



सत्यमेव जयते

# REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

## AUDIT OF FORESTS, ECOLOGY, ENVIRONMENT & WILDLIFE DEPARTMENT

The Report has been laid on the table of the State Legislature Assembly on 25-07-2014



FOR THE YEAR ENDED  
31 MARCH 2013



GOVERNMENT OF NAGALAND  
*Report No. 2 of 2014*

**REPORT OF THE  
COMPTROLLER AND AUDITOR GENERAL OF INDIA**

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FORESTS, ECOLOGY, ENVIRONMENT AND WILDLIFE  
DEPARTMENT**

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**GOVERNMENT OF NAGALAND**

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## PREFACE

1. This Report of the Comptroller and Auditor General of India contains the results of Audit of 'Forests, Ecology, Environment and Wildlife Department'. The Report has been prepared for submission to the Governor under Article 151 (2) of the Constitution of India.
2. The audit was conducted through a test-check of records (2008 to 2013) of the Principal Chief Conservator of Forests and field level offices viz., Divisional Forest Offices and Range/Beat Offices during May 2013 to February 2014.
3. The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.



## EXECUTIVE SUMMARY

## Executive Summary

The recorded forest area of Nagaland is 9,222 sq. km which is 55.62 *per cent* of its geographical area. There are three Wildlife Sanctuaries, one National Park and one Zoological Park in the State. The main functions of the Department are to achieve the objectives envisaged in the National Forest Policy by conserving and preserving the State's forest and tree cover, to conserve the biological diversity of the State, to create employment opportunities, to ensure and encourage protection, conservation and management of wildlife habitats and to encourage people to plant trees in their community and private lands and ensure preservation of forests through community partnership under Joint Forest Management.

An Audit of the Department revealed areas of concern in planning, financial management, scheme/programme management, internal controls and monitoring.

### Highlights

- ✱ *The State had not framed a Forest Policy as recommended (March 2006) by the National Forest Commission even after a lapse of seven years.*  
(Paragraph 3.1)
- ✱ *Payments ranging from ₹ 0.63 crore to ₹ 26.47 crore were made without routing through Cash Book. Further, credits in the bank accounts ranging from ₹ 0.11 crore to ₹ 28.65 crore were not recorded in the Cash Book. This has also resulted in the amounts remaining out of Government Accounts.*  
(Paragraph 4.4.1.1)
- ✱ *The Ministry of Environment and Forests (MoEF), Government of India (GOI) deducted ₹ 8.66 crore out of funds provided under 13<sup>th</sup> Finance Commission grants during 2012-13 due to non-preparation of Forest Management Plans.*  
(Paragraph 5.1.1)
- ✱ *Free distribution of LPG connections to beneficiaries at a cost of ₹ 0.80 crore during November 2010 needs further investigation in the absence of clear evidence of actual distribution.*  
(Paragraph 5.1.4)
- ✱ *Transportation of illegal timber outside the North East in contravention of Hon'ble Supreme Court Orders cannot be ruled out due to non-maintenance of mandatory records in respect of Working Schemes and timber operations.*  
(Paragraph 5.3 & 5.4)
- ✱ *Civil works under various schemes were carried out without framing/adhering to estimates resulting in wide variations in the actual works executed.*  
(Paragraph 5.7)
- ✱ *No internal control systems existed in the Department and maintenance of records was poor.*  
(Paragraph 6)
- ✱ *There was no evidence that monitoring as envisaged under scheme guidelines were conducted.*  
(Paragraph 7)

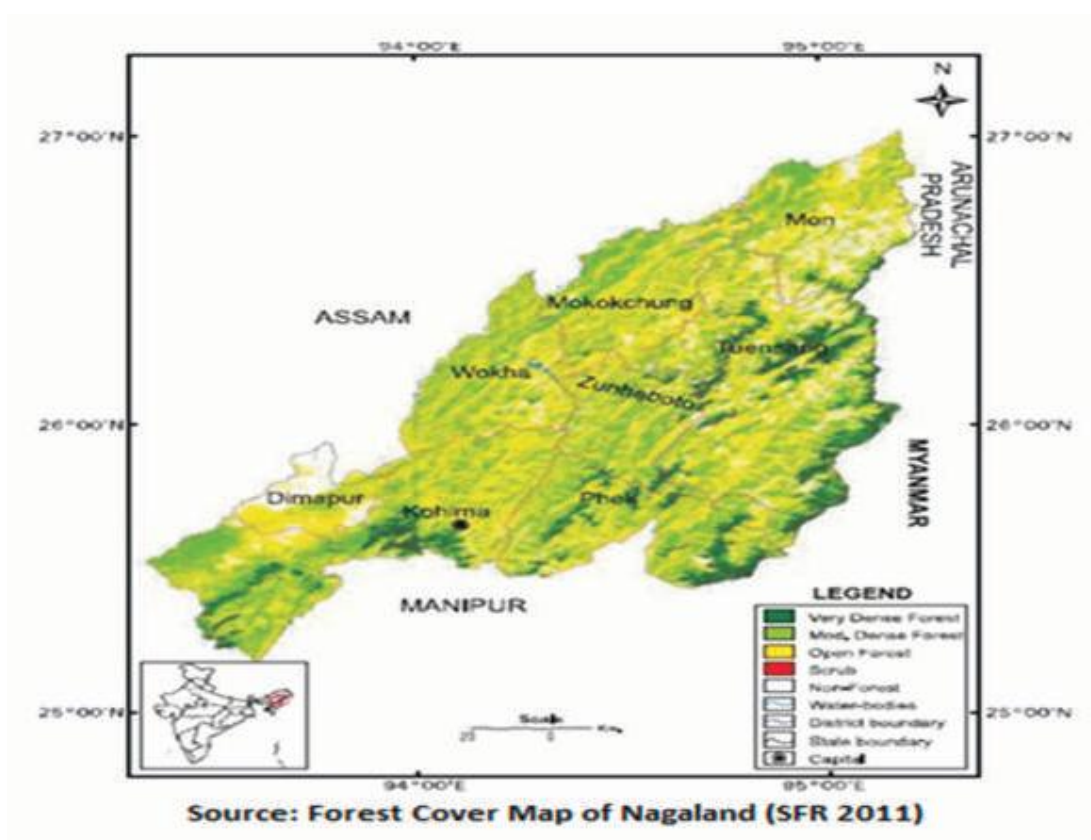
# CHAPTER-I

## INTRODUCTION

## Chapter-1 Introduction

### 1.1 The Department

The total geographical area of Nagaland is 16,579 sq. km. As per Status of Forests Report (SFR), 2011 of the Forest Survey of India (FSI), the recorded forest area of the State is 9,222 sq. km which is 55.62 *per cent* of its geographical area. Reserved forests constitute 0.93 *per cent*, Protected Forests 5.51 *per cent* and Un-classed Forests constitute 93.56 *per cent*.



As per the SFR 2011, the forest cover in the State is 13,318 sq. km. which is 80.33 *per cent* of its geographical area. In terms of forest canopy density classes, the State has 1,293 sq. km. under very dense forest, 4,931 sq. km. under moderately dense forest and 7,094 sq. km. under open forest.

As per SFR 2011, comparison of forest cover<sup>1</sup> with previous assessment<sup>2</sup> showed a net loss of 146 sq. km of forest cover as shown in the table below:

**Table 1.1: Change in forest cover**

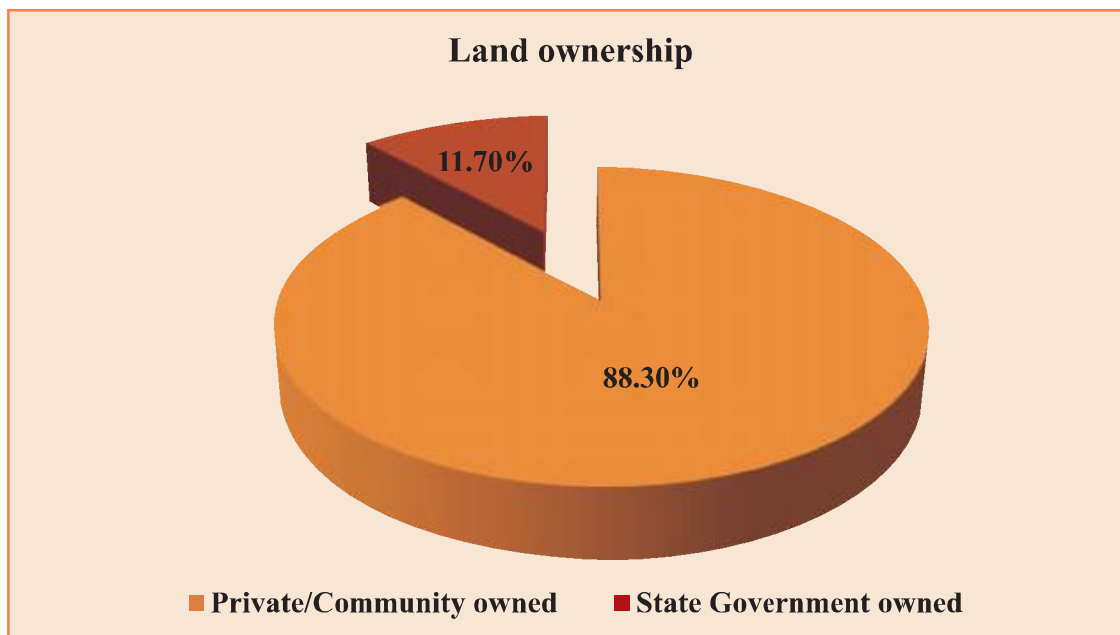
| Year of assessment | Canopy density classes (area in sq. km) |                         |             | Total (sq. km) |
|--------------------|---|-------------------------|-------------|----------------|
|                    | Very dense forest                       | Moderately dense forest | Open forest |                |
| SFR 2009           | 1274                                    | 4897                    | 7293        | 13464          |
| SFR 2011           | 1293                                    | 4931                    | 7094        | 13318          |
| Net change         | 19                                      | 34                      | (-) 199     | (-) 146        |

<sup>1</sup> Satellite data of November 2008-February 2009

<sup>2</sup> Satellite data of December 2006-January 2007

The table reveals that there was increase of 19 sq. km in very dense forest, increase of 34 sq. km in moderately dense forest and a decrease of 199 sq. km in open forest. The decrease in forest cover was attributed by the FSI to shifting cultivation practised widely across the State.

Nagaland has a peculiar pattern of land ownership. Most land is owned by individuals, the village community as a whole or by clans within the village. As per Departmental records, 88.30 *per cent* of forest area in the State was private/community owned forests as shown below.



*(Source: Departmental records)*

The Department received grants from the Twelfth/Thirteenth Finance Commission (TFC) amounting to ₹ 70.62 crore during 2008-13 out of which an amount of ₹ 65.62 crore was expended during the period. The funds were spent to achieve the broad objectives of providing the finances for preservation so as to halt and reverse past declines in the quantum and the quality of area under forest and providing fiscal resources by which the State could enable alternative economic activities as a substitute for economic disability imposed by forest cover.

Apart from the above, the Department also implemented various schemes/programmes, centrally sponsored as well as under State Plan to achieve its objectives as detailed in **Appendix I**. The major schemes implemented by the Department during the period 2008-2013 are summarised in the succeeding paragraphs.

**Intensification of Forest Management (IFM):** The Scheme formerly known as the Integrated Forest Management Scheme is a Centrally Sponsored Scheme with 90 *per cent* contribution from GOI and the remaining 10 *per cent* from the State Government. The major components of the Scheme were strengthening of infrastructure for forest protection and forest fire control and management. A total amount of ₹ 11.41 crore was released and spent for implementation of the Scheme during 2008-13.

**Working Schemes:** As per Hon'ble Supreme Court Order (January 1998), felling of trees from forests, including private forests, shall be only in accordance with Working Plans/Schemes approved by the MoEF. Working Schemes prescribe the activities to be carried out scientifically in a specified forest area for a fixed number of years so that use/extraction of forest resources including timber are managed in a sustainable manner.

Working Schemes were prepared by the Working Plan Officer, Kohima as per guidelines of the National Working Plan Code and approved by the MoEF usually for an operation period of 5 years. The Division had prepared a total number of 72 working schemes, out of which 50 were in operation during the period from 2008-13. As most forests in Nagaland are private/community owned, village-wise Working Schemes were prepared on the application submitted by the concerned Village Councils.

**National Afforestation Programme (NAP):** The Scheme sponsored by the National Afforestation and Eco-Development Board (NAEB), Ministry of Environment and Forests (MoEF), Government of India was launched in Nagaland during 2000-01 with the objectives of sustainable development and management of forest resources and to increase/improve forest and tree cover. A total amount of ₹ 49.41 crore was received directly from the NAEB and spent by the Department for implementation of the Scheme during 2008-13.



## **CHAPTER-2**

# **FRAMEWORK OF AUDIT**

## Chapter-2 Framework of Audit

### 2.1 Organisational setup

The Commissioner and Secretary (Forests, Ecology, Environment and Wildlife) is the administrative head of the Department. Principal Chief Conservator of Forest (PCCF) is the Head of the Department and is responsible for all forestry, wildlife and allied activities. The PCCF is assisted by four Additional Principal Chief Conservators of Forest (APCCF) who are in charge of the various wings<sup>1</sup> in Headquarters. The APCCFs are assisted by six Chief Conservators of Forest.

There are two territorial circles (Northern Territorial Circle<sup>2</sup> and Southern Territorial Circle<sup>3</sup>) headed by Conservators of Forest with their headquarters at Kohima.

There are seventeen Forest Divisions—nine Territorial Divisions headed by Divisional Forest Officers, six Functional Divisions headed by Deputy Conservator of Forests and two Wildlife Divisions (Dimapur and Kiphire) headed by Wildlife Wardens under Chief Wildlife Warden, Dimapur.

The Divisions, Ranges and Beats under the two Territorial Circles and one Functional Circle, Wildlife Divisions and Sanctuaries, National Parks & Zoological Parks under the Department are detailed in *Appendix II*.

### 2.2. Scope of Audit

The Audit of the Department was conducted during April 2013 to January 2014 covering the period 2008-2013. Of the 23 Drawing and Disbursing Officers (DDOs) under the Department, 13 DDOs including the Office of the Principal Chief Conservator of Forests was covered in audit. The Grants from Twelfth/Thirteenth Finance Commission, a major Centrally Sponsored Scheme i.e. Intensification of Forest Management, major projects/activities implemented under State Plan and Non-Plan were covered in audit. Divisions/DDOs test-checked and expenditure covered in audit are detailed in *Appendix III*.

### 2.3 Audit objectives

The objectives of audit were to assess whether

- The Department had a proper system of planning and had an efficient system for Human Resource Management;
- The budget estimates were reliable and financial management was adequate and effective;
- Scheme/Programme management were carried out efficiently and effectively in an economical manner;
- Proper internal control mechanisms existed in the Department;
- Proper monitoring mechanisms existed in the Department.

<sup>1</sup> Wildlife & Biodiversity, Administration, Environment & Climate Change, Territorial and Development & Planning

<sup>2</sup> Mon, Tuensang, Mokokchung and Zunheboto Divisions

<sup>3</sup> Kohima, Dimapur, Phek, Wokha, Peren, Doyang Plantation Divisions and Social Forestry Division, Kohima.

## **2.4 Audit criteria**

The major criteria applied were drawn from the following sources:

- Plan documents.
- Guidelines of schemes/projects covered in audit.
- Detailed Project Reports of schemes/projects covered in audit.
- General Financial Rules/Central Treasury Rules.
- Departmental Codes and Manuals, Policies, Rules and Regulations.

## **2.5 Audit methodology**

An 'Entry Conference' was held (16 April 2013) with the Addl. Principal Chief Conservator of Forests to convey the audit objectives and the audit criteria. Records pertaining to the period from April 2008 to March 2013 were examined in the Office of the PCCF and selected divisions. The audit findings were discussed (13 March 2014) with the Principal Chief Conservator of Forests in an 'Exit Conference' and their replies have been considered while finalising the Report.

## **2.6 Acknowledgement**

The Indian Audit and Accounts Department acknowledges the cooperation extended by the Department, especially the Field Officers, during the course of audit.

# CHAPTER-3

## PLANNING

## AUDIT FINDINGS

### Chapter-3 Planning

**Objective I:** *To assess whether the Department had a proper system of planning and had an efficient system for Human Resource Management.*

A well defined forest policy at the field level is essential for management and sustainable development of forests in a time-bound manner. Well defined and time-bound implementation of plans is also necessary to ensure that the field initiatives are systematic, need based and realisable. Audit scrutiny revealed the following deficiencies in the policy and planning process.

#### 3.1 State Forest Policy

The National Forest Commission recommended (March 2006) that each State should have its own forest policy within the parameters of the National Forest Policy, 1988 for sustainable management of forests. However, the State had not framed its own forest policy even after a lapse of seven years. In reply (November 2013), the Department stated that the forest policy was framed and submitted to the State Government in February 2012 but the approval was awaited.

#### 3.2 Preparation of Plans

Annual Work Plans (AWPs) were prepared and sent to the Ministry of Environment and Forests (MoEF), Government of India (GOI) for obtaining funds for implementation of Integrated Forest Management Scheme (IFMS) and Twelfth/Thirteenth<sup>1</sup> Finance Commission (TFC) Grants. An analysis of the AWP and its actual implementation at the field level revealed the following deficiencies:

- AWP were prepared at the State level without assessing the requirement/obtaining proposals from the field units.
- Funds under Thirteenth Finance Commission amounting to ₹ 8.66 crore was deducted by GOI during 2012-13 and further cuts during 2013-14 and 2014-15 are imminent due to non-preparation of Forest Management Plans as discussed in *Paragraph 5.1.1*.
- Estimates for civil works such as construction of quarters/offices, forest approach roads and water harvesting structures were prepared (on the basis of PWD SOR) and enclosed with the AWP sent to the MoEF. However, those estimates were not followed by the implementing divisions/ranges resulting in wide variations during actual execution as discussed in *Paragraph 5.7*.
- To achieve the working plan and for identifying and carrying out annual activities, the implementing divisions were required to prepare and submit Annual Plan of Operation (APO) which were to be approved by the PCCF. It was however, seen that except for Wildlife Warden, Dimapur, none of the other test checked divisions had

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<sup>1</sup> Twelfth Finance Commission (2008-09 & 2009-10) and Thirteenth Finance Commission (2010-11, 2011-12 & 2012-13).

prepared APOs in respect of State Schemes. Thus, activities under State schemes were carried out without any planning.

### **3.3 Human Resource Management**

The Department did not furnish information regarding sanctioned strength of the divisions, policy for deployment of staff or trainings/skill upgradation conducted despite requisition (March 2013) and several subsequent reminders. Sanctioned strength was also not available in any of the divisions test checked. It was, however seen that there were wide variations in the total number of staff deployed in the divisions test checked as shown in the table below:

**Table 3.1: Men in position in five territorial divisions**

| SI No. | Designation                   | DFO, Dimapur | DFO, Mon               | DFO, Mokokchung | DFO, Kohima | DFO, Peren |
|--------|-------------------------------|--------------|------------------------|-----------------|-------------|------------|
| 1.     | Deputy Conservator of Forests | 1            | 1                      | 1               | 1           | 1          |
| 2.     | Asst. Conservator of Forests  | 4            | 0                      | 2               | 1           | 2          |
| 3.     | Forest Ranger                 | 5            | 3                      | 4               | 1           | 3          |
| 4.     | Dy. Forest Ranger             | 6            | 6                      | 3               | 6           | 3          |
| 5.     | Forester I                    | 25           | 26                     | 12              | 7           | 5          |
| 6.     | Forester II                   | 27           | 10                     | 6               | 2           | 13         |
| 7.     | Forest Guard                  | 64           | 38                     | 33              | 18          | 42         |
| 8.     | Draughtsman                   | 1            | 0                      | 1               | 0           | 0          |
| 9.     | Boiler Driver                 | 0            | 0                      | 1               | 0           | 0          |
| 10.    | Other support staff           | 28           | 21                     | 31              | 20          | 18         |
|        | <b>Total</b>                  | <b>161</b>   | <b>105<sup>2</sup></b> | <b>94</b>       | <b>56</b>   | <b>87</b>  |

*(Source:-Departmental records)*

It can be seen from the table above that the major variations were in the category of Forester (I & II) and Forest Guard though it was seen that the divisions at Dimapur, Mon and Mokokchung had the same number of Ranges/independent Beats (7 each), Kohima had 3 Ranges and Peren had 10 Ranges/independent Beats.

In reply (November 2013), the Department stated that a plan would be drawn up in this regard and staff deployed based on the work load and exigencies.

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<sup>2</sup> Including staff of Singphan Wildlife Sanctuary under Kiphire Wildlife Division drawing pay and allowances from Mon Division.



# **CHAPTER-4**

## **FINANCIAL MANAGEMENT**

## Chapter-4 Financial Management

**Objective II: To verify whether the budget estimates were reliable and financial management was adequate and effective.**

### 4.1 Funds through State Budget

Several schemes/programmes were funded by the State Government (State Plan Schemes) and the Central Government (Centrally Sponsored Schemes) through the State Budget. The budget allocation for the Department was made under 'Grant No.52 –Forests, Ecology, Environment and Wildlife'. Budget allocation, expenditure and savings/excess during the period from 2008-09 to 2012-13 was as follows:

**Table 4.1: Details of revenue and capital expenditure on Forest etc.**

(₹ in crore)

| Year               |              | Revenue             |               | Capital             |              | Total               |               | Savings (-)/<br>Excess (+) |
|--------------------|--------------|---------------------|---------------|---------------------|--------------|---------------------|---------------|----------------------------|
|                    |              | Budget<br>Provision | Expenditure   | Budget<br>Provision | Expenditure  | Budget<br>Provision | Expenditure   |                            |
| 2008-09            | Plan         | 6.21                | 15.69         | 20.00               | 15.53        | 26.21               | 31.23         | 5.02                       |
|                    | Non-plan     | 21.74               | 20.32         | 0.00                | 0.00         | 21.74               | 20.32         | (-) 1.42                   |
|                    | <b>Total</b> | <b>27.95</b>        | <b>36.01</b>  | <b>20.00</b>        | <b>15.53</b> | <b>47.95</b>        | <b>51.55</b>  | <b>3.60</b>                |
| 2009-10            | Plan         | 8.60                | 16.73         | 27.92               | 0.55         | 36.52               | 17.27         | (-) 19.25                  |
|                    | Non-plan     | 26.63               | 24.76         | 0.00                | 0.00         | 26.63               | 24.76         | (-) 1.87                   |
|                    | <b>Total</b> | <b>35.23</b>        | <b>41.49</b>  | <b>27.92</b>        | <b>0.55</b>  | <b>63.15</b>        | <b>42.03</b>  | <b>(-) 21.12</b>           |
| 2010-11            | Plan         | 8.88                | 23.53         | 22.32               | 12.36        | 31.20               | 35.88         | 4.69                       |
|                    | Non-plan     | 35.28               | 29.80         | 0.00                | 0.00         | 35.28               | 29.80         | (-) 5.48                   |
|                    | <b>Total</b> | <b>44.16</b>        | <b>53.33</b>  | <b>22.32</b>        | <b>12.36</b> | <b>66.48</b>        | <b>65.68</b>  | <b>(-) 0.79</b>            |
| 2011-12            | Plan         | 3.79                | 11.02         | 38.56               | 24.60        | 42.35               | 35.62         | (-) 6.73                   |
|                    | Non-plan     | 39.65               | 41.23         | 0.00                | 0.00         | 39.65               | 41.23         | 1.58                       |
|                    | <b>Total</b> | <b>43.44</b>        | <b>52.25</b>  | <b>38.56</b>        | <b>24.60</b> | <b>82.00</b>        | <b>76.85</b>  | <b>(-) 5.15</b>            |
| 2012-13            | Plan         | 6.00                | 15.92         | 25.98               | 42.00        | 31.98               | 57.92         | 25.94                      |
|                    | Non-plan     | 44.37               | 41.99         | 0.00                | 0.00         | 44.37               | 41.99         | (-) 2.38                   |
|                    | <b>Total</b> | <b>50.37</b>        | <b>57.91</b>  | <b>25.98</b>        | <b>42.00</b> | <b>76.35</b>        | <b>99.91</b>  | <b>23.56</b>               |
| <b>Total</b>       | Plan         | <b>33.48</b>        | <b>82.89</b>  | <b>134.78</b>       | <b>95.04</b> | <b>168.26</b>       | <b>177.92</b> | <b>9.67</b>                |
|                    | Non-plan     | <b>167.67</b>       | <b>158.10</b> | <b>0.00</b>         | <b>0.00</b>  | <b>167.67</b>       | <b>158.10</b> | <b>(-) 9.57</b>            |
| <b>Grand total</b> |              | <b>201.15</b>       | <b>240.99</b> | <b>134.78</b>       | <b>95.04</b> | <b>335.93</b>       | <b>336.02</b> |                            |

(Source: Detailed Appropriation Accounts)

### 4.2 Direct release of funds

(i) Funds for the National Afforestation Programme (NAP) were released directly by the National Afforestation and Eco-Development Board (NAEB), MoEF to the 20 Forest Development Agencies (FDAs) till 2009-10 for implementation through Joint Forest Management Committees (JFMCs). The State Forest Development Agency (SFDA) was formed during 2009-10 and thereafter funds for the scheme were being routed through the SFDA to the FDAs. Funds were also received during 2011-12 from NAEB for preparatory activities under Green India Mission to be implemented by the SFDA.

The year-wise funds received directly from the NAEB are shown in the table below:

**Table 4.2: Details of funds received directly from NAEB**

(₹ in crore)

| Year         | Name of scheme                   | Amount received |
|--------------|----------------------------------|-----------------|
| 2008-09      | National Afforestation Programme | 6.66            |
| 2009-10      | --do--                           | 10.07           |
| 2010-11      | --do--                           | 10.11           |
| 2011-12      | --do--                           | 11.69           |
|              | Green India Mission              | 1.42            |
| 2012-13      | National Afforestation Programme | 10.88           |
| <b>Total</b> |                                  | <b>50.83</b>    |

(Source:-Departmental records)

(ii) A total amount of ₹ 2.23 crore was received directly by the Chief Wildlife Warden, Dimapur as financial assistance from the Central Zoo Authority (CZA), MoEF as detailed in the table below:

**Table 4.3: Details of funds received directly from Central Zoo Authority**  
(₹ in crore)

| Year         | Purpose   | Amount received   |
|--------------|---|-------------------|
| 2011-12      | i) For Zoological Park, Rangapahar, Dimapur   | 0.92 <sup>1</sup> |
|              | ii) For establishment of Conservation Breeding Centre for Blyth's Tragopan at Old Kohima Zoo. | 0.47              |
| 2012-13      | i) For Zoological Park, Rangapahar, Dimapur   | 0.33              |
|              | ii) For establishment of Conservation Breeding Centre for Blyth's Tragopan at Old Kohima Zoo. | 0.51              |
| <b>Total</b> |   | <b>2.23</b>       |

(Source:-Departmental records)

The amount was disbursed to the Wildlife Warden, Dimapur (₹ 0.98 crore) and Director, Zoological Park, Rangapahar, Dimapur (₹ 1.25 crore) by the Chief Wildlife Warden, Dimapur for execution of works approved by the CZA.

### 4.3 Collection of Revenue

The Department collected revenue in the form of forest royalty from sand, stone, timber and other minor forest produces. The position of revenue realisation during 2008-13 is shown in the table below:

**Table 4.4: Targets and achievements in collection of forest royalty**  
(₹ in crore)

| Year         | Target | Achievement  | Excess (+)/ Shortfall (-) |
|--------------|--------|--------------|---------------------------|
| 2008-09      | 4.50   | 4.67         | 0.17                      |
| 2009-10      | 4.75   | 6.97         | 2.22                      |
| 2010-11      | 5.25   | 6.04         | 0.79                      |
| 2011-12      | 5.50   | 6.88         | 1.38                      |
| 2012-13      | NA     | 4.61         | --                        |
| <b>Total</b> |        | <b>29.17</b> |                           |

(Source:-Departmental records)

Targets, if any, fixed for the year 2012-13 could not be furnished by the Department. It can be seen from the table that the achievement in collection of revenue had reduced during 2012-13. Reasons for sharp decline in revenue collection could not be stated by the Department.

#### 4.3.1 Non revision of rates of royalty and licence fees etc.

The Department had not revised the rates of royalty for the last 13 years (last revision made in November 2001). Further, licence fees (registration, renewal) of Saw Mills and Wood based Industries had also not been revised since 2001. Had the Department revised the rates of royalty and licence fees from time to time, the revenue of the State would have substantially increased.

It was also seen that a proposal for revision in the rate of royalty, Registration/Licence fees for new Mills and Wood based Industries along with several steps (Creation of Vigilance Cell to monitor illegal movement of timber, setting up mobile checking units, setting up check gates in interstate boundaries to stop illegal movement of timber) to be taken to enhance

<sup>1</sup> State Share of ₹ 0.14 crore not seen received by Director, Zoological Park.

Forest Revenue was pending with the State Government for approval since 2011. The Finance Department had also circulated (October 2010) measures to enforce deduction of forest royalty by various works divisions engaged in works. However, follow up action, if any, taken by the Forest Department in this regard was not available.

#### **4.4 Financial irregularities**

The financial irregularities noticed in audit are discussed in the following paragraphs:

##### **4.4.1 Discrepancy between Cash Book and Bank Account**

It was seen during audit that the office of the PCCF as well as all the divisions are operating current accounts in the banks. Funds drawn from the Treasury through Forest Cheques are deposited into the Bank accounts and payments to other divisions/ROs/third parties are made therefrom through cheques.

Scrutiny of bank account statements for the years 2011-12 and 2012-13 furnished by the PCCF and other test-checked divisions revealed the following irregularities:

##### **4.4.1.1 Receipts and payments without recording in Cash Book**

Rule 13 of Receipts and Payments Rules provides that all monetary transactions should be entered in Cash Book as soon as they occur. Cross check of Cash Book and bank statements (2011-12 and 2012-13) in the Office of the PCCF and the other test-checked divisions revealed that payments ranging from ₹ 0.63 crore to ₹ 26.47 crore, the purpose of which could not be verified, were made without routing it through the Cash Book. Further, amounts ranging from ₹ 0.11 crore to ₹ 28.65 crore credited in the bank account were also not recorded in the Cash Book as shown in the table below:

**Table 4.5: Payments without routing through Cash Book**

(₹ in crore)

| Sl. No. | Name of Division                       | Bank debits not recorded in Cash Book | Bank credits not recorded in Cash Book |
|---------|--|---------------------------------------|--|
| 1.      | Principal Chief Conservator of Forests | 24.29                                 | 21.10                                  |
| 2.      | Working Plan Officer, Kohima (2012-13) | 1.62                                  | 0.00                                   |
| 3.      | Silviculture Division, Kohima          | 2.07                                  | 0.11                                   |
| 4.      | DFO, Dimapur                           | 0.63                                  | 0.28                                   |
| 5.      | Wildlife Warden, Dimapur               | 4.51                                  | 1.04                                   |
| 6.      | Forest Utilisation Officer, Dimapur    | 26.47                                 | 28.65                                  |
| 7.      | DFO, Mon                               | 1.00                                  | 1.54                                   |
| 8.      | DFO, Mokokchung                        | 1.28                                  | 0.77                                   |
| 9.      | DFO, Kohima                            | 1.90                                  | 1.22                                   |
| 10.     | DFO, Peren                             | 2.53                                  | 0.60                                   |

(Source:-Departmental records)

Payments without routing through Cash Book and credits in bank account not recorded in Cash Book, especially in the Office of the PCCF and the Forest Utilisation Division, indicate unaccounted receipts/payments and needs further investigation. This has also resulted in the amounts remaining out of Government Accounts.

In reply (November 2013), the Department stated that departmental investigation would be conducted and results intimated in due course of time.

#### **4.4.1.2 Discrepancy in closing balances**

Cross check of Cash Books and bank statements (2011-12 and 2012-13) of the test checked divisions revealed that the monthly balances in the bank accounts ranged from ₹ 2 to ₹ 1.69 crore though the closing balances in the Cash Books were invariably shown as 'Nil' as detailed in the following table:

**Table 4.6: Discrepancy in Closing Balances**

| <b>Sl. No.</b> | <b>Name of Divisions</b>               | <b>Monthly closing balance as per Cash Books</b> | <b>Monthly closing balance as per bank accounts</b> |
|----------------|--|--|---|
| 1.             | Working Plan Officer, Kohima (2012-13) | Nil  | ₹ 88,705 to ₹ 1.69 crore                            |
| 2.             | Silviculture Division, Kohima          | Nil  | ₹ 74 to ₹ 0.33 crore                                |
| 3.             | DFO, Dimapur                           | Nil  | ₹ 831 to ₹ 0.40 crore                               |
| 4.             | Wildlife Warden, Dimapur               | Nil  | ₹ 8,677 to ₹ 1.59 crore                             |
| 5.             | Forest Utilisation Officer, Dimapur    | Nil  | ₹ 2,368 to ₹ 1.32 crore                             |
| 6.             | DFO, Mon                               | Nil  | ₹ 210 to ₹ 0.92 crore                               |
| 7.             | DFO, Mokokchung                        | Nil  | ₹ 2 to ₹ 1.38 crore                                 |
| 8.             | DFO, Kohima                            | Nil  | ₹ 95,318 to ₹ 0.57 crore                            |

*(Source:-Departmental records)*

Bank Reconciliation Statement to reconcile the difference could not be furnished though called for.

In reply (November 2013), the Department stated that necessary instructions in this regard had been issued to all the divisions.

# **CHAPTER-5**

## **SCHEME/PROGRAMME MANAGEMENT**



## Chapter-5 Scheme/Programme Management

**Objective III:** *To assess whether Scheme/Programme management were carried out efficiently and effectively in an economic manner.*

The Department implemented various Schemes/Programmes/Projects, Centrally Sponsored as well as under State Plan. Of these, major schemes/projects implemented during the period 2008-13 were taken up for detailed analysis and joint physical verification. The schemes/projects covered in audit are shown in **Appendix III**. The important audit findings are discussed in the following paragraphs.

### 5.1 Twelfth/Thirteenth Finance Commission (TFC) Grants

An amount of ₹ 79.28 crore was allocated by the MoEF, GOI as grants-in-aid for Forests in line with the recommendations of the Twelfth/Thirteenth Finance Commission (TFC) to be released during 2008-13. The broad objectives of the Scheme were to provide the finances for preservation so as to halt and reverse past declines in the quantum and the quality of area under forest and to provide fiscal resources by which the State can enable alternative economic activities as a substitute for economic disability imposed by forest cover. An amount of ₹ 70.62 crore was released by GOI during the period as shown in the table below:

**Table 5.1: Amount recommended and released under TFC grants**

(₹ in crore)

| Year          | Amount recommended by TFC and allocated by GOI | Amount released by GOI | Expenditure        |
|---------------|--|------------------------|--------------------|
| 2008-09       | 5.00   | 5.00                   | 5.00               |
| 2009-10       | 5.00   | 5.00                   | 5.00               |
| 2010-11       | 17.32  | 17.32                  | 17.32              |
| 2011-12       | 17.32  | 17.32                  | 17.32              |
| 2012-13       | 34.64  | 25.98                  | 20.98 <sup>1</sup> |
| <b>Total:</b> | <b>79.28</b>                                   | <b>70.62</b>           | <b>65.62</b>       |

(Source:-Departmental records)

Deficiencies in the implementation of the main components of the Scheme noticed during scrutiny of records in the office of the PCCF and the test-checked divisions are discussed in the following paragraphs:

#### 5.1.1 Cut imposed on grant-in-aid due to non-preparation of Forest Management Plans

The Thirteenth Finance Commission (TFC) had stipulated that Working Plans or District-wise Management Plans had to be prepared in order to manage the natural resources of the State in a sustainable manner and got approved from the MoEF. The TFC had linked the release of funds from the 3<sup>rd</sup> year, i.e., 2012-13 onwards to the completion of this work. As per Para 12.47 of the Report of the TFC, grants for the first two years (2010-11 and 2011-12) was untied and priority was to be given to the preparation of management plans. Release of grants for the last three years was to be in the ratio of number of plans approved to 80 per cent of the number of plans for the State. Guidelines reiterating the same was also issued (September 2010) by the Ministry of Finance, GOI.

<sup>1</sup> Out of ₹ 25.98 crore released by the GOI, ₹ 20.98 crore was spent during 2012-13 and the balance of ₹ 5 crore was parked in Civil Deposit (June 2013).

It was however, seen that the Department had not prioritised the preparation of Management plans during the first two years despite being reminded by the MoEF (December 2010) and became conscious of this aspect only in March 2012 when a Committee was formed to monitor the preparation of District-wise Management Plans and to ensure its timely completion. As a result of non-preparation and approval of Management Plans, the GOI deducted an amount of ₹ 8.66 crore from the allocated amount of ₹ 34.64 crore during 2012- 13.

Scrutiny of records of Working Plan Officer, Kohima revealed that Sample Plot Enumeration which includes collection of data (forest inventory, collection and testing of soil and biomass) from 5,054 sample plots spread over the State was in progress for preparation of District Management Plans. It was stated that around 55 *per cent* of the enumeration had been done (June 2013) and the exercise was expected to be completed by April 2014.

Management Plans were to be framed based on the analysis of the data collected with the technical guidance of FSI. Further, meetings are required to be conducted with the local bodies/village authorities and testing of soil and biomass samples are to be completed before the draft management plans are written. As such, it is highly improbable that the Management Plans for the whole State would be completed before March 2014. As a consequence, it is certain that the GOI would impose further cuts from the allocation for 2013-14 and 2014-15.

In reply (November 2013), the Department stated that the data collection for framing the District Management Plans was actively progressing and would be completed at the earliest to avoid deduction of grants in future. However, the Department had not specified any time-frame for completing the work.

#### **5.1.2. Delay in release of funds**

As per guidelines, the grants were to be released by the GOI in five annual instalments in the first quarter and not later than July of each year. Scrutiny of records revealed that funds were released during 2008-13 in two instalments during the first two years and in single instalments during the last three years. Funds were released by GOI after July except for the 1<sup>st</sup> instalments during 2008-09 and 2009-10. The funds were in turn released to the Department by the State Government after delays ranging from 1 to 6 months as shown in the table below:

**Table 5.2: Delay in release of funds under TFC grants**

|         |                 |                        |                        |                                     |                                     | (₹ in crore)                |
|---------|-----------------|------------------------|------------------------|-------------------------------------|-------------------------------------|-----------------------------|
| Year    | Instalment      | Date of release by GOI | Amount released by GOI | Date of release by State Government | Amount released by State Government | Extent of delay (in months) |
| 2008-09 | 1 <sup>st</sup> | 21.05.2008             | 2.50                   | 23.10.2008                          | 2.50                                | 5 +                         |
|         | 2 <sup>nd</sup> | 08.12.2008             | 2.50                   | 25.03.2009                          | 2.50                                | 3 ½ +                       |
| 2009-10 | 1 <sup>st</sup> | 21.06.2009             | 2.50                   | 18.11.2009                          | 2.50                                | 5 +                         |
|         | 2 <sup>nd</sup> | 08.12.2009             | 2.50                   | 23.03.2010                          | 2.50                                | 3 ½ +                       |
| 2010-11 | 1 <sup>st</sup> | 21.09.2010             | 17.32                  | 25.10.2010                          | 17.32                               | 1 +                         |
| 2011-12 | 1 <sup>st</sup> | 13.09.2011             | 17.32                  | 17.02.2012                          | 8.66                                | 5 +                         |
|         | --              | --                     | --                     | 28.03.2012                          | 8.66                                | 6 +                         |
| 2012-13 | 1 <sup>st</sup> | 03.12.2012             | 25.98                  | 18.01.2013                          | 13.00                               | 1 +                         |
|         | --              | --                     | --                     | 20.03.2013                          | 2.98                                | 3 +                         |
|         | --              | --                     | --                     | 30.03.2013                          | 5.00                                | 3 +                         |

(Source:-Departmental records)

The delay in release of funds by GOI was due to delays in submission of AWP's and utilisation certificates of the previous releases while the reason for delay in release by the State Government was not available. These delays in release of funds to the Department adversely affected the implementation of the scheme as funds could not be made available to the implementing divisions during the months suitable for various forestry activities. Further, these delays also encouraged the practice of fictitiously booking expenditure in the same month of receipt of funds or in some cases before actual receipt of funds as discussed in Paragraph 6.2.

In reply (November 2013), the Department while accepting the fact that delay in release of funds by the Government had affected the implementation of various schemes stated that steps would be taken to ensure timely release of funds to the implementing divisions.

### **5.1.3 Establishment of nurseries for raising seedlings for public distribution**

Scrutiny of records revealed that an amount of ₹ 4.73 crore was earmarked in the AWP's during 2008-13 for establishment of nurseries in the Silviculture Division and the territorial divisions/ranges/beats for raising high quality seedlings for free distribution to the public. An expenditure of ₹ 3.53 crore was incurred for the purpose in the test checked divisions during 2008-13 as shown in the following table:

**Table 5.3: Expenditure on establishment of nurseries**

| (₹ in crore) |                       |             |
|--------------|-----------------------|-------------|
| Sl.No.       | Name of Division      | Amount      |
| 1.           | Silviculture Division | 2.03        |
| 2.           | Dimapur Division      | 0.30        |
| 3.           | Mon Division          | 0.30        |
| 4.           | Mokokchung Division   | 0.30        |
| 5.           | Kohima Division       | 0.30        |
| 6.           | Peren Division        | 0.30        |
|              | <b>Total</b>          | <b>3.53</b> |

(Source:-Departmental records)

No records were maintained in the divisions showing the number of seedlings raised, mortality and number of seedlings distributed to the public except in Central Nursery, Jalukie under Peren Division. The records maintained in Silviculture Division, Kohima were found to be rudimentary and incomplete. No survey was carried out to assess the requirement (numbers, species etc.) of seedlings for distribution and no criteria were being followed for selection of beneficiaries. Though it was stated by the Silviculturist that monitoring was conducted after distribution, no records to that effect were maintained. It was further seen that an amount of ₹ 1.01 crore (50 per cent of ₹ 2.03 crore) was shown as spent by Silviculture Division on payment of wages for raising nurseries without proper supporting documents.

It is thus, evident that TFC grants amounting to ₹ 3.53 crore were spent on creation of nurseries and raising of seedlings without proper planning/assessment of requirement etc., and the activities of the divisions were based entirely on the funds made available each year. Further, in the absence of records of survey/monitoring, the success or otherwise of the scheme of distribution of free seedlings to the public could not be verified.

Over and above funds spent under TFC grants, an expenditure of ₹ 0.88 crore was also incurred under State Plan on creation of nurseries for raising seedlings for free distribution to the public during 2008-13.

Joint physical verification of nurseries maintained in the divisions also revealed that maintenance was poor with the exception of the Central Nursery in Jalukie under Peren Division which was well maintained with several varieties of seedlings.

In reply (December 2013), the Department stated that all necessary records would be maintained and better monitoring and evaluation systems would be evolved.

#### **5.1.4 Doubtful expenditure on free distribution of LPG connections**

The Department had included in their works plan an innovative intervention *viz.*, ‘Fuelwood saving initiatives-Free distribution of LPG’ out of TFC grants received from GoI. An amount of ₹ 0.80 crore was earmarked in the AWP of 2010-11 for free distribution of LPG connections to the public with the objective of saving fuel wood and the amount was released to the Forest Utilisation Officer (FUO), Dimapur in November 2010.

Scrutiny of records revealed that Supply order for ‘Surya Green Label’ domestic LPG stove with all accessories was issued (November 2010) to M/s Seyie Gas Service, Kohima by FUO without giving wide coverage through NIT as required under procurement rules. As per supply order, the Firm was to make arrangements for supply of 1000 units of Domestic LPG at ₹ 8,000 per connection. Full payment of ₹ 0.80 crore was also released (November 2010) to the Firm in advance.

As per the Division-wise distribution list, the connections were to be distributed as follows

**Table 5.4: Division-wise distribution list for LPG connections**

| Sl No. | Division                         | No. of LPG connections provided |
|--------|----------------------------------|---------------------------------|
| 1.     | Kohima                           | 340                             |
| 2.     | Mon                              | 190                             |
| 3.     | Mokokchung                       | 100                             |
| 4.     | Tuensang                         | 80                              |
| 5.     | Dimapur                          | 80                              |
| 6.     | Zunheboto                        | 50                              |
| 7.     | Peren                            | 40                              |
| 8.     | Phek                             | 40                              |
| 9.     | Wokha                            | 40                              |
| 10.    | Forest Utilisation Officer (FUO) | 40                              |
|        | <b>Total:</b>                    | <b>1000</b>                     |

(Source:-Departmental records)

The list of beneficiaries was not readily available in the FUO, Dimapur and it was obtained later from the supplier. Scrutiny revealed that the list contained only the consumer names and colony/place names, mostly of Kohima town.

The FUO was not able to furnish the method followed for selection of beneficiaries. It was also evident that the Department was not at all involved in the distribution of connections to the beneficiaries and had left it entirely to the discretion of the firm. Further, the other test checked divisions were not aware of LPG connections distributed in their jurisdiction. Thus, the genuineness of actual distribution to the beneficiaries could not be verified and needs further investigation.

In reply (December 2013), the Department stated that selection of beneficiaries were done by higher authorities and distribution was carried out by the Firm after it was authenticated by the FUO. It was further stated that the Firm had distributed connections to the beneficiaries of other districts from Kohima. However, no evidence that the Department was involved in the selection of beneficiaries and distribution of LPG connections to them were furnished.

#### **5.1.5 Avoidable expenditure on forest cover mapping and inventory of forest cover/tree resources in Nagaland**

Scrutiny of records in the office of the Working Plan Officer revealed that the Forest Survey of India (FSI) had submitted (May 2012) a 'Project Proposal' with financial implication of ₹ 1.50 crore on being approached by the Nagaland Forest Department for technical assistance in forest resources inventory and forest cover mapping for preparation of working plan for Nagaland. The proposal was accepted by the Department and the full amount of ₹ 1.50 crore was paid (March and June 2012) to the FSI.

Thereafter, an agreement was signed (November 2012) with the FSI outlining the terms and conditions for executing the works and the responsibilities of the Department and FSI were clearly outlined. As per the Agreement, FSI was to provide technical inputs including procurement of remote sensing data and generation of forest cover maps and other maps for Nagaland. An amount of ₹ 0.78 crore was also included in the proposal for hardware/software, peripherals, workstations and DIP/GIS software.

It was however, seen that an expenditure of ₹ 0.70 crore<sup>2</sup> was incurred on procurement of Satellite Images and setting up of GIS Cell (including purchase of the same hardware and software, furniture etc) in the office of the Working Plan Officer (WPO), Kohima. The hardware/software was procured from local firms by the WPO without giving wide publicity through NIT/Quotation as required under rules and CVC guidelines.

The justification of procurement of high end hardware/software when payment for the same purpose was already made to FSI could not be stated. No evidence of negotiations made, if any, with FSI for excluding cost of hardware/software, peripherals, workstations and DIP/GIS software was seen on record. Thus, the purchase of hardware/software for activities already outsourced to FSI by the Department was avoidable.

In reply (November 2013), the Department stated that the GIS cell was set up as it was mandatory as per Supreme Court directions.

#### **5.1.6 Doubtful expenditure on purchase and distribution of barbed wire**

Scrutiny of records revealed that a total amount of ₹ 1.41 crore (₹ 0.91 crore in 2010-11 and ₹ 0.50 crore in 2012-13) was released to the FUO, Dimapur for purchase and distribution of barbed wire to the various divisions. Barbed wire totalling 1,14,582.40 kgs. at a cost of ₹ 1.41 crore were shown as procured by the FUO and distributed to the various divisions during November 2010 and January 2013. Scrutiny of records in the test checked divisions revealed that the barbed wire valued at ₹ 0.75 crore shown as issued by the FUO was not received in the divisions concerned. Further, all those divisions had procured barbed wire on

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<sup>2</sup> ₹ 0.50 crore under IFM and ₹ 0.20 crore under TFC



their own on various occasions for execution of works in their divisions. The FUO could not furnish any requisition/requirement of barbed wire received from the divisions or the specific purpose for which they were utilised. The reasons for procurement of barbed wire by the FUO instead of by the divisions could also not be stated.

Thus, the expenditure of ₹ 0.75 crore on procurement and distribution of barbed wire in the test checked divisions was doubtful and needs further investigation.

#### **5.1.7 Idle expenditure on establishment of Biological Data Centre**

An amount of ₹ 0.20 crore was earmarked in the AWP during 2011-12 for establishment of a Biological Data Centre with the objective of collecting and creating a database of biological species to be made easily available and accessible to scientists/researchers for research work. The amount was released by the PCCF to the Silviculture Division for implementation during March 2012.

It was seen from the Cash Book that an amount of ₹ 13.40 lakh was spent for construction of the Centre and ₹ 6.50 lakh was spent on purchase of computers/accessories and stationeries. No expenditure on collection of data or creation of database was incurred. No technical manpower had been provided and the activity for which the Centre was established had not been carried out (November 2013) resulting in idle expenditure.

In reply (November 2013), the Department stated that the expenditure cannot be termed as idle as engagement of researchers and collection of data would begin as soon as funds are received. However, the fact remained that the activities for which the Centre was set up had not commenced even after a lapse of almost two years.

#### **5.1.8 Diversion of funds**

The TFC guidelines stipulate that funds should be utilised only for the purposes for which it was sanctioned and diversion of funds for activities other than those approved in the AWP was not admissible.

An amount of ₹ 0.20 crore was earmarked in the AWP of 2010-11 for renovation of office and quarters in Dimapur Division. It was however, seen that the amount was utilised for construction of a quarter cum-forest check gate at New Field, Dimapur (₹ 0.10 crore) and construction of a garage at Transit Camp, Forest Colony, Dimapur (₹ 0.10 crore).

#### **5.1.9 Doubtful expenditure on establishment of Tragopan Breeding Centre, Kohima**

An amount of ₹ 1.56 crore (₹ 0.75 crore from PCCF and ₹ 0.81 crore from Chief Wildlife Warden) was allocated to the Wildlife Warden, Dimapur during March 2013 for Tragopan conservation (Construction of Tragopan Breeding Centre and ex-situ conservation partially funded by Central Zoo Authority, GOI) and was released as Civil Advance to the Range Forest Officer, Kohima Zoological Park.



Scrutiny of records made available revealed that the whole amount was shown as spent during March 2013 against works<sup>3</sup> executed. It was further seen that 1859 villagers/labourers were engaged at Tragopan Breeding Centre (TBC), Kohima and Old Zoo, Kohima during February-March 2013 for execution of works and an amount of ₹ 0.50 crore (32 per cent of the total funds) was paid as wages to them. Expenditure of ₹ 1.56 crore and engagement of such a large number people within the same month is prima facie doubtful and needs further investigation.

Joint physical verification (December 2013) revealed that some works were completed; some were in progress and some had not even commenced as indicated in the footnote.

#### **5.1.10 Implementation of Peren District DPDB Hornbill reintroduction project**

An amount of Rs.0.50 crore was included in the AWP of TFC during 2010-11 for 'Peren District DPDB hornbill reintroduction project (100 units @ Rs.50,000 each)'. The amount for the purpose was disbursed to DFO, Peren by the PCCF through inter departmental transfer during November 2010 which was in turn disbursed to the various ROs/BOs under the Division. On enquiry, it was stated by the DFO that the amount was utilised for different components of work such as survey and demarcation of boundary, construction of boundary pillars, creation of recreation sites, provision of alternate livelihood option for seven villages, awareness programme and documentation and plantation of local fruit trees for Hornbill food and nesting in fourteen villages. However, DPR/Action Plan for the Project or the manner in which it was implemented could not be furnished by the DFO or the PCCF indicating lack of proper planning. Further, no evidence of monitoring/evaluation carried out to study the impact of the Project could be furnished. Thus, the actual implementation of the Project and its impact could not be verified.

#### **5.1.11 Identification and protection of village drinking water sources**

A total amount of ₹ 1.20 crore<sup>4</sup> was earmarked in the AWP of TFC during 2011-12 and 2012-13 for 'Identification and protection of village drinking water sources including soil erosion control measures and embankment with live hedges' out of which ₹ 0.75 crore was allocated to the test checked divisions as shown in the table below:

**Table 5.5: Expenditure on Identification and protection of village drinking water sources**

*(₹ in crore)*

| Sl.No. | Name of Division                                    | Amount      |
|--------|---|-------------|
| 1.     | Kohima Division (2011-12)-Jotsoma (100 ha.)         | 0.20        |
|        | Kohima Division (2012-13)- (33 ha.)                 | 0.10        |
| 2.     | Mokokchung Division (2011-12)-Longrangdong (50 ha.) | 0.10        |
| 3.     | Mon Division (2011-12)-Wakching (75 ha.)            | 0.15        |
| 4.     | Peren Division (2012-13)-Tening (33 ha.)            | 0.10        |
| 5.     | Dimapur Division (2012-13)-Niuland (33 ha.)         | 0.10        |
|        | <b>Total</b>  | <b>0.75</b> |

*(Source:-Departmental records)*

<sup>3</sup> (i) Construction of Tragopan Chick Raising Unit at TBC (*completed*), (ii) Construction of Aviary for off-display at TBC (*work in progress*), (iii) Construction of Chowkidar/Caretaker quarter at TBC (*completed*), (iv) Construction of footpath at TBC (*work in progress*), (v) Construction of vehicle parking and connected works at Old Zoo, Kohima (*not commenced*), (vi) Construction of Water Body/Pond at Old Zoo, Kohima (*not commenced*), and (vii) Construction of Security Wall at Old Zoo, Kohima (*not commenced*).

<sup>4</sup> ₹ 60 lakh during 2011-12 for 200 ha. and ₹ 60 lakh during 2012-13 for 300 ha.

Survey reports, DPR/Action plan, monitoring reports or the actual works proposed to be taken up could not be furnished either by the divisions or the PCCF.

Scrutiny of records and joint physical verification revealed that the divisions had mostly constructed water storage tanks with the funds allotted to them as detailed below.

- *Mokokchung Division:* ₹ 10 lakh was released to the RO, Mokokchung Range in March 2012 and payment of ₹ 5 lakh each was made to two individuals<sup>5</sup>. However, the works carried out could not be physically verified as the nature of work and location was not clear from the records.
- *Mon Division:* ₹ 15 lakh was released to RO, Naginimora Range in March 2012 and payment of ₹ 5 lakh each was made to three individuals/parties<sup>6</sup>. The works carried out were not clear from the records. It was stated by the RO that a water source was identified and an RCC water storage tank was constructed during March 2012 in Wakching town. Joint physical verification revealed that the water tank stated to be constructed was damaged and abandoned due to widening of road as shown in the photograph below.



- *Peren Division:* ₹ 10 lakh was released to the RO, Tening Range in January 2013 and was spent on construction of four water collection tanks in different locations of Tening Town as per the records. During joint physical verification, water tanks were seen constructed as shown in the photograph below:



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<sup>5</sup> T.Yanger, Chuchuyimpang Village and Mayang, Ungma Village.

<sup>6</sup> Smti Ejok Konyak and Shri Wanpen Konyak of Wakching Village, Alui Konyak and Smti Shangmoi Konyak of Tanhai Village, Shri Manjong Konyak of Shiyong Village.

- *Dimapur Division:* ₹ 10 lakh was released to the RO, Niuland Range in January 2013 and payment was released to two individuals<sup>7</sup>. During joint physical verification, it was seen that two water tanks, a collection tank in the Range Office and the main tank in Hozukha village was constructed as shown in the photograph below:



The absence of survey reports for identification of village water sources and DPRs/Action Plan specifying the works to be undertaken indicates that the works were implemented without proper planning. The Department could also not clarify as to how the objective of identifying and protecting village drinking water sources was achieved by construction of water tanks.

#### **5.1.12 Wasteful expenditure on avenue plantation**

An amount of ₹ 0.27 crore was earmarked in the AWP of 2008-09 for the work 'Urban-Plantation- Integrated avenue plantation from High School Police Point to Assembly Complex' with the objective of adding beauty and providing green lungs to urban areas. The amount was released to DFO, Kohima by the PCCF during November 2008 and was utilised during the same month. As per records, 2310 tree guards were put up along both sides of the road (total 6 km<sup>8</sup>) and plantation done with species such as Cherry, Plum and Pomegranate. During joint physical verification, it was seen that the plantation was a failure as only around 100 tree guards were in existence out of which several were damaged. Further, only around 50 trees, mostly Cherry had survived indicating that it was abandoned after plantation. The present condition of the plantation is shown in the photograph below.



<sup>7</sup> ₹ 7.50 lakh paid to Kahoto Sema of Hozukha village for construction of one water reservoir (12'x8') with CC work and CGI roofing and ₹ 2.50 lakh paid to Ihuto Sema of Hozukha village for GI pipes and plantation at water sources with hedge and soil erosion control measures and embankment works.

<sup>8</sup> @ ₹ 4.50 lakh per km.

Thus, the objective of the plantation was not achieved and the expenditure of ₹ 0.27 crore on the work was wasteful.

Audit findings on creation of infrastructure under TFC grants are detailed in *Paragraph 5.7*.

## **5.2 Intensification of Forest Management (IFM)**

Intensification of Forest Management (IFM) Scheme formerly known as the Integrated Forest Management Scheme is a Centrally Sponsored Scheme with 90 *per cent* contribution from GOI and the remaining 10 *per cent* from the State Government. The major components of the Scheme were strengthening of infrastructure for forest protection and forest fire control and management. The amount sanctioned by MoEF, GOI as per AWP, the amount actually released and short releases during 2008-13 are shown in the table below:

**Table 5.6: Amount sanctioned by GOI and actual releases**

(₹ in lakh)

| Year                  | Amount to be released as per approved AWP |               | Amount actually released by GOI to GON | Amount released by GON to Department |                     | Short release compared to approved AWP |              |
|-----------------------|---|---------------|--|--------------------------------------|---------------------|--|--------------|
|                       | GOI (90%)                                 | GON (10%)     |  | GOI share                            | GON share           | GOI share                              | GON share    |
| 2008-09               | 222.48                                    | 24.72         | 222.48                                 | 222.48                               | 24.72               | --                                     | --           |
| 2009-10               | 274.95                                    | 30.55         | 274.05                                 | 274.05                               | 30.45               | 0.90 <sup>9</sup>                      | 0.10         |
| 2010-11               | 184.41                                    | 20.49         | 183.51                                 | 143.92                               | 15.99               | 40.49                                  | 4.50         |
| 2011-12               | 433.71                                    | 48.19         | 346.97                                 | 39.59 <sup>10</sup>                  | 4.00 <sup>11</sup>  | 394.12                                 | 44.19        |
| 2012-13 <sup>12</sup> | 0.00                                      | 0.00          | 0.00                                   | 346.97 <sup>13</sup>                 | 38.55 <sup>14</sup> | (-) 346.97                             | (-) 38.55    |
| <b>Grand total:</b>   | <b>1115.55</b>                            | <b>123.95</b> | <b>1027.01</b>                         | <b>1027.01</b>                       | <b>113.71</b>       | <b>88.54</b>                           | <b>10.24</b> |

(Source:-Departmental records)

As per guidelines of the Scheme, the State Government was required to submit the AWP for each financial year by the end of December of the preceding financial year to the MoEF. The first instalment was to be released by MoEF with the condition that the second instalment would be released only after receiving the Utilisation Certificate for at least 50 *per cent* of the first instalment.

It can be seen from the above table that an amount of ₹ 0.99 crore (Central Share: ₹ 0.89 crore & State Share: ₹ 0.10 crore) sanctioned by MoEF during the period from 2008-09 to 2011-12 could not be availed by the Department. Further, though AWP amounting to ₹ 5.78 crore for 2012-13 was submitted by the Department, it was not approved and funds were not sanctioned/released by MoEF.

Short releases during 2009-10 to 2011-12 and withholding of sanction by MoEF for the year 2012-13 was due to delays in submission of AWP, delays in release of funds (both Central and State Share) by the State Government to the Department, delays or non-release of State Share and delays in submission of Utilisation Certificates/Progress Reports by the Department to MoEF, GOI.

<sup>9</sup> 2<sup>nd</sup> installment not released by MoEF

<sup>10</sup> Central Share of 2010-11 (₹ 35.99 lakh and ₹ 3.60 lakh) released in 2011-12.

<sup>11</sup> State Share of 2010-11 released in 2011-12.

<sup>12</sup> AWP for 2012-13 not approved and no funds released for the year.

<sup>13</sup> Central share of 2011-12 released in 2012-13

<sup>14</sup> State share for 2011-12 released during 2012-13.



Scrutiny of records related to the Scheme in the test checked divisions revealed the following deficiencies:

#### **5.2.1 Idle expenditure on construction of Beat Office/quarters and approach road**

Scrutiny of records in Mon Division revealed that an amount of ₹ 0.34 crore was released to DFO, Mon in March 2009 by the PCCF for construction of Range/Beat office along with approach road at Wakching Town under Naginimora Range. The amount was transferred to the Range Officer and shown as fully spent during March 2009. Out of this, an amount of ₹ 0.10 crore was shown as spent on wages for construction of approach road and the balance amount of ₹ 0.24 crore was spent for purchase of building materials and payment of wages for construction of a Beat Office at Wakching town. Further, an amount of ₹ 0.11 crore was spent during November 2010 for procurement of materials for construction of staff quarter (540 sft). Another amount of ₹ 0.08 crore (March and December 2009) was spent for construction of approach road to the proposed Beat Office. During joint physical verification, it was seen that both the buildings (Beat Office and quarter) were abandoned and in very poor condition as shown in the photographs below. It was stated by the Range Forest Officer, Naginimora that the Beat Office had not started functioning and no staff members were posted in Wakching.



Thus, the expenditure of ₹ 0.53 crore on construction of Beat Office, staff quarters and approach road was idle.

#### **5.2.2 Diversion of funds**

As per Scheme guidelines, funds were to be spent in accordance with approved AWP and no deviation from the approved items of work was allowed without the prior concurrence of

GOI. This was also reiterated in all the sanction orders issued by the MoEF. Scrutiny of records however, revealed instances of deviation/diversion of funds as detailed below:

An amount of ₹ 12.20 lakh was released to the Range Forest Officer, Chumukedima by DFO, Dimapur in November 2008 for construction of a Forest Guard/Forester quarter (540 sq ft) under IFM. Scrutiny of records revealed that the amount was spent for purchase of building materials without specifying the number, type or size of the building constructed. It was however, seen during joint physical verification that the funds were actually utilised for construction of boundary wall around the land of the Chumukedima Range (office and four quarters) as shown in the photograph below. It was also stated by the Range Forest Officer that the funds were partially utilised for renovation of office and minor repairs of staff quarters as directed by higher authority.



In reply (December 2013), the Department stated that priority was given for construction of boundary wall to save the Department's land from encroachers on the advice of the Secretary, Forest Department. However, the fact remained that funds were utilised for purposes other than for which it was sanctioned in violation of guidelines.

Audit findings on creation of infrastructure under IFM are detailed in *Paragraph 5.7*.

### **5.3 Working Schemes**

As per Hon'ble Supreme Court Order (January 1998), felling of trees from forests, including private forests shall be only in accordance with Working Plans/Schemes approved by the MoEF. Working Schemes prescribe the activities to be carried out scientifically in a specified forest area for a fixed number of years so that use/extraction of forest resources including timber are managed in a sustainable manner.

Working Schemes were prepared by the Working Plan Officer, Kohima as per guidelines of the National Working Plan Code and approved by the MoEF usually for an operation period of 5 years. The Division had prepared a total number of 72 working schemes out of which 50 were in operation during the period 2008-13. As most forests in Nagaland are private/community owned, village-wise Working Schemes were prepared on the application submitted by the concerned Village Councils.

A Special Investigation Team (SIT) was also constituted (January 2000) by the Hon'ble Supreme Court to issue guidelines from time to time and ensure that all court orders are followed. Elaborate procedures for marking of trees, felling and transportation of logs/timber from the forest to the mills and records to be maintained by the Range Forest Officers and the depots/mills were also framed on the basis of the Forest Act and guidelines issued by the SIT to regulate the operation of the Working Schemes. Scrutiny of records related to Working Schemes in the test checked divisions revealed that several prescribed records were not being maintained and procedures/guidelines were not being followed as discussed in the following paragraphs:

#### **5.3.1 Non-maintenance of mandatory records**

The Range/Beat Forest Officers (RFOs/BFOs) were to maintain Depot Registers showing the number of logs, volume, species and number of Transit Passes (TPs) issued. The RFOs/BFOs were also required to maintain Log Measurement Books (LMBs) signed by the DFOs for the depot volume allowed by the MoEF. Permission to issue TPs were to be issued by the DFOs only after forest royalty was realised for the timber/logs in the depot through Treasury Challan. Further, Depot Dispatch Registers were to be maintained showing the mills to which the logs were sold/transported, species, volume and details of royalty collected. Monthly reports were also to be sent to the Conservator of Forest (STC/NTC) by the DFOs.

Scrutiny of records in the test checked divisions revealed that most of the prescribed records were not being maintained. No information on the number of depots or their functioning was furnished to audit. Registers or other records showing the total quantity of timber extracted and royalty realised during the operation of the Working Schemes were also not maintained except in Dimapur Division.

Depot registers were not being maintained in any of the divisions test checked. In Dimapur Division, though Depot Register in respect of Kohoxu Working Scheme was furnished, it was seen that it was only a record of the TPs issued by the Range Forest Officer, Niuland.

Tree Marking Lists/Books (TMBs) showing the Tree Number, class/species, girth, length and volume of the trees to be harvested in a year in respect of each Working Scheme were to be submitted to the Conservator of Forests (Southern Territorial Circle/Northern Territorial Circle) every year to obtain permission for felling. TMBs in respect of most of the Working Schemes were not available or furnished to audit. In Mon Division, it was seen that identical TMBs showing the same Tree Number, class/species, girth, length and volume were submitted to the CF (NTC) several times in respect of Wanching Village and Zangkham Village Working Schemes indicating that the same trees were felled year after year during the operation of the Schemes.

In the absence of proper records, the actual quantity of timber extracted from Working Schemes and transported to Dimapur for onward despatch to various destinations through railway wagons, the total amount of royalty realised and their deposit into Government Account could not be verified. Further, due to non-maintenance of proper records, particularly Depot registers, possibility of inclusion of illegal timber extracted from other areas along with timber extracted from Working Schemes for transportation outside the State could not be ruled out and needs further investigation.

In reply (December 2013), the Department stated that Depot Registers are maintained by Working Scheme operators and are cross-checked by the RFOs/BFOs and the Department was following all guidelines as issued by competent authority. However, as per guidelines Depot Registers were to be maintained by the RFOs/BFOs and the records stated to be maintained by them were not furnished during audit.

### **5.3.2 Non-accountal of royalty realised**

Records of total timber extracted from Working Schemes and royalty realised were not furnished in the divisions test checked except Dimapur. Thus, the royalty realised and their deposit into Government Account could not be vouchsafed. In Mon Division, where records were made available to audit, cross check of allotment orders issued to various wood based industries and amount of royalty realised shown in the Cash Book revealed that an amount of ₹ 25.68 lakh was not accounted for in respect of two Working Schemes as shown in the table below:

**Table 5.7: Non accountal of royalty realised**

(₹ in lakh)

| Name of Working Scheme                     | Period                  | Royalty to be realised as per allotment orders | Royalty realised as per Cash Book | Royalty not accounted for |
|--|-------------------------|--|-----------------------------------|---------------------------|
| Apao & Sowa Village (Aboi Range)           | March 2009 to June 2013 | 32.97  | 17.13                             | 15.84                     |
| Wanching Working Scheme (Naginimora Range) | March 2009 to June 2012 | 25.42  | 15.58                             | 9.84                      |
| <b>Total:</b>                              |                         | <b>58.39</b>                                   | <b>32.71</b>                      | <b>25.68</b>              |

(Source:-Departmental records)

In reply (November 2013), the Department stated that royalty was not realised as the timber/log allotted was not fully purchased. The contention of the Department was not convincing as the amount of royalty realised was incorporated in the allotment orders in all cases and needs further investigation.

### **5.3.3 Submission of incorrect reports for extension of Working Schemes**

Cross check of records revealed instances where the quantity of timber extracted was understated in the application for extension of the Schemes. The difference in the volume of timber extracted and royalty realised as per records available and that shown in the applications for extension of the schemes for which records were made available are detailed in the table below:

**Table 5.8: Understatement of volume of timber extracted in application for extension of Scheme**

| Name of Working Scheme          | Extraction as per records |                              | Extraction as per application for extension |                              | Difference    |                     |
|---------------------------------|---------------------------|------------------------------|---|------------------------------|---------------|---------------------|
|                                 | Volume (cu.m)             | Royalty realised (₹ in lakh) | Volume (cu.m)                               | Royalty realised (₹ in lakh) | Volume (cu.m) | Royalty (₹ in lakh) |
| Kohoxu (Niuland Range, Dimapur) | 1918.42                   | 10.35                        | 1762.83                                     | 9.63                         | 155.59        | 0.72                |
| Apao & Sowa (Aboi Range, Mon)   | 5701.73                   | 25.58                        | 1734.46                                     | 8.93                         | 3967.27       | 16.65               |

(Source:-Departmental records)

From the table above, it is evident that the volume of timber extracted was understated in the application for extension with the intention of extracting more timber than that allowed in the approved Working Scheme.



## **5.4 Timber operations**

Complete records relating to extraction and transportation of timber were either not maintained or furnished to audit in the test checked divisions. Scrutiny of records made available to audit revealed the following discrepancies.

### **5.4.1 Non-maintenance of records**

As per SIT instructions, The PCCF was to verify that wagons are being utilised for transportation of same category of timber for which the allocation had been made and that no diversion of wagons had been made to transport other category of timber and only the timber procured strictly in accordance with rules and provisions of Working Schemes was being transported and no illegally procured timber was being transported in the wagons. Further, all Original Transit Permits (OTPs) issued by the DFO of the Divisions where the Working Schemes were located had to be surrendered for obtaining lieu TP from Dimapur Division along with copies of Log Measurement Book. Register of issue of lieu TPs (Working Scheme wise) was seen maintained in Dimapur Division. However, this could not be cross verified as details of Original TPs (number, volume of timber etc) against which those lieu TPs were issued and names of the High Power Committee<sup>15</sup> cleared mills in which round timber had been converted to sawn timber etc., were not recorded. Further, the same could not be cross verified in the test checked divisions as records were not maintained/furnished to audit. Therefore, it could not be confirmed whether all sawn timber transported through rail wagons outside the North Eastern region were sourced only from the Working Schemes.

It was also noticed that TP books were being printed and issued to the divisions from the office of the PCCF. Despite requisition (June 2013) and subsequent reminders, information regarding printing and issue of TP books to the divisions was not furnished. Further, issue register showing issue of TP books to the Range Forest Officers were not maintained in any of the divisions test checked. Therefore, proper utilisation of TPs by the divisions/ranges and deposit of the entire revenue realised into Government Account could not be verified.

In reply (December 2013), the Department stated that all norms/guidelines were being followed and the question of non-maintenance of records does not arise. However, the fact remained that the records stated to be maintained were not furnished during audit.

### **5.4.2 Transportation of timber to other State Governments, Public Sector Units and Government Organisations.**

Scrutiny of records made available by Forest Utilisation Division (FUO), Dimapur revealed that timber (sawn timber, bally post etc.) were being transported to various State Governments, Public Sector units and other Government Organisations (Defence through DGS&D) through the FUO. No records except for a few Government Orders authorising the FUO to issue Transit Permits (TPs) for both roads and railways and to indent railway wagons for the transaction of all Government to Government supplies outside the State with DGS&D and Central Government Undertakings were furnished. No guidelines/orders/instructions followed or reports/returns sent to higher authority showing the quantity of timber transported

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<sup>15</sup> Constituted by the Hon'ble Supreme Court in March 1997.

and revenue realised etc., could be furnished. Records such as Register showing details of lieu TPs issued against Original TPs were not maintained and there was no evidence to show that co-ordination/reconciliation of quantity of timber extracted from Working Schemes had ever been carried out with other divisions. Though large sums were seen credited and debited (*Paragraph 4.4.1.1*) in the current bank account operated by FUI, records of receipt from other Organisations/DGS&D and payment to the suppliers were not maintained.

In the absence of proper records and lack of transparency at all levels, it could not be verified whether only bonafide timber/logs extracted from Working Schemes were being issued to the suppliers for transportation to Dimapur and onward transportation by road/railway wagons to other State Governments/Government Organisations.

In reply (November 2013), the Department stated that efforts were being made to maintain all records.

#### **5.4.3 Non-submission of reports/returns of wood based industries/timber transporters and records to be maintained by them.**

As per guidelines issued by MoEF wood based industrial units and registered timber transporters were required to maintain daily, weekly and monthly abstract of receipts, conversion, stock and disposal. Each wood based industry was required to furnish those abstract to the DFO concerned every month. Registered timber transporters, other than wood based industries, were to furnish monthly abstract of total round timber and sawn timber received by them, saw mills from which received, despatched during the month and closing balance of round and sawn timber. Further, as per departmental guidelines the DFOs concerned were to conduct verification of records, survey and physical verification of the wood based units under their jurisdiction. The DFOs were required to submit monthly reports/returns in prescribed format (Proforma VI) to the concerned CFs/PCCF and the Regional Office of MoEF.

However, records relating to receipt of abstracts from the wood based industries, reports/returns sent to CF/PCCF/Regional Office of MoEF and details regarding inspections/verifications were not furnished by the test checked divisions indicating non-maintenance of such records.

In reply (December 2013), the Department stated that all reports/returns were being submitted regularly without any evidence to support their claim. The fact also remained that the test-checked divisions could not furnish any records during audit.

#### **5.5 National Afforestation Programme (NAP)**

The National Afforestation Programme (NAP) sponsored by the National Afforestation and Eco-Development Board (NAEB), Ministry of Environment and Forests (MoEF), Government of India was launched in Nagaland during 2000-01 with the objectives of sustainable development and management of forest resources and to increase/improve forest and tree cover. Funds for the Scheme were released directly to the 20 Forest Development Agencies (FDAs) till 2009-10 for implementation through Joint Forest Management Committees (JFMCs). The State Forest Development Agency (SFDA) was formed during

2009-10 and thereafter funds for the scheme were being routed through the SFDA to the FDAs.

Details of total funds received from NAEB for implementation of NAP were as follows:

**Table 5.9: Funds received under NAP**

*(₹ in crore)*

| Year         | Amount received |
|--------------|-----------------|
| 2008-09      | 6.66            |
| 2009-10      | 10.07           |
| 2010-11      | 10.11           |
| 2011-12      | 11.69           |
| 2012-13      | 10.88           |
| <b>Total</b> | <b>49.41</b>    |

*(Source:-Departmental records)*

As per the records furnished to Audit, an amount of ₹ 28.32 crore was received by the FDAs in the test checked divisions as shown in the table below:

**Table 5.10: Funds received by selected FDA's under NAP**

*(₹ in crore)*

| Year         | Dimapur     |             | Mon         |             | Mokokchung  |             | Kohima      |             | Peren       |             | Total        |
|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
|              | Regular     | Jhum        | Regular     | Jhum        | Regular     | Jhum        | Regular     | Jhum        | Regular     | Jhum        |              |
| 2008-09      | 0.88        | 0.85        | 1.08        | 0.06        | 0.00        | 0.00        | 0.50        | 0.42        | 0.40        | 0.95        | 5.14         |
| 2009-10      | 1.00        | 0.86        | 0.80        | 0.40        | 0.00        | 0.50        | 0.00        | 0.32        | 0.38        | 0.70        | 4.96         |
| 2010-11      | 0.88        | 0.54        | 0.76        | 0.88        | 0.94        | 0.65        | 0.47        | 0.49        | 0.27        | 0.25        | 6.13         |
| 2011-12      | 0.46        | 0.51        | 0.64        | 0.82        | 0.52        | 0.61        | 0.59        | 0.81        | 0.56        | 0.71        | 6.23         |
| 2012-13      | 0.40        | 0.54        | 0.49        | 0.73        | 0.46        | 0.60        | 0.63        | 0.74        | 0.56        | 0.71        | 5.86         |
| <b>Total</b> | <b>3.62</b> | <b>3.30</b> | <b>3.77</b> | <b>2.89</b> | <b>1.92</b> | <b>2.36</b> | <b>2.19</b> | <b>2.78</b> | <b>2.17</b> | <b>3.32</b> | <b>28.32</b> |

*(Source:-Departmental records)*

Test check of records of the SFDA and the four selected FDAs revealed that all the funds received were being transferred to the JFMCs for carrying out the activities under the Scheme. No records of field inspections conducted by Range Forest Officers or periodical reports/accounts/progress reports submitted by the JFMCs, if any, were furnished. Interaction with selected JFMCs also revealed that most of them were not maintaining records of receipt and utilisation of funds. Further, it was seen there were no measureable parameters to assess the performance of the JFMCs. Therefore, the activities taken up and the success or otherwise of the scheme could not be verified in audit. The results of joint physical verification of selected JFMCs are detailed in *Appendix IV*.

The following discrepancies in the implementation of the Scheme were also noticed:

- As per Para 2.2 of NAP Revised Operational Guidelines, 2009, FDAs were to sign a Memorandum of Understanding (MoU) with the JFMCs implementing the Scheme indicating mutual obligations, rights and roles. The MoU should, *interalia*, include the right of FDAs to stop and withdraw funding from a JFMC if their performance was found to be unsatisfactory along with the procedure to be adopted in such cases. The FDAs, in turn, would also sign a similar MoU with the SFDA. However, the said clause was not included in the MoUs signed between the FDA and the JFMCs. Also, it was stated by DFO, Mon and DFO, Kohima that no MoU was signed between SFDA and FDA whereas DFO, Dimapur and DFO, Mokokchung did not furnish the MoU to Audit.

In reply (November 2013), the Department stated that action would be taken to frame MoUs between the SFDA and FDAs and necessary changes made to the MoUs between the FDAs and JFMCs.

- As per Para 6.5.2 of the guidelines, 80 *per cent* of the funds released to the FDA for implementation of the works to be undertaken by JFMCs would be transferred to the bank account of concerned JFMCs. When 50 *per cent* of the funds released to a JFMC had been utilised, the balance 20 *per cent* of the funds would be released. However, scrutiny of FDA's bank statements and Cash Book revealed that funds were released to the JFMCs in a single instalment in violation of guidelines.
- As per Para 9.1 of the guidelines, each project under the Scheme would be monitored by the FDA, SFDA and the State Forest Department officials through field inspections and otherwise. The Range Forest Officer would undertake field checks of the works undertaken by the JFMCs and submit periodical reports to the Chief Executive Officer (DFO). However, no periodical inspection reports were submitted to the Chief Executive Officer.

In reply (November 2013), the Department stated that monitoring was carried out and necessary instructions had been issued for its documentation.

- As per Annexure-D, Sl.No.6 of the guidelines, each JFMC shall submit a quarterly statement of accounts and progress of works carried out by them to the FDA. However, it was seen that JFMCs were not submitting quarterly statements to the FDAs.

In reply (November 2013), the Department stated that quarterly accounts were submitted by the JFMCs to the FDAs and was compiled by them as quarterly progress reports and submitted to SFDA. However, the test checked FDAs had stated that the JFMCs were not submitting statement of accounts.

- No Village Development Funds or Small & Micro Forest Enterprises as envisaged under NAP were created during the last 5 years.

In reply (November 2013), the Department stated that these activities could not be taken up due to fund constraints and the FDAs would take up the matter with the JFMCs.

- Minutes of meetings of General Body of FDA & Executive Body of FDA were not furnished. Thus, it could not be verified whether any meetings were held.

In reply (November 2013), the Department stated that necessary instructions would be issued in this regard.

- Interaction with JFMC members in the test checked divisions revealed that JFMCs under FDA, Dimapur & FDA, Mon were not maintaining any records regarding receipt/expenditure of funds. Therefore, receipt of funds by the JFMCs and its proper utilisation could not be vouchsafed in audit.

## **5.6 Functioning of Rubber Processing Unit in Jalukie, Peren**

During audit, it was seen that a Rubber Processing Unit along with a plantation (6500 trees planted during 1982-84) was functioning in Jalukie under Peren Division. On enquiry, it was stated that there were no orders/instructions regarding management of the Unit and it was being run on the basis of verbal instructions from the higher authority. It was further seen that

revenue targets or the minimum rate for sale of dry rubber sheets were not fixed and no plantation journals were maintained.

Scrutiny in audit revealed that DFO, Peren had remitted a total amount of Rs.16.86 lakh being sale proceeds of 22,300 kilograms of dry rubber sheets during the period 2008-2013 to the Treasury as detailed in the table below:

**Table 5.11: Sale proceeds of rubber sheets remitted during 2008-13**

| 2008-09       |        | 2009-10       |        | 2010-11       |        | 2011-12       |        | 2012-13       |        | <i>(in ₹)</i><br>Total |         |
|---------------|--------|---------------|--------|---------------|--------|---------------|--------|---------------|--------|------------------------|---------|
| Qty.<br>(Kg.) | Amount | Qty.<br>(Kg.) | Amount | Qty.<br>(Kg.) | Amount | Qty.<br>(Kg.) | Amount | Qty.<br>(Kg.) | Amount | Qty.<br>(Kg.)          | Amount  |
| Nil           | Nil    | 5800          | 336400 | 6000          | 510000 | 6500          | 520000 | 4000          | 320000 | 22300                  | 1686400 |

*(Source:-Departmental records)*

It can be seen from the table that the production was 'nil' during 2008-09 and increased during 2009-10 to 2011-12 after which it declined in 2012-13. Decline in production was attributed to scarcity of water. Despite requisition, no other records regarding production and sale of rubber sheets were furnished. It was also seen that the sale proceeds collected were deposited into Treasury only once (March) every year.

Further scrutiny revealed that the expenditure on pay and allowances of the staff<sup>16</sup> engaged for running of the Rubber Unit was ₹ 17.52 lakh<sup>17</sup> per annum. The revenue earned from the Unit was only 18.26 *per cent* of the expenditure on pay and allowances of the staff during 2012-13.

## **5.7 Creation of infrastructure under Schemes/Programmes**

A large portion of the funds (₹ 60.87 crore) received under Centrally Sponsored Schemes and State Plan Schemes during 2008-13 was spent on creation of infrastructure such as construction of office buildings, staff quarters, forest approach roads and protection works (fencing/walls etc.) in various divisions/Wildlife sanctuaries throughout the State as detailed in *Appendix V*.

Four<sup>18</sup> major projects were executed by the Engineering Wing attached to the Office of the PCCF manned by an Executive Engineer and a Junior Engineer. All the other works under various schemes/programmes were executed by the concerned Range Forest Officers in the divisions.

It was seen that the civil works in the test checked divisions were taken up without framing/conforming to the estimates and most divisions did not maintain Measurement Books (MBs). In divisions/ranges where MBs were furnished, it was seen that detailed measurement of the works executed, date of commencement and completion of work etc., were not recorded and the entries made were merely a replica of the entries recorded in the Cash Book. The works executed could not be compared with the estimates as expenditure was shown as incurred on procurement of materials and payment of wages.

<sup>16</sup> One Dy. Forest Ranger, 3 forest guards, 6 rubber tappers and one night chowkidar.

<sup>17</sup> ₹ 1.46 lakh per month (March 2013)

<sup>18</sup> (i) Construction of Office Complex and staff quarters at Forest Colony, Dimapur, (ii) Construction of Shopping Complex-cum-Parking Plaza at Forest Colony, Dimapur (iii) Construction of office for STC/NTC at Kohima and (iv) Construction of Office Complex at Mon/Rest House at Naginimora.

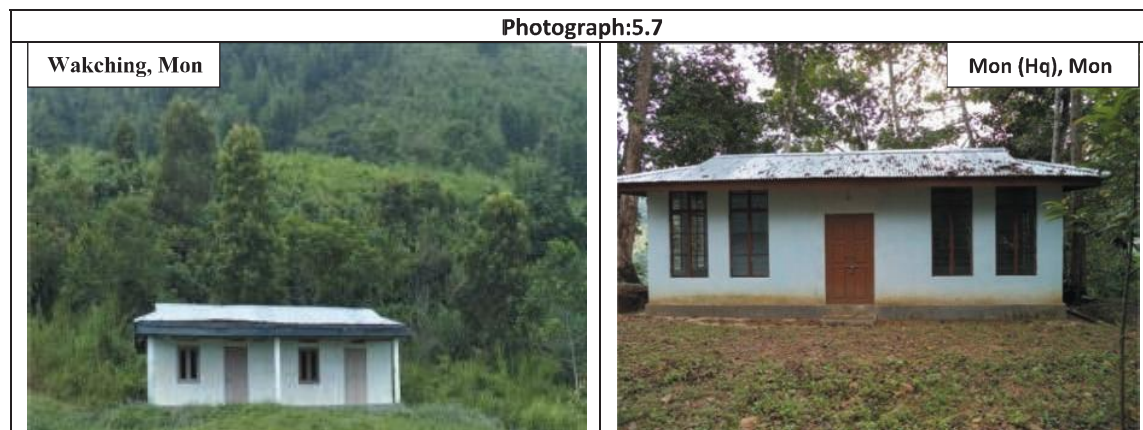


The proposals for the works did not originate from the divisions/ranges but were taken up as and when funds were released on the instructions from the Office of the PCCF indicating that the works were fund driven and not need based. Further, works other than for which funds were sanctioned were also taken up. Important findings on execution of works under various schemes/programmes in the divisions test checked are discussed in the following paragraphs.

#### **5.7.1 Deviation from estimates in construction of staff quarters**

An amount of ₹ 9.82 crore<sup>19</sup> was earmarked in the AWP during 2008-13 for construction of various types of staff quarters/office throughout the State as detailed in *Appendix V 1 (a) & 2 (a)*. As per the estimates enclosed with the AWP, the cost per sft. was worked out at ₹ 2259.87<sup>20</sup> on the basis of NPWD SOR (2008). Findings of audit on construction of staff quarters are discussed below:

- It was seen that the estimate (₹ 12.20 lakh) prepared for a quarter with plinth area of 540<sup>21</sup> sft. included a kitchen, a sitting room, 2 bed rooms, a verandah and a bathroom. Scrutiny of records and physical verification in the test checked divisions revealed that the funds were released to the Range Forest Officers and spent against procurement of construction materials and payment of wages within the same month. There were wide variations in the items and quantity of materials purchased across the divisions/ranges for construction of quarters with the same plinth area as detailed in *Appendix VI (a)*. Joint physical verification also revealed that there were wide deviations from the estimates as also variations in the size and quality of the quarters with the same plinth area actually constructed across the divisions and ranges as shown in the following photographs.



<sup>19</sup> IFM: ₹ 4.07 crore and TFC: ₹ 5.75 crore

<sup>20</sup> Rate per sft as per NPWD SOR 2008-₹ 1235.48 + ₹ 679.52 (Higher anticipated tender value-25%, site leveling and approach road-10%, Water supply & sanitary installation-12.5 %, Electrification-7.5%)= ₹ 1915 + ₹ 344.87 (Work charge and contingency-5% and Departmental charges-13%)= ₹ 2259.87

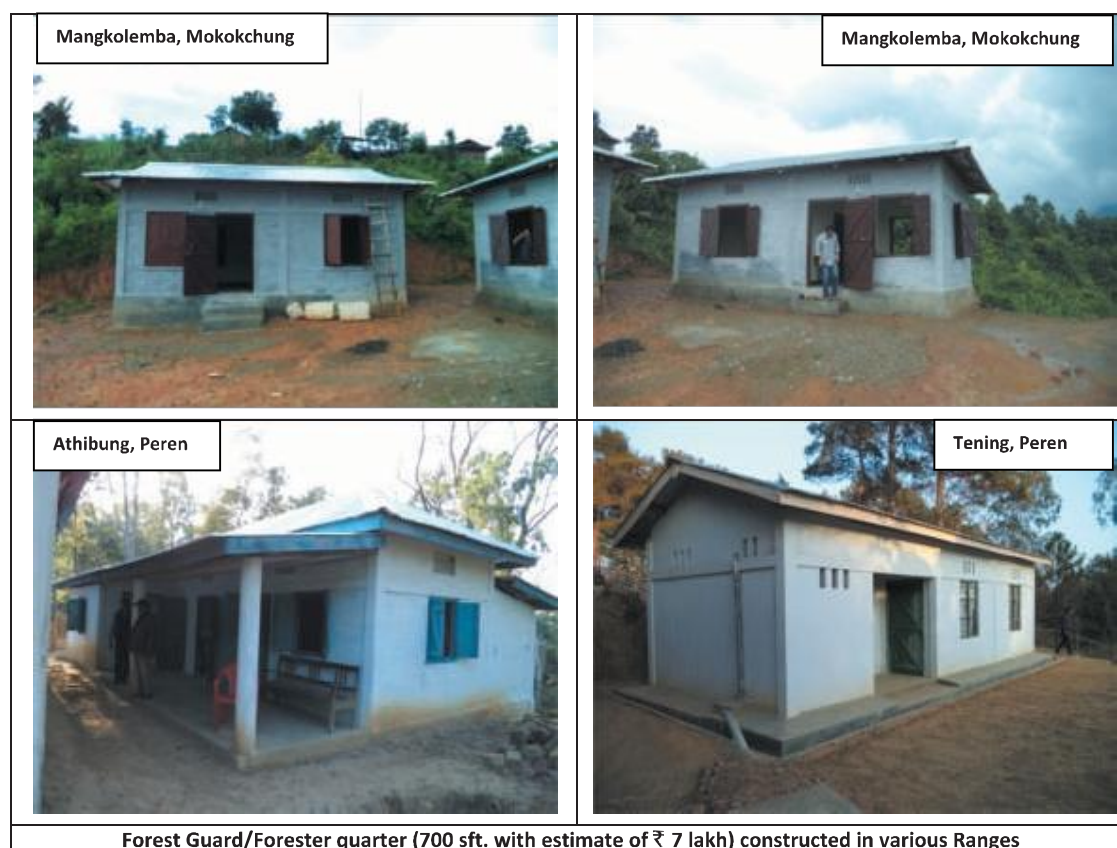
<sup>21</sup> Kitchen (80 sft.), Sitting room (132 sft), 2 Bed rooms (132 and 144 sft), Verandah (36 sft) and Bathroom (16 sft)



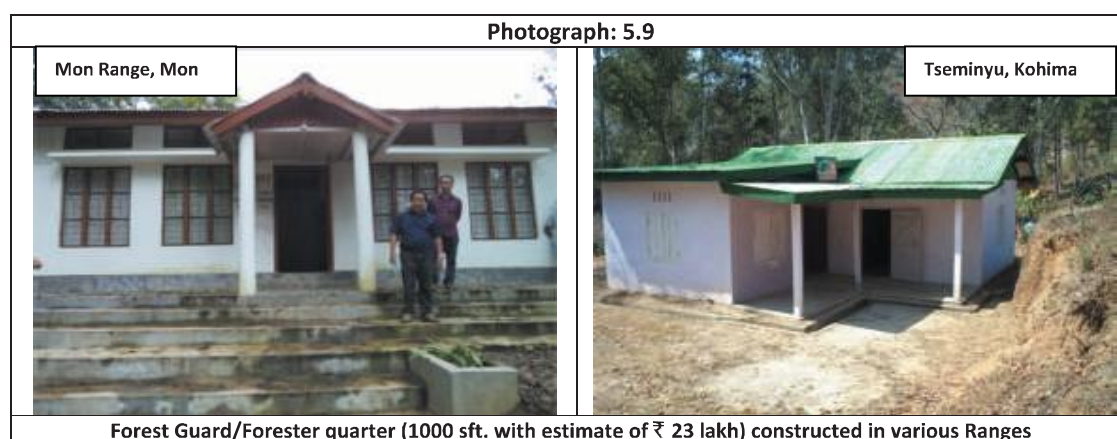
Forest Guard/Forester quarter (540 sft. with estimate of ₹ 12.20 lakh) constructed in various Ranges

- It was further seen that ₹ 0.14 crore was released to the Range Forest Officers, Namsa (₹ 0.07 crore) and Range Forest Officer, Naginimora (₹ 0.07 crore) by DFO, Mon during November 2010 for construction of Forester/Dy.Ranger quarter with plinth area of 700 sft. Estimates for the work were not found on record. ₹ 0.14 crore was also spent by Beat Officer, Mangkolemba for construction of two staff quarters during October 2012. An amount of ₹ 0.28 crore was released to the ROs/BOs, Athibung (₹ 0.07 crore), Tening (₹ 0.07 crore), Nsong (₹ 0.07 crore) and Ntu (₹ 0.07 crore) by DFO, Peren during October 2012 for construction of Quarters/Range Offices. The whole amount was spent by the Range Forest Officers/Beat Officers for procurement of materials and payment of wages (*Appendix VI (b)*) with wide variations across the divisions/ranges. Joint physical verification also revealed wide variation in the actual construction of the four quarters as shown in the photographs below:





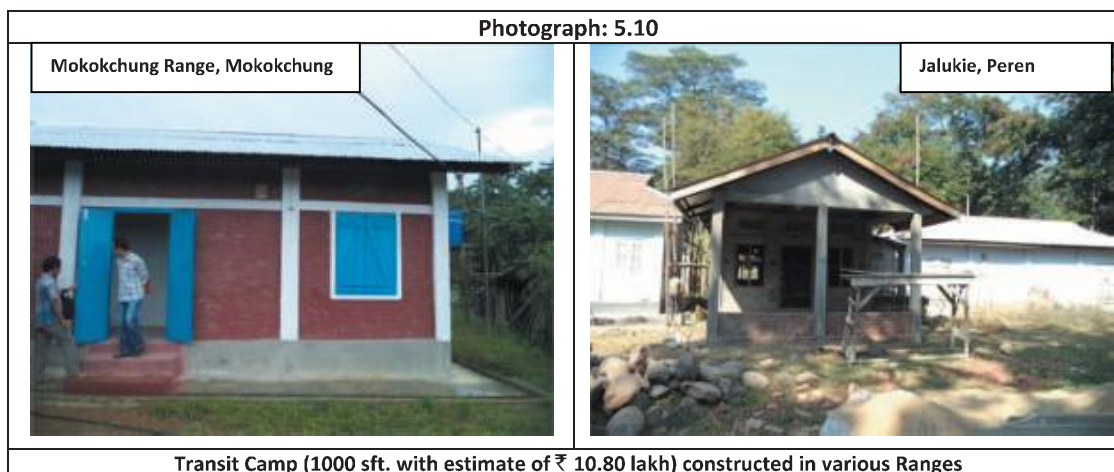
- An amount of ₹ 0.23 crore each was spent by RFO, Mon (March 2013) and RFO, Tseminyu (March 2012) for construction of residential quarters (1000 sft). Scrutiny of bills/vouchers revealed that there were wide variations in the items and quantity of materials procured as shown in *Appendix VI (c)*.



- An amount of ₹ 0.11 crore was earmarked in the AWP of 2011-12 for construction of Transit Camp (1000 sq ft.) for field officers at Mokokchung. However, an amount of ₹ 0.09 crore was shown as spent for the work by the RFO, Mokokchung Range during October 2012. ₹ 0.11 crore was also earmarked for construction of Transit Camp (1000 sq ft.) at Jalukie under Peren Division and ₹ 0.10 crore was shown as spent for the work during October 2012. Scrutiny of bills/vouchers revealed that there were wide variations in



the items and quantity of materials procured as shown in *Appendix VI (d)*. Physical verification also revealed that the work in Jalukie Range was in progress (January 2014) as shown in the photograph below:



The wide variation in the items and quantity of materials procured for construction indicates that the expenditure booked was fictitious and actual construction without adherence to the estimates was left entirely to the discretion of the Range Forest Officers. It was also seen during physical verification that the estimate was not at all followed as detailed in *Appendix VII*.

In reply (December 2013), the Department stated that construction cost varies depending on the location and distance, wages and labour cost without clarifying why these issues were not factored in while preparing the estimates. This indicates that the estimates were prepared with the sole intention of obtaining funds from GOI and execution was left to the discretion of the Field Officers.

### **5.7.2 Deviation from estimates in improvement of forest approach roads**

An amount of ₹ 4.68 crore<sup>22</sup> was earmarked in the AWP during 2008-13 for improvement of forest approach roads as shown in *Appendix V 1 (b) and 2 (b)*.

As per the estimate enclosed with the AWP, the cost per km was ₹ 12.50 lakh<sup>23</sup> (NPWD SOR, 2008) and the components of work were maintenance of earthen shoulder, hill side drain clearance, clearance of landslides, WBM Gr I, WBM Gr II, contingency and departmental charges. Detailed analysis of records and joint physical verification of the works executed revealed that the actual execution of work was not consistent with the estimate as detailed in *Appendix VIII*. Joint physical verification also revealed that the components of works actually carried out were not as per the estimate as detailed in *Appendix IX*.

<sup>22</sup> TFC: ₹ 3.25 crore and IFM: ₹ 1.43 crore

<sup>23</sup> Maintenance of earthen shoulder (₹ 14,216), hill side drain clearance (₹ 24,000), clearance of landslides (₹ 4,080), WBM Gr I (₹ 6.30 lakh), WBM Gr II (₹ 4.01 lakh), contingency (₹ 32,225) and departmental charges (₹ 1.44 lakh)

In reply (December 2013), the Department stated that the cost would be much higher than the estimated cost if the actual items of works carried out were considered. It was however not clear as to how the Department could carry out extra works with the amount of funds sanctioned in the estimated cost.

#### **5.7.3 Construction of fencing at Singphan Wildlife Sanctuary**

An amount of ₹ 1.95 crore was released to the Wildlife Warden, Dimapur by the Chief Wildlife Warden, Dimapur during February 2013 for implementation of works under TFC Grant. Out of this, an amount of ₹ 0.95 crore was shown as spent for procurement of materials and payment of wages for construction of fencing at Singphan Wildlife Sanctuary (SWS). As per the bills, 2710 RCC posts at a cost of ₹ 0.28 crore and GI Chain Link (12400 sqm) at a cost of ₹ 0.33 crore were purchased and the whole amount was spent in February 2013 itself. It was however, seen from the photograph enclosed with the Utilisation Certificate that GI Chain Link Fencing with Angle Posts were constructed though no expenditure was incurred for procurement of Angle Posts. Further, it was also stated by the Range Forest Officer, SWS that the fencing was done with Angle Posts. Thus, the expenditure incurred on the work was excessive and needs further investigation.

In reply (November 2013), the Department while accepting the fact that Angle Posts were used instead of RCC posts for construction of the fencing stated that the cost were comparatively almost same. However, the fact remained that expenditure was incurred for procurement of RCC posts as per the records.

#### **5.7.4 Construction of Ditch Fencing at Intanki National Park**

A DPR at an estimated cost of ₹ 1.50 crore to be funded under HUDCO loan was submitted (July 2008) for construction of Ditch Fencing<sup>24</sup> at Intanki National Park with the objectives to reduce man-animal conflict and act as barriers to animals especially straying of wild elephants. After the loan was sanctioned, a revised estimate was submitted (March 2009) after reducing the length of the ditch fencing<sup>25</sup> and including two additional works<sup>26</sup>. An amount of ₹ 1.32 crore was drawn by Wildlife Warden, Dimapur and released to the Range Forest Officer, Intanki National Park for execution of the works during March 2009.

It was seen from the Measurement Book (MB) that an amount of ₹ 1.27 crore was spent on procurement of construction materials and payment of wages during March 2009 without recording measurements, date of commencement/completion or specifying the nature of work executed. Therefore, the actual works executed and whether it was as per the estimate could not be verified and needs further investigation.

In reply (November 2013), the Department stated that the works were executed as per the estimate. However, the fact remained that the actual measurements, date of commencement/completion etc. were not recorded in the MBs.

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<sup>24</sup> Length-15.65 km, depth-1.83 m and width-2.44 m (top) and 1.52 m (bottom)

<sup>25</sup> From 15.65 km to 7.5 km (₹ 0.66 crore)

<sup>26</sup> (i) Protection camp at Intanki National Park (₹ 0.63 crore) and (ii) Security trenching around the protection camp (₹ 0.30 crore)

### **5.7.5 Construction of Office Complex and staff quarters at Forest Colony, Dimapur**

Construction of Office Complex and staff quarters at Forest Colony, Dimapur was taken up (February 2006) at an estimated cost of ₹ 21.43 crore. The work was to be executed by the Engineering Wing attached to the office of the PCCF through a contractor<sup>27</sup>. Work order was issued (February 2006) to the contractor for the estimated amount with the stipulation that work should be completed in 36 months.

Scrutiny of records made available to audit revealed the following:

#### **(i) Preparation of inflated revised estimate**

A revised estimate was prepared (date of revision and Government approval not on record) and the cost of work increased from ₹ 21.43 crore to ₹ 42.97 crore. However, except revised estimate submitted to C.E PWD (Housing) for technical sanction, other relevant records including copy of Government approval of the revised estimate was not furnished. Though the cost of work was revised to double the original cost, the scope of work was seen to be substantially reduced with the major changes being reduction in the number of Type-II buildings from 12 to 5 and cancellation of 2 nos of Type-VI buildings having estimated cost of ₹ 6.89 crore<sup>28</sup> in the original estimate.

The reasons for revision of the estimate to almost double despite substantial reduction in the scope of work could not be stated. Government approval of the revised estimates was also not furnished.

In reply (December 2013), the Department stated that the revision became necessary as the original estimate was framed on the basis of plinth area while the contractor submitted tender on item rate. It was further stated that no provision was kept in the original estimate for departmental charges, electrification, service connection, road and landscaping of office compound and sanitation. Though it was stated that the revised estimates have been technically approved by competent authority, Government approval or the date of approval was not furnished.

#### **(ii) Excess expenditure due to allowance of higher rates**

Scrutiny of MBs and running bills revealed that the rates allowed for some items<sup>29</sup> were more than double the rates in NPWD SOR 2010 though the work order was issued during February 2006. Allowance of higher rates resulted in excess expenditure of ₹ 5.89 crore.

In reply (December 2013), the Department stated that item based rates and not rates as per SOR were approved by the Government. The fact however, remained that exorbitant rates were allowed in February 2006 which was even higher than the NPWD SOR 2010.

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<sup>27</sup> M/s Singh Construction Co. Dimapur

<sup>28</sup> As per original estimate-- Type-VI quarters (2 Nos) @ ₹ 169.08 lakh Type-II quarters (7 Nos) @ ₹ 520.31 lakh.

<sup>29</sup> Rate for Torsteel work was @ 70,777 p/MT SOR while ₹ 90,000 p/MT was allowed. Similarly, the rate as per SOR for 1<sup>st</sup> class wood rebated frames 15x50mm (windows and doors) was ₹ 46,552.30 p/cum while ₹ 85,000/- p/cum was allowed.

**(iii) Excess over revised estimates**

As per the contract agreement, centage charges<sup>30</sup> of 12.50 *per cent* was added to the value of civil works to arrive at the total estimated cost. As such, if 12.50 *per cent* was deducted, the actual value of civil work in the revised estimate was only ₹ 36.38 crore<sup>31</sup>. However, it was seen that payments amounting to ₹ 39.49 crore for the civil works had been made to the contractor in 6 RA bills resulting in excess of ₹ 3.11 crore over the revised estimated cost. In reply (December 2013), the Department stated that the value of civil works was increased from ₹ 36.38 crore to ₹ 41.67 crore as recommended by the building Committee. However, no supporting documents were furnished.

**(iv) Allowance of exorbitant rate and payment for work not executed**

Scrutiny of MBs revealed that exorbitant rates (₹ 1000 per sqm.) was allowed for 'distempering'. The rate allowed for distempering to another contractor for Kohima Office Complex Building<sup>32</sup> was only ₹ 68.61 per sqm. The quantity of work shown to have been executed in the MB was 59433.6 sqm and an amount of ₹ 5.94 crore was paid<sup>33</sup> to the contractor against 'Distempering with oil bound distemper, surface and ceiling in 6 mm thick plaster & 12 mm thick' for all type of buildings as detailed in the table below:-

**Table 5.12: Quantity of work shown as executed and amount paid**

| Sl.No | RA Bill         | Type of building  | Qty.           | Unit | Rate | Amount paid (in ₹) |
|-------|-----------------|-------------------|----------------|------|------|--------------------|
| 1     | 2 <sup>nd</sup> | Office Building   | 8615.80        | Sqm  | 1000 | 8615800            |
| 2     | 4 <sup>th</sup> | Type III quarters | 9706.40        | Sqm  | 1000 | 9706400            |
| 3     | 5 <sup>th</sup> | Type II quarters  | 10010.00       | Sqm  | 1000 | 10010000           |
| 4     | 5 <sup>th</sup> | Type IV quarters  | 11125.00       | Sqm  | 1000 | 11125000           |
| 5     | 6 <sup>th</sup> | Type II quarters  | 8430.40        | Sqm  | 1000 | 8430400            |
| 6     | 6 <sup>th</sup> | Type V quarters   | 11546.00       | Sqm  | 1000 | 11546400           |
|       |                 | <b>Total</b>      | <b>59433.6</b> |      |      | <b>59434000</b>    |

(Source:-Departmental records)

During joint physical verification along with the Executive Engineer, Forest Department, it was seen that the work of distempering with oil bound distemper was not actually executed. In reply (December 2013), the Department stated that item rates and not SOR rates were approved by Government. However, the fact remained that the rate allowed on this item of work which was not even executed was exorbitant. Further, no reasons were stated for payment made for work not actually executed.

**5.7.6 Doubtful expenditure against construction of residential office**

Scrutiny of records in the office of the PCCF revealed that an amount of ₹ 17.77 lakh (₹ 8.25 lakh during 2010-11 and ₹ 9.52 lakh during 2012-13) was spent for construction of residential office attached to PCCF's quarter at Kohima. As per bills furnished, the work was done departmentally and the payments were shown against purchase of materials and payment of wages during March 2011 and March 2013. Further scrutiny of bills revealed that construction materials were randomly procured. For instance, 27 bundles of CGI sheets (₹ 1.52 lakh) which could cover an area of 1412.30 sqm was procured whereas only 56.87 cft of

<sup>30</sup> Consultancy fee and electrification charges @ 5 *per cent* each and contingencies charges @ 2.50 *per cent*

<sup>31</sup> ₹ 41,67,60,557-₹ 5,19,70,070 (12.5%)

<sup>32</sup> Work order issued in February 2009

<sup>33</sup> 2<sup>nd</sup>, 4<sup>th</sup>, 5<sup>th</sup> & 6<sup>th</sup> Running Account Bill

wood was purchased. Further, a large quantity of cement (800 bags) and bricks (67000) were shown as procured. Despite requisition (June 2013), the estimate of the work and the type/specifications of the building constructed was not furnished. The expenditure on the work was prima facie excessive and hence the entire expenditure was doubtful.

In reply (November 2013), the Department stated that bills furnished to audit included those for purchase of construction materials for other works and hence the expenditure was not excessive. However, scrutiny of the bills revealed that the whole expenditure was booked against this particular work.

# **CHAPTER-6**

## **INTERNAL CONTROL**

## Chapter-6 Internal Control

### *Objective V: To assess whether internal control mechanism existed in the Department.*

Internal controls in a Department are intended to give reasonable assurance that its operations are carried out according to laid down rules and regulations in an economic, efficient and effective manner. A built-in internal control system and adherence to codes and manuals minimise the risk of errors and irregularities and help the Department to achieve its objectives with optimum use of its resources.

The Department could not furnish any information on internal control systems despite requisition (March 2013) and several reminders. Thus, audit could not study the effectiveness of internal control systems, if any, in the Department.

However, it was seen that no internal audit either by the Department or the Directorate of Treasuries and Accounts had been carried out in the Directorate or in any of the divisions during the period covered by audit.

In reply (November 2013), the Department stated that efforts would be made to set up and follow a built-in internal control system.

#### **6.1 Non-maintenance/production of records**

Maintenance of various control registers in accordance with regulations is an important element of internal control structure. The registers including subsidiary registers are to be maintained in prescribed format. Maintenance of records in the office of the PCCF and the divisions test-checked was poor. The divisions were not maintaining separate files for the schemes/programmes implemented by them. The files furnished to audit contained loose papers kept in a disorganised manner without notes. Details of funds received under various schemes/programmes and the works undertaken could not be furnished by any of the divisions despite requisition and several reminders. Most of the works taken up or the expenditure there against could not be clearly identified from the Cash Book maintained by the divisions/ranges or even from the bills/vouchers enclosed with the monthly accounts. The Measurement Books, mandatory for execution of civil works were either not maintained or did not contain name of work, measurements, date of commencement and completion.

In reply (November 2013), the Department stated that necessary instructions in this regard had been issued to all the divisions.

#### **6.2 Booking of expenditure before receipt of funds**

Scrutiny of records revealed that the following amounts were booked as expenditure/shown as utilised before the funds were actually received (for the years 2011-12 and 2012-13 for which bank statements were furnished) as shown in the following table:



**Table 6.1: Booking of expenditure before actual receipt of funds**

(₹ in crore)

| Year    | Name of Division              | Amount | Date of utilisation as per Cash Book | Date of actual receipt of funds (as per Bank Statement) |
|---------|-------------------------------|--------|--------------------------------------|---|
| 2011-12 | DFO, Dimapur                  | 0.27   | March 2012                           | 03.04.2012  |
|         | DFO, Mon                      | 0.84   | March 2012                           | 11.04.2012  |
|         | DFO, Mokokchung               | 0.70   | March 2012                           | 03.04.2012  |
|         | DFO, Peren                    | 40.67  | March 2012                           | 12.04.2012  |
|         | Working Plan Officer, Kohima  | 1.69   | March 2012                           | 04.04.2012  |
|         | Silviculture Division, Kohima | 0.40   | March 2012                           | 03.04.2012  |
|         | Wildlife Warden, Dimapur      | 0.25   | March 2012                           | 03.04.2012  |
| 2012-13 | Wildlife Warden, Dimapur      | 1.76   | March 2012                           | Received in instalments during 2012-13                  |
|         | DFO, Mon                      | 0.10   | March 2013                           | 09.04.2013  |
|         | DFO, Mokokchung               | 0.72   | March 2013                           | Not seen credited till 31.03.2013                       |
|         | DFO, Dimapur                  | 0.50   | March 2013                           | 05.04.2013  |
|         | DFO, Peren                    | 0.12   | March 2013                           | Not seen credited till 31.03.2013                       |
|         | Wildlife Warden, Dimapur      | 0.75   | March 2013                           | 06.04.13  |
|         | Wildlife Warden, Dimapur      | 0.81   | March 2013                           | 23.04.13  |

(Source:-Departmental records)

It can be seen from the above table that the fraudulent practice of booking expenditure/showing utilisation before the funds were actually received was widely prevalent in the Department and was apparently done for accounting purposes. It was also evident that records (bills/cash memos showing random procurement of materials etc) were fabricated and the actual expenditure was incurred subsequently.

An amount of ₹ 0.72 crore shown as received and spent by DFO, Mokokchung was not seen credited in the bank account till 31 March 2013 and subsequent receipt, if any, could not be verified as bank statement for the subsequent period was not furnished.

In reply (November 2013), the Department stated that booking of expenditure before receipt of funds were done in exceptional cases for accounting purposes and that necessary steps would be taken to avoid this practice in future.

### 6.3. Unauthorised expenditure on procurement of vehicles

Scrutiny of list of vehicles in the Department revealed that 59 vehicles were procured during 2008-13. Scrutiny of Cash Book maintained by the O/o the PCCF however, revealed that expenditure was incurred for procurement of only 37 vehicles during the same period as shown in the table below:

**Table 6.2: Details of vehicles procured**

| Type of vehicle | Number of vehicles procured as per Cash Book | Number of vehicles procured as per list of vehicles | Difference    |
|-----------------|--|---|---------------|
| Medium          | 2  | 2   | --            |
| Light           | 13   | 31  | (+) 18        |
| Motor Bike      | 22   | 26  | (+) 4         |
| <b>Total</b>    | <b>37</b>                                    | <b>59</b>   | <b>(+) 22</b> |

(Source:-Departmental records)

It can be seen from the table that expenditure for procurement of 22 vehicles was not recorded in the Cash Book indicating that these vehicles were purchased with funds diverted from schemes/programmes by fraudulently booking expenditure against scheme activities. It was further seen that 15 vehicles (3 light, 2 medium and 10 motorbikes) shown as attached to the divisions test checked were not actually present in the divisions.



In reply (November 2013), the Department stated that procurement of some vehicles were done on project mode and was not shown in the Cash Book. The reply of the Department substantiates the fact that the vehicles were purchased with funds diverted from schemes/programmes.

#### **6.4 Disbursement of scheme funds in Cash**

Scrutiny of records made available to audit revealed that funds for implementation of the various schemes/programmes were being transferred to the divisions by cheque/Demand Drafts. In the divisions, it was seen that funds for implementation were transferred to the Range Forest Officers in cash with few exceptions. Subsequent expenditure for procurement of materials or payments to the beneficiaries could not be verified as no records were made available.

It was also seen that the High Level Monitoring Committee of TFC, while approving the Work Plan for 2011-12 had observed that large amounts of cash was disbursed under the TFC award. The Committee recommended that except for petty payments, disbursement of amounts should be through Account Payee cheques to ensure that it reaches the right beneficiary. It was also recommended that proper guidelines on utilisation of funds are formulated and communicated to the implementing divisions.

Despite the observations and recommendations of the HLMC, the Department had not evolved any system to ensure transparency in the transfer of funds.

In reply (November 2013), the Department stated that necessary instructions had been issued to all the divisions to follow the directions of HLMC in future.

# **CHAPTER-7**

## **MONITORING**

## Chapter-7 Monitoring

### ***Objective IV: To assess whether proper monitoring mechanism existed in the Department.***

The Department could not furnish information regarding system in place to monitor the effective implementation of schemes/projects despite requisition (March 2013) and several reminders. Thus, audit was not able to study the effectiveness of the monitoring mechanism in the Department.

As per the guidelines (September 2010) of the 13<sup>th</sup> Finance Commission, every State was required to constitute a High Level Monitoring Committee (HLMC) to be headed by the Chief Secretary to ensure proper utilisation of the funds. The HLMC was responsible for monitoring physical and financial targets, ensuring adherence to the specific conditionalities in respect of the grant and approving Working Plans. Further, meeting of the HLMC was to be held on a quarterly basis to review the utilisation of the grants and to issue mid-course corrections, if necessary. Though it was seen that HLMC was formed (September 2011) and meeting held once a year to approve the Working Plans, no evidence that quarterly meetings were held for monitoring of the Scheme was available on record.

As per revised guidelines (March 2009) of IFM, the State Forest Department was responsible for regular monitoring and evaluation of the Scheme. A Review and Monitoring Committee under the chairmanship of the PCCF was to be constituted and meetings were to be convened at least half yearly to review the progress of the scheme. It was seen from the files that though a Committee was formed (July 2009), only one meeting (August 2009) was convened till date.

The NABARD Consultancy Services (NABCONS) had been appointed by the Planning Commission as a Third Party Monitoring Agency to assess effective implementation of projects funded under Special Plan Assistance (SPA) in the State. No evidence that monitoring was conducted during 2008-13 was available on record.

A Sub-Committee with Addl. Chief Secretary & Finance Commissioner as Chairman was constituted (August 2012) for physical verification of schemes implemented under TFC. It was seen that as per Departmental instructions, verification of works<sup>1</sup> taken up and implemented under the schemes were to be carried out. However, no evidence of verifications carried out could be furnished by the PCCF as well as the divisions test-checked.

Due to lack of proper monitoring, the deficiencies in implementation of various components of the schemes/programmes as discussed in *Paragraphs 5.1.3, 5.1.10, 5.1.11, 5.1.12, 5.2.1 and 5.5* were not identified in time to enable the Department to carry out mid-course corrections. Further, inconsistencies/irregularities in execution of works such as deviations from estimates in construction of buildings/roads, diversion of funds for activities not envisaged and payments without actual execution of works as detailed in *Paragraph 5.7*

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<sup>1</sup> 100 per cent at the Range Forest Officer level, 25 per cent per Range at DFO level, 10 per cent each at CCF/CF level and 2 per cent at Addl. PCCF/PCCF level.

could not be detected and necessary corrective measures initiated as physical verification of works were not carried out.

In reply (November 2013), the Department stated that monitoring was carried out as per the guidelines. However, no records/documents in support were furnished despite further requisition in January 2014.

## **CHAPTER-8**

# **CONCLUSION/RECOMMENDATIONS**

## Chapter-8 Conclusion and Recommendations

### 8.1 Conclusion

The State Forest Policy had not been framed as recommended by the National Forest Commission even after a lapse of seven years. There was no uniformity in the deployment of personnel of various categories especially Foresters and Forest Guards in the divisions. Payments ranging from ₹ 0.63 crore to ₹ 26.47 crore were made without routing through Cash Book. Further, credits in the bank accounts ranging from ₹ 0.11 crore to ₹ 28.65 crore were not recorded in the Cash Book. This has also resulted in the amounts remaining out of Government Accounts. The Ministry of Environment and Forests (MoEF), Government of India (GOI) deducted ₹ 8.66 crore out of funds provided under 13<sup>th</sup> Finance Commission grants during 2012-13 due to non-preparation of Forest Management Plans. The implementation of schemes were adversely affected due to delay in release of funds by the State Government to the Department and thereafter to the implementing divisions. Expenditure of ₹ 3.53 crore was incurred on creation of nurseries without proper planning/assessment of requirement. Schemes were implemented without proper planning and assessment of requirement resulting in idle/wasteful expenditure and diversion of funds. Transportation of illegal timber outside the North East in contravention of Hon'ble Supreme Court Orders cannot be ruled out due to non-maintenance of mandatory records in respect of Working Schemes and timber operations. Civil works under various schemes were carried out without framing/adhering to estimates resulting in wide variations in the actual works executed. No internal control systems existed in the Department and maintenance of records was poor. The practice of booking expenditure/showing utilisation before the funds were actually received was widely prevalent in the Department and was apparently done for accounting purposes. It was also evident that records (bills/cash memos showing random procurement of materials etc) were not factual and the actual expenditure was incurred subsequently. Proper Monitoring as required under scheme guidelines and Departmental instructions were not being carried out and properly documented.

### 8.2 Recommendations

- *The Department should frame a State Forest Policy and obtain approval without further delay. Action should be taken to adopt proper norms to standardise the deployment of personnel.*
- *Steps should be taken to ensure that only actual transactions are recorded in the Cash Book and monthly reconciliation is carried out with the banks.*
- *The Department should prioritise preparation of Management Plans for the districts where sample plot enumeration was completed or nearing completion and make efforts to get it approved by the MoEF at the earliest.*
- *A system should be evolved to ensure that funds are released to the divisions/ranges for implementation of works without delay and at the most appropriate time of the year.*

- *A proper mechanism should be put in place for monitoring Working Schemes and Timber Operations and efforts should be made to bring about transparency in all related activities of the Department.*
- *Internal control mechanism should be established in the Department. Maintenance of records should be improved and standardised across divisions/ranges so as to bring more transparency in the activities undertaken by the Department.*
- *An effective monitoring mechanism should be set up and its activities properly documented.*

**Kohima  
The**



**(R. Naresh)  
Accountant General (Audit),  
Nagaland, Kohima**

**Countersigned**



**New Delhi  
The**

**(Shashi Kant Sharma)  
Comptroller and Auditor General of India**

## APPENDICES



**APPENDIX I**  
(Reference: Paragraph 1.1, Page 2)

**Statement showing expenditure on Schemes/programmes/activities during the period  
from April 2008 to March 2012**

(₹ in crore)

| Sl. No.                                   | Name of Scheme/Programme/activity   | Total funds during 2008-13 |
|---|---|----------------------------|
| <b><i>Centrally Sponsored Schemes</i></b> |   |                            |
| 1.  | Intensification of Forest Management Scheme (IFMS)                                | 10.48                      |
| 2.  | Project Elephant  | 1.54                       |
| 3.  | Development of National Parks and Sanctuaries-Fakim Wildlife Sanctuaries          | 0.49                       |
| 4.  | Integrated Development of Wildlife Habitats-Bonchu Community Reserve              | 0.11                       |
| 5.  | Integrated Development of Wildlife Habitats-Khrokhropfu-Lephomi Community Reserve | 0.12                       |
| 6.  | Development of National Parks and Sanctuaries-Intanki National Park               | 0.37                       |
| 7.  | Construction of Shopping Complex & Parking Plaza at Dimapur                       | 11.13                      |
| 8.  | Accelerated Central Assistance (ACA)  | 1.56                       |
| 9.  | Integrated Development of Wildlife Habitats-Singphan Wildlife Sanctuary           | 0.25                       |
| 10.                                       | Integrated Development of Wildlife Habitats-Scaly-Mopungchuket Community Reserve  | 0.09                       |
|   | <b>Total (A):</b>   | <b>26.14</b>               |
| <b><i>State Plan</i></b>                  |   |                            |
| 1.  | Working Schemes   | 0.03                       |
| 2.  | Bamboo and Cane Plantation  | 1.42                       |
| 3.  | Intensification of Forest Management Scheme (State Share)                         | 2.64                       |
| 4.  | Protection of Wildlife Habitats & Corridors                                       | 0.10                       |
| 5.  | Community Bio-Diversity Conservation  | 1.56                       |
| 6.  | Twelfth/Thirteenth Finance Commission Grants                                      | 70.62                      |
| 7.  | Ditch Fencing at Intanki National Park(HUDCO)                                     | 1.50                       |
| 8.  | Betel Vine Conservation & Plantation  | 1.50                       |
| 9.  | Preservation of Singphan Wildlife Sanctuary (SPA)                                 | 1.00                       |
|   | <b>Tota(B):</b>   | <b>80.37</b>               |
|   | <b>Grand Total (A+B)</b>  | <b>106.51</b>              |

## APPENDIX II

(Reference: Paragraph 2.1, Page 5)

### Statement showing Divisions, Ranges and Beats under Territorial and Functional Circles of Forest, Ecology, Environment and Wildlife Department

#### 1. Divisions, Ranges and Beats under Northern Territorial Circles

| Sl No. | Division   | Ranges   | Independent Beats                                | Beats (non independent)   |
|--------|------------|--|--|---|
| 1.     | Mokokchung | 1. Mokokchung Hq.<br>2. Tuli<br>3. Longchem<br>4. Longtho                            | 1. Mangkolemba<br>2. Chantongya<br>3. Changchang | Kabulong (attached to Mokokchung Range)   |
| 2.     | Tuensang   | 1. Tuensang Hq.<br>2. Noklak<br>3. Longkhim<br>4. Longleng<br>5. Sitap<br>6. Kiphire | NIL  | 1. Pungro (attached to Kiphire Range)<br>2. Shamator (attached to Tuensang Range)<br>3. Chingmie (attached to Tuensang Range)<br>4. Noksen (attached to Tuensang Range) |
| 3.     | Zunheboto  | 1. Zunheboto Hq.<br>2. Suruhoto<br>3. Satakha<br>4. Akuluto<br>5. Pughoboto          | 1. Aghunato<br>2. Atoizu<br>3. V.K               | NIL   |
| 4.     | Mon        | 1. Namsa<br>2. Naginimora<br>3. Mon Hq.<br>4. Tobu                                   | 1. Longshen<br>2. Longching<br>3. Aboi           | NIL   |

#### 2. Divisions, Ranges and Beats under Southern Territorial Circle

| Sl No. | Division | Ranges   | Independent Beats                             | Beats (non independent)  |
|--------|----------|--|---|--|
| 1.     | Kohima   | 1. Kohima Hq.<br>2. Chiephobozou<br>3. Tseminyu  | NIL   | 1. Jakhama (attached to Kohima Range)<br>2. Sechu (Zubza) (attached to Kohima Range) |
| 2.     | Dimapur  | 1. Dimapur Hq.<br>2. Rangapahar<br>3. Chumukedima<br>4. Niuland<br>5. Kuhuboto   | 1. Medziphema<br>2. Piphema                   | NIL  |
| 3.     | Peren    | 1. Peren Hq.<br>2. Jalukie<br>3. Ntu<br>4. Ngaulwa (Heningkunglwa)<br>5. Tening<br>6. Mbaulwa<br>7. Rubber Unit (HQ Jalukie) | 1. Athibung<br>2. Khelma<br>3. Nsong          | NIL  |
| 4.     | Phek     | 1. Phek<br>2. Chazouba<br>3. Meluri<br>4. Pfutsero   | 1. Khezakeno<br>2. Chizami<br>3. Phungkhungri | 1. Sekruzu (attached to Chazouba range)  |

|    |                                   |  |  |     |
|----|-----------------------------------|--|--|-----|
| 5. | Wokha                             | 1. Wokha Hq.<br>2. Merapani<br>3. Baghty | 1. Doyang<br>2. Changpang<br>3. Liphayan | NIL |
| 6. | Doyang Plantation Division, Wokha | 1. Doyang Afforestation Range            | NIL                                      | NIL |
| 7. | Social Forestry Division, Kohima  | Social Forestry Range, Kohima            | NIL                                      | NIL |

**3. Divisions under Functional Circle**

| SI No. | Division   | Ranges   |
|--------|--|--|
| 1.     | Silviculture Division  | 1. Kohima Range<br>2. Dimapur Range<br>3. Mokokchung Range |
| 2.     | Working Plan Division, Kohima                                    | 1. Kohima Range  |
| 3.     | State Environment & Forestry Training Institute (SEFTI), Dimapur |  |
| 4.     | Forest Utilisation Division, Dimapur                             | 1. Forest Utilisation Range, Dimapur                       |

**4. Wildlife Divisions (District Wise Jurisdiction)**

| SI No. | Division                  | Districts  |
|--------|---------------------------|--|
| 1.     | Dimapur Wildlife Division | 1. Dimapur District<br>2. Kohima District<br>3. Mokokchung District<br>4. Wokha District<br>5. Zunheboto District<br>6. Peren District |
| 2.     | Kiphire Wildlife Division | 1. Kiphire District<br>2. Tuensang District<br>3. Longleng District<br>4. Mon District<br>5. Phek District                             |

**5. Sanctuaries, National Parks & Zoological Parks**

| SI No. | District | Sanctuary/Park                       |
|--------|----------|--------------------------------------|
| 1.     | Dimapur  | Nagaland Zoological Park, Rangapahar |
| 2.     | Kiphire  | Fakim Wildlife Sanctuary             |
| 3.     | Mon      | Singphan Wildlife Sanctuary          |
| 4.     | Peren    | Intanki National Park                |
| 5.     | Kohima   | Puliebadze Wildlife Sanctuary        |

### APPENDIX-III

(Reference : Paragraph 2.2 & 5; Page 5 & 13)

#### DDOs/Divisions selected and expenditure (2008-13) covered in audit

(₹ in crore)

| SI No. | Name of DDO/Division                                       | Non plan      | State Plan   | IFM*        | TFC*         | NAP*         | Total         |
|--------|--|---------------|--------------|-------------|--------------|--------------|---------------|
| 1.     | Principal Chief Conservator of Forest, Kohima              | 29.41         | 32.53        | 0.23        | 1.96         | 0.00         | 64.13         |
| 2.     | Working Plan Officer, Kohima                               | 2.69          | 0.00         | 2.33        | 4.44         | 0.00         | 9.46          |
| 3.     | Silviculturist, Kohima                                     | 3.54          | 0.34         | 0.00        | 3.17         | 0.00         | 7.05          |
| 4.     | DFO, Dimapur   | 18.92         | 0.15         | 0.68        | 2.70         | 6.92         | 29.37         |
| 5.     | Wildlife Warden, Dimapur                                   | 15.80         | 7.31         | 0.29        | 8.71         | 0.00         | 32.11         |
| 6.     | Forest Utilisation Officer, Dimapur                        | 3.32          | 0.00         | 0.00        | 2.41         | 0.00         | 5.73          |
| 7.     | Director, Nagaland Zoological Park, Rangapahar, Dimapur    | 2.37          | 0.30         | 0.00        | 0.19         | 0.00         | 2.86          |
| 8.     | DFO, Mon   | 10.99         | 1.15         | 2.20        | 4.87         | 6.66         | 25.87         |
| 9.     | DFO, Mokokchung  | 10.40         | 0.95         | 0.87        | 5.60         | 4.97         | 22.79         |
| 10.    | DFO, Kohima  | 7.19          | 0.31         | 0.68        | 6.10         | 4.28         | 18.56         |
| 11.    | DFO, Peren   | 10.56         | 0.35         | 0.88        | 3.03         | 5.49         | 20.31         |
| 12.    | Conservator of Forest, Northern Territorial Circle, Kohima | 1.32          | 0.20         | 0.01        | 0.12         | 0.00         | 1.65          |
| 13.    | Conservator of Forest, Southern Territorial Circle, Kohima | 2.00          | 0.00         | 0.01        | 0.13         | 0.00         | 2.14          |
|        | <b>Total:</b>  | <b>118.51</b> | <b>43.59</b> | <b>8.18</b> | <b>43.43</b> | <b>28.32</b> | <b>242.03</b> |

Note: State Plan includes 10 working schemes which have been taken up for detailed audit.

\*IFM: Intensification of Forest Management, TFC: Twelfth/Thirteenth Finance Commission Grants, NAP: National Afforestation Programme.

**APPENDIX IV**  
**Results of joint physical verification of Joint Forest Management Committees**  
**(Reference: Para 5.5, Page 29)**

| Sl No. | Name of FDA  | Name of the JFMC          | Observations  |
|--------|--------------|---------------------------|---|
| 1.     | FDA, Dimapur | i) Molvum Village         | Records are not being maintained. It was stated that 20 members (10 women) constitute the JFMC. Bamboo and Hollock Plantations were stated to have been carried out.  |
|        |              | ii) Tsiepama Village      | No records are maintained. It was stated that the membership of JFMC was eight and there were no women members.   |
|        |              | iii) Medziphe – A Village | JFMC President, Secretary and Members were not present. JFMC entrusted a Youth Member to interact with Audit. No record of receipt of funds or expenditure was shown.   |
|        |              | iv) Ruzaphema Village     | Records of funds received maintained in a Register but dates were not available. It was stated that the funds received were used for plantation of Teak, Hollock and also Pineapple, Banana etc. JFMC consists of 20 members of which 10 are women.   |
|        |              | v) Kiyeto Village         | Register showing funds received from the Range Officer was shown.   |
|        |              | vi) Tenyiphe – II Village | Records of receipts of funds are stated to be maintained but the same was not shown. It was seen that most/all the plantations were done on the roadside and on the edges of football ground. It was stated that there are a total of 5 members in the JFMC with no women at present.   |
|        |              | vii) Vihokhu Village      | No records of receipt of funds, expenditure are being maintained. It was stated that funds are received by cheque and also in cash during the period but could not be quantified. Activities based on advice of Department and those taken up included plantation of Teak and Bamboo in community as well in private land.  |
|        |              | viii) Tokugha Village     | Records not maintained by JFMC. It was stated that all activities were done on advice of R.O. and ACF in charge of the Range monitors the activities.   |
|        |              | ix) Kohuxu Village        | JFMC President or members were not present.   |
|        |              | x) Hozukhe Village        | JFMC records not seen. It was stated to be with the President who was not present. Only one member was present and he was not able to confirm the funds received on activities undertaken.  |
| 2.     | FDA, Mon     | i) Jaboka Village         | It was stated that there are 9 members including one woman in the JFMC. Register of receipts and expenditure stated to be maintained but was not shown to audit. It was stated that Plantation of Hollock, Khokan and other species were done during 2011-12 and R.O./Dy.R.O. visited the village to monitor the activities. Bamboo Plantation also done.   |
|        |              | ii) Tizit Village         | It was stated that there are 10 members in the JFMC, 5 men and 5 Women. Records were not maintained for receipt or expenditure of funds. It was stated that Plantation of Khokan, Thuna & other species were done and R.O. visited the village from time to time.   |
|        |              | iii) Sangsa Village       | It was stated that there are 7(Seven) members in the JFMC including two women. Records of receipts maintained and shown to Audit. It was further stated that Bamboo, Mixed plantation etc were done and the DFO, R.O. visited the village from time to time.  |
|        |              | iv) Wakching Village      | It was stated that 10(Ten) members including 2 women are in the Committee. However, only 8 members were seen in the list. No records of receipt on expenditure were furnished to audit. It was further stated that Mixed plantation, Artificial Regeneration, Maintenance, Bamboo creation and Nursery were carried out and R.O. visited the village from time to time to monitor the activities. |
|        |              | v) Wanching Village       | It was stated that there are eight members in the committee including secretary and President & 3(Three) women members. No records of receipt & expenditure were produced to audit. It was further stated that Hollock, Tita Chapa and Khokon were planted in various areas and not in a compact area and R.O. visited the project area from time to time.  |

|    |                    |                                 |   |
|----|--------------------|---------------------------------|---|
|    |                    | vi) Apao Village                | It was stated that 10(Ten) members are in the committee including President and Secretary & 3(Three) women members. Records stated to be maintained but were not shown to Audit. It was further stated that Plantation of Hollock, Khokon & Tita Chapa (1500 nos.) were carried out in 2009-10 and Range Officer visited the village from time to time to monitor the activities. |
|    |                    | vii) Mon Village                | It was stated that 10(Ten) members including Secretary & President and no women members are there at Present. Records stated to be maintained but not shown to Audit. It was stated that plantation of Hollock & Khokon were done in 2010-11 & 2011-12 and Range Officer visited the village to monitor the activities.   |
| 3. | FDA,<br>Mokokchung | i) Changki Village              | It was stated that Village Council is also acting as the JFMC and controls all activities. Records stated to be maintained alongwith Village Council records. It was further stated that around 3000 poly bagged seedling were given which was planted in several areas.  |
|    |                    | ii) Longmisa Village            | It was stated that 19 members including 5 women constitute the JFMC. Records of receipt and expenditure (from April 2013) furnished. It was further stated that plantation of Khokon and other mixed species were carried out in April 2013 and R.O. and other staff visited the plantation site during plantation.   |
|    |                    | iii) Ungma Village              | It was stated that there are 6(six) members in the Committee and no women members are there at present. Records of receipt and expenditure maintained and shown to audit. It was stated that Plantation of mixed species were carried out in 2012 and 2013 and R.O. visited the Plantation site once or twice during plantation.  |
|    |                    | iv) Chuchuyimpang               | It was stated that there are 17 members including 8 women in the committee. Records of receipt and expenditure maintained and furnished to Audit. It was stated that Bamboo Plantation & Mixed Species plantation were carried out in 2010-11 & 2012-13 respectively and R.O. and other forest staff visited the site during plantation.  |
|    |                    | v) Chungtia Village             | It was stated that there are 11 members including 3 women. Records of receipts and expenditure maintained and furnished to Audit. It was further stated that plantation of Khokon and other mixed species were done and R.O. and other several other staff visited the plantation site during plantation.   |
|    |                    | vi) Changtongya (Old) Village   | As per records maintained by R.O., there are 8 (Eight) members including 3 (Three) women. The JFMC is not maintaining any records of receipt or expenditure. Stated that Range Officer is maintaining records on their behalf. It was further stated that Plantation of Khokon, Yongchak and other species done and the R.O. has visited the project several times.               |
|    |                    | vii) Mokokchung Village         | It was stated that there are 10 members in the committee and no women members are there at present. Records of receipts and expenditure maintained and shown to Audit. It was further stated that Khokon, Kadam, Naga Neem & Alder Plantation were carried out and R.O visited the site of plantation to monitor the activities.  |
|    |                    | viii) Sungratsu Village         | It was stated that 8 members are in the committee including 3 women. Records of receipts and expenditure under FDA is maintained and was shown to Audit. It was further stated that Plantation of Khokon was carried out and Range officer visited the plantation site to monitor the activities.   |
|    |                    | ix) Longjang Village            | It was stated that there are 15 (Fifteen) members including 3(Three) women in the committee. Records of resolutions adopted by the Committee and receipts and expenditure were shown to audit . It was further stated that Khokon and Yunchak Plantation were carried out by the Committee and R.O. visited the plantation site to monitor the activities.                        |
| 4. | FDA, Peren         | i) Old Peren Village            | It was stated that there are total of 10 members including 3 women. Records stated to be maintained for JFMC (FDA) but not shown. Plantation of Hollock, Pine and Tita Chapa done. Plantation could not be done in plantation season (March – April) as funds were received late. RO/Forest Staff visits the plantation site from time to time.                                   |
|    |                    | ii) Old Jalukie (Upper) village | It was stated that there are total 11 members including 3 women. Records such as meeting register, labour register etc maintained and shown to Audit. Teak, Monkey Rice and Mixed Species were received from the Department and planted during August 2013. R.O./staff visited the village during plantation.   |
|    |                    | iii) Mhainamtsi Village         | It was stated that there are total of 9 members including 3 women. Records not maintained. Teak and neem received were planted during September 2013. Seedlings picked up from Range office.  |
|    |                    | iv) Lamhai Village              | It was stated that there are total of 10 members including 3 women. Records stated to be maintained but not shown. Monkey Rice, Orium, Neem, Oak etc planted during July 2013. R.O./Staff visited the plantation site.  |



|    |             |                            |   |
|----|-------------|----------------------------|---|
|    |             | v) Tening Village          | No records of receipts/expenditure maintained. As per the list of members shown to Audit, there are total of 10 members including three women. Hollock planted during 2008-09 and neem planted during May 2013. R.O. and staff visited the plantation.  |
|    |             | vi) Mbaulwa Village        | It was stated that 7 JFMC members are there including 2 Women. Records stated to be maintained by Secretary who was not present.. Hollock, Monkey rice and Bamboo Plantation done. R.O. has visited the plantation site.  |
|    |             | vii) Pelekia Village       | It was stated that there are 5 JFMC members with no women members. Records stated to be maintained but not shown. Hollock, Monkey Rice planted during May 2013. R.O. has visited the plantation site.   |
|    |             | viii) Saijang Village      | It was stated that there are 9 JFMC members including 3 women. Records of receipts/payments not maintained. Teak plantation done during May 2013. Department staff (RO/Forester) visited the plantation site.   |
|    |             | ix) Imbung Village         | Records of receipts/payment stated to be maintained but not shown. It was stated that there are 10 JFMC members including 2 women. Teak plantation done during April-May 2013. Department staff (RO/Forester) visited the plantation site.  |
| 5. | FDA, Kohima | i) Kigwema Village         | Records of receipts/payments stated to be maintained but not shown. It was stated that there are 11 members of the JFMC including 2 women. Oak plantation done in 30+ ha. During 2011 and survival stated to be around 50 per cent. No funds were provided for EPA or for fencing the plantation site.  |
|    |             | ii) Khuzama Village        | Records of receipts/payments stated to be maintained but not shown. It was stated that there are 8 members in the JFMC including 1 woman. Alder plantation done in around 45 ha. During 2007. It was also stated that funds for raising nursery was provided by the Department.   |
|    |             | iii) Jakhama Village       | Records of receipts/payments stated to be maintained but not shown. It was stated that there are 9 members in the JFMC including 3 women. Cherry and pine planted. Funds not provided for EPA or fencing of plantation site.  |
|    |             | iv) Kohima D. Khel Village | Records of receipts/payments stated to be maintained but not shown. It was stated that there are 9 members in the JFMC including 4 women. Plantation carried out with mixed plantation (local) in around 30 ha. During 2009-10 at community land near Dziiii river. Public well and resting shed taken up under EPA.  |
|    |             | v) Chiechama Village       | Records of receipts/payments shown to audit. It was stated that there are 6 members in the JFMC with no women. Only advance work carried out in 30 ha. during 2014 and funds for creation is awaited, JFMC constituted in 2008-09 had constructed waiting shed and other activities like jungle cutting, nursery creation and plantation of local species were carried out. |

**APPENDIX-V**

**Funds earmarked for creation of infrastructure under IFM, TFC and State Plan during 2008-13  
(Reference: Paragraph 5.7.1 & 5.7.2; Pages 31, 32 & 35)**

(₹ in lakh)

| Sl.No.     | Year  | Particulars of work   | Amount         |
|------------|---|---|----------------|
| <b>1.</b>  | <b>Intensification of Forest Management Scheme</b>                    |   |                |
| <b>(a)</b> | <b>Construction of staff quarters/Range Office</b>                    |   |                |
| 1.         | 2008-09   | Construction of Fgd/Forester quarter with plinth area of 540 sq ft @ ₹2259.87 per sq ft (₹12.20 lakh each)—2 Nos  | 24.40          |
| 2.         |   | Construction of Forest Ranger quarter (720 sq ft) at ₹2259.87 per sq ft (₹16.87)—1 No   | 16.87          |
| 3.         | 2009-10   | Construction of Fgd/Forester quarter with plinth area of 540 sq ft @ ₹2259.87 per sq ft (₹12.20 lakh each)—10 Nos   | 122.00         |
| 3.         | 2010-11   | Construction of Fgd/Forester quarter with plinth area of 540 sq ft @ ₹2259.87 per sq ft (₹9.37 lakh each)—9 Nos   | 84.33          |
| 4.         |   | Forester/Dy.Ranger quarter (700 sq ft) @ ₹2259.87 per sq ft (₹7 lakh each)—10 Nos   | 70.00          |
|            | 2011-12   | Range Office (20 ft x 50 ft=800 sq ft.) @ ₹2259.87 per sq ft.—5 Nos.  | 35.00          |
| 5.         |   | Transit camps for field officers (1000 sq ft) at ₹2259.87 per sq ft (₹10.80 lakh each)—5 Nos  | 54.00          |
|            |   | <b>Total for staff quarters/Range Office:</b>   | <b>406.60</b>  |
| <b>(b)</b> | <b>Improvement of forest approach roads</b>                           |   |                |
| 1.         | 2008-09   | Improvement of forest approach roads including soling and metalling @ ₹7.816 per km (Jaboka 3 km, Naginimora Hotahodi-2 km, Wangla-2 ½ km and Lapa ½ km)=8 km | 62.53          |
| 2.         | 2009-10   | Improvement of forest approach roads including soling and metalling @ ₹12.50 lakh per km --10 km @ ₹8 lakh  | 80.00          |
|            |   | <b>Total for forest approach roads:</b>   | <b>142.53</b>  |
| <b>(c)</b> | <b>Construction of water storage structures</b>                       |   |                |
| 1.         | 2010-11   | 10 Nos. (18 x 12 x 3 ft) @ ₹0.59 lakh each  | 5.90           |
|            |   | <b>Total for water storage structures:</b>  | <b>5.90</b>    |
|            |   | <b>Total under IFM:</b>   | <b>555.03</b>  |
| <b>2.</b>  | <b>Twelfth/Thirteenth Finance Commission grants</b>                   |   |                |
| <b>(a)</b> | <b>Construction of staff quarters/Range Office</b>                    |   |                |
| 1.         | 2011-12   | Residential quarters for staffs (1000 sq ft) @ ₹2259.87 per sq ft—5 Nos. @ ₹22.60 each  | 113.25         |
| 2.         |   | Improvement and maintenance of forest quarters in HQ and divisions—20 Nos. @ ₹0.50 each   | 10.00          |
| 3.         | 2012-13   | Residential quarters for staffs (1000 sq ft) @ ₹2259.87 per sq ft—10 Nos. @ ₹22.60 each   | 226.00         |
| 4.         |   | Construction of office building (1000 sq ft) @ ₹2259.87 per sq ft.—10 Nos. @ ₹22.60 lakh each   | 226.00         |
|            |   | <b>Total for Staff quarters/Range Office:</b>   | <b>575.25</b>  |
| <b>(b)</b> | <b>Improvement of forest approach roads</b>                           |   |                |
| 1.         | 2011-12   | Improvement of forest approach roads including soling and metalling of forest roads—10 km @ ₹12.50 lakh each  | 125.00         |
| 2.         | 2012-13   | Forest patrolling/approach road including culverts, suspension bridges, patrolling foot paths—16 km @ ₹12.50 lakh   | 200.00         |
|            |   | <b>Total for forest approach roads:</b>   | <b>325.00</b>  |
| <b>(c)</b> | <b>Construction of water storage structures for rainwater harvest</b> |   |                |
| 1.         | 2008-09   | 30 Nos. (18 x 12 x 3 ft) @ ₹1.50 lakh each  | 45.00          |
| 2.         | 2009-10   | 40 Nos. (18 x 12 x 3 ft) @ ₹1.50 lakh each  | 60.00          |
| 3.         | 2010-11   | 10 Nos. @ ₹3 lakh each  | 30.00          |
| 4.         | 2011-12   | Rain water harvesting structure to conserve rain water run-off—10 Nos. @ ₹4.40 each   | 44.00          |
| 5.         |   | Construction of water harvesting ponds to collect water run-off during rainy season—20 Nos. @ ₹5 lakh each  | 100.00         |
|            |   | <b>Total for water storage structures:</b>  | <b>279.00</b>  |
| <b>(d)</b> | <b>Others</b>   |   |                |
| 1.         | 2011-12   | Security fencing and housing for IR (NAP) for protection from encroachment of protected areas—213 ha. @ ₹0.60 lakh each at Intanki National Park              | 127.80         |
| 2.         | 2011-12   | Construction of patrolling camp at protected areas (Barrack type)—2 Nos. @ ₹47.50 lakh each at Intanki National Park and Singphan Wildlife Sanctuary          | 95.00          |
| 3.         | 2012-13   | Security fencing of forest colony—2 Nos. @ ₹40 lakh each  | 80.00          |
| 4.         |   | Construction of barrack for Intanki Armed Force at Intanki National Park—2 Nos. @ ₹50 lakh each   | 100.00         |
|            |   | <b>Total for others:</b>  | <b>402.80</b>  |
|            |   | <b>Total under TFC:</b>   | <b>1582.05</b> |
| <b>3.</b>  | <b>State Plan</b>   |   |                |
| 1.         | 2008-09   | Ditch fencing for Intanki National Park under Negotiated loan (HUDCO)   | 150.00         |
| 2.         |   | Fencing at Nagaland Zoological Park, Rangapahar, Dimapur (SPA)  | 300.00         |
| 3.         | 2009-10   | Forest Office Complex, Dimapur (SPA)  | 800.00         |
| 4.         |   | Fencing at Nagaland Zoological Park, Rangapahar, Dimapur (SPA)  | 200.00         |
| 5.         |   | District office complex at old PCCF office (HUDCO)  | 350.00         |
| 6.         |   | Office complex in Mon Division HQ (HUDCO)   | 150.00         |
| 7.         |   | Infrastructure upgradation at SEFTI (HUDCO)   | 50.00          |
| 8.         | 2010-11   | District office complex at old PCCF office  | 100.00         |
| 9.         |   | Forest Office Complex, Dimapur  | 100.00         |
| 10.        |   | Forest office complex, Dimapur-site services of complex and parking plaza at Forest colony, Dimapur   | 300.00         |
| 11.        | 2011-12   | Construction of Range offices and staff quarters in divisions & ranges (SPA)  | 250.00         |
| 12.        |   | Forest Office complex and staff quarters at Dimapur (HUDCO)   | 1200.00        |
|            |   | <b>Total under State Plan:</b>  | <b>3950.00</b> |
|            |   | <b>Grand total under IFM, TFC and State Plan</b>  | <b>6087.08</b> |

## APPENDIX-VI

(Reference: Paragraph 5.7.1, Pages 32, 33, 34 & 35)

### Statement showing variation in procurement of materials and payment of wages for construction of staff quarters

(a) Forest Guard/Forester quarter with plinth area of 540 sft. @ ₹ 2259.87 per sft (₹ 12.20 lakh each)

| Sl No. | Particulars/items   | Wakching, Naginimora Range,<br>Mon        |                | Mon Range, Mon |                | Aboi Range, Mon      |                | Nagaland Zoological<br>Park, Dimapur |                |
|--------|---|---|----------------|----------------|----------------|----------------------|----------------|--------------------------------------|----------------|
|        |   | Quantity                                  | Amount         | Quantity       | Amount         | Quantity             | Amount         | Quantity                             | Amount         |
| 1.     | M.S Rod   | 23 Qtls                                   | 92000          | 14.65 Qtls     | 82020          | 19 Qtls.             | 90000          | 0.80 qtl                             | 44513          |
| 2.     | Stone Chips   | 1400 cft + 5 trip @<br>120 p/cft          | 204000         | 4 trips        | 34000          | 5 trips +<br>200 cft | 109000         | 3000 cft                             | 75000          |
| 3.     | Sand  | 800 cft                                   | 36000          | 1000 cft       | 60000          | 6 trips              | 120000         | 2600 cft                             | 84500          |
| 4.     | Cement  | 300 bags                                  | 109500         | 143 bags       | 64350          | 160 bags             | 67200          | 600 bags                             | 198000         |
| 5.     | Bricks  | 8000 pcs                                  | 56000          | 10000 nos.     | 120000         | 5 trips              | 95000          | 27000                                | 99000          |
| 6.     | CGI Sheet   | 105 pcs                                   | 57750          | 13 bdls        | 45500          | 10 bdls              | 32000          | 8 bdls                               | 23850          |
| 7.     | Skilled/unskilled labour charge for<br>building                 |   | 97200          |                | 258725         |                      | 123000         |                                      | 373500         |
| 8.     | Hard Board  | 200 pcs                                   | 70000          |                | 0              |                      | 0              |                                      | 0              |
| 9.     | Fitting charges for Door & window                               | 6 nos. of doors and<br>20 nos. of windows | 53400          |                | 0              |                      | 0              |                                      | 0              |
| 10.    | Sanitary fittings   | 607 mandays                               | 42490          |                | 0              |                      | 0              |                                      | 74900          |
| 11.    | Wages for Site levelling  | 1342 mandays                              | 93940          |                | 104000         |                      | 172547         |                                      | 0              |
| 12.    | Other expenditures like electrical<br>wiring, and miscellaneous |   | 167273         |                | 165845         |                      | 114947         |                                      | 172437         |
| 13.    | Size Stone/Stone Boulder  | -   | -              | 12 trips       | 62400          | 9 trips              | 31300          |                                      | 0              |
| 14.    | MS Grill  | -   | -              | 756 Kg         | 83160          | -                    | 0              |                                      | 0              |
| 15.    | Timber  | -   | -              |                |                | 480 cft              | 144000         | 1700 cft                             | 25500          |
|        | <b>Total:</b>   |   | <b>1079553</b> |                | <b>1080000</b> |                      | <b>1098994</b> |                                      | <b>1171200</b> |

**(b) Forester/Dy.Ranger quarter with plinth area of 700 sft. @ ₹ 2259.87 per sft (₹ 7 lakh each)**

| Sl No. | Particulars/items  | Namsa Range, Mon |               | Naginimora Range, Mon |               | Mangkolemba Range, Mokochung (2 nos.) |                | Athibung Range, Peren |               | Tenning Range, Peren |               | Nsong Beat, Peren |               | Ntu Range, Peren |               |
|--------|--|------------------|---------------|-----------------------|---------------|---------------------------------------|----------------|-----------------------|---------------|----------------------|---------------|-------------------|---------------|------------------|---------------|
|        |  | Qty              | Amount        | Qty                   | Amount        | Qty                                   | Amount         | Qty                   | Amount        | Qty                  | Amount        | Qty               | Amount        | Qty              | Amount        |
| 1.     | M.S Rod  | 18 qtls.         | 86400         | 14 qtls.              | 77000         | 39.29 qtls                            | 225000         |                       | 0             |                      | 46467         |                   | 45900         |                  | 0             |
| 2.     | Stone Chips  | 600 cft          | 21000         | 500 cft               | 27500         | 9 cum                                 | 12600          |                       | 11200         |                      | 0             | 300 cft           | 12400         | 600              | 36000         |
| 3.     | Sand   | 1200 cft         | 36000         | 650 cft               | 22750         |                                       | 0              |                       | 24000         |                      | 0             | 1100 cft          | 36500         | 900              | 7200          |
| 4.     | Cement   | 400 bags         | 66000         | 200 bags              | 94000         | 350 bags                              | 157500         |                       | 0             |                      | 0             | 120 bags          | 48200         |                  | 0             |
| 5.     | Bricks   | 12500 pcs        | 87500         | 9000                  | 90000         |                                       | 0              |                       | 47850         | 4000 nos             | 61930         | 10000             | 70000         | 6000 nos         | 33500         |
| 6.     | CGI Sheet  | 10 bdls          | 25000         | 8 bdls                | 36000         | 18 bdls                               | 90000          |                       | 0             |                      | 0             | 9 bdls            | 24800         |                  | 0             |
| 7.     | Labour charge  |                  | 194965        |                       | 156600        |                                       | 542100         |                       | 190000        |                      | 240000        |                   | 155700        |                  | 160000        |
| 8.     | Hard Board   | 19 nos.          | 27070         | 35 nos.               | 19250         |                                       | 0              |                       | 0             |                      | 0             |                   | 0             |                  | 0             |
| 9.     | Fitting charges for Door & window                            |                  | 0             |                       | 46200         |                                       | 0              |                       | 0             |                      | 0             |                   | 0             |                  | 0             |
| 10.    | Sanitary fittings  |                  | 5570          |                       | 0             |                                       | 0              |                       | 0             |                      | 28947         |                   | 0             |                  | 0             |
| 11.    | Wages for Site leveling                                      |                  | 0             | 300 mandays           | 30000         |                                       | 0              |                       | 0             |                      | 84000         |                   | 0             |                  | 0             |
| 12.    | Other expenditures like electrical wiring, and miscellaneous |                  | 47545         |                       | 38800         |                                       | 186100         |                       | 0             |                      | 6486          |                   | 0             |                  | 0             |
| 13.    | Sized Stone/Stone Boulder                                    | 4 trip           | 30000         | 5 trips               | 12500         | 6 trips                               | 25200          |                       | 0             |                      | 0             |                   | 0             |                  | 0             |
| 14.    | MS Grill   | 284 Kgs          | 33150         |                       | 0             |                                       | 0              |                       | 0             |                      | 10960         |                   | 0             |                  | 0             |
| 15.    | Timber   | 400 cft          | 39800         |                       | 0             | 320 cft                               | 179500         |                       | 62282         |                      | 30188         | 172 cft           | 55040         | 225              | 112500        |
| 16.    | Painting charges   |                  |               |                       |               |                                       |                |                       |               |                      | 28172         |                   | 0             |                  | 0             |
|        | <b>Total</b>   |                  | <b>700000</b> |                       | <b>650600</b> |                                       | <b>1418000</b> |                       | <b>335332</b> |                      | <b>537150</b> |                   | <b>448540</b> |                  | <b>349200</b> |

**(c) Residential quarters for staff with plinth area of 1000 sft. @ ₹ 2259.87 per sft (₹ 22.60 lakh each)**

| SI No. | Particulars/items  | Mon Range, Mon<br>(₹ 22.86 lakh) |                | Tseminyu Range, Kohima<br>(₹ 22.74 lakh) |                |
|--------|--|----------------------------------|----------------|--|----------------|
|        |  | Quantity                         | Amount         | Quantity                                 | Amount         |
| 1      | M.S Rod  | 15 qtls                          | 94500          | 2.5 qtl                                  | 172750         |
| 2      | Stone Chips  | 800 cft                          | 100000         | 1650 cft + 4 trips                       | 56000          |
| 3      | Sand   | 500 + 8 trips                    | 157200         | 10403 cft                                | 169000         |
| 4      | Cement   | 360                              | 182200         | 450 bags                                 | 193500         |
| 5      | Bricks   | 13500                            | 185000         | 35000                                    | 262500         |
| 6      | CGI Sheet  | 15 bdls                          | 93990          | 28 bdls                                  | 81200          |
| 7      | Skilled/unskilled labour charge for building                 | 2261 mandays                     | 645000         | 1098 mandays                             | 121690         |
| 8      | Hard Board   |                                  | 0              |  | 0              |
| 9      | Fitting charges for Door & window                            |                                  | 0              |  | 0              |
| 10     | Sanitary fittings  |                                  | 0              |  | 0              |
| 11     | Wages for Site leveling                                      | 1250 mandays                     | 339500         | 622 mandays                              | 216930         |
| 12     | Other expenditures like electrical wiring, and miscellaneous |                                  | 43450          |  | 369140         |
| 13     | Size Stone/Stone Boulder                                     | 21 trips                         | 180000         |  | 0              |
| 14     | MS Grill   | 294 kgs                          | 105260         |  | 0              |
| 15     | Timber   | 365                              | 160000         | 1300 cft                                 | 632000         |
|        | <b>Total:</b>  |                                  | <b>2286100</b> |  | <b>2274710</b> |

(d) Transit Camp with plinth area of 1000 sqft. @ ₹ 2259.87 per sqft (₹ 10.80 lakh each)

| Sl No. | Particulars/items  | Mokokchung<br>(₹ 10.80 lakh) |                | Jalukie, Peren<br>(₹ 10.80 lakh) |               |
|--------|--|------------------------------|----------------|----------------------------------|---------------|
|        |  | Quantity                     | Amount         | Quantity                         | Amount        |
| 1      | M.S Rod  | 29.5 qtls                    | 153400         | 43 qtls                          | 241400        |
| 2      | Stone Chips  | 2000 cft                     | 60000          | 900 cft                          | 36000         |
| 3      | Sand   | 2000 cft                     | 50000          | 2400 cft                         | 61500         |
| 4      | Cement   | 288 bags                     | 129600         | 200 bags                         | 76000         |
| 5      | Bricks   | 23760 nos                    | 237600         | 10000 nos                        | 70000         |
| 6      | CGI Sheet  |                              | 0              |                                  | 0             |
| 7      | Skilled/unskilled labour charge for building                 |                              | 319000         |                                  | 213000        |
| 8      | Hard Board   |                              | 0              |                                  | 0             |
| 9      | Fitting charges for Door & window                            |                              | 0              |                                  | 0             |
| 10     | Sanitary fittings  |                              | 0              |                                  | 0             |
| 11     | Wages for Site leveling                                      |                              | 0              |                                  | 0             |
| 12     | Other expenditures like electrical wiring, and miscellaneous |                              | 0              |                                  | 40000         |
| 13     | Size Stone/Stone Boulder                                     |                              | 0              | 5 trip                           | 15000         |
| 14     | MS Grill   |                              | 0              |                                  | 0             |
| 15     | Timber   | 300 cft                      | 108000         | 136 cft                          | 70000         |
| 16     | Paints   |                              | 0              |                                  | 60000         |
| 17     | Bamboo   | 200 nos                      | 10000          | 150 nos                          | 15000         |
| 18     | Construction of toilet                                       |                              | 0              |                                  | 30000         |
|        | <b>Total:</b>  |                              | <b>1067600</b> |                                  | <b>927900</b> |



**APPENDIX VII**  
**Results of joint physical verification of quarters constructed in selected divisions.**  
**(Reference: Para 5.7.1, Page 35)**

| Sl No. | Name of Division         | Location of the Quarter                 | Name of the Scheme | Observations   |
|--------|--------------------------|---|--------------------|--|
| 1.     | Mon                      | Wakching, Naginimora Range (540 sq ft.) | IFM                | A very poorly maintained quarter containing 2 rooms (around 12 x 16 ft) and a verandah was shown adjacent to the Govt. High School, Wakching. The quarter was unoccupied and in very bad shape. No wiring had been done and there was no power connection/ Water supply.   |
| 2.     | Mon                      | Mon Range (540 sq ft)                   | IFM                | The staff quarter (type not specified) consisted of 2 rooms, one bathroom and one small room (total around 540 sq ft). The quarter was unoccupied and was stated as being used as Kitchen for the Transit camp.  |
| 3.     | Mon                      | Abot Range (540 sq ft)                  | IFM                | The quarter had been allotted to 2 forest guards but it was unoccupied. Service connection/wiring was not done. The quarter contains 3 rooms (around 12 x 13 ft.) with a front verandah and a temporary toilet was constructed outside. Range officer stated that more money than expected was spent on foundation.  |
| 4.     | Nagaland Zoological Park | Rangapahar (540 sq ft)                  | IFM                | Two Quarters (Type-I) in the vicinity of Administrative Building of the Park was shown to audit.   |
| 5.     | Mon                      | Namsa Range (700 sq ft)                 | IFM                | A small yet compact and well designed quarter was seen constructed adjacent to the Namsa Range office. The quarter consists of 2 bedrooms (10 x 12 ft.), a small common area, a Kitchen, a toilet and a small verandah. Total plinth area was stated to be 500 sq.ft. Tiles were seen fitted in the bathroom and part of the Kitchen. The quality of construction was found to be good.  |
| 6.     | Mon                      | Naginimora Range (700 sq ft)            | IFM                | A building stated to be around 1056 sq.ft. was seen. The quarter consists of 3 rooms (approx. 12 x 10 ft.) and one attached toilet. The overall quality of construction was found to be satisfactory.  |
| 7.     | Mokokchung               | Mangkolemba (700 sq ft)—2 Nos.          | IFM                | Two identical quarters with 2(two) rooms each (all 12 x 12 ft.) was seen constructed with one toilet attached with each quarter (7 ½ x 5 ½ ft.). The plinth area was around 24 x 12 ft. excluding toilet. The quarters are still not occupied. Range Officer stated that one quarter will be used as Beat office and the other will be allotted to some staff. The quality of construction was found to be satisfactory. Wiring done and service connection taken. |
| 8.     | Peren                    | Athibung Beat (700 sq ft)               | IFM                | The quarter contained 3 rooms (9 x 9, 12 x 9 and 14 x 12), a verandah (6 x 21). A bathroom and kitchen also constructed. Wiring not done and service connection not provided. Stated that the quarter is being used as Beat Office but no furniture except for a table and few plastic chairs were seen.   |
| 9.     | Peren                    | Tening Range (700 sq ft)                | IFM                | The quarter contained 2 rooms (16 x 22 and 10 x 10) with attached toilet (6 x 6) and a verandah (7 x 6). Wiring not done and service connection not provided. Stated that the quarter is being used by R.O.  |
| 10.    | Mon                      | Mon Range (1000 sq ft)                  | IFM                | The quarter contained four rooms with three attached bathrooms with plinth area of around 1000 sq ft. Stated that the quarter is being used as a Transit Camp for officers.  |
| 11.    | Kohima                   | Tsemimyu (1000 sq ft/)                  | TFC                | A poorly constructed building with CGI roofing consisting of 3 rooms (12 x 12) with a small storeroom, a toilet and verandah was seen. All the windows were made of wood with panes of very poor quality. Though the building was constructed recently, several cracks were seen to have developed on the floor and walls. Wiring done but service connection has not been provided.   |
| 12.    | Mokokchung               | Mokokchung Range (1000 sq ft)           | IFM                | A poorly constructed building with 2 rooms (10 x 12 and 11 x 20) with attached bathrooms was seen. A common area with a small space for Kitchen also seen. The total plinth area of the building was around 700 sq ft only. It was seen that the ceiling made with sack/tarpaulin sheet was filled with water in several places due to leakage in the CGI roofing. The windows/doors were made entirely of very poor quality wood.                                 |
| 13.    | Peren                    | Jalukie Range (1000 sq ft)              | IFM                | It was seen that the construction of the building was still in progress though the funds were received in October 2012 and shown as utilised during the same month. Structure and roofing has been completed and plastering work of the walls was ongoing. Flooring and all remaining works has not been taken up. It was seen that the building under construction consists of 2 rooms (16 x 22 and 12 x 16) with two attached toilets (8 x 6 and 5 x 6).         |

## APPENDIX-VIII

(Reference: Paragraph 5.7.2, Page 35)

### Statement showing variation in procurement of materials and payment of wages for construction of road.

| Sl. No. | Item of work   | DFO, Dimapur, Forest Approach Road Rangapahar (2 km) |                | DFO, Dimapur, Forest Colony Approach Road (2 km) |                | Mon Range, Road at Forest Colony (Length Not Available) |                | Forest approach road (2.5 km) at Singphan Wildlife Sanctuary |                | Improvement of Road (2 km) at Kohima Forest Colony |                | Soiling & metalling of drainage and landslide removal from 0 point to 1 Km DFO office road, Jalukie |               |
|---------|--|--|----------------|--|----------------|---|----------------|--|----------------|--|----------------|---|---------------|
|         |  | Qty.   | Amt            | Qty.   | Amt            | Qty.  | Amt.           | Qty.   | Amt.           | Qty.   | Amt.           | Qty.  | Amt.          |
| 1       | Survey & demarcation of Forest A/road                      |  | 23000          |  | 0              |   | 0              |  | 0              |  | 0              |   | 0             |
| 2       | Jungle clearance felling and uprooting                     |  | 70000          |  | 0              |   | 0              |  | 0              |  | 0              |   | 0             |
| 3       | Earth work   |  | 298000         |  | 0              |   | 0              | 2.5 trips  | 37500          |  | 0              |   | 0             |
| 4       | Wages for earth filling and clearing (2300 units @ Rs.70)  |  | 0              |  | 0              |   | 161000         |  | 7500           |  | 0              |   | 0             |
| 5       | Wages for soiling & metalling                              |  | 0              |  | 0              | 1450 units  | 101500         |  | 0              |  | 0              | -   | 245000        |
| 6       | Wages for Nala Cutting                                     |  | 0              |  | 0              | 1480 units  | 103600         |  | 0              |  | 0              |   | 0             |
| 7       | Wages for breaking stones                                  |  | 0              |  | 0              | 2395 units  | 167650         |  | 0              |  | 0              | 50 trips  | 100000        |
| 8.      | Wages for Drain making                                     |  | 196000         |  | 0              | 1470 units  | 102900         |  | 0              |  | 0              |   | 0             |
| 9.      | Wages for black topping                                    |  | 0              |  | 0              | 2858 units  | 200060         |  | 0              | 6810   | 885000         |   | 0             |
| 10.     | Cost of soiling and metalling                              |  | 370000         |  | 0              |   | 0              |  | 0              |  | 0              |   | 0             |
| 11.     | Being cost of stone chips                                  | 750 @ 641.87   | 481400         | 22 trips   | 277500         | 12 trips  | 87600          |  | 0              | 26 trips   | 215200         |   | 0             |
| 12.     | Carriage charge  |  | 150000         |  | 20000          |   | 0              |  | 0              | 32 trips   | 165625         |   | 0             |
| 13.     | Stone metal  |  | 0              | 12 trips   | 162000         | 15 trips  | 40500          | 70 trips   | 560000         | 70 cft   | 2100           |   | 0             |
| 14      | Sand   |  | 0              | 5 trips  | 25000          | 9 trips   | 67500          | 900 cft  | 157500         | 10 trips   | 44000          |   | 0             |
| 15      | Stone Dust   |  | 0              |  |                |   |                | 800 cft  | 100000         |  | 0              |   | 0             |
| 16      | Red Soil   |  | 0              | 10 trips   | 35000          |   | 0              |  | 0              |  | 0              |   | 0             |
| 17      | Hiring of Road roller                                      |  | 0              | 20 days  | 80000          | 30 days   | 105000         | 25 days  | 37500          | 15 days  | 32945          |   | 0             |
| 18      | Bitumen  |  | 0              | 110 barrel                                       | 979000         | 51 drums  | 471750         |  | 0              | 113 barrels  | 926600         |   | 0             |
| 19      | Firewood   |  | 0              | 25 stacks  | 62500          | 7 trips   | 90940          |  | 0              | 9 stacks   | 28400          |   | 0             |
| 20      | Sand Gravel  |  | 0              | 12 trips   | 54000          |   | 0              |  | 0              |  | 0              |   | 0             |
| 21      | Stone Boulder  |  | 0              |  |                |   | 0              | 200 trips  | 1100000        | 9 trips  | 60300          | 110 trips   | 355000        |
| 22      | Labour charge  |  | 0              | 65000 sq.ft                                      | 780000         |   | 0              |  | 0              |  | 0              |   | 0             |
| 23      | FR   |  | 15600          |  | 0              |   | 0              |  | 0              |  | 5080           |   | 0             |
| 24      | Workers welfare board (1%)                                 |  | 0              |  | 25000          |   | 0              |  | 0              |  | 0              |   | 0             |
| 25      | Providing drainage on both sides of road landslide removal |  | 0              |  |                |   | 0              |  |                |  |                |   | 100000        |
|         | <b>Total</b>   |  | <b>1604000</b> |  | <b>2500000</b> |   | <b>1700000</b> |  | <b>2000000</b> |  | <b>2365250</b> |   | <b>800000</b> |

## **APPENDIX IX**

### **Results of joint physical verification of newly constructed Approach Roads.**

**(Reference: Para 5.7.2, Page 35)**

| <b>Sl No.</b> | <b>Name of Division</b> | <b>Location of the Road</b>   | <b>Name of the Scheme</b> | <b>Observations</b>   |
|---------------|-------------------------|-------------------------------|---------------------------|---|
| 1.            | Mon                     | Wakching, Naginimora Range    | IFM                       | A road (Kacha) starting from near Wakching Town and leading to Govt. High School, Wakching was shown to audit. It was seen that the road extends upto JNV Wakching. The road doesn't reach the Beat office and ends near the Govt. High School.   |
| 2.            | Dimapur                 | Rangapahar Range              | IFM                       | A stretch of road leading from Razaphe to Kiyeto Village was seen. It was stated that the road (metalling) was carried out and HP culverts were constructed as an approach road to Rubber Plantation. The actual work carried out could not be verified as the road to Kiyeto is undergoing upgradation by some other Department. |
| 3.            | Dimapur                 | Forest Colony                 | TFC                       | Road constructed inside Forest Colony (around 2 Km) – approach road to office complex, approach road to transit camp.   |
| 4.            | Mon                     | Singphan                      | TFC                       | It was stated that the road from Main gate to Rest House was improved with soiling and metalling ( $\frac{3}{4}$ Chips and metal)   |
| 5.            | Kohima                  | Lower and Upper Forest colony | TFC                       | It was stated that the road leading to upper forest colony and lower forest colony was blacktopped.   |
| 6.            | Peren                   | Jalukie                       | IFM                       | It was stated that soling, metalling and side drain construction on the road (0 point to DFO's Office) was done. However, the work was not visible as it was done four years back.  |

## Glossary of Abbreviations

|                |  |
|----------------|--|
| <b>APOs</b>    | Annual Plan of Operation                         |
| <b>AWP</b>     | Annual Work Programme                            |
| <b>BO</b>      | Beat Officer                                     |
| <b>CF</b>      | Conservator of Forests                           |
| <b>CZA</b>     | Central Zoo Authority                            |
| <b>DFO</b>     | Divisional Forest Officer                        |
| <b>FDA</b>     | Forest Development Agency                        |
| <b>FSI</b>     | Forest Survey of India                           |
| <b>FUO</b>     | Forest Utilisation Officer                       |
| <b>GOI</b>     | Government of India                              |
| <b>GON</b>     | Government of Nagaland                           |
| <b>HLMC</b>    | High Level Monitoring Committee                  |
| <b>IFM</b>     | Intensification of Forest Management             |
| <b>JFMC</b>    | Joint Forest Management Committee                |
| <b>MoEF</b>    | Ministry of Environment and Forests              |
| <b>NABCONS</b> | NABARD Consultancy Services                      |
| <b>NAEB</b>    | National Afforestation and Eco-Development Board |
| <b>NAP</b>     | National Afforestation Programme                 |
| <b>NTC</b>     | Northern Territorial Circle                      |
| <b>OTP</b>     | Original Transit Pass                            |
| <b>PCCF</b>    | Principal Chief Conservator of Forests           |
| <b>RO</b>      | Range Officer                                    |
| <b>SFDA</b>    | State Forest Development Agency                  |
| <b>SFR</b>     | Status of Forest Report                          |
| <b>SIT</b>     | Special Investigation Team                       |
| <b>STC</b>     | Southern Territorial Circle                      |
| <b>TFC</b>     | Twelfth/Thirteenth Finance Commission            |
| <b>TP</b>      | Transit Pass                                     |