Bills that the full amount of ₹ 73.29 crore released by the State Government had already been utilised and 95 per cent of work was reported (March 2018) as complete.

Joint inspection (September 2018) revealed the following discrepancies:

Table 2.3.7

Sl. No	Particulars	As per DPR	As per MB	Amount paid (₹ in crore)	As per joint inspection (Completed)	Difference Col.(iv) – Col. (vi)	Value of unexecuted works as per MBs (₹ in crore)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
1	Length of road (Kilometer)	107.36	107.36	53.47	99.10	8.26	4.11
2	Group-A: GSB (Grade I to III) (Kilometer)	36	36	5.91	29.90	6.10	1.27
3	Group C: WBM-I (Kilometer)	35.33	35.33	2.67	29.70	5.63	0.43
4	Group C: WBM-II (Kilometer)	35.37	35.37	1.65	11.3	24.07	1.13
5	Group C: WBM-III (Kilometer)	32.82	32.82	2.45	9	23.82	1.78
6	Km Stone, painting and printing on Km stone and Retro Refectories Traffic signs.						0.04
						Total	8.76

Source: Departmental records and joint inspection report.

As can be seen from above table, the contractor did not execute works for ₹ 8.76 crore whereas, the contractor was paid for execution of the complete items of works. This resulted in excess payment of ₹ 8.76 crore without actual execution of six items of works.

The Government stated (December 2018) that the actual length of the road was 105 Km and not 99.10 Km. The difference could be due to the measurement of the distance by vehicle Odometer. GSB works were ongoing and WBM works damaged during the past several monsoons were not visible during the joint inspection.

The reply was not acceptable since the audit findings were based on the measurement done during the joint inspection in the presence of Department officers and records submitted to Audit wherein the payment for unexecuted works for ₹ 8.76 crore was

¹¹ NEC ₹ 71.54 crore and GoN ₹ 7.95 crore.

made to the contractor. The Department also accepted the method of measurement adopted during the joint inspection.

Recommendation (19): Recovery of ₹ 8.76 crore may be made from the contractor for unexecuted items of works apart from fixing of responsibility of officials at fault for facilitating payment without actual execution of various items of work.

(d) Construction of Viswema-Kidima-Zuketsa-Tadubi road

The project “Construction of Viswema-Kidima-Zuketsa-Tadubi road (36.40 Km)” estimated at ₹ 65.27 crore was sanctioned by the NEC in August 2010. The GoN submitted (October 2012) revised DPR for ₹ 80.00 crore¹² which was approved (November 2013) by the NEC. The work order awarded (October 2010) to M/s T Tachu & Co and M/s Vilelie Khamo was also enhanced (November 2013) from ₹ 63.99 crore to ₹ 78.43 crore due to additional works such as changes in alignment of the road, preparation of sub-grade, five numbers of 6 m span RCC Slab Culvert and 80 m RCC Counter fort wall in Sinking zone, changes in structural design and drawings of RCC Bridges.

Examination of records revealed that NEC released its share of ₹ 71.99 crore to the State and GoN also released its share of ₹ 7.34 crore to two divisions¹³. Against the total release of ₹ 79.33 crore, an amount of ₹ 3.20 crore was deducted by the Finance Department towards Departmental Charges/Work Charge, purchase of vehicle (₹ 0.12 crore), consultancy charge (₹ 0.15 crore), construction of Security fencing (₹ 0.11 crore) and ₹ 75.63 crore was utilised against the project. There was unspent balance of ₹ 12 lakh and the States’ share amount of ₹ 66 lakh was not released (September 2018). The project was reported as complete (February 2015) and closed (August 2017) by NEC.

During joint inspection (September 2018) of the project, the following discrepancies were noticed:

Table 2.3.8

Sl. No.	Particulars	As per MB	As per joint inspection	Difference (3-4)	Value of unexecuted works (₹ in crore)
(i)	(ii)	(iii)	(iv)	(v)	(vi)
South Division, Kohima					
1	RCC slab culvert (6 meters span) (Number)	5	2	3	2.48
Pfutsero Division					
1	Compacting (Meter)	13796	8696	5100	0.14
2	Granular Sub-base (GSB)-I (Meter)	13796	8696	5100	0.70
3	Water Bound Macadam	13796	8696	5100	0.55

¹² NEC ₹ 72.00 crore and GoN ₹ 8.00 crore.

¹³ South Division, Kohima (0 to 22.6 Km=22.6 Km) for ₹ 52.94 crore and Pfutsero Division (22.6 Km to 36.40 Km=13.80 Km) for ₹ 25.49 crore.

Sl. No.	Particulars	As per MB	As per joint inspection	Difference (3-4)	Value of unexecuted works (₹ in crore)
	(WBM)-II (Meter)				
4	HP Culvert (1000 mm dia.) (Number)	25	12	13	0.55
Total					4.42

Source: Departmental records and joint inspection report.

As can be seen from above table, the contractor did not execute works for ₹ 4.42 crore, whereas payment was made for execution of the complete items of works. This resulted in excess payment of ₹ 4.42 crore without actual execution of five items of works.

The Government stated (December 2018) that all the five RCC slab culverts and 25 HP culverts had been constructed which could be verified at site. The GSB and WBM works were still ongoing, measurement have been recorded anticipating that the contractor shall carry out the works. The Department will release full payment after completion of the works by the Contractor.

The reply was not acceptable as the payment was already made to the contractors without ensuring the actual execution of the works as was clearly evident from the reply of the Government.

Recommendation (20): Recovery of ₹ 4.42 crore may be made from the contractor for unexecuted items of works apart from fixing of responsibility of officials at fault for facilitating payment without actual execution of various item of work.

2.3.12.2 Health & Family Welfare Department

Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima

The project “Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland” estimated at ₹ 2.26 crore¹⁴ was sanctioned (March 2010) by the NEC for construction of Nursing Hostel (Civil works ₹ 1.04 crore) and procurement of laboratories equipment/ charts/ models *etc.* (₹ 1.22 crore), to be completed by March 2013. The work for construction of Nursing Hostel (Civil works) was awarded (October 2011) to M/s Klas Enterprises for ₹ 87 lakh with stipulation to complete by October 2013.

Examination of records revealed that NEC released ₹ 2.04 crore¹⁵ to the State and GoN in turn released ₹ 1.11 crore (including its share of ₹ 0.11 crore) to the Medical Engineering Division, Kohima. Out of the amount released, ₹ 87 lakh was paid to the contractor for construction of the Nursing Hostel. NEC closed the project in February 2018 due to delay in completion of the project for more than three years from the

¹⁴ NEC ₹ 2.04 crore and GoN ₹ 0.22 crore.

¹⁵ ₹ 0.50 crore (March 2010), ₹ 0.50 crore (May 2011) and ₹ 1.04 crore (February 2017).

scheduled date of completion. The delays in completion were attributed to land dispute and delay in release of funds by the State Government. However, the Hostel building was constructed while the project was closed by the NEC.

Joint inspection (August 2018) revealed that nine items of works for construction of the Nursing Hostel for ₹ 24 lakh (*Appendix 2.3.7*) recorded in the MB as executed, were actually not executed. It was also observed that instead of utilising the Nursing Hostel for its intended purpose, it was utilised by the School of Nursing, Naga Hospital Authority Kohima (NHAK), as its Administrative office, Faculty Room and Laboratories. There was no student intake in the School of Nursing, NHAK during 2017-18 due to shortage of hostel accommodation as the existing Girls hostel (intake capacity-40 students) was inadequate to meet the requirement.

On the above being pointed out in audit, the Government accepted (December 2018) the facts.

Thus, the building constructed was utilised for purposes other than for which the project was sanctioned. Besides, ₹ 24 lakh paid to the contractor without execution of nine items of works needed to be recovered.

Recommendation (21): The Government may consider initiating departmental inquiry into the case for utilisation of Nursing Hostel for the purpose other than the intended purpose and initiate action for the recovery of ₹24 lakh besides fixing the responsibilities of the erring officers/officials who were responsible for making the irregular payment.

2.3.12.3 Department of Power

Payment made for unexecuted work

(a) Up-gradation of 66kV to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Phase-I

NEC sanctioned (January 2012) ₹ 4.99 crore¹⁶ for “Up-gradation of 66kV to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Phase-I” to be completed by December 2014. The work for the supply and erection was awarded (June 2012) to M/s National Power Systems, Dimapur, being the lowest bidder, on turnkey¹⁷ basis at a cost of ₹ 4.49 crore to be completed by December 2013.

Examination of records revealed that NEC released ₹ 4.49 crore to the State and the GoN also released its share of ₹ 0.45 crore to the EE (Transmission) Division Mokokchung. It was observed that the full amount of ₹ 4.94 crore was recorded as utilised (March 2018).

As per the approved DPR, 105.7 Km transmission line for ₹ 1.89 crore was to be upgraded and 297 out of 305 towers were to be upgraded to 132kV system. It was, however, observed that the Department revised (June 2016) the DPR reducing the

¹⁶ NEC ₹ 4.49 crore and GoN ₹ 0.50 crore.

¹⁷ It is a contract under which a firm agrees to fully Design, Supply, Erection and Testing & Commissioning; and turn the project over to the client when it is ready for operation.

length of the transmission line to 78 Km and upgradation of 243 towers without reducing the project cost of ₹ 4.99 crore. The approval of the revised DPR by NEC was not available on record. It was observed that the contractor was paid the full amount of ₹ 1.89 crore for de-stringing and re-stringing of three power conductor for a total length of 105.70 Km. This resulted in payment of ₹ 0.49 crore without the actual execution of work relating to the transmission line in 27.70 Km (***Appendix 2.3.8***).

On being pointed out, the Government stated in reply (December 2018) that work was completed for the total length of 105.7 Km but was inadvertently shown as 78.00 Km in the Action Taken Report.

The reply was not acceptable as the incomplete stretch of 27.70 Km was carried over to Phase-II of the Project which was approved in September 2016. Thus, the contractor was paid ₹ 0.49 crore without the actual execution of work relating to transmission line in a stretch of 27.70 Km which was needed to be recovered.

(b) Construction of 33kV transmission lines, 33/11kV sub-station, 11 kV lines, 11/0.4 kV distribution sub-station and LT lines in Kohima, Nagaland

Construction of 33kV transmission lines, 33/11kV sub-station, 11 kV lines, 11/0.4 kV distribution sub-station and LT lines in Kohima, Nagaland estimated at ₹ 14.97 crore¹⁸ was sanctioned by the NEC in December 2013. The Department awarded (March 2014) the work for ₹ 14.36 crore to M/s National Power Systems, Dimapur being the lowest bidder on turnkey basis to be completed by March 2016.

Examination of records revealed that NEC released ₹ 13.47 crore to the State and GoN also released its share of ₹ 1.20 crore to the EE (Electrical) division, Kohima. It was observed that the contractor was paid ₹ 14.36 crore for completion of all the nine items of work.

Joint inspection (September 2018) revealed that two items of works for ₹ 38 lakh reported as complete were not executed whereas the payment was made to the contractor included those two items of work (***Appendix 2.3.9***).

While accepting the facts, the Government stated (December 2018) that the poles could not be erected as planned due to objections raised by land owners and also due to obstructions caused by existing structures, *etc.*

Thus, Government's reply substantiates the fact that the department made fictitious entries in the MBs without physically verifying the execution of work and passed the bills for payment of ₹ 38 lakh to the contractor for the works not executed, which was needed to be recovered.

Recommendation (22): Government should consider filing an FIR, besides initiating departmental inquiry to fix the responsibility of officials involved in making such irregular payments.

¹⁸ NEC ₹ 13.47 crore and GoN ₹ 1.50 crore.

2.3.12.4 Legal Metrology and Consumer Protection Department

NEC sanctioned (November 2013) ₹ 2.66 crore¹⁹ for procurement and installation of modern equipment at Secondary Standard Laboratory (SSL) and Working Standard Laboratories (WSLs) under “Modernisation of Department of Legal Metrology and Consumer Protection (LMCP), Nagaland” to be completed by March 2015.

Examination of records revealed that NEC released ₹ 1.56 crore to the State and GoN also released its share of ₹ 0.18 crore to the Department. The project was closed (May 2018) by NEC on “as is where is” basis due to delay in completion of the project. It was observed that a “Purchase Committee” was constituted (May 2015) under the chairmanship of the Secretary to the Government of Nagaland, LMCP and decided (June 2015) to purchase all the required equipment from India Government Mint Mumbai, and those instruments which are not manufactured by the Mint will be purchased from (a). Trust Weighing Systems, Maligaon, Assam; and (b). New Age Systems & Appliance, Guwahati. The Purchase Committee in its meeting (June 2015) also resolved to have frequent meetings to review the achievements of the field offices and submit report to the Government.

It was observed that the Department incurred an expenditure of ₹ 1.74 crore on account of procurement of laboratory instruments, Kyocera Photocopier Machine and maintenance of laboratories, transportation of equipment, hoardings and land tax/rent for hoardings. The department also certified receipt of the materials in full and in good condition and recorded in the stock register.

Joint inspection (July 2018), however, revealed that 12 laboratory instruments for ₹ 60 lakh shown as purchased, were not actually procured. This proved that an amount of ₹ 60 lakh was incurred on fictitious procurement of 12 laboratory equipment. It was also observed that other laboratory equipment purchased and hoardings meant for WSLs, were lying idle (July 2018) at the State SSL, Kohima.

On being pointed out in audit, the Department accepted the facts during the exit conference (December 2018).

Thus, the Department incurred an expenditure of ₹ 60 lakh on fraudulent procurement of equipment by providing incorrect certificate and recording fictitious entries in the stock register.

Recommendation (23): Department should initiate action against the officers/officials involved and the fraudulent payment made, be recovered.

2.3.13 Excess payment to contractor/supplier

Rule 137 of GFR 2005 read with Sub rule (iii) stipulates that every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy and transparency in

¹⁹ NEC ₹ 2.39 crore and GoN ₹ 0.27 crore.

matters relating to public procurement and for fair and equitable treatment with the suppliers and promotion of competition in public procurement.

Rule 150 (1) of GFR further stipulates that invitation to tenders by advertisement should be used for procurement of goods of estimated value ₹ 25 lakh and above. Advertisement in such case should be given in the Indian Trade Journal, published by the Director General of Commercial Intelligence and Statistics, Kolkata and at least in one national daily having wide circulation.

Examination of records and joint inspection revealed fraudulent payment of ₹ 22.50 crore made to the contractor/supplier by the Department of Power Nagaland (DoPN) in six projects as discussed in the following paragraphs:

(a) Construction of 220/132/33 kV Substation at Chiephobozou (Part-II), Nagaland

NEC sanctioned (August 2012) ₹ 68.58 crore for “Construction of 220/132/33 kV Substation at Chiephobozou (Part-II), Nagaland” on 90:10 sharing basis (NEC ₹ 61.72 crore and GoN ₹ 6.86 crore) to be completed by July 2015. The three firms had submitted their quotations for the said project and M/s ECI Engineering and Constructions Company Limited, Hyderabad submitted the lowest quote for ₹ 52.61 crore. A further scrutiny in this regard, however, revealed that the said work for the supply and erection was awarded on turnkey basis to another firm, M/s Techno Power Enterprises (P) Ltd., Dimapur for ₹ 52.61 crore which had not even participated in the bidding process. The reasons for not awarding the work to the L 1 contractor and awarding the same to a contractor other than the firms which had participated in the bidding process, were neither found on record nor furnished, though called for.

Examination of records revealed that NEC released ₹ 55.00 crore to the State and the GoN also released ₹ 5.22 crore²⁰ to the EE (Transmission) Division Kohima. The Department had incurred an expenditure of ₹ 59.88 crore for the project. Out of the expenditure of ₹ 59.88 crore, the Department paid ₹ 31.81 crore for the procurement of five transformers and five different electrical items.

Cross examination of the records with the tax invoices of the manufacturers and way bill/consignment note of transporter submitted by the supplier to the Taxes Department revealed that the actual price of five transformers and five different electrical items was only ₹ 8.62 crore excluding taxes, freight and transportation charge, etc., (**Appendix 2.3.10**). This indicated that the supplier (M/s Techno Power Enterprise Pvt. Ltd.) had procured the transformers and the electrical items from the manufacturer at the price of ₹ 8.62 crore and paid the taxes, freight and supplier’s margin on the actual cost of the transformers and the electrical items.

After considering the supplier’s margin and transportation charges allowed by the DoPN on the basis of the cost assessment submitted by the supplier and payments of the mandatory taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax

²⁰ ₹ 1.55 crore (March 2013), ₹ 3.11 crore (December 2015) & ₹ 0.56 crore (August 2017).

etc., the admissible cost of the transformers and the electrical items worked out to ₹ 14.61 crore as detailed below:

Table 2.3.9

Details of admissible cost of the transformers and the electrical items

(Amount in ₹)

Name of the item	Quantity	Manufac- turer's price	Total amount (1x2)	CST, freight, insurance, packing & forwarding charges (16.32 % of col. 3)	VAT (13.25 % of col. 3)	Transport ation (15 % of col. 3)	Supplier's margin (25 % of col. 3)	Total (3+4+5+ 6+7)
	1	2	3	4	5	6	7	8
20/25 MVA 132/33 kV Transformer	1	12038142	12038142	1964625	1595054	1805721	3009535	20413077
33.33/41.67, 220/132 kV Transformer	4	14343750	57375000	9363600	7602187	8606250	14343750	97290787
MS Rail	30	57333	1719990	280702	227899	257999	429998	2916588
MS Rod (40 mm dia for earthing)	15.6	56610	883116	144125	117013	132468	220779	1497501
145kV SF6 Circuit Breaker	5	618879	3094395	505005	410007	464159	773599	5247165
220 kV Post Insulator	100	7744	774400	126382	102608	116160	193600	1313150
GI Structure (Zhadima)	33.25	71434	2375181	387630	314711	356277	593795	4027594
GI Structure	42.53	71434	3038088	495816	402547	455713	759522	5151686
GI Structure	68.289	71434	4878156	796115	646356	731723	1219539	8271889
Total			86176468	14064000	11418382	12926470	21544117	146129437

Source: Commissioner of Taxes, Dimapur and departmental records.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the prices of the transformers and electrical items which resulted in procurement of transformers and electrical items at an exorbitant rate. Thus, the DoPN paid ₹ 17.20 crore over and above the admissible cost (₹ 31.81 crore - ₹ 14.61 crore) after admitting the transportation charges and the supplier's margin along with payment of mandatory taxes with a malafide intention to commit fraud and to misappropriate Government money.

On this being pointed out in audit, the Government stated (December 2018) that the Department had evaluated the tendered price for the work on the basis of Engineering, Procurement and Construction (EPC)-Turnkey contract as a single package for the project as a whole and not on individual item-wise rates which was approved by the State Purchase Board duly constituted by the State Government.

The reply of the DoPN was not acceptable as bidding price and award of the contract was done by segregating the item of works. The contention that the work was taken up on Turn-key/Engineering, Procurement and Construction mode, was also not pre-

defined in the work order. Thus, there was an excess payment of ₹ 17.20 crore over and above the admissible costs which needs to be investigated.

Recommendation (24): The Government should investigate the matter and fix the responsibility on the officers/officials involved in the procurement process for making excess payment.

(b) Upgradation of 66/33/11 kV Chumukedima Substation from 10MVA to 30MVA, Nagaland

Upgradation of 66/33/11 kV Chumukedima Substation from 10MVA to 30MVA for ₹ 4.94 crore²¹ was sanctioned (January 2012) by the NEC to be completed by July 2013. The Department awarded (July 2012) the supply of materials, erections and civil and engineering design work for ₹ 4.94 crore to M/s Shyama Power India Ltd, Dimapur being the lowest bidder, on turnkey basis. However, advertisement of the tender enquiry as required under Rule 150 of the GFR 2005 was not available on record.

Examination of records revealed that NEC released ₹ 4.45 crore to the State and GoN also released its share of ₹ 0.40 crore²² to the EE (Electrical) Transmission Division, Dimapur. The project which was inclusive of purchase of 20 MVA transformer was reported as complete (April 2014) after incurring an expenditure of ₹ 4.85 crore. It was observed that the supplier (M/s Shyama Power India Ltd, Dimapur) was paid ₹ 3.95 crore (exclusive of VAT) for procurement of 20 MVA transformer (EMCO Limited, Jalgaon, Maharashtra made). To ascertain the actual price of the transformer, we cross examined the 'C' form²³ utilisation submitted by the supplier to the Taxation Department (February 2014) which revealed that the actual price of the transformer was only ₹ 1.21 crore. This indicated that the supplier (M/S Shyama Power India Limited) had procured the transformer from the manufacturer at the price of ₹ 1.21 crore and paid the taxes on the actual cost of the transformer.

After considering the supplier's margin and transportation charges allowed by the department on the basis of the cost assessment submitted by the supplier and the payments of mandatory taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax *etc.*, the admissible cost of the transformer worked out to ₹ 2.06 crore as detailed in the Table:

²¹ NEC ₹ 4.45 crore and GoN ₹ 0.49 crore.

²² ₹ 0.10 crore (March 2014) and ₹ 0.30 crore (March 2016).

²³ Form C is issued by the State Sales Tax / VAT / Commercial Tax Department to a registered dealer who makes inter-state purchase of goods mentioned in his registration certificate. Purchasing dealer, after making relevant entries and after putting his signatures issues portions marked Original and duplicate to the selling dealer of the goods, the details of which are given on the form. The selling dealer presents Original Copy before its assessing authority for claiming exemption from or reduction in rate of tax, as the law may provide. The purchasing dealer, making inter-state purchase, can, on the basis of Form C, purchase such goods after paying tax to the seller only @2 per cent.

Table 2.3.10

Details of admissible cost of the transformer

(Amount in ₹)

Manufacturer's price	CST, freight, insurance, packing & forwarding charges (16.32 % of col. 1)	VAT (13.25 % of col. 1)	Transportation (15 % of col. 1)	Supplier margin (25 % of col. 1)	Total (1+2+3+4+5)
1	2	3	4	5	6
12148363	1982613	1609658	1822254	3037091	20599979

Source: Commissioner of Taxes, Dimapur and departmental records.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the transformer which resulted in procurement of transformer at an exorbitant rate. Thus, DoPN paid ₹ 1.89 crore over the admissible cost (₹ 3.95 crore - ₹ 2.06 crore) after admitting the transportation charges and the margin of the supplier along with payment of mandatory taxes with a malafide intention to commit fraud and to misappropriate Government money.

The Government (December 2018) stated that the observation made by the audit was based on the basic ex-works price of the transformer without considering the technical and commercial related components.

The reply was not acceptable as the cost of the transformer plus supplier's margin, transportation charges, and taxes allowed by the Department works out to only ₹ 2.06 crore. Thus, there was an excess payment of ₹ 1.89 crore over and above the admissible cost which needs to be investigated.

Recommendation (25): Government should investigate the matter and fix responsibility of officials involved in the procurement process for making excess payment.

(c) Up-gradation of 66kV to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Phase-I

NEC sanctioned (January 2012) ₹ 4.99 crore²⁴ for "Up-gradation of 66kV to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Phase-I" to be completed by December 2014. The work for supply and erection for ₹ 4.49 crore was awarded (June 2012) to M/s National Power Systems, Dimapur being the lowest bidder, on turnkey basis. However, advertisement of the tender enquiry as required under Rule 150 of the GFR 2005 was not available on record.

Examination of records revealed that NEC released ₹ 4.49 crore to the State and GoN released ₹ 4.94 crore (including State share of ₹ 0.45 crore) to the EE (Transmission) Division Mokokchung. The contractor completed the work in December 2014 and was paid ₹ 4.25 crore.

²⁴ NEC ₹ 4.49 crore and GoN ₹ 0.50 crore.

It was observed that the Department out of payment of ₹ 4.25 crore paid ₹ 2.15 crore for five electrical items. To ascertain the actual price of these items, we cross examined the tax invoices of the manufacturers and way bill/consignment note of transporter submitted by the supplier to the Taxes Department which revealed that the actual price of five electrical items was only ₹ 0.50 crore (**Appendix 2.3.11**). This indicated that the supplier (M/s National Power Systems, Dimapur) had procured the electrical items from the manufacturer at the price of ₹ 0.50 crore and paid the taxes on the actual cost of the electrical items.

After considering the supplier's margin and the transportation charges allowed by the department on the basis of the cost assessment submitted by the suppliers and the payments of mandatory taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax *etc.*, the admissible cost of the five electrical items worked out to ₹ 0.85 crore as detailed below:

Table 2.3.11

Details of admissible cost of the five electrical items

(Amount in ₹)

Description and Specification of Goods	Quantity (in nos./Kgs.)	Rate (in ₹)	Amount (in ₹) (Col. 1 x Col. 2)	CST, freight, insurance, packiZng & forwarding charges (16.32 % of col. 3)	VAT (13.25 % of col. 3)	Transportation (15 % of col. 3)	Supplier margin (25 % of col. 3)	Total (3+4+5+6+7)
	1	2	3	4	5	6	7	8
11 KV Disc insulator B/S 90KN	7764	340	2639760	430809	349768	395964	659940	4476241
Hot Dip Galvanised Steel Structure for Tower	20114	61	1226954	200239	162571	184043	306739	2080546
Single Tension Compression H/W with A.H suitable for ACSR Wolf Conductor	876	1225	1073100	175130	142186	160965	268275	1819656
Mid Span Compression Joint for ACSR Wolf	210	300	63000	10281	8347	9450	15750	106828
Earthwire Suspension fittings	10	500	5000	816	663	750	1250	8479
Total			5007814	817275	663535	751172	1251954	8491750

Source: Commissioner of Taxes, Dimapur and departmental records.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the electrical items which resulted in procurement of electrical items at an exorbitant rate. Thus, the DoPN paid ₹ 1.30 crore over the admissible cost (₹ 2.15 crore - ₹ 0.85 crore) after admitting the transportation charges

and the margin of the supplier along with payment of mandatory taxes with a malafide intention to commit fraud and to misappropriate Government money.

The Government (December 2018) stated that it considered the price offer as a whole package which included all items and accessories over and above the basic ex-works price of the electrical materials and that Audit had not considered technical facts and commercial related components into account.

The reply of the DoPN was also not acceptable as the cost of the electrical items plus supplier's margin, transportation charges, and taxes allowed by the DoPN worked out to only ₹ 0.85 crore. Thus, there was an excess payment of ₹ 1.30 crore over and above the admissible cost which needs to be investigated.

Recommendation (26): Government should investigate the matter and fix responsibility of the officials involved in procurement process for making excess payment.

(d) Upgradation of 66kV S/C to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line (Phase II)

The project "Upgradation of 66kV S/C to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Phase-II" estimated at ₹ 5.83 crore²⁵ was sanctioned (September 2016) by NEC to be completed by September 2018. The Department awarded (February 2017) the work procurement of materials, erection and civil works for ₹ 5.24 crore to the same firm M/s National Power Systems, Dimapur who executed the work for Phase I, on a turnkey basis, without going in for open tendering.

Examination of records revealed that NEC released ₹ 2.69 crore to the State and GoN released ₹ 2.77 crore (including State share of ₹ 0.08 crore) to the EE (Transmission) Division Mokokchung which was shown as fully utilised.

It was observed that the Department out of payment of ₹ 2.77 crore paid ₹ 1.99 crore for three electrical items. To ascertain the actual price of these items, we cross examined the records with the tax invoices of the manufacturers and way bill/consignment note of transporter submitted by the supplier to the Taxes Department which revealed that the actual price of three electrical items was only ₹ 0.82 crore (*Appendix 2.3.12*) whereas, the Department had paid ₹ 1.99 crore. This indicated that the supplier (M/s National Power Systems, Dimapur) had procured the three electrical items from the manufacturer at the price of ₹ 0.82 crore and paid the taxes on the actual cost of the three electrical items.

After considering the supplier's margin and transportation charges allowed by the department on the basis of the cost assessment submitted by the supplier and the payments of mandatory taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax *etc.*, the admissible cost of the three electrical items worked out to ₹ 1.39 crore as detailed in the Table:

²⁵ NEC ₹ 5.25 crore and GoN ₹ 0.58 crore.

Table 2.3.12

Details of admissible cost of three electrical items

(Amount in ₹)

Items of works	Rate as per Invoices	Qty in MT	Total Amount paid	CST, freight, insurance, packing & forwarding charges (16.32 % of col. 3)	VAT (13.25 % of col. 3)	Transportation (15 % of col. 3)	Supplier margin (25 % of col. 3)	Total (3+4+5+6+7)
	1	2	3	4	5	6	7	8
GI Steel Structure	65407	114.722	7503622	1224591	994230	1125543	1875906	12723892
Disc Insulator	516	864	445824	72759	59071	66874	111456	755984
Hardware Fittings	1684	144	242496	39575	32131	36374	60624	411200
Total			8191942	1336925	1085432	1228791	2047986	13891076

Source: Commissioner of Taxes, Dimapur and departmental records.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the three electrical items which resulted in their procurement at an exorbitant rate. Thus, the DoPN paid ₹ 0.60 crore over the admissible cost (₹ 1.99 crore - ₹ 1.39 crore) after admitting the transportation charges and the margin of the supplier along with payment of mandatory taxes with a malafide intention to commit fraud and misappropriate Government money. Further, the selection of the firm was irregular as open tendering was not done which violated Rules 137 and 150 of GFR, 2005 and the adoption of such an unauthorised course of action resulted in lack of competition and transparency in selection of the supplier.

On the above being pointed out in Audit, the Government stated in its reply (December 2018) that the conclusion made by the audit was based on the basic ex-works price of the electrical materials without considering the technical facts and commercial related components into account.

The reply was not acceptable as there was no competitive bidding and the award of the contract was done without ascertaining the reasonableness of prices in relation to the prevailing market rates/manufacture's price, which led to excess payment made to the supplier.

Recommendation (27): Government should investigate the matter and fix the responsibility of the officers/officials involved in the procurement process for making excess payment.

(e) Conversion of 33kV pole structure to Lattice tower of the Ringmain Feeder at Kohima, Nagaland

NEC sanctioned (June 2015) ₹ 14.31 crore²⁶ for “Conversion of 33kV pole structure to Lattice tower of the Ringmain Feeder at Kohima, Nagaland” to be completed by July 2017. The objective of the project was to strengthen the 33kV line mechanically, provide better line to ground clearance, reduce the line losses and ensure stability of the system. The work for conversion of Pole structure to Lattice tower including civil works for construction of Control Room at sub-station, IG Stadium, Kohima for ₹ 11.17 crore was awarded (August 2016) to M/s National Power Systems, Dimapur being the lowest bidder, on turnkey basis.

Examination of records revealed that NEC released ₹ 9.20 crore to the State and GoN released ₹ 9.78 crore (including State share of ₹ 0.58 crore) to the EE, Transmission Kohima.

It was observed that out of the amount (₹ 9.78 crore) paid, the Department paid ₹ 1.98 crore for the procurement of one transformer and three different electrical items. To ascertain the actual price, we cross examined the records with the tax invoices of the manufacturers and way bill/consignment note of transporter which revealed that the actual price of one transformer and three different electrical items was only ₹ 0.87 crore (*Appendix 2.3.13*) whereas the DoPN had paid ₹ 1.98 crore. This indicated that the supplier (M/s National Power Systems, Dimapur) had procured the transformer and three electrical items from the manufacturer at the price of ₹ 0.87 crore and paid the taxes on the actual cost of the transformer and three electrical items.

After considering the supplier’s margin and the transportation charges allowed by the DoPN on the basis of the cost assessment submitted by the supplier and the payments of mandatory taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax *etc.*, the admissible cost of one transformer and three electrical items worked out to ₹ 1.48 crore as detailed below:

Table 2.3.13

Details of admissible cost of one transformer and three electrical items

(Amount in ₹)

Items	Qty	Rate as per Invoices	Total amount paid	CST, freight, insurance, packing & forwarding charges (16.32 % of col.3)	VAT (13.25 % of col.3)	Transportation (15 % of col.3)	Supplier margin (25 % of col.3)	Total (3+4+5+6+7)
	1	2	3	4	5	6	7	8
Disc Insulator (No.)	1160	660	765600	124946	101442	114840	191400	1298228

²⁶ NEC ₹ 12.88 crore and GoN ₹ 1.43 crore.

Items	Qty	Rate as per Invoices	Total amount paid	CST, freight, insurance, packing & forwarding charges (16.32 % of col.3)	VAT (13.25 % of col.3)	Transportation (15 % of col.3)	Supplier margin (25 % of col.3)	Total (3+4+5+6+7)
	1	2	3	4	5	6	7	8
ACSR Wolf Conductor (KM)	20	212757	4255140	694439	563806	638271	1063785	7215441
11 KV Vacuum Circuit Breaker Complete with Control Relay Panel (No.)	3	223762	671286	109554	88946	100693	167822	1138301
5 MVA, 33/11 KCV Transformer (No.)	1	3052350	3052350	498143	404436	457852	763087	5175868
Total			8744376	1427082	1158630	1311656	2186094	14827838

Source: Commissioner of Taxes, Dimapur and departmental records.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the transformer and three electrical items which resulted in procurement of transformer and three electrical items at an exorbitant rate. Thus, the DoPN paid ₹ 0.50 crore over the admissible cost (₹ 1.98 crore - ₹ 1.48 crore) after admitting the transportation charges and the margin of the supplier along with payment of mandatory taxes with an intention to misappropriate Government money.

The Government stated (December 2018) that the project was awarded as a single package EPC-Turnkey basis after due tendering process and approval of the State Purchase Board and not based on individual item-wise rates as analysed by audit.

The reply was not acceptable as the contract was awarded on clear segregation of items of work without establishing the reasonableness of prices in relation to the prevailing market rates/ manufacture's price, which led to excess payment made to the supplier.

Recommendation (28): The Government should investigate the matter and fix the responsibility of the officers/officials involved in the procurement process for making excess payment.

(f) Construction of 33kV transmission lines, 33/11kV sub-station, 11kV lines, 11/0.4 kV distribution sub-station and LT lines in Kohima, Nagaland

Construction of 33kV transmission lines, 33/11kV sub-station, 11kV lines, 11/0.4kV distribution sub-station and LT lines in Kohima, Nagaland was sanctioned (December 2013) by NEC for ₹ 14.97 crore²⁷. The Department awarded (March 2014) the work

²⁷ NEC ₹ 13.47 crore and GoN ₹ 1.50 crore.

for ₹ 14.36 crore to M/s National Power Systems, Dimapur being the lowest bidder on turnkey basis to be completed by March 2016.

Examination of records revealed that NEC released ₹ 13.47 crore to the State and GoN released ₹ 14.67 crore (including State share of ₹ 1.20 crore) to the EE (Electrical) Division Kohima. The division utilised an amount of ₹ 14.51 crore (March 2018) for the project.

It was observed that of the payment made, the Department paid ₹ 2.52 crore for six different electrical items. To ascertain the actual price, we cross examined the records with the tax invoices of the manufacturers and way bill/consignment note of transporter submitted by the supplier to the Taxes Department which revealed that the actual price of six different electrical items was only ₹ 0.89 crore (*Appendix 2.3.14*) whereas, the Department had paid ₹ 2.52 crore. This indicated that the supplier (M/s National Power Systems, Dimapur) had procured six electrical items from the manufacturer at the price of ₹ 0.89 crore and paid the taxes on the actual cost of the electrical items.

After considering the supplier's margin and the transportation charges allowed by the DoPN on the basis of the cost assessment submitted by the supplier and the payments of mandatory taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax *etc.*, the admissible cost of six electrical items worked out to ₹ 1.51 crore as detailed below:

Table 2.3.14
Details of admissible cost of six electrical items

(Amount in ₹)

Description of items	Quantity	Rate as per Invoices	Total Amount (1x2)	CST, freight, insurance, packing & forwarding charges (16.32 % of col. 3)	VAT (13.25 % of col. 3)	Transportation (15 % of col. 3)	Supplier margin (25 % of col. 3)	Total (3+4+5+6+7)
	1	2	3	4	5	6	7	8
GI Steel Tubular Poles, SP-76	142	25100	3564200	581678	472257	534630	891050	6043815
GI Steel Tubular Poles, SP-66	65	21300	1384500	225950	183446	207675	346125	2347696
36 KV Current Transformer OIP	6	57535	345210	56338	45740	51781	86303	585372
11 KV Outdoor Oil immersed Current Transformer/Potential Transformer	18	14828.72	266917	43561	35367	40038	66729	452612
ACSR Wolf Conductor	18.2	105209.39	1914811	312497	253712	287222	478703	3246945
ACSR Hare Conductor	23.1	61830.56	1428286	233096	189248	214243	357071	2421944
Total			8903924	1453120	1179770	1335589	2225981	15098384

Source: Commissioner of Taxes, Dimapur and departmental records.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the electrical items which resulted in procurement of six different electrical items at an exorbitant rate.

Thus, the DoPN paid ₹ 1.01 crore over the admissible cost (₹ 2.52 crore - ₹ 1.51 crore) after admitting the supplier's margin and the transportation charges along with payment of mandatory taxes with an intention to misappropriate Government money.

The Department stated in the exit conference (December 2018) that NITs were floated and comparative statements were prepared. However, market surveys of the prevailing rates of the items were not done. Further, the work was awarded only after the approval of the Government.

The reply was not acceptable as the work was awarded without assessing the reasonableness of prices in relation to the prevailing market rates/manufacture's price, which led to excess payment made to the supplier.

Recommendation (29): Government should investigate the matter and fix responsibility of the officials involved in procurement process for making excess payment.

2.3.14 Undue favour to Contractor

Examination of records and joint inspection revealed that there were cases of undue favour to contractors/private individuals for ₹ 30.40 crore in five projects involving two departments as discussed in the following paragraphs:

2.3.14.1 Public Works Department (Roads & Bridges)

Construction of Pukhungri-Avankhu-Layshi Road²⁸ (18.49 kms), Phek district estimated at ₹ 10.42 crore was sanctioned (September 2005) by the NEC with the objective of to promote border trade between Myanmar and India. The approved cost was revised (November 2012) to ₹ 23.39 crore²⁹ stating (i) difference in rates in the approved DPR (SOR 2002) and existing rates (SOR 2010), (ii) Exclusion of ordinary Rock and Hard Rock requiring blasting in formation cutting in the approved DPR; and (iii) 28 additional Hume Pipe Culverts.

Examination of records revealed that NEC released ₹ 20.00 crore³⁰ to the State and GoN also released its share of ₹ 1.89 crore to the EE, Phek Division. It was observed from records that the work was initially awarded (August 2004) to M/s Nagaland Builders for ₹ 9.32 crore to be completed by September 2007. The work which commenced in January 2005 could not be completed. The first work order was therefore, cancelled (August 2011) after payment of ₹ 2.83 crore for execution of formation cutting works completed up to 13.53 Km. Consequently, the work for the

²⁸ Major District Road (MDR) standard with single lane (3.75 m width) carriageway and Roadway width 5.95 m (exclusive of parapets usual width 0.6 m and side drain usual width 0.6 m).

²⁹ NEC ₹ 21.05 crore and GoN ₹ 2.34 crore.

³⁰ ₹ 3.00 crore (March 2004), ₹ 1.00 crore (September 2007), ₹ 2.00 crore (February 2008), ₹ 6.00 crore (February 2013), ₹ 5.00 crore (December 2013), ₹ 3.00 crore (November 2014).

remaining twelve items³¹ of work for ₹ 17.06 crore was awarded (December 2012) to M/s Vi-u Angami & Sons to be completed by March 2014. Further examination of relevant records revealed the following:

(i) The second contractor applied for enhancement of rate from ₹ 414/cum to ₹ 2039.45/cum on hard rock item (required blasting) in the same month before commencement of the work. The enhancement of the rate (₹ 1800/cum) was also approved (January 2013) by GoN. It was also observed that the second Contractor M/s Vi-u Angami & Sons was paid ₹ 10.98 crore for execution of works from chainage 0 to 13.54 Km stretch at an enhanced rate including the work which the first contractor was paid for execution of works from chainage 0 to 1 Km. This clearly indicated that the first contractor did not execute any works between chainage 0 to 1 Km but was however, paid ₹ 2.83 crore. This has resulted in an avoidable expenditure of ₹ 2.83 crore which needs to be recovered.

(ii) The formation cutting work in 18.49 Km was recorded as complete (March 2016) and the second contractor was paid ₹ 14.11 crore. It was observed from the measurement book that:

➤ 71587.05 cubic metre of hard rock valued for ₹ 12.89 crore (91 per cent) out of ₹ 14.11 crore was excavated through blasting.

➤ the licensee³² utilised only 2400 Kgs Power gel 901 explosive during the period from June 2013 to March 2016.

The quantity of hard rock that could be excavated by utilising 2400 Kgs of Power gel 901 explosive (@ 12.5 Kg/40 cubic metre³³) would be 7680 cubic metre. Therefore, the value of 7680 cum of hard rock at the approved rate was only ₹ 1.38 crore. This indicated that the quantity of hard rock recorded as excavated and paid was exaggerated by 63907.05 cubic metre. Thus, the fictitious entries made in the MB by the EE led to excess payment of ₹ 11.51 crore (₹ 12.89 crore - ₹ 1.38 crore).

The Department stated in reply (December 2018) that the first contractor completed 12.54 Km of the road and had to abandon due to steep gradient beyond the permissible limit. The road was re-aligned and the contractor carried out only one kilometre road work and surrendered the work after encountering rocky portion in the second kilometre, which required blasting. The total length executed by the first contractor was 13.54 Km. Therefore, another contractor was engaged to complete the remaining portion of the road. With regard to payment of second contractor for blasting hard rock, payment was made as per the quantum of work executed and the approved rate analysis but not as per the quantity of explosive used.

The reply was not acceptable as the Department did not furnish any records to substantiate the abandonment and change in alignment of the road. Further, the reply

³¹ Site clearance, cutting of trees, earthwork in formation cutting, unlined road side drain, sub-grade preparation, earthen shoulder, cross drainage works, protection works, Granular Sub-base-I, Water bound macadam- II & III, Bituminous works and road furniture.

³² Shri. Viu Angami, Explosive Licence No. E/EC/NL/22/21(E57462).

³³ As determined through physical and practical experiment conducted by the Department.

substantiated the facts that the contractor was allowed the rate for excavation of hard rock requiring blasting without utilisation of required quantity of explosive materials by the contractor.

Recommendation (30): The department should initiate action against the officers involved in recording fictitious entries in the measurement book and the excess payment made to the contractor needs to be recovered.

2.3.14.2 Undue favour to Private Sector Hospitals

As per the terms and conditions of the NEC sanction orders, the NEC funded private sector hospitals should agree to provide health care services to the Below Poverty Line (BPL) category of patients free of cost and to Economically Weaker Sections (EWS) of society at subsidised rate as per the Memorandum of Agreement (MoA) to be entered into between the State Government and the beneficiary hospital. State Government should constitute a Monitoring Committee comprising of officials from the Department of Health, Planning Department and the district administration to monitor the implementation of such projects where public funds have been provided and to ensure that the services agreed to be provided in the MoA were being extended to the poor and the intended beneficiaries.

Examination of records revealed that out of the eight projects test-checked under Health and Family Welfare Department, six projects were taken up in private sector with the total approved cost of ₹ 70.72 crore shared on 90: 10 basis (NEC ₹ 63.65 crore and GoN ₹ 7.07 crore). NEC released ₹ 37.96 crore to the State and GoN also released its matching share of ₹ 4.21 crore which was reported as fully utilised and four (₹ 16.06 crore) out of six projects were completed³⁴. Project-wise details of private sector hospitals funded under NEC are shown in ***Appendix 2.3.15***.

It was observed that a MoA was entered into between the State Government and the hospitals funded by NEC. However, the term “Economically Weaker Sections” of the society was not defined in the MoA and the subsidy rates for delivery of health care services to EWS of the society were not determined by the State Government. Further, there was no penalty clause in the MoA for non-adherence of any of the clauses by the hospitals funded by NEC (except Faith Hospital, Dimapur).

Joint inspection (July-August 2018) of all the four completed projects revealed that the hospitals funded by NEC implemented certain provisions in the MoA such as procurement of medical equipment and infrastructure development. However, none of the hospitals provides health care services to the BPL category of patients free of cost and at subsidised rate to EWS of the society. The intended delivery of health care services to the BPL/EWS category of patients was not publicised by the State Government or displayed in any of the hospitals inspected for information of the general public and intended beneficiaries. There was no monitoring from the State Government to ensure delivery of health care services as agreed upon in the MoA.

³⁴ April 2014, June 2014, February 2015 and September 2016.

The Government stated in reply (December 2018) that Bethel Medical Centre, Kohima provides health care services free of cost and at subsidised rate to needy patients. The Government was, however, silent about the services being rendered by other Hospitals.

The reply was not acceptable as health care services were to be provided as per the MoA and not only to needy patients.

Recommendation (31): The Government should review the MoA, define the term “Economically Weaker Sections”, determine the subsidised rates for various health care services to be provided by all the NEC funded private hospitals and ensure delivery of health care services to the Below Poverty Line/ Economically Weaker Sections category of patients.

2.3.15 Deviation from Detailed Project Report

Examination of records and joint inspection revealed deviation from approved DPRs in Animal Husbandry and Veterinary Sciences (AH&VS) Department as discussed in the following paragraphs:

(a) Setting up of Dairy Farm in Dimapur

NEC sanctioned (July 2017) ₹ 2.51 crore for “Setting up of Dairy Farm in Dimapur” with 100 *per cent* funding to be completed by July 2019 with the objective of enhancing milk production to reduce the quantum of import in the State. The milk produced in the farm will be sold in the open market at minimum market price among the local populace. The scope of work includes infrastructure development of milch cows/dry cows/heifer sheds, construction of concentrated feed manufacturing unit cum godown, *etc.* The project was to be implemented by the society “Agency for Porcine Foundation and Development of Nagaland” (APFADON³⁵) under the supervision of AH&VS Department. As per the DPR, the project was to be implemented on departmental land, owned and managed by the Department.

As per the terms and conditions of sanction, the grantee (APFADON) shall not divert the grants or entrust execution of work to another institution/organisation and shall abide by the terms and conditions of the grant. If the grantee fails to utilise the grant for the purpose for which it was sanctioned or does not adhere to the terms and conditions, the grantee/institution shall be required to refund the grant with interest of 10 *per cent* per annum.

Examination of records revealed that NEC released (July 2017) first instalment of ₹ 1.00 crore to the implementing agency and an amount of ₹ 88 lakh was utilised

³⁵ A society formed (January 2011) to promote, conserve and propagate livestock and poultry for economic growth through scientific management. The society is administered, directed and controlled by the Governing Body with Secretary to the GoN, AH&VS, Nagaland as ex-officio Chairman and Director of AH&VS as the Chief Executive Officer. It was registered with the Home Department, GoN.

(March 2018) for payment to two contractors³⁶ towards construction of cow/heifer sheds.

Joint inspection (July 2018) revealed that the project was implemented on a private land, owned and managed by a private individual (land owner) and not by the Department contrary to the provision of the NEC sanction. It was also observed that there was no written agreement between the land owner and the Department for the project implementation. Further, the society without obtaining the approval of the funding agency, deviated from the DPR/terms and conditions of sanction and implementation of the project on a private land, thereby extending undue benefit to private individual.

The Department admitted in reply (October 2018) that the project was proposed and initiated by Shri Timikha Koza, a private individual, to be implemented in his private land.

The reply was a clear admission of the fact that the project sanctioned was not implemented on the departmental land, owned and managed by the Department. The expenditure incurred by the Department was in contravention of the NEC sanctions, was unauthorised and irregular. Thus, the objective of setting up government owned model dairy farm was defeated.

(b) Setting up of Model Dairy Farms in Nagaland

NEC sanctioned (April 2017) ₹ 3.64 crore³⁷ for “Setting up of Model Dairy Farms in Nagaland” in three districts of Mokokchung, Peren and Phek to be completed by April 2019. As per the DPR, the project was to be implemented on departmental land, owned and managed by the Department. The objectives of the Model Dairy Farms were to create avenues among the unemployed youth/ entrepreneurs to take up dairy farming as a full commercial industry, deliver artificial insemination, availability of heifers, feeds and fodders to rural dairy farmers and provide wholesome milk and organic manure to the general public. As per the terms and conditions of the administrative approval, any deviation from the approved DPR, if required at all, was to be made with the prior approval of NEC.

Examination of records revealed that NEC released (April 2017) first instalment of ₹ 1.31 crore to the State and GoN also released its share of ₹ 0.15 crore to the Department. It was observed that there was inordinate delay in implementation of the project as the dairy unit approved for Phek district was shifted to Dimapur district citing economic feasibility without obtaining approval from NEC. The Civil works for setting up of the dairy farms could commence (June 2018) after a lapse of more than one year of release of the first instalment due to delay in finalisation of the project locations. It was also observed that the project was implemented on a private owned land and no written agreement was executed between the land owners and the Department for the project implementation and management. Thus, the Department

³⁶ M/s Timikha Koza (₹ 48 lakh) and M/s K.K Enterprises (₹ 40 lakh).

³⁷ NEC ₹ 3.28 crore and GoN ₹ 0.36 crore.

deviated from the DPR/terms and conditions of sanction and implemented the project on private land without approval of the funding agency and extended undue benefit to the private individual which was unauthorised.

The Department, while admitting the facts stated (October 2018) that Memorandum of Understanding with the beneficiaries would be executed under intimation to NEC.

The reply clearly established the facts that the project was implemented in private individual's land wholly and exclusively for his own benefit which was in contravention of the terms and condition of the sanction. Thus, the objective of setting up government owned model dairy farms was defeated.

2.3.16 Monitoring and Evaluation of projects

Para 24.2 of the NEC guidelines (2015) requires the Chief Secretary or a senior officer in the rank of Additional Chief Secretary or Principal Secretary of the State to hold quarterly meeting to review the progress of implementation of the ongoing projects under NEC. Further, para 24.3 of the NEC guidelines (2015) requires the State Government to constitute department-wise monitoring committees to oversee implementation of NEC projects in the State on quarterly basis.

Examination of records revealed that against the targeted 20 State level review meetings during 2013-18, 11 review meetings (55 *per cent*) were held to review the progress of implementation of NEC projects. It was also observed that the State Government had not constituted department-wise monitoring committees to monitor the implementation of NEC projects.

It was further observed that during 2013-18, officials from the NEC had conducted 17 inspections and had raised the issues in delays in release of funds by the State Government, delay in execution of works, deficiencies in works executed, lack of monitoring of private sector hospitals, non-display of information board/ permanent plaque/labelling of medical equipment, *etc.* Further, the Adviser (Health) NEC during review meeting (April 2014) on medical projects, highlighted the need to ensure providing healthcare services as provided in the MoAs and to maintain proper documentation of such patients treated.

It was, however, observed that the issues raised by NEC had not been attended to by the State Government as discussed in the foregoing paragraphs.

The implementing departments did not offer any specific replies on the issue.

Recommendation (32): The Government should strengthen the monitoring and supervision of NEC funded projects at all levels to ensure that the desired project objectives are achieved.

2.3.17 Transparency, Information and Publicity about NEC projects

The State Government, after the approval of the NEC projects, was required to put up display boards at the project site indicating the date of sanction, duration, targeted

date of completion, estimated cost, source of funding, name of the contractor and physical targets to be achieved for all NEC funded projects. After completion of the projects, the State Government was required to put a permanent display on sites and labelling on the equipment/ machineries. It was, however, observed during joint inspection (June-September 2018) that out of 32 projects inspected only 14 projects (44 per cent) adhered to the guidelines (*Annexure 2.3.16*).

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

2.3.18 Conclusion

NEC funded projects were selected from the “Annual Priority List” with the objective towards attaining balanced socio-economic development in the State. The basis for prioritisation of the projects and reasons for inclusion/non-inclusion of project proposals in the State Annual Priority List were not available on record.

During 2013-18, out of the total 170 projects implemented in the State, only 54 projects (32 per cent) could be completed by March 2018. Ten projects were closed on “as is where is” basis due to inordinate delay in completion of the projects while 106 projects were incomplete/ongoing. In the case of 34 projects test-checked, only 13 projects could be completed which included six projects completed within the stipulated time. Four projects closed by NEC due to delay in completion beyond three years and eight out of 17 ongoing projects remained incomplete after expiry of three months to six years from the stipulated date of completion.

Funds for implementation of the projects were not released on time. There were instances of short releases of States’ matching share, submission of incorrect UCs and diversion of ₹ 13.19 crore towards payment of work charged, consultancy charges, departmental charges, procurement of vehicle, etc. The implementing departments made payment of ₹ 44.29 crore to the contractors without actual execution of works in eight projects and excess payment of ₹ 22.50 crore against six projects by inflating the rates of the materials/equipment. None of the NEC funded private hospitals provided health care services to the BPL patients free of cost and at subsidised rate to EWS of the society. Monitoring mechanism was poor as monitoring committees at various levels were not even constituted.

**PUBLIC WORKS DEPARTMENT, AGRICULTURE AND HORTICULTURE
DEPARTMENTS**

2.4 Performance Audit on Implementation of rural connectivity projects funded through National Bank for Agriculture and Rural Development Loan

Government of India (GoI) introduced Rural Infrastructure Development Funds (RIDF) in 1995-96 under National Bank for Agriculture and Rural Development (NABARD) with the objective to provide funds for projects which were taken up but remained incomplete due to inadequate resources of State Government. Accordingly, GoI created a corpus of ₹ 2000 crore for early completion of the ongoing projects relating to rural infrastructure. The eligible activities for RIDF funding under NABARD are classified in three broad categories *i.e.*, Agriculture and allied sectors, Social sector and Rural connectivity³⁸ sector.

The Performance Audit on Implementation of rural connectivity projects funded through NABARD Loan covering the period from 2013-18 was conducted during June to August 2018 to examine the utilisation of loans, compliance of NABARD guidelines and applicable technical specifications in execution of the projects, achievement of desired objectives of the projects and the adequacy of existing mechanism for monitoring of projects. The significant findings were as under:

Highlights

The State Government neither provided its share of ₹ 22.99 crore in the budget nor released its share of funds to the implementing agencies.

(Paragraph 2.4.10.1)

Departmental Charges of ₹ 9.75 crore were irregularly deducted by the Nodal Department in contravention to the general terms and conditions of NABARD which entailed avoidable interest liability of ₹ 2.13 crore.

(Paragraph 2.4.10.3)

NABARD loans were obtained without preparing priority list or assessing financial viability in contravention to the criteria laid down for obtaining loans.

(Paragraph 2.4.9.1)

Payment of ₹ 8.29 crore was made without actual execution of works and short execution of item of works in 29 projects.

{(Paragraph 2.4.11.9 (i) & (ii))}

One bridge project constructed at a cost of ₹ 4.18 crore could not be put to use as there were no accessible roads connected to the bridge from both the ends.

(Paragraph 2.4.11.4)

³⁸ Rural roads are those roads which connect rural areas with the urban marketing, central highways, rail head, road heads, *etc.*, or a link between the two rural locations would also include District Roads, Other District Roads (ODRs) and roads connecting villages to growth centres. Rural Bridges are to be taken as those which connect rural areas with the main roads leading to urban marketing centres

2.4.1 Introduction

The main objective of NABARD funded RIDF is to promote a balanced and integrated economic development of rural areas in the states by providing low cost fund support to State Governments and State-owned Corporations to accelerate completion of rural infrastructure projects. In Nagaland, the Public Works Department (Roads and Bridges), Agriculture and Horticulture Department are the implementing departments for NABARD assisted RIDF.

Under the category ‘Rural Connectivity’, infrastructures *viz.*, rural road and rural bridge projects are eligible for loan assistance. Road projects on Major District Roads (MDRs), Other District Roads (ODRs) and Rural Roads (RRs) are eligible for loan under RIDF except the projects on State Highways (SH) and National Highways (NH). The NABARD under RIDF sanctioned 107 projects during the period 2013-18. Government of Nagaland (GoN) incurred ₹ 47.18 crore (excluding expenditure on spill over projects) against the sanctioned cost of ₹ 82.57 crore.

The overall physical and financial progress of the projects taken under RIDF as on March 2018 is given below:

Table-2.4.1
Physical and financial progress of projects as on March 2018

Implementing departments	No of projects	Sanctioned cost (₹ in crore)	Financial progress (in %)	Physical progress		
				Completed projects	In-completed projects	% of completed projects
PWD (R&B) (spilled over)	23	147.29	82	22	1	96
PWD (R&B) (New)	5	36.00	39	0	5	0
Agriculture	81	42.57	51	0	81	0
Horticulture	21	4.00	90	0	21	0
Total	130	229.86				

Source: Finance Department, Government of Nagaland.

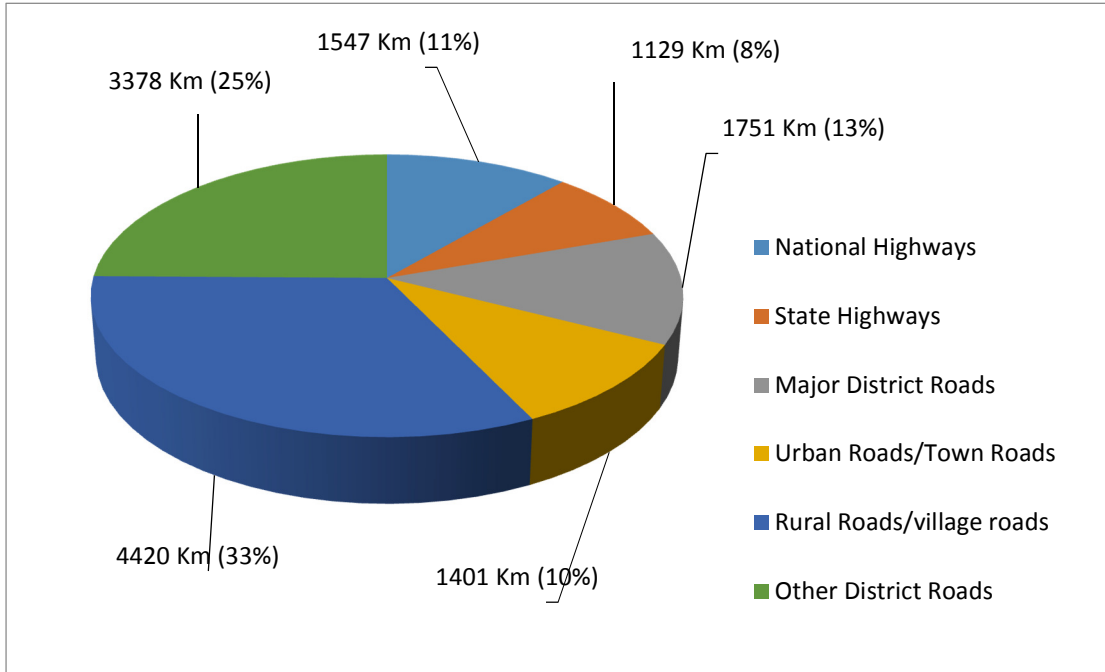
As per information furnished to audit, out of 130 projects taken up by the three departments, only 22 spilled over projects were completed. The progress of the remaining projects was stated to be as under:

- i. PWD (R&B): One spilled over project was under progress. Out of new five incomplete projects, physical progress was to the extent of 37 to 65 *per cent*.
- ii. Agriculture: Out of 81 incomplete projects, physical progress of the work was to the extent of 82 *per cent*.
- iii. Horticulture: Out of 21 incomplete projects, 90 *per cent* of the progress of works was reported as achieved.

2.4.2 Road and bridge Assets of Nagaland

Out of the total road length of 13,626 Km in the State, 440 km NH is managed by Border Roads Organisation while Public Works Department (Roads and Bridges), GoN manages State road network of 13,186 km. The category of total road asset network of the State is shown in the *Chart I*.

Chart I: Road Asset of Nagaland



Source: PWD (R&B) and National Highways.

2.4.3 Organisational Set-up

Finance Department, GoN is the Nodal Department for forwarding the projects proposals to NABARD, documentation, drawal of funds, repayments *etc.* The Planning and Coordination Department allocates the funds based on the proposals submitted by the departments. The implementing Departments are the Public Works Department (Roads and Bridges), Agriculture and Horticulture Departments.

2.4.4 Scope of Audit

The performance audit covered the period from 2013-14 to 2017-18. The records of the Finance Department, Planning and Coordination Department, Public Works Department (R&B), Agriculture Department and Horticulture Department were examined.

During the period 2013-18, 151 rural roads and 19 bridges (sanctioned length 496.80 km) under different tranches of RIDF (including 23 spilled over projects of Tranche XV³⁹ and XVI⁴⁰ pertaining prior to 2013) were sanctioned. These projects

³⁹ 17 projects were sanctioned of which none were completed prior to 2013.

⁴⁰ 6 projects were sanctioned of which none were completed prior to 2013.

were inclusive of 40 Agri link road projects to be executed in convergence with Mahatma Gandhi National Rural Employment Guarantee Scheme. However, these projects have been categorised as Non-starter projects⁴¹ by NABARD as these could not be commenced as per time lines prescribed by NABARD. The details of the remaining 130 projects are shown in the Table:

**Table-2.4.2
Details of projects approved and cost sanctioned by NABARD during 2013-18**

(₹ in crore)

Tranche	Year of sanction	Implementing departments	Projects		Sanctioned cost		NABARD share		State Share	
			Roads	Bridges	Roads	Bridges	Roads	Bridges	Roads	Bridges
XV (spilled over)	2009-10	PWD (R&B)	4	13	47.60	77.22	42.84	69.50	4.76	7.72
XVI (spilled over)	2010-11	PWD (R&B)	0	6	0.00	22.47	0.00	20.22	0.00	2.25
XIX (New)	2013-14	Agriculture	81	0	42.57	0.00	38.31	0.00	4.26	0.00
XXI (New)	2015-16	Horticulture	21	0	4.00	0.00	3.60	0.00	0.40	0.00
XXII (New)	2016-17	PWD (R&B)	5	0	36.00	0.00	32.40	0.00	3.60	0.00
Total			111	19	130.17	99.69	117.15	89.72	13.02	9.97

Source: Finance Department, Government of Nagaland.

Out of these 130 projects, 107⁴² new road projects involving ₹ 82.57 crore were sanctioned and 23 were the spilled over projects (four road projects and 19 bridge projects) from previous years involving ₹ 147.29 crore (**Appendix 2.4.1 and Appendix 2.4.2**). Out of 130 projects, 40 projects (15⁴³ road and bridge projects under PWD, 20 agriculture link road projects and five horticulture link road projects) were selected for audit through Probability Proportional to Size Without Replacement (PPSWOR) method.

2.4.5 Audit Objectives

The performance audit was carried out to assess whether:

- the loan amount made available to the Implementing agencies was used economically, efficiently and effectively;
- the execution of the projects was as per NABARD Guidelines and applicable technical specifications;
- the implementation of the projects under the Scheme achieved the desired results; and

⁴¹ A project will be considered as non-starter, if it is not grounded within 12 months from the date of issue of sanction letter, irrespective of whether the mobilization advance had been availed or not by the State Government.

⁴² Five road and bridge projects taken up by PWD, 81 Agri link road projects taken up by Agriculture Department and 21 Horti link road projects taken up by Horticulture Department.

⁴³ Including 4 ongoing, 6 spilled over and 5 completed works.

- the quality control and monitoring mechanism was adequate and effective.

2.4.6 Audit Criteria

Audit findings were benchmarked against the following source of criteria:

- Norms for selection of the projects prescribed by NABARD.
- Guidelines for selection/scrutiny of roads and bridges projects under NABARD scheme.
- Detailed project reports, standard specifications and contract conditions.
- Policy, guidelines and manner of implementation of the projects.
- Terms and conditions of NABARD loans.
- Quality control, project monitoring and evaluation system prescribed.
- Nagaland Schedule of Rates (SOR) for Roads & Bridges and Analysis of Rates.
- Indian Road Congress (IRC) specifications and specifications prescribed by Ministry of Road Transport and Highways (MoRTH).

2.4.7 Audit Methodology

The audit methodology comprised of an entry meeting (25 April 2018) with the officers of the NABARD, Nodal Departments and all implementing departments, requisition of records/documents, issue of questionnaires, examination of records/documents, issue of audit queries/observations, examination of replies to audit queries, issue of draft report to the Department. Joint physical verification of selected projects were also carried out and photographic evidence used, wherever relevant.

The draft Audit Report was issued (22 October 2018) to the State Government. The audit findings were discussed with the departmental authorities in an Exit Conference (11 December 2018) wherein representatives of NABARD were also present. The replies received and the views expressed by the Department during the Exit Conference have been appropriately incorporated in the Report.

2.4.8 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the Departments during the conduct of audit.

Audit findings

The audit findings are discussed in the following paragraphs.

2.4.9 Planning

2.4.9.1 Inadequate mechanism for proper identification of projects

As per clause 6.3 of RIDF guidelines, the Detailed Project Reports (DPRs) of the project proposals prioritized by the State Government were to be submitted to NABARD Regional office through the Nodal Department of the State Government. The projects should be technically feasible and financially viable and completed within 3-5 years.

Under the present system, project proposals submitted by the implementing Departments are initially placed before the High Power Committee (HPC) which is chaired by the Chief Secretary. The HPC is the highest body for project approvals and comprises of the Chief Secretary, Head of Finance, Planning and Coordination and Implementing Departments and General Manager (NABARD).

Examination of records of the Nodal Department and Implementing Departments revealed that the State did not prepare priority list of roads to be funded under NABARD. It was also observed that the technical and financial viability which are important parameters for any project proposals were not assessed/projected in the DPRs submitted to NABARD.

The PWD, accepting (December 2018) the facts, stated that the Guidelines for selection of projects will be complied with, in future while Horticulture and Agriculture Departments did not offer any comments on the issue (December 2018).

The reply was not acceptable as the projects were taken up without any infrastructure gap analysis and without assessing the technical feasibility and financial viability of the proposed projects.

Recommendation (33): The State Government should prepare realistic priority list of projects from the projects proposals which are technically and financially viable so that balanced and integrated economic development of rural areas in the State is achieved.

2.4.9.2 Delays in grounding of projects

As per the General terms and conditions of NABARD under RIDF, the State Government shall execute and complete the projects for which the loans are granted within such time as stipulated in the sanction letter. To ensure timely completion of project, NABARD fixed a timeframe for grounding of projects (a project would be treated as grounded when the work order was issued and the physical work commenced).

NABARD guidelines stipulated the time frame for implementation of projects as given below:

- a) Administrative Approval within one month from the date of in-principle sanction.
- b) Technical Sanction within three months from the date of sanction.

- c) Tendering within six months from the date of sanction.
- d) Issue of work order within nine months from the date of sanction.
- e) Grounding of project within twelve months from the date of sanction.

Examination of records of 130⁴⁴ projects revealed the following:

- 81 Agri link road projects were executed without obtaining Technical Sanction and without floating Notice Inviting Tenders (NITs).
- For five bridge projects, Administrative Approvals were accorded with delays of 48 months. As a result, the NITs were floated with a delay of 42 months and the issue of works orders was also delayed by 39 months.
- For one bridge project, the NIT was floated and works order issued before Administrative Approval was accorded.

The delays in floating of NITs and issue of work orders resulted in delays in commencement of projects which further led to time and cost overrun. The above cases indicated that implementing Departments were not serious about adhering to the timelines for execution of projects. The Government was also lacking in ensuring necessary compliance.

Recommendation (34): The implementing Departments need to ensure compliance of timelines stipulated in the Guidelines for execution of projects. In cases, where the works were executed without obtaining Technical Sanction and floating NITs, the departmental inquiry should be initiated to fix responsibility of erring officers.

2.4.9.3 Loan taken for a bridge project already constructed under another scheme

NABARD sanctioned ₹ 45.18 lakh for the “Construction of Muning bridge over Chuchuyimlang-Longjang road over Muning river” in tranche XV.

Examination of the records revealed that the Finance Department, Government of Nagaland released only ₹ 34.19 lakh to the Department whereas NABARD reimbursed ₹ 40.66 lakh. It was observed that the fund of ₹ 34.19 lakh was diverted for two other projects⁴⁵ approved by NABARD instead of taking up Construction of Muning bridge over Chuchuyimlang-Longjang road. On further examination in this regard, it was revealed that the bridge for which NABARD loan amounting to ₹ 40.66 lakh was availed, was already constructed with the loan assistance from Life Insurance Corporation of India (LIC). This indicated that the department submitted false and incorrect information to NABARD while submitting project proposals. Thus, in the absence of streamlined procedure on identification of projects, loan amounting to ₹ 40.66 lakh was availed from NABARD for the already constructed

⁴⁴ 28 Roads and Bridges, 81 Agri link roads and 21 Horti link roads.

⁴⁵ Construction of Baiely Bridge over Milak river between Mapunchuket and Khar (30 m) and Improvement of road from Chazouba to Gatashi (25 Km).

bridge for which a total interest⁴⁶ liability worked out to be ₹ 11.26 lakh, which was avoidable.

Thus, the following lapses had taken place due to ill planning and lack of due diligence by the authorities concerned:

- An already constructed bridge by obtaining loan from LIC was recommended for inclusion in the list of works for funding under RIDF, was a serious lapse on the part of recommending authorities.
- Above wrongly recommended bridge project was, further approved by authorities concerned without ensuring due diligence exercise indicating lack of planning.
- The action of NABARD in approving and financing this project, raises a serious question mark on the functioning of NABARD.

Thus, above lapses revealed total disregard for the system and financial rules calling for fixing of responsibility of the officials for their failure to act as per guidelines and rules.

On this being pointed out, the Department admitted in reply (August 2018) that the fund was diverted as the bridge had already been constructed by obtaining loan from LIC in 2005.

The reply was an admission of the facts that NABARD loan was availed on faulty DPRs and reimbursement was claimed on incorrect and inflated SoEs and drawal applications.

Recommendation (35): Action should be taken up against the erring officials besides filing an FIR into the case for further investigation. Besides, Government may order technical audit of the work in question through the Vigilance Department to find lapses committed in execution of work in question for fixing responsibility.

2.4.10 Financial Management

2.4.10.1 Financial Performance

NABARD provides loan assistance under RIDF to the maximum of 90 *per cent* of the cost of a project for rural connectivity at varying interest rates. Mobilisation advance/Start up advance at the rate of 30 *per cent*⁴⁷ of the RIDF loan sanctioned for the projects is released to State Governments within one year from the date of sanction and on acceptance of the terms and conditions of sanction by the State Government.

RIDF loans are to be repaid by the State Government in accordance with the repayment schedule prescribed by NABARD *i.e.*, in equal annual instalments within

⁴⁶ Interest has been calculated from the next subsequent month at simple rate of interest per annum as per the NABARD release orders upto December 2018.

⁴⁷ 30 *per cent* for NE States/Hill states and 20 *per cent* for other States.

seven years from the date of drawal including a grace period of two years. As per the general terms and conditions of NABARD loan, the State Government shall make adequate provision in the budget as may be required for smooth implementation of the sanctioned projects. An undertaking to this effect was also required to be provided by GoN to NABARD.

The details of fund released, expenditure incurred, reimbursement claimed and loan disbursed by NABARD during the period from 2013-14 to 2017-18 in respect of 107 new and 23 spill over⁴⁸ projects are shown below:

Table 2.4.3
Details of fund released, expenditure incurred, reimbursement claimed and reimbursed made by NABARD

(₹ in crore)

Year	Project cost ⁴⁹		Amount released by State Finance Department ⁵⁰			Expenditure			Amount claimed as per SOE (reported expenditure)	Amount reimbursed by NABARD
	NABARD	State	NABARD	State	Total	NABARD	State	Total		
2013-14	206.87	22.99	30.13	0.00	30.13	30.13	0.00	30.13	39.66	39.66
2014-15			21.96	0.00	21.96	21.96	0.00	21.96	24.00	24.00
2015-16			17.39	0.00	17.39	17.39	0.00	17.39	19.58	19.58
2016-17			15.81	0.00	15.81	15.81	0.00	15.81	14.50	14.50
2017-18			8.37	0.00	8.37	8.37	0.00	8.37	14.00	14.00
Total	206.87	22.99	93.66	0.00	93.66	93.66	0.00	93.66	111.74	111.74

Source: Sanction/release order, drawal authorities, drawal applications.

The following lapses in financial management were observed:

- Out of the reported expenditure of ₹ 111.74 crore, an amount of ₹ 7.48 crore remained parked (August 2018) in the Civil Deposit since September 2017 and March 2018 respectively. Thus, an interest liability of ₹ 37.60 lakh was created as funds were lying un-utilized in Civil Deposits.
- The State Government had neither provided fund in the budget nor released funds out of its share of ₹ 22.99 crore to the implementing departments during the entire period 2013-18.

The Finance Department stated during the Exit Conference (December 2018) that no fund was provided in the budget due to resource constraints.

The reply was not acceptable as the Finance Department had failed to exercise due diligence in its financial management thereby resulting in raising of loan without immediate requirement leading to avoidable interest liability of ₹ 37.60 lakh on the idle loan.

⁴⁸ Excluding expenditure made prior to 2013-14 on 23 spill over projects.

⁴⁹ Including spilled over projects sanctioned under Tranche XV (17 projects) and Tranche XVI (6 projects)

⁵⁰ Excluding Departmental charges (₹ 9.75 crore), work contract tax (₹ 0.85 crore) and an amount of ₹ 7.46 crore in Civil Deposits

2.4.10.2 Normative allocation of funds

The corpus of RIDF is normatively allocated to the States on the basis of prescribed criteria⁵¹. The State Government submits the proposal for the projects annually to NABARD along with DPRs. NABARD sanctions the amount on reimbursement basis except for the initial mobilisation advance @ 30 per cent⁵² of the RIDF loan sanctioned after satisfying itself with the criteria for the project selection. The loans from NABARD are interest bearing loans with repayment period of seven years.

During the period 2013-18, NABARD made a normative allocation of ₹ 290 crore for the State under RIDF against new projects. Against this, the State Government submitted project proposal for 147 projects (including 40 non-starter agri link road projects planned to be executed in convergence with MGNREGS) at an estimated cost of ₹ 101.33 crore. NABARD approved all these projects and sanctioned ₹ 84.44 crore (83 per cent of the project cost). The year-wise normative allocation of funds by NABARD under RIDF (Rural Connectivity), total cost of the projects proposed to NABARD and amount sanctioned for the period from 2013-14 to 2017-18 is given in the table below:

Table 2.4.4
Year-wise normative allocation, cost of projects proposed and sanctioned during 2013-18

(₹ in crore)

Year	Tranche	Normative Allocation by NABARD	Total cost of projects proposed to NABARD including State's share	Amount sanctioned by NABARD against the projects during the year
(i)	(ii)	(iii)	(iv)	(v)
2013-14	XIX	40.00	61.33	44.44
2014-15	XX	100.00	0.00	0.00
2015-16	XXI	50.00	4.00	4.00
2016-17	XXII	50.00	36.00	36.00
2017-18	XXIII	50.00	0.00	0.00
Total		290.00	101.33	84.44

Source: Information furnished by Finance and Planning Departments, Government of Nagaland.

Examination of records revealed that no project was sanctioned by NABARD during 2014-15 and 2017-18 as no project proposal/DPR was submitted to NABARD during these years by the Finance Department. Thus, the State Government could propose projects only for ₹ 101.33 crore against the normative allocation of ₹ 290 crore.

⁵¹ Normative Allocation is arrived at taking into consideration, i) rural population, ii) geographical area, iii) composite infrastructure development index, iv) utilisation index; and v) inverse of rural credit-deposit ratio.

⁵² Mobilisation advance 30 per cent for North Eastern & Hilly States and 20 per cent for other states.

The Finance Department, while accepting (December 2018) the facts, stated that no new projects were proposed as the implementing departments did not submit any proposals during the years 2014-15 and 2017-18.

However, 40 agri link road projects (project cost - ₹ 18.76 crore of which NABARD share ₹ 1.68 crore) to be executed in convergence with MGNREGS were categorised as Non-starter projects.

2.4.10.3 Irregular deduction of Departmental charges by the Finance Department

As per clause six of RIDF guidelines, only pre-appraisal expenses such as expenses incurred on project preparation, cost of technical surveys up to 0.50 *per cent* and contingencies up to a maximum of three *per cent* of civil works of the RIDF loan are permissible. NABARD also specifically conveyed in February 2006 that no provision for 13 *per cent* departmental charges should be incorporated in the DPRs. Any departmental charges which is purely administrative in nature will not be eligible for loans and the costs thereof shall be included in the State Government's share in addition to the mandatory share to be borne by the State.

Examination of records revealed that 13 *per cent* departmental charges (DC) were deducted by the Finance Department in projects implemented by PWD and Horticulture Department except by Agriculture Department. The year-wise deductions are given below:

Table 2.4.5
Details of departmental charges deducted by the Finance Department
(₹ in crore)

Year	PWD		Horticulture department		Total DC deducted
	Amount reimbursed by NABARD	DC deducted	Amount reimbursed by NABARD	DC deducted	
2013-14	30.66	3.53	0.00	0.00	3.53
2014-15	19.00	2.19	0.00	0.00	2.19
2015-16	14.00	1.61	1.08	0.12	1.73
2016-17	10.00	1.15	1.50	0.00	1.15
2017-18	10.00	1.15	1.00	0.00	1.15
Total	83.66	9.63	3.58	0.12	9.75

Source: Year-wise drawal authorities issued by the Nodal Department.

As seen from the table above, the Finance Department irregularly deducted ₹ 9.75 crore as departmental charges in contravention of the terms and conditions of NABARD. It was also observed that departmental charges were neither incorporated in the DPR nor included in the Utilisation Certificate/SoEs submitted to NABARD for reimbursement. This indicated that NABARD loan of ₹ 9.75 crore was irregularly deducted as departmental charges and utilised for purposes other than for which it was sanctioned. Thus, the irregular deduction of departmental charges resulted in

avoidable financial burden of ₹ 9.75 crore, which entailed interest liability amounting to ₹ 2.13 crore.

The Finance Department in reply stated (December 2018) that the deduction was made as per the directives of the GoN. It was, however, assured in the exit meeting to examine the matter.

The reply was not acceptable as deduction of departmental charges was not permissible under the provision of NABARD guidelines.

Thus, irregular deduction of departmental charges of ₹ 9.75 crore by the Finance department would lead to shortage of funds for the projects as estimated and planned.

It is, therefore, suggested that the remaining amount of project costs should be borne by the State Government so that the ongoing projects could be completed on time without compromising on the quality of works.

2.4.10.4 Excess expenditure on Consultancy fees above prescribed limit

As per clause 6.2.1 of the RIDF guidelines, pre-appraisal expenses such as expenses incurred on project preparation, cost of technical surveys is limited to 0.50 *per cent* of the RIDF loan sanctions, provided the same is outsourced.

Examination of records revealed that consultancy fees of ₹ 51.51 lakh were paid to a firm against four bridge projects implemented by the PWD as detailed below:

**Table 2.4.6
Details of the consultancy fees paid during 2013-18**

Sl. No.	Name of the Project	Year of Sanction	Approved Cost (₹ in lakh)	Name of the firms	Prescribed limit (0.5 per cent of col 4) (₹ in lakh)	Amount paid (₹ in lakh)	Excess (₹ in lakh) (col 7 – col 6)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
1	Construction of RCC bridge over River Chathe behind Hollohon's Farm (Span 30.0 m)	25.03.2010	546.00	M/s Nohol & Sons, Kohima	2.73	10.00	7.27
2	Construction of RCC bridge over Chiederu river (Span 30.0 m)	25.03.2010	576.00		2.88	14.61	11.73
3	Construction of RCC bridge over Dzudezu-u river (Span 30.0 m)	25.03.2010	579.00		2.90	14.29	11.39
4	Construction of RCC T-Beam girder Double lane bridge over Zaru river on NH-39 Mima village-Chakabama road	25.03.2010	645.00		3.22	12.61	9.39
TOTAL			2346.00		11.73	51.51	39.78

Source: PWD (R&B) Department figures.

As seen from the above table, the permissible limit on project preparation, cost of technical surveys was ₹ 11.73 lakh whereas the PWD paid ₹ 51.51 lakh to the firm as consultancy fees which was not permissible. This also resulted in excess expenditure of ₹ 39.78 lakh.

The Department in reply (December 2018) stated that the consultancy fees were paid from NABARD loan as the State Government did not have sufficient fund.

2.4.10.5 Raising of loan without actual requirement leading to creation of avoidable interest liability

NABARD loan under RIDF carries certain interest liabilities and the State Government is expected to exercise due prudence in taking loan from NABARD.

However, as pointed out in the preceding and succeeding paragraphs, loans were also raised for a bridge project already executed works, deduction of departmental charges and execution of projects in contravention of NABARD guidelines which led to creation of interest liability as discussed below:

- Loan of ₹ 40.66 lakh was reimbursed for a project “Construction of Muning bridge over Chuchuyimlang-Longjang road over Muning river” in tranche XV, which was already constructed by obtaining loan from Life Insurance Corporation of India in 2005, thereby creating an interest liability of ₹ 11.26 lakh as pointed out in **Paragraph 2.4.9.3**.
- Excess projection of 5.06 crore after reduction of road length led to reimbursement of excess loan from NABARD and additional interest liability amounting to 1.18 crore {(**Paragraph 2.4.11.2 (ii)**}.
- The deduction of departmental charges also avoidable financial burden of ₹ 9.75 crore which entailed interest liability amounting to ₹ 2.13 crore (**Paragraph 2.4.10.3**).
- Excess projection of ₹ 62 lakh against the project “Construction of Bailey bridge over Milak river between Mopungchuket and Khar” led to seeking reimbursement of excess loan from NABARD and additional interest liability of ₹ 26.46 lakh (**Paragraph 2.4.11.6**).

2.4.11 Execution of projects

2.4.11.1 Status of projects

The status of the 107 new projects taken up during the period 2013-18 is given in the Table:

Table 2.4.7
Statement showing details of projects sanctioned during the period 2013-18
(₹ in crore)

Sl. No.	Name of project	Sanctioned cost	Expenditure	Amount Reimbursed	Stipulated date of completion	Delay (Months as on December 2018)	Reasons for delay
1	Tranche XIX (81 Agri link roads)	42.57	24.50	24.50	31.3.2017	21	The State Government did not release its share.
2	Tranche XXI (21 Horti link roads)	4.00	3.58	3.58	31.3.2018	9	The State Government did not release its share.
3	Tranche XXII (5 road projects) (PWD(R&B))	36.00	19.10	19.10	31.3.2019	NA	The status of the projects were verified only upto September 2018.
Total		82.57	47.18	47.18			

Source: Departmental figures.

The status of the 111 roads and 19 bridges projects (including spill over projects) under different tranches as on March 2018 is given in **Appendix 2.4.2**.

The following irregularities in completion of projects were observed:

➤ PWD (R&B) took up 28 Roads and Bridges projects⁵³ at an approved cost of ₹ 202.45 crore from 2009-10 onwards. Out of these, the Department reported 22 projects as complete and six projects as ongoing as on March 2018. Examination of Measurement Books (MBs) of 14 projects in the selected divisions revealed that, 10 projects were complete and four projects were ongoing. It was, however, observed that, two⁵⁴ out of the 10 projects reported as complete were yet to be completed. This fact was corroborated during the joint verification carried out in July 2018. This indicated that false and factually inaccurate reports were being submitted raising a question mark on the integrity of officials concerned which calls for fixing of their responsibility.

The Department while accepting (December 2018) the facts, stated that some projects could not be completed due to non-release of the State share.

The reply was not relevant to the audit point raised above. It also indicated that the Department was not serious in taking up the project but was rather inclined only to obtain the loan. Under these circumstances, Government needs to put in place strict monitoring mechanism and fix responsibility after investigating the matter.

➤ In Agriculture Department, NABARD approved 121 agriculture link road projects during the period 2013-18 of these 40 projects had been categorised by NABARD as Non-starter projects while 81 projects at an approved cost of ₹ 42.57 crore were taken up for implementation to be completed by March 2017. Out of ₹ 42.57 crore sanctioned by NABARD, the share of NABARD was ₹ 38.31 crore. The NABARD had reimbursed ₹ 24.50 crore which was also released to the Department by the Government till 2017-18. However, the State Government did not release its matching share of ₹ 4.26 crore. This resulted in delay in completion of all 81 projects even after expiry of the stipulated date of completion thereby denying the benefits of the projects to the beneficiaries.

The Department stated in reply (December 2018) that the projects could not be completed due to non-release of State's share.

The reply was not acceptable as the reimbursement claim was submitted certifying that the State share had already been released and spent against the projects.

2.4.11.2 Deficient preparation of Detailed Project Reports

As per clause 6 of RIDF guidelines, project lending entails submission of DPRs containing technical and financial parameters, drawings, maps *etc.*, submitted by the Implementing Departments. The cost estimates of projects should be as per the latest

⁵³ 9 Roads and 19 Bridge projects (Table 2.4.1 refers)

⁵⁴ Construction of road from Satakha to Ghukhiye via Momi and Improvement of road from Botsa to Chakhabama via Gariphema, Kijumetouma & Dihouma

Schedule of rates (SoR)/Market rates and should be prepared after detailed field survey.

Further, as per clause 19 of the guidelines *ibid*, the State Government should ensure that the project is completed as per the approved technical design, cost estimates and specified time schedule. In case, any deviation is required, the State Government shall inform NABARD in advance, justifying the need for the change.

Examination of the DPRs in respect of 20 Agriculture link roads, five Horticulture link roads and 15 roads and bridges projects revealed the following as discussed below:

(i) DPRs for 20 Agriculture link road projects, two road projects and four bridge projects were revised without the approval of NABARD. It was observed that the projects were executed based on working estimates prepared by the implementing departments instead of the approved DPRs.

(ii) In eight out of 15 approved projects, the specification of the roads and bridges were reduced by 2.645 Km without the approval of NABARD as detailed in the Table:

Table 2.4.8
Details of eight projects where specifications were changed during execution

Sl. No.	Name of the Project	Department	Detailed Project Report (DPR)		Working Estimates		Reduction as per records		Actual admissible cost after reduction (Col v/iv X Col vi) (₹ in crore)
			Length (in Km)	Civil Works (in crore)	Length (in Km)	Civil Work (in crore)	Length	Cost (₹ in lakh)	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
1	Construction of RCC bridge over Dzudezu-u river (Span 30.0 m)	PWD (R&B)	0.030	5.76	0.016	5.24	0.014	52.71	3.07
2	Construction of RCC bridge over Chiederu river (Span 30.0 m)	PWD (R&B)	0.030	5.36	0.016	5.35	0.014	0.31	2.86
3	Construction of Road from Kade to Sazu Rock viz Khrukru (length 10 kms.)	PWD (R&B)	10.000	4.71	8.000	4.71	2.000	0.00	3.77
4	Construction of RCC T-Beam Girder Bridge over River Dishakapu near ARTC, Dimapur	PWD (R&B)	0.030	4.59	0.023	4.59	0.007	0.00	3.52
5	Agri-Link Road L Khel to Bie Khruzie , Kohima	Agriculture	3.200	0.43	3.180	0.43	0.020	0.00	0.43
6	Agri-Link Road Takiezam, Peren	Agriculture	3.500	0.47	3.390	0.46	0.110	1.03	0.46
7	Agri-Link Road Poilwa-New, Peren	Agriculture	3.500	0.45	3.050	0.45	0.450	-0.12	0.39
8	Agri-Link Road Saijang to Vonkithen, Peren	Agriculture	3.200	0.41	3.170	0.40	0.030	0.48	0.41
TOTAL			23.490	22.18	20.845	21.63	2.645	54.41	14.91

Source: Departmental figures.

As seen from the table above, against the target to execute 23.490 Km (₹ 22.18 crore) of road as per approved DPR, the departments reduced the length to 20.845 Km (₹ 21.63 crore) while recasting the estimates and reduced the cost by ₹ 54.41 lakh.

Detailed analysis of the value due to reduction of the length of the road by 2.645 Km revealed that:

➤ The total cost for construction of 20.845 Km as per applicable rates should have been reduced by ₹ 6.72 crore instead of ₹ 54.41 lakh with the total cost limited to only ₹ 14.91 crore.

➤ NABARD had reimbursed ₹ 18.48 crore which was in excess of the actual requirement by ₹ 5.06 crore (₹ 18.48 crore - ₹ 13.42 crore⁵⁵). Therefore, the departments obtained NABARD loan in excess of requirement leading to additional interest liability to the State Government amounting to ₹ 1.18 crore⁵⁶.

Besides, Audit noticed that the specifications were changed without informing or obtaining NABARD approval.

The PWD while accepting the facts, stated that there were variations in some items of works which were as per the actual site requirement.

The reply of the Department corroborates the facts that the projects were taken up without adhering to the provisions of RIDF guidelines and also without conducting detail field surveys.

(iii) In respect of Agriculture link road projects, the index map/site plan indicating the specific location of starting and end points of the road in the DPRs of the projects were not indicated. The project site locations were based on the names of villages only and therefore, the actual length and stretch of works executed, could not be identified from the approved DPRs. Therefore, the exact location where the works were taken up could not be authenticated in Audit.

The Department while accepting the fact stated that GPS was not available with the Department while framing the DPR in 2013-14.

The reply of the Department corroborates the facts that the projects were taken up without adhering to the provisions of RIDF guidelines and also without conducting detail field surveys.

2.4.11.3 Incorrect projection of work in the DPRs

The DPR for “Upgradation of road from Mhaikam to Jalukie” at the cost of ₹ 7.00 crore for 17 Kms was approved by NABARD (October 2016). The entire stretch of road was to be covered with prime coat, tack coat, open graded pre-mix carpet and seal coat for ₹ 2.43 crore.

During joint verification (August 2018) of the project, it was observed that the actual length of the road was 16.200 Km out of which 4.400 Km of the road from Pimla junction to Mhaikam was already black topped through funds from Special Plan Assistance (SPA). The implementing agency therefore exaggerated the length of the road by 5.200 Km (₹ 74.32 lakh) to obtain more loan from NABARD.

⁵⁵ 90 % of ₹14.91 crore.

⁵⁶ Percentage of ₹ 5.06 crore over ₹ 18.48 crore is ₹ 27.38. So, 27.38 per cent of ₹ 4.30 crore (interest liability of ₹ 18.48) equals ₹ 1.18 crore has been taken as interest liability of ₹ 5.06 crore.

The Department in reply stated (December 2018) that 4.40 Km length of road taken up under SPA was badly damaged due to the Railway project works.

The reply that the road was badly damaged by the railway project is factually incorrect and not acceptable as the stretch of road (4.40 Km) constructed under SPA was found in good condition (**photograph below**) during joint verification.

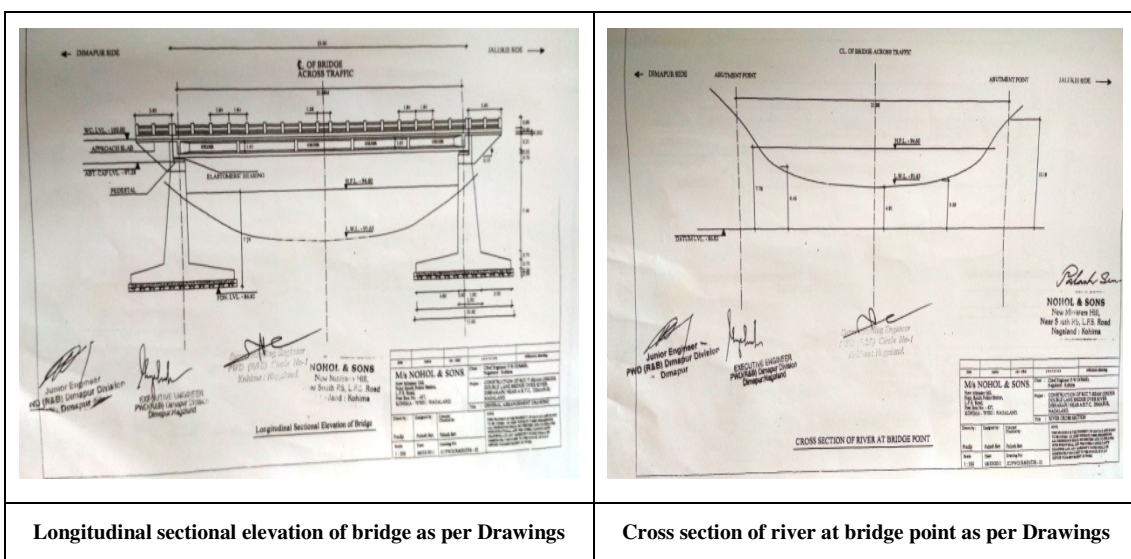


View of a road section: Maikham junction to Pimla function (10 July 2018)

2.4.11.4 Defective DPR leading to Idle loan

NABARD sanctioned a project “Construction of RCC T-beam girder bridge over river Disakapu near ARTC, Dimapur” at an estimated cost of ₹ 4.67 crore during 2011-12. The work commenced in July 2015 and reported as complete in January 2018 after incurring an expenditure of ₹ 4.18 crore.

Examination of DPR and the drawings revealed that abutment points of the bridge from both sides of the road (Dimapur and Jalukie) were aligned according to the gradient of the existing roads as shown below:





Longitudinal sectional elevation of bridge as per Drawings

Cross section of river at bridge point as per Drawings

Joint verification of the project (July 2018) however, revealed that the completed bridge was not connected with the existing road from either ends. The bridge

therefore, could not be put to meaningful use for the purpose. The photographs are shown at next page.

	
<p>View of the bridge from the ARTC side along with the approach road which is very low to be connected with the bridge (26 July 2018)</p>	<p>Side view of the Bridge (26 July 2018)</p>

This indicated that the DPR was prepared without conducting proper survey and spot verification which rendered the expenditure of ₹ 4.18 crore unfruitful.

The Department while accepting (December 2018) the facts, stated that it was due to the change of the bridge point owing to site problems and the working estimates for the approach road had now been prepared.

The reply was an admission of the facts that the DPR was prepared without ascertaining the actual requirements in contravention of clause 6 of the RIDF guidelines in respect of preparation of DPRs.

2.4.11.5 Awarding of works without prescribed tendering process

As per clause 6 of the general terms and conditions of NABARD, tendering process should be followed for selection of the contractors/firms and the Government should strictly adhere to the following stipulations as a pre-qualification requirement while selecting the Contractors/Firms.

- a) Satisfactory track record of the Contractor/ Firm,
- b) Adequate net worth of partners in relation to the project cost proposed to be undertaken,
- c) Banking facilities/ credit limits availed by the contractor/ firm should be adequate enough for smooth and timely execution of the project,
- d) Experience of the similar projects executed earlier,
- e) Firm/ contractor not blacklisted earlier, and
- f) E-tendering should be introduced for projects outlays above ₹ 25 lakh from 2013- 14, ₹ 15 lakh from 2014-15 and ₹ 10 lakh from 2015-16 respectively.

Examination of records revealed the following:

- The Agriculture Department awarded 81 agriculture link road projects to private individuals and firms based on applications received from them without observing the prescribed procedure.
- In Horticulture Department, Notice Inviting Tender was issued in July 2016 for 21 Horticulture link road projects. It was, however, observed that the private individuals/firms were already pre-decided through recommendation by the Parliamentary Secretary in April 2016. This indicated that the process of tendering was only a formality.

Thus, the action of the Horticulture Department for issuing work order to individual/firms based on the recommendation of the Parliamentary Secretary was against the provisions of the terms and condition of NABARD guidelines.

- E-tendering was not introduced by the Government in all the 147 new projects taken up during 2013-14 to 2017-18.

The departments while accepting the facts (December 2018), stated that E-tendering shall be introduced for future projects.

The replies of the aforementioned departments were not acceptable as the projects were awarded to private individuals and firms on the recommendation of the Parliamentary Secretary in contravention of the prescribed guidelines.

Recommendation (36): Action needs to be initiated against the erring officials for not following the prescribed procedure in awarding works and responsibility of the officials involved may be fixed.

2.4.11.6 Execution of projects in contravention of NABARD guidelines

As per terms and conditions of NABARD, the State Government shall ensure that the project is completed as per the approved technical design, cost estimates and specified time schedule. In case if any deviation is needed for such changes, the State Government shall inform NABARD in advance, justifying the need for such changes. Further, clause 2 of NABARD guidelines for preparation of DPR of Roads and Bridges projects inter-alia envisaged that the detailed estimate of road/bridge should be submitted. The estimates should be prepared based on the current SSR applicable for the year of project formulation. The estimate should normally be prepared based on the actual survey, investigation and design for the particular road or bridge project.

Examination of records and joint verification of projects revealed instances of execution of projects without the approval of NABARD as discussed below:

- NABARD sanctioned “Construction of Bailey bridge over Milak river between Mopungchuket and Khar” at an approved cost of ₹ 2.56 crore in tranche XVI. Out of the approved cost of ₹ 2.56 crore, the Department projected ₹ 1.28 crore in the DPR for steel deck bailey bridge (excluding civil works). It was however, observed that the supplier was paid the full amount of ₹ 66.20 lakh for supply of steel deck bailey bridge. This resulted in excess projection of ₹ 62 lakh. It was further observed that out of the excess fund of ₹ 62 lakh, the Executive Engineer (EE), PWD

Mokokchung diverted the fund for taking up the project “Construction of culvert and widening of road” at a cost of ₹ 50.03 lakh without the approval of NABARD.

The Department while accepting (December 2018) the facts, stated that ex-post facto approval shall be obtained from the NABARD.

The reply was not acceptable as there is no such provision mentioned in the NABARD guidelines for obtaining ex-post facto approval. The action of the Department in submitting faulty DPR tantamounted to misleading the State Government which not only led to seeking excess re-imbursement of loan from NABARD but also involved interest liability of ₹ 26.46 lakh.

➤ The Department took up Construction of road from Satakha to Ghukiye via Momi was taken up at an approved cost of ₹ 14.38 crore in tranche XV. It was observed that against the re-imbursement of ₹ 12.94 crore from NABARD, the implementing agency paid ₹ 8.40 crore to the contractor. Detailed examination of the DPR and MBs and running account bill of the project revealed that, the department paid ₹ 1.68 crore for execution of three items of work in excess of the approved quantity of work without obtaining prior approval of NABARD. The Department also executed two items of works valued for ₹ 22.95 lakh not included in the approved DPR and also without obtaining prior approval of NABARD. The details of excess execution of works over the approved quantities are given in the Table:

**Table 2.4.9
Difference in item of works between DPR and MB**

(Amount in ₹)

Sl. No.	Item of work	Unit	To be executed as per DPR			Executed as per 5th RA & MB		Excess	
			Quantity	Rate (SOR 2008)	Amount	Quantity	Rate (SOR 2008)	Quantity (col vii – col iv)	Amount (col ix X col. viii)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
1	Construction of embankment, roadway cutting and evacuation of other structures graded and compacted to meet requirement of table 300-2.	cum	141093	176	24832347	161414	176	20321	3576496
2	Excavation in ordinary rock by mechanical means	cum	22366	223	4987562	36686	223	14320	3193360
3	Excavation of roadway in hard rock requiring blasting with rock breakers	cum	1320	500	660000	21399	500	20079	10039500
Total (A)									16809356
4	Clearance landslide	cum	0			17736.66	64	17737	1135168
5	Surface drain in soil by mechanical means	m	0			20000.00	58	20000	1160000
Total (B)									2295168
Grand Total (A+B)									19104524

Source: DPR and MB.

Thus, it is evident that the department had arbitrarily changed the specification and scope of works defeating the purpose of requirement for preparation of DPR on which re-imburement were claimed/sanctioned by NABARD.

The Department while accepting (December 2018) the facts, stated that ex-post facto approval would be obtained from the NABARD.

The reply was not acceptable as there is no such provision mentioned in the NABARD guidelines for obtaining ex-post facto approval. It also indicated that the DPRs were prepared without conducting proper survey and assessing the actual requirements in contravention of NABARD guidelines for preparation of DPR of Roads and Bridges projects.

➤ NABARD approved ₹ 43 lakh for the construction of “Moayimti Agri link road at Moayimti village”, The implementing agency prepared working estimates for following items of works for ₹ 51.17 lakh without obtaining approval from NABARD as detailed in the Table:

Table 2.4.10
Statement showing items of works to be executed and actual execution

Sl. No.	Items	Quantity to be executed as per Working Estimates	Executed as per MBs	Actual Executed	Rate (in ₹)	Difference	Amount (in ₹)
1	Survey and Leveling	3000 metre	0	0	158 per metre	0	0
2	Cutting of trees						
(a)	300 to 600 mm dia girth (in numbers)	245	232	232	352 per piece	0	0
(b)	600 to 900 mm dia girth (in numbers)	68	109	109	416 per piece	0	0
(c)	900 to 1800 mm dia girth (in numbers)	0	62	62		0	0
3	Clearing and grubbing road land	3200 metre	3200 metre	1000	33.58 per metre	2200	73876
4	Formation cutting of the road	3200 metre	2600 metre	1000	151 per cum	1600	241600
5	Construction of unlined surface drains	3200 metre	3180 metre	0	59 per metre	3180	187620
6	Construction of Hume pipe Culvert						
	600 mm diameter (4 Numbers)	4 Number	4	0	200000	4	800000
	900 mm Diameter (2 Numbers)	2 Number	2	0	250000	2	500000
TOTAL							1803096

Source: Working estimate, MBs.

Joint verification of the project (July 2018) revealed that instead of executing five approved items of works for ₹ 18.03 lakh, the implementing agency executed carpeting of one Km village road which was not approved by NABARD. The Department could neither furnish nor state the source of fund from which the additional fund of ₹ 8.17 lakh was met (₹ 51.17 lakh - ₹ 43 lakh).

The Department stated (December 2018) during the exit meeting that the work was executed on request by the villagers.

The reply was not acceptable as the work for carpeting of one kilometre village road was not sanctioned by NABARD but it was executed arbitrarily without obtaining approval of NABARD.

➤ NABARD approved a project “Improvement of Road from Botsa to Chakabama via Gariphema, Kijumetuma & Dihoma” at a cost of ₹ 9.62 crore based on the DPR submitted by the Department during 2009-10 in tranche XV. NABARD had reimbursed ₹ 8.66 crore against the project, out of which the implementing division received only ₹ 4.76 crore from the Finance Department for the project. This indicated that the re-imbursement of ₹ 3.90 crore was obtained from NABARD inflating the SOEs without the actual requirement. It was also observed that out of the amount received by the implementing agency, an amount of ₹ 85.32 lakh was irregularly diverted for clearance of past liability without obtaining prior approval from NABARD. This indicated that false and incorrect information were furnished to NABARD and the re-imbursement policy as prescribed by NABARD was also not followed.

The Department while accepting (December 2018) the facts, stated that the entire fund reimbursed by NABARD was released to the Department but ₹ 3.90 crore was not released to the implementing division and re-appropriated for other projects.

The reply was an admission of the facts that the State Government had obtained re-imbursement from NABARD based on faulty and incorrect DPRs inflating the SOEs. It clearly indicated that the estimates were prepared without conducting field survey and investigation in contravention of NABARD guidelines.

2.4.11.7 Irrelevant Defect liability

As per general terms and conditions of NABARD, the State Government shall incorporate a clause in the tender that the contractors/firms shall be responsible for the defect liability period preferably for three years and in no case less than two years after the projects are commissioned/completed.

Examination of records revealed that Agriculture Department had not issued any NIT for selection of contractors/firms. In NITs issued by PWD and Horticulture Department, defect liability periods of one year and six months respectively were included in the terms and conditions of the NITs. The defect liability periods were not relevant in respect of Agri link road projects as NIT was not floated and in Horticulture and PWD, the defect liabilities were less than the prescribed norms of NABARD.

Recommendation (37): The departments should consider inclusion of clause of defect liability for a period not less than two years in respect of all the projects being undertaken through NABARD assistance to guard against incurring of expenditure in case, any defects are noticed in the execution of works during defect liability period.

2.4.11.8 Payment without execution of work

The project “Construction of road from Shitoi to Akito (12 Kms)” under RIDF- XXII was taken up at an approved cost of ₹ 6.00 crore by the Executive Engineer, Dimapur division. Examination of records revealed that the contractor was paid ₹ 2.35 crore in two instalments. It was however observed from the MB and the Running Account bill that the contractor had actually executed works valued only for ₹ 1.29 crore (June 2017) out of which payment was limited to ₹ 98.23 lakh. Subsequently, the contractor was paid ₹ 1.37 crore (April 2018) through hand receipt without recording the actual execution of works in the MB and running account bills. This resulted in undue payment of ₹ 1.06 crore (₹ 2.35 crore - ₹ 1.29 crore) without actual execution of work.

This fact was also confirmed during joint verification of the project (July 2018) which revealed actual execution of works in 3.50 Km stretch of the road only.

The Department while accepting (December 2018) the facts, stated that the irregularity committed by the Division shall be rectified and regularised.

The reply was not acceptable as the amount payable to contractor for the works actually executed was only ₹ 31 lakh and thus, the excess payment made was needed to be recovered. Moreover, Department was silent on whether it was contemplating to initiate action against officials concerned for their wilful inaction leading to excess payment.

Recommendation (38): The Government should recover the undue payment of ₹1.07 crore made from the contractor with interest and responsibility be fixed on the officials concerned for extending undue financial benefits.

2.4.11.9 Execution of works deviating from specifications

To ascertain compliance to NABARD guidelines and applicable technical specifications, joint verification of 40 projects was conducted during July and August 2018 as detailed below:

Table 2.4.11

Details of projects covered in the audit and physically visited

Sl. No.	Department	Number of Projects covered in Audit period	Number of Projects physically visited	Percentage
1	PWD (R&B)	28	15	54
2	Horticulture	21	5	24
3	Agriculture	81	20	25
TOTAL		130	40	31

The results of joint verification conducted are discussed below.

(i) Un-executed items of work

As per records, all items of work in respect of 10 projects comprising of 219 items of works were reported as complete and ₹ 60.80 crore was paid. During joint verification (July and August 2018), it was however observed that 63 out of 219 items⁵⁷ of work for ₹ 5.14 crore remained unexecuted (***Appendix 2.4.3***). This resulted in payment of ₹ 5.14 crore without actual execution of works.

The PWD while accepting the facts stated in reply, (December 2018) that, out of 61 items of works, 11 items of works (₹ 1.47 crore) were not executed and nine items of work (₹ 0.74 crore) out of 50 items of works (₹ 3.67 crore) executed were damaged due to landslides. The Horticulture Department did not offer any comment.

The reply was an admission of the facts that payment of ₹ 1.47 crore was paid without actual execution of works which was irregular. Besides, 41 items of works reported as executed could not be verified /shown to audit during the joint verification conducted by audit team and the representative of the department and thus, raises questions on the actual execution of work leading to embezzlement of Government money which needs to be investigated.

(ii) Short execution of works

The implementing departments recorded completion of all items of work in respect of 19 projects⁵⁸ in the MBs (***Appendix 2.4.4***) and paid ₹ 6.41 crore. During joint verification (July and August 2018), it was observed that 32 (₹ 3.15 crore) out of 97 items⁵⁹ of works in 19 projects were short executed.

The PWD while accepting the facts, stated (December 2018) that four items of works were executed completely while the Agriculture and Horticulture Departments did not offer any comment.

The reply was not acceptable as it was observed in six cases that bills were passed by the DDOs on the basis of fictitious entries in the MBs which were certified by Engineers without actual execution of works.

Recommendation (39): The Government should carry out thorough investigation into the matter and take appropriate action against the officials responsible for facilitating payment without ensuring actual execution of works.

2.4.11.10 Fictitious project

The project “Construction of horticulture link road at Vihokhu village to Old Vihokhu village” was sanctioned (March 2016) for an amount of ₹ 10.00 lakh. Examination of records revealed that out of the amount sanctioned, an amount of ₹ 9.00 lakh was paid to the contractor for execution of the horticulture link road. The implementing department reported (November 2016) completion of the project. However, the

⁵⁷ PWD (R&B) – 60 and Horticulture – 2

⁵⁸ Agriculture – 13, Horticulture – 3 and PWD (R&B) - 3

⁵⁹ Agriculture – 3, Horticulture – 19 and PWD (R&B) - 10

District Horticulture Officer, Dimapur could not locate and show to audit the location of the project where it was actually constructed during joint verification (August 2018). This indicated that the project was not taken up but payment of ₹ 9 lakh was fictitiously made to the contractor.

During Exit Conference, the Special Secretary (Finance) assured to examine the matter, the outcome thereof would be awaited.

Recommendation (40): The Government should carry out thorough investigation and fix the responsibility on the erring official besides effecting the recovery.

2.4.12 Non display of Project Board

As per clause 25 of the general terms and conditions of NABARD, the implementing Department shall arrange to display prominently at the project site the physical and financial details of the projects financed in local language/Hindi/English understandable to the layman with NABARD's name.

The prescribed format of the display board is given below:

ANNEXURE - IV

Specimen of the Project Board

RIDF Project


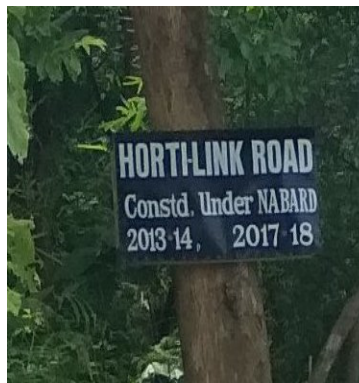

- ❖ Implemented by (Department) :
- ❖ Project Name :
- ❖ Location :
- ❖ RIDF Tranche :
- ❖ Project Code :
- ❖ Project Cost :
- ❖ NABARD Loan :
- ❖ Date of Commencement :
- ❖ Scheduled date of completion :
- ❖ The Contractor :

Note :

- . The minimum size of the Board may be 6' x 4'
- . Letters in Black Colour against Yellow background
- . The Project Board may be displayed prominently

Specimen of the Display Board

Joint verification of the projects (June to August, 2018) revealed that display boards were found erected in respect of only one Agriculture link road project out of 20 projects, three Horticulture link road projects out of six project and two projects out of 14 roads and bridges projects. However, the display boards found during joint verification, were not as per the specimen given in the NABARD sanction letters as shown in photographs.

		
<p>Display Board (Agriculture link road) (18 July 2018)</p>	<p>Display Board (Horticulture link road) (19 July 2018)</p>	<p>Display Board (Roads and Bridges) (03 July 2018)</p>

2.4.13 Non assessment of socio-economic outcomes of completed projects

NABARD assisted RIDF projects of rural connectivity aims to promote socio-economic development of rural areas. As per NABARD guidelines, the State Government was to assess the potential created for generation of income and employment in areas where the projects have been executed and the same was to be reflected in its project completion reports to be submitted to NABARD. In its evaluation studies, NABARD had laid down some illustrative parameters for evaluating the projects such as improvement in access to education and health facilities, reduction in school dropout rates, increase in financial inclusion, etc.

Since inception of NABARD assisted RIDF upto June 2018, the loans sanctioned and disbursed to the State were ₹ 700.18 crore and ₹ 534.03 crore respectively. Out of these, the loans sanctioned to the State under rural connectivity (Rural roads and Rural bridges) was ₹ 361.03 crore (52 per cent to the total NABARD sanction).

The implementing Departments stated that outcome or impact evaluation was not conducted for any of the projects in the respective departments. In absence of such assessment, audit could not comment on the impact of the RIDF projects in reaping socio-economic benefits in the State.

2.4.14 Quality control mechanism

As per clause 23 of the general terms and conditions of NABARD, the Project Implementing Authority shall undertake desk/field monitoring and quality control test as per the internal instructions/manual of Implementing Department. The reports of the inspecting officer/quality control test and compliance thereto shall be retained on record by the Project Implementing Division. This report shall be made available to NABARD whenever required. In order to ensure quality assurance, the contractors are required to prepare a quality assurance plan and get the same approved from the Engineer-in-charge within one month from the date of work order. The quality of the work was to be properly documented through certificates, records, check-lists and log books of results. Such records were to be compiled from the beginning of the work and were required to be continuously updated and supplemented by the contractor.

Examination of records revealed that the contractor/firms had not submitted any quality assurance plans for any of the rural connectivity projects taken up under RIDF.

On being pointed out, the Horticulture and Agriculture Departments stated that quality control check on NABARD- RIDF projects was not done as the nature of work was earth work only. PWD also stated (December 2018) that the quality of the work was not properly documented through certificates, records, check-list and log books, which will be maintained in future.

The reply was not acceptable as the terms and conditions of NABARD clearly envisaged for field monitoring and quality control test which were not followed by the implementing departments.

2.4.15 Monitoring mechanism

2.4.15.1 Lack of monitoring by High Power Committee (HPC)

As per NABARD Guidelines, the State Government was required to constitute a High Power Committee (HPC) under the Chairmanship of Chief Secretary of the State comprising of heads of all implementing Departments and representative from NABARD to review the progress of the project quarterly.

Examination of the minutes of the HPC, revealed that out of the required twenty review meetings to be held during the five years 2013-14 to 2017-18, the committee met only five⁶⁰ times during the period.

During exit conference, it was stated that the quarterly HPC meeting could not be held due to pre-engagement of Committee members. However, it was assured (December 2018) to initiate HPC review meetings regularly as per the Guidelines.

The reply was not convincing as even the five review meetings which were held did not focus much on reviewing the progress of the projects and also did not offer remedial measures.

2.4.15.2 Non constitution of District Level Review Committees (DLRC)

As per NABARD Guidelines, the District Level Review Committees with the Chief Executive Officer, Zilla Panchayat as Chairman, representative from NABARD and officials concerned from the implementing Departments as Members, will be formed to review the progress of the projects at the district level.

Examination of records revealed that no such Review Committees was constituted at the district level. Thus, the review of the progress of the projects at the district level was not done.

2.4.15.3 Submission of Project Completion Report

NABARD guidelines provides that Project Completion Report (PCR) in prescribed format along with photographs were to be submitted to NABARD within a month of

⁶⁰ 1 (2014-15), 2 (2015-16), 1 (2016-17) and 1 (2017-18)

completion of the project. Examination of records revealed that the implementing departments did not maintain any PCR for 81 agriculture link road projects and 21 horticulture link road projects which were stipulated to be completed by March 2017 and March 2018 respectively. In respect of projects taken up by PWD, project completion certificates of two projects sanctioned under tranche XV were furnished to audit. However, no supporting documents for submission of PCRs to NABARD were furnished to audit. Thus, the fact remains that the implementing departments had completely failed in their duties towards preparation and submission of PCRs. Further, NABARD had not taken any stringent measures to ensure submission of PCRs.

2.4.15.4 Lapses on the part of NABARD

The role of NABARD towards successful implementation of RIDF projects is manifold. As per guidelines, NABARD is required to monitor the progress of the work through prescribed returns, review meetings with HPC and by periodical field visits.

However, Audit found that NABARD had not played its role well and had failed in the following fronts:

- In spite of the fact that NABARD representatives attended the HPC meetings, project already completed under other scheme was included and sanctioned for funding under RIDF (**Paragraph 2.4.9.3**).
- Implementing agencies (PWD and Agriculture) stated that periodic field visits were carried out by NABARD. The departments, however, could not furnish any record regarding the field visits by NABARD. Also, NABARD did not carry out periodical field visits in respect of projects implemented by the Horticulture Department.
- DPRs of all the selected projects did not contain or incorporated the feasibility report *viz*; technical and financial viability (**Paragraph 2.4.9.1**) of the projects. NABARD failed to impress upon the State Government for inclusion of the basic parameters while sanctioning the projects thereby violating their own Guidelines.
- NABARD also failed to exercise due diligence in monitoring the projects. It failed to detect the major deviations from the approved DPRs during their execution as pointed out in (**Paragraph 2.4.11.2, Para 2.4.11.3 and Paragraph 2.4.11.4**).
- Moreover, NABARD did not emphasize on introduction of E-tendering in respect of 147 projects thereby violating their own Guidelines (**Paragraph 2.4.11.5**).
- Further, NABARD also failed to impress upon for the non-display of boards prominently in respect of projects executed through their assistance under RIDF as per their own Guidelines (**Paragraph 2.4.12**).

During exit meeting, representative from NABARD assured that project site visits will be increased in the near future as per the prescribed norms of NABARD.

2.4.16 Non-maintenance of assets created

NABARD guidelines for selection of roads and bridges projects envisaged that no project shall be sanctioned unless the State Government has assured to have adequate arrangements for maintenance of roads. A mention in this regard should be made in the appraisal report and also in the sanction memorandum indicating the amount required for annual maintenance of the project; source of funds and agency to handle the maintenance.

Examination of records of the three implementing Department revealed that 31 road and bridge projects, 18 Horticulture link roads and 198 Agriculture link roads were reported as complete by the implementing agencies. It was observed that project wise funds for maintenance of the completed projects were not provided in any of the years. The implementing Departments also did not devise any system to identify the completed roads and bridges requiring maintenance.

Agriculture Department accepted (December 2018) the fact and stated that maintenance of the completed roads was entrusted to Village Development Boards and the farmers.

The PWD while accepting the facts, stated (December 2018) that funds for maintenance of roads shall be provided in consonance with the Nagaland Road Maintenance Policy of 2017.

The reply is not acceptable as the NABARD guidelines for providing maintenance funds for completed/sanctioned projects were not followed by the State Government.

2.4.17 Conclusion

The State had not prepared priority list of roads to be funded under NABARD loan. The technical and financial viability had not been worked out for any of the projects proposed/approved under RIDF in the State. No formal tendering process for selection of contractors/firms was followed, instead work orders were issued to the individuals/firms. Further, e-tendering was not introduced and followed for all the 107 new projects taken up during 2013-14 to 2017-18. Audit noticed two cases of execution of projects without approval of NABARD. Out of ₹ 87.24 crore sanctioned as loan by NABARD, the nodal Department deducted ₹ 9.75 crore as Departmental charges in contravention of the general terms and conditions of NABARD. The State Government did not provide any budget or released its share of ₹ 22.99 crore. Instances of payment without execution/short execution of work involving ₹ 8.29 crore were noticed. One bridge constructed was not put to use as there were no accessible roads connected to the bridge from either ends. Display boards were not erected in all the projects taken up and wherever erected, they were not found to be as per the specimen provided by NABARD. There were instances of deficient quality control and monitoring mechanism noticed in the State.

Compliance Audits

SOIL & WATER CONSERVATION DEPARTMENT

2.5 Misappropriation of Government money

Department of Soil and Water Conservation misappropriated ₹ 3.59 crore out of ₹ 3.74 crore released for implementation of Flood Management Programme in Kohima and Phek districts.

Rule 13 of the Central Government Account Receipt and Payment Rules which is followed by Government of Nagaland provides that, every officer discharging the functions of Drawing and Disbursing Officer (DDO) should maintain cash book and all monetary transactions should be entered in the cash book as soon as they occur.

Rule 21 of GFR, 2005, provides that, every officer incurring or authorizing expenditure from public moneys should be guided by high standards of financial propriety.

The Department of Soil and Water Conservation is responsible for development, conservation and management of natural resources like land and water. The major activities of the Department include land development, reduction of Jhum cultivation, soil erosion control, land slide prevention and conservation and development of water bodies. Compliance audit of Director of Soil and Water Conservation (Directorate), District Soil Conservation Officer (DSCO), Kohima and DSCO Phek was carried out in May 2017 and March 2018 respectively.

Examination of records of Directorate revealed that, the Department proposed (April 2016) to the Brahmaputra Board, Ministry of Water Resources, River Development and Ganga Rejuvenation, Government of India (GoI), for sanction of three projects under Flood Management Programme (FMP) through Integrated Catchment Area Treatment (ICAT). The projects were to cover an area of 7650 hectares in four districts at an estimated cost of ₹ 37.13 crore as detailed below:

Table 2.5.1

Name of the project	Project Location	Estimated project cost (₹ in crore)	Area to be covered (in hectares)
Mitigation of flood and river bank erosion in Dzuma river	Dimapur district	12.24	2650
Mitigation of flood and river bank erosion in Nanga- Mela Ghoki river	Zunheboto district	12.47	2500
Mitigation of flood and river bank erosion in Upper Sidzu river	Kohima and Phek districts	12.42	2500
Total		37.13	7650

Source: Departmental records.

The projects were approved (May 2016) and the Ministry released the first instalment of Central share of ₹ 12.55 crore (September 2016). The State government released the amount to the Directorate (November 2016) which was deposited in a current account⁶¹ opened for ICAT at Lerie Branch (Kohima) of State Bank of India.

As per the records of the Directorate, ₹ 3.74 crore out of ₹ 12.55 crore was disbursed to two DSCO⁶² in two instalments (January and March 2017) for implementation of ICAT under FMP. The Department had also reported (May 2017) the completion of projects and furnished the utilization certificate to the Ministry.

Examination of the records of the DSCOs Kohima and Phek in this regard revealed the following:

(i) The Directorate recorded release of ₹ 1.93 crore (April 2017) to the DSCO, Kohima for payment to the beneficiaries for execution of works relating to mitigation of flood and river bank erosion under ICAT programme. It was, however, observed that the DSCO, Kohima submitted four representations/reminders (June 2017, July 2017, August 2017 and January 2018 respectively) to the Director stating that only ₹ 0.15 crore was received by the office and requested for the release of the remaining amount of ₹ 1.78 crore which had not been released (March 2018).

The Government while accepting the facts, stated (October 2018) that, only ₹ 15 lakh was released to DSCO, Kohima in the first phase during 2016-17. The second instalment was not released as the workmanship of the work done was found unsatisfactory and the outstanding amount was kept in abeyance for payment (October 2018). The project also could not be completed as the State Government had not released its share.

The reply was not acceptable as the Directorate had made fictitious entries in their Cash Book and also furnished fabricated Actual Payee Receipt (APR) affixed with revenue stamp in support of payment of ₹ 1.93 crore made to the beneficiaries.

Thus, the Directorate of Soil & Water Conservation released only ₹ 0.15 crore instead of ₹ 1.93 crore to DSCO Kohima for programme implementation. The amount of ₹ 1.78 crore was, therefore, suspected to have been misappropriated, which may be investigated by the Government to fix responsibility of erring officials.

(ii) As per records of the Directorate, ₹ 1.81 crore was recorded as released (January and March 2017) to DSCO, Phek. Examination of records (August 2018) of DSCO, Phek revealed that, the amount was not found recorded in the Cash Book of the DSCO, Phek till March 2017. In a reply to a further inquiry made in this regard, the Directorate stated that the fund was released to DSCO, Phek in cash on 23 November 2016 and furnished APR in support of payment of ₹ 1.81 crore. The reply of the Directorate was factually incorrect as the payments made to the DSCO Phek were recorded in the Cash Book of the Directorate in the months of January and March

⁶¹ Account No. 362*****92.

⁶² Kohima and Phek.

2017. This indicated that the Directorate did not release the fund of ₹ 1.81 crore to DSCO, Phek and the APR furnished in support of making the payment was fabricated.

On the above being pointed out in audit, the Department stated (December 2018) that the full amount was released to DSCO, Phek after the monitoring team certified satisfactory completion of the works. However, the certificate of the monitoring team was not furnished.

The reply of the Department was not acceptable as there were no records of receipt of ₹ 1.81 crore by the DSCO, Phek and also the entries made in the Cash Book of the Directorate and the reply furnished were contradictory. Further, the work was not carried out as the DSCO Phek had stated in his reply that his office had no information on the implementation of this programme in Phek district.

Thus, an amount of ₹ 3.59 crore (₹ 1.93 crore + ₹ 1.81 crore – ₹ 0.15 crore) was suspected to have been misappropriated by the Director of Soil and Water Conservation. Thus, matter needs thorough investigation and responsibility should be fixed on the officers/officials involved in misappropriation of funds. Besides, FIR should be lodged to bring the defaulters to justice.

2.6 RURAL DEVELOPMENT DEPARTMENT

The Department of Rural Development is involved in developmental activities of rural areas through implementation of various employment generation and infrastructure development programmes. The objective of the Department is to improve the living conditions of the rural population through the district and block level offices and involvement of grassroots organisation of Village Development Boards (VDB).

Compliance Audit of Directorate of Rural Development, eight District Rural Development Agencies (DRDAs) and 30 Block Development Officers (BDOs) for the period from January 2017 to March 2018 carried out during April to June 2018, revealed the following.

2.6.1 Fraudulent payment

As per Rule 137 of General Financial Rules (GFR) 2005, every authority delegated with the financial power of procuring goods in public interest is responsible and accountable for ensuring efficiency, economy and transparency in matters relating to public procurement.

As per Rule 159 of GFR 2005, payments for services rendered or supplies made should be released only after services have been rendered or supplies had been made.

Paragraph 2.3 of the Operational Guidelines (2013) of MGNREGA, the Principal Director (PD) of the DRDA is responsible for overall coordination and implementation of the Scheme in the District in accordance with the provisions of the MGNREG Act and guidelines issued by the Government from time to time.

MGNREGA Act, 2005 also envisaged provision for providing work site facilities like shade, drinking water, first-aid box *etc.*, to the workers.

Paragraph 7.4.2 of Operational Guideline (2013) of MGNREGA, also provides that if the workers are unable to manage their own tools, these may be procured out of allocation of material component of the work.

As per Rule 187 (2 and 3) of the GFR 2005, while receiving goods and materials from private suppliers, it shall be counted, measured or weighed and subjected to visual inspection at the time of receipt. This is to ensure that the quantities are correct, the quality is according to the required specifications and there is no damage or deficiency in the materials. Details of the material so received should thereafter be entered in the appropriate stock register. The officer-in-charge of stores should certify that he has actually received the material and recorded it in the appropriate stock registers.

Examination of records revealed the following:

(i) The State Employment Guarantee Council resolved (April 2017) to provide tent umbrellas and post hole diggers for all 11 districts of the State for effective implementation of MGNREGA programme. Accordingly, the Government issued (May 2017) administrative approval for purchase of 1071 post hole digger and 3118 tent umbrellas (₹ 8.64 crore) for work site amenities for distribution to 11 DRDAs under MGNREGA. The Director of Rural Development Department awarded (May 2017) the supply order to the lowest bidder, M/s Elmer Agro Machineries, Dimapur for supply of the materials to all DRDAs in Nagaland. It was observed that the materials were supplied in June 2017 as per the claim of the supplier and all the three test checked Project Directors (PDs) of DRDAs certified the receipt of the entire materials and accordingly, full payment was made by the Directorate of Rural Development in July 2017. Cross verification of stock and issue register of eight DRDAs revealed that there were no entries in the register regarding the receipt and issue of the materials by the three DRDAs⁶³, in violation of Rule 187 (2 and 3) of GFR 2015, but payments were released on false certification by the respective PDs. This resulted in payment of ₹ 2.58 crore⁶⁴ without actual receipt of the materials.

(ii) It was also noticed that the three DRDAs issued supply orders (January 2018) to M/s. Elmer Agro Machineries for supply of 2316 tent umbrellas for ₹ 3.63 crore at Government approved rate. As per the records, the materials were supplied (March 2018) and accordingly, the supplier was paid the full amount in March 2018. It was however, observed that no official/officers of the three DRDAs had certified the actual receipt of the materials in the body of the supplier's bill and recorded the receipt in the stock register. Thus, it indicated that the three DRDAs⁶⁵ paid

⁶³ DRDA Dimapur, DRDA Wokha and DRDA Tuensang.

⁶⁴ DRDA Dimapur (₹72.12 lakh), DRDA Wokha (₹ 81.16 lakh) and DRDA Tuensang (₹105.06 lakh)

⁶⁵ Mokokchung, Wokha and Tuensang

₹ 3.63 crore to the supplier for supply of 2316 tent umbrellas which were actually not supplied.

Thus, the four PDs made a fraudulent payment of ₹ 6.21 crore (₹ 2.58 crore + ₹ 3.63 crore) without actual receipt of the materials in contravention of the provisions of Financial Rules.

The Government stated in reply (October 2018) that, the PD, Mokokchung had received the materials after the records were examined by Audit. In regard to PD, Wokha the Department stated that the materials could not be lifted from the Central Godown, Dimapur due to fund constraints which was subsequently lifted and distributed to the blocks. However, the reply on the receipt of materials by the PD, Tuensang was not provided.

Audit also crossed verified the records of the Taxation Department to ascertain whether the supplier had paid any tax against the suppliers. However, Taxation Department confirmed that the supplier/firm, (M/s Elmer Agro Machineries) was de-registered in January 2017 and was not involved in any business activity thereafter by the firm. Therefore, it was not possible for the supplier to have supplied the materials in March 2018.

Thus, the supplies to the extent of ₹ 6.21 crore to the four DRDAs was doubtful which resulted in fraudulent payment of ₹ 6.21 crore besides depriving the job card holders the benefit of work site amenities under the programme.

Recommendation (41): The Government should carry out thorough investigation and fix responsibilities on the officers/officials involved in making fraudulent payment.

2.6.2 Payment without execution of works

The objective of Mahatma Gandhi National Rural Employment Act (MNREGA) is to enhance the livelihood security in rural areas by providing at least 100 days of guaranteed wage employment to poor households whose adult members volunteer to do unskilled manual work. For implementation of this scheme, Ministry of Rural Development, GoI issued detailed guidelines from time to time.

As per Para 6.7 of the operational guidelines (2008) of the MGNREGA, all works taken up under MGNREGA should be measured and recorded in the Measurement Books maintained by qualified technical personnel in charge of the worksite. Verification should be done by qualified personnel before payment of wages.

Para 6.9 of the operational guidelines (2008) states that on completion of every project, a Project Completion Report (PCR) should be prepared as per the prescribed format in the Works Register and the details entered therein should be verified by a senior officer.

Paragraph 2.2.1, of Operational Guidelines of MGNREGA (2013) envisages that the Block Development Officers (BDOs) under the Rural Development Department are

responsible for implementation, co-ordination and monitoring of the programme/schemes implemented in the villages under its jurisdiction.

As per Para 354 of NPWD code, every payment should be based on actual measurement of works executed.

Audit scrutiny of records of the offices of the four Project Directors of DRDAs and nine BDOs (April- June 2018) revealed that, an amount of ₹ 23.61 crore was released to nine BDOs by DRDAs⁶⁶ for implementation of various programmes/schemes under MGNREGA. It was, however, observed that ₹ 14.68 crore was paid by the nine BDOs, though the works in question were short executed / not executed as detailed below:

Table 2.6.1

(₹ in lakh)

Sl. No.	Name of DRDA	Name of the BDO	Name of the Village	Nature of work	Amount released by DRDA	Amount paid without execution
1	DRDA Wokha	BDO Sanis	Pangti	Rainwater harvesting tank	129	90
		BDO Changpang	Tssori	Fishery pond/Farm pond	28	26
2 (i)	DRDA Tuensang	BDO Chare	Chare	Rain water harvesting tank	46	46
2 (ii)		BDO Chare	Kidding and Trongar	Rain water harvesting tank	50	32.60
3 (i)	DRDA Mokokchung	BDO Ongpangkong	10 villages	Construction of individual toilets	1199	490
3 (ii)		BDO Ongpangkong	Ungma	Improvement of internal village road	161	96
3 (iii)		BDO Kubulong	Longjang	Cardamom, beetle nut plantation and sanitation	84	61
3 (iv)		BDO Kubulong	Longjang	Water harvesting pond	18	14.19
3 (v)		BDO Kubulong	Sangratsu	Water reservoir tank	34	18.39
3 (vi)		BDO Changtongya	Akhoya and Yaongyimsen	Agri and allied works	257	257
4 (i)	DRDA Longleng	BDO Longleng	Three villages	Water tank, farm pond and community toilets	195	178
4 (ii)		BDO Sakshi	Aoching	Rubber plantation	44	44
4 (iii)		BDO Tamlu	11 villages	Farm pond	116	115
Total					2361	1468.18

The details of the above unexecuted/ short execution of works were as under:

i) DRDA, Wokha released ₹ 1.29 crore (September 2016 to June 2017) to BDO Sanis for construction of seven rain water harvesting tanks at Pangti village and the Village Development Board (VDB) was paid the full amount. The total capacity of water harvesting tanks to be constructed was 115.52 cubic metre. The work was reported as complete during 2016-17 and full payment of ₹ 1.29 crore was made to the VDB of the village. As per the cash book of the VDB, all the payments received for

⁶⁶ DRDA Wokha, Mokokchung, Tuensang and Longleng.

implementation of MGNREGS were also released to the job card holders engaged by the VDB for executing the approved works.

Joint inspection (June 2018) of the works alongwith the Department officers, carried out in the village however, revealed that only five tanks with a capacity of 34.66 cubic metre valued for ₹ 0.39 crore were constructed. This indicated that the VDB of Pangti Village did not construct 80.86 cubic metre of water harvesting tanks but were paid the full amount for construction of 115.51 cubic metre. This resulted in payment of ₹ 0.90 crore without execution of works, which calls for fixing of responsibility of the officials at fault for facilitating payments for the works not actually executed.

The Department stated in reply (October 2018) that out of seven rain water harvesting tanks, five were completed before Audit (June 2018) and remaining two were completed after audit. The Actual Payee Receipts (APRs) in support of payments to VDB and Measurement Book (MB) on completion of the unexecuted works were also furnished to Audit.

The reply of the Department was misleading and factually incorrect as the MBs and APRs furnished by the Department in October 2018 after the matter was reported to them was the replica of the MB and the APR that was furnished during the course of conduct of compliance audit during April to June 2018. The records relating to the claim for construction of the remaining two tanks which was stated to have been completed after audit was not furnished. It was thus, evident that the Department did not construct 80.86 cubic metre capacity water harvesting tanks valued for ₹ 0.90 crore in contravention of Rules *ibid*.

ii) DRDA Wokha released ₹ 0.28 crore to BDO Changpang for construction of 11 Fishery pond/Farm pond at Tssori Village during 2014-18. The BDO paid the full amount on the basis of the completion certificate furnished by the VDB Secretary of the Village and measurement of the works recorded in the MB by the Junior Engineer. It was, however, observed that the date of commencement of the work, date of completion of work and date of measurement was not found recorded in the MB. During joint inspection (June 2018) by the Audit team with the departmental representatives and VDB members of the village, it was observed that only three out of 11 fishery ponds for ₹ 0.02 crore were constructed.

The Department stated in reply (October 2008) that VDB could show only three fishery ponds and could not show the remaining fishery ponds constructed due to poor road conditions.

The reply of the Department was factually incorrect as the VDB Secretary and BDO had confirmed in writing (June 2018) that only three fishery ponds were constructed. Thus, the BDO Champang irregularly paid ₹ 0.26 crore to the VDB, Tssori village without execution of works which was required to be recovered, apart from for fixing the responsibility of erring officials / persons for facilitating unauthorised payment.

2. (i) DRDA Tuensang released ₹ 0.46 crore (September 2016 to May 2017) to BDO, Chare for construction of three water harvesting tanks and full payment was made

(September 2016 to June 2017) to VDB Chare for execution of work. Joint inspection (May 2018) carried out by audit team with the representatives of the department and the VDB members of the village revealed that the water harvesting tanks were not constructed in the village. This resulted in irregular payment of ₹ 0.46 crore to the VDB without execution of works.

(ii) Similarly, the DRDA Tuensang released ₹ 14 lakh (August 2016 to July 2017) to BDO Chare for construction of five water harvesting tanks at Kidding village and four water harvesting tank at Trongar valued for ₹ 36 lakh during 2016-17. As per records, full payment was made to the two VDBs. Joint inspection (May 2018), carried out by Audit with the representatives of the department and the VDB members, however, revealed that only three water harvesting tank for ₹ 8.40 lakh were constructed at Kidding village and only one water harvesting tank for ₹ 9 lakh was constructed at Trongar village. This resulted in payment of ₹ 32.60 lakh to the two VDBs without execution of works.

3. (i) The DRDA Mokokchung released ₹ 11.99 crore to BDO, Ongpangkong (North) for construction of individual toilets in 10 villages to be implemented by the Village Development Boards (VDBs) during 2016-18. As per records examined by Audit, the BDO, Ongpangkong (North) recorded that 1409 toilets valued at ₹ 7.22 crore were constructed in three villages during the period (*Appendix 2.6.1*). However, only three out of 10 VDBs⁶⁷, furnished the list of the toilets constructed.

During joint inspection (April 2018) carried out by audit team with the representatives of the department and the VDB members of three villages, it was stated by the VDB Secretaries and the beneficiaries that assistance of ₹ 2.32 crore (*Appendix 2.6.2*) was provided to 340 beneficiaries. This clearly indicated that 1067 individual toilets were not constructed. However, the BDO paid the full amount which resulted in irregular payment of ₹ 4.90 crore⁶⁸ without actual execution of works.

(ii) DRDA Mokokchung released ₹ 1.61 crore to BDO Ongpangkong (North) for improvement of internal village road at Ungma during 2017-18. As per the approved detailed estimates, the total length of improvement of the internal village road was 12 Km. The work was reported as complete and the BDO paid the full amount to the VDB Ungma. Joint inspection (May 2018) carried out by Audit with the representatives of the department and the VDB members of the village revealed that the improvement work was executed only in 3.50 Km valued for ₹ 0.65 crore. This indicated that the improvement works in the remaining 8.50 Km was not executed which resulted in irregular payment of ₹ 0.96 crore without actual execution of works.

(iii) DRDA, Mokokchung released (May 2017) ₹ 0.84 crore to BDO Kubulong for implementation of Cardamom plantation, Rural sanitation and Betel nut plantation at Longjang village during the year 2017-18. As per records of the BDO, Kubulong, the

⁶⁷ Mokokchung, Ungma and Longmisa

⁶⁸ ₹ 7.22 crore (cost of construction of 1409 toilets in three villages) - ₹ 2.32 crore (actual assistance provided to 342 beneficiaries) = ₹ 4.90 crore.

work was certified as complete and accordingly, full payment was made (June 2017 to August 2017) to the VDB of the village. Joint inspection (May 2018) of the projects carried out by audit with the representatives of the department and the VDB members however, revealed that betel nut plantation, cardamom plantation and rural sanitation valued for ₹ 0.23 crore was utilised for the projects (***Appendix 2.6.3***). This clearly indicated the cardamom plantation, rural sanitation and betel nut plantation works were not fully executed which resulted in irregular payment of ₹ 0.61 crore without actual execution of works.

(iv) DRDA, Mokokchung released (May 2017) ₹ 17.74 lakh to BDO Kubulong for the construction of five Water Harvesting Pond (@ ₹ 3,54,940 per unit), at Changtongniyong, Longjang village during 2017-18. It was observed that the BDO, Kubulong paid the full amount to VDB, Longjang. The VDB, Longjang also submitted (June 2017) completion certificate to the BDO stating that all the water harvesting ponds were constructed through the fund provided by the BDO. Joint inspection (May 2018), carried out by Audit with the representatives of the department, however, revealed that only one pond was constructed in the village whereas, entire amount of ₹ 17.74 lakh was paid. This clearly indicated that four water harvesting ponds were not constructed which resulted in irregular payment of ₹ 14.19 lakh without actual execution of works.

(v) DRDA, Mokokchung released ₹ 34 lakh (August 2016 and June 2017) to BDO Kubulong for construction of two water reservoir tank in Sungratsu village during 2016-18. The BDO paid the full amount to the VDB, Sungratsu. Joint inspection (May 2018), carried out by Audit with the representatives of the department and the VDB members of the village, however, revealed that only one water reservoir tank valued for ₹ 0.16 crore was constructed. This resulted in excess payment of ₹ 18.39 lakh without construction of remaining one water reservoir tank.

(vi) DRDA, Mokokchung released ₹ 2.57 crore to BDO, Changtongya for implementation of seven works/projects⁶⁹ in two villages (Akhoya and Yaongyimsen) during 2016-18. As per records of the BDO, all the works/projects were certified as complete and full payment was made to the two VDBs. Joint inspection (June 2018) carried out by Audit with the representatives of the department and the VDB members of the two villages, however, revealed that financial assistance of ₹ 0.70 crore was provided to 123 job card holders instead of engaging them for execution of works in contravention of MGNREGA guidelines. This indicated that the two VDBs did not utilise the remaining amount of ₹ 1.87 crore thereby denying the benefits of daily wages employment as envisaged under MGNREGA. In addition, the assets creation proposed to be done through implementation of the scheme also remained unachieved.

4. (i) The DRDA Longleng released ₹ 1.95 crore to BDO, Longleng for execution of three works⁷⁰ (85 community toilets, two water tanks and 13 farm ponds) in four

⁶⁹ Cultivation of pineapple, tapioca, bamboo plantation, cocoon and banana plantation, construction of individual toilet and community toilets

⁷⁰ Construction of water tank, Farm pond, and community toilets

villages⁷¹ during 2016-18. As per records of the BDO, all works were certified as complete and full payment was made to the four villages. Joint inspection (May 2018) carried out by audit with representatives of the department, however, revealed that only three community toilets and two farm ponds valued for ₹ 0.17 crore⁷² were executed in the three villages. This indicated that 82 community toilets, 11 farm ponds and two water tanks were not constructed which resulted in payment of ₹ 1.78 crore without execution of works.

(ii) DRDA Longleng released ₹ 0.44 crore to BDO Sakshi, for Rubber plantation at Mashe and Farm pond at Nyemee in Aoching village during 2017-18. As per records, the BDO paid the full amount to the VDB Aoching village. During joint inspection (May 2018), carried out by audit with the representatives of the department and the VDB members, the VDB Secretary Aoching furnished a written confirmation that no Rubber Plantation and Farm Pond work was executed in the village. This resulted in irregular payment of ₹ 0.44 crore without actual execution of the works.

(iii) DRDA Longleng, released ₹ 7.22 crore (May 2017 to July 2017) to BDO Tamlu for renovation of council hall, road side plantation, maintenance of drainage around village and cultivation of Naga chilli *etc.*, in 10 villages. Out of the amount released, ₹ 1.16 crore was meant for Construction of farm pond in eight villages. As per records of the BDO, all the eight VDBs had utilised the fund amounting to ₹ 1.16 crore for construction of farm ponds. However, Joint inspection (May 2018) carried out by Audit with the representatives of the department and the VDB members of two villages⁷³ and information obtained from other six VDBs, revealed cash assistance at the rate of ₹ 4003 was provided to 20 beneficiaries. Thus, the total financial assistance provided to the beneficiaries for construction of ponds was only ₹ 0.080 lakh. This indicated that the remaining amount of ₹ 115.20 lakh was not utilised for construction of ponds by engaging the job card holders and the amount is suspected to be misappropriated. The amount paid in cash as financial assistance was also too meagre for the villagers to construct the ponds thereby defeating the objective to create assets for sustenance. The payment to beneficiaries in cash was also in contravention of MGNREGA guidelines as the job card holders were to be paid daily wages after engaging them for execution of the works.

In the above cases, the technical personnel in charge of the BDOs recorded fictitious entries in the measurement books and payments were made without actual execution of works in contravention of the provisions of General Financial Rules and MGNREGA guidelines. It also indicated that the BDOs did not monitor and supervise the implementation of works taken up by the VDBs and payments were released routinely without following the rules and provisions of operational guidelines of MGNREGA.

⁷¹ Bhumnyu, Yongam, Orangkong and Hukpang

⁷² Community toilets three numbers (₹ 7.30 lakh) and farm ponds two numbers (₹ 9.41lakh)

⁷³ Tamlu and Netnyu villages

On the above being pointed out in Audit, the Department stated in reply (October 2018) that VDBs under five BDOs diverted the fund for taking up other works (**Appendix 2.6.4**).

The reply of the Department was an admission of the facts that payments were made without ascertaining the physical progress of the works and recording the actual works executed in the measurement books which led to payment of ₹ 14.68 crore without actual execution/completion of projects.

Thus, the payments made in the above cases were unauthorised and undue leading to misappropriation of funds which calls for criminal investigation and filing of FIRs in all such cases against the erring officials.

Recommendation (42): The Government should carry out thorough investigation and fix responsibility of the officers/officials involved in making irregular payment without execution of works.

2.7 POWER DEPARTMENT (Transmission and Generation)

Rule 137 of General Financial Rules read with Sub rule (iv) stipulates that every authority delegated with financial powers of procuring goods in public interest, before entering into contractual agreement, should satisfy itself that the price of the selected offer is reasonable and consistent with the quality required.

Chief Engineer, Transmission and Generation, Department of Power, Nagaland (DoPN) is responsible for creation and maintenance of power generation and transmission network in the State. There are three Transmissions Divisions, two Hydro Electric Divisions, one Generation Division and one Civil Construction Division headed by Executive Engineers.

Compliance audit on the accounts of the Executive Engineer (Transmission), Dimapur for the period from April 2014 to December 2016 was conducted during March 2017 and Audit observed the following:

2.7.1 Procurement at higher rate

Examination of records revealed that the Chief Engineer, DoPN, prepared a Detailed Project Report (DPR) for up-gradation of 132/66/33KV grid sub-station Nagarjan, Dimapur for ₹ 34.23 crore and Ministry of Development of North-Eastern Region approved the project for ₹ 17.05 crore. DoPN invited (June 2010) offers from three firms⁷⁴ for supply, erection, testing and commissioning of 3 Phase 2X100MVA132/66KV power transformers. All the firms submitted (June 2010) their offers in which M/s. ABB Ltd Kolkata quoted the lowest rate. Chief Engineer, DoPN forwarded (April 2011) the comparative statement to the Government with recommendation to accept the lowest quoted price. The State Purchase Board accepted and approved (May 2011) the recommendation of the Department.

⁷⁴ M/s. Crompton Greaves, Kolkata, M/s Areva India Ltd, Kolkata and M/s Asea Borown Boveri (ABB) Ltd Kolkata

Accordingly, the Department issued work order⁷⁵ in September 2011 for ₹ 17.12 crore (including NVAT @13.25%) to M/S Techno Power Enterprises Pvt. Limited, Dimapur on the recommendation of M/s ABB Kolkata being their associate for the supply, erection, testing and commissioning of 100 MVA 132/66 KV transformer at Nagarjan, Dimapur. It was observed that the Executive Engineer (EE), Dimapur, Transmission Division had made payment of ₹ 16.65 crore through seven bills (*Appendix 2.7.1*) between December 2014 and August 2017, to M/S Techno Power Enterprises Pvt. Limited, Dimapur for the supply of the transformer manufactured by M/s ABB Ltd Maneja, Vadodara Gujarat. It was, however, observed that the value of goods written in the Way Bill (Form 23) attached to the bills was tampered and defaced which raised a doubt about the genuineness of the value of goods.

To ascertain the actual price of the Transformer, Audit cross examined the Way Bill, 'C' form utilisation, Trading Account and the quarterly returns submitted by the firm to the Taxation Department (December 2017) which revealed that the actual price of the transformer was only ₹ 4.58 crore. This indicated that the supplier (M/S Techno Power Enterprises Pvt. Limited) had procured the transformer from the manufacturer at the price of ₹ 4.58 crore and paid the tax on the actual cost of the transformer. The Department, however, paid ₹ 16.65 crore which was 264 per cent above the manufacturer's price.

After considering the supplier's margin and the transportation charges allowed by the department on the basis of the cost assessment submitted by the supplier and the mandatory Taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax etc., the admissible cost of the transformer works out to ₹ 7.77 crore as detailed in the Table:

Table 2.7.1
Details of admissible cost of the transformer

(Amount in ₹)

Manu- facturer's price	CST, freight, insurance, packing & forwarding charges (Rate 16.32 %)	VAT (13.25 %)	Trans- portation (15 %)	Supplier margin (25 %)	Total
4,58,42,880	74,81,558	60,74,181	68,76,432	1,14,60,720	7,77,35,771

Source: Commissioner of Taxes, Dimapur, Departmental records and replies.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the transformer which resulted in procurement of transformer at an exorbitant rate of ₹ 16.65 crore (₹ 12.07 crore above manufacture price).

Thus, the payment of ₹ 8.88 crore over the actual cost (₹ 16.65 crore - ₹ 7.77 crore) after admitting the transportation charges and the margin claimed by the supplier

⁷⁵ CEL/TB/SS-NGR/A-013 (Pt.-I)/, dated 16 September 2011

along with payment of mandatory taxes was done with intention to misappropriate Government money.

The Department stated in reply (September 2018) that the contract was awarded on Engineering Procurement and Construction (EPC) Turnkey mode which was not only limited to supply of the transformer but also inclusive of the delivery at site in good condition, insurance coverage, assembly of all accessories *etc.* The Department, however, accepted that there could have been lapses on its part in not exercising due diligence in ascertaining the reasonableness of the price of the transformer and would explore the possibility of recovering the excess payment made to the contractor.

The reply of the Department was not acceptable as the cost of the transformer plus transportation charges, taxes, and supplier's margin of the supplier allowed by the Department and furnished to Audit works out to ₹ 7.77 crore only. The payment made by the Department was ₹ 8.88 crore in excess after admitting the transportation and the margin of the supplier which was still exorbitantly high.

2.7.2 Procurement at higher rate by E.E., Transmission Division, Kohima

The construction of 132/33kV sub-station at Doyang NH-61 was taken up by the Department of Power to strengthen the power supply in Wokha- Zunheboto- Mokokchung districts of the State. Expression of interest for (1) Engineering, Supply, Erection, Testing & Commissioning of 10MVA, 132/33kV sub-station at Doyang; and (2) Construction of transmission line from Wokha to Doyang NH-61 at an estimated cost of ₹ 35 crore were invited (January 2012) from eight firms. Technical and price bids were submitted by four firms and lowest bid for transformer was submitted by M/s Singh Construction Company, Dimapur and lowest bid for construction of transmission line was submitted by M/s. Caravan Power & Construction (I) Pvt Limited Dimapur which were recommended by the Department to the State Purchase Board, which were approved. The Department, however, did not analyse the reasonableness of the rates quoted by the lowest bidder before recommending for acceptance.

Examination of the records of the Executive Engineer (EE), Transmission Division, Kohima revealed the following:

(a) The Executive Engineer (EE), Kohima, Transmission Division had paid ₹ 9.30 crore⁷⁶ to M/s Singh Constructions Co., Dimapur (Contractor) for supply of 10MVA, 132/33KV, Transformer manufactured by M/s Kirloskar Electric Limited, Mysore, Karnataka to be commissioned at Doyang Sub-Station. It was, however, observed that, the price of the manufacturer (Tax invoice No.1405001038) attached to the bill was tampered and defaced.

To ascertain the actual price of the transformer, Audit cross examined the Way Bill, 'C' Form⁷⁷ utilisation, Trading Account and the quarterly returns submitted by the

⁷⁶ Voucher No. 13 of October 2016 (Second Running Account Bill)

⁷⁷ Statutory form used for obtaining rebate in Sales Tax for inter-state trade under Central Sales Tax Act.

firm to the Taxation Department (December 2017) which revealed that the actual price of the transformer was only ₹ 76.78 lakh. This indicated that the supplier (M/s Singh Constructions Co., Dimapur) had procured the transformer from the manufacturer at the price of ₹ 76.78 lakh and paid the tax on the actual cost of the transformer. The Department, however, paid ₹ 9.30 crore without ensuring the genuineness of the claims and thus, was susceptible to fraud.

After considering the supplier's margin and the transportation charges allowed by the department on the basis of the cost assessment submitted by the supplier and the mandatory Taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax *etc.*, the admissible cost of the transformer works out to ₹ 1.30 crore as detailed below:

Table 2.7.2
Details of admissible cost of the transformer

(Amount in ₹)

Manu- facturer's price	CST, freight, insurance, packing & forwarding charges (Rate 16.32 %)	VAT (13.25 %)	Trans- portation (15 %)	Supplier margin (25 %)	Total
76,78,682	12,53,161	10,17,425	11,51,802	19,19,671	1,30,20,741

Source: Commissioner of Taxes, Dimapur, Departmental records and replies.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the transformer which resulted in procurement of transformer at an exorbitant rate of ₹ 9.30 crore (₹ 8.53 crore above manufacture price). Thus, the Department paid ₹ 8 crore over the actual cost (₹ 9.30 crore - ₹ 1.30 crore) even after admitting the transportation charges and the margin claimed by the supplier along with mandatory payment of taxes with a malafide intention to commit fraud and misappropriate Government money.

(b) The work was for Construction of transmission line from Wokha to Doyang NH-61 was awarded to the lowest bid (M/s. Caravan Power & Construction (I) Pvt limited Dimapur) which was recommended by the Department to the State Purchase Board. The EE, Kohima, Transmission Division paid (June 2016) ₹ 13.93 crore⁷⁸ to M/s Caravan Power and Constructions Private Limited, Dimapur (Contractor) for engineering, design, supply, erection, testing and commissioning of 132 KV/Single Circuit Wokha to Doyang Transmission Line. It was observed that, ₹ 5.99 crore out of ₹ 13.93 crore, was paid to the contractor for supply of 376.509 Metric Ton (MT) of Galvanised Tower Parts (GTP) (@ ₹ 1,59,160 per MT). It was, however, observed from the Way bills, Road transport challans, Manufacturers invoices and the quarterly

⁷⁸ Voucher No. 3 of June 2016 (Fifth Running Account Bill)

returns submitted to the Taxes Department that the actual price of the GTP per MT was only ₹ 69,999. This indicated that the supplier had procured the GTP at the manufacturer price of ₹ 69,999 per MT and paid the tax on the actual manufacturer price. The Department, however, paid ₹ 5.99 crore at the rate of ₹ 1,59,160 per MT which was 127.37 per cent per MT above the manufacturer's price. This resulted in excess payment of ₹ 3.36 crore made to the contractor by the EE.

After considering the supplier's margin and the transportation charges allowed by the department on the basis of the cost assessment submitted by the supplier and the mandatory Taxes such as Central Sales Tax (CST), freight, cess, Value Added Tax etc., the admissible cost of the transformer works out to ₹ 4.47 crore as detailed below:

Table 2.7.3
Details of admissible cost of the transformer

(Amount in ₹)

Manufacturer's price	CST, freight, insurance, packing & forwarding charges (Rate 16.32 %)	VAT (13.25 %)	Transportation (15 %)	Supplier margin (25 %)	Total
2,63,55,253	43,01,177	34,92,071	39,53,288	65,88,813	4,46,90,602

Source: Commissioner of Taxes, Dimapur, Departmental records and replies.

This clearly indicated that the DoPN did not exercise due diligence to satisfy itself of the reasonableness of the price of the GTP which resulted in procurement of 376.509 MT of GTP at an exorbitant rate. Thus, the Department paid ₹ 1.52 crore over the actual cost (₹ 5.99 crore - ₹ 4.47 crore) after admitting the transportation charges and the margin claimed by the supplier along with mandatory payment of taxes with a malafide intention to commit fraud and misappropriate Government money.

The Department stated in reply (September 2018) that the contract was awarded for the entire scope of work and not item wise and the price quoted qualified in the commercial and Technical bid as per the laid down qualifying requirement (QR) of the tender specification. Further, the contract was a part of the turn key package of the entire scope of the work and the State Purchase Board accepted and approved the tender amount offered by the contractor.

The reply of the Department was not acceptable as bidding price and award of the contract was done by segregating the item of works. The contention that the work was taken up on Turn-key/Engineering, Procurement and Construction mode, was also not pre-defined in the work order. The reply of the Department was also not acceptable as the cost of the GTP plus transportation charges, taxes, and supplier's margin as projected by the supplier which was endorsed to audit works out to ₹ 4.47 crore only.

Thus, the payment made by the Department was ₹ 9.52 crore (₹ 8 crore + ₹ 1.52 crore) in excess even after admitting the transportation and the margin of the supplier which was still exorbitantly high and unjustified.

Recommendation (43): *The Government should investigate the matter in all the cases above and fix the responsibility on the officers/officials involved in the procurement at exorbitantly higher rate followed by registration of FIRs against persons at fault.*

2.8 PUBLIC WORKS (R&B) DEPARTMENT

Two Executive Engineers of Public Works (Roads & Bridges) Division, paid ₹ 18.08 crore to the contractors without execution of works.

According to Rule 159 of General Financial Rules (GFR) 2005, payments for services rendered or supplies made should be released only after services have been rendered or supplies had been made.

Paragraph 341 of the Nagaland Public Works Department (NPWD) Code, stipulates that before the bill of the contractor is prepared, entries in the measurement book relating to the description and quantities of work or supplies should be scrutinised by the sub-divisional officer and calculation of 'contents or area' should be checked arithmetically. Paragraph 354 of NPWD code also envisages that every payment should be based on actual measurement of works executed.

The Executive Engineers (EE) are responsible for the supervision, execution and maintenance of the road network under their respective jurisdiction. Compliance audits on the accounts of two divisions (EE, Noklak and EE, Atoizu) were carried out during November and December 2017. Examination of records of the two EEs for the period from July 2014 to March 2017 revealed as discussed in the succeeding paragraph:

2.8.1 Payment for unexecuted work

(i) The Ministry of Development of North Eastern Region (DoNER), Government of India (GoI) sanctioned (December 2012) ₹ 21.87 crore under Non-Lapsable Central Pool of Resources (NLCPR) for 'Construction of Jendang Saddle to Noklak-Pangsha road (Phase-II-31 KM)' during 2012-13 on a matching share of 90:10 basis. The GoI released ₹ 15.71 crore⁷⁹ (December 2012 and December 2014) and accordingly, the State Government released⁸⁰ ₹ 16.58 crore (including State share) to EE, Noklak Division for the purpose in February 2013 and March 2015 respectively.

The work order⁸¹ for ₹ 21.87 crore at par with NPWD Schedule of Rate (SOR) of 2010 was issued (January 2013) for the execution of the works (details in

⁷⁹ First instalment ₹ 7.87 crore (December 2012) + Second instalment ₹ 7.84 crore (December 2014) = ₹ 15.71 crore.

⁸⁰ ₹ 8.74 crore (February 2013) + ₹ 7.84 crore (March 2015) = ₹ 16.58 crore.

⁸¹ M/s. Naagaamiitech, Jharnapani, Dimapur.

Appendix 2.8.1). As per the terms and conditions of the work order, the work was to be completed within 24 months.

It was observed from the records that the work which commenced in January 2013, remained incomplete (November 2017) though the target date for completion had expired in January 2015. The contractor was paid ₹ 13 crore (June 2016) up to seventh running account bill as detailed below:

Table 2.8.1

Sl. No	Particulars of work	Quantity of works executed as per 7 th Running Account bill	Amount paid (₹ in crore)
1	Earth work in formation cutting	5194.81 cum	0.18
2	Cross drainage (including supply and fitting of High Yielding Strength Deformed Bars)	64601.22cum	1.85
3	Construction of drain	29000 running metre	0.20
4	Pavement works	25522.59 cum	10.77
5	Surface Course	0	0
6	Traffic signs and kilometre posts	0	0
Total			13.00

Source: Departmental records.

To ascertain the actual execution of works, joint inspection was conducted (November 2017). The inspection could be carried out from 0-20 Kms only and the road beyond was not accessible, which indicated that the works had not been executed.



Joint inspection with the Department officers further revealed the following discrepancies:

- No Cross drainage work was executed, but the contractor was paid ₹ 1.85 crore.
- No drainage works was executed between 0-12 Km, but ₹ 0.20 crore was paid to the contractor.
- Granular Sub-Base (GSB) works for ₹ 2.90 crore was executed between 0 Km to 12 Km whereas, the contractor was paid ₹ 7.08 crore for 30 Kms.

d) No Water Bound Macadam (WBM) work was executed, but the contractor was paid ₹ 3.70 crore.

The above discrepancies indicated that the Sub-Divisional Officer and the EE made the entries in the measurement books without conducting actual measurement of the works executed in contravention of the provisions of NPWD code.

The Department while accepting the facts stated (September 2018) that the cross drainage works and unlined drainage which were completed, got damaged by heavy rainfall and could not be shown during the joint verification.

The reply of the Department was not acceptable as the above facts were accepted during the joint verification.

Thus, the EE made fictitious entries of execution of works and paid ₹ 9.93 crore without the actual execution of the above works. The matter needs to be investigated and responsibility of the officers/officials involved in the case may be fixed.

(ii) GoI approved “Construction of road from Suruhuto Medical Colony to Zunheboto-Mokokchung (SH) at Kitsakita under Central Road Fund. GoI sanctioned ₹ 15.78 crore⁸² (February 2014) and released ₹ 8.97 crore⁸³. Accordingly, the State Government released ₹ 10.38 crore⁸⁴ (including State share) to EE, Aitozu Division.

The work order⁸⁵ for ₹ 14.96 crore was issued (February 2015) to M/s Multi Builders, Dimapur (Seven components of work). It was observed that the work commenced in March 2015 and was certified that 70 per cent of the works was complete (March 2017). The contractor was paid ₹ 8.05 crore (June 2016) in three running account bills (details in **Appendix 2.8.2**). It was further observed that entries made in the running account and the MB were inconsistent. To ascertain the actual execution of the works, joint inspection was conducted (December 2017) which revealed the following:

- WBM Grade II work for ₹ 0.56 crore (1406.20 cum) only was executed whereas, the contractor was paid the full amount of ₹ 1.92 crore for 4781.19 cum of works.
- WBM Grade III works for ₹ 0.59 crore (1406.24 cum) was actually executed whereas, ₹ 0.83 crore was paid to the contractor for 1968.75 cum of works.
- Only six Coarse Metal Stone Masonry retaining wall comprising of 71.20 metre in length valued for ₹ 0.45 crore⁸⁶ was actually constructed whereas the contractor was paid ₹ 1.48 crore (97 per cent of the total cost).

⁸² NH-12031/52/2013/NG/CRF/NH-8 dated 17 February 2014.

⁸³ ₹ 2.99 crore in June 2016 and ₹ 5.98 crore in March 2017.

⁸⁴ ₹ 2.97 crore (July 2015) + ₹ 1.50 crore (August 2017) + ₹ 5.91 crore (March 2018) = ₹ 10.38 crore.

⁸⁵ CE/NH/CRF/2013-14/016 dated 27 February 2015.

⁸⁶

Location (KM)	Height (metre)	Length (metre)
0.55	1.00	10
1.75	2.50	10
7.00	6.40	10
7.15	1.00	26
9.10	3.00	8.50
14.00	2.00	6.70
Total	15.90	71.20

On the above being pointed out, the Department accepted (August 2018) the facts and stated that the payment of some items of works were not based on actual measurement on site.

The reply was an admission to the fact that the EE paid ₹ 2.63 crore without conducting actual measurement of the works executed in contravention of the provisions of NPWD code. The dereliction of duties on the part of the EE was also not in consonance with the provisions of the Financial Rules as it led to misappropriation of government money indicated above.

2.8.2 Payment for unexecuted work

GoI approved “Construction of road from Aizuto to Atoizu (ADC HQ) under Non-Lapsable Central Pool of Resources at a total project cost of ₹ 14 crore. GoI sanctioned and released ₹ 12.60 crore (March 2016) on a matching share of 90:10. Accordingly, the State Government released ₹ 10.64 crore⁸⁷ to EE, Aitozu Division.

The work order for ₹ 14 crore was issued by the EE, Atoizu Division (April 2016) to M/s L.P. Sohe & Sons, Dimapur (11 components of work). It was observed that the work was commenced in May 2016 and it was certified that 78 per cent of the works was complete in March 2017. The contractor was paid ₹ 9.33 crore⁸⁸ (November 2016 and June 2017).

To ascertain the actual execution of the works, joint inspection with the Department officers was conducted (December 2017) which revealed the following:

- Sub-grade works for 4 Km (₹ 1.24 lakh) were completed whereas, payment of ₹ 4.04 lakh was made for 13 km.
- WBM Grade I works for ₹ 64.19 lakh was executed whereas, the contractor was paid ₹ 2.09 crore for 13 Km.
- No WBM grade II and III works was executed whereas, the contractor was paid ₹ 3.06 crore for these works.
- Only one protection wall for ₹ 14.91 lakh was constructed whereas, the contractor was paid ₹ 74.57 lakh for construction of five protection walls.
- Against 31 numbers of 1000 mm Hume Pipe culverts for ₹ 1.35 crore to be constructed, 32 lower specifications (750, 650, 550 and 450 mm diameter) Hume Pipes for ₹ 1.20 crore (**Appendix 2.8.3**) were constructed.

⁸⁷ ₹ 5.04 crore (August 2015) + ₹ 5.04 crore (December 2016) + ₹ 0.56 crore (June 2017) = ₹ 10.64 crore

⁸⁸

(Amount in ₹)

Particulars	Total value of work done	Withheld amount	Bill passed for payment
First RA Bill	51467442	8548042	42919400
Second RA Bill	51824842	1424842	50400000
Total	103292284		93319400

The above cases of payment without actual execution of the works indicated that the EE made fictitious entries in the measurement books without conducting actual measurement of the works executed in contravention of the provisions of NPWD code.

This resulted in excess payment of ₹ 5.52 crore (*Appendix 2.8.4*) to the contractor without the actual execution of related works.

The Department while accepting (September 2018) the facts, stated that some payment was made to the contractor which was not commensurate with the actual physical progress of work as it was an ongoing work.

The fact, however, remains that in above three cases, the system of payment on actual measurement at site required under provisions of NPWD code and provisions of GFR was not followed by the EEs concerned. The dereliction of duties by the three EEs had resulted in payment of ₹ 18.08 crore without actual execution of works which needs to be recovered.

Recommendation (44): The Government should ensure recovery of ₹ 18.08 crore which was paid without the actual execution of works. The matter also needs to be investigated and responsibility fixed on the officers/officials involved apart from filing FIRs in all these cases.

DEPARTMENT OF FOREST, ECOLOGY, ENVIRONMENT AND WILD LIFE

2.9 Payment without execution of works

Divisional Forest Officer, Wokha paid ₹ 54 lakh without ensuring execution of works.

According to General Financial Rules (GFR) 2005, payments for services rendered or supplies made should be released only after services have been rendered or supplies had been made.

Paragraph 354 of NPWD code envisaged that every payment should be based on actual measurement of works executed.

The Divisional Forest Officer (DFO) Wokha is responsible for the forest operations and collection of forest royalties within the jurisdiction of three Range offices.

Compliance audit of the DFO, Wokha for the period from November 2013 to June 2016 was conducted during July 2016.

The Government of Nagaland approved ₹ 2.87 crore for seven infrastructure development⁸⁹ works under Thirteenth Finance Commission (TFC). The Principal Chief Conservator of Forest (PCCF) released ₹ 1.92 crore⁹⁰ (January 2014) to DFO,

⁸⁹ Repairing, soil metaling and black topping of Approach Road in forest colony, Wokha, staff quarters, maintenance of staff quarters.

⁹⁰ Demand Draft (DD) No.985961 dated 13-01-2014

Wokha Division for implementation of four works in first phase and ₹ 94.54 lakh in the second phase (March 2014) for three works as detailed in **Appendix 2.9.1**.

Examination of records in connection with the construction of security fencing, black topping and three staff quarters revealed the following:

(i) **Construction of Security fencing:** Out of ₹ 91.59 lakh sanctioned, ₹ 35 lakh was reported as utilized for the construction of security fencing surrounding the DFO office compound. It was observed from the payment vouchers that materials were purchased and labour wages were paid as per the abstract of payment voucher. However, there was no record of actual measurement of work executed. To verify the veracity of actual execution of works, joint verification with the divisional officers was carried out (July 2016), which revealed that 75 RCC pillars (Height- 9 feet; Width- 8 inch X 8 inch) surrounding the office compound were constructed. The cost of construction of 75 RCC pillars (Photograph below) worked out to ₹ 4.57 lakh⁹¹ which was authenticated by the departmental officers.

Thus, the DFO paid ₹ 35 lakh without carrying out the actual measurement of the works and recording it in the measurement book. The actual value of work executed by the contractor as per measurement jointly conducted by the audit team and the departmental officer worked out to only ₹ 4.57 lakh. This resulted in payment of ₹ 30.43 lakh without the actual execution of works which needs to be recovered apart from fixing the responsibility of the erring officials for facilitating excess payment.

Photograph showing construction of RCC pillars



(14 July 2016)

(ii) **Construction of staff quarters:** The Division received ₹ 70.72 lakh ((March 2014) for construction of three staff quarters @ ₹ 23.57 lakh per quarter and all the three Quarters were also reported as complete. It was observed during joint verification conducted by audit team and the departmental officials (July 2016) that only two staff quarters at a cost of ₹ 47.14 lakh were constructed and one staff quarter valued at ₹ 23.57 lakh was not constructed. The DFO however, paid the full amount of ₹ 70.72 lakh without completing the entire works. This resulted in fraudulent

⁹¹ Cost of construction of 75 RCC pillars ₹3.63 lakh and cost of construction of entry gate ₹ 0.94 lakh. Total ₹ 4.57 lakh

payment of ₹ 23.57 lakh in contravention of the provisions of the Financial Rules and the NPWD code.

The Department, while accepting the facts stated (September 2018) that only two staff quarters were constructed and the fund for constructing one quarter was diverted for repairs and renovation of the office and staff quarters.

The reply of the Department was misleading as the entire amount of ₹ 70.72 lakh was shown as fully paid.

Recommendation (45): The Government should initiate the disciplinary proceedings and fix the responsibility of the erring departmental officers/officials and file FIR against officials at fault for making payment for the work not executed.

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 (PSUs) consist of State Government Companies and Statutory Corporations. The PSUs are established to carry out activities of a commercial nature and they occupy an important place in the State economy. As on 31 March 2018, there were 6 (Six) PSUs in Nagaland as under:

Table 3.1.1

Working PSUs	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 PSUs	1. Nagaland Sugar Mills Company (NSMC) Ltd.

The working PSUs registered a turnover of ₹ 6.48 crore as per their latest finalised accounts (September 2018). This turnover was 0.03 *per cent* of State Gross Domestic Product¹ (SGDP- ₹ 23623 crore) of 2017-18. During 2017-18, the working PSUs had incurred an aggregate loss of ₹ 63.40 crore as compared to the aggregate loss of ₹ 58.70 crore during 2016-17. At the end of March 2018, the working PSUs employed 573 employees.

As on 31 March 2018, one PSU (Nagaland Sugar Mills Company Limited) with an investment of ₹ 5.89 crore² was not operational for the last 19 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 Companies Act, 2013.

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

¹ Source: State Finance Accounts for the year 2017-18.

² 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.

3.1.4 Role of Government and Legislature

The State Government exercises control over the affairs of PSUs 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 PSUs. 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 in terms of 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 PSUs 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 PSUs.
- **Special Financial Support-** State Government provides budgetary support by way of grants and subsidies to the PSUs as and when required.
- **Guarantees-** State Government also guarantees the repayment of loans with interest availed by the PSUs from financial institutions.

3.1.6 Investment in PSUs

As on 31 March 2018, the investment (capital and long-term loans) in six PSUs³ was ₹ 112.65 crore as detailed below.

Table 3.1.2

(₹ in crore)

Type of PSUs	Government Companies		
	Capital*	Long Term Loans	Total
Working PSUs	36.37	67.20	103.57
Non-working PSUs	5.89	3.19	9.08
Total	42.26	70.39	112.65

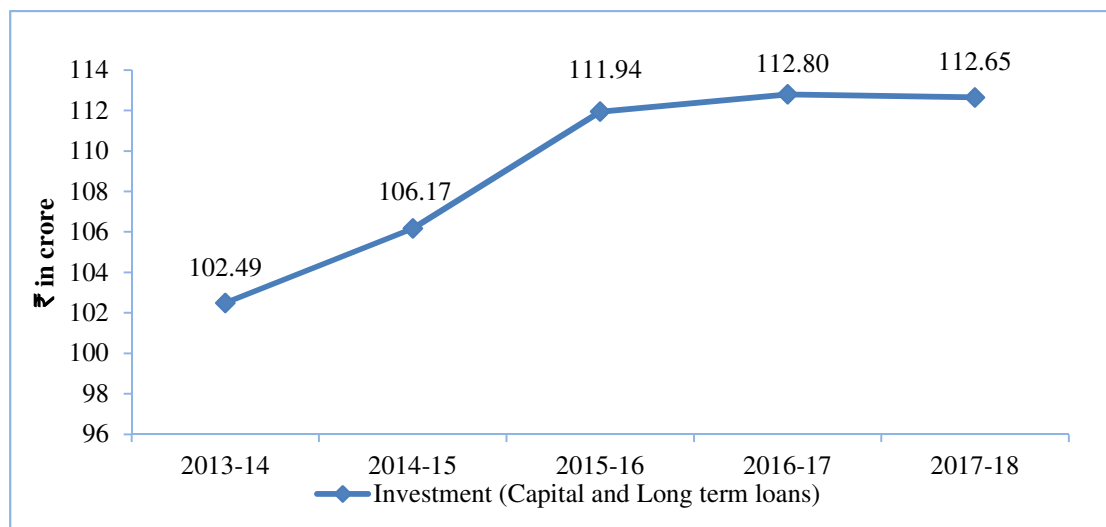
*also, includes ₹6.78 crore from sources other than State Government.

Out of the total investment of ₹ 112.65 crore in PSUs as on 31 March 2018, 91.94 per cent was in working PSUs and the remaining 8.06 per cent in non-working PSUs. This total investment consisted of 37.51 per cent towards capital and 62.49 per cent in

³ There are no Statutory Corporations in Nagaland.

long-term loans. The investment had increased by 9.91 per cent from ₹ 102.49 crore in 2013-14 to ₹ 112.65 crore in 2017-18 as shown in the graph below:

Chart 3.1: Total investment in PSUs



3.1.7 Summary of Investments

The sector-wise summary of investments in the PSUs as on 31 March 2018 is given below:

Table 3.1.3

Name of Sector	Government Companies		Total Investment (₹ in crore)
	Working	Non-Working	
Manufacturing	1.60	9.08	10.68
Finance	71.79	0	71.79
Miscellaneous	19.27	0	19.27
Service	10.91	0	10.91
Total	103.57	9.08	112.65

The investment in four significant sectors and percentage thereof to the total investment at the end of March 2018 are indicated in the table above. The thrust of PSU investment was mainly in finance sector which had increased from ₹ 63.34 crore in 2013-14 to ₹ 71.79 crore in 2017-18.

3.1.8 Special support and returns during the year

The State Government provides financial support to PSUs 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 2017-18 in respect of PSUs are given in the Table:

Table 3.1.4

(₹ in crore)

Sl. No	Particulars	2015-16		2016-17		2017-18	
		No. of PSUs	Amount	No. of PSUs	Amount	No. of PSUs	Amount
1	Equity Capital outgo from budget	0	0	0	0	1	0.42
2	Loans given from budget	1	5.64	1	2.98	1	2.08
3	Grants/Subsidy from budget	4	16.25	4	18.90	5	24.41
	Total Outgo (1+2+3)		21.89		21.88		26.91
4	Repayment of loans	1	2.57	2	2.14	2	3.00
5	Guarantees issued	1	5.64	1	2.98	1	2.08
6	Guarantee Commitment	1	15.00	1	15.00	1	2.25

During the year 2017-18, two PSUs namely Nagaland Industrial Development Corporation Limited (NIDC) and Nagaland Handloom and Handicraft Development Corporation Limited (NHHDC) repaid a loan amount of ₹ 2.25 crore and ₹ 0.75 crore respectively.

In order to enable PSUs 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 2017-18, the State Government had given guarantee of ₹ 2.08 crore to the Nagaland Industrial Development Corporation Limited. The guarantee commitment had decreased by ₹ 12.75 crore (85 per cent) from ₹ 15.00 crore in 2016-17 to ₹ 2.25 crore in 2017-18. No PSU paid guarantee fee to the State Government during 2017-18 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 PSUs should agree with that of the figures appearing in the Finance Accounts of the State. In case the figures do not match, the PSUs concerned and the Finance Department should carry out reconciliation of differences. The position in this regard as at 31 March 2018 is given below.

Table 3.1.5

(₹ in crore)

Outstanding in respect of	Amount as per Finance Accounts	Amount as per records of PSUs	Difference
Equity	107.78	34.34	73.44
Loans	0	0.73	-0.73
Guarantees	48.53	2.08	46.45

Audit observed that the differences occurred in respect of all the PSUs which were pending for reconciliation since 2010-11. The Government and the PSUs 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 PSUs in finalisation of accounts as of 30 September 2018.

Table 3.1.6

Sl. No.	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
1	Number of Working PSUs	5	5	5	5	5
2	Number of accounts finalised during the year	17	6	2	3	6
3	Number of accounts in arrears	18	17	20	22	21
4	Number of Working PSUs with arrears in accounts	5	5	5	5	5
5	Extent of arrears (numbers in years)	1 to 5	1 to 5	1 to 6	1 to 7	1 to 8

It can be seen that the number of accounts in arrears had increased from 18 in 2013-14 to 21 in 2017-18. However, the arrears had decreased from 22 to 21 in 2017-18 as compared to previous year. Three PSUs (NIDC, NSMDC & NIRMSC) finalised six accounts as of 30 September 2018, while the remaining two PSUs did not finalise any accounts. The delay in finalisation of accounts of these PSUs was mainly due to delay in compilation/adoption of accounts by the Board of Directors of respective PSUs.

In addition to above, the accounts of one non-working PSU had arrears of accounts for 16 years (2002-18).

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 issued from time to time.

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

The State Government had invested ₹ 85.32 crore in five PSUs {equity: ₹ 1.27 crore (one PSU), grants: ₹ 81.79 crore (five PSUs) and loan: ₹ 2.08 crore (one PSU)} during the years for which accounts were not 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 were 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 PSUs to the State GDP for the year 2017-18 could not be ascertained and their contribution to State exchequer was also not reported to the State Legislature.

3.1.13 Performance of PSUs

The financial position and working results of working Government companies and Statutory Corporations are detailed in **Appendix 3.1.2**. A ratio of PSU-turnover to State GDP shows the extent of PSU activities in the State economy. Table below provides the details of working PSU turnover and State GDP for five years ending 2017-18.

Table 3.1.7

(₹ in crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Turnover*	5.98	6.26	6.23	6.61	6.48
State GDP	17749	20099	20524	21119	23623
Percentage of Turnover to State GDP	0.03	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 2013-18, the State GDP had grown by 33.09 *per cent* while the turnover of PSUs during the corresponding period had increased by 8.36 *per cent*. Thus, the marginal increase in PSU's 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 PSUs.

3.1.14 Overall Profit / Loss of PSUs

Overall profit and losses earned/incurred by working PSUs during 2013-14 to 2017-18 are given below in a chart.

Chart 3.2: Profit/Loss of working PSUs



Source: Finalised Annual Accounts of the PSUs.

It may be seen from the chart above that overall losses incurred by the working PSUs had decreased during the year compared to previous year. However, the losses have been increasing over the last four years. Two PSUs namely 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 decreasing trend in the net loss and one PSU namely Nagaland Industrial Development Corporation Limited (NIDC) showed increase in net loss. The figures for the other two PSUs were not available as accounts were not finalized during the year. Hence, the decrease in net loss compared to previous year was attributed to decrease in net losses of above two PSUs.

3.1.15 Key Indicators about the working of PSUs

Some other key parameters of PSUs are given below:

Table 3.1.8

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Return on Capital Employed (per cent)	5.02	*	*	*	*
Debt	61.66	65.26	70.12	70.96	67.20
Turnover ⁴	5.98	6.26	6.23	6.61	6.48
Debt/Turnover Ratio	10.31:1	10.42:1	11.26:1	10.74:1	10.37:1
Interest Payments					
Accumulated Profits/Losses	(49.35)	(51.84)	(49.28)	(73.80)	(78.50)

Source: Annual Accounts and information submitted by the PSUs.

From the above, it can be seen that the debt-turnover ratio of PSUs had increased due to increase in the long-term borrowings of PSUs. The accumulated losses of PSUs had increased by 60 per cent in 2017-18 as compared to 2013-14. There was no return on capital employed during 2014-15 to 2017-18.

3.1.16 Dividend Policy

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

3.1.17 Winding up of non-working PSUs

There was one non-working PSU (Nagaland Sugar Mills Company Ltd.) during the last five years (2013-18). The liquidation process of this PSU had not started.

It is recommended that the liquidation process may be initiated without any delays.

⁴ Turnover of working PSUs as per the latest finalised accounts as of 30 September of the respective year

3.1.18 Accounts Comments

Three working Companies forwarded their six audited accounts pertaining to the period 2011-17 to the Accountant General (Audit) during the period October 2017 to September 2018. Three out of six accounts pertaining to three companies were selected for supplementary audit and three were issued Non-Review Certificates. The Statutory Auditors had given unqualified certificates to four accounts and qualified certificates to two accounts.

The details of aggregate money value of comments of statutory auditors and CAG during 2017-18 is given below:

Table 3.1.9

(₹in crore)

Sl. No.	Particulars	No. of Accounts	Amount
1	Increase in loss	1	3.05
2	Decrease in loss	-	-
3	Errors of classification	-	-
Total		1	3.05

Source: Comments issued to PSUs on supplementary accounts audit.

Some of the important comments in respect of accounts of the PSUs audited during 2017-18 are detailed below:

Nagaland Industrial Development Corporation Limited (2016-17)

- Short provision of outstanding loans on account of exclusion of interest on loan had resulted in understatement of liability on long term borrowing by ₹ 0.87 crore.
- Non provision of current liabilities towards electricity dues, gratuity premium dues and other payables had resulted in understatement of current liabilities by ₹ 2.10 crore.

3.1.19 Outstanding replies to Audit Reports

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 instructions to the Administrative Departments to submit replies/explanatory notes to paragraphs/reviews included in the Audit Reports of the CAG within a prescribed period of three months of their presentation to the legislature, in the prescribed format without waiting for any questionnaires from the COPU.

Table 3.1.10

Year of the Audit Report (Commercial/ PSUs)	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
2016-17	20 September 2018	1	0
Total		3	0

3.1.20 Discussion of Audit Reports by Committee on Public Undertakings

The status as on 30 September 2018 of Performance Audits and paragraphs that appeared in Audit Reports (PSUs) and discussed by the Committee on Public Undertakings (COPU) was as under:

Table 3.1.11

Period of Audit Report	Number of reviews/paragraphs as on September 2018	
	Paragraphs appeared in Audit Report	Paragraphs discussed
2012-13	1	Nil
2013-14	1	1
2014-15	0	-
2015-16	0	-
2016-17	1	Nil
Total	3	1

During the period 2012-13 to 2016-17, three paragraphs relating to PSUs had appeared in the State Audit Reports against which two paragraphs were pending for discussion by COPU (November 2018).

3.1.21 Disinvestment, Restructuring and Privatisation of State Public Sector Undertakings and reforms in power sector

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. In Nagaland, the Government constituted the Nagaland Electricity Regulatory Commission as part of reforms envisaged by the Electricity Act of 2003. However, no action was taken relating to the restructuring of the Power Sector as required under the provision of the Electricity Act 2003 as no separate company was incorporated and the activities relating to generation, transmission and distribution of electricity are managed and controlled solely by the Power Department. There was no case of disinvestment or privatisation of PSUs in the State.

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 2017-18, 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 (GOI) during the year and the corresponding figures for the preceding four years are given below:

Table 4.1
Statement showing trend of revenue receipts

(₹ in crore)

Sl. No	Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
1	Revenue raised by the State Government					
	• Tax revenue	333.39	388.60	427.10	510.75	638.28
	• Non-tax revenue	216.57	270.61	256.39	345.52	388.53
	Total	549.96	659.21	683.49	856.27	1026.81
2	Receipts from the Government of India					
	• Share of net proceeds of divisible Union taxes and duties	1001.27	1062.69	2540.72	3032.63	3353.13
	• Grants-in-aid	4946.67	5929.04	4819.36	5553.38	6639.27
	Total	5947.94	6991.73	7360.08	8586.01	9992.40
3	Total revenue receipts of the State Government (1 and 2)	6497.90	7650.94	8043.57	9442.28	11019.21
4	Percentage of 1 to 3	8	9	8	9	9

Source: Finance Accounts.

The above table indicates that during the year 2017-18, the revenue raised by the State Government (₹ 1026.81 crore) was nine *per cent* of its total revenue receipts. The balance 91 *per cent* of the receipts during 2017-18 was from the GOI.

4.1.2 The details of tax revenue raised against the Budget Estimate (BE) during the period 2013-18 are given in the Table:

Table 4.2
Statement showing details of the tax revenue against the Budget Estimate (BE)
raised during the period 2013-14 to 2017-18

(₹ in crore)

Sl. No	Head of revenue	2013-14		2014-15		2015-16		2016-17		2017-18		Percentage of increase/decrease in 2017-18 over 2016-17
		BE	Actuals	BE	Actuals	BE	Actuals	BE	Actuals	BE	Actuals	
1	Sales Tax/VAT	252.61	250.20	294.36	294.29	332.78	328.58	400.00	400.12	410.00	287.55	(-) 28
2	Taxes on vehicle	36.23	36.15	46.00	46.46	46.00	53.09	57.63	57.39	58.00	101.52	77
3	Stamps and Registration Fees	1.52	1.77	1.67	1.93	1.98	2.04	2.14	2.05	2.31	2.62	28
4	State Excise	4.06	4.86	4.47	4.70	4.90	5.12	5.40	4.63	5.60	4.20	(-) 9
5	Taxes on Goods and Passengers	5.01	10.79	7.50	9.73	12.10	5.88	13.31	14.76	7.00	17.59	19
6	Land Revenue	0.74	0.70	0.81	0.74	0.89	0.75	0.98	0.82	1.08	0.90	10
7	Others ¹	31.97	28.92	31.97	30.76	35.81	31.64	35.85	30.98	32.16	223.90	623
Total		332.14	333.39	386.78	388.61	434.46	427.10	515.31	510.75	516.15	638.28	25

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 (2016-17).

4.1.3 The details of the Non-tax revenue against the Budget Estimate (BE) raised during the period 2013-14 to 2017-18 are indicated in the Table:

¹ Other taxes on Income and Expenditure, Taxes on Duties and Electricity, Other Taxes and Duties on Commodities and Services.

Table 4.3

Statement showing details of the Non-tax revenue against the Budget Estimate (BE) raised during the period 2013-14 to 2017-18

(₹ in crore)

Sl. No.	Head of revenue	2013-14		2014-15		2015-16		2016-17		2017-18		Percentage of increase/decrease in 2017-18 over 2016-17
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	
1	Police	4.02	3.37	4.30	1.45	4.73	1.68	5.11	31.54	2.00	2.70	(-) 91
2	Miscellaneous General Services	10.00	6.57	10.00	13.08	10.00	13.43	11.00	13.64	12.10	16.10	18
3	Education, Sports, Art and Culture	0.42	67.83	0.46	103.56	40.21	76.52	44.23	119.40	48.65	132.84	11
4	Power	110.00	88.31	125.00	98.91	100.00	111.1	125.00	114.58	156.25	127.89	12
5	Civil Aviation	8.00	0.99	8.80	1.43	9.68	1.04	10.64	20.77	11.71	2.09	(-) 90
6	Road Transport	14.26	12.17	15.69	12.97	17.26	10.81	18.12	9.00	9.03	7.35	(-) 18
7	Other Non-tax receipts	39.32	37.33	41.57	39.21	48.72	41.80	47.49	36.59	40.07	99.56	172
Total		186.02	216.57	205.82	270.61	230.6	256.38	261.59	345.52	279.81	388.53	12

Source: Budget documents and Finance Accounts of the State.

The Department did not furnish the reasons for variation in receipts from that of the previous year (2016-17).

4.1.4 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2018 on some principal heads of revenue amounted to ₹ 12.30 crore out of which ₹ 3.16 crore was outstanding for more than five years, as detailed in the Table:

Table 4.4
Arrears of revenue

(₹ in crore)

Sl. No.	Head of revenue	Total Amount outstanding as on 31 March 2018	Amount outstanding for more than 5 years as on 31 March 2018	Replies of Department
1	Nagaland Value Added Tax	7.03	0.67	Reply not furnished
2	Petroleum Tax	3.14	0.82	
3	Central Sales Tax	1.08	0.78	
4	Purchase Tax	0.43	0.43	
5	Professional Tax	0.18	0.02	
6	Nagaland Sales Tax	0.44	0.44	
	Total	12.30	3.16	

Source: Departmental figures.

It would be seen from the table that recovery of ₹ 3.16 crore was pending for more than five years and efforts were not being made to recover it. The entire arrears of ₹ 12.30 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. are shown in the Table:

Table-4.5
Statement showing arrears in assessments

(₹ in crore)

Head of Revenue	Opening Balance of arrears in assessment as on 1st April 2017	New cases due for assessment during 2017-18	Total assessment due	Cases disposed-off during 2017-18	Balance at the end of the 31st March 2018	Percentage of cases disposed to the total assessment due
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7 (5 to 4)</i>
Taxes /VAT on Sales, Trades, etc.	4352 ²	9028	13380	9727	3653	73%

Source: Departmental figures.

The arrears in assessment decreased from 4352 to 3653 cases with the addition of 9028 cases which became due for assessment during 2017-18 and 9727 cases disposed during the year. The percentage (73 per cent) of cases disposed during 2017-18 was encouraging and the pace needs to be maintained.

² Opening balance taken as per the figure furnished by the Department.

4.1.6 No case of 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 requisitioned (August 2018) from the Commissioner of Taxes Dimapur. The Commissioner of Taxes, Dimapur replied (September 2018) that there was no case of evasion of tax detected.

4.1.7 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 which are not settled on the spot, 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/departments 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 for response. If replies to such serious and important audit observations are not found acceptable/ convincing, these are included in the Report of the CAG of India.

IRs issued upto June 2018 disclosed that 311 Paragraphs involving ₹ 183.27 crore relating to 93 IRs remained outstanding. Such details along with the corresponding figures for the preceding two years are shown in the Table:

Table-4.6
Statement showing details of outstanding audit observations

Particulars	June 2016	June 2017	June 2018
Number of outstanding IRs	76	85	93
Number of outstanding audit observations	228	261	311
Amount involved (₹ in crore)	73.37	107.89	183.27

4.1.7.1 Outstanding Inspection Reports and Audit Observations

The Department-wise details of the IRs and audit observations outstanding as on 30 June 2018 and the amount involved are given in the Table:

Table-4.7
Statement showing department-wise details of the IRs and audit observations outstanding

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	164	151.61
2	Finance	Miscellaneous General Services/Lottery	3	15	1.89
3	Transport	Taxes on Vehicles/ Taxes on Goods & Passengers	31	56	6.67
4	Forest & Environment	Forest & Wildlife	26	76	23.10
Total			93	311	183.27

In respect of one IR, even the initial reply was not received which was required to be received within one month from the date of issue of the IR. This pendency of IR due to non-receipt of replies was 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 (Audit) in the IR.

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

4.1.7.2 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 Administrative Department concerned and attended by the officers concerned 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 2017-18, 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 Audit Committees for ensuring effective remedial action on the audit observations.

4.1.7.3 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 departments concerned, 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 of the CAG.

Three draft paragraphs were sent to the Principal Secretaries/Secretaries of the respective departments during June 2018 to August 2018. The reply in respect of all the three draft paragraphs were received and incorporated with suitable comments.

4.1.7.4 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.

Fifteen 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, 2015-16 and 2016-17 were placed before the State Legislative Assembly on 18 July 2013, 25 July 2014, 17 March 2015, 19 March 2016, 28 March 2017 and 20 September 2018 respectively.

PAC discussed nine paragraphs pertaining to the years 2011-12 to 2014-15. *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.

During 2017-18, one PAC meeting was held and two Action Taken Notes were received.

4.1.8 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 4.1.8.1 and 4.1.8.2 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 2007-08 to 2016-17.

4.1.8.1 Position of Inspection Reports

The summarised position of IRs issued during the last 10 years, paragraphs included in these reports and their status as on 30 June 2018 are tabulated in the Table:

Table-4.8
Statement showing position of Inspection Reports

(₹ 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
Previous year	29	136	65.42	0	0	0	0	0	0	29	136	65.42
2007-08	29	136	65.42	0	0	0	0	0	0	29	136	65.42
2008-09	29	136	65.42	0	0	0	0	0	0	29	136	65.42
2009-10	29	136	65.42	0	0	0	0	0	0	29	136	65.42
2010-11	29	136	65.42	0	0	0	0	0	0	29	136	65.42
2011-12	29	136	65.42	0	0	0	0	2	0.66	29	134	64.76
2012-13	29	134	64.76	0	0	0	1	5	0.13	28	129	64.63
2013-14	28	129	64.63	0	0	0	1	8	0.49	27	121	64.14
2014-15	27	121	64.14	0	0	0	0	0	0	27	121	64.14
2015-16	27	121	64.14	1	5	0.19	0	5	8.03	28	121	56.30
2016-17	28	121	56.30	2	30	70.10	0	2	0.70	30	149	125.70
2017-18 Upto 6/2018	30	149	125.70	6	55	16.40	0	5	0.48	36	199	141.62

Source: Inspection Reports of Revenue Sector.

It is evident from the above table that against 29 outstanding IRs with 136 paragraphs at the start of 2007-08, the number of outstanding IRs increased to 36 with 199 paragraphs at the end of 30 June 2018. This indicated that adequate steps were not taken by the Department to settle the IRs resulting in accumulation of the outstanding IRs and paragraphs despite Audit reminding the Department periodically to furnish the replies for taking the things to their logical end.

4.1.8.2 Recovery in cases accepted by the department

The position of paragraphs included in the CAG's Audit Reports of the last five years, those accepted by the Department and the amounts recovered are mentioned in the Table:

Table 4.9

Statement showing position of recovery of accepted cases

(*₹ in crore*)

Year of Audit Report	Number of paragraphs included	Money value of the paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered during the year	Cumulative position of recovery of accepted cases as of 31.03.2018
2012-13	2	0.53	2	0.17	0.17	0.17
2013-14	2	8.46	1	0.95	0.95	1.12
2014-15	3	1.64	3	0.25	0	1.12
2015-16	3	16.10	2	5.64	0	1.12
2016-17	3	25.59	1	11.47	0.12	1.24
Total	13	52.32	9	18.48	1.24	

Source: Inspection Reports issued by the Accountant General (Audit), Nagaland.

From the above table, it may be seen that during the last five years, an amount of ₹ 18.48 crore was accepted as against which only ₹ 1.24 crore was recovered by the Department. Thus, it is evident that the progress of recovery even in accepted cases was very slow during the last five years.

Audit, thus, recommends that the Department may take immediate action to pursue and monitor prompt recovery of the dues involved in the accepted cases.

4.1.8.3 Action taken on recommendations accepted by Government

The draft Performance Audits (PAs) conducted by the Accountant General (Audit) are forwarded to the departments concerned / government to furnish their replies. These PAs are also discussed during exit conference and views of department/Government are taken into account while finalising PAs for inclusion in Audit Reports.

During 2013-14 to 2017-18, two PAs relating to Finance Department, Transport and Communication Department were included in the Audit Report. Nine recommendations were made in CAG's Report for consideration by the Government. Status of acceptance of these recommendations is given in the following Table:

Table-4.10

Statement showing status of acceptance of audit recommendations made in PAs/Draft Paragraphs

Year of Audit Report	Name of the Performance Audits	Name of Administrative Department	No. of recommendations in PAs	No. of recommendations in Draft paragraphs	Status of acceptance of recommendations
2015-16	Nagaland State Lotteries	Finance	5	NIL	Not communicated
	Computerisation of Motor Vehicle Department	Transport and Communication	4		Not communicated
2016-17	Nil	Nil		NIL	

Source: CAG's Audit Reports for the year 2015-16 and 2016-17.

4.1.9 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 & Central), recommendations of the Taxation Reforms Committee, statistical analysis of revenue earnings during the past five years, factors of tax administration, audit coverage and its impact during past five years *etc.*

Out of 76 auditable units, 27 auditee units were planned for audit during 2017-18 and 22 units were covered in audit.

4.1.10 Results of audit

4.1.10.1 Position of local audit conducted during the year

Test check of the records of 22 offices during 2017-18 revealed under assessment/ short levy / loss of revenue/non-realisation of outstanding revenue/ evasion of tax *etc.*, in two offices aggregating ₹ 18.75 crore in 23 cases.

4.1.11 Coverage of this chapter

This chapter contains three compliance audit paragraphs (selected from the audit observations made during the local audit referred to above) and previous years involving financial effect of ₹ 19.86 crore. The Department accepted the audit observations involving ₹ 3.34 crore and recovered ₹ 5 lakh leaving the balance amount yet to be recovered.

Compliance Audits

4.2 Finance (Taxation) Department

The Nagaland Value Added Tax 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.

Further, following provisions of NVAT Rules 2005 were required to be followed:

- (i) As per Section 27 of the Rules, a dealer who desires to submit a revised return under sub-section (3) of Section 28 of the Act on account of any omission or error in the return, shall do so in Form VAT-4 with explanatory note within two months, and pay the tax or additional tax as per the revised return with interest.
- (ii) As per Section 49 of the Rules, if a dealer fails to pay the amount of tax by the due date, interest at the rate of 2 *per cent* per month is payable on the balance amount of tax liable to be paid.
- (iii) As per Section 51 (2) of the Rules, the Assessing Authority (AA) may, on the basis of information contained in the return filed by the dealer under sub-section (1) or sub-section (2) of Section 25 and 28, as the case may be, scrutinize the correctness of the tax assessed by the dealer himself. For this purpose, the AA may require the dealer to produce any account, documents or other evidences as may be deemed necessary for such scrutiny. The AA is not required to pass any order of assessment if on such scrutiny, the return is found correct and complete.
- (iv) As per Rule 51 (3) of the Rules, if on scrutiny under sub-rule (2) the AA is of the opinion that any lawful tax has escaped assessment or has been under assessed, he may pass such order of assessment as may deem fit after due notice in Form VAT-30. A copy of the order passed along with demand notice in Form VAT-31 shall be served upon such dealer for payment within twenty-one days of the date of notice.

4.2.1 Failure of the Superintendent of Taxes to detect evasion of tax

Four dealers concealed inter-state purchase of ₹ 43.66 crore which was not detected by the Superintendent of Taxes and resulted in evasion of tax of ₹ 7.69 crore.

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, interstate 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 Nagaland Value Added Tax (NVAT) Act, 2005 requires that the Assessing Authority on the basis of the information contained in the Return filed by the dealer scrutinises the correctness of the tax assessed by the dealer. For this purpose the Assessing Authority may require the dealer to produce any account details, documents or any other evidences as may be deemed necessary for such scrutiny. Further, as per Rule 49 of NVAT Rules 2005, interest at 2 per cent per month is payable on the balance amount of tax.

The office of the Deputy Commissioner of Taxes (DCT), Kohima is divided into three³ Wards, each headed by Superintendent of Taxes (ST). The STs are the AA and also the approving authority of all statutory forms to dealers who are in the business of manufacturing and resale of goods.

The audit of the accounts of the DCT, Kohima for the period from April 2015 to March 2017 was conducted in January-February 2018. As per records, there were 1255 registered dealers/suppliers/contractors/societies (Dealers running business: 339, Suppliers/Contractors/Societies: 852, and non-functional business/establishments: 64) out of which only 520 annual tax returns were submitted by the dealers for assessment of tax by the STs during the period in question.

Audit selected 207 returns (40 per cent) through stratified sampling method for the assessment year 2014-15 to 2016-17. Examination of records revealed that four⁴ dealers (**Appendix 4.2.1**) declared a gross purchase of ₹ 61.34 crore⁵ during the period 2014-16 by utilizing 'C' forms. Cross examination of utilisation of 'C' forms submitted by the dealers with the trading account and tax returns of the dealers revealed that the dealers had actually purchased taxable goods of ₹ 63.76 crore, taxable at various rates, as detailed below:

Table 4.11
Statement showing details of taxable purchases concealed by the dealers

(₹ in crore)

Particulars	Interstate purchase of goods of Taxable @						Total
	4.75%	5%	13.25%	14.50%	18%	25%	
Purchases as per 'C' forms	8.16	4.79	11.83	8.51	15.12	15.35	63.76
Taxable purchases declared by dealers	3.40	4.64	3.60	4.77	2.67	1.02	20.10
Taxable purchases concealed by dealers	4.76	0.15	8.23	3.74	12.45	14.33	43.66
Tax evaded	0.23	0.01	1.09	0.54	2.24	3.58	7.69

Source: Trading accounts and Tax assessment of the dealers furnished to the audit by the Assessing Authority.

³ Ward A Ward B and Ward C.

⁴ M/s New Kohima Agencies, M/s LK Hardware, M/s MK Angami Enterprises, and M/s Vizo & Sons.

⁵ Gross Purchases included non-taxable items, items at 4.75 per cent and items @ 5 per cent.

From the above table, it was evident that against the actual purchase of taxable goods of ₹ 63.76 crore, the dealers declared taxable purchases of ₹ 20.10 crore only. This resulted in concealment of taxable purchases of ₹ 43.66 crore and evasion of tax amounting to ₹ 7.69 crore.

Thus, it is evident that the AA had assessed the tax returns without cross verifying the utilisation certificate of 'C' forms in contravention of which resulted in evasion of tax of ₹ 7.69 crore by four dealers. Besides the dealers were liable to pay penal interest of ₹ 5.52 crore (up to December 2018) on the tax amount which had been evaded in accordance with Rule 49 of the Nagaland Value Added Tax Rules, 2005.

While accepting (October 2018) the facts in respect of three dealers the Department stated that as per audit recommendation, the assessing authority issued notice under section 39 and reassessed the tax liability of ₹ 3.34 crore⁶ including interest. In respect of one dealer, the Department stated that the dealer (M/s. L K Hardware, Kohima) had submitted a wrong trading account for the year 2014-15 and had now submitted duly corrected trading account which was scrutinized by the AA and found to be in order.

The reply of the Department was incorrect as the total taxable purchases concealed by the four dealers were amounting to ₹ 43.66 crore and the tax payable by them was ₹ 7.69 crore as per utilisation certificate of 'C' forms. The Department however, reassessed and served demand notice to three dealers for only ₹ 3.34 crore leaving ₹ 4.35 crore tax payable unassessed. In the case of M/s L K Hardware, the reply that the dealer had submitted corrected trading account was not true and misleading as the AA had assessed the tax on 15 June 2016 and the revised trading account was also received by the AA on the same day (15 June 2016). Besides, the dealer purchased goods valued for ₹ 5.92 crore through utilisation of 'C' forms but tax was assessed only on ₹ 3.28 crore. Therefore, the AA should reassess the tax payable on the concealed purchases of ₹ 2.64 crore by the dealer along with penal interest.

Thus, the failure of the AA to ensure cross verification of the utilisation of 'C' Forms with the tax returns as required under the provisions of Section 28 and 32 of the Nagaland Value Added Tax Act 2005 resulted in concealment of taxable turnovers and evasion of tax.

Recommendation (46):

- (i) **Responsibility of the AA should be fixed as he had failed to perform his duties as prescribed under Section 32 of the Nagaland Value Added Tax Act, 2005.**
- (ii) **Department should initiate action to re-assess the tax payable on total taxable purchases of ₹ 43.66 crore concealed by the dealers and recover the tax amount.**
- (iii) **The Department should collate the remaining tax returns assessed by them with the corresponding utilisation certificates of 'C' forms of the respective**

⁶ M/s. New Kohima Agencies (₹ 1.52 crore), M/s. L.K. Hardware, M/s. M.K. Angami Enterprises (₹ 1.04 crore) and M/s. Vizo & Sons (₹ 0.78 crore)

dealers with a view to assess the correctness of the purchases declared by them and effect recoveries, wherever the cases relating to concealment of tax are noticed.

4.2.2 Inadmissible Input Tax Credit

Assessing Authority allowed inadmissible input tax credit claim of ₹ 1.09 crore

As per Section 32 of the Nagaland Value Added Tax Rules 2005, a registered dealer shall be allowed to take credit of tax (Input Tax Credit) paid on any inputs or capital goods for use in business or furtherance of business received in stock on or after the 1st day of April, 2005. Provided that, while paying tax, the Input Tax Credit (ITC) shall be utilized only to the extent such credit is available on the last day of the month for payment of tax relating to the month.

As per sub-section (iv) of Section 37 of the Rules, no ITC shall be allowed unless the tax charged to such dealer have been paid by the selling dealer to the state. In case selling dealer defaults in depositing the tax collected on the goods sold to any dealer, the purchasing dealer in this case shall not be eligible to avail the said input tax credit.

The office of Deputy Commissioner of Taxes (DCT), Dimapur is divided into six Wards⁷ headed by Superintendent of Taxes (STs) and the STs are assessing authorities.

Compliance audit of the accounts of the DCT, Dimapur for the period 2013-17 and the assessment files under three wards⁸ was conducted in June 2017.

Examination of assessment file in respect of one dealer (TIN No.13010532093) under Superintendent of Taxes, Ward A, Dimapur revealed that the dealer had claimed ITC amounting to ₹ 12.77 crore for the year 2015-16 in his return. The AA accepted (December 2016) the return filed by the dealer under section 32 and 34 of NVAT Act.

Verification of desk review reports for the year 2015-16 in respect of the dealer revealed that, the dealer procured the goods from a Dimapur firm (TIN No. 130502479014). Cross verification of the returns and sales details of Dimapur firm, revealed that the dealer (TIN No.13010532093) had actually procured goods for ₹ 82.87 crore which included tax amount of ₹ 11.68 crore. The dealer, however, claimed ITC of ₹ 12.77 crore which was also allowed by the AA without collating the records concerned. This resulted in inadmissible ITC claim of ₹ 1.09 crore.

⁷ Ward A, Ward B, Ward C, Ward D, Ward E and Ward F.

⁸ Ward A, Ward C and Ward E.

As the accounting details were quite clear as indicated above, the AA, thus, failed to exercise necessary checks as required under the NVAT Rules, 2005, while assessing the returns and allowed the dealer to claim inadmissible ITC of ₹ 1.09 crore. Besides, the dealer was also liable to pay interest of ₹ 0.68 crore⁹ (calculated up to December 2018) under Section 49 of the NVAT Act, 2005.

Department stated in reply (January 2019) that the matter was under investigation.

Thus, an amount of ₹ 1.09 crore which was allowed wrongly due to lapse and failure on the part of AA should be recovered along with the penal interest of ₹ 0.68 crore.

Recommendation (47): Department should initiate action and fix responsibility of the AA for failing to exercise necessary checks which led to evasion of tax by the dealer.

4.2.3 Inadmissible stock transfer leading to evasion of Tax

Assessing Authority allowed inadmissible claim of stock transfer without supporting documents, resulting in evasion of tax of ₹ 2.53 crore.

Section 6A of Central Sales Tax (CST) Act provides that, where any dealer claims that he is not liable to pay tax under the CST Act, in respect of any goods, on the ground that the movement of such goods from one State to another was occasioned by reason of transfer of such goods by him to any other place of his business or to his agent or principal, as the case may be, and not by reason of sale, the burden of proving the movement of such goods shall be on that dealer. The dealer should furnish the proof to the AA within the prescribed time, a declaration, duly filled and signed by the principal officer of the other place of business, or his agent or principal, as the case may be, containing the prescribed particulars in the prescribed form obtained from the prescribed authority along with evidence of dispatch of such goods and if the dealer fails to furnish such declaration, the movement of such goods shall be deemed for all purposes of this Act to have been occasioned as a result of sale.

⁹ Calculated @ 2 per cent on ₹ 1.09 crore for 34 months

The Superintendent of Taxes, Mon is the AA and also the approving authority of all statutory forms to dealers who are in the business of manufacturing and resale of goods under his jurisdiction. The audit of the accounts of the Superintendent of Taxes, Mon for the period from January 2011 to June 2016 was conducted during July 2016.

Audit scrutiny of records of Superintendent of Taxes, Mon during July 2016 revealed that the dealer (M/s Shitala Enterprise, Naginimora bearing TIN No-13500556087) had obtained Certificate of Registration under Rule (1) of CST Rules, specifying the principal place of business at ADC Colony, Naginimora, Mon, Nagaland. The dealer had declared that there was no additional place of his business either within the State of Nagaland or in other States of India. The year-wise details of declared purchase, sales and transfer of goods shown in the annual returns by the dealer were as shown in the table below:

Table- 4.12

Statement showing details of declared purchase, sales and transfer of goods

(In rupees)

Year	Purchase	Sales	Transfer of stock	Tax paid on sales
2012-13	6,37,80,26,463	2,89,32,574	35,45,26,157	3,17,819
2013-14	7,07,75,680	47,84,935	6,62,34,731	95,698
2014-15	85,25,07,895	85,77,315	84,39,30,580	1,69,925
Total			126,46,91,468	5,83,442

Source: Department records.

The AA¹⁰ allowed the dealers' claim of ₹ 126.47 crore as stock transfer which was not supported by the prescribed forms¹¹ as required under the Act. The exemption allowed by AA for payment of tax without the mandatory forms was not in order as the dealer had declared, while obtaining the certificate of Registration, that he had no additional place of business either within the State of Nagaland or in other States of India. The entire amount of ₹ 126.47 crore claimed by the dealer and allowed as stock transfer was, therefore, required to be treated as sales within the ambit of section 2 (g) of CST Act. The dealer was liable to pay ₹ 2.53 crore as CST (@ two *per cent*) on the stock transfer. In addition, the dealer was also liable to pay interest of ₹ 2.35 crore on the tax evaded. Thus, the action of the AA to allow the stock transfer from Naginimora, Mon District, Nagaland to other place of business was contrary to the declaration made by the dealer which should not have been allowed.

¹⁰ Shri. Toshi Yimchunger.

¹¹ Statutory forms under CST Act for transfer of goods from the principal place to other branch or vice versa.

The Department stated in reply (January 2019) that the matter was under investigation.

Thus, the inadmissible stock transfer of ₹ 126.47 crore was allowed by the AA in contravention of Section 6A of CST Act, 1956 for which the dealer was liable to pay ₹ 2.53 crore as CST along-with interest.

Recommendation (48): The Department should initiate action to determine the tax actually payable and recovered from the dealer. Besides, the Department should also fix responsibility of the Assessing Authority for allowing stock transfer without valid records/documents.

CHAPTER - V
GENERAL SECTOR

CHAPTER - V

GENERAL SECTOR

5.1 Introduction

This chapter of the Report for the year ended 31 March 2018 deals with the audit observations relating to the State Government departments/ authorities/ units under General Sector.

The departments and the total budget allocation *vis-a-vis* expenditure of the State Government under General Sector during 2017-18 are given in **Appendix 5.1.1**

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, Inspection Reports (IRs) containing audit findings were 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 were settled based on reply/action taken or further action for compliance is advised. Some of the important audit observations arising out of these IRs were 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, expenditure involving ₹ 3701.93 crore (including expenditure pertaining to previous years audited during the year) of the State Government under General Sector were test checked. This chapter contains the audit observations in respect of the New Pension Scheme in Nagaland, one compliance audit and one paragraph on recovery at the instance of Audit.

Compliance Audits

FINANCE DEPARTMENT (TREASURY AND ACCOUNTS)

5.3 Implementation of New Pension Scheme (NPS) in Nagaland

The Directorate of Treasuries and Accounts (DTA), Government of Nagaland (GoN) administers and enforces the financial rules and regulations in the functioning of all Government Departments. The DTA also functions as the Nodal Office for the implementation of NPS in Nagaland. An audit on the implementation of NPS for the period from January 2010 to March 2018 was conducted during July and August 2018.

Highlights

- 10,117 regular (43 per cent) Government servants appointed on or after 01 January 2010 in the state were yet to be registered with National Securities and Depository Limited (NSDL) and had not been allotted Permanent Retirement Account Number (PRAN).

(Paragraph 5.3.8.1)

- Delay in submission of challans by Drawing and Disbursing Officers (DDOs) to DTA delayed the remittance of the employees' contributions to NSDL. This resulted not only in liability to pay interest by the State Government on account of delay but also denied the benefit of returns from the investment to the subscribers.

(Paragraph 5.3.8.8)

- As of March 2018, the State Government had not remitted ₹211.40 crore to NSDL. This delay in remittance to NSDL would attract a penal interest amounting to ₹47.48 crore (March 2018).

(Paragraph 5.3.9)

- Death Gratuity and Family Pensions were not granted to 40 Government servants in the test checked DDOs as the DDOs and the stakeholders were unaware of such benefits available under the scheme.

(Paragraph 5.3.9.1)

5.3.1 Introduction

The NPS which is a compulsory defined contribution pension system administered and regulated by the Pension Fund Regulatory and Development Authority (PFRDA), was introduced by Government of India (GoI) for all the employees (except Armed Forces) who had joined the service on or after 01 January 2004. Under the NPS, 10 per cent of a Government Servant's Basic Pay plus Dearness Allowances (DA) are deducted every month as subscriber's contribution and the Government/employer contributes a matching share. The contributions of the employees and the State's matching share are deposited in a non-withdrawable pension account which is invested with the Pension Fund Managers for maximum return to the subscribers. The GoN adopted the NPS for all regular government employees appointed on or after 01 January 2010.

5.3.2 Organizational set-up

The Finance Department, GoN supervises and frames policies/guidelines for implementation of NPS in Nagaland and acts as an interface of the State Government with PFRDA and NSDL under the architecture of NPS. The DTA functions as the Nodal Office for NPS in the State and is assisted by the District and Sub-Treasuries.

5.3.3 Scope of Audit

The audit of NPS covered the period from January 2010 to March 2018. Three (Kohima, Dimapur and Mokokchung) out of 11 Districts were selected for test check to cover 5,783 out of 18,199 (March 2018) subscribers in the State.

5.3.4 Audit Objectives

The audit was conducted with the objectives to assess whether:

- All regular government servants appointed on or after 01 January 2010 were brought under the ambit of NPS.
- Subscribers' contributions and Government matching contributions were remitted timely.

5.3.5 Audit Criteria

The findings of audit were benchmarked against the following sources of criteria:

- Memorandum of Understanding (MOU) between Government of Nagaland and NPS Trust (established by PFRDA).
- Guidelines, Circulars, Notifications and various Orders issued by NSDL, PFRDA and Government of Nagaland from time to time.
- General Financial Rules and Receipt and Payment Rules.

5.3.6 Audit Methodology

The audit methodology comprised of an entry conference held on 20 July 2018 with officers from the Department of Treasuries and Accounts, issue of requisitions for records, questionnaires, audit queries/observations, examination of records furnished, issue of draft report to the Department followed by an exit conference held on 10 December 2018. The replies received and the views expressed by the Department during the exit conference have been appropriately incorporated in the report.

5.3.7 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the Directorate of Treasuries and Accounts and the DDOs during the course of conduct of audit.

5.3.8 Audit Findings

The GoN adopted the NPS in respect of all the new entrants to the service of the State Government with effect from 01 January 2010. The audit findings are discussed in the following paragraphs:

5.3.8.1 Personal Information Management System

Personal Information Management System (PIMS) is a comprehensive web-enabled application introduced¹ by the Department of Personnel and Administrative Reforms (P&AR) for the management of human resources and administration. The implementation of NPS is closely linked with the PIMS as personal and service details of the State Government employees are captured in the system.

Examination of records revealed that the Finance Department, GoN issued an Office Memorandum² (OM) reiterating that all regular State Government employees appointed on or after 01 January 2010 will be covered by NPS. It was observed that State Government made appointments on “Adhoc, Casual, Contingency, Contract,

¹ vide No. PAR/PIMS-2/2015 dated 27 May 2016

² OM No.FIN/ESTT-3/04(Pt-) dated 16 September 2010

Fixed, Temporary, Permanent, Wages, Provisional or Work-charged” categories. The Finance Department stated (September 2018) that the Government servants who were appointed on ‘Temporary/Provisional and Permanent’ basis were eligible for NPS as applicable to Central Government employees.

An analysis of PIMS database of Government servants appointed between 01 January 2010 and 31 March 2018 in the state was carried out during audit. The details of appointments, eligible employees for issue of Permanent Retirement Account Number (PRAN) and ineligible employees under NPS who were issued PRAN *etc.*, are given below:

Table 5.1
Abstract of state employees data from PIMS maintained by P&AR, GoN

SL. No.	Year	Total* appointment	Employees eligible ³ for PRAN	Eligible employees issued PRAN	Percentage of eligible employees issued PRAN	Eligible employees not issued PRAN	Percentage of eligible employees not issued PRAN	Employees not eligible ⁴ for PRAN	Ineligible employees issued PRAN
1	2009-10	1364	751	452	60.19	299	39.81	613	5
2	2010-11	4892	3244	2281	70.31	963	29.69	1648	14
3	2011-12	6725	4340	3097	71.36	1243	28.64	2385	53
4	2012-13	8137	6254	4688	74.96	1566	25.04	1883	33
5	2013-14	4939	2741	1463	53.37	1278	46.63	2198	26
6	2014-15	3864	1778	773	43.48	1005	56.52	2086	19
7	2015-16	4913	2860	560	19.58	2300	80.42	2053	12
8	2016-17	2513	1227	239	19.48	988	80.52	1286	5
9	2017-18	1699	501	26	5.19	475	94.81	1198	0
Total		39046	23696	13579	57.31	10117	42.69	15350	167

Source: Database of Personal Information Management System.

**includes all categories such as adhoc, casual, contingency, contract, fixed pay, wages, work charged.*

As seen from the above table, out of 39,046 Government servants appointed between January 2010 to March 2018 in the state, 23,696 employees were eligible under NPS. It was, however, observed that only 14,010 employees were allotted PRAN (including 264 employees appointed before January 2010 and 167 Adhoc, Casual, Contingency, Contract, Fixed and Work Charged employees not eligible under NPS) whereas 10,117 eligible employees were yet to be brought under NPS due to non-submission of registration forms, delay in scrutiny and forwarding of registration forms to NSDL *etc.*

Audit observed that these 10,117 eligible employees were denied the benefit of investment returns of their subscriptions from the date of deduction towards NPS. This had also led to the State Government incurring avoidable expenditure in the form of penal interest amounting to ₹ 47.48 crore against delayed remittance of NPS contributions to NSDL. The issues relating to avoidable expenditure towards interest

³ NPS eligible (appointed on Temporary, Provisional and Permanent basis)

⁴ NPS ineligible (appointed on Adhoc, Casual, Contingency, Contract, Fixed pay, Wages and Work-charged basis)

by the State Government has been discussed in detail under **Paragraph 5.3.9**. The allotment of PRAN to ineligible employees also indicated deficiencies in the implementation of NPS.

DTA in reply stated (December 2018) that enrolment of ineligible employees was due to oversight by DDOs and also discrepancies and data entry errors of employees' details in PIMS database.

The fact remains that 167 ineligible employees and 264 employees appointed before the implementation of NPS were allotted PRAN while 47 *per cent* of NPS eligible employees were denied the scheme benefit. In addition, all 10,117 eligible employees were denied the benefit of investment returns of their subscriptions.

Necessary steps should be taken immediately by the Department to expedite the process of allotment of PRANs to all eligible employees to extend the benefit under NPS and action taken to cancel the registration of all ineligible employees from the database.

5.3.8.2 Delay in deduction of subscriptions for NPS

As per the norms of the NPS, a monthly contribution of 10 *per cent* of the Basic Pay and DA is to be deducted from the employees as employee's share from the month following their joining the service. The contributions of the employees and the state's matching share will be invested by the Pension Fund Managers as approved by PFRDA under different categories of schemes which would be a mix of debt and equity. The entire amount lying in the pension account during retirement will be the pension wealth of the retiring government servant.

Further as per O.M. (September 2010) issued by the Finance Department, GoN, deduction shall be made on monthly basis from the salary of the concerned employees starting from the salary of September 2010. The arrear portion of contributions for the period from 01 January 2010 to 31 March 2010 shall be deducted in one instalment from the Revision of Pay (ROP) arrears if due; otherwise, the same should be deposited in five monthly instalments from the salary of subsequent months.

Examination of records of 21 DDOs in the selected three Districts revealed that, 15 DDOs did not deduct the employees' subscription in respect of 1,517 employees from the month following their joining the service. It was further observed that the delayed deductions occurred as basic operational training on NPS was not imparted by DTA to all stakeholders. Out of the 21 test checked DDOs, eight DDOs were not imparted any training on NPS.

The delay in deduction of 1,517 employee's contributions in 15 out of 21 DDOs are detailed in the Table:

Table 5.2
Delay in deduction of employees' subscription by the DDOs

Sl. No	Name of DDO	Employees under NPS	Delay in deduction (in Months)		
			Minimum	Maximum	No. of employees
1	IGP (INT), Kohima	270	1	48	202
2	SP, Mokokchung	287	1	46	116
3	Comm of Police, Dimapur	367	1	32	114
4	DGP, Kohima	133	1	94	101
5	CMO, Dimapur	140	1	24	26
6	4th NAP, Thizama	248	1	36	116
7	CMO, Mokokchung	179	1	83	62
8	1st NAP, Chumukedima	242	1	86	240
9	SDEO, Dimapur	1048	1	52	27
10	Fire and Emergency Services, Kohima	289	1	34	98
11	SDEO, Mokokchung	323	1	24	56
12	SDEO, Kohima	263	1	56	122
13	DEO, Dimapur	188	1	56	82
14	15th IR (Mahila), Chumukedima	165	1	44	126
15	Director, School Education	31	1	66	29
	Total	4173			1517

Source: Departmental figures.

As can be seen from above, Audit noticed that the deduction of 1,517 employee's contribution were delayed by one to 94 months in 15 test checked DDOs. This was one of the reasons which contributed to accumulation of unremitted employees' and employers' contributions (₹ 211.40 crore) as discussed in **Paragraph 5.3.9**. The delay in deduction and non-remittance to NSDL denied the subscribers the benefit of investment returns on their subscriptions.

DTA while accepting the facts stated in reply (December 2018) that delayed deduction was due to lack of awareness about NPS at the DDOs level and change of DDOs on account of retirement.

The reply was an admission to the fact that 1,517 employees were not allotted PRAN on time leading to denial of the benefits of investment returns from the month following their joining service.

Recommendation (49): Department should ensure that proper training is imparted to all DDOs and accountants/dealing assistants of NPS so that the scheme is implemented as per its guidelines.

5.3.8.3 Deduction of 10 per cent subscriptions from DA/Pay Arrears

As per Finance Department OM (September 2010), 10 per cent of the Basic Pay including DA as applicable should be deducted as employee's contribution towards NPS. The Ministry of Finance, Department of Expenditure also clarified⁵ that DA arrears should be taken into account for the purpose of working out contributions towards NPS.

Examination of records of 21 DDOs in the three selected districts out of 11 districts revealed that, all 21 DDOs had never deducted the NPS contributions from the subscribers' while drawing the DA/Pay arrears bills. This was in contravention of the Ministry of Finance, Department of Expenditure order and the employees were deprived of both their subscriptions and the Government's matching share.

DTA, while accepting the facts, stated (December 2018) that employee's subscriptions were not deducted from DA arrears as Finance Department, GoN had directed that such arrears should be directly paid to the employees. DTA further stated that the matter was brought to the notice of the Finance Department for clarification.

DTA's reply was not justified as Ministry of Finance, Department of Expenditure GOI had directed that NPS deductions should include deductions from DA or pay arrears of the subscribers. The arrear payment should, therefore, be made after deduction of 10 per cent towards NPS Subscription. Thus, failure of the DDOs to ensure deduction of the employees' share and the failure of the Government (Finance Department) to ensure contribution of employer's matching share ultimately resulted in denial of intended benefits as the same could not be transferred to NSDL.

5.3.8.4 Generation of multiple PRANs and maintenance of idle accounts

The PFRDA issues monthly status report of NPS for each State. Verification of the reports for the State of Nagaland revealed that 2,856 account holders had a zero credit even after five to six years of PRAN generation. Analysis of PRANs generated till March 2018 (18,199 PRANs) also revealed that 87 subscribers had two PRANs and one subscriber was allotted three PRAN accounts. It was observed that out of 2,856 zero credit PRANs, 88 were due to subscribers opening multiple accounts and 2,768 were due to delayed submission of challans by DDOs to the treasuries in respect of Centrally Sponsored Schemes (CSS) employees whose salaries were not released in a timely manner.

It was further observed that, as of March 2018, the State Government incurred wasteful expenditure of ₹ 5.28 lakh (₹ 40 for opening a new account and ₹ 95 for annual maintenance per PRAN from the year of its allotment) as account opening and annual maintenance charges for these idle and multiple accounts.

The Department while accepting the facts stated in reply (December 2018) that, 697 idle and 32 multiple PRANs were deactivated while the number of zero credit PRANs had reduced to 2199 in November 2018.

⁵ vide OM No. 1 (7) (2)/2003/TA/245 dated 21 April 2004

The reply was not acceptable as multiple PRANs were allotted and accounts with zero credit were allowed to be maintained by NSDL for which the Government had to incur avoidable expenditure of ₹ 5.28 lakh.

Recommendation (50): The Department should strengthen the monitoring mechanism and put in place an effective system for checking of submission of multiple application forms and deactivation of all the idle/multiple PRANs.

5.3.8.5 Non-adoption of Online PRAN Generation Module (OPGM)

Online PRAN Generation Module (OPGM) was introduced by NSDL for Nodal offices to expedite the process of PRAN registration and generation. Online generation of PRAN, unlike physical submission of forms, reduces time and efforts involved in PRAN generation. OPGM also help in reducing the problem of rejection of physical registration forms and assist in getting PRAN number immediately so that contributions are remitted to NSDL on time.

It was however, observed that Nagaland follows the offline system for registration of NPS eligible employees with NSDL where employees submit hard copy of registration forms to the DDOs who forward it to the District Treasury Officers (DTOs)/DTA for submission to NSDL.

Examination of records further revealed that PFRDA had directed⁶ DTA for early adoption of OPGM for effective implementation of NPS in the State. PFRDA had further stated that the pre-requisites for adoption of OPGM are system connectivity and basic hardware infrastructure for scanning and uploading of subscribers' personal details. NSDL had also suggested that a single login ID and password can be issued for OPGM, if NPS is centrally controlled. The DTA stated (August 2017) that OPGM was not feasible, as Treasuries/Sub Treasuries responsible for data entry, capturing of signatures, photographs and other personal details of subscribers on adoption of OPGM which could be an area of concern due to internet connectivity problem. The Directorate further stated that no major lapses had occurred in the physical submission of forms being followed by the State and suggested deferment of OPGM till system connectivity improves. The reply was not acceptable since Nagaland follows the centralized model where the DTA is the sole Nodal office and had the required pre-requisites for adoption of OPGM.

Thus, non-adoption of OPGM resulted in rejection of 295 NPS registration forms, delay in generation of PRANs from one to 98 months and accumulation of penal interest amounting to ₹ 47.48 crore as discussed in the succeeding paragraphs.

Recommendation (51): The Department should migrate from offline system of registration to Online PRAN Generation Module (OPGM) as recommended by the Pension Fund Regulatory and Development Authority at the earliest to expedite the entire process.

⁶ vide No.-PFRDA/20/SG/20/I dated 22 May 2017

5.3.8.6 Delay in registration

The Finance Department issued datelines⁷ for smooth implementation of NPS so that the subscribers' registration forms were filled and submitted to the DDOs concerned within 15 days of their joining the service.

Examination of records of 21 DDOs in three test checked districts revealed that, out of 5,783 eligible employees under NPS, 4,281 PRANs were generated after a delay ranging from one to 98 months and 1,502 PRANs were yet to be generated due to delay in submission of registration forms and submission of incompletely filled forms by the employees, DDOs, DTOs as well as DTA to NSDL. It was also observed that 114 eligible employees in the selected DDOs were yet to apply for PRAN registration (August 2018) due to incomplete mandatory documents like PAN card, Bank Account Number and Aadhaar card of the newly appointed Government Servants. The details of delay in generation, non-generation and non-submission of registration forms are detailed below:

Table 5.3
Delayed registration of employees with NSDL for generation of PRAN

Sl. No.	Name of DDO	Employees under NPS	Applied but PRAN yet to be generated	Eligible employees who were yet to apply for PRAN	Delay in registration (in Months)		
					Minimum	Maximum	No. of employees
1	IGP(INT), Kohima	270	134	5	1	98	136
2	SP, Mokokchung	287	103	32	1	98	184
3	Commissioner of Police, Dimapur	367	188	0	1	98	179
4	Civil Secretariate, Kohima	319	97	0	1	96	222
5	DGP, Kohima	133	67	0	1	94	66
6	CMO, Dimapur	140	36	0	1	93	104
7	4th NAP, Thizama	248	122	3	1	88	126
8	CMO, Mokokchung	179	12	3	1	86	167
9	1st NAP, Chumukedima	242	127	70	1	85	115
10	SDEO, Dimapur	1048	79	0	1	84	969
11	SDEO, Niuland	370	79	0	1	84	291
12	SP, Kohima	523	206	0	1	81	317
13	Dir. H& FW, Kohima	102	7	0	1	72	95
14	Fire& Emergency Service	289	173	0	1	69	116
15	SDEO, Mokokchung	323	2	0	1	68	321
16	SDEO, Kohima	263	0	0	1	61	263
17	Geology& Mining, Dimapur.	169	54	0	1	58	115
18	DEO, Dimapur	188	4	0	1	56	184
19	CMO, Kohima	127	2	0	1	39	125

⁷ vide No.FIN/TA/1-101/11 dated 17 November 2016.

Sl. No.	Name of DDO	Employees under NPS	Applied but PRAN yet to be generated	Eligible employees who were yet to apply for PRAN	Delay in registration (in Months)		
					Minimum	Maximum	No. of employees
20	15 IR(Mahila), Chumukedima	165	10	1	1	21	155
21	Director, School Education. Kohima	31	0	0	1	2	31
	TOTAL	5783	1502	114			4281

Source: Departmental figures.

Thus, the delay in generation of PRANs ranging from one to 98 months after joining Government service resulted in denial of benefits to the subscribers and attracted payment of penal interest by the State Government to the subscribers.

The DDOs, while accepting the facts stated in reply that pay of employees who had not applied for PRAN are now being withheld and the salaries of employees who failed to submit registration form after 30 days of joining their service are not being released by the concerned District Treasuries and Sub-Treasuries till submission of the registration forms.

The reply of the Department was not acceptable as the Government had not generated PRAN in respect of 1,502 eligible employees. In addition, PRAN in respect of 4,281 employees were generated after a long delay thus, leading to accumulation of the employees' contribution which would attract penal interest for delay in remittance to NSDL.

5.3.8.7 Rejection of subscribers' registration forms

Nagaland follows the centralised model of NPS where the DTA is the sole nodal office for registration of new subscribers and remitting contributions to NSDL. Under the centralized model, the new Government employees are required to submit duly filled in registration forms in hard copy to their respective DDOs who in turn forward it to the DTOs for verification. These forms are then forwarded to the Nodal Office for further verification and submission to NSDL.

Examination of records revealed that 295 application forms submitted by DTA to NSDL were rejected due to incomplete mandatory employees' details (Date of joining, nominee, signature of employee, pin code *etc.*). These rejected forms were resubmitted to NSDL after verification by the employees and DDOs concerned, thereby delaying the process of PRAN generation. Rejection of application forms resulted in delayed PRAN generation thereby depriving employees of their subscriptions' investment returns besides increasing the liability of the State Government in the form of penal interest for delayed remittance of contributions to NSDL.

Rejection of these registration forms despite verification and authentication by the DDOs, DTOs and the DTA reflects deficient supervision and checks before their submission to NSDL by the DTA.

Recommendation (52): Department needs to ensure that the DDOs and DTOs scrutinize application forms meticulously at their level to avoid rejections by NSDL.

5.3.8.8 Delay in submission of Challans and Annexures

As per Finance Department OM (September 2010), every DDOs shall deduct employee's contribution at the rate of 10 per cent of Basic Pay plus DA and deposit into the Treasury by way of deduction from the monthly salary bill. The name and designation of the employee, amount and month for which deduction was made were to be indicated in the statement in prescribed Annexure-I attached with the treasury challan. The DDO shall maintain a register to record all such deductions on a monthly basis and record the number and date of the challan in prescribed Annexure-II and send it to the Head of the Department (HOD) in duplicate. HODs shall prepare an abstract statement in prescribed Annexure-III incorporating all the statements from the DDOs under his/her charge for each month and submit it to the DTA on monthly basis. The DTA shall upload the statements to NPS Contribution Accounting Network (NPSCAN). These statements from DDOs and HODs were required to reach the DTA latest by 15 of every following month.

Examination of records revealed that the selected DDOs/HODs did not adhere to the timeline for submission of Challans along with the prescribed Annexures to the DTA, thereby causing a delay in uploading and remittance of the Pension fund to NSDL. It was also noticed that the details of the employees' subscriptions were not submitted regularly as per prescribed norms by the DDOs. It was observed that 17 out of 21 selected DDOs could not submit the annexures and challans to the HODs in time as the treasury voucher numbers and challans were not issued by the District/Sub-Treasury offices timely. Five DDOs could not submit the annexures and challans monthly due to delay in release of salaries in respect of Centrally Sponsored Schemes (CSS) employees.

This delay in submission of challans by DDOs to DTA further delayed the remittance of the employees' contributions to NSDL. This resulted not only in State Government paying penal interest to the subscribers but also denied the benefit of returns from the investment.

While accepting facts, the DTA stated in reply (December 2018) that the instructions had since been issued to all DTOs/STOs for submission of *challans* timely.

The fact, however, remains that delay in issue of challans by District and Sub-Treasuries resulted in delay of remittance to NSDL which could have been avoided had DTA closely monitored its functioning in this regard as per prescribed procedure.

Recommendation (53): The Department should streamline its monitoring mechanism of the District Treasuries and initiate follow-up actions to avoid delay in issue of challans by DTOs to arrest the situation of delayed remittances to NSDL.

5.3.9 Deficiencies in remittance of pension funds to NSDL

The subscribers' contributions are deposited into the Government account under Major Head "8342-Other Deposits-117- Defined Contribution Pension Scheme (Employees contribution under NPS)" through treasury challans. Remittances to NSDL were made only for the employees with PRAN and contributions of employees without PRAN were lying in the Government Account. As per OM⁸ (August 2012), State Government should pay interest to the subscribers (at existing GPF rate) on the accumulated subscribers' contributions already made by the employees and lying in the Government account.

The Government's matching contribution along with interest accumulated due to delayed remittance to the Trustee Bank are debited from the Head of Account "2071-01-117-Government Contribution for Defined Contribution Scheme".

The details of employee's share, Government contribution, interest accrued thereon and transfer to the trustee Bank/NSDL is given in the table below:

Table 5.4

Details of contribution and transfers to NSDL under NPS

Year	Opening Balance	Details of contribution by			Transfer to NSDL	Less Transfer	Rate of interest applicable	Interest due on Opening Balance
		Employees	Government	Total				
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
2013-14	30.00	21.76	21.76	43.52	1.28	72.24	8.80	2.64
2014-15	72.24	34.83	34.83	69.66	21.55	120.35	8.80	6.36
2015-16	120.35	38.92	38.92	77.84	40.01	158.18	8.80	10.59
2016-17	158.18	47.28	47.28	94.56	52.21	200.53	8.00	12.65
2017-18	200.53	65.00	65.00	130.00	119.13	211.40	7.60	15.24
Total		207.79	207.79	415.58	234.18*			47.48

* ₹ 234.18 crore remitted to NSDL includes an amount of ₹ 13.91 crore as penal interest already paid to the employees and ₹ 1.33 crore paid to NSDL as service charges for opening and maintaining subscribers' PRAN accounts.

During the year 2017-18, there was an opening balance of ₹ 200.53 crore and ₹ 130.00 crore (Employees' + Employer's share) was contributed to the fund. Out of this, an amount of ₹ 119.13 crore (Employee's contribution- ₹ 56.69 crore; and Employer's contribution- ₹ 62.44 crore) was transferred to the NSDL/Trustee Bank leaving a balance of ₹ 211.40 crore (Employees' contribution ₹ 103.68 crore and Employers' contribution ₹ 107.72 crore) un-transferred as on 31 March 2018. The accumulated balance was due to persistent short transfer of funds to NSDL/Trustee Bank over the years. Over the last five years, the State Government acquired the interest liability amounting to ₹ 47.48 crore on the amount not transferred to NSDL.

⁸ Vide OM No. FIN/ESTT-3/04(Pt-II) Dated 27 August 2012.

While accepting (December 2018) the facts, the Government stated that the Employees' and Employers' contribution by the Government to NSDL/Trustee Bank could not be remitted due to non-generation of Permanent Retirement Account Number (PRAN) in respect of employees who had either submitted the Registration forms with delay or not submitted the same due to not having Permanent Account Number (PAN), Aadhaar and Bank Account, *etc.* However, online *e-NPS* has been introduced and the process to regularize the outstanding amounts had been started.

Failure of the State Government to transfer the entire amount of pension contributions to NSDL/Trustee Bank would not only eventually deplete the NPS Corpus but also increase the liability of the Government and risk failure of the scheme.

Recommendation (54): The State Government should ensure that employees recruited on or after 01 January 2010 are fully covered under the New Pension Scheme and both the contributions are deducted and fully transferred to NSDL/Trustee Bank in a timely manner to avoid interest liability.

5.3.9.1 Denial of death/retirement/invalidation pension benefits to the subscribers

The Finance Department, GoN issued (September 2012) an interim order⁹ for grant of relief on death/disability of State Government servants covered by NPS, in line with the directives¹⁰ of the PFRDA and Ministry of Personnel, Public Grievances and Pensions, Department of Pension and Pensioners Welfare. As per the order, Invalid Pension/Disability Pension/Family Pension and Death/Retirement Gratuity as per Central Civil Services (Pension) Rules, 1972 would be extended to NPS employees on provisional basis. Similarly, the Finance Department, Government of Nagaland issued an order (November 2017) regarding permanent extension of Retirement and Death Gratuity to the subscribers in compliance of PFRDA and Ministry of Personnel, Public Grievances and Pensions, Department of Pension and Pensioners Welfare order¹¹.

Examination of records of 21 test checked DDOs revealed that there were 42 cases of death in service, however, only two DDOs had processed the matter for grant of death gratuity and family pension benefits in respect of two expired government servants under their administrative control whereas 19 DDOs stated that they were not aware of the extension of such benefits to the subscribers of NPS.

This indicated that the DDOs were not sensitised and trained for creating awareness among the stake holders on the rules and regulations relating to the implementation of NPS. As a result, invalid pension/disability pension or family pension and death gratuity benefits available under the scheme could not be fully extended to the NPS subscribers.

⁹ vide NO.FIN/ESTT-3/04 (Pt-II) dated 19 September 2012

¹⁰ OM No. 38/41/06/P&PW(A) Dated 05 May 2009

¹¹ OM No.7/5/12-P&PW (F)/B dated 26 August 2016.

Recommendation (55): *The Department should conduct awareness programmes to sensitise the DDOs for creating awareness on the rules and regulations relating to the implementation of NPS. Besides, the Department should review all such cases and take appropriate action where retirement benefits available under the Scheme were not extended.*

5.3.10 Conclusion

Data analysis of PIMS revealed that 10,117 regular employees eligible under NPS were not registered with NSDL. Out of 23,696 eligible employees, 43 *per cent* were yet to be allotted PRAN under NPS. Audit also noticed allotment of 431 PRANs to non-eligible employees. The selected DDOs did not deduct 10 *per cent* amount from Dearness Allowance and Pay Arrears towards NPS subscription contrary to the provisions of the Scheme. There were delay in registration for period up to 98 months and also delay in deduction of subscriptions from employees for period up to 94 months.

There were 2,856 inactive PRAN accounts (March 2018) having zero credit and 88 employees were allotted multiple accounts. The State Government was yet to remit ₹ 211.40 crore (March 2018) on account of employees' contribution and Government matching share. The State Government was further liable to pay penal interest amounting to ₹ 47.48 crore (March 2018) towards delay in remittance of employees' subscription and State's matching contribution to NSDL.

The NPS was not smoothly implemented in Nagaland as envisaged in the guidelines and orders issued by the Government from time to time due to lapses noticed from the stage of subscribers' registration till remittance of pension contributions to NSDL. Stakeholders were not sensitized about NPS through proper training thereby denying the extension of full benefit to the subscribers available under the scheme.

FINANCE DEPARTMENT (Directorate of Treasuries & Accounts)

5.4 Fraudulent drawal of money

Failure of the Drawing and Disbursing Officers and Treasury Officers to exercise prescribed checks resulted in fraudulent/double/excess drawal of ₹ 7.36 crore out of which ₹ 5.73 crore was yet to be deposited.

Rule 66, sub-clause 3, of the Central Government Account 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 Drawing and Disbursing Officer (DDO) himself or by some responsible official other than the person preparing the bill.

Rule 22 of the Central Treasury Rules states that the Treasury Officer shall be responsible to the Accountant General for acceptance of the validity of a claim against which he has permitted withdrawal and for evidence that the payee has actually received the sum withdrawn. And according to Rule 23 of the Central Treasury Rules, the Treasury Officer shall obtain sufficient information as to the nature of every payment he is making and shall not accept a claim which does not formally present that information unless there are valid reasons which he shall record in writing for omitting to enquire it. Rule 24 of the Central Treasury Rules further states that the Treasury Officer may correct an arithmetical inaccuracy or an obvious mistake in any bill presented to him for payment.

Further, according to Rule 276 of the Central Treasury Rules, while drawing any arrear bill, the Drawing Officer shall record the certificates on the arrear bill under his dated signature to the effect that (i) no part of the amount claimed has been drawn previously; and (ii) a note of the arrear claim has been made in the office copy of the bill or the pay bill register for the period to which the claim pertains.

Audit received a total of 45519 Vouchers from PAG (A&E), Nagaland submitted by the DDOs to the office during the year 2017-18. Out of the total vouchers received, 28360 vouchers audited during 2017-18 revealed that, 40 DDOs of 12 Departments had fraudulently drawn ₹ 7.36 crore on account of Pay and Allowances, Pay arrears, House Rent Allowance arrears, Dearness Allowances arrears, Repair and Replacement bills and by inflating the total of the Pay bills as detailed below:

Table 5.7

Sl. No.	Nature of Objection	Number of cases	Amount involved (₹ in lakh)
1	Pay and allowances	16	144.25
2	Arrears of pay and allowances	4	26.59
3	Pay arrears	13	378.55
4	Inflating the totals	1	0.99
5	House Rent Allowance arrears	5	11.41
6	Dearness Allowance arrears	8	50.12

Sl. No.	Nature of Objection	Number of cases	Amount involved (₹ in lakh)
7	Wages/fixed pay arrear	2	2.58
8	Repair and replacement bills	1	122.00
Total		50	736.49

The funds were drawn by 40 DDOs fraudulently while drawing the Pay and allowances and arrears of aforesaid allowances etc., violating the prescribed rules.

On the basis of the draft paragraph issued to the Government, 12 DDOs deposited the entire amount of ₹ 1.54 crore and six DDOs partially deposited ₹ 9.41 lakh. The remaining amount of ₹ 5.73 crore was yet to be deposited by the DDOs concerned.

The details of the cases where recoveries were yet to be made are discussed below.

5.4.1 EDUCATION DEPARTMENT

5.4.1.1 Sub-Divisional Education Officer, Niuland

(i) The Sub-Divisional Education Officer (SDEO) Niuland had drawn ₹ 57.79 lakh as dearness allowance arrear for 10 months (January to October 2016) in respect of 605 employees. It was observed in audit of vouchers that the basic pay of 549 out of 605 employees was inflated in the due and drawn statement. This resulted in fraudulent drawal of ₹ 19.32 lakh (*Appendix 5.4.1*) by the Sub-Divisional Education Officer (SDEO) Niuland.

The SDEO in reply stated that an amount of ₹ 1.95 lakh was deposited (April 2018 and March 2019) into Government Account, and ₹ 17.37 lakh was yet to be deposited (May 2019) into Government account.

(ii) Further, the SDEO, Niuland had drawn ₹ 4.81 crore on account of pay and allowances in respect of 1567 employees for four months¹². It was observed that the basic pay of 28 employees drawn in the month of August 2015, September 2015 and November 2015 respectively were inflated in the pay bills. This had resulted in fraudulent drawal of ₹ 16.10 lakh by the SDEO, Niuland.

The SDEO in reply stated that an amount of ₹ 1.72 lakh was deposited (April 2018 and March 2019) into Government account, while ₹ 14.28 lakh was yet to be deposited (May 2019).

5.4.1.2 Headmistress Government High School, VK Town, Zunheboto

(i) The Headmistress Government High School, VK Town had drawn (March and April 2017) two bills for ₹ 9.76 lakh as arrears of pay and allowances for December 2016 to March 2017 in respect of six employees. It was observed that all the six employees had already drawn their pay and allowances in the regular monthly pay bills. This resulted in fraudulent drawal of ₹ 9.76 lakh by the Headmistress Government High School, VK Town.

¹² August 2015, September 2015, October 2015 and November 2015.

(ii) It was further observed from the pay bills for the month of March 2017 that ₹ 2.80 lakh was also drawn by the Headmistress of the School as pay and allowances arrears for the period from October 2016 to February 2017 in respect of one employee. Cross verification of the preceding pay bills, however, revealed that the employee had already drawn the pay and allowances for the aforementioned period. This had resulted in fraudulent payment of ₹ 2.80 lakh.

The Department stated in reply that an amount of ₹ 0.27 lakh had been deposited (December 2018) into Government account. However, the remaining amount of ₹ 2.53 lakh was yet to be deposited (May 2019) by the DDO.

The DDO should immediately deposit the amount of fraudulent drawal and furnish the original copy of the treasury deposit challan to Audit as a proof of deposit so made.

5.4.1.3 District Education Officer, Wokha

The District Education Officer (DEO), Wokha had drawn ₹ 5.38 lakh (February 2017) in four bills as less drawn pay arrears in respect of 24 employees. It was observed that all the 24 employees had already drawn their pay as per entitlement in the regular monthly pay bills. Therefore, the pay arrears drawn in respect of 24 employees drawn in four bills were not admissible. This resulted in fraudulent drawal of ₹ 5.38 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.4 Headmaster, Government High School, Saptiqa

The Headmaster, Government High School Saptiqa had drawn ₹ 5.21 lakh on account of Dearness Allowance (DA) arrears in respect of 24 employees for eight months (July 2016 to February 2017). It was observed in Audit that applicable DA rate of 132 *per cent* for the aforementioned period was already drawn for all 24 employees. Therefore, the dearness allowance arrears in respect of the 24 employees for eight months were not admissible. This had resulted in fraudulent drawal of ₹ 5.21 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.5 Sub-Divisional Education Officer, Chozuba

The SDEO, Chozuba had drawn ₹ 28.62 lakh on account of pay and allowances for 50 employees for the month of April 2017 in two¹³ bills. It was observed that the names of the employees were not in the regular pay rolls of the SDEO of the preceding and subsequent months. This resulted in fraudulent drawal of ₹ 28.62 lakh against non-existent employees, which was yet to be deposited (May 2019) into Government account.

5.4.1.6 Sub-Divisional Educational Officer, Zunheboto

(i) The SDEO, Zunheboto had drawn ₹ 14.40 lakh (March 2017) as pay arrears for 59 employees in 59 bills¹⁴. It was observed in Audit that the basic pay was inflated in respect of 36 employees. Further, the names of the remaining 23 officials were also

¹³ Bill No. 65 dated 24/04/17 - ₹ 11.80 lakh and bill No. 66 dated 24/04/17 - ₹ 16.82 lakh

¹⁴ Bill No. 441 to 499 dated 20/03/2017

not found in the regular pay bills drawn by the SDEO in the preceding or the subsequent months. This resulted in fraudulent drawal of pay and allowance arrears of ₹ 14.40 lakh by the SDEO which was yet to be deposited (May 2019) into Government account.

(ii) SDEO Zunheboto had also drawn ₹ 8.13 lakh (February 2017)¹⁵ as pay and allowances in respect of 15 employees. It was, however, observed that the names of the 15 employees were not found in the regular pay bills of the preceding and subsequent months. This resulted in fraudulent drawal of ₹ 8.13 lakh which was yet to be deposited (May 2019) into Government account by the SDEO, Zunheboto.

(iii) It was also observed that SDEO Zunheboto had drawn ₹ 1.93 lakh (March 2017)¹⁶ as pay and allowances in respect of five employees for the month of February 2017. Cross verification of the regular pay bills revealed that all the employees had already drawn their pay for the month of February 2017. This resulted in fraudulent drawal of ₹ 1.93 lakh as pay and allowances which was yet to be deposited (May 2019) into Government account.

5.4.1.7 Sub-Divisional Educational Officer, Mon

The SDEO Mon had drawn ₹ 15.45 lakh in four bills¹⁷ as less drawn pay increment arrears in respect of 95 employees during the period from August 2016 to April 2017. Cross verification of pay drawn by the employees in the preceding and subsequent months revealed that the basic pay for all 95 employees were inflated for calculating the arrears. This had resulted in fraudulent drawal of ₹ 15.45 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.8 Sub-Divisional Educational Officer, Aboi

(i) SDEO Aboi had drawn ₹ 9.15 lakh in two bills¹⁸ as less drawn pay of 59 employees for the period from July 2016 to August 2016. Cross verification of the arrear bills with the regular pay bills revealed that that the basic pay for calculating the arrears was inflated. This had resulted in fraudulent drawal of pay and allowances of ₹ 9.15 lakh which was yet to be deposited (May 2019) into Government account.

(ii) SDEO Aboi had drawn ₹ 8.31 lakh in two bills¹⁹ as DA arrears in respect of 91 employees for January 2016 to October 2016. It was observed that, ₹ 7.94 lakh out of ₹ 8.31 lakh was drawn in respect of 40 fixed pay employees who were not eligible for grant of DA. This had resulted in fraudulent drawal of ₹ 7.94 lakh which was yet to be deposited (May 2019) into Government account.

¹⁵ Bill No. 437 dated 20/02/2017

¹⁶ Bill No. 206 dated 31/03/2017

¹⁷ Bill No. 86 & 87 dated 31/08/16, 93 dated 15/5/2017 & 285 dated 6/04/2017

¹⁸ Bill No. 39 dated nil - ₹ 5.28 lakh and bill No. 40 dated nil - ₹ 3.87 lakh.

¹⁹ Bill No.102 dated nil (TV No. 177 dated 17/09/2015) - ₹ 6.04 lakh and bill No 180 dated 08/12/16 - ₹ 2.27 lakh.

(iii) The SDEO Aboi had also drawn ₹ 7.92 lakh²⁰ as less drawn (June 2017) increment arrears in respect of 35 employees for the period from March 2013 to June 2015. Cross verification of the regular pay bills revealed that the basic pay for calculating the arrears was inflated. This had resulted in fraudulent drawal of ₹ 7.92 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.9 Sub-Divisional Educational Officer, Bhandari

SDEO Bhandari had drawn ₹ 6.59 lakh as pay and allowances in respect of 13 teachers for the month of February 2017. Cross examination of the pay bills revealed that the names of the teachers were not in the preceding and subsequent months' pay bills. This resulted in fraudulent drawal of ₹ 6.59 lakh against 13 non-existent teachers which was yet to be deposited (May 2019) into Government account.

5.4.1.10 Sub-Divisional Education Officer, Pughoboto

The SDEO, Pughoboto had drawn (March 2017) ₹ 8.14 lakh in respect of 37 employees as increment arrear for the period from December 2015 to February 2017. Cross verification with the regular pay bills revealed that the basic pay for calculating the increment arrears in respect of 20 employees was inflated. This had resulted in fraudulent drawal of ₹ 4.21 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.11 Sub-Divisional Education Officer, Tseminyu

The SDEO, Tseminyu had drawn ₹ 8.86 lakh for 119 employees as increment arrear for the period from June 2016 to January 2017. It was observed that all 119 employees had already drawn their entitled pay and allowances for the same period. This resulted in fraudulent drawal of ₹ 8.86 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.12 Sub-Divisional Education Officer, Kiphire

The SDEO, Kiphire had drawn ₹ 11.36 lakh in two bills²¹ as less drawn pay arrears in respect of 70 employees for the period from December 2015 to November 2016. It was observed that the basic pay for calculation of the arrear bills was inflated. It was also observed that the names of 20 out of 70 employees were not in the pay roll of the preceding and subsequent months pay bills. This had resulted in fraudulent drawal of ₹ 11.36 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.13 District Education Officer, (DEO), Phek

The DEO, Phek had drawn ₹ 5.42 lakh (March 2017) as less drawn pay arrears in respect of 11 employees for the period from January 2015 to December 2016. It was observed that pay and allowances for the same period was already drawn in the regular monthly pay bills. This had resulted in the fraudulent drawal of ₹ 5.42 lakh which was yet to be deposited (May 2019) into Government account.

²⁰ Bill No. 68 dated nil TV No. 168 dated 29/06/2017

²¹ Bill No. 375 dt 15/03/2017 & 376 dt 15/3/2017

5.4.1.14 Principal, Government High School, Satakha

The Principal, Government Higher Secondary School, Sataka drew ₹ 5.07 lakh as pay and allowances in respect of eight employees for the month of February 2017²². It was observed that the names of the employees were not in the preceding and subsequent months' pay bills. This had resulted in fraudulent drawal of pay allowances for ₹ 5.07 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.15 Headmaster, Government High School, Merangkong

The Headmaster, Government High School Merangkong had drawn (April 2017) ₹ 3.13 lakh as pay and allowances for six employees for the month of February 2016²³. It was, however, observed that the pay and allowances for the same period in respect of six employees were already drawn in the regular monthly pay bills. This had resulted in fraudulent drawal of ₹ 3.13 lakh which was yet to be deposited (May 2019) into Government account.

5.4.1.16 Assistant Headmistress, Government High School, Alongkima

The Assistant Headmistress, Government High School, Alongkima had drawn (March 2017) ₹ 5.95 lakh as pay and allowance in respect of 13 employees for the month of February 2017. It was observed that all 13 employees had already drawn their pay and allowances for the month of February 2017 in another bill. This had resulted in fraudulent drawal of ₹ 5.95 lakh as pay and allowances which was yet to be deposited (May 2019) into Government account.

5.4.2 TREASURIES AND ACCOUNTS DEPARTMENT

5.4.2.1 Senior Treasury Officer, Wokha

The Senior Treasury Officer (STO), Wokha had drawn (February 2017) an amount of ₹ 5.40 lakh as less pay arrear in respect of 14 employees (for the period January 2016 to November 2016). However, on cross verification with the regular pay bills, it was observed that the STO had already drawn the pay and allowances for all the 14 staff as per entitlement in the regular pay bills for the aforementioned period. Therefore, the arrear bill in respect of 14 employees was not due and admissible. This had resulted in fraudulent drawal of ₹ 5.40 lakh which was yet to be deposited (May 2019) into Government account.

5.4.2.2 Sub-Treasury Officer, Pfutsero

The STO, Pfutsero had drawn (March 2016) an amount of ₹ 1.35 lakh as less drawn Dearness Allowances in respect of 15 employees for the period from July 2015 to February 2016 in four bills. It was observed that the STO had already drawn the DAs for the same period at the applicable rate of 119 *per cent* for all 15 employees. Therefore, the less drawn dearness allowance in respect of 15 employees was not due

²² Bill No. 81 dated 16/03/2017 and TV No. 61 dated 16/03/2017

²³ TV No. 8 dated 03/04/17

and admissible. This had resulted in fraudulent drawal of ₹ 1.35 lakh which was yet to be deposited (May 2019) into Government account.

5.4.3 AGRICULTURE DEPARTMENT

5.4.3.1 District Agriculture Officer, Mon

(i) The District Agriculture Officer (DAO), Mon had drawn (March 2017) ₹ 3.09 lakh as less drawn pay for seven employees for the period from January 2013 to February 2015. It was, however, observed that, all seven employees had already drawn the pay and allowances in regular monthly bills as per their entitlements. Therefore, the less drawn pay in respect of seven employees was not due and admissible. This had resulted in fraudulent drawal of ₹ 3.09 lakh which was yet to be deposited (May 2019) into Government account.

(ii) The DAO, Mon had also drawn (March 2017) ₹ 2.93 lakh as House Rent Allowance (HRA) arrear for 12 employees. It was observed that those employees had already drawn the HRA in their regular pay and allowances bills. Therefore, the HRA arrear in respect of 12 employees was not due and admissible. This had resulted in fraudulent drawal of ₹ 2.93 lakh which was yet to be deposited (May 2019) into Government account.

(iii) The DAO, Mon had drawn (March 2017) ₹ 0.92 lakh as less drawn Disturbed Area Allowances (DAA) arrear for four employees. It was observed that, the employees had already drawn DAA as per entitlement in their regular monthly pay bills. Therefore, the DAA arrear in respect of four employees was not due and admissible. This had resulted in fraudulent drawal of ₹ 0.92 lakh which was yet to be deposited (May 2019) into Government account.

5.4.3.2 District Agricultural Officer, Mokokchung

The District Agriculture Officer (DAO), Mokokchung had drawn (March 2017) ₹ 5.16 lakh as less drawn pay arrears in respect of 29 employees for the period from December 2015 to February 2017 in eight bills. It was observed that all the employees had drawn their pay as per entitlements in the regular monthly bills. Therefore, the less drawn arrear in respect of 29 employees was not due and admissible. This had resulted in fraudulent drawal of ₹ 5.16 lakh which was yet to be deposited (May 2019) into Government account.

The Department in reply (September 2018) stated to have deposited an amount of ₹ 0.60 lakh as first instalment. The remaining amount of ₹ 4.56 lakh was, however, yet to be deposited into Government account.

5.4.3.3 District Agriculture Officer, Longleng

The District Agriculture Officer (DAO), Longleng had drawn ₹ 2.34 lakh as pay and allowances in respect of five employees for the month of December 2016 and January 2017. It was observed that the pay and allowances of the five employees for the

month of December 2016 amounting to ₹ 1.17 lakh had already been drawn²⁴. This had resulted in fraudulent drawal of pay and allowance of ₹ 1.17 lakh which was yet to be deposited (May 2019) into Government account.

5.4.4 HEALTH AND FAMILY WELFARE DEPARTMENT

5.4.4.1 Chief Medical Officer, Tuensang

(i) Chief Medical Officer (CMO), Tuensang had drawn ₹ 6.56 crore as pay and allowances in respect of 857 employees for the months of July 2016, October 2016, November 2016 and for the period from March 2017 to December 2017 in 46 bills. It was observed that the pay and allowances in respect of 122 out of 857 employees were drawn twice for the same months. This had resulted in fraudulent drawal of ₹ 3.08 crore.

The Department stated in reply (April 2019) that ₹ 2.08 lakh had been deposited and the remaining amount of ₹ 3.06 crore would be deposited in due course.

(ii) Further, the CMO, Tuensang had drawn (February 2017) ₹ 26.12 lakh as pay and allowances for the month of February 2017 in respect of 114 employees in two bills²⁵. Cross verification of the two bills revealed that the pay and allowances in respect of 49 out of 114 employees were drawn twice. This had resulted in fraudulent drawal of ₹ 10.36 lakh which was yet to be deposited (May 2019) into Government account.

5.4.4.2 Chief Medical Officer, Mokokchung

The CMO, Mokokchung had drawn ₹ 19.37 lakh in October 2017 as pay and allowances (month not mentioned) in respect of 37 employees. Cross examination of the pay bills of the preceding and subsequent months revealed that, the names of the employees were not in the pay roll of the establishment. This had resulted in fraudulent drawal of pay and allowances of ₹ 19.37 lakh which was yet to be deposited (May 2019) into Government account.

5.4.4.3 Medical Superintendent, Dr. Imkongliba Memorial District Hospital (IMDH), Mokokchung

The Medical Superintendent, IMDH Mokokchung had drawn ₹ 5.28 lakh (March 2017)²⁶ as DA arrears for 23 officials. Cross verification with the regular pay bills revealed that the names of all the employees were not in the preceding and subsequent regular monthly pay bills. This had resulted in fraudulent drawal of DA arrears for ₹ 5.28 lakh which was yet to be deposited (May 2019) into Government account.

²⁴ Vide bill No. 21 in January 2017

²⁵ Vide bill No. 387 dated 20/02/2017 (₹ 11.44 lakh) and bill No. 376 dated 20/02/2017 (₹ 14.68 lakh)

²⁶ vide bill No. 178 dated nil (TV No. 58 dated 11/03/17)

5.4.5 FISHERIES DEPARTMENT

5.4.5.1 District Fishery Officer, Wokha

District Fishery Officer, Wokha had drawn (March 2017) ₹ 5.56 lakh as less drawn DA arrears in respect of eight employees for the months of December 2013 to February 2017 in eight bills. It was observed that DA arrears as per entitlement was already drawn by all the employees in November 2016. Therefore, DA arrears in respect of eight employees was not due and admissible. This had resulted in fraudulent drawal of ₹ 5.56 lakh, which was yet to be deposited (May 2019) into Government account.

5.4.6 EMPLOYMENT & CRAFTSMAN TRAINING DEPARTMENT

5.4.6.1 Principal, Women Industrial Training Institute, Dimapur

The Principal Women Industrial Training Institute (ITI) Dimapur had drawn two wages bills²⁷ for ₹ 1.74 lakh in respect of 10 casual labourers for four months (November 2016 to February 2017). It was however observed that the wages bills of the casual labours had already been drawn in March 2017. Therefore, the wages bills in respect of 10 casual labourers for the aforementioned period was not due and admissible. This had resulted in fraudulent drawal of wages amounting to ₹ 1.74 lakh which was yet to be deposited (May 2019) into Government account.

5.4.6.2 District Employment Officer, Phek

The District Employment Officer, Phek had drawn an amount of ₹ 2.91 lakh as HRA arrears in respect of nine employees for the period from January 2015 to December 2016. It was, however, observed that these employees had already drawn the HRA as per entitlement in the monthly regular pay bills. Therefore, the HRA arrear in respect of nine employees for the aforementioned period was not due and admissible. This had resulted in the double drawal of ₹ 2.91 lakh which was yet to be deposited (May 2019) into Government account.

5.4.7 COOPERATION DEPARTMENT

5.4.7.1 Assistant Register Co-operative Society, Peren

Assistant Register Co-operative Societies, Peren had drawn ₹ 6.29 lakh (March 2017) as pay and allowances in respect of five employees for 11 months in two bills²⁸. Cross examination of the bills with the incumbency list revealed that the names of the employees mentioned in the two bills were not in the payroll of the establishment. This had resulted in the fraudulent drawal of ₹ 6.29 lakh as pay and allowances which was yet to be deposited (May 2019) into Government account.

²⁷ No. 66 and No. 70 dated 16-3-2017

²⁸ Bill No. 61 dated Nil & Bill No. 62 dated Nil

The matter on the above irregularities was reported to the Government in August 2018 and reminder issued in December 2018, their reply was awaited (May 2019).

In all the above cases, the DDOs concerned did not record the certificates on the arrear bills under his dated signature after ensuring to the effect that (i) no part of the amount claimed in the bill had been drawn previously; and (ii) a note of the arrear claim has been made in the office copy of the bill or the pay bill register for the period to which the claim pertains while drawing the arrear bills. Similarly, the Treasury Officers also did not obtain sufficient information as to the nature of every payment as per the bills presented to him for payment.

The instances of fraudulent drawals by 28 DDOs of seven departments indicated failure by the DDOs and TOs to exercise control and checks as prescribed by rules and procedures and lack of internal control persisting in the departments. It was also pertinent to mention that the instances of fraudulent cases of similar nature by the DDOs in collusion with the TOs were highlighted in the previous years' Audit Reports of the Comptroller and Auditor General of India, Government of Nagaland. Details of cases for the last five years are given in **Appendix 5.4.2**.

As discussed in the above cases, it was evident that, despite being pointed out in the past Audit Reports, these malpractices continued to persist, which was a matter of concern.

Thus, the Government should ensure recovery of the balance amount fraudulently drawn by the 28 DDOs. The Government should not only initiate disciplinary action to fix responsibility on the officers/officials involved but also put in place an effective system to ensure that these cases do not recur.

Recommendation (56): The Government should initiate action to recover the outstanding amount of ₹5.73 crore which was yet to be deposited into Government account by 28 DDOs. The Government should also initiate disciplinary proceedings against the officers/officials involved in the fraudulent drawals of Government money.

5.5 Recovery at the instance of Audit

On the basis of audit observations issued to the Government and the departments, 12 DDOs²⁹ of nine departments deposited an amount of ₹ 1.54 crore as per details given below:

²⁹ Headmaster, Government High School, Baghty: ₹ 3.67 lakh, Sub-Divisional Agriculture Officer, Tizit: ₹ 2.23 lakh, SDAO Shamator: ₹ 2.72 lakh, Chief Medical Officer, Longleng: ₹ 0.99 lakh, District Employment Officer, Mokokchung: ₹ 1.93 lakh, District Cultural Officer, Zunheboto: ₹1.22 lakh, District Veterinary & Animal Husbandry Officer, Longleng: ₹ 2.96 lakh, BDO Zunheboto: ₹ 1.74 lakh, BDO, Chukitong Wokha: ₹ 2.79 lakh, Director General of Police, Nagaland: ₹ 122 lakh, Commandant 7th NAP Battalion Bhandari: ₹ 3.37 lakh and District Soil Conservation Officer, Zunheboto: ₹ 8.66 lakh.

Table 5.8
Amount deposited at the instance of Audit

(₹ in lakh)

Sl. No.	Name of the DDOs	Nature of objection	Amount objected in audit	Amount deposited at the instance of audit
1	Headmaster, Government High School, Baghty	The Headmaster, GHS, Baghty had drawn (March 2017) an amount of ₹ 3.67 lakh as less drawn arrears for 15 staffs. It was however observed that all the 15 staffs had already drawn the dearness allowances at the applicable rate. This resulted in fraudulent drawal of ₹ 3.67 lakh. On being pointed out, the DDO deposited (May 2018) the entire amount into Government account which was fraudulently drawn.	3.67	3.67
2	Sub-Divisional Agriculture Officer, Tizit	An amount of ₹ 2.23 lakh was drawn (March 2017) as HRA arrear in respect of fourteen staff during the period 2015-16. It was, however, observed that the HRA in respect of fourteen staff had already been drawn as per entitlement in the regular monthly bills and therefore, the amount was drawn fraudulently by the Sub Divisional Agriculture Officer, Tizit (DDO) which was not admissible. On being pointed out, the DDO deposited (May 2018) the entire amount so drawn fraudulently, into Government Account through treasury challan.	2.23	2.23
3	Sub-Divisional Agriculture Officer, Shamator	The Sub- Divisional Agriculture Officer, Shamator had drawn an amount of ₹ 2.72 lakh as MACP arrear in respect of four staffs for the period from April 2010 to August 2015. It was however observed that the employees were not entitled for grant of MACP. This resulted in fraudulent drawal of ₹ 2.72 lakh. On being pointed out, the DDO deposited (August 2017) the entire amount into Government Account which was fraudulently drawn.	2.72	2.72
4	Chief Medical Officer, Longleng	An amount of ₹ 8.54 lakh was drawn by the Chief Medical Officer, Longleng as pay and allowances for the month of June 2016. Cross examination of the pay bills revealed that the actual amount admissible was only ₹ 7.55 lakh whereas the DDO had drawn ₹ 8.54 lakh. This resulted in excess drawal of ₹ 0.99 lakh. On being pointed out, the DDO deposited (September 2017) the entire amount into Government Account which was fraudulently drawn.	0.99	0.99
5	District Employment Officer, Mokokchung	An amount of ₹ 1.93 lakh was drawn as less drawn pay arrear in respect of seven officials by the District Employment Officer, Mokokchung for the period from April to December 2016 which was not admissible. On being pointed out, the DDO deposited (May 2018) the entire amount into Government Account which was fraudulently drawn.	1.93	1.93
6	District Cultural Officer, Zunheboto	An amount of ₹ 1.22 lakh was drawn (March 16) by the District Cultural Officer, Zunheboto (DCO), as House Rent Allowance arrear in respect of nine employees for period April 2015 to March 2016. Cross-examination of the pay bills revealed that all nine employees had already drawn HRA as per entitlement. This resulted in fraudulent drawal of ₹ 1.22 lakh.	1.22	1.22

Sl. No.	Name of the DDOs	Nature of objection	Amount objected in audit	Amount deposited at the instance of audit
		On being pointed out, the DDO deposited (October 2017) the entire amount into Government Account which was fraudulently drawn.		
7	District Veterinary & Animal Husbandry Officer, Longleng	<p>(i) An amount of ₹ 2.12 lakh was drawn (March 2016) by the District Veterinary & Animal Husbandry Officer, Longleng, as House Rent Allowance arrears in respect of eight employees for the period April 2015 to January 2016. Cross-examination of the pay bills revealed that all the eight employees had already drawn HRA as per entitlement. This resulted in fraudulent drawal of ₹ 2.12 lakh.</p> <p>On being pointed out, the DDO deposited (May 2017) the entire amount into Government Account which was fraudulently drawn.</p> <p>(ii) It was also observed that the District Veterinary & A.H Officer, Longleng had drawn an amount of ₹ 0.84 lakh as fixed pay for three non-existent employees. This resulted in fraudulent drawal of ₹ 0.84 lakh.</p> <p>On being pointed out, the DDO deposited the entire amount into Government Account which was fraudulently drawn.</p>	2.96	2.96
8	Block Development Officer, RD Block, Zunheboto	<p>The Block Development Officer, RD Block, Zunheboto had drawn pay and allowances including the applicable rate of Dearness Allowance (DA) for 13 staffs for the period from February 2016 to November 2016.</p> <p>It was however observed that instead of applicable DA rate of 119 per cent, the BDO, Zunheboto allowed higher DA (125 per cent). This resulted in excess payment of ₹ 1.79 lakh.</p> <p>On being pointed out, the DDO deposited (July 2017) the entire amount into Government account which was fraudulently drawn.</p>	1.74	1.74
9	Block Development Officer, Chukitong	<p>The Block Development Officer, Chukitong had drawn an amount of ₹ 2.61 lakh as pay and allowance in respect of 11 employees for the month of January 2017 in three bills³⁰. It was however observed that the BDO, Chukitong had drawn another three bills³¹ of ₹ 2.79 lakh for the same employees for the month of January 2017. This resulted in fraudulent drawal of ₹ 2.79 lakh.</p> <p>On being pointed out, the DDO deposited the entire amount into Government account which was fraudulently drawn.</p>	2.79	2.79
10	Director General of Police, Nagaland	<p>The Director General of Police, Nagaland had drawn an amount of ₹ 8.03 crore in four bills for procurement of tyres, tubes and flaps. It was observed that ₹ 2.44 crore (42 invoices) was drawn by duplicating 21 original invoices. This resulted in fraudulent drawal of ₹ 1.22 crore.</p> <p>On being pointed out, the DDO deposited the entire amount into Government account which was fraudulently drawn.</p>	122.00	122.00

³⁰ vide bill No. 36, 37 and 38 dated 21/02/2017

³¹ Vide bill No. 42, 43 and 44 dated 7/3/2017

Sl. No.	Name of the DDOs	Nature of objection	Amount objected in audit	Amount deposited at the instance of audit
11	Commandant 7 th NAP Battalion Bhandari	The Commandant 7 NAP Battalion, Bhandari had drawn (March 2107) a supplementary bill for ₹ 3.37 lakh in respect of 13 Recruit Constables (RC). Cross verification of the preceding pay bills revealed that all the 13 RCs had already drawn their monthly pay and allowances. This resulted in fraudulent drawal of ₹ 3.37 lakh. On being pointed out, the DDO deposited (June 2018) the entire amount into Government Account. Which was fraudulently drawn.	3.37	3.37
12	District Soil Conservation Officer, Zunheboto	The District Soil Conservation Officer, Zunheboto had drawn (February 2017) ₹ 8.66 lakh as pay and allowances for 19 employees. It was however observed that all 19 employees were not in the payroll of the establishment. This resulted in fraudulent drawal of ₹ 8.66 lakh. On being pointed out, the DDO deposited (September 2018, November 2018 and February 2019) the entire amount into Government account which was fraudulently drawn.	8.66	8.66
	Total		154.28	154.28

Thus, 12 DDOs recovered an amount of ₹ 1.54 crore at the instance of Audit, however, details of investigation, if any, carried out were not furnished while forwarding the details of recovery challans.

The above instances of fraudulent drawals by 12 DDOs of nine departments indicated failure by both the DDOs and TOs to exercise control and checks as prescribed by rules and procedures.

Recommendation (57): In above cases, FIRs be lodged, disciplinary action initiated against the officers concerned besides handing over the cases to the Investigative Agencies. The Government should also initiate steps to strengthen the internal control mechanism in all departments to prevent recurrence of fraudulent drawals.

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

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 concerned in the form of Action Taken Notes (ATNs). As per Public Accounts Committee Reports of the State of Nagaland, the departments concerned were required to submit the ATNs on the recommendations of the PAC within three months from the date of laying of the Reports of the Public Accounts Committee to the Legislature.

As of December 2018, out of 1423 recommendations of the Public Accounts Committee, made during the period from 1990-91 and 2018-19, 973 ATNs on the recommendations had been submitted to the Public Accounts Committee and discussed.

6.2 Monitoring

The State Level Audit and Accounts Committee was formed (June 2008) at the State level under the Chairmanship of the Chief Secretary to monitor the follow up action on audit related matters 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 2017-18, 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 corrective action.

The Heads of the Offices/Government are required to 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 2018 is shown below:

Table-5.9
Position of outstanding IRs

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 2013-14	199	120	24	65	12	39
2014-15	196	112	15	65	2	16
2015-16	93	83	9	35	2	5
2016-17	227	157	42	180	1	4
2017-18	158	147	7	50	4	37
2018 (upto September)	7	3	0	0	2	24
Total	880	622	97	395	23	125

* 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.

Audit recommends the Government to look into the matter and consider streamlining the system to ensure timely 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 Departments concerned and their meetings are attended by the officers concerned of the State Government and officers from the office of the Accountant General (Audit), Nagaland.

During 2017-18, no audit committee meeting was convened to clear the outstanding audit observations. Government needs to ensure that such meetings are held at regular intervals to take necessary action.

Kohima
The 09 August 2019


(A. P. Choppy)
Accountant General (Audit)
Nagaland

Countersigned

New Delhi
The 20 August 2019


(Rajiv Mehrishi)
Comptroller and Auditor General of India

APPENDICES

Appendix 1.1.1

Budget vis-à-vis expenditure of departments under Social Sector during 2017-18

(Paragraph reference: 1.1)

(₹ in crore)

Sl. No	Name of the Departments	Total Budget	Expenditure
1	School Education	1496.39	1282.94
2	Technical Education	26.11	22.06
3	Higher Education	198.61	157.97
4	SCERT	41.04	35.03
5	Youth Resources and Sports	68.50	60.16
6	Art and Culture	26.68	23.03
7	Health and Family Welfare	683.80	614.09
8	Water Supply and Sanitation	316.22	213.39
9	Urban Development	112.08	89.44
10	Municipal Affairs	197.18	152.42
11	Information and Public Relations	36.67	35.76
12	Labour	11.21	10.66
13	Employment and Training	30.84	27.89
14	Social Welfare	289.18	225.38
15	Women Welfare	14.59	11.64
Total		3549.10	2961.86

Source: Appropriation Accounts.

Appendix 1.3.1

List of Government Higher Secondary Schools/ Government Secondary Schools inspected by Audit team

(Paragraph reference: 1.3.14.1)

Sl. No.	Name of School	District
Government Higher Secondary Schools (GHSS)		
1	Government Higher Secondary School, Jotsoma	Kohima
2	Government Higher Secondary School, Tseminyu	Kohima
3	Government Higher Secondary School, Ruzukhrie	Kohima
4	TM Government Higher Secondary School	Kohima
5	Government Higher Secondary School, Chiechama	Kohima
6	John Government Higher Secondary School, Viswema	Kohima
7	Government Higher Secondary School, Seikhazou	Kohima
8	Government Higher Secondary School, Mangkolemba	Mokokchung
9	Government Higher Secondary School, Ungma	Mokokchung
10	Mayangnokcha Government Higher Secondary School	Mokokchung
11	Government Higher Secondary School, Tuli	Mokokchung
12	N.I Jamir Government Higher Secondary School	Mokokchung
13	Government Higher Secondary School, Longkhim	Tuensang

Sl. No.	Name of School	District
14	Government Higher Secondary School, Thangjam	Tuensang
15	Government Higher Secondary School, Shamator	Tuensang
16	Government Higher Secondary School, Tuensang	Tuensang
17	Government Higher Secondary School, Noklak	Tuensang
Government High Schools (GHS)		
18	Government High School, Chandmari	Kohima
19	Government High School, PWD	Kohima
20	Government High School, New Market	Kohima
21	Government High School, Sakhabama	Kohima
22	Government High School, Khonoma	Kohima
23	Government High School, Phensenyu	Kohima
24	Government High School, Khuzama	Kohima
25	Government High School, mezoma	Kohima
26	Government High School, Sendenyu	Kohima
27	Government High School, Kezocha	Kohima
28	Government High School, Kasha	Kohima
29	Government High School, Dihoma	Kohima
30	Government High School, Nerhe Model	Kohima
31	Government High School, Rusoma	Kohima
32	Government High School, Sechu Zubza	Kohima
33	Government High School, Tasazhhu	Kohima
34	Government High School, Kiruphema	Kohima
35	Government High School, Botsa	Kohima
36	Government High School, Kigwema	Kohima
37	Government High School, Kandinu	Kohima
38	Government High School, Chunlikha	Kohima
39	Government High School, Zhadima	Kohima
40	Government High School, Tsemenyu Town	Kohima
41	Government High School, Tsophenyu	Kohima
42	Government High School, Jakhama	Kohima
43	Government High School, Chuchuyimpang	Mokokchung
44	Government High School, Changki	Mokokchung
45	Government High School, Mokokchubg Village	Mokokchung
46	Government High School, Tzurongkong	Mokokchung
47	Government High School, Mopungchuket	Mokokchung
48	Government High School, Khar	Mokokchung
49	Government High School, Mangmetong	Mokokchung
50	Government High School, Yajang C	Mokokchung
51	Government High School, Alongkima	Mokokchung
52	Government High School, Saring	Mokokchung
53	Government High School, Longchem	Mokokchung
54	Government High School, Changdang	Mokokchung
55	Government High School, Dibuaia	Mokokchung

Sl. No.	Name of School	District
56	Government High School, Longkhum	Mokokchung
57	Government High School, Lireman	Mokokchung
58	Government High School, Longsa	Mokokchung
59	Government High School, Alongtaki	Mokokchung
60	Government High School, Longmisa	Mokokchung
61	Government High School, Merangkong	Mokokchung
62	Government High School, Dilong	Mokokchung
63	Government High School, Sumi	Mokokchung
64	Government High School, Tzudikong	Mokokchung
65	Government High School, Mongsenyimti	Mokokchung
66	Government High School, Yisemjong	Mokokchung
67	Government High School, Longiang	Mokokchung
68	Government High School, Asangma	Mokokchung
69	Government High School, Unger	Mokokchung
70	Government High School, Kangtsung	Mokokchung
71	Government High School, Sungratsu	Mokokchung
72	Government High School, Changtongya	Mokokchung
73	Government High School, Chuchuyimlang	Mokokchung
74	Government High School, Kubolong	Mokokchung
75	Government High School, Molungyimsen	Mokokchung
76	Government High School, Changtongya - B	Mokokchung
77	Government High School, Molungkimong	Mokokchung
78	Government High School, Yaongyimsen	Mokokchung
79	Government High School, Phangsang	Mokokchung
80	Government High School, Peshu	Tuensang
81	Government High School, Mangko	Tuensang
82	Government High School, Chingmelen	Tuensang
83	Government High School, Chingmei	Tuensang
84	Government High School, Chaba	Tuensang
85	Government High School, Angangba	Tuensang
86	Government High School, Thoknoknyu	Tuensang
87	Government High School, Sangkor	Tuensang
88	Government High School, Chessore	Tuensang
89	Government High School, Konya	Tuensang
90	Government High School, Hakusang	Tuensang
91	Government High School, Huker	Tuensang
92	Government High School, Kuthur	Tuensang
93	Government High School, Longtrok	Tuensang
94	Government High School, Chare	Tuensang
95	Government High School, Hakchang	Tuensang
96	Government High School, Sangsangyu	Tuensang
97	Government High School, Chungtor	Tuensang
98	Government High School, Sotokur	Tuensang

Sl. No.	Name of School	District
99	Government High School, Noksen	Tuensang
100	Government High School, Chipur	Tuensang
101	Government High School, Yangphi	Tuensang
102	Government High School, Ngouching	Tuensang
103	Government High School, Chimonger	Tuensang
104	Government High School, Noklak Village	Tuensang
105	Government High School, Panso	Tuensang
106	Government High School, Tonglongsor	Tuensang

Appendix 1.3.2

Statement showing Children with Special Need students in selected schools

(Paragraph reference: 1.3.14.1)

(a) MOKOKCHUNG DISTRICT

Sl. No.	Name of School	Present number of disabled students in the school	Number of disabled students in last 5 years					Whether the school is disabled friendly
			2013-14	2014-15	2015-16	2016-17	2017-18	
1	GHS, Chuchuyimpang	0	0	0	0	0	0	Yes
2	GHS, Changki	0	0	0	0	0	0	No
3	GHSS, Mangkolemba	0	0	0	0	0	0	No
4	GHS, Mokokchung Village	1	0	0	0	0	0	No
5	GHS, Tzurongkong	0	0	0	0	0	0	No
6	GHS, Mopungchuket	0	0	0	0	0	0	Yes
7	GHS, Khar	0	0	0	0	0	0	No
8	GHS, Mangmetong	0	0	0	0	0	0	Yes
9	GHS, Yajang C	0	0	0	0	0	0	No
10	GHS, Alongkima	0	0	0	0	0	0	No
11	GHS, Saring	0	0	0	0	0	0	No
12	GHS, Longchem	0	0	0	0	0	0	No
13	GHS, Changdang	0	0	0	0	0	0	No
14	GHS, Dibuaia	0	0	0	0	0	0	No
15	GHSS, Ungma	0	0	0	0	0	0	No
16	GHS, Longkhum	0	0	0	0	0	0	Yes
17	GHS, Lireman	0	0	0	0	0	0	No
18	GHS, Longsa	0	0	0	0	0	0	No
19	GHS, Alongtaki	0	0	0	0	0	0	No
20	Mayangnokcha GHSS	0	0	0	0	0	0	No
21	GHS, Longmisa	0	0	0	0	0	0	No
22	GHSS, Tuli	0	0	0	0	0	0	No
23	GHS, Merangkong	0	0	0	0	0	0	No
24	GHS, Dilong	0	0	0	0	0	0	Yes
25	N.I Jamir GHSS	0	0	0	0	0	0	No

Sl. No.	Name of School	Present number of disabled students in the school	Number of disabled students in last 5 years					Whether the school is disabled friendly
			2013-14	2014-15	2015-16	2016-17	2017-18	
26	GHS, Sumi	0	0	0	0	0	0	No
27	GHS, Tzudikong	0	0	0	0	0	0	Yes
28	GHS, Mongsenyimti	0	0	0	0	0	0	Yes
29	GHS, Yisemjong	0	0	0	0	0	0	No
30	GHS, Longjang	0	0	0	0	0	0	No
31	GHS, Asangma	0	0	0	0	0	0	Yes
32	GHS, Unger	0	0	0	0	0	0	No
33	GHS, Kangtsung	0	0	0	0	0	0	No
34	GHS, Sungratsu	0	0	0	0	0	0	No
35	GHS, Changtongya	0	0	0	0	0	0	No
36	GHS, Chuchuyimlang	0	0	0	0	0	0	No
37	GHS, Kubolong	0	0	0	0	0	0	No
38	GHS, Molungyimsen	0	0	0	0	0	0	No
39	GHS, Changtongya - B	0	0	0	0	0	0	Yes
40	GHS, Molungkimong	0	0	0	0	0	0	No
41	GHS, Yaongyimsen Comp	0	0	0	0	0	0	Yes
42	GHS, Phangsang	0	0	0	0	0	0	Yes

(b) TUENSANG DISTRICT

Sl. No.	Name of School	Number of disabled students at Present	Number of disabled students in last 5 years					Whether the school is disabled friendly
			2013-14	2014-15	2015-16	2016-17	2017-18	
1	GHS, Peshu	0	0	0	0	0	0	No
2	GHS, Mangko	0	0	0	0	0	0	No
3	GHS, Chingmelen	1	1	0	0	0	0	No
4	GHS, Chingmei	0	NA	NA	NA	NA	NA	No
5	GHS, Longkhim	0	0	0	0	0	0	No
6	GHS, Chaba	0	0	0	0	0	0	No
7	GHS, Angangba	0	0	0	0	0	0	No
8	GHS, Thoknoknyu	0	0	0	0	0	0	No
9	GHS, Sangkor	1	0	0	0	0	0	No
10	GHS, Chessore	0	0	0	0	0	0	No
11	GHS, Konya	0	0	0	0	0	0	No
12	GHS, Hakusang	0	0	7	3	5	3	No
13	GHS, Huker	0	0	0	0	0	0	No
14	GHS, Kuthur	0	0	0	0	0	0	No
15	GHS, Longtrok	0	0	0	0	0	0	No
16	GHS, Chare	0	0	0	0	0	0	No
17	GHS, Hakchang	0	0	0	0	0	1	No
18	GHS, Sangsangyu	0	0	0	0	0	0	No

Sl. No.	Name of School	Number of disabled students at Present	Number of disabled students in last 5 years					Whether the school is disabled friendly
			2013-14	2014-15	2015-16	2016-17	2017-18	
19	GHS, Chungtor	0	2	1	0	0	0	No
20	GHS, Sotokur	0	0	0	0	0	0	No
21	GHS, Noksen	0	0	0	0	0	0	No
22	GHS, Chipur	0	0	0	0	0	0	No
23	GHSS, Thangjam	0	0	0	7	0	5	Yes
24	GHS, Yangphi	0	0	0	0	0	0	No
25	GHS, Ngouching	0	0	0	0	0	0	No
26	GHS, Chimonger	0	0	0	0	0	0	No
27	GHS, Noklak Village	0	0	0	0	0	0	No
28	GHS, Panso	0	1	0	0	0	0	No
29	GHSS, Shamator	0	0	0	0	0	0	No
30	GHSS, Tuensang	0	0	2	2	1	0	No
31	GHSS, Noklak	0	0	0	0	0	0	No
32	GHS, Tonglongsor	0	0	0	0	0	0	No

(c) KOHIMA DISTRICT

Sl. No.	Name of School	Number of disabled students in the school	Number of disabled students in last 5 years					Whether the school is disabled friendly
			2013-14	2014-15	2015-16	2016-17	2017-18	
1	GHS, Chandmari	0	0	0	0	0	0	No
2	GHS, PWD	0	1	1	0	1	0	No
3	GHS, New Market	1	0	0	0	0	3	No
4	GHS, Sakhabama	0	0	0	1	1	1	No
5	GHS, Khonoma	0	NA	NA	NA	NA	NA	No
6	GHS, Phensenyu	0	0	0	0	0	0	No
7	GHSS, Jotsoma	0	0	0	0	0	0	No
8	GHS, Khuzama	0	0	0	0	0	0	No
9	GHS, mezoma	0	0	0	0	0	0	No
10	GHS, Sendenyu	0	0	0	0	0	0	No
11	GHS, Kezocha	0	0	0	0	0	0	No
12	GHS, Kasha	2	0	0	0	2	2	No
13	GHSS, Tseminyu	0	0	0	0	0	0	No
14	GHS, Dihoma	0	0	0	0	0	0	No
15	GHS, Nerhe Model	0	0	0	0	0	1	No
16	GHS, Rusoma	2	0	0	1	2	2	No
17	GHSS, Ruzukhrie	0	0	0	0	0	0	Yes
18	GHSS, TM	1	0	0	3	0	0	No
19	GHS, Sechu Zubza	0	0	0	0	0	0	No
20	GHSS, Chiechama	0	0	0	0	0	0	No
21	GHS, Tasazhhu	0	0	0	0	0	0	No
22	GHS, Kiruphema	0	0	0	0	0	0	Yes

Sl. No.	Name of School	Number of disabled students in the school	Number of disabled students in last 5 years					Whether the school is disabled friendly
			2013-14	2014-15	2015-16	2016-17	2017-18	
23	GHS, Botsa	0	0	0	0	0	0	No
24	John GHSS, Viswema	0	0	0	1	1	1	No
25	GHS, Kigwema	0	0	0	0	0	0	No
26	GHS, Kandinu	0	1	0	1	0	0	No
27	GHS, Chunlikha	0	0	0	0	0	0	No
28	GHS, Zhadima	0	0	0	0	0	0	No
29	GHS, Tsemenyu Town	0	0	0	0	0	0	No
30	GHS, Tsophenyu	0	0	0	0	0	0	No
31	GHS, Jakhama	0	0	0	0	0	0	No
32	GHSS, Seikhezou	2	0	0	0	0	0	No

Source: Physical verification of 106 schools.

Appendix 1.3.3

Statement showing physical and financial status of 11(eleven) numbers of Girls Hostel

(Paragraph reference: 1.3.14.3)

(₹ in lakh)

Sl. No.	Site	As per Departmental records			Audit findings on joint site inspection
		Unit cost	Payment to contractor	Physical status	
1	Pungro	206.86	0.00	10%	Not inspected
2	Yachem	178.30	35.66	38%	Not inspected
3	Yongnyah	178.30	96.00	Completed	Not inspected
4	Aboi	162.33	63.85	47%	Not inspected
5	Phomching	162.33	159.95	Completed	Not inspected
6	Wanching	162.23	75.45	Completed	Not inspected
7	Tobu	162.23	55.00	80%	Not inspected
8	Chessore	189.94	117.63	Completed	Civil work of building completed; Electrification plumbing works were not completed. Further completed fittings were seen destroyed and broken. Fencing - not done. Finishing coats on walls were not done. Furniture and fitting are yet to be installed. The building is in dilapidated condition, with water logging inside the building, broken glass panes, electrification and plumbing works. The building was surrounded by bushes and grasses, indicating no work activity for a very long time.
9	Noklak	189.94	70.59	Completed	Civil works of the building was seen completed. However, boundary walls, electrical fittings and connectivity were not done. Furniture and fittings are yet to be installed. Pending works to be completed and are yet to be handed over to beneficiary.
10	Shamator	189.94	84.99	Completed	Civil works of the building was seen completed. But boundary walls, electrical fittings, connectivity, plumbing works/water supply are to be completed. Furniture and fitting are yet to be installed. Pending works to be completed and are yet to be handed over to beneficiary.
11	Thonoknyu	189.94	37.99	45%	Concrete structures (i.e. pillars, beams and slabs) of the two storeyed building was seen completed. No materials found at site, to indicate any work was in progress. Work stated to have been held up since two years.

Source: Departmental records and joint site inspection.

Appendix 1.3.4 (a)

Statement showing status of 168 schools approved for upgradation

(Paragraph reference: 1.3.14.4)

Sl. No.	Name of the School approved for upgradation	District and village	Date of commencement	Date of completion
1	GHS Namching	Longleng	20-12-2011	07-12-2012
2	GHS Pongo	Longleng	06-02-2012	03-12-2012
3	GHS Yaong Yimchem	Longleng	01-02-2012	04-03-2013
4	GHS Wozhuro	Wokha	02-12-2011	04-12-2012
5	GHS Nyiro	Wokha	20-12-2011	02-03-2013
6	GHS Wokha Vill.	Wokha	20-12-2011	05-12-2012
7	GHS Longmatra	Kiphire	01-02-2012	On-going
8	GHS Yangphi	Kiphire	02-01-2012	On-going
9	GHS Amahator	Kiphire	09-01-2012	On-going
10	GHS Bongkholong	Peren	01-03-2012	21-10-2013
11	GHS Ngwalwa	Peren	05-01-2012	01-11-2012
12	GHS Nsong	Peren	20-12-2011	01-12-2012
13	GHS Chingkao	Mon	02-02-2012	24-06-2013
14	GHS Mon Town D	Mon	15-02-2012	07-01-2013
15	GHS Angjangyang	Mon	02-01-2012	06-05-2015
16	GHS Jaboka	Mon	09-01-2012	05-12-2012
17	GHS Sangsanyu	Tuensang	20-01-2012	01-11-2012
18	GHS Hakuchang/Hakushang	Tuensang	20-01-2012	01-11-2012
19	GHS Chungtor	Tuensang	10-01-2012	21-11-2012
20	GHS Ngoungching	Tuensang	09-01-2012	10-12-2012
21	GHS Khuzama	Kohima	01-01-2012	01-01-2013
22	GHS Rusoma	Kohima	01-01-2012	01-01-2013
23	GHS Nerhe-Model Chiephobozou	Kohima	Not yet taken up	
24	GHS Mokokchung Vill.	Mokokchung	05-12-2011	01-12-2012
25	GHS Yajang	Mokokchung	20-12-2011	06-12-2012
26	GHS Mangmetong	Mokokchung	20-12-2011	10-12-2012
27	GHS Project GHS	Zunheboto	Not yet taken up	
28	GHS Xuivi	Zunheboto	Not yet taken up	
29	GHS Ighanumi	Zunheboto	20-12-2011	10-12-2012
30	GHS Pulami/Pholami	Phek	02-01-2012	09-12-2013
31	GHS Razieba	Phek	09-01-2012	03-12-2012
32	GHS Khezhakeno	Phek	10-01-2012	06-12-2012
33	GHS Lingrijan	Dimapur	09-12-2012	01-03-2013
34	GHS Zhadima	Kohima	02-04-2013	04-04-2015
35	GHS Chandmari	Kohima	24-11-2015	On-going
36	Naga United Village Govt. Secondary School	Dimapur	07-01-2013	06-02-2017
37	Moava Govt. Secondary School	Dimapur	01-02-2016	01-11-2016
38	Sovima Govt. Secondary School	Dimapur	03-08-2015	30-01-2016
39	Sarbura Govt. Secondary School	Dimapur	06-07-2016	11-03-2019
40	Piphema Govt. Secondary School	Dimapur	15-03-2016	22-02-2017
41	Thahekhu Govt. Secondary School	Dimapur	05-02-2016	On-going
42	Burma Camp Govt. Secondary School	Dimapur	10-04-2017	On-going

Sl. No.	Name of the School approved for upgradation	District and village	Date of commencement	Date of completion
43	Khaghaboto Govt. Secondary School	Dimapur	01-02-2016	20-01-2017
44	Phelongre Govt. Secondary School	Kiphire	10-03-2016	01-06-2017
45	Chomi (renamed as Phuvkiu) Govt. Secondary School	Kiphire	01-03-2013	01-03-2017
46	Solumi Govt. Secondary School	Kiphire	01-03-2013	On-going
47	Seyochung Village Govt. Secondary School	Kiphire	10-05-2016	30-11-2016
48	Longya Govt. Secondary School	Kiphire	01-02-2013	On-going
49	Mimi Govt. Secondary School	Kiphire	Not yet taken up	
50	Sitimi Town Govt. Secondary School	Kiphire	10-01-2016	On-going
51	Mezoma Govt. Secondary School	Kohima	01-10-2015	23-11-2016
52	New Market Govt. Secondary School	Kohima	20-08-2015	On-going
53	Tseminyu New Town Govt. Secondary School	Kohima	07-03-2014	29-11-2016
54	Khonoma Govt. Secondary School	Kohima	07-03-2014	30-11-2016
55	Jakhama Govt. Secondary School	Kohima	03-03-2014	08-11-2016
56	Diki Govt. Secondary School	Kohima	04-05-2014	11-05-2017
57	Kanching Govt. Secondary School	Longleng	04-02-2013	10-03-2014
58	YongPhang Govt. Secondary School	Longleng	05-02-2013	15-04-2016
59	Nian Govt. Secondary School	Longleng	27-01-2013	01-04-2014
60	K/Khel Govt. Secondary School	Longleng	16-03-2015	10-10-2016
61	Bhumnyu Govt. Secondary School	Longleng	04-03-2013	02-06-2014
62	Tzuditong Govt. Secondary School	Mokokchung	20-01-2013	20-10-2016
63	Mongsenyimti Govt. Secondary School	Mokokchung	12-01-2013	20-12-2013
64	Yaongyimsen compound Govt. Secondary School	Mokokchung	10-01-2013	20-12-2013
65	Dibuia Govt. Secondary School	Mokokchung	11-03-2013	15-03-2016
66	Phangsang Govt. Secondary School	Mokokchung	15-01-2013	20-11-2016
67	Khar Govt. Secondary School	Mokokchung	10-01-2013	01-03-2014
68	Sumi Govt. Secondary School	Mokokchung	20-01-2013	On-going
69	Tizit Village Govt. Secondary School	Mon	08-04-2013	02-11-2013
70	Loakkun Govt. Secondary School	Mon	04-03-2013	01-09-2014
71	Chenloisho Govt. Secondary School	Mon	03-10-2016	On-going
72	Totokchingnyu Govt. Secondary School	Mon	06-05-2013	27-11-2013
73	Shangnyu Govt. Secondary School	Mon	16-07-2014	On-going
74	Mon Town C Govt. Secondary School	Mon	Not yet taken up	
75	Lilen Govt. Secondary School	Peren	11-01-2016	01-07-2016
76	Poilwa Govt. Secondary School	Peren	14-01-2013	15-02-2014
77	Ntu Govt. Secondary School	Peren	04-01-2016	12-09-2016
78	Kamaleah Govt. Secondary School	Phek	20-03-2013	On-going
79	Akhegwo Govt. Secondary School	Phek	04-02-2013	On-going
80	Phokhungri Govt. Secondary School	Phek	Not yet taken up	
81	Kutsapo Govt. Secondary School	Phek	04-02-2013	29-04-2017
82	Pholary Govt. Secondary School	Phek	Not yet taken up	

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Sl. No.	Name of the School approved for upgradation	District and village	Date of commencement	Date of completion
83	Mesulumi Govt. Secondary School	Phek	04-02-2013	On-going
84	Phek Town Govt. Secondary School	Phek	05-08-2013	13-10-2014
85	Lozaphuhu Govt. Secondary School	Phek	01-02-2013	09-01-2017
86	Khuza Govt. Secondary School	Phek	01-08-2013	09-06-2014
87	Khulazu. Basa Govt. Secondary School	Phek	02-09-2013	09-06-2014
88	Chaba Govt. Secondary School	Tuensang	21-06-2013	23-08-2014
89	Hakushang Govt. Secondary School	Tuensang	Not yet taken up	
90	Hakchang Govt. Secondary School	Tuensang	09-04-2013	18-07-2014
91	Noklak Village Govt. Secondary School	Tuensang	20-01-2013	10-03-2015
92	Sangkor Govt. Secondary School	Tuensang	31-01-2013	01-04-2014
93	Chipur Govt. Secondary School	Tuensang	12-04-2013	11-07-2014
94	Longtsung Govt. Secondary School	Wokha	20-01-2013	On-going
95	Changsu Govt. Secondary School	Wokha	20-01-2013	30-11-2016
96	Ralan Govt. Secondary School	Wokha	10-01-2013	05-01-2014
97	Rachan Govt. Secondary School	Wokha	20-01-2013	On-going
98	Asukika Govt. Secondary School	Zunheboto	15-04-2015	10-08-2016
99	Kilomi Govt. Secondary School	Zunheboto	20-02-2015	02-03-2017
100	Suhuboto Govt. Secondary School	Zunheboto	25-04-2015	06-06-2016
101	Apukito Govt. Secondary School	Zunheboto	20-04-2015	07-08-2016
102	Asuloto Govt. Secondary School	Zunheboto	15-04-2015	05-07-2016
103	GHS Khusiabill	Dimapur	04-04-2016	12-11-2016
104	GHS Aghnauqa	Dimapur	01-03-2016	10-10-2016
105	GHS Nito	Dimapur	01-03-2016	10-10-2016
106	GHS Phisami	Kiphire	01-03-2016	21-11-2016
107	GHS Kuisam	Kiphire	01-03-2016	21-11-2016
108	GHS Pwd	Kohima	Not yet taken up	
109	GHS Kandinu	Kohima	02-06-2017	On-going
110	GHS Yongyah	Longleng	07-03-2016	On-going
111	GHS Yotan	Longleng	07-03-2016	06-02-2017
112	GHS Changtongya	Mokokchung	17-02-2016	09-10-2016
113	GHS Longjang	Mokokchung	15-02-2016	15-09-2016
114	GHS Longmisa	Mokokchung	20-02-2016	10-03-2017
115	GHS Liremen	Mokokchung	09-02-2016	09-09-2016
116	GHS Changdang	Mokokchung	20-02-2016	20-08-2016
117	GHS Alongtaki	Mokokchung	20-02-2016	09-08-2016
118	GHS Chuchuyimpang	Mokokchung	10-03-2016	03-03-2017
119	GHS Molungkimong	Mokokchung	20-02-2016	08-02-2017
120	GHS Yisemyong	Mokokchung	20-02-2016	07-09-2016
121	GHS Longkhum	Mokokchung	20-04-2016	10-11-2016
122	GHS Molungyimsen	Mokokchung	15-02-2016	26-01-2017
123	GHS Unger	Mokokchung	15-02-2016	01-09-2016
124	GHS Saring	Mokokchung	15-02-2016	10-08-2016
125	GHS Mon Village	Mon	01-03-2016	25-10-2016
126	GHS Middle Kho (Khomi)	Phek	06-07-2016	On-going
127	GHS Sutsu	Phek	09-02-2016	On-going
128	GHS Kanjang	Phek	16-03-2016	29-07-2016
129	GHS Thuvopisu	Phek	21-02-2016	On-going
130	GHS Huker	Tuensang	04-04-2016	02-01-2017

Sl. No.	Name of the School approved for upgradation	District and village	Date of commencement	Date of completion
131	GHS Tonglongsor	Tuensang	02-03-2016	01-04-2017
132	GHS Longthrok	Tuensang	10-03-2016	04-10-2016
133	GHS Konya	Tuensang	Not yet taken up	
134	GHS Angangba	Tuensang	12-04-2016	04-04-2016
135	GHS Mangko	Tuensang	22-02-2016	30-09-2016
136	GHS Yangpi	Tuensang	01-03-2016	29-09-2016
137	GHS Chingmelen	Tuensang	22-02-2016	05-10-2016
138	GHS Yimpang	Wokha	01-11-2016	01-03-2017
139	GHS Yamhon Old	Wokha	22-02-2016	01-09-2016
140	GHS Longsa	Wokha	15-02-2016	20-09-2016
141	GHS L/Longidang	Wokha	01-02-2016	On-going
142	GHS N.Longidang	Wokha	07-03-2016	03-10-2016
143	GHS Mekokla	Wokha	08-02-2016	10-10-2016
144	GHS Lazami	Zunheboto	07-03-2016	10-11-2016
145	GHS Xamunuboto	Zunheboto	07-03-2016	01-11-2016
146	GHS Sapoti	Zunheboto	04-02-2016	01-07-2016
147	GHS Tizu Island	Zunheboto	07-03-2016	04-01-2016
148	GHS Chumukedima Village	Dimapur	Not yet taken up	
149	GHS Zuheshe	Dimapur	Not yet taken up	
150	GHS Diphupar B	Dimapur	Not yet taken up	
151	GHS Singrep	Kiphire	Not yet taken up	
152	GHS Jotsoma Lower	Kohima	Not yet taken up	
153	GHS Chakhabama	Kohima	Not yet taken up	
154	GHS Nyenching	Longleng	Not yet taken up	
155	GHS Mopongchuket	Mokokchung	Not yet taken up	
156	GHS Asangma	Mokokchung	Not yet taken up	
157	GHS Yonghong	Mon	Not yet taken up	
158	GHS Mhaikam	Peren	Not yet taken up	
159	GHS Azailong	Peren	Not yet taken up	
160	GHS Jalukie B	Peren	Not yet taken up	
161	GHS Benreu	Peren	Not yet taken up	
162	GHS Mhainamtsi	Peren	Not yet taken up	
163	GHS Sohomi	Phek	Not yet taken up	
164	GHS Thipuzu	Phek	Not yet taken up	
165	GHS Phuhgi	Phek	Not yet taken up	
166	GHS Pushu	Tuensang	Not yet taken up	
167	GHS Aree Old	Wokha	Not yet taken up	
168	GHS Akuk	Wokha	Not yet taken up	

Source: Departmental records.

Appendix 1.3.4 (b)

Statement showing list of existing Secondary schools taken up for strengthening works

(Paragraph reference: 1.3.14.4)

Sl. No	Name of the school taken up for strengthening works	District	Date of commencement	Date of completion
1	GHS Bura Namsang	Longleng	29-05-2012	Not completed
2	GHS Sendenyu	Kohima	07-02-2011	Not completed
3	GHS Chunlikha	Kohima	07-02-2011	Not completed
4	GHS Chiechama	Kohima	07-02-2011	Not completed
5	GHS Saptiqa	Zunheboto	07-02-2011	Not completed
6	GHS Satakha Town	Zunheboto	07-02-2011	Not completed
7	GHS Wakching	Mon	07-02-2011	Not completed
8	GHS Tizit	Mon	07-02-2011	Not completed
9	GHS Aboi	Mon	07-02-2011	Not completed
10	Govt. High School, Chen Town	Mon	30-11-2016	19-06-2017
11	Govt. High School, Naginimora	Mon	28-01-2017	18-08-2017
12	Govt. Hr. Sec. School Mon	Mon	10-01-2017	20-08-2017
13	Govt. High School, Bumei	Mon	10-12-2017	03-03-2017
14	Govt. High School, Tobu	Mon	05-12-2016	Not completed
15	Govt. High School, Chare	Tuensang	05-12-2016	22-06-2017
16	Govt. High School, Longkhim	Tuensang	17-10-2016	01-03-2017
17	Govt. Hr. Sec. School, Noklak	Tuensang	05-12-2016	01-06-2017
18	Govt. Hr. Sec. School, Tuensang	Tuensang	Not taken up	
19	Govt. High School, Thangjam	Tuensang	09-01-2017	05-06-2017
20	Govt. High School, Shamator	Tuensang	16-03-2017	01-11-2017
21	Govt. High School Tuli Town	Mokokchung	30-11-2016	04-08-2017
22	Mayangnokcha Govt. Hr. Sec. School,	Mokokchung	30-11-2016	19-06-2017
23	Govt. High School, Dilong,	Mokokchung	30-11-2016	10-08-2017
24	Govt. High School Pughoboto	Zunheboto	Not taken up	
25	Govt. High School Aghunato	Zunheboto	03-04-2017	20-08-2017
26	Govt. Hr. Sec. School Zunheboto	Zunheboto	10-01-2017	11-12-2017
27	Govt. Hr. Sec. School, Bhandari	Wokha	12-05-2017	01-11-2017
28	Govt. High School Chukitong	Wokha	09-01-2017	22-06-2017
29	Govt. High School, Sungro	Wokha	01-02-2017	17-06-2017
30	Govt. Hr. Sec. School Wokha	Wokha	01-02-2017	28-05-2017
31	Govt. High School, Dhansiripar	Dimapur	Not taken up	
32	Govt. High School, Singrijan	Dimapur	03-05-2017	Not completed
33	Govt. High School, Nihoto	Dimapur	09-01-2017	30-06-2017
34	Govt. High School, Kuhuboto	Dimapur	Not taken up	
35	Govt. Hr. Sec. School, Chumukedima	Dimapur	Not taken up	
36	Govt. High School, Diphupar	Dimapur	Not taken up	
37	Govt. High School, Medziphema	Dimapur	09-01-2017	17-05-2017
38	Govt. High School, Purana Bazar	Dimapur	Not taken up	
39	Govt. Hr. Sec. School, Dimapur	Dimapur	06-05-2017	Not completed
40	Govt. Hr. Sec. School, Niuland	Dimapur	01-03-2017	27-11-2017
41	GHS Kigwema	Kohima	06-12-2016	26-05-2017
42	John Govt. High School, Viswema	Kohima	17-01-2017	26-06-2017
43	Govt. High School, Seikhazou, Kohima	Kohima	22-05-2017	Not completed
44	Thinuovicha Memorial Govt. High School	Kohima	01-09-2017	Not completed

Sl. No	Name of the school taken up for strengthening works	District	Date of commencement	Date of completion
45	Govt. High School, Sechu (Zubza)	Kohima	22-09-2017	Not completed
46	Riizhiikhrie GHSS	Kohima	Not taken up	
47	Govt. Hr. Sec. School Tseminyu	Kohima	Not taken up	
48	Govt. High School, Kikruma	Phek	12-01-2017	15-12-2017
49	Govt. High School, Phusachodu	Phek	02-02-2017	29-05-2017
50	Govt. High School, Meluri Town	Phek	03-03-2017	Not completed
51	Govt. High School, Porba	Phek	01-05-2017	Not completed
52	Govt. High School, Zuketsa	Phek	03-02-2017	27-06-2017
53	Govt. High School, Pfutsero	Phek	Not taken up	
54	Govt. High School, Losami	Phek	02-02-2017	24-06-2017
55	Govt. High School, Old Phek Village	Phek	14-02-2017	12-12-2017
56	Govt. Hr. Sec. School, Phek Town	Phek	14-02-2017	Not completed
57	Govt. Hr. Sec. School, Chozuba	Phek	15-12-2016	07-06-2017
58	Govt. High School, Dzulhami	Phek	01-03-2017	31-10-2017
59	Govt. High School, Yoruba	Phek	06-02-2017	28-08-2017
60	Govt. High School, Longleng	Longleng	10-12-2016	20-06-2017
61	Govt. High School Kiphire	Kiphire	10-01-2017	26-06-2017
62	Govt. High School Pungro	Kiphire	Not taken up	
63	Govt. Hr. Sec. School Jalukie	Peren	20-01-2017	01-06-2017
64	Govt. High School, Heningkunlwa	Peren	01-03-2017	Not completed
65	Govt. High School, Peren	Peren	08-05-2017	Not completed
66	Govt. High School Ahthibung	Peren	04-12-2017	09-06-2017
67	Govt. High School, Mbaulwa	Peren	06-02-2017	19-06-2017

Source: Departmental records.

Appendix 1.3.5

Statement showing short execution of works

(Paragraph reference: 1.3.14.5)

(Amount in ₹)

Sl. No.	Name of the school	District	Approved DPR amount	Payments made	No. of items not executed	Value of works not executed	Value of civil work	Plinth area to be constructed (Sqm)	Actually constructed (Sqm)	Difference (Sqm)	Rate of plinth area	Value of short execution of works	Total value of short execution
1	GMS Kandinu	Kohima	4686000	2824400	14	598284.59	3715370	277	216	61	13412.89	818186.17	1416470.76
2	GHS Kigwema	Kohima	5733300	4472074	6	388067.32	4780219	250	175.83	74.17	19120.88	1418195.37	1806262.69
3	Govt. High School, Sechu(Zubza)	Kohima	4444600	2638528	11	322064.39	3692626	196	162.39	33.61	18839.93	633210.00	955274.39
4	GHS, Rusoma	Kohima	5812000	4917475	17	382218.23	4428038	332	273.88	58.12	13337.46	775173.40	1157391.63
5	GHS, Diki (Dihoma)	Kohima	5812000	4739015	11	288345.55	4704434	350	275.92	74.08	13441.24	995727.06	1284072.61
6	GHS, Khuzama	Kohima	5812000	4915627	14	300537.35	4428038	332	279.49	52.51	13337.46	700350.23	1000887.58
7	GHS, Mezoma	Kohima	5812000	5125362	10	177464.89	4707401	325	278.3	46.7	14484.31	676417.31	853882.20
8	GHS, Khonoma	Kohima	5812000	5022152	11	217312.62	4704431	345	262.22	82.78	13636.03	1128790.72	1346103.34
9	GHS, Viswema	Kohima	4463300	3504689	13	436040.97							436040.97
Sub-Total			48387200	38159322	107	3110335.91	35160557	2407	1924.03	482.97		7146050.26	10256386.17
10	Tzuditong Govt. Secondary School	Mokokchung	5812000	5002584	17	292364.27	4898211	345	295.08	49.92	14197.71	708749.84	1001114.11
11	Mongsenyimti Govt. Secondary School	Mokokchung	5812000	4818887	12	432596.59	4704402	345	304.36	40.64	13635.95	554164.92	986761.51
12	Yaongyimsen compound Govt. Secondary School	Mokokchung	5812000	4860804	9	391324.72	4704402	345	285.97	59.03	13635.95	804930.00	1196254.72
13	Phangsang Govt. Secondary School	Mokokchung	5812000	4853883	11	546436.65	4707382	325	273.82	51.18	14484.25	741304.03	1287740.68
14	Sumi Govt. Secondary School	Mokokchung	4686000	3167222	13	212523.13	3728050	301	205.36	95.64	12385.55	1184553.83	1397076.96

Sl. No.	Name of the school	District	Approved DPR amount	Payments made	No. of items not executed	Value of works not executed	Value of civil work	Plinth area to be constructed (Sqm)	Actually constructed (Sqm)	Difference (Sqm)	Rate of plinth area	Value of short execution of works	Total value of short execution
15	GMS Changtongya	Mokokchung	4686000	3796700	10	194798.52	3713065	277	268.24	8.76	13404.57	117424.01	312222.53
16	GMS Longjang	Mokokchung	4686000	3796785	7	152517.38	3715373	277	265.19	11.81	13412.90	158406.34	310923.72
17	GMS Longmisa	Mokokchung	4686000	3492964	9	238092.53	3715373	277	200.19	76.81	13412.90	1030244.77	1268337.30
18	GMS Molungkimong	Mokokchung	4686000	3492964	10	276092.53	3715373	277	247.93	29.07	13412.90	389912.97	666005.50
19	GMS Yisemyong	Mokokchung	4686000	3796785	7	129155.19	3715373	277	218.91	58.09	13412.90	779155.30	908310.49
20	GMS Unger	Mokokchung	4686000	3796739	6	128902.68	3715373	277	253.37	23.63	13412.90	316946.80	445849.48
21	Govt. High School Tuli Town	Mokokchung	6612700	5075678	13	465560.03	5426297	292	165.55	126.45	18583.21	2349846.77	2815406.80
22	Mayangnokcha Govt. Hr. Sec. School,	Mokokchung	6544000	5292900	8	334422.96	5426139	292	228.4	63.6	18582.67	1181857.67	1516280.63
23	Govt. High School, Dilong,	Mokokchung	6562700	5268491	13	309837.45	5413249	292	243.61	48.39	18538.52	897079.18	1206916.63
24	GHS, Alongtaki	Mokokchung	4686000	3796785	8	138556.77	3715373	277	264.67	12.33	13412.90	165381.04	303937.81
25	GHS, Lireman	Mokokchung	4686000	3796778	8	138556.73	3715373	277	233.85	43.15	13412.90	578766.59	717323.32
26	GHS, Saring	Mokokchung	4686000	3796785	10	233297.04	3715373	277	222.1	54.9	13412.90	736368.15	969665.19
27	GHS, Longkhum	Mokokchung	4686000	3796785	9	205057.51	3715373	277	244.37	32.63	13412.90	437662.89	642720.40
28	GHS, Changdang	Mokokchung	4686000	3796785	8	138464.53	3715373	277	233.22	43.78	13412.90	587216.71	725681.24
29	GHS, Dibuaia	Mokokchung	5812000	5016843	10	489731.31	4704405	345	299.16	45.84	13635.96	625072.25	1114803.56
30	GHS, Yajang C	Mokokchung	5812000	4751318	10	464764.61	4428011	332	267.65	64.35	13337.38	858260.57	1323025.18
31	GHS, Khar	Mokokchung	4686000	4010827	10	146976.69	3718650	301	269.43	31.57	12354.32	390025.85	537002.54
32	GHS, MokokchungVill	Mokokchung	5812000	4945334	19	509529.18	4428011	332	297.69	34.31	13337.38	457605.59	967134.77
33	GHS, Chuchuyimpang	Mokokchung	4686000	3493038	8	138556.73	3715373	277	274.24	2.76	13412.90	37019.60	175576.33
34	GHS, Molungyimsen	Mokokchung	4686000	3492964	7	152517.38							152517.38

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Sl. No.	Name of the school	District	Approved DPR amount	Payments made	No. of items not executed	Value of works not executed	Value of civil work	Plinth area to be constructed (Sqm)	Actually constructed (Sqm)	Difference (Sqm)	Rate of plinth area	Value of short execution of works	Total value of short execution
Sub-Total			130693400	105207628	252	6860633.11	100869377	7171	6062.36	1108.64		16087955.65	22948588.76
35	GHS Sangsanyu	Tuensang	5812000	4825000	18	332699.79	4503142	274	269.51	4.49	16434.82	73792.36	406492.15
36	GHS Chungtor	Tuensang	5812000	4962126	15	283514.04	4503142	274	259.42	14.58	16434.82	239619.75	523133.79
37	Hakchang Govt. Secondary School	Tuensang	5812000	5027375	12	486815.68	4706117	310	286.96	23.04	15181.02	349770.76	836586.44
38	Noklak Village Govt. Secondary School	Tuensang	5812000	4993875	13	709117.24	4706117	310	308.58	1.42	15181.02	21557.05	730674.29
39	Chipur Govt. Secondary School	Tuensang	4686000	3931583	13	661283.76	3721558	254	192.34	61.66	14651.80	903430.18	1564713.94
40	GMS Yangpi	Tuensang	4686000	3796100	11	238622.79	3715367	238	237.09	0.91	15610.79	14205.82	252828.61
41	Govt. Hr. Sec. School, Noklak	Tuensang	6783000	5280535	16	385664.56	5637643	253	238.99	14.01	22283.17	312187.27	697851.83
42	Govt. High School, Thangjam	Tuensang	6801700	5513237	7	218242.51	5643553	253	206.37	46.63	22306.53	1040153.66	1258396.17
43	Govt. High School, Shamator	Tuensang	4513300	1900668	13	485237.39	3711448	167	138.7	28.3	22224.24	628945.98	1114183.37
44	GHS, Mangko	Tuensang	5812000	4792275	9	217989.17	4711824	310	210.94	99.06	15199.43	1505655.76	1723644.93
45	GHS, Chingmelen	Tuensang	4686000	3792361	8	123014.40	3715367	238	156.66	81.34	15610.79	1269781.31	1392795.71
46	GHS, Chaba	Tuensang	5812000	4640016	11	579348.37	4706117	310	241.27	68.73	15181.02	1043391.68	1622740.05
47	GHS, Angangba	Tuensang	5812000	4792493	9	217988.16	4711823	310	219.73	90.27	15199.43	1372052.46	1590040.62
48	GHS, Konya	Tuensang	5812000	0			4711823	310	191.18	118.82	15199.43	1805996.16	1805996.16
49	GHS, Hakushang	Tuensang	5812000	4825001	12	426794.76	4706117	310	262.43	47.57	15181.02	722161.24	1148956.00
50	GHS, Huker	Tuensang	5812000	4409051	7	210429.25	4711823	310	184.11	125.89	15199.43	1913456.12	2123885.37
51	GHS, Longtrok	Tuensang	5812000	4793000	6	104049.65	4711823	310	296.14	13.86	15199.43	210664.09	314713.74
52	GHS Chare	Tuensang	3702600	2877182	12	323717.89	3065528	90	89.1	0.9	34061.42	30655.28	354373.17
53	GHS, Ngouching	Tuensang	5812000	4998593	15	283127.84							283127.84

Sl. No.	Name of the school	District	Approved DPR amount	Payments made	No. of items not executed	Value of works not executed	Value of civil work	Plinth area to be constructed (Sqm)	Actually constructed (Sqm)	Difference (Sqm)	Rate of plinth area	Value of short execution of works	Total value of short execution
54	GHS, Tonglongsor	Tuensang	5812000	4409744	9	398345.25							398345.25
55	GHSS, Tuensang	Tuensang	6594000	2480394	21	1539487.32							1539487.32
56	GHS, Longkhim	Tuensang	6594000	4766685	12	544200.00							544200.00
57	GHS, Sangkor	Tuensang	4686000	4082582	10	424795.63							424795.63
Sub- Total			129288600	95889876	259	9194485.45	80600332	4831	3989.52	841.48		13457476.92	22651962.37
Total			308369200	239256826	618	19165454.47	216630266	14409	11975.91	2433.09		36691482.84	55856937.31

Source: Departmental records and joint inspection.

Appendix 1.3.6

Statement showing status of unutilised new school buildings

(Paragraph reference: 1.3.14.6)

SL No.	Name of the school constructed	District	Date of completion	Remarks
1	GHS Jakhama, Kohima	Kohima	03-11-2016	The old building had sufficient rooms to accommodate Class IX and Class X students and therefore, additional rooms were not required. Hence, the new building was not utilised.
2	GHS Kigwema, Kohima	Kohima	26-05-2017	As above
3	GHS Dihoma (Diki), Kohima	Kohima	11-05-2017	Used as private hostel.
4	GHS Mezoma, Kohima	Kohima	23-11-2016	The construction of the building was completed on 23-11-2016, but could not be occupied, as the building is about 1 km away from the Main school. Further, there is no road leading to the building.
5	GHS Longjang, Mokokchung	Mokokchung	15-09-2016	Used as quarter for teachers.
6	GHS Molungyimsen, Mokokchung	Mokokchung	26-01-2017	The old building had sufficient rooms to accommodate Class IX and Class X students and therefore additional rooms were not required. Hence, the new building was not utilised.
7	GHS Dibuia, Mokokchung	Mokokchung	18-04-2017	Inaugurated on 18-4-2017, but could not be occupied as the school building is about 2 km away from the main school.
8	GHS Chingmelen, Tuensang	Tuensang	15-10-2016	The school is more than 1 km away from the main building, School was occupied by private individuals of the village.
9	GHS Chare, Tuensang	Tuensang	22-06-2017	Building had not been handed over to the school authorities by the contractor.
10	CHS Chungtor, Tuensang	Tuensang	21-11-2012	Located at a distance of 1.5 km from GHS and is occupied by primary school Phoya.
11	GHS Yangpi, Tuensang	Tuensang	29-09-2016	The old building had sufficient rooms to accommodate Class IX and Class X students and therefore, additional rooms were not required. Hence, the new building was not utilised.
12	GHS Noklak Village, Tuensang	Tuensang	10-03-2015	The new building is located at a distance of 1.5 km uphill from the GHS Noklak, it was lying vacant.

Source: Joint site inspection.

Appendix 1.3.7

Statement showing poor condition of school buildings, classrooms and other facilities

(Paragraph reference: 1.3.15.2)

Sl. No.	Name of the school	District	Discrepancies noticed in infrastructure during site inspection
1	GHS Chaba	Tuensang	Toilets of the newly constructed schools building were seen locked and unused because septic tank was not available and pipeline connection and water supply not available. As a result, students had to use temporary unhygienic toilets constructed outside the school building.
2	GHS Angangba	Tuensang	The windows provided in the school were devoid of grills/bars. The ceilings laid with unapproved low quality plastic sheets were torn at many places.
3	GHS Hakusang	Tuensang	The toilets were not in use due to absence of septic tank and pipeline connection / water supply.
4	GHS Chingmelen	Tuensang	The existing main building of the school which still accommodates classes from Class I to Class X was in a dilapidated condition with broken windows, ceilings, walls etc. requiring major repairing. Toilets were unhygienic with no water provision. The new building constructed for secondary section, was occupied by private individuals without the knowledge of the school authorities.
5	GHS Chingmei	Tuensang	The toilets (wooden) were found broken from all sides rendering them unfit for use.
6	GHS Chaba	Tuensang	The new building for secondary section was completed in 2014. However, the concrete cement floorings were found to be worn out all along the verandah and in the classrooms. The toilets constructed could not be use due to non-availability of septic tank and water supply.
7	GHS Sangkor	Tuensang	Glass panes of the windows and the PVC outlet pipes of toilets were broken.
8	GHS Hakushang	Tuensang	The glass panes of the windows were broken. Septic tank was not constructed and hence, the toilet was unusable.
9	GHS Hakchang	Tuensang	The ceilings which were laid with unapproved low quality plastic sheets were torn at various places.
10	GHS Chungtor	Tuensang	The cement concrete flooring along the verandah and in the classrooms were broken. The glass panes of many windows were also broken.
11	GHS Chipur	Tuensang	The partition walls of the classrooms were wooden instead of bricks and cement plastered. At most of the places, the walls were cement plastered on <i>kucha</i> bamboo sheets.
12	GHS Thangjam	Tuensang	The window panes were empty.
13	GHS Ngouching	Tuensang	The toilet attached with the common room for teachers was found locked and it was stated that outlet PVC pipe of the toilet was stolen. The windows were devoid of glass panes. The classes adjacent to the toilets were stinking and unhygienic for the reason of no pipe line connections and water supply in the toilets.
14	GHS Thonoknyu	Tuensang	Glass panes of classrooms were seen broken.

Sl. No.	Name of the school	District	Discrepancies noticed in infrastructure during site inspection
15	GHS Chessore	Tuensang	Floors of classrooms and staircase of the school were seen worn out. Window panes were broken. Water seepages from roof to walls of the building were seen. No mathematics teacher was available for the Secondary section classes.
16	GHS Kuthur	Tuensang	Unhygienic “kacha” toilets for students with no water provision.
17	GHS Konya	Tuensang	The school do not have toilets for teachers, boys and girls. Unhygienic “kacha” toilet without water provision was used by boys and girls.
18	GHS Longrok	Tuensang	Secondary classes were housed in the old building of the school, even though new building for Class IX and Class X was constructed. Window panes of classrooms in old building were seen broken.
19	GHS Chuchuyimpang	Mokokchung	The toilets were not useable due to lack of water supply provision and pipe line connections.
20	GHS Changki	Mokokchung	The toilets for the students were dirty and unhygienic due to non-availability of pipeline connection and water supply in the toilets. Roofs of the toilets were seen broken and removed.
21	GHS Mongkolemba	Mokokchung	The school building constructed under LADP in the year 2007 was in a deteriorating condition and requires extensive maintenance. Water seepages on walls, worn out floors and broken glass panes of windows were seen.
22	GHS Mokokchung Village	Mokokchung	The ceilings were torn and broken. The toilets constructed in the new building were not used due to non-availability of running water supply and connections. The students were using a common toilet in the compound of the old building which was unhygienic due to lack of water provision.
23	GHS Khar	Mokokchung	The newly constructed building had developed cracks on the walls, parapets and drains.
24	GHS Yajang	Mokokchung	The ceiling was broken at many places. The toilet was unusable due to non-availability of running water supply and connections.
25	GHS Alongtaki	Mokokchung	The school building was in dilapidated condition with broken walls, leaking roofs, worn out ceilings, etc. The toilets were very unhygienic due to non-availability of water supply and pipeline connections.
26	GHS Longchem	Mokokchung	The existing school building was in a dilapidated condition. The windows had no panes. Ceilings were torn and broken. The roofs were leaking leading to damp wooden floors. Wooden walls and beams were seen broken. No proper toilets for students. Students were using temporary sheds as toilets.
27	GHS Longkhum	Mokokchung	The exterior walls were not cement plastered.
28	GHS Liremen	Mokokchung	The toilets were unusable due to lack of water supply and pipelines.
29	GHS Tuli	Mokokchung	The exterior walls were not cement plastered.
30	GHS Changtongya	Mokokchung	The newly constructed toilets were locked and were not in use.
31	GHS Dibua	Mokokchung	Toilets existing in the main building of the school (where secondary section classes were housed) were unhygienic due

Sl. No.	Name of the school	District	Discrepancies noticed in infrastructure during site inspection
			to lack of running water. There was no separate toilet for female teachers. The new building constructed for Class IX and Class X was about 2 km away from the school and hence, not utilised.
32	GHS Alomkima	Mokokchung	The school building was in dilapidated condition with broken walls, floor and roofs, worn out ceilings, <i>etc.</i> , There was no separate toilet for female teachers, but for girl students. Running water was not available in the toilets making them unhygienic.
33	GHS Saring	Mokokchung	Wall on one side of the school building was seen broken. Due to this, water seepage was seen inside class rooms.
34	GHS Dihoma	Kohima	The newly constructed Secondary school building was not utilised. Classes for Class IX and Class X were conducted in the old main building. Toilets were unhygienic due to lack of running water. Window panes of classrooms were seen broken.
35	GHSS Jotsoma	Kohima	Teachers' toilets were found dirty and unhygienic due to lack of running water. Students did not have toilets, Temporary sheds were being used as toilets by girls and boys.
36	GHS Khonoma	Kohima	There was no running water facility in the toilets constructed in new secondary section building and hence were not in use. The students and teachers were using the old toilets in the compound which were found dirty and unhygienic.
37	GHS Mezoma	Kohima	The new building for secondary section was not utilised due to distance fact. The students and teachers were using the old toilet in the compound which was found dirty and unhygienic.
38	GHS PWD	Kohima	The school did not have adequate open space for the students. The building was located in congested area with very little space in between the building. The school did not have a Playground, Assembly hall, Drinking water, Running water in toilets and separate toilets for boys and girls.
39	GHS New Market	Kohima	No separate toilets for girl students.
40	GHS Chandmari	Kohima	The school did not have sufficient open space for students. Students were using the common toilet for boys and girls which were also found unhygienic without water provision.
41	GHS Khuzama	Kohima	There was no running water facility in the toilets constructed in new secondary section building. The student's were using the old toilets in the compound which were found dirty and unhygienic.

Source: Joint inspection of 106 schools.

Appendix 1.3.8

Statement detailing RMSA teachers undergoing professional courses

(Paragraph reference: 1.3.15.3)

Sl. No.	Name of the candidate	Place of posting	Qualification	District	Date of appointment	Date of joining service	Academic year	Date from which undergoing professional course	Course name
1.	Shri. Ruvikhol Toso	GHS Aghunaqa	M.Sc.	Dimapur	11-11-2016	17-01-2017	2018-20	02-05-2018	B.Ed
2.	Smti. Kekhrieneino	GHS Nito	M.Sc.	Dimapur	11-11-2016	17-01-2017	2018-20	02-05-2018	B.Ed
3.	Smti. Imyarila Changkire	GHS Nito	M.Sc. (Genetics)	Dimapur	09-02-2016	11-02-2016	2018-20	02-05-2018	B.Ed
4.	Smti. Virhitsuonuo Peinyu	GHS Piphema	M A (Tenyidie)	Dimapur	27-05-2016	09-06-2016	2018-20	02-05-2018	B.Ed
5.	Shri. Keneingulie Medom	GHS Sarbura	M.Sc.	Dimapur	11-11-2016	17-01-2017	2018-20	02-05-2018	B.Ed
6.	Shri. Longshithung Humtsoe	GHS Sovima	B.Sc. (Chemistry)	Dimapur	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
7.	Shri. Hokugha S. Yeptho	GHS Thahekhu Village	B.Sc. (Physics) B.Ed.	Dimapur	09-02-2016	11-02-2016	2017-19	28-05-2017	B.Ed
8.	Smti. Mugha S.	GHS Thahekhu Village	B.A. (HSLC in Sumi)	Dimapur	09-02-2016	23-02-2016	2017-19	28-04-2017	B.Ed
9.	Shri. Thejaselie Vüprü	GHSS Medziphema	B.A (Tenyidie)	Dimapur	09-02-2016	20-02-2016	2017-19	28-04-2017	B.Ed
10.	Shri. Y. Tsulimthong	GHS Chomi	M.Sc. (Chemistry)	Kiphire	09-02-2016	19-02-2016	2017-19	28-04-2017	B.Ed
11.	Shri. Adise S. Sangtam	GHS Kuisam	B.Sc. (Geography)	Kiphire	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
12.	Smti. Esther Konyak	GHS Mimi	B.A.(English)	Kiphire	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
13.	Smti. Watlong Konyak	GHS Phelongre	B.A.(English)	Kiphire	09-02-2016	18-02-2016	2017-19	28-04-2017	B.Ed
14.	Smti. Alice P. Sangtam	GHS Phelongre	B.Sc. (Botany)	Kiphire	09-02-2016	18-02-2016	2018-20	02-05-2018	B.Ed
15.	Smti. Wangying Konyak	GHS Seyochung Village	M.A.(English)	Kiphire	09-02-2016	22-02-2016	2017-19	28-05-2017	B.Ed
16.	Shri. Augustine Sumi	GHS Seyochung Village	-	Kiphire	09-02-2016	19-02-2016	2018-20	02-05-2018	B.Ed
17.	Shri. Atingse	GHS Sitimi	B.Sc. (Zoology)	Kiphire	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
18.	Smti. Apila T.	GHS Solumi	B.Sc. (Anthropology)	Kiphire	09-02-2016	18-02-2016	2017-19	28-04-2017	B.Ed
19.	Smti. Neisanuo Kense	GHS Diki, Dihoma	M.A (Tenyidie)	Kohima	09-02-2016	12-02-2016	2018-20	02-05-2018	B.Ed
20.	Shri. Pelesetuo Keyho	GHS Jakhama	M. Sc. (PCM)	Kohima	14-08-2017	14-08-2017	2018-20	16-08-2018	B.Ed
21.	Smti. Ovisheno	GHS Jakhama	B.A (Tenyidie)	Kohima	09-02-2016	11-02-2016	2017-19	17-06-2017	B.Ed
22.	Shri. Amos Seb	GHS Kandinu	B.Sc. (Geography)	Kohima	09-02-2016	12-02-2016	2018-20	02-05-2018	B.Ed
23.	Smti. Kevisenuo Medom	GHS Kandinu	M.A (Tenyidie)	Kohima	09-02-2016	11-02-2016	2016-18	21-09-2016	B.Ed

Sl. No.	Name of the candidate	Place of posting	Qualification	District	Date of appointment	Date of joining service	Academic year	Date from which undergoing professional course	Course name
24.	Smti. Vizona Nakhro	GHS Khonoma	M.Sc.(Anthropology)	Kohima	09-02-2016	11-02-2016	2018-20	02-05-2018	B.Ed
25.	Shri. Kevija Nakhro	GHS Mezoma	B.Sc(Geology)	Kohima	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
26.	Smti. Kekhrievinuo	GHS Mezoma	M.A (Tenyidie)	Kohima	09-02-2016	15-02-2016	2016-18	16-11-2016	B.Ed
27.	Smti. Ponam Thapa	GHS New Market, Kohima	M.Sc.(Statistics)	Kohima	09-02-2016	18-02-2016	2018-20	02-05-2018	B.Ed
28.	Smti. Kedilenuo	GHS New Market, Kohima	B.A. (Tenyidie)	Kohima	09-02-2016	12-02-2016	2018-20	02-05-2018	B.Ed
29.	Shri. Kevisetuo Chadi	GHS Viswema	M.A. (Tenyidie)	Kohima	09-02-2016	11-02-2016	2018-20	02-05-2018	B.Ed
30.	Smti. Khrielhousie-Ü Mere	RGHSS Kohima	M.A. (Tenyidie)	Kohima	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
31.	Shri. H. Lenlong	GHS Kanching	M. A.(History)	Longleng	09-02-2016	13-02-2016	2018-20	02-05-2018	B.Ed
32.	Smti. S. Henlly Phom	GHS Nian	B.A.(General)	Longleng	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
33.	Smti. T. Panyung Phom	GHS Nian	B.Sc(General)	Longleng	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
34.	Smti. Chingyan H. Phom	GHS Yongphang	B.Sc(General)	Longleng	09-02-2016	13-02-2016	2017-19	28-05-2017	B.Ed
35.	Shri. H. Phonglen Phom	GHS Yongyah	B.A. (Sociology)	Longleng	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
36.	Smti. Y. Pauphen Buchem	GHS Yotan	B.A.(English)	Longleng	09-02-2016	15-02-2016	2017-19	28-04-2017	B.Ed
37.	Shri. Metngan Phom	GHS Yotan	B.A. (Political Science)	Longleng	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
38.	Smti. Wangshirenla Jamir	GHS Alongtaki	B.A.(English) B.Ed.	Mokokchung	09-02-2016	11-02-2016	2017-19	No permission	M.Ed
39.	Smti. Imsujungla Pongener	GHS Alongtaki	M.Sc(Mathematics)	Mokokchung	09-02-2016	13-02-2016	2017-19	28-04-2017	B.Ed
40.	Shri. Temsutoshi Longkumer	GHS Chuchuyimpang	B.Sc(Botany)	Mokokchung	09-02-2016	15-02-2016	2017-19	No permission	B.Ed
41.	Shri. Leepong Walling	GHS Dibuaia	M.A.	Mokokchung	12-06-2017	14-06-2017	2018-20	02-05-2018	B.Ed
42.	Smti. Narola Longkumer	GHS Liremen	M.A.(English) B.Ed.	Mokokchung	09-02-2016	15-02-2016	2017-19	No permission	M.Ed
43.	Smti. Imkonglemla N Kechu	GHS Liremen	B A (History)B Ed	Mokokchung	09-02-2016	15-02-2016	2017-19	No permission	M.Ed
44.	Smti. Moarenla Jamir	GHS Mongsenyimti	B.Sc(Zoology)	Mokokchung	09-02-2016	15-02-2016	2017-19	28-04-2017	B.Ed
45.	Smti. Sentienla Longkumer	GHS Saring	B.A.(Political Science) B.Ed.	Mokokchung	09-02-2016	15-02-2016	2016-18	No permission	M.Ed
46.	Smti. Talimenla Pongen	GHS Unger	M.A.(ASLB)	Mokokchung	11-11-2016	23-01-2017	2018-20	02-05-2018	B.Ed
47.	Smti. Temjenmenla Imchen	GHS Unger	-	Mokokchung	09-02-2016	20-02-2016	2017-19	28-04-2017	B.Ed
48.	Shri. Imlitemjen	GHS Yaongyimsen	-	Mokokchung	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
49.	Shri. Yonglong Konyak	GHS Mon Village	M.A (Political Science)	Mon	27-05-2016	13-06-2016	2018-20	02-05-2018	B.Ed
50.	Smti. Banjoi Esther Konyak	GHS Shangnyu	M.A.(Political Science)	Mon	09-02-2016	17-2-2016	2017-19	28-04-2017	B.Ed
51.	Smti. Luhala	GHS Akhegwo	B.A.	Phek	09-02-2016	11-02-2016	2018-20	02-05-2018	B.Ed

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Sl. No.	Name of the candidate	Place of posting	Qualification	District	Date of appointment	Date of joining service	Academic year	Date from which undergoing professional course	Course name
52.	Shri. Yichuru	GHS Kamaleah	B.A.(General)	Phek	09-02-2016	11-02-2016	2017-19	28-04-2017	B.Ed
53.	Smti. Tabitha Koza	GHS Kangjang	M.A.(English) B.Ed.	Phek	09-02-2016	11-02-2016	2016-18	19-08-2016	M.Ed
54.	Smti. Shocusa R. Pojar	GHS Kangjang	B. Sc.(Botany)	Phek	17-05-2017	18-05-2017	2018-20	02-05-2018	B.Ed
55.	Shri. Thowasie Katiry	GHS Kangjang	M.A.(History)B.Ed..	Phek	09-02-2016	11-02-2016	2016-18	22-07-2016	M.Ed
56.	Shri. Rhelesie	GHS Kangjang	B.A.(History)	Phek	09-02-2016	11-02-2016	2018-20	02-05-2018	B.Ed
57.	Shri. Vezho Vadeo	GHS Ketsapo	B.A.(History)	Phek	09-02-2016	11-02-2016	2018-20	02-05-2018	B.Ed
58.	Shri. Kevilhouzo Keyhuo	GHS Ketsapo	M.A (Tenyidie)	Phek	09-02-2016	11-02-2016	2018-20	02-05-2018	B.Ed
59.	Smti. Vesakholü Rakho	GHS Khulazu Basa	M.A.(Education) B.A. (Tenyidie)	Phek	17-05-2017	18-05-2017	2018-20	02-05-2018	B.Ed
60.	Shri. Chisato Vero	GHS Khuza	M.Sc.(Geology)	Phek	09-02-2016	12-02-2016	2017-19	16-05-2017	B.Ed
61.	Smti. Wete-Ü Losou	GHS Lozaphuhu	B.Sc.(General)	Phek	09-02-2016	11-02-2016	2017-19	28-04-2017	B.Ed
62.	Shri. Zashapa Khamo	GHS Lozaphuhu	M.A (Tenyidie)	Phek	09-02-2016	11-02-2016	2017-19	28-04-2017	B.Ed
63.	Smti. Anei-Ü Koza	GHS Mesulumi	B.A. (English)	Phek	09-02-2016	15-02-2016	2015-17	31-05-2017	B.Ed
64.	Shri. Cekrokhryüi Swüro	GHS Phokhungri	M.A.(English)	Phek	09-02-2016	10-02-2016	2017-19	26-05-2017	B.Ed
65.	Shri. Anjani Kumar Dubey	GHS Sutsu	B.Sc.(Mathematics)	Phek	06-02-2017	06-05-2017	2018-20	02-05-2018	B.Ed
66.	Shri. Thejangulie Michie -O	GHS Thevopisu	M.Sc.	Phek	11-11-2016	23-01-2017	2018-20	02-05-2018	B.Ed
67.	Shri. Vethito Nyekha	GHS Thevopisu	B.Sc.(Geology)	Phek	09-02-2016	16-02-2016	2017-19	20-06-2017	B.Ed
68.	Smti. Khrielabeinuo	GHS Thevopisu	B.A (Tenyidie)	Phek	09-02-2016	12-02-2016	2017-19	28-04-2017	B.Ed
69.	Shri. Thungpangngaku Chang	GHS Angangba	B.A(English)	Tuensang	09-02-2016	15-02-2016	2016-18	No permission	B.Ed
70.	Shri. Phanjamo N. Jami	GHS Angangba	B. Tech.(Civil Engineering)	Tuensang	29-05-2017	07-06-2017	2017-19	No permission	B.Ed
71.	Smti. Imkongshongla Longkumer	GHS Angangba	M.Sc.(Zoology)	Tuensang	09-02-2016	22-02-2016	2017-19	No permission	B.Ed
72.	Shri. Yanthrong Chang	GHS Angangba	B.A.(Political Science)	Tuensang	09-02-2016	15-02-2016	2017-19	No permission	B.Ed
73.	Smti. Hongkongsonla Chang	GHS Chaba	M.A (History)	Tuensang	09-02-2016	15-02-2016	2017-19	No permission	B.Ed
74.	Smti. Imsejungla	GHS Chingmelen	B.A. (General)	Tuensang	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
75.	Smti. B Sungmo Kundang Chang	GHS Hakchang	B.Sc. (General)	Tuensang	09-02-2016	16-02-2016	2017-19	17-05-2017	B.Ed
76.	Smti. Auchingkhumla Chang	GHS Hakchang	M.A (History)	Tuensang	09-02-2016	16-02-2016	2017-19	17-05-2017	B.Ed
77.	Shri. Eyilobemo Kikon	GHS Huker	B.Sc. (H)(Geo,P,M)	Tuensang			2017-19	No permission	B.Ed
78.	Shri. Tukiumong Yimchunger	GHS Huker	B.Sc. (Anthropology)	Tuensang	09-02-2016	15-02-2016	2017-19	16-09-2017	B.Ed

Sl. No.	Name of the candidate	Place of posting	Qualification	District	Date of appointment	Date of joining service	Academic year	Date from which undergoing professional course	Course name
79.	Shri. S. Thungdilempong Chang	GHS Konya	M.A. (Political Science)	Tuensang	09-02-2016	13-02-2016	2018-20	02-05-2018	B.Ed
80.	Smti. A. Rebecca	GHS Longthrok	B.Sc. (Botany)	Tuensang	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
81.	Smti. Imsutilla Chang	GHS Mangko	B Sc(General)	Tuensang	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
82.	Shri. Chetei	GHS Mangko	M A (Political Science)	Tuensang	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
83.	Smti. Tiawapangla	GHS Sangkor		Tuensang	09-02-2016	13-2-2016	2017-19	No permission	Ph.D
84.	Smti. Lito K Yeptho	GHS Sangkor	B.A.	Tuensang	30-06-2017	03-07-2017	2018-20	02-05-2018	B.Ed
85.	Smti. Dekhingpila Thonger	GHS Tonglongsor	M A (History)	Tuensang	09-02-2016	15-02-2016	2018-20	02-05-2018	B.Ed
86.	Smti. S. Nyimangsenti	GHS Yangpi	M.A.(English)	Tuensang	09-02-2016	15-02-2016	2017-19	28-04-2017	B.Ed
87.	Shri. H. Yemsu Wati	GHS Yangpi	B.Sc. (General)	Tuensang	27-05-2017	06-06-2017	2018-20	02-05-2018	B.Ed
88.	Shri. Chubakumba Chang	GHS Yangpi	B A (Political Science)	Tuensang	09-02-2016	14-02-2016	2018-20	02-05-2018	B.Ed
89.	Smti. Sorenbeni A. Tsopoe	GHS Longtsung	M.A.(English)	Wokha	09-02-2016	17-02-2016	2016-18	03-09-2016	B.Ed
90.	Smti. Martina W Patton	GHS Longtsung	B Sc(Anthropology)	Wokha	09-02-2016	19-02-2016	2017-19	28-04-2017	B.Ed
91.	Shri. Y. Suben Kithan	GHS Mekokla		Wokha	09-02-2016	18-02-2016	2017-19	28-04-2017	B.Ed
92.	Shri. N. Robert Lotha	GHS Mekokla	B.Sc(General)	Wokha	09-02-2016	17-02-2016	2017-19	28-04-2017	B.Ed
93.	Smti. Rosy K. Odyuo	GHS Rachan	M.Sc(Zoology)	Wokha	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
94.	Shri. J. Zuchamo Lotha	GHS Ralan	M.A.	Wokha	09-02-2016	17-02-2016	2016-18	10-03-2017	B.Ed
95.	Shri. Temjenmenba	GHS Yamhon Old	M.Sc (Geo)	Wokha	17-05-2016	18-05-2016	2017-19	28-04-2017	B.Ed
96.	Shri. Tsuenshilu Jamir	GHS Apukito	M.Sc (Geo)	Zunheboto	27-5-2016	10-06-2016	2018-20	02-05-2018	B.Ed
97.	Shri. Vinito Achumi	GHS Asukika	B. Sc(General)	Zunheboto	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
98.	Smti. Iwuli V. Yeptho	GHS Kilomi	B.A.(General)	Zunheboto	09-02-2016	18-02-2016	2018-20	02-05-2018	B.Ed
99.	Smti. Mughakali H.	GHS Kilomi	M.A.(Diploma in Sumi)	Zunheboto	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
100.	Shri. Mughato K Kiba	GHS Lazami	M.Sc(Botany)	Zunheboto	09-02-2016	18-02-2016	2017-19	28-05-2017	B.Ed
101.	Shri. L. Vikazhe Chishi	GHS Sapoti	M.Sc.(Botany)	Zunheboto	09-02-2016	17-02-2016	2018-20	02-05-2018	B.Ed
102.	Smti. Rosekali Sema	GHS Tizu Island	M.A.(History)	Zunheboto	09-02-2016	18-02-2016	2017-19	28-04-2017	B.Ed
103.	Smti. Kainoli Aye	GHS Tizu Island	M.Sc(Anthropology)	Zunheboto	09-02-2016	18-02-2016	2018-20	02-05-2018	B.Ed
104.	Shri. Beituo Mepfü-O	GHS Xamunuboto	B. Sc. (PCM)	Zunheboto	22-6-2017	27-06-2017	2018-20	02-05-2018	B.Ed
105.	Shri. Obed Z.	GHS Xamunuboto	M.A.(HSSLC in Sumi)	Zunheboto	09-02-2016	17-02-2016	2016-18	18-07-2016	B.Ed
106.	Nzio Patton	GHS Aitepyong	BA	Wokha	NA	NA	2013	19-06-2013	B.Ed
107.	Achumla S Sangtam	GHS Amahator	M.A	Kiphire	NA	NA	2017-19	28-04-2017	B.Ed

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Sl. No.	Name of the candidate	Place of posting	Qualification	District	Date of appointment	Date of joining service	Academic year	Date from which undergoing professional course	Course name
108.	Apise M. Sangtam	GHS Amahator	B.A	Kiphire	NA	NA	2018-20	02-05-2018	B.Ed
109.	John Z.	GHS Amahator	B.Com	Kiphire	NA	NA	2014	03-12-2013	B.Ed
110.	T. Poangnyu	GHS Angjangyang	B.Com	Mon	NA	NA	2014	03-12-2013	B.Ed
111.	Aguile Meyase	GHS Bongkolong	BA	Peren	NA	NA	2014	06-02-2014	B.Ed
112.	Apon Konyak	GHS Chingkao	MA	Mon	NA	NA	2013	19-06-2013	B.Ed
113.	K. Shanyei	GHS Chingkao	Bsc	Mon	NA	NA	2018-20	02-05-2018	B.Ed
114.	Honai Konyak	GHS Chingkao	BA	Mon	NA	NA	2017-19	28-04-2017	B.Ed
115.	Niboli Kiba	GHS Diphupar B	B.A	Dimapur	NA	NA	2014	03-12-2013	B.Ed
116.	Temsurenla Sangtam	GHS Hakusang	M.A	Tuensang	NA	NA	2017-19	28-04-2017	B.Ed
117.	Rosemary Sangtam	GHS Hakusang	B.A(English)	Tuensang	NA	NA	2017-19	No permission	B.Ed
118.	Pongsensoba	GHS Hakusang	B.Sc.	Tuensang	NA	NA	2017-19	28-04-2017	B.Ed
119.	Pfuche Ritse	GHS Khezhakeno	B.Com	Phek	NA	NA	2017-19	28-04-2017	B.Ed
120.	Vietsolhou Koza	GHS Khezhakeno	M.A.	Phek	NA	NA	2017-19	28-04-2017	B.Ed
121.	Limasenla Jamir	GHS Khuzama	B.SC	Kohima	NA	NA	2017-19	28-04-2017	B.Ed
122.	Mhaseikholie Paul Belho	GHS Kohima Chandmari	B.Sc	Kohima	NA	NA	2018-20	02-05-2018	B.Ed
123.	Keduolhounuo Kire	GHS Kohima Chandmari	MA	Kohima	NA	NA	2014	03-12-2014	B.Ed
124.	Lingjakim Lenthang	GHS Lilen	MA	Peren	NA	NA	2014	03-12-2013	B.Ed
125.	Limawapang Longkumer	GHS Lingrijan	B. Com.	Dimapur	NA	NA	2014	03-12-2014	B.Ed
126.	Tsojuthsi Sangtam	GHS Longmatra	B.A	Kiphire	NA	NA	2014	03-12-2013	B.Ed
127.	Rejongkyu T. Sangtam	GHS Longmatra	M.A	Kiphire	NA	NA	2015	15-10-2015	B.Ed
128.	Akangjungshi Longkumer	GHS Mangmetong	M.Sc	Mokokchung	NA	NA	2014	03-12-2013	B.Ed
129.	Lanutemsu	GHS Mangmetong	B.E.	Mokokchung	NA	NA	2015	14-01-2015	B.Ed
130.	Imnajungshi Ao	GHS Mangmetong	B.A	Mokokchung	NA	NA	2017-19	28-04-2017	B.Ed
131.	Toshiba Moses	GHS Mimi	BA	Kiphire	NA	NA	2018-20	02-05-2018	B.Ed
132.	Renzumew Yimchunger	GHS Mimi	BA	Kiphire	NA	NA	2017-19	28-04-2017	B.Ed
133.	Longkumsashi Pongen	GHS Mokokchung Village	B.Sc	Mokokchung	NA	NA	2015	14-01-2015	B.Ed
134.	Moime Konsen Phom	GHS Namching	M.A	Longleng	NA	NA	2015	14-01-2015	B.Ed
135.	Chingshei	GHS Namching	B.Sc	Longleng	NA	NA	2014	03-12-2013	B.Ed
136.	T. Laknyei Phom	GHS Namching	M.A	Longleng	NA	NA	2015	14-01-2015	B.Ed

Sl. No.	Name of the candidate	Place of posting	Qualification	District	Date of appointment	Date of joining service	Academic year	Date from which undergoing professional course	Course name
137.	Yamakam	GHS Ngaungching	B.A.	Tuensang	NA	NA	2017-19	28-04-2017	B.Ed
138.	Irangbambe	GHS Ngwalwa	BA	Peren	NA	NA	2013	30-07-2013	B.Ed
139.	Peihau	GHS Ngwalwa	BA	Peren	NA	NA	2018-20	02-05-2018	B.Ed
140.	Katawiliu	GHS Nsong	B.Com.	Peren	NA	NA	2017-18	28-04-2017	B.Ed
141.	Keyiteilingle	GHS Nsong	BA	Peren	NA	NA	2018-20	02-05-2018	B.Ed
142.	Chiheilung	GHS Nsong	BA	Peren	NA	NA	2017-18	28-04-2017	B.Ed
143.	Vekhozo Shijoh	GHS Pholami	B.A	Phek	NA	NA	2017-19	28-04-2017	B.Ed
144.	Verato Nakro	GHS Pholami	B.Sc.	Phek	NA	NA	2017-19	28-04-2017	B.Ed
145.	Kereluigumheile	GHS Poilwa	B.A	Peren	NA	NA	2017-19	28-04-2017	B.Ed
146.	Pongyung H. Phom	GHS Pongo	BA	Longleng	NA	NA	2015	14-01-2015	B.Ed
147.	Vecito Movi	GHS Razeza	B.Sc.	Phek	NA	NA	2014	03-12-2013	B.Ed
148.	Tsasoli Tara	GHS Razeza	M.A.	Phek	NA	NA	2014	03-12-2013	B.Ed
149.	Mezhuzonuo Mepfhuo	GHS Rusoma	MA	Kohima	NA	NA	2014	03-12-2013	B.Ed
150.	Neiphrenuo Nihu Kera	GHS Rusoma	MA	Kohima	NA	NA	2015	15-01-2015	B.Ed
151.	Thrilongla Sangtam	GHS Sangsangnyu	B.Sc.	Tuensang	NA	NA	2018-20	02-05-2018	B.Ed
152.	Seropi Sangtam	GHS Sangsangnyu	B.A.	Tuensang	NA	NA	2013	03-12-2013	B.Ed
153.	Pheanghe Konyak	GHS Tizit Village	B.A	Mon	NA	NA	2017-19	28-05-2017	B.Ed
154.	Mary Konyak	GHS Totokchingnyu	MA	Mon	NA	NA	2014	03-12-2013	B.Ed
155.	Renchumi. M. Tsopoe	GHS Wozhuro	B.Com.	Wokha	NA	NA	2018-20	02-05-2018	B.Ed
156.	Renbonthung Ovung	GHS Wozhuro	MA	Wokha	NA	NA	2018-20	02-05-2018	B.Ed
157.	A.Nyanbemo Odyuo	GHS Wozhuro	BA	Wokha	NA	NA	2018-20	02-05-2018	B.Ed
158.	Moasanen Longchar	GHS Yajang C	M.A.	Mokokchung	NA	NA	2017-19	20-06-2017	B.Ed
159.	Moakala Aier	GHS Yajang C	B.A.	Mokokchung	NA	NA	2017-19	28-04-2017	B.Ed
160.	Chubamenla	GHS Yajang C	B.A	Mokokchung	NA	NA	2017-19	No permission	B.Ed
161.	Ridila Sangtam	GHS Yangphi	B.A	Kiphire	NA	NA	2015	18-12-2014	B.Ed
162.	Y. Mhono	GHS Yangphi	B.A B.Ed	Kiphire	NA	NA	2015	18-12-2014	B.Ed
163.	Vika S.Sumu	GHS Yangphi	M.A	Kiphire	NA	NA	2014	18-07-2014	B.Ed
164.	C.Imliakum Phom	GHS Yaongyimchen	M.A	Longleng	NA	NA	2014	03-12-2013	B.Ed

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Sl. No.	Name of the candidate	Place of posting	Qualification	District	Date of appointment	Date of joining service	Academic year	Date from which undergoing professional course	Course name
165.	Kentick Phom	GHS Yaongyimchen	B.A	Longleng	NA	NA	2018-20	02-05-2018	B.Ed
166.	Sedevilhou Victor Angami	GHS Zhadima	B. Sc	Kohima	NA	NA	2014	03-12-2013	B.Ed
167.	Khriekuo Rupreo	GHS Zhadima	BA	Kohima	NA	NA	2017-19	28-04-2017	B.Ed
168.	Kevilesuo Kreditsu	GHS Zhadima	BA	Kohima	NA	NA	2018-20	02-05-2018	B.Ed
169.	K. Nyeihon Konyak	GHSS Mon Town D	B.A	Mon	NA	NA	2018-20	02-05-2018	B.Ed
170.	P. Shelieh Konyak	GHSS Mon Town D	M.A	Mon	NA	NA	2014	03-12-2013	B.Ed
171.	Lakiumong Yimchunger	GMS Kiutsukiur	-	Tuensang	NA	NA	2017-19	28-04-2017	B.Ed
172.	Bitsala Sangtam	GHS TOBU	-		NA	NA	2018-20	02-05-2018	B.Ed
173.	Tsusula K	GHS KIUSAM	-		NA	NA	2018-20	02-05-2018	B.Ed
174.	Temsutoshi Longkumer	GHS Chuchuyimpang	-		NA	NA	2018-20	02-05-2018	B.Ed
175.	Benjungtoshi Jamir	GHS Naga United	-		NA	NA	2018-20	02-05-2018	B.Ed

Source: Departmental record.

Appendix 1.3.9

Student Enrolment in Class VIII to Class X and Results of Class X:

(Paragraph reference: 1.3.16.1)

MOKOKCHUNG DISTRICT

(Number of Students)

Sl. No.	Name of School	2013-14				2014-15				2015-16				2016-17				2017-18			
		Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X
1	GHS, Chuchuyimpang					14	9	6	4	14	13	6	2	10	13	8	6	18	11	9	8
2	GHS, Changki	9	21	14	12	12	16	11	9	9	22	7	6	6	25	15	8	4	25	13	12
3	GHSS, Mangkolemba	45	60	26	15	NA	NA	NA	9	39	78	41	13	19	56	25	7	18	45	29	13
4	GHS, Mokochung Village	32	28	19	3	20	56	16	10	26	47	115	13	20	53	18	11	37	42	24	15
5	GHS, Tzurongkong	21	48	19	7	28	52	19	11	30	60	19	5	23	57	19	9	26	37	12	0
6	GHS, Mopungchuket													11	17	11	10	15	11	13	13
7	GHS, Khar																	7	2	4	2
8	GHS, Mangmetong	15	25	8	6	19	21	7	5	15	26	12	11	23	19	14	7	24	21	13	12
9	GHS, Yajang C	16	16	4	1	15	21	14	5	16	27	13	4	17	23	18	8	20	24	13	5
10	GHS, Alongkima	3	18	28	9	1	23	23	9	6	21	10	5	4	17	18	6	6	20	18	10
11	GHS, Longchem	12	34	6	2	10	19	10	4	19	23	13	7	17	18	14	8	20	14	12	10
12	GHS, Dibua									5	5	5	2	7	5	4	3	8	1	3	0
13	GHSS, Ungma	6	49	25	10	3	38	29	12	3	45	25	17	9	56	21	15	7	52	18	12
14	GHS, Longkhum	9	17	14	5	5	7	14	3	6	9	7	2	15	5	12	5	10	18	9	5
15	GHS, Lireman																	3	3	1	0

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Sl. No.	Name of School	2013-14				2014-15				2015-16				2016-17				2017-18			
		Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X
16	GHS, Longsa	24	57	11	9	21	60	15	10	11	55	13	15	9	40	17	11	14	21	17	12
17	GHS, Alongtaki																	5	3	2	0
18	Mayangnokcha GHSS	95	256	212	80	44	303	193	67	72	228	188	144	82	261	228	149	96	237	209	105
19	GHS, Longmisa	4	14	3	0	16	9	8	4	14	10	3	2	20	8	3	3	19	17	3	0
20	GHSS, Tuli	42	46	42	17	20	49	42	16	23	72	52	8	32	60	68	22	38	67	56	27
21	GHS, Merangkong	19	25	12	4	7	28	13	11	2	14	18	7	3	9	10	7	9	8	5	3
22	GHS, Dilong	41	84	87	23	29	96	59	9	31	103	51	9	24	82	44	17	32	61	45	11
23	N.I Jamir GHSS	1	30	21	11	7	28	15	10	9	29	22	14	13	29	20	12	12	33	14	11
24	GHS, Sumi	31	49	19	0	33	33	9	2	26	27	5	0	26	27	6	2	36	24	10	2
25	GHS, Mongsenyimti	20	18	8	2	11	12	0	0	20	14	2	2	17	18	7	6	16	21	9	8
26	GHS, Yisemjong				1	4	5	2	0	5	3	4	4	12	5	2	2	6	8	6	0
27	GHS, Longjang					12	10	5	0	11	19	3	3	8	17	6	4	8	12	4	4
28	GHS, Unger													3	7	6	3	4	8	4	4
29	GHS, Kangtsung	8	13	4	4	7	14	8	4	19	11	8	7	7	17	4	7	8	13	7	0
30	GHS, Sungratsu	23	32	17	5	24	37	7	7	14	22	15	13	16	17	6	6	20	14	7	5
31	GHS, Changtongya	31	31	29	22	19	35	22	9	22	33	34	15	23	31	23	7	9	30	22	16
32	GHS, Chuchuyimlang	16	37	15	11	6	33	14	4	16	26	11	8	10	31	10	6	10	28	16	5
33	GHS, Kubolong	5	11	5	2	6	6	6	6	8	8	6	6	5	7	2	1	8	9	3	2
34	GHS, Molungyimsen																	10	9	5	2
35	GHS, Changtongya - B					15	19	13	1	21	8	15	6	20	18	3	3	17	15	8	5
36	GHS, Molungkimong																	3	6	1	0
37	GHS, Yaongyimsen	7	14	6	3	6	8	11	11	7	10	5	5	10	7	7	7	6	11	6	0

Sl. No.	Name of School	2013-14				2014-15				2015-16				2016-17				2017-18			
		Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X
38	GHS, Phangsang					4	12	7	1	9	6	1	0	5	3	2	0	2	7	0	0
Total		535	1033	654	264	418	1059	598	253	528	1074	729	355	526	1058	671	378	611	988	650	339

TUENSANG DISTRICT

(Number of Students)

Sl. No.	Name of School	2013-14				2014-15				2015-16				2016-17				2017-18			
		Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X
1	GHS, Chingmelen	15	16	8	0	22	5	7	0	11	17	0	0	12	8	0	0	18	10	7	0
2	GHSS, Longkhim	85	97	45	12	87	127	76	14	62	128	106	5	47	92	92	11	47	82	18	8
3	GHS, Chaba	103	85	44	4	101	91	46	2	86	139	39	3	84	134	42	4	80	131	50	1
4	GHS, Angangba													19	17	10	1	16	17	5	0
5	GHS, Thoknoknyu	28	22	5	0	28	25	9	2	24	17	18	1	28	17	6	2	37	18	5	2
6	GHS, Chessore	20	36	14	5	51	56	65	18	41	85	32	4	32	83	24	2	36	34	34	0
7	GHS, Konya																	14	11	4	0
8	GHS, Hakusang	87	76	21	4	95	97	30	9	95	90	18	9	75	58	14	7	89	59	23	7
9	GHS, Kuthur	21	16	5	0	32	34	12	1	36	32	19	5	27	37	11	4	21	22	24	0
10	GHS, Longtrok																	4	5	3	0
11	GHS, Chare	32	83	25	20	23	78	24	20	26	72	15	24	30	63	19	11	26	57	31	18
12	GHS, Hakchang																				
13	GHS, Sangsangyu	7	10	5	2	5	2	1	1	19	7	2	1	7	20	2	1	15	12	9	0
14	GHS, Chungtor	21	28	11	2	32	30	7	0	23	17	7	0	28	14	28	0	8	3	1	2
15	GHS, Sotokur									13	8	11	1	10	3	2	0	11	7	0	0
16	GHS, Chipur					13	10	2	0	14	6	4	0	11	7	3	0	10	9	3	0
17	GHSS, Thangjam	137	208	35	15	41	104	55	6	65	151	66	7	79	155	53	10	99	147	65	NA
18	GHS, Ngouching	10	6	5	0	8	2	5	1	4	5	5	2	7	8	2	1	12	2	4	0

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19	GHS, Chimonger	29	23	9	2	30	24	22	0	12	11	8	0	13	13	4	0	18	11	6	0
20	GHS, Noklak Village	66	72	40	NA	67	85	59	NA	83	74	39	11	74	61	44	12	79	59	25	0
21	GHSS, Shamator	55	67	47	1	87	83	46	4	110	187	90	4	77	113	94	5	77	120	66	2
22	GHSS, Tuensang	148	283	157	24	162	243	153	14	115	259	111	27	145	212	125	50	92	182	62	10
23	GHSS, Noklak	91	157	127	15	77	170	93	29	76	159	95	3	73	203	89	4	84	155	117	5
Total		955	1285	603	106	961	1266	712	121	915	1464	685	107	878	1318	664	125	893	1153	562	55

KOHIMA DISTRICT

(Number of Students)

Sl. No.	Name of School	2013-14				2014-15				2015-16				2016-17				2017-18			
		Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X
1	GHS, Chandmari	93	45	25	12	79	108	22	15	51	143	43	40	62	119	68	43	56	140	42	28
2	GHS, PWD	59	54	46	12	42	55	31	16	50	56	13	20	54	53	21	13	45	51	22	17
3	GHS, New Market													34	67	20	8	41	74	27	27
4	GHS, Phensenyu	6	4	2	0	2	2	4	0	4	3	1	0	5	6	1	0				
5	GHSS, Jotsoma	12	31	18	14	18	33	11	14	20	34	20	14	19	49	14	11	22	39	18	0
6	GHS, Khuzama					9	18	9	1	7	17	9	4	4	19	7	2	8	16	11	0
7	GHS, Mezoma																	8	9	5	0
8	GHS, Sendenyu													8	26	10	1	8	27	6	0
9	GHS, Kezocha	10	22	6	0	2	15	5	2	0	25	7	0	3	21	5	3	0	11	8	2
10	GHS, Kasha	5	12	5	1	4	8	8	2	2	6	4	4	3	11	2	1	6	10	5	0
11	GHSS, Tseminyu	38	58	31	16	29	64	25	18	28	56	26	18	28	74	24	19	32	55	29	20
12	GHS, Dihoma	8	7	5	3	7	9	0	0	6	9	0	0	6	9	0	0	10	14	4	0
13	GHS, Nerhe Model	14	28	12	2	10	22	11	1	11	24	7	3	11	24	9	4	7	27	9	0
14	GHS, Rusoma	21	21	18	7	22	26	11	6	22	22	18	4	21	25	15	6	20	20	15	2
15	GHSS, Ruzukhrie	105	223	156	129	135	223	143	116	121	244	110	81	121	239	129	100	116	196	112	85
16	GHSS, TM	NA	23	30	38	NA	182	73	24	NA	166	40	37	NA	180	41	33	NA	158	67	46
17	GHS, Sechu Zubza	18	32	24	15	20	53	17	16	16	62	14	7	25	47	26	18	20	22	30	23
18	GHSS, Chiechama					20	31	16	8	24	43	21	12	20	37	25	8	36	29	18	6

Sl. No.	Name of School	2013-14				2014-15				2015-16				2016-17				2017-18			
		Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X	Class-VIII	Class-IX	Class-X	Result Class-X
19	GHS, Botsa	10	30	10	3	6	23	7	4	8	32	6	1	2	17	6	2	6	14	8	2
20	John GHSS, Viswema	8	57	33	15	7	64	24	5	8	65	41	11	12	54	40	7	9	59	30	4
21	GHS, Kigwema				20	26	65	14	11	27	87	16	14	45	87	24	22	49	68	25	18
22	GHS, Kandinu													14	24	6	0	19	22	5	0
23	GHS, Chunlikha	8	50	31	31	11	40	28	22	10	49	40	28	13	56	15	12	10	39	25	16
24	GHS, Zhadima	16	12	8	3	20	24	7	3	15	30	12	7	22	23	12	9	19	23	11	7
25	GHS, Tsemenyu Town																	14	24	7	0
26	GHS, Tsopenyu	0	33	13	6	2	29	20	3	7	26	8	6	8	34	6	6	11	30	12	12
27	GHS, Jakhama					16	21	8	0	17	39	9	7	15	34	11	8	16	28	14	8
28	GHSS, Seikhazou	76	124	53	28	66	112	77	33	81	149	44	20	60	153	52	21	57	135	35	20
Total		507	866	526	355	553	1227	571	320	535	1387	509	338	615	1488	589	357	645	1340	600	343

SUMMARY

Year	District	Class-VIII		Class - IX		Class - X		Result of Class - X
		Number of schools	Enrollment of students	Number of schools	Enrollment of students	Number of schools	Enrollment of students	
2013-14	Kohima	17	507	18	866	18	526	355
2014-15	Kohima	21	553	23	1227	23	571	320
2015-16	Kohima	21	535	23	1387	23	509	338
2016-17	Kohima	26	615	27	1488	27	589	357
2017-18	Kohima	27	645	28	1340	28	600	343
2013-14	Tuensang	17	955	17	1285	17	603	106
2014-15	Tuensang	18	961	18	1266	18	712	121
2015-16	Tuensang	19	915	19	1464	19	685	107
2016-17	Tuensang	20	878	20	1318	20	664	125

Year	District	Class-VIII		Class - IX		Class - X		Result of Class - X
		Number of schools	Enrollment of students	Number of schools	Enrollment of students	Number of schools	Enrollment of students	
2017-18	Tuensang	23	893	23	1153	23	562	55
2013-14	Mokokchung	25	535	25	1033	25	654	264
2014-15	Mokokchung	30	418	30	1059	30	598	253
2015-16	Mokokchung	31	528	31	1074	31	729	355
2016-17	Mokokchung	33	526	33	1058	33	671	378
2017-18	Mokokchung	39	611	39	988	39	650	339

Appendix 2.1.1

*Budget vis-à-vis expenditure of departments under Economic Sector during 2017-18**(Paragraph reference: 2.1)**(₹ in crore)*

Sl. No.	Name of the departments	Total Budget Provision	Expenditure
1	Agriculture	246.29	234.46
2	Horticulture	68.59	56.85
3	Soil and Water Conservation	62.91	45.97
4	Veterinary and Animal Husbandry	119.02	93.43
5	Fisheries	37.28	37.28
6	Land Resources	134.14	69.94
7	Cooperation	19.74	19.69
8	Civil Supplies	76.99	76.16
9	Rural Development	1303.46	1301.93
10	State Institute of Rural Development	6.19	5.91
11	Sericulture	25.49	20.96
12	Land Records and Survey	19.48	19.37
13	Irrigation and Flood Control	152.87	51.70
14	Power	534.99	474.17
15	New and Renewable Energy	9.68	9.24
16	Industries and Commerce	82.30	80.78
17	Geology and Mining	43.88	43.63
18	Roads and Bridges	716.82	625.76
19	Science and Technology	3.10	2.74
20	Tourism	35.98	24.64
21	Planning and Coordination Department	768.93	220.87
22	Evaluation	8.78	8.69
23	Department of Under Developed Areas	71.87	71.80
24	Information Technology and Communication	13.99	12.96
25	Forest, Ecology, Environment and Wildlife	117.70	116.25
26	Road Transport	86.49	83.66
Total		4766.96	3808.84

Source: Appropriation Accounts.

Appendix 2.3.1

Statement showing status of 34 projects test-checked as of March 2018

(Paragraph reference: 2.3.3)

(₹ in crore)

Sl. No	Name of the Project	Approved Cost	Date of approval	Stipulated date of completion	Fund released By GoN		Total funds available	Total expenditure	Status/Physical progress	Delay in completion
					Central	State				
Public Works Department (Road & Bridges)										
1	Construction of Pukhungri-Avankhu-Layshi Road (18.49 kms), Phek district	10.42 (O)/ 23.39 (R)	29.07.2005 (O) /22.11.2012 (R)	31.03.2014 (Revised)	20.00	1.89	21.89	21.89	Ongoing (Formation cutting completed)	4 years
2	Longleng-Ladaigarh Road (107.36 km)	51.53 (O)/ 79.49 (R)	22.09.2006 (O)/ 20.12.2013 (R)	31.03.2018	69.26	4.03	73.29	73.29	Ongoing	—
3	Longding-Nokjan Road (Nagaland)	49.13 (O) /54.18 (R)	25.03.2010 (O)/ 28.03.2016 (R)	25.08. 2013	48.76	5.42	54.18	54.18	Completed (17.01.2014)	4 months 22 days
4	Construction of Viswema-Kidima-Zuketsa-Tadubi Road in Nagaland (36.40 Km)	65.27 (O) / 79.99 (R)	16.08.2010 (O)/ 06.11.2013 (R)	31.03.2015	71.99	7.34	79.33	79.21	Completed (10.02.2015)/Closed	—
5	Improvement of Mokokchung(NH-155), NH-202 Junction to Aghunato via Longsa-Suruhoto Road in Nagaland	158.31	23.11.2012	31.03. 2016	133.00	13.11	146.11	146.11	Completed in January 2018	1 year 9 months
Department of Power										
6	Upgradation & Modernization of 132/33 KV Meluri Sub-Station, Nagaland.	4.96	12.08.2008	August 2009	4.46	0.46	4.92	4.92	Completed (31.11.2011)	2 years 3 months
7	Upgradation of 66/33/11kV Chumukedima Substation from 10MVA to 30 MVA, Nagaland	4.94	04.01.2012	July 2013	4.45	0.40	4.85	4.85	Completed (April 2014)	9 months
8	Upgradation of 66kV to 132kV single circle Kiphire-Tuensang-Mokokchung Transmission line, Nagaland	4.99	04.01.2012	18.12.2013	4.49	0.45	4.94	4.94	Completed (December 2014)	1yr
9	Construction of 220/132/33kV Substation at Chiephobozou(Part II), Nagaland	68.58	21.08.2012	31.07.2015	55.00	5.22	60.22	59.88	Ongoing	2 years 8 months
10	Construction of 33kV Transmission lines, 33/11kV Substation, 11kV lines, 11/0.4kV Distribution substation and LT Lines in Kohima, Nagaland	14.97	20.12.2013	31.03.2016	13.47	1.20	14.67	14.67	Ongoing	2 years

11	Conversion of 33kV pole structure to Lattice tower of the Ringmain Feeder at Kohima, Nagaland	14.31	09.06.2015	31.12..2017	9.20	0.58	9.78	9.78	Ongoing	3 months
12	Construction of 2X500kW Ponglefo SHEP, Nagaland	13.32	26.02.2016	31.03.2018	3.90	0.43	4.33	3.76	Ongoing	—
13	Construction of SLDC Building at Nagarjan,Dimapur, Nagaland	2.30	17.03.2016	31.03.2018	2.07	0.17	2.24	2.24	Completed (December 2017)	—
14	Up-gradation of 66kV to 132kV S/C Kiphire-Tuensang- Mokokchung Transmission Line (Phase-II), Nagaland	5.83	27.09.2016	31.09.2018	2.69	0.08	2.77	2.77	Ongoing	—
15	Construction of 1 No.33/11kV, 1X1.6 MVA unmanned sub-station at Longmatra under Kiphire Division, Nagaland	5.93	19.04.2017	31.04.2019	2.00	0.00	2.00	2.00	Ongoing	—
Health & Family Welfare Department										
16	Support for Modernisation of Bethel Medical Centre, Kohima, Nagaland	3.75	26.02.2009	31.03.2012	3.38	0.37	3.75	3.75	Completed (02/2015)	2 years 11 months
17	Upgradation and Infrastructure Development (OPD, Casualty and Diagnostic Complex) of Naga Hospital, Kohima, Nagaland	4.57	14.10.2009	31.03.2012	3.11	0.35	3.46	2.24	Closed on "as is where is" basis on 08.02.2018	6 years
18	Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland	2.26	20.03.2010	31.03.2013	2.04	0.11	2.15	1.11	Closed on 14.02.2018	5 years
19	Establishment of 5 bedded ICU, High Dependency unit, Dialysis unit and Neo-Natal unit for Up-gradation of Woodland Nursing Home, Mokokchung, Mokokchung District, Nagaland	2.53	16.03.2011	30.06.2014	2.28	0.25	2.53	2.53	Completed (30.06.2014)	—
20	Upgradation of Equipment Infrastructure at Oking Hospital and Research Clinic, Kohima, Nagaland	4.37	21.06.2011	31.03.2014	3.93	0.44	4.37	4.37	Completed (13.04.2014)	—
21	Upgradation of Infrastructure of Impur Christian Hospital, Impur, Mokokchung District.	4.84	07.08.2012	31.08.2015	3.50	0.39	3.89	3.89	Closed on "as is where is" basis 13.02.2018	2 years 7 months
22	Setting up of North East Regional Multi-Disciplinary Paramedical Institute at Dimapur, Nagaland	49.81	26.02.2014	28.02.2018	20.00	2.22	22.22	22.22	Ongoing	1 month
23	Procurement of MRI Machine in the Faith Hospital, Dimapur, Nagaland	5.41	22.02.2016	30.06.2016	4.87	0.54	5.41	5.41	Completed (23.09.2016)	3 months
Animal Husbandry and Veterinary Sciences										
24	Setting up of 2 State Pig Breeding Farms at Medziphema & Jalukie	3.98	08.01.2010	31.03.2012	3.58	0.40	3.98	3.04	Ongoing	6 years
25	Piggery Infrastructures Feed and Fodder Development in Nagaland	4.63	19.04.2016	April 2019	1.67	0.18	1.85	1.76	Ongoing	—
26	Setting up of Model Dairy Farms in Nagaland	3.64	18.04.2017	30.04.2019	1.31	0.15	1.46	0.00	Ongoing	—
27	Setting up of Dairy Farm at Dimapur, Nagaland	2.51	13.07.2017	July 2019	1.00	0.00	1.00	0.86	Ongoing	—

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28	Setting up of 1 Poultry Breeding Farm & 30 Satellite Farms at Dimapur, Nagaland	3.08	13.07.2017	July 2019	1.23	0.00	1.23	0.76	Ongoing	—
Nagaland Beekeeping and Honey Mission										
29	Bee keeping & Honey Development in Nagaland	4.50	23.03.2010	31.03.2013	4.05	0.45	4.50	4.50	Completed (not available)	—
30	Beekeeping and Honey Development in Nagaland Phase II	4.95	18.12.2014	31.12.2017	3.56	0.20	3.76	3.76	Ongoing	3 months
31	Establishment of Mini Honey Industrial Unit, Apitherapy Cell, Museum & Showroom at 6th Mile Dimapur, Nagaland	2.45	15.06.2017	June 2019	0.22	0.02	0.24	0.24	Ongoing	—
Department of Land Resources										
32	Rubber Plantation in Nagaland	9.08	15.02.2014	29.02.2016	4.90	0.54	5.44	5.44	Ongoing	2 years 1 month
Legal Metrology and Consumer Protection										
33	Modernization of Department of Legal Metrology & Consumer Protection	2.66	15.11.2013	30.03.2015	1.56	0.18	1.74	1.74	Closed on as is where is basis 31.05.2018	3 years
Nagaland Bio Resource Mission										
34	Promotion & Development of Medicinal & Aromatic Plants in Nagaland	2.24	23.03.2012	31.03.2014	2.02	0.22	2.24	2.24	Completed 2014	—
TOTAL		656.75			512.95	47.79	560.74	554.35		

(O=Original project cost; R=Revised project cost)

Source: Records of the implementing departments/agencies.

Appendix 2.3.2

Prioritisation of Projects

(Paragraph reference: 2.3.8.1)

(₹ in crore)

Year	Project proposals received by the Planning & Coordination Department, GoN				Date of submission of Annual Priority list	Annual Prioritised List of Projects submitted to NEC			
	Project proposals which originated from the concerned line Department		Project proposals which were not originated from the concerned line Department			Project proposals which originated from the concerned line Department		Project proposals which were not originated from the concerned line Department	
	No. of Projects	Total cost of projects	No. of Projects	Total cost of projects		No. of Projects	Total cost of projects	No. of Projects	Total cost of projects
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
2013-14	85	926.20	11	43.63	06.07.2013	76	1553.42	22	90.88
2014-15	234	2383.23	112	595.48	08.10.2014	55	296.08	4	11.88
2015-16	144	1434.30	59	333.26	15.10.2015	60	363.50	35	174.32
2016-17	255	2060.73	100	803.95	21.10.2016	51	175.03	35	128.70
2017-18	128	818.83	35	421.93	22.08.2018	16	69.55	24	140.50
Total	846	7623.29	317	2198.25		258	2457.58	120	546.28

Source: Compiled from information furnished by the Planning & Coordination Department, Government of Nagaland.

Appendix 2.3.3

Statement showing delay in release of Central funds by the State Government in respect of test-checked projects.

(Paragraph reference: 2.3.9.2)

(₹ in crore)

Sl. No	Name of Project	Release of fund by NEC to State Govt.		Transfer of funds by the State Govt. to the implementing Department/agency		Delay in transmitting funds to the implementing department/agency (in days)
		Date	Amount	Date	Amount	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
1	Construction of Pukhungri-Avankhu-Layshi Road (18.49 kms), Phek district	18-03-2004	3.00	31-03-2005	3.00	347
		20-09-2007	1.00	31-03-2008	1.10	162
		12-02-2013	6.00	02-12-2013	6.00	262
		20-12-2013	5.00	08-07-2014	5.00	169
		28-11-2014	3.00	13-04-2015	1.50	105
15-07-2015	1.50			198		
2	Longleng-Ladaigarh Road, Nagaland (107.36 km)	22-09-2006	1.00	21-02-2007	1.11	121
		08-06-2007	2.00	20-09-2007	2.20	73
		11-10-2007	2.00	29-03-2008	2.20	139
		17-03-2008	2.00	31-03-2008	2.20	0
		30-03-2009	2.50	03-08-2009	2.75	95
		30-09-2009	11.76	14-12-2009	*12.94	44
		04-06-2010	10.00	14-09-2010	*11.11	71
		11-03-2011	5.00	13-10-2011	*5.56	185
		18-06-2013	8.00	26-11-2013	8.00	130
		20-12-2013	5.00	31-01-2015	5.00	376
		11-12-2015	5.00	16-03-2016	5.00	65
		30-12-2016	12.00	30-03-2017	12.00	59
		23-08-2017	3.00	19-01-2018	3.00	118
3	Support for Modernisation of Bethel Medical Centre, Kohima, Nagaland	26-02-2009	0.50	31-03-2009	*0.56	2
		07-01-2010	0.50	27-03-2010	*0.56	48
		23-02-2011	0.75	12-08-2011	0.75	139
		23-01-2012	1.00	17-09-2012	*1.19	207
		20-12-2013	0.62	31-03-2014	0.62	70
4	Upgradation and Infrastructure Development (OPD, Casualty and Diagnostic Complex) of Naga Hospital, Kohima, Nagaland	14-10-2009	0.90	14-09-2010	*1.00	304
		08-06-2011	0.75	05-05-2015	0.75	1396
		27-02-2017	1.46	08-03-2018	*1.62	343
5	Setting up of 2 State Pig Breeding Farms at Medziphema & Jalukie	08-01-2010	1.43	07-07-2010	1.43	149
		24-12-2010	1.10	30-03-2011	1.10	65
		28-02-2017	1.05	03-08-2017	1.05	125
6	Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland	20-03-2010	0.50	09-12-2010	*0.56	233
		30-05-2011	0.50	05-05-2015	0.50	1405
		27-02-2017	1.04		0.00	Not released yet
7	Bee keeping & Honey Development in Nagaland	04-11-2013	0.52	04-03-2014	0.52	89
8	Longding-Nokjan Road (Nagaland)	06-05-2010	10.00	30-09-2010	10.00	116
		27-05-2011	15.00	22-06-2011	15.00	0
		04-01-2012	10.00	27-02-2012	10.00	23
		06-07-2012	5.00	30-08-2012	5.00	24
		28-11-2014	4.00	23-03-2015	4.00	84
		02-06-2016	4.76	20-09-2016	4.76	79

9	Construction of Viswema-Kidima-Zuketsa-Tadubi Road in Nagaland (36.40 Km)	12-08-2010	5.00	21-12-2010	*5.56	100
		22-06-2011	16.00	18-08-2011	*17.78	26
		04-01-2012	10.00	01-03-2012	*11.11	26
		15-05-2012	10.00	07-12-2012	3.33	175
				31-01-2013	3.89	230
				22-03-2013	1.00	280
				18-10-2013	1.78	490
		18-06-2013	7.00	07-01-2014	7.00	172
		13-03-2014	3.00	16-12-2015	3.00	612
		28-11-2014	7.00	18-02-2016	7.00	416
		18-05-2015	5.00	18-03-2016	*5.56	274
02-06-2016	3.00	20-10-2016	*3.33	109		
23-09-2016	5.99	09-03-2017	5.99	136		
10	Establishment of 5 bedded ICU, High Dependency unit, Dialysis unit and Neo-Natal unit for Up-gradation of Woodland Nursing Home, Mokokchung, Mokokchung District, Nagaland	16-03-2011	0.90	31-03-2011	*1.00	0
		26-07-2011	1.00	29-09-2011	*1.11	34
		20-12-2013	0.38	24-03-2014	0.38	63
11	Upgradation of Equipment Infrastructure at Oking Hospital and Research Clinic, Kohima, Nagaland	21-06-2011	1.20	16-09-2011	*1.33	56
		07-02-2012	2.00	15-03-2012	*2.22	6
		20-12-2013	0.73	19-03-2014	*0.82	58
12	Upgradation of 66/33/11kV Chumukedima Substation from 10MVA to 30 MVA, Nagaland	04-01-2012	1.98	28-03-2013	1.98	418
		24-06-2013	1.60	14-03-2014	0.51	232
				12-03-2015	1.18	595
		25-04-2016	0.87	15-12-2016	0.87	203
13	Promotion & Development of Medicinal & Aromatic Plants in Nagaland	23-03-2012	1.12	15-10-2012	1.12	175
		29-11-2012	0.50	23-03-2013	0.50	83
		05-05-2014	0.39	24-02-2015	0.39	264
14	Upgradation of 66kV to 132kV single circle Kiphire-Tuensang-Mokokchung Transmission line, Nagaland	04-01-2012	2.00	14-12-2012	2.00	314
		26-03-2013	2.05	13-03-2014	0.98	321
				25-08-2014	0.98	486
		21-07-2016	0.43	05-12-2017	0.43	471
15	Upgradation of Infrastructure of Impur Christian Hospital, Impur, Mokokchung District.	07-08-2012	1.75	18-03-2013	0.87	192
				30-03-2013	0.88	204
		28-11-2014	1.75	30-03-2015	0.87	91
				06-07-2015	0.88	189
				12-03-2013	7.78	142
16	Construction of 220/132/33kV Substation at Chiephobozou (Part II), Nagaland	21-08-2012	14.00	12-09-2013	5.77	326
				28-02-2014	2.00	495
				23-09-2013	18.00	26-03-2014
		11-09-2014	6.34			292
		12-03-2015	6.34			474
		14-05-2015	10.00	15-12-2015	*13.11	154
		04-07-2016	5.00	09-12-2016	5.00	97
		20-04-2017	5.00	14-09-2017	5.00	86
		26-02-2018	3.00	29-03-2018	3.00	0
		17	Modernization of Department of Legal Metrology & Consumer Protection	15-11-2013	0.96	19-03-2015
27-02-2017	0.61			07-12-2017	*0.67	252
18	Construction of 33kV Transmission lines, 33/11kV Substation, 11kV lines, 11/0.4kV Distribution substation and LT Lines in Kohima, Nagaland	20-12-2013	5.40	26-03-2014	5.40	65
		15-12-2014	5.40	30-03-2015	5.40	74
		22-03-2018	2.67	31-03-2018	2.67	0
19	Rubber Plantation in Nagaland	15-02-2014	1.63	21-07-2014	1.63	125
		22-09-2015	3.27	16-03-2016	*3.63	145

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20	Setting up of North East Regional Multi-Disciplinary Paramedical Institute at Dimapur, Nagaland	26-02-2014	5.00	16-10-2014	5.00	201
		18-12-2014	15.00	16-07-2015	7.50	179
				08-03-2016	7.50	415
22-03-2018	6.49		0.00	Not released yet		
21	Beekeeping and Honey Development in Nagaland Phase II	18-12-2014	1.78	23-03-2015	1.78	64
		28-02-2017	1.78	19-05-2017	1.78	49
22	Conversion of 33kV pole structure to Lattice tower of the Ringmain Feeder at Kohima, Nagaland	09-05-2015	5.20	19-05-2016	5.20	315
		19-05-2017	4.00	05-12-2017	4.00	139
23	Procurement of MRI Machine in the Faith Hospital, Dimapur, Nagaland	22-02-2016	3.89	29-03-2016	3.89	5
		11-07-2017	0.97	12-12-2017	1.08	123
24	Construction of 2X500kW Ponglefo SHEP, Nagaland	26-02-2016	0.90	30-03-2016	0.90	0
		30-12-2016	3.00	21-03-2017	1.61	20
				09-05-2017	1.39	69
25	Construction of SLDC Building at Nagarjan, Dimapur, Nagaland	17-03-2016	0.75	30-03-2016	0.09	0
				11-05-2016	0.66	0
		30-12-2016	0.76	09-05-2017	0.76	69
		07-03-2018	0.56	29-03-2018	0.56	0
26	Piggery Infrastructures Feed and Fodder Development in Nagaland	19-04-2016	1.67	29-09-2016	*1.85	132
27	Up-gradation of 66kV to 132kV S/C Kiphire-Tuensang- Mokokchung Transmission Line (Phase-II), Nagaland	27-09-2016	0.69	10-05-2017	0.69	194
		22-09-2017	2.00	29-03-2018	2.00	157
28	Setting up of Model Dairy Farm in Nagaland	18-04-2017	1.31	28-11-2017	1.31	193
29	Construction of 1 No.33/11kV, 1X1.6 MVA unmanned sub-station at Longmatra under Kiphire Division, Nagaland	19-04-2017	2.00	29-03-2018	2.00	283
30	Establishment of Mini Honey Industrial Unit, Apitherapy Cell, Museum & Showroom at 6th Mile Dimapur, Nagaland	15-06-2017	0.22	18-12-2017	*0.24	155

*amount is inclusive of State share where State Government released its matching share simultaneously, with the Central fund.

Source: Records of the projects implementing departments/agencies.

Appendix 2.3.4

Statement showing project-wise details of NEC and States' share release of funds up to March 2018

(Paragraph reference: 2.3.9.3)

(₹ in crore)

Sl. No	Name of the Project	Approved Cost	NEC released	GoN released	Shortfall in State share
(i)	(ii)	(iii)	(iv)	(v)	(vi)
1	Construction of Pukhungri-Avankhu-Layshi Road (18.49 kms), Phek district	23.39	20.00	1.89	0.33
2	Longleng-Ladaigarh Road, Nagaland (107.36 km)	79.49	69.26	4.03	3.67
3	Upgradation & Modernization of 132/33 KV Meluri Sub-Station, Nagaland.	4.96	4.46	0.46	0.04
4	Support for Modernisation of Bethel Medical Centre, Kohima, Nagaland	3.75	3.38	0.37	0.00
5	Upgradation and Infrastructure Development (OPD, Casualty and Diagnostic Complex) of Naga Hospital, Kohima, Nagaland	4.57	3.11	0.35	0.00
6	Setting up of 2 State Pig Breeding Farms at Medziphema & Jalukie	3.98	3.58	0.40	0.00
7	Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland	2.26	2.04	0.11	0.12
8	Bee keeping & Honey Development in Nagaland	4.50	4.05	0.45	0.00
9	Longding-Nokjan Road (Nagaland)	54.18	48.76	5.42	0.00
10	Construction of Viswema-Kidima-Zuketsa-Tadubi Road in Nagaland (36.40 Km)	79.99	71.99	7.34	0.66
11	Establishment of 5 bedded ICU, High Dependency unit, Dialysis unit and Neo-Natal unit for Up-gradation of Woodland Nursing Home, Mokokchung, Mokokchung District, Nagaland	2.53	2.28	0.25	0.00
12	Upgradation of Equipment Infrastructure at Oking Hospital and Research Clinic, Kohima, Nagaland	4.37	3.93	0.44	0.00
13	Upgradation of 66/33/11/kV Chumukedima Substation from 10MVA to 30 MVA, Nagaland	4.94	4.45	0.40	0.09
14	Promotion & Development of Medicinal & Aromatic Plants in Nagaland	2.24	2.02	0.22	0.00
15	Upgradation of 66kV to 132kV single circle Kiphire-Tuensang-Mokokchung Transmission line, Nagaland	4.99	4.49	0.45	0.05
16	Upgradation of Infrastructure of Impur Christian Hospital, Impur, Mokokchung District.	4.84	3.50	0.39	0.00
17	Construction of 220/132/33kV Substation at Chiephobozou(Part II), Nagaland	68.58	55.00	5.22	0.89
18	Improvement of Mokokchung(NH-155), NH-202 Junction to Aghunato via Longsa-Suruhoto Road in Nagaland	158.31	133.00	13.11	1.67
19	Modernization of Department of Legal Metrology & Consumer Protection	2.66	1.56	0.18	0.00
20	Construction of 33kV Transmission lines, 33/11kV Substation, 11kV lines, 11/0.4kV Distribution substation and LT Lines in Kohima, Nagaland	14.97	13.47	1.20	0.30
21	Rubber Plantation in Nagaland	9.08	4.90	0.54	0.00
22	Setting up of North East Regional Multi-Disciplinary Paramedical Institute at Dimapur, Nagaland	49.81	20.00	2.22	0.00
23	Beekeeping and Honey Development in Nagaland Phase II	4.95	3.56	0.20	0.20

24	Conversion of 33kV pole structure to Lattice tower of the Ringmain Feeder at Kohima, Nagaland	14.31	9.20	0.58	0.44
25	Procurement of MRI Machine in the Faith Hospital, Dimapur, Nagaland	5.41	4.87	0.54	0.00
26	Construction of 2X500kW Ponglefo SHEP, Nagaland	13.32	3.90	0.43	0.00
27	Construction of SLDC Building at Nagarjan, Dimapur, Nagaland	2.30	2.07	0.17	0.06
28	Piggery Infrastructures Feed and Fodder Development in Nagaland	4.63	1.67	0.18	0.00
29	Up-gradation of 66kV to 132kV S/C Kiphire- Tuensang- Mokokchung Transmission Line (Phase-II), Nagaland	5.83	2.69	0.08	0.22
30	Setting up of Model Dairy Farm in Nagaland	3.64	1.31	0.15	0.00
31	Construction of 1 No.33/11kV, 1X1.6 MVA unmanned sub-station at Longmatra under Kiphire Division, Nagaland	5.93	2.00	0.00	0.22
32	Establishment of Mini Honey Industrial Unit, Apitherapy Cell, Museum & Showroom at 6th Mile Dimapur, Nagaland	2.45	0.22	0.02	0.00
33	Setting up of Dairy Farm at Dimapur, Nagaland (100 per cent funding from NEC)	2.51	1.00	0.00	0.00
34	Setting up of 1 Poultry Breeding Farm & 30 Satellite Farms at Dimapur, Nagaland (100 per cent funding from NEC)	3.08	1.23	0.00	0.00
Total		656.75	512.95	47.79	8.96

Source: Records of the projects implementing departments/agencies.

Appendix 2.3.5

Statement showing details of diversion of funds/ inadmissible expenditure in test-checked projects

(Paragraph reference: 2.3.9.4)

(₹ in crore)

Sl. No	Name of the project	Implementing department/ agency	Item of expenditure	Amount	Audit observations
(i)	(ii)	(iii)	(iv)	(v)	(vi)
1	Construction of Pukhungri-Avankhu-Layshi Road (18.49 kms), Phek district	PWD (R&B)	Departmental Charges (deducted at source by Finance Department)	0.37	Component not provided in Administrative approval
			Work-Charged (deducted at source by Finance Department)	0.74	Component not provided in Administrative approval
			NEC funded project Medziphema-Jalukie-Athibung road	3.00	Approval of NEC not obtained.
			Loan to Zunheboto division	0.30	Approval of NEC not obtained.
2	Construction of Viswema-Kidima-Zuketsa-Tadubi Road in Nagaland (36.40 Km)	PWD (R&B)	Purchase of new Vehicle (Mahindra Scorpio)	0.12	Item not funded by NEC
			Consultancy fee (M/s R&S Design Engineers Pvt. Ltd)	0.15	Component not provided in Administrative approval/ approved DPR
			Departmental Charges (deducted at source by Finance Department)	0.56	Component not provided in Administrative approval/ approved DPR
			Work-Charged (deducted at source by Finance Department)	2.64	Component not provided in Administrative approval/ approved DPR

Sl. No	Name of the project	Implementing department/ agency	Item of expenditure	Amount	Audit observations
			Construction of Security fencing EE PWD colony residence & Rest House at Pfutsero, Phek	0.11	Component not provided in Administrative approval/ approved DPR
3	Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland	H&FW	Consultancy fee (M/s Livwel Architects)	0.04	Component not provided in Administrative approval
			Departmental charges	0.12	Component not provided in Administrative approval
4	Modernisation of Department of Legal Metrology and Consumer Protection, Nagaland	LMCP	Kyocera FS-6525 Photocopier Machine and Kyocera Toner	0.04	Component not provided in Administrative approval
			Maintenance of Laboratories	0.007	Component not provided in Administrative approval
			Working Standard Balance 20 kg (12 nos. from M/s Kith & Kin Enterprises and 2 nos. from M/s New Age Systems & Appliances)	0.15	Component not provided in Administrative approval
			Working Standard Balance, 2 kg (12 nos. from M/s Kith & Kin Enterprises and 4 nos. from M/s Trust Weighing Systems)	0.07	Component not provided in Administrative approval
5	Rubber Plantation in Nagaland	LRD	Purchase of Stationery items	0.002	Component not provided in Administrative approval
6	Establishment of Mini Honey Industrial Unit, Museum and Showroom at 6th mile, Dimapur, Nagaland	NBHM	Consultancy service (Renttas Construction)	0.08	Component not provided in DPR.
7	Upgradation of 66/33/11 kV Chumukedima Sub-Station from 10 MVA to 30 MVA	Power	Departmental charges	0.42	Component not provided in DPR.
			5% WC salary	0.08	Component not provided in DPR.
8	Construction of 1 No. 33/11 kV, 1 x 1.6 MVA unmanned substation at Longmatra under Kiphire Division under NEC	Power	Departmental Charges	0.06	Component not provided in DPR.
9	Upgradation of 66 kV to 132 kV S/C Kiphire-Tuensang-Mokokchung Transmission Line (Phase-II), Nagaland	Power	Departmental charges	0.09	Component not provided in DPR.
			Purchase of vehicle	0.08	Component not provided in DPR.
10	Construction of SLDC building at Nagarjan, Dimapur, Nagaland	Power	Departmental charges	0.26	Component not provided in DPR
			Construction of Conference Hall SLDC Building Dimapur	0.44	Construction of Conference Hall SLDC Building Dimapur
11	Construction of 2x500kW Ponglefo, SHEP, Nagaland	Power	Departmental charges (NEC fund)	0.25	Component not provided in Administrative approval
			Payment for POL (NEC Fund)	0.43	Component not provided in DPR
			Purchase of vehicle (NEC fund)	0.25	Component not provided in DPR
			Purchase of vehicle (MNRE fund)	0.13	Component not provided in DPR
			R/R (NEC fund)	0.12	Component not provided in DPR
			R/R (MNRE fund)	0.05	Component not provided in DPR
			TA/DA (MNRE fund)	0.01	Component not provided in DPR
			Payment for casual labours(NEC)	0.02	Component not provided in DPR

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Sl. No	Name of the project	Implementing department/ agency	Item of expenditure	Amount	Audit observations
12	Construction of 220/132/33 kV Substation at Chiephobozou (Part-II), Nagaland	Power	WC Salary	0.33	Component not provided in DPR
			Departmental charges	1.06	Component not provided in DPR
			Preliminary work	0.08	Items not provided in DPR
			Supply of Spare parts	0.08	Items not provided in DPR
			Internal Electrification	0.02	Items not provided in DPR
13	Conversion of 33kV pole structure to Lattice tower of the Ringmain Feeder at Kohima, Nagaland	Power	Purchase of Vehicle	0.18	Item not funded by NEC
			HSD Oil	0.05	Component not provided in DPR
			Land Compensation	0.18	Item not funded by NEC
14	Piggery Infrastructure, Feed and Fodder Development in Nagaland	AH&VS	Fund for repair/renovation of Piggery Infrastructure and conveyance charge was diverted for construction of Office cum store room.	0.02	Approval of NEC not obtained.
Total				13.189	

Source: Records of the projects implementing departments/agencies.

Appendix 2.3.6

Statement showing submission of incorrect Utilisation Certificates (UCs) in respect of test-checked projects

(Paragraph reference: 2.3.9.5)

(₹ in crore)

Sl. No	Name of Project	Receipt of funds by State Government from NEC		Release of funds by State Government to the implementing Department/agency		Date of submission of UC	Amount for which UC furnished	Audit Comments
		Sanction Order No. & date	Amount	Sanction Order No. & date	Amount			
Department of Land Resources								
1	Rubber Plantation in Nagaland	No.NEC/AGRI/NG/04/13 dated 15-02-2014 (1st installment)	1.63	No. EXPDR-B/17/2014-15/VR/733 dated 21-07-2014	1.63	13-04-2015	1.81	GoN share ₹ 0.18 crore drawn on 02-02-2016 vide bill No. 120
Health & Family Welfare Department								
2	Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland			No. MED-9/AE/3/2003/448 dated 09-11-2016 (State share)	0.06	02-11-2016	0.06	2nd installment of Nursing school and OPD & Casualty NHAK totalling ₹ 13.88 lakh was drawn vide bill No. 432 of 11-11-2016
3	Upgradation and Infrastructure Development (OPD, Casualty and Diagnostic Complex) of Naga Hospital, Kohima, Nagaland			No. MED-9/AE/3/2003/448 dated 09-11-2016 (State share)	0.08	02-11-2016	0.08	
Nagaland Bio Resource Mission								
4	Promotion & Development of Medicinal & Aromatic Plants in Nagaland	No.NEC/AGRI/NG/5/12 dated 23-03-2012	1.12	No.APC/CELL/NBRM/NE C/2011-12 dated 15-10-2012	1.24	29-10-2012	1.24	Till 29-10-2012, there was no Cash disbursement in the Cash Book. The fund was fully utilised only in November 2012.
		No.NEC/AGRI/NG/5/12 dated 29-11-2012	0.5	No.APC/CELL/NBRM/NE C/2012-13 dated 25-03-2013	0.5	09-04-2013	0.55	Matching State share ₹ 0.05 crore was sanctioned only on 12-03-2014. UC submitted prior to sanction of fund.

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Sl. No	Name of Project	Receipt of funds by State Government from NEC		Release of funds by State Government to the implementing Department/agency		Date of submission of UC	Amount for which UC furnished	Audit Comments
		Sanction Order No. & date	Amount	Sanction Order No. & date	Amount			
Nagaland Beekeeping Honey Mission								
5	Bee Keeping & Honey Development in Nagaland Phase-I	No. NEC/AGRI/NG/Beekeeping/2010 dated 23-03-2010	0.52	No.FIN/EXPDR-B/17/2010-11/YL/111/ dated 20-07-2010	0.52	13-09-2010	0.52	The amount was fully utilised only on 25-10-2010
		No. NEC/AGRI/NG/Beekeeping/2010 dated 25-01-2011	2.00	No.APC/CELL/NBHM/NEC/2010-11 dated 25-03-2011	2.00	05-07-2011	2.22	Cash Book Balance as of 05-07-2011 was ₹ 0.28 crore
		No. NEC/AGRI/NG/Beekeeping/2010 dated 04-11-2013	0.52	No.APC/CELL/NBHM/NEC/2011-12 dated 04-03-2014	0.52	15-11-2013	0.52	UC submitted before the fund was released by GoN.
6	Bee Keeping & Honey Development in Nagaland Phase-II	No. NEC/AGRI/NG/2/2013 dated 18-12-2014	1.78	No.APC/CELL/NBHM/NEC/2011-12 dated 23-03-2015	1.78	02-11-2015	1.98	Corresponding State matching share of ₹ 0.20 Crore was sanctioned only on 16.12-2015 but was shown as utilised in the UC submitted on 02-11-2015
7	Establishment of Mini Honey Industrial Unit, Apitherapy Cell, Museum & Showroom at 6th Mile Dimapur, Nagaland	NEC/AGRI/MH-NG/16/2016 dated 15-06-2017	0.22	APC/CELL/NBHM/NEC/2011-12 dated 18-12-2017 (Including State share)	0.24	(NEC-22-01-2018)	0.24	As per the payment register furnished to audit an amount of ₹ 0.18 crore was utilised after January 2018.
Department of Power								
8	Construction of 33kV Transmission lines, 33/11kV Substation, 11kV lines, 11/0.4kV Distribution substation and LT Lines in Kohima, Nagaland	No. NEC/POW/569/NAG/2013-14/3039 dated 20-12-2013	5.4	No.BUD/8-55/2013-14 RE/533 dated 26-03-2014	5.4	24-11-2014	5.4	Fund for the same was not utilised at all during the date of submission of UC.
		No. NEC/POW/569/NAG/2013-14/4096 dated 15-12-2014	5.4	No.BUD/8-55/2013-14 CX/14 dated 30-03-2015	5.4	01-04-2015	5.4	The whole amount was kept in CD. Fund for the same was not utilised at all during the date of submission of UC.

Sl. No	Name of Project	Receipt of funds by State Government from NEC		Release of funds by State Government to the implementing Department/agency		Date of submission of UC	Amount for which UC furnished	Audit Comments
		Sanction Order No. & date	Amount	Sanction Order No. & date	Amount			
9	Upgradation of 66/33/11 kV Chumukedima Substation from 10 MVA to 30 MVA, Nagaland	NEC/POW/544/NAG1/2011-12/2711 dated 04-01-2012	1.98	BUD/8-55/2012-13/ZB/ 327 dated 28-03-2013	1.98	(NEC-14th March 2013)	1.98	UC submitted before release of fund by State Government
		NEC/POW/544/NAG/2011-12/2958 dated 24-06-2013	1.60	BUD/8-55/2013-14/DM/991 dated 14-03-2014 (Including part State share)	0.52	05-04-2014	1.70	An amount of ₹ 1.18 crore was kept in CD and withdrawn only on 12-03-2015. Therefore, it remained unutilised at the time of submission of UC on 05-04-2014.
				BUD/8-55/2014-15/SP/616 dated 12-03-2015(Including part State share)	1.18			
10	Construction of 2X500kW Ponglefo SHEP, Nagaland	NEC/POW/NAG/597/2015-16/5667 dated 26-02-2016	0.90	BUD/8-55/2015-16/AL/745 dated 30-03-2016	0.90	(NEC-24-08-2016)	0.90	As per the UCs furnished to NEC, all the fund received have been stated as utilised, however, as per the expenditure statement furnished to audit, an amount of ₹ 0.57 crore was left as balance as on March 2018.
		NEC/POW/NAG/597/2015-16/5781 dated 30-12-2016	3.00	BUD/8-55/2016-17/TN/ 119 dated 21-03-2017	1.61	(NEC-30-08-2017)	3.00	
				BUD/8-55/2017-18/LD/501 dated 09-05-2017	1.39			
				BUD/8-55/2017-18/KI/472 dated 04-08-2017 (State Share 1st and 2nd Instllment)	0.43	(NEC – 03-11-2017)	0.43	
11	Construction of 220/132/33kV Substation at Chiephobozou (Part II), Nagaland	NEC/POW/516/2010-11/2799 dated 21-08-2012	14.00	BUD/8-55/2012-13/HV/3880 dated 12-03-2013 (Including State share)	7.78	(NEC – 06-08-2013)	15.56	An amount of ₹ 7.78 crore was kept in CD and withdrawn only on September 2013 and February 2014. Therefore, it remained unutilised at the time of submission of UC on 06-08-2013.
				BUD/8-55/2013-14/EC/039 dated 12-09-2013 (Withdrawal from Civil Deposit)	5.78			
				BUD/8-55/2013-14/YL/601 dated 28-02-2014 (Withdrawal from Civil Deposit)	2.00			

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Sl. No	Name of Project	Receipt of funds by State Government from NEC		Release of funds by State Government to the implementing Department/agency		Date of submission of UC	Amount for which UC furnished	Audit Comments
		Sanction Order No. & date	Amount	Sanction Order No. & date	Amount			
		NEC/POW/516/2010-11/2995 dated 23-09-2013	18.00	BUD/8-55/2013-14/RE/533 dated 26-03-2014	5.32	05-04-2014	18.00	An amount of ₹ 12.68 crore was kept in CD and withdrawn only on September 2014 and March 2015. Therefore, it remained unutilised at the time of submission of UC on 05-04-2014.
				BUD/8-55/2014-15/ST/567 dated 11-09-2014	6.34			
				BUD/8-55/2014-15/CX/ 616 dated 12-03-2015	6.34			
		NEC/POW/516/2010-11/Vol.I/5972 dated 26-02-2018	3.00	BUD/8-55/2017-18/TA/150 dated 29-03-2018	3.00	27th of April 2018	3.00	As per the UCs furnished to NEC, all the fund received have been stated as utilised, however, as per the expenditure statement furnished to audit, an amount of ₹ 0.34 crore was left as balance.
12	Upgradation of 66kV to 132kV single circle Kiphire-Tuensang-Mokokchung Transmission line, Nagaland	No.NEC/POW/545/NAG/2011-12/2897 dated 26-03-2013	2.05	No.BUD/8-55/2013-14/JL/673 dated 13-03-2014	0.98	05-04-2014	2.05	An amount of ₹ 0.98 crore was kept in CD and withdrawn only on 25-08-2014. Therefore, it remained unutilised at the time of submission of UC on 05-04-2014
				No.BUD/8-55/2014-15/DM/701 dated 25-08-2014	0.98			
Public Works Department (Road & Bridges)								
13	Construction of Viswema-Kidima-Zuketsa-Tadubi Road in Nagaland (36.40 Km)	No. NEC/T/Release/Nagaland/2012-13/10 dated 15-05-2012	10.00	No. BUD/8-13/2012-13/SM/615 dated 27-11-2012	3.33	26-04-2013	11.11	UC for an amount of ₹ 1.78 crore (NEC share) and ₹ 1.11 crore (State share) was submitted before the fund was released by GoN.
				No. WH/LOC-59/93 NEC (Pt) dated 29-01-2013	3.89			
				No. WH/LOC-59/93/NEC (Pt) dated 21-03-2013	1.00			

Sl. No	Name of Project	Receipt of funds by State Government from NEC		Release of funds by State Government to the implementing Department/agency		Date of submission of UC	Amount for which UC furnished	Audit Comments
		Sanction Order No. & date	Amount	Sanction Order No. & date	Amount			
				No. WH/LOC-59/93 NEC (Pt) dated 15-10-2013	1.78			
		No. NEC/T/Release/Nagaland/2013-14/12 dated 18.06.2013	7.00	No. WH/R-5/2006/NEC (Pt) dated 06-01-2014	7.00	24-02-2014	7.78	UC for an amount of ₹ 0.78 crore (State share) was submitted before the fund was released by GoN.
		No. NEC/T/Release/Nagaland/2013-14/56 dated 13-03-2014	3.00	No. WH/LOC-59/93 NEC (Pt) dated 30-03-2015	3.00	28-07-2014	3.33	UC submitted before the fund was released by GoN.
		No. NEC/T/Release/Nagaland/2014-15/45 dated 28-11-2014	7.00	No. WH/BUD-4/2002 (NEC) dated 16-02-2016	7.00	05-01-2016	7.78	UC submitted before the fund was released by GoN.
		No. NEC/T/Release/Nagaland/2016-17/11 dated 02-06-2016	3.00	No. WH/R-5/2006 (NEC) Pt dated 14-10-2016	3.33	21-07-2016	3.33	UC submitted before the fund was released by GoN.
	Total		93.62		96.23		99.97	

(Note: UCs submitted by the Nodal Department before the funds were actually released by the State Government ₹49.20 crore and before utilisation of funds ₹16.95 crore).

Source: Records of the projects implementing departments/agencies.

Appendix 2.3.7

Statement showing items of work unexecuted on the project “Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland”

(Paragraph reference: 2.3.12.2)

(Amount in ₹)

Sl. No.	Items of work	Unit	Achievements as per Departmental Records		Joint inspection findings
			Quantity	Financial	
1	Providing Steel glazed windows	Sq.m	97.2	174684.92	Not executed
2	Providing MS Grills	Kg	1123.2	97808.26	Carried out by the School of Nursing, NHAK from its own resources.
3	Structural Steel roof trusses	Kg	891.01	145314.82	Not executed
4	Providing & fixing LPS roof	Sq.m	182	297346.14	Not executed
5	Providing & fixing ridges, hips, etc	Sq.m	43.64	27436.47	Not executed
6	Providing & fixing panelled or panelled and glazed shutter for doors, windows.	Sq.m	66.57	143827.15	Not executed
7	Painting with water proof cement paint	Sq.m	1797.32	89254.91	Not executed
8	Services: Sanitary Installation & Water Supply			753700.00	Carried out by the School of Nursing, NHAK from its own resources.
9	Providing protection work & soiling in compound Nursing School, NHAK			700000.00	Not executed
Total				2429372.67	

Source: Departmental records and joint inspection report.

Appendix 2.3.8

Statement showing items of work unexecuted on the project “Up-gradation of 66kV to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Phase-I”

(Paragraph reference: 2.3.12.3 (a))

(Amount in ₹)

Sl. No.	Item of Work	Unit	Rate	Quantity to be executed (in Kms.)	Amount (Col. iv x Col. v)	Actual Execution (in Kms.)	Difference (in Kms.) Col. v – Col.vii)	Actual amount to be paid (Col.iv x Col.vii)	Excess Amount Paid to Contractor (Col.vi – Col. ix)
<i>(i)</i>	<i>(ii)</i>	<i>(iii)</i>	<i>(iv)</i>	<i>(v)</i>	<i>(vi)</i>	<i>(vii)</i>	<i>(viii)</i>	<i>(ix)</i>	<i>(x)</i>
1	De-Stringing of three power conductor	KM	53500	105.7	5654950	78	27.7	4173000	1481950
2	Stringing of three power conductor	KM	125000	105.7	13212500	78	27.7	9750000	3462500
Total					18867450			13923000	4944450

Source: Departmental records.

Appendix 2.3.9

Statement showing short execution of work on the project “Construction of 33kV transmission lines, 33/11kV sub-station, 11 kV lines, 11/0.4 kV distribution sub-station and LT lines in Kohima”

(Paragraph reference: 2.3.12.3 (b))

(Amount in ₹)

Sl. No.	Description of items	No. of GI Steel Tubular Poles stated to be erected and installed with its components	Total amount (Supply + Cost of Erection)	Actually executed	Difference	Cost of one GI ST Pole alongwith its components+ Cost of erection (Col. iv /Col.iii)	Amount of excess payment made (Col.vi x Col.vii)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
1	Construction of 11 kV Main Trunk line along NH29 and NH61 across the main town road from (i) Mohonkhola DP-PHQ-TCP Gate -3.5Km and (ii) Razhu point-Tin Patti-High School junction -3.5Km respectively. The per km line construction Std shall consist of 10 DPs and 11SPs strung with ACSR Hare conductor on GI Steel Tubular pole SP-66 with average span of 50m. The Dp shall be erected along the/parallel to line alignment and not squared/crossed to the line alignment. Total Route Length=3.5Km+3.5Km=7Km	217	31759202	209	8	146355.77	1170846.2
2	Strengthening and Reconductering of existing Jakhama Feeder from RESS-1.5km. The line shall be constructed with ACSR Wolf conductor on GI Steel Tubular pole SP-66 (with average span of 50m consisting of 10DPs and 5SPs per Km.	37	6139843	21	16	165941.7	2655067.2
TOTAL							3825913.4

Source: Departmental records and joint inspection report.

Appendix 2.3.10

Statement showing excess payment to contractor on the project “Construction of 220/132/33 kV Sub-station at Chiephobozou (Part-II), Nagaland”

(Paragraph reference: 2.3.13 (a))

(Amount in ₹)

Voucher No. and date	Items of works	Unit	Rate allowed	Qty	Total Amount paid	Rate as per invoices/ VAT 23	Amount calculated as per the rate in VAT 23/invoice	Difference
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Vr.No.3 dated 25-11-2014	20/25 MVA 132/33 kV Transformer	Nos.	44922600	1	44922600	12038142	12038142	32884458
Vr.No.3 dated 12-05-2015	33.33/41.67, 220/132 kV Transformer	Nos.	57348000	4	229392000	14343750	57375000	172017000

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Vr.No.96 dated 31-03-2014	MS Rail	MT	66906	30	2007180	as per courier invoice	1720000	287180
Vr.No.24 dated 23-11-2017	MS Rod (40 mm dia for earthing)	MT	65000	15.6	1014000	56610	883116	130884
Vr.No.70 dated 30-03-2013	145kV SF6 Circuit Breaker	Nos.	3345300	5	16726500	618879	3094395	13632105
Vr.No.62 dated 26-03-2013	220 kV Post Insulator	Nos.	47790	100	4779000	7744	774400	4004600
Vr.No.4 dated 21-12-2016	GI Structure (Zhadima)	MT	133812	33.25	4449249	71434	2375180.5	2074068.50
Vr.No.3 dated 12-05-2015	GI Structure	MT	133812	42.53	5691024.4	71434	3038088.02	2652936.34
Vr. No.6 dated 21-12-2016	GI Structure	MT	133812	68.289	9137887.7	71434	4878156.426	4259731.24
Total					318119441		86176477.95	231942963.10

Source: Commissioner of Taxes, Dimapur and departmental records.

Appendix 2.3.11

Statement showing excess payment to contractor on the project “Upgradation of 66kV to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Phase-I”

(Paragraph reference: 2.3.13 (c))

(Amount in ₹)

Sl. No.	Invoice No./ Challan No.	Name of the Manufacturer	Description and Specification of Goods	Quantity (in nos./Kgs.)	Rate (in ₹)	Amount (in ₹) (Col. v x Col. vi)	RA Bill No.	Quantity in RA Bill (in nos. & Kgs)	Rate as entered in RA Bill	Total Amount in RA Bill (Col. ix X Col. x)	Excess amount paid (Col. vii - xi)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	(xi)	(xii)
1	SJ 3914 dated 31-08-2012	Aditya Birla Insulators, Rishra - 712249 Dist. Hooghly (W.B)	11 KV Disc insulator B/S 90KN	2500	340	850000	1st RA bill dated 17-12-2012	7764	185	14363400	11723640
2	SJ 4603 dated 29-11-2012	Aditya Birla Insulators, Rishra - 712249 Dist. Hooghly (W.B)	11 KV Disc insulator B/S 90KN	2250	340	765000	1st RA bill dated 17-12-2012				
3	SJ 4604 dated 29-11-2012	Aditya Birla Insulators, Rishra - 712249 Dist. Hooghly (W.B)	11 KV Disc insulator B/S 90KN	383	340	130220	1st R.A Bill dated 17-12-2012				
4	SJ 4688 dated 01-12-2012	Aditya Birla Insulators, Rishra - 712249 Dist. Hooghly (W.B)	11 KV Disc insulator B/S 90KN	2631	340	894540	1st R.A Bill dated 17-12-2012				
5	76 dated 13-12-2013	Gurunanak overseas Co. Pvt. Ltd.Head office:20, B.T. Road, kolkata - 700002	Hot Dip Galvanised Steel Structure for Tower	20114	61	1226954	3rd RA Bill dated 30-09-2014	20560	155	3186800	1959846

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6	85 (2012-13) dated 19-11-2012	Chitra Electricals, 52/7, Makardah Road, Howrah - 711101 (W.B)	Single Tension Compression H/W with A.H suitable for ACSR Wolf Conductor	876	1225	1073100	1st RA bill dated 17-12-2012	900	3500	3150000	2076900
7	87 (2012-13) dated 19-11-2012	Chitra Electricals, 52/7, Makardah Road, Howrah - 711101 (W.B)	Mid Span Compression Joint for ACSR Wolf	210	300	63000	1st RA bill dated 17-12-2012	210	3500	735000	672000
8	88 (2012-13) dated 19-11-2012	Chitra Electricals, 52/7, Makardah Road, Howrah - 711101 (W.B)	Earthwire Suspension fittings	10	500	5000	1st RA bill dated 17-12-2012	10	2800	28000	23000
TOTAL						5007814					16455386

Source: Commissioner of Taxes, Dimapur and departmental records.

Appendix 2.3.12

Statement showing excess payment to contractor on the project “Upgradation of 66kV S/C to 132kV S/C Kiphire-Tuensang-Mokokchung Transmission Line, Nagaland Phase-II”

(Paragraph reference: 2.3.13 (d))

(Amount in ₹)

Voucher No. and date	Items of works	Unit	Rate allowed	Quantity	Total Amount paid	Rate calculated as per invoices/ VAT 23	Amount calculated as per the rate in VAT 23/invoice	Difference
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
Vr.No.7 Dated 30.05.2017	GI Steel Structure	MT	155000	14.915	2311825	65407	975545.405	1336279.595
	Disc Insulator	No	1850	864	1598400	516	445824	1152576
	Hardware Fittings	Set	3500	96	336000	1684	161664	174336
Vr.No.7 Dated 10.04.2018	GI Steel Structure	MT	155000	68.137	10561235	65407	4456636.759	6104598.241
	Hardware Fittings	Set	3500	48	168000	1684	80832	87168
	GI structure for new towers	MT	155000	31.67	4908850	65407	2071439.69	2837410.31
Total					19884310		8191941.854	11692368.146

Source: Commissioner of Taxes, Dimapur and departmental records.

Appendix 2.3.13

Statement showing excess payment to contractor on the project “Conversion of 33kV structure to lattice tower Kohima Ring Main Feeder to G.I Lattice Towers”

(Paragraph reference: 2.3.13 (e))

(Amount in ₹)

RA & Date of Payment	Items	Unit	Rate as per RA Bill	Qty	Total Amount paid	Rate calculated as per invoices/ VAT 23	Amount calculated as per the rate in VAT 23/invoice	Difference
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
1st RA Bill dated 07-11-2016	Disc Insulator	No	1500	1160	1740000	660	765600	974400
1st RA dated 07-11-2016 & 2nd RA Bill dated 20-09-2017	ACSR Wolf Conductor	KM	241000	20	4820000	212757	4255140	564860
2nd RA Bill dated 20-09-2017	11 KV Vacuum Circuit Breaker Complete with	No	1388750	3	4166250	223762	671286	3494964

	Control Relay Panel							
3rd RA Bill dated 15-12-2017	5 MVA, 33/11 KCV Transformer	No	9050000	1	9050000	3052350	3052350	5997650
Total					19776250		7069796	12706454

Source: Commissioner of Taxes, Dimapur and departmental records.

Appendix 2.3.14

Statement showing excess payment to contractor/supplier on the project “Construction of 33kV transmission lines, 33/11kV sub-station, 11kV lines, 11/0.4kV distribution sub-station and LT lines in Kohima, Nagaland”

(Paragraph reference: 2.3.13 (f))

(Amount in ₹)

Sl. No.	Description of items	Quantity Supplied by Manufacturer (in nos. / Kms.)	Actual Amount per no.	Actual Amount to be paid (Col. iii x Col. iv)	Amount per item as per the RA Bills	Amount as per RA Bills (Col. iii X Col. vi)	Difference (Col. vii - Col. v)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
1	GI Steel Tubular Poles, SP-76	142	25100	3564200	68098	9669916	6105716
2	GI Steel Tubular Poles, SP-66	65	21300	1384500	57499	3737435	2352935
3	36 KV Current Transformer OIP	6	57535	345210	129551	777306	432096
4	11 KV Outdoor Oil immersed Current Transformer/Potential Transformer	18	14828.72	266916.96	140284	2525112	2258195.04
5	ACSR Wolf Conductor	18.200	105209.39	1914810.89	271688	4944721.60	3029910.71
6	ACSR Hare Conductor	23.100	61830.56	1428285.93	155120	3583272	2154986.07
TOTAL							16333838.82

Source: Commissioner of Taxes, Dimapur and departmental records.

Appendix 2.3.15

Statement showing details of NEC projects in private sector hospitals.

(Paragraph reference: 2.3.14.2)

(₹ in crore)

Sl. No	Name of Project	Sanction date	MoA Date	Approved cost	NEC released	GoN released	Expenditure incurred	Status as of March 2018
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
1	Support for Modernisation of Bethel Medical Centre, Kohima, Nagaland	26.02.2009	30.10.2013	3.75	3.38	0.37	3.75	Completed 02/2015
2	Establishment of 5 bedded ICU, High Dependency unit, Dialysis unit and Neo-Natal unit for Up-gradation of Woodland Nursing	16.03.2011	30.10.2013	2.53	2.28	0.25	2.53	Completed 06/2014

	Home, Mokokchung, Mokokchung District, Nagaland							
3	Upgradation of Equipment Infrastructure at Oking Hospital and Research Clinic, Kohima, Nagaland	21.06.2011	30.10.2013	4.37	3.93	0.44	4.37	Completed 04/2014
4	Upgradation of Infrastructure of Impur Christian Hospital, Impur, Mokokchung District.	07.08.2012	17.02.2014	4.85	3.50	0.39	3.89	Closed on "as is where is" basis 02/2018
5	Setting up of North East Regional Multi-Disciplinary Paramedical Institute at Dimapur, Nagaland	26.02.2014	22.09.2010	49.81	20.00	2.22	22.22	Ongoing
6	Procurement of MRI Machine in the Faith Hospital, Dimapur, Nagaland	22.02.2016	29.11.2016/ 06.03.2017 (revised)	5.41	4.87	0.54	5.41	Installation completed on 09/2016
Total				70.72	37.96	4.21	42.17	

Source: Departmental records.

Appendix 2.3.16

Statement showing audit findings on display of project information at site in test-checked projects

(Paragraph reference: 2.3.17)

Sl. No.	Name of the Project	Date of Approval	Status as of March 2018	Audit findings with regard to display of information
1	Construction of Pukhungri-Avankhu-Layshi Road (18.49 kms), Phek district	29.7.2005	Ongoing (Formation cutting completed)	Could not be visited due to landslide.
2	Longleng-Ladaigarh Road (107.36 km)	22.9.2006	Ongoing	No display
3	Upgradation & Modernization of 132/33 KV Meluri Sub-Station, Nagaland.	12.08.2008	Completed (31.11.2011)	No display
4	Support for Modernisation of Bethel Medical Centre, Kohima, Nagaland	26.02.2009	Completed (02/2015)	Except CT Scan & Mammography machine, other instruments were not labelled.
5	Upgradation and Infrastructure Development (OPD, Casualty and Diagnostic Complex) of Naga Hospital, Kohima, Nagaland	14.10.2009	Closed on "as is where is basis" on 08.02.2018	No display
6	Setting up of 2 State Pig Breeding Farms at Medziphema & Jalukie	08.01.2010	Ongoing	No display
7	Upgradation and Infrastructure Development of Nursing School at Naga Hospital, Kohima, Nagaland	20.03.2010	Closed on 14.02.2018	No display
8	Bee keeping & Honey Development in Nagaland	23.03.2010	Completed (not available)	Yes displayed
9	Longding-Nokjan Road (Nagaland)	25.03.2010	Completed (17.01.2014)	No display
10	Construction of Viswema-Kidima-Zuketisa-Tadubi Road in Nagaland (36.40 Km)	16.08.2010	Completed (10.02.2015)/Closed	Yes, except in the two Circular road shown as extension of NEC road.
11	Establishment of 5 bedded ICU, High Dependency unit, Dialysis unit and Neo-Natal unit for Up-gradation of Woodland Nursing Home, Mokokchung, Mokokchung District, Nagaland	16.03.2011	Completed (30.06.2014)	Labelling of instruments not done.

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12	Upgradation of Equipment Infrastructure at Oking Hospital and Research Clinic, Kohima, Nagaland	21.06.2011	Completed (13.04.2014)	Labelling of instruments done.
13	Upgradation of 66/33/11kV Chumukedima Substation from 10MVA to 30 MVA, Nagaland	04.01.2012	Completed (April 2014)	Yes displayed
14	Promotion & Development of Medicinal & Aromatic Plants in Nagaland	23.03.2012	Completed 2014	No display
15	Upgradation of 66kV to 132kV single circle Kiphire-Tuensang-Mokokchung Transmission line, Nagaland	01.04.2012	Completed (December 2014)	Yes displayed
16	Upgradation of Infrastructure of Impur Christian Hospital, Impur, Mokokchung District.	07.08.2012	Closed on as is where is basis 13.02.2018	No display
17	Construction of 220/132/33kV Substation at Chiephobozou(Part II), Nagaland	21.08.2012	Ongoing	No display
18	Improvement of Mokokchung(NH-155), NH-202 Junction to Aghunato via Longsa-Suruhoto Road in Nagaland	23.11.2012	Completed in January 2018	Yes displayed
19	Modernization of Department of Legal Metrology & Consumer Protection	15.11.2013	Closed on as is where is basis 31.05.2018	Yes displayed
20	Construction of 33kV Transmission lines, 33/11kV Substation, 11kV lines, 11/0.4kV Distribution substation and LT Lines in Kohima, Nagaland	20.12.2013	Ongoing	Yes displayed
21	Rubber Plantation in Nagaland	15.02.2014	Ongoing	Out of 54 beneficiaries, 25 beneficiaries do not have signboard at the plantation sites.
22	Setting up of North East Regional Multi-Disciplinary Paramedical Institute at Dimapur, Nagaland	26.02.2014	Ongoing	Yes, except Library books
23	Beekeeping and Honey Development in Nagaland Phase II	18.12.2014	Ongoing	Yes displayed
24	Conversion of 33kV pole structure to Lattice tower of the Ringmain Feeder at Kohima, Nagaland	09.06.2015	Ongoing	No display
25	Procurement of MRI Machine in the Faith Hospital, Dimapur, Nagaland	22.02.2016	Completed (23.09.2016)	Yes displayed
26	Construction of 2X500kW Ponglefo SHEP, Nagaland	26.02.2016	Ongoing	No display
27	Construction of SLDC Building at Nagarjan, Dimapur, Nagaland	17.03.2016	Completed (December 2017)	Temporary information board displayed.
28	Piggery Infrastructures Feed and Fodder Development in Nagaland	19.04.2016	Ongoing	Out of 22 piggery farms/beneficiaries inspected, 17 does not have any signboard
29	Up-gradation of 66kV to 132kV S/C Kiphire- Tuensang-Mokokchung Transmission Line (Phase-II), Nagaland	27.09.2016	Ongoing	No display
30	Setting up of Model Dairy Farm in Nagaland	18.04.2017	Ongoing	Not inspected. Project implementation commenced during June 2018.
31	Construction of 1 No.33/11kV, 1X1.6 MVA unmanned sub-station at Longmatra under Kiphire Division, Nagaland	19.04.2017	Ongoing	No display
32	Establishment of Mini Honey Industrial Unit, Apitherapy Cell, Museum & Showroom at 6th Mile Dimapur, Nagaland	15.06.2017	Ongoing	No display
33	Setting up of Dairy Farm at Dimapur, Nagaland	13.07.2017	Ongoing	No display
34	Setting up of 1 Poultry Breeding Farm & 30 Satellite Farms at Dimapur, Nagaland	13.07.2017	Ongoing	No display

Source: Records of the implementing departments/agencies and joint inspection reports.

Appendix 2.4.1

(Paragraph reference: 2.4.4)

List of projects sanctioned under RIDF during 2013-14 to 2017-18

(₹ in lakh)

Sl. No.	Name of the Work	Implementing Department	Estimated cost	Sanctioned cost	NABARD share	State Share
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
1	Tsadoke to Sithozoo ALR	Agriculture	49.43	49.43	44.49	4.94
2	Thulierie P Khel ALR	Agriculture	44.94	44.94	40.45	4.49
3	Kohima to TMHS Colony ALR	Agriculture	49.43	49.43	44.49	4.94
4	L Khel to Bie Khruzie ALR	Agriculture	48.31	48.31	43.48	4.83
5	Tsonzun to Nysenwenru ALR	Agriculture	44.94	44.94	40.45	4.49
6	Merema to Merena new ALR	Agriculture	49.43	49.43	44.49	4.94
7	Thekrejema ALR	Agriculture	44.94	44.94	40.45	4.49
8	Doyapur ALR	Agriculture	47.19	47.19	42.47	4.72
9	Patkai to Seithekima ALR	Agriculture	46.06	46.06	41.45	4.61
10	New Chumu to Razhepha ALR	Agriculture	49.43	49.43	44.49	4.94
11	Shoxuvi ALR	Agriculture	50.56	50.56	45.50	5.06
12	Khat to Milak ALR	Agriculture	60.67	60.67	54.60	6.07
13	Omomongjen to Ailangpang ALR	Agriculture	49.43	49.43	44.49	4.94
14	Lishiyong to Yimsen ALR	Agriculture	70.78	70.78	63.70	7.08
15	Yisemyong to Asaba ALR	Agriculture	49.43	49.43	44.49	4.94
16	Pongja to Tsula ALR	Agriculture	50.56	50.56	45.50	5.06
17	Yajang 'C to Akotisa ALR	Agriculture	53.93	53.93	48.54	5.39
18	Alonglenden to Tsurong ALR	Agriculture	60.67	60.67	54.60	6.07
19	Yajang to Tsumerem ALR	Agriculture	66.29	66.29	59.66	6.63
20	Chungtiayimsen to Rub Farm ALR	Agriculture	65.16	65.16	58.64	6.52
21	Tuli to Chubarongbang ALR	Agriculture	47.19	47.19	42.47	4.72
22	Asangma to Tsusangru ALR	Agriculture	50.56	50.56	45.50	5.06
23	Satier Aliba to Tzubi Valley ALR	Agriculture	49.43	49.43	44.49	4.94
24	Moayimti ALR	Agriculture	48.31	48.31	43.48	4.83

Sl. No.	Name of the Work	Implementing Department	Estimated cost	Sanctioned cost	NABARD share	State Share
25	Longjemdang ALR	Agriculture	55.05	55.05	49.55	5.50
26	Chizami ALR	Agriculture	44.94	44.94	40.45	4.49
27	Suthozu old to S.Nasa ALR	Agriculture	44.94	44.94	40.45	4.49
28	Lanye-Lozaphuhu ALR	Agriculture	47.19	47.19	42.47	4.72
29	Saijang to Vonkithen ALR	Agriculture	46.06	46.06	41.45	4.61
30	Nsenrem ALR	Agriculture	48.31	48.31	43.48	4.83
31	Takiezam ALR	Agriculture	52.80	52.80	47.52	5.28
32	Lilen to Saijang ALR	Agriculture	61.79	61.79	55.61	6.18
33	Benreu ALR	Agriculture	56.18	56.18	50.56	5.62
34	Poilwa-New ALR	Agriculture	50.56	50.56	45.50	5.06
35	Old Nzao ALR	Agriculture	49.43	49.43	44.49	4.94
36	Yetachi to Kabalu ALR	Agriculture	44.94	44.94	40.45	4.49
37	Chishilimi to Khulutoga ALR	Agriculture	44.94	44.94	40.45	4.49
38	Suruhuto ALR	Agriculture	48.31	48.31	43.48	4.83
39	Kichilimi ALR	Agriculture	44.94	44.94	40.45	4.49
40	Lipm to Renthana ALR	Agriculture	48.31	48.31	43.48	4.83
41	Lakhuti to Wazhuli ALR	Agriculture	56.18	56.18	50.56	5.62
42	Phiro to Totsu ALR	Agriculture	44.94	44.94	40.45	4.49
43	Sards to Shitcu ALR	Agriculture	44.94	44.94	40.45	4.49
44	Chenwetnyu ALR	Agriculture	44.94	44.94	40.45	4.49
45	Yannu to Yanthong ALR	Agriculture	44.94	44.94	40.45	4.49
46	Chingphoi to Yengmen ALR	Agriculture	55.05	55.05	49.55	5.50
47	S/Chingnyu to Gosha ALR	Agriculture	53.93	53.93	48.54	5.39
48	Pongkong ALR	Agriculture	50.56	50.56	45.50	5.06
49	Oting ALR	Agriculture	52.80	52.80	47.52	5.28
50	Thannamir ALR	Agriculture	52.80	52.80	47.52	5.28
51	Marashatsa ALR	Agriculture	52.80	52.80	47.52	5.28
52	Sakshi ALR	Agriculture	49.43	49.43	44.49	4.94
53	Longleng ALR	Agriculture	64.04	64.04	57.64	6.40
54	Kuthur ALR	Agriculture	58.42	58.42	52.58	5.84

Sl. No.	Name of the Work	Implementing Department	Estimated cost	Sanctioned cost	NABARD share	State Share
55	New Khel to Balak ALR	Agriculture	56.18	56.18	50.56	5.62
56	Hukir to Shihyeru ALR	Agriculture	56.18	56.18	50.56	5.62
57	Panso Main road to Tsasiu ALR	Agriculture	56.18	56.18	50.56	5.62
58	Yangermang agri link road ALR	Agriculture	58.42	58.42	52.58	5.84
59	NH-61 to Lihayi ALR	Agriculture	56.18	56.18	50.56	5.62
60	Lokhong ALR	Agriculture	56.18	56.18	50.56	5.62
61	Chedema ALR	Agriculture	56.18	56.18	50.56	5.62
62	Phuye old -Phuye New ALR	Agriculture	56.18	56.18	50.56	5.62
63	Tsungki bazar -Lihayi valley ALR	Agriculture	56.18	56.18	50.56	5.62
64	a. Zhadima ALR	Agriculture	26.96	26.96	24.26	2.70
	b. Jakhama ALR		26.96	26.96	24.26	2.70
65	Nimozhuru ALR Viproma	Agriculture	61.79	61.79	55.61	6.18
66	Ighanumi ALR	Agriculture	58.42	58.42	52.58	5.84
67	Kezaikhon ALR	Agriculture	56.18	56.18	50.56	5.62
68	ALR at Natha New	Agriculture	52.80	52.80	47.52	5.28
69	Upper Khomi ALR	Agriculture	53.93	53.93	48.54	5.39
70	Cardamon ALR	Agriculture	55.05	55.05	49.55	5.50
71	ALR Zelome	Agriculture	53.93	53.93	48.54	5.39
72	Leshemi ALR	Agriculture	45.96	45.96	41.36	4.60
73	Kuhazuqa-Tukumlaha ALR	Agriculture	52.80	52.80	47.52	5.28
74	N Longidang ALR	Agriculture	53.93	53.93	48.54	5.39
75	ALR Nanung river to Dikhu	Agriculture	56.18	56.18	50.56	5.62
76	ALR Chenrenkiu	Agriculture	57.30	57.30	51.57	5.73
77	Longjokajeb ALR	Agriculture	55.05	55.05	49.55	5.50
78	Shaki-Liroli ALR	Agriculture	52.80	52.80	47.52	5.28
79	Khekiye to Chethazu ALR	Agriculture	56.18	56.18	50.56	5.62
80	Naghutomi ALR	Agriculture	56.18	56.18	50.56	5.62
81	Agri Link road Sipongsang	Agriculture	55.05	55.05	49.55	5.50
82	Construction of Horti link road from Hakchang Orange Farm to Sangchen	Horticulture	60.00	60.00	54.00	6.00

Sl. No.	Name of the Work	Implementing Department	Estimated cost	Sanctioned cost	NABARD share	State Share
83	Construction of Horti link road at Leshemi	Horticulture	25.00	25.00	22.50	2.50
84	Construction of Horti link road to Integrated Horti Project Longmen Lu Mongsenyimti	Horticulture	30.00	30.00	27.00	3.00
85	Construction of Horti link from Waru Meta to Kobolong Mopungchukit	Horticulture	40.00	40.00	36.00	4.00
86	Construction of Horti link road from Sipongsang Apple Project to Longtok	Horticulture	30.00	30.00	27.00	3.00
87	Construction of Horti-link road from at Kekhipto Cardamom Farm at Sotokur Village	Horticulture	20.00	20.00	18.00	2.00
88	Construction of Horti link Road to Mangla Orange Farm at Akotsuba Mangmetong Village	Horticulture	30.00	30.00	27.00	3.00
89	Construction of Horti link Road to Orange Farm Tuensang Village B Khel	Horticulture	10.00	10.00	9.00	1.00
90	Construction of Horti link road from Chuchuyung (Kelhur) Farm Kuthur under Tuensang District. (Ph-I)	Horticulture	20.00	20.00	18.00	2.00
91	Construction of Horti link road from Yamet to Kusho Orange Farm	Horticulture	20.00	20.00	18.00	2.00
92	Construction of Horti link road at K. Basa	Horticulture	10.00	10.00	9.00	1.00
93	Construction of Horti link road at Thsingar Village, Yangru	Horticulture	10.00	10.00	9.00	1.00
94	Construction of Horti-Link road at Meyilenden Chuchuyimlang Village	Horticulture	10.00	10.00	9.00	1.00
95	Construction of Horti-Link road at Akuluto	Horticulture	10.00	10.00	9.00	1.00
96	Construction of Horti-Link road at Vihokhu Village to Old Vihokhu Village	Horticulture	10.00	10.00	9.00	1.00
97	Construction of Horti-Link road at Namgum Hingleu, Jalukie 'B'	Horticulture	10.00	10.00	9.00	1.00
98	Construction of Horti-Link road at Pangsha	Horticulture	10.00	10.00	9.00	1.00
99	Construction of Horti-Link road at Rulu Zhavame Village	Horticulture	10.00	10.00	9.00	1.00
100	Construction of Horti-Link road from Elumyo Village to Tchuvuro Valley	Horticulture	15.00	15.00	13.50	1.50
101	Construction of Horti-Link road to Lampeam Pineapple Farm at Totok Chingkho	Horticulture	10.00	10.00	9.00	1.00

Sl. No.	Name of the Work	Implementing Department	Estimated cost	Sanctioned cost	NABARD share	State Share
102	Construction of Horti-Link road at Tesophenyu Village	Horticulture	10.00	10.00	9.00	1.00
103	Construction of Road from Asukiqa to Pughoboto Road (length 16 Kms.)	Public Works department	1100.00	1100.00	990.00	110.00
104	Construction of Road from Naghutomi Village to Pukhobokita (length 10 Kms.)	Public Works department	700.00	700.00	630.00	70.00
105	Upgradation of Road from Maikham to Jalukie (length 17 kms.)	Public Works department	700.00	700.00	630.00	70.00
106	Construction of Road from Shitoi to Akito (length 12 kms.)	Public Works department	600.00	600.00	540.00	60.00
107	Construction of Road from Kade to Sazu Rock viz Khrukru (length 10 kms.)	Public Works department	500.00	500.00	450.00	50.00
Total			8256.84	8256.84	7431.2	825.64

Source: Departmental records.

Appendix 2.4.2

(Paragraph reference 2.4.4 and 2.4.11.1)

Statement showing the status of projects as on March 2018

(₹ in lakh)

Sl. No.	Name of the Projects	Sanctioned cost	Fund released by the state Finance Department	Expenditure*			Stipulated date of completion	Physical progress
				NABARD share	State Share	Total		
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
1	Construction of 21 numbers of Horti link road under NABARD	400.00	358.00	358.00	0.00	358.00	31.03.2018	95%
2	81 number of Agri link roads	4256.84	2150.00	2150.00	0.00	2150.00	31.03.2017	82%
3	Construction of Road from Asukiqa to Pughoboto Road (length 16 Kms.)	1100.00	430.12	430.12	0.00	430.12	31.03.2019	58%

Sl. No.	Name of the Projects	Sanctioned cost	Fund released by the state Finance Department	Expenditure*			Stipulated date of completion	Physical progress
				NABARD share	State Share	Total		
4	Construction of Road from Naghutomi Village to Pukhobokita (length 10 Kms.)	700.00	324.00	324.00	0.00	324.00	31.03.2019	65%
5	Upgradation of Road from Maikham to Jalukie (length 17 kms.)	700.00	274.00	274.00	0.00	274.00	31.03.2019	37%
6	Construction of Road from Shitoi to Akito (length 12 kms.)	600.00	191.00	191.00	0.00	191.00	31.03.2019	65%
7	Construction of Road from Kade to Sazu Rock viz Khrukru (length 10 kms.)	500.00	191.00	191.00	0.00	191.00	31.03.2019	45%
8	Construction of Road from Satakha to Ghukiye via Momi (length 20 Km)	1437.56	1193.80	1193.80	0.00	1193.80	31.03.2015	100%
9	Upgradation of Road from Chouzuba to Ghathashi (length 25 Km)	1370.61	865.10	865.10	0.00	865.10	31.03.2015	100%
10	Improvement of Road from Botsa to Chakabama via Gariphema, Kijumetuma & Dihoma	962.16	662.54	662.54	0.00	662.54	31.03.2015	100%
11	Construction & Upgradation of road from Losami Jn. to Old Phek	989.33	790.40	790.40	0.00	790.40	31.03.2015	100%
12	Construction of Bailey Bridge over Upper Tsuyi river on Mukalimi - Chishilimi road	174.54	128.84	128.84	0.00	128.84	31.03.2015	100%
13	Construction of Bailey bridge over Milak river between Mopungchuket and Khar (Span 30 m)	256.14	193.26	193.26	0.00	193.26	31.03.2015	100%
14	Construction of suspension bridge over Alanglep river on Longleng-Yongnyu road (Span 15 m feet)	385.41	284.49	284.49	0.00	284.49	31.03.2015	Under progress
15	Construction of Muning bridge on Chuchuyimlang-Longjang road over Muning river	45.18	33.35	33.35	0.00	33.35	31.03.2015	100%

Sl. No.	Name of the Projects	Sanctioned cost	Fund released by the state Finance Department	Expenditure*			Stipulated date of completion	Physical progress
				NABARD share	State Share	Total		
16	Construction of RCC bridge over River Tizu on Suruhoto-Kiyetha-Khumishi Road (Span 40.15 m)	753.86	343.20	343.20	0.00	343.20	31.03.2015	100%
17	Construction of RCC bridge over River Chathe behind Hollohon's Farm (Span 30.0 m)	545.61	776.06	776.06	0.00	776.06	31.03.2015	100%
18	Construction of RCC bridge over Chiederu river (Span 30.0 m)	576.46	425.49	425.49	0.00	425.49	31.03.2015	100%
19	Construction of RCC bridge over Dzudezu-u river (Span 30.0 m)	579.06	427.41	427.41	0.00	427.41	31.03.2015	100%
20	Construction of RCC T-Beam girder Double lane bridge over Zaru river on NH-39 Mima village-Chakabama road	664.67	440.61	440.61	0.00	440.61	31.03.2015	100%
21	Construction of RCC bridge over Lokhipar river on Mon-Tizit road (Span 30.0 m)	610.08	563.39	563.39	0.00	563.39	31.03.2015	100%
22	Construction of RCC T-Beam girder Single lane bridge over Mela river on Asuto-BRO road	387.90	245.32	245.32	0.00	245.32	31.03.2015	100%
23	Construction of RCC bridge over Monglu river on Jalukie -New Peren road (Span 109.775 m)	2388.86	2431.27	2431.27	0.00	2431.27	31.03.2015	100%
24	Construction of Bailey bridge over Lanki River on Zunheboto-Saptiqa road (Span 30.0 m)	354.13	289.20	289.20	0.00	289.20	31.03.2015	100%
25	Construction of RCC T-Beam Girder Bridge over River Dishakapu near ARTC, Dimapur	466.92	420.23	420.23	0.00	420.23	31.03.2017	100%
26	Construction of RCC T-Beam Girder Bridge over River Ungi on Longleng-Tuensang Road	218.22	196.40	196.40	0.00	196.40	31.03.2017	100%
27	Construction of Bailey Bridge over River Thipurulu on Chizami-Khomi Road	287.07	258.36	258.36	0.00	258.36	31.03.2017	100%

Sl. No.	Name of the Projects	Sanctioned cost	Fund released by the state Finance Department	Expenditure*			Stipulated date of completion	Physical progress
				NABARD share	State Share	Total		
28	Construction of Bailey Bridge over River Loyi on Kivikhu-Sukhai Road	274.07	246.66	246.66	0.00	246.66	31.03.2017	100%
29	Construction of Bailey Bridge over River Khucho on Satakha-Chishili Road	295.77	266.19	266.19	0.00	266.19	31.03.2017	100%
30	Construction of Extra Width of TSR Bailey Bridge over River Yeanmong on Ukha-Yanching-Longleng Road	705.17	634.65	634.65	0.00	634.65	31.03.2017	100%
TOTAL		22985.60	16034.34	16034.34	0.0	16034.34		

**Including expenditure made prior to 2013-14 (for spilled over projects)*

Source: Compiled from departmental records.

Appendix 2.4.3

Unexecuted items of works

(Paragraph reference: 2.4.11.9(i))

Sl. No.	Name of the Projects	Items of Works	Amount in ₹
(i)	(ii)	(iii)	(iv)
1	Improvement of Road from Botsa to Chakabama via Gariphema, Kijumetuma & Dihoma (43 Km)	Side drain @ 22-27 Km	304368
		CRSM Retaining Wall @ 26/300 Km	2695462
		Retaining Wall @ 26/800 Km	
		Face wall @ 23/800 Km	
		Breast wall 34/600 Km	
		Breast wall @ 34/700 Km	
		Breast wall @ 35 Km	
		Retaining wall @ 36/900 Km	
		Hume Pipe Culvert @ 25/900 Km	2302103

Sl. No.	Name of the Projects	Items of Works	Amount in ₹
		Hume Pipe Culvert @ 22/500 Km	
		Hume Pipe Culvert @ 25/900 Km	
		Hume Pipe Culvert @ 22/180 Km	
		Hume Pipe Culvert @ 26/200 Km	
		Hume Pipe Culvert @ 26/800 Km	
		Breast wall @ 23/750 Km	
		Katch side drain @ 24 to 27 Km	
		Retaining Wall @ 18/400 Km	3159755
		Retaining Wall @ 18/900 Km	
		Hume Pipe Culvert @ 17/800 Km	
		Hume Pipe Culvert @ 18/200 Km	
		Hume Pipe Culvert @ 18/900 Km	
		Hume Pipe Culvert @ 19/600 Km	
		Hume Pipe Culvert @ 19/800 Km	
		Hume Pipe Culvert @ 19/850 Km	349945
		Boulder Suasage Wall @ 18/300 Km	
		Boulder Suasage Wall @ 18/315 Km	
		Boulder Suasage Wall @ 18/295 Km	967974
		Soiling and Metalling Gr-I @ 1 to 3 Km	789933
		Metalling Gr-II @ 1 to 3 Km	454787
Retaining wall @ 36/900 Km	500450		
Sausage wall @ 31/400 Km	150639		
H/P 350 mm @ 37/200 Km			
2	Construction of Horti link Road to Mangla Orange Farm at Akotsuba Mangmetong Village	Metalling of WBM GR-II	690881
3	Construction of Horti-Link road at Vihokhu Village to Old Vihokhu Village	Excavation of hill area in soil by mechanical means	973462
4	Construction of RCC bridge over Dzudezu-u river (Span 30.0 m)	Pitching and B/S wall Chiephobozou Side	1099211
		Pitching and B/S wall Touphema Side	1024876
		Construction of App. Road at Chiephobozou Side	1600523
		Construction of App. Road at Touphema Side	1162890

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Sl. No.	Name of the Projects	Items of Works	Amount in ₹
		Construction of Breast wall (Chiephobozou side)	1242654
		Construction of CC Side Drain	577859
5	Construction of RCC bridge over Chiediru river (Span 30.0 m)	Pitching and B/S wall Chiephobozou Side	854944
		Pitching and B/S wall Touphema Side	874551
		Construction of App. Road at Chiephobozou Side	1409363
		Construction of App. Road at Touphema Side	1087665
		Construction of Breast wall (Chiephobozou side)	732078
		Construction of CC Side Drain	449446
		6	Construction of RCC bridge over Monglu river on Jalukie - New Peren road (Span 109.775 m)
Mastic Asphalt	616000		
7	Construction RCC T-Beam Girder Double lane Bridge of IRC Class-A over Dzu-u River on Mima-Chakhabama road 24 m span	Boulders Pitching	8953939
		6 mm thick mastic Asphalt	70902
		50 mm thick Asphalt Concrete	283608
8	Construction of Medziphema town road to Village (6 Km length)	Providing 4 metre height Retaining Wall	1093000
		Providing 3 metre height Retaining Wall	615698
		Construction CC Drain	8989002
9	Construction of RCC Bridge over Chthe Behind Hollohon Farm, Dimapur (60 M Span)	Carpeting (1 Km)	1498125
		Construction of Culvert 2 Metre Span (2 Nos)	1167746
10	Construction of RCC T-Beam Girder Double Lane Bridge over River Dishakapu near ARTC Dimapur.	Earthwork in CRSM Work	618993
		100 mm Thick Soiling in Approach Slab and Retaining wall	138430
		Plain Cement Concrete 1:3:6 in approach slab and Retaining wall	150623
		RCC M-25 in Approach Slab	145980
		Centering Shuttering	5555
		Painting of Bridge with Exterior paint	134486
		Sand filling Wing wall	1274490
TOTAL			51438685

Appendix 2.4.4
Short execution of items of works
(Paragraph reference: 2.4.11.9(ii))

Sl. No.	Name of the Project	Items of works	DPR/ Working Estimates	Executed as per MB	Value of the work done	Actual execution	Short execution (col. v –col. vii)	Rate per Kilometer (col. vi / col. v)	Excess Paid (col. ix * col. viii)
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
1	Lilen to Saijang ALR	Excavation for roadways in soil by mechanical means	4.35	4.35	656850	1.00	3.35	151000	505850
		Side drain	4.35	4.35	256650	0.00	4.35	59000	256650
2	Moayimti ALR	Excavation for roadways in soil by mechanical means	3.20	3.18	480180	1.00	2.18	151000	329180
		Side drain	3.20	3.18	187620	0.00	3.18	59000	187620
		600 mm Dia HP Culvert (4 Nos)	4.00	4.00	800000	0.00	4.00	200000	800000
		900 mm Dia HP Culvert (2 Nos)	2.00	2.00	500000	0.00	2.00	250000	500000
3	Khat to Milak ALR	Excavation for roadways in soil by mechanical means	4.00	4.00	604000	1.50	2.50	151000	377500
4	Nimozhuru ALR Viphoma	Excavation for roadways in soil by mechanical means	3.50	3.50	528500	2.50	1.00	151000	151000
		Side drain	3.50	3.50	206500	2.50	1.00	59000	59000
5	Yangermang Agri Link Road	Excavation for roadways in soil by mechanical means	4.30	3.50	528500	3.20	0.30	151000	45300
6	Asangma to Tsusangru ALR	Excavation for roadways in soil by mechanical means	3.50	3.50	528500	2.00	1.50	151000	226500

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Sl. No.	Name of the Project	Items of works	DPR/ Working Estimates	Executed as per MB	Value of the work done	Actual execution	Short execution (col. v –col. vii)	Rate per Kilometer (col. vi / col. v)	Excess Paid (col. ix * col viii)
7	Takiezam ALR	Excavation for roadways in soil by mechanical means	3.40	3.40	513400	2.25	1.15	151000	173650
8	Longjemdang ALR	Excavation for roadways in soil by mechanical means	3.50	2.88	434880	2.50	0.38	151000	57380
9	Chedema ALR	Side drain	4.32	4.32	254880	3.00	1.32	59000	77880
10	New Khel to Balak ALR	Excavation for roadways in soil by mechanical means	4.30	4.30	649300	3.00	1.30	151000	196300
11	Saijang to Vonkithen ALR	Excavation for roadways in soil by mechanical means	3.20	3.20	483200	2.00	1.20	151000	181200
12	Tuli to Chubarongbang ALR	Excavation for roadways in soil by mechanical means	3.20	3.20	483200	2.00	1.20	151000	181200
13	Merema to Merena new ALR	Excavation for roadways in soil by mechanical means	3.20	3.20	483200	2.50	0.70	151000	105700
		Side drain	3.20	3.20	188800	0.00	3.20	59000	188800
14	Construction of Horti link road from Hakchang Orange Farm to Sangchen	Excavation of hill area in soil bu mechanical means	5.40	5.40	194319	2.00	3.40	35985.00	122349
15	Construction of Horti link from Waru Meta to Kobolong Mopungchukit	Excavation of hill area in soil bu mechanical means	4.00	4.00	388496	2.50	1.50	97124.00	145686

Sl. No.	Name of the Project	Items of works	DPR/ Working Estimates	Executed as per MB	Value of the work done	Actual execution	Short execution (col. v –col. vii)	Rate per Kilometer (col. vi / col. v)	Excess Paid (col. ix * col. viii)
16	Construction of Horti link road from Chuchuyung (Kelhur) Farm Kuthur under Tuensang District. (Ph-I)	Excavation of hill area in soil bu mechanical means	2.00	2.00	18322.00	0.40	1.60	9161.00	14658
17	Construction of Medziphema town road to Village (6 Km length)	Earth cutting in widening	6.00	6.00	2156520	3.70	2.30	359420	826666
		WBM Gr-I	6.00	6.00	17595900	3.70	2.30	2932650	6745095
		WBM Gr-II	6.00	6.00	6179580	3.70	2.30	1029930	2368839
		WBM Gr-III	6.00	6.00	4130280	3.70	2.30	688380	1583274
		Providing Bituminous Surface pavement	6.00	6.00	8173002	3.70	2.30	1362167	3132984
18	Construction of RCC Bridge over Chthe Behind Hollohon Farm, Dimapur (60 M Span)	WBM Grade I	1.00	1.00	1345455	0.15	0.85	1345455	1143637
		WBM Grade II	1.00	1.00	946788	0.15	0.85	946788	804770
		WBM Grade III	1.00	1.00	892125	0.15	0.85	892125	758306
19	Construction of road from Shitoi to Akito under Dimapur District (12 Km)	Providing and Laying granular sub-base WBM Gr-I	8.10	2.80	7102771.20	0.90	1.90	2536704	4819738
		Providing and Laying granular sub-base WBM Gr-II	8.10	1.78	5769736.50	0.40	1.38	3241425	4473167
TOTAL			128.82	115.74	64122004.70	56.10	59.64		31539878

Appendix 2.6.1
Details of toilet constructed under three VDBs under BDO Ongpangkong (North)
{(Paragraph reference: 2.6.2.3 (i))}

Year	Date in BDO Cash Book	Name of works	Village	Total (in ₹)	No. of beneficiaries	Rate per unit (in ₹)
2016-17	16.08.16	Const of individual toilet	Longmisa	622910	7	88987.15
2016-17	16.08.16	Const of individual toilet Ph II	Longmisa	553698	7	79099.72
2016-17	16.08.16	Const of individual toilet Ph III	Longmisa	311455	4	77863.75
2016-17	16.08.16	Const of individual toilet	Longmisa	155727	2	77863.5
2016-17	16.08.16	Const of individual toilet	Longmisa	533923	6	88987.17
2016-17	16.08.16	Const of individual toilet	Longmisa	934365	11	84942.28
2016-17	16.08.16	Const of individual toilet	Longmisa	830546	10	83054.6
2016-17	26.08.16	Const of individual toilet	Longmisa	1069267	11	97206.1
2016-17	28.09.16	Const of individual toilet Ph II	Longmisa	1496973	17	88057
2016-17	05.06.17	Const of individual toilet	Longmisa	1496973	40	37425
2016-17	05.06.17	Const of individual toilet Ph II	Longmisa	1710826	45	38018.36
2016-17	05.06.17	Const of individual toilet Ph III	Longmisa	641560	18	35642.23
2017-18	19.12.17	Const of individual toilets	Longmisa	3301050	73	45219.87
2017-18	14.02.18	Const of individual toilets Ph III	Longmisa	440140	9	48904.45
2017-18	14.02.18	Const of individual toilets Ph IV	Longmisa	660210	14	47157.86
2017-18	31.03.18	Const of individual toilets Ph II	Longmisa	3080980	68	45309
		Total		17840603	342	
2016-17	16.08.16	Const of individual toilet	Ungma	1821970	19	95893.16
2016-17	16.08.16	Const of individual toilet	Ungma	2429293	25	97172
2016-17	16.08.16	Const of individual toilet Ph II	Ungma	1619529	17	95266.42
2017-18	05.06.17	Const of individual toilet	Ungma	5004053	100	50040.53
2017-18	05.06.17	Const of individual toilet	Ungma	4378546	90	48650.52
2017-18	05.06.17	Const of individual toilet Ph II	Ungma	3127533	80	39094.17
2017-18	31.03.18	Const of individual toilets	Ungma	8593380	190	45229
2017-18	14.02.18	Const of individual toilets Ph II	Ungma	1287380	28	45977.86
2017-18	14.02.18	Const of individual toilets Ph III	Ungma	1931070	42	45977.86
		Total		30192754	591	
2016-17	19.05.16	Const of individual toilet	Mokokchung	1613220	30	53774
2016-17	16.08.16	Const of individual toilet	Mokokchung	1075480	12	89623.34
2016-17	16.08.16	Const of individual toilet	Mokokchung	201652	3	67217.34
2016-17	16.08.16	Const of individual toilet	Mokokchung	691380	8	86422.5
2016-17	16.08.16	Const of individual toilet	Mokokchung	1209915	14	86422.5
2016-17	16.08.16	Const of individual toilet	Mokokchung	1075480	12	89623.34
2016-17	16.08.16	Const of individual toilet Ph II	Mokokchung	806610	9	89623.34
2016-17	16.08.16	Const of individual toilet Ph II	Mokokchung	716987	8	89623.38
2016-17	16.08.16	Const of individual toilet Ph III	Mokokchung	403305	5	80661

2017-18	05.06.17	Const of individual toilet	Mokokchung	2215360	55	40279.28
2017-18	05.06.17	Const of individual toilet Ph II	Mokokchung	1384600	33	41957.58
2017-18	05.06.17	Const of individual toilet Ph III	Mokokchung	2215360	55	40279.28
2017-18	05.06.17	Const of individual toilet Ph IV	Mokokchung	830760	20	41538
2017-18	19.12.17	Const of individual toilets	Mokokchung	4274550	94	45473.94
2017-18	14.02.18	Const of individual toilets Ph III	Mokokchung	569940	12	47495
2017-18	14.02.18	Const of individual toilets Ph IV	Mokokchung	854910	18	47495
2017-18	31.03.18	Const of individual toilets Ph II	Mokokchung	3989580	88	45337
Total				24129089	476	
Grand Total				72162446	1409	

Source: Departmental records and joint inspection.

Appendix 2.6.2

Statement showing actual assistance paid to the beneficiaries in the three villages under BDO Ongpangkong (North)
 {(Paragraph reference: 2.6.2.3 (i))}

(Amount in ₹)

Sl. No	Name of village	Year	Beneficiaries	Cash	Material	Total expenditure
1	Mokokchung	2016-17	10	40000	-	400000
		2017-18	10	40000	-	400000
2	Ungma	2016-17	101	70000	-	7070000
		2017-18	74	70000	-	5180000
3	Longmisa	2016-17	87		70000	6090000
		2017-18	58		70000	4060000
Total			340			23200000

Source: Department figures.

Appendix 2.6.3

Statement showing short utilisation of MGNREGS fund by VDB Longjang under BDO Kubulong
 {(Paragraph reference: 2.6.2.3 (iii))}

(Amount in ₹)

Year	Sanction order No. date	Name of the work	Amount sanctioned	Total amount	Expenditure incurred as certified by the VDB Secretary	Short utilisation
2017-18	DRDA/MKG/MGNREGA-8/2013-14/ dt. 24-05-17	Cardamom Plantation	1259900	1259900	150000	1109900
2017-18	DRDA/MKG/MGNREGA-9/2013-14/ dt. 26-05-17 Annexure-I	Rural Sanitation (Individual) Ph-I	1763860	1763860	1280000	483860
2017-18	DRDA/MKG/MGNREGA-9/2013-14/ dt. 26-05-17 Annexure-V	Beetle Nut Plantation	503960	5350180	882000	4468180
2017-18	DRDA/MKG/MGNREGA-9/2013-14/ dt. 26-05-17 Annexure-VIII	Beetle Nut Plantation	2015840			
2017-18	DRDA/MKG/MGNREGA-8/2013-14/ dt. 13-07-17	Beetle Nut Plantation	755940			
2017-18	DRDA/MKG/MGNREGA-8/2013-14/ dt. 24-07-17	Beetle Nut Plantation	2074440			
Total				8373940	2312000	6061940

Source: Department figures.

Appendix 2.6.4
Gist of reply furnished by the Department of Rural Development and its analysis.
(Paragraph reference: 2.6)

Name of DRDA	Name of the Block	Name of village	Department Reply	Rebuttal
DRDA, Wokha	BDO Sanis	Pangti	Department replied (October 2018) that out of seven rain water harvesting tanks, five were completed before Audit (June 2018) and remaining two were completed after audit.	The reply was not acceptable as full payment had been released and fictitious measurement of completion also made in MB.
	BDO Changpang	Tssori	Department replied (October 2018) that during the audit the auditors could cover three fishery ponds as other fishery ponds were constructed at far flung areas.	The reply was not acceptable as during joint physical verification Departmental officers had certified that only three fishery pond were constructed.
DRDA Tuengsang	BDO Chare	Chare, Kdding, Tronger	While accepting the fact, the Department stated (October 2018) that the concerned VDB diverted the fund for repair/maintenance of roads.	The reply was not acceptable as matter of diversion was neither disclosed nor the diverted work was shown during joint verification.
DRDA, Mokokchung	BDO Ongpangkong	10 villages	Department replied (October 2018) that 1409 individual toilets were constructed but records of beneficiaries list was not maintained properly at the VDB level.	The reply was not acceptable as VDB Secretaries themselves certified that the actual assistance of ₹ 2.32 crore only was provided to 340 beneficiaries.
		Ungma	While accepting the audit observation Department replied (October 2018) that VDB diverted ₹ 96 lakh for construction of retaining wall to make the road more durable and secure.	Reply of the Department was not acceptable construction of retaining wall by diverting the fund was not disclosed and was also not shown during verification.

	BDO, Kubulong	Longjang	Department replied (October 2018) that VDB did not maintain proper records of construction.	Fact however remained that only one Water Harvesting pond was constructed resulting in payment of ₹ 14.19 lakh without the construction of remaining four.
		Longjang	The Department replied (October 2018) state that four more Water Harvesting Tanks were constructed at different locations.	Reply was not acceptable Departmental officers themselves had certified that only one water harvesting pond was actually constructed.
		Sangratsu	The Department stated (October 2018) that water reservoir tank has been constructed at Semchiyong instead of cemetery.	The reply was not acceptable as it was not disclosed and was also not shown during joint verification.
	BDO, Changtongya	Akhoya and Yaongyimsen	Department forwarded (October 2018) the reply of VDB Akhoya and VDB Yaongyimsen. VDB Akhoya stated that the VDB Secretary had given a random calculation of financial assistance released to beneficiaries for taking up different plantations. VDB Yaongyimsen stated that they had diverted the work of community toilets to individual toilets and construction of culvert.	The reply was not acceptable as the Programme Officer (MGNREGA) and VDB Secretary had certified the audit point actual assistance released to the beneficiaries. There was no record for diversion of community toilets to individual toilets and the diverted work was also not shown during joint verification.
DRDA, Mon	BDO, Mon	19 village	The Department replied (October 2018) that as per NPWD SOR 2016 of DRDA Mon, unit cost of land Development i.e Terrance development for plantation is ₹ 2 lakh per Hectare under MGNREGA and for plantation of tea is ₹ 50000/- .	The reply of the Department was not acceptable as NPWD Schedule of rates 2016 Mon (MGNREGA) clearly states rate of plantation is ₹ 50000/- per Hectare.

			Department further stated that without Terrance development any kind of plantation cannot take place.	
DRDA Longleng	BDO, Longleng	Three villages	The replied state that the VDBs diverted the approved works to construction of Agri link road, Farm pond, retaining wall, community hall etc. by adopting the resolution during their village council meeting.	The reply was not acceptable as it was not disclosed and the diverted works were also not shown during joint verification.
	BDO, Sakshi	Aoching	The Department replied (October 2018) that scheme for Rubber plantation at Mashe was diverted for construction of fishery pond at Nyemee. However the Department state that the farm pond at Nyemee was actually executed.	Reply of the Department was not acceptable case of diversion was not disclosed at the time of joint verification and Departmental officers themselves had certified that farm pond was not constructed.
	BDO, Tamlu	11 village	The Department replied (October 2018) that VDBs diverted their scheme fund for taking up other works.	Reply of the Department was not acceptable as the cases of diversion were not on record. Further, the diverted works were also not shown during joint verification.

Appendix 2.7.1

Statement showing payments made for supply of transformer

(Paragraph reference: 2.7.1)

(Amount in ₹)

Sl. No.	Voucher No.	Month/ Year	Gross amount	Remarks
1	2	12/2014	44161105	Mobilisation advance adjusted.
2	2	12/2014	30698000	1 st RA Bill
3	88	12/2014	30697000	Hand receipt
4	24	5/2016	2880700	NVAT deduction from the bill
5	4	6/2016	44643895	Hand receipt
6	16	6/2017	7552144	NVAT deduction from the bill
7	23	8/2017	5868106	Hand receipt
Total			166500950	

Source: RA Bills, Hand receipts of the department.

Appendix 2.8.1

Statement showing works to be executed in respect of construction of road from Jendang Saddle to Noklak – Pangsha Phase-II – 31 KM

(Paragraph reference: 2.8.1)

Sl. No.	Particulars of work	Quantity	Rate (In ₹)	Amount as per work order (₹ in lakh)
1	Earth work in formation cutting: (i) Ordinary soil (ii) Ordinary rock (iii) Hard rock	202.765 cum 3350.993 cum 1709.906 cum	217 302 424	0.44 10.12 7.25
2	Cross drainage: (i) 1000 mm dia. Hume Pipe culvert (ii) 1.5 metre RCC culvert (iii) 3 metre RCC culvert	57 nos. 4 nos. 5 nos.	301046.20 725594.30 831178.10	171.60 29.02 41.56
3	Construction of drain (i) CC drain (ii) Unlined surface drain	2000.10 metre 29000 metre	3198.34 68	63.97 19.72
4	Pavement works (i) Granular Sub Base (ii) Base course Grade-II (iii) Base course Grade-III	17437.47 cum 8718.647 cum 8718.75 cum	4206 4258 4320	733.42 371.24 376.65
5	Surface Course (i) Prime coat (ii) Tack coat (iii) Premix carpeting (iv) Seal coat	116258.10 sq.m 116219.50 sq.m 116251.40 sq.m 116250 sq.m	46.50 16.40 183 64	54.06 19.06 212.74 74.40
6	Traffic signs Kilometre posts Ordinary KM post	188.7755 sq.m 6 nos 30 nos	196 4503 2776	0.37 0.27 0.83
Total				2186.72

Source: Departmental records.

Appendix 2.8.2

Statement showing details of measurements and payments as per MB and Running Account bills

{(Paragraph reference: 2.8.1 (ii))}

Sl. No.	Particular of works	1st RA	2nd RA	3rd RA
1	Granular Sub-Base	16245000		
2	Soft soil surface drain	600000		
3	Soft rock surface drain	1359000		
4	Earthwork in 1000 HP	0	5248.32	
5	PCC1:3:6	0	79831.36	
6	Improvement	0	144817.5	
7	Stonemasonry	0	455555.64	
8	E/work in foundation	0	3238.62	
9	PCC1:3:6	0	73856.72	
10	Improvement	0	144817.5	
11	Stone masonry	0	499769.22	
12	Earthwork	0	4943.4	
13	PCC1:3:6	0	88984	
14	Improvement	0	144817.5	
15	Stone masonry	0	557402.64	
16	Earthwork	0	4943.4	
17	PCC1:3:6	0	88984	
18	Improvement	0	144817.5	
19	Stone masonry	0	557402.64	
20	Earthwork	0	4943.4	
21	PCC1:3:6	0	88984	
22	Improvement	0	144817.5	
23	Stone masonry	0	557402.64	
24	Earthwork	0	4547.62	
25	PCC1:3:6	0	80848.32	
26	Improvement	0	144817.5	
27	Stone masonry	0	507557.52	
28	Earthwork	0	4547.62	
29	PCC1:3:6	0	80848.32	
30	Improvement	0	144817.5	
31	Stone masonry	0	507557.52	
32	Earthwork	0	4058.67	
33	PCC1:3:6	0	76907.6	
34	Improvement	0	144817.5	
35	Stone masonry	0	423923.16	
36	Earthwork	0	4613.07	
37	PCC1:3:6	0	91272.16	

38	Improvement	0	144817.5	
39	Stone masonry	0	533798.1	
40	Earthwork	0	4613.07	
41	PCC1:3:6	0	91272.16	
42	Improvement	0	144817.5	
43	Stone masonry	0	533798.1	
44	Earthwork	0	4613.07	
45	PCC1:3:6	0	91272.16	
46	Improvement	0	144817.5	
47	Stone masonry	0	533798.1	
48	Earthwork	0	4206.51	
49	PCC1:3:6	0	85678.88	
50	Improvement	0	144817.5	
51	Stone masonry	0	454716.9	
52	Earthwork	0	4369.75	
53	PCC1:3:6	0	81611.04	
54	Improvement	0	144817.5	
55	Stone masonry	0	455196.18	
56	Earthwork	0	4467.54	
57	PCC1:3:6	0	88094.16	
58	Improvement	0	144817.5	
59	Stone masonry	0	518341.32	
60	Earthwork	0	4467.54	
61	PCC1:3:6	0	88094.16	
62	Improvement	0	144817.5	
63	Stone masonry	0	518341.32	
64	Earthwork	0	4467.54	
65	PCC1:3:6	0	88094.16	
66	Improvement	0	144817.5	
67	Stone masonry	0	518341.32	
68	Granular sub-base	0	11371500	
69	WBM II	0	19182134.28	
70	Earthwork	0	4375.14	
71	PCC1:3:6	0	87967.04	
72	Improvement	0	144817.5	
73	Stone masonry	0	494616.96	
74	Earthwork	0	4497.57	
75	PCC1:3:6	0	89365.36	
76	Improvement	0	144817.5	
77	Stone masonry	0	524691.78	
78	Earthwork	0	4008.62	
79	PCC1:3:6	0	79068.64	
80	Improvement	0	144817.5	

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81	Stone masonry	0	441297.06	
82	Earthwork	0	4820.2	
83	PCC1:3:6	0	94577.28	
84	Improvement	0	144817.5	
85	Stone masonry	0	506479.14	
86	Construction of 1000 HP	685452.82	0	
87	Construction of 1000 HP	721672.26	0	
88	Construction of 1000 HP	2388442.62	0	
89	Construction of 1000 HP	1475541.92	0	
90	Construction of 1000 HP	649706.93	0	
91	Construction of 1000 HP	2323682.22	0	
92	Construction of 1000 HP	719374.79	0	
93	Construction of 1000 HP	685994.47	0	
94	Construction of 1000 HP	2267161.56	0	
95	WBM-III	0	0	8302218.75
96	Premix coat	0	0	1044375
97	Tact coat	0	0	367500
98	Open graded prmix	0	0	5850000
99	Seal coat	0	0	2325000
	Total	30121029.59	45355573.73	17889093.75
	Total as per entry in MB and RA			93365697.07
	Paid in First RA	29750000		
	Paid in Second RA		23363000	
	Paid in Third RA			27425800
	Total bill amount			80538800
	Total bill amount 2nd RA		33438544.14	
	HP culverts	11917029.59	2884909.86	
	Retaining wall (CRSM)		14801939.45	

Source: Running Account Bills.

Appendix 2.8.3
Statement showing excess drawal in construction of hume pipes and GSB/WBM works

(Paragraph reference: 2.8.2)

(Amount in ₹)

A. Excess drawal in construction of hume pipe															
Sl	Particulars of work	SOR	Quantity	Unit	Rate	Amount drawn	Total Quantity	Total cost	Actual						Excess
									Quantity	Unit	Rate	Amount to be drawn	Total h/pipes	Total	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(xi)	(x)	(xi)	(xii)	(xiii)	(xiv)	(xv)	(viii) – (xv)
1	Earth work in excavation	B.12.1							0	0	0	0			
	D/S wall		16.66						16.66	0	0	0			
	U/S wall		5.181						5.181	0	0	0			
	Between heads		13.6						13.6	0	0	0			
	Sub Total		35.441	Cu.M	137	4855.417	31	150517.9	35.441	Cu.M	137	4855.417	32	155373.3	-4855.417
2	PCC 1:3:6 in foundation	B.9.1						0	0	0	0	0		0	
	D/S wall		1.19					0	1.19	0	0	0		0	
	U/S wall		0.47					0	0.471	0	0	0		0	
	Sub Total		1.66	Cu.M	11095	18417.7	31	570948.7	1.661	Cu.M	11095	18428.8	32	589721.4	-18772.74
3	Stone Masonry	B.13.4						0	0	0	0	0		0	
	D/s wall		17.15					0	17.15	0	0	0		0	
	Course rubble masonry							0	0	0	0	0		0	

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	U/S wall		4.1					0	4.1	0	0	0		0	
	Total stone Masonry		21.25			0		0	21.25	0	0	0		0	
	Deduction							0	0	0	0	0		0	
	D/s wall		1.11					1.11	1.11	0	0	0		0	
	Volume of H/pipe= pi*r2 * avg(ht)							0	0	0	0	0		0	
	U/s wall		1.03					1.03	1.03	0	0	0		0	
	Total Deductions		2.14			0		2.14	2.14	0	0	0		0	
	Sub Total		19.11	Cu.M	11729	224141.19	31	6948377	19.11	Cu.M	11729	224141.2	32	7172518	-224141.19
4	Bedding for pipe	B.9.1	4.82					0	4.82	0	0	0		0	
	Deduction - space occupied by HP		2.85					0	2.85	0	0	0		0	
	Net quantity		1.97	Cu.M	11095	21857.15	31	677571.7	1.97	Cu.M	11095	21857.15	32	699428.8	-21857.15
5	Stone Masonry in parapet	B.13.4	0.97		11729	11377.13	31	352691.03	0.97		11729	11377.13	32	364068.16	-11377.13
6	Laying RCC pipe NP4 h/pipe (1000 mm)	B.9.2	7.5		16285	122137.5	31	3786262.5	5		16285	81425	2	162850	3623412.5
	Laying RCC pipe of 600 mm		7.5					0	5		11506	57530	27	1553310	-1553310
	Laying PCC pipe of 750 mm		7.5					0	5		12503	62515	2	125030	-125030

	Laying PCC pipe of 450 mm		7.5					0	5		10663	53315	1	53315	-53315
7	Base filling behind abutment wing	B.13.9.1	1.88		5838	10975.44	31	340238.64	1.88		5838	10975.44	32	351214.08	-10975.44
8	Catch pit	B.12.1	3.74		137	512.38	31	15883.78	3.74		137	512.38	32	16396.16	-512.38
8.1	PCC 1:3:6 in foundation	B.12.4	0.23		11023	2535.29	31	78593.99	0.23		11023	2535.29	32	81129.28	-2535.29
8.2	Stone masonry work	B.12.7.2	1.26		11329	14274.54	31	442510.74	1.26		11329	14274.54	32	456785.28	-14274.54
9	Guide wall and apron	B.12.1	0.7		137	95.9	31	2972.9			137	0	32	0	2972.9
10	Curtain wall	B.15.8	0.2		11436	2287.2	31	70903.2	0.2		11436	2287.2	32	73190.4	-2287.2
11	Providing and laying flooring	B.15.8	0.27		12448	3360.96	31	104189.76	0.27		12448	3360.96	32	107550.72	-3360.96
	Sub Total					167556.34		5194246.5						3344839.1	
	Total of Hume pipe					436827.797	31	13541662				269282.552	32	11961881	1579780.96
B.	Excess drawal in construction of GSB/WBM works														
1	Grade I														
	10 KM	B.4.12.1	5613								2245.28				
	Add 5% for corner		280.7								112.26				
			5894								2357.54				
	3.5 km		1962								0				

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	Add 5% for corner		98.1					0						
			2060					0						
	Grade I total		7954	2623	20863342		20863342	2357.54	2623	6183827.42		6183827.4	14679514.6	
2	Grade II WBM													
	13.5 km		3794											
	Add 5% for corner		189.7											
			3983	4000	15932000		15932000	0	4000	0		0	15932000	
3	Grade III WBM													
	12 KM		3372											
	Add 5% for corner		168.6											
			3540.6	4151	14697030.6		14697031	0	4151	0		0	14697030.6	
	Total GSB /WBM				51492373		51492373			6183827		6183827	45308545.2	
	Total Excess drawal (A+B)												46888326.1	

Source: Running Account Bills.

Appendix 2.8.4

Statement showing details of works executed and excess payment without execution of works

(Paragraph reference:2.8.2)

(Amount in ₹)

Sl. No.	Item	Constructed as per MB and RA Bill	As per joint physical verification	Amount paid	Actual entitled	Excess paid
1	Surface Drains: Unlined surface drains cross section area 0.40 sqm	10 km	2 km			
	(i) Soil			737040	0	737040
	(ii) Rock			769536	0	769536
Sub-Total (A)						1506576
2	Sub-grade and earthen shoulders from materials from excavated pits					
	Shoulders	13 km	4 km	1611465.10	495835	1115629.689
Sub-Total (B)						1115629.69
3	Sub-Grade: Scarifying existing Granular surface to a depth of 50 mm with lifts and leads	13 km	4 km	404010	124311	279699
Sub-Total (C)						279699
4	Granular sub-base with close grade and WBM					
	Grade-I	13 km	4 km	20863206.80	6419448	14443758.80
	Grade-II		0 km	15932700	0	15932700
	Grade-III		0 km	14695396.14	0	14695396.14
Sub-Total (D)						45071854.94
5	Protection wall 2 metre height	5 Nos. 20 m length each	1 No. 19.70 m	7457140.29	1491428	5965712.29
Sub-Total (E)						5965712.29

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6	1000 mm diameter Hume Pipe	31	2	1354165	29582	
	750 mm diameter Hume pipe	0	2			
	650 mm diameter Hume pipe	0	14		46024	
	550 mm diameter Hume pipe	0	13		21326	
	450 mm diameter Hume pipe	0	1			
			Sub Total		96932	1257233
					Sub-Total (E)	1257233
					Grand Total (A+B+C+D+E+F)	55196704.92

Source: Departmental records and joint inspection.

Appendix 2.9.1
Statement showing details of works taken up in first and second phase
(Paragraph reference: 2.9)

(₹ in lakh)

Name of the RO/BO	Fund released	Purpose
Baghty RO	19.05	Forest Developmental works
Doyang RO	48.21	Developmental works
Wokha RO	91.59 (96.16-4.57)	Construction of Security fencing, black topping etc.
Merapani RO	33.34 (35-1.66)	Rubber plantation
Phase I (Total)	192.19	
Wokha RO	70.72	Construction of three staff quarters
	11.91	Development of nurseries
Baghty RO	11.91	Development of nurseries
Phase II (Total)	94.54	
Grand total (Phase I+PhaseII)	286.73	

Source: Departmental records.

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 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 Limited	2016-17	18.47	2017-18	0	2.08	3.63
(ii)	Nagaland State Mineral Development Corporation Limited	2015-16	1.60	2016-17 to 2017-18	0	0	13.27
(iii)	Nagaland Hotels Limited	2010-11	0.40	2011-12 to 2017-18	0.42	0	12.53
(iv)	Nagaland Industrial Raw Materials & Supply Corporation Limited	2014-15	1.23	2015-16 to 2017-18	0	0	4.41
(v)	Nagaland Handloom & Handicraft Development Corporation Limited	2009-10	6.00	2010-11 to 2017-18	0.85	0	47.95
Total A (Working Government Companies)			27.70		1.27	2.08	81.97
B	Working Statutory Corporations						
	<i>Nil</i>		0	0	0	0	0
Total B (Working Statutory Corporations)							
Grand Total (A+B)			27.70		1.27	2.08	81.97

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 (-)				Turn over	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	2016-17	2018-19	-1.49	1.90	0.89	-4.28	1.73	3.05	23.20	-37.58	81.96	0.41	
Sector-wise total				-1.49	1.90	0.89	-4.28	1.73	3.05	23.20	-37.58	81.96	0.41	
MANUFACTURING														
2	Nagaland State Mineral Development Corporation Ltd., Kohima	2015-16	2018-19	1.49	0.22	1.31	-0.04	0.62	0	1.60	-11.11	35.00	-1.27	
Sector-wise total				1.49	0.22	1.31	-0.04	0.62	0	1.60	-11.11	35.00	-1.27	
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	0.15	
Sector-wise total				0.15	0	0.25	-0.10	3.81	0	0.40	-9.45	1.98	0.15	
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	0.02	0
5	Nagaland Industrial Raw Materials Supply Corporation Ltd., Dimapur	2014-15	2018-19	0.09	0.00	0.03	0.06	0.04	0	0.10	-1.10	2.97	0.06	

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Sl. No.	Sector & Name of the Company	Period of accounts	Year in which finalized	Net Profit (+)/Loss (-)				Turn over	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							
Sector-wise total				0.25	0.16	0.17	-0.08	0.32	3.05	0.93	-5.26	24.08	0.08	
	Total A (All sector wise working Government Companies)			0.40	2.06	2.62	-4.50	6.48	3.05	26.13	-63.40	143.02	-1.04	
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)				0.34	2.06	2.64	-4.58	6.48	3.05	32.02	-78.50	140.26	-0.97	

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 details of declaration of four dealers during the period from 2014-15 by utilizing 'C' forms
(Paragraph reference: 4.2.1)

(Amount in ₹)

Year	Name of the dealer	Rate of items	Consolidated gross purchase declared by the dealer	Purchases declared by the dealer	Purchases as per 'C' forms	Purchase concealed	Taxable amount	Interest payable (upto December 2018)
2014-15	M/s. MK Angami	Non-taxable item	89760912					
		Items @ 4.75%	33414677					
		Items @ 18%	17996602	17996602	98564137	80567535	14502156	12761898
	M/s. LK Hardware	Items @ 4.75%	30924447	30924447	49925967	19001520	902572	794264
		Items @ 13.25%	1922165	1922165	9241794	7319629	969851	853469
	M/s. Vizo & Sons	Items @ 5%	64068494					0
Items @ 13.25%		16017124	16017124	80085618	64068494	8489075	7470386	
2015-16	M/s. New Kohima Agencies	Non-taxable item	120791965					
		Items @ 4.75%	49328322					
		Items @ 5%						
		Items @ 13.25%	13509512					
		Items @ 14.50%	13850716	13850716	27660477	13809761	2002415	1281546
		Items @ 18%	8710074	8710074	52667060	43956986	7912257	5063844
		Items @ 25%	10198611	10198611	153471780	143273169	35818292	22923707
	M/s. LK Hardware	Items @ 4.75%	3092447	3092447	31705994	28613547	1359143	869852
		Items @ 5%	46414060	46414060	47933203	1519143	75957	48613

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Year	Name of the dealer	Rate of items	Consolidated gross purchase declared by the dealer	Purchases declared by the dealer	Purchases as per 'C' forms	Purchase concealed	Taxable amount	Interest payable (upto December 2018)
		Items @ 13.25%	1922165					
		Items @ 14.50%	5056060					
	M/s. Vizo & Sons	Items @ 4.75%	12018505					
		Items @ 5%	22557727					
		Items @ 13.25%	18027759	18027759	28959625	10931866	1448472	927022
		Items @ 14.50%	33836591	33836591	57479927	23643336	3428284	2194102
		Total		613418935	200990596	637695582	436704986	76908475

Appendix 5.1.1
Total budget allocation *vis-a-vis* expenditure of the State Government under
General Sector during 2017-18

(Paragraph reference: 5.1)

(₹ in crore)

Sl. No.	Name of the Departments/ Authorities/ Units	Total Budget Provision	Expenditure
1	State Legislature	41.27	40.97
2	Head of State	7.01	6.97
3	Council of Ministers	16.06	15.78
4	Law & Justice	81.79	81.73
5	Election	38.87	39.14
6	Public Service Commission	6.35	5.56
7	District Administration	136.98	131.95
8	Civil Administrative Works Department (CAWD)	28.84	28.84
9	Mechanical Engineering	44.50	44.50
10	Public Works (Housing)	172.90	167.26
11	Treasuries and Accounts	37.80	36.23
12	Village Guards	34.43	33.51
13	Jails	44.43	44.36
14	Vigilance Commission	7.95	7.46
15	State Guest Houses	19.65	19.47
16	Rajya Sainik Board	3.35	3.35
17	Relief & Rehabilitation	1.11	1.11
18	Civil Secretariat	188.08	166.21
19	Police	1251.66	1260.69
20	Police Engineering Project	168.84	162.88
21	Stationery & Printing	23.02	21.96
22	Administrative Training Institute	5.87	5.28
23	Statistics	32.95	32.52
24	Legal Metrology and Consumer Protection	11.46	10.59
25	Home Guards	35.10	34.06
26	Fire and Emergency Services	37.65	37.65
27	Parliamentary Affairs	1.04	1.04
28	State Information Commission	2.13	1.87
Total		2481.09	2442.94

Source: Appropriation Accounts.

Appendix 5.4.1
Statement showing inflating basic pay of 549 employees
(Paragraph reference: 5.4.1)

(Amount in ₹)

Bill No. and Date	No. of employees	Period ranging between	Total admissible amount	Total drawn	Excess
123 dated nil	29	01/01/2016 to 31/10/2016	426818	479420	52602
129 dated Nil	103	01/01/2016 to 31/10/2016	1125846	1335486	209640
125 dated Nil	22	01/01/2016 to 31/10/2016	262011	371988	109977
124 dated Nil	9	01/01/2016 to 31/10/2016	69705	75902	6197
131 dated Nil	36	01/01/2016 to 31/10/2016	2412	652180	649768
128 dated Nil	17	01/01/2016 to 31/10/2016	110678	125556	14878
127 dated Nil	60	01/01/2016 to 31/10/2016	805429	892518	87089
126 dated Nil	31	01/01/2016 to 31/10/2016	317882	390100	72218
132 dated Nil	224	01/01/2016 to 31/10/2016	2383128	2768400	385272
126 dated Nil	18	01/01/2016 to 31/10/2016	0	344706	344706
TOTAL	549		5503909	7436256	1932347

Appendix 5.4.2
Statement showing fraudulent/ excess payments
(Paragraph reference: 5.4.7.1)

(₹ in crore)

Sl. No.	Year of Audit Report	Department	Paragraph Reference	Particulars	Money Value
1	Audit Report for the Year ended 31 March 2017	Finance (Treasuries and Accounts Department)	5.4	Fraudulent/ excess drawal by 12 DDOs .	1.72
2	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
3	Audit Report for the Year ended 31 March 2015	Finance (Treasuries and Accounts Department)	5.3	Fraudulent/ excess drawal by 41 DDOs	2.81
4	Audit Report for the Year ended 31 March 2014	PWD (R&B)	2.5	Fraudulent drawal	0.79
5	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
					15.11

GLOSSARY

Glossary

1.	A&E	Accounts and Entitlements
2.	AA	Assessing Authority
3.	ADA	Additional Dearness Allowance
4.	AH&VS	Animal Husbandry and Veterinary Sciences
5.	APR	Actual Payee Receipt
6.	ATN	Action Taken Note
7.	AWP&B	Annual Work Plan & Budget
8.	BDO	Block Development Officer
9.	BE	Budget Estimate
10.	BPL	Below Poverty Line
11.	C&AG	Comptroller and Auditor General of India
12.	CMO	Chief Medical Officer
13.	COPU	Committee on Public Undertakings
14.	CPM	Critical Path Method
15.	CSS	Centrally Sponsored Scheme
16.	CST	Central Sales Tax
17.	CWSN	Children With Special Needs
18.	DA	Dearness Allowance
19.	DAA	Disturbed Area Allowance
20.	DAO	District Agricultural Officer
21.	DC	Departmental Charges
22.	DCT	Deputy Commissioner of Taxes
23.	DDO	Drawing and Disbursing Officer
24.	DEO	District Education Officer
25.	DFO	Divisional Forest Officer
26.	DLRC	District Level Review Committee
27.	DoSE	Directorate of School Education
28.	DPR	Detailed Project Report
29.	DRDA	District Rural Development Agency
30.	DSWCO	District Soil and Water Conservation Officer
31.	DTA	Directorate of Treasuries and Accounts
32.	EBB	Educationally Backward Blocks
33.	EE	Executive Engineer
34.	EFC	Expenditure Finance Committee
35.	EMIS	Education Management Information System
36.	EPC	Engineering, Procurement and Construction
37.	EWS	Economically Weaker Section
38.	FMP	Flood Management Programme
39.	GDP	Gross Domestic Product
40.	GFR	General Financial Rules
41.	GHS	Government High School
42.	GHSS	Government Higher Secondary School

43.	GoI	Government of India
44.	GoN	Government of Nagaland
45.	GPF	General Provident Fund
46.	GPS	Global Positioning System
47.	GSB	Granular Sub Base
48.	HM	Headmaster
49.	HoD	Head of Department
50.	HP	Hume Pipe
51.	HPC	High Power Committee
52.	HRA	House Rent Allowance
53.	ICAT	Integrated Catchment Area Treatment
54.	ICT	Information and Communication Technology
55.	IEDSS	Inclusive Education for Disabled at Secondary Stage
56.	IMDH	Dr. Imkongliba Memorial District Hospital
57.	IR	Inspection Report
58.	IRC	Indian Roads Congress
59.	ITC	Input Tax Credit
60.	MB	Measurement Book
61.	MDR	Major District Road
62.	MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
63.	MHRD	Ministry of Human Resource Development
64.	MOU	Memorandum of Understanding
65.	NA	Data not available
66.	NABARD	National Bank for Agriculture and Rural Development
67.	NCTE	National Council for Teacher Education
68.	NEC	North Eastern Council
69.	NEMS	Nagaland Education Mission Society
70.	NER	North Eastern Region
71.	NH	National Highways
72.	NHHDC	Nagaland Handloom & Handicrafts Development Corporation Limited
73.	NHL	Nagaland Hotels Limited
74.	NIDC	Nagaland Industrial Development Corporation
75.	NIRMSC	Nagaland Industrial Raw Materials & Supply Corporation Limited
76.	NIT	Notice Inviting Tender
77.	NPS	New Pension Scheme
78.	NPSCAN	New Pension Scheme Contribution Accounting Network
79.	NPWD	Nagaland Public Works Department
80.	NSDL	National Securities and Depository Limited
81.	NSMC	Nagaland Sugar Mills Company Limited
82.	NSMDC	Nagaland State Mineral Development Corporation
83.	NVAT	Nagaland Value Added Tax
84.	OB	Opening Balance

85.	ODR	Other District Road
86.	OM	Office Memorandum
87.	OPGN	Online PRAN Generation Module
88.	P&AR	Department of Personnel and Administrative Reforms
89.	PA	Performance Audit
90.	PAB	Project Approval Board
91.	PAC	Public Accounts Committee
92.	PCCF	Principal Chief Conservator of Forest
93.	PCD	Planning and Coordination Department
94.	PCR	Project Completion Report
95.	PD	Project Director
96.	PERT	Program Evaluation and Review Technique
97.	PFRDA	Pension Fund Regulatory and Development Authority
98.	PIMS	Personal Information Management System
99.	PRAN	Permanent Retirement Account Number
100.	PTA	Parents Teachers Association
101.	RA Bills	Running Account Bills
102.	RC	Recruit Constables
103.	RCC	Reinforced Cement Concrete
104.	RIDF	Rural Infrastructure Development Fund
105.	RMSA	Rashtriya Madhyamik Shiksha Abhiyan
106.	ROP	Revision of Pay
107.	SARDP	Special Accelerated Road Development Programme
108.	SCERT	State Council of Educational Research and Training
109.	SDAO	Sub-Divisional Agriculture Officer
110.	SDEO	Sub-Divisional Education Officer
111.	SET	Special Education Teachers
112.	SIT	Special Investigation Team
113.	SLEC	State Level Empowered Committee
114.	SLPIC	State Level Programme Implementation Committee
115.	SMC	School Management Committee
116.	SMDC	School Management and Development Committee
117.	SoE	Statement of Expenditure
118.	SOR	Schedule of Rates
119.	SPA	Special Plan Assistance
120.	SPSU	State Public Sector Undertaking
121.	SSA	Sarva Shiksha Abhiyan
122.	SSL	Secondary Standard Laboratory
123.	SSOR	State Schedule of Rates
124.	ST	Superintendent of Taxes
125.	STO	Sub- Treasury Officer
126.	TFC	Thirteen Finance Commission
127.	TIN	Taxpayer Identification Number
128.	TO	Treasury Officer

Glossary

129.	UC	Utilisation Certificate
130.	U-DISE	Unified District Information System for Education
131.	VAT	Value Added Tax
132.	VDB	Village Development Board
133.	WBM	Water Bound Macadam
134.	YRS	Youth Resources and Sports

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