

NAGALAND LEGISLATIVE ASSEMBLY
SECRETARIAT : KOHIMA

COMMITTEE ON PUBLIC UNDERTAKINGS
(2019-2020)

(THIRTEENTH ASSEMBLY)
Seventy Third Report



ON

Action Taken by the Government on the Observations and Recommendations contained in the 49th Report of the Committee on Public Undertakings on the Examination of the Report of the Comptroller & Auditor General of India for the Year 2008-2009 pertaining to the Nagaland Industrial Raw Material & Supply Corporation Limited (NIRMSC) under the Department of Industries & Commerce, Government of Nagaland.

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Adopted on 19/07/2019
Presented to the House on 08/08/2019

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II

COMPOSITION OF THE COMMITTEE ON
PUBLIC UNDERTAKINGS.
(2019-2020)

CONSTITUTED ON 26th February, 2019

CHAIRMAN

1. Dr. Neikiesalie Nicky Kire : MLA

MEMBERS

1. Shri. E.E Pangteang : MLA
2. Shri. Y. Vikheho Swu : MLA
3. Shri. L. Khumo Khamniungan : MLA
4. Shri. Toshi Wungtung : MLA
5. Shri. Kazheto Kinimi : MLA
6. Shri. Kezhienyi Khalo : MLA

ASSEMBLY SECRETARIAT

1. Shri. K. Sekhose : Secretary
2. Smti. Aosenla : Additional Secretary
3. Smti. Kungkamlu : Joint Secretary
4. Smti. Kedovino Peseyie : Deputy Secretary
5. Shri. Zasituolie : Under Secretary
6. Shri. Shepohu Lohe : Section Officer

INTRODUCTION

I, the Chairman of the Committee on Public Undertakings, having been authorized by the Committee (2019-2020) to present on its behalf this 73rd Report on the Action Taken by the Government on the Observations and Recommendations made in its 49th Report on the Examination of the Report of the Comptroller & Auditor General of India for the year 2008-2009 pertaining to the Nagaland Industrial Raw Material & Supply Corporation Limited (NIRMSC) under the Department of Industries & Commerce, Government of Nagaland.

1. The 49th Report containing 3 (three) recommendations was presented to the House on the 21st September, 2012 and the Report was forwarded to the Department on 10th October, 2012 giving 3 (three) months time for implementation.
2. The Action Taken Replies of the Department was received by this Secretariat on the 26th March, 2013.
3. The Committee for the tenure 2019- 2020 has carefully examined the Implementations of the concerned Department on the observations / Recommendations made by it.
4. The Committee places on record its appreciation, the valuable assistance rendered by the Secretary and the Officials of the Nagaland Legislative Assembly for the completion of the Action Taken Report.
5. The present Committee (2019-2020) considered and adopted the Report at its sitting held on 19/07/2019.

Dated : 19/07/2019
Kohima

Sd/-
DR. NEIKIESALIE NICKY KIRE
CHAIRMAN

CHAPTER – 1

BACKGROUND

This 73rd Report of the Committee on Public Undertakings deals with 3 (three) Observations / Recommendations made by the Committee in its 49th Report on the Examination of the Report of the Comptroller & Auditor General of India for the year 2008-2009 pertaining to the Nagaland Industrial Raw Material & Supply Corporation Limited (NIRMSC) under the Department of Industries & Commerce, Government of Nagaland, which was presented to the House on the 21st of September, 2012, and subsequently forwarded to the Govt. Department on 10-10-2012.

2. The Action Taken replies on the recommendations of the Committee was received on 26/03/2013 (Vide Letter No.IDB/MISC/COPU-1/2005/255, Dt. 26/03/2013).

CHAPTER – II

Observations / Recommendations of the Committee

Sl No.1 Para no 1.5 The Committee, therefore recommended that the new system introduced by the Ministry of Corporate Affairs for finalization of Statutory Audit expressed its hopefulness that once the meeting with all the Corporations is held with the expertise in this regard, the Department may get all the necessary assistance from the Accountant General so as to solve the long pending problem of Statutory Audit, further suggesting that the new system be highlighted and recommended in the main Report. Action taken in this matter be intimated to the Committee within three (3) months from the date of presentation of this Report to the House. It is observed that loss incurred by NIRMSC amounting to Rs.11.21 lakh was grant-in-aid received from the Government which was diverted to pay and allowances. The Committee further observed that the Department never exercise or strategize for avenue and therefore recommended that the Department should initiate strategies for reviving instead of closure.

Government's Action taken replies vide No. IDB/MISC/COPU-1/2005 (VOL-1) Dated 5th March, 2014 .

The Statutory audit of these Corporations is finalized upto the financial year 31st March, 2000. The statutory audit report from 2000-01 to 2004-05 that has been submitted to A.G., Nagaland for review audit, out of which, the NIRMSC has received Non-Review Certificate for 3 (three) year accounts, i.e. 2000-01 to 2002-03, which will be put up in the next Annual General Meeting for adoption.

Observations / Recommendations of the Committee

Sl No 2. Para No 1.8 The Committee, therefore, urged the Department/Corporation to accomplish the latest position of these arrears and secondly the Committee insisted upon the Department to address the VRS and to get the means for disposal as the Corporation's

pay and allowances becomes a wastage to the Government and in setting aside the VRS cases, the Department should in no way inherit the corruption style of Nagaland Sugar Mill Company (NSMC).

Governments' Action taken replies vide No. IDB/MISC/COPU-1/2005/255, Dated 26th March, 2013 and No. IDB/MISC/COPU-1/2005 (VOL-1) Dated 5th March, 2014.

(i) The Statutory Audit and Review Audit is completed upto 1999-2000 and from 2000-01 to 2010-11, the accounts has been submitted to our Statutory Auditors for early audit and they have already started the work.

(ii) At present, a total of 14 (fourteen) employees of NIRMSC Ltd. has opt for VRS and as such, a proposal amounting to Rs. 1.70 Crore has been submitted to the Government for sanction during the current financial year 2011-12.

(iii) NIRMSC Ltd. has submitted VRS proposal to the Government vide our letter of even number NIRMSC/ACCTT-42/2004-05/ dated, 04/08/2008, 09/10/2009, 19/05/2010, 21/04/2011 and 16/02/2012 respectively. But due to fund constraint, sanction could not be accorded by the State Government till date.

Observations / Recommendations of the Committee

Sl No 3. Para No 1.12 The Committee, therefore, recommended that as the A.G has time and again committed to extend help/support for finalizing pending arrears which obstruct all new financial assistance, the Department and Corporation need not slumber on it. Rather have accesses to A.G's Office, Shillong where Commercial audit wings are available and A.G's Office, Nagaland as well for early finalization. The outcome of this recommendation be intimated to the Committee within three months from the date of presentation of this Report to the House.

Government's Action taken replies vide No. IDB/MISC/COPU-1/2005/255, Dated 26th March, 2013 .

NIRMSC Ltd. has been obtaining all necessary help/support from the office of the A.G, Nagaland, Kohima as and when required for early finalization of accounts.

COMMITTEE'S REITERATION:-

The Committee would like to reiterate on the VRS scheme submitted to the State Govt. Instead of feeding idle staff due to non-availability of Business Avenue at NIRMSC Ltd., Finance Department and Industry and Commerce Department jointly sort out the ways and means to streamline conditions for the services all 14 employees at the earliest.

**NAGALAND LEGISLATIVE ASSEMBLY
SECRETARIAT : KOHIMA.**

AS/COPU-4/2018/
Dated: 19/07/2019

**MINUTES OF THE ADOPTION MEETING OF THE
COMMITTEE ON PUBLIC UNDERTAKINGS HELD ON
19th JULY 2019.**

MEMBERS PRESENT.

- | | | |
|----|-----------------------------|------------|
| 1. | Dr. Neikiesalie Nicky Kire | : Chairman |
| 2. | Shri. E. E. Pangteang | : Member |
| 3. | Shri. Toshi Wungtung | : Member |
| 4. | Shri. Kezhienyi Khalo | : Member |
| 5. | Shri. L. Khumo Khiamniungan | : Member |

ASSEMBLY SECRETARIAT

- | | | |
|----|-------------------------|----------------------|
| 1. | Shri. K. Sekhose | : Secretary |
| 2. | Smti. Aosenla | : Addl. Secretary |
| 3. | Smti. Kungkamlu | : Joint Secretary-II |
| 4. | Smti. Kedovino Peseyie | : Deputy Secretary |
| 5. | Shri. Zasituolie Angami | : Under Secretary |
| 6. | Shri. Shepohu Lohe | : Section Officer |

Hon'ble Chairman welcomed the Committee Members, and expressed his appreciation to the members for making themselves available to attend the adoption meeting.

The committee thoroughly deliberated the Reports and adopted the 70th, 71st, 72nd, 73rd, 74th and 75th Reports of the COPU.

Sd/-
K.SEKHOSE
SECRETARY
NAGALAND LEGISLATIVE ASSEMBLY