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Report of the Comptroller and Auditor General of India

For the year ended 31 March 2005

GOVERNMENT OF TRIPURA

Report of the
Comptroller and Auditor General
of India

For the year 1951-52

THE GOVERNMENT OF INDIA

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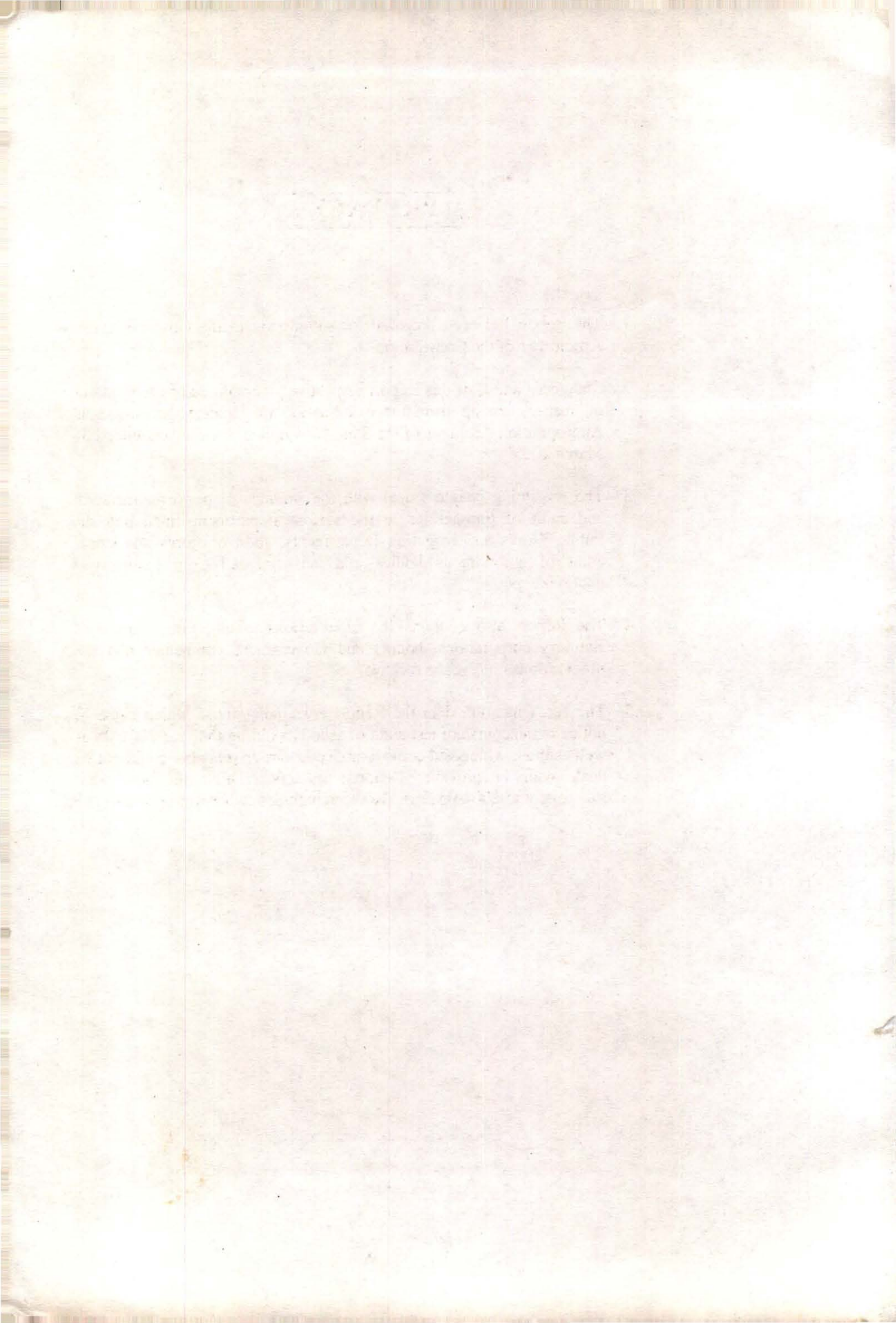
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PREFACE

1. The Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapters I and II of this Report respectively contain audit observations on matters arising from the examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2005.
3. The remaining chapters deal with the findings of performance audit and audit of transactions in the various departments including the Public Works and Irrigation Departments, audit of stores and stock, audit of autonomous bodies and departmentally run commercial undertakings.
4. The Report also contains the observations arising out of audit of statutory corporations, boards and Government companies and the observations on revenue receipts.
5. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2004-05 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2004-05 have also been included, wherever necessary.



OVERVIEW

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY
5800 S. UNIVERSITY AVENUE
CHICAGO, ILLINOIS 60637
TEL: 773-936-3700

OVERVIEW

This Report contains 23 audit paragraphs (including three general paragraphs), three performance reviews and two long paragraphs apart from comments on the Finance and Appropriation Accounts. There is a separate chapter on Internal Control System in respect of Agriculture Department. According to existing arrangements, copies of the draft audit paragraphs and draft audit reviews are sent to the Secretary to the State Government of the department concerned by the Accountant General (Audit) with a request to furnish replies within six weeks. However, in respect of six audit paragraphs and two long paragraphs included in this Report, no response was received from the Secretary concerned. A synopsis of the important findings contained in the Report is presented in this overview.

1. Finances of the State Government

The revenue of the State consists mainly of its own tax and non-tax revenue, Central tax transfers and grants-in-aid from Government of India. Overall revenue receipts increased from Rs. 2,167.66 crore in 2003-04 to Rs. 2,576.90 crore in 2004-05 at an average trend rate of 13 *per cent*. There were, however, significant inter-year variations in the growth rates. During the current year the revenue receipts grew by 18.88 *per cent*. 84 *per cent* of the revenue came from Central tax transfers and grants-in-aid during the year. While Central tax transfers had increased by 19.53 *per cent*, the grants-in-aid from Government of India increased by 21.91 *per cent* over the last year. Only 16 *per cent* of the revenue receipts came from the State's own resources.

Total expenditure of the State increased from Rs. 2,512.74 crore in 2003-04 to Rs. 2,821.18 crore in 2004-05 at an average trend rate of 11 *per cent*. The rate of growth of expenditure in 2004-05 was 12 *per cent* which was higher than the average trend rate (11 *per cent*) for five years.

The interest payment during 2004-05 was Rs. 355.82 crore and the same grew by 7 *per cent* over the last year. The average growth rate of interest payments during the period 2000-05 was 11.84 *per cent*. Debt burden (fiscal liabilities) of the State at the end of 2004-05 was Rs. 4,181.28 crore, up by 16.85 *per cent* over the previous year. The average rate of interest paid on the borrowings of the State during 2000-05 (10.11 *per cent*) was more than the average rate of growth of GSDP (9.59 *per cent*), violating the cardinal rule of debt sustainability. The finances of the State continued to be dependent on the ways and means advances from Reserve Bank of India.

(Paragraph 1)

2. Allocative priorities and Appropriation

Against the total budget provision of Rs.3,763.61 crore, actual expenditure was Rs.3,193.88 crore. Overall savings of Rs. 569.73 crore were the results of savings of Rs. 891.40 crore in 56 grants and appropriations, offset by excess of Rs. 321.67 crore in 11 grants and three appropriations. The excess expenditure required regularisation by the Legislature under Article 205 of the Constitution of India.

In 41 cases, supplementary provision of Rs. 172.53 crore proved unnecessary.

In 50 cases, saving was more than Rs.10 lakh in each case and also over 10 *per cent* of the total provision.

In four cases under three grants / appropriations, expenditure of Rs. 149.22 crore was incurred without budget provision.

In 59 cases, anticipated savings of Rs. 378.52 crore had not been surrendered.

In six cases, against actual savings of Rs. 65.73 crore, Rs.101.43 crore had been surrendered, resulting in excess surrender of Rs. 35.70 crore.

(Paragraphs 2.2 to 2.8)

3. Performance audit

3.1 Pradhan Mantri Gram Sadak Yojana

Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched in December 2000 by the Government of India, for country wide implementation, with the objective of providing road connectivity through all weather roads to all unconnected habitations having a population of above 1000 by the year 2003 and those having population between 500-999 (250-999 for NE States except Assam) by the year 2007. The desired objective could not be achieved in Tripura due to defective planning, giving more emphasis to inadmissible habitations, selection of roads in inaccessible and insurgency prone areas and delay in finalisation of tenders.

- ❖ Against 1,917 identified unconnected habitations having population of 250 and above, the department targeted 402 habitations (21 *per cent*) to be covered by March 2005 of which 204 only were covered as of March 2005 indicating shortfall of 49 *per cent* with reference to targets. The shortfall in achievement of targets was 73 *per cent* in case of habitations having population of 1000 and above. The department had spent Rs. 17.48 crore (37 *per cent* of total expenditure) on providing connectivity to 269 habitations having population less than 250 during 2000-05 violating the programme guidelines.
- ❖ Rupees 3.30 crore, being excess over estimated cost on 41 works, were irregularly charged to PMGSY instead of being borne by the State Government.
- ❖ For six Basic Minimum Services (BMS) works under Phase I of the programme, Rs. 43.39 lakh were obtained from Government of India in excess by reporting requirement of funds of Rs. 69 lakh against the actual requirement of Rs. 25.61 lakh.
- ❖ Against the release of funds of Rs. 28 lakh by Government of India on two road works (2.5 km each) under Phase I, expenditure of Rs. 38.10 lakh was

charged to PMGSY. The works though not executed were reported to have been completed in January and March 2002 and the funds were diverted to State plan works.

- ❖ Rupees 80.68 lakh spent on 10 BMS works, completed prior to launching of PMGSY, were charged irregularly to PMGSY by three programme implementation units. Also, an unspent amount of Rs. 6.14 lakh on three BMS works was also diverted to State plan works by Teliamura Division.

(Paragraph 3.1)

3.2 Material Management in the Food, Civil Supplies and Consumer Affairs Department

Material management in the Food, Civil Supplies and Consumer Affairs Department was unsatisfactory as the population covered under PDS exceeded the total projected population of the State and there was total dependence on Food Corporation of India (FCI) in regard to procurement of rice despite availability of considerable quantity of locally grown rice as well as shortfall in identification of targeted number of beneficiaries under different schemes. The objective of ensuring food security to the people of the most remote localities was frustrated due to the absence of the fair price shops in those areas. The dilapidated condition of godowns, lack of approach roads combined with non-availability of guard sheds, the absence of toilets and drinking water facilities in the godown complexes and shortage of manpower rendered the store management deficient.

- ❖ Existence of 19,897 ration cards in excess of the population during the years 2001-03 resulted in excess lifting of 5,852 tonnes of rice valued at Rs. 3.64 crore.
- ❖ Procurement of rice from FCI under Public Distribution System (PDS) and other schemes ignoring local production resulted in marketable surplus which led to distress sale by paddy growers of the State.
- ❖ Due to non-completion of identification of beneficiaries under the targeted groups of Below Poverty Line (BPL) and Antyodaya Anna Yojana (AAY), subsidised rice worth Rs. 19.28 crore failed to reach the eligible households.
- ❖ Issue of delivery orders for excess quantities totaling to 1,697.7 tonnes of rice by the delivery order issuing authority to the dealers of fair price shops attached with 12 godowns amounted to Rs. 1.03 crore.

(Paragraph 3.2)

3.3 Consumer Protection Act

- ❖ Performance audit on the implementation of Act and Rules relating to consumer protection in the State during 2000-2005 revealed ineffective redressal of grievances of the consumers because of delayed disposal of complaints, ranging on an average from 469 to 1,076 days. The objectives

of the programme were only partially achieved due to, *inter alia*, non-setting up of District Consumer Protection Council, District Consumer Information Centre, inadequate laboratory and other infrastructural facilities, and weak monitoring mechanism.

(Paragraph 3.3)

3.4 Working of Tripura Scheduled Castes Co-operative Development Corporation Limited

Absence of basic essential data on SC families below poverty line (BPL), lack of adequate planning, control and monitoring, poor recovery of loans from the beneficiaries had an adverse effect on performance of the Corporation.

(Paragraph 3.4)

3.5 Increasing cost of sales of jute products in Tripura Jute Mills Limited

Tripura Jute Mills Limited (TJML) was incorporated in October 1974 under the Company's Act, 1956 with the main objective of manufacturing finished goods from raw jute. It could not achieve the targets fixed as per the MOU. The low capacity utilization, non operation of large number of looms, failure of the Company to initiate action for repair plant and machinery including looms, low yield of finished product of jute and excess deployment of labour contributed the increase in the cost of sales.

- ❖ The production targets fixed against the installed capacity of 12,000 MT, ranged between 1,800 MT (15 per cent) and 5,400 MT (45 per cent) against which capacity utilization ranged between 1,120 MT (9 per cent) and 2,209 MT (18 per cent) during 2000-2005. Out of 158 looms installed, only 40 looms were in working condition while 68 were lying idle for want of major repair and the balance 50 for minor repair.
- ❖ According to the JMDC norms, with the total consumption of 9,211 MT of raw jute during 2000-05, 9,428 MT of jute bags were required to be produced, against which the Company manufactured 8,667 MT of jute bags. The value of the shortfall in production (761 MT of jute bags) was Rs. 1.62 crore.
- ❖ The Management utilised 3,46,933 (2002-03) to 4,12,865 (2000-01) mandays in excess of the JMDC norms indicating poor personnel management.
- ❖ Management spent Rs. 6.51 crore (2002-03) to Rs. 6.73 crore (2001-02) per year towards direct labour of which 87.89 per cent to 96.59 per cent were on idle labour. While the cost of sales ranged between Rs. 42,301 and Rs. 92,938, the selling price of finished jute products ranged between Rs. 10,866 and Rs. 28,423.

(Paragraph 6.2)

4. Paragraphs

(a) Civil

- ❖ The Director of Agriculture drew central assistance of Rs. 42.97 lakh between 2001-02 and 2003-04 for implementation of computer based Agri-Network System, of which Rs. 42.10 lakh remained unutilized.
(Paragraph 4.1)
- ❖ Premature withdrawal of Rs. 2 crore from term deposit account and retention of the same in the personal ledger (PL) account of the Director of Health Services for over five years caused loss of interest of Rs. 1.06 crore.
(Paragraph 4.2)
- ❖ Non-adherence to prescribed procedure on procurement of construction materials and procurement of material in advance of requirement by six Public Works divisions led to blocking of funds of Rs. 6.41 crore.
(Paragraph 4.4)
- ❖ Injudicious procurement of ductile iron (DI) pipes by the Executive Engineer, for distribution systems of a Lift Irrigation (LI) Scheme resulted in blocking of funds of Rs. 1.72 crore.
(Paragraph 4.6)
- ❖ The Executive Engineer, Resource Division incurred extra expenditure of Rs. 66.09 lakh due to delay in finalisation of tender.
(Paragraph 4.7)
- ❖ Non-completion of work by the contractor compounded by inaction of the Public Works Division resulted in infructuous expenditure of Rs. 64.97 lakh.
(Paragraph 4.8)
- ❖ Construction of hostels for students before finalising site for its school building resulted in unproductive expenditure of Rs. 2.34 crore.
(Paragraph 4.9)
- ❖ Expenditure of Rs. 27.25 lakh incurred on rubber plantation proved wasteful due to high mortality of plants.
(Paragraph 4.10)
- ❖ Ranirbazar Nagar Panchayat could not construct the Super Market during 2001-05 due to inordinate delay in selection of site and lack of adequate planning leading to blocking of funds of Rs. 49.77 lakh resulting in a loss of interest of Rs. 15.24 lakh.
(Paragraph 4.11)
- ❖ Amount of Rs. 31 lakh placed with the Tripura Gramin Bank for disbursement of subsidy to 155 Scheduled Castes families living below

poverty line remained undisbursed for over two years depriving these families of the intended benefit.

(Paragraph 4.13)

(b) Revenue

- ❖ Deputy Transport Commissioner, Agartala failed to realise road tax of Rs. 14.44 lakh from registered vehicles owners.

(Paragraph 5.2)

- ❖ Failure to identify trucks with load of cement, steel and coal in excess of permissible limit resulted in non- realisation of fine of Rs. 10.62 lakh from transporters.

(Paragraph 5.3)

(c) Commercial

- ❖ Tripura Small Industries Corporation (TSIC) had incurred unproductive expenditure of Rs. 75.23 lakh during 2001-05 on salaries of idle staff of a Pharmaceutical Unit.

(Paragraph 6.3)

- ❖ Extra expenditure of Rs. 30.45 lakh was incurred on consumption of 1129.10 metric ton (MT) coal in excess of the norms for burning 219.88 lakh green bricks.

(Paragraph 6.4)

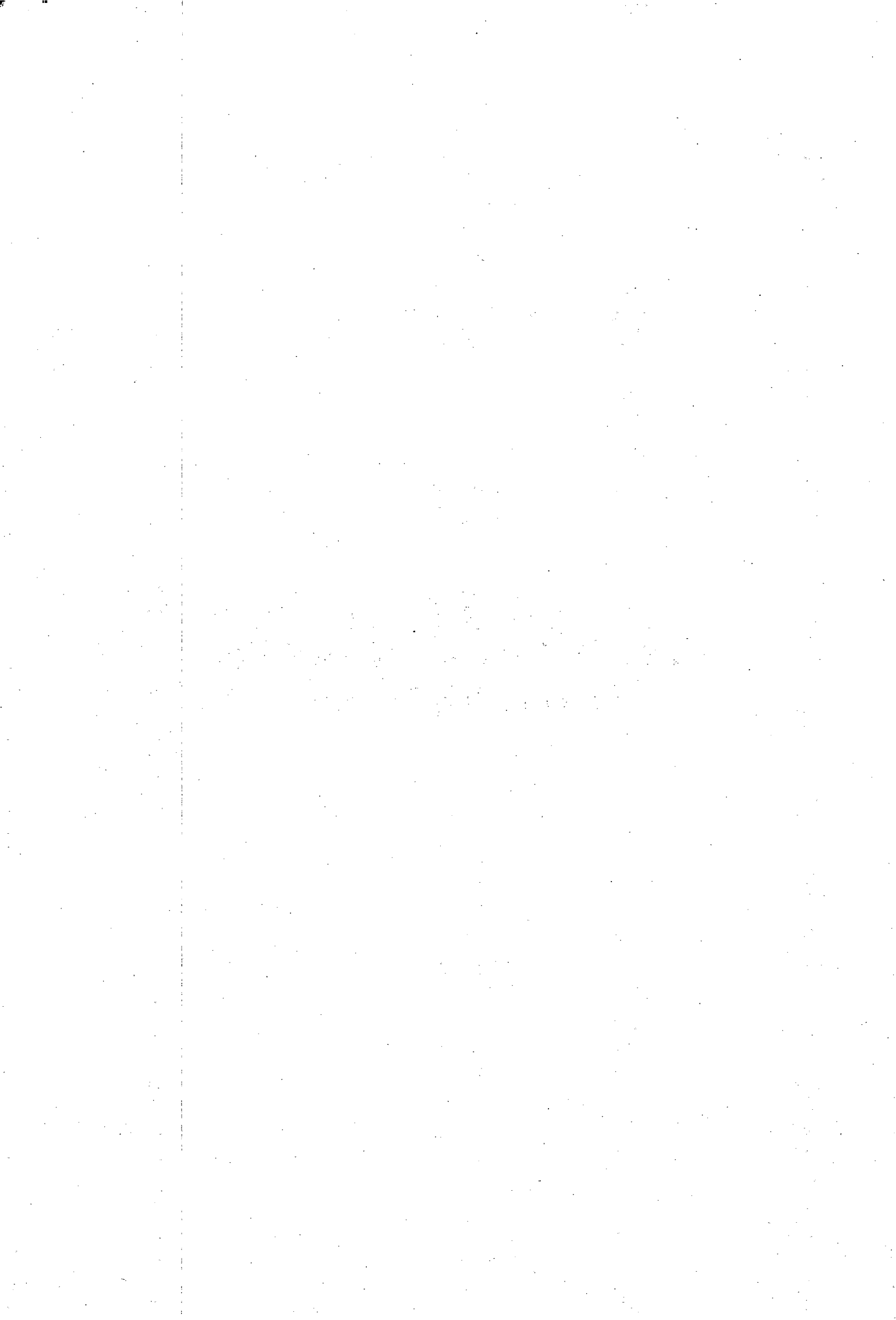
- ❖ Non-imposition of penalty for delayed payment of energy charges by consumers resulted in loss of revenue of Rs. 79.46 lakh.

(Paragraph 6.6)

- ❖ Inadmissible rebate allowed to 707 consumers in 1,774 bills resulted in loss of revenue of Rs. 15.57 lakh to the Power Department.

(Paragraph 6.7)

CHAPTER I
FINANCES OF THE STATE
GOVERNMENT



CHAPTER I: FINANCES OF THE STATE GOVERNMENT

In Summary

Large revenue and fiscal deficits year after year indicate continued macro imbalances in a State. In Tripura, the fiscal deficit for the year 2004-05 was Rs. 240.31 crore against Rs. 341.39 crore in 2003-04.

The revenue of the State consists mainly of its own tax and non-tax revenue, Central tax transfers and grants-in-aid from Government of India. Overall revenue receipts increased from Rs. 2,167.66 crore in 2003-04 to Rs. 2,576.90 crore in 2004-05 at an average trend rate of 13 per cent. There were, however, significant inter-year variations in the growth rates. During the current year the revenue receipts grew by 18.88 per cent. 84 per cent of the revenue came from Central tax transfers and grants-in-aid during the year. While Central tax transfers had increased by 19.53 per cent, the grants-in-aid from Government of India increased by 21.91 per cent over the last year. Only 16 per cent of the revenue receipts came from State's own resources.

Total expenditure of the State increased from Rs. 2,512.74 crore in 2003-04 to Rs. 2,821.18 crore in 2004-05 at an average trend rate of 11 per cent. The rate of growth of expenditure in 2004-05 was 12 per cent which was higher than the average trend rate (11 per cent) for five years.

The interest payment during 2004-05 was Rs. 355.82 crore and the same grew by 7 per cent over the last year. The average growth rate of interest payment during the period 2000-05 was 11.84 per cent. Debt burden (fiscal liabilities) of the State at the end of 2004-05 was Rs. 4,181.28 crore, up by 16.86 per cent over the previous year. The average rate of interest paid on the borrowings of the State during 2000-05 (10.11 per cent) was more than the average rate of growth of GSDP (9.59 per cent), violating the cardinal rule of debt sustainability. The finances of the State continued to be dependent on the ways and means advances from Reserve Bank of India.

Though it is not uncommon for the State to borrow for widening its infrastructure and for creating income generating assets, an ever increasing ratio of fiscal liabilities to GSDP has the adverse impact on the health of State finances.

State Government has passed a Fiscal Responsibility Act in June 2005 to ensure prudence in fiscal management and fiscal stability as committed in the Memorandum of Understanding with Government of India in March 2003.

1.1 Introduction

The Finance Accounts of the Government of Tripura are laid out in nineteen statements, presenting receipts and expenditure, revenue as well as capital, in

the Consolidated Fund, Contingency Fund and the Public Account of the State Government. The layout of the Finance Accounts is depicted in the **Box 1.1**.

Box 1.1

Layout of Finance Accounts

Statement No. 1 presents the summary of transactions of the State Government – receipts and expenditure, revenue and capital, public debt receipts and disbursements etc in the Consolidated Fund, Contingency Fund and Public Account of the State.

Statement No. 2 contains the summarised statement of capital outlay showing progressive expenditure to the end of current year.

Statement No. 3 gives financial results of irrigation works, their revenue receipts, working expenses and maintenance charges, capital outlay, net profit or loss, etc. There is no commercial irrigation project in Tripura State.

Statement No. 4 indicates the summary of debt position of the State, which includes borrowings from internal debt, Government of India, other obligations and servicing of debt.

Statement No. 5 gives the summary of loans and advances given by the State Government during the year, repayments made, recoveries in arrears, etc.

Statement No. 6 gives the summary of guarantees given by the Government for repayment of loans etc raised by the statutory corporations, local bodies and other institutions.

Statement No. 7 gives the summary of cash balances and investments made out of such balances.

Statement No. 8 depicts the summary of balances under Consolidated Fund, Contingency Fund and Public Account as on 31 March 2005.

Statement No. 9 shows the revenue and expenditure under different heads for the current year as a percentage of total revenue / expenditure.

Statement No. 10 indicates the distribution between the charged and voted expenditure incurred during the year.

Statement No. 11 indicates the detailed account of revenue receipts by minor heads.

Statement No. 12 provides accounts of revenue expenditure by minor heads under non-plan, State plan and centrally sponsored schemes separately and capital expenditure major head-wise.

Statement No. 13 depicts the detailed capital expenditure incurred during and to the end of the current year.

Statement No. 14 shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, cooperative banks and societies etc, up to the end of the current year.

Statement No. 15 depicts the capital and other expenditure to the end of the current year and the principal sources from which the funds were provided for that expenditure.

Statement No. 16 gives the detailed account of receipts, disbursements and balances under heads of account relating to debt, Contingency Fund and Public Account.

Statement No. 17 presents the detailed account of debt and other interest bearing obligations of the Government.

Statement No. 18 provides the detailed account of loans and advances given by the Government of Tripura, the amount of loans repaid during the year, the balances at the end of the year and the amount of interest received during the year.

Statement No. 19 gives the details of balances of earmarked funds. No earmarking of funds have been made in Tripura as shown in the statement.

1.2 Trend of Finances with reference to previous year

Finances of the State Government during the current year compared to previous year were as under:

(Rupees in crore)

2003-04	Sl. No.	Major Aggregates	2004-05
2167.66	1.	Revenue Receipts (2+3+4)	2576.90
221.47	2.	Tax Revenue	239.63
167.78	3.	Non-tax Revenue	176.85
1778.41	4.	Other Receipts	2160.42
3.69	5.	Non-Debt Capital Receipts	3.97
2171.35	6.	Total Receipts (1+5)	2580.87
1761.77	7.	Non-Plan Expenditure (8+10)	1907.87
1731.88	8.	On Revenue Account	1841.52
332.71	9.	Of which, Interest Payments	355.82
29.89	10.	On Capital Account	66.35
750.97	11.	Plan Expenditure (12 + 13 +14)	913.31
331.05	12.	On Revenue Account	341.11
413.89	13.	On Capital Account	570.15
6.03	14.	On Loans disbursed	2.05
2512.74	15.	Total Expenditure (7 + 11)	2821.18
(-) 341.39	16.	Fiscal Deficit (15-1-5)	(-) 240.31
(+) 104.73	17.	Revenue Deficit (-)/ Surplus (+) (8 + 12 - 1)	(+) 394.27
(-) 8.68	18.	Primary Deficit (-)/Surplus (+) (16-9)	(+) 115.51

1.3 Summary of Receipts and Disbursements for the year

Table 1 summarises the finances of the Government of Tripura for the year 2004-05 covering revenue receipts and expenditure, capital receipts and expenditure, public debt receipts and disbursements and public accounts receipts and disbursements made during the year as emerging from the Finance Accounts 2004-05.

Table 1: Summary of Receipts and Disbursements for the year 2004-05

(Rupees in crore)

2003-04	Receipts	2004-05	2003-04	Disbursement	2004-05		
Section A: Revenue							
					Non-Plan	Plan	Total
2167.66	I. Revenue Receipts	2576.90	2062.93	I. Revenue Expenditure	1841.52	341.11	2182.63
221.47	Tax Revenue	239.63	876.08	General Service	926.92	0.99	927.91
167.78	Non-tax Revenue	176.85	732.65	Social Service	564.95	230.41	795.36
320.53	Share of Union taxes / duties	383.12	416.44	Economic Service	349.65	73.39	423.04
1457.88	Grants from Government of India	1777.30	37.76	Grants-in-aid / contribution	-	36.32	36.32
Section B: Capital							
-	II. Miscellaneous Capital Receipts	-	443.78	II. Capital outlay	66.35	570.15	636.50
3.69	III. Recoveries of Loans and Advances	3.97	6.03	III. Loans and Advances disbursed	-	2.05	2.05
405.32	IV. Public Debt receipts*	367.88	250.87#	IV. Repayment of Public Debt	-	-	159.73
-	V. Contingency Fund	-	-	V. Contingency Fund	-	-	-
1699.00	VI. Public Account receipts	1482.51	1615.86#	VI. Public Account disbursements	-	-	1105.65#
(-) 0.06	Opening balance	(-) 103.86	(-) 103.86	Closing balance	-	-	240.84
4275.61	Total	4327.40	4275.61	Total			4327.40

* Includes net ways and means advance also.

Bifurcation of Plan and Non-Plan not available.

1.4 Audit Methodology

Audit observations on the Finance Accounts bring out the trends in the major fiscal aggregates of receipts and expenditure and from the statements of the Finance Accounts for the year 2004-05 and wherever necessary, show these in the light of time series data and periodic comparisons. The key indicators adopted for the purpose are (i) Resources by volumes and sources, (ii) Application of resources, (iii) Assets and Liabilities, and (iv) Management of deficits. Audit observations have also taken into account the cumulative impact of resource mobilisation efforts, debt servicing and corrective fiscal measures. Overall financial performance of the State Government as a body corporate has been presented by the application of a set of ratios commonly adopted for the relational interpretation of fiscal aggregates.

The reporting parameters are depicted in the **Box 1.2**.

Box 1.2**Reporting Parameters**

Fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market prices.

For tax revenues, non-tax revenues, revenue expenditure etc, buoyancy projections have also been provided for a further estimation of the range of fluctuations with reference to the base represented by GSDP.

For most series a trend growth during 2000-2005 has been indicated. The ratios with respect to GSDP have also been depicted. Some of the terms used here are explained in Annexure.

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account as defined in Box 1.3.

Box 1.3**State Government Funds and the Public Account**

Consolidated Fund	Contingency Fund	Public Account
All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.	Contingency Fund of State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.	Besides the normal receipts and expenditure of Government which relate to the Consolidated Fund, certain other transactions enter Government Accounts, in respect of which Government acts more as a banker. Transactions relating to provident funds, small savings, other deposits, etc are a few examples. The public moneys thus received are kept in the Public Account set up under Article 266(2) of the Constitution and the related disbursements are made from it.

1.5 State finances by key indicators

1.5.1 Resources by volumes and sources: Resources of the State Government consist of revenue receipts and capital receipts. Revenue receipts consist of tax revenues, non-tax revenue, State's share of union taxes and duties and grants-in-aid from the Central Government. Capital receipts comprise miscellaneous capital receipts like proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources viz., market loans, borrowings

from financial institutions / commercial banks etc, and loans and advances from Government of India as well as accruals from Public Account.

Table 2 shows that the total receipts of the State Government for the year 2004-05 were Rs. 4431.26 crore. Of these, the revenue receipts of the State Government were Rs. 2576.90 crore only, constituting 58 per cent of the total receipts. The balance of receipts came from borrowings and public account receipts.

Table 2: Resources of Tripura

			(Rupees in crore)
I.	Revenue Receipts		2576.90
II.	Capital Receipts		371.85
	(a) Miscellaneous Receipts	-	-
	(b) Recovery of Loans and Advances	3.97	
	(c) Public Debt Receipts	367.88	
III.	Contingency Fund Receipts		-
IV.	Public Account Receipts		1482.51
	(a) Small Savings, Provident Fund etc	643.38	
	(b) Reserve Fund	13.01	
	(c) Deposits and Advances	247.46	
	(d) Suspense and Miscellaneous	(-) 24.07	
	(e) Remittances	602.73	
Total Receipts			4431.26

1.5.2 Revenue Receipts: The Revenue Receipts of the State consist mainly of its own tax and non-tax revenues, Central tax transfers and grants-in-aid from Government of India. The details of revenue receipts of the Government are given in Appendix I and Statement 11 of Finance Accounts. Overall revenue receipts, its annual rate of growth, ratio of these receipts to the State's Gross Domestic Product (GSDP) and its buoyancy is indicated in Table 3.

Table 3: Revenue Receipts – Basic Parameters (Values in Rupees in crore and other in per cent)

	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Revenue Receipts	1638.06	1867.38	1880.07	2167.66	2576.90	2026.01
Own Taxes	7.67	8.49	9.74	10.22	9.30	9.08
Non-Tax Revenue	5.77	5.22	5.25	7.74	6.86	6.17
Central Tax transfer	14.42	42.46	13.28	14.79	14.87	19.96
Grants-in-aid	72.14	73.83	71.73	67.26	68.97	70.79
Rate of Growth	13.89	14.00	0.68	15.30	18.88	12.55
Revenue Receipt/GSDP	36.20	37.76	34.35	36.18	39.25	36.75
Revenue Buoyancy	1.556	1.507	0.064	1.619	1.969	1.343
Rate of Growth of own taxes	23.43	26.21	15.51	20.96	8.20	18.86
Buoyancy of own taxes	2.624	2.821	1.451	2.218	0.855	1.994
GSDP Growth	8.93	9.29	10.69	9.45	9.59	9.59

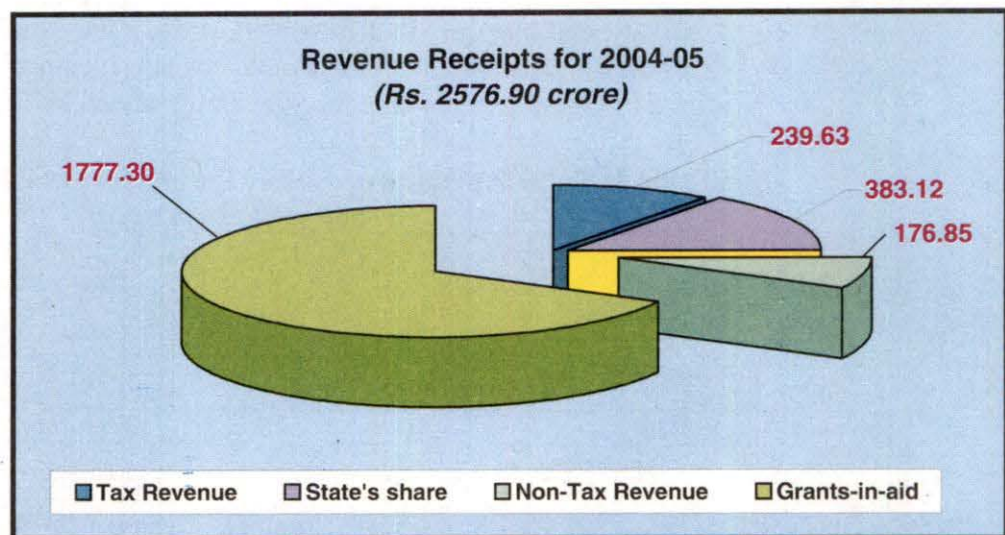
The revenue receipts of the State increased from Rs. 1638.06 crore in 2000-01 to Rs. 2576.90 crore in 2004-05 at an average trend rate of 12.55 per cent. There were, however, significant inter-year variations in the growth rates. During the five-year period 2000-05, the State had a buoyant economy with its GSDP growth averaging 9.59 per cent. Revenue growth exceeded GSDP growth rates during all the years from 2000 to 2005 except 2002-03 and

buoyancy of revenue receipt during this period was greater than one. There was sharp increase in revenue buoyancy to 1.969 due to a moderate growth in revenue receipt during 2004-05 relative to GSDP.

Though revenue growth with reference to State's own taxes exceeded GSDP growth during four years (2000-2004), it was lower (8.20 per cent) than GSDP growth during 2004-05 with consequential sharp decrease to 0.855 in revenue buoyancy of State's own taxes.

While 16 per cent of the revenue receipts during 2004-05 have come from State's own resources comprising tax and non-tax revenues, Central tax transfers and grants-in-aid together contributed 84 per cent of the total revenue. Sales Tax was the major contributor (67 per cent) of State's own tax revenue followed by State Excise (14 per cent), Stamps and Registration fees (5 per cent), and Taxes on Vehicles (4 per cent). Of non-tax revenue sources interest receipts (3 per cent), receipts from Economic Services (81 per cent) were principal contributors. However, 89 per cent of the interest receipts (Rs. 4.56 crore) was only from investment of cash balances.

Chart No. 1



The arrears of revenue was Rs. 13.45 crore at the end of 2004-05. Of these, Rs. 0.69 crore were more than five years old.

The current levels of cost recovery (revenue receipts as a percentage of revenue expenditure) in providing various social services by Government was 7.58 per cent for Secondary Education, 1.10 per cent for University and Higher Education, 0.17 per cent for Technical Education, 4.27 per cent for Health and Family Welfare, 0.55 per cent in Water Supply and Sanitation etc. and 0.96 per cent for Adult Education.

The source of total receipts under different heads and GSDP during 2000-05 is indicated in Table 4.

Table 4: Sources of Receipts: Trends

(Rupees in crore)

Year	Revenue receipts	Capital Receipts			Total receipts	Gross State Domestic product
		Non-debt receipts	Debt receipts	Accruals in Public Account		
2000-01	1638.06	1.87	165.48	1284.28	3089.69	4524.42
2001-02	1867.38	2.32	311.93	1389.48	3571.11	4944.73
2002-03	1880.07	3.10	211.48	1575.97	3670.62	5473.32
2003-04	2167.66	3.69	405.32	1699.00	4275.67	5990.55
2004-05	2576.90	3.97	367.88	1482.51	4431.26	6565.04

1.6 Application of resources

1.6.1 Trend of growth: Statement 12 of the Finance Accounts depicts the detailed revenue expenditure by minor heads and capital expenditure by major heads. The total expenditure of the State increased from Rs. 2085.09 crore in 2000-01 to Rs. 2821.18 crore in 2004-05 at an average trend rate of 11 per cent per annum.

Total expenditure of the State, its trend and annual growth, ratio of expenditure to the State's GSDP and revenue receipts and its buoyancy with regard to GSDP and revenue receipts are indicated in Table 5 below:

Table 5: Total expenditure – Basic Parameters (value in Rupees in crore and other in per cent)

	2000-01	2001-02	2002-03	2003-04	2004-05	Average / trend
Total expenditure*	2085	2408	2420	2513	2821	2449
Rate of growth	20.45	15.48	0.51	3.84	12.27	10.51
TE/GSDP Ratio	46.09	48.70	44.22	41.95	42.97	44.79
Revenue Receipts/TE Ratio	78.56	77.55	77.68	86.26	91.34	82.28
Buoyancy of total expenditure with						
GSDP	2.291	1.666	0.048	0.406	1.279	1.138
Revenue Receipts	1.472	1.106	0.752	0.251	0.649	0.846

*Total expenditure includes Revenue Expenditure, Capital Expenditure and Loans and Advances.

Consistent increase of total expenditure over a five-year period 2000-05 was also reflected in gradual increase in percentage of total expenditure to GSDP and also revenue receipts to total expenditure (from 78.56 to 91.34 per cent). In monetary terms, total expenditure in 2004-05 has increased by Rs. 308.44 crore over previous year and its ratio as a percentage to GSDP has increased from 41.95 per cent to 42.97 per cent. The increase in total expenditure in 2004-05 was due to increase in interest payment by Rs. 23.11 crore which was 7 per cent of net increase of total expenditure over previous year.

In terms of the activities, total expenditure could be considered as being composed of expenditure on General Services, Interest Payments, Social and Economic Services, grants-in-aid and other contributions to institutions and loans and advances. Relative share of these components in total expenditure is indicated in Table 6.

Table 6: Components of Expenditure – Relative share (in per cent)

	2000-01	2001-02	2002-03	2003-04	2004-05	Average / trend
General Services	20.56	22.13	23.94	23.36	22.60	22.52
Interest Payments	10.84	10.52	12.01	13.24	12.61	11.84
Social Services	37.61	35.78	36.52	35.40	35.80	36.22
Economic Services	29.85	30.17	25.45	26.26	27.63	27.87
Grants-in-aid and contributions	0.93	1.06	1.74	1.50	1.29	1.10
Loans and Advances	0.21	0.34	0.34	0.24	0.07	0.24

The movement of relative share of these components of expenditure indicated that all components of expenditure had inter-year variations. But expenditure on General Services and interest payments which were considered as non-developmental, together accounted for 35.21 per cent in 2004-05 as against 31.40 per cent in 2000-01. On the other hand, development expenditure i.e., on Social and Economic Services together accounted for only 63.43 per cent in 2004-05 as against 67.46 per cent in 2000-01. This indicated declining priority for developmental expenditure.

1.6.2 Incidence of Revenue expenditure: In the total expenditure, revenue expenditure had the predominant share. Revenue expenditure is incurred to maintain the current level of services and payment for the past obligations and as such does not result in any addition to the State's infrastructure and service network. The overall revenue expenditure, its rate of growth, ratio of revenue expenditure to GSDP and revenue receipts and its buoyancy are indicated in Table 7.

Table 7: Revenue Expenditure: Basic Parameters

	2000-01	2001-02	2002-03	2003-04	2004-05	Average / trend
Revenue Expenditure (Rupees in crore)	1734.04	1812.91	1960.72	2062.93	2182.63	1950.65
Rate of Growth (per cent)	18.68	4.55	8.15	5.21	5.80	8.48
RE/GSDP	38.33	36.66	35.82	34.44	33.25	35.70
RE as percentage of TE	83.16	75.29	81.02	82.10	77.36	79.79
RE as percentage of RR	105.86	97.08	104.29	95.17	84.70	97.42
Buoyancy of Revenue expenditure with (per cent)						
GSDP	2.093	0.490	0.763	0.551	0.605	0.900
Revenue Receipts	1.345	0.325	11.998	0.340	0.307	2.863

Overall revenue expenditure of the State increased at an average trend rate of 8.48 per cent. Rate of growth of revenue expenditure reached a level of 18.68 per cent in 2000-01 but had decelerated since then though it had again increased in 2004-05 over the previous year. As a result, revenue expenditure–GSDP ratio declined from 38.33 per cent in 2000-01 to 33.25 per cent in 2004-05. On an average 79.79 per cent of the total expenditure was on current consumption.

i) High salary expenditure: During 2004-05, expenditure towards salaries accounted for 41.30 per cent of the revenue receipts and 48.76 per cent of the revenue expenditure of the State. The expenditure on salaries increased by 34 per cent from Rs. 830.49 crore in 2000-01 to Rs. 1110.98 crore in 2003-04 as

indicated in Table 8 below. During 2004-05, however, the salary expenditure decreased to Rs. 1064.34 crore and was stated by the State Government (January 2006) to be mainly due to superannuation of a large number of employees and transfer of 4500 employees of Power Department to the newly created Tripura State Electricity Corporation Limited.

Table 8: Salary Expenditure

Head	2000-01	2001-02	2002-03	2003-04	2004-05
Salary expenditure (Rupees in crore)	830.49	853.27	989.57	1110.98	1064.34
As a percentage of GSDP	18.36	17.26	18.08	18.55	16.21
As a percentage of Revenue receipts	90.60	45.69	52.63	51.25	41.30
As a percentage of Revenue expenditure	47.89	47.07	50.47	53.85	48.76

ii) *Huge expenditure on pension payments:* Pension payments have increased by 49.36 per cent from Rs. 147.99 crore in 2000-01 to Rs. 221.04 crore in 2004-05. Expenditure on pension and other retirement benefits of retired employees was 10.13 per cent of the revenue expenditure during 2004-05 in the State. Year-wise break-up of expenditure incurred on pension payments during the years 2000-01 to 2004-05 was as under:

Table 9: Expenditure of pension payments

Year	Expenditure (Rupees in crore)	Percentage to total revenue expenditure
2000-2001	147.99	8.53
2001-2002	175.03	9.65
2002-2003	226.53	11.55
2003-2004	201.85	9.78
2004-2005	221.04	10.13

With the increase in number of retirees, the pension liabilities are likely to increase further in future.

iii) *Interest payments:* The table 10 given below shows that the interest payments by the State Government increased steadily by 57.42 per cent from Rs. 226.03 crore in 2000-01 to Rs. 355.82 crore in 2004-05 primarily due to ever increasing borrowings. The interest payment was on Internal Debt (Rs.194.04 crore), loans received from Central Government (Rs. 74.78 crore) and Small Savings, Provident Funds, etc (Rs. 87 crore).

Table 10: Interest payments

Year	Interest payments (Rupees in crore)	Percentage of interest payment with reference to	
		Revenue receipts	Revenue expenditure
2000-01	226.03	13.80	13.03
2001-02	253.22	13.56	13.97
2002-03	290.73	15.46	14.83
2003-04	332.71	15.35	16.13
2004-05	355.82	13.81	16.30

1.7 Expenditure by Allocative priorities

The expenditure of the State in the nature of plan expenditure, capital expenditure and development expenditure reflects its quality. Higher the ratio of these components to total expenditure, better is the quality of expenditure. Table 11 gives these ratios during 2000-05 as follows:

Table 11: Quality of expenditure (per cent to total expenditure)

	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Plan expenditure	33.59	33.88	31.85	29.72	32.32	32.27
Capital expenditure	16.66	24.45	18.71	17.70	22.58	20.02
Development expenditure	67.59	66.18	62.18	61.81	63.47	64.25

(Total expenditure does not include Loans and Advances).

All the three components of the quality of expenditure indicated inter-year variations. In the year 2004-05, the plan as well as the development expenditure (expenditure on Economic and Social Services) were 32.32 per cent and 63.47 per cent as against 29.72 per cent and 61.81 per cent in 2003-04 respectively.

Out of the developmental expenditure of Rs. 1789.44 crore, during the year, Social Services accounted for 56 per cent (Rs. 1009.94 crore). Expenditure on General Education, Health and Family Welfare, Water Supply and Sanitation constituted 78 per cent (Rs. 787.11 crore) of the expenditure on Social sector.

Table 12: Social sector expenditure

(Rupees in crore)

	2000-01	2001-02	2002-03	2003-04	2004-05
General Education	387.97	434.97	460.24	504.47	595.68
Health and Family Welfare	86.28	92.40	96.08	92.75	104.69
Water Supply and Sanitation	73.46	63.47	60.71	83.85	86.74
Total	547.71	590.84	617.03	681.07	787.11
As a percentage of expenditure on Social sector	69.85	68.58	69.82	76.56	77.94

Similarly, the expenditure on Economic Services (Rs. 779.50 crore) accounted for 44 per cent of the development expenditure, of which, Irrigation and Flood Control, Energy and Transport accounted for 25 per cent.

Table 13: Economic sector expenditure

(Rupees in crore)

	2000-01	2001-02	2002-03	2003-04	2004-05
Irrigation and Flood Control	47.15	56.28	59.06	53.47	33.67
Energy	187.06	177.97	141.50	174.39	299.69
Transport	78.98	121.44	95.66	133.20	118.91
Total	313.19	355.69	296.22	361.06	452.27
As a percentage of expenditure of Economic sector	50.32	49.09	48.08	54.73	58.02

1.7.1 Financial Assistance to Local Bodies and other Institutions

i) *Extent of assistance:* The quantum of assistance amounting to Rs. 838.13 crore provided by way of grants to different local bodies etc, during the period of five years ending 2004-05 was as follows:

Table 14: Financial Assistance to Local Bodies and other Institutions*(Rupees in crore)*

	2000-01	2001-02	2002-03	2003-04	2004-05
Zilla Parishads and Panchayati Raj Institutions	36.31	40.25	48.86	57.93	34.02
Municipal Corporation and Municipalities	10.24	11.07	13.84	12.72	11.65
Universities and Educational Institutions	24.27	29.21	36.51	26.34	70.88
Development Agencies	1.65	2.30	2.99	-	25.79
Hospital and other Charitable Institutions	-	-	-	-	-
Other Institutions	28.05	46.05	56.83	35.96	174.61
Total	100.52	128.68	159.03	132.95	316.95
Percentage of increase (+)/ decrease (-) over previous year	37.00	28.01	23.59	(-) 19.62	138.40
Assistance as a percentage of revenue expenditure	5.80	7.10	8.11	6.44	14.52

The total assistance at the end of 2004-05 had grown by 215.31 *per cent* over the level of 2000-01 and 138.40 *per cent* over the previous year. The assistance to local bodies as a percentage of total revenue expenditure was 14.52 *per cent*.

ii) Delay in furnishing Utilisation Certificates: Out of the 5559 utilisation certificates pending receipt in respect of grants aggregating Rs. 449.90 crore paid during 2003-05, only 232 utilisation certificates relating to Rs. 132.95 crore were furnished by the departments as of 31 August 2005. Department-wise break-up of outstanding utilisation certificates along with the amount involved are shown below:

Table: 15

Sl. No.	Department	Number of UCs outstanding	Amount (Rupees in crore)	Earliest year of pendency
1.	Panchayati Raj	449	34.02	2004-05
2.	Urban Development	557	45.66	2004-05
3.	Education	1378	70.88	2004-05
4.	Health and Family Welfare	83	2.53	2004-05
5.	Social Security and Welfare	1079	10.04	2004-05
6.	Welfare of Scheduled Castes and Other Backward Communities	1607	51.20	2004-05
7.	Rural Development Department	46	25.79	2004-05
8.	Fisheries Department	128	76.83	2004-05
	Total	5327	316.95	

iii) Delay in submission of accounts / information: In order to identify the institutions which attract audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, Government/Heads of Departments are required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose for which assistance was sanctioned and the total expenditure of the institutions. Information for the year 2004-05 was called for in June 2005. According to information furnished by the Department Rs. 41.49 crore were given to various institutions by way of grants during the year 2004-05.

Accounts of 16 autonomous bodies covered under Sections 19(3) and 20(1) of the Act, up to 2004-05 were due for the periods ranging from 13 to 27 years as detailed in **Appendix II**.

1.8 Assets and liabilities

In the Government accounting system, comprehensive accounting of the fixed assets like land and buildings etc, owned by Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred by the Government. **Appendix III** gives an abstract of such liabilities and the assets as on 31 March 2005, compared with the corresponding position on 31 March 2004. While the liabilities in this statement consist mainly of internal borrowings, loans and advances from the Government of India, and receipts from the Public Account, the assets comprise mainly the capital outlay, loans and advances given by the State Government and the cash balances. The liabilities grew by 16.42 *per cent* and the assets increased by 19.86 *per cent* during the year 2004-05. Details are given in **Appendix III**. The liabilities grew mainly due to increase in borrowing and small savings provident funds aggregated to 16.25 *per cent*. The liabilities of Government of Tripura depicted in the Finance Accounts, however, do not include the pension, other retirement benefits payable to serving / retired State employees, guarantees/ letters of comforts issued by the State Government. **Appendix IV** depicts the Time Series Data on State Government Finances for the period 2000-2005. The sources and applications of funds are also shown in **Appendix V**.

1.8.1 Incomplete projects: As per the information furnished by the Public Works Department, there were 25 incomplete Minor (11) and Medium (14) Irrigation projects as of March 2005 involving Rs. 28.81 crore whose benefits have not accrued. Details are given in **Appendix VI**. Besides, there were 181 incomplete projects, costing Rs. 25 lakh and above each, involving Rs. 174.80 crore as of March 2005.

1.8.2 Investments and returns: As on 31 March 2005, Government had invested Rs. 338.04 crore in its Statutory Corporations, Government Companies and Co-operative Societies. Government's returns on this investment was nil in the last five years. With an average interest rate of 10.11 *per cent* being paid by Government on its borrowings, the total implicit subsidy during the period 2000-05 was Rs. 28.48 crore as detailed in Table 16.

Table 16: Return on investment

	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Investment (<i>Rupees in crore</i>)	222.85	260.14	286.27	313.13	338.04	284.09
Returns (<i>Rupees in crore</i>)	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of returns	Nil	Nil	Nil	Nil	Nil	Nil
Average interest rate paid by Government	11.09	10.34	10.04	9.92	9.17	10.11
Difference between interest rate and returns	11.09	10.34	10.04	9.92	9.17	10.11
Implicit subsidy (<i>Rupees in crore</i>)	24.71	26.90	28.74	31.06	30.99	28.48

1.8.3 Loans and advances by State Government: In addition to investments in Co-operatives, Corporations and Companies, Government has also been providing support in terms of loans and advances to many of these organisations. Total outstanding balance as on 31 March 2005 was Rs. 63.06

crore. Interest received on such loans had varied from 5.75 per cent to 36.66 per cent during 2000-2005 (Table 17). Total implicit subsidy during 2000-2005 on such loans was Rs. 5.90 crore.

Table 17: Average interest received on loans advanced by the State Government
(Rupees in crore)

	2000-01	2001-02	2002-03	2003-04	2004-05
Opening balance	49.19	51.68	57.50	62.64	64.98
Amount advanced during the year	4.36	8.14	8.24	6.03	2.05
Amount repaid during the year	1.87	2.32	3.10	3.69	3.97
Closing balance	51.68	57.50	62.64	64.98	63.06
Net addition	2.49	5.82	5.14	2.34	(-) 1.92
Amount of interest received	18.49	3.58	5.83	3.67	4.56
Interest received as per cent to loans advanced	36.66*	6.55	9.72	5.75	7.12
Average interest paid by the State (in per cent)	10.82	10.35	7.08	9.92	9.17
Difference (percentage) between Interest paid and received.	25.84	(-) 3.80	2.63	(-) 4.17	(-) 2.05
Implicit subsidy	-	1.96	-	2.61	1.33

1.8.4 Management of cash balances

It is generally desirable that State's flow of resources should match its expenditure obligations. However, to take care of any temporary mismatches in the flow of resources and the expenditure obligations, a mechanism of Ways and Means Advances (WMA) and overdraft from Reserve Bank of India has been put in place. State has utilised 32 days as Ways and Means Advances facilities during 2004-05 as against 24 days in previous year. During the year 2004-05, the State Government has taken Rs. 86.13 crore as ways and means advances and repaid the same during the year.

Table 18: Ways and Means Advances and overdrafts of the State and interest paid thereon

	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Ways and Means Advance						
Taken in the year	43.28	336.75	128.82	62.80	86.13	131.56
Outstanding	Nil	76.29	Nil	Nil	Nil	15.86
Interest paid	0.89	15.37	33.68	0.06	0.11	10.02
Number of days	1	51	27	24	32	27
Overdraft						
Taken in the year	Nil	Nil	Nil	Nil	Nil	Nil
Outstanding	Nil	Nil	Nil	Nil	Nil	Nil
Interest paid	Nil	Nil	Nil	Nil	Nil	Nil
Number of days	Nil	Nil	Nil	Nil	Nil	Nil

1.8.5 Undischarged liabilities

Fiscal liabilities – public debt and guarantees: Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits as may from time to time be fixed by the Act of its Legislature. However, no such law has been passed by the State, to lay down any such limit. Table 19 below gives the fiscal

* High percentage was due to more receipt of interest on cash balance investment.

liabilities of the State, its rate of growth, ratio of these liabilities to GSDP, revenue receipts and own resources and the buoyancy of these liabilities with respect to these parameters.

Table 19: Fiscal Liabilities – Basic Parameters

	(value in Rupees in crore and ratios in per cent)					
	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Fiscal Liabilities*	2234	2666	3127	3578	4181	3157
Rate of Growth	21.24	19.35	17.31	14.40	16.86	17.83
Ratio of Fiscal Liabilities						
GSDP	49.40	53.90	57.10	59.73	63.69	56.76
Revenue Receipt	136.40	142.80	166.30	165.06	162.26	154.56
Own Resources	1014.90	1040.80	1109.70	919.19	1033.96	1017.71
Buoyancy of Fiscal Liabilities						
GSDP	2.380	2.083	1.619	1.524	1.758	1.873
Revenue Receipt	1.529	1.382	25.474	0.941	0.893	6.044
Own Resources	0.896	1.182	1.727	0.378	2.409	1.318

* Includes internal debt, loans and advances from GOI and other obligations.

Overall fiscal liabilities of the State increased from Rs. 2234 crore in 2000-01 to Rs. 4181 crore in 2004-05 on an average rate of 17.83 per cent during 2000-05. The ratio of these liabilities to GSDP also increased from 49.40 per cent in 2000-01 to 63.69 per cent in 2004-05. These liabilities stood at 1.62 times of its revenue receipts and 10.04 times of its own resources.

In addition to these liabilities, Government has guaranteed loans raised by various Corporations and others which stood at Rs. 40.18 crore at the end of 2004-05. The guarantees are in the nature of contingent liabilities. No law under Article 293 of the Constitution had been passed by the State Legislature laying down the maximum limit within which Government may give guarantees on the security of the Consolidated Fund of the State.

Fiscal liabilities had grown faster than the revenue receipts and own resources of the State. Average buoyancy of these liabilities with respect to GSDP was 1.873.

Fiscal liabilities are considered sustainable if the average interest paid on these liabilities is lower than the rate of growth of GSDP. However, in the case of Tripura, interest rate was higher than the GSDP growth resulting in negative interest spread in three out of five years (Table 20). This negative spread of interest may endanger debt sustainability.

Table 20: Debt sustainability – Interest Rate and GSDP Growth (in per cent)

	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Weighted Interest Rate	11.09	10.34	10.04	9.92	9.17	10.11
GSDP Growth	8.93	9.29	10.69	9.45	9.59	9.59
Interest spread	(-) 2.17	(-) 1.05	0.65	(-) 0.47	0.42	(-) 0.52

Another important indicator of the debt sustainability is the net availability of the borrowed funds after payment of principal and interest. Table 21 below gives the position of receipt and repayment of internal debt and other fiscal liabilities of the State over the last five years. The net funds available from the total receipts on account of public debt, loans and advances from Government of India and other debt receipts (including public account) declined from 28.21 per cent in 2000-01 to 19.05 per cent in 2004-05 at an average rate of 20.51

per cent during the period. This is due to increased interest payments and repayment of loans from borrowed funds.

Table 21: Net availability of borrowed funds

(Rupees in crore)

	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Internal debt						
Receipt	191.61	139.39	202.92	313.07	272.72	223.94
Repayment (Principal + Interest)	144.35	126.09	143.46	203.80	238.86	171.31
Net fund available	47.26	13.30	59.46	109.27	33.86	52.63
Net fund available (per cent)	24.66	9.54	29.30	34.90	12.42	22.16
Loans and advances from GOI						
Receipt	17.15	96.25	84.84	92.25	95.16	77.13
Repayment (Principal + Interest)	107.40	117.91	182.98	299.90	189.70	179.58
Net fund available	(-) 90.25	(-) 21.66	(-) 98.14	(-) 207.65	(-) 94.54	(-) 102.45
Net fund available (per cent)	-	-	-	-	-	-
Other obligations						
Receipt	616.47	546.01	766.58	752.48	903.85	717.08
Repayment (Principal + Interest)	340.66	367.92	480.84	536.30	600.85	465.31
Total liabilities						
Receipt	825.23	781.65	1054.34	1157.80	1271.73	1018.15
Payment	592.41	611.92	807.28	1040.00	1029.41	816.20
Net receipts	232.82	169.73	247.06	117.80	242.32	201.95
Net fund available (per cent)	28.21	21.71	23.43	10.17	19.05	20.51

1.9 Management of deficits

1.9.1 Fiscal imbalances: The deficit in Government accounts represents the gap between its receipts and expenditure. The nature of the deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources so raised are applied are important pointers to its fiscal health.

The fiscal deficit, represents the total borrowings of the Government and the total resource gap. In Tripura, the fiscal deficit were higher in four (2001-04) out of last five years period. During 2004-05, the fiscal deficit was Rs. 240.31 crore.

Table 22 given below shows the position of financial health of the State Government. The State had persistent fiscal deficit. The primary deficit of the State has decreased steeply from Rs. 219 crore in 2000-01 to Rs. 9 crore in 2003-04 and it stood at surplus of Rs. 116 crore in 2004-05. It indicates that interest payments were more than fiscal deficit. As proportion to the State's GSDP, the fiscal deficit had reached 3.66 per cent in 2004-05.

Table 22: Fiscal Imbalances – Basic Parameters

(value in Rupees in crore and ratios in per cent)

	2000-01	2001-02	2002-03	2003-04	2004-05	Average
Revenue deficit	(-) 96	*	(-) 81	*	*	(-) 0.35
Fiscal deficit	(-) 445	(-) 538	(-) 537	(-) 341	(-) 240	(-) 420
Primary deficit	(-) 219	(-) 285	(-) 246	(-) 9	116	(-) 129
RD/GSDP	(-) 2.12	-	(-) 1.47	(+) 1.74	6.01	0.78
FD/GSDP	(-) 9.84	(-) 10.88	(-) 9.81	(-) 22.39	(-) 3.66	(-) 11.32
PD/GSDP	(-) 4.84	(-) 5.76	(-) 4.50	(-) 0.15	1.76	(-) 2.70
RD/FD	21.56	-	15.08	-	-	7.33

(Negative figures indicate deficit)

* The years 2001-02, 2003-04 and 2004-05 registered a Revenue Surplus.

1.10 Fiscal ratios

The finances of a State should be sustainable, flexible and non-vulnerable. Table given below presents a summarised position of Government finances over 2000-2005 with reference to certain key indicators that help assess the adequacy and effectiveness of available resources and their applications, highlight areas of concern and capture its important facets.

Indicators of Fiscal Health (in per cent)

Fiscal Indicators	2000-01	2001-02	2002-03	2003-04	2004-05
I. Resource Mobilisation					
Revenue Receipt/GSDP	36.20	37.77	34.35	36.18	39.25
Revenue Buoyancy	1.556	1.507	0.064	1.619	1.969
Own tax/GSDP	2.78	3.21	3.35	3.70	3.65
II. Expenditure Management					
Total expenditure/GSDP	46.09	48.70	44.22	41.95	42.97
Revenue Receipt/Total Expenditure	78.56	77.55	77.68	86.26	91.34
Revenue Expenditure / Total Expenditure	83.16	75.29	81.02	82.10	77.36
Plan expenditure /Total expenditure	33.59	33.88	31.85	29.72	32.32
Capital Expenditure / Total expenditure	16.66	24.45	18.71	17.70	22.58
Development Expenditure / Total Expenditure	67.59	66.18	62.18	61.81	63.47
Buoyancy of TE with RR	1.472	1.106	0.752	0.251	0.649
Buoyancy of RE with RR	1.345	0.325	11.998	0.340	0.307
III. Management of Fiscal Imbalances					
Revenue deficit (Rs. in crore)	96	*	81	*	*
Fiscal deficit (Rs. in crore)	445	538	537	341	240
Primary deficit (Rs. in crore)	219	285	246	165.06	*
Revenue deficit/Fiscal deficit	21.57	*	15.08	0.941	*
IV. Management of Fiscal Liabilities (FL)					
Fiscal Liabilities/GSDP	49.40	53.90	57.10	59.73	63.69
Fiscal Liabilities / RR	136.40	142.80	166.30	165.06	162.26
Buoyancy of FL with RR	1.529	1.382	25.474	0.941	0.893
Buoyancy of FL with OR	0.896	1.182	1.727	0.378	2.409
Interest spread	-2.17	-1.05	0.65	(-) 0.47	0.43
Net fund available	28.21	21.71	23.43	10.17	19.05
V. Other Fiscal Health Indicators					
Returns on Investment	Nil	Nil	Nil	Nil	Nil
BCR (Rs. in crore)	(-) 448.41	(-) 607.83	(-) 529.15	(-) 406.56	(-) 478.06
Financial Assets / Liabilities	1.29	1.26	1.20	1.21	1.27

*Represents surplus

The ratio of own taxes to GSDP had shown continuous improvement during the period except 2004-05. The ratio of revenue receipts to GSDP and its buoyancy also was on a rising trend from 2001-02 to 2004-05 but the revenue buoyancy sharply declined in 2002-03. Various ratios relating to expenditure indicate quality of expenditure and sustainability in relation to resources. The total expenditure to GSDP was buoyant. The revenue expenditure is on the increasing trend over the five years 2000-05 and comprises 77 per cent of total

expenditure in 2004-05. The development expenditure to total expenditure was on a declining trend and its ratio has fallen significantly in the year 2003-04 over the previous year(s) though slightly increased in 2004-05. All these indicate State's increasing dependence on borrowings for meeting its revenue expenditure and inadequate expansion of its development activity. Fiscal deficit over last years indicates growing fiscal imbalances of the State. The primary deficit was on declining trend upto 2003-04 and there was a positive trend in 2004-05.

Increasing ratio of fiscal liabilities to GSDP on account of increasing interest payment (Rs. 332 crore to Rs. 355 crore) indicate that the State is gradually getting into a debt trap. Similarly the higher buoyancy of the debt both with regard to its revenue receipts and own resources indicate its increasing unsustainability. The average interest paid by the State on its borrowing during 2000-05 has also exceeded the rate of growth of its GSDP, violating the cardinal rule of debt sustainability. There has been a decline in net availability of funds from its borrowing due to larger portion of these funds being used for debt servicing. The State's return on investment was nil. The ratio of State's total financial assets to liabilities has also deteriorated indicating that increasingly greater part of liabilities are without any asset back up. The balance from current revenue of the State has also continued to be negative indicating continued dependence on borrowing for plan and development expenditure.

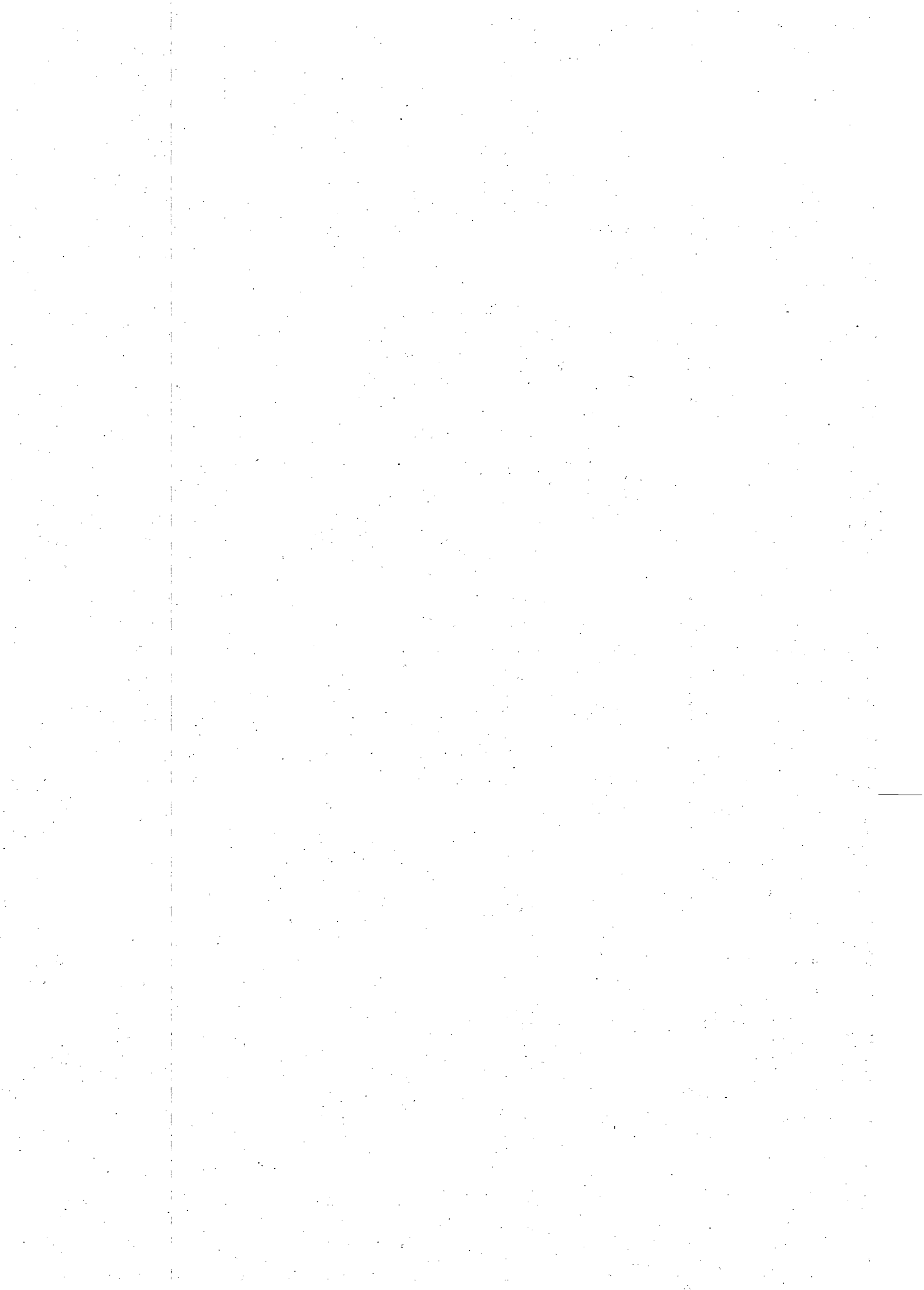
1.11 Impact of Government policies

The impact of the Government policies in various sectors depicts in **Appendix VII**. It would be seen that in Education sector, the number of Primary Schools decreased by 230 during 2004-05 compared to number of schools in 2003-04. On the other hand, the number of Senior/middle schools increased by 551 during the same period. No significant development was noticed in providing health care facilities in the State except establishment of one allopathic hospital in 2004-05. Infant mortality in the State decreased from 38 to 32 per thousand from 2003-04 to 2004-05. There was a declining trend in creation of irrigation potentiality during 2004-05, which had an adverse impact on production of crops in the State.

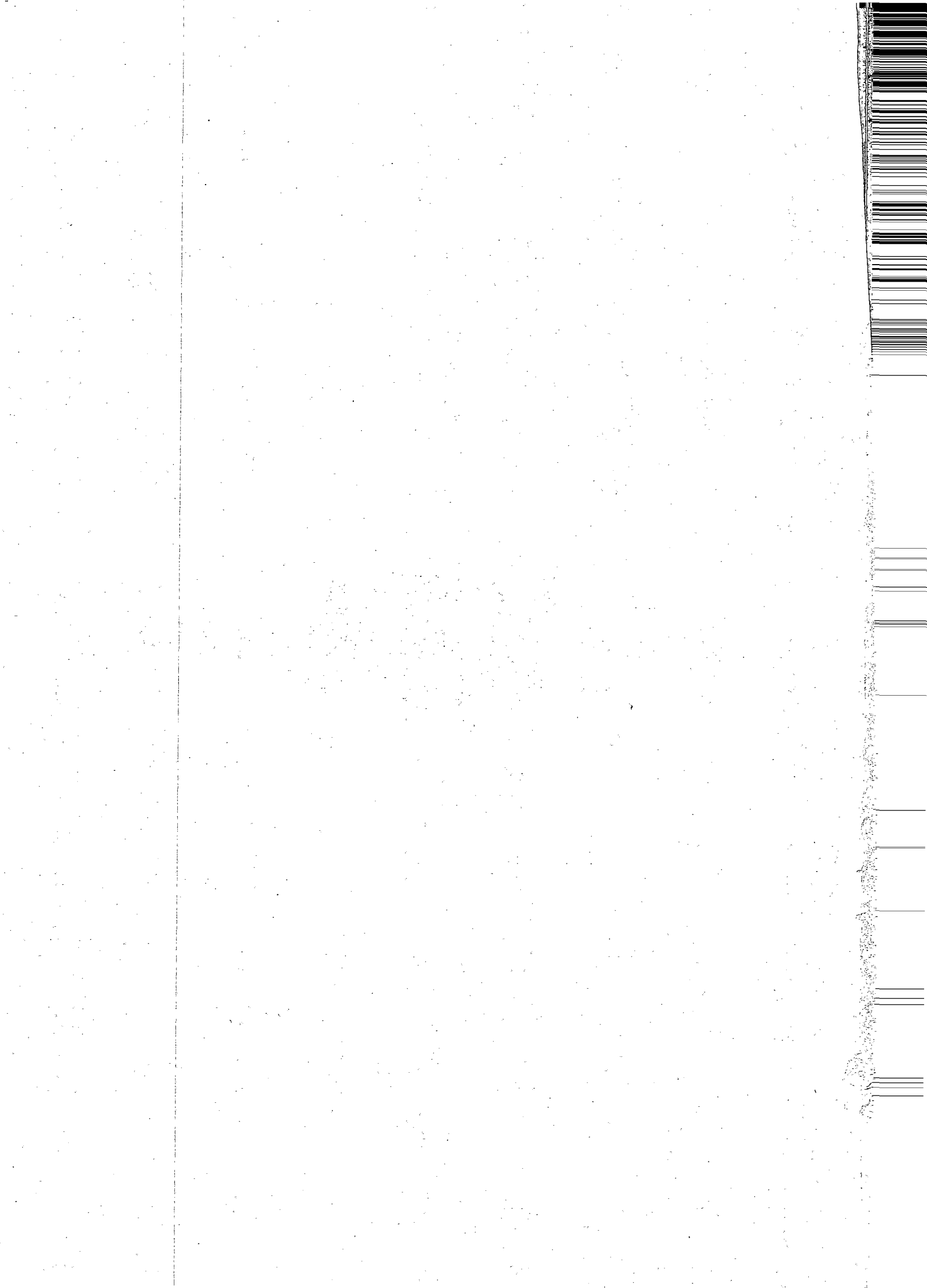
ANNEXURE

List of terms used in the Chapter I and basis for their calculation

Term	Basis for calculation
Buoyancy of a parameter	Rate of Growth of the parameter \div GSDP Growth
Buoyancy of a parameter (X) with respect to another parameter	Rate of Growth of the parameter (X) \div Rate of Growth of the parameter (Y)
Rate of Growth (ROG)	{(Current year Amount \div Previous year Amount) <i>minus</i> 1} * 100
Average	Trend of growth over a period of 5 years
Share shift/Shift rate of a parameter	Trend of percentage shares, over a period of 5 years, of the parameter in Revenue or Expenditure as the case may be
Development Expenditure	Social Services + Economic Services
Weighted Interest Rate (Average interest paid by the State)	Interest payment/ [(amount of previous year's Fiscal Liabilities + Current year's Fiscal Liabilities)/2]* 100
Interest spread	GSDP growth – Weighted Interest rates
Interest received as <i>per cent</i> to loans advanced	Interest received [(opening balance + closing balance of loans and advances)/2]* 100
Revenue deficit	Revenue receipt – revenue expenditure
Fiscal deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances – Revenue Receipts – Miscellaneous Capital Receipts
Primary deficit	Fiscal deficit – Interest payments
Balance from current revenue (BCR)	Revenue receipts <i>minus</i> plan grants and non-plan revenue expenditure excluding debits under 2048 – Appropriation for reduction or avoidance of debt.



CHAPTER II
ALLOCATIVE PRIORITIES AND
APPROPRIATION



CHAPTER II : ALLOCATIVE PRIORITIES AND APPROPRIATION

Introduction

2.1 In accordance with the provisions of Article 204 of the Constitution of India, soon after the grants under Article 203 are made by the State Legislature, an Appropriation Bill is introduced to provide for appropriation out of the Consolidated Fund of the State. The Appropriation Bill passed by the State Legislature contains authority to appropriate certain sums from the Consolidated Fund of the State for the specified services. Subsequently, supplementary or additional grants can also be sanctioned by subsequent Appropriation Acts in terms of Article 205 of the Constitution of India.

The Appropriation Act includes the expenditure which has been voted by the Legislature on various grants in terms of Articles 204 and 205 of the Constitution of India and also the expenditure which is required to be charged on the Consolidated Fund of the State. The Appropriation Accounts are prepared every year indicating the details of amounts on various specified services actually spent by the Government *vis-a-vis* those authorised by the Appropriation Act.

The objective of appropriation audit is to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

Summary of expenditure

2.2 The summarised position of actual expenditure during 2004-05 against 56 grants/appropriations is as follows:

Summary of Appropriation Accounts – 2004-2005

APPROPRIATION ACCOUNTS : 2004-05
Total number of grants : 56 Grants/Appropriations

Total provision and actual expenditure:

<i>(Rupees in crore)</i>			
Provision	Amount	Expenditure	Amount
Original	3410.33		3193.88
Supplementary	353.28		
Total gross provision	3763.61	Total gross expenditure	3193.88
<i>Deduct</i> -Estimated recoveries in reduction of expenditure	183.67	<i>Deduct</i> -Actual recoveries in reduction of expenditure	126.84
Total net provision	3579.94	Total net expenditure	3067.04

Voted and Charged provision and expenditure:*(Rupees in crore)*

	Provision		Expenditure	
	Voted	Charged	Voted	Charged
Revenue	2133.84	358.90	1933.91	360.82
Capital	1180.86	90.01	653.29	245.86
Total Gross	3314.70	448.91	2587.20	606.68
Deduct-recoveries in reduction of expenditure	183.00	-	126.84	-
Total : Net	3131.70	448.91	2460.36	606.68

Total provision and actual expenditure classified according to nature of expenditure:*(Rupees in crore)*

	Nature of expenditure	Original grant/ Appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving(-) Excess(+)
Voted	I.Revenue	2035.09	98.75	2133.84	1933.91	(-) 199.93
	II.Capital	942.40	236.23	1178.63	651.24	(-) 527.39
	III.Loans and Advances	2.23	-	2.23	2.05	(-) 0.18
Total Voted		2979.72	334.98	3314.70	2587.20	(-) 727.50
Charged	IV.Revenue	340.61	18.29	358.90	360.82	(+) 1.92
	V. Capital	-	-	-	-	-
	VI.Public Debt	90.00	0.01	90.01	245.86	(+) 155.85
Total Charged		430.61	18.30	448.91	606.68	(+) 157.77
Appropriation to Contingent Fund (if any)		-	-	-	-	-
Grand Total		3410.33	353.28	3763.61	3193.88	(-) 569.73

Excess over provision relating to previous years requiring regularisation

2.3 As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. The excess expenditure amounting to Rs. 775.89 crore for the years from 2001-02 to 2003-04 has not been regularized so far (September 2005).

(Rupees in crore)

Year	Number of grants	Number of Appropriation	Amount of excess	Amount for which explanations not furnished to PAC
2001-02	10	4	275.57	275.57
2002-03	6	4	266.77	266.77
2003-04	2	3	233.55	233.55
			Total	775.89

Fulfilment of Allocative Priorities

2.4 Appropriation by Allocative Priorities: The overall savings of Rs. 569.73 crore were the result of savings of Rs. 891.40 crore in 56 grants and appropriations, offset by excess of Rs. 321.67 crore in 11 grants and three

appropriations. Out of total savings of Rs. 891.40 crore, major savings of Rs. 635.27 crore (71 per cent) occurred in ten cases (nine grants) as mentioned below.

Grant No.	Grant			Actual expenditure	Saving
	Original	Supplementary	Total		
	(Rupees in crore)				
	Revenue - Voted				
13	PW (Roads and Bridges) Department				
	112.18	0.18	112.36	67.42	44.94
43	Finance Department				
	290.81	Nil	290.81	222.22	68.59
	Capital - Voted				
6	Revenue Department				
	7.44	34.86	42.30	7.53	34.77
14	Power Department				
	140.62	27.42	168.04	118.18	49.86
19	Tribal Welfare Department				
	68.95	48.78	117.73	55.03	62.70
20	Welfare of SC Department				
	26.23	13.01	39.24	15.48	23.76
21	Food and Civil Supplies Department				
	53.30	1.33	54.63	12.27	42.36
34	Planning and Co-ordination Department				
	18.95	25.00	43.95	12.20	31.75
42	Education (Sports and Youth Programme) Department				
	1.14	16.65	17.79	0.04	17.75
43	Finance Department				
	260.72	Nil	260.72	1.93	258.79
Total	980.34	167.23	1147.57	512.30	635.27

Reasons for final savings of the above ten cases (nine grants) have not been intimated by the departments (September 2005).

Areas in which major savings occurred in these ten cases (nine grants) are given in the **Appendix VIII**.

Supplementary provision of Rs.172.53 crore made during the year in 41 cases proved unnecessary or excessive in view of aggregate savings of Rs. 393.04 crore in these cases as detailed in **Appendix IX**.

In 12 cases, against additional requirement of Rs. 33.05 crore, supplementary grants of Rs. 125.86 crore were obtained resulting in savings of Rs.10 lakh and above in each case, aggregating Rs.92.80 crore. Details of these cases are given in **Appendix X**.

The excess of Rs. 321.67 crore in 11 grants and three appropriations during 2004-05 requires regularisation under Article 205 of the Constitution. Details of these are given in **Appendix XI**.

In 50 cases, saving was more than Rs. 10 lakh and above in each case and also over 10 per cent of the total provision as indicated in **Appendix XII**.

In 15 cases, there were persistent savings in excess of Rs. 10 lakh in each case and 10 *per cent* of the total provision during last three years ending 2004-05 as detailed in **Appendix XIII**.

In four cases, expenditure exceeded the approved provisions by more than Rs. 50 lakh and also by more than 10 *per cent* of the total provision. Details are given in **Appendix XIV**.

Excessive/unnecessary re-appropriation of funds

2.5 Re-appropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated to another unit where additional funds are needed. Significant cases where injudicious re-appropriation of funds proved excessive or resulted in savings by over Rs. 25 lakh in each case under 34 grants and appropriations are indicated in **Appendix XV**.

Expenditure without provision

2.6 As envisaged in the Budget Manual, expenditure should not be incurred on a scheme /service without provision of funds thereof. It was noticed that expenditure of Rs. 149.22 crore was incurred in four cases under three grants/appropriations as detailed in **Appendix XVI**, although no budget provisions were made in the original estimates/supplementary demands, and no re-appropriation orders were issued.

Anticipated savings not surrendered

2.7 According to Financial Rules, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the year 2004-05, there were 59 cases in which savings amounting to Rs. 378.52 crore had not been surrendered. In 52 cases out of 59, the available savings of Rs. 50 lakh and above in each case were not surrendered. Details are given in **Appendix XVII**.

Surrender in excess of actual savings

2.8 The amount surrendered in excess of actual savings indicates inadequate budgetary control. As against the total amount of actual savings of Rs.65.73 crore in six cases, the amount surrendered was Rs.101.43 crore, resulting in excess surrender of Rs. 35.70 crore. Details are given in **Appendix XVIII**.

Trend of recoveries and credits

2.9 Under the system of gross budgeting followed by the Government, the demands for grants presented to the Legislature are for gross expenditure and exclude all credits and recoveries which are adjusted in the accounts as reduction of expenditure. The anticipated recoveries and credits are shown separately in the budget estimate.

In seven grants/appropriations, the actual recoveries of Rs.126.84 crore (Revenue: Rs.112.10 crore; Capital: Rs.14.74 crore) were made against the estimated recoveries of Rs.183.67 crore (Revenue: Rs.161.67 crore; Capital:

Rs. 22.00 crore) which were less by Rs. 56.83 crore. The details are given in **Appendix** to the Appropriation Accounts 2004-05.

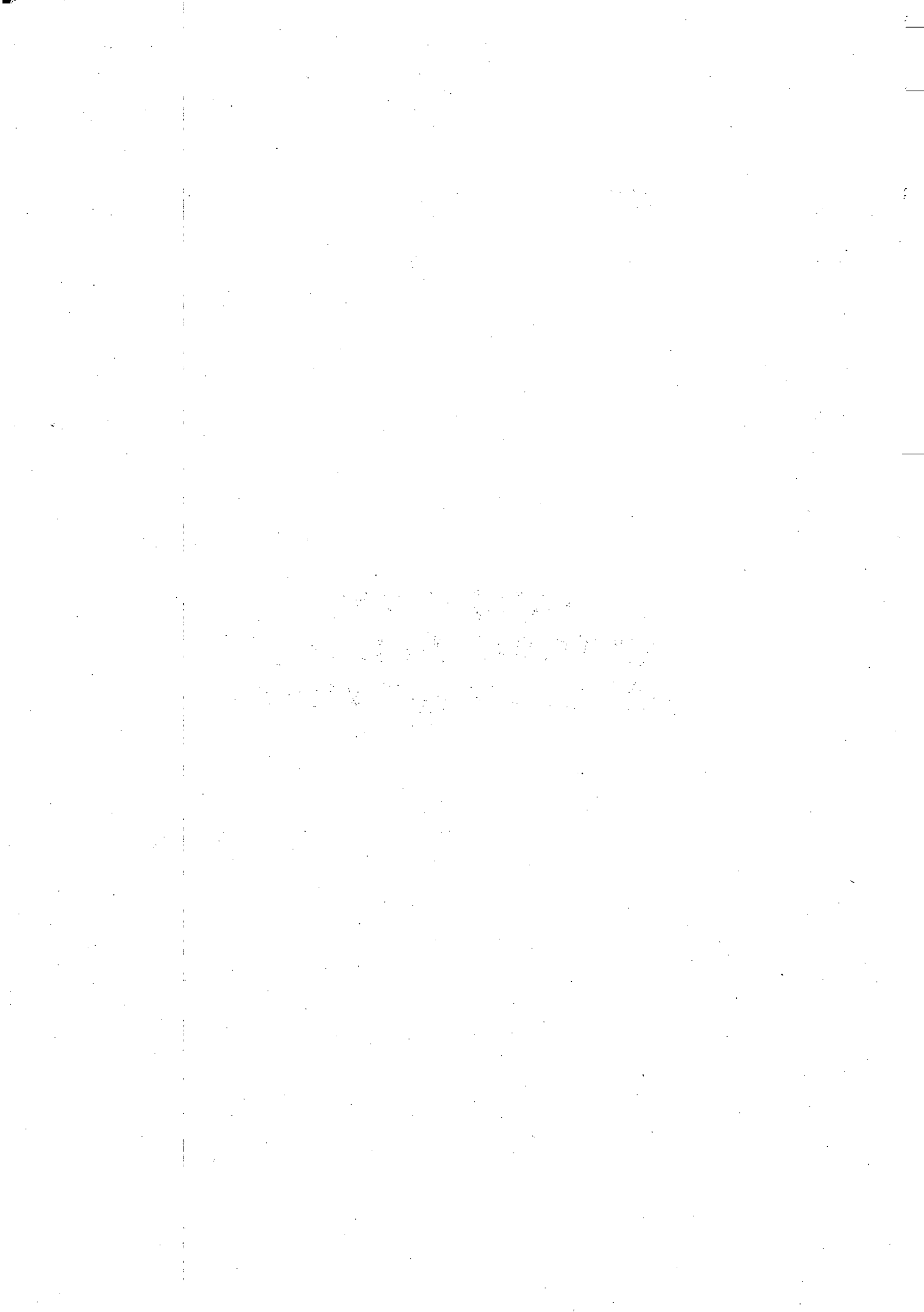
Unreconciled expenditure

2.10 Financial rules require that the Departmental Controlling Officers should reconcile periodically the departmental figures of expenditure with those booked by the Accountant General (Accounts and Entitlement). Out of 61 Controlling Officers, two Controlling Officers (Secretary, Printing and Stationery and Secretary, Revenue Department) carried out partial reconciliation of expenditure amounting to Rs. 635.73 lakh (Printing and Stationery: Rs. 12.83 lakh; Revenue: Rs. 622.90 lakh) pertaining to the year 2004-05.

Rush of expenditure

2.11 The Financial Rules require that Government expenditure be evenly phased out throughout the year as far as practicable. Rush of expenditure at the close of the year can lead to infructuous, nugatory or ill-planned expenditure. In 35 cases, the expenditure in March 2005 was found to have been 20 *per cent* and above of the total expenditure for the year. Details are given in **Appendix XIX**.

CHAPTER III
PERFORMANCE AUDIT
(CIVIL DEPARTMENTS)



Audit objectives

3.1.3 Performance audit was conducted to ascertain whether:

- ◆ the scheme for providing connectivity to unconnected habitations and upgradation of existing roads in rural areas have been carried out efficiently,
- ◆ the quantum of work involved in construction of road was assessed for covering the unconnected eligible habitations (population wise) and upgradation of existing roads (fair weather roads) to fulfill the objectives,
- ◆ the policy formulated was based on realistic data and targets set were achievable,
- ◆ the assessment was made on annual capacity of the State depending on availability of manpower and materials,
- ◆ the criteria for inclusion and prioritization for upgradation of existing rural roads was well defined,
- ◆ technical and skilled manpower available was adequate for exercising effective control over project implementation,
- ◆ bottlenecks hampered the efficient and effective execution of works, and
- ◆ the monitoring system was qualitatively adequate and effective to achieve the desired objectives.

Audit criteria

3.1.4 The following audit criteria have been followed in conducting the performance audit:

- ▣ reliability and accuracy of data available on unconnected habitations ,
- ▣ proper estimation of road length and cost of construction,
- ▣ adequacy of planning for mobilization of additional funds, skilled manpower and materials,
- ▣ utilisation of funds,
- ▣ proper tendering process and timely completion of works and projects,
- ▣ adherence to the prescribed norms and quality parameters, and,
- ▣ follow-up actions taken against defaulting contractors.

Audit methodology

3.1.5 Entry conference was held in January 2005 with Chief Engineer (R&B) PWD and Superintending Engineer (ex cadre) Planning Circle when theme-wise objectives and sub-objectives were handed over and discussed in brief. The Chief Engineer assured co-operation of the department and issued necessary instructions to all the functionaries concerned.

Exit conference was held in March 2005 with the Chief Engineer (R&B) PWD where SE (ex cadre) Planning Circle and Executive Engineer (Planning) were also present.

Programme implementation

Planning

3.1.6 According to the guidelines (December 2000) the objective of the programme was to provide connectivity through all weather roads to all rural unconnected habitations having a population above 1000 in three years (2000-2003). The revised guidelines (January 2003) further provide that all unconnected habitations with a population of 500 and above should be covered by the end of the Tenth Plan i.e. 2007 (for North East and Tribal areas the objective would be to connect habitations having population of 250 and above).

According to core network survey (December 2000) and information furnished by Rural Development Department to Government of India, the department identified 3,803 unconnected habitations. Against this, the department targeted 2,091 eligible habitations to be covered under PMGSY involving road works of 2,980 km length. Based on this information, values of the proposals (Rs. 24.75 crore) for 194 works (511.99 km) under Phase I and (Rs. 51.85 crore) for 54 works (206.07 km) under Phase II were cleared by Government of India.

Scrutiny of the records of the Chief Engineer, Agartala revealed that information on unconnected habitations (3,803) furnished by RD Department to Government of India earlier was provisional. After compilation and verification by Centre for Development of Advanced Computing (C-DAC) in August 2004, the number of eligible unconnected rural habitations actually identified was 3,684 of which 1,917 eligible habitations (52 per cent) were targeted for connection through good all weather roads by 2007. (Appendix XX gives the details of achievements as of March 2005).

Out of 106 road works (278.48 km) sanctioned by Government of India under Phase I and II of the programme for new connectivity, only 10 road works (35 km) were allocated for North Tripura district. Of these, six works (5 km) were completed providing connectivity to 11 habitations only (3.72 per cent) against 296 identified unconnected habitations, under Phase I of the programme as of March 2005 as reported by Chief Engineer (R&B), PWD. Thus, North Tripura district was least benefited in terms of rural connectivity through launching of PMGSY in December 2000. According to the Online Management and Monitoring Service (OMMS) report, habitations covered by new connectivity including ongoing works were shown as 31.

CHAPTER III: PERFORMANCE AUDIT (CIVIL DEPARTMENTS)

PUBLIC WORKS DEPARTMENT

3.1 Pradhan Mantri Gram Sadak Yojana

Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched in December 2000 by the Government of India, for country wide implementation with the objective of providing road connectivity through all weather roads to all unconnected habitations having a population of above 1000 by the year 2003 and those having population between 500-999 (250-999 for NE states except Assam) by the year 2007. The desired objective could not be achieved in Tripura due to defective planning, giving more emphasis to inadmissible habitations, selection of roads in inaccessible and insurgency prone areas and delay in finalisation of tenders.

Highlights

While Rs. 24.75 crore released by Government of India were fully spent on BMS works during Phase I, the department could spend Rs. 22.76 crore only (44 per cent) as of March 2005 against the release of Rs. 51.85 crore during Phase II of the programme (2001-2003). The balance of Rs. 29.09 crore remained unutilised due to slow progress of works.

(Paragraph 3.1.9)

Against 1,917 identified unconnected habitations having population of 250 and above, the department targeted 402 habitations (21 per cent) to be covered by March 2005 of which 204 only were covered as of March 2005 indicating shortfall of 49 per cent with reference to targets. The shortfall in achievement of targets was 73 per cent in case of habitations having population of 1000 and above.

(Paragraph 3.1.10)

The department had spent Rs. 17.48 crore (37 per cent of total expenditure) on providing connectivity to 269 habitations having population less than 250 during 2000-05 in violation of the programme guidelines.

(Paragraph 3.1.10)

Rupees 3.30 crore, being excess over estimated cost on 41 works, were irregularly charged to PMGSY instead of being borne by the State Government.

(Paragraph 3.1.10)

For six Basic Minimum Services (BMS) works under Phase I of the programme, Rs. 43.39 lakh were obtained from Government of India in

excess by reporting requirement of funds of Rs. 69 lakh against the actual requirement of Rs. 25.61 lakh.

(Paragraph 3.1.11)

Against the release of funds of Rs. 28 lakh by Government of India on two road works (2.5 km each) under Phase I, expenditure of Rs. 38.10 lakh was charged to PMGSY. The works though not executed were reported to have been completed in January and March 2002 and the funds were diverted to State plan works.

(Paragraph 3.1.12)

Rupees 80.68 lakh spent on 10 BMS works, completed prior to launching of PMGSY, were charged irregularly to PMGSY by three programme implementation units. Also, an unspent amount of Rs. 6.14 lakh on three BMS works was also diverted to State plan works by Teliamura Division.

(Paragraph 3.1.13)

Introduction

3.1.1 The Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched by the Government of India as a cent *per cent* centrally sponsored scheme in December 2000 to assist the State Government in providing road connectivity through good all weather roads to all unconnected habitations having a population of 1000 and above by the year 2003 and every habitation having population between 500-999 (for North East and Tribal areas habitations with population of 250 and above) by the year 2007.

The programme was modified in January 2003 and November 2004. All ongoing works under erstwhile Basic Minimum Service (BMS) were to form a part of PMGSY work during 2000-01.

The Commissioner and Secretary of Public Works Department is responsible for implementation of the PMGSY in the State. He is assisted by the Chief Engineer (R&B), five Superintending Engineers (SEs) and 13 Executive Engineers. Government formed Tripura Rural Roads Development Agency (TRRDA), a body registered under the Cooperative Societies Act, 1860 in August 2003 to oversee and monitor the progress of works. The Chief Engineer (R&B) is the empowered officer of the TRRDA. The executing Public Works Divisions are the programme implementation units (PIUs).

Scope of Audit

3.1.2 The implementation of the programme for the period from 2000-05 was audited between January and August 2005. Records of Chief Engineer (R&B), PWD and TRRDA, all the four District Rural Development Agencies (DRDAs) and five Programme Implementation Units* (PIU) (out of 13) in two districts were test checked covering an expenditure of Rs. 21.62 crore (46 *per cent*) out of the total expenditure of Rs. 47.51 crore. The results of the performance audit are discussed in the succeeding paragraphs.

* Tripura West: Agartala IV, Teliamura and Sonamura,
Dhalai: Ambassa and Kumarghat.

It was further noticed that the department delayed preparation of project proposals for Phase III and IV and submitted the proposals to Government of India only in January 2005. This was poor planning on the part of the department, and as a result, the State Government failed to obtain funds for the scheme.

Handing over of works

3.1.7 It was seen in audit that works in respect of eight roads under Phase II were handed over to National Building Construction Corporation (NBCC) for execution and Rs. 5.73 crore were placed with NBCC in November 2004 for this purpose.

In a meeting held in October 2004, chaired by the Joint Secretary (RC), Ministry of Rural Development (MoRD) where representatives from Ministry of Defence, Border Road Organisation (BRO) and Government of Tripura were present, it was decided that all the road works under PMGSY in Dhalai district would be handed over to BRO as the State Government found it difficult to get suitable civilian executing agencies to work in a certain part of the State. Formal approval of the MoRD was awaited (March 2005).

Delay in finalisation of tenders

3.1.8 According to PMGSY guidelines of January 2003 tenders were to be finalised within 120 days from the date of approval of projects. In Phase I, delay in finalisation of tenders ranged from three to six months in 18 cases (cost: Rs. 2.35 crore) and over six months in 49 cases (cost: Rs. 6.72 crore). In Phase II, delay was over six months in 54 cases (cost: Rs. 33.44 crore).

In district Dhalai test check revealed that delay in finalisation of tenders ranged from three to six months in three cases (cost: Rs. 73.27 lakh) and over six months in 35 cases (cost: Rs. 7.83 crore). Similarly in Tripura West delay ranged from three to six months in five cases (cost: Rs. 45.63 lakh) and over six months in 26 cases (cost: Rs. 8.08 crore).

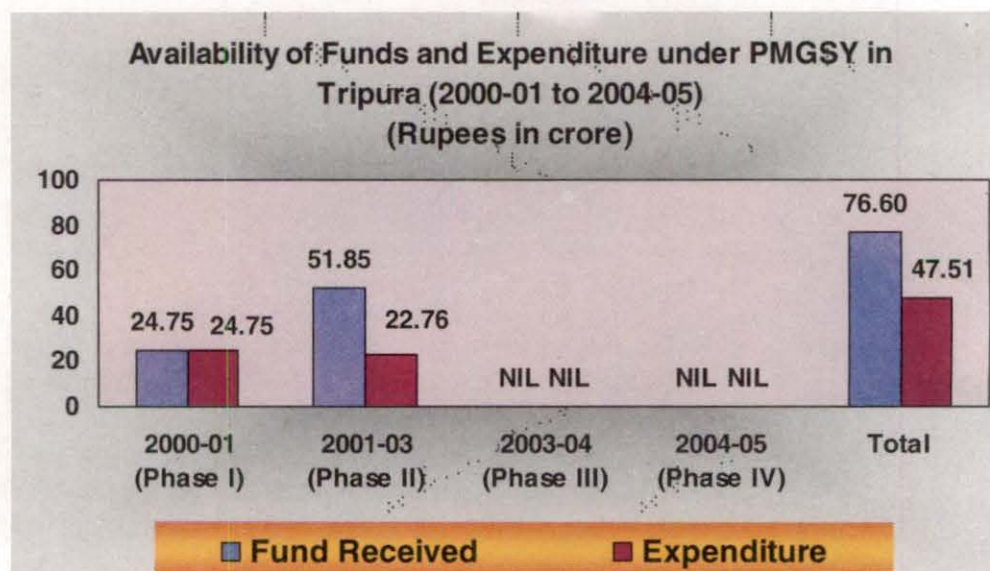
Delay was attributed, by PIU Ambassa, to non-response to call of tender, rejection of tenders due to high rate quoted by the tenderers, and acceptance of tenders after recall. In four cases tenders could not be finalised even after 13th call as there was no response from contractors.

Financial arrangements

3.1.9 The PMGSY is a cent *per cent* centrally sponsored scheme. Till the formation of TRRDA, funds were released by the GOI directly to all the four DRDAs in the State. DRDAs in turn placed the funds with the PIUs as per their requirements. Later the funds were required to be released by Government of India directly to TRRDA after its formation in August 2003. No funds were, however, released to TRRDA. The unspent balance lying with DRDA, was also to be transferred to TRRDA. Interest earned on the deposits was to form part of the PMGSY fund. The PIUs implemented the programme as deposit work on receipt of funds.

The phase-wise funds released by Government of India and expenditure incurred thereagainst were as below:

Chart 3.1



Source: The information furnished by PWD (R&B)

The above chart indicates that while Rs. 24.75 crore released were fully spent during Phase I, the department could only spend Rs. 22.76 crore (44 per cent) as of March 2005 against the release of Rs. 51.85 crore by Government of India during Phase II of the programme (2001-2003). The balance of Rs. 29.09 crore remained unutilized due to slow progress of works undertaken by the department.

In addition, Rs. 4.43 crore were spent on construction of 20 roads under PMGSY which did not connect any habitation (Rs. 2.24 crore met from the State fund). The Chief Engineer (R&B) stated (March 2005) that expenditure incurred was mainly on culverts under BMS work. The reply is not acceptable as it was noticed that Rs. 65.64 lakh were spent on six road works* (according to OMMS data for the entire State) which did not benefit any habitation.

During Phases III & IV in 2003-04 and 2004-05 respectively no proposals were sanctioned and therefore no funds were released. The project proposals for Phase III (Rs. 59.06 crore) and Phase IV (Rs. 39.15 crore) of the programme were submitted to Government of India only in January 2005, approval for which were awaited (August 2005).

Interest of Rs. 17.07 lakh accrued on PMGSY fund was not transferred by the DRDA, North Tripura district violating the PMGSY Guidelines. On the basis of the instruction issued by Finance Department (December 2003) three DRDAs (West, South and Dhalai districts) deposited unutilized funds of Rs. 43.99 crore in Government account between January and March 2004

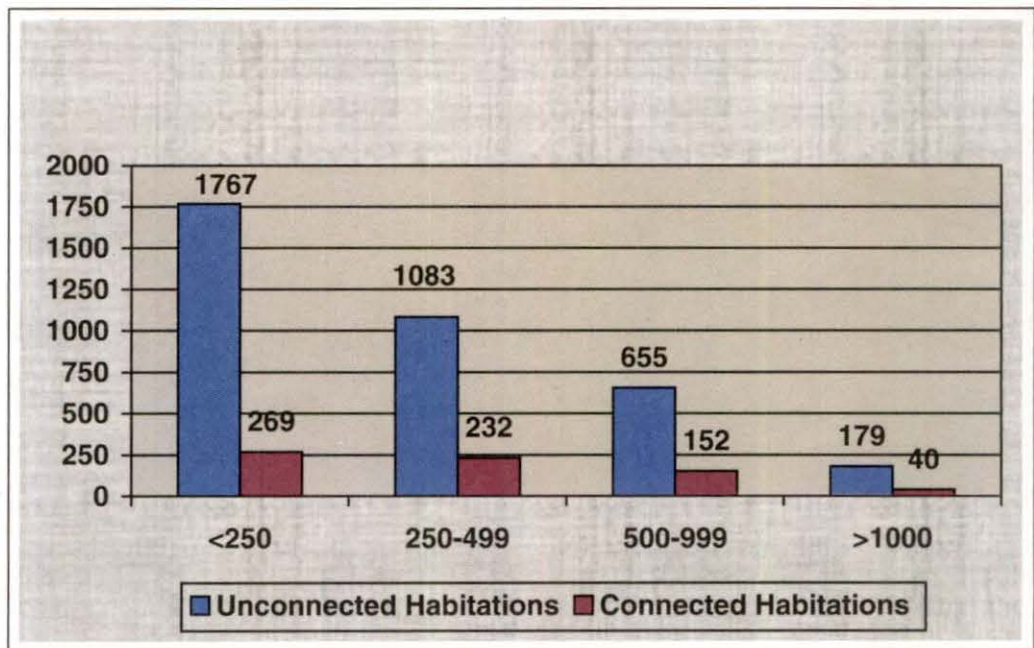
* (i) Dewanbari to Kimacharan Talukdar Para (NC), (ii) Bhagaban Nagar to Dephacheera (UG), (iii) K.K.Road to K.K.Road via Khashtilla (NC), (iv) Kathalia Barapathari (UG), (v) Taibandal Thalibari (UG) (Gr.I), (vi) Kathalia Barapathari (UG).

instead of transferring the funds to the TRRDA. However, the funds were withdrawn from Government account by the DRDAs between March and April 2004 and transferred to TRRDA. As a result, TRRDA lost interest of Rs. 22.60* lakh; due to utilisation of PMGSY fund by Government for 80 days.

Physical targets and achievements

3.1.10 Number of identified unconnected habitations at the launch of PMGSY in December 2000 and number of habitations connected (by providing new connectivity or upgrading existing road) as on 31 March 2005 in Tripura are shown in the bar chart. District-wise targets fixed for connecting habitations and achievement thereagainst as of March 2005 are shown in **Appendix XX**.

Chart No. 3.2



Against 1,917 identified unconnected habitations having population of 250 and above, the department targeted 402 habitations (21 per cent) to be covered by March 2005 of which 204 only were covered as of March 2005 indicating shortfall of 49 per cent with reference to targets.

The shortfall in achievement of targets was 73 per cent in case of habitations having population of 1000 and above.

The Government had fixed a very low target of only 74 habitations with a population of over 1,000 to be connected out of a total of 179 such habitations. Against this low target of 74, only 20 habitations could be connected.

* (i) Rs. 1905.00 lakh X 3.5% X 20 days =	Rs. 3.65 lakh
(ii) Rs. 689.88 lakh X 3.5% X 80 days =	Rs. 5.29 lakh
(iii) Rs. 776.70 lakh X 3.5 % X 79 days=	Rs. 5.88 lakh
(iv) Rs. 1027.08 lakh X 3.5 % X 79 days=	Rs. 7.78 lakh
Total =	Rs. 22.60 lakh

This again reflects poor understanding of the scheme (PMGSY) and defective planning by the Government as one of the objectives of the PMGSY was to connect all rural unconnected habitations with a population of over a thousand by 2003.

The Chief Engineer (R&B) gave (March 2005) the following reasons for shortfall in completion of the works.

- roads covered under Phase II were mainly in inaccessible and insurgency prone areas causing difficulty in mobilizing manpower and machinery,
- some identified roads required acquisition of land from private owners. The poor people in the villages who had small plots of land did not want to donate land,
- delay in finalisation of tenders, and,
- in some cases while road works were initially undertaken, all the bridges and culverts falling enroute were not mapped and included because of guideline restrictions on span of bridges. As a result roads completed in stretches could not be declared through as the bridges and culverts were yet to be sanctioned.

A survey may be undertaken by the Chief Engineer (R& B) to identify the road works which can be executed considering factors like availability of land, inaccessible and insurgency prone areas of the State, etc.

The Chief Engineer further stated that the balance uncovered habitations of above 1000 population would be covered by 2007. The reply was not convincing as the department actually covered 20 habitations (11 *per cent*) with reference to total unconnected habitations in respect of providing new connectivity during 2000-05 and the pace was too slow to successfully attain the goal within next two years.

The PMGSY guidelines do not permit connectivity of habitation having population less than 250. Against the target of 402 habitations having population of 250 and above, the department executed road works connecting 269 habitations (New connectivity: 146; Upgradation: 123) all of which had population less than 250 individually between 2000-2001 and 2004-2005 at a total cost of Rs. 17.48 crore (37 *per cent* of total expenditure). Details are given in Appendix XX. Thus, 67 *per cent* of the habitations, accounting for more than 36 *per cent* of the expenditure, selected for the programme were in violation of the criterion provided for in the PMGSY guidelines.

The State Government may take up the matter with Government of India for modifying the PMGSY Guidelines for accommodating the typical conditions prevailing in the State.

The Chief Engineer (R&B) stated (March 2005) that the habitations of less than 250 populations were basically covered under BMS programme which were sanctioned prior to launching of PMGSY for which there was no priority

criteria under BMS. Large number of villages fell enroute from the starting point to the end point of the roads while connecting habitations having population of 1000 and above. This may be one of the reasons for covering habitation of less than 250 population.

The contention was not tenable as four works connecting twelve habitations of less than 250 population were executed under Phase II of the programme. Moreover, target was fixed to connect 229 habitations having population less than 250 according to the project profile prepared by the department.

The number of works sanctioned, taken up for execution and physical progress thereagainst during the period 2000-05 are as under:

Table No. 3.1

(Length in Kilometres)

Phases	Number of works sanctioned				Physical progress of works							
	New connectivity		Upgradation		Works completed				On going works			
	New connectivity		Upgradation		New connectivity		Upgradation		New connectivity		Upgradation	
	No.	Length	No.	Length	No.	Length	No.	Length	No.	Length	No.	Length
Phase I (2000-01)	58	92.21	136	419.78	58	92.21	136	419.78	-	-	-	-
Phase II (2001-03)	48	186.27	6	19.80	6	19.86	-	-	40	157.14	6	19.80
Total	106	278.48	142	439.58	64	112.07	136	419.78	40	157.14	6	19.80

Source: OMMS Report on Phase I and Phase II works of PMGSY.

Out of the 48 roads (under new connectivity) approved for phase II of the programme, Government of India later deleted (December 2004), two roads works[¶] involving a length of nine kilometres (cost: Rs 2.48 crore) as the State Government could not make land available for these.

The details of district-wise works sanctioned and achievement thereagainst are shown in Appendix XXI.

All the works selected for Phase I (2000-01) were nothing but the 194 ongoing works of erstwhile Basic Minimum Service (New connectivity 58 and upgradation 136) involving a total length of 511.99 kms. Out of these, 13 works did not qualify in terms of the criteria laid down for their selection. The works were taken up and completed between January 2002 and August 2004 at a cost of Rs. 30.06 crore though these were due for completion by March 2002. In phase II, against 46 new works, only six works had been completed (March 2005) at a cost of Rs. 4.56 crore and 40 works were reported in progress.

According to the PMGSY guidelines, if tendered value exceeds the estimated cost cleared by the Ministry, the difference (tendered premium) should be borne by the State Government. It was noticed that in 41 works at Ambassa, Kumarghat, Sonamura and Teliamura funds for tendered premium were not borne by the State Government. Instead, the total amount of Rs. 3.30 crore

[¶] Uttarpara to Kamalnagar (2 km), Langthrik to NEC road via Damdial (7 km).

was directly charged to PMGSY fund by the PIUs in violation of the guidelines. The reason for charging the tendered premium to PMGSY fund was reportedly due to non release of its share by the State Government.

A system should be put in place to provide funds by the State Government to TRRDA to avoid charging PMGSY fund on account of tendered premium.

Records of the Ambassa, Kumarghat, Teliamura and Sonamura Divisions indicated that Income Tax and Tripura Sales Tax of Rs. 14.30 lakh and Rs. 13.94 lakh respectively, though recovered from the contractor's bill between March 2004 and March 2005, were not paid to the respective tax authorities, reportedly due to non-intimation of the names of the Statutory Authorities to the Bank by the Empowered Officer.

The empowered officer stated (March 2005) that the names of the Statutory Authorities had already been intimated to the Bank. But remittance on this account was still awaited (May 2005).

Misreporting to Government of India

3.1.11 For construction of road Ramnagar to Durlavnarayan, funds of Rs. 34 lakh were obtained from Government of India showing the estimated cost of Rs. 46.53 lakh under Phase I of the programme. During test check of records of Agartala Division IV, it was noticed that the work was executed as upgradation (improvement of road) and the estimated cost of the work actually was Rs. 14.98 lakh. Thus, there was misreporting to Government of India regarding requirement of funds. However, it was noticed that the work was completed in October 2002 at a total cost of Rs. 25.15 lakh.

In respect of five BMS works, against the actual completion of works between April 1998 and February 2001 (April 1998, March 2000 (two works), April 2000 and February 2001), the date of completion was reported to Government of India as January 2002. Funds of Rs. 35 lakh was obtained from Government of India under Phase I against actual requirement (liabilities) of Rs. 10.63 lakh.

Thus, funds of Rs. 43.39 lakh was obtained from Government of India in excess of actual requirement through misreporting in these six cases test checked.

In respect of another six cases, the works were reported as completed in January 2002 (four works) and August 2004 (two works) though these were actually in progress at the time of reporting. It was noticed in audit that two works were still in progress (August 2005).

Non-execution of road works

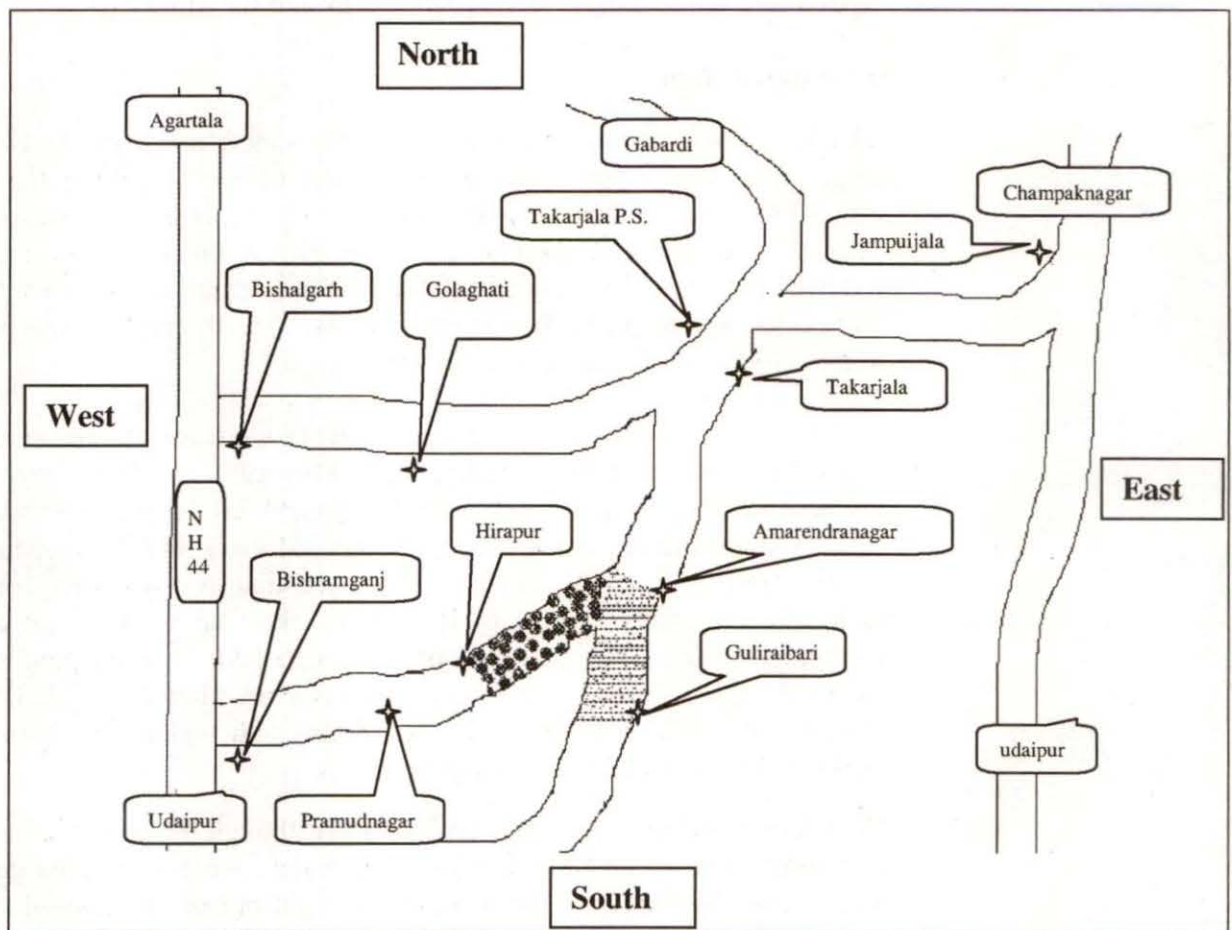
3.1.12 Rupees 16 lakh was sanctioned by Government of India for the road work "Amarendranagar to Guliraibari" (2.5 km) under Phase I of the programme. The Executive Engineer, Agartala Division IV reported (February

2005) that the work was completed in April 2001 at a total cost of Rs. 26.10 lakh. But in the Online Management and Monitoring Service (OMMS) report, the completion of the road was shown as January 2002.

Test check of the PIU, Agartala Division IV revealed that an agreement was entered into (June 2000) with contractor 'A' for the road work "Amarendranagar to Hirapur" instead of the work "Amarendranagar to Guliraibari". The location of the two roads is shown in a rough sketch below:

The contractor was paid Rs. 26.10 lakh in March 2002, but the expenditure was charged to PMGSY by showing the road work "Amarendranagar to Guliraibari" as completed.

Sketch (not to scale)



The Sub-divisional Officer (PWD), Takarjala reported (July and August 2005) that work was not done on Amarendranagar to Guliraibari road. The PIU stated that the road work on Amarendranagar to Hirapur road was taken up considering the deteriorated conditions of the road and *ex-post-facto* approval would be obtained.

The reply is not tenable as execution of work without approval from Government of India and misreporting to the effect that the work was completed was irregular.

In another work for improvement of road from Jampuijala to Gurupada Colony (2.5 km), Rs. 12 lakh were released by Government of India under Phase I (2000-01) of the programme. The road was also shown as completed in January 2002 according to OMMS report.

Test check revealed that the work was awarded to contractor 'B' in December 1997 at a tendered value of Rs. 17.92 lakh. The work was subsequently terminated (August 2000) by the Executive Engineer forfeiting the amount of security deposit as the contractor failed to start the work in spite of several reminders. The Sub-divisional Officer (PWD), Takarjala accordingly reported (July 2005) that practically no work was done on the road. But the PIU (Executive Engineer) irregularly charged the expenditure of Rs. 12 lakh to PMGSY through transfer entry in March 2002. The reasons for booking the expenditure without execution of work were not stated by PIU.

Diversion of funds

3.1.13 According to the guidelines all works sanctioned under erstwhile BMS programme, which could not be completed before launching the PMGSY, would be taken up under this programme during 2000-2001. Records of the PIUs, Ambassa and Kailasahar indicated that seven works were completed under BMS before launching PMGSY (Ambassa: one work of Rs. 5.32 lakh; Kailasahar: six works of Rs. 51.66 lakh) but the expenditure was irregularly charged to PMGSY fund in March 2002.

In Teliamura Division, three works under BMS were constructed at a total cost of Rs. 23.70 lakh and completed between May 1988 and November 1997 and payment to the contractor was made between April 1989 and February 1998 but the expenditure was irregularly charged to PMGSY in March 2002 through transfer entry. It was further noticed that in other three road works, against the release of funds of Rs. 42.30 lakh, the works were completed during 2001-2002 at a total cost of Rs. 36.16 lakh. The unspent amount of Rs. 6.14 lakh was diverted by the Division to other State plan works by charging to PMGSY funds. Thus, Rs. 80.68 lakh was diverted on 10 BMS works and Rs. 6.14 lakh on State plan works.

The Chief Engineer stated (March 2005) that though the construction of roads was completed under BMS but some payments were due to be paid to the contractors. Subsequently the amount was paid out of the amount sanctioned by the Government of India under Phase I of PMGSY.

The reply is not acceptable as funds of Rs. 77.60 lakh were obtained from Government of India against nine BMS works under PIUs, Kailashahar and Teliamura which were completed and payments made prior to launching of PMGSY but subsequently charged to PMGSY in March 2002 through transfer entry.

Inadmissible works

3.1.14 The guidelines provide that the ongoing works under BMS which were not completed prior to launching of PMGSY will form a part of PMGSY works.

Test check of the records of Agartala Division IV revealed that two road works under Border Area Development Programme (BADP) were completed at a total cost of Rs. 26.15 lakh between April 2000 and April 2001 but were irregularly charged to PMGSY. The Executive Engineer stated (August 2005) that these works originally were under MNP and renamed as BMS.

The contention was not tenable as the agreement with the contractor was executed (1998-99 and 2000-01) under BADP.

Similarly, in Sonamura Division one bailey bridge (45 metre span) sanctioned under Border Area Development Programme and not under PMGSY was constructed at a total cost of Rs. 70.51 lakh in May 2000 and the expenditure was charged to the head of account 5054 Capital Outlay on R&B, BADP. On receipt of funds of Rs. 55 lakh in October 2001 under PMGSY, the expenditure of Rs. 55 lakh was charged to PMGSY through transfer entry in April 2002. Reasons for booking the expenditure under PMGSY through transfer entry could not be stated by the Division.

Thus, PMGSY fund of Rs. 81.15 lakh was irregularly diverted to the works not covered by the programme.

Unapproved work execution

3.1.15 The work improvement of road Garurbazar (Charilam to Herma via Chowmuhani 2.50 km to 4.70 km) / widening, soling, metalling, carpeting and road side drain was awarded to contractor 'A' on June 2003. The contractor was paid Rs. 16.75 lakh between September 2004 and June 2005 and the expenditure was charged to PMGSY under Phase I of the programme.

The approved list of PMGSY works under Phase I indicated that no such work was sanctioned by the Government of India.

The PIU, Agartala Division IV stated (August 2005) that the case would be adjusted by withdrawing the debit through transfer entry.

Existence of a road shown as constructed not confirmed by records

3.1.16 Improvement of road from Dewanbari to Kimacharan Talukder Para in Salema Block under Dhalai district was shown as completed in January 2002 at a cost of Rs. 10.50 lakh on the basis of reports of SE (ex cadre) and Online Management and Monitoring Service (OMMS). However, it was noticed during audit that there was no mention of the road in the records of PIUs Ambassa or Kumarghat. The District Programme Implementation Unit (DPIU)

(SE 1st Circle) Kumarghat and SE (ex cadre) Planning, Agartala also could not clarify the position.

The Chief Engineer stated (March 2005) that the road was under Pecharthal Block under the jurisdiction of PIU, Kanchanpur Division. However, the information furnished to Audit by PIU, Kanchanpur also did not indicate that the road was in the jurisdiction of that division.

Extra expenditure

3.1.17 According to PMGSY guidelines, the excess expenditure over the sanction and release of funds by Government of India are to be borne by State Government.

Records of the PIU, Agartala Division IV indicated that in respect of seven ongoing BMS works against estimated cost of Rs. 1.12 crore, funds of Rs. 77.25 lakh were released by Government of India towards discharging the liabilities of the State Government in respect of Phase I of the programme. All these works were completed between April 2001 and April 2005 at a total cost of Rs. 1.15 crore and the entire cost was charged to PMGSY. Thus, Rs. 37.28 lakh being the excess amount over the release of funds was irregularly charged to PMGSY fund.

The PIU stated that the amount was charged to PMGSY as per actual expenditure, but the reasons for booking the excess expenditure were not stated.

Excess expenditure

3.1.18 According to PMGSY guideline bridges/culverts upto 12 metre span were admissible. The cost of the bridge and culvert of length more than 12 metres was to be borne by the State Government. In November 2004 the span was increased to 25 metres. In case the span of the bridge exceeded 25 metres the pro-rata cost for the portion beyond 25 metres was to be borne by the State Government.

It was noticed in audit that in Dhalai District two bailey bridges, having a span of 45.72 metre each, were constructed (one each at Gandacherra and Rajdhar Cherra) at a total cost of Rs. 1.52 crore in January 2002 and June 2003 under PMGSY. Similarly, in West District five bailey bridges having span of 24 metre, 39.39 metre, 39.39 metre, 21.21 metre and 18.18 metre respectively were constructed on Takarjala to Sambaria road, Khowai to Champahaor road and on GM road at a total cost of Rs. 1.88 crore between May 2001 and March 2004 under PMGSY. Since, the span of these bridges were more than 12 metres and as they were constructed prior to November 2004, booking of expenditure under PMGSY was irregular.

The PIUs stated (March 2005 and August 2005) that these bridges were constructed according to the approval of the Government of India. This

indicated that Government of India sanctioned the works violating its own norms.

The Chief Engineer stated (March 2005) that the two bailey bridges having span of 45.72 metres each were constructed under the erstwhile BMS programme. These were enblock sanctioned by Government of India.

Undue financial aid to contractor

3.1.19 The PMGSY guidelines do not permit expenditure on procurement of materials and its issue to the contractor. It was, however, noticed that 37.88 MT of bitumen (Rs. 5.89 lakh) and 6.08 lakh bricks (Rs. 15.74 lakh) were procured at a total cost of Rs. 21.63 lakh by Agartala Division IV under PMGSY and issued to the contractor from time to time in connection with the work on Madhupur to Kamthana road via Kaiyadepa (Phase II) in violation of programme guidelines.

The PIU stated (August 2005) that the cost of the materials was recovered from the contractor.

Though the cost of the materials was fully recovered, issue of materials to the contractor in violation of the guidelines resulted in undue financial aid to the contractor.

Unauthorised expenditure

3.1.20 According to Delegation of Financial Power Rules (DFPR), Tripura, 1994, the power of Superintending Engineer (SE) in sanction of expenditure on additional items / substitute items is upto Rs. 3 lakh. It was noticed that SE (PWD), fourth Circle, Agartala provisionally sanctioned (February 2005) Rs. 7.19 lakh on tentative deviation statement which included nine extra items. Of this, Rs. 6.35 lakh were paid to the contractor (second RA bill) in July 2005 for extra items only in connection with the work of construction of road Malaynagar to Rayerpara under Phase II of the programme.

Thus, incurring of expenditure in violation of DFPR was unauthorized. The PIU stated that it would be regularized after obtaining the approval from Chief Engineer.

Bank guarantee

3.1.21 It was seen that no bank guarantee as stipulated in the scheme guidelines was obtained from the contractors. Instead a provision was made by the State Government in the contract that the security deposit would be 10 per cent of the contract value without any ceiling. Earnest money deposited before issue of work order would also form part of security deposit. This was a deviation from the PMGSY guidelines.

The Chief Engineer stated (March 2005) that the bank guarantee provision relates to the works for Phase III onwards only. All the agreements executed

for Phase I and II works were in standard PWD Form 7 and 8, and hence bank guarantee was not obtained from the contractors.

The contention was not tenable because the revised guidelines providing for obtaining the bank guarantees from the contractors came into effect from 15 January 2003 and records of 4 PIUs test checked, indicated that 22 Road works (Phase II) were taken up thereafter between March 2003 and October 2004 without obtaining any bank guarantee from the contractors.

Non-maintenance of account

3.1.22 Accounting procedure of the PMGSY provides that separate sets of Cash Book, Register of works, Contractors Ledger, Deposit Register, monthly accounts and balance sheet shall be maintained by the PIUs. The monthly accounts and balance sheet shall be submitted to TRRDA by the 5th of the next month.

It was noticed in audit that these books of accounts and balance sheet were not maintained and submitted to TRRDA. In the absence of these records it was not possible to verify the expenditure incurred and works carried out.

Maintenance of separate sets of accounts may be ensured.

Quality Monitoring and Control Mechanism

3.1.23 The PMGSY envisaged a three tier quality control mechanism where the executing agencies at the work level shall be the first-tier, second-tier would be at the State level wherein the State is to appoint agency/person as State Quality Monitor (SQM) and the third tier would be at National level where the Government of India would appoint agencies/person as National Quality Monitor (NQM). Both SQM and NQM were to inspect the quality of road works as frequently as possible.

It was noticed in audit that the Government appointed (January 2004) SQM which inspected nine roads and graded four works as good, two as average and no grading was recorded in respect of three works. NQM inspected 55 works and graded 14 works as very good, 25 works as good, eight works as average and five works as poor. In respect of three works no grading was found on record. The reports of the NQM are required to be sent to the State Quality Coordinator for appropriate action. But the PIUs could not produce any records to Audit in respect of any action taken at any level on the reports of NQM.

Evaluation

3.1.24 For evaluation of implementation of the programme, impact study highlighting the socio-economic parameters, is required to be conducted by an independent agency. This study would have enabled the department / nodal agency to adopt a more focussed approach for better performance.

It was noticed that the department had neither evaluated the programme implementation nor got it done by any other agency. As such, it could not be ascertained as to what extent the connectivities provided through all weather roads had achieved the desired objectives.

Assessment of the impact of the performance on habitations covered in terms of proposed objectives and socio-economic parameters should be carried out by an independent agency.

Conclusion

3.1.25 The desired objective of the PMGSY to connect unconnected habitations through all weather roads by March 2005 could not be achieved due to improper planning and laying more emphasis on inadmissible habitations, selection of roads in inaccessible and insurgency prone areas and delay in finalisation of tenders.

Recommendations

- A survey of the habitations meeting PMGSY criterion should be undertaken by the Chief Engineer (R& B) to identify the road works which can be executed considering the availability of land, inaccessible and insurgency prone areas of the State.
- State Government should approach the Government of India for modifying PMGSY Guidelines to cater to the conditions prevailing in the State, like coverage of habitation with population less than 250, inclusion of culverts, and execution of work by BRO in insurgency prone areas.
- State Government should provide funds to TRRDA to bear tendered premium to avoid it being charged to the PMGSY fund.
- Maintenance of separate sets of accounts as per PMGSY guideline should be ensured to facilitate verification of works executed and the expenditure incurred thereon.
- Impact evaluation should be done to facilitate better planning for subsequent phases.
- National Building Construction Corporation and Border Road Organisation strategies should be adopted in respect of the works similar to the rural road projects being executed by them in the State.

FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS DEPARTMENT

3.2 Material Management in the Food, Civil Supplies and Consumer Affairs Department

Material management in the Food, Civil Supplies and Consumer Affairs Department was unsatisfactory as the population covered under PDS exceeded the total projected population of the State, there was total dependence on Food Corporation of India (FCI) in regard to procurement of rice, despite availability of considerable quantity of locally grown rice, as well as shortfall in identification of targeted number of beneficiaries under different schemes. The objective of ensuring food security to the people of the most remote localities was frustrated due to the absence of fair price shops in those areas. Dilapidated condition of godowns, lack of approach roads combined with non-availability of guard sheds, the absence of toilets and drinking water facilities in the godown complexes and shortage of manpower rendered the store management deficient.

Highlights

Existence of 19,897 ration cards in excess of the population during the years 2001-03 resulted in excess lifting of 5,852 tonnes of rice valued at Rs. 3.64 crore.

(Paragraph 3.2.7)

Procurement of rice from FCI under Public Distribution System (PDS) and other schemes ignoring local production had resulted in marketable surplus which led to distress sale by paddy growers of the State.

(Paragraph 3.2.8)

Due to incomplete identification of beneficiaries under the targeted groups of Below Poverty Line (BPL) and Antyodaya Anna Yojana (AAY), subsidised rice worth Rs. 19.28 crore failed to reach the eligible households.

(Paragraph 3.2.9)

Issue of delivery orders for excess quantities totalling 1,697.7 tonnes of rice, by the delivery order issuing authority to the dealers of fair price shops attached with 12 godowns, amounted to Rs. 1.03 crore.

(Paragraph 3.2.10)

Introduction

3.2.1 The Food, Civil Supplies and Consumer Affairs Department in Tripura was created in 1969 to provide food security to the people of the State. The department has been entrusted with the task of procurement, storage and

distribution of foodgrains and other ration commodities to the entire population of the State at lower, affordable and subsidised prices.

The department is headed by a Commissioner and Secretary. He is assisted by a Director, who in turn is assisted by an Additional Director* and a Controller of Supplies and Distribution at the State level and by 15 Sub-Divisional Magistrates at Sub-Divisional level, an officer-in-charge, Agartala Rationing Authority and one Deputy Director (Food) at Dharmanagar in North Tripura District.

Scope of Audit

3.2.2 To assess the performance of Material Management of the department, a review was conducted between March - May 2005 by test-check of records of Directorate of Food, Civil Supplies and Consumer Affairs, Agartala, officer-in-charge, Agartala Rationing Authority, Deputy Director (Food), Dharmanagar, five Sub-Divisional Magistrates[≡] out of 15 in three districts[⊖] out of four and records of 23 godowns located in these areas out of 103 in the State.

Audit Objectives

3.2.3 The audit objectives were to ascertain whether:

- ◆ the ration card population was realistic,
- ◆ ration card population covered entire State efficiently for the purpose of providing food security,
- ◆ policy adopted ensured the lifting of entire allocated quantity of foodgrains from Food Corporation of India (FCI) on time,
- ◆ the arrangements for transportation of foodgrains were effective in providing food security to entire ration card population,
- ◆ the food storage capacity and facilities in the State were adequate,
- ◆ the godowns were provided with requisite manpower for efficient and effective functioning of godowns,
- ◆ physical verification of stores were conducted regularly,
- ◆ scientific weighing machine had been introduced for receipt and despatch of foodgrains and
- ◆ efforts were made by the department to ensure requisite quality of foodgrains supplies in the State.

Audit criteria

3.2.4 To fulfill the audit objectives, the following audit criteria have been followed in conducting the audit review:

- ❖ existence of records relating to issue of ration cards,

* The post was vacant from January 2004.

[≡] Bishalgarh, Udaipur, Sonamura, Dharmanagar and Kailashahar.

[⊖] Tripura West, Tripura South and Tripura North.

- ❖ reliability of the data base used for identification of various categories of ration card population and assessment of requirement of foodgrains taking into account the local production of rice in the State,
- ❖ lifting foodgrains from FCI against the allotments made by Government of India,
- ❖ financial assistance from the Government of India for transportation of foodgrains as well as for running mobile ration shops and the utilisation of funds thereof,
- ❖ adequacy of godown capacity,
- ❖ planning and monitoring the works of construction of new godowns,
- ❖ manning of godowns,
- ❖ storage / handling losses beyond the permissible limit,
- ❖ availability of weighing machines,
- ❖ availability of laboratory facilities in the department for quality tests of the foodgrains distributed under Public Distribution System (PDS).

Audit Methodology

3.2.5 An entry conference was held (22nd March 2005) with the Director of Food, Civil Supplies and Consumer Affairs and other officers / officials of the Directorate Office. Audit objectives and criteria were explained in brief and co-operation sought in making available all records required for the audit review. Monthly Bulletins published by the department and information collected through an Audit questionnaire were used as evidence.

Audit Findings

3.2.6 Financial arrangements

Mention was made in Para 3.2.5 of the Audit Report for the year ended March 1999 that from April 1994 the department had been procuring the foodgrains (rice and wheat) by taking loans on cash credit basis through the Reserve Bank of India (RBI). Rice and wheat were procured out of cash credit by advance deposit of funds to Deputy Manager, FCI, Agartala.

The expenditure on procurement of other items like sugar and salt was, however, met out of budget provision upto July 2004. In August 2004, the Finance Department released Rs. five crore as one time assistance for procurement of sugar and salt and accordingly a revolving fund account was opened in the State Bank of India (SBI), Agartala in favour of Director, Food, Civil Supplies and Consumer Affairs (FCS & CA) and since then sugar and salt were being procured out of the said revolving fund.

Budget provision and expenditure

Year-wise budget provision and expenditure incurred during 2000-01 to 2004-05 (July 2004) for procurement of foodgrains on PDS items were as under:

Table No. 3.1

Year	Budget provision	Funds released by Finance Department	Expenditure incurred	(Rupees in crore)	
				Excess (+)	Savings (-)
(1)	(2)	(3)	(4)	(2-3)	(3-4)
2000-01	47.02	46.87	45.57	(-) 0.15	(-) 1.30
2001-02	43.67	41.78	40.72	(-) 1.89	(-) 1.06
2002-03	35.52	35.52	35.07	-	(-) 0.45
2003-04	30.00	23.21	23.11	(-) 6.79	(-) 0.10
2004-05	12.00	12.00	12.00	-	-
Total	168.21	159.38	156.47	(-) 8.83	(-) 2.91
				Total savings:	11.74

Source: Statement furnished by the Directorate of Food, Civil Supplies and Consumer Affairs.

Note: Expenditure of Rs. 12 crore during 2004-05 includes Rs. five crore being transferred to Revolving Fund.

The above table indicates that there were savings of Rs. 11.74 crore (Rs. 8.83 crore due to short release of funds by the Finance Department) during 2000-05. The Director attributed (July 2005) the savings to non-induction of adequate stock of sugar in the State by the FCI, adjustment of funds lying with FCI for short supply of sugar in earlier years, and non-release of Railway rakes against indents for salt placed by the State Government.

Issue of ration Cards

3.2.7 In sub-divisions, ration cards were issued by the Sub-Divisional Magistrate (SDMs) but in case of Sadar Sub-Division (Agartala Municipal Area) these were issued by the officer-in-charge, Agartala Rationing Authority (ARA) on production of proof of residence of the applicant. Neither the sub-divisions nor the department maintained fair price shop (FPS) wise records to ascertain at any point of time the rationing population[‡] of the State, covered under Public Distribution System (PDS) and other schemes*.

The projected population, rationing population and the excess ration cards issued in the State during 2000-01 to 2004-05 were as under:

[‡] Rationing population: Means total number of person (s) recorded in the ration cards issued against households of the State.

* Above Poverty Line (APL), Below Poverty Line (BPL), Antyodaya Anna Yojana (AAY) and Annapurna (ANP).

Table No. 3.2

Year	Total projected population of the State	Total rationing population	Excess rationing population (3 - 2)	Number of ration cards	Average members per card (3 / 5)	Estimated number of ration cards involved with excess rationing population (4 / 6)
1	2	3	4	5	6	7
2000-01	31,99,203	32,26,613	27,410	NA	NA	NA
2001-02	32,45,912	33,36,798	90,886	6,78,210	4.9	18,548
2002-03	32,93,303	32,99,510	6,207	7,13,176	4.6	1,349
2003-04	33,41,386	33,35,713	-	7,24,945	4.6	-
2004-05	33,90,170	33,48,078	-	7,26,915	4.6	-

Source: Census Report read with Economic Review of the Government of Tripura and the information furnished by the department and the Government.

✓ The table above would show that the department did not furnish information regarding total ration cards issued during 2000-01. Further, the figures furnished by the department in respect of total projected population and total rationing population in the State were later revised stating that the earlier figures furnished to Audit were provisional. The ration card population was more than the projected population of the State. The difference was 90,886 in 2001-02 and 6,207 in 2002-03. These excess rationing population involved issue of 18,548 and 1,349 (estimated) excess ration cards respectively during the years.

* 19,897 (18,548 + 1,349)
 ✓ Existence of 19,897[±] excess ration cards during 2001-03 also involved excess lifting of 5,852 tonnes of rice valued at Rs. 3.64 crore*, calculated at the quantum of rice required to be issued against each ration card in accordance with norms[▶] fixed by the Government of India. The possibility of diversion of these quantities of rice illegally to the local market could not be ruled out.

✓ The Inspector of Food (FCS&CA) in respect of urban areas and Inspector of Food / Panchayat Secretaries in respect of rural areas were required to be engaged by SDMs concerned to verify the ration cards with reference to card holders' register / Panchayat register and updated voters' list of urban / rural areas respectively. But the records regarding verification of ration cards with reference to card holders' registers, panchayat registers, updated voters' list and percentage check of the field work by the supervising officers engaged for the purpose were not made available to Audit by three SDMs[‡], test-checked.

[±] 19,897 excess ration cards in 2001-02 and 2002-03 = 18,548 + 1,349 as in table above.

* Worked out taking the average procurement price (Rs. 6225 per tonne) of rice for APL, BPL and AAY.

▶ From April 2000 to June 2001 @ 20 kg per card per month
 From July 2001 to March 2002 @ 25 kg per card per month
 From April 2002 to date @ 35 kg per card per month

‡ Bishalgarh, Udaipur, Dharmanagar.

↑ namely

- ✓ The department detected (October 2003) 15,630 excess rationing population over projected population. But it did not make any effort to identify and eliminate the bogus ration cards, connected with this excess rationing population.
- ✓ In the absence of all these records and information, Audit could not verify the correctness of number of ration cards (year and category-wise) issued and ration card population actually covered under PDS and reported to Government of India for the purpose of allocation of quota for the State. The department did not furnish any reason for not carrying out the inspection by the supervisors engaged for the purpose.
- ✓ The Director stated (June 2005) that the matter relating to identification and elimination of bogus ration cards would be taken up with the Sub-divisional Magistrates (SDMs). It was further stated (August 2005) that instructions have been issued for verifying ration card population/household population with local records of the Sub-division (ration card register and panchayat family register).

Requirement of foodgrains – procurement thereof

3.2.8 Tripura, surrounded by an international border, is a deficit State in the matter of production of rice. The State was fully dependent on FCI to meet the requirement of rice under the Public Distribution System (PDS) and various welfare schemes (ANP, SGRY, NPNSSE etc) during 2000-05.

- ✓ To eliminate over dependency on FCI and to avoid transportation problem and loss in transit, the Government of India circulated (April 2000) a concept paper for decentralization of procurement of foodgrains in deficit States and marginally surplus States. According to the paper, in the event of procurement of foodgrains from local growers, the Government of India would reimburse the State, as subsidy, the difference between the actual procurement price and the central issue price. The Government of India also assured central assistance, according to requirement of the State, for efficient administration and storage network. Despite this, the State Government did not make local procurement on the plea that Tripura was a deficit State in production of foodgrains.
- ✓ The local production of rice was sufficient to meet 81 to 98 *per cent* of the actual requirement of the State during the years 2002-05. The department neither adopted the system of local procurement nor did it take into consideration the local production of rice while assessing its requirement for lifting from FCI. As a result, there was constantly increasing marketable surplus* of 52,582, 75,512 and 2,19,310 tonnes in the State during 2002-03, 2003-04, and 2004-05 respectively, which constituted 27, 35 and 94 *per cent* respectively of the total quantity lifted from FCI as detailed below:

* Marketable surplus: Local production *plus* quantity lifted from FCI *minus* actual requirement.

Table No. 3.3

Year	Total projected population	Total requirement of rice (in tonnes) ^a	Quantity of rice (in tonnes)			Marketable surplus (in tonnes) (6 - 3)
			Produced locally	Lifted from FCI	Total available (4 + 5)	
1	2	3	4	5	6	7
2002-03	32,93,303	7,43,772	6,02,412	1,93,942	7,96,354	52,582
2003-04	33,41,386	7,54,631	6,16,830	2,13,313	8,30,143	75,512
2004-05	33,90,170	7,65,648	7,52,000	2,32,958	9,84,958	2,19,310

Source: Information furnished by the department.

- ✓ In addition to the quantity of rice lifted from FCI by the department, the local merchants also imported rice at an average 15,220 tonnes^o per year from outside the State for sale in the open market. This has, however, not been taken into account for determining the marketable surplus.
- ✓ Minutes of the meetings held in July 2002 between Secretary, Co-operation Department and representative of Tripura Apex Marketing Co-operative Society revealed that due to increase in marketable surplus, the local growers had to resort to distress sale^p of paddy during the year 2002-03. Considering the alarming situation, it was decided (July 2002) to procure paddy through the representatives of the Co-operation Department at the support price for onward disposal through PDS after converting the stock of paddy into rice. There was, however, nothing on record to indicate any positive development towards procurement of rice from local growers, and the State continued to be fully dependent on FCI as of March 2005.
- ✗ A review of the Government policy may be considered to avoid adverse impact on local growers of foodgrains due to increasing trend of marketable surplus in the State since 2002-03.
- ✓ The Director stated (June 2005) that adopting the decentralised system of procurement could lead to rise in prices of rice and consequently of other essential items since Tripura was a deficit State and there was no report of distress sale with the department. The contention of the department is not tenable as there was substantial production (as per data made available to Audit) and the incidence of distress sale of paddy in the State was intimated by the Co-operation Department to the Director of FCS&CA.

^a The requirement of foodgrains has been calculated @ 182.5 kg per head per year + wastage @ 12.5% + pipeline 10%.

^o Total procurement during 2000-2005 was 76,100 tonnes. Therefore, average procurement per year = 15,220 tonnes (76,100 tonnes ÷ 5).

^p Distress sale: Sale of foodgrains at rates lower than normal rate due to presence of marketable surplus.

Shortfall in identification of targeted group

3.2.9 The Government of India launched the Antyodaya Anna Yojana (AAY) Scheme in December 2000. Under the Scheme, 45,224 poorest of the poor households, being 15.33 per cent of 2.95 lakh BPL households in Tripura, were to be provided with rice at the special subsidized rate (Rs. three per kg). The FCS & CA Department was to identify 45,224 households from among the BPL households. The Government of India subsequently expanded the AAY scheme (June 2003) by increasing the percentage from 15.33 to 23. Accordingly, the department was required to identify an additional number of 22,700 households from the existing BPL families. The Council of Ministers approved (November 2003) inclusion of 22,700 households in AAY scheme, but the department did not implement it till December 2004. Though the Supreme Court also issued directions to complete identification work by September 2003, as of March 2005 the department could not identify 8,539 AAY and 678 BPL households. It however, submitted a report to the Government of India (November 2004) stating complete identification of 22,700 AAY households based on which the GOI increased allocation of foodgrains to the State from November 2004.

- ✓ It was observed that against 3.04 lakh and 0.59 lakh tonnes of rice lifted under BPL and AAY respectively, the department could distribute only 2.72 lakh tonnes under BPL and 0.55 lakh tonnes under AAY during the period 2002-05. Thus, 0.36 lakh[Ⓐ] tonnes of subsidised rice valued at Rs. 19.28 crore failed to reach the targeted households because the department could not complete the process of identification of targeted beneficiaries.
- ✓ One of the reasons for non-implementation of the scheme was the inability expressed by the Finance Department to meet the additional incidental charges of Rs. 50 lakh per annum. Audit, on the other hand, noticed average savings of Rs. 2.35 crore in each year during 2000-05 against the relevant budget head. The department, however, started extending the benefit from January 2005 without provision of any funds towards the additional incidental charges. This indicated lack of seriousness in implementing the AAY Scheme, as the most crucial requirement for implementation of the schemes was identification of eligible households.
- ✓ The department stated (August 2005) that 1,595 families have not yet been identified against 67,924 households under AAY in the State.

Monitoring

- ✓ **3.2.10** The Statistical and Publication cell of the Directorate of FCS&CA publishes a monthly bulletin indicating overall monthly position of allotment, lifting and off-take of foodgrains in respect of each godown.

[Ⓐ] 0.36 = (3.04 + 0.59) – (2.72 + 0.55) i.e. Amount lifted under BPL and AAY less Amount distributed.

✓ Audit conducted an analysis of its data from April 2003 to December 2004 in respect of 23 godowns (out of 103) located at 15 remote places of the State. The data analysis revealed that against the requirement of 25,432.5 tonnes of rice to cover 29,139 BPL and 5,463 AAY households, excess delivery orders for 1,697.7 tonnes of rice valued at Rs. 1.03 crore[£] were issued to the FPS dealers attached to twelve godowns in eight places[#]. This indicated that the delivery orders were issued to FPS dealers without taking into account the actual number of ration cards available with them. On the other hand, against the requirement of 18,030.5 tonnes of rice to cover 20,733 BPL and 3,798 AAY households, delivery orders for 1,526.6 tonnes were not issued to the FPS dealers attached to the remaining eleven godowns of seven places^{*}. As a result the benefit of 1,526.6 tonnes of rice valued at Rs. 81.89 lakh[‡] failed to reach the identified households.

✓ In reply the Government stated (August 2005) that the matter was enquired into in the light of the audit observation and furnished figures indicating excess off take of 275.7 tonnes and short off take of 1,753.5 tonnes of rice against these godowns till July 2005. The Government also stated that the matter was still under examination and necessary action would be taken after final detection.

Lifting of levy sugar

3.2.11 It was noticed that against allotment of 1,61,714 tonnes of levy sugar, the department made payments of Rs. 158.20 crore to FCI for 1,26,364 tonnes of sugar during 2000-05 resulting in short lifting of 35,350 tonnes of sugar. The short lifting of sugar was attributable to non-release of funds by the State Finance Department.

It was further seen that out of 1,26,364 tonnes, the FCI could deliver only 1,23,597 tonnes of levy sugar valued at Rs. 156.78 crore resulting in short delivery of 2,767 tonnes of sugar valued at Rs. 1.42 crore. Earlier (prior to 2000-01) there were short deliveries valued at Rs. 0.12 crore. Thus, total money locked up with FCI was Rs. 1.54 crore.

The Director admitted (June 2005) the fact of money being locked up with FCI and stated that the department would take up the matter with FCI.

Infrastructural facilities for transportation of foodgrains

3.2.12 On the basis of the proposal submitted by the State Government (February 2001) for purchase of mobile vans / trucks for strengthening infrastructural facilities under the Public Distribution System (PDS) in the remote areas of the State, Government of India sanctioned and released

[£] Worked out taking the issue price of rice under BPL (1652.0 tonnes @ Rs. 6150/- per tonne) and AAY (45.7 tonnes @ Rs. 3000/- per tonne).

[#] Kanchanpur (2), Damchara (2), Khedachara (1), Vangmoon (1), Manu Crossing (2), Raishyabari (2), Ompinagar (1), Jatanbari (1).

^{*} Silachari, Jampuijala, Mandai, Gandacherra, Jhalcherra, Chowmanu, Anandabazar.

[‡] Worked out taking the issue price of rice under BPL (1145.7 tonnes @ Rs. 6150/- per tonne) and AAY (380.9 tonnes @ Rs. 3000/- per tonne).

Rs. 44.30 lakh (March 2001) under a centrally sponsored scheme. The main thrust of the scheme was to utilise the vehicles as 'mobile fair price shop' in the remote areas.

As of March 2005, people living in 88 Gaon Panchayats (GPs) out of the total 1,062 GPs located in remote areas in all the four districts (West: 1; South: 49; Dhalai: 24 and North: 14) were buying their PDS items from the FPS of other GPs as no FPS existed in their own GPs.

Though the department had purchased eight mobile vans / trucks at a cost of Rs. 44.30 lakh between August and September 2002 out of central assistance for using these mobile ration shops for the remote areas, it was observed that the vehicles were placed under the disposal of Central Stores, AD Nagar, Agartala, for other uses. The department informed the Government of India (January 2004) that all the vehicles had been deployed in the remote places of the State. The department could not show any record relating to functioning of mobile fair price shops in the State.

Thus, the funds provided by the Government of India for providing mobile ration shops in remote areas were diverted for other purposes.

The Director stated (June 2005) that non-utilisation of mobile vans in most interior areas of the State were mainly due to security problems and lack of road connectivity. The vans were, however, stated to have been utilised for maintaining supplies under PDS in the State including the interior tribal areas. The reply is not acceptable as these funds were obtained from the Government of India for providing mobile ration shops in such areas only.

Reimbursement of Hill Transport Subsidy (HTS)

3.2.13 According to the decision (October 1990) of the Government of India, actual cost of carrying foodgrains from base depot of FCI to the approved Principal Distribution Centres (PDCs), was being reimbursed to the State Government by the FCI as Hill Transport Subsidy (HTS). The HTS claim was required to be preferred monthly or fortnightly.

Test check of the records (April-May 2005) of the Directorate revealed that as of March 2005, against HTS claim for Rs. 3.24 crore against 179 bills covering the period from 1998 to June 2004, preferred during October 2003 to March 2005, the FCI admitted the claim of Rs. 1.84 crore only against 109 bills after disallowing Rs. 0.11 crore without assigning any reason. The remaining 70 bills involving Rs. 1.29 crore were returned (April 2005) to the department requesting them to resubmit the bills along with some additional information. The department did not prefer the HTS claim pertaining to the period from July 2004 onwards. The reasons for delay in preferring the claims were neither on record nor stated by the department. This indicated that reimbursement of HTS was delayed due to belated and faulty submission of claims by the department.

Thus, for the purpose of settlement of HTS claim, the department needs to monitor preferring of timely and complete claims.

While admitting the audit findings, the department could not furnish reasons for the lapses but stated that all out efforts would be taken to prefer the claims as early as possible.

Storage

Unutilized godowns

3.2.14 It was noticed in audit that one godown with a storage capacity of 1,000 tonnes constructed at Panisagar and taken over in December 2002, was lying unutilized for a period of more than two years as of March 2005 due to non-settlement of labour disputes. Thus, the expenditure of Rs. 36.90 lakh incurred in respect of the said godown proved to be an idle investment.

Creation of additional storage facilities

3.2.15 Government of India sanctioned and released (November 2001) Rs. 35.07 lakh for construction of seven godowns (estimated cost of Rs. 1.16 crore) for creating additional storage capacity of 500 tonnes under CSS, stipulating a period of two years for completion of the work. The Finance Department released the funds to FCS&CA Department in March 2002 and the latter placed the funds with Public Works Department in August 2002 for execution of the work.

It was noticed in audit that out of seven godowns, construction of only two godowns^o having total storage capacity of 150 tonnes was completed at a cost of Rs. 9.88 lakh. These were handed over to the department between May 2004 and August 2004. Construction of other five godowns was incomplete as of June 2005. Of these, site for one godown was subsequently changed (June 2004) from Dalugaon to Gournagar without obtaining prior consent from the Government of India. The construction work of this godown was not started till June 2005 though funds of Rs. 4.08 lakh were placed with the PWD in May 2002. Besides failure of the department to create storage facilities, this resulted in blocking of funds of Rs. 4.08 lakh for more than three years.

Out of 103 food storage godowns in the State having storage capacity of 42,890 tonnes, 30 godowns, having storage capacity of 24,000 tonnes representing 55 per cent of the total capacity were in dilapidated condition requiring repairs / replacement as stated by the department. This entailed the risk of damage / contamination of foodgrains stored in those godowns.

In 20 functional godowns the department had to face the problem of unnecessary delay in unloading the foodgrains due to poor condition of the approach roads / internal roads to these godowns.

In most of the godown complexes, there was no provision for guard-shed, toilet, and drinking water.

While admitting the facts, the Director stated that the department had approached the Government for taking up the matter with the 12th Finance Commission for funds for construction / replacement of dilapidated godowns.

^o Jirania (100 MT), Kalyanpur (50-MT).

Unutilised residential accommodation

3.2.16 Information received through an audit questionnaire showed that seven* staff quarters constructed during the period between November 2000 and May 2002 at a total cost of Rs. 45.07 lakh were lying vacant, for periods ranging from 37 months to 55 months as of May 2005. The department stated (June 2005) that non-utilisation of the quarters was mainly due to non-providing of electricity and water supply connection, un-willingness of the store guards to stay in Government quarters, dilapidated condition of quarters, etc.

Thus, construction of quarters without assessing the actual need led to idling of the investment of Rs. 45.07 lakh for more than three years besides loss of interest of Rs. 19.11 lakh*. These are likely to continue to remain idle as the store guards were unwilling to stay in Government quarters.

Non-disposal of gunny bags

3.2.17 Test check of records revealed that there was accumulation of 1,58,893 gunny bags of different sizes (100 kg, 75 kg and 50 kg) in the godowns of four sub-divisions* and Central Stores at AD Nagar, Agartala (49,435). Out of this, 62,360 gunny bags (valued Rs. 2.64 lakh) had been damaged beyond repairs due to prolonged storage and had become non-disposable. This huge accumulation of stock had also occupied substantial godown space while more space was required in these godowns for storage of foodgrains. If no action is taken immediately to dispose of the remaining gunny bags (96,533) there might be a further loss of Rs. 3.25 lakh due to spoiling of those bags.

The Director could not furnish any reasons for the inaction on the part of the department leading to revenue loss and stated (June 2005) that action had been initiated for auction by the SDMs concerned.

Non-disposal of foodgrains unfit for human consumption

3.2.18 Information received through an audit questionnaire revealed that stocks of foodgrains (Rice: 48.8 tonnes; Wheat: 2.95 tonnes; Sugar: 51.3 tonnes; Salt: 48.8 tonnes) totalling 151.85 tonnes were not fit for human consumption. These were accumulated in 25 godowns spread over 15 places and in nine godowns of Central Stores at AD Nagar, Agartala during the period from 1999-2000 to 2004-05.

As of March 2005, the department had neither ascertained the reasons for accumulation of such foodgrains nor initiated any remedial action. The value

* Gandhigram: 2 Nos (Rs. 12.14 lakh); Mohanpur: 2 Nos (Rs. 13.56 lakh); Bishalgarh: 2 Nos (Rs. 7.37 lakh); Kakraban: 1 No. (Rs. 12.00 lakh) = Rs. 45.07 lakh

* Rs. 12.14 × 10.04 per cent (borrowing rate) × 2 years 11 months = Rs. 3.55 lakh
 Rs. 7.37 × 10.04 per cent (borrowing rate) × 2 years 5 months = Rs. 1.79 lakh
 Rs. 13.56 × 11.26 per cent (borrowing rate) × 5 years 2 months = Rs. 7.89 lakh
 Rs. 12.00 × 11.09 per cent (borrowing rate) × 4 years 5 months = Rs. 5.88 lakh
Rs. 19.11 lakh

* (Longtharai Valley: 37,905; Belonia: 40,415; Kamalpur: 17,663; Gandacherra: 13,475).

of the non-consumable stock lying in the godowns was neither worked out nor was any action taken to write it off.

While admitting the fact the Director could not provide reasons for its inaction in this regard and stated (June 2005) that a Categorization Committee had already been constituted in this regard which would meet in August 2005.

Manpower Management

3.2.19 According to the norms fixed by the department, 103 store keepers and 412 store guards were required for 103 godowns in the State. Against this requirement, only 62 posts of store keepers and 320 store guards were sanctioned by the department. Records of the department showed that there was shortage of five store keepers and 91 store guards against the sanctioned posts, as of March 2005. There was unjustified engagement of Food Inspectors as store keepers in six godowns affecting regular inspection of the stores and Fair price shops.

Case study of 51 godowns conducted through an Audit questionnaire revealed that as of March 2005 there was short deployment of 97 store guards on 47 godowns, excess deployment of 10 store guards on four godowns.

Non-availability of required store keepers and store guards, and lack of maintenance of inspection records indicated serious lapses in the watch and ward duty and accounts of the godowns.

While accepting the audit findings, the department could not furnish reasons for the lapses and stated (June 2005) that they would approach the Government for filling up the vacant posts.

Physical verification of stores

3.2.20 According to financial rules, physical verification of stores was to be conducted at least once in a year. It was noticed that physical verification of 79 godowns, out of 103 had not been done for period ranging from one to eight years. The extent of loss due to pilferage, theft, etc of stores in godowns thus remained unassessed.

Information furnished by the department showed that during the period from 2000-01 to 2004-05, the department lifted 8,25,524 tonnes of rice. Of this, 7,80,716 tonnes were issued to FPS. Thus, the closing stock of rice at the end of March 2005, should have been 44,808 tonnes (without taking into account the quantity of opening stock of 2000-01). But godown-wise closing stock as maintained by the department revealed that stock balance of rice at the end of 31 March 2005 was 31,109 tonnes. This resulted in a discrepancy of 13,699 tonnes of rice valued at Rs. 8.53 crore calculated at an average procurement price of Rs. 6225/- per tonne.

Shortage of essential commodities valuing Rs. 50.88 lakh was detected during physical verification of 10 godowns between March 2000 and February 2005. The department initiated action against the officials responsible for shortage in

four godowns. It further stated during discussion that in respect of other six godowns proceedings were yet to be drawn.

While admitting the facts the department could not furnish reasons for the above lapses and stated (June 2005) that all possible efforts would be made to get the stores physically verified.

Weigh Bridge

3.2.21 The project report on construction of weigh bridge prepared (July 2004) by the department stated that the electronic weigh bridge was the only mechanism for speedy receipt and despatch of foodgrains, and also for ensuring the correctness and proper accounting of the stores received from FCI and delivered to the PDS network from feeder godowns. It was noticed in audit that there was only one electronic weigh bridge at AD Nagar. Apart from this, there were also three non-electronic weigh bridges which were not adequate to ensure correctness of the huge quantity of stores handled.

The department submitted a project proposal to Government of India (July 2004) for installation of three electronic weigh bridges of 30 tonnes capacity each (central stores, AD Nagar, Agartala: 1; Transit godown, Dharmanagar: 1; Nandan Nagar: 1) at an estimated cost of Rs. 61 lakh under cent *per cent* central assistance. The Government of India did not consider (August 2001) the proposal due to discontinuance of the scheme of such constructions under central assistance from 10th Five Year Plan.

The department stated that for the purpose the Government of India had sanctioned Rs. 54 lakh in April 2005.

Quality control

3.2.22 Information furnished by the department revealed that they did not have any chemical laboratory of its own to ensure quality of foodgrains. The department stated (January 2005) that in doubtful cases, supplies were got tested at 'Public Analyst' at Agartala. This indicated inadequacy of the test facilities available with the department. As such the possibility of supplying inferior quality of foodgrains to consumer under PDS could not be ruled out besides release of payments for the sub-standard items at the standard rates.

The department submitted a project proposal to Government of India (July 2004) for setting up two Chemical Analysis Laboratories (one each at Central Stores, AD Nagar, Agartala and Transit godown at Dharmanagar) at a total cost of Rs. 25 lakh, to be met from Central assistance. The Government of India rejected (August 2004) the proposal on the ground that financial assistance for that purpose had been discontinued from 10th Five Year Plan.

Conclusion

3.2.23 There was excess rationing population over the projected population, complete dependence on Food Corporation of India (FCI) in regard to procurement of rice despite availability of considerable quantity of locally grown rice and shortfall in identification of beneficiaries under targeted groups

resulted in deficiency in providing food security to them. The objective of serving the people of the most remote localities was frustrated due to fair price shops not being made available in those areas. Dilapidated condition of godowns, many of them without approach roads combined with the absence of basic amenities like guard sheds, toilets and drinking water facility in the godown complex as also non posting of watch and ward staff in some godowns rendered store management unsatisfactory.

Recommendations

- ❖ Consolidated computerized records detailing the ration shop-wise number of ration cards issued, total rationing population, need to be maintained at both the Directorate and Sub-divisional level. Documentation needs improvement and duly reconciled and verified data should be kept to enable correct assessments of foodgrains requirements.
- ❖ To protect the interest of the growers / cultivators of the State and to reduce dependency on FCI, decentralised system of procurement of rice suggested by Government of India should be adopted.
- ❖ Identification of beneficiaries under the targeted groups of BPL and AAY may be completed in a time bound manner.
- ❖ Adequacy of watch and ward at godowns should be ensured and dilapidated godowns should be repaired or renovated.
- ✓ ❖ Annual physical verification of stores in godowns as well as reconciliation of issue and receipts of foodgrains at different levels, delivery orders and challans (cash receipts) should be ensured. ✓

3.3 Consumer Protection Act

Performance audit on the implementation of the Act and rules relating to consumer protection in the State during 2000-2005 revealed ineffective redressal of grievances of the consumers because of delayed disposal of complaints, ranging on an average from 469 to 1,076 days. The objectives of the programme were partially achieved due to inter alia non-setting up of District Consumer Protection Council, District Consumer Information Centre, inadequate laboratory and other infrastructural facilities, and weak monitoring mechanism.

Introduction

3.3.1 In order to provide better protection to the consumers, Government of India enacted the Consumer Protection Act, 1986 and framed Consumer Protection Rules, 1987 which came into force throughout the country (except in the State Jammu and Kashmir) from 1 July 1987. It provides for the establishment of a separate three-tier quasi-judicial consumer dispute redressal machinery at national, State and district levels. These courts are empowered to award compensation to the aggrieved consumers. Government of Tripura framed the 'Tripura Consumer Protection Rules, 1987' effective from 2 October 1987.

The Director in the Food, Civil Supplies and Consumer Affairs (FCS&CA) Department is the nodal officer for implementation of the Consumer Protection Act / Rules and functions under the administrative control of the Commissioner and Secretary of the department. He is assisted by Sub-divisional Magistrates in discharge of the responsibilities at sub-divisional level. The State Commission and three District Fora, (each has one President and two members appointed by the Government) look into the matter relating to redressal of consumer complaints. Implementation of the Act and rules relating to consumer protection during 2000-2005 was audited between May and August 2005 through test check of records in Directorates of FCS&CA, State Commission and two District Fora (West and North Tripura, covering Dhalai) sampled out of three.

To ascertain the ground realities relating to implementation of the Consumer Protection Act, the Comptroller and Auditor General of India commissioned the services of ORG Centre for Social Research (ORG-MARG). ORG-MARG had carried out the survey in Tripura during July-August 2005 in two districts selected randomly viz Tripura West and Tripura North and covered 1,494 consumers of rural and urban areas. Besides, it also interviewed 137 complainants, 10 service providers, two laboratories and one NGO. Engagement of the ORG-MARG had been communicated to the Commissioner and Secretary, Food, Civil Supplies and Consumer Affairs Department in July 2005. A summary of the findings of the ORG-MARG is given as an **Annexure** to the review.

Creation of adjudication mechanism

3.3.2 Government of Tripura created (October 1989) three district fora in three out of four districts and the State Commission in January 1990 respectively. Separate district forum for Dhalai district has not yet been created although the district was created in June 1997. Circuit Bench, District Consumer Protection Council and District Consumer Information Centre have not yet been created in the State.

Thus, there was delay of more than 23 and 26 months in creation of district fora and the State Commission respectively from the date of enactment of the 'Tripura Consumer Protection Rules 1987'. As a result, the benefit of protection of their rights was denied to the consumers during the period.

Director, FCS&CA Department stated (October 2005) that delay in creation of State Commission and district fora was due to observing formalities like obtaining concurrence of the Chief Justice of the High Court, Finance Department and delay in creation of infrastructural facilities. It was further stated that district forum, Dhalai would be created after obtaining concurrence of the Finance Department and approval of the Council of Ministers and creation of Circuit Bench in the State was not justified in view of limited number of cases filed in SC and DF.

Functioning of Consumer Fora

3.3.3 According to the Act the admissibility of a complaint shall ordinarily be decided within 21 days from the date of receipt of the complaint. Complaints shall be heard as expeditiously as possible to decide the same within 90 days where no laboratory test is required and within 150 days if any such test is required.

The number of cases registered, disposed during the period 2000-05 and remained pending as of March 2005 in Consumer Fora are given in the tables below:

Table No. 1 (State Commission)

Year	Opening balance		Number of cases registered during the year		Total number of cases available		Number of cases disposed during the year		Number of cases pending	
	Complaints	Appeal	Complaints	Appeal	Complaints	Appeal	Complaints	Appeal	Complaints	Appeal
2000-01	14	227	5	70	19	297	1	17	18	280
2001-02	18	280	2	56	20	336	4	23	16	313
2002-03	16	313	3	61	19	374	2	86	17	288
2003-04	17	288	-	78	17	366	5	119	12	247
2004-05	12	247	-	112	12	359	5	146	7	213
Total			10	377			17	391		

Source: Information furnished by the department.

Table No. 2 (District Fora)

Year	Opening balance	Number of cases registered	Total number of cases available	Number of cases disposed	Number of cases pending at the end of the year
2000-01	122	117	239	81	158
2001-02	158	99	257	81	176
2002-03	176	146	322	97	225
2003-04	225	151	376	90	286
2004-05	286	122	408	155	253
Total		635		504	

Source: Information furnished by the department.

It will be seen that against 628 cases (complaints: 24, appeal: 604) available in State Commission during the period 2000-2005, 408 cases (complaints: 17, appeal: 391) only were disposed of, while in District fora, 504 cases were disposed against 757 cases available during the period.

Section 13 (3A) and 19A of the Act provide that a complaint/ appeal is to be decided within the maximum limit of 90 / 150 days. But it was seen that 836 cases were decided in more than 150 days by SC (Complaints: 44, Appeal: 267) and district fora (Complaints: 525) during the period since inception to 2004-05 as indicated in the table below:

Table No. 3

Year	Number of cases of Complaints / Appeals decided within 90 days			Number of cases of complaints / appeals decided between 90 and 150 days			Cases of complaints / appeal decided in more than 150 days		
	State commission		District forum	State commission		District forum	State commission		District forum
	Complaints	Appeal	Complaints	Complaints	Appeal	Complaints	Complaints	Appeal	Complaints
Since inception upto 2002-03	23	74	337	26	51	338	26	112	439
2003-04	-	13	27	1	29	32	13	68	31
2004-05	-	19	46	-	50	54	5	87	55
Total	23	106	410	27	130	424	44	267	525

Source: Particulars furnished by the Department.

From the copies of the court verdicts of 125 cases made available to Audit, it was observed that the complaints / appeal lodged in consumer courts between April 2000 and October 2004 were disposed between January 2001 and July 2005. On an average, the time taken in disposing of cases by consumer courts ranged between 469 and 1076 days as shown in the table below:

Table No. 4

Sl. No.	Name of consumer courts	Number of complaints/ appeals	Average time taken to dispose a case (complaints/ appeals) (in days)	Range showing minimum and maximum days taken to dispose a case (in days)	
				Minimum	Maximum
1.	State Commission	Appeals 16	1076	233	1687
		Complaints 9	929	224	1636
2.	District Forum, West Tripura	Complaints 68	469	164	1142
3.	District Forum, North Tripura (covering Dhalai)	Complaints 32	500	239	984
Total		Complaints 109 Appeals 16			

Results of the survey conducted by ORG Marg disclosed that on an average 8.8 months were spent to resolve a case and in case of unresolved cases the same were pending for past 20 average months.

Enforcement Mechanism

Prevention of Food Adulteration (PFA)

3.3.4 Scrutiny of the annual report ending December each year (calendar year) on implementation of the Prevention of Food Adulteration Act, 1954 in the State revealed that 76 cases were pending in various courts out of which 24 cases were pending for more than three years as detailed below:

Table No. 5

Year (January to December)	Number of Prosecution launched	Total number of cases decided by court	Total number of cases convicted	Number of cases acquitted / discharged	Number of cases pending at the end of December each year	Number of cases pending in the courts more than 3 years
1	2	3	4	5	6	7
2000	41	11	01	10	73	13
2001	20	15	01	14	78	12
2002	09	18	01	17	69	12
2003	07	11	Nil	11	65	25
2004	13	02	Nil	02	76	24

From the certified copies of the final judgement of 32 cases made available to Audit, it was seen that in respect of three cases conviction was made and the rest of the cases were decided as 'acquitted (19 cases)/ discharged (four cases) / disposed (one case) and dropped (five cases)'.

It was seen from the copies of court verdicts that out of 32 cases, two cases were acquitted as 'Public Analyst in his report did not mention anything about prescribed standards', three cases were discharged as 'no prima facie case has been made', and three cases were acquitted due to 'delay in filing cases'.

Functioning of Consumer Protection Council (CPC)

3.3.5 Under the provisions of the Consumer Protection Act, the State Government set up (November 1989) the State Consumer Protection Council,

but no District Consumer Protection Council was set up (October 2005). The council was required to hold at least two meetings in a year.

It was seen from the records that the State Consumer Protection Council did not hold meetings regularly. Only 11 (eleven) meetings against the target of 30 were held.

From the minutes of the different meetings of the State Consumer Protection Council it was noticed that the Council took important decisions in the meetings for protection of interest of consumers, but the outcome of these meetings was not significant as many important decisions were not acted upon even after repeated discussion in subsequent Consumer Protection Council meetings.

While admitting the above fact during discussion in October 2005 Director, FCS&CA Department stated that the matter was pursued constantly with the concerned department / organisation for implementation of the decisions of the Councils.

Monitoring mechanism

3.3.6 No effective monitoring mechanism was found in place to ensure implementation of the Consumer Protection Act. Submission of quarterly returns to Government of India was found delayed for periods ranging between one and three months.

The Parliamentary Standing Committee had been repeatedly recommending for strengthening the infrastructure of consumer forum including its computerization and networking.

It was, however, observed that computer network has not been set up (September 2005).

Director of FCS&CA Department while admitting the facts stated (October 2005) that one Asstt. Director (Food) was declared as Nodal Officer in the Directorate for implementation of the Citizen's charter. He further added that computer networking system would be installed through National Informatics Centre.

Recommendations

- Monitoring at all levels should be strengthened for effective implementation of the Consumer Protection Act / Rules.
- Status of awareness and redressal of grievances of consumers (particularly in rural areas) should be evaluated for incorporation in the future action plan.
- Action on all decisions of the State Consumer Protection Council needs to be ensured.
- Establishment of District Consumer Protection Council in each district should be taken up immediately.
- Creation of a separate district forum for Dhalai District should be accorded priority.

Annexure

(Reference: Para No. 3.3)

Summary of the findings of the ORG MARG

- ❖ Overall 86 *per cent* of the Consumers at large gave importance to knowing the Consumer Protection Act (CPA) but 30 *per cent* not aware of consumer rights and 90 *per cent* still unaware of CP Act.
- ❖ The act is envisaged to benefit all the consumers in urban and rural areas but only 6 *per cent* of the rural population has heard about it.
- ❖ In response to, whether the government is making any effort in safeguarding the consumers rights, only 42 *per cent* replied positively, remaining either carrying negative or have no idea of the same.
- ❖ Formal source of awareness – electronics and print media stand at 85 and 63 *per cent* respectively and only 5 *per cent* of the aware consumers came to know about CPA through NGOs.
- ❖ Nearly 71 *per cent* of the aware consumers at large have come to know about the Act only in the last two years whereas the act has been in existence for last 19 years.
- ❖ Overall, only 5 *per cent* reported to be aware of the existence of any redressal agency. Awareness on this among those aware of rights and CPA was higher.
- ❖ Around 49 *per cent* aware any redressal agency did not know the location of the district forum in their respective districts.
- ❖ Majority of complaints resided in urban areas (93 *per cent*) and all were literate as well. The average monthly household income of Rs. 11,003. This implied that facilities provided by redressal agencies were availed by residence of urban areas and that too by the middle/lower middle strata of the community.
- ❖ About half of the complaints (53 *per cent*) were against services such as communication and insurance services while about 47 *per cent* of the complaints were against products, mostly consumer durables (79 *per cent*).
- ❖ Majority of the complainants came to know about the redressal agencies through electronic media (66 *per cent*), print media (83 *per cent*) and others, i.e. friends/relatives (96 *per cent*). NGOs were not a popular source of awareness (5 *per cent*) before registering the complaint, but they emerged to be a source of awareness in 22 *per cent* cases during the process of registration of complaints.

- ❖ Nearly 12 *per cent* of the complainants used stamp paper to file the case and in majority of cases (98 *per cent*) the lawyers/agents advised them to do so.
- ❖ Very few (9 *per cent*) who registered their complaints prior to March 2003 reported to have deposited court fee notwithstanding the fact that the court fee was introduced in March 2003.
- ❖ An analysis of time taken at various stages of the cases show that on an average three days were spent for registering a case and 43.7 days were taken for serving the notice, first hearing held after almost 28 days.
- ❖ On an average 6.5 hearings were required to resolve the case. Around 51 *per cent* of cases were still unresolved even after about five hearings and most of these cases were against insurance services (34 *per cent*).
- ❖ To resolve a case on an average 8.8 months were spent. In case of unresolved cases the same were pending for last 20 average months.
- ❖ There were seven cases where the decree was passed and compensation was yet to be received. On an average the compensation was due for about 3.2 months. For those received compensation the same was received within an average period of 1.8 months.
- ❖ On an average the complainants have to spend Rs. 2,261 to resolve the case of which a large proportion (average amount of Rs. 3,531) comprised of the advocate fee.
- ❖ The manufacturers and service providers were aware of CPA but on the contrary not many consumers at large were aware of the Act or redressal system.
- ❖ The NGOs are involved in spite of activities such as consumer education, advocacy, organizing seminars/camps etc. They are also facilitating the consumers in filing cases and act as agents, but not in the court procedures.

WELFARE FOR SCHEDULED CASTES, OBC AND RELIGIOUS MINORITIES DEPARTMENT

3.4 Working of Tripura Scheduled Castes Co-operative Development Corporation Limited

Introduction

3.4.1 The Tripura Scheduled Castes Co-operative Development Corporation Ltd (TSCCDC), Agartala was established in April 1979 under Tripura Co-operative Societies Act, 1974. The main objective of the Corporation was to improve the socio-economic condition of Scheduled Castes (SC) families, living below poverty line by providing financial assistance to them in income generating projects in the transport, agri-allied and business sectors. Funds were released to TSCCDC by National Scheduled Castes Finance and Development Corporation (NSFDC) and National Safai Karmachari Finance and Development Corporation (NSKFDC) in respect of the projects sanctioned by them. Implementation of the projects by the TSCCDC during 2000-05 were test checked in audit during January to March 2005.

Socio-economic survey

3.4.2 For identification of SC families, their specific need and measures to be taken to ameliorate their backwardness, the work for survey and preparation of a Master Plan covering 198 Scheduled Castes Populated (SCP) villages in all the four districts was awarded to a Kolkata based firm. (Agricultural Finance Corporation) in March 1998 at a negotiated cost of Rs.10.21 lakh. The report was required to be submitted by December 1998. The firm submitted a report covering nine SCP villages at Bishalgarh Block, but this was not accepted by the Corporation as it did not contain requisite information. No further report was submitted by the firm as of March 2005, though Rs. 7.66 lakh was paid to the firm as per terms and conditions of the agreement. The expenditure was thus infructuous.

Mention was made in para 3.16.6 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1996 regarding unsatisfactory survey of scheduled caste families in the State conducted by Agricultural Finance Corporation. The Public Accounts Committee in its 62nd Report expressed dis-satisfaction over dismal performance of the firm. But the Corporation reselected the said firm for similar nature of job jeopardizing Government interest.

Margin Money Loan Programme

3.4.3 The shortcomings regarding erroneous selection of beneficiaries and part financing in implementation of the programme (Rs. 5.27 crore) were discussed in the 62nd Report of the Public Accounts Committee (Audit Report 1995-96). The programme was discontinued from 1997-98. The Public Accounts Committee were dissatisfied over the functioning of the Corporation and recommended (1999-2000) for an assessment report on utilization of funds of Rs. 5.27 crore given to 4221 beneficiaries. No action was, however, taken by the Corporation as of March 2005.

Poor project implementation

3.4.4 The Corporation implemented different income generating (self employment) projects under transport, agri-allied and business sectors sanctioned and financed by NSFDC and NSKFDC during 2000-04. A joint physical verification was conducted by Audit along with the Management of TSSCDC between 9 and 11 August 2005, and projects of 69 beneficiaries were inspected. It was noticed that seven Above Poverty Line (APL) beneficiaries (established and well to do families) whose monthly income ranged between Rs. 5000 and Rs. 30,000 were allowed financial assistance. In 24 cases, projects or schemes were found non-existent, nine beneficiaries diverted the funds for other purposes and in eight cases, beneficiaries utilised the funds in other business like Public Call Office (PCO), rubber plantation, saloon, musical instruments and power tiller which were not covered by the schemes sanctioned by NSFDC and NSKFDC. As a result, the objectives of the programme were defeated. Implementation of the projects sanctioned by NSFDC was test checked and is discussed below:

Transport Sector

The Corporation implemented the programme by providing autorickshaw or jeep to the selected beneficiaries on receipt of funds from NSFDC in respect of the proposals sent to it. According to the NSFDC guidelines, the cost of the vehicles included NSFDC's share (about 90 per cent) and Corporation's share (10 per cent). For the projects sanctioned from 2001-02, subsidy @ Rs. 10,000 was also admissible as Special Central Assistance under Special Component Plan. It was noticed that loan assistance for 50 autorickshaws @ Rs. 75,000 each and 45 autorickshaws @ Rs. 87,000 each were sanctioned and Rs. 65.90 lakh was released by NSFDC during 2000-04. The Corporation arranged for procurement of vehicles from a local dealer (M/S Priya Motors) and the beneficiaries were required to take delivery of the vehicles from the dealer and get them registered with the Transport Authority.

It was noticed that out of 95 cases, the Corporation distributed vehicles in 80 cases and refunded Rs. 4.69 lakh in seven cases to NSFDC due to non-selection of beneficiaries. In remaining eight cases, Rs. 5.76 lakh remained unspent. Though the records regarding registration of vehicles and road permit were available, the Corporation did not maintain any records regarding bonafide use of the vehicles by the beneficiaries. No physical verification was carried out from time to time by the Corporation to see that the vehicles were actually in possession of the beneficiaries. As such, disposal of the vehicles by the beneficiaries to others cannot be ruled out.

During the joint physical verification, only four beneficiaries out of 80 could be contacted. Of these four cases, the beneficiaries in two cases were found to be jobless due to dilapidated condition of their autorickshaws.

Business sector

According to the guidelines, the cost of the projects under this sector was to be met from NSFDC's share, Corporation's share, subsidy (Rs. 10,000 for each) and beneficiaries contribution. The test checked four schemes out of 18

sanctioned by NSFDC, amount sanctioned and number of cases implemented by the Corporation during 2000-2005 were as under:

(Rupees in lakh)

Name of schemes	Number of projects sanctioned	Amount released by NSFDC	Number of cases implemented	Number of cases for which funds refunded to NSFDC	Amount refunded	Funds not disbursed by the Corporation	
						Loan and number of cases	Subsidy and number of cases
Grocery	197	124.64	190	7	5.04	2.40 (15)	1.50 (15)
Stationery	126	71.98	114	8	5.04	0.97 (5)	0.50 (5)
Decorator	135	108.50	125	-	-	1.50 (6)	0.60 (6)
Readymade garments	125	100.00	118	-	-	2.50 (10)	1.00 (10)
Total	583	405.12	547	15	10.08	7.37 (36)	3.60 (36)

The table indicates that in 15 cases funds of Rs. 10.08 lakh were refunded by the Corporation as it failed to implement the projects. In 36 cases, loan of Rs. 7.37 lakh and subsidy amounting to Rs. 3.60 lakh were not disbursed to the beneficiaries violating the scheme guidelines.

The Corporation failed to produce any record to Audit to show that it had physically verified the implementation of the programme. Reports from the field offices showing actual implementation i.e. construction of sheds for business, procurement of materials, amount utilised and actual status of business (income generated) were also not available. In the absence of these records how the management satisfied itself that funds were utilised for bonafide purposes by the beneficiaries and it had benefited in improving their economic condition, could not be explained to Audit.

During the joint physical verification it was noticed that in 17 cases the beneficiaries abandoned the schemes/projects after receipt of loan assistance of Rs. 14.70 lakh. In nine cases beneficiaries diverted the funds of Rs. 8.10 lakh for other purposes and in five cases funds of Rs. 4.41 lakh were diverted for schemes not covered by the programme. In seven cases beneficiaries were selected from APL families having monthly income ranging from Rs. 5,000 to Rs. 30,000, and financial assistance of Rs. 7 lakh were sanctioned to them.

Agriculture and allied sector

Under this sector, four out of seven income generating schemes were test checked. The number of projects sanctioned, amount released and their implementation were as under:

(Rupees in lakh)

Name of the schemes	Number of projects sanctioned by NSFDC	Amount released by NSFDC	Number of cases implemented	Amount not disbursed	
				Loan and number of cases	Subsidy and number of cases
Fishery	98	78.75	83	1.50 (6)	0.60 (6)
Piggery	30	15.90	30	0.52 (4)	0.40 (4)
Cross breed cow	39	13.65	39	-	-
Poultry farm	72	32.84	72	1.07 (5)	0.50 (5)
Total	239	141.14	224	3.09 (15)	1.50 (15)

The table indicates that in 15 cases, loan of Rs. 3.09 lakh and subsidy of Rs. 1.50 lakh were not provided to the beneficiaries. The reasons for non-distribution of loan and subsidy were not stated.

The Corporation had neither physically verified and surveyed the actual implementation of the projects by the beneficiaries nor did it produce any documentary evidence to Audit regarding creation of water area, procurement of fish fingerlings, procurement of animals, birds and chicks and construction of poultry farm house by the beneficiaries. In the absence of these records bonafide utilisation of funds by the beneficiaries could not be vouched in audit.

During the joint physical verification it was noticed that projects (Rs. 6.84 lakh) in seven cases were not implemented. In three cases, Rs. 2.34 lakh was diverted for weaving and PCO, neither of which was covered by the programme.

Delay in implementation

3.4.5 According to the guidelines, if the Corporation failed to utilize the funds (released by NSFDC and NSKFDC) within 120 days, the Corporation was liable to pay interest at higher rate of 10 per cent including liquidated damage.

Records of implementation during 2000-05 revealed delay which attracted penal interest and liquidated damage as shown in the table below:

Funding agency	No. of units sanctioned	No. of units implemented	No. of units for which loan disbursed within 120 days	No. of units for which loan disbursed between 6 months and 12 months	No. of units for which loan was disbursed after 12 months	No. of units pending for implementation
NSFDC	1217	1142	682	160	300	75
NSKFDC	252	232	NIL	110	122	20
TOTAL	1469	1374	682	270	422	95

The table shows that against 1,469 projects, 682 (46 per cent) only were implemented within the stipulated period of 120 days. In 692 (47 per cent) cases delay ranged between six months to 12 months and above. In 95 cases projects were not implemented. This attracted liability of payment of penal interest on unutilized funds and liquidated damage of Rs. 27.40 lakh as claimed by NSFDC (March 2002) and NSKFDC (March 2005). The Management approached (March 2004) NSKFDC for exemption from payment of penal interest which was turned down as it would violate the lending policy and guidelines of the programme.

Subsidy not passed on to beneficiaries

3.4.6 Under Special Central Assistance (SCA) subsidy of Rs.10,000 per unit was required to be provided to the beneficiaries in respect of the schemes sanctioned by NSFDC and NSKFDC from 2001-2002 onwards. It was noticed that subsidy of Rs. 95.60 lakh was provided to 956 (73 per cent) beneficiaries

against 1,304 beneficiaries covered by loan assistance during 2001-2005. Thus, the benefit of SCA was denied to 348 (27 per cent) beneficiaries. During discussion the Managing Director stated (June 2005) that reasons for not extending the subsidy would be investigated.

Poor performance in recovery of loan

3.4.7 Records of the Corporation revealed poor performance in realization of repayment of loan and interest which was extended to the beneficiaries while implementing various programmes. It was noticed that against repayment of Rs. 13 crore due from 1877 beneficiaries, the Corporation failed to realise Rs. 8.06 (62 per cent) crore as of March 2005. Records of 15 blocks test checked, revealed that overdue instalment of loan amounting to Rs. 52.03 lakh remained unrealised from 97 beneficiaries who were found gross defaulters for more than one year.

The constraints faced by the beneficiaries in refunding the loan were not ascertained by the Management. During joint physical verification, the beneficiaries stated that due to financial hardship (very low income) they were not able to repay the loan amount.

Non-eligible beneficiaries covered

3.4.8 For implementation of the Scheme Rehabilitation of Ex-scavenger and Safai Karmacharis, 92 Ex-scavengers and 160 Safai Karmacharis were identified in the State. Accordingly, a proposal for 252 beneficiaries were sent to NSKFDC and loan assistance of Rs. 1.59 crore was received during 2001-02. The objective of the programme was to improve the socio-economic conditions of Safai Karmacharis and relieve them from scavenging.

Records indicated that loan assistance was provided to 70 beneficiaries upto December 2002. A supplementary list of 50 beneficiaries of Dhopa and Mali communities was prepared and sent to NSKFDC in January 2003 for approval. However, no approval was accorded by NSKFDC. As the beneficiaries from washerman (Dhopa) and gardener (Mali) communities do not belong to the communities of traditional Safai karmacharis, their selection for financial assistance was irregular. Though no approval was received, the Corporation provided loan assistance of Rs. 38.10 lakh to these 50 ineligible beneficiaries not covered by the programme.

Monitoring

3.4.9 The Corporation extended financial assistance to the SC beneficiaries for different activities of income generating schemes/projects (self employment) under transport, agriculture and business sectors to improve their socio-economic condition. For this purpose, the Corporation provided loan assistance of Rs. 11.87 crore (transport: Rs. 1.54 crore; agriculture: Rs. 2.20 crore and business: Rs. 8.13 crore) to 1,476 beneficiaries (transport: 112; agriculture: 343 and business sector: 1,021) during the period 2000-05.

The Corporation did not obtain any feedback from the field offices about the progress of actual implementation of different income generating projects financed by it. The formats prescribed for feedback were not designed properly as they lacked very basic items of information like, purpose and

adequacy of loan, asset acquired and income generated. As such the feedback wherever received from the field offices, were sketchy and stereotype in nature recommending release of second and subsequent instalments of loan. The information regarding creation of assets by the beneficiaries and income generated out of the projects implemented were neither called for by the Management nor were these furnished by field offices.

This indicated that there was no control mechanism in place to monitor the performance and efficacy of the programmes implemented especially with regard to their impact on socio-economic upliftment of SC families.

The Corporation stated (April 2005) that whenever any project was sanctioned, the field supervisors posted at block levels were asked to monitor and report to the Management. Moreover, details of monitoring at the block level were reported by field supervisors at the time of monthly meeting held at the headquarters.

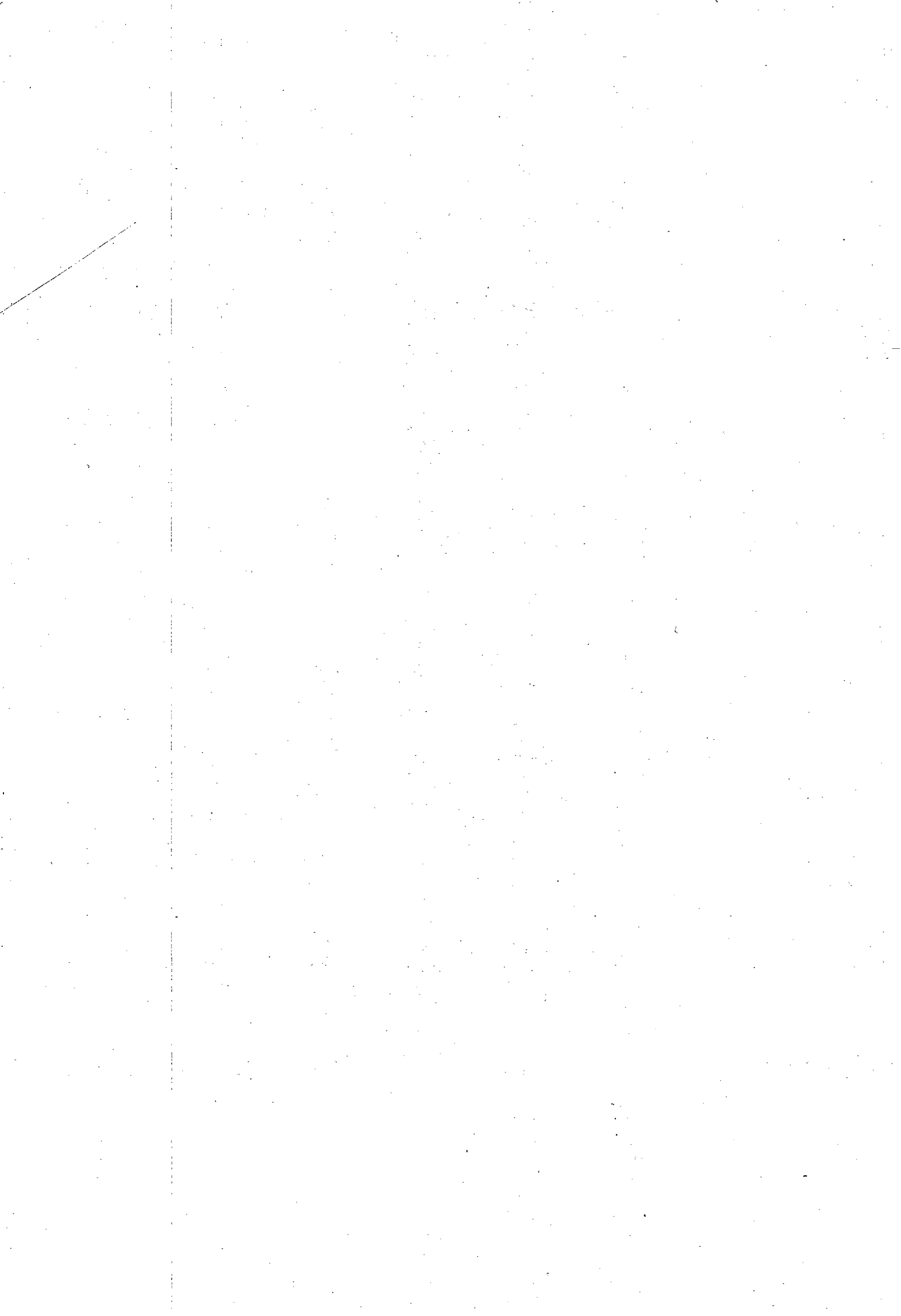
The Corporation failed to produce any such reports to Audit on actual implementation of different projects, assets created and income generated out of the schemes financed by it. The Management also had not taken any initiative to physically verify the actual implementation despite total failure of the Margin Money Loan Programme implemented by it prior to 1998-99. Poor recovery of loan from the beneficiaries may be an indicative of non-fulfilment of programme objectives.

Conclusion

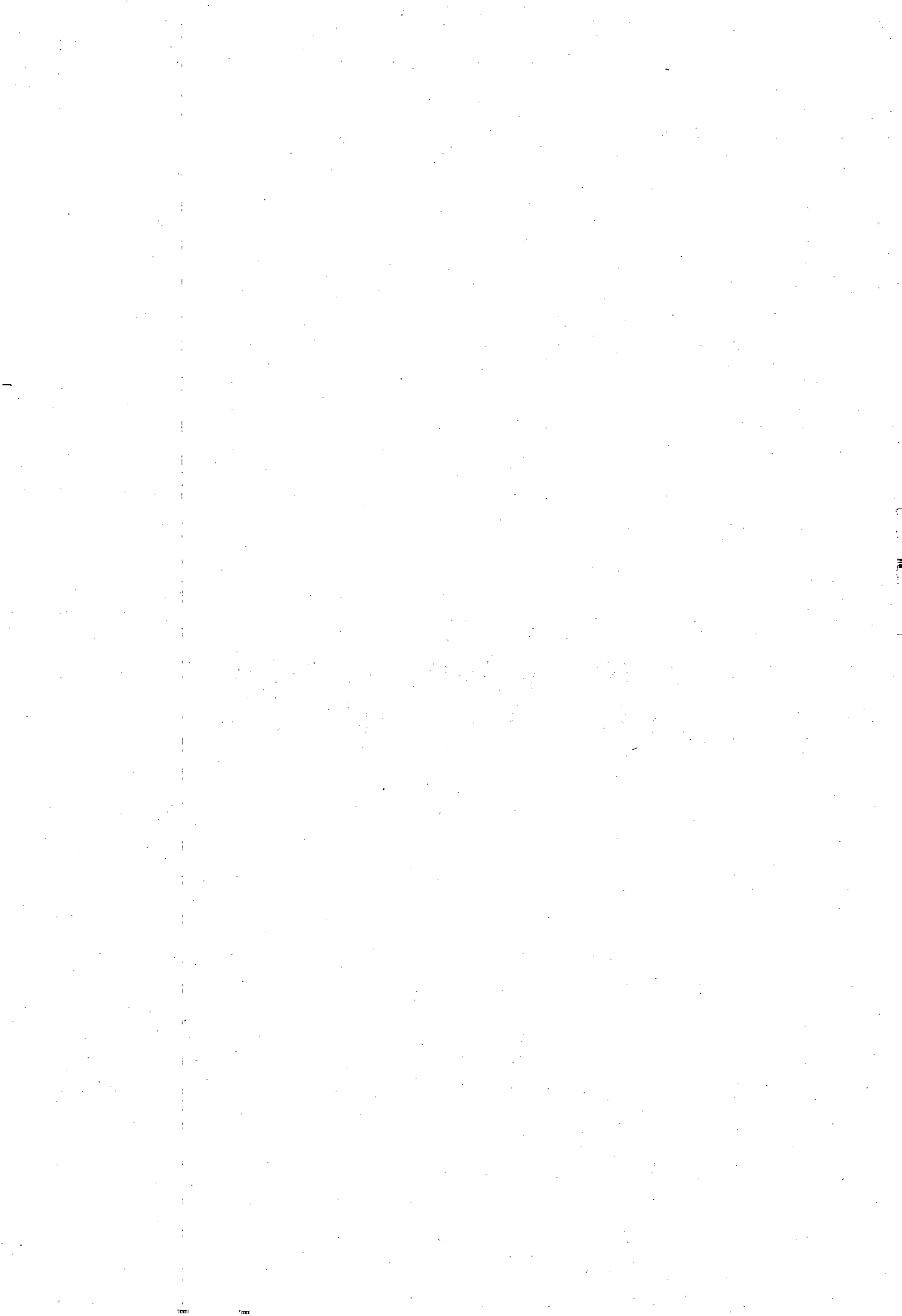
3.4.10 Absence of basic essential data on SC families below poverty line (BPL), lack of adequate planning, control and monitoring, poor recovery of loans from the beneficiaries had an adverse effect on performance of the Corporation.

Recommendations

- ◆ Management should adopt suitable measures for accounting of Rs. 5.27 crore spent under the programme (MMLP) and fix responsibility for failure of the programme.
- ◆ A system of maintenance of demand and collection registers, regular reporting and review of repayment status by Management to ensure timely raising of demand notices and issue of court cases against the beneficiaries found to be gross defaulters in repayment of loan should be brought in place.
- ◆ Impact of the programmes on target beneficiaries in terms of quantifiable socio-economic parametres and programme objectives should be assessed by an independent agency for bettering performance.



CHAPTER IV
AUDIT OF TRANSACTIONS
(CIVIL DEPARTMENTS)



CHAPTER IV: AUDIT OF TRANSACTIONS (CIVIL DEPARTMENTS)

AGRICULTURE DEPARTMENT

4.1 Non-utilisation of Central Assistance

The Director of Agriculture drew central assistance of Rs. 42.97 lakh between 2001-02 and 2003-04 for implementation of computer based Agri-Network System, of which Rs. 42.10 lakh remained unutilized.

Government of India (GOI) released Rs. 42.97 lakh between 2001-02 and 2003-04 under the Integrated Cereal Development Programme – Rice (ICDP) for implementation of computer based Agri-Network System (ANS) in Agriculture Department. The main objectives of the scheme were to create and manage a sound database for monitoring of Plan schemes, reporting and preparation of the budget of the department as a whole. The scheme also laid emphasis on analyzing the research data, forecasting of crop prospect, estimating of yields of different crops and deployment of networking systems in extension activities of the department.

Test-check (October 2004) of records of the Director of Agriculture revealed that the Director drew Rs. 42.97 lakh between March 2002 and March 2004 and spent (October 2002) Rs. 0.87 lakh for purchase of two computers. Balance funds of Rs. 42.10 lakh was retained in the shape of deposit-at-call. The department, however, furnished utilization certificates for Rs.12.09 lakh to the Government of India on the basis of drawal of funds in March 2002. The Finance Department had imposed (August 2003) a ban on purchase of computers as a part of austerity measures taken by the State Government, but waived (January 2004) it subsequently for this scheme. But the department failed to implement the programme even after lifting of the ban.

In April 2005, the Government decided to implement the programme through the National Informatic Centre (NIC). A Memorandum of Understanding (MOU) was to be signed between the department and NIC in this regard and the unspent amount of Rs. 42.10 lakh placed with them. Further development is awaited.

Thus, drawal of funds from Treasury violating the provision of Rule 290 of the Central Treasury Rules, Volume I, when the funds were not required for immediate disbursement, coupled with delay in taking decision by the Government as well as by the department for entrusting the computerization programme to NIC resulted in locking up of funds varying from Rs.12.10 lakh to Rs.42.10 lakh for periods ranging from one year to three years. This has also resulted in loss of interest of Rs.7.03 lakh* as of March 2005 calculated at

* March 2002-Rs.12.97 lakh @Rs.10.34 per cent p.a for 7 months =Rs.0.78 lakh
October 2002-Rs.12.10 lakh @ Rs.10.04 per cent p.a for 17 months=Rs.1.72 lakh
March 2004-Rs.42.10 lakh @Rs.9.92 per cent p.a for 13 months =Rs.4.53 lakh
Total: Rs.7.03 lakh

the borrowing rates as keeping the money in the shape of deposit-at-call did not earn any interest to the department.

The Government to whom the matter was reported (May 2005) stated (August 2005) that it was expected that the amount would be utilised by August 2005 but no document in support of this was furnished.

HEALTH AND FAMILY WELFARE DEPARTMENT

4.2 Loss of interest

Premature withdrawal of Rs. 2 crore from term deposit account and retaining the same in the personal ledger (PL) account of the Director of Health Services for over five years caused loss of interest of Rs. 1.06 crore.

The State Government set up (March 1997) the Tripura State Illness Assistance Fund (TSIAF) for financing the poor families living below poverty line (BPL) for long term and expensive specialized medical treatment outside the State under the Central scheme "Assistance to State Government towards expenditure on hospitalization of the poor". Accordingly, a Fund of Rupees six crore was created with contributions from the State Government (Rupees four crore) and the Central Government (Rupees two crore) in the ratio of 2:1 respectively as one time grant. The amount was invested in two term deposit accounts of Rs. 5.50 crore (September 1997) and Rs. 0.50 crore (October 1997) with the UBI, Agartala Branch to earn maximum interest* under monthly interest Scheme.

Test-check (January 2005) of records of the Director of Health Services (DHS), Tripura revealed that at the instance of the Government an amount of Rs. 2 crore was withdrawn (July 1998) out of the term deposit of Rs. 5.50 crore and kept in PL account of the DHS. Again the amount was withdrawn from PL account in November 2003 and credited to Government account (Major Head 0210) in the same month. The withdrawal of Rs. 2 crore from the corpus of the Society and keeping it in PL account for 5 years and subsequently depositing it to Government account for one year was irregular. Subsequently, the Health and Family Welfare Department released (September 2004) Rs. 2 crore to the Health Directorate, which invested (September 2004) the amount in term deposit account in the name of TSIAF with Tripura Gramin Bank, Agartala @ 6.10 per cent interest per annum.

Thus, premature withdrawal of Rs. 2 crore and retention of the same in PL account of the DHS for over five years resulted in loss of interest of Rs. 1.06 crore². Besides, the scheme for catering to the needs of all the BPL patients

* @ 12 per cent per annum.

² Simple interest accruable on Rs. 2.00 crore for the period from 3.9.97 to 2.9.2002 @ 12% p.a.
Amount of interest received after premature encashment for the period from 3.9.97 to 22.7.98 @ 7.5% p.a.

Rs. 1,20,00,000.00
Less
(-) Rs. 13,75,000.00

Rs. 1,06,25,000.00

suffered due to keeping the amount out of the corpus of the society for six years (July 1998 to August 2004).

The Government to whom the matter was reported (May 2005) stated (July 2005) that due to financial difficulties Rs. 2 crore was withdrawn and kept in PL Account.

The fact, however, remains that the scheme for catering to the needs of BPL patients has suffered by keeping the amount out of the society's corpus.

4.3 Under-utilisation of Laparoscopic system

Lack of maintenance and upkeep of the equipment and hand instruments required for laparoscopic surgery rendered the expenditure of Rs. 20 lakh incurred on their procurement, largely unfruitful.

The Health and Family Welfare Department decided to introduce laparoscopic Cholecystectomy, a new method of removing gall bladder stone with minimum surgical trauma to the patients, in the Gobinda Ballav Pant Hospital (GBPH), a State Hospital at Agartala and sanctioned (January 1999) Rs. 20 lakh for the purpose. Accordingly, the department procured (January 2000) a set of Laparoscopic equipment and disposable hand instruments from a Kolkata based firm at a cost of Rs. 20 lakh. The equipment and instruments were warranted for one year from the date of installation (March 2000).

It was seen in audit that the decision for procurement of the laparoscopic system was taken on the basis of recommendation of GBPH authority (Head of Surgery) which stated that incidence of gall bladder stone was very high in Tripura and there was public demand for the laparoscopic method.

Scrutiny (January 2005) of the Register maintained in the Operation Theatre (OT Register) revealed that 38 and 100 surgical operations were conducted during 2000 and 2001 respectively using this system. But there was a steep decline in the number of surgery cases in 2002 (25), 2003 (3) and 2004 (8, up to February). As of May 2005 the system was out of use (since March 2004).

The GBPH authority (Medical Superintendent) stated (May 2005) that laparoscopic cholecystectomy could not gain popularity in the State and patients were favouring open surgery. The reply is not tenable because it contradicted the basis on which the procurement of the laparoscopic system was made. The method was also popular throughout the world and different parts of India.

Scrutiny further revealed that the laparoscopic system was regularly interrupted since November 2000 due to non-supply of disposable hand instruments, adjustment problem of the camera system, inoperative Boyle's

Apparatus^Ω and non-maintenance of the laparoscopic system as a whole. The department had neither executed any Annual Maintenance Contract (AMC) with the supplier firm, nor did it make any provision of funds to meet recurring expenditure for upkeep of the laparoscopic system.

Poor maintenance of the equipment by the Medical Superintendent, GBPH resulted in denial of the modern surgical facility to the patients required to undergo gall-stones operation since March 2004. The expenditure of Rs. 20 lakh on the laparoscopic system thus proved to be largely unfruitful. The matter was reported to the Government in June 2005; in reply (July 2005), while accepting the facts, the Government stated that disposable hand instruments could not be purchased for paucity of funds.

PUBLIC WORKS DEPARTMENT

4.4 Blocking of funds

Non-adherence to Departmental procedure on procurement of construction materials and procurement of material in advance of requirement by six Public Works divisions led to blocking of funds of Rs. 6.41 crore.

Materials required for construction and maintenance of roads, bridges and buildings by the Public Works divisions are generally procured and stocked in the Public Works Stores Division on the strength of estimated annual requirements obtained from the working divisions. These materials are issued to the respective working divisions against the indents placed by them. As per accepted procedure in vogue, the values of materials issued are adjusted through Cash Settlement Suspense Accounts (CSSAs).

Test-check (February – March 2005) of records of the Executive Engineer (EE), Stores Division, PWD, Agartala revealed that in violation of the existing accepted procedure, six working divisions of PWD obtained proforma bills from the Stores Division (PWD) for the construction materials (4,411 MT) to be supplied by the latter (Stores Division) and placed funds of Rs. 8.66 crore (between January – March 2003) for 4,411 MT tor steel of different dia by debiting to 12 different sanctioned works. The Executive Engineer, Stores Division issued sale orders (between January–April 2003) to lift the requisitioned materials within 20 days from the date of sale orders. Scrutiny of records disclosed that against the requisitioned quantity of 4,411 MT, only 1,046 MT tor steel was lifted by the said six working divisions, as of March 2005 leaving the balance 3,365 MT tor steel (worth Rs. 6.41 crore) unlifted. The details are shown in the **Appendix XXII**.

The aforesaid 12 works, to which the cost of materials was debited during January – March 2003, could not be completed as of March 2005. Of the 12 works, even the work orders in respect of three cases were not issued (March 2005) and the remaining nine works were in progress. The indenting Public

^Ω Used for general anesthesia.

Works Divisions stated (March 2005) that the balance quantity of tor steel would be lifted in accordance with the progress and actual requirement of the works.

Thus, the funds were withdrawn in violation of the procedure from the Consolidated Fund of the State and paid to the Stores Division, PWD by the six working divisions by debiting the works and procurement of materials much in advance of actual requirement which resulted in blocking of funds of Rs. 6.41 crore for more than two years.

The matter was reported to the Government in June 2005; Government stated (August 2005) that due to adverse geographical location of the State, procurement of steel materials from Guwahati used to take much time. As such planning for procurement of materials was required to be done well in advance. Besides, due to non-availability of funds, land, and construction materials, progress of work suffered with consequent delay in lifting the materials from the Stores Division.

4.5 Non-recovery of penalty

Penalty of Rs. 35.38 lakh was not recovered from the defaulting contractors due to non-employment of technical staff at the site of work.

The contract (clause 36 of the agreement executed either in PWD Form 7 or in Form 8) provides that the contractor shall employ:

i) One graduate engineer with minimum one year's experience when the cost of work to be executed is more than Rs. 50 lakh; ii) one qualified diploma holder (Overseer) with minimum three years' experience when the cost of the work to be executed is more than Rs. 20 lakh but less than Rs. 50 lakh failing which he shall be liable to pay a sum of Rs. 2,000 in case of graduate engineer and Rs. 1,000 in case of diploma holder for each month of default.

As prescribed in the CPWD Manual Volume II, after award of work, the contractor should be asked to furnish the details such as name, qualifications and address of the engineer employed by the contractor. The Assistant Engineer should record a certificate in each running bill to the effect that a qualified engineer, employed by the contractor as per the provisions of clause 36, has looked after the work during its execution.

Test-check (July 2004 – February 2005) of records in four divisions^ψ revealed that neither did the Executive Engineers (EEs) ask the contractors to furnish details of technical staff appointed by them nor did the contractors furnish the requisite information. The Assistant Engineers also did not furnish any certificate in the running bills regarding appointment of engineer by the

^ψ 1. Agartala Division III, Kailashahar Division, Northern Division, Dharmanagar Division and Kumarghat Division.

contractors. Audit scrutiny revealed that penalty of Rs. 35.38 lakh[∇] was not recovered in 146 cases where the contractors failed to employ the technical staff.

The Executive Engineers concerned stated (August 2004 – February 2005) that action would be taken according to the provision of the manual.

The matter was reported to the Government in May 2005; reply had not been received (September 2005).

PUBLIC WORKS DEPARTMENT (WATER RESOURCES)

4.6 Blocking of funds

Injudicious procurement of ductile iron (DI) pipes by the Executive Engineer, for distribution systems of a Lift Irrigation (LI) scheme undertaken within 150 yards of international border, resulted in blocking of funds of Rs. 1.72 crore.

To irrigate 276 hectares of cultivable land at Srinagar, South Srinagar, Krishnanagar and Poangbari after lifting water from river Feni which demarcates Indo-Bangladesh border, a high power Lift Irrigation Scheme under Accelerated Irrigation Benefit Programme (AIBP) at Amlighat, Sabroom was approved (June 2000) by the Public Works Department (Water Resources), Government of Tripura. Accordingly, with the approval (March 2001) of the Chief Engineer, PWD (WR), the Executive Engineer (EE), I&FM Division IV, Belonia procured (August - October 2001) 3270.17 meter DI pipes valued at Rs. 1.72 crore, including charges (Rs. 16.58 lakh) for carrying the materials up to worksite at Amlighat, from a Kolkata based firm.

After procurement of DI pipes the work 'Construction of pump house and operator's shed, intake well, ground reservoir, laying of distribution systems etc' was awarded (March 2002) to a contractor at his tendered value of Rs. 52.96 lakh with the stipulation to complete the work by September 2003. The work commenced in January 2003 and after execution of a portion of work (which was not measured and no payment was made), the work remained suspended from May 2003 due to objection raised by Bangladesh Rifles (BDR), Bangladesh and Border Security Forces (BSF), India for violating India-Bangladesh Guidelines for Border Authorities-1975 as the construction work undertaken fell within 150 yards from the international border. The Superintending Engineer (SE), I&FM Circle I, Agartala admitted the fact and stated (September 2003) that the matter had been taken up (September 2003) through Joint River Commission (JRC) of both the countries (India and Bangladesh) and had also proposed for closure of contract to avoid contractual complicacy due to uncertainty over finalisation of the dispute. No further progress was reported (January 2005).

[∇] 2. Agartala Division III: Rs. 7.62 lakh; Kailashahar Division: Rs. 7.95 lakh; Northern Division: Rs. 11.64 lakh and Kumarghat Division: Rs. 8.17 lakh = Rs. 35.38 lakh.

The Executive Engineer stated (June 2004) that no objection had been raised earlier by Bangladesh during execution of several other LI schemes and during preliminary stage of work under this scheme on the bank of river Feni. But before launching this high power LI scheme relating to the construction work of permanent nature, alongside the river, the other side (Bangladesh) should have been taken into confidence through JRC as the site for construction fell within 150 yards from the zero line, and the LI scheme involved partial diversion of flow of water of the river which falls on international boundary.

Thus, approval for construction of a high power LI scheme on the location before being cleared by JRC and procurement of DI pipes long before the construction of the infrastructure (such as pump house and operator's shed, intake well and ground reservoir) required for laying the pipes, proved injudicious. This resulted in blocking of funds of Rs. 1.72 crore since October 2001.

The Engineer-in-Chief, PWD(WR) stated (July 2005) that the matter was under discussion at JRC level and 2400 meter DI pipes would be utilised in the high power LI scheme at Rabindranagar, Tripura West district as per decision taken by the Government in June 2005.

The matter was reported to the Government in March 2005; reply had not been received (September 2005).

4.7 Extra expenditure

The Executive Engineer, Resource Division incurred an extra expenditure of Rs. 66.09 lakh due to delay in finalisation of tender.

According to Para 20.1.15.5 of CPWD Manual Volume II, top priority should be given to award a work on receipt of tenders. To minimize chances of delay, time table given in Appendix 28 of the Manual should be observed.

Test-check (October – November 2004) of records of the Executive Engineer (EE), Resource Division, Panchamukh, Agartala revealed that tenders were invited (June 2002) for procurement of Unplasticised Poly Vinyl Chloride (UPVC) pipes of different diameters and pressures for implementation of schemes of Public Health Engineering (PHE) and Minor Irrigation (MI) during 2002-03. Tenders, which were opened on 22 July 2002, were valid for 180 days (i.e. up to 17 January 2003). M/S Trishla Vinyl Tubes Ltd., Dehradun (**Firm 'A'**), quoted the lowest rates for supply of 6 kg/cm² pressure UPVC pipes for the store yards at Agartala and Dharmanagar.

According to provision of CPWD Manual, Volume II, the maximum time allowed for scrutiny and disposal of tenders, requiring orders of the highest authority (here Supply Advisory Board (SAB)), is 40 days. But the SAB approved (15 January 2003) the rates after 178 days from the date of opening of the tenders. Consequently, the supply orders could not be issued to the **Firm 'A'** within the stipulated validity period of 180 days. The Executive Engineer requested (February 2003) the **Firm 'A'** to extend the validity period of their offer up to 28 February 2003 but the firm did not agree (January 2003).

The Executive Engineer re-invited (May 2003) tenders to procure the materials and the tenders were opened in July 2003. The SAB approved (October 2003) the rates. The supply orders were issued (November – December 2003) to two firms.

One of the two firms, (M/S Swastik Tubes Pvt. Ltd.) did not supply any material. Consequently the contract was rescinded. The other firm (**Firm-‘B’** (M/S Hightension Switchgear Pvt. Ltd., Agartala)) supplied (August-November 2004) total quantity of 5,06,125 metres. UPVC pipes, valued at Rs. 530.90 lakh at their offered rates. A comparative study of the rates offered by **Firm-‘A’** and **Firm-‘B’** revealed that had the same quantity of materials been supplied by the **Firm -‘A’** at their offered rates, the expenditure would have been Rs. 4.65 crore (**Appendix XXIII**).

Thus, the failure of the department to issue supply orders to the **Firm-‘A’** within the validity period of the tender leading to award of the work to **Firm-‘B’** at the rates higher than that quoted by the **Firm-‘A’**, resulted in extra expenditure of Rs. 66.09 lakh (Rs. 530.90 lakh *minus* Rs. 464.81 lakh).

The Engineer-in-Chief, PWD(WR) stated (July 2005) that the department could not finalise the tender in time in view of the orders passed (July 2002) by Hon’ble High Court, Kolkata against a petition made by a firm and SAB accepted the offer in January 2003 after obtaining (December 2002) the views of Law Department, Government of Tripura. The reply is not tenable as the department delayed by five months in the process of obtaining the views of Law Department.

The matter was reported to the Government (in department) in May 2005; reply had not yet been received (September 2005).

4.8 Infructuous expenditure

Non-completion of work by the contractor compounded by inaction of the Public Works Division resulted in infructuous expenditure of Rs. 64.97 lakh.

The work ‘Diversion scheme (spill way type) over Mailakcherra near Gamakobari under Amarpur Block of South Tripura District / Head Works’ was awarded (August 1998) to an agency at a tendered value of Rs. 4.97 crore for completion of the work by September 2000. The work commenced in October 1999 and continued upto March 2001. The agency was paid (March 2001) Rs. 64.97 lakh. Thereafter the work remained suspended and the agency did not resume the work even after issue of show cause notice in April 2002. The Superintending Engineer, Irrigation and Flood Management Circle No. I approached (July 2002 and June 2003) the Chief Engineer, Public Works Department (Water Resource) for rescission of the contract under clause-3 of the agreement for failure of the agency to execute the work. The decision was still awaited (July 2005).

Test-check (March - April 2004) of records of the Executive Engineer, I&FM Division Nc. III, Udaipur revealed the following:

(a) The department failed to supply the cement as stipulated in the agreement. Accordingly, the agency themselves procured cement and was paid Rs. 16.19 lakh for 6500 bags of cement (actual procurement was 8000 bags). The agency utilised 3506 bags in the work and the remaining 2994 bags (6500 minus 3506) valued at Rs. 7.46 lakh (Rs. 249 per bag) already paid for was lying with the agency.

(b) The agency was paid Rs. 13.24 lakh as secured advance on materials brought to site of work in March 2000 against which materials worth Rs. 9.61 lakh remained under the custody of the agency.

(c) 27.339 MT sheet piles was issued to the agency with the condition that its cost would be recovered at Rs. 0.30 lakh per MT in the event of misuse/wastage etc. The cost of sheet piles lying with the agency worked out to Rs. 8.20 lakh (Rs. 27.339 × 0.30 lakh). The work scheduled to be completed by September 2000 remained suspended from March 2001, but the department did not rescind the original contract and get the work done by any other agency. Thus, the entire expenditure of Rs. 64.97 lakh incurred three years back remained infructuous.

On this being pointed out (November 2004), the Executive Engineer stated (December 2004) that no progress could be made in construction work and the cost of materials lying with the contractor would be recovered.

The Engineer-in-Chief, PWD (WR), further stated (May 2005) that tender would be re-called after rescinding the original contract and cost of materials would also be recovered from the defaulting agency.

The matter was reported to Government (in department) in May 2005; the reply had not been received (September 2005).

TRIBAL WELFARE DEPARTMENT

4.9 Unproductive expenditure

Construction of hostels for students before finalising site for its school building resulted in unproductive expenditure of Rs. 2.34 crore.

For extending educational facilities among the tribal people, a project for establishment of residential school (Eklavya Model) at Kumarghat was sanctioned by Government of India (GOI) in 1998-99. The project included construction of 420 students school and two hostels, which could accommodate 210 students each for ST boys and ST girls. Accordingly, grants of Rs. 2.50 crore were released by GOI between March 1999 (Rs. 1 crore) and February 2003 (Rs. 1.50 crore) under first proviso to Article 275 (i) of the Constitution. The setting up of this residential school by 2001 was also included in Chief Minister's 25 point development package (1999-2000) for tribals in Tripura.

According to instructions of GOI, the State Government transferred the funds of Rs. 2.50 crore between March 1999 and July 2003 to the Tripura Tribal Welfare Residential Educational Institutions Society (TTWREIS), a registered society under Tribal Welfare Department (TWD), for management of the school. The Executive Engineer, PWD, Kumarghat Division was entrusted with the work of construction and accordingly funds of Rs. 2.50 crore were placed (February 2002 to March 2005) with the PWD, Kumarghat Division by TTWREIS.

Test-check (August-September 2004) of the records of the Executive Engineer, Kumarghat Division* revealed that restricted tenders for the construction of school and hostel buildings were called (December 2000) and the works were awarded (June 2001) to National Buildings Construction Corporation (NBCC) at their negotiated quoted rate of Rs. 2.73 crore (estimated cost: Rs. 2.15 crore) with a stipulation to complete the works by July 2002. The construction of hostel buildings commencing in October 2001 were completed in January 2005, after 39 months at a total cost of Rs. 2.34 crore.

The agreement for construction of the 420 seat school building was terminated (September 2003) as the Minister (TW) desired the school building to be constructed at a new site. The construction of the school building had not been taken up (July 2005) reportedly due to non availability of clear site. As such, the objective of extending the educational facilities among the tribal students remained unfulfilled even after incurring expenditure of Rs. 2.34 crore.

Thus, inability of TWD to provide suitable site for construction of school building resulted in unproductive expenditure of Rs. 2.34 crore on two hostel buildings.

The matter was reported to the Government in June 2005; Government admitted the fact and stated (August 2005) that new site for the school building has been selected. The school would start functioning soon in the hostel buildings pending completion of construction of the school building.

4.10 Wasteful expenditure

Expenditure of Rs. 27.25 lakh incurred on rubber plantation proved wasteful due to high mortality of plants.

The department formulated (June 1996) the scheme 'Rehabilitation of *Jhumia* through Rubber Plantation' with the aim of raising of rubber plantation in at least one hectare (ha) *Jote / Khas** allotted land in possession of a poor tribal family to provide sustainable income from rubber plantation. Under the scheme, minimum 30 families would be grouped together either in a compact block or in a clustered form within one kilometer radius.

* Information collected (May 2005).

* *Jote*: Private Land

Khas: Government Land

The cost of plantation per ha was Rs. 38,500 (grants-in-aid from Tribal Welfare Department (TWD): Rs. 26,620 and subsidy from Rubber Board: Rs. 11,880). The scheme was to be implemented over a period of seven years by the Sub-Divisional Officers, now re-designated as Sub-Divisional Magistrate (SDM), with the help of TWD under technical guidance from the Rubber Board. The District Magistrate and Collector with the assistance of District Tribal Welfare Officer would monitor and co-ordinate the programme.

Test-check (August – September 2004) of records of the SDM, Khowai revealed that the SDM received Rs. 33.58 lakh (Rs. 30.97 lakh from the TWD and Rs. 2.61 lakh from the Rubber Board) between 1996-97 and 2000-01 for implementation of four projects for settlement of 110 tribal *Jhumia* families through rubber plantation in 110 ha land in North Padmabil and South Padmabil villages and spent Rs. 31.69 lakh for planting 83,204 rubber plants as of March 2004. As per the norm of the scheme, the minimum stand of plants per ha was to have been 380 in the seventh year of the plantation. Hence, as per the norms, the minimum stand of plants was to be 41,800 (380 × 110) in 110 ha. areas. The records of the SDM showed that only 5,850 plants (14 per cent of expected survival – 41,800) survived. Thus, the shortfall of achievement in the plantation was 86 per cent of the expected survival. The shortfall was mainly due to absence or inadequacy of protective measures by the implementing agencies for preventing cattle grazing in the plantation fields, timely provision of plant protection chemicals, fire accident prevention coupled with lack of supervision by the Implementing Officers.

Thus, inept handling of plantation activities by Implementing Officers, lack of proper supervision and monitoring on the part of the department resulted in mortality of plants being much higher than the prescribed norms rendering the expenditure of Rs. 27.25 lakh[Ⓔ] wasteful. The beneficiaries were also deprived of the intended benefits under the projects.

The matter was reported to the Government in May 2005; Government stated (August 2005) that the plantation did not survive finally as people of the area were heavily affected by ethnic / extremist problem. This, however, contradicted the report of the field office of the department. The Sub-Divisional Magistrate, Khowai, stated (July 2002) that after detailed discussion in the meeting held on 22 July 2002 in the presence of Rubber Board officials, local representatives and beneficiaries the following causes were found responsible for poor percentage of survival of plantation: (i) cattle grazing in the Rubber Field, (ii) fire accident, (iii) loss due to lifting of planting materials, (iv) late supply of PPC, and (v) lack of close contact of IOs with the beneficiaries.

[Ⓔ] Expenditure per plant = Rs. 31.69 lakh ÷ 41,800 = Rs. 75.81 (approx.).

Number of Shortfall in achievement = 41,800 – 5850 = 35,950.

Therefore, wasteful expenditure = 35,950 × Rs. 75.81 = Rs. 27.25 lakh (approx.).

URBAN DEVELOPMENT DEPARTMENT

4.11 Blocking of funds on construction of Super Market

Ranirbazar Nagar Panchayat could not construct the Super Market during 2001-05 due to inordinate delay in selection of site and lack of adequate planning leading to blocking of funds of Rs. 49.77 lakh resulting in a loss of interest of Rs. 15.24 lakh.

The Town and Country Planning Organisation, Urban Development Department, Government of Tripura, prepared (March 2000) a project report for construction of a super market at Ranirbazar at a total cost of Rs. 1.29 crore under Integrated Development of Small and Medium Town (IDSMT). The project included two storey building having 55 shops in each storey. The cost of the project was to be met from Central share: Rs. 34.92 lakh, State share: Rs. 23.28 lakh, HUDCO loan: Rs. 50 lakh and other sources (Nagar Panchayat): Rs. 20.78 lakh. The project was to be completed in three years during 2000-03.

The Town and Country Planning Organisation revised (June 2001) and reduced the cost of the project to Rs. 96.35 lakh. The Executive Committee of Nagar Panchayat, Ranirbazar, decided (February 2004) to further reduce the cost of the project to Rs. 50 lakh (Central share: Rs. 34.92 lakh and State share: Rs. 15.08 lakh) by reducing the size of the project to 16 shops only as it could not manage the balance funds from other sources. Approval for down-sizing of the project was not taken either from the State Government or from the Government of India (GOI).

Test-check (January 2005) of the records of Ranirbazar Nagar Panchayat for the years 2002-03 to 2003-04 revealed that Government of India released Rs. 34.92 lakh between March 2001 and March 2003 for implementation of the project. Funds of Rs. 15.08 lakh (State share) was also released by State Government between March 2001 and September 2002. The Nagar Panchayat selected the site at Majlishpur (Tripura West) for construction of super market and placed funds of Rs. 4.80 lakh between March and October 2004 at the disposal of Land Acquisition Officer (LAO) for acquisition of 0.58 acre of land. The amount was retained by LAO in his PL Account. Acquisition of land was still in progress (March 2005). The work for preparation of estimate, drawing and construction of super market was entrusted to Tripura Housing Board (THB) and funds of Rs. 30 lakh was placed (March 2004) with the THB before acquisition of land and handing over the site for construction. Records showed that detailed estimates, which were required to be approved by the Nagar Panchayat, were yet (March 2005) to be prepared by THB.

Thus, due to frequent revision of the project and inordinate delay in selection of site, the construction work of the super market, which was to be completed in three years (2000-03), could not even be started at the end of five years (March 2005). This resulted in blocking of funds varying from Rs. 18 lakh[¶] to Rs. 49.77 lakh[¶] for two to four years and defeated the purpose for which the project was sanctioned. This has also resulted in loss of interest of Rs. 15.24 lakh* (calculated at the borrowing rates).

The matter was reported to the Government in May 2005; Government admitted the fact and stated (July 2005) that there was constraints in acquisition of land. Land had been acquired in April 2005 and tender had been called in June 2005 stipulating the date for completion within nine months. Further development was awaited (September 2005).

4.12 Loss of revenue

Faulty planning and delay in construction and handing over of the newly constructed building led to the newly constructed stalls remaining unallotted for over three years resulting in loss of revenue of Rs. 4.48 lakh.

The Executive Committee of the Nagar Panchayat, Kumarghat decided (July 1995) to construct an office cum commercial complex (two storied building) with 20 stalls on the ground floor at an estimated cost of Rs. 46.09 lakh. Town and Country Planning Organisation conveyed (April 1997) approval of Government of India (GOI) and State Level Sanctioning Committee for construction of the building under IDSMT Scheme at a total cost of Rs. 51.00 lakh.

Test-check (August 2003) of the records of the Kumarghat Nagar Panchayat and further information collected in May 2005 revealed that funds of Rs. 49 lakh was placed with the Executive Engineer, Kumarghat Division between July 1995 and February 2002 for construction of the building. Accordingly, work order was issued in March 1997 by Kumarghat Division (PWD) stipulating completion within six months. The work commencing in July 1997 was completed in July 1999, with time over-run of 19 months, at a total cost of Rs. 55.04 lakh, but the building was formally handed over to the Nagar Panchayat by PWD only in July 2001 i.e. after two years of completion of construction, reasons for which were not stated to Audit.

The Executive Committee of Kumarghat Nagar Panchayat decided (February 2002) to allot the stalls to unemployed youth on rent at Rs. 500 per month after receipt of security deposit of Rs. 30,000 for each stall. As none came

¶ Rs. 18 lakh (March 2001)
Rs. 26.80 lakh (October 2001)
Rs. 30.85 lakh (September 2002)
Rs. 49.77 lakh (March 2003)

*Rs. 1.16 lakh (@ 11.09%)
Rs. 2.54 lakh (@ 10.34 %)
Rs. 1.55 lakh (@10.04%)
Rs. 9.99 lakh (@ 10.04%)
Rs. 15.24 lakh

forward for allotment, Nagar Panchayat reduced (May 2002) the rate of security deposit to Rs. 20,000. This move also failed. Ultimately, the Nagar Panchayat further reduced the rate of security deposit to Rs. 10,000 per stall and accordingly one stall was allotted in December 2002 and 19 stalls were allotted between May 2003 and August 2003 on receipt of security deposit of Rs. 10,000 for each stall.

Thus, due to faulty planning on the part of Nagar Panchayat and delay in handing over the building by PWD led to the newly constructed stalls remaining unallotted for over three years which resulted in loss of revenue of Rs. 4.48 lakh*.

The Executive Officer of the Nagar Panchayat stated (February 2004) that after taking over the building from PWD, the matter of allotment of stalls was discussed by the Committee, but the Committee failed to take a firm decision which led to loss of revenue.

The matter was reported to the Government in June 2005; Government admitted the facts and stated (July 2005) that PW Department could not complete the work in time as they remained busy with their normal work and delay in allotment of stalls was attributed to initial fixing of the rate of security money to be deposited for each stall at a higher stage without taking into consideration the socio-economic condition of the people of the locality.

DEPARTMENT FOR WELFARE OF SCHEDULED CASTES, OBC AND MINORITIES

4.13 Locking of funds in Bank

Amount of Rs. 31 lakh placed with the Tripura Gramin Bank for disbursement of subsidy to 155 Scheduled Castes families living below poverty line remained undisbursed for over two years depriving these families of the intended benefit.

A project for economic development of scheduled castes (SC) families living below poverty line (BPL) of the selected SC dominated special areas was approved (April 2002) by the Government of India for implementation within the financial year 2002-03. The project included credit linked schemes under which a SC family living below poverty line would get interest free bank loan up to Rs. 20,000 (interest was to be charged on the amount of loan exceeding Rs. 20,000 at normal lending rate of bank) and subsidy at the rate of Rs. 20,000 (Special Central Assistance of Rs. 10,000 and Additional Central Assistance of Rs. 10,000). The State Government decided (September 2002) to implement the project through the Tripura Gramin Bank.

* Rs. $500 \times 19 \times 45$ months = Rs. 4.28 lakh
Rs. $500 \times 01 \times 40$ months = Rs. 0.20 lakh
Total = Rs. 4.48 lakh

Test-check (December 2003) of records of the Director for Welfare of SCs and OBCs revealed that an amount of Rs. 31 lakh was placed (March 2003) with the Tripura Gramin Bank for disbursement of subsidy to 155 SC BPL families of Ichailalcherra Gram Panchayat under Kadamtala Block, North Tripura District. A joint survey for asset verification of the families was to be conducted by a team consisting of bank personnel, Project Officer / representative of SC Welfare Department, Panchayat Department and Line Department.

It was seen in audit that against the target of 155 families, the bank sanctioned and disbursed loan amounting Rs. 16.42 lakh to 151 families selected (up to February 2005), but the entire amount of the subsidy remained undisbursed (March 2005) due to non-completion of joint survey for asset verification of these families. No reasons were furnished for not completing the survey. The department, however, furnished utilization certificate to the Government of India showing the amount as utilised.

Thus, due to inaction on the part of the department, Rs. 31 lakh remained locked up in the Gramin Bank for over two years and the beneficiaries were deprived of the intended benefits of the project. During the period interest of Rs. 6.22 lakh^Ψ was accruable on Rs. 31 lakh.

The matter was reported to the Government in May 2004; Government admitted the facts and stated (August 2005) that the amount of subsidy has been disbursed as of August 2005.

CIVIL, POWER AND PUBLIC WORKS DEPARTMENTS

4.14 Outstanding Inspection Reports

First reply for 218 out of 990 Inspection Reports issued during 1991-92 to 2004-05 was not furnished by the Civil, Power and Public Works Departments, within the stipulated period.

Audit observations on financial irregularities and defects in maintenance of initial accounts noticed during local audit and not settled on the spot are communicated to the auditee departments and to the concerned higher authorities through Inspection Reports. The more serious irregularities are reported to the department and to the Government. The Government had prescribed that the first reply to the Inspection Reports should be furnished within one month from the date of their receipt.

The position of outstanding reports in respect of the Civil, Power and Public Works Departments is discussed below:

^Ψ Rs. 31.00 lakh × 10.04 per cent (borrowing rate) × 2 years.

◦ **CIVIL DEPARTMENTS**

A review of position of outstanding Inspection Reports relating to various Civil Departments revealed that 2,589 paragraphs included in 908 Inspection Reports issued up to 2004-05 were pending for settlement as of July 2005. Of these, even first reply had not been received in respect of 196 Inspection Reports in spite of repeated reminders. Year-wise break-up of the outstanding Inspection Reports and paragraphs are given below:

Sl. No.	Year	Number of outstanding		Number of inspection reports of which even first reply had not been received
		Inspection Reports	Paragraphs	
1.	Up to 1991-92	8	18	NIL
2.	1992-93	11	41	NIL
3.	1993-94	29	93	1
4.	1994-95	99	275	8
5.	1995-96	88	268	9
6.	1996-97	77	225	11
7.	1997-98	80	173	10
8.	1998-99	81	262	12
9.	1999-2000	75	227	12
10.	2000-01	53	155	12
11.	2001-02	88	232	20
12.	2002-03	70	166	31
13.	2003-04	79	266	30
14.	2004-05	70	188	40
	TOTAL	908	2589	196

As a result, the following important irregularities commented upon in these Inspection Reports had not been settled as of July 2005.

(Rupees in crore)

Sl. No.	Nature of irregularities	Number of cases	Amount involved
1.	Wasteful/ infructuous expenditure	29	7.11
2.	Extra/ avoidable expenditure	45	3.48
3.	Blockage of funds	32	19.64
4.	Non-recovery of excess payments/ overpayments	45	2.38
5.	Others	784	285.96
	TOTAL	935	318.57

◦ **POWER DEPARTMENT**

Seventy one paragraphs included in 28 Inspection Reports issued between 2000-01 and 2004-05 were not settled as of July 2005. Of these, the first reply for 11 Inspection reports had not been received despite repeated reminders (as of July 2005). Year-wise break-up of outstanding Inspection Reports and paragraphs are given below:

Sl. No.	Year	Number of outstanding		Number of Inspection Reports of which first reply had not been received
		Inspection Reports	Paragraphs	
1.	2000-01	5	8	2
2.	2001-02	5	8	3
3.	2002-03	4	13	1
4.	2003-04	6	21	3
5.	2004-05	8	21	2
	TOTAL	28	71	11

The important types of irregularities noticed during local audit of the Power Department during 2004-05 are summarised below:

(Rupees in crore)

Sl. No.	Nature of irregularities	Number of cases	Amount involved
1.	Extra / avoidable	11	109.88
2.	Loss of material due to theft	6	4.43
3.	Recovery from contractor	2	0.02
4.	Cash settlement suspense	1	20.26
5.	Award of work without call of tender	1	2.58
	TOTAL	21	137.17

• PUBLIC WORKS DEPARTMENT

A review of position of the outstanding Inspection Reports relating to PWD revealed that 209 paragraphs included in 54 Inspection Reports issued between 2000-01 and 2004-05 were pending for settlement as of July 2005. Of these, even first reply had not been received in respect of 11 Inspection Reports in spite of repeated reminders. Year-wise break-up of the outstanding Inspection Reports and paragraphs are given below:

Sl. No.	Year	Number of outstanding		Number of inspection reports of which even first reply had not been received
		Inspection Reports	Paragraphs	
1.	2000-01	7	54	1
2.	2001-02	12	43	4
3.	2002-03	6	16	NIL
4.	2003-04	10	27	2
5.	2004-05	19	69	4
	TOTAL	54	209	11

The important irregularities noticed during inspection of PW Divisions during 2004-05 are summarised below:

(Rupees in crore)

Sl. No.	Nature of irregularities	Number of cases	Amount involved
1.	Blockage of fund	5	3.24
2.	Security deposit	13	1.95
3.	Non-deployment of T/Staff	5	0.27
4.	Unauthorised irregularities	16	9.63
5.	Recoverable amount	25	3.68
6.	Unadjusted advance	5	2.67
	TOTAL	69	21.44

General

Follow up on Audit Reports

4.15 Eighty seven* reviews and 356* paragraphs had been featured in Audit Reports 1988-89 to 2003-04. At the end of July 2005, out of 87 reviews, 41 reviews were discussed by the PAC leaving a balance of 46 and out of 356 paragraphs featured during the same period, 140 paragraphs were discussed by the PAC leaving a balance of 216 paragraphs. Against 41 reviews and 140 paragraphs already discussed in the PAC, action taken notes (ATN) on the recommendations of the PAC in respect of 13 reviews and 38 paragraphs were yet to be received (July 2005).

Audit arrangement for local bodies

4.16 The audit of accounts of the following bodies / authorities has been entrusted to the C&AG of India under Sections 19 (3) and 20 (1) of the C&AG's (Duties, Powers and Conditions of Service Act, 1971) for the period mentioned below:

Sl. No.	Name of bodies/authorities	Period of entrustment	Section of the C&AG's (DPC) Act, 1971
1.	Tripura Khadi and Village Industries Board	1999-2000 to 2003-04	19 (3)
2.	Tripura Board of Secondary Education	2001-02 to 2005-06	20 (1)
3.	Agartala Municipal Council	1996-97 onward on permanent basis	20 (1)
4.	Nagar Panchayats (12 Nos.)	1996-97 onward on permanent basis	20 (1)
5.	Tripura University	2002-03 to 2006-07	20 (1)
6.	Tripura Housing Board	Up to 1992-93	19 (3)

The status of submission of accounts by the bodies/authorities and submission of Audit Reports thereon to the State Legislature as of July 2005 is given below:

Sl. No.	Name of bodies	Year up to which			Reasons for non-finalisation of Audit Report	Year upto which Audit Report placed before Legislature
		Accounts due	Accounts submitted	Audit Report issued		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Tripura Khadi and Village Industries Board	2003-04	1997-98	1988-89 to 1990-91	Audit Report for the years 1991-92 to 1996-97 is in progress	No information on placement of the SARs issued to the Government/ Board had been received (July 2005).
2.	Tripura Board of Secondary Education	2004-05	1997-98	1993-94 to 1997-98	Audit Report for the years 1993-94 to 1997-98 issued to the Government on 15-4-2004.	1993-94 and 1997-98

* Including 3 reviews and 8 paragraphs relating to the Power Department as appeared in Chapter VIII (titled 'Government Commercial and Trading Activities') of Audit Reports. These reviews and paragraphs are discussed by the PAC.

Due to non-submission of accounts in proper format by the Agartala Municipal Council and 12 Nagar Panchayats, audit could not be taken up (since their inception). Only transaction audit is being conducted. Audit of accounts of the Tripura University for the period from 1996-97 to 1997-98 have been completed and separate Audit Report issued.

The following 24 bodies/authorities, whose accounts were received so far (July 2005) attracted audit under Section 14 of the C&AG's (DPC) Act, 1971. Of these, 13 bodies/authorities were audited (upto July 2005) as detailed below:

Sl. No.	Name of bodies/ authorities	Annual accounts	
		Received	Audited
1.	District Rural Development Agency (West)	2002-03 and 2003-04	Being taken up shortly
2.	District Rural Development Agency (South)	2002-03 and 2003-04	2002-03 and 2003-04
3.	District Rural Development Agency (Dhalai)	2001-02 and 2002-03	Being taken up shortly
4.	District Rural Development Agency (North)	2001-02 and 2002-03	2001-02 and 2002-03
5.	Tripura Sports Council	1999-2000 to 2004-05	1999-2000 to 2001-02
6.	Tripura Scheduled Tribes Co-operative Development Corporation	2003-04 and 2004-05	Being taken up shortly
7.	Tripura Scheduled Caste Co-operative Development Corporation	2003-04 and 2004-05	1993-94 to 1997-98
8.	World Bank Aided Rubber Project	2003-2004	2003-2004
9.	Tripura State Social Welfare Advisory Board	1998-99 to 2001-02	1998-99 to 2001-02
10.	Ramakrishna Mission Vidyalaya	2002-03 and 2001-02	1998-99 to 2001-02
11.	Ramthakur Pathsala Boy's H.S. (+2 stage) School	1982-83 to 1995-96	1982-83 to 1995-96
12.	Tripura Health and Family Welfare Society	1998-99 to 2001-02	1998-99 to 2001-02
13.	Tripura State Aids Control Society	1999-2000 to 2001-02	1999-2000 to 2001-02
14.	Tripura Blindness Control Society	2002-2003	2002-2003
15.	Tripura State Leprosy Control Society	2001-2002	Being taken up shortly
16.	Tripura State Council for Science and Technology	1998-99 to 2002-03	1998-99 to 2002-03
17.	Tripura Minorities Co-operative Development Corporation	1998-99 to 2001-02	1998-99 to 2001-02
18.	D.N. Vidyamandir	1994-95 to 2001-02	Being taken up shortly
19.	Tripura State T.B. Control Society	2001-02 to 2003-04	Being taken up shortly
20.	Society for Mental health of Tripura	2001-02 to 2003-04	Being taken up shortly
21.	Hindi H/S School	2001-02 to 2003-04	Being taken up shortly
22.	Prachya Bharati School	1998-99 to 2001-02	Being taken up shortly
23.	Srinath Vidya Niketan	1995-96 to 2001-02	Being taken up shortly
24.	Bardowali H/S School	1997-98 to 2001-02	Being taken up shortly

The accounts of the Tripura Tribal Areas Autonomous District Council (TTAADC) are audited under the provision of Article 244(2) of the Constitution read with Sixth Schedule to it. The status of submission of annual accounts by the authority to Audit and laying of Audit Reports before the Council as of July 2005 are given below:

Name of bodies	Tripura Tribal Areas Autonomous District Council (TTAADC)	
Year up to which	Accounts due	2004-05
	Accounts submitted	1993-94 (in old format)
	Accounts Audited	1993-94
	Audit Report issued	1991-92
Reasons for non-finalisation of Audit Report	(1) The State Government was required to seek clearance from the Government of India for acceptance of accounts for 1992-93 and 1993-94 in the old format as a special case. The matter has not yet been settled (July 2005). (2) Audit is held up for want of accounts in prescribed format.	
Year up to which Audit Report placed before the Council	1991-92	

Outstanding Inspection Reports

4.16.1 The Government had prescribed that the first reply to the Inspection Reports should be furnished by the concerned departments within one month from the date of their receipt.

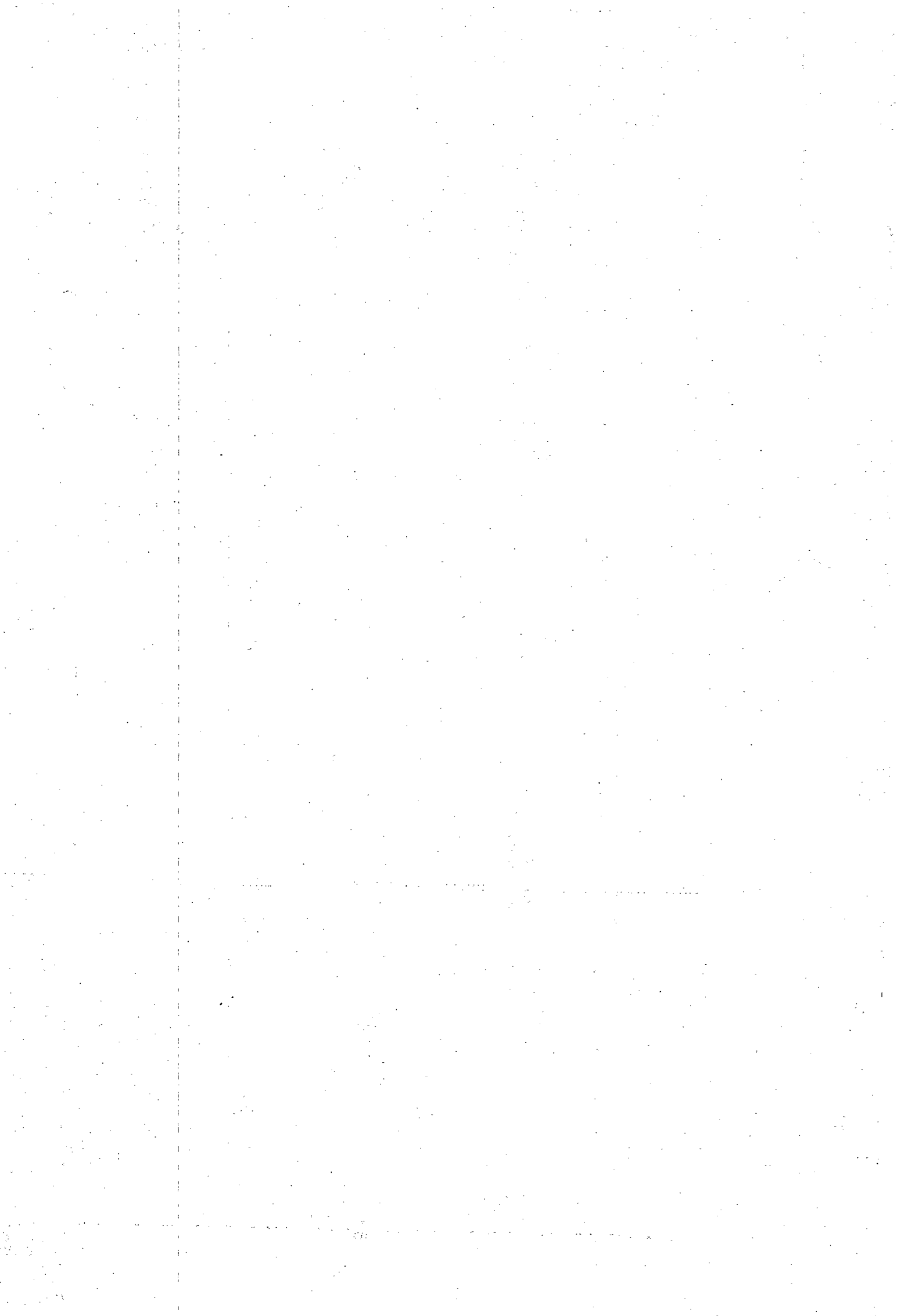
As of July 2005, 166 paragraphs included in 35 Inspection Reports issued to local bodies / authorities up to 2004-05 were pending settlement. Of these, even the first reply had not been received in respect of 9 Inspection Reports in spite of repeated reminders. Department-wise break-up of the outstanding Inspection Reports and paragraphs is given below:

Sl. No.	Name of the department	No. of office audited during 1-4-2000 to 31-3-05	Number of outstanding during 1-4-2000 to 31-3-05		Number of inspection reports of which even first reply had not been received
			Inspection Reports	Paragraphs	
1.	Rural Development	12	12	56	2
2.	Education	4	4	21	NIL
3.	Health and Family Welfare	1	1	01	1
4.	Science and Technology	3	3	20	1
5.	Tribal Welfare	1	1	10	NIL
6.	Scheduled Caste Welfare	1	1	13	NIL
7.	Industries	1	1	2	NIL
8.	Urban Development	12	12	43	4
TOTAL		35	35	166	8

As a result, the following important irregularities commented upon in these Inspection Reports had not been settled as of July 2005:

(Rupees in lakh)

Sl. No.	Nature of irregularities	Number of cases	Amount involved
1.	Wasteful / Infructuous expenditure	5	23.88
2.	Extra / Avoidable expenditure	4	40.95
3.	Idle salary / Idle expenditure	3	284.72
4.	Blockage of funds	1	18.00
5.	Non-recovery of excess payments / overpayments	8	4.69
	TOTAL	21	372.24



CHAPTER V
REVENUE RECEIPTS

CHAPTER V: REVENUE RECEIPTS

5.1 Trend of revenue receipts

The tax and non-tax revenue raised by the Government of Tripura during the year 2004-05, the State's share of divisible Union Taxes and grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are given below:

Table No. 1

(Rupees in crore)

		2000-01	2001-02	2002-03	2003-04	2004-05
I.	Revenue raised by the State Government					
	(a) Tax Revenue	125.58	158.50	183.09	221.47	239.63
	(b) Non-Tax Revenue	94.51	97.64	98.73	167.78	176.85
	Total	220.09	256.14	281.82	389.25	416.48
II.	Receipts from Government of India					
	(a) State's share of net proceeds of divisible Union taxes	236.22	232.62	249.71	320.53	383.12
	(b) Grants-in-aid	1,181.75	1,378.62	1,348.54	1,457.88	1777.30
	Total	1,417.97	1,611.24	1,598.25	1,778.41	2160.42
III.	Total receipts of the State Government (I+II)	1,638.06	1,867.38	1,880.07	2,167.66	2576.90
IV.	Percentage of I to III	13	14	15	18	16

5.1.1 The details of tax revenue raised during the year 2004-05 along with the figures for the preceding four years are given below:

Table No. 2

(Rupees in crore)

Sl. No.	Heads of revenue	2000-01	2001-02	2002-03	2003-04	2004-05	Percentage of increase (+) or decrease (-) in 2004-05 over 2003-04
1.	Sales Tax	81.08	105.80	126.97	149.25	160.69	8
2.	State Excise	19.79	22.03	28.21	31.36	32.37	3
3.	Other Taxes on Income and Expenditure	11.21	11.59	12.17	17.28	20.47	18
4.	Stamps and Registration Fees	5.94	9.61	7.81	11.17	12.07	8
5.	Taxes on Vehicles	4.26	5.28	5.29	8.01	10.45	30
6.	Other Taxes and Duties on Commodities and Services	1.22	2.71	1.16	1.46	1.86	27
7.	Land Revenue	1.82	1.14	1.31	2.61	1.20	- 54
8.	Taxes on Agricultural Income	0.25	0.13	0.01	0.30	0.27	- 10
9.	Taxes and Duties on Electricity	0.01	0.21	0.01	0.01	0.01	-
10.	Others	-	-	0.15	0.02	0.24	1050
	Total	125.58	158.50	183.09	221.47	239.63	8

5.1.2 The details of the major non-tax revenue raised during the year 2004-05 along with the figures for the preceding four years are given below:

Table No. 3

(Rupees in crore)

Sl. No.	Heads of revenue	2000-01	2001-02	2002-03	2003-04	2004-05	Percentage of increase (+) or decrease (-) in 2004-05 over 2003-04
1.	Power	35.35	46.20	59.68	121.78	105.70	-13
2.	Forestry and Wildlife	7.60	4.53	4.09	14.70	5.63	-62
3.	Education, Sports, Art and Culture	0.71	4.35	1.10	1.28	0.82	-36
4.	Crop Husbandry	1.43	1.46	0.84	1.08	1.43	32
5.	Other Administrative Services	1.04	1.02	1.16	1.27	5.71	350
6.	Water Supply and Sanitation	1.21	6.06	0.88	1.95	1.11	-43
7.	Police	2.32	4.19	2.99	5.13	16.17	215
8.	Interest Receipts	18.49	3.58	5.83	3.67	4.56	24
9.	Stationery and Printing	1.42	1.18	0.69	0.99	0.75	-24
10.	Animal Husbandry	0.60	0.92	0.75	0.93	1.14	23
11.	Industries	5.51	6.27	6.04	5.61	6.98	24
12.	Public Works	0.94	1.31	1.41	2.11	1.48	-30
13.	Village and Small Industries	0.50	0.33	0.09	0.12	0.10	-17
14.	Fisheries	0.45	0.33	0.43	0.53	0.54	2
15.	Other Rural Development Programmes	0.23	0.13	0.12	0.22	0.27	23
16.	Others	16.71	15.78	12.63	6.41	24.95	289
	Total	94.51	97.64	98.73	167.78	176.85	5

While the prescribed per annum growth rate of tax revenue was recommended as 14.40 per cent by the Eleventh Finance Commission, the actual growth rate registered was 19.95 per cent on an average during 2001-2005.

5.2 Initiative for Mobilisation of Resources

In the budget for 2004-05, the Government proposed for revenue collection of Rs. 295 crore under tax receipts. But the actual collection of revenue during 2004-05 was Rs. 239.63 against the expected revenue of Rs. 295 crore. Thus, collection of revenue was not commensurate with the projection made in the budget.

5.3 Analysis of Budget preparation

As per provision of the Budget Manual, the Finance Department shall collect Budget Estimate and related information both for receipts and expenditure from the concerned Administrative Departments and prepare Budget Estimate of the State after necessary changes according to the policy of the Government.

The actual receipts under tax revenue for 2004-05 was below the revised estimate of that year even after the revised estimate was substantially reduced from the original budget estimate for 2004-05 as shown in the table below:

Table No. 4

(Rupees in crore)

Year	Budget estimate	Revised estimate	Actuals	Variation (%) of actual collection over budget estimate
Tax revenue				
2000-01	188.40	119.50	125.58	(-) 33.34
2001-02	131.63	143.87	158.50	(+) 20.41
2002-03	145.50	170.09	183.09	(+) 25.84
2003-04	183.98	225.00	221.47	(+) 20.38
2004-05	295.00	254.35	239.63	(-) 18.77
Non-tax revenue				
2000-01	67.76	75.06	94.51	(+) 39.48
2001-02	95.01	88.88	97.64	(+) 2.77
2002-03	114.20	100.15	98.73	(-) 13.55
2003-04	121.40	120.00	167.78	(+) 38.20
2004-05	160.00	152.94	176.85	(+) 10.53

5.4 Variations between budget estimates and actuals

The variations between the budget estimates and actuals of revenue receipts for the year 2004-05 in respect of the principal heads of tax and non-tax revenue are given below:

Table No. 5

(Rupees in crore)

TAX REVENUE					
Sl. No.	Heads of revenue	Budget estimates	Actuals	Variation: increase(+)/ decrease(-)	Percentage of variation over budget estimates
1.	Sales Tax	200.00	160.69	(-) 39.31	(-) 20
2.	State Excise	40.00	32.37	(-) 7.63	(-) 19
3.	Stamps and Registration Fees	15.00	12.07	(-) 2.93	(-) 20
4.	Taxes on Vehicles	11.00	10.45	(-) 0.55	(-) 5
5.	Land Revenue	1.67	1.20	(-) 0.47	(-) 28
6.	Taxes on Agricultural Income	0.01	0.27	0.26	2600
7.	Taxes and Duties on Electricity	0.01	0.01	-	-
8.	Other Taxes on Income and Expenditure	-	20.47	20.47	-
9.	Other Taxes and duties on commodities service	-	1.86	1.86	-

The reasons for variation, though called for from the departments, have not been received.

Table No. 6

(Rupees in crore)

NON-TAX REVENUE					
Sl. No.	Heads of revenue	Budget estimates	Actuals	Variation: Increase (+)/ decrease (-)	Percentage of variation
1.	Power	110.00	105.20	4.80	(-) 4
2.	Forestry and Wildlife	13.00	5.63	(-) 7.37	(-) 57
3.	Other Administrative Services	1.35	5.71	4.36	323
4.	Interest Receipts	5.00	4.56	(-) 0.44	(-) 9
5.	Stationery and Printing	0.75	0.75	-	-

(Rupees in crore)

NON-TAX REVENUE					
Sl. No.	Heads of revenue	Budget estimates	Actuals	Variation: Increase (+)/decrease (-)	Percentage of variation
6.	Public Works	2.25	1.48	(-) 0.77	(-) 34
7.	Animal Husbandry	1.44	1.14	(-) 0.30	(-) 21
8.	Fisheries	0.46	0.54	0.08	17
9.	Other Rural Development Programmes	0.03	0.27	0.24	800
10.	Industries	8.00	6.99	(-) 1.01	(-) 13
11.	Water Supply and Sanitation		1.11	1.11	-
12.	Education, Sports, Art and Culture	0.55	0.82	0.27	49
13.	Police	6.00	16.17	10.17	170
14.	Village and Small Industries	0.10	0.10	-	-
15.	Crops Husbandry	2.08	1.43	(-) 0.65	(-) 31

The reasons for variation, though called for from the departments, have not been received.

5.5 Analysis of collection

Break-up of total collection at pre-assessment stage and after regular assessment of Sales Tax for the year 2004-05 and the corresponding figures for the preceding two years as furnished by the department are as follows:

Table No. 7

(Rupees in lakh)

Heads of revenue	Year	Amount collected at pre-assessment stage	Amount collected after regular assessment (additional demand)	Penalties for delay in payment of taxes and duties	Amount refunded	Net collection of Taxes	Percentage of collection of column-3 to 7
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Finance Department							
Sales Tax	2002-03	12058.30	87.82	0.01	0.14	12145.99	99.28
	2003-04	14693.51	84.06	1.14	4.97	14773.74	99.46
	2004-05	15907.90	87.83	0.55	-	15996.28	99.45

The table indicates that percentage of collection of Sales Tax at pre-assessment stage was 99.45 during 2004-05.

5.6 Cost of collection

The gross collection in respect of major revenue receipts, expenditure incurred on their collection and the percentage of such expenditure to gross collection during the years 2002-03, 2003-04 and 2004-05 along with relevant all India average percentage of expenditure on collection to gross collection for 2002-05 are given below:

Table No. 8

(Rupees in crore)

Heads of revenue	Year	Gross collection	Expenditure on collection	Percentage of expenditure to gross collection	All India average percentage of expenditure to gross collection
1. Sales Tax	2002-03	126.97	2.05	1.61	
	2003-04	149.25	1.86	1.25	1.15
	2004-05	160.69	2.04	1.27	
2. State Excise	2002-03	28.21	0.51	1.81	
	2003-04	31.36	0.46	1.47	3.81
	2004-05	32.37	0.66	2.04	
3. Stamps and Registration Fees	2002-03	7.81	1.01	12.93	
	2003-04	11.17	0.94	8.42	3.66
	2004-05	12.07	1.61	13.34	
4. Taxes on Vehicles	2002-03	5.29	0.51	9.64	
	2003-04	8.01	0.57	7.12	2.57
	2004-05	10.45	0.66	6.32	

It is thus observed that expenditure on collection under Sales Tax, Stamp Duty and Registration Fees, Taxes on Vehicles is higher than All India average.

5.7 Collection of Sales Tax per assessee

The following table shows collection of Sales Tax per assessee for the five years ending 2004-05:

Table No. 9

Year	Number of assessee	Sales Tax revenue (Rupees in crore)	Revenue per assessee (Rupees in lakh)
2000-01	5,429	81.08	1.49
2001-02	5,731	105.80	1.85
2002-03	6,062	126.97	2.09
2003-04	6,225	147.74	2.37
2004-05 (Provisional)	7242	159.96	2.21

5.8 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2005 in respect of some principal heads of revenue amounted to Rs. 13.45 crore of which Rs. 0.69 crore were outstanding for more than five years as detailed in the following table:

Table No. 10

(Rupees in crore)

Sl No.	Heads of revenue	Amount outstanding as on 31 March 2005	Amount outstanding for more than 5 years as on 31 March 2005	Remarks
1.	Sales Tax	12.91	0.69	Awaited
2.	Other Taxes on Income and Expenditure	0.24	-	
3.	Taxes on Agricultural Income	0.30	-	
	Total	13.45	0.69	

5.9 Arrears in assessment

The details of cases pending assessment at the beginning of the year 2004-05, cases becoming due for assessment during the year, cases disposed of during the year and number of cases pending finalisation at the end of the year 2004-05 according to information furnished by the department, are as follows:

Table No. 11

(Cases in number)

Name of tax	Opening balance	New cases due for assessment during 2004-05	Total assessments due	Cases disposed of during 2004-05	Balance at the end of the year 2004-05	Percentage of Column 5 to 3
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Finance Department						
Sales Tax	24829	7099	31928	7792	24136	110
Taxes on Agricultural Income	245	19	264	-	264	-

5.10 Evasion of tax

The details of cases of evasion of tax detected by the department, cases finalised and the demands for additional tax raised as reported by the department are given below:

Table No. 12

Sl. No.	Name of tax/duty	Cases pending as on 31 March 2004	Cases detected during 2004-05	Total	No. of cases in which assessments/ investigations completed and additional demand including penalty etc., raised		No. of cases pending finalisation as on 31 March 2005
					No. of cases	Amount (Rupees in lakh)	
1.	Sales Tax	15	17	32	17	0.66	15

5.11 Refunds

The number of refund cases pending at the beginning of the year 2004-05, claims received during the year, refunds allowed during the year and cases pending at the close of the year 2004-05, as reported by the department are given below:

Table No. 13

(Rupees in lakh)

Sl. No.	Position of refund cases	Sales Tax	
		No. of cases	Amount
1.	Claims outstanding at the beginning of the year	Nil	Nil
2.	Claims received during the year	1	0.10
3.	Refunds made during the year	1	0.10
4.	Balance outstanding at the end of the year	Nil	Nil

5.12 Results of audit

Test check of records of Sales Tax, Land Revenue, State Excise, Motor Vehicles Tax, Stamps and Registration Fees, Electricity Duty, other Tax Receipts, Forest Receipts and other Non-tax Receipts conducted during the year 2004-05 revealed under-assessment / short levy / loss of revenue amounting to Rs. 10.07 crore in 173 cases.

This chapter contains two paragraphs, relating to loss of revenue, short realisation / non-realisation of revenue etc involving Rs. 25 lakh. The Department/ Government accepted audit observations involving Rs. 25 lakh of which Rs. 0.71 lakh had been recovered upto August 2005.

5.13 Departmental Audit Committee Meetings

No meeting of Audit Committee was held during 2004-05.

5.14 Failure of Senior officials to enforce accountability and protect interest of Government

Accountant General (Au) arranges periodical inspection of Government Departments to test check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspection are followed up with Inspection Reports (IRs). When important irregularities detected during inspection are not settled on the spot, these are included in IRs issued to the heads of offices inspected with copies to next higher authorities for taking prompt corrective action. The first replies to the IRs may be furnished within 30 days of receipt thereof by the heads of offices. Serious irregularities are also brought to the notice of the Heads of the Departments by the office of the Accountant General (Au).

Inspection Report (IR) issued upto March 2005 disclosed that 1428 paragraphs involving money value of Rs. 67.26 crore relating to 377 IRs remained outstanding at the end of August 2005. Of these, 105 IRs containing 447 paragraphs involving money value of Rs. 8.95 crore had not been settled for more than 10 years by the Finance Department in respect of Sales Tax, Amusement Tax, Electricity Duty, by the Forest Department in respect of forest receipts, and by the Excise Department in respect of State excise. Even the first replies required to be received from the head of office within 30 days from the date of receipt of the IRs were not received in respect of 680 paragraph of 150 IRs issued between March 1991 and March 2005. As a result, the serious irregularities commented upon in these IRs had not been settled as of 31 August 2005.

Department-wise break-up of IRs and audit observations outstanding as on 31 August 2005 is given below:

Table No. 14

(Rupees in crore)

Sl. No.	Department	Position of Inspection Reports issued up to March 2005 but not settled at the end of August 2005			Position of Inspection Reports and paragraphs not settled for more than 10 years			Position of Inspection Reports in respect of which first reply not received from March 1991 to March 2005		
		No. of IRs	No. of Paragraphs	Money value	No. of IRs	No. of Paragraphs	Money value	No. of IRs	No. of Paragraphs	Money value
1.	Finance									
	a) Sales Tax	77	273	10.67	37	140	1.31	14	65	3.74
	b) Professions Tax	03	04	0.07	-	-	-	03	04	0.07
	c) Stamp Duty and Registration Fees	03	03	0.55	-	-	-	01	01	0.0005
	d) Electricity Duty	173	695	26.82	34	134	1.18	71	326	5.60
	e) Agricultural Income Tax	01	02	-	-	-	-	01	02	-
	f) Amusements Tax	05	11	0.14	01	01	0.02	05	11	0.16
	g) Luxury Tax									
2.	Forest									
	Forest Receipts	90	363	15.28	32	171	5.06	42	226	11.40
3.	Commerce and Industries									
	Mines and Minerals	-	-	-	-	-	-	-	-	-
4.	Land and Land Reforms									
	Land Revenue	02	02	0.04	-	-	-	01	01	0.0016
5.	Excise									
	State Excise	09	12	0.70	01	01	1.38	03	05	0.09
6.	Transport									
	Motor Vehicles	14	63	12.99	-	-	-	9	39	10.89
7.	Other									
	Departmental Receipts	-	-	-	-	-	-	-	-	-
	Total	377	1,428	67.26	105	447	8.95	150	680	31.946

The above position indicates the failure of departments concerned to initiate action in regard to the defects, omission and irregularities pointed out in the IRs of the Accountant General. The Principal Secretaries/Secretaries of the departments were informed of the position through annual statement of outstanding IRs and paras at the end of 30 May each year.

5.15 Response of departments to draft audit paragraphs

Draft paragraphs were forwarded to the Secretary of the administrative departments concerned demi-officially seeking confirmation of facts and figures and their comments thereon within a period of six weeks from the date of receipt by them. Three draft paragraphs were forwarded to the departments during March-May 2005. Replies of the Government to these paras have since been received.

5.16 Internal audit

The Finance (Excise and Taxation) Department had not yet built up any internal audit system for auditing revenue receipts of the State Government (September 2005).

5.17 Follow up of Audit Reports – summarised position

Ten reviews and 115 audit paragraphs had featured in Audit Reports 1988-89 to 2003-04. Out of 10 reviews, six reviews were discussed by the PAC leaving a balance of four, and out of 115 paragraphs featured during the same period 42 paragraphs were discussed by the PAC leaving a balance of 73 at the end of August 2005. As of August 2005, against six reviews and 42 paragraphs already discussed in the PAC, only 11 ATNs (three against the reviews and eight against the paragraphs) on the recommendations of the PAC were received.

TRANSPORT DEPARTMENT

5.18 Loss of revenue due to non-realisation of road tax

Deputy Transport Commissioner, Agartala failed to realise road tax of Rs. 14.44 lakh from registered vehicles owners.

Under the Tripura Motor Vehicles Act, 1972, as amended from time to time, advance road tax as per prescribed rates shall be levied for a year on every motor vehicle used or kept for use in Tripura unless prior intimation of keeping the vehicle off road is given to the tax authority or the vehicle is got exempted from payment of road tax.

Test-check of records of the DTC, Agartala revealed in January 2005 that road tax amounting to Rs. 14.44 lakh leviable from 185 vehicle owners for the period between April 2001 and December 2004 was not levied and realised. The records also did not indicate that those vehicles were off the road or exempted from paying road tax.

After this was pointed out in audit, the DTC stated in July 2005 that demand notices were issued to 185 vehicle owners between February – June 2005 and Rs. 0.71 lakh were realised. The Department further stated that it carried out normal inspections since it had no regular enforcement team to identify and detain such vehicles. Thus, lack of enforcement machinery led to non-realisation of road tax.

Government to whom the matter was reported (May 2005) stated (June 2005) that special initiative had been taken to realise the arrear road tax.

5.19 Loss of revenue due to non-imposition of fine for carriage of excess load by vehicles

Failure to identify trucks with load of cement, steel and coal in excess of permissible limit resulted in non-realisation of fine of Rs. 10.62 lakh from transporters.

Under Section 194 of the Motor Vehicles Act, 1988, excess loading of goods vehicle beyond the permissible weight shall be punishable with a minimum fine of Rs. 2,000 and an additional amount of Rs. 1,000 per tonne of excess load together with the charges for off loading the excess load. Government of Tripura by notification dated 1 September 1991 imposed restriction on plying of public carrier goods vehicle within the State, the laden weight of which exceeded 15.5 tonnes.

Test-check of records for March 2003–December 2004 of the Deputy Transport Commissioner (DTC), Agartala, revealed in January 2005 that cases of excess loading of goods vehicles and imposition of fines therefor were not recorded. But cross verification of records of the Superintendent of Taxes (Sales Tax), Charge V, Agartala revealed that between March 2003 and December 2004, cement, steel and coal were transported to Tripura from outside the State by three agencies through 56 vehicles in 137 trips, ranging from 18 to 24.77 tonnes per trip as measured and recorded by the sales tax check-post at Churaibari. The excess load of these vehicles beyond permissible weight was not detected at the motor vehicle check post at Churaibari located at the same building. Consequently, fine of Rs. 10.62 lakh* for carriage of excess load of 788.27 tonnes of goods during this period was not levied and realised by the Department.

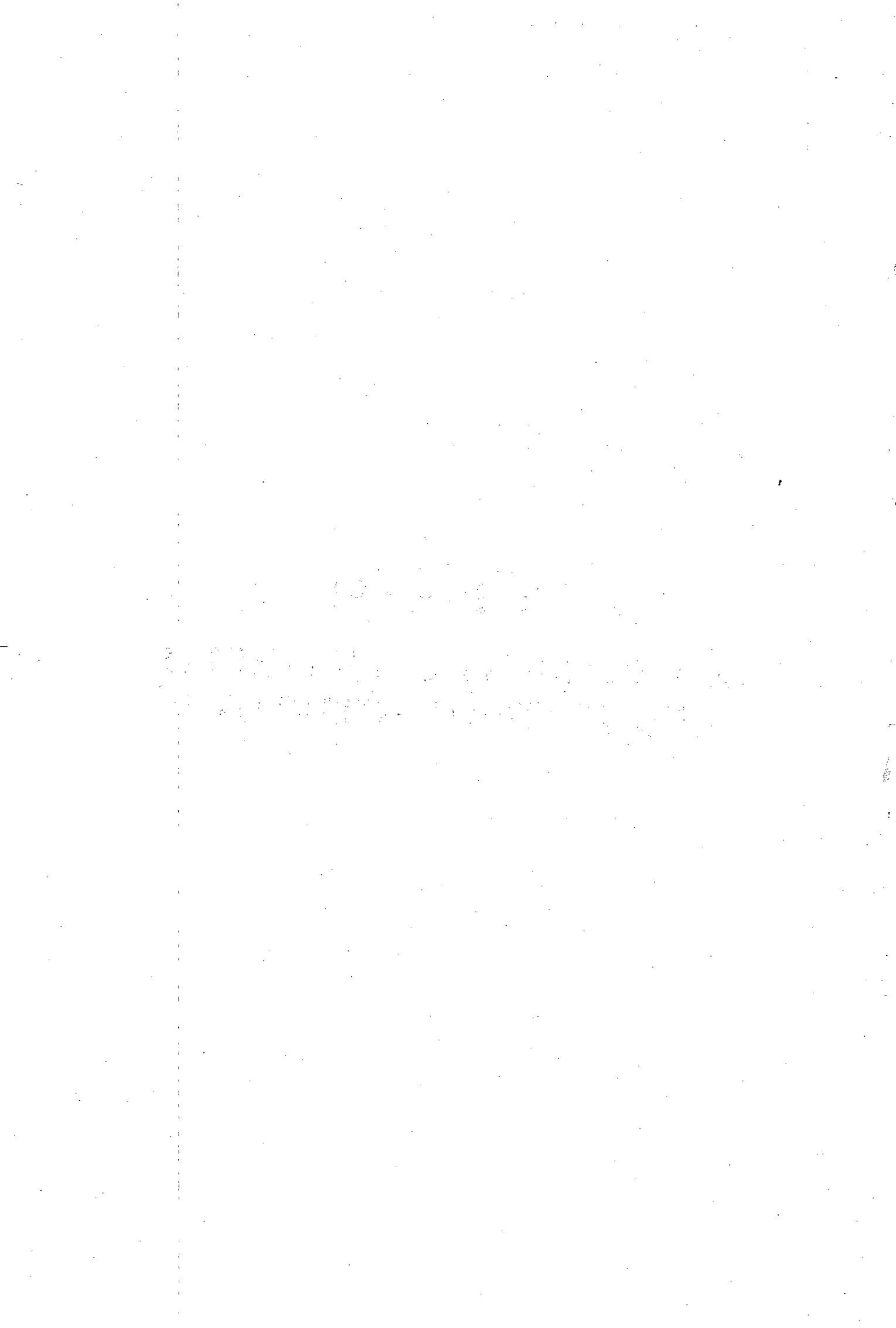
Thus, failure to identify cases of excess loading at the motor vehicle check post, resulted in loss of revenue of Rs. 10.62 lakh to the Government.

The DTC stated (January 2005) that action would be taken as per provision of the Act. Government to whom the matter was reported in May 2005 stated (June 2005) that due to infrastructural weakness at motor vehicle check-post, Churaibari, it was not possible to check every vehicle carrying excess load and to impose fine. However, necessary measures were being taken to strengthen the unit by ensuring effective coordination between the Sales Tax staff and enforcement staff of Transport Department.

The Government, further expressed in July 2005 inability to enforce the provisions of the Act as the truck owners refused to carry essential goods on the plea that other States overlooked carriage of additional quantity of materials. The reply is not tenable as the provisions of Motor Vehicle Act, 1988 is uniformly applicable throughout the country including Tripura State.

* For 137 cases @ 2000 per case	Rs. 2,74,000
For 788.27 tonnes of excess load	
@ Rs. 1000 per tonne	<u>Rs. 7,88,270</u>
Total realizable	Rs.10,62,270

CHAPTER VI
GOVERNMENT COMMERCIAL
AND TRADING ACTIVITIES



CHAPTER VI: GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES

6.1 Overview of Government companies and Statutory corporation

Introduction

6.1.1 As on 31 March 2005, there were ten[∇] Government companies (nine working companies and one non-working company^{*}) and one working Statutory corporation as against nine Government Companies (eight working companies and one non-working company) and one Statutory corporation as on 31 March 2004 under the control of the State Government. The accounts of the Government companies (as defined in Section 617 of the Companies Act, 1956) are audited by Statutory Auditors who are appointed by the Comptroller and Auditor General of India (CAG) as per provisions of Section 619(2) of the Companies Act, 1956. These accounts are also subject to supplementary audit conducted by the CAG as per provisions of Section 619 of the Companies Act, 1956. The audit of Tripura Road Transport Corporation (TRTC), the only Statutory corporation, is conducted by the CAG, as sole Auditor, under Section 33 (2) of the Road Transport Corporations Act, 1950.

Working Public Sector Undertakings (PSUs)

Investment in working PSUs

6.1.2 As on 31 March 2005, the total investment in ten working PSUs (nine Government companies and one Statutory corporation) was Rs. 287.11 crore^{**} (equity: Rs. 278.08 crore; long term loans: Rs. 9.03 crore[∇]) as against a total investment of Rs. 265.21 crore (equity: Rs. 255.09 crore; long term loans: Rs. 10.12 crore) as on 31 March 2004. The analysis of investment in working PSUs is given in the following paragraphs.

Sector-wise investment in working Government companies and Statutory corporation

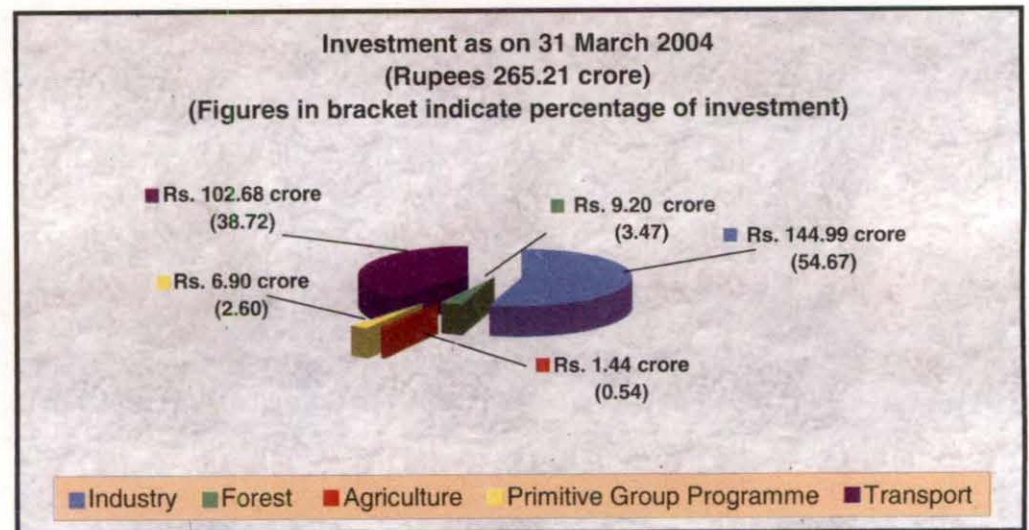
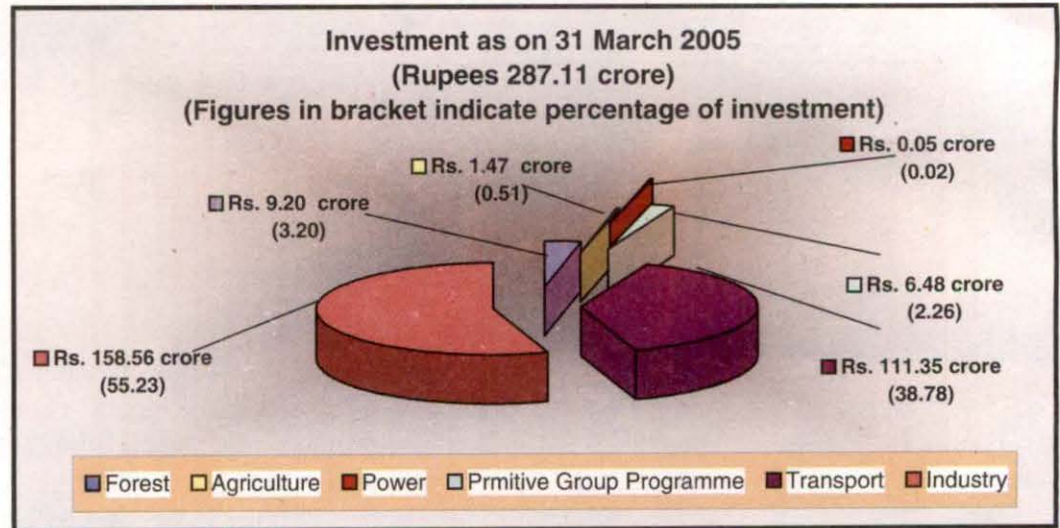
6.1.3 The investment (equity and long term loans) in various sectors and percentage thereof at the end of 31 March 2005 and 31 March 2004 is indicated below in the pie-charts:

[∇] The Power Department of the State has been registered as Tripura State Electricity Corporation Limited in June 2004 under Companies' Act, 1956.

^{*} Non-working company is a company which is under the process of liquidation/closure/merger etc.

^{**} State Government's investment was Rs. 275.62 crore (Others Rs. 11.49 crore). The figure as per Finance Accounts is Rs. 272.04 crore. The difference is under reconciliation.

[∇] Long term loans mentioned in paragraphs 1.2, 1.3, 1.4 & 1.5 are excluding interest accrued and due on such loans.



Working Government companies

6.1.4 The total investment in the working Government Companies at the end of March 2004 and March 2005 was as follows:

Year	Number of working Government Companies	Equity	Share application money	Long term loans	Total
<i>(Rs. in crore)</i>					
2003-04	8	152.79	-	9.73	162.52
2004-05	9*	166.98	-	8.78	175.76

Increase in the total investment was mainly due to equity received by the Industries Sector.

The summarised statement of Government investment in working Government companies in the form of equity and loans is detailed in **Appendix XXIV**.

* Out of nine working Government Companies, one company (Tripura Jute Mills Limited, Sl. No. A-6 of Appendix XXIV) has been referred to Bureau of Industrial and Financial Reconstruction (BIFR).

As on 31 March 2005, the total investment in working Government companies comprised 95 per cent of equity capital and five per cent of loans as compared to 94 per cent of equity capital and six per cent of loans as on 31 March 2004.

Working Statutory corporation

6.1.5 The total investment in one working Statutory Corporation at the end of March 2004 and March 2005 was as follows:

Name of the Corporation	2003-04 (Provisional)		2004-05 (Provisional)	
	Capital	Loan	Capital	Loan
	(Rupees in crore)			
Tripura Road Transport Corporation	102.30	0.38	111.10	0.25
Total	102.30	0.38	111.10	0.25

The summarised statement of Government investment in Tripura Road Transport Corporation in the form of equity and loans is detailed in Appendix XXIV.

As on 31 March 2005, the total investment in working statutory corporation comprised 99.77 per cent of equity capital and 0.23 per cent of loans as compared to 99.63 per cent and 0.37 per cent respectively as on 31 March 2004.

Budgetary outgo, grants/subsidies, guarantees, waiver of dues and conversion of loans into equity

6.1.6 The details regarding budgetary outgo, grants/subsidies, guarantees issued, waiver of dues and conversion of loans into equity by State Government to working Government companies and Statutory corporation are given in Appendices XXIV and XXVI.

The budgetary outgo, in the form of equity capital, loans and subsidies from the State Government to working Government companies and working Statutory corporation for the three years upto 31 March 2005 is given below:

(Rupees in crore)

	2002-03				2003-04				2004-05			
	Companies		Corporation		Companies		Corporation		Companies		Corporation	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Equity Capital	7	15.53	Nil	Nil	4	9.11	1	9.24	7	14.19	1	8.80
Loans	Nil	Nil	1	9.13	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Subsidy	Nil	Nil	Nil	Nil	2	0.94	Nil	Nil	Nil	Nil	Nil	Nil
Total outgo	7	15.53	1	9.13	6	10.05	1	9.24	7	14.19	1	8.80

During the year 2004-05, no guarantee was given.

Finalisation of accounts by working PSUs

6.1.7 The accounts of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year

under Sections 166, 210, 230, 619 and 619 B of the Companies Act, 1956 read with Section 19 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. They are also to be laid before the Legislature within nine months from the end of financial year. Similarly, in case of Statutory corporation, the accounts are finalised, audited and presented to the Legislature as per the provisions of the respective Act.

None of the 10 working PSUs, (nine working Government companies and one statutory corporation), had finalized their accounts for the year 2004-05 up to 30 September 2005 as could be noticed from Appendix XXV. During the period from October 2004 to 30 September 2005, 8 working Government companies finalized 12 accounts for previous years. During this period, however, no accounts for previous years of the statutory corporation have been finalized.

The accounts of all the working Government companies and one statutory corporation were in arrears for periods ranging from one to 12 years as on 30 September 2005 as detailed below:

Sl. No.	Number of working companies/corporation		Period for which accounts were in arrears	Number of years for which accounts were in arrears	Reference to Sl. No. of Appendix XXV	
	Government companies	Statutory corporation			Government companies	Statutory corporation
1.	1	-	1993-94 to 2004-05	12	5	-
2.	1	-	1995-96 to 2004-05	10	3	-
4.	1	-	1997-98 to 2004-05	8	2	-
5.	2	-	1998-99 to 2004-05	7	6 and 7	-
6.	2	-	2000-01 to 2004-05	5	1 and 4	-
7.	-	1	2001-02 to 2004-05	4	-	1
8.	2	-	2004-05	1	8 and 9	-

It is the responsibility of the administrative departments to oversee and ensure that the accounts are finalised and adopted by the PSUs within the prescribed period. The concerned administrative departments and officials of the Government were apprised quarterly by the Audit regarding arrears in finalisation of accounts. As a result of arrears in accounts, the net worth of these PSUs could not be assessed in audit.

Financial position and working results of working PSUs

6.1.8 The summarised financial results of working PSUs (Government companies and Statutory corporation) as per their latest finalised accounts are given in Appendix XXV. Besides, financial position and working results of the Statutory corporation for the last three years as per latest finalised / provisional accounts are indicated in Appendices XXVII and XXVIII respectively.

According to the latest finalised accounts of eight working Government companies and one working statutory corporation, five companies and the corporation had incurred an aggregate loss of Rs. 7.35 crore and Rs. 13.42 crore respectively. Three companies earned an aggregate profit of Rs. 1.78 crore. One company has been registered as Government Company during the year, but had not finalised its accounts so far.

Working Government companies

Profit earning working companies and dividend

6.1.9 Out of eight companies which finalised their accounts upto 30 September 2005, three Government companies[¶] earned a profit of Rs. 1.78 crore. These companies did not declare any dividend.

Loss incurring Companies

6.1.10 Of the five loss making companies, three companies[⊘] had accumulated loss aggregating Rs. 66.02 crore which exceeded their paid-up capital by Rs. 17.09 crore.

Despite poor performance and complete erosion of paid-up capital, the State Government continued to provide financial support to the companies in the form of contribution towards equity, etc. According to available information, the total financial support so provided by the State Government by way of equity during 2004-05 amounted to Rs. 11.93 crore.

Working statutory corporation

Loss incurring statutory corporation

6.1.11 The only statutory corporation (Tripura Road Transport Corporation) had accumulated loss aggregating Rs. 103.74 crore till 2000-01 (year up to which the accounts were finalised) which exceeded its paid-up capital of Rs. 73.14 crore.

Despite poor performance and complete erosion of paid-up capital, the State Government continued to provide financial support to the statutory corporation in the form of contribution towards equity. The total financial support provided by the State Government by way of equity during 2004-05 to this corporation was Rs. 8.80 crore.

Operational performance of the working statutory corporation

6.1.12 The operational performance of the working statutory corporation (Tripura Road Transport Corporation) is given in **Appendix XXIX**. The important observations on its operational performance are given below:

- Percentage of utilisation of buses increased from 54.08 in 2003-04 to 61.05 in 2004-05. Percentage of utilisation of trucks remained the same (50 per cent) in 2004-05, compared to 2003-04.
- Operating revenue earned per kilometre (Rs. 11.53) in 2004-05 was very low in comparison to average expenditure per kilometre (Rs. 41.78) incurred thereagainst during the year 2004-05. As a result, the Corporation had to incur loss of Rs. 30.25 per kilometre during 2004-05 in operating the buses.

[¶] Tripura Forest Development and Plantation Corporation Limited, Tripura Rehabilitation and Plantation Corporation Ltd. and Tripura Tea Development Corporation.

[⊘] Tripura Jute Mills Limited, Tripura Small Industries Corporation Limited and Tripura Handloom and Handicraft Development Corporation Ltd.

- Similarly, the Corporation had also incurred loss of Rs. 69.13 per kilometre in operating the trucks during 2004-05.

Return on capital employed

6.1.13 The details of capital employed and total return on capital employed in case of working Government companies and Statutory corporation are given in Appendix XXV. According to the latest finalised accounts (up to September 2005), the capital employed* worked out to Rs. 49.99 crore in eight working companies and total return[Ⓟ] thereon amounted to (-) Rs. 5.81 crore as compared to total return of (-) Rs. 3.60 crore in the previous year (accounts finalised upto September 2003). Similarly, the capital employed and total return thereon in case of working Statutory corporation according to the latest finalised accounts (2000-01) worked out to (-) Rs. 22.43 crore and (-) Rs. 5.09 crore respectively against the total return of (-) Rs. 6.89 crore in the previous year, accounts finalized up to September 2005.

Power Sector Reforms

6.1.14 The Power Department of the State has been registered as Tripura State Electricity Corporation Limited in June 2004 under Companies' Act, 1956 and started functioning with effect from 1 January 2005. To reduce the transmission and distribution loss, the following steps were to be taken as per the MOU signed in August 2003 between the State Government and the Ministry of Power, Government of India:

- Installation of meters on 11 KV feeders by 31 December 2003.
- 100 per cent metering on the LT side of distributive transformer.
- 100 per cent metering of all consumers by 31 December 2003.
- Development of Distribution Management Information System.

Though the Power Department stated in August 2004 that works for installation of meters in 11 KV feeders were completed, the Tripura State Electricity Corporation Limited stated (August 2005) that 89.19 per cent of the works were completed (198 meters installed out of 222 feeders). The discrepancy has not been clarified (September 2005).

Against 100 per cent metering of all consumers by December 2003 as indicated in the process indicator on Mid Term Fiscal Reforms Programme, only 84 per cent has been completed as of June 2005.

As of March 2005, an amount of Rs. 19.94 crore being revenue realization against supply of power, was outstanding. Of this, an amount of Rs. 16.66 crore was outstanding against Government Departments/PSUs.

* Capital employed represents net fixed assets (including capital work in progress) plus working capital.

Ⓟ For calculating total return on capital employed, interest on borrowed funds is added to net profit / subtracted from the loss as disclosed in the Profit and Loss Account.

Non-working Public Sector Undertakings (PSUs)**Investment in non-working PSUs**

6.1.15 There was only one company (Tripura State Bank Ltd.) which had been non-working for about 35 years and under process of liquidation under Section 560 of the Companies Act, 1956. As on 31 March 2005, the total investment in this company in the form of equity was Rs. 4 lakh. Effective steps need to be taken for its expeditious liquidation.

The matter was taken up (August 2004) with the Commissioner-cum-Secretary of the Finance Department to ascertain the present status of this non-working company; the reply was awaited (September 2005).

Status of placement of Separate Audit Reports of Statutory corporation in Legislature

6.1.16 The following table indicates the status of placement (August 2004) in the Legislature of the Separate Audit Reports (SARs) issued by the Comptroller and Auditor General of India on the accounts of the Statutory corporation:

Sl. No.	Name of the Statutory corporation	Year up to which SARs placed in Legislature	Years for which SARs not placed in the Legislature		
			Year of SAR	Date of issue to the Government	Reasons for delay in placement in Legislature
1.	Tripura Road Transport Corporation	2000-01	NIL	NIL	NIL

Disinvestment, privatisation and restructuring of PSUs

6.1.17 During the year 2004-05, there was no case of disinvestment and privatisation including merger and closure of State PSUs by the State Government. The Power Department of the State has been restructured and registered as Tripura State Electricity Corporation under the Companies' Act, 1956. The Corporation has started functioning with effect from 1 January 2005.

Results of audit on accounts of PSUs by the Comptroller and Auditor General of India

6.1.18 During September 2004 to July 2005, five accounts of seven working Government companies were selected for review. The net impact of the important audit observations as a result of such review of the accounts of these PSUs was increase in loss by Rs.1.82 crore.

6.1.19 Some of the major errors and omissions noticed in the course of review of annual accounts of the above companies are mentioned below:

SECTION - A
INDUSTRIES AND COMMERCE DEPARTMENT
Tripura Jute Mills Limited

6.2 Increasing cost of sales of jute products in Tripura Jute Mills Limited

The Company set up with the main objective of manufacturing finished goods from raw jute, could not achieve the targets fixed as per the MOU. The low capacity utilization, non operation of large number of looms, failure of the Company to initiate action to repair plant and machinery including looms, low yield of finished product of jute and excess deployment of labour contributed to the increase in the cost of sales.

Highlights

The production targets fixed against the installed capacity of 12,000 MT, ranged between 1800 MT (15 per cent) and 5400 MT (45 per cent) against which capacity utilization ranged between 1120 MT (9 per cent) and 2209 MT (18 per cent) during 2000-2005. Out of 158 looms installed, only 40 looms were in working condition while 68 were lying idle for want of major repair and the balance 50 for minor repair.

(Paragraphs 6.2.6 and 6.2.7)

According to the JMDC norms, with the total consumption of 9211 MT of raw jute during 2000-05, 9428 MT of jute bags were required to be produced, against which the Company manufactured 8667 MT of jute bags. The value of the shortfall in production (761 MT of jute bags) was Rs. 1.62 crore.

(Para 6.2.9)

The Management utilised 3,46,933 (2002-03) to 4,12,865 (2000-01) mandays in excess of the JMDC norms indicating poor personnel management.

(Paragraph 6.2.8)

Management spent Rs. 6.51 crore (2002-03) to Rs. 6.73 crore (2001-02) per year towards direct labour of which 87.89 per cent to 96.59 per cent were on idle labour. While the cost of sales ranged between Rs. 42,301 and Rs. 92,938 the selling price of finished jute products ranged between Rs. 10,866 and Rs. 28,423.

(Paragraph 6.2.8)

Introduction

6.2.1 Tripura Jute Mills Limited (TJML) was incorporated in October 1974 under the Companies Act, 1956, with the main objective of manufacturing finished goods from raw jute.

The Company procures raw jute from local farmers, Tripura Co-operative Society and Jute Corporation of India (JCI) to manufacture jute bags.

The Management of the Company is run by a Board of Directors comprising 10 Directors including the Chairman and the Managing Director. The Managing Director is assisted by a Mill Manager, Production Manager and Accounts Officer. During the last ten years ending 31 March 2005, out of nine Managing Directors appointed, only one continued in the office for more than three years. The frequent transfers of the chief executive weakened the managerial control over the working of the Mill and was reflected in the form of low operational performance during the period.

The working of the company was last reviewed in audit covering the period from 1974-75 to 1983-84 and was included in the Report of the Comptroller and Auditor General of India for the year ended 31 March 1985. The review was discussed by the Committee on Public Sector Undertakings (COPU) which in its 22nd Report (December 1992) recommended that ways and means to prevent continuous losses of the company be found so as to make it viable.

Scope of Audit

6.2.2 The present performance review of "Increasing cost of sales of jute products" for the period from 2000-01 to 2004-05 was conducted between April and May 2005.

Audit objectives

6.2.3 The performance review was conducted with the following objectives:

- to examine the physical performance of the Company to ascertain whether the available resources have been optimally utilised, and
- to analyse the internal targets set and efforts made to achieve them with reference to the objectives of the Company economically, efficiently and effectively.

Audit criteria

6.2.4 Audit adopted the following criteria:

- whether MOU targets set by the Department of Industries and Commerce (DI&C) were achieved,
- whether daily production reports of the weaving section to assess the capacity of the looms installed and its utilization, were prepared,
- whether excise records to assess production *vis-à-vis* sales of jute products were maintained by the Company,
- whether records relating to purchase of raw materials, spares and contracts to assess economy and efficiency of purchase functions as also effectiveness of the internal control system were maintained,
- whether the recommendations of the restructuring study report on TJML submitted by a private firm Ahmed Management Technologies Private limited, Kolkata, appointed by the State Government to make the mill viable were followed.

Audit methodology

6.2.5 Data/evidence were obtained from the Memorandum of Understanding (MOU) entered between the Company and DI&C, Agenda and Minutes of Board meetings, provisional annual accounts, production registers, sales records, excise records, files relating to purchase of raw materials and spares, contracts, consumption of raw jute and various direct materials, idle manpower, various statutory payments and restructuring report on TJML. The data collected were processed, analysed and discussion papers were prepared and issued to the Management, for discussing in the exit conference.

Audit findings

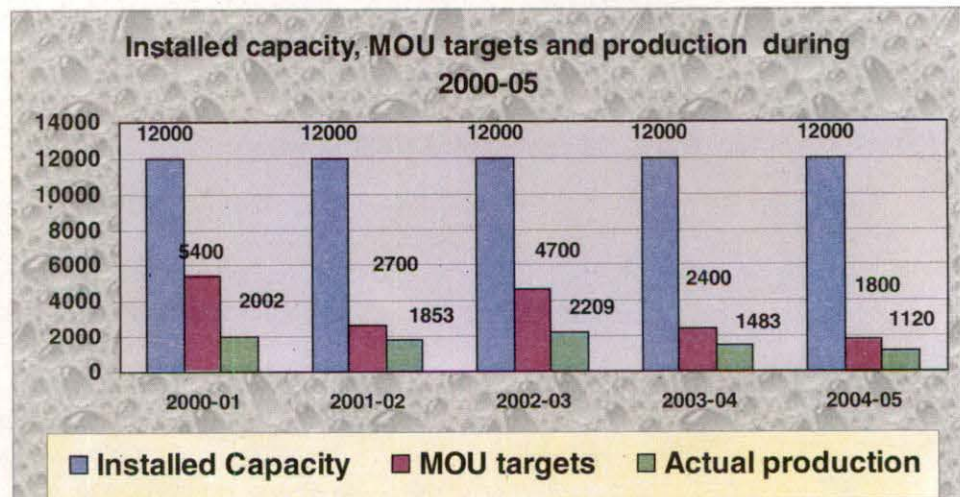
Audit findings are discussed in the succeeding paragraphs.

Operational performance

Physical targets as fixed by the MOU

✓ **6.2.6** The Management and the DI&C evolved a plan of action to promote industrialization in the State through commercial operations in the jute sector. In order to improve productivity, control overhead expenses, reduce losses and minimize statutory liabilities, the DI&C entered into MOU (1997) with the Company. According to the MOU, the DI&C was to fix annual physical and financial targets and review the quarterly performance of the Company. It was noticed that against the installed capacity of 12000 MT per annum, the production targets fixed ranged between 1800 MT (15 per cent) and 5400 (45 per cent) only during the period from 2000-01 to 2004-05. The low capacity utilization (ranging between 9 and 18 per cent) resulted in increase in the cost of sales during the period:

Chart No. 1



The Government stated (August 2005) that the MOU targets could not be achieved due to decrease in workers' capabilities owing to their advancing age, absence of scope of managerial control over the work force due to Government policy and non-availability of quality raw jute. It further stated that due to shortage of working capital, the Company could not procure jute in sufficient quantities for processing and maintain looms, plant and machinery.

The reply is not tenable as the Management did not initiate action even after recommendations made by COPU to reduce the excess workforce and to find out ways and means to make the mill viable.

Physical performance

- ✓ 6.2.7 The performance of the Company against different parameters relating to production was as under:

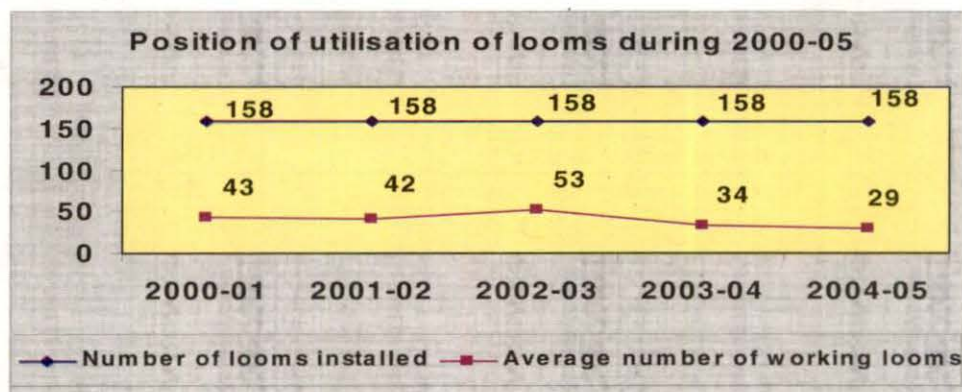
Table No. 6.1

Sl. No.	Particulars	2000-01	2001-02	2002-03	2003-04	2004-05
1.	Number of looms installed	158	158	158	158	158
2.	Average number of working looms	43	42	53	34	29
3.	Installed capacity per annum (MT)	12000	12000	12000	12000	12000
4.	No. of Working days (MOU)	286	286	284	300	NI
5.	No. of Working Days (Actual)	286	286	294	288	288
6.	Annual Production Targets fixed under MOU (MT)	5400	2700	4700	2400	1800
7.	Actual Annual Production (MT)	2002	1853	2209	1483	1120
8.	Percentage of MOU targets to the installed capacity	45.00	22.50	39.17	20.00	15.00
9.	Percentage of actual production to installed capacity	16.68	15.44	18.41	12.36	9.33
10.	Percentage of actual production to targets fixed under MOU	37.07	68.63	47.00	61.79	62.22

NI - Not indicated in MOU

The above table indicates that the percentage of actual production to MOU targets ranged between 37.07 (2000-01) and 68.63 (2001-02) during the five years ending 31 March 2005. Out of the 158 looms installed, the annual average number of looms that actually functioned ranged between 29 and 53.

Chart No. 2



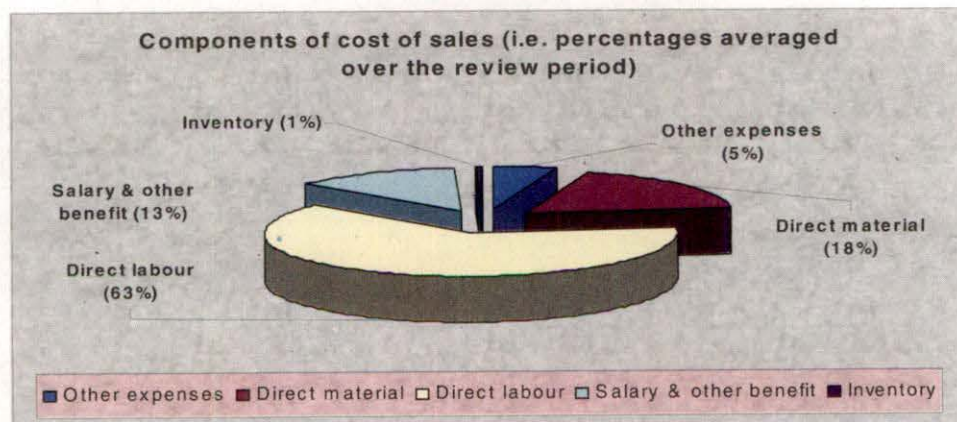
It was further noticed in audit that as on 31 March 2005, only 40 looms (25 per cent) were in working condition while 68 were lying idle for want of major repairs and the balance 50 for minor repairs. The Management stated (June 2005) that heavy absenteeism of workers in the spinning section resulted in low production of yarn and consequent low operation of looms. Besides, supervisory staff and officers were sent on deputation which adversely affected the production due to lack of supervision. Thus, non-operation of a large number of looms resulted in low production, increase in

idle labourers and consequent increase in cost of sales due to under absorption of fixed expenses.

High cost of sales

✓ **6.2.8** The different components of cost of sales during 2000-05 were direct labour, direct materials, salary and other benefits, inventory and other expenses as depicted below:

Chart No. 3



According to the norms prescribed by the Jute Manufacturer Development Council (JMDC), 40.67 mandays were required for manufacture of one MT of B-Twill Jute bags by operation of 100 looms. The number of looms available, workers on rolls, mandays required, idle labour and cost of idle labour during 2004-05 were as under:

Table No. 6.2

Sl. No.	Particulars	2000-01	2001-02	2002-03	2003-04	2004-05
1.	Average number of working looms	43	42	53	34	29
2.	Production (MT)	2002	1853	2209	1483	1120
3.	Mandays norm for production of one MT with 100 looms	40.67	40.67	40.67	40.67	40.67
4.	Mandays actually required as per norm (1 / 100 × 3 × 2)	35011	31652	47615	20507	13210
5.	Number of workers as per rolls.	1566	1471	1342	1309	1277
6.	Number of working days as per record.	286	286	294	288	288
7.	Total mandays available (5 × 6)	447876	420706	394548	376992	367776
8.	Idle mandays (7 - 4)	412865	389054	346933	356485	354566
9.	Expenditure on direct labour as per Accounts (Rs. In lakh)	657.71	672.90	651.29	658.21	664.41
10.	Expenditure per mandays (Rs.) (9/7)	147	160	165	175	181
11.	Expenditure on idle mandays (Rs. in lakh) (8 × 10)	606.91	622.49	572.44	623.85	641.76
12.	Percentage of expenditure on idle mandays (11 + 9) × 100	92.28	92.51	87.89	94.78	96.59
13.	Direct labour per MT (Rs.) (9/2)	32853	36314	29483	44384	59322
14.	Cost of sales per MT (Rs.) (Table 6.4)	55955	60972	42301	67964	92938
15.	Average selling price per MT (Rs.)	22358	19289	10866	24267	28423

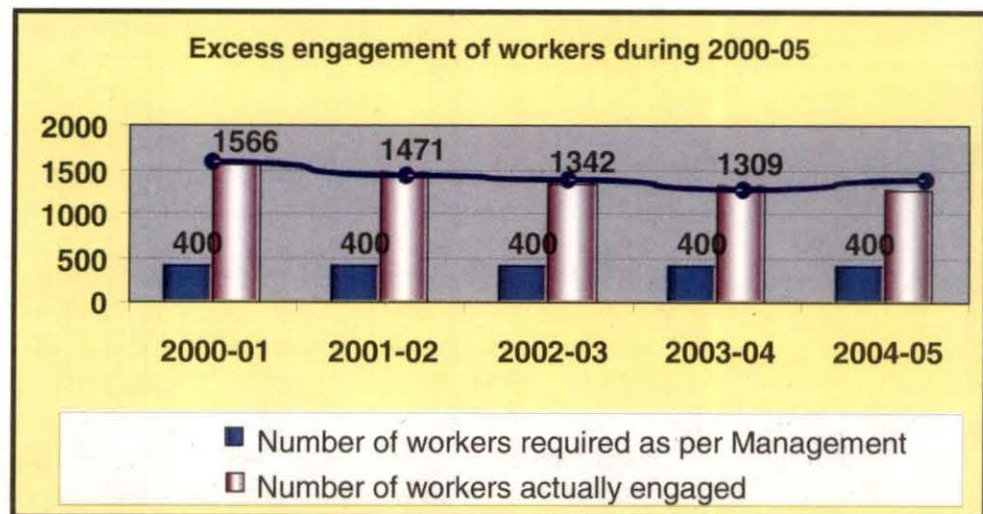
Source: Information furnished by Management.

The above table shows that according to JMDC norms, mandays actually required ranged between 13,210 (2004-05) and 47,615 (2003-04) against which the Management utilised were 3,67,776 (2004-05) to 4,47,876 (2000-01) mandays, indicating poor manpower management. This resulted in idling of labour from 3,46,933 (2002-03) to 4,12,865 (2000-01) mandays during the five years ending 31 March 2005. The Management spent Rs. 651.29 lakh (2002-03) to Rs. 672.90 lakh (2001-02) per year towards direct labour of which Rs. 572.44 lakh (87.89 per cent) to Rs. 641.76 lakh (96.59 per cent) were spent on idle labour.

While the cost of sales ranged between Rs. 42,301 (2002-03) and Rs. 92,938 (2004-05), the average selling price of finished jute products ranged between Rs. 10,866 and Rs. 28,423 per MT during the five years ending 31 March 2005.

Excess deployment of labour was the main factor for high cost of sales. The Management stated that as per the JMDC norms, which were being followed by the Mill, 400 workers were required to keep 10 MT per day with 60 looms. Audit analysis revealed that the maximum production achieved by the Mill was 7.5 MT or less per day during the period under review. According to this production data, engagement of workers which ranged between 1277 (2004-05) and 1566 (2000-01) was in excess of JMDC norms. It was also noticed that the excess engagement of workers in different sections ranged between 31 (electrical) and 276 (spinning).

Chart No. 4



All these factors indicated poor manpower management in the Company and led to increasing cost of sales. Despite sustaining loss due to idle labour, the Management did not initiate action for repair and maintenance of plant and machinery, including looms, to keep them in working condition and thus enable utilisation of the idle manpower.

The Government, while admitting the facts, stated (August 2005) that the root cause of the problems indicated in the performance audit has been long term unviable operation of the TJML since inception. This had been because of

very high overheads, mainly its labour force which was in excess of actual requirements. It further stated that possibility of introducing VRS applicable to State PSUs was being explored.

Shortfall in production due to lower yield

✓ **6.2.9** According to JMDC norms, 977 kg of raw jute is required to produce 1000 kg of B-Twill jute bags.

Quantity of raw jute (raw jute and *mesta*) consumed, actual production of B-Twill jute bags, shortfall in production *vis-à-vis* norms and its value during 2000-2005 were as under:

Table No. 6.3

Sl. No.	Particulars	2000-01	2001-02	2002-03	2003-04	2004-05	Total
1.	Total consumption of raw jute (MT)	2042	1948	2462	1385	1374	9211
2.	Production of jute (MT)	2002	1853	2209	1483	1120	8667
3.	Average sale price per MT	22358	19289	10866	24267	28423	NA
4.	Production as per Standard yield (1 / 0.977)	2090	1994	2520	1418	1406	9428
5.	Shortfall in production (MT) (4 - 2)	88	141	311	-	286	761
6.	Value of shortfall (Rs. in lakh) (3*5)	19.67	27.20	33.79	0	81.29	161.95

NA – Not applicable

The above table indicates that against the total consumption of 9,211 MT of raw jute, 9,428 MT of B-Twill jute bags were required to be produced during 2000-05 as per norm; against which the Company manufactured 8,667 MT of B-Twill jute bags only.

The shortfall in production of jute bags except during 2003-04 ranged between 88 MT (2000-01) and 311 MT (2002-03) and aggregated to 761 MT, worth Rs.1.62 crore, during the period.

The yield of jute products depends on quality of raw jute and batch mixing in the optimal ratio of raw jute (70 per cent) and *mesta* (30 per cent). The percentages of batch mixing during the period of review ranged between 61.44:38.56 (2000-01) and 77.83:22.17 (2002-03). Though the actual batch mixing was above^r the standard mix during the year 2002-03, the actual yield was below the norms due to poor quality of raw jute. The Company had been processing raw jute for more than two decades, but it had not created a facility for testing quality of raw jute being procured by it.

Management stated (June 2005) that due to non-availability of the facilities to test quality of raw jute, the Company had been accepting the grade as fixed by the supplier. In the absence of a facility for assessing the quality of raw jute, possibility of procuring low quality raw jute at higher price could not be ruled out. Poor maintenance of the plant and machinery was another factor contributing to low yield of finished jute-products. Agenda and minutes of Board Meetings indicated that though the Board of Directors had been

^r Utilisation of raw jute more than 70 per cent.

insisting on increasing production, the issue of low production due to low yield had never been discussed.

The Management further stated that the Company could not acquire the necessary facilities for controlling quality of raw jute, proper batch mixing and maintenance of plant and machinery due to lack of working capital. The Government had, however, been moved to provide lump sum working capital for this purpose.

Financial performance

6.2.10 On the basis of the provisional accounts prepared by the Company the working results against different financial parameters of the Company during the last five years ending 31 March 2005 were as under:

Table No. 6.4

(Rupees in lakh)

Sl. No.	Particulars	2000-01	2001-02	2002-03	2003-04	2004-05	Total
A	Income						
1.	Sales	447.83	357.43	240.03	359.88	279.40	1684.57
2.	Miscellaneous Receipt	5.82	57.14	0.78	2.33	1.51	67.58
3.	Accretion (+) / Depletion (-) of stores	-4.72	-23.60	24.97	-2.59	39.15	33.21
4.	Total income	448.93	390.97	265.78	359.62	320.06	1785.36
B	Expenditure						
5.	Direct Materials	276.26	258.32	79.66	179.68	167.17	961.09
6.	Direct Labour (fixed)	657.70	672.90	651.29	658.21	664.41	3304.51
7.	Salary and benefits (fixed)	135.19	150.55	143.65	129.36	117.08	675.83
8.	Other expenses	55.79	71.65	34.85	43.25	53.10	258.64
9.	Total expenditure	1124.94	1153.42	909.45	1010.50	1001.76	5200.07
10.	Loss for the year	-676.01	-762.45	-643.67	-650.88	-681.70	-3414.71
11.	Cost of sales (9+3)	1120.22	1129.82	934.42	1007.91	1040.91	5233.28
12.	Production (MT)	2002	1853	2209	1483	1120	8667
13.	Cost of sales per MT (Rs.) (11/12)	55955	60972	42301	67964	92938	60382
14.	Gross margin (1+3-5)	166.85	75.51	185.34	177.61	151.38	756.69
15.	Quantity sold (MT)	2003	1853	2209	1483	983	8531
16.	Average gross margin per MT (Rs.) (14/15)	8330	4075	8390	11976	15400	8870
17.	Average selling price per MT (Rs.) (1/15)	22358	19289	10866	24267	28423	19746

Source: Based on the provisional accounts.

The above table indicates that out of the total cost of sales amounting to Rs. 52.33 crore for the period of five years ending March 2005, the expenditure on direct wages was Rs. 33.05 crore (63 per cent), direct material Rs. 9.61 crore (19 per cent), administrative expenses Rs. 6.76 crore (13 per cent) and other expenses Rs. 2.59 crore (5 per cent).

Loss of conversion charges on lease agreement

6.2.11 The Company entered (December 2001) into a contract with Collin Traders Pvt. Ltd. (CTPL) hereinafter called Converter for operation of the mill

under conversion system for a period of 60 months. According to the terms of the contract, the Converter had to supply raw jute and take delivery of converted jute products by paying the conversion charges (towards services of staff, labourers, plant and machinery utilised for conversion).

Clause 21 of the agreement provided that the agreement may be terminated only after one year by serving notice of six months on the other party. The Converter started operation from 16 December 2001 but stopped supply of raw jute after 31 December 2002 without serving the notice of six months to the Company. As a result, the production in the mill came to a halt. The reasons stated by the Converter for this were non-renovation of the plant and machinery and looms, non-supply of spares by the Company for maintenance, and lack of administrative control over absenteeism of labourers.

As the Converter's stoppage of work was in violation of Clause 21 of the agreement, the Company referred the case to the Arbitrator and claimed conversion charges of Rs. 2.12 crore from CTPL. The arbitration award (September 2003) was for Rs. 74.02 lakh only in favour of the Company, as the Arbitrator restricted the committed production on pro rata basis to the extent of looms made available by the Company and thus deducted the conversion charges by Rs. 39.32 lakh.

As regards the balance amount of claim i.e. Rs. 98.35 lakh, the Company failed to present its case effectively before the Arbitrator. The Company had no intention to terminate the contract. Despite this, the Arbitrator recorded in the proceedings of the second hearing (May 2003) that both the parties had intention to terminate the contract which the Company failed to contest. Thus, failure to present its case properly before the Arbitrator resulted in loss of Rs. 98.35 lakh. No appeal in this regard in the higher court was also made.

The Government stated (August 2005) that the Company did not insist for six months notice period to be served by the CTPL to avoid litigation as it was badly in need of funds. It was, however, observed in audit that the Company's decision to change its stand on notice period was not got approved by the Board of Directors.

Avoidable expenditure of Rs. 56.97 lakh on electricity charges

6.2.12 The jute mill remained closed for two and half years from April 1992 to October 1994. The Company which had taken a bulk power supply connection of 1700 KVA, however, applied for reduction of maximum demand from 1700 KVA to 425 KVA only in August 1992. The Power Department accordingly revised the minimum charges from Rs. 51,000 to Rs. 18,000 per month with effect from August 1992. The mill was reopened in December 1995. On reopening of the mill, the Power Department restored the original maximum demand to 1700 KVA and levied minimum charges of Rs. 1 lakh per month according to the revised tariff. The company did not contest (December 1995) the restoration of original maximum demand to 1700 KVA by the Power Department. The Company stopped payment of electricity charges from February 1996 and contested for revision of minimum charges only in February 1998. The electricity charges accumulated to Rs. 78.38 lakh as on 31 March 2000. The Power Department levied a penalty of Rs. 85.70

lakh for non-payment of electricity bills (April 2002). At the intervention of the Commissioner in the Finance Department, the Company agreed to pay Rs.2 lakh per month to clear the arrear amount of the electricity charges (April 2002). The Company applied for reduction of demand for power supply from 1700 KVA to 950 KVA only in April 2002 and this was accepted by the Power Department.

Thus, delay in applying for reduction of maximum demand resulted in avoidable expenditure of Rs.56.97 lakh*. Since the expenditure on electricity charges forms part of the cost of sales, the avoidable expenditure on electricity charges also increased the cost of sales.

Government stated (August 2005) that the Company did not apply for reduction of maximum demand as operation of the mill was in transition stage after reopening of the mill in November 1995.

Avoidable expenditure on purchase of raw jute

6.2.13 Records indicated that due to paucity of funds the Company had to divert its raw jute procurement source to the private parties who were ready to supply it on credit basis as procurement from JCI necessitated advance payment. The Company procured 2001.41 MT of raw jute from 5 private parties on credit basis during 2000-01 at an average rate of Rs. 10453 per MT against the JCI jute rate of Rs. 9430 per MT. Thus due to lack of working capital the Company had incurred avoidable excess expenditure of Rs.20.47 lakh on purchase of raw jute.

It was further noticed that during 1997-99 the Apex Marketing Cooperative Society, Agartala claimed interest of Rs. 16.10 lakh as the Company failed to clear the payments within one month of the supply of raw jute to it. The Company had paid Rs. 6.34 lakh and the balance of Rs. 9.76 lakh remained unpaid for want of funds.

Thus, lack of working capital resulted in avoidable expenditure of Rs. 36.57 lakh which consequently increased cost of sales.

Government while accepting the audit observations stated (August 2005) that shortage of working capital prohibited TJML from procuring jute in adequate volumes for processing.

Avoidable expenditure

6.2.14 Sales conditions of Jute Corporation of India (JCI), provide that the buyer should lift the raw jute within the specified period and that payment should be made on the date specified by the JCI. In case of default, the buyer is liable to pay @ Rs.25/- per quintal per month as carrying cost for the period of delay. Due to delay in lifting of raw jute and making delayed payments, JCI

* December 1995 to February 1999 @Rs. 44,117 pm × 39 months = Rs.17.21 lakh
 {Rs.1,00,000 (for 1,700 KVA) – Rs. 55,883(for 950 KVA)}
 March 1999 to July 2001 @Rs.92,400 pm × 29 months = Rs. 26.80 lakh
 {Rs.2,09,440 (for 1,700 KVA) – Rs. 1,17,040(for 950 KVA)}
 August 2001 to April 2002 @Rs.1,44,000 pm × 9 months= Rs. 12.96 lakh
 {Rs.3,26,400 (for 1,700 KVA) – Rs.1,82,400(for 950 KVA)}

Total= Rs. 56.97 lakh

raised a claim of Rs.7.38 lakh towards carrying cost (February 2003 to December 2004) of which Rs. 1.42 lakh had been paid to JCI and payment of the balance amount of Rs. 5.96 lakh was pending.

The Government stated (August 2005) that delay in making payment was due to paucity of funds.

Thus, lack of working capital resulted in avoidable expenditure of Rs. 7.38 lakh which consequently increased cost of sales.

Internal Controls

6.2.15 Internal control system is an integral part of the process designed and effected by the Management of an organization to achieve its specified objectives ethically, efficiently, economically and effectively. It helps in creating reliable financial and administrative controls.

Important controls like budgeting, periodical verification of assets, control over workers absenteeism and internal audit were required to reduce the cost of sales. There was neither any budgeting system to exercise control over expenses nor were any internal audit arrangements in place. No system to assess the material requirements and ensure timely procurement of stores and spares and their periodical verification was in place. There was little control over workers absenteeism. Thus, internal controls were very weak in the Company, and resulted in increasing cost of sales.

Conclusion

The Company set up with the main objective of manufacturing finished goods from raw jute could not achieve the targets fixed as per the MOU. The low capacity utilization, non operation of large number of looms, failure to initiate action for repair of plant and machinery including looms, low yield of finished products of jute and excess deployment of labourers contributed to increase in the cost of sales. Internal control systems for budgeting, internal audit, assessing material requirements as well as control over workers absenteeism were deficient.

Recommendations

- The Company should ensure the optimal utilization of the installed capacity of the mill as well as the timely repairs of the looms so that the targets set under the MOU are achieved. The working capital required for maintenance of plant and machinery and other operations should also be ensured.
- The Company should ensure the availability of the facilities to test the quality of raw jute to obtain optimal ratio of raw jute.
- The Company should explore ways and means of downsizing the excess work force.
- Internal controls especially covering material management, personnel management, budgeting system as well as internal audit should be strengthened.

SECTION - B
INDUSTRIES AND COMMERCE DEPARTMENT
Tripura Small Industries Corporation Limited

6.3 Expenditure on idle staff

Tripura Small Industries Corporation (TSIC) had incurred unproductive expenditure of Rs. 75.23 lakh during 2001-05 on salaries of idle staff of a Pharmaceutical Unit.

The Company had set up a Pharmaceutical Unit (PU) with three sections (*viz* Bottling Section, Ampoule Section and Capsule Section) in 1971, with the objective to cater to the need of the State Health Department for some life saving drugs.

Mention was made in Para 8.2.7.1 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1997 that production activities of these three sections were stopped from January 1995 due to shortage of funds and non-availability of water, but payment of wages / salaries to the idle staff continued. It was also mentioned that for revival of the PU as profit-earning, its Pharmaceutical and Consultancy Division had suggested (April 1997) to modernise the unit at a cost of Rs. 37 lakh. The revival of the unit had, however, not been taken up as of July 2005, reportedly due to financial constraints. The matter was discussed by the Committee on Public Undertakings (COPU) also on 29 January 2002. The recommendations of the Committee were awaited (July 2005).

Scrutiny (January – February 2005) of records of the PU revealed that as against seven employees required for its running, the actual men-in-position ranged between 22 (2005) and 44 (2001). The unit incurred an expenditure of Rs. 75.23 lakh on salaries of the idle staff during the period from 2000-01 to 2004-05.

On this being pointed out (April 2005), the Managing Director (MD) admitted the facts and stated (April 2005) that to avoid expenditure on idle staff, a Memorandum of Understanding (MOU) was entered into with the Industries and Commerce Department where-in transfer of the idle staff to other Government Departments was proposed. But transfer of staff from the PU to other Government departments had not been made as of July 2005.

Thus, the TSIC continued to incur expenditure on wages and salaries on the idle staff but could not arrange funds to make the PU viable.

The Government stated (August 2005) that inadequacy of funds to reinvest in modernisation of its equipment and machineries had resulted in the Company's incurring continuous losses in its operation. It further stated that TSIC could not retrench idle staff as it was not within the scope of Government policy, and that options for redeployment of idle staff on

deputation to other departments or possibility of introducing VRS applicable to State Government PSUs were being explored.

6.4 Excess expenditure on consumption of coal

Extra expenditure of Rs. 30.45 lakh was incurred on consumption of 1129.10 metric ton (MT) coal in excess of the norms for burning 219.88 lakh green bricks.

The Company runs brick kilns in the State for production and supply of bricks to various construction works. Coal is used in the kilns for burning of green bricks. According to norms adopted (August 2003) by the Company, 17 to 20 MT coal was required to burn one lakh bricks.

Test-check (January-February 2005) of records revealed that 219.88 lakh green bricks, loaded for burning in 12 kilns during 2003-04, consumed 5526.70 MT coal against the prescribed (by the Company) norms of 4397.60 MT taking into consideration the maximum quantity of 20 MT coal required for burning of one lakh bricks. Thus, there was excess consumption of 1129.10 MT valued at Rs. 30.45[■] lakh.

On this being pointed out in audit, the Managing Director admitted the facts and stated (April 2005) that excess consumption of coal against the prescribed norms was due to (a) supply of poor quality of coal by the suppliers; (b) use of different kinds of soil at different kilns for manufacturing of green bricks; (c) green bricks could not be loaded to the full extent into the kilns for burning for shortage of labourers; and (d) lack of supervision as most of the kilns were situated in remote localities. Besides the Company did not keep any record indicating the quantity of bad coal received by it. The Company officials were not aware of the various aspects that need to be looked into before entering into coal contract.

The reasons given by the Management for excess consumption of coal were controllable and, had the Management exercised better control, the loss due to excess consumption of coal could have been minimized/avoided.

Government stated (August 2005) that 254.06 lakh bricks were burnt and not 219.88 lakh as stated by Audit. The reply is not tenable as damaged green bricks which were not loaded for burning had also been taken into account. Government further stated that consumption of coal depends upon quality of coal, quality of soil, climatic conditions, skill of workers and design of kiln, and the feasibility of arriving at a norm for consumption of coal in brick field operation was being explored by the Company.

[■] Cost of 1,129.08 MT coal was Rs. 30.45 lakh at rates varied between Rs. 2,200 and Rs. 2,950 per MT coal.

Tripura Handlooms and Handicraft Development Corporation Limited

6.5 Avoidable expenditure on penal damages

Delayed payment of subscription and contribution towards Employees' Provident Fund (EPF) led to avoidable expenditure on penal damages and interest of Rs. 16.59 lakh.

Section 14-B of the Employees Provident Fund and Miscellaneous Provisions (EPFMP) Act, 1952, requires the employers to deposit contributions (both employees' subscription and employer's contribution) towards EPF to the Regional Provident Fund Commissioner (RPFC) within 15 days from the date of close of the month to which contribution relates, failing which the employer would be liable to pay damage for belated payment for the amount not exceeding the arrears of contributions.

Test-check (April 2004) of records revealed that employees' subscription and employer's contribution were not deposited with the RPFC within the specified time limit. As a result, the RPFC issued (April 2000, June 2001 and October 2002) orders for depositing the amount of subscription and employer's contribution together with interest thereon and penal damages. The interest and penal damages amounted to Rs. 16.59 lakh²⁴. The Management paid only Rs. 2.45 lakh in December 2000. Subsequently, the RPFC recovered the balance amount of Rs. 14.14 lakh (November 2002) by bank attachments.

Thus, delayed deposit of EPF subscription and contribution resulted in avoidable payment of penal damages and interest of Rs. 16.59 lakh. On this being pointed out, the Managing Director while admitting the facts stated (April 2004) that due to financial stringency (constraints) the Company could not remit the aforesaid amount in time. The reply is not tenable, because the financial stringency or shortage of funds could not be a valid ground for committing default in payment of statutory dues and at least employees' contribution should have been deposited when the employees' contributions were regularly deducted from their salaries.

The Government stated (August 2005) that inadequacy of funds had resulted in continuous losses to the Corporation. THHDC could manage funds for payment of net salaries only. It did not have enough funds to meet EPF subscriptions and contributions. THHDC had since taken steps to ensure meeting EPF liabilities on current basis.

²⁴

1985-1995	: Rs. 2,45,371.00
April 1998 to February 2000	: Rs. 9,39,278.00
May 2000 to September 2000 and July 2001 to August 2001	: Rs. 4,74,230.00
TOTAL	: Rs. 16,58,879.00

POWER DEPARTMENT

6.6 Loss of revenue

Non-imposition of penalty for delayed payment of energy charges by consumers resulted in loss of revenue of Rs. 79.46 lakh

The clauses (a) and (b) of Condition 28 of the Tripura Electric Supply Conditions, 1998 stipulate imposition of penalty for not making payment of electricity consumption bill within 30 days from the due date (which is calculated to fall on a date 15 days after the date of presentation of the bill), at the rate of 10 paise per unit per 30 days or part thereof, from the day following the due date of payment.

During test-check (February 2004 to February 2005) of records of 18 electrical sub-divisions relating to the accounts from April 1997 to January 2005 it was noticed that though the payment for consumption of electrical energy between October 1997 and November 2004 in respect of 3284 bills was made beyond the stipulated period ranging from 31 to 1909 days by the consumers, penalty of Rs. 79.46 lakh leviable from 1193 consumers as per the above conditions was not imposed and realized from them. This resulted in loss of revenue of Rs. 79.46 lakh.

On this being pointed out in audit the Sub-Divisional Officers stated (March 2004 to February 2005) that the amount outstanding in respect of penalty would be realized by raising supplementary bills. The supplementary bills had, however, not been raised (August 2005).

The matter was reported to the Government in May 2005; reply had not been received (September 2005).

6.7 Loss due to inadmissible rebate

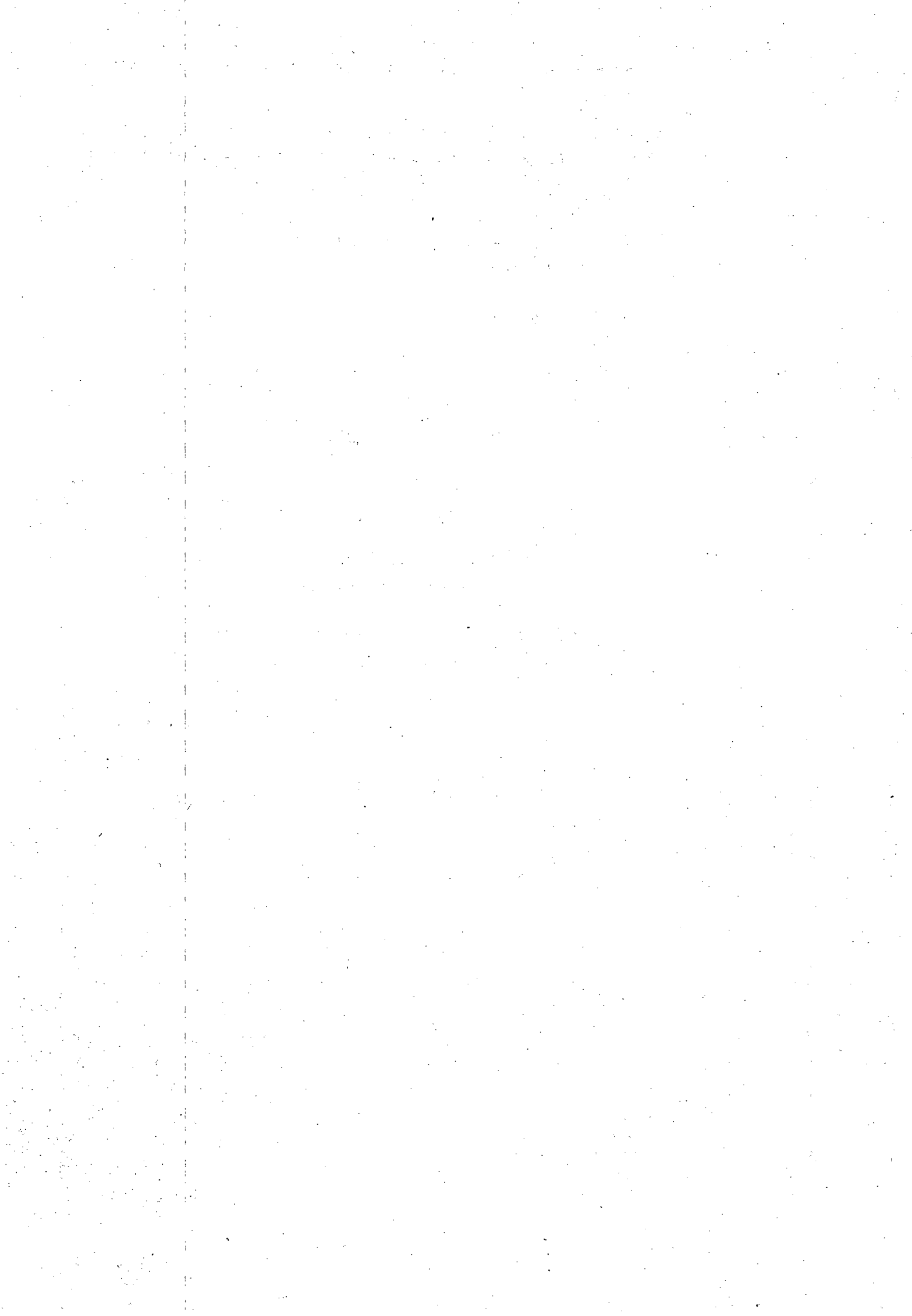
Inadmissible rebate allowed to 707 consumers in 1774 bills resulted in loss of revenue of Rs. 15.57 lakh to the Power Department.

In terms of clause 17 (c) of the Tripura Electric Supply Condition, 1998, rebate is not admissible to a consumer if the bill is not paid within fifteen days from the date of its presentation.

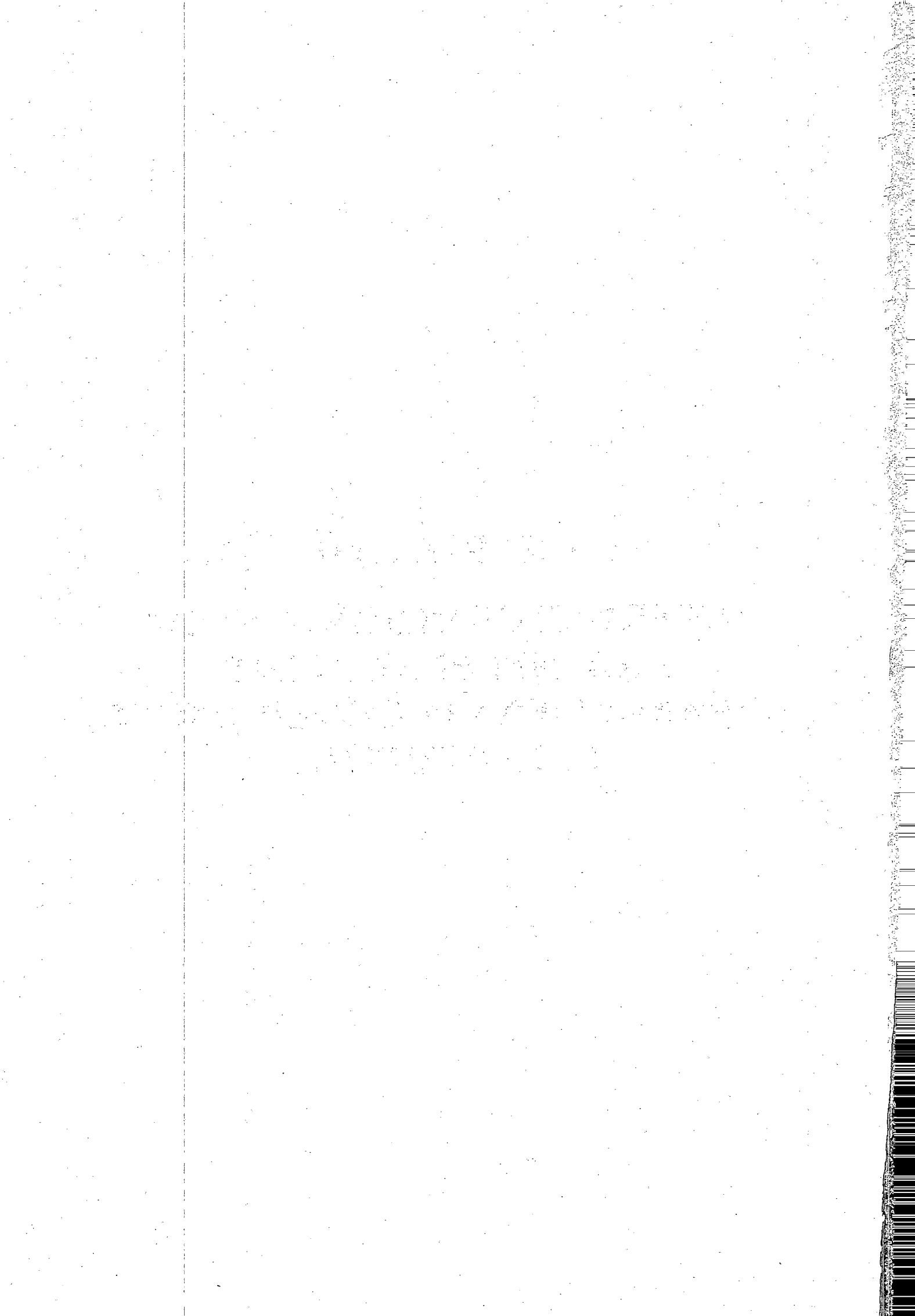
Test-check (February 2004 to February 2005) of records maintained by 18 Electrical Sub-divisions, relating to the accounts for the period from April 1997 to January 2005, revealed that rebate was allowed to 707 consumers in 1774 cases against the bills raised for consumption of electrical energy between October 1997 and November 2004 even when the payments were made beyond the stipulated period. The inadmissible allowance of rebate resulted in loss of revenue of Rs. 15.57 lakh.

On this being pointed out in audit, the Sub-Divisional officers stated (March 2004 to February 2005) that the amount outstanding in this regard would be realized by raising supplementary bills. Further developments are awaited (September 2005).

The matter was reported to the Government in May 2005; reply had not been received (September 2005).



CHAPTER VII
INTERNAL CONTROL SYSTEM
AND INTERNAL AUDIT
ARRANGEMENT IN GOVERNMENT
DEPARTMENTS



CHAPTER VII : INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT ARRANGEMENT IN GOVERNMENT DEPARTMENTS

AGRICULTURE DEPARTMENT

7.1 Internal Control System in Agriculture Department

Introduction

7.1.1 Internal control is an integral part of the department designed to provide reasonable assurance in achievement of the objectives ethically, economically and efficiently. Internal control is, thus, broadly defined as a process effected by a department with reference to policies, plans, programmes, rules and regulations safeguarding the assets of the department and fulfillment of objectives and goals.

Internal control system in Agriculture Department was reviewed (April to June 2005) in audit covering the period from 2000-05. Test-check was conducted in the Directorate of Agriculture, two out of six Deputy Directors of Agriculture (West and South) and five Superintendents of Agriculture (SAs)[♦] out of 22. Results of test-check are discussed in the succeeding paragraphs.

Tools of internal control and their role

Budgetary control

7.1.2 Budget is a quantitative financial expression of a programme of measure planned for a given period. The budget is drawn up to plan future operations and to make ex-post-facto checks on the results obtained. Preparation of budget on time and analysis of variations noticed in actual execution serves the purpose of internal control.

For the purpose of preparation of budget, the procedure followed in the State was that the Finance Department would indicate in advance the ceiling limit of expenditures of various department under various demands. The administrative departments prepared their budget (Plan) proposals in consultation with the Planning and Co-ordination Department and submitted it to the Finance Department for approval.

The budget provision, funds released and actuals their-against during 2000-2005 were as under:

[♦] Mohanpur, Bishalgarh, Jirania, Matabari and Dukli.

Table No. 7.1

(Rupees in crore)

Year	Budget provision	Funds released by Finance Department	Actual expenditure	Short release by State Government (2-3)
(1)	(2)	(3)	(4)	(5)
2000-01	24.25	17.22	17.22	7.03 (29)
2001-02	22.48	19.81	19.81	2.67 (12)
2002-03	19.82	17.06	17.06	2.76 (14)
2003-04	16.14	9.97	9.97	6.17 (38)
2004-05	8.21	5.95	5.95	2.26 (28)
Total	90.90	70.01	70.01	20.89 (23)

Source: Records furnished by the Department

Notes: Figures in brackets indicate the percentage

It may be seen from the above table that despite preparation of budget proposals in accordance with the ceilings imposed by Finance Department, there was short release of funds by the Finance Department ranging between 12 and 38 per cent, though the department was fully utilizing the funds released. Records of five SAs test-checked indicated that the following schemes/programmes remained incomplete or delayed due to short release of funds by Finance Department:

- i) National Water Shed Development Project in Rain Fed Areas (6 projects),
- ii) Watershed Development Project in Shifting Cultivation Areas (5 projects),
- iii) Integrated Wasteland Development Project (two projects),
- iv) True Potato Seeds Programme,
- v) Agri-extension and Farmers Training.

Annual Planning

7.1.3 For implementation of different schemes / programmes, the department was required to prepare an annual action plan well in advance of a financial year. The dates of preparation and submission of the annual action plan to Government and approval thereof are shown below:

Table No. 7.2

Year of Annual Plan	Date of preparation	Date of submission to Government	Date of approval by Government	Month (s) of delay
2000-01	July, 2000	July, 2000	September, 2000	6
2001-02	April, 2001	May, 2001	May, 2001	2
2002-03	May, 2002	May, 2002	May, 2002	2
2003-04	June, 2003	June, 2003	June, 2003	3
2004-05	July, 2004	July, 2004	August, 2004	5

Source: Records furnished by the Department

The above table indicated that there was delay ranging from two to six months, in finalisation of annual action plan during the period from 2000-01 to 2004-05. Thus, the time available for implementation of the annual plan got reduced.

Expenditure control

7.1.4 According to Rule 77 of Central Treasury Rules, Vol.I physical verification of cash is required to be conducted by DDO at the end of each

month and a certificate to that effect is to be recorded in the cash book. Finance Department also in their Memorandum (December 1996) issued instructions for physical verification of cash every month by the DDOs and the head of the department was to arrange for surprise check of cash chest once in a quarter.

Test-check of the records of five SAs revealed that physical verification of cash was never conducted in two cases. In other three cases verification was conducted for one month, four months and 26 months respectively during 2000-2005. Surprise check was arranged by the head of department only for four months (in one case), one month (in one case) and two months (in two cases) against the requirement of 20 months during the period. The provisions of Treasury Rules and instructions of the Finance Department were not scrupulously followed resulting in weakening of control.

Special audit of Superintendent of Agriculture, Panisagar conducted (March - May 2005) at the request of the Government, revealed that non-observance of provision for handling of cash by the drawing and disbursing officer resulted in fraudulent disbursement of Rs. 20.78 lakh during 1998-99 to 2002-03. This escaped the notice of the Controlling Officer because of non-observance of internal control precepts in the department.

Financial Rules provide that funds drawn in Abstract Contingent (AC) bills should be adjusted within 60 days from the date of their drawal through Detailed Countersigned Contingent (DCC) bills.

Test-check of the records of the Directorate revealed that Rs. 14.26 crore drawn on 1568 AC Bills during 1978-79 to 2003-04 (year-wise details given in Appendix XXXII) were lying outstanding as of June 2005. The funds were advanced to four Deputy Directors of Agriculture, 22 Superintendents of Agriculture and three Executive Engineers for implementation of various programmes.

The implementing agencies had not submitted (June 2005) adjustment of the expenditure incurred out of the funds advanced to them. As a result, the expenditure booked by the department by drawing funds of Rs. 14.26 crore in AC bills could not be vouched in audit. Non-adjustment of 25 years old AC bills is indicative of poor financial management.

Similar observations were made in the para 3.1.25 of the Audit Report for the year ended March 2003. The para was discussed in PAC in July 2004. The department submitted before the PAC that steps had already been taken for adjustment of AC bills. However, the unadjusted amount is increasing continuously.

Operational control

7.1.5 Office procedure manual or any functional manual of a department provides guidelines to the officials in respect of their specific duties to be carried out. The manual also helps the head of office / department as a tool of administrative control as well as in maintaining adequate internal control system in the department.

Records of the Directorate of Agriculture indicated that the department had neither prepared any manual nor guidelines for assigning duties and responsibilities to the officials and to oversee the functioning of the department. The Directorate stated that circulars and instructions issued by Government from time to time are followed to maintain internal control in the department.

Records regarding inspection by the Supervisory officers from district level to sector level were not maintained though rules/orders required this. The department fixed (January 1996) the norms of inspection of field demonstration by the Supervisory officers @ 10 per cent (District level), 30 per cent (Sub-Divisional level) and 75 per cent (Sector level) of total number of demonstrations provided by the department. But the DDA (West) and two SAs, test-checked, could not produce records to indicate that prescribed number of inspections of field demonstrations were carried out during the last five years.

The department did not prepare any time schedule for preparation of proforma accounts in respect of different agriculture inputs. The department also did not have any system for reconciliation of accounts of stock of procurement and distribution with sale proceeds at regular intervals.

However, it was noticed that proforma accounts were prepared for the year 1991-92 as of March 2005, indicating arrear of accounts for 13 years. From the accounts for the year 1991-92 it was noticed that Rs. 66.30 lakh was to be recovered from 950 VLW* who were responsible for not depositing the sale proceeds for agri-inputs since 1971-72 to 1991-92. The subsequent year's accounts may reflect further recoveries and the recoverable amount on Agriculture inputs may increase on compilation of subsequent year's account. Except issue of demand notices, no further action was taken against the defaulters.

Store management

7.1.6 The Agriculture Department procured various agriculture inputs i.e. seeds, fertilizers, plant protection chemicals (PPC) from outside the State according to requirement for distribution to the farmers and implementation of different schemes. Supply of quality certified seeds on time is one of the basic aim and objectives of the department. For this purpose, programme for procurement of seeds was drawn based on the cut off dates of the sowing seasons as shown below:

Table No. 7.3

Name of crops	District Store	Sub-divisional store	Village Level Worker store	Distribution to farmers	Sowing season
Paddy (Kharif)	3 rd week of February	2 nd week of March	3 rd week of March	4 th week of March	March and April
Jute (Kharif)	4 th week of February	-do	-do-	-do-	March

Source: Records furnished by the Department

* VLW: Village Level Worker.

Tripura Horticulture Corporation Ltd. (THCL), a Government of Tripura undertaking was selected as nodal agency for supply of certified seeds to the Agriculture Department. It was noticed that THCL did not maintain the time schedule for supplying seeds. It also failed to supply 321 MT paddy seeds to the Agriculture Department during the Kharif season of 2003-04. As a result, department had to divert its procurement of seeds from THCL to NERAMAC*, a private sector undertaking company.

The department placed an order (May 2004) with the NERAMAC for supply of paddy seeds by May 2004. The agency could not deliver the seeds and the month of delivery was extended to July 2004, and, as a result, the seeds could not be utilised during 2003-04 as the kharif season was already over three months before supply. However, the seeds were issued to the farmers.

In another case, jute seeds were required to be supplied by February 2004, but the supply order for 3.87 MT jute seeds @ 27,500/- per MT, was placed on SFCI[†] in March 2004 stipulating completion of delivery by March 2004. Delivery of jute seeds was effected only in April 2004, i.e. after the sowing season was over before one month. This delay in procurement resulted in delay in distribution and sowing the seeds.

For pest control the department procured 1000 Ltrs. Chlorophyrifhos (PPC) in October 2002 from a Kolkata based firm. On laboratory testing (June 2003) at Faridabad, the PPC was declared as misbranded. Meanwhile, the PPC was distributed to the farmers before receipt of the report of laboratory testing and the firm was paid Rs. 1.76 lakh.

According to terms and conditions of supply, the firm was required to replace the quantity of PPC subsequently found not conforming to ISI specification on laboratory testing, even if it was consumed before testing. The department claimed refund/replacement of PPC only in September 2004. But the firm did not respond as of July 2005. It took eight months to get the laboratory report and 13 months to claim refund/replacement of PPC after receipt of the laboratory report indicating slackness of internal control system in the department.

Internal Audit arrangement

7.1.7 Internal audit is an appraisal activity established within the department as a service to the entity. The functions of internal audit include examination, evaluation and monitoring the adequacy and effectiveness of the accounting as well as internal control system. The department did not have any internal audit arrangement nor was it arranged by the State Government. Directorate of Internal Audit started functioning in May 2002 but it has not taken up the department's internal audit so far.

Conclusion

7.1.8 The internal control system in Agriculture Department was found deficient in many ways. Non verification and non-adjustment of AC bills for prolonged periods is indicative of lack of financial discipline. Delayed

* North Eastern Regional Agricultural Marketing Co-operation Ltd.

† State Farms Corporation of India Ltd.

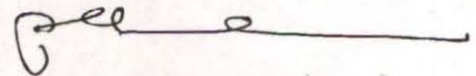
procurement of certified seeds had an adverse impact on crop husbandry. Delayed preparation of proforma accounts indicated lack of operational control as well as store management and was fraught with the risk of embezzlement.

Recommendations

- Office procedure manual or functional manual should be prepared and adopted as a tool of administrative control and internal control in the department should be strengthened.
- Surprise and regular physical verification of cash as per rules should be ensured.
- Desirability of setting up infrastructure for laboratory testing of PPC in the State should be considered.
- Internal audit arrangement should be made immediately.

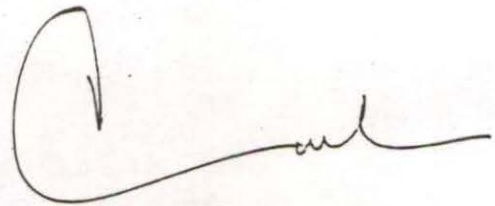
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(R. CHAUHAN)
Accountant General (Audit),
Tripura, Agartala

Countersigned

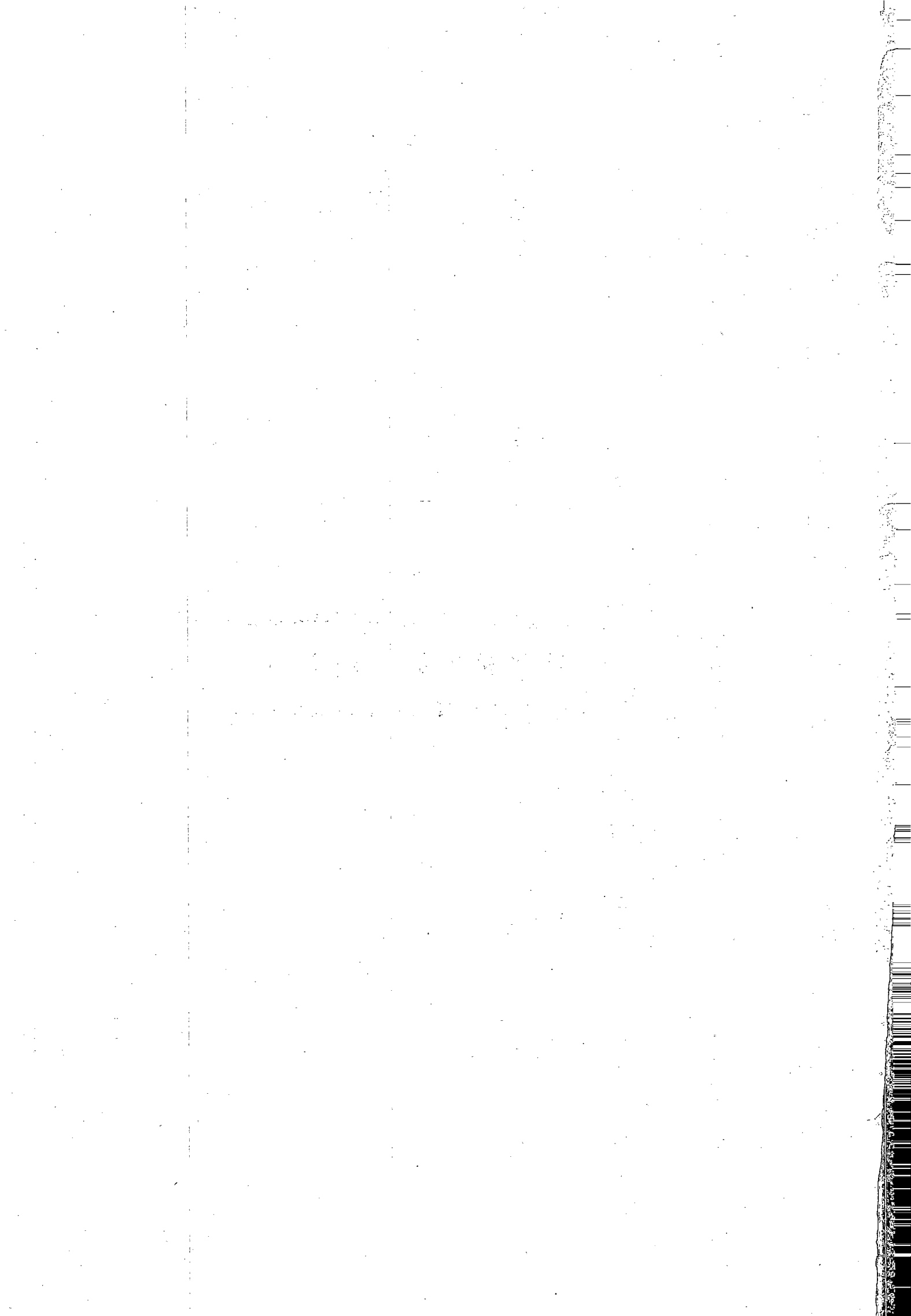


(Vijayendra N. Kaul)
Comptroller and Auditor General of India

New Delhi
The

16 FEB 2006

APPENDICES



APPENDIX I

Abstract of Receipts and Disbursements for the year 2004-05

(Reference: Para 1.5.2)

(Rupees in crore)

Receipts			Disbursements				
2003-04		2004-05	2003-04		2004-05		
					Non-Plan	Plan	Total
2167.66	Section-A : Revenue						
	I. Revenue Receipts	2576.90	2062.93	I. Revenue	1841.52	341.11	2182.63
				Expenditure			2182.63
221.47	-Tax Revenue	239.63	876.08	General Services	926.92	0.99	927.91
167.78	-Non-Tax Revenue	176.85	732.65	Social Services	564.95	230.41	795.36
320.53	-State's Share of Union Taxes	383.12	480.09	-Education, Sports, Arts and Culture	443.86	59.15	503.01
615.47	-Non-Plan Grants	563.86	86.43	-Health and Family Welfare	62.31	30.88	93.19
742.16	-Grants for State/Union Territory Plan Schemes	880.14	20.65	-Water Supply, Sanitation, Housing and Urban Development	6.98	20.14	27.12
5.18	-Grants for Central Plan Schemes	26.38	8.62	-Information and Broadcasting	5.17	3.74	8.91
91.29	-Grants for Centrally sponsored Plan Schemes	293.80	66.83	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	7.83	67.28	75.11
3.78	-Grants for Special Plan Schemes (NEC)	13.12	5.38	-Labour and Labour Welfare	4.80	1.01	5.81
			64.04	-Social Welfare and Nutrition	33.40	48.21	81.61
			0.61	-Others	0.60	-	0.60
			416.44	Economic Services	349.65	73.39	423.04
			129.46	-Agriculture and Allied Activities	108.22	20.79	129.01
			65.53	-Rural Development	32.49	39.60	72.09
			2.22	-Special Areas Programme(NEC)	-	2.14	2.14
			21.33	-Irrigation and Flood Control	10.86	0.56	11.42
			133.12	-Energy	156.16	0.04	156.20
			22.66	-Industry and Minerals	11.13	6.68	17.81
			26.91	-Transport	17.24	0.11	17.35
			7.21	-Communication	7.78	-	7.78
			0.51	-Science, Technology and Environment	0.41	0.42	0.83
			7.49	-General Economic Services	5.36	3.05	8.41
			37.76	Grants-in-aid and contributions	-	36.32	36.32
	II. Revenue deficit carried over to Section-B		104.73	II. Revenue surplus carried over to Section-B			394.27
2167.66	Total : Section A	2576.90	2167.66				2576.90

APPENDIX I (Contd.)

Abstract of Receipts and Disbursements for the year 2004-05
(Reference: Para 1.5.2)

(Rupees in crore)

Receipts			Disbursements					
2003-04		2004-05	2003-04		2004-05			
					Non-Plan	Plan	Total	
	Section-B : Others							
(-) 0.06	III. Opening cash balance including permanent advance and cash balance investment	(-) 103.86	-	III. Opening overdraft from Reserve Bank of India	-	-	-	NIL
NIL	IV. Miscellaneous capital receipts	NIL	443.78	IV. Capital Outlay-	66.35	570.15	636.50	636.50
			43.51	General Services	21.34	44.12	65.46	
			156.96	Social Services	0.11	214.47	214.58	
3.69	V. Recoveries of loans and advances	3.97	24.38	-Education, Sports, Arts and Culture	0.06	92.61	92.67	
3.34	From Government servants	3.71	6.32	-Health and Family Welfare	0.05	11.45	11.50	
0.35	From others	0.26	63.20	-Water Supply and Sanitation	-	59.62	59.62	
104.73	VI. Revenue surplus brought down	394.27	42.26	-Housing and Urban Development	-	39.25	39.25	
405.32	VII. Public debt receipts	367.88	-					
313.07	Internal debt other than Ways and Means	272.72	12.88	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	9.45	9.45	
Nil	Net transactions under Ways and Means Advances including Overdraft	NIL						
92.25	Loans and advances from GOI	95.16	7.88	-Social Security and Nutrition	-	2.05	2.05	
			0.04	-Others	-	0.04	0.04	
1699.00	VIII. Public Account receipts	1482.51	243.31	Economic Services	44.90	311.56	356.46	
526.46	Small savings and provident funds etc.	643.38	13.79	-Agriculture and Allied Activities	4.71	20.29	25.00	
20.74	Reserve fund	13.01	1.08	-Rural Development	-	26.63	26.63	
225.07	Deposits and Advances	247.46	31.93	-Special Areas Programme	-	22.83	22.83	
112.58	Suspense and Miscellaneous	(-) 24.07	32.14	-Irrigation and Flood Control	-	22.25	22.25	
814.15	Remittances	602.73	41.27	-Energy	31.46	112.03	143.49	
Nil	IX. Closing overdraft from RBI	NIL	10.00	-Industry and Minerals	-	9.82	9.82	
			106.29	-Transport	8.73	92.83	101.56	
			0.07	-Science, Technology and Environment	-	0.10	0.10	
			6.72	-General Economic Services	-	4.76	4.76	
			0.02	-Communication	-	0.02	0.02	
2212.68		2144.77	443.78					636.50

APPENDIX I (Concl'd.)

Abstract of Receipts and Disbursements for the year 2004-05
(Reference: Para 1.5.2)

(Rupees in crore)

Receipts		Disbursements				
2003-04	2004-05	2003-04	2004-05			
	Section-B : Others					
		6.03	V.	Loans and Advances Disbursed		2.05
		5.48		-To Government Servants	1.93	
		0.55		-To others	0.12	
		-	VI.	Revenue deficit brought down		NIL
		250.87	VII.	Repayment of Public Debt		159.73
		41.29		-Internal Debt other than Ways and Means Advances	44.81	
		NIL		-Net transactions under Ways and Means Advances including Overdraft	NIL	
		209.58		-Repayment of Loans and Advances to Central Government	114.92	
		1615.86	VIII.	Public Accounts Disbursements		1105.65
		271.31		-Small Savings and Provident Funds	284.59	
		8.11		-Reserve Fund	5.02	
		197.06		-Deposits and Advances	224.24	
		202.14		-Suspense	(-) 24.11	
		937.24		-Remittances	615.91	
		(-) 103.86	IX.	Cash Balance at end		240.84
		Nil*		-Cash in Treasuries	NIL*	
		(-) 3.62		-Departmental Cash Balance including permanent advance	(-) 1.48	
		(-) 2.60		-Cash Balance investment	285.92	
		(-) 97.64		-Deposit with Reserve Bank of India	(-) 43.60	
2212.68	Total : Section B :	2144.77	2212.68	Total : Section B :		2144.77

* Rs.1353 only.

Explanatory Notes for Appendices I, III, V :

1. The abridged accounts in the statements have to be read with comments and explanations in the Finance Accounts.
2. Government accounts being mainly on cash basis, the surplus on Government account, as shown in Appendix-I indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures etc., do not figure in the accounts.
3. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlement etc.
4. There was a difference of Rs. 1.93 crore between the figure reflected in the accounts (debit: Rs. 43.60 crore) and that intimated by the RBI (debit: Rs. 45.53 crore) under "Deposit with Reserve Bank". The difference of Rs. 1.93 crore is under reconciliation (September 2005).

APPENDIX II

Accounts due from autonomous bodies covered under Section 19 (3) and 20 (1) of the Act

(Reference: Para 1.7.1)

Sl. No.	Name of the body	Period of which accounts awaited
Section 19 (3)		
1.	Tripura Khadi and Village Industries Board	1997-98 to 2003-04
Section 20 (1)		
2.	Tripura Board of Secondary Education	1998-99 to 2004-05
3.	Tripura University	1998-99 to 2004-05
4.	Agartala Municipal Council	1977-78 to 2004-05
5.	Khowai Nagar Panchayat	1979-80 to 2004-05
6.	Sonamura Nagar Panchayat	1979-80 to 2003-04
7.	Belonia Nagar Panchayat	1977-78 to 2004-05
8.	Udaipur Nagar Panchayat	1977-78 to 2004-05
9.	Amarpur Nagar Panchayat	1979-80 to 2004-05
10.	Kailashahar Nagar Panchayat	1977-78 to 2004-05
11.	Dharmanagar Nagar Panchayat	1977-78 to 2004-05
12.	Sabroom Nagar Panchayat	1978-79 to 2004-05
13.	Kamalpur Nagar Panchayat	1978-79 to 2004-05
14.	Teliamura Nagar Panchayat	1987-88 to 2004-05
15.	Kumarghat Nagar Panchayat	1987-88 to 2004-05
16.	Ranirbazar Nagar Panchayat	1991-92 to 2004-05

APPENDIX III

Assets and Liabilities
(Reference: Para 1.8)

(Rupees in crore)

As on 31 March 2004		Liabilities		As on 31 March 2005	
1213.99		Internal Debt			1441.90
	855.32	Market Loans bearing interest		1088.28	
	0.23	Market Loans not bearing interest		0.23	
	283.73	Loans from LIC of India		285.85	
	74.71	Loans from other Institutions		67.54	
612.26		Loans and Advances from Central Government			592.49
	3.79	Pre- 1984-85 Loans		2.51	
	24.25	Non-Plan Loans		20.59	
	548.37	Loans for State Plan Schemes		530.82	
	1.05	Loans for Central Plan Schemes		0.99	
	13.29	Loans for Centrally Sponsored Plan Schemes		13.89	
	1.41	Ways and Means Advances		1.42	
	20.10	Loans for Special Schemes		22.27	
1661.58		Small Savings, Provident Funds, etc.			2020.36
-		Reserve Fund			-
102.45		Deposits not bearing interest			126.53
10.00		Contingency Fund			10.00
-		Remittance balances			-
-		Suspense and Miscellaneous balances			-
734.14		Accumulated surplus on Government Account:			1128.41
	629.41	Revenue Surplus brought forward from previous year		734.14	
	(+) 104.73	Add revenue surplus (+) / deficit (-) for the current year		394.27	
4334.42					5319.69

(Rupees in crore)

As on 31 March 2004		Assets		As on 31 March 2005	
4147.80		Gross capital outlay on Fixed Assets			4784.30
	313.13	Investment in Government Companies and Statutory Corporations, etc.		338.04	
	3834.67	Other Capital Outlay on General, Social and Economic Services		4446.26	
64.98		Loans and Advances by the State Government			63.06
	35.33	Other Development Loans		35.19	
	29.65	Loans to Government Servants		27.87	
1.58		Other Advances			2.43
12.34		Reserve Fund			4.34
105.05		Suspense and Miscellaneous Balances			105.01
106.53		Remittance Balances			119.71
(-) 103.86		Cash Balance			240.84
	Nil*	Cash in Treasuries		Nil*	
	(-) 3.62	Departmental Cash Balance including permanent advances		(-) 1.48	
	(-) 2.60	Cash balance investment		285.92	
	(-) 97.64	Deposits with Reserve Bank of India		(-) 43.60	
4334.42					5319.69

* Rs.1353 only.

** Minus balance was the net difference between receipts and disbursement of the State Government for the year 2003-04 after incorporating all adjustments made by RBI for the year 2004-05 upto 25 April 2004/2005.

APPENDIX IV

Time Series Data on State Government Finances

(Reference: Para 1.8)

(Rupees in crore)

	2000-01	2001-02	2002-03	2003-04	2004-05
Part A. Receipts					
1. Revenue Receipts	1638.06	1867.38	1880.07	2167.66	2576.90
(i) Tax Revenue	125.58 (8)	158.50 (9)	183.09 (10)	221.47 (10)	239.63 (9)
Taxes on Agricultural Income	0.25 (#)	0.14 (#)	0.01 (#)	0.30 (#)	0.27 (#)
Taxes on Sales, Trade, etc.	81.08 (65)	105.80 (67)	126.97 (69)	149.25 (67)	160.69 (67)
State Excise	19.79 (16)	22.03 (14)	28.21 (15)	31.36 (14)	32.37 (14)
Taxes on Vehicles	4.26 (3)	5.28 (3)	5.29 (3)	8.01 (4)	10.45 (4)
Stamps and Registration Fees	5.94 (5)	9.61 (6)	7.81 (4)	11.17 (5)	12.07 (5)
Land Revenue	1.82 (1)	1.14 (1)	1.31 (1)	2.61 (1)	1.20 (1)
Other Taxes	12.44 (10)	14.50 (9)	14.40 (8)	18.84 (9)	22.58 (9)
(ii) Non-Tax revenue	94.51 (6)	97.64 (5)	98.73 (5)	167.78 (8)	176.85 (7)
(iii) State's share of Union taxes and duties	236.22 (14)	232.62 (12)	249.71 (13)	320.53 (15)	383.12 (15)
(iv) Grants-in-aid from Government of India	1181.75 (72)	1378.62 (74)	1348.54 (72)	1457.88 (67)	1777.30 (69)
2. Misc. Capital Receipts	NIL	NIL	NIL	NIL	NIL
3. Total Revenue and Non-debt Capital Receipts (1+2)	1638.06	1867.38	1880.07	2167.66	2576.90
4. Recoveries of Loans and Advances	1.87	2.32	3.10	3.69	3.97
5. Public Debt Receipts	165.48	311.93	211.48	405.32	367.88
Internal Debt (excluding Ways and Means Advances and Overdrafts)	148.33	139.39	202.93	313.07	272.72
Net transactions under Ways and Means Advances and Overdrafts	NIL	76.29	(-) 76.29	NIL	NIL
Loans and Advances from Government of India [∞]	17.15	96.25	84.84	92.25	95.16
6. Total Receipts in the Consolidated Fund (3+4+5)	1805.41	2181.63	2094.65	2576.67	2948.75
7. Contingency Fund Receipts	NIL	NIL	NIL	NIL	NIL
8. Public Account Receipts	1284.28	1389.48	1575.97	1699.00	1482.51
9. Total Receipts of the State (6+7+8)	3089.69	3571.11	3670.62	4275.67	4431.26

(#) Negligible

[∞] Includes Ways and Means Advances from GOI.

APPENDIX IV (Contd.)

Time Series Data on State Government Finances

(Reference: Para 1.8)

(Rupees in crore)

	2000-01	2001-02	2002-03	2003-04	2004-05
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	1734.04 (83)	1812.91 (75)	1960.72 (81)	2062.93 (82)	2182.63 (77)
Plan including CSS	366.88 (21)	276.17 (15)	339.62 (17)	331.05 (16)	341.11 (16)
Non-plan	1367.16 (79)	1536.74 (85)	1621.10 (83)	1731.88 (84)	1841.52 (84)
General Services (including Interests Payments)	646.44 (37)	717.40 (40)	826.73 (42)	876.08 (42)	927.91 (43)
Economic Services	404.47 (23)	397.08 (22)	375.35 (19)	416.44 (20)	423.04 (19)
Social Services	663.55 (38)	672.79 (37)	716.56 (37)	732.65 (36)	795.36 (36)
Grants-in-aid and Contributions	19.58 (1)	25.64 (1)	42.08 (2)	37.76 (2)	36.32 (2)
11. Capital Expenditure	346.69 (17)	586.82 (25)	451.21 (19)	443.78 (18)	636.50 (23)
Plan including CSS	332.14 (96)	536.97 (92)	428.69 (95)	413.89 (93)	570.15 (90)
Non-Plan	14.55 (4)	49.85 (8)	22.52 (5)	29.89 (7)	66.35 (10)
General Services	8.25 (2)	68.62 (12)	43.28 (10)	43.51 (10)	65.46 (10)
Economic Services	217.88 (63)	329.49 (56)	240.69 (53)	243.31 (55)	356.46 (56)
Social Services	120.56 (35)	188.71 (32)	167.24 (37)	156.96 (35)	214.58 (34)
12. Disbursement of Loans and Advances	4.36	8.14	8.24	6.03	2.05
13. Total (10+11+12)	2085.09	2407.87	2420.17	2512.74	2821.18
14. Repayments of Public Debt	49.95	57.74	114.80	250.87	159.73
Internal Debt (excluding Ways and Means Advances and Overdrafts)	21.16	25.01	25.72	41.29	44.81
Net transactions under Ways and Means Advances and Overdrafts	NIL	NIL	NIL	Nil	NIL
Loans and Advances from Government of India [‡]	28.79	32.73	89.08	209.58	114.92
15. Appropriation to Contingency Fund	NIL	NIL	NIL	NIL	NIL
16. Total Disbursement out of Consolidated Fund (13+14+15)	2135.04	2465.61	2534.97	2763.61	2980.91
17. Contingency Fund Disbursements	NIL	NIL	NIL	NIL	NIL
18. Public Account Disbursements	1007.28	1192.40	1246.12	1615.86	1105.65
19. Total disbursement by the State (16+17+18)	3142.32	3658.01	3781.09	4379.47	4086.56

[‡] Includes Ways and Means Advances from GOI.

APPENDIX IV (Concl'd.)

Time Series Data on State Government Finances

(Reference: Para 1.8)

(Rupees in crore)

	2000-01	2001-02	2002-03	2003-04	2004-05
<i>Part C. Deficits</i>					
20. Revenue Deficit (-)/ Surplus (+) (1-10)	(-) 95.98	(+) 54.47	(-) 80.65	(+) 104.73	394.27
21. Fiscal Deficit (-) / Surplus (+) (3+4 - 13)	(-) 445.16	(-) 538.17	(-) 537.00	(-) 341.39	(-) 240.31
22. Primary Deficit (-) / Surplus (+) (21-23)	(-) 219.13	(-) 284.95	(-) 246.31	(-) 8.68	115.51
<i>Part D. Other data</i>					
23. Interest payments (percentage of Revenue expenditure)	226.03 (13)	253.22 (14)	290.73 (15)	332.71 (16)	355.82 (16)
24. Arrears of Revenue ** (percentage of Tax and Non-Tax revenue receipts)	14.35 (7)	14.20 (6)	2.46 (0.86)	13.23 (3.40)	13.45 (3.23)
25. Financial Assistance to local bodies etc.	100.52	128.68	112.48	132.95	316.95
26. Ways and Means Advances/Overdraft availed (days)	1	51	27	24	32
27. Interest on Ways and Means Advances/Overdraft (Rs. in crore)	0.01*	0.16	0.34	0.06	0.11
28. Gross State Domestic Product (GSDP)¹	4524.42	4944.73	5473.32	5990.55	6565.04
29. Outstanding Fiscal Liabilities @ (year-end)	2233.62	2665.92	3127.42	3577.93	4181.28
30. Outstanding guarantees (year-end)	83.64	107.82	25.00	41.42 †	44.89 †
31. Maximum amount guaranteed (year-end)	157.22	218.24	66.30	64.83	66.10
32. Number of incomplete projects	21	59	125	124	206
33. Capital blocked in incomplete projects	20.20	41.28	58.73	12.02	188.08
** The information on arrears of revenue as furnished by the taxation authorities included only Sales Tax and Agricultural Income Tax (and only Sales Tax for the year 2002-03).					
* Rs. 0.89 lakh only.					
@ Apart from public debt, includes other liabilities (i.e., Small savings etc., Reserve fund and Deposit).					
† Outstanding guarantees include interest of Rs. 0.02 crore in 2003-04 and Rs. 4.71 crore in 2004-05.					
Note :					
1. GSDP for current year being not available has been taken based on annual average growth during 2000-2005.					
2. Figures in brackets represent rounded off percentage to total of each sub-heading.					

APPENDIX V
Sources and Application of Funds

(Reference: Para 1.8)

(Rupees in crore)

2003-04			2004-05	
Amount			Amount	
SOURCES				
2167.66		1.Revenue Receipts		2576.90
3.69		2.Recoveries of Loans and Advances		3.97
154.45		3.Increase in Public Debt		208.15
83.14		4.Net Receipts from Public Account		376.80
	255.15	Increase in Small Savings and Provident Funds	358.79	
	12.63	Decrease (-) / Increase (+) in Reserve Funds	8.00	
	28.01	Decrease (-) / Increase (+) in Deposits and Advances	23.23	
	(-) 89.56	Decrease (-)/Increase (+) in Suspense Balances*	(-) 0.04	
	(-) 123.09	Increase in Remittance Balances	(-) 13.18	
2408.94		Total		3165.82
APPLICATION				
2062.93		Revenue Expenditure		2182.63
443.78		Capital Expenditure		636.50
6.03		Lending for development and other purposes		2.05
(-) 103.80		Decrease (-) / Increase (+) in cash balance including permanent advances, departmental cash balance and cash balance investment		344.64
2408.94		Total		3165.82

* Suspense and Miscellaneous, excluding Departmental Balances, Permanent Cash Imprest, Cash Balance Investment Account and other accounts.

APPENDIX VI

Incomplete Minor and Medium Irrigation Projects

(Reference: Para 1.8.1)

(Rupees in lakh)

Sl. No.	Name of the project	Month and Year of commencement	Expenditure to the end of March 2005
(a) No benefits accrued			
Minor Irrigation			
1	LI Scheme Project at Malayarmath near Ganganagar under Salema Block	November 2002	27.03
2.	LI Scheme Project at Halahali Math under Salema Block	March.2003	11.39
3.	Diversion scheme over Pratyekroy Cherra under Kadamtala Block of North Tripura	July 2003	24.74
4.	High Capacity LI Scheme at Rabindranagar over the river Gumati under Kathalia Block / Construction of intake well and pump house	March 2004	23.50
5.	Diversion Scheme at South Padmabill over river Deo under Panisagar Block	November 2003	18.00
6.	Diversion (pick up weir) Scheme over Mahamaya cherra at Krishnanagar under Rajnagar Block of South Tripura	April 2001	94.18
7.	Muhuri Irrigation Project at Kalashi, South Tripura	March 2001	619.53
8.	Diversion Scheme over Baikhuracherra in West Charakbari Gaon Panchayat under Bagafa Block	April 2001	126.96
9.	Division Scheme over Chagalmaya cherra	June 2001	47.78
10.	Diversion Scheme over Ghoriacherra	April 2002	2.15
11.	LI Scheme at Srinagar, South Srinagar at Krishnanagar at Poangbari over Feni under Satchand Block	June 2001	155.01
Total			1150.27
Medium Irrigation Project			
12.	Manu Irrigation Project / Construction of Siphon on Fatikcherra	September 2004	5.00
13.	Manu Irrigation Project / Construction of left bank canal	November 2001	164.12
14.	Left Bank canal of Manu Irrigation Project / cross drainage structure at Laljuri cherra	June 2004	7.00
15.	Construction of Left Bank of Manu Canal	May 1999	90.00
16.	Construction of Manu Barrage near river Manu at Nalkata	March 1986	988.25
17.	KIP / construction of Khowai right bank canal	August 2002	152.01
18.	KIP / Construction of left bank canal Earth work including brick lining	May 2002	41.38
19.	Protection of Maharaniapur village from erosion of river khowai at laxmipur under Teliamura Block	July 2004	2.16

APPENDIX VI (concl.)
Incomplete Minor and Medium Irrigation Projects
(Reference: Para 1.8.1)

(Rupees in lakh)

Sl. No.	Name of the project	Month and Year of commencement	Expenditure to the end of March 2005
Medium Irrigation Project			
20.	Protection of Dwarikapur village school including LI Scheme Kalyanpur Block	December 2003	1.31
21.	Diversion scheme over Mailakcherra in Amarpur Block	September 1998	68.09
22.	GIP / Construction of canal / construction of left bank main canal	February 2003	117.94
23.	GIP/Construction of Canal / Construction of RBMC	August 2002	34.23
24.	GIP / Construction of canal / construction of RBMC	August 2002	35.82
25.	GIP / Construction of canal/ Construction of Right Bank Main Canal / construction of conduct canal	January 2004	23.32
Total			1730.63
Grand total			2880.90

N.B. LI – Lift Irrigation.

APPENDIX VII

Statement showing impact of Government Policies in the State
(Reference to paragraph 1.11)

Serial No.	Description	Unit	Year		
			2002-03	2003-04	2004-05
1.	Education				
(a)	Schools				
(i)	Primary/Junior Basic	Number	2054	2075	1845
(ii)	Middle/Senior Basic	Number	435	453	1004
(iii)	High/Senior Secondary	Number	643	652	662
(b)	Enrollment in schools	In lakh	7.42	7.58	7.94
(c)	Literacy	Percentage	NA	NA	NA
(d)	General Colleges	Number	14	14	14
(e)	Universities	Number	01	01	01
2.	Technical education				
(a)	Engineering college	Number	01	01	01
(b)	Polytechnics	Number	01	02	02
(c)	Industrial Training Institutes	Number	04	04	07
(d)	Motor Driving and Heavy Earthy Moving Training Institutes	Number	NA	NA	NA
3.	Health				
(i)	Allopathic Dispensaries	Number	539	539	539
(ii)	Primary Health Centres	Number	72	73	73
(iii)	Allopathic Hospitals	Number	26	26	27
(iv)	Ayurvedic Dispensaries	Number	38	39	42
(v)	Ayurvedic Hospitals	Number	01	01	01
(vi)	Natural care Hospitals (Ayurvedic)	Number	Nil	Nil	NIL
(vii)	Ayurvedic Pharmacies	Number	01	01	NIL
(viii)	Research Institutes	Number	01	01	01*
(ix)	Homeopathic Health Centres	Number	72	73	76
(x)	Unani Health Centres	Number	Nil	Nil	NIL
(xi)	Medical Colleges	Number	Nil	Nil	NIL**
(xii)	Dental Colleges	Number	Nil	Nil	NIL
(xiii)	Ayurvedic Colleges	Number	Nil	Nil	NIL
(xiv)	Infant Mortality	Number per thousand	38	38	32
4.	Animal Health				
(i)	Veterinary dispensaries	Number	56	56	56
(ii)	Central Veterinary Dispensaries	Number	Nil	Nil	NIL
(iii)	Polyclinics	Number	01	01	11
(iv)	Veterinary Hospitals	Number	15	15	15
5.	Power				
(i)	Generation	Million kwh	336.38	501.48	546.78
(ii)	Purchased	Million kwh	344.28	178.08	601.11
(iii)	Consumption	Million kwh	363.00	414.26	625.35
(iv)	Sale	Million kwh	363.00	414.26	522.55
(v)	Rural Electrification	Percent	95.55	95.80	96.02
6.	Roads/Communications				
(i)	Villages connected with roads	Number	NA	NA	NA
(ii)	Motorable Roads	Km	3762	3762	3771
(iii)	Jeepable Roads	Km	2857	2874	2954
(iv)	Less than jeepable roads	Km	8905	8957	9055
(v)	Telephone sets	Number in lakh	0.79	0.82	0.86
(vi)	Vehicles	Number	65,588	75,547	90,454
7.	Irrigation				
	Irrigation potential created	Lakh Hectares	0.05	0.05	0.04
8.	Railway Lines				
(i)	Narrow Gauge	Length in kms	65.66	65.66	65.66
(ii)	Broad Gauge	Length in kms	Nil	Nil	NIL
9.	Per Capita Income at current prices	Rupees in lakh	0.19	NA	NA
10.	Houses	Number	9652	NA	NA
11.	Agricultural Production	In thousand tonnes	611,550	671,665	1004,800
12.	Fruit Production	In lakh tonnes	4.60	4.88	5.03

Source: Economic Survey for the years 2004 and 2005 and information furnished by various departments.

* Diabetic Research Centre

** Agartala Government Medical College opened in August 2005. Hence the number of Medical College has been shown as NIL in 2004-05.

APPENDIX VIII
Areas in which major savings occurred
(Reference to paragraph 2.4)

Grant No/ Major Head	Areas in which major savings occurred	Savings (Rupees in crore)
6	Revenue Department	
4070	Capital outlay on other Administrative Services	35.41
13	Public Works (Roads and Bridges) Department	
2045	Other Taxes and Duties on Commodities and Services	0.23
4059	Public Works	49.96
2049	Interest Payment	4.70
2059	Capital outlay on Public Works	4.66
4216	Capital outlay on Housing	2.97
4552	Capital outlay on North Eastern Areas	6.96
5054	Capital outlay on Roads and Bridges	30.88
14	Power Department	
4552	Capital outlay on North Eastern Areas	1.04
4801	Capital outlay on Power Projects	39.06
6003	Internal Debt of the State Government	0.29
19	Tribal Welfare Department	
5054	Capital outlay on Roads and Bridges	1.83
4701	Capital outlay on Major and Medium Irrigation	0.36
4702	Capital outlay on Minor Irrigation	11.53
4210	Capital outlay on Medical and Public Health	0.30
4225	Capital outlay on Welfare of Schedule Castes	6.76
4406	Capital outlay on Forestry and Wild Life	2.91
4202	Capital outlay on Education, Sports, Art and Culture	0.47
4215	Capital outlay on Water Supply and Sanitation	6.87
4801	Capital outlay on Power Projects	2.25
4401	Capital outlay on Crop Husbandry	2.27
20	Welfare of Schedule Castes Department	
5054	Capital outlay on Roads and Bridges	1.20
4701	Capital outlay on Major and Medium Irrigation	0.92
4702	Capital outlay on Minor Irrigation	1.99
4225	Capital outlay on Welfare of Schedule SC, ST and other Backward classes	0.01
4406	Capital outlay on Forestry and Wild Life	2.49
4215	Capital outlay on Water Supply and Sanitation	3.30
21	Food and Civil Supplies Department	
4408	Capital outlay on Food, Storage and Warehousing	1.60
34	Planning and Co-ordination Department	
5054	Capital outlay on Roads and Bridges	25.00
42	Education(Sports and Youth Programme) Department	
4202	Capital outlay on Education, Sports, Art and Culture	17.75
43	Finance Department	
2052	Secretariat - General Services	0.14
2071	Pensions and Other Retirement Benefits	15.24
2075	Miscellaneous General Services	0.13
2049	Interest Payments	9.27
7610	Loans to Government Servants	0.90
6004	Loans and Advances from Central Government	0.62

APPENDIX IX

Cases where supplementary provision proved unnecessary

(Reference : Paragraph 2.4)

(Rupees in lakh)

Sl. No	Number and name of grant/appropriation	Original grant/appropriation	Supplementary provision	Savings
Revenue - Voted				
1.	3 – General Administration (Secretariat & Administration) Department	1640.32	92.31	189.64
2.	4 – Election Department	574.17	76.68	137.47
3.	5 – Law Department	1284.86	55.11	319.07
4.	7 – Administrative Reforms Department	76.34	2.78	6.24
5.	9 – Statistical Department	232.00	18.41	45.00
6.	13 – Public Works (Roads & Bridges) Department	11217.71	18.35	4493.88
7.	23 – Panchayati Raj Department	5690.78	15.08	39.07
8.	24 – Industries and Commerce Department	1308.36	110.61	256.68
9.	25 – Industries (Handloom, Handicrafts and Sericulture) Department	953.09	0.38	290.64
10.	27 – Agriculture Department	4312.30	53.64	380.72
11.	29 – Animal Resource Development Department	2234.23	22.82	112.27
12.	30 – Forest Department	2737.48	79.75	488.90
13.	32 – Tribal Rehabilitation in Plantation and Primitive Group Programme Department	477.31	21.11	42.96
14.	38 – General Administration (Printing and Stationery) Department	446.63	77.94	80.06
15.	39 – Education (Higher) Department	3408.55	18.65	213.25
16.	41 – Education (Social) Department	6652.79	113.34	1079.88
17.	42 – Education (Sports and Youth Programme) Department	1361.94	351.42	496.72
18.	45 – Taxes and Excise	293.42	37.08	42.75
19.	46 – Treasuries	235.61	80.70	84.66
Revenue - Charged				
20.	8 – Appointment and Services Department	115.51	5.00	8.63
21.	28 – Horticulture Department	13.98	0.10	1.52
Capital - Voted				
22.	10 – Home (Police) Department	1922.88	310.47	300.31
23.	14 – Power Department	14062.41	2741.66	4985.67
24.	15 – Public Works (Water Resources) Department	2258.62	2.33	1145.09
25.	16 – Health Department	1253.99	949.30	1545.61
26.	17 – Information, Cultural Affairs and Tourism Department	80.10	28.91	75.63
27.	19 – Tribal Welfare Department	6894.94	4877.57	6269.32
28.	20 – Welfare of Schedule Castes Department	2622.59	1301.39	2376.11
29.	21 – Food and Civil Supplies Department	5330.00	132.69	4236.26
30.	26 – Fisheries Department	75.00	37.39	107.26
31.	27 – Agriculture Department	1985.38	33.08	1181.11
32.	28 – Horticulture Department	676.05	57.01	241.62
33.	30 – Forest Department	656.41	118.76	464.88
34.	31 – Rural Development Department	828.83	135.48	647.80

APPENDIX IX (concl.)

Cases where supplementary provision proved unnecessary

(Reference : Paragraph 2.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Original grant/appropriation	Supplementary provision	Savings
Capital - Voted				
35.	34 – Planning and Co-ordination Department	1895.00	2500.00	3175.00
36.	36 – Jail Department	591.36	194.68	383.05
37.	39 – Education (Higher) Department	1191.98	566.36	639.08
38.	41 – Education (School) Department	800.00	61.00	656.30
39.	42 – Education (Sports and Youth Programme) Department	114.00	1665.39	1774.88
40.	45 – Taxes and Excise	Nil	38.58	38.58
41.	56 – Information Technology Department	Nil	250.00	250.00
	Total	88506.92	17253.31	39303.57

APPENDIX X

Statement showing cases where supplementary provision was made in excess of actual requirement

(Reference : Paragraph 2.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Original grant/appropriation	Expenditure	Additional requirement	Supplementary provision	Savings
Revenue - Voted						
1.	10 - Home (Police) Department	24060.58	24218.79	158.21	762.37	604.16
2.	16 - Health Department	3588.61	3682.15	93.54	134.40	40.86
3.	19 - Tribal Welfare Department	11291.53	12737.87	1446.34	2414.28	967.94
4.	20 - Welfare of Schedule Castes Department	4218.59	4385.20	166.61	792.97	626.36
5.	26 - Fisheries Department	1030.03	1107.65	77.62	90.01	12.39
6.	31 - Rural Development Department	6597.09	6931.55	334.46	1963.42	1628.96
7.	37 - Labour Organisation	207.68	225.20	17.52	31.88	14.36
Capital - Voted						
8.	5 - Law Department	42.00	72.00	30.00	131.00	101.00
9.	6 - Revenue Department	744.35	753.24	8.89	3485.66	3476.77
10.	11 - Transport Department	939.15	1151.89	212.74	316.34	103.60
11.	13 - Public Works (Roads & Bridges) Department	13341.82	13709.86	368.04	1150.85	782.81
12.	51 - Public Works (PHE) Department	3654.93	4046.14	391.21	1312.39	921.18
	Total	69716.36	73021.54	3305.18	12585.57	9280.39

APPENDIX XI

Excess of expenditure over provision requiring regularisation

(Reference : Paragraph 2.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total grant/ Appropriation	Total Expenditure	Excess
Revenue - Voted				
1.	6 - Revenue Department	4398.48	4726.33	327.85
2.	14 - Power Department	11533.34	16339.86	4806.52
3.	18 - General Administration (Political) Department	61.65	67.29	5.64
4.	22 - Relief and Rehabilitation Department	1118.77	1119.85	1.08
5.	33 - Science, Technology and Environment Department	120.37	125.43	5.06
6.	36 - Jail Department	661.73	666.22	4.49
7.	54 - Factories and Boilers	51.96	54.84	2.88
8.	55 - Employment	166.93	169.81	2.88
Revenue - Charged				
9.	1 - Department of Parliamentary Affairs	6.38	8.57	2.19
10.	43 - Finance Department	30360.07	31482.24	1122.17
Capital - Voted				
11.	23 - Panchayati Raj Department	352.94	2476.64	2123.70
12.	24 - Industries and Commerce Department	1935.64	1972.94	37.30
13.	33 - Science, Technology and Environment Department	74.08	3010.35	2936.27
14.	40 - Education (School) Department	2838.08	7894.58	5056.50
Capital - Charged				
15.	31 - Rural Development Department	5.00	5.92	0.92
16.	43 - Finance Department	6165.62	21897.46	15731.84
	Total	59,851.04	92,018.33	32,167.29

APPENDIX XII

Statement showing cases where saving was more than Rs. 10 lakh and over
10 per cent of provision
(Reference : Paragraph 2.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Savings	Savings as percentage of total provision
Revenue - Voted				
1.	4 - Election Department	650.85	137.47	21
2.	5 - Law Department	1339.97	319.07	24
3.	9 - Statistical Department	250.41	45.00	18
4.	13 - Public Works (Roads & Bridges) Department	11236.06	4493.88	40
5.	15 - Public Works (Water Resources) Department	4861.38	1274.50	26
6.	20 - Welfare of Schedule Castes Department	5011.56	626.36	12
7.	25 - Industries (Handloom, Handicrafts & Sericulture) Department	953.47	290.64	30
8.	30 - Forest Department	2817.23	488.90	17
9.	31 - Rural Development Department	8560.51	1628.96	19
10.	35 - Urban Development Department	3191.08	849.88	27
11.	38 - General Administration (Printing and Stationery) Department	524.57	80.06	15
12.	41 - Education (Social) Department	6766.13	1079.88	16
13.	42 - Education (Sports and Youth) Department	1713.36	496.72	29
14.	43 - Finance Department	29081.41	6858.92	24
15.	44 - Institutional Finance	90.11	10.62	12
16.	45 - Taxes and Excise	330.50	42.75	13
17.	46 - Treasuries	316.31	84.66	27
18.	51 - Public Works (PHE) Department	2104.38	1335.57	63
19.	52 - Family Welfare and Preventive Medicine	5143.40	869.32	17
Revenue - Charged				
20.	14 - Power Department	850.00	446.61	53
Capital - Voted				
21.	5 - Law Department	173.00	101.00	58
22.	6 - Revenue Department	4230.01	3476.77	82
23.	10 - Home (Police) Department	2233.35	300.31	13
24.	14 - Power Department	16804.07	4985.67	30
25.	15 - Public Works (Water Resources) Department	2260.95	1145.09	51
26.	16 - Health Department	2203.29	1545.61	70
27.	17 - Information, Cultural Affairs and Tourism Department	109.01	75.63	69
28.	18 - General Administration (Political) Department	56.00	56.00	100

APPENDIX XII (concl'd.)

Statement showing cases where saving was more than Rs. 10 lakh and over
10 per cent of provision

(Reference : Paragraph 2.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Savings	Savings as percentage of total provision
29.	19 - Tribal Welfare Department	11772.51	6269.32	53
30.	20 - Welfare of Schedule Castes Department	3923.98	2376.11	61
31.	21 - Food and Civil Supplies Department	5462.69	4236.26	78
32.	25 - Industries (Handloom, Handicrafts and Sericulture) Department	351.50	148.09	42
33.	26 - Fisheries Department	112.39	107.26	95
34.	27 - Agriculture Department	2018.46	1181.11	59
35.	28 - Horticulture Department	733.06	241.62	33
36.	29 - Animal Resource Development Department	905.21	377.53	42
37.	30 - Forest Department	775.17	464.88	60
38.	31 - Rural Development Department	964.31	647.80	67
39.	34 - Planning and Co-ordination Department	4395.00	3175.00	72
40.	36 - Jail Department	786.04	383.05	49
41.	39 - Education (Higher) Department	1758.34	639.08	36
42.	41 - Education (School) Department	861.00	656.30	76
43.	42 - Education (Sports and Youth Programme) Department	1779.39	1774.88	99
44.	43- Finance Department	26072.03	25879.20	99
45.	45 - Taxes and Excise	38.58	38.58	100
46.	49 - Fire Service Organisation	39.94	22.19	56
47.	51 - Public Works (PHE) Department	4967.32	921.18	19
48.	52 - Family Welfare and Preventive Medicine	1021.17	531.79	52
49.	56 - Information Technology Department	250.00	250.00	100
	Capital - Charged			
50.	14 - Power Department	700.00	117.65	17

APPENDIX XIII

Statement showing significant cases of persistent savings

(Reference : Paragraph 2.4)

(Rupees in crore)

Sl. No.	Number and name of grant/appropriation	Amount of savings (percentage of savings to total provision in brackets)		
		2002-2003	2003-2004	2004-05
Revenue - Voted				
1.	20 - Welfare of Schedule Castes Department	7.65(18)	7.54(16)	6.26(12)
2.	25- Industries (Handloom, Handicrafts and Sericulture) Department	2.04(22)	1.62(18)	2.91(31)
3.	35- Urban Development Department	3.95(31)	3.26(20)	8.50(27)
4.	46-Treasuries	0.25(11)	0.59(25)	0.85(27)
Capital - Voted				
5.	15 - Public Works (Water Resources) Department	6.63(16)	9.27(34)	11.45(51)
6.	19 - Tribal Welfare Department	27.11(31)	22.17(32)	62.69(53)
7.	20 - Welfare of Schedule Castes Department	19.86(54)	14.28(47)	23.76(61)
8.	21- Food and Civil Supplies Department	19.95(36)	30.65(57)	42.36(78)
9.	26- Fisheries Department	3.65(100)	0.44(55)	1.07(96)
10.	27- Agriculture Department	7.97(38)	13.16(56)	11.81(59)
11.	29- Animal Resource Development Department	3.05(49)	5.19(67)	3.78(42)
12.	31- Rural Development Department	22.18(66)	60.98(84)	6.48(67)
13.	36- Jail Department	5.99(90)	5.19(51)	3.83(49)
14.	42- Education (Sports and Youth Programme) Department	23.16(92)	1.57(94)	17.75(99)
15.	51- Public Works (PHE) Department	12.58(24)	15.02(22)	9.21(19)

APPENDIX XIV

Expenditure exceeding the provision by more than Rs. 50 lakh and also by more than 10 per cent of the total provision

(Reference : Paragraph 2.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Excess	Percentage of excess expenditure to the total provision
Revenue - Voted					
1.	14 – Power Department	11533.34	16339.86	4806.52	42
Capital - Voted					
2.	33 – Science, Technology and Environment Department	74.08	3010.35	2936.27	3964
3.	40 – Education (School) Department	2838.08	7894.58	5056.50	178
Capital - Charged					
4.	43 – Finance Department	6165.62	21897.46	15731.84	255

APPENDIX XV

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Reappropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
1.	3 – General Administration (Secretariat Administration) Department	(i) 2052 – Secretariat-General Services 090 – Secretariat 01 – Emoluments and Allowances 04 – Ministers (Non-Plan)	(O) 152.24 (S) 28.97	(-) 5.31	175.90	145.69	(-) 30.21
		(ii) 05 - Establishment 08 – Civil Secretariat (Non-Plan)	(O) 1231.62 (S) 45.98	11.23	1288.83	1143.06	(-) 145.77
2.	4 – Election Department	(i) 2015 – Elections 103 - Preparation and Printing of Electoral Rolls 99 – Others 63 – Revision of Electoral Rolls (Non-Plan)	(O) 15.00 (S) 76.68	8.32	100.00	24.98	(-) 75.02
3.	5-Law Department	(i) 2014 – Administration of Justice 105- Civil and Session Courts 22 – Judicial 05- Judicial Administration (Non-Plan)	(O) 507.59	(-) 25.74	481.85	436.20	(-) 45.65
4.	6 – Revenue Department	(i) 2245 – Relief on account of Natural Calamities 05 – Calamity Relief Fund 101 – Transfer to Reserve Funds and Deposit Accounts – Calamity Relief Fund 99 – Others 30 – Natural Calamities (Non-Plan)	(O) 132.00 (S) 691.12	13.88	837.00	1378.69	541.69

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(ii) 2029 – Land Revenue 103 – Land Records 05 – Establishment 60 – Survey and Settlement (Non-Plan)	(O) 219.01	(-) 0.47	218.54	154.60	(-) 63.94
		(iii) 2052 – Secretariat – General Services 090 – Secretariat 05 – Establishment 63 – Passport and Emigration (Non-Plan)	(O) 34.07	(-) 9.05	25.02	Nil	(-) 25.02
		(iv) 4070 – Capital outlay on other Administrative Services 800 – Other Expenditure 43 – Finance Commission 01 – Augmentation of traditional water sources (Plan)	(O) 301.65 (S) 50.00	(-) 287.65	64.00	NIL	(-) 64.00
		(v) 800 – Other Expenditure 48 – Border Area Development Programme 01 – Border Area Development Programme (Plan)	(O) 90.50 (S) 200.16	292.65	583.31	622.90	39.59
5.	10 – Home (Police) Department	(i) 2055 – Police 108 – State Headquarters Police 09 – Security Related Expenditure 06 – Tripura State Rifles Battalion No. XI (12 – Indian Reserve Battalion No. VI (06 BN No. VI)) (Non-Plan)	(S) 95.09	6.91	102.00	NIL	(-)102.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(iii) 2055 – Police 101 – Criminal Investigation and Vigilance 08 – Police 03 – Criminal Investigation Branch (Non-Plan)	(O) 1176.90	0.03	1176.93	1211.59	34.66
		(iv) 109 – District Police 08 – Police 05 – District Civil Police (Non-Plan)	(O) 5157.07	224.04	5381.11	5462.72	81.61
		(v) 4055 - Capital Outlay on Police 800- Other Expenditure 11- Police Force Modernisation (State share) (Non-Plan)	(O)100.00	(-)30.00	70.00	Nil	(-)70.00
		(vi) 4070 – Capital Outlay on Other Administrative Services 800 – Other Expenditure 09 – Security Related Expenditure 03 – District Administration (Non-Plan)	(O) 200.00	(-) 70.00	130.00	43.56	(-) 86.44
		(vii) 4055-Capital Outlay on Police 800 – Other Expenditure 08 – Police 11 – Police Force Modernisation (Reimbursable / sharing scheme) (Central Share) (Non-Plan)	(O) 850.00 (S) 292.32	538.68	1681.00	1580.59	(-) 100.41
6.	13 – Public Works (Roads & Bridges) Department	(i) 2059– Public Works 80 – General 001 – Direction and Administration 25 - Public Works 02 – Direction (Non-Plan)	(O)1183.61	(-)90.97	1092.64	575.09	(-)517.55
		(ii) 03 – Execution (Non-Plan)	(O) 3732.11	(-) 245.15	3486.96	2534.54	(-) 952.42

APPENDIX XV (contd.)

Injudicious re-appropriation of funds
(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(iii) 5054 - Capital Outlay on Roads and Bridges 02- Strategic and Border Roads 337 - Road Works 13 - Transportation 04 - Roads of Inter State and Economic Importance (CSS)	(O) 150.00	13.12	163.12	92.72	(-) 70.40
		(iv) 04 - District and other Roads 800 - Other expenditure 51 - External Aided Project 02 - Roads (Plan)	(O) 200.00	(-)200.00	Nil	117.33	117.33
		(v) 54- NABARD 01- RIDF-V-Construction of ongoing Rural Bridges project (Plan)	(O) 2200.00 (S) 591.18	283.69	3074.87	1064.80	(-)2010.07
		(vi) 68 - Roads and Bridges 01 - Roads and Bridges (Plan)	(O) 184.00	(-) 10.00	174.00	0.50	(-)173.50
		(vii) 02 - Strategic and Border Roads 337 - Road Works 56 - Non Lapsable 04 - Conversion of Timber Bridges (CSS)	(O) 1300.00	(-) 1300.00	Nil	5047.34	5047.34
7.	14 - Power Department	(i) 2801 - Power 04 - Diesel/Gas Power Generation 800 - Other Expenditure Each Diesel / Gas Power Scheme 26 - Power 03 - Gas Power (Non-Plan)	(O) 4100.00	(-) 257.69	3842.31	10261.91	6419.60
		(ii) 05 - Transmission and Distribution 800 - Other Expenditure 26 - Power 08 - Power Supply (Non-Plan)	(O) 1150.00	394.57	1544.57	2337.77	793.20
		(iii) 799 - Suspense 65 - Suspense Account 02 - Power (Non-Plan)	(O) 2000.00	(-) 1433.31	566.69	607.53	40.84

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(iv) 2049 – Interest Payments 01 – Interest on Internal Debt 200 – Interest on other Internal Debts 58 – Debt Services 16 – Rural Electrification Corporation (Non Plan)	(O) 850.00	(-) 253.00	597.00	403.39	(-) 193.61
		(v) 4552 – Capital Outlay on North Eastern Areas 04 – Diesel / Gas Power Generation 800 – Other Expenditure 26 – Power 04 – Gas Thermal Project (Baramura) (NEC) (Plan)	(O) 1987.00	(-) 1400.00	587.00	483.06	(-) 103.94
		(vi) 4801 – Capital outlay on Power Projects 04 – Diesel / Gas Power Generation 001 – Direction and Administration 56 – Non-Lapsable 05 – Gas 1 X 21 MW Gas Thermal Project at Rokhia – Phase II (CSS)	(O) 6000.00	(-) 6000.00	Nil	3772.52	3772.52
		(vii) 56 – Non-Lapsable 09 – Sub-Transmission and Distribution (CSS)	(O) 1000.00	1411.04	2411.04	545.56	(-) 1865.48
		(viii) 05 – Transmission and Distribution 001 – Direction and Administration 98 – Administration 14 – Power (Plan)	(O) 770.82	(-) 151.70	619.12	771.84	152.72
		(ix) 11 – Corporation (Plan)	Nil	284.00	284.00	403.77	119.77
		(x) 47 – PMGY 05 – Power (Plan)	Nil	502.23	502.23	405.71	(-) 96.52
		(xi) 56 – Non-Lapsable 09 – Sub-Transmission and Distribution (CSS)	Nil	2466.88	2466.88	559.88	(-) 1907.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(xii) 6003 – Internal Debt of the State Government 109 – Loans from other Institution 58 – Debt Services 16 – Rural Electrification Corporation (Non Plan)	(O) 700.00	(-) 319.00	381.00	582.35	(+) 201.35
8.	15 – Public Works (Water Resource) Department	(i) 2702- Minor Irrigation 80- General 799- Suspense 65- Suspense Account 03- Water Resource (Non Plan)	(O) 2500.00	(-) 400.00	2100.00	1426.23	(-)673.77
		(ii) 4702- Capital Outlay on Minor Irrigation 101- Surface Water 45- Accelerated Irrigation Benefit Project 04- Other Irrigation Projects (Plan)	(O) 770.00	(-)327.05	442.95	322.90	(-)120.05
		(iii) 46 – State share of AIBP 04 – Other Irrigation Projects (Plan)	(O)	150.00	150.00	176.29	26.29
9.	16 – Health Department	(i) 4210 – Capital Outlay on Medical and Public Health 01 – Urban Health 110 – Hospital and Dispensaries 43 – Finance Commission 10 – Health Services (Plan)	(O) 301.79	167.39	469.18	155.72	(-) 313.46
		(ii) 44 – Additional Central Assistance 01 – Additional Central Assistance (Plan)	(O) 619.44	(-) 370.19	249.25	100.00	(-) 149.25
		(iii) 03 – Medical Education, Training and Research 105 – Allopathy 71 – Medical College 01 – Establishment (Plan)	(S) 634.52	165.48	800.00	115.00	(-) 685.00
10.	17 – Information, Cultural Affairs and Tourism Department	5452 – Capital Outlay on Tourism 01 – Tourist Infrastructure 101 – Tourist Centre 44 – Additional Central Assistance 01 – Additional Central Assistance (Plan)	(S) 28.91	28.09	57.00	Nil	(-) 57.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
11.	19- Tribal Welfare Department	(i) 2225- Welfare of SC, ST and other Backward classes 02- Welfare of ST 001- Direction and Administration 33- Welfare Programme 09- General (Non Plan)	(O) 651.86	(-)29.40	622.46	467.30	(-)155.16
		(ii) 2236- Nutrition 02- Distribution of nutritions food and beverages 101- Special Nutrition Programme 47- Prime Minister's Gramodyog Yojana 04- Nutrition (Plan)	(O) 279.96	(-)0.96	279.00	189.35	(-)89.65
		(iii) 2210- Medical and Public Health 47- PMGY 06- Primary Health (Plan)	(O) 33.00	24.10	57.10	24.96	(-)32.14
		(iv) 2225- Welfare of SC, ST and other Backward classes 02- Welfare of ST 35- Scholarship/Stipend 05- Post Matric Scholarship to ST students (CSS)	(O) 160.00 (S) 35.10	4.90	200.00	Nil	(-)200.00
		(v) 2236- Nutrition 02- Distribution of nutritions food and beverages 101- Special Nutrition Programme 69- National Programme 04- National Programme for Adolescent Girls (Plan)	(O) 64.79 (S) 48.25	0.96	114.00	Nil	(-)114.00
		(vi) 47- PMGY 07- Mid-Day-Meals (Plan)	(S) 81.34	266.66	348.00	280.75	(-)67.25
		(vii) 3604- Compensation and Assignments to Local Bodies and Panchayati Raj Institutions 200- Other Miscellaneous Compensation and Assignments 34- Tribal Sub-plan 14- Sixth Schedule(Plan)	(O)375.36 (S)99.85	(-)49.15	426.06	480.06	54.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(viii) 2405- Fisheries 101- Inland Fisheries 36- Fishery Development 02- Development of Inland Fisheries (Plan)	(O) 24.02 (S) 4.28	(-8.05)	20.25	46.29	26.04
		(ix) 4701- Capital outlay on Major and Medium Irrigation 80- General 800- Other Expenditure 45- Accelerated Irrigation Benefit Projects 02- Khowai Irrigation Projects(Plan)	(O)35.00	35.00	70.00	33.60	(-)36.40
		(x) 4406- Capital outlay on Forestry and Wild Life 01- Forestry 101- Forest Conservation Development and Regeneration 40- Forestry 04- Assistance to State for Development of National Parks and Sanctuary(CSS)	(S)204.75	7.03	211.78	16.00	(-)195.78
		(xi) 800- Other Expenditure 56- Non-Lapsable 16- Strengthening of Infrastructure for Forest Protection(CSS)	(O)126.65 (S)36.02	(-)32.03	130.64	44.37	(-)86.27
		(xii) 4202- Capital outlay on Education, Sports, Art and Culture 01- General Education 201- Elementary Education 41- Human Development 01- Elementary Education (Plan)	(O)244.00	(-)55.54	188.46	141.34	(-) 47.12
		(xiii) 4702- Capital outlay on Minor Irrigation 101- Surface Water 800- Other expenditure 44- Additional Central Assistance 01- Additional Central Assistance(Plan)	(S)95.62	106.38	202.00	Nil	(-)202.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(xiv) 4225- Welfare of SC, ST and other Backward classes 02- Welfare of ST 277- Education 34- Tribal Sub-plan 15- Special Central Assistance (CSS)	(O)600.00	65.62	665.62	Nil	(-)665.62
		(xv) 4405- Capital outlay on Fisheries 101- Inland Fisheries 36- Fishery Development 24- Fisheries Development (Plan)	(S)22.24	6.08	28.32	Nil	(-)28.32
		(xvi) 4401- Capital outlay on Crop Husbandry 119-Horticulture and Vegetable crops 50-Shifting Cultivation 01-Water Shed Development Project in shifting cultivations(CSS)	(O)300.00	(-)73.26	226.74	Nil	(-)226.74
		(xvii) 4406- Capital outlay on Forestry and Wild Life 800- Other expenditure 56- Non-Lapsable 21- Infrastructure for Wild Life(CSS)	(O)56.10	4.17	60.27	Nil	(-)60.27
		(xviii) 4810-Capital outlay on Non-Conventional Sources of Energy 102- Solar 70- State Share 33- Science, Technology and Environment (Plan)	(S)91.89	2.16	94.05	Nil	(-)94.05
		(xix) 4215- Capital outlay on Water Supply and Sanitation 01- Water Supply 102- Rural Water Supply 47- PMGY 02-Drinking Water(Plan)	(O)300.00	54.00	354.00	434.00	80.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		xx) 4216- Capital outlay on Housing 03- Rural Housing 800- Other Expenditure 47- PMGY 03- Housing(Plan)	(O)521.18 (S)31.17	21.65	574.00	738.68	164.68
		xxi) 4701-Capital outlay on Major and Medium Irrigation 800- Other Expenditure 02- Khowai Irrigation Projects(Plan)	Nil	23.00	23.00	94.50	71.50
12.	20 – Welfare of Schedule Castes Department	(i) 2225- Welfare of SC, ST and other Backward classes 01- Welfare of Schedule Castes 800- Other expenditure 33- Welfare programme 26- Nucleus Budget (Plan)	(O) 6.72 (S) 53.03	0.25	60.00	29.11	(-)30.89
		(ii) 03- Welfare of Backward Classes 277- Education 35- Scholarship/stipend 02- Post-Matric scholarship to other Backward classes students (CSS)	(O) 250.00	(-) 155.49	94.51	Nil	(-) 94.51
		(iii) 04- Post-Matric scholarship to SC students (CSS)	(O) 120.00	77.34	197.34	263.95	66.61
		(iv) 277- Education 35- Scholarship stipend 07- Pre-Matric scholarship to other Backward classes students (CSS)	(O) 175.00	(-)54.32	120.68	272.90	152.22
		(v) 4702- Capital outlay on Minor Irrigation 101- Surface Water 45- Accelerated Irrigation Benefit Project 04- Other Irrigation projects (Plan)	(O) 280.00	(-)45.00	235.00	60.95	(-)174.05

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(vi) 4406- Capital outlay on Forestry and Wild Life 01- Forestry 800- Other Expenditure 56- Non-Lapsable 16- Strengthening of Infrastructure for Forest Protection(CSS)	(O) 70.35 (S) 18.30	(-) 14.00	74.65	Nil	(-) 74.65
		(vii) 21- Infrastructure for Wild Life (CSS)	(O) 34.90	5.82	40.72	Nil	(-)40.72
		(viii) 4810- Capital outlay on Non-conventional sources of Energy 102- Solar 70- State share 33- Science, Technology and Environment (Plan)	(S) 43.48	4.97	48.45	Nil	(-)48.45
		(ix) 4215- Capital outlay on Water Supply and Sanitation 01- Water Supply 102- Rural Water Supply 47- PMGY 02- Drinking water (Plan)	(O)137.60	(-)20.10	117.50	167.52	50.02
		(x) 4216- Capital outlay on Housing 03- Rural Housing 800- Other expenditure 47- PMGY 03- Housing (Plan)	(O)254.76	(-)54.76	200.00	305.48	105.48
13.	21 – Food and Civil Supplies Department	(i) 4408 – Capital Outlay on Food Storage and Warehousing 800 – Other Expenditure 44 – Additional Central Assistance 01 – Additional Central Assistance (Plan)	(S) 132.69	20.64	153.33	Nil	(-) 153.33

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5).

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
14.	24 – Industries and Commerce Department	(i) 2851 – Village and Small Industries 102 – Small Scale Industries 29 – Industries Development 14 – Operation and Maintenance (Plan)	(O) 152.08 (S) 13.31	4.98	170.37	101.87	(-) 68.50
		(ii) Non-Plan	(O) 239.39	(-) 108.57	130.82	186.60	55.78
		(iii) 800 – Other Expenditure 29 – Industries Development 12 – District Industries Centre (Non Plan)	(O) 150.76	(-) 20.93	129.83	102.93	(-) 26.90
		(iv) 102 – Small Scale Industries 29 – Industries Development 09 – Prime Minister Rojgar Yojana (CSS)	(O) 25.00	(-) 18.60	6.40	43.05	36.65
		(v) 4070 – Capital outlay on other Administrative Services 800 – Other Expenditure 70 – State Share 24 – Industry (Plan)	(O) 33.00	(-) 8.00	25.00	132.80	107.80
15.	25 – Industries (Handloom, Handicrafts and Sericulture) Department	(i) 2851 – Village and Small Industries 001 - Direction and Administration 98 – Administration 25 – Handloom (Non plan)	(O) 303.02 (S) 0.38	0.04	303.44	276.47	(-) 26.97
16.	26 – Fisheries Department	(i) 4405 – Capital Outlay on Fisheries 101 – Inland Fisheries 44 – Additional Central Assistance 01 – Additional Central Assistance (Plan)	(S) 23.04	34.00	57.04	Nil	(-) 57.04
17.	27 – Agriculture Department	(i) 4401 – Capital Outlay on Crop Husbandry 105 – Manures and Fertilizers 44 – Additional Central Assistance 01 – Additional Central Assistance - Establishment of Bio – Fertilizers Control Laboratory (Plan)	(O) 75.00	25.00	100.00	Nil	(-) 100.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(ii) 4435 – Capital Outlay on other Agricultural Programmes 01 – Marketing and Quality Control 101 – Marketing facilities 58 – Debt Services 11 – NABARD (Plan)	(O) 300.00	(-) 200.00	100.00	Nil	(-) 100.00
18.	28 – Horticulture Department	(i) 4401 – Capital Outlay on Crop Husbandry 119 – Horticulture and Vegetable Crops 44 – Additional Central Assistance–Horticulture Research Complex at Nagicherra (Plan)	(O) 111.56	(-) 41.98	69.58	28.66	(-) 40.92
19.	29 – Animal Resource Development Department	(i) 4403 – Capital Outlay on Animal Husbandry 102 – Cattle and Buffalo Development 39 – Animal Resource Development 44 – National Project on Cattle and Buffalo Breeding (NPCBB) (CSS)	(O) 129.00	(-) 34.00	95.00	49.22	(-) 45.78
20.	30- Forest Department	(i) 2402- Soil and Water Conservation 102- Soil Conservation 40- Forestry 01- Afforestation in Catchment Areas (Non Plan)	(O)168.52	(-)18.52	150.00	119.87	(-)30.13
		(ii) 4406- Capital Outlay on Forestry and Wild Life 800- Other expenditure 56- Non-Lapsable 15- Forest Fire Control and Management(CSS)	(O)58.69	(-)11.30	47.39	15.41	(-)31.98
		(iii) 16- Strengthening of Infrastructure for Forest Protection(CSS)	(O)216.56	(-)48.58	167.98	8.75	(-)159.23
		(iv) 17- Preparation of working plan/survey and Demarcation (CSS)	(O)80.97	(-)50.74	30.23	4.19	(-)26.04
		(v) 21- Infrastructure for Wild Life (CSS)	(O)95.95	(-)34.04	61.91	Nil	(-)61.91

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(vi) 40- Forestry 04- Assistance to States for Development of National Parks and Sanctuary (CSS)	(O)53.65 (S)86.26	167.99	307.99	205.00	(-)102.90
21.	31 – Rural Development Department	(i) 2215 – Water Supply and Sanitation 01 – Water Supply 799 – Suspense 65 – Suspense Account 06 – Rural Development (Non Plan)	(O) 5000.00 (S) 1960.69	39.31	7000.00	5179.39	(-) 1820.61
		(ii) 4216 – Capital Outlay on Housing 03 – Rural Housing 800 – Other Expenditure 47 – PMGY 03 – Housing (Plan)	(O) 432.06	(-) 248.06	184.00	Nil	(-) 184.00
22.	33 – Science, Technology and Environment Department	(i) 4070 – Capital Outlay on other Administrative Services 800 – Other Expenditure 44 – Additional Central Assistance – Solar PV Programme 01 – Additional Central Assistance (Plan)	(O) 17.17 (S) 46.48	6.01	69.66	Nil	(-) 69.66
23.	34 – Planning and Coordination Department	(i) 4070 – Capital Outlay on other Administrative Services 800 – Other Expenditure 66 – Rastriya Sama Vikash Yojana 01 – RSVY (Plan)	(O) 1500.00	(-) 892.50	607.50	750.00	142.50
		(ii) 99 – Others 27 – MLA Local Area Development Programme (Plan)	(O) 300.00	(-) 52.50	247.50	450.00	202.50
24.	35- Urban Development Department	(i) 3604- Compensation and Assignments to Local Bodies and Panchayati Raj Institutions 800- Other expenditure 32- Urban Development 14- Devolution Urban Local Bodies (Agartala Municipal Council) (Plan)	(O) 925.00 (S) 197.01	110.71	1232.72	1003.57	(-)229.15

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(ii) 2217- Urban Development 08- Swarna Jayanti Sahari Rozgar Yojana(Agartala Municipal Council)(CSS)	(O) 104.26 (S) 548.70	0.28	653.24	Nil	(-)653.24
		(iii) 43- Finance Commission 24- Urban Local Bodies (Normal Aras)(Agartala Municipal Council)(Plan)	(O) 161.30	(-)81.64	79.66	Nil	(-) 79.66
25.	37- Labour Organisation	(i) 2230- Labour and Employment 01- Labour (1) 111- Social Security for Labour(6) 70- State Share 37- Labour (Plan)	(S) 29.63	0.37	30.00	Nil	(-)30.00
26.	39- Education (Higher) Department	(i) 4202- Capital Outlay on Education, Sports, Art and Culture 01- General Education 203- University and Higher Education 56- Non-Lapsable 12- Tripura University(CSS)	(O) 672.00	(-)672.00	Nil	672.00	672.00
		4202- Additional Central Assistance	(S) 166.11	30.89	197.00	NIL	(-) 197.00
27.	40- Education (School) Department	(i) 2236- Nutrition 02- Distribution of nutritious food and beverages 102- Mid-Day-Meals 41- Human Development 56- Mid-Day-Meals(Plan)	(O) 34.43	303.21	337.64	246.02	(-) 91.62
		(ii) 4202-Capital Outlay on Education,Sports,Art and Culture 01- General Education 201- Elementary Education 70- State Share 40- School Education(Plan)	(S) 1006.67	168.93	1175.60	1405.69	230.09

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(ii) 03- Research and Training 04- District Institute of Educational Training(DEIT)(Basic Trining Institute)(CSS)	Nil	97.50	97.50	66.50	(-) 31.00
28.	41- Education (Social) Department	(i) 2202- General Education 04- Adult Education 200- Other Adult Education Programmes 33- Welfare Programme 09- General(Non-plan)	(O) 2388.18	(-) 198.90	2189.28	2097.01	(-)92.27
		(ii) 102- Child Welfare 33- Welfare Programme 15- Integrated Child Development Scheme (CSS)	(O) 1526.82	(-)88.64	1438.18	1263.85	(-)174.33
		(iii) 2236-Nutrition 02- Distribution of nutritious food and beverages 101- Special Nutrition Programmes 47- PMGY 04- Nutrition(Plan)	(O) 467.17	(-) 18.17	449.00	239.79	(-) 209.21
		(iv) 69-NPAG 01- NPAG (PIAN)	(O) 108.68 (S) 59.39	21.93	190.00	72.71	(-) 117.29
29.	42-Education (Sports and Youth Programme) Department	(i) 4202-Capital Outlay on Education ,Sports, Art and Culture 03-Sports and Youth Services 800- Other expenditure 44- Additional Central Assistance 01- Additional Central Assistance(Plan)	(S) 119.61	5.39	125.00	Nil	(-)125.00

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
30.	43- Finance Department	(i)2071-Pensions and other Retirement Benefits 01- Civil 101- Superannuations and other Retirement Allowances 02- Pension 01- General Pension(Non Plan)	(O) 12600.00	7916.78	20516.78	18992.51	(-)1524.27
		(ii) 2049- Interest payment 01-Interest on Internal Debt 122- Interest on Investment in Special Central Government Securities issued against net collections of small savings from 1-4-99 58- Debt Services 17- Small Savings Collection(Non Plan)	(O) 3951.85 (S) 219.63	1333.92	5505.40	6302.14	796.74
		(iii) 200 Interest on other Internal Debts 58- Debt Services 43- Power Bond(Non Plan)	(O) 540.00	(-)0.18	539.82	820.62	280.80
		(iv) 04- Interest on Loans and Advances from Central Government 101- Interest on Loans for State/Union Territory Plan Schemes 58- Debt Services 19- State Plan Schemes(Non Plan)	(O) 5841.97	710.03	6552.00	6519.38	(-)32.62
		(v) 101- Interest on Pre-1984-85 Loans 58- Debt Services 15- Pre-1984-85 Loans(Non Plan)	(O)14.81	0.89	15.70	48.63	32.93
		(vi) 05-General Provident Fund (Non Plan)	(O) 9503.29	43.86	9547.15	8657.13	(-)890.02
		(vii) 04- Interest on Loans and Advances from Central Government 104- Interest on Loans for Non-Plan schemes 58- Debt Services 13- Non-Plan schemes(Non Plan)	2448.20	(-)2121.10	327.10	502.42	175.32

APPENDIX XV (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(viii) 7610- Loans to Government servants etc. 201- House Building advances 99- Others 53- Advances to Member of Tripura Legislative Assembly (Non Plan)	(O) 15.00	20.00	35.00	1.50	(-)33.50
		(ix) 51- State Government (Non Plan)	(O) 99.00	51.00	150.00	115.61	(-)34.39
		(x) 6004- Loans and Advances from Central Government 02- Loans for State/Union Territory Plan Schemes 101- Block Loans 58- Debt Services 19- State Plan Schemes(Non Plan)	(O) 2285.68	166.04	2451.72	10456.22	8004.50
		(xi) 01- Non-Plan Loans 102- Share of Small Savings Collections 58- Debt Services 17- Small Savings Collections(Non Plan)	(O) 1152.66	(-)934.09	218.57	295.37	76.80
		(xii) 38- Accelerated Irrigation Benefit (Non Plan)	(O) 22.01	4.81	26.82	Nil	(-)26.82
31.	45- Taxes and Excise	(i) 2040- Taxes on Sales, Trade etc. 101- Collection Charges 05-Establishment 10- Commissioner of Taxes and Excise(Non-plan)	(O) 149.54 (S) 21.51	1.38	172.43	145.14	(-) 27.29
32.	51-Public Works (PHE) Department	(i) 2215- Water Supply and Sanitation 01-Water Supply 001- Direction ;and Administration 28- Public Health 06- Execution (Non-plan)	(O) 431.79	(-) 13.38	418.41	369.75	(-) 48.66
		(ii) 101- Urban Water Supply Programme 28- Public Health 07- Urban Water Supply(Non-plan)	(O) 146.74	(-) 1.74	145.00	112.11	(-)32.89

APPENDIX XV (concl.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Detailed head of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
		(iii) 4215- Capital Outlay on Water Supply and Sanitation 01- Water Supply 102- Rural Water Supply 28- Public Health 02- Accelerated Urban Water Supply Scheme(CSS)	(O) 250.00	(-) 93.88	156.12	97.12	(-)59.00
		(iv) 47 – PMGY 02- Drinking Water (Plan)	(O) 119.00 (S) 72.84	6.16	198.00	134.44	(-) 63.56
33.	52- Family Welfare and Preventive Medicine	(i) 2210- Medical and Public Health 01- Urban Health Services-Allopathy 11- National Programme for Control of Blindness(CSS)	(O) 135.65	(-) 66.90	68.75	37.02	(-) 31.73
		(ii) 03- Rural Health Services-Allopathy 104- Community Health Centre 47- Prime Ministers Gramodyog Yojana 06- Primary Health (Plan)	(O) 28.50	13.25	41.75	Nil	(-)41.75
		(iii) 103- Primary Health Centre 47- PMGY 06- Primary Health(Plan)	(O) 63.30	7.77	71.07	105.27	34.20
		(iv) 4210- Capital Outlay on Medical and Public Health 03—Medical Education Training and Research 101- Ayurveda 17- Dispensary 01- Ayurvedic Dispensary(CSS)	(O) 65.00	(-) 15.00	50.00	Nil	(-)50.00
34.	56- Information Technology Department	(i) 4070- Capital Outlay on other Administrative Services 800-Other expenditure 73- North Eastern Gap 01- North Eastern Gap(Plan)	(O) Nil	55.00	55.00	Nil	(-)55.00

APPENDIX XVI

Expenditure incurred without budget provision

(Reference : Paragraph 2.6)

Sl. No.	Number and name of grant/appropriation	Head of account	Amount paid (Rupees in lakh)
1.	6-Revenue Department	2029-Land Revenue 101-Collection of Charges 05-Establishment 16-District Establishment (Plan)	2.22
2.	40-Education (School) Department	4202-Capital outlay on Education, Sports, Art and Culture 01-General Education 800-Other expenditure 41-Human Development 99-Others(CSS)	6271.80
3.	43-Finance Department	(i) 2235- Social Security and Welfare 60- Other Social Security and Welfare Programmes 104- Deposit Linked Insurance Scheme – General Provident Fund 63- Insurance 01- General Provident Fund Limited Insurance (Non Plan)	35.46
		(ii) 6003- Internal Debt of the State Government 110- Ways and Means Advances from the Reserve Bank of India 58- Debt Services 20- Ways and Means Advances (Non Plan)	8613.00
Total			14922.48

APPENDIX XVII

Statement showing amount of savings of Rs. 10 lakh and above not surrendered

(Reference : Paragraph 2.7)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Total savings	Amount not surrendered
Revenue - Voted					
1.	3-General Administration (Secretariat Administration) Department	1732.63	1542.99	189.64	189.64
2.	4-Election Department	650.85	513.38	137.47	137.47
3.	5-Law Department	1339.97	1020.90	319.07	105.05
4.	9-Statistical Department	250.41	205.41	45.00	23.54
5.	10-Home (Police) Department	24822.95	24218.79	604.16	604.16
6.	13-Public Works(Roads & Bridges) Department	11236.06	6742.18	4493.88	4157.49
7.	15-Public Works(Water Resource) Department	4861.38	3586.88	1274.50	859.12
8.	16-Health Department	3723.01	3682.15	40.86	40.86
9.	19-Tribal Welfare Department	13705.81	12737.87	967.94	891.70
10.	20-Welfare of Schedule Castes Department	5011.56	4385.20	626.36	423.90
11.	23-Panchayati Raj Department	5705.86	5666.79	39.07	39.07
12.	24-Industries and Commerce Department	1418.97	1162.29	256.68	95.23
13.	25-Industries (Handloom, Handicrafts and Sericulture) Department	953.47	662.83	290.64	138.45
14.	27-Agriculture Department	4365.94	3985.22	380.72	135.12
15.	28-Horticulture Department	1119.57	1022.00	97.57	32.11
16.	29-Animal Resources Development Department	2257.05	2144.78	112.27	54.38
17.	30-Forest Department	2817.23	2328.33	488.90	70.88
18.	31-Rural Development Department	8560.51	6931.55	1628.96	1562.27
19.	32-Tripura Rehabilitation Plantation and Primitive Group Programme Department	498.42	455.46	42.96	14.68
20.	35-Urban Development Department	3191.08	2341.20	849.88	849.88
21.	37-Labour Organisation	239.56	225.20	14.36	14.36
22.	38- General Administration (Printing and Stationery) Department	524.57	444.51	80.06	64.08
23.	39-Education (Higher) Department	3427.20	3213.95	213.25	20.32
24.	40-Education (School) Department	41617.07	40677.95	939.12	256.42
25.	41-Education (Social) Department	6766.13	5686.25	1079.88	817.42
26.	42-Education (Sports and Youth Programme) Department	1713.36	1216.64	496.72	391.15
27.	43-Finance Department	29081.41	22222.49	6858.92	1515.37
28.	45-Taxes and Excise	330.50	287.75	42.75	42.75
29.	46-Treasuries	316.31	231.65	84.66	84.66
30.	51-Public Works (PHE) Department	2104.38	768.81	1335.57	1327.65
31.	52-Family Welfare and Preventive Medicine	5143.40	4274.08	869.32	148.05

APPENDIX XVII (concl.)

Statement showing amounts of savings of Rs. 10 lakh and above not surrendered

(Reference : Paragraph 2.7)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Total saving	Amount not surrendered
Revenue - Charged					
32.	13- Public Works(Roads & Bridges) Department	4005.00	3553.96	451.04	451.04
33.	14-Power Department	850.00	403.39	446.61	193.61
Capital - Voted					
34.	5-Law Department	173.00	72.00	101.00	101.00
35.	6-Revenue Department	4230.01	753.24	3476.77	3476.77
36.	10-Home (Police) Department	2233.35	1933.04	300.31	300.31
37.	11-Transport Department	1255.49	1151.89	103.60	103.60
38.	15-Public Works(Water Resources) Department	2260.95	1115.86	1145.09	207.87
39.	16-Health Department	2203.29	657.68	1545.61	1526.77
40.	17-Information, Cultural Affairs and Tourism Department	109.01	33.38	75.63	75.63
41.	18-General Administration (Political) Department	56.00	-	56.00	56.00
42.	19-Tribal Welfare Department	11772.51	5503.19	6269.32	6023.15
43.	20-Welfare of Schedule Castes Department	3923.98	1547.87	2376.11	1944.09
44.	21-Food and Civil Supplies Department	5462.69	1226.43	4236.26	160.97
45.	26-Fisheries Department	112.39	5.13	107.26	107.26
46.	27-Agriculture Department	2018.46	837.34	1181.11	989.06
47.	28-Horticulture Department	733.06	491.44	241.62	219.01
48.	29-Animal Resources Development Department	905.21	527.68	377.53	159.05
49.	30-Forest Department	775.17	310.29	464.88	456.61
50.	31-Rural Development Department	964.31	316.51	647.80	186.66
51.	34-Planning and Co-ordination Department	4395.00	1220.00	3175.00	2155.00
52.	36-Jail Department	786.04	402.99	383.05	243.05
53.	41-Education (Social) Department	861.00	204.70	656.30	656.30
54.	42-Education (Sports and Youth Programme) Department	1779.39	4.51	1774.88	1774.88
55.	43- Finance Department	26072.03	192.83	25879.20	102.27
56.	45-Taxes and Excise	38.58	-	38.58	38.58
57.	51-Public Works (PHE) Department	4967.32	4046.14	921.18	921.18
58.	52-Family Welfare and Preventive Medicine	1021.17	489.38	531.79	59.87
59.	56-Information Technology Department	250.00	-	250.00	55.00
	Grand Total:	273701.03	191586.35	82114.68	37851.82

APPENDIX XVIII

Statement showing amounts surrendered in excess of saving

(Reference : Paragraph 2.8)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total savings	Amount surrendered	Amount surrendered in excess
Revenue - Voted				
1.	8-Appointment and Services Department	4.97	5.39	0.42
2.	26-Fisheries Department	12.39	46.02	33.63
Capital - Voted				
3.	13-Public Works(Roads & Bridges) Department	782.81	3557.52	2774.71
4.	14-Power Department	4985.67	5701.48	715.81
5.	25-Industries (Handloom, Handicraft and Sericulture) Department	148.09	159.17	11.08
6.	39-Education(Higher) Department	639.08	673.60	34.52
	Total	6,573.01	10,143.18	3,570.17

APPENDIX XIX

Statement showing rush of expenditure in the month of March 2005

(Reference : Paragraph 2.11)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Expenditure during March 2005	Percentage of expenditure during March to	
					Total provision	Total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenue						
1.	3-General Administration (SA) Department	1732.63	1542.99	469.56	27	30
2.	6-Revenue Department	4398.48	4726.33	2,754.29	63	58
3.	11-Transport Department	88.32	86.60	25.70	29	30
4.	12-Co-operation Department	641.20	618.13	318.76	50	52
5.	15-Public Works (Water Resources) Department	4914.38	3635.82	1,290.54	26	35
6.	16-Health Department	3723.01	3682.15	1,361.51	37	37
7.	23-Panchayati Raj Department	5705.86	5666.79	2,848.92	50	50
8.	24-Industries and Commerce Department	1418.97	1162.29	291.15	21	25
9.	25-Industries (Handloom, Handicrafts and Sericulture) Department	953.47	662.83	194.24	20	29
10.	26-Fisheries Department	1123.24	1109.10	816.51	73	74
11.	27-Agriculture Department	4446.54	4065.74	1,213.71	27	30
12.	28-Horticulture Department	1133.65	1035.55	922.24	81	89
13.	30-Forest Department	2817.23	2328.33	568.71	20	24
14.	31-Rural Development Department	8562.51	6932.77	2,808.79	33	41
15.	33-Science, Technology and Environment Department	120.37	125.43	33.08	28	26
16.	35-Urban Development Department	3191.08	2341.20	1,768.35	55	76
17.	37-Labour Organisation	239.56	225.20	95.96	43	43
18.	43-Finance Department	59441.48	53704.71	20,725.83	35	39
19.	45-Taxes and Excise	330.50	287.75	160.84	49	56
20.	48-High Court	245.35	239.39	121.19	49	51
21.	49-Fire Service Organisation	1093.57	1050.29	501.16	46	48
22.	52-Family Welfare and Preventive Medicines	5143.40	4274.08	1,196.86	23	28
23.	55-Employment	166.93	169.81	95.97	57	57
Capital						
24.	11-Transport Department	1255.49	1151.89	1,020.00	81	89
25.	12-Co-operation Department	97.36	96.56	55.01	56	57
26.	13-Public Works (Roads and Bridges) Department	16492.67	15680.29	4,562.07	28	29
27.	15-Public Works (Water Resources) Department	2260.95	1115.86	1,046.71	46	94
28.	26-Fisheries Department	114.91	7.40	5.14	34	69

APPENDIX XIX (concl.)

Statement showing rush of expenditure in the month of March 2005
(Reference : Paragraph 2.11)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Expenditure during March 2005	Percentage of expenditure during March to	
					Total provision	Total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
29.	30-Forest Department	775.17	310.29	244.66	32	79
30.	33-Science, Technology and Environment Department	74.08	3010.35	1,004.64	1356	33
31.	34-Planning and Co-ordination Department	4395.00	1220.00	1,093.22	25	90
32.	40-Education (School) Department	2838.08	7894.58	2,759.38	97	35
33.	41-Education (Social) Department	861.00	204.70	200.39	23	98
34.	51-Public Works (PHE) Department	4967.32	4046.14	1,755.46	35	43
35.	52-Family Welfare and Preventive Medicine	1021.17	489.38	324.33	32	66

APPENDIX XX

Statement showing the district-wise unconnected habitations identified by the department as of December 2000, habitations targeted to be covered by March 2005, new connectivity and upgradation-wise habitations connected as of March 2005

(Reference : Paragraphs 3.1.6 and 3.1.10)

(Figures in the bracket denotes expenditure- Rupees in crore)

Name of the district	Number of unconnected habitations at launch of Prime Minister Gram Sadak Yojana					Target fixed for connectivity under Prime Minister Gram Sadak Yojana					Number of habitations connected under Prime Minister Gram Sadak Yojana								No. of works which did not connect any habitation	
	1000+	500-999	250-499	< 250	Total	1000+	500-999	250-499	< 250	Total	1000+		500-999		250-499		< 250			Total
											NC	UG	NC	UG	NC	UG	NC	UG		
West	83	251	425	737	1496	46	106	103	129	384	12	10	48	42	56	48	65	50	331	6 (1.99)
											(1.56)		(3.85)		(4.26)		(5.37)			
South	45	232	344	527	1148	10	18	46	50	124	2	1	10	12	39	32	38	33	167	2 (0.25)
											(0.41)		(2.57)		(6.73)		(6.20)			
North	32	111	153	222	518	9	15	18	16	58	1	5	6	22	11	19	13	16	93	11 (2.09)
											(0.42)		(2.75)		(1.99)		(2.85)			
Dhalai	19	61	161	281	522	9	5	17	34	65	5	4	3	9	11	16	30	24	102	1 (0.10)
											(0.55)		(0.66)		(2.08)		(3.06)			
Total	179	655	1083	1767	3684	74	144	184	229	631	20	20	67	85	117	115	146	123	693	20 (4.43)
											(2.94)		(9.83)		(15.06)		(17.48)			

Source: Project profile of PMGSY, Online Management and Monitoring Service (OMMS) Report, Expenditure statement from 13 Nos. of PW Divisions.

Note: Figures in col 'habitations connected' includes ongoing works also.

APPENDIX XXI

Statement showing the details of the district-wise works sanctioned and achievement thereagainst

(Reference : Paragraph 3.1.10)

Type of road works	West District				South District				Dhalai District				North District			
	Sanction		Achievement		Sanction		Achievement		Sanction		Achievement		Sanction		Achievement	
	No. of road works	Length (in km)	No. of road works	Length (in km)	No. of road works	Length (in km)	No. of road works	Length (in km)	No. of road works	Length (in km)	No. of road works	Length (in km)	No. of road works	Length (in km)	No. of road works	Length (in km)
Road works for new connectivity																
Phase I	25	57.26	25	57.26	14	19.75	14	19.75	13	10.20	13	10.20	6	5.00	6	5.00
Phase II	28	63.272	1	3.00	12	60.50	5	16.86	4	32.50	-	-	4	30.00	-	-
Road works for upgradation																
Phase I	57	243.25	57	243.25	28	87.00	28	87.00	16	44.629	16	44.629	35	43.25	35	43.25
Phase II	2	2.50	-	-	-	-	-	-	4	17.30	-	-	-	-	-	-

Source: i) Report of the National Rural Roads Development Agency (NRRDA), Ministry of Rural Development, Government of India.
ii) Online Management and Monitoring Service (OMMS) Report.

APPENDIX XXII

Statement showing Division-wise position of funds placed, quantity of tor steel requisitioned, lifted in respect of 12 works with their status as of March 2005

(Reference: Paragraph 4.4)

(Rupees in crore)

Name of Division and works in brief	Funds placed	Quantity requisitioned (MT)	Quantity lifted (MT)	Balance quantity (MT)	Value of balance quantity	Stipulated date of completion of works	Status of works
1. Agartala Division II							
i) Construction of RCC bridge over river Howrah at Jirania on Jirania to ADC Headquarter Road	0.30	152.54	Nil	152.54	0.30	10.12.04	Tender on recall yet to be finalized
2. Agartala Division III							
i) Construction of Auditorium in Women's College at Agartala	0.10	51.18	Nil	51.18	0.10	15.1.06	In progress
ii) Construction of Students' Health Home at Jagannath bari Road, Agartala	0.15	76.77	Nil	76.77	0.15	-	Work order not yet issued
iii) Construction of 200 bedded Hospital at IGM Hospital Complex, Agartala	1.80	921.26	412.67	508.59	0.99	30.11.04	In progress
3. Agartala Division IV							
i) Construction of RCC bridge over River Howrah at Central Road Extension, Agartala.	0.22	113.00	Nil	113.00	0.22	-	Work order not yet issued
4. Capital Complex Division, Agartala							
i) Construction of Secretariat Building	2.41	1233.46	587.93	1945.53	3.67	12.10.04	In progress
ii) Construction of State Guest House						14.11.06	
iii) Construction of High Court Building	1.25	635.00				31.3.04	
iv) Construction of High Court Building	1.33	665.00				19.6.06	
5. Southern Division II, Santirbazar							
i) Construction of Permanent bridge over river Muhuri at Bankar ghat on Bagafa-Belonja Road	0.50	255.91	29.79	226.12	0.42	4.3.05	In progress
ii) Construction of RCC bridge over river Lowgang cherra at Kanchanpur on Bagafa-Kanchanpur Road	0.30	153.54	Nil	153.54	0.30	4.9.04	
6. R & B Division, Sabroom							
i) Construction of RCC bridge over river Manu at Manughat	0.30	153.54	16.15	137.40	0.26	26.12.04	In progress
12 works Total	8.66	4411.20	1046.54	3364.67	6.41		

APPENDIX XXIII

Statement showing extra expenditure involved due to procurement of 6 kg/cm² pressure UPVC pipes from M/S Hightension Switchgear Pvt. Ltd., Agartala (Firm-‘B’) instead of M/S Trishla Vinyl Tubes Ltd., Dehradun (Firm-‘A’)

(Reference: Paragraph 4.7)

6 kg/cm ² pressure UPVC pipes	Tendered quantity supplied (mtr.)	Additional quantity supplied (mtr.)	Total quantity supplied (mtr.) Col 2 + Col 3	Rate offered by M/S Hightension Switchgear Pvt. Ltd., Agartala (per mtr.) (Firm-B)	Total cost involved (Rs.) Col 4 x Col 5	Rate offered by M/S Trishla Vinyl Tubes Ltd., Dehradun (per mtr.) (Firm-A)	Total cost involved (Rs.) Col 4 x Col 7	Extra expenditure (Rs.) Col 6 - Col 8
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<i>At Agartala Store yard</i>								
90 mm dia	1,23,500	60,000	1,83,500	82.97	1,52,24,995	72.03	1,32,17,505	20,07,490
110 mm dia	75,400	30,000	1,05,400	118.97	1,25,39,438	104.64	1,10,29,056	15,10,382
140 mm dia	20,475	10,000	30,475	192.07	58,53,333	171.60	52,29,510	6,23,823
A.			3,19,375		3,36,17,766		2,94,76,071	41,41,695
<i>At Dharmanagar Store yard</i>								
90 mm dia	74,750	40,000	1,14,750	83.17	95,43,758	72.03	82,65,443	12,78,315
110 mm dia	39,000	15,000	54,000	119.17	64,35,180	104.64	56,50,560	7,84,620
140 mm dia	13,000	5000	18,000	194.07	34,93,260	171.60	30,88,800	4,04,460
B.			1,86,750		1,94,72,198		170,04,803	24,67,395
Grand Total (A + B)			5,06,125		5,30,89,964		4,64,80,874	66,09,090

Source: Information furnished by the Department.

APPENDIX XXIV

Statement showing particulars of paid-up capital, equity/loans received out of budget, other loans and loan outstanding etc. as on 31 March 2005 in respect of Government companies and Statutory corporation
(Reference: Paragraphs 6.1.4, 6.1.5 and 6.1.6)

(Rupees in lakh)

Sl. No.	Name of the Sector and name of the company	Paid up Capital at the end of the year 2004-05					Equity/Loan received out of the budget during the year		Other Loans received during the year	Loans outstanding at the end of the year			Debt Equity Ratio (Previous year)
		State Government	Central Government	Holding Companies	Others	Total	Equity	Loans		Govt.	Others	Total	
1	2	3(a)	3(b)	3(c)	3(d)	3(e)	4(a)	4(b)	4(c)	4(d)	4(e)	4(f)	5
A. Working Government companies													
AGRICULTURE													
1.	Tripura Horticulture Corporation Ltd. (THCL)	147.40	-	-	-	147.40	3.80	-	-	-	-	-	-
	Total: Agriculture	147.40	-	-	-	147.40	3.80	-	-	-	-	-	-
FOREST													
2.	Tripura Forest Development and Plantation Corporation Ltd. (TFDPCL)	890.44	29.50	-	-	919.94	-	-	-	-	-	-	-
	Total: Forest	890.44	29.50	-	-	919.94	-	-	-	-	-	-	-
INDUSTRIES													
3.	Tripura Small Industries Corporation Ltd. (TSICL)	2198.81	-	-	-	2198.81	218.00	-	-	-	-	-	(0.03)
4.	Tripura Industrial Development Corporation Ltd. (TIDCL)	1055.60	-	-	163.50	1219.10	46.60	-	-	-	3.50	3.50	0.00 (0.11)
5.	Tripura Handlooms and Handicraft Development Corporation Ltd. (THHDCL)	1684.36	77.78	-	4.00	1766.14	204.54	-	-	258.24	316.86	575.10	0.33 (0.40)
6.	Tripura Jute Mills Ltd. (TJML)	8706.51	-	-	-	8706.51	770.00	-	-	109.45	-	109.45	0.01 (0.02)
7.	Tripura Tea Development Corporation Ltd. (TIDCL)	1277.50	-	-	-	1277.50	171.00	-	-	-	-	-	-
	Total: Industries	14922.78	77.78	-	167.50	15168.06	1410.14	-	-	367.69	320.36	688.05	0.05 (0.07)
POWER													
8.	Tripura State Electricity Corporation Limited (TSECL)	5.01	-	-	-	5.01	5.01	-	-	-	-	-	-
	Total: Power	5.01	-	-	-	5.01	5.01	-	-	-	-	-	-
PRIMITIVE GROUP PROGRAMME													
9.	Tripura Rehabilitation Plantation Corporation Ltd. (TRPCL)	457.73	-	-	-	457.73	-	-	-	-	190.06	190.06	0.42 (0.51)
	Total: Primitive Group Programme	457.73	-	-	-	457.73	-	-	-	-	190.06	190.06	0.42 (0.51)
	Total(A): (Government companies)	16423.36	107.28	-	167.50	16698.14	1418.95	-	-	367.69	510.42	878.11	0.05(0.06)

APPENDIX XXIV (concl.)

Statement showing particulars of paid-up capital, equity/loans received out of budget, other loans and loan outstanding etc. as on 31 March 2005 in respect of Government companies and Statutory corporation
(Reference: Paragraphs 6.1.4, 6.1.5 and 6.1.6)

(Rupees in lakh)

Sl. No.	Name of the Sector and name of the company	Paid up Capital at the end of the year 2004-05					Equity/Loan received out of the budget during the year		Other Loans received during the year	Loans outstanding at the end of the year			Debt Equity Ratio (Previous year)
		State Government	Central Government	Holding Companies	Others	Total	Equity	Loans		Govt.	Others	Total	
1	2	3(a)	3(b)	3(C)	3(d)	3(e)	4(a)	4(b)	4(C)	4(d)	4(e)	4(f)	5
B. Working Statutory corporation													
TRANSPORT													
1.	Tripura Road Transport Corporation (TRTC)	10745.92	363.74	-	-	11109.66	880.00	-	-	25.00	-	25.00	0(0)
	Total(B): Statutory corporation	10745.92	363.74	-	-	11109.66	880.00	-	-	25.00	-	25.00	0(0)
	Grand Total(A+B)	27169.28	471.02	-	167.50	27807.80	2298.95	-	-	392.69	510.42	903.11	0.03(0.04)
C. Non-working companies													
FINANCE													
1.	Tripura State Bank Ltd.	4.00	-	-	-	4.00	-	-	-	-	-	-	-
	Total(C)	4.00	-	-	-	4.00	-	-	-	-	-	-	-

APPENDIX XXV
Summarised financial result of working Government companies and Statutory corporation for the latest year
for which accounts were finalised as of September 2005
(Reference: Paragraphs 6.1.7, 6.1.8 and 6.1.13)

(Rupees in lakh)

Sl. No.	Name of the Sector and Name of the companies	Name of Department	Date of Incorporation	Period of Accounts	Year in which accounts finalised	Net Profit (+)/ Loss (-)	Net impact of audit comments	Paid up capital	Accumulated Profit (+)/ Loss (-)	Capital employed	Total Return on Capital employed	Percentage of total return on Capital employed	Accounts in arrears in terms of years	Turn over (as on 31.3.05) (Rs. in lakh)	Man-power (number of regular employees) (as on 31.3.05)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
A Working Government companies															
AGRICULTURE															
1.	Tripura Horticulture Corporation Ltd.	Agriculture Department	7.4.87	1999-2000	2004-05	-11.88	NRC	136.00	-38.38	28.61	-5.56		5	-	26
	Total: Agriculture					-11.88	NRC	136.00	-38.38	28.61	-5.56			-	26
FOREST															
2.	Tripura Forest Dev. and Plantation Corporation Ltd.	Forest Department	26.3.76	1996-1997	2005-06	151.34	NRC	808.94	199.98	1551.50	151.34	9.75	8	1476.79	240
	Total: Forest					151.34	NRC	808.94	199.98	1551.50	151.34	9.75		1476.79	240
INDUSTRY															
3.	Tripura Small Industries Corporation Ltd.	Industries and Commerce Department	30.4.65	1994-95	2005-06	-116.54	NRC	540.92	-658.93	181.24	-116.54		10	770.35	192
4.	Tripura Industrial Development Corporation Ltd.	-do-	28.3.74	1999-2000	2004-05	-47.11	Loss increased by Rs.3.00 lakh	1017.5	-479.5	1295.37	9.37	0.03	5	169.98	28
5.	Tripura Handloom and Handicrafts Development Corporation Ltd.	-do-	5.9.74	1992-1993	2004-05	-11.88	NRC	244.98	-310.65	218.68	-98.32	8.40	12	348.20	228
6.	Tripura Tea Development Corporation Ltd.	-do-	11.08.80	1997-1998	2004-2005	1.20	NRC	592.5	-94.18	1097.92	1.20		7	254.00	686
7.	Tripura Jute Mills Ltd.	-do-	10.10.74	1997-98	2005-06	-547.88	Loss increased by Rs.56.07 lakh	4107.01	-5632.82	-456.82	-547.88		7	279.40	1340
	Total: Industry					-722.21	Loss increased by Rs.59.07 lakh	6502.91	-7176.08	2336.39	-752.17			1821.93	2474

APPENDIX XXV (concl.)

Summarised financial result of working Government companies and Statutory corporation for the latest year for which accounts were finalised as of September 2005
(Reference: Paragraphs 6.1.7, 6.1.8 and 6.1.13)

(Rupees in lakh)

Sl. No.	Name of the Sector and Name of the companies	Name of Department	Date of Incorporation	Period of Accounts	Year in which accounts finalised	Net Profit (+)/ Loss(-)	Net impact of audit comments	Paid up capital	Accumulated Profit (+)/ Loss(-)	Capital employed	Total Return on Capital employed	Percentage of total return on Capital employed	Accounts in arrears in terms of years	Turn over (as on 31.3.05) (Rs. in lakh)	Man-power (number of regular employees) (as on 31.3.05)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
POWER															
8.	Tripura State Electricity Corporation Limited	Power	9.6.04	-	-	-	-	5.01	-	-	-	-	-	-	N.A.
Total: Power								5.01							
PRIMITIVE GROUP PROGRAMME															
9.	Tripura Rehabilitation Plantation Corporation Ltd.	Tribal Welfare Department	3.2.83	2003-04	2004-05	25.4	NRC	457.73	-262.51	1082	25.4		1	473.67	150
Total: Primitive Group Programme						25.4	NRC	457.73	-262.51	1082	25.4			473.67	150
Total of 'A' (Government companies)						-557.35	Loss increased by Rs.59.07 lakh	7910.59	-7276.99	4998.50	-580.99			3772.39	2890
B. Working Statutory corporation															
TRANSPORT															
1.	Tripura Road Transport Corporation	Transport Department	23.10.69	2000-01	2003-04	-1341.52	Increase in loss by Rs.618.38 lakh.	7314.04	-10374.19	-2243	-509	-	4	-	716
Total of 'B'(Statutory corporation)						-1341.52	Loss increased by Rs. 618.38 lakh	7314.04	-10374.19	-2243	-509	-		-	716
GRAND TOTAL (A+B)						-1898.87	Loss increased by Rs.677.45 lakh	15224.63	-17651.18	2755.50	-1089.99			3772.39	3606

N.A. :- Not Available

APPENDIX XXVI

Statement showing subsidy received, guarantees received, waiver of dues, loans on which moratorium allowed and loans converted into equity during the year, subsidy receivable and guarantee outstanding at the end of March 2005

(Figures in column 3 (a) to 5 (d) are in Rupees in crore)

(Reference: Paragraph 6.1.6)

(Rupees in crore)

Sl. No.	Name of the Public Sector Undertaking	Subsidy received during the year				Guarantee received during the year and outstanding at the end of the year					Waiver of dues during the year				Loans on which moratorium allowed
		Central Government	State Government	Others	Total	Cash credit from Bank	Loan from other sources	Letter of credit opened by banks in respect of imports	Payment obligation under agreement with Foreign Consultants or contract	Total	Loans repayments written off	Interest waived	Penal interest waived	Total	
1	2	3(a)	3(b)	3(c)	3(d)	4(a)	4(b)	4(c)	4(d)	4(e)	5(a)	5(b)	5(c)	5(d)	6
A. WORKING GOVERNMENT COMPANIES															
1.	Tripura Horticulture Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.	Tripura Forest Development and Plantation Corporation Ltd.	0.21	-	-	0.21	-	-	-	-	-	-	-	-	-	-
3.	Tripura Small Industries Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	Tripura Industrial Development Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	53.11	11.25	64.36	Moratorium allowed on all loans except auto & jeep under SRTO scheme.
5.	Tripura Handloom and Handicrafts Development Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	Tripura Jute Mills Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7.	Tripura Tea Development Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Tripura State Electricity Corporation Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.	Tripura Rehabilitation Plantation Corporation Ltd.	-	-	0.79	0.79	-	-	-	-	-	-	-	-	-	-
	Total of 'A'	-	-	-	1.00	-	-	-	-	-	-	-	-	-	-
B. WORKING STATUTORY CORPORATION															
10.	Tripura Road Transport Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total of 'B'	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Grand Total (A+B)	21.37	-	79.32	1.00	-	-	-	-	-	-	53.11	11.25	64.36	-

APPENDIX XXVII

Statement showing financial position of Statutory corporation

(Reference: Paragraph 6.1.8)

(Rupees in crore)

Particulars		2000-01	2001-02	2002-03
1.	Tripura Road Transport Corporation		(Provisional)	(Provisional)
A.	Liabilities			
	Capital (including capital loan and equity capital)	73.14	83.68	93.06
	Borrowings from Government	0.25	0.25	0.25
	Borrowings from other sources	0.13	0.13	-
	Funds (excluding depreciation funds)	1.29	1.31	1.38
	Depreciation Reserve	6.50	5.57	6.41
	Trade dues and others current liabilities (including provision)	36.86	40.38	48.30
	Total of 'A'	118.17	131.32	149.40
B.	Assets			
	Net Block	10.75	10.30	11.49
	Capital Work-in-progress including cost of chassis	-	-	-
	Investment	-	-	-
	Current Assets, Loans and Advances	3.68	4.23	4.71
	Accumulated losses	103.74	116.79	133.20
	Total of 'B'	118.17	131.32	149.40
C.	Capital Employed²⁰⁵	-22.43	-25.85	-32.10

²⁰⁵ Capital employed represents net fixed assets (including capital work in progress) plus working capital.

APPENDIX XXVIII

Statement showing working results of Statutory corporation
(Tripura Road Transport Corporation)

(Reference: Paragraph 6.1.8)

(Rupees in crore)

Sl. No.	Particulars	2000-01	2001-02	2002-03
Operating			(Provisional)	(Provisional)
a.	Revenue (Income)	2.93	3.16	3.23
b.	Expenditure	12.42	12.07	14.19
c.	Surplus (+)/Deficit (-)	-9.49	-8.91	-10.96
Non-operating				
a.	Revenue (Income)	0.7	1.08	1.02
b.	Expenditure	0.6	5.21	6.48
c.	Surplus (+)/Deficit (-)	0.1	-4.13	-5.46
Total				
a.	Revenue (Income)	3.63	4.24	4.25
b.	Expenditure	13.02	17.28	20.67
c.	Net profit (+)/Loss (-)	-9.39	-13.04	-16.42
	Interest on Capital and Loans	4.3	4.97	5.55
	Total return on Capital Employed*	-5.09	-8.07	-10.87

* Total return on capital employed represents net surplus (+)/ deficit (-) plus total interest charged to Profit and Loss Account (less interest capitalized).

APPENDIX XXIX

Statement showing operational performance of Statutory corporation
(Tripura Road Transport Corporation)

(Reference: Paragraph 6.1.12)

Sl. No.	Particulars	Bus			Truck		
		2002-03 (Provisional)	2003-04 (Provisional)	2004-05 (Provisional)	2002-03 (Provisional)	2003-04 (Provisional)	2004-05 (Provisional)
1.	Average Number of vehicles held	93	98	95	22	22	24
2.	Average Number of vehicles on road	57	53	58	13	11	12
3.	Percentage of utilisation of vehicles	61.29	54.08	61.05	59.09	50	50
4.	Number of employees	768	739	720	85	79	70
5.	Employee – vehicle ratio	8.26	7.54	7.35	3.86	3.59	2.92
6.	No. of routes operated at the end of the year	28	30	28	-	-	-
7.	Route Kilometres	3242	3446	3401	-	-	-
8.	Kilometres operated (in lakh)	-	-	-	-	-	-
	(a). Gross	26.46	28.31	28.3	1.76	1.6	1.51
	(b). Effective	25.8	28.02	28	1.76	1.59	1.59
	(c). Dead	0.66	0.29	0.3	-	0.01	0.02
9.	Percentage of dead kilometres to gross kilometres	2.49	1.02	1.06	-	0.62	1.32
10.	Average kilometres covered per Bus/Truck/day	127	146	134	37	40	34
11.	Operating revenue per kilometre (Paise)	1016	1162	1153	1763	2187	1879
12.	Average expenditure per kilometre (Paise) (Operating)	4283	4178	4178	4949	9375	8792
13.	Profit (+) / Loss (-) per kilometre (Paise)	(-3267)	(-3016)	(-3025)	(-3186)	(-7188)	(-6913)
14.	Number of operating depots	2	2	2	1	1	1
15.	Average Number of break-downs per lakh kilometers	1337	11.94	13.28	-	Nil	-
16.	Average Number of accidents	0.04	0.14	0.04	-	Nil	-
17.	Passenger – kilometres operated (in crore)	9.05	9.22	8.38	-	-	-
18.	Occupancy ratio	75	70.1	65	-	-	-

APPENDIX XXX

Statement showing the Department-wise Inspection Reports issued up to 31-03-2005
(outstanding as on 31 August 2005)
(Reference: Paragraph 6.1.22)

Sl.No.	Name of Department	Number of PSUs	Number of outstanding IRs	No. of outstanding paragraphs	Years from which observation outstanding
1	2	3	4	5	6
1.	AGRICULTURE	1	1	3	1992-93
			1	3	1994-95
			1	3	1995-96
			1	2	1996-97
			1	5	1997-99
			1	3	2001-02
	TOTAL		6	19	
2.	FOREST	1	1	2	1993-94
			1	3	1995-96
			1	2	1997-98
			1	3	1999-00
			1	4	2001-02
			1	2	2002-03
	TOTAL		6	16	
3.	INDUSTRIES & COMMERCE	5	1	1	1992-93 to 1993-94
			1	2	1993-94
			1	1	1994-95
			1	4	1994-95
			1	4	1994-95
			1	2	1995-96
			1	1	1995-96
			1	2	1996-00
			1	4	1997-98
			1	5	1997-00
			1	4	1998-99
			1	8	1998-99
			1	3	1999-00
			1	8	1999-00
			1	4	1999-00 to 2001-02
			1	2	2000-01
			1	4	2000-01
			1	3	2000-01
			1	4	2001-02
			1	2	2001-02
1	5	2002-03			
1	5	2002-03 to 2003-04			
	TOTAL		22	78	
4.	TRANSPORT	1	1	6	1989-90 to 1991-92
			1	12	1992-93
			1	10	1993-94
			1	9	1997-98
			1	2	1998-99 to 2000-01
	TOTAL	8	5	39	
	GRAND TOTAL (1+2+3+4)		39	152	

APPENDIX XXXI

Statement showing the Department-wise reviews / draft paragraphs,
replies to which are awaited

(Reference: Paragraph 6.1.22)

Sl. No.	Name of the department	No. of review	No. of draft paragraphs	Period of issue (Date of issue)
(1)	(2)	(3)	(4)	(5)
1.	Power Department	-	2	3 May 2005

APPENDIX XXXII

Statement showing year-wise position of outstanding AC bills in
Agriculture Department (Agri Wing)*(Reference: Paragraph 7.1.4)*

Year	No. of AC bills outstanding	Amount involved (Rupees in lakh)
1978-79	5	2.10
1982-83	24	57.08
1984-85	15	18.81
1885-86	16	61.57
1986-87	8	58.73
1987-88	11	81.72
1988-89	17	57.76
1989-90	7	132.54
1990-91	7	153.23
1992-93	1	0.30
1994-95	3	0.13
1995-96	9	1.11
1996-97	31	3.07
1997-98	29	4.77
1998-99	11	3.60
1999-2000	43	14.24
2000-01	29	30.82
2001-02	11	376.39
2002-03	244	82.35
2003-04	1047	286.10
Total	1568	1426.42

