

**NAGALAND LEGISLATIVE ASSEMBLY
KOHIMA**



**PUBLIC ACCOUNTS COMMITTEE
(2018-2019)**

THIRTEEN ASSEMBLY

**118TH REPORT
of**

*The Committee on Public Accounts (2018-2019) on the Action Taken by
the Government on the Observations / Recommendations contained in
the 112th Report of the Public Accounts Committee on the C&AG
Report of India 2010-2011 and relevant Appropriation and Finance
Accounts*

Adopted by the Committee on 13th July 2018
Presented to the House on 18/09/2018

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Kohima : Nagaland.

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KOHIMA: NAGALAND**

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Minutes of the sitting of the Committee on Public Accounts

Composition of the Committee on Public Accounts (2018 2019)

Constituted on 29th March 2018

Chairman

Shri. K.T. Sukhalu - MLA

Members

Shri. E.E. Pangteang - MLA

Shri. Khriehu Liezietsu - MLA

Shri. Kezhienyi Khalo - MLA

Shri. Imnatiba - MLA

Shri. Mhathung Yanthan - MLA

Shri. Imtikumzuk - MLA

Assembly Secretariat

1. Shri. N. Benjamin Newmai - Commissioner & Secretary

2. Shri. K. Sekhose - Secretary (A)

3. Smt. Aosenla - Additional Secretary

4. Shri. Kewepe Kapfo - Deputy Secretary

5. Shri. T.Noksang Jamir - Under Secretary

6. Smt. Talirenla - Section Officer

INTRODUCTION

I, the Chairman, Public Accounts Committee (2018-2019) having been authorised by the Committee to present the Report on their behalf, do present this Action Taken Report by the Government contained in the 112th Report of the PAC on the Examination of the Report of the Comptroller and Auditor General of India for the year 2010-2011, to the Nagaland Legislative Assembly.

The Report of the Comptroller and Auditor General of India and the Appropriation Accounts and Finance Accounts for the year 2010-2011 were laid on the table of the House on 22nd March 2012.

The present Committee was constituted on 29th March 2018 by the House under the Rule 326 of the Rules of Procedure and Conduct of Business in the Nagaland Legislative Assembly.

This Report was considered and adopted by the Committee in its meeting held on 13th July 2018.

The Committee is thankful to all senior Government Officers of Nagaland for implementation of the Committee's Observations and Recommendations within the stipulated time.

The Committee also appreciates the valuable assistance of the Commissioner & Secretary, Officers and Staff of the Assembly Secretariat who dealt with the Committee matter and guiding the Committee in all forms.

Kohima the 13th July 2018

Sd/-
(SHRI. K.T. SUKHALU)
CHAIRMAN
PUBLIC ACCOUNTS COMMITTEE

Chapter-I

Observation / Recommendation which have been accepted by the Government

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

1.1 Para 2.3.6 Excess over provision during 2010- 2011 requiring regularisation

Appendix 2.3 contains the summary of total excess in 17 grants amounting to 90.55 crore over authorisation from the Consolidation Fund of the State during 2010-2011 requiring regularisation under Article 205 of the Constitution

(₹ in crore)

SI NO	NUMBER AND TITLE OF GRANT/ APPROPRIATION	TOTAL GRANT APPROPRIATION (₹)	EXPENDITURE (₹)	EXCESS (₹)
REVENUE (VOTED)				
1	9 TAXES ON VEHICLES	4.72	4.76	0.04
2	35 MEDICAL, PUBLIC HEALTH AND FAMILY WELFARE	202.04	204.23	2.19
3	43 SOCIAL SECURITY AND WELFARE	123.38	126.13	2.75
4	52 FOREST	50.92	53.33	2.41
5	58 ROADS & BRIDGES	104.94	106.58	1.64
6	62 CIVIL ADMINISTRATION WORKS	15.85	15.90	0.05
7	63 SCIENCE, TECHNOLOGY, ECOLOGY AND ENVIRONMENT	1.09	1.17	0.08
8	68 POLICE ENGINEERING PROJECTS	7.09	7.15	0.06
9	70 HORTICULTURE	21.59	21.87	0.28
10	72 LAND RESOURCE DEVELOPMENT	35.21	35.45	0.24
11	78 INFORMATION TECHNOLOGY AND TECHNICAL EDUCATION	8.85	8.95	0.10
12	79 BORDER AFFAIRS	1.45	1.53	0.08
	TOTAL REVENUE (VOTED)	577.13	587.05	9.92
CAPITAL (VOTED)				
13	4 ADMINISTRATION OF JUSTICE	30.32	38.72	8.40
14	22 CIVIL SUPPLIES	1.22	1.93	0.71
15	40 EMPLOYMENT AND TRAINING	3.03	4.40	1.37
16	48 AGRICULTURE	21.69	21.86	0.17
17	50 ANIMAL HUSBANDRY AND DAIRY DEVELOPMENT	4.07	4.62	0.55
18	58 ROADS AND BRIDGES	313.74	341.89	28.15
19	62 CIVIL ADMINISTRATION WORKS	19.72	44.08	24.36
20	68 POLICE ENGINEERING PROJECT	51.04	67.96	16.92
	TOTAL CAPITAL (VOTED)	444.83	525.46	80.63
	GRAND TOTAL	1021.96	1112.51	90.55

Observations / Recommendations

Excess expenditure over the grants allocated by the Legislature under the provisions of the Constitution have been incurring year after year. The explanation given by the Department indicates that the matter has been dealt within the routine manner. The question of excess expenditure beyond the allocated budget could have been avoided if the Department had prepared a realistic assessment of fund required and confined within the Grants Voted. The Department should also have acted judiciously in obtaining the unforeseen expenditures as additional grants in the Supplementary Demands.

During the course of oral evidence, the Committee observed that most of the Departments have failed to reconcile the figures of excess/ savings with the concerned authority as reflected in the Audit Report inspite of sufficient time and reminders given by the Accountant General, Nagaland.

The Committee, therefore, once again urge the defaulting Departments to adhere to financial rules and recommends that the excess both under voted grants and charged appropriations during the year under review may be regularized under Article 205 of the Constitution of India. The Committee desire the implementation Report to be submitted within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The above grants expenditure were regularised during 2013- 2014 in the supplementary demand grant for Excess Expenditure for the year 2010-2011

URBAN DEVELOPMENT

(Reply received vide NO.UDD/3 ACTT/01-PAC/2015 Dated 26.03.2015)

2.5 Capacity Building (Para 1.8.3 of AR)

Observations / Recommendations

- 2.6 The Committee recommends the Department to submit a copy of DPR for BSUP and IHSDP submitted to the Ministry and sanction order under which ₹.121.80 crore was released to GoN under JNNURM within 3 (three) months from the date of laying this Report in the House.

Action Taken by the Department

The Department had furnished all the relevant documents vide letter NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015 for the BSUP project Kohima & IHSDP Project in Dimapur

- 2.7 Short release of ACA by the State Government Para (1.9.1 of AR)

Observations / Recommendations

- 2.8 The Committee recommends the Department to intimate the receipt of ₹20.53 crore to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The balance amount of ₹20.21 crore under BSUP has been released to the Department copies of drawal authority enclosed vide NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015. Shortfall release of ₹ 32.00 lakhs for IHSDP yet to be release

- 2.9 Non-release of matching share(para 1.9.2 of AR)

- 2.10 The Committee would like to be informed of the outcome of the proposals made to the Government for the release of A&OE, Consultancy and Contingency expenses from the State Plan by the Department within 3 (three) months from the date of laying this report in the House.

Action Taken by the Department

As per the DPR Abstract, the provisions for A&OE, Consultancy and Contingency are as under:

Sl. No.	Particulars	Amount (₹ in lakh)
1	A&OE	437.73
2	Consultancy fee	372
3	Contingency	262.64
	Total	1072.37

Funds for all these provisions have been received and utilized.

As per the Sanction by the Govt. of India, the project cost details are as under:

Project Cost	Central Share	State Share	Beneficiary Share
₹13307.92 Lakhs	₹10560.47 Lakhs	₹2293.85 Lakhs	₹453.6 Lakhs

Accordingly, the Gol has released its entire share. The State has also released the entire fund as shown in the details overleaf. There is a shortfall of ₹ 7.82 Lakhs which the Department is sorting out with the Finance Department as recommended by the Committee (by submitting all the details of Gol sanctions and drawal authorities received). The shortfall is ₹ 5.24 Lakhs from the Gol share and ₹ 2.58 Lakhs from the State share.

CENTRAL SHARE RELEASED BY STATE				
Sl. No.	Amount Sanctioned			
	Amount	Finance Sanction Order No.	Date	Year
1	1080.28	No.FIN/EXA/DA/UD/2007-08/YS/101	07/08/2007	2007-08
2	372.00	No.FIN/EXA/DA/UD/2007-08/TK/246	16/10/2007	2007-08
3	1000.00	No.FIN/EXA/DA/UD/2007-08/NL/600	1/12/2007	2007-08
4	87.50	No.FIN/EXPDR-A/UD/2007-08/FV-655	27/03/2008	2007-08
5	1400.00	No.FIN/EXA/DA/UD/2008-09/JY/348	22/12/2008	2008-09
6	265.50	No.FIN/EXPDR-A/2009-10/KL/578	26/10/2009	2009-10
7	415.95	No.FIN/EXPDR-A/UD/2009-10/KS/578	26/10/2009	2009-10
8	494.69	No.FIN/EXPDR-A/UD/2009-10/WK-295	21/12/2009	2009-10
9	152.86	No.EXPDR(A)/UD/2010-11/KV/051	23/06/2010	2010-11
10	200.00	FIN/EXA/DA/UD/2010-11/WP-777/	31.3.2011	2010-11

11	79.34	FIN/EXA/DA/UD/2010-11/ZK-758	24.3.2011	2010-11
12	150.00	No.FIN/EXPDR-A/UD/2010-11/AM/365	30/03/2011	2010-11
13	100.00	No.FIN/EXPDR-B/UD/2011-12/TN/300	02/0/2011	2011-12
14	300.00	No.FIN/EXPDR-B/UDD/2011-12/VX/640	16/1/2011	2011-12
15	1817.00	No.EXPDR-B/UDD/2012-13/BG/305	03/1/2012	2012-13
16	792.03	No.EXPDR-B/UDD/2012-13/HV/456	23/0/2013	2012-13
17	924.04	No.EXPDR-B/UDD/2013-14/EC/428	13/0/2013	2013-14
18	924.04	No.EXPDR-B/UDD/2013-14/MZ/443	06/0/2014	2013-14
	10555.23			

STATE SHARE RELEASES				
Sl. No.	Amount Sanctioned			
	Amount	Sanction Order No.	Date	Year
1	233.64	No. FIN/EXPDR-B/UD/2007-8/BN/390	29/03/2008	2007-08
2	285.57	No.FIN/EXPDR-A/UD/2009-10/DR-295	21/12/2009	2009-10
3	37.12	No.EXPDR(A)/UD/2010-11/KV/051	23/06/2010	2010-11
4	27.78	No.FIN/EXPDR-A/UD/2010-11/AM/365	30/03/2011	2010-11
5	586.69	No.EXPDR-B/UDD/2013-14/PJ/006	27/11/2013	2013-14
6	1120.47	No.EXPDR-B/UDD/2013-14/RE/117	27/0/2014	2013-14
	2291.27			

Central Share Released by	₹10555.23 Lakhs
State Share Released	₹ 2291.27 Lakhs
Balance yet to be released	₹7.82 Lakhs

Copies of Drawal Authority received enclosed as Annexure 5

The Department has submitted proposal to the State Govt. for release of remaining State Share for IHSDP project, however the same has not been released till date.

Copies of Proposal for release of fund against IHSDP Project enclosed as Annexure 6

2.11 Short-release of State share (Para 1.9.3 of AR)

Observations / Recommendations

2.12 The Committee reiterated their earlier recommendation that short release of State Share to various Projects/Schemes should not jeopardize the flow of funds for any developmental activities in the State. Implementation of Committees recommendation be intimated within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Following the recommendation of the Committee, the State Govt. has released the State Share against the BSUP project. However, there is a small shortfall of ₹ 2.58 Lakhs in the State Share released which the Department is taking up with the Finance Department for release.

STATE SHARE RELEASES				
Sl. No.	Amount Sanctioned			
	Amount	Sanction Order No.	Date	Year
1	233.64	No. FIN/EXPDR-B/UD/2007-8/BN/390	29/03/2008	2007-08
2	285.57	No.FIN/EXPDR-A/UD/2009-10/DR-295	21/12/2009	2009-10
3	37.12	No.EXPDR(A)/UD/2010-11/KV/051	23/06/2010	2010-11
4	27.78	No.FIN/EXPDR/A/UD/2010-11/AM/365	30/03/2011	2010-11
5	586.69	No.EXPDR-B/UDD/2013-14/PJ/006	27/11/2013	2013-14
6	1120.47	No.EXPDR-B/UDD/2013-14/RE/117	27/03/2014	2013-14
	2291.27			
Actual State Share			₹ 2293.85 Lakhs	
State Share Released			₹ 2291.27 Lakhs	
Balance Shortfall			₹ 2.58 Lakhs	

The Department has submitted proposal to the State Govt. for release of short release in State Share for IHSDP Project, however the same has not been released till date.

IHSDP PROJECT						
Sl. No.	Amount released by State Govt.					Short fall
	Year	Expenditure Sanction No.	Finance Drawal No.	Expenditure Sanctioned	Net Released	
1	2	3	4	5	6	7
1	2007-08	No.UDD/GEN-7/93/IHSDP/07Pt Dtd. 29/03/2008	No.FIN/EXPDR-A/UD/2007-08/BN/390 Dtd. 29/03/2008	220.70	195.31	25.39
2	2009-10	No.UDD/10-JNNURM/07-MS/2009 Dtd. 21/12/2009	No.FIN/EXPDR-A/UD/2009-10/WK-295 Dtd. 21/12/2009	736.00	651.33	84.67
			Total : Rs.	956.70	846.64	110.06

Copies of Proposal for restoration of short release of fund against IHSDP Project enclosed as Annexure -7

2.15 Deduction of Departmental Charges (Para 1.9.5 of AR)

Observations / Recommendations

2.16 The Committee would like to know whether the balance amount of ₹ 1.89 Crore has been restored till date, details should be submitted to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The balance amount of ₹ 1.89 Crore has been received by the Department.

2.23 Delay in completion of the Projects (Para 1.10.2 of AR)

2.24 The Committee recommends the department to furnish the list of completed units vis a viz allocation list and details of the project site within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

BSUP:

Selection and allocation for 1992 beneficiaries under 'In-situ Up-gradation' for BSUP has been completed. Copy of list of beneficiaries enclosed as Annexure 9. The details of progress/completion of the 1512 DUs under 'Relocation' phase is as under:

Sl. No.	Site	No. of DUs to be constructed	No. of DUs completed
1	K. Badze	720	720
2	Meriema	432	264
3	Ruziezou	360	292

The Beneficiary selection is in the final stage. On completion, allocation shall be made to the beneficiaries.

FOR Meriema and Ruziezou, 432 DUs & 292 DUs have been recently complete for which the selection of beneficiaries is in the beneficiary list is approved

IHSDP:

Selection and allocation of dwelling units for 240 beneficiaries under 'Relocation' for IHSDP has been completed and occupied at Netaji Colony Site. Copy of list of beneficiaries enclosed as Annexure 10

Beneficiary selection for 480 dwelling units for Burma camp site is under process.

The details of progress/completion of the 720 DUs under 'Relocation' phase is as under:

Sl. No.	Site	No. of DUs to be constructed	No. of DUs completed
1	Netaji Colony	240	240
2	Burma Camp	480	240, rest in various stages of completion

Selection of 1776 beneficiaries for In-situ up gradation has been done through Ward Committees which is being processed for verification and approval. Copy of letter for scrutiny and verification

2.31 Performance security (Para 1.10.6 of AR)

Observations / Recommendations

2.32 The Committee be intimated the deducted amount of Security deposits and work tax against ₹ 127.14 Crores under IHSDP, UIDSSMT and UIG within 3 (three) months from the date of laying this Report in the House.

Action Taken by the Department

Details of deducted amount for Security Deposit and Work Tax for BSUP project is as under:

(₹ In Lakhs)

Sl. No.	Name of Project	Security Deposit	Works Tax
1	BSUP in Kohima	₹242.70	₹238.98
Total		₹481.68	

Details of deducted amount for Security Deposit and Work Tax for IHSDP, UIDSSMT and UIG project is as under:

(₹ In Lakhs)

Sl. No.	Name of Project	Security Deposit	Works Tax
1	IHSDP in Dimapur	₹137.56	₹75.25
2	Upgradation of Roads, Chumukedima UIDSSMT	₹24.92	₹10.44
3	Road and Transportation, Kohima UIG	₹183.00	₹92.94
Total		₹345.48	₹178.63

2.33 Community Participation Fund (Para 1.10.7 of AR)

Observations / Recommendations.

2.34 The Committee would like to have the assurance given by the Department. Implementation along with Notice/ order be intimated to the committee within 3 (three) months from the date of laying this Report in the

House.

Action taken by the Department

The Community Participation Fund (CPF) was initially not part of the JNNURM. According to the gridlines the proposal for taking up Schemes/Projects under CPF are to be initiated by the Urban local Bodies (Municipal & town Councils). Interested Self-Help-Groups and NGOs have to prepare viable Schemes/Projects which have to be approved by the Municipal/ Town Councils. Thereafter, Municipal/ Town Councils shall submit the proposal to the State Nodal Department. In the case of the Nagaland, the Urban Development is the State Nodal Department for the JNNURM. The State Nodal Agency after due diligence was required to submit the proposal to the ministry of Urban development, GOI for funding.

However, the Department had not received any such proposal from the ULB till December 2011. Meanwhile, the JNNURM got discontinued by 31.03.2012. Therefore, Community Participation Fund could not be availed.

2.37 Beneficiary Contribution (Para 1.11.2 of AR)

Observations / Recommendations

2.38 The Committee recommends the Department to state whether both Gol and State Government has released the same utilization against the fund and also to assure as to when will this beneficiaries contribution be collected may be furnished within 3 (three) months from the date of laying this Report in the House.

Action Taken by the Department

BSUP:

The Department has received both Gol and State shares from the State Government but there is a shortfall of ₹ 7.82 Lakhs (₹ 5.24 Lakhs from Central release and ₹ 2.58 Lakhs from State share). The Department is processing for release of the shortfall with the Finance Department as recommended by the Committee.

(₹ In Lakhs)

Project Cost	Central Share	Central Share released	State Share	State Share released	Beneficiary Share
13307.92	10560.47	10555.23	2293.85	2291.27	453.60
Shortfall release in Central Share				₹ 5.24 Lakhs	
Shortfall release in State Share				₹ 2.58 Lakhs	
Net Shortfall release				₹ 7.82 Lakhs	

The selection of the 1512 DUs under 'Relocation' at the three sites of K.Badze, Merlema and Ruziezou are being done through 19 Ward Committees set up by the State Government (copy of Notification enclosed as Annexure 12). The Ward Committees have finalized the beneficiary list and the same is submitted to Government for approval. Beneficiary collection of ₹ 30,000/- shall be collected from the beneficiaries once the selection is finalized and approved.

Utilization Certificate (UC) for Gol releases has been submitted. Copy of UC submitted enclosed as Annexure 12A

IHSDP:

The Gol has released the final Instalment for IHSDP Project to the State Govt. on 23th Dec 2014. Copy of Gol final Instalment released enclosed as Annexure 13

The full State Share is yet to be released by the State Government against IHSDP Project. Proposal for release of State Share has been put to the State Govt.

Copy of the Proposal for fund release has been furnished by the Department vide letter NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015

Utilization Certificate (UC) for both Gol and State Share releases has been submitted. UC for Final Instalment is yet to be submitted. Copy of UC submitted by the Department vide letter NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015.

Out of the released amount there is a shortfall of ₹ 193.47 Lakhs (₹ 83.41 Lakhs from Central release and ₹ 110.06 Lakhs from State share). The Department is

processing for release of the shortfall with the Finance Department as recommended by the Committee. Copy of proposal for short fall submitted by the Department vide letter NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015.

Out of the 240 allotted DUs at Netaji colony, 1st Instalment of the Beneficiary contribution has already been collected amounting to ₹ 79.66 Lakhs. The Balance beneficiary collection shall be done once the selection is finalized and approved.

(₹ In Lakhs)

Project Cost	Central Share	Central Share released	State Share	State Share released	Beneficiary Share	Beneficiary Share collected
6947.47	4069.96	4069.96	1806.66	956.70	1070.85	79.66
Shortfall release in Central Share				₹ 83.41 Lakhs		
Shortfall release in State Share				₹ 110.06 Lakhs		
Net Shortfall release				₹ 193.47 Lakhs		

2.39 Arbitrary modification of DPR and reduction of Dwelling Units (Para 1.11.3.1 of AR)

Observations / Recommendations

2.40 It has been observed that the Department is responsible for all deviation. Therefore the Committee recommends to state with reasons, which necessitated revising almost every project. Also the details list of 1512 new DUs may be furnished within 3 (three) months from the date of laying this Report in the House

Action Taken by the Department

DPRs are estimates of works proposed to be taken up and prepared according to the scheme guidelines. While DPRs are in submission, the scheme guidelines and admissible components are often changed, necessitating revision of projects. Some components proposed in the DPRs are also altered/ deleted while vetting by the Technical wings of the ministry of Urban

Development as per Technical Concept adopted by the vetting Officers/Agencies. It is also often proposed for adopting cost saving methods and materials thereby necessitating revision of projects.

2.41 Purchase of land (Para 1.11.3.2 of AR)

Observations / Recommendations

2.42 The Committee would like to know whether the Department has taken possession of the land at Keyake, total area of land in acres, to which the Department the land acceded to be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action Taken by the Department

The land at Keyake, measuring 8.00 acres (copy of land papers enclosed as Annexure 15 enclosed) has been taken over by the Department. The Department is taking up the project 'Construction of Burial/Cremation Ground' sanctioned by the Ministry of Urban Development under 10% Lumpsum Provision for North Eastern States Scheme at the said plot of land. Copy of sanction order submitted by the Department vide letter NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015

2.51 Purchase of land (Para 1.11.4.3 of AR)

Observations / Recommendations

2.52 The Committee was annoyed with the functioning of the Urban Development Department, however, the Committee be intimated as to how 1776 DUs has been activated and whether ₹ 4.74 crore has been realised from Chekiye Village, since the land has been abandoned. Action taken in their matter be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action Taken by the Department
 1176 DUs is being taken up under In-situ Upgradation as per the revised and approved DPR by the MoHUPA, New Delhi as per the 126th Meeting of the Central Sanctioning Committee of MoHUPA.

Refer Para 2.24 reply for progress of 1776 DUs.

Regarding Cheriye Site, the purchase plot is still with the Department despite the relocation project being cancelled at Cheriye. The Department is contemplating for using the site for other projects.

2.73 Monitoring by State Agencies/Departments (Para 1.13.3 of AR)

Observations / Recommendations

2.74 The Committee be informed of the completion and handing over of the project indicating date within 3 (three) months from the date of laying this Report in the House

Action Taken by the Department

BSUP:

720 DUs under 'Relocation' phase at K. Badze site has been completed.
 432 DUs under 'Relocation' phase at Meriema Site has been completed
 360 DUs under 'Relocation' phase at Ruziezou site will be completed by December 2016

IHSDP:

240 DUs under 'Relocation' for IHSDP at Netaji Colony site has been completed; inaugurated on 30.11.2012 and occupied. 480 DUs under 'Relocation' for IHSDP at Bruma Camp Site & 1776 DUs under In-Situ upgradation will be completed by December 2016 provided the State releases its abalnce state share of ₹ 849.97 lakh against the project.

HORTICULTURE

(Reply received vide NO.HR/AUDIT/PAC-15/2/12 Dated 18.06.2015)

3.4 Financial Irregularities (Para 2.11 of AR)

Observations / Recommendations

3.6 The Committee therefore urge the Horticulture Department to spend its funds on the means and not to repeat the irregularities of the past. Accurate system of accounting be strengthened while handling in term of crores of Central funds. Also not to succumb to unwanted pressures.

Action taken by the Department

No.HR/DTE/PAC/2014-15/ : In pursuance to the 112th Report of the Committee on Public Accounts (2014-15) on the Examination of the Report of the Comptroller & Auditor General of India for the year 2010-2011 and relevant Appropriation and Finance Accounts and as schedule under Chapter-III section 3.6 of the same, it is for the information of all concerned that hence forth, all funds will be spend on the means and no irregularities should be repeated and funds should be utilised as per the General Financial Rules. No diversion of funds will be allowed for any purpose unless sanctioned by the competent authority as per the General Financial Rules. The concerned Officials are directed to maintain accurate system of accounting as per the Financial Rules. Any Official found violating order will be strictly dealt with and appropriate action will be taken as per the provisions of the law.

TOURISM

(Reply received vide NO.TOUR(P&W)-52/2007-08/785 dated 22nd July 2015)

3.7 Loss of Govt. Revenue (Para 4.2 of AR)

Observations / Recommendations

- 3.8 Though the Tourism Department deviated in selecting highest bidder; reducing security deposits ignoring Cabinet decision and Tender Committee, It has received its rent @ ₹ 30000/-P.M from Dec. 2007- June 2012. The Committee therefore recommended that henceforth, the Department should not repeat the lapse and monthly rent deposits before 15th of every month be insisted. Action taken in this regard be intimated to the

Action taken by the Department

After serving Reminder Notice to the Lessee, the Department has received monthly rent up to March 2014 and for the remaining monthly rent till date reminder has been served. However, If, in case the Lessee defaults the payment. The security deposit would be forfeited as per the Deed of Agreement entered between the Department and the Lessee against Tourist Lodge, Kohima.

VETERINARY & ANIMAL HUSBANDRY

(Reply received vide No. VETY/AUDIT-5/24/95 Dated 9.07.2015)

- 3.9 Avoidable excess expenditure (Para 2.10 of AR)

Observations/ Recommendations

- 3.10 The Committee understands that after issuing approved supply orders, the suppliers approved higher level for higher cost and in the strength of its note, the Department obliged for exchanging untenable supply rate. Therefore, the excess expenditure evolved to the tune of ₹ 59.34 lakh incurred to the state exchequer.

- 3.11 The Committee therefore, warned the Veterinary & Animal Husbandry Department, Government of Nagaland that their Department shall not allow suppliers to take a ride in their own wish or in other words, the Department

Officers has their own shares in excess payment. The Committee does not see the responsible and trusted Officers in disposing in terms of lakhs of Department fund. The committee urge, the State Government to post Officers in the Administrative level having fullness of integrity otherwise Officers who have doubtful integrity destroys the established Government Department.

Action taken by the Department.

1. Submission of comparative statement and recommendation of the Tender Board Dated 05.08.2009
2. Review of the Recommendation of the Tender Board dated 20.08.2009
3. Administrative approval for supply of milking cows/ pregnant heifers during 2009-10 (₹ 45000/- per milking cow and ₹ 36000/- per heifer dated 27th Aug 2009)
4. Accordingly the cattle induction programme was implemented as per the Govt. of Nagaland administrative approval.

HOME (VILLAGE GUARDS)

(Reply received vide NO.POL-2/VG/3/2011 Dated 18.06.2015)

- 3.12 Double Drawal of Ration Allowances (Para 2.6 of AR)

Observations/ Recommendations

- 3.13 In view of the Departmental replies the Committee would not like to comment further. However, the Committee recommends the Home Commissioner and Commissioner to ensure that there is no recurrence of such double-drawals and to be more cautious in future, Commandants and Dy. Commandants of V.G.O, Nagaland be caution for transparent transactions. Accounts Assistant should also be caution to deposit from malpractices through Oms.

(18)

Action taken by the Department

Necessary action has been taken by serving warning letter to all DDOs and Accounts Assistance under Village Guard Origination (VGO).

HOME (POLICE)

(Reply received vide NO.PHQ(MT)Audit/2009-10 Dated 15.09.2015)

3.14 Fraudulent Drawal of Funds (Para 2.1 of AR)

Observations/ Recommendations

- 3.16** The Committee therefore, recommends that detail distribution of 1750 fire extinguisher with unit wise, name of the Departmental Officer who paid ₹ 1.28 crore to the firm and investigating Officer's Report on the ₹ 4.00 crore supply must be furnished to the Committee within 3(three) months from the date of laying this Report in the House.

Action taken by the Department

Department have provided Photo copies of the page distribution register. Generally cashier is making payment. Department have provided detail Report of the investigation Officer

HOME (GENERAL ADMINISTRATION)

(Reply received vide CAWD/NLAS/CAG-PAC/2012-13/ Dated 23.03.2015)

3.19 Excess Payment of ₹ 98.76 lakh (Para 2.9.2 of AR)

Observations/ Recommendations

- 3.21** The Committee observed that the CAWD works in randomly because without selecting the site, work order was issued. The Chief Engineer (H) has allowed untenable enhancement in anticipating Government approval. The Committee further, observed that the Chief Engineer (H) has been directed by contractor instead of controlling the system.

(23)

Action taken by the Department

Following the observation of the committee, in the matter related to the CAWD works in randomly because without selecting the site, work order was issued. In this connection, the Executive Engineer(CAWD) has directed all staffs of the technical branch to strictly pursue in compliance, as per the schedule comments, observation and objections made by the Committee as stated in Para 3.21 i.e "to issue work orders, only after receiving the Land Possession Certificate, from the user Department." So that the division may not continue any such lapses in future.

In observation made by the PAC, following the Chief Engineer (H) allowing untenable enhancement in anticipating Government Approval and further observed that the Chief Engineer (H) has been directed by contractor instead of controlling the system

Observations/ Recommendations

- 3.22** The Committee recommends the Department to indicate the names of CE (Housing) and EE (CAWD) of that period under whose Administrative Control ₹98.76lakh had been paid as excess expenditure and intimate to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The name of the Chief Engineer (Housing) and Executive Engineer (CAWD) of the period under whose administrative control ₹ 98.76 lakh has been paid

Sl. No	Name of the Officers	Designation
1.	Rtd. Er. NIHOTO SEMA	Chief Engineer PWD (Housing)Nagaland, Kohima
2.	Rtd. Er.VEKHO SWURO	Executive Engineer (CAWD) officer of the Commissioner, Nagaland, Kohima

PUBLIC WORKS DEPARTMENT (WORKS & HOUSING)

(Reply received vide letter NO.WH/R&B-86/2014-15/PAC/861 Dated Kohima 28-6-2017)

3.25 Fraudulent Drawal (Para 2.5 of AR)

Observations / Recommendations

3.26 The Committee warns the Department to refrain from such lapses in future and intimate the Committee on the measures taken to avoid such lapses within 3 (three) months from the date of laying the Report in the House.

Action taken by the Department

The Department has informed the division to avoid such lapses in future

SCHOOL EDUCATION

(Reply received vide NO. DSE/PAC/6-20/2015/1069 Dated 02.12.2015)

3.27 Fraudulent Drawal (Para 2.3 of AR)

Observations/ Recommendations

3.28 The Committee observed that the treasury Officer and DIS Longleng deliberately violated the Treasury Rules with a view to have their excess drawal shares. Hence, T.O, DIS and bill assistant of the DIS Office borne the responsibility equally.

Action taken by the Department

The responsibility has been fixed to the bill assistants of the then DIS establishment.

Observations/ Recommendations

3.29 The Committee therefore recommended that ₹ 14.00 lakh be realised from DIS and bill assistant i.e incumbents of April 2009 and deposit to the Government Treasury within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The bill assistants admitted their mistake, but stated that the it was done without any malafide intention and the entire excess amount was released to each incumbents through their respective SBI/TEC/VEC Accounts. As

requested by them for more time for making the recovery, the Departmental Committee directed the SDEO to initiate the recovery from the bills assistant in instalments in order to minimise the hardship face by them. Accordingly ₹ 2.00 lakh has been recovered from the bill assistants vide Treasury challan NO.02 of 28/9/15 the remaining shall be recovered within 6 (six) months.

3.30 Fraudulent Drawal (Para 2.4)

Observations/ Recommendations

3.31 The Committee is surprise to note that the demands, pay deductions and prevailing in Nagaland. In avoiding the risk, employees parted with the percentages. Nevertheless, if reported the matter to the authority, there is soluble problems. However, without reporting to the authority how DIS and his staff draw excess amount of ₹ 12.05 lakh and paid to the anti-social elements and then from where ₹ 5.52 lakh and ₹ 6.53 lakh i.e ₹ 12.05 lakh realised and deposited to the Government exchequer. The Committee further opined that the needle of suspicion lies with the Accounting staff.

Action taken by the Department

Action taken report already submitted in the interim reply vide letter NO.ED/ACT/NLA-KMA/2011-12 dated 29th August 2012.

Observations/ Recommendations

3.32 The Committee therefore, urged upon the Administrative heads of Department and Officers in the Directorate to caution all DEO and SDEOs to put more vigilant as the Education Department and Teacher Community become victims of the negationists. Actions taken be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Action taken report already submitted in the interim reply vide letter NO.ED/ACT/NLA-KMA/2011-12 dated 29th August 2012.

FINANCE (TREASURIES & ACCOUNTS BRANCH)

(Reply received vide NO. FIN/ TA/PAC-4/2008 Dated 10.07.2015)

3.33 Fraudulent Drawal (Para 2.2 of AR)

Observations/ Recommendations

3.34 The Committee reiterated its recommendation vide 101st report on C&AG Report of India (2008-09) which laid in the House on 15-09-2011 and forwarded to the Department. Wherein, the Committee recommended in para 2.1.4 highlighting the absence of monitoring system and internal Audit by Finance Department resulting in rampant drawal of excess bills, fictitious bills etc.. by DDOs. By undertaking advantages of drawing excess/ double drawals in the Department.

Action taken by the Department

The Department had constituted 4 (four) Internal audit teams to verify the fraudulent drawals of ₹ 21.58 lakhs where the recovery has not been made till date. Copy of Constitution of internal audit teams along with the findings are enclosed. The Department will write to the concern Departments along with the internal audit findings, directing them to recover the excess drawal pending amount of ₹ 4,86,574/- as break up given below:

<u>DDO</u>	<u>Amount</u>
1. SDAO Niuland	₹101885/-
2. CDPO, Kuhuboto	₹64,831/-
3. CDPO, Chare	₹45,688/-
4. DC Longleng	₹172822/-
5. HM Govt. High School Atoizu	₹109348/-
6. CDPO Chessore	₹22000/-

Observations/ Recommendations

3.35 The Committee therefore, urge the Finance Department and directorate of Treasuries & Accounts to furnish the reasons on the undertaking of Committee's recommendations and non-formulation of internal audit and monitoring system within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Internal audit and monitoring system has been put in place in the Directorate for regular inspection of treasuries and Sub-treasuries. The process of treasury computerization has also commenced on a pilot phase. Once completed, there will be no scope for fraudulent payments.

PUBLIC WORKS DEPARTMENT (Road & Bridges)

(Reply Received vide letter NO.WH/R&B-86/2014-15/PAC/1155 Dated 26.05.2016)

4.1 Planning (Para 3.1.6 of AR).

Observations / Recommendations

4.2 The Committee recommends the Department to furnish all the details with inclusive of State highways, list of State PWD roads, updated surfaced and unsurfaced length of roads viz a vis the works completed to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The details of State Highways, list of State PWD roads, updated surfaced and unsurfaced length of road are furnished as stated below:

- (1) List of State Highways
- (2) List of State PWD Roads
- (3) Updated surfaced and un surfaced length of roads

4.5 Non-reconciliation of figures of expenditure (Para 3.1.7.2 of AR).

Observations / Recommendations

4.6 The Committee therefore recommends that the Departmental Officers to submit their reconciliation figures in time as the failure to submit the figures invites a huge pecuniary variation to reconcile. Measures taken be intimated to the committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Recommendations of the Committee accepted with sincerity. All PWD Divisions have been intimated to submit the progress report on time.

4.7 Rush of Expenditure (Para 3.1.7.3 of AR).

Observations / Recommendations

4.8 The Committee observes that the Department never submits the progress report within the specific period as it hinders to issue the work order resulting in release of fund. Measures taken in this regard be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

In order to avoid rush of expenditure at the end of each year, the department always sent the proposals progress report to the Government well in advance. However the planning and Finance Departments gives its clearance and sanction late which results in rush of expenditure.

4.9 Delay in release of funds (Para 3.1.7.4 of AR)

Observations / Recommendations

4.10 The Committee recommends the Department to adhere to the measures streamlined by DONER in order to release the funds in timely manner and

measures thus taken be intimated to the Committee within 3 (three) months from the date of this Report in the House.

Action taken by the Department

Recommendations of the Committee accepted with sincerity.

4.11 Unauthorised deduction from NLCPR funds (Para 3.1.7.5 of AR)

Observations / Recommendations

4.12 The Committee observes that under the NLCPR guidelines no staff component either work charge or regular shall be created by the project implementing apart from NLCPR funds, it is basically for project fund and not for taking salary as staff component. Therefore, the Committee recommends the Department to submit a copy of the deducted expenditure of ₹ 3.45 crore which was claimed to have been decided during the State Planning Board meeting within 3(three) months from the date of laying this Report in the House.

Action taken by the Department

As recommended by the committee, the details of expenditure deducted from the Finance Department as per the amount released is enclosed. DA/DL Copies also enclosed

4.13 Expenditure on wages without budget provision (Para 3.1.8.1 of AR)

Observations / Recommendations

4.14 The Committee observes that Longleng divisions had drawn the amount without any records of payment of wages as mentioned in the C&AG Report therefore, Committee opined the Department to clarify in detail the amount drawn for payment of wages, no. of labourers within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The vouchers for payment of wages as per cash book are indicated as in annexure enclosed:

Sl.No	Name of division	Year	Expenditure on wages without budget provision (₹ in lakhs)	Details of Payment wages
1.	Longleng	2008-09	10.80	Enclosed as Annexure-3(a)-LLG-1 to LLG-3B
2.	Longleng	2009-10	4.6	Enclosed as Annexure -3(b) -LG-4 to LLG-5
3.	Longleng	2010-11	51.08	Enclosed as Annexure-3(c)-LLG-6 to LLG-16

4.15 Travelling expenditure drawn from budget under salary (Para 3.1.8.2 of AR).

Observations / Recommendations

4.16 The Committee therefore, warned the AHOD and HOD to exercise their power to control their Subordinate Officers. They should realise as to how EEs stationing in Kohima and Dimapur alone yet draws excess TAs from salary heads. It should not be repeated in near future.

Action taken by the Department

Recommendations of the Committee accepted with sincerity.

4.17 Excess expenditure on motor Vehicles (Para 3.1.8.3 of AR)

Observations / Recommendations

4.18 The Committee recommends the department to submit all the relevant documents also to mention whether Department has done any inquiry on excess drawal of ₹ 10.58 lakh against motor vehicle maintenance within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

As reported earlier there is no excess expenditure on motor vehicles outside the allocation of Finance Department. Clarification from Wokha Division.

4.19 Pay arrears drawn without supporting records (Para 3.1.8.4 of AR).

Observations / Recommendations

4.20 In view of the Departmental reply, the Committee decline to comment further, yet treat the Department as already corrupted one.

Action taken by the Department

The records for actual payment of arrears (APRs etc) by Longleng Division amounting to ₹ 43.72 lakhs from August 2007 to March 2011.

4.21 Diversion/ Non-remittance of sale Tax works contract (Para 3.1.8.5 of AR)

Observations / Recommendations

4.22 The Committee observes that the division has lied to the Department and Audit as it misappropriated the sales tax for the Government. The Department should warn the Accounts Officers in releasing of sales tax for Departmental use and follow the rules Any enquiry made on the alleged roads maintenance be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

An amount of ₹ 48.12 lakhs released from various contractors on account of Sales Tax on works contract has been utilized for departmental work "Improvement of Chen road, Longleng- Aboi, Longleng - Tuensang, Longleng - Changtonya", in March 2010.

4.23 Non/Short realisation of sales tax on work contract (Para 3.1.8.6 of AR)

Observations / Recommendations

4.24 The committee is not convinced by the Departmental representatives' reply. Though the fund being released by the fag-end of the financial year. It is observed that passing of Government bills by deducting work tax at 4% does not hamper the irrespective Treasury Officials, yet they deliberately ignores the Government

notifications and NVAT Rules. It is the duties of the Chief Engineer and Finance Department to impose penalty on respective Treasury Officers by treating them as erring Officials. Finance Department releases huge amount for number by schemes but never rectify the expenditure made. Therefore, the Finance Department hold responsible for non-deduction of ₹ 11.75 crore.

Action taken by the Department

The Department has no comments since the deduction is made from Finance Department.

4.25 Diversion of Funds (Para 3.1.8.7 of AR)

Observations / Recommendations

4.26 The Committee recommends the Department to submit all the relevant copies of how the amount of ₹ 49.84 lakh had been utilised alongwith the copy of UC furnished to the DONER Ministry within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

1. As there is no budget provision for purchase of vehicles an amount of ₹ 19,35,900/- was utilized for purchase of vehicles with the approval of the Chief Engineer, PWD (R&B). Order of Chief Engineer, PWD (R&B) for purchase of vehicles along with supporting documents
2. ₹ 10.00 Lakhs was utilized against the work for Construction of Nikhikhu Village Church Road (Metalling & Carpeting) through SDO-II, Dimapur).
3. The remaining amount of ₹ 19,97,328 /-has been deposited to the Government Account vide Challan No. 74 dated 27/03/2012 amounting to ₹ 13,03,780.00 and Challan No: 76 dated 27/03/2012 amounting to ₹ 6,93,548.00
4. Utilization Certificate for the work:" Up-gradation to Dimapur- Niuland Road from ODR to MDR, 28 Km" furnished to the DONER Ministry

4.27 Lack of transparency and competitiveness in award of works (Para 3.1.9.1 of AR).

Observations / Recommendations

4.28 The Committee recommends to communicate the action taken by the Department on two defaulted contractors i.e. M/s National constructions and M/s Paneshwar & Sons. It is also noted that all the work orders are awarded in favour and pickups. Whether, Department tryst to avoid such frauds in future to fix the responsibility and intimate within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The Department shall avoid such lapses in the future. Recommendation of the Committee accepted with sincerity.

4.29 Grant of improper escalations/ Deviations to contract amount (Para 3.1.9.2 of AR).

Observations / Recommendations

- 4.30** i).The Committee would like to have the concrete answer on Wokha-Merapani road as under;-
- a. Why ₹ 38.82 crore was enhanced to ₹ 69.95 crore without record and decision taken.
 - b. The Audit stated that ₹ 19.88 crore has been withheld however, R&B Department stated that out of sanctioned amount of ₹ 44.45 crore the contractor has paid ₹ 42.45 crore leaving a balance of ₹ 2.05 crore.

The Committee recommends to indicate as to why ₹ 38.82 was enhanced to ₹ 69.95 crore without record and the fate of withheld amount of ₹ 19.88 crore (Ref. Appendix- 3.3 (B) Page-147 of C&AG Report).

ii). Certified copies of work order E.E.(PWD) Tuensang from ₹ 2.81 crore to ₹ 4.10 crore and authorisation letter written to E.E.(PWD) Tuensang by Chief Engineer (R&B) be furnished to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

1. (a) The enhancement of the work from ₹ 38.82 Crores to ₹ 69.95 Crores was due to increase in the quantity of the executed items as per the need at site. Abstract of approved revised estimate is enclosed as ANNEXURE : 8 (a)
1. (b) Of the total approved Sanctioned Cost of ₹ 69.95 Crores, the unpaid balance/ outstanding bill amount is ₹ 14.88 Crores and not ₹ 19.88 Crores as stated in the 112nd PAC recommendation. The outstanding bill is still remaining unpaid due to non release of fund from the Finance Department.
2. Copy of the work order certified by Chief Engineer, PWD(R&B) for enhancement of amount from ₹ 2.81 Crore to ₹ 4.10 Crore for the work: "Tuensang - Longleng road", is enclosed : ANNEXURE: 8(b) No authorization letter was written to EE, PWD(R&B), Tuensang, except certified copy of the work order.

4.31 Deviation from DPR/Estimates (Para 3.1.9.3 of AR).

Observations / Recommendations

- 4.32 The Committee recommends that if there are competent Officials in the Department they should be sent for training so that DPRs and projects are prepared by the Department, action taken be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Recommendation shall be complied with.

4.33 Payment made on fictitious measurements (Para 3.1.10 of AR).

Observations / Recommendations

- 4.34 The Committee recommends the Department to submit the Completion certificate from the District Authority be furnished to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Completion Certificate for the following works duly signed by the District Authority is furnished as stated below:

1. Reconstruction of Old Road from Naga Hospital to Pezielletsie (Tin Pati) Junction, Kohima (3 Km)
2. Up-gradation of road from Rusoma to Kijumetouma (36 km) under NLCPR (Chiephobozou Division)
3. Upgradation of road from Phek to Chozuba (44.36 Km) under NLCPR (Phek Division)

4.35 Excess payment to contractor (Para 3.1.11 of AR)

Observations / Recommendations

- 4.36 The Committee recommends the Department to submit the completion certificate of the work done so far within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Completion Certificate for the following works enclosed :

1. Road from Naga Hospital to Pezielletsie (Tinpati) junction
2. New approach for Tuensang
3. Road from Noklak to Thonoknyu via Sanglao
4. Medziphema - Jalukie- Athibung Road

4.37 Payments made without entry in Cash Book (Para 3.1.17.2 of AR).

Observations / Recommendations

- 4.38** The Committee observes that as mentioned by the Department, the self cheque of ₹ 53.00 lakhs has been entered in the cash book and rectified. Since, the present Executive Engineer could not provide the payment, therefore details of payment be furnished to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The voucher of payment for the said amount is enclosed as ANNEXURE: 11

It may be clarified that the payment was for "Release of less drawn amount" to the various contractors for the work : " Longleng - Ladaigarh", which however, was paid by cash after drawing the amount collectively. This is as per the records of the Division.

FINANCE DEPARTMENT

(Reply received vide NO.FIN/REV-5/PAC/2015/122 dated 14.06.2016)

5.1 Trend of Revenue Receipts (Para 4.1.1 of AR)

Observations / Recommendations

- 5.2** The Committee observed that the Department had mention that 8% of the total revenue collection is State's collection in the State of Nagaland. The Committee apprise that the Department is satisfied with the increase of ₹ 37.19crores for the year 2010-2011 even than the State Government is pasturing on Central Government quantise aid of 92%. There is no monitoring system and revenue generating mechanism by Finance Department. The Committee recommends that Finance Department should not work on mathematics only on the receipt of Central Government, rather it should formulate getting revenue mechanism.

Action taken by the Department

It is not factually correct to say that Finance Department is working on mathematics alone. To ensure that the revenue performance improves, the department has put various measures in place. These include

1. Endorsing all Drawal Authorities to Commissioner Taxes to verify and ensure correct deduction of tax.
2. Prescribing that all suppliers of value of ₹ 50,000/- and above are registered with Taxes Department, without which files will be rejected.
3. Authorizing Treasuries to deduct works tax at the Treasury point.
4. Regularly deputing Internal Audit of Treasuries to the Works Divisions to ascertain correct deduction of tax by departments. For example, during 2010 internal audit of Works Divisions had resulted in detection of non-payment of works tax and forest royalty of ₹ 36.36 crore. Following this audit, most Divisions have deposited the tax. Even recently, the Directorate of Treasuries have been directed to carry out similar audit to ascertain correct payment of taxes.
5. Ultimately, Finance Department is not an enforcement agency, and direct responsibility and accountability for collection of various taxes lie with the concerned departments who are authorized and mandated to collect revenue in different forms.

5.3 Variation between the budget estimates and actual (Para 4.1.4 of AR)

Observations / Recommendations

- 5.4** The Committee observed that the Finance Department never coordinate with the Government Department neither impart training on budgeting hence to specify the variation in awkward Department. The Committee recommends to evolve budgeting monitoring mechanism.

Action taken by the Department

Finance Department does coordinate with the major revenue earning Departments before finalizing the estimates. However, variations between Budget Estimates and actual collection is unavoidable since it is not possible to determine the exact amount of revenue that would be collected during the year at the time of preparation of estimates.

5.5 Analysis of arrears of revenue (Para 4.1.6 of AR)

Observations / Recommendations

- 5.6 The committee observed that the Finance Department has issued Office notification NO.F.NO/FIN/REV-4/GEN-9/09 dated 12th may 2009 directing all Government Department including Treasurer Officer for compliance in deducting tax at source however Government Department never need to direction hence the outstanding balance of arrear stood at ₹ 6.92 crore. The committee therefore, recommended that defaulting department to stipulate time frame recovery and endorse to Department to release outstanding arrears within it. Action Taken on the matter be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The total outstanding amount of arrears under various Acts up to 2005-06 was ₹ 6.92 crore as on 31-03-2011. However, the outstanding amount has been reduce to ₹ 2.95 crore as on 31-03-2016. A detailed statement of outstanding amount indicating year-wise, unite-wise and Act-wise up to 2005-06 as on 31-03-2016 is enclosed as Annexure-I for reference. The Department is making all possible efforts to recover the remaining outstanding amount and settle the case.

FINANCE (TAXATION)

(Reply received vide NO. FIN/ REV-5/15/PAC/2015 Dated 28.04.2015)

5.15 System deficiencies to detect utilization of lost, invalid/fake declaration forms (Para 4.3.9 of AR)

Observations/ Recommendations

- 5.16 It is observed and recommend the Department had conducted Departmental enquiry and the report has been submitted regarding the lost of 1375 "C" Forms and as a preventive measure the Department had declared these forms as obsolete and invalid and all the registration is seen on the database in the computerized form, Department has also appointed even one Nodal Officer, particularly to look into this issue for uploading the Forms on the access website. Why there is no case of search, seized and investigation was reported to the Commissioner by mobile squad within 4 years (2007-10) who was the Nodal Officer and his rank/status, and why the Mobile squad deviated from Government order, intimate to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

All the forms are declared obsolete and invalid through Nagaland Gazette Notification and circulated to all the Commissioners of Taxes of the state and Union Territories for the information and necessary action so as to prevent any misuse.

To remove the deficiencies in the system in detecting utilization of lost/invalid/fake declaration Forms, the Department has taken the following measures;

- The Said Gazette notifications are already uploaded and are now available in the Department's website for ready verification and reference.
- All statutory forms issued from 1st April 2010 up to 30th September 2013 are now available in the department's website.
- Issuance of blank statutory forms has been completely discontinued w.e.f 22nd August, 2013
- From 1st October 2013, all the statutory forms are issued online and can be verified even approval for issuance of the forms.

e. The Department has also provided facility in the website for the stakeholders for necessary cross verification of the forms as and when required

f. The Department has appointed a Nodal Officer vide No. CT/STY/2TINXSYS/2006 dated 06/12/2011 in the rank of Superintendent to facilitate the upload of all information on issuance of statutory forms in the TINXSYS website.

5.27 Concealment of sales (Para 4.3.11.5 of AR)

Observations/ Recommendations

5.28 The Committee recommends the Department to furnish the action taken in this matter to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

All the transactions details have been cross-verified and it was found that there was some mismatch in figures declared in the forms. However, the figures have now been reconciled and are now in complete order. Statement submitted by the Department vide letter no. NO. FIN/ REV-5/15/PAC/2015 Dated 28.04.2015

5.29 Concealment of turnover (Para 4.3.11.6 of AR)

Observations/ Recommendations

5.30 The Committee recommend that the Department should furnish the traced records on ₹ 42.02 crore and levied tax against the amount viz wrong information furnished to the Commissioner of Taxes West Bengal the reason thereof to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The department has already traced the records for all the periods from 2002-2003, 2003-04, 2004-05 and 2005-06 amounting to ₹ 4.62 crores, ₹ 12.29

crores, ₹ 7.42 and ₹ 17.55 crores respectively. The exemptions claim by the assessee were admitted by the learned Superintendent of Taxes as per Section 6(A)(1) of the CST Act, 1956 as the movement of goods were by way of transfer and now by way of sales. Detailed period-wise statements of the statutory forms are submitted by the Department vide letter no. NO. FIN/ REV-5/15/PAC/2015 Dated 28.04.2015

In regard to wrong information submitted to Commissioner of Taxes, West Bengal, it is submitted earlier that 25 forms 'F' were issued to the dealer. A consolidated statement of the forms are submitted by the Department vide letter no. NO. FIN/ REV-5/15/PAC/2015 Dated 28.04.2015

5.37 Variation between the figure in the declaration forms and the utilization statements (Para 4.3.11.10 of AR)

Observations/ Recommendations

5.38 The Committee appreciate the re-assessed and cross checked of counterfoils and Inter-State transacted values with recovered amount. However it is the bounding duty of Assessing Officer of exercise his responsible in day to day transaction made by business communities. Assessing Authority, in no way allow loaders to escape in paying NVAT and it should not wait to awake after receiving audit reports updating and activation system be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

The department humbly submits that with the computerization and implementation of the online services, it has empowered the stakeholders and significantly transformed the entire functioning of the tax administration towards optimum and better performances. Now all inter-state transactions effected by our assesses are captured instantly and authentication and verification process can be done at the click of a mouse by the stakeholders. In view of the above steps already taken.

5.39 Value Added Tax evasion of ₹ 1.27 crore causing revenue loss of ₹ 44.06 lakh (Para 4.3.11.11 of AR)

Observations/ Recommendations

5.40 The Committee recommended that the Department to take necessary action for recovery of assessed and demanded NVAT amount and intimate to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

This para to the audit observation already made under para 4.3.11.4. As submitted earlier, considering the facts and circumstances of the case, the Department immediately, through a Gazette notification, declared the said forms as obsolete and invalid to prevent misuse. The said Gazette notification was circulated to all the Commissioners of Taxes of the States and Union Territories for information and necessary action. A copy of the Gazette Notification is appended as Annexure-IV for kind reference. Further, a special communication was send by thee learned Assistant Commissioner of Taxes, Kohima Zone, Kohima immediately to the learned Assistant Commissioner of Taxes Shillong, Meghalaya vide letter No.ACT-K/Tax- 07/2011-12 dated 26/6/2012 above the matter and to reject the obsolete forms and realize the tax from their end. A copy of the said communication is appended as Annexure-V for your kind reference.

5.41 Deficient Computerization and ineffective use of TINXSYS (Para 4.3.12 of AR)

Observations / Recommendations

5.42 The Committee would like to recommend that website coverage be given to all the Districts Office vis a viz networking vigilante be created to co-ordinate in realising and assessing the actual turnover of the business establishment. Moreover, even if business community try to evade taxes, the Department and enforcement officers should coordinate with inter-state transactions, set up monitor enforcement mechanism and vigilance be given top priority round the clock. Follow up of recommendation and action

initiated be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Thee department has its own dedicated website www.nagalandtax.nic.in. All online services are provided through this website. The services are available 24x7 and can be easily accessed by the stakeholders from anywhere.

All the District Tax offices are provided with Internet connectivity for better web coverage.

The department has also opened Dealers' Facilitation Centres (DFC's) in the Districts of Dimapur, Kohima, Mokokchung and Wokha. It has also plans to open up more such Centres in future for better coverage as and when required.

All the District/Ward Assessing Officers has been given access to the transactions details of the dealers in respect of their District/Wards for better vigilance and monitoring of the transactions and assessing the actual turnover of the business establishment.

The Department also conducts regular tax audit to ensure that proper tax assess and payment are made in time.

All information on issuance of statutory forms issued by the Department are being uploaded in the TINXSYS websites on regular basis to facilitate better cross-verification of the inter-state transactions. To ensure effective use of the TINXSYS facilities, the Department has instructed all the Assessing Authorities to mandatorily cross-check the details of the declaration forms at the time of tax audit and audit assessment to ensure that the transactions are correct and complete. In view of the above steps already taken.

Chapter - II

Observations/ Recommendations which the Committee do not desire to pursue in the light of the replies received from the Government

URBAN DEVELOPMENT DEPARTMENT

(Reply received vide NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015)

2.1 City Development Plan (CDP) (Para 1.8.1 of AR)

Observations / Recommendations

2.2 The Committee is of the view that Urban Development Department unnecessarily picked up PHED, Tourism, R&B and KMC without their appraisal and neglected to avail ₹ 898.43 crore from Gol. Urban Development Department has beguiled the PAC by stating that CDP is for all Districts. Whereas, it was only Kohima by coining Mission City. Therefore, the Committee does not want to counter the subtleness.

2.3 Deficiencies in processing of DPRs (Para 1.8.2 of AR)

Observations / Recommendations

2.4 The Committee observes that the Department has not well informed some Departments such as KMC, R&B and PHED Departments which resulted in not submitting the DPRs and in non-availing of funds of ₹ 898.43 crore. The Committee therefore, concluded that UDD Schemes for Nagaland is being handled by outsiders and decline to comment.

2.13 Payment of Interest free mobilization advance (Para 1.9.4 of AR)

Observations / Recommendations

2.14 The Committee declines to comment anymore as a reason of resentment on the functioning of the Department. The Department is going beyond all the procedures and Office regulations. Competent authority has abused his

delegated power by excessive exercises. Centre Government may be apprised of the malfunctioning.

2.17 Submission of Utilization Certificates (Para 1.9.6 of AR)

Observations / Recommendations

2.18 In view of the Departmental replies the Committee would not like to comment further.

2.19 Operation of Bank Accounts (Para 1.9.7 of AR)

Observations / Recommendations

2.20 In view of the Departmental replies the Committee would not like to comment further.

2.21 Delay in submission of claims for reimbursement of charges for preparation of CDP/ DPR (Para 1.9.8 of AR)

Observations / Recommendations

2.22 In view of the Departmental replies the Committee would not like to comment further, rather to conclude that State's share are beyond imagination.

2.25 Delay in award of work order (Para 1.10.3 of AR)

Observations / Recommendations

2.26 In view of the Departmental replies the Committee would not like to comment further.

2.27 Engagement of Consultants (Para 1.10.4 of AR)

Observations / Recommendations

2.28 The Committee wonders as to how Department paid the consultant fee randomly and in oversight. Whatever payments are made, it crosses layers of

Officers. It is observed that Departmental Officers are corrupting themselves and spoil their conscience. Therefore, the Committee concluded that, it is easier for a camel to go through the eye of a needle than to abide by agreement.

2.29 Setting up of Programme Management Unit and Programme Implementation Unit (Para 1.10.5 of AR)

Observations / Recommendations

2.30 In view, of the Departmental replies the Committee would not like to comment further. However, it is suspected that the UDD has delayed the submission of proposal to the Ministry.

2.35 Selection of Beneficiaries (Para 1.11.1 of AR)

Observations / Recommendations

2.36 The Committee opines that though the list of beneficiaries are verified and finalised, Dwelling units are abandoned by contractors before completion and the department never pursues it. However, it revitalise the schemes before heaven falls, beneficiaries list is necessary. The Committee decline to comment further.

2.43 Deviation in design of DUs (Para 1.11.3.3 of AR)

Observations / Recommendations

2.44 The Committee observed that from the wrong submission of DPR to GOI, deviation of guidelines, overlapping of construction of Dwelling Units the Department works on the pretext of Alibaba and forty thieves. The Committee do not want to comment or recommend because UDD is working on its own will.

2.45 Payment before actual execution of work (Para 1.11.3.4 of AR)

Observations / Recommendations

2.46 In view of the Departmental, replies the Committee would not like to comment further.

2.47 Allotment of work (Para 1.11.4.1 of AR)

Observations / Recommendations

2.48 The Committee never believes the Departmental reply because no water could be hold in it. Instead of working accordance to the guidelines, Department always deviates and siphoning the funds unnecessarily. Therefore, the Committee decline comment anymore.

2.49 Arbitrary revision of approved DPR (Para 1.11.4.2 of AR)

Observations / Recommendations

2.50 In view of the Departmental, replies the Committee would not like to comment further.

2.53 Change in design (Para 1.11.4.4 of AR)

Observations / Recommendations

2.54 In view of the Departmental, replies the Committee would not like to comment further.

2.55 Deficiencies in measurement (Para 1.11.4.5 of AR)

Observations / Recommendations

2.56 The Committee warned the Department that instead of justice deliverance and sincerity the word rectification and oversight should not be used to redeem the fraud anymore.

2.57 Quality of work/social issues (Para 1.11.4.6 of AR)

Observations / Recommendations

2.58 In view of the Departmental, replies the Committee would not like to comment further

2.59 Deviation from approved DPR (Para 1.11.5.1 of AR)

Observations / Recommendations

2.60 The Committee observed that there is no technical expert in the Department for preparation of DPR but entrusted M/s Lea Associates and after obtaining funds it pacifies all projects and beguiled the central Ministry by submitting wrong QPR. Such practices should be avoided in future in Nagaland.

2.61 Non-execution of work (Para 1.11.5.3 of AR)

Observations / Recommendations

2.62 The Departmental replies to Committee vide para 1.11.5.1 is that Thizama Road footpath construction was diverted to bible college- IG Stadium costing ₹ 63.45 lakh within the total estimates of ₹ 2525.60 crore may be acceptable to the Committee. However, in para 1.11.5.3 again ₹ 61.57 lakh paid to contractor on the same footpath is unbelievable. Moreover, how a technical expert enters the name of Bible college-IG stadium footpath as Thizama Road in the MB. The committee comments that here is no sincerity in the Department and in Engineering wing yet full of frauds.

2.63 Infructuous expenditure (Para 1.11.5.4 of AR)

Observations / Recommendations

2.64 The Committee unable to understand whether ₹ 82.00 lakhs (44.10+37.90) has been utilised in the diverted projects. Time and again beguiled Central Government is very unfortunate.

2.65 Discontinuation of work and quality of execution (Para 1.11.6.1 of AR)

Observations / Recommendations

2.66 In view of the Departmental, replies the Committee would not like to comment further.

2.67 Non Implementation of Reforms (Para 1.12.3 of AR)

Observations / Recommendations

2.68 The Committee viewed that the Department is clever in reporting wrong information to Gol but unable to implement the MOA agenda. Hence, out of ₹ 999.94 crore only ₹ 75.68 crore leaving unused amount of ₹ 94.26 crore, State Government Department are functioning under inability and at a loss.

2.69 Monitoring by Independent review and Monitoring Agencies (Para 1.13.1 of AR)

Observations / Recommendations

2.70 In view of the Departmental, replies the Committee would not like to comment further.

2.71 Monitoring by Third Party Inspection and Monitoring Agency (TPIMA) (Para 1.13.2 of AR)

Observations / Recommendations

2.72 In view of the Departmental, replies the Committee would not like to comment further.

HOME (GENERAL ADMINISTRATION)

(Reply received vide CAWD/NLAS/CAG-PAC/2012-13/ Dated 23.03.2015)

3.17 Extra avoidable expenditure of ₹ 1.08 crore (Para 2.9 of AR)

Observations/ Recommendations

3.18 The Committee opined that the technocrats could not identify lowest and second lowest tenderer is a laughing stock in their part. The Committee does

not expect such awkward attitude of responsible engineers. The Committee would not like to comment any further. However, recommends the Department to avoid such lapses in future.

3.19 Excess Payment of ₹ 98.76 lakh (Para 2.9.2 of AR)

Observations / Recommendations

3.20 During the oral evidence meeting, the Committee opined the Department to submit the detail action taken in regards to extra available expenditure in (CAWD) and also Proposal of the Government for restructuring. The Department has submitted the details vide letter NO.CAWD/ESTT/POSTS/ 2012 dated 21st September, 2012.

PLANNING & CO-ORDINATION DEPARTMENT

(Reply received vide NO.PLN/M-328/07(IV): Dated 9.06.2015)

3.23 Payments made for unexecuted work (Para 2.7 of AR)

Observations / Recommendations

3.24 The Committee, therefore, warned the Planning and Co-ordination Department to desist from such awkwardness in future. In the Absence of controlling and monitoring system a retired Engineer could not be blamed which resulted unbecoming of a Government established Department. The Committee decline to comment on this para.

PUBLIC WORKS DEPARTMENT (Road & Bridges)

(Reply Received vide letter NO.WH/R&B-86/2014-15/PAC/1155 Dated 26.05.2016)

4.3 Re-appropriation (Para 3.1.7.1 of AR)

Observations / Recommendations

4.4 In view of the departmental replies the Committee would not like to comment further.

FINANCE (TAXATION)

(Reply received vide NO.FIN/REV-5/15/PAC/2015 08.28.2015)

5.11 Printing and custody of declaration forms (Para 4.3.7 of AR)

Observations / Recommendations

5.12 The Committee observed that the Department has clearly mentioned about the Forms that its invalid and absolute but the Department could not call back all the 'C' Forms stating that some Dealers have left Nagaland. The Department gave copies to all the State Commissioner of Taxation so as to release tax on their side and mentioning that Department side there is no incident that Forms is re-issued. The Department stated that they didn't issue any 'C' forms as no Dealers came up for issue of fresh 'C' Forms. In 2011-12 Department revenue has been ₹ 258.36crores with the growth rate of 35% and have achieve 44% growth in VAT stating that is one of the highest in India mentioning that in 2009-11 and 2009-10 revenue placed was ₹ 191 crores & ₹154 crores. The Committee appreciated the achievement of the growth revenue but decline to acknowledge that 'C' & 'F' forms were declared obsolete after 8 & 13 years are questionable. The Department waive off State Government revenue in the name of state's uncongenial situation. The matter become a foregone story but warned the Department not to repeat such negligence in future.

5.13 Issue and accounting declaration forms (Para 4.3.8 of AR)

Observations / Recommendations

5.14 In view of the Department reply, the Committee would not like wait the action taken report.

5.17 Non- maintenance of records of receipts and issue of declaration forms by the dealers (Para 4.3.10 of AR)

Observations / Recommendations

5.18 The Committee observed that, the Department have clearly mentioned regarding about the periods of assessment which is once in a year. So the Committee would like to comment for issuance of pre-requisite guideline in future.

5.19 Irregular import of goods by using 25 obsolete "F" forms (Para 4.3.11.1 of AR)

Observations / Recommendations

5.20 The Committee compliment the initiative taken by the ACT Dimapur with recovery of ₹ 2,89,221.00 by dismayed over the undetected use of 'F' Form in the name of M/S Kyong hardware Wokha which resulted in poor network of the Taxation Department. The Committee cautioned the Department to be more careful while issuing the Forms and see that the dealers don't miss use the Forms.

5.21 Concealment of turnover by utilizing fake "C" forms by a dealer led to non-levy of tax (Para 4.3.11.2 of AR)

Observations / Recommendations

5.22 The Committee is obvious that the Assessing authority had the hand in concealing returns as hr re-assessed as ₹ 1.10 lakh deviating from audits calculation of ₹ 10.80 crore and finally reported that the firm was closed. The Committee therefore warned the Department not to post irresponsible Officer in strategic point in future.

5.23 Concealment of turnover by utilizing invalid "C" forms by two dealers led to non-levy of tax (Para 4.3.11.3 of AR)

Observations / Recommendations

5.24 The Committee has verified the documents. The Committee commented for more vigil, so that no evasion are occurs and no bribing system prevails in re-assign methods.

5.25 Concealment of transaction (Para 4.3.11.4 of AR)

Observations / Recommendations

5.26 In view of the Department reply that the amount of ₹ 98,000 has been recovered by Certificate Officer, regarding about the M/s Apex Paramilitary Bounded warehouse the Department stated that they have sold the Commodities to Manipur through inter-sales tax as per the assessment rate and has been realized. The Committee would not like to comment any further but warned the Taxation Department not to remain as slumber dog.

5.31 Misutilization of declaration forms by three unregistered dealers (Para 4.3.11.7 of AR)

Observations / Recommendations

5.32 The Committee observed that the Commissioner of Taxes and its Subordinate Officers has committed errorness dealing with the Traders by issuing 'F' forms during the year 2007-09 and declared invalid on 11-06- 2001 i.e after a gap of and moreover missing and untraceable of important files are of white lies. The Committee also observed that Finance Department of Government of Nagaland has no monitoring mechanism with the sole revenue section. The Committee regretted on Officer's created taken to oneself and redeeming Tax evasion. It declined to recommended any further but viewed that if enforcement cell is created that the State will have its balance of revenue.

5.33 Misutilization of declaration forms by the dealers (Para 4.3.11.8 of AR)

Observations / Recommendations

5.34 In view of the Departmental replies the Committee decline to comment further on the undertaken of M/S Vinay Enterprise because it is for obvious that Department itself has hand in safeguarding the firm fishy deals.

5.35 Non- furnishing of utilization statement of forms and non-surrender of unused forms after cancellation of registration certificate (Para 4.3.11.9 of AR)

Observations / Recommendations

- 5.36 The Committee observed that Taxation Department is functioning in low profile, deviating from existing rules, manning by doubtful integrity Officers and ruled by traders idealist.

FINANCE DEPARTMENT

(Reply received vide NO.FIN/REV-5/PAC/2015/122 dated 14.06.2016)

- 5.7 Failure to enforce accountability and protect interest of the Government(Para 4.1.8 of AR)

Observations / Recommendations

- 5.8 In view of the Committee the Department had mentioned that the Department has prepared a manual for all the DDOs for the first time in the history. The committee would like to recommend the Department to take severe punishment for those defaulters. The Committee would not like to comment further

Chapter - III

Observations/ Recommendations in respect of which no reply have been furnished by the Government till the date of finalisation of the Report.

Finance

- 5.9 Compliance with the earlier Audit Reports (Para 4.1.10 of AR)

Observations / Recommendations

- 5.10 The Committee concluded that Taxes Department has disowned the audit Para i.e table 4.1.8. Finance Department should identify the defaulting Department in consultation with Accountant General, Nagaland and intimate for prompt recovery ATR be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action taken by the Department

Nil / No reply

Chapter -IV

Observations/ Recommendations in respect of which the Government has furnished interim replies.

URBAN DEVELOPMENT

(Reply received vide NO.UDD/3 ACTT/01-PAC/2015 dated 26.03.2015)

Para 1.9.2 Non-release of matching share

- 4.1 The Committee would like to be informed of the outcome of the proposals made to the Government for the release of A&OE, Consultancy and Contingency expenses from the State Plan by the Department within 3 (three) months from the date of laying this report in the House.

Action Taken by the Department

- 4.2 As per the DPR Abstract, the provisions for A&OE, Consultancy and Contingency are as under:

Sl. No.	Particulars	Amount (₹ in lakh)
1	A&OE	437.73
2	Consultancy fee	372
3	Contingency	262.64
	Total	1072.37

Funds for all these provisions have been received and utilized.

As per the Sanction by the Govt. of India, the project cost details are as under:

Project Cost	Central Share	State Share	Beneficiary Share
₹13307.92 Lakhs	₹10560.47 Lakhs	₹2293.85 Lakhs	₹453.6 Lakhs

Accordingly, the GoI has released its entire share. The State has also released the entire fund as shown in the details overleaf. There is a shortfall of ₹ 7.82 Lakhs which the Department is sorting out with the Finance Department as recommended by the Committee (by submitting all the details of GoI sanctions and drawal authorities received). The shortfall is ₹ 5.24 Lakhs from the GoI share and ₹ 2.58 Lakhs from the State share.

CENTRAL SHARE RELEASED BY STATE

Sl. No.	Amount Sanctioned			
	Amount	Finance Sanction Order No.	Date	Year
1	1080.28	No.FIN/EXA/DA/UD/2007-08/YS/101	07/08/2007	2007-08
2	372.00	No.FIN/EXA/DA/UD/2007-08/TK/246	16/10/2007	2007-08
3	1000.00	No.FIN/EXA/DA/UD/2007-08/NL/600	1/12/2007	2007-08
4	87.50	No.FIN/EXPDR-A/UD/2007-08/FV-655	27/03/2008	2007-08
5	1400.00	No.FIN/EXA/DA/UD/2008-09/JY/348	22/12/2008	2008-09
6	265.50	No.FIN/EXPDR-A/2009-10/KL/578	26/10/2009	2009-10
7	415.95	No.FIN/EXPDR-A/UD/2009-10/KS/578	26/10/2009	2009-10
8	494.69	No.FIN/EXPDR-A/UD/2009-10/WK-295	21/12/2009	2009-10
9	152.86	No.EXPDR(A)/UD/2010-11/KV/051	23/06/2010	2010-11
10	200.00	FIN/EXA/DA/UD/2010-11/WP-777/	31.3.2011	2010-11
11	79.34	FIN/EXA/DA/UD/2010-11/ZK-758	24.3.2011	2010-11
12	150.00	No.FIN/EXPDR/A/UD/2010-11/AM/365	30/03/2011	2010-11
13	100.00	No.FIN/EXPDR-B/UD/2011-12/TN/300	02/0/2011	2011-12
14	300.00	No.FIN/EXPDR-B/UDD/2011-12/VX/640	16/1/2011	2011-12
15	1817.00	No.EXPDR-B/UDD/2012-13/BG/305	03/1/2012	2012-13
16	792.03	No.EXPDR-B/UDD/2012-13/HV/456	23/0/2013	2012-13
17	924.04	No.EXPDR-B/UDD/2013-14/EC/428	13/0/2013	2013-14
18	924.04	No.EXPDR-B/UDD/2013-14/MZ/443	06/0/2014	2013-14
	10555.23			

STATE SHARE RELEASES

Sl. No.	Amount Sanctioned			
	Amount	Sanction Order No.	Date	Year
1	233.64	No. FIN/EXPDR-B/UD/2007-8/BN/390	29/03/2008	2007-08
2	285.57	No.FIN/EXPDR-A/UD/2009-10/DR-295	21/12/2009	2009-10
3	37.12	No.EXPDR(A)/UD/2010-11/KV/051	23/06/2010	2010-11
4	27.78	No.FIN/EXPDR/A/UD/2010-11/AM/365	30/03/2011	2010-11
5	586.69	No.EXPDR-B/UDD/2013-14/PJ/006	27/11/2013	2013-14
6	1120.47	No.EXPDR-B/UDD/2013-14/RE/117	27/0/2014	2013-14
	2291.27			

Central Share Released by	₹10555.23 Lakhs
State Share Released	₹ 2291.27 Lakhs
Balance yet to be released	₹7.82 Lakhs

Chapter -V

Observations/ Recommendations in respect of which the Government replies have not been accepted by the Committee and which requires reiteration.

NIL

Copies of Drawal Authority received enclosed as Annexure 5

The Department has submitted proposal to the State Govt. for release of remaining State Share for IHSDP project, however the same has not been released till date.

Copies of Proposal for release of fund against IHSDP Project enclosed as Annexure 6

HEALTH & FAMILY WELFARE

(Reply received vide HFW-26/B-1/2014(PAC)/378 Dated 2.06.2015)

3.1 Avoidable Excess Payment (Para 2.8 of AR)

Observations / Recommendations.

3.3 The Committee recommends the Department to submit the necessary action taken for the recovery of the escalated cost of ₹ 2.61 crore by the construction of RDCs, be intimated to the Committee within 3 (three) months from the date of laying this Report in the House.

Action Taken by the Department

Department stated through their letter HFW-26/B-1/2014(PAC)/378 Dated 2.06.2015 that, after the C&AG report for the year Ended 31st March 2011 brought to light the excess amount of ₹ 2.61 crores that was paid to M/s Sarkar Diagnostic and Research Centre, Kolkata, the department had written to M/s Sarkar Diagnostic and Research Centre, Kolkata for recovery of the excess payment within 3 months vide letter NO.DHFW-9/85/PAC (C&G'11)/2012/2906-09 Dated 22nd November 2012.

However M/s Sakar Diagnostic and Research Centre, Kolkata failed to comply to the recovery within the stipulated time of 3 months. Accordingly, the Department files a civil suit against the company. The matter is still in the court and on hold now by the directives of the Honorable Gauhati High Court.

Minutes of the first meeting of the PAC 2018-19
held on 13th June 2018 at 11:00 a.m

Members Present

- | | | |
|---------------------------|---|----------|
| 1. Shri. K.T. Sukhalu | - | Chairman |
| 2. Shri. E.E. Pangteang | - | Member |
| 3. Shri. Kezhienyi Khalo | - | Member |
| 4. Shri. Mhathung Yanthan | - | Member |

Assembly Secretariat

1. Shri. N.Benjamin Newmai, Commissioner & Secretary
2. Shri. K.Sekhose, Secretary (A)
3. Smt. Aosenla, Addl. Secretary
4. Shri. Kewepe Kapfo, Deputy Secretary
5. Shri. T. Noksang Jamir, Under Secretary

At the outset, the Hon'ble Chairman welcomed the Members and Nagaland Legislative Assembly Officials to the first sitting of the Committee (2018-2019). In his address, the Chairman highlighted the present trends of the Public Accounts Committee in Nagaland Legislative Assembly and called on the Members to give more priority to the Committee.

Committee then discussed the activities of the days agenda and the works position of the PAC Branch.

The Committee then took up for consideration and adoption of the following two draft Action Taken Reports:-

1. 118th Report of the Committee on Public Accounts (2018-19) on the Action Taken by the Government on the Observations / Recommendations contained in the 112th report of the Public Accounts Committee on the C&AG Report of India 2010-11 and relevant appropriation and Finance Accounts
2. 119th Report of the Committee on Public Accounts (2018-19) on the Action Taken Report by the Government on the Observations / Recommendations contained in the 115th report of the Public Accounts Committee on the C&AG Report of India 2011-12 and relevant appropriation and Finance Accounts

The Committee adopted the above mentioned draft Action Taken Reports without any changes/modifications.

The Committee then decided to have evidence meeting with the Departments on the Examination of the C&AG Report of India for the year 2014-2015 on 17th, 18th & 19th July 2018.

The Hon'ble Chairman PAC, invited the comments and active participation in carrying forward the unfinished works and to clear up all allocated works during the current tenure.

The meeting then adjourned at 12:00 noon.

Sd/-
(N.BENJAMIN NEWMAL)
COMMISSIONER & SECRETARY