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**REPORT OF THE
COMPTROLLER AND AUDITOR
GENERAL OF INDIA**



**FOR THE YEAR ENDED
31 MARCH 2011**

**NORTH CACHAR HILLS
AUTONOMOUS COUNCIL
HAFLONG, ASSAM**



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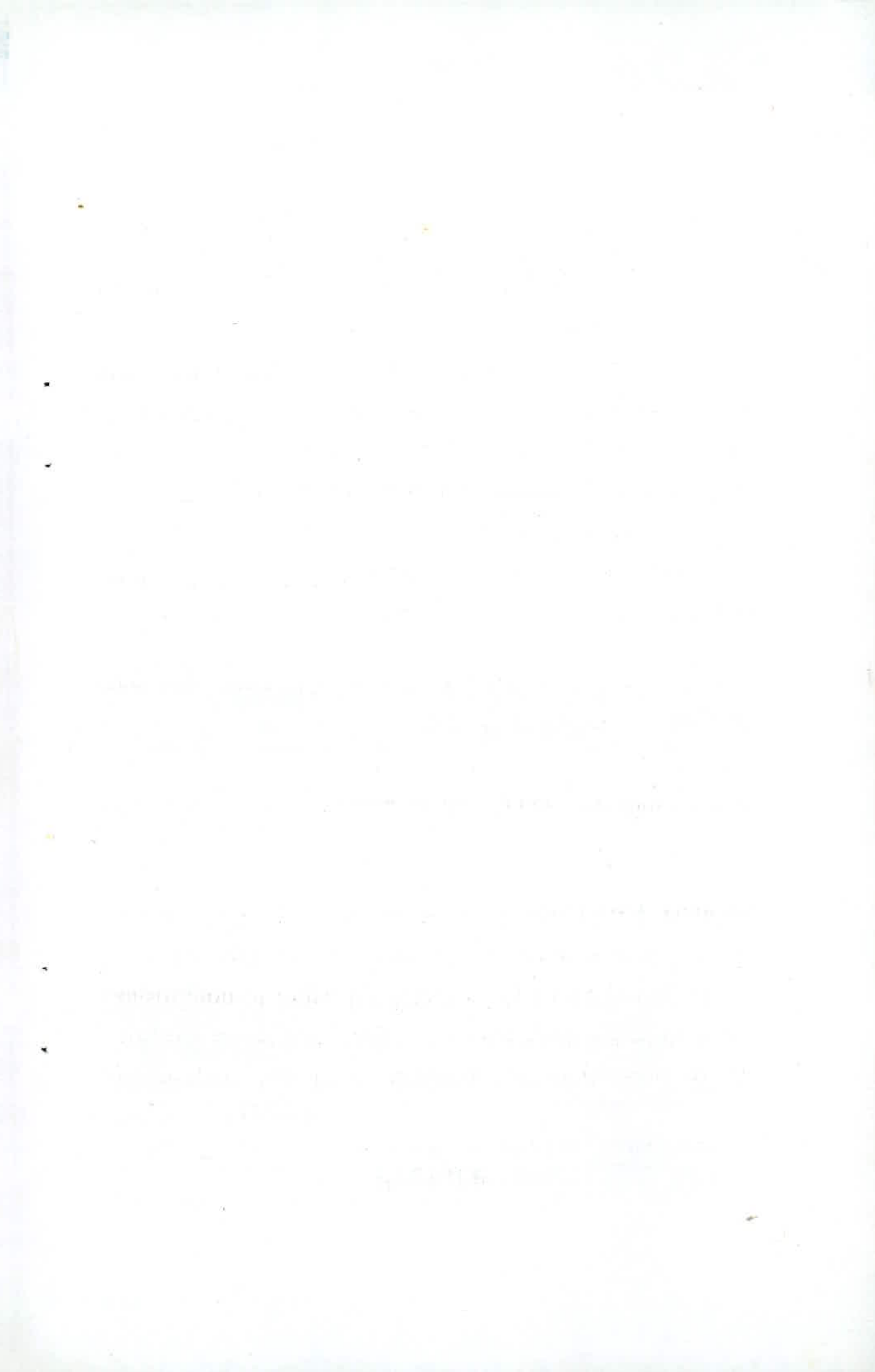
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Preface

This Report has been prepared for submission to the Governor under paragraph 7(4) of the Sixth Schedule to the Constitution of India. It relates mainly to the points arising from the audit of the financial transactions of the North Cachar Hills Autonomous Council, (NCHAC) Haflong, Assam.

The observations included in the Report are those which came to notice in the course of test check of annual accounts for 2010-11 and audit of transactions pertaining to the year, conducted during January-March 2012.

The Report contains three sections, of which the first section deals with the constitution of the Council, the rules for the management of the District Fund and maintenance of accounts by the Council. The remaining two sections include audit comments on the Council's financial position and various irregularities in transactions relating to 2010-11 in respect of inherent as well as entrusted functions.



OVERVIEW

This Report contains three sections. Section-I deals with the constitution of the Council, rules for the management of District Fund and relevant constitutional provisions on maintenance of accounts. Section-II deals with comments arising out of audit of annual accounts of the Council for 2010-11 and contains nineteen paragraphs while Section-III of the Report details the audit findings pertaining to transaction audit relating to discharge of normal or inherent and entrusted functions of the Council and contains twelve paragraphs. A synopsis of significant audit findings contained in the Report is given below:

Comments on Accounts

- The Council met its revenue deficit of ₹3.53 crore under inherent functions by diversion of funds advanced by the State Government for discharging entrusted functions.

(Paragraph 2.1.2)

- The Council did not account for a transaction of ₹12 crore in the annual accounts resulting in understatement both in receipts and disbursements to that extent.

(Paragraph 2.2.1)

- Capital expenditure under District Fund was overstated in the annual accounts 2010-11 by accounting the unutilized amount of ₹57.43 lakh as expenditure during the year.

(Para graph 2.2.6)

- The NCHAC did not reconcile the discrepancies in closing balances between treasury records and annual accounts, despite these having been pointed out in earlier Audit Reports.

(Paragraph 2.4)

Audit findings on transaction audit of inherent functions

- Due to inaction on the part of NCHAC, forest revenue of ₹25.21 lakh remained unrealised and also non-payment of royalty by the contractor resulted in a loss of ₹25.96 lakh.

(Paragraph 3.1.1)

- Deployment of Primary School Teachers on fixed pay in excess of prescribed norms resulted in extra expenditure of ₹1.82 crore.

(Paragraph 3.2.2)

Audit findings on transaction audit of entrusted functions

- Supporting records against utilization of ₹93.48 lakh could not be produced by BDO, Maibong and Mahur to audit which raises doubt on the veracity of the expenditure under Twelfth Finance Commission.

(Paragraph 4.3)

- Inaction on the part of Jt. DHS, and poor monitoring by NCHAC resulted in blocking of ₹71.04 lakh.

(Paragraph 4.4)

Section-I

1.1 Introduction

The North Cachar Hills District Council in Assam was set up in April 1952 under Article 244(2) read with the Sixth Schedule to the Constitution of India. It was renamed as North Cachar Hills Autonomous Council (NCHAC) on 13 September 1995. The district was renamed as “Dima Hasao” on 30 March 2010 and the Council is using the nomenclature “Dima Hasao Autonomous Council” in their official records. However, amendment of Sixth Schedule to the Constitution of India has not yet been carried out.

The Sixth Schedule (Schedule) to the Constitution of India provides for administration of specified tribal areas. For that purpose, it provides for the constitution of a District Council for each autonomous district with powers to make laws on matters listed in paragraph 3(1) of the Schedule, mainly in respect of allotment, occupation, use of land, management of forests (other than reserve forests), use of any canal or watercourse for agriculture, regulation of the practice of ‘*Jhum*’ or other forms of shifting cultivation, establishment of village or town committees or councils and their powers, village or town administration including, Public Health and Sanitation and inheritance of property. Paragraph 6(1) of the Schedule empowers the Councils to establish, construct or manage primary schools, dispensaries, markets, cattle pounds, ferries, fisheries, roads, road transport and waterways in the respective autonomous districts. The Councils also have the powers to assess, levy and collect within the autonomous districts, revenue in respect of land and buildings, taxes on professions, trades, callings and employments, animals,

vehicles and boats, tolls on passengers and goods carried in ferries, and the maintenance of schools, dispensaries or roads as listed in paragraph 8 of the Schedule. The above functions are called normal or inherent functions of the council in the common parlance.

In addition, under paragraph 6(2) of the Schedule, *ibid*, the State Government entrusted additional functions (called entrusted functions) to NCHAC in relation to agriculture, animal husbandry, cottage industries, soil conservation, social welfare, fisheries, forests *etc.*, since June 1970 (as revised in November 1979, November 1992 and December 1996). According to the terms of latest entrustment, the State Government is to make funds available to NCHAC in advance so that the latter can finance the expenditure relating to entrusted functions. NCHAC is to render monthly detailed accounts to the Principal Accountant General (A&E), Assam for making necessary adjustments. Budget provision for these functions is to be made in the State budget, and the Council is responsible to the State Legislature in respect of all matters relating to such funds provided for discharging the functions entrusted to it in terms of Office Memorandum (31 December 1996) of the Government of Assam.

1.2 Rules for the management of District Fund

The Sixth Schedule to the Constitution of India provides for the constitution of a District Fund for each autonomous district, to which shall be credited all moneys received by the Council in the course of administration of the district in accordance with the provisions of the Constitution. In exercise of the powers conferred under Sub-Para (2) of Para 7 of the Schedule (as it stood originally), the affairs of the

District Councils are being regulated under the respective District Council Fund Rules. In respect of this District Council, these are regulated under the North Cachar Hills District Fund Rules, 1953 (called Fund Rules) as approved by the Governor of Assam. In view of the amendment to paragraph 7(2) of the Schedule (made with effect from 2 April 1970 which provides that rules are to be framed by the Governor for the management of the District Fund) and for the procedure to be followed in respect of payment of money into the said Fund, the withdrawal of money therefrom, the custody of money therein and any other matter connected with or ancillary to these matters, the State Government prepared draft District Fund Rules, in 1972 common to Councils that existed in Assam at that time. These draft rules were subsequently revised as the draft District Fund Rules (DFR), 1978, the Autonomous District Fund Rules, 1989, 1992 and 1995. The revised Draft DFR, 1995 were not finalised due to non-amendment of the Sixth Schedule to the Constitution of India. However, the State Government constituted (October 2010) a committee to finalise the amendments and draft DFR of NCHAC and Karbi Anglong Autonomous Council (KAAC) without taking up the requirement of amendment of the Sixth Schedule to the Constitution of India. The proposed draft amendments are yet to be finalized (April 2013).

1.3 Maintenance of Accounts

In pursuance of paragraph 7(3) of the Sixth Schedule to the Constitution, the form in which the accounts of the District Council are to be maintained was prescribed by the Comptroller and Auditor General of India with the approval of the President in April 1977. The State Government forwarded this format of accounts to the NCHAC

in March 1978. The annual accounts for the year 2010-11 have been prepared in the prescribed format and submitted to audit in September 2011. Audit was, taken up during January-March 2012.

Results of test check of annual accounts and audit of transactions of NCHAC for 2010-11 are included in the succeeding paragraphs.

Section-II

2.1 Receipts and Disbursements

2.1.1 Receipts and Expenditure

The revenue receipts and expenditure of NCHAC for the year 2010-11 as per annual accounts and the resultant revenue and capital deficits are shown in Table-1:

Table- 1

Part I District Fund	(₹ in lakh)	
A- Revenue Receipt and Expenditure	Receipts	Expenditure
(1)	(2)	(3)
Taxes on Income and Expenditure	379.90	-
Land Revenue	407.24	183.66
Stamps and Registration	0.49	-
Education	-	1688.19
Forests	270.61	941.09
Mines and Minerals	1104.59	-
District Council	-	33.93
Executive Members	-	11.28
Administration of Justice	--	22.39
Secretariat General Services	-	415.10
Pension and other Retirement Benefits	-	55.73
Art and Culture	-	34.09
Urban Development	-	5.45
Roads and Transport Services	8.30	55.17
Stationery and Printing	0.02	-
Public Works	7.97	457.47
Other General Economic Services	284.23	119.09
Grants in Aid	1206.80	-
Other grants	-	-
Total -A: Revenue Receipts and Expenditure	3670.15	4022.64
Revenue Deficit	352.49	
B- Capital Receipts and Expenditure		
Capital account	-	57.43
Debt	-	-
Loans and Advances	-	-
Recoveries of Loans and Advances	0.00	-
Disbursement of Loans and Advances	-	-
Total-B: Capital Receipts and Expenditure	0.00	57.43
Deficit under Capital and Loans and Advances	57.43	
Total -Receipts and Expenditure (Part-I District Fund)	3670.15	4080.07
Total Part -I District Fund	4080.07	4080.07

(1)	(2)	(3)
PART II Deposit Fund		-
C- Receipts and Disbursements under entrusted functions of the State Government		
Funds Received from the State Government	25551.81	-
Expenditure incurred out of Deposit Fund	-	27843.31
Excess expenditure on Deposit Fund	-	-2291.50
Total-C : Part II Deposit Fund	25551.81	25551.81
Total Receipts and Disbursement under Part I & II	29221.96	31923.38
D- Opening balance /Closing balance		
Cash/Treasury (PLA)	8589.39	5887.97
Grand Total (A+B+C+D)	37811.35	37811.35

Source: Annual Accounts of NCHAC

2.1.2 Revenue deficit

Revenue receipts (including Grants-in-Aid from the State Government) of the NCHAC for 2010-11 pertaining to the functions as specified in the Sixth Schedule to the Constitution were ₹36.70 crore. Against this, the NCHAC spent ₹40.23 crore resulting in revenue deficit of ₹3.53 crore. The excess expenditure was met during the year by irregular diversion of funds provided by the State Government for discharging entrusted functions despite this being pointed out to the Council in earlier Audit Reports.

NCHAC in reply (March 2012) assured to stop such diversion in future. The assurance is needed to be strictly adhered to, as this irregular diversion is bound to adversely affect the outcome of the allotments made by the Government as earmarked in the state budget for different specific programmes/ functions.

2.1.3 Receipts compared with budget provisions

Revenue receipts under eight heads of account during 2010-11 were ₹2.79 crore against the estimated amount of ₹9.24 crore leading to shortfall ranging from 31 to 100 *per cent* as shown in Table-2:

Table 2

Sl. No.	Heads of account	Estimated amount as per Revised Budget	Receipts as per Annual Accounts	Shortfall	Percentage of shortfall
		(₹ in lakh)			
1	Stamp & Registration Fee	1.50	0.49	1.01	67
2	Stationery & Printing	0.50	0.02	0.48	96
3	Forest	815.00	270.61	544.39	67
4	Roads & Transport Services	12.00	8.30	3.70	31
5	Taxes on vehicles	90.00	---	90.00	100
6	Interest	1.00	---	1.00	100
7	Other Administrative Services	3.00	---	3.00	100
8	Fisheries	1.00	---	1.00	100
Total		924.00	279.42	644.58	

Source: Annual Accounts and Budget document of NCHAC.

Reason for 100 *per cent* shortfall in actual receipts of taxes on vehicles (Serial 5 above) , being NCHAC's share of the tax, against the estimated provision of ₹90 lakh was due to non remittance of ₹93.98 lakh by the Deputy Commissioner, Dima Hasao District during the year. Reasons for shortfalls in other heads of account were stated to be due to prevailing

law and order problems. The reason put forward, does not hold good as the law and order problem was prevailing all along and should have been taken note of while preparing the budget estimates. Thus the shortfall in collection of revenue against estimated provision underlined the need for evolving an effective and result oriented strategy in NCHAC in mobilization of funds from its own sources.

Instances of abnormal excess receipts over budgetary projections under three heads of account were also noticed as shown in Table-3.

Table-3

Sl. No.	Heads of account	Estimated amount as per Revised Budget	Receipts as per Annual Accounts	Excess	Percentage of Excess
		(₹ in lakh)			
1	Taxes	205.00	379.90	174.90	85
2	Other General Economic Services	185.22	284.23	99.01	53
3	Mines & Minerals	400.00	1104.59	704.59	176

Source: Annual Accounts and Budget document of NCHAC.

Reasons for above excess receipts over budget provisions was stated (March 2012) by NCHAC to be due to (i) advance collection of royalty on Mines & Minerals from the lessees, (ii) extra collection of Professional and other taxes at a time from payment of arrears of salaries etc., and (iii) collection of revenue at a time on settlement of bazaars and entry tax gates. As these factors should have been anticipated while preparing the revised budget estimates, therefore, there is a need for streamlining the process of realistic estimation

of revenue generation taking into account the existing and anticipated potential.

2.1.4 Expenditure compared with budget provisions

NCHAC incurred an expenditure of ₹183.66 lakh during 2010-11 against the revised budget estimates of ₹98.52 lakh under the head of account 'Land revenue'. This resulted in excess expenditure of ₹85.14 lakh (86 *per cent*) over the revised estimates.

Reasons for excess expenditure was attributed (March 2012) to the payment of arrears salary of staff of revenue department. This underlined the need for improvement and review of the process of preparation of budget estimates to arrest such a situation in future.

Comments on Accounts

2.2 Part-I District Fund

2.2.1 Understatement of receipts and disbursement

NCHAC received grant-in-aid (GIA) of ₹31.68 crore for primary education from the Government of Assam during 2010-11 for defraying expenditure towards salary of staff. Out of this, ₹12 crore was received during October 2010 and deposited into PLA and also disbursed during the year, but the said amount was not accounted for in the annual accounts leading to understatement of both receipt and disbursement by ₹12 crore.

2.2.2 Overstatement of receipts and expenditure

Under Part-I District fund, receipts (Statement No-5) of ₹36.70 crore as reflected in annual accounts included ₹12.07 crore, being Non-Plan Grants-in-Aid (GIA) released by Government of Assam against state budget provisions for primary education under 'Entrusted Functions of NCHAC' and accordingly, the related receipt and expenditure of ₹12.07 crore was accounted for in Part-I District Fund. However, both the receipts and expenditures of ₹12.07 crore were also included under Part-II Deposit Fund leading to overstatement of the both receipts and expenditure under Part-I-District Fund by ₹12.07 crore. NCHAC accepted (March, 2012) the observations with an assurance to avoid such instances in future.

2.2.3 Overstatement of receipt

Land reform and Road transport being inherent function of NCHAC, the fund received for these functions were required to be exhibited under Part-I District Fund (Statement No-5). NCHAC accounted for receipt of ₹76.50¹ lakh for Land Reforms and Capital outlay on Road Transport Service during 2010-11 from the Government of Assam under Part-II Deposit Fund leading to understatement of receipts under Part-I-District Fund with corresponding overstatement of receipts under Part-II Deposit Fund by ₹76.50 lakh.

¹ ₹25.50 lakh under head of accounts 2059LR' for Land Reforms and ₹ 51 lakh under head of accounts 5055 CO on Road Transport Services.

2.2.4 Understatement of revenue receipt

Against actual revenue receipts of ₹11.27 crore and ₹0.15 crore under the heads of account “Mines and Minerals” and “Roads & Transport Service” respectively, NCHAC accounted for ₹11.05 crore and ₹0.08 crore respectively in the accounts. This resulted in understatement of receipts of ₹0.22 crore under the head “Mines and Minerals” and ₹0.07 crore under the head “Roads & Transport Service”. On being pointed out NCHAC (April 2013) stated that the entire amount was deposited in the treasury during 2010-11 by the concerned departments, but due to non-receipt of treasury challan by the accounts section of NCHAC the said amount was neither accounted for in the cash book nor reflected in the accounts for the year 2010-11. Thus receipts remained understated in the annual accounts.

2.2.5 Overstatement of revenue receipts

NCHAC accounted ₹2.71 crore, as revenue receipts in the annual accounts against actual receipts of ₹2.52 crore as per records of Forest Departments under head of account ‘Forest’, which led to overstatement of revenue receipts by ₹0.19 crore. NCHAC has (March 2012) accepted the audit observation.

2.2.6 Overstatement of capital expenditure

NCHAC accounted for ₹57.43 lakh (Statement No-2) as Capital expenditure under the head ‘Capital Outlay on PWD’ but records of Public Works department of NCHAC revealed that the fund was received in March 2011 and utilised during next year (2011-12). This incorrect accounting led to

overstatement of 'Capital expenditure' by ₹57.43 lakh by the Council.

NCHAC accepted (March 2012) the observations.

2.2.7 Overstatement of revenue expenditure

Revenue expenditure aggregating ₹11.24 crore was accounted for under two heads of account under inherent functions against actual expenditure of ₹10.40 crore as detailed in Table-4 leading to overstatement of revenue expenditure by ₹0.84 crore.

NCHAC accepted (March 2012) the audit observation.

Table-4

Sl. No.	Heads of account	As per annual accounts (Statement No. 6)	As per records and available information	Excess exhibited in the accounts
		(₹ in lakh)		
1	Land Revenue	183.66	172.02	11.64
2	Forest	941.09	868.34	72.75
Total		1124.75	1040.36	84.39

Source: Annual accounts of NCHAC and records of the respective departments.

2.3 Part-II Deposit Fund

2.3.1 Overstatement of receipts

Annual accounts for 2010-11, exhibited ₹255.23² crore as receipts from State Government during the year in respect of entrusted functions, under Part-II Deposit Fund. But the statement of major head-wise fund received, as made available to audit (March 2012), showed receipts of ₹254.48 crore³. Thus receipts were overstated by ₹0.75 crore in the annual accounts.

NCHAC stated (March 2012) that reconciliation of figures of receipts were under process, however actual status has not been intimated (July 2013).

2.3.2 Overstatement of disbursements

Annual accounts for 2010-11 exhibited ₹278.43 crore as amount disbursed towards discharging of entrusted functions by NCHAC under Part-II Deposit Fund. But statement of major head-wise fund disbursed as made available to audit (March 2012), showed disbursement of ₹212.40 crore.⁴ Thus disbursements were overstated by ₹66.03 crore in the annual accounts.

NCHAC stated (March 2012) that reconciliation of figures of receipts were under process, however actual status has not been intimated (July 2013).

² Excluding refund of ₹ 0.29 crore.

³ Plan: ₹54.20 crore and Non-Plan ₹200.28 crore = ₹254.48 crore.

⁴ Plan: ₹45.03 crore and Non-Plan: ₹167.37 crore = ₹212.40 crore.

2.3.3 Non disclosure of Security Deposit

Executive Engineer, PWD, Road Division, Halflong realised refundable security deposit of ₹62 lakh from the contractors and deposited the same to the Personal Ledger Account of NCHAC. Of this ₹28.77 lakh was included as receipt under Part-II Deposit fund as exhibited under explanatory note below Statement-I of annual accounts (nomenclature 'Refund-TS'). The explanatory note also exhibited expenditure of ₹0.50 lakh under 'Refund (Normal)'.

Thus, receipt of security deposit under Transferred Sector (TS) was short exhibited by ₹33.23 lakh and actual release thereof during the year, if any, remained undisclosed in annual accounts. Similarly, actual status of receipt and expenditure of refundable deposit under inherent (normal) sector during the year remained undisclosed due to non exhibition of refundable deposits specifically in the annual accounts.

2.3.4 Understatement of receipts and disbursement

NCHAC received funds in the form of drafts and cheques from the State Government against Twelfth (₹4.82 crore) and Thirteenth Finance Commission Awards (₹0.78 crore) and Backward Region Grant Fund (BRGF) and kept the same in bank accounts without depositing them into Personal Ledger Account of NCHAC as required under Rule 14 of District Fund Rule. Of this, funds under Twelfth Finance Commission of ₹2.19 crore was only released to implementing departments /agencies from time to time. The reason for such under disbursement was stated to be due to non-receipt of utilization certificate/proposals from the implementing agencies and due to the receipt of fund of Thirteenth Finance Commission at the fag end of the year. Thus, the sanctity of

District Fund Rule framed by competent authority was not only undermined but receipts, disbursements and opening balance under Part-II Deposit Fund of annual accounts were also understated to the extent as shown in the Table-5.

Table-5

Purpose of receipt	Understatement of Part-II- Deposit Fund (₹ in crore)	
	Receipt	Disbursement
Twelfth Finance Commission Awards	4.82	2.19
Thirteenth Finance Commission Awards	0.78	00
BRGF	00	00
Interest earned on BRGF	0.09	10.21
Total	5.69	12.40

Source: Information furnished by NCHAC.

2.3.5 Diversion of funds

According to the terms of entrustment of functions as envisaged in Office Memorandum issued on 31 December 1996, NCHAC is empowered to re-appropriate funds within the sub-heads of same major head of account, while approval of State Government is required for re-appropriation of funds between two major heads of account.

Scrutiny revealed that NCHAC released ₹278.43 crore to different Drawing and Disbursing Officers (DDO) in respect of entrusted functions against receipt of ₹255.52 crore from the State budget. Of this, ₹14.51 crore was released under five heads of account against receipt of ₹6.13 crore as detailed in Table-6 by diverting ₹8.38 crore from other heads of account depriving DDOs of other departments, without obtaining the mandatory approval of the State Government.

Such irregularity persisted over the years despite having been pointed out in previous Audit Reports.

Table-6

Sl. No.	Head of account	Fund released by the State Govt.	Fund released by NCHAC to departments	Excess release
		(₹ in crore)		
1.	2202-Education (Plan)	Nil	0.53	0.53
2.	2215-W/S/S (Plan)	3.91	6.88	2.97
3.	2220-I&P (Plan)	0.21	0.49	0.28
4.	2402-Soil (Plan)	1.50	5.91	4.41
5.	2215-ORDP	0.51	0.70	0.19
Total		6.13	14.51	8.38

Source: Information furnished by NCHAC

2.4 Personal Ledger Account

NCHAC maintains Personal Ledger Account (PLA) with the Haflong Treasury into which all receipts on account of its own regular functions as well as entrusted functions are credited and also all the expenditure on both the functions are met. The balance held in the PLA as per Cash Book, as of 31 March 2011, was required to be reconciled with the balance shown in the records of the Treasury and difference, if any, between the two sets of records, needed to be explained.

Scrutiny of records of the treasury with the PLA Cash Book maintained by NCHAC revealed that, as of 31 March 2011 there was a difference of ₹8.21 crore in the closing cash balance between the two sets of records as shown in Table-7:

Table -7

Sl. No.		As per Treasury records	As per annual accounts and PLA Cash Book	Discrepancy excess (+) Less(-) shown in Cash Book
		(₹ in crore)		
1	Opening balance as on 1 April 2010	107.93	85.89	(-) 22.04
2	Closing balance as on 31 March 2011	67.09	58.88	(-) 8.21

The discrepancy of ₹8.21 crore in the closing balance as of 31 March 2011 was not reconciled. Such discrepancies have been persisting since 1985-86, and have not been reconciled despite the same having been pointed out in previous Audit Reports.

Scrutiny revealed that the following factors, besides others, also contributed towards the above discrepancies:

2.4.1 Understatement of closing balance.

Closing balance of ₹58.87 crore did not include amounts of ten cancelled cheques amounting to ₹0.62 crore leading to understatement of closing balance with corresponding overstatement of revenue expenditure by ₹0.62 crore. NCHAC accepted (March 2012) the observations made by audit.

2.4.2 Understatement of disbursement in PLA cash book

Cross checking of entries in PLA Cash Book maintained by NCHAC with counterfoils of cheques and entries in treasury payment schedule revealed that amounts shown in the

cheques as well as payment schedules did not tally in four cases with cash book entries as detailed in Table-8 leading to understatement of disbursement by ₹7.92 lakh. The matter needs to be reconciled on case to case basis as the possibility of misappropriation/misutilisation of funds could also not be ruled out.

Table- 8

Cheque No./ date	Amount shown in the counterfoil of cheques and payment schedules	Amount entered in the PLA Cash Book	Discrepancy Excess (+) Less (-) in the PLA Cash book
	(₹in lakh)		
1468/0146743 dt. 2.9.2010	1.69	1.67	(-) 0.02
1763/176265 dt. 12.1.2011	10.97	1.10	(-) 9.87
1765/0176445 dt. 2.2.2011	1.73	1.70	(-) 0.03
1473/147232 dt. 10.12.2010	187.50	189.50	(+) 2.00
Total	201.89	193.97	(-) 7.92

Source: PLA cash book, counterfoil of cheques and treasury payment schedule.

NCHAC stated (February, 2012) that the reconciliation of cash book up to April 2010 was completed and the reconciliation of Treasury records with PLA cash book from May 2010 to March 2011 is under process. Present position however, has not yet been intimated (July 2013).

Section-III

3 Irregularities in transactions relating to discharge of inherent functions

3.1 Revenue receipt

3.1.1 Loss of forest revenue (₹25.21 lakh) and non payment of royalty (₹25.96 lakh) by the contractor

NCHAC entered into an agreement for a period of 21 years with a firm* (01 March 2005) for supply of bamboo to different paper mills, departments and private users. The terms and conditions of the agreement *inter-alia* provided that NCHAC would allot bamboo for extraction (felling series-wise) and the firm would pay royalty to NCHAC @ ₹85 per Metric Tonne Green (MTG) (subject to yearly increase of 5 *per cent*) on the quantity of bamboo extracted.

NCHAC allotted 46305 MTG of bamboo to the firm from Longkhu felling series during 2010-11 for which the firm was to pay royalty @ ₹110.50 per MTG. Scrutiny of records (March 2012) revealed that during the year the firm extracted only 23494.075 MTG leaving 22810.925 MTG of bamboo un-operated. In this context Division Forest Officer (DFO) clarified (March 2012) that the un-extracted bamboos were over matured and neither re-allotable to contractor nor was fit for sale to any other party since all bamboos were dried out and wasted.

Scrutiny further revealed that neither compensation in terms of agreement was imposed nor royalty on extraction of

* Hill Trade Agencies.

23494.075 MTG bamboo was paid by the firm till the date of audit (March 2012). The matter was not pursued after raising the demand (December 2011) either by the division or by NCHAC.

Thus, inaction on the part of both the Division as well as NCHAC resulted in loss of forest revenue of ₹25.21 lakh⁵ and non-payment of royalty of ₹25.96 lakh⁶ by the contractor. Reasons for the above inactions were neither stated nor found on record.

3.1.2 Huge outstanding revenue of ₹2.13 crore on mines and minerals

Geology and Mining Department of the Government of Assam leases mines and realises revenue from minor minerals including lime stone in the State. NCHAC is entitled to 60 *per cent* share of royalty on mines and minerals operated and transported from the District. The royalties are being deposited by the lessee to NCHAC. Divisional Forest Officer (DFO) East Division is made responsible for realisation of the royalty on mines and minerals exploited within the jurisdiction of NCHAC. Despite being pointed out in the Audit Reports for the years 2002-03 to 2008-09 about outstanding/shortfall in collection of revenue under the head of account, no monitoring mechanism has been evolved by NCHAC to verify the correctness of the due share of royalty. Information furnished and records made available during audit (February 2012) revealed the following position of outstanding royalty on mines and minerals as shown in the Table-9:

⁵ $22810.925 \times ₹ 110.50 = ₹ 25.21 \text{ lakh}$

⁶ $23494.075 \times ₹ 110.50 = ₹ 25.96 \text{ lakh}$

Table-9

Name of the lessee	Period of transportation	60% Royalty due	Royalty realised	Outstanding royalty
		(₹ in lakh)		
1. M/s NECEM Cements Ltd.	2002-03 & 2003-04	29.93	2.59	27.34
2. M/s VINAY Cements Ltd.	02/2001 to 03/2005	265.06	94.18	170.88
	2010-11	27.75	13.10	14.65
Total outstanding				212.87

There was nothing on record to show that any coordinated effort was ever made by NCHAC with Geology and Mining Department, Government of Assam to take any punitive action on the lessee including imposition of simple interest at the rate of 24 *per cent* per annum after a grace period of 60 days from the due date, *i.e.*, 10th of the following month of extraction as per Section 9 of Mines and Minerals (Development and Regulation) Act, 1957. Thus, huge amount of revenue of NCHAC *i.e.* ₹2.13 crore remained unrealised. This needs immediate action in the interest of NCHAC.

3.1.3 Loss of revenue of ₹103.57 lakh on stone mahals

NCHAC allotted (May 2008) all the stone yielding areas except ongoing leased area of the district including streams, rivers, hillocks and other areas having boulder deposit to a mahalder⁷ of Haflong without inviting any tender at a price of ₹one crore per annum for a period of five years subject to escalation by 5 *per cent* each year. The royalty was to be paid in four equal kists⁸ annually and no restriction was imposed on the extractable quantity of stone. The mahaldar

⁷ Shri Pabitra Nunisa

⁸ Suitable equal installments

deposited 1st kist alongwith Assam Value Added Tax and Security during 7 May to 12 May 2008.

After payment of the first kist, an agreement was executed (31 May 2008) between DFO, NC Hills Division and the mahaldar for the period of five⁹ years showing no increase in the rate of Kist money from 4th to 20th kists. According to the agreement, kist money at the rate of ₹28.13 lakh¹⁰ per kist was to be paid in four equal installments in a calendar year (February, May, August and November). Neither the reason for omission of the provision of escalation of the rate in the agreement nor did any action taken by NCHAC for non inclusion of the same was found on record. Subsequently, the rate of kist money per installment was revised to ₹28.38 lakh after enhancement of percentage of VAT from 12.5 *per cent* to 13.5 *per cent* with effect from 31 October 2009.

During audit (March 2012), it was noticed that mahaldar cleared (with persuasions) his due kists from time to time upto 13 kist without escalation in the rates of installment @5 *per cent* annually (due upto 30 May 2011) except 3rd and 4th kist which was stated to be waived by NCHAC for supplying stones free of cost to four construction companies¹¹ reasons for which was not on record. Though the agreement was valid upto May 2013 but in terms of Executive Committees' resolution (June 2011), NCHAC cancelled the above settlement of stone mahals on the ground of irregular payment of kists and meager amount of settlement. All the stone yielding mahals, however, were resettled (June 2011)

⁹ With effect from 31 May 2008 to 30 May 2013

¹⁰ Royalty: ₹ 25.00lakh + VAT: ₹ 3.13 lakh

¹¹ M/s Gammon India Limited, M/s Valecha Limited, M/s CEC Limited and M/s HCC Ltd.

with another mahaldar¹² on negotiation at ₹1.50 crore per annum with 5 *per cent* escalation yearly for 10 years.

Scrutiny also revealed that DFO, NC Hills Division intimated (14 July 2011) that payment of 12th kist made in the form of bank cheque by the former mahaldar could not be realized as the cheque could not be encashed due to non availability of balance at the credit of the mahaldar. However, circumstances under which a cheque was issued by the mahaldar without having money at his credit in the bank account, was not available on the record. The Divisional Forest Officer took up the matter with NCHAC and the former mahaldar but the money remained unrealized. The matter was neither referred to the Bakijai Officer for realization of the same as an arrear of Land revenue as per clause of agreement nor any investigation or any other legal action was initiated (April 2013).

Thus, due to the lackadaisical attitude of the Forest Division, NCHAC sustained loss of revenue of ₹28.38 lakh due to non encashment of the cheque, ₹56.25 lakh due to waiver of 3rd and 4th kists and ₹18.94 lakh due to non-imposition of escalation in the rate of kist money by 5 *per cent* as per NCHAC allotment order. NCHAC in its reply stated (March 2012) that actions are being taken to realize the amount of 12th kist from the firm.

To a further query, NCHAC stated (April 2013) that no investigation has yet been carried out.

The above reply justifies audit observation of lackadaisical attitude of the Forest Division which resulted loss of revenue.

¹² Shri Abhijit Nunisa.

3.2 Revenue expenditure

3.2.1 Diversion of fund and suspected misappropriation

As per budget Grant of NCHAC for the year 2009-10, State Government provided ₹50 lakh for Survey and Settlement Operation under Land Revenue Service (Salary: ₹30 lakh; Wages: ₹2 lakh; Travel expenses: ₹3 lakh; Office expenses: ₹6 lakh; Rent Rates etc: ₹3 lakh; Minor works: ₹2.50 lakh; Maintenance: ₹2.50 lakh and other charges: ₹1 lakh). The amount was sanctioned and released by the Hill Areas Department, Government of Assam to NCHAC during the year 2009-10.

Based on requirement placed by the Settlement Officer of the Council, NCHAC released ₹49.26 lakh in September 2010 (for TA: ₹3.36 lakh; Wages: ₹1 lakh; other charges: ₹0.91 lakh; Survey pillars: ₹20 lakh; Office expense: ₹5.99 lakh; Inking and map polygon: ₹3 lakh and Purchase of vehicle: ₹15 lakh), but no amount was released for salaries. The amount was withdrawn (September 2010) by the Settlement Officer from the treasury (PLA) but not accounted for in his cash book. Statement showing deposit in Settlement Officer's bank account against the above withdrawal was also not produced to audit, though called for.

However, records disclosed that an amount of ₹14.17 lakh was sent to a Guwahati based firm via Transport Department of NCHAC for supply of 2 Bolero VLX/2WD vehicles on the basis of proforma invoice obtained from the firm (October 2010). The firm supplied one Bolero (₹6.84 lakh) and one Mahindra Thar (₹4.73 lakh) in place of 2 Boleros.

The vehicles were delivered in December 2010. Reason for deviation in supply and acceptance of the same was neither on record nor stated, though called for. The firm refunded ₹2.60 lakh to the Transport Department of NCHAC who in turn refunded it to the Settlement Officer. The refunded amount was neither reflected in the cash book of the Settlement Officer nor deposited into the treasury (Personal Ledger Account of NCHAC). Connected records in this respect, though repeatedly called for, were not produced to audit. Further, in the absence of entries in the cash book and related voucher, APR, expenditure statement etc., the status of utilisation of balance fund of ₹37.69 lakh (excluding ₹11.57 lakh made for purchase of vehicles) remained unverified in audit.

Thus, an expenditure of ₹11.57 lakh was irregularly made by the NCHAC for “purchase of vehicles” by diverting the fund meant for “salaries” and utilisation of balance fund of ₹37.69 lakh was fraught with the risk of misappropriation/misutilisation.

The Council during exit meeting (March 2012) ensured intimation of the outcome of investigation to be carried out on the matter. Accordingly, NCHAC (April 2013) intimated that the concerned erring Settlement Officer has been placed under suspension and necessary recovery will be effected on completion of departmental proceedings.

3.2.2 Extra Expenditure due to deployment of excess teachers

According to the prescribed norms for granting permission/recognition of primary schools by NCHAC, maximum enrolment in a section/class should be 40 with a minimum

of 20 which was relaxed by the Government of Assam to 15 in areas inhabited by SC/ST population in North Cachar Hill areas. Thus, in primary schools of NC Hills district, teacher-student ratio was required to be maintained at 1:15. The Government, vide notification of 23 January 2004 had also stressed the need for rational deployment of teachers in primary schools.

Scrutiny of records and information made available by the Education department of the Council revealed that during 2010-11, the Council deployed 2,680 teachers in 695 Primary schools under 27 circles against the requirement of 1,842 teachers as per teacher student ratio of 1:15 resulted in deployment of 838 teachers¹³ in excess of norms which included 484 numbers of teachers appointed on fixed pay of ₹3130 per month (prior to 2010-11 but continued till 2010-11). On being pointed out, Primary Education Officer stated that the fixed paid teachers were not appointed against the vacancy of regular post and added that they were appointed on public demand and to solve the unemployment problem of the qualified youths. But neither any record showing policy adopted for the purpose nor any approval of NCHAC in support of the above statement could be made available to audit.

Thus, deployment of 484 teachers on fixed pay had resulted in extra expenditure of ₹1.82 crore¹⁴ during 2010-11. Further, it was noticed that 260 schools were running with excess teacher ranging from one to 29 while 226 schools were running with shortage of teachers, ranging from one to 21 teachers. NCHAC's efforts if any, for rationalization in deployment of teachers were not available on records.

¹³ 2,680 - 1,842

¹⁴ Minimum gross pay allowances (pre revised) ₹3130 x 12 x 484 = ₹ 1,81,79,040

On being asked NCHAC reiterated (April 2013) that excess teachers were engaged to solve unemployment problem by the Council but no record/resolution/approved policy in this respect has been furnished.

3.2.3 Diversion of Capital Fund towards revenue expenditure

Government of Assam (GOA) sanctioned and released ₹50.00 lakh¹⁵ for capital expenditure under the head of account 5055 (Plan) on Road Transport Services to NCHAC during 2009-10 from the state budget (revised) provision of ₹1.00 crore for the year, but no fund was released by NCHAC to its executing department (inherent function) during the year.

However, NCHAC released (April 2010) ₹30.00 lakh to its Transport department for purchase of two 32 seater Star buses (Marcopolo) and ₹20.00 lakh (November/ December 2010) to the Transport department for purchase of one truck¹⁶, and one light vehicle.¹⁷

The Transport department procured only two buses and one light vehicle instead of procuring the truck, and diverted ₹19.34 lakh for incurring revenue expenditure on maintenance and repairs of Council's light and heavy vehicles, purchase of tyres, tubes, and batteries etc., due to non release of fund from the State Government.

NCHAC in reply (13 February 2012) stated that the department was compelled to utilize the capital fund towards revenue expenditure as there was no budgetary provision of

¹⁵ vide sanction order dated 31 August 2009 (₹30.00 lakh) and dated 25 March 2010 (₹ 20.00 lakh).

¹⁶ SFC909 High Deck EII Steel body built truck.

¹⁷ XYLO E8/CRDe/WD.

the transport department for running expenses required for plying vehicles on road.

The reply is not tenable as there was no approval from the sanctioning authority for diversion of fund under the above heads of expenditure and thus, purpose of providing fund under capital head of account was frustrated.

3.3 Irregular utilization of departmental receipts towards departmental expenditure

According to Rule 18 of the N.C. Hills District fund rules 1953, all moneys received by the Council shall be remitted into the Treasury promptly and no money shall be appropriated towards expenditure.

In the course of test check of records of Transport department of NCHAC, no revenue collection and deposit register was made available to audit. Thus, actual revenue collected during the year could not be ascertained in audit.

However, as per cash book and information furnished to audit, the Transport department of NCHAC collected revenue to the tune of ₹22.79 lakh during 2010-11 of which ₹7.85 lakh was utilized towards purchase of fuel and lubricants for plying Council buses violating the provision of Fund Rules. In reply (March 2012), it was stated that the department was to ply Council's buses and Trucks on all routes considering the demands of general people of the district living in remote areas. The reply was not acceptable since NCHAC action was contrary to the provision of Fund Rules and thus, the expenditure was irregular.

4 Irregularities in transactions relating to discharge of entrusted functions

4.1 Diversion of fund without implementation of the scheme

Test-check of records of NCHAC revealed that Deputy Secretary, NCHAC forwarded (February 2010) a bank draft¹⁸ for ₹34.58 lakh to Senior Finance and Accounts Officer (Transfer), NCHAC, for depositing into the Council's PLA meant for implementation of the Indira Gandhi National Old Age Pension Scheme (IGNOAPS) under National Social Assistance Programme (NSAP) as state contribution (being Minimum Mandatory Provision) for the year 2010-11. Accordingly, bank draft was deposited (February 2011) into Council's Personal Ledger Account. However, necessary sanction was neither available on record nor could be furnished to audit.

Scrutiny of PLA cash book and other related records revealed that the funds so received under the scheme IGNOAPS was not released to Drawing and Disbursing Officer concerned during 2010-11 for implementation of the scheme. On this being pointed out, NCHAC replied (February 2012) that the fund was utilised on other schemes but no authority and list of schemes where the fund was utilized was furnished along with the reply by the NCHAC. Thus, NSAP fund was irregularly diverted and utilized, frustrating the very objective of IGNOAPS and the possibility of misutilisation/misappropriation of money could also not be ruled out.

¹⁸ No.990565 dated 30-12-2010

4.2 Excess expenditure

Anganwadi Centres (AWC) are the main platform for delivery of services for implementation of Integrated Child Development Services Scheme (ICDS), a centrally sponsored scheme. Item wise expenditures as prescribed for implementation of the scheme by Government of India are shown in Table-10 below:

Table-10

Sl. No	Items of Expenditure	Amount prescribed by Government of India (per AWC/per annum)
1	Supply of material Kit	₹ 600
2	Supply of Pre School Kit	₹ 1000
3	Information, Education Communication	₹ 1000
4	Furniture for AWC	₹ 5000
5	Contingency	₹ 600
6	Monitoring and evaluation	₹ 500
7	Uniform @ 200/- tag @ 25/-	₹ 450 for 2 persons
Total		₹ 9150

NCHAC sanctioned and released ₹314.46 lakh between August 2010 and December 2010 to four Child Development Project Officers (CDPO), ICDS Project for implementation of the scheme through 518 AWCs during 2010-11.

Scrutiny (February-March 2012) of records of four CDPOs revealed that itemwise expenditure were not maintained. However, it was noticed that against the admissible amount of ₹47.39 lakh, i.e., @ ₹9150 per AWC per annum, four CDPOs had incurred an expenditure of ₹314.46 lakh, leading to excess expenditure of ₹267.07 lakh over the admissible expenditure occurred due to release and sanction of excess fund by NCHAC as shown in Table-11:

Table-11

Sl. No	Name	No. of AWCs	Permissible expenditure as per norms (₹ in lakh)	Expenditure incurred (₹ in lakh)	Excess expenditure over norms (₹ in lakh)
1	CDPO Diyungbra	109	9.97	70.16	60.19
2	CDPO Jatinga valley	155	14.18	88.5	74.32
3	CDPO Diyang valley	189	17.29	68.15	50.86
4	CDPO Harangajao	65	5.95	87.65	81.70
Total		518	47.39	314.46	267.07

Thus, NCHAC sanctioned and released excess fund of ₹267.07 lakh for running 518 AWCs over the admissible amount without any justification for such action which resulted in excess expenditure of ₹267.07 lakh.

4.3 Suspected misappropriation in implementation of schemes under TFC

Rules 78 and 79 of Assam Financial Rules (AFR) provide that every payment should be supported by a Voucher and Actual Payee's Receipt (APR).

Scrutiny of cash book maintained for implementation of the different schemes under Twelfth Finance Commission (TFC) revealed that out of the deposited fund of ₹112.80 lakh, Block Development Officer (BDO), Harangajao withdrew ₹63.45 lakh and ₹15.30 lakh (June-July 2010) by two self cheques and paid ₹15.30 lakh to Junior Engineers (JE) of the Block.

However, relevant vouchers, APRs, MBs, estimate, stock & issue register, completion certificates etc., against entire expenditure of ₹63.45 lakh by the BDO and ₹1.32 lakh against ₹15.30 lakh by the Junior Engineer were not produced to audit (March 2012).

BDO Maibong also withdrew ₹28.71 lakh through 20 self cheques and paid ₹28.68 lakh to Junior Engineers (JE) posted in the Block in cash for execution of the works departmentally at different locations and utilized balance of ₹ 0.03 lakh towards office expenses.

However, relevant utilization certificate, APRs, bills, MBs, estimates, stock & issue register, completion certificates etc., in support of execution of works and details of expenditure on office expenses involving a total expenditure of ₹28.71 lakh were not produced to audit (March 2012).

NCHAC released 3 (three) cheques amounting to ₹112.80 lakh to BDO, Harangajao against the sanction accorded by NCHAC between May, 2010 and December, 2010 for implementation of different schemes¹⁹ under TFC. NCHAC, also sanctioned and released (December 2010) ₹30.13 lakh for implementation of six schemes²⁰ under the

¹⁹ (1) Construction of Low Cost Latrine (2) Plantation (3) Construction of Ringwell (4) Office stationeries (5) Repairing of Block office quarter(6) Construction of water supply scheme (7) Renovation of pipeline at Block Hqr.

²⁰

1.	Maintenance of Accounts	₹ 25,000
2.	Creation of data base	₹ 25,000
3.	Water Supply & asset created under (swajal dhara programme)	₹ 2,00,000
4.	Sanitation of each family below poverty line	₹24,64,000
5.	O&M cost	₹ 1,49,500
6.	Other income generating Scheme.	₹ 1,50,000
Total		₹30,13,500

jurisdiction of Block Development Officer (BDO), Maibong under award of Twelfth Finance Commission (TFC).

Thus, in the event of non-production of the above basic and vital records in support of the execution of schemes under TFC, misappropriation of ₹ 93.48²¹ lakh could not be ruled out.

4.4 Blocking of fund and non-implementation of the schemes under 12th Finance Commission

The span of operation of 12th Finance Commission (TFC) spread over from April 2005 to March 2010. Government of Assam, Health & Family Welfare Department, sanctioned (February 2010) ₹87.24 lakh to the NCHAC, as state's share towards award of TFC for implementation of 10 schemes²² by Joint Director of Health Services, Haflong (Jt. DHS) during 2009-10 as approved by the High Level Committee(HLC) of TFC under NCHAC.

Scrutiny of records (February-March 2012) revealed that NCHAC released ₹16.20 lakh to Joint Director of Health

²¹ ₹ 28.71 lakh + ₹ 64.77 lakh = ₹ 93.48 lakh.

²²

(₹ in lakh)

Sl. No.	Name of Schemes	Allocated fund
1	Incentive to Doctors working in rural areas	23.12
2	Procurement of machineries & equipment etc.	6.92
3	Diet for the inpatient of hospital	2.34
4	Maintenance of all types of vehicles under H&FW Deptt.	0.47
5	Installation Generator set for DHS's office Building	0.25
6	Addl. Amount for modernization of existing morgues	2.22
7	Stipend of the GNM & ANM Trainees	2.21
8	Improvement/Repairing of Health Institutions etc.	20.53
9	Comprehensive Maintenance Contract for 6 nos RDCs	24.48
10	Repairing of Nurses Hostels, Staff quarters, Boundary walls	4.70
	Total	87.24

Services (DHS) for payment of incentive allowances to 33 doctors on the basis of requirement placed by the Jt. DHS and no other amount was released till the date of audit since no demand was received for release of fund from Jt. DHS. There was nothing on record to show that NCHAC persuaded Jt. DHS for timely implementation of this scheme in the right earnest.

Thus, inaction on the part of the Jt. DHS as well as NCHAC to implement the earmarked schemes approved by HLC of TFC resulted not only in blocking of fund of ₹71.04 lakh from March 2010 to March 2012 but also intended benefits of Health Service Scheme could not be derived.

5 Internal Control Mechanism

Internal control is an integral process which is designed to provide reasonable assurance about achieving the organizational objectives *viz.*, fulfilling accountability obligations, complying with applicable laws and regulations, executing programmes/schemes in an orderly, economical, efficient and effective manner and safeguarding resources against loss. An effective internal audit (IA) wing is necessary to strengthen the internal control system and to enforce effective management.

Scrutiny of the records indicated that NCHAC had no IA wing. Consequently, the internal control in the Council was ineffective as would be seen from the following in addition to observation made in this report above.

- Figures in PLA cash book were not reconciled with those of treasury over the years leading to discrepancies between these two sets of records.

- Preparation of budget estimates of receipts and expenditure was not based on realistic analysis, leading to large variations between the budget and the actual expenditure.
- NCHAC did not maintain proper ledger or consolidated abstract showing receipts generated from its own resources, fund received from the Government, disbursements made to Drawing and Disbursing Officers (DDO) of different departments under administrative control of NCHAC (for entrusted function) and for the expenditure incurred by DDOs of NCHAC (for inherent function). Thus control system does not assure accuracy of figures of annual accounts by itself.
- Absence of proper policy in the major revenue earning department like Forests, Taxes, Mines and Minerals.
- Advance of ₹4.04 lakh made by Transport Department of NCHAC to its officers, Executive Members and for the suppliers between April 2010 and March 2011 for repairing of allotted vehicles, supply of materials, etc., remained unadjusted till date of audit (March 2012) as detailed in *Appendix-I*. Period of un-adjustment ranging from 11 months to 22 months is indicative of poor financial management of the entity.

During Audit (March 2012) of records of Divisional Soil Conservation Officer, Haflong, the following deficiencies in record keeping and maintenance of accounts were noticed.

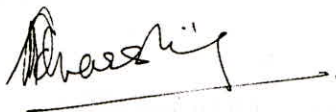
- (a) The Division expended ₹2.14 crore on beneficiary oriented seven activities²³ related to soil conservation of land from soil erosion but did not maintain records like plantation journal, approved list of beneficiary, handing over of assets thus created, and asset register etc. The Division also could not furnish status report of the executed works (impact of implementation of the activities)/progress report, though called for.
- (b) Entries in cash book in respect of exhibiting opening balance, receipt, expenditure and closing balances were not made accurately.
- (c) Discrepancies between cash books and Bank pass books were not reconciled.
- (d) Actual Payee Receipt/vouchers in respect of procurement²⁴ of barbed wire worth ₹11.27 lakh could not be made available to audit.

²³ 1) Land Reclamation Works, 2) Bench Terracing, 3) Counter Terracing, 4) Land Development Works, 5) Rain Water Harvesting Ponds, 6) Plant Aforestation, 7) Rubber plantation.

²⁴

Sl. No.	Vr. No. and Date	Amount paid (in ₹)
1	WR/88 dated 01.01.11	3,31,307
2	HF/98 dated 01.03.11	3,31,306
3	SR/46 dated 03/11	4,64,215
Total		11,26,828

Absence of the vital records and deficiencies are indicative of poor internal control mechanism of NCHAC over its DDOs which is fraught with the risk of misutilisation/ misappropriation of fund.



Guwahati

The 20 SEP 2013

(C. H. Kharshiing)
Accountant General

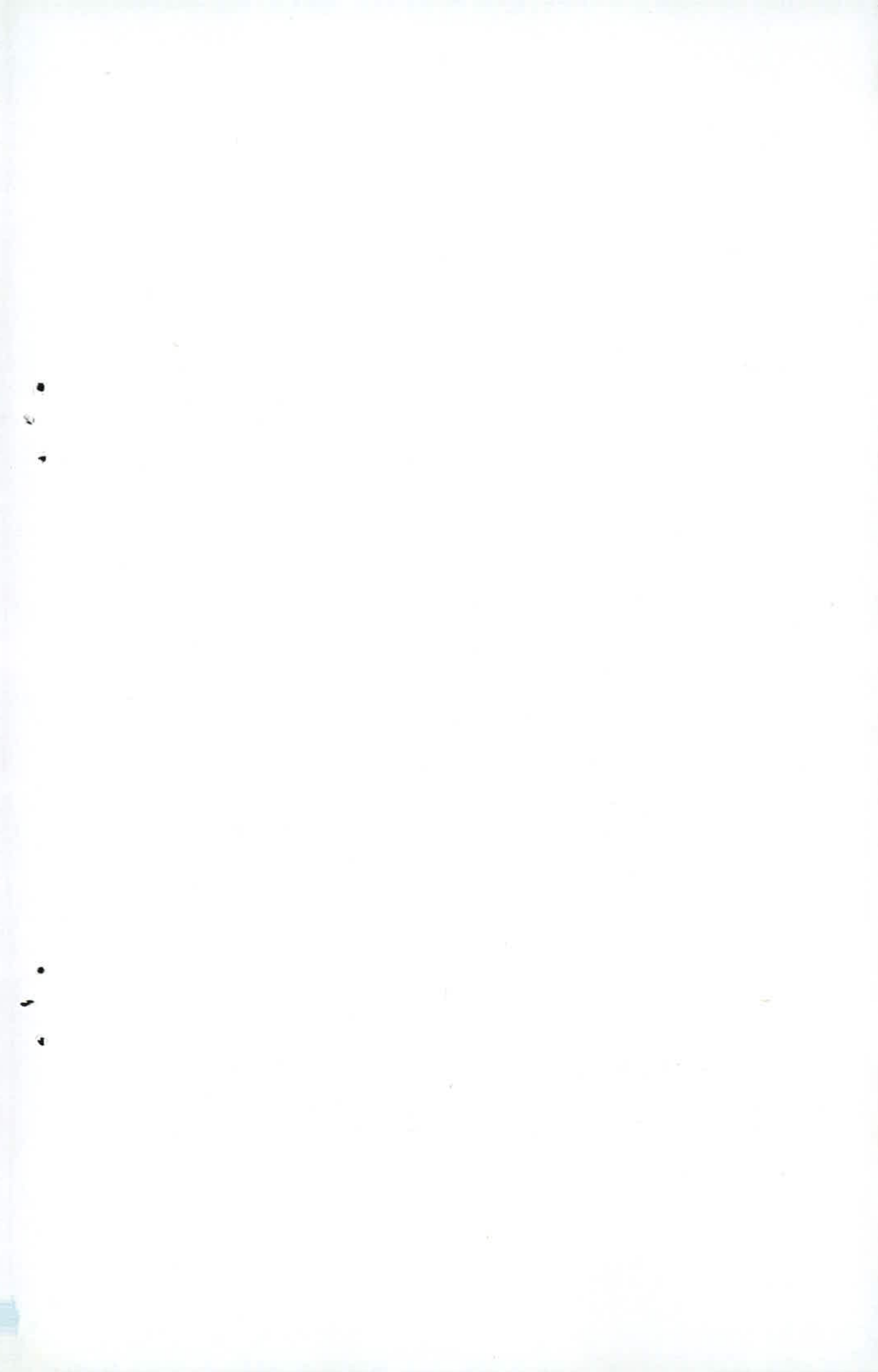
Countersigned



New Delhi

The 27 SEP 2013

(Shashi Kant Sharma)
Comptroller and Auditor General of India



Appendix- I

(Reference : Para- 5)

Statement showing position of unadjusted advances under Transport Department.

Sl. No.	To whom paid with designation	Amount paid (₹ in lakh)	Date of payment	Purpose of payment	Period of delay (in months)
1	Shri Dilip Borthakur, PS NCHAC	0.21	22.4.10	For repairing of his allotted vehicle	22
2	Shri Subrata Hojai, EM, i/c. Transport	0.25	10.12.10	For procurement of spare parts against his allotted vehicle	14
3	-do-	0.30	19.2.11	For purchase of tyre & tubes against his allotted vehicle	12
4	Shri Hemen Langthasa, SE (II) (M) W/s & Transport	0.20	11.2.11	For construction of bus counter	12
5	-do-	0.08	17.2.11	-do-	12
6	M/s. Loknath Auto Enterprise	1.50	19.2.11	For supply of spare parts for council's buses and trucks.	12
7	-do-	1.50	10.3.11	-do-	11
Total		4.04			

Source: Cash book of Transport department of NCHAC

