

NAGALAND LEGISLATIVE ASSEMBLY



**PUBLIC ACCOUNTS COMMITTEE
(2014-2015)**

TWELFTH ASSEMBLY

114TH REPORT

of

the Committee on Public Accounts (2014-2015) on Excesses over Voted Grants and Charged Appropriations incorporated in the Comptroller & Auditor General of India for the year 2000-2001, 2005-2006, 2008-2009 and 2009-2010.

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**NAGALAND LEGISLATIVE ASSEMBLY SECRETARIAT
NAGALAND : KOHIMA**

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**Composition of the Committee on Public Accounts
(2014 – 2015)**

Constituted on 25th July 2014.

Chairman

1. Shri. Toyang Changkong Chang MLA

Members

2. Shri. Tokheho Yepthomi MLA
3. Shri. C. Apok Jamir MLA
4. Shri. C.M.Chang MLA
5. Shri. Namri Nchang MLA
6. Shri. Khekaho Assumi MLA
7. Shri. Mmhonlumo Kikon MLA

Assembly Secretariat

1. Shri. A. E. Lotha - Secretary
2. Shri. K. Sekhose - Additional Secretary
3. Smt. Aosenla - Joint Secretary
4. Smt. Bangjung Chang - Joint Secretary
5. Smt. Razoulenuo - Under Secretary
6. Shri. T. Noksang Jamir - Under Secretary

INTRODUCTION

I, the Chairman, of the Committee on Public Accounts (2014-2015) having been authorized by the Committee to present the Report on their behalf, do present this 114th Report of the PAC (12th Assembly) on Excess over Voted Grant and Charged Appropriations revealed in the Appropriation Accounts of the Report of the Comptroller and Auditor General of India for the years 2000-2001, 2005-2006, 2008-2009 and 2009-2010 to the Nagaland Legislative Assembly, which requires regularisation under Article 205 of the Constitution of India.

The Evidence Meeting of the aforesaid Excess Expenditures over Voted Grants and Charged Appropriations as detailed in the Report was taken up by the previous Committee Members during the years 2002-2003, 2008-2009, 2010-2011 and 2011-2012 respectively.

The Committee, while expressing concern over the excess expenditure persisting year after year despite repeated exhortations of the Committee and issuance of instructions by the Department of Finance and the Accountant General, Nagaland from time to time, the Committee have emphasised upon the Budget controlling authorities in various Government Departments to not only keep strict vigil over the present trend of expenditure but also in assessing properly their actual requirement of funds.

The present Committee on Public Accounts was constituted on 25th July 2014 under the Rule 326 of the Rules of Procedure and Conduct of Business in the Nagaland Legislative Assembly.

The Report was considered and adopted by the Committee in its meeting held on 28th August 2014.

The Committee place on record their appreciation of the assistance rendered in the examination of these Accounts and Audit Report by the Accountant General, Nagaland and his officers and staff.

The Committee is thankful to all the Senior Government Officers of Nagaland, the Secretary, Nagaland Legislative Assembly and the concerned Officers and staff in the examination and preparation of this Report.

Kohima the 28th August, 2014

Sd/-
(TOYANG CHANGKONG CHANG)
CHAIRMAN
PUBLIC ACCOUNTS COMMITTEE

REPORT

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

Saving or excess over provisions

During the years 2000-2001, 2005-2006, 2008-2009 and 2009-2010 there was an excess expenditures under Revenue Section and Capital Section as mentioned in the Report of the Comptroller and Auditor General of India for the years 2000-2001, 2005-2006, 2008-2009 and 2009-2010. The year-wise expenditures are given below.

C&AG 2000-2001

1.1 It has been reported in para 2.7 of the Report of the Comptroller and Auditor General of India for the year 2000-2001 that the excess of ₹ 12.18 crore under Revenue Section and ₹ 39.63 crore under Capital Section as detailed in Appendix-II of the report requires regularisation under Article 205 of the Constitution of India.

1.2 The details of the excess expenditure against the grants are shown below-

Sl. No.	Number and title of grant/ appropriation	Total grant appropriation (₹)	Expenditure (₹)	Excess (₹)
Revenue Section (Voted)				
1	13-Village Guards	5,51,51,000	5,69,66,980	18,15,980
2	35-Medical, Public Health and Family Welfare	77,08,27,000	77,39,99,484	31,72,484
3	37-Assistance to Municipalities and Development Works in Towns	21,72,000	1,00,00,000	78,28,000
4	38-Information and Public Relation	7,18,01,000	7,18,05,220	4,220
5	41-Labour	1,50,64,000	1,65,11,861	14,47,861

6	40- Soil and Water Conservation	12,66,75,000	12,92,61,272	25,86,272
7	58-Roads and Bridges	46,60,60,000	51,34,54,008	4,73,94,008
8	59-Irrigation and Flood Control	12,80,36,000	12,83,17,418	2,81,418
9	61-Back Ward Area Development Programme, Special Employment Programme and Special Development Programme	5,91,00,000	5,91,05,487	5,487
10	64-Housing	15,40,38,000	20,25,02,141	4,84,64,141
11	74-Mechanical Engineering	12,15,01,000	13,02,74,885	87,73,885
Total Revenue (Voted)		197,04,25,000	209,21,98,756	12,17,73,756
Capital Section (Voted)				
1	33-Youth Resources and Sports	134,00,000	162,13,000	28,13,000
2	35-Medical, Public Health and Family Welfare	12,92,45,000	12,93,50,000	1,05,000
3	41-Labour	3,50,000	150,64,000	147,14,000
4	47-Weights and Measures	2,20,000	2,60,000	40,000
5	50-Animal Husbandry and Dairy Development	89,85,000	89,95,239	10,239
6	55-Power Projects	46,71,00,000	52,80,34,297	609,34,297
	57-Housing Loans	10,96,70,000	11,32,90,6000	36,20,6000
Total Revenue (Voted)		72,89,70,000	81,12,07,136	822,37,136
Capital Section (Charged)				
1	76-Servicing of Debt	13,51,28,96,000	3,82,70,04,902	31,41,08,902
Total capital selection (Charged)		3,51,28,96,000	3,82,70,04,902	31,41,08,902
Grand Total		621,22,91,000	673,04,10,794	51,81,19,794

C&AG 2005-2006

1.3 In para 2.2.2(i) of the Report of the Comptroller and Auditor General of India for the year 2005-2006, the excess of ₹64.96 crore under Revenue Section and ₹7.64 crore under Capital Section as detailed in Appendix-XIII of the report requires regularisation under Article 205 of the Constitution.

1.4 The details of the excess expenditure against the grants are shown below:-

Sl. No.	Number and title of the grant/appropriation	Total grant appropriation (₹)	Expenditure (₹)	Excess (₹)
Revenue Section (Voted)				
1	7-State Excise	5,69,04,000	5,78,28,273	9,24,273
2	11-District Administration and Special Welfare Schemes	39,59,18,000	42,66,24,747	3,07,06,747
3	16-State Guest House	4,73,06,000	5,01,86,897	28,80,897
4	20-Relief and Rehabilitation	1,34,70,000	1,34,80,000	10,000
5	21-Relief of Distress caused by Natural Calamities	3,83,00,000	4,61,75,000	78,75,000
6	22-Civil Supplies	6,42,42,000	6,46,93,922	4,51,922
7	29-Stationery and Printing	6,47,70,000	6,64,35,670	16,65,670
8	31-School Education	2,33,00,23,000	2,46,65,88,445	13,65,65,445
9	33-Youth Resources and Sports	9,04,55,000	10,01,22,852	96,67,852
10	35-Medical, Public Health and Family Welfare	1,04,52,21,000	1,11,25,29,363	6,73,08,363
11	46-Statistics	6,98,69,000	7,06,26,343	7,77,343
12	47-Weights and Measures	2,13,93,000	2,13,93,356	356
13	48-Agriculture	44,98,00,000	45,08,90,635	10,90,635

14	49-Soil and Water Conservation	28,35,52,000	28,40,03,633	4,51,633
15	54-Mineral Development	6,06,64,000	6,80,37,456	73,73,456
16	58-Roads and Bridges	47,05,66,000	62,84,22,291	15,78,56,291
17	60-Water Supply Schemes	22,21,209,000	32,24,94,396	10,03,85,396
18	64-Housing	19,73,67,000	23,21,69,067	3,48,02,067
19	68-Police Engineering Project	3,64,02,000	3,64,37,736	35,736
20	76-Women Welfare	4,40,05,000	5,28,03,257	87,98,257
Total Revenue Section (Voted)		6,00,23,36,000	6,57,19,43,339	56,96,07,339
Capital Section (Voted)				
21	22-Civil Supplies	1,03,83,000	1,53,74,977	49,91,977
22	26-Civil Secretariat	10,50,00,000	11,75,00,000	1,25,00,000
23	43-Social Security & Welfare	5,31,00,000	6,51,00,000	1,20,10,000
24	50-Animal Husbandry and Dairy Development	62,23,000	1,02,38,115	40,15,115
25	68-Police Engineering Project	11,40,00,000	15,68,98,448	4,28,98,448
Total Capital (Voted)		28,87,06,000	36,51,21,540	7,64,15,540
Revenue Section (Charged)				
26	4-Administration of Justice	5,56,44,000	5,72,79,000	16,35,000
27	10-Public Service Commission	1,39,27,000	1,58,50,646	19,23,646
Total Revenue Section (Charged)		6,95,71,000	7,31,29,646	35,58,646
Grand Total				

(a). Revenue Section Voted – ₹56,96,07,339

Charged – ₹35,58,646

Total – ₹57,31,65,985 i.e. ₹57.32 crore

(b). Capital Section Voted – ₹7,64,15,540

Charged ₹. NIL

Total – ₹7,64,15,540 i.e. ₹7.64 crore

Total – ₹64.96 crore

C&AG 2008-2009

1.5 Statement showing total excess in 16 grants amounting to ₹43.52 crore over authorization from the consolidated fund of the State during 2008-2009 which requires regularisation under Article 205 of the Constitution of India;

1.6 The details of the excess expenditure against the grants are shown below:-

((₹ in Crore)

Sl. No.	Number and title of grant/ appropriation	Total grant appropriation (₹)	Expenditure (₹)	Excess (₹)
Revenue (Voted)				
1.	7 State Excise	6.79	6.87	0.08
2.	11 District Administration and Special Welfare Schemes	46.62	47.44	0.82
3.	13 Village Guards	16.68	17.14	0.46
4.	26 Civil Secretariat	55.53	56.51	0.98
5.	36 Urban Development	4.63	5.79	1.16
6.	38 Information and Public Relations	13.55	13.61	0.06
7.	39 Tourism	6.86	6.90	0.04
8.	46 Statistics	10.57	10.59	0.02
9.	58 Roads and Bridges	94.80	96.59	1.79
10.	60 Water Supply Schemes	28.01	36.07	8.06
11.	64 Housing	31.62	34.17	2.55
12.	65 SCERT	15.17	16.42	1.25
13.	66 Sericulture	9.52	10.26	0.74
14.	67 Home Guards	9.28	9.58	0.30
15.	70 Horticulture	11.71	11.85	0.14
Total Revenue (Voted)		361.34	379.79	18.45
Capital (Voted)				
16.	53 Industries	32.07	35.75	3.68
17.	64 Housing	45.53	66.92	21.39
Total Revenue (Voted)		77.60	102.67	25.07
Grand Total		438.94	482.46	43.52

16	68	Police Engineering project	4.49	4.50	0.01
17	69	Fire Service	8.15	8.21	0.06
18	70	Horticulture	12.91	12.94	0.03
19	78	Information Technology & Technical Education	16.63	21.39	4.76
Total Revenue (Voted)			1230.62	1271.17	40.55
Capital (Voted)					
20	22	Civil Service	1.75	3.21	1.47
21	32	Higher Education	3.39	4.39	1.00
22	53	Industries	22.60	23.40	0.80
23	56	Road Transport	17.04	19.95	2.91
24	60	Water Supply Schemes	71.15	79.14	7.99
25	64	Housing	40.11	47.02	6.91
Total Capital (Voted)			156.04	177.11	21.08
Revenue (Charged)					
26	10	Public Service Commission	2.11	2.25	0.14
Total Revenue (Charged)			2.11	2.25	0.14
Grand Total			1388.77	1450.53	61.77

1.9 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.

1.10 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.

- 1.11 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.

APPENDIX

Observations and Recommendations

EXCESS OVER PROVISION DURING 2000-2001, 2005- 2006, 2008-09 & 2009-10. REQUIRING REGULARISATION

1.9 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.

1.10 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 in spite of sufficient time and reminders given by the Accountant General, Nagaland.

1.11 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.

Minutes of the first meeting of the PAC

Minutes of the 1st Meeting of the Committee on Public Accounts held on 28th August 2014 in the Assembly Committee Room.

Members Present:

- | | |
|-------------------------------------|----------|
| 1. Shri Toyang Changkong Chang, MLA | Chairman |
| 2. Shri Tokheho Yepthomi, MLA | Member |
| 3. Shri C.M. Chang, MLA | Member |

Assembly Secretariat:

- | | |
|---------------------------|----------------------|
| 1. Shri. A.E. Lotha | Secretary |
| 2. Shri. K. Sekhose | Additional Secretary |
| 3. Smt. Aosenla | Joint Secretary |
| 4. Shri. Bangjung Chang | Deputy Secretary |
| 5. Smt. Razoulenuo | Under Secretary |
| 6. Shri. T. Noksang Jamir | Section Officer |

The Chairman, after introduction, welcomed all the Members, Secretary (NLA), Officers and Staff to the 1st meeting of the PAC. He then, in brief highlighted on the constitution and role of the PAC and thereby, encouraged and invited co-operation of the Committee Members, Secretary and his sub-ordinate Officers to guide the Committee for prompt and successful initiatives.

The Committee then took up for consideration and adoption of the following three draft reports:-

1. 112th Report of the Committee on Public Accounts (2014-15) on the examination of the Report of the C&AG of India for the year 2010-11 and relevant appropriation and finance accounts.
2. 113th Report of the Committee on Public Accounts (2014-15) on the Examination of the Report of the C&AG of India for the year 2010-11 Performance Audit on Public Distribution System (PDS) in Nagaland
3. 114th Report of the Committee on Public Accounts (2014-15) on Excesses over Voted Grants and Charged Appropriation incorporated in the C&AG of India for the year 2000-2001, 2005-2006, 2008-2009 and 2009-2010.

The Committee adopted the above mentioned draft Reports without any changes/modifications and authorised the Chairman to present the same to the Nagaland Legislative Assembly in the next session.

While discussing the Committee's works and position on the examination of the Reports of the C&AG of India for the year 2012-13, it was decided to send a reminder letter to Accountant General, Nagaland to forward the original questionnaire to the PAC, Assembly Secretariat.

The Committee also decided to go on spot study/ verification tour to selective areas reflected in the C&AG of India 2012-13, before conducting the evidence meeting.

Thereafter, it was decided that the proposal to go on study tour outside the State will be taken up in the next PAC meeting.

Having covered all the agendas, the Chairman, then wrapped up the meeting with the hope of working forward to healthy discussion for good governance of the Government.

A verbatim record of the meeting was kept.

Sd/-
(A.E. LOTHIA)
SECRETARY