



MIZORAM LOKAYUKTA
(Constituted under the Mizoram Lokayukta Act, 2014)

Complaint No. : **MLC- 76/2025**

Date : **19.05.2026**

Coram : **Lalmalsawma**
Chairperson

Lalsanglura
Member

Joel Joseph Denga
Member (Judicial)

In the matter of:

1. Pu Lianhmingthanga, Dinthar-I, Aizawl : **Petitioner/Complainant**

Versus

1. Zemabawk Local Council : **Respondent/OP**

ORDER

A complaint was filed by Pu Lianhmingthanga, Dinthar-I, Aizawl, Mizoram on 12.03.2026 regarding alleged misappropriation of Public Funds and Violation of Standing Financial Rules by Zemabawk Local Council. On perusal of the complaint, the Mizoram Lokayukta registered MLC-76/2025.

The Mizoram Lokayukta decided to proceed by conducting a meeting with the complainant on the 2nd April, 2025 to discuss the matter and also directed the Anti-Corruption Bureau (ACB) to conduct a Preliminary Enquiry in accordance with the prescribed procedure U/S 19 of the Mizoram Lokayukta Act, 2014.

The ACB registered ACB Preliminary Enquiry No. 3/2025 dt. 07.05.2026 and appointed Insp. Michael Ramdinthara, ACB as Enquiry Officer to conduct the enquiry. Subsequently the Preliminary Enquiry report was submitted by the ACB on the 24th February, 2025.

I. GISTS OF ALLEGATIONS

- 1) Unauthorized collection of compensation funds in March, 2024 from the National Highway and Infrastructure Development Cooperation Limited (NHIDCL) through Deputy Commissioner's Office, Aizawl for damages to public utilities and assets constructed by government departments such as PHED, Social Welfare and Tribal Affairs Department and the UD&PA, Government of Mizoram (Gom) by Zemabawk, Local Council.
- 2) Deposit of compensation funds into private accounts in respect of Pu Zosangliana, Chariman, Local Council and Pu Lahmunsiamia, Vice Chairman, Local Council.
- 3) Non-disclosure of fund utilization of the compensation fund.
- 4) Unauthorized collections of parking fees on the state PWD road, and appointing a collector without the consent of Aizawl Municipal Cooperation (AMC).

II. FINDINGS:

Based on the documentary evidences collected and examination of witnesses, the enquiry reveals the following facts into the allegation as under;

Sl. No.	Asset Damage Compensation	VC Pass No.	Asset Pass Holder	Amount (INR)
1.	Water Tanky	VC HP 13/98	Zemabawk Local Council	INR. 33,509/-
2.	Anganwadi Building	VC HP 24/98	Zemabawk Local Council	INR. 33,20,253/-
3.	Water Tanky	VC HP 28/98	Zemabawk Local Council	INR. 40,011/-
4.	Community Sanitation	VC HP 37/98	Zemabawk Local Council	INR. 3,35,791/-
5.	Public Urinal	VC HP 4/99	Zemabawk Local Council	INR. 33,328/-
6.	Water Tanky No. 1	VC HP 28/99	Zemabawk Local Council	INR. 40,187/-
7.	Water Tanky No. 2	VC HP 31/99	Zemabawk Local Council	INR. 28,450/-
8.	Waiting Shed	VC HP 35/99	Zemabawk Local Council	VC HP 35/99
Total Amount				INR. 41,86,717/-

The water tanky mentioned above as Sl No. 1, 3, 6 & 7 do not appear to be a typical water storage infrastructure used by the PHE Department for water distribution, upon review, it seems these are typical public well (tuikhur). The Anganwadi building, Community sanitation, Public urinal and Waiting shed are not owned and maintained by any Government Department

mentioned in the allegation. The compensation funds were allocated to the Pass holder for public assets acquired Le the Zemabawk Local Council

2. The Zemabawk Local Council received a compensation fund amount of INR 41,86,717/-, as deemed fit and regarded eligible by the competent authority Le Deputy Commissioner, Aizawl, for the acquisition of public assets situated on land under their possession following procedure.

3. The compensation amount of INR 41,86,717/- was credited to the Bank account bearing Account No.20200031581873, IFSC code: BDBL0002267, Bandhan Bank, maintained jointly by Pu Zosangliana, Local Council Chairman and Pu Lalhmunsiam, Vice-Chairman, Local Council, in their official capacities, pursuant to a resolution adopted in a duly convened meeting of the Local Council held on Dt. 02.04.2024. The said account, being a designated account specifically opened for receiving compensation funds in respect of public assets acquired for the Widening & Upgradation of NH-54, cannot be construed as a private or personal account, but rather an official account of the Local Council held in trust for the benefit of the community.

4. The compensation fund received was found duly utilized for meeting public needs and exigencies, strictly in accordance with the resolution and decision taken in the duly convened meetings of the Zemabawk Local Council.

5. The Traffic Management Committee under Zemabawk Local Council, has been collecting parking fees on the state PWD road (Two wheeler parking, Venglai Bazar, Zemabawk) and appointing a collector without obtaining the requisite consent or written authorization from the Aizawl Municipal Cooperation, allegedly in contravention of the Aizawl Municipal Cooperation (Control of Parking And Collection Of Parking Fees) (Amendment) Regulations, 2020 since the year 2023.

III. CONCLUSION:

From the above, the complaint submitted by Pu Lianhmingthanga, Dinthar-1, Aizawl, Mizoram alleging irregularities and misappropriation of public funds by the Zemabawk Local Council could not be substantiated as:

1. It is alleged that the Zemabawk Local Council received compensation funds in respect of public assets from DC office, Aizawl for damage to public utilities and assets constructed by Government Departments such as PHED, Social Welfare & Tribal Affairs Department and the UD&PA without obtaining prior written authorization from the concern department and the Finance Department. The enquiry reveals that there is no land lease for the said Departments with respect to the land in issue. On the other hand, the enquiry reveals that the Local Council possess land pass and that the land in issue is in their possession. Furthermore, the enquiry has not revealed any prima facie evidence of mala fide intentions or misappropriation on the part of the Zemabawk Local Council in the process of receiving the compensation.

2. It is alleged that the compensation amount was credited to a private accounts in respect of Pu Zosangliana, Chariman, Local Council and Pu Lalhmunsiam, Vice Chairman, Local Council, however, enquiry reveals that the fund was received in a joint Bank Account maintained by Pu

Zosangliana, Chariman, Local Council and Pu Lalhmunsiam, Vice Chairman, Local Council, pursuant to a resolution adopted in a duly convened meeting of the Local Council. The said account being a designated account specifically opened for the purpose of receiving compensation funds in respect of public assets acquired, as evidenced by the minutes of the said meeting, cannot be construed as a private or personal account, but rather an official account of the Local Council, held in trust for the benefit of the community, thereby nullify the allegation of depositing the compensation funds into a private account.

It is alleged that Pu Zosangliana, Chairman Local Council refused to furnish details of the utilization of the compensation funds, notwithstanding multiple oral and written request made by the opposition members of the Local Council, thereby demonstrating a lack of transparency in the administration of the fund. However, enquiry reveals that the compensation fund was utilized primarily in accordance with the decisions taken in the meeting of the Local Council, as evidenced by the statement of the Local Council members, and as the fund was utilized in pursuance to a collective decision of the Local Council members, the possibility of misappropriation or diversions of funds to private interest is ruled out.

4. It is established that the Zemabawk Local Council has been collecting parking fees on the state PWD road, and appointing a collector without obtaining the requisite consent or authorization from the Aizawi Municipal Cooperation (AMC), as mandated by regulation 3 (1) of the Aizawi Municipal Cooperation (Control of Parking And Collection Of Parking Fees) (Amendment) Regulations, 2020. The said actions of the Local Council are in contravention of the aforesaid regulations and are therefore wrong and improper. In view of the established non compliance, it is recommended that the matter be referred to Aizawi Municipal Cooperation for taking necessary action in accordance with law for the contravention of the said regulations, issued necessary directions to ensure compliance.

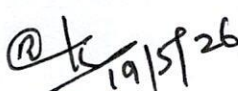
Hence, upon thorough examinations of the allegations and scrutiny of the evidences collected, it is evident that there is no prima facie case of criminal misconduct, misappropriation or abuse of official position established against the officials of the Zemabawk Local Council. The deviations and irregularities noted in the proceeding including the collections of parking fees without the consent of AMC and the utilization of compensation funds are largely procedural and do not disclose any intent to commit financial Impropriety or corruption. Therefore, it is suggested that the enquiry be closed, as there is no sufficient evidence to substantiate the allegation i.e. the allegations are not supported by concrete and corroborative evidence to proceed further for registration of a case under PC Act etc.

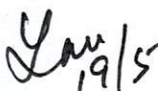
After due deliberation of the above Report by the Mizoram Lokayukta, the Enquiry Officer was re-directed to collect documentary evidence, audit the financial statements pertaining to the relevant period in respect of the projects listed and to further conduct inspection and spot verification to authenticate the veracity of the statements and claims. The said Report was submitted by the ACB on the 16th April, 2026 regarding conduct of inspection and spot verification of the areas in question along with list of Project for utilization of compensation fund and maintenance of cash book by the Zemabawk Local Council. The report further stated that record

was maintained properly, thus, ruling out the possibility of diversion of funds. Also, the financial management of the Local Council in respect of the public asset compensation was audited with no irregularities reported.

Accordingly, since the detailed and lucid Preliminary Enquiry Report of the ACB suggested closure of the case, an opportunity of being heard as per Section 19(3) of the Mizoram Lokayukta Act was afforded to the complainant/petitioner, the respondents and the Case Enquiry Officer on the 15th May, 2026 to appear and present their respective stands on the matter.

Therefore, in terms of Section 19(3)(c) of the Mizoram Lokayukta Act, 2014, after considering all the facts and circumstances of the case and materials available on record during the hearing, it is decided that no further action is required, therefore, we hereby decide to close the case. Accordingly, the case stands closed.


(LALSANGLURA)
Member


(LALMALSAWMA)
Chairperson


(JOEL JOSEPH DENG)
Member (Judicial)

Memo No. C.13017/76/2025-ML/29

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Dated Aizawl, the 19th May, 2026

Copy forwarded for information and necessary action to:

1. The Director, Anti-Corruption Bureau, MINECO, Aizawl.
2. Petitioner.
3. All respondents/OPs.
4. Inspr. Michael Ramdinthara, Anti-Corruption Bureau (ACB), Enquiry Officer.
5. Guard File.


(R. LALTHARLIANA)
Assistant Registrar
Mizoram Lokayukta