

1976-77

C & AG's AR

Govt of Tripura

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PREFATORY REMARKS

This Report has been prepared for submission to the Governor under Article 151(2) of the Constitution. It relates mainly to matters arising from the Appropriation Accounts for the year 1976-77 together with other points arising from audit of financial transactions of the Government of Tripura. It also includes certain points of interest arising from the Finance Accounts for the year 1976-77.

2. The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 1976-77 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 1976-77 have also been included, wherever considered necessary.

3. The points brought out in this Report are not intended to convey or to be understood as conveying any general reflection on the financial administration by the departments / bodies / authorities concerned.

CHAPTER I

GENERAL

1.1 Summary of transactions

The receipts and expenditure of the Government of Tripura for 1976-77 are given below with the corresponding figures of the previous year :

| | 1975-76 | 1976-77 |
|---|------------------------|--------------|
| (1) Revenue— | (in lakhs of rupees) | |
| Revenue Receipts— | | |
| (i) Revenue collected by the State Government | 4,64.97 | 4,71.71 |
| (ii) Receipts from the Government of India | 30,98.45 | 52,30.80 (a) |
| | 35,63.42 | 57,02.51 |
| Total—Revenue Receipts | | |
| Revenue Expenditure— | | |
| Non-Plan | 27,34.00 | 30,06.92 |
| Plan | 5,69.17 | 6,65.27 |
| | 33,03.17 | 36,72.19 |
| Total—Revenue Expenditure | | |
| Revenue Surplus (+) | (+) | (+) |
| | 2,60.25 | 20,30.32 |

(a) Increase was due mainly to change in the pattern of Central assistance under 'Block grants for State Plan Schemes' (grant : 90 per cent ; loan : 10 per cent) for the State with retrospective effect from 1st April 1974 in place of the general pattern of assistance (grant : 30 per cent ; loan : 70 per cent).

| | 1975-76 | | 1976-77 |
|--|----------------------|----------------|----------------|
| | (in lakhs of rupees) | | |
| (2) Public Debt— | | | |
| (i) Internal Debt of the State Government— | | | |
| Receipts | 7,10.22 | | 22,03.72 |
| Repayments | 4,33.68 | | 19,48.43 |
| Increase (+) | (+) | <u>2,76.54</u> | (+) |
| Decrease (-) | | | <u>2,55.29</u> |
| (ii) Loans and Advances from the Central Government— | | | |
| Receipts | 5,80.93 | (-) | 7,15.51 (a) |
| Repayments | 82.99 | | 55.43 |
| Increase (+) | | | <u>7,15.51</u> |
| Decrease (-) | (+) | <u>4,97.94</u> | (-) |
| Decrease (-) | | | <u>7,70.94</u> |
| Total—Public Debt (net) | | | |
| Increase (+) | | | <u>5,15.65</u> |
| Decrease (-) | (+) | <u>7,74.48</u> | (-) |
| Decrease (-) | | | <u>5,15.65</u> |
| (3) Loans and Advances by the State Government— | | | |
| Recoveries | 85.39 | | 77.97 |
| Disbursements | 98.72 | | 1,49.41 |
| Increase (-) | (-) | <u>13.33</u> | (-) |
| Decrease (-) | | | <u>71.44</u> |
| (4) Capital Expenditure (net)— | | | |
| Non-Plan | 70.96 | (-) | 1,90.06 |
| Plan | 8,81.14 | | 10,23.78 |
| Increase (-) | (-) | <u>9,52.10</u> | (-) |
| Decrease (-) | | | <u>8,33.72</u> |

(a) Please see foot-note at page 1.



1975-76 1976-77
(in lakhs of rupees)

(5) Public Account—

| | | |
|----------------------|--------------|-----------------|
| Receipts | 2,29,60.31 | 2,25,67.37 |
| Disbursements | 2,20,83.82 | 2,30,01.12 |
| Increase (+) | (+ 8,76.49 | (-) 4,33.75 |
| Decrease (-) | | |
| Net Surplus (+) | (+ 9,45.79 | (+ 1,75.76 |
| Opening Cash Balance | (-) 14,58.93 | (-) 5,13.14 |
| Net Surplus (+) | (+ 9,45.79 | (+ 1,75.76 |
| Closing Cash Balance | (-) 5,13.14 | (-) 3,37.38 (b) |

(b) There was a net difference (Rs. 39.73 lakhs) between the figure reflected in the accounts (Rs.—3,58.71 lakhs) and that intimated by the Reserve Bank of India (Rs.—3,98.44 lakhs) regarding "Deposits with Reserve Bank" included in the cash balance. The net difference to be reconciled (March 1978) with reference to the figures intimated/adjustment carried out by the State Bank of India, the Agartala Treasury and the Reserve Bank of India is Rs. 41.50 lakhs as detailed below :

| | Debit | Credit | Net |
|---|------------------------|--------|-------|
| | (in lakhs of rupees) | | |
| Difference as on 31st March 1977 | 15.80 | 55.53 | 39.73 |
| Cleared in the accounts for April 1977 to December 1977 | 2.58 | 0.81 | 1.77 |
| Difference after closing of December 1977 accounts | 13.22 | 54.72 | 41.50 |

1.2 Revenue surplus/deficit

(a) *Revenue receipts*—The actuals of revenue receipts for 1976-77 as compared with (i) the budget estimates and (ii) the budget estimates *plus* additional taxation during the year along with the corresponding figures for 1974-75 and 1975-76 are shown below :

| Year | Budget | Budget <i>plus</i> additional taxation | Actuals | Variation between columns (4) and (3) | | |
|---------|-----------|--|----------|---------------------------------------|------------|----|
| | | | | Amount | Percentage | |
| (1) | (2) | (3) | (4) | (5) | (6) | |
| | | (in lakhs of rupees) | | | | |
| 1974-75 | 34,05.85 | 34,05.85 | 31,61.16 | (-) | 2,44.69 | 7 |
| 1975-76 | 32,07.48 | 32,22.75 | 35,63.42 | (+) | 3,40.67 | 11 |
| 1976-77 | 37,78.94* | 37,78.94 | 57,02.51 | (+) | 19,23.57 | 51 |

(b) *Expenditure on revenue account*—The expenditure on revenue account during 1976-77 as compared with (i) the budget estimates and (ii) the budget estimates *plus* supplementary provision along with the corresponding figures for 1974-75 and 1975-76 is given below :

| Year | Budget | Budget <i>plus</i> supplementary | Actuals | Variation between columns (4) and (3) | | |
|---------|----------|----------------------------------|----------|---------------------------------------|------------|----|
| | | | | Amount | Percentage | |
| (1) | (2) | (3) | (4) | (5) | (6) | |
| | | (in lakhs of rupees) | | | | |
| 1974-75 | 35,53.98 | 38,23.35 | 29,67.23 | (-) | 8,56.12 | 22 |
| 1975-76 | 35,17.50 | 40,61.35 | 33,03.17 | (-) | 7,58.18 | 19 |
| 1976-77 | 42,41.20 | 42,41.20 | 36,72.19 | (-) | 5,69.01 | 13 |

(c) The year ended with a revenue surplus of Rs. 20.30 crores as against the deficit of Rs. 4.62 crores anticipated in the budget.

* Includes Rs. 30.00 lakhs being the estimated receipts from Sales Tax introduced with effect from 1st July 1976.

1.3 Revenue receipt

In 1976-77 the increased by Rs. 21 year (Rs. 35,63.42 1975-76 is analysed

| | |
|--|-------------|
| (i) Revenue raised by State Government— | |
| (a) Tax Revenue | |
| (b) Non-Tax Revenue | |
| | Total |
| (ii) Receipts from the Government of India— | |
| (a) Taxes on Income other than Corporation Tax | |
| (b) Estate Duty | |
| (c) Grants— | |
| Non-Plan grants | |
| Grants for State Plan Schemes | |
| Grants for Central Plan Schemes | |
| Grants for Central Sponsored Plan Schemes | |
| (d) State's share of Union Excise I | |
| | Total |
| | GRAND TOTAL |

1.3 Revenue receipts

In 1976-77 the revenue receipts (Rs. 57,02.51 lakhs) increased by Rs. 21,39.09 lakhs over those of the previous year (Rs. 35,63.42 lakhs). The increase compared to 1975-76 is analysed below :

| | Receipts | | Increase (+) Decrease (-) |
|--|-----------------|-----------------|------------------------------|
| | 1975-76 | 1976-77 | |
| (in lakhs of rupees) | | | |
| (i) Revenue raised by the State Government— | | | |
| (a) Tax Revenue | 1,75.28 | 1,99.73 | (+) 24.45 |
| (b) Non-Tax Revenue | 2,89.69 | 2,71.98 | (-) 17.71 |
| Total | <u>4,64.97</u> | <u>4,71.71</u> | <u>(+) 6.74</u> |
| (ii) Receipts from the Government of India— | | | |
| (a) Taxes on Income other than Corporation Tax | 1,98.21 | 1,76.10 | (-) 22.11 |
| (b) Estate Duty | 2.24 | 2.60 | (+) 0.36 |
| (c) Grants— | | | |
| Non-Plan grants | 21,95.46 | 23,94.53 | (+) 1,99.07 |
| Grants for State Plan Schemes | 2,64.30 | 21,48.43 | (+) 18,84.13 |
| Grants for Central Plan Schemes | 1,26.37 | 1,26.50 | (+) 0.13 |
| Grants for Centrally Sponsored Plan Schemes | 65.33 | 87.12 | (+) 21.79 |
| (d) State's share of Union Excise Duties | 2,46.54 | 2,95.52 | (+) 48.98 |
| Total | <u>30,98.45</u> | <u>52,30.80</u> | <u>(+) 21,32.35</u> |
| GRAND TOTAL | <u>35,63.42</u> | <u>57,02.51</u> | <u>(+) 21,39.09</u> |

Receipts from the Government of India during 1976-77 were Rs. 52,30.80 lakhs (92 per cent of the total revenue receipts) as against Rs. 30,98.45 lakhs (87 per cent of the total revenue receipts) in 1975-76. The increase of Rs. 21,32.35 lakhs during 1976-77 was due mainly to large receipts from the net proceeds of divisible taxes (Rs. 27.2 lakhs) and larger grants mainly for Non-Plan Schemes (Rs. 1,99.07 lakhs), State Plan Schemes (Rs. 18,84.13* lakhs) and Centrally Sponsored Plan Schemes (Rs. 21.79 lakhs).

The grants received from the Government of India in 1976-77 constituted 83.4 per cent of the total revenue receipts; the corresponding percentages for 1974-75 and 1975-76 were 77.6 and 74.4 respectively.

The tax revenue raised by the Government in 1976-77 (Rs. 1,99.73 lakhs) constituted 3.5 per cent of the total revenue receipts; the corresponding percentages for 1974-75 and 1975-76 were 3.5 and 4.9 respectively. This included a new tax, *viz.*, Sales Tax, introduced with effect from 1st July 1976 (estimated yield in 1976-77 : Rs. 30. lakhs ; actual yield : Rs. 41.84 lakhs).

2 The revenue raised by the Government during 1976-77 (Rs. 4,71.71 lakhs) rose by Rs. 6.74 lakhs as compared that in the previous year (Rs. 4,64.97 lakhs).

24.

* Please see foot-note at page 1.

The increase occurred mainly under :—

| Head of account | 1975-76 | 1976-77 | Increase (+) Decrease (-) | |
|-----------------|---------|---------|------------------------------|------------|
| | | | Amount | Percentage |

(in lakhs of rupees)

| | | | | |
|---------------|-----|-------|----------|-----|
| 040—Sales Tax | ... | 41.84 | (+)41.84 | ... |
|---------------|-----|-------|----------|-----|

The increase was due to introduction of Sales Tax during the year.

The above increase was partly off-set by decrease mainly under the following :—

| | | | | |
|----------------------|-------|-------|----------|----|
| (i) 029—Land Revenue | 71.41 | 59.63 | (-)11.78 | 16 |
|----------------------|-------|-------|----------|----|

The decrease was attributed to less collections.

| | | | | |
|---|-------|------|----------|----|
| (ii) 106—Minor Irrigation, Soil Conservation and Area development | 20.53 | 1.33 | (-)19.20 | 94 |
|---|-------|------|----------|----|

Reasons for the decrease have not been intimated (April 1978).

1.4 Expenditure on revenue account

The expenditure on revenue account in 1976-77 (Rs. 36,72.19 lakhs) increased by Rs. 3,69.02 lakhs (11 per cent) over that in 1975-76 (Rs. 33,03.17 lakhs). The increase was the net result of increase under certain heads and decrease under other heads.

The increase occurred mainly under :—

| Head of account | 1975-76 | 1976-77 | Increase | |
|-----------------|---------|---------|----------|------------|
| | | | Amount | Percentage |

(in lakhs of rupees)

| | | | | |
|---------------------------|---------|---------|---------|----|
| (i) 249—Interest Payments | 1,68.90 | 2,76.10 | 1,07.20 | 63 |
|---------------------------|---------|---------|---------|----|

The increase was due mainly to payment of more interest on loans from the Central Government, market loans and provident fund balances.

| Head of account | 1975-76 | 1976-77 | Increase | |
|-----------------|---------|---------|----------|------------|
| | | | Amount | Percentage |

(in lakhs of rupees)

| | | | | |
|-----------------------|----------|-------|-------|-------|
| (ii) 259—Public Works | (-)4.42 | 69.68 | 74.10 | 1,676 |
|-----------------------|----------|-------|-------|-------|

The increase was due to account of materials received which had remained unaccounted for in the previous year.

| | | | | |
|---------------------|---------|---------|-------|---|
| (iii) 277—Education | 8,91.75 | 9,31.80 | 40.05 | 5 |
|---------------------|---------|---------|-------|---|

The increase was due mainly to more expenditure on Government primary and secondary schools.

| | | | | |
|------------------|---------|---------|-------|----|
| (iv) 280—Medical | 1,77.51 | 2,01.58 | 24.07 | 14 |
|------------------|---------|---------|-------|----|

The increase was due mainly to more expenditure on 'Medical Relief' and 'Medical Education'.

| | | | | |
|-------------------------------------|---------|---------|-------|----|
| (v) 288—Social Security and Welfare | 1,58.25 | 2,04.03 | 45.78 | 29 |
|-------------------------------------|---------|---------|-------|----|

The increase was due mainly to more expenditure on relief measures for displaced persons and on schemes for the welfare of scheduled tribes.

1.5 Capital expenditure

(a) The capital expenditure during the three years ending 1976-77 as compared with (i) the budget estimates and (ii) the budget estimates *plus* supplementary provision is shown below :

| Year | Budget | Budget <i>plus</i> supplementary | Actuals | Variation between columns (4) and (3) | |
|----------------------|----------|----------------------------------|---------|---------------------------------------|------------|
| | | | | Amount | Percentage |
| (1) | (2) | (3) | (4) | (5) | (6) |
| (in lakhs of rupees) | | | | | |
| 1974-75 | 17,43.54 | 17,68.54 | 6,82.65 | (-)10,85.89 | 61 |
| 1975-76 | 17,05.44 | 20,65.09 | 9,52.10 | (-)11,12.99 | 54 |
| 1976-77 | 20,01.53 | 20,01.53 | 8,33.72 | (-)11,67.81 | 58 |

(b) An analysis of the capital expenditure during and to end of 1976-77 is given below :

| | During 1976-77 | Progressive total to end of 1976-77 |
|---------------------------------|-------------------|---|
| (in lakhs of rupees) | | |
| Capital expenditure on— | | |
| General Services | 16.41 | 8,42.90 |
| Social and Community Services | 80.80 | 6,14.92 |
| General Economic Services | 1,21.15 | 4,19.54 |
| Agriculture and Allied Services | (—) 73.24(a) | 5,98.41 |
| Industry and Minerals | 93.14 | 2,50.39 |
| Water and Power Development | 3,58.97 | 21,85.49 |
| Transport and Communications | 2,36.49 | 23,14.40 |
| Total | <u>8,33.72</u> | <u>72,26.05</u> |

(a) Minus expenditure was due to the sale proceeds of foodgrains and agricultural inputs being more than the expenditure on purchase.

Further details are given in Statement No. 12 of Finance Accounts 1976-77.

(c) The sources from which the capital expenditure (Rs. 8,33.72 lakhs) and the net outgo under 'Loans and Advances by the State Government' (Rs. 71.44 lakhs) were met during 1976-77 are given below :

| | (in lakhs of rupees) |
|--|----------------------|
| I. Revenue surplus (+) | 20,30.32 |
| II. Cash balance Increase (-) | (-) 1,75.76 |
| III. Net addition to— | |
| (i) Market loans | 1,68.79 |
| (ii) Loans from autonomous bodies | 47.20 |
| (iii) Ways and means advances from the Reserve Bank of India | 39.30 |
| (iv) Loans from the Government of India | (-) 7,70.94 |
| (v) Small Savings, Provident Funds, etc. | 93.37 |
| (vi) Deposits and Advances and Suspense and Miscellaneous | (-) 83.68 |
| (vii) Remittances | (-) 4,43.44 |
| Total | <u>9,05.16</u> |

1.6 Loans and advances by the Government

(a) The actual disbursements of loans and advances by the Government during 1976-77 compared to (i) the budget estimates and (ii) the budget estimates *plus* supplementary provision along with the corresponding figures for 1974-75 and 1975-76 are shown below :

| Year | Budget | Budget plus supplementary | Actuals | Variation between columns (4) and (3) | |
|---------|---------|---------------------------|---------|---------------------------------------|------------|
| | | | | Amount | Percentage |
| (1) | (2) | (3) | (4) | (5) | (6) |
| | | (in lakhs of rupees) | | | |
| 1974-75 | 99.63 | 1,58.60 | 1,00.64 | (-) 57.96 | 37 |
| 1975-76 | 1,06.63 | 1,18.83 | 98.72 | (-) 20.11 | 17 |
| 1976-77 | 91.86 | 91.86 | 1,49.41 | (+) 57.55 | 63 |

(b) The budget estimates and the actuals of recoveries of loans and advances for the three years ending 1976-77 are given below :

| Year | Budget | Actuals | Variation between columns (3) and (2) | |
|---------|---------|----------------------|---------------------------------------|------------|
| | | | Amount | Percentage |
| (1) | (2) | (3) | (4) | (5) |
| | | (in lakhs of rupees) | | |
| 1974-75 | 72.25 | 91.48 | (+) 19.23 | 27 |
| 1975-76 | 1,41.00 | 85.39 | (-) 55.61 | 39 |
| 1976-77 | 1,25.00 | 77.97 | (-) 47.03 | 38 |

(c) The balance of loans and advances given by the Government and outstanding as on 31st March 1977 was Rs. 14,29.42 lakhs. The details of the outstanding balances as at the end of March 1976 and 1977 are shown below :

| Category of loans and advances | Balance | |
|---|----------------------|--------------------|
| | On 31st March 1976 | On 31st March 1977 |
| | (in lakhs of rupees) | |
| Loans for Social and Community Services | 10,64.16 | 10,91.09 |
| Loans for General Economic Services | 76.43 | 96.29 |
| Loans for Agriculture and Allied Services | 88.93 | 94.08 |
| Loans for Industry and Minerals | 35.75 | 46.41 |
| Loans to Government servants, etc. | 60.63 | 69.47 |
| Loans for miscellaneous purposes | 32.08 | 32.08 |
| Total | 13,57.98 | 14,29.42 |

In 1976-77, Rs. 25.07 lakhs were received by the Government as interest on loans and advances, against Rs. 6.58 lakhs during 1975-76.

Further details of outstanding loans and advances are given in Statement No. 17 of Finance Accounts 1976-77.

(d) *Recoveries in arrears*—Detailed accounts of certain classes of loans and advances are maintained by the Audit Office while those of others are maintained by officers of the State Government.

(i) *Loans of which detailed accounts are kept in the Audit Office*—Out of the loans given to the Agartala Municipality of which the detailed accounts are kept by the Audit Office, Rs. 0.27 lakh were recovered as principal during 1976-77. The amount outstanding as on 31st March 1977 was Rs. 28.80 lakhs. The recovery of Rs. 28.34 lakhs (principal : Rs. 8.49 lakhs ; interest : Rs. 19.85 lakhs) was overdue on that date.

(ii) *Loans of which the detailed accounts are maintained by the departmental officers*—Administrative departments are required to intimate to Audit every year the arrears (as on 31st March) in recovery of principal and interest thereon. Information about the arrears in respect of the outstanding balance of loans and advances (Rs. 14.00 crores) as on 31st March 1977 was not received from most of the departments (April 1978). The information received is given below :

| Department | Principal | Interest | Total |
|---------------------------|----------------------|----------|-------|
| | (in lakhs of rupees) | | |
| Agriculture— | | | |
| (i) Loans for Agriculture | 22.27 | 4.87 | 27.14 |
| (ii) Loans for Fisheries | 4.59 | 3.26 | 7.85 |
| Co-operative— | | | |
| Loans for Co-operation | 23.58 | 16.75 | 40.33 |

(e) *Acceptance of balances*—In order to verify whether the balances outstanding in the books of the Audit Office under loans and advances represent the correct position,

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against

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the balances pertaining to various loan heads are communicated at the end of each year to the departmental officers concerned for verification and acceptance. In a number of cases, the balances have not been accepted by the departments concerned nor have discrepancies been pointed out after reconciliation of figures. The cases involving substantial amounts where acceptances have been delayed for several years are shown below :

| Nature of loans | Number of acceptances awaited | Year from which acceptances awaited | Amount outstanding on 31st March 1977 |
|--|-------------------------------|-------------------------------------|---------------------------------------|
| (1) | (2) | (3) | (4) |
| | | | (in lakhs of rupees) |
| Loans for Housing | 20 | 1970-71 | 30.87 |
| Loans for Urban Development | 16 | 1968-69 | 28.15 |
| Loans for Social Security and Welfare | 65 | 1969-70 | 8.34 |
| Loans for Co-operation | 25 | 1970-71 | 40.74 |
| Loans for Agriculture | 6 | 1969-70 | 25.23 |
| Loans for Fisheries | 6 | 1969-70 | 12.50 |
| Loans for Community Development | 17 | 1970-71 | 50.75 |
| Loans for Village and Small Industries | 29 | 1970-71 | 40.14 |
| Loans to Government servants, etc. | 735 | 1971-72 | 23.42 |

In the absence of acceptance of the balances it could not be verified that all the transactions relating to such loans and advances had been correctly reflected in the accounts.

1.7 Debt position

(a) *Public debt*—The public debt of the Government outstanding at the end of 1976-77 was Rs. 47.68 crores. An analysis of the debt under various heads compared with

the corresponding figures at the end of the two preceding years is given below :

| | Public debt outstanding as on 31st March | | |
|--|---|--------------|--------------|
| | 1975 | 1976 | 1977 |
| | <i>(in crores of rupees)</i> | | |
| (i) Loans and advances from the Central Government | 43.39 | 48.37 | 40.67 |
| (ii) Market loans | 1.66 | 3.04 | 4.72 |
| (iii) Ways and means advances from the Reserve Bank of India | ... | 0.65 | 1.04 |
| (iv) Other loans | 0.04 | 0.78 | 1.25 |
| Total | <u>45.09</u> | <u>52.84</u> | <u>47.68</u> |

The decrease of Rs. 5.16 crores in the debt liability of the Government during 1976-77 is analysed below :

| | Loan raised | Loan discharged | Net increase |
|--|--------------------------------|-----------------|--------------------|
| | <i>(in crores of rupees)</i> | | |
| | | | |
| (i) Loans and advances from the Central Government | (—) 7.15 | 0.55 | (—) 7.70(a) |
| (ii) Market loans | 1.68 | ... | 1.68 |
| (iii) Ways and means advances from the Reserve Bank of India | 19.86 | 19.47 | 0.39 |
| (iv) Other loans | 0.49 | 0.02 | 0.47 |
| Total | <u>14.88</u> | <u>20.04</u> | <u>(—) 5.16(a)</u> |

(a) Please see foot-note at page 1.

(b) *Loans from the Government of India*—The borrowings from the Government of India at the end of 31st March 1977 (Rs. 40.67 crores) formed 85 per cent of the total public debt (Rs. 47.68 crores) of the State.

(c) *Market loans*—During 1976-77, the Government raised at a discount of 1 per cent a loan of Rs. 1,68.79 lakhs in the open market repayable at par in 1986. The loan carries interest at 6 per cent per annum.

The total market loan outstanding at the end of 1976-77 was Rs. 4,72.29 lakhs.

(d) *Loans from autonomous bodies*—This class of debt comprises loans obtained by the Government from various autonomous bodies, such as the Life Insurance Corporation of India, the National Agricultural Credit Fund of the Reserve Bank of India, Rural Electrification Corporation, and other institutions. During the year, the Government received Rs. 48.84 lakhs as loans from various bodies and made repayment of Rs. 1.64 lakhs. The balance outstanding at the end of the year was Rs. 1,25.06 lakhs.

(e) *Other debt and obligations*—In addition to the public debt, the balances under the head 'Small Savings, Provident Funds, etc.,' (comprising mainly the balances in General Provident Fund accounts of the Government servants) and the credit balances of certain deposits, to the extent to which they have not been invested but are merged in the general cash balance of the Government, constitute a liability of the Government. The amount of such liability at the end of 1976-77 was Rs. 8.85 crores against Rs. 7.84 crores at the beginning of the year. Taking the public debt and these liabilities together, the overall debt position of the Government at the end of 1976-77 and each of the two preceding years was as follows :

| | Total debt on 31st March | | |
|---|--------------------------|-------|-------|
| | 1975 | 1976 | 1977 |
| | (in crores of rupees) | | |
| Public Debt | 45.09 | 52.84 | 47.68 |
| Small Savings, Provident Funds, etc. | 4.52 | 5.84 | 6.78 |
| Other obligations such as Deposits of Local Funds, Civil Deposits, etc. | 1.82 | 2.00 | 2.07 |
| Total | 51.43 | 60.68 | 56.53 |

The Government has not made any arrangement for amortisation of the public debt. The repayment of debt, wherever due, is made from the general cash balance of the State in periodical instalments after making necessary provision for it in the budget.

No law under Article 293 of the Constitution has been passed by the State Legislature lying down the limit within which the State Government may borrow on the security of the Consolidated Fund of the State.

(f) *Service of debt and other obligations*—The net burden on revenue of the interest charges on public debt and other interest bearing obligations during 1976-77 as compared with that in 1975-76 was as follows :

| | 1975-76 | 1976-77 |
|--|----------------------|---------|
| | (in lakhs of rupees) | |
| 1. Interest paid on Public Debt, Small Savings, Provident Funds, etc., and other obligations | 1,68.90 | 2,76.10 |
| 2. <i>Deduct</i> | | |
| (i) Interest received on loans and advances by the Government | 6.58 | 25.07 |
| (ii) Interest received from commercial departments | 25.52 | 31.96 |
| (iii) Interest received on investment of cash balances | 9.75 | 3.21 |
| Total | 41.85 | 60.24 |

| | 1975-76 (in lakhs of rupees) | 1976-77 |
|---|---------------------------------|---------|
| 3. Net burden of interest charges on revenue | 1,27.05 | 2,15.86 |
| 4. Percentage of gross interest to the total revenue receipts | 4.74 | 4.84 |
| 5. Percentage of net interest to total revenue receipts | 3.57 | 3.79 |

The Government also received Rs. 0.30 lakh as dividend from the Assam Financial Corporation during the year.

(g) *Ways and means position*—Under an agreement with the Reserve Bank of India, the State Government has to maintain a minimum cash balance of Rs. 10.00 lakhs (Rs. 5 lakhs upto 30th April 1976) with the Bank on all days. The Bank makes ways and means advances when the cash balance falls short of this minimum.

The limit of normal ways and means advances has been fixed at Rs. 1,00.00 lakhs from 1st May 1976 (Rs. 60.00 lakhs prior to this date). The Bank has also agreed to give special ways and means advances upto Rs. 1,00.00 lakhs against pledge of marketable securities issued by the Government of India. If even after the maximum advance is given, there is a shortfall in the minimum cash balance, the shortfall is left uncovered. Overdrafts are given by the Bank if the State has a *minus* balance after availing of the maximum advance.

The extent to which the Government maintained the minimum balance with the Bank during 1976-77 is given below :

| | |
|---|-----|
| (i) Number of days on which the minimum balance was maintained without obtaining any advance | 156 |
| (ii) Number of days on which the minimum balance was maintained by obtaining normal ways and means advances | 113 |

| | |
|---|----|
| (iii) Number of days on which there was shortfall in the minimum balance after taking the above advances but no overdraft was taken | 12 |
| (iv) Number of days on which overdrafts were taken | 84 |

Prior to 3rd May 1976, the advances and shortfalls carried interest at one per cent below the Bank Rate and overdrafts at the Bank Rate. From 3rd May 1976, the advances carry interest at one per cent below the Bank Rate for the first 90 days, one per cent above the Bank Rate beyond 90 days and upto 180 days and two per cent above the Bank Rate beyond 180 days. The Bank charges interest on the shortfalls in the minimum balance at one per cent below the Bank Rate and on overdrafts at the Bank Rate upto and including the seventh day and at three per cent above the Bank Rate thereafter.

At the end of 1975-76, Rs. 60.00 lakhs were outstanding as ways and means advances. During 1976-77, the Government obtained Rs. 7,89.00 lakhs as normal ways and means advances. Out of the total advances of Rs. 8,49.00 lakhs, repayments to the extent of Rs. 7,49.00 lakhs were made before the close of the year leaving Rs. 1,00.00 lakhs outstanding at end of the year. Interest of Rs. 2.40 lakhs was paid on these advances.

On 1st April 1976, Rs. 4.94 lakhs were outstanding as overdrafts. During the year 1976-77, the Government obtained overdrafts amounting to Rs. 11,97.09 lakhs. Out of the total overdrafts of Rs. 12,02.03 lakhs, Rs. 11,97.79 lakhs were repaid during the year leaving Rs. 4.24 lakhs outstanding at the close of the year. Interest of Rs. 1.77 lakhs was paid to the Bank on these overdrafts (including the shortfalls in the minimum balance).

To make up the deficiency in the minimum cash balance, the holdings of Government of India Treasury bills were also rediscounted on 76 days during the year.

1.8 Investments

During 1976-77, the Government invested Rs. 1,40.93 lakhs in one statutory corporation (Rs. 21.69 lakhs), four Government Companies (Rs. 1,03.00 lakhs), one bank (Rs. 3.75 lakhs) and various co-operative institutions (Rs. 12.49 lakhs). According to the information furnished by the Government, the total investments of the Government in the share capital of different concerns at the end of 1975-76 and 1976-77 were Rs. 4,45.56 lakhs and Rs. 5,85.59 lakhs respectively as shown below :

| | 1975-76 | | 1976-77 | |
|----------------------------|--------------------|-----------------------------|--------------------|-----------------------------|
| | Number of concerns | Amount (in lakhs of rupees) | Number of concerns | Amount (in lakhs of rupees) |
| (i) Statutory Corporations | 2 | 2,32.54 | 2 | 2,54.23 |
| (ii) Government Companies | 5 | 1,49.80 | 6 | 2,52.80 |
| (iii) Bank | ... | ... | 1 | 3.75 |
| (iv) Co-operatives | 189 | 63.22 | 207 | 74.81 (a) |
| Total | 196 | 4,45.56 | 216 | 5,85.59 |

The dividend received therefrom during 1975-76 and 1976-77 were Rs. 0.59 lakh (0.13 per cent) and Rs. 0.31 lakh (0.05 per cent) respectively. Sixteen concerns in which Government held investments of Rs. 0.89 lakh were under liquidation at the end of 1976-77. Further details are given in Statement No. 13 of Finance Accounts 1976-77.

1.9 Guarantees given by the Government

The Government has given guarantees for repayment of loans, etc., raised by statutory corporations, co-operative institutions and banks, etc.

(a) Investment of Rs. 0.90 lakh (out of Rs. 2.00 lakhs made during 1975-76) in the Tripura Co-operative Land Development Bank Ltd., Agartala was withdrawn in 1976-77.

The guarantees are in the nature of contingent liabilities on the state revenues. Brief particulars of such liabilities are given below :

(i) Under section 6 of the State Financial Corporations Act, 1951, the shares of the State Financial Corporation are to be guaranteed by the State Government as to the repayment of share capital and payment of annual dividend. Similarly, under section 7 of the Act, the bonds, debentures and borrowings and under section 8 of the above Act, deposits accepted by the Corporation are to be guaranteed by the State Government as to the repayment of principal and payment of interest thereon. In the case of the Assam Financial Corporation, such guarantees under sections 6, 7 and 8 of the Act *ibid* were given jointly (i) by the Government of India on behalf of the erstwhile Union Territories of Manipur and Tripura (which devolved on these States from 21st January 1972) and (ii) by the Government of the composite State of Assam. The contingent liability is to be shared in the ratio of 3 : 4 : 8 by the Government of Manipur, Tripura and Assam respectively. The share of Tripura in regard to the actual amounts guaranteed on behalf of the Assam Financial Corporation and those outstanding on 31st March 1977 were as under :

| | Sum guaranteed | Guarantee outstanding |
|----------------------------|------------------------|--------------------------|
| | (in lakhs of rupees) | |
| Share capital and dividend | 29.33 | 29.33 |
| Bonds | 1,02.67 | 1,02.67 |
| Deposits | 6.67 | 6.67 |
| Total | 1,38.67 | 1,38.67 |

(ii) Apart from the above, the State Government had guaranteed (to third parties) the repayment of loans/debentures and payment of interest thereon on behalf of one co-operative society, two co-operative banks and the Agartala Municipality. The maximum amount guaranteed

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on their behalf to end of 1976-77 was Rs. 72.50 lakhs against which Rs. 31.09 lakhs were outstanding on 31st March 1977.

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No law under Article 293 of the Constitution has been passed by the State Legislature laying down the limits within which Government may give guarantees on the security of the Consolidated Fund of the State.

No guarantee was invoked during 1976-77. Further details of the guarantees are given in Statement No. 5 of the Finance Accounts 1976-77.

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CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER
EXPENDITURE

2.1 *Summary*

(a) The following table compares the total expenditure during the year 1976-77 with the total of grants and charged appropriations :

| | | Grants/charged appropriations | Expenditure | Excess (+) Saving (-) | Percentage |
|--------------------------------|-------|-------------------------------|--------------|--------------------------|------------|
| <i>(in crores of rupees)</i> | | | | | |
| <i>Voted—</i> | | | | | |
| Original | 60.47 | | | | |
| Supplementary ... | 60.47 | 60.47 | 58.97 | (-) 1.50 | 2 |
| <i>Charged—</i> | | | | | |
| Original | 4.04 | | | | |
| Supplementary ... | 4.04 | 4.04 | 22.95 | (+) <u>18.91</u> | <u>468</u> |
| Total | | <u>64.51</u> | <u>81.92</u> | <u>(+)17.41</u> | <u>27</u> |

The overall excess of Rs. 17.41 crores was the result of excess of Rs. 23.96 crores in 53 grants/sub-grants (Rs. 4.36 crores) and 8 charged appropriations (Rs. 19.60 crores) and saving of Rs. 6.55 crores in 91 grants/sub-grants (Rs. 5.86 crores) and 6 charged appropriations (Rs. 0.69 crore).

(b) Further details are given below :

| | Revenue | Capital | Loans and Advances | Public Debt | Total |
|--|-------------------------|---------|-----------------------|----------------|----------|
| | (in crores of rupees) | | | | |
| Authorised to be spent (grants and charged appropriations) | | | | | |
| Original | 42.41 | 20.02 | 0.92 | 1.16 | 64.51 |
| Supplementary | ... | ... | ... | ... | ... |
| Total | 42.41 | 20.02 | 0.92 | 1.16 | 64.51 |
| Actual expenditure (grants and charged appropriations) | 42.10 | 18.29 | 1.49 | 20.04 | 81.92 |
| Excess (+) | (-)0.31 | (-)1.73 | (+)0.57 | (+)18.88 | (+)17.41 |
| Shortfall (-) | | | | | |

2.2 Excess over grants/charged appropriations requiring regularisation

(a) Grants—Excess of Rs. 4,35,94,997 in the following 53 grants/sub-grants requires regularisation under Article 205 of the Constitution :

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|------------------------------------|--------------------|--------------------|---------------|
| 1 | 2(b)—Council of Ministers | 3,85,000 | 4,16,624 | 31,624 |

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1974-75 (Rs. 0.23 lakh) and 1975-76 (Rs. 0.64 lakh) also.

| | | | | |
|---|---------------|-----------|-----------|----------|
| 2 | 3(b)—Election | 13,55,000 | 17,25,915 | 3,70,915 |
|---|---------------|-----------|-----------|----------|

Excess was due to conducting Lok Sabha elections which could not be anticipated.

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|------------------------------------|--------------------|--------------------|---------------|
| 3 | 4(b)—Land Revenue | 64,49,000 | 66,00,149 | 1,51,149 |

Excess was due to drawal of salaries (including arrears) in the revised scales of pay introduced from 1st March 1974.

Excess occurred under this sub-grant in 1975-76 (Rs. 9.67 lakhs) also.

| | | | | |
|---|------------------------------|----------|----------|--------|
| 4 | 4(c)—Stamps and Registration | 4,50,000 | 4,74,259 | 24,259 |
|---|------------------------------|----------|----------|--------|

Excess was reportedly due to increased demand for stamps.

Excess occurred under this sub-grant in 1974-75 (Rs. 0.98 lakh) and 1975-76 (Rs. 1.50 lakhs) also.

| | | | | |
|---|----------------|-----|----------|----------|
| 5 | 4(d)—Sales Tax | ... | 1,36,160 | 1,36,160 |
|---|----------------|-----|----------|----------|

The expenditure was on setting up of the Sales Tax Organisation for which no provision had been obtained.

| | | | | |
|---|------------------------|----------|----------|-------|
| 6 | 6(a)—Taxes on Vehicles | 1,58,000 | 1,67,452 | 9,452 |
|---|------------------------|----------|----------|-------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1974-75 (Rs. 0.03 lakh) and 1975-76 (Rs. 0.03 lakh) also.

| | | | | |
|---|---|----------|----------|----------|
| 7 | 9(c)—Other Administrative Services (Guest Houses, Govt. Hostel, etc.) | 3,71,000 | 5,05,245 | 1,34,245 |
|---|---|----------|----------|----------|

Excess was due to purchase of car furniture etc., for the Tripura Bhawan, New Delhi and the Circuit House, Calcutta.

Excess occurred under this sub-grant in 1975-76 (Rs. 0.53 lakh) also.

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|------------------------------------|--------------------|--------------------|---------------|
|---------------|------------------------------------|--------------------|--------------------|---------------|

| | | | | |
|---|--|----------|----------|-------|
| 8 | 9(d)—Other Social and Community Services (Celebration of Republic Day) | 1,02,000 | 1,09,971 | 7,971 |
|---|--|----------|----------|-------|

Excess was reportedly due to celebration of the Republic Day in a more befitting manner.

| | | | | |
|---|---|-----------|-----------|----------|
| 9 | 11(d)—Other Administrative Services (Home Guards) | 25,65,000 | 30,39,628 | 4,74,628 |
|---|---|-----------|-----------|----------|

Excess was due to increased expenditure on Home Guards called up for duty and creation of a Home Guards Border Wing Battalion.

Excess occurred under this sub-grant in 1975-76 (Rs. 3.32 lakhs) also.

| | | | | |
|----|---|-----|-------|-------|
| 10 | 11(dd)—Other Administrative Services (Gallantry Awards) | ... | 3,000 | 3,000 |
|----|---|-----|-------|-------|

Reasons for incurring expenditure without provision have not been intimated (April 1978).

| | | | | |
|----|-------------------------------|-----------|-----------|----------|
| 11 | 13(b)—Stationery and Printing | 18,40,000 | 20,92,222 | 2,52,222 |
|----|-------------------------------|-----------|-----------|----------|

Excess was due mainly to adjustment of cost of stationery, forms, etc., supplied during earlier years and purchase of printing materials.

Excess occurred under this sub-grant in 1975-76 (Rs. 6.81 lakhs) also.

| | | | | |
|----|-------------------------------------|-------|--------|--------|
| 12 | 13(d)—State Lottery (Estt. charges) | 8,000 | 99,339 | 91,339 |
|----|-------------------------------------|-------|--------|--------|

Excess was due to meeting the cost of printing and advertisement charges, etc., for the Tripura State Lottery scheme.

| Serial Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|--|--------------------|--------------------|---------------|
| 13 13(e)—Pension and other Retirement Benefits | 25,20,000 | 34,69,627 | 9,49,627 |

Excess was due mainly to increase in pension and gratuities consequent on revision of pay scales from 1st March 1974 and finalisation of a large number of pension cases.

Excess occurred under this sub-grant in 1974-75 (Rs. 1.57 lakhs) and 1975-76 (Rs. 3.37 lakhs) also.

| | | | |
|-----------------------|-------------|-------------|-----------|
| 14 14(a)—Public Works | 5,09,44,000 | 6,04,67,219 | 95,23,219 |
|-----------------------|-------------|-------------|-----------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1974-75 (Rs. 65.97 lakhs) and 1975-76 (Rs. 92.90 lakhs) also.

| | | | |
|------------------------------|----------|----------|--------|
| 15 14(d)—Medical (Buildings) | 2,25,000 | 2,83,340 | 58,340 |
|------------------------------|----------|----------|--------|

Excess was stated to be due mainly to taking up of certain new important works.

| | | | |
|---|-----|--------|--------|
| 16 14(ee)—Social Security and Welfare (Buildings) | ... | 18,240 | 18,240 |
|---|-----|--------|--------|

Reasons for incurring expenditure without any provision have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 0.24 lakh) also.

| | | | |
|--|-----|--------|--------|
| 17 14(ff)—Animal Husbandry (Buildings) | ... | 99,268 | 99,268 |
|--|-----|--------|--------|

Reasons for incurring expenditure without any provision have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 1.29 lakhs) also.

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|---|--------------------|--------------------|---------------|
| 18 | 15(a)—Public Works (Collection of Housing and Building Statistics) | 17,000 | 17,814 | 814 |
| 19 | 18(b)—Aid Materials and Equipments | 51,000 | 4,48,515 | 3,97,515 |

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 0.48 lakh) also.

| | | | | |
|----|--|-----------|-----------|----------|
| 20 | 18(d)—Public Health, Sanitation and Water Supply | 42,22,000 | 45,15,016 | 2,93,016 |
|----|--|-----------|-----------|----------|

Reasons for the excess have not been intimated (April 1978).

| | | | | |
|----|--------------------|----------|-----------|-----------|
| 21 | 19—Family Planning | 5,17,000 | 27,00,229 | 21,83,229 |
|----|--------------------|----------|-----------|-----------|

Reasons for the excess have not been intimated (April 1978).

| | | | | |
|----|---|-----------|-----------|----------|
| 22 | 20(b)—Housing (Govt. Residential Buildings) | 28,32,000 | 30,50,337 | 2,18,337 |
|----|---|-----------|-----------|----------|

Excess was due to execution of certain new works and incurring of maintenance charges without any provision.

| | | | | |
|----|-------------------------|-------------|-------------|----------|
| 23 | 20(d)—Roads and Bridges | 1,43,48,000 | 1,50,79,287 | 7,31,287 |
|----|-------------------------|-------------|-------------|----------|

Excess occurred mainly under '6(2)-Rural Roads' and was due to more expenditure on their maintenance.

| | | | | |
|----|---------------------------------|-----------|-----------|----------|
| 24 | 21(a)—Information and Publicity | 21,55,000 | 23,99,380 | 2,44,380 |
|----|---------------------------------|-----------|-----------|----------|

Excess was on advertising, visual publicity and field publicity, reasons for which have not been intimated (April 1978).

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|------------------------------------|--------------------|--------------------|---------------|
|---------------|------------------------------------|--------------------|--------------------|---------------|

| | | | | |
|----|---------------|----------|----------|-------|
| 25 | 21(b)—Tourism | 1,00,000 | 1,05,435 | 5,435 |
|----|---------------|----------|----------|-------|

Reasons for the excess have not been intimated (April 1978).

| | | | | |
|----|--|--------|--------|-------|
| 26 | 22(c)—Social Security and Welfare (State Soldiers, Sailors and Airmen's Board) | 35,000 | 40,731 | 5,731 |
|----|--|--------|--------|-------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 0.11 lakh) also.

| | | | | |
|----|--|-----------|-----------|----------|
| 27 | 23(c)—Food and Nutrition (Special Nutrition Programme) | 12,75,000 | 20,77,464 | 8,02,464 |
|----|--|-----------|-----------|----------|

Excess of Rs. 3.52 lakhs was due reportedly to release of more funds by the Government of India. Reasons for the balance excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 1.27 lakhs) also.

| | | | | |
|----|--|----------|-----------|-----------|
| 28 | 25(b)—Social Security and Welfare (Relief and Rehabilitation of Displaced Persons) | 8,83,000 | 43,84,204 | 35,01,204 |
|----|--|----------|-----------|-----------|

Excess was due mainly to adjustment of the cost of medical stores supplied for the Bangladesh refugees.

| | | | | |
|----|---|----------|----------|----------|
| 29 | 26(a)—Relief on account of Natural Calamities | 7,00,000 | 8,27,738 | 1,27,738 |
|----|---|----------|----------|----------|

Excess was due mainly to payment of subsidy towards construction of houses for the homeless.

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|------------------------------------|--------------------|--------------------|---------------|
|---------------|------------------------------------|--------------------|--------------------|---------------|

| | | | | |
|----|---|----------|----------|--------|
| 30 | 26(b)—Other Social and Community Services | 1,40,000 | 1,62,625 | 22,625 |
|----|---|----------|----------|--------|

Excess was due to high prices of commodities required for the upkeep of public places of worship.

Excess occurred under this sub-grant in 1974-75 (Rs. 0.14 lakh) and 1975-76 (Rs. 0.13 lakh) also.

| | | | | |
|----|---|-----------|-----------|----------|
| 31 | 27(b)—Community Development (Panchayat) | 38,33,000 | 39,71,753 | 1,38,753 |
|----|---|-----------|-----------|----------|

Excess was due partly to increase in the rates of wages and meeting expenditure on conducting Panchayat elections (Rs. 0.43 lakh). Reasons for the balance excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 6.26 lakhs) also.

| | | | | |
|----|--|-----------|-----------|----------|
| 32 | 30(a)—Special and Backward Areas (North Eastern Council Scheme for Animal Husbandry and Dairy Development) | 15,22,000 | 16,70,438 | 1,48,438 |
|----|--|-----------|-----------|----------|

Reasons for the excess have not been intimated (April 1978).

| | | | | |
|----|-------------------------|-----------|-----------|--------|
| 33 | 30(c)—Dairy Development | 17,30,000 | 17,47,294 | 17,294 |
|----|-------------------------|-----------|-----------|--------|

Excess was due mainly to purchase of more machinery, equipment and miscellaneous articles and also purchase of more milk.

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|--|--------------------|--------------------|---------------|
| 34 | 33—Community Development (Water Supply and Sanitation) | 50,61,000 | 52,36,306 | 1,75,306 |

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this grant in 1975-76 (Rs. 15.79 lakhs) also.

| | | | | |
|----|------------------------|-----------|-----------|--------|
| 35 | 35(a)—Minor Irrigation | 10,28,000 | 10,96,261 | 68,261 |
|----|------------------------|-----------|-----------|--------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1974-75 (Rs. 1.90 lakhs) and 1975-76 (Rs. 2.84 lakhs) also.

| | | | | |
|----|---|--------|--------|-------|
| 36 | 35(b)—Water and Power Development Schemes | 66,000 | 67,290 | 1,290 |
|----|---|--------|--------|-------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 0.01 lakh) also.

| | | | | |
|----|---|-----------|-----------|----------|
| 37 | 35(c)—Irrigation, Navigation, Drainage and Flood Control Projects | 23,05,000 | 26,18,886 | 3,13,886 |
|----|---|-----------|-----------|----------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1974-75 (Rs. 0.62 lakh) and 1975-76 (Rs. 3.78 lakhs) also.

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|------------------------------------|--------------------|--------------------|---------------|
|---------------|------------------------------------|--------------------|--------------------|---------------|

| | | | | |
|----|----------------------|-----------|-------------|-----------|
| 38 | 35(d)—Power Projects | 97,30,000 | 1,19,54,581 | 22,24,581 |
|----|----------------------|-----------|-------------|-----------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 22.46 lakhs) also.

| | | | | |
|----|--|-----|-----|-----|
| 39 | 36(dd)—Capital Outlay on Social Security and Welfare | ... | 490 | 490 |
|----|--|-----|-----|-----|

Reasons for incurring expenditure without any provision have not been intimated (April 1978).

| | | | | |
|----|--|----------|-----------|-----------|
| 40 | 37(a)—Capital Outlay on Public Health, Sanitation and Water Supply | 8,00,000 | 26,22,391 | 18,22,391 |
|----|--|----------|-----------|-----------|

Excess was due mainly to more grant to the Agartala Municipality (Rs. 4.25 lakhs) and incurring of expenditure (Rs. 13.88 lakhs) on 'Bulk purchase of materials and equipments—T.B. Control Programme' without any provision.

Excess occurred under this sub-grant in 1975-76 (Rs. 19.65 lakhs) also.

| | | | | |
|----|--|--------|--------|--------|
| 41 | 38(a)—Capital Outlay on Housing (Subsidised Industrial Housing Scheme) | 55,000 | 93,541 | 38,541 |
|----|--|--------|--------|--------|

Reasons for the excess have not been intimated (April 1978).

| | | | | |
|----|---------------------------------|-----------|-----------|--------|
| 42 | 39(a)—Capital Outlay on Housing | 10,78,000 | 11,66,110 | 88,110 |
|----|---------------------------------|-----------|-----------|--------|

Excess was stated to be due mainly to better progress of works than anticipated.

Excess occurred under this sub-grant in 1975-76 (Rs. 2.12 lakhs) also.

| Serial number | Number and name of grant/sub-grant | Total grant | Expenditure | Excess |
|------------------|---|----------------|-------------|----------|
| | | Rs. | Rs. | Rs. |
| 43 | 39(b)—Capital Outlay on Special and Backward Areas (North Eastern Council —Roads and Bridges) | 76,50,000 | 85,34,461 | 8,84,461 |

Excess of Rs. 3.84 lakhs was stated to be due to unanticipated rapid supply of stone chips by the contractor ; reasons for the balance excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 66.91 lakhs) also.

| | | | | |
|----|---|-------------|-------------|----------|
| 44 | 39(c)—Capital Outlay on Roads and Bridges | 2,08,75,000 | 2,14,79,853 | 6,04,853 |
|----|---|-------------|-------------|----------|

Excess of Rs. 3.23 lakhs was reportedly due to better physical progress and liquidation of more liabilities than anticipated ; reasons for the balance excess have not been intimated (April 1978).

| | | | | |
|----|--|-------|--------|--------|
| 45 | 40(b)—Loans for Education, Art and Culture | 2,000 | 25,380 | 23,380 |
|----|--|-------|--------|--------|

Excess was due to sanction of more National Loan Scholarship.

Excess occurred under this sub-grant in 1975-76 (Rs. 0.19 lakh) also.

| | | | | |
|----|--|----------|-----------|-----------|
| 46 | 40(c)—Loans to Co-operative Services | 8,63,000 | 24,58,700 | 15,95,700 |
|----|--|----------|-----------|-----------|

Excess of Rs. 5.00 lakhs was due to payment of loan to the Land Mortgage Bank ; reasons for the balance excess have not been intimated (April 1978).

| Serial number | Number and name of grant/sub-grant | Total grant | Expenditure | Excess |
|---------------|---|-------------|-------------|--------|
| | | Rs. | Rs. | Rs. |
| 47 | 43(a)—Capital Outlay on Special and Backward Areas (North Eastern Council Schemes— Power Project) | 1,50,000 | 2,46,907 | 96,907 |

Reasons for the excess have not been intimated (April 1978).

| | | | | |
|----|--|-----------|-----------|----------|
| 48 | 43(b)—Capital Outlay on Minor Irrigation, Soil Conservation and Area Development | 27,00,000 | 33,44,566 | 6,44,566 |
|----|--|-----------|-----------|----------|

Reasons for the excess have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 1.41 lakhs) also.

| | | | | |
|----|--|-----------|-----------|----------|
| 49 | 43(c)—Capital Outlay on Irrigation, Navigation, Drainage and Flood Control Project | 29,00,000 | 35,96,202 | 6,96,202 |
|----|--|-----------|-----------|----------|

Reasons for the excess, which occurred under "Flood Control and anti-sea erosion Projects", have not been intimated (April 1978).

| | | | | |
|----|--|-------------|-------------|-----------|
| 50 | 43(d)—Capital Outlay on Power Projects | 5,13,98,000 | 6,01,05,234 | 87,07,234 |
|----|--|-------------|-------------|-----------|

Excess was attributed mainly to 'completion and rapid progress of some works'.

Excess occurred under this sub-grant in 1975-76 (Rs. 1,10.66 lakhs) also.

| Serial number | Number and name of grant/sub-grant | Total grant Rs. | Expenditure Rs. | Excess Rs. |
|---------------|---|--------------------|--------------------|---------------|
| 51 | 47(b)—Loans for Village and Small Industrial Co-operation | 3,00,000 | 11,98,050 | 8,98,050 |

Excess was due mainly to payment of loan (Rs. 7.50 lakhs) to the Tripura Handloom and Handicrafts Development Corporation Limited, without any provision.

| | | | | |
|----|--|-----|-----------|-----------|
| 52 | 48(bb)—Loans for Social Security and Welfare—Loans to New Migrants | ... | 29,41,200 | 29,41,200 |
|----|--|-----|-----------|-----------|

Reasons for incurring expenditure without any provision have not been intimated (April 1978).

Excess occurred under this sub-grant in 1975-76 (Rs. 1.82 lakhs) also.

| | | | | |
|----|------------------------------------|-----------|-----------|----------|
| 53 | 48(c)—Loans to Government Servants | 65,00,000 | 70,95,670 | 5,95,670 |
|----|------------------------------------|-----------|-----------|----------|

Reasons for the excess, which was on "House Building Advances" and "Festival Advances", have not been intimated (April 1978).

(b) *Charged appropriations*—Excess of Rs. 19,59,67,604 in the following 8 charged appropriations also requires regularisation :

| Serial number | Number and name of charged appropriation | Total appropriation Rs. | Expenditure Rs. | Excess Rs. |
|---------------|--|----------------------------|--------------------|---------------|
| 1 | 7(a)—Interest payment | 2,66,00,000 | 2,76,10,135 | 10,10,135 |

Excess was due mainly to payment of more interest on loans from autonomous bodies and on subscriptions to State Provident Funds on account of increase in the number of subscribers and in the quantum of subscription and also because of payment of discount on new loan.

| Serial number | Number and name of charged appropriation | Total appropriation Rs. | Expenditure Rs. | Excess Rs. |
|--|--|----------------------------|--------------------|---------------|
| 2 | 8—Public Service Commission | 4,57,000 | 6,06,924 | 1,49,924 |
| <p>Excess was due mainly to drawal of salaries (including arrears) in the revised scales of pay introduced from 1st March 1974 (Rs. 0.97 lakh) and purchase of typewriters and spare parts of vehicles (Rs. 0.41 lakh).</p> <p>Excess occurred under this appropriation in 1975-76 (Rs. 0.21 lakh) also.</p> | | | | |
| 3 | 20(b)—Housing Govt. Residential Buildings) | ... | 2,274 | 2,274 |
| <p>The expenditure was on payment of an arbitral award.</p> | | | | |
| 4 | 20(d)—Roads and Bridges | ... | 4,034 | 4,034 |
| <p>The expenditure was on payment of an arbitral award.</p> | | | | |
| 5 | 36(a)—Capital Outlay on Public Works | ... | 1,881 | 1,881 |
| <p>The expenditure was on payment of an arbitral award.</p> | | | | |
| 6 | 36(b)—Capital Outlay on Education, Art and Culture | ... | 67 | 67 |
| <p>The expenditure was on payment of an arbitral award.</p> | | | | |
| 7 | 43(d)—Capital Outlay on Power Projects | ... | 33,962 | 33,962 |

Reasons for incurring expenditure on "Gumti Hydro-Electric Project" without any appropriation have not been intimated (April 1978).

| Serial number | Number and name of charged appropriation | Total appropriation Rs. | Expenditure Rs. | Excess Rs. |
|---------------|---|----------------------------|--------------------|---------------|
| 8 | 48(a) Internal Debt of the State Government | 78,000 | 19,48,43,327 | 19,47,65,327 |

Excess was due to repayment of ways and means advances and also of overdrafts obtained from the Reserve Bank of India.

Reasons for not making adequate provision have not been intimated (April 1978).

2.3 *Unutilised provision*

(i) Rupees 6.55 crores remained unutilised in 91 grants/sub-grants (Rs. 5.86 crores) and 6 charged appropriations (Rs. 0.69 crore).

(ii) In 28 grants/sub-grants and 2 charged appropriations, the savings (Rs. 2 lakhs or more in each case) were more than 10 per cent of the total provision. The details of these grants/sub-grants and charged appropriations are given in Appendix I.

2.4 *Surrender of surplus funds*

The rules require that unutilised provisions should be surrendered as soon as saving is envisaged. During 1976-77, Rs. 4.78 crores were surrendered between 23rd and 29th March 1977.

In 7* grants/sub-grants and 1* charged appropriation, the amount surrendered (Rs. 48.83 lakhs) was more than the amount available for surrender (Rs. 43.89 lakhs) whereas in 6** grants/sub-grants and 1** charged appropriation, the surrenders totalling Rs. 1,33.59 lakhs proved unjustified in view of the actual excess (Rs. 1,11.57 lakhs) thereunder.

2.5 *Reappropriation orders*

Mention was made in paragraph 2.7 of the Audit Report for the year 1975-76 about the cases of reappropriation during 1974-75 and 1975-76 between one service

*Sub-grant Nos. 14(b), 16(b), 18(c), 20(c), 27(a), 28(b) and 41(a)
Charged Appropriation No. 10

**Sub-grant Nos. 4(b), 14(a), 20(b), 30(a), 30(c) and 39(a)
Charged Appropriation No. 7(a)

Excess
Rs.
9,47,65,327
all means
Reserve
have not
all grants/
appropriations
appropria-
se) were
the details
tions are
should be
1976-77,
and 29th
appropriation,
more than
10 lakhs)
and appro-
has proved
57 lakhs)
the Audit
reappro-
ne service
all 41(a)

and purpose constituting one sub-grant and another service and purpose constituting a separate sub-grant. During 1976-77 also similar reappropriations were authorised, the details of which are given in Appendix II.

Reappropriation between voted and charged provisions was authorised by the Government during 1976-77 also as in 1975-76. The details of such reappropriation are mentioned in Appendix III.

Such irregular reappropriations during 1974-75 and 1975-76 had been pointed out to the Government in March 1976 and February 1977 respectively, but a reappropriation was authorised during 1976-77 also. This was again pointed out to the Government in December 1977; reply is awaited (April 1978).

2.6 *Reconciliation of departmental figures*

With a view to ensuring effective control over expenditure, the departmental officers are required to reconcile, periodically as also before the close of the accounts for a year, the departmental figures of expenditure with those booked in the Audit Office. Such reconciliation continued to be in arrears in some departments. For 1976-77, out of 155 Controlling Officers, no reconciliation was done by 22 Controlling Officers (June 1977).

2.7 *Non-receipt of explanations for savings/excesses*

After close of the financial year, detailed Appropriation Accounts showing the final grant/appropriation, the actual expenditure and the resultant variation under each unit of appropriation are sent to the Controlling Officers for acceptance of the figures and furnishing reasons for the variations. It is, however, seen that every year the reasons for variations in regard to many units of appropriations are not furnished in time, or not furnished at all, to Audit by the Controlling Officers.

In 1976-77 also, despite issue of instructions by the Finance Department from time to time for furnishing

explanations for variations to the Accountant General within the stipulated period (ending on 15th October 1977 in all cases), the required acceptance of figures and explanations for variations relating to 143 grants/sub-grants (out of 155) were not received from the Controlling Officers. These constituted 92 per cent of the number of grants/sub-grants in respect of which acceptance of figures and explanations for variations were required to be furnished. Even by the end of February 1978, the required information in respect of 76 grants/sub-grants out of 143 grants/sub-grants only was received. Such delay in submission of material for the Appropriation Accounts results in the Audit Report remaining incomplete in certain essential aspects.

2.8 Shortfall/excess in recoveries

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 in reduction of expenditure; the anticipated recoveries and credits are shown separately in the budget estimates. Such recoveries were estimated to be Rs. 12.99 crores against which the actual recoveries amounted to Rs. 15.32 crores.

The main variations occurred under :

| Serial number | Number and name | Estimated recoveries | Actual recoveries | Variations |
|---------------|--|-----------------------|-------------------|-------------------|
| (1) | (2) | (3) | (4) | (5) |
| | | (in crores of rupees) | | Excess+ Less — |
| 1. | 14(a)—Public Works | 2.90 | 5.35 | + 2.45 |
| 2. | 42(a)—Capital Outlay on Food and Nutrition | 7.75 | 6.45 | — 1.30 |
| 3. | 43(d)—Capital Outlay on Power Projects | 1.51 | 2.78 | + 1.27 |

Reasons for variations have not been intimated (April 1978).

2.9 *Expenditure on new service*

The financial rules require that no expenditure should be incurred during a financial year on a 'new service' not contemplated in the budget for that year except after obtaining a supplementary grant or an advance from the Contingency Fund during that year. In the following cases, however, no grant or advance was obtained before the expenditure was actually incurred.

(1) *Sub-grant No. 11(d)—Other Administrative Services (Home Guards)*

A Home Guards Border Wing Battalion was formed in February 1977. During 1976-77, Rs. 1.12 lakhs were spent for meeting the expenditure on the Battalion, though no supplementary grant or advance from the Contingency Fund was obtained.

(2) *Sub-grant No. 26(a)—Relief on account of Natural Calamities*

In November 1976, the Government decided to pay an outright subsidy towards construction of semi-permanent houses by the homeless under a new scheme in terms of which two nationalised banks had agreed to finance 80 per cent of the cost of the houses. Accordingly, Rs. 5.40 lakhs were drawn for the purpose in March 1977 without obtaining a supplementary grant or an advance from the Contingency Fund for the purpose.

The above cases were referred to the Government in December 1977; reply is awaited (April 1978).

REVENUE DEPARTMENT

2.10 *Drawal of money in advance of requirement*

(a) According to the rules, drawal of money from the treasury is not permissible until it is required for immediate payment. Any unspent balance is required to be deposited into the treasury promptly. In March 1977, Rs. 5.40 lakhs were drawn from the treasury by ten Sub-

divisional Officers for payment of outright subsidy towards construction of semi-permanent houses by the homeless under a new scheme in terms of which two nationalised banks agreed to finance 80 per cent of the cost, 10 per cent being covered by the Government subsidy and the balance (10 per cent) being the labour component provided by the beneficiaries.

Of the money drawn, Rs. 3.71 lakhs were in hand (October 1977), Rs. 1.54 lakhs were deposited into the banks in the accounts of the beneficiaries by three Sub-divisional Officers in March, April and July 1977 and the balance (Rs. 0.15 lakh) was refunded into the treasury in June-July 1977.

According to the Sub-divisional Officers (November 1977), no bank finance was provided nor any progress made in the construction of houses under the scheme.

The matter was referred to the Government in November 1977 ; reply is awaited (April 1978).

(b) In the course of audit (April 1977) of the accounts of the Sub-divisional Officer, Kailashahar, the following cases of drawal of money in advance of requirement were noticed :—

(i) Rs. 10.20 lakhs were drawn from the treasury in December 1976 for land reclamation under the scheme for settlement of *Jhumias*. Of this, Rs. 3.40 lakhs were advanced to the Project Executive Officer, Chawmanu in January 1977 and another Rs. 3.40 lakhs in March 1977. The balance of Rs. 3.40 lakhs remained undisbursed with the Sub-divisional Officer (May 1977). Information about actual disbursement by the Project Executive Officer is awaited (April 1978).

(ii) In March 1977, Rs. 2.31 lakhs were also drawn by the Sub-divisional Officer, Kailashahar for reclamation of land and development of house sites (Rs. 1.36 lakhs), payment of loan to landless agricultural labourers (Rs. 0.60

lakh) and settlement of landless Scheduled Castes (Rs. 0.35 lakh). Of this, Rs. 0.76 lakh were advanced in April 1977 to the Block Development Officer, Kumarghat and the balance Rs. 1.55 lakhs remained with him undischarged (May 1977). Information about actual disbursement by the Block Development Officer is awaited (April 1978).

The cases were referred to the Government in July 1977 ; reply is awaited (March 1978).

(c) In the course of audit (February 1977) of the accounts of the Superintendent of Agriculture, Kailashahar, it was noticed that Rs. 1.04 lakhs were drawn by him on 31st March 1975 on abstract contingent bills for reclamation of land (Rs. 0.48 lakh), construction work (Rs. 0.47 lakh) and other miscellaneous works (Rs. 0.09 lakh). The amount was deposited into a nationalised bank on the same day in a current account opened in the name of the Superintendent of Agriculture for opening of which there were no Government orders. The transactions (drawal as well as deposit) were also not recorded in the cash-book. Between April and May 1975, Rs. 0.99 lakh were drawn from the bank and payments made for the works ; the unspent balance (Rs. 0.05 lakh) was refunded into the treasury in July 1975. The case was referred to the Government in April 1977 ; reply is awaited (April 1978).

(d) In March 1975, Rs. 1.20 lakhs were drawn by the Block Development Officer, Khowai on an abstract contingent bill for sinking of 8 tube-wells. Tenders for sinking tube-wells were invited by the District Magistrate and Collector, West Tripura District in April 1975 and work orders for their execution issued in May 1975. In all, Rs. 0.33 lakh were utilised for the purpose and the unspent balance of Rs. 0.87 lakh was refunded into the treasury in September 1975.

The case was referred to the Government in March 1977 ; reply is awaited (April 1978).

CHAPTER III
CIVIL DEPARTMENTS
AGRICULTURE DEPARTMENT

3.1 *Reclamation and intensification of fish culture*

3.1.1 *Introductory*

According to the Director of Agriculture, at the commencement of the Fifth Five Year Plan (1974-79) about 6,410 acres of water-area in the State were under pisciculture with an estimated annual production of 4,280 tonnes of fish against the estimated total annual requirement of about 10,000 tonnes.

During the Fifth Five Year Plan period, it was proposed to reclaim 925 acres of derelict water-area (375 acres in public sector and 550 acres in private sector) in the State. Reclamation in private sector was to be done by advancing loans for the purpose to interested pisciculturists. Besides reclamation, 3,675 acres of privately owned cultured water-area were to be brought under intensive fish culture in order to raise the average production of fish from 200 kilograms to 400 kilograms per acre per annum. A total outlay of Rs. 33.10 lakhs was provided for implementation of the scheme as under :

| Particulars | Public sector | Private sector (in lakhs of rupees) | Total |
|------------------------|---------------|--|-------|
| Reclamation | 15.00 | 10.00 | 25.00 |
| Intensive fish culture | 3.06 | 2.83 | 5.89 |
| Establishment | ... | ... | 2.21 |
| | Total | | 33.10 |

In 1976-77, it was also proposed to undertake demonstrations of the method of composite fish culture in 25 acres of privately owned water-area with an outlay of Rs. 0.06 lakh with a view to raising the production of fish from 200 kilograms to 1,440 kilograms per acre per annum.

3.1.2 *Physical and financial performance*

According to the department, the position of reclamation of water-area and expenditure during the first three years of the Fifth Five Year Plan was as under :

n- ut al- ut n- of res of re- fo- res he by tu- red ive of per ded Total 25.00 5.89 2.21 33.10 ons- 1 25 y of fish per ama three

| Sector | Year | Reclamation | | | Expenditure | | |
|-------------------------------|---------|-------------|-------------|-----------------------------|------------------|--------|------------|
| | | Target | Achievement | Percentage | Budget provision | Actual | Percentage |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| <i>(water-areas in acres)</i> | | | | <i>(in lakhs of rupees)</i> | | | |
| Public | 1974-75 | 75.00 | 78.75 | 105 | 4.25 | 3.70 | 87 |
| | 1975-76 | 62.50 | 105.15 | 168 | 5.25 | 6.19 | 118 |
| | 1976-77 | 150.00 | 87.50 | 58 | 9.00 | 7.34 | 82 |
| | Total | 287.50 | 271.40 | 94 | 18.50 | 17.23 | 93 |
| Private | 1974-75 | 137.50 | 157.50 | 115 | 2.75 | 2.05 | 75 |
| | 1975-76 | 100.00 | 112.50 | 113 | 2.00 | 1.99 | 100 |
| | 1976-77 | 100.00 | 42.65 | 43 | 2.00 | 0.82 | 41 |
| | Total | 337.50 | 312.65 | 93 | 6.75 | 4.86 | 72 |

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3.1.3 *Audit findings*

The following points were noticed during audit (September-October 1977) :

(a) (i) Out of the reported reclamation of 271.40 acres of derelict water-area in public sector during the three years ending 1976-77, 50.75 acres related to the West District (Central Zone). On a test-check of the field records in that district it was found that only 1.40 acres had been reclaimed. The remaining 49.35 acres were under culture prior to the Fifth Plan period but their further development was reportedly done during this period.

(ii) The reported reclamation of 312.65 acres of water-area in private sector was done by advancing loans of Rs. 4.86 lakhs. The department was required to watch the progress of work of reclamation in privately owned tanks and to take such action as might be considered necessary if the borrower failed to act in accordance with the terms of the loan. No reports on the works of reclamation had, however, been obtained by the department. No report was also available to show that the field staff had inspected the loanees' water-areas to verify whether the loans had been utilised for the purpose for which they were granted.

(iii) The Director of Agriculture purchased 26.60 tonnes of galvanised corrugated iron sheets (cost : Rs. 1.32 lakhs) and 55 tonnes of cement (cost : Rs. 0.26 lakh) debiting the cost thereof to the provision made for reclamation of derelict water-area (Rs. 0.72 lakh in 1974-75, Rs. 0.48 lakh in 1975-76 and Rs. 0.38 lakh in 1976-77). The scheme had not envisaged, however, any constructional work. The Deputy Director of Fisheries had stated in August 1975 that in the reclamation scheme there was no scope also for undertaking any construction. The Government stated (February 1978) that the materials were utilised in other schemes.

(iv) According to the norms laid down by the department, the level of production of fish per acre per annum

under the various methods of fish culture was to be as given below :

| Method of | Production (in kilograms) | Feeding pattern |
|---------------|--------------------------------|--|
| 1. Indigenous | 200 | Food available naturally to be used |
| 2. Intensive | 400 | Manure to be added to increase the quantum of food |
| 3. Composite | 1,440 | Artificial food to be provided in addition to manuring |

Out of 280 acres of departmentally managed water-area wherein the indigenous method of fish culture was applied upto 1975-76, 232.12 acres were brought under intensive culture and 42.50 acres under composite culture in 1976-77. The reported production was, however, much less than the norms prescribed, as shown below :

| Year | Area under culture (in acres) | Target of production based on norms (in kilograms) | Reported production (harvesting) | Average harvesting per acre |
|---------|----------------------------------|--|-------------------------------------|--------------------------------|
| 1974-75 | 280 | 56,000 | 32,051 | 114 |
| 1975-76 | 280 | 56,000 | 28,067 | 100 |
| 1976-77 | 280 | 1,55,100 | 56,022 | 200 |

The department attributed the low production (harvesting) of fish in the departmentally managed water-areas to heavy poaching and absence of manuring programme.

(b) With a view to bringing 3.675 acres of privately owned water-area under intensive fish culture, the following provisions (subsidy element) were made in the Fifth Five Year Plan :

1974-75 1975-76 1976-77 1977-78 1978-79
(in lakhs of rupees)

| | | | | | |
|--|------|------|------|------|-----|
| Cost of manures and fertilisers at 50 per cent subsidy | 0.35 | 0.39 | 0.45 | 0.73 | ... |
| Cost of fish-seeds at 25 per cent subsidy | 0.17 | 0.19 | 0.22 | 0.35 | ... |
| Total | 0.52 | 0.58 | 0.67 | 1.08 | |

The department stated (February 1978) that the provisions remained unutilised as the details of distribution of fertilisers and fish-seeds had not been finally approved by the Government.

(c) According to the State's Annual Plan for 1976-77, demonstrations in 25 acres of water-area in privately owned tanks were proposed to be undertaken with a view to popularising and disseminating the techniques of composite fish culture among the private pisciculturists. One of the conditions of demonstration was that harvesting from the water-areas should be done by the owner of the tank with the knowledge of the Fisheries Department. Fish-seeds and manures were also to be stocked in those tanks at Government expense. The demonstrations were reported to have covered 25.20 acres during 1976-77 (South District : 12.50 acres, North District : 10.20 acres, West District : 2.50 acres).

A test-check of records in the West District disclosed that no demonstration had been done during 1976-77. A water-area of 2.50 acres (Khowai Block : 1.10 acres and Mohanpur Block : 1.40 acres) in 5 tanks had been selected (24th March 1977) for demonstrations during 1976-77. Out of 5 tanks, manuring was done in 3 tanks between May 1977 and September 1977 at an expenditure of Rs. 593. No fish-seeds had, however, been stocked in these tanks by the department (October 1977). The department stated that stocking of seeds was done by the owners of the tanks.

(d) *Loans for fish culture*—During 1956-57 to 1976-77, the department disbursed Rs. 6 lakhs as loans to 293 private pisciculturists in the West District for fish culture in their water-areas after reclamation. Upto 31st March 1977, Rs. 4.62 lakhs (principal : Rs. 2.36 lakhs ; interest : Rs. 2.26 lakhs) were due for recovery ; only Rs. 0.83 lakh (principal : Rs. 0.43 lakh ; interest : Rs. 0.40 lakh) had been recovered. Certificate proceedings had been initiated in 80 cases (Rs. 1.83 lakhs) and demand notices issued to 206 loanees (Rs. 1.96 lakhs). Only 7 loanees had repaid the loans fully.

(e) *Stocking of fish-seeds*—According to the norm fixed by the department, 2,000 fish-seeds (fingerlings) were required to be stocked per acre of water-area. Due to non-availability of fish-seeds in adequate quantity, the quantity stocked in the water-areas brought under culture by the department in the West District was, according to departmental records, below the norm, as shown below :

| | 1974-75 | 1975-76 | 1976-77 |
|---|---------|---------|---------|
| Fish-seeds stocked (in numbers) | 53,800 | 54,850 | 93,000 |
| Area brought under fish culture (in acres) | 53.30 | 53.30 | 53.30 |
| Average fish-seeds available per acre | 1,009 | 1,029 | 1,745 |

(f) *Leasing of water-areas in West District*—The reclaimed water-areas in public sector were to be cultured either departmentally or by leasing these out. The following water-areas had, however, not been cultured either departmentally or by leasing out due reportedly to non-finalisation of lease proposals (November 1977) :

| Name and location of tank | Water-area in acres | Year in which brought under the department | Date of expiry of lease, etc. | Annual lease value | Uptodate expenditure on reclamation |
|---------------------------------|---------------------|--|--|--------------------|-------------------------------------|
| (in rupees) | | | | | |
| Kalamcherra tank, Sonamura | 1.25 | 1971 | Neither cultured departmentally nor leased out | ... | 2,547 |
| Baisgaria dead river, Teliamura | 6.31 | 1973 | " | ... | 1,387 |
| Jatrapur pond, Sonamura | 0.55 | 1975 | " | ... | ... |
| Kalapania Lake, Sonamura | 21.55 | 1970 | Cultured departmentally from August 1972 to March 1975 | ... | 78,080 |

(g) *A topic of interest*—The Kalapania Lake with a water-area of 21.55 acres located in the Sonamura Sub-division was brought under the control of the department in November 1971. It was observed that the entire water-area was covered by mat. In February 1972, the department accorded administrative approval and expenditure sanction for Rs. 0.81 lakh for reclamation of the lake. The work of reclamation covered mainly "cutting, clearing, lifting and stacking of decomposed mat from the tank including bailing out of water where necessary". The department spent Rs. 0.04 lakh in 1971-72 and Rs. 0.74 lakh in 1972-73 on the work. The water-area was stated to have been brought under culture from August 1972 and 20,250 fingerlings (16,000 in 1972-73 and 4,250 in 1973-74) stocked; 13.4 kilograms of fish were harvested (value : Rs. 55) in 1974-75.

The Government stated (February 1978) that simultaneously with the clearance of mat stocking was done with the idea that fish-seeds would develop well in the virgin waters. Later, when netting was conducted, a number of stumps were found at the bottom which needed removal. Netting was suspended on this account but a secondary

mat started forming. For clearance of secondary mat as well as of the bed of the lake an estimate of Rs. 0.38 lakh was prepared (June 1973) but was not sanctioned.

The Government had directed (December 1976) the Director to submit a report on the issue ; this had not been submitted (April 1978).

3.2 *Extra expenditure*

Of the two offers received in May 1974 in response to a tender notice issued in April 1974 for supply of 38,000 litres of a pesticide (Endrin 20% E.C.), the lower one was Rs. 27 per litre by firm 'A' valid upto 30th June 1974. On a request from the Director of Agriculture (7th June 1974), the firm extended the validity of the offer upto 31st July 1974 ; but the tenders were not finalised till that date. On 4th August 1974, firm 'A' withdrew its offer owing to non-receipt of any supply order till then.

Tenders were again called on 14th August 1974 and this time also two offers were received (September 1974). The rate of Rs. 38 per litre offered by firm 'A' was accepted by the department in October 1974. Between October 1974 and March 1975, 13,000 litres of the pesticide were purchased from the firm at Rs. 38 per litre.

Non-finanlisation of the offers in time, thus, resulted in an extra expenditure of Rs. 1.47 lakhs including 3 per cent Central Sales Tax.

The Government stated (November 1977) that the time taken for finalisation of the tender was unavoidable.

3.3 *Loss of sprayers*

On 21st May 1976, the Agriculture Inspector, Zonal Store, North District reported to the Deputy Director of Agriculture, North Zone, Dharmanagar the occurrence of a suspected theft from the Chandrapur godown at Dharmanagar under his charge. The matter was reported immediately by the Deputy Director to the Police. On verification in the presence of the Police on 23rd May 1976, it was found that 67 sprayers with accessories (value : Rs. 0.29 lakh) were missing.

Subsequent departmental investigation (May 1976) by the Deputy Director of Agriculture indicated that even

after withdrawal of the department's Chowkidar from the Chandrapur godown in November 1975, the sprayers were kept in the godown by the Inspector disregarding the Deputy Director's instructions to shift them to another godown. The Inspector was also held responsible for not distributing the sprayers as per the approved distribution list.

The Police investigated the case and reported (October 1976) that the sprayers had not been stolen but had been removed from the godown ; it did not indicate who had removed them.

A scrutiny of the stock register of sprayers conducted (March 1977) during local audit of the accounts of the Deputy Director of Agriculture, North Zone, Dharmanagar disclosed that the sprayers had been received in November-December 1974, but that physical verification thereof, required to be undertaken once in every year, had not been carried out till the date of the alleged theft.

The Government stated (February 1978) that the case was under investigation. Further developments are awaited (April 1978).

3.4 *Unauthorised sale on credit*

Mention was made in paragraph 3.5.2 of the Audit Report for the year 1975-76 of the unauthorised credit sales of seeds, fertilisers, etc., by the Village Level Workers, among others, under the charge of the Superintendent of Agriculture, Sadar. Similar unauthorised credit sales of fertilisers, pesticides, etc., were also made by the Village Level Workers under the Deputy Director of Agriculture, Udaipur. As at the end of November 1976, Rs. 0.20 lakh were outstanding against the Village Level Workers on account of credit sales by them during 1973-74 to 1975-76. The year-wise break-up is given below :

| Year | Amount (in lakhs of rupees) |
|---------|----------------------------------|
| 1973-74 | 0.08 |
| 1974-75 | 0.05 |
| 1975-76 | 0.07 |
| | <hr/> 0.20 |

Information about recovery is awaited (April 1978).

The matter was referred to the Government in April 1977 ; reply is awaited (April 1978).

3.5 *Loans for horticulture*

During 1956-57 to 1973-74, Rs. 0.48 lakh were paid as loans for horticulture to 83 cultivators under the Kamalpur Sub-division. The loan was recoverable in seven equal annual instalments commencing from the sixth anniversary of the date of drawal together with interest at the rate fixed by the Government.

In the course of audit (April 1977) of the accounts of the Superintendent of Agriculture, Kamalpur it was noticed that, against Rs. 0.34 lakh due for recovery by March 1977, only Rs. 0.01 lakh had been recovered leaving Rs. 0.33 lakh (including interest of Rs. 0.10 lakh) outstanding for recovery (from 66 cultivators).

The Superintendent of Agriculture, Kamalpur stated (April 1977) that certificate proceedings had been instituted to recover the outstanding loans and interest.

The Government stated (January 1978) that the progress of recovery of the loan was very slow and that a committee had been constituted to explore ways and means of recovery.

EDUCATION DEPARTMENT

3.6 *Deployment and utilisation of teachers and allied matters*

3.6.1 *Introductory*

A review of deployment and utilisation of teachers in the Government educational institutions (upto secondary stage) and allied matters, carried out during April 1977 to July 1977, brought out the following main points.

3.6.2 *Basic educational statistics*

The basic educational statistics compiled by the department, inclusive of enrolment in Government aided

schools at the primary, middle and secondary stages of education, for the three years 1974 to 1976 are as follows :

| | 1974 | 1975 | 1976 |
|---|----------|----------|----------|
| <u>Primary stage</u> | | | |
| (I to V) | | | |
| Estimated population in age group 6-11 years | 2,41,000 | 2,44,400 | 2,47,800 |
| Enrolment in primary stage | 2,05,709 | 2,02,790 | 2,03,411 |
| Percentage of enrolment | 85 | 83 | 82 |
| Number of schools | 1,478 | 1,510 | 1,543 |
| Expenditure per student | Rs. 113 | Rs. 118 | Rs. 138 |
| <u>Middle stage</u> | | | |
| (VI to VIII) | | | |
| Estimated population in age group 11-14 years | 1,20,000 | 1,22,400 | 1,24,800 |
| Enrolment in middle stage | 46,305 | 48,203 | 49,126 |
| Percentage of enrolment | 39 | 39 | 39 |
| Number of schools | 264 | 259 | 266 |
| Expenditure per student | Rs. 170 | Rs. 175 | Rs. 207 |
| <u>Secondary stage</u> | | | |
| (IX to X/XI) | | | |
| Estimated population in age group 14-17 years | 1,05,000 | 1,07,800 | 1,10,000 |
| Enrolment in secondary stage | 23,011 | 23,043 | 18,818 |
| Percentage of enrolment | 22 | 21 | 17 |
| Number of schools | 107 | 121 | 125 |
| Expenditure per student | Rs. 364 | Rs. 339 | Rs. 446 |

In absolute terms, the number of students at the primary stage had gone down in 1975 and 1976 compared to that in 1974. The decrease was attributed by the department mainly to :

- (i) drop out of students for economic or other reasons and
- (ii) shifting habits of tribal population.

* Decrease was reportedly due to discontinuance of class XI owing to adoption of (10+2+3) system of education from the 1976 academic session.

3.6.3 *Starting of schools in backward areas during Fifth Five Year Plan period*

Under the scheme 'Starting of 900 primary schools/units in backward areas and 100 schools/units in existing school areas' during the Fifth Five Year Plan (1974-79) period, 293 junior basic schools were to be started during 1974-75 to 1976-77 subject to the condition that the managing committees of the schools donated 5 *kanis* of land and constructed the necessary school buildings.

A test-check of records (July 1977) of the Kailashahar and Dharmanagar inspectorates disclosed that even after fulfilment of the above condition in September 1976 and November 1976 in respect of 8 schools (Kailashahar Inspectorate) and 9 schools (Dharmanagar Inspectorate) respectively, schools could not be started reportedly (January 1978) due to dearth of teachers.

For running of the schools proposed to be sanctioned during the Fifth Five Year Plan period and also the newly started primary units during the same period, 600 Apprentice Teachers, each on a consolidated pay of Rs. 150 per month (raised to Rs. 175 per month with effect from 23rd March 1975 for non-participation in March 1975 strike), were appointed between 25th September 1974 and 30th November 1974 and their services placed at the disposal of the inspectorates. From March 1977, these Apprentice Teachers were absorbed as Assistant Teachers in the scale of Rs. 240-440.

While teachers had been appointed between 25th September 1974 and 30th November 1974, the Director of Education sanctioned, subject to fulfilment of the condition (regarding land and construction) mentioned above, 119 schools in February 1975, 109 schools in January-February 1976 and 65 schools in January-February 1977 (all single teacher).

Only 41 single teacher schools, out of the above 293 schools sanctioned upto 1976-77, and 369 single teacher primary units had been actually started (July 1977). One hundred and ninety Apprentice Teachers (600-41+369) specifically recruited for new schools/units were stated

(January 1978) to have been utilised in existing schools where there were shortages. This resulted in utilisation of plan funds amounting to Rs. 12.96 lakhs (upto May 1977) for non-plan purposes.

3.6.4 *Utilisation of Craft Instructors*

As part of basic education, courses in crafts were introduced in secondary schools in 1954 but these courses were discontinued around 1967. Work education was introduced in January 1974 in the curriculum of the 10 plus 2 stage schools.

The department had 351 Craft Instructors as on 30th September 1976 recruited originally for imparting education in crafts in secondary schools. A review of the available inspection reports of various schools issued by the Deputy Directors of Education and Inspectors of Schools during 1973-74 to 1975-76, however, disclosed that in almost all the schools craft teaching in the trades for which trained Craft Instructors had been posted had been discontinued and/or the new course of work education had not been introduced (January 1978).

Non-starting of trade courses was attributed by the department to non-construction of craft sheds, high recurring cost of running the trades, etc.

Even when the existing Craft Instructors in schools could not be utilised for the purpose for which they had been appointed as mentioned above, 9 skilled and 27 semi-skilled workers working in the Craft Teachers' Training Institute (C.T.T.I.) were appointed on 24th June 1974 as Craft Instructors in the scale of Rs. 125-200 (pre-revised) and Rs. 240-440 (revised) against vacant posts in senior basic schools. They were kept attached to the C.T.T.I. but their services were not utilised as Craft Instructors. Further, training programmes in the C.T.T.I. had also been discontinued from April 1973. Thus, Rs. 6.06 lakhs paid (upto January 1978) as salaries to these Instructors had served no useful purpose.

The Government stated (January 1978) that pending receipt of information about the curriculum of the new ten-year schooling course (Madhyamic) as also the twelve-

year course from the West Bengal* Board of Secondary Education, the instructors were retained in the expectation that their services would be necessary for "Work Education" under the new curriculum.

3.6.5 *Idle staff of Craft Teachers' Training Institute*

The C.T.T.I. was started in February 1959 with the object of imparting training to teachers in six major crafts, viz., weaving and spinning, wood, cane and bamboo, book binding, metal, tailoring and embroidery. Regular training courses for Assistant Teachers deputed from various schools were conducted upto December 1968. A refresher course of 3 months' duration was being run upto March 1973. Thereafter neither any fresh batch of Assistant Teachers was deputed for training nor was any refresher course conducted even though staff numbering 30 continued to be retained since April 1973.

In April 1977, the department decided that work education orientation courses for teachers be conducted in the C.T.T.I. to enable them to take up classes in work education as per the syllabus introduced from January 1974. These courses had not, however, been started (January 1978). As no training was conducted at the C.T.T.I. since April 1973, the pay and allowances paid to the staff since then amounting to Rs. 9.54 lakhs (upto January 1978) had served no useful purpose. This was brought to the notice of the Government in August 1977; comments are awaited (April 1978).

3.6.6 *Hindi education*

The records of the Hindi Education Officer disclosed that the services of the staff of the Hindi Teachers' Training College (abolished in 1968) namely, Senior Lecturer (1), Lecturers (3), Hindi Teachers (9) and Hindi Pracharaks (9), were being utilised for taking classes (in medium other than Hindi) in various colleges and secondary schools in addition to the services of the sanctioned staff of these colleges and schools. The Government stated (January 1978) that necessary "adjustment" would be made in future.

* Tripura has a separate Board of Secondary Education from January 1976.

It was noticed that, out of 6 Hindi Prachar Centres, one centre had a student strength of 54 while the other three centres had a strength varying from 12 to 16 and two centres had no students (March 1977). The Government stated (January 1978) that Hindi Pracharaks were being withdrawn from centres where the number of students was very insignificant or nil and posted where they were needed.

3.6.7 Book bank

With a view to providing text books to Scheduled Caste/Scheduled Tribe (S.C./S.T.) students reading in classes III to X, book banks were started from the academic session 1976. The salient features of the book bank scheme were as under :

(a) A complete set of the prescribed text books was to be given to each S.C./S.T. student on loan. At the end of the academic session, the books were to be returned by the students.

(b) Only approved and standard text books were to be purchased on the basis of the roll strength of S.C./S.T. students.

(c) To get the advantage of concessional rates, purchases were to be made direct from the publishers.

The total amounts allotted (actual expenditure incurred thereagainst being not available with the department) for the scheme during 1975-76 and 1976-77 were as follows :

| Year | Amount (in lakhs of rupees) |
|---------|--|
| 1975-76 | 8.96 |
| 1976-77 | 8.09 |
| Total | <hr style="width: 50px; margin: 0 auto;"/> 17.05 |

A test-check of records (June 1977) of 5 inspectorates (out of 11) and 8 secondary schools (out of 96), where book banks had been established at a total cost of Rs. 6.57 lakhs, disclosed the position as given below :

| Inspectorate/School | Books required for S.C./S.T. students as per roll strength on 31st March 1977 | Books purchased during 1975-76 and 1976-77 | Excess purchase of books | Books in stock |
|--|---|--|--------------------------|----------------|
| 1 | 2 | 3 | 4 | 5 |
| <i>(cost in lakhs of rupees)</i> | | | | |
| A. Inspectorates | | | | |
| 1. Dharmanagar | 0.19 | 0.57 | 0.38 | 0.03 |
| 2. Kailashahar | 0.22 | 0.40 | 0.18 | 0.07 |
| 3. Kamalpur | 0.23 | 1.25 | 1.02 | 0.16 |
| 4. Sadar 'A' | 0.43 | 1.36 | 0.93 | 0.03 |
| 5. Sadar 'B' | 1.11 | 2.30 | 1.19 | ... |
| Total | 2.18 | 5.88 | 3.70 | 0.29 |
| B. Schools | | | | |
| 1. B. B. Institution, Dharmanagar | 0.02 | 0.08 | 0.06 | 0.05 |
| 2. Girls' Higher Secondary School, Dharmanagar | 0.01 | 0.10 | 0.09 | 0.07 |
| 3. Padmapur Higher Secondary School, Dharmanagar | 0.01 | 0.04 | 0.03 | 0.02 |
| 4. Higher Secondary School, Kamalpur | 0.02 | 0.08 | 0.06 | 0.01 |
| 5. K. C. Girls' Higher Secondary School, Kamalpur | 0.02 | 0.07 | 0.05 | 0.03 |
| 6. Girls' Higher Secondary School, Kailashahar | 0.02 | 0.10 | 0.08 | 0.07 |
| 7. R. K. Institution, Kailashahar | 0.02 | 0.11 | 0.09 | 0.06 |
| 8. Vidyanagar Higher Secondary School, Kailashahar | 0.01 | 0.11 | 0.10 | 0.06 |
| Total | 0.13 | 0.69 | 0.56 | 0.37 |
| Grand Total | 2.31 | 6.57 | 4.26 | 0.66 |

Difference between columns (4) and (5)—Rs. 3.60 lakhs.

The above table shows that—

(i) computed with reference to the actual number of S.C./S.T. students on 31st March 1977, excess purchase of books costing Rs. 4.26 lakhs had been made upto 1976-77.

(ii) although there had been excess purchase of books costing Rs. 4.26 lakhs, books costing Rs. 0.66 lakh only were found in stock.

Some unapproved books (cost : Rs. 0.14 lakh) had also been purchased.

The Government stated (January 1978) that about 75 to 80 per cent of the children of primary classes did not take much care of the books resulting in damage to them. As such it was considered necessary to purchase text books without limiting the number to the actual number of S.C./S.T. students.

3.6.8 Grants

According to the rules in force, a private primary/junior basic/senior basic/junior high/high/higher secondary school is entitled to get a grant upto 90 per cent of the difference between the approved expenditure and the income from fees. At the time of calculating the approved expenditure, one third for secondary stage/ one fifth for primary stage of the total of the teachers' salaries, dearness allowance, contributory provident fund contribution, etc., was to be added to cover the expenditure on other charges. Utilisation certificates for recurring grants were to be furnished within six months.

Non-recurring grants for special purposes were sanctioned as and when required. According to the rules in force, utilisation certificates for non-recurring grants were required to be furnished by the grantee institutions to the department within a stipulated period, failing which they were liable to refund the amount drawn.



During 1974-75 to 1976-77, recurring and non-recurring grants were paid to primary and secondary schools as follows :

| Year | Primary | | | Secondary | | |
|--------------------------------------|-------------------|------------------|----------------------|-------------------|------------------|----------------------|
| | Number of schools | Recurring grants | Non-recurring grants | Number of schools | Recurring grants | Non-recurring grants |
| <i>(amount in lakhs of rupees)</i> | | | | | | |
| 1974-75 | 25 | 11.44 | 0.19 | 28 | 53.47 | 0.59 |
| 1975-76 | 26 | 15.40 | 0.03 | 29 | 61.16 | 2.78 |
| 1976-77 | 26 | 12.65 | ... | 29 | 59.75 | 0.20 |

A test-check (April-July 1977) of the accounts/records of the Directorate of Education indicated the following irregularities.

(a) Utilisation certificates in the cases detailed below had not been received though the period for submission of utilisation certificates was over :

| Serial number | Institution | Year | Amount (in lakhs of rupees) | Purpose | Remarks |
|---------------|-------------|---------|-------------------------------------|--|---|
| 1. | 'A' | 1972-73 | 0.10 | Construction of Swatantrata Bhavan | Work not taken up as work of this magnitude would require reportedly substantial funds. |
| 2. | 'B' | 1972-73 | 0.35 | Construction of building | Construction done upto plinth level. |
| 3. | 'C' | 1972-73 | 0.52 | Purchase of scientific equipment and books | No information furnished by the institution |

| Serial number | Institution | Year | Amount (in lakhs of rupees) | Purpose | Remarks |
|---------------|-------------|--------------------|-----------------------------------|---|--|
| 4. | 'D' | 1972-73 | 0.40 | Construction of building | As no tender was received the proposal for construction was dropped. Rupees 0.10 lakh were lent to the primary section for payment of salary, etc., to the staff. |
| 5. | 'E' | 1973-74 ... | 0.09 | Raising of compound wall, filling up of ditches and water supply | Amount was not spent. |
| 6. | 'F' | 1973-74 1974-75 | 2.00 3.00 | Construction of Tripura Pavilion at Pondicherry | Payees' receipt for Rs. 2.00 lakhs was not produced. No information was available indicating the progress of construction. |
| 7. | 'G' | 1974-75 | 0.55 | Construction of school building— Rs. 0.39 lakh, boundary walls —Rs. 0.16 lakh | Construction was completed on 31st July 1974. However the work having been done without any technical supervision, the Executive Engineer, Teliamura Division refused to countersign the utilisation certificates. |

The grantee institutions having failed to utilise the amounts within the stipulated period as per the terms, the

amounts were liable to be refunded to the Government but had not been refunded (December 1977).

(b) *Institution 'II'*

On receipt of allegations of improper utilisation of grants by the institution, the Government constituted (June 1972) a committee of officials to examine, *inter alia*, the position of utilisation of grants received by the Managing Committee of the institution for two of the schools managed by it.

The committee in its interim report dated 9th July 1972 observed that Rs. 3.23 lakhs had been received as non-recurring grants by the institution during 1959-60 to 1966-67 for two of the schools managed by it. It further appeared from the report that the Additional Director of Education had lodged a complaint with the police about misutilisation of Government grants and articles purchased. It was suggested by the committee that the work done as a whole might be assessed against the total of the grants advanced as it would not be possible to secure an utilisation certificate against each and every grant due to improper maintenance of records. The committee had not submitted its final report (February 1978).

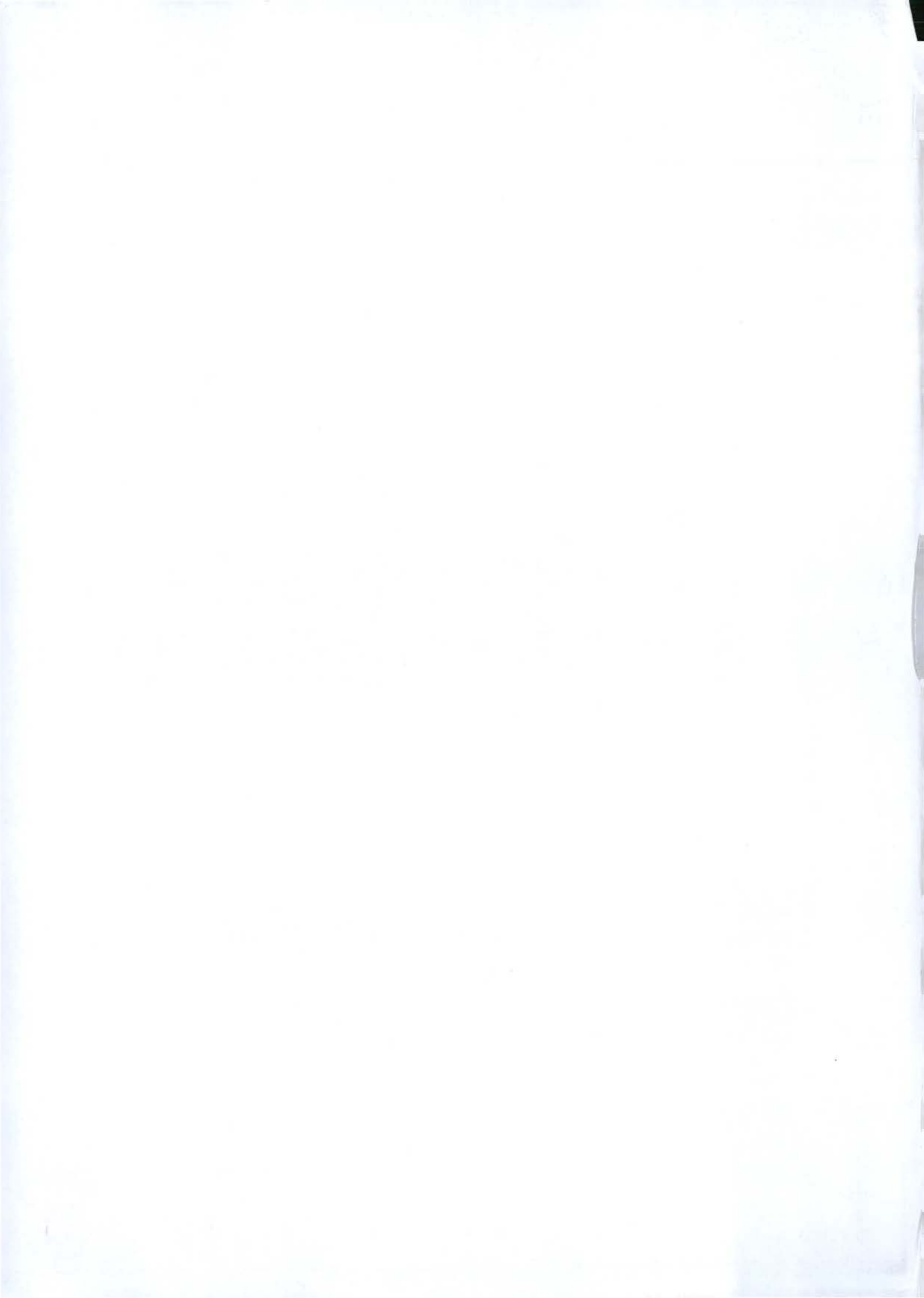
Neither a copy of the complaint made by the Additional Director of Education in regard to misutilisation of grants by the Managing Committee nor the police investigation report, if any, was produced during audit (June 1977).

The Superintending Engineer, who had inspected the institution's educational complex along with the Chief Engineer, had stated in his report (June 1974) that the workmanship of the single and double storey portion of the schools constructed out of Government grants, released during 1961-62 to 1966-67, was very bad, the buildings being structurally unsafe and not repairable.

The total cost of construction was not known (December 1977). The building having been considered structurally unsafe, classes were being held elsewhere.

3.6.9 *Inspection of schools*

The following inspecting staff had been sanctioned mainly for conducting periodical inspection of schools with a view to improving their standard :



(c) A number of articles (Record player—8, Gramophone—8, Table clock—11, Bicycle—7, etc.) were handed over to one Hindi Pracharak in April 1962 for distribution to various prachar centres (their value was not on record). No acknowledgements from the centres showing receipt of the articles were available. Most of the centres had been closed in 1965.

(d) The Accountant of the office handed over charge of stores in November 1965 showing shortages in the following items of stores :

Linguaphone—10, Gramophone—5, Film—16 mm—48, Wooden chair without arms—46, Steel folding chair—174, Godrej storewell—2, Godrej tubular writing table—2, Battery amplifier—2, Wooden cot—57, Wooden table—96, Sectional book case—80, Almirah—50, Gramophone record—1645, Storewell cupboard—7, Long playing record—23, Microphone—2, Duplicating machine—1 (their value was not available from the records).

Most of the above items of stores had been purchased during 1956-57 to 1965-66. Though the shortages had been detected about 12 years back, no action had been taken to locate the items or to recover their value from the officials responsible for the loss. The loss had also not been written off (April 1978).

(iii) After transfer of the Teachers' Training Course to the College of Education in 1973-74, 3,185 English and 1,634 Bengali books were handed over (1976) to other institutions; the whereabouts of 523 English and 339 Bengali books were not known (July 1977).

Though the Hindi Teachers' Training College which was also under the charge of the Hindi Education Officer ceased to function from July 1968, 19,847 Hindi books were lying with it. Similarly, most of the prachar centres had ceased to function from 1965. Nevertheless, 5,275 Hindi books (value : not known) were lying with them.

The Government stated (January 1978) that the department was fully seized of the situation in the Hindi Teachers' Training College, that its records were being investigated by a Senior Officer and that appropriate action would be taken on completion of investigations.

FOOD AND CIVIL SUPPLIES DEPARTMENT

3.7 *Fraudulent payment*

During a test-check (March 1977) of the procurement accounts of the Sabroom Sub-division it was noticed that 423 quintals of paddy (cost : Rs. 0.33 lakh) procured in February 1974 had not been accounted for in the Manu-bazar Godown although the Storekeeper of the godown had signed the certificates of purchase and payment for the purchase had been made by the department in March 1974. The quantity was, however, shown as 'godown-deficiency' in the consolidated stock account. A criminal case was instituted (April 1974) against the Storekeeper ; further developments are awaited (April 1978).

The matter was referred to the Government in June 1977 ; reply is awaited (April 1978).

INDUSTRIES DEPARTMENT

3.8 *Outstanding rent*

During April 1961 to July 1974, 26 sheds in the Industrial Estate at Arundhutinagar were allotted to 16 parties (private entrepreneurs, Government undertakings and companies and an autonomous body) on monthly rental basis.

According to the rules, each allottee had to execute an agreement before taking over possession of the shed/sheds. It was, however, noticed that such agreements had been executed by 4 allottees only (November 1976). Rent rolls had also not been issued regularly to the parties by the Estate Manager (Industries), Agartala who was responsible for management of the Estate. Till May 1976, Rs. 1.91 lakhs remained to be realised as rent from 16 allottees of these sheds (private entrepreneurs (12) : Rs. 0.71 lakh ; Government undertakings (2) : Rs. 1.10 lakhs ; autonomous body (1) : Rs. 0.09 lakh and Government company (1) : Rs. 0.01 lakh).

Certificate cases were instituted against 7 parties in June 1976 ; information about action taken in the remaining cases is awaited (April 1978).

The matter was referred to the Government in March 1977 ; reply is awaited (April 1978).

3.9 Sale on credit

During audit (November 1976) of the accounts of the Technical Officer, Industrial Estate, Arundhutinagar, it was noticed that sales of finished products of Government units in the Estate had been made to Government departments and private parties on credit basis without any authority for making such credit sales. Rupees 11.87 lakhs were awaiting recovery (November 1976) from Government departments/private parties in respect of items sold during 1971-72 to 1975-76. The year-wise details are given below :

| Year | Recovery due | | | Total sales during the year |
|------------------------|------------------------|-----------------|-------|-----------------------------|
| | Government departments | Private parties | Total | |
| (in lakhs of rupees) | | | | |
| 1971-72 | 0.35 | ... | 0.35 | Not available |
| 1972-73 | 0.75 | 0.14 | 0.89 | Not available |
| 1973-74 | 2.53 | 0.13 | 2.66 | 7.19 |
| 1974-75 | 2.44 | 0.32 | 2.76 | 4.82 |
| 1975-76 | 5.09 | 0.12 | 5.21 | 9.13 |
| | 11.16 | 0.71 | 11.87 | |

In most of these cases, acknowledgements from the departments/private parties confirming receipt of the items sold to them/amount due from them were not produced during audit.

The matter was referred to the Government in March 1977 ; reply is awaited (April 1978).

MEDICAL AND PUBLIC HEALTH DEPARTMENT

3.10 *Cardiac care unit*

On 30th March 1974, Rs. 0.96 lakh were drawn from the treasury by the Director of Health Services for purchase of a Cardiac Care Unit from a foreign firm through its agents in Calcutta. The unit was to be installed at the G.B. Hospital, Agartala. The firm was paid Rs. 0.86 lakh in foreign exchange in August 1974 and January 1975. The bank commission and clearing and other charges amounting to Rs. 0.02 lakh were paid between January and May 1975 while the balance of Rs. 0.08 lakh was refunded into the treasury in September 1975. Separately, the agents were also paid Rs. 0.12 lakh for installation, testing, etc., in October 1975.

The unit was received in two consignments in January and April 1975. Pending completion of construction of a separate ward for it (scheduled to be completed in early 1975), the unit was temporarily installed in September 1975 in two cabins which had to be re-modelled for the purpose. Two doctors were trained in the working of the unit in a Calcutta Hospital for three months from March to June 1976. It was observed, however, that the unit had not started functioning (February 1978).

The Superintendent of the hospital had stated (March 1977) that the unit had not started functioning as no Resident Medical Officer was provided for the purpose.

The matter was referred to the Government in February 1976 ; reply is awaited (April 1978).

PUBLIC RELATIONS AND TOURISM DEPARTMENT

3.11 *Community listening sets*

(a) Under the Community Listening Programme, community listening sets were supplied from 1955-56 onwards to various centres for distribution to selected villages and communities on subsidy basis. Seventy-five per cent of the cost was borne by the Government upto 1961-62 and the entire cost thereafter. Community listening sets were also supplied to Radio Rural Forums organised

from 1957-58. In all, 2,057 sets were stated to have been purchased upto March 1976 for these purposes.

According to the stock register of community listening sets maintained by the Directorate of Public Relations and Tourism, 1,939 sets were issued upto March 1976 to the organising field officers. Of these, 1,170 sets were installed upto June 1976 in different centres.

The Government stated (December 1977) that out of 2,057 sets acquired by the directorate, 735 sets were with live forums, 363 sets had been received back from the forums, 61 sets were with defunct forums and 54 sets were reportedly burnt or missing. The whereabouts of the remaining 844 sets valued at Rs. 2.79 lakhs (Rs. 330 each) were not known (February 1978). The present (December 1977) condition of 363 sets that had been received back (of which 320 sets were stated to be irreparable in March 1976) was also not known. The Government further stated that out of 2,057 sets, only 550 sets were the property of the Government and the remaining sets were the property of the villagers/communities, that "so far as the Government was concerned, the matter ended with the bearing of expenditure on subsidy", and that "over all those years, we have not been receiving either any demand for supply of batteries or any demand for repairs for many of the community listening sets distributed to the villagers/communities under the subsidy scheme".

(b) It was also noticed during audit of the directorate in November 1976 that 21 commercial radio sets had been purchased of which 12 sets (cost : Rs. 0.07 lakh) had been issued to Government officials and others (October 1976). One such set had been issued to an official who had since left the department (November 1976).

The Government stated (December 1977) that 15 sets were with the directorate.

REVENUE DEPARTMENT

3.12 *Fire victim loan*

For granting loans to 25 persons* affected by a fire accident at Silachhari Bazar in February 1971, Rs. 0.92 lakh were drawn on 31st March 1973 by the Sub-divisional Officer, Sabroom after presenting an abstract contingent bill at the treasury. The sanction for payment of individual loans was, however, issued in April 1973. Of the amount drawn, Rs. 0.90 lakh were disbursed to 19 persons in January 1974, the balance of Rs. 0.02 lakh being neither disbursed nor refunded into the treasury (September 1977).

The loans were recoverable in 60 equal monthly instalments (together with interest) commencing from the expiry of 6 months from the date of disbursement. Upto August 1977, Rs. 0.71 lakh (principal : Rs. 0.55 lakh ; interest : Rs. 0.16 lakh) were due for recovery but no recovery had been made. No register to watch recoveries had also been maintained (August 1977).

The matter was referred to the Government in April 1976 ; reply is awaited (April 1978).

CHAPTER IV
WORKS EXPENDITURE
PUBLIC WORKS DEPARTMENT

4.1 *Extra-contractual payment*

For each of the years 1965-66 to 1971-72, contractor 'S' was engaged for 'Cartage of diesel oil, transformer oil and POL in barrels measuring in litres including loading, unloading and handling etc., as required' from Dharma-nagar Railway Station to the power houses at Agartala, Udaipur and Bagafa under the Electrical Division No. I. Payment against the contract for each year was made in full and final settlement of all claims and the related security deposits were also released from time to time, the last one being released in May 1972.

In December 1974, contractor 'S' represented to the Electrical Division No. I, Agartala that during the execution of the carriage contracts for the years 1965-66 to 1971-72, he had been compelled by the department to transport barrels from the unloading place to the oil-tank of the power house by rolling them, that he had also to decant oil into the tank and that these had cost him Rs. 1.50 per barrel extra. He requested the division to reimburse him the extra cost incurred by him.

About the same time, another contractor, 'J', also claimed similar extra payments in respect of similar contracts for the years 1972-73 to 1974-75.

On a reference made by the division in January 1975, the Agartala Power House Sub-division worked out (February 1975) the rate for decanting at Re. 0.37 per barrel. On a further reference by the division in April 1975, the Sub-division revised (April 1975) the rate to Re. 0.75 per barrel taking into account rainy and sunny weather instead of normal climatic conditions taken into account in working out the earlier rate.

The following payments were made accordingly :

| Contractor | Amount (in lakhs of rupees) | Month of payment |
|------------|----------------------------------|---------------------|
| 'J' | 0.15 | May 1975 |
| " | 0.07 | July 1975 |
| 'S' | 0.60 | February 1976 |
| " | 0.07 | March 1976 |
| | <u>0.89</u> | |

Contractor 'S' also gave an undertaking (February 1976) that he would not prefer any further claims.

On subsequent representations (February and March 1976) by the contractors for payment at a higher rate, the Superintending Engineer revised (March 1976) the rate to Rs. 1.32 per barrel, which included other items like operation of pumps, pipe lines, valves, etc., by highly skilled and skilled labourers, besides decanting work by unskilled labourers. On the basis of this revised rate, further payments of Rs. 0.17 lakh and Rs. 0.52 lakh were made to contractors 'J' and 'S' respectively in March 1976.

The following points arise in this connection :

(i) There was no documentary record in support of the contractors' contention that they had worked beyond the scope of the contract. No work-order requiring them to perform the tasks claimed to have been discharged was on record.

(ii) The Sub-divisional Officer (Electrical), Agartala Power House Sub-division had in a letter (January 1975) to the Electrical Division No. I stated that since the commencement of the contract the contractor "has been arranging to make the D. oil barrels empty by his labourers after unloading the same in the Power House at his own to get the empty barrels loaded in the same truck for further carriage of oil.....Then the oil is taken to the storage tank through pipe lines by centrifugal pump operated by an electric motor fitted with the *pucca* tank. So the contractor is arranging emptying of the barrels only". The analysis prepared by him for working out the

rates of Re. 0.37 and Re. 0.75 per barrel also showed that only the expenditure involved in decanting oil into the *pucca* tank had been taken into consideration.

(iii) In working out the final rate of Rs. 1.32 per barrel, the Superintending Engineer, Electrical Circle had taken into account not only the expenditure involved in decanting the oil into the *pucca* tank but also the expenditure involved in pumping the oil from the *pucca* tank to the storage tank by one highly skilled and 4 skilled labourers even though the contractors had claimed the cost of decanting the oil only and no mention had been made of pumping the oil by them to the storage tank.

(iv) Though final payments had been made and the claims settled under each year's contracts, the claims for extra payment were admitted after a lapse of several years.

(v) Further, in spite of the undertaking given (February 1976) by contractor 'S' that no further claims would be made, his further claims amounting to Rs. 0.52 lakh were also admitted and paid.

The extra-contractual payments so made to the contractors amounted to Rs. 1.58 lakhs.

The matter was referred to the Government in May 1977 ; reply is awaited (April 1978).

4.2 *Infructuous expenditure*

The work 'Drilling and developing of deep tube-wells for water supply and irrigation in Tripura' was entrusted (February 1973) to a firm at the negotiated rate of a maximum of Rs. 1.45 lakhs for each successful/unsuccessful tube-well. According to the agreement, the firm was to drill a maximum of 20 tube-wells. Of these, 9 wells were to be developed by the end of April 1973 and 2 wells per rig per month from May 1973 so long as the drought emergency condition existed. The agreement was to terminate when the total cumulative rainfall at Agartala from 15th May 1973 reached 15 inches. The firm was also to be issued equipment like rigs by the department.

On 30th May 1973, the total cumulative rainfall at Agartala reached 15 inches. According to the agreement, the firm should have developed by then 13 wells in all—

9 wells by 30th April 1973 and another 4 wells upto 30th May 1973—with the help of the 2 rigs issued to it. Actually, the firm had bored 11 wells by then, of which 5 wells were successful and the remaining 6 were abandoned. The request of the firm for extension of time upto June 1973 because of delayed supply of rigs by the department was rejected and the contract was terminated on 30th May 1973. The firm was also asked to hand over the rigs on 25th June 1973. Payment of Rs. 7.38 lakhs in terms of the agreement for the work done (Rs. 6.74 lakhs for 5 successful wells and Rs. 0.64 lakh for one unsuccessful well) was not acceptable to the firm and it prayed for arbitration (February 1974).

The Arbitrator awarded (February 1975) an additional amount of Rs. 5.97 lakhs in favour of the firm (against Rs. 13.72 lakhs claimed by it). The award money which was paid to the firm in September 1976 included Rs. 0.87 lakh as compensation for loss of work due to not granting extension of time as the firm's contention that the machinery for drilling had not been handed over by the department in time was upheld by the Arbitrator. The first rig was to be issued to the firm on 20th February 1973 and the second one on 1st March 1973. Actually, the first rig was handed over on 16th March 1973 and the second one on 20th March 1973. The firm had, thus, lost 43 rig-days as a result of delayed supply of rigs by the department. Besides, the firm was not held responsible for 4 infructuous holes that had been drilled. According to the agreement, two infructuous holes were considered reasonable and it was held that the firm was entitled to an extra 30 rig-days on account of time spent in drilling two additional infructuous holes. According to the Arbitrator, the firm could have done more than 4 wells during these 73 (43 + 30) rig-days and as such, its claim for loss of work in respect of 4 wells due to not granting extension of time was held to be justified and it was awarded Rs. 0.87 lakh (15% of 4 x Rs. 1.45 lakhs) as mentioned above towards compensation for loss of work.

The failure of the department to supply rigs in time resulted in shortfall in boring and development of wells during the drought emergency condition for which the Government had to incur infructuous expenditure.

The matter was referred to the Government in May 1977 ; reply is awaited (April 1978).

4.3 *Dues from a contractor*

In January 1972, the work 'Construction of Hostel No. 1 for Basic Training College at Kakraban' was entrusted to contractor 'A' for Rs. 1.24 lakhs for completion by November 1972. The contractor executed the work partly, for which he was paid Rs. 0.60 lakh till September 1973 after which he did not do any further work. The contract with him was rescinded in September 1975 by the Southern Division No. I, Udaipur and in March 1976 the unfinished work was entrusted to another contractor 'N' for Rs. 0.99 lakh. Compared to the rates of contractor 'A', this involved an additional expenditure of Rs. 0.29 lakh, which was recoverable from 'A' as per the terms and conditions of the agreement with him. His security deposit of Rs. 0.04 lakh was forfeited and payment of Rs. 0.06 lakh being the value of work done by him but not paid for was held up, leaving Rs. 0.19 lakh to be recovered from contractor 'A'.

Besides, stores valuing Rs. 0.06 lakh issued to contractor 'A' during March 1972 to February 1975 remained with him unutilised and had not been returned (December 1976). According to the conditions of the contract, contractor 'A' was liable to pay for these stores at double the issue rate, i.e., Rs. 0.12 lakh. This amount also had not been recovered (December 1976).

The matter was referred to the Government in March 1977 ; reply is awaited (April 1978).

4.4 *Loss of rent*

During audit of the Amarpur Division, it was noticed (September 1974) that 8 semi-permanent residential quarters constructed on Project Tilla, Amarpur in 1960-61 at a cost of Rs. 0.77 lakh had remained vacant since their construction.

The division stated (May 1977) that the quarters could not be occupied as they were located on the top of a tilla, to which water could not be lifted in the normal

course. It added that water was expected to be provided to these quarters after completion of the new water supply scheme for Amarpur already in hand. Computed at the standard rent for the quarters, loss of rent would work out to Rs. 0.67 lakh approximately (upto December 1977).

The matter was referred to the Government in January 1978 ; reply is awaited (April 1978).

4.5 *Infructuous expenditure on a demolition chamber*

On the advice of the Army authorities, the Superintending Engineer, Planning Circle informed the Superintending Engineer, Second Circle on 26th April 1975 not to provide demolition chambers for the bridges in Tripura.

During inspection of construction of the bridge over the *Senai* on 14th May 1975, the Superintending Engineer, Second Circle considered (for reasons not on record) that a demolition chamber should be provided for the bridge. The work was entrusted by him to a contractor on the spot. This allotment of work without call of tenders exceeded the powers of the Superintending Engineer. A demolition chamber was accordingly provided at a cost of Rs. 0.40 lakh, but it was not actually placed in position due to difficulties experienced in fixing it at the intended spot. While some of its parts (cost : Rs. 0.23 lakh) remained fitted to the bridge, others (cost : Rs. 0.17 lakh) were kept in stores (April 1977).

The matter was referred to the Government in January 1977 ; reply is awaited (April 1978).

4.6 *Infructuous expenditure on drivers*

In the course of audit of the accounts of the Ambassa Division in March 1977, it was noticed that three stone crushers had been sent to the Mechanical Workshop, Agartala in 1969 for repairs. One truck (purchased in January 1964, cost : Rs. 0.31 lakh) had also been sent to that workshop for repairs in October 1973. The crushers and the truck had not been received back from the workshop (March 1977).

Two work-charged drivers—one for one of the crushers and the other for the truck—continued to be entertained

without any work. Upto March 1977, they had been paid salaries amounting to Rs. 0.43 lakh (from April 1969 and October 1973 respectively).

In July 1976, the Executive Engineer requested the Superintending Engineer, First Circle to withdraw the drivers from the division for utilisation of their services elsewhere. Further developments are awaited (April 1978).

The matter was referred to the Government in June 1977; reply is awaited (April 1978).

4.7 Irregular award of works

According to the rules, an Executive Engineer is empowered, in unavoidable and emergent cases, to award maintenance works without call of tenders for Rs. 10,000 or less in individual cases subject to the limit of Rs. 50,000 during a financial year for the division as a whole. In the course of audit it was noticed that the total cost of such works in a financial year had exceeded the prescribed monetary limit, as under :

| Serial number | Division | Year | Number of works | Total cost (in lakhs of rupees) |
|---------------|------------------------------------|---------|-----------------|---------------------------------|
| 1. | Agartala Division No. I | 1974-75 | 45 | 1.21 |
| | | 1975-76 | 48 | 1.43 |
| 2. | Amarpur Division | 1973-74 | 43 | 1.99 |
| | | 1974-75 | 25 | 1.03 |
| | | 1975-76 | 31 | 0.98 |
| 3. | Northern Division | 1974-75 | 49 | 1.56 |
| | | 1975-76 | 74 | 2.05 |
| 4. | Public Health Engineering Division | 1974-75 | 54 | 3.08 |
| | | 1975-76 | 54 | 1.27 |
| | | 1976-77 | 17 | 1.20 |
| 5. | Southern Division No. II | 1973-74 | 95 | 5.55 |
| | | 1974-75 | 43 | 1.70 |
| | | 1975-76 | 117 | 4.29 |
| 6. | Stores Division | 1975-76 | 28 | 1.57 |
| | | 1976-77 | 23 | 1.39 |
| | | | 746 | 30.30 |

The matter was referred to the Government between September 1976 and May 1977 ; reply is awaited (April 1978).

4.8 *Outstanding advances for purchase of stores*

According to the rules, payment for stores is generally not permissible until the stores have been received and surveyed. On production of Railway Receipts as proof of despatch of stores, payment may, however, be permitted by the Government but such payment is treated as an advance pending final settlement of bills on receipt of the stores.

During audit of the Stores Division, Agartala it was noticed (February 1977) that advances totalling Rs. 90.71 lakhs made by the Executive Engineer to various firms during 1972-73 to 1974-75 for supply of steel materials were outstanding in the books of the Stores Division, as detailed below :

| Years in which advances paid | Number of advances | Amount (in lakhs of rupees) |
|------------------------------|--------------------|----------------------------------|
| 1972-73 | 40 | 20.95 |
| 1973-74 | 17 | 9.84 |
| 1974-75 | 52 | 59.92 |
| | <u>109</u> | <u>90.71</u> |

The Railway Receipts had been reportedly received by the Stores Sub-division, Dharmanagar for taking delivery of the materials from the Dharmanagar Railway Station—the rail-head for the State. During audit, however, no records were produced to show that the materials against these advances had been received.

The matter was referred to the Government in May 1977 ; reply is awaited (April 1978).

4.9 *Heavy cash retained in hand*

According to the rules, money should not be drawn from the treasury unless it is required for immediate disbursement. Any unspent balance is required to be refunded into

the treasury promptly. A test-check of the records of the Public Works divisions disclosed that heavy cash had been retained in hand by the Divisional Officers at the close of each of the financial years from 1971-72 to 1976-77 as shown below :

| Year | Number of divisions | Amount (in lakhs of rupees) |
|---------|---------------------|----------------------------------|
| 1971-72 | 18 | 27.80 |
| 1972-73 | 19 | 20.33 |
| 1973-74 | 19 | 22.51 |
| 1974-75 | 21 | 18.87 |
| 1975-76 | 20 | 62.46 |
| 1976-77 | 21 | 74.78 |

In the succeeding three months after March 1975, March 1976 and March 1977, the cash balance generally registered further increases as shown below :

| Year | Month | Amount (in lakhs of rupees) |
|------|-------|----------------------------------|
| 1975 | March | 18.87 |
| | April | 29.33 |
| | May | 25.14 |
| | June | 19.77 |
| 1976 | March | 62.46 |
| | April | 73.48 |
| | May | 73.47 |
| | June | 72.24 |
| 1977 | March | 74.78 |
| | April | 82.02 |
| | May | 82.76 |
| | June | 82.76 |

The matter was referred to the Government in September 1977 ; reply is awaited (April 1978).

CHAPTER V
STORES AND STOCK

5.1 *Synopsis of stores accounts*

A synopsis of important stores accounts for 1976-77, which had been received by Audit upto December 1977, is given below :

| Department | Nature of stores | Opening balance on 1st April 1976 | Receipts | Issues | Closing balance on 31st March 1977 |
|--|--|-----------------------------------|----------|---------|------------------------------------|
| (in lakhs of rupees) | | | | | |
| 1. Education | Furniture, sports goods, books, utensils, equipment and machinery, etc. | 1,29.02 | 17.05 | 15.29 | 1,30.78 |
| 2. Forest | G.C.I. sheets, seeds, manures and uniforms | 0.44 | 3.53 | 2.89 | 1.08 |
| 3. Police | Kits, uniforms and stores | 22.56 | 17.38 | 15.59 | 24.35 |
| 4. Public Works (Power Projects wing) | A.C.S.R. conductors, transformers, copper wire and other consumable stores | 48.70 | 1,39.61 | 1,42.75 | 45.56 |
| 5. Public Works (Roads and Buildings Wing) | Small stores, building materials, metals, fuels, painters' stores, etc. | (-7.26) | 2,91.45 | 3,14.87 | (-30.68(a)) |

The stores accounts of the Agriculture, Finance, Food and Civil Supplies, Industries, Medical and Public Health, Public Relations and Tourism and Stationery and Printing (Government Press) departments had not been received (April 1978).

(a) *Minus* balance is due to non-adjustment of value accounts of stock received from various sources.

PUBLIC WORKS DEPARTMENT

5.2 *Stock registers*

The register of stock in a Public Works division is required to be closed at the end of September each year and reviewed by the Divisional Officer to ensure that the stock consists only of serviceable and necessary articles and that the stores are priced keeping in view the prevailing market rates. The stock is also required to be verified once a year by a responsible officer not below the rank of a Sub-divisional Officer.

Out of twenty-one divisions in the State, four divisions (Electrical Division Nos. I and III, Public Health Engineering Division and Investigation Division) had no stock when the stock registers to end of September 1976 were closed. One division (Electrical Division No. IV) started functioning from November 1976.

The remaining sixteen divisions had not closed (December 1977) their stock registers for periods varying from one to twelve years as shown below :

| Name of division | Year from/for which the registers had not been closed |
|-------------------------------|---|
| 1. Gumti Project Division | 1966 |
| 2. Southern Division No. II | 1966 |
| 3. Agartala Division No. IV | 1968 |
| 4. Agartala Division No. I | 1970* |
| 5. Electrical Division No. II | 1970* |
| 6. Southern Division No. I | 1970* |

* Differs from the year (1971) mentioned in the previous Report due to incorporation of correct position on receipt of further information.

| Name of division | Year from/for which the registers had not been closed |
|-------------------------------------|---|
| 7. Mechanical Division | 1973 |
| 8. Amarpur Division | 1974 |
| 9. Teliamura Division | 1974 |
| 10. Ambassa Division | 1975 |
| 11. Kumarghat Division | 1975 |
| 12. Minor Irrigation Division | 1975 |
| 13. Stores Sub-division, Electrical | 1975 |
| 14. Agartala Division No. III** | 1976 |
| 15. Northern Division | 1976 |
| 16. Stores Division | 1976 |

5.3 *Excess over reserve stock limit*

According to the rules, materials required by the Public Works divisions for works should not be purchased in advance or in excess of requirements. Where, however, a reserve of stock is necessary due to remoteness of the division or of the works from the source of supply of materials or for use in an emergency, the maximum limit of such reserve is required to be fixed by the competent authority for each year.

** Agartala Division No. II was merged with this division in January 1972. The stock register for that division from 1965 to the date of merger has also not been closed.

In eleven out of eighteen divisions where a reserve stock limit had been fixed, there was excess over the limit as shown below :

| Name of division | Reserve stock limit (in lakhs of rupees) | Period during which the stock limit was exceeded | Maximum amount of excess (in lakhs of rupees) | Percentage of maximum excess to reserve stock limit |
|-------------------------------------|--|---|---|---|
| 1. Agartala Division No. I | 1.00 | July 1976, December 1976 and March 1977 | 5.27 | 527 |
| 2. Agartala Division No. III | 1.00 | April 1976 | 1.80 | 180 |
| 3. Agartala Division No. IV | 1.00 | April 1976 to December 1976 | 0.90 | 90 |
| 4. Amarpur Division | 3.00 | April 1976 to March 1977 | 6.32 | 210 |
| 5. Electrical Division No. II | 4.00 | April 1976 to March 1977 | 8.50 | 212 |
| 6. Kumarghat Division | 2.00 | June 1976 to December 1976, February 1977 and March 1977 | 1.92 | 96 |
| 7. Mechanical Division | 10.00 | April 1976 to March 1977 | 2.30 | 23 |
| 8. Southern Division No. I | 4.00 | June 1976 and August 1976 to March 1977 | 3.79 | 95 |
| 9. Southern Division No. II | 4.00 | February 1977 | 0.17 | 4 |
| 10. Stores Sub-division, Electrical | 50.00 | August 1976, September 1976 and November 1976 to January 1977 | 19.69 | 39 |
| 11. Teliamura Division | 4.00 | April 1976 and May 1976 | 1.81 | 45 |

5.4 Tools and plant accounts

Public Works divisions are required to close and balance the registers of tools and plant each year in September. Twenty divisions had not closed (December 1977) the registers for periods varying from one to twelve years as shown below :

| Name of division | Year from/for which the registers had not been closed |
|---|---|
| 1. Electrical Division No. I | 1965 |
| 2. Gumti Project Division | 1967 |
| 3. Agartala Division No. I | 1970* |
| 4. Electrical Division No. II | 1972 |
| 5. Electrical Division No. III | 1972* |
| 6. Agartala Division No. IV | 1973 |
| 7. Mechanical Division | 1973 |
| 8. Public Health Engineering Division (a) | 1974 |
| 9. Ambassa Division. | 1975 |
| 10. Kumarghat Division | 1975 |
| 11. Southern Division No. I | 1975 |
| 12. Southern Division No. II | 1975 |
| 13. Stores Sub-division, Electrical | 1975 |
| 14. Stores Division | 1975 |
| 15. Agartala Division No. III(b) | 1976 |
| 16. Amarpur Division | 1976 |
| 17. Investigation Division | 1976 |
| 18. Minor Irrigation Division | 1976 |
| 19. Northern Division | 1976 |
| 20. Teliamura Division | 1976 |

(*) Differs from the year (1971 in the case of serial No. 3 and 1973 in the case of serial no. 5) mentioned in the previous Report due to incorporation of correct position on receipt of further information.

(a) Ground Water Division was merged with this division in February 1976. Tools and plant accounts from September 1974 to the date of merger have also not been closed.

(b) Agartala Division No. II was merged with this division in January 1972. Tools and plant accounts of that division for the period from October 1970 to the date of its merger have also not been closed.

5.5 *Physical verification of stores*

The rules require that the stores held in stock should be verified physically at least once in a year and the results of verification placed on record. Since the Stock Register had not been closed as mentioned in paragraph 5.2, physical verification of the stock with reference to the balance as per the accounts was not carried out in respect of those divisions.

As per reports received from the divisions, the physical balance of stock had, however, been checked during 1976-77 in respect of the following three divisions out of sixteen divisions holding stock :

- (i) Kumarghat Division
- (ii) Amarpur Division
- (iii) Southern Division No. I

FINANCE DEPARTMENT

5.6 *Accounts of stamps*

Monthly returns showing receipts, issues and balances of stamps (entertainment tax, judicial and non-judicial) for the years 1968-69 to 1972-73 and 1976-77 were not received from the treasuries (April 1978).

The year-wise consolidated returns for the period from 1973-74 to 1975-76 received from the Agartala Treasury showed that the amounts credited into the treasury were less than the value of stamps issued as per the returns by Rs. 10.11 lakhs.

The matter was referred to the Government in March 1977 and September 1977 ; the discrepancy had not been reconciled (April 1978).

CHAPTER VI
REVENUE RECEIPTS
REVENUE DEPARTMENT
(State Excise Duties)

6.1 *Loss of revenue due to failure of contractor to supply country liquor*

On the basis of competitive tenders, a contractor is granted licence for a specified period for supplying country liquor from a particular warehouse to licensed retail vendors of a specified area. According to the conditions of the licence, the contractor is required to import, under duty free permit issued by the department, the country spirit for the purpose from outside the State and to maintain a prescribed minimum stock of country liquor at the warehouse to meet the requirements of the vendors. In the event of his failure to supply the liquor demanded by the vendors, his security deposit is liable to be forfeited and in addition, he is liable to pay such compensation to Government and to the vendors as Government may determine.

In the course of audit, it was noticed (October 1976) that the contractor for the warehouse at Agartala who had been granted licence for the period 1st April 1973 to 31st March 1975, had failed to supply country liquor to the retail vendors from 23rd September to 30th September 1974 and from 9th December to 25th December 1974. He represented that he could not import country spirit because of "bad road conditions and closure of distilleries in Bihar." No record was available to show that the reasons advanced by the contractor had been verified by the department.

The contractor was granted (March 1975) extension upto 31st July 1975. On the basis of tenders invited in July 1975 the same contractor was granted (July 1975) licence for a further period of two years upto 31st July 1977. Import permits for the extended period and for the fresh spell of two years were, however, issued by the

department on 10th April 1975 and 29th September 1975, respectively. As a result of delay in issuing the permits by the department, the contractor could not supply country liquor to the vendors in April, August and September 1975. Even thereafter, the contractor did not import country spirit and for this, his licence was cancelled by the Excise Commissioner on 15th December 1975. On the same date, an import permit was issued in favour of the Tripura Small Industries Corporation Limited (a company wholly owned by the State Government) which started supplying country liquor to the vendors from 1st March 1976. Non-supply of country liquor to the vendors during different periods totalling 8 months 25 days resulted in a loss of excise duty of Rs. 4.71 lakhs (computed on the basis of average monthly consumption in the area during 1974-75). Of this, Rs. 1.58 lakhs represented loss on account of delay in issuing import permits by the department.

Under the terms of the contract, the loss (Rs. 3.13 lakhs) to Government for non-supply of liquor from the warehouse is required to be compensated by the warehouse contractors to the extent determined by the Government. However, no action in this regard was taken by the Government (December 1977).

The matter was reported to the Government in April 1977 ; reply is awaited (March 1978).

6.2 *Non-recovery of establishment charges*

Mention was made in paragraph 6.9 of the Report of the Comptroller and Auditor General of India for the year 1975-76 of a case of a private warehouse in respect of which the cost of officers and establishment provided by the department for supervision at the warehouse was not recovered from its licensee as required under the Tripura Excise Rules, 1962.

It was further seen in audit of the accounts of the North Tripura District that a licensee was allowed to run a private warehouse at Kumarghat from 16th August 1973 to 31st March 1975 on the basis of a tender notice issued in October 1972 but no recovery towards the cost of officers and staff provided by the department for supervision at

the warehouse was made from him. Neither any agreement was executed nor any licence, as required under the rules, was issued to the contractor. It was also noticed that the tender notice issued by the department contained *inter alia* a clause to the effect that "the cost of the warehouse staff other than the employees of the Excise Department shall be met by successful tenderers". When it was pointed out in audit (November 1974) that this clause contravened the provisions of Rule 71 of the Tripura Excise Rules, 1962, the department instructed (February 1976) the Collector of Excise, North Tripura to recover from the licensee 50 per cent only of the cost of the establishment provided by the Excise Department. The Collector accordingly assessed the amount due from the licensee as Rs. 12,958 and directed him (February 1976) to deposit the same. The rules, however, do not contain any provision allowing the department/Collector to forgo any portion of such recovery. Particulars of recovery of Rs. 12,958 are also awaited (March 1978).

The matter was reported to the Government in January 1975 and August 1977 ; reply is awaited (March 1978).

6.3 *Non-levy excise duty on excess wastage*

Under the Tripura Excise Rules, 1962, an allowance is permissible for the actual loss in transit by leakage and evaporation of spirit imported by a warehouse. The allowance varies between 0.5 per cent and 5 per cent of the quantity transported depending on the nature of containers used for transportation and the duration of the journey.

It was seen in audit of the accounts of the Collector of Excise, North Tripura that in respect of three consignments imported from outside the State by a warehouse contractor during 1974 no excise duty was levied on the loss of spirit in transit in excess of the permissible allowance. On this being pointed out in audit, Rs. 5,238 representing excise duty on the excess wastage was recovered from the contractor between August and December 1975.

The matter was reported to the Government in August 1977 ; reply is awaited (March 1978).

(Entertainment Tax)

6.4 *Short payment of tax*

Under the Tripura Amusements Tax Act, 1973 applicable to cinemas, no person liable to pay entertainment tax shall be admitted except with a ticket affixed with the requisite stamp issued for the purpose.

It was seen in audit of the accounts of the District Magistrate and Collector, West Tripura that two cinema houses at Agartala affixed stamps for Rs. 6,12,170 whereas as per the return of cinema-goers submitted by the proprietors of those cinema houses, entertainment tax amounting to Rs. 6,23,566 was payable by them. This resulted in short payment of tax amounting to Rs. 11,396 to Government.

The matter was reported to the Government in April 1977 ; reply is awaited (March 1978).

6.5 *Non-realisation of show tax*

Under the Tripura Amusements Tax Act, 1973, the proprietors of cinema halls are required to pay show tax, in addition to the entertainment tax, at the rate of one paisa for every person admitted to exhibition of cinema in such halls in areas other than in municipal areas.

It was seen in audit of the accounts of the District Magistrates and Collectors of North Tripura and South Tripura Districts that six proprietors of such cinema halls had not paid any show tax for different periods between April 1973 and December 1975.

On this being pointed out in audit, Rs. 4,616, out of Rs. 5,496 payable on this account, were recovered from them between September 1974 and January 1976. Particulars of recovery of the balance amount are awaited (July 1977).

The matter was reported to the Government in August 1977 ; reply is awaited (March 1978).

FOREST DEPARTMENT

6.6 *Non-realisation of sales tax by Forest divisions*

Sales tax (introduced in Tripura with effect from 1st July 1976) is leviable on sale of timber other than fire-wood at 5 per cent of the value of timber sold.

It was seen in audit that tax on sale of timber during the period July 1976 to October 1976 valued at Rs. 9.87 lakhs was not realised by the seven forest divisions in the State. This resulted in loss of revenue of Rs. 0.49 lakh.

The matter was reported to the Government in August 1977 ; reply is awaited (March 1978).

REVENUE DEPARTMENT

6.7 *Other topics of interest*(a) *Running of cinema houses without renewal of licences*

Under the Tripura Cinematograph Rules, 1956, the licence for cinema exhibition has to be renewed every year and for this, a certificate of fitness from the Electrical Inspector and another regarding structural soundness of the hall from the Public Works Department have to be produced by the owners. A temporary permit could be granted where the Electrical Inspector's certificate continued to remain valid.

It was seen in audit that out of six cinema houses in West Tripura District, three houses (Agartala) were exhibiting cinemas without renewal of their licences from 1st October 1974 and two houses (Teliamura and Khowai) from 1st January 1972. In the case of the three houses of Agartala, temporary permits had been issued even in the absence of the Electrical Inspector's certificate.

Under the Cinematograph Act, 1952, which is applicable to Tripura, the owner of a hall exhibiting cinemas without a valid licence is punishable with a fine upto Rs. 1,000

and a further fine upto Rs. 100 per day for continuous offence. The maximum penalty imposable in these five cases amounted to Rs. 4.80 lakhs upto March 1976, but levy of penalty was not considered (September 1977).

The matter was reported to the Government in August 1976 ; reply is awaited (March 1978).

(b) *Exemption from tax*

In West Tripura District, the organisers of 55 cultural performances were granted exemption from payment of entertainment tax during January 1976 to January 1977 on the condition that they would contribute to the Chief Minister's Relief Fund an amount not less than the tax realisable had there been no exemption. In such cases, the District Magistrate was to ensure contribution to the Fund and submission of accounts to Government within 3 days of the performance.

It was seen in audit that the accounts of 29 such cases had not been submitted by the organisers even long after the performances were over. It could not, therefore, be verified whether the condition for the grant of exemption had been fulfilled in these cases.

The failure on the part of the organisers to submit the accounts had made them liable to pay tax on their collections and a fine upto Rs. 500 in addition. No action was, however, initiated by the District Magistrate (February 1977) to recover the tax forgone plus a fine of Rs. 14,500 from these organisers. No security money had also been realised to safeguard recovery of contributions from the organisers.

The cases were reported to the Government in April 1977 ; reply is awaited (March 1978).

CHAPTER VII

FINANCIAL ASSISTANCE TO LOCAL BODIES AND
OTHERS

7.1 Grants

During 1976-77, Rs. 2,12.86 lakhs (6 per cent of the revenue expenditure during the year) were paid as grants to local bodies, private institutions, etc., as shown below :

| | Amount (in lakhs of rupees) |
|--|--------------------------------|
| Educational institutions (including universities) | 1,04.67 |
| Agartala Municipality | 22.50 |
| Co-operative societies | 9.15 |
| Village and small industrial units | 9.52 |
| Panchayat Samitis | 3.50 |
| Medical and family planning institutions | 12.79 |
| Individuals (persons belonging to Scheduled Castes/Scheduled Tribes, <i>Jhumias</i> and new migrants) | 47.24 |
| Others | 3.49 |
| Total | 2,12.86 |

The broad purposes for which the grants were paid were as under :

| | Purpose | Amount (in lakhs of rupees) |
|---|--|--------------------------------|
| Education | Primary | 28.47 |
| | Secondary | 64.37 |
| | Sanskrit and other languages | 0.40 |
| | University and other higher education | 10.73 |
| | Miscellaneous | 0.70 |
| Agartala Municipality | General | 2.00 |
| | Agartala Water Supply Scheme | 9.25 |
| | Housing and Town Development | 8.25 |
| | Minimum needs programme and slum improvement | 3.00 |
| Co-operation | | 9.15 |
| Development of village and small scale industries | | 9.52 |
| Assistance to panchayati raj institutions | | 3.50 |
| Medical relief and promotion of family planning | | 12.79 |
| Welfare of Scheduled Castes and Scheduled Tribes and re-settlement of <i>Jhumias</i> and new migrants | | 47.24 |
| Grants to voluntary organisations | | 1.33 |
| Staff amenities | | 0.70 |
| Miscellaneous | | 1.46 |
| | Total | 2,12.86 |

7.2 *Utilisation certificates*

Where grants are given for specific purposes, the administrative authorities are required to furnish to Audit, within a period of 18 months from the date of payment of the grant, certificates to the effect that the grants were utilised for the purpose(s) for which they were sanctioned. Five hundred and eighty utilisation certificates (Rs. 1,31.07 lakhs) were overdue on 30th September 1977 in respect of grants paid upto 31st March 1976. The department-wise and year-wise details of the certificates outstanding are given in Appendix IV.

The utilisation certificates have not been received although a considerable time has elapsed after the grants were paid. In the absence of utilisation certificates it is not practicable for Audit to know, even in a broad way, whether the grants were spent wholly on the purpose or purposes for which these were given and that no misappropriation, fraud, etc., took place.

CO-OPERATIVE DEPARTMENT

7.3 *Financial assistance to co-operative societies*

7.3.1 *Investment in share capital*

The Government has been rendering financial assistance to co-operative societies in the form of share capital, loans, grants and subsidies. The investment by the Government in their share capital at the close of three years ending 31st March 1977 was as under :

| Year | Number of societies | Amount (in lakhs of rupees) | Dividend received |
|---------|---------------------|--------------------------------|-------------------|
| 1974-75 | 182 | 42.85 | 0.01 |
| 1975-76 | 189 | 63.22 | ... |
| 1976-77 | 207 | 74.81 | 0.01 |

The total number of societies in the State as on 30th June 1977 was 909 (885 as on 30th June 1976).

7.3.2 Loans and grants

The loans, grants and subsidies paid by the Government to the co-operative societies during the three years ending 31st March 1977 were as under :

| Year | Loans | | | | Grants and subsidies paid during the year |
|----------------------|-------------------------------------|--------------------------|------------------------|----------------------------|---|
| | Balance at end of the previous year | Advanced during the year | Repaid during the year | Balance at end of the year | |
| (in lakhs of rupees) | | | | | |
| 1974-75 | 36.06 | 47.13 | 7.40 | 75.79 | 6.31 |
| 1975-76 | 75.79 | 11.00 | 10.43 | 76.36 | 6.14 |
| 1976-77 | 76.36 | 26.01 | 6.15 | 96.22 | 9.15 |
| | | | | (b) | |

7.3.3 Default in repayment of principal and payment of interest on loans and unutilised grants and subsidies

According to the Registrar, Co-operative Societies, the position of (i) overdue amount of principal and interest on loans and (ii) unutilised grants and subsidies paid to co-operative societies at the close of each of the three years ending 31st March 1977 was as indicated below :

| Year | Overdue principal | Overdue interest | Unutilised grants and subsidies |
|----------------------|-------------------|------------------|---------------------------------|
| (in lakhs of rupees) | | | |
| 1974-75 | 11.50 | 9.93 | 1.08 |
| 1975-76 | 14.91 | 12.65 | 6.14 |
| 1976-77 | 23.58 | 16.75 | 7.88 |

7.3.4 Dividend from co-operative societies

In 1976-77, the Government received Rs. 1,080 only as dividend against the total investment of Rs. 63.22 lakhs in 189 co-operative societies as on 31st March 1976.

- (b) As furnished by the department ; differs by Rs. (—)0.07 lakh from the figure in the Finance Accounts 1976-77. The difference is under reconciliation (April 1978).

7.3.5 Guarantees

The Government had guaranteed the repayment of principal and payment of interest on loans obtained by 3 co-operative societies. The total guarantees in force during 1976-77 were Rs. 62.50 lakhs against which the sums guaranteed and outstanding as on 31st March 1977 were Rs. 21.09 lakhs.

7.3.6 Societies in liquidation

In all, sixteen co-operative societies in which Government had invested Rs. 0.89 lakh during 1958-59 to 1965-66 went into liquidation to end of 1976-77. Of these, four went into liquidation during 1976-77. No society in liquidation had been wound up fully (February 1978). Information regarding the loans given, and grants and subsidies paid, to these societies is awaited from the department (April 1978).

7.3.7 Delay in completion of audit

In pursuance of the provisions contained in Section 79 of the Tripura Co-operative Societies Act, 1974, the accounts of co-operative institutions are required to be audited by auditors appointed by the Registrar, Co-operative Societies once in every year. Audit of 204 societies, in the share capital of which the Government had invested, was in arrears at the end of June 1977, as indicated below :

| Number of societies | Period for which accounts had not been audited |
|---------------------|--|
| 25 | Five years and more |
| 25 | Four years |
| 23 | Three years |
| 57 | Two years |
| 74 | One year |

Total 204

Delay in completion of audit was attributed (October 1977) by the department to shortage of staff and defective maintenance of records by the societies.

7.3.8 Audit fees

As per the provisions of Rule 76 of the Tripura Co-operative Societies Rules, 1976, every co-operative society is required to pay to the Government a fee for audit of its accounts for each co-operative year (July to June). Audit fees totalling Rs. 0.58 lakh were outstanding as at the end of October 1977. The department could not furnish information regarding outstanding audit fees due from societies under liquidation and also the period for which the audit fees were outstanding (April 1978).

7.3.9 Review of audited accounts

The audited accounts for the year ending 30th June 1975 of the Tripura Apex Marketing Co-operative Society Limited, in which Government had invested Rs. 5.80 lakhs as share capital (97 per cent of the total paid up capital of Rs. 6.01 lakhs) and to which Rs. 5.96 lakhs had been given as loan to end of 1974-75, disclosed that :

(i) an amount of Rs. 2.67 lakhs (principal : Rs. 1.53 lakhs ; interest : Rs. 1.14 lakhs) in respect of the above loan was overdue at the end of June 1975 ;

(ii) the society sustained a loss of Rs. 3.75 lakhs during 1974-75, the cumulative loss being Rs. 7.97 lakhs ; the loss in 1974-75 was attributed by the Management mainly to payment of demurrage and wharfage charges (Rs. 1.65 lakhs) to the Railways and of interest (Rs. 0.49 lakh) to a bank as certain delivery documents could not be retired from it for want of funds ;

debtors and Rs. 2.16 lakhs as advances. Rs. 0.99 lakh were
 (iii) out of Rs. 0.29 lakh outstanding against sundry reported to be bad and doubtful ;

(iv) out of the outstanding claim of Rs. 2.44 lakhs against the Railways in respect of consignments of sugar, Rs. 0.52 lakh remained unsettled at the end of 1976-77 ; and

(v) Rupees 1.13 lakhs appropriated to reserve funds in 1962-63 had not been invested in the manner provided for in Section 62 of the Tripura Co-operative Societies Act, 1974, nor had the approval of the Registrar, as required under the provisions of Section 58 of the Act *ibid*, been obtained for utilisation of the funds otherwise.

CHAPTER VIII

GOVERNMENT COMMERCIAL AND TRADING
ACTIVITIES

SECTION A—GENERAL

8.1 This chapter deals with the results of audit of :

- (i) The Tripura Road Transport Corporation,
- (ii) Government Companies, and
- (iii) Departmentally managed Government commercial and *quasi*-commercial undertakings.

SECTION B—STATUTORY CORPORATION

8.2.1 As on 31st March 1977, there was one Statutory Corporation in the State, *viz.*, Tripura Road Transport Corporation.

8.2.2 The Corporation was established on 23rd October 1969 under the Road Transport Corporations Act, 1950 with a view to providing a co-ordinated system of economic and efficient road transport services. On 31st March 1977, the capital of the Corporation was Rs. 2.40 crores which was wholly contributed by the State Government. The Government of India (Railways) was to contribute towards the capital of the Corporation in terms of Section 23(1) of the Act *ibid*, but no such contribution has been received (April 1978).

In terms of Section 33(4) of the Road Transport Corporations Act, 1950, the State Government is required to lay before the State Legislature the certified accounts of the Corporation and the audit report thereon. Pending approval of the form of accounts by the Government, the accounts for the years 1969-70 onwards have not been finalised (February 1978). Final approval to the form of the accounts is awaited from the Government (April 1978).

8.2.3 *Extra expenditure on resoling of tyres*

On 16th April 1975, the Corporation invited open tenders for resoling of tyres and received nine offers in response.

The first, the second and the fourth lowest offers at the rates of Rs. 159, Rs. 167 and Rs. 182 per tyre, respectively were rejected as the tenderers had not deposited the requisite earnest money and furnished income tax clearance certificates, though these had been provided in the notice inviting tenders. The rate of Rs. 169 quoted by the third lowest tenderer was also not accepted on the ground that the firm was not expected to use the required quantity of material essential for good work, as was evident from the break-up of the rate, which was obtained subsequently from the firm. The Corporation, however, accepted (May 1975) the fifth lowest rate of Rs. 196.96 quoted by four firms without obtaining detailed break-up of the rate. During 1975-76 1,763 tyres were got resoled from these four firms at the rates quoted by them.

In this connection, the following points came to notice:

(i) No estimate had been prepared by the department for analysing the tenders and judging their workability before rejecting/accepting the tenders.

(ii) The contracted rates (obtained on the basis of open tenders) for resoling tyres during the preceding and the succeeding years were lower, *viz.*, Rs. 103.45 and Rs. 17 respectively.

Further, the agreements entered into by the Corporation with the four firms had provided that the firms would be liable to compensate the Government for the proportionate cost of resoling if the resoled tyres failed to give the guaranteed performance of 70 to 75 per cent of that of new tyres. According to the Chief Accounts Officer of the Corporation, their actual performance did not exceed 52 per cent of that of new tyres. No action to recover compensation from the firms was, however, taken (February 1978).



The Government stated (April 1977) that the poor performance was unavoidable because of bad condition of the roads. It may, however, be stated that the performance of resoled tyres was to be measured with reference to the kilometreage expected to be covered by new tyres on existing road conditions.

SECTION C—GOVERNMENT COMPANIES

8.3 As on 31st March 1977, there were six Government Companies in the State as against five on 31st March 1976. One new Company, *viz.*, Tripura Forest Development and Plantation Corporation Limited, was incorporated on 26th March 1976. As on 31st March 1977, the contribution by the Government to the share capital of these six Companies aggregated Rs. 252.80 lakhs.

Mention was made in paragraph 8.3 of the Report of the Comptroller and Auditor General of India for the year 1975-76 about the accounts of Tripura Industrial Development Corporation Limited for the year 1975-76 not having been prepared. The accounts have not been received so far (April 1977/8). Orders of the Government in regard to winding up of the Company as mentioned in paragraph 8.4.4 of the aforesaid Report, are also awaited (April 1978).

Accounts of none of the Companies, except Tripura Forest Development and Plantation Corporation Limited for the aforesaid Report, are also awaited (April 1978).
Govt. Co. - It have been received

8.3.1 Tripura Handloom and Handicrafts Development Corporation Limited

(a) Introduction

In March 1974, the State Government decided to form a Handloom and Handicrafts Development Corporation with the unutilised amounts available from the 'Half-a-Million Jobs Programme' sponsored by the Government of India. Accordingly, after obtaining approval of the Government of India, the Tripura Handloom and Handicrafts Development Corporation Limited was incorporated on 5th September 1974 as a wholly owned Government Company, with the main object of organising the handloom and handicrafts industries in the State on commercial footing and expanding

their market, thereby creating employment opportunities for the handloom and handicrafts artisans in the State and giving them higher wages and better condition of living.

(b) *Organisational set-up*

The business of the Company is managed by a Board of Directors, consisting of nine directors, including the Chairman. All the directors are Government officers. The Director of Industries, Tripura is functioning as its Director in-charge (February 1978). There is no Financial Adviser to assist the Board of Directors. The post of Account Officer also remained vacant (February 1978) though the Board of Directors of the Company had decided on 28 September 1976 to fill up the post.

(c) *Capital structure*

The Company was incorporated with an authorised capital of Rs. 50 lakhs, divided into 50,000 equity shares of Rs. 100 each. As on 31st March 1977, the paid-up capital of the Company was Rs. 4.93 lakhs.

(d) *Borrowings*

The Company received Rs. 9.17 lakhs as margin money from the State Government in November 1974 to enable it to raise additional resources from financial institutions. Fifty per cent of the amount was to be treated as loan and 50 per cent as grant. The Company obtained from the Government another loan of Rs. 7.50 lakhs in November 1976 for implementation of the "Export Oriented-cum-Intensive Development Project on Handloom". Orders of the Government laying down the terms and conditions of repayment of the loan obtained as margin money in November 1974 were not available with the company (February 1978). No part of the principal has been repaid by the Company. No funds were also raised by the Company from any financial institution against the margin money received from the Government (September 1977).

(e) *Grants*

In addition to the grant of Rs. 4.58 lakhs, the Company also received a grant of Rs. 2.00 lakhs in January 1977 from the State Government under the scheme of 'Grants for pu

chase of yarn, equipment to tribal and distressed weavers'. Of the latter grant, Rs. 0.52 lakh remained undisbursed (September 1977).

(f) *Unutilised funds*

The loan and grants of Rs. 9.17 lakhs sanctioned by the Government in November 1974 were meant for providing job opportunities to the educated unemployed with emphasis on "Self-employment programme". No records were, however, available to show the number of persons employed under the programme. The scheme for which loans of Rs. 7.50 lakhs had been obtained by the Company in November 1976 was not taken up (September 1977).

Since the formation of the Company in September 1974, funds amounting to more than Rs. 6.90 lakhs remained unutilised throughout the period upto March 1977. The surplus funds were mostly kept in fixed deposits with the State Bank of India and the nationalised banks. The amounts held in fixed deposit during the three years from 1974-75 to 1976-77 are shown below :

| Year | Capital invested | Amounts kept in fixed deposit |
|---------|-----------------------------|-------------------------------|
| | <i>(in lakhs of rupees)</i> | |
| 1974-75 | 10.14 | 6.00 |
| 1975-76 | 11.41 | 5.00 |
| 1976-77 | 23.91* | 10.00 |

(g) *Activities*

The business of the Company mainly covered the following activities :

(i) purchase of finished handloom and handicrafts products from co-operative societies or artisans for sale to public,

(ii) purchase of yarn and cane for sale to weavers and artisans,

(iii) cash advances to artisans towards cost of raw materials or wages,

* The figure is provisional.

(iv) marketing of the finished products,
 (v) establishment of a handloom production centre,
 and

(vi) distribution of yarn to distressed weavers under the schemes of the department.

(h) *Financial position*

The accounts of the Company for the year 1976-77 have not been finalised (February 1978). The financial position of the Company for the years 1974-75 and 1975-76 is summarised below :

| | Amount | |
|---|-----------------------------|---------|
| | 1974-75 | 1975-76 |
| <i>Liabilities</i> | <i>(in lakhs of rupees)</i> | |
| Paid-up capital | 0.83 | 1.93 |
| Reserves and surplus | 0.14 | 0.31 |
| Borrowings | 4.59 | 4.59 |
| Grants | 4.58 | 4.58 |
| Trade dues and current liabilities (including provisions) | 0.25 | 0.65 |
| Total | 10.39 | 12.06 |
| <i>Assets</i> | | |
| Gross block | 0.03 | 0.49 |
| Less depreciation | ... | 0.09 |
| Net fixed assets | 0.03 | 0.40 |
| Current assets, loans and advances | 10.36 | 11.66 |
| Total | 10.39 | 12.06 |
| Capital employed | 10.14 | 11.41 |
| Net worth | 0.97 | 2.24 |

(a) Rs. 216 only.

Note: (i) Capital employed represents net fixed assets *plus* working capital.

(ii) Net worth represents paid-up capital *plus* reserves *less* intangible assets.

(i) *Working results*

The working results of the Company for the years 1974-75 and 1975-76 are as under :

| | Amount | |
|--|-----------------------------|-------------|
| | 1974-75 | 1975-76 |
| <i>Income</i> | <i>(in lakhs of rupees)</i> | |
| Sales | 1.37 | 8.29 |
| Other income | 0.15 | 0.75 |
| Total income | <u>1.52</u> | <u>9.04</u> |
| <i>Expenditure</i> | | |
| Opening stock | ... | 1.23 |
| Purchases | 2.36 | 8.69 |
| Less : closing stock | 1.23 | 3.30 |
| Cost of materials traded | 1.13 | 6.62 |
| Expenses (including interest and depreciation) | 0.12 | 2.10 |
| Total expenditure | <u>1.25</u> | <u>8.72</u> |
| Net profit | 0.27 | 0.32 |

The net profit of Rs. 0.27 lakh during 1974-75 includes Rs. 0.08 lakh being the difference between the interest (Rs. 0.15 lakh) received by the company on fixed deposits with the banks and the interest (Rs. 0.07 lakh) payable on its borrowings. Excluding the net interest earned by the Company, the net profit (Rs. 0.19 lakh) worked out to 13.9 per cent on the sales of Rs. 1.37 lakhs in 1974-75. In the year 1975-76, the net profit of Rs. 0.32 lakh included net interest of Rs. 0.14 lakh. Excluding the net interest earned, the net

profit (Rs. 0.18 lakh) worked out to 2.2 per cent of the sales although it increased to Rs. 8.29 lakhs during that year. Reasons for the decrease in the profit ratio had not been analysed by the Company.

Further, some Government officials were engaged exclusively in the business of the Company but their salaries were borne by the Government. Upto August 1977, an amount of Rs. 0.42 lakh was borne by the Industries Department on this account.

(j) *Procurement and distribution of yarn*

Procurement of yarn and its distribution to weavers were undertaken by the Company since its formation. Yarn of different counts was purchased in bulk from the agents of various spinning mills at the retail price of those mills. No attempt was made to procure it through the National Textile Corporation Limited whereby the Company could have availed of the commission admissible for such bulk purchases. The yarn procured was sold by the Company to the weavers after adding 10 to 15 per cent on the purchase price. The quantities actually procured and sold, during the three years upto 1976-77, are given below :

| Year | Purchase | | Sale | |
|---------|--------------------------|--------------------------------|--------------------------|--------------------------------|
| | Quantity (in bundles) | Amount (in lakhs of rupees) | Quantity (in bundles) | Amount (in lakhs of rupees) |
| 1974-75 | 2900 | 2.24 | 1550 | 1.22 |
| 1975-76 | 2439 | 2.89 | 3436 | 3.03 |
| 1976-77 | 8379 | Not available | 7611 | 10.22 |

Purchase, production and sale budgets were not prepared.

(k) *Procurement and sale of handloom and handicrafts products*

(i) Handloom and handicrafts items were purchased direct from the weavers or artisans. No procedure either for assessing the purchase price or for fixing the sale price, was laid down.

In June 1975, the Board of Directors of the Company desired that the purchase prices should be determined by a Committee of three officers. However, the purchase prices were determined after visual inspection and assessment of the quality of the product by individual officers of the Company.

The sale prices were fixed after adding a lump sum amount, varying from 10 to 66 per cent to the purchase price.

(ii) The Company had no sales centre of its own. Some sales were, however, effected from its sales counter attached to the stores. Marketing of handloom and handicrafts products of the Company was arranged through nine Government sales emporia in the State and one each in Calcutta and Delhi. No payment was made to the Government for the services thus rendered by the Government emporia. The salesmen of those emporia were, however, paid commission at 1.25 per cent on the sales of the Company's products from the respective emporia.

The unsold stock of products at the end of each year during 1974-75 to 1976-77, as held by these emporia, was as under :

| Year | Tripura Emporia | Calcutta Emporium | Delhi Emporium | Total |
|---------|-----------------------------|----------------------|-------------------|-------|
| | <i>(in lakhs of rupees)</i> | | | |
| 1974-75 | 0.32 | ... | ... | 0.32 |
| 1975-76 | 0.87 | 0.09 | 0.15 | 1.11 |
| 1976-77 | 1.72 | 0.21 | 1.38 | 3.31 |

The stock held by the Delhi Emporium, at the end of March 1977, was excessive, as compared to the sales by the Emporium during 1975-76 and 1976-77.

(1) *Setting up of a handloom fabrics production centre*

In July 1976, the Company, with a view to entering the sophisticated market of handloom products in the country and also exploring the possibility of obtaining products of exportable quality, decided to establish a production centre

profit (Rs. 0.18 lakh) worked out to 2.2 per cent of the sales although it increased to Rs. 8.29 lakhs during that year. Reasons for the decrease in the profit ratio had not been analysed by the Company.

Further, some Government officials were engaged exclusively in the business of the Company but their salaries were borne by the Government. Upto August 1977, an amount of Rs. 0.42 lakh was borne by the Industries Department on this account.

(j) *Procurement and distribution of yarn*

Procurement of yarn and its distribution to weavers were undertaken by the Company since its formation. Yarn of different counts was purchased in bulk from the agents of various spinning mills at the retail price of those mills. No attempt was made to procure it through the National Textile Corporation Limited whereby the Company could have availed of the commission admissible for such bulk purchases. The yarn procured was sold by the Company to the weavers after adding 10 to 15 per cent on the purchase price. The quantities actually procured and sold, during the three years upto 1976-77, are given below :

| Year | Purchase | | Sale | |
|---------|--------------------------|--------------------------------|--------------------------|--------------------------------|
| | Quantity (in bundles) | Amount (in lakhs of rupees) | Quantity (in bundles) | Amount (in lakhs of rupees) |
| 1974-75 | 2900 | 2.24 | 1550 | 1.22 |
| 1975-76 | 2439 | 2.89 | 3436 | 3.03 |
| 1976-77 | 8379 | Not available | 7611 | 10.22 |

Purchase, production and sale budgets were not prepared.

(k) *Procurement and sale of handloom and handicrafts products*

(i) Handloom and handicrafts items were purchased direct from the weavers or artisans. No procedure either for assessing the purchase price or for fixing the sale price, was laid down.

In June 1975, the Board of Directors of the Company desired that the purchase prices should be determined by a Committee of three officers. However, the purchase prices were determined after visual inspection and assessment of the quality of the product by individual officers of the Company.

The sale prices were fixed after adding a lump sum amount, varying from 10 to 66 per cent to the purchase price.

(ii) The Company had no sales centre of its own. Some sales were, however, effected from its sales counter attached to the stores. Marketing of handloom and handicrafts products of the Company was arranged through nine Government sales emporia in the State and one each in Calcutta and Delhi. No payment was made to the Government for the services thus rendered by the Government emporia. The salesmen of those emporia were, however, paid commission at 1.25 per cent on the sales of the Company's products from the respective emporia.

The unsold stock of products at the end of each year during 1974-75 to 1976-77, as held by these emporia, was as under :

| Year | Tripura Emporia | Calcutta Emporium | Delhi Emporium | Total |
|---------|-----------------------------|----------------------|-------------------|-------|
| | <i>(in lakhs of rupees)</i> | | | |
| 1974-75 | 0.32 | ... | ... | 0.32 |
| 1975-76 | 0.87 | 0.09 | 0.15 | 1.11 |
| 1976-77 | 1.72 | 0.21 | 1.38 | 3.31 |

The stock held by the Delhi Emporium, at the end of March 1977, was excessive, as compared to the sales by the Emporium during 1975-76 and 1976-77.

(1) Setting up of a handloom fabrics production centre

In July 1976, the Company, with a view to entering the sophisticated market of handloom products in the country and also exploring the possibility of obtaining products of exportable quality, decided to establish a production centre

of some selected items of handloom products like bedsheets, bedcovers, furnishing cloths, etc., with intricate tribal or Manipuri motif and *saris* of higher count thread with dobby designs.

The scheme provided for installation of 20 looms (16 frame looms and 4 pit looms) at the Industrial Estate, Arundhutinagar with an estimated production capacity of items worth Rs. 1.80 lakhs per year on which a profit of Rs. 0.09 lakh was expected to be earned. The centre started production initially with three looms from August 1976 and produced goods valuing Rs. 0.31 lakh upto March 1977. No separate accounts for the centre were maintained.

(m) *Export Oriented-cum-Intensive Development Project on Handloom Industry*

At the instance of the Government of India, a scheme of 'Export Oriented-cum-Intensive Development Project on Handloom Industry' was prepared by the State Government in August 1976. An amount of Rs. 42.00 lakhs was estimated to be spent over a period of five years. The scheme envisaged all round development of the handloom industry in the State by way of modernising looms, training weavers, introducing better designing, processing and finishing facilities with quality control in production of cotton and silk items and providing margin money to finance the project for raw materials and purchase of finished goods. Accordingly, an amount of Rs. 7.50 lakhs was provided as loan to the Company by the Industries Department in November 1976. Of this, Rs. 7.00 lakhs were kept in fixed deposit with the State Bank of India since 4th January 1977. The scheme has not been taken up (September 1977).

One station wagon-cum-delivery van was purchased out of the above fund in April 1977 at a cost of Rs. 0.82 lakh and was being used for the general business of the Company and not for any of the purposes under the scheme. It was provided in the scheme that for its implementation a committee with nine members, selected from various walks of life, should be constituted ; no such committee had been formed (September 1977).

(n) *Loss on purchase of yarn*

In pursuance of a resolution adopted by the Board of Directors in September 1974, it was decided to lift yarn valued at Rs. 2.00 lakhs from the Tripura Small Industries Corporation Limited, another Government Company. Accordingly, the Company purchased yarn valued at Rs. 2.18 lakhs in November and December 1974. Further, yarn valued at Rs. 0.06 lakh was also procured during the year 1974-75.

No record was available to show whether any assessment had been made to find out the actual requirement or marketability of the yarn so lifted. Of the yarn procured, yarn valued at Rs. 1.01 lakhs was sold to weavers upto 31st March 1975. The market price of yarn started falling gradually by May 1975. With the approval of the Board of Directors, the remaining stock valued at Rs. 1.23 lakhs was disposed of at the prevailing market price, namely Rs. 0.95 lakh, thereby suffering a loss of Rs. 0.28 lakh.

SECTION D—DEPARTMENTALLY MANAGED GOVERNMENT COMMERCIAL AND QUASI-COMMERCIAL UNDERTAKINGS

8.4.1 *Electric Supply undertakings*

The following undertakings engaged in generation and distribution of electricity in the State (under the control and management of the Public Works Department) were declared as 'commercial' from 1961-62 :

- (i) Agartala Electric Supply (including Teliamura unit),
- (ii) Ambassa Electric Supply,
- (iii) Bagafa-Belonia Electric Supply,
- (iv) Dharmanagar Electric Supply,
- (v) Kailashahar Electric Supply,
- (vi) Khowai Electric Supply, and
- (vii) Udaipur Electric Supply (including Melaghar, Sonamura and Amarpur units).

8.4.2 Gumti Hydroelectric Project

Construction of Gumti Hydroelectric Project, with an installed capacity of 10 MW of electricity as per revised estimate of the project, was scheduled to be completed by October 1970. The project was taken up by National Projects Construction Corporation Limited in February 1968 at an estimated cost of Rs. 3,09.61 lakhs which was revised to Rs. 6,33.31 lakhs in 1969, Rs. 14,43.70 lakhs in 1975 and Rs. 16,60.10 lakhs in 1976. Approval of the Government to the final revised estimate is awaited (February 1978). The actual expenditure incurred was Rs. 14,71.48 lakhs upto March 1977. The project was completed in February 1977. Completion report of the project is, however, awaited from the Department (April 1978).

The increase in expenditure was attributed by the Department to—

- (a) increase in the cost of land,
- (b) increase in the cost of materials, equipment and labour rates,
- (c) changes in design and specifications,
- (d) increase in the quantity of work, and
- (e) increase in the establishment charges due to extension of time schedule for completion of the project.

The first unit of the Gumti Hydroelectric Project started functioning from June 1976 and the second unit from January 1977. The installed capacity of the project is 10 MW. The maximum load on the project reached 4 MW only in March 1977, though a large number of applications for service connections from intending consumers remained pending, *viz.*, 7,015 applications for service connection were pending with the Electrical Division No. I.

8.4.3 *Pro forma* accounts

Mention was made in paragraph 8.5.3 of the Report of the Comptroller and Auditor General of India for the year 1975-76 about non-compilation of the *pro forma* accounts of the Electric Supply Schemes. The *pro forma* accounts of these undertakings had not been compiled from 1974-75 onwards (October 1977).

8.4.4 Power generation, earnings and expenditure

The generation of energy in the State rose from 9.16 MKwh in 1971-72 to 12.78 MKwh in 1976-77. In addition, the State is purchasing energy from the Assam State Electricity Board to augment its power availability.

The following table shows the revenue earned from sale of power along with the revenue expenditure incurred on generation and supply of power during the three years ending 1976-77 :

| Year | Revenue from sale of power | Expenditure on power generation and supply | Deficit |
|---------|-------------------------------|---|---------|
| | <i>(in lakhs of rupees)</i> | | |
| 1974-75 | 41.46 | 96.05 | 54.59 |
| 1975-76 | 50.46 | 1,19.46 | 69.00 |
| 1976-77 | 59.21 | 1,19.43 | 60.22 |

The table below indicates the installed capacity for generation of power in diesel power houses, power generated, power available for sale, power sold, loss in transmission and distribution, etc., for the three years ending 1973-74 (figures for the subsequent years could not be furnished by the Department):

| | 1971-72 | 1972-73 | 1973-74 |
|---|---------|---------|---------|
| Installed capacity (in MKwh) | 46.04 | 46.04 | 46.04 |
| Power generated (in MKwh) | 9.16 | 5.78 | 5.49 |
| Percentage of power generated to installed capacity | 19.90 | 12.55 | 11.92 |
| Power purchased from the Assam State Electricity Board (in MKwh) | 2.03 | 7.95 | 9.15 |

| | 1971-72 | 1972-73 | 1973-74 |
|---|---------|---------|---------|
| Power available for sale within the State (in MKwh) | 11.19 | 13.73 | 14.64 |
| Power sold within the State (including auxiliaries) (in MKwh) | 7.91 | 8.90 | 9.13 |
| Loss in transmission and distribution (in MKwh) | 3.28 | 4.83 | 5.51 |
| Percentage of transmission losses to power available | 29.31 | 35.18 | 37.64 |
| Average cost of energy sold per kwh (in rupees) | 1.13 | 1.03 | 1.23 |
| Average revenue earned per kwh (in rupees) | 0.41 | 0.40 | 0.40 |

The above table shows that the loss of energy in transmission and distribution was increasing.

8.4.5 *Outstanding dues*

In terms of the conditions of supply of the Tripura Electric Supply Undertakings, a consumer is required to make security deposit for energy supplied and for the value of the meter and other apparatus installed in his premises. The bills for energy supplied are to be paid within 15 days from the date of their presentation ; otherwise, the supply is to be disconnected.

The table below indicates the year-wise position of the book debts at the end of the year, sale of energy during the year and percentage of book debts to the total sales for the

four years ending 1973-74 (figures of book debts for the subsequent years were not available) :

| Year | Book debts at the end of the year | Revenue from sale of power during the year | Percentage of book debts to sales |
|----------------------|-----------------------------------|--|-----------------------------------|
| (in lakhs of rupees) | | | |
| 1970-71 | 10.67 | 27.99 | 38.12 |
| 1971-72 | 8.98 | 30.84 | 29.12 |
| 1972-73 | 10.74 | 35.53 | 30.23 |
| 1973-74 | 9.84 | 35.40 | 27.80 |

The following amounts were written off as bad debts in the *pro forma* accounts :

| Year | Amount | Remarks |
|----------------------|--------|--|
| (in lakhs of rupees) | | |
| 1970-71 | 0.25 | Details, viz., consumer number, period, amount and reasons for writing off the book debts as bad were not available (December 1977). |
| 1971-72 | 0.25 | |
| 1972-73 | 0.25 | |

Confirmation from the debtors of the debts had not been obtained in any of the above years.

The accounts of Electrical Division No. I indicated (October 1977) the position of book debts as under :

| Year | Sundry debtors at the end of the year | | Total |
|---------|---------------------------------------|----------------------------|-------|
| | Government | Private parties and others | |
| | <i>(in lakhs of rupees)</i> | | |
| Upto | | | |
| 1972-73 | 0.05 | 0.09 | 0.14 |
| 1973-74 | 0.35 | 0.04 | 0.39 |
| 1974-75 | 2.57 | 0.11 | 2.68 |
| 1975-76 | 2.73 | 1.54 | 4.27 |
| 1976-77 | 0.92 | Nil | 0.92 |
| Total | 6.62 | 1.78 | 8.40 |

During April 1977 to August 1977, dues totalling Rs. 0.25 lakh were realised by the Division.

8.4.6 Loss of high speed diesel oil

Log sheets are the primary records of power generation in a power house and show, *inter alia*, power generated, oil temperature and pressure and fuel and lubricating oil consumed by the generating machine. These particulars are recorded in a sheet from midnight to midnight at half-hourly intervals. From each such sheet the log registers are compiled in the administrative office for working out the figures for each power house and ultimately for the undertaking as a whole.

In the course of test audit (February 1977) of the accounts of Tripura Electrical Circle, it was noticed that the entries in the log sheets showing the consumption of HSD oil by four different sub-stations (having standby diesel generating sets) under the Agartala Power House, for the year ending 1970-71, were mostly incomplete. Log sheets for the subsequent years were not available.

- A test-check of the log sheets, which were complete, with reference to the log registers showed discrepancies in consumption of HSD oil, as under :

| Sub-Station | Month and Year | Units generated as per log register | Units generated as per log sheets | HSD oil consumed as per log register | HSD oil consumed as per log sheets | Discrepancy in consumption of HSD oil |
|-----------------|----------------|-------------------------------------|-----------------------------------|--------------------------------------|------------------------------------|---------------------------------------|
| | | | (in Kwh) | | (in litres) | |
| G. B. Hospital | October 1970 | 32,833 | 21,404 | 9,850 | 7,010 | 2,840 |
| G. B. Hospital | November 1970 | 36,500 | 20,818 | 10,950 | 6,032 | 4,918 |
| V. M. Hospital | May 1970 | 31,800 | 13,862 | 9,115 | 4,158 | 4,957 |
| College Tilla | April 1970 | 35,833 | 25,431 | 10,750 | 7,629 | 3,121 |
| Arundhuti-nagar | October 1970 | 25,635 | 17,079 | 7,600 | 5,123 | 2,477 |
| Total | | 1,62,601 | 98,594 | 48,265 | 29,952 | 18,313 |

The Department was not able to state the reasons for the discrepancy of 18,313 litres of HSD oil valued at Rs. 0.15 lakh (April 1978).

The matter was referred to the Government in July 1977 ; reply is awaited (April 1978).

8.4.7 Refund from the Assam State Electricity Board

As per the agreement between the State Government and the Assam State Electricity Board, a monthly minimum charge of Rs. 1.05 lakhs is payable to the Board irrespective of the power drawn in a month from the Board's grid connected with the power lines of the State. If, however, the total payment by the State over the year is more than twelve times the monthly minimum, the Board would, on an application from the Government, waive the monthly minimum in respect of the month in which it was so charged and make the necessary refund.

During test-check (September 1976) of the accounts of Electrical Division No. II, Dharmanagar, it was noticed that the total payment by the Government exceeded twelve times the monthly minimum during 1973-74 and 1974-75, as indicated below :

| Year | Actual cost of energy consumed | Amount paid to the Board | Amount recoverable |
|---------|--------------------------------|-------------------------------|--------------------|
| | | <i>(in lakhs of rupees)</i> | |
| 1973-74 | 12.39 | 13.12 | 0.73 |
| 1974-75 | 12.55 | 13.33 | 0.78 |

Claim for Rs. 0.73 lakh preferred by the Department in September 1974 had not been settled and claim for Rs. 0.78 lakh in respect of 1974-75 had not been preferred (December 1977).

The matter was referred to the Government in November 1977 ; reply is awaited (April 1978).

CHAPTER IX

OUTSTANDING AUDIT OBSERVATIONS AND
INSPECTION REPORTS9.1 *Outstanding audit observations*

Audit observations on financial transactions of the Government are reported to the departmental authorities concerned so that appropriate action is taken to rectify the defects and omissions. Half-yearly reports of such observations outstanding for more than six months are also forwarded to the Government to expedite their settlement.

The following table shows the number of audit observations issued upto the end of March 1977 and outstanding at the end of September 1977 as compared with the corresponding position indicated in the two preceding Reports :

| | As at the end of September 1975 | As at the end of September 1976 | As at the end of September 1977 |
|--|--|--|--|
| Number of observations | 12,358 | 7,220 | 6,520 |
| Amount involved (<i>in crores of rupees</i>) | 25.78 | 13.17 | 10.22 |

Improvement over the position at the end of September 1976 was due mainly to clearance of outstanding audit observations in respect of the Agriculture, Co-operative, Food and Civil Supplies and Tribal Welfare departments.

The following departments have comparatively heavy outstanding observations at the end of September 1977 :

| Serial number | Department | Number | Amount involved (in lakhs of rupees) |
|---------------|---------------------------|--------|---|
| 1. | Food and Civil Supplies | 212 | 5,78.46 |
| 2. | Revenue | 1,114 | 1,30.51 |
| 3. | Agriculture | 356 | 44.99 |
| 4. | Animal Husbandry | 168 | 37.41 |
| 5. | Industry | 431 | 37.07 |
| 6. | Community Development | 625 | 35.44 |
| 7. | Relief and Rehabilitation | 13 | 31.00 |
| 8. | Public Works | 884 | 23.88 |
| 9. | Tribal Welfare | 416 | 23.82 |
| 10. | Education | 948 | 20.33 |

The following are some of the major reasons for which audit observations have remained outstanding :

| Serial number | Nature of observation | Number | Amount involved (in lakhs of rupees) |
|---------------|---|--------|---|
| 1. | Detailed contingent bills for lumpsum drawals not received | 1,937 | 7,80.49 |
| 2. | Sanctions for contingent and miscellaneous expenditure not received | 610 | 1,10.88 |
| 3. | Payees' receipts and vouchers not received | 375 | 43.56 |
| 4. | Advances paid to Government servants not recovered | 2,053 | 15.45 |

The facility of drawing amounts as advances on abstract contingent bills by disbursing officers is intended to expedite payments in certain cases but they are to be followed by detailed contingent bills (containing full particulars of expenditure with supporting documents) which should be sent to the Audit Office by the second month succeeding that to which the abstract contingent bills relate.

In the absence of detailed contingent bills, it is not practicable for Audit to know whether the amounts have been spent wholly on the purpose or purposes for which the advances were drawn. As at the end of September 1977, detailed contingent bills in respect of Rs. 7,80.49

lakhs had not been received in the Audit Office. The departments with comparatively heavy outstandings are mentioned below :

| Serial number | Department | Number | Amount involved (in lakhs of rupees) |
|---------------|-------------------------|--------|---|
| 1. | Food and Civil Supplies | 103 | 5,09.30 |
| 2. | Revenue | 672 | 1,15.87 |
| 3. | Animal Husbandry | 29 | 35.68 |
| 4. | Community Development | 349 | 28.84 |
| 5. | Industry | 142 | 24.62 |

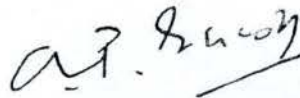
9.2 Outstanding inspection reports

Audit observations on financial irregularities and defects in initial accounts noticed during local audit and not settled on the spot are communicated to the Heads of Offices and to the next higher departmental authorities through audit inspection reports. The more important irregularities are reported to the Heads of Departments and the Government.

At the end of September 1977, 1,262 inspection reports issued upto March 1977 still contained unsettled paragraphs, as shown below, with the corresponding figures for the earlier two years :

| | As at the end of September 1975 | As at the end of September 1976 | As at the end of September 1977 |
|--|---------------------------------|---------------------------------|---------------------------------|
| Number of inspection reports with paragraphs not settled | 1,165 | 1,229 | 1,262 |
| Number of paragraphs | 5,496 | 5,996 | 6,060 |

Of the reports outstanding at the end of September 1977, 1,116 reports related to civil departments, 109 to revenue receipts and 37 to commercial departments. These included 194 inspection reports (151 civil and 43 revenue receipts) for which even the first reply had not been received.



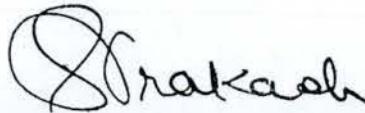
(A. P. GHOSH)

Accountant General, Tripura

Agartala,

The - 8 SEP 1978

Countersigned



(GIAN PRAKASH)

New Delhi,

The 12 SEP 1978
Comptroller and Auditor General of India

APPENDICES

APPENDIX-I
Unutilised Provision

(Reference : Paragraph 2.3, Page 36)

Cases in which savings (Rupees two lakhs or more in each case) exceeded 10 per cent of the total provision

| Serial number | Number and name of grant/ charged appropriation | Total provision | Expenditure | Saving | |
|-----------------------------|---|-----------------|-------------|--------|------------|
| | | | | Amount | Percentage |
| <i>(in lakhs of rupees)</i> | | | | | |
| I—Grants | | | | | |
| 1. | 1 -Parliament/State/Union Territory Legislature | 17.21 | 14.45 | 2.76 | 16 |
| 2. | 3(a) -Administration of Justice | 32.49 | 28.43 | 4.06 | 12 |
| 3. | 9(a) -Secretariat General Services | 58.61 | 47.33 | 11.28 | 19 |
| 4. | 10 -District Administration | 63.49 | 55.65 | 7.84 | 12 |
| 5. | 11(e) -Other Transport and Communication Services (Wireless Planning and Co-ordination) | 23.09 | 19.52 | 3.57 | 15 |
| 6. | 15(c) -Urban Development (Assistance to Municipalities, Corporation, etc.) | 24.52 | 10.25 | 14.27 | 58 |
| 7. | 15(d) -Urban Development (Urban Community Development Pilot Project) | 2.00 | ... | 2.00 | 100 |
| 8. | 15(e) -Labour and Employment | 13.04 | 10.85 | 2.19 | 17 |
| 9. | 17(c) -Social Security and Welfare (Social Welfare) | 21.91 | 16.78 | 5.13 | 23 |
| 10. | 22(b) -Social Security and Welfare (Re-settlement of Landless Agricultural Labourers) | 8.02 | 3.65 | 4.37 | 54 |
| 11. | 23(a) -Secretariat Social and Community Services (Directorate of Tribal Research) | 2.79 | 0.63 | 2.16 | 77 |
| 12. | 23(b) -Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes) | 1,88.71 | 1,35.25 | 53.46 | 28 |

APPENDIX-I—Concl'd.

| Serial number | Number and name of grant/ charged appropriation | Total provision | Expenditure | Saving | |
|----------------------------------|---|-----------------|-------------|---------|------------|
| | | | | Amount | Percentage |
| <i>(In lakhs of rupees)</i> | | | | | |
| I—Grants | | | | | |
| 13. | 29(a) -Special and Backward Areas (North Eastern Council Scheme for Agri., Soil Conservation and Fisheries) | 20.61 | 14.38 | 6.23 | 30 |
| 14. | 29(b) -Agriculture | 1,55.43 | 1,36.71 | 18.72 | 12 |
| 15. | 29(c) -Minor Irrigation (Agriculture) | 18.32 | 15.73 | 2.59 | 14 |
| 16. | 29(e) -Fisheries | 27.36 | 24.29 | 3.07 | 11 |
| 17. | 31(c) -Forest | 1,43.35 | 1,22.99 | 20.36 | 14 |
| 18. | 32 -Community Development | 43.65 | 37.91 | 5.74 | 13 |
| 19. | 34(b) -Industries | 3.50 | 1.12 | 2.38 | 68 |
| 20. | 34(c) -Village and Small Industries | 87.88 | 70.11 | 17.77 | 20 |
| 21. | 36(a) -Capital Outlay on Public Works | 20.40 | 16.39 | 4.01 | 20 |
| 22. | 36(c) -Capital Outlay on Medical | 31.78 | 22.72 | 9.06 | 29 |
| 23. | 36(h) -Capital Outlay on Dairy Development | 6.40 | 0.95 | 5.45 | 85 |
| 24. | 40(a) -Capital Outlay on Co-operation | 18.47 | 12.49 | 5.98 | 32 |
| 25. | 41(a) -Capital Outlay on Agriculture | 74.10 | 57.62 | 16.48 | 22 |
| 26. | 42(a) -Capital Outlay on Food and Nutrition | 7,77.05 | 5,22.17 | 2,54.88 | 33 |
| 27. | 42(b) -Capital Outlay on Road and Water Transport Services | 25.00 | 21.69 | 3.31 | 13 |
| 28. | 44(a) -Capital Outlay on Consumer Industries | 5.00 | 0.38 | 4.62 | 92 |
| <i>II-Charged appropriations</i> | | | | | |
| 1. | 14(a) -Public Works | 6.01 | 0.32 | 5.69 | 95 |
| 2. | 48(b) -Loans and Advances from the Central Government | 1,15.49 | 55.43 | 60.06 | 52 |

APPENDIX-II

Statement showing the particulars of reappropriation of funds from one sub-grant to another during the year 1976-77

(Reference : Paragraph 2.5, Page 36-37)

| Serial number | Sub-grant number | Name of the sub-grant | Amount reappropriated | | |
|---------------|------------------|--|-----------------------|----------|-----|
| | | | From Rs. | To Rs. | |
| I—Grants | | | | | |
| 1. | 3(a) | Administration of Justice | 16,000 | ... | e |
| | 3(b) | Election | ... | 16,000 | t |
| 2. | 4(a) | Collection of Taxes on Income and Expenditure (Agri. Income Tax) | 29,000 | ... | n |
| | 4(b) | Land Revenue | ... | 42,000 | s |
| | 4(c) | Stamps and Registration | 13,000 | ... | r- |
| 3. | 9(a) | Secretariat General Services | 1,76,000 | ... | st |
| | 9(b) | Other Administrative Services (Vigilance) | 12,000 | ... | ose |
| | 9(c) | Other Administrative Services (Guest Houses, Government Hostel etc.) | ... | 1,89,000 | nts |
| | 9(d) | Other Social and Community Services (Celebration of Republic Day) | 1,000 | ... | me |
| 4. | 11(a) | Police | 5,61,000 | ... | in |
| | 11(b) | Fire Protection and Control | ... | 18,000 | ent |
| | 11(c) | Other Administrative Services (Civil Defence) | 4,000 | ... | ed |
| | 11(d) | Other Administrative Services (Home Guards) | ... | 4,30,000 | not |
| | 11(dd) | Other Administrative Services (Gallantry Awards) | ... | 3,000 | ny |
| | 11(e) | Other Transport and Communication Services (Wireless planning and Co-ordination) | ... | 1,14,000 | he |
| 5. | 12(a) | Jails | ... | 23,000 | |
| | 12(b) | Secretariat Economic Services (Evaluation Organisation) | 8,000 | ... | |

APPENDIX-II—Contd.

| Serial number | Sub-grant number | Name of the sub-grant | Amount reappropriated | |
|---------------|------------------|---|-----------------------|----------|
| | | | From Rs. | To Rs. |
| I—Grants | | | | |
| | 12(c) | Other General Economic Services (Economic Advice and Statistics) | 15,000 | ... |
| 6. | 13(a) | Other Fiscal Services (Promotion of Small Savings) | 23,000 | ... |
| | 13(b) | Stationery and Printing | ... | 85,000 |
| | 13(c) | Other Administrative Services (Other Expenditure) | 1,00,000 | ... |
| | 13(d) | State Lottery (Estt. Charges) | ... | 92,000 |
| | 13(e) | Pension and Other Retirement Benefits | 52,000 | ... |
| | 13(f) | State Lottery (Payment to Agency, Prize money etc.) | 2,000 | ... |
| 7. | 14(a) | Public Works | 50,000 | ... |
| | 14(b) | Education | 1,25,000 | ... |
| | 14(c) | Art and Culture | 5,000 | ... |
| | 14(d) | Medical (Buildings) | ... | 85,000 |
| | 14(ee) | Social Security and Welfare (Buildings) | ... | 1,05,000 |
| | 14(f) | Co-operation (Buildings) | 1,50,000 | ... |
| | 14(f.1) | Food and Nutrition | ... | 20,000 |
| | 14(ff) | Animal Husbandry (Buildings) | ... | 1,05,000 |
| | 14(h) | Village and Small Industries | ... | 15,000 |
| 8. | 15(a) | Public Works (Collection of Housing and Building Statistics) | ... | 1,000 |
| | 15(d) | Urban Development (Urban Community Development Pilot Projects) | 6,000 | ... |
| | 15(e) | Labour and Employment | ... | 5,000 |
| 9. | 16(a) | Other Administrative Services (Gazetteer and Statistical Memoirs) | 29,000 | ... |
| | 16(b) | Education | ... | 46,100 |
| | 16(c) | Art and Culture | 17,100 | ... |
| 10. | 17(a) | Education | ... | 1,24,000 |
| | 17(b) | Art and Culture | ... | 18,000 |
| | 17(c) | Social Security and Welfare (Social Welfare) | 1,42,000 | ... |

APPENDIX-II—Contd.

| Sub-grant number | Name of the sub-grant | Amount reappropriated | |
|------------------|--|-----------------------|----------|
| | | From Rs. | To Rs. |
| I—Grants | | | |
| 18(a) | Other Administrative Services (Vital Statistics) | ... | 5,000 |
| 18(c) | Medical | ... | 1,24,000 |
| 18(d) | Public Health, Sanitation and Water Supply | 1,18,000 | ... |
| 18(e) | Other Social and Community Services | 11,000 | ... |
| 20(b) | Housing (Govt. Residential Buildings) | ... | 2,17,500 |
| 20(c) | Urban Development | 9,000 | ... |
| 20(d) | Roads and Bridges | 2,08,500 | ... |
| 23(a) | Secretariat Social and Community Services (Directorate of Tribal Research) | 24,000 | ... |
| 23(b) | Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes) | 2,45,000 | ... |
| 23(c) | Food and Nutrition (Special Nutrition Programme) | ... | 2,69,000 |
| 24(a) | Social Security and Welfare (Civil Supplies) | 1,03,000 | ... |
| 24(b) | Food and Nutrition | ... | 1,03,000 |
| 26(b) | Other Social and Community Services | ... | 10,000 |
| 26(c) | Other General Economic Services | 10,000 | ... |
| 27(a) | Co-operation | 26,000 | ... |
| 27(b) | Community Development (Panchayat) | ... | 26,000 |
| 28(a) | Labour and Employment (Training of Craftsman) | ... | 33,000 |
| 28(b) | Other General Economic Services (Regulation of Weights and Measures) | ... | 1,900 |
| 28(c) | Community Development (State Planning Machinery Office) | 34,900 | ... |
| 29(b) | Agriculture | 34,000 | ... |
| 29(c) | Minor Irrigation (Agriculture) | 42,000 | ... |
| 29(d) | Soil and Water Conservation (Agriculture) | ... | 61,000 |

APPENDIX-II—Concl'd.

| Serial num- ber | Sub- grant number | Name of the sub-grant | Amount reappropriated | |
|----------------------------------|-------------------------|--|--------------------------|-----------|
| | | | From Rs. | To Rs. |
| I—Grants | | | | |
| | 29(e) | Fisheries | ... | 60,000 |
| | 29(f) | Community Development (Agriculture) | 45,000 | ... |
| 19. | 30(b) | Animal Husbandry | 81,000 | ... |
| | 30(c) | Dairy Development | ... | 81,000 |
| 20. | 35(a) | Minor Irrigation | ... | 53,000 |
| | 35(d) | Power Projects | 53,000 | ... |
| 21. | 36(a) | Capital Outlay on Public Works | ... | 3,05,000 |
| | 36(b) | Capital Outlay on Education, Art and Culture | ... | 55,000 |
| | 36(c) | Capital Outlay on Medical | 28,000 | ... |
| | 36(e) | Capital Outlay on Agriculture | 28,000 | ... |
| | 36(f) | Capital Outlay on Food and Nutrition | 2,29,000 | ... |
| | 36(g) | Capital Outlay on Animal Husbandry | ... | 50,000 |
| | 36(h) | Capital Outlay on Dairy Development | 5,40,000 | ... |
| | 36(i) | Capital Outlay on Fisheries | 10,000 | ... |
| | 36(j) | Capital Outlay on Village and Small Industries | ... | 4,25,000 |
| 22. | 40(a) | Capital Outlay on Co-operation | 4,97,000 | ... |
| | 40(c) | Loans to Co-operative Services | ... | 4,97,000 |
| 23. | 41(a) | Capital Outlay on Agriculture | ... | 15,000 |
| | 41(a.1) | Capital Outlay on Minor Irrigation, Soil Conservation and Area Deve- lopment | ... | 20,000 |
| | 41(b) | Capital Outlay on Fisheries | 15,000 | ... |
| | 41(d) | Loans for Fisheries | 20,000 | ... |
| <i>II-Charged Appropriations</i> | | | | |
| 24. | 48(a) | <i>Internal Debt of the State Government</i> | ... | 54,49,000 |
| | 48(b) | <i>Loans and Advances from the Central Government</i> | 54,49,000 | ... |

APPENDIX-III

Statement showing the particulars of reappropriation of funds between voted and charged provision during the year 1976-77

(Reference : Paragraph 2.5, Page 36-37)

| Sub-grant number | Name of the sub- grant/appropriation | Amount reappropriated | |
|---------------------|---|--------------------------|-----------|
| | | From Rs. | To Rs. |
| 3(a) | Administration of Justice 13—Legal Advisors and Councils 13(1)—Legal Remembrancer | | |
| | 13(1)(7)— <i>Other Charges (Charged)</i> | 19,000 | ... |
| 3(b) | Election 2—Electoral Officers (Voted) | ... | 19,000 |

APPENDIX—IV

(Reference : Paragraph 7.2, Page 93)

Details of utilisation certificates outstanding at the end of September 1977

| Department | Year in which grants were paid | Utilisation Certificates outstanding | |
|---------------------------|--------------------------------|--------------------------------------|---------------------------------------|
| | | Number | Amount <i>(in lakhs of rupees)</i> |
| Development | Upto 1972—73 | 6 | 0.36 |
| | 1973—74 | 19 | 2.43 |
| | 1974—75 | 90 | 13.69 |
| | 1975—76 | 118 | 20.62 |
| Education | 1972—73 | 9 | 1.80 |
| | 1973—74 | 4 | 2.32 |
| | 1974—75 | 10 | 3.83 |
| | 1975—76 | 185 | 28.20 |
| Co-operative | Upto 1972—73 | 20 | 4.01 |
| | 1973—74 | 6 | 1.71 |
| | 1974—75 | 3 | 2.59 |
| | 1975—76 | 19 | 18.08 |
| Local Self-Government | 1973—74 | 1 | 6.00 |
| | 1975—76 | 19 | 23.06 |
| Medical | 1975—76 | 1 | 0.03 |
| Panchayat | 1975—76 | 68 | 1.91 |
| Administration of Justice | 1973—74 | 1 | 0.02 |
| Transport | 1974—75 | 1 | 0.35 |
| | Total | 580 | 1,31.01 |

