

TABLE OF CONTENTS		
<i>Contents</i>	<i>Paragraph</i>	<i>Page</i>
Preface		v-viii
Executive Summary		ix-x
CHAPTER I: Overview of the Finances of the State		
Profile of the State	1.1	1
Demography of the State	1.1.1	1
Economy of the State	1.1.2	2
Gross State Domestic Product and Per Capita Income	1.1.2.1	2
Sectoral contribution to GSVA	1.1.2.2	3
Snapshot of Finances	1.1.3	4
Sources and Application of Funds	1.1.4	5
Snapshot of Assets and Liabilities of the Government	1.1.5	6
Consolidated Fund of the State	1.2	7
Revenue Receipts	1.2.1	7
Capital Receipts	1.2.2	18
Finance Commission Projections and Actuals	1.2.3	19
Expenditure	1.2.4	19
Revenue expenditure	1.2.4.1	21
Capital expenditure	1.2.4.2	26
Contingency Fund	1.3	29
Public Account	1.4	29
Net Public Account Balances	1.4.1	29
Reserve Funds	1.4.2	30
Cash Balances	1.4.3	30
Fiscal Sustainability	1.5	32
Public Liability Management	1.5.1	32
Liability profile: Components	1.5.1.1	33
Utilisation of borrowed funds	1.5.1.2	35
Debt profile: Maturity and Repayment	1.5.1.3	36
Financing pattern of fiscal deficit	1.5.1.4	37
Post Audit Deficit Indicators	1.5.2	37
Fiscal Balance: Achievement of deficit and total debt targets	1.5.3	38
Debt Sustainability Analysis	1.5.4	40
Status of Guarantees- Contingent Liabilities	1.5.5	42

<i>Contents</i>	<i>Paragraph</i>	<i>Page</i>
Pathways to Fiscal Stability	1.5.6	43
Improving revenues of the State	1.5.6.1	44
Issues on expenditure side	1.5.6.2	45
Conclusion	1.6	47
Good practices	1.7	48
Recommendations	1.8	48
CHAPTER II: Budgetary Management		
Budget Process	2.1	49
Budget projection and gap between expectation and actual	2.2	49
Component/Services wise analysis of budgetary provisions and expenditure	2.2.1	51
Budget marksmanship	2.3	52
Appropriation Accounts	2.4	54
Budgetary and accounting process	2.5	54
Expenditure incurred without authority of law	2.5.1	54
Excess expenditure and its regularisation	2.5.2	55
Persistent excesses expenditure in certain Grants	2.5.2.1	57
Supplementary Grants rendered non-essential	2.5.3	58
Injudicious re-appropriation of funds	2.5.4	59
Unspent amount and surrendered appropriation and/or large Savings/Surrenders	2.5.5	59
Misclassification between Revenue Expenditure and Capital Expenditure	2.5.6	61
Major policy pronouncements in budget and their actual funding for ensuring implementation	2.5.7	61
Non-adherence to the Quarterly Expenditure Limit	2.5.8	61
Implementation of selected CSS schemes in the State	2.6	65
Single Nodal Agency	2.6.1	65
Single Nodal Agency- SPARSH	2.6.2	66
Other issues noticed in Detailed Review of selected grants	2.7	67
Contingency Fund	2.8	68
Advance from Contingency Fund	2.8.1	69
Conclusion	2.9	69
Recommendations	2.10	69

<i>Contents</i>	<i>Paragraph</i>	<i>Page</i>
CHAPTER III: Financial Reporting Practices		
Off-budget borrowings through State owned PSUs/Authorities	3.1	71
Undischarged liabilities of the Government	3.2	72
Undischarged Interest liability	3.2.1	72
Short contribution in National Pension System	3.2.2	73
Non-transfer of Building and Other Construction Workers Welfare Cess	3.2.3	73
National Mineral Exploration Trust Fund	3.2.4	74
State Mineral Exploration Trust/State Mineral Development Fund	3.2.5	75
Non transfer of Nagaland Road Safety Fund	3.2.6	75
State Compensatory Afforestation Fund	3.2.7	76
Central Road and Infrastructure Fund (CRIF)	3.2.8	76
Pendency of refund cases	3.2.9	77
Funds outside Government Accounts	3.3	77
Maintenance of Nagaland Electricity Regulatory Commission fund in Bank Accounts instead of Public Account	3.3.1	77
Delay in submission of Utilisation Certificates (UCs)	3.4	78
Abstract Contingent Bills	3.5	80
Personal Deposit Accounts	3.6	81
Operation of Minor Head-800	3.7	81
Booking of expenditure under omnibus object head – other charges	3.8	82
Outstanding balance under major Suspense and DDR Heads	3.9	83
Reconciliation of Departmental figures	3.10	84
Reconciliation of Cash Balances	3.11	85
Unspent amount lying with divisional officers	3.12	85
Compliance with Accounting Standards	3.13	86
Submission of accounts of Autonomous Bodies	3.14	87
Misappropriations, losses, thefts, etc.	3.15	88
Follow up action on State Finances Audit Report	3.16	89
Conclusion	3.17	90
Good Practices	3.18	90
Recommendations	3.19	90

APPENDICES

<i>Contents</i>	<i>Appendices</i>	<i>Page</i>
Time Series Data on the State Government Finances	1.1	93
Abstract of receipts and disbursements for the year 2024-25	1.2	97
Summarised financial position of the Government of Nagaland as on 31 March 2025	1.3	100
Expenditure without Budget Provision or Re-appropriation	2.1	101
Cases where Supplementary Provision (₹ one crore or more in each case) proved unnecessary	2.2	102
Cases where Supplementary Provision (₹ one crore or more in each case) proved excessive	2.3	103
Unnecessary/Inadequate re-appropriation of funds during FY 2024-25	2.4	105
Grants having large savings, after surrender (exceeding ₹ one crore) during FY	2.5	106
Grants having persistent savings (exceeding ₹ one crore) during FY 2022-23 to FY 2024-25	2.6	108
Grant-wise percentage of utilisation of budget and savings during FY 2024-25	2.7	109
Savings not Surrendered	2.8	111
Surrender of funds in excess of ₹ one crore, on the last day of March 2025	2.9	112
Misclassification of Revenue expenditure as Capital expenditure for FY 2024-25	2.10	114
Sub-heads where entire expenditure was incurred in March 2025	2.11	116
Quarter-wise expenditure for all major heads during 2024-25	2.12	120
Details of contribution and investment under Defined Contributory Pension Scheme	3.1	123
Details of Department-wise pendency of Utilisation Certificates (as on 31 March 2025)	3.2	124
Details of Age/Department-wise pending Abstract Contingent Bills (as on 31 March 2025)	3.3	125