

Report of the
Comptroller and Auditor General
of India

For the year 1997-98

TRIPURA TRIBAL AREAS AUTONOMOUS
DISTRICT COUNCIL
KHUMULWNG
TRIPURA

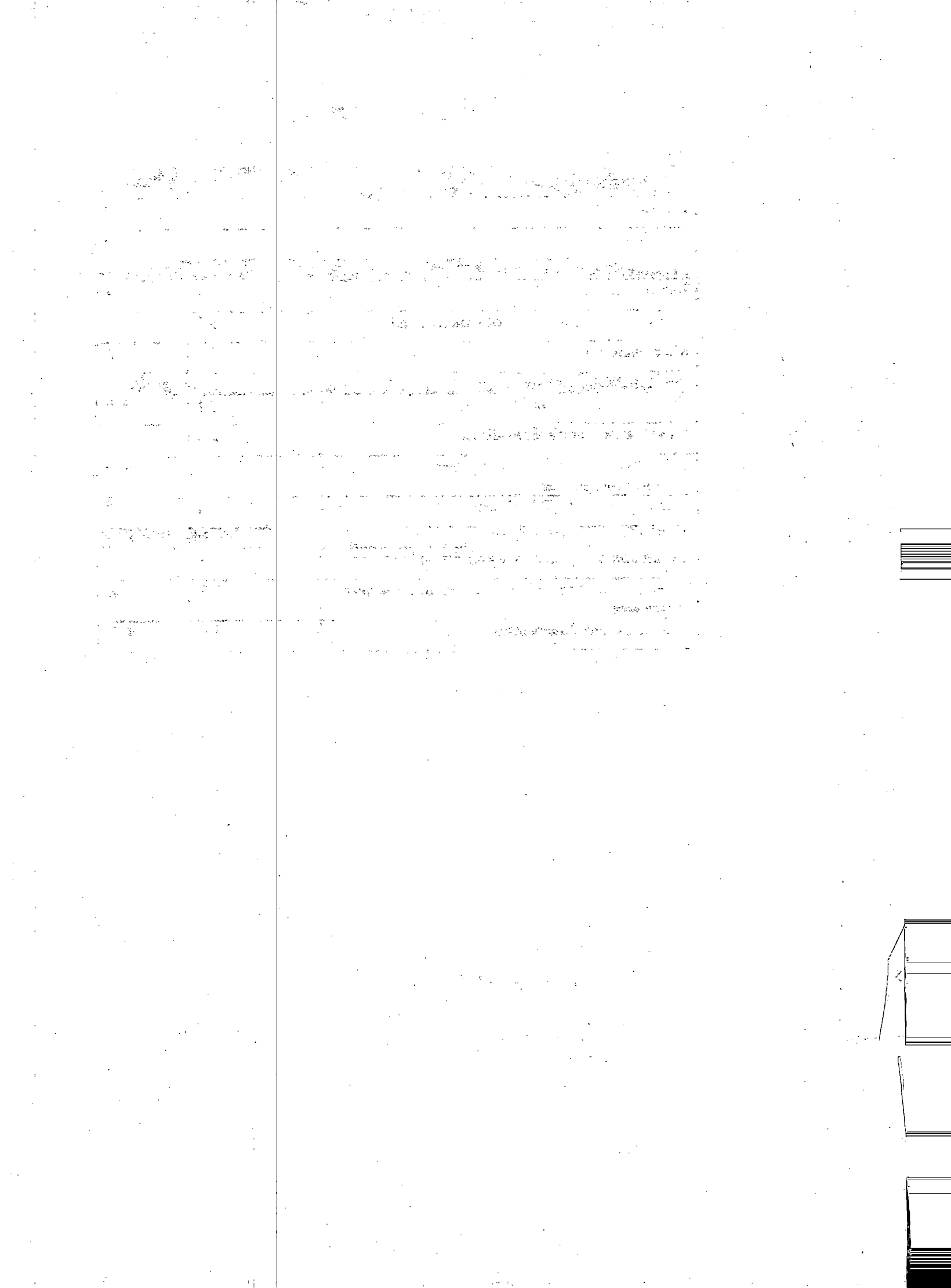
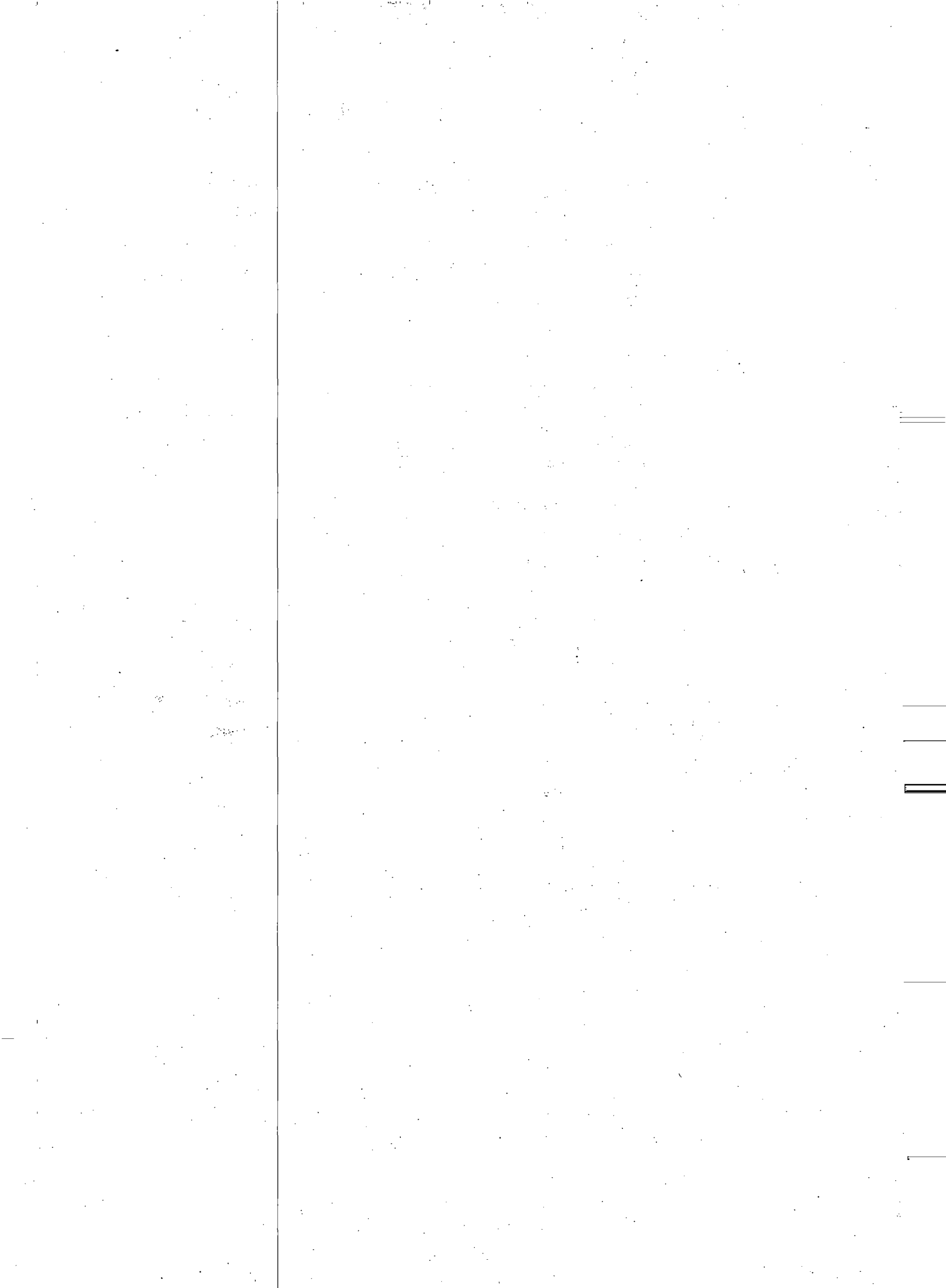


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PREFACE

This report has been prepared for submission to the Governor under Paragraph 7(4) of the Sixth Schedule to the Constitution of India. It relates mainly to the points arising from the audit of the Annual Accounts of the Tripura Tribal Areas Autonomous District Council for the year 1997-98.

2. This report contains three sections, the first of which deals with the constitution of the District Council; the rules for the management of the District Fund and maintenance of accounts by the District Council. The remaining two sections contain comments on the Council's financial position and the irregularities noticed in the course of test audit of the accounts of the Council for the year 1997-98.



OVERVIEW

- Closing cash balance was overstated by Rs. 3.93 crore.
(Paragraph 2.2)
- The expenditure figure under District Fund (Revenue, Capital and Debt Section) was overstated by Rs. 15.31 crore as compared to the subsidiary books of accounts.
(Paragraph 2.3)
- The Executive Engineer, South Division incurred an unauthorized expenditure of Rs.31.51 lakh on works without call of open tenders.
(Paragraph 3.1)
- The Chief Social Education Organiser, West Zone, incurred an expenditure of Rs. 5.74 lakh in excess of the norms for Balahar Programme.
(Paragraph 3.2)

Section – I

1.1 Introduction

The Tripura Tribal Areas Autonomous District Council (TTAADC/ Council) was set up in January 1982 in pursuance of the Tripura Tribal Areas Autonomous District Council Act, 1979 under the provision of Article 246(3) read with the Seventh Schedule to the Constitution of India. It was subsequently (April 1985) brought under the provision of Article 244(2) read with the Sixth Schedule to the Constitution.

The Sixth Schedule (Schedule) to the Constitution provides for administration of specified tribal areas by a Council with power to make laws on matters listed in paragraph 3(1) of the Schedule, mainly in respect of allotment, occupation, use of land, management of forests other than reserved forests, use of any canal or water courses for irrigation purposes, regulation of the practice of "Jhum" or other forms of shifting cultivation, establishment of village or town committees or council and demarcation of their powers, village or town administration including police, public health and sanitation and inheritance of property. Paragraph 6(1) of the Schedule empowers the Council to establish, construct or manage primary schools, dispensaries, markets, ferries, fisheries, roads, road transport and waterways in the respective autonomous districts. Paragraph 8 of the Schedule further empowers the Council to assess, levy and collect revenue in respect of land and buildings, taxes on professions, trades, callings and employments, animals, vehicles and boats, tolls on passengers and goods carried in ferries and taxes for the maintenance of schools, dispensaries or roads.

1.2 Rules for the management of District Fund

The Sixth Schedule to the Constitution of India provides for the constitution of a District Fund for each autonomous district, to which shall be credited all money received by the Council in the course of administration of the district in accordance with the provisions of the Constitution. In terms of paragraph 7(2) of the Schedule, rules are to be framed by the Governor for the management of the District Fund and for the procedure to be followed in respect of payment of

money into the said Fund, the withdrawal of money therefrom, the custody of money therein and any other matter connected with or ancillary to these matters. The rules in this regard were notified only in December 2006.

1.3 Maintenance of Accounts

The Council had been preparing its accounts in the format prescribed by the State Government in June 1989 vide Section 41(3) of the TTAADC Act, 1979. In pursuance of paragraph 7(3) of the Sixth Schedule to the Constitution of India, the forms of accounts of the Council was prescribed by the Comptroller and Auditor General of India (May 1992), and the Council was advised to adopt the new format prospectively from April 1992 onwards. As the Council was not adequately equipped to switch over to the new format, on its request, the Government of India permitted (December 2005) the Council to prepare the accounts up to March 1996 in the old format.

The results of the test check of the annual accounts for 1997-98 are discussed in the succeeding paragraphs.

Section -II

2.1 Receipts and Disbursements

The receipts and disbursements of the Council during 1997-98 as reflected in the annual accounts and the resultant revenue deficit were as under:

(Rupees in lakh)

Part -I DISTRICT FUND			
Revenue Section			
Receipts		Disbursements	
Grants in Aid from State Government	5555.50	Other Administrative Service	667.08
Interest receipts	36.02	Pension and Other Retirement Benefits	6.13
		Public Works	502.97
		Medical and Public Health	41.52
Other Administrative Services	318.19	Crop Husbandry	335.92
Other Receipts	1.49		
Crop Husbandry	1.12		
Village and Small Industries	0.37		
		Science and Technology	1.10
		Forest and Wildlife	88.45
		Fisheries	132.03
		Village and Small Industries	150.01
		Councils Rural	353.15
		Employment Programme	
		Art and Culture	13.21
		Sports & Youth Services	4.70
		Co-operation	101.07
		District Council Legislature	37.10
		Executive Members of ADC	6.77
		Welfare of Scheduled Tribes	641.55
		General education	3252.59
		Information & Publication	47.29
		Minor Irrigation	152.43
		Animal resources	38.32
		Administration and Justice	0.79
		Land Revenue	0.50
		Water Supply and Sanitation	734.74
Revenue receipts	5911.20	Revenue expenditure	7369.42
Revenue deficit	1398.22		

(Rupees in lakh)

Capital Section			
Capital receipts	Nil	Capital expenditure	365.51
Debt Section			
Loans received from State Government	Nil	Repayment of loans received from Government	Nil
Loans received from other sources	Nil	Repayment of loans received from other sources	Nil
Recovery of loans and advances	4.50	Disbursement of loans and advances	4.50
Total of Debt Section	4.50		4.50
Part -I District Fund	5915.70	Part-I District Fund	7679.43
PART - II DEPOSIT FUND			
Deposit Section			
Deposit receipts	156.29	Disbursement of deposit	46.02
Total of Part-II Deposit fund	156.29	Part-II Deposit Fund	46.02
OVERALL POSITION			
Total Receipts(I+II)	6071.99	Total disbursement (I+II)	7725.45
Opening balance	4762.85	Closing balance	3109.39
Grand Total	10834.84	Grand Total	10834.84

2.2 Overstatement of closing balance

The closing balance of Rs.31.09 crore included Rs. 24.71 crore shown as lying with 11 DDOs. However, the receipts and expenditure statements and the Cash Books of these DDOs revealed that the amount with them was only Rs. 20.78 crore (Annex – A), which implied overstatement of closing balance by Rs.3.93 crore. The Cash Books and receipt and expenditure statements in respect of 12 other DDOs were not produced to audit for verification.

2.3 Discrepancies between the Accounts and Compilation Register

The total expenditure under the Revenue, Capital and Debt Sections (District Fund) was shown as Rs.76.79 crore while the expenditure as per the Compilation Register (a subsidiary book of accounts) was Rs.61.48 crore. Test check showed that substantial amounts in the Compilation Register were not transferred to the annual accounts and in some cases, amounts booked in the accounts could not be traced back to the Compilation Register (Annex-B). The net impact of these omissions was overstatement of expenditure by Rs.15.31 crore (District Fund). The Council did not furnish any reason for these discrepancies.

There were also substantial differences between the figures of expenditure shown in the Compilation Register and the figure in the expenditure statements received from nine DDOs, resulting in understatement of expenditure in the Compilation Register by Rs. 4.10 crore (Annex-C).

2.4 Lack of details of GPF balances

The Council could not produce the details of GPF balances of the employees in support of the closing balance of Rs.1.27 crore in Statement No. 3 of the accounts. In the absence of these details, the correctness of the closing balance could not be vouched.

Section – III

3.1 Unauthorised expenditure on works without tender

Rule 45 of the TTAADC (Budget and Accounts) Rules, 1982 provides for the application of codes, rules, and regulations of the State PWD, with regard to the works executed by the Council. As per these rules, a Division should not incur expenditure of more than Rs.30 lakh without call of tenders.

Test check showed that the Executive Engineer (EE), South Division, Birchandra Manu, spent Rs. 61.51 lakh on 266 works during 1997-98 without call of open tenders. This resulted in unauthorised expenditure of Rs. 31.51 lakh.

3.2 Excess expenditure on implementation of Balahar Programme

The permissible limit of expenditure as approved by the State Government for each meal under Balahar programme was Rs. 1.78. An amount of Rs. 23.67 lakh was spent by the Chief Social Education Organiser (CSEO), West Zone, against the permissible expenditure of Rs 17.93 lakh (10,07,347 meals @ Rs 1.78) during the year, resulting in an excess expenditure of Rs.5.74 lakh.

The Principal Officer, Education, TTAADC, attributed (July 2006) the excess expenditure to the cost of carrying of food grains from Social Education Sector Office to different Education Centres and purchase of stationery articles like stock registers, printing of monthly return forms for Balahar Programme etc. The reply is not tenable as these expenses were beyond the scope of Balahar Programme.

3.3 Internal Control Mechanism


Non-reconciliation of cash balances with implementing officers, variation in the balances shown in the Cash Book of the Council with that of other DDOs, non-maintenance of basic records in support of the figures booked in the final accounts, differences in the figures incorporated in the annual accounts and the figures in the subsidiary books, variations in the expenditure figures booked in the annual accounts and the figures furnished by the implementing offices,

unauthorized and excess expenditure beyond the norms reflect inadequate internal control mechanism in the Council and raise serious questions about correctness, completeness and the reliability of the accounts.

Agartala

The

17 JUL 2008


(P.K. Tiwari)
Accountant General (Audit)
Tripura, Agartala

Countersigned

New Delhi

The 18 July 2008

Sd/-
(VINOD RAI)
Comptroller and Auditor General of India

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Annex -A

Statement showing the position of DDO wise closing balances as reflected in the Annual Accounts and the figures furnished by the respective DDOs

(Reference : Paragraph 2.2)

(In rupees)

Sl. No.	Name of the DDO	Closing balance as per the Annual Accounts	Closing balance as reported by the DDO	Difference Excess(+) Less(-)
1.	EO(ADMN)	3,66,21,326.44	3,82,85,369.04	(-) 16,64,042.60
2.	PO(EDN)	1,24,23,216.81	1,24,23,216.81	-
3.	EE(NORTH)	1,37,30,827.38	1,03,03,515.00	(+) 34,27,312.38
4.	ZDO(WEST)	19,84,000.00	10,74,223.68	(+) 9,09,776.32
5.	ZDO(NORTH)	59,41,227.00	26,06,585.48	(+) 33,34,641.52
6.	PL CELL	11,00,20,675.86	11,00,20,675.86	-
7.	EE(WEST)	3,95,13,254.02	1,82,34,519.00	(+) 2,12,78,735.02
8.	EE(SOUTH)	1,04,36,481.46	96,38,352.00	(+) 7,98,129.46
9.	ZDO(GNC)	1,09,20,262.00	30,18,680.45	(+) 79,01,581.55
10.	ZDO(SOUTH)	45,11,663.00	12,15,486.00	(+) 32,96,177.00
11.	SECY(DC)	10,46,160.55	10,46,196.55	(-) 36.00
Total		24,71,49,094.52	20,78,66,819.87	(+) 3,92,82,274.65

Annex -B

Statement showing the discrepancies in expenditure as per the Compilation Register and the Annual Accounts

(Reference: Paragraph 2.3)

(In rupees)

Sl. No.	Major Head No.	Amount as per Annual Accounts	Amount as per Compilation Register
1.	2070	6,67,08,088.00	5,63,28,012.00
2.	2059	5,02,96,937.00	4,03,18,937.00
3.	2071	6,12,786.00	6,12,786.00
4.	2215	7,34,74,430.00	3,77,44,810.00
5.	2401	3,35,91,622.00	1,35,91,622.00
6.	2801	1,09,954.00	1,09,954.00
7.	2406	88,44,972.00	88,44,972.00
8.	2405	1,32,03,422.00	1,32,03,422.00
9.	2851	1,50,00,435.00	1,50,00,435.00
10.	2505	3,53,15,058.00	93,15,058.00
11.	2205	13,21,308.00	13,21,308.00
12.	2204	4,70,200.00	4,70,200.00
13.	2425	1,01,06,763.00	1,06,763.00
14.	5054	3,65,51,365.00	3,65,51,365.00
15.	2029	50,000.00	50,000.00
16.	2011	37,10,400.00	37,10,400.00
17.	2013	6,76,524.00	6,76,524.00
18.	2225	6,41,54,453.00	4,30,54,453.00
19.	2202	32,52,59,342.00	31,52,59,342.00
20.	2220	47,28,962.00	47,28,962.00
21.	2702	1,52,43,254.00	52,43,254.00
22.	2403	38,32,388.00	38,65,388.00
23.	2014	78,783.00	78,783.00
24.	2210	41,51,922.00	41,51,922.00
25.	7610	4,50,000.00	4,50,000.00
Grand Total		76,79,43,368.00	61,47,88,672.00

Annex -C

Statement showing the discrepancies in expenditure in the Compilation Register and in the 'Receipt and Expenditure' statements furnished by the DDOs

(Reference: Paragraph 2.3)

(In rupees)

Sl. No.	Name of the DDO	Expenditure figure recorded in the Compilation Register	Expenditure figure furnished by DDOs	Difference Excess(+) Less(-)
1.	ZDO(WEST)	3,42,39,536.00	4,74,70,041.00	(-) 1,32,30,505.00
2.	ZDO(SOUTH)	2,73,93,457.00	4,95,95,792.00	(-) 2,22,02,335.00
3.	ZDO(NORTH)	4,12,95,516.00	5,05,27,674.68	(-) 92,32,158.68
4.	ZDO(GNC)	99,21,931.00	1,50,33,340.00	(-) 51,11,409.00
5.	BE(WEST)	6,08,93,460.00	6,32,54,305.00	(-) 23,60,845.00
6.	BE(SOUTH)	2,24,56,329.00	1,71,70,075.00	(+) 52,86,254.00
7.	BE(NORTH)	3,45,52,457.00	2,31,81,797.00	(+) 1,13,70,660.00
8.	PO(EDN)	30,19,47,852.00	30,70,67,832.00	(-) 51,19,980.00
9.	SECY(DC)	37,10,400.00	41,53,005.00	(-) 4,42,605.00
Total		53,64,10,938.00	57,74,53,861.68	(-) 4,10,42,923.68

