



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

**Report of the
Comptroller and Auditor General of India
on
Social (including Local Governments Audit),
Economic, General and Revenue Sectors
for the year ended 31 March 2023**



**Government of Nagaland
Report No. 2 of 2025
(Civil and Commercial)**

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PREFACE

1. This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor of Nagaland under Article 151 of the Constitution of India for being laid on the floor of the State Legislature.
2. The Report contains significant results of the performance audit and compliance audit of the Departments of the Government of Nagaland under the Social (including Local Governments Audit), Economic, General and Revenue Sectors *viz.* Labour, Health and Family Welfare, Urban Development, School Education, Public Works (Roads & Bridges), Water Resources, Tourism, Rural Development, Home (Police), Finance (Treasuries and Accounts), Finance (Taxation) and Municipal Affairs Departments.
3. The cases mentioned in this Report are those which came to notice in the course of test audit during the year 2022-23 as well as those which came to notice in earlier years but could not be reported in the previous Reports. Matters relating to the period subsequent to 2022-23 have also been included, wherever necessary. The Report has been finalised after considering the response of the Government Departments, wherever received.
4. The audits have been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.
5. The Report of the Comptroller and Auditor General of India containing the observations on State Finances is presented separately.

EXECUTIVE SUMMARY

Introduction

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from the Performance Audits and test audit of transactions of various Departments of the Government of Nagaland pertaining to Social (including Local Governments Audit), Economic, General and Revenue Sectors. The primary purpose of this Report is to bring to the notice of the State Legislature the significant results of audit.

During 2022-23, the Principal Accountant General (Audit), Nagaland planned for audit of 392 units out of a total of 1,204 units, after carrying out risk assessment and keeping in view the available manpower, against which 402 units were audited.

This Report contains three Performance Audits titled “**Welfare of Building and Other Construction workers in Nagaland**”, “**Modernisation of Police Force**” and “**Solid Waste Management in Nagaland**” and 13 Compliance Audit Paragraphs which includes three Subject Specific Compliance Audits on “**Public Health Infrastructure and Management of Primary Health Services**”, “**Goods and Services Tax-Departments’ Oversight on GST Payments and Returns Filing in Nagaland**” and “**Implementation of 74th Constitutional Amendment Act**”.

The Report has 75 appendices, containing data collected from the departments as well as several sources in support of the audit observations.

A synopsis of the important findings contained in this Report is presented below:

Social Sector

Part-I: Performance and Compliance Audits on Departments under Social Sector

Performance Audit

Welfare of Building and Other Construction Workers in Nagaland

LABOUR DEPARTMENT

The Building and Other Construction Workers are one of the most vulnerable segments of the unorganised labour in the country. Their work is of temporary nature and working hours uncertain. While risk to life and limb is inherent, basic amenities and welfare facilities are mostly non-existent or inadequate where provided.

A Performance Audit on ‘Welfare of Building and Other Construction Workers in Nagaland’ was carried out covering the period from 2017-18 to 2022-23 with special emphasis on receipt of cess fund and utilisation of it on various welfare schemes for registered construction workers. The significant findings of audit are highlighted below:

- The local construction workers do not work under any defined employer but are driven by daily availability of work in their own locality or village. The dynamic nature of their employment makes it difficult for their identification

by the Welfare Board. Town and village authorities were therefore authorised for identification and certification of beneficiaries to facilitate their registration. However, as this arrangement did not stand the test of reliability, it was aborted and an online registration system was incorporated in the existing portal. Audit observed that there were 9,751 and 5,133 registered workers under Kohima and Dimapur districts respectively. However, a sample survey of 69 construction workers, of which 66 (96 *per cent*) are migrant workers, conducted at their worksite in Kohima and Dimapur revealed that none of them were registered as beneficiary. The Department stated that absence of appropriate manpower in the Department was the major reason for not being able to establish an effective mechanism to ensure registration of workers.

- No Establishment has yet been registered and consequently no fees collected on registration. There was no integrated established mechanism to ensure that buildings or construction works get registered as an establishment.
- Independent assessment of Cess by Inspectors through inspection of work sites/establishments was not undertaken by the Department. As a result, the Department was not able to independently identify employers of construction workers who are liable to pay Cess or to assess the Cess payable.
- There were instances where the safety and health measures of construction workers were compromised as the precautions and facilities guaranteed under the Act were not provided.
- Inspections of building or other construction works were not carried out. This resulted in shortcomings in registration of beneficiaries and establishments and in assessment and collection of Cess. This also affected the assessment of whether basic facilities were provided to the BOC workers.
- During the period 2017-18 to 2022-23, the Board had not prepared its budget for forwarding to the State Government.
- No meeting of the State Advisory Committee was held during February 2018 to February 2021. Consequently, the State Government and the Welfare Board were deprived of the benefit of advice and guidance on matters arising out of the administration of the Act.
- Though construction workers were predominantly migrant workers, no special benefits or facilities such as facilitation centres, transit accommodation, labour shed and mobile toilets were provided. This resulted in the needs of migrant workers not being addressed.
- No monitoring mechanism was in place to ensure that the benefit of paid maternity leave was provided to eligible BOC workers by the employers.
- Skill Development Training was imparted by Training Partners (TPs) engaged and funded by the Board. While the selection of trainees was done

by the TPs, there were some instances of trainees not being from among the registered construction workers.

- Nagaland Building and Other Construction Workers Welfare Board (NBOCWFB) had expended an amount of ₹1.50 crore on purchase of nine vehicles which was in contravention of extant orders.

Recommendations:

The State Government/Department may-

- ✓ *ensure that userfriendly procedures relating to registration and renewal of registration of construction workers are adhered to.*
- ✓ *establish a mechanism to ensure that the Welfare Board strictly observes applicable Acts and Rules relating to the registration of establishments.*
- ✓ *ensure that registration as an establishment with the Board be made a prerequisite for contractors and agencies for initiation of work and award of work orders.*
- ✓ *ensure that inspection of work sites/establishments is conducted by notified officials to assess Cess payable and to ensure that Cess collected is remitted within the prescribed timeframe.*
- ✓ *ensure that offices of the Chief Inspector and Inspectors are sufficient and utilised to the optimum so as to ensure that the system of inspections provided under the BOCW Act are carried out effectively and efficiently.*
- ✓ *ensure that budget, annual reports and accounts are prepared and that a viable Human Resource Management policy is adopted.*
- ✓ *constitute a functional State Advisory Committee at the earliest as envisaged in the Act.*
- ✓ *ensure effective implementation of the provisions and instructions stipulated in the Modified Model Welfare Scheme.*
- ✓ *fix responsibility on the officials concerned for using the Cess fund to procure vehicles in violation of the Government order mandating its exclusive use for the welfare of BOC workers and their families.*

Subject Specific Compliance Audit

Public Health Infrastructure and Management of Primary Health Services

HEALTH AND FAMILY WELFARE DEPARTMENT

National Health Policy 2017 aims to improve overall population health through a focus on health promotion and disease prevention. It emphasises restructuring and strengthening the public healthcare institutions with the goal of attaining the highest possible level of health and well-being for all at all ages. There is renewed commitment in India to accelerate the pace of achievement of Sustainable Development Goals (SDGs) including Goal 3 (Good Health and Well-being) relating to ensuring healthy lives and promoting well-being for all at all ages.

The Health and Family Welfare Department is responsible for providing a comprehensive healthcare system in the State. The services offered by the healthcare system Department are preventive and promotive healthcare services, routine curative and rehabilitation services. The vast network of Health Sub-Centres (HSCs), Primary Health Centres (PHCs) and Urban Primary Health Centres (UPHCs) form the primary tier of public healthcare delivery system for rural and urban population respectively. Community Health Centres (CHCs) and District Hospitals (DHs) serve as the secondary tier for rural and urban population while Tertiary healthcare involves providing advanced and super-speciality services to be provided by medical institutions in urban areas.

The Subject Specific Compliance Audit (SSCA) covers the primary health care services which provide health facilities at village and block levels. The SSCA also provides a holistic view of improvement of necessary infrastructure, created for meeting emergencies related issues and service delivery by the sampled health institutions for the period 2017-18 to 2022-23. The significant findings of audit are highlighted below:

- Significant shortages of CHCs were noticed in Longleng, Tuensang and Dimapur. Further, shortage of PHCs was noticed in Dimapur district and shortage of HSCs was noticed in all districts except Kiphire and Zunheboto.
- In case of District Hospitals, major shortages existed in the cadre of specialist doctors, General Duty Medical Officers, Staff Nurses and paramedical staff.
- Though services of specialist doctors were to be made available in the CHCs as per the IPHS, no specialist services were available in the CHCs in the State except in CHC Noklak, Pungro, Jalukie, Meluri and Tobu where Obstetrics & Gynaecology service was available.
- The shortfall in manpower in PHCs was in GDMO, ANM, lab technician and Pharmacist. Similarly, 52 *per cent* of HSCs in the State had shortage of manpower.
- Tests like Endoscopy, Bronchoscopy, Stress Test, Arthroscopy and Hysteroscopy and Pulmonary function tests under Respiratory investigation were not available in any of the DHs.
- Diagnostic services like Pathology and Ophthalmology, which were required to be available in the CHCs as per the IPHS were missing. Quality assurance in the Laboratory Services as mandated under the IPHS was not ensured.
- Five out of eleven District Hospitals in the State had Blood Banks as per the norms.
- Emergency and Trauma Care service was virtually absent in the sampled health facilities. Due to non-availability of emergency services and other specialist services, emergency patients and patients with cardiovascular

diseases, were referred to the DHs and other Hospitals for better treatment putting the patients at distress involving higher out of pocket expenses.

- HSCs, responsible for providing Ante-Natal Care (ANC) service to pregnant woman including the outreach services to the people under them, did not provide the desired service as a result, more than 26 *per cent* of the registered pregnant women did not receive four ANC check-ups during 2022-23.
- Hospital support services, *viz.*, diet, laundry and linen service and infection control were operational in the sampled health facilities but without any standard operating guidelines.
- Hospital Infection Control Committee (HICC) was found to have been formed in five out of the eleven sampled health facilities but could not deliver any specific plan to control hospital infection.
- Out of 11 sampled health facilities, only two health facilities *viz.*, Kemipfupfe PHC and Seikhazou UPHC had a disaster management plan and a SOP on disaster management. Further, fire prevention plan was not found formulated in any of the sampled health facilities except in Seikhazou UPHC.
- Assessment was not done to identify gaps in hospital infrastructure for utilisation of available additional infrastructure and equipment like ICU beds, ICU machines, Oxygen Concentrators. As a result, Oxygen Concentrators, Ventilators and ICU beds were found lying idle in the Directorate/hospital stores.
- Pressure Swing Adoption (PSA) plants were installed in all 11 DHs, eight CHCs and in CIHSR, Dimapur. There was no reduction in the expenditure on oxygen cylinders despite the installation of PSA plants, as these plants largely remained un-utilised.
- The State is lagging in achieving the SDG-3 indicators in seven out of the ten targeted areas in comparison to the national achievements.
- Spending on the health sector, which ranged between 3.22 and 5.19 *per cent* of the State budget during 2017-18 to 2022-23, was lower than the norms (eight *per cent* of their budget by 2020) envisaged in the National Health Policy, 2017.
- There was an inordinate delay in acquisition of land for the Nagaland Medical College at Kohima, which delayed commencement of civil works resulting in delay in completion of civil works.

Recommendations:

The State Government may-

- ✓ *ensure posting of specialist doctors and provide necessary emergency services as well as other specialist services in the deficient health facilities as per IPHS norms.*
- ✓ *provide necessary diagnostic services in the CHCs to reduce the pressure at the District and State Level Hospitals and mitigate the problems of travelling longer distances and incurring out of pocket expenses by patients.*
- ✓ *ensure formation of HICC in each health facility and strengthen the effectiveness of HICC by providing specific training and resources to develop comprehensive infection control plans tailored to each facility's needs.*
- ✓ *prioritise obtaining safety clearance from the concerned Department for all healthcare facilities to mitigate the risk of fire hazards and ensure patient safety.*
- ✓ *ensure to improve the quality of services and patient care at PHCs with low bed occupancy and high referral rates by conducting assessments, identifying root causes of service deficiencies, and implementing targeted interventions to address gaps in service delivery.*
- ✓ *assess the utilisation of the assets and equipment created and procured during pandemic and consider redistribution based on the requirement of the health facilities.*
- ✓ *ensure adequate spending on health sector, prioritise the filling up of vacant medical and paramedical posts and implement effective monitoring mechanisms to achieve SDG targets.*

Compliance Audit Paragraphs

URBAN DEVELOPMENT DEPARTMENT

A pipeline project of ₹27.97 crore for providing water supply to Kohima town proved unfruitful due to inability of the State Government to augment bulk water supply.

Recommendations:

The State Government may-

- ✓ *ensure that all requisite clearances are obtained before preparation of DPR.*
- ✓ *take up augmentation of bulk water supply for Kohima city on priority and ensure that the new water distribution network is commissioned so that the project objective is fulfilled without further delay.*

SCHOOL EDUCATION DEPARTMENT

Printing of lesser number of pages of school text books resulted in excess payment of ₹0.94 crore.

Recommendations:

The State Government may-

- ✓ ensure that procurement is made strictly in accordance with principles of GFR and CVC guidelines and payment is based on actual pages printed.
- ✓ initiate steps for recovery of the excess payment made to the firm.

Part-II: Local Governments Audit

Subject Specific Compliance Audit

Implementation of 74th Constitutional Amendment Act

MUNICIPAL AFFAIRS DEPARTMENT

The Government of Nagaland (GoN) enacted the Nagaland Municipal Act 2001, to implement the 74th Constitutional Amendment Act (CAA) with the objective of empowering the Urban Local Bodies (ULBs) and of ensuring decentralisation of power for better governance in urban areas. This important constitutional objective, however, could not be fully achieved. Out of 18 functions listed in the 12th Schedule, only seven functions were devolved to ULBs and out of these seven devolved functions, ULBs had sole responsibility of only sanitation and solid waste management. The remaining 11 functions are discharged by various Government Departments. ULB elections were held in June 2024, in all three Municipal Councils and 21 out of 36 Town Councils. GoN omitted the power of ULBs to levy taxes on land and buildings *vide* third amendment to the NM Act in 2016. In the absence of specific recommendations by SFC on devolving funds to ULBs, there was no vertical devolution of share of taxes by the State Government to ULBs during 2018-19 to 2022-23. There was delay in constituting the First and Third State Finance Commissions and non-acceptance of the Second SFC report. As own financial resources of the ULBs in the State were not sufficient to meet their expenditure, the ULBs were dependent on grants from the Government to pay the employees' salaries and on grants from Central Finance Commission to fund capital expenditure such as procurement of vehicles for solid waste management and execution of various civil works. There were instances of CFC funds having been obtained by the GoN from GoI, but GoN was unable to fulfil the conditions of CFC grants. The GoN delayed the release of first instalment of XV FC grant by 317 and 463 days. GoI released an amount of ₹15 crore as XV FC untied grant for 2020-21, however grants were distributed unequally among the ULBs with eighteen ULBs having received grants in excess of their entitlement and the remaining 21 ULBs being deprived of the XV FC grants (2nd instalment untied grant) in contravention to the operational guidelines. The GoN did not frame the Municipal Account Code as stipulated in the Nagaland Municipal Act and ULBs followed the cash based accounting system. None of the ULBs prepared financial statements, which was due to insufficient institutional capacity within the State Government and lack of necessary financial and human resources in ULBs. The ULBs were also incapacitated by human resource constraints

due to the inability of the GoN to create sanctioned posts and frame recruitment rules for appointment of employees.

Recommendations:

The State Government may-

- ✓ consider effectively empowering the ULBs as envisaged in the 74th CAA and fully devolving functions listed in the 12th Schedule.
- ✓ take steps to hold elections to the ULBs on regular basis as per the provisions of the 74th CAA.
- ✓ take steps to ensure regular constitution of the SFC as per the prescribed timeline and implement recommendations of the SFC in a timely manner.
- ✓ take steps to empower ULBs to augment their revenue sources for carrying out their core responsibilities without fully depending on the State Government.
- ✓ take steps to allocate funds to all ULBs proportionately as recommended in the Operational Guidelines of CFC.
- ✓ ensure preparation of a Municipal Account Code and take steps to ensure that ULBs prepare required financial statements.
- ✓ frame Recruitment Rules at the earliest and delegate adequate powers over manpower resources to ULBs in matters such as assessment and recruitment of required staff to ensure availability of qualified manpower for discharging functions.

Performance Audit

Solid Waste Management in Nagaland

MUNICIPAL AFFAIRS DEPARTMENT AND URBAN DEVELOPMENT DEPARTMENT

Solid Waste Management (SWM) is one of the major environmental areas that need to be addressed effectively. The management of municipal solid waste is one of the main functions of the ULBs. ULBs are required to plan, implement and monitor urban service delivery especially relating to municipal solid waste. A Performance Audit on ‘Solid Waste Management in Urban Local Bodies’ was carried out covering the period from April 2017 to March 2023. The significant findings of audit are highlighted below:

- Survey was not conducted by the ULBs to assess the quantum of waste generated during the period from 2017-18 to 2022-23.
- In the absence of weighbridge facilities at dumping sites, none of the sampled ULBs adhered to the prescribed methodology for estimating waste generation. As a result, the authenticity of waste quantification could not be verified. The improper assessment of solid waste generation would have a significant bearing on the quality of planning and strategy on solid waste management.

- During 2017-18 to 2022-23, Short-term and long-term plans on Solid Waste Management were not prepared, which deprived ULBs the opportunity of adopting a systematic approach to SWM.
- The requirement of a contingency plan was not addressed by any of the sampled ULBs. As a result, ULBs were not prepared to tackle any unforeseen situation and crisis such as when DMC employees protested (September/October 2022) regarding non-payment of salaries.
- Though the NIWM Policy, 2019 proposed utilising the services of NGOs to provide support to the informal sector, no guidelines were issued in this regard. The sampled ULBs did not financially support organisations/ individuals of informal waste collectors and did not integrate them in SWM.
- District Level Review & Monitoring Committee and City Level Task Forces were not constituted leading to poor support to the effective implementation of SWM.
- Analysis of SLB declarations (2022-23) by six sampled ULBs in respect of eight performance indicators (except efficiency in redressal of customer complaints) showed that in certain cases, targets were set at extremely low levels.
- The State ULBs did not have any sanctioned post and appointment was arbitrary in nature. In the sampled ULBs, the required SWM cell to exclusively take care of SWM activities was not set up, whereby the existing staff had to manage both SWM and sanitation activities.
- ULBs in Nagaland are financially dependent on Central and State Governments to carry out solid waste management activities as their own revenue is not sufficient to meet these expenses.
- The Department of Municipal Affairs purchased waste bins and sanitation vehicles amounting to ₹4.75 crore for six sampled ULBs without calling open tender/e-procurement/GeM and restricted procurement to limited quotations.
- Out of six sampled ULBs, only three ULBs had notified and publicised the list of domestic hazardous waste. None of the sampled ULBs created awareness on provisions regarding levy of penalty (Section 14.9 of NIWM Policy, 2019) for littering and non-segregation of different waste. The IEC activities did not emphasise ‘not to bury’ and ‘not to burn’ solid waste.
- Out of six sampled ULBs, only DMC had installed Material Recovery Facility (MRF) which was functional.
- There was shortage of SWM vehicles which was a factor contributing to non-achievement of 100 *per cent* door to door collection. 58 out of 135 waste

management vehicles were operating without registration in the sampled ULBs.

- Out of six sampled ULBs, only KMC had 29 vehicles with partitions for collection of wet and dry waste but waste collectors were depositing both wet and dry waste in both sections thereby defeating the purpose of segregation of waste. In six sampled ULBs, none of the sanitation vehicles were affixed with GPS devices depriving ULBs of an effective tracking mechanism.
- Out of 39 ULBs in the State, four ULBs did not have landfills for disposal of municipal solid waste and were using landfills of neighbouring ULBs. Except the landfill in Kohima, all other landfill/dumping sites are unsanitary.
- Out of the six sampled ULBs, only KMC had bio-medical waste collecting vehicles which are deployed as and when called for, by the HCE on payment of user fees.
- The absence of proper segregation of waste led to mixing of Municipal Solid Waste with plastic waste, bio-medical waste, e-waste and slaughterhouse waste.

Good Practices:

- *To promote waste segregation and to address littering, PTC installed plastic bank and waste segregation bins at various locations under IEC activities.*
- *DMC practised treatment of legacy waste through bioremediation and bio mining process in its dumpsite.*
- *PTC transferred legacy waste in bio-capped landfill site and carried out awareness on harmful effects of plastic waste and seizure of banned plastic.*
- *With financial support from CBCB, NPCB in collaboration with DMC constructed a one Km Polymer Bitumen road using waste plastics as a model road for other Departments to emulate.*

Recommendations:

The State Government may-

- ✓ *ensure that ULBs adopt a scientific approach towards assessment of generated waste and that assessment is done on a regular basis.*
- ✓ *instruct the ULBs to prepare a time-bound plan for ULBs to achieve the highest/preferred level of Service Level Benchmarks (SLBs).*
- ✓ *need to explore the possibility of installing of Material Recovery Facility (MRF) in each district.*
- ✓ *devise an effective means of communicating the impact and efficacy of IEC activities.*
- ✓ *put in place a system of incentivising waste collectors for segregation of waste at source.*

- ✓ *ensure installation of waste sorting plant/MRF in all ULBs in the State to address the segregation of waste before the wastes are dumped in landfills.*
- ✓ *enforce strict adherence to Plastic Waste Management Rules, Bio-medical Waste Management Rules, E-Waste Management Rules and Construction and Demolition Waste Rules.*

Economic Sector

Compliance Audit Paragraphs

PUBLIC WORKS DEPARTMENT (ROADS & BRIDGES)

The Executive Engineer, Public Works Department (Roads & Bridges), Phek Division made an irregular payment of ₹5.86 crore on short-executed works to the contractor based on fictitious entries in the Measurement Books and Running Account Bills.

WATER RESOURCES DEPARTMENT

A The Executive Engineer, Water Resources Department, Kohima Division made an irregular payment of ₹0.58 crore on short-executed works to the contractor based on fictitious entries in the Measurement Books and Running Account Bills.

Recommendation:

The State Government should fix responsibility on the erring officers for false entries and releasing of money without actual execution of works

B Water Resources Department, Government of Nagaland utilised an amount of ₹2.48 crore towards procurement of vehicles in violation of Pradhan Mantri Krishi Sinchai Yojana Operational Guidelines.

Recommendations:

The State Government may-

- ✓ *ensure that the Scheme fund is expended as per the Operational Guidelines.*
- ✓ *fix responsibility on the officials concerned for procurement of vehicles in violation of the Scheme guidelines.*

TOURISM DEPARTMENT

A The Sub-Divisional Officer, Directorate of Tourism, Nagaland, Kohima recorded fictitious execution of works in the measurement books resulting in suspected fraudulent payment of ₹1.36 crore to the contractors.

Recommendation:

The State Government may refer the case to State Lokayukta for further investigation and suitable action against criminal misconduct by a public servant.

B Inability of the Department to enforce provisions of MoU with local authorities/private entrepreneurs resulted in non-recovery of rent on Government assets amounting to ₹27.53 lakh.

Recommendation:

The Department may consider taking action to recover the outstanding rent from the defaulting lessees.

RURAL DEVELOPMENT DEPARTMENT

The Rural Development Department, Government of Nagaland sanctioned inadmissible expenditure of ₹One crore to Rural Development Block, Chare, Tuensang, of which ₹0.84 crore was mis-utilised.

Recommendation:

The State Government may ensure that the Tied Grants be utilised for the purposes stipulated in the Operational Guidelines

General Sector

Performance Audit

Modernisation of Police Forces

HOME (POLICE) DEPARTMENT

The Government of India (GoI) approved (September 2017) the continuation of the scheme for Modernisation of Police Forces with the new name 'Assistance to States for Modernisation of Police' under the umbrella scheme of Modernisation of Police Forces (MPF) for a period of three years from 2017-18 to 2019-20. This scheme was further extended (August 2022) to 2025-26. The objective of the scheme was to gradually reduce the dependence of the State Governments on the Army and the Central Armed Police Forces to control internal security and law & order situations by equipping the State Police Forces adequately through development of infrastructure. The focus of the scheme is to strengthen Police infrastructure at cutting edge level by equipping the Police Stations with the required mobility, modern weaponry, communication equipment and forensic set-up in all the States and construction of Police infrastructure including housing in specific areas. With a view to examining the effectiveness and efficiency of the Police Force after implementation of the Modernisation scheme, a Performance Audit was taken up for the period covering 2017-18 to 2022-23. The significant findings of audit are highlighted below:

- The Annual State Action Plans were prepared without baseline assessment of the ground situation or a review of the State Strategic Plan.
- During 2017-18 to 2022-23, GoI released ₹65.58 crore (69 per cent) against the allocation of ₹94.36 crore, while GoN released ₹2.38 crore (26 per cent) against its due share of ₹9.20 crore resulting in combined short release of ₹35.60 crore (GoI Share: ₹28.78 crore and GoN share: ₹6.82 crore). The

State Government released funds received from GoI, to the Department with delays ranging from 01 to 08 months.

- The State Government submitted UCs for the period from 2017-18 to 2019-20 to the Ministry of Home Affairs showing amounts which were more than the actual utilisation.
- During 2017-23, the Department drew 20 Abstract Contingent (AC) bills amounting to ₹71.12 crore under MPF Scheme, of which, seven AC bills amounting to ₹25.50 crore remained unadjusted.
- The Department procured training and equipment worth ₹9.65 crore that were not originally projected in the SAP as required by various field units. Out of these, eight items of training equipment and three security equipment amounting to ₹0.37 crore and ₹1.31 crore respectively were procured in excess of the actual requirement.
- There was a shortfall of 2,707 rifles along with shortage of 777 Digital Static Sets and 3,090 Digital Handheld Sets, indicating a significant gap in meeting the objectives of the Scheme, which aimed to decrease reliance on the Army gradually while ensuring State Police personnel receive sufficient equipment.
- Distribution of procured training equipment to various Training units was not always based on the requirement submitted by the units, as training equipment procured against the proposal of Home Guards (HG), Police Training School (PTS) and NAP Training Centre (NAPTC) were diverted and issued to other Training Units.
- The Resource Management System and Beat Patrolling system installed in all sampled districts with an expenditure of ₹7.12 crore remained unutilised rendering the expenditure unfruitful.

Recommendations:

The State Government may-

- ✓ *direct the Department to prepare the tentative and State strategic plans so as to submit the realistic State Action Plans to GoI.*
- ✓ *ensure that procurement is made as per the approved SAP and approval be obtained from MHA for deviation, if any.*
- ✓ *ensure submission of correct Utilisation Certificates (UCs) depicting the actual utilisation of funds and submit UCs without delay.*
- ✓ *instruct the Department to follow the codal formalities of relevant Financial Rules for procurements made under the scheme.*
- ✓ *direct the Department to ensure the availability of equipment to the field units and minimise idle stock retention by Police Headquarters.*

Compliance Audit Paragraphs

HOME (POLICE) DEPARTMENT

Inability of the Department to enforce provisions of Government's decision for recovery of police guards charges from Banks/institutions resulted in non-realisation of security charges of ₹54.82 crore.

Recommendation:

The State Government may comply with PAC recommendations and take immediate action to recover the outstanding dues in a time-bound manner from the defaulting banks/institutions to avoid further financial losses.

FINANCE (TREASURIES & ACCOUNTS) DEPARTMENT

Non-exercise of prescribed checks by the Drawing and Disbursing Officers and Treasury Officers, resulted in fraudulent/double/excess drawal of ₹0.68 crore out of which ₹19.74 lakh is yet to be deposited.

Recommendation:

The State Government may initiate steps to strengthen the internal control mechanism in all departments to prevent recurrence of suspected fraudulent drawals and ensure that appropriate checks and balances are in place.

Revenue Sector

Subject Specific Compliance Audit

Departments' oversight on GST payments and Return filing in Nagaland

FINANCE (TAXATION) DEPARTMENT

The SSCA was conducted with a view to assessing tax compliance and the adequateness and effectiveness of tax administration. Audit revealed shortcomings in tax administration such as deficiencies in scrutiny of returns, internal audit, lapses in cancellation of registration and lack of action where irregularities were noticed. Audit has recommended corrective actions to address the shortcomings noticed.

Recommendations:

The State Government may-

- ✓ *ensure that SOP for selection of returns for scrutiny based on risk parameters and detailed procedures for scrutiny of returns are followed in a time-bound manner.*
- ✓ *ensure that prompt steps are taken to initiate the audits under Section 65 of the Act so that timely action could be initiated against the defaulters before time-barring of cases.*
- ✓ *instruct the departmental units for ensuring timely and complete production of records to Audit.*
- ✓ *ensure that remedial action is taken for all the compliance deviations brought out in this report before they get time-barred.*

Economic Sector (State Public Sector Undertakings)

As on 31 March 2023, the State of Nagaland had seven SPSUs (five working companies and two non-working companies), wherein the investment of the State

Government (capital and long-term loans) in six SPSUs was ₹121.96 crore consisting of ₹42.26 crore (28.16 *per cent*) towards capital and ₹79.70 crore (71.84 *per cent*) towards long-term loans. The combined investment of State and Other Stakeholders as on 31 March 2023 in SPSUs under various important sectors stood at ₹121.96 crore. The combined investment was highest in the Finance Sector SPSUs (₹82.65 crore) followed by Miscellaneous Sector SPSUs (₹18.85 crore).

As per the information available as on 30 September 2023, five working SPSUs had arrears of 17 accounts ranging from one to six years. During 2022-23, three working SPSUs finalised total five accounts, while remaining two SPSUs *viz.*, Nagaland Handloom & Handicrafts Development Corporation Ltd., and Nagaland Hotels Limited, did not submit any accounts during the year 2022-23.

As per information furnished by the SPSUs, during 2022-23, the State Government has provided budgetary support of ₹29.54 crore in the form of grants/subsidy.

As per the latest finalised accounts of SPSUs as on 30 September 2023, the turnover of four working SPSUs stood at ₹5.92 crore. The accumulated loss (₹81.45 crore) of two working SPSUs had completely eroded their paid-up capital (₹25.55 crore) as per the latest finalised accounts. During 2022-23, four working SPSUs incurred overall loss of ₹7.95 crore as per latest finalised accounts.

CHAPTER-I
INTRODUCTION

CHAPTER - I

INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from the performance audits and test audit of transactions of various departments of the Government of Nagaland (GoN) pertaining to Social, Economic, General & Revenue Sectors and Local Bodies.

The primary purpose of this Report is to bring to the notice of the State Legislature, significant results of audit. Auditing standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executive to take corrective action, to frame appropriate policies as well as to issue directives that will lead to improved financial management and contribute to better governance.

This chapter, in addition to explaining the planning and coverage of audit, provides a synopsis of significant instances of non-compliance with applicable laws, rules, regulations, various orders and instructions issued by competent authorities.

1.2 Profile of the Office of the Principal Accountant General (Audit), Nagaland

The Office of the Principal Accountant General, Nagaland, Kohima was established on 17 December 1974. Following a restructuring of cadres in 1984, the audit functions were entrusted to the office of the Principal Accountant General (Audit), Nagaland and the Accounts and Entitlement functions were entrusted to the Principal Accountant General (A&E), Nagaland.

Under the directions of C&AG, the Office of the Principal Accountant General (Audit), Nagaland conducts audit of Government departments, Public Sector Undertakings, Autonomous Bodies and other Institutions¹ under Social, Economic, General and Revenue Sectors, which are spread all over the State. The Principal Accountant General (Audit) is assisted by one Senior Deputy Accountant General.

The authority of audit is derived from Article 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (C&AG's (DPC) Act). Under Section 13 of the C&AG's (DPC) Act, the Office of the Principal Accountant General (Audit) has been entrusted with the audit of all expenditure incurred from the Consolidated Fund of GoN. This office conducts audit of revenue receipts of GoN under Section 16 of the C&AG's (DPC) Act. This office also conducts supplementary audit of the Balance Sheet of all State Government companies under Section 143 (6) (a) of the Companies Act, 2013. This office is responsible for audit of accounts of autonomous bodies and authorities falling under Section 14, 15, 19 (2), 19 (3) and 20 (1) of C&AG's (DPC)

¹ Audit of World Bank assisted projects, Asian Development Bank assisted projects *etc.*

Act. The C&AG prescribes the principles and methodologies for various audits in the Auditing Standards and the Regulations on Audit and Accounts, 2020.

1.3 Planning and conduct of Audit

The audit process commences with the assessment of risk of the departments based on the expenditure incurred, criticality/complexity of activities, priority accorded for the activity by the Government, level of delegated financial powers, assessment of internal controls, concerns of stakeholders and previous audit findings. Based on this risk assessment, frequency and extent of audit are decided and an annual audit plan is formulated to conduct audit.

After completion of each audit, an Inspection Report (IR) containing audit findings is issued to the Head of the unit with a request to furnish replies within one month of receipt of the IR. Wherever replies are received, audit findings are either settled or further action for compliance is advised. Significant audit observations pointed out in these IRs, which require attention at the highest level in the Government, are processed for inclusion in the Audit Report which are submitted to the Governor of Nagaland under Article 151 of the Constitution of India for causing them to be laid on the Table of the State Legislature.

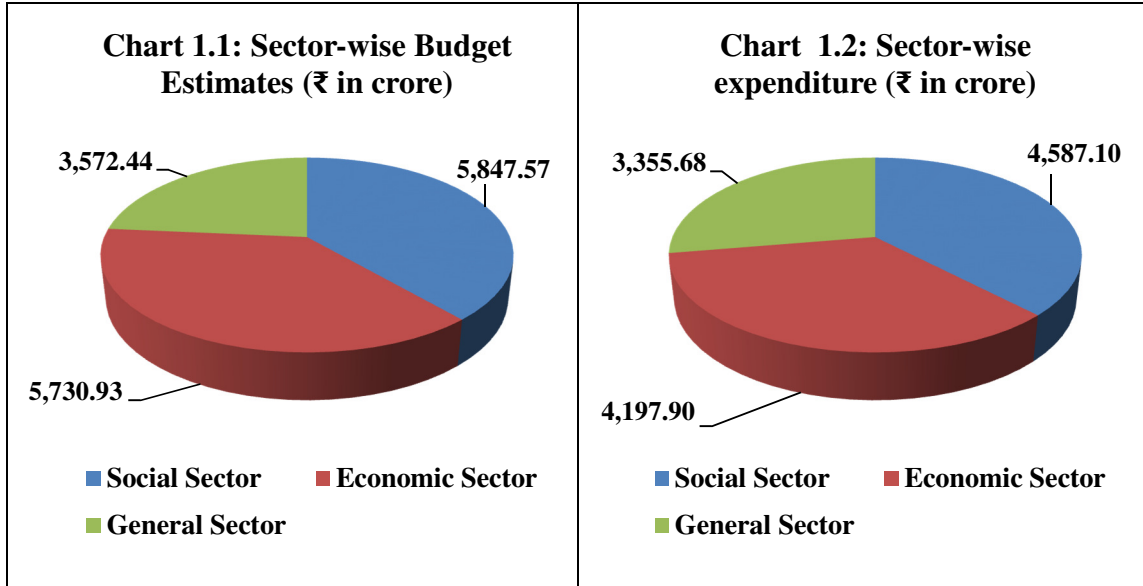
The Audit Plan is prepared in such a way that it fits into the long term and short term goals of audit in consonance with the overall “Vision and Mission” of the Supreme Audit Institution of India. It has been prepared after carrying out risk assessment and keeping in view the available manpower. Elements of the Audit Quality Management Framework (AQMF) viz. materiality, inputs from Voucher Level Computerisation (VLC), financial size of the units, data from various e-governance initiatives taken by Government, flagship programme undertaken by auditees, press reports/electronic media coverage, expected audit impact and continuous improvement based on past experience were taken into account to the extent possible while framing the plan. A sector-wise analysis of Government spending, investment policy of the Government in infrastructure development, industrialisation and socio-economic activities along with due consideration of possible audit impact were taken into account in prioritising auditee units for preparing the audit plan.

Considering the availability of resources, focus has been given on areas of high financial risk rather than thinly spreading out the available resources throughout the Government activities. This would have better socio-economic impact and add value to governance. Out of 1,204 units, 392 units were planned for audit during 2022-23 after carrying out risk assessment, of which 402 units² were actually audited during 2022-23.

² Including 16 Central Units

1.4 Significant Audit Observations

During the year 2022-23, the State Government incurred an expenditure of ₹12,140.68 crore³ against the budget provision of ₹15,150.94 crore⁴ under Social, Economic and General Sectors. Sector-wise budget estimates and expenditure are depicted in **Charts 1.1** and **1.2**.



Source: Appropriation Accounts, 2022-23

This Report, *inter alia*, contains three Performance Audits viz., “Welfare of Building and Other Construction Workers in Nagaland”, “Modernisation of Police Forces” and “Solid Waste Management in Nagaland”, three Subject Specific Compliance Audits viz. “Public Health Infrastructure and Management of Primary Health Services”, “Goods and Services Tax- Department’s Oversight on GST Payments and Returns Filing in Nagaland” and “Implementation of 74th Constitutional Amendment Act in Nagaland” and major findings of audit from test-check of the transactions of 385 units⁵ involving an expenditure of ₹21,117.69 crore⁶ under Social, Economic, and General Sectors. Significant audit findings are discussed in the respective chapters.

³ Social: ₹4,587.10 crore; Economic: ₹4,197.90 crore; General: ₹3,355.68 crore

⁴ Social: ₹5,847.57 crore; Economic: ₹5,730.93 crore; General: ₹3,572.44 crore

⁵ Social: 153 units; Economic: 174 units; General: 58 units

⁶ Social: ₹7,671.42 crore; Economic: ₹7,653.62 crore; General: ₹5,792.65 crore

CHAPTER-II
SOCIAL SECTOR
(including Local Governments Audit)

PART-I

Performance and Compliance Audits on Departments under Social Sector

CHAPTER - II

SOCIAL SECTOR

PART-I

2.1 Introduction

This chapter of the Audit Report for the year ended 31 March 2023 deals with the findings on audit of the State Government units under Social Sector.

During 2022-23, total budget allocation of the State Government in the Departments under Social Sector was ₹5,847.55 crore against which actual expenditure incurred was ₹4,587.10 crore (78 *per cent*). The Department-wise details of Budget Allocations and Expenditure incurred are shown in **Table 2.1.1**.

Table 2.1.1: Details of Department-wise Budget allocation and Expenditure

(₹ in crore)

Sl. No.	Name of the Department	Budget Allocation			Expenditure			Expenditure as percentage of Allocation
		Revenue	Capital	Total	Revenue	Capital	Total	
1.	Art & Culture	26.94	4.66	31.60	24.67	4.27	28.94	92
2.	Employment & Craftsmen Training	66.41	1.00	67.41	32.04	1.00	33.04	49
3.	Health & Family Welfare	894.13	461.06	1,355.19	794.58	446.56	1,241.14	92
4.	Higher Education	237.88	113.76	351.64	198.33	33.04	231.37	66
5.	Information & Public Relations	41.24	1.84	43.08	40.48	1.84	42.32	98
6.	Labour	12.48	0	12.48	11.75	0	11.75	94
7.	Municipal Affairs	105.76	511.33	617.09	32.99	157.87	190.86	31
8.	School Education	1,856.95	117.85	1,974.80	1,798.73	119.64	1,918.37	97
9.	Social Welfare	411.26	6.44	417.70	274.00	5.73	279.73	67
10.	State Council for Education, Research & Training (SCERT)	47.21	28.04	75.25	43.50	28.05	71.55	95
11.	Technical Education	47.25	30.26	77.51	44.97	29.76	74.73	96
12.	Urban Development	52.31	130.01	182.32	51.64	140.89	192.53	106
13.	Water Supply & Sanitation	121.44	416.39	537.83	106.85	80.95	187.80	35
14.	Women Welfare	12.60	0	12.60	12.50	0	12.50	99
15.	Youth Resources & Sports	50.56	40.49	91.05	49.52	20.95	70.47	77
Total		3,984.42	1,863.13	5,847.55	3,516.55	1,070.55	4,587.10	78

Source: Appropriation Accounts, 2022-23

It can be seen from the table above that:

- The expenditure incurred by the Government under different departments of Social Sector ranged between 31 and 106 *per cent*.

- The Urban Development Department had utilised ₹10.21 crore over the budgeted allocation.
- Out of 15 departments, in Social Sector, nine departments incurred more than 90 per cent of total budget allocation viz. Urban Development (106 per cent), Women Welfare (99 per cent), Information & Public Relations (98 per cent), School Education (97 per cent), Technical Education (96 per cent), SCERT (95 per cent), Labour (94 per cent), Art & Culture (92 per cent) and Health & Family Welfare (92 per cent) Departments during the year 2022-23.
- Revenue expenditure in the sector was ₹3,516.55 crore (77 per cent) of the total expenditure.
- Capital expenditure in the sector was ₹1,070.55 crore (23 per cent) of the total expenditure.

2.1.1 Planning and Conduct of Audit

Audit process starts with the assessment of risks faced by various Departments of the Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers and assessment of overall internal controls.

Audit was conducted in 153 units of nine Departments involving an expenditure of ₹7,671.42 crore (including expenditure of previous years audited during the year) during 2022-23 under the Social Sector.

After completion of audit of each unit, Inspection Reports containing audit findings were issued to the Heads of Departments for taking appropriate remedial measures on the audit findings. The Departments were requested to furnish replies to the audit findings within one month of the receipt of Inspection Reports. Wherever replies were received, audit findings were reviewed and either settled or further action for compliance was advised. Important audit observations arising out of the Inspection Reports were processed for inclusion in the C&AG's Audit Report, which is submitted to the Governor of the State under Article 151 of the Constitution of India, for laying before the State Legislature.

This Chapter contains audit observations on one Performance Audit viz. "Welfare of Building and Other Construction Workers in Nagaland", one Subject Specific Compliance Audit viz. "Public Health Infrastructure and Management of Health Services in Nagaland" and two compliance audit paragraphs.

Performance Audit

LABOUR DEPARTMENT

2.2 Welfare of Building and Other Construction Workers in Nagaland

Building and Other Construction (BOC) Workers are one of the most vulnerable segments of unorganised labour in the country. Their work is of temporary nature and

working hours are uncertain. While risk to life and limb is inherent, basic amenities and welfare facilities are mostly non-existent or inadequate where provided.

A Performance Audit on 'Welfare of Building and Other Construction workers in Nagaland' was carried out covering the period from 2017-18 to 2022-23 with special emphasis on receipt of cess fund and utilisation of it on various welfare schemes for registered construction workers. The significant findings of audit are highlighted below:

Highlights

- *There was no effective mechanism to register all building and other construction workers with the Welfare Board.*

(Paragraph 2.2.10.1 (I))

- *No Establishment has yet been registered and consequently no fees has been collected on registration. There was no established mechanism to ensure that buildings or construction works get registered as an establishment.*

(Paragraph 2.2.10.2 (I))

- *Independent assessment of Cess by Inspectors through inspection of work sites/establishments was not undertaken by the Department. As a result, the Department is not able to identify employers of construction workers who are liable to pay Cess or to assess the Cess payable.*

(Paragraph 2.2.11 (I))

- *There were instances where the safety and health measures of construction workers were compromised as the precautions and facilities guaranteed under the Act were not provided.*

(Paragraph 2.2.12)

- *No meeting of the State Advisory Committee was held during February 2018 to February 2021. Consequently, the State Government and the Welfare Board were deprived of the benefit of advice and guidance on matters arising out of the administration of the Act.*

(Paragraph 2.2.14.2)

- *Though construction workers were predominantly migrant workers, no special benefits or facilities such as facilitation centres, transit accommodation, labour shed and mobile toilets were provided. This resulted in the needs of migrant works not being addressed.*

(Paragraph 2.2.14.3 (I))

- NBOCWBB had expended an amount of ₹1.50 crore on purchase of nine vehicles which was in contravention of extant orders.

(Paragraph 2.2.14.3 (V))

2.2.1 Introduction

With a view to providing welfare facilities to the construction workers of the country, Government of India (GoI) enacted two legislations viz. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) {BOCW (RECS)} Act, 1996¹ and the Building and Other Construction Workers Welfare Cess Act, 1996. The corresponding Central Rules of the two Acts were notified on 19 November 1998 and 26 March 1998 respectively².

In line with the Central Rules, the Government of Nagaland (GoN) constituted the Nagaland Building and Other Construction Workers' Welfare Board (NBOCWBB) under Section 18 of the BOCW (RECS) Act, 1996. Further, in exercise of the powers conferred under Section 62 and Section 40 of the BOCW (RECS) Act 1996, the GoN framed the Nagaland BOCW (RECS) Rules, 2010. In terms of these rules, the Welfare Board registers building and other construction workers through the Assistant Labour Commissioners (ALCs) of the respective district offices. Registered construction workers and their families are then provided social security through different welfare schemes specially designed for the purpose.

As per Section 3 (1) and 5 (1) of BOCW Welfare Cess Act, 1996 there shall be levied and collected a Cess for the purpose of the Act, at such rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by an employer, as the Government may from time to time specify. Further, as per Rule 265 of NBOCW (RECS) Rules, 2010 registered construction workers are to pay fees of ₹25 for registration and ₹300 for renewal of registration per year. The amount collected as labour Cess and fees are remitted to a Cess Fund. On receipt of claims under various welfare schemes by registered and active beneficiaries and after establishing authenticity of claims, the approved amount is released out of the Cess fund to the beneficiaries account through Direct Benefit Transfer (DBT) mode. Cess fund is also utilised on administrative matters and on Training and Skilling of construction workers.

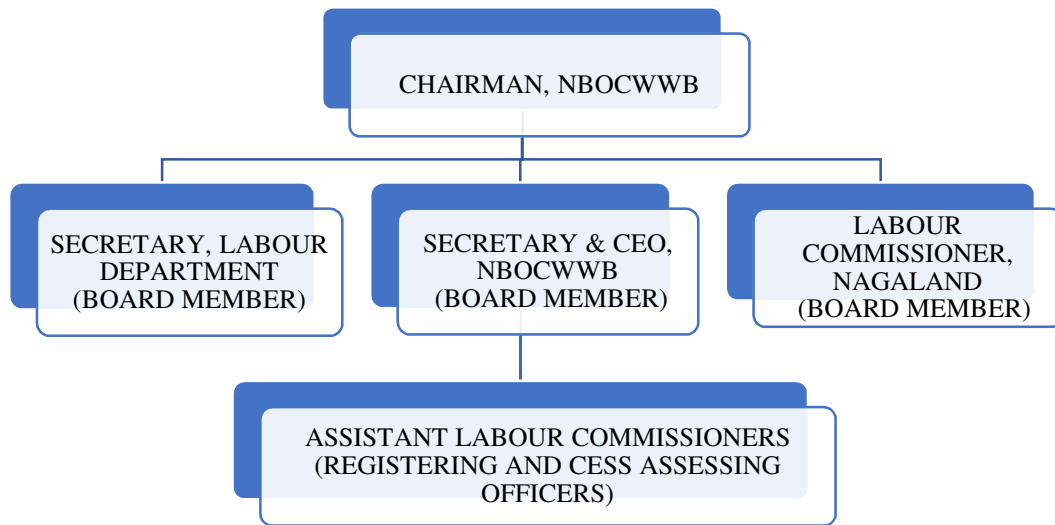
2.2.2 Organisational set up

Structural and functional organisation with regard to Cess fund administration showing interrelation of the Labour Department and NBOCWBB is shown in **Chart 2.2.1**.

¹ With the enactment of the Occupational Safety, Health and Working Conditions Code, 2020, this Act was subsumed under the OSH Code, 2020 *w.e.f.* September 2020. This Code is yet to be enforced in the State of Nagaland.

² The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Central Rules, 1998 and the Building and Other Construction Workers Welfare Cess Rules, 1998.

Chart 2.2.1



Source: Departmental records

CHAIRMAN: The Chairman is the overall head of the Welfare Board and is responsible for convening meetings of the Welfare Board. All matters relating to implementation of decisions arrived at the Welfare Board meetings are executed only with the approval of the Chairman.

SECRETARY: Secretary of the Labour Department is a member of the Welfare Board. All communications with the Central Government as well as the State Government in relation to the working of the Welfare Board are made through the Secretary of the Department.

LABOUR COMMISSIONER: Labour Commissioner, Nagaland is a member of the Welfare Board and is the link between the Welfare Board and the State Government in matters of working of the Welfare Board. All communications with the administrative head of Labour Department and the subordinate Labour Department offices in the respective districts are made through the Labour Commissioner.

SECRETARY & CEO: Secretary & CEO is responsible for maintaining records of all Board meetings and daily administration of the Board office. He assists the Chairman in all matters of the Board.

ASSISTANT LABOUR COMMISSIONERS: ALCs are notified as registering officer and cess assessing officer and are responsible for all matters relating to registration/renewal of beneficiaries and implementation of various approved schemes in their respective districts. There are 10 ALCs in Nagaland. The manpower distribution and jurisdiction is given in *Appendix 2.2.1*.

2.2.3 Welfare schemes implemented by NBOCWWB

NBOCWWB implements the following schemes for the welfare of construction workers in the State:

- **Tools Grant:** On successful registration of a worker, ₹1,000 as a grant for purchase of tools is credited into the beneficiary's account annually, subject to renewal of registration. Implementation of this scheme commenced in 2011-12. The Tools grant was enhanced to ₹2,000 from 2022-23.
- **Insurance Cover:** Insurance cover is provided to active beneficiaries as follows:

Table 2.2.1: Insurance cover of beneficiaries

Cause	Coverage
Natural Death	₹2,00,000
Accidental Death	₹4,00,000
Total permanent disability	₹2,00,000

Source: Departmental figures

The scheme was initially formulated in line with Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) and was implemented in collaboration with Life Insurance Corporation of India (LICI). However, since 2019-20, NBOCWVB has fully adopted the two schemes and expenditure on the same is borne out of the Cess fund.

- **Medical Assistance:** Financial assistance of ₹1,000 per day for the first five days and ₹500 per day for the next 10 days on continuous hospitalisation is provided to registered beneficiaries, spouse and children as medical assistance. Implementation of this scheme commenced in 2014-15.
- **Children Education Allowance:** Children Education Assistance of ₹500 is provided per month to children of active beneficiaries studying between Nursery to Class X. The assistance is provided to a maximum of two children per beneficiary. Implementation of this scheme commenced in 2015-16.
- **Maternity Benefit for Women Beneficiaries:** Maternity benefit of ₹6,000 is provided to wives of active beneficiaries and registered active women beneficiaries subject to a maximum of two times per beneficiary. Implementation of this scheme commenced in 2015-16.
- **Skill Training for Building and Other Construction Workers:** The Welfare Board conducts trainings through Training Partners (TPs) as per approval of the Welfare Board. Training on Soft and Hard skills are provided to the selected trainees.

2.2.4 Audit objectives

The Performance Audit (PA) was conducted to ascertain whether:

- there was effective system for registration of establishments and beneficiaries;
- cess assessment, cess collection and transfer of collected cess to the fund was efficient;

- the Government prescribed appropriate health and safety norms and could ensure an environment of compliance to those norms by the employer;
- the Government implemented transparent and effective system of inspections to check evasion of Labour Cess and compliance to health and safety norms by Employers; and
- administration and utilisation of fund on implementation of welfare scheme by the Board was efficient and effective and as per Act and rules framed for the purpose.

2.2.5 Audit Criteria

The Audit findings have been benchmarked against the following criteria:

- BOCW (RECS) Act, 1996 and BOCW (RECS) Central Rules, 1998;
- Building and Other Construction Workers Welfare Cess Act, 1996 and Building and Other Construction Workers Welfare Cess Rules, 1998;
- Nagaland Building and Other Construction Workers (RECS) Rules, 2010;
- General Financial Rules, 2017;
- Receipt & Payment Rules, 1983;
- Provisions of Model Welfare Scheme and Modified Model Welfare Scheme issued by Ministry of Labour & Employment, Government of India (GoI); and
- Orders, Notifications and instructions of GoI and State Government.

2.2.6 Audit Methodology

The Performance Audit commenced with an Entry Conference (19 October 2022) with the Chairman, NBOCWWB, Nagaland wherein audit objectives, scope and criteria were discussed. The audit methodology included requisition of records, issue of questionnaires, examination of records and conduct of survey of construction workers at selected worksites, survey of registered beneficiaries (including Telephonic survey) who are registered through offices of the ALC, Kohima and Dimapur. Audit also conducted Joint Physical Verification (JPV) of two training centres³. The Report was prepared after incorporating replies submitted by the Department. The findings of audit were discussed in the Exit Conference (22 June 2023) with the Commissioner & Secretary to the Government of Nagaland, Labour & Employment. The replies received from the State Government are duly incorporated in this report in appropriate places.

³ Global Peers Skilling and Development Initiatives Pvt. Ltd. Dimapur and Zynorique Initiatives Society, Kohima

2.2.7 Audit Scope

The Performance Audit was conducted for the period from 2017-18 to 2022-23 with special emphasis on receipt of Cess fund and utilisation of it on various welfare schemes for registered construction workers.

Audit commenced with checking of records at the Office of Labour Commissioner, Nagaland, Kohima⁴ and the Office of NBOCW⁵. Two⁶ out of 12 districts (17 per cent) in Nagaland were selected for detailed audit, based on judgemental sampling, wherein the records of the Offices of ALC, Kohima and ALC, Dimapur were test checked. Survey of 169 registered beneficiaries⁷ and 69 workers in four work sites were conducted in these two selected districts. Three works divisions⁸ were selected for Audit, based on the volume of expenditure to assess the level of compliance with regard to the existing Rules and Instructions on labour cess and collection thereof in the State. To assess the compliance on registration matters and deduction and deposit of labour cess, information was collected from the offices of Directorate of Urban Development, Kohima Smart City Development Limited and Directorate of Municipal Affairs.

2.2.8 Receipt and expenditure of labour cess fund and beneficiaries

Table 2.2.2: Receipt and expenditure of labour cess fund

(₹ in lakh)

Year	Opening Balance	Receipt	Interest Generated	Total	Utilisation			Closing Balance
					Cess expenditure	Administrative expenditure	Total	
(1)	(2)	(3)	(4)	(5 = 2+3+4)	(6)	(7)	(8 = 6+7)	(9 = 5-8)
2017-18	2,539.44	1,216.48	83.53	3,839.45	756.47	25.31	781.78	3,057.67
2018-19	3,057.67	1,622.73	0.00	4,680.39	945.77	37.82	983.59	3,696.81
2019-20	3,696.81	2,346.44	0.00	6,043.25	1,151.10	47.29	1,198.39	4,844.86
2020-21	4,844.86	3,139.42	355.43	8,339.71	1,854.02	57.56	1,911.58	6,428.13
2021-22	6,428.13	3,831.70	0.00	10,259.83	2,387.19	94.92	2,482.11	7,777.72
2022-23	7,777.72	4,312.42	299.53	12,389.67	9,269.20	118.14	9,387.34	3,002.33

Source: Department figures

Table 2.2.3: Receipt and Expenditure of Beneficiary Account

(₹ in lakh)

Year	Opening Balance	Receipt	Interest Generated	Total	Utilisation	Closing Balance
(1)	(2)	(3)	(4)	(5 = 2+3+4)	(6)	(7 = 5-6)
2017-18	32.62	12.77	0.00	45.39	0.00	45.39
2018-19	45.39	36.74	0.00	82.13	8.51	73.62
2019-20	73.62	32.58	0.00	106.20	9.06	97.14
2020-21	97.14	24.94	0.00	122.08	8.39	113.69
2021-22	113.69	53.74	0.00	167.43	7.43	160.00
2022-23	160.00	56.52	0.00	216.52	166.66	49.86

Source: Departmental figures

⁴ For the period of accounts April 2021 to March 2023

⁵ For the period of accounts April 2017 to March 2023

⁶ Kohima and Dimapur

⁷ Kohima District: 90 out of 9,751 beneficiaries and Dimapur District: 79 out of 5,133 beneficiaries

⁸ Executive Engineer, CAWD Kohima, Executive Engineer, PWD (R&B) Dimapur Division and Executive Engineer, Police Engineering Project, Chümoukedima

Table 2.2.4: Utilisation of fund on various welfare schemes

(₹ in lakh)

Year	Tools Grant	Educational Scholarship	Medical Assistance	Maternity Benefit	Insurance (Claim on Death & Injury)	Year Total
2017-18	29.32	224.53	16.06	16.37	0.00	286.28
2018-19	71.55	636.05	9.52	11.60	0.00	728.72
2019-20	46.40	676.50	7.42	3.11	0.00	733.43
2020-21	22.33	1,081.02	3.12	2.47	0.00	1,108.94
2021-22	0.00	1,132.32	7.12	6.90	100.00	1,246.34
2022-23	353.34	1,343.10	5.16	7.38	98.00	1,806.98
Total	522.94	5,093.52	48.40	47.83	198.00	5,910.69

Source: Departmental figures

Table 2.2.5: Number of beneficiaries who had availed various welfare schemes

(In numbers)

Year	Tool Grant	Educational Scholarship	Medical Assistance	Maternity Benefit	Insurance (Claim on Death & Injury)	Year Total
2017-18	2,932	6,183	282	237	0	9,634
2018-19	7,385	7,126	162	156	0	14,829
2019-20	4,640	6,915	113	41	0	11,709
2020-21	2,233	11,807	31	31	0	14,102
2021-22	0	5,956	109	115	50	6,230
2022-23	17,681	13,539	90	123	49	31,482
Total	34,871	51,526	787	703	99	87,986

Source: Departmental figures

2.2.9 Acknowledgement

Audit acknowledges the assistance and cooperation extended by the Office of Nagaland Building & Other Construction Workers Welfare Board and Labour Department during the course of this audit.

Audit Findings

The findings of audit are discussed in the succeeding paragraphs:

2.2.10 System for registration of Beneficiaries and Establishments

In Nagaland, the local construction workers do not work under any defined employer but are driven by daily availability of work in their own locality or village. The dynamic nature of their employment makes it difficult for their identification by the Welfare Board. Town and village authorities were therefore authorised for identification and certification of beneficiaries to facilitate their registration. However, as this arrangement did not stand the test of reliability, it was aborted and an online registration system was incorporated in the existing portal. This system enabled the Welfare Board to conduct live registration from the identified worksites. Details of District wise registered beneficiaries and labour force are shown in **Tables 2.2.6 and 2.2.7.**

Table 2.2.6: District-wise number of registered beneficiaries as of March 2023

Sl. No.	Name of District	No. of Registered Beneficiaries
1.	Dimapur	5,133
2.	Kiphire	913
3.	Kohima	9,751
4.	Longleng	790
5.	Mokokchung	4,344
6.	Mon	4,632
7.	Noklak	0
8.	Peren	829
9.	Phek	2,987
10.	Tuensang	3,058
11.	Wokha	1,367
12.	Zunheboto	1,276
Total		35,080

Source: Departmental records

Table 2.2.7: Information on Labour Force in Nagaland for the year 2022-23

Sl. No.	Particular	Workers (in numbers)
1.	Number of Building and Other Construction Workers in Nagaland	35,080
2.	Number of Migrant Workers in Nagaland	15,527

Source: Department of Economics & Statistics, Government of Nagaland

Audit observations relating to the registration of Establishments and Beneficiaries are discussed in the succeeding paragraphs.

2.2.10.1 Registration of Beneficiaries

(I) Non-availability of effective mechanism for registration of workers

As per Section 12 (1) of BOCW (RECS) Act, 1996, every building worker who has completed 18 years of age, but has not completed 60 years of age shall be eligible for registration as a beneficiary under the Act. Further, the Model Welfare Scheme for Building and Other Construction Workers stressed on the importance of giving special attention in facilitating the migrant workers to register under the Act. Audit observed that till March 2023, 35,080 workers were registered with the Welfare Board. However, in the absence of a mechanism to ensure that all workers are registered, Audit cannot ascertain the status of registration. Audit also observed that there was no effective mechanism to facilitate or make aware, the migrant labourers to register with the Welfare Board. Audit further observed that there were 9,751 and 5,133 registered workers under Kohima and Dimapur districts respectively. However, a sample survey of 69 construction workers, of which 66 (96 per cent) are migrant workers, conducted at their worksite in Kohima and Dimapur revealed that none of them were registered as beneficiary under NBOCWFB.

In reply (July 2023), the Department stated that awareness programmes at identified locations were organised from time to time targeted at the migrant construction workers but in most cases, the workers do not possess required documents and are not keen to get registered due to the temporary nature of residence in the State. The Department further stated that absence of appropriate manpower in the Department was the major reason for not being able to establish an effective mechanism to ensure registration of workers. It was also stated that the outsourced registration process was

suspended since many non-workers were found to be registered through the outsourced process. The reply of the Department is indicative of the fact that there is no effective mechanism to register all the building and other construction workers with the Welfare Board.

(II) Registration and Renewal without proof of status

As per Rule 265 (1) and (2) of NBOCW (RECS) Rule 2010, an application for registration or renewal as a beneficiary shall be accompanied by proof of status as a building worker from the employer or contractor for whom the applicant has been working and proof of the beneficiary having been engaged in any building or other construction work for not less than ninety days during the preceding twelve months. Audit observed that registration of beneficiaries and renewal of registration were accorded without the requisite certification of the applicant being under the employment of a registered establishment or the beneficiary having been engaged in any building or other construction work for not less than ninety days during the preceding twelve months. The Department in reply (July 2023) stated that the beneficiaries were mostly self-employed local indigenous workers whose employment in construction sector are seasonal in nature and are mostly unorganised daily wage construction workers who do not work under a defined employer. The reply of the Department is not acceptable since the workers would need to be registered only after obtaining requisite documents as per NBOCW Rule, 2010.

(III) Non-renewal of membership

As per Rule 267 (3) of NBOCW (RECS) Rule 2010, if a beneficiary commits default in payment of contribution for a period of one year, he shall cease to be a beneficiary. Audit observed cases of default in timely renewal of membership by beneficiaries. As at the end of 2022-23, 2,892 beneficiaries remained inactive on account of non-renewal of membership.

Audit observed that the non-renewal of membership may be attributed to ineffective initiative by the Department in enforcing the provisions for registration of beneficiaries through the system of inspection. Consequently, genuine and eligible construction workers could not enjoy the benefits of registering with the Welfare Board. The Department accepted (July 2023) the observation and stated that the renewal process was affected due to limited access for renewal of membership in the designated registration counter at ALC Offices in respective districts. The Department further stated that it has now introduced an online renewal platform to enable the workers in accessing renewal of membership facility from the comfort of their workplace.

Recommendation: The Department may ensure that procedures relating to registration and renewal of registration of construction workers are adhered to.

2.2.10.2 Registration of establishments

(I) Non registration of Establishments

Section 7 of BOCW (RECS) Act, 1996 read with Rule 23 to 27 of NBOCW (RECS) Rule, 2010 states that every employer in relation to an establishment shall, within a period of sixty days from such commencement, make an application to the registering officer for the registration of such establishment and every application shall be accompanied by a demand draft showing payment of the fees for the registration of the establishment. Audit observed that no establishment was registered and consequently no fees were collected on registration. Audit also observed that there was no established mechanism to ensure that buildings or construction works get registered as an establishment. While accepting (July 2023) the observation, the Department stated that a few establishments were registered during the initial period of enforcement of the Act but that the process was discontinued due to the non-cooperation and stiff resistance from the employers of such establishments. The Department also stated that it will propose to the State Government for exploring the possibility of notifying the compulsory requirement for inclusion of registration number and certificate provided by the Labour Department in all contracts/tender applications.

(II) Non submission of Monthly Returns

Rule 268 and 269 of NBOCW (RECS) Rule 2010 states that every employer in relation to an establishment shall, within thirty days from such commencement, send to the Secretary, Welfare Board, containing particulars of building workers employed in the establishment and also submit a monthly return showing details of building workers employed by him and of the contribution deducted from their wages and remitted to the Board. A register containing such information is also to be maintained in Form XXXV of NBOCW (RECS) Rules 2010. As no establishment has been registered, the information on number of workers employed by an establishment and submission of monthly returns was not available.

(III) Non-intimation of required information to the registering officer

As per Rule 24 (3) and 26 (2) of NBOCW (RECS) Rule 2010, the employer shall intimate the registering officer in the event of any change in ownership of management or in the number of workmen or conditions of work. Audit observed that there was no record regarding intimation to the registering officer of change in ownership or management of the establishments. Audit further observed that mechanism for maintaining these records was not established.

Audit observed that the reason for the above deficiency is that the compliance to the statutory requirements were left solely to the owners of establishments and construction works without any proactive initiative by the Department to enforce the same through inspection. As a result, extant Acts and Rules, including non-collection of registration fee of establishments and of penalties in cases of non-compliance, were not observed affecting the welfare of the construction workers.

Recommendations:

The Department may-

- (i) *establish a mechanism to ensure that the Welfare Board strictly observes applicable Acts and Rules relating to the registration of establishments.*
- (ii) *ensure that registration as an establishment with the Board be made a prerequisite for Contractors and agencies for award of Work Orders.*

2.2.11 Cess assessment and collection

Audit observations relating to the assessment and collection of Cess are as follows:

(I) Assessment of Cess not made

As per Section 3 (1) and 5 (1) of BOCW Welfare Act, 1996 there shall be levied and collected a Cess for the purpose of the Act, at such rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by an employer, as the Government may by from time to time specify. The Government of Nagaland notified⁹ levy and collection of cess at one *per cent* of the cost of construction incurred by an employer. The officer or authority to whom such return has been furnished under Section 4 shall, after making or causing to be made such inquiry as he thinks fit and after satisfying himself that the particulars stated in the return are correct, by order, assess the amount of Cess payable by the employer. Audit, however, observed that independent assessment of Cess by Inspectors through inspection of work sites/establishments was not undertaken by the Department. As a result, the Department was not able to independently identify employers of construction workers who are liable to pay Cess or to assess the Cess payable. Thus, assessment was not made by the Board for the actual cess payable.

(II) Delay in remittance of Cess

As per Section 4 (1) of BOCW Welfare Cess Rules, 1998, the Cess levied and collected shall be transferred to the Board within thirty days of collection. Audit observed that during December 2018 to September 2022, the office of the Kohima Smart City Development Ltd, deducted Cess amounting to ₹64.07 lakh from contractor's bill but delayed remitting the amount to the account of NBOCW, by 01 to 45 months. Similarly, the Engineering Wing of Urban Development Department, Kohima, delayed the remittance of Cess amounting to ₹73.23 lakh collected during 2019-2020 to 2021-2022 into the designated account for a period ranging from 01 to 12 months. Audit test check of Accounts of three¹⁰ Divisional offices also revealed that Cess amounting to ₹55.09 lakh for the year 2020-21 and ₹75.54 lakh for the year 2021-22 remained unremitted at the end of the respective years.

⁹ *Vide.* Notification No. LAB/ACT-6/1996 (Pt) Dated: 06 August 2011.

¹⁰ PWD (R&B) Dimapur Division, PWD (R&B) Pfcutsero Division and Medical Engineering Division, Kohima.

(III) Filing of return on Cess and Monitoring of Compliance

As per Section 4 (2) and 8 of BOCW Welfare Cess Act, 1996, if any person liable to pay Cess, fails to file any return, the officer or the authority shall give a notice requiring such person to furnish such return before such date as may be specified in the notice. If any employer fails to pay any amount of Cess payable under Section 3, such employer shall be liable to pay interest on the amount to be paid at the rate of two *per cent* for every month. Audit observed that since no exercise was undertaken by the Department to identify buildings under construction or other construction works, the Department was not able to identify the employer of construction workers and thus to issue notice for filing of return and to impose a penalty for failure to pay Cess.

Audit observed that the reason for the above anomalies is the lack of an effective mechanism in the Department to enforce the provisions of the Act relating to assessment, collection and remittances of Cess. While accepting the observation, the Department stated (July 2023) that one of the major reasons for the shortcomings is the absence of appropriate manpower in the respective districts but assured that necessary corrective measures will be initiated to minimise such shortcomings.

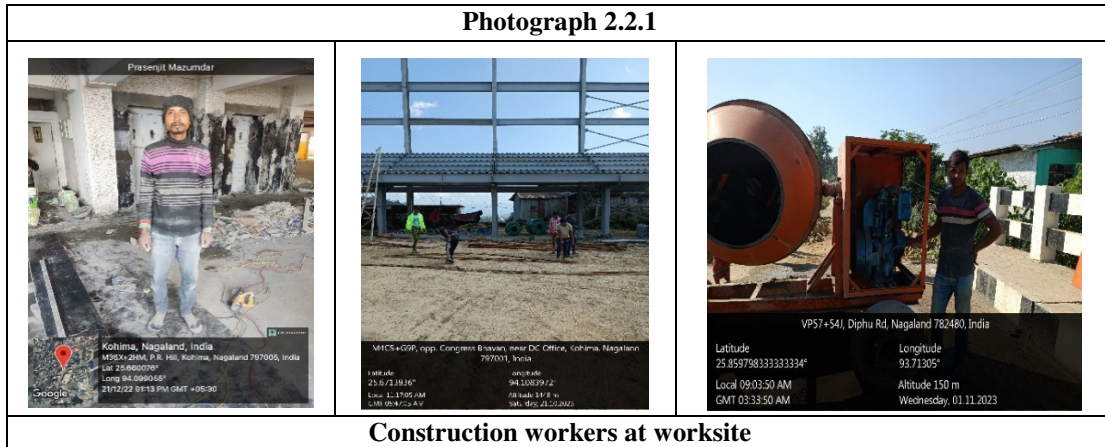
Recommendations:

The Department may-

- (i) ensure that inspection of work sites/establishments is conducted by notified officials to assess Cess payable and to ensure that Cess collected is remitted within the prescribed timeframe.***
- (ii) initiate measures to take suitable action against DDOs defaulting in transferring the collected Cess amount in time.***

2.2.12 Safety and Health Measures

Section 39 and 40 of the BOCW (RECS) Act, 1996 and Chapter VI to XXIV of BOCW (RECS) Central Rules, 1998 lay down provisions on safety and health norms to be maintained and provided to BOC workers. In line with this, the Government of Nagaland, Department of Labour also incorporated provisions on Safety and Health Measures under Chapter VI to Chapter XXIV in the NBOCW (RECS) Rules, 2010. The safety provisions under these Rules include precaution to be taken while demolishing a building; handling of explosives; suitable lighting of workplace; safe handling of tools and equipment; precaution to be taken in case of fire; safe transport of workers; keeping of safety nets; formulation of safety policy by employers and contractors and provision of medical facilities. Audit observed instances where the safety and health of BOC workers were compromised as the precautions and facilities guaranteed under the Act were not provided.



Audit further observed that the Department did not undertake regular assessment of conditions of worksites through inspections to ensure that statutory safeguards were in place with respect to the BOC workers. The Department accepted (July 2023) the observation and stated that it will re-evaluate its activities to minimise such shortcomings.

Recommendation: The Department may ensure that health and safety provisions as provided for in the Acts and Rules are strictly enforced.

2.2.13 System of Inspections

Audit observations on the system of inspection to check evasion of Labour Cess and compliance to health and safety norms by employers are as follows:

2.2.13.1 Function of Chief Inspector and Inspectors

Section 42 of BOCW (RECS) Act, 1996 provide for appointment of Chief Inspector and Inspectors for effectively carrying out the provisions of this Act and assigning to them such local limits as it may think fit. Further, Sections 43, 47 to 50 of BOCW (RECS) Act, 1996, Rule 251 of BOCW (RECS) Central Rules, 1998 lay down provisions regarding Powers of Inspectors and Penalties and Procedure for offences. The functions and powers of Assessing officers and Labour Inspectors include assessment of Cess returns and independent assessment of Cess payable, collection of Cess, inspection of buildings, construction sites and construction workers, search and seizure of registers, documents and requiring furnishing of information by any person applicable under this Act, registration of beneficiaries and establishments, imposing of penalty for contravention of provisions regarding safety measures under Section 40 of BOCW (RECS) Act, 1996 and imposing of penalty for non-payment of cess and for obstructing an inspector in the discharge of its duties.

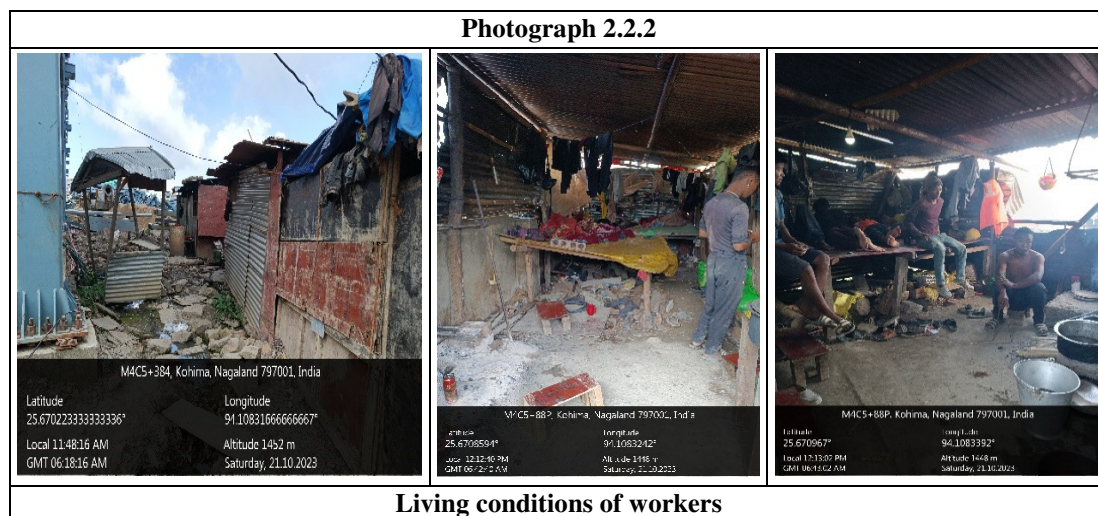
Audit observed that the GoN appointed Joint Labour Commissioner, Department of Labour as Chief Inspector of Inspection of Building and other construction works. Assistant Labour Commissioners and Labour Inspectors were also notified as Inspectors for the purpose of this Act and jurisdictional area defined. Audit, however, observed that inspections of building or other construction works were not carried out which resulted in absence of registration of establishments, non-registration of

trainees at training centres and construction workers at worksites surveyed and complete absence of filing of cess returns and assessment of cess as discussed in **Paragraphs 2.2.10.1 and 2.2.10.2** and in assessment and collection of Cess as discussed in **Paragraph 2.2.11**. The Department accepted (July 2023) the observation and stated that it will re-evaluate its activities to minimise such shortcomings.

Recommendation: *The Department may ensure that offices of the Chief Inspector and Inspectors are sufficient and utilised to the optimum so as to ensure that the system of inspections provided under the BOCW Act are carried out effectively and efficiently.*

2.2.13.2 Inspection of conditions of service

Section 28 to 37 of BOCW (RECS) Act, 1996 lay down conditions relating to working hours, welfare measures and other conditions of service of building workers such as drinking water, latrines, urinals, accommodation and canteen. Further, Section 45 and 46 of BOCW (RECS) Act, 1996 read with Rule 248 and 249 of BOCW (RECS) Central Rules, 1998 provide for responsibility of employers for compliance with the provisions relating to payment of wages and compensation and notice of commencement of building or other construction works. Audit observed that there was no system in place or inspections conducted to determine whether basic facilities such as drinking water, latrines, urinals, accommodation and canteen were provided to the BOC workers.



Similarly, there was no system in place or inspection carried out to ensure that employers provide basic conditions of work relating to working hours, wages and compensation to the BOC workers. As a result, the possibility that BOC workers were denied certain minimum standard of working conditions and facilities cannot be ruled out. The Department accepted (July 2023) the observation and stated that it will re-evaluate its activities to minimise such shortcomings.

Recommendation: *The Department may ensure an effective system of inspections to ensure that provisions relating to working hours, payment of wages, compensation and welfare measures are adhered to.*

2.2.13.3 Non-imposition of penalties

Section 47 to 50 of BOCW (RECS) Act, 1996 provides for imposition of penalties on account of contravention of provisions on safety and health measures, failure to give notice of commencement of building or other construction work, for obstructions caused to an Inspector in the discharge of his duties and violation of other provisions under this Act. As mentioned in **Paragraphs 2.2.13.1** and **2.2.13.2**, inspection was not conducted. As a result, the Department could not detect cases of non-compliance to safety and health measures, failure to give notice of commencement of building or other construction work and for violation of the other provisions of the Act. Audit also observed that provisions on safety and health measures were compromised. Even as inspections were not conducted, no penalties were imposed. The Department accepted (July 2023) the observation and stated that it will re-evaluate its activities to minimise such shortcomings.



2.2.14 Administration and implementation of welfare scheme

Audit observations on administration and utilisation of funds on implementation of welfare scheme are as follows:

2.2.14.1 Functioning of the Welfare Board

(I) Budget

Section 25 of BOCW (RECS) Act, 1996 provides that the Board shall prepare in such form and at such time, its budget for the next financial year, showing the estimated receipts and expenditure of the Board and forward the same to the State Government. Audit observed that during the period of audit (2017-18 to 2022-23), the budget was not prepared and forwarded to the State Government. The Department in reply (July 2023) stated that as the budgetary requirement is directly linked with the claims settlement of beneficiaries under various welfare schemes, a definite budget was never prepared by the Welfare Board in the past. The Department, however, assured that the Welfare Board will prepare an annual budget from the current year.

(II) Annual Report

Section 26 of BOCW (RECS) Act, 1996 mandates preparation in such form and at such time each financial year, its annual report, giving a full account of its activities during the previous financial year and submit a copy thereof to the State Government. Audit observed that the Annual Report was not prepared and submitted to the State Government. The Department accepted (July 2023) the observation and stated that the Welfare Board will prepare its cumulative annual report including the financial year 2023-24 and submit to the State Government henceforth.

(III) Annual Account

As per Section 27 of BOCW (RECS) Act 1996, the Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed. The Board shall furnish to the State Government before such date as may be prescribed, its audited copy of accounts together with the auditor's report. This shall then be laid before the State Legislature. Audit observed that during the period of audit (2017-18 to 2022-23), Annual statement of accounts was not prepared and furnished to the State Government for laying before the State Legislature. The Department accepted (July 2023) the observation and stated that the Welfare Board will prepare its cumulative annual statement of accounts including the financial year 2023-24 and submit to the State Government for laying before the State Legislature.

(IV) Human Resource Management

Section 19 of BOCW (RECS) Act, 1996 *inter alia* states that the Welfare Board shall appoint such officers and employees as it considers necessary for the efficient discharge of its functions and the terms and conditions of appointment of such officers and employees shall be such as may be prescribed. Audit, however, observed that the assessment of staff requirement for efficient functioning of the Welfare Board has not been made and that Service Rules have not been formulated. The Department accepted (July 2023) the observation and stated that drafting of Service Rules is almost nearing completion which will be forwarded to the Government for approval.

Recommendation: The Department may ensure that budget, annual reports and accounts are prepared and that a viable Human Resource Management policy is adopted.

2.2.14.2 State Advisory Committee

In accordance with Section 4 of BOCW (RECS) Act, 1996 and Rule 10 of NBOCW (RECS) Rule 2010, a State Advisory Committee (SAC) is to be constituted with members consisting of a Chairperson, two members of State Legislature, a member to be nominated by the Central Government, the Chief Inspector of Inspection, nominees of State Government representing the employers, building workers, associations of architects, engineers and insurance institutions. The main function of the Committee is to advise the State Government on such matters arising out of the administration of the Act and other interests. Audit observed that while the SAC was constituted for the period February 2018 to February 2021, no meeting of the SAC was held during this

period. Further, though the term of SAC had expired, a new SAC was yet to be reconstituted. As a result, the State Government and the Welfare Board were deprived of the benefit of advice and guidance on matters arising out of the administration of the Act. Reasons for not holding a meeting and for not constituting a new SAC were neither stated nor available on record. The Department accepted (July 2023) the observation and stated that the proposal has been submitted for re-constitution of SAC and efforts have been made by the Department for convening the SAC meeting.

Recommendation: *The State Government may constitute a functional State Advisory Committee at the earliest as envisaged in the Act.*

2.2.14.3 Compliance to the Model Welfare Scheme

In compliance to a Supreme Court order, the Ministry of Labour & Employment formulated the Modified Model Welfare Scheme for the welfare of construction workers. As per the Modified Model Welfare Scheme:

- i) The State Welfare Board may cover BOC workers under PMJJBY (Pradhan Mantri Jeevan Jyoti Bima Yojana) and PMSBY (Pradhan Mantri Suraksha Bima Yojana) by contributing 50 *per cent* of the total annual premium of ₹342 *i.e.*, ₹171 per worker per annum as the remaining 50 *per cent* will be borne by the Central Government under the converged PMJJBY/PMSBY Schemes. These schemes provide coverage of ₹two lakh in case of natural death and ₹four lakh in case of accidental deaths.
- ii) Paid maternity leave to registered construction workers ranging from 90 days to 26 weeks for up to two deliveries.
- iii) In order to mitigate the hardship that a BOC worker faces, the States are advised to take proactive steps to facilitate transit accommodation/labour shed cum night shelter, mobile toilets and mobile crèches to BOC workers in the areas of their concentration prior to their finding work.
- iv) Skill development trainings may be provided to the registered workers and their dependents.

Further, the Ministry of Labour & Employment Order (June 2016) issued under Section 60 of BOCW Act, 1996 directed not to spend the cess fund for any purpose other than for welfare of BOC workers and their family exclusively.

Audit observation relating to compliance to the Modified Model Welfare Scheme and Ministry's order are as follows:

(I) Amenities not provided

Paragraph 4 (A) & (B) of Model Welfare Scheme *inter alia* lays down provision for providing amenities such as transit shelters, labour sheds and toilets in areas of concentration of migrant workers. Audit observed that though the construction workers were predominantly migrant workers, no special benefits or facilities such as facilitation centres, transit accommodation, labour sheds, and mobile toilets were provided. This resulted in the needs of migrant workers who often face challenges

such as temporary housing, sanitation and access to information and services, not being addressed. In reply, the Department stated (July 2023) that the migrant construction workers do not concentrate in large number in a particular area thereby requiring such facilities. It was also stated that the facilities will be provided if such requirement exists in the future. The reply of the Department is not acceptable since it did not take proactive measures to identify locations where amenities were needed for migrant workers. Further, as the facilities are of a temporary/mobile nature, they should have been provided.

(II) Unmonitored provision of Paid Maternity leave

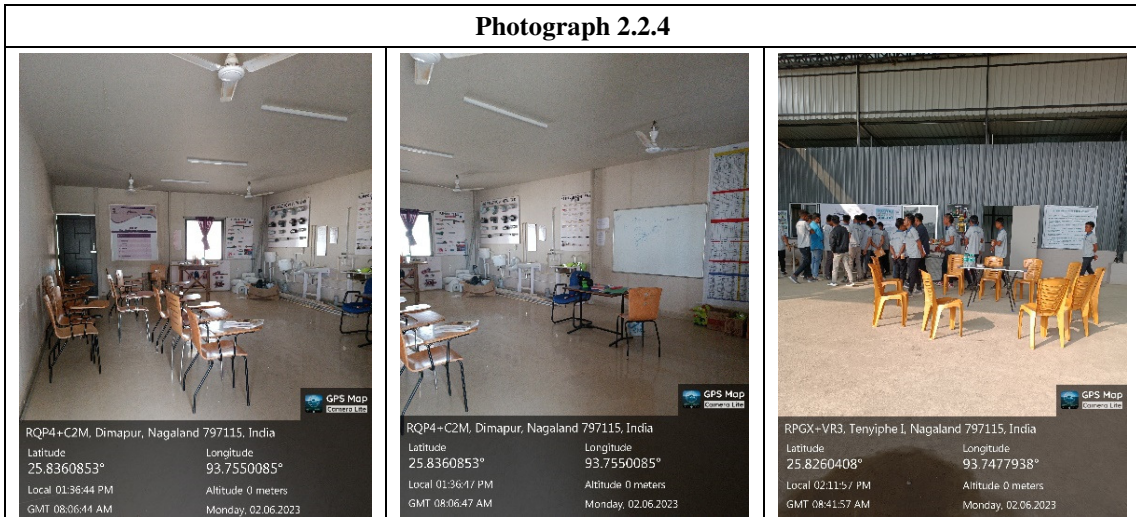
Paragraph 2.2 (ii) of the Model Welfare Scheme provides for paid maternity leave to registered construction workers ranging from 90 days to 26 weeks for up-to two deliveries. Audit, however, observed that no monitoring mechanism was in place to ensure that benefit of paid maternity leave was provided to eligible BOC workers by the employers. Out of 141 construction workers¹¹ surveyed, none of them were aware of the provisions of paid maternity leave. The Department accepted (July 2023) that monitoring of paid maternity leave of 90 days to 26 weeks was not done.

(III) Training on Skill Development not imparted to beneficiaries

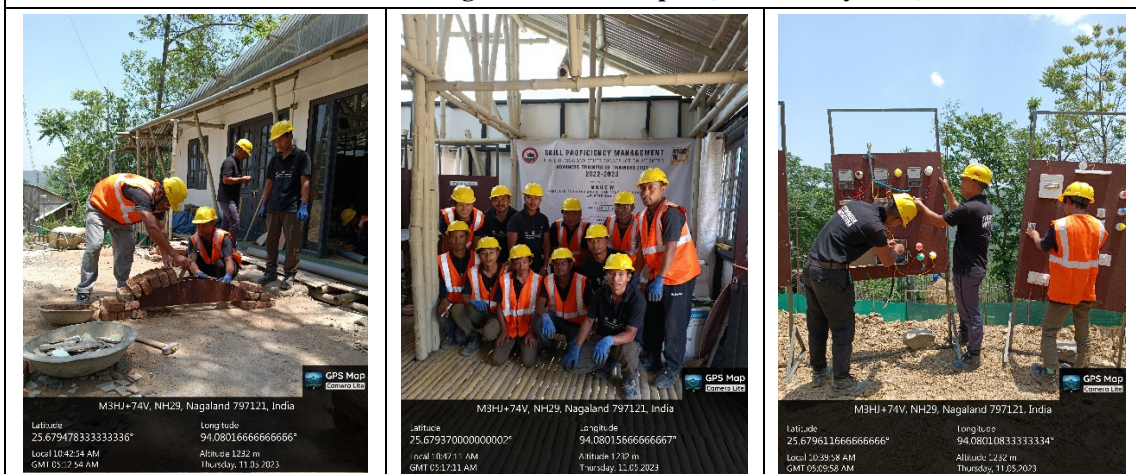
Paragraph 5 of the Modified Model Welfare Scheme provides for imparting of training on skill development to the BOC workers and their dependents so as to help them upgrade their skills or diversify by acquiring new set of skills. Audit observed that Skill Development Training was imparted by Training Partners (TPs) engaged and funded by the Board. Audit, however, also observed that the selection of trainees was done by the TPs, however there were instances of trainees not being from among the registered construction workers. Sample survey of trainees revealed that the trainees were un-registered. Further, sample survey of registered beneficiaries selected from the offices of ALC Kohima and ALC Dimapur and of construction workers (69 workers) at worksite revealed that none were imparted any training on Skill Development. While accepting (July 2023) the observation, the Department stated that unregistered workers were also trained and registered on completion of training. The Department also assured to train more registered beneficiaries.

¹¹ Dimapur: 34 construction workers and Kohima: 107 Construction workers

Photograph 2.2.4



Trainees at a Training Centre in Dimapur (06 February 2023)



Trainees at a Training Centre at Kohima (11 May 2023)

(IV) Insurance under PMJJBY and PMSBY

As per Paragraphs 1.1 and 1.2 of life and disability cover under Modified Model Welfare Scheme, the State Welfare Board may cover BOC workers under Health Insurance Policies such as PMJJBY and PMSBY, by making 50 per cent of the total contribution of premium as the remaining 50 per cent will be borne by the Central Government. Audit, however, observed that on account of absence of insurance cover with Life Insurance Corporation of India (LIC), the entire death claim (100 per cent Insurance Cover) amounting to ₹two crore was borne by the Board. The Department in reply (July 2023) stated that initially the insurance policy under PMJJBY and PMSBY for all registered beneficiaries was linked through LIC with a premium sharing of 50:50. However, due to functional problems caused by non-accessibility of LIC, Jorhat, Assam, the Welfare Board decided to implement its own life insurance scheme without linking with LIC. It was further stated that in this arrangement, no premium is paid to LIC, thus saving expenditure from the Cess fund of the Welfare Board. Reply of the Department should be seen in the light of the fact that the Welfare Board had paid for 100 death claims amounting to ₹two crore directly out of the welfare fund and not through the insurance claims.

(V) Inadmissible expenditure of Cess fund

In exercise of Section 60 of BOCW (RECS) Act 1996 and Section 123 of OSH Code, 2020, GoI issued Order not to spend the Cess fund on any purpose other than for the welfare of BOC workers and their family. Audit, however, observed that the NBOCWBB had expended an amount of ₹1.50 crore on purchase of nine vehicles which was in contravention to extant orders. The Department accepted (July 2023) the observation and stated that due to insufficient balance in the administrative account of the Board, ₹92.18 lakh was temporarily incurred from the Cess account and the amount was recouped in May 2023. However, there is no provision in the Act for expenditure towards procurement of vehicles from the administrative expenses.

Recommendations:

The State Government may-

- (i) ensure effective implementation of the provisions and instructions stipulated in the Modified Model Welfare Scheme.*
- (ii) fix responsibility on the officials concerned for using the Cess fund to procure vehicles in violation of the Government order mandating its exclusive use for the welfare of BOC workers and their families.*

2.2.15 Conclusion

The Performance Audit was conducted with a view to assessing the efficiency and effectiveness in the system for registration of beneficiaries and establishments, Cess assessment and collection, system of inspections to check evasion of Labour Cess and of compliance to health and safety norms by employers. Audit observed shortcomings in registration and renewal of beneficiaries, as well as registration of establishments. System for assessment and collection of Cess was also absent. Inspection to ensure compliance to health and safety norms by employers and to the other statutory provisions was not conducted and no penalties were imposed. Budget, Annual Accounts and Annual Plans were not prepared. The State Advisory Council which was meant for advising the State Government on matters arising out of the administration of the Act did not hold meetings for a significant period. There was ineffective implementation of the Modified Model Welfare Scheme. There were also no special benefits or facilities for the predominantly migrant construction workers. As a result of these shortcomings, a vulnerable section of society was not extended the legitimate facilities and benefits putting at risk their wellbeing.

2.2.16 Recommendations

The State Government may-

- (i) ensure that userfriendly procedures relating to registration and renewal of registration of construction workers are adhered to.*
- (ii) ensure that registration as an establishment with the Board be made a prerequisite for contractors and agencies for initiation of work and award of work orders.*

- (iii) *ensure that inspection of work sites/establishments is conducted by notified officials to assess Cess payable and to ensure that Cess collected is remitted within prescribed timeframe.*
- (iv) *initiate measures to take suitable action against DDO's defaulting in transferring the collected Cess amount in time.*
- (v) *ensure that health and safety provisions as provided in the Acts and Rules are strictly enforced.*
- (vi) *ensure that budget, annual reports and accounts are prepared and that a viable Human Resource Management policy is adopted.*
- (vii) *constitute a functional State Advisory Committee at the earliest as envisaged in the Act.*
- (viii) *ensure effective implementation of the provisions and instructions stipulated in the Modified Model Welfare Scheme.*
- (ix) *fix responsibility on the officials concerned for using the Cess fund to procure vehicles in violation of the Government order mandating its exclusive use for the welfare of BOC workers and their families.*

Subject Specific Compliance Audits

HEALTH AND FAMILY WELFARE DEPARTMENT

2.3 Public Health Infrastructure and Management of Primary Health Services

2.3.1 Introduction

Health in its widest definition means the total well-being of a person-physical, mental, social and spiritual. It is a basic human right that every individual of all societies deserves. National Health Policy 2017 aims to improve overall population health through a focus on health promotion and disease prevention. It emphasises restructuring and strengthening the public healthcare institutions with the goal of attaining the highest possible level of health and well-being for all at all ages. There is renewed commitment in India to accelerate the pace of achievement of Sustainable Development Goals (SDGs) including Goal 3 (Good Health and Well-being) relating to ensuring healthy lives and promoting well-being for all at all ages.

The Health and Family Welfare Department is responsible for providing comprehensive healthcare system in the State. The services offered by the healthcare system Department are preventive and promotive healthcare services, routine curative and rehabilitation services. The vast network of Health Sub-Centres (HSCs¹²), Primary Health Centres (PHCs¹³) and Urban Primary Health Centres (UPHCs) form the primary tier of public healthcare delivery system for rural and urban population

¹² HSCs are peripheral healthcare centres which serve a population of 5,000 in plain areas and 3,000 in hilly areas.

¹³ PHCs form the cornerstone of healthcare in rural areas which serve a population of 30,000 in plain areas and 20,000 in hilly areas.

respectively. Community Health Centres (CHCs¹⁴) and District Hospitals (DHs¹⁵) serve as the secondary tier for rural and urban population while Tertiary¹⁶ healthcare involves providing advanced and super-speciality services to be provided by medical institutions in urban areas.

A Performance Audit (PA) was conducted to cover the areas of basic health infrastructure facilities in the State focused on selected District Hospitals including CHC, Viswema which mainly caters to secondary health care services. The findings were reported in the C&AG's Performance Audit Report on "Select District Hospitals in Nagaland" for the year ended 31 March 2019.

The present Subject Specific Compliance Audit (SSCA) covers the primary health care services which provide health facilities at village and block levels. The SSCA also provides a holistic view of improvement of necessary infrastructure, created for meeting emergencies related issues and service delivery by the sampled health institutions for the period 2017-18 to 2022-23.

2.3.2 Overview of Public Healthcare facilities in Nagaland

Nagaland, the fifth smallest State in India, has a population of approximately 19.78 lakh as per Census 2011. To cater to the healthcare services of its citizens at different levels, the State has 12 District Hospitals¹⁷, two TB&CD¹⁸ Hospitals, one State Mental Health Institute, 23 CHCs, 136 UPHCs/PHCs and 452 HSCs. In addition, there are five Ayurvedic/Homoeopathic Dispensaries and 44 co-located AYUSH¹⁹ facilities, 44 AYUSH Health and Wellness Sub-Centres and three Integrated Ayush Hospitals (IAH) for providing AYUSH facilities to the people of the State. The structure of public healthcare facilities in the State is shown in **Chart 2.3.1**.

¹⁴ CHCs are referral centres and serve a population of 1,20,000 in plain areas and 80,000 in hilly areas.

¹⁵ DHs are equipped with advanced equipment and diagnostic services and intensive care facilities.

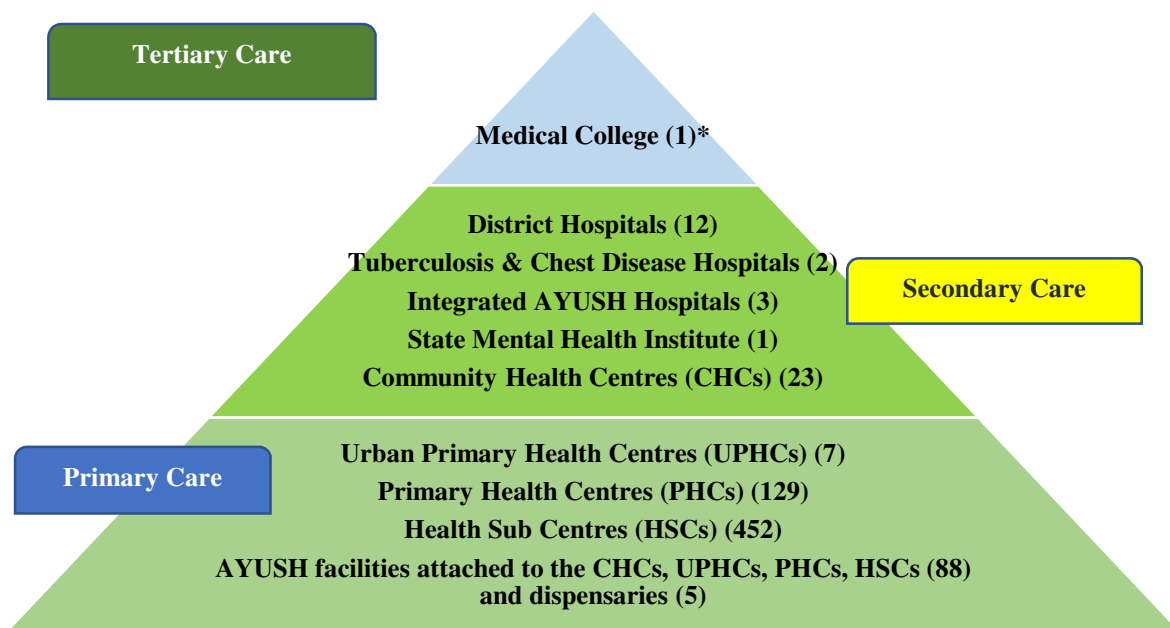
¹⁶ Tertiary healthcare is provided by medical colleges and advanced medical research institutes.

¹⁷ Including CHC Noklak which was upgraded (25 June 2021) to District Hospital (DH). DH, Noklak being upgraded recently has been excluded in audit analysis as it has been done for only 11 DHs in 11 Districts in the State.

¹⁸ Tuberculosis & Chest Diseases Hospital (Kohima and Mokokchung).

¹⁹ AYUSH is an acronym for Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy and are the Indian systems of medical treatment.

Chart 2.3.1: Details of Health Facilities in the State



Source: Health and Family Welfare Department, Government of Nagaland

* (i) Nagaland Institute of Medical Sciences and Research, Kohima was inaugurated on 14 October 2023 and the session has started from 01 September 2023 for 2023-24 and (ii) GoN has signed a Memorandum of Understanding with MoHFW, GoI for establishment of a new Medical College at Mon on 15 September 2020.

The health facilities are under the administrative control of the Health and Family Welfare Department (H&FWD), Government of Nagaland (GoN).

The Principal Secretary, H&FWD is the Administrative Head of the Department who is assisted by the Principal Director and four Directors²⁰ at the Directorate level. The State Hospital²¹ (SH) and the District Hospitals (DHs) function directly under the Directorate of Health Services. The CHCs, the PHCs and the HSCs function under the Directorate of Family Welfare under the control of the Chief Medical Officers (CMOs) who are responsible for supervision of medical services provided by these health facilities in the twelve districts of the State. Besides these institutions, the State Health Society (SHS) and the District Health Society work under the National Health Mission Directorate to promote health services in the State.

2.3.2.1 Public Health Care facilities at the District and Primary level

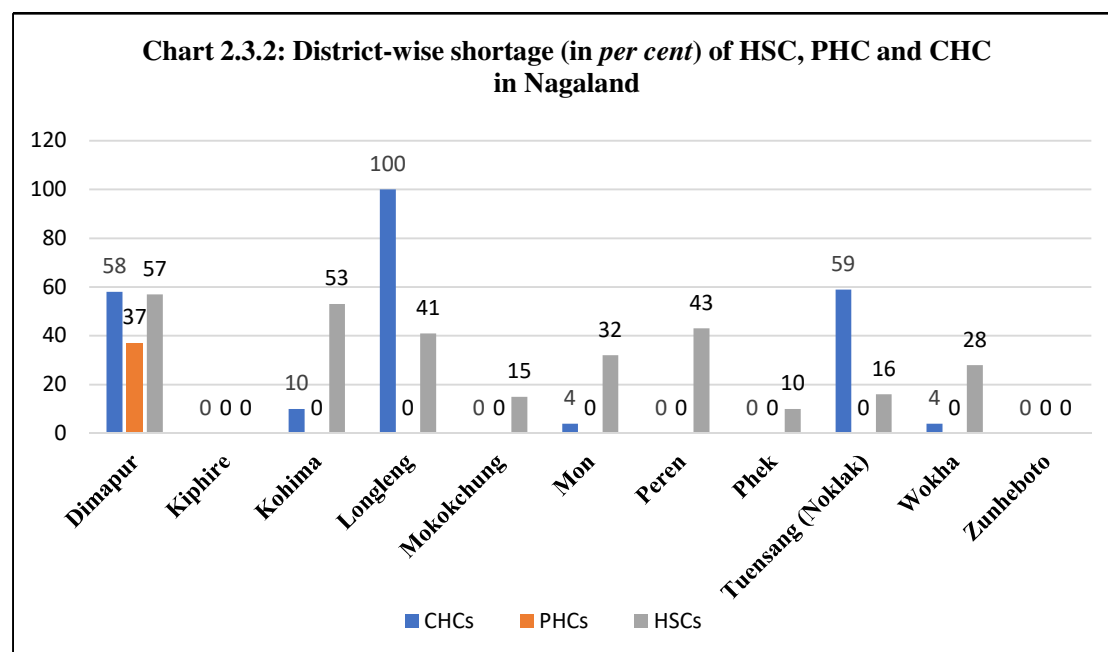
The State has twelve districts with DHs²². As regards availability of CHCs, PHCs and the HSCs in the districts, significant shortages of CHCs were noticed in Longleng (100 per cent), Tuensang (59 per cent) and Dimapur (58 per cent). Further, shortage

²⁰ Director, Health; Director, Family Welfare; Director, Medical Education & Radiation Safety and Director, Dental.

²¹ State Mental Health Institute, Kohima

²² MoHFW approved to upgrade CHC, Noklak to 50 bedded District Hospital (25 June 2021). DH, Noklak being upgraded recently has been excluded in audit analysis as it has been done for only 11 DHs in 11 Districts in the State.

of PHCs was noticed in Dimapur district (37 per cent) and shortage of HSCs was noticed in all districts except Kiphire and Zunheboto. Detailed position of CHC, PHC and HSC is given in *Appendix 2.3.1* and the status of overall district wise shortage is depicted in **Chart 2.3.2**.



Source: Information furnished by Department

2.3.2.2 Service availability in the DH, CHCs and the PHCs in the State

As per the Indian Public Health Standards (IPHS) norms, service availability in the DHs, CHCs and PHCs was grouped into essential services and desirable services. All the DHs in the State lacked essential services like (i) Anaesthesia in one DH, (ii) Otorhinolaryngology (ENT) and Psychiatry in five DHs, (iii) Ophthalmology and Orthopaedics in four DHs, (iv) Obstetrics and Gynaecology in three DHs, (v) Paediatrics and General Surgery in two DHs and (vi) General Medicine in one DH. The only available essential service in all DHs was Dental care. Further, desirable services²³ were not available in six DHs in the State.

Speciality services in General Medicine, Surgery, Obstetrics and Gynaecology, Paediatrics, Ophthalmology and Emergency Services were essential services for CHCs as per the IPHS norms. However, no CHCs²⁴ in the State had all the above speciality services in the hospital as per the norms (refer **Paragraph 2.3.2.3**).

The PHCs in the State were not providing services as per the IPHS norms due to non-availability of doctors, nurses and paramedics (refer **Paragraph 2.3.2.3**).

While accepting the audit observation, the Department stated (October 2023) that though the Department desired to follow IPHS norms, the gap is more due to existing Human Resource (HR). It was further stated that as per IPHS norms, there is a

²³ Dermatology and Venereology.

²⁴ Information furnished/available for 17 CHCs out of 23 CHCs.

shortfall of 205 doctors, 321 MOs, 25 Dental Surgeons, 108 AYUSH MOs, 1,955 Nurses, 1,352 allied Health Providers and 100 Health Assistants and that the Department is utilising the existing HR with many constraints and as a result, DHs and CHCs do not have adequate specialist doctors. It was also stated that provision is available under NHM for Gap Filling of HR, however, many eligible doctors are not interested because of better perks in the private sector.

2.3.2.3 Availability of Doctors, Nurses and Paramedics in the DHs, CHCs and PHCs in the State

The IPHS provides the manpower requirement for the DHs, CHCs and PHCs as per the prescribed service delivery norms for each health facilities.

In case of DHs, major shortages existed in the cadre of specialist doctors which ranged from 08 to 56 *per cent*, General Duty Medical Officers which ranged from 43 to 100 *per cent*, Staff Nurses which ranged from 04 to 60 *per cent* and paramedical staff which ranged from 13 to 88 *per cent*. However, excess manpower in the cadre of specialist doctors was noticed in two DHs (33 to 61 *per cent*). Further, there was disparity in availability of adequate number of specialist doctors in the DHs as per IPHS norms. In case of General Medicine, there was shortage of doctors in six DHs *viz.*, Kiphire, Peren, Longleng, Phek, Zunheboto and Mokokchung, however, there was excess of doctors in case of two DHs *viz.*, Kohima and Dimapur. Further, there was shortage of Paediatricians in six DHs *viz.*, Peren, Mon, Phek, Tuensang, Zunheboto and Mokokchung and excess of Paediatricians in DH Kohima. Similar disparity was noticed in remaining nine mandatory Departments *viz.*, ENT, Orthopaedics, General Surgery, Ophthalmology, Dental, Obstetrics & Gynaecology, Anaesthesia, Radiology and Pathology. This implied that the State Government has not adopted a policy of systematic distribution of doctors among the available DHs. Detailed manpower position is given in *Appendix 2.3.2*.

As regards availability of specialist doctors, only three departments had specialist doctors available (10 out of 11 DHs) as per the norms. The overall status of specialist doctors is given in **Table 2.3.1**.

Table 2.3.1: Availability of Specialist Doctors in the respective Departments in DHs as per norms

Name of mandatory Departments	Dimapur	Kiphire	Kohima	Longleng	Mokokchung	Mon	Peren	Phek	Tuensang	Wokha	Zunheboto
General Medicine	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
General Surgery	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes
Obstetrics & Gynaecology	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes
Paediatrics	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No
Anaesthesia	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Orthopaedics	Yes	No	Yes	Yes	Yes	No	No	Yes	No	Yes	No
Ophthalmology	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	No	Yes

Name of mandatory Departments	Dimapur	Kiphire	Kohima	Longleng	Mokokchung	Mon	Peren	Phek	Tuensang	Wokha	Zunheboto
Radiology	No	Yes	Yes	No	Yes	Yes	No	No	No	No	No
Pathology	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
ENT	Yes	No	Yes	No	No	No	Yes	No	No	Yes	Yes
Dental	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes

Source: Information furnished by Department

It can be seen from **Table 2.3.1** that out of 11 mandatory Departments, adequate number of specialist doctors were available only in DH, Kohima. It was also observed that in all the DHs, adequate number of specialist doctors were available in General Medicine except in DH, Longleng.

Recommendation: *The State Government may ensure equitable distribution of doctors among the health facilities.*

As per IPHS, the service of Specialist Doctors falls under the category of essential services in respect of CHCs. In CHCs, the shortage of specialist doctors ranged between 67 to 95 per cent as shown in **Appendix 2.3.3**. Out of 23 CHCs in the State, the specialist service in Obstetrics & Gynaecology was available only in five CHCs viz., Noklak, Pungro, Jalukie, Meluri and Tobu.

Similar shortages existed in the cadre of General Duty Medical Officers (GDMOs), Nurses and Paramedics which were 29 per cent, 62 per cent and 12 per cent respectively. Audit also observed an excess of manpower at CHCs in the following services- Obstetrics & Gynaecology (01²⁵), MBBS-MO/SMO (10²⁶), Staff nurse/ANM (04²⁷), Lab Technician (11²⁸) and Pharmacist (05²⁹), which resulted in skewed posting of manpower at CHCs. The overall status of shortages of medical staff in CHCs is depicted in **Chart 2.3.3**.

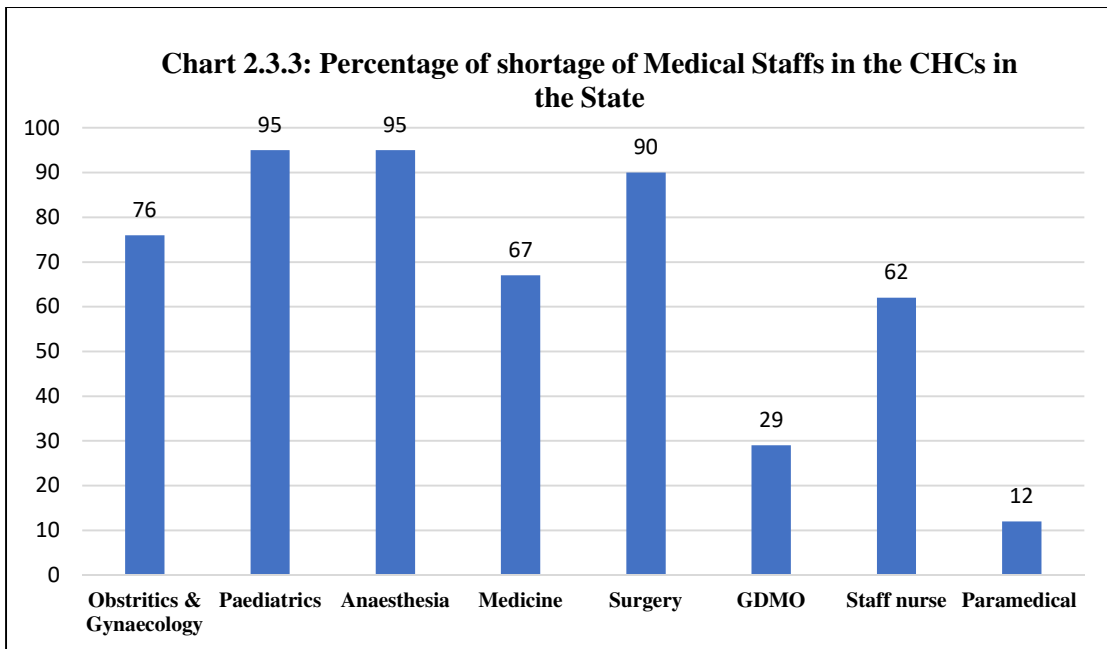
²⁵ CHC Pungro

²⁶ CHCs (Noklak, Medziphema, Bhandari, Jalukie, Pungro, Tuli, Dhansiripar, Meluri, Longkhim, Tobu)

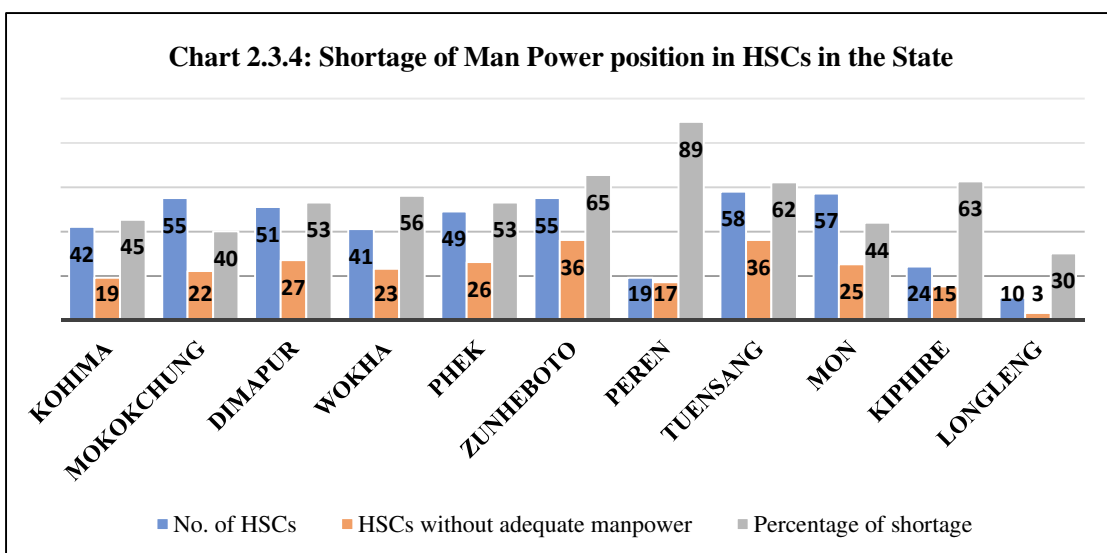
²⁷ CHCs (Noklak, Jalukie, Changtongya, Meluri)

²⁸ CHCs (Medziphema, Bhandari, Jalukie, Pungro, Tseminyu, Changtongya, Tuli, Dhansiripar, Sanis, Pfutero, Pughoboto)

²⁹ CHCs (Noklak, Tseminyu, Viswema, Changtongya, Pfutero)



PHCs in the State had shortfall in manpower and functioned with inadequate manpower, with respect to IPHS. The shortfall in manpower in PHCs was in GDMO (11 per cent), ANM (86 per cent), lab technician (64 per cent) and Pharmacist (33 per cent). Similarly, 52 per cent of HSCs in the State had shortage of manpower. District-wise position is given in **Appendix 2.3.4**. Availability of HSCs in the District and the number of the HSCs which had shortages of manpower *vis-à-vis* the norms ranged from 30 to 89 per cent. The highest shortage was noticed in respect of Peren District where 17 out of 19 HSCs witnessed shortage of manpower. The overall status of HSCs is provided in **Chart 2.3.4**.



No separate manpower has been sanctioned for Line Services and Support Services for Paramedics and other staff in the health facilities in the State. The shortage of services manpower in the sampled health facilities is discussed in **Paragraph 2.3.7**.

2.3.2.4 OPD Services in the District Hospitals

According to the IPHS, the DHs are supposed to provide the Out Patient Department (OPD) services in General Medicine, General Surgery, Obstetrics & Gynaecology, Paediatrics, Ophthalmology, Otorhinolaryngology (ENT), Orthopedics, Psychiatry, and Dental Care.

All the DHs in the State were providing the OPD Services according to the availability of the Specialist Doctors with the Hospital. Detailed position for the year 2022-23 is given in **Table 2.3.2**.

Table 2.3.2: OPD Services in the DHs in the State during 2022-23

Sl. No.	Name of the Department	Number of patients visited who the Department during 2022-23										
		Dimapur	Kiphire	Kohima	Longleng	Mokokchung	Mon	Peren	Phek	Tuensang	Wokha	Zunheboto
1.	Dental	5,177	1,746	7,176	1,175	2,965	3,932	223	1,865	2,497	2,097	1,678
2.	Emergency	12,258	3,857	13,171	3,126	6,240	10,388	33	3,021	-	2,640	450
3.	ENT	4,440	270	7,109	118	577	1,829	52	656	675	997	400
4.	Eye	5,351	72	6,739	31	3,149	1,041	431	1,236	534	650	767
5.	Medicine	13,509	4,075	13,964	1,777	7,736	1,667	4,553	2,991	8,455	2,330	1,400
6.	Obstetrics & Gynaecology	6,187	1,464	12,652	704	5,082	711	287	815	2,645	1,864	900
7.	Orthopaedic	2,587	-	4,721	604	2,733	-	1	914	681	1,386	80
8.	Paediatrics	5,098	1,952	7,570	824	3,844	2,557	45	2,996	4,592	1,420	800
9.	Psychiatrics	205	-	2,102	-	139	-	4	1,841	1,655	42	150
10.	Surgery	4,712	2,240	9,716	374	2,048	1,261	2	926	1,025	662	900
11.	Dermatology & Venereology	4,419	333	5,365	122	756	-	168	-	-	886	-
12.	PMR	2,165	111	-	-	-	2,652	-	-	-	-	-

Source: Information furnished by the Department

As per the IPHS, OPD Services in Dermatology & Venereology is a desirable service in the DH level hospital. However, in four³⁰ out of 11 DHs, this service was not provided. The audit observations on OPD services in the sampled health facilities are discussed in **Paragraph 2.3.8**.

While accepting the audit observation, the Department stated (October 2023) that there are only six dermatologists under the Department and therefore, Dermatology services cannot be provided in all DHs.

2.3.2.5 Availability of beds in the District Hospitals in the State

According to the IPHS, the DHs are classified into five³¹ grades from Grade-I: to Grade -V according to the bed strength of the respective hospitals. In Nagaland there are 11 DHs³², where one DH has bed capacity of 300, two DHs have bed capacity of

³⁰ Mon, Phek, Tuensang and Zunheboto.

³¹ Grade -I DH with 100 beds, Grade-II with 200 beds, Grade-III with 300 beds, Grade-IV with 400 beds and Grade-V with 500 beds District Hospital.

³² DHs at Kohima, Dimapur, Phek, Longleng, Mokokchung, Kiphire, Longleng, Mon, Tuensang, Wokha and Zunheboto.

150 each, four DHs have bed capacity of 100 each and the rest four DHs have bed capacity of 50 beds each. Hospital beds were distributed among the different wards viz, Medicine Ward, Surgical Ward, Orthopaedic Ward, Paediatric Ward, Obstetrics and Gynaecology Ward and Ophthalmology Ward. The detailed position of beds is given in **Appendix 2.3.5**. Separate wards for Maternal care and Child care were available in all DHs except for DH Peren and DH Tuensang.

Despite specific guidelines in IPHS for bed allocation among the DHs having bed capacity of 100 beds and above, three DHs³³ fulfilling the above bed criteria, did not follow the IPHS norms for bed allocation. The Accident and Trauma Ward was not available in DHs Kohima and Dimapur. The Postpartum Ward was also not available in two DHs³⁴.

The Department replied (October 2023) that five Accident and Trauma Centres have been established in Kiphire, Tuensang, Mon, Kohima and Dimapur under National Programme for Prevention of Management of Trauma & Burn injuries. It was further stated that for all practical purpose any case of trauma is efficiently and adequately attended in the Emergency/Casualty Ward in every DH as well as in CHC/PHC. The reply of the Department is not tenable as specific beds were to be allocated for the Accident and Trauma Ward in each Hospital and the same had not been done.

2.3.2.6 IPD Services in the District Hospitals

According to the IPHS, District Hospitals are supposed to provide IPD Services in Medicine, Surgery, Maternity, Paediatrics, Nursery, Isolation related cases, Burn cases, Orthopaedics, Ophthalmology, Malaria and Infectious Disease related cases.

The DH at Kohima had a bed capacity of 300, the DHs at Dimapur and Mokokchung had bed capacity of 150 each, the DHs at Phek, Mon, Tuensang and Zunheboto had bed capacity of 100 each while the DHs at Kiphire, Longleng and Peren Districts had bed capacity of 50 each. All the DHs were providing IPD Services according to the availability of the Specialist Doctors with the Hospital. The overall position of IPD patients admitted in the DHs for the year 2022-23 is given in **Table 2.3.3**.

Table 2.3.3: IPD Services in the DHs in the State during 2022-23

Sl. No.	Name of the Department	Number of patients who visited the Department during 2022-23										
		Dimapur	Kiphire	Kohima	Longleng	Mokokchung	Mon	Peren	Phek	Tuensang	Wokha	Zunheboto
1.	Medicine	2,052	572	1,374	237	1,000	1,815	356	964	308	750	199
2.	Paediatrics	342	183	277	85	164	327	57	268	137	291	40
3.	Surgical	813	68	664	50	259	-	35	651	51	193	95
4.	Orthopaedic	84	-	155	-	272	-	-	180	12	260	-

³³ DHs at Kohima, Dimapur and Mokokchung.

³⁴ Dimapur and Mokokchung.

Sl. No.	Name of the Department	Number of patients who visited the Department during 2022-23										
		Dimapur	Kiphire	Kohima	Longleng	Mokokchung	Mon	Peren	Phek	Tuensang	Wokha	Zunheboto
5.	ENT	14	-	176	-	-	-	1	159	8	40	-
6.	Obstetrics & Gynaecology	2,814	292	2,046	200	945	1,045	75	364	22	247	479
7.	Eye	352	-	144	-	11	-	44	38	36	13	-
8.	SNCU	316	35	234	-	93	116	-	-	-	-	41
9.	ICU	77	-	443	-	-	-	-	-	-	-	-
10	Emergency	14,729	73	3,022	212	-	-	1,456	248	-	2,640	-

Source: Information furnished by the Department

Medicine and Paediatric Wards were available in all the DHs in the State. Intensive Care Unit (ICU) Service was available in all the DHs, however, data regarding patients admitted in ICU Ward was available only for DH, Kohima and Dimapur. Special Newborn Care Unit (SNCU) ward was not available in five DHs³⁵. The findings on IPD services in the sampled health facilities are discussed in **Paragraph 2.3.9**.

While accepting the audit observation, the Department stated (October 2023) that a ten bedded ICU ward has been established and was functioning in all the DHs and New Born Stabilisation Unit (NBSU) is available in all DHs. It was, however, stated that SNCU is available in only five DHs³⁶ as establishment of SNCU requires extensive resources and there are shortages of Pediatricians.

2.3.2.7 Availability of Diagnostic Service in the District Hospitals

According to the IPHS, the District Hospital laboratory and other diagnostic services shall serve the purpose of public health and be able to perform all tests required to diagnose epidemics or important diseases from a public health point of view. The recommended services which are supposed to be available in a District Hospital are (i) Clinical Pathology, (ii) Pathology, (iii) Microbiology, (iv) Serology, (v) Biochemistry, (vi) Cardiac investigation, (vii) Ophthalmology, (viii) ENT, (ix) Radiology, (x) Endoscopy and (xi) Respiratory function tests.

In all the DHs in the State, the recommended services, viz., (i) Clinical Pathology, (ii) Pathology, (iii) Microbiology, (iv) Serology and (v) Biochemistry tests were available. However, tests like Stress Test, Endoscopy, Bronchoscopy, Arthroscopy and Hysteroscopy and Pulmonary function tests under Respiratory investigation were not available in any of the DHs. Echocardiography under Cardiac Investigation was available only in DH, Kohima.

In respect of Radiology investigations, Hysterosalpingography or HSG which is an essential test for determining female fertility was available only in one DH³⁷. Further,

³⁵ DHs at Wokha, Phek, Peren, Tuensang and Longleng.

³⁶ DHs at Kohima, Dimapur, Mokokchung, Mon and Kiphire.

³⁷ DH, Kohima.

CT Scan Service was not available in any of the DHs in the State. The availability of diagnostic services in the sampled health facilities is discussed in **Paragraph 2.3.8.3**.

While accepting the audit observation, the Department stated (October 2023) that specialised/high end tests cannot be provided in all DHs in view of the shortage of specialist doctors.

2.3.2.8 Blood bank facilities in the District Hospitals in the State

According to the IPHS, every DH shall have a Blood Bank which shall be in close proximity to the Pathology Department and at an accessible distance to the Operation Theatre Department, Intensive Care units and Emergency and Accident Department. The Blood Bank should follow all existing guidelines and fulfil all requirements as per the various Acts pertaining to setting up of the Blood Bank. Further, as per Statuary Compliance paragraph in IPHS, hospital shall fulfil all statutory requirements and comply to all regulations (given in Annexure II of the guidelines) issued by local bodies, State and Union of India including License for Blood Bank or Authorisation for Blood Storage facility.

Out of 11 DHs, five DHs³⁸ in the State had Blood Banks as per the norms. However, in DH, Kiphire and Mokokchung, Blood Storage Units were found running without any power back-up.

While accepting the audit observation, the Department stated (October 2023) that there are three licensed Blood Banks functional in Kohima, Dimapur and Mokokchung, and six licensed Blood Storage Units (BSU) including DH, Wokha, Mon, Peren and Zunheboto out of which BSUs in Wokha and Peren are non-functional due to minor technical snag. It was further stated that in order to establish Blood Banks and Blood Storage Unit in all DHs in a phased manner, setting up of BB/BSU in the remaining districts had been approved under NESIDS, however, the fund is yet to be received.

2.3.2.9 Dietary Service in the District Hospitals in the State

According to the IPHS, the dietary service of a hospital is an important therapeutic tool. Apart from normal diet, diabetic, semi-solid diets and liquid diets shall also be available. Food shall be distributed in covered container. Quality and quantity of diet shall be checked by competent person on regular basis.

The Department had, however, not prescribed any diets for different categories of patients. Diet was not provided in covered container and records on checking quality of diet by competent person on regular basis to assure serving of quality diets to the patients, were not available to any of the DHs.

While accepting the audit observation, the Department stated (October 2023) that the Department had taken up necessary corrective measures for statutory compliances and to ensure serving of quality diet to the patients in all DHs.

³⁸ DHs at Dimapur, Mokokchung, Kohima, Kiphire and Zunheboto

2.3.2.10 Hospital Linen Service in the District Hospitals in the State

IPHS Guidelines for DHs prescribe the number of different types of linen³⁹ that are required for patient care services for DHs with different bed capacities in the category of 101 to 200, 201 to 300 and 301 to 500. It further stated that, DH should be provided with necessary facilities for dying, pressing and storage of soiled and cleaned linens and the same may be outsourced.

In the State, no prescribed norms were available with the hospitals for changing linen for the patients. The records for changing of soiled linens and providing of fresh linens were also not maintained by any of the DHs. Washing of soiled linens were not outsourced and was done in house. The fact was further confirmed by the findings at sampled health facilities as discussed in **Paragraph 2.3.14.2**.

While accepting the audit observation, the Department stated (October 2023) that the SOP for handling, washing and disinfecting of linen was circulated to the districts and health facilities for necessary action.

2.3.2.11 Management of Bio Medical Waste by District Hospitals in the State

Biomedical waste management is an integral part of infection control activity of a hospital. According to the Bio-Medical Waste Management Rules, 2016 (BMW Rules), hazardous, toxic and bio-medical waste has to be separated into 10 categories for the purpose of its safe transportation to specific site for specific treatment. Further, the BMW Rules stipulate the procedures for collection, handling, transportation, disposal and monitoring of the bio-medical waste with clear roles for waste generators.

All the DHs in the State were segregating the waste in different categories in separate-coloured bins, available at the point of generation of waste, particularly in the ward areas and OTs, as per the BMW rules. However, all the wastes were subsequently mixed at the time of disposal and hospital wastes were dumped in the Deep Burial pits. The BMW management in the sampled health facilities also revealed similar problems as discussed in **Paragraph 2.3.16**.

The Department replied (October 2023) that all DHs are authorised by the Pollution Control Board to manage BMW. The reply was, however, silent on the issue of dumping of wastes.

2.3.2.12 Mortuary Service in the District Hospitals

IPHS Guidelines for DHs provide that every DH should have the facilities for keeping of dead bodies and conducting autopsies. Out of 11 DHs, only seven DHs⁴⁰ had

³⁹ Abdominal sheets for OT, Bed sheets, Bedspreads, Blankets (Red and Blue), Doctor's overcoats, Draw sheets, Hospital worker OT coats, Leggings, Mackintosh sheets, Mats (Nylon), Mattresses (Foam) for adults, Mortuary sheets, over-shoe pairs, paediatric mattresses, Patient's coats (Female), Patient's pyjamas, Shirts (Male), Patna towels, Perennial sheets for OT, Pillows, Pillow cover and Table cloth.

⁴⁰ DHs at Phek, Wokha, Kiphire, Dimapur, Mon, NHAK and Zunheboto.

mortuary services. However, in these seven DHs which had mortuary services the facilities for keeping of dead bodies and conducting autopsy was not available.

While accepting the audit observation, the Department replied (October 2023) that due to resource constraints and lack of required specialised manpower, mortuary services were available in only seven DHs. No reply was furnished on the absence of mortuary service for keeping the dead bodies and conducting of autopsy in these hospitals.

2.3.2.13 Ambulance Service

According to the IPHS, the District Hospital shall have well equipped Basic Life support (BLS) and desirably one Advanced Life Support (ALS) ambulance. Serviceability and availability of equipment and drugs in ambulance shall be checked on daily basis.

Audit observed that the hospitals in the State were providing free ambulance service to emergent cases for referral transport to the higher health facility centre. Audit also observed that the Ambulances in the hospitals in the State lacked basic life support facility viz., Oxygen Cylinder, First Aid Box and trained paramedics, though required under the IPHS norms. The ambulances were basically being used merely as a transport vehicle. Audit further observed that while General ambulance services viz. '102 National Ambulance Service (NAS)' for catering to pregnant women, sick infants and sterilisation cases were available in the State, '108 Emergency Transport System' for all other medical emergencies were not available. The findings on ambulance services in the sampled health facilities are discussed in **Paragraph 2.3.17.**

While accepting the audit observation, the Department stated (October 2023) that the State was granted 102 NAS which is operational to cover all other medical emergencies in the State. It was further stated that the Department currently has 93 functional BLS ambulances and in view of resource constraints and lack of required specialised manpower, the Department is unable to provide ALS ambulances.

2.3.2.14 Status of implementation of AB-PMJAY in the State of Nagaland

Ayushman Bharat is a flagship health scheme of the Government of India, launched (23 September 2018) to achieve Universal Health Coverage (UHC) as recommended in the National Health Policy, 2017. PMJAY aims to provide health insurance cover of ₹Five lakh per family per year for secondary and tertiary care hospitalisation. As per Capacity Building Guidelines, AB PM-JAY, the State Health Agency through State Empanelment Committee (SEC) will empanel or cause to empanel private and public health care service providers as per the guidelines. Further, the guidelines stipulate that District Unit Implementation Units (DIUs) must be formulated in each district for functional coordination of scheme activities at the district level.

SEC was yet to be formed; however, DIUs were set up (August 2021) in all districts. Further, all Deputy Commissioner (DC) offices in the State had been established as contact points at district level for registration of beneficiaries, with no other contact

points in sub-division or block level. All the empaneled hospitals also had beneficiary registration facilities. The scheme was finally rolled out in the State on 23 September 2018.

The State had empaneled 108 hospitals (68 public hospitals, 19 Government of India hospitals and 21 private hospitals) as of 31 March 2023. Out of 108 empanelled hospitals, only Christian Institute of Health Sciences & Research (CIHSR), Dimapur was accredited with NABH entry level at the time of empanelment. No other hospital having such accreditation was empanelled under the AB-PMJAY.

Registration of households and beneficiary data revealed that in Nagaland, 12.85 lakh members of 2.33 lakh distinct households were eligible for getting benefit under this scheme. However, as of 31 March 2023, only 5.94 lakh (57 per cent) members of 2.17 lakh (84 per cent) households had been registered.

The trends of beneficiary admissions in public hospitals and private hospitals and claims paid to hospitals during 2018-19 to 2022-23 are shown in **Tables 2.3.4** and **2.3.5**.

Table 2.3.4: Number of beneficiaries admitted in public and private hospitals under PMJAY during 2018-19 to 2022-23

(In numbers)

Portability/ Non- Portability	Private/ Public Hospital	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Grand Total
Portability	Public	0	128	75	158	324	685
	Private	0	94	173	310	383	960
Non- Portability	Public	155	5,017	1,784	1,702	4,733	13,391
	Private	97	4,651	5,262	3,460	6,956	20,426
Total		252	9,890	7,294	5,630	12,396	35,462

Source: Information furnished by the Department

Table 2.3.5: Amounts of claim paid to public and private hospitals under PMJAY during 2018-19 to 2022-23

(₹ in crore)

Nature of Hospital	Claims paid during					
	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Public	0.17	13.11	2.01	2.70	8.33	18.81
Private	0.29	5.57	16.18	15.84	33.85	79.29
Total	0.46	18.68	18.19	18.54	42.18	98.10

Source: Information furnished by the Department

The Department, in its reply, stated (October 2023) that the State had launched Chief Minister Health Insurance Scheme (CMHIS) in convergence with PM-JAY insuring all Government employees/pensioners and those not covered by PM-JAY and are indigenous inhabitant or permanent residents. It was further stated that the PM-JAY beneficiary base of 2.33 lakh had been increased to 2.59 lakh effective from April 2022, out of which 2.19 lakh (85 per cent) households had been covered as on 05 October 2023. It was also stated that out of the estimated 14.24 lakh individuals, 5.05 lakh individuals (35 per cent) have been covered.

2.3.2.15 Operationalisation of Health and Wellness Centres (HWCs)

In February 2018, the Government of India announced the creation of 1,50,000 Health and Wellness Centres (HWCs) by transforming existing Sub Centres and Primary Health Centres as the base pillar of Ayushman Bharat. These centres would deliver Comprehensive Primary Health Care (CPHC) bringing healthcare closer to the homes of people covering both maternal and child health services and non-communicable diseases, including free essential drugs and diagnostic services.

In the State, as on 31 March 2023, 75 PHCs, 07 UPHCs and 301 HSCs were transformed into Health and Wellness Centres (HWCs), out of the total target of 402 as envisaged by the GoI.

The number of Patients served by the HWCs in the State as of 31 March 2023 are given in **Table 2.3.6**.

Table 2.3.6: Patients served by the HWCs in the State

District	2020-21	2021-22	2022-23	Total
Dimapur	35,192	1,06,718	48,204	1,90,114
Kiphire	18,679	15,666	13,509	47,854
Kohima	29,215	65,456	40,690	1,35,361
Longleng	8,931	9,107	8,372	26,410
Mokokchung	20,622	21,730	26,547	68,899
Mon	21,752	16,205	23,752	61,709
Peren	10,488	21,343	15,727	47,558
Phek	22,982	22,377	18,167	63,526
Tuensang	17,151	20,388	22,979	60,518
Wokha	17,724	22,897	24,013	64,634
Zunheboto	9,004	11,817	15,713	36,534
Total	2,11,740	3,33,704	2,57,673	8,03,117

Source: Information furnished by the Department

The Department, in its reply, stated (October 2023) that a total of 385 HWCs were operationalised (as of October 2023) indicating two more Health Sub Centres were transformed during March 2023 to October 2023.

2.3.2.16 Medical College in the State

During 2017-18 to 2022-23, a new Medical College was in the process of being set up in the State. Results of examination of implementation of “Establishment of new medical colleges attached with existing district/referral hospital” in the State are highlighted in **Paragraphs 2.3.28 to 2.3.30**.

2.3.3 Budget allocation and expenditure

Budget allotment and expenditure of the State Government and the H&FWD during 2017-18 to 2022-23 is shown in **Table 2.3.7**.

Table 2.3.7: Budget allocation and expenditure during 2017-18 to 2022-23

(₹ in crore)

Year	State		Health Sector			GSDP	Health Sector Expenditure (percentage of GSDP)
	Budget allocation	Expenditure	Budget allocation (percentage of State budget)	Expenditure (percentage of State expenditure)	Savings (percentage of health Sector Budget allocation)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2017-18	18,449.87	15,942.27	683.79 (3.71)	614.09 (3.85)	69.70 (10.19)	24,393	2.52
2018-19	20,469.96	15,158.2	797.48 (3.90)	631.42 (4.17)	166.06 (20.82)	26,527	2.38
2019-20	22,496.42	19,733.63	819.25 (3.64)	668.95 (3.39)	150.30 (18.35)	29,716	2.25
2020-21	26,895.65	22,645.02	864.77 (3.22)	723.22 (3.19)	141.55 (16.37)	31,221	2.32
2021-22	25,644.46	21,690.85	1,201.54 (4.69)	922.49 (4.25)	279.04 (23.22)	35,007	2.64
2022-23	26,092.48	21,532.82	1,355.19 (5.19)	1,241.14 (5.76)	114.05 (8.42)	39,201	3.17
Total	1,40,048.90	1,16,702.80	5,722.02 (4.09)	4,801.31 (4.11)	920.11 (16.09)	--	--

Source: Finance Accounts and Appropriation Accounts, GSDP-Economics & Statistics Department, GoN

The National Health Policy, 2017 (NHP, 2017) states that the State's health sector spending is to be more than eight *per cent* of the State budget by 2020. However, health sector budgetary commitment did not reach eight *per cent* of the total State budget during 2017-23. Further, as against the goal and objective of NHP, 2017 to increase State health sector expenditure to 2.50 *per cent* of the Gross State Domestic Product (GSDP) by 2025, the State's expenditure on health sector was 2.25 *per cent* in 2019-20 which increased to 2.32 *per cent* in 2020-21. However, it is more than 2.50 *per cent* of the GSDP since 2021-22 onwards.

Recommendation: *The State Government may ensure that the State health sector spending is as per the target set in the National Health Policy, 2017.*

2.3.4 Audit objectives

The compliance audit was conducted to:

- i. ascertain that primary healthcare infrastructure and services are available and properly managed,
- ii. ascertain that support services in the primary healthcare facilities are available and adequate,
- iii. ascertain that efficient utilisation of assets created for medical emergencies in the State,
- iv. ascertain that the health and wellbeing conditions of people has been improved as per SDG 3, and
- v. examine implementation of 'Establishment of new medical colleges attached with existing district/referral hospital'.

2.3.5 Audit scope and methodology

The scope of audit involved assessing functioning of the sampled PHCs and CHCs (*Appendix 2.3.6*) during 2017-23 and evaluating the outcomes of the selected indicators. Two blocks (30 *per cent* of the available blocks) in each of the four sampled districts were selected through Simple Random Sampling Without Replacement (SRSWOR). In the sampled blocks, all available Community Health Centres and 30 *per cent* of the Primary Health Centre/Urban Primary Health Centre were selected using Probability Proportion to Size Without Replacement (PPSWOR) with number of patients as the sampling criteria. Thus, out of ten CHCs and 63 PHCs in the four Districts⁴¹, two CHCs and nine PHCs were selected for detailed scrutiny. The districts selected were the same as those selected in the sample for the Performance Audit of Select District Hospitals in Nagaland (Report No. 2 of 2021) in order to ensure a holistic view.

The Subject Specific Compliance Audit commenced with an Entry Conference on January 2022 with the Department of Health and Family Welfare, Government of Nagaland wherein the audit objectives, scope and audit criteria were discussed. Audit methodology involved scrutiny and analysis of records/data as per the audit objectives, scope and criteria, evidence gathering by scanning of records, joint physical inspection of various facilities of the sampled health care facilities and by taking photographs, issuing questionnaires/audit observations and obtaining replies. The findings and recommendations of the Subject Specific Compliance Audit were discussed with the Commissioner & Secretary, Department of Health and Family Welfare in an Exit Conference on 06 September 2023 and the views and replies of the Government have been suitably included in the report.

Audit objective 1: Whether primary healthcare infrastructure and services are available and properly managed.

2.3.6 Physical infrastructure

2.3.6.1 Shortage of CHCs, PHCs and SCs

The required number of health facilities as per the Indian Public Health Standards (IPHS), their availability and shortfall thereof, against the three categories of healthcare infrastructure as of March 2022 are given in **Table 2.3.8**.

Table 2.3.8: Shortage of health facilities in the State

Health facility	Norms taken into consideration	Required as per norms*	Available	Percentage of Excess (+)/ Shortfall (-)
Health Sub-Centre (HSC)	One SC for every 3,000 people	739	452	(-) 39

⁴¹ Kohima District-three CHCs and 16 PHCs, Phek District- four CHCs and 22 PHCs, Wokha District - two CHCs and 14 PHCs and Tuensang District-one CHC and 11 PHCs.

Health facility	Norms taken into consideration	Required as per norms*	Available	Percentage of Excess (+)/ Shortfall (-)
Primary Health Centre (PHC)	One PHC for every 6 SCs or for every 20,000 people	111	136	(+) 23
Community Health Centre (CHC)	One CHC for every 4 PHCs or for every 80,000 people	28	23	(-)18

Source: Rural Health Statistics (RHS), 2022

*Calculated based on estimated mid-term Population of 22,18,000 as on 1 July 2022 (RHS, 2022)

It can be seen from **Table 2.3.8** that while PHC availability was higher than the norm, the shortage of HSCs and CHCs was 39 and 18 *per cent* respectively.

2.3.6.2 Non-availability of Operation Theatre and Blood Storage facilities

As per the IPHS, all CHCs should have a Blood Storage Unit which should be in close proximity to the Pathology Department and at an accessible distance to the OT and Emergency and Accident Departments.

Audit noticed that the two sampled CHCs *viz.*, Bhandari and Longkhim did not have the Blood Storage Unit as required under the IPHS.

2.3.7 Availability of services manpower in the sampled health facilities

Primary Health Centre: A PHC provides In-Patient Department (IPD), Out-Patient Department (OPD), Maternal and Child Health care, 24-hour emergency services. The status of availability of manpower in the sampled PHCs (10 bedded health facility) is provided in **Table 2.3.9**.

Table 2.3.9: Service delivery at the PHC level, 10 bedded health facility

Required service delivery	Manpower requirement as per norms	Availability of manpower in the sampled PHCs									
		Mangakhi	Thonoknyu	Zuketsa	Yimpang	Wozhuro	Seikhazou	Lozaphuhu	Kempfupfe	Kikruma	
OPD services, 24 hours emergency services, In-patient services, Maternal and Child Health Care, Immunisation	Essential										
	Medical Officer-MBBS	1	0	1	1	1	2	2	1	1	1
	Staff-Nurse	3	2	2	2	3	3	7	2	5	4
	Desirable										
Medical Officer-AYUSH	1	0	0	0	0	0	0	0	0	0	
Staff-Nurse	1	0	0	0	0	0	0	0	0	0	

Source: Information furnished by sampled PHCs

It can be seen from **Table 2.3.9** that for essential services, additional Medical Officers and Staff Nurses beyond the IPHS norms were provided in two sampled PHCs⁴². It can also be seen that Medical Officers in the AYUSH category were not available in

⁴² PHC Wazhuro and PHC Seikhazou.

all sampled PHCs. Further, there were no IPD services and dental services available in the sampled PHCs.

Community Health Centres: CHCs are to provide routine and emergency care which included specialist services in Surgery, Medicine, Obstetrics and Gynaecology and Paediatrics. Besides, Dental and AYUSH services were also to be delivered.

Audit noticed that none of the sampled CHCs provided the specialist medical officers to deliver required services at the CHC level. Non-availability of specialist doctors in the CHCs reduced them to being merely PHCs with additional beds and some additional diagnostic facilities.

The status of manpower availability in the sampled CHCs is provided in **Table 2.3.10**.

Table 2.3.10: Service Delivery at the Community Health Centre level, 30 bedded health facility

Required service delivery	Manpower requirement as per norms		Availability of manpower in the sampled CHCs	
	Essential		Bhandari	Longkhim
Routine and emergency care in Surgery, Medicine, Obstetrics & Gynaecology, Paediatrics, Dental and AYUSH in addition to all the National Health Programmes.	Medical Superintendent	1	1	1
	Public Health Specialist	1	0	0
	Public Health Nurse	1	0	0
	Specialist Doctors ⁴³	5	0	0
	Medical Officer- MBBS	2	3	1
	Medical Officer- Dental	1	1	1
	Medical Officer- AYUSH	1	1	1
	Staff-Nurse	10	10	6

Source: Information furnished by sampled CHCs

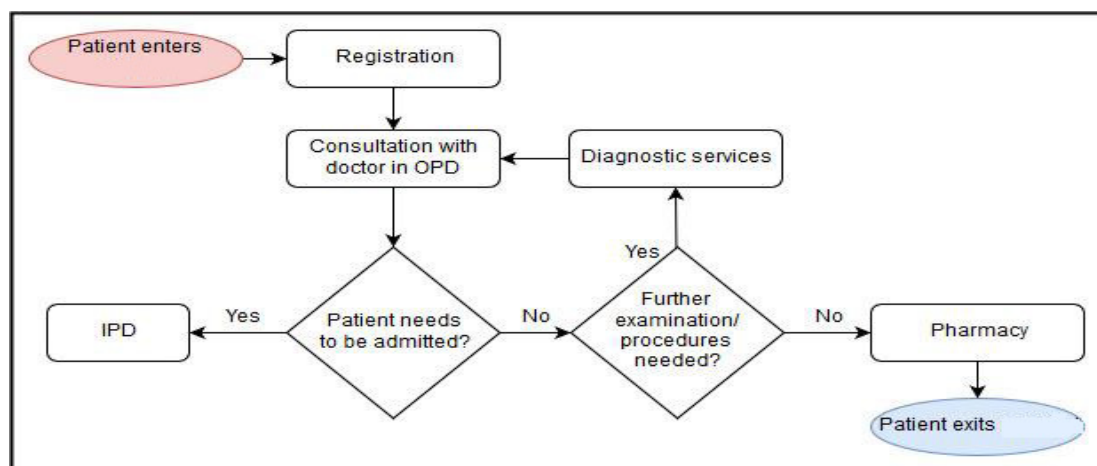
In absence of specialist doctors, the sampled CHCs referred the patients to the District Hospitals in Wokha and Tuensang.

2.3.8 Out-Patient Department Services in PHCs and CHCs

Out-Patient Department (OPD) normally remains integrated with the in-patient services and staffed by physicians and surgeons who also attend inpatients in the wards. Many patients are examined and given treatment as out-patients before being admitted to the hospital at a later date as in-patients. The treatment procedure followed in the Public Health facilities in the State is depicted in **Flow Chart 2.3.5**.

⁴³ Including General Surgeon, Physician, Obstetrician & Gynaecologist, Paediatrician and Anaesthetist.

Chart 2.3.5: Flow of OPD services in PHCs and CHCs



Audit findings pertaining to OPD services like registration, consultation, waiting time and other basic OPD facilities/services are discussed in the succeeding paragraphs.

2.3.8.1 Registration facility for OPD

Registration counter is the entry point of contact with the hospital for a patient and is an important component of the hospital for patients and their attendants. NHM Assessor guidebook (Vol-1) estimates that the average time required for registration can be 3-5 minutes per patient, which roughly works out to about 20 patients/hour per counter.

The average daily patient load on a registration counter in the sampled health facilities during 2022-23, is shown in **Table 2.3.11**.

Table 2.3.11: Patient Load in the Registration Counter during 2022-23

Name of the Health Facilities	Number of counters	Total Number of OPD Patients	Average number of patients per counter per month	Average number of patients per counter per hour
CHC, Bhandari	1	2,969	247	4
CHC, Longkhim	1	2,080	173	3
PHC Kemipfufpe	1	2,200	183	3
UPHC, Seikhazou	1	19,580	1,632	25
PHC, Lozaphuhu	1	940	78	1
PHC, Kikruma	1	2,361	197	3
PHC, Zuketsa	1	1,771	148	2
PHC, Wozhuro	1	1,350	113	2
PHC, Yimpang	1	498	41	1
PHC, Mangakhi	1	180	15	0
PHC, Thonoknyu	1	948	79	1

Source: Information furnished by sampled Hospitals

As per the IPHS, adequate seating arrangement, drinking water facility, provision of electrical fans and separate toilets for ladies and gents are basic facilities to be made available in the health facilities. All the sampled health facilities had moderate facilities as shown in **Appendix 2.3.7**. Further, all the sampled health facilities followed the manual system for registration of the OPD patients.

2.3.8.2 Patient load in OPD

The number of out-patients who attended the OPDs in the sampled CHCs and the PHCs during the period 2017-2023, is shown in **Table 2.3.12**.

Table 2.3.12: Number of out-patients in the sampled CHCs and PHCs

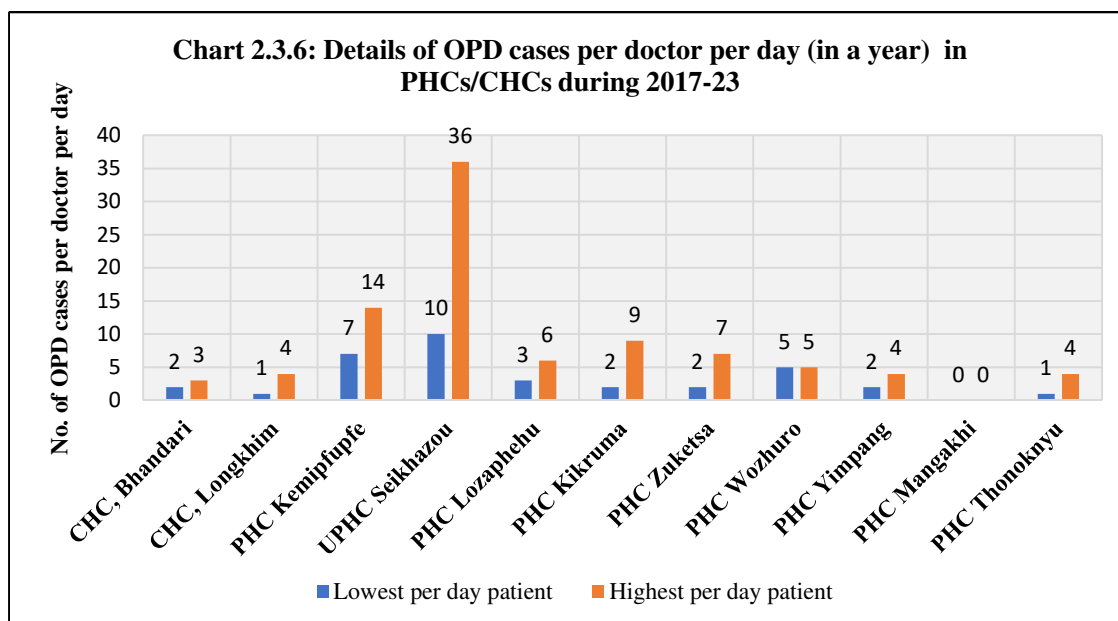
(in numbers)

Year	CHCs		PHCs								
	Bhandari	Longkhim	Kempifupfe	Seikhazou	Lozaphuhu	Kikruma	Zuketsa	Wozhuro	Yimpang	Mangakhi	Thonoknyu
	Number of Out-patients										
	Percentage increase (+)/ decrease (-)										
2017-18	3,448	4,379	1,949	10,380	1,632	582	526	1,464	530	1,112	1,050
2018-19	1,963	524	3,717	11,094	1,303	658	513	1,296	498	675	449
	(-)43	(-)88	(+)88	(+)7	(-)20	(+)13	(-)2	(-)11	(-)6	(-)39	(-)57
2019-20	2,378	356	1,894	11,731	1,193	903	661	1,334	566	284	492
	NA	(-)32	(-)49	(+)6	(-)8	(+)37	(+)29	(+)3	(+)14	(-)58	(+)10
2020-21	2,043	280	2,536	5,545	1,549	927	703	1,345	656	75	551
	(-)14	(-)21	(+)34	(-)53	(+)30	(+)3	(+)6	(+)1	(+)16	(-)74	(+)12
2021-22	3,071	2,072	2,136	19,577	937	896	1,771	1,348	948	178	343
	(+)50	(+)640	(-)16	(+)253	(-)40	(-)3	(+)152	0	(+)45	(+)137	(-)38
2022-23	2,969	2,080	2,200	19,580	940	2,361	1,771	1,350	498	180	948
	(-)3	0	(+)3	0	0	(+)164	0	0	(-)48	(+)1	(+)176

Source: Information collected from the test checked hospitals (NA-Information not available)

As seen from **Table 2.3.12**, the patient load showed an erratic trend during 2017-18 to 2019-20 and continued to show the same trend even during the Pandemic in 2020-21.

OPD cases per doctor is an indicator for measuring efficiency of OPD services in a hospital. Audit observed that there was an erratic trend in the OPD cases per doctor in the sampled CHCs and PHCs during 2017-23 as shown in **Appendix 2.3.8**. The overall status of OPD cases per doctor in the sampled CHCs and PHCs is shown in **Chart 2.3.6**.



Source: Departmental figures

Among the sampled PHCs, UPHC Seikhazou had patient load varying from 10 to 36 patients while Kempfupfe PHC had patient load varying from 07 to 14 patients per doctor during 2017-23.

2.3.8.3 Availability of diagnostic services

Diagnostic tests play a crucial role at every step of disease management. The diagnostic tests which are required to be done in the sampled health facilities and their availability are shown in **Table 2.3.13**.

Table 2.3.13: Availability of diagnostic tests in the sampled health facilities

Name of the health facility	X-Ray for chest, skull, spine, bones, abdomen and Dental X-Ray		No. of Clinical Pathology Services and other tests		ECG Tests		Ophthalmology Services	
	Required as per IPHS	Available	No. of tests as per IPHS	Tests available (per cent)	Required as per IPHS	Tests available	No. of tests as per IPHS	Tests available
CHC, Bhandari	Yes	No	29	6 (20.69)	Yes	No	3	0
CHC, Longkhim	Yes	No	29	18 (62.07)	Yes	Yes	3	0
PHC Kempfupfe	No	No	18	9 (38.89)	Desirable	No	0	0
UPHC Seikhazou	No	No	18	16 (88.89)	Desirable	No	0	0
PHC Lozaphuhu	No	No	18	2 (11.11)	Desirable	No	0	0
PHC Kikruma	No	No	18	5 (27.78)	Desirable	No	0	0
PHC Zuketsa	No	No	18	6 (33.33)	Desirable	No	0	0
PHC Wozhuro	No	No	18	10 (55.56)	Desirable	No	0	0
PHC Yimpang	No	No	18	0 (0.00)	Desirable	No	0	0
PHC Mangakhi	No	No	18	0 (0.00)	Desirable	No	0	0
PHC Thonoknyu	No	No	18	5 (27.78)	Desirable	No	0	0

Source: Information furnished by the health facilities

Audit noticed that Radiological investigation and Electrocardiogram (ECG) service were available in only one sampled CHC⁴⁴. Moreover, Pathology and Ophthalmology service was not available in any of the sampled CHCs though these were part of essential service delivery as per the IPHS guidelines. As regards the availability of Clinical Pathology services and other tests, audit observed that two PHCs did not have these services while in the remaining nine health facilities the availability ranged between 28 *per cent* and 89 *per cent*. Audit observed that the reason for inadequate availability was non-availability of equipment and qualified technicians.

It was further noticed that the XV FC approved ₹57.00 crore each under Health Sector Grant for 2021-22 and 2022-23. GoI had released ₹57.00 crore for 2021-22 out of which, Finance Department released ₹10.35 crore (March 2022) to the Department. During 2022-23, no grant was released by GoI.

While accepting the audit observation, the Department stated (October 2023) that with regard to free diagnostics in various health facilities, the HSCs and PHCs are being supplemented with the 15th Finance Commission (XV FC) Grants since 2021-22 till 2025-26. It was further stated that with reference to CHCs, Block level integrated public Health Lab is to be supplemented under the same XV FC grant and equipped through the Block Public Health Unit component and the same is to be implemented through the Rural Department, which is yet to be implemented. It was also stated that free diagnostic initiatives are yet to be supplemented due to delay and constraints of fund receipts. The Department also expressed hope to streamline the diagnostic services as per standards and guideline in the coming years.

2.3.8.4 Quality assurance of laboratory services

Quality testing of in-house pathological services through the Internal Quality Assessment scheme as well as through External Quality Assessment scheme is part of the quality assurance mechanism for laboratory services under the IPHS for the CHCs. The periodic validation of laboratory reports should be done with external agencies like District PHC/Medical College for quality assurance of laboratory services. Further, periodic calibration of laboratory equipment is also required.

Audit noticed that the Internal Quality Assessment scheme and the External Quality Assessment scheme were not designed for quality testing of in-house pathological services offered by the CHCs. No records regarding validation of laboratory reports by the District Health Authority for quality control of laboratory services, periodic calibration of laboratory equipment were made available to audit. Thus, there was lack of effective quality assurance mechanism for laboratory services provided in the sampled CHCs.

⁴⁴ CHC Longkhim

2.3.9 In-Patient Department Services in the PHCs and CHCs

Availability of doctors, nurses, essential drugs/equipment, dietary services and patient safety along with performance evaluation of IPD services as per the available norms *vis-à-vis* actuals are discussed in the succeeding **Paragraphs 2.3.9.1 to 2.3.9.6.**

2.3.9.1 Availability of in-patient services in the PHCs and CHCs

As per the IPHS guidelines, CHCs should provide Medicine, Surgery, Obstetrics & Gynaecology, Paediatrics, Dental, AYUSH and emergency services while Eye Specialist services should be available at one in every five CHCs. Specialist in-patient service pertaining to General Medicine, General Surgery, Obstetrics & Gynaecology and Paediatrics should be available.

Audit observed that only General Medicine service was available in the sampled CHCs⁴⁵. No other specialist services were available in any of the sampled CHCs. Absence of specialist services for Surgery, Obstetrics & Gynaecology and Paediatrics in CHCs compels the patients seeking these services to travel long distance to the nearest DHs, which are available in all districts in the State.

2.3.9.2 Operation Theatre services

IPHS guidelines prescribe OTs for elective major surgery, emergency services, Obstetrics & Gynaecology and Orthopaedics for the CHCs.

Audit observed that the OT facility was not available in the two sampled CHCs. Thus, patients were denied the benefits of OT services.

2.3.9.3 Referrals of patients to higher facilities for better treatment

Audit noticed that out of 1,616 admitted patients in the sampled health facilities, 139 patients were referred to other Hospitals during 2017-18 to 2022-23. The detailed position is shown in **Table 2.3.14.**

Table 2.3.14: Admission of patients and referrals by the health facilities (2017-23)

Health facility(s)	Number of OPD patients (2017-23)	Number of patients admitted (IPD) (2017-23)	Number of patients referred out	Percentage of referral <i>vis-a-vis</i> admitted	Number of patients referred in maternal cases	Percentage of maternal cases referred to total referral
CHC, Bhandari	15,872	486	1	0.21	0	0
CHC, Longkhim	9,691	587	125	21.29	NA	NA
PHC Kemipfupfe	14,432	51	0	0	0	0
UPHC Seikhazou	77,907	43	2	4.65	0	0
PHC Lozaphuhu	7,554	17	0	0	0	0
PHC Kikuma	6,327	97	2	2.06	0	0

⁴⁵ CHC Bhandari and CHC Longkhim

Health facility(s)	Number of OPD patients (2017-23)	Number of patients admitted (IPD) (2017-23)	Number of patients referred out	Percentage of referral vis-a-vis admitted	Number of patients referred in maternal cases	Percentage of maternal cases referred to total referral
PHC Zuketsa	5,945	46	4	8.70	0	0
PHC Wozhuro	8,137	56	0	0	0	0
PHC Yimpang	3,696	0	0	0	0	0
PHC Mangakhi	2,504	0	0	0	0	0
PHC Thonoknyu	3,833	233	5	2.14	0	0
Total	155,898	1,616	139			

Source: Information furnished by sampled Hospitals (NA-Data not available)

It can be seen from **Table 2.3.14** that there were no referrals from PHC Kemipfupfe, PHC Lozaphuhu, PHC Wozhuro and PHC Mangakhi. The maximum number of referrals were from CHC, Longkhim which was 21.29 *per cent* of the total admissions during 2017-18 to 2022-23. This indicated that CHC, Longkhim was not capable of handling the cases and referred out the patients to the DHs resulting in additional expenses for patients due to absence of affordable services near home. This is a deviation from the objective of National Health Policy, 2017 which aims at reducing out of pocket expenditure due to health care cost. The referrals could have been avoided had CHC, Longkhim been provided with the specialist services as per the IPHS.

2.3.9.4 Documentation of OT procedures

NHM Assessor's Guidebook prescribes that the surgical safety checklist, pre-surgery evaluation records and post-operative evaluation records for OTs should be prepared for each case. As none of the sampled CHCs had OT facilities, they did not maintain the OT procedure and OT safety checklist. The absence of OT facilities in the sampled CHCs led to the omission of essential surgical safety protocols outlined in the NHM Assessor's Guidebook. As a result, surgical safety checklists and evaluation records were not maintained as prescribed, highlighting a critical gap in ensuring patient safety and quality of care at the CHCs.

2.3.9.5 Emergency service

According to the IPHS, a CHC should have the facility to attend emergency cases of surgery, medicine, emergency obstetric care, emergency care of sick children including facility based Integrated Management of Neonatal and Childhood Illness (IMNCI) strategy and emergency oral health and cardio-vascular disease. A separate earmarked emergency area is to be located near the entrance of the hospital preferably having four rooms (one for doctor, one for minor OT, one for plaster/dressing and one for patient observation) with at least four beds. The PHC should be capable of providing appropriate management of injuries and accident, first aid, stitching of wounds, incision and drainage of abscess, stabilisation of the condition of the patient

before referral, dog bite/snake bite/scorpion bite cases, and other emergency conditions. The PHC should also have separate Minor OT/Dressing Room/Injection Room.

Availability of emergency services in the sampled health facilities is shown in **Table 2.3.15**.

Table 2.3.15: Status of availability of Emergency Services in the sampled Health facilities

Nature of the facility required to be available	Name of the Health facilities where the facilities are	
	Available	Not Available
Whether signage display for emergency on entrance available?	CHC Longkhim and, Seikhazou UPHC	CHC Bhandari and PHCs- Kemipfupfe, Thonoknyu, Wozhuro, Yimpang, Lozaphuhu, Zuketsa, Mangakhi and Kikruma.
Whether emergency ward has dedicated triage?	Nil	CHCs – Bhandari and Longkhim and PHCs- Kemipfupfe, Seikhazou, Lozaphuhu, Kikruma, Zuketsa, Mangakhi, Thonoknyu, Wozhuro and Yimpang.
Whether emergency ward has resuscitation and observation area?	UPHC Seikhazou	CHCs – Bhandari and Longkhim and PHCs- Kemipfupfe, Lozaphuhu, Kikruma, Zuketsa, Mangakhi, Thonoknyu, Wozhuro and Yimpang.
Whether emergency ward has separate provision for examination of rape/sexual assault victim?	UPHC Seikhazou	
Whether emergency ward has Separate emergency beds. Duty rooms for doctors/nurses/paramedical staff and medico legal cases?	Nil	CHCs – Bhandari and Longkhim and PHCs- Kemipfupfe, Seikhazou, Lozaphuhu, Kikruma, Zuketsa, Mangakhi, Thonoknyu, Wozhuro and Yimpang.
Whether emergency ward has Emergency block to have ECG, Pulse Oximeter, Cardiac Monitor with Defibrillator, Multi-parameter Monitor, Ventilator also?	Nil	
Whether emergency ward has procedure for Receiving and triage of patients?	UPHC Seikhazou	CHCs – Bhandari and Longkhim and PHCs- Kemipfupfe, Lozaphuhu, Kikruma, Zuketsa, Mangakhi, Thonoknyu, Wozhuro and Yimpang.
Whether emergency ward has emergency protocols are defined and implemented?	Nil	CHCs – Bhandari and Longkhim and PHCs- Kemipfupfe, Seikhazou, Lozaphuhu, Kikruma, Zuketsa, Mangakhi, Thonoknyu, Wozhuro and Yimpang.

Source: Joint Physical Verification data

It can be seen from **Table 2.3.15** that most of the emergency services were virtually absent in the sampled health facilities. Thus, due to non-availability of emergency services and other specialist services, emergency patients and patients with cardiovascular diseases, though CHCs were equipped to handle such cases, were referred to the DHs and other Hospitals for better treatment putting the patients at distress involving higher out of pocket expenses.

2.3.10 Maternal and Child Care

2.3.10.1 MMR and IMR

Maternal Mortality Rate (MMR) refers to the number of maternal deaths per 1,00,000 live births due to causes related to pregnancy or within 42 days of

termination of pregnancy, regardless of the site or duration of pregnancy. Infant Mortality Rate (IMR) indicates the number of deaths of infants (under one year) per 1,000 live births.

The All India MMR during 2014-16 stood at 130 per 100,000 live births which declined to 113 in 2016-18. The All India IMR which stood at 34 per 1000 live births in 2016 came down to 28 in 2020.

Trend of Maternal Deaths and IMR in Nagaland during 2017-23 is shown in **Table 2.3.16**.

Table 2.3.16: Trend of Maternal Deaths and IMR of Nagaland during 2017-23

Year	Number(s) reported			IMR in India	IMR in Nagaland (of 1,000 live births)
	Live births	Maternal deaths	Infant deaths		
2017-18	19,697	28	216	33	11
2018-19	19,586	18	213	32	11
2019-20	20,423	22	170	30	8
2020-21	16,264	20	136	29	8
2021-22	16,090	11	151	28	9
2022-23	18,807	14	181	27	10

Source: Information furnished by the Department

The MMR for the State was not calculated as the live birth figure was below one lakh during 2017-18 to 2022-23. However, IMR⁴⁶ in the State was lower than all India figures. The IMR after decreasing in 2019-20 showed a continuous upward trend. During the period 2017-18 to 2022-23, the IMR was well below the All-India average figure, which is a positive sign.

2.3.10.2 Antenatal Care

According to the IPHS, HSCs are mainly responsible for providing Ante-Natal Care (ANC) service to pregnant woman which includes early registration of pregnant woman and providing a minimum of four ANC services, name-based tracking of all pregnant women for assured service delivery and identification of high-risk pregnancy cases. The role of the Auxiliary Nurse and Midwife (ANM) is to provide outreach services to the people under the respective Sub Centre.

The total number of Pregnant Women (PWs) in the State registered for ANC, registered within the first trimester (within 12 weeks), number of PW who received up to four ANC check-up, number of PW given TT2/Booster, during 2017-23 is shown in **Table 2.3.17**.

⁴⁶ Infant Mortality Rate

Table 2.3.17: Pregnant women registered and received ANC services

Year	Number of PW registered for ANC		No. of PWs received up to three to four ANC check-ups (per cent)	TT2 or Booster given to PWs (per cent)	IFA Tablets given to PWs (per cent)
	Total	Within first trimester (per cent)			
2017-18	37,217	11,165 (30)	7,071 (19)	14,887 (40)	3,350 (09)
2018-19	37,402	10,473 (28)	8,228 (22)	14,213 (38)	5,984 (16)
2019-20	39,235	10,593 (27)	9,024 (23)	16,086 (41)	9,024 (23)
2020-21	33,105	9,269 (28)	4,966 (15)	13,573 (41)	12,580 (38)
2021-22	33,759	9,790 (29)	6,414 (19)	15,192 (45)	14,516 (43)
2022-23	35,207	11,266 (32)	9,154 (26)	16,899 (48)	21,476 (61)
Total	2,15,925	62,618 (29)	49,663 (23)	86,370 (40)	64,778 (30)

Source: Information furnished by the Department

It can be seen from **Table 2.3.17** that during 2017-23, the registration of PW within the first trimester, showed gradual improvement. However, 71 per cent PW did not register within the first trimester during this period. Similarly, number of PW for three to four ANC check-ups, TT2 or Booster and IFA doses were 23, 40 and 30 per cent respectively.

Thus, the HSCs which were assigned to provide the ANC services to the PW did not perform in the key areas of activities though services are gradually improving.

While accepting the audit observation, the Department highlighted (October 2023) major challenges and issues like reluctance/unwillingness of pregnant women to come forward for ANC unless there are complications, the presence of geographical barriers and shortage of health units against the number of villages. Further, the Department highlighted the plan/strategy to address the issues through capacity building/sensitisation of health care workers, awareness for civil society & faith-based organisations and strengthening of outreach services.

The reply on reluctance/unwillingness of pregnant women to come forward was not tenable as it is the responsibility of the HSCs to reach out and to provide ANC services to pregnant woman.

2.3.10.3 Stillbirths

As per the National Family Health Survey-5⁴⁷ (NFHS-5), the rate of stillbirth in India is 0.90 per cent of live births. The trend of stillbirths in Nagaland is given in **Table 2.3.18**.

Table 2.3.18: Number and rate of stillbirths in the State

Year	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total number of deliveries	19,943	19,690	20,619	16,474	16,215	18,981
Number of stillbirths	351	306	301	284	236	281
Percentage of stillbirth with reference to deliveries	1.76	1.55	1.46	1.72	1.46	1.48

Source: Information furnished by the Department

It can be seen from **Table 2.3.18** that the rate of stillbirths during 2017-23 in the State ranged between 1.48 and 1.76 per cent which was much higher than the national

⁴⁷ National Family Health Survey-5, 2019-21 data

average of 0.90 *per cent*. However, the stillbirth rate was zero *per cent* in the sampled PHCs and the CHCs during 2017-23 as shown in **Table 2.3.19**.

Table 2.3.19: Stillbirth rate in the sampled PHCs and CHCs

Hospital	Number of deliveries during 2017-18 to 2022-23	Number of still births	Percentage of still birth to deliveries
CHCs			
Bhandari	486	0	0
Longkhim	NA	NA	NA
PHCs			
Kempfupfe	48	0	0
Seikhazou	41	0	0
Lozaphuhu	17	0	0
Kikruma	97	0	0
Zuketsa	76	0	0
Wozhuro	57	0	0
Yimpang	NA	NA	NA
Mangakhi	NA	NA	NA
Thonoknyu	276	0	0

Source: Information furnished by sampled Hospitals

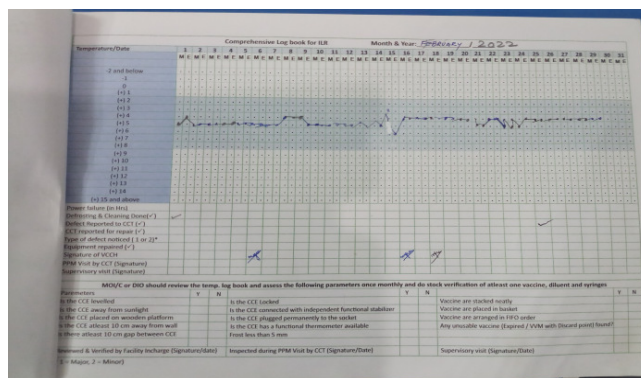
2.3.11 Management of drugs

2.3.11.1 Drug storage

As per the IPHS guidelines, sufficient number of racks shall be provided in CHCs/PHCs and drugs shall be stored properly and systematically. Further, as per IPHS guidelines, Medical Officers (in CHC/PHC) will ensure proper storage of vaccines and maintenance of cold chain equipment. Vaccine storage data sheet had provision for filling important information such as duration of power failure, use of independent stabilizer and vaccine found in frozen condition.

The audit findings relating to the storage of drugs and vaccines in the sampled health facilities are as under:

- Labelled shelves/racks were not available in Mangakhi PHC and Thonoknyu PHC.
- 24-hour temperature recording of the stored vaccines was not available in Mangakhi PHC and Yimpang PHC.
- Vaccine storage data sheet was not filled in and there was no monitoring by the person in-charge of the health facilities.
- Instructions for storage of vaccine were not available in Bhandari CHC, Mangakhi PHC, Yimpang PHC, Lozaphuhu PHC and Zuketsa PHC.



Photograph 2.3.1: Important information in the vaccine storage datasheet not filled (PHC Kempfupfe)

2.3.12 Conclusion

Though services of specialist doctors were to be made available in the CHCs as per the IPHS, no specialist services were available in the CHCs in the State except in CHC, Noklak, Pungro, Jalukie, Meluri and Tobu where Obstetrics & Gynaecology service were available. CHCs were functioning more like PHCs; the CHCs and PHCs are differentiated only in terms of the number of beds, with more beds in CHCs. Diagnostic services like Pathology and Ophthalmology which were required to be available in the CHCs as per the IPHS were missing. Quality assurance in the Laboratory Services as mandated under the IPHS was not done. Emergency and Trauma Care service was virtually absent in the sampled health facilities. Due to non-availability of emergency services and other specialist services, emergency patients and patients with cardiovascular diseases, were referred to the DHs and other Hospitals for better treatment putting the patients at distress involving higher out of pocket expenses. HSCs, responsible for providing ANC service to the pregnant woman including the outreach services to the people under them, could not provide the desired service as a result, more than 26 *per cent* of the registered PWs did not receive four ANC check-ups during 2022-23.

2.3.13 Recommendations

The State Government may-

- (i) ensure posting of specialist doctors and provide necessary emergency services as well as other specialist services in the deficient health facilities as per IPHS norms.*
- (ii) provide necessary diagnostic services in the CHCs to reduce the pressure at the District and State Level Hospitals and mitigate the problems of travelling longer distances and incurring out of pocket expenses by patients.*
- (iii) monitor the services rendered by the HSCs to ensure that the required service assigned to HSCs are delivered.*

Audit objective 2: Whether support services in the healthcare facilities are available and adequate

2.3.14 Other Support Services

The operational activities of a health facility comprise a wide variety of support services *viz.*, management of linens, dietary management, ambulance service, sweeping & cleaning service and hospital security service.

Management of support services in the sampled health facilities is discussed in the succeeding *Paragraphs 2.3.14.1 to 2.3.14.5.*

2.3.14.1 Dietary services

As per the IPHS guidelines, pregnant women are entitled to free diet in the health institutions. Further, the guidelines states that it is desirable to provide nutritious and well-balanced diet to all IPD patients keeping in mind their cultural preferences.

Audit observed that the Health and Family Welfare Department did not recommend types of diet depending upon the types of in-patients and that sampled PHCs and CHCs did not provide dietary services to the patients.

2.3.14.2 Hospital linen services

As per the IPHS guidelines, provision for clean linen shall be made for admitted patients. At least five sets of linen shall be made available. Laundry Services may be available in house or outsourced.

The Health and Family Welfare Department, GoN did not have any policy for providing clean and hygienic linen to patients and schedule of change of soiled bedsheets and blankets.

The schedule of changing the bedsheets could not be ascertained as no records were maintained by the sampled health facilities. Besides, records of collection of soiled linens from the wards and returning them back by the service provider were also not maintained. In absence of proper records, standards and procedure followed by the health facilities for sluicing of soiled, infected and fouled linen could not be ascertained in audit. Further, records relating to monitoring the type and quantity of the cleaning agent or the detergent used for cleaning the soiled linens were not available.

2.3.14.3 Infection control

As per the Hospital Infection Control Guidelines, hospitals should have Hospital Infection Control Committee (HICC) to formulate appropriate guidelines on hospital infection measures. It was observed that HICC was found to have been formed in five out of the 11 sampled health facilities. It was also noticed that infection control checklist was not prepared by eight sampled health facilities. Thus, HICC did not deliver any specific plan to control hospital infection.

Of the five sampled health facilities which had HICC, CHC Bhandari had the highest number of HICC meetings, which was five times since its formation in 2018. The HICC meetings in the other four health facilities which had HICC ranged from one to four.

2.3.14.4 Staff immunisation and medical check-up of health care workers

As per the IPHS guidelines (read with Infection Management and Environment Plan), immunisation of staff against Hepatitis B and Tetanus is a part of the hospital infection control programme and is to be followed by the CHCs/PHCs. Audit was informed that all the sampled health facilities provided Hepatitis B and Tetanus injections to all their health care workers except for PHC, Mangakhi which did not

immunise health workers with Hepatitis B. However, no records regarding staff immunisation could be produced by any of the sampled health facilities.

2.3.14.5 Disinfection and sterilisation

According to the NHM Assessor's Guidebook for Quality Assurance in the health facilities, the facility should have standard procedures for processing for disinfection and sterilisation of equipment and instruments.

Audit noticed that out of eleven sampled health facilities, two health facilities *viz.*, CHC, Bhandari and PHC, Kemipfupfe adopted boiling, autoclaving and chemical sterilisation process for disinfection and sterilisation of hospital equipment and instruments. The other nine sampled health facilities were using only boiling or only chemical sterilisation for sterilisation of equipment and instruments.

2.3.15 Patient safety

2.3.15.1 Disaster management capability of hospitals

NHM Assessor's Guidebook envisages that a Disaster Management Plan (DMP) be prepared for each health facility and that disaster management training for hospital staff and periodic mock drills in the hospitals be conducted. Further, Standard Operating Procedures (SOPs) should be available, and a disaster management committee should be constituted.

Audit noticed that out of 11 sampled health facilities, only two health facilities *viz.*, Kemipfupfe PHC and Seikhazou UPHC had a disaster management plan and a SOP on disaster management. However, no records regarding conduct of mock drill on disaster management were maintained by any of the sampled health facilities. It was also observed that a No Objection Certificate (NOC) was not obtained from the Nagaland Fire Services and Emergency Services under Home Department, GoN. Further, fire prevention plan was not found formulated in any of the sampled health facilities except in Seikhazou UPHC. Fire detection alarm was also not available in any of the sampled health facilities which was required as per norms. Thus, absence of fire control measures and DMP posed a major threat to the patients.

2.3.16 Bio-Medical Waste management

As per the Bio-Medical Waste Management (BMW) Rules, 2016, bio-medical waste shall be segregated into containers or bags labelled (as specified in Schedule IV) at the point of generation. Further, disposal by deep burial is permitted only in rural or remote areas where there is no access to common bio-medical waste treatment facility. Further, it shall be the duty of every health care facility to provide training to all its health care workers and others, involved in handling of bio medical waste at the time of induction and thereafter at least once every year and the details of training programmes conducted, number of personnel trained and number of personnel not undergone any training shall be provided in the Annual Report.

Audit observed that during 2018-23, all the sampled health facilities were segregating the waste into different categories in separate-coloured bins, available at the point of generation of waste, particularly in the ward areas.

It was further observed that all the sampled PHCs and CHCs were using deep burial pit for disposal of hospital wastes except for PHC Lozaphuhu where burning of waste was still in practice even though deep burial pit was available.



Photograph 2.3.2 Un-used burial pits/Burning pit

Photograph 2.3.2 shows the un-used burial pit and burning pit in PHC Lozaphuhu which poses a serious threat to the environment and the people who live in the surrounding areas. During audit, it was stated by all sampled PHCs and CHCs that training on BMW for the Staff was conducted as per norms, however, no records of training details are available in these sampled health centres.

2.3.17 Ambulance Service

According to the IPHS norms, each PHC/CHC should have ambulance facilities for transporting patients for timely and assured referral to higher units.

Audit observed that none of the sampled health facilities have ambulances except CHC, Longkhim and UPHC, Seikhazou. These two health facilities were providing ambulance service free of cost in emergency cases as a referral transport to the higher health facility.

2.3.18 Evaluation of In-patient Services through Outcome Indicators

This paragraph presents an assessment of overall Health Indicators of the State and the IPD services provided during 2017-23 in the sampled health facilities. The Outcome Indicators (OIs) prescribed in IPHS guidelines are Bed Occupancy Rate (BOR), Leave Against Medical Advice (LAMA) Rate, Absconding Rate and Referred Out Rate (ROR). **Table 2.3.20** gives the categorisation and methodology of evaluating these standards.

Table 2.3.20: Calculation of quality indicators

Type	Quality Indicator	Numerator	Denominator
Productivity of hospital	BOR (in per cent)	Total patient bed days X 100	Total No. of functional beds X No. of days in a month
Service quality of hospital	LAMA (Rate/1000)	Total No. of LAMA X 1000	Total No. of admissions
	Absconding (Rate/1000)	Total No. of Absconding cases X 1000	Total No. of admissions
Efficiency	ROR (in per cent)	Total No. of cases referred to higher facility X 100	Total No. of admissions

Source: IPHS Norms

Relative performance of the sampled health facilities on various OIs as worked out by audit is shown in **Table 2.3.21**.

Table 2.3.21: Outcomes vis-à-vis availability of resources in the sampled health facilities

Sl. No.	Name of the Health Facilities	Outcome Indicators			
		BOR (per cent)	ROR (per cent)	LAMA per 1,000	Abs. Rate per 1,000
CHCs					
1.	Bhandari	9.94	14.29	0	0
2.	Longkhim	11.21	21.32	0.82	0
PHCs					
3.	Kempifupfe	0.52	3.70	0	0
4.	Seikhazou	1.95	0.89	0	0
5.	Lozaphuhu	0.93	17.95	0	0
6.	Kikruma	1.41	0	0	0
7.	Zuketsa	2.17	2.00	0	0
8.	Wozhuro	0.44	3.51	0	0
9.	Yimpang	NA	0	0	0
10.	Mangakhi	NA	0	0	0
11.	Thonoknyu	4.48	0.74	0	0
Benchmark⁴⁸		80-100%	5.85	0.07	0.00

Source: Records of sampled health facilities, NA-No IPD services

From **Table 2.3.21** above, it can be seen that:

- CHC Bhandari has the lowest BOR of 9.94 which indicated that CHC Bhandari did not have the required IPD facility in terms of doctors and ancillary facilities.
- CHC Longkhim with ROR of 21 out of 1,000 patients was the highest amongst the sampled health facilities, indicating that health care facilities were not at par with other sampled health facilities.
- LAMA was nil in all sampled health facilities except in CHC Longkhim and Absconding rates were zero in all the sampled health facilities. However, this does not imply better service availability in the health facility as the BOR was low in all the sampled health facilities.
- PHC Lozaphuhu had low bed occupancy and a high referred out rate indicating that this PHC had struggled to provide quality services due to shortage of manpower, essential diagnostic services, absence of emergency and trauma care services. Similarly, PHCs, Kempifupfe and Wozhuro were also struggling to provide good services to the patients as reflected in the high Referral Out.

2.3.19 Patient rights and grievance redressal

According to the IPHS, grievance redressal mechanism is part of the Citizen Charter. The Government of Nagaland also instituted an on-line Public Grievance Redressal Mechanism System; however, the Health and Family Welfare Department is not part

⁴⁸ Benchmarks: BOR – as per IPHS, weighted average for rest of the outcome indicators.

of the system and none of the sampled health facilities mentioned the grievance redressal mechanism in the Citizen Charter displayed in the facility.

Of the sampled CHCs and PHCs, only PHC Yimpang and UPHC Seikhasou constituted Grievance Redressal Committee in 2021-22 and 2022-23 respectively. These health facilities did not receive any complaint till March 2023.

2.3.20 Conclusion

Hospital support services, viz., diet, laundry and linen service and infection control were operational in the sampled health facilities but without any standard operating guidelines. Health care facilities were running without any safety clearance from the Fire Department posing a major fire threat to the patients. Hospital Infection Control Committee (HICC) was found to have been formed in four out of the eleven sampled health facilities but did not deliver any specific plan to control hospital infection. Sampled Health facilities were found not adhering to the Bio Medical Waste Management Rules. PHC Lozaphuhu had low bed occupancy and a high referred out rate indicating that this hospital had struggled to provide quality services due to shortage of manpower, essential diagnostic services, absence of emergency and trauma care services. Similarly, PHCs, Kemipfupfe and Wozhuro were also struggling to provide good services to the patients as reflected by the high Referral Out. Grievance redressal mechanism was not available in nine out of 11 sampled health facilities.

2.3.21 Recommendations

The State Government may-

- (i) *ensure that standard operational guidelines be prepared for hospital support services like linen, laundry and diet service.*
- (ii) *ensure formation of HICC in each health facility and strengthen the effectiveness of HICC by providing specific training and resources to develop comprehensive infection control plans tailored to each facility's needs*
- (iii) *prioritise obtaining safety clearance from the concerned Department for all healthcare facilities to mitigate the risk of fire hazards and ensure patient safety.*
- (iv) *ensure strict adherence to Bio-Medical Waste Management Rules in all sampled health facilities to prevent environmental contamination and protect public health.*
- (v) *ensure to improve the quality of services and patient care at PHCs with low bed occupancy and high referral rates by conducting assessments, identifying root causes of service deficiencies, and implementing targeted interventions to address gaps in service delivery.*

Audit objective 3: Whether assets created for Emergency related services were utilised efficiently

2.3.22 Creation and Utilisation of assets

2.3.22.1 Funds and utilisation

Total pandemic affected cases in the State were 36,029 and there were 782 deaths (as on 13 July 2023). The status of receipts of funds and expenditure to deal with the pandemic situation in the State during 2020-22 are given in **Table 2.3.22**.

Table 2.3.22: Receipts and Expenditure of Covid Funds

(₹ in crore)

Financial Year	Name of the Component	Central Share	State Share	Total Funds	Expenditure	Balance
2019-20	ECRP ⁴⁹	3.71	0.00	3.71	3.71	0.00
	Sub-Total	3.71	0.00	3.71	3.71	0.00
2020-21	State Government Budget	0.00	72.95	72.95	70.55	2.40
	CM Fund	0.00	0.10	0.10	0.10	0.00
	NBCC	0.00	0.005	0.005	0.00	0.005
	NSDMA	0.00	0.44	0.44	0.44	0.00
	GoI Grants (NHM NEC)	3.00	0.00	3.00	3.00	0.00
	ECRP	0.41	0.00	0.41	0.41	0.00
	ER&HSPP ⁵⁰	10.27	0.00	10.27	9.94	0.33
	Vacc for HCW & FLW ⁵¹	1.10	0.00	1.10	1.07	0.03
	Sub-Total	14.78	73.495	88.275	85.51	2.765
2021-22	State Government Budget	0.00	34.88	34.88	32.83	2.05
	ER&HSPP	31.23	0.00	31.23	17.07	14.16
	Sub-Total	31.23	34.88	66.11	49.90	16.21
	Grand Total	49.72	108.375	158.095	139.12	18.975

Source: Departmental records, bills and vouchers

During 2019-22, ₹158.095 crore was available with the State for Covid management, out of which, ₹139.12 crore was utilised and ₹18.97 crore remained as balance (March 2022) with the Department.

The funds were mainly utilised for construction of PSA oxygen generation plants, platform/for ICU units, setting up of BSL laboratory, Bio waste incinerators, waste water treatment plants, various works under maintenance, diet for the patients, patients' transportation and for procurement of TrueNat machines, DG set, oxygen cylinders, ambulances, infrared thermometers, ventilators, consumables like medicines, mask, PPE kit, sanitizers, gloves, dietary charges, test kits, handwashes and sodium hypochloride. Detailed position is given in **Appendix 2.3.9**.

Of the balance amount of ₹18.97 crore, ₹14.16 crore was with NHM, Nagaland which was meant for Covid Essential Diagnostic and Drugs, ramping up Health Infrastructure with focus on Paediatric care units, IT Interventions, Capacity Building and Training. Further, it was noticed during audit of DHS that though there was no

⁴⁹ ECRP-Emergency Covid Response Funds.

⁵⁰ ER&HSPP – Emergency Response & Health Systems Preparedness Package.

⁵¹ Vaccination for Health Care Workers & Frontline Workers.

immediate requirement of funds for any Covid related activities, unutilised funds were not surrendered.

ECRP II funds, which constituted the major fund component during 2021-22 were mainly sanctioned for ramping up health infrastructure with the focus on Paediatric care units. Out of total sanctioned amount of ₹31.23 crore under ECRP-II, ₹14.16 crore remained unspent. Despite availability of funds, ramping up of health infrastructure was slow which resulted in slow pace of expenditure.

Apart from the above, the State received 24 PSA oxygen plants⁵² through three sources viz., PM cares, UNICEF and UNDP Programme as assistance in kind to deal with the Covid situation in the State.

The Department, in its reply stated (October 2023) that completion certificates of installation of prefab structure for all 108 units has been received and that the remaining balance amount of ₹1.46 crore would be released after the supply of furniture. The Department further stated that, the firm engaged for installation of 105 units has been directed to expedite the work for which an amount of ₹11.08 crore was yet to be released.

2.3.22.2 Verification of assets created

The issues related to post Covid utilisation/usage of the infrastructure created and the equipment/kits provisioned during the pandemic require thorough administrative planning, assessment of gaps in the hospital infrastructure and equipment and dedicated effort to bridge the gap with the additional infrastructure and equipment like ICU beds, ICU machines and Oxygen Concentrators created to deal with the situation in the State. Status of verification of major equipment and other hospital items in the five major hospitals in the State is shown in *Appendix 2.3.10*.

Audit noticed that assessment was not done to identify gaps in hospital infrastructure for utilisation of available additional infrastructure and equipment like ICU beds, ICU machines, Oxygen Concentrators. As a result, Oxygen Concentrator, Ventilator and ICU beds were found lying idle in the Directorate/hospital stores and were required to be re-distributed on need basis. The major items which were lying idle are as shown in **Table 2.3.23**.

Table 2.3.23: Idle lying of Covid equipment and assets

Sl. No.	Name of the Item	Total Quantity received	Quantity lying idle	Where lying idle
1.	ICU Beds	40	4	Directorate store
2.	Oxygen Concentrator	1,836	648	Directorate store
		352	10	CMOs-Dimapur, Kohima, Phek, Tuensang
		209	53	DHs-Dimapur, Phek, Tuensang, Wokha, Kohima
3.	Ventilator	414	38	Directorate store
		21	16	DHs-Phek, Wokha
4.	Covid Test Kits	6,98,133	3,24,886	Directorate store

Source: Departmental records

⁵² 15 nos. from PM cares, six nos. from UNICEF and three from UNDP.

2.3.22.3 Verification of Oxygen Plants and concentrators

The Government of Nagaland received 24 Pressure Swing Adsorption (PSA) plants from the PM-CARE Funds (15), UNDP (three) and UNICEF (six) during 2021-22. PSA plants were installed in all 11 DHs⁵³, eight CHCs⁵⁴ and in CIHSR, Dimapur. The status of Oxygen Plants in the respective health facilities is given in **Table 2.3.24**.

Table 2.3.24: Status of verification of Oxygen Plants in the health facilities in the State

Sl. No.	Health Facility	Audit findings	Department's reply (October 2023)
1.	DH, Kohima	The PSA System remained non-functional from the date of installation (July 2021) to the date of verification (July 2022) due to usage of lower capacity stabilizer as 150 KVA capacity was supplied instead of 300 KVA capacity stabilizer.	The PSA has been utilised. Joint Physical Verification (January 2024) confirmed it.
2.	DH, Wokha	The PSA system was yet to be made functional till the date of verification (August 2022) due to non-connection of pipe to the manifold, oxygen plant leakage and non-installation of separate transformer.	The issue related to non-connection of pipe to manifold and leakage has been repaired. However, transformer is yet to be provided.
3.	DH, Tuensang	The PSA system was yet to be made functional till the date of verification (August 2022) due to non-installation of separate transformer.	Transformer is yet to be provided, though functional with Generator.
4.	DHs - Phek and CHC Bhandari	The PSA system (CHC, Bhandari) was yet to be made functional till the date of verification (August 2022) due to low voltage. The Oxygen plants were installed and remained functional.	Functional with dedicated transformer.

Source: Joint Physical verification data

In all the cases where the plants remained non-functional, the patients were provided Oxygen Cylinder bottles after refilling, implying that there was no reduction in the expenditure on oxygen cylinders despite the installation of PSA plants as these plants remained unutilised.

While accepting the audit observation on usage of Oxygen Cylinder in those hospitals where PSA plants remained non-functional, the Department stated (October 2023) that Oxygen cylinder is used since the transformer is yet to be provided by the Government.

2.3.23 Conclusion

Significant funds earmarked for dealing with the pandemic situation in the State remained un-utilised. Funds amounting to ₹18.97 crore were not surrendered despite no immediate requirement. Progress on ramping up of health infrastructure with the focus on Paediatric care units was slow despite availability of funds. There was no

⁵³ DH, Kohima (two), DH, Dimapur (one), DH, Kiphire (one), DH, Peren (one), DH, Phek (two), DH, Tuensang (two), DH, Mokokchung (two), DH, Zunheboto (one), DH, Mon (one), Dh, Wokha (one) and DH, Longleng (one).

⁵⁴ CHCs – Yachem, Jalukie, Noklak, Pungro, Tobu, Meluri, Bhandari and Aghunato (one each).

reduction in the expenditure on Oxygen Cylinders despite the installation of PSA plants, as these plants largely remained un-utilised. Assets created during the pandemic, were found idle and are to be re-distributed on need basis.

2.3.24 Recommendations

The State Government may-

- (i) *undertake assessment of utilisation of funds immediately and ensure that the Department surrenders the excess funds.*
- (ii) *regularly monitor progress of health infrastructure works for early completion and speedy utilisation of earmarked funds.*
- (iii) *assess the utilisation of the assets and equipment created and procured during pandemic and consider redistribution based on the requirement of the health facilities.*

Audit objective 4: Whether the State spending on health has improved the Health and Well-being conditions of people as per SDG 3

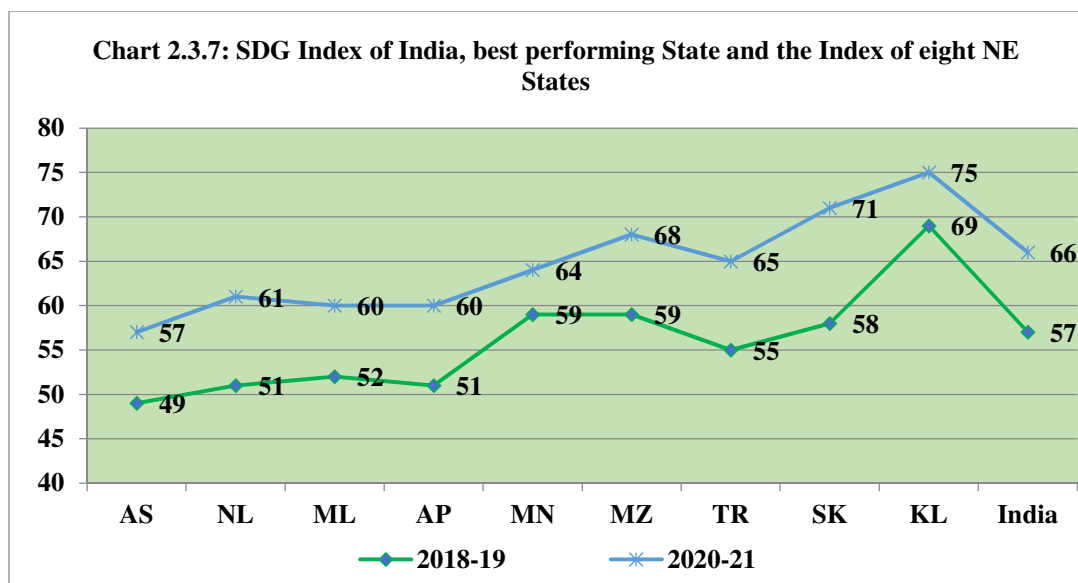
2.3.25 Introduction

The global indicator framework for Sustainable Development Goals (SDGs) was adopted by the General Assembly of the United Nations in July 2017 and is contained in the Resolution adopted by the General Assembly on Work of the Statistical Commission pertaining to the 2030 Agenda for Sustainable Development.

NITI Aayog leads the country's efforts to achieve the SDG, driving the 2030 Agenda through cooperation and competitive federalism. NITI Aayog, the nodal body mandated to oversee the progress, developed the framework of the SDG India Index and Dashboard back in 2018, to capture the progress made by our States and Union Territories to monitor the progress and achievements towards realising the 2030 Agenda. The task at hand for NITI Aayog is not just to periodically collect data on SDGs but also to proactively realise the goals and targets. The Ministry of Statistics and Programme Implementation (MoSPI) has collaborated with other Ministries to develop indicators for SDG goals. NITI Aayog, in consultation with MoSPI, drafted an initial mapping of these goals. This mapping extends to the Centrally Sponsored Schemes, including those implemented by the States and recent GoI initiatives. Moreover, Ministries and States are aligning Central and State schemes with SDGs.

2.3.25.1 Status of SDGs in the India and the North Eastern States

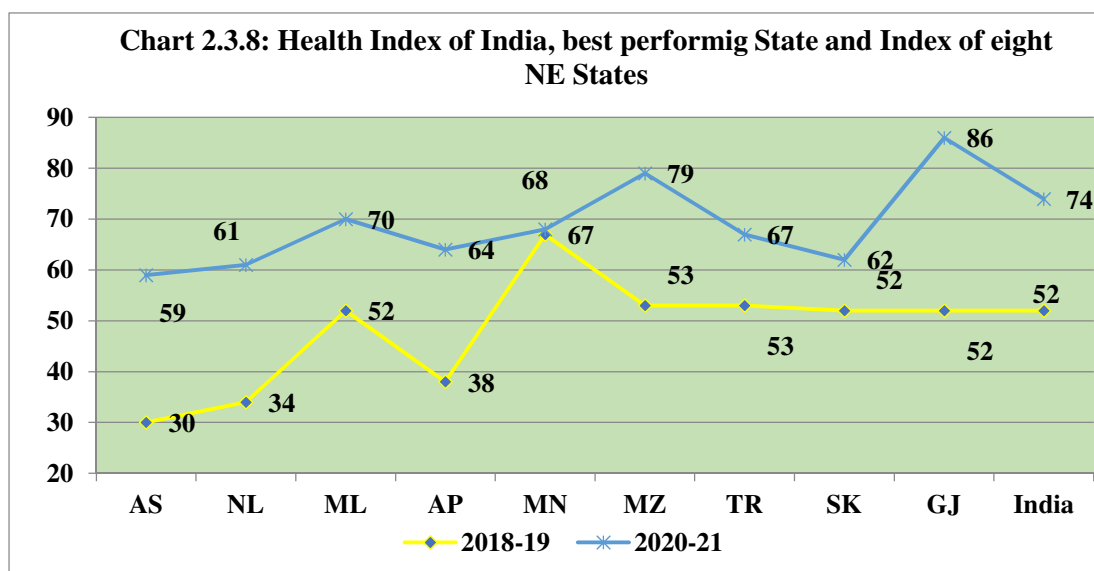
As per the NITI Aayog report on 'SDG Index India and Dashboard of 2021', the progress made by the States and the Country as a whole in achieving SDGs is depicted in **Chart 2.3.7**.



Description of Legends: AS-Assam, NL-Nagaland, ML-Meghalaya, AP- Arunachal Pradesh, MN- Manipur, MZ- Mizoram, TR-Tripura, SK-Sikkim, KL-Kerala

It can be seen from **Chart 2.3.7** that the Country as a whole and all the North-eastern States are gradually moving towards achieving the SDG Goals since the States have improved their Index positions during 2018 to 2021. Nagaland is in the fifth position with the score of 61 among the NE States and achieved the 20th rank at All India level.

The position with respect to SDG Goal 3 on the Health and Well Being conditions of people has been depicted in **Chart 2.3.8**.



Description of Legends: AS-Assam, NL-Nagaland, ML-Meghalaya, AP- Arunachal Pradesh, MN- Manipur, MZ- Mizoram, TR-Tripura, SK-Sikkim, GJ-Gujarat

All the States and the Country as a whole are gradually moving towards achieving the Goal of Health and Well Being of the people. Gujarat recorded best performance at Pan India level with score of 86. Nagaland is in seventh position among NER states with a score of 61 just above the NER state of Assam (score-59). Though Nagaland

has moved from 34 to 61 during 2018-19 to 2020-21, indicating a substantial improvement, it still has scope for further improvement.

2.3.25.2 Performance of the State on health specific Indicators

The indicators and the target under SDG-3 on the Health and Well-being conditions of the people and their achievement at the National level and by the State of Nagaland are shown in **Table 2.3.25**.

Table 2.3.25: Status of achievement of SDG-3 in the State vis-a-vis all India achievement

Sl. No.	SDG Indicator	Target	Achievement at:		Remarks, if any.
			All India	State	
1.	Maternal Mortality Ratio (per 1,00,000 live births)	70	113	NA	Maternal mortality is not calculated in the State since annual live birth figure is below 1,00,000.
2.	Under 5 mortality rate (per 1,000 live births)	25	36	37	Current data was not available, 37 pertains to SDG India Index 2.0 (2019-20).
3.	Percentage of children in the age group 9-11 months fully immunised.	100	91	54	-
4.	Total case notification rate of Tuberculosis per 1,00,000 population	242	177	233	The State is in much better condition compared to the Country as a whole.
5.	HIV incidence per 1,000 uninfected population	0	0.05	0.73	More than 14 times of All India average, very high and needs to be checked.
6.	Suicide rate (per 1,00,000 population)	3.5	10.4	1.90	The State is in much better condition compared to Country as a whole.
7.	Death rate due to road traffic accidents (per 1,00,000 population)	5.81	11.56	1.02	The State is in much better condition compared to Country as a whole.
8.	Percentage of institutional deliveries out of the total deliveries reported	100	94.40	83	Government needs to strengthen awareness activities to encourage institutional deliveries.
9.	Monthly per capita out-of-pocket expenditure on health as a share of Monthly Per capita Consumption Expenditure (MPCE)	7.83	13	7.90	This can be linked with the absence of specialists at CHC, which results into visiting District Hospitals.
10.	Total physicians, nurses and midwives per 10,000 population	45	37	1	Government needs to speed up recruitment process.

Source: SDG India Index 3 (2020-21) and SDG India Index 2 (2019-20)

It can be seen from **Table 2.3.25** that out of the 10 SDG-3 Health Indicators, the State is lagging behind the All-India average in seven indicators while maternal mortality is not calculated in the State since annual live birth figure in the State is below 1,00,000. The obvious reason being that the State spending on the health sector was low and ranged from a meagre 3.19 per cent to 4.25 per cent of the State budget during 2017-22 as against eight per cent of the total budget of the State envisaged in the National

Health Policy (NHP), 2017. Another contributing factor is that the primary and secondary health care facilities in the State were running with acute shortage of manpower in the cadre of doctors, nurses and paramedics.

The State formed (16 October 2019) a High-Level Steering Committee under the Chairmanship of the Chief Secretary of the State to monitor the progress of the implementation of SDG Goals and provide course corrections, however, only a single meeting of the Committee was held since its formation till March 2023. This had indicated a lack of planning and monitoring mechanism towards the achievement of SDG Goals in the State.

2.3.26 Conclusion

The State is lagging in achieving the SDG -3 indicators in seven out of the ten targeted areas in comparison to the national achievements. Spending on the health sector was lower than that envisaged in the National Health Policy, 2017. Though monitoring mechanism was designed and developed, regular monitoring was not in place.

2.3.27 Recommendation

The State Government may ensure adequate spending on health sector, prioritise the filling up of vacant medical and paramedical posts and implement effective monitoring mechanisms to achieve SDG targets.

Audit objective 5: Examine implementation of ‘Establishment of new medical colleges attached with existing district/referral hospitals’

2.3.28 Introduction

To meet the shortfall of human resources in health, the Ministry of Health and Family Welfare (MoHFW), Government of India (GoI) approved (February 2014) the Centrally Sponsored Scheme (CSS) for “**Establishment of new medical colleges attached with existing district/referral hospitals**” preferably in underserved districts of the Country. Under this scheme, fund sharing between the Central Government and State Government is in the ratio of 90:10 for North Eastern/Special category States and 75:25 for other States. The MoHFW, GoI identified (February 2014) Kohima district in Nagaland for implementation of the scheme. Accordingly, a Memorandum of Understanding (MoU) was signed (March 2014) between the GoI and GoN to establish a new Medical College as per the guidelines and instructions issued by the MoHFW. Nagaland University agreed (July 2014) in principle to affiliate the proposed **Nagaland Medical College at Kohima (NMCK)** subject to grant of permission by MoHFW, GoI. As per the Scheme Guidelines, the qualifying criteria are land measuring not less than 20 acres and an existing hospital of not less than 300 beds. GoN certified the availability of land measuring 12.70 acres at District Hospital, Kohima (Naga Hospital Authority Kohima (NHAK)) and 25 acres at Phreibagei, Kohima. Further, NHAK was proposed to be used as a teaching hospital initially. Under the Scheme, Medical College building, staff apartments/residence,

sports complex and boys and girls hostels were proposed to be constructed at Phreibagei, Kohima.

Though MoU was signed between the GoI and GoN for implementation of the scheme in 2014, GoN did not meet the qualifying criteria under section 3(2)(5) of Establishment of Medical College Regulations, 1999 and could not obtain Letter of Permission (LoP) from the National Medical Commission (NMC) (previously Medical Council of India) till 2022-23. LoP for commencement of academic session during 2023-24 was obtained only in April 2023 for 100 MBBS seats.

Targets *vis-à-vis* achievement towards the implementation of the scheme

The implementation of the scheme can be broadly classified into three main components *viz.*, land acquisition, execution of civil works and commencement of session. Component-wise targets *vis-à-vis* achievement are detailed below:

Land Acquisition: The acquisition of land which could have been completed by August 2015, was completed in March 2018 (Refer **Paragraph 2.3.28.1 (ii)**).

Execution of civil works: Under the scheme “Establishment of new medical colleges attached with existing district/referral hospitals”, seven components of civil works were to be executed. The work on these components commenced from December 2018 with stipulated dates of completion between March 2020 to March 2021. However, these works were completed by December 2023. The present status of the civil works executed under the scheme as on 31 December 2023 is detailed in **Table 2.3.26**.

Table 2.3.26: Physical status of the works under the scheme as on 31 December 2023

Sl. No.	Name of the components	Date of completion
1.	Construction of Medical College Building, Kohima	December 2023
2.	Construction of 200 sq m apartment at Nagaland Medical College, Kohima	October 2023
3.	Construction of 100 sq m apartment at Nagaland Medical College, Kohima	July 2023
4.	Construction of Sports Complex at Nagaland Medical College, Kohima	April 2022
5.	Construction of Boys and Girls Hostel at Nagaland Medical College, Kohima	December 2023
6.	Construction of Dean Residence at Nagaland Medical College, Kohima	April 2022
7.	Construction of MS Residence at Nagaland Medical College, Kohima	April 2022

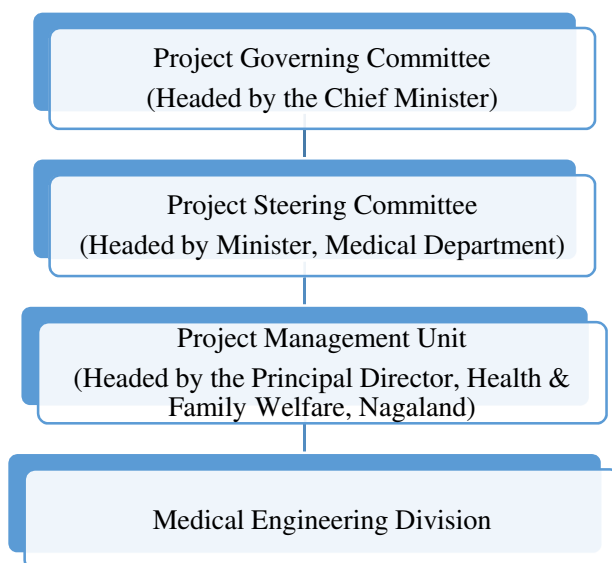
Source: Departmental figures

Commencement of session: As per the MoU, the session of the college was to commence from the 2015-16. However, the Nagaland Institute of Medical Sciences and Research, Kohima (NIMSR) was inaugurated on 14 October 2023. Accordingly, the academic session of the college commenced only from 2023-24.

2.3.28.1 Organisational Setup

The DoH&FW is the nodal department for implementation of the CSS “Establishment of new medical colleges attached with existing district/referral hospital” in the State. The organisational structure for implementation of the scheme for Nagaland Medical College Kohima (NMCK) is shown in **Chart 2.3.9**.

Chart – 2.3.9: Organisational Structure



Source: Departmental records

2.3.28.2 Planning

(i) Inordinate delay in acquisition of land for NMCK

Clause 9 of the guidelines envisaged that a suitable single plot of land measuring not less than 20 acres is owned and possessed by the person or is possessed by the applicant by way of 99 years lease for the construction of the college. GoN informed (August 2015) GoI about the possession of land measuring 37.70 acres for establishment of Medical College at Kohima as detailed in **Table 2.3.27**.

Table 2.3.27: Details of land settlement orders

Sl. No	Settlement order no. & date	Name of Department/ Organisation	Location and plot No.	Patta/ Permit No.	Area (in acres)
1.	No. REV/MS/5/90-91 dated 20/05/2014	NHAK	Hospital Colony/90	090	12.70
2.	No. REV/PATTA-2009 dated 20/01/2013	Principal Director, H&FW, Nagaland	Phriebagei/92	092	25.00
Total area					37.70

Source: Departmental records

Audit, however, observed that GoN paid (February 2016) an amount of ₹17.53 crore⁵⁵ for acquiring land measuring 40.25 acres and a final payment of ₹19.67 lakh⁵⁶ for the resurveyed area at Phriebagei, Kohima for establishment of Medical College and obtained land patta in March 2018. Thus, the information to GoI in August 2015 about the possession on land free from encumbrances was incorrect as corroborated by the fact that civil work could commence only in December 2018 after the possession of land in March 2018. The inordinate delay in acquisition of land resulted in a delay in commencing the civil works.

⁵⁵ @ ₹100 per square feet *vide* cheque no. 808734 dated 23 February 2016.

⁵⁶ *vide* cheque no. 098162 dated 26 October 2016.

The Department, in its reply stated (October 2023) that GoN had acquired an area of 10 acres at Phriebagei, Kohima village during 2006 for establishment of District Hospital Kohima now renamed as MCH Hospital of NIMSR Kohima. It was also stated that another 12.70 acres of land was available with NHAK. Therefore, the total land available initially was 22.70 acres, which is within the MCI requirement of 20 acres. It was further stated that despite approval by the Government to acquire another 35-40 acres of land for Medical College Kohima during the SLAA meeting on 21 December 2015, the land patta of newly acquired 40.251 acres could be obtained only in March 2018.

However, possession of land was only for 22.70 acres and not 37.70 acres as informed to GoI during August 2015.

2.3.28.3 Financial Management

(i) Fund receipt and expenditure

The details of funds released by GoI and State share released by GoN and expenditure thereof are shown in **Table 2.3.28**.

Table 2.3.28: Fund position during 2015-16 to 2022-23 (as of November 2022)

(₹ in lakh)						
Year	GoI release	State share to be released	Total	Release by Finance Department, GoN	Expenditure	Closing balance
2015-16	2,750.00	305.55	3,055.55	0.00	0.00	
2016-17	2,353.00	261.44	2,614.44	0.00	0.00	
2017-18	2,500.00	277.79	2,777.79	2,750.00	0.00	
2018-19	9,407.00	1,045.22	10,452.22	0.00	132.51	
2019-20	0.00	0.00	0.00	2,500.00	1,411.95	
2020-21	0.00	0.00	0.00	0.00	2,754.77	
2021-22	0.00	0.00	0.00	3,000.00	3,029.12	
2022-23	0.00	0.00	0.00	9,512.50	2,196.95	
Total	17,010.00	1,890.00	18,900.00	17,762.50	9,525.30	8,237.20

Source: Departmental records

(ii) Short-release of State share

The Administrative and Financial sanction stipulates that for every instalment released by GoI, the State was also required to release its corresponding share. Audit observed that GoI had released its share of ₹170.10 crore (November 2015 to March 2019), however, the State was yet to release its matching share of ₹11.38 crore (October 2023).

The Department, in its reply, stated (October 2023), the Department has already submitted proposal to the State Government for release of State share (May 2023).

(iii) Revision of cost

As per the Ministry's sanction order, grant-in-aid is subject to the conditions and principles laid down in Rule 206 to 215 of the General Financial Rules (GFR), 2005. Rule 215 (2) (ii) of the GFR, 2005 stipulates that Centrally Sponsored Schemes

should be designed in consultation with individuals States or Union Territories and the outlays should be demand driven. States should be delegated adequate powers to change the details of the schemes to suit local conditions, subject to reporting such changes to the concerned Ministry or Department. Further, as per the estimates for the civil works, there would be a four *per cent* increase in project cost annually.

Audit observed that during December 2018 to January 2020 the cost of civil works for execution of college main building, hostel, sports complex and residential building was revised from ₹102.87 crore (original cost) to ₹124.11 crore (2nd revision) which was more than ₹21.24 crore (20.65 *per cent*) by adding some additional items of works as detailed in **Appendix 2.3.11**.

The Department, in its reply (October 2023) stated that site excavation and retaining wall were not incorporated in the original work orders, hence supplementary work orders were issued for the said work amounting to ₹21.24 crore as per site conditions. However, excluding civil works like site excavation and retaining walls indicated shortfall in project planning, site assessment and DPR preparation, which should have been identified through technical/site surveys at the outset. The Department was, also, silent on reporting such changes to the concerned Ministry which was in contravention of the extant Rules.

(iv) Deduction by Finance Department

The Finance Department, GoN instructed (September 2000) all concerned to ensure that estimates of all Capital Works prepared include a levy of 13 *per cent* departmental charges. The same was re-circulated (May 2011) for information and strict compliance by all concerned.

Audit observed that the estimates of the Capital works under the scheme were prepared without including 13 *per cent* departmental charges. Audit, further observed that the Finance Department, GoN issued⁵⁷ a drawal authority of ₹10 crore during 2017-18 from which it irregularly deducted ₹1.15 crore as departmental charges. As departmental charges were not included in the estimate, the deduction of departmental charges is irregular and resulted in shortage of fund (₹1.15 crore) compared to the projected estimate and plan in the DPR.

While accepting the audit observation, the Department stated (October 2023) that the deduction of departmental charge at source by the Finance Department was done at the Government level.

(v) Diversion of fund

As per the terms and conditions of financial sanction of MoH&FW, GoI, the grantee institution was not authorised to divert the grants for another purpose. Audit, however, observed that the Department, in contravention of the administrative sanction order, diverted the scheme fund of ₹10.62 crore *inter-alia* for payment of

⁵⁷ Vide drawal Authority No. 69 under demand no. 35 dated 14 June 2017.

additional plot and land premiums, temporary loans to Medical College in Mon and the Nagaland Multi-Sectoral Project as shown in **Appendix 2.3.12**.

The Department while accepting (October 2023) the audit observation, stated that an amount of ₹10.00 crore was returned and the remaining ₹0.62 crore was covered under contingencies.

(vi) Loss of bank interest

Clause 6 of the Memorandum of Understanding (MoU)⁵⁸ stipulates that GoN should open a separate dedicated bank account in a public sector bank for implementing the scheme. Funds received from the Ministry will be maintained in that account. Audit observed that the implementing Department (DH&FW) opened (August 2014) a savings bank account⁵⁹ for receipt of the fund. However, Audit observed that GoN delayed the release of GoI share of ₹170.10 crore ranging from 19 months to 46 months during 2015-16 to November 2022. Had the amount been kept in the saving account, the Department might have earned bank interest of ₹18.88 crore (**Appendix 2.3.13**).

In its reply, the Department stated (October 2023) that it has no comment to offer.

(vii) Non-submission of submission of Utilisation Certificate in time

MoH&FW, GoI, in its sanction order, instructed that Utilisation Certificate (UC) should be furnished for every instalment. As per Clause 9 of the MoU, GoN was required to submit UC to the GoI, on or before 15th March and 15th September every year. Audit observed that the GoI had released its share in eighteen instalments from February 2015 to February 2019. Audit, however, observed that the Department was not regularly submitting UCs and that up to January 2020, only one UC amounting to ₹11.66 crore was submitted to GoI out of the total amount of ₹52.50 crore released by the GoN. Thus, UCs were not submitted in time, in contrast to the Ministry's directives.

2.3.28.4 Implementation of project

(i) Non recovery of secured advance

Section 32.4 (5) of CPWD Manual 2014 envisages that recoveries of secured advances so made should not be postponed from the bills for work done, as the materials are already used. Audit observed that 358.21 Metric Tonnes (MT) of Thermo Mechanically Treated (TMT) bar/round bar was brought to site by the contractor for construction of "main college building" during the 19 months period from March 2019 to September 2020. The contractor, as per the terms and condition of the contract agreement, claimed secured advance (90 per cent) of the total value of

⁵⁸ Executed on 10 March 2014.

⁵⁹ State Bank of India Savings, Kohima Bazar Branch, Bank Account No. XXXXXXXXX421.

materials brought to site. Accordingly, a total of ₹2.85 crore (90 per cent of the material cost) was paid in three installments⁶⁰.

Audit observed that though the whole quantity of TMT bar was utilised and payment made, only ₹0.54 crore⁶¹ was recovered from the 2nd, 3rd and 4th RA bills out of the ₹2.85 crore paid as secured advance to the contractor.

While accepting the audit observation, the Department stated (October 2023) that in the Contract agreement the limit for recovery of secured advance is not specified, however full recovery of secured advance shall be made prior to or at the last and final running account bill.

(ii) Excess payment for TMT bar

The terms and conditions executed between the Department and contractor for undertaking works of Main College Building were based on NPWD, Schedule of Rates 2016 (SOR). The revised cost estimate was also as per the 2016 SOR. 317.703 MT of TMT bar was utilised for construction of retaining wall of the main college building and payment of ₹277.70 lakh was made in the 2nd RA bill @ ₹87.41 per Kg as per NPWD SOR 2016. Audit, however, observed that in the 3rd and 4th RA bill, the contractor was allowed higher rate of ₹98.00 per Kg (2016 SOR) for 375.61 MT⁶² of TMT bar as detailed in **Table 2.3.29**.

Table 2.3.29: Details of excess payment

TMT bar (in Kg)	Rate allowed for retaining wall (₹/kg)	Rate allowed for main college building (₹/kg)	Difference (₹) (3-2)	Amount (₹ in lakh) (1x4)
1	2	3	4	5
3,75,629	87.41	98.00	10.59	39.78

Source: Departmental records

Thus, ₹39.78 lakh was paid in excess to the contractor by allowing higher rate for the same item of TMT bar.

The Department replied (October 2023) that due to mudslide, an RCC retaining Wall was required to be constructed before construction of the building. Hence, approval of the NPWD (H) was obtained for TMT bar @ ₹87.41 per Kg and the contractor was paid as per the work done based on the Technical/Administrative approval for the RCC Retaining wall. It was also stated that the contractor was paid @ ₹98 per Kg for 375.61kg MT of TMT based on the rate quoted by the successful bidder for construction of Medical College building.

However, higher rate was allowed to the contractor @ ₹98.00 instead of ₹87.41 for the same specification of TMT bar, resulting in avoidable payment to the contractor.

⁶⁰ ₹104.53 lakh (November 2019), ₹137.00 lakh (February 2020) and ₹43.92 lakh (October 2020).

⁶¹ ₹20.00 lakh (2nd Running Account Bill), ₹12.90 lakh (3rd Running Account Bill) and ₹20.60 lakh (4th Running Account Bill).

⁶² 93,072 Kg (3rd Running Account Bill) + 2,82,537 Kg (4th Running Account Bill) =375.61 MT.

(iii) Non-utilisation of required TMT bar

As per Clause 313 of NPWD Code, before a work is given out on contract, the Executive Engineer must prepare the necessary contract documents such as specification of the work to be done and of the materials to be used along with a schedule of quantities. Further, Clause 205 of NPWD Code stipulates that a detailed estimate must be prepared for the sanction of the competent authority. This technical sanction can only be accorded by the Officers of the Public Works Department in accordance with the powers delegated as follows:

Nature of powers	Authority	Extent of powers
technical sanction to original works and special repairs	Chief Engineer	Full Power
	Superintending Engineer	Upto ₹20.00 lakh
	Executive Engineer	Upto ₹5.00 lakh

Audit observed that the Chief Engineer (Housing), NPWD approved the Bill of Quantity (BOQ) for construction of RCC retaining wall against the main college building for five metre height and 205 metre length and reinforcement of RCC @ 2,441.84 Kg per metre length.

Examination of MB, approved estimate and payment vouchers and JPV revealed that 156 metre length of retaining wall had been executed for which 3,17,703 Kg of TMT bar was utilised. However, as per the approved BOQ, for execution of 156 metre length of retaining wall, 3,80,927.04 Kg⁶³ of TMT bar would be required. Thus, required 63,381 Kg of TMT bar was not utilised, as shown in **Table 2.3.30**.

Table 2.3.30: Actual execution vis-à-vis approved estimate

Approved TMT bar (in Kg/ metre)	Actual executed TMT bar (per metre)	Less executed (1-2)	Total length executed (in m)	Total less execution (in Kg) (3x4)	Rate (in ₹)	Amount (₹ in lakh) (5x6)
1	2	3	4	5	6	7
2,441.84	2,036.55	405.29	156	63,225.24	87.41	55.27

Source: Departmental figures and JPV

However, there was no revised technically sanctioned estimate based on which the execution was done. Thus, the shortfall of 63,381 kg of TMT bars against the approved BOQ, without a revised technically sanctioned estimate, indicates deviation from the approved design and non-adherence to technical specifications.

The Department replied (October 2023) that the construction of RCC retaining wall with a total length of 153 m was done as per the approved drawing and payment was made as per the work executed. It further stated that there is no variation in terms of the size of wall, however, reinforcement was reduced during execution and in consultation and assurance from the Consultant that it will not pose a threat to the safety of the structure which indirectly reduced the cost.

The reply on assurance from the Consultant is not acceptable as the Consultant is not a technically competent authority to give assurance on the safety of the structure due to lesser utilisation of TMT bar.

⁶³ 156m x 2,441.84 Kg = 3,80,927.04 Kg.

(iv) Avoidable payment of remuneration to Consultant Key Expert and technical support team

Clause 42 of the General Conditions of Contract (GCC) on Remuneration and Reimbursable Expenses stipulates that the Client⁶⁴ shall pay to the Consultant (i) remuneration that shall be determined on the basis of time actually spent by each expert in the performance of the services after the date of commencing of services or such other date as the parties shall agree in writing; and (ii) reimbursable expenses that are actually and reasonably incurred by the Consultant in the performance of the services. Audit observed that during execution, four key experts who did not perform any services during the initial period (2017-18 to 2019-20) were paid remunerations as detailed in **Table 2.3.31**.

Table 2.3.31: Details of remuneration paid to Key Experts

(₹ in lakh)

Sl. No.	Name of original staff	Name of replacing staff	Qualification	Position	Period	Amount per month	Input month	Total amount
1.	Shri Lalit Mawkin	Shri Rajesh Yadav	B.Tech Mechanical Engineering	Medical Equipment Specialist	1 st year 2017-18	5.00	3	15.00
2.	Shri Pradeep Sreekanthan	Shri Anurag Saxena	MBA System Marketing and BIS	Information Technology Specialist	1 st year 2017-18	5.00	3	15.00
3.	Shri Nilish Maheshwari		B.E and Master in Business Administration	Procurement and SOP expert	1 st year, 2 nd & 3 rd year 2018-2020	3.25	10	32.50
4.	Ms. Bela Mathur	Shri Mayank Goyal	B.E Electrical	MEP electronic & mechanical	1 st year, 2 nd & 3 rd year 2018-2020	3.00	9	27.00
Total								89.50

Source: Departmental records

During this period, the services provided by the Consultant were preparation of DPR, soil testing, drawing, architectural design, contract documents and management of infrastructure. Audit, however, observed that the Department while examining the remuneration bills submitted by the Consultant allowed payment of remuneration worth ₹89.50 lakh for experts not related to the services rendered during the period resulting in avoidable expenditure to that extent.

The Department, while furnishing their reply (October 2023) submitted details of the service provided by the experts, Log book and Attendance register. However, it was seen that only one key expert (at Sl. No. 4 above) rendered service. Thus, the Department paid an amount of ₹62.50 lakh to experts who did not render their services.

2.3.28.5 Monitoring

The Project Governing Committee (PGC) is the highest authority empowered to take measures for successful completion of NMCK. The Project Steering Committee

⁶⁴ Department of Health & Family Welfare (DoH&FW).

(PSC) gives directions and guidance as approved by the PGC and monitors the quality of work. The Project Management Unit (PMU) looks into the day-to-day management of the project besides preparing strategies, operational plans and budgetary requirements on infrastructure, manpower and other aspects of establishment of Medical College as well as institutional processes such as autonomy act, and service rules, for examination of the PSC.

Audit observed that during 2016-17 to 2020-21, the PGC, conducted only three meetings and the PSC conducted only two meetings. The Department also did not frame any guidelines for monitoring and evaluation of the project to ensure that the project was running according to plan. The absence of regular monitoring from the highest levels contributed to prolonged delay in completion of civil works, delay in commencement of session, diversion of fund, non-submission of UCs in time, non-recovery of secured advance, excess payment for TMT bar and avoidable payment of remuneration to consultant.

Recommendation: The State Government may ensure that the Project Governing Committee (PGC) and Project Steering Committee (PSC) conduct regular meetings to strengthen the monitoring mechanism.

2.3.29 Conclusion

There was an inordinate delay in acquisition of land for NMCK which delayed commencement of civil works resulting in delay in completion of civil works. LoP for commencement of academic session was obtained only in April 2023 as a result the academic session could commence only from 2023-2024. There was short release of State share, irregular diversion of fund and delay in submission of Utilisation Certificates. The secured advanced paid to contractors was not fully recovered and the monitoring mechanism was deficient.

2.3.30 Recommendations

The State Government may-

- (i) ensure that the matching State share is released in time for timely completion of the infrastructure works.***
- (ii) ensure that the Scheme guidelines are strictly followed. Any change in the details of the scheme, including revisions in cost or scope, should be expeditiously reported to the concerned Ministry or Department.***
- (iii) ensure that estimates for all Capital Works prepared include departmental charges.***
- (iv) strictly ensure that scheme funds are not diverted for other purposes.***
- (v) ensure the release of scheme fund to the implementing department in time.***
- (vi) ensure timely submission of UCs by the implementing department to GoI.***

- (vii) *direct the Implementing Department to strictly ensure recovery of mandatory deductions from the RA bills and ensure recovery of the excess amount paid to the contractor at the earliest.*
- (viii) *ensure that the execution of works is done as per technical sanction and revision of works, if any, may be done by obtaining proper technical sanction from the competent authority.*
- (ix) *ensure that the amount paid to the consultants who did not render their services be recovered at the earliest.*

Compliance Audit Paragraphs

URBAN DEVELOPMENT DEPARTMENT

2.4 Unfruitful expenditure

A pipeline project of ₹27.97 crore for providing water supply to Kohima town proved unfruitful due to inability of the State Government to augment bulk water supply.

In order to mitigate the acute water crisis through the existing water distribution network (bunched system⁶⁵), the State Investment Program Empowered Committee⁶⁶ (IPEC) recommended (April 2011) to the Ministry of Housing and Urban Affairs (MoHUA), Government of India (GoI), the project “Supplying and Laying of Distribution Network of 318 Km Length in Kohima Municipal Council Area” under Tranche-II of Asian Development Bank (ADB) funded North Eastern Region Urban Development Programme⁶⁷ (NERUDP) to meet the water requirement of a growing population in Kohima city. The MoHUA approved (September 2011) the project for ₹32.28 crore and a bipartite Loan Agreement (ADB Loan No. 2834-IND) was signed between GoI and ADB on 19 November 2012. The scope of work involved laying of pipeline of 318 Km⁶⁸ within the existing right of way (RoW) and road shoulders in 27 Hydraulic zones of Kohima City. The new distribution network (loop system) was designed to receive and distribute 31 million litres per day (MLD) of water upto 2043 and for drawing water (27.86 MLD) from the Dzukou/Tepuiki stream for Kohima city.

⁶⁵ Commissioned in November 1978.

⁶⁶ Constituted under the Chairmanship of Secretary, Urban Development Department, GoN. IPEC is responsible for according Administrative and Financial sanctions of the components under the project and approval of annual works plan.

⁶⁷ NERUDP/NERCCDIP was implemented by MoHUA, GoI over the period 2009-19 with financial assistance from ADB. GoI was providing 100 per cent funds to states; the money flows to the states from MoHUA budget as 90 per cent grant and 10 per cent loan. Based on expenditure by states, the ADB’s funding was claimed by MoHUA for GoI. The states submit statement of expenditure to MoHUA every month. MoHUA releases the funds excluding ineligible expenditure, if any, to the states. The states were required to make counterpart budget provision in their annual budget to meet project expenses without waiting for release by MoHUA to facilitate smooth implementation of the project.

⁶⁸ Ductile Iron (DI)=24 Km, Galvanised Iron (GI)=97 Km and High Density Polyethylene (HDPI)=197 Km, with diameters ranging from 32 mm to 300 mm.

For implementation, monitoring and supervision of the project, Government of Nagaland (GoN) created the State Investment Program Monitoring and Implementation Unit (SIPMIU) under Urban Development Department (UDD), GoN. Notice Inviting Tenders was floated in February 2012 and the work was awarded (February 2013) to M/s. Tantia Constructions Limited, Kolkata for ₹32.28 crore (Contract Package No. KHM-WA 2), stipulated to be completed within two years (February 2015). The terms and conditions of the loan agreement stated that both Central and State Governments shall ensure that all land and RoW required for the project are made available to the contractor in accordance with the schedule agreed under the related works contract. Clause 2.1 of General Conditions of Contract (GCC) stipulate that the Employer shall give the Contractor right of access to, and possession of the Site within the time stated in the Contract date to enable the Contractor to proceed without disruption in accordance with the programme. Clauses 8.2 and 10.3 of the GCC states that the Contractor shall complete the whole work within the Time for Completion including achieving the passing of the Tests on Completion and completing all work which is stated in the Contract as being required for the works to be considered to be completed for the purposes of Taking-Over. The Contractor shall carry out the Tests on Completion as soon as practicable, before the expiry date of the Defects Notification Period (*i.e.* 365 days).



Scrutiny of the project revealed that -

- The agreement did not provide any provision that the payment was to be made to the contractor only after the completion of specified tests and handing over the project to the Department. Hence, the Department did not safeguard the execution of the works and paid the full amount to the contractor before completion of the specified tests.
- Encumbrance free RoW was not made available to the contractor as stipulated under Clause 2.1 of GCC.
- The agreed commencement date of civil works was 01 August 2013, however, clearances for the pipe laying works were obtained (April-May 2016) from the authorities⁶⁹ concerned only after the expiry of the targeted date of completion (*i.e.*, February 2015) of the project. Further, permissions for pipeline laying works from colony/panchayat authorities⁷⁰ were obtained during the period from September 2016 to December 2017.

⁶⁹ Executive Engineer, Public Works Department (National Highway) Division No. 1 Kohima on 04 April 2016 and Deputy Commissioner, Kohima on 23 May 2016.

⁷⁰ Lower Chandmari colony (13 September 2016), Agri Forest Colony (23 January 2017), Bayavu Colony (23 January 2017), Officers' Hill Colony (14 July 2017) and D Block Colony (06 December 2017).

- Photographs of the pipeline laying works are appended below:

Photograph No. 2.4.1	Photograph No. 2.4.2
	
Earth excavation works (13 July 2023)	Pipeline laying works (13 July 2023)

- The project could not be completed by February 2015 and it was extended from time to time.
- In June 2019, funding from ADB was closed but in order to complete the project, the stipulated time for completion of the project was extended by the Ministry of Finance, GoI till June 2021.
- The project was further extended till March 2022 due to Covid-19 pandemic. In March 2022, GoN also approved revision of the scope of work from 318 Km to 212 Km length⁷¹ and the project cost was reduced to ₹27.97 crore.
- The reasons for delay in completion and subsequent reduction in scope of works were stated (February 2021) to be due to disputes on RoW from landowners/colony panchayats/construction activities/departmental permission, changes in landscape due to development/natural disaster, Covid-19 lockdown and limited time period to complete the balance work within the project closing date.
- The project was then reported to be completed on 31 March 2022 and the contractor was paid (July 2014 to March 2022) ₹27.97 crore in 32 Running Account (RA) bills (including 1st and 2nd escalation bills). Out of the total expenditure of ₹27.97 crore incurred by the State, an amount of ₹26.74 crore was reimbursed by MoHUA (March 2022).
- Audit also observed that even after a year of completion of the new distribution network project, the same had not been tested and commissioned for handing over by UDD to the Public Health Engineering Department (PHED⁷²), GoN in violation of Clauses 8.2 and 10.3 of the GCC. Thus, the project was not safeguarded by testing it even before expiry of defect liability period (*i.e.* up to March 2023) to ensure contractor's liability in case of defects in the system.

⁷¹ DI pipe (22.93 KM), HDPE pipe (159.61 KM) and GI pipe (29.46 KM).

⁷² Public Health Engineering Department (PHED), GoN is responsible for providing safe and potable drinking water supply in the State.

Audit further observed that the water supply capacity from current sources⁷³ (February 2023) to Kohima city is 3.36 MLD during the monsoon season and 1.23 MLD during the lean season against the demand of 18.71 MLD. Kohima city thus faces a significant water deficit ranging from 15.35 to 17.48 MLD (82.04 to 93.43 per cent) indicating a severe year-round shortage of water supply. The water demand is projected to increase to 31 MLD by 2043. The primary cause behind this shortage was non-taking up of the water source augmentation project for tapping Dzukou/Tepuiki stream (27.86 MLD) by the PHED due to land disputes between two land owner-villages.

The expenditure of ₹27.97 crore incurred on the new distribution network, therefore, proved unfruitful as the project objective of improving water supply to Kohima city remained unachieved.

In reply, the Government stated (May 2023) that the contractor had completed laying of the distribution network of 212 Km, however, testing and commissioning of the distribution network could not be taken up as RA bills 30 to 32 (₹3.97 crore) and Retention Money (RM) of ₹0.62 crore has not been paid to the contractor. It was also stated that the price escalation bills (3rd to 6th) amounting to ₹3.38 crore submitted by the contractor could not be paid as the Ministry had declined to consider the same even though there was an escalation clause in the Contract Agreement. It was further stated that MoHUA has been requested (November 2021 and June 2022) to reimburse the pending claims so that payment can be made to the contractor, and the contractor can complete the testing, rectification and commissioning of the already laid 212 Km water distribution network.

The reply of the Government is not acceptable as the RA bills (30 to 32) and RM were already paid (February-March 2022) to the contractor. The project was also certified completed without conducting/passing Tests⁷⁴ on completion. The current sources of water are unable to support the new water distribution network and even after incurring an expenditure of ₹27.97 crore, the new water distribution network remained idle. Consequently, the citizens of Kohima city are yet to be benefitted by this project.

⁷³

Sl. No.	Water source	Location	Water availability (MLD) at distribution system	
			Monsoon season (June to September)	Dry season (October to May)
1.	Dzüna	Jotsoma village	1.52	0.61
2.	Dzücharu	Phesama village	1.42	0.47
3.	Aradura stream	Phesama village	0.144	0.06
4.	Zarü	Mima village	0.05	0.05
5.	Old Ministers' Hill	Old Ministers' Hill	0.23	0.04
Total			3.364	1.23

Source: Executive Engineer, PHED, Urban Division, Kohima, Nagaland (as of February 2023)

⁷⁴ After laying and jointing, the pipeline must be pressure tested to ensure that pipes and joints are sound enough to withstand the maximum pressure likely to be developed under working conditions.

Recommendations:

The State Government may-

- (i) *ensure that all requisite clearances are obtained before preparation of DPR.*
- (ii) *take up augmentation of bulk water supply for Kohima city on priority and ensure that the new water distribution network is commissioned so that the project objective is fulfilled without further delay.*

SCHOOL EDUCATION DEPARTMENT

2.5 Excess payment

Printing of lesser number of pages of school textbooks resulted in excess payment of ₹0.94 crore.

Rule 144 of General Financial Rules (GFR), 2017 states that every authority, delegated with the financial powers of procuring goods in public interest, shall have the responsibility and accountability to bring efficiency, economy, and transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement. The specifications in terms of quality and type, as also quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of the procuring organisations. The specifications so worked out should meet the basic needs of the organisation without including superfluous and non-essential features, which may result in unwarranted expenditure. Rule 161 of GFR, 2017 states that advertised tender should be used for procurement of goods of estimated value of ₹25.00 lakh and above. Rule 208 of GFR, 2017 states that all materials shall be counted, measured or weighed and subjected to visual inspection at the time of receipt to ensure that the quantities are correct, that the quality is according to the required specifications and that there is no damage or deficiency in the materials. Further, Paragraph 1.7 of the Manual for Procurement of Goods (MPG), of the Department of Expenditure and updated in collaboration with the Central Vigilance Commission (CVC) states that transparency, fairness, equality, competition and appeal rights has to be ensured by the procuring authorities.

Scrutiny (August 2022) of records of the Principal Director (PD), School Education Department (SED), Nagaland, Kohima showed that the Government of Nagaland (GoN) sanctioned an amount of ₹2.85 crore⁷⁵ during 2019-22 towards printing cost of 3,10,700 textbooks for Class-I to VIII in 18 local Dialects/Modern Indian Languages (MIL) for free distribution in Government and Private schools of the State. Total 3,10,700 number of books⁷⁶ were printed as per work order and distributed to the

⁷⁵ ₹1.00 crore (No. EDS/9-118/87(Vol-II)226 dated 02 March 2020) + ₹0.85 crore (No. EDS/9-118/87(Vol-II)336 dated 27 March 2021) + ₹1.00 crore (No. EDS/9-118/87(Vol-I)306 dated 25 March 2022).

⁷⁶ 1,17,100 books in 2019-20, 1,01,060 books in 2020-21 and 92,540 books in 2021-22.

schools. Tribe-wise number of text books approved and printed during 2019-22 is provided in *Appendix 2.5.1*.

Examination of records further showed that the Department issued three work orders⁷⁷ for ₹2.85 crore to M/s Artworks, Kohima for printing Class-I to VIII text books (Local Dialect/ MIL) with a stipulation to complete the works within 50 days from the date of issue of work orders. The payments to the firm were to be on the basis of the number of pages printed in the text books @ ₹0.80/page⁷⁸ and the certification by the Text Book Verification Committee (TBVC), SED. The supply works were completed during February 2020 to February 2022 and the Department paid ₹2.85 crore⁷⁹ to the firm.

Audit observed that the selection of the firm, M/s. Artworks, Kohima, by the Department was in violation of Rule 161 of GFR, 2017 and Paragraph 1.7 of the MPG regarding competitive bidding, as the selection was based on the quotation submitted by the firm and not on the basis of open tendering. The selection process, therefore, lacked transparency, fairness and competition. Audit further observed that excess payment of ₹0.94 crore⁸⁰ was made to the firm since against the total number of 279.21 lakh pages approved for printing by GoN, only 161.19 lakh pages had been printed as detailed in *Appendix 2.5.2*. Over payment was because the TBVC, SED did not cross-verify the actual number of pages printed in the text books and accordingly did not notify the Department to make payment for actual pages printed.

Thus, besides violation of the provisions of GFR in selection of the firm, there was inability on the part of the TBVC, SED to cross-verify the actual number of pages printed in the text books resulting in excess payment of ₹0.94 crore.

In reply, the Department (July 2023) stated that the old rate fixed in 1994-95 for printing of local text book in black and white is being followed as the rates have not been revised till date, whereas the present printed textbooks are in colour. The Department further added that the supplier was nominated on the basis of past work experience and not on open tendering.

The Department's rationale for supplier selection based on past experience and adopting outdated rates could not ensure economy, efficiency, transparency and competitive procurement practices mandated under the GFR and MPG which led to excess payment.

⁷⁷ No. ED/TBP/04-A/2019-20 dated 13/11/2019, No. ED/TBP/LOCAL/2020-21 dated 21/12/2020 and No. ED/TBP/LOCAL/2021-22 dated 29/11/2021.

⁷⁸ ₹0.45 (Composing rate per page) plus ₹0.35 (Printing cost per page).

⁷⁹ ₹1.00 crore (Bill No. 2372 dated 14/3/2020) + ₹0.85 crore (Bill No.650 dated 30/3/2021) + ₹1.00 crore (Bill No.868 dated 26/3/2022).

⁸⁰ 1,18,02,060 pages X ₹0.80.

Recommendations:

The State Government may-

- (i) ensure that procurement is made strictly in accordance with principles of GFR and CVC guidelines and payment is based on actual pages printed.**
- (ii) initiate steps for recovery of the excess payment made to the firm.**
- (iii) ensure that the TBVC establishes robust verification procedures to prevent overpayments and also ensure accurate billing based on actual production quantities.**

PART-II
Local Governments Audit

CHAPTER - II (PART-II) SOCIAL SECTOR (LOCAL GOVERNMENTS AUDIT)

An overview of Local Bodies in Nagaland

2.6.1 Functioning of Rural Local Bodies in the State

Under Article 243 of the Constitution of India, the States with traditional local bodies are exempt from the provisions of the 73rd Constitutional Amendment Act, 1992. Nagaland, given its traditional local bodies in the form of Village Councils, falls under this exemption. At present, there are 1,280 recognised villages in Nagaland, each governed by the Nagaland Village and Tribal Council Act, 1978 (erstwhile Nagaland Village Council Act, 1978) which mandates the establishment of a Village Council in every recognised village. Under each Village Council, there is a Village Development Board (VDB). The VDBs, *inter alia*, facilitate the State functionaries responsible for implementing Government schemes including Centrally Sponsored Scheme (CSS) by identifying the developmental works to be taken up in their respective villages and aid in the identification of scheme beneficiaries. All permanent residents of the village form the general body of the VDB, with a management committee chosen by the Village Council form the general body. A secretary, selected for a period of three years, oversees the affairs of the VDB. The Deputy Commissioner of the District functions as the ex-officio chairman of all VDBs in the District.

2.6.2 Functioning of Urban Local Bodies in the State

Article 243 of the Constitution of India and the Constitution (Seventy-fourth Amendment Act), 1992, envisioned creation of Local Self Government for the urban population, granting constitutional status to Urban Local Bodies (ULBs) to carry out governance functions. The amendment empowered ULBs to function efficiently and effectively as autonomous entities, to deliver services for economic development and social justice, with regard to 18 subjects listed in the 12th Schedule of the Constitution of India (*Appendix 2.6.1*). The ULBs consist of Municipal Councils and Town Councils. The legislative framework for conduct of business of the ULBs is governed by the Nagaland Municipal (NM) Act, 2001. There are 39 ULBs in the State: three Municipal Councils and 36 Town Councils as of March 2023.

Statistics relating to the urban population of the State, as per Census 2011, are shown in **Table 2.6.1**.

Table 2.6.1: Important statistics of the State (Urban areas)

Sl. No.	Indicator	Value
1.	Total Population of the State (in lakh)	19.78
2.	Population in urban areas (in lakh)	5.71
3.	Urban population (in <i>per cent</i>)	28.86
4.	Overall Population density (persons per Sq.km.)	119
5.	Urban Sex Ratio (per thousand)	908
6.	Urban Literacy Rate	89.62

Source: Census, 2011

2.6.3 Organisational setup in State Government and ULBs

The administrative control of the ULBs in Nagaland lies with the Municipal Affairs Department, headed by the Principal Secretary to the Government of Nagaland (GoN). The Directorate of Municipal Affairs functions as an interface between the GoN and the ULBs and it administers, facilitates, coordinates and monitors the ULBs. The first election for the ULBs was conducted in 2004. The GoN, however, dissolved the elected body in 2009. With no elected representatives to the ULBs, the administering of the functions devolved to the ULBs is exercised by administrators appointed by the GoN from among its executive officers. After a lapse of 20 years, the ULB elections were held on 26 June 2024, in all the three Municipal Councils and 21 out of 36 Town Councils¹.

2.6.4 Functioning of ULBs

Section 10 of the NM Act, 2001 states that every Municipal/Town Council unless sooner dissolved shall continue for five years. Similarly, Section 24(1) of the NM Act, 2001 states that an election to constitute Municipal Council or Town Council shall be completed before the expiry of its duration specified under Section 10 or before the expiry of a period of six months from the date of its dissolution. Section 81(1) of the NM Act, 2001 further states that on dissolution of the Municipal/Town Councils, the Government may, by notification, appoint a government officer to be known as Administrator to exercise, perform and discharge the powers, duties and functions of a Municipality subject to such directions, as may be given in this behalf by the Government. Further, under Section 81(3) of the NM Act, 2001 upon the dissolution of a Municipality under Section 81(1) of the NM Act, the Government shall reconstitute a Municipality.

As the GoN dissolved the elected ULBs in 2009 and in absence of elected representatives, the administering of the ULBs' functions for the last 14 years was by administrators appointed by the GoN from among its executive officers.

2.6.5 Staffing pattern of ULBs

Section 73(2) of the NM Act, 2001 states that the GoN may, in consultation with ULBs, make rules for regulating the method of recruitment, qualifications required for recruitment, the conditions of service, discipline and control of employees, their duties and functions and their classification into different categories on the basis of their duties and responsibilities and scale of pay of such posts. Till date, no recruitment rules have been framed for appointment of employees to ULBs. Thus, the absence of any approved staffing pattern resulted in variation in the staff strength in ULBs.

¹ Election was not conducted in 15 Town Councils across six Districts as the Eastern Nagaland People's Organisation had demanded separate administrative set-up, gave a boycott call.

2.6.6 Status of devolution of Funds, Functions and Functionaries (3Fs)

The 74th Constitutional (Amendment) Act, 1992, empowers the ULBs to perform functions. Both the Central Finance Commission (CFC) and the State Finance Commission (SFC) have emphasised the need for complete transfer of the 3Fs (funds, functions and functionaries) related to 18 subjects listed in the 12th Schedule of the Constitution of India, to the ULBs for meaningful devolution. In Nagaland, however, out of the 18 functions, ULBs were solely responsible for one function; partially responsible for six functions and had no role in the remaining 11 functions. As such, the 3Fs is yet to be completely devolved to the ULBs.

2.6.7 Audit arrangement

The GoN has not constituted the Directorate of Local Fund Audit and thus has not entrusted the Technical Guidance & Support to the C&AG. The audit of ULBs is conducted by the C&AG under Section 14 of the C&AG's Duties, Powers and Conditions of Service (DPC) Act, 1971.

2.6.8 Internal Audit

Internal Audit is an important instrument for examining and evaluating the level of compliance with rules and procedures, as envisaged in the relevant Acts and Financial/Accounting Rules, so as to provide independent assurance to management on the adequacy of the risk management and internal control framework in the ULBs. The system of Internal Audit has not been introduced in the ULBs in Nagaland as there is no provision for Internal Audit in the relevant Municipal Act.

2.6.9 Internal control mechanism in ULBs

The internal control mechanism is an integral function of an organisation, which helps it to discharge its activities effectively to achieve its objectives. It is intended to provide reasonable assurance of proper enforcement of Acts, Rules and Bye-laws minimising the risk of errors and irregularities. In Nagaland, however, no Rules and Bye-laws have been framed as of date.

2.6.10 No Property Tax in the State

Section 120 of the NM Act, 2001 states that ULBs may levy various taxes and fees to raise its revenue. In terms of the same Section, however, this power can be exercised by the ULBs only with the previous sanction of the GoN. The GoN, however, omitted the power of ULBs to levy taxes on land and buildings *vide* third amendment to the NM Act in 2016. Thus, ULBs in Nagaland are deprived of revenue from property tax.

2.6.11 Maintenance of Accounts

Section 105 of the NM Act, 2001 states that the GoN shall prepare and maintain Municipal Account Code containing all the financing matters related to ULBs. Further, Section 112 of the NM Act, 2001 states that ULBs must submit their audited accounts to the GoN. Despite the passage of 22 years since the enactment of the NM Act, 2001, the Municipal Account Code has not been prepared. Presently, ULBs in

the State follow the cash-based accounting system and prepare simple Receipt and Payment Statements.

Subject Specific Compliance Audit

Municipal Affairs Department

2.7 Implementation of 74th Constitutional Amendment Act

2.7.1 Introduction

The 74th Constitutional Amendment Act (74th CAA), which came into effect on 01 June 1993, provides for the establishment of Urban Local Bodies (ULBs) as the third tier of governance in urban areas. The 74th CAA provided constitutional status to the ULBs and empowered them to function as Local Self-Government for delivering efficient and effective services for economic development and social justice with regard to 18 subjects listed in the 12th Schedule of the Constitution of India. Article 243W of the Constitution of India authorised the State Legislatures to enact laws to endow local bodies with powers and authority as necessary to enable them to function as institutions of Self-Government and make provisions for devolution of powers and responsibilities. Subsequently, the Government of Nagaland (GoN) enacted (18 October 2001) the Nagaland Municipal Act, 2001² (the NM Act).

2.7.2 Urban Population in Nagaland

As per Census 2011, 5.71 lakh (28.86 *per cent*) out of the total population of 19.78 lakh reside in urban areas of the State. As such, Nagaland is one of the least urbanised states of the country with rural population constituting 71.14 *per cent* of the total population which is higher than that for All-India (69 *per cent*). The State's economy is primarily rural based, with agriculture and allied activities contributing 24 *per cent* to the State Gross Domestic Product.

Nagaland's urban population grew from 17.23 *per cent* in 2001 to 28.86 *per cent* in 2011, with a growth rate of 66.53 *per cent* over the decade. Urbanisation across Nagaland's districts showed wide variations. Dimapur district has 52.23 *per cent* of the urban dwellers, while Mon district has only 13.76 *per cent* urban population. Dimapur, being a commercial hub, with its urban population of 1.98 lakh constitutes 34.66 *per cent* of the total urban population of the State and has experienced rapid urban growth primarily due to migration from infrastructure deficient areas.

Urban Nagaland faces multiple challenges, ranging from public health issues, poverty alleviation, waste management and inadequate infrastructure. In this scenario, ULBs have an important role to play, as most of these issues are handled best at the local level.

² Repealed on 28 March 2023

2.7.3 Profile of Urban Local Bodies in Nagaland

In Nagaland, ULBs are categorised on the basis of population in accordance with Section 3(1F) of the NM Act. There are 39 ULBs as on March 2024 as detailed in **Table 2.7.1**.

Table 2.7.1 Category-wise ULBs in Nagaland

Type of ULB	Number of ULBs
Municipal Councils	03
Town Councils	36
Total	39

Source: Information furnished by the Municipal Affairs Department

The ULBs *i.e.*, Municipal and Town Councils were governed by the erstwhile NM Act. Each ULB's area was divided into territorial constituencies *i.e.*, wards, which are determined and notified by GoN. ULBs with population higher than 20,000 were categorised as Municipal Councils and ULBs with population below 20,000 but not less than 5,000 were categorised as Town Councils.

2.7.4 Urban Governance in Nagaland

The administrative control of the ULBs in Nagaland lies with the Municipal Affairs Department, headed by the Principal Secretary to the GoN. The Directorate of Municipal Affairs functions as an interface between the GoN and the ULBs and it administers, facilitates, co-ordinates and monitors the ULBs. The first election for the ULBs was conducted in 2004. However, in 2009, GoN dissolved the elected body and since then no election was held. As there are no elected representatives to the ULBs, the administering of the functions devolved to the ULBs is by administrators appointed by the GoN from amongst its executive officers.

2.7.5 Audit Objective

The audit objectives were to assess whether:

- provisions of the 74th CAA have been adequately covered in the State Legislation;
- ULBs have been empowered by the GoN to discharge their functions/responsibilities effectively through creation of appropriately designed institutions/institutional mechanisms and their function;
- the effectiveness of the functions devolved; and
- ULBs have been empowered to access adequate resources including sufficient resources for discharge of functions stated to be devolved to them.

2.7.6 Audit Criteria

The audit findings were benchmarked against the following criteria.

- 74th Constitutional Amendment Act, 1992 (74th CAA);
- Nagaland Municipal Act, 2001 (NM Act);
- Central/State Finance Commission Reports; and
- GoN orders, notifications, circulars and instructions.

2.7.7 Audit Scope and Methodology

The Subject Specific Compliance Audit covering the period from April 2018 to March 2023 was carried out from July 2023 to September 2023. An Entry Conference was held on 04 July 2023 with the Additional Secretary, Municipal Affairs Department, GoN in which the audit methodology, scope, objectives and criteria were discussed and finalised. The audit methodology included issue of requisitions/questionnaires/queries and issue of audit observations.

The report was forwarded to the Government on 16 October 2023. The replies (05 March 2024) of the Government/Department have been incorporated at appropriate places.

Audit Findings

The audit observations on the status of implementation of 74th CAA in Nagaland are presented in the succeeding paragraphs.

2.7.8 Compliance with provisions of 74th CAA

The 74th CAA introduced certain provisions relating to municipal bodies as incorporated in Articles 243Q to 243ZG. The GoN *vide* enactments of NM Act introduced provisions corresponding to the 74th CAA provisions as indicated in **Appendix 2.7.1**. From **Appendix 2.7.1** it can be seen that the enacted statutes complied with the provisions of the 74th CAA. The Government in its reply (March 2024) stated that the NM Act, 2001 was repealed by the Government on 28 March 2023 and a new Act is under process whereby the provisions of 74th CAA are assured to be duly incorporated.

The effectiveness in implementation of the Act is discussed in the subsequent paragraphs.

2.7.9 Status of devolution of functions to ULBs

The 74th CAA sought to empower ULBs to perform functions and implement schemes in relation to 18 functions specified in the 12th Schedule. Each State was expected to enact a legislation to implement the amendment. Accordingly, the GoN enacted the NM Act. Section 58 of the NM Act listed 13 out of the 18 functions specified in the 12th Schedule of the 74th CAA as obligatory functions of Municipal/Town Councils, subject to available financial resources and organisational capacity of the ULBs. Further, as the Department of Municipal Affairs (DMA) functions as an interface between the GoN and the ULBs, the GoN notified several charter of duties to the DMA including transfer of powers and functions to the ULBs. The status of devolution of functions to ULBs is shown in **Appendix 2.7.2**. Audit observed that out of 18 functions, only one function in respect of Sanitation and Solid Waste Management and six partial functions were devolved to ULBs (**Appendix 2.7.3**). A gist of the functions devolved to ULBs is shown in **Table 2.7.2**.

Table 2.7.2 Gist of the functions devolved to ULBs.

Sl. No.	Particulars of the function	Devolution to ULBs	Remarks
1.	Public health, sanitation conservancy and solid waste management.	Sanitation and Solid Waste Management have been fully devolved to ULBs.	Public health is carried out by Health & Family Welfare Department.
2.	Slum improvement and upgradation	Partially assigned.	ULBs identify beneficiaries under Pradhan Mantri Awas Yojana and Swachh Bharat Mission in urban areas of the State. PMAY-U and SBM-U is being implemented by the Municipal Affairs Department and the Urban Development Department.
3.	Urban poverty alleviation	Partially assigned.	ULBs identify beneficiaries under National Urban Livelihood Mission (NULM) scheme which is meant for reducing poverty and vulnerability of the urban poor households by enabling them to access self-employment and skilled wage employment opportunities. State Urban Development Agency (SUDA) under Urban Development Department as a nodal agency for NULM scheme is responsible for fixation of targets, release of funds and monitoring of the scheme.
4.	Provision of urban amenities and facilities such as parks, gardens, playgrounds	Partially assigned.	Creation of parks and gardens are carried out by Department of Municipal Affairs and Urban Development. Whereas ULBs are assigned with operation and maintenance of these parks and gardens.
5.	Burials and burial grounds; cremations, cremation grounds and electric crematoriums	Partially assigned.	Construction of crematoriums and burial grounds is carried out by Department of Municipal Affairs and Urban Development. Whereas ULBs are responsible for operation and maintenance.
6.	Public amenities including street lighting, parking lots, bus stops and public conveniences	Partially assigned.	Installation and maintenance of street lights is carried out by Department of Power. Bus routes in urban area are decided by Regional Transport Authority in consultation with ULBs. Maintenance of parking lots and public toilets are taken up by ULBs.
7.	Regulation of slaughter houses and tanneries	Partially assigned.	Ensuring quality of animals/ meat and disposal of such waste is assigned to ULBs. However, construction of modern slaughter houses is carried out by Urban Development Department under PPP mode.

Source: Information furnished by the Municipal Affairs Department

The remaining 11 functions are discharged by various Government Departments viz. Public Health Engineering Department- Water supply; Fire & Emergency Services Department- Fire services; Public Works Department- Roads and Bridges.

In reply (March 2024), the Government stated that the devolution of functions to ULBs is a prerogative of the Government. However, the Government devolved only limited functions to the ULBs even after 22 years since adoption of the 74th CAA in the State.

Recommendation: The State Government may consider effectively empowering the ULBs as envisaged in the 74th CAA and fully devolving functions listed in the 12th Schedule.

2.7.10 Non-holding of elections to ULBs

As per Article 243ZA(1) of 74th CAA, the powers of the State Election Commission (SEC) include superintendence, direction and control of the preparation of electoral rolls for and the conduct of all elections to municipalities. Further, Section 10 of the NM Act states that every Municipal/Town Council, unless sooner dissolved, shall continue for five years. Similarly, Section 24(1) of the NM Act states that an election to constitute Municipal Council or Town Council shall be complete before the expiry of its duration specified under Section 10 or before the expiry of a period of six months from the date of its dissolution. Section 81(1) of the NM Act states that on dissolution of the Municipal/Town Councils, the Government may, by notification, appoint a government officer to be known as Administrator to exercise, perform and discharge the powers, duties and functions of a Municipality subject to such directions, as may be given in this behalf by the Government. Further, under Section 81(3) of the NM Act, upon the dissolution of a Municipality under Section 81(1) of the NM Act, the Government shall reconstitute a Municipality.

Audit observed that the first election to the ULBs in the State was held in 2004 and that in 2009 on completion of the term of the ULBs, the GoN dissolved the elected ULBs. Audit further observed that in contravention to the provisions of the NM Act, the GoN did not hold any further elections till 2024. As there were no elected representatives, ULBs' functions in the last 15 years were exercised by administrators appointed by the GoN from amongst its executive officers. Thus, ULBs in Nagaland in effect did not hold the capacity of the third tier of governance as envisaged in the 74th CAA, for a significant period of time.

The Government in its reply (March 2024) stated that the main reason for not holding elections to the ULBs was due to strong opposition by various Civil Society Organisations (CSOs) on the issue of women's reservation and tax on land and building which were perceived to conflict with the provisions of Article 371A. The Government also stated that efforts were made to engage in dialogues with various CSOs to address the issues. Moreover, a new Municipal Act is under process which is expected to meet the aspiration of the people and election to ULBs shall be held.

Recommendation: *The State Government may take steps to hold elections to the ULBs on regular basis as per the provisions of the 74th CAA.*

2.7.11 State Finance Commission

Article 243-I read with Article 243-Y of the Constitution of India makes it mandatory for the GoN to constitute a Finance Commission within one year of the commencement of the 74th CAA and thereafter on expiry of every five years. The mandate of the State Finance Commission (SFC) is to review the financial position of the local bodies and to make recommendations to the Governor for devolution of funds. Further, as per Article 243Y (2) of the Constitution of India, SFC's report is to be mandatorily tabled in the State Legislature. The GoN may accept the recommendations of the SFC in totality or with certain modifications.

The State Government constituted the first SFC (August 2008). In its report, the first SFC recommended against devolving funds to the Municipalities out of the net proceeds of taxes, duties, tolls and fees leviable by the State due to the limited functions performed by ULBs. The second SFC was constituted (June 2013) by the State Government, however its report was not approved by the State Government and as such, its recommendations could not be implemented during the award period of the Fourteenth Finance Commission (XIV FC) (2015-2020). The third SFC was constituted (March 2023) and its report, covering the period of three years starting from 01 April 2023, is yet to be submitted.

Audit observed that the first SFC and third SFC were constituted with delays of six and five years respectively. Moreover, in the absence of specific recommendations by SFC on devolving funds to ULBs, there was no vertical devolution of share of taxes by the State Government to ULBs during the last five years.

Table 2.7.3 Details showing own tax revenue and non-devolution to ULBs

Particulars	₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Own Tax Revenue of the State	846.43	958.23	1,022.74	1,301.08	1,461.88
Statutory Devolution to ULBs	0.00	0.00	0.00	0.00	0.00

Source: Data from SFAR

Reasons for delay in constitution of first and third SFCs and non-acceptance of second SFC Report were neither stated nor available on record. No reply was furnished by the Government.

Recommendation: *The State Government may take steps to ensure regular constitution of the SFC as per the prescribed timeline and implement recommendations of the SFC in a timely manner.*

2.7.12 Financial Resources

The devolved functions to ULBs can be effectively carried out by ULBs only when they are supported with sufficient financial resources. Such financial resources could take the form of fiscal transfers or access to own revenue streams commensurate with the expenditure obligations, accompanied by appropriate expenditure powers. According to Section 120 of the NM Act, the ULBs can impose/levy taxes only after taking prior sanction of the GoN. The ULBs in the State collect sanitation fees, toll

taxes, trade licence, permit fees and rent from their properties. Besides these own sources of revenue, the ULBs received Grants-in-Aid (GIA) and CSS funds. Details of revenue/funds of all ULBs in the State during the financial years 2018-19 to 2022-23 are as detailed in **Table 2.7.4**.

Table 2.7.4 Details of revenue/funds of all ULBs in the State

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Central Government Grant (CFCs)	Nil	6.11	110.85	38.27	16.60
State Finance Commission Grant (SFCs)	Nil	Nil	Nil	Nil	Nil
GoN Grants	1.62	1.62	1.62	1.62	9.45
Own Revenue	27.04	24.43	24.03	28.09	NA

Source: Information furnished by the Municipal Affairs Department

2.7.12.1 Limited autonomy to generate revenue

As per Section 120 of the NM Act, ULBs may levy various taxes and fees to raise revenue. In terms of the same Section, however, this power can be exercised by the ULBs only with the previous sanction of the GoN. Audit observed that this provision limited the autonomy of the ULBs in generating revenue as discussed below:

- The major revenue source of ULBs in other parts of the country is from taxes on land and building. The GoN, however, omitted the power of ULBs to levy taxes on land and buildings *vide* third amendment to the NM Act in 2016. Thus, ULBs in Nagaland are deprived of revenue from property tax.
- The total annual revenue of ULBs during 2018 to 2022 from their own sources ranged between ₹24 crore to ₹28 crore. During the same period, the revenue from toll taxes ranged between ₹8 crore to ₹10 crore which is more than one third of the revenue of ULBs. The GoN, however, notified (19 May 2022) closure of check-gates resulting in discontinuation in collection of toll taxes by ULBs. Due to this, the ULBs could not meet their salary expenses and the GoN had to release ₹9.45 crore as salary grant for 2022-23.

As the own financial resources of the ULBs in the State were not sufficient to meet their expenditure, the ULBs were dependent on grants from the State Government to pay the employees' salaries and grants from Central Finance Commission to fund capital expenditure such as procurement of vehicles for solid waste management and execution of various civil works. The Government in its reply (March 2024) confirmed and accepted the above observations.

Recommendation: *The State Government may take steps to empower ULBs to augment their revenue sources for carrying out their core responsibilities without fully depending on the State Government.*

2.7.12.2 Central Finance Commission grants

Article 280(3)(C) of the Constitution of India mandates the Central Finance Commission (CFC) to recommend measures to augment the Consolidated Fund of a

State to supplement the resource of Municipalities. As per the guidelines³ of the XIV FC, States with duly constituted ULBs are eligible to receive grants. Similarly, guidelines⁴ of the Fifteenth Finance Commission (XV FC) stipulate that States become eligible to receive grants (2nd instalment) for 2022-23 provided the State notifies the collection of property tax. Audit, however, observed that CFC funds were obtained by the GoN from GoI as shown in **Table 2.7.4** above but GoN was unable to fulfil the conditions of CFC grants as discussed in **Paragraphs 2.7.10** and **2.7.12.1** above.

2.7.12.3 Avoidable payment of penal interest

As per Para 7.135 of the XV FC Report, the State must transfer grants to the local governments within 10 working days of receipt from the Union Government without any deduction. Any delay beyond ten working days will require GoN to release the same along with penal interest as per the effective rate of interest on market borrowings/State Development Loans for the previous years.

Audit observed that the first instalment of untied grant and tied grant for 2020-21 amounting to ₹15 crore each was sanctioned by GoI as shown in **Table 2.7.5**:

Table 2.7.5 Details showing untied and tied grants for 2020-21

							(₹ in lakh)
Sl. No.	Particulars	Sanction amount	GoI release date	GoN release	Delay in days	Interest per annum	Interest amount
1	Untied grant	1500.00	19/05/2020	31/03/ 2021	317	7.24%	94.32
2	Tied grant	1500.00	05/11/2020	11/02/ 2022	463	7.24%	137.76
Total							232.08

Source: Departmental records.

As can be seen from the table above, the GoN delayed the release of first instalment of XV FC grant by 317 and 463 days which may result in avoidable penal interest of ₹2.32 crore, an additional liability to the State exchequer. Reasons for delay in release of XV FC grant were neither stated nor available on record. No reply was furnished by the Government.

Recommendation: The State Government may ensure that CFC grants are released to ULBs in a timely manner.

2.7.12.4 Unequal allocation of funds under the XV Finance Commission

Operational guidelines for implementation of the recommendations of the XV FC Report state that grants to ULBs shall be distributed on the basis of accepted recommendations of the latest State Finance Commission (SFC). In case of non-availability of SFC recommendation, the allocations should be on the basis of population and area in the ratio of 90:10⁵.

³ Issued by Ministry of Finance, GoI on 08 October 2015.

⁴ Issued by Ministry of Finance, GoI on 28 July 2021.

⁵ 90 per cent of fund allocation is based on population and 10 per cent of the fund allocation is based on geographical area of the ULBs.

Audit observed that GoI released an amount of ₹15 crore as XV FC untied grant (2nd instalment) for 2020-21. Fund allocation details among the ULBs are shown in **Appendix 2.7.4**.

As can be seen from **Appendix 2.7.4**, grants were distributed unequally among the ULBs. Eighteen ULBs received grants in excess of their entitlement, while the remaining 21 ULBs were deprived of the XV FC grants (2nd instalment untied grant) in contravention to the operational guidelines. Reason for unequal allocation of XV FC grants (2nd instalment) to the ULBs in the State was neither stated nor available on record. No reply was furnished by the Government.

Recommendation: The State Government may take steps to allocate funds to all ULBs proportionately as recommended in the Operational Guidelines of CFC.

2.7.12.5 Accounting arrangement of ULBs

The National Municipal Accounting Manual (NMAM) recommends introduction of the accrual-based double entry system and improved financial management in all ULBs. As per the NMAM, the ULBs are required to maintain their accounts on accrual basis and to prepare financial statements such as Balance Sheets, Income and Expenditure Statements, Statements of Cash flows and Receipt and Payment Accounts. Section 105 of the NM Act further stipulates that the GoN shall prepare and maintain Municipal Account Code containing all the financing matters related to ULBs. Further, Section 112 of the NM Act states that ULBs must submit their audited accounts to the GoN.

Audit observed that even after 22 years from the enactment of the NM Act, the Municipal Account Code has not been prepared. Presently, ULBs in the State follow the cash based accounting system and prepare simple Receipt & Payment Statement. Audit further observed that maintenance of accounts in the ULBs was poor as none of the ULBs prepared financial statements and balance sheet. This non-preparation of the Municipal Account Code and non-maintenance of proper accounts was due to insufficient institutional capacity within the State Government and lack of financial and necessary human resources in ULBs. This undermined financial transparency and accountability, making it difficult to monitor public expenditure for effective allocation of resources resulting in possible mismanagement of public funds. Moreover, the non-submission of audited accounts and non-preparation of financial statements reduced accountability and oversight, potentially fostering corruption and misappropriation of funds within ULBs. Also, inadequate financial reporting and accounting practices hinder informed decision-making by ULB officials and policymakers, impeding effective urban governance and development planning.

In reply (March 2024), the Government stated that in the absence of skilled accounting staff, the ULBs struggle to prepare financial statements and that training programmes are organised for proper preparation of financial statements.

The reply of the Government does not address the fundamental issue of the absence of the Municipal Account Code, resulting in the ULBs continuing to follow cash based accounting system.

Recommendation: The State Government may ensure preparation of a Municipal Account Code and take steps to ensure that ULBs prepare required financial statements.

2.7.13 Human resources of ULBs

To be able to efficiently discharge their duties of providing urban population with the basic services listed in the 12th Schedule of the Constitution of India, it is essential that the ULBs are manned by adequate professional and technical manpower. Section 73(2) of the NM Act stipulated that the GoN may, in consultation with ULBs, make rules for regulating the method of recruitment, qualifications required for recruitment, the conditions of service, discipline and control of employees, their duties and functions and their classification into different categories on the basis of their duties and responsibilities and scale of pay of such posts.

Audit observed that no recruitment rules were framed for appointment of employees to ULBs. It was observed that there was no sanctioned post within the ULBs. Out of 39 ULBs, 10 ULBs had no staff and 15 ULBs were manned by less than 10 staff. In the absence of recruitment rules, there is a risk of appointments being made arbitrarily. Reason for non-creation of sanctioned posts and recruitment rules was neither stated nor available on record.

Recommendation: The State Government may frame Recruitment Rules at the earliest and delegate adequate powers over manpower resources to ULBs in matters such as assessment and recruitment of required staff to ensure availability of qualified manpower for discharging functions.

2.7.14 Implementation of devolved functions

As stated in **Paragraph 2.7.9** above and as shown in **Appendix 2.7.2**, seven out of 18 functions specified in the 12th Schedule of the 74th CAA were devolved to the ULBs by the GoN, of which ULBs had limited role in six functions while being solely responsible for one function *i.e.*, Sanitation and Solid Waste Management. The report on the Performance Audit on Solid Waste Management in urban areas of the State is discussed in succeeding paragraphs.

2.7.15 Conclusion

The GoN enacted the NM Act 2001, to implement the 74th CAA with the objective of empowering ULBs and of ensuring de-centralisation of power for better governance in urban areas. This important constitutional objective, however, could not be fully achieved. Out of 18 functions listed in the 12th Schedule, only seven functions were devolved to ULBs and out of these seven devolved functions, ULBs had sole responsibility of only Sanitation and Solid Waste Management. After the first election to the ULBs in 2004, elections were held thereafter only in June 2024. Thus, in effect, ULBs in Nagaland were not the third tier of governance as envisaged in the 74th CAA

for a significant period of time. Delay in constituting the State Finance Commissions and non-acceptance of its report resulted in non-review of the financial position of the ULBs. As own financial resources of the ULBs in the State were not sufficient to meet their expenditure, the ULBs were dependent on grants from the Government to carry out their activities. Further, there were instances of 21 ULBs being deprived of CFC grants. The GoN did not frame the Municipal Account Code as stipulated in the Nagaland Municipal Act and ULBs followed the cash based accounting system. None of the ULBs prepared financial statements, which was due to insufficient institutional capacity within the State Government and lack of necessary financial and human resources in ULBs. The ULBs were also affected by human resource constraints as the GoN was yet to create sanctioned posts and frame recruitment rules.

Performance Audit

MUNICIPAL AFFAIRS AND URBAN DEVELOPMENT DEPARTMENTS

2.8 Solid Waste Management in Nagaland

Solid waste management is one of the major environmental areas that need to be addressed effectively. The management of municipal solid waste is one of the main functions of the Urban Local Bodies (ULBs). ULBs are required to plan, implement and monitor urban service delivery especially relating to municipal solid waste. A Performance Audit on 'Solid Waste Management in Urban Local Bodies' was carried out covering the period from April 2017 to March 2023. The significant findings of audit are highlighted below:

Highlights

Short-term and long-term plans on Solid Waste Management were not prepared during 2017-18 to 2022-23.

(Paragraph 2.8.3.4)

Urban Local Bodies in Nagaland are financially dependent on Central and State Governments to carry out solid waste management activities as their own revenue is not sufficient to meet these expenses.

(Paragraph 2.8.4.1 (I) (a))

IEC and Capacity building fund were diverted for other purposes. The IEC activities did not emphasise 'not to bury' and 'not to burn' solid waste.

(Paragraphs 2.8.5.2 and 2.8.5.3)

There was shortage of SWM vehicles and 58 out of 135 waste management vehicles were operating without registration in the sampled ULBs.

(Paragraphs 2.8.6.3 (I) and 2.8.6.3 (II))

The absence of proper segregation of waste led to mixing of Municipal Solid Waste with plastic waste, bio-medical waste, e-waste and slaughterhouse waste.

(Paragraph 2.8.8)

2.8.1 Introduction

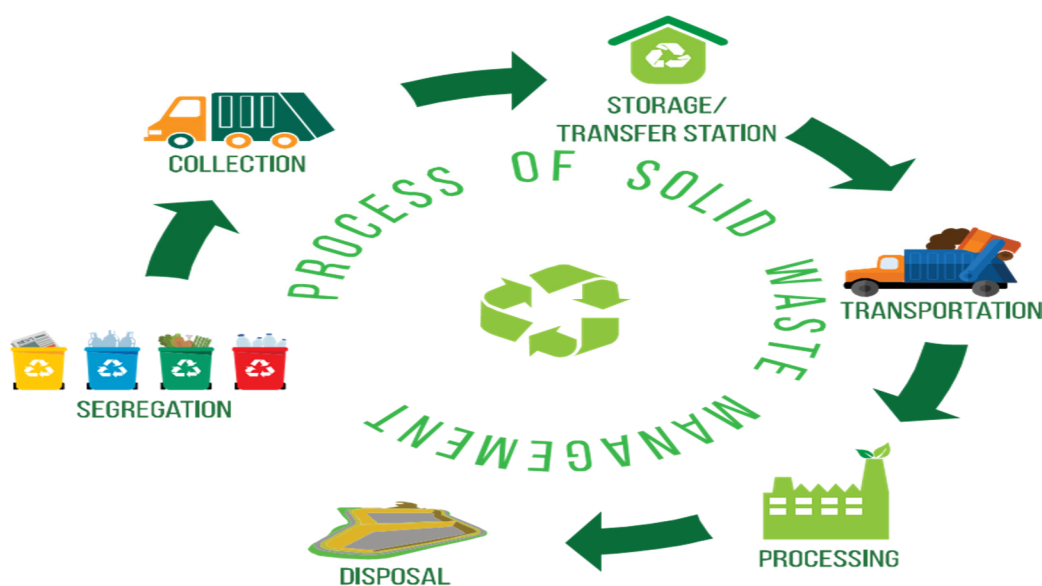
2.8.1.1 Definition and classification of waste

Waste comprises materials that are not prime products (that is products produced for the market) for which the generator has no further use in terms of his/her own purposes of production, transformation or consumption, and of which he/she wants to dispose⁶. It is generally classified into solid waste, bio-medical waste (BMW), construction and demolition (C&D) waste, e-waste, plastic waste, slaughterhouse waste, industrial waste and hazardous waste by virtue of their nature. They are also classified as biodegradable, non-biodegradable, combustible, dry and inert based on their characteristics. Solid Waste Management (SWM) in urban areas has emerged as one of the biggest challenges that our country faces today. The situation is aggravated by rapid urbanisation. Inadequate management of waste has significant negative externalities in terms of public health and environmental outcomes. Besides, it has an adverse impact on the aesthetic appearance of the surroundings.

2.8.1.2 Process of solid waste management

The process of solid waste management is depicted in **Chart 2.8.1**:

Chart 2.8.1: Process of Solid Waste Management



2.8.1.3 Regulatory framework governing management of waste

The Government of India (GoI) has the power to take measures necessary for protecting and improving quality of the environment, subject to provisions of the Environment (Protection) Act, 1986. The Ministry of Environment, Forests and Climate Change (MoEFCC) notified (September 2000) the Municipal Solid Waste (Management and Handling) Rules, 2000 (MSW Rules, 2000). Subsequently, MoEFCC amended the MSW Rules, 2000 and introduced rules for management of bio-medical, plastic, hazardous, C&D and e-waste. Further, Solid Waste Management

⁶ According to United Nations Statistics Division

Rules, 2016 was notified (April 2016) and various rules for management of bio-medical, plastic, hazardous, C&D and e-waste were also notified in 2016. The regulatory framework governing the management of different types of waste is indicated in **Appendix 2.8.1**.

Table 2.8.1 depicts the role of various authorities at all levels in planning, execution and monitoring of solid waste management.

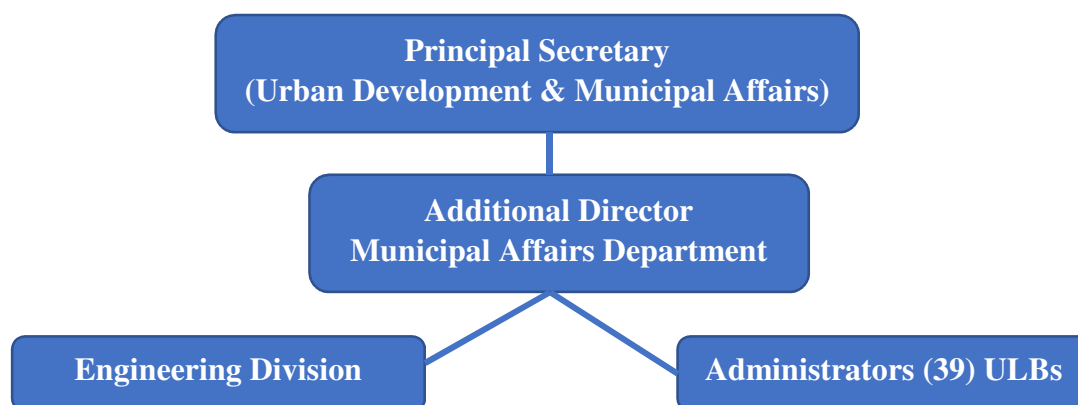
Table 2.8.1: Role of various authorities in solid waste management

Authority	Particulars	Role
State	Urban Development Department	Policy framing, Approval of DPRs/Action Plans, Monitoring & Evaluation
	Municipal Affairs Department	
	Nagaland Pollution Control Board	
District	Deputy Commissioner	Planning & Monitoring
	District Urban Development	
Urban Local Bodies	Municipal Councils & Town Councils	Implementation

Source: SWM Rules and Manuals

The organisational structure with respect to functioning of Urban Local Bodies in the State is given in **Chart 2.8.2**.

Chart 2.8.2 Organisational structure with respect to functioning of ULBs in the State



Source: Departmental records

2.8.1.4 Status of devolution in Urban Governance

The 74th Constitutional Amendment Act (CAA), 1992 made provisions for the establishment of ULBs as the third tier of governance in urban areas. The amendment sought to empower the ULBs to perform functions and implement schemes in relation to 18 subjects specified in the 12th Schedule, which *inter alia* included urban planning, regulation of land use, public health, sanitation, conservancy and solid waste management. It also made provisions for enabling ULBs by according them power to impose taxes, duties, tolls and fees and prescribing assignment of resources by the State Government to the ULBs. It prescribed that all Municipalities would be empowered with such powers and responsibilities as may be necessary to enable them to function as effective institutions of self-government. Each State was expected to enact a legislation to implement the amendment.

The State Government enacted the Nagaland Municipal Act, 2001⁷. However, out of the 18 functions specified in the 12th Schedule, only seven functions including SWM have been transferred by the Government of Nagaland (GoN) to the ULBs. Out of these seven functions, SWM is the only function which is fully devolved to the ULBs. Presently, there are 39 ULBs in the State comprising three Municipal Councils and 36 Town Councils. However, after 2009, elections to these ULBs were held only in 2024. The administering of the functions devolved to the ULBs is therefore by Administrators appointed by the GoN from amongst its executive officers without any participation of the local population as envisaged under the 74th CAA.

2.8.1.5 Role of urban local bodies in solid waste management

Section 58 Chapter VI of the erstwhile Nagaland Municipal Act, 2001 mandates management of solid waste as an obligatory function of the ULBs. The Central Finance Commissions (FCs) *i.e.* XIV FC and XV FC identified SWM as one of the core sectors besides water supply, sewerage and storm water drainage.

2.8.2 Audit Framework

2.8.2.1 Audit Objectives

The objectives of the Performance Audit were to ascertain whether:

- the strategy and planning envisioned for SWM by the ULBs were in accordance with the extant provisions and supported by an adequate institutional mechanism;
- management of Municipal solid waste and Special waste⁸ (segregation, collection, transportation, processing and disposal) was effective, efficient and carried out economically and scientifically; and
- the risks to environment posed by waste were identified and minimised.

2.8.2.2 Audit Criteria

The criteria for evaluating the performance of SWM were derived mainly from:

- The Municipal Solid Waste (Management and Handling) Rules, 2000 and Solid Waste Management Rules, 2016 and respective Manuals (Ministry of Urban Development);
- The Bio-medical Waste Management Rules, 2016;
- The Plastic Waste Management Rules, 2016;
- The E-Waste Management Rules, 2016;
- The Construction and Demolition Waste Management Rules, 2016;
- The Nagaland Integrated Waste Management Policy, 2019; and
- Nagaland Pollution Control Board (NPCB) guidelines issued from time to time and National Green Tribunal (NGT) orders and other Court orders.

⁷ repealed in April 2023

⁸ Special waste includes e-waste, BMW, slaughterhouse waste and plastic waste.

2.8.2.3 Audit scope and Sampling

The Performance Audit on ‘Solid Waste Management in Urban Local Bodies’ was carried out during September 2022 to March 2023. Audit covered the period from April 2017 to March 2023 and involved examination of the records relating to SWM in the Directorate of Municipal Affairs, Urban Development Department, NPCB and six ULBs as detailed in **Table 2.8.2**.

Table 2.8.2: Number of ULBs selected for test-check

Sl. No.	Category of ULBs	Total No. of ULBs in the State	No. of ULBs selected for test-check
1.	Municipal Councils	3	3 ⁹ (100 per cent)
2.	Town Councils	36	3 ¹⁰ (8 per cent)

All the three Municipal Councils were selected for audit. Further, out of 36 Town Councils, three Town Councils were selected by simple random sampling method for audit. The sampled ULBs accounted for 53 per cent¹¹ of urban population (2011 census) with approximately 65 per cent¹² of waste generated in the State during the review period. The total expenditure on solid waste management in the sampled ULBs amounted to ₹33.58 crore during the last six years ending 31 March 2023.

2.8.2.4 Audit methodology

An Entry Conference was held on 12 September 2022 with the Principal Secretary, Municipal Affairs & Urban Development Department (MA&UDD), in which the audit methodology, scope, objectives and criteria were explained. The audit methodology involved document analysis, responses to audit queries, joint physical verifications (JPV) with municipal staffs and collection of photographic evidence. While framing the conclusions and recommendations, good practices regarding waste management have also been quoted to illustrate the fact that these practices are possible in the field of waste management and can serve as examples to policy makers while framing policies. The results of the performance audit were discussed with the Principal Secretary, MA & UDD in an Exit Conference on 22 August 2023. Replies of the State Government were received on 18 August 2023 and have been suitably incorporated.

2.8.2.5 Acknowledgement

Audit acknowledges the cooperation and assistance extended by the Directorate of Municipal Affairs, Directorate of Urban Development Department (UDD), all the Urban Local Bodies and Nagaland Pollution Control Board in conducting the PA.

⁹ Kohima Municipal Council (KMC), Dimapur Municipal Council (DMC) and Mokokchung Municipal Council (MMC).

¹⁰ Pftusero Town Council (PTC), Wokha Town Council (WTC) and Longleng Town Council (LTC).

¹¹ Population of sampled six ULBs/Total Urban Population *i.e.* 310774/589654*100.

¹² Waste generated by six ULBs/Total waste generated in the State *i.e.* 1275/1966 (average TPD)*100.

Audit findings

Audit findings are organised into sections and are discussed in the following paragraphs.

2.8.3 Planning and Institutional Mechanism

2.8.3.1 Entities involved in solid waste management

The framework for administration and management of SWM in India is broadly divided into three tiers - Central, State and Urban Local Bodies. Other stakeholders that play a crucial role are households, businesses, industries, informal sector, non-governmental organisations (NGOs), community-based organisations (CBOs) and self-help groups (SHGs). Involvement of all these stakeholders is necessary at several stages of SWM. **Appendix 2.8.2** lists out the roles and major responsibilities of stakeholders involved in the process of SWM.

2.8.3.2 Generation and Assessment of solid waste

A reliable assessment of different kinds of waste generated in the city limit is essential for planning and effective implementation of SWM. Section 3.3.6 of MSWM Manual, 2000, stipulates that data on waste generation, weight and volume should be collected by each authority for application in its own area of operation. Similarly, Section 1.4.3.3 of MSWM Manual, 2016, states that each ULB should assess the quantity and composition of waste generated to plan for and design MSWM systems effectively. The quantity and composition of MSW generated in the ULB determine collection, processing, and disposal options that could be adopted. Moreover, Section 6.9.4.1 of MSWM Manual, 2000 stipulates that every landfill must have a weighbridge for assessing the quantum of waste. Further, Section 1.4.3.3.1 of MSWM Manual, 2016 stipulates that for the purpose of long-term planning, the average amount of waste disposed by a specific class of generators may be estimated only by averaging data from several samples. These samples were to be collected continuously for a period of seven days at multiple representative locations within the jurisdiction of the ULB, in each of the three main seasons *viz.* summer, winter and rainy seasons. Waste should be aggregated over the seven-day period, weighed and averaged. These quantities could then be extrapolated to the entire ULB and *per capita* generation assessed.

The details of solid waste generated by all ULBs in the State and sampled ULBs for the period from 2017-18 to 2022-23 are shown in **Table 2.8.3**:

Table 2.8.3: Details of solid waste generated in Urban areas of the State and the sampled ULBs

Years	Ton per day (TPD)					
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
State	348.00	339.50	304.30	331.49	364.51	278.91
Sampled ULBs	199.67	207.78	215.14	213.96	217.50	220.45

Source: Annual Reports of NPCB and information furnished by sampled ULBs

The information furnished by six sampled ULBs was not verified as survey was not conducted by the ULBs to assess the quantum of waste generated during the period

from 2017-18 to 2022-23 as none of the ULBs in Nagaland have weighbridge facility in their dumping sites. Most of the data on quantity of solid waste were *per capita* based estimates. As per the Handbook on Service Level Benchmarks (SLBs), however, *per capita* based assessments have low reliability¹³. The quantum of special waste and C&D waste generated by ULBs, were not available with either the NPCB or ULBs.

Audit also attempted to estimate the *per capita* waste quantity by adopting the municipal refuse generation rates suggested in MSWM Manual, 2000 (Section 3.3.6.2) and MSWM Manual Part-II, 2016 (Section 1.4.3.3) but it was found that the *per capita* estimates indicated by ULBs and NPCB were at variance with the audit estimation, as detailed in **Appendices 2.8.3** and **2.8.4**. Hence, the assessment of solid waste by ULBs and NPCB was not realistic when compared with the estimation under both MSWM Manual, 2000 and MSWM Manual, 2016. None of the sampled ULBs adhered to the prescribed methodology for estimating the waste generated. As a result, the authenticity of waste quantification could not be verified. The improper assessment of solid waste generation would have a significant bearing on the quality of planning and strategy on solid waste management. Audit further observed difference in estimation of solid waste by ULBs and NPCB as detailed in **Table 2.8.4**.

Table 2.8.4: Statement showing inconsistent solid waste generation data provided by six sampled ULBs and NPCB

(figures in TPD)

Authority	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
ULBs	199.67	207.78	215.14	213.96	217.50	220.45
NPCB	240.00	246.00	254.00	286.60	286.30	227.80
Variance	40.33	38.22	38.86	72.64	68.80	7.35

Source: Data on selected urban area provided by sampled ULBs and NPCB

While accepting the audit observation, the State Government cited (August 2023) the lack of proper facilities, weighbridges, equipment and technical manpower for non-adherence to MSWM, 2016. It was further stated that NPCB sources its data on waste from ULBs only. Also, it was assured that necessary instruction shall be given to ULBs for making realistic quantification of various wastes scientifically. The reply indicates that the State Government would take steps to reconcile the data of the Municipal Affairs Department with the NPCB.

2.8.3.3 State Policy and strategy on solid waste management

MSWM Manual, 2000 (Section 25.2) stipulates that the State Government should prepare a State Policy and strategy on SWM. Further, the SWM Manual, 2016 (Section 1.4.1.4) and Rule 11(a) of SWM Rules, 2016, stipulates that the Secretary, UDD of the concerned State or Union territory has the overall responsibility for the implementation of MSWM systems in cities and towns in line with SWM

¹³ Highest/preferred level of reliability- Waste generation estimates based on quarterly survey/sample of statistically significant and representative number of households and establishments. Seasonal variation in waste quantity generation is captured in these estimates. Waste collection is based on actual weightment of waste on a weighbridge at the disposal site (which is aggregate of waste measured at composting yard, sanitary landfill site, and waste taken out for recycling/reuse after it has been collected).

Rules. The UDD is required to prepare a State Policy and strategy for MSWM in the State and report on Service Level Benchmarks for SWM service provision in ULBs to the Ministry of Urban Development (MoUD). The NPCB is responsible for monitoring the compliance to the MSWM plan and the SWM Rules.

The GoN notified the Nagaland Integrated Waste Management (NIWM) Policy, 2019, which highlighted that a long-term management strategy and action plan would be developed. Audit observed that the State Policy was not fully operationalised as the strategy documents and action plans addressing the following crucial aspects were not prepared:

- Proper assessment of solid waste generation in various ULBs and identification of the best possible means for managing (as discussed in **Paragraph 2.8.3.2**);
- Setting operational targets for each of the waste management activities and indicating the means of achieving them for various ULBs (as discussed in **Paragraph 2.8.3.10**);
- Setting out roles and responsibilities of stakeholders (as discussed in **Paragraph 2.8.3.7**);
- Developing resource (human and financial) utilisation guidelines for different categories of ULBs (as discussed in **Paragraph 2.8.3.11**); and
- The State Policy projected that each ULB would frame bye-laws incorporating provisions of various waste management Rules. However, the draft bye-laws prepared by various ULBs are not approved by the State Government till date (October 2023).

While accepting the audit observation, the Government cited (August 2023) lack of technical manpower and absence of resources to engage consultants for non-development of a long-term management strategy and action plan on waste management. It was also stated that the draft bye-laws prepared by three ULBs were accorded approval by the Law & Justice Department. However, the Government has not notified any bye-laws for ULBs.

2.8.3.4 Municipal solid waste management plan

Section 1.4.5 and 1.4.6 of MSWM Manual, 2016 emphasised the need for ULBs to prepare a detailed SWM plan, with short-term (two to five years) and long-term (20 to 25 years) actions. The short-term plan should lead to the achievement of the long-term plan. Each short-term plan should be reviewed every two to three years, to ensure higher success of implementing all plan activities. Short-term plan should cover aspects of institutional strengthening, community mobilisation, waste minimisation initiatives, waste collection and transportation, treatment and disposal, and financial outlay. Audit observed that during 2017-18 to 2022-23, the ULBs neither prepared short-term nor long-term plans, which deprived ULBs the opportunity of adopting a systematic approach to SWM. In the absence of these plans, the planning and selection of infrastructure projects in ULBs was, to a large extent, driven by perceived availability of funds rather than a need-based analysis.

In reply (August 2023), the Government stated that short-term plan on SWM was approved in June 2023 under SBM-U. No reply was furnished for non-preparation of the long-term plan.

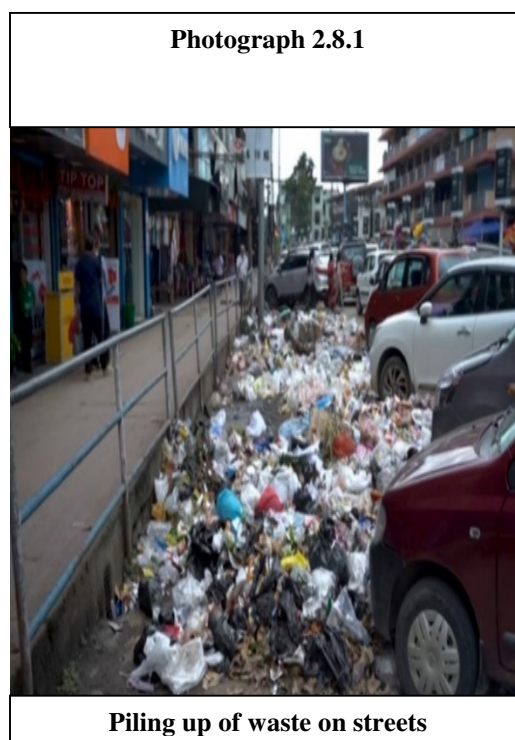
2.8.3.5 Detailed Project Reports for solid waste management

The Government of India (GoI) launched its flagship scheme of Swachh Bharat Mission-Urban (SBM-U) in October 2014 and SWM was one of its six components. As per Paragraph 7.2 of SBM Guidelines, ULBs were to prepare Detailed Project Reports (DPRs) for SWM of their city in consultation with the State Government. It also stipulated that the State Government may handhold ULBs in quickly preparing DPRs for SWM by shortlisting/identifying private or Government agencies.

Audit observed that during 2017-18 to 2022-23, DPRs on SWM were not prepared by the ULBs except in 2018-19 by Dimapur Municipal Council and Mokokchung Municipal Council for projects costing ₹110.72 crore and ₹103.19 crore respectively. In reply (August 2023), the Government stated that DPRs shall be prepared as and when projects are sanctioned by the Ministry under SBM-U. The reply is not acceptable as DPRs were not prepared for all the ULBs in the State. Moreover, the reply validates the fact that the ULBs are dependent on GoI grants to take up SWM projects.

2.8.3.6 Non-preparation of contingency plans

Section 5.4 of MSWM Manual, 2016 stipulates that ULBs should prepare contingency plans for appropriate storage of waste, to tide over situations of non-performance of processing/treatment/disposal facilities. Audit observed that the requirement of a contingency plan was neither envisaged in the NIWM Policy, 2019 nor addressed by any of the sampled ULBs. As a result, ULBs were not prepared to tackle any unforeseen situation and crisis such as when DMC employees protested (September/October 2022) regarding non-payment of salaries. This resulted in accumulation of waste on the streets due to absence of proper waste storage option when disposal facilities were non-operational as can be seen in the photograph.



In reply (August 2023), the Government assured that necessary instructions will be issued to all ULBs for preparation of contingency plan.

2.8.3.7 Non-involvement of all stakeholders

The provisions of SWM Rules, 2016 and the State Policy (2019) recommended extensive involvement of community in waste management. Section 1.4.4 of the Manual on SWM, 2016 provided for constitution of a core team or advisory team (internal stakeholders) involving all departments concerned with SWM services for developing the SWM plan and involvement of the community (external stakeholders comprising households, informal sector, NGOs, CBOs, SHGs and women's groups), in SWM planning and implementation. Audit observed that neither a core/advisory team (internal stakeholders) nor a stakeholder committee (external stakeholders) was formed in any of the sampled ULBs.

In reply (August 2023), the Government stated that the same was duly noted for future compliance.

2.8.3.8 Non-integration of informal waste collectors in waste management

Clauses 11(c) and 15(c) of SWM Rules, 2016 acknowledged the primary role played by the informal sector of waste pickers, waste collectors and recycling industry in reducing waste. SWM Rules, 2016 require the State Government to provide broad guidelines regarding integration of waste pickers or informal waste collectors with the waste management system. It is the duty of the ULBs to establish a system to recognise organisations of informal waste collectors and establish a system to facilitate their participation in SWM. Audit observed that though the NIWM Policy, 2019 proposed utilising the services of NGOs to provide support to the informal sector, no guidelines were issued in this regard. The sampled ULBs did not financially support organisations/individuals of informal waste collectors and did not integrate them in SWM.

In reply (August 2023), the Government stated that the presence of a syndicate of scrap dealers pose a challenge for integration of the informal sector. It was further stated that ULBs are initiating talks with the informal sectors. The reply is not acceptable as it is the responsibility of the Government to develop a guideline which ULBs can adopt for integration of the informal sector.

2.8.3.9 Lack of institutional mechanism

Section 1.4.5.4 of Manual on SWM, 2016 envisages that for planning an efficient and advanced SWM system, it is essential to have an efficient institutional structure besides having adequate infrastructure and equipment. As per SBM guidelines (2014) and SWM Rules, 2016, the State Government was required to constitute a State High Powered Committee, State Level Advisory Body, State Level Technical Committee under SBM, District Level Review & Monitoring Committee and City Level Task Forces to oversee the implementation of MSWM. Audit observed that while the State Government had constituted the State High Powered Committee for SBM-U and State Level Technical Committee under SBM, cutting-edge institutions like District Level

Review & Monitoring Committee and City Level Task Forces were not constituted leading to poor support to the effective implementation of SWM.

In reply (August 2023), the Government stated that the observation was duly noted for future compliance.

2.8.3.10 Targets and achievement in sampled Urban Local Bodies

Ministry of Urban Development (MoUD), Government of India, launched (2008) the Service Level Benchmark (SLB) initiative covering water supply, waste water, SWM and storm water drainage. The XIV FC have also endorsed the principle of benchmarking and included SLB as one of the conditions for the allocation of performance-based grants to ULBs. MoUD defined a common minimum framework for monitoring and reporting on performance indicators; of which eight performance indicators as detailed in **Appendix 2.8.5** pertain to SWM.

Analysis of SLB declarations (2022-23) by six sampled ULBs in respect of these performance indicators (except efficiency in redressal of customer complaints) showed that in certain cases, targets were set at extremely low levels. As per ULBs' declarations, extent of segregation, recovery of solid waste, scientific disposal and cost recovery of solid waste in majority of the sampled ULBs were significantly below the targets fixed/benchmarks. Achievements of sampled ULBs *vis-à-vis* targets and benchmarks in respect of these performance indicators are depicted in **Appendix 2.8.6**. The correctness of the achievements declared by ULBs could not be verified as ULBs did not furnish any documentary evidence in support of their claims. The Handbook on SLB prescribed by MoUD emphasises the need to ensure reliability of measurement and specifies four levels of reliability for each indicator. ULBs may strive to move towards the highest/preferred level of reliability.

In reply (August 2023), the Government stated that the audit observation had been noted and that the same shall be circulated to the ULBs.

2.8.3.11 Inadequate human resources

Section 1.4.5.4 of SWM Manual, 2016 strongly recommends that ULBs should have an SWM cell or SWM Department having staff with technical and managerial skills specific to SWM. The lack of adequate human resources in ULBs is elaborated below:

- (i) **Notification of Town Councils without adherence to minimum criteria and Manpower Constraints:** Section 3(1) of Nagaland Municipal Act, 2001 stipulates that the Government may declare an area as Town Council where the population is below 20,000 but more than 5,000. Also, a smaller urban area having a population below 5,000 but not less than 1,000 could be declared as Urban Station Committee area. However, over the years, the GoN have declared many Town Councils (TCs) where population size is much below the minimum criteria set in the Municipal Act, 2001 as detailed in **Appendix 2.8.7**. From **Appendix 2.8.7**, it is evident that the number of own employees in the above

13 ULBs is either 'nil' or skeletal compared to the total number of employees. Audit further observed that the other employees are staff from ADC/Administrator's offices. Thus, out of 39 ULBs, the above 13 ULBs do not even fulfil the minimum population criteria to be declared as Town Council/ULB and are functioning with inadequate human resources of their own. In reply (August 2023), the Government stated that the notification of Town Council was a policy decision of the Government. The reply of the Government is not acceptable as declaration of ULBs without fulfilling minimum population criteria deviated from the law enacted by the Government itself.

- (ii) **Manpower constraint in sampled ULBs for SWM:** Section 1.4.1.4 of MSWM Rules, 2016 stipulates that State has the power to regulate the creation of staff positions (technical and non-technical) in the ULBs. Audit observed that there is no Environment Engineer in all ULBs in the State. Audit further observed that the State ULBs do not have any sanctioned post and appointment is arbitrary in nature. In the sampled ULBs, the required SWM cell to exclusively take care of SWM activities was not set up. As a result, the existing staff had to manage both SWM and sanitation activities. Further, Section 1.4.5.4.1 of MSWM Rules, 2016, stipulates that for a town below one lakh population the ULB must have one Junior Engineer (JE) and Sanitary Inspector. Audit observed that five out of six sampled ULBs (except Dimapur Municipal Council) did not have JE. Moreover, two ULBs (Pfutsero Town Council and Longleng Town Council) are without sanitary inspectors. In reply (August 2023), the Government cited financial and manpower constraints for not setting up SWM cell.

2.8.3.12 Training and Capacity Building

Clauses 6(e), 11(k) and 15 (zc) of SWM Rules, 2016 required MoUD, GoI, the UDD, GoN and the ULBs to arrange for adequate training and capacity building of staff (including contract workers) in managing solid waste, segregation and transportation and processing of such waste at source. Audit observed that due to poor financial position, the ULBs were not able to finance any training and capacity building from their own fund and were dependent on Central and State Governments for capacity building programmes. Audit, however, observed that under Swachh Bharat Mission-Urban (SBM-U) 2.0 (launched in 30 September 2021) a sum of ₹78 lakh was sanctioned for capacity building in all ULBs against which ₹36.48 lakh (47 per cent) was diverted for payment of honorarium to employees engaged for uploading MIS. Thus, diversion of major portion of capacity building fund resulted in staff not being trained adequately, indicating incomplete commitment towards SWM.

In reply (August 2023), the Government stated that most capacity building activities under the XIV FC could not take off during the Covid pandemic, but are now being conducted. The reply is not tenable as the funds under SBM-U 2.0 were released post the Covid pandemic. No reply was accorded for diversion of capacity building fund towards payment of honorarium.

Recommendations:

The State Government may-

- (i) *ensure that ULBs adopt a scientific approach towards assessment of generated waste and that assessment is done on a regular basis.*
- (ii) *notify bye-laws of ULBs expeditiously to operationalise the Nagaland Integrated Waste Management Policy, 2019 for proper management of solid waste.*
- (iii) *instruct the ULBs to prepare a time-bound plan for ULBs to achieve the highest/preferred level of Service Level Benchmarks (SLBs).*
- (iv) *rationally assess manpower requirement and take steps to fill the requirement in a non-arbitrary manner.*
- (v) *devise mandatory modules for training all personnel involved in SWM within a specified period.*

2.8.4 Financial Management

Section 58 (c) of the erstwhile Nagaland Municipal Act, 2001 states that every Municipal Council shall, having regard to the availability of financial resources, make reasonable and adequate provisions for sanitation conservancy and solid waste management within its territorial area by any method or measure, which it may lawfully use or take. Moreover, NIWM Policy, 2019 provides for realisation of user charge by local authorities for providing sanitation services.

2.8.4.1 Sources of funds for solid waste management

The various sources of financing for solid waste management are indicated in **Table 2.8.5**.

Table 2.8.5: Sources of financing in ULBs for solid waste management

Sl. No.	Source	Particulars	Type
1.	Government Grants	14 th & 15 th Finance Commission & Swachh Bharat Mission-Urban	Capital & Revenue
2.	Own Sources	Levy of SWM cess/user charges	Revenue

(I) Own revenue receipts and expenditure

(a) User fee receipts and expenditure of SWM in ULBs

As per Clause 15 (f) of SWM Rules, 2016, the local authorities shall prescribe from time-to-time user fee as deemed appropriate and collect the fee from the waste generators on its own or through authorised agency. The details of user fee collected and revenue expenditure on SWM during the period 2017-18 to 2022-23 in six sampled ULBs are shown in **Table 2.8.6**.

Table 2.8.6: Year-wise details of receipts and expenditure under SWM in sampled ULBs

(₹ in lakh)

ULB	2017-18		2018-19		2019-20		2020-21		2021-22		2022-23	
	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.	Receipt	Exp.
DMC	74.00	128.00	101.00	187.00	95.00	172.00	95.00	138.00	95.00	248.00	96.85	550.84
KMC	3.52	57.39	10.53	76.22	7.24	27.92	8.28	69.47	4.01	69.52	4.00	69.52
MMC	21.96	36.97	28.08	39.17	28.20	36.17	26.79	41.66	34.91	34.72	35.97	32.81
WTC	2.44	35.00	3.90	36.00	4.68	37.67	4.24	39.95	13.65	55.87	6.55	6.65
PTC	0	3.83	0	5.44	0	3.90	0	3.23	3.53	10.75	NA	NA
LTC	0	4.00	0	4.00	4.00	7.00	4.00	7.00	7.00	7.00	6.03	10.43

Source: Information furnished by ULBs

While sustainable financing is paramount to ensure discharge of any function, it can be seen from **Table 2.8.6** above that all sampled ULBs except MMC are not able to meet even their revenue expenditure of SWM from the user charges collected. Thus, ULBs were mainly dependent on State/GoI grants for any major expenditure on SWM as discussed in the succeeding paragraph.

In reply (August 2023), the Government cited reluctance of citizens to pay for waste management for the low collection of user charges. The reply is not acceptable as the State Government did not notify bye-laws for proper functioning of ULBs which if notified, would have empowered ULBs to levy penalty on households refusing to pay user charges.

(II) Receipt and Expenditure from Other Sources

The sources of funds for capital and other expenditure in six sampled ULBs on SWM during the period 2017-18 to 2022-23 are shown in **Table 2.8.7**.

Table 2.8.7: Sources of funds for capital and other expenditure in six sampled ULBs.

Sl. No.	Grant	Purpose	Sanction (₹ in lakh)	Status
1.	SBM-U 1.0	Purchase of waste bins	46.39	Complete
2.	SBM-U 2.0	Mobilisation Advance for SWM and Capacity Building	40.44	In-progress
3.	XIV FC	Purchase of vehicles, waste bins and development of dumping sites	732.09	Complete
4.	XV FC	Purchase of dustbins, improvement in dumping sites and awareness campaign	81.00	In-progress
5.	Others	Purchase of one road sweeping machine by Kohima Smart City Development Corporation for KMC	170.00	Complete
Total			1,064.92	-

Source: Departmental records

Audit findings on utilisation of above funds are discussed in the following paragraphs:

(a) Delay in release of SBM-U 2.0 funds to ULBs

The Ministry of Housing & Urban Affairs, GoI sanctioned funds under Swachh Bharat Mission-U 2.0 to the State Mission Directorate for scheme implementation as detailed in **Appendix 2.8.8**. As per the Ministry's sanction letter, the State Government must transfer the released amount as well as the State share to the ULBs within a period between 21 and 40 days respectively. Against the sanctioned amount of ₹234.00 lakh, the actual release by UDD to the ULBs amounted to ₹73.28 lakh.

Thus, the Scheme fund for SWM and Used Water Management projects amounting to ₹156.00 lakh are yet to be released even after a lapse of 12 months after the due date of release to ULBs in contradiction to the terms and conditions of the Ministry's fund sanction order. Moreover, the matching State share of 10 *per cent* is also yet to be released.

In reply (August 2023), the Government stated that delayed release of the project mobilisation fund to ULBs was due to absence of approved SWM Plan. It was, however, stated that the funds have since been released.

(b) Lack of transparency in procurement for funds sanctioned under XIV FC
Rule 162 of GFR, 2017 stipulates that procurement of goods valued upto ₹25 lakh could only be done through Limited Tender Enquiry whereby the minimum number of quotations must be obtained from three firms. For procurement of goods of estimated value of ₹25 lakh and above, invitation to tenders by advertisement should be used. The Government of Nagaland has also notified the Nagaland State e-Procurement and Tendering Policy, 2017 with a view to enhancing transparency, competitive bidding, shorter procurement cycle and timely completion of work. As per the notification, all Government Departments/Agencies shall henceforth call open tenders for construction/supply works through e-procurement and tendering system for construction/civil works worth ₹1.00 crore and above and supply works worth ₹20.00 lakh and above. Floating and launching of all tenders were to be done only through the Nagaland State e-procurement and Tendering Portal. Further, Section 22(vi) of NIWM Policy, 2019 recommended procurement of SWM equipment *i.e.*, vehicles and dustbins, through Government e-Market (GeM).

Audit observed that in violation of all the above Rules and Regulations, the Department of Municipal Affairs purchased waste bins and sanitation vehicles amounting to ₹4.75 crore for six sampled ULBs without calling open tender/e-procurement/GeM and restricted procurement to limited quotations as shown in **Appendix 2.8.9**. Due to limited tender enquiry, only a few firms acquainted with the functioning of the Department were able to participate in the bids. The adoption of such an unauthorised system of purchase resulted in lack of competition and transparency in selection of the suppliers and prevented better price discovery. In reply (August 2023), the Government stated that transparency in procurement shall be adopted in future.

Recommendations:

The State Government may-

- (i) ensure that necessary steps are taken for ensuring timely release of scheme funds to ULBs.***
- (ii) ensure transparency in procurement process for competitive price discovery.***

2.8.5 Information, Education and Communication activities

2.8.5.1 Introduction

Behavioural change is vital for effective SWM. Information, Education and Communication (IEC) is a multilevel tool for promoting and sustaining risk reducing behaviour change in individuals and communities. The IEC campaign should target households, shops, and commercial and institutional premises as well as other stakeholders such as municipal officials, elected representatives, schools, non-government organisations (NGOs), the informal sector and media, to ensure their participation in managing waste by discharging their role effectively.

Sl. No. 2 of Schedule II of MSW Rules, 2000 and Clause 15 (zg) of SWM Rules, 2016, Section 25.4.2.12 of Manuals on MSWM, 2000 and Section 1.4.5.13 of Manuals on MSWM, 2016 underscored the importance of IEC activities and required the State Government and ULBs to create public awareness and educate waste generators to achieve the overall objectives of MSWM.

2.8.5.2 Deficiencies in IEC activities

The State Government has not developed any strategy document for IEC with the objective of creating awareness among citizens, bulk waste generators and agencies involved in handling of MSW. Had such a strategy document been prepared, it would have detailed various IEC activities for target groups from public to ULB staff and officers including various associations.

Four¹⁴ out of six sampled ULBs conducted IEC activities, encouraging waste generators to 'segregate waste into wet and dry' and 'not to litter' by issue of bills, banners, stickers and wall paintings. **Appendix 2.8.10** indicates the status of various modes of communication used in the sampled ULBs. Audit observed the following issues related to IEC which were not addressed:

- KMC did not furnish details of various modes of IEC activities conducted during 2017-18 to 2022-23.
- Out of six sampled ULBs, only PTC exercised audio IEC through public announcement.
- No sampled ULBs used video as IEC mode of communication.
- Domestic hazardous waste included both toxic and bio-medical wastes. However, out of six sampled ULBs, only three ULBs (Dimapur Municipal Council, Longleng Town Council and Wokha Town Council) had notified and publicised the list of domestic hazardous waste.
- E-waste consists of different components that are both hazardous and non-hazardous. Hence, e-waste should be segregated at source and should not be mixed with MSW. However, no specific IEC activity focussed on e-waste segregation or Extended Producer Responsibility (EPR) was carried out.

¹⁴ KMC furnished nil data against modes of IEC activities.

- None of the sampled ULBs created awareness on provisions regarding levy of penalty (Section 14.9 of NIWM Policy, 2019) for littering and non-segregation of different waste.
- IEC activities conducted by sampled ULBs did not emphasise ‘not to burn’ and ‘not to bury’ solid waste, and did not propagate waste minimisation through 3R concept.
- Adequate awareness amongst the work force for utilisation of protective equipment was not found in sampled ULBs.
- Out of six sampled ULBs, only PTC encouraged community participation adequately to conduct awareness programme. The impact of community involvement was evident during JPV conducted with ULB staff as general level of cleanliness in the areas visited was significantly better as compared to other ULBs.

No reply of the Government was offered on deficiencies in IEC activities.

Good Practices

To promote waste segregation and to address littering, PTC installed plastic bank and waste segregation bins at various locations under IEC activities.



2.8.5.3 Diversion and under utilisation of IEC fund under SBM-U

Under Swachh Bharat Mission-Urban (SBM-U) 1.0, a sum of ₹95.71 lakh sanctioned (July 2019) for IEC was utilised for procurement of 11 SWM vehicles for ULBs. Further, a sum of ₹two lakh released (February 2020) to DMC for IEC on plastic free sensitisation campaign in educational institutions and religious places was un-utilised as of March 2023.

In reply (August 2023), the Government stated that it provided approval for purchase of 11 pick-up vehicles as part of awareness campaign for plastic waste management. It was further stated that IEC for plastic free campaign shall be carried out at the earliest. The reply is not acceptable as the purchase of vehicle cannot be considered as a part of IEC activities. The reply regarding IEC for plastic free campaign at the earliest indicated delayed approach towards IEC activities.

Recommendations:

The State Government may-

- (i) *devise an effective means of communicating the impact and efficacy of IEC activities.*
- (ii) *ensure that funds meant for IEC activities are not diverted for other purposes and that fund for IEC activities are utilised expeditiously.*

2.8.6 Segregation, Collection and Transportation of waste


2.8.6.1 Segregation

Segregation refers to the process of separation of municipal solid waste into four groups *i.e.*, organic, inorganic, recyclables and hazardous wastes. It is a critical requirement since it enables recycling, reuse, treatment and scientific disposal of different components of waste. Segregation shall take place at different levels such as source/household level; transfer station or centralised sorting facility; waste processing site and landfill site to segregate waste into different streams such as dry recyclables, biodegradable waste, C&D waste and hazardous waste, to minimise waste and ensure reduction in landfill space for final disposal besides ensuring appropriate processing.

(I) Segregation of waste at source

Section 2.2.1 of MSWM Manuals, 2016 stipulates that ULBs must accord highest priority for segregation of waste at source. Out of six sampled ULBs, three ULBs (Dimapur Municipal Council, Kohima Municipal Council and Pfutsero Town Council) could not provide information on solid waste segregation at source. The achievement of source segregation declared by three sampled ULBs (Mokokchung Municipal Council, Wokha Town Council and Longleng Town Council) ranged between 25 and 53 *per cent* as detailed in **Appendix 2.8.11**, indicating poor segregation of waste. Audit observations on segregation of waste at source are enumerated in the following paragraphs.

Photograph 2.8.2

		
<p>Kohima (03.09.2022)</p>	<p>Pfutsiro (12.12.2022)</p>	<p>Mokokchung (15.10.2022)</p>
		
<p>Dimapur (29.09.2022)</p>	<p>Dimapur (29.09.2022)</p>	<p>Dimapur (29.09.2022)</p>
		
<p>Dimapur (29.09.2022)</p>	<p>Dimapur (29.09.2022)</p>	<p>Wokha (17.10.2022)</p>
<p>Photographs showing transportation of mixed waste in sampled ULBs.</p>		

(a) Issue of waste bins

Scrutiny of records revealed that DMA and UDD procured coloured waste bins for households in four sampled ULBs during 2017-18 to 2022-23 from XIV FC and SBM-U grant amounting to ₹150.24 lakh and issued them to ULBs for distribution to households free of cost to encourage segregation of waste at source. Out of six sampled ULBs, four ULBs had received dustbins for households covering 36 to 94 per cent of households as detailed in *Appendix 2.8.12*. Audit observed during

physical verification conducted along with the officials of ULBs that segregation of waste was not fully adopted despite the issue of waste bins and various IEC activities. Moreover, non-achievement of house-to-house collection of waste as required in service level benchmarks also contributed to non-segregation of waste.

Further, Section 14.1 of NIWM Policy, 2019 and Section 2.2.1.1 of MSWM Manual, 2016 on segregation of waste at source by households into wet (biodegradable) and dry (non-biodegradable) recommended blue coloured waste bins for dry waste and green coloured waste bins for wet waste. The Department of Urban Development (SBM-U) had procured 18,000 waste bins amounting to ₹46.39 lakh for distribution to households in Mokokchung Municipal Council. Audit, however, observed that the colour of waste bins comprised red and blue instead of green and blue. The Government stated (August 2023) that the lack of behavioural change at individual level led to improper segregation of waste at source. However, no reply was furnished by the Government for distribution of waste bins of different colours.

(b) Non-segregation of domestic hazardous waste

Domestic hazardous waste requires special handling and disposal because of its harmful physical and chemical characteristics, or biological properties. Hence, there is a greater need for proper segregation of such waste. Manual on MSWM, 2000 and SWM Rules, 2016 specify the roles and responsibilities of ULBs in this regard.

Audit observed that out of six sampled ULBs, three ULBs¹⁵ did not notify and publicise the list of items classified as domestic hazardous waste to be segregated at source. Consequently, people of these ULBs were not aware of the effect of non-segregation of domestic hazardous waste and contaminated mixed waste was reaching the dumping site. In the other three sampled ULBs¹⁶, though domestic hazardous waste had been publicised, these wastes were not found segregated. In reply (August 2023), the Government stated that the necessary directions are being issued to ULBs for segregation of domestic hazardous waste.

(c) Non-segregation of sanitary waste

As per Section 2.2.1 (4) of SWM Manual 2016, sanitary waste generated by households was to be wrapped in old newspaper/pouches provided by the manufacturers and handed over to the waste collectors separately. Audit observed that none of the sampled ULBs emphasised segregation and disposal of sanitary waste as required. In reply (August 2023), the Government stated that the necessary directions are being issued to ULBs for segregation of sanitary waste.

¹⁵ Wokha Town council, Pfutsero Town Council and Longleng Town Council.

¹⁶ Dimapur Municipal Council, Kohima Municipal Council and Mokokchung Municipal Council.

Good Practice

In Pfitsero Town Council, Chakhesang Women Welfare Society (CWWS) has started manufacturing cloth diapers and pads to address sanitary waste. The Society attended training (January 2022) in the Training Resource Centre, Jalukie on cloth diapers and sanitary pads and imparted (February 2022) the knowledge to 30 self-help groups comprising 90 participants.



(d) Absence of incentive mechanism and enforcement

Section 2.1.4 of MSWM Manuals, 2016 specifies various activities and methodologies required to be adopted by ULBs to ensure proper segregation of waste at source. One such methodology is providing incentives in the form of rewards/grants/subsidies.

Similarly, Section 14.9 of NIWM Policy, 2019 provides for incentives as well as penal action for non-compliance of directives of the SWM Rules. While all efforts should be made to educate people to effectively participate in the management of waste through IEC, they also need to be made aware of penalties if they fail to discharge their civic duties. The provision for penalties should be made known to the people and details of those punished should be publicised widely to deter others.

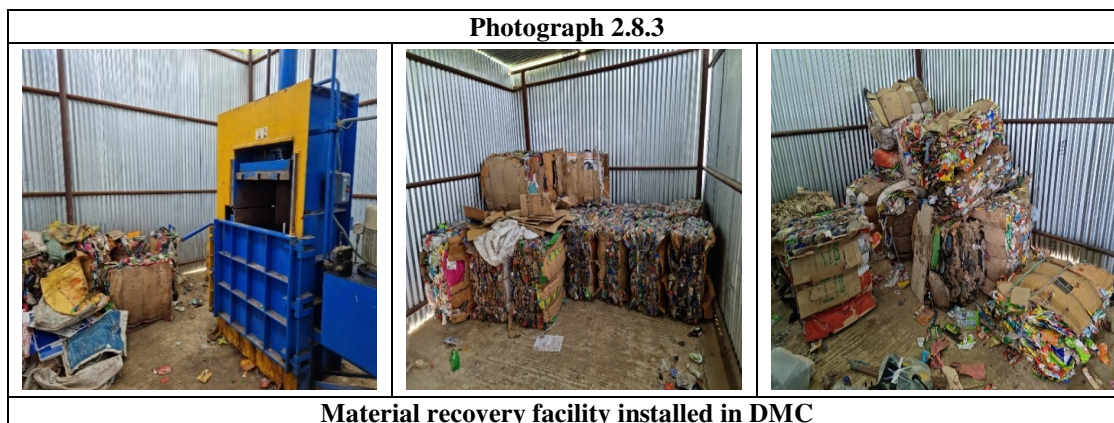
Audit observed that incentive/disincentive mechanism to promote segregation of waste was not established in any of the sampled ULBs. Audit also noticed that penalty provisions as stipulated in NIWM Policy, 2019 were not enforced.

In reply (August 2023), the Government stated that the observation was duly noted and necessary directions are being issued to ULBs for introducing incentive/disincentive mechanism to promote segregation of waste.

(II) Segregation of waste at sorting facility

Section 8.10.3(a) of the Manual on MSWM, 2000 states that sorting at the waste storage depot/transfer station is not desirable. However, if source level sorting is not developed, then such sorting may be allowed till a household level sorting and collection system is established. Since source level segregation was absent/ deficient in the ULBs as stated above, there was a need for ensuring segregation of waste at least before it reaches the processing/ landfill site. Further, as per Clause 15 (h) of SWM Rules, 2016, the local authorities shall set up Material Recovery Facilities (MRFs) or secondary storage facilities for sorting of recyclable materials.

Audit observed that the ULBs did not formulate any plan or prepare budget for the establishment of MRFs. It was observed that out of six sampled ULBs, only DMC had installed MRF and that the facility is fully functional as seen in **Photograph 2.8.3**:



In reply, the Government stated (August 2023) that initiatives have been taken to install MRF facilities in the ULBs generating high plastic waste. The reply is not acceptable as the MRF facilities should be installed in all ULBs.

Good Practices

The role of the informal sector such as of rag-pickers in the segregation of waste is vital for SWM. During JPV at dumping site of KMC, Audit observed the contribution of rag-pickers in segregation of recyclable waste as seen below:



2.8.6.2 Collection of solid waste

Collection of segregated waste is the second step of SWM process. Waste collection system is necessary to ensure that waste stored at source is collected regularly and it is not disposed of on the streets, drains and water bodies. Inefficient waste collection has an impact on public health and aesthetics of urban areas. Waste collection service is divided into primary and secondary collection.

Sections 10.3 and 10.4 of Manual on MSWM, 2000, state that ULBs shall arrange for the collection of domestic, trade and institutional, food/biodegradable waste, recyclable waste material/non-biodegradable waste besides domestic hazardous/toxic waste from doorstep or community bins or waste deposition centres specially

established for the purposes. The collection service provided by ULBs should be regular and reliable. Audit observed that there were challenges for DMC authorities to effectively collect waste due to haphazard dumping of wastes as shown in **Photograph 2.8.4**.



(I) Inadequate collection of waste generated

The quantum of waste generated and collected per day during 2017-18 to 2021-22 in the State and in the sampled ULBs is shown in *Appendix 2.8.13*. On an average, 23 per cent and 13 per cent of waste generated was not collected in the State and in the sampled ULBs respectively.

In reply (August 2023), the Government stated that the ULBs were instructed to collect waste at regular intervals.

(II) Personal protection equipment

MSWM Manuals 2000 and 2016 prohibit manual handling of waste. If manual handling is unavoidable due to constraints, it should be carried out under proper precaution with due care for safety of workers. As per clause 15 (zd) of SWM Rules 2016, local bodies shall ensure that the operator of a facility provides personal protection equipment including uniform, fluorescent jacket, hand gloves, raincoats, appropriate footwear and masks to all workers handling solid waste and the same are used by workforce.

Audit observed during JPV in six sampled ULBs that majority of the work force involved in manual handling of waste were not using protective equipment particularly gloves and boots though they were provided with such equipment by the ULBs as detailed in **Appendix 2.8.14**. Non-utilisation of protective equipment is risky and may lead to serious health hazards especially in view of non-segregation of waste.

In reply (August 2023), the Government stated that PPEs were distributed to sanitary workers.

(III) Street sweeping machines

Street cleaning is one of the primary services rendered by municipal authorities to ensure clean and hygienic urban conditions. Section 2.4.2 of MSWM Manual, 2016 stipulates that it is necessary to have a well-planned, time-bound daily system for street sweeping including adequate staffing and equipment. Further, Section 22-vi of NIWM Policy, 2019 stipulates that ULB must ensure procurement of suitable equipment for waste management. Audit observed that out of six sampled ULBs, DMC and KMC had road sweeping machines as shown in **Table 2.8.8**:

Table 2.8.8: Details of purchase of road sweeping machines

Sl. No.	ULB	Type	Cost of machine (in ₹ lakh)	Date of operation	Source
1.	DMC	Furio 12 road sweeping machine	66.64	January 2022	Purchased by DMA from XIV FC grant
2.	KMC	Dulevo 6000 road sweeping machine	170.00	March 2020	Purchased under Smart City Mission

Audit observed that the road sweeping machines can collect dry micro particles but no other debris and not debris and particles in wet surfaces. Further, these machines are unsuitable for narrow, uneven and pot-holed roads and are therefore only occasionally put to use. No reply was given by the Government.

Photograph 2.8.5



Road sweeping machine

2.8.6.3 Transportation

Transportation plays a vital role in SWM services. Depending on the local conditions and location of landfill site, ULBs use different types of vehicles such as push-carts, tractors, tipper trucks and compactors for collection and transportation of waste.

(I) Shortage of sanitation vehicles

Out of 39 ULBs in the State, 20 ULBs did not possess any vehicle for waste transportation till 2019-20. The shortage of vehicles in these 20 ULBs was met through the XIV FC grant in 2020-21. The status of availability of sanitation vehicles in the sampled ULBs as of March 2023 is shown in *Appendix 2.8.15*. It can be seen from *Appendix 2.8.15* that there was acute shortage of vehicles as additional requirement of vehicles is 39 *per cent* of existing number of vehicles in sampled ULBs. The shortage of collection vehicles is a factor contributing to non-achievement of 100 *per cent* door to door collection. No reply was furnished by the Government regarding shortage of sanitation vehicles.

(II) Non registration of waste management vehicles

Section 39 of the Motor Vehicles Act 1988 states that no person shall drive any motor vehicle and no owner of a motor vehicle shall cause or permit the vehicle to be driven in any public place or in any other place unless the vehicle is registered. The vehicle should also carry a registration mark displayed in the prescribed manner. Further, Section 207 of the said Act empowers authorised person of the State Government to detain vehicles used without certificate of registration.

It is seen from *Appendix 2.8.15* that in six sampled ULBs, 58 out of 135 numbers of waste management vehicles (43 *per cent*) were operating without registration. Audit also observed that logbooks for these vehicles were not maintained. In reply (August 2023), the Government stated that ULBs are in the process of registering their sanitation vehicles.

(III) Use of vehicles without partition/open vehicles for transportation of Municipal Solid Waste

Source segregation is successful only when the segregated wastes are not mixed at any stage of transportation while being taken to the respective processing or disposal facility directly or through a transfer station. Hence, segregated transportation of solid waste from source to destination is essential. Further, Section 2.3.2 of MSWM Manual, 2016 stipulates that vehicles used for transportation of waste should be covered so that waste is not visible to public and that they should have the facility for preventing spillage of waste. For this purpose, vehicles need to be covered and provided with two separate containers or a single container with an effective partition.

Audit observed during JPV that out of six sampled ULBs, only KMC had 29 vehicles with partitions for collection of wet and dry waste but the waste collectors were depositing both wet and dry waste in both the sections thereby defeating the purpose of segregation of waste. Vehicles for door-to-door collection of waste in other five

sampled ULBs did not have partition to collect the segregated waste. It was also seen that the sampled ULBs were using open vehicles for transportation leading to scattering of waste, which caused littering and could also be a health hazard as can be seen in **Photograph 2.8.2**.

In reply (August 2023), the Government stated that initiatives have been taken by the ULBs to cover the same with tarpaulin. However, the provision of tarpaulin will not address the problem of mixed waste.

(IV) Monitoring of transportation vehicles

Transportation of MSW from source of generation to the authorised destination is important to ensure its proper disposal. MSWM Manual, 2016 stipulates that communication technologies such as global positioning system (GPS) are to be integrated as part of monitoring of SWM system. This also helps in improving the collection and transportation efficiency of the vehicles.

In six sampled ULBs, none of the sanitation vehicles were affixed with GPS devices depriving ULBs of an effective tracking mechanism. Also, the sampled ULBs did not have the facility of weighbridge and CCTV cameras resulting in absence of effective monitoring of transportation activity. In reply (August 2023), the Government stated that the monitoring system to track the sanitation vehicles shall be put in place in future.

2.8.7 Processing, Treatment and Disposal of Solid Waste

2.8.7.1 Processing

As per Section 4.1 of MSWM Manual, 2016 (Volume I), selection and adoption of MSW processing technologies should be based on defined selection criteria and subject to a detailed due diligence study which ascertains the appropriateness of the technology to the prevailing conditions of the respective ULB. Treatment and processing of segregated waste not only reduces operational costs but also increases the efficiency of the process. The waste processing technologies available for ULBs are composting, waste to energy and bio-methanation.

(I) Status of waste processing

The status of waste collected and processed in the sampled ULBs during 2017-18 to 2022-23 is shown in **Table 2.8.9**.

Table 2.8.9: Status of waste processed in sampled ULBs

(in tons per day)

Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
MSW collected	175.57	181.65	189.93	187.28	186.79	192.69
Processed	0	0.03	0.03	0.03	0.18	14.18
Percentage	0	0	0	0	0	6.50

Source: Information furnished by ULBs.

It can be seen from the above that a negligible percentage (6.50 per cent) of the waste collected was processed in the sampled ULBs during 2017-18 to 2022-23. Due to absence of designated landfills, the waste collected by ULBs (excluding those collected by rag-pickers and scrap dealers) was being dumped in unsanitary open landfill/ dumpsite, posing risks to the health of sanitary workers and the environment as shown in **Photograph 2.8.6**. Further, due to absence of sanitary landfills, the NPCB was unable to assess the pollution levels at the dumping site as the waste was dumped haphazardly making it difficult to conduct the test.

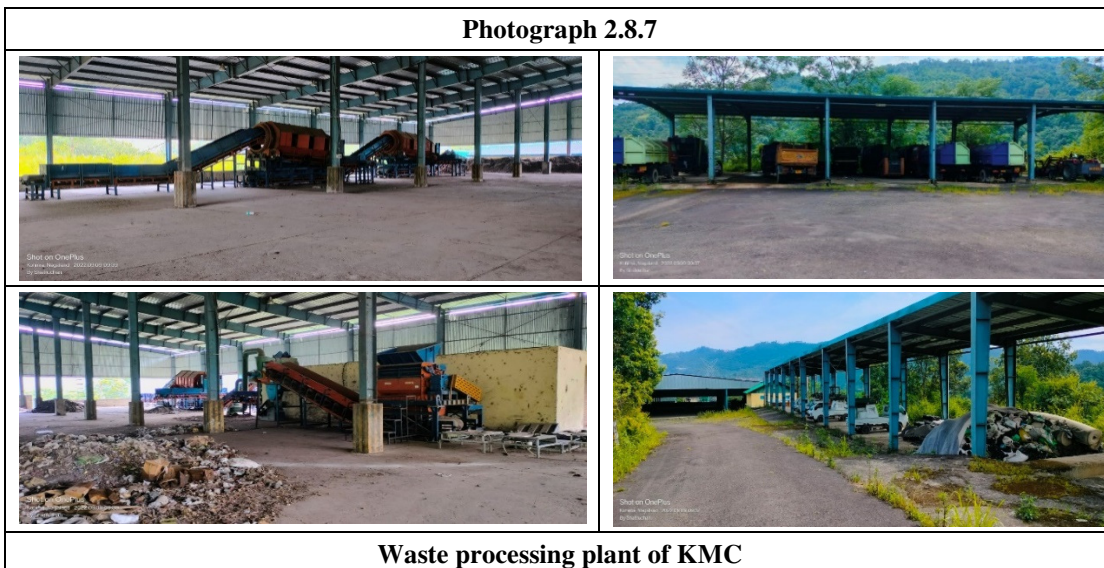


In reply (August 2023), the Government cited inadequate facility for low processing of waste. The reply is not tenable as the existing SWM plant in Kohima remains non-functional as discussed in the succeeding paragraph.

(II) Non-functioning and inadequate SWM project

Out of six sampled ULBs, KMC had infrastructure on waste processing for SWM funded through Asian Development Bank (ADB) Project comprising 50 TPD compost plant and sanitary landfill. The project was commissioned (February 2016) at ₹48.63 crore. Audit, however, observed that the plant was non-functional as can be seen in **Photograph 2.8.7**.

Photograph 2.8.7



Waste processing plant of KMC

In the remaining five sampled ULBs, MRF for waste processing sanctioned under the XIV FC was found functional only in DMC. In reply (July 2023), the Government stated that MRF facilities are now operational in 17 ULBs. However, there is a requirement for installation of MRF in the remaining 22 ULBs.

Good Practices

DMC practised treatment of legacy waste through bioremediation and bio mining process in its dumpsite (29 September 2022) as shown below:



PTC transferred legacy waste in bio-capped landfill site (12 December 2022) as shown below:



2.8.7.2 Disposal of waste

All the waste that cannot be reused/recycled/processed further finds its way to the landfills, the ultimate destination of the solid waste. The landfills are designed to minimise the impact of the waste on the environment by containment of the waste.

Further, as per Section 15(y) of SWM Rules 2016, ULBs must obtain authorisation from NPCB for disposal facility if the volume of waste exceeds five metric tons per day.

As per the Annual Report 2021-22 of NPCB, out of 39 ULBs in the State, four ULBs did not have landfills for disposal of municipal solid waste and were using landfills of neighbouring ULBs. Audit also observed that other than the landfill in Kohima, all other landfill/dumping sites are unsanitary. Audit further observed that out of six sampled ULBs, four¹⁷ ULBs generated waste in excess of five metric tons per day. Out of these four ULBs, only KMC had obtained authorisation from NPCB for its sanitary landfill.

In reply (August 2023), the Government stated that the ULBs have acquired land for landfill and also stated that necessary directions were being issued to ULBs to obtain authorisation from NPCB for setting up of landfill. The reply is not acceptable as there was no record of authorisation of NPCB for setting up of landfill in the defaulting ULBs (as of October 2023).

Recommendations:

The State Government may-

- (i) ensure that ULBs adopt a scientific approach towards assessment of generated waste and that assessment is done on a regular basis.***
- (ii) instruct the ULBs to prepare a time-bound plan for ULBs to achieve the highest/preferred level of Service Level Benchmarks (SLBs).***
- (iii) need to explore the possibility of installing of Material Recovery Facility (MRF) in each district.***
- (iv) devise an effective means of communicating the impact and efficacy of IEC activities.***
- (v) ensure that segregation of waste at source be given greater emphasis by means of publicity and awareness campaigns and holding regular meetings with members of housing colonies and non-government organisations.***
- (vi) put in place a system of incentivising waste collectors for segregation of waste at source.***
- (vii) ensure installation of waste sorting plant/MRF in all ULBs in the State to address the segregation of waste before the wastes are dumped in landfills.***
- (viii) take steps to monitor regular waste collection by ULBs to ensure adequate collection of generated waste.***
- (ix) take steps to bridge the shortfall of sanitation vehicles to improve waste collection by ULBs and may expedite the process of registration of sanitation vehicles.***

¹⁷ DMC, KMC, MMC and WTC

- (x) take necessary steps to make SWM facility in Kohima functional and maximise processing of waste through MRF plants installed in other ULBs.
- (xi) ensure that all landfill sites operate with valid authorisation and environmental clearances.
- (xii) conduct periodic checks to ensure that unprocessed waste is properly disposed in landfills.
- (xiii) enforce strict adherence to Plastic Waste Management Rules, Bio-medical Waste Management Rules, E-Waste Management Rules and Construction and Demolition Waste Rules.

2.8.8 Special Waste and Construction & Demolition Waste

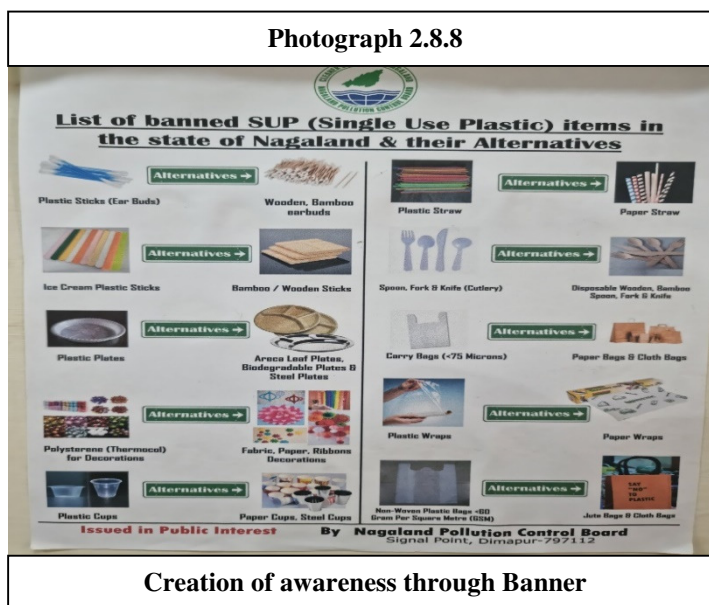
As per Section 7.1 of MSWM Manual 2016, the following wastes are defined as special waste viz., (a) Plastic waste, (b) Bio-medical waste (BMW), (c) Electric and Electronic waste (e-waste), and (d) Slaughterhouse waste.

2.8.8.1 Plastic waste

The Plastic Waste Management Rules, 2016 (PWM Rules, 2016) were notified (18 March 2016) by GoI which shall apply to every waste generator, local body, manufacturer, importers and producer.

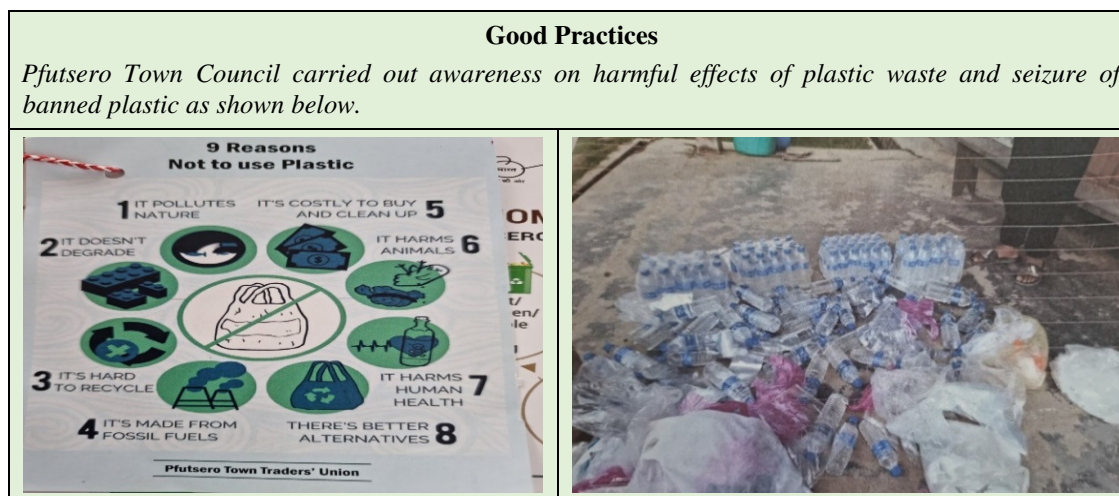
(I) Usage of banned plastic

Rule 4(c) of PWM Rules, 2016 prohibit manufacture, stock, distribution or sale of any carry bag made of virgin or recycled plastic which is less than 50 microns in thickness. GoN notified (June 2019) a ban on manufacture, supply, sale and usage of plastic carry bags, plastic banners, plastic buntings, flex, plastic flags, plastic plates, plastic cups, plastic spoons, cling films and plastic sheets used for spreading



on dining table including the above items made of thermocol and plastic, which use plastic micro beads in the State. To ensure compliance to the ban, ULBs conducted raids on commercial establishments and seized banned plastic from time to time. Audit, however, observed that banned plastic waste was collected at source from households and dumpsite is filled with the same, indicating that the ban was not implemented effectively.

In reply (August 2023), the Government stated that awareness was being created through IEC activities and that for successful enforcement of ban on single use plastic public co-operation is needed. The reply should be seen in the context of widely prevailing usage of single use plastic.



(II) Status of compliance to Plastic Waste Management Rules

Clauses 5 and 6 of PWM Rules, 2016 spell out the responsibility of the municipal authority/local body for plastic waste management. The status of compliance to these provisions in the sampled ULBs is shown in **Table 2.8.10**.

Table 2.8.10: Status of compliance to PWM Rules 2016

Sl. No.	Requirement	Provision	Compliance/ Remarks
1.	Ensuring segregation, collection, storage, transportation, processing and disposal of plastic waste	Rule 6 (2) (a)	Partial segregation in the sampled ULBs resulted in mixed waste to the landfill site.
2.	Creating awareness among all stakeholders about their responsibilities	Rule 6 (2) (e)	Awareness on use of alternative products in place of plastic was promoted by the sampled ULBs.
3.	Engaging civil societies or groups working in waste management including waste pickers	Rule 6 (2) (f)	No sampled ULBs engaged civil societies or groups working in waste management including waste pickers.
4.	For setting up of system for plastic waste management, the local body shall seek assistance of producers in line with the principle of Extended Producer Responsibility (EPR)	Rule 6 (3)	No sampled ULBs established an EPR based plastic waste management system.
5.	The local body to frame bye-laws incorporating the provisions of these rules.	Rule 6 (4)	State Government has not approved any Bye-laws framed by sampled ULBs.

Inability of ULBs to follow several stages prescribed in the rules for PWM Rules, 2016 resulted in low rates of segregation of unsegregated waste reaching the landfill sites as evident from the JPV which showed that banned plastic waste was dumped in the landfill site. No reply was given by the Government.

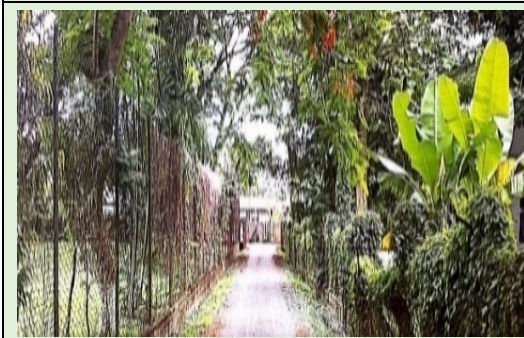
(III) Non-usage of plastic in formation of roads/energy recovery

Rule 5(b) of PWM Rules, 2016 stipulates that the municipal authorities/local bodies shall encourage the use of plastic waste (preferably the plastic waste which cannot be further recycled) for road construction as per Indian Roads Congress guidelines or energy recovery or waste to oil, in compliance with the standards and pollution control norms specified by the prescribed authority. Audit observed that in Nagaland there are no waste to energy facilities. However, NPCB in collaboration with DMC constructed a one Km Polymer Bitumen road using waste plastics as a model road for other Departments to emulate. Till date, no Department has initiated construction of road using plastic waste.

In reply (August 2023), the Government stated that utilisation of plastic waste in road construction is at experimental stage and with time if it becomes cost effective the use of plastic waste for road construction could be explored.

Good practices

- *With financial support from CBCB, NPCB in collaboration with DMC constructed a one Km Polymer Bitumen road using waste plastics as a model road for other Departments to emulate. (27 September 2022)*
- *Scrap market in PTC to encourage public to earn from waste segregation. (12 December 2022,)*

**2.8.8.2 Bio-medical waste**

GoI notified the Bio-medical Waste Management Rules, 2016 (BMW Rules) to provide a regulatory framework for management of bio-medical waste generated in the country. NPCB is the authority designated for implementation of the provisions of these rules in the State. As per these rules, every occupier or operator handling BMW, irrespective of the quantity should obtain authorisation from NPCB and shall hand over segregated waste to a Common Bio-Medical Waste Treatment Facility (CBMWTF) for treatment, processing and final disposal. Disposal by deep burial is permitted only in rural or remote areas where there is no access to CBMWTF and needs to be carried out with prior approval from the prescribed authority and as per the Standards specified.

There are 646 Health Care Establishments (HCEs) functioning in Nagaland, which include hospitals, nursing homes and other units such as veterinary institutes, diagnostic laboratories and clinical research. The data on quantum of bio-medical waste generation and disposal in the State is neither available with the sampled ULBs

nor with NPCB. In absence of any CBMWTF in the State, the bio-medical waste is being disposed through deep burial system and incineration at the HCEs.

(I) Role of Urban Local Bodies in management of Bio-medical waste

As per Schedule III(7) to BMW Rules, 2016, ULBs shall provide or allocate suitable land for development of CBMWTF in their respective jurisdictions as per the guidelines of CPCB and collect bio-medical waste from the health care facilities. Further, as per Schedule I (12) of BMW Rules, 2016, ULBs are required to collect segregated bio-medical waste generated in households and have an arrangement with the CBMWTF to collect this waste from the Material Recovery Facility or from the household directly for final disposal.

Audit observed that there was no CBMWTF in the sampled ULBs and that there was no household level segregation of bio-medical waste in the sampled ULBs. Moreover, out of the six sampled ULBs, only KMC had bio-medical waste collecting vehicles which are deployed as and when called for by the HCE on payment of user fees. Instances of bio-medical waste from HCEs mixed with other solid waste in KMC dumpsite were found as can be seen in the picture below:

Photograph 2.8.9



Bio-medical waste mixed with other solid waste in KMC dumpsite (03 September 2022)

In reply (August 2023), the Government stated that necessary directions are being issued to ULBs for compliance to Bio-Medical Waste Rules.

2.8.8.3 E-Waste

The waste generated from electrical and electronic equipment such as computers, laptops, printers, copying machine, phones, television sets, refrigerators, washing machines and air-conditioners are categorised as E-waste. E-Waste (Management) Rules, 2016 (EWM Rules, 2016) are applicable to every producer, consumer or bulk consumer, collection centre, dismantler and recycler of e-waste involved in the manufacture, sale, purchase and processing of electrical and electronic equipment or components specified in Schedule-I of these Rules. In Nagaland, the Department of Information Technology & Communication, GoN notified (2019) guidelines for disposal of e-waste in consonance with EWM Rules, 2016.

(I) Role of Urban Local Bodies in management of E-Waste

As per Schedule IV of EWM Rules 2016, the ULBs must ensure that e-waste is properly segregated, collected and channelised to authorised dismantler or recycler and that e-waste pertaining to orphan products¹⁸ is collected and channelised to authorised dismantler or recycler. Moreover, Rule 9 (responsibilities of bulk consumer) of EWM Rules, 2016 stipulates that ULBs are required to maintain records for management of e-waste in Form II indicating the nature and quantity of e-waste generated, stored and transferred to recyclers.

Audit observed that the details of e-waste generated, collected and channelised to recyclers, dismantlers or otherwise disposed of in the State during the period 2017-18 to 2022-23 was not available with the sampled ULBs. Therefore, it could not be assessed whether the ULBs effectively managed e-waste as per the provisions of the EWM Rules, 2016.

In reply (August 2023), the Government stated that necessary directions are being issued to ULBs for compliance to E-Waste Management Rules.

Good Practice

Ms. Sowete-u K Letro and Ms. Bendangwala Walling founded (2018) e-Circle in Dimapur, Nagaland in partnership with Hulladek Recycling Pvt. Ltd., Kolkata. e-Circle focuses on the collection and channelisation of e-waste and is actively conducting awareness sessions in schools and colleges to educate future generation about the problems that can arise due to improper disposal of electronic and electrical waste. In 2018, e-Circle transported around 20 tonnes of e-waste to Kolkata. Till date, e-Circle in collaboration with DMC has set up 47 collection points in Dimapur town.

2.8.8.4 Slaughterhouse waste

Waste material produced in the slaughterhouses is of three types: solid, liquid, and gas. Solid waste is generated from manure, intestinal contents, hair, horns, hooves, trimmings, internal organs, condemned carcasses or body parts, carton, and plastics. Liquid wastes of slaughterhouses come from urine, blood, and waste water from the slaughter processes. Gaseous waste materials (odour and emissions) are also produced in the operations. These waste materials if not handled and managed properly pose a hazard to the health and environment. Hence, scientific processing and disposal of slaughterhouse waste is essential to recover useful fractions and for safe disposal of residual pathogenic biological waste.

(I) Role of Urban Local Bodies in management of slaughterhouse waste

Rule 3(1) of Prevention of Cruelty to Animals (Slaughterhouse) Rules 2001, stipulates that no person shall slaughter any animal within a municipal area except in a slaughterhouse recognised or licensed by the concerned authority empowered under the law for the time being in force to do so. Moreover, as per Section 25 and 26 of the Water (Prevention and Control of Pollution) Act, 1974 (Water Act, 1974), slaughterhouses are required to obtain the consent of NPCB for operation.

¹⁸ Orphan products mean non-branded or assembled electrical and electronic equipment as specified in Schedule-I of the Rules or those produced by a company which has closed its operations or has stopped product support.

Out of six sampled ULBs, KMC and DMC has authorised modern abattoir. Audit, however, observed that the abattoir in DMC has been non-functional for the last two years while the modern abattoir in KMC (completed in 2019 at a cost of ₹22 crore with 75 per cent funding from the Ministry of Food Processing Industries, GoI) has not been put to use. The absence/non-functioning of authorised slaughterhouses in ULBs provided scope for mushrooming of small slaughter houses-cum-meat shops within the urban limits. Audit observed that waste generated in these slaughterhouses and retail mutton/chicken/fish shops were mixed with other commercial waste and transported to dumping site. Thus, the ULBs did not manage slaughterhouse waste effectively, resulting in contamination of the environment.

In reply (August 2023), the Government stated that necessary directions are being issued to ULBs for effective management of slaughterhouse waste.

2.8.8.5 Construction and Demolition Waste

Construction and Demolition (C&D) waste means “the waste comprising of building materials, debris and rubble resulting from construction, remodelling, repair and demolition of any civil structure”. C&D waste includes bricks, tiles, stone, soil, rubble, plaster, drywall or gypsum board, wood, plumbing fixtures, non-hazardous insulating material, plastics, wallpaper, glass, metal (e.g., steel, aluminium) and asphalt. Considering the growth in generation of C&D waste, GoI notified the Construction and Demolition Waste Management Rules, 2016 stating the roles and responsibilities of the different stakeholders as well as the compliance criteria for the management of the C&D waste.

(I) Role of ULBs in management of Construction and Demolition waste

As per Section Rule 6(8) of C&D Rules, 2016, it is the duty of the ULBs to keep track of construction and demolition waste generation within its jurisdiction and establish a yearly data base. Rule 13 (Schedule III) of C&D Rules, 2016 stipulates an 18-month timeframe for identification of sites for collection and processing facility of C&D waste from the date of notification of this Rule. Moreover, Rule 5 (3) of C&D Rules, 2016 authorise ULBs to levy charges from the debris generators and make use of this money for collection, transportation and disposal of C&D waste.

Audit observed that the sampled ULBs did not have any data on C&D waste generation in their jurisdiction. It was also observed that the sampled ULBs had neither identified site for disposal of C&D waste nor fixed any charges for management of C&D waste. The Government in its reply stated (August 2023) that it has been made mandatory for DMC and KMC to designate MRF for C&D waste and that such waste is mostly segregated and managed on-site by the developers, which is admissible under SWM Rule, 2016. The reply is not acceptable as inability to identify C&D waste disposal site resulted in illegal and haphazard dumping of C&D waste in low-lying areas and roadsides of Kohima as seen in **Photograph 2.8.10**.

Photograph 2.8.10



Construction and Demolition waste are found dumped in low-lying areas and roadsides
(03 September 2022)

Recommendation: *The State Government may ensure that ULBs take necessary steps to enforce strict adherence to Plastic Waste Management Rules, Bio-medical Waste Management Rules, E-Waste Management Rules and Construction and Demolition Waste Rules.*

2.8.9 Conclusion

One of the primary functions of the ULBs is the effective management of municipal solid wastes. Audit, however, observed shortcomings in solid waste management which includes non-formulation of short-term and long-term plans for solid waste management, improper assessment of solid waste generation, non-operationalisation of Nagaland Integrated Waste Management Policy 2019, non-integration of informal waste collectors, non-achievement of Service Level Benchmarks pertaining to segregation, collection and processing of waste, ineffective Information, Education and Communication (IEC) and non-compliance to various Acts and Rules governing management of special wastes.

2.8.10 Recommendations

The State Government may-

- (i) *notify bye-laws of ULBs expeditiously to operationalise the Nagaland Integrated Waste Management Policy, 2019 for proper management of solid waste.*
- (ii) *enforce strict adherence to Plastic Waste Management Rules, Bio-medical Waste Management Rules, E-Waste Management Rules and Construction and Demolition Waste Rules.*

CHAPTER-III
ECONOMIC SECTOR

CHAPTER - III

ECONOMIC SECTOR

3.1 Introduction

This chapter of the Audit Report for the year ended 31 March 2023 deals with audit observations on the working of the State Government departments under Economic Sector.

During 2022-23, total budget allocation of the State Government in the Departments under Economic Sector was ₹5,730.93 crore against which actual expenditure incurred was ₹4,197.90 crore (73 per cent). The Department-wise details of Budget Allocations and Expenditure incurred are shown in **Table 3.1.1**.

Table 3.1.1: Details of Department-wise Budget allocation and Expenditure

(₹ in crore)

Sl. No.	Name of the Department	Budget Allocation			Expenditure			Percentage of expenditure
		Revenue	Capital	Total	Revenue	Capital	Total	
1.	Agriculture	418.80	26.04	444.84	283.17	18.57	301.74	68
2.	Civil Supplies	108.12	1.97	110.09	107.38	1.97	109.35	99
3.	Cooperation	23.56	0.15	23.71	22.46	0.15	22.61	95
4.	Department of Under Developed Areas	19.52	45.50	65.02	16.42	27.58	44.00	68
5.	Evaluation	11.63	2.64	14.27	11.43	2.64	14.07	99
6.	Fisheries	40.88	8.70	49.58	36.63	7.45	44.08	89
7.	Forest, Ecology, Environment & Wildlife	121.42	95.00	216.42	128.17	37.07	165.24	76
8.	Geology & Mining	39.83	4.00	43.83	39.10	4.00	43.10	98
9.	Horticulture	88.55	22.25	110.80	45.00	12.16	57.16	52
10.	Industries & Commerce	97.45	33.89	131.34	96.81	29.74	126.55	96
11.	Information Technology & Communication	11.40	2.68	14.08	11.15	2.68	13.83	98
12.	Land Records & Survey	29.77	3.41	33.18	26.18	3.41	29.59	89
13.	Land Resources	62.68	0	62.68	45.69	0	45.69	73
14.	New & Renewable Energy	6.12	6.77	12.89	5.95	6.76	12.71	99
15.	Planning & Coordination	155.71	644.98	800.69	41.30	196.79	238.09	30
16.	Power	769.11	81.33	850.44	759.48	53.28	812.76	96
17.	Road Transport	92.40	5.00	97.40	92.37	5.00	97.37	100
18.	Roads & Bridges	409.71	875.56	1285.27	370.42	814.78	1,185.20	92
19.	Rural Development	962.50	26.00	988.50	540.07	16.00	556.07	56
20.	Science & Technology	4.31	1.50	5.81	4.22	1.50	5.72	98
21.	Sericulture	23.52	1.00	24.52	21.58	1.00	22.58	92
22.	Soil & Water Conservation	80.51	3.62	84.13	55.89	3.62	59.51	71
23.	State Institute of Rural Development	8.15	2.00	10.15	8.03	1.00	9.03	89
24.	Tourism	25.09	5.09	30.18	24.59	4.24	28.83	96
25.	Veterinary & Animal Husbandry	122.91	3.16	126.07	101.52	1.87	103.39	82
26.	Water Resources	39.84	55.20	95.04	36.72	12.91	49.63	52
Total		3773.49	1957.44	5,730.93	2931.73	1,266.17	4,197.90	73

Source: Appropriation Accounts, 2022-23

It can be seen from the table above that:

- The Departments incurred expenditure lesser than their respective budgetary allocation for the year.
- Out of 26 Departments in Economic Sector, 13 Departments incurred more than 90 *per cent* of total budget allocation *viz.* Road Transport (100 *per cent*), Civil Supplies (99 *per cent*), Evaluation (99 *per cent*), New & Renewable Energy (99 *per cent*), Geology & Mining (98 *per cent*), Information Technology & Communication (98 *per cent*), Science & Technology (98 *per cent*), Industries & Commerce (96 *per cent*), Power (96 *per cent*), Tourism (96 *per cent*), Cooperation (95 *per cent*), Roads & Bridges (92 *per cent*) and Sericulture (92 *per cent*) Departments during the year 2022-23.
- The Revenue expenditure in the Sector was ₹2,931.73 crore (70 *per cent*) of the total expenditure.
- The Capital expenditure in the Sector was ₹1,266.17 crore (30 *per cent*) of the total expenditure.

Audit was conducted in 174 units of 13 Departments involving an expenditure of ₹7,653.62 crore (including expenditure of previous years audited during the year) during 2022-23 under the Economic Sector.

This chapter contains audit observations in respect of six compliance audit paragraphs.

Compliance Audit Paragraphs

PUBLIC WORKS DEPARTMENT (ROADS & BRIDGES)

3.2 Irregular payment for short-executed works

The Executive Engineer, Public Works Department (Roads & Bridges), Phek Division made an irregular payment of ₹5.86 crore on short-executed works to the contractor based on fictitious entries in the Measurement Books and Running Account Bills.

Paragraph 325 of the Nagaland Public Works Department (NPWD) Code states that Measurement Book (MB) is the basis of all accounts of quantities whether of work done by the daily labour or by piece or by contract, or of materials received. Measurement of works done, or materials received should be recorded in the MBs at the site of work and every payment should be based on actual measurement recorded in MBs. While Paragraph 341 of NPWD Code states that before the bill of the contractor is prepared, entries in the MB relating to the description and quantities of work or supplies should be scrutinised by the Sub-Divisional Officer (SDO), Paragraph 101 of NPWD Code states that the Executive Engineer (EE) is overall responsible for the efficient execution and measurements of all works within his division.

The project “Upgradation of road from Satheri to Chepokita under Phek District, Nagaland (22 km)” was approved (February 2014) by the Ministry of Road Transport and Highways (MoRTH), Government of India (GoI) for ₹21.70 crore under the Central Road Fund (CRF¹). Examination of records (May 2023) of the EE, Public Works Department (Roads & Bridges) Phek Division revealed that GoI released ₹21.70 crore² in 11 instalments (March 2015 to June 2022) to the State. In turn, the Government of Nagaland (GoN) released ₹21.70 crore in 12 instalments (July 2015 to October 2022) to the Department for implementation of the project. The Chief Engineer, PWD (National Highways) Nagaland subsequently invited tender (June 2014) and the work, stipulated to be completed by July 2016, was awarded (August 2014) to M/s. Vertex Construction, Dimapur for ₹20.46 crore which was revised (April 2022) to ₹21.69 crore. Further examination of records revealed that the work which commenced in August 2014 was completed (April 2022) after a delay³ of six years and the contractor was paid ₹21.69 crore in 11 Running Account (RA) bills⁴.

To ascertain the actual execution of the works, a Joint Physical Verification (JPV) was conducted (May 2023) by Audit along with the Departmental officials which revealed that 15 items of works valued at ₹5.86 crore were short executed as shown in **Appendix 3.2.1**.

Audit observed that in all the cases provided in **Appendix 3.2.1**, the SDO recorded in the MBs that the works were executed. This indicates that the SDO had violated Paragraph 341 of the NPWD Code as entries in the MB relating to the description and quantities of work was not scrutinised to ensure the correctness of the bills submitted by the contractor. It was also observed that these fictitious measurements in the MBs were approved by the EE indicating lapse in monitoring on the part of the EE in checking the correctness of the quantities executed before passing the bills for payment. The excess payment of ₹5.86 crore was, therefore, made to the contractor based on presentation of false bills and fictitious measurements in the MBs by the SDO and the EE of the PWD (Roads & Bridges), Phek, Division in violation of the

¹ CRF was launched by GoI in 2007 to provide fund (Cent *per cent* Central funding) for construction and development of State roads including roads of inter-State connectivity and of economic importance.

²

Sl. No.	Date	Amount	Sl. No.	Date	Amount	Sl. No.	Date	Amount
1.	09/03/2015	₹297.50 lakh	5.	15/06/2018	₹360.00 lakh	9.	12/03/2021	₹40.00 lakh
2.	27/06/2016	₹300.54 lakh	6.	08/03/2019	₹50.00 lakh	10.	11/10/2021	₹100.00 lakh
3.	28/03/2017	₹150.00 lakh	7.	25/09/2019	₹50.00 lakh	11.	06/06/2022	₹281.47 lakh
4.	07/02/2018	₹480.00 lakh	8.	06/10/2020	₹60.00 lakh			

³ Major landslide, land disputes, bye election and COVID-19.

⁴

(₹in lakh)								
RA bill	Date	Amount	RA Bill	Date	Amount	RA Bill	Date	Amount
1 st	17/07/2015	₹297.50	5 th	01/08/2019	₹360.00	9 th	08/07/2022	₹40.00
2 nd	08/08/2017	₹233.64	6 th	01/08/2019	₹116.90	10 th	21/07/2022	₹100.00
3 rd	06/09/2017	₹150.00	7 th	13/02/2020	₹50.00	11 th &	14/12/2022	₹281.45
4 th	20/06/2019	₹480.00	8 th	29/11/2021	₹60.00	final		

provisions of the NPWD Code. This shows that incorrect Utilisation Certificates were submitted to MoRTH to secure fund and claim in excess of the actual expenditure.

While accepting the facts, the Department stated (August 2023) that the contractor carried out additional widening of earthwork up to 11 kilometers⁵ outside the scope of work approved in the Detailed Project Report. However, the EE and SDO did not exercise due care over the claims made by the contractor and certified the short-executed works as completed.

Recommendations:

The State Government may-

- (i) ***fix responsibility on the SDO and the EE for false entries and releasing of money without actual execution of works.***
- (ii) ***initiate action against the contractor for claiming false bills without execution of works and take steps to recover the excess amount paid to the contractor.***

WATER RESOURCES DEPARTMENT

3.3 Irregular payment for short-executed works

The Executive Engineer, Water Resources Department, Kohima Division made an irregular payment of ₹0.58 crore on short-executed works to the contractor based on fictitious entries in the Measurement Books and Running Account Bills.

Paragraph 325 of Nagaland Public Works Department (NPWD) Code states that Measurement Book (MB) is the basis of all accounts of quantities whether of work done by the daily labour or by piece or by contract, or of materials received. Measurement of works done, or materials received should be recorded in MBs at the site of work and every payment should be based on actual measurement recorded in MBs. Paragraph 341 of NPWD Code states that before the bill of the contractor is prepared, entries in the MB relating to the description and quantities of work or supplies should be scrutinised by the Sub-Divisional Officer (SDO). Paragraph 101 of NPWD Code states that the Executive Engineer (EE) is responsible for the efficient execution and measurements of all works within his Division. Paragraph 155 of NPWD Code states that the EE is the responsible disbursement officer of a Public Works Division.

The project “**Integrated Nzu Valley Irrigation Project at Phenshonyu Village, Kohima district, Nagaland**” was approved (June 2017) by the North Eastern Council (NEC) at an estimated cost of ₹4.01 crore on 90:10 sharing pattern between Central (₹3.61 crore) and State (₹0.40 crore) Governments. The scope of works of the Minor irrigation project included construction of headwork, cross drainages, earthen and lined canals. Examination of records (November 2022) of the EE, Water Resources

⁵ Chepokita to Kivikhu village.

Department⁶ (WRD), Kohima Division revealed that NEC released ₹3.61 crore⁷ in four instalments (June 2017 to May 2021) to the State. In turn, the Government of Nagaland (GoN) released (March 2018 to December 2021) ₹4.01 crore (NEC share ₹3.61 crore and GoN share ₹0.40 crore) to the Department for implementation of the project. The Chief Engineer, WRD, Nagaland, Kohima invited tender (October 2017) and the work stipulated to be completed by November 2019, was awarded (November 2017) to M/s Benjamin J Lorin Construction & Co, Kohima for ₹3.86 crore. Further examination of records revealed that the work which commenced in November 2017 was completed in December 2021 and the contractor was paid ₹3.84 crore in seven Running Account (RA) bills⁸ as per measurement recorded in the MB.

To ascertain the actual execution of the works, a Joint Physical Verification (JPV) was conducted (November 2022) by Audit along with the Departmental officials which revealed that four items of works valued at ₹0.58 crore were short-executed as shown in **Table-3.3.1**.

Table 3.3.1: Details of short executed works

(Amount in ₹)

Sl. No.	Items of works	Unit	As per approved Detailed Project Report/ MB	As per JPV	Difference	Rate/unit	Excess payment
	<i>i</i>	<i>ii</i>	<i>iii</i>	<i>iv</i>	<i>v</i> (<i>iii-iv</i>)	<i>vi</i>	<i>vii</i> (<i>v x vi</i>)
1.	Construction of cross drainage (RCC pipe NP3 of 600 mm dia, double barrel) span= 10.00 m	No.	1	0	1	5,02,145.00	5,02,145.00
2.	Construction of earthen canal both bank (Right Bank-500 m and Left Bank-1200 m)	Metre (m)	1700	1200 (Left Bank)	500	1,897.74	9,48,870.29
3.	Construction of lined canal on the left bank (main canal)		250	27	223	11,975.30	26,70,491.90
4.	Construction of lined canal on the right bank (main canal)		257	132	125	13,312.59	16,64,073.44
Total							57,85,580.63

Source: Departmental records and JPV report

⁶ The erstwhile Irrigation & Flood Control Department was renamed as Water Resources Department in July 2018.

⁷ 1st instalment ₹0.36 crore dated 23/06/2017, 2nd instalment ₹1.00 crore dated 14/03/2019, 3rd instalment ₹1.53 crore dated 20/12/2019 and 4th instalment ₹0.72 crore dated 12/05/2021.

⁸ 1st RA Bill for ₹0.40 crore dated 14/03/2018, 2nd RA Bill for ₹0.98 crore dated 23/09/2019, 3rd RA Bill for ₹0.11 crore dated 05/11/2019, 4th RA Bill for ₹1.53 crore dated 15/09/2020, 5th RA Bill for ₹0.17 crore dated 18/12/2020, 6th RA bill for ₹0.08 crore dated 19/03/2021 and final RA bill for ₹0.57 dated 15/12/2021.

Audit observed that in all the above cases, the SDO recorded in the MBs that the works were executed. This indicates that the SDO had violated Paragraph 341 of the NPWD Code as entries in the MB relating to the description and quantities of work were not scrutinised to ensure the correctness of the bills submitted by the contractor. It was also observed that these fictitious measurements in the MBs were approved by the EE indicating lapse in monitoring on the part of the EE regarding checking the correctness of the quantities executed before passing the bills for payment. Excess payment of ₹0.58 crore was, therefore, made to the contractor based on presentation of false bills and fictitious measurements in the MBs, which was highly irregular.

The photographic evidences for non-execution of works as shown below:



Thus, violation of the provisions of NPWD Code by the SDO and EE of the WRD, Kohima Division resulted in certification of fictitious measurements in the MBs leading to irregular payment of ₹0.58 crore.

While accepting the facts, the Department stated (August 2023) that the contractor was directed (August 2023) to complete the short-executed works within 60 days. However, the works were certified as completed by the SDO and countersigned by the EE.

Recommendations:

The State Government may-

- (i) *fix responsibility on the erring officers for false entries and releasing of money without actual execution of works.*
- (ii) *initiate action against the contractor for submitting bills without execution of works and take steps to recover the excess amount paid to the contractor.*

3.4 Inadmissible expenditure

Water Resources Department, Government of Nagaland utilised an amount of ₹2.48 crore towards procurement of vehicles in violation of Pradhan Mantri Krishi Sinchai Yojana Operational Guidelines.

Pradhan Mantri Krishi Sinchai Yojana (PMKSY) was launched (2015-16) by the Central Government with an aim to enhance physical access of water on farm and expand cultivable area under assured irrigation, improve on-farm water use efficiency and introduce sustainable water conservation practices. Paragraph 17 of PMKSY Operational Guidelines states that Administrative Expenses may be met on *pro-rata* basis from the programme, not exceeding five *per cent* at each level to strengthen coordination, scientific planning and technical support for effective implementation of PMKSY at the field level. Administrative expenditure for functioning of Coordinating agency/institutions responsible for implementing PMKSY, payments to consultants, outsourcing of specific activities, recurring expenses of various kinds and staff costs are admissible. However, no permanent employment can be created, nor can vehicles be purchased. As per Government of Nagaland (GoN) notification⁹ (July 2004), decision of the High Power Committee (HPC) is required for purchase of vehicles under Centrally Sponsored Schemes.

Examination of records (October 2022) of the Chief Engineer, Water Resources Department (WRD), Nagaland, Kohima revealed that the Ministry of Water Resources, Government of India (GoI) sanctioned (February 2014, July 2018 and October 2019) an amount of ₹231.17 crore¹⁰ on 90:10 sharing pattern between Central (₹208.06 crore) and State (₹23.11 crore) Governments for implementation of the Scheme component - 'Har Khet Ko Pani' (HKKP) in the State. GoI thereafter released (December 2014 to February 2020) its share of ₹190.92 crore to the State. In turn, GoN released (August 2015 to March 2021) ₹212.13 crore (GoI share ₹190.92 crore¹¹ and GoN share ₹21.21 crore¹²) to WRD.

⁹ Letter No. BUD/1-1/2004-05(PT)-(1) dated 31 July 2004.

¹⁰ ₹109.60 crore for Cluster of Minor Irrigation (159 Numbers) sanctioned on 03 February 2014.
₹103.42 crore for Cluster of Minor Irrigation (270 Numbers) sanctioned on 27 July 2018.
₹18.15 crore for Ground Water Irrigation (262 tube wells) sanctioned on 17 October 2019.

¹¹ ₹98.64 crore for Cluster of Minor Irrigation (159 Numbers), ₹82.53 crore for Cluster of Minor Irrigation (270 Numbers) and ₹9.75 crore for Ground Water Irrigation (262 tube wells).

¹² ₹10.96 crore for Cluster of Minor Irrigation (159 Numbers), ₹9.17 crore for Cluster of Minor Irrigation (270 Numbers) and ₹1.08 crore for Ground Water Irrigation (262 tube wells).

Audit observed that out of the total expenditure of ₹212.13 crore, the Department utilised ₹6.35 crore¹³ (2.99 per cent) towards administrative expenses which is within the limit of five per cent prescribed by the Operational Guidelines of the Scheme. Audit, however, observed that out of the administrative expenses of ₹6.35 crore, an amount of ₹2.48 crore was expended on procurement of 20 vehicles which is in contravention to the Operational Guidelines of the Scheme and GoN notification. Details of the 20 vehicles purchased are shown in **Appendix 3.4.1**. The irregular diversion of funds towards procurement of vehicles deprived funds totalling ₹2.48 crore for execution of activities as envisaged in the Scheme guidelines.

Thus, utilisation of ₹2.48 crore towards procurement of vehicles was done in clear violation of PMKSY Operational Guidelines which categorically forbids purchase of vehicle out of the Scheme fund and also without clearance from HPC.

While accepting the facts, the Department stated (August 2023) that though there is restriction on purchases of vehicles under PMKSY Operational Guidelines, 20 vehicles were procured due to shortage of vehicles in the Department.

However the purchase of vehicles violated Paragraph 17 of PMKSY Operational Guidelines and the State Government notification.

Recommendations:

The State Government may-

- (i) ensure that the Scheme fund is expended as per the Operational Guidelines.***
- (ii) fix responsibility on the officials concerned for procurement of vehicles in violation of the Scheme guidelines.***

TOURISM DEPARTMENT

3.5 Payment for short/un-executed works

The Sub-Divisional Officer, Directorate of Tourism, Nagaland, Kohima recorded fictitious execution of works in the measurement books resulting in suspected fraudulent payment of ₹1.36 crore to the contractors

Paragraph 325 of Nagaland Public Works Department (NPWD) Code states that Measurement Book (MB) is the basis of all accounts of quantities whether of work done by the daily labour or by piece or by contract, or of materials received. Measurement of works done or materials received should be recorded in MBs at the site of work and every payment should be based on actual measurement recorded in MBs. While Paragraph 341 of NPWD Code states that before the bill of the contractor

¹³ IT consumables (₹31.25 lakh), TA/DA (₹57.16 lakh), POL (₹1.63 lakh), Special Repair of Vehicles (₹13.49 lakh), Purchase of vehicles (₹248.44 lakh), Consultancy services (₹253.43 lakh) and Other Miscellaneous expenses (₹11.70 lakh).

is prepared, entries in the MB relating to the description and quantities of work or supplies should be scrutinised by the Sub-Divisional Officer (SDO) and Paragraph 101 of NPWD Code states that the Executive Engineer (EE) is overall responsible for the efficient execution and measurements of all works within his division.

As per the Delegation of Financial and Cognate Power Rules, 1964, the powers to accord technical sanction to original works and special repairs and to accept tenders under Public Works Department are:

- Chief Engineer: Full power;
- Superintending Engineer: up to ₹20.00 lakh; and
- Executive Engineer: up to ₹5.00 lakh.

Further, as per the Office Memorandum issued (October 2011) by the Works and Housing Department, Government of Nagaland (GoN), all Technical Estimates/ Detailed Project Reports which are beyond the power of the Engineer-in-Charge of the Department having separate Engineering Wing of their own, shall be submitted to the Office of the Chief Engineer (Housing) for technical approval.

The project “**Development of Tribal Circuit Peren-Kohima-Wokha, Nagaland**” under Swadesh Darshan Scheme¹⁴ was approved (November 2015) by the Ministry of Tourism (MoT), Government of India (GoI) for ₹97.36 crore. GoI thereafter released ₹92.49 crore in four instalments¹⁵ to Tourism Department, GoN, for implementation of 104 components of the project relating to development of Tourism Infrastructure and Services. The Department invited tenders in April 2016 and awarded the works in June 2016 to 20 contractors for ₹90.45 crore, to be completed within 18 months. The execution of the works was to be overseen by the EE, Directorate of Tourism, Nagaland, Kohima.

Examination of records (January 2022) of the Directorate of Tourism, Nagaland, Kohima showed that all the 104 components of the project were completed (December 2021) and the contractors were paid ₹80.97 crore¹⁶. The district-wise number of project components, sanctioned cost and expenditure incurred is shown in **Table 3.5.1** below:

Table 3.5.1: District-wise status of the project (as of December 2021)

(₹ in crore)

Sl. No	Name of District	No. of project components	Sanctioned cost	No. of contractors	Value of Work orders	Expenditure
1.	Peren	43	39.89	6	39.23	30.76
2.	Kohima	21	17.29	5	15.67	15.30
3.	Wokha	40	35.55	9	35.55	30.28
Sub-total		104	92.73	20	90.45	76.34

¹⁴ Cent per cent Central Financial Assistance.

¹⁵ 1st instalment (₹19.47 crore on 16 November 2015), 2nd instalment (₹20.62 crore and ₹8.59 crore on 12 September 2016), 3rd instalment (₹23.37 crore on 14 September 2017 and ₹5.84 crore on 28 September 2018) and 4th instalment (₹9.73 crore on 29 September 2020 and ₹4.87 crore on 16 December 2021).

¹⁶ including Contingencies charges ₹2.78 crore and Architecture fees ₹1.85 crore.

Sl. No	Name of District	No. of project components	Sanctioned cost	No. of contractors	Value of Work orders	Expenditure
4.	Contingencies charges 3 per cent of sanctioned cost					2.78
5.	Architecture fees 2 per cent of sanctioned cost					1.85
Grand Total (1 to 5)						80.97

Source: Departmental records

Audit observed that in violation of the Delegation of Financial and Cognate Power Rules, 1964 and the Office Memorandum (October 2011) issued by the Works and Housing Department, GoN, tenders were approved at the Government level without technical sanction of the Chief Engineer (Housing). Further, Joint Physical Verification (JPV) conducted (January 2022) by Audit along with the Departmental officials in Peren district revealed that three works viz., (1) Plantation of biological fencing around campus and road side; (2) Solid Waste Management system and (3) Campus illumination with solar energy at a total estimated cost of ₹1.21 crore were not executed. JPV further revealed that 35 out of 60 Directional Signages valued at ₹15.34 lakh were not installed. Details of short-executed and unexecuted works as per the test checked cases (23 out of 43 components) are shown in **Table 3.5.2** below:

Table 3.5.2: Details of short/unexecuted works in Peren district

(₹ in lakh)

Sl. No.	Name of component	Name of contractor	Date of issue of work order	Work order amount	Date of completion	Value of work done	Amount paid	Amount paid for unexecuted works
1.	Plantation of biological fencing around campus and road side	M/s Hi-Tech Construction & Co, Dimapur	15/06/2016	30.50	01/08/2019	30.50	30.50	30.50
2.	Solid Waste Management system			75.06	15/05/2020	75.06	75.06	75.06
3.	Directional signage	M/s Innovative Construction, Kohima		26.31	31/12/2021	23.93	23.93	15.34
4.	Campus illumination with solar energy			15.13	20/01/2020	15.08	15.08	15.08
Total				147.00	-	144.57	144.57	135.98

Source: Departmental records and JPV. The amount paid to contractors were inclusive of Security Deposit

Audit further observed that in all the above cases, the SDO recorded in the MBs that the works were executed. This indicates that the SDO had violated Paragraph 341 of the NPWD Code as entries in the MB relating to the description and quantities of work were not scrutinised to ensure the correctness of the bills submitted by the contractors. It was also observed that these fictitious measurements in the MBs were approved by the EE indicating lapse in monitoring on the part of the EE regarding checking the correctness of the quantities executed before passing the bills for payment. The excess payment of ₹1.36 crore was, therefore, made to the contractors based on presentation of false bills and MBs, which was highly irregular.

Thus, violation of the provisions of NPWD Code by the SDO and EE of the Directorate of Tourism Nagaland, Kohima resulted in certification of fictitious measurements in the MBs leading to suspected fraudulent payment of ₹1.36 crore.

In reply, the Department stated (January 2024) that these four components were not completed during conduct of audit in January 2022. The fund for the component “Plantation of biological fencing around campus and road side” was utilised for “Construction of joint footpath and retaining wall”. The contractors were directed to complete the remaining three components/works at the earliest.

The reply of the Department is not acceptable as the project was reported as completed in December 2021. Further, “Construction of joint footpath and retaining wall” instead of “Plantation of biological fencing around campus and road side” as claimed by the Department was not reported or shown to Audit during JPV and no photographic evidence was furnished in the reply. Hence, excess payment of ₹1.36 crore was made to the contractors based on presentation of false bills and MBs.

Recommendations:

The State Government may-

- (i) *ensure that technical sanction is as per the Delegation of Financial and Cognate Power Rules, 1964 (amendment w.e.f. July 2006).*
- (ii) *fix responsibility on the erring officers for false entries and releasing of money without actual execution of works.*
- (iii) *take steps to fix responsibility on the contractors for fraudulent claims and to recover the excess amount paid to the contractors.*
- (iv) *look into similar issues in other components/districts to see whether such fraudulent claims had taken place.*
- (v) *refer the case to the State Lokayukta for further investigation and suitable action against criminal misconduct by a public servant.*

3.6 Non-renewal of MoUs and non-realisation of rental charges on Government assets

Inability of the Department to enforce provisions of MoU with local authorities/private entrepreneurs resulted in non-recovery of rent on Government assets amounting to ₹27.53 lakh.

Rule 11 (1) of the General Financial Rules (GFR), 2017 states that detailed rules and procedure regarding assessment, collection, allocation, remission and abandonment of revenue and other receipts shall be laid down in the regulations of the Department responsible for the same. Further, Rule 12 of the GFR, 2017 states that amounts due to Government shall not be left outstanding without sufficient reasons. Where such amounts appear to be irrecoverable, the orders of the competent authority shall be obtained for their adjustment.

As per Section 5 of the Nagaland Communitisation of Public Institution and Services Act, 2002, the Department of Tourism (DoT) Nagaland, Kohima can execute Memorandum of Understanding (MoU) with local authorities/communities and private entrepreneurs for leasing out of Government assets like tourist lodge, tourist resort, tourist rest house, wayside amenities, cafeteria and budget accommodation on rental charge for running these tourist facilities. The lessee shall in turn deposit the monthly rent by Treasury challans into Government account. The laid down terms and conditions of the MoU provide that if the lessee fails to pay monthly rent for a period of three months consecutively, the Government will automatically recover the rent amount from the security deposit and there would be no further requirement to give three months' notice for termination of the lease license, as the licensee had breached the conditions of the license. The license shall then stand terminated on the date of expiry of the agreement, unless extended.

Scrutiny of records (June 2023 and August 2023) of the Director, DoT, Nagaland, Kohima revealed that DoT signed MoUs with 30 local authorities/communities and private entrepreneurs for lease of 30 Government assets created by the Department. Scrutiny of records also revealed that out of the total 30 MoUs signed, 15 MoUs had expired with period of expiry ranging from one month to 16 years, but the lessees had been continuing their business in the same premises without renewal of MoUs as shown in **Appendix 3.6.1**. However, the Department did not take steps to renew the MoUs. It was further revealed that in violation of the MoUs which stipulated that monthly rent is to be deposited into Government Account every subsequent month, 23 lessees had not paid the monthly rent¹⁷ for periods ranging from one month to 160 months totalling ₹27.53 lakh as shown in **Appendix 3.6.2**. Audit observed that the reason for the accumulation of unpaid rent was because apart from serving reminders to the lessees to clear the outstanding rent, the Department took no action against the defaulters to recover rents from the Security Deposit as stipulated in the terms and conditions of the MoUs or to terminate the lease. As a result, the defaulting lessees continued to run the tourist facilities without paying the rent.

While accepting the audit findings, the DoT stated (September 2023) that it has done away with the old practice of signing MoU with every new permit extension and that MoU once signed will stand valid as long as the lessee desires to continue managing the leased asset by extending the permit. It also stated that steps will be taken to recover the outstanding rent. However, the permits of the 15 expired MoUs were yet to be extended and the outstanding rent of ₹27.53 lakh is yet to be recovered.

Thus, inability of the DoT to strictly enforce the MoU and provisions of General Financial Rules resulted in non-realisation of rental charges of ₹27.53 lakh.

¹⁷ As per MoUs, there are no criteria for fixing the rental charges on the leased Government assets. The rates are based on demand and location of the assets.

Recommendations:

The Department may-

- (i) *consider taking action to recover the outstanding rent from the defaulting lessees.*
- (ii) *ensure that in future, it complies with the terms and conditions of the MoU and terminates the license of lessees who fail to pay agreed amount of rent.*

RURAL DEVELOPMENT DEPARTMENT

3.7 Suspected fraudulent payment on non and short-executed inadmissible works

The Rural Development Department, Government of Nagaland sanctioned inadmissible expenditure of ₹one crore to Rural Development Block, Chare, Tuensang, of which ₹0.84 crore was mis-utilised.

Paragraph 325 of Nagaland Public Works Department (NPWD) Code states that Measurement Book (MB) is the basis of all accounts of quantities whether of work done by the daily labour or by piece or by contract, or of materials received. Measurement of works done, or materials received should be recorded in the MBs at the site of work and every payment should be based on actual measurement recorded in the MBs. Further, as per the Delegation of Financial and Cognate Power Rules, 1964, (Amendment 2006), Government of Nagaland (GoN), the powers to accord technical sanction to original works and special repairs and to accept tenders under Public Works Department are:

- Chief Engineer (CE): Full power;
- Superintending Engineer: up to ₹20.00 lakh; and
- Executive Engineer: up to ₹5.00 lakh.

The Rural Local Body (RLB) grant is recommended by the Fifteenth Finance Commission (XV FC) to supplement the resources of Local Bodies. As per the Operational Guidelines for implementation of the RLB grant, 50 *per cent* of the recommended grant is Basic Grant (Untied) to be used by Local Bodies for location specific felt needs. The remaining 50 *per cent* is Tied Grant which can be used for basic services of (a) sanitation and maintenance of open-defecation (ODF) status and (b) supply of drinking water, rainwater harvesting and water recycling. The local bodies shall, as far as possible earmark one half of these Tied Grants each to these two critical services. However, if any local body has fully saturated the needs of one category, it can utilise the funds for the other category.

Examination of records (May 2023) of the Director, Rural Development (RD) Department, Nagaland, revealed that during 2020-21 and 2021-22, the Ministry of Finance (MoF), Government of India (GoI) released RLB grant of ₹125.00 crore in

two instalments¹⁸ (June 2020 to September 2021) @ ₹62.50 lakh for each Grant to GoN. In turn, the GoN released (October 2020 to September 2021) the total RLB grant of ₹125.00 crore¹⁹ to the RD Department for implementation of the scheme. The Director, RD sanctioned (October 2021) ₹1.25 crore under Tied Grant to RD Block, Chare, Tuensang of which ₹one crore was allocated for construction of two fishery ponds @ ₹50 lakh per fishery pond and ₹0.25 crore for purchase of sintex²⁰ for distribution to each household of Tsaru Village. As per the sanction order, the works were to be executed by the RLB of Chare Block with the direction to observe all codal formalities. The sanction order also specified that the works were to be executed by Shri Panger Sangtam and party and work order issued (October 2021) accordingly. The works were recorded as completed (November 2021) and ₹1.25 crore was paid to the party.

Audit observed that construction of fishery pond was outside the purview of works to be taken under Tied Grant of RLB and therefore violative of Paragraph 7 of the Operational Guidelines for implementation of RLB grants. Audit further observed that in violation of the Delegation of Financial and Cognate Power Rules, 1964 (Amendment 2006), GoN, the detailed estimate prepared by the Junior Engineer (JE), RD Block Chare was not technically sanctioned by the CE.

To ascertain the actual execution of the works, a Joint Physical Verification (JPV) was conducted (May 2023) by Audit along with the Departmental officials. JPV revealed that out of two fishery ponds, only one was constructed. JPV further revealed that the constructed fishery pond was also short-executed by ₹34.27 lakh. Details of the non/short-executed fishery ponds are shown in **Table-3.7.1** below:

Table 3.7.1: Details of non/short-executed works on construction of two fishery ponds at Tsaru village

(Amount in ₹)

Sl. No	Items of works	Unit	As per DPR/MB	As per JPV	Rate/unit	Amount as per DPR/MB	Amount as per JPV	Excess payment
	<i>i</i>	<i>ii</i>	<i>iii</i>	<i>iv</i>	<i>v</i>	<i>vi</i>	<i>vii</i>	<i>viii(vi-vii)</i>
1.	Excavation	cum	4,725.00	720.00	700.00	33,07,500.00	5,04,000.00	28,03,500.00
2.	Foundation	cum	20.85	6.00	12,664.40	2,64,052.74	75,986.40	1,88,066.34
3.	Stone Masonry works	cum	88.92	43.20	9,531.40	8,47,532.09	4,11,756.48	4,35,775.61
Total (a) Short execution of one fishery pond								34,27,341.95
Total (b) Non-execution of another fishery pond								50,00,132.74
Total excess payment (a+b)								84,27,474.69

Source: Detailed estimate and JPV

¹⁸ Basic Grant: 1st instalment ₹31.25 crore (17/06/2020) and 2nd instalment ₹31.25 crore (01/09/2021). Tied Grant: 1st instalment ₹31.25 crore (15/07/2020) and 2nd instalment ₹31.25 crore (01/09/2021).

¹⁹ 1st instalment of Basic Grant ₹31.25 crore on 27/10/2020 and Tied Grant ₹31.25 crore on 03/11/2020 and 2nd instalment of Basic Grant ₹31.25 crore on 23/09/2021 and Tied Grant ₹31.25 crore on 23/09/2021.

²⁰ Originally sanctioned for construction of rain water harvesting, however, the Tsaru Village Council resolved to purchase sintex instead and accordingly work order was issued.

Audit further observed that in all the above cases, the JE, RD Block Chare fictitiously recorded in the MBs that the works were executed. The JE had, thus, violated Paragraph 325 of the NPWD Code as entries in the MBs relating to the quantities of work were not properly scrutinised to ensure the correctness of the actual measurement of the work done. It was also observed that these fictitious measurements in the MBs were approved by the BDO, Chare indicating lapse in monitoring on the part of the BDO before passing the bills for payment. The excess payment of ₹0.84 crore was therefore made based on presentation of fictitious measurements in MBs, which was highly irregular.

Thus, besides violation of XV FC Operational Guidelines by taking up inadmissible category of work for ₹one crore towards construction of fishery pond at Tsaru Village, there was violation of the provisions of NPWD Code on the part of JE and BDO, RD Block Chare resulting in certification of fictitious measurements in the MBs leading to suspected fraudulent payment of ₹0.84 crore.

In reply, the Department stated (September 2023) that sanction of fishery pond was due to ignorance of the XV FC guidelines. The Department further stated that besides the approved sanctioned works, it also constructed three community fishery ponds, three numbers of roads, one community Eco carp hatchery, repaired one drainage and carried out sanitation campaign and mass social works in the Block.

The reply of the Department is not acceptable as the executed works were inadmissible under the Operational Guidelines for implementation of the RLB grant. Moreover, the audit findings were based on the measurement done during JPV with the Departmental officials and MB/completion certificate submitted to Audit wherein the full payment on short-executed works for ₹0.84 crore was made to the contractor.

Recommendations:

The State Government may-

- (i) ensure that the Tied Grants be utilised for the purposes stipulated in the Operational Guidelines.***
- (ii) fix responsibility on the BDO and JE for fictitious entries and for payment without actual execution of works.***
- (iii) initiate action against the contractor for claiming bills without execution of works and take steps to recover the excess amount paid to the contractor.***

CHAPTER-IV
GENERAL SECTOR

CHAPTER - IV

GENERAL SECTOR

4.1 Introduction

This chapter of the Audit Report for the year ended 31 March 2023 deals with the audit observations relating to the State Government Departments under General Sector.

During 2022-23, total budget allocation of the State Government in the Departments under General Sector was ₹3,572.44 crore against which actual expenditure incurred was ₹3,355.68 crore (94 per cent). The Department-wise details of Budget Allocations and Expenditure incurred are shown in **Table 4.1.1**.

Table 4.1.1: Details of Department-wise Budget Allocation and Expenditure

(₹ in crore)

Sl. No.	Name of the Departments	Budget Allocation			Expenditure			Percentage of expenditure
		Revenue	Capital	Total	Revenue	Capital	Total	
1.	Administrative Training Institute	6.82	0.75	7.57	5.20	0.75	5.95	79
2.	Civil Administrative Works	10.14	37.73	47.87	9.87	37.73	47.60	99
3.	Civil Secretariat	359.60	92.30	451.90	240.63	66.42	307.05	68
4.	Council of Ministers	13.73	0.00	13.73	13.70	0.00	13.70	100
5.	District Administration	200.30	0.00	200.30	183.82	0.00	183.82	92
6.	Election	61.06	3.64	64.70	60.73	3.64	64.37	99
7.	Fire & Emergency Services	44.58	11.85	56.43	41.97	7.85	49.82	88
8.	Head of State	9.26	0.00	9.26	8.95	0.00	8.95	97
9.	Home Guards	39.14	2.00	41.14	37.84	2.00	39.84	97
10.	Law & Justice	47.33	41.41	88.74	45.75	26.41	72.16	81
11.	Legal Metrology & Consumer Protection	11.83	1.00	12.83	11.14	2.00	13.14	102
12.	Lokayukta	11.34	0.00	11.34	10.92	0.00	10.92	96
13.	Mechanical Engineering	55.13	4.00	59.13	55.07	4.00	59.07	100
14.	Parliamentary Affairs	2.04	0.00	2.04	2.04	0.00	2.04	100
15.	Police	1,805.66	0.00	1,805.66	1,764.99	0.00	1,764.99	98
16.	Police Engineering Project	24.33	62.83	87.16	23.45	123.75	147.20	169
17.	Printing & Stationery	32.33	1.00	33.33	29.72	1.00	30.72	92
18.	Prison	73.27	5.00	78.27	71.24	5.00	76.24	97

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Sl. No.	Name of the Departments	Budget Allocation			Expenditure			Percentage of expenditure
		Revenue	Capital	Total	Revenue	Capital	Total	
19.	Public Service Commission	9.26	0.00	9.26	9.13	0.00	9.13	99
20.	Public Works (Housing)	164.63	41.52	206.15	154.99	38.30	193.29	94
21.	Rajya Sainik Board	4.19	0.00	4.19	3.78	0.00	3.78	90
22.	Relief & Rehabilitation	4.11	0.00	4.11	3.88	0.00	3.88	94
23.	State Guest Houses	26.01	2.31	28.32	25.14	2.31	27.45	97
24.	State Information Commission	2.75	0.00	2.75	2.56	0.00	2.56	93
25.	State Legislature	63.27	8.39	71.66	61.89	8.39	70.28	98
26.	Statistics	50.27	2.85	53.12	49.93	2.85	52.78	99
27.	Treasuries & Accounts	65.74	2.12	67.86	40.00	2.12	42.12	62
28.	Village Guards	52.12	1.50	53.62	51.33	1.50	52.83	99
Total		3,250.24	322.20	3,572.44	3,019.66	336.02	3,355.68	94

Source: Appropriation Accounts, 2022-23

It can be seen from the table above that:

- The Legal Metrology & Consumer Protection Department had utilised ₹0.31 crore over the budgeted allocation. Similarly, the Police Engineering Project Department had utilised ₹60.04 crore over the budgeted allocation during 2022-23.
- Out of 28 Departments in General Sector, 23 Departments incurred more than 90 per cent of total budget allocation viz. Police Engineering Project (169 per cent), Legal Metrology & Consumer Protection (102 per cent), Council of Ministers (100 per cent), Mechanical Engineering (100 per cent), Parliamentary Affairs (100 per cent), Civil Administrative Works (99 per cent), Election (99 per cent), Public Service Commission (99 per cent), Statistics (99 per cent), Village Guards (99 per cent), Police (98 per cent), State Legislature (98 per cent), Head of State (97 per cent), Home Guards (97 per cent), Prison (97 per cent), State Guest Houses (97 per cent), Lokayukta (96 per cent), Public Works (Housing) (94 per cent), Relief & Rehabilitation (94 per cent), State Information Commission (93 per cent), Printing & Stationery (92 per cent), District Administration (92 per cent) and Rajya Sainik Board (90 per cent) Departments.
- The Revenue expenditure in the sector was ₹3,019.66 crore (90 per cent of the total expenditure).
- The Capital expenditure in the sector was ₹336.02 crore (10 per cent of the total expenditure).

Audit was conducted in 58 units of nine Departments involving an expenditure of ₹5,792.65 crore (including expenditure of previous years audited during the year) during 2022-23 under the General Sector.

This chapter contains the audit observations in respect of Performance Audit on “Modernisation of Police Forces” and two compliance audit paragraphs.

Performance Audit

HOME (POLICE) DEPARTMENT

4.2 Modernisation of Police Force

As per the VII Schedule to the Constitution of India, Public Order and Police fall under the category of subjects in the domain of the States. Thus, the principal responsibility for managing these subjects lies with the State Governments. An efficient police force is essential for maintenance of law and order and to ensure effective check and control on crimes, protect life and dignity of the citizens, property, internal security, prevent and control terrorist activities, register and investigate all cognizable offences. The duties of the Police also involve controlling and regulating traffic on roads, highways and trains. However, as the State Governments were not able to fully modernise and equip their police forces up to the desired level due to financial constraints, the Ministry of Home Affairs (MHA), Government of India (GoI) has, from time to time since 1969-70, been supplementing the efforts and resources of the States, by implementing the Scheme for Modernisation of State Police Forces (MPF). With a view to examining the effectiveness and efficiency of the Police Force after implementation of the Modernisation scheme, a Performance Audit was taken up for the period covering 2017-18 to 2022-23.

Highlights

The Annual State Action Plans were prepared without baseline assessment of the ground situation or a review of the State Strategic Plan.

(Paragraph 4.2.8.1)

During 2017-18 to 2022-23, GoI released ₹65.58 crore (69 per cent) against the allocation of ₹94.36 crore, while GoN released ₹2.38 crore (26 per cent) against its due share of ₹9.20 crore resulting in combined short release of ₹35.60 crore (GoI Share: ₹28.78 crore and GoN share: ₹6.82 crore).

(Paragraph 4.2.9.2)

The Department drew 20 Abstract Contingent (AC) bills amounting to ₹71.12 crore under MPF Scheme, of which, seven AC bills amounting to ₹25.50 crore remained unadjusted.

(Paragraph 4.2.9.5)

The Department procured training and equipment worth ₹9.65 crore that were not originally projected in the SAP as required by various field units. Out of these, eight

items of training equipment and three security equipment amounting to ₹0.37 crore and ₹1.31 crore respectively were procured in excess of the actual requirement.

(Paragraph 4.2.10.2)

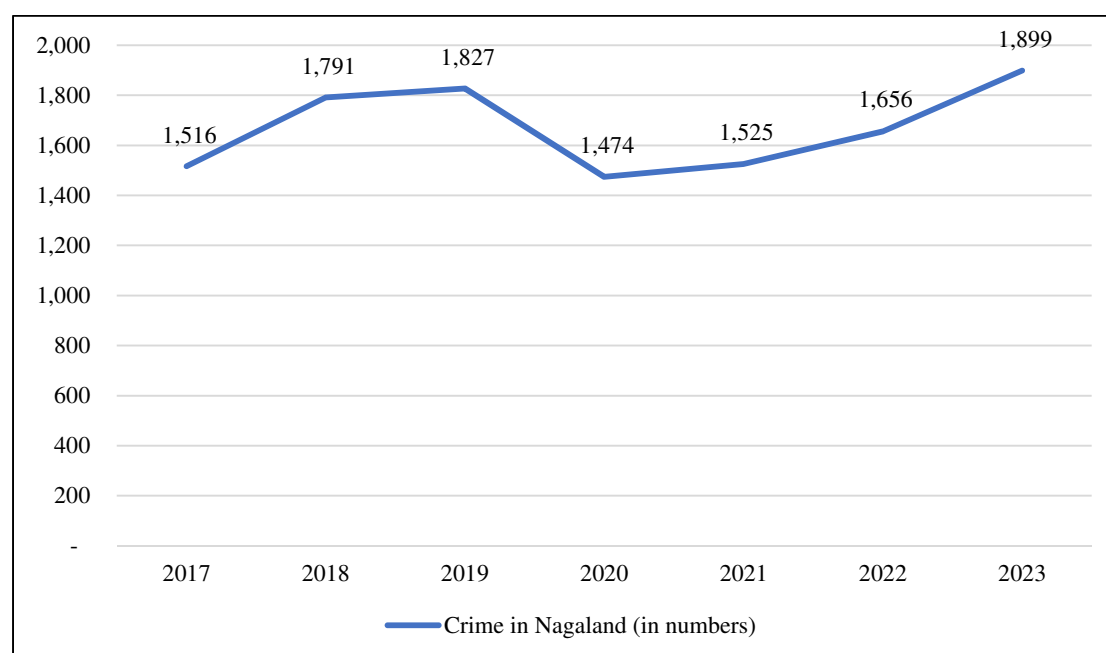
The Resource Management System and Beat Patrolling system installed in all sampled districts with an expenditure of ₹7.12 crore remained unutilised rendering the expenditure unfruitful.

(Paragraphs 4.2.10.8 (II) and 4.2.11)

4.2.1 Introduction

The Government of India (GoI) approved (September 2017) the continuation of the scheme for Modernisation of Police Forces with the new name ‘Assistance to States for Modernisation of Police’ under the umbrella scheme of Modernisation of Police Forces (MPF) for a period of three years from 2017-18 to 2019-20. This scheme was further extended (August 2022) to 2025-26. The objective of the scheme was to gradually reduce the dependence of the State Governments on the Army and the Central Armed Police Forces to control internal security and law & order situations by equipping the State Police Forces adequately through development of infrastructure. The focus of the scheme is to strengthen Police infrastructure at cutting edge level by equipping the Police Stations with the required mobility, modern weaponry, communication equipment and forensic set-up in all the States and construction of Police infrastructure including housing in specific areas. From 2017 to 2023, the reported incidents of various crimes under both the Indian Penal Code and Special and Local Laws in Nagaland increased from 1,516 to 1,899 cases as shown in **Chart 4.2.1** below:

Chart 4.2.1: Crime Statistics of Nagaland under IPC and under Special & Local Law



Source: Departmental records

4.2.2 Organisational Structure

The Administrative Head of the Nagaland Police is the Home Commissioner who is assisted by the Special Secretary (Home). The Police Department is headed by an officer of the rank of Director General of Police. The organogram of the Department is shown in **Chart 4.2.2 (a) and (b)**.

Chart 4.2.2 (a): Organogram of Police Department at the Government level:

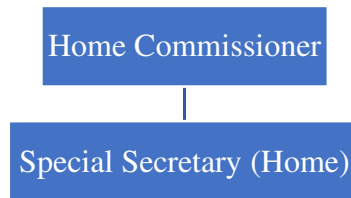
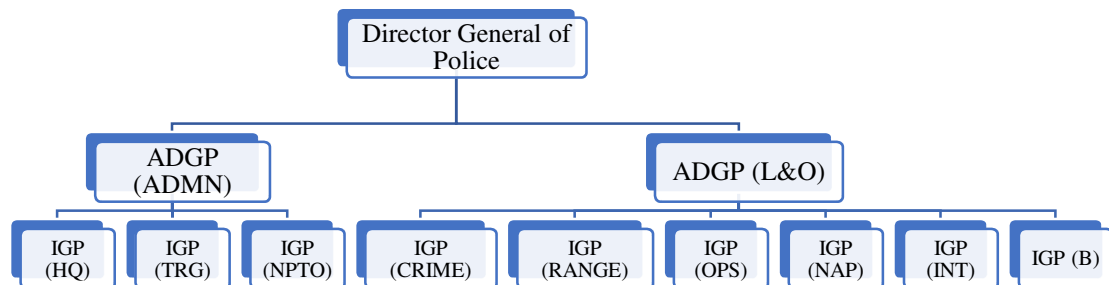


Chart 4.2.2 (b): Organogram of the Department



Source: Departmental records

At the operational level, there is one Commissioner of Police (Dimapur) assisted by three Deputy Commissioners of Police for three districts¹ and 13 Superintendents of Police (SP) for the remaining 13 districts². Further, there are eight NAP Battalions and seven IR Battalions. There are 87 police stations across the State. The detailed organisation chart of the Department is shown in **Appendix 4.2.1**.

4.2.3 Audit Objectives

The Performance Audit was conducted to ascertain whether:

- Planning for Modernisation of Police Force was based on realistic assessment of the requirement;
- Financial management was efficient and funds were utilised optimally and economically for the intended purposes;
- The Department effectively implemented the scheme to equip the police force to handle threats of civil disturbance in maintenance of law and order in the State; and
- Control and monitoring mechanisms were adequate and effective.

¹ Dimapur, Niuland and Chümoukedima.

² Kohima, Wokha, Zunheboto, Phek, Tseminyu, Peren, Mokokchung, Tuensang, Mon, Kiphire, Longleng, Noklak, and Shamator.

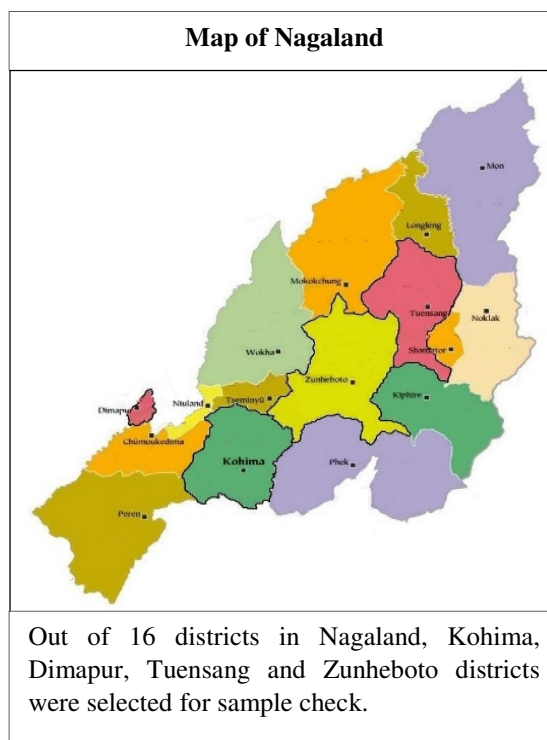
4.2.4 Audit Criteria

The following audit criteria were adopted for the Performance Audit:

- MPF Scheme Guidelines, orders and circulars issued by MHA, GoI;
- State Annual Action Plans approved by MHA, GoI;
- Circulars/Instructions/Government Orders issued by the Home Department, Government of Nagaland (GoN) and GoI; and
- General Financial Rules 2017.

4.2.5 Audit Scope

The Performance Audit (PA) covered the implementation of the scheme for the period from 2017-18 to 2022-23. As of April 2024, Nagaland comprises 16 Districts. Among them, Kohima district, serving as the State capital and Dimapur district, functioning as the lone Commissionerate of Police, were mandatorily chosen for Audit. Two other Districts (Tuensang and Zunheboto), were selected by random sampling. Out of these 16 Districts, four districts do not have SP offices. Further, out of 87 Police Stations (PS) in the State, three State Level PS and 18 out of 34 PS in the selected four Districts were selected by random sampling. Details of selected units for audit are shown in



Appendix 4.2.2. In these selected units, six³ out of eight components under the scheme of Assistance to States for Modernisation of Police were selected for detailed audit. In addition, the Beat Patrolling System which was sanctioned outside the annual State Action Plan (SAP) was also selected for audit.

4.2.6 Audit Methodology

The PA commenced with an Entry Conference on 27 July 2022 with the Special Secretary (Home) and Officers from the Police Headquarters (PHQ) wherein the audit methodology, scope, objectives and criteria were discussed. The audit methodology involved scrutiny of records, collection and analysis of data, issue of audit queries, joint physical verifications and collection of photographic evidences. The findings of audit were discussed in the Exit Conference held on 13 June 2023 with the Special Secretary (Home) and Officers from the PHQ. The replies and comments of the State Government/Department were duly incorporated in this Report.

³ Mobility, Operational Equipment, Weaponry, Training Equipment, Modern Communication System and Security/BDDS/Anti-Riot/Traffic equipment.

4.2.7 Acknowledgement

Audit acknowledges the co-operation extended by the Officers and Staff of Home Department, PHQ, various field units and Police Stations of test-checked districts during the course of audit.

AUDIT FINDINGS

4.2.8 Planning

Efficient planning is essential for successful implementation of any programme for achievement of intended objectives. Under the MPF Scheme, the Department has to prepare baseline assessment of the ground situation and State Strategic Plan after conducting an analysis of local needs.

4.2.8.1 Non preparation of Tentative Plan and State Strategic Plan

As per paragraphs 8(i) & (iii) of the Scheme Guidelines, the State Government was required to submit tentative plan for the subsequent year while submitting the SAP of the current year to MHA for approval. The annual SAPs were to be formulated by the State Governments after making a baseline assessment of the ground situation, identification of gaps and deficiencies noticed over a time-horizon of at least three years apart from reviewing the previous year plan, the State Strategic Plan and after conducting an analysis of local needs and goals to see how they fit in with the strategic priorities of the State.

The State Government prepared and submitted annual SAPs to MHA during the period 2017-23. Scrutiny of the SAPs revealed that the State Government did not include the requisite tentative plan along with the annual SAPs. Scrutiny of records made available showed that the SAPs were also not based on a baseline assessment of the ground situation or a review of the State Strategic Plan and there was no identification of gaps and deficiencies noticed over a time-horizon of at least three years apart from reviewing the previous year plan. Non-submission of the tentative plan and SAPs based on a baseline assessment and strategic review was primarily due to the non-preparation of these documents. The absence of these crucial components resulted in the creation of flawed SAPs, leading to procurement of equipment outside of proposed requirements and the retention of idle stock as discussed in **Paragraphs 4.2.10.2 and 4.2.10.6.**

While admitting that tentative plan was not prepared, the Department stated (August 2022) that baseline assessment of the ground situation and identification of gaps, deficiencies and analysis of local needs were conducted. However, no records were made available to substantiate the claim about conduct of baseline assessment. The Department further stated (May 2023) that SAP was earlier prepared on need basis but that henceforth, SAP will be prepared taking into consideration the need for the next five years.

Recommendation: *The Department may ensure preparation of Tentative and State Strategic Plans on the basis of baseline assessment so that realistic SAPs are submitted to MHA.*

4.2.9 Financial Management

The objective of the MPF Scheme is to provide adequate and modern equipment, vehicles and arms and ammunition to the State Police Forces. Under the Scheme, the States have been grouped into two categories viz. 'Category A' and 'Category B'. States in 'Category A', will receive financial assistance on 90:10 (Centre: State) sharing basis while States in 'Category B', will receive financial assistance on 60:40 (Centre: State) sharing basis. Nagaland is in 'Category A' and the MPF Scheme fund in Nagaland State was routed through Grant No. 28 of the State budget. However, during the year 2017-18 and 2018-19, in addition to the normal allocation of fund by GoI, the Department received ₹0.08 crore and ₹0.46 crore (State share) through banker cheque from the Planning Department for Student Police Cadet (SPC) and Mobility/Communication equipment. Funds for Weaponry were released directly to the Ordnance Factory Board (OFB) by MHA during the year 2017-18 and 2018-19.

4.2.9.1 Financial Outlay

Details of funds provisioned and released by Centre/State Government, and expenditure incurred during 2017-23 under MPF scheme is shown in **Table 4.2.1**.

Table 4.2.1: Fund allocation, receipt and expenditure⁴

(₹ in crore)

Year	Previous year balance	MHA release		State release to Department		Total Fund received	Fund available including previous balance	Expenditure	Balance
		To State	To OFB	Central share	State share				
2017-18	-	14.41	1.47	11.65	0.00	11.65	11.65	4.33	7.32
2018-19	7.32	19.96	1.45	16.21	0.00	16.21	23.53	17.43	6.10
2019-20	6.10	17.29	0.00	14.56	0.08	14.64	20.74	17.87	2.87
2020-21	2.87	0.00	0.00	9.24	2.89	12.13	15.00	7.91	7.09
2021-22	7.09	17.03	0.00	0.00	0.00	0.00	7.09	2.69	4.40
2022-23	4.40	0	0	17.03	0	17.03	21.43	18.20	3.24
Total	-	68.69	2.92	68.69	2.97	71.66	-	68.42	-

Source: Departmental figures

As seen from **Table 4.2.1** above, out of the total available fund of ₹71.66 crore (including State share of ₹2.97 crore), the Department incurred an expenditure of ₹68.42 crore with an unspent balance of ₹3.24 crore as of March 2023.

4.2.9.2 Short release and delay in release of funds

As per Paragraph 8(viii) of the Scheme Guidelines, after passing of the Union budget, final State wise allocation will be conveyed to the States. Further, Paragraphs 10 (ii & iii) of the Scheme Guidelines stipulate that the State Governments will ensure contribution of State share, as is due, from their own budget. The State Governments

⁴ Including funds sanctioned outside SAP for Beat Patrolling project and Student Police Cadet.

will follow the prescribed administrative and financial rules/regulations and procedures of budgeting, and accounting in releasing of funds under the scheme. The status of share due, funds released and short release of funds by GoI and GoN are shown in **Table 4.2.2**.

Table 4.2.2: Short release of funds against approved SAP⁵

(₹ in crore)

Year	SAP approved by MHA			Amount actually released			Short released		
	Central	State	Total	Central	State	Total	Central	State	Total
2017-18	15.74	1.46	17.20	13.12	0.00	13.12	2.62	1.46	4.08
2018-19	18.14	1.75	19.89	18.14	0.46	18.60	0.00	1.29	1.29
2019-20	19.47	2.13	21.60	17.29	1.92	19.21	2.18	0.21	2.39
2020-21	15.04	1.67	16.71	0.00	0.00	0.00	15.04	1.67	16.71
2021-22	21.33	1.67	23.00	17.03	0.00	17.03	4.30	1.67	5.97
2022-23	4.64	0.52	5.16	0.00	0.00	0.00	4.64	0.52	5.16
Total	94.36	9.20	103.56	65.58	2.38	67.96	28.78	6.82	35.60

Source: Departmental figures

As can be seen from **Table 4.2.2** above, during 2017-18 to 2022-23, GoI released ₹65.58 crore (69 per cent) against the allocation of ₹94.36 crore, while GoN released ₹2.38 crore (26 per cent) against its due share of ₹9.20 crore resulting in overall short release of ₹35.60⁶ crore. Audit observed that GoN did not allocate funds in the budget/supplementary budget for State share against the Central release except during 2018-19 and 2019-20. It was further observed that the State Government released funds received from GoI, to the Department with delays ranging from 01 to 08 months. There were also instances of delay in release of State share ranging from 07 to 67 months as detailed in **Appendix 4.2.3**. Reasons for delay and short release of funds by GoI and GoN were neither on record nor furnished by the Department. Short release and delay in release of funds to the Department deprived the State Police of availing modernised facilities in absence of vehicles, weaponry and equipment. The Government and the Department did not offer any reply for delay and short release of funds.

Recommendation: The Department may take up with GoI and GoN for timely release of approved funds.

4.2.9.3 Under-utilisation of scheme funds

As per Paragraph 10 (vi) of the Scheme Guidelines, funds released by MHA are to be utilised for the intended purpose and parking of funds should be avoided. Status of funds received and utilised during the respective financial years against the actual

⁵ Excluding funds sanctioned outside SAP for Beat Patrolling project and Student Police Cadet but including funds released to OFB directly by MHA for weaponry during 2017-18 and 2018-19.

⁶ GoI Share: ₹28.78 crore and GoN share: ₹6.82 crore.

receipt of funds, including the fund received outside the SAP viz. Student Police Cadet and beat patrolling project is depicted in **Table 4.2.3** and **Chart 4.2.3**.

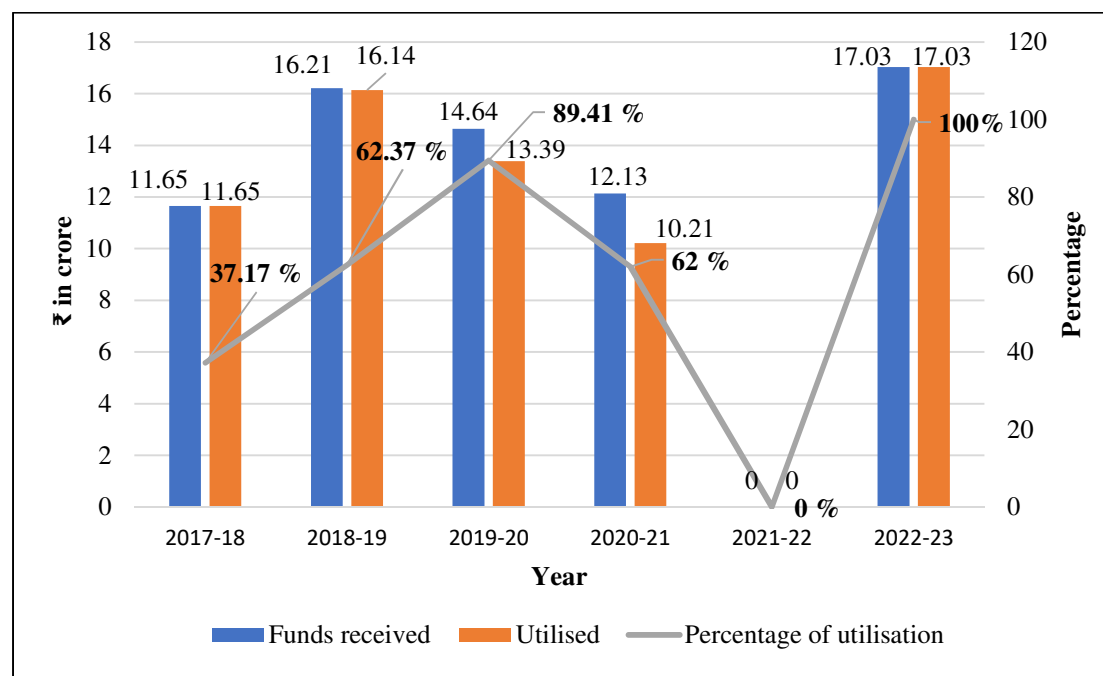
Table 4.2.3: Table showing year-wise utilisation of scheme funds

(₹ in crore)

Year	Receipt	Year-wise expenditure as per main cash book							Balance
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total	
2017-18	11.65	4.33	7.32	-	-	-	-	11.65	0
2018-19	16.21	-	10.11	4.77	0.09	0	1.17	16.14	0.07
2019-20	14.64	-	-	13.09	0.30	-	-	13.39	1.25
2020-21	12.13	-	-	0	7.52	2.69	0	10.21	1.92
2021-22	0	-	-	-	-	-	-	0	0
2022-23	17.03	-	-	-	-	-	17.03	17.03	0
Total	71.66	4.33	17.43	17.86	7.91	2.69	18.20	68.42	3.24

Source: Departmental records

Chart 4.2.3: Chart showing details of funds received and utilised



Source: Departmental records

As can be seen from **Table 4.2.3** and **Chart 4.2.3** above, during 2017-23, the Department was unable to fully utilise the allotted funds by GoI and the GoN except for 2022-23. Unutilised funds during this period ranged from 0.43 to 15.83 per cent. Audit further observed that the unutilised funds at the close of the respective financial years were parked by the Department in a Current Account⁷ in violation of the Scheme Guideline. Under-utilisation of funds resulted in delayed implementation of the scheme while parking of fund in Current Account is fraught with the risk of financial irregularity. While accepting the observation, the Department stated (May 2023) that fund for undergoing works were kept in the current account for making payment on completion of work. The Government in reply (July 2023) stated

⁷ SBI Current Account No. XXXXX5732 (SBI Lerie Branch, Kohima), Account Holder Name: DGP, Nagaland

that funds were received late resulting in delay of implementation of works programme within the financial year, thereby, resulting in parking of funds in current account till completion of the targeted works.

4.2.9.4 Submission of Utilisation Certificate

Paragraph 9 of the Scheme Guidelines envisages that funds will be released to the States where Utilisation Certificate (UC) in respect of funds released during previous year of the last financial year is submitted to the Ministry by the State Governments. Details of UCs submitted by GoN in respect of funds released by GoI during 2017-18 to 2022-23 are shown in **Table 4.2.4**:

Table 4.2.4: Utilisation Certificate submitted by GoN⁸

(₹ in crore)

Year	Date of submission of UC	Fund released by GoI	Utilisation as per UC		Actual utilisation as per main cash book	
			Utilised	Balance	Utilised	Balance
Funds received against approved SAP						
2017-18	27/06/2019	11.65	11.65	0.00	4.33	7.32
2018-19	27/06/2019	16.69	15.98	0.71	10.11	6.58
2019-20	19/10/2020	17.29	15.84	1.45	6.58	10.71
2020-21	-	0.00	0.00	0.00	0.00	0.00
2021-22	-	17.03	0.00	0.00	0.00	17.03
2022-23		0.00	0.00	0.00	0.00	0.00
Funds received outside approved SAP						
2017-18	-	2.76	-	-	2.24	0.52
2018-19	-	3.27	-	-	2.62	0.65

Source: Departmental figures

It can be seen from **Table 4.2.4** above that:

- Though the Department was unable to utilise the entire funds released by the GoI during 2017-18 to 2019-20 and 2021-22 against the approved SAP, the GoN submitted UCs for the period from 2017-18 to 2019-20 to the MHA showing amounts which were more than the actual utilisation. Submission of inflated UCs tantamount to misleading the MHA so as to obtain subsequent instalments of the Scheme fund.
- The Department did not submit UC for the funds received during 2021-22 against approved SAP. Audit further observed that GoN did not submit UC for an amount of ₹6.03 crore which was received outside the SAP⁹ during 2017-18 and 2018-19. Non-submission of UC by the Department is in violation of the Scheme Guidelines resulting in delay in release of further Scheme funds by GoI.

Reasons for submission of inflated UCs and non-submission of UC were neither found on records nor stated by the Department. The delay in UC submission is

⁸ Excluding funds released directly to OFB by MHA, Beat Patrolling and Student Police Cadet.

⁹ ₹0.76 crore (2017-18) and ₹0.74 crore (2018-19) against SPC, ₹2.00 crore (2017-18) and ₹2.53 crore (2018-19) against Beat Patrolling.

primarily attributable to the delayed release of funds by GoN in alignment with the funds released by GoI as discussed in **Paragraph 4.2.9.2**. In reply, the Department stated (May 2023) that UCs for Student Police Cadet (SPC) (₹1.50 crore) and beat patrolling (₹4.53 crore) have been submitted to MHA through the State Government. However, the Department did not submit UC for the funds received during 2021-22. The Government in reply (July 2023) stated that UC for the year 2021-22 amounting to ₹17.03 crore was submitted (March 2023 and May 2023) to MHA. However, the UC amount was inflated for the years 2017-18, 2018-19 and 2019-20 and UC for 2021-22 was submitted after a delay of more than one year.

Recommendation: *The Government may ensure submission of correct UCs depicting the actual utilisation of funds and submit due UCs without delay.*

4.2.9.5 Outstanding Abstract Contingent Bills

As per Rule 118 of the Receipt and Payments Rules 1983, a certificate shall be attached to every Abstract Contingent (AC) bill to the effect that the Detailed Countersigned Contingent (DCC) bills have been submitted to the controlling officer in respect of AC bills drawn during the month previous to that in which the bill in question is presented for payment. On no account may an AC bill be cashed without this certificate. Status of AC bills drawn and adjusted during the period 2017-18 to 2022-23 is shown in **Table 4.2.5**.

Table 4.2.5: Status of AC bills adjusted with DCC bills

(₹ in crore)

Year	AC bill drawn		AC bill adjusted with DCC		Outstanding AC bill	
	No.	Amount	No.	Amount	No.	Amount
2017-18	2	11.65	2	11.65	0	0
2018-19	5	16.21	5	16.21	0	0
2019-20	4	14.56	4	14.56	0	0
2020-21	6	11.67	2	3.20	4	8.47
2021-22	0	0.00	0	0.00	0	0.00
2022-23	3	17.03	0	0.00	3	17.03
Total	20	71.12	13	45.62	7	25.50

Source: Departmental figures

It can be seen from the table above that during the period 2017-23, the Department had drawn 20 AC bills amounting to ₹71.12 crore under MPF Scheme, of which only 13 AC bills amounting to ₹45.62 crore were adjusted as of March 2023 while seven AC bills amounting to ₹25.50 crore remain unadjusted.

While passing the bills, the Drawing and Disbursing Officer and the Treasury Officer did not exercise their checks to ensure that the required certificates were endorsed with the bills. Therefore, the Department continued to draw AC bills without submission of DCC bills and enclosing the required certificate as per rules stated above. In the absence of DCC bills, Audit cannot ascertain whether the amount drawn through AC bills was incurred for the intended purpose.

While accepting the audit observation, the Department stated (May 2023) that the delay in supply of equipment and Actual Payment Receipts led to pending submission

of DCC bills. The Government in reply (July 2023) stated that DCC bills against the three AC bills amounting ₹17.03 crore have been submitted and remaining four AC bills¹⁰ amounting to ₹8.47 crore remained outstanding.

Recommendation: *The Department may ensure compliance to relevant Financial Rules relating to timely submission of DCC bills. The Drawing & Disbursing Officer and the Treasury Officer may ensure that a certificate be attached to every AC bill to the effect that the DCC bills have been submitted to the controlling officer in respect of AC bills drawn during the month previous to that.*

4.2.10 Implementation of the scheme

As per Paragraph 5 of the Scheme Guidelines, expenditure is permissible for all items relating to Police, subject to scrutiny by the High-Powered Committee. The items funded under the Scheme by MHA during 2017-23 are: i) Mobility, ii) Operational equipment, iii) Weaponry, iv) Training equipment, v) Modern communication system, vi) Security/Traffic/Anti-riot equipment, vii) FSL equipment, and viii) Home Guards. Funds provided by MHA to the State Government for the above eight components along with seven additional components *vis-à-vis* expenditure incurred during 2017-23 are detailed in **Table 4.2.6**.

Table 4.2.6: Component-wise funds received *vis-à-vis* expenditure incurred during 2017-23¹¹

(₹ in lakh)

Sl. No.	Component	Description	Fund received	Expenditure incurred	Balance (as on 31 March 2023)
1.	Mobility	Procurement of motor cycles, light vehicles, medium vehicles, heavy vehicles	1,780.04	1,734.10	45.94
2.	Operational equipment	Procurement of water tanker	223.60	223.60	0.00
3.	Weaponry	Procurement of rifles and accessories	588.87	588.87	0.00
4.	Training equipment	Procurement of various materials and equipment for police training institutes	309.42	306.81	2.61
5.	Modern communication system	Procurement of digital handheld transceiver, digital static/mobile transceiver, digital repeater transceiver, antenna, batteries and accessories.	696.13	579.53	116.60
6.	Security equipment/BDDS equipment/anti-riot equipment	Procurement of bomb disposal equipment, explosive test kits, remote operative vehicle, door frame metal detector, multi-shell launcher <i>etc.</i>	1,980.19	1,902.39	77.80
7.	FSL equipment	Procurement of Forensic Science Laboratory equipment	313.88	313.88	0.00
8.	Home guard	Assistance to Home Guards Department	224.07	224.07	0.00
9.	Setting up of investigation room in 12 districts	Sanctioned under Performance incentive scheme 2019-20	192.02	192.02	0.00
10.	Investigation facility for one centre in Kohima		37.88	37.88	0.00
11.	Implementation of resource management system		207.50	207.50	0.00

¹⁰ (1) Bill No. 361 dated 20 July 2020, Performance incentives ₹6.55 crore; (2) Bill No. 405 dated 20 August 2020, State share main plan 2019-20, ₹0.89 crore; (3) Bill No. 702 dated 04 November 2020, State share main plan 2019-20, ₹0.30 crore; (4) Bill No. 702 dated 04 November 2020 State share Performance incentives ₹0.73 crore.

¹¹ Including both Central and State share and funds paid directly to OFB for weaponry.

Sl. No.	Component	Description	Fund received	Expenditure incurred	Balance (as on 31 March 2023)
12.	Automatic finger print system		72.78	0.00	72.78
13.	Beat patrolling	Strengthening of Beat Patrolling System in Nagaland	503.75	503.75	0.00
14.	Student Police Cadet	Student Police Cadet programme under MHA	158.09	149.91	8.18
15.	Crime and Criminal Tracking Network & Systems (CCTNS)	Crime and Criminal Tracking Network & Systems (CCTNS)	169.89	169.89	0.00
Total			7,458.11	7,134.20	323.91

Source: Departmental figures

The procurements for the above components were made centrally by PHQ and distributed to various Police field units for utilisation. Examination of records relating to implementation of the Scheme revealed deficiencies which are discussed in the succeeding paragraphs.

4.2.10.1 Procurement without Notice Inviting Tender

As per Rule 149 of GFR 2017, the procurement of goods and services by Ministries or Departments shall mandatorily be made through Government e-Marketplace (GeM). Further, Rule 158 of GFR 2017 states that except in cases covered under Rule 154, 155 and 156 (1), Ministries or Departments shall procure goods under their powers by following the standard method of obtaining bids such as Advertised Tender Enquiry, Limited Tender Enquiry and Two-Stage Bidding. As per the Manual of Procurement Clause 4.1 (Modes of Procurement), offers from prospective bidders in public procurement must be invited according to a procedure that achieves a balance between the need for the widest competition, on one hand, and complexity of the procedure, on the other hand. Further, the Nagaland e-Procurement and Tendering Policy, 2017 notified by the GoN in July 2017, applies to all tenders for construction/civil works worth ₹one crore and above and supply works worth ₹20 lakh and above.

Audit observed that supply orders¹² for procurement of equipment¹³ during 2017-23 amounting to ₹31.63 crore were issued on the basis of the Administrative Approval of the GoN without inviting tenders. Details of these procurements are shown in **Appendix 4.2.4**. Audit further observed that the reason for not inviting tenders by the Department was due to the fact that the Administrative Approvals issued by GoN, contained therein the name of the suppliers from whom the items are to be procured. Non-adoption of laid down rules for procurement resulted in violation of the provisions of GFR which emphasise high standards of financial propriety and strict economy for expenditure from public money. While accepting (July 2023) the audit observation, the Government stated that administrative approvals are issued indicating names of firms for works to be executed.

¹² 20 supply orders.

¹³ Training equipment, FSL Equipment, Security/traffic/riot control equipment, Communication equipment and Beat patrolling/investigation room/resource management system.

Recommendation: *The Government may mandate competitive tendering for all procurements, clarifying that names in administrative approvals are indicative and do not override GFR provisions.*

4.2.10.2 Procurement of Equipment not included in proposal

As per Paragraph 8 (iii) of the Scheme Guidelines, SAP should be formulated by the State Government after making a baseline assessment of the ground situation, identification of gaps and deficiencies and time horizon of at least three years apart from reviewing the previous year plan and after conducting an analysis of local needs and goals to see how they fit with the State's strategic priorities. Further, Paragraph 10 (vii) of the Scheme Guideline states that funds released for any particular item in the approved SAP will not be diverted for any other item without obtaining specific approval to the effect from the State Level Empowered Committee (SLEC) and the MHA.

Audit, however, observed that:

- Twelve items of training equipment and 53 items of Security equipment amounting to ₹0.24 crore and ₹7.73 crore respectively were procured during 2019-20 by the Department, which were neither proposed by the training units nor by the field units.
- Eight items of training equipment and three security equipment amounting to ₹0.37 crore and ₹1.31 crore respectively were procured during 2017-20, in excess of the actual requirement.

Details of these equipment purchased are shown in **Appendix 4.2.5**. The Department procured these items totaling ₹9.65 crore, even though they were not part of the proposals from field units. While accepting the audit observation, the Government and the Department stated (May 2023 and July 2023) that procurements were made on need basis after approval by the Planning Board (PHQ) due to urgent requirement. However, the reply did not address the fundamental issue of the Department procuring equipment worth ₹9.65 crore that were not originally projected in the SAP as required by various field units. Therefore, while the assertion of procurement being based on urgent need and approved by the Planning Board is noted, it does not justify the absence of prior inclusion in field unit proposals.

Recommendation: *The Department may ensure that procurement is made only for equipment included in the SAP.*

4.2.10.3 Shortage of weapons and communication system

The focus of MPF scheme is to strengthen Police infrastructure at cutting-edge level by equipping the police stations with the required mobility, modern weaponry, communication equipment and forensic set-up. Funds are accordingly allocated for procurement of weapons and modern communication system as approved in SAP. Audit observed :

- **Shortage of weapons:** During the conduct of Audit (August 2022), against the actual requirement of 5,616 rifle arms, the State Police Department has only 4,616 rifle arms resulting in shortage of 1,000 rifle arms. However, during 2017-23, the Department procured 561 rifle arms of which only 156 were distributed while 405 rifles were retained in stock without utilisation. Audit also observed that 6,794 Nos. of .303 rifles declared obsolete by the State Police Department were still retained by the field units.
- **Shortage of communication system:** During the conduct of Audit (August 2022), it was noticed that against the actual requirement of 887 Digital Static Sets (DSS) and 3,628 Digital Handheld Sets (DHS), the State Police Department has only 110 DSS and 538 DHS. There was, thus, a shortage of 777 DSS and 3,090 DHS. During 2017-23, the Department procured 180 DSS and 580 DHS. Audit, however, observed that the 30 DSS and 160 DHS procured during 2019-20 amounting to ₹1.79 crore were not allotted to the nodal unit (NPTO) for distribution and utilisation.

Audit, thus, observed that shortages of arms and communication equipment were not efficiently addressed through purchase since the purchased items were not fully distributed to field units for utilisation. The Public Accounts Committee recommended on the Report of the C&AG of India for the year 2008-09 that the Department should be well equipped to meet all sorts of situations, especially when it comes to arms and ammunitions and therefore, urged the Department to take proper measures to phase out obsolete arms and ammunitions and fully implement the modernisation process without necessary delay in order to enhance the striking capabilities of the State Police Force. The action taken report stated that the Department had begun to modernise the weaponry of the State Police Department by way of phasing out the vintage .303 rifles and replacing them with more sophisticated weaponry.

The Department in its reply stated (May 2023) that with the delay in release of funds, the rates get escalated at the time of final purchase whereby the exact numbers as projected could not be purchased and some weapons could not be purchased on time due to being out of production range of OFB. No reply was afforded for non-issue of communication sets to the nodal unit.

The Government in reply (April 2024) further stated that the Department is presently holding 5,038 numbers of .303 rifles and 11,449 numbers of SLR totalling to 16,487 against the posted strength of 14,678 riflemen. Regarding the retention of 405 rifles in stock without utilisation, the Government stated that the rifles would be issued to units after the .303 rifles are deposited back. Further some rifles would still be retained as reserve for replacement as and when damaged rifles are brought from units. Regarding the modern communication sets procured during 2019-20, the Government stated that due to late receipt of items, after the completion of documentation, the said items in question were issued to NPTO.

Despite the procurement, the Department still faced shortages, as evidenced by the figures provided by the Government viz. a shortfall of 2,707 rifles¹⁴ along with shortage of 777 DSS and 3,090 DHS. This indicates a significant gap in meeting the objectives of the Scheme, which aimed to decrease reliance on the Army gradually while ensuring State Police personnel receive sufficient equipment. Therefore, from this perspective, the objectives of the Scheme have not been met.

Recommendation: *The Department may conduct a comprehensive review of its planning process to address discrepancies in procurement, distribution, and the management of obsolete equipment. It may also ensure that procurement aligns with actual requirements, replace obsolete/life-expired equipment, and facilitate timely distribution to field units for utilisation.*

4.2.10.4 Short/Non-accounting of security and training equipment

As per Rule 208 (iii) of GFR 2017, details of the material received from suppliers should be entered in the appropriate stock register and certified by the officer in-charge of stores. Audit observed that when verified with the actual procurement as per supply order, there was short/non-accounting of six items of security equipment amounting to ₹0.14 crore and 12 items of training equipment amounting to ₹0.07 crore in the stock ledger as detailed in **Appendix 4.2.6**. Short/non-accounting of equipment in the stock ledger is in violation of financial rules and fraught with the risk of mis-utilisation of the scheme fund. While accepting the audit observation, the Government (July 2023) and the Department (May 2023) assured to rectify the records accordingly. In April 2024, the Government stated that the security and training equipment had been issued and the stock register was updated.

Recommendation: *The State Government may institute regular internal checks and ensure timely entry of all procured items in the stock register, duly certified by the officer in-charge, to prevent discrepancies and uphold financial accountability.*

4.2.10.5 Shortage in procurement and deployment of vehicles

The Public Accounts Committee recommendations on the Report of the C&AG of India for the year 2008-09, include the recommendation that the Department should have a well-thought-out plan and strategies on proper deployment of all Departmental vehicles, so that all units, especially field units, are provided with enough vehicles in working condition for prompt response during any law-and-order situation. As per Paragraph 5 (A) (vi) of the Scheme Guideline, items under ‘Mobility’ would be used only for strengthening field level Police offices and not State Level Police offices.

Audit observed that there was shortage of vehicles in the Department. In the four sampled districts, only 279 vehicles were available against the requirement of 397 vehicles resulting in shortage of 118 vehicles¹⁵ as shown in **Table 4.2.7**:

¹⁴ 14,678 rifles – 11,971 rifles = 2,707 rifles.

¹⁵ 23 two-wheelers, 54 light vehicles, 25 medium vehicles and 16 heavy vehicles.

Table: 4.2.7: Requirement of vehicles in sampled units

(in nos.)

Type of vehicle	Requirement	Available	Shortage
Two-wheeler	30	7	23
Light	251	197	54
Medium	67	42	25
Heavy	49	33	16
Total	397	279	118

Source: Departmental figures

During 2017-23, procurement of 176 vehicles was approved in the SAPs for which ₹21.76 crore was sanctioned and released. Audit, however, observed that the Department procured only 161 vehicles resulting in short-procurement of 15 vehicles as shown in **Appendix 4.2.7**. Audit further observed that the reason for the short-procurement was because the Department deviated from the approved SAP and procured seven less two-wheelers, two less light vehicles, four less medium vehicles and two less heavy vehicles. Audit further observed that out of the 161 vehicles procured, only 138 vehicles were provided to field units/Police Stations. As a result, the objective of strengthening field level Police offices was affected. The Department also failed to adhere to the recommendation of the PAC on deployment of Departmental vehicles across all units to facilitate prompt response during any law and order situation. While no reply was furnished for the short-procurement of vehicle as against the approved SAP, the Department stated (May 2023) that vehicles were basically issued to the field staff and field officers upto the supervisory level. Further, the Government in reply (July 2023) stated that IGP (Range, NAP, IR) and DIG (Range, NAP, IR) are all field officers which also include their immediate subordinate officers like SPs, Commandants and their officers.

The reply is not acceptable since 23 out of 161 vehicles procured during the audit period under the Scheme were deployed at PHQ and other non-field offices.

Recommendation: *The Department may ensure that the field units are adequately equipped with sufficient fleet strength for quick mobility. Further, complete action on the recommendation of the Public Accounts Committee on the Report of the C&AG of India for the year 2008-09 may be expedited.*

4.2.10.6 Idle Stock – Training and Security Equipment

As per Paragraphs 8 (i) and (iii) of the Scheme Guidelines, the annual SAPs were to be formulated by the State Governments after making a baseline assessment of the ground situation and identification of gaps after conducting an analysis of local needs. Procurements as per the approved SAPs were done centrally by PHQ. On receipt of items from suppliers, PHQ issues the items to the field units for utilisation. Audit analysis of stock ledger of PHQ revealed that security equipment amounting to ₹8.77 crore and training equipment amounting to ₹1.61 crore procured during 2017-18 to 2019-20 were not issued to field units for utilisation even after a lapse of two years from the date of procurement as detailed in **Appendix 4.2.8**. Audit further

observed that the following equipment which were in stock at PHQ were actually required by the sampled field units as shown in **Table 4.2.8**.

Table 4.2.8: Requirement of security equipment in sampled units

(in numbers)

Sl. No.	Item	Unit	Requirement	Available	Shortage	Stock in Balance in PHQ
1.	Search Light	SP Zunheboto	10	0	10	87
2.	Drone	SP Tuensang	1	0	1	19
		CP Dimapur	52	0	52	
3.	Digital camera/ Digital Video recorder	SP Tuensang	10	0	10	4
		CP Dimapur	2	0	2	
4.	Body Armour	CP Dimapur	300	0	300	120
5.	Fibre Shield	10th IR NAP	150	100	50	120
6.	Breath Analyzer	CP Dimapur	4	2	2	50
		SP Kohima	10	0	10	
7.	Baton Light	CP Dimapur	200	0	200	80
		SP Kohima	200	47	253	
8.	Barricade	SP Zunheboto	20	2	18	50
		SP Kohima	200	40	160	

Source: Departmental figures

Photograph 4.2.1



Photographs of some items of idle stock retained in PHQ

Retention of idle stock without issuing for utilisation by the field units resulted in depriving the field units of the benefits of modern equipment and expiry of lifespan of the idle equipment without utilisation cannot be ruled out. This affected the objective of the Scheme to make the State police force self-reliant with modernised equipment. While accepting the audit observation, the Department stated (May 2023) that to meet the demand of exigency requirement and to reinforce in times of need, some items were retained at PHQ as reserve. Further, the Government in reply (July 2023) stated that PHQ retains some items after distribution to various units as most activities takes place in Kohima, Dimapur and Mokokchung areas and Kohima being centrally located, having all infrastructure available, makes it easy to rush materials to the affected/needed location within the shortest possible time. However, retention of idle stock without issuance to field units undermines the intended benefits of modern equipment utilisation. This practice not only risks expiry of the equipment's lifespan without utilisation but also deprives field units of access to modern equipment, thereby affecting the objective of the Scheme to foster self-reliance within the State police force.

Recommendation: The Department may ensure that sufficient equipment are made available to field units and steps may be taken to utilise the idle stock at the earliest.

4.2.10.7 Distribution of Training equipment

Training units submit requirement of training equipment during the preparation of SAP. Once the SAP is approved by the MHA, the equipment is procured by PHQ. Audit observed that distribution of procured training equipment to various Training units was not always based on the requirement submitted by the units, as training equipment procured against the proposal of Home Guards (HG), Police Training School (PTS) and NAP Training Centre (NAPTC) were diverted and issued to other Training Units. Audit further observed that while PTS submitted a requirement of 10 Nos. of coir mat, the Department procured 1,000 Nos. during 2018-19 and issued 300 Nos. each to PTS and NAPTC and 200 Nos. each to Counter Insurgency Anti-Terrorism School (CIATS) and Special Task Force (STF) without any demand. Details of distribution of these items are shown in **Appendix 4.2.9**. While accepting the audit observation, the Department stated (May 2023) that recruit constables and in-service courses are being imparted training batch-wise round the year causing wear and tear of items requiring replacement thereof. The reply of the Department is not acceptable as it did not address the fact of irrational distribution of training equipment based on actual proposal submitted by the training institutes.

Further, the Government in reply (July 2023) stated that the budget allocation for home guard is totally different. Training equipment were issued to only four training centres where trainings are imparted to recruit constables and in-service courses conducted for various ranks of police personnel throughout the year. The Government assured to look into for rational distribution in future. While the Department and Government have acknowledged the irrationality in distribution, Audit underscores the necessity for adherence to approved/proposed requirements during procurement

and equitable allocation of training equipment to ensure efficient training operations across all designated units.

Recommendation: *The Department may ensure that equipment are issued to training units as per requirements:-*

4.2.10.8 Better Performance Incentives

As per Paragraph 7 of the Scheme Guidelines, HPC shall be competent to sanction up to 10 per cent of the total annual allocation to States who have done exemplary work for the same to incentivize the implementation of Police Reforms as recommended by various committees. During 2019-20, MHA sanctioned ₹120.09 crore to 12 States as better performance incentives based on UCs submitted by the State Governments. The amount sanctioned for Nagaland State was ₹6.55 crore for the components as shown in **Table 4.2.9**.

Table 4.2.9: Funds sanctioned under performance incentives

		(₹ in lakh)
Sl. No.	Components	Amount
1.	Mobility	57.50
2.	Security/traffic equipment	160.10
3.	Setting up of Investigation Room in 11 districts and one State Crime Police Station	192.08
4.	Investigation facilities for one centre at Kohima	37.88
5.	Implementation of Resource Management System	207.50
Total		655.06

Source: Departmental figures

Short-comings noticed by Audit regarding better performance incentives are discussed in the succeeding paragraphs.

(I) Setting up of investigation room

As none of the Police Stations in Nagaland are equipped with state of the art infrastructure and facilities for interviewing or interrogating suspects, it was felt necessary to set up a scientific interrogation and interview room in all the districts of Nagaland. Such a facility would facilitate thorough interviewing, questioning, and interrogation of suspects as an information gathering technique to aid the police in various investigations. The Department submitted (April 2020) the proposal to set up Investigation Rooms in 11 Police Stations in 11 districts of the State and one State Crime Police Station (SCPS) at PHQ, Kohima at an estimated cost of ₹1.71 crore for civil works and ₹0.21 crore for providing and fixing equipment and appliances. Administrative approval from the State Government was received in June 2020. The Department thereafter issued (June 2020) supply order to M/s Tzurangkhu Enterprises, Dimapur for both the components without adopting tender procedures. As per the running account bills, civil works in all the locations were completed in September 2020 at a cost of ₹1.71 crore and payment released (August 2020) to the contractor. The supplier also submitted the bill of ₹0.21 crore for supply and installation of equipment and appliances in 12 locations as detailed in **Table 4.2.10**.

Table 4.2.10: Equipment for investigation room

Sl. No.	Particulars	Quantity	Rate	Amount (in ₹)
1.	Mtek varifocal ip 2mp bullet camera	12	7,516	90,192
2.	Mtek varifocal ip 2mp dome camera	24	7,516	1,80,384
3.	Mtek 8ch NVR	12	8,636	1,03,632
4.	Seagate 1 TB HDD	12	4,150	49,800
5.	LG 53" display	12	37,300	4,47,600
6.	Lenovo laptop core i5	12	46,200	5,54,400
7.	Lenovo 172 pentium quad core All-in-one PC	12	33,800	4,05,600
8.	Better power 1kva online UPS	12	21,900	2,62,800
Total				20,94,408

Source: Departmental records

Audit observed that though the equipment for Investigation room was delivered, the civil work component was not executed in any of the police stations of the four test-checked districts and one SCPS. Therefore, it is evident that the Department prepared the running account bills on false measurements and payment was released to the contractor resulting in mis-utilisation of public money. Consequently, it was observed that, the equipment procured for the investigation room remained idle without utilisation. This resulted in the State Police being deprived of the benefit of state-of-the-art infrastructure and facilities for interviewing or interrogating suspects. While accepting the audit observation, the Department stated (May 2023) that the civil works were being taken up.

The Government in reply (July 2023) further stated that though funds for this project were received during 2019 (Covid-19 pandemic time), construction work could not be executed at that point of time, despite all equipment being issued to concerned units. The construction in all police stations except Dimapur East Police Station was completed. The Department replied in April 2024 that the Investigation room at Dimapur East PS was completed and operational.

However, the Department prepared the running account bills on false measurements and payment was released to the contractor before the execution of works.

Recommendation: The Department may fix responsibility on the erring officials and ensure that the contractor completes the civil works and the installation of equipment and appliances in the investigation rooms of the 12 Police stations.

(II) Implementation of Resource Management System

The project **Resource Management System (RMS)** was proposed (April 2020) by the Department to the State Government for funding under the 'better performance incentives scheme'. The RMS is expected to provide Management Information System (MIS) for planning, coordinating and management of small and big events in the Police department such as; Election – Assembly/Parliament, Procession – Civil societies/Student bodies, VVIP visit and Location specific events. As per the proposal, RMS would be equipped with a location manager for managing the events for accommodation, equipment and comprehensive human resource management. Administrative approval of the State Government for procurement of Equipment and

construction works under the Scheme of 'Assistance to States for Modernisation of Police Forces 2019-20' was received (June 2020) for an amount of ₹2.08 crore. Thereafter, the Department issued (June 2020) a supply order of ₹2.08 crore to M/s Tag Enterprises, Kohima for supply/installation of RMS without adopting tender procedure as detailed in **Table 4.2.11**.

Table 4.2.11: Components of Resource Management System

Sl. No.	Particulars	Amount (in ₹)
1.	Hardware requirement for central location	54,61,000
2.	Hardware requirement for districts	42,90,000
3.	Hardware requirement for personnel	18,80,000
4.	Software cost	45,50,000
5.	Bandobust mobile app	26,25,000
6.	Support & maintenance cost	19,44,000
Total		2,07,50,000

Source: Departmental figures

Audit observed that the RMS project was completed (October 2021) and necessary hardware issued to the field units. Audit, however, observed that none of the district Police units in the sampled districts were utilising the software and they did not capture necessary data in MIS of RMS, thus, rendering the expenditure of ₹2.08 crore unfruitful. While accepting the audit observation, the Department (May 2023) and the Government (July 2023) in reply stated that necessary trainings were imparted to the field units for proper utilisation of the system and assured that necessary steps would be taken to utilise the system by all field units.

Recommendation: *The Department may ensure that the RMS is used by all the Police units for efficient monitoring and management of events as envisaged in the proposal.*

4.2.11 Strengthening of Beat Patrolling System

The Department submitted (February 2018) an SAP to MHA for the project 'Strengthening of Beat Patrolling System (BPS) in Nagaland' under the Modernisation of Police Force scheme during 2017-18. The objective of the proposal was to make policing reach the ordinary man, to establish rule of law and respect for institutions of governance. It was proposed to constitute 'Police Beats' in the entire State based on colonies/wards in urban areas and village beats in rural areas. Each beat would be assigned to beat officers or teams who shall be allocated policing and community policing tasks based on centralised policing strategy which will also have localised policing requirements. All the tasks assigned would be logged-in electronically and recorded for future reference through tablets using Quick Response codes (QR codes) and Global Positioning System (GPS) locations of the patrolling teams for monitoring. An amount of ₹5.04 crore was proposed for covering the expenditure as detailed in **Table 4.2.12**.

Table 4.2.12: Components for Beat Patrolling System

Sl. No.	Item	Quantity	Rate	Amount (in ₹)
1.	Bi-cycles	150	7,000	10,50,000
2.	Motor-cycles	375	65,000	2,43,75,000
3.	4-wheeler pickup trucks	15	6,50,000	97,50,000
4.	7-inch Samsung tablets	550	20,000	1,10,00,000
5.	Software	1	25,00,000	25,00,000
6.	Laptops, Server & backup server	7 laptops, 2 servers	15,00,000	15,00,000
7.	Control room set up & TV Monitor		2,00,000	2,00,000
Total				5,03,75,000

Source: Departmental figures

Audit observed that out of the proposed amount of ₹5.04 crore, MHA sanctioned ₹2.00 crore in March 2018 and ₹2.53 crore in May 2018. The balance amount of ₹0.51 crore, being the State share, was released by GoN in October 2020. Audit analysis of bill/vouchers relating to the purchase of items mentioned in **Table 4.2.12** above, revealed that there was short-procurement of items as detailed in **Table 4.2.13**.

Table 4.2.13: Details of items approved and procured

Sl. No.	Item	Approved		Actual		Difference	
		Quantity	Amount (in ₹)	Quantity	Amount (in ₹)	Quantity	Amount (in ₹)
1.	Bi-cycles	150	10,50,000	75	5,25,000	75	5,25,000
2.	Motor-cycles (including accessories & registration)	375	2,43,75,000	250	2,35,95,750	125	7,79,250
3.	4-wheeler pickup trucks (including registration)	15	97,50,000	14	99,76,749	1	-2,26,749
4.	7-inch Samsung tablets (including pouch)	550	1,10,00,000	350	70,18,375	200	39,81,625
5.	Software	1	25,00,000	1	25,00,000	0	0
6.	Laptops, Server & backup server	-	15,00,000	-	15,00,000	0	0
7.	Control room set up & TV Monitor	-	2,00,000	-	1,84,709	0	15,291
Total			5,03,75,000		4,53,00,583		50,74,417

Source: Departmental figures

Audit further observed that the reason for short-purchase of items was because the State share amount of ₹0.51 crore was used to purchase items not included in the SAP approved by the MHA. Details of these purchases are shown in **Table 4.2.14**.

Table 4.2.14: Details of unauthorised expenditure incurred out of State share

Sl. No.	Items	Amount (in ₹)
1.	Customisation of e-Patrol beyond the scope of initial work	21,18,644.07
2.	Implementation cost for 11 districts	7,62,711.86
3.	Colour printer	1,39,830.46
4.	Annual maintenance contract	4,23,728.81
5.	Computer desktops	1,27,118.64
6.	Lamination machine	1,46,635.61

Sl. No.	Items	Amount (in ₹)
7.	Consumables & stationery	1,58,474.58
8.	Server Rack	84,745.76
9.	Enterprise OS	84,745.76
10.	5KVA UPS	1,69,491.53
11.	Installation & Commissioning	84,747.76
12.	GST	7,74,157.24
Total		50,75,032.08

Source: Departmental figures

Audit also observed that none of the 75 bicycles procured were issued to the field units while only 200 out of 250 motorcycles, nine out of 14 pick-up trucks and 123 out of 350 Samsung tablets procured were issued to the field units and the remaining items remained idle without utilisation. Further, out of 18 sampled Police Stations in the four sampled districts, only North PS, Kohima was utilising the system of QR Codes and GPS locations through the patrolling teams provided in the BPS. Short-procurement of items, non-issue of items and non-utilisation of electronic beat patrolling system by most of the PSs resulted in the objective of strengthening the beat patrolling system, for which ₹5.04 crore was expended, not being fully achieved. In reply, the Department stated (May 2023) that the equipment/gadgets were procured from the State share due to urgent requirement for upgradation of the existing system. The reply of the Department is not acceptable as the scope for up-gradation of existing equipment was not included in the approval and the State share amount should have been utilised only for the items included in the approval. No reply was furnished regarding non-issue of items and under-utilisation of electronic BPS.

The Government in reply (July 2023) further stated that while submitting SAP to MHA, some of the equipment/gadgets required for installation and commissioning of e-patrol were missed out and for which additional requirement was projected during the release of State share to augment the shortfall and make the beat patrolling system functional. Regarding the retention of items under the project, the Government furnished the stock ledger indicating issue of all items to various units. The reply of the Government is in acceptance of the fact that the State share amount was utilised for procurement of equipment not included in the approved proposal. Further, the idle stock retention was stated to be issued to the field units at the instance of Audit only.

Recommendation: The Department may ensure that required items as per SAP are fully procured and issued to field units. The Department may also ensure that issued items are fully utilised by the receiving units.

4.2.12 Monitoring mechanism

Paragraph 10 (ix) of the Scheme Guideline stipulates that the scheme implementation will be monitored by deputing teams of officers from MHA who will visit the States and make periodic assessments regarding achievement of targets. Audit, however, observed from records made available that officers from MHA were not deputed for monitoring the scheme implementation during 2017-18 to 2022-23. Audit further observed that the GoN and the Department also did not, on its own, adopt an effective

mechanism for monitoring the implementation of the Scheme. Due to the absence of an effective monitoring mechanism, there was short release/delay in release of funds, procurement of equipment outside the proposal, retention of idle stock and incomplete/unutilised projects, as discussed in the foregoing paragraphs (**Paragraphs 4.2.8 to 4.2.11**). The Government and the Department did not furnish reply to this observation.

Recommendation: The State Government may consider adopting a monitoring mechanism to ensure proper implementation of the scheme.

4.2.13 Conclusion

This Performance Audit was conducted with a view to assessing whether planning was based on realistic assessment of the requirement, financial management was efficient, scheme was implemented effectively and monitoring mechanisms were adequate. Audit, however observed shortcomings such as inefficient planning and assessment of requirement, short release/delay in release of funds, procurements made without observing financial rules, procurements outside the proposal, huge retention of idle stock, non-execution of projects and absence of effective monitoring mechanism. These shortcomings led to the scheme not fully achieving its objective of adequately equipping the State Police Force and strengthen the Police infrastructure by providing required mobility, modern weaponry, communication equipment and security/training equipment. Audit has recommended corrective measures that if implemented, will address the shortcomings highlighted in this Report.

4.2.14 Recommendations

The State Government may-

- (i) direct the Department to prepare the tentative and State strategic plans so as to submit the realistic State Action Plans to GoI.***
- (ii) ensure that procurement is made as per the approved SAP and approval be obtained from the MHA for deviation; if any.***
- (iii) take up with GoI for timely release of approved funds.***
- (iv) ensure submission of correct Utilisation Certificates (UCs) depicting the actual utilisation of funds and submit UCs without delay.***
- (v) instruct the Department to follow the codal formalities of relevant Financial Rules for procurement made under the scheme.***
- (vi) direct the Department to ensure the availability of equipment to the field units and minimise the idle stock retention by Police Headquarters.***
- (vii) consider adopting a monitoring mechanism to ensure proper implementation of the scheme.***

Compliance Audit Paragraphs

HOME (POLICE) DEPARTMENT

4.3 Non-realisation of security charges for Police guards

Inability of the Department to enforce provisions of the Government's decision for recovery of police guards charges from Banks/institutions resulted in non-realisation of security charges of ₹54.82 crore.

The Home (Police) Department, Government of Nagaland (GoN) provides police guards for security to various banks and institutions in the State. As per GoN decision¹⁶ (March 1971), 50 *per cent* of the total cost of the police guards provided to banks/institutions shall be recovered from the concerned banks¹⁷ with effect from the date those branches are opened and credited into the Government account.

The issue of non-realisation of cost of Police guards amounting to ₹56.73 lakh was highlighted in Paragraph 3.8 of the Report of the C&AG for the year ended 31 March 2000, GoN. Subsequently, the Public Accounts Committee (PAC) recommended (16 March 2007) in its 83rd Report to the Home (Police) Department that all efforts be made to recover the outstanding revenue from the bank authorities and deposit the amount into the Government Account. The Home (Police) Department, GoN thereafter informed (November 2008) the PAC that all efforts were being made by the Commanders of the Units whose personnel were deployed as Police guards to various financial Banks to recover the outstanding amount.

Based on the recommendation of the PAC, the assurance given by the Home (Police) Department and Rule 12 of the General Financial Rules 2017, that stipulated that amounts due to Government shall not be left outstanding without sufficient reasons, the recovery of police guards charges had to be ensured so that, there was no further loss to the Government exchequer. The PAC had also recommended that the Department intimate the course of action taken on recovery of the outstanding amount of ₹56.73 lakh within six months. The Home (Police) Department, however, did not take corrective actions and as such the irregularity pointed out in the previous Audit Report continued to occur as discussed below.

Examination of records of the office of the Director General of Police, Nagaland, Kohima revealed that the Police Department was still not recovering police guard charges from banks/institutions who were provided police guards for security. During 2018-19 to 2022-23, the police guards charges amounting to ₹54.82 crore for deployment of police guards to 100 bank branches/institutions of

¹⁶ Vide letter No. POL-13/9/PB/79 dated 6 March 1971.

¹⁷ In addition to the banks, it also provides police guards to institutions by charging 50 *per cent* of the total cost of police guards.

14 banks/institutions¹⁸ in the State were not recovered (July 2023) as shown in ***Appendix 4.3.1***. It could be seen from ***Appendix 4.3.1*** that the major defaulters are State Bank of India (SBI) (₹38.16 crore), Nagaland Cooperative Bank (₹7.10 crore), Allahabad Bank (₹2.81 crore), Nagaland Rural Bank (₹1.89 crore), Bank of Baroda (₹1.62 crore) and Central Bank of India (₹1.16 crore).

Audit observed that though the Home (Police) Department requested the banks/institutions to clear the outstanding dues, these were not paid, and the security guards continued to be deployed in 100 defaulting banks branches/institutions. Audit further observed that the non-realisation of the outstanding revenue is primarily caused by the Home (Police) Department's inability to take concrete action to withdraw security personnel from the defaulting banks/institutions. The absence of a formal agreement between the Home (Police) Department and the banks/institutions has led to the provision of police guards without charge, hindering the State's revenue collection.

Thus, inability of the Home (Police) Department to enforce provisions of the Government's decision and the General Financial Rules resulted in the non-realisation of security charges of ₹54.82 crore.

The matter was reported to the State Government in August 2023 and reminders were issued in October 2023, January and March 2024. The Government did not offer any reply as of April 2024.

Recommendations:

The State Government may-

- (i) comply with PAC recommendations and take immediate action to recover the outstanding dues in a time-bound manner from the defaulting banks/institutions to avoid further financial losses.***
- (ii) consider reviewing police personnel deployed for security at the defaulting banks/institutions to ensure optimal utilisation of Government resources.***
- (iii) enter into a Memorandum of Agreement with the banks concerned to obviate the recurrence of non-payment of police guard charges in future.***

¹⁸ (1) Allahabad Bank (now merged with Indian Bank), (2) Axis Bank, (3) Bank of Baroda, (4) Central Bank of India, (5) Nagaland State Co-operative Bank Ltd, (6) Life Insurance Corporation of India, (7) Indian Oil Corporation, (8) Nagaland Rural Bank, (9) Post Office, (10) State Bank of India, (11) Subsidiary Intelligence Bureau, (12) UCO Bank, (13) LPG Bottling Plant and (14) United Bank of India (now merged with Punjab National Bank).

FINANCE (TREASURIES & ACCOUNTS) DEPARTMENT

4.4 Fraudulent/excess drawal of money

Non-exercise of prescribed checks by the Drawing and Disbursing Officers and Treasury Officers, resulted in fraudulent/double/excess drawal of ₹0.68 crore out of which ₹19.74 lakh is yet to be deposited.

The issue of fraudulent/excess drawal by the DDOs, through the manipulation of pay and allowances bills was highlighted in the previous Audit Reports of the C&AG. Details of these cases featured in the Audit Reports for the year ended 31 March 2017 to 31 March 2022 as provided in *Appendix 4.4.1*.

The Public Accounts Committee (PAC) Reports/recommendations are the principal medium by which the Legislature enforces financial accountability of the Executive to the Legislature and it is appropriate that they elicit timely response from the concerned departments in the form of Action Taken Notes (ATNs). The PAC discussed four paragraphs on fraudulent/excess drawal of money by Drawing and Disbursing Officers (DDOs)/Treasury Officers (TOs) reflected in the Audit Reports of the C&AG of India for the years 2014-15 to 2016-17 and made the following recommendations:

- The Department should furnish the latest report on the recovery.
- The Department should take disciplinary action against the defaulting DDOs for presenting false bills and the TOs for passing bills without following the prescribed checks.

As per the PAC Reports, the concerned Departments were required to submit the ATNs on the recommendations of the PAC within two months from the date of laying the Reports of the PAC to the Legislature. The concerned Departments, however, did not provide the ATNs for the recommendations made by the PAC. This non-compliance with the PAC's recommendations resulted in further irregularities as discussed below.

Rule 66, Sub-clause 3 of the Central Government Accounts (Receipts and Payments) Rules, 1983, as adopted by the Government of Nagaland (GoN), prescribes that entries in all money columns of the pay bills are to be totalled separately under each section and parts, to arrive at the total entitlements as well as net payable after statutory deductions. Section-wise totalling of the pay bills must be checked by the Drawing and Disbursing Officer (DDO) himself or by some responsible official other than the person preparing the bill.

Further, Rule 276 of Central Treasury Rules (CTR), as adopted by the GoN, states that while drawing any arrear bill, the DDO shall record certificates on the arrear bill under his dated signature to the effect that (i) no part of the amount claimed has been drawn previously; and (ii) a note of the arrear claim has been made in the office copy of the bill or the pay bill register for the period to which the claim pertains.

Rule 23 of the CTR prescribes that the Treasury Officer (TO) shall obtain sufficient information as to the nature of every payment he is making and shall not accept a claim which does not formally present that information unless there are valid reasons which he shall record in writing for omitting to enquire it. Rule 24 further states that the TO may correct an arithmetical inaccuracy or an obvious mistake in any bill presented to him for payment.

Test check of pay bill vouchers of various Departments submitted by the Treasury Officer to the Principal Accountant General (A&E), Nagaland pertaining to the period from 2016-17 to 2019-20 revealed that 13 DDOs from 10 Departments (*Appendix 4.4.2*) had fraudulently drawn ₹0.68 crore by inflating the net total of pay bills, double drawal of pay and allowances, arrears, etc., in violation of the prescribed Financial Rules. When the matter was intimated to the Departments, they recovered and deposited ₹48.61 lakh into Government Account (as of June 2023). However, report on initiating disciplinary action against the defaulting officials was not furnished. Details of the *modus operandi* is outlined in Table 4.4.1.

Table 4.4.1: Cases of excess/fraudulent drawals

Nature of Objections	Audit observations	Action Taken by Departments concerned
Excess drawal by inflating net total of pay bills	One DDO from a Department drew funds of ₹82.84 lakh in 30 pay bills by irregularly inflating the net total, while the actual admissible amount was ₹71.39 lakh. This resulted in an excess drawal of ₹11.45 lakh between December 2018 and January 2019, as detailed in <i>Appendix 4.4.3</i> .	Upon being notified, the DDO recovered an amount of ₹ one lakh (January to May 2023) and deposited it into the Government account. The remaining balance of ₹10.45 lakh is yet to be recovered (August 2023).
Double drawal of pay & allowances including arrears	Six DDOs from five Departments fraudulently drew funds of ₹19.35 lakh during March 2017 to March 2020 in eighteen bills for pay & allowances and arrears, which had already been drawn in regular bills. This resulted in a fraudulent drawal of ₹19.35 lakh, as detailed in <i>Appendix 4.4.4</i> .	Upon being notified, four DDOs have recovered an amount of ₹13.02 lakh (October 2020 to May 2022) and deposited it into the Government account. The remaining balance of ₹6.33 lakh is yet to be recovered (August 2023).
Fraudulent/inadmissible drawal of pay & allowances including arrears	Seven DDOs from six Departments fraudulently drew funds of ₹37.55 lakh in 51 arrear bills during March 2017 to March 2019 by preparing fictitious 'due and drawn' statements for employees who were not entitled to draw arrears, as detailed in <i>Appendix 4.4.5</i> .	Upon being notified, six DDOs have recovered an amount of ₹34.59 lakh (February 2021 to June 2023) and deposited it into the Government account. The remaining balance of ₹2.96 lakh is yet to be recovered (August 2023).

The above instances of excess/double/fraudulent drawals by these DDOs from 10 Departments indicated failure at both the DDOs' and TOs' level to exercise control and checks as prescribed by rules and procedures. It may be mentioned that during the period from 2016-2017 to 2021-2022, Audit pointed out the issue

of fraudulent/excess drawal by the DDOs, of which the Departments of School Education, Health & Family Welfare, Home (Police) and Veterinary & Animal Husbandry had the most cases of irregularities (*Appendix 4.4.6*).

In all the above cases, the DDOs prepared the pay bills/arrear bills and presented the same to the Government Treasuries without ensuring accuracy of the arithmetic calculations and the required certificates (Non-Drawal Certificates). The TOs also did not conduct the necessary checks before authorising the payments. The failure of the DDOs and TOs to comply with the provisions under CTR and Receipt and Payment Rules, while preparing and passing the bills, indicates a possible collusion in fraudulent drawals.

Thus, due to the failure of the concerned Departments to comply with the instructions of PAC, the objective of ensuring financial accountability of the Executive to the Legislature remained unfulfilled, while allowing these financial malpractices to persist.

The matter was reported to the State Government in May 2023 and July 2023.

Recommendations:

The State Government may-

- (i) investigate all such matters in respect of various Departments of the State.*
- (ii) fix responsibility and initiate disciplinary action against the erring officers responsible for the excess/double/suspected fraudulent drawals.*
- (iii) take steps to recover the amount misappropriated immediately from the concerned employees/DDOs/TOs with penal interest.*
- (iv) initiate steps to strengthen the internal control mechanism in all departments to prevent recurrence of fraudulent drawals and ensure that appropriate checks and balances are in place.*

CHAPTER-V
REVENUE SECTOR

CHAPTER - V

REVENUE SECTOR

5.1 General

5.1.1 Trend of revenue receipts

The tax and non-tax revenue raised by the GoN during the financial year 2022-23, the State's share of net proceeds of divisible Union taxes and duties assigned to the State and Grants-in-Aid received from GoI during the year and the corresponding figures for the preceding four years are shown in **Table 5.1.1**.

Table 5.1.1: Trends of revenue receipts

(₹ in crore)

Sl. No.	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
1.	Revenue raised by the State Government					
	• Tax Revenue	846.43	958.23	1,022.74	1,300.89	1,461.88
	• Non-Tax Revenue	255.24	339.29	242.60	303.58	478.41
	Total	1,101.67	1,297.52	1,265.34	1,604.47	1,940.29
2.	Receipts from the GoI					
	• Share of net proceeds of divisible Union Taxes and Duties	3,792.41	3,267.08	3,409.25	4,875.46	5,400.19
	• Grants-in-Aid	6,543.33	6,858.69	6,752.84	6,971.21	6,758.78
	Total	10,335.74	10,125.77	10,162.09	11,846.67	12,158.97
3.	Total revenue receipts of the State Government (Sl. No. 1 and 2)	11,437.41	11,423.29	11,427.43	13,451.14	14,099.26
4.	Percentage of 1 to 3	10	11	11	12	14

Source: Finance Accounts of the respective years

The above table indicates that during the year 2022-23, the revenue raised by the State Government (₹1,940.29 crore) was 14 per cent of its total revenue receipts. The balance 86 per cent of the receipts during 2022-23 was from the GoI.

The details of tax revenue raised against the Budget Estimates (BEs) during the period 2018-23 are shown in **Table 5.1.2**.

Table 5.1.2: Details of the Tax Revenue against the Budget Estimates (BEs)

(₹ in crore)

Sl. No.	Head of revenue	2018-19		2019-20		2020-21		2021-22		2022-23		Percentage of 2022-23 over 2021-22
		BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	
1.	State Goods and Services Tax	250.00	469.64	340.37	613.22	541.25	663.81	726.72	830.34	957.65	959.09	16
2.	Other Taxes on Income and Expenditure	37.50	35.32	37.50	30.64	37.50	31.24	37.50	30.50	32.94	30.13	(-1)
3.	Land Revenue	0.65	1.13	0.81	1.04	1.20	1.09	1.25	1.23	0.85	1.09	(-11)
4.	Stamps and Registration Fees	2.40	2.53	2.64	2.79	3.10	2.25	3.10	3.39	3.10	3.43	1

Audit Report for the year ended 31 March 2023

Sl. No.	Head of revenue	2018-19		2019-20		2020-21		2021-22		2022-23		Percentage of 2022-23 over 2021-22
		BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	
5.	State Excise	5.10	4.65	5.10	3.24	5.50	4.54	5.50	3.32	3.20	4.40	33
6.	Taxes on Sales, Trade etc.	225.00	186.69	252.89	175.15	265.50	205.50	325.00	261.87	280.00	246.55	(-6)
7.	Taxes on vehicles	105.00	126.22	121.04	113.93	131.72	93.29	145.00	141.04	115.00	187.64	33
8.	Taxes on Goods and Passengers	14.60	20.16	18.91	18.09	25.00	15.62	25.00	21.43	20.00	21.58	1
9.	Taxes on Duties and Electricity	0.06	0.09	0.09	0.08	0.11	5.40	0.10	7.77	4.75	7.97	3
10.	Other Taxes and Duties on Commodities and Services	0.25	0.00	0.80	0.05	0.25	0.00	2.45	0.00	0.00	0.00	0
Total (Own Tax Revenue)		640.56	846.43	780.15	958.23	1,011.13	1,022.74	1,271.62	1,300.89	1,417.49	1,461.88	12

Source: Budget documents and Finance Accounts of the respective years

During 2022-23, GST collection of the State increased by 16 per cent from ₹830.34 crore in 2021-22 to ₹959.09 crore in 2022-23. Both ‘State Excise’ and ‘Taxes on Vehicles’ increased by 33 per cent from ₹3.32 crore and ₹141.04 crore in 2021-22 to ₹4.40 crore and ₹187.64 crore respectively in 2022-23. Tax revenue under ‘Taxes on Duties and Electricity’ observed a growth of three per cent. Revenue generated from ‘Stamps and registration fees’ and ‘Taxes on Goods and Passengers’ increased by one per cent each respectively. There was decrease in revenue under ‘Land Revenue’ and ‘Taxes on Sales, Trade, etc.’ by 11 and 06 per cent compared to the previous year.

Details of the Non-tax revenue raised against the BEs during the period 2018-23 are shown in **Table 5.1.3**.

Table 5.1.3: Details of Non-Tax Revenue raised against the BEs during 2018-23

Sl. No.	Head of revenue	2018-19		2019-20		2020-21		2021-22		2022-23		Percentage of 2022-23 over 2021-22
		BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	
1.	Interest Receipts	5.00	12.06	7.95	5.73	8.50	4.55	7.00	5.10	3.25	7.13	40
2.	Miscellaneous General Services	14.50	24.15	23.50	22.18	21.00	21.45	24.50	19.34	11.10	28.70	48
3.	Power	158.00	147.97	160.00	159.31	175.00	171.42	185.00	211.92	225.00	286.35	35
4.	Road Transport	11.00	8.74	8.50	8.43	8.90	3.24	9.00	5.45	5.10	7.92	45
5.	Forestry and Wildlife	13.00	12.62	11.00	13.72	12.50	11.55	14.25	19.07	15.00	26.60	39
6.	Housing	5.80	6.77	6.70	6.40	6.80	7.11	7.50	7.71	6.55	13.43	74

Sl. No.	Head of revenue	2018-19		2019-20		2020-21		2021-22		2022-23		Percentage of 2022-23 over 2021-22
		BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	BEs	Actuals	Actuals
7.	Co-operation	0.10	7.77	0.10	1.41	2.25	3.03	1.65	1.80	1.90	0.25	(-86)
8.	Roads and Bridges	1.50	1.54	1.40	0.73	1.62	0.51	0.75	1.17	0.80	0.63	(-46)
9.	Other Administrative Services	5.80	6.52	6.75	2.86	7.00	1.87	6.00	3.45	1.30	4.48	30
10.	Others	132.75	27.10	103.12	118.51	28.66	17.87	27.76	28.57	20.67	102.92	260
Total (Non-Tax Revenue)		347.45	255.24	329.02	339.29	272.23	242.60	283.41	303.58	290.67	478.41	58

Source: Budget documents and Finance Accounts of the respective years

The revenue receipts under the head 'Housing' increased by ₹5.72 crore from ₹7.71 crore during 2021-22 to ₹13.43 crore during 2022-23 due to increase in 'Minor Heads: 106-General Pool Accommodation, 700-Other Housing and 800-Other Receipts'. The revenue receipts under the heads 'Miscellaneous General Services', 'Road Transport' and 'Interest Receipts' increased by 48 per cent, 45 per cent and 40 per cent from ₹19.34 crore, ₹5.45 crore and ₹5.10 crore to ₹28.70 crore, ₹7.92 crore and ₹7.13 crore respectively. The revenue receipts under the head 'Co-operation' decreased by 86 per cent from ₹1.80 crore to ₹0.25 crore due to decrease in 'Minor Heads: 101-Audit Fees and 800-Other Receipts'. Similarly, the revenue receipts under head 'Roads and Bridges' decreased by 46 per cent from ₹1.17 crore to ₹0.63 crore due to decrease in 'Minor Head: 102-Tolls on Roads'.

5.1.2 Goods and Services Tax

Goods and Services Tax (GST) was implemented with effect from 01 July 2017 on supply of goods or services or both. GST is concurrently administered by the Union (Central GST) and the States (State GST) on supply within the State while Integrated Goods and Services Tax (IGST) is levied on inter-State supply of goods or services or both.

The Central Goods and Services Tax (CGST) Act 2017, the Nagaland State Goods and Services Tax (NGST) Act 2017 and the Integrated Goods and Services Tax (IGST) Act 2017 and allied Rules of all the three Acts are applicable in the State of Nagaland.

Goods and Services Tax Network (GSTN), a non-Government Company set up by Government of India provides both front-end and back-end services to Nagaland being a Model-II State. Front-end services provided to taxpayers include registration, return filing and payment of tax, while back-end services include approval of registration, taxpayer detail viewer, refund processing and MIS reports.

Implementation of GST necessitated smooth transitional provisions which enable migration of all existing businesses to the new regime. The transitional provisions have been specifically incorporated in all the three GST Acts/Rules.

5.1.2.1 GST Registrations

As per the GST Act, every taxpayer with turnover of above ₹10 lakh (enhanced to ₹20 lakh with effect from 01 April 2019 in respect of dealers dealing with sale of goods only) has to be registered under GST.

The category wise registrations under GST as on March 2023 are shown in **Table 5.1.4**.

Table 5.1.4: Registered taxpayers under GST

Types of Taxpayers	Number of dealers	Percentage of total
Normal Taxpayers	7,615	76.18
Composition Taxpayers	1,954	19.55
Tax Deductors at Source (TDS)	326	3.26
Tax Collectors at Source (TCS)	98	0.98
Input Service Distributors (ISD)	3	0.03
Others (casual, NRTP, OIDAR)	0	0.00
Total Registrants	9,996	100.00

Source: Information provided by State Taxation Department

The total registrations under GST in Nagaland as on March 2023 was 9,996 of which, normal taxpayers accounted for 76.18 per cent, TDS accounted for 3.26 per cent and others (including TCS, composition taxpayers and ISD) accounted for 20.56 per cent.

5.1.2.2 State GST Revenue

The comparison of budget estimates and the corresponding actual collection of GST during the period from 2017-18 to 2022-23 is shown in **Table 5.1.5**.

Table 5.1.5: Revenue from GST during 2017-18 to 2022-23

(₹ in crore)

Year	Budget Estimate (BE)	Revised Estimate (RE)	Actuals
	State GST	State GST	State GST
2017-18	-	140.66	187.57
2018-19	250.00	301.21	469.64
2019-20	340.37	491.36	613.22
2020-21	541.25	462.94	663.81
2021-22	726.72	895.00	830.34
2022-23	957.65	975.00	959.09

Source: Budget documents and Finance Accounts of the respective years

It could be seen from the above table that the actual collection of revenue from SGST during 2017-18 to 2020-21 was more than the target as projected in the revised estimates whereas SGST collection during 2021-22 and 2022-23 was short of the target as projected in the revised estimates for the respective years.

5.1.2.3 Compensation under SGST

As per the Goods and Services Tax (Compensation to States) Act 2017, States will be compensated for the shortfall in revenue arising on account of implementation of the GST considering an annual growth of 14 per cent from the base year 2015-16, for a period of five years. During 2022-23, the State Government did not receive any compensation under GST (Compensation) Act 2017.

5.1.2.4 Trends of Integrated GST apportionment to the State

IGST collected will be apportioned between the Centre and the State where the goods or services are consumed. The revenue will be apportioned to the Centre at the CGST rate, and the remaining amount will be apportioned to the consuming State.

The trends of IGST apportionment to the State are shown in **Table 5.1.6**.

Table 5.1.6: Integrated Goods and Services Tax

(₹ in crore)

IGST component	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
IGST apportioned to the State as per Section 17 of IGST Act 2017	133.27	331.41	457.98	451.65	617.57	720.50
IGST provisionally/ad-hoc apportioned to the State	11.00	41.78	10.56	24.33	25.30	15.71

Source: Information provided by the Department

5.1.2.5 GST Return filing pattern

The filing of GSTR-1 and GSTR-3B returns is mandated under Section 37 and 39(1) of the NGST Act. The system envisages that both the returns are linked to enable the assessing officer to accurately assess the tax dues of the dealer, for a particular month.

The trends of filing of GSTR-1 and 3B as on 31 March 2023 for the period from April 2022 to March 2023, as compiled from the information furnished by the Department, is depicted in the following **Table 5.1.7**.

Table 5.1.7: Filing pattern of GSTR-1 and GSTR-3B

Return Type	GSTR-1			GSTR-3B				Returns filed by due date	Per cent filed by due date
	Month	Due for filing	Return filed	Return filing per cent	Due for filing	Returns filed as on the last day of the report period	Return filing per cent		
April 2022	6,106	5,440	89	6,106	5,527	91	Data not available	Data not available	
May 2022	6,184	5,508	89	6,184	5,593	90			
June 2022 (Monthly)	6,268	5,581	89	6,268	5,674	91			
June 2022 (Quarterly)	1,178	1,066	90	1,178	1,117	95			
July 2022	6,325	5,629	89	6,325	5,711	90			
August 2022	6,418	5,705	89	6,418	5,782	90			
September 2022 (Monthly)	6,462	5,860	91	6,462	5,849	91			
September 2022 (Quarterly)	1,200	1,134	95	1,200	1,132	94			
October 2022	6,546	5,894	90	6,546	5,883	90			
November 2022	6,648	5,936	89	6,648	5,927	89			
December 2022 (Monthly)	6,661	5,951	89	6,661	5,930	89			
December 2022 (Quarterly)	1,219	1,155	95	1,219	1,148	94			
January 2023	6,715	5,912	88	6,715	5,904	88			
February 2023	6,117	5,934	97	6,117	5,920	97			
March 2023 (Monthly)	6,161	5,930	96	6,161	5,898	96			
March 2023 (Quarterly)	1,188	1,153	97	1,188	1,138	96			

Source: Information provided by Department

It can be seen from the above table that filing of GSTR-1 increased from 89 per cent in April 2022 to 97 per cent in March 2023 and filing of GSTR-3B increased from 91 per cent in April 2022 to 96 per cent in March 2023.

5.1.3 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2023 on seven principal heads of revenue amounted to ₹8.09 crore out of which ₹2.84 crore was outstanding for more than five years as shown in **Table 5.1.8**.

Table 5.1.8: Arrears of revenue

(₹ in crore)

Sl. No.	Head of revenue	Total Amount outstanding as on 31 March 2023	Amount outstanding for more than five years as on 31 March 2023
1.	Nagaland Value Added Tax	3.11	1.43
2.	Petroleum Tax	4.84	1.28
3.	Central Sales Tax	0.01	0.01
4.	Purchase Tax	0.00	0.00
5.	Professional Tax	0.04	0.03
6.	Nagaland Sales Tax	0.09	0.09
7.	GST	0.00	0.00
Total		8.09	2.84

Source: Departmental figures

Recommendation: The Department may review the arrears and take action for recovery under the law.

5.1.4 Arrears in assessments

The details of cases pending at the beginning of the year, cases becoming due for assessment, cases disposed of during the year and number of cases pending for finalisation at the end of the year as furnished by the Sales Tax Department in respect of Sales Tax/VAT on Sales, Trades etc. are shown in **Table 5.1.9**.

Table 5.1.9: Arrears in assessments

Head of Revenue	Opening Balance of arrears in assessment as on 1 April 2022	New cases due for assessment during 2022-23	Total assessment due	Cases disposed-off during 2022-23	Balance at the end of the 31 March 2023	Percentage of cases disposed to the total assessment due
	(in number)					(in per cent)
1	2	3	4	5	6	7 (5 to 4)
Taxes/VAT on Sales, Trades, etc.	783	216	999	451	548	45

Source: Departmental figures

The arrears in assessment decreased by 30 per cent from 783 to 548 cases with the addition of 216 cases, which became due for assessment during 2022-23 and 451 cases were disposed of (45 per cent of the total assessment due) during the year.

5.1.5 Pendency of Refund Cases

The number of refund cases under Sales Tax/NVAT and State GST pending at the beginning of the year 2022-23, claims received during the year, refunds allowed

during the year and the cases pending at the close of the year 2022-23 as reported by the Department are shown in **Table 5.1.10**.

Table 5.1.10: Details of pendency of refund cases

(₹ in crore)

Sl. No.	Particulars	Sales Tax/VAT		State GST	
		No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year	-	-	34	1.41
2.	Claims received during the year	-	-	31	3.46
3.	Refunds made during the year	-	-	19	0.36
4.	Refunds rejected during the year	-	-	7	0.13
5.	Balance outstanding at the end of the year	-	-	39	4.39

Source: Information furnished by the Department

As can be seen from **Table 5.1.10** above, out of the total 65 pending refund cases valued at ₹4.87 crore under the State GST, 19 cases valued at ₹0.36 crore (7.39 per cent) were refunded and seven cases valued at ₹0.13 crore were rejected. The Department, however, did not make any interest payments for the 19 refund cases settled during the year. The balance 39 cases involving ₹4.39 crore (90.14 per cent) under the State GST were yet to be refunded at the end of the year (March 2023).

Under Section 56 of the NGST Act, the Taxation Department is liable to pay interest at the rate of six per cent per annum, if any tax ordered to be refunded to the applicant is not refunded within 60 days from the date of receipt of application. As such, the Department may expedite the process of refund in such cases which are outstanding to avoid payment of interest on delayed refund.

Recommendation: *The Department may put in place a mechanism to monitor pendency of refund cases to ensure that there is no delay in refund dues and the payment of interest may be avoided.*

5.1.6 Cases of evasion of tax detected by the Department

The details of cases of evasion of tax detected by the Department, cases finalised and the demands for additional tax raised were requisitioned (July 2023) from the Commissioner of State Taxes, Nagaland, Dimapur. The Commissioner of State Taxes, Nagaland, Dimapur replied (July 2023) that no evasion of tax was detected.

5.1.7 Response of the Government/Departments towards Audit

The Principal Accountant General (Audit), Nagaland conducts periodical inspection of the Government departments to test-check the transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with the Inspection Reports (IRs) incorporating irregularities detected during the inspection and which are not settled on the spot, are issued to the Heads of the Offices inspected with copies to the next higher authorities for taking prompt corrective action. The Heads of the Offices/Departments are required to promptly comply with the observations contained in the IRs, rectify the defects, omissions and report compliance through initial reply to

the Principal Accountant General (Audit) within one month from the date of issue of the IRs. Serious financial irregularities are reported to the Heads of the Department and the Government for response. If replies to such serious and important audit observations are not found acceptable/convincing, these are included in the Report of the C&AG of India.

IRs issued upto March 2023 revealed that 402 paragraphs involving ₹411.36 crore relating to 94 IRs remained outstanding. Such details along with the corresponding figures for the preceding two years are shown in **Table 5.1.11**.

Table 5.1.11: Details of outstanding audit observations

Particulars	March 2021	March 2022	March 2023
Number of outstanding IRs	84	91	94
Number of outstanding audit observations	353	392	402
Amount involved (₹ in crore)	396.90	408.93	411.36

Source: IRs of Revenue Sector

5.1.7.1 Outstanding Inspection Reports and Audit Observations

The Department-wise details of the IRs and audit observations outstanding as on 31 March 2023 and the amount involved are shown in **Table 5.1.12**.

Table 5.1.12: Department-wise details of IRs and audit observations outstanding

Sl. No.	Name of Department	Name of Receipts	No. of outstanding IRs	No. of Outstanding Audit Observations	Money Value involved (₹ in crore)
1.	Finance	Taxes/VAT on Sales, Trade, etc.	37	257	174.05
2.	Finance	Miscellaneous General Services/Lottery	6	22	216.03
3.	Transport	Taxes on Vehicles/Taxes on Goods & Passengers	43	104	17.51
4.	Forest & Environment	Forest & Wildlife	8	19	3.77
Total			94	402	411.36

Source: IRs of Revenue Sector

The pendency of IR due to non-receipt of replies was indicative of the fact that the Heads of Offices/Departments had not initiated necessary action to rectify the defects, omissions and irregularities pointed out by the Principal Accountant General (Audit) in the IRs.

Recommendation: The State Government may consider putting in place an effective system for prompt and appropriate response to audit observations.

5.1.7.2 Departmental Audit Committee meetings

In order to expedite settlement of the outstanding audit observations contained in the IRs, Departmental Audit Committees are constituted by the Government. These Committees are chaired by the Secretaries of the Administrative Departments concerned and attended by the officers concerned of the State Government and officers of the Principal Accountant General (Audit), Nagaland. The Audit Committees need to meet regularly in order to expedite clearance of the outstanding audit observations.

During 2022-23, the outstanding audit observations were taken up with the State Government wherein 32 Management Letters were issued by the Principal Accountant General (Audit). However, no Audit Committee meeting was convened during the period to clear the outstanding audit observations.

Recommendation: The State Government may ensure holding of regular meetings of the Audit Committees for ensuring effective remedial action on the audit observations.

5.1.7.3 Follow up on the Audit Reports-summarised position

The internal working system of the Public Accounts Committee (PAC), notified in December 2002, laid down that after the presentation of the Report of the C&AG in the Legislative Assembly, the Departments shall initiate action on the audit paragraphs and the action taken explanatory notes thereon should be submitted by the Government within three months of tabling the Report, for consideration of the Committee. In spite of these provisions, the explanatory notes on audit paragraphs of the Reports were being delayed inordinately.

Nineteen paragraphs¹, two Performance Audits² and one Subject Specific Compliance Audit³ (SSCA) included in the Reports of the C&AG on the Revenue Sector of the GoN for the years 31 March 2016 to 31 March 2022 were placed before the State Legislative Assembly between March 2017 and September 2023.

PAC discussed (during August 2019 to April 2021) nine paragraphs⁴ pertaining to the Reports of the years March 2016 to March 2019. Of these, two paragraphs were dropped following the departments' reply; recommendations made by the PAC were accepted and action taken by the Government for five paragraphs, and the PAC gave recommendations for two paragraphs, which are pending presentation in the State Legislative Assembly. The Departments did not furnish *suo-moto* explanatory notes to the Principal Accountant General (Audit) through the Nagaland Legislative Assembly Secretariat in respect of paragraphs/reviews which appeared in the Audit Reports.

During 2022-23, no PAC meeting was held and no Action Taken Note was received.

5.1.8 Analysis of the mechanism for dealing with the issues raised by Audit

To analyse the system of addressing the issues highlighted in the IRs/Audit Reports by the Departments/Government, the action taken on the paragraphs and performance audits included in the Audit Reports of the last 10 years for Taxation Department was evaluated.

¹ Three paragraphs of Audit Report 2015-16, three paragraphs of Audit Report 2016-17, three paragraphs of Audit Report 2017-18, two paragraphs of Audit Report 2018-19, five paragraphs of Audit Report 2019-20 and three paragraphs of Audit Report 2020-22.

² Two Performance Audits in Audit Report 2015-16 *viz.* Nagaland State Lotteries and Computerisation of Motor Vehicle Department.

³ One SSCA in Audit Report 2019-20 *viz.* Processing of refund claims under Goods and Service Tax.

⁴ Three paragraphs each of Audit Reports 2015-16, 2016-17 and 2017-18.

The succeeding **Paragraphs 5.1.8.1** and **5.1.9** discuss the performance of Taxation Department in dealing with the cases detected in the course of local audit conducted and also the cases included in the Audit Reports for the years 2017-18 to 2022-23.

5.1.8.1 Position of Inspection Reports

The summarised position of IRs issued during the last five years and their status as on 31 March 2023 are shown in **Table 5.1.13**.

Table 5.1.13: Position of Inspection Reports

(₹ in crore)

Year	Opening Balance			Addition during the year			Clearance during the year			Closing Balance		
	IR	Paras	Money Value	IR	Paras	Money Value	IR	Paras	Money Value	IR	Paras	Money Value
2018-19	71	324	404.63	9	49	23.10	2	55	50.77	78	318	376.96
2019-20	78	318	376.96	12	65	40.83	6	21	12.73	84	362	405.06
2020-21	84	362	405.06	2	11	3.03	2	20	11.17	84	353	396.92
2021-22	84	353	396.92	7	46	17.78	0	7	5.77	91	392	408.93
2022-23	91	392	408.93	3	15	3.92	0	5	1.48	94	402	411.37

Source: IRs of Revenue Sector

It is evident from the above table that against 71 outstanding IRs with 324 paragraphs as on 01 April 2018, the number of outstanding IRs increased to 94 with 402 paragraphs at the end of March 2023. The Department needs to take adequate steps to settle the outstanding IRs to avoid accumulation of the IRs and paragraphs.

5.1.9 Recovery in cases accepted by the Departments

The position of paragraphs included in the C&AG's Audit Reports of the last five years, those accepted by the Departments and the amounts recovered are shown in **Table 5.1.14**.

Table 5.1.14: Position of recovery of accepted cases

(₹ in crore)

Year of Audit Report	Number of paragraphs included	Money value of the paragraphs	Number of paragraphs accepted	Money value of accepted paragraphs	Amount recovered during the year
2017-18	3	19.86	1	3.34	0.05
2018-19	2	21.02	0	0.00	0.00
2019-20	5	31.42	0	0.00	0.00
2020-22	3	25.61	1	7.47	2.48
Total	13	97.91	2	10.81	2.53

Source: Previous C&AG Reports

From the above table, it may be seen that during the last five years, the Department accepted paragraphs with an amount of ₹10.81 crore as against which, they recovered only ₹2.53 crore. Thus, it is evident that the progress of recovery even in accepted cases was very slow during the last five years.

Recommendation: *The Department may take immediate action to pursue and monitor prompt recovery of the dues involved in the accepted cases.*

5.1.9.1 Action taken on recommendations accepted by Government

The draft Reports of the Performance Audits (PAs) conducted by the Principal Accountant General (Audit) are forwarded to the departments concerned/Government to furnish their replies. These PAs are also discussed during the exit conference and views of departments/Government are taken into account while finalising PAs for inclusion in C&AG Audit Reports. Besides, audit also makes recommendations against some specific issues brought out in the paragraphs wherever felt appropriate.

During 2015-16, two PAs under Revenue Sector were highlighted in the C&AG's Audit Report wherein nine recommendations were made for consideration by the Government. The Government reported that action was taken in respect of the recommendations which featured in the PAs (details are given in *Appendix 5.1.1*). No PA on Revenue Sector was conducted during 2016-17 to 2022-23.

5.1.10 Audit Planning

The offices under various departments are, for the purpose of audit, categorised into high, medium and low risk units according to their revenue position, past trends of audit observations and other parameters. The annual audit plan is prepared on the basis of risk analysis which *inter alia* include critical issues in government revenues and tax administration *i.e.*, budget speech, white paper on State Finances, Reports of the Finance Commission (State & Central), recommendations of the Taxation Reforms Committee, statistical analysis of revenue earnings during the past five years, factors of tax administration, audit coverage and its impact during past five years.

Out of 22 auditable units, no auditee units were planned for audit during 2022-23. however, a Subject Specific Compliance Audit on Departments' oversight on GST payments and Return filing in Nagaland was conducted during 2022-23.

5.1.11 Coverage of this chapter

This chapter contains one Subject Specific Compliance Audit Paragraph on Departments' oversight on GST payments and Return filing in Nagaland.

Subject Specific Compliance Audit

FINANCE (TAXATION) DEPARTMENT

5.2 Departments' oversight on GST payments and Return filing in Nagaland

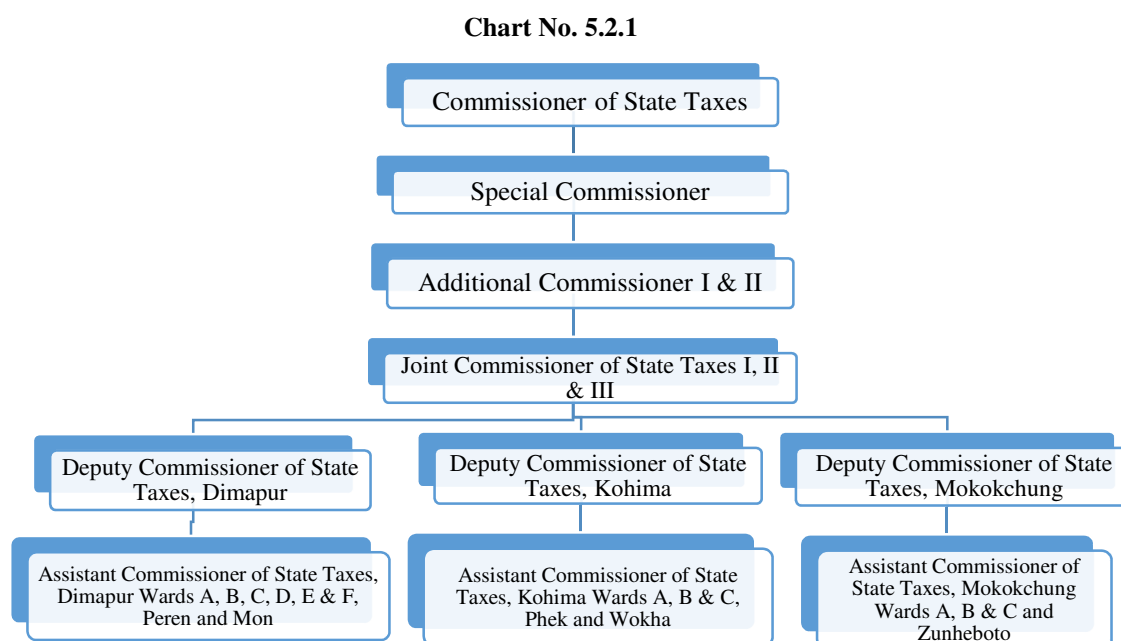
5.2.1 Introduction

Goods and Service Tax (GST) came into effect from 01 July 2017 replacing multiple taxes levied and collected by the Centre and States. GST is a destination-based consumption tax on the supply of goods or services or both levied on every value addition. The Centre and States simultaneously levy GST on a common tax base. Central GST (CGST) and State GST (SGST)/Union Territory GST (UTGST) are levied on intra-State supplies, and Integrated GST (IGST) is levied on inter-State supplies.

The norms of GST necessitate that every registered taxable person shall self-assess the taxes payable, pay the same and furnish a return for each tax period. GST returns must be filed online regularly on the common GST portal, failing which penalties will apply. Even if the business has had no tax liability during a particular tax period, it must file a 'nil' return mandatorily. According to the nature and unique features of business categories, different formats are prescribed for the returns by each category of taxpayers like normal taxpayer, composition taxpayer, casual taxpayer, non-resident taxpayer, e-commerce operators, and the periodicity of returns filing also changes accordingly.

5.2.1.1 Organisational set up

The Commissioner of State Taxes is the head of the Department of State Taxes. He exercises overall control and supervision of the entire tax administration in the State. The Commissioner is assisted by one Special Commissioner, one Additional Commissioner and three Joint Commissioners in the Directorate. For efficient tax administration, the State is also divided into three Zones each headed by a Deputy Commissioner of State Taxes. The organisational set up of the Department of State Taxes, Nagaland under GST regime is shown in **Chart 5.2.1**.



Source: Departmental records

5.2.2 Audit objectives

This audit was oriented towards providing assurance on the adequacy and effectiveness of systems and procedures adopted by the Department with respect to tax compliance under GST regime. Audit of 'Department's oversight on GST Payments and Return filing' was taken up with the following audit objectives to seek an assurance on:

- Whether the rules and procedures were designed to secure an effective check on tax compliance and were being duly observed by taxpayers; and

- Whether the scrutiny procedures, internal audit and other compliance functions of the Departmental field formations were adequate and effective.

5.2.3 Audit scope

The scope of audit comprised examination of taxpayers' compliance, scrutiny process and subsequent follow up carried out by the Department on returns filed by the registered taxpayers. In addition, the SSCA included review of records of a sample of taxpayers for the year 2017-18. The scope of this SSCA also included examination of the functions of selected Departmental field formations (Wards).

The review of the scrutiny of returns by the Department and verification of taxpayers' records covered the period from July 2017 to March 2018, while the audit of the functions of four selected Wards covered the period from July 2017 to March 2021. The SSCA covered only the State administered taxpayers. The field audit was conducted from April 2022 to December 2022.

Entry conference of this SSCA was held on 29 April 2022 with the Department in which the audit objectives, sample selection, audit scope and methodology were discussed. The exit conference was held on 14 July 2023 with the Department in which the audit findings were discussed. The replies received from the Department have been suitably incorporated in the relevant paragraphs.

5.2.4 Audit methodology and Sample selection

A data-driven approach was adopted for planning as also to determine the nature and extent of substantive audit. The sample for this SSCA comprised a set of deviations identified through data analysis for Centralised audit that did not involve field visits; a sample of taxpayers for detailed audit that involved field visits and scrutiny of taxpayer's records at Departmental premises; and a sample of Wards for evaluating the compliance functions of the Wards.

There were three distinct parts of this SSCA as under:

(i) Part I- Audit of Wards

For the purpose of evaluation of oversight functions, four Wards⁵ with jurisdiction over highest number of selected samples for Detailed Audit were considered as the sample for audit of Wards.

(ii) Part II- Centralised Audit

Audit analysed GST returns data pertaining to 2017-18 as made available at GSTN premises and identified a set of deviations and logical inconsistencies between GST returns filed by tax payers. A set of 10 parameters were identified such as mismatch of ITC availed between annual returns and books of accounts, and short payment of interest. Audit selected a sample of 98 high risk cases for assessing the adequacy and effectiveness of the scrutiny procedures of the Department.

⁵ Kohima Ward B, Dimapur Wards A, B and E

(iii) Part III-Detailed audit

Audit selected 15 taxpayers for detailed audit which involved field visits for verification of records available with the seven⁶ Wards. Taxpayers' records like returns and related attachments and information were accessed through Wards for assessing the extent of tax compliance by taxpayers. Efforts were made to access the relevant granular records from the taxpayers on a risk-based approach such as invoices through the respective Wards.

The details of audit sample for centralised audit, detailed audit and for audit of Wards are brought out in *Appendix 5.2.1*.

5.2.5 Audit criteria

The source of audit criteria comprised the provisions contained in the NGST Act, IGST Act, 2017 and Rules made thereunder. In addition, the notifications and circulars issued by the State Tax Department relating to filing of returns, rates of tax on goods and services, payment of tax, availing and utilising ITC, scrutiny of returns and oversight of tax compliance also formed part of the audit criteria.

5.2.6 Compliance verification mechanism of the Department

Four systemic areas were identified for examination in audit viz **(i) effectiveness of scrutiny of returns (ii) effectiveness of internal audit (iii) action on late-filers and non-filers (iv) cancellation of registration**. Accordingly, relevant information was called for from the selected four Wards. The role of Ward is to ensure compliance by taxpayers in respect of accuracy of the taxable value declared, calculation and payment of tax liabilities and filing of returns. The Wards have a broad set of functions to be exercised in this regard, which were assessed as part of this SSCA. During such verification, the following shortcomings were noticed:

5.2.6.1 Effectiveness of scrutiny of returns

Section 61 of the NGST Act, 2017 stipulates that the Proper Officer may scrutinise the return and related particulars furnished by the taxpayers to verify the correctness of the returns and information. Under Rule 99 of NGST Rules, 2017, discrepancies noticed, if any, are to be communicated to the taxpayer for seeking their explanation. If the explanation offered is found acceptable by the Proper Officer, the proceeding shall be dropped, the taxpayer shall be informed accordingly and no further action in the matter shall be taken. However, if the taxpayer does not furnish a satisfactory explanation within 30 days of being informed (extendable by the Proper Officer) or does not take any corrective measures, the Proper Officer may initiate appropriate action, including the issue of demand notices under Section 73 or Section 74 of the Act or refer the matter to Departmental internal audit, special audit or anti evasion wing. With a view to assessing whether due process was followed in the scrutiny of returns, Audit examined all the **183 cases** of scrutiny conducted by the four selected Wards and observed the following irregularities:

⁶ Dimapur Ward A to E, Wokha Unit and Kohima Ward B

- **Lack of detailed guidelines for scrutiny of returns:** Information regarding guidelines/mechanism/SOP devised by State GST Department for scrutiny of returns was sought for by Audit (August 2022). As per reply received from the Department (October 2022), no specific guideline on scrutiny of GST returns was issued. Since scrutiny of returns is a core function, vital for ensuring compliance to tax rules and regulations and for preventing leakage of revenue, there is a need for proper/standardised set of guidelines/mechanism. The Department further replied (December 2023) that SOP for Scrutiny of Returns has been issued in September 2023.
- **Deficiencies noticed in closed cases:** Out of 183 cases where returns were scrutinised, by the Proper Officers in the four selected Wards, there were 19 cases which were closed by the Department. Audit scrutiny of these 19 closed cases revealed that in five cases, the tax liability was partially discharged by the taxpayers and in six other cases, interest was not paid or partly paid as shown in *Appendix 5.2.2*. In reply (December 2023), the Department stated that in four out of six cases, interest was recovered from the taxpayers concerned.
- **Deficiencies in non-finalised cases:** During 2017-18 to 2020-21, the Proper Officers scrutinised 183 cases and issued ASMT-10⁷ in the four selected Wards. It was noticed that replies to 154 out of 183 cases had not been submitted by the taxpayers even after a lapse of 515 to 1,078 days from the date of issue of ASMT-10. However, the Proper Officers had not determined tax and other dues under Section 73 or Section 74 of the Act or referred the cases for Departmental audit or the anti-evasion wing to initiate further proceedings on the dealers. The tax/ITC implication in these cases was ₹10.94 crore as shown in *Appendix 5.2.3*. The observation was communicated (November 2022) to the Department. In reply (December 2023), the Department stated that reversals/recoveries were made in 11 out of 154 cases and the remaining cases are under process.

Recommendation: The Department may follow the detailed guidelines/SOP for selection of returns for scrutiny based on risk parameters and follow the detailed procedures for scrutiny of returns in a time-bound manner.

5.2.6.2 Effectiveness of Internal Audit

Section 65 of the NGST Act stipulates that the Commissioner or any officer authorised by him, by way of a general or a specific order, may undertake audit of any registered person for such period, at such frequency and in such manner as may be prescribed. Section 2 (13) of the NGST Act defines “Audit” as the examination of records, returns and other documents maintained or furnished by the registered person under this Act or the Rules made thereunder or under any other law for the time being

⁷ conveying discrepancies in Returns filed by Taxpayers and seeking explanations to be submitted on the date specified in the notice.

in force to verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess his compliance with the provisions of this Act or the Rules made thereunder.

Information regarding conduct of internal audit, guidelines and mechanism devised by the State Taxes Department for internal audit during the period from 2017-18 to 2020-21 was sought for by Audit (August 2022). In reply (October 2022), the Department stated that the process for commencement of internal audit is under way. The Department further replied (December 2023) that for Audit, the relevant provisions under the Act & Rules was followed as Audit Manual is readily accessible and available in the back office.

Recommendation: The Department may take prompt steps to initiate the audits under Section 65 of the Act so that timely action could be initiated against the defaulters before time-barring of cases.

5.2.6.3 Action on late-filers and non-filers

Section 46 of the NGST Act read with Rule 68 of NGST Rules requires issuance of a notice in Form GSTR-3A to taxpayers who fail to furnish returns (GSTR-1, GSTR-3B) requiring them to furnish returns within fifteen days. Further, Section 62 of the NGST Act stipulates that where a registered person fails to furnish his return even after the service of notice, the Proper Officer may proceed to assess the tax liability of the said person to the best of his judgement in ASMT-13 (best judgement assessment order). Audit accessed the profile of taxpayers and returns filed by taxpayers of the four selected Wards during 2017-18 to 2020-21 from the GST Portal and observed the following irregularities:

- (a) There were 40,740 GSTR-3B returns filed by due date, 21,026 returns not filed and 60,782 returns filed after due date.
- (b) Notice in GSTR-3A was issued in 1,211 out of 21,026 cases of GSTR-3B non-filers and the best judgement assessment procedure was not completed. On being pointed out, the Department replied (August 2022) that the returns were filed by the taxpayers after GSTR-3A was issued. However, Audit observed that returns were not filed even after a lapse of 485 to 683 days.
- (c) The Department did not initiate action on the remaining non-filers by issuing GSTR-3A and best judgement orders in ASMT-13⁸. The Department has accepted the audit observation.

The observation was communicated (November 2022) to the Department. No specific reply was received (December 2023).

⁸ Order in best judgement assessment initiated by the Department if a tax payer (GST registered entities) fails to file returns within prescribed time limit.

5.2.6.4 Cancellation of Registration

In the four Wards selected for audit, there were 601 cases of cancellation during 2017-18 to 2020-21 of which 326 cases were *suo-moto* cancellations and 275 cases were cancelled on request by the taxpayers. Audit observations regarding cancellation of taxpayer registrations are as follows:

(I) Date of cancellation prior to date of application

Rule 20 of the NGST Rules 2017 read with Circular No. 04/2018-GST dated 26 October 2018 provides that the taxpayer applying for cancellation of registration shall submit the application in Form GST REG-16 on the GST Portal within a period of 30 days of the “occurrence of the event warranting the cancellation”. The circular also specifies that the order for cancellation should be issued in Form GST REG-19 with the effective date of cancellation being the same as the date from which the applicant has sought cancellation in Form GST REG-16. In any case the effective date should not be a date earlier than the date of application for the same.

Scrutiny of records revealed that 170 out of 275 cases of cancellation on taxpayers’ request were cancelled with effect from dates prior to the date of application of the taxpayer as shown in **Appendix 5.2.4**. The observation was communicated (November 2022) to the Department. In reply (December 2023), the Department admitted that the effective date of cancellation was mistakenly approved from dates prior to the date of application of the taxpayer.

(II) Delay in issuance of cancellation order

Rule 22 of the NGST Rules states that cancellation order in form REG-19 is to be issued within 30 days from the date of application made by the taxpayers or date of reply to REG-17 in case of *suo-moto* cancellation. Rule 22(3) of the NGST Rules provides that where a person who has submitted an application for cancellation of his registration is no longer liable to be registered, the Department shall issue an order in form GST REG-19, within a period of thirty days from the date of application or, as the case may be, the date of the reply to any show cause issued, cancel the registration with effect from a date to be determined by Department and notify the taxable person, directing him to pay arrears of any tax, interest or penalty including the amount liable to be paid under sub-section (5) of Section 29.

Audit observed that in 249 out of 601 cases of cancellation, there were delays in issuance of REG-19⁹ ranging from 01 to 929 days. Audit further observed that the reason for delay in cancellation was because the Department did not monitor the cancellation process. The observation was communicated (November 2022) to the Department. In reply (December 2023), the Department stated that option for issuing SCN was disabled in the system which caused the delay in cancellation.

⁹ Order of cancellation.

(III) Reason for dropping of proceedings for cancellation not in GSTN Portal

The provisions of Rule 22(4) of the NGST Rules regulate the issuance of orders in Form GST REG-20 for dropping the proceedings of GST registration cancellation process.

Audit observed that in 326 *suo- moto* cases under four Wards, in 35 cases proceedings were dropped after issue of Form REG-17 on the basis of the reply given by the taxpayers during the proceeding for cancellation. However, Audit could not examine whether the dropping of proceedings was done as per the relevant provisions of NGST Rules as Form REG-20 was not available in the GST Portal.

The observation was communicated to the Department (November 2022). In reply (December 2023), the Department stated that in cases where applications of cancellations were received manually, the records were uploaded after verifying that all pending returns are filed. Therefore, Form REG-20 was not available in the GST Portal due to uploading of records at a later stage after verification of manual applications by the Proper Officer.

(IV) Follow-up action on non-filing of GSTR-10

As per Section 45 of the NGST Act 2017, GSTR-10 has to be filed by the taxpayer within three months of the effective date of cancellation or the date of order of cancellation, whichever is later. The last date for furnishing of GSTR-10 by those taxpayers whose registration has been cancelled on or before 30/09/2018 was extended till 31/12/2018 vide notification No. F.NO.FIN/REV-3/GST/1/08(Pt-1) (Vol-1)/297 dated 26 October 2018.

Further, as per Section 46 of the NGST Act, GSTR-3A has to be issued to the taxpayer, where GSTR-10 has not been filed. If the taxpayer still fails to file the final return within 15 days of the receipt of notice, an assessment order in FORM ASMT-13 under Section 62 of the NGST Act read with Rule 100 of the NGST Rules shall have to be issued to determine the liability of the taxpayer under sub-section (5) of Section 29 (*i.e.*, debit ITC equivalent to inputs, and inputs contained in semi-finished and finished goods held in stock or capital goods or the output tax payable on such goods whichever is higher). If the taxpayer files the final return within 30 days of the date of service of the order ASMT-13, then the said order shall be deemed to have been withdrawn. However, the liability for payment of interest and late fee shall continue. If the said return remains unfurnished within the statutory period of 30 days from the issuance of order ASMT-13, then the Department may initiate proceedings under Section 78 and recovery under Section 79 of the NGST Act.

As mentioned in **Paragraph 5.2.6.4** above, there were 601 cases of cancellation of registration during 2017-18 to 2020-21. Audit observed that GSTR-10 was filed in only 53 cases. Audit also observed that the Department had no information/reports to track the filing of GSTR-10 by the taxpayers and thus recovery proceedings of tax liability could not be initiated by the Wards. Audit further observed that best

judgement orders in ASMT-13 were also not issued by the Department as a result of which tax liability, if any, could not be recovered.

The observation was communicated to the Department (November 2022). In reply (December 2023), the Department stated that the taxpayers who had not filed GSTR-10 are identified and GSTR-3A notices are being issued.

5.2.7 Centralised audit

Audit analysed GST returns pertaining to 2017-18 as made available by GSTN. Rule-based deviations and logical inconsistencies between GST returns filed by taxpayers were identified on a set of 10 risk parameters, which can be broadly categorised into two domains - ITC and Tax payments.

Out of the 13 prescribed GST returns,¹⁰ the following basic returns that apply to normal taxpayers were considered for the purpose of identifying deviations, inconsistencies and mismatches between GST returns/data:

- GSTR-1: monthly return furnished by all normal and casual registered taxpayers making outward supplies of goods and services or both and contains details of outward supplies of goods and services.
- GSTR-3B: monthly summary return of outward supplies and input tax credit claimed, along with payment of tax by the taxpayer to be filed by all taxpayers except those specified under Section 39(1) of the Act. This is the return that populates the credit and debits in the Electronic Credit Ledger and debits in Electronic Cash Ledger.
- GSTR-9: annual return to be filed by all registered persons other than an Input Service Distributor (ISD), Tax Deductor at Source/Tax Collector at Source, Casual Taxable Person and Non-Resident taxpayer. This document contains the details of all supplies made and received under various tax heads (CGST, SGST and IGST) during the entire year along with turnover and audit details for the same.
- GSTR-9C: annual audit form for all taxpayers having a turnover above ₹five crore in a particular financial year. It is basically a reconciliation statement between the annual returns filed in GSTR-9 and the taxpayer's audited annual financial statements.
- GSTR-2A: a system-generated statement of inward supplies for a recipient. It contains the details of all B2B transactions of suppliers declared in their Form GSTR-1/5, ISD details from GSTR-6, details from GSTR-7 and GSTR-8 respectively by the counterparty and import of goods from

¹⁰ GSTR-1, GSTR-3B, GSTR-4 (taxpayers under the Composition scheme), GSTR-5 (non-resident taxable person), GSTR-5A (Non-resident OIDAR service providers), GSTR-6 (Input service distributor), GSTR-7 (taxpayers deducting TDS), GSTR-8 (E-commerce operator), GSTR-9 (Annual Return), GSTR-10 (Final return), GSTR-11 (person having UIN and claiming a refund), CMP-08, and ITC-04 (Statement to be filed by a principal/job-worker about details of goods sent to/received from a job-worker).

overseas on bill of entry, as received from ICEGATE Portal of Indian Customs.

5.2.7.1 Audit findings based on Data Analysis

The data analysis pertaining to State jurisdiction on the 10 identified parameters and extent of deviations/inconsistencies observed are summarised in **Table 5.2.1**.

The audit observations are summarised below:

Table – 5.2.1: Summary of data analysis and extent of mismatches (Centralised Audit)

(₹ in crore)				
Sl. No.	Parameter	Algorithm used	Number of deviations/mismatches	Amount of deviations/mismatches
Domain-ITC				
1.	ITC mismatch between GSTR-2A and GSTR-3B - [D1]	ITC available as per GSTR-2A with all its amendments was compared with the ITC availed in GSTR-3B in Table 4A(5) (accrued on domestic supplies) considering the reversals in Table 4B(2) but including the ITC availed in the subsequent year 2018-19 from Table 8C of GSTR- 9.	10	40.71
2.	ITC availed under Reverse Charge Mechanism (RCM) vs payment of tax in GSTR- 3B/GSTR-9 – [D2]	RCM payments in GSTR-3B Table 3.1(d) was compared with ITC availed in GSTR-9 Table 6C, 6D and 6F. In cases where GSTR-9 was not available, the check was restricted within GSTR-3B - tax discharged in Table 3.1(d) vis-a-vis ITC availed Table 4A(2) and 4A(3)	10	0.07
3.	Short payment of tax under RCM vs ITC availed in GSTR-3B/GSTR- 9 – [D3]	RCM payments in GSTR- 9 Table 4G (tax payable) was compared with ITC availed in GSTR- 9 Table 6C, 6D and 6F (ITC availed), In cases where GSTR-9 was not available, RCM payment in GSTR-3B Table 3.1(d) was compared with GSTR-3B 4(A)(2) and 4A(3). Greater of difference in GSTR-9 and GSTR-3B considered where both were available.	10	0.21
4.	Incorrect availing of Input Service Distributor credit – [D4]	ISD transferred in GSTR-9 Table 6G or GSTR-3B Table 4(A)(4) was compared with the sum of Table 5A, Table 8A, and Table 9A of GSTR- 6 of recipient GSTINs	8	0.17
5.	Mismatch of ITC availed between Annual returns and Books of accounts [D5]	Positive figure in GSTR-9C Table 12F and examination of reasons provided in Table 13 for mismatch	10	3.36
6.	Reconciliation between ITC availed in Annual returns with expenses in financial statements [D6]	Positive figure In GSTR-9C Table 14T and examination of reasons provided in Table 15 for mismatch	10	17.24
Domain-Tax payments				
7.	Mismatch in turnover declared in GSTR-9C Table 5R – [D7]	Negative figure in GSTR-9C Table 5R and examination of reasons provided in Table 6 for mismatch	10	198.37

Sl. No.	Parameter	Algorithm used	Number of deviations/ mismatches	Amount of deviations/ mismatches
8.	Mismatch in taxable turnover declared in GSTR-9C Table 7G – [D8]	Negative figure in GSTR-9C Table 7G and examination of reasons provided in Table 8 for mismatch	10	5.88
9.	Mismatch in tax paid between books of accounts and returns – [D9]	Negative figure in GSTR-9C Table 9R and examination of reasons provided in Table 10 for mismatch	10	0.32
10.	Short payment of interest – [D10]	Interest calculated at the rate of 18 per cent on cash portion of tax payment on delayed filing of GSTR-3B vis-a-vis interest declared in GSTR-3B	10	1.12

Source: Departmental figures

5.2.7.2 Summary of deficiencies noticed during Centralised audit

Based on responses received in 98 cases of audit queries, the extent of compliance deviations in respect of the 10 parameters is summarised in **Table 5.2.2**.

Table – 5.2.2: Summary of deficiencies

(₹ in crore)

Audit Dimension	Cases where reply received		Department reply accepted to Audit		Compliance Deviation							
					Accepted by Dept. including cases where action is yet to be initiated				Department's reply not acceptable to Audit (Rebuttal)		Total	
					Recovered		SCN/ASMT 10/ Notice issued		No.	Amount		
No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	
<i>I</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	<i>6+8+10</i>	<i>7+9+11</i>
Excess ITC [D1]	10	40.71	6	40.26	2 ¹¹	0.17	1	0.10	2	0.19	4	0.46
ITC RCM avail[D2]	10	0.07	4	0.01	4	0.05	1	0.00	1	0.00	6	0.05
ITC RCM Ratio[D3]	10	0.21	10	0.21	0	0.00	0	0.00 ¹	0	0.00 ²	0	0.00
ISD credit incorrectly availed by the recipients[D4]	8	0.17	8	0.17	0	0.00	0	0.00	0	0.00	-	0.00
Table 12F of Form 9C[D5]	10	3.36	7	3.15	0	0.00	2	0.18	1	0.03	3	0.21
Table 14T of Form 9C[D6]	10	17.24	10	17.24	0	0.00	0	0.00	0	0.00	-	0.00
Table 5R of Form 9C[D7]	10	198.37	7	15.54	0	0.00	3	*182.84	0	0.00	3	182.84
Table 7G of Form 9C[D8]	10	5.88	7	0.51	0	0.00	3	*5.37	0	0.00	3	5.37
Table 9R of Form 9C[D9]	10	0.32	9	0.30	1	0.02	0	0.00	0	0.00	1	0.02
Short payment of interest on delayed payments [D10]	10	1.12	0	0.00	3	0.21	7	0.91	0	0.00	10	1.12
Total	98	267.44	68	77.37	9¹²	0.45	17	189.40	4	0.22	30	190.07

* Mismatch in Turnover ₹188.21 crore (₹182.84 crore + ₹5.37 crore)

1. Amount involved is ₹28,600/-

2. Amount involved is ₹26,562/-

¹¹ Partial recovery in one case and full recovery in one case.

¹² Excluding partial recovery in one case.

Audit observed deviations in 30 cases comprising mismatch in turnover of ₹188.21 crore and a short levy of tax of ₹1.86 crore constituting 31 *per cent* of the audit sample of 98 cases. Higher rates of deviations were noticed in mismatch in turnover declared in Table 5R and 7G of GSTR-9C.

The Department's reply in 68 cases, constituting 69 *per cent* of the audit sample of 98 cases, amounting to ₹77.37 crore was acceptable to Audit. Out of these 68 cases, the data entry errors by taxpayers comprised 18 cases amounting to ₹0.42 crore (including turnover of ₹0.23 crore). The Department had proactively taken action in 25 cases amounting to ₹41.54 crore (including turnover of ₹0.44 crore) and 25 cases amounting to ₹35.41 crore (including turnover of ₹15.36 crore) had valid explanations. Details of cases in **Table 5.2.2** are given in **Appendices 5.2.5A** and **5.2.5B**.

5.2.7.3 Centralised audit- Reasons for mismatches/deviations noticed during data analysis

Considering the Department's response to 98 mismatches pointed by Audit, reasons for mismatch/deviations were identified as (a) Deviation from GST law and rules, (b) Data entry errors, and (c) Action taken before issue of queries. These reasons along with relevant observations are discussed in the succeeding paragraphs:

(I) Deviation from GST law and rules

Out of 98 deviations summarised in **Table 5.2.2** above, deviation from GST law and rules was observed in 30 cases. Cases accepted or where action was initiated by the Department comprised 26 cases. In the remaining four cases, the reply of the Department was not acceptable to Audit. Top cases are discussed in the succeeding paragraphs:

A. Cases accepted or action initiated by the Department

(i) Excess ITC availed (D1)

To analyse the veracity of ITC utilisation, relevant data were extracted from GSTR-3B and GSTR-2A for the year 2017-18, and the ITC paid as per suppliers' details was matched with the ITC credit availed by the taxpayer. The methodology adopted was to compare the ITC available as per GSTR-2A with all its amendments and the ITC availed in GSTR-3B in Table 4A (5)¹³ from Table 8C of GSTR-9.

- (a) Audit observed that a taxpayer **M/s Vikash Auto Traders** under Ward A, Dimapur had availed ITC of ₹0.22 crore in GSTR-3B against the available ITC of ₹0.11 crore as per GSTR-2A. This resulted in excess availing of ITC of ₹0.11 crore.

On being pointed out (April 2022), the Department replied (September 2022) that the excess ITC had been reversed in GSTR-3B of April-June 2022 dated 06 July 2022.

¹³ All other eligible ITC.

- (b) **M/s Ensign Constructions** under Ward E, Dimapur availed ITC of ₹0.21 crore in GSTR-3B against the available ITC of ₹0.11 crore in GSTR-2A. This resulted in excess availing of ITC of ₹0.10 crore.

On being pointed out (April 2022), the Department replied (September 2022) that show-cause notice had been issued. The Department further replied (December 2023), that the matter is under scrutiny.

(ii) Un-reconciled turnover in Table 5R of GSTR-9C (D7)

The certified reconciliation statement submitted by the taxpayer as required under Rule 80(2) of NGST Rules in form GSTR-9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in turnover reported in the annual return *vis-à-vis* the financial statements. The unreconciled amount in cases where the turnover declared in GSTR-9 is less than the financial statement indicates non-reporting, under-reporting, short-reporting, omission, error in reporting of supplies leading to evasion or short payment of tax. It could also be a case of non-reporting of both taxable and exempted supplies.

M/s Food Corporation of India under Ward D, Dimapur reported a gross turnover of ₹346.91 crore in the financial statements but reported gross turnover of ₹169.44 crore in the Annual Return. Thus, Table 5R of Form 9C showed a difference of ₹177.47 crore in the gross turnover reported.

On being pointed out (April 2022), the Department replied (September 2022) that show-cause notice had been issued. The Department further replied (December 2023) that the mismatch is due to error in reporting turnover in the returns filed by the taxpayer. However, the Department did not furnish records/documents to substantiate the claim.

(iii) Un-reconciled taxable turnover in Table 7G of GSTR-9C (D8)

Table 7 of GSTR-9C is the reconciliation of taxable turnover. Column 7G of this table captures the unreconciled taxable turnover between the annual return GSTR-9 and that declared in the financial statements for the year after requisite adjustments.

M/s Bharat Sanchar Nigam Limited under Ward D, Dimapur reported a taxable turnover of ₹27.11 crore in the books of accounts but reported taxable turnover of ₹21.75 crore in the Annual Return. Thus, there was a discrepancy of ₹5.36 crore in the taxable turnover reported.

On being pointed out (April 2022), the Department replied (September 2022) that show-cause notice had been issued. The Department further replied (December 2023), that the mismatch is due to incorrect booking of liability under revenue head, and inclusion of service tax for the previous year. However, the Department did not furnish records/documents to substantiate the claim.

(iv) Un-reconciled ITC in Table 12F of GSTR-9C (D5)

Table 12 of GSTR-9C reconciles ITC declared in annual return (GSTR-9) with ITC availed as per the audited annual financial statement or books of accounts. Column

12F of this table deals with unreconciled ITC. The certified reconciliation statement submitted by the taxpayer as required under Rule 80(2) of NGST Rules in form GSTR-9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in ITC declared in the annual return with the financial statements.

M/s Oriflame India Pvt. Ltd under Ward A, Dimapur had availed ₹2.99 crore of ITC as per the Annual Return (GSTR-9). However, in the annual financial statements ITC claimed was declared as ₹2.84 crore. Thus, there was a mismatch of ₹0.15 crore as per Table 12 F of Form 9C.

On being pointed out (April 2022), the Department replied (September 2022) that show cause notice had been issued. The Department further replied (December 2023), that the excess amount was claimed based on Form TRAN 2. However, the Department did not provide any supporting evidence.

(v) Short payment of interest (D10)

As per Section 50(1) of the NGST Act, every person who is liable to pay tax in accordance with the provisions of this Act or the Rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding 18 *per cent*. Vide notification No. F.NO.FIN/REV-3/GST/1/08 (Pt-1)'V' dated 06/07/2017, the rate of interest on delayed payment was fixed at 18 *per cent* by the State Government. The penal interest is payable only if cash ledger balance is utilised to pay taxes. The extent of short payment of interest on account of delayed remittance of tax during 2017-18 was identified using the tax paid details in GSTR-3B and the date of filing of GSTR-3B. Only the net tax liability (cash component) has been considered to work out the interest payable.

(a) **M/s B.P Associates** under Ward B, Dimapur delayed filing of GSTR-3B returns for the period August 2017 to February 2018 by 160 to 715 days. The short payment of interest of ₹0.21 crore on account of delayed payment of tax of ₹0.63 crore during 2017-18 was communicated to the Department (June 2022.) In response, the Department stated (September 2022) that show-cause notice had been issued. The Department further stated (December 2023) that the taxpayer had paid ₹0.01 crore out of ₹0.21 crore in July 2023.

(b) **M/s Greenply Industries Limited**, under Ward Mon, Dimapur, delayed filing of GSTR-3B returns for the period August to December 2017 by 19 to 92 days. The short payment of interest of ₹0.19 crore on account of delayed payment of tax of ₹8.84 crore during 2017-18 was communicated to the Department (June 2022.) In response, the Department replied (September 2022) that show-cause notice had been issued. The Department further stated (Department 2023) that the tax liability was deposited in the Electronic Cash Ledger prior to the due date even though returns were filed late. The reply is not acceptable as tax liability gets discharged only upon filing of GSTR-3B Return. The liability to pay interest arises on delayed filing

of GSTR-3B and merely depositing money in the Electronic Cash Ledger prior to the due date of filing of GSTR-3B return does not amount to discharge of tax liability on the part of the taxpayer.

- (c) **M/s Unicraft Engineering works**, under Ward A, Mokokchung, delayed filing of GSTR-3B return for the month of March 2018 by 151 days. The short payment of interest of ₹0.15 crore on account of delayed remittance of tax of ₹2.04 crore was communicated to the Department (June 2022.) In response, the Department replied (September 2022) that notice had been issued. The Department further stated (December 2023) that GSTIN 13AFRPT2534G2ZA was cancelled in July 2019 owing to the death of the proprietor and a new GST Registration No. 13ADCPL95671ZF was obtained. In view of the audit observation against the cancelled GSTIN, the tax liability of ₹0.15 crore was paid in October 2022 through the new GSTIN.
- (d) **M/s NEC Energy Private Limited** under Ward A, Kohima delayed filing of GSTR-3B returns for the period August 2017 to March 2018 by 03 to 171 days. The short payment of interest of ₹0.10 crore on account of delayed remittance of tax of ₹2.24 crore during 2017-18 was communicated to the Department (June 2022.) In response, the Department replied (September 2022) that ASMT-10 had been issued. The Department further stated (December 2023) that late filing of GSTR-3B return was due to the delay in release of bill by the Government of Nagaland and requested to drop the paragraph. The reply is not acceptable as the taxpayer must adhere to timely filing of returns.
- (e) **M/s Viu Angami & sons**, under Ward A, Kohima, delayed filing of GSTR-3B returns for the period December 2017 to March 2018 by 166 to 243 days. The short payment of interest of ₹0.09 crore on account of delayed remittance of tax of ₹0.91 crore during 2017-18 was communicated to the Department (June 2022.) In response, the Department replied (September 2022) that ASMT-10 had been issued. The Department further stated (December 2023) that the taxpayer had paid ₹0.09 crore in April 2023.

B. Cases where Department's reply is not acceptable to Audit

The Department has not accepted four deviations out of 98 deviations pointed out by Audit. In these four cases, the Department's reply was not acceptable to Audit. Details of these cases along with the audit rebuttal are featured in **Appendix 5.2.6**. A case is illustrated below:

M/s Golden Traders under Ward A, Dimapur availed ITC of ₹0.28 crore in GSTR-3B against the ITC available in GSTR-2A of ₹0.13 crore during 2017-18. This resulted in mismatch in ITC of ₹0.15 crore.

On being pointed out (April 2022), the Department replied (September 2022) that no excess ITC was claimed by the dealer. The reply is not acceptable as the Department did not provide any supporting evidence such as invoices for availing ITC over and

above the amount admissible as per GSTR-2A. The Department replied (December 2023) that the taxpayer was directed to produce supporting invoices.

(II) Cases of data entry errors

As summarised in **Table 5.2.2** above, there were data entry errors in 18 cases constituting 18 *per cent* of total 98 responses received from the Department. Details of these cases are given in **Appendix 5.2.7**. An illustrative case is discussed below:

M/s Dimapur Agency Centre under Ward D, Dimapur reported a taxable turnover of ₹2.02 crore in the books of accounts but reported taxable turnover of ₹1.82 crore in the Annual Return. Thus, Table 7G of Form 9C shows a discrepancy of ₹0.20 crore in the taxable turnover reported.

On being pointed out (April 2022), the Department replied (September 2022) that the actual turnover was ₹1.82 crore after adjustment of credit notes. The turnover in GSTR-9 was less than the turnover in GSTR-9C as adjustment of credit notes of ₹0.20 crore was erroneously done twice in GSTR-9.

(III) Cases where action was taken before issue of Audit Queries

As summarised in **Table 5.2.2** above, the Department had already taken action in 25 cases constituting 25.51 *per cent* of 98 responses received as detailed in **Appendix 5.2.8**. A case where action was taken before audit intervention is illustrated below:

Audit observed that **M/s A & L Traders** under Ward B, Mokokchung availed ITC of ₹39.05 crore in GSTR-3B against the available ITC of ₹0.21 crore as per GSTR-2A during 2017-18. This resulted in excess availing of ITC of ₹38.84 crore.

On being pointed out (April 2022), the Department replied (June 2022) that excess ITC had been reversed by the taxpayer during February-March 2020.

5.2.7.4 Detailed audit of GST returns

In a self-assessment regime, the onus of compliance with law is on the taxpayer. The role of the Department is to establish and maintain an efficient tax administration mechanism to provide oversight. With finite level of resources, for an effective tax administration, to ensure compliance with law and collection of revenue, an efficient governance mechanism is essential. An IT driven compliance model enables maintaining a non-discretionary regime of governance on scale and facilitates a targeted approach to enforce compliance.

From an external audit perspective, Audit also focused on a data-driven risk-based approach. Thus, apart from identifying inconsistencies/deviations in GST returns through pan-State data analysis, a detailed audit of GST returns was also conducted as a part of this review. A risk-based sample of 15 taxpayers was selected for this part of the review. The methodology adopted was to initially conduct a desk review of GST returns and financial statements filed by the taxpayers as part of the GSTR-9C and other records available in the back-end system to identify potential risk areas,

inconsistencies/deviations and red flags. Based on the results of desk review, detailed audit was conducted by requisitioning corresponding granular records from the Department such as financial ledgers and invoices to identify causative factors of the identified risks and to evaluate compliance by taxpayers.

(I) Scope limitation

The details of non-production and partial production of records are summarised in the following paragraphs:

(a) Non-production of records

Audit requisitioned records of 15 taxpayers for detailed audit. The jurisdictional Wards did not produce records such as financial statements, invoices and agreement copies, required for examining the reasons for mismatches of ITC and tax liability in 13 out of 15 sampled cases constituting 87 per cent of the sample size. Therefore, risks relating to mismatches in ITC claimed and undischarged liability of ₹21.01 crore could not be examined in detail by Audit. The abstract of the mismatches/undischarged liability is shown in **Table 5.2.3**:

Table 5.2.3 – Abstract of ITC mismatch and undischarged tax liability where records not produced

(₹ in crore)				
Sl. No.	Parameter	No of cases	No of Wards	Amount of mismatches
1	ITC mismatch between GSTR- 2A and GSTR-3B	9	5	15.95
2	Mismatch in ITC availed under RCM	1	1	1.13
3	Undischarged Tax liability as per GSTR-9 Table 9	2	2	1.99
4	Mismatch between GSTR-1 and GSTR-3B liability	5	2	1.94
Total				21.01

Source: Departmental records

The audit observation was communicated to the Department (December 2022). Case-wise details are shown in **Appendix 5.2.9**. The Department replied (December 2023) that with the advent of GST, no physical records of the taxpayers were maintained in the office and taxpayers were hesitant to provide records to the C&AG as no specific provision is available under GST Act. Section 16 of the C&AG’s DPC Act, 1971 empowers C&AG to audit all receipts which are payable into the Consolidated Fund of India and of each State and of each Union Territory having Legislative Assembly. Therefore, it is the duty of the Department to obtain and furnish relevant records to Audit, as also, since the cases have been red flagged on the basis of identified risks.

(b) Partial production of records

In the remaining two cases, records were partially produced as granular taxpayer records such as invoices and agreement, were not provided. The list of cases of partial production is shown in **Table 5.2.4**:

Table-5.2.4-List of cases in which partial records are produced

(₹ in crore)				
GSTIN	Name of the taxpayer	Ward	List of records not produced	Mismatch amount
13AAACS8577K4ZV	M/s State Bank of India	Dimapur Ward D	Supplementary financial ledgers, invoices	2.43
13AAHCS6024L1ZB	M/s Shyama Power India Ltd	Dimapur Ward A		0.66
Total				3.09

Source: Departmental records

As can be seen from the above table, there was a mismatch of ₹3.09 crore on account of ITC and undischarged liability. However, during Audit, only partial records were made available, which prevented a detailed examination of the risks associated with these mismatches.

Audit observation was issued to the Department (December 2022). The Department replied (December 2023) that the remaining records will be produced on receipt of the same from the taxpayers.

Recommendation: The State Government may instruct the departmental units for ensuring timely and complete production of records to Audit.

(II) Lack of action on non-filers of GST returns

Rule 80 of NGST Rules envisages that every registered person whose aggregate turnover during a financial year exceeds two crore rupees shall get his accounts audited and he shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in FORM GSTR-9C along with annual return filed in FORM GSTR-9. Section 46 of the SGST Act, 2017, read with Rule 68 of the SGST Rules, 2017, stipulates issue of a notice in FORM GSTR-3A followed by issue of an assessment order in FORM ASMT-13, if the taxpayer fails to file return within fifteen days of notice. A summary of such order should be uploaded in the system in FORM DRC-07. Filing of returns is related to payment of tax as the due date for both the actions are the same, which implies risk of non-payment of tax/penalty in the case of non-filers.

Audit scrutiny revealed that four taxpayers out of 15 taxpayers, selected for detailed audit, did not file GSTR-9 and GSTR-9C for 2017-18 even though the taxable value of outward supplies ranged from ₹12.02 crore to ₹174.26 crore. List of taxpayers noticed in this category are shown in **Appendix 5.2.10**.

The details of action taken on non-filers of annual returns was sought (July-August 2022) by Audit but not provided by the Proper Officers. This was pointed out to the Department (December 2022). The Department replied (December 2023) that one out of four taxpayers had filed Annual Return in Form GSTR-9 for the period 2017-18 by availing amnesty scheme for late filing of GSTR-9 returns as per GST notification No.25/2023 dated 17/07/2023. The remaining three taxpayers had been directed to file Annual Returns at the earliest.

Recommendation: The Department may initiate remedial action for all the compliance deviations brought out in this report before they get time-barred.

5.2.8 Conclusion

This SSCA was conducted with a view to assessing tax compliance and the adequateness and effectiveness of tax administration. Audit revealed shortcomings in tax administration such as deficiencies in scrutiny of returns, internal audit, lapses in cancellation of registration and lack of action where irregularities were noticed. Audit has recommended corrective actions to address the shortcomings noticed.

5.2.9 Recommendations

The State Government may-

- (i) ensure that SOP for selection of returns for scrutiny based on risk parameters and detailed procedures for scrutiny of returns are followed in a time-bound manner.***
- (ii) ensure that prompt steps are taken to initiate the audits under Section 65 of the Act so that timely action could be initiated against the defaulters before time-barring of cases.***
- (iii) instruct the departmental units for ensuring timely and complete production of records to Audit.***
- (iv) ensure that remedial action is taken for all the compliance deviations brought out in this report before they get time-barred.***

CHAPTER-VI
ECONOMIC SECTOR
(STATE PUBLIC SECTOR UNDERTAKINGS)

CHAPTER - VI

ECONOMIC SECTOR (STATE PUBLIC SECTOR UNDERTAKINGS)

6.1.1 Introduction

As of 31 March 2023, there were seven State Public Sector Undertakings (SPSUs)¹ in Nagaland as shown in **Table 6.1.1**.

Table 6.1.1: Total number of SPSUs as on 31 March 2023

Type of SPSUs	Working SPSUs	Non-working SPSUs	Total
Government Companies ²	5	2	7
Statutory Corporations	Nil	Nil	Nil
Total	5	2	7

Source: Information as provided by SPSUs

None of these companies are listed on the stock exchange which means that the shares of the SPSUs cannot be traded in the stock exchange. During the year 2022-23, no new SPSU was incorporated and no existing SPSU was closed down.

Regarding one SPSU *viz.* Kohima Smart City Development Limited (KSCDL), analysis is not covered in the report due to non-submission of Accounts.

6.1.2 Investment in SPSUs

The investment in SPSUs includes the investments made by the State Government and Others (including the Central Government, Holding Companies, Banks, Financial Institutions). The State Government's stake in these SPSUs is mainly of three types:

- **Share Capital and Loans:** In addition to the share capital contribution, State Government also provides financial assistance by way of loans to the SPSUs from time to time.
- **Special Financial Support:** State Government provides budgetary support by way of grants and subsidies to the SPSUs as and when required.
- **Guarantees:** State Government also guarantees the repayment of loans with interest availed by the SPSUs from Financial Institutions (FIs).

As on 31 March 2022 and 31 March 2023, total investment in six SPSUs was ₹118.59 crore and ₹121.96 crore³ respectively as per details shown in **Table 6.1.2**.

¹ All Government Companies

² Government Companies include 'Other companies' referred to in Section 139(5) and 139(7) of the Companies Act 2013

³ Investment figures are provisional and as per the information provided by the SPSUs, none of the six SPSUs has finalised accounts for 2022-23 as of September 2023

Table 6.1.2: Details of total investment in six SPSUs as on 31 March 2022 and 31 March 2023

(₹ in crore)

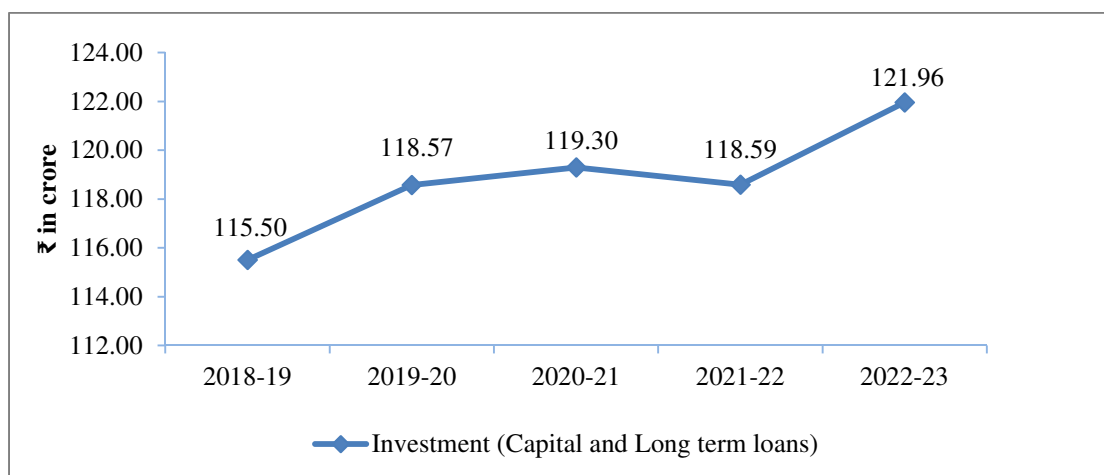
Particulars	2021-22			2022-23		
	Equity Capital	Long-term Loans	Total	Equity Capital	Long-term Loans	Total
State Government	34.34	0.81	35.15	34.34	0.00	34.34
Others*	7.92	75.52	83.44	7.92	79.70	87.62
Total	42.26	76.33	118.59	42.26	79.70	121.96

Source: Information as provided by SPSUs

* Others include Central Government, holding companies, banks/FIs.

The total investment consisted of 28.16 per cent towards capital and 71.84 per cent in long-term loans as of 31 March 2023. The investment in 2022-23 increased by ₹3.37 crore from 2021-22 due to increase in availing of loan. The investment grew by 5.59 per cent from ₹115.50 crore in 2018-19 to ₹121.96 crore in 2022-23 as shown in **Chart 6.1.1**.

Chart 6.1.1: Total investment in SPSUs



Source: Information as provided by SPSUs

Further, it can be seen from **Table 6.1.2** above that, around 28.16 per cent (₹34.34 crore) of the total investment (₹121.96 crore) in SPSUs as on 31 March 2023 was contributed by the State Government. However, there was no recorded information about the existence of any specific policy of the State Government regarding payment of minimum dividend by the SPSUs. During 2022-23, out of four⁴ working SPSUs, only one SPSU (Nagaland State Mineral Development Corporation Limited) recorded profit (₹0.46 crore) as per its latest finalised accounts (2020-21) (**Appendix 6.1.1**). However, no dividend was declared by this SPSU.

6.1.2.1 Sector-wise investment in SPSUs

The total investment by the State Government and Others (Central Government, Holding companies, Banks, Financial Institutions) in important sectors at the end of 31 March 2019 and 31 March 2023 is shown in **Table 6.1.3**.

⁴ Excluding one SPSU (Kohima Smart City Development Limited), which has not finalised its first Accounts.

Table 6.1.3: Major Sector-wise investment in SPSUs as on 31 March 2023

(₹ in crore)

Name of Sector	Year of investment	
	2018-19	2022-23
Finance	74.62	82.65
Manufacturing	10.68	14.85
Service	10.97	5.61
Miscellaneous	19.23	18.85
Total	115.50	121.96

Source: Information as provided by SPSUs

As can be seen from **Table 6.1.3** above, the thrust of SPSU investment during 2018-19 and 2022-23 was in Finance sector⁵, which had increased by 10.76 per cent from ₹74.62 crore (2018-19) to ₹82.65 crore (2022-23). The share of this Sector in overall investment increased by 3.16 per cent during 2022-23 (67.77 per cent) from 64.61 per cent during 2018-19.

6.1.3 Reconciliation with Finance Accounts

The figures in respect of equity, loans and guarantees outstanding as per the records of SPSUs should agree with the figures appearing in the Finance Accounts of the State. In case the figures do not agree, the Finance Department and the SPSUs concerned should carry out reconciliation of differences. The position in this regard as of 31 March 2022 and 2023 is shown in **Table 6.1.4**.

Table 6.1.4: Variation between Finance Accounts and records of SPSUs

(₹ in crore)

Outstanding in respect of	2021-22			2022-23		
	Amount as per Finance Accounts	Amount as per records of SPSUs ⁶	Difference	Amount as per Finance Accounts	Amount as per records of SPSUs ⁷	Difference
Equity	111.05	34.34	76.71	111.05	34.34	76.71
Loans ⁸	0.48	0.81	0.33	0.48	0.00	0.48
Guarantees	59.03	19.28	39.75	59.03	88.00	28.93

Source: As per the State Finance Accounts, 2022-23 and information furnished by SPSUs

As can be seen from **Table 6.1.4** above, there were unreconciled differences in the figures of equity (₹76.71 crore), and guarantees (₹39.75 crore in 2021-22 and ₹28.93 crore in 2022-23) as per two sets of records. The differences for equity occurred in respect of all the SPSUs while differences for guarantee relate to two SPSUs⁹.

⁵ Finance Sector included only one SPSU (Nagaland Industrial Development Corporation Limited)

⁶ Information as provided by SPSUs and includes only the investment made by the State Government.

⁷ Information as provided by SPSUs and includes only the investment made by the State Government.

⁸ In the State Finance Accounts, 2022-23, the loan figures appear sector-wise and not SPSU-wise, hence, the figures of the State Government loans provided to SPSUs are not available in Finance Accounts.

⁹ Serial no. A1 and A4 of **Appendix 6.1.1**.

Though the Finance Department, Government of Nagaland as well as the SPSUs concerned were apprised about the differences impressing upon the need for early reconciliation, no significant progress was noticed in this regard.

Recommendation: The State Government and the SPSUs concerned may take concrete steps to reconcile the differences in a time-bound manner.

6.1.4 Accountability framework

The audit of the financial statements of a Company in respect of financial years commencing on or after 01 April 2014 is governed by the provisions of the Companies Act, 2013 and audit of the financial statements in respect of financial years that commenced prior to 01 April 2014 continue to be governed by the Companies Act, 1956. The new Act has brought about increased regulatory framework, wider management responsibility and higher professional accountability.

6.1.4.1 Statutory Audit/Supplementary Audit

Statutory Auditors appointed by the C&AG audits the financial statements of a Government Company. In addition, C&AG conducts the supplementary audit of these financial statements under the provisions of Section 143(6) of the Act.

6.1.4.2 Role of Government and Legislature

The State Government exercises control over the affairs of these SPSUs through its administrative departments. The Government appoints the Chief Executives and Directors on the Board of these SPSUs.

The State Legislature also monitors the accounting and utilisation of Government investment in the SPSUs. For this purpose, the Annual Reports of State Government Companies together with the Statutory Auditors' Reports and comments of the C&AG thereon are required to be placed before the Legislature under Section 394 of the Act.

6.1.5 Arrears in finalisation of accounts

The financial statements of the companies are required to be finalised within six months after the end of the financial year *i.e.* by 30 September in accordance with the provisions of Section 96(1) of the Act. Failure to do so may attract penal provisions under Section 99 of the Act. As per the Act, the SPSU and every officer of the SPSU who is at default shall be punishable with fine which may extend up to ₹one lakh and in the case of a continuing default, with a further fine which may extend upto ₹5,000 for every day during which such default continues.

Moreover, timely finalisation of accounts is important for the State Government to assess the financial health of the SPSUs and to avoid financial misappropriation and mismanagement. Persistent delay in finalisation of accounts is fraught with the risk of fraud and leakage of public money going undetected apart from violation of the provision of the Companies Act, 2013.

Table 6.1.5 below provides the details of progress made by the five working SPSUs¹⁰ in finalisation of their annual accounts as on 30 September 2023.

Table 6.1.5: Position relating to finalisation of accounts of working SPSUs

Sl. No.	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
1.	Number of Working SPSUs	5	5	4	5	5 ¹¹
2.	Number of accounts finalised during the year	8	2	14	3	5
3.	Number of accounts in arrears	18	21	9	15	17
4.	Number of Working SPSUs with arrears in accounts	5	5	4	5	5
5.	Extent of arrears (nos. in years)	1 to 9	1 to 10	1 to 3	1 to 5	1 to 6

Source: Records of the SPSUs

As can be seen from **Table 6.1.5** above, the arrears in accounts of the working SPSUs had increased in the current year. The main reason for increase in arrears was due to non-submission of accounts by KSCDL since its inception (24 March 2017). Further, two SPSUs, viz., Nagaland Handloom & Handicrafts Development Corporation Ltd., and Nagaland Hotels Limited, did not submit any accounts during the year 2022-23.

The administrative departments, which have the responsibility of overseeing the activities of the SPSUs, have to ensure that the SPSUs finalise and adopt their accounts within the stipulated period. The Principal Accountant General (Audit), Nagaland had been pursuing the issue with the administrative departments concerned for liquidating the arrears of accounts of SPSUs. However, the State Government and the SPSUs concerned could not address the issue to clear pendency of accounts of the SPSUs in a time-bound manner.

6.1.6 Investment by State Government in SPSUs whose accounts are in arrears

The State Government had not invested any equity and loan in SPSUs whose accounts are in arrears. However, an amount of ₹29.54 crore was provided in the form of grant to four working SPSUs.

Recommendations:

The State Government may consider-

- (i) ***outsourcing the work, where there is lack of staff expertise, relating to preparation of accounts and take punitive action against the Management of the Company responsible for arrears of accounts.***
- (ii) ***consider further financial assistance to such companies until the accounts are made as current as possible.***

¹⁰ As on 30 September 2023, Nagaland Handloom & Handicraft Development Limited finalised its accounts upto 2019-20, Nagaland Hotels Limited finalized upto 2017-18, Nagaland State Mineral Development Corporation Limited and Nagaland Industrial Development Corporation Limited upto 2021-22. One SPSU, viz., Kohima Smart City Development Limited, has not submitted its first accounts as of 30 September 2023.

¹¹ Includes Kohima Smart City Development Limited incorporated on 24 March 2017.

6.1.7 Special support and guarantees to SPSUs during the year

State Government provides financial support to SPSUs in various forms through annual budgetary allocations. The details of budgetary outgo towards equity, loans and grants/subsidies in respect of SPSUs for three years are shown in **Table 6.1.6**.

Table 6.1.6: Details of budgetary support to SPSUs

(₹ in crore)

Sl. No.	Particulars	2020-21		2021-22		2022-23	
		No. of SPSUs	Amount	No. of SPSUs	Amount	No. of SPSUs	Amount
1.	Equity Capital outgo from budget	0	0.00	0	0.00	0	0.00
2.	Loans given from budget	1	0.62	1	4.28	0	0.0
3.	Grants/Subsidy from budget	5	26.76	4	28.30	4	29.54
Total Outgo (1+2+3)			27.38		32.58		29.54
4.	Guarantees issued	1	0.62	1	4.28	0	0.00
5.	Guarantee Commitment	1	15.00	1	15.00	2	88.00

Source: Information as provided by the SPSUs

It may be seen from **Table 6.1.6** above that the year-wise budgetary outgo to SPSUs decreased during 2022-23 by ₹3.04 crore as compared to the previous year (2021-22). During all three years under reference, the significant portion of budgetary support ranging between 97.74 per cent (2020-21) and 100 per cent (2022-23) was provided in the form of grants/subsidy.

State Government also guarantees the repayment of loans (with interest) availed by the SPSUs from Banks/Financial Institutions subject to the prescribed limits and payment of guarantee fee of one per cent of the guarantee amount by the SPSUs concerned. The two SPSUs¹² had not paid any guarantee fee to the State Government in absence of any demand from the State Government.

6.1.8 Performance of SPSUs as per their latest finalised accounts

The financial position and working results of working SPSUs (all Government companies) as per their latest finalised accounts are detailed in **Appendix 6.1.1**. The comparative details of working SPSU turnover and Gross State Domestic Product (GSDP) for five years ending 2022-23 is shown in **Table 6.1.7**.

Table 6.1.7: Details of working SPSUs turnover vis-à-vis GSDP

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Turnover ¹³	6.70	6.78	6.52	6.05	5.92
GSDP	26,527.42	29,715.87	29,831.64	31,912.54	35,933.96
Percentage of Turnover to GSDP	0.03	0.02	0.02	0.02	0.02

Source: Information as provided by SPSUs and State Finance Audit Report, 2022-23

¹² Nagaland Handloom & Handicrafts Development Corporation Limited and Nagaland Industrial Development Corporation Limited

¹³ Turnover of working SPSUs as per the latest finalised accounts as on 30 September of the respective year

A ratio of SPSU-turnover to GSDP shows the extent of SPSU activities in the State economy. It may be noticed from **Table 6.1.7** above that during the last five years (2018-23), the GSDP had grown by 35.46 *per cent* while the turnover of SPSUs during the corresponding period had decreased by 11.64 *per cent*. Thus, the year-wise SPSU-turnover during the period of five years was not commensurate with the growth in the GSDP during the corresponding period. The percentage of SPSU-turnover to GSDP has decreased to 0.02 *per cent* due to rounding off of percentage figures to two decimal points.

6.1.8.1 Key parameters

Some other key parameters of SPSUs performance as per their latest finalised accounts as on 30 September of the respective year are shown in **Table 6.1.8**.

Table 6.1.8: Key Parameters of working SPSUs

Particulars	(₹ in crore)				
	2018-19	2019-20	2020-21	2021-22	2022-23
Debt	70.05	73.72	71.63	71.85	84.74
Turnover ¹⁴	6.70	6.78	6.52	6.05	5.92
Debt/Turnover Ratio	10.46:1	10.87:1	10.99:1	11.88:1	14.31:1
Interest Payments ¹⁵	2.08	2.06	1.61	1.09	0.86
Accumulated Profits/(Losses)	(66.38)	(68.62)	(67.75)	(73.33)	(96.96)

Source: Annual Accounts of SPSUs

Debt-Turnover Ratio

A low debt-to-turnover ratio (DTR) demonstrates a good balance between debt and income. Conversely, a high DTR can be a sign of having too much debt against the income of SPSUs from core activities. Thus, the SPSUs having lower DTR are more likely to successfully manage their debt servicing and repayments.

SPSU Debt

It can be noticed from **Table 6.1.8** above that during the period of five years (2018-23), the SPSU debt had been more than 10 times of their turnover indicating acute difficulties in repayment and servicing of debts by the SPSUs. Consequently, the DTR had been at high levels during all the five years under reference. Further, during 2018-23, the SPSU debts had registered an overall increase of 20.97 *per cent* (₹14.69 crore) while there was an overall decrease of 11.64 *per cent* (₹0.78 crore) in SPSU-turnover during the corresponding period. As a result, the DTR of working SPSUs increased from 10.46:1 (2018-19) to 14.31:1 (2022-23) during the last five-years (2018-23) indicating deteriorated position of SPSUs in servicing and repayment of their long-term debts as compared to previous years.

Further, the high SPSU debts had caused additional pressure on the SPSUs in servicing their debts by way of interest liability. However, as can be noticed from **Table 6.1.8** above, the figures of interest payment by SPSUs during 2019-20 to 2022-23 are not consistent with the SPSU debts during the corresponding years. This was mainly due to non-payment and non-accounting of interest liability against

¹⁴ Turnover of working SPSUs as per the latest finalised accounts as on 30 September of the respective year

¹⁵ Interest payments of working SPSUs as per the latest finalised accounts as of 30 September of the respective year

long-term debts by one SPSU (Nagaland Industrial Development Corporation Limited) during these years. The unaccounted accumulated interest liability of Nagaland Industrial Development Corporation Limited as per its latest finalised Accounts (2021-22) as of September 2023 stood at ₹9.19 crore.

6.1.8.2 Erosion of capital due to losses

The paid-up capital and accumulated losses of four working SPSUs as per their latest finalised accounts as on 30 September 2023 were ₹35.14 crore and ₹80.93 crore respectively (**Appendix 6.1.1**).

The accumulated losses (₹81.45 crore) of two working SPSUs had completely eroded their paid-up capital (₹25.55 crore) as per their latest finalised accounts as shown in **Table 6.1.9**.

Table 6.1.9: SPSUs with erosion of paid-up capital

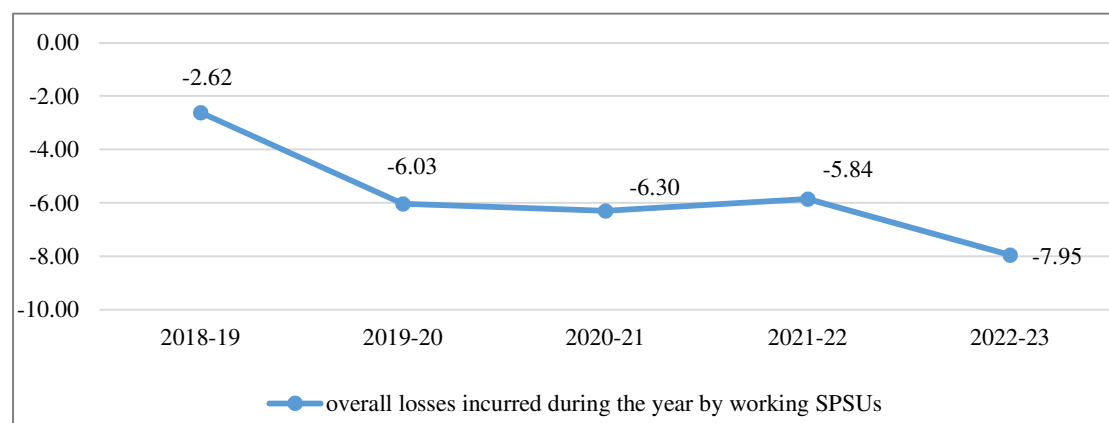
Name of SPSU	Latest finalised accounts	(₹ in crore)	
		Paid up capital	Accumulated losses
Nagaland Industrial Development Corporation Limited	2021-22	23.20	-59.36
Nagaland Hotels Limited	2017-18	2.35	-22.09
Total	--	25.55	-81.45

Source: Records of the SPSUs

The Return on Equity (ROE)¹⁶ of one SPSU (Nagaland Hotels Limited) was not workable due to complete erosion of their equity capital. ROE in respect of one SPSU (Nagaland State Mineral Development Corporation Limited) was positive.

The overall position of the aggregate losses incurred by working SPSUs during 2018-19 to 2022-23 is shown in **Chart 6.1.2**.

Chart 6.1.2: Losses of working SPSUs



Source: Latest finalised accounts of the SPSUs as on 30 September of the respective years

As can be noticed from **Chart 6.1.2**, the losses of working SPSUs has increased by 36.13 per cent in 2022-23 as compared to 2021-22. The SPSUs mostly depend on the State Government grants to meet the salary expenditure of its employees since they have less or no income from operations.

¹⁶ ROE = (Net Profit after taxes *minus* preference dividend) ÷ Shareholders' Fund/Equity; Where, Shareholders' Fund/Equity = Paid up Share Capital *plus* Free Reserves and Surplus *minus* Accumulated Loss *minus* Deferred Revenue Expenditure

6.1.9 Return on Investment on the basis of Present Value of Investment

The Rate of Real Return (RORR) measures the profitability and efficiency with which equity and similar non-interest bearing capital have been employed, after adjusting them for their time value. To determine the RORR on government investment in the SPSUs, the investment of State Government in the form of equity, interest-free loans and grants/subsidies given by the State Government for operational and management expenses less the disinvestments (if any), has been considered and indexed to their Present Value (PV) and summated. The RORR is then calculated by dividing the 'Profit After Tax' (PAT) of the SPSUs by the sum of the PV of Government investment.

During 2022-23, as per their latest finalised accounts, three SPSUs where State Government had made direct investment, incurred losses and one SPSU *viz.*, Nagaland State Mineral Development Corporation, had shown a net profit of ₹0.46 crore which is mainly due to grant received from the State Government while one SPSU *i.e.*, Kohima Smart City Development Limited has not finalised its accounts since inception. On the basis of return on historical value, the State Government's investment in SPSUs had eroded by (-) 3.13 *per cent* during 2022-23. As per the RORR where the PV of investment is considered, the State Government investment eroded by (-) 1.32 *per cent* as shown in **Appendix 6.1.2**. This difference in the percentage of investment erosion was on account of the adjustment made in the investment amount for time value of money.

6.1.10 Impact of Audit Comments on Annual Accounts of SPSUs

During October 2021 to September 2023, four working Companies forwarded nine audited accounts to the Principal Accountant General (Audit), Nagaland. Of these, six accounts were issued Non Review Certificate and three Accounts were selected for audit. Out of these three accounts audited, one was audited during 2021-22 and two were audited during 2022-23.

The Statutory Auditors had given qualified certificate to one account. The details of aggregate money value of comments of Statutory Auditors and C&AG during the last three years is shown in **Table 6.1.10**.

Table 6.1.10: Impact of audit comments on working Companies

(₹ in crore)

Sl. No.	Particulars	2020-21		2021-22		2022-23	
		No. of Accounts	Amount	No. of Accounts	Amount	No. of Accounts	Amount
1.	Increase in loss	2	2.90	1	1.67	1	10.99
2.	Decrease in profit	0	0	0	0	1	0.06
3.	Errors of classification	2	5.66	0	0	0	0
Total		4	8.56	1	1.67	2	11.05

Source: Comments issued to SPSUs by statutory auditors and C&AG

As can be seen from **Table 6.1.10**, the money value of comments of statutory auditors and C&AG during last three years ranged between ₹1.67 crore (2021-22) and ₹11.05 crore (2022-23) indicating deficiencies with the requirements of 'Generally Accepted Accounting Principles' (GAAP) and Accounting Standards (AS) by the SPSUs.

6.1.11 Follow up action on Audit Reports

6.1.11.1 Submission of Explanatory notes

The Report of the C&AG represents the culmination of the process of audit scrutiny. It is, therefore, necessary that they elicit appropriate and timely response from the executive. The Administrative Departments concerned are required to submit the explanatory notes to paragraphs/performance audits included in the Audit Reports of the C&AG after their presentation to the Legislature, without waiting for any questionnaires from the Committee on Public Undertakings (COPU). However, the Finance Department, Government of Nagaland had not issued any specific instructions in this regard.

The State Audit Reports for the years from 2013-14 to 2021-22 have already been placed in the State Legislature. These included four compliance audit paragraphs¹⁷ on SPSUs in the SPSU Chapters of these Reports. As per the status available as on 30 September 2023, no explanatory notes were pending to be received from the Administrative Departments concerned against these compliance audit paragraphs.

6.1.11.2 Discussion of Audit Reports by COPU

The status as on 30 September 2023 of Performance Audits and paragraphs on the SPSUs that appeared in State Audit Reports and discussed by the COPU are shown in **Table 6.1.11**.

Table 6.1.11: Details of performance audits and paragraphs which featured in the State Audit Reports and their discussion held in the COPU

Period of Audit Report	Number of reviews/paragraphs as on September 2023	
	Paragraphs appeared in Audit Report	Paragraphs discussed
2013-14	1	1
2014-15 & 2015-16	0	-
2016-17	1	1
2017-18	0	-
2018-19	2	2
2019-20 to 2021-22	0	-
Total	4	4

Source: Audit Reports of the respective years

During the period 2013-14 to 2022-23, four paragraphs relating to SPSUs had featured in the State Audit Reports which have already been discussed in COPU.

¹⁷ One compliance audit paragraph appeared in each of the State Audit Report for the year 2013-14 and 2016-17 and two paragraphs appeared in 2018-19

CHAPTER-VII
FOLLOW UP OF AUDIT OBSERVATIONS

CHAPTER - VII

FOLLOW UP OF AUDIT OBSERVATIONS

7.1 Response of the Departments to the recommendations of the Public Accounts Committee

The Public Accounts Committee (PAC) Reports/recommendations are the principal medium by which the Legislature enforces financial accountability of the Executive to the Legislature and it is appropriate that they elicit timely response from the departments concerned in the form of Action Taken Notes (ATNs). As per PAC Reports of the State of Nagaland, the departments concerned were required to submit the ATNs on the recommendations of the PAC within three months from the date of laying of the Reports of the PAC to the Legislature.

As of March 2023, out of 2,145 recommendations of the PAC made during the period from 1990-91 to 2022-23, 1,217 ATNs on the recommendations had been submitted to the PAC and discussed.

7.2 Monitoring

The State Level Audit and Accounts Committee was formed (June 2008) under the Chairmanship of the Chief Secretary to monitor follow up action on audit related matters and corrective action on the findings reported by Audit. The Committee was also to review and oversee the working of Departmental Audit and Accounts Committee and also to hold meetings once in six months. During 2022-23, no State Level Audit and Accounts Committee meeting was convened.

7.3 Outstanding Inspection Reports

The Principal Accountant General (Audit), Nagaland conducts periodic inspection of the Government departments to test-check transactions and verify the maintenance of important accounts and other records as prescribed under the rules and procedures. These inspections are followed up with the Inspection Reports (IRs) incorporating irregularities noticed during the inspection and not settled on the spot. The IRs are issued to the Heads of the Offices inspected with copies to the higher authorities for taking corrective action.

The Heads of the Offices/Government are required to comply with the observations contained in the IRs, rectify the defects, omissions and report compliance through initial reply to the Principal Accountant General (Audit) within one month from the date of issue of the IRs. Serious irregularities are reported to the Heads of the Departments and the Government.

As of March 2023, 1,845 IRs containing major paragraphs issued from 1997-98 onwards were pending for settlement. The large pendency of IRs was indicative of the absence of adequate action to rectify the defects, omissions and irregularities pointed out through IRs by the Heads of the Offices and Heads of the Departments.

Recommendation: The State Government may look into the matter and consider streamlining the system to ensure timely response to audit observations. Action may be taken against the officials who do not furnish replies to IRs/paragraphs as per prescribed the time schedule and the losses/outstanding advances/overpayments may be recovered in a time-bound manner.

7.4 Departmental Audit Committee Meetings

In order to expedite the settlement of the outstanding audit observations contained in the IRs, Departmental Audit Committees had been constituted by the Government.

Departmental Audit Committees are chaired by the Secretaries of the Departments concerned and their meetings are attended by the officers concerned of the State Government and officers from the office of the Principal Accountant General (Audit), Nagaland.

During 2022-23, no Audit Committee Meeting was convened to clear the outstanding audit observations. Government needs to ensure that such meetings are held at regular intervals to take necessary action.



Kohima
The 10 September 2025

(FREDERICK SYIEMLIEH)
Principal Accountant General (Audit),
Nagaland

Countersigned



New Delhi
The 22 September 2025

(K. SANJAY MURTHY)
Comptroller and Auditor General of India

APPENDICES

Appendix 2.2.1
Statement showing manpower distribution and jurisdiction of Assistant Labour Commissioners (ALCs) in Nagaland
(Reference: Paragraph 2.2.2)

Sl. No.	No. of ALCs	Jurisdiction (District)
1.	1	Kohima and Tuensang
2.	1	Dimapur, Chümoukedima and Peren
3.	1	Wokha
4.	1	Mokokchung and Zunheboto
5.	1	Kiphire and Phek
6.	1	Tuensang, Shamator and Noklak
7.	1	Longleng and Mon
8.	1	Niuland
9.	2	Labour Commissioners office
Total	10	

Source: Departmental records

Appendix 2.3.1
Statement showing district-wise shortage of HSC, PHC & CHC in Nagaland
(Reference: Paragraph 2.3.2.1)

Health Facility	Health Sub-Centres (HSCs)			Primary Health Centres (PHCs)			Community Health Centres (CHCs)		
	District (Population)	Required as per IPHS norms	Available	Shortage (-)/ Excess (+)	Required as per IPHS norms	Available	Shortage (-)/ Excess (+)	Required as per IPHS norms	Available
Dimapur (3,78,811)	126	54	(-) 72	19	12	(-) 7	5	2	(-)3
Kiphire (74,004)	25	25	0	4	4	0	1	1	0
Kohima (2,67,988)	89	42	(-) 47	13	16	(+) 3	3	3	0
Longleng (50,484)	17	10	(-) 7	3	3	0	1	0	(-) 1
Mokokchung (1,94,622)	65	55	(-) 10	10	17	(+) 7	2	3	(+) 1
Mon (2,50,260)	83	57	(-) 26	13	14	(+) 1	3	3	0
Peren (95,219)	32	18	(-) 14	5	7	(+) 2	1	2	(+) 1
Phek (1,63,418)	54	49	(-) 5	8	22	(+) 14	2	4	(+) 2
Tuensang (Noklak) (1,96,596)	66	55	(-) 11	10	14	(+) 4	2	1	(-) 1
Wokha (1,66,343)	55	40	(-) 15	8	14	(+) 6	2	2	0
Zunheboto (1,40,757)	47	47	0	7	13	(+) 6	2	2	0

Source: Population (Census 2011 data and availability of Health Units - Rural Health Statistics (RHS), 2022

Appendix 2.3.2
Statement showing manpower position in District Hospitals
(Reference: Paragraph 2.3.2.3)

Cadres	IPHS norms (31-50 bedded)	Name of DH				IPHS norms (100 bedded)	Name of DH				IPHS norms (200 bedded)	Name of DH		IPHS norms (300 bedded)	Name of DH
	Sanctioned	Wokha	Kiphire	Peren	Longleng	Sanctioned	Mon	Phek	Tuensang	Zunheboto	Sanctioned	Dimapur	Mokokchung	Sanctioned	Kohima
ENT	1	2	0	1	0	1	0	1	0	1	1	1	0	2	3
General Medicine	2	2	1	1	0	2	2	1	2	1	2	6	1	3	5
Paediatrics	1	1	1	0	1	2	1	1	0	0	3	1	1	4	5
General Surgery	1	1	1	1	1	2	1	1	0	1	2	3	0	3	6
Ophthalmology	1	0	0	1	0	1	0	1	1	1	1	1	1	2	1
Dental	1	2	2	2	2	1	1	2	0	1	1	3	3	2	10
Obstetrics & Gynaecology	2	0	1	1	0	2	1	2	2	2	3	3	4	4	7
Psychiatry	0	1	0	0	1	1	0	1	1	0	1	1	0	1	1
Orthopaedics	1	1	0	0	3	1	0	1	1	0	1	2	1	2	4
Dermatology & venereology	1	0	0	1	0	1	0	1	0	0	1	2	0	1	1
Anaesthesia	1	1	1	1	1	2	1	1	0	1	2	3	1	2	3
Radiology	1	0	0	0	1	1	1	0	0	0	1	0	1	2	3
Pathology	0	1	1	0	1	1	0	1	1	1	2	2	1	3	1
Total (Specialists)	13	12	8	9	11	18	8	14	8	9	21	28	14	31	50
<i>Percentage excess/shortage</i>		<i>7.69</i>	<i>38.46</i>	<i>30.77</i>	<i>15.38</i>		<i>55.56</i>	<i>22.22</i>	<i>55.56</i>	<i>50.00</i>		<i>33.33</i>	<i>33.33</i>		<i>61.29</i>
Medical Officer	7	0	0	0	4	11	0	0	0	0	13	0	0	15	0
<i>Percentage excess/shortage</i>		<i>100</i>	<i>100</i>	<i>100</i>	<i>42.86</i>		<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>		<i>100</i>	<i>100</i>		<i>100</i>
Staff nurse	30	14	28	12	30	45	19	45	36	42	90	110	50	135	130
<i>Percentage excess/shortage</i>		<i>53.33</i>	<i>56.67</i>	<i>60.00</i>	<i>0.00</i>		<i>57.78</i>	<i>0.00</i>	<i>20.00</i>	<i>6.67</i>		<i>22.22</i>	<i>44.44</i>		<i>3.70</i>
Paramedical	43	5	26	12	16	31	5	14	8	27	42	5	NA	66	100
<i>Percentage excess/shortage</i>		<i>88.37</i>	<i>39.53</i>	<i>72.09</i>	<i>62.79</i>		<i>83.87</i>	<i>54.84</i>	<i>74.19</i>	<i>12.90</i>		<i>88.10</i>	<i>NA</i>		<i>51.52</i>

Source: Information furnished by District Hospitals
 NA-Information not furnished

Appendix 2.3.3
Statement showing status of shortage in different cadres in CHC/PHC
(Reference: Paragraph 2.3.2.3)

Services	No of CHCs	No of CHCs without adequate Manpower	Percentage of shortage	No of PHCs	No of PHCs without adequate Manpower	Percentage of shortage
Obstetrics & Gynaecology	21	16	76	0	0	0
Paediatrics	21	20	95	0	0	0
Anaesthesia	21	20	95	0	0	0
Medicine	21	14	67	0	0	0
Surgery	21	19	90	0	0	0
MBBS(MO/SMO)	21	6	29	142	16	11
MO Dental	21	1	5	0	0	0
MO Ayush	21	11	52	0	0	0
Staff Nurse/ANM	21	13	62	142	122	86
Lab Technician	21	2	10	142	91	64
Pharmacist	21	3	14	142	47	33

Source: HMIS-HR overall status as on July 2022

Appendix 2.3.4
Statement showing district-wise position of shortage of man-power
(Reference: Paragraph 2.3.2.3)

District	HSC		
	Total No.	No of HSC without adequate manpower	% of shortage
Kohima	42	19	45
Mokokchung	55	22	40
Dimapur	51	27	53
Wokha	41	23	56
Phek	49	26	53
Zunheboto	55	36	65
Peren	19	7	37
Tuensang (Noklak)	58	36	62
Mon	57	25	44
Kiphire	24	15	63
Longleng	10	3	30
Total	461	239	

Source: HMIS-HR overall status as on July 2022

Appendix 2.3.5
Statement showing detailed position of beds in DHs
(Reference: Paragraph 2.3.2.5)

Name of District Hospital	Bed Capacity	No of functional beds	Difference
Kohima	300	139	161
Mokokchung	150	92	58
Dimapur	150	52	98
Wokha	50	47	3
Phek	100	64	36
Zunheboto	100	14	86
Peren	50	31	19
Tuensang	100	53	47
Mon	100	26	74
Kiphire	50	35	15
Longleng	50	31	19

Source: Departmental records

Appendix 2.3.6
Statement showing sample selection of the PHCs & CHCs
(Reference: Paragraph 2.3.5)

Districts	Name of the Block	Name of CHC	Name of PHC/ UHC
Kohima	Viswema Block		Kempifupfe PHC
	Kohima Sadar		Seikhazou UHC
Phek	Phek		Lozaphuhu PHC
	Kikruma		Kikruma PHC
			Zukheta PHC
Tuensang	Longkhim Block	Longkhim CHC	Mangakhi PHC
	Thonoknyu Block		Thonoknyu PHC
Wokha	Ralan		Wozhuro PHC
	Bhandari	Bhandari CHC	Yimpang PHC

Note: (i) Two blocks each from the selected district have been selected using SRSWOR
(ii) Within the selected blocks, cent per cent selection of CHCs as the blocks have no/nil CHC.
(iii) 30 per cent of PHC/UPHC within the selected block has been selected using PPSWOR with number of patients.

Appendix 2.3.7
Statement showing basic facilities for OPD registration
(Reference: Paragraph 2.3.8.1)

Name of the health facilities	Facilities						Chair
	Water purifier	Fan	Bathroom		Toilet		
			Male	Female	Male	Female	
CHC, Bhandari	No	Yes	No	No	Yes	Yes	Yes
CHC, Longkhim	No	Yes	No	No	No	No	Yes
PHC Kempifupfe	Yes	Yes	Yes	Yes	Yes	Yes	Yes
UPHC Seikhazou	No	Yes	Yes	Yes	Yes	Yes	Yes
PHC Lozaphuhu	No	No	No	No	No	No	Yes
PHC Kikruma	No	No	No	Yes	No	No	Yes
PHC Zuketsa	Yes	No	No	No	No	No	Yes
PHC Wozhuro	No	Yes	Yes	Yes	Yes	Yes	Yes

Name of the health facilities	Facilities						Chair
	Water purifier	Fan	Bathroom		Toilet		
			Male	Female	Male	Female	
PHC Yimpang	Yes	No	No	No	No	No	Yes
PHC Mangakhi	Yes	Yes	Yes	Yes	No	No	Yes
PHC Thonoknyu	Yes	No	Yes	Yes	Yes	Yes	Yes

Source: Information collected from the test checked hospitals

(Note: Bathroom/toilet was available but not separately for registration services)

Appendix 2.3.8

Statement showing number of out-patients in test checked CHCs/PHCs

(Reference: Paragraph 2.3.8.2)

Name of PHC/CHC	Year	No of patients registered	No of doctors available in OPD	No. of working days in a year	No of patients in a days	No of patient per doctor
CHC Bhandari	2017-18	NA	4	269	NA	-
	2018-19	NA	4	269	NA	-
	2019-20	2,378	4	269	9	2
	2020-21	2,043	4	269	8	2
	2021-22	3,071	4	269	11	3
	2022-23	2,969	4	269	11	3
CHC Longkhim	2017-18	4,379	2	269	16	8
	2018-19	524	2	269	2	1
	2019-20	356	2	269	1	1
	2020-21	280	2	269	1	1
	2021-22	2,072	2	269	8	4
	2022-23	2,080	2	269	8	4
PHC Zuketsa	2017-18	526	1	269	2	2
	2018-19	513	1	269	2	2
	2019-20	661	1	269	2	2
	2020-21	703	1	269	3	3
	2021-22	1,771	1	269	7	7
	2022-23	1,771	1	269	7	7
PHC Thonoknyu	2017-18	1,050	1	269	4	4
	2018-19	449	1	269	2	2
	2019-20	492	1	269	2	2
	2020-21	551	1	269	2	2
	2021-22	343	1	269	1	1
	2022-23	948	1	269	4	4
PHC Kempifupfe	2017-18	1,949	1	269	7	7
	2018-19	3,717	1	269	14	14
	2019-20	1,894	1	269	7	7
	2020-21	2,536	1	269	9	9
	2021-22	2,136	1	269	8	8
	2022-23	2,200	1	269	8	8

Name of PHC/CHC	Year	No of patients registered	No of doctors available in OPD	No. of working days in a year	No of patients in a days	No of patient per doctor
PHC Seikhazou	2017-18	10,380	2	269	39	19
	2018-19	11,094	2	269	41	21
	2019-20	11,731	2	269	44	22
	2020-21	5,545	2	269	21	10
	2021-22	19,577	2	269	73	36
	2022-23	19,580	2	269	73	36
PHC Wozhuro	2017-18	1,464	1	269	5	5
	2018-19	1,296	1	269	5	5
	2019-20	1,334	1	269	5	5
	2020-21	1,345	1	269	5	5
	2021-22	1,348	1	269	5	5
	2022-23	1,350	1	269	5	5
PHC Yimpang	2017-18	530	0	269	2	-
	2018-19	498	0	269	2	-
	2019-20	566	0	269	2	-
	2020-21	656	1	269	2	2
	2021-22	948	1	269	4	4
	2022-23	498	1	269	2	2
PHC Lozaphuhu	2017-18	1,632	1	269	6	6
	2018-19	1,303	1	269	5	5
	2019-20	1,193	1	269	4	4
	2020-21	1,549	1	269	6	6
	2021-22	937	1	269	3	3
	2022-23	940	1	269	3	3
PHC Mangakhi	2017-18	1,112	0	269	4	-
	2018-19	675	0	269	3	-
	2019-20	284	0	269	1	-
	2020-21	75	0	269	0	-
	2021-22	178	0	269	1	-
	2022-23	180	0	269	1	-
PHC Kikruma	2017-18	582	1	269	2	2
	2018-19	658	1	269	2	2
	2019-20	903	1	269	3	3
	2020-21	927	1	269	3	3
	2021-22	896	1	269	3	3
	2022-23	2,361	1	269	9	9

Source: Information collected from the test checked hospitals

Appendix 2.3.9
Statement showing fund utilisation for Covid-19
(Reference: Paragraph 2.3.22.1)

Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
67	01/06/2020	Purchase of machineries & equipment (20 Nos. Truelab machine)	8,78,00,000	Purchase of 20 Truenat Machines and beta cov chips	2,80,00,000
				Setting up of 2 BSL Labs at Tuensang and CIHSR	5,69,46,800
122	06/07/2020	Purchase of Machineries & Equipment "Truelab Machine"	2,78,00,000	Purchase of 20 Truenat Machines and beta cov chips	2,78,00,000
165	21/08/2020	Expenses incurred for Covid-19 related activities	7,96,89,081	Minor civil works at NHAK	1,48,23,776
				Providing HT Line (Power)	35,54,954
				Purchase of Medicines	5,41,97,000
				Progressive Motors (No records available)	25,41,888
				Hotel Bills: Quarantine for Health workers	35,77,334
				Registration of vehicles	1,02,639
90	23/06/2020	Various works under maintenance	1,70,00,000	Civil Works	1,47,00,000
156	03/08/2020	GIA to NHAK for expenses incurred during conversion of NHAK to Covid -19 Hospital	43,50,000	AMC/CMC of MRI, X-Ray CR & USG. ACUSON	39,18,018
				Purchase of Gloves, O2 Flowmeter and Oxygen refilling	2,51,699
				Civil Works	1,80,283
338	21/12/2020	GIA for medical treatment purposes for Covid-19 as one time measure	7,50,000	Logistics/Cargo charges	1,54,492
				Body bags	2,99,250
				Monitoring visit charges	22,126
				Electrical works	74,087
453	25/03/2020	Covid-19 (Machinery & Equipment)	7,14,00,000	Procurement of PPE suits and Face Masks	29,95,000
454	25/03/2020	Covid-19 (Machinery & Supplies)	9,29,50,000	Procurement of PPE Kit, N95 Mask, Gloves and Sanitizer	6,87,28,000
				Procurement of Oxygen Cylinder	19,21,040
				Procurement of PPE Suits	2,99,26,400
				Procurement of PPE, Knapsack Sprayer, Sodium Hypochlorite, Sanitizer & Gloves	1,77,42,000
				Procurement of Towel, Bed Sheet, Blanket, Mattress, Curtain, Pillow & Pillow Cover	66,79,611
				Procurement of Ventilator & Masks	3,06,41,700
				Procurement of PPE Kit	57,16,249
488	30/03/2020	Preparedness of Covid-19 & Management in the State	21,60,00,000	Turbo Engineering Kohima (Records not available)	10,20,000
				Turbo Engineering, Kohima (Records not available)	6,79,999
				Setting up of BSL Lab at NHAK	6,16,12,966

Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				P.L. Bagri & Co., Dimapur (Records not available)	11,70,000
				Dritu Enterprise (Records not available)	79,54,664
				Operational Cost Ancillary & Stationaries BSL-3	18,00,000
				Contingency fund to CMOs MS IDSPs	2,50,10,959
				EE PWD (S)	5,00,000
				Civil Works	18,66,000
				Others	50,19,309
				Procurement of Ventilator & Masks	71,82,021
				Procurement of Truenat Beta Cov chips and Truenat Sars Cov-2	1,40,16,000
				Jaldhara and Company (No Records available)	12,94,394
				Biosafety Sample Collection Booth	56,99,949
				Turbo Engineering, Kohima (Records not available)	3,57,500
				Procurement of N95, Mask PPE & Triple Layer Masks	50,00,000
				Procurement of Cardiac Monitor, Ventilator, Gloves, PPE, Triple Layer Mask & Sanitizer	1,50,00,000
				Procurement of PPE Kit, Sanitizer & Gloves	1,00,00,000
				Procurement of Remdesivir Injection and Methylprednisolone Injection	29,58,000
				Procurement of 25KVA Mahindra Powerol DG Set	18,09,600
				One Bit (No records available)	94,400
				South Delhi Pharma (No records available)	7,20,000
				Procurement of Truenat Sars Cov-2 Test Kit	18,48,000
				Procurement of Truelab Real Time Micro PCR Workstation alongwith Cartridge	87,00,000
				1% Cess BSL-3 NHAK	5,54,572
				Others	17,11,483
				CMO Kohima	25,000
				Contingency Fund BSL-3 Lab	50,000
				VTM	1,58,899
				Trainees for BSL-3/2	31,550
				Albino Life sciences	1,50,000
				Training PMTI Truenat	7,370
				IEC Activities	1,50,000
				O/cost BSL-3 V. Khamo	90,000
				Veshele Hesuh r/o. Electrical Room BSL-3	14,392
				Veshele Hesuh r/o. Electrical Room BSL-3	7,91,608

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Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				State Referral BSL-3 Laboratory O/Cost for BSL-3 Lab	2,10,000
				Procurement of Cardiac Monitor, Ventilator, Gloves, PPE, Triple Layer Mask & Sanitizer	56,06,600
				Recovery for payment of GST portion from 40794756 bill no.66	-5,79,970
				Procurement of ventilator, masks & PPE kit	61,07,800
				Procurement of Mask, Gloves, Scanner & Sanitizer	1,36,590
				Dritu Enterprise (No records available)	46,540
				Dritu Enterprise (No records available)	26,26,518
				Procurement of IT equipment	2,25,000
306	27/11/2020	Combating Covid-19 Pandemic	5,00,00,000	Purchase of Medicines (Balance paid from Bill No.165)	2,93,14,690
				CMO Peren	1,740
				Procurement of PPE Kit, Sanitizer & Gloves	90,29,997
				R/R Bus	12,03,705
				Procurement of RAT Kit	74,74,950
				Food & Lodging	12,50,076
				Others	8,58,534
				POL pending bill to NHAK	2,31,489
				Emergency Purchase NHAK	1,84,942
				Electricity Bill against BSL-3 Lab	4,12,096
456	31/03/2021	Expenditure sanction towards Covid-19 Activities during 2020-21	8,17,23,892	Food & Lodging	3,90,85,296
				Contingency fund to CMO and MS	80,68,876
				Setting up of BSL 3 lab	1,01,82,716
				Procurement of Medicines & Consumables	2,27,46,010
				Procurement of IT equipment	5,44,263
57	20/05/2021	Expenditure sanction for purchase of vaccines under Materials & Supplies	1,15,22,700	Serum Institute Life Sciences Pvt. Ltd	1,15,22,700
54	19/05/2021	Expenditure sanction for meeting various requirements	2,58,00,000	Contingency fund to CMOs, MS & CCC	2,45,89,916
				State Referral BSL 3 Laboratory	2,25,000
56	19/05/2021	Various requirements Covid-19 Oxygen AC Bill	2,31,49,000	Others	33,15,267
				Procurement of nasal mask, nasal prong & Humidifier	61,34,857
				DG Sets ZBTO, TSG, Noklak, Yachem 30% release to Nagaland Powerkraft	73,67,920
				Procurement of Oxygen Cylinder	11,07,440
55	19/05/2021	Various requirements Covid-19 Oxygen AC Bill	6,65,77,500	Procurement of Truenat Kits	2,58,18,742
				Procurement of Meriscreen Covid test Kit	30,37,500

Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				Procurement of test kits for BSL labs	2,21,63,612
				Miscellaneous	150
				Procurement of Rapid antigen Test kit	17,21,064
66	25/05/2021	Payment liabilities of 2020-21	13,74,94,958	Chief Engineer (D&R), Department of Power, Kohima	6,99,153
				Dritu Enterprise (VTM BSL-3 Lab)	22,06,340
				108 Emergency Medical Transport Services East (U.P)	1,80,00,000
				Procurement of Oxygen Cylinder	41,59,500
				Procurement of Truenat Kits	1,84,80,000
				Salaries for Medical Officers	1,01,38,285
				Design, Development and Deployment of Covid 19 App	34,92,800
				Procurement of Gloves & Mask	42,29,540
				Procurement of Ventilators, Masks, Sanitizer & PPE Kits	4,07,94,756
				MR bill for Oking and Bethel Hospitals	19,98,400
				Procurement of Ventilators, Fogging Machine, Fogging Solution & Masks	43,09,186
				Civil Works	1,25,76,768
				MS Dimapur (Drug Consumables/Housekeeping) (No records available)	73,62,347
				Food & Lodging	76,21,939
96	17/06/2021	Procurement of Vaccines of 56810 doses of Covishield 18-44 years	1,78,95,000	Procurement of Corona Virus Vaccine (Recombinant)	1,78,95,150
413	11/01/2022	Expenditure sanction for purchase of Consumables for Covid-19 During 2021-22	6,63,99,467	Procurement of PPE Kits, Gloves & Mask	5,12,44,712
				Procurement of RAT kits, Alcohol Swab & Nebulizer machine	1,51,54,755
State Govt. Budget Total Expenditure					1,03,28,79,238
	CM Fund	Received from CM Emergency fund	10,00,000	P.L. Bagri & Co.	10,00,000
	NSDMA	For renovation of 9 (Nine) buildings at K. Badze to be utilised as Covid 19 QC	15,00,000	Civil Works	15,00,000
		Release of fund by NSDMA in relation to Covid-19 Cheque No. 661713 dated 16/03/2020	28,88,000	Civil Works	8,64,688
				Others	14,62,093
				Contingency to CMO	3,38,000
				Electrical Works	2,23,219

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Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
					43,88,000
		GIA from NEC	3,00,00,000	Contingency fund to CMOs & MS	3,00,00,000
				Particulars	Amount
				Printing of Information Education and Communication Materials	1,36,500
				Procurement of IT Equipment for IEC Cell	65,850
				Procurement of Chloroquine Phosphate 250 Tablets	6,30,000
				Procurement of Malathion Technician Liquid & Fogging Machine	2,76,828
				Release of Mobility Support & Contingency on Covid-19	3,06,160
				Release for expenses on Covid Emergency Cell	2,64,295
				Release for the purpose of meeting expenses on Covid-19	30,500
				Printing of training manuals, certificates & stickers of 1 day training at DHFW	83,832
				IEC/BCC activities on Covid-19	1,90,000
				Transfer to 5 DHS on account of IEC/BCC activities for 5 UPHCs under NUHM	1,05,000
				Asha Incentives	80,550
				Salary to Covid Staff	2,20,000
				Release for expenses on Covid Emergency Cell	91,489
				District Level training on Covid-19	4,11,000
				Training on Covid-19 at State Level	27,000
				Remuneration for 4 Research Scientists at NHAK BSL-3 lab the month of May 2020	2,20,000
				Payment of Miscellaneous on Covid 19 to Zhoto	1,22,500
				Mobility support & UF on Covid-19 to District Health Societies	1,12,30,000
				Procurement of Thermal Scanner, Oximeter & Vital Transport Medium	94,48,496
				Procurement of Mask, Oxygen Regulator, Mask & Valve Regulators	29,33,395
				Advertisement bill	75,210
				Printing of stickers & fliers for Covid-19	1,20,750
				Printing of flexi banner for Covid-19	2,83,200
				Training expenditure on quarantine management	2,900
				Training on mechanical ventilators	23,960
				Office POL, Miscellaneous expenditure on Covid-19	47,200
				Tour expenses	30,000
				Transportation cost on Covid-19 materials from Delhi	4,20,000
				Printing of Quarantine Leaflet	32,550

Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				Advance release for installation of ventilators at DH	50,000
				R/R of Ambulance CHC Jalukie	52,190
				Salary to Covid Staff	2,20,000
				IEC activities on Covid-19	53,250
				Incentives on operation cost for SSU-IDSP	96,045
				Operational cost on Covid-19 for SSU-IDSP	1,93,686
				Installation of ventilators at the districts	34,400
				Advertisement bill	88,872
				Payment for supply of printed materials on Covid-19	1,76,870
				Labour Charges	76,100
				Honorarium/Incentives	1,54,000
				Incentives to DPMU Staff & Hand Washing Facilities at DH and CHCs	97,05,000
				Purchase of IT Consumables for IDSP Section and sanitizer stand for SPMU	70,560
				Reimbursement on expenses for Covid-19 management	40,500
				Asha Incentives	34,000
				Untied fund on Covid-19 for Dimapur DH & CMO	6,00,000
				Labour Charges	11,500
				Payment for supply of Generator Set to Tuensang	4,48,750
				Procurement of consumables for BSL-2 Lab at Tuensang	1,06,06,333
				Procurement of OT Light for NHAK	1,00,000
				Procurement of multipara monitor for NHAK	1,01,000
				Logistic support for BSL-2 Tuensang	1,00,000
				Mobility support for research scientist on validation of BSL-2 Tuensang	24,600
				Procurement of ECG machine for DH Dimapur	98,800
				Procurement of Truenat Test kits	62,14,400
				Transfer to DHS Kohima for DHS Staff	1,44,000
				Internet connection bill for video conferencing for Covid-19	30,000
				Procurement of IT Consumables for SSU-IDSP for Covid-19	48,000
				Payment of Newspaper Advertisement bill	71,148
				Release of Untied fund to 3 DHs for BSL Labs	4,00,000
				BSL Staff salary	7,25,515
				Reimbursement on Covid-19 related activities	64,515
				Reimbursement on expenses for Covid-19 management	34,260
				Procurement of IT equipment for IDSP office	23,440

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Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				Release for management of online competition for original song on Covid-19	10,998
				Procurement of Diathermy Machine for NHAK	85,000
				Honorarium to Judges on Song Competition on Covid-19	25,000
				Salary for BSL Lab staff	7,35,208
				Release to DHS Kohima for repair of Oxygen Pipeline at NHAK	80,641
				Newspaper Advertisement bill	50,274
				Payment for supply of Generator Set to Tuensang	3,76,408
				Payment for prize money for online Competition on Covid-19	59,000
				Procurement of RAT Kit	27,10,400
				Sanction to IRCS on sponsorship for Annual Report (Covid-19)	10,000
				Payment for purchase of Central Oxygen Pipeline System manifold	31,85,002
				BSL Staff Salary for the month of October 2020	10,18,544
				Procurement of Web Conference License for Zoom	15,576
				Procurement of EOT Equipment at NHAK	7,61,600
				Payment of monthly net connectivity	2,137
				Construction of PSA Oxygen Generation plant at Kohima, Mokokchung & Dimapur	12,50,000
				Procurement of Truenat Test kits	35,04,000
				Procurement of RTPCR Test Kit	8,12,000
				Release to DHS Tuensang for reimbursement on POL for BSL at Tuensang for September and October 2020	29,310
				Construction of PSA Oxygen Generation Plant at Kohima, Mokokchung & Dimapur	12,50,000
				Broadcasting cost of Thematic song on Covid-19	10,592
				Payment for Covid-19 certificate for online competition	89,288
				Salary of BSL staff	7,55,000
				Procurement of Oxygen Cylinder	48,08,000
				Procurement of Ultrasound	10,91,000
				Incentives to SPMU Staff	3,42,000
				Procurement of Blood Storage Refrigerator for Longleng	1,14,249
				Reimbursement for expenses on Ventilator Installation at 11 Districts	46,150
				Procurement of Consumables for BSL-2 Tuensang	70,71,548
				Incentives to BSL Staff and other attached for Covid-19 activities	82,000
				Payment of monthly net connectivity	880

Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				Salary of BSL staff for the month of December 2020	7,55,000
				Construction of PSA Oxygen Generation plant at Kohima, Mokokchung & Dimapur	2,15,000
				Procurement of drugs under ECRP	43,32,585
				Procurement of drugs under ECRP	56,12,409
				Newspaper Advertisement bill	59,786
				Payment for monthly internet bill	1,495
				Salary of BSL Lab staff	6,88,000
				Salary of BSL Lab staff	6,88,000
				Payment for monthly internet bill	1,525
				Newspaper Advertisement bill	1,03,425
				Salary of BSL Lab staff for the month of March 2021	6,88,000
				Salary of DEO for the month of January, February & March 2021	36,000
				Procurement of Laptop and printers	49,980
				Procurement of LED Monitor	6,18,200
				Transfer to 11 DHS on account of untied fund	5,90,000
				Internet Bill payment for the month of March 2021 B 31.6	1,525
				Procurement of Truenat Test kits	1,06,99,618
				Untied fund to DHS Dimapur B 31.9	7,00,000
				Salary for BSL Staff	17,54,888
				Internet Bill payment for the month of May 2021 B 31.6	1,495
				Mobility fund & Untied fund to DHS	10,65,000
				Incentives to staff for Covid-19 related activities B 31.4	1,90,000
				Procurement of Jumbo Cylinders and O2 FA valve B 31.3	11,69,999
				Incentives to 7 Nos. of BSL Staff B 31.4	14,000
				Being amount release on account of training expenses	6,750
				Being payment made on account of advertisement bill	9,450
				Asha Incentives	30,88,000
				Reimbursement to Temjentsungla and TA/DA to five participants for training related cost	8,000
				Miscellaneous	8,340
				Internet bill payment for July 2021	1,507
				ASHA training cum paediatric care on Covid-19	8,67,800
				Board Casting Covid Message B 31.7	1,98,592
				Production fee for commercial on Covid-19	24,000

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Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				Internet bill for August 2019	1,506
				Civil Works	25,00,000
				Being Newspaper bill	2,09,370
				Procurement of Covid - 19 Drugs	40,75,000
				Procurement of Consumable	20,32,000
				Being payment made to M/s Alila Enterprises for supply of RAT Kit	4,50,000
				Being payment to M/s Aries Enterprise for supply of Nasal Cannula, Mask etc.	16,04,458
				Being payment for supply of RAT Kit	14,67,165
				Being Newspaper bill	85,155
				Being release for training activity on Covid-19	14,050
				Being IT Connectivity bill for September 2021	1,537
				Being Newspaper bill	1,30,410
				Being transfer to IIDHS for training on Paediatric Care	2,09,000
				Being Internet bill for October 2021	1,537
				Being Newspaper bill	11,340
				Being Internet bill for November 2021	1,507
				Being Staff salary for BSL Labs for the month if August to December 2021	14,25,000
				Procurement of consumables	15,61,489
				Training on Paediatric Management for Covid-19 at NHAK	1,46,650
				Payment to Natur-O Tech for supply of RAT Kit	11,20,000
				Operational Expenses for Ambulances under Covid-19	38,00,000
				Procurement of Essential Drugs	2,20,65,750
				Being payment for renewal of Zoom license	31,740
				Being release for training on ICU management at NHAK	5,87,018
				Operational Expenses for Ambulances under Covid-19	38,00,000
				Civil Works	21,83,000
				Civil Works	10,00,00,000
				Installation of oxygen pipelines at DH Mokokchung, Dimapur & Kohima	17,75,015
				Being Internet bill for January 2022	1,537
				Procurement of RAT Kit	6,65,260
				Procurement of Essential Drugs	2,29,29,966
				Being payment for supply of RT-PCR Test Kit	35,99,222

Receipt				Expenditure	
Bill No.	Dated	Particulars	Amount	Particulars	Amount
				Being payment for supply of essential drugs (Northeast Marketing)	49,95,940
				TA/DA to MD	11,937
				Being flight fare to MD	63,090
				TA/DA to Kingson	5,080
				Release to DHS for training on Covid-19	21,52,400
				Payment of Newspaper AD designing	14,160
				Being Newspaper Advt. Bill	6,300
				P/Tax	8,172
				Total	30,91,73,834

Source: Departmental records

Appendix 2.3.10
Statement showing verification status of major equipment and others items in
five DHs

(Reference: Paragraph 2.3.22.2)

Name of the DH	Name of the Equipment Verified	Audit observations/ remarks
DH, Kohima (Naga Hospital Kohima)	Truenat Quattro Machine & Truenat Auto V2 (Extractor).	There are 2 (Two) TrueNAT Quattro Machines and 4 (Four) Truenat Auto V2 (Extractor) installed in the Truenat Lab.
	Ventilator (Transport) – C-Pap Machine	4(Four) Nos. of C-Pap Ventilators received were issued to ICU.
	Cardiac Monitor	3(Three) Nos. of Cardiac Monitors received were issued to ICU
	Standalone Ventilator	2(Two) Standalone Ventilator (Skanrespiro) received were issued to ICU.
	Palm Sized Ultrasound (Phillips Lumify System)	1 (One) No. of Palm Sized Ultrasound received was issued to Radiology
	EP-100 Line Frequency 100mA Counter Balance Mobile X-Ray Generator	EP-100 Line Frequency 100mA Counter Balance Mobile X-Ray Generator issued to Radiology department
	Diathermy machine	Diathermy machine issued to OBS &Gynae ward kept unused inside a box.
	Multipara Monitor	1 (One) No. of Multipara monitor issued to OBS &Gynae ward being used in OT room.
	Spectralumeo Single Dome OT Light	Spectralumeo Single Dome OT Light issued to OBS &Gynae ward kept unused inside one room
	Suction Machine	2 (Two) Nos. of suction machine received were issued to OBS &Gynae ward.
	Operation Theatre Table Hydraulic	Operation Theatre Table Hydraulic issued to OBS &Gynae ward
Anaesthesia Basic Machine (Model- Athena)	Anaesthesia Basic Machine (Model- Athena) issued to OBS &Gynae ward.	
District Hospital Dimapur	Oxygen Regulator	Out of 95 Nos. of Oxygen regulator received, 90 nos. issued to ICU, Covid ward – I, Flu corner <i>etc.</i> Balance 5 Nos. kept in store.
	Nebulizer Machine	2 Nos. of Nebulizer Machine received were issued to Covid wards.
	PAP-ResMed Ventilator	10 (Ten) Nos. of PAP-ResMed ventilators were received and kept in store.
	Ultrasound machine	1 (One) Ultrasound machine received from NRHM during 2015 has not been used till date due to lack of sonographer in District Hospital, Dimapur.
	Fogging machine	1 (One) No. of Fogging Machine received was being used when required.
	C-Pap Ventilators	7 (Seven) Nos. of C-Pap Ventilators received were issued to ICU and SNCU.
	Swasit+ Ventilators	14 (Fourteen) Nos. of Swasit+ Ventilators were received were issued to ICU.
	Spraying Machine	4 (Four) Nos. of Spraying Machine were received were issued to Isolation ward, Flu Clinic & Infection Control Committee.
	Bionet Resting ECG	1 (One) No. of Bionet Resting ECG was received from NHM, Kohima and used in ECG room at DH, Dimapur.
	Mahindra 125 KVA DG Set	1 (One) Mahindra 125 KVA DG Set procured by Directorate of Health & Family Welfare and issued to DH, Dimapur was seen.
	500 KVA Sub station	500 KVA sub station installed at Covid Hospital Dimapur by the

Name of the DH	Name of the Equipment Verified	Audit observations/ remarks
		Department of Power, Kohima was seen.
	Truenat Machine	A total of 3 (Three) Truenat Machines (2 Truenat Quattro and 1 Truenat Duo Machine) received from Directorate of Health & Family Welfare were found installed in Truenat lab at DH Dimapur.
	Truenat Auto V2 (Extractor)	A total of 7 (Seven) Truenat Machines Auto V2 (Extractor) were found in the Truenat Lab at DH Dimapur. It was stated that 5 (five) Nos. were received from Directorate of Health & Family Welfare & 2 (Two) Nos. from Police Referral Hospital.
District Hospital Wokha	Nebulizer Machine	4 (Four) Nebulizer Machines were stated to have been received and issued to Emergency Section and Surgical Ward.
	Oxygen regulator	61 (Sixty One) Nos. of Oxygen Regulators were stated to have been received and issued to wards, Covid War Room and OT.
	Oxygen Bi-Valve Regulator	2 (Two) Oxygen Bi-Valve Regulators were stated to have been received and is kept at store.
	Oxygen Concentrator	28 (Twenty-Eight) Nos. of Oxygen Concentrators were stated to have been received and distributed inside the hospital wards and OT. 23 (Twenty Three) Nos. left in stock.
	Agva Ventilators	3 (Three) Nos. of Agva Ventilators were stated to have been received and issued to ICU.
	Swasit+ Ventilators	12 (Twelve) Nos. of Swasit+ Ventilators were stated to have been received and kept at store unused.
	Phillips Ventilators	2 (Two) Nos. of Phillips Ventilators were stated to have been received and issued to ICU.
	CV 200 Ventilators	6 (Six) Nos. of CV 200 Ventilators were stated to have been received and issued to ICU.
	Syringe Infusion Pump	One Syringe Infusion Pump procured from fund received under ECRP and installed in ICU Room.
	Suction Machine	One Suction Machine procured from fund received under ECRP and installed in Labour Room.
District Hospital Tuensang	Koel 82.5 KVA Silent Generator	The 82.5 Kva Silent Generator (Genset Model – KG1-825 WS1/82.5 Kva) procured under ECRP was seen to have been installed near BSL Lab, Tuensang
	Koel 200 Kva Silent Generator	The 200 KVA Generator (Genset Model – KG1-200 WS3/200 Kva) procured under ECRP was seen to have been installed below 500 LPM PSA oxygen plant.
	Phillips Ventilators	2 (Two) Nos. of Phillips Ventilators were stated to have been received and 1 No. issued to ICU.
	Ventilator (C-Pap)	3 (Three) Nos. of Ventilator (C-Pap Type) received on 04/04/2020 and issued to ICU could not be traced out during Physical Verification.
	Swasit+ Ventilators	12 (Twelve) Nos. of Swasit+ Ventilators were stated to have been received and issued to ICU.
	Agva Ventilators	3 (Three) Nos. of Agva Ventilators were stated to have been received and issued to ICU.
	Cardiac Monitor	2 (Two) Nos. of Cardiac Monitors received on 04/04/2020 and issued to ICU could not be traced out during Physical Verification.
	Truenat Quattro Machine	There is 1 (One) TrueNAT Quattro Machine installed in the Truenat Lab.
	Truenat Auto V2 (Extractor)	1 (One) No. of Truenat Auto V2 (Extractor) was found in the Truenat Lab. It was stated that the Truenat Machine has not been used for the past 3-4 months as 3 (Three) Nos. of Auto V2 Extractor was not functioning properly and the extractors have been sent to Kohima for repairing.
Portable Ventilator	1 (One) No. of Portable Ventilator received on 07.05.2020 and issued to ICU could not be traced out during Physical Verification.	

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Name of the DH	Name of the Equipment Verified	Audit observations/ remarks
District Hospital Phek	Pulse Oximeter	It was stated that 30 Nos. of Pulse Oximeter was received and issued to OPD and Medical Ward. Balance 15 Nos. kept in store.
	Oxygen Regulator	It was stated that 25 Nos. of Oxygen regulator was received and issued to Isolation ward. Balance 12 Nos. kept in store.
	FA Valve with Humidifier Single Flow	It was stated that 25 Nos. of FA Valve with Humidifier Single Flow was received and issued to different wards. Balance 15 Nos. kept in store.
	Ventilator (Portable)	It was stated that 2 (Two) Nos. of portable ventilators of Hoffrichter Brand was received and kept in ICU room.
	Agva Ventilators	3 (Three) Nos. of Agva Ventilators were stated to have been received and one issued to ICU and two kept in store.
	Swasit+ Ventilators	12 (Twelve) Nos. of Swasit+ Ventilators were stated to have been received and kept in Oxygen Manifold room.
	Phillips Ventilators	2 (Two) Nos. of Phillips Ventilators were stated to have been received and issued to ICU.
	CV 200 Ventilators	It was stated that 6 Nos. of CV 200 Ventilators were received and issued to Covid ICU Room, Main ICU room and 2 (Two) kept in store.
	Spraying Machine	It was stated that 2 (Two) Nos of Spraying machine was received and issued to Isolation ward.
	Cardiac Monitor	1 (One) No. of Cardiac Monitor received on 04/04/2020 and issued to ICU could not be traced out during Physical Verification.
	Truenat Quattro Machine	There is 1 (One) TrueNAT Quattro Machine installed in the Truenat Lab.
	Truenat Auto V2 (Extractor)	2 (Two) No. of Truenat Auto V2 (Extractor) was found in the Truenat Lab.
	BioRad CFX96 Real Time system.	One BioRad CFX96 Real Time system was found installed in the Truenat Lab. However, it was stated that the machine has not been used till date due to lack of chips/Cartridges.

Source: Departmental records

Appendix 2.3.11
Statement showing revision of cost
(Reference: Paragraph 2.3.28.3 (iii))

(Amount in ₹ crore)

Sl. No.	Name of Contractor	Name of Work	Original Work		1st revised		2nd revised		Difference of 2nd revision & Original work
			Amount	Date of Work Order	Amount	Date of Work Order	Amount	Date of Work Order	
1.	M/s Aurotech & Cesco Lanu (JV)	Construction of Medical College Building, Kohima	52.90	14/11/2018	54.60	27/05/2019	62.64	18/01/2020	9.74
2.	M/s KC Infra & OM (JV)	Construction of 200 sq m apartment at Nagaland Medical College, Kohima	7.41	05/03/2019	7.55	16/07/2019	8.81	26/11/2019	1.39
3.	M/s KC Infra & OM (JV)	Construction of 100 sq m apartment at Nagaland Medical College, Kohima	12.54	05/03/2019	12.85	16/07/2019	16.27	26/11/2019	3.73
4.	M/s Kedu-o Zumu	Construction of Sports Complex at Nagaland Medical College, Kohima	6.55	05/03/2019	7.32	16/07/2019	7.95	04/11/2019	1.39
5.	M/s 3 S Infra	Construction of Boys and Girls Hostel at Nagaland Medical College, Kohima	20.32	05/03/2019	22.12	16/07/2019	24.00	26/11/2019	3.67
6.	M/s Z. Rulho	Construction of Dean Residence at Nagaland Medical College, Kohima	1.58	05/03/2019	1.63	16/07/2019	1.93	18/01/2020	0.34
7.	M/s T. Albert Angami & Co	Construction of MS Residence at Nagaland Medical College, Kohima	1.57	05/03/2019	1.66	31/10/2019	2.51	26/11/2019	0.94
TOTAL			102.87		107.73		124.11		21.24

Source: Departmental figures

Appendix 2.3.12
Statement showing irregular diversion of Central Fund
(Reference: Paragraph 2.3.28.3 (v))

Date	Account nos.		Cheque	Amount	Paid to
	From (SBI-Kohima Bazar branch)	To			
21/08/2014	340XXXXX421	098XXXXX855	Draft issued	3,50,000	Not indicated
03/11/2016	340XXXXX421	001XXXXX383	098162	19,66,809	Payment for additional Plot (A)
21/05/2018	340XXXXX421	341XXXXX823	098163	10,00,00,000	Nagaland Multi-Sectorial project
20/06/2018	340XXXXX421	001XXXXX611	098164	3,50,667	DC, Kohima for payment of Land premium
11/02/2021	-	-	-	6,00,000	Temporary loan to Medical College, Mon
12/02/2021	-	-	-	1,16,100	To DC, Mon-Temporary loan to Medical College, Mon for undertaking traverse and detail Survey of Border Pillars
24/02/2021	340XXXXX421	030XXXXX683	000098177	50,000	To P.D for payment to team leader Kohima & Dimapur
24/02/2021	340XXXXX421	011XXXXX446	000098178	50,000	To M.S. Mon for advance expenditure
03/03/2021	340XXXXX421	-	000098176	1,00,000	To Joint Director for Medical College, Mon-Advance party expenditure on laying foundation stone Temporary (Temporary loan)
18/03/2021	340XXXXX421	030XXXXX683	000098179	26,15,900	Transfer to PD account
Total				10,61,99,476	

Source: Departmental figures

Appendix 2.3.13
Statement showing bank interest that could have been earned
(Reference: Paragraph 2.3.28.3 (vi))

Sl. No.	Year of Sanction	Month of release	Amount	Date released by FD	Delay in release to implementing Department (no. of days)	SBI Interest *
1.	2015-2016	26/11/2015	7,50,00,000.00	13/09/2017	657	54,00,000.00
2.	2015-2016	29/01/2016	20,00,00,000.00	13/09/2018	958	2,09,97,260.27
3.	2016-2017	24/06/2016	6,65,00,000.00	06/09/2019	1,167	83,00,657.53
4.	2016-2017	24/06/2016	1,17,00,000.00	06/09/2019	1,167	14,60,416.44
5.	2016-2017	24/06/2016	2,18,00,000.00	06/09/2019	1,167	27,21,117.81
6.	2016-2017	30/03/2016	9,00,00,000.00	06/09/2019	1,253	1,20,82,191.78
7.	2016-2017	28/02/2017	64,00,000.00	06/09/2019	918	6,24,219.18
8.	2016-2017	28/02/2017	3,55,00,000.00	06/09/2019	918	34,62,465.75
9.	2016-2017	28/02/2017	34,00,000.00	06/09/2019	918	3,31,616.44
10.	2017-2018	16/11/2017	1,47,00,000.00	06/09/2019	657	10,13,293.15
			5,69,00,000.00	09/09/2021	1,390	71,03,770.14
11.	2017-2018	16/11/2017	13,95,00,000.00	09/09/2021	1,390	1,74,16,097.26
12.	2017-2018	16/11/2017	3,89,00,000.00	09/09/2021	1,390	48,56,531.78
13.	2018-2019	06/09/2018	6,47,00,000.00	09/09/2021	1,096	59,92,992.60
			9,58,00,000.00	30/05/2022	1,359	1,07,37,473.97
14.	2018-2019	06/09/2018	25,42,00,000.00	30/05/2022	1,359	2,84,91,293.15
			27,21,00,000.00	19/07/2022	1,409	3,15,03,961.64
15.	2018-2019	06/09/2018	8,32,00,000.00	19/07/2022	1,409	96,32,964.38
16.	2018-2019	18/02/2019	11,66,00,000.00	19/07/2022	1,244	1,13,91,660.27
17.	2018-2019	18/02/2019	1,86,00,000.00	19/07/2022	1,244	18,17,194.52
18.	2018-2019	18/02/2019	3,55,00,000.00	19/07/2022	1,244	34,68,301.37
TOTAL			1,70,10,00,000.00			18,88,05,479.43

Source: Departmental figures

Note: Interest = Daily Balance * (Number of days) * Interest rate/ (Days in the year)

* 31/07/2017 to 30/04/2019 @ 4%, 01/05/2019 to 30/06/2019 @ 3.25%, 01/07/2019 to 18/03/2020 @ 3%, 19/04/2020 to 30/05/2020 @ 2.75%, 31/05/2020 till date @ 2.70 %

Appendix 2.5.1
Tribe-wise local textbooks printed during 2019-20, 2020-21 and 2021-22
(Reference: Paragraph 2.5)

Class	Angami	Ao	Chang	Chokri	Kheza	Khiamjungang	Konyak	Kuki	Liangmai	Lotha	Ninthenye	Nozokwe	Phom	Pochury	Sangtam	Sumi	Yimchungru	Zeme	Total
2019-20																			
Class 1	2,000	1,700	1,100	600	300	800	3,400	300	300	600	300	300	500	400	600	3,200	1,000	800	18,200
Class 2	1,200	1,500	1,000	600	300	800	3,000	300	300	600	300	300	500	400	600	3,000	900	700	16,300
Class 3	1,200	1,500	900	600	300	700	2,700	300	300	500	300	300	500	300	500	3,000	800	700	15,400
Class 4	1,400	1,500	700	600	300	600	2,200	300	300	500	300	300	400	300	400	2,300	600	700	13,700
Class 5	1,300	1,500	1,000	600	300	600	2,500	300	300	500	300	300	400	400	400	2,000	600	700	14,000
Class 6	1,200	1,500	900	600	400	400	1,800	300	300	600	300	300	400	400	300	2,200	600	700	13,200
Class 7	1,300	1,500	900	600	400	300	1,900	300	300	700	300	300	400	400	300	2,100	600	700	13,300
Class 8	1,400	1,500	1,000	600	400	300	1,700	300	300	700	300	300	500	400	300	1,700	600	700	13,000
Total	11,000	12,200	7,500	4,800	2,700	4,500	19,200	2,400	2,400	4,700	2,400	2,400	3,600	3,000	3,400	19,500	5,700	5,700	1,17,100
2020-21																			
Class 1	1,500	1,200	700	600	350	800	4,250	300	-	650	-	-	500	200	800	2,500	1,500	800	16,650
Class 2	1,270	1,200	700	500	250	650	2,750	300	-	450	-	-	500	200	700	2,200	1,500	700	13,870
Class 3	1,270	1,000	700	600	250	550	2,750	300	-	450	-	-	450	200	600	2,000	1,300	700	13,120
Class 4	1,360	1,200	700	500	250	500	2,050	300	-	350	-	-	400	200	600	1,800	1,100	600	11,910
Class 5	1,470	1,200	500	500	250	500	1,750	300	-	350	-	-	350	200	600	1,200	1,000	600	10,770
Class 6	1,350	1,300	900	630	250	550	1,750	300	-	500	-	-	500	250	600	1,200	1,100	600	11,780
Class 7	1,600	1,300	700	740	250	400	1,700	300	-	500	-	-	550	250	600	1,200	1,000	500	11,590
Class 8	1,470	1,400	800	700	250	400	1,500	300	-	500	-	-	550	200	600	1,200	1,000	500	11,370
Total	11,290	9,800	5,700	4,770	2,100	4,350	18,500	2,400	0	3,750	0	0	3,800	1,700	5,100	13,300	9,500	5,000	1,01,060
2021-22																			
Class 1	700	1,450	1,250	500	300	650	3,600	300	150	600	100	150	500	300	850	1,700	1,850	700	15,650
Class 2	750	1,250	750	500	300	650	3,100	350	150	550	100	150	500	270	550	1,450	1,010	600	12,980
Class 3	850	1,250	650	450	300	550	2,650	300	150	500	100	150	500	200	550	1,200	860	600	11,810
Class 4	900	1,200	650	500	300	550	2,250	300	150	450	100	150	400	200	500	1,100	800	600	11,100
Class 5	850	1,200	650	550	350	500	2,250	300	100	400	100	150	300	180	500	750	750	600	10,480

Class	Angami	Ao	Chang	Chokri	Kheza	Khiamtiungan	Konyak	Kuki	Liangmai	Lotha	Ninthenye	Nozokwe	Phom	Pochury	Sangtam	Sumi	Yimchungru	Zeme	Total
Class 6	800	1,250	650	500	400	550	2,100	300	100	450	100	100	300	270	450	760	650	600	10,330
Class 7	900	1,250	550	500	350	450	2,200	300	100	450	100	100	400	270	400	800	500	500	10,120
Class 8	900	1,400	750	500	350	400	1,800	300	100	500	100	100	400	270	400	750	550	500	10,070
Total	6,650	10,250	5,900	4,000	2,650	4,300	19,950	2,450	1,000	3,900	800	1,050	3,300	1,960	4,200	8,510	6,970	4,700	92,540
Grand Total	28,940	32,250	19,100	13,570	7,450	13,150	57,650	7,250	3,400	12,350	3,200	3,450	10,700	6,660	12,700	41,310	22,170	15,400	3,10,700

Source: Departmental figures

Appendix 2.5.2
Statement showing excess payment made to a firm for printing of text books
(Reference: Paragraph 2.5)

(Amount in ₹)

Sl. No.	Class	No. of Copies approved by GoN and actually printed	No. of pages per book approved by GoN (including cover)	Total pages approved by GoN	Actual No. of pages printed (including cover)	Total actual No. of pages printed	Page difference per text book	Total difference	Composing rate per page approved by GoN	Excess Composing amount	Printing cost per page approved by GoN	Excess Printing amount	Total excess amount
	<i>I</i>	<i>2</i>	<i>3</i>	<i>4(2x3)</i>	<i>5</i>	<i>6(2x5)</i>	<i>7(3-4)</i>	<i>8(4-6)</i>	<i>9</i>	<i>10(8x9)</i>	<i>11</i>	<i>12(8x11)</i>	<i>13(10+12)</i>
FY 2019-20													
1.	I	18,200	85	15,47,000	45	8,19,000	40	7,28,000	0.45	3,27,600	0.35	2,54,800	5,82,400
2.	II	16,300	85	13,85,500	49	7,98,700	37	5,86,800	0.45	2,64,060	0.35	2,05,380	4,69,440
3.	III	15,400	85	13,09,000	53	8,16,200	32	4,92,800	0.45	2,21,760	0.35	1,72,480	3,94,240
4.	IV	13,700	85	11,64,500	55	7,53,500	30	4,11,000	0.45	1,84,950	0.35	1,43,850	3,28,800
5.	V	14,000	95	13,30,000	65	9,10,000	30	4,20,000	0.45	1,89,000	0.35	1,47,000	3,36,000
6.	VI	13,200	95	12,54,000	45	5,94,000	50	6,60,000	0.45	2,97,000	0.35	2,31,000	5,28,000
7.	VII	13,300	95	12,63,500	52	6,91,600	43	5,71,900	0.45	2,57,355	0.35	2,00,165	4,57,520
8.	VIII	13,000	95	12,35,000	56	7,28,000	39	5,07,000	0.45	2,28,150	0.35	1,77,450	4,05,600
Total A		1,17,100		1,04,88,500		61,11,000		43,77,500		19,69,875		15,32,125	35,02,000
FY 2020-21													
9.	I	16,650	85	14,15,250	45	7,49,250	40	6,66,000	0.45	2,99,700	0.35	2,33,100	5,32,800

Audit Report for the year ended 31 March 2023

Sl. No.	Class	No. of Copies approved by GoN and actually printed	No. of pages per book approved by GoN (including cover)	Total pages approved by GoN	Actual No. of pages printed (including cover)	Total actual No. of pages printed	Page difference per text book	Total difference	Composing rate per page approved by GoN	Excess Composing amount	Printing cost per page approved by GoN	Excess Printing amount	Total excess amount
10.	II	13,870	85	11,78,950	49	6,79,630	37	4,99,320	0.45	2,24,694	0.35	1,74,762	3,99,456
11.	III	13,120	85	11,15,200	53	6,95,360	32	4,19,840	0.45	1,88,928	0.35	1,46,944	3,35,872
12.	IV	11,910	85	10,12,350	55	6,55,050	30	3,57,300	0.45	1,60,785	0.35	1,25,055	2,85,840
13.	V	10,770	95	10,23,150	65	7,00,050	30	3,23,100	0.45	1,45,395	0.35	1,13,085	2,58,480
14.	VI	11,780	95	11,19,100	45	5,30,100	50	5,89,000	0.45	2,65,050	0.35	2,06,150	4,71,200
15.	VII	11,590	95	11,01,050	52	6,02,680	43	4,98,370	0.45	2,24,267	0.35	1,74,430	3,98,696
16.	VIII	11,370	95	10,80,150	56	6,36,720	39	4,43,430	0.45	1,99,544	0.35	1,55,201	3,54,744
Total B		1,01,060		90,45,200		52,48,840		37,96,360		17,08,362		13,28,726	30,37,088
FY 2021-22													
17.	I	15,650	85	13,30,250	45	7,04,250	42	6,26,000	0.45	2,81,700	0.35	2,19,100	5,00,800
18.	II	12,980	85	11,03,300	48	6,23,040	37	4,80,260	0.45	2,16,117	0.35	1,68,091	3,84,208
19.	III	11,810	85	10,03,850	53	6,25,930	32	3,77,920	0.45	1,70,064	0.35	1,32,272	3,02,336
20.	IV	11,100	95	10,54,500	55	6,10,500	40	4,44,000	0.45	1,99,800	0.35	1,55,400	3,55,200
21.	V	10,480	95	9,95,600	65	6,81,200	30	3,14,400	0.45	1,41,480	0.35	1,10,040	2,51,520
22.	VI	10,330	95	9,81,350	45	4,64,850	50	5,16,500	0.45	2,32,425	0.35	1,80,775	4,13,200
23.	VII	10,120	95	9,61,400	52	5,26,240	41	4,35,160	0.45	1,95,822	0.35	1,52,306	3,48,128
24.	VIII	10,070	95	9,56,650	56	5,63,920	39	3,92,730	0.45	1,76,729	0.35	1,37,456	3,14,184
Total C		92,540		83,86,900		47,99,930		35,86,970		16,14,137		12,55,440	28,69,576
Grand Total (A+B+C)		3,10,700		2,79,20,600		1,61,59,770		1,17,60,830		52,92,374		41,16,291	94,08,664

Source: Departmental records

Appendix 2.6.1

Details of the list of eighteen functions as per the XIIth Schedule (Article 243W) of the Constitution (74th Amendment) Act, 1992
(Reference: Paragraph 2.6.2)

1. Urban planning including town planning.
2. Planning of land-use and construction of buildings.
3. Planning for economic and social development.
4. Roads and bridges.
5. Water supply for domestic, industrial and commercial purposes.
- 6. Public health, sanitation conservancy and solid waste management.**
7. Fire services.
8. Urban forestry, protection of the environment and promotion of ecological aspect.
9. Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded.
- 10. Slum improvement and upgradation.**
- 11. Urban poverty alleviation.**
- 12. Provision of urban amenities and facilities such as parks, gardens, playgrounds.**
13. Promotion of cultural, educational and aesthetic aspects.
- 14. Burials and burial grounds; cremation, cremation grounds and electric crematoriums.**
15. Cattle pounds; prevention of cruelty to animals.
16. Vital statistics including registration of births and deaths.
- 17. Public amenities including street lighting, parking lots, bus stops and public conveniences.**
- 18. Regulation of slaughter houses and tanneries.**

Appendix 2.7.1
Comparison of State level legislations with the provisions of 74th CAA
(Reference: Paragraph 2.7.8)

Provisions of Constitution of India	Requirement as per provisions of Constitution of India	Provision of the State Act
		(Section-wise)
Article 243Q	Constitution of Municipalities: It provides for constitution of three types of municipalities viz., a Nagar Panchayat for transitional area, a Municipal Council for a smaller urban area and a Municipal Corporation for a larger urban area.	Section 3, 5, 6 and 8 of Nagaland Municipal Act, 2001.
Article 243R	Composition of Municipalities: All the seats in a Municipality shall be filled by direct elections and by persons with special knowledge in municipal administration nominated by Government. The Legislature of a State may by law, provide for representation to the Municipality, Members of Parliament and Legislative Assembly whose constituencies lie within the municipal area and Members of the Council of States and State Legislative Council who are registered as electors within the city.	Section 9 of Nagaland Municipal Act, 2001.
Article 243S	Constitution and composition of Wards Committee: This provides for constitution of Wards Committees in all municipalities with a population of three lakh or more.	No ULBs in Nagaland have population of three lakh or more. Hence, not applicable.
Article 243T	Reservation of seats: The seats to be reserved for Scheduled Caste (SC)/ Scheduled Tribe (ST), Women and Backward Classes for direct election.	Section 23A & 23B of Nagaland Municipal Act, 2001 (1 st Amendment)
Article 243U	Duration of Municipalities: The municipality has a fixed tenure of five years from the date of its first meeting and re-election to be held within the six months of end of tenure.	Section 10 of Nagaland Municipal Act, 2001.
Article 243V	Disqualifications for membership: A Person shall be disqualified from a member of a Municipality:	Section 27, 28, 39 & 40 of Nagaland Municipal Act, 2001.
	If he is so disqualified by or under any law for the time being in force for the purposes of elections of the Legislature of the State concerned.	
	If he is so disqualified by or under any law made by the Legislature of the State.	
Article 243W	Powers, authority and responsibilities of the Municipalities: All municipalities would be empowered with such powers as may be necessary to enable them to function as effective institutions of Self-Government. The State Government shall entrust with such powers and authority to enable them to carry out the responsibilities in relation to the 12 th Schedule.	Section 58 of Nagaland Municipal Act, 2001.
Article 243X	Power to impose taxes by, and funds of the Municipalities:	Section 120 of Nagaland Municipal Act, 2001.

Provisions of Constitution of India	Requirement as per provisions of Constitution of India	Provision of the State Act
		(Section-wise)
	<p>Municipalities would be empowered to levy and collect the taxes, fees, duties, etc.</p> <p>Grants-in-Aid would be given to the Municipalities from the State</p> <p>Constitution of funds for crediting and withdrawal of moneys by the Municipality</p>	
Article 243Y read with Article 243I	Finance Commission: State Government shall constitute Finance Commission for	Section 122 of Nagaland Municipal Act, 2001.
	Reviewing the financial position of the Municipalities and taking such steps that help in boosting the financial condition of the Municipal bodies	
	Distributing between the State and the Municipalities the net proceeds of the taxes, fees, tolls and duties that are charged by the State Government.	
	Allotting the funds to the municipal bodies in the State from the Consolidated Fund of the State.	
Article 243Z	Audit of accounts of Municipalities: This provides provision for maintenance of accounts by the Municipalities and the auditing of such accounts.	Section 104 & 109 of Nagaland Municipal Act, 2001.
Article 243ZA read with Article 243K	Elections to the Municipalities: The Superintendence, direction and control of all procedure of election of the Municipalities shall be vested in the State Election Commission (SEC)	Section 30 of Nagaland Municipal Act, 2001.
Article 243ZD	Committee for District Planning:	Section 407A & 407B of Nagaland Municipal Act, 2001.
	Constitution of District Planning Committee at district level.	
	Composition of District Planning Committee.	
	Preparation of draft development plan and forwarded to the Government.	

Source: The Constitution (Seventy-fourth Amendment) Act, 1992 and Nagaland Municipal Act, 2001

Appendix 2.7.2
Statement showing actual status of devolution of functions to ULBs
(Reference: Paragraphs 2.7.9 and 2.7.14)

Sl. No.	List of Functions under 12th Schedule	Obligatory functions listed in the Nagaland Municipal Act, 2001	Charter of duties assigned to Department of Municipal Affairs by the State Government	Functions assigned to ULBs by the Department of Municipal Affairs
1.	Urban Planning including town planning	-	Preparation of Master Plans	Not assigned to ULBs.
2.	Regulation of land-use and construction of buildings.	Regulation of land-use and construction of buildings.	Building Bye-Laws.	Not assigned to ULBs as Building Bye-Laws are pending for approval from Government.
3.	Planning for economic and social developments	Planning for economic and social development.	-	-
4.	Roads and Bridges	-	-	-
5.	Water supply for domestic, industrial and commercial purposes	-	-	-
6.	Public health, sanitation conservancy and solid waste management	Sanitation conservancy and solid waste management.	Sanitation and Solid Waste Management	Sanitation and Solid Waste Management
7.	Fire services	-	-	-
8.	Urban forestry, protection of the environment and promotion of ecological aspects	Urban forestry, protection of the environment and promotion of ecological aspects.	-	-
9.	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded	Safeguarding the interest of weaker sections of society, including the handicapped and mentally retarded.	-	-
10.	Slum improvement and upgradation	Slum improvement and up gradation.	Slum improvement / up gradation.	Partially assigned. Limited to identification of beneficiary.
11.	Urban poverty alleviation	-	Urban Poverty alleviation programs.	Partially assigned. Limited to identification of beneficiary.
12.	Provision of urban amenities and facilities such as parks, gardens, playgrounds	Provision of Urban amenities and facilities such as parks, gardens, playgrounds.	Provision of Urban amenities such as parks, playgrounds.	Partially assigned with minimal role.
13.	Promotion of cultural, educational and aesthetic aspects	Promotion of cultural, educational and aesthetic aspects	-	-

Sl. No.	List of Functions under 12th Schedule	Obligatory functions listed in the Nagaland Municipal Act, 2001	Charter of duties assigned to Department of Municipal Affairs by the State Government	Functions assigned to ULBs by the Department of Municipal Affairs
14.	Burials and burial grounds; cremations, cremation grounds and electric crematoriums	Burials and burials grounds, cremations, cremation grounds and electric crematoriums	Burial grounds and crematoria.	Partially assigned with minimal role.
15.	Cattle pounds, prevention of cruelty to animals	Cattle pounds, prevention of cruelty to animals	-	-
16.	Vital statistics including registration of births and deaths	Vital statistics including registration of births and deaths	-	-
17.	Public amenities including street lighting, parking lots, bus stops and public conveniences	Public amenities including street lighting, parking lots, but shops and public conveniences	Public Conveniences including street lighting, parking lots, etc.	Partially assigned. Limited to maintenance of parking lots and public toilets.
18.	Regulation of slaughter houses and tanneries	Regulation of slaughter house and tanneries	Regulation of slaughter houses.	Partially assigned. Modern slaughter houses constructed under PPP mode not in operation.

Source: Nagaland Municipal Act, 2001, Establishment of separate Department of Municipal Affairs with its charter of duties and reply of Department of Municipal Affairs.

Appendix 2.7.3
Statement showing actual implementation of functions by ULBs and
Government Departments
(Reference: Paragraph 2.7.9)

Sl. No.	Functions	Activities	State Authorities discharging the function
1.	Urban planning including town planning	Master Planning/ Development Plans/ Zonal Plans	Urban Development Department
		Enforcing master planning regulations	
		Enforcing building bye-laws and licenses	Municipal Affairs Department and not assigned to ULBs as Bye-Laws are pending for approval from Government.
		Group Housing, Development of Industrial areas	Urban Development Department and Municipal Affairs Department
2.	Regulation of land-use and construction of buildings	Regulating land use	Urban Development Department
		Approving building plans/ high rises	Municipal Affairs Department and Yet to be enforced.
		Demolishing illegal buildings	District Administration
3.	Planning for economic and social development	Program implementation for economic activities	Urban Development Department and Municipal Affairs Department
		Policies for social development	
4.	Roads and bridges	Construction and maintenance of roads	Roads & bridges Department and Urban Development Department
		Construction and maintenance of bridges, drains, flyovers and footpaths	Roads and bridges Department
5.	Water supply for domestic, industrial and commercial purposes	Distribution of water	Public Health Engineering Department
		Providing connections	
		Operation & Maintenance (O&M)	
		Collection of charges	
6.	Public health, sanitation conservancy and solid waste management.	Maintaining hospitals, dispensaries	Health & Family Welfare Department
		Immunisation/Vaccination	Health & Family Welfare Department
		Registration of births and deaths	Economics & Statistics Department
		Cleaning and disinfection of localities affected by infectious disease	ULBs and Health & Family Welfare Department
		Solid-waste management	ULBs
		Control and supervision of public markets	ULBs
7.	Fire services	Establishing and maintaining fire brigades	Fire & Emergency Services Department
		Providing fire NOC / approval certificate in respect of high rise buildings	Building bye-laws are under approval
8.	Urban forestry, protection of the environment and promotion of ecological aspects.	Afforestation	Department of Forest, Environment and Climate Change and Nagaland Pollution Control Board.
		Greenification	
		Awareness drives	
		Protection of the environment and promotion of ecological aspects	
		Maintenance of natural resources like water bodies etc.	Irrigation & Flood Control and Nagaland Pollution Control Board.

Sl. No.	Functions	Activities	State Authorities discharging the function
9.	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded	Identifying beneficiaries	Urban Development Department, Municipal Affairs Department and ULBs.
		Providing tools/ benefits such as tricycles	Social Welfare Department and State Commissioner for persons with Disability
		Housing programs	Urban Development Department and Municipal Affairs Department
		Scholarships	School Education Department
10.	Slum improvement and upgradation	Identifying beneficiaries	Urban Development Department, Municipal Affairs Department and ULBs.
		Affordable Housing	Urban Development Department and Municipal Affairs Department
		Upgradation	
11.	Urban poverty alleviation	Identifying beneficiaries	Urban Development Department, Municipal Affairs Department and ULBs.
		Livelihood and employment	Urban Development Department and Industries & Commerce Department.
		Street vendors	Urban Development Department and ULBs
12.	Provision of urban amenities and facilities such as parks, gardens, playgrounds	Creation of parks and gardens	Urban Development Department, Municipal Affairs Department and ULBs.
		Operation and Maintenance	ULBs.
13.	Promotion of cultural, educational and aesthetic aspects.	Schools and education	Department of School Education/ Higher Technical/ SCERT
		Fairs and festivals	Tourism Department/ Task Force for Music & Arts (TAFMA)/ Art & Culture and ULBs.
		Cultural buildings / institutions	Urban Development Department and Municipal Affairs Department
		Heritage	Art & Culture Department
		Public space beautification	Urban Development Department, Municipal Affairs Department and ULBs.
14.	Burials and burial grounds; cremations, cremation grounds	Construction and O&M of crematoriums and burial grounds and electric crematoriums.	Urban Development Department, Municipal Affairs Department and ULBs.
15.	Cattle pounds; prevention of cruelty to animals	Catching and keeping strays	ULBs
		Sterilization and anti-rabies	Veterinary and Animal Husbandry Department
		Ensuring animal safety	
16.	Vital statistics including birth and death registration	Coordinating with hospitals / crematoriums <i>etc.</i> for obtaining information	Economics & Statistics Department
		Maintaining and updating database	
17.	Public amenities including street lighting, parking lots, bus stops and public conveniences.	Installation and maintenance of street lights	Department of Power
		Deciding and operating bus routes	Regional Transport Authorities and ULBs
		Creation and maintenance of parking lots	ULBs
		Creation and maintenance of public toilets	ULBs

Sl. No.	Functions	Activities	State Authorities discharging the function
18.	Regulation of slaughter houses and tanneries	Ensuring quality of animals and meat	Veterinary and Animal Husbandry Department and ULBs
		Disposal of waste	ULBs
		O & M of slaughter houses	ULBs

Source: Departmental records.

Appendix 2.7.4
Statement showing unequal allocation of fund to ULBs under XV FC untied grant
(2nd instalment)
(Reference: Paragraph 2.7.12.4)

(₹ in lakh)

Sl. No.	Name of the ULBs	Fund to be allocated	Fund actually allocated	Surplus/ deficit
1.	Kohima Municipal Council	120	225	(+) 105
2.	Medziphema Town Council	30	100	(+) 70
3.	Chiephobozou Town Council	20	40	(+) 20
4.	Chümoukedima Town Council	60	180	(+) 120
5.	Dimapur Municipal Council	150	225	(+) 75
6.	East Dimapur Town Council	35	50	(+) 15
7.	Peren Town Council	25	40	(+) 15
8.	Kiphire Town Council	40	60	(+) 20
9.	Longleng Town Council	30	40	(+) 10
10.	Mon Town Council	60	80	(+) 20
11.	Niuland Town Council	20	40	(+) 20
12.	Mokokchung Municipal Council	70	80	(+) 10
13.	Pfutsero Town Council	35	50	(+) 15
14.	Phek Town Council	40	50	(+) 10
15.	Tening Town Council	20	40	(+) 20
16.	Tseminyu Town Council	30	40	(+) 10
17.	Tuensang Town Council	70	80	(+) 10
18.	Wokha Town Council	70	80	(+) 10
19.	Zunheboto Town Council	60	0	(-) 60
20.	Jalukie Town Council	30	0	(-) 30
21.	Naginimora Town Council	30	0	(-) 30
22.	Tuli Town Council	30	0	(-) 30
23.	Noklak Town Council	30	0	(-) 30
24.	Changtongya Town Council	30	0	(-) 30
25.	Aboi Town Council	30	0	(-) 30
26.	Bhandari Town Council	30	0	(-) 30
27.	Tizit Town Council	30	0	(-) 30
28.	Meluri Town Council	25	0	(-) 25
29.	Tobu Town Council	25	0	(-) 25
30.	Satakha Town Council	25	0	(-) 25
31.	Pungro Town Council	25	0	(-) 25
32.	Shamator Town Council	25	0	(-) 25
33.	Mangkolemba Town Council	25	0	(-) 25
34.	Chozuba Town Council	25	0	(-) 25
35.	Aghunato Town Council	20	0	(-) 20
36.	Seyochung Town Council	20	0	(-) 20
37.	Longkhim Town Council	20	0	(-) 20
38.	Atoizu Town Council	20	0	(-) 20
39.	Tamlu Town Council	20	0	(-) 20
Total		1,500	1,500	

Source: Information furnished by the Municipal Affairs Department

Appendix 2.8.1
Statement showing regulatory framework governing the management of different types of waste

(Reference: Paragraph 2.8.1.3)

Waste category	Regulations
Municipal solid waste	MSW (Management and Handling) Rules, 2000 Manual on MSW management and handling Rules, 2000 National Environment Policy, 2006 National Mission on Sustainable Habitat, 2010 Solid Waste Management Rules 2016 Municipal Solid Waste Management Manual 2016
Bio-medical waste	The Bio-medical Waste (Management & Handling) Rules, 1998 and amended further in 2000 and again in 2003 The Bio-medical Waste Management Rules 2016
Plastic waste	The Recycled Plastics Manufacture and Usage Rules, 1999 Plastic Waste (Management & Handling) Rules, 2011 Plastic Waste Management Rules 2016
E-waste	E-waste (Management & Handling) Rules, 2011 E-waste (Management) Rules 2016
Hazardous waste	The Hazardous Waste (Management & Handling) Rules, 1989 The Hazardous Waste (Management, Handling and Transboundary) Rules, 2008 Hazardous and Other Wastes (Management and Transboundary Movement) Rules 2016
Construction and Demolition waste	Construction and Demolition Waste Management Rules 2016

Source: Departmental records

Appendix 2.8.2
Statement showing roles and responsibilities of different institutions in SWM
(Reference: Paragraph 2.8.3.1)

Level/ Responsible Institution	Role and responsibilities in SWM
Central Government (MoEFCC, MoUD and CPCB)	Laws and Rules; Policies and Norms; Guidelines, Manuals, and Technical Assistance; Financial Support; Monitoring implementation of laws and rules.
State Government (MA & UDD headed by Directors and NPCB headed by Chairperson)	Monitoring implementation of laws and rules in metropolitan cities; State Policy and SWM Strategy; Guidelines, Manuals, and Technical Assistance; Financial Support; Reporting on Service Level Benchmarks to the MoUD; Capacity Building of local bodies; Granting consent to set up treatment and disposal activities.
District (DC assisted by District UDD)	Review the performance of ULBs on waste management process; Facilitate identification and allotment of suitable land for solid waste processing and disposal facilities.
ULBs (headed by Administrator, Municipal Commissioner or Chief Officer)	Providing waste management services; Preparation of SWM plan; Framing byelaws; Levy and collection of fees; Financing SWM system; Creating public awareness; Involvement of informal sector in SWM.
Informal Sector (waste recyclers, NGOs, CBOs and private partners)	Resource recovery and recycling at different stages; Providing support to the local recycling industry; Involvement of community; Creating awareness; Collection and transportation of waste; Technology providers.

Source: Manuals on MSWM 2000 and 2016

Appendix 2.8.3
Statement showing comparison of estimated waste generation by ULBs and NPCB for the year 2022-23
(Reference: Paragraph 2.8.3.2)

Sl. No.	Name of the ULB	Population (2023)	Residential Refuse (0.30)	Commercial refuse (0.10)	Street sweepings (0.05)	Institutional refuse (0.05)	Total kg/day $(h)=d+e+f+g$	Estimated waste as per MSWM 2000 (in TPD) $(i)=h/1000$	Waste generation as per ULB (in TPD) (j)	Waste generation as per NPCB (in TPD) (k)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)=d+e+f+g	(i)=h/1000	(j)	(k)
1	DMC	1,38,800	41,640.000	13,880.000	6,940.000	6,940.000	69,400.000	69.400	87.000	94.000
2	KMC	1,11,700	33,510.000	11,170.000	5,585.000	5,585.000	55,850.000	55.850	90.000	90.000
3	MMC	40,600	12,180.000	4,060.000	2,030.000	2,030.000	20,300.000	20.300	25.080	34.000
4	WTC	39,500	11,850.000	3,950.000	1,975.000	1,975.000	19,750.000	19.750	13.000	6.000
5	PTC	11,300	3,390.000	1,130.000	565.000	565.000	5,650.000	5.650	4.000	1.800
6	LTC	9,000	2,700.000	900.000	450.000	450.000	4,500.000	4.500	1.370	2.000

Source: Department of Economics and Statistics, MSWM 2000

Appendix 2.8.4

Statement showing comparison of estimated waste generation as per MSWM Manual 2016 for 2022-23

(Reference: Paragraph 2.8.3.2)

Sl. No.	Name of the ULB	Population (2023)	Estimated waste generation in TPD (300 gm/capita/day)	Waste generation as per ULB (in TPD)	Waste generation as per NPCB (in TPD)
(a)	(b)	(c)	(d)	(e)	(f)
1.	DMC	1,38,800	41.640	87.000	94.000
2.	KMC	1,11,700	33.510	90.000	90.000
3.	MMC	40,600	12.180	25.080	34.000
4.	WTC	39,500	11.850	13.000	6.000
5.	PTC	11,300	3.390	4.000	1.800
6.	LTC	9,000	2.700	1.370	2.000

Source: Department of Economics and Statistics, MSWM 2000

The estimated waste generation rate is 300 gm/capita/day in small towns and cities with a population below 2,00,000 as per MSWM Manual 2016.

Appendix 2.8.5

Statement showing SLB performance indicators and benchmarks pertaining to SWM

(Reference: Paragraph 2.8.3.10)

Sl. No.	Performance indicator	Unit as percentage of	Benchmark (in per cent)
1.	Household level coverage of SWM services	Households and establishments covered by daily doorstep collection system	100
2.	Efficiency of collection of municipal solid waste	Total waste collected against waste generated within the project area	100
3.	Extent of segregation of municipal solid waste	Households and establishments that segregate their waste	100
4.	Extent of municipal solid waste recovered	Quantum of waste collected, which is either recycled or processed	80
5.	Extent of scientific disposal of municipal solid waste	Waste disposed in a sanitary landfill against total quantum of waste disposed in landfills and dumpsites	100
6.	Extent of cost recovery in SWM services	Recovery of all operating expenses related to MSWM services that the ULB is able to meet from the operating revenues of sources related exclusively to MSWM	100
7.	Efficiency in redressal of customer complaints	Total number of MSWM related complaints resolved against total number of MSWM complaints received within 24 hours	80
8.	Efficiency in collection of SWM user charges	Current year revenues collected against total operating revenues for the corresponding period	90

Source: MoUD website

Appendix 2.8.6
Statement showing SLB target and achievements (2022-23) pertaining to six sampled ULBs
(Reference: Paragraph 2.8.3.10)

(in per cent)

Sl. No.	Performance indicator	Benchmark	KMC	DMC	MMC	WTC	PTC	LTC
1.	Household level coverage of SWM services	100	80	95	83	80	40	80
2.	Efficiency of collection of municipal solid waste	100	80	85	53	60	10	55
3.	Extent of segregation of municipal solid waste	100	30	25	10.70	20	35	55
4.	Extent of municipal solid waste recovered	80	17	15	55.17	10	NA	5.30
5.	Extent of scientific disposal of municipal solid waste	100	0	0	0	0	NA	5.30
6.	Extent of cost recovery in SWM services ¹	100	NA	5.33	51.96	NA	NA	80
7.	Efficiency in redressal of customer complaints	80	70	75	70	0	10	80
8.	Efficiency in collection of SWM user charges	90	80	70	90	30	60	80

Source: Information provided by ULBs

¹ Calculated from receipt and payment statement furnished by ULBs

Appendix 2.8.7

Statement showing list of ULBs with population less than 5,000

(Reference: Paragraph 2.8.3.11 (i))

Sl. No.	Urban Local Bodies	Population (2011 census)	Notification date	Total No. of employees	ULB's employees
1.	Aghunato TC	2,883	06/09/2019	2	0
2.	Atoizu TC	2,219	06/09/2019	3	0
3.	Chiephobozou TC	1,842	06/09/2019	4	0
4.	Chozuba TC	3,543	18/08/2016	3	0
5.	Longkhim TC	2,240	18/08/2016	6	0
6.	Mangkolemba TC	3,713	18/08/2016	6	2
7.	Niuland TC	1,158	06/09/2019	-	-
8.	Pungro TC	4,744	18/08/2016	3	0
9.	Satakha TC	4,964	06/09/2019	2	0
10.	Seyochung TC	840	06/09/2019	2	0
11.	Shamator TC	4,257	20/10/2015	6	3
12.	Tamlu TC	1,401	06/09/2019	2	0
13.	Tening TC	2,525	18/08/2016	5	0

Source: Department of Economics and Statistics, Departmental records

Appendix 2.8.8

Statement showing delay in release of SBM-U 2.0 funds to ULBs

(Reference: Paragraph 2.8.4.1 (II)(a))

Sl. No.	Date of sanction	Activities	Amount (₹ in lakh)	Due date of release to ULBs	Actual date of release to ULBs	Delay in release till March 2023
1.	25/02/2022	Mobilization Advance for Solid Waste Management and Used Water Management Projects for 19 ULBs	76.00	18/03/2022	Not released	12 months
2.	25/02/2022	Mobilization Advance for Capacity Building for 19 ULBs	38.00	18/03/2022	17/08/2022	4 months
3.	24/03/2022	Mobilization Advance for Capacity Building 20 ULBs	40.00	14/04/2022	22/08/2022	5 months
4.	24/03/2022	Mobilization Advance for Solid Waste Management and Used Water Management Projects for 20 ULBs	80.00	14/04/2022	Not released	11 months
Total			234.00			

Source: Departmental records

Appendix 2.8.9**Statement showing details of purchase of waste bins and sanitation vehicles in violation of Rules and Regulations***(Reference: Paragraph 2.8.4.1 (II)(b))***(₹ in lakh)**

Sl. No.	Particulars	Amount	
		39 ULBs	Selected six ULBs
1.	1 st instalment of Basic Grants for 2015-16: Purchase of waste bins and sanitizers	150.00	101.24
2.	2 nd instalment of Basic Grants for 2015-16: Purchase of waste bins	199.20	
3.	3 rd instalment of Basic Grants for 2016-17 to 2019-20: Purchase of waste bins	541.40	
4.	3 rd instalment of Basic Grants for 2016-17 to 2019-20: Purchase of sanitation vehicles	1,100.00	374.16
5.	3 rd instalment of Basic Grants for 2016-17 to 2019-20: Purchase of sanitation vehicles	133.28	
	Total	2,123.88	475.40

*Source: Departmental records***Appendix 2.8.10****Statement showing modes of communication used in the sampled ULBs***(Reference: Paragraph 2.8.5.2)*

Sl. No.	Modes of communication	DMC	KMC	MMC	WTC	PTC	LTC
1.	Audio	-	NA	-	-	Yes	-
2.	Video	-	NA	-	-	-	-
3.	Mass communication	-	NA	-	-	Yes	-
4.	Wall paintings	Yes	NA	Yes	Yes	Yes	Yes
5.	Hoardings	Yes	NA	Yes	Yes	Yes	Yes
6.	Pamphlets	Yes	NA	-	Yes	Yes	Yes
7.	Schools	Yes	NA	Yes	Yes	Yes	-

*Source: Records/information furnished by the sampled ULBs***Appendix 2.8.11****Statement showing details of solid waste segregation at source***(Reference: Paragraph 2.8.6.1(I))***(in per cent)**

Sl. No.	ULBs	Source Segregation declared by ULBs	Source Segregation as per NPCB report
1.	DMC	NA	1
2.	KMC	NA	50
3.	MMC	30	0.93
4.	WTC	25	30
5.	PTC	NA	0
6.	LTC	53	55

Source: Reply from sampled ULBs

Appendix 2.8.12

Statement showing details of issue of dustbins to households

(Reference: Paragraph 2.8.6.1 (I)(a))

Sl. No.	ULBs	No. of Households as per 2011 census	No. of Households as per 2021 data	No. of Households issued with a pair of colored dustbins	Source of fund	Households covered in per cent
1.	DMC	27,165	35,000	-	-	-
2.	KMC	22,312	30,000	-	-	-
3.	MMC	8,327	9,554	9,000	SBM-U	94
4.	WTC	6,273	6,970	2,500	14 th FC	36
5.	PTC	2,183	2,800	1,300	14 th FC	46
6.	LTC	1,690	1,869	800	14 th FC	43

Source: Department of Economics and Statistics, Departmental records

Appendix 2.8.13

Statement showing status of quantum of waste generated and collected in the State and the sampled ULBs

(Reference: Paragraph 2.8.6.2 (I))

(Tons per day)

Period	State			Sampled ULBs		
	Generated	Collected	Uncollected	Generated	Collected	Uncollected
2017-18	348.00	252.00	96.00	199.67	175.57	24.10
2018-19	339.50	216.90	122.60	207.78	181.65	26.13
2019-20	302.90	246.00	56.90	215.14	189.93	25.21
2020-21	331.49	258.49	73.00	213.96	187.28	26.68
2021-22	364.51	293.67	70.84	217.50	186.79	30.71
2022-23	278.91	240.88	38.03	220.40	192.69	27.76
Total	1,965.31	1,507.94	457.37	1,274.45	1,113.91	160.59

Source: information furnished by NPCB and sampled ULBs

Appendix 2.8.14

Statement showing details of distribution of PPE to sanitary workers

(Reference: Paragraph 2.8.6.2 (II))

Sl. No.	ULB	No. of person involved with waste handling	Whether PPE provided
1	DMC	160	Yes
2	KMC	95	Yes
3	MMC	39	Yes
4	WTC	26	Yes
5	PTC	6	Yes
6	LTC	10	Yes

Source: information provided by ULBs

Appendix 2.8.15

Statement showing details of sanitation vehicles

(Reference: Paragraphs 2.8.6.3 (I) and 2.8.6.3 (II))

Sl. No.	ULB	No. of sanitation vehicles	No. of off-road vehicles	Additional vehicles requirement	No. of unregistered vehicles	Log book
1	DMC	38	2	30	38	No
2	KMC	73	0	Nil	17	No
3	MMC	10	1	8	2	No
4	WTC	7	0	Nil	0	No
5	PTC	4	1	7	1	1
6	LTC	3	1	8	0	No
	Total	135		53	58	

Source: Information furnished by ULBs

Appendix 3.2.1
Statement showing details of short-executed works
(Reference: Paragraph 3.2)

Sl. No.	Items of works	Unit	Rate/ Unit (in ₹)	As per Detailed Project Report/ MB	As per JPV	Actual amount paid as per RA bill/ MBs (in ₹)	Amount of executed works as per JPV (in ₹)	Excess Payment (in ₹)
	<i>i</i>	<i>ii</i>	<i>iii</i>	<i>iv</i>	<i>v</i>	<i>vi</i>	<i>vii (iii x v)</i>	<i>viii (vi- vii)</i>
1.	Excavation in hilly area in soil road	Cum	256.00	1,24,764.20	98,774.16	3,19,39,625.60	2,52,86,184.96	66,53,440.00
2.	Unlined Side Drain	R/m	85.00	22,000.00	17,000.00	18,70,000.00	14,45,000.00	4,25,000.00
3.	GSB Gr-I	Cum	3,511.00	6,600.00	5,700.00	2,31,72,600.00	2,00,12,700.00	31,59,900.00
4.	WBM Gr-II	Cum	4,650.00	9,075.00	5,985.00	4,21,98,750.00	2,78,30,250.00	1,43,68,500.00
5.	WBM Gr-III	Cum	4,284.00	9,075.00	5,985.00	3,88,77,300.00	2,56,39,740.00	1,32,37,560.00
6.	Prime Coat	Sqm	55.70	1,21,000.00	79,800.00	67,39,700.00	44,44,860.00	22,94,840.00
7.	Tack Coat	Sqm	19.60	1,21,000.00	79,800.00	23,71,600.00	15,64,080.00	8,07,520.00
8.	Open Graded premix surfacing	Sqm	237.00	1,21,000.00	79,800.00	2,86,77,000.00	1,89,12,600.00	97,64,400.00
9.	Seal Coat	Sqm	90.00	1,21,000.00	79,800.00	1,08,90,000.00	71,82,000.00	37,08,000.00
10.	Ordinary Km Stone	Nos	4,428.00	17.00	0.00	75,276.00	0.00	75,276.00
11.	Retro Reflectorised Traffic signs	Nos	8,865.00	20.00	0.00	1,77,300.00	0.00	1,77,300.00
12.	Direction Signs	Nos	39,221.00	3.00	0.00	1,17,663.00	0.00	1,17,663.00
13.	Retaining wall 3.00 m height	R/m	38,500.21	110.00	55.00	42,35,205.16	21,17,511.55	21,17,693.61
14.	Retaining wall 5.00 m height	R/m	85,941.22	20.00	9.00	17,18,724.00	7,73,470.98	9,45,353.02
15.	Retaining Wall 2.5m height	R/m	29,080.61	97.07	71.80	28,26,925.92	20,87,987.80	7,38,938.12
Total								5,85,91,284.39

Source: Departmental records and JPV report

Appendix 3.4.1
Statement showing details of vehicles procured under PMKSY-HKPP during 2015-2021
(Reference: Paragraph 3.4)

(Amount in ₹)

Sl. No.	Vehicle Type	Name of supplier	Bill No & Date	Amount	Remarks	
1.	Scorpio	M/s Apex Motor Enterprise, Dimapur	108 of 19-03-2015	12,28,718	159 Minor Irrigation Scheme	
2.				12,56,785		
3.	Gypsy	M/s Progressive Motors, Dimapur		6,49,035		
4.				6,49,035		
5.				6,49,035		
6.	XUV-500	M/s Apex Motor Enterprise, Dimapur	379 of 31-03-2016	16,86,688		
7.	Gypsy	M/s Progressive Motors, Dimapur		6,76,003		
8.				6,76,003		
9.				6,76,003		
10.				6,76,003		
11.	Creta	M/s Lozi Hyundai	40 of	14,27,846		
12.	Marazzo	M/s Apex Motor Enterprise, Dimapur	16-05-2019	11,48,625		
13.	Tata Harrier	M/s Nili Motors, Dimapur	220 of	16,67,068		
14.	Bolero	M/s Apex Motor Enterprise, Dimapur	11-12-2019	8,70,180		
15.	Scorpio	M/s Apex Motor Enterprise, Dimapur	290 of 30-03-2021	18,66,050		270 Minor Irrigation scheme
16.				18,66,050		
17.	Tata Safari	M/s Nili Motors, Dimapur		18,62,888		
18.	Innova	M/s Okusa Automobiles		21,90,000		
19.				21,90,000		
20.	Bolero	M/s Apex Motor Enterprise, Dimapur	228 of 22-02-2021	9,31,811		262 Ground Water Irrigation
Total				2,48,43,826	-	

Source: Departmental records

Appendix 3.6.1
Statement showing list of expired Memorandum of Understanding (MoU) as on
August 2023

(Reference: Paragraph 3.6)

Sl. No.	Name of Assets	Location	Lease name	Date of Agreement	Date of expiry of Agreement
1.	Hotel Millennium	Kohima	Ms V A Metha	July 2007	July 2017
2.	Wayside Amenity	Peducha Junction Tsiesema	Ms Badou	October 2015	October 2020
3.	Tourist Resort	Chedema	K M Keyho	August 2008	July 2023
4.	Wayside Amenity	New Kilomi, Zunheboto	Hetoi Swu	June 2019	June 2021
5.	Tourist Lodge	Aizuto, Zunheboto	Sumi Baptist Akukhou Kuqbakulu (SBAK)	April 2019	April 2021
6.	Budget Accommodation	Asukhuto, Zunheboto	Mrs. Khusheli	February 2018	February 2021
7.	Pilgrim Centre	Vankhosang, Wokha	Kyong Baptist Ekhumkho Sanrutsu	April 2008	October 2011
8.	Tourist Resort/ Lodge	Wokha	Atheo Murry	July 2013	December 2018
9.	Tourist Lodge	Metsupen, Mokokchung	Ms. Longkumer Kilem	September 2017	September 2020
10.	Tourist Rest House	Longkhum, Mokokchung	Longkhum Village council	January 2004	January 2007
11.	Tourist Lodge Rest House	Molungyimsen, Mokokchung	Village Council Molungyimsen	January 2004	January 2007
12.	Cultural Convention Hall	Aolichen, Mokokchung	Village Council Aolichen	November 2011	September 2016
13.	Tourist Reception Centre	Longwa, Mon	Nahmei Konyak	October 2016	October 2019
14.	Tourist Rest House	Longmatra, Kiphire	Village Council Longmatra	February 2015	May 2018
15.	Budget Accommodation	Pungro, Kiphire	Khamong	October 2015	October 2020

Source: Departmental records

Appendix 3.6.2
Statement showing outstanding rental charges
(Reference: Paragraph 3.6)

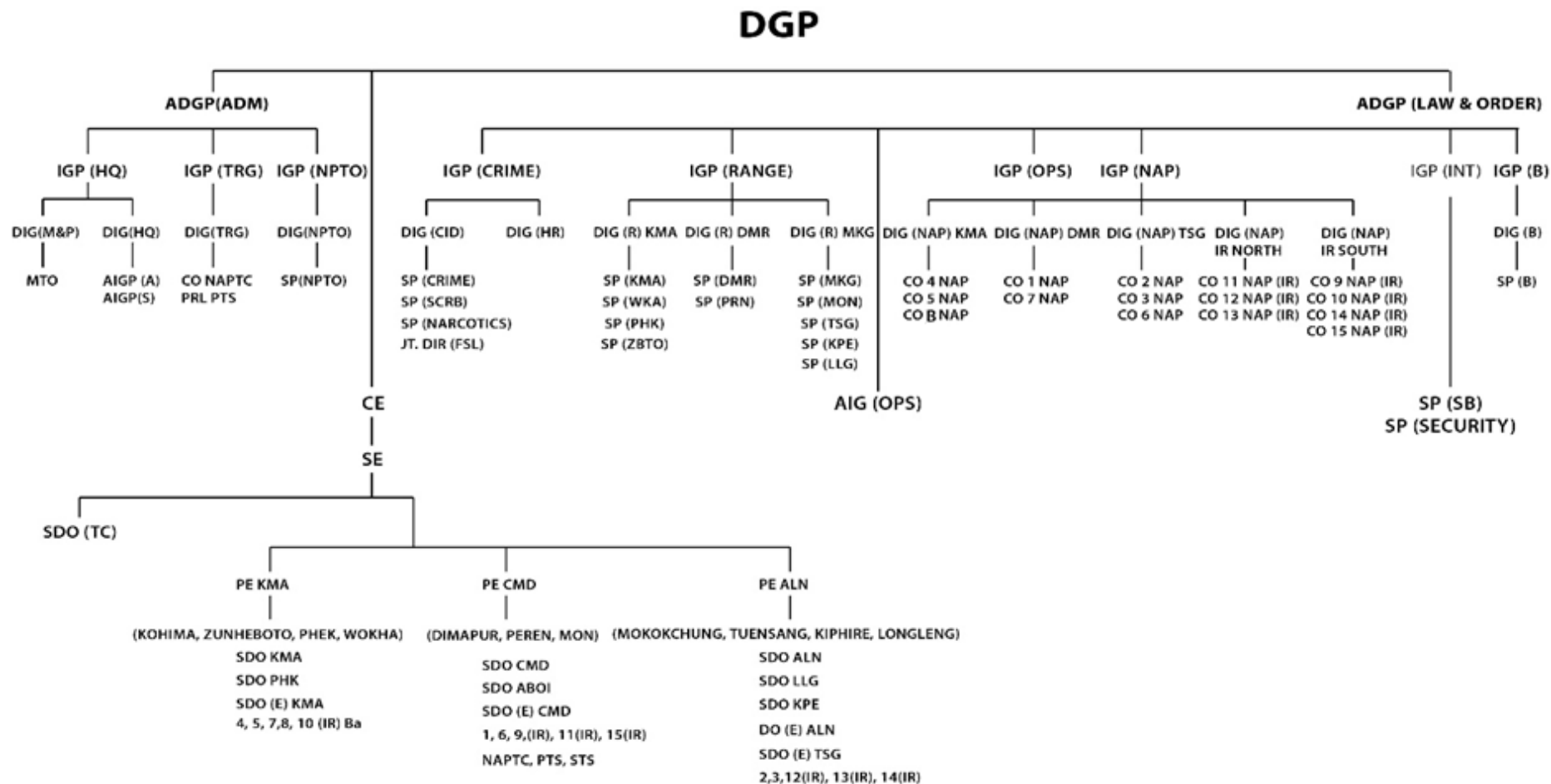
(Amount in ₹)

Sl. No.	Name of Assets	Location	Lease name	Rent fee per Month	Rent due from	Period of outstanding rent ² (no. of month)	Total rent outstanding upto July 2023
1.	Hotel Millennium	Kohima	Ms V A Metha	30,000	October 2022	10	3,00,000
2.	Wayside Amenity	Peducha Junction Tsiesema	Ms Badou	1,000	January 2020	19	19,000
3.	Tourist Resort	Chedema	K M Keyho	27,000	November 2015	69	18,63,000
4.	Tourist Resort	Touphema	Ms. Neo Enterprise	10,000	February 2023	6	60,000
5.	Mini Tourist Lodge	Zhavama, Phek	R. Panyi Domeh	300	January 2021	16	4,800
6.	Tourist Destination	Near Government College, Phek	Phek Government College	1,000	August 2022	12	12,000
7.	Wayside Amenity	New Kilomi, Zunheboto	Hetoi Swu	200	November 2020	16	3,200
8.	Tourist Lodge	Satakha, Zunheboto	Nitovi Ayemi	1,000	December 2018	32	32,000
9.	Budget Accommodation	Asukhuto, Zunheboto	Mrs. Khusheli	1,000	April 2020	16	16,000
10.	Cultural Hub	Ghathashi, Zunheboto	Khavishe Swu	1,000	November 2021	16	16,000
11.	Pilgrim Centre	Vankhosang, Wokha	Kyong Baptist Ekhumkho Sanrutsu	200	April 2008	160	32,000
12.	Tourist Resort	Wokha	Atheo Murry	15,000	May 2023	3	45,000
13.	Tourist Lodge	Metsupen, Mokokchung	Ms. Longkumer Kilem	20,000	July 2023	1	20,000
14.	Tourist Rest House	Longkhum, Mokokchung	Longkhum Village council	200	September 2015	71	14,200
15.	Tourist Lodge Rest House	Molungyimsen, Mokokchung	Village Council Molungyimsen	100	May 2012	111	11,100
16.	Cultural Convention Hall	Aolichen, Mokokchung	Village Council Aolichen	200	December 2011	116	23,200
17.	Budget Accommodation	Tuensang Town	The Tuensang Peoples Organisation for Rural Community Development	1,000	September 2021	16	16,000
18.	Tourist Reception Centre	Longwa, Mon	Nahmei Konyak	500	October 2016	58	29,000
19.	Tourist Rest House	Longmatra, Kiphire	Village Council Longmatra	500	June 2018	38	19,000
20.	Budget Accommodation	Pungro, Kiphire	Khamong	300	November 2015	69	20,700
21.	Convention centre	4th Mile, Dimapur	Molutongba Jamir	30,000	April 2023	4	1,20,000
22.	Amenity Centre	4th Mile, Agri Expo, Dimapur	North East India Academy of Performing Arts	15,000	April 2023	4	60,000
23.	Tourist Cottage	Hokhezhe Village, Nuiland	Hokhezhe Village Tourism Board	1,000	September 2021	17	17,000
Total							27,53,200

Source: Departmental records

² Rent exclusive of waived period of 24 months w.e.f. March 2020 to March 2022 on ground of COVID-19 pandemic vide. Government Order No. TRSM-33/4/2022/197 dated 25/06/2022.

Appendix 4.2.1
Statement showing Organisation Chart of Nagaland Police Department
(Reference: Paragraph 4.2.2)



Source: Departmental records

Appendix 4.2.2
Statement showing Units selected for audit
(Reference: Paragraph 4.2.5)

A) Headquarter/Training Units

Sl. No.	Name of Unit
1.	Police Headquarters, Nagaland, Kohima
2.	Inspector General of Police (Intelligence), Kohima
3.	Inspector General of Police (Nagaland Police Telecom Organisation), Kohima
4.	Police Training School, Chümoukedima
5.	Nagaland Armed Police Training Centre, Chümoukedima
6.	Counter Insurgency & Anti-Terrorism Training Centre, Ruzaphema
7.	Forensic Science Laboratory, Dimapur
8.	Police Central Workshop, Chümoukedima

B) District Units

Kohima District	
1.	Superintendent of Police, Kohima
2.	4 th Nagaland Armed Police Battalion, Thizama
3.	10 th Indian Reserve Battalion, Zhadima
Dimapur District	
1.	Commissioner of Police, Dimapur
2.	1 st Nagaland Armed Police Battalion, Chümoukedima
3.	15 th Indian Reserve Battalion, Chümoukedima
Tuensang District	
1.	Superintendent of Police, Tuensang
2.	3 rd Nagaland Armed Police Battalion, Tuensang
Zunheboto District	
1.	Superintendent of Police, Zunheboto
2.	8 th Nagaland Armed Police Battalion, Naltoqa

C) Police Stations

Kohima District (4 out of 8)	
1.	Chiephobozou PS
2.	Kohima North PS
3.	Kohima Women PS
4.	Sechu Zubza PS
Dimapur District (5 out of 10)	
1.	Chümoukedima PS
2.	Dimapur Women PS
3.	Dimapur East PS
4.	GRPS Dimapur
5.	Sub-Urban Dimapur PS

Tuensang District (4 out of 7)	
1.	Noksen PS
2.	Sangsanyu PS
3.	Tuensang PS
4.	Tuensang Women PS
Zunheboto District (5 out of 9)	
1.	Ghatashi PS
2.	Pughoboto PS
3.	VK Town PS
4.	Zunheboto PS
5.	Zunheboto Women PS
State Level PS (3 out of 3)	
1.	State Crime PS
2.	Narcotics PS
3.	Cyber Crime PS

Source: Audit Sampling and Guidelines

Appendix 4.2.3
Statement showing delay in release of funds by GoN
(Reference: Paragraph 4.2.9.2)

(₹ in crore)

MHA release			GON release			State share				
Date	Particulars	Amount	Date	Amount	Delay in months	To be released	Date	Amount	Short release	Delay in months
26/09/2017	Main	11.65	11/12/2017	7.89	2	1.29	31/03/2023	0.00	1.29	67
26/09/2017	Main		22/03/2018	3.76	5	0.00	-	0.00	0.00	0
27/03/2018	SPC	0.76	06/12/2018	0.76	8	0.08	14/06/2019	0.08	0.00	14
28/03/2018	Beat patrolling	2.00	26/06/2018	2.00	3	0.23	22/10/2020	0.23	0.00	31
29/05/2018	Beat patrolling	2.53	15/10/2018	2.53	6	0.28	22/10/2020	0.28	0.00	31
31/07/2018	SPC	0.74	28/01/2019	0.74	6	0.08	31/03/2023	0.00	0.08	56
27/09/2018	Main	10.18	18/02/2019	10.18	4	1.29	31/03/2023	0.00	1.29	54
05/03/2019	Supplementary	2.33	06/05/2019	2.33	2	0.26	31/03/2023	0.00	0.26	49
12/03/2019	Additional	4.18	06/05/2019	4.18	1	0.46	05/06/2020	0.46	0.00	15
25/03/2020	Main	2.69	25/08/2020	2.69	5	0.30	26/10/2020	0.30	0.00	19
26/07/2019	Main	8.05	18/11/2019	8.05	3	0.89	17/08/2020	0.89	0.00	12
25/03/2020	Incentive	6.55	17/07/2020	6.55	3	0.73	22/10/2020	0.73	0.00	7
23/03/2022	Main	10.74	12/07/2022	10.74	4	1.19	31/03/2023	0.00	1.19	12
30/03/2022	Cont. Reserve	6.29	13/07/2022	6.29	4	0.70	31/03/2023	0.00	0.70	12
Total		68.69		68.69		7.78		2.97	4.81	

Source: Departmental figures

Appendix 4.2.4
Statement showing procurement without Notice Inviting Tender
(Reference: Paragraph 4.2.10.1)

(₹ in lakh)					
Year	Plan	Component	Supplier	Date of supply order	Amount
2017-18	Main	Training equipment	M/s PS Enterprises, Dimapur	10/05/2018	112.49
		Security equipment/ BDDS equipment/ anti-riot equipment	M/s Bokavi Chishi, Dimapur	10/05/2018	319.39
			M/s Bokavi Chishi, Dimapur	10/05/2018	160.50
		FSL equipment	M/s PS Enterprises, Dimapur	10/05/2018	79.00
2018-19	Main	Training equipment	M/s PS Enterprises, Dimapur	20/12/2018	151.65
		Security equipment	M/s Bokavi Chishi, Dimapur	20/12/2018	215.08
		FSL equipment	M/s PS Enterprises, Dimapur	20/12/2018	93.76
	Supplementary	Security equipment & gadgets and traffic equipment	M/s RM Enterprises, Kohima	27/05/2019	161.32
	Additional	Riot control equipment	M/s RM Enterprises, Kohima	27/05/2019	278.12
2019-20	Main	Training equipment	M/s Bokavi Chishi, Dimapur	28/10/2019	45.28
		Modern communication system	M/s Bokavi Chishi, Dimapur	28/10/2019	178.91
		Security equipment	M/s SI Enterprises, Dimapur	28/10/2019	228.32
		FSL equipment	M/s Bokavi Chishi, Dimapur	28/10/2019	40.11
	Performance incentive	Security/ traffic equipment	M/s Tzurangkhu Enterprises, Dimapur	16/06/2020	160.10
		Setting up of investigation room in 12 districts	M/s Tzurangkhu Enterprises, Dimapur	16/06/2020	192.02
		Investigation facility for one centre in Kohima	M/s Tzurangkhu Enterprises, Dimapur	16/06/2020	37.88
		Implementation of resource management system	M/s Tag Enterprises, Kohima	16/06/2020	207.50
2017-18, 2018-19	Beat patrolling	7-inch Samsung tablets	M/s Ramietech Solutions, Kohima	27/02/2019	112.00
		Software			
		Laptops, Server & backup server			
		Control room set up & TV Monitor			
		Bi-cycles	M/s Ramietech Solutions, Kohima		
2021-22	Main	Installation of CCTV in 84 Police Stations	M/s AR Enterprise, Dimapur	26/09/2022	383.88
Total					3162.56

Source: Departmental records

Appendix 4.2.5

(a) Statement showing Training equipment procured without requirement

(Reference: Paragraph 4.2.10.2)

(₹ in lakh)

Sl. No.	Name of Items	Quantity included in SAP, approved and procured	Rate (Including GST)	Amount
1.	Paintball Marker Gun with 20 box paintball and 200 rds. Gravity hopper	25	0.50	12.50
2.	SCBA Tank 9.8 Lts capacity with accessories	2	0.90	1.80
3.	Air Compressor 110 V 300 bar	2	1.17	2.34
4.	Face Mask with built in visor	25	0.025	0.625
5.	Chest Guard	25	0.01	0.25
6.	Neck Protector	25	0.01	0.25
7.	Roti Maker Machine	4	1.15	4.60
8.	Gas Mask respirator with canister	15	0.05	0.75
9.	Rappelling Rope (8mm x 60 mtrs)	3	0.05	0.15
10.	Rappelling Rope (12mm x 30 mtrs)	3	0.04	0.12
11.	Hooter/ Siren	2	0.10	0.20
12.	AK-47 - Brass Drill Cartridge	500	0.001	0.50
Total				24.085

Source: Departmental records

(b) Training equipment procured in excess quantity

(₹ in lakh)

Sl. No.	Name of Items	Quantity in proposal	Quantity included in SAP and approved	Quantity procured	Excess	Rate (Including GST)	Cost
	1	2	3	4	5 (4-2)	6	7 (5x6)
2017-18							
1.	Exercise bicycle	10	10	21	11	0.14	1.54
2018-19							
2.	Yoga Mat /Coir Mat	10	1000	1000	990	0.03	29.70
2019-20							

Sl. No.	Name of Items	Quantity in proposal	Quantity included in SAP and approved	Quantity procured	Excess	Rate (Including GST)	Cost
	1	2	3	4	5 (4-2)	6	7 (5x6)
3.	Floor Mat	3	10	10	7	0.10	0.70
4.	Coir Mat	10	20	20	10	0.05	0.50
5.	Camera	2	4	4	2	0.30	0.60
6.	Brass Drill Cartridge INSAS	50	500	500	450	0.001	0.45
7.	Laser Range Finder	1	10	10	9	0.30	2.70
8.	Night Vision Device	6	8	8	2	0.40	0.80
Total							36.99

Source: Departmental records

(c) Security equipment procured without requirement

(₹ in lakh)

Sl. No.	Item	Quantity included in SAP, approved and procured	Rate (Including GST)	Amount
2017-18 Main plan				
1.	Multi Shell Launchers for Anti-riot	4	4.50	18.00
2018-19 Main plan				
2.	Drones DJI phantom 4 PRO Plus with 1 extra battery	11	1.80	19.80
3.	Canon EOS 6D 24-105 mm IS USM lens Camera	4	1.45	5.80
4.	Combo Scanner 1800 dpi	35	0.18	6.30
5.	Generator 25 KV Single phase	7	8.50	59.50
6.	Biometric ID card machine with printer along with 500 blank cards	5	0.40	2.00
7.	External Hard Disk 2 TB	70	0.065	4.55
8.	LED Traffic baton	100	0.025	2.50
9.	Reflective jacket	500	0.009	4.50
10.	Concealed Camera	5	0.09	0.45
11.	MP 4 voice recorder	35	0.095	3.325
12.	GPS device	50	0.185	9.25
13.	Automatic roti makers for trainees	4	1.90	7.60
14.	CCTV set with HD NV camera Monitor	4	0.676	2.705

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Sl. No.	Item	Quantity included in SAP, approved and procured	Rate (Including GST)	Amount
2018-19 Supplementary plan				
15.	Improvised Explosive device Testing	1	64.92	64.92
16.	Mobile Barricade	50	0.085	4.25
17.	Breath Alcohol Analyser with dot matrix printer	50	0.143	7.125
18.	Non lethal Laser Weapon for crowd control	30	0.065	1.95
19.	Survival kit for Special force during emergencies	10	0.097	0.974
20.	Baton Light (Red & Green)	80	0.045	3.60
21.	Solar powered Traffic Signal Light	100	0.229	22.85
22.	Flash Light with belt holster	80	0.045	3.60
23.	Go Pro vehicle mounted Camera	20	0.195	3.901
24.	Air Filter Mask	500	0.006	3.00
25.	Reflector jacket	500	0.007	3.25
26.	Reflector Gloves	500	0.007	3.25
27.	Helmets for Traffic	500	0.045	22.45
28.	Drones DJI Phantom 4 PRO Plus with 1 (one) Extra Battery	9	1.80	16.20
2018-19 Additional plan				
29.	Water Cannon (12000 ltrs capacity) for Riot Control	1	48.00	48.00
30.	Taser gun with 30 Rds Cartridges	100	0.35	35.00
31.	Anti Riot ABS helmet with Visor	500	0.045	22.50
32.	Anti Riot Gas Mask	500	0.03	15.00
33.	Anti Riot High quality fiber Full body Protector with elbow and knee pads	500	0.165	82.50
34.	Anti Riot Foldable Steel Baton	500	0.03	15.00
35.	High Impact Resistant Shield	500	0.03	15.00
36.	Chilli Bomb	500	0.055	27.50
37.	Chilli Spray	500	0.005	2.57
38.	Collapsible Police Metal Barrier	215	0.07	15.05
2019-20 Main plan				
39.	Vehicle mounted Jammer 4G Spectrum (Mahindra bolero)	3	9.00	27.00
2019-20 Performance incentives				
40.	Improvised Explosive device Testing, Training and Calibration kit	1	65.199	65.199
41.	Mobile Barricade	50	0.09	4.50

Sl. No.	Item	Quantity included in SAP, approved and procured	Rate (Including GST)	Amount
42.	Breathe Alcohol Analyser with dot matrix printer	50	0.145	7.25
43.	Nonlethal Laser Weapon for crowd control	30	0.07	2.10
44.	Survival Kit for Special Force during emergencies	10	0.10	1.00
45.	Baton light (Red & Green)	80	0.05	4.00
46.	Solar powered Traffic Signal Light	100	0.229	22.85
47.	Flash Light with belt holster	80	0.045	3.60
48.	Go Pro Vehicle mounted Camera	20	0.195	3.901
49.	Air filter Mask	500	0.006	3.00
50.	Reflector Jacket	500	0.007	3.25
51.	Reflector Gloves	500	0.007	3.25
52.	Helmet for Traffic	400	0.05	20.00
53.	Drones DJI Phantom 4 PRO Plus with 1 (one) extra Battery	9	1.80	16.20
Total				772.82

Source: Departmental records

(d) Security equipment procured in excess quantity

(₹ in lakh)

Sl. No.	Name of the items	Quantity proposed	Quantity approved in SAP and Procured	Excess procured	Rate	Amount
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4 (3-2)</i>	<i>5</i>	<i>6 (4x5)</i>
2017-18 (Main Plan)						
1.	Hand held Metal Detector	50	252	202	0.05	10.1
2.	Real Time Viewing System (RTVS) bomb disposal equipment	3	8	5	13	65
2019-20 (Main Plan)						
3.	Vehicle with provision of transporting explosive	3	6	3	18.67	56.01
Total						131.11

Source: Departmental records

Appendix 4.2.6
(a) Statement showing short accounting of security equipment
(Reference: Paragraph 4.2.10.4)

(₹ in lakh)

Sl. No.	Name of the Items	Quantity as per Bill	Quantity as per Stock Ledger	Less Receipt	Rate	Amount
	1	2	3	4 (2-3)	5	6 (4x5)
2018-19 (Main Plan – Security Equipment)						
1.	Door Frame Metal detector (Fixed type)	20	18	2	0.25	0.50
2.	Combo Scanner 1800 dpi	35	30	5	0.18	0.90
3.	Generator 25KV Single Phase	7	6	1	8.50	8.50
4.	Automatic Roti makers for Trainees	4	2	2	1.90	3.80
2019-20 (Main Plan – Security Equipment)						
5.	Lecture Podium	4	3	1	0.50	0.50
6.	Prodder (Multipurpose)	15	10	5	0.02	0.10
Total						14.30

Source: Departmental records

(b) Short accounting of training equipment

(₹ in lakh)

Sl. No.	Item	Quantity as per bill	Quantity as per Stock Register	Less receipt	Rate	Amount
	1	2	3	4 (2-3)	5	6 (4x5)
2017-18						
1.	Tactical observation camera	2	0	2	0.25	0.50
2018-19						
2.	Solar Street Light	10	8	2	0.27	0.54
2019-20						
3.	Face Mask with built in visor	25	20	5	0.025	0.125
4.	Chest Guard	25	20	5	1000	0.05
5.	Neck Protector	25	22	3	0.01	0.03
6.	Floor Mat	10	0	10	0.10	1.00
7.	Coir Mat	20	18	2	0.05	0.10
8.	Lecture Stand	5	3	2	0.22	0.44
9.	Laser Range Finder	10	0	10	0.30	3.00

Sl. No.	Item	Quantity as per bill	Quantity as per Stock Register	Less receipt	Rate	Amount
	1	2	3	4 (2-3)	5	6 (4x5)
10.	Seat Harness	5	0	5	0.03	0.15
11.	Brass Drill Cartridge INSAS	500	0	500	0.001	0.50
12.	AK-47 Brass Drill Cartridge	500	0	500	0.001	0.50
Total						6.935

Source: Departmental records

Appendix 4.2.7
Statement showing details of vehicles proposed and procured during 2017-2022
(Reference: Paragraph 4.2.10.5)

Proposed				Actual				Difference			
Two-wheeler	Light	Medium	Heavy	Two-wheeler	Light	Medium	Heavy	Two-wheeler	Light	Medium	Heavy
2017-18 Main Plan											
7	15	10	7	7	17	8	7	0	-2	2	0
2018-19 Main Plan											
2	9	20	5	0	5	19	5	2	4	1	0
2018-19 Additional Plan											
0	0	8	1	0	2	9	1	0	-2	-1	0
2018-19 Additional Plan (State share)											
0	0	3	0	0	4	0	0	0	-4	3	0
2019-20 Main Plan											
5	15	7	6	0	13	5	6	5	2	2	0
2019-20 Performance Incentives											
0	1	2	1	0	2	2	0	0	-1	0	1
2021-22 Main Plan											
0	5	8	2	0	2	10	1	0	3	-2	1
2021-22 Contingency Reserve											
0	14	19	4	0	13	19	4	0	1	0	0
Total											
14	59	77	26	7	57	73	24	7	2	4	2
Total = 176				Total = 161				Total = 15			

Source: Audit analysis of Departmental records

Appendix 4.2.8
(a) Statement showing details of idle stock of training equipment
(Reference: Paragraph 4.2.10.6)

Sl. No.	Items	Items received	Items issued	In stock	Rate (in ₹)	Cost (in ₹)
2017-18						
1.	RAT 20 cm long	600	0	600	650	3,90,000
2.	Bayonet mechanized human dummy	20	0	20	1,100	2,20,000
2018-19						
3.	8 Lane Arms Training Zen Simulator	1	0	1	1,00,00,000	1,00,00,000
4.	Hand Grenade Simulator	1	0	1	15,00,000	15,00,000
5.	Night Vision	4	0	4	40,000	1,60,000
2019-20						
6.	Paintball Marker Gun with 20 box paintball and 200 rds. Gravity hopper	25	0	25	50,000	12,50,000
7.	SCBA Tank 9.8 Lts capacity with accessories	2	0	2	90,000	1,80,000
8.	Air Compressor 110 V 300 bar	2	0	2	1,17,000	2,34,000
9.	Face Mask with built in visor	20	0	20	2,500	50,000
10.	Chest Guard	20	0	20	1,000	20,000
11.	Neck Protector	22	0	22	1,000	22,000
12.	Roti Maker Machine	4	0	4	1,15,000	4,60,000
13.	Coir Mat	18	0	18	5,000	90,000
14.	Multi Beam rope	2	0	2	10,000	20,000
15.	Vaulting Box (Horse)	5	0	5	23,000	1,15,000
16.	Horizontal Bar	5	0	5	35,000	1,75,000
17.	Lecture Stand	3	0	3	22,000	66,000
18.	Solar street Light	10	0	10	27,000	2,70,000
19.	Night Vision Device	8	0	8	40,000	3,20,000
20.	Binoculars	5	0	5	10,000	50,000
21.	Small Arms Firing Simulator	1	0	1	3,39,100	3,39,100
22.	Gas Mask respirator with canister	15	0	15	5,000	75,000
23.	Rappelling Rope (8mm x 60 mtrs)	3	0	3	5,000	15,000
24.	Rappelling Rope (12mm x 30 mtrs)	3	0	3	4,000	12,000
25.	Hooter/Siren	2	0	2	10,000	20,000
Total						1,60,53,100

Source: Departmental records

(b) Details of idle stock of Security Equipment/ BDDS Equipment/ Anti-Riot Equipment

Sl. No.	Name of the Items	Item received	Items Issued	Items in Stock	Rate per items	Amount (₹ in lakh)
2017-18 (Main plan)						
1.	Real Time Viewing System (RTVS) bomb disposal equipment band accessories	8	1	7	13,00,000	91,00,000
2.	ROV (Remote operative vehicles)	3	0	3	5,00,000	15,00,000
3.	EOD Bomb Suits	8	1	7	73,125	5,11,875
4.	Explosive Detectors MO-8 TVIN	8	2	6	15,00,000	90,00,000
5.	Multi Shell Launchers for Anti-riot	4	0	4	4,50,000	18,00,000
6.	Electronic Stethoscope	11	5	6	5,00,000	30,00,000
2018-19 (Main Plan)						
7.	Explosive Detector MO-8 TVIN	3	1	2	15,00,000	30,00,000
8.	Deep search Mine Detector Schiebel	5	0	5	3,50,000	17,50,000
9.	Door Frame Metal Detector (Fixed type)	18	10	8	25,000	2,00,000
10.	Drones DJI phantom 4 PRO Plus with 1 extra battery	11	1	10	1,80,000	18,00,000
11.	Canon EOS 6D 24-105 mm IS USM lens Camera	4	0	4	1,45,000	5,80,000
12.	Combo Scanner 1800 dpi	30	0	30	18,000	5,40,000
13.	Generator 25 KV Single phase	6	0	6	8,50,000	51,00,000
14.	Biometric ID card machine with printer along with 500 blank cards	5	0	5	40,000	2,00,000
15.	External Hard Disk 2 TB	70	14	56	6,500	3,64,000
16.	Concealed Camera	5	0	5	9,000	45,000
17.	MP 4 voice recorder	35	5	30	9,500	2,85,000
18.	GPS device	50	0	50	18,500	9,25,000
19.	Automatic roti makers for trainees	2	0	2	1,90,000	3,80,000
2018-19 (Supplementary Plan)						
20.	Survival kit for Special force during emergencies	10	0	10	9,740	97,400
21.	Solar powered Traffic Signal Light	100	0	100	22,850	22,85,000
22.	Flash Light with belt holster	80	73	7	4,500	31,500
23.	Air Filter Mask	500	350	150	600	90,000
24.	Reflector jacket	500	350	150	650	97,500
25.	Reflector Gloves	500	350	150	650	97,500

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Sl. No.	Name of the Items	Item received	Items Issued	Items in Stock	Rate per items	Amount (₹ in lakh)
26.	Helmets for Traffic	500	350	150	4,490	6,73,500
2018-19 (Additional Plan)						
27.	Taser gun with 30 Rds Cartridges	100	75	25	35,000	8,75,000
28.	Anti-Riot ABS helmet with Visor	500	380	120	4,500	5,40,000
29.	Anti-Riot Gas Mask	500	350	150	3,000	4,50,000
30.	Anti-Riot High quality fibre Full body Protector with elbow and knee pads	500	380	120	16,500	19,80,000
31.	Anti-Riot Foldable Steel Baton	500	380	120	3,000	3,60,000
32.	High Impact Resistant Shield	500	380	120	3,000	3,60,000
33.	Chilli Bomb	500	350	150	5,500	8,25,000
34.	Chilli Spray	500	350	150	514	77,100
35.	Collapsible Police Metal Barrier	215	210	5	7,000	35,000
2019-20 (Main Plan)						
36.	Deep Search Metal Detectors 4 Mtr Range (GPX 5000)	8	0	8	4,25,000	34,00,000
37.	Door framed Metal Detectors (Collapsible)	20	0	20	20,000	4,00,000
38.	Bulletproof Podium (Size 3.5 Ft x 6 Ft/ weight-29 kg/BP Glass Size 3 Ft/BP Steel Size 3 Ft)	4	0	4	2,50,000	10,00,000
39.	Lecterns Podium	3	0	3	50,000	1,50,000
40.	Explosive Detectors MO8	2	0	2	15,00,000	30,00,000
41.	Non-Linear Junction Evolutor	3	0	3	2,50,000	7,50,000
42.	Podder (Multipurpose)	10	0	10	2,000	20,000
43.	High Power Mobile Jammer for Wi-Fi and 4G network (Portable Jammers for Conference Hall)	5	0	5	30,000	1,50,000
44.	BDDS Vehicle with provision of transporting explosive - (Toyota Innova ZX 2.8)	6	0	6	18,67,000	1,12,02,000
45.	Vehicle mounted Jammer 4G Spectrum (Mahindra bolero)	3	0	3	9,00,000	27,00,000
2019-20 (Performance Incentive)						
46.	Improvised Explosive device Testing, Training and Calibration kit	1	0	1	65,19,900	65,19,900
47.	Mobile Barricade	50	0	50	9,000	4,50,000
48.	Breath Alcohol Analyser with dot matrix printer	50	0	50	14,500	7,25,000
49.	Non-lethal Laser Weapon for crowd control	30	0	30	7,000	2,10,000

Sl. No.	Name of the Items	Item received	Items Issued	Items in Stock	Rate per items	Amount (₹ in lakh)
50.	Survival Kit for Special Force during emergencies	10	0	10	10,000	1,00,000
51.	Baton light (Red & Green)	80	0	80	5,000	4,00,000
52.	Solar powered Traffic Signal Light	100	0	100	22,850	22,85,000
53.	Flash Light with belt holster	80	0	80	4,500	3,60,000
54.	Go Pro Vehicle mounted Camera	20	0	20	19,505	3,90,100
55.	Air filter Mask	500	0	500	600	3,00,000
56.	Reflector Jacket	500	0	500	650	3,25,000
57.	Reflector Gloves	500	0	500	650	3,25,000
58.	Helmet for Traffic	400	0	400	5,000	20,00,000
59.	Drones DJI Phantom 4 PRO Plus with 1 (one) extra Battery	9	0	9	1,80,000	16,20,000
Total						8,77,37,375

Source: Departmental records

Appendix 4.2.9
Statement showing details of proposal received vis-à-vis issued of training materials
(Reference: Paragraph 4.2.10.7)

Sl. No.	Items	Proposal		Actual received	Issued to					
		Qty.	Unit		PTS	NAPTC	CIATS	STF	Others	Total issued
2017-18										
1.	Coir Mat (180x120x10)	500	HG	500	200	200	50	50	0	500
2.	Range umbrella	50	HG	50	20	20	5	5	0	50
		10	NAPTC							
3.	Climbing rope	40	HG	40	15	15	10	0	0	40
4.	Tarzan Swing	10	HG	10	4	4	2	0	0	10
5.	White board with stand	50	HG	50	20	20	5	5	0	50
6.	Search light	20	HG	20	5	5	3	7	0	20
7.	Treadmills	10	HG	10	2	2	2	2	2	10
8.	Exercise bicycle	10	HG	21	5	5	4	5	2	21
9.	Yoga Mat	400	HG	400	150	150	50	50	0	400
10.	Multi Gym Set	6	HG	6	1	2	1	1	1	6
11.	Real action paintball marker gun	8	NAPTC	8	2	4	2	0	0	8

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Sl. No.	Items	Proposal		Actual received	Issued to					
		Qty.	Unit		PTS	NAPTC	CIATS	STF	Others	Total issued
12.	GPS device	10	NAPTC	10	3	3	2	2	0	10
13.	Vaulting Box (Horse)	5	PTS	5	1	2	1	1	0	5
14.	Spring board	2	PTS	2	1	1	0	0	0	2
15.	Medicine Ball 3 Kgs	15	PTS	15	5	5	5	0	0	15
16.	Medicine Ball 5 Kgs	15	PTS	15	5	5	5	0	0	15
17.	High jump set	5	PTS	5	2	3	0	0	0	5
18.	Horizontal bar set	5	PTS	5	2	2	1	0	0	5
2018-19										
19.	GPS	10	NAPTC	5	1	1	0	3	0	5
20.	Binocular	6	NAPTC	6	0	0	2	4	0	6
21.	Yoga Mat/ Coir Mat	10	PTS	1,000	300	300	200	200	0	1,000
22.	LCD Projector with screen	2	PTS	2		0	1	1	0	2
23.	Portable Sound System	5	PTS	7	1	2	0	0	4	7
24.	Solar Street Light	10	PTS	8	0	0	0	8	0	8

Source: Analysis of Departmental records

Appendix 4.3.1
Statement showing details of outstanding Police guards charges due from defaulting banks/ institutions in the State from
April 2018 to March 2023
(Reference: Paragraph 4.3)

(Amount in ₹)

Sl. No.	District	Sl. No.	Name of the defaulting Banks/ Institutions	Police guards deputed by	Period		Gross salary of the Police personnel deployed	Outstanding Police guards charges
					From April 2018	To March 2023		
1.	Dimapur	1.	Nagaland Rural Bank, Purana Bazaar	CP Dimapur	01-04-2018	31-03-2023	17,99,308	8,99,654
		2.	Life Insurance Corporation of India, City Tower	CP Dimapur	01-04-2018	31-03-2023	11,89,436	5,94,718
		3.	Nagaland State Co-operative Bank Ltd, Super Market	CP Dimapur	01-04-2018	31-03-2023	41,19,692	20,59,846
		4.	Nagaland Rural Bank, Burma Camp	CP Dimapur	01-04-2018	31-03-2023	26,16,784	13,08,392
		5.	Nagaland State Co-operative Bank Ltd HQ Complex Branch, Khormal Circular road	CP Dimapur	01-04-2018	31-03-2023	41,17,408	20,58,704
		6.	Nagaland Rural Bank, New Market	CP Dimapur	01-04-2018	31-03-2023	40,65,158	20,32,579
		7.	Nagaland Co-operative Bank, Jasokie complex	CP Dimapur	01-04-2018	31-03-2023	40,40,708	20,20,354
		8.	SBI, Old Market	CP Dimapur	01-04-2018	31-03-2023	32,68,254	16,34,127
		9.	SBI, Rangapahar Branch, Dimapur	1st NAP	01-08-2018	31-03-2023	1,23,04,596	61,52,298
		10.	Indian Bank, Dimapur (Allahabad Bank)	1st NAP	01-08-2018	31-03-2023	1,10,73,228	55,36,614
		11.	SBI, Golaghat Road, Dimapur	1st NAP	01-04-2018	31-03-2023	1,18,46,872	59,23,436
		12.	SBI, Purana Bazar	1st NAP	01-06-2018	31-03-2023	30,95,908	15,47,954
		13.	SBI, Bazar Branch Dhobinana, Dimapur	1st NAP	01-08-2018	31-03-2023	80,01,596	40,00,798
		14.	Central Bank, Khormal, Dimapur	1st NAP	01-08-2018	31-03-2023	36,92,318	18,46,159
		15.	SBI, Evening Branch	1st NAP	01-08-2018	31-03-2023	37,99,268	18,99,634
2.	Kohima	16.	Nagaland State Co-operative Bank Ltd, P.R. Hill	DEF Kohima	01-04-2018	31-03-2023	66,29,188	33,14,594
		17.	Nagaland State Co-operative Bank Ltd, H/S	DEF Kohima	01-04-2018	31-03-2023	65,61,010	32,80,505
		18.	Nagaland State Co-operative Bank Ltd, New NST	DEF Kohima	01-04-2018	31-03-2023	67,04,826	33,52,413
		19.	Nagaland Rural Bank, Old NST	DEF Kohima	01-04-2018	31-03-2023	69,06,986	34,53,493

Audit Report for the year ended 31 March 2023

Sl. No.	District	Sl. No.	Name of the defaulting Banks/ Institutions	Police guards deputed by	Period		Gross salary of the Police personnel deployed	Outstanding Police guards charges
					From April 2018	To March 2023		
		20.	Nagaland Rural Bank, Kohima Village	DEF Kohima	01-04-2018	31-03-2023	71,94,080	35,97,040
		21.	SBI Seikhazou	DEF Kohima	01-04-2018	31-03-2023	66,19,422	33,09,711
		22.	SBI Jotsoma	DEF Kohima	01-04-2018	31-03-2023	72,81,560	36,40,780
		23.	SBI, NST below North PS	DEF Kohima	01-04-2018	31-03-2023	63,90,420	31,95,210
		24.	SBI, Capital Complex	DEF Kohima	01-04-2018	31-03-2023	44,99,876	22,49,938
		25.	SBI, Zubza Branch	DEF Kohima	01-04-2018	31-03-2023	49,69,748	24,84,874
		26.	Bank of Baroda, H/S	DEF Kohima	01-04-2018	31-03-2023	58,41,688	29,20,844
		27.	Bank of Baroda, Naga Bazar	DEF Kohima	01-04-2018	31-03-2023	48,39,702	24,19,851
		28.	UCO Bank, Sectt Road	DEF Kohima	01-04-2018	31-03-2023	14,23,582	7,11,791
		29.	Central Bank of India, Razhu Point	DEF Kohima	01-04-2018	31-03-2023	65,86,758	32,93,379
		30.	Life Insurance Corporation of India, NST	DEF Kohima	01-04-2018	31-03-2023	70,86,368	35,43,184
		31.	Allahabad Bank, below North PS	DEF Kohima	01-04-2018	31-03-2023	63,26,094	31,63,047
		32.	SBI Personal Bank, H/S	DEF Kohima	01-04-2018	31-03-2023	62,54,228	31,27,114
		33.	United Bank on India, Razhu Point	DEF Kohima	01-04-2018	31-03-2023	70,45,076	35,22,538
		34.	Axis Bank, Super Market	DEF Kohima	01-04-2018	31-03-2023	50,70,902	25,35,451
		35.	SBI, Lerie Bank	6th NAP	01-09-2022	31-03-2023	23,35,240	11,67,620
3.	Tseminyu	36.	SBI, Tseminyu	4th NAP	01-04-2018	31-03-2023	1,28,59,852	64,29,926
4.	Phek	37.	Nagaland State Co-operative Bank Ltd, Chozuba	DEF Phek	01-04-2018	31-03-2023	1,14,24,128	57,12,064
		38.	Nagaland State Co-operative Bank Ltd, Phek	DEF Phek	01-04-2018	31-03-2023	1,14,24,128	57,12,064
		39.	Nagaland State Co-operative Bank Ltd, Pfutsero	DEF Phek	01-04-2018	31-03-2023	1,14,24,128	57,12,064
		40.	SBI, Pfutsero	5th NAP	01-04-2018	31-03-2023	2,25,10,720	1,12,55,360
		41.	SBI, Meluri	5th NAP	01-04-2018	31-03-2023	2,25,10,720	1,12,55,360
		42.	SBI, Chizami	5th NAP	01-04-2018	31-03-2023	2,25,10,720	1,12,55,360
		43.	SBI, Chozuba	5th NAP	01-04-2018	31-03-2023	2,25,10,720	1,12,55,360
		44.	SBI, Phek	5th NAP	01-04-2018	31-03-2023	3,12,20,564	1,56,10,282
5.	Mokokchung	45.	SBI, Mangkolemba	DEF Mokokchung	01-04-2018	31-03-2023	1,22,02,790	61,01,395
		46.	SBI, Tuli	DEF Mokokchung	01-04-2018	31-03-2023	1,24,22,382	62,11,191
		47.	SBI, Chuchu	DEF Mokokchung	01-04-2018	31-03-2023	1,33,13,552	66,56,776
		48.	Nagaland State Co-operative Bank Ltd, Mokokchung	DEF Mokokchung	01-04-2018	31-03-2023	2,79,72,928	1,39,86,464

Sl. No.	District	Sl. No.	Name of the defaulting Banks/ Institutions	Police guards deputed by	Period		Gross salary of the Police personnel deployed	Outstanding Police guards charges
					From April 2018	To March 2023		
		49.	Nagaland State Co-operative Bank Ltd, Tuli	DEF Mokokchung	01-04-2018	31-03-2023	88,99,078	44,49,539
		50.	Nagaland State Co-operative Bank Ltd, Changtongya	DEF Mokokchung	01-04-2018	31-03-2023	1,29,70,734	64,85,367
		51.	SBI, Paper Mill	DEF Mokokchung	01-04-2018	31-03-2023	1,03,91,270	51,95,635
		52.	Allahabad Bank, Mokokchung	2nd NAP	01-04-2018	31-03-2023	1,23,16,542	61,58,271
		53.	Allahabad Bank, Changki	2nd NAP	01-04-2018	31-03-2023	1,41,89,110	70,94,555
		54.	SBI, Chungtiayimsen	2nd NAP	01-04-2018	31-03-2023	1,51,36,726	75,68,363
		55.	Nagaland State Co-operative Bank Ltd, Mokokchung	2nd NAP	01-06-2020	31-03-2023	74,74,176	37,37,088
		56.	SBI, Tsudikong, Tuli	2nd NAP	01-04-2018	31-03-2023	23,49,384	11,74,692
		57.	SBI, Akuluto	2nd NAP	01-04-2018	31-03-2023	38,12,216	19,06,108
		58.	SBI, Lumami	2nd NAP	01-04-2018	31-03-2023	32,00,094	16,00,047
		59.	SBI, Longleng	2nd NAP	01-04-2018	31-03-2023	40,68,078	20,34,039
6.	Zunheboto	60.	SBI, Aghunato	DEF Zunheboto	01-04-2018	31-03-2023	89,95,714	44,97,857
		61.	SBI, Satakha	DEF Zunheboto	01-04-2018	31-03-2023	2,16,66,992	1,08,33,496
7.	Wokha	62.	Bank of Baroda	DEF Wokha	01-07-2018	31-03-2023	1,26,10,430	63,05,215
		63.	Nagaland Rural Bank	DEF Wokha	01-07-2018	31-03-2023	1,23,65,836	61,82,918
		64.	Post Office	DEF Wokha	01-07-2018	31-03-2023	72,74,620	36,37,310
		65.	Nagaland State Co-operative Bank Ltd	DEF Wokha	01-07-2018	31-03-2023	1,16,69,012	58,34,506
		66.	SBI, Bhandari	7th NAP	01-04-2018	31-03-2023	2,23,94,010	1,11,97,005
		67.	SBI, Baghty	7th NAP	01-04-2018	31-03-2023	2,43,53,024	1,21,76,512
		68.	SBI, Main Wokha	7th NAP	01-04-2018	31-03-2023	2,08,90,280	1,04,45,140
		69.	SBI, Doyang	7th NAP	01-04-2018	31-03-2023	2,48,44,140	1,24,22,070
		70.	SBI, Bazar Branch Wokha	7th NAP	01-04-2018	31-03-2023	1,14,04,866	57,02,433
8.	Mon	71.	Nagaland State Co-operative Bank Ltd, Mon	DEF Mon	09-01-2019	31-03-2023	65,28,944	32,64,472
		72.	SBI, Tizit	6th NAP	01-04-2018	31-03-2023	1,04,84,858	52,42,429
		73.	SBI, Naginimora	6th NAP	01-04-2018	31-03-2023	2,40,81,776	1,20,40,888
		74.	Bank of Baroda, Naginimora	6th NAP	01-04-2018	31-03-2023	90,60,550	45,30,275
		75.	SBI, Mon	6th NAP	01-04-2018	31-03-2023	3,13,54,382	1,56,77,191
		76.	SBI, Bazar Branch Mon	6th NAP	01-04-2018	31-03-2023	1,32,98,568	66,49,284
		77.	SBI, Aboi	6th NAP	01-04-2018	31-03-2023	2,65,25,516	1,32,62,758

Audit Report for the year ended 31 March 2023

Sl. No.	District	Sl. No.	Name of the defaulting Banks/ Institutions	Police guards deputed by	Period		Gross salary of the Police personnel deployed	Outstanding Police guards charges
					From April 2018	To March 2023		
		78.	Central Bank of India, Tizit	6th NAP	01-04-2018	31-03-2023	1,29,38,902	64,69,451
		79.	SBI, Tobu	6th NAP	01-04-2018	31-03-2023	1,45,70,550	72,85,275
9.	Tuensang	80.	SBI, Chare	DEF Tuensang	01-04-2018	31-03-2023	3,01,95,132	1,50,97,566
		81.	SBI, Longkhim	DEF Tuensang	01-04-2018	31-03-2023	2,60,94,708	1,30,47,354
		82.	SBI Bazar Branch, Tuensang	DEF Tuensang	01-04-2018	31-03-2023	1,21,09,984	60,54,992
		83.	Subsidiary Intelligence Bureau (SIB) Office, Tuensang	DEF Tuensang	01-04-2018	31-03-2023	1,20,55,984	60,27,992
		84.	SBI, Noksen	3rd NAP	01-04-2018	31-03-2023	92,83,952	46,41,976
		85.	SBI, Tuensang	3rd NAP	01-04-2018	31-03-2023	2,07,81,094	1,03,90,547
10.	Peren	86.	SBI, Peren	1st NAP	01-07-2018	31-03-2023	1,76,04,086	88,02,043
		87.	SBI, Tening	1st NAP	01-07-2018	31-03-2023	1,68,98,610	84,49,305
		88.	SBI, Jalukie	1st NAP	01-07-2018	31-03-2023	24,22,192	12,11,096
11.	Chumoukedima	89.	Allahabad Bank, Medziphema	1st NAP	01-08-2018	31-03-2023	1,23,43,852	61,71,926
		90.	SBI, Chumoukedima	1st NAP	01-04-2018	31-03-2023	34,42,918	17,21,459
		91.	SBI, Medzephima	1st NAP	01-08-2018	31-03-2023	1,39,70,298	69,85,149
		92.	LPG Bottling Plant, Chumoukedima	1st NAP	01-05-2018	31-03-2023	3,66,324	1,83,162
12.	Niuland	93.	SBI, Niuland	1st NAP	01-06-2018	31-03-2023	27,79,044	13,89,522
		94.	Nagaland Rural Bank, Niuland	1st NAP	01-06-2018	31-03-2023	28,42,350	14,21,175
13.	Kiphire	95.	SBI, Kiphire	3rd NAP	01-04-2018	31-03-2023	1,84,90,110	92,45,055
		96.	SBI, Pungro	3rd NAP	01-04-2018	31-03-2023	25,88,792	12,94,396
14.	Shamator	97.	SBI, Shamator	3rd NAP	01-04-2018	31-03-2023	1,07,67,578	53,83,789
15.	Noklak	98.	SBI, Noklak	3rd NAP	01-04-2018	31-03-2023	1,39,88,926	69,94,463
16.	Longleng	99.	SBI, Longleng	6th NAP	01-04-2018	31-03-2023	1,16,17,012	58,08,506
		100.	SBI, Tamlu	6th NAP	01-04-2018	31-03-2023	36,59,928	18,29,964
Total							1,09,63,27,872	54,81,63,936

Source: Departmental records

Appendix 4.4.1

Statement showing details of similar cases highlighted in the Audit Reports for year ended 31 March 2017 to 31 March 2022

(Reference: Paragraph 4.4)

(₹ in crore)

Sl. No.	Year of Audit Report	Paragraph Reference	Particulars	Money Value
1.	Audit Report for the Year ended 31 March 2022	4.3	Fraudulent/ excess drawal of money	2.26
2.	Audit Report for the Year ended 31 March 2020	4.2	Fraudulent/ excess drawal of money	2.78
3.	Audit Report for the Year ended 31 March 2019	2.4	Fraudulent/ excess drawal of money	5.16
		2.5	Fraudulent/ excess drawal of money and submission of fake challans by DDOs	0.45
4.	Audit Report for the Year ended 31 March 2018	5.4	Fraudulent/ double/ excess drawal by 28 DDOs	7.36
5.	Audit Report for the Year ended 31 March 2017	5.4	Fraudulent/ excess drawal by 12 DDOs	1.72

Source: C&AG Audit Reports of respective years

Appendix 4.4.2
Statement showing Department-wise list of double/excess/fraudulent drawals
(Reference: Paragraph 4.4)

(₹ in lakh)

Sl. No.	Department	No. of DDOs	Amount of objection	Amount recovered
1.	Sericulture	1	5.04	0.00
2.	Rural Development	2	4.72	4.72
3.	Information & Public Relations	2	10.34	10.34
4.	Excise	1	1.00	1.00
5.	School Education	2	11.74	11.74
6.	Food & Civil Supplies	1	11.45	1.00
7.	Finance	1	4.25	0.00
8.	Home	1	5.04	5.04
9.	Soil & Water Conservation	1	8.04	8.04
10.	Agriculture	1	6.73	6.73
Total		13	68.35	48.61

Source: Departmental records

Appendix 4.4.3
Statement showing excess drawal by inflating the net totals of pay bills
(Reference: Paragraph 4.4)

(Amount in ₹)

Sl. No.	Department	DDO	Admissible Amount	Amount Drawn	Excess Amount Drawn	Recovered Amount (with month and year of recovery)	Outstanding Amount	Remarks
1.	Food & Civil Supplies	Asst. Director, Food & Civil Supplies, Zunheboto	71,39,450	82,84,130	11,44,680	1,00,000 (Challan No. 1 of 19/01/2023, No. 1 of 07/03/2023, No. 2 of 28/03/2023 and No. 1 of 16/05/2023)	10,44,680	The Asst. Director, Food & Civil Supplies, Zunheboto drew ₹11,44,680 by inflating the net total of the pay and allowances for the month of December 2018 to February 2020 <i>vide</i> 30 bills <i>viz.</i> bill No. 90 dated 2/1/2019 (TV No. 4 of 10/11/2019), 86 dated 2/1/2019 (TV No. 8 of 10/1/2019), 101 dated 28/1/2019 (TV No. 3 of 1/2/2019), 97 dated 28/1/2019 (TV No. 7 of 1/2/2019), 109 dated 27/2/2019 (TV No. 5 of 19/3/2019), 105 dated 27/2/2019 (TV No.9 of 19/3/2019), 6 dated 28/3/2019 (TV No.4 of 4/4/2019), 2 dated 28/3/2019 (TV No.8 of 4/4/2019), 15 dated 29/4/2019 (TV No.3 of 17/5/2019), 11 dated 29/4/2019 (TV No.7 of 17/5/2019), 22 dated 30/5/2019 (TV No.3 of 6/6/2019), 18 dated 30/5/2019 (TV No.7 of 6/6/2019), 30 dated 28/6/2019 (TV No.3 of 4/7/2019), 26 dated 28/6/2019 (TV No.7 of 4/7/2019), 38 dated 30/7/2019 (TV No.4 of 8/8/2019), 34 of 30/7/2019 (TV No. 8 of 8/8/2019), 48 dated 27/8/2019 (TV No.6 of 6/9/2019), 43 dated 27/8/2019 (TV No. 11 of 6/9/2019), 60 dated 30/9/2019 (TV No.6 of 4/10/2019), 55 dated 30/9/2019 (TV No.11 of 4/10/2019), 72 dated 30/10/2019 (TV No.5 of 8/11/2019), 67 dated 30/10/2019 (TV No.10 of 8/11/2019), 83 dated 28/11/2019 (TV No.8 of 5/12/2019), 78 of 28/11/2019 (TV No.13 of 5/12/2019), 97 dated 20/12/2019 (TV No.5 of 9/1/2020), 92 dated 20/12/2019 (TV No.10 of 9/1/2020), 108 dated 27/1/2020 (TV No.4 of 3/2/2020), 103 dated 27/1/2020 (TV No.9 of 3/2/2020), 118 dated 25/2/2020 (TV No.5 of 31/3/2020) and 113 dated 25/2/2020 (TV No.10 of 31/3/2020).
Total			71,39,450	82,84,130	11,44,680	1,00,000	10,44,680	--

Source: Departmental records

Appendix 4.4.4
Statement showing double drawal of pay & allowances including arrears

(Reference: Paragraph 4.4)

(Amount in ₹)

Sl. No.	Department	DDO	Double Amount Drawn	Recovered Amount (with Challan No. and Month)	Outstanding Amount	Remarks
1.	Sericulture	District Sericulture Officer, Mon	2,08,080	0	2,08,080	The District Sericulture Officer, Mon drew ₹2,08,080 as less drawn wages arrear for the month of July 2019 to December 2019 <i>vide</i> two bills <i>viz.</i> bill No.79 dated January 2020 (TV No.5 of 6/3/2020) and 72 dated Nil (TV No.7 of 3/2/2020) in respect of 18 employees although they had already drawn the same as less drawn wages arrear for the month of June 2019 to March 2020 <i>vide</i> bill No. 86 dated Nil (TV No.27 of 30/03/2020).
2.	Information & Public Relations	District Public Relations Officer, Mon	4,25,250	4,25,250 (Challan No.1 of 25/4/2022)	0	The District Public Relations Officer, Mon fictitiously drew ₹4,25,250 as arrear of wages for the month of July 2018 to January 2019 <i>vide</i> bill No.99 dated nil (TV No.10 of 22/03/2019) in respect of 15 employees although they had already drawn their wages as per entitlement.
3.		District Public Relations Officer, Phek	6,08,930	6,08,930 (Challan No.1 of 20/1/2022 and Challan No.1 of 25/2/2022)	0	The District Public Relations Officer, Phek fictitiously drew ₹6,08,930 as DA arrears for the month of January 2016 to February 2017 in respect of 42 employees <i>vide</i> nine bills <i>viz.</i> bill No.148 dated nil (TV No.18 of 22/3/2017), 149 dated nil (TV No.19), 150 (TV. No.26), 151 dated nil (TV No.25), 152 dated nil (TV No.24), 153 dated nil (TV No.23), 154 dated nil (TV No.22), 155 dated nil (TV No.21) and 156 dated nil (TV No.20). However, the employees had already drawn their DA arrears for the month of January 2016 to October 2016 <i>vide</i> nine vouchers <i>viz.</i> bill No.89 dated nil (TV No.21), 90 dated nil (TV No.20), 91 dated nil (TV No.19), 92 dated nil (TV No.18), 93 dated nil (TV No.17), 94 dated nil (TV No.12), 95 dated nil (TV No.15), 96 dated nil (TV No.14) and 97 dated nil (TV No.13) respectively.

Sl. No.	Department	DDO	Double Amount Drawn	Recovered Amount (with Challan No. and Month)	Outstanding Amount	Remarks
4.	Excise	Superintendent of Excise Tuensang	99,621	99,621 (Challan No.1 of 3/5/2022)	0	The Superintendent of Excise, Tuensang fictitiously drew ₹99,621 as Modified Assured Career Progression (MACP) arrears for the month of January 2018 to October 2018 in respect of three employees <i>vide</i> bill No. 57 dated 29/11/2018 (TV No.11) and Special Pay arrears for the month of April 2010 to October 2018 in respect of four employees <i>vide</i> bill No.56 dated 9/11/2018 (TV No.12 of 9/11/2018). However, MACP arrears of the three employees were already drawn <i>vide</i> bill No.38 dated 30/9/2018 (TV No.5) and bill No. 37 dated 30/9/2018 (TV No.6) and Special Pay of the four employees were already drawn <i>vide</i> bill No. 41 dated 4/10/2018 (TV No.3).
5.	Finance (Treasuries & Accounts)	Treasury Officer Peren	4,24,739	0	4,24,739	The Treasury Officer, Peren fictitiously drew ₹4,24,739 as pay and allowance for the month of January 2018 in respect of 12 employees <i>vide</i> three bills <i>viz.</i> bill No.106 dated 23/3/2018 (TV No.9 of 28/3/2018), 107 dated 23/3/2018 (TV No.10 of 28/3/2018) and 108 dated 23/3/2018 (TV No.11 of 28/3/2018). However, the employees had already drawn their pay and allowances as per entitlement <i>vide</i> bill No. 91 dated 29/1/2018 (TV No.6), 92 dated 29/1/2018 (TV No.5) and 94 dated 29/1/2018(TV No.3).
6.	School Education	District Education Officer Mokokchung	1,68,740	1,68,740 (Challan No.4 dated 21/10/2020)	0	The District Education Officer, Mokokchung fictitiously drew ₹1,68,740 as DA arrear for the month of January 2018 to August 2018 in respect of 23 employees <i>vide</i> bill No.31 dated 6/12/2018 (TV No.106 of 7/2/2019) although the employees had already drawn their DA as per entitlement <i>vide</i> bill No.30 dated 6/12/2018 (TV No.118 of 7/2/2019).
Total			19,35,360		6,32,819	

Source: Departmental records

Appendix 4.4.5

Statement showing Fraudulent inadmissible drawal of pay & allowances including arrears

(Reference: Paragraph 4.4)

(Amount in ₹)

Sl. No.	Department	DDO	Amount Drawn fraudulently	Recovered Amount (with Challan No. and Month)	Outstanding Amount	Remarks
1.	Sericulture	District Sericulture Officer, Mon	2,96,024	0	2,96,024	The District Sericulture Officer, Mon fictitiously drew ₹2,96,024 in respect of five employees as less drawn increment arrear for the period ranging from December 2015 to December 2017 vide bill No.48 dated nil (TV No.17 of 5/11/2018). However, these employees had already drawn their increment arrear as per entitlement through the regular monthly bill No. 63 dated nil (TV No.13 of 29/1/2018).
2.	Home (Prisons)	Superintendent, District Jail, Mon	5,03,670	5,03,670 (Challan No.1 of 5/9/2022)	0	The Superintendent, District Jail, Mon fictitiously drew ₹5,03,670 in respect of 12 employees as less drawn arrear for the period ranging from December 2011 to November 2017 vide three bills viz. bill No. 101 dated nil (TV No.8 of 4/2/2019), 110 dated nil (TV No.9 of 28/3/2019) and 111 dated nil (TV No.10 of 28/3/2019). It was noticed that the bills were drawn without any sanction orders from the competent authority and non-drawal certificates to justify the drawals were not available. Moreover, these employees were all adhoc staffs and were entitled to Basic Pay of ₹2,750 only as per bill No.106 dated nil (TV No.5 of 4/3/2019) and 107 dated nil (TV No.6 of 4/3/2019).
3.	Rural Development	Block Development Officer (BDO), Chukitong	2,69,450	2,69,450 (Challan No.1 of 5/10/2021 and Challan No.1 of 8/9/2022)	0	The BDO, Chukitong fictitiously drew ₹2,69,450 in respect of six employees as less drawn arrear for the period from July 2017 to December 2017 vide bill No.46 dated nil (TV No. 26 of 17/01/2019). However, these employees were already drawing the entitlement through the regular monthly bill No. 19 dated nil (TV No.26 of 5/10/2018).

Sl. No.	Department	DDO	Amount Drawn fraudulently	Recovered Amount (with Challan No. and Month)	Outstanding Amount	Remarks
4.	Rural Development	Block Development Officer (BDO) Ghatashi	2,03,141	2,03,141 (Challan No.2 of 8/10/2021)	0	The BDO, Ghatashi fictitiously drew ₹2,03,141, out of which ₹1,34,400 was drawn as Difficulties Allowance Arrears (DAA) in respect of seven employees for the period from January 2013 to December 2016 vide seven bills viz. bill No.53 dated nil (TV No.4 of 14/3/2017), 54 dated nil (TV No.5), 55 dated nil (TV No.6), 56 dated nil (TV No.7), 57 dated nil (TV No.8), 58 dated nil (TV No.9) and 59 dated nil (TV No.10). However, the employees had already drawn their DAA as per entitlement. Further, ₹68,741 was drawn as House Rent Allowance (HRA) arrears in respect of four employees for the period from January 2016 to December 2016 vide four bills viz. bill No.60 dated nil (TV No.11), 61 dated nil (TV No.12), 62 dated nil (TV No.13) and 63 dated nil (TV No.14). However, the employees had already drawn their HRA as per entitlement.
5.	Agriculture	Dy. Director, Nagaland State Seed Farm, Merapani, Wokha	6,73,287	6,73,287 (Challan No. 1 of 13/06/2023)	0	The Dy. Director, Nagaland State Seed Farm, Merapani, Wokha fictitiously drew ₹6,73,287 as pay and allowances arrears in respect of 27 employees for the period January 2017 to December 2017 vide 27 bills viz. bill No.86 dated nil (TV No. 29 of 19/3/2018), 87 dated nil (TV No. 30 of 19/3/2018), 88 dated nil (TV No.31 of 19/3/2018), 89 dated nil (TV No.32 of 19/3/2018), 90 dated nil (TV No.33 of 19/3/2018), 91 dated nil (TV No.34 of 19/3/2018), 92 dated nil (TV No.35 of 19/3/2018), 93 dated nil (TV No. 36 of 19/3/2018), 94 dated nil (TV No.37 of 19/3/2018), 95 dated nil (TV No.38 of 19/3/2018), 96 dated nil (TV No. 39 of 19/3/2018), 97 dated nil (TV No.40 of 19/3/2018), 98 dated nil (TV No.41 of 19/3/2018), 99 dated nil (TV No.42 of 19/3/2018), 100 dated nil (TV No.43 of 19/3/2018), 101 dated nil (TV No.44 of 19/3/2018), 102 dated nil (TV No.45 of 19/3/2018), 103 dated nil (TV No.46 of 19/3/2018), 104 dated nil (TV No.47 of 19/3/2018), 105 dated nil (TV No.19/3/2018), 106 dated nil (TV No.49 of 19/3/2018), 107 dated nil (TV No.50 of 19/3/2018), 108 dated nil (TV No. 51 of 19/3/2018), 109 dated nil (TV No.52 of 19/3/2018), 110 dated nil (TV NO. 53 of 19/3/2018), 111 dated nil (TV No.54 of 19/3/2018) and 112 dated nil (TV No.55 of 19/3/2018). However, the employees had already drawn their pay and allowances as per entitlement.

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Sl. No.	Department	DDO	Amount Drawn fraudulently	Recovered Amount (with Challan No. and Month)	Outstanding Amount	Remarks
6.	Soil & Water Conservation	District Soil Conservation Officer, Phek	8,04,281	8,04,281 (Challan No.1 of 26/2/2021, No. 1 of 08/06/2023 and No. 2 of 15/06/2023)	0	The District Soil Conservation Officer (DSCO), Phek drew ₹2,57,354 as less pay drawn arrears in respect of four employees for the period ranging from December 2012 to December 2017 <i>vide</i> three bills <i>viz.</i> bill No.55 dated October 2018 (TV No.1 of 5/10/2018), 59 dated October 2018 (TV No.12 of 30/10/2018) and 74 dated November 2018 (TV No.15 of 30/11/2018), however, it was noticed that less pay drawn arrear was fictitiously drawn twice for the employees in the aforementioned bills. Further, DSCO also fictitiously drew ₹5,46,927 as HRA arrears in respect of 10 employees for the period ranging from June 2012 to August 2017 <i>vide</i> three bills <i>viz.</i> bill No. 36 dated nil (TV No.11 of 31/8/2018), 58 dated nil (TV No.13/10/2018) and 73 dated nil (TV No.14 of 30/11/2018) although HRA arrears of the employees had already been drawn <i>vide</i> eight bills <i>viz.</i> bill No. 33 dated nil (TV No.1 of 3/7/2017), 70 dated nil (TV No. 8), 80 dated nil (TV No.8), 103 dated nil (TV No.8), 109 dated nil (TV No.11), 110 dated nil (TV No.10), 111 dated nil (TV No.9), and nil (TV No. 12 of 31/7/2017).
7.	School Education	Sub Divisional Education Officer (SDEO), Niuland	10,05,564	10,05,564 (Challan No.2 of 28/2/2022 and No. 1 of 07/06/2023)	0	Sub Divisional Education Officer (SDEO), Niuland fictitiously drew ₹4,65,248 as DA arrears in respect of 33 employees for the period from January 2018 to October 2018 <i>vide</i> bill No.230 dated nil (TV No.68) although, it was noticed from bill No.206 dated nil (TV No.44) that the employees were fixed pay staffs and not entitled for DA. Further, the SDEO also fictitiously drew ₹5,40,316 as DA arrear in respect of 34 employees <i>vide</i> bill No.228 dated nil (TV No.66) although, it was noticed from bill No.151 dated nil (TV No.50) and 152 dated nil (TV No.51) that three of the incumbent's Basic Pay were inflated while names of 31 employees were not available in the regular pay bills.
Total			37,55,417		2,96,024	

Source: Departmental records

Appendix 4.4.6

Statement showing details of department-wise cases of irregularities highlighted in the Audit Reports for year ended 31 March 2017 to 31 March 2022

(Reference: Paragraph 4.4)

Sl. No.	Department	AR for year ended 31 March 2017		AR for year ended 31 March 2018		AR for year ended 31 March 2019		AR for year ended 31 March 2020		AR for year ended 31 March 2022		Total Amount (₹ in lakh)
		No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	
1.	Agriculture	-	-	5	18.22	2	3.24	1	2.51	1	45.42	69.39
2.	Art and Culture	-	-	1	1.22	1	7.32	-	-	1	1.96	10.50
3.	Cooperation	-	-	1	6.29	1	15.73	2	6.04	-	-	28.06
4.	Department of Information and Public Relations	-	-	-	-	2	9.81	-	-	-	-	9.81
5.	District Administration	1	1.89	-	-	-	-	-	-	-	-	1.89
6.	Economics & Statistics	-	-	-	-	-	-	1	2.83	-	-	2.83
7.	Employment, Skill Development & Entrepreneurship	-	-	3	6.58	3	31.15	1	4.18	1	1.94	43.85
8.	Evaluation	-	-	-	-	-	-	1	22.46	-	-	22.46
9.	Excise and Prohibition	-	-	-	-	3	19.67	4	23.61	-	-	43.28
10.	Finance Department (Taxation)	-	-	-	-	1	3.43	1	1.52	-	-	4.95
11.	Finance Department (Treasuries & Accounts)	-	-	2	6.75	2	21.84	-	-	-	-	28.59
12.	Fisheries and Aquatic Resources	-	-	1	5.56	-	-	1	1.68	-	-	7.24
13.	Health & Family Welfare	-	-	4	344	-	-	-	-	2	11.88	355.88
14.	Home (Police)	1	39.28	2	125.37	3	155.93	1	3.19	1	1.33	325.10
15.	Home (Prisons)	1	6.53	-	-	1	9.79	-	-	1	13	29.32
16.	Horticulture	-	-	-	-	1	1.62	-	-	-	-	1.62
17.	Industries and Commerce	-	-	-	-	6	28.69	1	6.67	1	10.12	45.48
18.	Labour & Employment	-	-	-	-	-	-	1	7.31	-	-	7.31
19.	Land Records & Survey	-	-	-	-	-	-	1	2.5	-	-	2.50
20.	Law & Justice	-	-	-	-	-	-	1	13.87	-	-	13.87
21.	Motor Vehicles	-	-	-	-	1	2.27	-	-	-	-	2.27
22.	Nagaland State Transport	1	0.58	-	-	-	-	-	-	-	-	0.58

Audit Report for the year ended 31 March 2023

Sl. No.	Department	AR for year ended 31 March 2017		AR for year ended 31 March 2018		AR for year ended 31 March 2019		AR for year ended 31 March 2020		AR for year ended 31 March 2022		Total Amount (₹ in lakh)
		No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	No. of DDOs	Amount (₹ in lakh)	
23.	Power	-	-	-	-	1	1.91	-	-	-	-	1.91
24.	Public Health Engineering (PHED)	-	-	-	-	1	11.99	-	-	1	36.08	48.07
25.	Public Works Department (Mechanical)	-	-	-	-	1	8	1	17.15	1	16.36	41.51
26.	Public Works Department (Road & Bridges)	-	-	-	-	1	15.42	-	-	-	-	15.42
27.	Rural Development	1	2.58	2	4.53	-	-	1	2.83	-	-	9.94
28.	School Education	5	106.45	17	206.37	7	96.03	6	134.95	4	60.29	604.09
29.	Social Welfare	-	-	-	-	-	-	-	-	1	0.86	0.86
30.	Soil & Water Conservation	-	-	1	8.66	1	12.59	-	-	-	-	21.25
31.	Treasuries and Accounts	-	-	-	-	-	-	-	-	2	6.23	6.23
32.	Water Resources	-	-	-	-	1	23.81	-	-	-	-	23.81
33.	Youth Resources and Sports	-	-	-	-	1	15.69	-	-	-	-	15.69
34.	Veterinary and Animal Husbandry	2	14.19	1	2.96	1	20.1	1	24.78	1	20.1	82.13
Total		12	171.5	40	736.51	42	516.03	26	278.08	18	225.57	1927.69

Source: C&AG Audit Reports of respective years

Appendix 5.1.1
Action taken by the Government on the recommendations
(Reference: Paragraph 5.1.9.1)

Year of Audit Report	Name of the Performance Audit	Reference of Paragraph	Recommendations	Action taken by the Department/ Government
2015-16	Nagaland State Lotteries (Finance Department)	4.2.10	The State Government may ensure to retender for selection of distributors and allocated the job for conducting of lotteries as per Act and Rules.	The Government floated NIT and selected two firms' viz. M/s. Future Gaming & Hotel Services Pvt. Ltd. Coimbatore and M/s. West Bengal Lottery, Stockiest Syndicate Pvt. Ltd., Kolkata, West Bengal for distributorship of Nagaland State Lotteries.
		4.2.11	Deposit the entire sale proceeds calculated on the face value of the tickets in the Consolidated Fund of the State without any deduction and deposit unclaimed prize money to the Government Accounts in time.	<p>The Department informed that it would be impossible to conduct lotteries if the sale proceeds are deposited into the Consolidated fund and thereafter payments of all expenses are made for the same. In such case an Appropriation Bill would have to be necessarily passed. The requirement of deposit of the entire sale proceeds as per the face value of the tickets in the consolidated Fund and release thereafter would not only be impractical, and prove to be a Herculean accounting and logistical challenge, but also inordinately delay the depositing of GST.</p> <p>The State Government formulated the Nagaland Lotteries (Regulation) Rules 2022 wherein, to avoid any ambiguity, the rules defines 'proceeds of sale', taking into account all such logistical and operational issues.</p> <p>The Government informed that the tickets were sold to the distributor and thereafter, to the distribution networks on a fully sold basis. On the tickets remaining in the hands of the distributor, sub distributor, area distributor, stockist, sub-stockist, agents, sub agents (in short the entire distribution network) in the event of any such ticket being declared as the Prize winning Ticket, such entity was entitled to claim prizes and the same has been disbursed as is done in case of a normal Prize Winner.</p>

Year of Audit Report	Name of the Performance Audit	Reference of Paragraph	Recommendations	Action taken by the Department/ Government
		4.2.13.2	Central Server should be under the direct control of the State Government and the activities of online lotteries should be effectively monitored.	Both the Central/ Mirror Server with high security features which cannot be tampered with or destroyed and the devices/ software used in online lotteries certified by the Standardisation Testing and Quality certification (STQC) are installed/ kept in the directorate of Nagaland State Lotteries under the direct control of the State Government.
		4.2.21	Strengthen monitoring and internal control by appropriate measure like conducting of financial and system audit annually and set up Internal Audit wing in the Directorate.	The State Government formulated the Nagaland Lotteries (Regulation) Rules 2022 wherein Rule 18 authorised the Directorate of State Lotteries to hire manpower or skilled labor with prior approval of the Government to manage the godown/ warehouse <i>etc.</i> Procedure for appointment of a Chartered Accountant/ Chartered Accountancy firm is also being considered by the Department to conduct internal financial and system audit and to prevent any scope of loss of revenue to the State.
		4.2.21.3	Define clearly the purpose of conducting lotteries by evolving the mechanism to allocate funds necessarily to the intended purposes out of the revenue generated from lotteries in the annual budget of the State.	The Government of Nagaland earmarked 25 <i>per cent</i> of the total revenue earned from lotteries to the Chief Minister's Sports Fund for promotion of sports activities in the State.
	Computerisation of Motor Vehicles Department	4.3.8.2	The Department may endeavor to implement all the modules of Vahan and Sarathi to make the State and National Register database complete.	Vahan and Sarathi provide numerous modules. These are used or engaged in accordance to requirements. These applications are dynamic and are being constantly customized and upgraded to suit the needs of the provisions of the Motor Vehicles Act & Rules which are undergoing amendments in tune with the demands of the times. The Department has adopted the National application, Vahan 4.0 and Sarathi 4.0 in phase manner starting from 2008, which are real time online applications for all businesses and transaction for vehicle registration, issue of driving licenses, trade permits and vehicle permits. Base Permits and National Permits along with

Year of Audit Report	Name of the Performance Audit	Reference of Paragraph	Recommendations	Action taken by the Department/ Government
				Authorisation are issued to Transport (Goods) vehicles. Base Permits and All India Tourist Permit (AITP) are issued to Transport (Passengers) vehicles.
		4.3.9	Effective data validation checks should be incorporated in the software and essential information as provided in the Acts and Rules made mandatory to capture valid, correct and accurate data.	Vahan and Sarathi are National applications hoisted centrally at the National Data Center, New Delhi and all aspects of their attributes are being designed and managed by the Ministry of Road Transport and Highways (MoRTH). The State is just a User and is not empowered to alter or add any parameter to the application. All data validations and checks are managed at the National level by the National Informatics Center (NIC).
		4.3.11	Efforts should be made to strengthen the enforcement wing and reports generated from Vahan for taking penal action on vehicles plying without valid fitness certificate, permits and tax defaulting vehicles.	The implementation of the e-challan by the enforcement is in progress. The Department submitted the draft MOU with the HDFC Bank for Payment Gateway to the Government. The payment gateway would be integrated with the e-challan module which would enhance the effectiveness of the enforcement.
		4.3.8.1	The Department should formulate and adopt an effective IT Policy for planning, management, training, monitoring, physical and environmental control data security and internal control of computerisation.	IT policy of the Motor Vehicles Department was drafted and placed before the Government for vetting in 2017. The Department is yet to receive the outcome.

Source: Department replies

Appendix 5.2.1
Statement showing sample of Limited, Detailed audit and audit of Wards/ Circles selected in SSCA
(Reference: Paragraph 5.2.4)

Sl. No	Type of GST Audit	Categories of sample	GSTIN	Trade Name	Jurisdiction
Detailed Audit					
1.	Detailed Audit	NL-20	13AAACN9991J1Z1	NORTH EASTERN ELECTRIC POWER CORPORATION LTD	Wokha Unit
2.	Detailed Audit	NL-20	13ANMPA4902A3ZS	M/S ESSEL ENTERPRISES	Dimapur Ward E
3.	Detailed Audit	NL-20	13AATPZ2598P1ZE	M/S ZIMOMI TRADERS	Dimapur Ward C
4.	Detailed Audit	NL-80	13AAAAG5588Q1Z5	GUJARAT CO-OPERATIVE MILK MARKETING FEDERATION LIMITED	Dimapur Ward B
5.	Detailed Audit	NL-80	13AAACE4411G1ZC	M/S ECI ENGINEERING & CONSTRUCTION COMPANY LIMITED	Dimapur Ward E
6.	Detailed Audit	NL-80	13AACAR6483R1ZU	M/S RAMKY-ECIJV	Dimapur Ward E
7.	Detailed Audit	NL-80	13AACCC1465A1ZG	STAR CEMENT LIMITED	Dimapur Ward A
8.	Detailed Audit	NL-80	13ABUPA6964C1ZP	M/S PROGRESSIVE MOTORS	Dimapur Ward E
9.	Detailed Audit	NL-80	13AAACS8577K4ZV	STATE BANK OF INDIA	Dimapur Ward D
10.	Detailed Audit	NL-80	13AAHCS6024L1ZB	M/S SHYAMA POWER INDIA LIMITED	Dimapur Ward A
11.	Detailed Audit	NL-Buffer 80	13ABGPI9893N1ZY	M/S NCS ENTERPRISES	Dimapur Ward E
12.	Detailed Audit	NL-80	13AAACR6117Q1Z7	NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED	Dimapur Ward C
13.	Detailed Audit	NL-80	13ABKPW2701P1ZB	M/S NIKOS HOSPITAL & RESEARCH CENTRE	Dimapur Ward B
14.	Detailed Audit	NL-80	13ATTPK7506M2Z5	M/S UNITED TRADERS PROVISION	Kohima Ward B
15.	Detailed Audit	NL-Buffer 80	13AAACH1766P1ZE	M/S BHARATI HEXACOM LTD	Dimapur Ward A
Limited Audit					
1.	Limited Audit	Excess ITC	13AAXPO2006K2ZJ	M/S DIMAPUR AGENCY CENTRE	Dimapur Ward D
2.	Limited Audit	Excess ITC	13AJWPA5824D3ZD	M/S EDEN MEDICAL CENTRE	Dimapur Ward C
3.	Limited Audit	Excess ITC	13AAFCEB0525K1Z2	M/S BHARAT BROAD BAND	Dimapur Ward A
4.	Limited Audit	Excess ITC	13AJHPT6913B1ZF	M/S ENSIGN CONSTRUCTIONS	Dimapur Ward E
5.	Limited Audit	Excess ITC	13AEZPC3034K1ZG	M/S GOLDEN TRADERS	Dimapur Ward A
6.	Limited Audit	Excess ITC	13ACUPL8050F1ZH	M/S A & L TRADERS	Mokokchung Ward B
7.	Limited Audit	Excess ITC	13AABCR7176C1ZM	M/S RAILTEL CORPORATION	Dimapur Ward D
8.	Limited Audit	Excess ITC	13AFZPA5996D1Z4	M/S VIKASH AUTO TRADERS	Dimapur Ward A
9.	Limited Audit	Excess ITC	13AACFH9289G1Z7	M/S HINDUSTAN TRADE AND AGENCY	Dimapur Ward B

Sl. No	Type of GST Audit	Categories of sample	GSTIN	Trade Name	Jurisdiction
10.	Limited Audit	Excess ITC	13AAICA7614B1Z7	M/S AIRPLAZA RETAIL HOLDINGS PRIVATE LIMITED	Dimapur Ward B
11.	Limited Audit	ITC RCM avail	13CIOPS4356M1ZL	M/S SKS ENTERPRISES	Kohima Ward C
12.	Limited Audit	ITC RCM avail	13DVTPK8575H1ZV	M/S L.S. WINKANG KONYAK CHENLOISHO	Mon Unit
13.	Limited Audit	ITC RCM avail	13AJSPT6219M3ZG	M/S MEDZIPHEMA AUTO CENTRE	Dimapur Ward F
14.	Limited Audit	ITC RCM avail	13AZVPP7859E1ZO	M/S PANDIT GUNNY BAG SHOP	Dimapur Ward C
15.	Limited Audit	ITC RCM avail	13ANFPA6589A1ZE	M/S. M.S MOBILE CENTRE	Dimapur Ward D
16.	Limited Audit	ITC RCM avail	13ABYPJ1549E1ZL	M/S SHRI MAHAVIR TRADING CO.	Dimapur Ward D
17.	Limited Audit	ITC RCM avail	13CXFPM2590B1ZT	M/S KOHIMA DIGITAL ELECTRONICS	Kohima Ward B
18.	Limited Audit	ITC RCM avail	13AZIPM0605N1ZF	M/S MECHANISED MOLTED BEATS & WOOD WORKS	Dimapur Ward C
19.	Limited Audit	ITC RCM avail	13ACOPC2757N1ZD	M/S GOLDEN MARBLES	Dimapur Ward C
20.	Limited Audit	ITC RCM avail	13BVRPB0236Q1ZF	M/S NAGAKI	Kohima Ward C
21.	Limited Audit	ITC RCM Ratio	13CIOPS4356M1ZL	M/S SKS ENTERPRISES	Kohima Ward C
22.	Limited Audit	ITC RCM Ratio	13DVTPK8575H1ZV	M/S L.S. WINKANG KONYAK CHENLOISHO	Mon Unit
23.	Limited Audit	ITC RCM Ratio	13AJSPT6219M3ZG	M/S MEDZIPHEMA AUTO CENTRE	Dimapur Ward F
24.	Limited Audit	ITC RCM Ratio	13AZVPP7859E1ZO	M/S PANDIT GUNNY BAG SHOP	Dimapur Ward C
25.	Limited Audit	ITC RCM Ratio	13ANFPA6589A1ZE	M/S. M.S MOBILE CENTRE	Dimapur Ward D
26.	Limited Audit	ITC RCM Ratio	13CXFPM2590B1ZT	M/S KOHIMA DIGITAL ELECTRONICS	Kohima Ward B
27.	Limited Audit	ITC RCM Ratio	13AFRPN9547B1Z8	M/S N.N. CONSTRUCTION & DECOR.	Dimapur Ward D
28.	Limited Audit	ITC RCM Ratio	13AZIPM0605N1ZF	M/S MECHANISED MOLTED BEATS & WOOD WORKS	Dimapur Ward C
29.	Limited Audit	ITC RCM Ratio	13ACOPC2757N1ZD	M/S GOLDEN MARBLES	Dimapur Ward C
30.	Limited Audit	ITC RCM Ratio	13BVRPB0236Q1ZF	M/S NAGAKI	Kohima Ward C
31.	Limited Audit	ITC_9C_5R	13AAACF0365N1ZR	M/S FOOD CORPORATION OF INDIA	Dimapur Ward D
32.	Limited Audit	ITC_9C_5R	13AJWPA5824D3ZD	M/S. EDEN MEDICAL CENTRE	Dimapur Ward C
33.	Limited Audit	ITC_9C_5R	13AABCB5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	Dimapur Ward D
34.	Limited Audit	ITC_9C_5R	13AEVPC5108E1ZU	M/S. TOSHI CHANGKIJA SERVICE STATION	Mokokchung Ward A
35.	Limited Audit	ITC_9C_5R	13AAXPO2006K2ZJ	M/S DIMAPUR AGENCY CENTRE	Dimapur Ward D
36.	Limited Audit	ITC_9C_5R	13AABCN8654K1Z8	M/S NABARD CONSULTANCY SERVICES PRIVATE LIMITED	Dimapur Ward A
37.	Limited Audit	ITC_9C_5R	13AAACF3294L1ZL	M/S FASHION SUITINGS PVT LTD	Dimapur Ward D
38.	Limited Audit	ITC_9C_5R	13AZQPC9371D1ZD	M/S EVEREST FOREST PRODUCTS	Mokokchung Ward B
39.	Limited Audit	ITC_9C_5R	13BRMPD0660F1Z9	M/S NOVELTY PARTY SALES	Kohima Ward B
40.	Limited Audit	ITC_9C_5R	13AABCT0020H2Z4	M/S THE FEDERAL BANK LTD ACCOUNTS DEPARTMENT	Dimapur Ward A

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Sl. No	Type of GST Audit	Categories of sample	GSTIN	Trade Name	Jurisdiction
41.	Limited Audit	ITC_9C_7G	13AABCB5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	Dimapur Ward D
42.	Limited Audit	ITC_9C_7G	13AAXPO2006K2ZJ	M/S DIMAPUR AGENCY CENTRE	Dimapur Ward D
43.	Limited Audit	ITC_9C_7G	13AABCN8654K1Z8	M/S NABARD CONSULTANCY SERVICES PRIVATE LIMITED	Dimapur Ward A
44.	Limited Audit	ITC_9C_7G	13AAACF3294L1ZL	M/S FASHION SUITINGS PVT LTD	Dimapur Ward D
45.	Limited Audit	ITC_9C_7G	13AACCR9357C1ZI	M/S RADHA MADHAV CORPORATION LIMITED	Dimapur Ward C
46.	Limited Audit	ITC_9C_7G	13ABZPA6342B1ZY	M/S INDIA AUTOMOBILES	Dimapur Ward F
47.	Limited Audit	ITC_9C_7G	13AABCT0020H2Z4	THE FEDERAL BANK LTD ACCOUNTS DEPARTMENT	Dimapur Ward A
48.	Limited Audit	ITC_9C_7G	13AAACH0632A1ZM	HUDCO LTD	Kohima ward B
49.	Limited Audit	ITC_9C_7G	13AAZFM9422H1ZU	MAYASHEEL RETAIL LLP	Dimapur Ward A
50.	Limited Audit	ITC_9C_7G	13AHPPS6273F1Z0	PRIME PHARMA & SURGICAL	Dimapur Ward D
51.	Limited Audit	ITC_9C_9R	13ACSPB0787F1ZP	M/S NAGALAND ELECTRICAL STORE	Dimapur Ward A
52.	Limited Audit	ITC_9C_9R	13AABCB5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	Dimapur Ward D
53.	Limited Audit	ITC_9C_9R	13AADCA9318F1ZZ	GLOBAL VECTRA HELICORP LIMITED	Dimapur Ward B
54.	Limited Audit	ITC_9C_9R	13BRMPD0660F1Z9	M/S NOVELTY PARTY SALES	Kohima Ward B
55.	Limited Audit	ITC_9C_9R	13AVIPT1693D1ZJ	M/S VAUDE VILLE HARDWARE	Kohima Ward C
56.	Limited Audit	ITC_9C_9R	13AAACF3294L1ZL	FASHION SUITINGS PVT LTD	Dimapur Ward D
57.	Limited Audit	ITC_9C_9R	13AAECM9011G1ZU	MOKOKCHUNG SAW & VENEERS (P) LTD	Mokokchung
58.	Limited Audit	ITC_9C_9R	13AFAPY2944N1Z2	M/S PARAMOUNT TEA INDUSTRY.	Mon Unit
59.	Limited Audit	ITC_9C_9R	13AABCM9425F1ZP	MODICARE LIMITED	Dimapur Ward A
60.	Limited Audit	ITC_9C_9R	13AAACF0365N1ZR	M/S FOOD CORPORATION OF INDIA	Dimapur Ward D
61.	Limited Audit	ITC_9C_12F	13AABCB5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	Dimapur Ward D
62.	Limited Audit	ITC_9C_12F	13AADCS2469K1Z8	SPML INFRA LIMITED	Dimapur Ward C
63.	Limited Audit	ITC_9C_12F	13AACCN6194P1ZY	AIR INDIA LIMITED	Dimapur Ward E
64.	Limited Audit	ITC_9C_12F	13AAACO0256B1Z9	M/S ORIFLAME INDIA PVT. LTD	Dimapur Ward A
65.	Limited Audit	ITC_9C_12F	13AADFA0825G1Z5	M/S ANSARI & COMPANY	Dimapur Ward A
66.	Limited Audit	ITC_9C_12F	13AAECT5121G1ZS	THE ULTIMATE TRAVELLING CAMP	Kohima Ward C
67.	Limited Audit	ITC_9C_12F	13AFAPY2944N1Z2	M/S PARAMOUNT TEA INDUSTRY.	Mon Unit
68.	Limited Audit	ITC_9C_12F	13ADHPN2868F1ZK	M/S CENTRAL MOTORS	Dimapur Ward A
69.	Limited Audit	ITC_9C_12F	13AERPJ7445R1ZO	M/S ARIHANT INDUSTRY	Dimapur Ward E
70.	Limited Audit	ITC_9C_12F	13AAACL1838J1ZP	TRENT LIMITED	Dimapur Ward B
71.	Limited Audit	ITC_9C_14T	13AAFBCB0525K1Z2	M/S BHARAT BROADBAND NETWORK LTD	Dimapur Ward A
72.	Limited Audit	ITC_9C_14T	13AAXPO2006K2ZJ	DIMAPUR AGENCY CENTRE	Dimapur Ward D

Sl. No	Type of GST Audit	Categories of sample	GSTIN	Trade Name	Jurisdiction
73.	Limited Audit	ITC_9C_14T	13AHIPB5776B1ZQ	M/S BAJRANG HARDWARE STORES	Dimapur Ward C
74.	Limited Audit	ITC_9C_14T	13AOTPJ0731N1ZQ	S K TRADING	Dimapur Ward E
75.	Limited Audit	ITC_9C_14T	13AFEPA2213A1ZR	M/S NOURHENEINUO ANGAMI	Dimapur Ward B
76.	Limited Audit	ITC_9C_14T	13AINPB2687H5Z6	M/s INNOVATION	Dimapur Ward B
77.	Limited Audit	ITC_9C_14T Buffer	13AAHCS6024L1ZB	M/S SHYAMA POWER INDIA LIMITED	Dimapur Ward A
78.	Limited Audit	ITC_9C_14T Buffer	13AAACS8577K4ZV	STATE BANK OF INDIA	Dimapur Ward D
79.	Limited Audit	ITC_9C_14T	13AAECM5260H1ZP	M/S MUKAND SYSTEMS AND NETWORKING PRIVATE LIMITED	Dimapur Ward B
80.	Limited Audit	ITC_9C_14T	13AFVPR4019J1Z2	M/S J. P. ENTERPRISES	Dimapur Ward D
81.	Limited Audit	Interest	13AECPP0613C1ZC	M/S B.P. ASSOCIATES	Dimapur Ward B
82.	Limited Audit	Interest	13AAGPZ6512L2ZC	JAYZEE CONSTRUCTION	Dimapur Ward D
83.	Limited Audit	Interest	13AAECS0765R1ZY	SIMPLEX INFRASTRUCTURES LIMITED	Dimapur Ward E
84.	Limited Audit	Interest	13ATEPS3899L2ZY	M/S D.I. INDUSTRIES	Dimapur Ward E
85.	Limited Audit	Interest	13AABCN7988G2Z5	NEC ENERGY PRIVATE LIMITED	Kohima Ward A
86.	Limited Audit	Interest	13ANZPA8446L1ZF	M/S VIU ANGAMI & SONS	Kohima Ward A
87.	Limited Audit	Interest	13AABCT5235G1ZO	M/S TECHNO POWER ENTERPRISES PVT. LTD.	Kohima Ward B
88.	Limited Audit	Interest	13AFRPT2534G2ZA	M/S.UNICRAFT ENGINEERINGWORKS	Mokokchung Ward A
89.	Limited Audit	Interest	13ALMPC8558N1ZL	M/S NAGINIMORA TIMBER INDUSTRIES	Mokokchung Ward B
90.	Limited Audit	Interest	13AAACG7284R1Z2	GREENPLY INDUSTRIES LIMITED	Mon
91.	Limited Audit	ISD	13AACCR9357C1ZI	RADHA MADHAV CORPORATION LIMITED	Dimapur Ward C
92.	Limited Audit	ISD	13BFEPJ7658K1Z5	M/S A.K. STATIONERY	Kohima Ward B
93.	Limited Audit	ISD	13AAACB1534F3ZD	BANK OF BARODA	Dimapur Ward B
94.	Limited Audit	ISD	13AIOPC4893R3ZH	M/S Z.C. ENTERPRISES	Dimapur Ward C
95.	Limited Audit	ISD	13AAACI1681G1ZY	M/S INDIAN OIL CORPORATION LIMITED	Dimapur Ward C
96.	Limited Audit	ISD	13ABVPA3307N1ZM	M/S HAROON GARMENTS	Dimapur Ward B
97.	Limited Audit	ISD	13AFWPA4550Q1ZO	M/S NAGALAND WOOL CENTRE.	Dimapur Ward A
98.	Limited Audit	ISD	13AUHPS1780Q1ZO	M/S DURGA AUTOMOBILES	Dimapur Ward A
Ward/ Range Audit					
Sl. No	Type of GST Audit		Divisional Jurisdiction		Name of ward
1.	Ward/ Range Audit		Kohima		Ward B

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Sl. No	Type of GST Audit	Categories of sample	GSTIN	Trade Name	Jurisdiction
2.				Dimapur	Ward A
3.				Dimapur	Ward B
4.				Dimapur	Ward E

Source: Departmental records

Appendix 5.2.2
Statement showing deficiencies noticed in closed cases
(Reference: Paragraph 5.2.6.1)

Appendix 5.2.2A: Kohima ward B

Sl. No.	GSTIN	Name of Taxpayer	Tax Period	Date of ASMT-10	Scrutiny of ITC amount in ₹	Date of ASMT-11	Tax payer reply	Date of ASMT 12	Amount deposited in ₹	Tax Not paid fully	Non/ Partial discharge of interest	Audit comments and Dept. reply
1.	13AABCT5235G1ZO	M/S TECHNO POWER ENTERPRISES PVT. LTD	2018-19	04-09-2019	8947469	09-09-2019	Partially accepted, sought time upto 30/10/19 for ensuring the vendors to update GSTR 1	30-03-2021	-	Yes	-	As per GSTR 3B/2A summary of ITC ,still there is a difference /Excess availed of ₹288651/- .
2.	13ADAPW6302J1ZO	M/S K SUMI & MARKETING COMPANY	2018-19	18-09-2019	46959		Taxpayer stated the difference is only 20%, extra ITC permissible	30-03-2021	-	Yes	Yes	Difference of ₹46,959/- remains, though the extended due date for filing of Annual Return is over. The same may be recovered along with interest.
3.	13ATTPK7506M2Z5	M/S UNITED TRADERS PROVISION	2017-18	23-11-2020	9102806	22-08-2021	Excess ITC reversed /paid through DRC 03.	24-08-2021	7621646	-	-	Excess availed ITC found reversed.
4.	13AYNPR5500K1Z9	M/S CAPITAL TYRE WORKSHOP	2018-19	02-12-2020	48068		GST amount deposited alongwith interest.	26-07-2021	24034	Yes	-	Difference of ₹128534/- remains, though the extended due date for filing of Annual Return is over.
5.	13ABEPH7821D1Z6	M/S PATRONS	2017-18	23-11-2020	28507		ITC payable for the period as on 09/2021 deposited through DRC 03.	29-10-2021	145108	-	Yes	Interest amount was subsequently paid by the taxpayer vide DRC 03 as per data furnished by Department in December 2023.
6.	13AHZPL5089Q2Z5	M/S KOHIMA COMPUTER CENTRE	2018-19	23-11-2020	93595	28-10-2021	ITC payable for the period as on 09/2021 deposited through DRC 03.	28-10-2021	651746	-	Yes	Interest amount was subsequently paid by the taxpayer vide DRC 03 as per data furnished by the Department in December 2023.

Sl. No.	GSTIN	Name of Taxpayer	Tax Period	Date of ASMT-10	Scrutiny of ITC amount in ₹	Date of ASMT-11	Tax payer reply	Date of ASMT 12	Amount deposited in ₹	Tax Not paid fully	Non/ Partial discharge of interest	Audit comments and Dept. reply
7.	13ASIPR 8073Q1ZW	M/S LIGHT HOUSE	2017-18	18-02-2021	88024	10-10-2021	GST amount deposited.	28-10-2021	92370	-	Yes	Interest amount was subsequently paid by the taxpayer vide DRC 03 as per data furnished by the Department in December 2023
8.	13AMWPT 6357K1Z5	M/S EASTERN COMPUTER AGENCIES	2018-19	01-10-2019	142153	29-10-2019	The dealer stated that the firm did not avail excess ITC.	30-03-2021	-	Yes	Yes	Difference of ₹1,31,063/- remains. The same may be recovered alongwith interest.
9.	13AADCG 1415H1Z7	G S R Venture Private Limited	2019-20	15-01-2020	2358137	14-02-2019	Return amended. Sales declared in 3B of March 2019 under B2C rectified and shown under B2B sales.	13-09-2021	-	-	-	Reply found correct.
10.	13AHLPL 7624H2Z9	M/S T.M. LAM & SONS	2018-19	02-12-2020	50339	30-04-2021	Demand met.	04-05-2021	50338	-	-	Amount deposited, no comments
11.	13AKNPT 1991J1ZM	M/S ROSY THOMSON	2019-20	08-02-2021	0	10-02-2021	Demand met.	11-02-2021	53816	-	-	Amount deposited, no comments
12.	13AWXPJ 8057F2Z3	Eastern Construction & Enterprises	2019-20	28-01-2020	239028	28-07-2021	Amount deposited as per demand notice	28-07-2021	119514	-	-	Amount deposited, no comments
13.	13ANOPN 2567N1ZF	M/S HILL PIONEER AGENCY	2020-21	23-03-2021	6757532	22-04-2021	There is no mismatch of ITC	29-04-2021	-	-	-	No liability/ No comments
14.	13ASIPR 8073Q1ZW	M/S LIGHT HOUSE	2018-19	18-02-2021	449076	10-10-2021	GST amount deposited.	28-10-2021	787071	-	-	No comments as ITC and interest amount paid
15.	13CJFPM 8482C1Z8	SOBOU ENTERPRISES	2017-18	18-9-2019	8567048	18-10-2019	No mismatch GSTR 1 updated by seller	30-03-2021	-	-	-	No difference found.
Total									9545643			

Appendix 5.2.2B: Dimapur Ward A

Sl. No.	GSTIN/Temp ID/ UIN	Trade /Legal name	Date of ASMT 10	Tax period (From) Month, Year	Tax period (To) Month, Year	Amount demanded		ITC Discrepancy remaining for the respective financial year	Taxpayer reply	Date of ASMT 11	Date of ASMT 12	Tax liability not paid fully	Non/ Partial payment of interest	Audit comment
						ITC Excess claim 3B-2A	GSTR1-GSTR3B							
16.	13AKGPC 8070J2Z9	M/S FERN	22-02-2021	April 2018	March 2019	30711	161159	45,499.73	Taxpayer has deposited the amount demanded	27-09-2021	29-09-2021	Yes	Yes	The outstanding amount was subsequently paid by the taxpayer vide DRC 03 as per data furnished by the Department in December 2023.
17.	13AKGPC 8070J2Z9	M/S FERN	22-02-2021	July 2017	March 2018	26579	0	26,578.92	Taxpayer has deposited the amount demanded	27-09-2021	29-09-2021	-	-	Taxpayer has deposited the demanded amount

Source: Departmental records

Appendix 5.2.2C: Dimapur Ward B

Sl. No.	GSTIN/Temp ID/ UIN	Trade /Legal name	Date of ASMT-10	Tax period	Amount demanded		Tax payer Reply	Date of ASMT 12	Audit comment
					ITC Excess claim 3B-2A	GSTR1-GSTR3B			
18.	13AACFH9289G1Z7	M/S Hindustan Trade and Agency	22-02-2021	2018-19	49817.00	0.00	No discrepancy	02-11-2021	No excess utilisation of ITC
19.	13AYZPM2176L3ZO	North Eastern Power Carrier	15-01-2020	2019-20	0.00	2635273.80	No discrepancy	03-02-2020	No discrepancy

Source: Departmental records

Appendix 5.2.3
Statement showing deficiencies in non finalised cases
(Reference: Paragraph 5.2.6.1)

(₹ in lakh)

Name of Range	Nos of tax payers/ASMT 10 issued	Amount demanded as per ASMT-10		Amount found outstanding during scrutiny of returns for the relevant year				Amount Due
		Excess ITC	Interest/ Cess/ Tax outstanding	Excess ITC	Amount recovered	Scrutiny of R1 & R3B	Scrutiny of Interest/ Cess/ Tax	
	1	2	3	4	5	6	7	4-5+6+7
Kohima Ward B	27	290.71	-	195.09	5.80	-	-	189.29
Dimapur Ward A	60	148.29	-	159.30	0.00	0.01	-	159.31
Dimapur Ward B	34	372.16	-	248.63	0.00	0	-	248.63
Dimapur Ward E	33	386.74	70.03	420.98	5.00	10.89	70.03	496.90
Total	154			1024.00	10.8	10.90	70.03	1094.13

Source: Departmental records

Appendix 5.2.3A: Kohima Ward B

(₹ in lakh)

Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Date of ASMT-10	Tax Period	Amount demanded under ASMT-10 for Excess ITC availed	ITC discrepancy for the relevant financial year	Amount recovered	Amount Due	Dept. Reply
1.	13AACFY2807R1ZT	M/S YES DESIGN COMPANY	23-11-2020	February 2019	3.60	2.68	0.00	2.68	The excess ITC was subsequently reversed by the taxpayer as per data furnished by the Department in December 2023
2.	13ABAPF1824A1ZR	M/S KOHIMA AGRO CENTRE	23-11-2020	2017-18	0.50	0.67	0.00	0.67	
3.	13ABZPI0261M1ZD	M/S URA BUILDERS PVT LTD	28-01-2020	November 2019	0.91	0.91	0.00	0.91	
4.	13AELPL7146M1Z4	M/S BROADWAY MOBILE	23-11-2020	2017-18	7.46	5.68	0.00	5.68	
5.	13AFNPL0456K2ZC	M/S NB CONSORTIUM	18-09-2019	2017-18	1.12	1.12	0.00	1.12	The excess ITC of ₹1.09 lakh was subsequently reversed by the taxpayer as per data furnished by the Department in December 2023.

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Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Date of ASMT-10	Tax Period	Amount demanded under ASMT-10 for Excess ITC availed	ITC discrepancy for the relevant financial year	Amount recovered	Amount Due	Dept. Reply
6.	13AIVPN4351N1ZO	M/S MELIE NAKHRO & SONS	11-09-2019	2018-19	6.21	6.21	0.00	6.21	The excess ITC was subsequently paid by the taxpayer vide DRC 03 as per data furnished by the Department in December 2023.
7.	13AJJPT3139R2ZJ	M/S KDT ENTERPRISES	02-12-2020	2018-19	2.66	2.66	0.00	2.66	₹2.15 lakh out of ₹2.66 lakh was subsequently paid in the monthly return of Oct 2018 as per data furnished by the Department in December 2023.
8.	13AJUPT1526D1Z7	M/S MR CLOTH STORE	23-11-2020	2018-19	4.43	4.43	0.00	4.43	
9.	13AKVPB1367L3ZW	M/S NEW URA PHARMACY	23-11-2020	2018-19	0.64	1.08	0.00	1.08	
10.	13ANWPC8698M1ZO	M/S YOUR CHOICE	02-12-2020	2018-19	7.66	12.85	0.00	12.85	
11.	13AQJPR5968H3ZA	M/S NEISAKHOLIE RUPRE-O & CO	30-03-2021	2019-20	14.74	14.74	0.00	14.74	₹11.51 lakh out of ₹14.74 lakh was subsequently paid by the taxpayer vide DRC03 as per data furnished by the Department in December 2023.
12.	13ARMPA1025A1ZU	M/S MOBILE SPOT II GEN NEXT	02-12-2020	2018-19	1.05	0.66	0.00	0.66	
13.	13ARSPJ3897K1Z2	M/S TT CONSTRUCTION	23-03-2021	2020-21	72.00	72.00	0.00	72.00	
14.	13AUYP9079G1ZP	M/S ROKO RINO QUALITY STONE	23-11-2020	2018-19	52.64	0.00	0.00	0.00	
15.	13AZFPA5461M2ZF	M/S KITH & KIN ENTERPRISES	30-08-2019	2018-19	1.09	1.09	0.00	1.09	The tax amount of ₹1.09 lakh was subsequently paid by the taxpayer vide DRC 03 as per data furnished by the Department in December 2023.
16.	13BBZPR9201B2ZJ	M.S V RHETSO & CO	02-12-2020	December 2018	0.93	0.00	0.00	0.00	
17.	13BFIPJ3403E1Z3	M/S BABY NEEDS	23-11-2020	2017-18	0.58	0.70	0.00	0.70	The ITC was reversed by the taxpayer in Nov 2018 as per data furnished by the Department in December 2023
18.	13BFIPJ3403E1Z3	M/S BABY NEEDS	23-11-2020	2018-19	0.29	0.00	0.00	0.00	
19.	13BGNPA4852J1ZF	M/S LK HARDWARE	15-01-2020	September 2019	5.51	5.51	0.00	5.51	
20.	13BUAPS7203N1ZI	M/S LIRI ENTERPRISES	29-01-2020	2019-20	2.16	2.16	0.00	2.16	

Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Date of ASMT-10	Tax Period	Amount demanded under ASMT-10 for Excess ITC availed	ITC discrepancy for the relevant financial year	Amount recovered	Amount Due	Dept. Reply
21.	13CBFPK5951E1ZV	M/S DOWN TOWN PHARMACY	23-02-2021	2020-21	44.01	0.00	0.00	0.00	
22.	13CGBPS0926G1ZO	M/S S SEMP & CO	23-03-2021	2020-21	6.38	5.80	5.80	0.00	
23.	13CGHPK7468R1ZK	M/S AKHRIEU & CO	17-12-2020	2020-21	4.04	4.04	0.00	4.04	
24.	13DPIPK5264Q1ZB	M/S SANGTHING AND BROTHERS	18-02-2021	2018-19	18.43	18.43	0.00	18.43	
25.	13DPIPK5264Q1ZB	M/S SNAGTHING AND BROTHERS	18-02-2021	2017-18	20.11	20.11	0.00	20.11	
26.	13DSBPK2239B1ZE	M/S G WANGNYEM KONYAK	18-02-2020	2017-18	9.51	9.51	0.00	9.51	
27.	13DSBPK2239B1ZE	M/S G WANGNYEM KONYAK	18-02-2020	2018-19	2.06	2.06	0.00	2.06	
Total					290.71	195.09	5.80	189.29	

Source: Departmental records

Appendix 5.2.3B: Dimapur Ward A

(₹ in lakh)

Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Tax period (From) Month, Year	Tax period (To) Month, Year	Date of ASMT-10	Amount demanded under ASMT-10		Discrepancy of ITC for the relevant financial year		Amount Due
						Excess ITC	Mismatch between GSTR1-GSTR3B	Scrutiny of Excess ITC	Scrutiny of R1 & R3B	
1.	13AIQPA9841B1ZI	M/S NANDINI HARDWARE	July 2020	September 2020	31-03-2021	4.78	0.00	-2.87	0.00	0.00
2.	13ANEPK4032D1ZP	M/S APEX MOTOR ENTERPRISE	July 2020	September 2020	31-03-2021	82.32	0.00	-96.47	0.00	0.00
3.	13AVHPC4034C1ZE	K.CHOPHI & SONS	July 2020	September 2020	31-03-2021	6.74	0.00	-0.05	0.00	0.00
4.	13CIIPS6850E1Z5	M/S DILIGENT MOTORS	July 2020	September 2020	31-03-2021	35.24	0.00	-2.31	0.00	0.00
5.	13AAECJ4213B1ZD	JIO DIGITAL FIBRE PRIVATE LIMITED	July 2020	September 2020	31-03-2021	37.68	0.00	-271.70	0.00	0.00
6.	13AAGPZ3196E1ZI	M/S KUHOI ZHIMO	July 2020	September 2020	31-03-2021	12.24	0.00	0.00	0.00	0.00
7.	13AAJCR6636B1ZL	RELIANCE PROJECTS & PROPERTY MANAGEMENT SERVICES LIMITED	June 2020	July 2020	31-03-2021	6.14	0.00	-84.13	0.00	0.00
8.	13AARFP9464A1Z3	PAARTH PROJECTS	July 2020	August 2020	31-03-2021	19.45	0.00	0.00	0.00	0.00
9.	13AABAL2644M1ZO	LNM IN ASSOCIATION WITH AIPPL	July 2020	September 2020	31-03-2021	13.67	0.00	4.57	0.00	0.00
10.	13AAACH1766P1ZE	M/S BHARATI HEXACOM LTD.	July 2020	September 2020	31-03-2021	281.20	0.00	-757.70	0.00	0.00
11.	13BPIPK7846E1ZU	M/S N K PAINT	April 2018	March 2019	22-02-2021	13.92	0.00	-3.99	0.00	0.00
12.	13AIZPH4733L1ZS	M/S CENTRAL MEDICAL	July 2017	March 2018	22-02-2021	0.12	0.00	-0.14	0.00	0.00
13.	13ACSPB0787F1ZP	M/S NAGALAND ELECTRICAL STORE	July 2017	March 2018	22-02-2021	0.00	9.29	0.00	0.00	0.00
14.	13ACVPA0397F1ZP	M/S WOMENS TREND	April 2018	March 2019	22-02-2021	0.52	0.00	-0.57	0.00	0.00

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Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Tax period (From) Month, Year	Tax period (To) Month, Year	Date of ASMT-10	Amount demanded under ASMT-10		Discrepancy of ITC for the relevant financial year		Amount Due
						Excess ITC	Mismatch between GSTR1-GSTR3B	Scrutiny of Excess ITC	Scrutiny of R1 & R3B	
15.	13ACGPD4223N1ZV	M/S BEE-HIVE BAKERY.	July 2017	March 2018	22-02-2021	4.35	0.00	0.00	0.00	0.00
16.	13ACKPL9445Q1ZV	M/S. THE MORUNG EXPRESS	July 2017	March 2018	22-02-2021	0.16	0.00	-3.07	0.00	0.00
17.	13ABVPJ5114E1ZV	M/S P.D ELECTRICALS	April 2018	March 2019	22-02-2021	0.00	8.74	0.00	0.00	0.00
18.	13ABVPJ5114E1ZV	M/S P.D ELECTRICALS	July 2017	March 2018	22-02-2021	0.00	0.71	0.00	0.00	0.00
19.	13AAKPZ9246R1ZK	M/S AMBER DEPARTMENT STORE	July 2017	March 2018	22-02-2021	0.35	0.00	-0.52	0.00	0.00
20.	13AAACH8755L1ZB	HDFC LIFE INSURANCE COMPANY LIMITED	April 2018	March 2019	22-02-2021	0.47	0.00	0.42	0.00	0.42
21.	13AAACH8755L1ZB	HDFC LIFE INSURANCE COMPANY LIMITED	July 2017	March 2018	22-02-2021	0.09	0.00	0.65	0.00	0.65
22.	13AAACM4754E1ZU	METRO BRANDS LIMITED	April 2018	March 2019	22-02-2021	1.11	0.00	1.12	0.00	1.12
23.	13AAACS3372A2ZZ	SURYA ENERTECH DEVELOPERS PVT LTD	April 2018	March 2019	22-02-2021	0.00	0.00	40.30	0.00	40.30
24.	13AAFFC0069E1Z1	M/S C.K .TIMES	April 2018	March 2019	22-02-2021	0.50	0.01	0.50	0.01	0.51
25.	13AAKPZ9246R1ZK	M/S AMBER DEPARTMENT STORE	April 2018	March 2019	22-02-2021	0.53	0.00	0.41	0.00	0.41
26.	13AAMFG0099H2ZD	M/s GEN MACHINES	April 2018	March 2019	22-02-2021	0.94	15.89	0.19	0.00	0.19
27.	13AAMFG0099H2ZD	M/s GEN MACHINES	July 2017	March 2018	22-02-2021	0.19	0.00	0.02	0.00	0.02
28.	13ABXPA5416E1ZX	M/S SHRIRAM MOTORS	April 2018	March 2019	22-02-2021	0.81	0.00	0.81	0.00	0.81
29.	13ACGPD4223N1ZV	M/S BEE-HIVE BAKERY.	April 2018	March 2019	22-02-2021	4.35	0.00	2.70	0.00	2.70
30.	13ACKPL9445Q1ZV	M/S. THE MORUNG EXPRESS	April 2018	March 2019	22-02-2021	1.21	0.00	1.06	0.00	1.06
31.	13ACSPB0787F1ZP	M/S NAGALAND ELECTRICAL STORE	April 2018	March 2019	22-02-2021	10.63	0.00	10.63	0.00	10.63
32.	13ACVPA0397F1ZP	M/S WOMENS TREND	July 2017	March 2018	22-02-2021	0.24	0.00	0.52	0.00	0.52
33.	13ADIPY4041N1Z6	M/S MARUTI SHOPPE	April 2018	March 2019	22-02-2021	0.14	0.00	0.14	0.00	0.14
34.	13ADVFB7388Q1ZM	M/S MOON STORE	July 2017	March 2018	22-02-2021	0.00	1.69	0.00	0.00	0.00
35.	13AERPJ9999J1ZH	M/S IN TOUCH	April 2018	March 2019	22-02-2021	0.73	0.00	0.73	0.00	0.73
36.	13AERPJ9999J1ZH	M/S IN TOUCH	July 2017	March 2018	22-02-2021	0.87	0.00	0.87	0.00	0.87
37.	13AFSPD8351G1ZF	M/S. STAR ELECTRICAL	April 2018	March 2019	22-02-2021	1.95	0.98	1.95	0.00	1.95
38.	13AFSPD8351G1ZF	M/S. STAR ELECTRICAL	July 2017	March 2018	22-02-2021	1.95	0.98	0.00	0.00	0.00
39.	13AFWPN4248J1ZY	M/S NOBLE PHARMACEUTICALS	April 2018	March 2019	22-02-2021	0.00	19.16	0.00	0.00	0.00
40.	13AFWPN4248J1ZY	M/S NOBLE PHARMACEUTICALS	July 2017	March 2018	22-02-2021	0.00	8.10	0.00	0.00	0.00
41.	13AGCPC9291R1ZY	NAGALAND PAGE	April 2018	March 2019	22-02-2021	0.24	1.90	0.24	0.00	0.24
42.	13AGCPC9291R1ZY	NAGALAND PAGE	July 2017	March 2018	22-02-2021	0.29	0.00	0.29	0.00	0.29
43.	13AHBPL9718L1Z4	M/S RIVEN MOTORS	April 2018	March 2019	22-02-2021	0.43	0.00	0.43	0.00	0.43
44.	13AIBPS4607G1ZJ	M/S PRATIVA ENTERPRISE	April 2018	March 2019	22-02-2021	0.00	0.63	0.00	0.00	0.00
45.	13AIBPS4607G1ZJ	M/S PRATIVA ENTERPRISE	July 2017	March 2018	22-02-2021	1.51	7.94	0.35	0.00	0.35
46.	13AIQPA9841B1ZI	M/S NANDINI HARDWARE	April 2018	March 2019	22-02-2021	3.83	0.32	0.36	0.00	0.36
47.	13AIQPA9841B1ZI	M/S NANDINI HARDWARE	July 2017	March 2018	22-02-2021	11.99	0.00	11.99	0.00	11.99
48.	13AIZPH4733L1ZS	M/S Central Medical	April 2018	March 2019	22-02-2021	0.51	0.00	0.40	0.00	0.40

Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Tax period (From) Month, Year	Tax period (To) Month, Year	Date of ASMT-10	Amount demanded under ASMT-10		Discrepancy of ITC for the relevant financial year		Amount Due
						Excess ITC	Mismatch between GSTR1-GSTR3B	Scrutiny of Excess ITC	Scrutiny of R1 & R3B	
49.	13AJQPA9135P1ZS	M/S THE TREND BLOCK	April 2018	March 2019	22-02-2021	6.48	0.00	6.48	0.00	6.48
50.	13AJQPA9135P1ZS	M/S THE TREND BLOCK	July 2017	March 2018	22-02-2021	1.27	0.00	1.27	0.00	1.27
51.	13AKGPC8070J2Z9	M/S FERN	April 2018	March 2019	22-02-2021	0.31	1.61	0.45	0.00	0.45
52.	13AKGPC8070J2Z9	M/S FERN	July 2017	March 2018	22-02-2021	0.27	0.00	0.27	0.00	0.27
53.	13BISPS3884B1ZY	M/S. AUTO FRIENDS	April 2018	March 2019	22-02-2021	0.00	0.03	0.00	0.00	0.00
54.	13BISPS3884B1ZY	M/S. AUTO FRIENDS	July 2017	March 2018	22-02-2021	0.33	0.52	0.33	0.00	0.33
55.	13BPIPK7846E1ZU	M/S N K PAINT	July 2017	March 2018	22-02-2021	0.95	5.44	0.95	0.00	0.95
56.	13AAACO0256B1Z9	M/S ORIFLAME INDIA PVT. LTD	June 2020	September 2020	31-03-2021	29.64	0.00	4.96	0.00	4.96
57.	13AABCR1718E1ZY	M/S RELIANCE RETAIL LIMITED	July 2020	September 2020	31-03-2021	16.11	0.00	25.22	0.00	25.22
58.	13ABVPY4392B1Z8	M/S RE-INVENTED MANUFACTURERS & DISTRIBUTORS	July 2020	September 2020	31-03-2021	45.30	0.00	28.62	0.00	28.62
59.	13AGBPL7978F1Z9	M/S GLOBAL TRANSPORT CO	July 2020	September 2020	31-03-2021	2.07	0.00	4.71	0.00	4.71
60.	13AHDPS9966M1ZJ	M/S PRITHVI TRADING	July 2020	September 2020	31-03-2021	0.06	0.00	8.93	0.00	8.93
Total						148.29	65.19	159.30	0.01	159.31

Source: Departmental records

Appendix 5.2.3C: Dimapur Ward B

(₹ in lakh)

Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Tax period (From) Month, Year	Tax period (To) Month, Year	Date of ASMT-10	Amount demanded under ASMT-10		Discrepancy of ITC & liability for the relevant financial year		Amount Due
						Excess ITC	Mismatch between GSTR1-GSTR3B	Scrutiny of Excess ITC	Scrutiny of R1 & R3B	
1.	13AACFA9372K1ZD	M/S ANITA DRUG HOUSE	April 2018	March 2019	20-02-2021	0.37	1.96	-14.66	0.00	-14.66
2.	13ADCPM5171H2ZR	M/S MANDIA TRADE & AGENCY	April 2018	March 2019	08-03-2021	256.74	1.59	-9.10	0.00	-9.10
3.	13AHEPV0979Q1ZK	AGENCY HOUSE	July 2020	September 2020	26-03-2021	45.53	0.00	-2.02	0.00	-2.02
4.	13AISPB5429Q1ZS	M/S ACER POINT	April 2018	March 2019	20-02-2021	-1.55	0.00	-1.55	0.00	-1.55
5.	13AJCPS4459C1ZE	M/S GHARSIRAM RAMKUMAR & CO.	April 2018	March 2019	23-02-2021	0.00	0.00	-0.16	0.00	-0.16
6.	13BLVPG8340L1ZN	M/S AMIT PAN SHOP	April 2018	March 2019	20-02-2021	1.00	0.00	-0.98	0.00	-0.98
7.	13BUZPA2749A1ZT	M/S ELECTRO WORLD	July 2020	September 2020	26-03-2021	5.69	0.00	-2.41	0.00	-2.41
8.	13AABFD2309N1ZQ	M/S DEEPAK MEDICAL STORE	July 2017	March 2018	22-02-2021	1.48	-0.52	1.20	0.00	1.20
9.	13AAJPZ1719Q2Z0	M/S K.LIFELINE SURGICAL AND DRUG DISTRIBUTOR	July 2017	March 2018	08-03-2021	0.96	7.28	0.94	0.00	0.94

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Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Tax period (From) Month, Year	Tax period (To) Month, Year	Date of ASMT-10	Amount demanded under ASMT-10		Discrepancy of ITC & liability for the relevant financial year		Amount Due
						Excess ITC	Mismatch between GSTR1-GSTR3B	Scrutiny of Excess ITC	Scrutiny of R1 & R3B	
10.	13AALPI5952N1ZB	M/S UNIVERSAL SYSTEMS & APPLIANCES	July 2017	March 2018	14-12-2020	0.03	0.00	0.03	0.00	0.03
11.	13AANFD7176R1ZN	M/S DIMAPUR TRADERS	April 2018	March 2019	23-02-2021	1.86	0.06	2.24	0.00	2.24
12.	13AAPPO1408H1ZV	M/S MERIDIAN MEDICINE	April 2018	March 2019	24-02-2021	0.76	0.37	0.92	0.00	0.92
13.	13ABDPN1066H1Z0	M/S SHREE SURESH MEDICAL STORE	July 2020	September 2020	26-03-2021	1.15	0.00	2.04	0.00	2.04
14.	13ABHPY9373J3ZW	M/S GURAS SYSTEM	July 2017	March 2018	20-02-2021	2.55	0.02	2.55	0.00	2.55
15.	13ABVPA3307N1ZM	M/S HAROON GARMENTS	July 2017	March 2018	20-02-2021	4.35	3.90	4.44	0.00	4.44
16.	13ACAPJ9656P1Z4	M/S M.P. TEXTILE	July 2017	March 2018	14-12-2020	2.07	6.28	2.07	0.00	2.07
17.	13ACLPB0655P1ZK	M/S GREEN ENTERPRISES	July 2017	March 2018	08-03-2021	1.21	0.00	1.66	0.00	1.66
18.	13ACYPN3851E1ZE	M/S AUTO SPARES	July 2020	September 2020	26-03-2021	2.62	0.00	146.74	0.00	146.74
19.	13ADEPY4637L1Z4	M/S CENTURY PHARMA	July 2017	March 2018	22-02-2021	0.37	2.34	0.37	0.00	0.37
20.	13ADSPK6060B1ZS	M/S AARAV ENTERPRISES.	July 2017	March 2018	20-02-2021	5.66	0.00	5.66	0.00	5.66
21.	13AGFPJ5950R1ZY	M/S MEMSAAB. MURGI PATTY DIMAPUR.	April 2018	March 2019	23-02-2021	0.22	0.00	0.04	0.00	0.04
22.	13AIGPA5175J1ZG	M/S MOBILE STAR	April 2018	March 2019	20-02-2021	1.47	1.32	1.47	0.00	1.47
23.	13AINPB2687H5Z6	M/s INNOVATION	July 2017	March 2018	08-03-2021	8.32	0.00	8.32	0.00	8.32
24.	13AINPB2687H5Z6	M/s INNOVATION	April 2018	March 2019	08-03-2021	4.27	0.00	4.27	0.00	4.27
25.	13AISPB5429Q1ZS	M/S ACER POINT	July 2017	March 2018	20-02-2021	4.12	6.45	4.12	0.00	4.12
26.	13ALIPK8214H1Z9	M/S CENTRAL HARDWARE	July 2017	March 2018	20-02-2021	0.25	-0.61	0.25	0.00	0.25
27.	13AMBPS5280M1ZR	M/S COMPUTER GENESIS	April 2018	March 2019	20-02-2021	0.85	0.00	0.85	0.00	0.85
28.	13AOJPJ2767G1ZZ	M/S B.J. ELECTRICALS	April 2018	March 2019	22-02-2021	0.76	0.00	0.76	0.00	0.76
29.	13ARBPM4644E1Z6	M/S LIVE SOUND	July 2017	March 2018	23-02-2021	0.15	0.00	0.15	0.00	0.15
30.	13BBCPD1485Q1ZK	M/S K.D.SUPPLIERS	July 2017	March 2018	24-02-2021	0.13	0.00	0.13	0.00	0.13
31.	13BDSPC6526K1ZD	M/S FOOTSTEP	April 2018	March 2019	22-02-2021	0.11	0.00	0.11	0.00	0.11
32.	13BEVPA0615P1ZE	M/S CANDID CORNER	April 2018	March 2019	22-02-2021	0.53	0.00	0.52	0.00	0.52
33.	13BKIPA9134N2Z1	M/S JEMTI AO	July 2020	September 2020	26-03-2021	17.18	0.00	55.83	0.00	55.83
34.	13DHXPM2555M1ZN	M/S ADVANCED GIIT COMPUTER STORE	April 2018	March 2019	20-02-2021	0.96	0.00	0.96	0.00	0.96
Total						372.16	30.45	248.63	0.00	248.63

Source: Departmental records

Appendix 5.2.3D: Dimapur Ward E

(₹ in lakh)

Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Date of ASMT-10	Tax period (From) Month, Year	Tax period (To) Month, Year	Amount demanded			Discrepancy for the relevant financial year (2018-19)			Amount deposited	Amount Due
						ITC Excess claim 3B- 2A	GSTR1- GSTR3B	Interest/ Cess /Tax	Scrutiny of ITC excess	Scrutiny of R1 & R3B	Scrutiny of Interest / Cess/ Tax		
1.	13AHFPG8854N1ZY	M/S NAGALAND MACHINERY STORES	31-03-2021	July 2020	September 2020	9.54	0.00	0.00	22.14			5.00	17.14
2.	13APTPJ3334C2Z5	M/S SHAKTI STEEL	31-03-2021	July 2020	September 2020	8.13	0.00	0.00	7.08			0.00	7.08
3.	13AACCM3317R1ZC	M/S ABCI INFRASTRUCTURE PVT. LTD.	31-03-2021	July 2020	September 2020	4.19	0.00	0.00	8.38			0.00	8.38
4.	13AAECS0765R1ZY	SIMPLEX INFRASTRUCTURES LIMITED	31-03-2021	July 2020	September 2020	3.08	0.00	0.00	58.97			0.00	58.97
5.	13AAFCS9298G1ZY	M/S SOLAR TIMBER (P) LTD.	22-02-2021	July 2017	March 2018	0.64	0.00	0.00	0.64			0.00	0.64
6.	13AAFCS9298G1ZY	M/S SOLAR TIMBER (P) LTD.	23-02-2021	April 2018	March 2019	2.43	0.00	0.00	2.08			0.00	2.08
7.	13BNHPB3123N1ZB	M/S NEW NAGALAND MARBLE AND GRANITE	22-02-2021	July 2017	March 2018	0.71	0.00	0.00	0.71			0.00	0.71
8.	13BKQPA6987B2Z3	ELMER AGRO MACHINERIES	22-02-2021	July 2017	March 2018	0.71	0.00	0.00	0.71			0.00	0.71
9.	13BKQPA6987B2Z4	ELMER AGRO MACHINERIES	23-02-2021	July 2017	March 2018	0.56	0.00	0.00	0.56			0.00	0.56
10.	13BEZPK3382M2ZR	H K ENTERPRISES	22-02-2021	July 2017	March 2018	1.79	0.00	0.00	0.71			0.00	0.71
11.	13BEZPK3382M2ZR	H K ENTERPRISES	23-02-2021	July 2017	March 2018	1.68	0.00	0.00	0.56			0.00	0.56
12.	13AXFPP4620F2ZS	M/S CHUMU ENTERPRISES	22-02-2021	July 2017	March 2018	3.83	0.00	0.00	3.83			0.00	3.83
13.	13AVKPB9886G1ZA	HOME DECOR	31-03-2021	July 2020	September 2020	4.64	0.00	0.00	4.48			0.00	4.48
14.	13ATIPD5206G1Z8	FRIENDS WATCH HOUSE	22-02-2021	July 2017	March 2018	4.17	0.00	0.00	3.71			0.00	3.71
15.	13ASVPA9892R1ZL	M/S KUMAWAT ENTERPRISES	22-02-2021	July 2017	March 2018	2.95	0.00	0.00	2.95			0.00	2.95
16.	13ASVPA9892R1ZL	M/S KUMAWAT ENTERPRISES	22-02-2021	April 2018	March 2019	1.72	0.00	0.00	1.72			0.00	1.72
17.	13ASUPS3959E1Z7	M/S M.I. INDUSTRIES	22-02-2021	July 2017	March 2018	6.62	0.00	0.00	6.62			0.00	6.62
18.	13AQRPC4417C1ZB	M/S. JAI JAGDAMBA HARDWARE STORE	22-02-2021	July 2017	March 2018	0.60	0.00	0.00	0.60			0.00	0.60

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Sl. No.	GSTIN/ Temp ID/ UIN	Trade /Legal name	Date of ASMT-10	Tax period (From) Month, Year	Tax period (To) Month, Year	Amount demanded			Discrepancy for the relevant financial year (2018-19)			Amount deposited	Amount Due
						ITC Excess claim 3B- 2A	GSTR1-GSTR3B	Interest/ Cess /Tax	Scrutiny of ITC excess	Scrutiny of R1 & R3B	Scrutiny of Interest / Cess/ Tax		
19.	13AQRPC4417C1ZB	M/S. JAI JAGDAMBA HARDWARE STORE	22-02-2021	April 2018	March 2019	0.40	0.00	0.00	0.40			0.00	0.40
20.	13ANMPA4902A3ZS	M/S ESSEL ENTERPRISES	22-02-2021	July 2017	March 2018	2.63	0.00	0.00	2.63			0.00	2.63
21.	13ANMPA4902A3ZS	M/S ESSEL ENTERPRISES	22-02-2021	April 2018	March 2019	12.14	0.00	0.00	7.78			0.00	7.78
22.	13AJHPT6913B1ZF	ENSIGN CONSTRUCTIONS	22-02-2021	July 2017	March 2018	9.96	0.00	0.00	9.96			0.00	9.96
23.	13AJEPN8060A3ZM	M/S ANGAMI PLYWOODS	22-02-2021	July 2017	March 2018	5.79	0.00	0.00	5.79			0.00	5.79
24.	13AGZPP6784D1ZR	A PONGSHI PHOM	31-03-2021	July 2020	September 2020	61.04	0.00	0.00	14.20			0.00	14.20
25.	13AFSPN0145C2ZS	M/S NIENU ENTERPRISE	22-02-2021	July 2017	March 2018	2.10	0.00	0.00	4.56			0.00	4.56
26.	13ABUPA6964C2ZO	M/S DIMAPUR DIESELS	15-01-2020	September 2019	September 2019	0.00	10.89	0.00	0.00	10.89		0.00	10.89
27.	13AALFG7285L1ZW	M/S GREENFIELDS AGRO ENTERPRISE	22-02-2021	July 2017	March 2018	27.56	0.00	0.00	27.56			0.00	27.56
28.	13AALFG7285L1ZW	M/S GREENFIELDS AGRO ENTERPRISE	22-02-2021	April 2018	March 2019	58.20	0.07	0.00	58.20			0.00	58.20
29.	13AAFNC2700C1ZA	M/S NAAGAAMII INFRATECH PRIVATE LIMITED	22-02-2021	July 2017	March 2018	1.12	0.00	0.00	1.12			0.00	1.12
30.	13AACAR6483R1ZU	M/S RAMKY-ECIJV	25-02-2019	November 2017	November 2017	0.00	0.00	70.03	0.00		70.03	0.00	70.03
31.	13AABCV6922E1ZM	VARDEEP PETRO CHEMICAL PRIVATE LIMITED	22-02-2021	July 2017	March 2018	1.47	0.00	0.00	1.47			0.00	1.47
32.	13AAACR9627B1ZP	RAMKY INFRASTRUCTURE LTD	31-03-2021	July 2020	September 2020	3.44	0.00	0.00	17.96			0.00	17.96
33.	13AAACE4411G1ZC	M/S ECI ENGINEERING & CONSTRUCTION COMPANY LIMITED	22-02-2021	July 2017	March 2018	142.90	122.06	0.00	142.90			0.00	142.90
Total						386.74	133.02	70.03	420.98	10.89	70.03	5.00	496.90

Source: Departmental records

Appendix 5.2.4
Statement showing cancelled registrations with effect from dates prior to the application dates
(Reference: Paragraph 5.2.6.4(I))

Sl. No.	Lowest Unit	GSTIN/UIN	Trade Name	Date of Registration	Date of Filing Application	Date of Order REG 19	Date of Effect of Cancellation	Prior to application dates
1.	Dimapur Ward A	13AAAPM3894Q1Z7	M/S. V.J. AND ASSOCIATES	01-7-2017	08-1-2018	24-1-2018	31-12-2017	8
2.	Dimapur Ward A	13BNCPA2741N1ZB	M/S. J.A. TYRE SERVICE	18-9-2017	03-2-2018	06-2-2018	20-9-2017	136
3.	Dimapur Ward A	13AACCS4699E2Z9	M/S. SYNDICATE BANK	02-7-2017	06-2-2018	08-2-2018	02-7-2017	219
4.	Dimapur Ward A	13BKQPM7915K1ZN	M/S. PRABIN GROCERY	21-7-2017	10-2-2018	14-5-2018	01-11-2017	101
5.	Dimapur Ward A	13BZMPR5582A1ZA	M/S. MODERN AYURVEDIC STORE	01-7-2017	15-2-2018	16-2-2018	01-7-2017	229
6.	Dimapur Ward A	13AVZPD6015A1ZY	M/S. SANJIT DHAR	01-7-2017	10-4-2018	13-4-2018	31-3-2018	10
7.	Dimapur Ward A	13ADCPM4590L1ZE	M/S. NAMAN SALES	01-7-2017	12-4-2018	13-4-2018	01-4-2018	11
8.	Dimapur Ward A	13BMQPA2507M1Z5	M/S. CHURNI CLOTH STORE	28-11-2017	20-4-2018	23-4-2018	01-4-2018	19
9.	Dimapur Ward A	13AAKPO1822E1Z4	M/S. TOUCH DISTRIBUTORS	01-7-2017	05-5-2018	05-6-2018	01-4-2018	34
10.	Dimapur Ward A	13BHCPP6800P1Z5	M/S. J.T. ENTERPRISE	01-7-2017	28-6-2018	05-7-2018	01-4-2018	88
11.	Dimapur Ward A	13AAGFI0557G1ZP	M/S. RENTHUNGO LOTH	22-7-2017	03-7-2018	05-7-2018	03-7-2018	0
12.	Dimapur Ward A	13AMPPM9527P1Z7	M/S. EASTERN STAR ENTERPRISES	01-7-2017	01-8-2018	06-8-2018	31-7-2018	1
13.	Dimapur Ward A	13AYYP1565E1ZJ	M/S. SALONI AGENCY	22-8-2017	07-8-2018	10-8-2018	07-8-2018	0
14.	Dimapur Ward A	13ADCPM5149D1ZY	M/S. P.S. ENTERPRISES	29-7-2017	10-8-2018	10-8-2018	01-1-2018	221
15.	Dimapur Ward A	13AFIPA8044H1ZS	M/S MAHESH AGARWAL	01-7-2017	12-9-2018	18-9-2018	11-9-2018	1
16.	Dimapur Ward A	13CRSPS4023G1ZO	M/S. SIGN ARTS	03-5-2018	01-10-2018	12-11-2018	30-9-2018	1
17.	Dimapur Ward A	13AAECN7759E3ZC	M/S. NATIONAL HIGHWAYS & INFRASTRUCT	08-9-2017	10-10-2018	12-11-2018	01-9-2018	39
18.	Dimapur Ward A	13AJWPA5824D5ZB	M/S. NAGALAND STEEL	01-7-2017	02-11-2018	05-11-2018	01-10-2018	32
19.	Dimapur Ward A	13AAZFM9422H1ZU	M/S. MAYASHEEL RETAIL LLP	01-7-2017	05-11-2018	12-11-2018	01-8-2018	96
20.	Dimapur Ward A	13AAATY1917C1ZW	M/S. YAHUYA WELFARE SOCIETY	01-7-2017	06-11-2018	04-12-2018	01-9-2018	66
21.	Dimapur Ward A	13BCVPD8625C1ZO	M/S. NATIONAL PRINTERS	01-1-2018	24-11-2018	28-1-2019	01-1-2018	327
22.	Dimapur Ward A	13AAFHV3640C1ZJ	M/S. VIKASH PODDAR AND SONS	04-6-2018	04-12-2018	28-1-2019	04-6-2018	183
23.	Dimapur Ward A	13AAKPE7580K1ZI	M/S. ZYNC ENTERPRISES.	01-7-2017	15-12-2018	28-1-2019	15-12-2018	0
24.	Dimapur Ward A	13AAACA5282H1ZZ	M/S. AVON BEAUTY PRODUCTS INDIA	01-7-2017	19-12-2018	28-1-2019	22-7-2018	150
25.	Dimapur Ward A	13ATMPC7038D1ZI	M/S. B. P. ASSOCIATES	01-7-2017	20-12-2018	28-1-2019	28-11-2018	22
26.	Dimapur Ward A	13ACNPJ9091R1ZQ	M/S. FURNISHING HOUSE.	01-7-2017	18-1-2019	28-1-2019	31-12-2018	18
27.	Dimapur Ward A	13APYPP5115L1ZD	M/S. B.B. CAR ACCESSORIES	28-7-2017	02-2-2019	04-2-2019	01-1-2019	32
28.	Dimapur Ward A	13AFSPD8340R1ZV	M/S. KRISHNA ENGINEERING WORKS	16-7-2017	08-2-2019	22-3-2019	01-8-2017	556
29.	Dimapur Ward A	13AGLPM7270P1ZS	M/S. CHM ELECTRICAL CONSTRUCTION	06-2-2018	17-2-2019	04-4-2019	01-5-2018	292
30.	Dimapur Ward A	13AAJCS8168H1ZI	M/S. SHIVAMBOHNIMAN SOLUTIONS	16-10-2017	22-2-2019	22-3-2019	01-11-2018	113
31.	Dimapur Ward A	13AQFPS1079J1ZO	M/S. AVVINEET	01-7-2017	06-3-2019	22-3-2019	28-2-2019	6
32.	Dimapur Ward A	13AMAPB5540L2ZF	M/S. CHANDAN CLOTH STORE	28-3-2018	18-4-2019	08-5-2019	01-4-2019	17

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33.	Dimapur Ward A	13AIWPY2850Q1Z6	M/S. VETERINARY MEDICINE	21-9-2017	23-4-2019	08-5-2019	20-3-2019	34
34.	Dimapur Ward A	13AVLPS8834N1ZR	M/S. TOKHELI SUMI	01-7-2017	29-4-2019	08-5-2019	29-4-2019	0
35.	Dimapur Ward A	13AACCT4644A1ZW	M/S. TATA MOTORS FINANCE	01-7-2017	02-5-2019	08-5-2019	01-4-2019	31
36.	Dimapur Ward A	13AVMPN3691H1ZB	M/S. INKFINITY	29-3-2019	02-5-2019	08-5-2019	02-5-2019	0
37.	Dimapur Ward A	13AZHPT2499J1ZT	M/S. A H MEDICAL	21-9-2017	03-5-2019	08-5-2019	01-4-2019	32
38.	Dimapur Ward A	13BRFPB5308F1ZF	M/S. NAGALAND TYRES	11-5-2018	07-5-2019	08-5-2019	01-8-2018	279
39.	Dimapur Ward A	13BILPD3834K1ZB	M/S. S.G TRADERS	26-4-2019	22-8-2019	26-8-2019	22-8-2019	0
40.	Dimapur Ward A	13BFEPK3097P1Z1	M/S. KHOIRAM & SONS SHOP	26-7-2017	02-9-2019	02-9-2019	02-9-2019	0
41.	Dimapur Ward A	13EXNPS5524P1ZO	M/S. NAGALAND REAL ESTATE	03-8-2017	05-9-2019	09-9-2019	31-8-2019	5
42.	Dimapur Ward A	13BPKPS3302F1Z7	M/S. VETERINARY HEALTHCARE CENTRE	27-7-2017	09-9-2019	12-9-2019	30-6-2019	71
43.	Dimapur Ward A	13AALPU4490P1ZW	M/S. ASHIK BUILDERS	01-7-2017	04-10-2019	10-10-2019	04-10-2019	0
44.	Dimapur Ward A	13AULPK7621E1ZT	M/S. SKY ENTERTAINMENT	04-8-2019	07-10-2019	10-10-2019	10-9-2019	27
45.	Dimapur Ward A	13ALSPT1606Q1ZH	M/S. JANATA MEDICAL	19-11-2017	11-10-2019	15-10-2019	01-7-2019	102
46.	Dimapur Ward A	13AEPPW9776G1ZM	M/S. CHANDNI TYRE	21-8-2017	23-10-2019	28-10-2019	23-10-2019	0
47.	Dimapur Ward A	13AUQPG4001P1ZL	M/S. JUST IN 2 WORK	05-12-2018	04-11-2019	13-11-2019	04-11-2019	0
48.	Dimapur Ward A	13AADCM5410C1Z8	M/S. MEGHA TECHNICAL AND	01-7-2017	21-12-2019	08-1-2020	21-12-2019	0
49.	Dimapur Ward A	13AAGPZ6512L3ZB	M/S. I.Z. RESOURCES	05-6-2019	03-2-2020	04-2-2020	01-8-2019	186
50.	Dimapur Ward A	13AAGCR2797A1ZK	M/S. RELIANCE JIO MEDIA LIMITED	03-1-2019	06-2-2020	10-2-2020	05-2-2020	1
51.	Dimapur Ward A	13BKEPK2947P2ZS	M/S. ALOTO ENTERPRISES	30-11-2017	26-2-2020	12-3-2020	26-2-2020	0
52.	Dimapur Ward A	13AOHPT2258Q3ZA	M/S. T & M PROJECTS	26-2-2019	26-2-2020	12-3-2020	26-2-2020	0
53.	Dimapur Ward A	13AKUPC1939J1ZO	M/S. SWEET CENTRE	10-8-2017	13-3-2020	03-6-2020	13-3-2020	0
54.	Dimapur Ward A	13AADCB6134G1Z4	M/S. BAJORIA ENTERTAINMENT PRIVATE	05-7-2019	20-3-2020	03-6-2020	20-3-2020	0
55.	Dimapur Ward A	13BPQPD9044B1Z5	M/S. 2 STATES	15-8-2017	26-5-2020	03-6-2020	26-5-2020	0
56.	Dimapur Ward A	13EISPR2967H1ZM	M/S. U S TRADERS	25-9-2019	28-5-2020	29-5-2020	25-9-2019	246
57.	Dimapur Ward A	13CZRPS1578K1ZM	M/S. S.S XEROX	04-7-2019	30-6-2020	01-7-2020	30-6-2020	0
58.	Dimapur Ward A	13AKQPJ7371K1ZP	M/S. AMIT AUTO	01-9-2018	01-7-2020	10-7-2020	30-6-2020	1
59.	Dimapur Ward A	13CCBPP4579E1ZM	M/S. PAUL GROCERY SHOP	08-1-2019	11-7-2020	22-7-2020	11-7-2020	0
60.	Dimapur Ward A	13AAHCP1661Q1Z3	M/S. PIONEER TECHNO VENTURES	01-7-2017	30-7-2020	19-8-2020	30-7-2020	0
61.	Dimapur Ward A	13ARFPM5716R1ZC	M/S. ATHEO CHANTHUNGO MURRY	01-3-2018	30-9-2020	26-10-2020	30-9-2020	0
62.	Dimapur Ward A	13AMAPM9510H1ZC	M/S. PISTIS ENTERPRISES	03-12-2019	30-9-2020	26-10-2020	30-9-2020	0
63.	Dimapur Ward A	13AKGPC8070J1ZA	M/S. ALDER	01-7-2017	05-10-2020	27-11-2020	01-1-2020	278
64.	Dimapur Ward A	13AYYP1565E2ZI	M/S. SALONI AGENCY	10-11-2018	09-10-2020	26-10-2020	09-10-2020	0
65.	Dimapur Ward A	13AIBPS4729F1ZE	M/S. BOMBAY MOTORS STORE	01-7-2017	20-10-2020	25-11-2020	20-10-2020	0
66.	Dimapur Ward A	13AABCI1405K1Z2	M/S. OXIGEN SERVICES INDIA	21-9-2017	31-10-2020	11-11-2020	30-10-2020	1
67.	Dimapur Ward A	13CIFPD7322H1ZO	M/S. CAR WORLD	29-7-2017	06-11-2020	27-11-2020	01-4-2020	219
68.	Dimapur Ward A	13CLKPS3230D1ZF	M/S. N SANGTAM	03-8-2019	27-11-2020	27-11-2020	31-10-2019	393

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69.	Kohima Ward B	13ADKPN1392H1ZK	M/S. DUTH NATH GOVT. CONTRACTOR	01-7-2017	14-9-2018	14-9-2018	01-9-2018	13
70.	Kohima Ward B	13AFBPL0302E1ZH	M/S. SMART SHOP 108	01-7-2017	11-4-2018	11-4-2018	01-4-2018	10
71.	Kohima Ward B	13AILPT1721G1ZF	M/S. VILIETHIE COMPLEX SHOP NO. VC.	01-7-2017	20-4-2018	02-5-2018	01-4-2018	19
72.	Kohima Ward B	13ASCPC6519Q1ZM	M/S. VILIETHIE COMPLEX SHOP NO. V.	01-7-2017	31-1-2018	01-2-2018	01-1-2018	30
73.	Kohima Ward B	13AXCPC8141R1ZC	M/S. TIBETAN MARKET SHOP NO. A	01-7-2017	13-8-2018	16-8-2018	13-8-2018	0
74.	Kohima Ward B	13BBZPD3730K1ZH	M/S. VILIETHIE COMPLEX V.C. GR - 5	01-7-2017	31-1-2018	01-2-2018	01-1-2018	30
75.	Kohima Ward B	13BDDPB7293K1ZJ	M/S. JIGME SAMDUP ROOM A - 6	01-7-2017	20-4-2018	02-5-2018	01-4-2018	19
76.	Kohima Ward B	13BMKPM5245C1ZB	M/S. CENTRAL CAFE	01-7-2017	08-8-2018	20-8-2018	31-3-2018	130
77.	Kohima Ward B	13BTPPD3611K1ZU	M/S. REGAL HOTEL	01-7-2017	08-6-2018	19-6-2018	08-6-2018	0
78.	Kohima Ward B	13AATPU8784G1ZU	M/S. J.K. DRESSES	09-8-2017	28-3-2018	03-4-2018	01-3-2018	27
79.	Kohima Ward B	13EIKPS8082J1ZM	M/S. LOVE PHARMACY	11-8-2017	07-6-2018	19-6-2018	07-6-2018	0
80.	Kohima Ward B	13AZXPM8748F1ZP	M/S. K GROCERY SHOP	15-8-2017	09-10-2018	10-10-2018	09-10-2018	0
81.	Kohima Ward B	13AWSPM4912F1ZI	M/S. A.M. SHOP	26-9-2017	18-6-2018	21-6-2018	01-5-2018	48
82.	Kohima Ward B	13BCMPK8723K1ZA	M/S. Z.K. CONSULTANTS	05-10-2017	18-7-2018	19-7-2018	18-7-2018	0
83.	Kohima Ward B	13ABGPU3026P1ZD	M/S. KAMAL UDDIN	23-4-2018	09-10-2018	09-10-2018	09-10-2018	0
84.	Kohima Ward B	13CNTPB1841A1ZK	M/S. VILIETHIE COMPLEX SHOP 2B	01-7-2017	22-10-2018	27-11-2018	22-10-2018	0
85.	Kohima Ward B	13AEFPL7020Q1ZD	M/S. MUSIC PLAZA	01-7-2017	03-12-2018	11-12-2018	01-11-2018	32
86.	Kohima Ward B	13AJUPJ4308H1Z7	M/S. LENDA CONSTRUCTION	01-7-2017	06-12-2018	11-12-2018	01-10-2018	66
87.	Kohima Ward B	13BMHPM5659M1ZJ	M/S. KOHIMA CABLE NETWORKS	01-7-2017	30-12-2018	09-1-2019	31-3-2018	274
88.	Kohima Ward B	13BDZPA5432P1Z3	M/S. NEW COLLECTION	26-7-2017	18-12-2018	09-1-2019	01-5-2018	231
89.	Kohima Ward B	13ACZPL4636J1Z3	M/S. YANGCHAN LHAMO	01-7-2017	14-12-2018	10-1-2019	14-12-2018	0
90.	Kohima Ward B	13AQJPT3426A1Z7	M/S. TETSEO ENGINEERING & CO.	01-7-2017	31-1-2019	31-1-2019	31-1-2019	0
91.	Kohima Ward B	13AJTPA5565C1ZE	M/S. NAJ MOBILE SHOP NO A-42	23-8-2017	22-2-2019	27-2-2019	22-2-2019	0
92.	Kohima Ward B	13CSBPP1626A1ZF	M/S. REV MOME PRASAD	01-11-2017	05-3-2019	06-3-2019	05-3-2019	0
93.	Kohima Ward B	13BMUPB3806J1Z2	M/S. SHOP NO.VC-GR-6	01-7-2017	12-3-2019	12-3-2019	12-3-2019	0
94.	Kohima Ward B	13AKCPR0461J1ZC	M/S. KHOZOTO ENTERPRISES	01-7-2017	19-4-2019	29-4-2019	01-8-2017	626
95.	Kohima Ward B	13BHTPC0620D1Z0	M/S. LIVE ACTIVE CLUB	05-10-2017	24-5-2019	03-6-2019	05-10-2017	596
96.	Kohima Ward B	13ANLPT1309H1Z3	M/S. VILIETHIE COMPLEX SHOP NO. V.	01-7-2017	06-8-2019	14-8-2019	06-8-2019	0
97.	Kohima Ward B	13ABAPY4949D1ZM	M/S. YADAV GROCERY STORE	01-7-2017	22-8-2019	23-8-2019	01-8-2019	21
98.	Kohima Ward B	13AJAPV8022G1ZE	M/S. ATHONUO CHEMIST	01-8-2017	23-8-2019	23-8-2019	01-8-2019	22
99.	Kohima Ward B	13CPRPP1623L1ZL	M/S. LINK ENTERPRISES	01-7-2017	06-9-2019	17-9-2019	01-4-2018	523
100.	Kohima Ward B	13BFQPB8172L1Z4	M/S. TOPAZ PLAZA MARKET	01-7-2017	20-9-2019	26-9-2019	01-9-2019	19
101.	Kohima Ward B	13ACGPO8191C1ZO	M/S. SPICES RESOURCE FARM	29-1-2019	01-10-2019	03-10-2019	01-10-2019	0
102.	Kohima Ward B	13AMOPN2988E2ZQ	M/S. K. NAKHRO & SONS	01-7-2017	27-11-2019	29-11-2019	01-10-2018	422
103.	Kohima Ward B	13BAUPT4107L1Z9	M/S. SECOND HAND	01-6-2018	31-1-2020	05-2-2020	31-1-2020	0
104.	Kohima Ward B	13AYCPN2464R1Z1	M/S. PEMA IMPORT	01-7-2017	04-2-2020	10-2-2020	01-1-2020	34

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105.	Kohima Ward B	13DZRPM6507B1ZF	M/S. O.K. TEXTILE	28-9-2017	05-2-2020	12-2-2020	05-2-2020	0
106.	Kohima Ward B	13AFNPI1926H1ZM	M/S. NAHMAZ SHOE PARK	15-8-2017	20-2-2020	21-2-2020	20-2-2020	0
107.	Kohima Ward B	13BTYPK9480Q2ZE	M/S. GLOBAL ENTERPRISE	03-4-2018	20-2-2020	21-2-2020	20-2-2020	0
108.	Kohima Ward B	13KTCPS1324C1Z2	M/S. BEAUTICIAN	16-9-2019	02-3-2020	03-3-2020	02-3-2020	0
109.	Kohima Ward B	13ALFPC9775J1ZV	M/S. MODERN STRESS BUSTER	30-8-2019	11-3-2020	12-3-2020	11-3-2020	0
110.	Kohima Ward B	13ELHPK7177L1ZL	M/S. R.K.M. COSMETICS SHOP	21-4-2018	14-3-2020	16-3-2020	14-3-2020	0
111.	Kohima Ward B	13AOUPJ2050D1ZA	M/S. VARIETIES CENTRE	07-9-2017	18-3-2020	19-3-2020	01-3-2020	17
112.	Kohima Ward B	13AAJPO0307P2ZN	M/S. TRIBAL RETAILS	01-7-2017	19-5-2020	21-5-2020	31-3-2020	49
113.	Kohima Ward B	13AYRPN6660J2ZV	M/S. LTK ENTERPRISE	09-8-2019	15-6-2020	20-6-2020	01-6-2020	14
114.	Kohima Ward B	13DKCPB6618C1ZT	M/S. MUSIC PLANET	02-8-2018	22-6-2020	22-6-2020	22-6-2020	0
115.	Kohima Ward B	13DJGPS3830E1ZE	M/S. FANCY STORE	04-1-2018	06-7-2020	08-7-2020	01-7-2020	5
116.	Kohima Ward B	13AKOPT9303R2ZA	M/S. VILIEHIE COMPLEX SHOP NO. VC	01-7-2017	10-7-2020	11-7-2020	01-7-2020	9
117.	Kohima Ward B	13AGIPA8193L1Z7	M/S. M. ENTERPRISES	24-8-2017	11-7-2020	24-7-2020	01-7-2020	10
118.	Kohima Ward B	13AZXPR7562A2ZZ	M/S. MEDOLHOULIE RIO & CO.	07-5-2018	12-10-2020	17-10-2020	12-10-2020	0
119.	Kohima Ward B	13FYQPS3533F2Z5	M/S. KIMI STORE XL	05-10-2020	12-11-2020	14-11-2020	12-11-2020	0
120.	Kohima Ward B	13AOBPT7003H3Z6	M/S. BUILT TECH	05-6-2018	25-11-2020	28-11-2020	01-11-2020	24
121.	Kohima Ward B	13AUZPV4594M1ZD	M/S. SPARK AUTOMATION	01-7-2017	25-11-2020	15-12-2020	01-11-2020	24
122.	Kohima Ward B	13ACJP19289C1ZI	M/S. LHITHO KI	22-6-2018	07-12-2020	15-12-2020	07-12-2020	0
123.	Kohima Ward B	13ANQPK3649E2ZX	M/S. WINDSOR IMPEX (KOHIMA)	01-7-2017	22-12-2020	02-1-2021	22-12-2020	0
124.	Kohima Ward B	13ALGPT5564R1ZA	M/S. HILLRUSH	09-10-2018	28-12-2020	09-1-2021	28-12-2020	0
125.	Kohima Ward B	13EEDPS3008M1ZG	M/S. R.K. ELECTRONICS	19-9-2020	19-12-2020	09-1-2021	19-10-2020	61
126.	Kohima Ward B	13ACBPO2982N1ZB	M/S. FOOD SPACE	02-11-2017	13-1-2021	14-1-2021	31-12-2020	13
127.	Kohima Ward B	13HDWPK9691H2ZL	M/S. MHAKI ENTERPRISE	13-9-2018	13-1-2021	14-1-2021	08-10-2020	97
128.	Kohima Ward B	13AREPY0428P1ZE	M/S. CKY GROCERY SHOP	29-7-2020	21-1-2021	22-1-2021	21-1-2021	0
129.	Kohima Ward B	13BBJPC8322G1Z1	M/S. K.C.STORE	01-7-2017	22-1-2021	03-2-2021	22-1-2021	0
130.	Kohima Ward B	13CNLPK3294E1Z0	M/S. V.K. KENGURUSE	01-7-2017	10-2-2021	11-2-2021	10-2-2021	0
131.	Kohima Ward B	13AKNPT1991J1ZM	M/S. ROSY THOMSON	01-11-2017	03-2-2021	11-2-2021	03-2-2021	0
132.	Kohima Ward B	13FRYPM2726P1ZW	M/S. VIRA'S VARIETY STORE	17-10-2019	13-2-2021	01-3-2021	21-10-2019	481
133.	Dimapur Ward B	13ABYPJ1558P2ZW	M/S. MEENU COLLECTION	22-8-2017	11-1-2018	12-3-2018	22-8-2017	142
134.	Dimapur Ward B	13ABTPD7649C1ZN	M/S. R.K SOCIETY MEDICAL	07-9-2017	16-2-2018	07-3-2018	01-1-2018	46
135.	Dimapur Ward B	13HAUPS0735R1ZQ	M/S. SAHAJ MOTOR	28-11-2017	05-5-2018	19-9-2018	31-3-2018	35
136.	Dimapur Ward B	13BWKPA5650D1Z0	M/S. JACOB Y ACHUMI ENTERPRISE	14-6-2018	08-11-2018	12-11-2018	08-11-2018	0
137.	Dimapur Ward B	13DYEPS9473J1ZS	M/S. ANSH KUMAR COSMETICS	31-8-2017	16-4-2018	21-1-2019	01-4-2018	15
138.	Dimapur Ward B	13AGLPH0905Q1ZB	M/S. FASHION WEARS	11-5-2018	10-10-2018	19-3-2019	30-9-2018	10
139.	Dimapur Ward B	13BIAPS5015A1ZZ	M/S. KHANDELWAL ENTERPRISES	26-7-2017	05-4-2018	17-5-2019	01-4-2018	4
140.	Dimapur Ward B	13ABYPJ1558P1ZX	M/S. MEENU COLLECTION	01-7-2017	20-4-2019	27-5-2019	20-4-2019	0

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141.	Dimapur Ward B	13BFDPS0542G1ZT	M/S. VIPE ENTERPRISES	01-7-2017	25-4-2018	03-9-2019	25-4-2018	0
142.	Dimapur Ward B	13ACLP03951H1ZD	M/S. LUCKY CLOTH STORE	13-2-2018	13-10-2018	01-10-2019	30-9-2018	13
143.	Dimapur Ward B	13ABZPA6262E1ZP	M/S. XCLUSIVE	17-8-2017	03-10-2018	17-10-2019	30-9-2018	3
144.	Dimapur Ward B	13ABHPY9373J1ZY	M/S. BIVASH ENTERPRISES	01-7-2017	13-3-2019	25-10-2019	01-4-2018	346
145.	Dimapur Ward B	13AAF0G5169A1Z0	M/S. GURAS MARKETING PRIVATE	01-7-2017	30-9-2019	30-10-2019	30-9-2019	0
146.	Dimapur Ward B	13AHSPP9939H1ZI	M/S. PAPER EMPORIUM	01-7-2017	26-5-2018	01-11-2019	01-3-2018	86
147.	Dimapur Ward B	13BNYPJ4102Q1ZJ	M/S. KILEMSANGLA JAMIR	26-9-2019	22-11-2019	06-1-2020	22-11-2019	0
148.	Dimapur Ward B	13AUDPJ8785C1ZN	M/S. PUSHPANJALI ENTERPRISES	01-7-2017	20-7-2019	07-1-2020	31-3-2019	111
149.	Dimapur Ward B	13AACFH9289G1Z7	M/S. HINDUSTAN TRADE AND AGENCY	01-7-2017	31-3-2019	13-1-2020	31-3-2019	0
150.	Dimapur Ward B	13AAKFP5042M1Z3	M/S. PAPER DOVE INTERNATION	01-7-2017	17-5-2018	23-1-2020	31-3-2018	47
151.	Dimapur Ward B	13ADLPJ6810B1Z2	M/S. GIFT GALORE	01-7-2017	02-10-2018	24-1-2020	02-10-2018	0
152.	Dimapur Ward B	13AMDPC4227A1Z1	M/S. NEW FASHION	15-8-2017	09-7-2019	31-1-2020	09-7-2019	0
153.	Dimapur Ward B	13BLJPP7058Q1ZB	M/S. POPULAR PRINTING PRESS	23-9-2017	02-9-2019	31-1-2020	01-12-2018	275
154.	Dimapur Ward B	13AAACG1846P1ZI	M/S. GANNON DUNKERLEY & COMPANY	01-7-2017	19-2-2019	06-2-2020	19-2-2019	0
155.	Dimapur Ward B	13ABIPZ9812A1ZN	M/S. RAJASTHALI TRADE	07-9-2018	19-7-2019	13-2-2020	01-7-2019	18
156.	Dimapur Ward B	13ASBPK7283N1ZE	M/S. RAKESH FANCY STORE	24-7-2017	10-4-2019	24-2-2020	30-3-2019	11
157.	Dimapur Ward B	13AUKPA3028J1Z0	M/S. NEW FASHION	11-8-2017	16-9-2019	25-2-2020	01-9-2019	15
158.	Dimapur Ward B	13AJEPL3578P2ZP	M/S. SHALOM ENT CLINIC	13-2-2018	30-3-2019	25-2-2020	28-2-2019	30
159.	Dimapur Ward B	13ALZPG3167E1Z0	M/S. SATENDER GUPTA	01-7-2017	24-6-2018	16-3-2020	01-7-2017	358
160.	Dimapur Ward B	13CUSPA3663B1ZY	M/S. ALO BEAUTY PARLOUR	14-6-2018	04-7-2018	16-3-2020	04-7-2018	0
161.	Dimapur Ward B	13AABCN7953M1Z4	M/S. EMAMI BIOTECH LTD.	01-7-2017	16-5-2018	17-3-2020	01-4-2018	45
162.	Dimapur Ward B	13AAMPI9983N1ZV	M/S. MEREN IMCHEN	01-8-2017	27-11-2018	17-3-2020	25-8-2017	459
163.	Dimapur Ward B	13AABCD5823E1Z6	M/S. DRIVE INDIA ENTERPRISE	01-7-2017	28-3-2019	18-3-2020	28-3-2019	0
164.	Dimapur Ward B	13AVLPS8835P1ZM	M/S. TOVIT SEMA.	01-7-2017	22-2-2019	18-3-2020	01-2-2019	21
165.	Dimapur Ward B	13BEIPP1974D1ZL	M/S. OM SAI RAM CELL POINT	01-7-2017	27-4-2018	18-3-2020	31-3-2018	27
166.	Dimapur Ward B	13ABHPY9373J2ZX	M/S. MARUTI ENTERPRISES.	01-7-2017	07-9-2018	18-3-2020	07-9-2018	0
167.	Dimapur Ward B	13AAYCS7539P1Z8	M/S. SPOT GROWTH BUSINESS	15-7-2017	13-11-2018	18-3-2020	13-11-2018	0
168.	Dimapur Ward B	13ABTPA8568M1Z1	M/S. M/S.HOMEO CONSULTED	26-7-2017	26-4-2019	18-3-2020	26-2-2018	424
169.	Dimapur Ward B	13ACWPA3787A2ZP	M/S. KIRAN TRADE AGENCY	12-10-2017	03-7-2018	18-3-2020	03-7-2018	0
170.	Dimapur Ward B	13BCCPC0863L1ZX	M/S. LAXHMI FEEDS STORE	11-11-2017	05-6-2018	18-3-2020	01-1-2018	155
171.	Dimapur Ward B	13DGJPM6138R1ZQ	M/S. TREASURED OFFSPRING	02-5-2019	21-6-2019	18-3-2020	21-6-2019	0
172.	Dimapur Ward B	13AQOPA1273D2ZD	M/S. NAGALAND CONTRACTORS & SUPPLIERS	17-2-2018	08-2-2020	24-3-2020	08-2-2020	0
173.	Dimapur Ward B	13DRR0K2466K1ZC	M/S. ABO SHOPS	23-4-2018	04-6-2019	24-3-2020	01-6-2019	3
174.	Dimapur Ward B	13AHVPD0139P1Z3	M/S. AAKRITI ART VILLA	01-7-2017	13-7-2020	07-9-2020	13-7-2020	0
175.	Dimapur Ward B	13CUQPS6876J1ZO	M/S. JOY GURU MEDICAL	17-9-2017	14-10-2019	24-9-2020	01-9-2019	43
176.	Dimapur Ward B	13AAACG8316N1ZJ	M/S. GOKUL REFOILS & SOLVENT	01-7-2017	02-3-2020	30-9-2020	02-3-2020	0

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Sl. No.	Lowest Unit	GSTIN/UIN	Trade Name	Date of Registration	Date of Filing Application	Date of Order REG 19	Date of Effect of Cancellation	Prior to application dates
177.	Dimapur Ward B	13AAJCS7669H1ZX	M/S. ATC INDIA TOWER CORPORATION	01-7-2017	24-7-2018	01-10-2020	19-2-2018	155
178.	Dimapur Ward B	13ABPPN0916L2ZH	M/S. INDRAJIT PAN SHOP	23-9-2017	13-7-2018	08-10-2020	01-7-2018	12
179.	Dimapur Ward B	13AHBPS0757L2Z7	M/S. HARI STORE	14-6-2018	26-2-2019	08-10-2020	26-2-2019	0
180.	Dimapur Ward B	13AAKPI1726K1ZU	M/S. WELCOME CENTRE	18-10-2017	16-7-2018	22-10-2020	12-7-2018	4
181.	Dimapur Ward B	13ACGPD3379P1ZC	M/S. MANASH STORE	01-7-2017	17-5-2019	02-11-2020	23-4-2019	24
182.	Dimapur Ward B	13AELPL9768D2Z6	M/S. MERAKI SALON	18-9-2020	02-11-2020	09-11-2020	01-10-2020	32
183.	Dimapur Ward B	13AEWPC1539A1ZY	M/S. CHANDAN GROCERY SHOP	09-8-2017	12-4-2018	26-11-2020	01-1-2018	101
184.	Dimapur Ward B	13EFEPK9076P1ZR	M/S. A. L. GROCERY	17-8-2017	20-11-2020	26-11-2020	01-10-2020	50
185.	Dimapur Ward B	13ABYPD9775G1Z3	M/S. DEB BROTHERS	01-7-2017	20-8-2019	07-1-2021	01-4-2019	141
186.	Dimapur Ward B	13BZGPS0817P1Z0	M/S. BIOLOGICAL DRUG	19-8-2017	18-7-2018	11-1-2021	01-4-2018	108
187.	Dimapur Ward B	13ANGPP3809H1Z3	M/S. MEGHNATH GROCERY	08-9-2017	04-1-2021	11-1-2021	01-1-2021	3
188.	Dimapur Ward B	13AAALZ0576C1Z6	M/S. 5003 ASC BN (MT)	29-3-2018	06-2-2021	08-3-2021	31-10-2018	829
189.	Dimapur Ward B	13ARNPS4399A1ZK	M/S. SHERAWALI	24-1-2018	15-9-2019	09-3-2021	11-9-2019	4
190.	Dimapur Ward B	13ABMPI1149R1ZB	M/S. A.J. FOOTWEAR	06-6-2018	24-10-2019	09-3-2021	01-10-2019	23
191.	Dimapur Ward B	13BBKPS0210E2Z8	M/S. SHARMA DRUGS	28-11-2017	17-10-2019	10-3-2021	17-10-2019	0
192.	Dimapur Ward B	13BKEPK2947P3ZR	M/S. ALOTO ENGINEERING WORKS	23-5-2018	26-2-2020	10-3-2021	26-2-2020	0
193.	Dimapur Ward B	13EOIPP7426B1Z2	M/S. UDAY COMMUNICATION	17-3-2020	29-8-2020	10-3-2021	29-8-2020	0
194.	Dimapur Ward B	13ADCPU2970J1ZE	M/S. GULGER DRESSES	02-9-2017	10-3-2020	16-3-2021	01-5-2018	679
195.	Dimapur Ward B	13BPGPB8055L1ZV	M/S. DIVINE HEALTH PHARMA	26-8-2017	15-4-2019	25-3-2021	31-3-2019	15
196.	Dimapur Ward B	13EGZPD4575C1Z8	M/S. MANGAL ENTERPRISE	01-5-2018	24-7-2019	25-3-2021	01-1-2019	204
197.	Dimapur Ward E	13AACCT2459B1ZT	M/S. TAFE MOTORS & TRACTORS	01-7-2017	30-5-2018	25-6-2018	01-5-2018	29
198.	Dimapur Ward E	13APSPA0791B1ZB	M/S. USOU TRADERS	01-7-2017	27-8-2018	25-9-2018	01-3-2018	179
199.	Dimapur Ward E	13AHAPH5737L1ZE	M/S. NAZIR READYMADE GARMENTS	28-7-2017	21-5-2018	18-6-2018	30-9-2017	233
200.	Dimapur Ward E	13AUUPD4434F1ZS	M/S. R S TRAVELNET	03-8-2017	06-4-2018	08-5-2018	01-1-2018	95
201.	Dimapur Ward E	13ALTPV0909M1ZI	M/S. TAX PAYER	10-8-2017	20-7-2018	09-8-2018	20-7-2018	0
202.	Dimapur Ward E	13AQOPD6941K1ZN	M/S. ANKIT ELECTRONICS	12-8-2017	18-8-2018	13-9-2018	18-8-2018	0
203.	Dimapur Ward E	13ANRPY5861F1ZF	M/S. RAJ PHARMACY	15-8-2017	28-8-2019	11-11-2019	28-8-2019	0
204.	Dimapur Ward E	13AMSPH1342J1Z4	M/S. ISLAM MEDICAL	15-8-2017	04-8-2018	28-8-2018	01-7-2018	34
205.	Dimapur Ward E	13AJBPT2729D1ZJ	M/S. IMCHEN COAL SUPPLIER	30-8-2017	30-7-2018	09-8-2018	30-7-2018	0
206.	Dimapur Ward E	13BZEPB8015N1ZH	M/S. ARTHI MEDICAL	08-9-2017	17-4-2018	04-6-2018	17-4-2018	0
207.	Dimapur Ward E	13BILPB4691N1ZY	M/S. BISWAS PHARMACY	11-9-2017	16-7-2018	18-8-2018	16-7-2018	0
208.	Dimapur Ward E	13DREPS9131L1ZF	M/S. S VARIETY STORE	13-9-2017	28-8-2018	28-9-2018	13-9-2017	349
209.	Dimapur Ward E	13GCMPS5904P1ZU	M/S. QUEST FULFILL SCHOOL	13-9-2017	25-8-2018	19-9-2018	23-8-2018	2
210.	Dimapur Ward E	13CVAPS2083N2ZA	M/S. LIFESTYLE FURNITURE	28-9-2017	04-6-2018	26-7-2018	04-6-2018	0
211.	Dimapur Ward E	13BXEPA9993C1ZK	M/S. HERBALIFE ASSOCIATE	09-2-2018	08-8-2018	30-8-2018	13-7-2018	26
212.	Dimapur Ward E	13AISPT2914L1ZS	M/S. HERBALIFE NUTRITION	20-4-2018	13-9-2018	28-9-2018	13-9-2018	0

Sl. No.	Lowest Unit	GSTIN/UIN	Trade Name	Date of Registration	Date of Filing Application	Date of Order REG 19	Date of Effect of Cancellation	Prior to application dates
213.	Dimapur Ward E	13CCQPD0275C1Z2	M/S. A C MEDICAL	11-8-2017	22-10-2018	10-1-2019	22-10-2018	0
214.	Dimapur Ward E	13AOPPH1385K1ZR	M/S. UNITY PHARMACY	28-9-2017	23-1-2019	20-2-2019	01-1-2019	22
215.	Dimapur Ward E	13CANPA6035L1ZR	M/S. NEW PHARMACY	01-11-2017	19-12-2018	20-2-2019	01-11-2018	48
216.	Dimapur Ward E	13BLJPK3313D1ZP	M/S. M/S.FRANCIS KIKON	04-4-2018	14-1-2019	20-2-2019	20-12-2018	25
217.	Dimapur Ward E	13ADDPW6963A1ZL	M/S. UNIQUE PAINT HOUSE	16-5-2018	23-10-2018	20-2-2019	30-9-2018	23
218.	Dimapur Ward E	13AAPFV9096G1ZJ	M/S. VRTS ENTERPRISES LLP	25-6-2018	16-10-2018	20-2-2019	06-10-2018	10
219.	Dimapur Ward E	13ABYPA3065A1Z3	M/S. BHARAT STEEL	19-3-2019	11-6-2019	08-11-2019	31-5-2019	11
220.	Dimapur Ward E	13ALBPN0406B1Z3	M/S. SUN MEDICAL	18-10-2017	04-2-2019	11-11-2019	01-1-2019	34
221.	Dimapur Ward E	13BNBPA0855N1Z9	M/S. MONGBA AO	13-9-2017	28-3-2019	06-5-2019	28-6-2018	273
222.	Dimapur Ward E	13BJYPM5097B2ZU	M/S. MS COFFIN SHOP	10-5-2019	24-10-2019	11-11-2019	01-10-2019	23
223.	Dimapur Ward E	13AIOPY0323Q1ZQ	M/S. C POWER	01-7-2017	22-4-2019	23-7-2019	31-3-2019	22
224.	Dimapur Ward E	13AABCV6922E1ZM	M/S. VARDEEP PETRO CHEMICAL PRIVATE	12-10-2017	03-12-2018	23-7-2019	03-12-2018	0
225.	Dimapur Ward E	13ABPPZ1838F1ZC	M/S. DISPOSAL STORE	22-3-2018	16-7-2019	24-7-2019	16-7-2019	0
226.	Dimapur Ward E	13BGJPM4993E1Z8	M/S. NAGA HUT	18-2-2019	03-6-2019	22-8-2019	31-5-2019	3
227.	Dimapur Ward E	13AJPPA8306H1ZF	M/S. KK ENTERPRISES	11-9-2017	19-2-2019	18-10-2019	30-1-2019	20
228.	Dimapur Ward E	13EYOPS8298Q1ZY	M/S. ASSUMI FURNITURE CENTRE	04-4-2018	03-2-2019	18-10-2019	03-2-2019	0
229.	Dimapur Ward E	13ABVPW6013H1ZC	M/S. X NAGALAND RUBBER TRADERS	20-4-2018	09-1-2019	18-10-2019	09-1-2019	0
230.	Dimapur Ward E	13AOTPY1899Q1ZI	M/S. YEPHTHOMI TRADERS	01-7-2017	21-1-2020	23-1-2020	31-12-2019	21
231.	Dimapur Ward E	13AGQPB7481G2ZB	M/S. DIMAPUR DOOR FITTINGS	11-12-2017	21-6-2019	23-1-2020	17-6-2019	4
232.	Dimapur Ward E	13BBIPM2908R1Z9	M/S. DIMAPUR GENERAL STORE	18-8-2018	18-4-2019	23-1-2020	31-3-2019	18
233.	Dimapur Ward E	13AKIPA0645B3Z0	M/S. KHEVISHE MECH	01-8-2017	01-3-2019	24-1-2020	01-9-2017	546
234.	Dimapur Ward E	13AKNPV2193A1Z7	M/S. LINK ENTERPRISES	10-7-2017	24-7-2019	03-2-2020	24-7-2019	0
235.	Dimapur Ward E	13EVQPS8669C1ZW	M/S. AMEN FOODS	01-7-2017	16-3-2019	06-2-2020	01-7-2017	623
236.	Dimapur Ward E	13CDZPD2079L1Z2	M/S. KHUSHI VARIETY SHOP	11-11-2017	02-7-2019	06-2-2020	15-6-2019	17
237.	Dimapur Ward E	13AJWPA5824D1ZF	M/S. ZION HOSPITAL PHARMACY	01-7-2017	27-1-2020	16-3-2020	31-3-2019	302
238.	Dimapur Ward E	13AAVPZ8673M1ZE	M/S. FINISHING TOUCHES	01-7-2017	05-2-2020	16-3-2020	31-1-2020	5
239.	Dimapur Ward E	13CFAPD2049K1ZV	M/S. SUROJ MEDICAL	21-7-2017	19-10-2019	16-3-2020	19-10-2019	0
240.	Dimapur Ward E	13BYYPD9133J1Z0	M/S. PRAKASH MEDICAL	22-7-2017	31-5-2019	16-3-2020	31-5-2019	0
241.	Dimapur Ward E	13ASRPB0180F1Z6	M/S. T B PHARMACY	23-7-2017	27-8-2019	16-3-2020	27-8-2019	0
242.	Dimapur Ward E	13ASJPD8036G2ZY	M/S. DAS DRESSES	26-7-2017	24-4-2019	16-3-2020	24-4-2019	0
243.	Dimapur Ward E	13ARVPB1783H1ZP	M/S. NAYAN MEDICAL HALL	17-8-2017	16-4-2019	16-3-2020	01-4-2019	15
244.	Dimapur Ward E	13ARKPC4819J1ZV	M/S. GRACE PHARMACY	30-8-2017	25-3-2019	16-3-2020	01-4-2018	358
245.	Dimapur Ward E	13AFOPH1839J2ZB	M/S. CUREWELL PHARMACY	12-9-2017	14-5-2019	16-3-2020	12-9-2017	609
246.	Dimapur Ward E	13ANDPA1964F1ZL	M/S. MEDICAL CORNER	02-11-2017	23-1-2020	16-3-2020	02-11-2017	812
247.	Dimapur Ward E	13ACUPH1457N1Z7	M/S. HUSSAIN MOTORS	16-11-2017	02-3-2019	16-3-2020	01-9-2018	182
248.	Dimapur Ward E	13AWJPP1594R1ZR	M/S. ARNA & COMPANY	29-11-2017	23-8-2019	16-3-2020	14-2-2019	190

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Sl. No.	Lowest Unit	GSTIN/UIN	Trade Name	Date of Registration	Date of Filing Application	Date of Order REG 19	Date of Effect of Cancellation	Prior to application dates
249.	Dimapur Ward E	13ANDPA1964F2ZK	M/S. DECOR TENT HOUSE	01-2-2018	23-1-2020	16-3-2020	01-12-2018	418
250.	Dimapur Ward E	13AVRPA0423B2ZE	M/S. MARILYN AWOMI	04-4-2018	22-4-2019	16-3-2020	04-3-2019	49
251.	Dimapur Ward E	13AIUPA2400L1ZK	M/S. ATO ASSUMI	04-4-2018	17-12-2019	16-3-2020	16-12-2019	1
252.	Dimapur Ward E	13ANVPY1200E1Z4	M/S. VISANO YOHO	04-4-2018	24-2-2020	16-3-2020	24-2-2020	0
253.	Dimapur Ward E	13BFZPA6834H1Z8	M/S. KITOLI AYEE	04-4-2018	06-3-2020	16-3-2020	06-3-2020	0
254.	Dimapur Ward E	13AGNPL1954D1ZL	M/S. IVY PHARMACY	03-5-2018	22-12-2019	16-3-2020	01-4-2019	265
255.	Dimapur Ward E	13AJWPA0887C2ZB	M/S. J REMEDY'S PHARMACY	29-11-2018	15-4-2019	16-3-2020	01-4-2019	14
256.	Dimapur Ward E	13ARJPK5417F3ZZ	M/S. KHETOVI KINNY	07-1-2019	03-5-2019	16-3-2020	30-4-2019	3
257.	Dimapur Ward E	13AHEPC6677L1Z6	M/S. B & S ENTERPRISE	19-5-2019	29-2-2020	16-3-2020	01-2-2020	28
258.	Dimapur Ward E	13AULPK7621E2ZS	M/S. SKY ASSETS MANAGEMENT	04-8-2019	13-11-2019	16-3-2020	13-11-2019	0
259.	Dimapur Ward E	13AMVPC0501F1ZO	M/S. S.C.TRADING	01-7-2017	11-3-2020	04-6-2020	11-3-2020	0
260.	Dimapur Ward E	13BGIPA3760Q1Z9	M/S. DIMAPUR STEEL	01-7-2017	17-4-2020	04-6-2020	31-3-2020	17
261.	Dimapur Ward E	13BLUPJ0374A2ZD	M/S. NIKIBO & CO.	01-10-2019	05-5-2020	04-6-2020	05-5-2020	0
262.	Dimapur Ward E	13ABNFM0292N1ZX	M/S. NAGA UNITED FURNITURE	05-2-2020	22-5-2020	04-6-2020	22-5-2020	0
263.	Dimapur Ward E	13BUVPK5329L2Z1	M/S. CHIJUNG ENTERPRISES	12-2-2020	18-3-2020	04-6-2020	15-2-2020	32
264.	Dimapur Ward E	13AWUPN1251C1ZR	M/S. CBZZ	01-7-2017	09-7-2020	20-7-2020	31-1-2020	160
265.	Dimapur Ward E	13AACCC9379D1ZP	M/S. CTM TECHNICAL TEXTILES	14-11-2017	30-7-2020	25-8-2020	30-7-2020	0
266.	Dimapur Ward E	13AFYPY2788L3Z6	M/S. TONIHO YEPTHO	02-7-2020	08-7-2020	25-8-2020	08-7-2020	0
267.	Dimapur Ward E	13BQSPA4702L1ZW	M/S. MEREN	10-7-2018	21-7-2020	03-9-2020	21-7-2020	0
268.	Dimapur Ward E	13BHWPA2138R1ZX	M/S. TOSHISUNGLA AO	04-4-2018	29-8-2020	10-9-2020	01-7-2020	59
269.	Dimapur Ward E	13AQJPK5628H2ZT	M/S. R.K MECHANISED WOODEN	20-12-2017	22-9-2020	24-9-2020	01-9-2020	21
270.	Dimapur Ward E	13BHGPS7470A1ZH	M/S. Z. SUMI	01-7-2017	27-9-2020	27-10-2020	27-9-2020	0
271.	Dimapur Ward E	13CQFPB5519L1ZY	M/S. J.B.ENTERPRISE	01-7-2017	21-3-2020	19-11-2020	21-3-2020	0
272.	Dimapur Ward E	13BCTPP0206P1ZA	M/S. FRIEND'S MEDICAL	07-7-2017	12-10-2020	19-11-2020	30-9-2020	12
273.	Dimapur Ward E	13AMZPA8257G1ZR	M/S. RADHIKA ENTERPRISES	01-7-2017	09-9-2020	07-1-2021	31-8-2020	9
274.	Dimapur Ward E	13ALWPC6643E2Z3	M/S. EVOLUTION ENTERPRISE	26-6-2020	03-2-2021	04-2-2021	04-1-2021	30
275.	Dimapur Ward E	13BEDPL1712G1Z4	M/S. TIYI RUBBER SHOP	21-9-2020	28-1-2021	06-2-2021	21-9-2020	129

Source: MIS report of back end system

Appendix 5.2.5A
Statement showing accepted cases by Audit
(Reference: Paragraph 5.2.7.2)

(Amount in ₹)

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit							
			No.	Amount	Data entry errors		Action taken before query		Other valid explanations		Total accepted cases by audit.	
					No.	Amount	No.	Amount	No.	Amount	No.	Amount
Excess ITC	13AAXPO2006K2ZJ	M/S. DIMAPUR AGENCY CENTRE	1	35,55,985.27	-	-	1	35,55,985.27	-	-	1	35,55,985.27
	13AJWPA5824D3ZD	M/S. EDEN MEDICAL CENTRE	1	9,62,630.81	-	-			-	-	0	0
	13AAFCB0525K1Z2	M/S. BHARAT BROAD BAND	1	59,42,790.29	-	-	1	59,42,790.28	-	-	1	59,42,790.28
	13AJHPT6913B1ZF	M/S. ENSIGN CONSTRUCTIONS	1	9,95,801.09	-	-			-	-	0	0
	13AEZPC3034K1ZG	M/S. GOLDEN TRADERS	1	14,71,615.04	-	-			-	-	0	0
	13ACUPL8050F1ZH	M/S. A & L TRADERS	1	38,83,74,030.70	-	-	1	38,83,74,030.7	-	-	1	38,83,74,031
	13AABCR7176C1ZM	M/S. RAILTEL CORPORATION	1	21,25,178.14	-	-	1	21,25,178.13	-	-	1	21,25,178.13
	13AFZPA5996D1Z4	M/S. VIKASH AUTO TRADERS	1	11,17,752.02	-	-			-	-	0	0
	13AACFH9289G1Z7	M/S. HINDUSTAN TRADE AND AGENCY	1	14,64,467.07	-	-	1	14,64,467.07	-	-	1	1464467.07
	13AAICA7614B1Z7	M/S. AIRPLAZA RETAIL HOLDINGS PRIVATE LIMITED	1	11,31,642.39	-	-	1	11,31,642.39	-	-	1	11,31,642.39
Excess ITC			10	40,71,41,892.8	0	0	6	40,25,94,093.8	0	0	6	40,25,94,094
ITC RCM avail	13CIOPS4356M1ZL	M/S. SKS ENTERPRISES	1	14,178	1	14178	-	-	-	-	1	14178
	13BVRPB0236Q1ZF	M/S. NAGAKI	1	54,449	1	54449	-	-	-	-	1	54449
	13CXFPM2590B1ZT	M/S. KOHIMA DIGITAL ELECTRONICS	1	3,16,960.6	-	-	-	-	-	-	0	0
	13ABYPJ1549E1ZL	M/S. SHRI MAHAVIR TRADING CO.	1	26,561.54	-	-	0	-	-	-	-	-
	13DVTPK8575H1ZV	M/S. L.S. WINKANG KONYAK CHENLOISHO	1	1,81,628	-	-	-	-	-	-	0	0
	13AJSPT6219M3ZG	M/S. MEDZIPHEMA AUTO CENTRE	1	23,432	-	-	-	-	-	-	0	0
	13AZVPP7859E1ZO	M/S. PANDIT GUNNY BAG SHOP	1	28,600	-	-	-	-	-	-	0	0
	13ANFPA6589A1ZE	M/S. M.S MOBILE CENTRE	1	24,934.4	1	24,934.4	-	-	-	-	1	24,934.4

Audit Report for the year ended 31 March 2023

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit							
					Data entry errors		Action taken before query		Other valid explanations		Total accepted cases by audit.	
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	13AZIPM0605N1ZF	M/S. MECHANISED MOLTED BEATS & WOOD WORKS	1	13,458	1	13,458	-	-	-	-	1	13,458
	13ACOPC2757N1ZD	M/S. GOLDEN MARBLES	1	8,254			-	-	-	-	0	0
ITC RCM avail			10	6,92,455.54	4	1,07,019.4	0	0	0	0	4	1,07,019.4
ITC RCM Ratio	13CIOPS4356M1ZL	M/S. SKS ENTERPRISES	1	14,178	1	14,178	-	-			1	14,178
	13BVRPB0236Q1ZF	M/S. NAGAKI	1	54,449	1	54,449	-	-			1	54,449
	13CXFPM2590B1ZT	M/S. KOHIMA DIGITAL ELECTRONICS	1	3,16,961	-	-	-	-	1	3,16,960.6	1	3,16,960.6
	13AFRPN9547B1Z8	M/S. N.N. CONSTRUCTION & DECOR.	1	13,94,871	-	-	1	13,94,871			1	13,94,871
	13DVTPK8575H1ZV	M/S. L.S. WINKANG KONYAK CHENLOISHO	1	1,81,628	-	-	-	-	1	1,81,628	1	1,81,628
	13AJSPT6219M3ZG	M/S. MEDZIPHEMA AUTO CENTRE	1	23,432	-	-	-	-	1	23,432	1	23,432
	13AZVPP7859E1ZO	M/S. PANDIT GUNNY BAG SHOP	1	28,600	-	-	-	-	1	28,600	1	28,600
	13ANFPA6589A1ZE	M/S. M.S MOBILE CENTRE	1	24,934.4	1	24,934.4	-	-			1	24,934.4
	13AZIPM0605N1ZF	M/S. MECHANISED MOLTED BEATS & WOOD WORKS	1	13,458	1	13,458	-	-	-	-	1	13,458
	13ACOPC2757N1ZD	M/S. GOLDEN MARBLES	1	8,254			-	-	1	8,254	1	8,254
ITC RCM Ratio			10	20,60,765.4	4	107,019.4	1	13,94,871	5	5,58,874.6	10	20,60,765
Table 5R of Form 9C	13AAACF0365N1ZR	M/S. FOOD CORPORATION OF INDIA	1	1,77,47,43,290	-	-	-	-	-	-	0	0
	13AJWPA5824D3ZD	M/S. EDEN MEDICAL CENTRE	1	11,05,25,968	-	-	-	-	1	11,05,25,968	1	11,05,25,968
	13AABCB5576G1ZU	M/S. BHARAT SANCHAR NIGAM LIMITED	1	5,36,11,360	-	-	-	-	-	-	0	0
	13AEVPC5108E1ZU	M/S. TOSHI CHANGKIIA SERVICE STATION	1	3,93,95,020	-	-	-	-	1	3,93,95,020.4	1	3,93,95,020.4
	13AAXPO2006K2ZJ	M/S. DIMAPUR AGENCY CENTRE	1	20,14,314	-	-	-	-	1	20,14,314	1	20,14,314
	13AABCN8654K1Z8	M/S. NABARD CONSULTANCY SERVICES	1	17,43,912.2	-	-	1	17,43,912	-	-	1	17,43,912

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit							
					Data entry errors		Action taken before query		Other valid explanations		Total accepted cases by audit.	
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
		PRIVATE LIMITED										
	13AAACF3294L1ZL	M/S. FASHION SUITINGS PVT LTD	1	13,25,347.8	-	-	1	13,25,348	-	-	1	13,25,348
	13AZQPC9371D1ZD	M/S. EVEREST FOREST PRODUCTS	1	3,25,452	1	3,25,452	-	-	-	-	1	3,25,452
	13BRMPD0660F1Z9	M/S. NOVELTY PARTY SALES	1	30,108	-	-	1	30,108	-	-	1	30,108
	13AABCT0020H2Z4	M/S. THE FEDERAL BANK LTD ACCOUNTS DEPARTMENT	1	22,400	-	-	-	-	-	-	0	0
Table 5R of Form 9C			10	1,98,37,37,172	1	3,25,452	3	30,99,368	3	15,19,35,302	7	15,53,60,122
Table 7G of Form 9C	13AABCB5576G1ZU	M/S. BHARAT SANCHAR NIGAM LIMITED	1	5,36,11,360	-	-	-	-	-	-	0	0
	13AAXPO2006K2ZJ	M/S. DIMAPUR AGENCY CENTRE	1	20,14,314	1	20,14,314	-	-	-	-	1	20,14,314
	13AABCN8654K1Z8	M/S. NABARD CONSULTANCY SERVICES PRIVATE LIMITED	1	17,43,912	-	-	-	-	1	17,43,912	1	17,43,912
	13AAACF3294L1ZL	M/S. FASHION SUITINGS PVT LTD	1	13,01,130	-	-	1	13,01,130	-	-	1	13,01,130
	13AACCR9357C1ZI	M/S. RADHA MADHAV CORPORATION LIMITED	1	1,04,186	-	-	-	-	-	-	0	0
	13ABZPA6342B1ZY	M/S. INDIA AUTOMOBILES	1	1,37,04	-	-	1	13,704	-	-	1	13,704
	13AABCT0020H2Z4	THE FEDERAL BANK LTD ACCOUNTS DEPARTMENT	1	11088	-	-	-	-	-	-	0	0
	13AAACH0632A1ZM	HUDCO LTD	1	4,000	-	-	1	4,000	-	-	1	4,000
	13AAZFM9422H1ZU	M/S. MAYASHEEL RETAIL LLP	1	908	-	-	-	-	1	908	1	908
	13AHPPS6273F1Z0	M/S. PRIME PHARMA & SURGICAL	1	289	-	-	-	-	1	289	1	289
Table 7G of Form 9C			10	5,88,04,891	1	20,14,314	3	13,18,834	3	17,45,109	7	50,78,257
Table 9R of Form 9C	13ACSPB0787F1ZP	M/S. NAGALAND ELECTRICAL STORE	1	9,65,808	-	-	-	-	1	9,65,808	1	9,65,808
	13AABCB5576G1ZU	M/S. BHARAT SANCHAR NIGAM LIMITED	1	9,28,708	-	-	1	9,28,708	-	-	1	9,28,708

Audit Report for the year ended 31 March 2023

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit							
					Data entry errors		Action taken before query		Other valid explanations		Total accepted cases by audit.	
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	13AADCA9318F1ZZ	M/S. GLOBAL VECTRA HELICORP LIMITED	1	2,47,826	-	-	1	2,47,826	-	-	1	2,47,826
	13BRMPD0660F1Z9	M/S. NOVELTY PARTY SALES	1	2,06,669	-	-	1	2,06,669	-	-	1	2,06,669
	13AVIPT1693D1ZJ	M/S. VAUDE VILLE HARDWARE	1	1,84,966	-	-			-	-	0	0
	13AAACF3294L1ZL	M/S. FASHION SUITINGS PVT LTD	1	1,64,064	-	-	1	1,64,063	-	-	1	1,64,063
	13AAECM9011G1ZU	M/S. MOKOKCHUNG SAW & VENEERS (P) LTD	1	1,55,000	-	-	1	1,55,000	-	-	1	1,55,000
	13AFAPY2944N1Z2	M/S. PARAMOUNT TEA INDUSTRY.	1	1,20,736	-	-	1	1,20,736	-	-	1	1,20,736
	13AABCM9425F1ZP	M/S. MODICARE LIMITED	1	1,11,326	-	-	1	1,11,326	-	-	1	1,11,326
	13AAACF0365N1ZR	M/S. FOOD CORPORATION OF INDIA	1	64,980	-	-	1	64,980	-	-	1	64,980
Table 9R of Form 9C			10	31,50,082.69	0	0	8	19,99,308	1	9,65,808	9	29,65,116
Table 12F of Form 9C	13AABCB5576G1ZU	M/S. BHARAT SANCHAR NIGAM LTD	1	1,99,96,014	-	-	-	-	1	1,99,96,014	1	1,99,96,014
	13AADCS2469K1Z8	M/S. SPML INFRA LTD	1	63,31,124	-	-	-	-	1	63,31,124	1	63,31,124
	13AAACN6194P1ZY	M/S. AIR INDIA LTD	1	35,70,215	-	-	1	35,70,215	-	-	1	35,70,215
	13AAACO0256B1Z9	M/S. ORIFLAME INDIA PVT. LTD	1	15,48,570	-	-	-	-	-	-	0	0
	13AADFA0825G1Z5	M/S. ANSARI & COMPANY	1	6,58,319	-	-	1	6,58,319	-	-	1	6,58,319
	13AAECT5121G1ZS	M/S. THE ULTIMATE TRAVELLING CAMP	1	4,17,661	-	-	1	4,17,661	-	-	1	4,17,661
	13AFAPY2944N1Z2	M/S. PARAMOUNT TEA INDUSTRY	1	3,58,390	-	-	1	3,58,390	-	-	1	3,58,390
	13ADHPN2868F1ZK	M/S. CENTRAL MOTORS	1	2,51,208	-	-	-	-	-	-	-	-
	13AERPJ7445R1ZO	M/S. ARIHANT INDUSTRY	1	2,35,224.2	-	-	-	-	-	-	0	0
	13AAACL1838J1ZP	M/S. TRENT LTD	1	2,00,454	-	-	-	-	1	2,00,454	1	2,00,454
Table 12F of Form 9C			10	3,35,67,179.2	0	0	4	50,04,585	3	2,65,27,592	7	3,15,32,177
Table 14T of Form 9C	13AAFCB0525K1Z2	M/S. BHARAT BROADBAND NETWORK LTD	1	8,57,04,293	-	-	-	-	1	8,57,04,293	1	8,57,04,293

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit							
					Data entry errors		Action taken before query		Other valid explanations		Total accepted cases by audit.	
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	13AAAXPO2006K2ZJ	M/S. DIMAPUR AGENCY CENTRE	1	3,01,74,572.14	-	-	-	-	1	3,01,74,572.1	1	3,01,74,572.1
	13AHIPB5776B1ZQ	M/S. BAJRANG HARDWARE STORES	1	98,09,429.29	-	-	-	-	1	98,09,429.29	1	98,09,429.29
	13AOTPJ0731N1ZQ	M/S. S K TRADING	1	92,43,243.01	-	-	-	-	1	92,43,243.01	1	92,43,243.01
	13AFEPA2213A1ZR	M/S. NOURHENEINUO ANGAMI	1	85,72,750.89	-	-	-	-	1	85,72,750.89	1	85,72,750.89
	13AINPB2687H5Z6	M/S. INNOVATION	1	64,00,126.39	-	-	-	-	1	64,00,126.39	1	64,00,126.39
	13AQFPS1079JIZO	M/S. AVVINEET	1	59,81,967.44	-	-	-	-	1	59,81,967.44	1	59,81,967.44
	13BGZPS0352R4ZF	M/S. SENOTSU STEELS	1	55,47,705.97	-	-	-	-	1	55,47,705.97	1	55,47,705.97
	13AAECM5260H1ZP	M/S. MUKAND SYSTEMS AND NETWORKING PRIVATE LIMITED	1	55,39,714.91	-	-	-	-	1	55,39,714.91	1	55,39,714.91
	13AFVPR4019J1Z2	M/S. J. P. ENTERPRISES	1	54,31,814.2	-	-	-	-	1	54,31,814.2	1	54,31,814.2
Table 14T of Form 9C			10	17,24,05,617	-	-	-	-	10	17,24,05,617	10	17,24,05,617
ISD credit incorrectly availed by the recipients	13AACCR9357C1ZI	M/S. RADHA MADHAV CORPORATION LIMITED	1	65,372	1	6,372	-	-	-	-	1	6,372
	13BFEPJ7658K1Z5	M/S. A.K. STATIONERY	1	5,185	1	57,185	-	-	-	-	1	57,184.96
	13AAACB1534F3ZD	M/S. BANK OF BARODA	1	10,38,915	1	10,38,915	-	-	-	-	1	10,38,915
	13AIOPC4893R3ZH	M/S. Z.C. ENTERPRISES	1	4,35,299	1	4,35,299	-	-	-	-	1	4,35,298.8
	13AAACII681G1ZY	M/S. INDIAN OIL CORPORATION LIMITED	1	15,290	1	15,290	-	-	-	-	1	15,290.3
	13ABVPA3307N1ZM	M/S. HAROON GARMENTS	1	9,705	1	9,705	-	-	-	-	1	9,705
	13AFWPA4550Q1Z0	M/S. NAGALAND WOOL CENTRE.	1	24,627	1	24,627	-	-	-	-	1	24,627
	13AUHPS1780Q1Z0	M/S. DURGA AUTOMOBILES	1	24,433	1	24,433	-	-	-	-	1	24,433
ISD credit incorrectly availed by the recipients			8	16,70,826	8	16,70,826	-	-	-	-	8	16,70,826.06
Short payment of interest on delayed payments	13AECPP0613C1ZC	M/S. B.P. ASSOCIATES	1	21,09,323	-	-	-	-	-	-	0	0
	13AAGPZ6512L2ZC	M/S. JAYZEE CONSTRUCTION	1	6,22,886	-	-	-	-	-	-	0	0
	13AAECS0765R1ZY	M/S. SIMPLEX INFRASTRUCTURES LIMITED	1	6,30,971	-	-	-	-	-	-	0	0
	13ATEPS3899L2ZY	M/S. D.I. INDUSTRIES	1	8,48,021	-	-	-	-	-	-	0	0

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Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit							
					Data entry errors		Action taken before query		Other valid explanations		Total accepted cases by audit.	
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	13AABCN7988G2Z5	M/S. NEC ENERGY PRIVATE LIMITED	1	9,99,776	-	-	-	-	-	-	0	0
	13ANZPA8446L1ZF	M/S. VIU ANGAMI & SONS	1	9,02,299	-	-	-	-	-	-	0	0
	13AABCT5235G1ZO	M/S. TECHNO POWER ENTERPRISES PVT. LTD.	1	8,69,108	-	-	-	-	-	-	0	0
	13AFRPT2534G2ZA	M/S. UNICRAFT ENGINEERINGWORKS	1	15,20,719	-	-	-	-	-	-	0	0
	13ALMPC8558N1ZL	M/S. NAGINIMORA TIMBER INDUSTRIES	1	7,78,055	-	-	-	-	-	-	0	0
	13AAACG7284R1Z2	M/S. GREENPLY INDUSTRIES LIMITED	1	19,43,612	-	-	-	-	-	-	0	0
Short payment of interest on delayed payments			10	1,12,24,769	-	-	-	-	-	-	0	0
Total			98	2,67,44,55,650	-	-	-	-	-	-	68	77,37,73,994

Source: Departmental records

Appendix 5.2.5B
Statement showing accepted cases by Department
(Reference: Paragraph 5.2.7.2)

(Amount in ₹)

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
					Recovered		SCN issued		No.	Amount	No.	Amount	No.	Amount
Excess ITC	13AAXPO 2006K2ZJ	M/S. DIMAPUR AGENCY CENTRE	1	35,55,985	-	-	-	-	-	-	-	-	-	-
	13AJWPA 5824D3ZD	M/S. EDEN MEDICAL CENTRE	1	9,62,631	0	5,45,336	-	-	-	5,45,336.00	1#	4,17,295	1#	962,631
	13AAFBCB 0525K1Z2	M/S. BHARAT BROAD BAND	1	59,42,790	-	-	-	-	-	-	-	-	-	-
	13AJHPT 6913B1ZF	M/S. ENSIGN CONSTRUCTIONS	1	9,95,801	-	-	1	995,801.00	1.00	995,801.00	-	-	1	995,801
	13AEZPC 3034K1ZG	M/S. GOLDEN TRADERS	1	14,71,615	-	-	-	-	-	-	1	1471615	1	1,471,615
	13ACUPL 8050F1ZH	M/S. A & L TRADERS	1	38,83,74,030	-	-	-	-	-	-	-	-	-	-
	13AABCR 7176C1ZM	M/S. RAILTEL CORPORATION	1	21,25,178	-	-	-	-	-	-	-	-	-	-
	13AFZPA 5996D1Z4	M/S. VIKASH AUTO TRADERS	1	11,17,752	1	11,17,752	-	-	1.00	1,117,752	-	-	1	11,17,752.02
	13AACFH 9289G1Z7	M/S. HINDUSTAN TRADE AND AGENCY	1	14,64,467	-	-	-	-	-	-	-	-	-	-
	13AAICA 7614B1Z7	M/S. AIRPLAZA RETAIL HOLDINGS PRIVATE LIMITED	1	11,31,642	-	-	-	-	-	-	-	-	-	-
Excess ITC			10	40,71,41,892	1	16,63,088	1	9,95,801	2	2,658,889	2	18,88,910	4	45,47,799.02
ITC RCM avail	13CIOPS 4356M1ZL	M/S. SKS ENTERPRISES	1	14,178	-	-	-	-	-	-	-	-	-	-
	13BVRPB 0236Q1ZF	M/S. NAGAKI	1	54,449	-	-	-	-	-	-	-	-	-	-

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Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
			Recovered		SCN issued									
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	13CXFPM 2590B1ZT	M/S. KOHIMA DIGITAL ELECTRONICS	1	3,16,960.6	1	3,16,960.6	-	-	1.00	3,16,960.60	-	-	1.00	3,16,960.60
	13ABYPJ 1549E1ZL	M/S. SHRI MAHAVIR TRADING CO.	1	26,561.54	-	-	-	-	-	-	1	26,562	1.00	26,562.00
	13DVTPK 8575H1ZV	M/S. L.S. WINKANG KONYAK CHENLOISHO	1	1,81,628	1	1,81,628	-	-	1.00	1,81,628.00	-	-	1.00	181,628.00
	13AJSPT 6219M3ZG	M/S. MEDZIPHEMA AUTO CENTRE	1	23,432	1	23,432	-	-	1.00	23,432.00	-	-	1.00	23,432.00
	13AZVPP 7859E1ZO	M/S. PANDIT GUNNY BAG SHOP	1	28600	-	-	1	28,600.00	1.00	28,600.00	-	-	1.00	28,600.00
	13ANFPA 6589A1ZE	M/S. M.S MOBILE CENTRE	1	24,934.4	-	-	-	-	-	-	-	-	-	-
	13AZIPM 0605N1ZF	M/S MECHANISED MOLTED BEATS & WOOD WORKS	1	1,458	-	-	-	-	-	-	-	-	-	-
	13ACOPC 2757N1ZD	M/S GOLDEN MARBLES	1	8,254	1	8,254	-	-	1.00	8,254.00	-	-	1.00	8,254.00
ITC RCM avail			10	6,92,455.54	4	5,30,274.6	1	28,600	5.00	5,58,874.60	1	26,562	6.00	5,85,436.60
ITC RCM Ratio	13CIOPS 4356M1ZL	M/S SKS ENTERPRISES	1	14178	-	-	-	-	-	-	-	-	-	-
	13BVRPB 0236Q1ZF	M/S NAGAKI	1	54449	-	-	-	-	-	-	-	-	-	-
	13CXFPM 2590B1ZT	M/S KOHIMA DIGITAL ELECTRONICS	1	316961	-	-	-	-	-	-	-	-	-	-
	13AFRPN 9547B1Z8	M/S N.N. CONSTRUCTION & DECOR.	1	1394871	-	-	-	-	-	-	-	-	-	-
	13DVTPK 8575H1ZV	M/S L.S. WINKANG KONYAK CHENLOISHO	1	181628	-	-	-	-	-	-	-	-	-	-
	13AJSPT	M/S MEDZIPHEMA	1	23,432	-	-	-	-	-	-	-	-	-	-

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
			Recovered		SCN issued		No.	Amount	No.	Amount	No.	Amount		
			No.	Amount	No.	Amount							No.	Amount
	6219M3ZG	AUTO CENTRE												
	13AZVPP 7859E1ZO	M/S PANDIT GUNNY BAG SHOP	1	28,600	-	-	-	-	-	-	-	-	-	-
	13ANFPA 6589A1ZE	M/S. M.S MOBILE CENTRE	1	24,934.4	-	-	-	-	-	-	-	-	-	-
	13AZIPM 0605N1ZF	M/S MECHANISED MOLTED BEATS & WOOD WORKS	1	13,458	-	-	-	-	-	-	-	-	-	-
	13ACOPC 2757N1ZD	M/S GOLDEN MARBLES	1	8,254	-	-	-	-	-	-	-	-	-	-
ITC RCM Ratio			10	20,60,765.4	0	0	0	0	-	-	-	-	-	-
Table 5R of Form 9C	13AAACF 0365N1ZR	M/S FOOD CORPORATION OF INDIA	1	1,77,47,43,290	-	-	1	1,774,743,290	1.00	1,774,743,290	-	-	1.00	1,774,743,290
	13AJWPA 5824D3ZD	M/S. EDEN MEDICAL CENTRE	1	11,05,25,968	-	-	-	-	-	-	-	-	-	-
	13AABCB 5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	1	5,36,11,360	-	-	1	53,611,360.00	1.00	53,611,360.00	-	-	1.00	53,611,360.00
	13AEVPC 5108E1ZU	M/S. TOSHI CHANGKIJA SERVICE STATION	1	3,93,95,020	-	-	-	-	-	-	-	-	-	-
	13AAXPO 2006K2ZJ	M/S DIMAPUR AGENCY CENTRE	1	20,14,314	-	-	-	-	-	-	-	-	-	-
	13AABCN 8654K1Z8	M/S NABARD CONSULTANCY SERVICES PRIVATE LIMITED	1	17,43,912.2	-	-	-	-	-	-	-	-	-	-
	13AAACF 3294L1ZL	M/S FASHION SUITINGS PVT LTD	1	13,25,347.8	-	-	-	-	-	-	-	-	-	-
	13AZQPC 9371D1ZD	M/S EVEREST FOREST PRODUCTS	1	3,25,452	-	-	-	-	-	-	-	-	-	-
	13BRMPD 0660F1Z9	M/S NOVELTY PARTY SALES	1	30,108	-	-	-	-	-	-	-	-	-	-

Audit Report for the year ended 31 March 2023

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
			Recovered		SCN issued									
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	13AABCT0020H2Z4	M/S THE FEDERAL BANK LTD ACCOUNTS DEPARTMENT	1	22400	-	-	1	22,400.00	1.00	22,400.00	-	-	1.00	22,400.00
Table 5R of Form 9C			10	1,98,37,37,172	0	0	3	1,82,83,77,050	3.00	1,82,83,77,050	0	0	3.00	1,82,83,77,050
Table 7G of Form 9C	13AABCB5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	1	5,36,11,360	-	-	1	5,36,11,360	1.00	5,36,11,360	-	-	1.00	5,36,11,360
	13AAXPO2006K2ZJ	M/S DIMAPUR AGENCY CENTRE	1	20,14,314	-	-	-	-	-	-	-	-	-	-
	13AABCN8654K1Z8	M/S NABARD CONSULTANCY SERVICES PRIVATE LIMITED	1	17,43,912	-	-	-	-	-	-	-	-	-	-
	13AAACF3294L1ZL	M/S FASHION SUITINGS PVT LTD	1	13,01,130	-	-	-	-	-	-	-	-	-	-
	13AACCR9357C1ZI	M/S RADHA MADHAV CORPORATION LIMITED	1	1,04,186	-	-	1	1,04,186	1.00	1,04,186	-	-	1.00	1,04,186
	13ABZPA6342B1ZY	M/S INDIA AUTOMOBILES	1	13,704	-	-	-	-	-	-	-	-	-	-
	13AABCT0020H2Z4	THE FEDERAL BANK LTD ACCOUNTS DEPARTMENT	1	11,088	-	-	1	11,088	1.00	11,088	-	-	1.00	11,088
	13AAACH0632A1ZM	HUDCO LTD	1	4,000	-	-	-	-	-	-	-	-	-	-
	13AAZFM9422H1ZU	MAYASHEEL RETAIL LLP	1	908	-	-	-	-	-	-	-	-	-	-
	13AHPPS6273F1Z0	PRIME PHARMA & SURGICAL	1	289	-	-	-	-	-	-	-	-	-	-
Table 7G of Form 9C			10	5,88,04,891	0	0	3	5,37,26,634	3.00	5,37,26,634	0	0	3.00	5,37,26,634
Table 9R of Form	13ACSPB0787F1ZP	M/S NAGALAND ELECTRICAL	1	9,65,808	-	-	-	-	-	-	-	-	-	-

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
			Recovered		SCN issued		No.	Amount	No.	Amount	No.	Amount		
			No.	Amount	No.	Amount							No.	Amount
9C		STORE												
	13AABCB 5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	1	9,28,708	-	-	-	-	-	-	-	-	-	-
	13AADCA 9318F1ZZ	GLOBAL VECTRA HELICORP LIMITED	1	2,47,826	-	-	-	-	-	-	-	-	-	-
	13BRMPD 0660F1Z9	M/S NOVELTY PARTY SALES	1	2,06,669	-	-	-	-	-	-	-	-	-	-
	13AVIPT 1693D1ZJ	M/S VAUDE VILLE HARDWARE	1	1,84,966	1	1,84,966	-	-	1.00	184,966.00	-	-	1.00	184,966.00
	13AAACF 3294L1ZL	FASHION SUITINGS PVT LTD	1	1,64,064	-	-	-	-	-	-	-	-	-	-
	13AAECM 9011G1ZU	MOKOKCHUNG SAW & VENEERS (P) LTD	1	1,55,000	-	-	-	-	-	-	-	-	-	-
	13AFAPY 2944N1Z2	M/S PARAMOUNT TEA INDUSTRY.	1	1,20,736	-	-	-	-	-	-	-	-	-	-
	13AABCM 9425F1ZP	MODICARE LIMITED	1	1,11,326	-	-	-	-	-	-	-	-	-	-
	13AAACF 0365N1ZR	M/S FOOD CORPORATION OF INDIA	1	64,980	-	-	-	-	-	-	-	-	-	-
Table 9R of Form 9C			10	3150082.69	1	184966	0	0	1.00	184,966.00	0	0	1.00	184,966.00
Table 12F of Form 9C	13AABCB 5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	1	1,99,96,014	-	-	-	-	-	-	-	-	-	-
	13AADCS 2469K1Z8	SPML INFRA LIMITED	1	63,31,124	-	-	-	-	-	-	-	-	-	-
	13AACCN 6194P1ZY	AIR INDIA LIMITED	1	35,70,215	-	-	-	-	-	-	-	-	-	-
	13AAACO 0256B1Z9	M/S ORIFLAME INDIA PVT. LTD	1	15,48,570	-	-	1	1,548,570	1.00	15,48,570	-	-	1.00	15,48,570
	13AADFA	M/S ANSARI &	1	6,58,319	-	-	-	-	-	-	-	-	-	-

Audit Report for the year ended 31 March 2023

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
			Recovered		SCN issued									
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	0825G1Z5	COMPANY												
	13AAECT 5121G1ZS	M/s THE ULTIMATE TRAVELLING CAMP	1	4,17,661	-	-	-	-	-	-	-	-	-	-
	13AFAPY 2944N1Z2	M/S PARAMOUNT TEA INDUSTRY.	1	3,58,390	-	-	-	-	-	-	-	-	-	-
	13ADHPN 2868F1ZK	M/S CENTRAL MOTORS	1	2,51,208	-	-	-	-	-	-	1	2,51,208	1.00	2,51,208.00
	13AERPJ 7445R1ZO	M/S ARIHANT INDUSTRY	1	2,35,224.2	-	-	1	2,35,224.00	1.00	2,35,224.00		-	1.00	235,224.00
	13AAACL 1838J1ZP	TRENT LIMITED	1	2,00,454	-	-	-	-	-	-	-	-	-	-
Table 12F of Form 9C			10	3,35,67,179.2	0	0	2	17,83,794	2.00	17,83,794.00	1	2,51,208	3.00	20,35,002.00
Table 14T of Form 9C	13AAFBCB 0525K1Z2	M/S BHARAT BROADBAND NETWORK LTD	1	8,57,04,293	-	-	-	-	-	-	-	-	-	-
	13AAXPO 2006K2ZJ	DIMAPUR AGENCY CENTRE	1	3,01,74,572	-	-	-	-	-	-	-	-	-	-
	13AHIPB 5776B1ZQ	M/S BAJRANG HARDWARE STORES	1	98,09,429	-	-	-	-	-	-	-	-	-	-
	13AOTPJ 0731N1ZQ	S K TRADING	1	92,43,243	-	-	-	-	-	-	-	-	-	-
	13AFEPA 2213A1ZR	M/S NOURHENEINUO ANGAMI	1	85,72,750	-	-	-	-	-	-	-	-	-	-
	13AINPB 2687H5Z6	M/S INNOVATION	1	64,00,126	-	-	-	-	-	-	-	-	-	-
	13AQFPS 1079J1ZO	M/S AVVINEET	1	59,81,967	-	-	-	-	-	-	-	-	-	-
	13BGZPS0 352R4ZF	M/S SENOTSU STEELS	1	55,47,705	-	-	-	-	-	-	-	-	-	-
	13AAECM 5260H1ZP	M/S MUKAND SYSTEMS AND NETWORKING	1	55,39,714	-	-	-	-	-	-	-	-	-	-

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
			Recovered		SCN issued		No.	Amount	No.	Amount	No.	Amount		
			No.	Amount	No.	Amount							No.	Amount
		PRIVATE LIMITED												
	13AFVPR 4019J1Z2	M/S J. P. ENTERPRISES	1	54,31,814	-	-	-	-	-	-	-	-	-	-
Table 14T of Form 9C			10	17,24,05,617	-	-	-	-	-	-	-	-	-	-
ISD credit incorrectly availed by the recipients	13AACCR 9357C1ZI	RADHA MADHAV CORPORATION LIMITED	1	65,372	-	-	-	-	-	-	-	-	-	-
	13BFEPJ7 658K1Z5	M/S A.K. STATIONERY	1	57,185	-	-	-	-	-	-	-	-	-	-
	13AAACB 1534F3ZD	BANK OF BARODA	1	10,38,915	-	-	-	-	-	-	-	-	-	-
	13AIOPC 4893R3ZH	M/S Z.C. ENTERPRISES	1	4,35,299	-	-	-	-	-	-	-	-	-	-
	13AAACI 1681G1ZY	M/S INDIAN OIL CORPORATION LIMITED	1	15,290	-	-	-	-	-	-	-	-	-	-
	13ABVPA 3307N1ZM	M/S HAROON GARMENTS	1	9,705	-	-	-	-	-	-	-	-	-	-
	13AFWPA 4550Q1Z0	M/S NAGALAND WOOL CENTRE.	1	24,627	-	-	-	-	-	-	-	-	-	-
	13AUHPS 1780Q1Z0	M/S DURGA AUTOMOBILES	1	24,433	-	-	-	-	-	-	-	-	-	-
ISD credit incorrectly availed by the recipients			8	16,70,826	-	-	-	-	-	-	-	-	-	-
Short payment of interest on delayed payments	13AECPP 0613C1ZC	M/S B.P. ASSOCIATES	1	21,09,323	-	-	1	21,09,324.00	1.00	21,09,324.00	-	-	1.00	21,09,324.00
	13AAGPZ 6512L2ZC	JAYZEE CONSTRUCTION	1	6,22,886	1	6,22,885	-	-	1.00	6,22,885.00	-	-	1.00	6,22,885.00
	13AAECS 0765R1ZY	SIMPLEX INFRASTRUCTURE S LIMITED	1	6,30,971	1	6,30,970	-	-	1.00	6,30,970.00	-	-	1.00	6,30,970.00
	13ATEPS 3899L2ZY	M/S D.I. INDUSTRIES	1	8,48,021	-	-	1	8,48,021.00	1.00	8,48,021.00	-	-	1.00	8,48,021.00
	13AABCN 7988G2Z5	NEC ENERGY PRIVATE LIMITED	1	9,99,776	-	-	1	9,99,776.00	1.00	9,99,776.00	-	-	1.00	9,99,776.00

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Audit Dimension	GSTIN	Trade Name	Cases where reply received		Compliance Deviation									
					Accepted by Department including cases where action is yet to be initiated				Total Recovery and SCN issued		Department's reply not acceptable to Audit (Rebuttal)		Total	
			Recovered		SCN issued									
			No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
	13ANZPA 8446L1ZF	M/S VIU ANGAMI & SONS	1	9,02,299	-	-	1	9,02,299.00	1.00	9,02,299.00	-	-	1.00	9,02,299.00
	13AABCT 5235G1ZO	M/S TECHNO POWER ENTERPRISES PVT. LTD.	1	8,69,108	1	8,69,109	-	-	1.00	869,109.00	-	-	1.00	869,109.00
	13AFRPT 2534G2ZA	M/S.UNICRAFT ENGINEERINGWOR KS	1	15,20,719	-	-	1	15,20,719.00	1.00	15,20,719.00	-	-	1.00	15,20,719.00
	13ALMPC 8558N1ZL	M/S NAGINIMORA TIMBER INDUSTRIES	1	7,78,055	-	-	1	7,78,054.00	1.00	7,78,054.00	-	-	1.00	7,78,054.00
	13AAACG 7284R1Z2	GREENPLY INDUSTRIES LIMITED	1	19,43,612	-	-	1	19,43,612.00	1.00	19,43,612.00	-	-	1.00	19,43,612.00
Short payment of interest on delayed payments			10	1,12,24,769	3	21,22,964	7	91,01,805.00	10.00	1,12,24,769.00	-	-	-	-
Total			98	2,67,44,55,650					26	1,89,85,14,977	4	21,66,680	30	1,90,06,81,657

Source: Departmental records

Appendix 5.2.6
Statement showing where Department's response was rebutted

(Reference: Paragraph 5.2.7.3(I))

(Amount in ₹)

Sl. No	GSTIN	Name of the taxpayer	Dimension	Ward	Mismatch amount
1.	13AEZPC3034K1ZG	M/S GOLDEN TRADERS	Excess ITC	Ward A, Dimapur	14,71,615
2.	13AJWPA5824D3ZD	M/S. EDEN MEDICAL CENTRE	Excess ITC	Ward C, Dimapur	4,17,295
3.	13ABYPJ1549E1ZL	M/S SHRI MAHAVIR TRADING CO.	ITC RCM avail	Ward D, Dimapur	26,562
4.	13ADHPN2868F1ZK	M/S CENTRAL MOTORS	Table 12F of Form 9C	Ward A, Dimapur	2,51,208
Total					21,66,680

Source: Departmental records

Appendix 5.2.7
Statement showing Data Entry Errors
(Reference: Paragraph 5.2.7.3(II))

(Amount in ₹)

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Data entry errors	
			No.	Amount	No.	Amount
Table 5R of Form 9C	13AAXPO2006K2ZJ	M/S DIMAPUR AGENCY CENTRE	1	20,14,314	1	20,14,314
Table 5R of Form 9C	13AZQPC9371D1ZD	M/S EVEREST FOREST PRODUCTS	1	3,25,452	1	3,25,452
ISD credit incorrectly availed by the recipients	13AAACB1534F3ZD	BANK OF BARODA	1	10,38,915	1	10,38,915
ISD credit incorrectly availed by the recipients	13AIOPC4893R3ZH	M/S Z.C. ENTERPRISES	1	4,35,299	1	4,35,299
ISD credit incorrectly availed by the recipients	13AACCR9357C1ZI	RADHA MADHAV CORPORATION LIMITED	1	65,372	1	65,372
ISD credit incorrectly availed by the recipients	13BFEPJ7658K1Z5	M/S A.K. STATIONERY	1	57,185	1	57,185
ISD credit incorrectly availed by the recipients	13AAACI1681G1ZY	M/S INDIAN OIL CORPORATION LIMITED	1	15,290	1	15,290
ISD credit incorrectly availed by the recipients	13ABVPA3307N1ZM	M/S HAROON GARMENTS	1	9,705	1	9,705
ISD credit incorrectly availed by the recipients	13AFWPA4550Q1Z0	M/S NAGALAND WOOL CENTRE.	1	24,627	1	24,627
ISD credit incorrectly availed by the recipients	13AUHPS1780Q1Z0	M/S DURGA AUTOMOBILES	1	24,433	1	24,433
ITC RCM avail	13CIOPS4356M1ZL	M/S SKS ENTERPRISES	1	14,178	1	14,178
ITC RCM avail	13BVRPB0236Q1ZF	M/S NAGAKI	1	54,449	1	54,449
ITC RCM avail	13ANFPA6589A1ZE	M/S. M.S MOBILE CENTRE	1	24,934	1	24,934
ITC RCM avail	13AZIPM0605N1ZF	M/S MECHANISED MOLTED BEATS & WOOD WORKS	1	13,458	1	13,458
ITC RCM Ratio	13CIOPS4356M1ZL	M/S SKS ENTERPRISES	1	14,178	1	14,178
ITC RCM Ratio	13BVRPB0236Q1ZF	M/S NAGAKI	1	54,449	1	54,449
ITC RCM Ratio	13ANFPA6589A1ZE	M/S. M.S MOBILE CENTRE	1	24,934	1	24,934
ITC RCM Ratio	13AZIPM0605N1ZF	M/S MECHANISED MOLTED BEATS & WOOD WORKS	1	13,458	1	13,458
Total			18	42,24,630	18	42,24,630

Source: Departmental records

Appendix 5.2.8
Statement showing Department action taken before audit query
(Reference: Paragraph 5.2.7.3(III))

(Amount in ₹)

Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit	
			No.	Amount	Action taken before query	
					No.	Amount
Excess ITC	13AAXPO2006K2ZJ	M/S DIMAPUR AGENCY CENTRE	1	35,55,985.27	1	35,55,985.27
	13AAFCB0525K1Z2	M/S BHARAT BROAD BAND	1	59,42,790.29	1	59,42,790.28
	13ACUPL8050F1ZH	M/S A & L TRADERS	1	38,83,74,030.70	1	38,83,74,030.7
	13AABCR7176C1ZM	M/S RAILTEL CORPORATION	1	21,25,178.14	1	21,25,178.13
	13AACFH9289G1Z7	M/S HINDUSTAN TRADE AND AGENCY	1	14,64,467.07	1	14,64,467.07
	13AAICA7614B1Z7	M/S AIRPLAZA RETAIL HOLDINGS PRIVATE LIMITED	1	11,31,642.39	1	11,31,642.39
Excess ITC			10	40,71,41,892.8	6	40,25,94,093.8
ITC RCM Ratio	13AFRPN9547B1Z8	M/S N.N. CONSTRUCTION & DECOR.	1	13,94,871	1	13,94,871
ITC RCM Ratio			10	20,60,765.4	1	13,94,871
Table 5R of Form 9C	13AABCN8654K1Z8	M/S NABARD CONSULTANCY SERVICES PRIVATE LIMITED	1	17,43,912.2	1	17,43,912
	13AAACF3294L1ZL	M/S FASHION SUITINGS PVT LTD	1	13,25,347.8	1	13,25,348
	13BRMPD0660F1Z9	M/S NOVELTY PARTY SALES	1	30,108	1	30,108
Table 5R of Form 9C			10	1,98,37,37,172	3	30,99,368
Table 7G of Form 9C	13AAACF3294L1ZL	M/S FASHION SUITINGS PVT LTD	1	13,01,130	1	13,01,130
	13ABZPA6342B1ZY	M/S INDIA AUTOMOBILES	1	1,37,04	1	13,704
	13AAACH0632A1ZM	HUDCO LTD	1	4,000	1	4,000
Table 7G of Form 9C			10	5,88,04,891	3	13,18,834
Table 9R of Form 9C	13AABCB5576G1ZU	M/S BHARAT SANCHAR NIGAM LIMITED	1	9,28,708	1	9,28,708
	13AADCA9318F1ZZ	GLOBAL VECTRA HELICORP LIMITED	1	2,47,826	1	2,47,826
	13BRMPD0660F1Z9	M/S NOVELTY PARTY SALES	1	2,06,669	1	2,06,669

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Audit Dimension	GSTIN	Trade Name	Cases where reply received		Department reply accepted by Audit	
			Action taken before query		No.	Amount
			No.	Amount		
	13AAACF3294L1ZL	FASHION SUITINGS PVT LTD	1	1,64,064	1	1,64,063
	13AAECM9011G1ZU	MOKOKCHUNG SAW & VENEERS (P) LTD	1	1,55,000	1	1,55,000
	13AFAPY2944N1Z2	M/S PARAMOUNT TEA INDUSTRY.	1	1,20,736	1	1,20,736
	13AABCM9425F1ZP	MODICARE LIMITED	1	1,11,326	1	1,11,326
	13AAACF0365N1ZR	M/S FOOD CORPORATION OF INDIA	1	64,980	1	64,980
Table 9R of Form 9C			10	31,50,082.69	8	19,99,308
Table 12F of Form 9C	13AACCN6194P1ZY	AIR INDIA LIMITED	1	35,70,215	1	35,70,215
	13AADFA0825G1Z5	M/S ANSARI & COMPANY	1	6,58,319	1	6,58,319
	13AAECT5121G1ZS	M/S THE ULTIMATE TRAVELLING CAMP	1	4,17,661	1	4,17,661
	13AFAPY2944N1Z2	M/S PARAMOUNT TEA INDUSTRY	1	3,58,390	1	3,58,390
Table 12F of Form 9C			10	3,35,67,179.2	4	50,04,585
Total					25	41,54,11,059

Source: Departmental records

Appendix 5.2.9
Statement showing ITC mismatch and undischarged tax liability
(Reference: Paragraph 5.2.7.4(I))

(₹ in crore)

Sl. No.	GSTIN	Name of Taxpayer	Ward	Mismatches (₹ in crore)			
				Mismatch in ITC	Mismatch in ITC on RCM	Mismatch in 9C 9R	Mismatch in GSTR1 and GSTR3B tax liability
1.	13AAACH1766P1ZE	M/S BHARATI HEXACOM LTD	Dimapur Ward A	0.91	-	0	-
2.	13AACCC1465A1ZG	M/S STAR CEMENT LIMITED	Dimapur Ward A	-	-	-	-
3.	13ABKPW2701P1ZB	M/S NIKOS HOSPITAL AND RESEARCH CENTRE	Dimapur, Ward B	0.02	-	-	-
4.	13AAAAG5588Q1Z5	M/S GUJARAT CO-OPERATIVE MILK MARKETING FEDERATION LIMITED	Dimapur, Ward B	0.28	-	-	-
5.	13AAACR6117Q1Z7	M/S. NATIONAL PROJECT CONSTRUCTION CORPORATION LTD	Dimapur, Ward C	1.47	-	1.99	-
6.	13AATPZ2598P1ZE	M/S ZIMOMI ENTERPRISES	Dimapur Ward C	-	-	-	-
7.	13ANMPA4902A3ZS	M/S ESSEL ENTERPRISES	Dimapur Ward E	0.02	-	-	0
8.	13AACAR6483R1ZU	M/S RAMKY-ECIJV	Dimapur Ward E	9.12	-	-	0.17
9.	13AAACE4411G1ZC	M/S ECI ENGINEERING & CONSTRUCTION COMPANY LIMITED	Dimapur Ward E	1.45	-	-	1.22
10.	13ABUPA6964C1ZP	M/s PROGRESSIVE MOTORS	Dimapur Ward E	2.31	-	-	-
11.	13AAACN9991J1Z1	M/S. NORTH EASTERN ELECTRIC POWER CORPORATION LTD	Wokha	-	1.13	-	-
12.	13ABGPI9893N1ZY	M/S NCS ENTERPRISES	Dimapur Ward E	-	-	-	0.1
13.	13ATTPK7506M2Z5	M/S UNITED TRADERS PROVISION	Kohima ward B	0.37	-	-	0.45
Total				15.95	1.13	1.99	1.94
Total Mismatches							21.01

Source: Departmental records

Appendix 5.2.10
Statement showing Lack of action on non-filers of GST returns
(Reference: Paragraph 5.2.7.4 (II))

(₹ in crore)

Sl. No.	GSTIN	Name of Taxpayer	Value of Outward Taxable Supplies as per GSTR 3B Table 3.1	Department reply
1.	13ATTPK7506M2Z5	M/S UNITED TRADERS PROVISION, KOHIMA, WARD B	12.02	The tax payer subsequently filed the GSTR_9 of 2017-18 as per data furnished by the Department in December 2023
2.	13AACAR6483R1ZU	M/S RAMKY-ECIJV, DIMAPUR, WARD E	174.26	The tax payers had been directed to file Annual Returns at the earliest.
3.	13AAACE4411G1ZC	M/S ECI ENGINEERING & CONSTRUCTION COMPANY LIMITED, DIMAPUR, WARD E	55.38	
4.	13AATPZ2598P1ZE	M/S ZIMOMI ENTERPRISES, DIMAPUR, WARD C	15.4	
Total			257.06	

Source: Departmental records

Appendix 6.1.1

Statement showing summarised financial results of Government Companies for the latest year for which accounts are finalised as on
30 September 2023

(Reference: Paragraphs 6.1.2, 6.1.8 and 6.1.8.2)

(₹ in crore)

Sl. No.	Sector & Name of the Company	Period of accounts	Year in which finalized	Earnings before interest and taxes (EBIT)	Net Profit/Loss	Turn over	Impact of accounts comments	Paid up Capital	Accumulated Profit (+) / Loss(-)	Free Reserves & Surplus	Long Term Loans outstanding	Capital Employed @	Return on Capital Employed #	Percentage of return on Capital Employed
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
A. Working Government Companies														
FINANCE														
1.	Nagaland Industrial Development Corporation Limited	2021-22	2022-23	-4.35	-4.87	1.26	-	23.20	-59.36	0	58.79	22.63	-4.35	-19.22
Sector-wise total				-4.35	-4.87	1.26		23.20	-59.36	0	58.79	22.63	-4.35	-19.22
MANUFACTURING														
2.	Nagaland State Mineral Development Corporation Limited	2020-21	2022-23	0.46	0.46	0.49	-	1.60	6.83	0	0	8.43	0.46	5.46
Sector-wise total				0.46	0.46	0.49		1.60	6.83	0	0	8.43	0.46	5.46
SERVICES														
3.	Nagaland Hotels Limited	2017-18	2020-21	-2.84	-2.84	3.95	-	2.35 ³	-22.09	0	11.02	-8.72	-2.84	Not workable
Sector-wise total				-2.84	-2.84	3.95		2.35	-22.09	0	11.02	-8.72	-2.84	
MISCELLANEOUS														
4.	Nagaland Handloom & Handicrafts Development Corporation Limited	2019-20	2022-23	-0.36	-0.70	0.22	-	7.99 ⁴	-6.31	0	8.81	10.49	-0.36	-3.43
5.	Kohima Smart City Development Limited			First Accounts not submitted ⁵ since inception (24 March 2017)										

³ Paid up capital of the Company (Serial No. A3) includes 'Share application money pending allotment' of ₹1.53 crore shown in the Annual Accounts under 'Reserve & Surplus (Schedule B)'.

⁴ Paid up capital of the Company (Serial No. A4) includes 'Share application money pending allotment' of ₹7.16 crore

⁵ Company at serial no. A5 (Kohima Smart City Development Limited incorporated on 24 March 2017) had not submitted its First Accounts (2017-18) and had arrears of total six Accounts (2017-18 to 2022-23) as on 30 September 2023.

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Sl. No.	Sector & Name of the Company	Period of accounts	Year in which finalized	Earnings before interest and taxes (EBIT)	Net Profit/Loss	Turn over	Impact of accounts comments	Paid up Capital	Accumulated Profit (+) / Loss(-)	Free Reserves & Surplus	Long Term Loans outstanding	Capital Employed @	Return on Capital Employed #	Percentage of return on Capital Employed
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Sector-wise total			-0.36	-0.70	0.22	-	7.99	-6.31	0.00	8.81	10.49	-0.36	-21.60
	Total A (All sector wise working Government Companies)			-7.09	-7.95	5.92	-	35.14	-80.93	0.00	78.62	32.83	-7.09	
B. Non-working Companies														
MANUFACTURING														
6.	Nagaland Industrial Raw Materials Supply Corporation Limited	2018-19	2020-21	0.29	0.29	0	-	1.23 ⁶	-0.93	0	0.04	0.34	0.29	85.29
7.	Nagaland Sugar Mills Company Limited	2001-02	2017-18	-0.07	-0.07	0	-	5.89	-15.10	0	6.08	-3.13	-0.07	Not workable
	Sector-wise total			0.22	0.22	0	-	7.12	-16.03	0	6.12	-2.79	0.22	85.29
	Total B (All sector wise non-working Government Companies)			0.22	0.22	0	-	7.12	-16.03	0	6.12	-2.79	0.22	
	Grand Total (A+B)			-6.87	-7.73	5.92	-	42.26	-96.96	0	84.74	30.04	-6.87	-22.87

[#] Return on Capital Employed has been worked out by adding back the interest charged to Profit and Loss account to net profit/Loss figure.

[@] Capital employed represents shareholders' fund plus long-term borrowing.

⁶ Paid up capital of the Company (serial no. B6) includes 'Share application money pending allotment' of ₹1.13 crore shown in the Annual Accounts under 'Current Liabilities'.

Appendix 6.1.2
Statement showing Rate of Real Return on Government Investment
(Reference: Paragraph 6.1.9)

(₹ in crore)

Financial Year	Present value of total investment at the beginning of the year	Equity infused by the State government during the year	Interest free loan converted into equity during the year	Grants/ subsidies given by the State government for operational and administrative expenditure	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year*
A	B	C	D	E	F=C+D+E	G=B+F	H	I={G x (1+H/100)}	J=I-G	K
Upto 2012-13	100.78 ⁷	29.67	0.00	0.00	29.67	130.45	10.38	143.99	13.54	
2013-14	143.99	4.25	0.00	16.00	20.25	164.24	6.25	174.51	10.27	0.50
2014-15	174.51	0.00	0.00	10.66	10.66	185.17	6.81	197.78	12.61	-3.35
2015-16	197.78	0.00	0.08	16.25	16.33	214.11	6.95	228.99	14.88	-4.50
2016-17	228.99	0.00	0.00	18.90	18.90	247.89	6.87	264.92	17.03	-8.05
2017-18	264.92	0.42	0.00	24.04	24.46	289.38	6.79	309.03	19.65	-4.50
2018-19	309.03	0.00	0.00	25.04	25.04	334.07	7.14	357.92	23.85	-2.62
2019-20	357.92	0.00	0.00	24.49	24.49	382.41	7.80	412.24	29.83	-6.03
2020-21	412.24	0.00	0.00	26.76	26.76	439.00	6.90	469.29	30.29	-6.30
2021-22	469.29	0.00	0.00	28.30	28.30	497.59	6.81	531.92	34.33	-5.84
2022-23	531.92	0.00	0.00	29.54	29.54	561.46	7.22	602.00	40.54	-7.95
Total		34.34	0.08	219.98	254.40					

Source: Information provided by the SPSUs

Year	Total earnings/ loss in 2022-23	Investment by the State Government as per total of the column F above	Return on State Government investment on the basis of historical value	Present value of State Government investment at the end of 2022-23	Real return on State Government investment considering the present value of investments
	A	B	C	D	E
	Value of column K of above table	Total of the column F of above table	A*100/B	Value of column I of above table	A*100/D
2022-23	-7.95	254.40	-3.13	602.00	-1.32

⁷ This figure (₹ 100.78 crore) represents the State's investment in SPSUs, on historic cost basis, upto the financial year 2012-13.

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