

## TABLE OF CONTENTS

<i>Particulars</i>	<i>Paragraph</i>	<i>Page</i>
Preface		v
Executive Summary		vii
<b>CHAPTER I – Overview of the State Finances</b>		
Profile of the State	1.1	1
Basis and Approach to State Finances Audit Report	1.2	4
Report Structure	1.3	4
Overview of Government Accounts Structure and Budgetary Processes	1.4	5
Fiscal Balance: Achievement of deficit and total debt targets	1.5	9
Deficits and Total Debt after examination in audit	1.6	13
Conclusion	1.7	13
Recommendations	1.8	14
<b>CHAPTER II – Finances of the State</b>		
Major changes in Key fiscal aggregates during 2021-22 <i>vis-à-vis</i> 2020-21	2.1	15
Sources and Application of Funds	2.2	15
Resources of the State	2.3	16
Application of Resources	2.4	27
Public Account	2.5	42
Debt management	2.6	45
Debt Sustainability Analysis (DSA)	2.7	51
Conclusion	2.8	54
Recommendations	2.9	55
<b>CHAPTER III – Budgetary Management</b>		
Budget Process	3.1	57
Appropriation Accounts	3.2	59
Comments on integrity of budgetary and accounting process	3.3	59
Comments on effectiveness of budgetary and accounting process	3.4	66
Conclusion	3.5	73
Recommendations	3.6	73

<i>Particulars</i>	<i>Paragraph</i>	<i>Page</i>
<b>CHAPTER IV – Quality of Accounts and Financial Reporting Practices</b>		
Funds outside Consolidated Fund or Public Account of the State	4.1	75
Non-discharge of interest liability	4.2	75
Funds transferred directly to State implementing agencies	4.3	76
Delay in submission of Utilisation Certificates	4.4	77
Abstract Contingent Bills	4.5	78
Indiscriminate use of Minor Head 800	4.6	79
Collection of Labour Cess	4.7	83
Outstanding balance under major Suspense and DDR heads	4.8	84
Reconciliation of Departmental figures	4.9	85
Reconciliation of Cash Balances	4.10	86
Compliance with Accounting Standards	4.11	86
Submission of Accounts of Autonomous Bodies	4.12	87
Submission of Accounts of SPSEs	4.13	88
Grants / loans given to bodies and authorities	4.14	89
Timeliness and Quality of Accounts	4.15	90
Misappropriations, losses, thefts, <i>etc.</i>	4.16	91
Follow up action on State Finances Audit Report	4.17	93
Conclusion	4.18	93
Recommendations	4.19	94

## APPENDICES

<b>Appendix No.</b>	<b>Particulars</b>	<b>Page</b>
Appendix 1.1	Part – A: Glossary of important Budget related terms	97
	Part – B: State Profile	101
	Part – C: Time Series Data on State Government Finances	102
Appendix 1.2	Summarised Financial Position of the Government of Nagaland as on 31.03.2021	105
Appendix 3.1	Expenditure in excess of ₹ 10 lakh without provision at Sub-Head level	106
Appendix 3.2	Cases where Supplementary Provision proved unnecessary	106
Appendix 3.3	Statement of various Grants/ Appropriations where Savings were more than ₹ one crore each or more than 20 per cent of the Total Provision	107
Appendix 4.1	Department-wise list of Outstanding Utilisation Certificates (UCs) for the Grants provided up to the year 2021-22	109
Appendix 4.2	Outstanding Detailed Countersigned Contingent (DCC) Bills against the drawal of Abstract Contingent (AC) Bills up to the year 2021-22	109
Appendix 4.3	Department-wise/ Duration-wise Break-up of the Cases of Misappropriation, Defalcation <i>etc.</i> , (Cases where Final Action was pending at the end of March 2022)	110