Report of the Comptroller and Auditor General of India

For the year ended 31 March 2007

GOVERNMENT OF TRIPURA

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PREFACE

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.

2. Chapters I and II of this Report contain audit observations on matters arising from the examination of Finance Accounts and Appropriation Accounts respectively of the State Government for the year ended 31 March 2007.

3. The remaining chapters deal with the findings of performance reviews and audit of transactions in various departments including the Public Works and Irrigation Departments, audit of stores and stock, audit of autonomous bodies and departmentally run commercial undertakings.

4. The Report also contains the observations arising out of audit of Statutory Corporations, Boards and Government Companies and the observations on revenue receipts.

5. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2006-07, 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 2006-07 have also been included, wherever necessary.

OVERVIEW

OVERVIEW

This Report contains 30 audit paragraphs (including three general paragraphs), seven performance reviews, apart from comments on the Finance and Appropriation Accounts. There is a separate chapter on Integrated Audit of Public Health Engineering. According to the existing arrangements, copies of the draft audit paragraphs and draft audit reviews are sent to the Secretary of the Department concerned, with a request to furnish replies within six weeks. However, in respect of five audit reviews and 21 audit paragraphs included in this Report, no response was received by the time of finalisation of the Report (September 2007). A synopsis of the important findings contained in the Report is presented in this overview.

1. Finances of the State Government

The revenue receipts increased from Rs. 3,024.12 crore in 2005-06 to Rs. 3,333.36 crore (10.23 *per cent*) in 2006-07. Eighty seven *per cent* of the revenue came from the State's share of Central taxes and Grants-in-aid, which increased by 27.55 *per cent* and 5.36 *per cent* respectively over the previous year. Only 13 *per cent* of the revenue receipts came from the State's own resources. State's own tax collection (Rs. 341.55 crore) was much below the TFC projection (Rs. 444.65 crore).

The rate of growth of total expenditure (2 *per cent*) was much lower than the rate of growth of revenue receipts (10 *per cent*), capital expenditure was below 25 *per cent* of the total expenditure. There was overall fiscal surplus (Rs. 131.19 crore) in 2006-07 and the quantum of Central transfers was main contributor in the perceptible decrease in fiscal deficit and turning it to surplus. Debt burden (fiscal liabilities) of the State at the end of 2006-07 was Rs. 4,626.08 crore, up by 4.65 *per cent* from Rs. 4420.57 crore in 2005-06.

There was substantial increase in cash balance. Inability of the Government expenditure to keep pace with the receipts, year after year, resulted in progressive increase in the cash balances with the RBI which almost doubled in the year from Rs.399.16 crore in 2005-06 to Rs.783.01 crore in 2006-07 with the consequent implications for the delivery of programmes and services; the growth rate in education and health sectors, for example, were far below the TFC projections.

The dismal performance of the State public sector undertakings, leading to almost negligible returns on investment, remained an area of concern for the fiscal health of the State.

(Paragraph 1)

2. Allocative priorities and Appropriation

Against the total budget provision of Rs. 4,605.15 crore, the actual expenditure was Rs. 3,444.47 crore. The overall savings of Rs. 1,160.68 crore were the result of savings of Rs. 1,175.53 crore, in 55 grants and appropriations, offset by an excess of Rs. 14.85 crore in three grants and three appropriations.

The excess expenditure of Rs. 14.85 crore required regularisation by the Legislature under Article 205 of the Constitution of India.

In 25 cases, the supplementary provision of Rs. 234.34 crore proved unnecessary.

In 52 cases, the savings were more than Rs. 10 lakh in each case and also over 10 *per cent* of the total provision.

Expenditure of Rs. 39.41 crore was incurred in 10 cases under eight grants / appropriations without budget provision.

In 58 cases, the anticipated savings of Rs. 424.80 crore were not surrendered.

In four cases, against the actual savings of Rs. 10.94 crore, Rs. 16.21 crore was surrendered, resulting in excess surrender of Rs. 5.27 crore.

AC bills were drawn by almost all the departments as a matter of routine without due regard to the Financial Rules. As against drawal of 1328 AC bills only 64 were adjusted upto March 2007.

(Paragraph 2)

3. Performance Reviews

3.1 Technology Mission for Integrated Development of Horticulture in Tripura

The Technology Mission for integrated development of horticulture in Tripura was taken up in 2001-02 and aimed mainly at area expansion, water management, production of planting materials, transfer of technology through farmers training, promotion of organic farming etc. The implementation of the Mini-Mission suffered due to defective planning which was not based on any base-line surveys. Even after five years of the commencement of the Mission, no centralised information was available regarding the beneficiaries and the extent of benefits received by them or the impact of the Mission in terms of production and productivity of horticultural crops.

- The implementation of the Mission was affected by the delays in release of funds, both by GOI and TSFAC, diversion and under-utilisation of available funds.
- The cluster approach recommended by the Mission guidelines was not followed and there were poor physical achievements in respect of fruits, spices, flowers etc., due in part to failure of the centralised procurement arrangement for planting materials.
- Transfer of technology through farmers training was affected by non-establishment of training centres and non-operationalisation of the training centres established.
- Diversion of Rs. 5.12 crore for purchase of pump sets affected other components of the programme.

- Linkages with other mini-missions for post harvest management and fruit processing needed strengthening for optimal benefits from the Mini-Mission to flow.

- Monitoring mechanism was not effective and no evaluation of the impact of the programme had been made.

(Paragraph 3.1)

3.2 Educational Development of Scheduled Castes and Scheduled Tribes

A number of Central and State sector schemes were in operation in the State for the benefit of SC/ST children, with the main objective of improving their enrolment, upgrading their skills, and eliminating gender disparities. Despite the multiplicity of the schemes, the Nodal departments did not have reliable database of their own on the targeted population, which acted as impediment to effective planning and implementation of the schemes. The department needed to have a perspective plan, based on a comprehensive mapping of the SC/ST population and distribution of the SC/ST students so as to optimize the benefits of the available schemes.

- The Nodal departments did not conduct any surveys for collecting comprehensive and reliable data about the target group of beneficiaries.

- Large amounts of unspent funds had remained unutilised with some educational institutions for several years, while in others the funds were not utilised in time.

- Information about the benefits given under the Pre-Matric scholarship for children of parents engaged in unclean occupation was not reliable while there was no information about the students in Post-Matric classes.

- The income certificates given by unauthorised persons were accepted.

- There were delays in the construction of hostels, while those completed were underutilized. There was no perspective plan for hostels, based on the number and distribution of SC/ST students over the State.

- While the data available indicated improvement in enrolment and decline in dropouts, the level of dropouts in case of STs was much higher than for SCs. Similarly, gender disparity persisted in case of SC students, while no information about gender disparity was available in case of tribal students.

(Paragraph 3.2)

3.3 Audit of Computerisation of Treasury Operation System in Tripura

To exercise better expenditure control and monitoring of fund flow, the Government initiated the computerisation of Treasuries in 1998, which was implemented in all treasuries and sub-treasuries in 2003-04 at a cost of Rs. 1.47 crore.

- Lack of supervision and monitoring resulted in delayed implementation of the system and non incorporation of important modules like PLA, Pension, Deposit and Stamp account etc leading to only limited use of TOS.

- Deficiency in designing of database structure resulted in slowing down of the system.

- In the absence of change management control policy, different versions of application software were being run in treasuries and sub-treasuries thereby increasing the risk of non recovery of data in the event of data loss due to disaster like virus attack etc.

- Lack of adequate processing controls resulted in payment of bills other than salary/wages being passed under salary/wages sub-object head without ascertaining the availability of funds in the concerned head of account.

- Discrepancy in the figures of expenditure generated by the system and actual payment made by the treasury were noticed, due to generation of expenditure reports from allocation table instead of actual payment transaction tables.

- In the absence of segregation of duty, the treasury personnel were performing the duties interchangeably and in some cases the data entry operators were virtually discharging the duty of Treasury Officer. This posed a major risk to the system.

(Paragraph 3.3)

3.4 Minor Irrigation Schemes

During 2003-04 to 2006-07, the department took up 569 Minor Irrigation schemes for commissioning to cover 14,775 hectares of land. At the end of 2006-07, only 61 *per cent* of the target area was covered. The schemes suffered significantly due to defective planning, poor financial management and inability of the department to enforce strict implementation schedule.

- Though survey and investigation are prerequisites for successful implementation of a scheme, there was no evidence of survey and investigation being conducted in 122 Lift Irrigation and Deep Tube Well schemes out of 132 schemes test checked.

- Though availability of site is a prerequisite for planning and designing of a scheme, the department initiated proposal for acquisition of land 1 to 25 months after issue of work orders. In three diversion schemes, no action was taken by the Land Acquisition Collector to acquire the land even after one to four years of requisition.

- 33 Minor Irrigation schemes were completed at a cost of Rs. 3.90 crore without the minimum irrigation potential of 20 hectares each, in violation of AIBP guidelines.

- Majority of the schemes taken up remained incomplete.

- Against the target of 14,775 hectares, only 9,016 hectares (61 *per cent*) was brought under irrigation during 2003-07, the shortfall each year ranging from 24 to 55 *per cent*.

- A joint inspection of 14 LI schemes showed over-reporting of irrigation potential by 47 *per cent* and of the beneficiaries covered by about 50 *per cent*.

- The completed irrigation schemes were not fully handed over to the user groups and the operation and maintenance cost continued to be borne by the Government. Failure to implement this reform measure would entail forfeiture of central benefits.

- There was no evidence of laboratory testing of the materials used in the works. As a result, there was no assurance that the quality of material used conformed to the specified standards.

(Paragraph 3.4)

3.5 Audit of Computerisation of Land Records

To overcome the problems inherent in the manual system of maintenance and updating of land records, Government of India initiated a scheme for Computerisation of Land Records in 1988-89. It was launched in Tripura on a pilot project basis in the North Tripura District in 1991-92. Thereafter, the project was taken up in other districts in 1993-94 with the help of National Informatics Centre, Agartala. Even after 15 years and after expenditure of Rs.4.87 crore (March 2007), the scheme had not become fully functional and the benefits of computerisation were not fully available to public or the department. A host of factors like defective planning, inadequate monitoring and control, and deficiencies in the software design contributed to the tardy implementations.

- Lack of definite time frame and effective monitoring led to indefinite delay in the implementation of the scheme. The scheme, which commenced in 1991, was not yet complete even in the pilot district.

- Due to lack of validation controls, program error, lack of interrelation among various tables and faulty data type description, the consistency, integrity and reliability of the data had been compromised.

- Due to non-feeding of data in crucial fields, database was incomplete and would be of limited use to the department.

- Mouja-wise total area of land available in manual records did not tally with Khatian-wise total area of land and plot-wise total area of land available in the database.

- Due to non-adoption of any business continuity policy, no back-up was being taken for mutation orders and the offsite storing of monthly database back-up was not regular. No testing procedure to check the back -up data had been adopted.

- Due to non-utilisaiton of computers, generators and other peripherals expenditure of Rs. 1.14 crore remained idle.

(Paragraph 3.5)

3.6 Integrated Audit of Public Health Engineering

The Public Works Department (PHE) is responsible for piped water supply system in the State, including water quality monitoring and surveillance. As of March 2007, only 591 (7.27 *per cent*) of the 8132 habitations in the State had access to adequate and safe drinking water. A review of the functioning of the Department brought out the following main points:

- Budgeting was unrealistic and lacked credibility in view of the persistent and substantial savings.
- The size of the capital budget was contracting, the funds for Centrally Sponsored Schemes were not being spent fully and there was poor control over receipts and expenditure.
- Programme implementation was marred by lack of sound planning, ad hoc implementation, delays in implementation, non enforcement of implementation schedules and deficient monitoring.
- The Department's preparedness to tackle the issues of quality control was seriously impaired by the lack of infrastructure, adequate planning, sub-optimal utilisation of the existing facilities and deficient monitoring.
- Physical verification of the stores was not conducted regularly and there were instances of surplus material lying unutilized blocking capital.
- Several weaknesses in the internal control system increased the vulnerability of the department to fraud and corruption.
- The monitoring was weak and deficient, which affected the programme implementation adversely.

(Paragraph 5.1)

3.7 Performance Review of power projects in Tripura

Tripura has installed generation capacity of 142.5 MW and effective available capacity of 105 MW against the peak demand of 160 MW. In January 2005, the Power Department transferred these functions to a newly created corporate entity "Tripura State Electricity Corporation Limited (TSECL)", which is now responsible for generation as well as distribution of power in the State. The existing generating units were ageing and performing below the desired level. There were constraints on the inputs needed for power generation and inefficiencies in the generation process and utilisation of resources.

- The available capacity (105 MW) of power generation was inadequate to meet the peak demand for power which was expected to grow to 396 MW by 2011-12.

- There were major generation constraints due to inadequate availability of gas and water required for thermal and hydropower generations respectively, small sizes of the plants, and major shutdowns.
- Despite the huge gap in supply and peak demand, the annual target fixed for generation correspond to a Plant Load Factor of 56 to 64 *per cent* against the national average of about 74 *per cent.*
- The Plant Load Factor at Rokhia was much below the national average and the plant capacity utilisation was sub-optimal.
- More reduction in the cost of generation was possible by increasing the generation.
- There were inefficiencies in the process of fuel management, with lack of adequate supply in Rokhia, excess supply in Baramura and wastage of precious gas at huge cost due to flaring.
- The heat rate in the plants was much above the designed heat rate, implying wastage of gas and the attendant monetary loss. The reasons needed to be investigated for corrective action.
- There were abnormal delays in routine inspections and maintenance leading to high wear and tear and system breakdown. The resultant outages led to loss of substantial generation capacity.

(Paragraph 7.2)

3.8 Performance Review of Accelerated Power Development Reforms Programme (APDRP)

The APDRP was launched in the State in 2001 with the objectives of reducing the AT&C losses, increasing consumer satisfaction, reducing cash losses and reducing outages and interruptions. More than six years after its launch, the impact of APDRP on reduction of AT&C loss was negligible, if any, which was the result of a host of factors including inertia in initiating the required reforms measures, defective planning, inefficient contracting and tardy implementation of the projects without subjecting them to a rigorous implementation schedule. While the power generation sector continued to grapple with the issues like systemic inefficiencies, fuel constraints, plant obsolescence and capacity constraints, the transmission and distribution losses were unabated, putting severe burden on the State's generation, transmission and distribution sector.

- There was delay in release of Central funds due to failure of the State Government to sign the Memoranda of Agreements as also to initiate the stipulated reform measures.
- There was wide variation in estimates made in DPR and procurement actually made.
- The delay in project implementation were mainly due to delays in signing the MoAs, not following the turn-key contract concept and inefficient contracting system, apart from failure to enforce a strict implementation schedule.

- None of the major components *viz.*, improvement of sub-transmission and distribution systems and 100 *per cent* metering had been implemented in any of the projects.
- The system for energy accounting and auditing was not implemented and the current estimates of AT&C losses were unreliable. Notwithstanding, the losses showed an increasing trend and were nowhere near the APDRP target of 15 *per cent*.
- The distribution losses ranged between 19 to 40 *per cent* during 2005-06 and 2006-07.
- The shortfall in consumer metering was further compounded by purchase of sub-standard meters.
- Very little was done to benefit from information technology developments and other technological options available to reduce the technical and commercial losses.

(Paragraph 7.3)

4. Audit of transactions
(a) Civil

- The Department failed to implement the Central schemes for strengthening of poultry farm at Panisagar and establishment of quail and broiler duck breeding farms at Gandhigram and Devipur respectively resulting in the expenditure of Rs. 1.58 crore incurred on the incomplete projects remaining unfruitful for several years.

  (Paragraph 4.1)

- There was significant shortfall in compensatory afforestation, and there was no verifiable evidence of the actual area covered as well as survival rate of plants. Demands for Rs. 20.04 crore due from user agency for compensatory afforestation had not been raised and there was loss of Rs. 1.33 crore to the CAMPA due to keeping the funds in non-interest bearing Government account.

  (Paragraph 4.4)

- The contracts for food park and multi-fruit processing unit were awarded to a promoter without ensuring transparency and without verifying his technical and financial soundness. Both the projects had remained unimplemented for over 5 years, despite availability of funds from GOI. This led to unfruitful expenditure of Rs. 4.10 crore on the food park while the failure to start the fruit processing unit resulted in an estimated annual loss of 40 MT of pineapples due to lack of processing facility.

  (Paragraph 4.6)

- Rs. 85.76 lakh was drawn by two BDOs through Fully Vouched Contingent Bills in anticipation of meeting future liabilities, in contravention of financial rules, causing loss to Government and having serious implications for legislative accountability and risk of malpractice.

  (Paragraph 4.15)

- Agartala Municipal Council lost the opportunity to generate employment for poor due to tardy implementation of SJSRY scheme. Out of Rs. 7.55 crore received during 1998-07, Rs. 4.58 crore (61 *per cent*) remained unspent as of 15 March 2007.

(Paragraph 4.16)

(b) Revenue

- Underassessment of turnover and computation mistake resulted in short realisation of sales tax of Rs. 6.14 lakh.

(Paragraph 6.15)

- Rupees 14.47 crore due from different organisations was not realised due to failure to raise timely demands, lack of follow up action and due to incomplete and incorrect demands for the police services provided.

(Paragraph 6.16)

- Violation of financial rules and administrative inaction led to non realisation of Rs. 10.28 lakh of composite fee.

(Paragraph 6.17)

- Lack of control for collection of composite fee from the national permit holders resulted in short realisation of atleast Rs. 7.76 lakh.

(Paragraph 6.18)

(c) Commercial

- Poor selection of loanees coupled with weak and deficient recovery process led to wastage of large public funds without any addition to the industrial development of the State. The Tripura Industrial Development Corporation Limited (TIDCL) had no written policy for monitoring the recovery of dues, and for enforcement of accountability. The supervision by the senior management and the BoD oversight needed strengthening.

(Paragraph 7.4)

- The TIDCL failed to establish an effective system for timely realisation of outstanding dues from Industrial Units at the Growth Centre, Bodhjungnagar leading to non-realisation of Rs. 27.29 lakh and loss of interest of Rs. 5.58 lakh as of March 2007.

(Paragraph 7.5)

- The Tripura State Electricity Corporation Limited (TSECL) incurred a loss of Rs. 11.76 crore paid as transmission charge to GAIL without any supply of gas.

(Paragraph 7.6)

- Despite construction of a diversion road in 2003, the TSECL did not take timely action for closing the road passing through the Rokhia Project which resulted in unfruitful expenditure of Rs. 26.41 lakh on the diversion road and also in loss of Rs. 12.15 lakh on account of damages to the diversion road due to its non utilisation.

(Paragraph 7.7)

CHAPTER I
FINANCES OF THE STATE GOVERNMENT

	Capital	Rev	Total
2006-07	722.45	2482.56	3205.01
2005-06	(-) 743.94	(-) 2391.79	(-) 3135.73
	(-) 21.49	(+) 90.77	(+) 69.28

	2006-07	2005-06
	5438.49	5001.43
	783.01	399.16
Total Expdr	4655.48	4602.27
	(-) 4602.27	
	53.21	

CHAPTER I: FINANCES OF THE STATE GOVERNMENT

1.1 Introduction

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account (**Appendix 1.1–Part A**). The Finance Accounts of the Government of Tripura are laid out in nineteen statements, presenting the receipts and expenditure, revenue as well as capital, in the Consolidated Fund, Contingency Fund and the Public Account of the State. The layout of the Finance Accounts is depicted in **Appendix 1.1–Part B.**

1.1.1 Summary of Receipts and Disbursements

Table 1 summarises the finances of the State Government for the year 2006-07 covering the revenue receipts and expenditure, capital receipts and expenditure, public debt receipts and disbursements and public account receipts and disbursements, as emerging from Statement–1 of the Finance Accounts 2006-07 and other detailed Statements.

Table 1.1: Summary of Receipts and Disbursements for the year 2006-07

(Rupees in crore)

2005-06	Receipts	2006-07	2005-06	Disbursements	2006-07		
Section A: Revenue							
					Non-Plan	Plan	Total
3024.12	**I. Revenue Receipts**	**3333.36**	**2391.79**	**I. Revenue Expenditure**	**1992.51**	**490.05**	**2482.56**
296.09	Tax Revenue	341.55	1072.87	General Services	1151.93	3.27	1155.20
63.62	Non-tax Revenue	94.97	780.61	Social Services	566.98	302.27	869.25
404.38	Share of Union taxes / duties	515.78	484.7	Economic Services	273.60	135.39	408.99
2260.03	Grants from Government of India	2381.06	53.61	Grants-in-aid / contribution	0	49.12	49.12
Section B: Capital							
0	**II. Miscellaneous Capital Receipts**	**-**	**743.94**	**II. Capital outlay**	**60.48**	**661.97**	**722.45**
3.86	**III. Recoveries of Loans and Advances**	**3.52**	**2.35**	**III. Loans and Advances disbursed**	**-**	**0.68**	**0.68**
144.98	**IV. Public Debt receipts**	**224.96**	**163.34**	**IV. Repayment of Public Debt**	**-**	**-**	**95.78**
	V. Contingency Fund	**-**	**-**	**V. Contingency Fund**	**-**	**-**	
1587.63	**VI. Public Account receipts**	**1477.49**	**1300.85**[1]	**VI. Public Account disbursements**	**-**	**-**	**1354.01**
240.84	**Opening balance**	**399.16**[1]	**399.16**[1]	**Closing balance**			**783.01**
5001.43	**Total**	**5438.49**	**5001.43**	**Total**			**5438.49**

[1] Differs from the previous year due to proforma transfer of Rs. 1.13 crore from Public Account to cash balance.

Revenue receipts grew by Rs. 309.24 crore from Rs. 3024.12 crore in 2005-06 to Rs. 3333.36 crore in 2006-07 while revenue expenditure increased by Rs. 90.77 crore from Rs. 2391.79 crore to Rs. 2482.56 crore during the same period. Receipts from Public Debt increased by Rs. 79.98 crore while repayment of Public Debt decreased by Rs. 67.56 crore during 2005-07. Public Account receipts decreased by Rs. 110.14 crore and repayment of Public Account increased by Rs. 53.16 crore during 2006-07 over the previous year. The total outflow of the Government (Rs. 4655.48 crore) was less than the total inflow (Rs. 5039.33 crore) resulting in an increase of Rs. 383.85 crore in the cash balances of the State at the end of the year 2006-07.

1.1.2 Overview of Fiscal Situation of the State

The fiscal position of the State Government during 2006-07 compared to 2005-06 is given in Table 1.2.

Table 1.2

(Rupees in crore)

Sl. No.	2005-06	Major Aggregates	2006-07
1	**3024.12**	**Revenue Receipts (2+3+4)**	**3333.36**
2	296.09	Tax Revenue	341.55
3	63.62	Non-tax Revenue	94.97
4	2664.41	Other Receipts	2896.84
5	**3.86**	**Non-Debt Capital Receipts**	**3.52**
6	**3027.98**	**Total Receipts (1+5)**	**3336.88**
7	**2025.83**	**Non-Plan Expenditure (8+10)**	**2053.05**
8	1979.25	On Revenue Account	1992.51
9	370.62	Of which, Interest Payments	388.17
10	46.58	On Capital Account	60.48
11	**1112.25**	**Plan Expenditure (12 + 13 +14)**	**1152.64**
12	412.54	On Revenue Account	490.05
13	697.36	On Capital Account	661.97
14	2.35	On Loans disbursed	0.68
15	**3138.08**	**Total Expenditure (7 + 11)**	**3205.69**
16	**(+)632.33**	**Revenue Surplus**	**850.80**
17	**(-)110.10**	**Fiscal Deficit (-)/Surplus(+) /{(1+5) -15}**	**(+) 131.19**
18	**(-)260.52**	**Primary Deficit (-)/Surplus (+) {(1+5) – (15-9}**	**(+) 519.36**

1-(8+12)

(6-15)

The receipts in the Consolidated Fund increased by Rs. 308.90 crore to Rs.3336.88 crore, mainly on account of other receipts (grants-in-aid from GOI).

The revenue receipts (Rs.3333.36 crore) exceeded the revenue expenditure (Rs.2482.56 crore) resulting in revenue surplus of Rs.850.80 crore; similarly, the total revenue and non-debt capital receipts (Rs.3336.88 crore) exceeded the total expenditure (Rs.3205.69 crore), resulting in fiscal surplus of Rs.131.19 crore. If the interest payment of Rs.388.17 crore is discounted, the State had a primary surplus of Rs.519.36 crore.

1.2 Audit Methodology

The trends in the major fiscal aggregates of receipts and expenditure as emerging from the Statements of Finance Accounts were analysed wherever necessary over the period of last five years and observations have been made on their behaviour. In its Restructuring Plan of State finances, the Twelfth Finance Commission (TFC) recommended the norms / ceiling for some fiscal aggregates and also made normative projections for others. In addition, TFC also recommended that all States enact the Fiscal Responsibility Act and draw their fiscal correction path accordingly for the five year period (2005-06 to 2009-10) so that fiscal position of the State could be improved as committed in their respective FR Acts / Rules during medium to long run. The norms / ceilings prescribed by the TFC as well as its projections for fiscal aggregates along with the commitments / projections made by the State Government in its Fiscal Responsibility Act and in other Statements laid in the Legislature under the Act were used to make qualitative assessment of the trends and pattern of major fiscal aggregates during the current year. Assuming that Gross State Domestic Product (GSDP) is a good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the GSDP at current market price. The State Government has made available the new GSDP series, with 1993-94 as base, up to 2002-03, with provisional figures from 2003-04 to 2006-07[2].

Table 1.3: Trends in Growth and Composition of GSDP

(Rs. in crore)

Estimates	2002-03	2003-04	2004-05	2005-06	2006-07
Gross State Domestic Product (GSDP)[3]	6481.58	7165.78	7511.81	7998.40	8894.50
Rate of growth *(per cent)*	7.94	10.56	4.83	6.48	11.20

Source: Directorate of Economics and Statistics of the Government of Tripura.

The buoyancy coefficients for tax revenues, non-tax revenues, revenue expenditure etc, with reference to the base represented by the GSDP have also been worked out to assess as to whether the mobilisation of resources, pattern of expenditure etc, are keeping pace with the change in the base or these fiscal aggregates have also been affected by factors other than GSDP. The audit observations in this chapter, bring out the trends in the major fiscal aggregates of receipts and expenditure over the time series (**Appendix 1.2 to 1.5**) of 2002-03 to 2006-07 based on the Statements in the Finance Accounts and other relevant data. The key indicators discussed in this chapter are: (i) Resources by volumes and sources, (ii) Application of resources, (iii) Assets and Liabilities, and (iv) Management of deficits. Audit observations have also taken into account the cumulative impact of resource mobilisation efforts, debt servicing and corrective fiscal measures. The overall financial performance of the State Government has been presented by the application of a set of ratios commonly adopted for the relational interpretation of fiscal aggregates. In addition, selected indicators of financial performance of the Government have also been

[2] Since the previous Audit Reports used projected GSDP using the average growth rate, some of the aggregates, ratios and conclusions in this Audit Report, which uses the GSDP estimates furnished by the State Government, may not agree with those in the previous Audit Reports.

[3] GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production.

listed in this chapter. Some of the terms used in this context are explained in **Appendix 1.1 Part C.**

1.2.1 The Tripura Fiscal Responsibility and Budget Management (TFRBM) Act / Rules

The State Government enacted in June 2005, the Tripura Fiscal Responsibility and Budget Management (TFRBM) Act, 2005 to ensure prudence in fiscal management and fiscal stability by progressive elimination of revenue deficit, reduction in fiscal deficit, prudent debt management consistent with fiscal sustainability, greater transparency in the fiscal operations of the Government and conduct of fiscal policy in a medium term framework. To give effect to fiscal management principles, the Act prescribed the following fiscal targets for the Government:

- strive to remain revenue surplus by making a balance in revenue receipts and expenditure and build up further surplus;
- strive to bring down the fiscal deficit to 3 *per cent* by the year ending March 2010;
- ensure within a period of five years, beginning from the 1st day of April 2005 and ending on the 31st day of March 2010, that the total debt stock does not exceed 40 *per cent* of the estimated GSDP for that year;
- limit the amount of annual incremental risk weighted guarantees to 1 *per cent* of the GSDP that year,

1.2.1.1 Fiscal Policy Statement(s) and disclosures

As the rules to carry out the provisions of the TFRBM Act were notified in the Official Gazette on 5th October 2006, more than a year after its enactment, the State Government presented the following fiscal policy statements along with the budget for the year 2007-08 before the State Legislature.

- The Macroeconomic Framework Statement;
- The Medium Term Fiscal Policy Statement; and
- The Fiscal Policy Strategy Statement.

As per rule 6(1) of the TFRBM Rules, the State Government was also required to present the following statements at the time of presenting the budget: Statement of select indicators of fiscal situation; Statement on components of the State Government liabilities and interest cost of borrowings / mobilisation of deposits; Statement on the consolidated Sinking Fund; Statement on the guarantees given by the Government; Statement on the Guarantee Redemption Fund; Statement of assets; Statement on claims and commitments made by the State Government on revenue demands raised but not realised; and Statement on liability in respect of major works and contracts, committed liabilities in respect of land acquisition charges and claims on the State Government in respect of unpaid bills on works and supplies. Out of these statements, the State Government did not present the statements on guarantee redemption fund and statement of assets along with the budget for the year 2007-08.

1.2.1.2 Roadmap to achieve the fiscal targets laid down in the TFRBM Act / Rules

The State Government did not develop its own fiscal correction path as per guidelines of the Government of India (GOI). However, in its Medium Term Fiscal Policy Statement, the State Government indicated the fiscal indicators over the TFC award period 2005-06 to 2009-10, as follows:

Table 1.4: Rolling Target

(in per cent)

	Actuals	Budget estimates	Revised estimates	Budget estimates	Target for	
	2005-06	2006-07	2006-07	2007-08	2008-09	2009-10
Revenue surplus as percentage of Revenue Receipts	20.91	13.15	17.22	17.47	15.42	15.68
Fiscal deficit as percentage of GSDP	1.21	2.77	2.54	2.69	2.91	2.83
Total outstanding liabilities as percentage of GSDP	48.32	45.32	45.32	42.11	39.13	36.36

As against the above, the revenue surplus in 2006-07 was 25.52 *per cent* of the revenue receipts (which exceeded the target). Fiscal deficit was wiped out and the year ended with a fiscal surplus. However, the ratio of debt to GSDP was 52.01 *per cent* which was much above the target. Consequent on the enactment of the TFRBM Act/ Rules and in view of its fiscal performance, the State Government was granted a debt waiver of Rs. 22.25 crore under the DCRF[4] Scheme of the GOI.

1.2.1.3 Mid-Term Review of Fiscal Situation

In pursuance to Section 11(1) of TFRBM Act, 2005, a quarterly review report for the quarter ending December 2006 was placed before the State Legislature along with the budget for the year 2007-08. It was indicated in the report that against the budgeted total receipts of Rs. 3670.82 crore, Rs. 2410.63 crore were realised up to December 2006, which constituted 65.67 *per cent* of the budget provision. On expenditure side, against budget provision of Rs. 2427.29 crore in Non-plan expenditure, Rs. 1479.47 crore (60.95 *per cent)* was incurred up to the quarter ending December 2006. On the other hand, against budgeted provision of Rs. 1121.71 crore under State plan, Rs. 430.03 crore (51.61 *per cent)* was incurred during the same period. However, at the end of the year 2006-07, the non-plan revenue expenditure was Rs.1992.51 crore which was within the ceiling of the TFC projection of Rs.2070.26 crore.

1.3 Trends and composition of Aggregate receipts

The aggregate receipts of the State Government consist of revenue receipts and capital receipts. Revenue receipts consist of tax revenue, non-tax revenue,

[4] In pursuance of the recommendations of the TFC for fiscal consolidation and elimination of revenue deficit of the States, Government of India formulated a scheme **"The States' Debt Consolidation and Relief Facility (DCRF) (2005-06 to 2009-10)"** under which general debt relief is provided by consolidating and rescheduling at substantially reduced rates of interest on the Central loans granted to States on enacting the FRBM Act and debt waiver is granted based on fiscal performance, linked to the reduction of revenue deficits of States.

State's share of union taxes and duties and grants-in-aid from the Central Government. Capital receipts comprise miscellaneous capital receipts like proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources *viz.*, market loans, borrowings from financial institutions / commercial banks etc. and loans and advances from the GOI, as well as accruals from Public Account.

Table 1.5: Trends in Growth and composition of Aggregate Receipts

(Rupees in crore)

	Sources of State's Receipts	2002-03	2003-04	2004-05	2005-06	2006-07
I.	**Revenue Receipts**	1880.07	2167.66	2576.90	3024.12	3333.36
II.	**Capital Receipts**	214.58	409.01	371.85	148.84	228.48
	(a) Recovery of Loans and Advances	3.10	3.69	3.97	3.86	3.52
	(b) Public Debt Receipts	211.48	405.32	367.88	144.98	224.96
	(c) Miscellaneous Receipts	-	-	-	-	-
III.	**Contingency Fund Receipts**	-	-	-	-	-
IV.	**Public Account Receipts**	1575.97	1699.00	1482.51	1587.63	1477.49
	(a) Small Savings, Provident Fund etc	567.23	526.46	643.38	570.42	379.74
	(b) Reserve Funds	16.51	20.74	13.01	7.64	18.54
	(c) Deposits and Advances	205.95	225.07	247.46	210.79	199.45
	(d) Suspense and Miscellaneous	41.39	112.58	(-)24.07	88.56	73.06
	(e) Remittances	744.89	814.15	602.73	710.22	806.70
	Total Receipts	3670.62	4275.67	4431.26	4760.59	5039.33

Table 1.5 shows that the total receipts in 2006-07 consisted mainly of revenue receipts (66.15 *per cent*), which were predominantly due to grants from the GOI and the Public Account receipts (29.32 *per cent*), mainly on account of remittances and small savings, provident fund etc. Capital receipts (Rs.228.48 crore) accounted for only 4.53 *per cent* of the Government's resources in 2006-07.

The share of revenue receipts to total receipts has steadily increased from 51 *per cent* in 2002-03 to 66 *per cent* in 2006-07, with a corresponding decline in the percentage of the second largest source (Public Account receipts) from 43 *per cent* to 29 *per cent*.

1.3.1 Revenue Receipts

Statement-11 of the Finance Accounts details the Revenue Receipts of the State, consisting mainly of its own tax and non-tax revenues, Central tax transfers and grants-in-aid from the GOI. The details of revenue receipts are given in **Appendix 1.2**, but some key indicators have been summarised in Table 1.6, which shows that the revenue receipts have consistently increased from Rs. 1880.07 crore in 2002-03 to Rs. 3333.36 crore in 2006-07 with no or marginal changes in its composition. The rate of growth of revenue receipts declined sharply to around 10 *per cent* in 2006-07 as against over 15 *per cent* in the preceding three years, while GSDP growth rate increased to 11.20 *per cent* in 2006-07 from 6.48 *per cent* in 2005-06, resulting in decline in the revenue buoyancy to less than one, as compared to 3.9 in 2004-05 and 2.68 in 2005-06.

Table 1.6: Revenue Receipts – Basic Parameters

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Revenue Receipts (RR)	**1880.07**	**2167.66**	**2576.9**	**3024.12**	**3333.36**
Own Taxes (percentage)	183.09 (10)	221.47 (10)	239.63 (9)	296.09 (10)	341.55 (10)
Non-tax revenue (percentage)	98.73 (5)	167.78 (8)	176.85 (7)	63.62 (2)	94.97 (3)
Central tax transfer (percentage)	249.71 (13)	320.53 (15)	383.12 (15)	404.38 (13)	515.78 (15)
Grants-in-aid (percentage)	1348.54 (72)	1457.88 (67)	1777.3 (69)	2260.03 (75)	2381.06 (71)
Rate of Growth of RR *(per cent)*	**0.68**	**15.30**	**18.88**	**17.35**	**10.23**
Revenue Receipts/GSDP *(per cent)*	**29.01**	**30.25**	**34.30**	**37.81**	**37.48**
Rate of growth of own taxes	**15.51**	**20.96**	**8.20**	**23.56**	**15.35**
Own taxes / GSDP *(per cent)*	**2.82**	**3.09**	**3.19**	**3.70**	**3.84**
Revenue Buoyancy (ratio)[5]	**0.086**	**1.449**	**3.908**	**2.677**	**0.913**
State's own taxes buoyancy (ratio)[6]	**1.953**	**1.985**	**1.697**	**3.635**	**1.371**
Revenue Buoyancy with reference to State's own taxes (ratio)[7]	**0.043**	**0.730**	**2.302**	**0.737**	**0.666**
GSDP Growth (%)	**7.94**	**10.56**	**4.83**	**6.48**	**11.20**

Own tax revenue

The State's own taxes contributed 10 *per cent* of the revenue receipts, consistent with the past 5 years, but their rate of growth declined sharply to 15 *per cent* as compared to over 23 *per cent* in 2005-06, resulting in sharp decline in the State's own taxes buoyancy from 3.6 in 2005-06 to 1.4 in 2006-07; however, the State has been able to maintain the buoyancy at more than 1 (except in 2004-05), implying that the State's own taxes grew at a faster rate than the GSDP.

The growth in the own tax revenue was mainly due to increase in the revenue from sales tax (14.73 *per cent),* State excise (18.91 *per cent)* and taxes on vehicles (29.14 *per cent*). However, the actual collection of own tax revenue during 2006-07 (Rs. 341.55 crore) was much below the projected figure (Rs. 444.65 crore) of TFC and Revised Estimates (Rs. 353.23 crore). The ratio of own tax to GSDP, which has risen consistently from 2.82 *per cent* to 3.84 *per cent* over last five years, was much below the projection of TFC (5.9 to 6.8 *per cent)* and pointed to inadequate efforts to mobilise own sources of revenue and reduce the dependence on borrowings and grants-in-aid from the Central Government. It is noteworthy that of the two most important constituents of own taxes (sales tax and excise duty), the relative share of excise duty has been consistently declining, from 15 *per cent* in 2002-03 to 11 *per cent* in 2006-07 (**Appendix 1.4**).

Non-tax revenue

The non-tax revenue increased by Rs. 31.35 crore to Rs. 94.97 crore and contributed about 3 *per cent* of the total revenue receipts in 2006-07, but was lower than the amounts projected (Rs. 113.25 crore) by the TFC. The non-tax

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[5] Rate of growth (ROG) of revenue divided by the ROG of GSDP.
[6] State's own taxes buoyancy: ROG of own taxes / ROG of GSDP.
[7] Revenue buoyancy with reference to State's own taxes: ROG of RR / ROG of own taxes.

revenue came mainly from interest receipts (Rs. 26.23 crore), of which Rs. 25.70 crore (98 *per cent)* came from investment of cash balances by RBI, backing of debt waiver of Rs.22.25 crore under Miscellaneous General Services received by the State Government under DCRF, Industries (Rs. 9.25 crore) and Forestry and Wild Life (Rs. 6.24 crore). Therefore, if the earnings on the cash balances invested by the RBI and the boosting of debt waiver received under DCRF are ignored, then the mobilisation of non-tax revenue would appear to be quite insignificant.

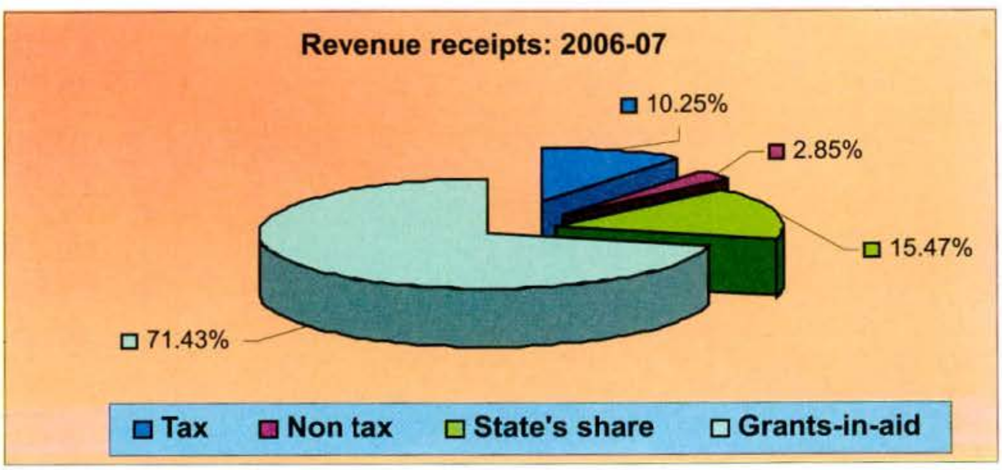
Central tax transfers

The contribution of the Central tax transfers to the total revenue receipts has ranged from 13 *per cent* to 15 *per cent* during 2002-07 and increased by Rs. 111.40 crore to Rs. 515.78 crore in 2006-07.

Grants-in-aid

The Grants-in-aid from the Central Government increased by over 5 *per cent* to Rs. 2,381.06 crore contributing 71 *per cent* of the total revenue receipts during 2006-07. This increase was mainly due to increase in grants for the State plan schemes (up by Rs. 185.77 crore), Centrally sponsored schemes (up by Rs. 48.53 crore) and Central Plan schemes (up by Rs. 4.75 crore). The non-plan grants from the GOI, on the other hand, decreased from Rs. 1,286.88 crore in 2005-06 to Rs. 1,171.96 crore in 2006-07 (**Appendix 1.2**) consisting mainly of Rs. 1,123.25 crore released under Article 275(1) of Constitution as recommended by the TFC, of which Rs. 1,064.30 crore was to cover the non-plan revenue deficit.

Chart No. 1.1



Arrears of revenue: The arrears of revenue at the end of 2006-07 amounted to Rs. 13.41 crore and related mainly to sales tax, of which, Rs. 0.28 crore were more than five years old.

1.4 Application of resources

1.4.1 Growth of expenditure

Statement 12 of the Finance Accounts depicts the detailed revenue expenditure by minor heads and capital expenditure by major heads. The States raise resources to perform their sovereign functions, to maintain the delivery of social and economic services as well as to extend the network of these services through capital expenditure and investments, and to discharge their debt service obligations. The total expenditure of the State increased from Rs. 2420.17 crore in 2002-03 to Rs. 3,205.69 crore in 2006-07 but the growth rate declined to 2.15 *per cent* in 2006-07, as compared to 11.24 *per cent* in the preceding year. The revenue expenditure increased from Rs. 1,960.72 crore in 2002-03 to Rs. 2,482.56 crore in 2006-07, while the capital expenditure increased from Rs. 451.21 crore in 2002-03 to Rs. 722.45 crore in 2006-07, which was Rs. 21.49 crore less than the capital expenditure in 2005-06.

Table 1.7 shows that the total expenditure, as a percentage of GSDP, has shown a declining trend, moving in the range of 36 to 39 *per cent* in the period 2002-07. The buoyancy of total expenditure with reference to GSDP declined from 1.734 in 2005-06 to 0.192 in 2006-07, while the buoyancy with respect to revenue receipts was also decreasing and less than one during the period 2002-03 to 2006-07. The buoyancy of capital expenditure with reference to GSDP was negative in three out of five years.

The increasing ratio of revenue receipts to total expenditure, the declining (and less than one) buoyancy of total expenditure with reference to revenue receipts, and negative buoyancy of capital expenditure in three out of the five years period, point to the failure of the Government expenditure to keep pace with the growth in revenue receipts or the GSDP, which is manifest in increasing cash balances with RBI from year to year.

Table 1. 7: Total expenditure – Basic Parameters

	2002-03	2003-04	2004-05	2005-06	2006-07
Total expenditure* (TE) (Rupees in crore)	**2420**	**2513**	**2821**	**3138**	**3206**
– Revenue	1961	2063	2182	2392	2483
– Capital	451	444	637	744	722
Rate of growth (*per cent*)	0.51	3.84	12.27	11.24	2.15
TE/GSDP Ratio (*per cent*)	37.34	35.07	37.55	39.23	36.04
Revenue Receipts/TE Ratio (*per cent*)	77.68	86.26	91.34	96.37	103.98
Buoyancy of total expenditure with reference to:					
GSDP (ratio)	0.064	0.364	2.540	1.734	0.192
Revenue Receipts (ratio)	0.752	0.251	0.649	0.648	0.211
Buoyancy of revenue expenditure with reference to Revenue Receipts	11.985	0.340	0.307	0.552	0.371
Buoyancy of capital expenditure with reference to GSDP	(-) 2.909	(-) 0.156	8.989	2.604	-0.258

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

Trends in total expenditure by activities: In terms of the activities, the total expenditure could be considered as being composed of expenditure on General

Services, Interest Payments, Social and Economic Services, Grants-in-aid and Loans and Advances. The relative share of these components in the total expenditure is indicated in Table 1.8.

Table 1.8: Components of Expenditure – Relative share

(in per cent)

	2002-03	2003-04	2004-05	2005-06	2006-07
General Services	35.90	36.60	35.21	36.83	38.48
Of which, interest Payments	12.01	13.24	12.61	11.81	12.11
Social Services	36.52	35.40	35.80	32.79	34.30
Economic Services	25.45	26.26	27.63	28.59	25.67
Grants-in-aid	1.74	1.50	1.29	1.71	1.53
Loans and Advances	0.34	0.24	0.07	0.07	0.02

Table 1.8 shows that in the five years period from 2002-03 to 2006-07, the percentage of expenditure on General Services (considered as non developmental) has increased from 35.90 *per cent* in 2002-03 to 38.48 *per cent* in 2006-07 while the expenditure on Social Services declined from 36.52 *per cent* to 34.30 *per cent*. The share of expenditure on Economic Services declined in 2006-07 to 25.67 *per cent* from 28.59 *per cent* in 2005-06, primarily due to non-inclusion of expenditure on power sector, which is now with the Tripura State Electricity Corporation Limited (TSECL).

The increase in expenditure on General Services was mainly due to increase in interest payments (up by Rs. 17.55 crore), police (up by Rs. 14.88 crore) and pension and other retirement benefits (up by Rs. 25.73 crore).

1.4.2 Incidence of Revenue expenditure

Revenue expenditure is incurred to maintain the current level of services and pay for the past obligations and as such does not result in any addition to the State's infrastructure and service network. **Appendix 1.4** shows that the revenue expenditure accounted for the predominant share of the total expenditure though it showed a declining trend from 81 *per cent* in 2002-03 to 78 *per cent* in 2006-07. Similarly, the revenue expenditure as a percentage of revenue receipts also registered a secular decline and its buoyancy with respect to both GSDP and revenue receipts declined in 2006-07.

Non-plan revenue expenditure (NPRE) accounted for the major portion (80 to 84 *per cent*) of the revenue expenditure while the planned revenue expenditure (PRE) accounted for 16 to 20 *per cent* during the period 2002-07. Despite the increase in the amounts over the years, the share of NPRE has been declining with the corresponding increase in the PRE (Table 1.9) not withstanding, the level of PRE in 2006-07 (Rs. 489.99 crore) was well below the Revised estimates of Rs. 526.09 crore as indicated in the Macro Economic Framework Statement prepared by the State Government. The increase in the NPRE in 2006-07 was mainly due to increase in expenditure on interest payments (Rs. 388.17 crore), pensions and miscellaneous services (Rs. 267.36 crore), and the sinking fund (Rs. 20 crore).

The NPRE, as a percentage of GSDP as well as total expenditure and revenue receipts has shown a declining trend, which is also evident from the declining trend in its buoyancy with reference to revenue receipts and GSDP.

The NPRE of Rs.1992.51 crore was less than the TFC projections of Rs.2070.26 crore for the year 2006-07. However, there was shortfall in the NPRE on General Education (Rs. 412 crore, against Rs. 517 crore), Minor Irrigation (Rs. 12 crore, against Rs. 19 crore) and Medical, Public Health and Family Welfare (Rs. 71 crore, against Rs. 79 crore). However, the TFC projections were exceeded in respect of the expenditure on maintenance of Roads and Bridges (Rs. 74 crore, against Rs. 42 crore) and Buildings (Rs. 82 crore, against Rs. 57 crore).

The buoyancy of PRE has been more than one in 2005-06 and 2006-07, resulting in increase in the growth rate of PRE and the corresponding increase in its share of the revenue expenditure.

Table 1.9: Revenue Expenditure: Basic Parameters

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Revenue Expenditure (RE) of which ,	1960.72	2062.93	2182.63	2391.79	2482.56
Non-Plan Revenue Expenditure - NPRE (%)	1621.1 (83)	1731.88 (84)	1841.52 (84)	1979.25 (83)	1992.51 (80)
Plan Revenue Expenditure – PRE (%)	339.62 (17)	331.05 (16)	341.11 (16)	412.54 (17)	490.05 (20)
Rate of Growth (*per cent*) of					
RE	8.15	5.21	5.80	9.58	3.80
NPRE	5.49	6.83	6.33	7.48	0.67
PRE	22.97	(-) 2.52	3.04	20.94	18.77
NPRE/GSDP (*per cent*)	25.02	24.17	24.51	24.75	22.40
RE as *per cent* of TE	81.02	82.10	77.36	76.22	77.44
NPRE as *per cent* of TE	66.98	68.92	65.27	63.07	62.16
RE as *per cent* of RR	104.29	95.17	84.70	79.09	74.48
NPRE as *per cent* of RR	86.23	79.90	71.46	65.45	59.78
Buoyancy of Revenue expenditure with :					
GSDP (ratio)	1.026	0.493	1.201	1.478	0.339
Revenue Receipts (ratio)	11.985	0.340	0.307	0.552	0.371
Buoyancy of NPRE with:					
Revenue Receipts	8.073	0.446	0.335	0.431	0.066
GSDP	0.691	0.646	3.310	1.154	0.060
Buoyancy of PRE with					
Revenue Receipts	33.779	(-) 0.164	0.161	1.207	1.836
GSDP	2.892	(-) 0.238	0.629	3.231	1.676

1.4.3 Committed Expenditure

1.4.3.1 Expenditure on Salaries and Wages

The expenditure on salaries and wages relative to revenue expenditure, net of interest payments and pension, ranged from 61 to 73 *per cent* and continued to be much above the norm of 35 *per cent* set by the TFC, and registered an increase of over two percentage point in 2006-07, to 63.22 *per cent* (Table 1.10). However, the expenditure on salaries and wages was above the Revised Estimate of Rs.1167.24 crore projected in the Macro Economic Framework Statement prepared by the Government.

Table 1.10: Expenditure on Salaries

(Rupees in crore)

Head	2002-03	2003-04	2004-05	2005-06	2006-07
Expenditure on salaries & Wages of which,	989.57	1110.98	1064.34	1085.47	1193.53
Non-plan Head	NA	NA	NA	967.32	1025.25
Plan Head	NA	NA	NA	118.15	129.61
As a *per cent* of GSDP	15.27	15.50	14.17	13.57	13.42
As a *per cent* of RR	52.63	51.25	41.30	35.89	35.81
As a percentage of Revenue Expenditure	50.47	53.85	48.76	45.38	48.08
As a percentage of Revenue Expenditure net of interest payments and pensions	68.56	72.69	66.28	61.00	65.33

NA: Break-up for non-plan and plan expenditure on salaries for the years from 2002-03 to 2004-05 was not available.

1.4.3.2 Pension payments

Table 1.11: Expenditure on pension

(Rupees in crore)

Heads	2002-03	2003-04	2004-05	2005-06	2006-07
Expenditure on pension	226.53	201.85	221.04	241.62	267.35
As *per cent* of GSDP	3.49	2.82	2.94	3.02	3.01
As *per cent* of RR	12.05	9.31	8.58	7.99	8.02
As *per cent* of RE	11.55	9.78	10.13	10.10	10.77

Table 1.11 shows that pension payments increased by 10. 65 *per cent* (Rs. 25.73 crore) in 2006-07 pushing up their percentage in relation to the revenue receipts and expenditure as compared to 2005-06 levels. The expenditure towards pension and other retirement benefits increased due to increase in the number of pensioners (including MLAs) to 39,925[8] as compared to 37,459 in the year 2005-06. However, the expenditure is within the limit (Rs. 277.88 crore) projected by the State Government in its Fiscal Strategy Statement and within the ceiling of the TFC projection (Rs. 350.90 crore) for the year 2006-07.

1.4.3.3 Interest payments

Table 1.12: Interest payments

Year	Total Revenue receipts	Interest Payments (Rate of growth)	Percentage of Interest Payment with reference to	
	(Rupees in crore)		Revenue Receipts	Revenue Expenditure
2002-03	1880.07	290.73 (14.81)	15.46	14.83
2003-04	2167.66	332.71 (14.44)	15.35	16.13
2004-05	2576.9	355.82 (6.95)	13.81	16.30
2005-06	3024.12	370.62 (4.16)	12.26	15.50
2006-07	3333.36	388.17 (4.74)	11.65	15.64

Table 1.12 shows that the interest payments in 2006-07 increased by 4.74 *per cent* to Rs. 388.17 crore, mainly due to interest on internal debt (Rs. 233.58 crore) and interest on State Provident Funds (Rs. 103.79 crore). However, the overall interest payment was lower than the TFC projection (Rs. 406.53 crore)

[8] Superannuation: 29,944, Family pensioners: 9,851 and MLA pensioners: 130.

and also within the limit of Revised Estimate (Rs. 419.79 crore) as indicated in the Macro Economic Framework Statement of the Government. The percentage of interest payments with reference to Revenue receipts decreased to 11.65 *per cent* due to the impact of the Debt Swap Scheme implemented in the State, which got the benefit of debt consolidation of Rs. 22.25 crore under the DCRF in 2006-07.

1.4.3.4 Subsidies

Though its finances are heavily dependent on the Central grants and transfers, the State Government has been paying explicit or implicit subsidies to various corporations / sectors etc, as shown in Table 1.13.

Table 1.13: Subsidies disbursed by the Government

(Rupees in crore)

Sector	Year	
	2005-06	2006-07
Agriculture and Allied Activities (Crop Husbandry)	2.56	5.86
Power	NA	45.00[9]
Transport	NA	10.50

Source: Finance Accounts of the State Government.

The State Government has provided Rs. 5.86 crore as subsidy to Agriculture and Allied activities (Crop Husbandry) during 2006-07 on account of certain crops and fertilisers marketed through the Agriculture Department. In its quarterly review report placed before the State Legislature alongwith budget for the year 2007-08, it was indicated that the State Government provided financial support to the State Electricity Corporation Limited (Rs. 45 crore) and Tripura Road Transport Corporation Limited (Rs. 10.50 crore) to meet the gap between the income and expenditure. Further, there was no provision in the State budget for subsidies on food though the TFC recommended Rs. 3.19 crore per annum as food subsidy during the TFC award period (2005-10).

1.5 Expenditure by Allocative Priorities

1.5.1 Quality of Expenditure

The quality of expenditure is reflected in the availability of better social and physical infrastructure. Therefore, the ratio of capital expenditure to total expenditure as well as to GSDP, and the proportion of revenue expenditure spent on running the existing social and economic services efficiently and effectively would determine the quality of expenditure. The higher the ratio of these components to total expenditure and GSDP, the better is the quality of expenditure. Table 1.14 shows that the capital expenditure has grown from 18.64 *per cent* to 22.54 *per cent* of the total expenditure with the corresponding decline in the revenue expenditure from 81.02 *per cent* to 77.44 *per cent* during the period 2002-07. Similar trends in the capital expenditure and revenue expenditure in relation to GSDP are also discernible from Table 1.14.

[9] As informed by Tripura State Electricity Corporation Limited.

Table 1.14: Indicators of Quality of Expenditure

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Capital expenditure	**451.21**	**443.78**	**636.50**	**743.94**	**722.45**
Revenue expenditure	**1960.72**	**2062.93**	**2182.63**	**2391.79**	**2482.56**
Of which					
Expenditure on Social and Economic Services	1091.91	1149.09	1218.40	1265.31	1278.24
As percentage of revenue expenditure	55.68	55.69	55.82	52.90	51.49
(i) Expenditure on Salary & Wages Component	NA	NA	NA	713.28	788.68
Non-plan component	NA	NA	NA	85.83%	85.74%
(ii) Non-salary & Wage Component	NA	NA	NA	552.03	489.56
As *per cent* of Total Expenditure*					
Capital Expenditure	18.64	17.66	22.56	23.71	22.54
Revenue Expenditure	81.02	82.10	77.37	76.22	77.44
As *per cent* of GSDP					
Capital Expenditure	6.96	6.19	8.47	9.30	8.12
Revenue Expenditure	30.25	28.79	29.06	29.90	27.91

NA: The expenditure on salaries in social and economic services were not available for the years from 2001-02 to 2004-05.

* Total expenditure includes revenue expenditure, capital expenditure and loans and advances disbursed.

Though no specific norms were laid down for prioritisation of capital expenditure, the substantial increase in capital expenditure during 2003-04 to 2005-06 indicated improvement in the quality of expenditure and impetus was given to asset formation. But in the year 2006-07, the capital expenditure decreased by Rs.21.49 crore over the previous year.

1.5.2 Expenditure on Social Services

The expenditure on social services such as basic education, health services and drinking water and sanitation facilities etc, has a strong linkage with eradication of poverty and economic progress.

Table 1.15: Social Services

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
(a) Education, Sports, Art and Culture					
Revenue Expenditure	**460.65**	**480.09**	**503.01**	**463.06**	**498.62**
(a) Salary & Wage component	NA	NA	NA	404.34	464.65
Non-plan component				89.15%	83.68%
(b) Non-salary & Wage component	NA	NA	NA	58.72	33.97
Capital Expenditure	**24.58**	**24.38**	**92.67**	**43.15**	**24.74**
Total (Education, Sports, Art and Culture)	**485.23**	**504.47**	**595.68**	**506.21**	**523.36**

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
(b) Health and Family Welfare					
Revenue Expenditure	**84.13**	**86.43**	**93.19**	**98.35**	**112.36**
(a) Salary & Wage component Non-plan component	NA	NA	NA	79.56 71.03%	85.86 67.94%
(b) Non-salary & Wage component	NA	NA	NA	18.79	26.50
Capital Expenditure	**11.96**	**6.32**	**11.50**	**56.12**	**55.49**
Total (Health and Family Welfare)	**96.09**	**92.75**	**104.69**	**154.47**	**167.85**
(c) Water Supply, Sanitation, Housing and Urban Development					
Revenue Expenditure	**17.66**	**20.65**	**27.12**	**25.23**	**17.14**
(a) Salary & Wage component Non-plan component	NA	NA	NA	9.16 57.42%	9.50 57.68%
(b) Non-salary & Wage component	NA	NA	NA	16.07	7.64
Capital Expenditure	**111.76**	**105.46**	**98.87**	**110.91**	**119.76**
Total (Water Supply, Sanitation, Housing and Urban Development)	**129.42**	**126.11**	**125.99**	**136.14**	**136.90**
(d) Other Social Services					
Revenue Expenditure	**154.12**	**145.48**	**172.04**	**193.97**	**241.13**
(a) Salary & Wage component Non-plan component	NA	NA	NA	42.67 49%	37.48 50.43%
(b) Non-salary & Wage component	NA	NA	NA	151.30	203.65
Capital Expenditure	**18.94**	**20.80**	**11.54**	**38.32**	**30.21**
Total (Other Social Services)	**173.06**	**166.28**	**183.58**	**232.29**	**271.34**
Total Social Services					
Revenue Expenditure	**716.56**	**732.65**	**795.36**	**780.61**	**869.25**
As percentage of total expenditure	**81%**	**82%**	**79%**	**76%**	**79%**
(a) Salary & Wage component Non-plan component	NA	NA	NA	535.73 82.72%	602.61 82.97%
(b) Non-salary & Wage component	NA	NA	NA	244.88	266.64
Capital Expenditure	**167.24**	**156.96**	**214.58**	**248.50**	**230.20**
Grand Total (Social Services)	**883.80**	**889.61**	**1009.94**	**1029.11**	**1099.45**

Source: Finance Accounts and Departmental records

Table 1.15 shows that the expenditure on Social Services increased from Rs. 883.80 crore in 2002-03 to Rs. 1,099.45 crore in 2006-07, consisting mainly 76 to 82 *per cent*) of revenue expenditure. About 69 *per cent* of the revenue expenditure on Social Services in 2005-06 and 2006-07 was on salaries and wages, of which about 83 *per cent* was non-plan in nature. The major areas were Education, Sports, Art and Culture (Rs.417.24 crore), Health and Family Welfare (Rs.58.33 crore) and Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes (Rs.7.18 crore) during 2006-07.

As part of its exercise for non plan expenditure restructuring in favour of education and health sectors, the TFC projected a growth rate of 9.5 *per cent* for education and 11.5 *per cent* for the health sector. The TFC also projected 5 *per cent* growth rate for salaries in the health sector, and a slightly higher growth rate (6 *per cent*) for the salaries in the education sector alongwith an annual rate of growth of 30 *per cent* in non-salary component in this sectors. However, the growth of expenditure (taking plan and non plan together) on salary and wage components in education and health sectors grew by 14.92 and 7.92 *per cent* respectively while non-salary component decreased by 42.15 *per cent* in education sector and increased by 41 *per cent* (Rs. 7.71 crore) in health sector during 2006-07 over the previous year. This pattern of expenditure indicates that changes are required to be made in the allocative prioritisation of the State Government.

1.5.3 Expenditure on Economic Services

The expenditure on Economic Services is meant to promote, directly or indirectly, productive capacity in the economy. In 2006-07, the expenditure on Economic Services (Rs. 822.88 crore) declined by Rs. 74.42 crore and accounted for 25.67 *per cent* of the total expenditure (Table 1.16) as compared to 28.59 *per cent* in 2005-06, mainly due to non-inclusion of expenditure on power sector, which is now with the TSECL.

Table 1.16: Expenditure on Economic Services

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Agriculture and Allied Activities					
Revenue Expenditure	**134.77**	**129.46**	**129.01**	**154.23**	**176.95**
(a) Salary & Wage component Non-plan component	NA	NA	NA	104.12 97.96%	107.99 97.90%
(b) Non-salary & Wage component	NA	NA	NA	50.11	68.96
Capital Expenditure	**20.08**	**13.79**	**25.00**	**32.54**	**37.04**
Total	**154.85**	**143.25**	**154.01**	**186.77**	**213.99**
Irrigation and Flood Control					
Revenue Expenditure	**23.30**	**21.33**	**11.42**	**24.29**	**20.08**
(a) Salary & Wage component Non-plan component	NA	NA	NA	15.56 98.07%	16.59 96.68%
(b) Non-salary & Wage component	NA	NA	NA	8.73	3.49
Capital Expenditure	**35.77**	**32.14**	**22.25**	**40.20**	**72.86**
Total	**59.07**	**53.47**	**33.67**	**64.49**	**92.94**
Power and Energy					
Revenue Expenditure	**80.89**	**133.12**	**156.20**	**123.68**	**1.08**
(a) Salary & Wage Component Non-plan component	NA	NA	NA	0.70 100%	0.67 100%
(b) Non-salary & Wage Component	NA	NA	NA	122.98	0.41
Capital Expenditure	**60.61**	**41.27**	**143.49**	**129.41**	**81.15**
Total	**141.50**	**174.39**	**299.69**	**253.09**	**82.23**

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Transport					
Revenue Expenditure	**29.35**	**26.91**	**17.35**	**58.33**	**74.05**
(a) Salary & Wage Component	NA	NA	NA	7.60	7.98
Non-plan component				100%	100%
(b) Non-salary & Wage Component	NA	NA	NA	50.73	66.07
Capital Expenditure	**66.30**	**49.80**	**101.56**	**149.29**	**167.58**
Total	**95.65**	**76.61**	**118.91**	**207.62**	**241.63**
Other Economic Services					
Revenue Expenditure	**107.04**	**105.62**	**109.06**	**124.17**	**136.83**
(a) Salary & Wage Component	NA	NA	NA	49.58	52.83
Non-plan component				87.78%	86.77%
(b) Non-salary & Wage Component	NA	NA	NA	74.59	84.00
Capital Expenditure	**57.92**	**49.80**	**64.17**	**61.16**	**55.26**
Total	**164.96**	**155.42**	**173.23**	**185.33**	**192.09**
Revenue Expenditure	**375.35**	**416.44**	**423.04**	**484.70**	**408.99**
As percentage of total expenditure	**45%**	**48%**	**54%**	**54%**	**50%**
(a) Salary & Wage Component	NA	NA	NA	177.55	186.06
Non-plan component				95.23%	94.73%
(b) Non-salary & Wage Component	NA	NA	NA	307.15	222.93
Capital Expenditure	**451.21**	**443.78**	**356.46**	**412.60**	**413.89**
Grand Total (Economic Services)	**826.56**	**860.22**	**779.50**	**897.30**	**822.88**

Source: Finance Accounts and Departmental record

The expenditure on Economic Sector was allocated among Agriculture and Allied Activities (Rs. 213.99 crore), Irrigation and Flood Control (Rs. 92.94 crore), Power and Energy (Rs. 82.23 crore), Transport (Rs. 241.63 crore) and Other Economic Services (Rs. 192.09 crore). Table 1.16 shows that the expenditure on agriculture and allied activities and other economic services (e.g. Science, technology and environment and general economic services) was predominantly revenue in nature, as opposed to the expenditure on flood control and irrigation, power and energy, and transport. Salary and wages constituted the predominant part of revenue expenditure in case of agriculture and allied activities, and irrigation and flood control, while non-salary and wages component was the main component in case of transport sector and other economic services sector. In all the cases, the salary and wages component was non-plan in nature.

1.5.4 Financial Assistance to Local Bodies and other Institutions

The assistance as grants and loans to local bodies and others provided during 2002-07 is presented in Table 1.17.

Table 1.17: Financial Assistance

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Universities / Institutions (Aided Schools, Aided Colleges, Universities, etc.)	36.51	26.34	70.88	6.77	26.75
Zilla Parishads and Panchayati Raj Institutions	48.86	57.93	34.02	50.00	52.00
Municipal Corporation and Municipalities	13.84	12.72	11.65	21.10	37.17
Tripura Tribal Areas Autonomous District Council (TTAADC)	19.24	33.75	30.80	55.46	55.33

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Development Agencies	2.99	Nil	25.79	Nil	Nil
Other Institutions[10]	37.59	2.21	143.81	1.29	Nil
Total	**159.03**	**132.95**	**316.95**	**134.62**	**171.25**
Assistance as a percentage of revenue expenditure	8.11	6.44	14.52	5.63	6.89

The total assistance to the local bodies in 2006-07 was Rs.171.25 crore, 27 *per cent* more than the previous year but 46 *per cent* less than in 2004-05. Table 1.17 shows that the assistance increased mainly to the Universities/Institutions etc., (up by Rs.19.98 crore), Zilla Parishad and Panchayati Raj Institutions (up by Rs. 2 crore) and Municipal Corporation and Municipalities (up by Rs. 16.07 crore).

1.5.5 Delay in furnishing Utilisation Certificates

Of the 2622 utilisation certificates (UCs) due in respect of grants and loans aggregating Rs. 185.78 crore paid up to 2006-07, 195 UCs for Rs. 51.16 crore were in arrear as on 31 August 2007. The department-wise break up of outstanding UCs along with amount is given in Table 1.18.

Table 1.18: Delay in furnishing of Utilisation Certificates

Department	Number of UCs outstanding	Amount *(Rs. in crore)*	Year of pendency
Panchayati Raj	21	6.92	2006-07
Urban Development	65	23.2	2006-07
Education	10	1.64	2006-07
Welfare of Scheduled Castes and Other Backward Communities	98	19.00	2006-07
Social Security and Welfare	1	0.40	2006-07
Total	**195**	**51.16**	

The largest number of UCs were outstanding from the Welfare of SC/ST and OBC Department (98), followed by the Urban Development Department (65).

1.5.6 Non-submission of accounts

In order to identify the institutions which attract audit under Section 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, Government/Heads of Departments are required to furnish to Audit every year, detailed information about the financial assistance given to various institutions, the purpose of assistance granted and the total expenditure of the institutions. As of March 2007, 18 departments of the Government had not furnished details for the year 2006-07, as shown in **Appendix 1.6**.

1.5.7 Abstract of performance of the autonomous bodies

The audit of accounts of 18 Autonomous Bodies in the State has been entrusted to the Comptroller and Auditor General of India under Section 19(3) and 20(1) of the CAG's (Duties, Powers and Conditions of Service) Act, 1971. The status of entrustment of audit, rendering of accounts to audit, issuance of Separate

[10] The figures in this row are different from those in the Finance Accounts of previous years, where the assistance to TTAADC were included under this head.

Audit Report and its placement in the Legislature is discussed in para 4.19.1 of Chapter IV of this Report.

Accounts of 16 autonomous bodies covered under Sections 19(3) and 20(1) of the Act, were due for nine to 28 years, as detailed in **Appendix 1.7**, which included 12 Nagar Panchayats and the Agartala Municipal Council.

1.6 Assets and liabilities

The Government accounting system does not encompass comprehensive accounting of the fixed assets like land and buildings owned by Government but it does capture the financial liabilities of the Government and the assets created out of the expenditure incurred by the Government. **Appendix 1.3** gives an abstract of such liabilities and the assets as on 31 March 2007, compared with the corresponding position on 31 March 2006. The liabilities in this Appendix do not include pension and other retirement benefits payable to serving / retired State employees and guarantees given by the Government, and consist mainly of internal borrowings, loans and advances from the GOI, receipts from the Public Account and Reserve Funds. The assets comprise mainly the capital outlay, loans and advances given by the State Government and the cash balances. **Appendix 1.3** shows that the increase in liabilities was mainly on account of Internal debt, a predominant part of which was interest bearing (8.11 *per cent)* market loan (Rs. 1,159.35 crore), followed by special security to National Small Savings Fund of Central Government (Rs. 1,114.24 crore). While there was marginal reduction in the loans from the LIC of India from Rs. 226.75 crore to Rs. 210.46 crore, the loans from other institutions increased modestly from Rs. 72.64 crore in 2005-06 to Rs. 79.86 crore in 2006-07. On the assets side, the capital outlay on fixed assets increased by 13 *per cent* while the cash balances almost doubled from Rs. 399.16 crore on 31 March 2006 to Rs. 783.01 crore on 31 March 2007.

1.6.1 Incomplete Projects

There were 185 incomplete projects, each costing Rs. 25 lakh and above, on which expenditure of Rs. 188.52 crore had been incurred as of March 2007 against their budgeted cost of Rs. 388.38 crore (Table 1.19). These included 30 Minor and Medium Irrigation Projects, 62 building works, 27 bridges and 46 road works.

Table 1.19: Sector-wise position of incomplete projects upto 31 March 2007

(Rupees in crore)

Item of works	Number of incomplete projects	Date of commencement	Budgeted cost	Cumulative expenditure as of March 2007
1	2	3	4	5
Building works	62	30.4.1999 to 30.12.2006	163.42	77.42
Bridge works	27	12.3.1999 to 19.10.2006	64.50	27.64
Road works	46	25.2.2002 to 9.8.2006	57.26	30.88
Electrical works	8	19.3.2005 to 28.2.2006	6.70	3.91
Gas Thermal works	1	13.3.2004	4.34	3.30
PHE works	11	18.5.2001 to 6/2006	24.36	16.30
Irrigation works	30	8.5.1999 to 2.3.2006	67.80	29.07
Total	**185**		**388.38**	**188.52**

Source: Finance Accounts of the State Government.

1.6.2 Investments and returns

As on 31 March 2007, the State Government had invested Rs. 396.25 crore (Table 1. 20) in two Statutory Corporations, nine Government Companies and 1602 Co-operative societies. Of these, only two companies viz., Tripura Forest Development and Plantation Corporation Limited (TFDPC) and Tripura Rehabilitation Plantation Corporation Limited (TRPC) earned an accumulated profit of Rs. 1.98 crore as of March 2007 implying a return of Rs.0.11 crore on investment (0.03 *per cent),* as compared to the return of Rs. 0.27 crore or 0.07 *per cent* in 2005-06. The return on investment was negligible in comparison to the average rate of interest (8.58 *per cent*) on the borrowings during 2006-07. The financial position and performance of the PSUs in general remained an area of serious concern.

Table 1. 20: Return on investment

Year	Investment at the end of the year	Return	Percentage of return	Average rate of interest on Government borrowing	Difference between interest rate and percentage of return
	(Rupees in crore)		*(In per cent)*		
2002-03	286.27	Nil	Nil	10.04	10.04
2003-04	313.13	Nil	Nil	9.92	9.92
2004-05	338.04	Nil	Nil	9.17	9.17
2005-06	366.00	0.27	0.07	8.56	8.49
2006-07	396.25	0.11	0.03	8.46	8.43

The seven loss making Government companies and one working Statutory Corporation (Tripura Road Transport Corporation) incurred an accumulated loss of Rs. 198.12 crore as on 31 March 2007. The Tripura Road Transport Corporation accounted for Rs. 116.79 crore i.e. 58.95 *per cent* of the total accumulated loss incurred by the Government Companies and Corporation.

1.6.3 Loans and advances by State Government

In addition to investments in co-operatives, corporations and companies, Government has been providing loans and advances to many of these organisations and also to the Government employees for construction of houses and other miscellaneous purposes.

Table 1.21: Average interest received on loans advanced by the State Government

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Opening balance	57.50	62.64	64.98	63.06	61.55
Amount advanced during the year	8.24	6.03	2.05	2.35	0.68
Amount repaid during the year	3.10	3.69	3.97	3.86	3.52
Closing balance	62.64	64.98	63.06	61.55	58.71
Net Addition	5.14	2.34	(-) 1.92	(-) 1.51	-2.84
Interest received	0.33	0.60	0.33	0.12	0.53
Interest received as *per cent* to outstanding loans	0.55	0.94	0.52	0.19	0.88
Average interest rate[11] (in *per cent*) paid on borrowings by State Government	7.08	9.92	9.17	8.56	8.58
Difference between average interest paid and received (*per cent*)	6.53	8.98	8.65	8.37	7.70

[11] Average interest rate is defined as the percentage of interest payments made to average financial liabilities of the State during the year i.e. (Average of opening and closing balances of fiscal liabilities / 2) x 100.

At the end of March 2007, the Government had outstanding loans and advances of Rs. 58.71 crore (Table 1. 21) of which Rs. 34.83 crore (59.33 *per cent*) was outstanding from the corporations / companies and Rs. 23.88 crore (40.67 *per cent*) from Government employees. These loans and advances were made at interest rates ranging from 5.5 to 11.5 *per cent* as against the average interest rate of 7.08 to 9.92 *per cent* on Government borrowings over the period 2002-07. The interest received, as percentage of outstanding loans ranged from 0.19 to 0.94 *per cent* during this period, which was much less than the interest paid by the Government on its own borrowings and also much below the rates recommended (7 *per cent* on outstanding loans and advances and 5 *per cent* on equity) by the TFC to be achieved by the terminal year of the TFC award period.

1.6.4 Management of cash balances

It is generally desirable that the State's flow of resources should match its expenditure. To take care of any temporary mismatches, a mechanism of Ways and Means Advances (WMA) – ordinary and special - from Reserve Bank of India (RBI) has been put in place. Table 1.22 (a) shows that the amount and the number of days on which WMA was taken by the State Government have progressively declined since 2002-03; the Government did not take any WMA during 2005-06 and 2006-07.

Table: 1. 22

(a) Ways and Means Advances and Overdrafts of the State

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Ways and Means Advance					
Availed in the year	128.82	62.80	86.13	Nil	Nil
Number of occasions	-	-	-	-	-
Outstanding WMAs, if any	Nil	Nil	Nil	Nil	Nil
Interest paid	33.68	0.06	0.11	Nil	Nil
Number of days	27	24	32	Nil	Nil
Overdraft					
Availed in the year	Nil	Nil	Nil	Nil	Nil
Number of occasions	Nil	Nil	Nil	Nil	Nil
Number of days	Nil	Nil	Nil	Nil	Nil
Interest paid	Nil	Nil	Nil	Nil	Nil

(b) Average daily balances in the Cash Balance Investment Account

(Rupees in crore)

Month	2004-05	2005-06	2006-07
April	13.09	285.83	489.90
May	45.97	184.50	460.92
June	64.90	208.56	440.36
July	54.60	167.28	476.91
August	87.93	149.34	492.19
September	98.01	181.69	479.35
October	45.84	266.05	419.45
November	55.03	292.57	451.76
December	72.16	325.23	494.40
January	44.10	399.96	603.77
February	97.77	463.38	649.23
March	239.82	556.11	598.63

Table 1.22 (b) above shows that in 2006-07 the Government maintained in its cash balance investment account average daily cash balances ranging from Rs. 440.36 crore to Rs. 649.23 crore; the corresponding figures for 2005-06 and 2004-05 were Rs. 149.34 crore to Rs. 556.11 crore and Rs. 13.09 crore to Rs. 239.82 crore respectively. Considering that the main source of finance for the State Government are Central funds (grants-in-aid and share of Central taxes), the large cash balances pointed to the inability of the State Government to implement its plans and programmes (for which the funds were received) in the desired manner. It is noteworthy that these cash balances occurred on a persistent basis, which underlined its persistent failure to pace the expenditure along with the inflow of funds.

1.7 Undischarged liabilities

The FRBM Act has defined the liabilities of the Government as follows:

'Total liabilities' means the liabilities under the consolidated fund of the State and the Public Account of the State and shall also include borrowings by the Public Sector Undertakings and the special purpose vehicles and other equivalent instruments including guarantees where the principal and / or interest are to be serviced out of the State budget.

1.7.1 Fiscal liabilities – public debt and guarantees

There are two sets of liabilities namely, public debt and other liabilities. Public debt consists of internal debt and is reported in the Annual Financial Statements under the Consolidated Fund – Capital Account. It includes market loans, special securities issued by RBI and loans and advances from the Central Government. The Constitution of India provides that a State may borrow, within the territory of India, upon the security of its Consolidated Fund, within such limits as may from time to time be fixed by the Act of its Legislature and give guarantees within such limits as may be fixed. Other liabilities, which are a part of Public Account, include deposits under small savings scheme, provident funds and other deposits not bearing interest.

Table 1.23 gives some key parameters related to fiscal liabilities of the State.

Table 1.23: Fiscal Liabilities – Basic Parameters

	2002-03	2003-04	2004-05	2005-06	2006-07
Fiscal liabilities (Rupees in crore)	3127	3578	4181	4421	4626
Rate of Growth (*per cent*)	17.31	14.40	16.86	5.74	4.64
Ratio of Fiscal Liabilities to:					
GSDP (*per cent*)	48.25	49.93	55.66	55.26	52.01
Revenue Receipt (*per cent*)	166.35	165.06	162.26	146.19	138.78
Own Resources (*per cent*)	1109.70	919.19	1003.96	1229.05	1059.76
Buoyancy of Fiscal Liabilities to:					
GSDP (ratio)	2.180	1.364	3.491	0.885	0.414
Revenue Receipt (ratio)	25.456	0.941	0.893	0.331	0.454
Own Resources (ratio)	1.727	0.378	2.409	-0.421	0.217

The fiscal liabilities of the State increased from Rs. 3,127 crore in 2002-03 to Rs. 4,626 crore in 2006-07, the annual growth rate ranging from 4.64 to 17.31

per cent. The increase during 2006-07 was mainly due to increase in internal debt by Rs. 151.08 crore, Small Savings, Provident Funds by Rs. 56.37 crore and Reserve Fund by Rs. 18.21 crore, which was partly offset by decrease in loans from GOI by Rs. 21.90 crore. The ratio of fiscal liabilities to GSDP increased from 48.25 *per cent* in 2002-03 to 52.01 *per cent* in 2006-07 and was much above the target (45.32 *per cent*) laid down in Medium Term Fiscal Policy Statement by the Government. The outstanding liabilities of the Government, however, remained within the limit of revised estimate for 2006-07. At the end of March 2007 these fiscal liabilities stood at 1.39 times the revenue receipts and 10.60 times the State's own resources. However, the buoyancy of fiscal liabilities to GSDP, revenue receipts and the State's own resources, has been less than one in 2005-06 and 2006-07, which shows that their rate of growth has been less than the rate of growth of the GSDP and revenue receipts.

The State had set up a Sinking Fund in 1999-2000 for amortisation of all loans. Contribution to the corpus of the fund was Rs. 131.02 crore as of March 2007.

1.7.2 Status of Guarantees – Contingent liabilities

Guarantees are contingent liabilities, which do not directly form a part of the debt burden of the States, but the States will be required to meet the debt service obligations in the event of default by the borrowing agency.

The Government had given guarantees for Rs. 67.96 crore, including for one Government company (Rs. 0.90 crore), Seven Cooperative Societies (Rs. 56.57 crore) and 13 local bodies including Agartala Municipal Council (Rs. 10.49 crore) against which the amount of outstanding guarantees was Rs. 40.89 crore (including interest of Rs. 3.38 crore) at the end of March 2007.

Table 1.24: Guarantees given by the Government of Tripura

(Rupees in crore)

Year	Maximum amount guaranteed	Outstanding amount of guarantees (including interest)	Percentage of maximum amount guaranteed to total revenue receipt
2002-03	66.30	25.00	3.53
2003-04	64.83	41.42	2.99
2004-05	66.10	44.89	2.57
2005-06	65.37	46.98	2.16
2006-07	67.96	40.89	2.04

Table 1.24 shows that the amount of guarantees has been in the range of Rs. 65-68 crore but its percentage to revenue receipts has declined consistently from 3.53 *per cent* in 2002-03 to 2.04 *per cent* in 2006-07. The outstanding amount of guarantees have declined in 2006-07 over the previous year.

The State Government had not set up a guarantee redemption fund through earmarked guarantee fees as on March 2007, as per recommendation of the TFC.

1.8 Debt sustainability

Debt sustainability is defined as the ability of the State to maintain a constant debt-GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match the increase in capacity to service the debt. A prior condition for debt sustainability is debt stabilisation in terms of debt / GSDP ratio.

1.8.1 Debt stabilisation

A necessary condition for stability states that if the rate of growth of income exceeds the interest rate or cost of public borrowings, the debt-GDP ratio is likely to be stable provided that the primary balance is either positive or zero. Given the rate spread (GSDP growth rate *minus* interest rate) and quantum spread (debt*rate spread), debt sustainability condition states that if the quantum spread together with primary deficit is zero, debt-GDP ratio would be constant or sustainable. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GDP ratio would be rising and in case it is positive debt-GSDP ratio would eventually be falling. Trends in fiscal variables indicating the progress towards the debt stabilisation are indicated in Table 1.25.

Table 1.25: Debt sustainability – Interest Rate and GSDP Growth (in *per cent*)

	2002-03	2003-04	2004-05	2005-06	2006-07
Average Interest Rate (%)	7.08	9.92	9.17	8.56	8.58
GSDP Growth (%)	7.94	10.56	4.83	6.48	11.20
Interest spread (%)	0.86	0.64	-4.34	-2.14	2.74
Opening balance of Fiscal Liabilities (Rupees in crore)	2665.92	3127.42	3577.93	4181.28	4420.57
Quantum Spread (Rupees in crore)	22.93	20.02	(-)155.28	(-)86.97	115.82
Primary Deficit (-) / Primary Surplus (+) (Rs. in crore)	(-) 246.31	(-) 8.68	(+) 115.51	(+) 260.52	(+)519.36

Table 1.25 shows that in three out of the five years, the rate of GSDP growth was more than the average interest rate on Government borrowings. It was also seen that quantum spread together with primary deficit has been negative during 2002-03 and 2004-05 indicating rising Debt-GSDP ratio during the period. Debt-GSDP has increased steadily from 48.25 *per cent* in 2002-03 to 55.66 *per cent* in 2004-05. As the sum of quantum spread and primary deficit turns out to be positive during 2005-06 and 2006-07, debt / GSDP ratio indicated a declining trend and reached 52.01 *per cent* in 2006-07. However, it may be stated that debt sustainability will depend substantially on the continued availability of grants-in-aid from the GOI (which forms the major part of the State's receipts) and ability of the State Government to maintain the growth of GSDP at a rate higher than the interest rate of borrowings.

1.8.2 Incremental revenue receipts and expenditure

Another indicator of debt stability and its sustainability is the adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. Debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure. Table 1.26 indicates the resource gap as defined for the period 2002-07.

Table 1.26: Incremental revenue and expenditure

(Rupees in crore)

Year	Non debt receipts	Incremental			Resource gap
		Primary gap	Interest payment	Total expenditure	
2002-03	13.47	(-) 25.21	37.51	12.30	(+) 1.17
2003-04	288.18	50.59	41.98	92.57	(+) 195.61
2004-05	409.52	285.33	23.11	308.44	(+) 101.08
2005-06	447.11	302.10	14.80	316.90	(+) 130.21
2006-07	308.90	50.06	17.55	67.51	(+) 241.29

The persistent positive resource gap, however, indicates the pointer of increasing capacity of the State to sustain the debt. However, there was a nominal resource gap in 2002-03 in the State.

1.9 Net Availability of Funds

Table 1.27 below gives the position of the receipts and repayments of internal debt and other fiscal liabilities of the State over the last five years.

Table 1.27: Net Availability of Borrowed Funds

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Internal Debt					
Receipts	202.92	313.07	272.72	136.16	219.13
Repayment (Principal + Interest)	143.46	203.80	238.86	346.99	301.64
Net Fund Available	59.46	109.27	33.86	-210.83	-82.51
Net Fund Available (*per cent*)	29.30	34.90	12.42	0.00	0.00
Loans and Advances from GOI					
Receipts	84.84	92.25	95.16	8.82	5.83
Repayment (Principal + Interest)	182.98	299.90	189.70	87.81	78.52
Net Fund Available	(-) 98.14	(-) 207.65	(-) 94.54	-78.99	-72.69
Net Fund Available (*per cent*)	-	-	-	0.00	0.00
Other obligations[12]					
Receipts	766.58	752.48	903.85	788.85	597.73
Repayment (Principal + Interest)	480.84	536.30	600.85	526.85	625.38
Net Fund Available	285.74	216.18	303.00	262.00	-27.65
Net Fund Available (*per cent*)	37.27	28.73	33.52	33.21	0.00
Total liabilities					
Receipts	1054.34	1157.80	1271.73	933.83	822.69
Repayment (Principal + Interest)	807.28	1040.00	1029.41	961.65	1005.54
Net Fund Available	247.06	117.80	242.32	-27.82	-182.85
Net Fund Available (*per cent*)	23.43	10.17	19.05	0.00	0.00

It would be seen that the net availability of funds from all sources in 2006-07 viz., internal debt, loans and advances from the GOI and other obligations was negative after providing for the interest and repayments, indicating that repayments were much more than the receipts.

1.10 Management of deficits

Deficit in Government accounts represents the gap between its receipts and

[12] Other obligations: Small savings, Provident Funds, Reserve Funds and Deposits.

expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised are applied are important pointers to its fiscal health.

1.10.1 Trends in deficit / surplus

The deficit in the Government accounts represents the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the way in which the deficit is financed and the resources raised and applied are important pointers of its fiscal health. The trends in fiscal parameters of the State are presented in Table 1.28.

Table 1.28: Fiscal Imbalances – Basic Parameters

Parameters	2002-03	2003-04	2004-05	2005-06	2006-07
Revenue deficit (-) / Surplus (+) (Rupees in crore)	(-) 80.65	(+) 104.73	(+) 394.27	(+) 632.33	(+) 850.80
Fiscal deficit(-)/surplus(+) (Rupees in crore)	(-) 537.00	(-) 341.39	(-) 240.31	-110.10	(+) 131.19
Primary deficit (-) / Surplus (+) (Rupees in crore)	(-) 246.31	(-) 8.68	(+) 115.51	(+)260.52	(+)519.36
RD/GSDP (*per cent*)	1.25	*	*	*	*
FD/GSDP (*per cent*)	8.29	4.76	3.20	1.38	*
PD/GSDP (*per cent*)	3.80	0.13	(-) 1.41	(-)2.76	(-)2.89
RD/FD(*per cent*)	15.02	*	*	*	6.49

* The ratios could not be calculated as the variabales of RD,FD and PD registered surplus during the relevant years.

It would be seen that the State had a revenue surplus in four out of the five years period from 2002-07. There was a revenue deficit of Rs. 80.65 crore in 2002-03 which turned to continue surplus upto 2006-07 due to more grants- in-aid receipts from GOI. The fiscal deficit of the State decreased from Rs. 537 crore in 2002-03 to Rs. 110.10 crore in 2005-06 and turned into fiscal surplus (Rs. 131.19 crore) in 2006-07.

1.10.2 Quality of Deficit/ Surplus

The ratio of RD and FD and the decomposition of primary deficit into primary revenue deficit[13] and capital expenditure (including loans and advances) would indicate the quality of deficit in the State's finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. The ratio of RD and FD was 15.02 in 2002-03 and thereafter it was wiped out and turned into a surplus.

The bifurcation of the factors resulting in primary deficit or surplus of the State during the period 2002-07 reveals (Table 1.29) that in 2002-03 and 2003-04 the primary deficit was on account of capital expenditure incurred and loans and advances disbursed by the State Government. In other words, non-debt receipts of the State were enough to meet the primary expenditure required in the revenue account, and some receipts were left to meet the capital expenditure.

[13] Primary revenue deficit defined as gap between non interest revenue expenditure of the State and its non-debt receipt indicates the extent to which the non-debt receipts of the State are able to meet the primary expenditure incurred under revenue account.

This indicates the extent to which the primary deficit has been on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy.

Table 1.29: Primary deficit / surplus – Bifurcation of factors

(Rupees in crore)

Year	Non debt receipts[14]	Primary revenue expenditure	Capital expenditure	Loans and advances	Primary expenditure (3+4+5)[15]	Primary deficit (-)/ surplus (+) with reference to revenue expenditure[16] (2-3)	Primary deficit (-)/ surplus (+) with reference to capital expenditure (2-6)
1	*2*	*3*	*4*	*5*	*6*	*7*	*8*
2002-03	1883.17	1669.99	451.21	8.24	2129.44	(+) 213.18	(-) 246.27
2003-04	2171.35	1730.22	443.78	6.03	2180.03	(+) 441.13	(-) 8.68
2004-05	2580.87	1826.81	636.50	2.05	2465.36	(+) 754.06	(+) 115.51
2005-06	3027.98	2021.17	743.94	2.35	2767.46	(+) 1006.81	(+) 260.52
2006-07	3336.88	2094.39	722.45	0.68	2817.52	(+) 1242.49	(+) 519.36

1.11 Fiscal ratios

The finances of a State should be sustainable, flexible and non-vulnerable. Table 1.30 below presents a summarised position of Government finances over the period 2002-07, with reference to certain key indicators that help to assess the adequacy and effectiveness of available resources and their applications and highlights areas of concern. In general, while the indicators of resource mobilisation showed an increasing trend over the last five years the expenditure showed a secular decline, as a percentage of both the GSDP and the revenue receipts. Significantly, however, a qualitative shift in the pattern of expenditure was discernible with the percentage of revenue expenditure declining to the benefit of capital expenditure; in 2006-07, however, the revenue expenditure was higher than the 2005-06 level, with corresponding decline in capital expenditure.

The seemingly encouraging trend in the management of fiscal imbalances, as evidenced by revenue and fiscal surpluses in 2006-07 has to be viewed in the context of substantial and increasing grants-in-aid from GOI and less than expected (*vis-à-vis* the TFC projections) levels of State's own tax and non-tax revenues, including the almost negligible returns on investment in the public sector.

[14] Includes revenue receipts and recovery of loans and advances.

[15] Primary expenditure of the State defined as the total expenditure net of the interest payments indicates the expenditure incurred on the transactions undertaken during the year.

[16] Primary deficit defined as the fiscal deficit net of interest payments indicates the extent of deficit which is an outcome of the fiscal transactions of the State during the course of the year.

Table 1.30: Indicators of Fiscal Health *(in per cent)*

Fiscal Indicators	2002-03	2003-04	2004-05	2005-06	2006-07
I. Resource Mobilisation					
Revenue Receipt/GSDP	29.01	30.25	34.30	37.81	37.48
Revenue Buoyancy	0.086	1.449	3.908	2.677	0.913
Own tax/GSDP	2.82	3.09	3.19	3.70	3.84
II. Expenditure Management					
Total expenditure/GSDP	37.34	35.07	37.55	39.23	36.04
Revenue Receipts /Total Expenditure	77.68	86.26	91.34	96.37	103.98
Revenue Expenditure / Total Expenditure	81.02	82.10	77.37	76.22	77.44
Salary & Wage expenditure on Social and Economic Services / Revenue Expenditure	-	-	-	29.82	31.77
Non-Salary & Wage expenditure on Social and Economic Services / Revenue Expenditure	-	-	-	23.08	19.72
Capital Expenditure / Total expenditure	18.64	17.66	22.56	23.71	22.54
Capital Expenditure on Social and Economic Services / Total Expenditure	16.86	15.93	20.24	21.07	20.09
Buoyancy of TE with RR	0.752	0.251	0.649	0.648	0.211
Buoyancy of RE with RR	11.985	0.340	0.307	0.552	0.371
III. Management of Fiscal Imbalances					
Revenue deficit (-) / Surplus (+) (Rupees in crore)	(-) 80.65	(+) 104.73	(+) 394.27	(+)632.33	(+)850.80
Fiscal deficit (-)/ surplus(+)*(Rupees in crore)*	(-) 537.00	(-) 341.39	(-) 240.31	-110.10	(+)131.19
Primary deficit(-)/surplus(+) *(Rupees in crore)*	(-) 246.31	(-) 8.68	(+) 115.51	(+)260.52	(+)519.36
Revenue deficit/Fiscal deficit *(in per cent)*	15.02	*	*	*	*
IV. Management of Fiscal Liabilities (FL)					
Fiscal Liabilities/GSDP	48.25	49.93	55.66	55.26	52.01
Fiscal Liabilities / RR	166.35	165.06	162.26	146.19	138.78
Buoyancy of FL with RR	25.456	0.941	0.893	0.331	0.454
Buoyancy of FL with Own Receipt	1.727	0.378	2.409	-0.421	0.217
Primary deficit *vis-à-vis* quantum spread	3.75	0.38	0.63	2.75	2.02
Net fund available	23.43	10.17	19.05	Nil	Nil
V. Other Fiscal Health Indicators					
Return on Investment *(Rupees in crore)*	Nil	Nil	Nil	0.27	0.11
Balance from Current Revenue *(Rupees in crore)*	(-) 529.15	(-) 406.56	(-) 478.06	111.72	151.69
Financial Assets / Liabilities	1.20	1.21	1.27	1.40	1.57

* RD/FD ratio could not be calculated as the years 2003-04, 2004-05, 2005-06 and 2006-07 registered a Revenue Surplus.

1.12 Conclusion

Some of the fiscal indicators have shown improvement, thanks to increased inflow of Central funds in the form of grants and other Central transfers, enabling the State to achieve a surplus on the revenue account and also an overall fiscal surplus in 2006-07. The position in respect of some other fiscal indicators was however, not so encouraging. The ratio of debt to GSDP had been increasing and was much above the target of 45.32 *per cent*. Similarly, the ratio of own tax to GSDP was much below projections and pointed at inadequate efforts to mobilise own resources and reduce the dependence on Central transfers.

The inability of the Government expenditure to keep pace with the receipts, year after year, resulted in progressive increase in the cash balances with the RBI, which almost doubled in the year, from Rs. 399.16 crore in 2005-06 to Rs. 783.01 crore in 2006-07, with the consequent implications for the delivery of programmes and services; the growth rates in the education and health sectors, for example, were far below the TFC projections. The explicit and implicit subsidies to the transport and power sectors and the dismal performance of the State PSUs leading to almost negligible returns on investment, remained an area of continued concern for the fiscal health of the State.

CHAPTER II
ALLOCATIVE PRIORITIES AND APPROPRIATION

CHAPTER II: ALLOCATIVE PRIORITIES AND APPROPRIATION

2.1 Introduction

The Appropriation Accounts are prepared every year indicating the details of amounts actually spent by the Government on various specified services *vis-a-vis* those authorised by the Appropriation Act.

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

2.2 Appropriation Accounts at a glance

The summarised position of expenditure during 2006-07 against 56 grants/appropriations are indicated in Table 2.1

Table 2.1

(Rupees in crore)

	Nature of expenditure	Original grant/ Appro-priation	Supple-mentary grant/ appro-priation	Total	Actual expenditure	Saving(-) Excess(+)
Voted	I. Revenue	2554.61	145.28	2699.89	2222.21	(-) 477.68
	II. Capital	1066.04	345.31	1411.35	731.46	(-) 679.89
	III.Loans and Advances	4.52	0.02	4.54	0.68	(-) 3.86
Total Voted		**3625.17**	**490.61**	**4115.78**	**2954.35**	**(-) 1161.43**
Charged	IV. Revenue	388.08	18.46	406.54	394.34	(-) 12.20
	V Capital	-	-	-	-	-
	VI.Public Debt	79.16	3.67	82.83	95.78	(+) 12.95
Total Charged		**467.24**	**22.13**	**489.37**	**490.12**	**(+) 0.75**
Appropriation to Contingency Fund (if any)		-	-	-	-	-
Grand Total		**4092.41**	**512.74**	**4605.15**	**3444.47**	**(-) 1160.68**

Note: The figures of actual expenditure are gross figures and include the amount of recoveries adjusted as reduction of expenditure under voted Revenue expenditure: Rs. 134.00 crore and Voted capital expenditure of Rs. 9.01 crore.

The total expenditure (Rs. 3444.47 crore) fell short of the provision (Rs. 4605.15 crore) by 25 *per cent* and was less than even the original provision (Rs. 4092.41 crore), rendering the supplementary provision of Rs. 512.74 crore unnecessary during the year 2006-07.

The major grants where the expenditure was less than the provision, pertained to the departments of Finance, Tribal Welfare, Education etc as discussed in para 2.4.1. Similarly, the major grants where the supplementary provisions proved to be unnecessary, in view of the expenditure being less than even the original provision pertained to the departments like Tribal Welfare, SC Welfare, Education (School), Health etc as discussed in para 2.4.2.

Table 2.2

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Total Net Provision	3011.22	3445.08	3579.94	4224.20	4420.15
Total Net Expenditure	2740.10	2826.41	3067.04	3301.42	3301.46
Savings	271.12	618.67	512.90	922.78	1118.69

Table 2.2 gives the time series data of the provision and expenditure during the last five years. It shows that the savings have been a persistent feature since 2002-03, which implies that there were bottlenecks in the programme implementation leading to inability to spend the funds allocated.

2.3 Excess over provision requiring regularisation

2.3.1 Excess over provision relating to previous year

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. The excess expenditure amounting to Rs. 1112.14 crore for the years from 2001-02 to 2005-2006 had not yet been regularised (September 2007) as detailed in Table 2.3:

Table 2.3

(Rupees in crore)

Year	Number of grants	Number of Appropriations	Amount of excess expenditure	Amount for which explanations not furnished to PAC
2001-02	10	4	275.57	275.57
2002-03	6	4	266.77	266.77
2003-04	2	3	233.55	233.55
2004-05	12	3	321.67	321.67
2005-06	5	2	14.58	14.58
Total			**1112.14**	**1112.14**

Even the explanation for the excess expenditure had not been furnished to the Public Accounts Committee. Some major departments involved were: Finance, Education (School), Power, Science and Technology, Panchayati Raj etc.

2.3.2 Excess over provision relating to current year

The excess expenditure amounting to Rs. 14.85 crore that occurred in three grants and three appropriations during 2006-07 is required to be regularised by the Legislative Assembly under Article 205 of the Constitution. The details of these are given in **Appendix – 2.1**, which shows that the major departments involved were: Finance (Rs. 11.47 crore), Education (School): Rs. 1.82 crore, and Public Works (Rs. 1.52 crore).

2.4 Achievement of Allocative Priorities

2.4.1 Appropriation by Allocative Priorities: The overall net savings of Rs. 1160.68 crore were the result of savings of Rs. 1175.53 crore in 55 grants and appropriations, partly offset by excess of Rs. 14.85 crore in three grants and three appropriations. About 82 *per cent* (Rs. 965.16 crore) of the total savings of Rs. 1175.53 crore occurred in 12 grants / appropriations (Table 2.4), the highest being in the Finance Department (Rs. 331.40 crore), followed by the Tribal Welfare Department (Rs. 170.98 crore) and Education (School) Department (Rs. 140.19 crore).

Table 2.4

(Rupees in crore)

Grant No.	Grant			Actual expenditure	Saving
	Original	Supplementary	Total		
10	Home (Police) Department				
	330.37	9.68	340.05	306.57	33.48
13	Public Works (Roads and Bridges) Department				
	130.72	65.08	195.80	164.18	31.62
14	Power Department				
	90.64	4.13	94.77	72.42	22.35
15	Public Works (Water Resources) Department				
	30.88	17.55	48.43	36.62	11.81
16	Health and Family Welfare Department				
	70.72	13.43	84.15	53.75	30.40
19	Tribal Welfare Department				
	409.68	98.43	508.11	337.13	170.98
20	Welfare of SC Department				
	105.46	40.24	145.70	50.40	95.30
31	Rural Development Department				
	87.18	0.05	87.23	66.71	20.52
34	Planning and Co-ordination Department				
	58.50	0.00	58.50	13.47	45.03
35	Urban Development Department				
	61.80	1.75	63.55	31.47	32.08
40	Education (School) Department				
	492.37	70.22	562.59	422.40	140.19
43	Finance Department				
	621.15	0.00	621.15	289.75	331.40
Total	**2489.47**	**320.56**	**2810.03**	**1844.87**	**965.16**

While the administrative departments did not furnish (September 2007) explanations for the savings, **Appendix – 2.2** shows that these savings affected such areas as water supply and sanitation, programmes of rural and urban development, social security and welfare, medical and public health, welfare of scheduled castes and tribes and education etc.

2.4.2 Unnecessary Supplementary Provisions

(i) Supplementary provision of Rs. 234.34 crore made in 25 cases proved unnecessary or excessive, in view of the aggregate savings of Rs.545.85 crore as detailed in **Appendix -2.3**. The major departments where the savings were substantial, and much in excess of the supplementary provisions, were: Tribal Welfare, Welfare of Scheduled Castes, Health, Education (School), Urban Development and Rural Development.

(ii) In 14 cases, against the additional requirement of Rs. 91.12 crore, supplementary grants of Rs. 195.97 crore were obtained resulting in savings of Rs. 104.85 crore. (**Appendix–2.4**). The major departments where supplementary provisions were substantially higher than the requirement were: Public Works, Tribal Welfare and Revenue.

(iii) In 52 cases, the saving was more than Rs. 10 lakh in each case and also over 10 *per cent* of the total provision as shown in **Appendix – 2.5**.

(iv) In 12 cases, there were persistent savings in excess of Rs. 10 lakh in each case, ranging from 10 to 100 *per cent* of the budget provisions during the last three years ending 2006-07 (**Appendix – 2.6**). The major departments were Tribal Welfare, Welfare of Scheduled Castes, Urban Development, Public Works, Agriculture, Animal Resources Development, Industries and Jail.

(v) In three cases, expenditure exceeded the approved provisions by more than Rs. 50 lakh, ranging from 7 to 23 *per cent* of the provision, which indicated lack of budgetary and expenditure control. The details are given in Table 2.5, which show that the Finance Department accounted for most of this expenditure, reasons for which were not stated.

Table 2.5

(Rupees in crore)

Number and name of grant/appropriation	Total provision	Total expenditure	Excess	Percentage of excess expenditure to the total provision
Revenue - Voted				
42 – Education (Sports and Youth Programme) Department	16.67	18.48	1.81	11
Capital - Charged				
13 – Public Works (Roads and Bridges) Department	22.00	23.50	1.52	7
43 – Finance Department	50.73	62.20	11.47	23

2.5 Excessive/unnecessary re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit, where additional funds are needed. Significant cases where injudicious re-appropriation of funds proved excessive or resulted in savings over Rs. 50 lakh in each case are indicated in **Appendix – 2.7**, which shows that this happened in case of 28 grants and appropriations involving major departments like Public Works (Roads and Bridges), Power, Tribal Welfare, Education (School), Urban Development, Scheduled Castes Welfare and Finance.

2.6 Expenditure without budget provision

As envisaged in the Budget Manual, expenditure should not be incurred on a scheme/service without provision of funds thereof. It was noticed that expenditure of Rs. 39.41 crore was incurred in 11 cases under eight grants/appropriations, as detailed in **Appendix–2.8**, without any budget provision either in the original estimates or supplementary demands and even without any re-appropriation orders. The departments involved were; Tribal Welfare, Education (Higher), Home (Police), Public Works (Roads and Bridges), Rural Development, Industries and Finance.

2.7 Anticipated savings not surrendered

As per Financial Rules, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the year 2006-07, there were 58 cases in which savings amounting to Rs.424.80 crore (over 41 *per cent* of the total savings of Rs. 1027.16 crore) had not been surrendered. In 46 out of 58 cases, the savings not surrendered were of Rs.50 lakh and above. The details are given in **Appendix – 2.9**.

2.8 Surrender in excess of actual savings

The amount surrendered in excess of actual savings indicates inadequate budgetary control. As against the actual savings of Rs.10.94 crore in four cases, the amount surrendered was Rs.16.21 crore, resulting in excess surrender of Rs. 5.27 crore (**Appendix- 2.10**). The departments involved were; Tribal Rehabilitation; Science, Technology and Environment; Education (Social); and Horticulture. On the other hand, three departments *viz*, Education (Social), Education (Sports and Youth) and Finance surrendered Rs. 10.89 crore but ended up incurring excess expenditure of Rs.13.29 crore, as detailed in Table 2.6.

Table 2.6

(Rupees in crore)

Number and name of grant/appropriation	Total provision	Total expenditure	Excess expenditure	Amount surrendered
41-Education (Social) Department (Capital-Voted)	12.55	12.56	0.01	6.39
42-Education (Sports and Youth Programme) Department (Revenue-Voted)	16.67	18.48	1.81	1.33
43- Finance Department (Capital-Charged)	50.73	62.20	11.47	3.17
Total	**79.95**	**93.24**	**13.29**	**10.89**

2.9 Trend of recoveries and credits

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

In five grants[1], the actual recoveries of Rs. 143.01 crore (Revenue: Rs. 134 crore; Capital: Rs.9.01 crore) fell short of the estimated recoveries of Rs 185 crore (Revenue: Rs. 165 crore; Capital: Rs. 20 crore) by Rs. 41.99 crore during 2006-07.

2.10 Unreconciled expenditure

Financial Rules require that the Departmental Controlling Officers should reconcile periodically the departmental figures of expenditure with those booked by the Accountant General (Accounts and Entitlement). Out of 60 Controlling Officers, only one *viz.*, Secretary, GA(P&T) carried out partial reconciliation, leaving Rs.0.37 crore unreconciled.

2.11 Rush of expenditure

Financial Rules require that Government expenditure be evenly phased throughout the year as far as practicable as rush of expenditure at the close of the year can lead to infructuous, nugatory or ill-planned expenditure. In 40 cases, the expenditure in March 2007 was 10 *per cent* or more of the total expenditure for the year (**Appendix 2.11**).

In some cases, the expenditure in March was in excess of 50 *per cent* of the expenditure during the year (Election; Revenue; Food, Civil Supplies, and Consumers Affairs; Fisheries; and Jail), while in case of Rural Development Department it was as high as 85 *per cent.*

MISCELLANEOUS DEPARTMENTS

2.12 Drawal of AC bills

AC bills were drawn by almost all the departments as a matter of routine without due regard to the Financial Rules. As against drawal of 1328 AC bills during 2006-07, only 64 were adjusted upto March 2007.

Financial rules require that AC bills should be drawn only when absolutely required and in cases where their drawal cannot be avoided, they should be adjusted by submitting DCC bills within 90 days[2] of the drawal of the AC bill.

[1] 13–Public Works (Roads and Buildings) Department (Rs. 31.52 crore); 15–Public Works (Water Resources) Department (Rs. 36.15 crore); 27–Agriculture Department (Rs. 9.01 crore); 31–Rural Development (Rs. 64.56 crore); 55–Public Works (Public Health Engineering) Department (Rs. 1.77 crore).

[2] Rule 26 of Delegation of Financial Power Rules, Tripura, 1994.

An analysis of the AC bills drawn during 2006-07 revealed that these were being drawn as a matter of routine, without due regard to their adjustment within the stipulated time of 90 days. At the end of 2006-07, Rs. 13.84 crore as detailed in **Appendix 2.12** remained unadjusted even after six to 11 months from the date of drawal.

Scrutiny revealed that 1328 AC bills were drawn during 2006-07, (upto September 2006) involving Rs. 15.59 crore, of which only 64 bills amounting to Rs. 1.76 crore had been settled as of March 2007. Some of the major departments that drew large number of AC bills involving huge amounts were: Home (Police) (63 bills amounting to Rs. 3.23 crore); Planning & Co-ordination (230 bills amounting to Rs. 1.04 crore); Relief & Rehabilitation (46 bills amounting to Rs. 7.26 crore) and Revenue Department (224 bills amounting to Rs. 1.43 crore).

Further, the AC bills drawn were booked as expenditure. In as much as the DCC bills pertaining to a substantial portion (88.71 *per cent*) remained outstanding, there was no certainty about the expenditure having been incurred and hence the correctness of the accounts was compromised by depicting the amounts drawn on AC bills as final expenditure. Besides, absence of control over the submission of DCC bills weakened the process of financial control, which could lead to financial malpractice, if not properly and adequately monitored.

It was also noticed that the DDOs were routinely violating the orders of the Government limiting the amount of an AC bill to a maximum of Rs. 50,000[3]. A number of DDOs had drawn large sums of money by splitting the amount into several bills. A few illustrative cases are given below:

Inspector of Schools, Kamalpur, drew Rs. 30 lakh on 120 AC bills of Rs. 25,000 each, for the same purpose (mid-day meal) on 11 August 2006.
Additional SDM, Sadar, drew Rs. 66 lakh on 132 AC bills of Rs. 50,000 each for the same purpose (development work under Bidhayak Elaka Unnayan Prakalpa (BEUP)) on 20 May 2006.

The matter was reported to the Government in May 2007; reply had not been received (September 2007).

[3] The limits vary from Rs. 15,000 to Rs. 50,000 depending upon the level of the authority.

CHAPTER III
PERFORMANCE REVIEWS
(CIVIL DEPARTMENTS)

CHAPTER III: PERFORMANCE REVIEWS (CIVIL DEPARTMENTS)

AGRICULTURE DEPARTMENT

3.1 Technology Mission for Integrated Development of Horticulture in Tripura

The Technology Mission for integrated development of horticulture in Tripura was taken up in 2001-02 and aimed mainly at area expansion, water management, production of planting materials, transfer of technology through farmers training, promotion of organic farming etc. A performance audit of the programme brought out the following main points:

Highlights

The implementation of the Mission was affected by the delays in release of funds, both by Union Ministry of Agriculture and Tripura Small Farmers Agri-business Consortium (TSFAC), as well as diversion and under-utilisation of available funds.

(Paragraph 3.1.10)

The cluster approach recommended by the Mission guidelines was not followed and there were poor physical achievements in respect of fruits, spices, flowers etc due in part to failure of the centralised procurement arrangement for planting materials.

(Paragraph 3.1.12.3)

Transfer of technology through farmers training was affected by non-establishment of training centres and non-operationalisation of the training centres established.

(Paragraph 3.1.12.7)

Diversion of Rs. 5.12 crore for purchase of pump sets affected other components of the programme.

(Paragraph 3.1.12.8)

Linkages with other Mini-Missions for post harvest management and fruit processing needed strengthening for optimal benefits from the Mini-Mission to flow.

(Paragraph 3.1.12.13)

Monitoring mechanism was not effective and no evaluation of the impact of the programme had been made.

(Paragraph 3.1.13)

3.1.1 Introduction

The Centrally Sponsored Scheme–Technology Mission for Integrated Development of Horticulture in North-Eastern States - was launched in the State in 2001-2002 for implementation during the Tenth Plan period. The Mission comprised four Mini Missions, of which Mini Mission II was to be implemented by the State Government and in respect of the other three Mini Missions, the State Government was responsible for consolidating and sending its requirement to other Implementing Agencies (see paragraph 3.1.3 below) through specific proposals.

3.1.2 Objectives of the Mission

The objectives of the Mission, in general, were to establish convergence and synergy among numerous ongoing governmental programmes in the field of horticulture development to achieve horizontal and vertical integration aimed at:

- ensuring adequate, appropriate, timely and concurrent attention to all links in the production of horticulture crops, post-harvest management and consumption chain,
- maximising economic, ecological and social benefits from existing investments and infrastructure created for horticulture development,
- promoting ecologically sustainable intensification, economically desirable diversification and skilled employment to generate value addition to horticulture crops, and also,
- promoting development and dissemination of eco-technologies based on the blending of traditional wisdom and technology with frontier knowledge such as bio-technology, information technology and space technology.

3.1.3 Components of the Scheme

(i) Mini Mission I (Research)

Comprised research work and supply of basic seed and planting materials of horticulture crops as also technology standardisation and technology refinement. Its implementation was the responsibility of the Indian Council for Agriculture Research (ICAR).

(ii) Mini Mission II (Production and Productivity)

It consisted mainly of (a) area expansion under various horticulture crops, (b) creation of water sources, (c) farm water management, (d) production of planting materials, (e) transfer of technology through farmers training and training of trainers, (f) promotion and popularisation of organic farming and agriculture equipment, (g) promotion of integrated pest management. It was coordinated by the Department of Agriculture and Co-operation (DAC), Ministry of Agriculture, GOI and implemented by the Agriculture/Horticulture Department of the State.

(iii) Mini Mission III (Post-harvest management, marketing and export)

Involved strengthening of marketing infrastructure, development of whole-sale markets, rural primary markets and agriculture marketing information centres. Two Agri-Export Zones were required to be established in each State of the NE Region. This Mini Mission was coordinated by the DAC and implemented by NHB, DMI, NAFED and APEDA[1].

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[1] NHB- National Horticulture Board; DMI - Directorate of Marketing Intelligence; NAFED-National Agriculture Co-operative Marketing Federation; APEDA-Agriculture and Processed Food Products Export Development Authority.

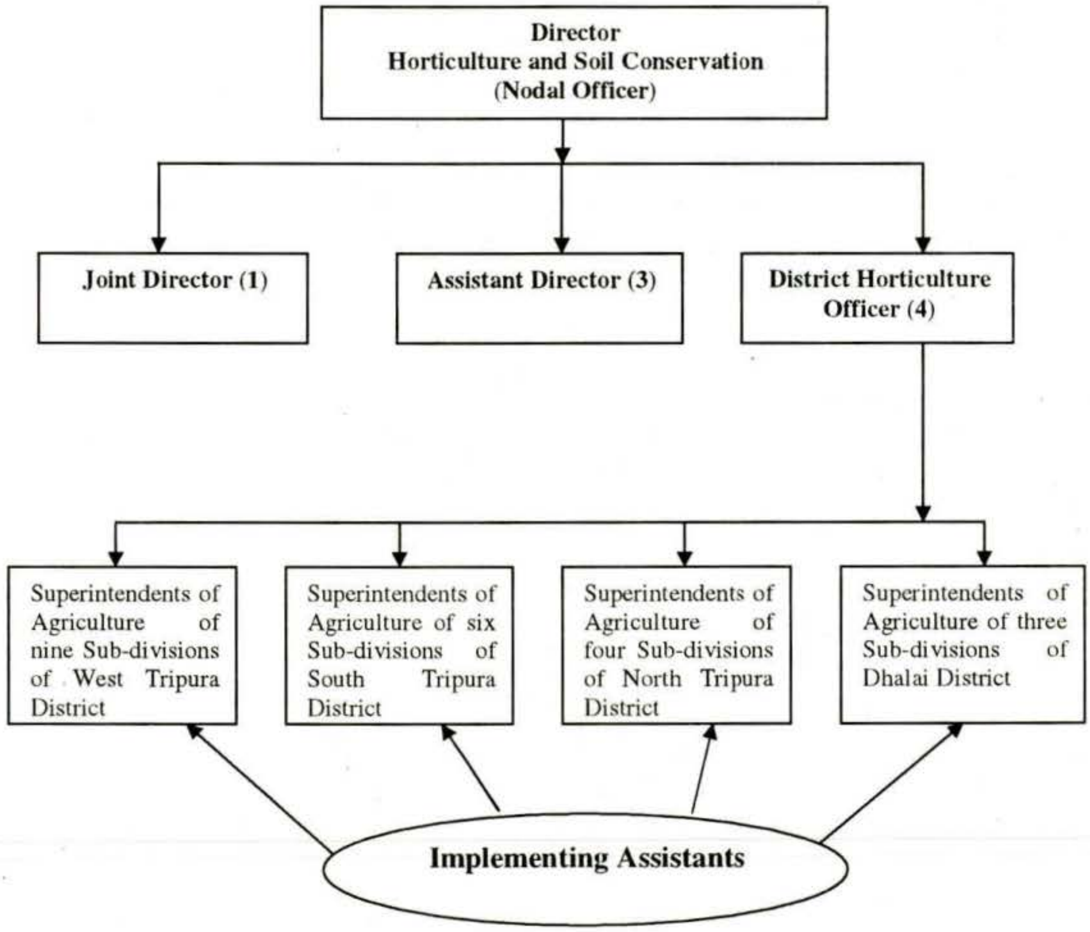
(iv) Mini Mission IV (Processing)

It aimed at (a) promotion of new units, (b) up-gradation and modernisation of existing units (c) Market promotion (d) Research and Development and (e) Human Resource Development. This Mini Mission was coordinated and implemented by the Ministry of Food Processing Industries of the GOI.

To ensure proper linkage and co-ordination among various Mini Missions, proposals in respect of different Mini Missions were required to be approved by the State Level Steering Committee (SLSC) constituted for review/monitoring of the Mission activities.

3.1.4 Organisational set-up

The Director, Horticulture and Soil Conservation of the State (DHSE) is the nodal officer of the Mission and also the Member Secretary of the SLSC. He was assisted by one Joint Director, one Deputy Director, 3 Assistant Directors and 4 District Horticulture Officers, who in turn were assisted by 22 Superintendents of Agriculture. An organogram in this regard is given below:



3.1.5 Funding

For MM II, the DAC, Union Ministry of Agriculture (MOA), on the basis of work plans, was to release funds to the Central Small Farmers' Agri-business Consortium (SFAC) which in turn was to release the funds to State level SFAC (TSFAC) in 3-4 installments as per approved physical and financial targets. The TSFAC was to release funds to the District Horticulture Officers (DHOs) on the direction of the Secretary / Director (Horticulture) or to the Director of Horticulture for central expenditure. For the other three Mini Missions, the DAC was to release funds to the respective Implementing Agencies as per the approved action plan (for MM I) or proposals approved by the Project Approval Committee (PAC) concerned (for MM III and MM IV).

3.1.6 Scope of the performance audit

The performance audit conducted during January - April 2007 aimed at evaluating the efficiency, economy and effectiveness of planning and implementation of Mini Mission II by the State as also of the State's responsibilities in respect of Mini Missions I, III and IV. The review covered the period 2001-02 to 2006-07 and encompassed 50 *per cent* of the 22[2] Superintendents of Agriculture (SAs) in the four districts of the State, selected through Statistical Sampling using the Probability Proportionate to Size With Replacement (PPSWR) method.

3.1.7 Audit Objectives

The performance audit sought to assess:

- Whether the overall objectives of the Mini-Mission II i.e. to increase the quantum of production and productivity of the horticulture produce in the State, were achieved;
- Whether the planning for the Mission was adequate and effective;
- Whether the execution of the schemes was efficient, economic and effective and as per approved plan;
- Whether the efforts under Mini Mission II were integrated with marketing, processing and export activities under other Mini Missions, to get the optimum benefits of the Mission;
- Whether the monitoring system was adequate and effective.

3.1.8 Audit Criteria

The following major criteria were used:

- Mission guidelines issued by MOA,
- Project reports prepared by the Department,
- Directions and other communications from MOA,
- Contracts, MOUs etc signed by the Department.

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[2] West Tripura: 4 out of 9; South Tripura: 3 out of 6; North Tripura: 2 out of 4 and Dhalai district: 2 out of 3.

3.1.9 Audit methodology

The audit process started with an entry conference with the DHSC on 24 January 2007, wherein the audit objectives and criteria were explained. This was followed by collection of relevant information through questionnaires etc following which, field examination of the selected units, including office of the DHSC, were conducted. The results of the examination of records and questionnaires as well as the documents collected during audit formed the audit evidence and the basis of audit observations, which were discussed in an exit conference held (3 August 2007) with Secretary, Agriculture. The comments of the Department have been incorporated in the report at appropriate places.

3.1.10 Financial Management

3.1.10.1 Delays in funding by Government of India

During 2001-02, 2003-04, 2004-05 and 2005-06, SFAC failed to provide adequate funds to TSFAC within the financial year concerned, and the shortages were made up in the subsequent years only *viz,* in April 2002, June 2004, May 2005 and April 2006 respectively. There were delays ranging from 22 to 72 days on the part of SFAC in transferring funds to TSFAC during 2001-02 to 2005-06. Besides, over 50 *per cent* of funds for 2004-05 (Rs. 6.10 crore i.e. 55 *per cent* of allocation) and 2006-07 (Rs. 7 crore i.e. 50 *per cent* of allocation) were provided in March end making the implementation during the year unfeasible. On five other occasions, the SFAC took 22 to 72 days to issue cheques after sanction of funds by the MOA.

3.1.10.2 Underutilisation of funds

Table No. 3.1.1: Utilisation of funds

(Rupees in lakh)

Year	Opening balance	Released during the year	Total	Expenditure	Interest earned during the year	Closing balance
1	*2*	*3*	*4*	*5*	*6*	*7*
2001-02	-	452.90	452.90	175.08	3.34	281.16
2002-03	281.16	844.50	1125.66	291.13	3.39	837.92
2003-04	837.92	200.00	1037.92	666.75	29.65	400.82
2004-05	400.82	1712.80	2113.62	2173.74	17.54	(-) 42.58
2005-06	(-) 42.58	1298.50	1255.92	1077.21	3.83	182.54
2006-07	182.54	1700.00	1882.54	735.75	16.42	1163.21
Total		**6208.70**		**5119.66**	**74.17**	

Source: MOA release orders, Financial Progress Reports furnished by the Department to GOI and Bank Statements of TSFAC's account as made available to Audit.

During 2001-02 to 2006-07, the amount spent by the State Government (Rs 51.20 crore) was less than the amount released by SFAC resulting in overall saving of Rs 10.89 crore (17.54 *per cent*) apart from interest of Rs.74.17 lakh earned during the years. Table above shows that the expenditure was very slow in the first two years. Although it picked up later, it slowed down considerably again during 2006-07. This was due to inadequate preparedness of the implementing agencies to execute the programmes as planned, as discussed later (paragraphs 3.1.10.3, 3.1.11, 3.1.12.2 etc).

3.1.10.3 Retention of funds by TSFAC

In contravention of the MOA instructions not to delay releasing funds to the implementing agencies, TSFAC retained huge funds every quarter (**Appendix 3.1**), the amount varied from Rs. 66.49 lakh to Rs. 896.53 lakh (32.20 to 82.70 *per cent* of available funds) during 2001-02 to 2006-07. Funds had remained with the TSFAC for months together waiting to be released for want of requisition from the Director who, despite having the approved Action Plan for the State, failed to submit timely requisition for the funds. This showed that the Department's planning and programme execution were not adequately geared for timely utilisation of funds.

3.1.10.4 Diversion of funds

The implementation of the Mission was further affected by diversion of funds, which further reduced the availability of funds, as would be evident from the following:

(i) On verbal instructions from the DHSC, Rs. 1.80 crore of Mission funds were diverted (April 2004) to Civil Deposit Account[3] without approval of MOA or SLSC. As a result, a number of payments to the farmers were kept pending till the amount was released (May and July 2005). For example, DHO, South Tripura had been able to pay only Rs. 17.80 lakh of the farmers' / suppliers' bills amounting to Rs. 87.13 lakh as of March 2006. Similarly, DHO, North Tripura was able to clear pending bills of farmers for Rs. 75 lakh during 2005-06 only after getting back the sum from the civil deposit.

(ii) While transferring (28 August 2004) the cash to the new Cash Book opened for Technology Mission, Rs. 1.50 lakh was not transferred to the new Cash Book/ Bank Account meant for TM funds. The shortfall had yet to be made good (May 2007). The Secretary of the department in the exit conference (August 2007) stated that the matter would be looked into ensure that the amount is transferred to TM account.

3.1.10.5 Defective Reporting

Progress Reports were sent to MOA/SFAC after booking the expenditure against the year of allocation, irrespective of whether the expenditure was incurred and the year in which the expenditure was incurred. The revised Progress Reports sent to MOA (June 2007) showed that expenditure figures had been changed right from 2001-02 onwards, and the expenditure for the period 2001-02 to 2006-07 had been inflated, the authenticity and basis of which could not be verified in audit.

3.1.11 Inadequate Planning

Annual Action Plans (AAPs) were to be submitted to MOA showing the physical and financial targets for the current year and the balance carried

[3] By three District Horticulture Officers (North Tripura: Rs. 75 lakh; South Tripura: Rs. 50 lakh and Dhalai: Rs. 55 lakh).

forward from the previous year for release of funds. The AAPs were prepared without adhering to the requirements of the guidelines that called for involvement of district and lower level functionaries in the preparation of the AAPs. Several systemic defects in the planning process came to light, as stated below:

(i) Base line surveys for preparation of project report/work plans were not conducted in any of the four districts. Consequently, the adequacy and comprehensiveness of the plans remained questionable and integration of the activities of the four Mini-Missions did not get due importance.

(ii) The work/action plan for the State was not based on district level plans, as required under the Mission guidelines, as the district level project reports were neither prepared nor asked for by the State level authorities. As a result, the Action Plan lacked ground level participation.

(iii) In contravention of the guidelines, prior approval of the SLSC was not obtained before sending the work/action plan to the nodal agency for release of funds, depriving the SLSC of contributing to the action plan. Preparation of the AAPs without considering all these essential aspects thus, speaks of inadequacy in planning for programme implementation.

3.1.12 Programme Execution

3.1.12.1 Failure to get technical inputs from ICAR

Technical inputs from the ICAR regarding supply of nucleus / basic seeds, planting materials and technological refinement and training were a vital component for the success of Mini Mission II. However, the Department failed to take any appreciable inputs from the ICAR, despite the latter having a regional office in Agartala. This, coupled with the absence of any base line surveys, led to ad hoc and unrealistic approach in the implementation of the Mission, as brought out in subsequent paragraphs. Also, no follow up action was taken on SLSC's instructions (September 2001) for:

- conducting on-farm demonstration on staggering of pineapple in collaboration with ICAR and organising visit of farmers to see the technology adoption;
- selecting resistant varieties of solanaceous vegetable crops in consultation with ICAR;
- cultivating selected varieties of jackfruit and utilising it as vegetable.

However, ICAR imparted training to 325 farmers and extension functionaries on two topics following the SLSC meeting (October 2004) on pineapple, litchi and mango cultivation and use of modern techniques useful in Tripura conditions. Thus, non-adherence to SLSC's instructions led to poor achievement in area expansion.

(i) Lack of collaboration with National Research Centre for Orchids

Collaboration with National Research Centre for Orchids (NRCO), Sikkim was required on matters pertaining to Mini Mission I, including finalisation of the work plan for production of seed / planting material for different fruits, vegetables and flowers. Such collaboration, however, did not exist even though no costs were involved. A requisition sent by DHSC (May 2002) for improved varieties of nucleus seeds /planting materials met with no response from NRCO. In the case of another project for production of seed / planting material etc a revised project asked (May 2004) for by the NRCO was yet to be submitted by the Director (April 2007). Thus, the Department did not get the benefit of collaboration with NRCO in respect of supply of nucleus / basic seeds under Mini Mission I.

(ii) Delay in selection of planting material and seeds

There was four years' delay in finalising the selection of planting material and seeds for the area expansion programme. It was only in April 2005 that a Technical Committee consisting of seven members was constituted by the Government for selection of planting materials and seeds. The Committee proposed (April 2005) (i) locally adopted varieties of fruit plants, (ii) commercially accepted varieties of flowers and (iii) adopted varieties of vegetables adding that the performance reports available for different hybrid vegetable varieties from the ICAR State Centre and HRC, Nagicherra were insufficient to make conclusive selection of all varieties of vegetable crops. An expert appointed (May 2005) by the Government to examine the report of the Committee had raised several issues stating (June 2005) that the report lacked any long term plan demarcating crop-specific 'production-zones' backed by scientific and resource-based data, which was necessary for development of horticultural crops in the State. The expert's comments had however not been addressed and the area expansion programme was being implemented based broadly on the Committee's recommendations. This resulted in continued poor performance during the following two years in each category of horti-crops except vegetables.

3.1.12.2 Performance under Mini Mission II

Appendix 3.2 shows the financial performance in different areas during 2001-02 to 2006-07. The component-wise summarised position as per Progress Reports made available to Audit is given in the following table:

Table No. 3.1.2

(Rupees in lakh)

Sl. No.	Name of Component	Total allocation of funds	Total expenditure (upto March 2007)	Percentage of expenditure over allocation
1.	Area Expansion including Flowers	2818.28	2003.04	71.07
2.	Creation of Water Sources	1076.25	973.52	90.45
3.	On farm Water Management	333.93	150.53	45.02
4.	Production of Planting Materials	371.50	224.18	60.34
5.	Transfer of Technology	305.75	249.19	81.50
6.	Agriculture Equipments	780.00	1168.48	149.80

(Rupees in lakh)

Sl. No.	Name of Component	Total allocation of funds	Total expenditure (upto March 2007)	Percentage of expenditure over allocation
7.	IPM	49.30	38.74	78.58
8.	Women Development	28.40	25.24	88.87
9.	Infrastructure/Technical Support	39.00	27.26	69.90
10.	Leaf Analysis Lab	20.00	10.00	50.00
11.	Seminar/Workshop	20.50	17.50	85.37
12.	Organic Farming	262.00	204.98	78.24
13.	On farm handling unit	45.00	27.00	60.00
14.	Integrated Mushroom Unit	50.00	-	Nil
15.	Bee Keeping	9.00		Nil
	Grand total	**6208.91**	**5119.66**	**82.45**

Source: Progress Reports submitted by the Department.

The performance under different components of the Mini Mission is discussed below:

Area Expansion

3.1.12.3 Lack of cluster approach

The Mission guidelines required that a cluster approach, requiring selection of beneficiaries in a contiguous area covering the whole village, be followed for area expansion under horticultural crops, having linkages with other missions. However, no such approach was followed and the selection of the beneficiaries was made without any relation to beneficiaries from other supportive components like creation of Water Sources, Agriculture Equipment, On-farm Water Management etc. Thus, the benefits of an integrated approach were lost. Further, none of the four District Horticulture Officers developed any 'Centre of Excellence', which were required under the Mission guidelines to implement all the components of the Mini-Mission in a contiguous area.

(i) Poor Physical Achievements

During 2001-02 and 2002-03, only 846 hectares out of 1260 hectares (67.14 *per cent*) and 1,180 hectares out of 2,950 hectares (40 *per cent*) targeted for area expansion were achieved (**Appendix 3.3**). In the following year (2003-04), although the shortfall continued in coverage of fruits, spices, plantation crops and flowers, the overall coverage was 4.54 *per cent* over the targets, mainly due to 46.58 *per cent* higher achievement in vegetable crops. The shortfall in coverage of fruits during the first three years, mainly in banana, pineapple, mango and orange, was attributable to failure in selection of suitable varieties and non-availability of quality planting materials like suckers/grafts/ cuttings/plantlets etc.

Most of the planting materials used up to 2004-05 were procured by the farmers locally without adequate certification of the quality due to the Department's failure to establish a quality assurance system. It was only in respect of potato that more or less uninterrupted supply of quality True Potato Seeds (TPS) was ensured by a Government Agency *viz.* HRC, Nagicherra.

During 2004-05 the area coverage in almost all sectors (except cashew nut) exceeded the target, but the increase in production and productivity was not assessed. The failure to use assured quality seeds of appropriate varieties resulted in poor achievement in all sectors of area expansion except vegetable.

(ii) Failure of Centralised Procurement of Planting Materials

During 2005-06, the procurement of planting materials was centralised with the DHSC. The suppliers engaged by him failed to ensure timeliness and quality of planting material supplied, to the satisfaction of the district/block level officers, thereby adversely affecting the programme, especially in respect of fruits, for which the achievement during the year was only 45.81 *per cent*. Test check revealed that a number of Superintendents of Agriculture (SAs) refused (May 2006) to receive the defective or delayed (post-planting season) supply of planting material, which led to loss of Rs. 2.18 lakh on account of 56,000 damaged banana suckers.

For 2006-07, two All India Notices Inviting Tenders (NITs) were issued (February and March 2006) by DHSC and a team visited (April–June 2006) different nurseries of West Bengal and Haryana, to check the quality of planting materials (banana, pineapple, guava, litchi, cashew nut, black pepper etc). The expenditure of Rs. 3 lakh incurred as travelling expenses of the team-members in connection with the said visit was irregularly met from Trainers' Training component. However, by the time the specific proposals from the Tender Committee were submitted (September 2006) to the Supply Advisory Board (SAB), the planting season (May-August 2006) was already over. In December 2006 i.e almost 9-10 months after their invitation, both the tenders were cancelled. Non-supply of planting materials before the planting season resulted in almost negligible achievement of area expansion in fruits (87 out of 1,950 hectares targeted i.e. 4.46 *per cent)*, and zero achievement in cashew nut (target 500 hectares) and black pepper (target 300 hectares). Thus the entire exercise proved futile.

(iii) Persistent poor performance in cashew nut development

Despite the availability of funds, the area expansion in cashew nut was a failure as out of target of 1,790 hectares (six years from 2001-02 to 2006-07), only 250.50 hectares (13.99 *per cent*) was covered (March 2007), with 100 *per cent* failure during 2004-05 and 2006-07, and 97.58 *per cent* failure during 2005-06. This was attributed (May 2007) to non-receipt/late receipt of cashew nut grafts. Thus due to failure of the Department to provide cashew nut grafts, the targeted expansion could not be achieved.

(iv) Poor performance in Black Pepper development

Against the target of 725 hectares at a planned expenditure of Rs. 96.50 lakh (2001-02 to 2006-07), only 159 hectares (21.93 *per cent*) was covered at an expenditure of Rs. 20.07 lakh (March 2007). The position was especially alarming in 2005-06 and 2006-07 when the shortfall was 86.18 *per cent* and 100 *per cent* respectively. There was inordinate delay of 15 months in initiating follow up action on the directions of the SLSC (May 2005), to examine the possibility of raising crops like black pepper in the forest areas. After the proposal was approved (August 2006) by SLSC, Rs. 30.81 lakh was transferred (November 2006) to the Forest Department by which time, the planting season (June-July 2006) for black pepper was over. Thus, administrative laxity resulted in non-achievement of the targeted expansion despite availability of funds. The utilisation certificate in respect of the funds transferred to the Forest Department was still pending (May 2007).

(v) Floriculture

Rs. 3.34 crore was allocated for area expansion of flower crops during 2001-07 against which Rs. 1.17 crore was spent, covering 1,755 of the targeted 2,570 hectares (**Appendix 3.3**), the shortfall being 31.71 *per cent*.

In this field too, inordinate delays in finalisation of tenders for centralised procurement of planting materials for commercially viable flowers for the 2005-06 Plan led to non achievement of target as the purchase did not materialise even before the planting season for 2006-07. The Directorate took more than 7 months to scrutinise the rates received in response to Notice Inviting Expression of Interest (September 2005) for setting up commercial Flower Centres at prime locations. Even after the SAB had approved (May 2006) the proposal, the Directorate took more than 2 months to sign the MOUs with the firms (July 2006 and August 2006). A departmental inspection (April 2007) revealed several deficiencies in the material supplied and unsatisfactory service by the supplier but no corrective action had been initiated despite complaints from the field offices.

Model Floriculture Centre, Lembucherra: The DHSC took up (March 2002) establishment of a Model Floriculture Centre (MFC) at a cost of Rs. 70 lakh, with financing from the GOI. The establishment of the Centre was to be completed within two months of the completion of the MFC building which was completed in May 2004. Scrutiny of records revealed several irregularities as discussed below:

- Contract for 15 items was awarded (April 2003) to a Delhi-based firm for Rs. 42.25 lakh without competitive bidding and approval of the SAB, as provided in the Delegation of Financial Power Rules.
- The firm was selected (February 2003) on the basis of its presentation (along with two other firms) to a six member Committee constituted (May 2002) under the Chairmanship of the Director. No recorded details of the recommendations of the Committee were made available to audit except a note by an Assistant Director that the presentation of the firm was good while that of the others "shabby and incomplete".
- Scrutiny revealed that the firm had quoted lump sum amounts for different items, the amounts being exactly the same as in the estimates given in the operational guidelines of the GOI. The firm had not given the details of the items under different heads (e.g tools and implements, furniture and fixture, glass ware etc.) or their break-up costs. In the circumstances, it was left to the firm to decide what items to supply under different heads as well as their specifications.

- The firm was paid an advance of Rs. 12.60 lakh through a cheque drawn on 1 April 2003 even before signing the MOU on 4 April 2003. The MOU was not vetted by technical experts.

- The firm was required to complete the work by November 2003, but materials worth Rs. 7.50 lakh had not been supplied as of May 2007 despite payment of Rs. 42.17 lakh. The rest of the materials / machineries were supplied (August 2004) after a delay of eight months. However, no action was taken against the firm, which thus escaped penalty of Rs. 16.90 lakh[4], as per the MOU.

- There was further delay of 10 months in the inspection of the material supplied; the Inspection Report by a departmental committee revealed (June 2005) various shortcomings / defects in many items valued at Rs. 22.70 lakh. The supplies were taken into stock (July 2005) without addressing the defects, which had remained unrectified as of May 2007. In a meeting (November 2005) the Director decided that no steps could be taken against the firm as the supplies were as per the MOU.

- The MFC had remained dysfunctional even after more than three years from its scheduled date of completion (November 2003), and expenditure of Rs. 42.17 lakh. Meanwhile, chemicals and pesticides valuing Rs. 1 lakh had become unusable due to expiry. Machinery / equipment/structures valued at Rs. 3.60 lakh was not installed or used and meanwhile warranty expired.

- Of the remaining Rs. 27.75 lakh (70–42.25), to be spent departmentally on nine items, the DHSC had diverted Rs. 15.63 lakh to other projects[5] and the balance Rs. 12.12 lakh remained unspent (April 2007). The Tissue Culture Lab, an important component of the MFC, had not been taken up even after five years of approval of the project.

Thus, irregularities in the selection of the firm and non-enforcement of the terms of the contract, led to the expenditure of Rs. 42.17 lakh remaining unfruitful as the MFC remained non-functional.

(vi) Integrated Mushroom Unit

The integrated mushroom unit, to be established under the supervision and technical support from ICAR, had not been established, despite receiving Rs 50 lakh from MOA in 2001-02. After retention by TSFAC for about four and a half years, the amount was transferred (July 2006) to the Executive Engineer (Agri), West (Rs 19.96 lakh), Executive Engineer (Mech) (Rs. 14.01 lakh) and the DHSC (Rs. 16.03 lakh) for execution of the work departmentally at Horticulture Research Complex (HRC), Nagicherra. The construction of the building was to be completed on 15 November 2006, but had not been completed (September 2007). Machinery and equipment essential for running the unit were also not procured (May 2007). The delay was attributed (May

[4] 5 *per cent* of the contracted value (Rs.42.25 lakh) for each month of delay, for 8 months = Rs.42.75 lakh × 5 × 8/100 = Rs. 16.90 lakh.

[5] Leaf Analysis Laboratory and Plant Health Clinic in the Directorate and Tissue Culture Laboratory at Horticulture Research Complex, Nagicherra.

2007) to lack of specific guidelines about the equipment, components and infrastructure facilities etc prior to new MOA guidelines (January 2004) and also to the time taken for training a team of Scientists and Engineers before setting up the Unit.

Due to non-establishment of the Unit, the mushroom growers could not be supplied the compost and spawn and were also deprived of the facility of collection, processing and marketing of their produce. Thus despite availability of funds, this area could not be given any impetus.

3.1.12.4 Creation of Water Sources – uncertainty about the benefits

The Mission guidelines provided for creation of water sources to support horticulture. Out of Rs. 4.70 crore provided in the Annual Plans for 2004-05 (Rs. 0.70 crore) and 2005-06 (Rs. 4 crore), Rs. 4.22 crore[6] was transferred to authorities other than the departmental implementing officers (i.e. DHOs) in contravention of the guidelines and without the approval of even the SLSC. These authorities were also not given the details of the beneficiaries under the Mission to ensure that the water bodies were created such that the integrated benefits of the "cluster approach" were not lost. Utilisation certificates had not been furnished by most of the authorities except for Rs. 1.40 crore furnished by District Magistrate (West) and Rs.70 lakh by CEO, FDA, Udaipur. None of the authorities had furnished the list of beneficiaries. In the circumstances it was unclear as to what extent the benefits of water bodies had reached the targeted beneficiaries. For example, the Director had no records to show that the eligible beneficiaries benefitted from the 104 forest check dams constructed (2006-07) out of the said funds at a cost of Rs. 1.38 crore. A joint inspection of 10 check dams by the Audit and the officials of the Forest Department showed that they were mainly used for wild animals of the sanctuary, pisciculture, and improvement of the ecosystem.

3.1.12.5 On- farm Water Management

On-farm Water Management consisted of drip irrigation, green-houses and shade-nets. The following table indicates that during the period 2001-07, there was poor achievement in this component too, except in respect of shade nets.

Table No. 3.1.3

Component	Target (Nos.)	Achievement (Nos.)	Percentage of achievement
Drip irrigation	340	18	5.29
Green-houses	442	311	70.36
Shade nets	320	300	93.75

Source: Physical Progress Reports submitted by the Department.

During 2001-07, out of allocation of Rs. 2.11 crore for green houses, Rs. 96.90 lakh for drip irrigation and Rs. 23.80 lakh for shade-nets, the corresponding

[6] 2004-05: Rs. 0.22 crore to Superintendent of Fisheries (South Tripura) through DHO (South) 2005-06: Rs. 1.50 crore to District Magistrate (West); Rs. 1 crore to DM (North); Rs. 1.18 crore to Forest Department through DM (South) and Rs. 0.32 crore to DM (South) total Rs.4 crore.

expenditure was Rs. 1.25 crore (59 *per cent*), Rs. 5.13 lakh (5 *per cent*) and Rs. 21 lakh (88 *per cent*) respectively. Further, the following irregularities were noticed.

- Six SAs[7] had idle stock of 192 units of UV films and 184 units of shade-nets valuing Rs. 20.06 lakh since May/July 2006.
- Three SAs[8] could not show supporting papers for utilisation of 220 UV films and 213 shade-nets valuing Rs. 28.55 lakh issued to them.
- Rs. 1.71 lakh placed with 6 SAs in April 2002 for drip irrigation was taken back by the Director after two years (February 2004) and utilised for installation of deep tube well in a Government Park in the capital.

Thus, the objectives of on-farm water management remained unachieved.

3.1.12.6 Production of Planting Materials

This consisted of establishment of nurseries, both in public and private sectors, at an approved cost of Rs. 3 lakh each, which would ensure supply of minimum two to three lakh plants of good quality and improved varieties, per year. In addition, a Tissue Culture Laboratory (TCL) was to be established (approved cost Rs. 21 lakh) in 2001-02 for producing healthy planting materials, free from virus and other diseases. Although a TCL was established (August 2004) at a cost of Rs. 17.50 lakh, it had produced only 20,000 plants during 2005-06 and 2006-07 against the required minimum of 15 lakh plants per year as per GOI guidelines.

The position in respect of nurseries was also much below expectation as out of 56 nurseries planned during 2001-07, only 30 (54 *per cent*) were established at a cost of Rs. 1.65 crore. There was no centralised information on the performance of these nurseries or their contribution to horticulture development. In the absence of performance and production, the possibility of these nurseries running far below potential cannot be ruled out.

- In North Tripura, only Rs. 4.72 lakh was disbursed to four private nurseries, despite allocation of Rs. 12 lakh. The DHO stated (February 2007) that some of the beneficiaries (nursery owners) failed to complete the works and did not claim the amount.
- In another case, a public sector nursery was shown to have been established in Bishalgarh at a cost of Rs.3 lakh but records revealed that Rs. 2.83 lakh had still remained unspent (April 2007).
- A nursery taken up in Lembuchera (August 2002) at an approved cost of Rs. 18 lakh had remained incomplete for no recorded reasons after about five years and expenditure of Rs.10.60 lakh (April 2007). The balance amount was lying idle with the Principal, Upgraded Training Centre

[7] SAs of Bishalgarh (23 and 20), Matabari (60 and 67), Bagafa (60 and 57), Rajnagar (35 and 31), Rupaichari (12 ad 9), Satchand (2 and nil) units of UV films and shade-nets respectively.
[8] SAs of Teliamura (75 and 73), Melaghar (70 and 67), Dukli (75 and 73) units of UV films and shade-nets respectively.

(UGTC). The expenditure remained unfruitful besides Rs. 7.40 lakh remaining blocked for five years.

3.1.12.7 Transfer of Technology through farmers training

This component as envisaged in the guidelines aimed at educating the farmers about the modern technology of cultivating horti-crops through training/demonstration etc. During 2001-02 to 2006-07, 9903 farmers were imparted training (inside State: 8797 and outside State: 1106) against a target of 10950 (inside State: 9500 and outside State: 1450). Superintendent of Agriculture, Melaghar received Rs. 2.10 lakh for training 140 farmers in 2006-07; although no training was conducted till date of audit (April 2007), the Progress Report showed full achievement, without giving the details of trainees.

(i) Non-availability of service from Supervisory Training Centre (STC)

Out of four STCs planned in the State (2002-03 to 2006-07), only two were established (March 2006 and October 2006). The STC established (March 2006) in West Tripura district at a cost of Rs 19.40 lakh was occupied by DHO (West) and not a single training class was held. Another STC, established (October 2006) in the North Tripura district at a cost of Rs. 36.03 lakh had not started functioning due to non-deployment of staff. The work for setting up of two more STCs was not taken up despite release of the funds (Rs. 40 lakh) by GOI in full. Thus the purpose of establishing the STCs at a cost of Rs. 55.43 lakh was defeated.

3.1.12.8 Production and Popularisation of Agri Equipment

The Mission envisaged popularising the use of appropriate agricultural equipment like Power Tiller, Diesel Engine (Pump-sets) etc to improve efficiency and help farmers in reducing physical labour in the farms. The beneficiaries were to be selected out of the farmers selected for area expansion and other components of the Mission.

The following table shows the achievements under different categories of this component as reported to MOA:

Table No. 3.1.4

	Target (Nos.)	Achievement (Nos.)
Manually operated Equipment	850	704 (83%)
Power operated Equipment	400	391 (98%)
Power Tiller	1407	1341 (95%)
Diesel Engine (Pump sets)	1240	5904 (476%)
Power driven Equipment	50	Nil

Source: Information furnished by the Department.

The number of pumps included 5,688 pump sets, for which Rs. 5.12 crore of Mission funds was diverted to Rural Development Department following the State Government decision (June 2004) to distribute pump sets among the cultivators jointly out of Technology Mission (Rs. 9000), SGRY (Rs. 7000) and Beneficiaries' contribution (Rs. 4000). This was done without the approval of MOA and no records were available showing the names and addresses of the beneficiaries making it difficult to establish whether all the beneficiaries under the Mission had been supplied with a pump set. Test check showed that in the West, North and South districts, the DHOs could not settle in time the claims of the beneficiaries related to production of fruit plants, vegetable crops, spices etc pending from 2001-02 to 2005-06. The component most affected by this diversion was area expansion.

3.1.12.9 Integrated Pest Management

Under this component, financial assistance was payable to the horticulture farmers for use of bio-pesticides at the rate of Rs. 1000 per hectare. During 2001-07, 2074 hectares (82 *per cent*) were brought under the use of bio-pesticide at a cost of Rs. 20.74 lakh as against the target of 2,530 hectares. Despite this inadequate area coverage, the Department failed to provide the farmers the services of (i) Plant Health Clinic (2) Leaf Analysis Laboratory and (3) Disease Forecasting Unit, which were required to be established under this component. The details in this regard are discussed below:

(i) Plant Health Clinic (PHC)

The establishment of the PHC, for which Rs. 20 lakh was provided in the Action Plan for 2001-02, was delayed as the supplier took a year to supply the instruments /chemicals /lab furniture etc against the stipulated two months from the date of handing over of the building. No action was taken against the supplier for the delay despite provision of 5 *per cent* penalty in the agreement signed. The inspection of the instruments (January and February 2005) showed defects like non-functioning of ELISA READER, improper functioning of PH meter, RIMI Centrifuge machine, Systonic conductivity meter etc but no action was taken to get them properly replaced by the supplier at their cost as per the terms of the agreement. The Clinic started functioning (December 2005) but no records of the work done were being maintained due to which, performance and utility of PHC could not be verified.

(ii) Leaf Analysis Laboratory (LAL)

Rupees 20 lakh was released by MOA during 2001-02 for establishment of Leaf Analysis Laboratory. The civil work was to be started in May 2003 and to be completed by August 2003. The supplier had been given the order (April 2003) to supply the equipment / chemicals within two months of handing over the building, which was handed over only in December 2003. The establishment of the Laboratory was further delayed due to inordinate delay (more than 2 years) by the supplier in completing the supplies (July 2005). However, no penalty was imposed as per the terms of agreement (May 2007). During demonstration (May 2005), the Atomic Absorption Spectrophotometer did not function and some other defects were also noticed (May 2005) but these were not got rectified / replaced by the supplier at his cost as per the terms and conditions (May 2007). The Laboratory was understaffed (one person in position against the required 2 persons) and no records of works done were available to facilitate evaluation of its functioning. Thus, the purpose for which the laboratory was set up could not be verified.

(iii) Disease Forecasting Unit (DFU)

The Unit was commissioned (April 2005) i.e., 3 years after the funds were made available by MOA, at a cost of Rs 5.25 lakh. No efforts were made (May 2007) to engage technical staff as per requirement due to which the laboratory was not properly equipped in disease forecasting and the horti-farmers were yet to benefit from the Unit. Further, purpose for which the unit was established was defeated.

3.1.12.10 Organic farming

Under this component, financial assistance of Rs. 10,000 per hectare was available to the farmers adopting organic farming. There was also provision for setting up earthworm/ vermi compost unit. During 2001-07, of the 1120 hectares targeted for organic farming, 948 hectares (84.64 *per cent*) were covered as per Progress Reports while 427 earthworm / vermi compost units were set up against the target of 450 (94.89 *per cent*). Except for 2004-05, the performance was much below the target in all the years (**Appendix 3.2**).

Test check of records of SA, Bishalgarh revealed that in the Progress Report for 2006-07, coverage of all the targeted 17 earthworm/ vermi compost unit was shown as achieved despite the fact that during 2006-07, funds were provided for only 10 units (April 2007), the works for which were in progress. Thus, there was inflated exhibition of achievement.

3.1.12.11 Bee Keeping

MOA approved Rs. 4 lakh for 2006-07 for covering 500 hectares for pollination support to increase crop productivity and Rs. 5 lakh for development of bee keeping but no funds were released to the implementing officers and hence the target remained unachieved.

3.1.12.12 Organisation/Infrastructure/Technical Support

Although a Technology Mission Cell was set up at the Headquarters, proper infrastructure like computers and other equipment right down to the block level, as envisaged in the Mission, was lacking. Further, an IT network connecting all the Community Information Centres (CICs) that was to be provided right upto the block level, as per the Mission guidelines was also not established.

In the absence of a separate organisational structure at the block level, the horticulture activities were being looked after by the SAs. Recognising this need, the SLSC recommended (October 2004) separate establishment for horticulture down to the block level. However, as of May 2007, out of 40 blocks, only in Khowai block an Assistant Director (Horticulture) was in position, functioning independently from SA.

3.1.12.13 Linkage with other Mini Missions

(i) Post Harvest Management –Mini Mission III

- Creation of infrastructure for post harvest management, marketing and export under Mini Mission III, was an important link in the process of horticulture development and the State Government was responsible for preparing and sending proposals to MOA. It was seen that adequate attention was not paid in this regard. Two proposals for setting up whole sale market at Battala Bazar and Maharaj Ganj Bazar, initiated in May 2002, remained under correspondence with MOA for over 3 years before being dropped. Another proposal for development of four[9] whole sale markets and five[10] Rural primary Markets was sent (May 2005) to MOA but the proposals for one whole sale market and five Rural Primary Markets were not found fit by the MOA, mainly due to defects in the site plans. The fact also is that most of the components under Mini Mission I to IV were not implemented satisfactorily and fully.

- **Non-establishment of Agri Export Zones**

No action was taken to send proposals to APEDA to establish Agri Export Zones, (at least two), as required under the Mission.

(ii) Fruit Processing - Mini Mission IV

One proposal for financial assistance to a fruit processing project sent (May 2004) to MOA had not been approved. Another project, taken up under the aegis of Tripura Industrial Development Corporation Limited, had also not fructified due to the inability of the promoter to contribute his share of equity.

3.1.13 Monitoring and Evaluation

There was inadequate monitoring of the Mission activities, both at the SLSC level and below. While the SLSC held its first meeting four and a half months after its constitution (May 2001), it took another 32 months to meet for the second time. Next three meetings were held at an average interval of nine months. The last meeting took place on 18 August 2006, when it was decided to meet twice a year but no meeting was held thereafter despite being overdue (February 2007). The SLSC also had no effective system for obtaining Inspection Reports from the field offices for monitoring utilisation of funds and watching achievement of the objectives targeted under the scheme. Further, the follow-up action on SLSC decisions was not ensured through collection/scrutiny of Action Taken Reports. District Level Co-ordination Committee under the chairmanship of the Collector, required to be formed as per operational guidelines for monitoring at District level, had not been constituted (April 2007).

There was no evaluation of the impact of the programme. No data was available about the increase in the production or productivity attributable to the Mission activities.

3.1.14 Conclusion

The implementation of the Mini-Mission was unsatisfactory and appeared half hearted. It suffered due to defective planning which was not based on any

[9] at Panisgar, Bishalgarh, Natun Bazar and Garjee @ Rs. 100.00 lakh for each.

[10] at Jalabasa, Jalabazar, Machmara, Damcherra and Kamalnagar @ Rs. 17.50 lakh for each.

base-line surveys. Even after five years of the commencement of the Mission, no centralised information was available regarding the beneficiaries and the extent of benefits received by them or the impact of the Mission in terms of production and productivity of horticultural crops. While the transfer of technology from research institutions like ICAR and NRCO was wanting, further dissemination down the line suffered due to non-operation of the training centres. Delays in release of funds and under-utilisation of available funds, coupled with tardy project implementation resulted in many a critical component of the Mission remaining inoperational. Similarly, there was negligible progress in creating linkages with other mini-missions for post harvest management and fruit processing, which were serious impediments in optimal development of horticulture in the State.

3.1.15 Recommendations

- A well defined Master Plan should be formulated for implementation of all the Missions in the State and the nodal department must show more commitment for the implementation and success of various schemes for over all development of the State.
- Setting up of "Centre of Excellence" for Horticulture Mission Programme in each district should be aggressively pursued.
- The potential for fruit processing and viability of setting up such units should be aggressively pursued and initiative may be taken for establishing "Agri Export Zones" to provide farmers with adequate export facilities.
- Activities undertaken under the Missions should be aggressively spread amongst the farming community to make them aware of the benefits of the Mission components and how it will improve their economic lives.
- To minimise overall dependence on other States for procurement of planting materials, time bound programme may be taken up for multiplication of Mother Plants of Horti crops suitable for the State through establishment of multi crop nurseries under the guidance of ICAR.
- Management information system should be set up giving two way information on project implementation, assistance to beneficiaries given under various schemes and feedback / follow up.
- It should be ensured that rules are complied with before and during execution of works.

The matter was reported to the Government in July 2007; reply had not been received (September 2007).

SCHEDULED CASTES, OTHER BACKWARD COMMUNITIES AND RELIGIOUS MINORITIES WELFARE DEPARTMENT AND TRIBAL WELFARE DEPARTMENT

3.2 Educational Development of Scheduled Castes and Scheduled Tribes

A number of Central and State sector schemes were in operation in the State for the benefit of SC/ST children, with the main objective of improving their enrolment, upgrading their skills, and eliminating any gender disparities. A review of some of these schemes indicated several inefficiencies in financial management and programme implementation. Some important points are as follows.

Highlights

The Nodal departments did not conduct any surveys for collecting and compiling comprehensive and reliable data about the target group of beneficiaries.

(Paragraph 3.2.7.2)

Large amounts of funds had remained unutilised with some educational institutions for several years, while in others the funds were not utilised in time.

(Paragraphs 3.2.8.3 and 3.2.8.4)

Information about the benefits given under the Pre-Matric scholarship for children of parents engaged in unclean occupation was not reliable while there was no information about the students in Post-Matric classes.

(Paragraphs 3.2.9.1 and 3.2.9.2)

Income certificates given by unauthorised persons were accepted.

(Paragraph 3.2.9.2)

There were delays in the construction of hostels, while those completed were underutilised. There was no perspective plan for hostels, based on the number and distribution of SC/ST students over the State.

(Paragraphs 3.2.10 to 3.2.10.4)

While the data available indicated improvement in enrolment and decline in drop-outs, the level of drop-outs in case of STs was much higher than for SCs. Similarly, gender disparity persisted in case of SC students, while no information about gender disparity was available in case of tribal students.

(Paragraph 3.2.16)

3.2.1 Introduction

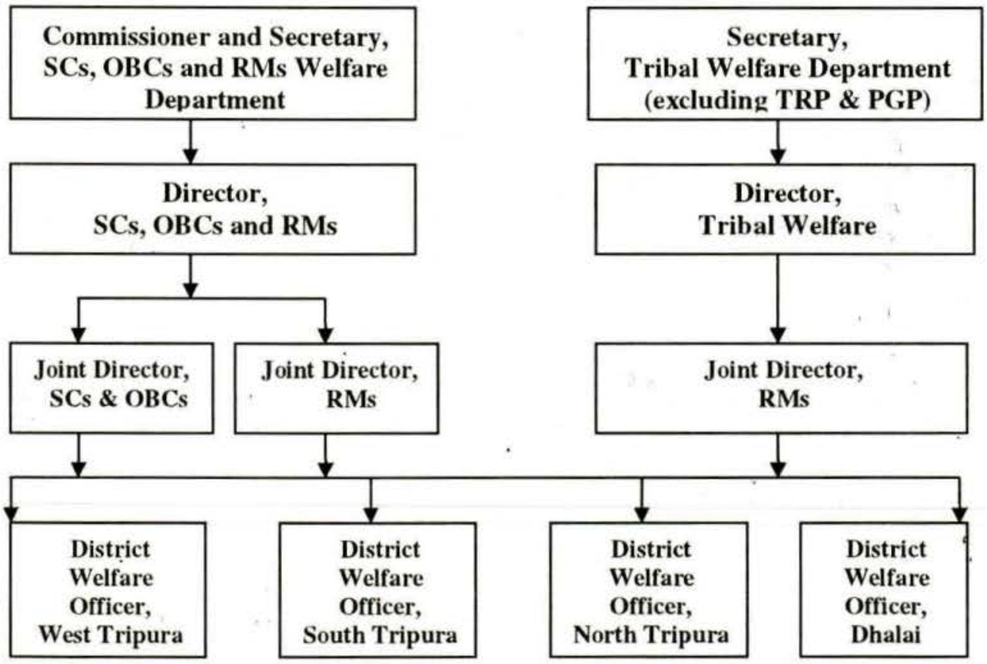
As per 2001 Census, the SCs and STs constitute 17.40 and 31.04 *per cent* respectively of the State's population. While the literacy rate of SCs (74.68 *per cent*) was more than the national literacy rate of 65 *per cent*, that of STs (56.48 *per cent*) fell short by 8.52 *per cent*. Various educational schemes are being implemented by the State Government for enabling SCs/STs to upgrade their educational levels and skills. The objective of these schemes is to increase enrolment and retention of SCs/STs in educational institutions, reduce drop-out rates and increase their representation in jobs and higher educational and professional institutions. The Central sector schemes implemented by the State Government in this regard are:

- Pre-Matric Scholarship for the children of those engaged in unclean occupations,
- Post-Matric Scholarship,
- Upgradation of merit,
- Book Bank Scheme,
- Construction of hostels for SC/ST boys and girls, and
- Establishment of Ashram Schools in Tribal Sub-plan areas.

Apart from these schemes, as many as 27 schemes are implemented by the State Government from its own resources.

3.2.2 Organisational set up

The Commissioner and Secretary of SCs, OBCs and Religious Minorities (RMs) Welfare Department and the Secretary of Tribal Welfare (TW) Department (Nodal departments) are responsible for implementation of the schemes in the State. They are assisted by (i) Director of SCs, OBCs and RMs Welfare (DSC) and (ii) Director of Tribal Welfare (DTW) respectively. The organogram is given below:



The schemes are implemented through Director of Higher Education (DHE) and Director of School Education (DSE); four District Education Officers (DEOs); 17 Sub-Divisional Magistrates (SDMs), four District Welfare Officers (DWOs[11]) and 17 Inspectors of Schools. The schemes are implemented in 3,659[12] schools, 22 colleges and 1 University. Construction of hostels for SC/ST boys and girls and Ashram School are executed through PWD, Tripura Housing Board (THB), Rural Development (RD) Department and Engineering Wing of Agriculture Department etc. The State Government has also formed a Society named Tripura Tribal Welfare Residential Educational Institution Society (TTWREIS) for management of Eklavya Model Residential (EMR) schools.

3.2.3 Scope of Audit

Six Central sector schemes (**Appendix 3.4**) and nine out of 27 State sector schemes (**Appendix 3.5**), with an expenditure of Rs. 66.73 crore, were selected for the Performance Audit. The review was conducted during July-October 2006 and April-June 2007 by a test check of records of the Directorate of Tribal Welfare, Directorate of SC Welfare, Directorate of Higher Education, Director of School Education, six[13] SDMs, four[14] Inspectors of Schools, 54[15] institutions including hostels; Southern Division-III, Sonamura; RD Division, Udaipur; three[16] DWOs; two[17] BDOs; and Tripura Housing Board, Agartala for the period 2002-03 to 2006-07.

3.2.4 Audit Objectives

The performance audit was conducted to ascertain whether:

- Planning for implementation of the schemes for the educational development of SCs/STs was effective and based on reliable and acceptable data.
- The allocation, release and utilisatiaon of funds for various schemes were judicious, adequate and effective.
- Efforts of the Government in implementation of the schemes resulted in improving the educational level and standard of SC/ST children in terms of literacy rate, Gross Enrolment Ratio (GER), Gross Dropout Rate (GDR) and Gender Parity Index (GPI).
- The monitoring system at various levels was effective.

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[11] DWO- West Tripura, South Tripura, North Tripura and Dhalai.
[12] Primary- 1985, Upper Primary – 1003, Secondary– 423 and Higher Secondary – 248.
[13] SDM- Sadar, Sonamura, Udaipur, Amarpur, Ambassa and Kamalpur.
[14] Inspector of Schools- Sadar- A, Mohanpur, Udaipur and Kamalpur.
[15] 36 sampled institutions, 4 additional institutions other than sampled, 12 sampled hostels and 2 additional hostels other than sampled.
[16] DWO-West Tripura, South Tripura and Dhalai districts.
[17] BDO-Amarpur and Karbook.

3.2.5 Audit criteria

The following criteria were used:

- Policy and guidelines of GOI and the State Government relating to educational development of SC and ST students,
- Criteria for selection of beneficiaries,
- Guidelines and instructions relating to financing of the schemes,
- Prescribed monitoring mechanism.

3.2.6 Audit methodology

Before taking up the audit, entry conference was held in June 2006 with the Directors of SCs, OBCs and RMs Welfare and ST Welfare Departments wherein the objectives, approach and audit requirements were discussed. Information/records furnished by the Departments and collected through questionnaires was used as evidence. The auditee units were selected using the simple random sampling without replacement (SRSWOR) method. The audit findings were discussed with the Commissioner and Secretary, Tribal Welfare Department and Commissioner and Secretary, SC Welfare Department in exit conferences held in August 2007 and September 2007 respectively. The replies of the Departments have been incorporated in the review at appropriate places.

3.2.7 Audit findings

3.2.7.1 Planning for implementation of the schemes

Proper planning includes collection/documentation of year-wise disaggregated data of SC/ST children (boys and girls separately) in the age group of 6-11 (primary class), 11-14 (middle class) and those in high school (upto 10^{th} class). The concerned departments were to conduct surveys for ascertaining the targeted population under each scheme and document the same. They were to give adequate publicity to the schemes for generating public awareness and maximising enrolment; document the prescribed rules, regulations and criteria for selection of beneficiaries; conduct physical verification of beneficiaries to ascertain the correctness of the number of beneficiaries, and make efforts for coverage of minimum 30 *per cent* girl beneficiaries in all the schemes.

3.2.7.2 Non-availability of reliable data

Audit scrutiny revealed that collection/documentation of year-wise and age group-wise disaggregated data of eligible SC/ST boys and girls was not being undertaken by the Nodal departments. Surveys for ascertaining the targeted population and gross enrolment ratio (the percentage of enrolment to estimated child population) were not conducted by the DSC and DTW. Thus, the data on the target group was neither complete nor reliable. The requirement of funds was assessed on the basis of the information furnished by the educational institutions on the number of students enrolled irrespective of their eligibility. This resulted in surrender of substantial Post Matric Scholarship (PMS) funds by the implementing institutions. In the 20 test-checked institutions, Rs. 45.09

lakh (15.21 *per cent)* remained unutilised due to non-availability of eligible beneficiaries and was surrendered to the sanctioning authority. The DTW stated (September 2007) that there was no report from the implementing agencies regarding surrender of PMS funds. The reply is not tenable as Rs. 45.09 lakh surrendered included Rs. 13.21 lakh meant for ST students.

3.2.7.3 Non-collection of basic information

The Nodal departments did not collect any information about the Gross Enrolment Ratio (GER), Gender Parity Index (GPI) or other critical indicators and their trends in respect of SC/ST students for necessary policy level interventions. The Government stated (September 2007) that it would collect the information about GER, GPI etc. In the absence of these statistics, it could not be verified how the nodal departments were addressing the concerns of the targeted groups.

3.2.8 Financial Management

3.2.8.1 Allocation, release and utilisation of funds

The GOI share of contribution of Central Sector Schemes 'Post matric scholarship' and 'Upgradation of Merit' is 100 *per cent* while in respect of Central Sector shares *viz.* 'Pre matric scholarship for children of those engaged in unclean occupations, 'Book Bank Scheme', 'Construction of hostels for SC/ST boys and girls' and 'Establishment of Ashram Schools in TSP areas' is on 50:50 basis between the GOI and the State. The State sector schemes however, are funded by the State from its own resources. Year-wise budget provision and expenditure incurred during 2002-03 to 2006-07 for implementation of various Central and State sector schemes are shown in **Appendix 3.4 and 3.5**. The overall outlay and expenditure are summarised in tables 3.2.1 and 3.2.2 below:-

Table No. 3.2.1: Tribal Welfare Department

(Rupees in crore)

Year	Budget provision	Funds released by		Total	Expenditure incurred	Excess (+)/ Savings(-)
		GOI	State Government			
2002-03	7.39	0.03	5.33	5.36	5.37	(+) 0.01
2003-04	7.21	2.63	5.33	7.96	5.35	(-) 2.61
2004-05	11.06	2.98	7.33	10.31	11.26	(+) 0.95
2005-06	13.04	1.95	7.57	9.52	10.67	(+) 1.15
2006-07	8.83	3.50	6.71	10.21	6.81	(-) 3.40
Total	**47.53**	**11.09**	**32.27**	**43.36**	**39.46**	

Source: Information furnished by DTW

Table No. 3.2.2: SC Welfare Department

(Rupees in crore)

Year	Budget provision	Fund released by		Total	Expenditure incurred	Excess (+)/ Savings(-)
		GOI	State Government			
2002-03	4.69	0.92	2.97	3.89	4.42	(+) 0.53
2003-04	3.78	1.86	2.01	3.87	3.95	(+) 0.08
2004-05	6.09	3.64	2.42	6.06	4.44	(-) 1.62
2005-06	8.66	3.85	4.23	8.08	9.67	(+) 1.59
2006-07	7.09	3.15	3.92	7.07	4.69	(-) 2.38
Total	**30.31**	**13.42**	**15.55**	**28.97**	**27.17**	

Source: Information furnished by DSC

The savings were mostly due to delay in release of funds by GOI, State Finance Department and non utilisation of funds (Rs. 1.37 crore) by the DTW. The following points were noticed.

3.2.8.2 Delay in release of Post Matric Scholarship (PMS) funds

The PMS aimed at providing financial assistance to the SC/ST students at Post Matric level to enable them to complete their education without any financial constraints.

The first installment of PMS funds of Rs. 1.25 crore (ST) and Rs. 0.81 crore (SC) released (May and June 2006) by the GOI were released by the Finance Department to the Nodal departments after 2 to 4 months (August 2006 and November 2006) against the permissible period of one month. The second installment (Rs. 2.26 crore and Rs. 2.23 crore) released (February and March 2007) by the GOI were not released by the Finance Department until first week of April 2007. The delay in release of funds / non availability of timely funds negated the benefits of the programme.

The SC Welfare Department stated (September 2007) that the delay in releasing PMS funds by the Finance Department was due to non-crediting of funds into State Government account by the RBI. The reply, however, is not tenable as the funds were credited by RBI into Government Account on 26 February 2007 (Rs. 0.81 crore) and 30 March 2007 (Rs. 1.45 crore).

3.2.8.3 Unspent funds

Several cases of funds of different schemes remaining unspent were noticed in audit, indicating inadequate assessment of funds and poor financial control. For example:

- Tripura University did not surrender unspent balance of Rs. 5.47 lakh (including interest Rs. 0.38 lakh) out of Rs. 86.64 lakh of PMS funds received during 2002-07. The same remained in the Bank account of the University as of June 2007.
- Rupees 0.38 lakh of unspent balance of Book Bank Scheme for ST students received during 2002-03 remained with the Polytechnic Institute, Agartala as of June 2007. The DTW did not investigate the reasons for the funds remaining unutilised.
- Principal, Government Law College did not surrender the unspent balance (April 2007) of Rs. 5.33 lakh out of Rs. 9.90 lakh received during 2002-07 for PMS to SC students. The SC Welfare Department stated (September 2007) that it would ask the relevant institution to intimate the reason for non-surrendering of the unutilised amount.
- EE, PWD, Sonamura did not return (June 2007) Rs. 4.35 lakh out of Rs. 23.23 lakh received during 1998-04 for construction of 30 seated SC Girls' hostel. The DSC did not take any action for obtaining refund of the amount, even after 4 years of completion of the project.

- Out of Rs. 30.30 lakh released by the DTW to SDM, Kamalpur during 2002-07 for PMS, Rs.7.61 lakh remained unutilised (June 2007); the reason for non-utilisation was not on record.
- The DTW transferred (March 2006) Rs. 7.17 lakh of PMS funds to the TTWREIS, out of which Rs. 3.38 lakh was lying (June 2007) in the savings bank account of the TTWREIS. Reasons for non-utilisation of funds were neither on record nor stated.

In none of the cases, the sanctioning authorities had taken prompt action for obtaining refund of the unspent balances, with interest. The unspent balance retained by the disbursing institutions indicate that DTW and DSC were not monitoring releases made by them under various schemes and whether benefits were reaching the targeted groups.

3.2.8.4 Funds not utilised in time

- The terms and conditions of PMS require the funds to be disbursed by March of the year in which the funds were received. However, Rs. 1.19 crore (out of Rs. 2.23 crore of the final installments released by the GOI in February 2007) was lying unutilised with the DTW (June 2007), as the utilisation certificates (UCs) for earlier installments had not been furnished by different implementing units. The DTW stated (September 2007) that the funds had been released subsequently.
- Rupees 7.19 lakh remaining unspent out of Rs. 134 lakh of PMS funds received during 2002-07 was refunded by the MBB College, Agartala after delays ranging from 6 to 10 months. The DTW stated (September 2007) that the matter was being looked into while the DSC stated (September 2007) that the unspent funds were utilised in other institutions.

From the above it will be clear that the DTW had not set up any system to monitor funds disbursed by them i.e. whether the implementing institutions were distributing the funds correctly and in time in the absence of UCs.

3.2.9 Implementation of schemes - Central schemes

As mentioned in para 3.2.7.2, non-availability of complete and reliable data on target groups affected the implementation of the schemes, due to flawed assessment of the requirement of funds. The implementation of each of the schemes is discussed below:

3.2.9.1 Pre-Matric Scholarship for children of parents engaged in unclean occupations

The objective of the scheme is to provide financial assistance[18] to parents traditionally engaged in unclean and unhygenic occupations like scavenging, flaying and tanning to enable their children to pursue education up to matriculation level. The expenditure under the scheme is shared on 50:50 basis by the Central and the State Governments. As per information furnished by the

[18] The rates of scholarship are: day scholars Rs. 40-75 per month and hostellers Rs. 300-375 per month.

DSC, 22,636 students were covered under the scheme during 2002-07, as detailed below, incurring expenditure of Rs. 2.35 crore:

Table No. 3.2.3

Year	Total number of students enrolled Class-I to X	Total number of eligible students Class-I to X	Total number of applications received for scholarship and scholarship given Class-I to X
2002-03	4,592	4,625	4,592
2003-04	4,486	4,483	4,486
2004-05	4,208	4,198	4,208
2005-06	4,492	4,480	4,492
2006-07	4,858	4,953	4,858
Total	**22,636**	**22,739**	**22,636**

Source: Furnished by the Directorate of SC Welfare

The above table shows differences between eligible students and enrolled students in different years. This implies that scholarships were wrongly given to ineligible students / some eligible students were left out. Further in the absence of reliable data on the number of students in this category the impact of the scheme could not be verified.

The DSC stated (September 2007) that it would look into the matter and take necessary measures.

3.2.9.2 Post-Matric Scholarship (PMS) Scheme

The objective of the 100 *per cent* Centrally Sponsored Scheme is to provide financial assistance to the SC/ST students studying at Post-Matriculation level. The details of outlay, release of Central share, expenditure incurred and savings/excess year-wise are given below:-

Table No. 3.2.4

(Rupees in crore)

Year	Budget provision		Funds released by GOI		Expenditure incurred		Excess(+)/ Savings(-)	
	SC	ST	SC	ST	SC	ST	SC	ST
2002-03	1.22	0.72	0.85	-	1.12	-	(+) 0.27	-
2003-04	1.06	0.70	1.71	1.61	1.79	-	(+) 0.08	(-) 1.61
2004-05	1.94	2.82	1.96	2.96	1.93	2.91	(-) 0.03	(-) 0.05
2005-06	2.25	3.70	2.22	1.95	2.22	3.70	--	(+) 1.75
2006-07	3.07	2.59	3.07	3.48	0.69	1.25	(-) 2.38	(-) 2.23
Total	**9.54**	**10.53**	**9.81**	**10.00**	**7.75**	**7.86**		

Source: Information furnished by Director of SC Welfare and Director of Tribal Welfare

Against Rs.19.81 crore received from the GOI during 2002-07, only Rs. 15.32 crore was available for utilisation; the balance Rs. 4.49.crore[19] was released by the State Finance Department in April 2007. The total expenditure incurred was Rs. 15.61 crore but the DSC did not have information (June 2007) about the number of students enrolled in Post-Matric classes as they did not maintain any such record. According to the information furnished by DSC (table below) all the 45,729 SC students who applied during 2002-07 were covered under

[19] Received from GOI in February 2007 but released in April 2007.

the scheme, but, in the test checked schools, 131 out of 5,525 students enrolled did not get the benefit due to low attendance (5), absenteeism (43) and non-receipt of application (83).

Table No. 3.2.5

Year	Total number of SC students enrolled in Post-Matric classes / courses	Total number of applications received for scholarship from SC students	Total number of SC students actually covered
2002-03	NA	7,926	7,926
2003-04	NA	8,491	8,491
2004-05	NA	8,640	8,640
2005-06	NA	10,300	10,300
2006-07	NA	10,372	10,372
Total		**45,729**	**45,729**

Source: Furnished by the Directorate of SC Welfare

In case of STs, the DTW stated that only 27,757 students were covered against the enrolment of 31,910 during 2002-06 (no information regarding 2006-07 was furnished), as shown in the table below without explaining the reasons for less coverage.

Table No. 3.2.6

Year	Total number of ST students enrolled in Post-Matric classes / courses	Total number of applications received for scholarship	Total number of ST students actually covered
2002-03	7,271	5,466	5,466
2003-04	7,670	6,251	6,251
2004-05	7,973	7,238	7,238
2005-06	8,996	8,802	8,802
2006-07	NA	NA	NA
Total	**31,910**	**27,757**	**27,757**

Source: Furnished by the Directorate of Tribal Welfare

The Nodal Departments did not maintain any record to show the number of beneficiaries under the PMS who were also the beneficiaries under the Pre-Matric Scholarship scheme. As a result, it was difficult to assess the impact of financial assistance to pre-matric students on their post-matric enrolment.

Only those students were eligible for PMS whose parental income was less than Rs. 1 lakh a year as certified by the SDO / Dy. Collector. It was observed in 4[20] test-checked units that 305 (SC-62, ST- 243) students were granted PMS of Rs. 5.29 lakh during 2002-07 on the basis of income certificates issued by the Members of Legislative Assembly (MLA), Member of TTAADC and others, who were not authorised to issue such certificates as per the guidelines, but had been allowed by the Government to issue the certificate.

The DTW stated (September 2007) that the recommendation for accepting the income certificates from MLAs etc had been referred (March 2000) to the GOI, but no approval of the GOI was produced. The DSC stated (September 2007) that it would insist on the certificates from the SDMs / DCMs henceforth.

[20] Women's College; SDM, Sadar; SDM, Udaipur; KC Girls' HS school.

3.2.9.3 Book Bank Scheme

The objective of the scheme is to provide SC/ST students access to latest books and to reduce the drop-out ratio of SC/ST students studying in professional courses. The scheme is funded by the Central and State Governments on 50:50 basis.

Book Banks were set up in 4 colleges[21] and Tripura University. The scheme required that, only prescribed text books be purchased; books be issued only to the target groups; books be purchased in sets in the prescribed ratio i.e. one set for two students for Under Graduate courses and one set for each student for Post Graduate courses and Chartered Accountancy; and books be disposed of after their prescribed life of three years. It was seen in audit that:

- Reference books were also purchased in addition to text books. In Government Law College 1,256 reference books costing Rs. 3.50 lakh were purchased during 2002-07.
- Text books were purchased individually instead of in sets irrespective of their requirement for each course in the prescribed ratio and consequently were not made available to beneficiaries in sets.
- Procedure for invitation of tender or quotation was not adopted. Books were purchased from the Book sellers/Publishers by placing supply orders and sometimes from Book fair instead of inviting any tender or quotation.
- 58 books were issued in Polytechnic Institution and Government Law College to the faculty members who retained them for years.
- Books were not disposed of after their prescribed life of three years leading to accumulation of books year after year.

The DTW stated (September 2007) that it had issued instructions to institutions to strictly follow the guidelines in this regard, while the DSC assured to look into the matter (September 2007). Thus, the objectives of the scheme were not achieved.

3.2.9.4 Book bank facility not fully extended to SC/ST students of Medical College

During 2005-06, Rs. 0.85 lakh was released by the DSC for implementation of book bank scheme in Agartala Government Medical College (AGMC), out of which only Rs. 0.38 lakh was spent. The balance of Rs. 0.47 lakh was surrendered (February 2007). The Principal, AGMC did not furnish any proposal during 2006-07, though asked for by the DSC, depriving SC students of the benefit of the scheme. Similarly, 33 ST students in the AGMC did not get any benefit of the scheme during 2005-06 and 2006-07 as no fund was released by the DTW due to non-receipt of any proposal. The Department did not pursue the matter proactively.

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[21] Law College; Tripura Engineering College; Agartala Government Medical College and Polytechnic Institute.

The DSC stated (September 2007) that as there was income bar, it could not cover all the students, but did not explain the reasons for releasing more funds than required in 2005-06.

3.2.9.5 Up-gradation of merit

The objective of the scheme is to upgrade the merit of SC/ST students by providing them remedial and special coaching in classes IX to XII. The scheme provides for 100 *per cent* Central assistance to the State and a package grant of Rs. 15,000 per student per year.

The scheme was implemented in only one school, namely Umakanta Academy, Agartala, which received assistance of Rs.19.80 lakh during 2002-07. Out of 168 beneficiaries (SC-88, ST-80) coached during 2002-07, 165 beneficiaries were successful in the respective examinations. Out of 34 beneficiaries of the 12th class, 31 (91 *per cent*) got admission in higher classes; the candidates from the Academy held first positions in the SC and ST lists in the PCM (Physics, Chemistry, Mathematics) group and 3rd position in PCB (Physics, Chemistry, Biology) group of the Tripura Joint Entrance Examination, 2006. Despite these encouraging results, the scheme was not extended to the other parts of the State as the State Government's proposal in this regard had not been approved by GOI. No disabled or girl students were selected during 2002-07 as the Nodal departments did not identify any girls' school for this scheme. Reasons for non-implementation of the scheme in other schools of the State was stated (August 2007) by the DTW to be due to non-receipt of approval from the GOI.

The reply is not tenable since the DTW did not effectively pursue with the GOI for obtaining approval and requisite funds.

3.2.10 Hostels for SC/ST students

The scheme provides for Central assistance to the State Government on 50:50 basis. During 2001-06, 3 SC hostels[22] (2 Boys' and 1 Girls') and 5 ST hostels[23] (4 Boys' and 1 Girls') were sanctioned[24] and funds released by the GOI; but construction of only two 50 seated ST Boys' hostels[25] and one 240 seated SC Boys' hostel[26] was completed (September 2006). The construction of the remaining 2 SC hostels (BR Ambedkar Boys' hostel and SC Girls' hostel at Krishnanagar) and 2 ST hostels (attached to Sabroom Boys Class XII School and Gardhang Boys Class XII School) were in progress and one ST Girls' Hostel at Krishnanagar was completed as stated (September 2007) by TW Department

The DTW attributed (September 2007) the reasons to delay in getting the site and arranging additional funds at the State level.

[22] 3 in Agartala.

[23] 3 in Agartala, 2 in Sabroom.

[24] In 2001-02- 3 ST (Boys-2 + Girls-1), 2003-04 – 2 ST (Boys), 2004-05 – 2 SC (1 Boys + 1 Girls), 2005-06 – 1 SC.

[25] Holy Cross and Bharatiya Vidya Bhavan, both at Agartala.

[26] Agartala.

3.2.10.1 Low capacity utilisation of the hostels

It was observed (May 2007) that only 50 boarders availed hostel facilities against the capacity of 100 in the two 50 seated ST Boys' hostel, while against the capacity of 30, only 21 boarders availed facilities in the SC Girls' hostel at Sonamura. The number of boarders in Bharatiya Vidya Bhavan at Agartala had decreased to 5 as of June 2007 against the capacity of 50 showing a sharp decline in occupancy. The School Management stated that (June 2007) it was mainly due to non-availability of private coaching in the vicinity. This is indicative of the fact that selection of the sites for the hostels were faulty.

3.2.10.2 Delays in construction of hostels

The construction of the ST Girls' hostel at Krishnanagar sanctioned (September 2001) at a cost of Rs. 40 lakh for completion in 18 months had been completed as of September 2007. Though a pre-requisite, the soil testing was not done initially, which led to revision of the estimate (December 2006). Similarly, the construction of two ST Boys' hostels at Sabroom (sanctioned in March 2004 at a cost of Rs. 1.08 crore), scheduled for completion in 18 months, had not been completed as of June 2007. The delay was partly due to delay in foundation work and soil testing and partly due to late release of funds by the State Government after 11 months of receipt of the funds from GOI.

3.2.10.3 Hostel completed at a cost of Rs. 3.49 crore remained unutilised

A 240 seated hostel building attached to Anandanagar HS School, Bishalgarh, sanctioned (March 2005) at a cost of Rs 3.39 crore was completed in September 2006 at a cost of Rs. 3.49 crore, but was not being utilised as the DSC had failed to take possession of the building (June 2007). State Government stated (September 2007) that the Department was trying to create some posts for the hostel and as soon as the posts were created, the hostel would be taken over.

3.2.10.4 Lack of perspective plan for hostels

The Nodal departments did not have any perspective plans for construction of the hostels to cover all the districts of the State based on the number and distribution of SC/ST population over the State. During 2002-07 emphasis was given to construction of hostels mainly in the West District, while two other districts (Dhalai and North Tripura) were not covered at all. In the absence of a perspective plan, it was difficult to ascertain whether the construction of hostels was being taken up in order of priority and the needs of the SC/ST students.

3.2.11 Establishment of Ashram Schools

3.2.11.1 Ashram School not started even after 5 years

This is a Centrally Sponsored Scheme on 50:50 cost sharing basis between the Central and the State Governments. The objective of the scheme is to promote and extend educational facilities in the tribal areas on the pattern of the old gurukul type of education. The DTW did not have any perspective plans for construction of Ashram schools, based on the concentration of tribal population. The GOI released (September 2003) Rs. 50 lakh for construction of one Ashram School at Dakshin Karbook, South Tripura but there was a delay of 18 months in releasing the funds by the Finance Department (March 2005) to TTWREIS and further delay of about one year by TTWREIS in releasing the funds (March 2006) to the implementing authorities. The school building had been completed but the school was not started (June 2007), even after five years of getting funds from the GOI.

The DTW stated (September 2007) that the school had become functional from July 2007 with limited infrastructure due to paucity of funds.

3.2.11.2 Ashram Schools with inadequate infrastructure

Two Ashram schools at Sadhutilla (300 seated) in Dhalai District and at Kanchanpur (100 seated) in North Tripura District, constructed at a cost of Rs. 2.46 crore and Rs. 1.16 crore were in operation (September 2003 and June 2004) but, with inadequate infrastructure as reported (October 2006) by TTWREIS. However, there was no record to show that the inadequacies had been identified and taken up at the appropriate level.

The DTW stated (September 2007) that GOI sanctioned funds for construction of building only and additional funds for other infrastructural facilities and staff were to be arranged from State resources.

3.2.12 State schemes

3.2.12.1 Sponsoring of ST students for Diploma courses in Nursing and Physiotherapy

The objective of the scheme is to sponsor male and female tribal students to the institutes outside the State for diploma courses in nursing and physiotherapy. During 2004-07 the Government received Rs. 5.30 crore of Special Central Assistance from the GOI out of which DTW spent only Rs. 3.93 crore for sponsoring of students in nursing and physiotherapy, and pharmacy courses leaving an unspent balance of Rs. 1.37 crore in the CD account of the DTW even though full utilisation certificates had been sent to the GOI.

3.2.12.2 Pre-Matric Scholarship

The objective of the Pre-Matric Scholarship scheme is to award scholarship to eligible SC/ST students of classes VI to X.

3.2.12.3 Scholarship for SC students

During 2002-07, Rs. 11.39 crore was reported disbursed by DSE to 2,55,124 SC students, as detailed below:

Table No. 3.2.7

Year	No. of students targeted	No. of students covered	Expenditure incurred (Rupees in crore)
2002-03	40,000	46,000	2.07
2003-04	50,000	44,892	2.02
2004-05	50,057	35,619	1.60
2005-06	58,735	63,169	2.84
2006-07	70,000	65,444	2.86
Total	2,68,792	2,55,124	11.39

Source: Furnished by the Directorate of SC Welfare and Directorate of School Education.

The DSC had very little role in the process, except for acting as the funds releasing authority. It did not have school-wise and class-wise break-up of students and was completely dependent on the DSE for budgeting and utilisation of the funds. Even the targets and achievements reported were based on the information furnished by the DSE. No analysis of the wide variation in the figures of target and achievement (Table 3.2.7) was done. In 2006-07, out of Rs. 3.12 crore released, the DSE had spent only Rs. 2.86 crore; the unspent balance of Rs. 0.26 crore had not been surrendered. The DSE stated that the funds were not required, which was not in consonance with the coverage (65,444) being substantially less than the target (70,000). It will be observed that the number of SC students covered under Pre-Matric scholarship (Table 3.2.7) appears to be highly inflated when compared to figures of PMS as indicated in Table 3.2.5 of paragraph 3.2.9.2. The fact is that despite large number of beneficiaries under Pre-Matric Scholarship, the number under PMS went down. This indicates that either the number of Pre-Matric Students was fabricated or the drop out rate at PMS level was very high. There was no record to show that this aspect was analysed by DSC.

3.2.12.4 Scholarship for ST students

During 2002-03 to 2006-07, Rs. 13.92 crore was stated by DTW to have been disbursed to 3,90,498 ST students, as detailed below:

Table No. 3.2.8

Year	No. of students targeted	No. of students covered	Expenditure incurred (Rupees in crore)
2002-03	56,000	83,336	2.31
2003-04	80,000	76,594	2.31
2004-05	75,000	72,637	2.22
2005-06	73,469	79,107	3.41
2006-07	78,000	78,824	3.67
Total	3,62,469	3,90,498	13.92

Source: Directorate of ST Welfare.

Scrutiny of records revealed that the targets were not fixed on the basis of any survey. The DTW did not have information about the number of schools and the total number of enrolled ST students class-wise. The DTW stated (July 2007) that the targets were based on the proposals received from the SDMs and achievement/coverage was based on the sanctions issued. In the circumstances, there was no assurance about the genuineness of the figures reported, or the coverage of the eligible population, which is evident from the lack of a direct relationship between the number of students covered and the expenditure reported (Table 3.2.8). Test check showed that against the expenditure of Rs. 3.67 crore shown during 2006-07, the actual expenditure was only Rs. 3.24 crore; the unspent amount of Rs. 0.42 crore was lying in the CD account (June 2007).

The DTW stated (September 2007) that it did not have independent field offices and had to depend upon the data furnished by the DMs/SDMs but did not indicate why the significant variations in the targets and achievements had not been investigated. Further, it will be observed that the number of ST students covered under Pre Matric Scholarship (Table 3.2.8) appear to be highly inflated when compared to figures of PMS as mentioned in paragraph 3.2.9.2. The fact is that despite the large number of beneficiaries under Pre-Matric Scholarship, the number under PMS went down. This indicates that either the number of Pre Matric students was fabricated or the drop out rate at PMS level was very high. There was no record to show whether this aspect was analysed by DTW.

3.2.13 Supply of Free Text Books

The objective of this State scheme is to provide financial assistance to the tribal students studying in Class I to degree courses for purchase of text books, and to provide incentive to tribal boys and girls for curtailing high drop out. During 2002-03 and 2003-04 the Department supplied books from classes VI to VIII instead of financial assistance.

Table No. 3.2.9

(Rupees in lakh)

Year	Funds released	Funds utilised	No. of beneficiaries covered
2002-03	150.00	150.00	1,39,012
2003-04	102.57	102.57	60,451
2004-05	77.76	77.76	4,055
2005-06	83.48	83.48	37,692
2006-07	76.68	76.68	22,786
Total	**490.49**	**490.49**	**2,63,996**

Source: Directorate of ST Welfare.

The above table shows that the number of beneficiaries came down drastically from 2003-04 onwards due to exclusion of students of classes I to VIII (covered under Sarva Shiksha Abhiyan since 2004-05) and shortage of funds. The sudden increase in number of beneficiaries in 2005-06 was due to coverage of backlog beneficiaries (12,994) of 2004-05. The expenditure in 2004-05 included Rs. 31.26 lakh for the books supplied in 2003-04; and Rs. 44.76 lakh received on 25 March 2005 and diverted to TTWREIS for subsequent expenditure in 2005-06.

It was also seen that more than 10,000 books printed during 2001-04 at a cost of Rs. 1.94 lakh were not distributed and had since become outdated due to change (2004) in syllabus. The DTW did not have first hand information about the details of the beneficiaries for which he was solely dependent on the

SDMs; as a result, he was not in a position to make comprehensive assessment of the needs and distribution of financial aid/books to the students.

3.2.14 Grants to students sponsored outside the State

The tribal students were sponsored (1999-2000 to 2002-03) for studies outside the State in Bharatiya Vidya Bhavan, Allahabad, Uttar Pradesh and Banasthali Vidyapith, Banasthali, Rajasthan. Under the scheme, the students were given annual fees, hostel fees, uniform allowance etc. No student was sponsored under the scheme after 2002-03. The DTW stated (July 2007) that the funds (**Appendix 3.5**) available (Rs. 1.06 crore during 2002-03 to 2006-07) were just sufficient to maintain the 83 students already sponsored.

3.2.15 Construction of college hostel

The objective of this State scheme is to provide additional hostel rooms, supply of furniture, utensils and internal electrification for ST students in different colleges in Tripura. However, the Directorate had not made any State-wide assessment of the works and the funds required. Rupees 8.24 lakh only had been released during 2003-05 by the DTW, out of which Rs. 4.24 lakh was utilised by the DWO, Agartala for construction of an additional room, internal electrification and furniture for the college hostel at Abhoynagar (Agartala). The balance Rs. 4 lakh was passed on (2004-05) to TTWREIS for another hostel at Agartala but had remained unutilised. The Directorate had not taken any action to utilise the amount. Thus, there was very little activity under the scheme, which had failed to reach out of Agartala.

3.2.16 Effectiveness of the schemes implemented under Central and State Sectors

3.2.16.1 Enrolment

Aimed at the educational development of SC/ST students, the Central and the State Governments have implemented several schemes, as discussed in the preceding paragraphs, providing scholarships, free text books, special coaching, boarding house stipend, grants for studying outside the State etc. The information furnished by the departments, however, showed only marginal improvement in the enrolment of both SC and ST students, as shown below (inclusive of figures mentioned in tables 3.2.7 and 3.2.8) in classes I to X.

Table 3.2.10
Trend in enrolment of SC/ST students

Year	SC		ST	
	Boys	Girls	Boys	Girls
2002-03	72,410	67,861	1,37,873	1,16,100
2003-04	72,750	69,052	1,39,834	1,20,541
2004-05	75,479	70,155	1,54,319	1,30,603
2005-06	77,176	73,333	1,60,619	1,36,728
2006-07	NA	NA	1,56,781	1,35,344

Source: Directorate of School Education and Directorate of ST Welfare.

It would be seen that:

- For SC students, the increase in the enrolment of boys was 1.65 *per cent* per year as compared to 2 *per cent* for girls.
- For ST students, the increase in (except in 2006-07) the enrolment of boys was 2.7 *per cent* per year, as compared to 3.3 *per cent* for girls.
- For ST students, the enrolment declined in 2006-07 (both boys and girls).

In the test checked schools, the enrolment of SCs had gone up from 1,386 in 2002-03 to 1521 (9.74 *per cent*) in 2006-07, while that of STs had gone up from 466 to 620 (33.05 *per cent*) during the same period.

3.2.16.2 Ratios

The following table shows some important ratios and their trends, as furnished by the Directorate of School Education (DSE). As mentioned in paragraph 3.2.7.3, the Nodal departments did not have this information.

Table No. 3.2.11

For SC				
Classes (I-VIII)	**2002-03**	**2003-04**	**2004-05**	**2005-06**
GER[27]	112.88	112.50	115.30	115.81
GDR[28]	65.98	31.22	22.16	20.66
GPI[29]	0.98	0.99	0.98	0.99
For ST				
Classes (I-VIII)	**2002-03**	**2003-04**	**2004-05**	**2005-06**
GER	116.84	118.34	128.56	130.73
GDR	76.29	35.39	31.35	27.59
GPI	NA	NA	NA	NA

Source: Furnished by the Directorate of School Education.

Note: Figures for the year 2006-07 were not available.

The following trends were discernible:

- The GER had increased both in case of SCs and STs.
- The GDRs had decreased significantly, both in case of SCs and STs, but the dropout rates for STs were much higher than for SCs.
- The GPI had remained static and less than one in case of SCs, indicating persistence of gender disparity.

The Directorate of TW did not have information about the GPI for STs, indicating lack of any initiative to proactively monitor the trends for policy interventions.

3.2.17 Monitoring and Evaluation

There was little monitoring of financial and physical progress by the Nodal departments which were totally dependent on the information supplied by the

[27] GER: Gross Enrolment Ratio.
[28] GDR: Gross Dropout Rates.
[29] GPI: Gender Parity Index.

DSE or the SDMs / DMs. The targets were fixed based on the information furnished by them and shown as achieved after releasing the funds, without any follow-up action or monitoring. Periodic reports/returns from the implementing authorities were not collected regularly. Infact from the foregoing paragraphs, it will be observed that monitoring, evaluation and implementation was marginal and unsatisfactory.

Evaluation of the schemes was not done by any independent agency. There was no system in place for internal audit.

3.2.18 Conclusion

Despite the multiplicity of the schemes, the Nodal departments did not have reliable database of their own on the targeted population, which was an impediment to effective planning and implementation of the schemes. In addition, the role of the Nodal departments was very routine instead of being proactive. There were instances of funds remaining unspent, delays in release of funds and construction of hostels as well as non-utilisation of hostels constructed which showed the lack of commitment on behalf of the Nodal departments. The departments did not have a perspective plan, based on a comprehensive mapping of the SC/ST population and distribution of the SC/ST students so as to optimise the benefits of the available schemes. Monitoring of the schemes was not streamlined and the effectiveness of the schemes was not evaluated from time to time.

3.2.19 Recommendations

- The Nodal departments should maintain a comprehensive database about the SC/ST children age-wise, by collecting information through panchayat level sources, and update it every year.
- Nodal departments must show more commitment for the implementation and success of various schemes. They should proactively monitor the disbursement of the benefits and evaluate whether the benefits are reaching the target groups. Such evaluation will also ensure that more number of SC/ST students are brought into the ambit of various schemes.
- State wide publicity should be given to the schemes to attract more SC/ST students.
- Liaisoning should be done with more number of professionals outside the State educational institutions, in order to send the local students outside for further studies.
- An implementation regime should be framed and enforced and responsibility should be fixed for delays and slippages. Accountability must be ensured.
- The Nodal departments should monitor the progress closely, where creation of infrastructure is involved so that the purpose for which infrastructure is created, is achieved.

FINANCE DEPARTMENT

3.3 Audit of Computerisation of Treasury Operation System in Tripura

With a view to exercise better expenditure control and monitoring of fund flow, the Government initiated the computerisation of Treasuries in 1998, which was implemented in all treasuries and sub-treasuries in 2003-04 at a cost of Rs. 1.47 crore. Audit of Treasury Operation System (TOS) was conducted to evaluate the efficiency and effectiveness of the system as well as the adequacy of the controls in terms of the stated objectives of the system.

Highlights

There was a delay in implementation of the system. Non incorporation of important modules like PLA, Pension, Deposit and Stamp account.etc led to only limited use of system.

(Paragraphs 3.3.6.1 and 3.3.7.1)

Deficiency in designing of database structure resulted in slowing down of the system.

(Paragraph 3.3.7.2)

In the absence of change management control policy, different versions of application software were being run in treasuries and sub-treasuries thereby increasing the risk of non recovery of data in the event of data loss due to disaster like virus attack etc.

(Paragraph 3.3.8.4)

Lack of adequate processing controls resulted in payment of bills other than salary/wages being passed under salary/wages sub-object head without ascertaining the availability of funds in the concerned head of account.

(Paragraph 3.3.9.2 (i))

Discrepancy in the figures of expenditure generated by the system and actual payment made by the treasury were noticed, due to generation of expenditure reports from allocation table instead of actual payment transaction tables.

(Paragraph 3.3.9.3(i))

In the absence of segregation of duty, the treasury personnel were performing the duties interchangeably and in some cases the data entry operators were virtually discharging the duty of Treasury Officers. This posed a major risk to the system.

(Paragraph 3.3.13.2)

3.3.1 Introduction

The Government of Tripura initiated in 1998 the project Treasury Operation System (TOS) to computerise all treasuries. An agreement was made with RITES, a Government of India Undertaking, for the system development and implementation. The TOS was developed in Oracle 8i in Windows NT environment. The project was implemented in all treasuries and sub-treasuries in 2003-04. Till March 2007, the Department had spent Rs 1.47 crore, including Rs. 0.04 crore for training, Rs. 0.38 crore for software and Rs.1.05 crore for hardware.

3.3.2 Objectives of the computerisation

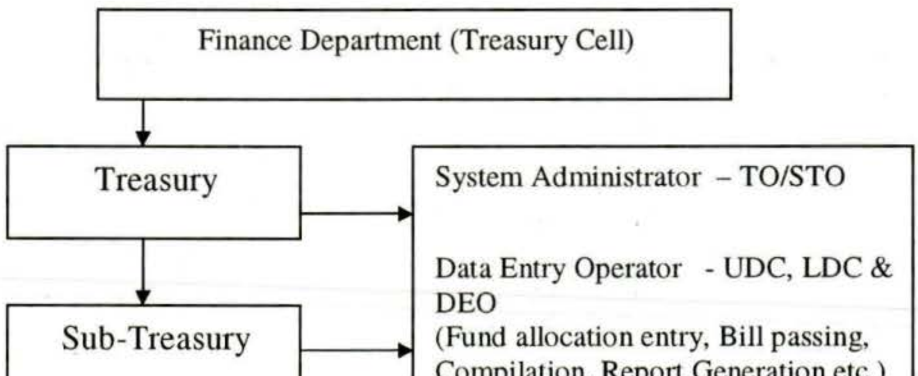
The main objectives of the computerised Treasury Operation System were to:

- Make available DDO-wise expenditure at treasuries/sub-treasuries level;
- Ensure passing of bills only within allocation of funds and stopping excess expenditure over budget allocations;
- Make available up-to-date expenditure to the Finance Department for expenditure control;
- Ensure effective implementation of the Finance department's instructions by treasuries/sub-treasuries; and
- Help in effective monitoring of funds flow.

3.3.3 Organisational set up

The Commissioner and Secretary, Finance assisted by a Special Secretary, is responsible for implementation of the computerisation of treasury operations. There are five treasuries and nine sub-treasuries in the State, which are under the administrative control of the District Magistrates and Sub-Divisional Magistrates respectively. The Treasury Cell in the Finance Department is headed by a Deputy Secretary.

Organisational Chart of Treasury Operation System



3.3.4 Audit objectives

The objectives of the audit were to verify whether:

- the Treasury Operation System (TOS) had been designed and was functioning in terms of the stated objectives;
- the processing of transactions by TOS was being done as per rules governing them;
- the controls were adequate and information/ reports generated were reliable, complete and accurate;
- the human resources were adequate to carry out the responsibility of Treasury Officers.

3.3.5 Scope of audit and Audit methodology

The audit of Treasury Operation System (TOS) was conducted during 2nd April to 15th May 2007 by examination of documents in Finance Department and the hardware and software in the treasuries/ sub-treasuries. The application package was evaluated with respect to Central Treasury Rules (CTR) adopted by Government of Tripura. The adequacy of controls was verified and back up data of treasuries and sub-treasuries were uploaded into a dummy server and analysed using IDEA software. The systems in three out of five treasuries (Agartala Treasury No. I, Agartala Treasury No. II and Udaipur) and three out of nine sub-treasuries (Sonamura, Khowai and Belonia) were physically verified.

Audit findings

3.3.6 Systems Development

3.3.6.1 Delay in development of software

There was inordinate delay in the development of software. The targeted time for the development of the software (TOS) was within 9.5-10 months of the agreement (24 November 1998). A Supervisory Group was constituted (21 June 1999) to supervise the contract with RITES, seven months after the agreement. Despite delay in achieving all the milestones mentioned in the agreement, there was no evidence whether the Supervisory Group had analysed the reasons for delay and taken steps to facilitate the implementation. The application software was developed in August 2001 but it was first implemented in Agartala Treasury II a year later, in August 2002. Due to delayed procurement of computer hardware and networking materials, the TOS was implemented in other treasuries and sub-treasuries only in 2003-04.

3.3.7 System Deficiency

3.3.7.1 Exclusion of important modules

The Department did not prepare any User Requirement Specification (URS). The important modules like Personal Ledger Account, Pension, Deposit and Stamp account were not incorporated in the initial project documents i.e. System Design Report prepared by the RITES (vendor) and as such were not included in the Treasury Operation System (TOS). Due to exclusion of the aforesaid modules, these functions were carried out either manually or not carried out at all. For example, entries of the payment of monthly pension made by the banks were not being recorded in the pension registers maintained in the treasuries/ sub-treasuries due to large volume of records, leaving no scope to cross check the payment made by the banks vis-à-vis pension authorized by the Accountant General, and ensure that the payment was as per the authority. The Department stated (July 2007) that necessary provision would be made in the software.

3.3.7.2 Deficiency in designing of database structure

Quick retrieval of information is one of the main advantages of an Oracle RDBMS. The following important features, available in Oracle RDBMS, were not properly defined at the time of development of the application software, which resulted in slowing down of the system:

(i) Tablespace: An oracle database can be divided into smaller logical areas of space known as tablespaces which provide a fine-grained control of disk space management. Separate tablespaces for different segments, are required to make the system more effective by ensuring flexibility in the database administration and quick and instant transaction processing. On scrutiny of the database, it was seen that only one tablespace had been created for the whole database.

(ii) Partition: Scalability and availability are major concerns when a table in the database has high concurrent usage. In such case data within a table may be stored in several partitions to make the system more responsive. However, not a single table in the TOS database had been partitioned.

(iii) Normalisation: Normalisation of data reduces the repetition of data, i.e. data redundancy, which causes storage and access problems leading to a slow and sluggish system. Though the concept of normalisation was kept in view while defining some tables meant for fund allocation, it was not considered in case of table relating to bill passing and compilation of vouchers. The main transaction table was defined so poorly that it had 82 columns and data like Name, Designation of DDO, Head of Account, etc. were being entered repeatedly.

Because of using single tablespace and absence of partitioning and normalisation, the system has been less effective, less responsive and slow, leading to delays in preparation of accounts by the Treasury Officers. The Department stated (July 2007) that it would make efforts to modify the software.

3.3.7.3 No provision to record details of Abstract Contingent (AC) and Detailed Contingent (DCC) bills

The system had no provision to record the details of sanctioning authority, purpose of drawal and check validation on the total amount field to ensure that the DDOs withdraw money through AC bills within the financial limits fixed by the Government. It was also noticed that in the absence of information of DC bills (for adjustment of AC bills) in the application software the Treasury

Officers were unable to refuse payment of AC bills even when DC bills were pending for more than the maximum permissible 90 days[30]. The DDOs were routinely violating the orders of the Government limiting the amount of AC bills to Rs. 50,000. A number of DDOs were observed to have drawn large sums of money by splitting the amount into several bills. The maximum number of AC bills were drawn in March to avoid the lapse of budget. A few instances in Agartala Treasury No. I and II are given below:

Table No. 3.3.1

DDO Designation	Amounts drawn during 2005-06		Amounts drawn in March 2006	
	No. of Bills	Amount (Rs.)	No. of Bills	Amount (Rs.)
Agartala Treasury No. I				
BDO, Bishalgrh RD Block	285	13,661,883	285	13,661,883
BDO,Hezamara RD Block, Sadar	301	14,925,145	217	10,725,145
IS, Mohanpur	90	2,226,500	60	1,500,000
Executive Engineer, RD Division Krishnanagar, Agartala	79	7,155,836	43	3,969,556
BDO, Jampuijala RD Block, Agartala	66	3,117,414	66	3,117,414
IS, Bishalgarh, Tripura West	358	8,482,500	120	2,906,000
Agartala Treasury No. II				
Executive Engineer, Agriculture Department (Civil), Agartala	27	12,907,890	27	12,907,890
Executive Engineer, Mechanical, Agriculture Department, Agartala	2	4,200,000	2	4,200,000
Superintendent of Agriculture, Mandai Agriculture Sub Division	83	1,995,000	71	1,615,000
Superintendent of Agriculture, Jirania Agriculture Sub-Division	66	1,273,000	63	1,210,000
Superintendent of Agriculture, Mohanpur Agriculture Sub-Division	96	1,797,795	54	1,018,800
Superintendent of Agriculture, Bishalgarh	94	2,611,957	24	912,957

3.3.8 General Controls

3.3.8.1 No physical access control

Physical access controls are designed to protect the computer hardware and software from fire, theft and any unauthorised access, especially into the server room. In Agartala Treasury No. II, Belonia and Khowai Sub-Treasuries the server and client machines were installed in the same room. In Sonamura and Khowai Sub-Treasuries, physical access control was compromised by allowing visitors into the computer room as no alternative provision had been made for the visitors coming for submitting bills, challans etc. The Department stated (July 2007) that attempt would be made for implementation of physical access controls.

3.3.8.2 Password policy

Password policy had not yet been adopted by the Department and hence the users were not mandatorily changing their passwords, though the system had a

[30] Rule 26 of Delegation of Financial Power Rules, Tripura 1994.

provision for changing passwords. In Ambassa Treasury the user ID and password were noticed to have a single character.

In the absence of appropriate password policies and procedures, no standard practices were being followed while creating User ID and password. The system was vulnerable to unauthorised access, which may lead to fraud and disaster. The Department stated (July 2007) that attempt would be made to adopt and implement a password policy.

3.3.8.3 Environmental controls

Environmental controls are required to protect the system from fire, dust, vagaries of weather etc. During visit of treasuries/sub-treasuries[31] it was noticed that preventive measures like AC machines, fire extinguishers etc were absent and the client and server rooms were found to be full of dust. The Department stated (July 2007) that necessary steps would be taken for providing proper environment in the treasuries/ sub-treasuries.

3.3.8.4 Change management controls

An IT system requires regular review to identify and sort out any programming fault and carry out changes as per new requirement. Though changes had been made in the system several times, the Department had not kept any documentation of the changes nor had adopted any change management policy to control the changes and maintain uniformity in application software running across the treasuries/sub-treasuries. The following deficiencies were noticed:

- Changes were made in the system at Agartala Treasury No. I and Agartala Treasury No. II for providing high degree of security features to restrict unauthorised access for various levels of officials, such changes were not made in other treasuries.
- In Agartala Treasury No. I and Agartala Treasury No. II, some tables capturing history of various transactions. No such tables were available in the databases at Sonamura, Udaipur, Belonia and Khowai treasury/sub treasuries.

Absence of change management control policy leads to lack of uniformity in the use of the software in different treasuries, which increases the risk of non-recovery of data in the event of data loss due to disaster like virus attack, etc. The Department stated (July 2007) that modified software would be installed in all other treasuries/ sub-treasuries and documentation of changes would be institutionalised.

3.3.8.5 Disaster Recovery and Business Continuity Planning

No Disaster Recovery Policy and Backup Policy had been formulated by the Department. The following deficiencies were noticed in audit:

(i) Treasury Offices were taking backup in the hard disk of server/client machine instead of storing at offsite locations and in fireproof cabinets.

[31] Agartala Treasury No. I, Agartala Treasury No. II, Udaipur, Sonamura, Belonia and Khowai.

(ii) Periodic testing of database backup was not being done in any treasury.

(iii) Treasuries and sub-treasuries had not been provided with stand-by server. In the event of break-down of server the work of treasury would be stopped completely.

(iv) Antivirus software in the Server and Client machines was not updated in the treasuries/sub-treasuries[32] visited by the audit party.

The Department stated (July 2007) that attempt would be made to implement a disaster recovery policy.

3.3.9 Application controls

Application controls ensure that the transactions are processed according to the rules and regulations governing them and the data is accurate and reliable. The following deficiencies were noticed in the application controls:

3.3.9.1 Input controls

Input controls ensure that the data received for processing are genuine, complete, accurate, properly authorised and are entered accurately without duplication.

(i) Existence of duplicate bill numbers

The DDO has to maintain a single bill register and submit bills to the treasury/sub-treasury with a unique bill number. However, due to inadequate validation check, and absence of any other controls the database had a large number of duplicate bills under the same DDO. As such there was a risk of passing the same bill twice or more by the treasury. The number of duplicate bills noticed in the database during 2005-06 is shown below:

Table No. 3.3.2

Name of Treasury	Number of DDOs	Number of Bills	Number of repetition of the same bill no.
Agartala-I	16	76	2 to 5
Agartala-II	102	6325	2 to 15
Khowai	61	583	2 to 116
Sonamura	23	315	2 to 10

The Department stated (July 2007) that remedial action would be taken to provide proper check in the system.

(ii) Absence of validation checks in the application

In the manual system, bills were approved after proper verification of sanction order, powers of sanctioning authority, DDO's signature and necessary documentary proofs etc. Though the System Design Report of TOS had provisions in the application to prompt the bill passing person to say 'Yes/No' for the validation checks like endorsement, DDO authority, Controlling Officer's signature, head of account, signature of DDO etc before passing bills, the TOS application software did not have any such checks except the

[32] Agartala Treasury No. I, Agartala Treasury No. II, Udaipur, Sonamura, Belonia and Khowai

DDO signature in the Bill Verification screen. As such, particulars of each bill were being verified manually before entering into the computer, which defeated the very purpose of computerisation. The Department stated (July 2007) that attempt would be made to implement the checks as pointed out.

3.3.9.2 Processing controls

Processing controls perform further validation of transactions by checking data for duplication and consistency. The following discrepancies were found in the database due to inadequate processing controls.

(i) Bills other than salary/wages were being passed under salary/wages sub-object head, without ascertaining the allocation of funds in the respective head of account

Provisions for capturing DDO-wise funds and passing bills against available funds had been made in the Treasury Operation System. Up to 2004-05, the entries of DDO-wise fund allocation relating to salary and wages bills were made in the system. Subsequently, the software was modified to provide that when salary or wages bills are passed through the system, the amount of that bill will automatically get stored in the Fund allocation table and update the corresponding DDO's expenditure tables. This has given rise to the risk of passing a salary and wages bill without provision in the budget. A print screen of the message showing that ***'Salary/Wages funds not to be entered'*** is given in **Appendix 3.6**.

The absence of this processing control was being misused to book expenditure other than salary and wages under salary/wages sub-object head. For instance, during 2005-06, Rs. 28,28,104 against bill type 'CONTINGENT', Rs. 1,03,82,601 against bill type 'OTHER', Rs. 3,55,143 against bill type 'AC BILL' and Rs. 20,42,429 against bill type 'Fully Vouched' were passed under salary/ wages sub-object code.

In absence of on-line connectivity of treasuries with the Finance Department and non-maintenance of central database, the Treasury Officer cannot exercise check on excess expenditure over the grants.

There was a risk of drawal in excess of budget provision due to wrong booking of expenditure other than salary under salary sub-object head. The Department stated (July 2007) that remedial action would be taken to introduce suitable check in the system to prevent its misuse.

(ii) Absence of validation check between drawing and disbursing officers (DDOs) and the Head of Accounts

As per Treasury Rules, the DDOs are authorised to draw bills in respect of only those head of accounts, which they are authorised to operate. It was noticed that the budget provisions made for Khowai and Sonamura Sub-Treasury under Head of Account 2054-00-097-07-06 and 2054-00-097-07-08 respectively were being utilised by the DDOs belonging to Agartala Treasury No. I, as shown in the following table:

Table No. 3.3.3

Financial Year	DDO code	Major-head	Sub-Major head	Minor head	Sub Minor head	Object head	Sub Object head	No. of bills	Amount (Rs.)
2004-05	8002	2054	00	097	07	06	01	15	4,64,517
2004-05	8003	2054	00	097	07	06	01	28	2,72,980
2005-06	8002	2054	00	097	07	06	01	16	4,54,926
2005-06	8002	2054	00	097	07	08	13	3	4,938
2005-06	8003	2054	00	097	07	06	01	28	2,69,291
2005-06	8003	2054	00	097	07	06	13	1	4,930

The Department stated (July 2007) that remedial action would be taken.

3.3.9.3 Output controls

Weakness in processing may be compensated by strong controls over output. On the other hand, a well-controlled system for input and processing is likely to be completely undermined if the output is uncontrolled. The following discrepancies were noticed during audit:

(i) Discrepancy in expenditure report

It was seen that the figures of the expenditure reports generated through the system did not tally with the actual payments made by treasury. The expenditure reports are generated from Allocation table instead of Payment table where data of actual expenditure is stored. The records of Allocation table automatically get updated when a bill is verified and passed. But the actual payment made by the treasury is to be derived from Payment transaction table where records are updated after compilation (i.e. on receiving of vouchers from the bank after payment). Thus total expenditure available in Allocation table may not match (if payment is not made by the banks due to some discrepancies in the bill) with the amount in the Payment table. For instance, the discrepancies between the expenditures recorded in the Payment and Allocation tables are given in **Appendix 3.7**, DDO-wise. The Department stated (July 2007) that necessary rectification would be made in the software to restrict the occurrence of such cases.

(ii) MIS Report

The treasuries are generating limited number of reports like daily scrolls for sending to bank along with vouchers, head of account-wise monthly receipts and payments/transactions etc. But there is no provision to generate many MIS reports essential to ensure the effectiveness and monitoring of the system e.g.,

- Reports relating to users log-on and log-off time to detect whether database is unauthorisedly accessed beyond office hours or holidays.
- Reports relating to existence of the same bill number more than once for the same DDO in a financial year.
- Reports showing bills not passed by the Treasury Officer to verify whether any fresh bills were submitted by the DDO against these pending bills.

- Reports relating to bills pass... the Treasury Officer to verify on a certain date whether payme... those bills had been made by the bank.

P/88 to 102

P/286 to 290

The Department stated (Ju... necessary modification in the software to genera...

3.3.10 Master/Stand...

These are meant to ensure ... files and standing data. Information on ... cial transactions and so must be adequ... master tables of the databases, the follow...

(i) Account code master tables were not u... codal provisions are common for all treasu... Minor heads were missing from the master t... classification by treasuries.

(ii) As per CTR Rule 649, sums received in advance from mu... other bodies for payment of compensation for land acquired ... credited to Special Deposit Head 8443-00-117-**Deposits for work... for Public bodies or private individuals**. But due to absence of Min... head 117 under Major Head 8443 in the master table, the amount received for aforesaid purposes were being booked under 8443-00-106 (PL account of LA Collector) instead of being credited to head 8443-00-117.

3.3.11 Delay in submission of accounts to AG office

Despite the computerisation, the initial accounts, required to be sent to AG office latest by 10th of the following month, were not being sent in time and there were delays up to 43 days in the year 2006-07. The Treasury Officers of Agartala Treasuries (No. I and II) stated that such delays were due to slow processing system, shortage of staff, inadequate trained persons, delay in receiving of accounts from sub-treasuries etc. The delays were noticed across the treasuries which are evident from the following table:

Table No. 3.3.4

Sl. No.	Name of Treasury[33]	Month of accounts	Delay (in days)
1	Agartala I	April 2006	43
		March 2007	36
2	Agartala II	April 2006	39
		March 2007	29
3	Udaipur	August 2006	30
		March 2007	28
4	Kailashahar	January 2007	26
		March 2007	22
5	Dhalai	September 2006	26
		March 2007	16

[33] There are five treasuries in Tripura *viz.* Agartala Treasury No. I, Agartala Treasury No. II, Udaipur, Kailasahar and Dhalai.

3.3.12 Inadequate documentation

The Department had not documented the 'User Requirement Specification'. The System Analysis and System Design Report prepared by RITES are available with Finance Department, but other documentations like User Manual, Operation Manual, IT Security and Backup policy etc were not prepared by the Department (July 2007). Even the desktop operational instructions for the Data Entry Operators (DEOs) were not available, which may affect the smooth and efficient operation of the work.

3.3.13 Personnel management

3.3.13.1 Inadequate training to treasury personnel

TOS is being controlled and monitored by the Treasury Cell in the Finance Department, comprising one qualified software engineer from RITES and one officer of State Government. Treasury/ Sub-Treasury Officers act as system administrators in their respective treasuries/sub-treasuries. The treasuries and sub-treasuries do not have database administrator / programmer for rectifying any errors in the database. Even for minor faults in the system, Treasury Officer/Sub-Treasury Officer has to contact the Treasury Cell. A formal training on the TOS had been imparted by the vendor to the staff of treasuries at the time of implementation. But there was no documented policy for training the newly recruited staff or for training to restore the TOS within a reasonable time if the system was disrupted.

3.3.13.2 Segregation of duties

A well-defined segregation of duties among the staff operating the computer system ensures better and effective implementation of an IT system and also reduces the risk of error and fraud. There was no documented policy for assigning duties for working on the TOS, due to which the treasury personnel were performing different duties interchangeably.

In Sonamura, Khowai and Belonia Sub-Treasuries, the DEOs were doing all types of data entry like funds allotment, bill entry, bill passing and compilation, which was tantamount to DEO virtually discharging the duties of Treasury Officer and hence was a major risk. In Sonamura Sub-Treasury even a Gestetner operator was entrusted with data entry.

3.3.14 Conclusion

The TOS could not be treated as reliable. Manual verification of bills was still being done before entering in the system as the required validation checks were deactivated. Maintenance of various accounts and ledgers outside the computerised environment and manual interventions at various stages of processing defeated the purpose of computerisation to a large extent. Faulty database design not only slowed down the system but also did not provide for foolproof masters and reconciliation of data flowing into the system from various levels. Lack of documentation had led to complete dependence on the TOS developer. Standard practices for password management, data back-up, retrieving and archiving of data were not being followed. In the absence of change management policy, uniformity of application software was not maintained across the treasuries and sub-treasuries, which may create problem in recovery of data in the event of data loss due to disaster like virus attack etc.

3.3.15 Recommendations

- The TOS needs to be improved by incorporating new modules like Personal Ledger Account, Pension, Deposit, Stamp Account etc with strong input, processing and output controls.
- Proper segregation of duty in conjunction with audit trail in the application software needs to be enforced to prevent fraud and fix accountability and responsibility.
- Database structure needs to be reviewed thoroughly so that modifications could be made to exercise control over CCO/DDO-wise, demand-wise, head of account-wise, scheme-wise and treasuries/ sub-treasuries-wise expenditure.
- Policy and procedure regarding data security, password management, backup, data restoration and change management should be formulated and implemented.
- A detailed user manual, system data flow diagrams and system maintenance manuals should be prepared in respect of the duties to be performed at the treasuries and sub-treasuries.
- The Department should adopt a Personnel Management Policy to train the personnel in the treasuries in project and data management as well as in accounting system.
- All treasuries and sub-treasuries should be equipped with dust free, temperature-controlled environment with proper fire safety system.

PUBLIC WORKS DEPARTMENT (WATER RESOURCES)

3.4 Minor Irrigation Schemes

During 2003-04 to 2006-07, the Department took up 569 Minor Irrigation Schemes for commissioning to cover 14,775 hectares of land. At the end of 2006-07, only 61 per cent of the target area was covered. The schemes suffered significantly due to defective planning, poor financial management and inability of the department to enforce strict implementation schedule. Some of the major points noticed were as follows:

Highlights

There was no evidence of survey and investigation in 122 Lift Irrigation and Deep Tube Well Schemes out of 132 schemes test checked.

(Paragraph 3.4.7.1)

Though availability of site is a prerequisite for planning and designing of a scheme, the Department initiated proposal for acquisition of land 1 to 25 months after issue of work orders.

(Paragraph 3.4.7.4)

33 Minor Irrigation schemes were completed at a cost of Rs. 3.90 crore without the minimum irrigation potential of 20 hectares each, in violation of AIBP guidelines.

(Paragraph 3.4.8.3)

Majority of the schemes taken up remained incomplete.

(Paragraph 3.4.9.1)

Against the target of 14,775 hectares, only 9,016 hectares (61 *per cent*) was brought under irrigation during 2003-07, the shortfall each year ranging from 24 to 55 *per cent*.

(Paragraph 3.4.9.2)

A joint inspection of 14 LI schemes showed over-reporting of irrigation potential by 47 *per cent* and of the beneficiaries covered by about 50 *per cent*.

(Paragraph 3.4.9.4)

The completed irrigation schemes were not fully handed over to the user groups and the operation and maintenance cost continued to be borne by the Government. Failure to implement this reform measure would entail forfeiture of central benefits.

(Paragraphs 3.4.11.1and 3.4.11.2)

There was no evidence of laboratory testing of the materials used in the works. As a result, there was no assurance that the quality of material used conformed to the specified standards.

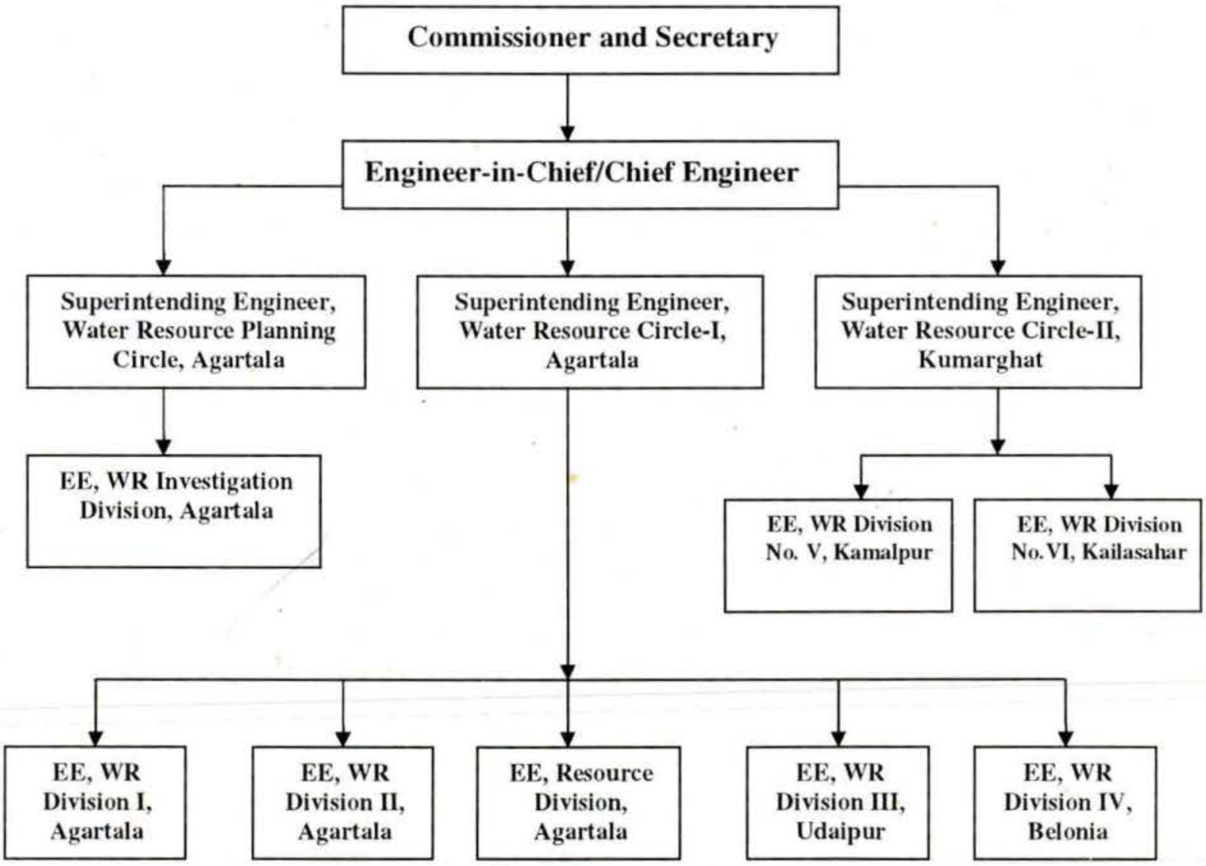
(Paragraph 3.4.12)

3.4.1 Introduction

Tripura with a geographical area of 10,49,100 hectares is covered with reserve forest (65 *per cent*) and only 2.80 lakh hectares of land is available for agricultural activities. Irrigation facilities can be extended to 1.17 lakh hectares of land with full utilisation of surface and ground water resources. By 2002-03 end, 72,284 hectares of cultivable land had been brought under irrigation through minor and medium irrigation projects. During 2003-04 to 2006-07, the PWD (WR) Department took up for commissioning 569 minor irrigation schemes to cover 14,775 hectares of land, with assistance from the Accelerated Irrigation Benefit Programme (AIBP), NABARD and Central assistance. These schemes envisaged utilisation of ground as well as surface water. At the end of 2006-07, the reported coverage (9,016 hectares) was only 61 *per cent* of the targeted coverage, with many projects remaining incomplete.

3.4.2 Organisational set up

Minor irrigation schemes are implemented by the Public Works Department, which functions under the administrative control of the Commissioner and Secretary, PWD. Implementation of minor irrigation schemes (MIS) is done by the Engineer-in-Chief / Chief Engineer, PWD (WR), who is assisted by three Superintending Engineers (SEs) and eight Executive Engineers (EEs). The organogram is given below:



3.4.3 Scope of audit

The implementation of MIS was reviewed in audit through a test check of the records of the CE, PWD (WR); three SEs and five EEs[34], for the period 2003-04 to 2006-07 covering 132[35] out of total 569 schemes targeted for commissioning and an expenditure of Rs. 54.86 crore out of the total expenditure of Rs. 96.11 crore. The schemes were selected using the statistical random sampling without replacement (SRSWOR) method. Out of the four districts and 40 blocks in the State, the review covered three districts[36] and 22 blocks.

3.4.4 Audit objectives

The broad audit objectives were to verify whether:

- the planning for implementation of schemes was adequate;
- the targeted area was brought under the irrigation on a sustainable basis ;
- the execution / implementation of the schemes was efficient, economic and effective;
- the schemes were successfully commissioned without cost and time overrun;
- the MIS were handed over to Panchayats in time and were managed efficiently and effectively;
- monitoring was adequate and effective;
- whether the overall objective of the schemes was achieved.

3.4.5 Audit criteria

The following major criteria were used:

- Operational guidelines;
- Annual Action Plans and physical and financial targets;
- Project proposals prepared by the Department.

3.4.6 Audit methodology

The entry conference with the Commissioner and Secretary to the Government of Tripura, PWD, Water Resources, could not be held for want of response despite repeated requests. However, the objectives and the criteria were discussed by the audit team with the then Engineer-in-Chief in January 2007. Information furnished by the Department and collected through questionnaires etc was used as evidence. The audit findings were discussed in an exit conference with the Commissioner and Secretary on 13 August 2007. The replies furnished have been incorporated, wherever appropriate.

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[34] Water Resource Division No.I Agartala; Water Resource Division No. IV, Belonia; Water Resource Division No. VI, Kailashahar; Resource Division, Agartala and Water Resource Investigation Division, Agartala.

[35] Lift Irrigation: 118; High Powered Lift Irrigation: 3; Diversion Schemes: 7; Deep Tube Wells: 4

[36] (i) West Tripura District (ii) South Tripura District and (iii) North Tripura District.

3.4.7 Planning

3.4.7.1 Survey and investigation reports not available in most cases

Proper survey and investigation is a pre-requisite for successful implementation of a scheme. Out of 132 schemes (covering a designed command area of 8,297 hectares) test checked in audit, there was no recorded evidence of this being done in 118 Lift Irrigation (LI) and four Deep Tube Well (DTW) schemes.

The Government stated (August 2007) that generally the feasibility study in respect of LI schemes was conducted by the Assistant Engineers and Junior Engineers of the sub-divisions concerned but copies of such feasibility study were not made available to Audit.

3.4.7.2 Non-availability of survey agency

In respect of 50 other MI schemes (Rain Water Harvesting Reservoirs for irrigation), the Department appointed (November 2005) the Water and Power Consultancy Services (WAPCOS) (India) Ltd, New Delhi, a GOI Undertaking, as consultant, at a cost of Rs. 1.18 crore, for preparation of the detailed project report (DPR), to be submitted by November 2006. There was delay in completion of this work as the consultant had not completed the surveys nor the DPRs as of May 2007. The Executive Engineer, WR Investigation Division stated (May 2007) that non-availability of a survey agency (to be engaged by the consultant) was the main reason for delay in completion of the work. Rs. 35.54 lakh had been paid to the firm as of March 2007. Thus, in the absence of field surveys and DPRs giving hydrological and hydraulic data, the Department was not in a position to complete the works and audit was unable to verify the effective implementation of the MIS.

Government stated (August 2007) that WAPCOS was facing difficulty in engaging an agency for survey works, but the field survey and investigation for 23 locations and survey drawings for 18 projects had been completed and submitted to the Department and that the WAPCOS had been advised to complete the work without loss of time. The fact therefore, remains that delay by the WAPCOS in field surveys and drawings has led to overall delays in the projects.

3.4.7.3 Detailed Project Reports (DPR) not available

The Muhuri irrigation project (estimated cost: Rs.29.44 crore), for irrigation of 1950 hectares, was taken up in March 2001 for completion in March 2004. Though the Government stated (August 2007) that the project had been sanctioned by the NABARD on the basis of a DPR, the same was not produced to audit. The contractor, National Projects Construction Corporation Limited (NPCC) for the head work demanded (March 2006) extension of 273 days citing absence of hydraulic data in respect of Muhuri river, required for hydraulic and structural design of the works. This resulted in project delay. Government stated (August 2007) that the necessary data had to be supplied by the NPCC. This indicated deficient planning and coordination.

3.4.7.4 Acquisition of land not planned in advance

As per rules, availability of site is a prerequisite for planning and designing before starting of a work. Hence detailed estimates, drawings and designs should be completed before taking over the site. However, in respect of 7 Diversion and 3 High Power Lift Irrigation (HPLI) schemes for irrigation of 3828 hectares, the Department sent (November 2002 to June 2006) the requisition to the Land Acquisition Collector (LAC) 1 to 25 months after the issue (between March 2001 to May 2005) of the work orders. For Muhuri irrigation project, Kalashi, against the requirement of 200 acres, only 74.29 acres of land was acquired (71.85 acres handed over to the Department) at a cost of Rs. 1.58 crore till May 2007. For three Diversion schemes[37], the land (4.77 acres) had not been handed over even after the payments (Rs. 5.65 lakh) had been made one to three and half years back. In two Diversion schemes and one HPLI Scheme[38], no action was taken by the LAC to acquire the land even after 1 to 4 years of requisition (between November 2002 and June 2006) by the divisions concerned. The non availability of land led to delays in completion of the projects / schemes. The delays at various stages including land acquisition are shown in **Appendix 3.8**.

3.4.8 Financial Management

3.4.8.1 Short release of funds

The MIS was funded from AIBP[39], State Plan, Additional Central Assistance (ACA), Command Area Development (CAD), NABARD loan and Rationalisation of Minor Irrigation Statistics (RMIS). It was noticed that against the budget provision of Rs. 145.70 crore the Finance Department released only Rs. 96.93 crore (67 *per cent*), out of which, the Department had spent Rs.96.11 crore during 2003-07, as shown below:

Table No.3.4.1

(Rupees in crore)

Year	Budget provision	Funds released by Finance Department	Short release of fund (%)	Expenditure
2003-04	28.69	19.75	8.94(31%)	19.76
2004-05	30.98	13.41	17.57(57%)	13.28
2005-06	33.51	21.65	11.86(35%)	21.53
2006-07	52.52	42.12	10.40(20%)	41.54
Total	**145.70**	**96.93**	**48.77(33%)**	**96.11**

Source: Information furnished by the Finance Department and CE, PWD (WR).

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[37] Diversion scheme over Mahamayacherra, Guriacherra and Mahi-river (cherra) for irrigating 377 hectares.

[38] Diversion scheme over South Padmabill, Pratyekroycherra and High Power Lift Irrigation Scheme at Narendranagar, for irrigating 920 hectares.

[39] Accelerated Irrigation Benefit Programme funding pattern was as under:
From 1st February 2002= 3:1 (75% Central loan and 25% State share)
From 1st April 2004 =3:1 (75% Central loan and 25% State share)
Relaxed terms = On timely completion of the project Central loan will be converted into 90% grant and 10% loan and for reforming State 1: 0 (Central : State) i.e. cent *per cent* grant .
From 1st April 2005 = 3:1 (75% Central share and 25% State share).
Out of 75% Central share 90% shall be provided by the GOI as grants and 10% had to be mobilised by State Government as market borrowings, relaxed term will continue.
From December 2006, 90% Central grant and 10% State share (to be arranged by the State Government).

The above table shows that the shortfall in the release of funds in all the four years ranged from 20 to 57 *per cent.*

3.4.8.2 Delay in release of funds

The Finance Department released Rs. 16.94 crore of NABARD loan (obtained during 2002-07 at interest of 6.50 to 11.50 *per cent* per annum) to the implementing agencies after delays of 46 to 214 days, as detailed below, which resulted in interest liability of Rs. 45.06 lakh (calculated after allowing 15 days time for normal transaction) for idle retention of funds.

Table No. 3.4.2

Year	Amount of loan *(Rupees in crore)*	Date of receipt	Date of release	Delay in release (in days)
2002-03	2.00	09-01-2003	22.05.03	133
2003-04	3.00	19-12-2003	Rs. 50 lakh on 01.06.04 Rs. 250 lakh on 20.07.04	165 214
2004-05	3.63	20-01-2005	03.05.05	103
2005-06	2.00	17-01-2006	24.04.06	97
2006-07	6.31	13-03-2007	28.04.07	46

Source: Information furnished by the Department.

The Finance Department attributed (June 2007) the above to the delay in depositing the cheque into the Government account and delay in finalisation of tender by the implementing department. It also stated that the implementing department had been advised to avail loan(s) only when it was ready.

3.4.8.3 Construction of MIS without the minimum irrigation potential

As per AIBP guidelines, an individual scheme should cover at least 20 hectares of irrigation potential. It was noticed that in 33 MIS (approved by CE, PWD,WR) completed during 2003-07 at a cost of Rs. 3.90 crore, irrigation potential created by the individual schemes was only 10 to 19 hectares. 477 hectares irrigation potential was created out of 670 hectares designed command area against those 33 MIS.

Of the 33 MIS, 11 were approved with designed command area of 12 to 18 hectares; in the remaining 22 MIS, the designed command area was 20 hectares and above but the potential created was only 10 to 18 hectares.

The Chief Engineer, Public Works Department (WR) stated (September 2007) that since the 11 MI schemes had been approved by the GOI it was evident that they fulfilled the AIBP norms and that steps were being taken to utilise the full irrigation potential of the remaining 22 schemes. But sending the proposal for 11 schemes with less than 20 hectares irrigation potential by the State Government and according approval by GOI were not in conformity with the eligibility criteria of AIBP guidelines for Minor Irrigation Schemes.

3.4.9 Physical performance

3.4.9.1 Schemes remained incomplete

No new schemes were sanctioned by GOI during 2003-04 and 2004-05, due to the number of schemes already in hand. During 2005-06 and 2006-07, 270 new MIS (to irrigate 10,979 hectares) were sanctioned, in addition to the ongoing 358 MIS (to irrigate 18,277 hectares) at the beginning of 2003-04.

There was no evidence of fixing annual targets for completion of MIS during the period reviewed. The Department provided conflicting figures of the schemes completed (Table 3.4.3), which shows that each year, only a few projects in hand were completed as compared to the number targeted:

Table No. 3.4.3

Year	Target for commissioning as per the Annual Action Plan (AAP)	Reported as completed in the annual review reports of MI programmes	Reported as completed in the Government reply dated 24.8.2007
2003-04	184	61	135
2004-05	171	128	93
2005-06	116	71	62
2006-07	98	NA	56

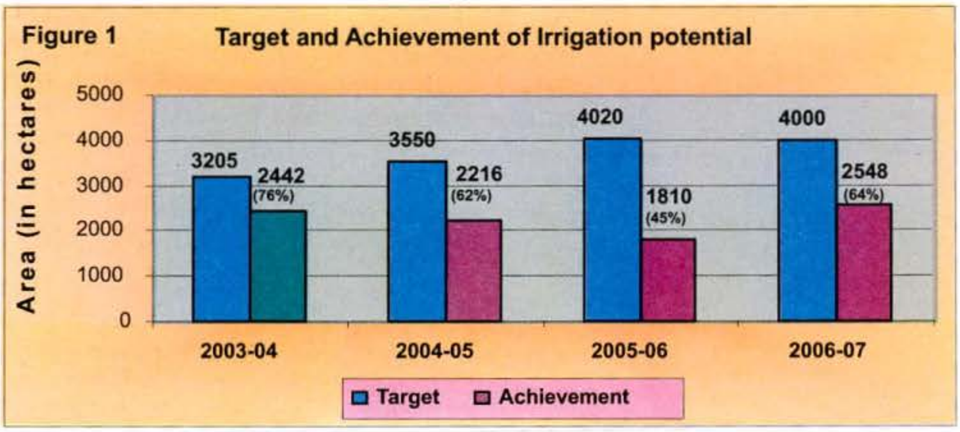
The conflicting figures showed that the monitoring and reporting were deficient. The Department did not make available a comprehensive list of all projects with details of important milestones like date of commencement, commissioning, completion etc to asses the performance correctly.

Government stated (August 2007) that works were affected due to delay in land acquisition, slow progress by the agencies, and delay in release of funds by State / Central Government.

3.4.9.2 Targeted area not covered

As per the records in the Chief Engineer's office, against the target of 14,775 hectares from 569 schemes, only 9,016 hectares (61 *per cent)* was brought under irrigation during 2003-07, the shortfall each year ranging from 24 to 55 *per cent* as shown in Figure-1.

Figure 1



Source: Information collected from review report (2003-06) available in CE's office and departmental reply dated 02-06-2007(for 2006-07).

The shortfall was mainly on account of failure to implement the LI schemes. It was noticed that despite the GOI's advice not to take up new schemes without completing the 358 ongoing schemes, the Department took up 211 new schemes without completing the ongoing schemes (358). The CE, PWD (WR) stated (May 2007) that the target fixed by the Department was kept on the optimistic side to provide for the numerous requisitions from the Panchayats and attributed the shortfall to the infrastructure of the Department, inadequate availability of funds, late release of funds, long drawn process of land acquisition and, dearth of proper agency for construction of Diversion and DTW projects. The reply indicated a flawed approach, where projects were taken up without much regard to the implementation capacity or concern for timely completion, resulting in suboptimal utilisation of scarce resources.

Government stated (August 2007) that 13,458 hectares of land was brought under irrigation against the target of 18,598 hectares during 2003-07, but did not furnish year-wise break-up of the targets and achievement. The wide variation between the figures available in the CE's records and those furnished by the Government underscored the unreliability of the information with its attendant implications for the performance of the Department.

3.4.9.3 Progress Reports not submitted

None of the six executing Divisions submitted quarterly progress reports or completion reports to the CE (Water Resources), in respect of 569 schemes out of 628 (estimated cost of Rs. 133.63 crore) undertaken by the Department during 2003-07. Government stated (August 2007) that the progress of works was being reviewed almost every month at the level of the Chief Minister and the Minister concerned. In the absence of quarterly reports, the physical progress and financial progress of schemes in progress or completed could not be verified.

3.4.9.4 Over-reporting of irrigation potential

Audit conducted (January, April and May 2007) a joint inspection of 28 LI schemes (654.28 hectares) along with departmental engineers, Panchayat Samiti members, Users Committees and beneficiaries. The inspection revealed that the Panchayats did not maintain any beneficiary list in respect of 14 LI schemes (339.28 hectares). In other 14 LI schemes, against the 315 hectares of irrigation potential reported to have been created, only 166.49 hectares (53 *per cent*) were found to have been actually created, as per the records made available by the respective Panchayats, as shown below:

Table No 3.4.4

Name of the Division	No of LI schemes	Designed Command Area (DCA) (hectares)	Created Command Area (CCA) as reported by the WR Department (hectares)	Command Area as per the beneficiary list (hectares)	Shortfall with reference to CCA (hectares)	Percentage of shortfall
WR Division–I, Agartala	4	158	146	51.69	94.31	65
WR Division-IV, Belonia	8	157	124	92.96	31.04	25
WR Division–VI, Kailashahar	2	55	45	21.84	23.16	51
Total	**14**	**370**	**315**	**166.49**	**148.51**	**47**

Source: Information furnished by the Department and respective Gaon Panchayats.

The inspection also revealed that the number of beneficiaries had been over-reported. As against the projected 629 beneficiaries owning 212 hectares in respect of 10 LI schemes (irrigation of 169 hectares), where records were made available to Audit, only 313 (about 50 *per cent*) beneficiaries owning 114.90 hectares were found to be covered, as shown in Table 3.4.5:

Table No 3.4.5

Name of the Division	No. of LI schemes	No. of beneficiaries projected by the Department[40]	No. of actual beneficiaries as per the beneficiary list	Shortfall of beneficiaries	Shortfall (in *per cent*)
WR Division-IV, Belonia	8	512	232	280	55
WR Division–VI, Kailashahar	2	117	81	36	31
Total	**10**	**629**	**313**	**316**	**50**

Source: Information furnished by the Department and respective Gaon Panchayats.

The over-reporting is further corroborated by a joint survey on irrigation conducted (2005) by PWD(WR), Agriculture Department and Rural Development Department, which showed that 22,829 hectares (64 *per cent* of 35,484 hectares reported to have been created) irrigation potential, created by PWD(WR) through 802 MIS, was being under utilised. The main reasons for under utilisation were reported to be non availability of pipelines and scarcity of water. In view of the overall under achievement, payments in excess of work done and misappropriation cannot be ruled out. The matter therefore, needs investigation by the appropriate authority.

Government stated (August 2007) that the total reported coverage may not be possible due to factors like non-completion of the total distribution system, non availability of the entire required land, difficulties / non preparedness on the part of beneficiaries to utilise the potential created to the fullest extent etc. The reply is not tenable as the schemes were handed over to the panchayats on completion in all respect.

3.4.10 Project implementation

The project implementation was tardy and lacked accountability. Some major factors that contributed to poor project implementation were the failure of the Department to enforce a strict implementation regime with provision for fixing accountability and responsibility, deficiencies in the system of monitoring and reporting the progress of work, other administrative delays and lack of proper planning.

3.4.10.1 Delay in acceptance of tender and issue of work order

Rules provide that tender should be finalised within 40 days from the date of opening, even when approval is required from the Works Advisory Board (WAB). It was noticed that this provision was not followed by the Department. Inordinate delays in acceptance of tender and issue of work order ranging from 53 to 255 days in respect of test-checked Diversion schemes were noticed. This resulted in overall delay in completion of the schemes. The position has been shown in **Appendix 3.9**. Government stated (August 2007) that it had instructed all concerned to finalise tenders expeditiously.

[40] No. of projected beneficiaries were not available in respect of Water Resource Division-I, Agartala.

3.4.10.2 Delays in implementation of the schemes

The Department did not maintain up to date centralised database of the status of the schemes. Of the 132 schemes (covering 8,297 hectares) test checked, 83 schemes (covering 3078 hectares) were completed and 28[41] were incomplete, excluding 19 new schemes taken up during 2006-07 and 2 suspended schemes. Of the completed schemes (83), 37 schemes had been completed with delays ranging from one to five years. Similarly, of the 28 incomplete schemes, 22 schemes had already had delays of one to five years (**Appendix 3.10**).

Some of the important projects and the delays in their implementation are discussed below:

- **Idle expenditure on suspended works:** The Department had taken up (March 2001 to April 2003) 15 MIS (approved cost Rs. 4.66 crore) along the international border area with Bangladesh. The works were suspended (May 2003), following instructions of the BSF (on objection raised by Bangladesh) that the schemes were within 150 yards of the international border which was in violation of the Indo-Bangladesh guidelines for border authorities, 1975, prohibiting pucca construction within 150 yards of the international border. The matter was still under discussion with the Joint River Commission (JRC) and the exchange of engineering data with Bangladesh was in progress (January 2007). Meanwhile, an expenditure of Rs. 1.95 crore had already been incurred at the time of suspension of the works. Rs. 9.62 lakh was spent subsequently (during 2003-07). The above restrictions alongside international border is common knowledge and in case of doubt the Department should have consulted the State Home Department or even the BSF.

Government stated (September 2007) that GOI had always taken the stand that there was nothing wrong in taking up the schemes on the banks of Feni and Muhuri rivers and that the DI pipes worth Rs. 1.72 crore purchased for Amlighat scheme had been used in other MI schemes and that the agreements for these schemes had since been closed and payments made to the agencies. The reply is not tenable since restrictions alongside international border is common knowledge and the Department could also not furnish documents in support of their reply.

- **Expenditure of Rs. 14.47 crore on incomplete Diversion schemes:**

The following four Diversion schemes, scheduled to be completed (April 2003 to September 2005), were still in progress (May 2007) resulting in idle expenditure of Rs.14.47 crore and defeating the purpose for which it was incurred.

[41] Lift Irrigation-19, Lift Irrigation (High Power) -1, Diversion-7 and Deep Tube Well-1.

Table No 3.4.6

Name of the incomplete scheme	Tendered value (*Rupees in crore*)	Date of work order	Due date of completion	Upto date expenditure (*Rupees in crore*)	Physical progress (percentage)
Muhuri Irrigation Project at Kalashi (Diversion scheme) (i) Head works	21.17	March 2001	March 2004	11.71	60
Diversion scheme over Mahamaya cherra head-works with canals	1.54	March 2001	April 2003	1.11	75
Diversion scheme at South Padmabill head-works with canal	1.89	October 2003	September 2005	0.85	55
Diversion scheme over Prateyakroy cherra head-works with canal	1.59	July 2003	June 2005	0.80	55
Total	**26.19**			**Rs. 14.47**	

Source: Departmental records *viz* 9 work orders, 9 bills, Measurement Books etc.

(i) Muhuri Irrigation Project at Kalashi

The scheme was sanctioned in 2000-01 to irrigate 1,950 hectares land. The head works with gate were awarded (March 2001) to NPCC at a cost of Rs. 21.17 crore with the stipulation to complete by March 2004. The work started in November 2002 and was in progress (May 2007). The expenditure incurred was 40 *per cent* (Rs. 8.64 crore) with physical progress for various components being 60 *per cent* (March 2007). The delay in execution of head works was mainly due to:

- Non-supply by the Department of hydrological and hydraulic data required for design, for which NPCC claimed 273 days' extension,
- Shifting of barrage location,
- Delay in providing power line within 150 metres of work site as per terms and conditions of the contract.

Out of 26 KM of canal, only 11.726 KM had been taken up due to delay in acquisition of land. The cumulative effect of the Departmental lapses was time over-run of three years and cost over-run of Rs. 65.74 lakh as of March 2007.

Government stated (August 2007) that the location of the barrage was changed to avoid insurgent activities and that the supply of hydrological and hydraulic data was the responsibility of NPCC. The reply is not tenable, as it showed that all the relevant factors had not been taken into account before starting the project.

(ii) Diversion scheme at South Padmabill

The scheme, designed for irrigation of 380 hectares of cultivable land for 1000 projected beneficiaries, was sanctioned in 2002-03 and the work was awarded (October 2003) at a cost of Rs. 1.89 crore with the stipulation to complete within two years. The proposal for acquisition of land to the LA Collector

- The Department may adopt an appropriate password policy, back-up and disaster recovery plan and establish appropriate security environment.
- A comprehensive user manual detailing duties and responsibilities of the System Administrator, Database Administrator and Data Entry Operator should be prepared.
- Time bound programme for completion of the Project, with appropriate monitoring system and accountability should be established.

CHAPTER IV
AUDIT OF TRANSACTIONS
(CIVIL DEPARTMENTS)

CHAPTER IV: AUDIT OF TRANSACTIONS (CIVIL DEPARTMENTS)

ANIMAL RESOURCES DEVELOPMENT DEPARTMENT

4.1 Unfruitful expenditure

The Department failed to implement the Central schemes for strengthening poultry farm and establishment of quail and broiler duck breeding farms resulting in the expenditure of Rs. 1.58 crore remaining unfruitful for several years.

The Animal Resources Development Department (Department) took up (2003-04), three projects at a cost of Rs. 2.50 crore (100 *per cent* Central assistance), viz (i) strengthening of District Poultry Farm (SDPF), Panisagar (Rs. 85 lakh); (ii) establishment of Quail Breeding Farm (QBF) at Gandhigram (Rs. 80 lakh); and (iii) establishment of Broiler Duck Breeding Farm (BDBF) at Devipur (Rs. 85 lakh). The projects were scheduled to be completed by March 2004 and aimed at (i) augmenting the production of eggs and meat in the State and (ii) creating poultry farming related employment. The GOI released Rs. 1.68 crore (March-July 2003) comprising full payment for SDPF and the first installments (50 *per cent*) for QBF and BDBF. Even after a lapse of three years after the scheduled completion time, as of March 2007, none of the projects had been completed despite the reported expenditure of Rs. 1.58 crore[1] and the objectives of the three projects had not been achieved. It was noticed that:

- The Department could not spend the funds, despite the extension of time taken from the GOI up to March 2005, and also did not refund the funds and continued to incur expenditure without validation of sanction.
- Important components of all the three projects like feed analytical laboratory, disease diagnostic laboratory, incinerator, feed mixing plant and house, hatchery machinery and expansion of hatchery building, training of farmers etc. (approved cost Rs. 48 lakh) had not even been taken up. Of the reported expenditure of Rs. 1.15 crore on civil works (poultry house, brooder house, layer house, godowns, laboratory etc.) of the three projects, the details for Rs. 19.36 lakh were not made available.
- The SDPF had not been completed, after four years of its commencement, despite release of entire project cost (Rs. 85 lakh). The production of eggs declined and was much below the target of 6 lakh a year. The Director of the Department stated (July 2007) that the farmers were unwilling to accept the day old chicks (having high

[1] SDPF: Rs. 75.45 lakh; QBF: Rs. 39.99 lakh and BDBF: Rs. 42.50 lakh.

mortality) and they were therefore planning to supply month old chicks.

- Though out of Rs. 40 lakh available (first installment) for the QBF, Rs. 39.99 lakh[2] was utilised as of March 2005, the GOI did not release (September 2007) the second installment for QBF due to non-receipt of UCs, physical progress reports, and expenditure statements. Hence important components like feed analytical laboratory, incinerator, disease diagnostic laboratory, expansion of hatchery building etc were yet to be taken up. Against the proposed production of 3 lakh quails a year, the production was below 5,000 and declining[3]. Similarly, the production of eggs had also declined drastically[4]. The Director of the Department stated (July 2007) that the popularity of quail meat had declined but they were trying to popularise it through media campaigns. However, no such campaigns had been organised as of July 2007. The reply is also not tenable as it did not explain the rationale for taking up the project. In the circumstances, the future of the project remained uncertain.

- Only Rs. 34.94 lakh was spent[5] as of March 2005 on the BDBF, out of Rs. 42.50 lakh received. The project remained incomplete on account of non-completion of important items and non-release of second installment by the GOI (September 2007) due to non receipt of UCs, physical progress reports and expenditure statements. Against the proposed production of 4.20 lakh eggs and 2.69 lakh day old ducks (DOD) a year, there was no production in 2004-05 and 2005-06, while only 194 eggs and 12,131 DODs were produced in 2006-07. Meanwhile, Rs. 7.56 lakh of the project funds had been diverted (March 2004) by the Department for another project 'Strengthening of layer Duck Breeding Farm'.

- The ARDD's request to the GOI for releasing the second installment for QBF and BDBF, made in March 2007 (i.e., after four years of the first installment) had not been responded to by the GOI (September 2007).

Thus, due to administrative laxity, the expenditure of Rs. 1.58 crore on the projects had remained unfruitful, besides non achievement of the stated objectives of augmentation of production of eggs and meat and creation of employment.

The matter was reported to the Government in August 2007; reply had not been received (September 2007).

[2] Civil works for Rs. 35.08 lakh completed departmentally (March 2005); Rs. 4.80 lakh spent on procurement of a generator and Rs. 0.11 lakh on training.

[3] 2,781(2004-05), 4787 (2005-06) and 1006 (2006-07).

[4] Against the target of 82,125 eggs 21,466 in 2004-05, 16,026 in 2005-06 and 8,666 in 2006-07.

[5] Rs. 25.47 lakh on civil works, Rs. 9.15 lakh on procurement of feed ingredients / transportation etc and Rs. 0.32 lakh on machinery and equipment.

4.2 Loss due to shortfall in production of eggs and ducklings

Shortfall in production of eggs and ducklings at the R.K.Nagar farm resulted in a loss of Rs. 29.10 lakh.

The North Eastern Council (NEC) sanctioned Rs. 45 lakh in 1999-2000 as one time grant for strengthening the Exotic Duck Breeding Farm at R.K.Nagar. The target was to maintain 3500 parent stock of Khaki Campbell ducklings for breeding and distribution of 3.50 lakh ducklings every year in the North East region and other States besides production and marketing of table eggs.

Test check (December 2006) of records revealed that despite an expenditure of Rs. 45 lakh received from the NEC and Rs. 7.15 lakh given by the State Government during 2003-07, the farm failed to maintain the targeted number of 3500 layer birds (Khaki Campbell) as also the norm of production of eggs and ducklings. While the number of layer birds maintained during 2003-07, ranged from 2,329 to 3,329 and was declining, the birds produced only 16.51 lakh eggs, about 50 *per cent* of the normative[6] production of at least 32.90 lakh[7] eggs resulting in shortfall of 16.39 lakh eggs and a loss of Rs. 24.59 lakh[8].

Similarly, the production of ducklings during 2003-06 was only 48 to 58 *per cent* of the hatchable eggs, against the norms of 70 *per cent;* from the 5.60 lakh eggs used for hatching during 2003-07, only 3.17 lakh ducklings were produced, against the norm of 3.92 lakh (i.e. 70 *per cent* of the eggs set for hatching) resulting in loss of Rs. 4.51 lakh[9].

The total loss due to shortfall in production of eggs and ducklings amounted to Rs. 29.10 lakh[10].

The Deputy Director, Farm Complex attributed (March and April 2007) the low production of eggs to climatic condition and irregular supply of the feed by the contractors. The reply is not tenable, as, as per ARDD booklet, the Khaki Campbell ducks can tolerate temperatures between 4 and 40 degree Celsius and live well in humid weather. Further, it was the responsibility of the Department to take concrete action to ensure regular and balanced feed to the ducks. Further, these issues should have been addressed before commencing the project.

The matter was reported to the Government in May 2007; reply had not been received (September 2007).

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[6] According to the Booklet published by the ARDD, on an average a Khaki Campbell duck is capable of producing 280-300 nos. of eggs annually in ideal rearing condition.
[7] Calculated at the minimum production capacity of 280 eggs yearly per bird.
[8] Calculated @ Rs. 1.50 per egg.
[9] Calculated at the minimum of Rs. 6 per duckling, while the rate of duckling of different age group varied from Rs. 6 to Rs. 95 per duckling during that period.
[10] Rs. 24.59 lakh + Rs. 4.51 lakh.

FINANCE DEPARTMENT

4.3 Loss of interest

Failure of the Finance Department and the Treasuries to monitor Government receipts and expenditure booked by the agency banks led to loss of interest of Rs. 28.24 lakh due to under-reporting of receipts and over-reporting of expenditure by the agency banks.

Prompt credit of receipts and correct reporting of expenditure is important for the cash flow of the Government, as it has to pay the Reserve Bank of India (RBI) interest on any shortfall in its prescribed minimum cash balance. Under-reporting of receipts and over-reporting of expenditure by the agency banks of the RBI handling Government transactions, therefore, means a real cash loss to the Government, if not adjusted with interest.

The agency banks are required to send to the Treasury every month a Date-wise Monthly Statement (DMS) of receipts and expenditure, which the Treasury is required to certify and return within 2 days (known as Verified Date-wise Monthly Statements or VDMS).

Scrutiny (August 2007) of the VDMS and the monthly DMS furnished by agency banks to the RBI as well as the statements of adjustment of State transactions furnished by the RBI to the State Government revealed that during 2006-07 in 20 transactions involving Rs. 13.05 crore (net), the link offices of the agency banks had reported to the RBI less receipts of Rs. 2.02 crore and excess payments of Rs. 11.03 crore, compared to the figures reported in the VDMS. Their adjustments were carried out after delays of one to 154 days, which led to loss of interest of Rs. 28.24 lakh (**Appendix 4.1**) as on 31 August 2007. In respect of six cases[11] the adjustments were yet to be made; this would increase the amount of loss of interest.

It was observed that there was no system in the Treasuries/ Finance Department for regular monitoring of the amounts reported to the RBI by the agency banks and their link offices for timely correction of the amounts wrongly reported, despite the matter having been brought to the notice of the Finance Department by the Accountant General in the past. The Treasuries/ Finance Department also did not claim the penal interest fixed by RBI (2% above the bank rate) in case of under-reporting of receipts of Rs. 10 lakh and above (reduced to Rs. 1 lakh from April 2007) for delayed credit to the Government account.

Thus, failure of the Treasuries/ Finance Department to claim interest for delayed credit of Government receipts and over-reporting of expenditure led to loss of interest of Rs. 28.24 lakh to the Government.

The Government stated (October 2007) that it is not in a position to calculate the interest as it does not get day-wise deposit of Government money in RBI

[11] Sl No. 6 to 9, and 11, 12 of Appendix 4.1.

by the bank branches. The reply is not tenable, as the Government had not taken action to get the requisite details despite having been pointed out by the Accountant General in the past.

FOREST DEPARTMENT

4.4 Compensatory afforestation

There was significant shortfall in compensatory afforestation and there was no verifiable evidence of the actual area covered as well as survival rate of plants. Demands for Rs. 20.04 crore due from user agency for compensatory afforestation had not been raised and there was loss of Rs. 1.33 crore to the Compensatory Afforestation and fund Management Authority due to keeping the funds in non-interest bearing Government account.

Rules and Guidelines issued under the Forest (Conservation) Act, 1980 by the Union Ministry of Environment and Forest (MoEF) provide for compensatory afforestation (CA) over equivalent area of non-forest land and opening of separate cells in each State, headed by a senior officer not below the rank of Conservator of Forests, to deal with the cases of diversion of forest land. In Tripura, the Chief Conservator of Forests (CCF) has been acting as the Nodal Officer.

Test check (June 2007) of the records of the Nodal Officer revealed the following:

(i) Shortfall in compensatory afforestation

Against 6,906.07 hectares of forest land diverted upto October 2006 3,923.36 hectares were stipulated for CA in 137 projects. But as of December 2006, afforestation was completed on 2798.79 hectares only in 115[12] projects; in 22 projects CA on 182.53 hectares was not taken up at all, which included 122.47 hectares of land in lieu of which forest land had been diverted several years back (1998-2004). This was in contravention of the departmental order (2002) that the CA work should commence not later than the financial year following the one in which money for the CA is deposited by the user agency. Further, during 1990-91 to 2006-07, the Department received Rs. 16.38 crore for CA, but the expenditure incurred was only Rs. 2.70 crore (16 *per cent*), which was grossly disproportionate to the area stated to have been covered under CA. CCF stated (June 2007) that the matter would be examined.

The following other violations of the Forest Department order of 30 April 2002 were seen:

- The quarterly progress reports submitted by the DFOs did not show the actual survival percentage of plantations. CCF stated (June 2007) that

[12] 108 projects (Fully covered), Stipulated: 2340.09 hectares; covered: 2341.54 hectares.
7 projects (partially covered), Stipulated: 1400.74 hectares; covered: 457.25 hectares.

the plantations with less than 85 *per cent* survival were separately reported and were regularly inspected by the DFOs and CFs but no such survival reports or inspection reports were available. Also, no consolidated report of the CCF on his inspections of the plantations under CA, required to be sent to PCCF, were furnished. In the absence of any report, the area covered under CA and the rate of survival in the plantations could not be verified in audit.

- A permanent record of diversion of forest land and CA from the beginning of enforcement of the Forest (Conservation) Act, 1980 was not maintained in the concerned divisions nor was a consolidated record for the entire State maintained in the office of the Nodal Officer, as required.

(ii) Management of CA funds

- **Non-realisation of Rs. 20.04 crore from the user agency**

Following a Supreme Court order (September 2006), the MoEF directed the State Government (October 2006) to recover Net Present Value (NPV) in all cases of forest land approved for diversion on or after 30 October 2002. As of June 2007, the CCF had not raised the demand for Rs. 20.04 crore due from Border Roads Organisation (BRO) for transfer (November 2003-September 2006) of land for construction of Indo-Bangladesh Border Road.

The CCF stated (June 2007) that measures would be taken for realisation of the amount.

- **Loss of interest of Rs. 1.33 crore**

The funds received from user agencies for CA were initially kept under Reserve Fund (non-interest bearing). Following a Supreme Court order, the MoEF instructed (March 2004) the State Government to keep the funds in fixed deposit in a nationalised bank till a separate fund for Compensatory Afforestation and Fund Management Planning Authority was set up. However, the State Government transferred only a part of the funds to fixed deposits, in installments. As a result, the funds lost interest of at least Rs. 1.33 crore[13], calculated at the minimum monthly balance in the Reserve Fund.

The matter was reported to the Government in July 2007; reply had not been received (September 2007).

[13] Calculated at a secular rate of 5% (for keeping deposit for one year) on the minimum balance (Rs. 11,84,02,234) lying during April 2004 to June 2006: (Rs. 11,84,02,234 × 5/100 × 27/12 = Rs. 1,33,20,251).

HOME (POLICE) DEPARTMENT AND AGRICULTURE DEPARTMENT

4.5 Idle and unfruitful expenditure on construction of mini firing range

A miniature indoor firing range was constructed without any model or design and was later found unfit for a firing range leading to idle and unfruitful expenditure of Rs. 41.45 lakh.

The Home Department sanctioned (January 2002) Rs. 15.89 lakh for constructing a miniature indoor firing range for the training of recruits at Tripura State Rifles (TSR) Training Centre, Radha Kishore Nagar under Police Modernisation Scheme. The work was entrusted to the Chief Engineer (Agri), Agriculture Department[14], to which the funds were transferred in April 2002.

Test check of records of the Commandant, 2nd Battalion TSR, (May 2006) and of the Executive Engineer (West), Agriculture Department, Agartala (August 2006) revealed that the Agriculture Department did not have any experience of constructing a firing range and was also not provided any model drawings / designs. After the work commenced (April 2002), the Inspector General of Police and others visited the site (June 2002) and on their instructions, the dimensions of the building were revised (September 2002) involving an additional cost of Rs. 25.56 lakh, for which the administrative approval and expenditure sanction was accorded (December 2004) by the Home Department and the funds were transferred (January 2005) to the Agriculture Department.

After its completion at a cost of Rs. 41.45 lakh, the building was inspected (December 2005) by the Additional Director General of Police (LO&AP), who declared it as unfit for firing range on the ground that there was a chance of ricocheting of bullets which might endanger lives. As of 23 March 2007, the building had not been taken over from the Agriculture Department despite the request of the Executive Engineer (West) in March 2006. A decision on the matter is pending with the Director General of Police since December 2005.

Thus, construction of the firing range without proper planning and design not only led to idle and unfruitful expenditure of Rs. 41.45 lakh, but also defeated the objective of the expenditure *viz*, training of recruits. Further, there was strong possibility of deterioration of the building due to disuse and lack of maintenance.

The matter was reported to the Government in April 2007; reply had not been received (September 2007).

[14] The Agriculture Department has an engineering wing and undertakes Civil construction works in the same manner as PWD.

INDUSTRIES AND COMMERCE DEPARTMENT

4.6 Irregularities in setting up food park and fruit processing unit at Bodhjungnagar

Contracts for food park and multi-fruit processing unit were awarded to a promoter without ensuring transparency and without verifying his technical and financial soundness. This led to unfruitful expenditure of Rs. 4.10 crore on the food park while the failure to start the fruit processing unit resulted in an estimated annual loss of 40 MT of pineapples due to lack of processing facility.

The State Government decided (November 1999) to set up a food park and a fruit processing unit at Bodhjungnagar, with the help of GOI. Test check of records of Industries and Commerce Department and the Tripura Industrial Development Corporation (TIDC) revealed several irregularities due to which, none of the projects had been completed (July 2007), nearly eight years after the decision was taken, and despite GOI having released Rs. 6 crore of its share 5-6 years back.

(i) Food park

The work relating to food park[15], for which GOI had released Rs 3 crore as of December 2005[16], was awarded to a private firm M/s TransIndia Information Science Private Ltd, (TISPL) without checking its financial soundness, technical expertise and performance history.

The agreement (May 2002) provided for completion of the work in 18 months but the project had not been completed as of June 2007. The firm delayed the work at every stage and claimed no work for 201 days on account of holidays, rains, bandhs etc, during April 2003 to August 2004. The Department did not impose the specified liquidated damages of Rs. 1000 per day which had accumulated to Rs. 6.47 lakh as of June 2006.

Despite no enabling rules, the TIDC also advanced (2005-06) to the firm Rs. 20 lakh on the basis of bank guarantee from a Kolkata based bank even though the contract was subject to the jurisdiction of Tripura. The TIDC could not enforce the guarantee after rescission of the contract as the firm had obtained injunction from a Court in Barasat (West Bengal).

The contract was rescinded in July 2006 for non-performance. The firm had completed only 50 *per cent* of the civil works (June 2006) and had been paid Rs. 1.42 crore. Machinery and equipment[17] worth Rs. 1.45 crore, purchased (May 2005 to August 2006) on the advice of the firm, were lying idle with fair chance of deterioration and obsolescence, in view of the uncertainty about the project's future following the cancellation of the contract.

[15] Estimated cost: Rs. 7.07 crore; State Share: Rs. 3.07 crore (infrastructure); GOI Share: Rs. 4 crore.

[16] March 2001: Rs. 2 crore, December 2005: Rs. 1 crore.

[17] Freon based Refrigeration System: Rs. 112.28 lakh; PC controlled Atomic Absorption Spectrophotometer: Rs. 8.83 lakh; Machinery / equipment for Quality Control Laboratory: Rs. 23.98 lakh.

Thus, due to irregularities in the selection of the firm and its failure to execute the project, an expenditure of Rs. 4.10 crore[18] had remained unfruitful.

Government stated (September 2007) that the High Power Committee selected the firm, exercising best prudence for public service; that a fresh tender had been called for and that damages and the guarantee would be recouped through arbitration and legal process. The reply is an after thought. The fact is that, when the Department could take action it did not. With passage of time, any risk and cost recovery from the contractor appears remote.

(ii) Multi-fruit processing unit

The multi-fruit processing unit for production of pineapple juice powder and other products in the proposed food park at Bodhjungnagar at a cost of Rs. 11.53 crore, was to be financed by equity contribution of Rs. 3 crore by the promoter, loan of Rs. 4.65 crore from Technology Development Board (TDB) (to be obtained by the promoter) and grant of Rs. 3 crore from GOI. It was observed that Rs. 3 crore released (March 2002) by GOI was lying unutilised (June 2007) as no work had been done on the project.

The work was awarded to a sister firm of TISPL without any tender. The sister firm was incorporated on the same day the Department recommended its name to GOI (13 March 2002), indicating that the firm had no previous experience of establishing a multi-fruit processing unit. Audit view is further strengthened by the fact that the TDB did not approve the soft loan of Rs. 4.65 crore.

The sister firm was allotted (April 2002) 6.31 acres of land valued at Rs. 6 lakh at a lease rent of Rs. 4,000 per acre per month, even before the MOU was signed on 20 July 2002. The firm had, however, not paid any rent, with the arrears amounting to Rs. 15 lakh (March 2007).

The promoter failed to bring his equity contribution but made several attempts to take charge of the Rs. 3 crore received from the GOI. When the project did not take off and the GOI demanded refund of the money, he modified the original plan (April 2005) by splitting the project into two parts so as to spend Rs. 6.35 crore in the first part and Rs. 5.50 crore later. Despite the poor track record of the promoter, in the case of food park, the Department recommended the revised proposal and requested (May 2005) the GOI to allow the release of the Central grant, around the same time when the Department was issuing show cause notices to TISPL for non-completion of the food park (September 2005 and March 2006).

Even after rescission of the contract with TISPL the arrangement with the sister firm had not been reviewed by the Department / TIDC (June 2007), despite the firm's failure to start the work, even after 5 years, and the inability of its promoter to bring in any financial stake. There was also no evidence of any alternatives being explored, notwithstanding the fact that the fruit processing industry is quite competitive and widespread, while the State continued to sustain an estimated annual loss of 40 MT of pineapples (as

[18] Infrastructure development (spent through PHED and Power Department): Rs. 1.23 crore; Paid to TISPL: Rs. 1.42 crore; Purchase of machinery and equipment: Rs. 1.45 crore.

stated in the project report prepared by Price Waterhouse), due to lack of processing facility.

Government stated (September 2007) that the office of the Principal Scientific Officer to the GOI had identified the sister firm and that the State Government had no role in awarding the work to this entrepreneur. The reply is not acceptable, as the Department failed to monitor the progress of work and take appropriate action despite the firm's failure to commence work after five years of award.

PUBLIC WORKS DEPARTMENT
(PUBLIC HEALTH ENGINEERING)

4.7 Water Supply at Teliamura

Due to delay at every stage of the work and lack of proper monitoring by the Department the project "Water supply at Teliamura" was delayed by over two years and there is every reason to believe that there will be a huge cost overrun in the project.

GOI sanctioned (2002-03) Rs.6.21 crore under NLCPR[19] for "Water Supply at Teliamura". The project involved construction of three overhead tanks (OHT)[20], a water treatment plant and distribution lines, and was to be completed within two years (2004-05). The work was awarded to three different contractors – one for the water treatment plant and two for overhead tanks.

Audit scrutiny revealed the following:

- While the approved cost of the project was Rs. 6.21 crore (**Appendix 4.2**), the tendered cost for three items itself was Rs. 4.05 crore. Approval for the additional cost was not obtained from the GOI.
- Only one OHT, which was estimated to cost Rs.50 lakh was completed and the remaining items were yet to be completed (May 2007), despite incurring an expenditure of Rs. 5.38 crore (87 *per cent* of the project cost).
- There was enormous delay in issuing NIT (seven months), award of work (four months after NIT), preparation of estimates for pile foundation (eight months), approval of estimates for pile foundation (ten months) and approval of drawings and designs for pile foundation (twenty four months after award of work).
- While about 87 *per cent* of the approved project cost was spent on five items, only one item was completed. With work yet to commence on seven items, the likelihood of funding problems for critical components of the project like OHTs, rising main and water treatment plant cannot be ruled out.

[19] Non-lapsable Central Pool of Resources.
[20] Estimated cost Rs.50 lakh- for OHT 1, Rs.50 lakh and 25 lakh for OHT 2 and 3.

- Funds were not provided for acquisition of land (Rs.29.85 lakh) and pile foundation (Rs.32.21 lakh). In fact, the latter was not even included in the detailed project estimates.
- Rupees 37.50 lakh was spent on procurement of pipes in excess of the approved provision. Also, exemption of excise duty on the purchase of these pipes (Rs. 12.52 lakh), admissible as per GOI orders, was not claimed.
- There was also undue benefit to the contractor in the form of interest free mobilisation advance of Rs.26.55 lakh even before the start of work (November 2004). Also, the advance was given on the contract value (Rs.265.50 lakh) instead of the estimated cost of work put to tender (Rs.186.67 lakh).

Thus due to delay at every stage of the work and lack of proper monitoring by the Department, the water supply scheme was delayed by over two years and there is every reason to believe that there will be a huge cost overrun in the project.

The matter was reported to the Government in June 2007; reply had not been received (September 2007).

4.8 Wasteful expenditure

Unplanned construction of overhead tank without considering adequate water supply, topography of the area and staff required for operation of the pump resulted in wasteful expenditure of Rs. 17.18 lakh and the objective of improving the water supply system in the area remained unachieved.

The EE, PHE Division No. III, Udaipur, South Tripura submitted (August 2002) an estimate of Rs. 20.09 lakh for construction of 40,000 gallon capacity overhead tank (OHT) at Ratanpur under Hrishyamukh block of South Tripura District with a view to improve the water supply and avoid hindrance due to power failure. He also proposed to do away with the prevailing system of direct pumping of water from the Deep Tube Well (DTW). The SE, PHE, Circle No. 1, Agartala, approved the estimate.

The construction of the OHT was taken up in May 2003 and completed in March 2005 at a cost of Rs. 17.62 lakh.

Test check (June 2006) of records of the EE, PHE Division No. VII, Belonia[21] revealed that more than a year after construction of the OHT the EE informed (April 2006) the SE that the OHT could not be operated as the discharge of DTW was inadequate (only 5000 gallons per hour) to fill the OHT and he would require an extra staff to operate the pump for at least 8 hours to fill up the tank. He also stated that the topography of the distribution area was

[21] PHE Division No. VII, Belonia was created in April 2003 by re-organising PHE Division No. III, Udaipur.

undulating and direct pumping was more appropriate. As of date, no additional staff had been appointed for operating the pump and the OHT had not been made operational.

Thus, unplanned construction of the OHT without considering the adequacy of the water supply, the topography of the area and the staff required for operation of the pump resulted in wasteful expenditure of Rs. 17.18 lakh and the objective of improving the water supply in the area remained unachieved.

EE in reply (April 2007) stated that the Department was planning for full fledged utilisation of OHT after construction of a replacement DTW and other allied work. The reply is not tenable in view of the earlier report of the EE that the undulating topography of the distribution area was not appropriate for supply of water through OHT.

The matter was reported to the Government in April 2007; reply had not been received (September 2007).

4.9 Loss due to inordinate delay in finalising tender

Inordinate delay in finalising tender led to time overrun of 20 months and loss of Rs. 11.05 lakh due to cost overrun in construction of overhead tank at Belonia.

Test check (June 2006) of the records of the EE, PHE Division No. VII, Belonia revealed that due to inordinate delay in finalisation of tender, the construction of an Overhead Tank (OHT) at the Belonia Degree College Complex including rising main line from Mirzapur PWD Complex was delayed by at least 20 months and also led to loss of Rs. 11.05 lakh to the exchequer on account of higher cost at which the work was awarded subsequently. The details are as follows:

- The initial tender for the work was invited (November 2003) by the EE. Of the five tenders received, the lowest tender (Rs. 75.76 lakh) of M/S Dulal Bhattacharjee (valid upto 7 June 2004) was recommended (19 December 2003) by the EE. Audit scrutiny disclosed that the SE and CE took 36 days and 111 days respectively as compared to 7 days and 10 days respectively stipulated in the CPWD Manual, to process the case. After recommendation (14 May 2004) by CE the Works Advisory Board also delayed and approved the work on 8 June 2004 after expiry of validity of rates. Thereafter the contractor did not extend the validity.
- Subsequently, the CE (August 2004) revised the estimate and the DNIT by increasing the quantity of some items of work, (considering the safe bearing capacity of the soil) and removing the item of DI pipes (Rs. 15.59 lakh), which were decided to be supplied departmentally. In response to the second tender (17 August 2004 and estimated cost

Rs. 50.74 lakh[22] excluding the cost of DI pipes of Rs. 15.59 lakh to be supplied departmentally), M/S Rai Mohan & Co. offered the lowest rate (Rs. 79.16 lakh) which was reduced on negotiation to Rs. 76.11 lakh but WAB did not consider the tender due to high rate. In response to the third call of tender (12 April 2005), M/S Jiban Saha offered the lowest rate (Rs. 79.66 lakh). On his refusal to reduce it further, the CE rejected the tender and order retendering as lump sum contract.

- The contract was awarded (February 2006) to the lowest bidder M/S Raja Raw Ghosh at the negotiated price of Rs. 74 lakh for completion by 4 March 2007. The work was in progress and payment made up to 5th RA (May 2007) was Rs. 54.76 lakh.

Thus, due to tardy and inefficient handling of the contracting process, at different levels, without regard to the time schedules, there was inordinate delay in starting the work and the Government was put to loss of Rs. 11.05 lakh[23] due to escalation in the cost of the work. In addition, the Department had to unnecessarily waste time and resources in the subsequent rounds of tendering and the work, which should have been completed in 12 months had been delayed by at least 20 months.

The matter was reported to the Government in May 2007; reply had not been received (September 2007).

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[22] Original estimate: Rs. 66.58 lakh *minus* cost of errection and supply of pipes: Rs. 19.15 lakh, *plus* cost of increased quantity: Rs. 2.45 lakh and cost of errection of pipes: Rs. 0.86 lakh.

[23] Total cost in case of execution by Contractor 'D': Rs. 89.59 lakh (Rs. 74.00 lakh + Rs. 15.59 lakh).
Total cost in case of execution by Contractor 'A': Rs. 78.54 lakh (Rs. 66.58 lakh + Rs. 2.45 lakh + 13.78 *per cent* of (Rs. 66.58 lakh + Rs. 2.45 lakh).
Loss: Rs. 11.05 lakh (Rs. 89.59 lakh – Rs. 78.54 lakh).

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS)

4.10 Loss of Rs. 42.58 lakh due to delay in finalisation of tender

Delay in finalisation of tender resulted in at least time overrun of twenty one months and loss of Rs. 42.58 lakh due to cost overrun in construction of RCC bridge over river Howrah at Jirania ADC HQ Road.

The work "Construction of RCC bridge over river Howrah at Jirania ADC-HQ Road (Bridge proper only)" was sanctioned (March 2002) for Rs. 211.34 lakh.

Test check (July-August 2006) of records of the EE, Public Works Division No. II, Agartala revealed that work put to tender (March 2002) was awarded (November 2002) to M/S M.P. Khaitan for Rs. 1.69 crore, against the estimated cost of Rs. 1.37 crore (based on TSR 1998). The work order was subsequently cancelled (October 2003) as the contractor failed to start the work even after 11 months from the date of issue of the work order and the earnest money of Rs. 1 lakh was forfeited. Draft Notice Inviting Tender (DNIT) was revised (November 2003) to Rs. 1.41 crore by adding one new item (Rs. 2.21 lakh) and by increasing the quantity in another item (Rs. 2.25 lakh).

In response to the revised tender (November 2003), two bids were received out of which, the lowest bidder M/S Shibu Saha (Rs. 1.87 crore) was recommended (16 January 2004) to the SE who recommended (29 January 2004) the same to the CE (R&B). However, the CE did not decide the case for six months. Meanwhile the validity of rates expired and CE rejected (30 August 2004) the tender.

The tender was invited again on 19 November 2004 but was cancelled (28 December 2004) by the EE without specifying any reasons.

The work was retendered (14 January 2005) and EE recommended the only bid received (March 2005). The SE, Planning Circle pointed out several inconsistencies in the offer. The EE declared the contract "informal" (liable to be rejected) and recommended (April 2005) fresh tendering.

Subsequently, revised DNIT, based on TSR 2002 was prepared at an estimated cost of Rs. 1.56 crore without any change in the scope of the work, and notified (24 May 2005). In response M/S Shibu Saha again offered the lowest bid for Rs. 2.41 crore. This time again, the CE took more than 2 months to recommend the case to the Works Advisory Board (WAB)[24]. The work order was issued (24 February 2006) at the negotiated price of Rs. 2.30 crore. The work, commenced on 27 March 2006, was in progress.

[24] Consists of Chief Secretary as the Chairman, the Finance Secretary, the PWD Secretary as members, one of the Joint Secretaries of the Finance Department as Member Secretary and the Secretary, Industries Department as the permanent invitee and is responsible for approving all contracts above Rs. 50 lakh.

Thus, due to inordinate delay in finalisation of the tender, the construction of the bridge scheduled to be completed in January 2006 was delayed by at least twenty one months, besides loss due to extra avoidable expenditure of Rs. 42.58 lakh[25] on account of increase in cost.

Government stated (August 2007) that the delay in finalising the tenders and extra cost could not be avoided due to limited response from the agencies, quotation of higher rates by the agencies compared to the then accepted rates of similar nature of works, and increase in cost of materials and labour. The reply is not tenable as time is essence of the contract and the delays were mainly in processing of the tenders, which were avoidable.

4.11 Irregularities in replacement of timber bridges by Bailey bridges in Tribal areas

Audit of purchase and installation of bailey bridges revealed extra payment of Rs. 22.01 lakh due to non-deduction of inspection charges, required to be paid by the supplier and avoidable expenditure of Rs. 47.41 lakh.

The Public Works Department purchased 47 bailey bridges during 2001-02 to 2003-04, at a cost of Rs. 5.82 crore to replace the timber bridges in the tribal areas. The cost was met from the Non-Lapsable Central Pool of Resources (NLCPR). Test check of records of the Directorate of Planning and Co-ordination, the CE, PWD(R&B) and EE of 10[26] Divisions in 4 districts revealed the following irregularities.

(i) Inadmissible payment of Rs. 22.01 lakh for inspection

According to the terms and conditions of the contract, all materials and components shall be inspected and certified by the Controller of Quality Assurance Engineering (CQAE)/Senior Quality Assurance Estt (SQAE) for which arrangements shall be made by the manufacturers who will also bear the inspection charges. Test check of records in 9[27] Divisions revealed that Rs. 22.01 lakh was paid during 2001-02 to 2003-04 towards inspection charges for the supply of 28 bridges[28] which was not admissible.

Government stated (August 2007) that the accepted prices were inclusive of the inspection charges and as such the payment may not be considered over payment. The reply is not tenable as the terms offered by the supplier (May 2002) clearly stated that the inspection charges would be borne by them,

[25] Rs. 229.80 lakh *minus* Rs. 187.22 lakh.

[26] West Tripura: Agartala Division–II; Agartala Division-IV; Store Division, Agartala; Southern Division-III, Sonamura; South Tripura: Southern Division-I, Udaipur; Southern Division-II, Santirbazar; Amarpur Division; North Tripura: Kanchanpur Division, Kumarghat Division; Dhalai: Ambassa Division.

[27] Agartala Division II; Agartala Division IV; Store Division, Agartala; Southern Division III, Sonamura; Southern Division I, Udaipur; Southern Division II, Santirbazar; Amarpur Division; Ambassa Division; Kumarghat Division.

[28] Including 16 bridges supplied by Bridge and Roof Co. (India) Ltd.

which was also categorically mentioned in the terms and conditions stipulated by the Department stating that the inspection charges should be borne by the manufacturer(s) and no extra payment would be made on this account.

(ii) Avoidable expenditure of Rs. 47.41 lakh

EE, Ambassa Division purchased (2003-04) two bridges from a private firm, though the order for these bridges had already been placed (March and July 2001) with Bridge and Roof Co. (India) Ltd. Thus, four bridges were purchased instead of the two required. The additional cost amounted to Rs. 47.41 lakh. One of the extra bridges was installed at Suknacherra while the other was sold to Border Roads Organisation (BRO); the proceeds (Rs. 23.94 lakh) were, however, not recouped to the NLCPR but transferred to State Government revenue.

The Government stated (August 2007) that the additional bridge was used at Suknacherra in public interest but the reasons for not recouping the sale proceeds of the other to NLCPR, were not indicated.

4.12 Unauthorised and idle expenditure

Due to irregular award of a work for construction of quarters without following the prescribed procedures, ensuring availability of funds and approval for the work, the expenditure of Rs.13.57 lakh remained idle for over three years. Apart from the delay in completion, the possibility of the incomplete quarters becoming dilapidated due to disuse over a prolonged period cannot be ruled out.

Executive Engineer (EE) Kumarghat awarded (January 2002) construction of four Type-IV quarters at Chailengta in Dhalai district for Rs.21.27 lakh without administrative approval (AA) and expenditure sanction (ES). Technical sanction (TS) was irregularly given by the Superintending Engineer (SE) (September 2001). The work was to be completed in 160 days.

- Awarding the work without obtaining AA and ES was irregular. Consequently, there was a delay in preparatory work relating to the development of the site and handing it over to the contractor. The contractor could therefore, commence the work only after six months of award of contract (June 2002).
- Since the EE could not draw any funds in the absence of ES, there was an enormous delay in payments to the contractor ranging up to 355 days. The amount of Rs.13.57 lakh paid to the contractor was obviously diverted from other works, which again, is irregular.
- Without AA and ES, according TS by the SE was also irregular. In fact, in the absence of ES, the correctness of TS cannot be vouched.

Due to delay in payments, the contractor suspended the work (April 2004). The delay in payments, was attributed by the EE (April 2007) to non-availability of funds. The reply is not acceptable, since the work was awarded without AA and ES and ensuring availability of funds. The EE did not also rescind the contract or take any further measures to get the work done.

Thus due to the irregular award of work without following the prescribed procedures, ensuring availability of funds and approval for the work, the expenditure of Rs.13.57 lakh remained idle for over three years. Apart from the delay in completing the construction of the quarters, the possibility of the incomplete quarters becoming dilapidated due to disuse over a prolonged period cannot be ruled out.

The matter was reported to the Government in June 2007; reply had not been received (September 2007).

REVENUE DEPARTMENT

4.13 Irregularities in expenditure

There were several irregularities in implementation of Supplementary Nutrition programme. In addition, there were serious discrepancies in the stores management and control.

District Magistrate & Collector (DM&C), Kailashahar, North Tripura received Rs. 36.19 crore from the Revenue (Relief and Rehabilitation) Department through the Finance Department for maintenance of Reang refugees during 2003-04 to 2006-07. A test check of records revealed as under:

- Out of Rs. 36.19 crore, only Rs. 35.45 crore was passed on to the SDM, Kanchanpur, who was responsible for maintenance of the refugees. Of the Rs. 74 lakh retained, the DM&C had spent Rs. 27.71 lakh on office expenses, without any authority. The items of expenditure included petrol, office stationery, electrical and telephone bills, blankets for circuit house, hiring of vehicles etc; but the expenditure was booked against an account head[29] meant for refugees. The DM&C stated (February 2007) that the expenditure was of emergent nature; the Government stated (September 2007) that the expenditure may be treated as expenditure related to relief and rehabilitation of Reang migrants. The contention is not acceptable, as the funds were meant for refugees and separate allocation exists for office expenses.
- SDM, Kanchanpur, had drawn (2003-04 to 2006-07) Rs. 15.63 crore on AC bills, of which DCC bills for Rs. 7.66 lakh were yet (March 2007) to be submitted by him to the controlling officer i.e., more than 2 to 47 months after the date of drawal. The SDM stated (August 2007) that adjustment would be submitted shortly, while the Government stated (September 2007) that the SDM had been instructed to submit the DCC bills immediately.

[29] 2235: Social Security and Welfare; 01: Rehabilitation; 800: Other expenditure -05-36-21.

- Rice was being issued to the camps at 450 gms (adult) and 225 gms (minor) daily, against the norms of 400 and 200 gms respectively as fixed (1990) by GOI. This resulted in excess issue of 2116.20 MT of rice during 2003-04 to 2006-07 valued at Rs. 1.95 crore. The SDM stated (August 2007) that the excess rice was issued in lieu of admissible 25 gms chira (flattened rice) and 12.50 gms gur (jaggery), which the migrants were reluctant to receive. However, written authority of the State Government/GOI for the change of norm were not made available to Audit.

- In six refugee camps[30], the number of children shown as covered under the Supplementary Nutrition Programme (SNP) during 2003-07 (4050, in two months 3600) was higher than the number of minor children (upto 8 years) shown in the family registers (3558 to 3594); the number of excess children ranged from 456 to 492[31]. The expenditure involved in issuing rice and dal, including other allied expenditure @ Rs. 1.87 per child per day, to the excess children amounted to Rs. 6.99 lakh[32].

The SDM stated (August 2007) that the actual number of children was more than 5000 but the names of all children were not included in the family registers. The reply was endorsed by the Government (September 2007). The contention is not acceptable as ration was being issued on the basis of the number of children (3558 to 3594) as per family registers / ration cards, and there was no valid basis for providing supplementary nutrition to children more than the number included in the family registers. This needs investigation.

- Maintenance of stock register was poor and deficient. In one refugee camp (Kashirampur), stock register for foodgrains was not maintained for 2003-07. As such, the actual position of distribution and utilisation of materials supplied to the camp could not be ascertained. The stock register of garments at Kashirampur revealed that the value of garments shown as received was Rs. 1.24 lakh less than that issued by the SDM, Kanchanpur. The Government stated (September 2007) that the SDM had made a detailed check of the stock registers and has made them up-to-date, but the position in respect of other camps was not intimated.

- Physical verification of stock was never conducted during 2003-04 to 2006-07 by any of the authorities mentioned above. The Government stated (September 2007) that the physical verification was being conducted.

[30] Kashirampur, Longthariakami, Hezacherra, Kasco-A&B, Khakchang, and Hamsapara.

[31] Six children in the months of April and May 2003.

[32] Excess children during 4 years – 15,575 per day × 24 days (in a month) = 3,73,800 × Rs. 1.87 per child per day = Rs. 6,99,006.

4.14 Irregular expenditure

DM, West Tripura incurred irregular and unauthorised expenditure of Rs.18.95 lakh out of interest accrued on various schemes and non-scheme funds without reflecting the expenditure in the State Government accounts, vitiating the process of legislative control over expenditure.

Central and Centrally sponsored scheme guidelines stipulate that the funds received should be kept in separate savings bank accounts and interest accrued thereon would form a part of the scheme funds. Further, the administrative orders issued by the State Finance Department clearly stipulate that all other funds should be kept in the interest free current deposit account and not in savings bank account.

Test-check of records of the District Magistrate & Collector (DM&C), West Tripura District revealed widespread violation of the above provisions, as detailed below:

- Though the scheme funds were required to be deposited in separate savings bank accounts, funds pertaining to several schemes were deposited in a single savings account[33] operated by DM&C, West Tripura, into which Rs.37.51 crore relating to 15 schemes and other non-scheme funds (**Appendix 4.3**) were deposited (January 2004 to December 2006). As a result, the interest earned against different schemes could neither be determined by Audit nor ascertained by DM&C, West Tripura.
- During July 2004 to November 2006, Rs. 18.95 lakh out of the accrued[34] interest of Rs. 19.64 lakh was spent by the DM&C for meeting contingent expenditure of his office, which was tantamount to unauthorised diversion of funds, violating the provisions of Central Treasury Rules (CTRs), scheme guidelines and the orders of the State Finance Department. It was seen that most of the expenditure had been incurred on telephone bills, POL, labour charges, hospitality and minor repairs to the office building; this expenditure was over and above the approved budget allocations for these items of expenditure. Some of the bills did not have the details of the work but were approved merely on the basis of the amount mentioned on them.
- The expenditure incurred in the above manner was not accounted for in the accounts as the payment was not routed through the treasury; hence the expenditure accounts of the State were understated to that extent and not reported to the legislature. It was also seen that the bills concerning this expenditure were not prepared in the prescribed form under CTRs; instead, the expenditure was recorded either on the body of the voucher or in a covering sheet without recording in the contingent register for signature of DDO in support of authenticity.

[33] No. 4201 of UCO Bank, Kaman Chowmuhani Branch, Agartala.
[34] During April 2003 to July 2007.

Thus, non-adherence to the CTRs, Finance Department's orders and provisions of scheme guidelines led to irregular and unauthorised excess expenditure of Rs.18.95 lakh resulting in diversion of scheme funds and also vitiating the process of legislative control over expenditure as the expenditure remained outside the Government accounts. Besides, the practice is fraught with the risk of misuse of funds due to lack of controls.

The DM&C stated (May 2007) that the expenditure was incurred in case of utmost necessity. The reply is not tenable as any expenditure outside the budgetary process or in excess of budget approved by the legislature is illegal and violative of legislative control over expenditure.

The matter was referred to the Government in June 2007; reply had not been received (September 2007).

RURAL DEVELOPMENT DEPARTMENT

4.15 Irregular drawal of funds

Rs. 85.76 lakh was drawn by two BDOs through Fully Vouched Contingent Bills in anticipation of meeting future liabilities, in contravention of financial rules.

As per rules, the Head of Office is authorised to incur contingent charges through fully vouched contingent (FVC) bills, subject to general limitations that all charges actually incurred should only be drawn and paid at once and no money shall be drawn from the treasury unless it is required for immediate disbursement. Drawal of money from the treasury in anticipation of demand or to prevent the lapse of budget grants is not permissible.

Test check of records of two Block Development Officers (BDOs), Bishalgarh and Hezamara revealed that they drew (February 2005 to March 2006), Rs. 85.76 lakh[35] relating to developmental schemes[36], through 42 fully vouched contingent (FVC) bills without the charges having been actually incurred, violating the basic requirement for drawal of such bills. The amounts were credited to DDO's interest free CD Bank accounts, from which disbursements were made two to 23 months after their drawal. As of March 2007, Rs. 5.28 lakh[37] remained undisbursed, even after lapse of 12 to 24 months, due to non-supply / part supply of materials or non-execution / part execution of work.

Further scrutiny revealed that the FVC bills had been drawn after recording that the materials etc. had been supplied. However, the relevant stock registers, work registers or asset registers were either not maintained or, where

[35] BDOs, Bishalgarh: (24 bills: Rs. 53.85 lakh) and BDO, Hezamara: (18 bills: Rs. 31.91 lakh).

[36] Schemes like BADP, BEUP, NLCPR, PMGY etc.

[37] Bishalgarh: Rs.3.33 lakh; Hezamara: Rs.1.95 lakh.

maintained, did not have a cross reference to the FVC bill. In case of cash wages there was no supporting record to show the payment made.

The drawal of Rs. 85.76 lakh on FVC bills, without the immediate requirement of funds, had the following consequences:

- Premature withdrawal of funds from Government account and parking in interest free CD account outside the Government account resulted in loss of interest of at least Rs. 5.55 lakh[38] to Government.
- The amount drawn on FVC bills was exhibited as final expenditure in the progress reports being sent by the Department to the Government and legislature, depicting incorrect and inflated expenditure figures of schemes / projects, having serious implications for legislative accountability.
- The practice of transferring funds to bank accounts under the control of individual DDOs, using the mechanism of FVC bills, and incurring the expenditure subsequently over prolonged periods of time, not only dilutes the expenditure control at appropriate levels but is also fraught with the risk of malpractice, including misappropriation, as no records existed to control the subsequent expenditure.

The BDOs stated (July – August 2006) that the amounts were drawn on FVC bills to avoid lapse of budget grants. The reply is not tenable since drawal of money to avoid lapse of grants or to meet future requirement is not permissible.

The matter was reported to the Government in April 2007; reply had not been received (September 2007).

[38] Bishalgarh: Rs. 2.97 lakh and Hezamara: Rs. 2.58 lakh - calculated @ 8.62 *per cent* in 2005-06 and @ 8.46 *per cent* in 2006-07.

URBAN DEVELOPMENT DEPARTMENT
(Agartala Municipal Council)

4.16 Poor implementation of Swarna Jayanti Shahari RozgarYojana (SJSRY)

The Agartala Municipal Council squandered the opportunity to generate employment for poor due to tardy implementation of SJSRY, despite availability of substantial Central funds. Out of Rs. 7.55 crore received during 1998-99 to 2006-07, only Rs. 2.97 crore was utilised up to March 2007, leaving an unspent balance of Rs. 4.58 crore. The poor achievement was due, *inter alia*, to lack of proper planning; non-finalisation of BPL survey report; improper selection of beneficiaries; non-creation of infrastructure / seva kendras for the beneficiaries; inadequate arrangement for training and inability to undertake the projects.

SJSRY, a Centrally sponsored scheme, was introduced in Tripura in 1998-99. The objective of the scheme was to provide gainful employment to the urban unemployed or underemployed poor living below the poverty line (BPL) through encouraging self-employment ventures or provision of wage employment. The scheme was to be funded on a 75:25 basis between the Central and the State Governments. The scheme consisted of two special programmes *viz* (i) the Urban Self Employment Programme (USEP) and (ii) the Urban Wage Employment Programme (UWEP).

Test check (May 2006) of records of the Agartala Municipal Council (AMC) and further information collected in March 2007 revealed that out of Rs. 7.55 crore (Central share: Rs. 5.30 crore and State share: Rs. 2.25 crore) received during 1998-99 to 2006-07 for implementation of SJSRY, the AMC could utilize only Rs. 2.97 crore (39 *per cent*) up to 15 March 2007 leaving a balance of Rs. 4.58 crore (61 *per cent*). The year-wise and component-wise position of funds received and spent is shown in **Appendices 4.4 and 4.5**. Important audit findings are discussed below:

4.16.1 Lack of planning

During 1998-99 to 2004-05, the AMC received Rs. 6.51 crore (Central share: Rs. 5.22 crore and State share: Rs. 1.29 crore) for implementation of the scheme but utilised only Rs. 0.55 crore (8 *per cent*) during that period (**Appendices 4.4 and 4.5**). Examination of records indicated that AMC did not have adequate plans nor did it make concerted efforts for successful implementation of the scheme.

The Director, UDD stated (July 2007) that at the initial stage, the AMC did not take much interest in implementing the scheme, and that, subsequently, a comprehensive plan had been taken up and that the entire amount was expected be spent during 2007-08. As a result, no Central share (other than the spillover funds of Rs. 8.28 lakh) was released to AMC in 2005-06 and 2006-07, depriving the State of Central funds for employment generation.

4.16.2 Survey for identification of beneficiaries not done

As per guidelines, house to house survey for identification of genuine beneficiaries (urban BPL families) was to be done. Though the scheme was introduced in 1998-99, the AMC started house to house survey only in April 2006 – after a delay of 7 years - but the survey report was not ready as of September 2007 (it was expected to be finalised by July 2007). The Chief Executive Officer (CEO) of the AMC stated (March 2007) that an attempt to conduct the survey was made in 2003-04 but it could not be done due to lack of infrastructure; this is not acceptable as the survey was being done by engaging enumerators, which could have been done earlier. Failure of the AMC to finalise the survey report adversely affected the implementation of scheme as there was no authentic information about the number of beneficiaries for the last eight years. Thus, the impact of the scheme could not be verified in audit.

The Director, UDD stated (July 2007) that beneficiaries were selected on the basis of earlier survey, but the details and period of the survey was not stated.

4.16.3 Urban Self Employment Programme (USEP)

4.16.3.1 Individual self-employment through setting up of micro-enterprises: defective selection of beneficiaries

The programme encouraged under-employed and unemployed urban youth to set up small enterprises relating to servicing, petty business and manufacturing. The maximum unit cost was Rs. 50,000 and the maximum subsidy was 15 *per cent* of the project cost, subject to a limit of Rs. 7,500. The beneficiary was required to contribute 5 *per cent* of the project cost as margin money, and 95 *per cent* (inclusive of subsidy) was to be sanctioned as composite loan by bank.

Scrutiny of records disclosed that during 1999-2007, out of 2586 cases sponsored by the AMC, the banks sanctioned loans to only 701 beneficiaries (27 *per cent*), rejecting the others on grounds of not being viable, selected beneficiaries had no establishment of their own or experience or BPL cards. This indicated defective selection of beneficiaries. As a result, only Rs. 49.80 lakh (52.79 *per cent*) of the Central and State subsidy of Rs. 94.34 lakh was utilised. It was seen that AMC had only one project officer and two community organizers to implement the USEP, which was inadequate as the scheme guidelines required one community organizer for 2000 identified families (the number of BPL families in AMC area was stated to be 16,653).

The Director, UDD stated (July 2007) that applications received from beneficiaries were forwarded to banks after scrutiny but the banks were not considering these cases on one ground or other and that AMC was pursuing to get the bank loans sanctioned. This indicated defective selection of beneficiaries as well as inadequate scrutiny of their proposals.

4.16.3.2 Development of Women and Children in Urban Areas (DWCUA): Non-implementation

This programme provided for special incentive to urban poor women to set up self-employment ventures in a group. The DWCUA groups, which consisted of at least 10 urban poor (BPL) women, were eligible for subsidy of Rs. 1.25 lakh or 50 *per cent* of the cost of project, whichever was less.

The AMC failed to utilise the entire subsidy of Rs. 44.43 lakh received during 1999-2000 to 2006-07 as no project was submitted by any of the 532 DWCUA groups formed during 2003-04 to 2006-07. The AMC did not maintain the shelf of projects, as required under the programme, to guide the DWCUA groups in taking up economic activity according to their skill, training, aptitude and local conditions. As a result, AMC lost the opportunity to generate urban employment.

The Director, AMC stated (July 2007) that they conducted conferences, seminars and workshops to motivate the women to form more DWCUA groups and some of the groups were trained for taking up economic activities and submission of projects (without giving any details), and that the entire amount was expected to be utilised during 2007-08.

4.16.3.3 Thrift and Credit Society under DWCUA: Inadequate efforts to strengthen them

A DWCUA group set up as a Thrift and Credit Society (T&CS),was entitled to grant of Rs. 25,000 as revolving fund, for purposes like purchase of raw materials and marketing; infrastructure support for income generation and other group activities; one time expenses on child care etc. It was seen that out of Rs. 50.75 lakh received during 1999-2000 to 2006-07 (**Appendix 4.5**) AMC utilised only Rs. 11.84 lakh (23 *per cent*) for payment of grants to 97 (1184 beneficiaries) out of 253 T&CSs (3110 beneficiaries) formed in the AMC area as the remaining 156 T&CSs did not qualify for revolving funds. Even this amount was disbursed only in February / March 2007, seven years after it started receiving funds from the Central Government. As of March 2007, Rs. 38.91 lakh (77 *per cent*) remained unutilised, which indicated lack of initiative in implementing the scheme. Examination of records showed that the main reason the societies did not qualify was non-maintenance of bank account for a year. The AMC failed to guide the societies properly. Even if all the societies had been covered, the funds available would not have been utilised entirely, which showed that adequate efforts had not been made to form the sufficient number of eligible societies and disburse the funds in time.

4.16.3.4 Creation of Infrastructure under USEP: No action taken

The scheme provided funds for creation of infrastructural support by setting up of community seva kendras which could be used as work places / marketing centres etc. for the USEP beneficiaries.

The AMC received Rs. 22.07 lakh during 1999-2000 to 2006-07 for creation of infrastructure / seva kendras but did not create any such infrastructure. The entire amount (Rs. 22.07 lakh) remained unutilised (March 2007), which indicated lack of initiative and urgency in the implementation of the scheme.

The Director, UDD stated (July 2007) that steps for construction of 5 community centre cum seva kendras had been taken up during 2007-08 and these were expected to be completed during the year.

4.16.3.5 Training for urban poor: Negligible progress

USEP intended to provide vocational training to the urban poor in a variety of services and manufacturing trades as well as in local skills and local crafts so that they could set up self-employment ventures. Industrial Training Institutes/ Polytechnics / Engineering Colleges and other suitable training institutes run by Government, private or voluntary organisations might be utilised to provide appropriate support for this purpose.

Scrutiny of records revealed that the AMC received Rs. 77.49 lakh during 1999-07 for imparting training to the urban poor but utilised only Rs. 6.21 lakh (8 *per cent*) up to March 2007 to train 556 beneficiaries[39] (3.33 *per cent*) out of estimated 16,653 BPL families. Thus, Rs. 71.28 lakh (92 *per cent*) remained unutilised and over 16,000 beneficiaries (96.67 *per cent*) did not get opportunity for training. As a result, the main objective of the scheme to encourage the urban poor for setting up self-employment ventures was frustrated.

The Director, UDD stated (July 2007) that AMC had imparted training to 1281 beneficiaries in various trades so far and it was expected that the entire amount would be spent during 2007-08. The reply is not realistic considering that the AMC managed to train only 556 beneficiaries in eight years.

4.16.4 Urban Wage Employment Programme (UWEP) and setting up of Community Structure (CS): poor achievement

The programme provided for wage employment to the urban poor (BPL) by utilising their labour for construction of socially and economically useful public assets and setting up of community structures (CS) in urban poor clusters and areas.

The AMC received Rs. 4.64 crore (Rs. 2.70 crore under UWEP and Rs. 1.94 crore under CS) during 1998-99 to 2006-07 but had utilised only Rs. 2.28 crore (UWEP: Rs. 2.14 crore, CS: Rs. 13.79 lakh) up to March 2007, leaving unspent balance of Rs. 2.36 crore (UWEP: Rs. 56.01 lakh, CS: Rs. 1.80 crore). Scrutiny showed that the AMC did not have adequate plans to utilise these funds nor had it finalised the selection of poor clusters / areas for setting up of community structures and community action plans.

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	Name of Institutes imparted training	Number of persons trained
i.	Entrepreneurship Development Institute of Tripura, Indranagar, Agartala	480 (September to December 2005)
ii.	Tripura Adibashi Mahila Samity, Krishnanagar, Agartala	16 (January – February 2007)
iii.	Sri Durga Design Development Society, Jogendranagar, Agartala.	60 (February 2007)
	Total	**556**

The Director, UDD stated (July 2007) that a comprehensive plan had been taken up for implementation and the entire amount was expected to be utilised by December 2007.

4.16.5 Conclusion

Even though the scheme had been in existence for over eight years and the inflow of funds from the Central Government had been consistent and regular, the AMC lost opportunity to generate employment opportunities for the urban poor due to lackadaisical approach in planning and implementation of the scheme. The list of beneficiaries had not been finalised even after eight years of launching of the scheme and where identified, the AMC failed to provide support through identification of projects or advisory services. As a result, it failed to generate adequate employment.

The matter was reported to the Government in May 2007; reply had not been received (September 2007).

URBAN DEVELOPMENT DEPARTMENT

4.17 Loss of Rs. 24.02 lakh towards payment of penal interest

Due to non-compliance with the financial rules and instructions regarding repayment of loans, the Government suffered a loss of Rs. 20.57 lakh besides outstanding liability of Rs. 3.45 lakh as penal interest.

As per Rules, the Administrative Departments have full powers to pay interest and repay loan as per the repayment schedule and such payments shall be made from the provisions made under their own Demand and in due time to prevent any penalty due to default. A register on loan shall be maintained by the Head of the Department and verified and countersigned by the Secretary of the Department every quarter to avoid any over-payment or penalty. Further, as per instructions of the Finance Department (2004), the departments are required to settle the due installment of loans as first charge against the quarterly released funds and send proposal simultaneously to the Finance Department for release of the required funds. The instructions also provide that there shall be no default in debt servicing obligations under any circumstances and that payment must be made before the due date to avoid levying of penal interest.

Test check (June 2007) of records of the Urban Development Department (UDD) revealed that four Notified Area Authorities[40], now Nagar Panchayats (NP), received (April 1988) loan of Rs. 92 lakh from Life Insurance Corporation of India (LIC) for construction of water treatment plant. The loan was to be repaid in twenty-two equal installments, on 1 May and 1 November every year, commencing on 1 May 1988. The loan bore an interest rate of 10.25 *per cent* per annum with penal interest of 12 *per cent* in case of default in payment on due date.

[40] Dharmanagar: Rs. 30 lakh; Kailashahar: Rs. 20 lakh; Sonamura: Rs. 30 lakh; Udaipur: Rs. 12 lakh.

It was seen that the NPs as well as the UDD were not following the above instructions and had delayed the payment of installments of principal and interest of the loan. Consequently, they had to pay penal interest of Rs. 20.57 lakh (last payment made in December 2003) besides having unpaid penal interest of Rs. 3.45 lakh on unpaid principal (Rs. 42.43 lakh) and interest (Rs. 8.62 lakh) as of May 2007 (for the period upto March 2006 as claimed by LIC).

Thus, due to non-compliance with the financial rules and instructions, the Government had to bear a loss of Rs. 20.57 lakh besides outstanding liability of Rs. 3.45 lakh penal interest as of May 2007.

The matter was reported to the Government in June 2007; reply had not been received (September 2007).

4.18 Unauthorised diversion of funds leading to non-completion of transport terminal

Most of the funds released for the project 'Development of transport terminal with shops' at Ranir Bazar had been diverted by the Executive Officer for unauthorised items and the future of the project remained uncertain for want of funds.

The Urban Development Department released (January 2001 to July 2005) Rs. 17.25 lakh[41] to the Ranir Bazar Nagar Panchayat (RNP) for 'Development of transport terminal with shops' under the scheme Integrated Development of Small and Medium Towns (IDSMT). This included Central share of Rs. 10.35 lakh.

Test check (April 2007) of records revealed that though the project was not completed (August 2007) the Executive Officer (EO) had furnished (January 2003 to July 2004) false UCs to the State Government stating that the funds had been utilised for the purpose for which they were released. It was further observed that though the project report had stated that the land for the project was in possession of the RNP, the EO had diverted (March 2004 to April 2006) Rs. 9.66 lakh of the project funds for purchase of land at another site, without any provision of funds. Out of 0.455 acre of land acquired (March 2004 to April 2006), the possession of 0.088 acre of land was yet to be taken (April 2007). The EO had also transferred (December 2004) Rs. 2.33 lakh to the Executive Engineer, PWD, Division II, Agartala for earth filling at the proposed site against the provision of Rs. 2.06 lakh.

The balance funds of Rs. 5.27 lakh had been diverted (January 2003 to July 2004) by the EO to other IDSMT projects, in violation of the scheme

[41] Earth filling: Rs.2.06 lakh; Culvert, internal roads and drains: Rs.3.47 lakh; Office-cum-drivers' rest room: Rs.1.26 lakh; Shopping complex: Rs.5.62 lakh; Passenger shed: Rs.1.87 lakh; Gardening, water supply and electrification: Rs.2.47 lakh; and 3 *per cent* contingency: Rs.0. 50 lakh.

guidelines. The main components of the project (office, passenger shed, shopping complex etc.) were yet to be started although the completion of the work had been certified by a false utilisation certificate. Thus, the objective of development of transport terminal with shops remained unachieved. As no funds were left for the implementation of the project, its future remained uncertain.

The EO stated (May 2007) that the State Government had been approached for additional funds. Further development was awaited (August 2007).

The matter was reported to the Government in August 2007; reply had not been received (September 2007).

CIVIL, POWER AND PUBLIC WORKS DEPARTMENTS

4.19 Outstanding Inspection Reports

First reply for 226 out of 1084 Inspection Reports issued during 1991-92 to 2006-07 was not furnished by the Civil, Power and Public Works Departments within the stipulated period.

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

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

CIVIL DEPARTMENTS

2,947 paragraphs included in 1,005 IRs issued upto 2006-07 were pending settlement as of June 2007. Of these, even the first reply had not been received in respect of 214 IRs in spite of repeated reminders. The year-wise break up of the outstanding IRs and paragraphs is given below:

Year Upto	Number of outstanding		Number of IRs where even the 1st reply had not been received
	IRs	Paragraphs	
1991-2002	610	1746	61
2002-2003	56	118	10
2003-2004	74	239	10
2004-2005	62	167	26
2005-2006	77	266	39
2006-2007	126	411	68
Total	**1005**	**2947**	**214**

As a result, the following important irregularities commented upon in these IRs, had not been addressed as of June 2007.

Nature of irregularities	Number of cases	Amount involved (*Rupees in crore*)
Wasteful/infructuous expenditure	33	7.86
Extra/avoidable expenditure	29	2.98
Blocking of funds	39	21.15
Non-recovery of excess payments/overpayments	49	0.76
Others	844	356.63
Total	**994**	**389.38**

POWER DEPARTMENT

Fifty eight paragraphs included in 23 IRs issued between 2002-03 and 2006-07 had not been settled as of June 2007. Of these, the first reply had not been received in respect of eight IRs despite repeated reminders. The year-wise break-up of outstanding IRs and paragraphs is given below:

Year	Number of outstanding		Number of IRs where 1st reply had not been received
	IRs	Paragraphs	
2002-03	4	13	1
2003-04	6	12	1
2004-05	8	14	2
2005-06	1	8	-
2006-07[42]	4	11	4
Total	**23**	**58**	**8**

PUBLIC WORKS DEPARTMENT

In the Public Works Department, 135 paragraphs included in 56 IRs issued between 2002-03 and 2006-07 were pending settlement as of June 2007. Of these, even the first reply had not been received in respect of four IRs in spite of repeated reminders. The year-wise break-up of the outstanding IRs and paragraphs is given below:

Year	Number of outstanding		Number of IRs where 1st reply had not been received
	IRs	Paragraphs	
2002-03	5	5	-
2003-04	10	11	-
2004-05	18	36	-
2005-06	6	15	-
2006-07	17	68	4
Total	**56**	**135**	**4**

4.19.1 Audit arrangements for local bodies

The audit of accounts of the following bodies/authorities has been entrusted to the C&AG of India under Sections 19(3) and 20(1) of the C&AG's (Duties,

[42] Audit was conducted during 2005-06 and the IRs were issued during 2006-07.

Power and Conditions of Service) Act, 1971 for the periods mentioned against each:

Name of bodies/authorities	Period of entrustment	Section of the C&AG's (DPC) Act, 1971
Tripura Khadi and Village Industries Board	2003-04	19 (3)
Tripura Board of Secondary Education	2005-06	20 (1)
Agartala Municipal Council	1996-97 onward on permanent basis	20 (1)
Nagar Panchayats (12)	1996-97 onward on permanent basis	20 (1)
Tripura University	2002-03 to 2006-07	20 (1)
Tripura Housing Board	Upto 2005-06	19 (3)
Tripura State Legal Services Authority	2008-09	19 (3)

The status of submission of accounts by the bodies/authorities and submission of Audit Reports thereon to the State Legislature as of July 2007 is given below:

Name of bodies	Year upto which			Year upto which Audit Report placed before Legislature
	Accounts due	Accounts submitted	Audit Report issued	
Tripura Khadi and Village Industries Board	2006-07	1996-97	1996-97	1990-91
Tripura Board of Secondary Education	2006-07	1997-98	1997-98	1997-98
Tripura State Legal Services Authority	2006-07	2005-06	2002-03	2002-03
Tripura Housing Board	2006-07	2006-07	1992-93	Audit reports issued in July 2007

Due to non-submission of accounts in proper format by the Agartala Municipal Council and 12 Nagar Panchayats, audit of accounts could not be taken up since their inception; only transaction audit is being conducted. Audit of accounts of the Tripura University for the period from 1998-99 to 2001-02 have been completed and separate Audit Reports are under issue.

4.19.1.2 Outstanding Inspection Reports

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

As of July 2007, 60 paragraphs included in 15 Inspection Reports issued to the local bodies/authorities up to 2005-06 were pending for settlement. The department-wise break-up of the outstanding Inspection Reports and paragraphs is given below:

Name of the department	No. of offices audited (during 1.4.02 to 31.3.07)	Number of outstanding (during 1.4.02 to 31.3.07)	
		Inspection Reports	Paragraphs
Rural Development	3	4	8
Education	6	7	45
Health and Family Welfare	1	2	3
Science and Technology	1	1	3
Tribal Welfare	1	1	1
Total	**12**	**15**	**60**

As a result, the following important irregularities commented upon in these Inspection Reports, had not been settled as of July 2007.

(Rupees in lakh)

Nature of irregularities	Number of cases	Amount involved
Wasteful/ infructuous expenditure	2	7.92
Extra / avoidable expenditure	4	17.20
Idle salary/ idle expenditure	--	00
Blockage of funds	6	242.11
Non-recovery of excess payments/ overpayments	2	26.92
Total	**14**	**294.15**

CHAPTER V
INTEGRATED AUDIT OF GOVERNMENT DEPARTMENTS

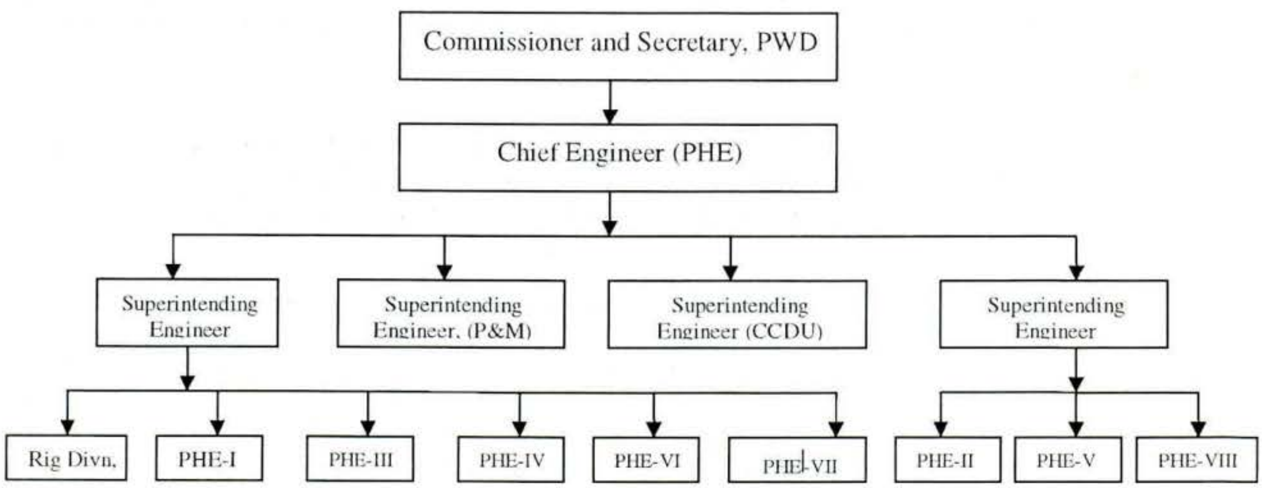
5.1.1 Introduction

The Public Works Department (PHE) is responsible for piped water supply system in the State, including water quality monitoring and surveillance. As of March 2007, only 591 (7.27 *per cent)* of the 8132 habitations in the State had access to adequate and safe drinking water which, together with high iron content of the underground water in the State and some reported cases of arsenic, posed major challenges for the Department.

The Department undertakes its activities mainly through the Centrally Sponsored Schemes *viz.*, ARWSP[1], AUWSP[2], NLCPR[3] etc. Some works are also taken up under the State plans funded under the Additional Central Assistance (ACA), RWS[4] etc.

5.1.2 Organisational set up

There are 9 Divisions spread over 4 districts in the State. The Divisions, headed by the Executive Engineers (EE), are supervised by 2 Superintending Engineers (SE), who, along with two other Superintending Engineers - one for Planning and Monitoring and another for Communication and Capacity Development Unit - assist the Chief Engineer. The administrative head of the Department is the Commissioner and Secretary, PWD, who is also the Chief Controlling Officer (CCO) of the Department. The organogram in this regard is given below:



1 ARWSP: Accelerated Rural Water Supply Programme.
2 AUWSP: Accelerated Urban Water Supply Programme.
3 NLCPR: Non-Lapsable Central Pool of Resources.
4 RWS: Rural Water Supply.

5.1.3 Audit objectives and coverage

The broad objectives of audit were to assess the performance of the Department on the following parameters:

- Financial Management
- Planning and Programme Management
- Stores Management
- Human Resources Management
- Internal Control mechanism
- Vulnerability to fraud and corruption

5.1.4. Scope of audit

Of the 15 auditable units, 8[5] were selected for audit by 'Stratified Monetary Unit' method of sampling. In addition, store management in the two Divisions responsible for procurement and distribution of stores *viz.*, (1) Rig Division (under PHED) and (2) Resource Division (under Water Resources of PWD) were also covered. The audit was conducted during June-August 2007 covering the period 2002-03 to 2006-07.

Audit Findings

5.1.5 Financial Management

The budgetary allocations for the PHE are made under Grant No. 51, and ranged from about Rs. 70 to 90 crore a year, as shown in the following table:

Table 5.1.1

(Rupees in crore)

Year	Original	Supple-mentary	Surren-ders	Total	Expen-diture	Saving (-) / Excess (+)	%age of saving
2002-03	66.84	6.92	0.68	73.08	49.69	(-) 23.39	47.07
2003-04	71.42	18.26	0.23	89.45	62.03	(-) 27.42	44.20
2004-05	57.59	13.12	0.08	70.63	48.15	(-) 22.48	46.68
2005-06	66.46	17.21	-	83.67	62.65	(-) 21.02	33.55
2006-07	61.43	11.23	2.78	69.88	55.69	(-)14.19	25.48

Source: Appropriation Accounts.

Audit revealed several deficiencies in financial management, including poor budgeting and expenditure control, as discussed below:

5.1.5.1 Poor Budgeting

The Secretary and the Chief Engineer (CE) are responsible for budgeting. The CE is assisted by a junior official (an Upper Division Clerk), making it difficult for him to adopt a comprehensive approach to budgeting and exercise effective budgetary control. A review of the budget provision and expenditure in the past five years showed that budgeting was unrealistic and lacked credibility in view of the persistent and substantial savings (see **Appendix 5.1 and charts 1 to 3**).

[5] Chief Engineer's office, 3 Superintending Engineers, (M&P, Circle-I, Circle –II), 4 Executive Engineers (Division-II, III, V, VI)

Chart 1

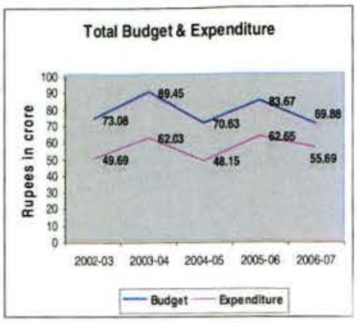


Chart 2

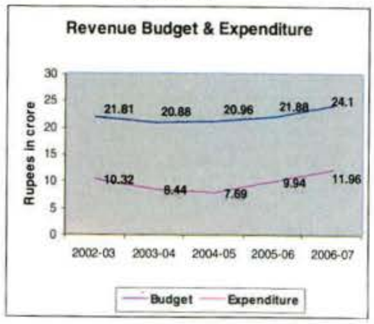


Chart 3

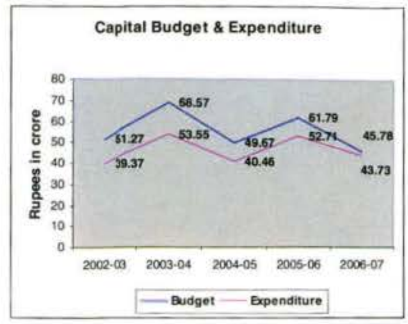


Table 5.1.1 and **Appendices 5.1 A to D** show that:

- During 2002-07 the savings ranged between 25 to 47 *per cent*, reflecting unrealistic preparation of budget estimates and the inability of the Department to implement its budgeted projects and programmes (also see paragraph 5.1.6.3).
- Each year supplementary provisions were obtained without justification, as, the savings at the end of the year were more than the supplementary provisions. No corrective action was taken. This indicated that the expenditure was not monitored or reviewed defeating the concept of budget.
- Savings occurred in both revenue and capital budgets. Though the savings in the revenue budget (over 50 to 63 *per cent*) generally exceeded the savings under the capital budget, it was indicative of the fact that budget estimates were not prepared with due care and execution of works was very slow as allocations were not fully consumed.
- Though savings were always more than the amounts surrendered no effort was made to increase the percentage of surrenders on realistic terms. This indicated that the budget was not monitored or reviewed during the year as prescribed. Due to lapse of funds these funds could not be used by other needy departments.
- Despite recurring savings under the revenue budget (over 50 *per cent*) the reasons were not investigated and excessive funds continued to be provided. This indicated absence of mechanism for monitoring and reviewing expenditure. An analysis in audit revealed that the savings occurred mainly under the suspense head (operated for purchase and issue of materials), direction and administration and urban water supply (**Appendix 5.1 D**).
- Savings under capital budget occurred in urban water supply, Rajiv Gandhi National Drinking Water Mission, ACA for drinking water projects etc., due to slow pace of work and delays in programme implementation as well as lack of monitoring and reviewing mechanism as discussed subsequently.

There was no evidence of the issue having been discussed at the level of the Chief Engineer or the Secretary, to look into the reasons and streamline the systems and procedures for budgeting indicating inadequate high level intervention resulting in lapse of funds which could not be used by other needy Departments.

5.1.5.2 Trends in expenditure

(i) Contraction of capital budget and expenditure:

- The overall budget provision and actual expenditure declined in 2006-07, mainly due to reduction in capital expenditure from Rs. 52.71 crore to Rs. 43.73 crore (**Appendix 5.1 C**), while the revenue expenditure went up from Rs. 9.94 crore to Rs. 11.96 crore (**Appendix 5.1 B**).
- A general trend of contraction of capital budget and expenditure was discernible, while the revenue budget (Rs. 21-24 crore) and expenditure (Rs.7.69-11.96 crore) showed a marginally increasing trend.

(ii) Funds for Centrally Sponsored Schemes (CSS) not fully utilised

There were considerable unspent balances in 2004-05 and 2006-07 (Table 5.1.2) due to PHE's inability to utilise the CSS funds released by the State Government.

Table 5.1.2

(Rupees in crore)

Year	Name of the CSS	Funds released by the State Government	Expenditure by the PHED	Unspent balances
2004-05	ARWSP	41.15	40.41	0.74
	NLCPR	6.50	5.05	1.45
2006-07	ARWSP	59.32	56.79	2.53

Source: Departmental figures.

The unspent balances can only be attributed to inadequacies in preparation of project proposals, slow progress of work as well as inadequate departmental monitoring and supervision.

5.1.5.3 Poor Expenditure Control

There was poor monitoring of expenditure and review indicating weak or no expenditure control, as manifested by demand for supplementary funds, the year end rush of expenditure, persistent savings and excess expenditure under various sub-heads. Fact is that there was no regular and timely flow of expenditure data from the field units to the CE's office, where the control registers were also not maintained in the prescribed form for proper expenditure control, as discussed below.

(i) Rush of expenditure

Financial Rules and discipline require that Government expenditure be evenly phased but 27 to 37 *per cent* of the total expenditure and 31 to 43 *per cent* of the capital expenditure during the last 3 years had taken place in March as against 11 to 19 *per cent* in the 1st quarter (Table 5.1.3).

Table 5.1.3

(Rupees in crore)

Year	Total Expenditure	Expenditure in 1st quarter (April-June)	Expenditure in March (%)	Total capital expenditure	Total capital expenditure in March (%)
2004-05	48.15	5.50 (11)	17.59 (37)	40.46	17.55 (43)
2005-06	62.65	7.37 (12)	16.84 (27)	52.72	16.40 (31)
2006-07	55.68	10.32(19)	16.60 (30)	43.73	14.60 (33)

Source: Appropriation Accounts & VLC data.

Note: Figures in parenthesis indicate percentage.

Table 5.1.4 shows that around 25 to 40 *per cent* of the total expenditure was for administrative purposes while 21 to 49 *per cent* was on materials.

Table 5.1.4

(Rupees in crore)

Year	Total Expenditure	Expenditure on Administrative purposes (% of total expenditure)	Expenditure on Materials (% of total expenditure)
2002-03	49.69	15.68 (31.55%)	12.44 (25.04%)
2003-04	62.03	17.81(28.71%)	13.18 (21.25%)
2004-05	48.15	19.43(40.35%)	15.33 (31.84%)
2005-06	62.65	20.83(33.25%)	30.62 (48.87%)
2006-07	55.69	13.71(24.62%)	18.95 (34.03%)

Source: Appropriation Accounts & VLC data.

(ii) Deficiency in maintenance of expenditure control registers

The expenditure control register in the CE's office recorded the monthly expenditure sub-head wise, without mentioning the allocation of funds, making it difficult to monitor the excess / savings under a sub-head and exercise expenditure control. A few instances of expenditure in excess of provision under Grant No. 51 are given in **Appendix 5.2;** the reasons for excess expenditure were not made available to audit nor was any action taken to regularise the excess expenditure. The register was neither being updated regularly based on timely and regular information from the field offices; nor was it being reviewed at the level of CE or the CCO to monitor the pace of expenditure and the savings/ excesses. The Department needed a computerised monitoring system, which allows for online updating of the expenditure data, detailed head wise, by the primary units of expenditure (division/ sub-division), and which generates periodic reports to enable the CE / CO to review the expenditure from time to time and make necessary interventions. Thus, in the absence of regular monthly updates of expenditure it is obvious that the CE as well as the Secretary did not have the wherewithal for monitoring or controlling expenditure as well as place supplementary demands and prepare realistic budget estimates.

5.1.5.4 Poor control over departmental receipts and payments

Audit revealed several instances of poor control over departmental receipts and payments, which increased the vulnerability of the Department to malpractice and underscored the need for tightening the financial administration.

(i) Non- reconciliation with treasury of remittances and payments

Despite provision in the Accounts Code, the divisions were not regularly carrying out monthly reconciliation with the treasury in respect of the remittances into and withdrawals from the Government account, which is fraught with the risk of malpractice. For example:

- In Division-I, Rs. 72.60 lakh shown as remitted to treasury during September 2005 to March 2006 (24 cases) was not recorded in the treasury accounts of that Division.
- In Division-III, Udaipur, Rs.96,096[6] shown as remitted to treasury were not recorded in the treasury accounts and there was no assurance that the amount had actually been credited to the Government account.
- In Division-V, Ambassa, 7 bills amounting to Rs. 2.46 lakh[7] were drawn in June 2003 and March 2004, but the corresponding amounts were not found in the Divisional Cash Book. The possibility of fraudulent drawals cannot be ruled out.

According to the rules[8] such reconciliation is the responsibility of the Divisional Officer, who has to certify each month that the reconciliation has been done. No such system was, however, in place, and the position was not being monitored at the SE/CE/CCO levels.

(ii) Lack of control in management of financial assets and liabilities

Audit revealed inadequate control and monitoring of the financial assets and liabilities, leading to non realisation of revenues and avoidable liabilities. Some instances noticed in test check were as follows:

(iii) Non- payment of bills leading to additional liability

- Delay in payment of electricity charges by Division–I led to avoidable surcharge of Rs. 64.29 lakh for the period January 1996 to December 2004 (May 2007). The Division had already paid surcharge of Rs. 4.21 lakh for the period May 2005 to February 2007 for delays in payment.
- Division-V had incurred additional liability (surcharge) of Rs. 0.62 lakh due to non-payment of electricity charges in time.

The Department attributed (October 2007) this to fund constraints and dispute on the billed amount; this is not tenable in view of the persistent savings and reflects on the lack of initiative by the Department to resolve the dispute.

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[6] Rs.3,583.00 on 12.11.2004; Rs.15, 421.00 on 18.1.2006; Rs.5,272.00 on 19.4.2006 and Rs.71,820.00 on 5.1.2007

[7] **Bill No.** 32 dt.9.6.2003 :Rs. 41,819; No. 141 dt. 25.3.2004 : Rs. 1,43,700; No. 95 dt. 23.3.2004 : Rs. 12,177; No. 96 dt. 23.3.2004 : Rs. 12,032; No. 97 dt. 23.3.2004 : Rs. 12,515; No. 75 dt. 19.3.2004 : Rs. 11,938; No. 94 dt. 23.3.2004 : Rs. 11,777

[8] paragraph 22.3.1 of the CPWA code

(iv) Non recovery of Government dues

- Sub-Division-I under Division –III had not realised water charges from the Nagar Panchayat in Udaipur. Against Rs. 17.48 lakh[9] receivable during April 2004 to March 2007, only Rs. 9.09 lakh had been realised (July 2007).
- In Division-II, Rs. 5.60 lakh recoverable from the contractors in three cases had not been recovered (July 2007), though the works were completed long back. In Division-V Rs. 6.82 lakh recoverable from two contractors were not recovered till the date of audit.

There was no system in the offices of the CE/ Secretary to regularly review the position to ensure that the revenues are realised and the liabilities paid in time.

(v) Non adjustment of advances

Advances made to different entities are required to be adjusted within a given time to ensure that the money had been spent for the approved purpose and to book the expenditure to the proper head of account within the financial year. Test check revealed absence of controls and monitoring of the advances at all the levels, including the CE, resulting in the amounts remaining unadjusted for long periods. For example:

- Rs. 2.03 crore[10] advanced to TSECL during March 1998 to February 2007, for electrification of water supply schemes, remained unadjusted and the position of expenditure and the status of work was not made available to Audit.
- In Division-III, Udaipur Rs.11.60 lakh advanced to the BDOs for payment of wages to the pump operators engaged by the panchayats were outstanding since October 2005.
- In Division-VI, Bishalgarh, 3 LTC advances amounting to Rs. 0.81 lakh had not been adjusted for 5 to 7 months, due to non-submission of bills by the incumbents though the LTC Rules require adjustment within 2 months failing which penal interest is to be charged.

Due to non settlement of advances for long periods the possibility of misappropriation or fraud cannot be ruled out.

5.1.5.5 Quarterly surprise check of cash balance not done

Finance Department instructions (December 1996) provide for surprise check of cash once in a quarter by an officer other than the head of office, in addition to monthly physical verification of cash by the head of office. In all the eight units checked, the prescribed quarterly surprise check was never conducted during 2004-07. Also, while conducting physical verification of cash, none of the test checked DDOs recorded the certificate in the cashbook in the prescribed format.

[9] Calculated on 2,238 connections as of March 2004.

[10] Rs.1.97 crore by Division-III, Udaipur, and Rs.5.80 lakh by Division-VI, Bishalgarh.

5.1.6 Planning and Programme Management

5.1.6.1 Magnitude of the challenge

The Department had a major challenge to provide adequate and safe drinking water to all the people of the State. According to the norms, the habitations with a supply of 40 litre per capita per day (lpcd) of water are categorised as Fully Covered (FC); those with 10 lpcd or more but less than 40 lpcd are categorised as Partially Covered (PC) and those below it are categorised as Not Covered (NC). Apart from this 'quantity' aspect, the quality of the water is also a major challenge due to high incidence of iron and reported occurrence of arsenic in some places in the State. The quality of water is determined with reference to the standards laid down by the Bureau of Indian Standards (BIS) or the WHO. The habitations which do not conform to the quality standards are categorised as NC, irrespective of the quantity of water available.

According to a 2003 census, only 246 of the 8132 habitations were FC. The progress thereafter was modest, raising the number to 591 as of March 2007 (Table 5.1.5).

Table 5.1.5

Item/category	As per 2003 status survey	As on 1.4.2007	As per 2003 status survey	As on 1.4.2007
	Quality		Quantity	
Not Covered (NC)	6994	6321	2653	1771
Partially Covered (PC)	892	1220	3503	1702
Fully Covered (FC)	246	591	1976	4659
Total	**8132**	**8132**	**8132**	**8132**

Note: The status includes coverage by both RDD and PHED

The Department did not prepare year-wise targets of PC and NC habitations to be covered (which could serve as an important performance measure); rather the annual plans indicated the number of works to be done, without specifically relating it to the improvement in the status of the habitations to PC or FC. As a result, a habitation-specific focus to the programme implementation was missing.

5.1.6.2 Future Plans

(i) Joint Action Plan 2006

The State Government had prepared (November 2006) a Joint Action Plan to cover all the NC and PC habitations by 2009, jointly by the PHED and the Rural Development Department (RDD), mainly by sinking tube-wells. The year-wise targets of works are shown in **Appendix 5.3,** which shows that PHE was responsible for 17.44 *per cent* of the targeted works. However, plans were afoot to make the PHE responsible for all the water supply schemes in the State, by transferring the relevant works from the RDD.

(ii) Achievement of the Joint Action Plan was doubtful

Appendix 5.3 shows that out of 307 new tube-wells allocated for it in 2006-07, the PHE took up 125 Deep Tube Wells (DTWs) and completed only 53

(17 *per cent*) upto 31 March 2007. This pace of progress cast doubts on the ability of PHE to achieve the planned coverage by 2009. The reasons for the shortfall were not reviewed for corrective action. The Department had not made a rigorous assessment of its implementation capacity *vis-a-vis* the quantum of work planned, showing the gap in the implementation capacity- a key input for future planning. The Department had also not developed a comprehensive strategy and plan, with the targets broken down into identifiable items of work (tube-wells, water treatment plants, IRPs, laboratories etc., and their locations), the financial and human resources required and their sourcing.

5.1.6.3 Slow progress of work and shortfall in achievement of targets

The progress of work in the past five years has been too slow to match the targets. Table 5.1.6 shows that only 38 to 66 *per cent* of the works were executed.

Table 5.1.6

Type of works	No. of works in 2002-03		No. of works in 2003-04		No. of works in 2004-05		No. of works in 2005-06		No. of works in 2006-07	
	T	A	T	A	T	A	T	A	T	A
Drilling of DTWs	75	67 (89%)	93	88 (95%)	151	60 (40 %)	125	66 (53%)	125	53 (42%)
DTWs commissioned	60	35 (58%)	65	41 (63%)	52	35 (67 %)	90	66 (73%)	81	58 (72%)
Construction of IRPs	30	7 (23%)	64	10 (16%)	66	8 (12%)	68	41 (60%)	169	55 (33%)
Total	**165**	**109 (66%)**	**222**	**139 (63%)**	**269**	**103 (38%)**	**283**	**173 (61%)**	**375**	**166 (44%)**

T= Target; A= Achievement;
Source: Annual Plans and reports of the department.

In 11 Surface Water Treatment Plants (STPs), taken up over the last three years, the delays in implementation ranged from 15 to 42 months (**Appendix 5.3**).

5.1.6.4 Issues in programme implementation

The programme implementation was adversely affected by several deficiencies including lack of sound planning, ad hoc implementation, delays in implementation, non enforcement of implementation schedules and deficient monitoring. These are discussed below.

(i) Lack of sound planning

- While annual action plans were prepared, they were not realistic as is evident from the persistent shortfall in achievements in the past. The plans also did not indicate any long term or short terms strategies. The detailed action plans were not prepared breaking down the targets into actionable areas, identifying the administrative, technical and financial resources, and prescribing implementation schedules. Fact is that a good plan is one which is successfully implemented. Infact in most works there were time and cost overruns.
- The preparation of project estimates needed to be standardised, with the help of computers and computer aided techniques. The Schedule of

Rates (SOR) for water supply works had not been revised since 1998 and those for civil works since 2002, which rendered the project and budget estimates unrealistic.

- The sustainability of the water supply schemes needed to be addressed, considering that the mainstay of the present and future strategy is based on tapping the ground water resources. A comprehensive strategy was required based on a thorough assessment of the ground water potential that can sustain the tube-wells drilled and the feasibility of using surface water bodies as an alternative source of supply that can also be used for harvesting rain water and recharging the ground water.

(ii) Administrative delays in award and execution of works

The Department did not adhere to codal provisions pertaining to time frame for execution of sanctioned works, which diluted the control and accountability mechanism and overall contributed to project delays. The following instances of delays in award/execution of work came to notice during test check:

- In Division-III, Udaipur, the contracts for 94 works executed during 2004-07, were awarded after one to 42 months from the date of administrative approval and expenditure sanction. In 18 cases, the delay was more than one year.
- In Division-VI, Bishalgarh, the works of 26 IRP were awarded during 2004-07 after one to 15 months from the date of administrative approval. In one case, the delay in award of work was more than a year.
- In Division-V, Ambassa, the time taken for award of 10 works varied from 4 to 21 months. In 4 cases, the delay was more than one year.
- In Division-II the construction of an IRP was delayed by eight months due to non-finalisation (without any recorded reason) of the tender in the first call; the work was awarded after the 2nd call to the same bidder who was L1 in the first bid.
- In Division-V, Ambassa, construction of overhead reservoir was delayed by over 20 months due to the failure of the Division to hand over to the contractor the site and the drawing. The Division had to pay cost escalation of Rs.81,248. The project, scheduled for completion in June 2003, was completed in March 2005.

The delays in finalisation of contracts and execution of works resulted in time and cost overruns and the purpose for which they were undertaken was defeated. Such delays in turn adversely affected proper budget preparation and efficient expenditure control.

(iii) Non enforcement of implementation schedules

There was no system of prescribing critical milestones of the projects and monitoring their achievements through a centralised monitoring system, which led to lack of accountability and urgency in the achievement of the targets. In short, the monitoring and supervision system was very weak and there was no accountability for delays or time and cost overruns.

(iv) Inadequate investigation

Inadequate investigation in assessing the availability of ground water by using the geo-hydrological maps, resistivity tests etc, and lack of adequate facilities for testing the safe bearing capacity (SBC) of the soil (required for water bodies like surface treatment plants and overhead tanks) resulted in many unsuccessful drillings and wasteful expenditure. Of the 334 wells drilled during the period 2002-2007, 54 (16 *per cent*) were unsuccessful. Some cases noticed in the test check were as follows:

- The drilling of 17 DTWs[11] under the Rig Division had to be abandoned due to non- availability of water bearing strata. This led to wasteful expenditure of Rs.13.99 lakh.
- The drilling of 4 DTWs[12] under Division-II, Kumarghat, had to be abandoned due to non- availability of water bearing strata which led to wasteful expenditure of Rs.4.66 lakh.
- In Division-III, the work 'Mini Surface Water Treatment Plant at Maharani' in South Tripura was awarded (November 2003) without prior investigation of the soil conditions. The soil test conducted afterwards indicated hard soil forcing an increase in the drilling depth from 10 to 20 metres. This had resulted in extra payment of Rs. 10.37 lakh and time overrun of 2 years 10 months as of August 2007.

The following was noticed:

- The Department did not have an investigation wing nor did it collaborate adequately with expert organisations like the Central Ground Water Board (CGWB) to develop comprehensive hydro-geological maps of the State.
- The Department did not have a geologist to help in deciding the locations for the DTWs and other water bearing bodies.
- The State did not have sufficient number of reliable agencies for SBC testing of the soil, which limited the Department's options.

Considering the large scale drillings required in the future, the Department should proactively take the help of the CGWB in preparing an updated ground water map of the State, incorporating the data of the DTWs drilled so far and in finalising the locations of the DTWs to reduce the number of and wastage on unsuccessful wells. Further, pooling the requirements of the PHE, Water Resources and Roads & Bridges wings (all under the same Secretary) for SBC testing, for engaging competent outside agencies through open tenders, may lead to benefit of the economy of scale, competitive bidding and better testing facilities. Most of the issues brought out are pre requisites which should have

[11] East Karamcherra, Shib Bari, Shib Bari-II, Mayachari, Manikpur, Kalamcherra-I, Kalamcherra-II, Raipasa, Raishyabari Growth Centre, Heyamara Growth Centre, Ramkini Sardar Para, Chamalia, Mohanpur, Ambassa TRTC, Dashamighat, South Anandanagar, Maheshpur.

[12] TSR camp at Kanchanpur, Sreepur, Kurti and Laxmipur

been taken into account before execution of work to ensure that works are completed efficiently and economically.

(v) Works scheduled in the action plan not taken up

Audit also came across several instances where the works planned were not taken up and unplanned works were taken up. For example:

- Out of 91 left out works (DTWs) in 2004-05 (Table 5.1.6), 8 works[13] were not included in the target for 2005-06. Similarly, 14 works[14] planned but not taken up in 2005-06 were not included in the target for 2006-07.
- Of the 66 DTWs executed in 2005-06 (Table 5.1.6), 10[15] were not in the annual plan for that year.

Non-inclusion of left out works in the plan of the next year and execution of works not included in the annual plan illustrated unsound planning. The Department admitted (October 2007) that the annual plans were only tentative in nature.

(vi) Implementation not strictly in accordance with Administrative Approval (AA) and Expenditure Sanction (ES)

- Of the 10 DTWs taken up in 2005-06, 3[16] were taken up without the AA & ES. An Iron Removal Plant (IRP) was taken up (April 2006) and completed at a cost of Rs.11.02 lakh at Amarendra Nagar (Division-VI), without the AA & ES.
- In Division-VI, Bishalgarh, 30 works, for which the AA & ES were accorded during 2002-03 to 2006-07, had not been taken up.

The above indicate that works were undertaken without provision of funds by diversion of funds and financial discipline was poor in the Department.

5.1.6.5 Departmental Contracts did not ensure employment of qualified staff by the contractor

The CPWD Manual[17] requires a contractor to employ diploma holder with experience not less than five years where the tendered cost of the work is more than Rs. 50,000. Failure to do so makes him liable for payment of fine (Rs. 1,500 per month).

Scrutiny of records of 6 divisions (PHE-I, II, IV, V, VI and Rig Division) revealed that no such clause was included in the works agreements. While this

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[13] Krishnanagar, Bagamara, Mungiabari, Krishnapur, Bagabassa II, Laxmipur, Panchamnagar, Anandanagar.

[14] Bartilla, Tainani-II, Masurai, Ramratanpara, South Padmabil, Purba Radhapur, Balicherra, Namasudrapara, Lyezkhowra, Noorpur, East Masuli, Anandabazar, Kangari, Bahadurpara.

[15] Bishnupur, ;Ramgua, South Radhanagar, Sadhupara, Kamalacherra-II, Pancharatan, Raishyabari-II growth centre, Krishnapur, Panchamnagar, West Mausali.

[16] (1) Ramgua under Satchand Block; (2) Sadhupara under Ompi Block; and (3) Kamalacherra under Ambassa Block.

[17] Clause 36 of the agreement, prescribed in CPWD Manual Volume II.

led to loss of compensation of Rs. 29.96 lakh[18] from the defaulting contractors, non-employment of qualified staff raises questions about the quality of work done. The Department admitted the fact and assured (October 2007) that the relevant condition will be enforced in future.

5.1.6.6 Closed/Utilised Measurement Books (MBs) not returned to the Divisional Offices

The CPWA Code provides for prompt return of the MBs issued to sub-divisions, after closure of the works. Test check in four sub-divisions revealed that, out of 102 MBs used between January 1987 and January 2007, only 13 were returned (by only one sub-division [19]) to the concerned divisional office after a delay of 3 to 23 months while 89[20] were not returned even after 4 months to 17 years (March 2007) of the closure of work. There was no monitoring mechanism in the divisions to ensure that the closed / unused MBs were promptly withdrawn. This is fraught with the risk of misuse of the MBs.

5.1.6.7 Execution of works without call of tender

The Public Works Department fixed (July 1993) the limit of Rs. 30 lakh per annum per division for awarding work without call of tenders. It was noticed that five divisions (I, II, III, IV & VI) continued to award works beyond the said ceiling. The excess over the prescribed limit varied from Rs.0.89 lakh to Rs.39.79 lakh during the last 5 years (**Appendix 5.4**). Approvals from the competent authorities had not been taken in this regard, as of the date of audit. There was no mechanism in the controlling offices (the CE/ SE) to monitor the award of works without tenders.

5.1.6.8 Constraints on implementation capacity

The major constraints of the Department in fulfilling its mandate are identified as under:

- Absence of a master plan with identifiable targets, assessment of the resources and the implementation capacity, and clearly identifiable implementation schedules
- Inadequate geo-hydrological data and testing facilities like Safe Bearing Capacity of the soil and resistivity testing
- Inaccessible habitations causing difficulty in movements of rigs
- Lack of adequate drilling rigs- the Department had only 8 rigs (5 to 28 years old) which were insufficient are to cater to future requirement.

5.1.7 Water Quality

The Department's preparedness to tackle the issues of quality control was seriously impaired by the lack of infrastructure, adequate planning, sub-

[18] PHE-I: Rs. 3.92 lakh (29 works), PHE-II: Rs. 7.80 lakh (80 works), PHE-IV: Rs. 9.82 lakh (45 works), PHE-V: Rs. 5.55 lakh (36 works), PHE-VI: Rs.1.17 lakh (26 works) & Rig Division: Rs. 1.70 lakh (17 works)

[19] PHE Sub-division III, Agartala

[20] Rig Sub-division-I : 35, PHE Sub-division, Jirania : 20 & PHE Sub-division, Kamalpur : 34

optimal utilisation of the existing facilities and deficient monitoring, as discussed in the following paragraphs.

5.1.7.1 Inadequate infrastructure for water testing

As of March 2007, 7541 (92.73 *per cent*) of the 8132 habitations were without assured quality of water (paragraph 5.1.6.1 and Table 5.1.5). The Department had nine Surface Water Treatment Plants (STPs) in urban areas and 3 STPs in rural areas (March 2007). There were only 6 running laboratories (including three District Level Laboratories) in the State. A project had been approved (May 2005) for strengthening the existing laboratories as well as creating 17 new Sub-divisional laboratories / Water Quality Testing Centres to be completed within six months i.e. within November 2005 at a cost of Rs. 1.88 crore, but the new laboratories had not become functional (September 2007).

The Department had not prepared a master plan clearly indicating the required number of laboratories and other testing infrastructure, their locations, equipment and testing material, technical manpower, the funding requirement and the funding sources. As a result, its efforts at providing quality drinking water to the State's population were haphazard and lacked direction.

5.1.7.2 No water testing facility in Dhalai District

Dhalai, one of the underdeveloped districts of the State, did not have any water testing facility. Despite receipt of equipment, chemicals and furniture valuing Rs. 5.32 lakh (August 2006 to December 2006) the district level and sub-divisional level water testing laboratories had not become functional (August 2007), as shown below:

Laboratory at Ambassa	Building incomplete
Laboratory at Kamalpur	Staff posted but building incomplete
Laboratory at Manu	Required staff yet to be posted
Laboratory at Gandacherra	Building construction is yet to be taken up

The lack of planning is evident from the fact that the staff was posted at Kamalpur where the building was incomplete but not at Manu where premises were available. Due to prolonged storage, the equipment and chemicals ran the risk of damage/expiry.

The Department stated (October 2007) that the building in Ambassa had since been completed and that the laboratories would soon be made functional.

5.1.7.3 Inadequate testing of water in other districts

In other districts where the testing facilities had been set up, regular collection of water and testing was not enforced. For example:

- In the District Laboratory at Milansangha, Agartala samples from different points of the distribution systems were not collected and tested during 2002-05.
- No water sample was collected/tested for Water Treatment Plants, Kamalpur and Kumarghat during 2005-07 and 2002-07 respectively.

- In case of Surface Water Treatment Plant, Jirania, only 17 samples were collected during 2003-07 against the minimum of 48 samples prescribed by the Manual of Water Supply and Treatment. Results of the tests and remedial action taken were not made available to Audit.

5.1.7.4 No facility for bacteriological analysis and arsenic testing

Facilities for bacteriological analysis and testing of arsenic, lead, mercury, nitrate, sulphate, fluoride etc were not available in any of the district laboratories. Testing for arsenic was of special concern, as its presence had been reported by the Pollution Control Board as well as the departmental tests conducted through AIIH&PH[21], Kolkata, which showed the presence of arsenic in 266 out of 3,682 samples analysed (in 8 samples the amount was beyond the permissible limit of 0.05 mg/litre). The Department stated (October 2007) that a spectrophotometer for arsenic testing had since been acquired and efforts would be made to prepare an arsenic map of the State. There was an urgent need to address the crucial public health issue in a time bound manner.

5.1.7.5 Inadequate quality assurance of Iron Removal Plants

- During 2002-07, the Department installed 121 IRPs but the material (gravel, filter sand and anthracite etc.) was not tested to ensure that it conformed to the specifications[22] (silica content, specific gravity etc) required for the IRPs as envisaged in the agreements.
- During 2005-07, Division-VI installed 26 IRPs (Rs.2.52 crore) but no records were maintained to show that the contractors had conducted the required two tests a week during the first year, as per the agreement. Test check of 11 IRPs revealed that on an average one test per month was done by the department but no test was done at Melaghar and Sovapur IRPs in 2006-07.

Thus, there was no assurance about the quality of IRPs and the water treated by them.

5.1.8 Operation and maintenance

5.1.8.1 Operation and maintenance schedules not maintained

The CPHEEO Manual prescribes that detailed operation and maintenance schedules for each component of the water supply system (DTWs, STPs etc.), should be established and enforced to preserve the capital investments made, optimize the related benefits and prevent emergencies. These include regular inspection at supervisory and management levels. However, such a system was not being followed in the Department. Maintenance schedules were not

[21] All India Institute of Hygiene and Physical Health

[22] The size of the coal: 3 mm to 6 mm, the silica content of filter sand: around 98 per cent and size 0.5 mm to 1 mm, the specific gravity of coal and silica sand 1.4 and 2.65 respectively, the size of the gravel from 3 mm to 25 mm, the filter vessel of IS 2825 and IS 4049 standard and material (mild steel) of IS 2062 grade 'A' are to be used while manufacturing the vessel.

prescribed and enforced through inspection by higher authorities or through a periodic reporting system.

5.1.8.2 Shutdowns due to inadequate maintenance

The CE's office did not maintain centralised records regarding the breakdowns and the response time to attend to the breakdowns but Audit noticed some cases where the breakdowns were not promptly attended to:

- the pump house at Pecharthal water treatment plant was not operational for 198 days intermittently during January 2005 to December 2006.
- the pump house at Regional Fish Breeding Farm was not operational for 33 days intermittently during January 2005 to October 2005.

Absence of adequate maintenance of machinery and equipment led to these breakdowns.

5.1.8.3 Handing over of operation and maintenance to Panchayats

As per Government decision (March 2000), the DTWs would be handed over to the panchayats, which would also be responsible for their operation and maintenance after the first year. As of March 2005, the Department had handed over only 287 (49.79 *per cent*) out of 577 DTWs to the panchayats but continued to meet the operation and maintenance cost of the handed over DTWs. This put an additional strain on the Department's financial capacity to take up new projects of water supply.

5.1.9 Stores Management

5.1.9.1 Purchases not well planned

During the last five years, the Department spent about 21 to 49 *per cent* of its budget (Table 5.1.4) on purchase of stores, routed through the Resource and the Rig Divisions. Rules require that working divisions should prepare a statement of annual requirement of stores by the 1st of April every year and send to the division responsible for centralised purchase. Audit scrutiny revealed that systematic year-wise and division-wise records of annual requirement were not maintained in the office of the CE or SE, Circle I, Agartala. As a result, it was difficult to ascertain whether the materials were purchased based on actual requirement. Test check revealed the following:

- Substantial stock of materials was lying idle surplus for more than 1–3 years (Rig Division: Rs. 14.29 lakh and Resource Division: Rs. 54.68 lakh), which indicates purchases without requirements.
- Division-V, Ambassa had (July 2007) in its stock 4,751 metres of DI pipes lying unutilised since March 2006 resulting in blocking of Rs.61.63 lakh.

5.1.9.2 Physical Verification of Stores not done as per norms

Scrutiny of test checked units revealed the following:

- Physical verification is not being conducted regularly[23] in both the Rig and Resource Divisions. While physical verification of stores was done in Resource Division twice (2003 and 2005), no verification was done in the Rig Division in the last five years ended March 2007.
- The verifications in Resource Division brought out shortage of materials worth Rs. 12.03 lakh and unserviceable/broken materials worth Rs.9.73 lakh; no steps were taken to investigate the matter, fix responsibility or dispose of the unserviceable stores (March 2007).
- In Division-III, Udaipur, physical verification of stores and site account was not conducted during 2005-07.
- None of the sub-divisions maintained Tools and Plants (T&P) register, in the absence of which, the position of T&P could not be examined.

Lack of physical verification rendered the stores vulnerable to malpractices.

5.1.9.3 Non –adjustment of inter-division transfers of stock

(i) Outstanding Cash Settlement Suspense Account (CSSA)

The CPWA Code requires outstanding transactions under CSSA to be settled by 31 March. However, at the end of March 2007, Rs. 10.28 crore was lying outstanding under this head against 8 PHE divisions (Rs. 8.97 crore) and Rig Division (Rs. 1.31 crore). This indicates weak financial control, as the balances in the CSSA represent material supplied but not paid for by the receiving (responding) divisions. The responding divisions (II, IV & V) did not maintain accounts of CSSA.

(ii) Cost of materials supplied to other divisions not realised/ claimed

Division-III, Udaipur, had not recovered the cost of material worth Rs.14 lakh issued to eight divisions more than 5 years back (exact dates not available from records). Similarly, it had not even raised claims (July 2007) for material worth Rs.22 lakh supplied to four divisions during June 2003 to March 2007.

5.1.10 Internal controls and vulnerability to fraud and corruption

The following major weaknesses existed in the internal control system of the Department giving scope to risk of malpractice, misappropriation, fraud, embezzlement etc.

- Non-reconciliation of withdrawals and remittances (paragraph 5.1.5.4 (i))
- Quarterly surprise check of cash balance not done (paragraph 5.1.5.5)
- Closed/ Utilised MBs not returned to the Divisions (paragraph 5.1.6.6)
- Execution of works without call of tender (paragraph 5.1.6.7)
- Absence of physical verification of stores (paragraph 5.1.9.2)

[23] At least once a year according to Rule 192 (1), (2) & (3) of GFR.

- **Irregularities in General Provident Fund (GPF) Accounts of Class IV staff:** Test check revealed that the advances and withdrawals had not been deducted from the GPF accounts in some cases and excess credits and interest allowed at the time of annual closing, as shown in **Appendix 5.5.** In all the cases the balances were not certified by the competent authority.

- **Internal Audit arrangement and vigilance mechanism:** The Department did not have internal audit wing and none of the test checked offices / divisions had been inspected by the State's Director of Internal Audit.

- **Non-maintenance of records:** Test check of records of 7 divisions[24] revealed that important records like register of works, works abstract; contractors' ledgers etc were not maintained (**Appendix-5.6**). As a result, the divisions were not in a position to know the actual expenditure on each work (sub-head wise), up-to-date payment to the contractors and project-wise revenue receipt of the division under the relevant head.

- **Lack of response to Audit:** None of the divisions test checked maintained the prescribed control register[25] to keep a watch on disposal of Inspection Reports (IR) issued by the Accountant General (Audit). As of March 2007, 102 paragraphs involving Rs. 4.40 crore relating to 19 IRs of PWD (PHE) containing major comments relating to amounts recoverable from and undue benefit to contractors, blocking of funds, avoidable/unfruitful/Infructuous expenditure were lying unsettled for want of replies (**Appendix-5.7).** The issues have still not been addressed by the Department. Non-response to audit observations and non-maintenance of prescribed control register may aggravate persistence of irregularities, invite serious financial irregularities and adversely affect the accountability mechanism.

5.1.11 Human Resource Management

5.1.11.1 Scientific assessment of manpower requirement not done

The Department had not carried out a scientific assessment of manpower requirements, category and position-wise, taking into account the present and future requirements and well defined work norms. The engineering and ministerial staff belongs to a common cadre with the Water Resources and Roads and Bridges wings; presently, 326 officers of Tripura Engineering Service and 219 ministerial staff were deployed in different divisions of the PHE (**Appendix 5.8**). The supporting technical staff and helpers are shared with Water Resources; against the sanctioned strength of 1806, there were 1353 persons in position, the vacancies being mainly in Group D.

[24] Division I,II, III, IV, V,VI and Rig

[25] Appendix 74 of CPWD Manual, Volume – II

5.1.11.2 Engagement of under-qualified staff

Test check in 3 divisions (II, III and VI) revealed that out of 127 pump operators 99 (78 *per cent*) did not have the required technical qualification (certificate course from ITI). No training was imparted to the under-qualified staff. None of the accounting staff was trained either departmentally or through any other agency. There was no training policy or programme based on assessment of training needs.

5.1.12 Monitoring

5.1.12.1 Absence of a centralised monitoring framework

There was no centralised database of the projects, with critical milestones, for monitoring. As a result, the monitoring at the CCO/CO level was ad hoc and unsystematic. There was no regular flow of progress reports from the divisions. There was no systematic record of the minutes of the review meetings taken by the Minister/Secretary/ CE, the decisions taken therein and the follow-up action required/ taken.

5.1.12.2 Delays in submission of monthly progress report (MPR)/ expenditure statement (ES)

The MPR/ES were not being submitted to the CE's office in time, which not only made the monitoring difficult but also delayed the submission of reports to other authorities. A few instances are given below:

- The monthly statement of Capital Expenditure was submitted to the Finance Department after delays of 18 to 217 days.
- The MPR (both physical and financial) on Rural Water Supply was submitted to the GOI after delays of 4 to 92 days.
- 18 MPRs on utilisation of funds under Tribal Sub-Plan (TSP) were sent to Government of Tripura after delays of 14 to 46 days.

5.1.12.3 Periodic inspection of divisions not conducted by SEs

As per CPWD Code, the SE is required to inspect the divisions at least once in a year. It was noticed that out of six divisions under the control of SE, Circle-I, only one division (Division I) was inspected in September 2005; the remaining five divisions were never inspected during the last five years (March 2007). Similarly, Division II and V were also not inspected regularly by the SE, Circle-II, Ambassa. This indicates inadequacy in the internal control and monitoring of the affairs of the Department.

5.1.13 Conclusion

The Department had not been able to provide adequate and safe drinking water facilities to a majority of the population of the State and the target of covering the entire state by 2009 appears doubtful in the light of the past performance and the level of preparedness of the Department. There were serious constraints in the capacity of the Department to implement the schemes. The internal control system was inadequate and ineffective; the project management was weak, leading to delays in execution of works and a large number of projects remained incomplete; planning lacked purpose and direction. Quality control of the drinking water was poor for want of adequate laboratory facilities and regular testing. There is an acute need to strengthen the internal controls and enforce strict adherence to project / work schedules and ensure accountability for project implementation.

5.1.14 Recommendations

- Budgetary and financial controls should be improved so that the system of checks and balances is maintained to complement improvement in the delivery of Government services and provision of infrastructure. Budgeting support system should be strengthened by recruiting staff at appropriate levels and of appropriate competence and instituting an online budget monitoring system.
- A comprehensive plan should be prepared breaking down the targets into actionable items, indicating the details like locations of the DTWs, STPs, laboratories etc, the requirement of manpower and financial resources, and implementation schedules.
- Effective controls should be instituted for proper monitoring of the quality of drinking water.
- Project monitoring at the levels of CE/SE/EE should be streamlined and implementation schedules should be strictly enforced along with fixing accountability. A computerised database of projects with critical milestones should be maintained in the CE's office, with the facility of online updating.
- All projects to be executed during the year should be publicised, which will ensure accountability and public scrutiny.
- There should be active collaboration with CGWB to tap their expertise in the area of ground water investigation.
- Training needs of the technical and support staff should be assessed and addressed.

The matter was reported to the Government in September 2007; reply had not been received (October 2007).

TRANSPORT DEPARTMENT

6.17 Non-realisation of revenue

Violation of financial rules and administrative inaction led to non-realisation of Rs. 10.28 lakh of composite fee.

Financial rules provide that moneys received on account of revenue of the Government shall without delay be remitted into the treasury/banks for credit into the Government account.

Test check of the records of the Deputy Transport Commissioner (DTC), Agartala (April 2006 and March 2007) revealed that 272 bank drafts amounting to Rs.10.28 lakh[7] received from other State transport authorities (STAs) between April 2002 and September 2006 had become time barred and were lying with the DTC as of March 2007. The dates of receipt of these drafts and the periods to which they related were not available on record. No action was taken by the DTC to get the barred drafts revalidated (March 2007). Besides blocking of revenue of Rs.10.28 lakh, this reflected the casual approach of the department towards realisation of revenue.

After the cases were pointed out, the DTC stated (March 2007) that the bank drafts could not be remitted within the validity period as most of them were received at the fag end of the validity period and in some cases after the expiry of the validity period. The reply is not tenable as the DTC had failed to maintain a record of the drafts including their dates of receipt and had not taken any action either to deposit the drafts promptly into Government account or to get the time barred drafts revalidated promptly.

The matter was reported to the Government in April 2007; their reply had not been received (September 2007).

6.18 Short realisation of revenue

Lack of control for collection of composite fee from the national permit holders resulted in short realisation of atleast Rs. 7.76 lakh.

Under the National Permit (NP) scheme, the owners of public carriers registered in other States are authorised to ply in the State of Tripura by remitting a composite fee (CF) of Rs. 3,000 per annum upto 31 December 2003 and Rs. 5,000 per annum thereafter.

Test check (October 2006 and March 2007) of the records of the DTC, Agartala revealed that CF in respect of 394 vehicles for the years 2003-04

[7] 174 drafts valued at Rs.7.56 lakh dated between January 2006 and September 2006; 66 revalidated drafts for Rs 1.42 lakh issued between January 1999 and May 2002 and got revalidated during July and August 2006 and 32 drafts for Rs.1.30 lakh issued between April 2002 and August 2004 which could not be revalidated till date of audit.

(from 1 January 2004) to 2006-07 was remitted by six States[8] at rates ranging from Rs. 1,500 to Rs. 3,000 instead of Rs. 5,000 per annum. This resulted in short realisation of revenue of Rs. 7.76 lakh.

There was no system in place to monitor the number of vehicles of other States that were issued national permits to ply in Tripura and timely collection of the composite fee at the applicable rates. The DTC also did not maintain any database for recording vehicle-wise demand, collection and accounting of CF, nor did he take up the matter with the concerned States for recovery of the shortfall till March 2007. There was also no system in place to consolidate the information about vehicles entering the State and compare it with the remittances received to curb unauthorised entry of goods vehicle into the State without the payment of CF. This resulted in short realisation of revenue of atleast Rs. 7.76 lakh (excluding the vehicles for which no records were available) and the resultant loss of interest of Rs. 57,000[9].

After the cases were pointed out, the DTC stated (March 2007) that efforts would be made to realise the balance amount from the concerned STAs. Further report on recovery has not been received (August 2007).

[8] Meghalaya: 365, Andhra Pradesh: 18, Tamil Nadu: 5, Harayana: 3, Delhi: 2, and Arunachal Pradesh: 1.

[9] Calculated @4 *per cent* from the date of the bank drafts upto 31 March 2007.

CHAPTER VII
GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES

CHAPTER VII: GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES

7.1 Overview of Government companies and Statutory corporation

7.1.1 Introduction

As on 31 March 2007, there were ten Government companies (nine working and one non-working) and one Statutory corporation (**Appendix 7.1**) as against the same number of companies and corporations as on 31 March 2006. The accounts of the Government companies (as defined in Section 617 of the Companies Act, 1956) are audited by the Statutory Auditors appointed by the Comptroller and Auditor General of India (CAG) as per provisions of Section 619(2) of the Companies Act, 1956. These accounts are also subject to supplementary audit by the CAG as per provisions of Section 619 (4) of the Companies Act, 1956. The audit of the accounts of Tripura Road Transport Corporation (TRTC), the only Statutory Corporation, is conducted by the CAG, as sole Auditor, under Section 33 (2) of the Road Transport Corporations Act, 1950.

Working Public Sector Undertakings (PSUs)

7.1.2 Investment in the PSUs

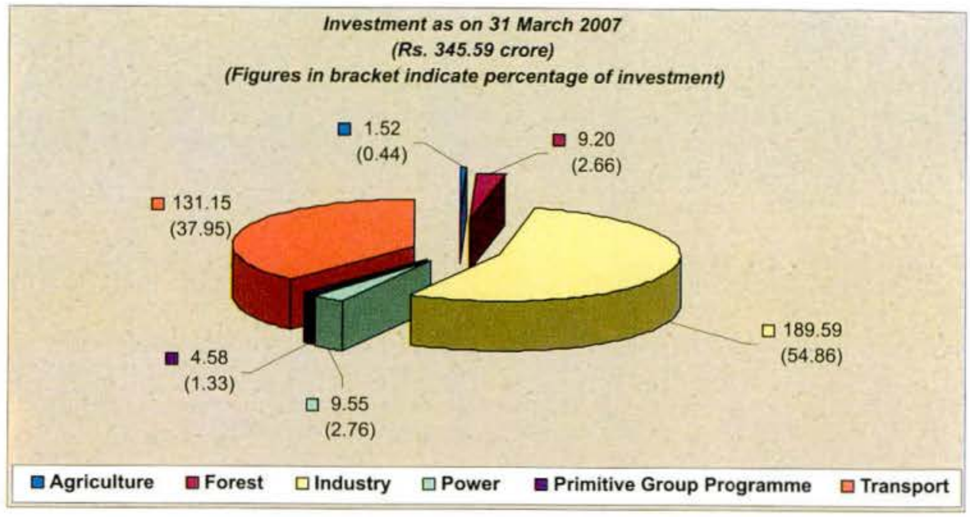
As on 31 March 2007, the total investment in ten working PSUs was Rs. 345.59 crore[1] (equity: Rs. 337.71 crore; long term loans: Rs. 7.88 crore[2]), as against Rs. 309.56 crore (equity: Rs. 301.48 crore; long term loans: Rs. 8.08 crore) as on 31 March 2006 (**Appendix 7.1**). The increase was due to increase in investment in PSUs in the industry and transport sector.

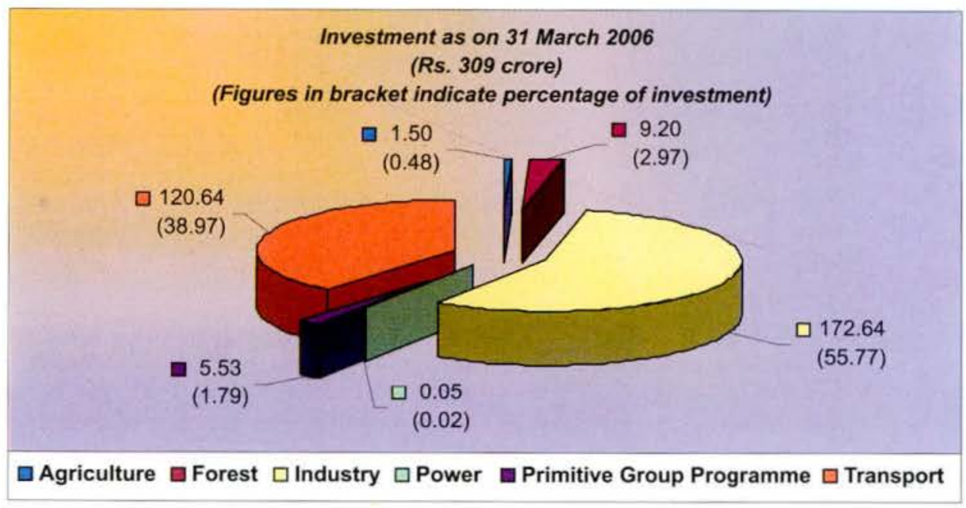
7.1.3 Sector-wise investment

The investments (equity and long term loans) in various sectors and percentage thereof at the end of 31 March 2007 and 31 March 2006 is indicated in the following pie charts:

[1] State Government's investment was Rs. 335.25 crore (Others: Rs. 10.34 crore). The figure as per Finance Accounts is Rs. 367.23. The difference is under reconciliation.

[2] Long term loans mentioned in paragraphs 7.1.2, 7.1.3, 7.1.4 and 7.1.5 are excluding interest accrued and due on such loans.





7.1.4 Working Government companies

The total investment in the working Government companies at the end of March 2006 and March 2007 (**Appendix 7.1**) is summarised below:

Table No. 7.1.1

Year	Number of working Government companies	Equity	Long term loans	Total
(Rupees in crore)				
2005-06	9[3]	181.09	7.83	188.92
2006-07	9[3]	206.81	7.63	214.44

The increase in the investment was mainly due to investment made by the Government in the equity capital of Tripura Jute Mills Limited (Rs. 9.49 crore) and Tripura State Electricity Corporation Limited (Rs. 9.50 crore) during the year.

[3] Out of nine working Government companies, one company (Tripura Jute Mills Limited, Sl. No. A-6 of Appendix-7.1) has been referred to Bureau of Industrial and Financial Reconstruction (BIFR).

7.1.5 Working Statutory corporation

The total investment in the equity and loans of Tripura Road Transport Corporation (TRTC) at the end of March 2007 was Rs. 130.90 crore equity and Rs. 0.25 crore loan as against Rs.120.40 crore and Rs.0.25 crore as equity and loan respectively as on 31 March 2006. As of 31 March 2007, the total investment in working Statutory corporation comprised 99.81 *per cent* equity capital and 0.19 *per cent* of loans as compared to 99.79 *per cent* and 0.21 *per cent* respectively as on 31 March 2006.

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

The details of budgetary support in the form of equity contribution and loans, grants/subsidies, waiver of dues, conversion of loans into equity and guarantees issued by the State Government to working PSUs are given in **Appendix 7.1 & 7.3** and summarised below:

Table No. 7.1.2

(Rupees in crore)

	2004-05				2005-06				2006-07			
	Companies		Corporation		Companies		Corporation		Companies		Corporation	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Equity Capital	7	14.19	1	8.80	6	14.11	1	9.30	7	25.72	1	10.50
Loans	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	11.04	Nil	Nil
Subsidy	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	45.00	Nil	Nil
Total outgo	**7**	**14.19**	**1**	**8.80**	**6**	**14.11**	**1**	**9.30**	**-**	**81.76**	**-**	**10.50**

The Tripura State Electricity Corporation Limited received revenue grant / subsidy of Rs. 45 crore during 2006-07.

7.1.7 Finalisation of accounts by working PSUs

The accounts of the Government companies for every financial year are required to be finalised within six months from the end of the relevant financial year, under Sections 166, 210, 230, 619 and 619-B of the Companies Act, 1956 read with Section 19 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The accounts alongwith Auditor's Report are to be laid before the State Legislature within nine months from the end of the financial year. As of September 2007, none of the 10 working PSUs had finalised its accounts for the year 2006-07 (**Appendix 7.2**). During the period October 2006 to 30 September 2007, five companies finalised six accounts. TRTC finalised its accounts for 2002-03 during the above period, the audit of which was under progress (September 2007). The arrears in accounts (ranging from 1 to 13 years as on 30 September 2007) are indicated below:

Table No. 7.1.3

Number of working PSUs	Period for which accounts were in arrears	Number of years for which accounts were in arrears	Reference to Sl. No. of Appendix 7.2
1	1994-95 to 2006-07	13	5 of A
1	1996-97 to 2006-07	11	3 of A
1	1998-99 to 2006-07	9	2 of A
1	1999-2000 to 2006-07	8	6 of A
2	2000-01 to 2006-07	7	1 and 7 of A

Number of working PSUs	Period for which accounts were in arrears	Number of years for which accounts were in arrears	Reference to Sl. No. of Appendix 7.2
1	2001-02 to 2006-07	6	4 of A
1	2002-03 to 2006-07	5	1 of B
1	2005-06 to 2006-07	2	8 of A
1	2006-07	1	9 of A

It is the responsibility of the administrative departments to oversee and ensure that the accounts are finalised and adopted by the PSUs within the prescribed period. The concerned administrative departments and officials were apprised quarterly by audit but without any significant results. The arrears in the accounts seriously jeopardised the accountability process.

7.1.8 Financial position and working results of the working PSUs

The summarised financial results of the working PSUs as per their latest finalised accounts are given in **Appendix 7.2.** Besides, the financial position and working results of the Statutory corporation (TRTC) are indicated in **Appendices 7.4** and **7.5** respectively. According to the latest finalised accounts of nine working companies and one Statutory corporation, six companies and one working Statutory corporation had incurred an aggregate loss of Rs. 7.28 crore and Rs. 13.05 crore respectively. Two companies *viz.*, Tripura Forest Development and Plantation Corporation Limited, and Tripura Rehabilitation Plantation Corporation Limited had earned profit of Rs. 4 crore. Accounts of the Tripura State Electricity Corporation Limited for the years 2005-06 and 2006-07 were in arrears (September 2007).

7.1.9 Profit earning companies and dividend

Out of the nine working companies which had finalised their accounts during the period October 2006 to September 2007, two companies[4] had earned a profit of Rs. 4 crore. None of the companies had declared dividend during 2006-07.

7.1.10 Loss incurring companies

Of the six loss making companies, three[5] had accumulated losses of Rs. 76.56 crore which exceeded their aggregate paid-up capital by Rs. 17.02 crore. Despite poor performance and erosion of their paid-up capital, the State Government continued to provide financial support in the form of equity, *etc.* The total equity contribution released to these PSUs during 2006-07 amounted to Rs.25.72 crore.

7.1.11 Loss incurring Statutory corporation

The only Statutory Corporation (TRTC) had accumulated loss of Rs. 116.79 crore as on 31 March 2002 (year up to which the accounts were finalised) which exceeded its aggregate paid-up capital of Rs. 83.68 crore by Rs. 33.11 crore. The State Government continued to provide financial support, which was Rs. 10.50 crore in 2006-07, in the form of contribution towards equity.

[4] Tripura Forest Development and Plantation Corporation Limited and Tripura Rehabilitation Plantation Corporation Limited.

[5] Tripura Small Industries Corporation Limited, Tripura Handloom and Handicrafts Development Corporation Limited and Tripura Jute Mills Limited.

7.1.12 Operational performance of the TRTC

The following are the highlights of the operational performance of the TRTC (**Appendix 7.6**).

- The percentage of utilisation of buses decreased from 50 in 2005-06 to 37.36 in 2006-07, while the percentage of utilisation of trucks increased to 70 *per cent* in 2006-07 as compared to 50 *per cent* in 2005-06.
- Operating revenue per kilometer (Rs. 10.31) from the buses was very low in comparison to average expenditure per kilometer (Rs. 92.95) resulting in loss of Rs. 82.64 per kilometer in 2006-07.
- The corporation incurred loss of Rs. 22.53 per kilometer in operating the trucks during 2006-07 as compared to Rs.74.65 per kilometer during 2005-06.The reason for significant fall in loss per kilometer during 2006-07 was reduction of number of employees engaged in the operation of trucks by 50 *per cent*.

7.1.13 Return on capital employed (ROCE)

The details of capital employed and total return on capital employed in case of working Government companies and the Statutory Corporation are given in **Appendix-7.2**. According to the latest finalised accounts (up to September 2007), the capital employed worked out to Rs. 48.66 crore in eight working companies and total return thereon amounted to (-) Rs. 2.61 crore as compared to total return of (-) Rs. 5.40 crore in the previous year, similarly the capital employed and total return thereon in case of the working Statutory corporation according to the latest finalised accounts (for the year 2001-02) worked out to (-) Rs. 25.86 crore and (-) Rs.8.08 crore respectively against the total return of (-) Rs.5.09 crore in the previous year.

In respect of the only two profit making PSUs *viz.* Tripura Forest Development and Plantation Corporation Limited (TFDPCL) and Tripura Rehabilitation Plantation Corporation Limited (TRPCL), the return on capital employed was 6.48 *per cent* and 28.88 *per cent* in the years 1997-98 and 2005-06 respectively, the years for which the accounts were finalised.

7.1.14 Power Sector Reforms

The Tripura State Electricity Corporation Limited (TSECL) was set up in June 2004 under the Companies Act, 1956 and the generation and distribution of electricity were transferred from the Power Department to the TSECL, which started functioning with effect from 1 January 2005. To reduce transmission and distribution losses, the following steps were to be taken as per the MOU signed in August 2003 between the State Government and the Union Ministry of Power:

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

Status of progress achieved by TSECL against the above targets is as under:-

- The metering of 11 KV feeders and HT consumers, to be installed by December 2003, was achieved after a delay of more than 3 years in case of West Tripura and Agartala Projects while it had not been completed in Dhalai, North and South Tripura.
- The progress in metering of distribution transformers was insignificant. The number of DT meters procured as of March 2007 (422) were inadequate to meet the projected requirement of 6498 DT meters.
- Against the target of 100 *per cent* metering of 3.53 lakh consumers, 3.20 lakh (91 *per cent)* were metered as of March 2007. The findings of audit regarding generation and distribution of power are discussed in paragraph 7.2 and 7.3 of this report.
- As of March 2007, an amount of Rs.10.24 crore being revenue realisation against supply of power, was outstanding. Of this amount, Rs. 7.63 crore was outstanding against the Government departments/PSUs.

7.1.15 Investment in non-working PSUs

There was only one company (Tripura State Bank Ltd) which had been non-functional for about 36 years and was under liquidation under Section 560 of the Companies Act, 1956. As on 31 March 2007, the total investment in this company in the form of equity was Rs. 4 lakh only.

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

The Separate Audit Report (SAR) issued by the Comptroller and Auditor General of India on the accounts of TRTC for 2001-02 was placed in the Legislature on 19 December 2006. The accounts for the year 2002-03 are under audit.

7.1.17 Disinvestment, privatisation and restructuring of PSUs

There was no case of disinvestment, privatisation, merger or closure of any State PSUs during 2006-07.

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

During October 2006 to September 2007, three accounts of Government companies *viz.* Tripura Jute Mills Limited, Tripura Rehabilitation and Plantation Corporation Limited, and Tripura Industrial Development Corporation Limited were selected for supplementary audit. The net impact of the audit observations was increase in loss by Rs. 4.10 crore of these PSUs.

Some of the major errors and omissions noticed during the audit of the annual accounts of the above companies are mentioned below:

(a) Tripura Jute Mills Limited (1999-2000)

- Non-adjustment of Rs. 97.16 lakh advanced to the staff for disbursement of salaries, wages, advances and leave encashment had resulted in overstatement of suspense account as well as other liabilities by Rs.97.16 lakh.

- Non provision of retirement benefits on accrual basis as per AS-15 resulted in understatement of current liabilities (Provisions for retirement benefits) as well as loss by Rs. 217 lakh for the year.

- Short provision of Rs. 22.13 lakh payable to EPF authorities resulted in understatement of liability for expenses and loss for the year by Rs. 22.13 lakh.

- Non-provision of statutory liabilities towards penalty for default in issue of share certificates within the time prescribed under the Companies Act, 1956 resulted in understatement of liabilities for expenses by Rs.141.50 lakh and loss for the year by a similar amount.

- Non-provision of the statutory liabilities towards filing fees (as per schedule-X of the Companies Act, 1956) to increase the authorised share capital resulted in understatement of liabilities for expenses and loss for the year by Rs.13.70 lakh.

(b) Tripura Rehabilitation Plantation Corporation Limited (2004-05)

- Non-inclusion in the gratuity fund, interest income of Rs. 5.10 lakh on investments made out of gratuity fund, resulted in overstatement of other income and understatement of Gratuity Fund. Consequently, the profit for the year was overstated by the same amount.

- Non-provision of accrued liability (amount not ascertainable) towards retirement benefits in contravention of provisions of AS-15 resulted in understatement of provisions and gratuity fund.

- Investment amounting to Rs. 1.11 crore made in UTI Schemes were shown as bank balance which resulted in overstatement of bank balance and understatement of investment by Rs. 1.11 crore.

(c) Tripura Industrial Development Corporation Limited (2000-01)

- Rupees 1.60 crore of debts and losses written off during the year 2000-01 were not shown in the accounts for 2000-01. The loans and advances were thus overstated and loss for the year understated by Rs. 1.60 crore.

- Non-provision for Rs. 0.23 crore advanced to Government Departments and private contractors before 1992-93 and remaining unadjusted, resulted in understatement of provisions and loss and overstatement of capital advances to the extent of Rs. 0.23 crore.

- The interest accrued on loans and advances was disclosed as Rs. 5.14 crore instead of Rs. 23.18 crore resulting in non disclosure of Rs. 18.04 crore of accrued interest.

7.1.19 Internal Audit

No internal audit was being conducted in any of the PSUs as of July 2007. None of the companies had introduced regular internal audit control systems.

7.1.20 Recommendations for the PSUs

In view of the poor operating and financial performance of most of the PSUs, the following recommendations are made:

- Government should institute a system of corporate governance in the PSUs with clear lines of responsibility and accountability.
- PSUs should be asked to prepare their pending accounts in a time bound programme so that their correct financial position is established and accountability determined.
- Further financial assistance from the Government should be linked to clearly established performance milestones, in accordance with a clearly established corporate plan, so that the PSUs stop being a drain on scarce public resources.

7.1.21 Response to Inspection Reports, paragraphs and reviews

Audit observations raised during audit and not settled on the spot are communicated to the heads of PSUs and the departments concerned of the State Government through Inspection Reports. The Government had prescribed that the first reply to the Inspection Reports should be furnished by the heads of PSUs through respective heads of departments within one month from the date of their receipt. Review of Inspection Reports issued up to March 2007 to eight PSUs disclosed that replies to 188 paragraphs of 46 Inspection Reports remained outstanding at the end of September 2007. Of these, Inspection Reports containing 140 paragraphs had not been replied to for more than a year. The department-wise break-up of Inspection Reports and paragraphs issued up to 31 March 2007 and outstanding as on 30 September 2007 is given in **Appendix 7.7**.

Similarly, draft paragraphs and reviews are forwarded to the Secretary of the concerned administrative department seeking confirmation of facts and figures and comments within six weeks. Out of four draft paragraphs and two draft reviews forwarded to the Government in August 2007, replies in respect of two draft paragraphs from the Power Department and one draft paragraph from the Industries and Commerce Department had not been received (September 2007).

It is recommended that the Government should ensure that (a) procedure exists for action against the officials who fail to send replies to Inspection Reports/draft paragraphs/reviews as per the prescribed time schedule, (b) action to recover loss/outstanding advances/ overpayment is taken in a time bound manner, and (c) the system of responding to audit observations is streamlined to ensure accountability and prompt response.

7.1.22 Position of ATNs in respect of recommendations of the COPU / PAC on paragraphs / reviews contained in the CAG's Audit Report – Commercial Chapter

Out of 21 reviews and 82 paragraphs that appeared in the Commercial Chapter (titled 'Government Commercial and Trading Activities') of the Audit Reports for 1988-89 to 2005-06, 15 reviews and 30 paragraphs had been discussed by COPU and three reviews and eight paragraphs by the PAC (September 2007).

Of the 15 reviews and 30 paragraphs discussed by the COPU, reports containing the recommendations in respect of six reviews and 14 paragraphs relating to seven Audit Reports had been published. Action taken notes on these recommendations had been received and discussed by the COPU.

Against three reviews and eight paragraphs (relating to the Power Department) discussed by the PAC, action taken notes on the recommendations of the PAC in respect of three reviews and five paragraphs had been received and discussed by the PAC (September 2007).

7.1.23 Section 619-B Companies

Only one company *viz.* the Tripura Natural Gas Company Limited (TNGC) comes within the purview of Section 619-B of the Companies Act, 1956. The TNGC had paid-up capital of Rs. 53.65 lakh[6]. Its accounts upto 2001-02 had been finalised, according to which the TNGC earned a profit of Rs.12.19 lakh during the year.

[6] Contributed by two Government companies *viz.* Tripura Industrial Development Corporation Limited and Assam Gas Company Limited.

SECTION – A

POWER DEPARTMENT

Tripura State Electricity Corporation Limited

7.2 Performance Review of power projects in Tripura

Highlights

The available capacity (105 MW) of power generation was inadequate to meet the peak demand for power which was expected to grow to 396 MW by 2011-12.

(Paragraphs 7.2.7.1 and 7.2.7.4)

There were major generation constraints due to inadequate availability of gas and water required for thermal and hydropower generations respectively, small sizes of the plants, and major shutdowns.

(Paragraph 7.2.7.2)

Despite the huge gap in supply and peak demand, the annual target fixed for generation correspond to a Plant Load Factor of 56 to 64 *per cent* against the national average of about 74 *per cent*.

(Paragraph 7.2.8.1)

The Plant Load Factor at Rokhia was much below the national average and the plant capacity utilisation was sub-optimal.

(Paragraphs 7.2.8.2 and 7.2.8.4)

More reduction in the cost of generation was possible by increasing the generation.

(Paragraph 7.2.9)

There were inefficiencies in the process of fuel management, with lack of adequate supply in Rokhia, excess supply in Baramura and wastage of precious gas at huge cost due to flaring.

(Paragraphs 7.2.8.6 and 7.2.10.1)

The heat rate in the plants was much above the designed heat rate, implying wastage of gas and the attendant monetary loss. The reasons needed to be investigated for corrective action.

(Paragraph 7.2.10.2)

There were abnormal delays in routine inspections and maintenance leading to high wear and tear and system breakdown. The resultant outages led to loss of substantial generation capacity.

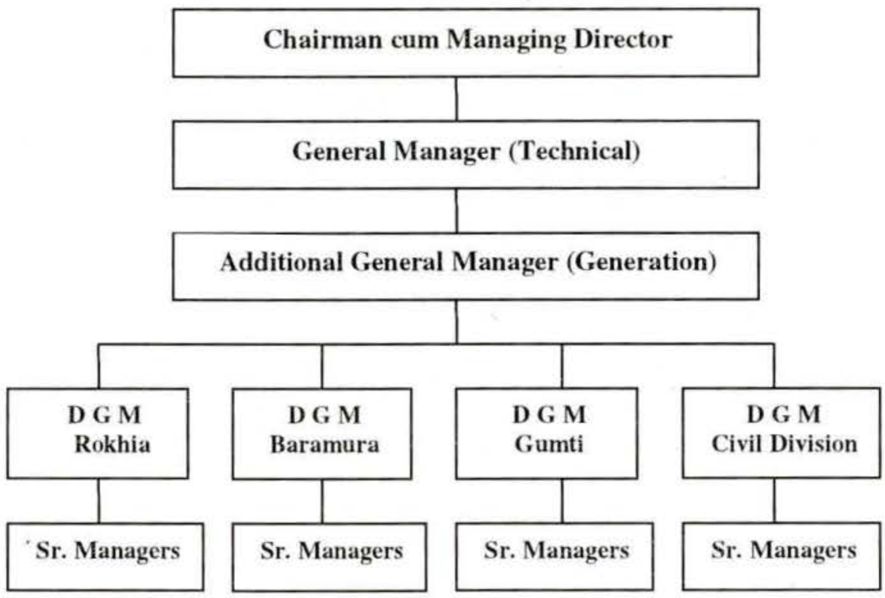
(Paragraph 7.2.12.2)

7.2.1 Introduction

The State of Tripura has installed generation capacity of 142.5 MW of Power as on 31 March 2007 and effective available capacity of 105 MW (**Table 7.2.1**) against the peak demand of 160 MW. The deficit is met by drawing power from the North Eastern Regional grid. Prior to January 2005, the work of generation, transmission and distribution of electricity was being looked after by the Power Department, Government of Tripura. In January 2005, the Power Department transferred these functions to a newly created (9 June 2004) corporate entity "Tripura State Electricity Corporation Limited (Company)". The effective available installed capacity comprised 10 MW of hydroelectric power and 95 MW of thermal power generated through gas based power plants.

7.2.2 Organisational set up

The Company is headed by a Chairman cum Managing Director. He is assisted by the General Manager (Technical). The Additional General Manager (Generation) controls the generating divisions through Deputy General Managers in the respective generating stations and the civil works through the Deputy General Manager Civil Division. The organisational structure (generation) is depicted in the chart below:-



7.2.3 Scope of audit

A performance audit of the power generating stations confined to thermal power plants for the period 2002-03 to 2006-07 was conducted during February to April 2007 through test check of records in the Corporate Headquarters and the two generating Divisions at Rokhia and Baramura.

7.2.4 Audit Objectives

The audit objectives were to assess whether:

- the Power plants were planned, designed and constructed with due regard to efficiency, economy and effectiveness;
- the power plants were operated efficiently and preventive maintenance as prescribed was carried out minimising the forced outages;
- the generation was in accordance with the prescribed norms;
- the power sector was geared to meet the current and future demand;
- there were adequate linkages for the supply of inputs for the generation and for the optimal and efficient distribution of the power generated; and
- an efficient inventory control mechanism is in place.

7.2.5 Audit criteria

The following main audit criteria were adopted:

- norms / guidelines of Central Electricity Authority (CEA) regarding planning and implementation of the projects;
- standard procedures for award of contract with reference to principles of economy, efficiency and effectiveness;
- targets fixed for generation of power ;
- parameters fixed for plant availability, Plant Load Factor etc;
- prescribed norms for planned outages; and
- agreements with BHEL, ONGC and GAIL

7.2.6 Audit methodology

The audit methodology adopted to asses the audit objectives with reference to audit criteria were examination of:

- progress reports/implementation of Projects with reference to norms/guidelines of CEA, decisions of the BOD and instructions issued by the State Government;
- minutes and agenda notes of the meetings of the BODs;
- records relating to purchase of material/equipment, generation of Power etc; and
- interaction with management and issue of audit queries.

7.2.7 Audit findings

The audit findings emerging from the performance review were reported (July 2007) to the Government/Management and discussed (31 August 2007) at the meeting of the Audit Review Committee for Public Sector Enterprises (ARCPSE), where the Government was represented by the Principal Secretary, Power Department, Government of Tripura and the Management by the Chairman cum Managing Director of the Company. The findings were finalised after considering the views of the Government/Management and are discussed below:

Generation

7.2.7.1 Available capacity less than the installed capacity

Although the Company had total installed capacity of 142.5 MW from the three generating stations *viz.*, Gumti Hydro Electric Project, Baramura Gas Thermal Project and Rokhia Gas Thermal Project (**Appendix 7.8**), the available generating capacity was 105 MW, as detailed below:

Table No.7.2.1

Name of the Project	No. of unit	Installed capacity (MW)	No. of unit	Available capacity (MW)
Gumti Hydroelectric Project	3	15	2[7]	10
Baramura Gas Thermal Project	4	37.5	1	21
Rokhia Gas Thermal Project	8	90	6	74
Total	**15**	**142.5**	**9**	**105**

Source: Data furnished by the Company.

The reasons for low available capacity are as under:

(i) Shortage of water was a perennial problem for the Gumti Project. The existing capacity of the reservoir is adequate for only two units to run simultaneously at a reduced load of maximum of 8 MW, while the third unit remained as standby. This was ascribed to silting and scanty rainfall.

(ii) In Baramura Project, the first three units having installed capacity of 16.5 MW had outlived their lives and had been retired (July 1997 to April 2003), leaving an installed capacity of only 21 MW, of which Mizoram has 50 *per cent* share of power generated as per the agreement with the North Eastern Council (NEC).

(iii) In Rokhia, Units I and II, commissioned in March 1990 and December 1990 respectively, had outlived their normal life of 1,20,000 firing hours and had not been in operation since April 2005 and December 2002 respectively. Considering the high maintenance cost, these units had been declared closed (May 2006) reducing the installed capacity from 90 MW to 74 MW.

7.2.7.2 Constraints in generation

(i) A general constraint was the small size of the generating units (5,8 and 21 MW), due to difficulty in transportation of bigger units to remote areas at the time of setting up these plants. The spares of these machines were not readily available in the normal manufacturing cycle apart from their excessive fuel consumption particularly when the gas is in short supply. However, there were no concrete plans in place for setting up bigger units even now or in future, despite improvement in communication infrastructure. The Company stated (September 2007) that there was restriction of load up to 30 ton on the existing NH 44.

(ii) The restricted availability of water (for hydel projects) and gas (for the thermal plants) were stated as other major constraints. As per the existing

[7] Only two units run at a time due to inadequate water supply.

agreement with the Government of India (GOI), the state gets concessional supply of 0.5 MMSCMD[8] of gas, which is not sufficient for present and future requirement (please also see Para 7.2.8.6).

(iii) Other constraints were ageing of plants resulting in major shutdowns of the generating units and non availability of spares in time delaying the repairs and maintenance reducing thereby the plant's availability.

7.2.7.3 Huge Demand Supply Gap

During the period from 2002-07 the actual generation was substantially less than the peak as well as average demand as shown below:

Table No. 7.2.2

Year	Generation (MW)	Peak demand	Off peak Minimum Demand	Average Demand	Percentage of actual generation to Average Demand	Percentage of actual generation to peak demand
2002-03	69	155	70	93	74	45
2003-04	71	160	72	96	74	44
2004-05	74	165	71	95	78	45
2005-06	71	154	69	92	77	46
2006-07	72	160	65	87	83	45

Source: Data furnished by the Company.

As may be seen from the above, the actual generation was only 74 to 83 *per cent* of the average demand and 44 to 46 *per cent* of the peak demand. The Government stated (September 2007) that the shortfall in generation was met by import of power from Central Sector allocation. However, the total supply even after import was not sufficient to meet the peak demand, as shown below:

Table No. 7.2.3

(Figures in MW)

Year	Average Peak demand	Peak demand met	Source of meeting the peak demand		Peak Deficit (percentage of peak demand)
			Own	Import	
2002-03	155	109	69	40	46 (29.68)
2003-04	160	111	71	40	49 (30.63)
2004-05	165	122	74	48	43 (26.06)
2005-06	154	114	71	43	40 (25.97)
2006-07	160	122	72	50	38 (23.75)

Source: Data furnished by the Company.

There remains a shortfall of 38 to 49 MW (about 24 *per cent* to 31 *per cent* of the peak demand) even after import. Consequently rotational load shedding is forced on the populace.

[8] Matric Million Standard Cubic Metre Per Day.

7.2.7.4 Future Planning

The existing facilities were not only inadequate but also ageing:

- Out of 12 thermal units (eight in Rokhia, and four in Baramura), five units (two in Rokhia and three in Baramura) with installed capacity of 33.5 MW had been closed (July 1997 to May 2006).
- Four units (unit III to VI) in Rokhia, commissioned between 1995 and 1997 (nearing completion of their normal life of 15 years or 1,20,000 firing hours), were functioning intermittently due to frequent failure. Since global population of these small machines has reduced, non-availability of critical spares for repairs and maintenance was a major problem.
- The generation capacity of Gumti Hydel Project, commissioned in 1976, had reduced from 15 MW to 8 MW due to ageing turbines and scarcity of water at source.

In order to cope with the rising demand for power as projected by the CEA at 396 MW by 2011-12, keeping in view its own constrained generation capacity the Company had planned for purchase of power from Central Sector allocation and other agencies as detailed below:

(i) 100 MW from the 750 MW plant planned by the ONGC at Palatana, South Tripura.
(ii) 100 MW from the 104 MW plant planned to be set up at Monarchak, West Tripura by the North Eastern Electric Power Corporation Limited (NEEPCO).
(iii) 100 MW from the Central Sector allocations (NHPC, NEEPCO etc.)

In addition, the following capacity addition had been planned by the Company:

(i) 21 MW gas thermal unit at Baramura,
(ii) 105 MW gas thermal plant proposed at Chakmaghat subject to availability of gas.
(iii) Increasing the capacity utilisation (13 MW) at Rokhia (unit available but gas not available).

Based on the above, the Company has projected a peak surplus of 82.5 MW at the end of the Eleventh plan period as detailed below:

Table No. 7.2.4

Peak demand	282 MW
Own generation	64.5 MW
Drawal from Central Sector allocation	100 MW
Drawal from ONGC/NEEPCO projects	200 MW
Peak surplus	82.5 MW

Source: Data furnished by the Company.

The position was, however, critically dependent on the availability of gas about which the uncertainties prevails in view of the supply problems faced by the Company, as discussed hereinafter.

7.2.8 Operational Performance

The overall generation was only about 63-70 *per cent* of the effective utilised capacity in the last five years as shown below:

Table No. 7.2.5

Years	Operative Installed capacity(MW)	Generation (MW) *(% to effective capacity)*
2002-03	110	69 (62.72)
2003-04	105	71(67.62)
2004-05	105	74(70.48)
2005-06	105	71(67.62)
2006-07	110	72(65.45)

Source: Data furnished by the Company.

Thus, the Company could not utilise even the available installed capacity and the maximum generation attained during the above period was only 70 *per cent* of this capacity.

7.2.8.1 Shortfall in generation

The two gas based (Rokhia and Baramura) plants generated 1872 MU of power during 2003-07, against effective generating capacity of 3200 MU, resulting in shortfall of 41.50 *per cent.* The annual targets for generation fixed by the Company in consultation with CEA, correspond to a PLF of 55.86 *per cent* (2003-04), 58.16 *per cent* (2004-05), 62.89 *per cent* (2005-06) and 64.05 *per cent* (2006-07), which was much lower than the national average of 73.71 *per cent.*

Table No. 7.2.6: Operational performance of the Power Plants

(Million Units)

	2003-04	2004-05	2005-06	2006-07
Rokhia GTP				
Target	310.00	317.60	333.50	342.10
Achievement	293.39	332.96	259.13	350.48
Shortfall (-) /Surplus (+)	-16.61	+15.36	-74.37	+8.38
% Shortfall (-) / Excess (+)	(-) 5.36	(+)4.84	(-)22.30	(+)2.45
Baramura GTP				
Target	131.60	140.90	162.30	162.90
Achievement	143.35	153.69	169.54	169.73
Shortfall (-) / Surplus (+)	+11.75	+12.79	+7.24	+6.83
% Shortfall (-) / Excess (+)	(+)8.93	(+)9.08	(+)4.46	(+) 4.19

Source: Data furnished by the Company and Information for 2002-03 not furnished by the Company.

The table above shows that even at these substantially reduced levels of PLF, there were major shortfalls in Rokhia plant (5.36 *per cent* in 2003-04 and 22.30 *per cent* in 2005-06).

The Government stated (September 2007) that PLF had to be viewed in the light of the declared capacity and the availability of fuel. The reply is not tenable as Company had never declared any capacity as such. Besides, the fact also remains that till November 2006, the plant could not even utilise the full quota of available fuel (Paragraph 7.2.8.6), and the consumption of gas was also in excess of the norms (Paragraph 7.2.10.2).

7.2.8.2 Low Plant Load Factor[9] (PLF)

The details of maximum possible generation at installed capacity, actual generation and corresponding PLF achieved in each generating unit during five years upto 2006-07 are given in **Appendix 7.9**. The plant-wise position is summarised below:-

Table No. 7.2.7

Sl. No.	Name of Plant	Actual Plant Load factor (in *percentage*)				
		2002-03	2003-04	2004-05	2005-06	2006-07
1.	Rokhia	42.90	48.50	51.00	41.44	54.56
2.	Baramura	63.10	77.42	83.58	92.20	92.26

Source: Data furnished by the Company.

According to norms fixed by Central Electricity Regulatory Commission (CERC), the PLF for thermal power generating stations should be 80 *per cent*, against which the national average was 73.71 *per cent*. While the PLF achieved for Baramura plant was at or above the national average with effect from 2003-04 and the CEA norms from 2004-05 onwards, Rokhia plant was operating much below the said average, at around 41-55 *per cent*. The estimated shortfall in generation works out to 776.04 MU (at the national average PLF of 73.71%) during 2002-03 to 2006-07, valued at Rs. 91.07 crore at the prevailing selling price after deducting the variable cost of generation[10] as shown below:-

Table No. 7.2.8

(Million Units)

Sl. No.	Particulars	2002-03	2003-04	2004-05	2005-06	2006-07	Total
1.	Actual generation	232.72	294.22	308.32	250.48	353.67	1439.41
2.	Optimal generation from effective installed capacity at 73.71% PLF	399.83	446.74	445.53	445.53	477.82	2215.45
3.	Shortfall	167.11	152.52	137.21	195.05	124.15	776.04
4.	Net loss (Rs. in crore)	14.21	12.97	15.09	29.06	19.74	91.07

Source: Data furnished by the Company.

The main reasons for the low PLF, as observed in audit were:

i) Low plant availability
ii) Low capacity utilisation
iii) Major shut downs and delays in repairs and maintenance
iv) Shortage of gas

These are discussed in the following paragraphs.

7.2.8.3 Low Plant availability[11]

Appendix 7.10 shows the details of plant-wise hours available, hours operated, planned/forced outages and relative plant availability. The summarised position

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[9] Plant Load Factor (PLF) denotes the ratio of actual generation to possible generation during total available hours expressed in percentage.

[10] Year-wise average selling price; variable cost and fixed cost of generation are given in table 7.2.12.

[11] Plant availability means the ratio of actual hours operated to maximum possible hours available.

in the following table shows that the CERC norm of 80 *per cent* plant availability was achieved only in Baramura. The average plant availability for Rokhia and Baramura was 55.92 *per cent* and 94.18 *per cent* respectively during the five years up to 2006-07.

Table No. 7.2.9: Availability of Plants

Years	Rokhia (90 MW)	Baramura (21 MW)
2002-03	59.47	92.73
2003-04	61.72	87.88
2004-05	57.68	97.47
2005-06	40.38	96.37
2006-07	60.37	96.47
Average	**55.92**	**94.18**

Source: Data furnished by the Company.

The low availability of plant in Rokhia was due to longer duration of outages caused by inordinate delays in repair and maintenance (Paragraph 7.2.12.3) and non-availability of required quantity of gas (Paragraph 7.2.8.6).

The Government while admitting the facts stated (September 2005) that the long outages of a few generating units contributed to low availability.

7.2.8.4 Low Plant Capacity utilisation[12]

Based on national average PLF of 73.71 *per cent* and plant availability at 80 *per cent,* the standard capacity utilisation factor works out to be 92.13 *per cent* for gas thermal plants. The actual utilisation in Rokhia plant was always below this level, ranging from 67.61 *per cent* (2002-03) to 87.81 *per cent* (2006-07) except for 2005-06 when it was 96.33 *per cent*. In Baramura, the capacity utilisation was also below the standard capacity utilisation factor upto 2004-05. However , it has shown improvement in the last two years i.e. in 2005-06 (95.67 *per cent*) and in 2006-07 (95.78 *per cent)* (**Appendix 7.11**).

The main reasons for the low utilisation of available capacity during 2002-05, as analysed in audit were:-

a) Running of units with partial load/without load;
b) Reduced capacity of old generating unit;
c) Low gas pressure; and
d) Constraints on transmission capacity, etc due to existence of only a single circuit 132 KV transmission line.

While the transmission lines were being upgraded by the Power Grid Corporation Limited, some other controllable factors like low gas pressure that could be handled by installing compressors, had not been tackled.

The Government stated (September 2007) that availability of fuel plays a major role in capacity utilisation. The reply is not tenable as the Company had contract for supply of fixed quantum of gas and with the same quantum of gas both

[12] Capacity utilisation means the ratio of actual generation to possible generation during actual hours of operation.

Rokhia and Baramura plants had achieved better capacity utilisation up to 96.33 *per cent* in 2005-06 (Rokhia) and 95.78 *per cent* in 2006-07(Baramura).

7.2.8.5 Major shutdowns

A test check of 12 cases of major shut downs as shown in table below, disclosed that the generating units of Rokhia remained under forced outage for 73,513 hours during 2002-07 due to inordinate delay in repair and shortages of gas which resulted in loss of potential generation of 509.804 MU of power valued at Rs. 65.14 crore at the prevailing average selling price after deducting the variable cost.

Table No. 7.2.10: Shut downs at Rokhia Plant

Unit	Installed capacity	Period	No. of hours	Loss of generation at 73.71% PLF (MU)	Reasons for outages
Unit- III	8 MW	July'02 to April'06 Jan'07 to Feb'/07	32715 1154	192.914 6.805	L.P turbine failure Shortage of gas
Unit- IV	8 MW	Dec'02 to April'03 Dec'06 to Feb'07	3392 1730	20.002 10.201	Damaged stage -I bucket Shortage of gas
Unit- V	8 MW	July'02 to Oct'2002 Sept' 03 to March'04 Nov'04 to Jan'05 Jan'07 to Feb'07	2442 3415 1145 766	14.400 20.137 6.752 4.517	Problems in rotor, Air filter/LP electrical problems & Turbine maintenance, AVR/Turbine problems Shortage of gas
Unit- VI	8 MW	April'04 to Sept'04 July'05 to Feb'07	4198 14592	24.755 86.046	Rotor/generator problems, Generator problems
Unit- VII	21 MW	Jan'06 to Oct'06	6579	101.837	Generator problems
Unit- VIII	21 MW	Oct'06 to Dec'06	1385	21.438	Jaw clutch and accessory coupling failure.
Total	**90 MW**	-	**73,513**	**509.804**	

Source: Data furnished by the Company.

The forced shutdowns included:

- 3650 hours on account of shortage of Gas;
- 61671 hours on account of generator/rotor/turbine failure; and
- 8192 hours on account of other mechanical failure.

The reasons for shut down have been analysed under repair and maintenance as discussed in paragraph 7.2.12.1 to 7.2.12.3.

7.2.8.6 Shortage of gas in Rokhia

Although the Union Ministry of Petroleum and Natural Gases had allocated 0.60 MSCMD[13] of gas for Rokhia Power Station, the contracted quantity was restricted to only 0.50 MSCMD. Further, the actual supply was even less than the contracted quantity which forced outages of 3650 hours during 2006-07 which resulted in potential loss of generation of 21.523 MU valued at Rs. 3.35 crore. The details of requirement, contracted quantity and actual supply are shown below:

[13] MSCMD = Million Standard Cubic Metre per Day.

Table No. 7.2.11 Availability of Gas for Rokhia Plant

(in MSCM)[14]

Year	Required quantity	Contracted quantity *(% of requirement)*	Actual supply *(% of contracted quantity)*
2002-03	215.35	182.5(84.75)	163.42(89.55)
2003-04	215.35	182.5 (84.75)	181.39(99.39)
2004-05	215.35	182.5 (84.75)	173.35(94.99)
2005-06	215.35	182.5 (84.75)	134.98(73.96)
2006-07	284.70	182.5 (64.10)	149.85(82.11)

Source: Information furnished by the Company.

Thus, while the contracted supply was only 64 to 85 *per cent* of the requirement, the quantity of the gas supplied was 74 to 95 *per cent* of the contracted quantity except in 2003-04 when the supply was 99.39 *per cent* of the contracted quantity. Even though GAIL was in a position to supply the full contracted quantity of gas during the period upto 2005-06, Company failed to lift the full quantity due to outages of the generating units. In the year 2006-07 only, there was failure on the GAIL's part to supply the full quantity requiring outages for 3650 hours only due to shortage of gas.

Further, Unit VIII (21 MW) of the plant was commissioned on 31 March 2006 without any arrangement for the enhanced requirement of 0.19 MSCMD of gas. Since its commissioning, the unit was running by alternately shutting down other units. As a result, the creation of additional capacity did not serve the intended purpose and thus the investment of Rs. 80.94 crore proved to be unproductive and entailed further loss of interest of Rs. 1.07 crore per annum (@ 12 *per cent* per annum).

The Government, while accepting the fact, stated (September 2007) that the Company was continuously pursuing for enhancement of gas allocation. The reply does not justify the Company's decision to go for expansion of the plant without proper arrangement for the enhanced requirement of gas. Further, against allocation of 0.60 MSCMD the Company was availing only 0.50 MSCMD.

7.2.9 Cost of generation

The cost per unit of generation during 2003-07[15] is given in **Appendix 7.12**. Plant wise summarised position of variable and fixed cost of generation is shown below:

Table No. 7.2.12

Sl. No.		2003-04	2004-05	2005-06	2006-07
1	**Rokhia**				
	(i) Cost of Generation (Rs.in lakh)	5976.962	5,387.463	5,518.780	6,269.594
	(ii) Generation (MU)	293.388	332.961	259.132	350.477
	(iii) Variable Cost/ per unit (in Rs.)	1.308	0.979	1.138	0.994
	(iv) Fixed Cost / per unit (in Rs.)	0.728	0.638	0.991	0.794
	(v) Total unit cost (Rs.)	2.036	1.617	2.129	1.788

[14] MSCM = Million Standard Cubic Metre.

[15] Information in respect of years upto 2002-03 could not be furnished by the Company, hence cost of generation, variable cost, fixed cost and cost of sale for 2003-04 is taken into account while calculating loss for the year 2002-03.

Sl. No.		2003-04	2004-05	2005-06	2006-07
2	**Baramura** (i) Cost of Generation (Rs.in lakh) (ii) Generation (MU) (iii) Variable Cost/ per unit (in Rs.) (iv) Fixed Cost / per unit (in Rs.) (v) Total unit cost (in Rs.)	 2,138.139 143.349 0.879 0.611 1.490	 2,138.772 153.688 0.820 0.571 1.391	 2,250.712 169.544 0.837 0.489 1.326	 2,306.149 169.728 0.879 0.479 1.358
3	**Average unit cost (in Rs.)**	1.858	1.546	1.812	1.648
4.	**Average fixed cost /per unit (in Rs.)**	0.690	0.617	0.793	0.691
5.	**Average variable cost/per unit (in Rs.)**	1.168	0.929	1.019	0.957
6.	**Average selling price /per unit (in Rs.)**	2.02	2.03	2.51	2.55

Source: Data compiled from the relevant records of the Company and information in respect of 2002-03 not furnished by the Company.

It would be seen from the above:

(i) the unit fixed cost followed a erratic pattern without following the normal trend of increase or decrease over annual decrease or increase in generation.

(ii) following the principal of higher the generation lower the fixed cost, further reduction in the unit fixed cost was possible had the units been operating at a higher capacity.

The table below shows the reduction in unit fixed cost of generation at the national average PLF of 73.71 *per cent.*

Table No. 7.2.13

	2003-04	2004-05	2005-06	2006-07
Total fixed cost (Rs. in lakh)	3014.20	3003.45	3400.29	3598.12
Actual generation (MU)	436.737	486.649	428.676	520.205
Generation at 73.71% PLF(MU)	582.706	581.129	581.129	613.413
Fixed cost per unit on actual gross generation (Rs.)	0.69	0.62	0.79	0.69
Cost per unit (Rs.) at 73.71% PLF	0.52	0.52	0.59	0.59
Difference in cost (Rs.) per unit.	0.17	0.10	0.20	0.10

Source: Data furnished by the Company.

It was observed that due to shortfall in generation, the Company failed to recover the fixed cost to its full extent. The shortfall ranged between 10 paise (2004-05) to 20 paise (2005-06) considering PLF at 73.71 *per cent.*

The Government's reply (September 2007) that more needed to be done in this area indicated lack of control over cost of generation.

7.2.10 Fuel management

The generating units of both Rokhia and Baramura are designed to run on natural gas as fuel. The State Power Department, had entered (March 1990) into an agreement with ONGC (and subsequently GAIL) for supply of gas for both the projects. The following points were noticed in respect of the fuel management:

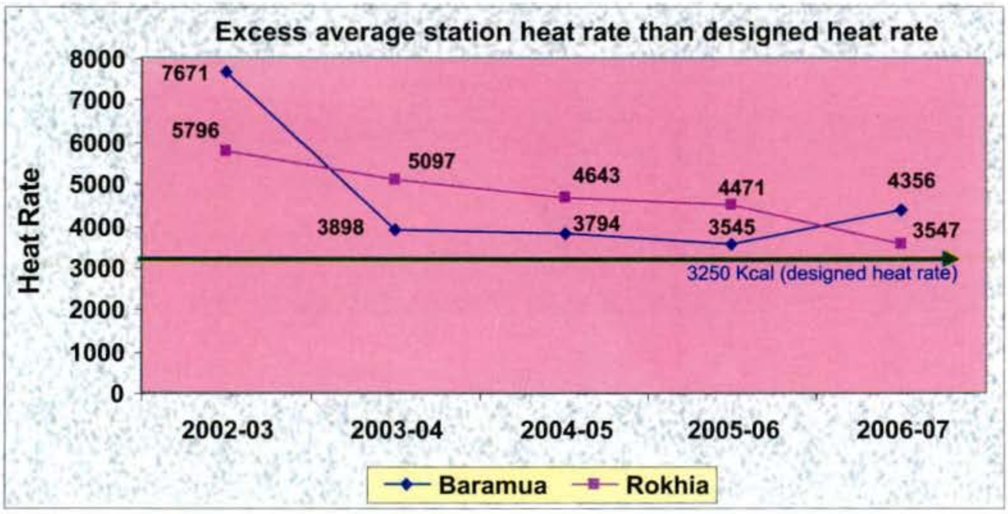
7.2.10.1 Excess supply of gas in Baramura

While the Baramura unit required 1.90 lakh MSCMD[16] at full load, the supply agreement (April 2002) with GAIL was for 2 lakh SCMD, effective September 2002. GAIL, however, continued to supply more than 2 lakh SCMD on a regular basis. As a result, a good quantity of surplus gas ended up in wastage through flaring at the cost of the generating station. The Company's request (February 2003) to restrict the supply within 1.90 lakh SCMD had not been complied by GAIL as of March 2007. Scrutiny revealed that, GAIL supplied (January 2003 to March 2007), 168.06 MSCM[17] gas in excess of the requirement resulting in flaring of surplus gas valuing Rs. 2.95 crore.

The Government stated (September 2007) that considering the low calorific value, the gas requirement in Baramura is 2.02 lakh SCMD, that the contract for 2 lakh SCMD was made accordingly and that there was no surplus. The reply is not tenable in view of the repeated written requests of the plant authorities to GAIL to restrict the supply to 1.90 lakh SCMD, citing wastage of excess gas through flaring.

7.2.10.2 Excess consumption of natural gas

The designed heat rate[18] per unit of generation was 2937 Kcal for the 8MW units and 3250 Kcal for the 21 MW units. As against this, the actual average heat rate of generation was much higher and varied between 3545 and 7671 in case of Baramura and between 3547 and 5796 in case of Rokhia, as shown in the graph below:



As a result, the stations consumed 27.43 lakh M Kcal of excess heat energy equivalent to 332.065 MSCM of gas worth Rs. 57.43 crore (**Appendix 7.13**). The Company did not seem to be serious about the excessive heat rate and had not taken any corrective action so far.

16 Standard Cubic Metre per Day.
17 Million Standard Cubic Metre.
18 Heat rate means the heat energy input in Kilo Calorie (Kcal) required to generate one Kwh of electrical energy at generator terminals.

The Government stated (September 2007) that the performance loss (upto 2.5 *per cent*) with increase in the age was natural. The reply is not tenable as the heat rate had shown a declining trend over time (see the graph) though still much above the designed heat rate and the performance loss ranged between 9 and 136 *per cent* in Baramura and between 9 and 78 *per cent* in Rokhia.

7.2.10.3 Lack of control over flow of gas

As per agreement (April 2002) with GAIL the seller shall deliver gas to the buyer at the point of delivery at a gauge pressure of 20 kg/cm^2 subject to matching pressure from ONGC. In case the pressure fell short of the minimum requirement, the seller shall install, maintain and operate gas compressors, the cost of which, along with additional monthly service charges, would be charged to the buyer. Alternatively, the purchaser may also make its own arrangement for compression. Scrutiny, however, revealed that no compressors were installed by GAIL or Company either although running of the units in both the plants (Rokhia and Baramura) at partial load or no load was frequent due to lack of adequate pressure of gas.

The Government stated (September 2007) that the particular clause of the agreement would not be applicable unless there was massive reduction of gas pressure in the well-head permanently. The reply is not tenable as the particular clause specified the minimum supply pressure (20 kg/cm^2) below which a compressor was required and it was Company that stood to lose if the required pressure was not maintained.

7.2.10.4 Inequitable agreement with GAIL

As per agreement (April 2002), the purchaser had to pay for actual quantity of gas supplied by GAIL subject to a minimum of 80 *per cent* of the agreed quantity (MGO[19]). If the quantity lifted by the plant fell short of MGO, it had to pay for the quantity of gas not drawn. The agreement further provided that the buyer should inform the seller and vice versa about any accident or defects in their installations calling for complete or partial stoppage of supply of gas. However, in case of buyer the MGO clause should be applied in all such cases while there was no reciprocal clause for payment of penalty by GAIL in the event of its failure to supply the committed quantity of gas.

Audit scrutiny revealed that the Company had paid Rs. 1.30 crore to GAIL towards MGO charges during 2002-07 (Rokhia Rs. 76.54 lakh and Baramura Rs. 53.85 lakh) for short drawal of gas due to defects in installations etc.

The Government stated (September 2007) that proposal for inclusion of a penal clause was under consideration of GAIL. Further development are awaited.

7.2.10.5 Non-installation of metering devices

The quantity of gas delivered by GAIL is measured by meters installed by it; the Company had not yet installed any meter of its own, to independently verify the

[19] Minimum Guaranteed Off take

quantity of gas claimed to have been supplied by GAIL, even though a provision for this existed in the agreement with the GAIL. The Government stated (September 2007) that a joint verification of seller's meter was being done every 15 days and that installation of a separate meter in the buyer's premises was expensive. However, the Government did not provide further details indicating the cost vis-à-vis long term benefits.

The sale price of gas charged by GAIL is based on actual calorific value of gas as intimated by GAIL from time to time. The plants do not have the facility to verify the actual calorific values of gas consumed, although a lower calorific value increases the quantum of gas consumption and results in running of the units at partial load and thereby increasing the cost of production.

7.2.11 Project implementation

During 2002-06, three Gas Turbine units of 21 MW each (one in Baramura and two in Rokhia) were installed. Audit scrutiny revealed as under:

7.2.11.1 Time overrun

Despite the decision to procure equipments from Bharat Heavy Electricals Ltd. (BHEL), dispensing with the tendering process, there were delays in placement of orders on BHEL, consequentially delaying the commissioning of the units ranging from 76 to 162 days, as shown below:-

Table No.7.2.14

Sl. No	Particulars	Rokhia		Baramura
		Unit – VII	Unit – VIII	Unit – IV
1.	Date of sanction	October 1999	17.1.2004	19.10.2000
2.	Date of main plant order	20.6.2000	10.3.2004	12.01.2001
3.	Scheduled date of commissioning	20.02.2002	10.11.2005	12.09.2002
4.	Actual date of commissioning	2.8.2002	31.03.2006	27.11.2002
5.	Delay (days) in commissioning	162	140	76
6.	Generation loss (MU)	81.64	70.56	38.30
7.	Total generation loss (MU)	190.50		

Source: Data furnished by the Company.

It may be seen from the above that the Management took as much as eight months and two months time respectively in respect of Unit VII and VIII of Rokhia Plant for mere placement of supply orders from the respective dates of sanction. The time taken for placement of order from the date of sanction was almost three months in respect of Unit IV of the Baramura Plant. There was further delays in actual commissioning of the plants from the scheduled dates of commissioning i.e. of 162 days in respect of Unit VII and 140 days in respect of Unit VIII of Rokhia and 76 days in respect of Unit IV of Baramura. The resultant potential loss of generation for the total delays of 378 days worked out to 190.50 MU valuing Rs. 20.71 crore (net surplus) at the then prevailing average selling price reduced by the variable cost. The Government stated (September 2007) that the delay in payment of initial advance to the supplier and transportation bottlenecks in rainy season contributed to the time overrun. The reply is not tenable as necessary finance should have tied up well before the decision for procurement of the plants and receipt of equipments could have been advanced to obviate the heavy monsoon days if the delays in placement of orders had been cut short.

7.2.12 Repair and Maintenance of Gas based power plants

7.2.12.1 Absence of a maintenance policy

Though the gas based power plants were commissioned long back (Baramura: 20 years and Rokhia: 16 years), the Power Department/Company had not laid down maintenance policy and drawn maintenance schedule.

7.2.12.2 Non-adherence to scheduled inspection of the plant

Audit revealed poor record of inspection and maintenance of the plants. Scheduled inspections recommended by the original equipment manufacturer (BHEL) in respect of 8 MW capacity Frame-3 machines (Unit I to VI of Rokhia) were required to be carried out for first combustion and Baroscopic Inspection (CI& BI) after 12,000 firing hours, Hot Gas Path Inspection (HGPI) after 24,000 firing hours and Major Inspection (MI) between 32,000 to 48,000 firing hours. As against this, the first CI & BI and HGPI (except Unit II) had not been conducted at all in any of the six 8 MW Gas Turbines (Rokhia) while MI of Unit V, due on 48,000 hours, had not been conducted even at 73,592 firing hours as on March 2007. In some units, the MI was conducted between 53,000 and 66,631 firing hours.

Non-adherence to maintenance schedule led to the units being operated over considerable periods of time on risk hours with the increased probability of malfunctioning and under-performance. The machines were also subjected to faster wear and tear due to prolonged use without proper maintenance. Forced outages due to malfunctioning of Frame-3 units worked out to be 1,20,938 hours representing 49.28 *per cent* of the total availability during 2002-03 to 2006-07 which could have been averted/minimised with timely inspection and preventive maintenance.

The Government stated (September 2007) that the demand for and critical availability of power prevented the stations from taking outages for scheduled maintenances. The fact however, remains that forced outages as mentioned above could not be averted.

7.2.12.3 Inordinate delay in repairs

Inordinate delay in undertaking repair of units is a major area of concern as it results in forced outages and loss of generation. A few illustrative cases of forced outages and their prolonged repair cycle, as analysed in audit, are discussed below:

- Unit III installed (1995) by BHEL was put under forced shutdown (July 2002 to April 2006) for 32,715 firing hours due to turbine failure. Baroscopic inspection (July 2002) by site engineers revealed failure of nozzle and bucket etc. After a delay of about one year in decision taking, the procurement order was issued (July 2003) to BHEL – JEE and the materials reached (October 2003) the site. Repair of the 11 KV generator of the Unit was put to tender (May 2003) and the repaired generator was received (January 2005) after over two years. Meanwhile, LP rotor of the GI was found (March 2004) damaged beyond repair.

Supply order for new LP rotor was placed (July 2005) after a delay of more than 16 months. On reaching the site (December 2005), deformation of casings was detected. The unit was finally put on bus[20] (April 2006) after a new set of 2nd stage shroud was procured. Thus, at every stage there were delays, accentuated by the piecemeal detection of damages consuming valuable time. Thus, in the absence of a proper maintenance schedule indicating life and replacement of critical parts there were avoidable forced outages. Further, had the repair of the generator and major inspection been planned immediately on machine failure, the machine could have been put to operation much earlier.

- Forced outage of 3392 hours and potential loss of Rs. 1.42 crore in respect of Unit IV (10 December 2002 to 30 April 2003) was due to damaged stage–I Bucket. There was no spare Bucket in the inventory and a new Bucket was procured (March 2003) and the unit put to bus. The delay of 141 days could have been avoided if a minimum inventory of important and critical spares was maintained.
- Unit VII (21 MW) was put under forced shutdown (11 January 2006 to 10 October 2006) due to high vibration. BHEL engineers inspected the damage and recommended major repairs at their workshop in Hyderabad. Considering the long transportation and repair cycle, BHEL was asked (31 January 2006) to supply a new generator by March 2006. The generator however, reached the site in July 2006. Meanwhile, the transformer of Unit VII was dismantled and shifted to Unit VIII (commissioned in March 2006) where it ran upto September 2006 till the transformer and switchyard for unit VIII was installed. As a result, the Unit VII could be assembled (28 September 2006) only after the new generator was acquired (18 July 2006) and the transformer released from Unit VIII (September 2006). Thus, the expediency for which the purchase of a new generator (Rs. 5.25 crore) was preferred to repair of the old set was lost due to inordinate delay in its receipt (6 months) and installation (2 months).
- Unit VIII (21 MW) was stopped within seven months of commissioning from 18 October 2006 due to disengagement of jaw clutch and ratcheting problem. The supplier (BHEL) pointed out that the failure was due to improper manual intervention by the Company. The disagreement between the supplier (BHEL) and the Company over the expenditure of Rs. 32 lakh on replacement (within the warranty period) delayed the repair. The unit was ultimately repaired on 12 December 2006, after 56 days, when the Company undertook to bear the cost.

The Government stated (September 2007) that spares of these small size machines were not readily available resulting in delay in restoration, and that non-functioning of some units did not affect the generation due to limited availability of gas at Rokhia. The reply is not tenable as the shut downs caused by the delays in repairs limited the capacity utilisation and consequently affected the generation.

7.2.13 Conclusion

While the available generating capacity was much less than the peak demand, the existing generating units were ageing and performing below the desired level. There were also constraints on the inputs like supply of gas and water

[20] Bus means putting the generating unit in the transmission and distribution system.

needed for power generation and inefficiencies in the generation process due to wastage of fuel and inefficient utilisation of resources due to high heat rate etc. and poor maintenance of record. The Company and the Government needed to take concerted action to remove the various constraints and take remedial measures to effectively meet the requirements of power in the State.

7.2.14 Recommendations

It is recommended that the Company should:

- Formulate a strategic action plan identifying both short term and long term strategies to address the problems facing its power plants.
- Formulate and enforce a strict maintenance schedule i.e. weekly or monthly and annual overhaul (as required) to eliminate forced outages and replace/overhaul equipment according to their life span.
- Formulate and adhere to a fuel management policy clearly identifying the wastages and inefficiencies as well as a time bound remedial action plan.
- Maintain a minimum inventory of important and critical spares keeping in view delivery time and requirement as per maintenance schedules of major and minor breakdowns.
- Insist on a liquidated damages clause in all supply agreements including those with GAIL, ONGC, BHEL etc.

7.3 Performance Review of Accelerated Power Development Reforms Programme (APDRP)

The APDRP was launched in the State in 2001 with the objectives of reducing AT&C losses, increasing consumer satisfaction, reducing cash losses and reducing outages and interruptions. A review of the programme brought out the following main points:

Highlights

There was delay in release of Central funds due to failure of the State Government to sign the Memoranda of Agreements as also to initiate the stipulated reform measures.

(Paragraph 7.3.6.2)

There was wide variation in estimates made in DPR and procurement actually made.

(Paragraph 7.3.7.1)

The delay in project implementation were mainly due to delays in signing the MoAs, not following the turn-key contract concept and inefficient contracting system, apart from failure to enforce a strict implementation schedule.

(Paragraphs 7.3.7.2 and 7.3.7.3)

None of the major components *viz.*, improvement of sub-transmission and distribution systems and 100 *per cent* metering had been implemented in any of the projects.

(Paragraphs 7.3.8 and 7.3.11)

The system for energy accounting and auditing was not implemented and the current estimates of AT&C losses were unreliable. Notwithstanding, the losses showed an increasing trend and were nowhere near the APDRP target of 15 *per cent*.

(Paragraph 7.3.9)

The distribution losses ranged between 19 to 40 *per cent* during 2005-06 and 2006-07.

(Paragraph 7.3.9.3)

The shortfall in consumer metering was further compounded by purchase of sub-standard meters.

(Paragraphs 7.3.11.3 and 7.3.11.4)

Very little was done to benefit from information technology developments and other technological options available to reduce the technical and commercial losses.

(Paragraphs 7.3.12 and 7.3.12.1)

7.3.1 Introduction

In February 2001, the Government of India (GOI) launched the "Accelerated Power Development Programme" (APDP), to enable State Electricity Boards (SEBs)/Utilities to take up distribution sector reforms through upgrading and strengthening of sub-transmission and distribution network (below 33 KV or 66 KV), including energy accounting and metering in the distribution circles in a phased manner.

The APDP was rechristened as "Accelerated Power Development and Reforms Programme" (APDRP) in March 2003 following the formulation by the Union Ministry of Power (MoP), of a six-level intervention strategy for distribution reforms, encompassing initiatives at the national level, State level, SEB/utility level, distribution circle level, feeder level and consumer level. The main objectives of the programme are:

- Reduce Aggregate Technical and Commercial (AT&C) losses to 15 *per cent* in five years;
- Bring about commercial viability of Electricity Utilities by improving revenue realisation;
- Reduce outages and interruptions;
- Increase consumer satisfaction; and
- Reduction in cash losses.

In Tripura, seven projects with an outlay of Rs. 150.56 crore were sanctioned under the APDRP during 2001-2005 (**Table 7.3.1**). The projects were being implemented by the Tripura State Electricity Corporation Limited (Company)[21]. The Power Grid Corporation of India Limited (PGCIL) had been designated as the Lead Advisor-cum-Consultant (AcC).

The Chairman-cum-Managing Director (CMD) of the Company is in overall charge of the implementation of the APDRP. He is assisted by the General Manager (Technical), Additional General Manager (Planning) and Deputy General Managers (Planning) in the Headquarter. The field level implementation is done through Additional General Managers (in three electrical circles) assisted by Deputy General Managers and Senior Managers.

7.3.2 Scope of audit

The performance audit on implementation of APDRP projects, conducted during August- September 2006 and May 2007, covers the performance of the Company in planning and implementation of the APDRP during 2002-03 to 2006-07. Implementation of the programme was reviewed in audit, based on test check of records in the corporate headquarters and five[22] out of 13 Divisions responsible for its implementation.

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[21] Company was incorporated in June 2004, took over all the function of the Power Department in matters of generation and distribution of power with effect from January 2005.

[22] Agartala Division I, Agartala Division III, Udaipur Division, Transmission and Material Management Division.

7.3.3 Audit objectives

The audit objectives were to verify whether:

- the projects were carefully designed with adequate planning and were efficiently implemented;
- the funding requirement was realistically assessed and funds were sanctioned/released in time;
- the funds released were utilised efficiently, economically and effectively to achieve the programme objectives;
- the AT&C losses were reduced in accordance with the action plan and target;
- adequate system of energy accounting and audit exists;
- the satisfaction level of the consumers was improved in terms of quality, regularity of supply and affordability; and
- effective monitoring mechanism exists at all levels.

7.3.4 Audit criteria

The performance of the Company with regard to the APDRP was assessed against the following audit criteria:

- Target for implementation of various components of the APDRP;
- Government policy decisions and guidelines regarding implementation of the APDRP;
- Parameters contained in the Detailed Project Reports (DPRs) approved by the MoP;
- Prescribed rules and regulations for execution of works through contractors; and
- Prescribed mechanism for co-ordination and monitoring of implementation and evaluation of the performance of the programmes.

7.3.5 Audit methodology

The audit methodology adopted to assess the audit objectives with reference to audit criteria were examination of:

- Bench marks conditions of MoU / MoA and guidelines issued by the GOI / State Government;
- Policy formulated by the Company for implementation of the programme;
- DPRs, tender files, purchase order files and other records relating to execution of the projects;
- Monthly progress reports on physical and financial performance; and
- Interaction with Management and issue of audit enquiries.

7.3.6 Audit findings

The audit findings were reported (July 2007) to the Government/Company and discussed at the meeting of the Audit Review Committee for Public Sector Enterprises (ARCPSE) (31 August 2007) attended by the Principal Secretary, Power Department, Government of Tripura and the CMD, Company. The review was finalised after considering the views of the Government/Management.

The Audit findings are discussed in succeeding paragraphs.

7.3.6.1 APDRP projects undertaken

With a view to achieve the main objectives of APDRP as stated in paragraph 7.3.2, the projects for metering of the feeders and distribution transformers, consumer metering, augmentation of sub-transmission and distribution systems and computerisation of billings were undertaken. The project cost, date of sanction, schedule of completion and status as on 31 March 2007 are indicated as under:-

Table No. 7.3.1

Sl. No.	Name of the project	Project cost (Rs. in crore)	Revised cost (Rs. in crore)	Date of sanction	Scheduled date of completion	Date of signing of MoA and delay in signing (-- months)	Status as on 31 March 2007
1	100% metering of feeder in the entire State, metering of distribution transformers & consumer metering & augmentation of sub-transmission & distribution system in West Tripura District	13.27	13.27	19-03-01	19-03-03	28-08-2003 (30 months)	In progress
2	Metering, Computerisation of consumer billing & collection and sub-transmission & distribution improvement for Agartala town	14.27	14.27	06-06-03	06-06-05	28-08-2003 (2 months)	In progress
3	Sub-transmission & distribution improvement for outer Agartala	20.57	19.60	01-10-04	01-10-06	01-02-2005 (5 months)	In progress
4	Sub-transmission & distribution improvement for South Tripura District	31.11	29.63	01-10-04	01-10-06	01-02-2005 (5 months)	In progress
5	Sub-transmission & distribution improvement for North Tripura District	28.70	27.33	01-10-04	01-10-06	01-02-2005 (5 months)	In progress
6	Sub-transmission & distribution improvement for Dhalai District	18.99	18.99	01-04-05	04-04-07	Not signed	In progress
7	SCADSA/DMS scheme for Agartala town	23.65	23.65	04-04-05	04-04-07	Not signed	Yet to be started
	Total	**150.56**	**146.74**				

Source: Information furnished by the Company.

7.3.6.2 Delays in finalising the Memorandum of Agreement (MoA)

Signing of a Memorandum of Agreement (MoA) with the MoP for power reforms was made a pre-requisite for release of funds under APDRP. It will be seen from the above that there was a delay of two months to 30 months in signing the MoA. As a result MoP released Rs. 59.31 crore only after signing of MoAs. In two cases despite a lapse of 24 months the MoAs had not been signed hence Rs. 42.64 crore had not been released. As a result the State could not undertake these works to reduce AT&C losses as well as augmentation of sub transmission distribution system and computerisation etc.

While the State Government did not give any reason for not signing the MoAs, the delay in signing the MoAs was attributed (September 2007) by the State Government to the time taken in the 'settlement' of some clauses.

The delays in finalising the MoAs led to delays in release of funds by the GoI and consequent delay in implementation of the programme. While the State Government maintained (September 2007) that the funding was not affected, the fact remained that out of Rs. 146.74 crore sanctioned for the APDRP projects, only Rs. 59.31 crore had been released by GOI as of March 2007, though all the projects had to be implemented by April 2007.

7.3.6.3 Financial Management

The MoP funding under the APDRP has the following two components:

- Investment for strengthening and upgradation of the sub-transmission and distribution system, with a view to reduce Transmission & Distribution (T&D) losses; and
- Incentive to encourage/motivate utilities to reduce cash losses.

7.3.6.4 Funding and Fund Management

Initially, the full project cost was to be provided by the MoP (90 *per cent* grant and 10 *per cent* loan) being special category State. From November 2005, the States were required to arrange portion of loans from Financial Institutions (FIs) or through internal resources.

Contrary to the APDRP guidelines that the funds should be released in separate tranches for each project and linked to the release of counterpart funds and project spending, the MoP released (2000-07) the funds in lump sum for the whole State, without indicating project-wise allocation. As of March 2007, funds released amounted to Rs. 59.31 crore (40 *per cent* of the total project cost of Rs. 146.74 crore), of which Rs. 58.72 crore had been utilised as of March 2007 (**Appendix 7.14**). The State Government had not contributed its share of 10 *per cent* of the project cost as of March 2007.

The MoP released (March 2001) Rs. 5 crore for the first Project (West Tripura) but the same was retained by the Finance Department of State Government for more than one year. It was observed that due to slow pace of utilisation in other projects resulted in non-release of second and subsequent installments, while no funds had been released for projects 6 and 7 (refer table 7.3.1) as the MoAs had not been signed.

7.3.6.5 Incentive for reduction of losses

Under the APDRP, the Company was eligible for incentives up to 50 *per cent* of the actual total loss reduction by the State utilities as grant. The Company's claim for Rs. 30.74 crore pertaining to the year 2003-04 had not been admitted by the MoP as of September 2007, due to non-agreement on the quantum and methodology of working out the reduction in losses (on cash basis, as opposed to accrual basis, during the relevant period when the Company was not set up).

The Government stated (September 2007) that the State Government and the Company were pursuing the matter vigorously.

Thus, due to delay in finalisation of methodology for working out the reduction in losses for the year 2003-04 resulted in non-receipt of incentive of Rs. 30.74 crore.

7.3.6.6 Delay in release of funds by the State Government

The APDRP guidelines required the State Government to release the funds received from MoP for APDRP projects to the utilities within a week of their receipt from MoP, failing which it would be treated as diversion of funds and the diverted amount would be adjusted with 10 *per cent* interest against the next release.

Audit scrutiny revealed that State Government had transferred the funds received from MoP after delays ranging from 33 to 408 days, as shown below, without attracting any penal action by the MoP, as contained in the guidelines.

Table 7.3.2

Year	Central release		Release by the State Government		Delay in release (days)
	Date	Amount *(Rs. in crore)*	Date	Amount *(Rs. in crore)*	
2000-01	March 2001	5.00	24.5.02	5.00	408
2002-03	4.4.02	2.67	24.5.02	2.67	43
2003-04	25.3.04	6.10	4.6.04	2.50	63
			21.6.04	1.00	80
			6.7.04	1.00	95
			18.8.04	1.60	138
2004-05	31.3.05	28.87	29.6.05	28.87	82
2006-07	20.6.06	16.67	31.7.06	16.67	33

Source: Information furnished by the Company.

The Management stated (December 2006) that as it had unspent funds throughout the period it had not pursued for further release of funds. The reply corroborates the audit contention that work was slow, projects lacked proper approach and planning, there was no monitoring and supervision and the Department was not in any hurry to execute works by which it would benefit from better revenue collection, efficient computerised billing, augmentation of sub transmission and distribution systems necessary for reducing AT&C losses and better consumer satisfaction. In short improved quality and reliability of power was not achieved.

7.3.6.7 Separate account head for APDRP funds not opened

The conditions under APDRP required the State to open separate account/sub-account heads as well as bank account for APDRP funds. This had not been done as of March 2007. Instead, APDRP funds were clubbed with Company's general cash. In the absence of separate accounts, the expenditure under various projects vis-à-vis funds received could not be verified in audit. The

Government stated (September 2007) that separate accounts would be started shortly.

7.3.6.8 Advances reported as expenditure

The Company reported inflated expenditure to MoP in the following cases:

- Rupees 7.82 crore advanced (November 2004 and January 2006) to PGCIL for implementation of projects relating to sub transmission and distribution improvement for North Tripura District and SCADA/DMS[23] projects on turnkey basis, scheduled to be completed by April 2007, was shown as final expenditure though the PGCIL had failed to start the projects.
- Rs. 20 lakh advanced (October 2004) to Tripura Housing Board (THB) for construction of a workshop building under Agartala Town project was shown as final expenditure, though the work was cancelled in March 2007. The THB claimed Rs. 1.57 lakh being the expenditure on preparing estimates and on tendering processes.

Thus, Rs. 8.02 crore remained unaccounted outside the Government account.

7.3.7 Implementation

The major areas of implementation under APDRP were:

- Improvement of sub-transmission and distribution systems.
- 100 *per cent* metering and,
- Energy accounting and audit.

Of the seven projects sanctioned, implementation of one project (SCADA/DMS), sanctioned in April 2005 and stipulated to be completed in two years, had not yet started (March 2007), owing to non-finalisation of the turn-key contract by the implementing agency (PGCIL). The work on North Tripura Project was commenced in December 2006, after a delay of more than two years from the date of sanction (October 2004), while the pace of progress in other projects (**Appendix 7.16**) was unsatisfactory, as discussed in the following paragraphs.

7.3.7.1 Unrealistic estimates in DPR

Significant variations were noticed in the quantities of several items included in the Detailed Project Reports (DPRs) prepared by the PGCIL and the quantities finally adopted. The requirements for various components were later on changed by the Company unilaterally, without the required prior approval of the MoP. **Appendix 7.15** shows that in a number of cases, the procurement of material was made much in excess of the quantities projected in the DPRs, while in other cases, the mandatory components provided in the DPRs were not procured adequately. The deviations ranged between (-) 25 *per cent* to 1340 *per cent*. The under-assessment was especially evident in case of electronic meters for consumer premises, where the DPR quantity (79,338)

[23] Supervisory Control And Data Acquisition / Distribution Management System.

was grossly inadequate for the actual requirement (3,26,139). This shows that DPRs were prepared without proper studies keeping in view the ground realities.

7.3.7.2 Delay in implementation

Though the projects were to be completed within two years of the approval, five projects sanctioned between March 2001 and October 2004, were yet to be completed, even after delays of 6 to 48 months from the scheduled dates of completion (**Table 7.3.1**).

As of March 2007, none of the major components like addition and augmentation of distribution chain through construction of sub-stations, reconductoring of feeders, replacement/repair of transformers, reduction in LT length, metering of Distribution Transformers (DTs) etc. had been completed in any of the projects (**Appendix 7.16**). Thus due to delay in completion of APDRP projects, the intended benefits of the schemes could not be achieved.

Some of the main reasons for the delay were failure to sign MoAs leading to delays in receipt of Central funds, not following the turn-key concept and failure to enforce a strict implementation schedule, as discussed in the succeeding paragraphs.

7.3.7.3 Turn-key concept not followed

As per MoP guidelines and the conditions contained in the MoAs, the SEBs/utilities had to invite tenders on turn-key basis for implementation of the APDRP projects with a view to maintaining a rigid completion schedule and single point responsibility for execution. The standard specifications for turn-key contracts as well as the list of accredited contractors should have been in place within two months of signing the MoA, and the project execution mechanism finalised within six months of signing the MoA.

It was noticed that the Company did not adhere to the turn-key concept and executed six projects involving Rs. 123.09 crore departmentally or on semi-turn-key basis i.e. procurement of material was done departmentally, while only major construction, erection and installation works were put to contract, mostly through local contractors.

While admitting, the Government stated (September 2007) that this was due to non-availability of vendors. The reply is not tenable as any evidence indicating invitation of tenders from empanelled turn-key contractors was neither produced nor available in record.

7.3.7.4 Delays in procurement of items

The Company made centralised procurement of the items required for implementation of the programmes. **Appendix 7.17** shows that inefficient handling of this process contributed significantly to the delay in implementation as indicated below:

(i) The time gap between the date of Notice Inviting Tender (NIT) and the issue of work order ranged from four to nine months, while the projects were required to be completed in only two years time.

(ii) The purchases were not made after pooling the requirements for similar items. Separate NIT was invited for each item, adding substantially to the administrative burden and the time taken for procurement. In many instances, several tenders were invited for the same item, required for different projects. For example:

- Five separate tenders were invited (October 2005 to July 2006) for 532 Distribution Transformers (DTs) and 298.5 kms 11 KV conductor in quick succession[24].
- Three tenders for three 3.15 MVA, 33/11 KV power transformer with related equipment were invited separately in quick succession[25] during January 2006 to August 2006.
- three separate tenders were invited for revamping of 405 DTs in the same month (May 2006), of which two were on the same date (25 May 2006).

Review of item wise rates of lowest bids accepted in each case for similar works revealed wide variations in rates although the works were put to tender in close succession. Had the requirement of similar items for different works been pooled together for centralised procurement, the Company could have avoided incurring excess expenditure as discussed below:

- Supply and erection of new 11 KV primary distribution feeders in two divisions (Udaipur and Bagafa) were awarded to two different contractors on the same day (9 August 2000). Considering the lowest accepted rates of common major items in these works, disclosed excess expenditure of Rs. 20.70 lakh (in 10 items) in case of Udaipur and Rs. 5.07 lakh (in 8 items) in case of Bagafa.
- Supply and erection of new Distribution Sub-station in Division IV, Udaipur and Division VI, Bagafa were awarded to two different contractors on the same day (9August 2006) at different item rates, disclosed excess expenditure of Rs. 8.23 lakh (in 10 items) in Udaipur and Rs. 4.67 lakh (in 10 items) in Bagafa, calculated in the two works.
- Re-vamping of 11 KV Distribution Sub-station in three Divisions were awarded (Bagafa: October 2006; Udaipur: December 2006 and Agartala – III: March 2007) at different rates to three different contractors resulting in excess expenditure of Rs. 4.70 lakh (15 items), Rs. 3.41 lakh (16 items) and Rs. 4.91 lakh (12 items) respectively, considering item wise lowest accepted rates in the above works.
- 7.5 MVA, 33/11 KV Sub-station in Jogendranagar (December 2006) and Durjayanagar (April 2007) registered excess expenditure of

[24] 29 October 2005, 14 November 2005, 14 November 2005, 4 January 2006 and 21 July 2006.

[25] 31 January 2006, 10 March 2006 and 4 August 2007.

Rs. 18.39 lakh (seven items) and 3.08 lakh (five items) respectively, at lowest accepted rates for the items in question.

- Construction of 11/0.433 KV Distribution Sub-station in Agartala-I (April 2006), Agartala-III (August 2006) and Ambassa (April 2007) awarded separately at different item rates resulted in excess expenditure of Rs. 5.18 lakh, Rs. 7.28 lakh and Rs. 4.00 lakh respectively considering the lowest accepted item rates in the said works.
- 33/11 KV, 3.15 transformer sub-station at Kalyanpur (November 2006) and Manu (April 2007) recorded excess expenditure of Rs. 1.68 lakh (six items) and Rs. 7.19 lakh (six items) respectively, considering lowest accepted rates in the two works.

The State Government stated (September 2007) that sanctions for projects were given at different times (between March 2001 and April 2005), making it impossible to club the component wise packages. The reply is not tenable as the tenders were floated only after September 2005, hence the Company had sufficient time for clubbing the similar requirement in one NIT. Further, as per APDRP guidelines all works were to be executed on turnkey basis, but, in contravention of the guidelines the Department executed the works themselves resulting in excess expenditure as mentioned above, which in turn would result in time and cost overrun.

Achievement of objectives

7.3.8 Non-achievement of improvement in Sub-transmission and distribution system

In the six[26] APDRP projects sanctioned (March 2001 to April 2005) for improvement in sub-transmission and Distribution systems, the proposed additions to and strengthening of the system had not been achieved. As of March 2007, the major areas of shortfall are indicated below:

(i) Out of seven new sub stations proposed, only one (Bordowali in Agartala) had been set up as of March 2007. Augmentation of only five sub-stations had been completed till March 2007 as against 26 planned; the work had not even started in most of the remaining cases.

(ii) Out of nine sectors planned, new 33 KV lines had been laid only in two sectors as of March 2007. The progress in others ranged from 0 to 80 *per cent.* Similarly, reconductoring of only one 33 KV line sector had been completed (**Appendix 7.16**), out of four sectors planned.

(iii) Laying of new 11 KV line, reconductoring of 11 KV line and laying of new LT lines had not been completed in any of the projects as of March 2007.

(iv) Similarly, in none of the projects, the work of new DTs and augmentation of existing DTs had been completed as of March 2007. The achievement was nil in outer Agartala and South Tripura as of March 2007.

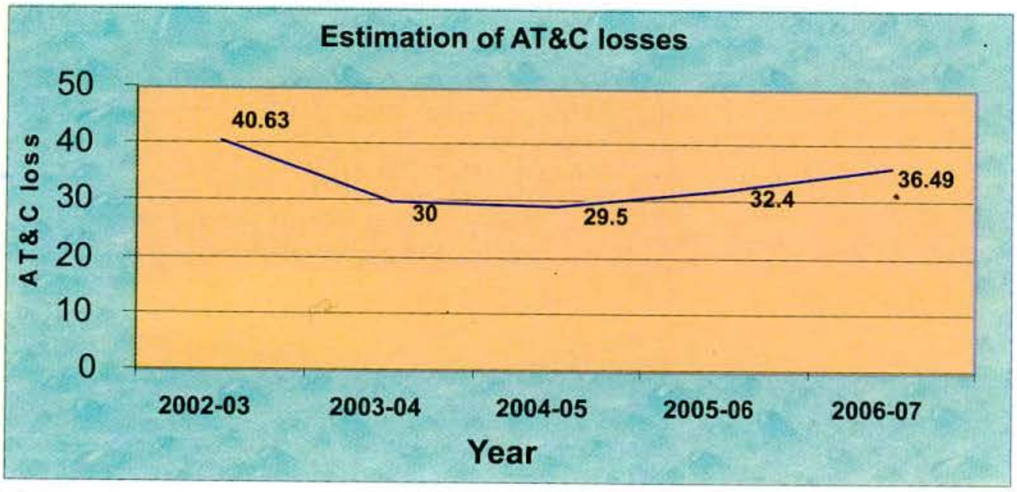
[26] West Tripura, Agartala Town, Outer Agartala, south Tripura, North Tripura and Dhalai.

The Government stated (September 2007) that the works in most of the cases were in progress and that in a few cases the tenders were under finalisation. Thus, due to non-completion of above works as per schedule, the intended benefits of APDRP scheme could not be achieved.

7.3.9 Reduction in AT & C losses.

The APDRP envisages reduction of AT &C[27] losses from the existing 60 *per cent* to 15 *per cent* in five years. The technical interventions required to contain AT&C losses like installation of shunt capacitors at all levels, reconductoring of overloaded sections, reduction of LT length, provision for DTs etc were not fully implemented as of March 2007. These, together with incomplete commercial interventions like metering, development of Information Technology (IT) enabled automatic data logging, meter reading, billing etc, severely constrained the ability to contain as well as estimate the AT&C losses in reliable manner.

The Company's own estimation of AT&C losses during 2002-07 showed a declining trend from about 40 *per cent* in 2002-03 to about 30 *per cent* in 2004-05, but an increasing trend was noticed thereafter, as shown in the chart.



However, these levels were far from the levels[28] desired under the APDRP. In addition, the reliability of the estimates of AT&C losses was also doubtful, primarily due to the following reasons:

7.3.9.1 Absence of proper guidelines/procedures and supporting records

The Company had not issued any detailed guidelines to the field offices regarding calculation of AT & C losses, nor had it evolved any system for study and correct assessment of losses separately at each voltage level. The Management stated (September 2007) that the detailed guidelines has since been issued to all concerned. The reply indicates delayed action towards achieving the primary objective of the programme.

[27] Aggregate Technical & commercial (AT&C) losses are a measure of the overall efficiency of power distribution which measures technical and commercial losses.

[28] (38% in 2002-03, 33% in 2003-04; 27% in 2004-05; 20% in 2005-06 and 15% in 2006-07).

7.3.9.2 Incorrect reporting of losses

- AT & C losses reported to MoP were with reference to the energy input in the system from sub-station to the consumers' premises only and did not cover the transmission loss from the generation points to the sub-stations. Thus, the AT & C losses reported to MoP were incomplete and misleading.
- The collection efficiency is to be worked out as a percentage of the amount realised against the amount billed. The amount billed as generated by the computerised billing system, however, did not include the arrear amounts, whereas the amount realised included the arrears, resulting in the collection efficiency being more than 100 *per cent* in many cases. This inaccuracy in calculating the collection efficiency resulted in lowering the AT & C loss percentage.

7.3.9.3 Billing done on assessment basis

Despite the stated objectives of 100 *per cent* transmission and distribution system metering as well as consumer metering, a significant number of installations remained unmetered. The computation of energy consumed was made on "assessment" basis in such cases, affecting adversely the veracity of the source data for computation of AT & C loss. The details of AT&C loss on the basis of source data are indicated in **Appendix 7.18.**
It was observed that:

(i) During 2005-07, the distribution losses ranged from 19 to 40 *per cent.*

(ii) The energy billed was only about 60 to 81 *per cent* of the output, the percentage actually decreased in Agartala town and outer Agartala in 2006-07.

(iii) The unmetered energy billed on assessment basis amounted to about 10-14 *per cent* of the billed energy.

Thus, the Company failed to achieve 100 *per cent* transmission and distribution system metering as well as consumer metering as envisaged in the APDRP guidelines resulting in loss of revenue due to billing on ad hoc basis.

Different billing authorities applied different criteria (average for last 3 months, connected load, minimum charge or even lump sum) which were insufficient for correct and accurate assessment of T&D losses. The Government stated (December 2006) that action was being taken for calculating the losses more accurately.

7.3.10 Reliability and Quality of Power Supply

One of the expected benefits of APDRP was improved quality and reliability of power supply, which would encourage usage of energy efficient equipment/appliances and lead to improvement in availability of energy. Some key performance parameters for quality and reliability are:

- Frequency of feeder tripping and average duration of feeder outages;
- Consumer Complaints and redressal time /coverage.

Significant deficiencies were observed in this area, as described in the succeeding paragraphs.

7.3.10.1 Feeder tripping and outages

The reliability index in terms of feeder/DT outages / stoppages for Agartala Town projects for September 2005 onwards varied between 89 *per cent* and 95 *per cent*, against the benchmark of reducing the failure rate to 3 *per cent* in 2005-06 and the target level of 1.5 *per cent* in 2006-07. The existing reliability index (89 to 95 *per cent*) effectively meant that in a year, the outage duration would vary from 438 to 964 hours.

The Government stated (September 2007) that steps were being taken to reduce the frequency of the trippings and outage hours.

7.3.10.2 Consumer complaints

Reduction in the number of consumer complaints is one of the benchmarks for improved quality and reliability of power supply. This, coupled with effective redressal of complaints, would reflect better customer satisfaction.

Though complaint registers were being maintained at sub-divisional offices, the details of complaints received, the nature of complaints and time taken for rectification, frequency of each type of complaints etc were neither recorded nor sent to the Division/Circle/Corporate Headquarters for monitoring and analysis. Due to non-maintenance of register complete in all respect it was difficult to assess the response time and the level of consumer satisfaction.

7.3.11 System and Consumer Metering

The APDRP envisages 100 *per cent* system metering and consumer metering for ensuring proper energy accounting and auditing, improved reliability of power supply, improved billing and collection efficiency and customer satisfaction. In particular, feeder metering and DT metering were highlighted as critical items targeted to reduce the commercial losses. The deficiencies noticed in metering are discussed in the succeeding paragraphs.

7.3.11.1 Feeder metering

As per MoA, 100 *per cent* static meters on 11 KV feeders and HT consumers were to be installed by December 2003. This was, however, achieved after a delay of more than 3 years in case of West Tripura and Agartala (March 2007), while it had not been completed in Dhalai (20 *per cent*), North Tripura and South Tripura (0%), as of March 2007.

The Government while accepting the audit observation stated (September 2007) that the work was in progress in other sub-divisions.

Consequently the Company failed to exercise control over energy accounting and reliability of quality power supply although there was no fund constraints.

7.3.11.2 DT metering

To facilitate detailed accounting of energy flows and gathering information on consumption pattern for demand management, 100 *per cent* energy metering on the LT side of distribution transformers was required on priority basis. As of March 2007, of the existing 5702 DTs none had been metered. While 422 DT meters valuing Rs. 83.05 lakh had been procured as of March 2007, the procurement of another 2730 meters was stated (July 2007) to be in progress. The procurement action for 3152 DT meters was highly inadequate to meet the projected requirement of 6498 DT meters. Consequently control on AT&C losses and adequate energy accounting and auditing was badly affected.

7.3.11.3 Consumer metering

The APDRP emphasized 100 *per cent* metering of all consumers to ensure correct and accurate energy accounting, determination of actual commercial loss and follow up measures. The table below shows that while all the consumers were not metered, a significant number had defective meters:

Table No. 7.3.3

Year	No. of total consumers	Numbers of consumers metered	Number of defective meter	Number of Unmetered Consumers	Total number of defective/ unmetered Consumers
2003-04	2,49,260	NA[29]	NA	NA	82,559 (33.12)[30]
2004-05	2,89,719	NA	NA	NA	81,814 (28.24)
2005-06	3,34,623	2,98,880	63,833	35,743	99,576 (29.76)
2006-07	3,52,576	3,19,831	37,687	32,745	70,432 (19.98)

Source: Information furnished by the Company.

Thus, the MoA provision for 100 *per cent* consumer metering by December 2003 remained unachieved as of March 2007 even though there was no funds constraints. As a result, about 20-30 *per cent* of consumers were billed on assessment basis and energy flows from feeders through DTs to consumers could not be properly measured with consequent lack of control on accurate energy accounting.

7.3.11.4 Purchase of inferior quality meters

In order to meet the requirement of consumer meters, the Power department / Company purchased (February 2004) inferior quality meters at cheaper rates of Rs. 214 – Rs. 219 per meter, against the DPR provision of Rs. 1200 per meter. The durability performance of these meters, installed during 2003-04 to 2005-06 in two sub-divisions under project 'Agartala Town', showed that 9.47 *to* 55.50 *per cent* meters became defective/out of order within 12 months of installation, as shown below:

[29] Not Available.

[30] Figure in bracket indicates percentage of defective / unmetered consumers to total consumers.

Table No. 7.3.4

Sl.No.	Name of sub-division	Year	Meter installed (Nos.)	Meter becoming defective (Nos.)	Percentage of defective meters
1	Electrical Sub-Division -II Agartala	2003-04 2004-05 2005-06	5617 5735 6041	600 543 970	10.68 9.47 16.06
2	Electrical Sub-Division -III Agartala	2003-04 2004-05 2005-06	1146 1011 1455	636 451 632	55.50 44.61 43.44

Source: Information furnished by the Company.

The position in other Sub-Divisions could not be ascertained due to non-maintenance of proper records relating to installation and replacement of the meters.

The Government while admitting the observation stated (September 2007) that the procurement was made on the basis of lowest rate obtained through call of tender with the provision of replacement of defective meters during warranty period as per purchase orders and accordingly, the supplier had already replaced 5,000 defective meters. It further stated that the specification of consumer meters had since been upgraded as per CEA recommendations. The Company, however, did not specify the total number of defective meters and the number of meters actually due for replacement.

7.3.12 Information Technology Development

The APDRP envisaged Information Technology as an important tool for reduction of AT&C losses by automation in meter reading, billing, automatic data logging and management information system. The Company achieved little in this area, especially in customer indexing and digital mapping, computerised data logging and computerised billing, as shown below:

Table No. 7.3.5

Particulars	Actual requirement	Actual progress as of March 2007	Shortfall
Mapping and indexing consumers	11 Divisions	5 Divisions	6 Divisions
Computerised data logging	42 Sub-stations	1 Sub-station	41 Sub-stations
Computerised billing	11 Divisions	2Divisions	9 Divisions

Source: Information furnished by the Company.

The collection of data / information, meter reading etc. were still being done manually, while computerised billing was being done in only two project areas as of March 2007 (two divisions comprising Agartala town and outer Agartala projects). The Government stated (September 2007) that action to procure the hardware for taking meter reading and energy billing was being taken. The fact remains that progress is very slow.

7.3.12.1 Technology options not implemented

There was poor or no progress in the adoption of several technological options for control of theft and reducing commercial losses as envisaged in the APDRP guidelines:

- Laying of Aerial Bunched Cables (ABC) /insulated cables in theft prone areas;
- Automated Meter Reading (AMR);
- Digital interface for automated data logging;
- Making the distribution system less LT oriented, and minimizing the imbalance in the LT/HT ratio; and
- Computerisation of feeder outages.

Against the benchmark of achieving LT/HT ratio of 1:1 by 2006-07, the current level stood at 1:0.54 (LT 15,407 km and HT: 8373 km) as of March 2007, indicating inadequate attention to reduction of LT/HT ratio. While there was tardy progress in AMR and automatic data logging etc, laying of insulated cables and computerisation of feeder outages etc had not been provided in the DPRs.

The Government stated (September 2007) that the price of ABC (not included in the DPR) was high, that AMR was not viable now, and that the programme for LT orientation had been taken up. The fact remains that ABC and AMR were not included in the DPR although 90 *per cent* grant is receivable for implementation of this scheme.

7.3.13 Pilferages and theft of energy

Pilferage/theft of energy was one of the major contributors to AT & C losses. The following table shows the details of number of theft cases detected and penalty realised during the period from 2002-07.

Table No. 7.3.6

Year	No. of theft cases detected	Penalty realised *(Rupees in lakh)*
2002-03	22,554	11.37
2003-04	30,344	59.68
2004-05	18,498	42.00
2005-06	14,699	40.05
2006-07	11,610	44.50
Total	**97,705**	**197.60**

Source: Information furnished by the Company.

The above table shows that the number of theft cases detected had dropped substantially during the last two years, after registering an increase in 2003-04, even though the distribution loss had increased substantially in Agartala town (about 50%) and outer Agartala (about 100%); see para 7.3.9.3 and **Appendix 7.18**. This pointed to inadequacy of anti-pilferage / theft measures:

The Government had set up a vigilance squad headed by a Dy. Superintendent of Police (Vigilance) with three units stationed in three electrical circles comprising one Sub-inspector of Police and eight constables in each unit. The number of cases registered and the conviction rate for the last three years are shown below:

Table 7.3.7

Year	No. of cases registered	No. of cases convicted	Percentage of conviction
2004-05	325	9	2.77
2005-06	233	36	15.45
2006-07	358	NA	NA

Source: Information furnished by the Company.

Very low number of cases registered and the percentage of conviction shows that the vigilance machinery needed to be stepped up. The State Government had not put up any special police stations or special courts, as envisaged in the Electricity Act, 2003. The Company had also not taken concrete action to arrest theft/pilferage by:

- identification of meddling areas and taking corrective measures; and
- development of computerised monitoring system for centralised monitoring of pilferage/theft.

The Government stated (September 2007) that the special courts had since been set up and police were asked to register FIRs in every case of theft / pilferage.

7.3.14 Monitoring and evaluation

The Company failed to evolve adequate monitoring mechanism and mid-term evaluation as stated below:

- No project level monitoring system was put in place.
- The State Level Distribution Reforms Committee (SLDRC) met only thrice, the last being held in March 2007 after a gap of 3 years, against the MoA stipulation of meeting once in every two months.
- No mid-term evaluation of any project was done by any independent external or internal agency.

7.3.15 Internal Control and Internal Audit

Internal control and Internal Audit is important appraisal activity within the organisation to examine and evaluate the activity of the organisation. Non-maintenance of accounts for APDRP, poor fund flow as well as unrealistic assessment in DPRs, non-prioritisation of works and inordinate delay in implementation indicated absence of proper internal control mechanism. The Company also had neither set up any internal audit wing nor deployed any outside agency to conduct the internal audit hence, the important element of internal control is missing.

7.3.16 Conclusion

More than six years after its launch, the impact of APDRP on reduction of AT&C loss was negligible, if any, which was the result of a number of factors including inertia in initiating the required reforms measures, defective planning, inefficient contracting and tardy implementation of the projects without subjecting them to a rigorous implementation schedule. While the power generation sector continued to grapple with the issues like systemic inefficiencies, fuel constraints, plant obsolescence and capacity constraints, the transmission and distribution losses were unabated, putting severe burden on the State's generation, transmission and distribution sector. The problem was further compounded by the lack of plans for implementation of technology options and inadequate measures to arrest the theft and pilferage.

7.3.17 Recommendations

It is recommended that the Company should:

- execute works on turnkey basis as provided in the guidelines. This will also bring down Company's overhead costs and reduce time and cost overrun;
- take effective steps to minimize AT&C and T&D losses;
- improve execution of projects through constant monitoring and efficient management and accounting of funds for timely completion and full utilisation of funds;
- evolve an effective system for evaluation of the progress and performance of works to identify weak areas for remedial action;
- make contracting process more efficient and requirements should be pooled to get the advantage of the economy of scale;
- ensure greater involvement of Lead Advisor-cum-Consultant to get the advantage of expertise and experience;
- strengthen anti-pilferage and theft measures with adequate legal provisions and strengthen energy audit and energy accounting.

SECTION-B

INDUSTRIES AND COMMERCE DEPARTMENT
Tripura Industrial Development Corporation Limited

7.4 Performance of loan management activity

7.4.1 Introduction

Tripura Industrial Development Corporation Ltd. (Company) was incorporated in March 1974 with the objective of aiding, assisting and financing industrial undertakings, projects or enterprises, through equity participation, extension of loans or financing of machines or raw material purchases.

The source of finance of the Company comprises mainly from the share capital contributed by the State Government, interest receipts and other income. The details of the Company's receipts and loans disbursed as per its provisional accounts for the period 2001-02 to 2005-06[31] are as under:

(Rupees in crore)

Year	Contribution to Share Capital	Interest Received on Loans and Advances	Other Income	Total	Loans Disbursed
2001-02	0.45	0.78	0.14	1.37	0.69
2002-03	0.80	0.38	0.16	1.34	0.70
2003-04	0.68	0.78	0.42	1.88	0.75
2004-05	0.29	0.39	0.56	1.24	0.65
2005-06	0.51	0.34	0.72	1.57	0.61
Total	**2.73**	**2.67**	**2.00**	**7.40**	**3.40**

Source: Information furnished by the Company.

A statement showing the receipts of applications, sanction and disbursement during the last five years upto 2005-06 is given in **Appendix 7.19**. Out of 681 applications for Rs. 11.58 crore, loans to 374 applicants involving Rs. 5 crore were sanctioned against which Rs. 3.40 crore (298 cases) were disbursed; 56 applications (8.22 *per cent*) for Rs. 0.61 crore (5.29 *per cent*) were rejected, while 251 applications (36.86 *per cent*) involving Rs. 5.96 crore were pending (March 2006), as shown in **Appendix 7.19**.

7.4.2 Sanction of loans

It was further observed that out of 298 cases of loans disbursed during 2001-06, only 49 loans involving Rs.0.70 crore (20.65 *per cent*) were for industrial purposes while the remaining 249 loans involving Rs. 2.70 crore were disbursed mainly to Small Road Transport Operators as detailed in **Appendix 7.20** for purchase of auto rickshaw, jeep, bus, trucks etc. The percentage of the loans sanctioned for non-industrial purposes varied from 64.68 to 92.44 *per cent*. Eighty one out of the pending 251 applications (32.27 *per cent*) involving Rs. 2.89 crore, pertained to industrial loans, while the remaining 170 involving Rs. 3.07 crore pertained to Small Road Transport Operators.

[31] The accounts for 2006-07 were not yet ready (September 2007).

7.4.3 Deficiency in the due diligence process

The Company had sanctioned bulk of the overdue loans prior to 1990 without any collateral security. The Company stated (October 2007) that these loans were sanctioned with liberal terms as its objective was promotion of industries rather than commercial. For the loans sanctioned subsequently, the Company stated that stringent collateral security norms were being imposed. However, it was observed that guarantees from the State Government servants were accepted based on their salary certificates but could not be enforced in cases of default. After 1997, the assurance letters from their DDOs were obtained but again the response in case of default was stated to be poor. In other cases, the assets mortgaged as security for loans became old and obsolete with negligible realisable value. Due to this, these assets have no buyers. From the above it emerges that loans were not disbursed to the right beneficiaries. Had the beneficiaries succeeded in their endeavours they would have been able to repay the loans. Further, since mortgaged assets had little sale value, it goes to show that the Company did not safeguard its interest before giving loan. The fact is that the Company's future working is dependent on loans recovered and reuse by others. By not recovering loans the Company was jeopardising its own future working.

7.4.4 Poor Recovery of Loans

The details of loans (Principal and Interest) due and recovered for the period 2001-02 to 2005-06 are summarised in the following table.

(Rupees in crore)

Year	Due for recovery (Principal +Interest)	Target fixed for recovery (Percentage of Targets against dues for recovery)	Recovery against dues (Percentage of recovery against dues)	Percentage of recovery against the target fixed for recovery	Per capita recovery by the staff
1	2	3	4	5	6
2001-02	38.42	-	1.73 (4.50)	-	0.22
2002-03	39.43	1.70 (4.31)	1.68 (4.26)	98.82	0.21
2003-04	44.31	1.60 (3.61)	1.84 (4.15)	115.00	0.23
2004-05	47.61	1.60 (3.36)	1.51 (3.17)	94.37	0.19
2005-06	50.47	1.50 (2.97)	1.33 (2.64)	88.67	0.17

It may be observed that the Company's performance in recovery of loans was not only poor but had deteriorated over the years:

- While the targets fixed for recovery had fallen from 4.31 *per cent* of the amount due in 2002-03 to 2.97 *per cent* in 2005-06, the percentage of recovery had declined from 4.50 *per cent* in 2001-02 to 2.64 *per cent* in 2005-06. Consequently, the amount outstanding for recovery had increased from Rs. 38.42 crore at the beginning of 2001-02 to Rs. 49.14 crore at the end of 2005-06.

- The recovery rate had declined despite the regular reduction in the targets for recovery year after year. It was observed that target for recovery was fixed on the basis of recovery in the previous year. The per capita output of the eight staff engaged in the recovery work was deteriorating from year to year.

- The Company did not analyse the reasons for this decline nor did it take any effective steps to improve the recovery. No records were made available regarding the number of units visited by the recovery staff and the number of recovery campaigns held. Even the quarterly demand notices to the loanees were not sent regularly.

- A sample check of 94 cases revealed that in 32 cases, there was no evidence of demand notice/reminders for repayment of loans having been issued while in 39 cases, the quarterly demand notices to the loanees were not issued in time (**Appendix 7.21**).

- The matter was not supervised or monitored effectively at the senior management level nor did it get adequate oversight at the Board level.

- The recovery through the judicial process was also not encouraging. During 2001-06, 77 cases were filed in the Tripura Public Debt Recovery (TPDR) court, involving Rs. 23.08 crore, but the recovery orders had been passed by the Court only in eight cases for Rs. 90 lakh, against which recovery had been made in only two cases for Rs. 14 lakh.

Thus, it is evident from above that targets for recovery of loans are not being fixed on realistic basis and recoveries are not being effected in time resulting in non receipt of sufficient funds for recycling purposes. This indicated lack of control and seriousness in monitoring the recovery of loans.

7.4.5 Large amounts of loans written off

During 2001-06 the TIDC Company had written off/waived with the approval of BoD, recovery from 148 loan cases involving Rs. 9.50 crore (Principal + Interest) as detailed below:

(Rupees in crore)

Year	Principal written off	Interest waived	Total	Percentage of outstanding
2001-02	0.39	2.95	3.34	8.71
2002-03	0.05	0.39	0.44	1.14
2003-04	0.02	1.51	1.53	3.44
2004-05	-	2.67	2.67	5.60
2005-06	-	1.52	1.52	3.00
Total	**0.46**	**9.04**	**9.50**	

Source: Business Planning of Resource Forecast (BPRF) statements of TIDC.

It was observed that out of these 148 cases involving Rs. 9.50 crore, 78 cases of Rs. 2.92 crore[32] related to purchase of auto rickshaw, jeep, bus, truck etc; 5 cases (Interest: Rs. 0.17 crore) related to purposes like beauty parlour, X-ray clinic, tailor shop and PCO etc, and 65 cases involving Rs. 6.41 crore[33] related to industrial activity. The amounts written off each year varied from 1.14 *per cent* to 8.71 *per cent* of the total outstanding in that year.

[32] Principal: Rs. 0.20 crore; Interest: Rs. 2.72 crore.
[33] Principal: Rs. 0.27 crore; Interest: Rs. 6.14 crore.

7.4.6 Conclusion

Thus, poor selection of loanees coupled with weak and deficient recovery process led to wastage of large public funds without any addition to the industrial development of the State. The Company had no written policy for monitoring the recovery of dues, and for enforcement of accountability. The supervision by the senior management and the BoD oversight needed strengthening.

7.4.7 Recommendations

It is recommended that the Company may:

- critically review its lending policy to ensure that funds are lent to priority areas in accordance with its objectives;
- institute a sound system of appraisal of loan proposals, in accordance with industry norms and best practices; and
- institute a system of strict monitoring and recovery mechanism with accountability to ensure that funds due are recovered on time.

The matter was reported to the Government in June 2007; reply had not been received (September 2007).

7.5 Non-realisation of dues

The Company failed to establish an effective system for timely realisation of outstanding dues from Industrial Units at the Growth Centre, Bodhjungnagar leading to non-realisation of Rs. 27.29 lakh and loss of interest of Rs. 5.58 lakh as of March 2007.

The lease deed agreement executed between Tripura Industrial Development Corporation Limited (Company) and the industrial units at the Growth Centre, Bodhjungnagar, stipulate that each entrepreneur would deposit a premium of Rs. one lakh each for every acre of land and for every shed as one time deposit and pay lease rent of Rs. 4000 per acre per month for the land and Rs. 5000 per month for the shed. A rebate of 10 *per cent* for timely payment is allowed and penal interest of 10 *per cent* per annum is to be imposed for delayed payment.

It was observed that the Executive Engineer, Growth Centre, Bodhjungnagar revealed that 72.60 acres of land and nine sheds were allotted to 29[34] industrial units (July 2000 and September 2006). Out of these, 25 units were operational. However, the Company failed to realise lease rent of land and sheds on time (along with water charges) from 18 units amounting to Rs. 27.29 lakh (**Appendix-7.22**) as at the end of March 2007, and to impose penal interest of Rs. 5.58 lakh for delayed payment of dues ranged between two to 60 months. Although the Company had issued reminders from time to time, few lessees had responded. It was also noticed that while the Company was allowing the

[34] 20 Units – land only; 1 Unit – land and one shed; 8 Units – 8 sheds.

rebate on timely payments, it did not impose penalty for delayed payments. Further, the agreement with Videocon International had been terminated (May 2007) without realising the dues amounting to Rs. 3.36 lakh. The Company did not initiate any effective action to realise the dues, along with penal interest, from the defaulting units, which led to increase in the arrears over time (**Appendix 7.22**).

Thus, failure of the Company to establish an effective system for timely realisation of outstanding dues and inability to enforce the provisions of the agreement led to non-realisation of Rs. 27.29 lakh of lease rent and Rs. 5.58 lakh as penal interest (March 2007).

The Government stated (September 2007) that the matter would be discussed in the meeting of the BoD and action would be taken to realise the outstanding lease rent as per the decision of the BoD.

POWER DEPARTMENT
(TRIPURA STATE ELECTRICITY CORPORATION LIMITED)

7.6 Loss due to payment of transmission charge without supply of gas

The Company incurred a loss of Rs. 11.76 crore paid as transmission charge to GAIL without any supply of gas.

The Oil and Natural Gas Corporation Limited (ONGC) supplied gas to the Gas Thermal Power Project (GTPP) upto February 1992 and subsequently after taking over the marketing of gas from the ONGC's Gas Gathering Station (GGS) at Rokhia, GAIL (India) Limited (GAIL) started supplying gas to GTPP. Anticipating shortfall of gas at the Rokhia GGS in 1997, GAIL laid (March 1998) a separate pipeline linking ONGC's Konaban Gas field with GTPP Rokhia (10 km). However, this remained unutilised till September 2002 since ONGC, in the meantime, had created (1997-98) additional reserves in Rokhia, for meeting the enhanced gas requirement. Notwithstanding, the Power Department renewed (April 2002) the agreement with GAIL (1 January 2002 to 31 December 2006 extended up to 30 June 2007). However, a new clause imposing transmission charges @ Rs. 19.93 lakh per month with effect from 1 March 2002 was incorporated for the facilities provided for supply of gas to the delivery point with additional annual incremental charges @ 3 *per cent.* The agreement further provided that during the currency of the contract, irrespective of total/partial/non-supply of gas, monthly transmission charges and taxes thereof were payable to GAIL.

Test Check of records of the Tripura State Electricity Corporation Limited (Company)[35] revealed that the GAIL supplied 1.90 lakh SCMD[36] (38 *per cent*

[35] The Company took over the generation and transmission of power from the Power Department from January 2005.
[36] Standard Cubic Metre per Day.

of total supply) of gas through Konaban–Rokhia pipeline for only 5 months (September 2002 to January 2003) when, on a request of the Power Department, the supply was temporarily stopped and diverted to the Ramchandra Nagar power plant of NEEPCO, to avert any power crisis during the Assembly elections scheduled in March 2003. In the interim period, the gas requirement of Rokhia plant was met from the GGS at Rokhia. However, the original arrangement of part supply to the Rokhia plant through Konaban-Rokhia pipeline was not resumed even after the elections were over. In the meantime, the Company continued to pay the transmission charges at the agreed rate as per the agreement. It had paid Rs. 11.76 crore as on March 2007 without any supply of gas.

On this being pointed out, the Company stated (June 2007) that reversion to prior arrangement was not necessary as ONGC-GGS at Rokhia was capable of supplying the total contractual quantity of gas for the Rokhia Plant and that the payment of transmission charges was a contractual obligation irrespective of uitlisation /non-utilisation of the pipeline. He also stated that the Company had requested GAIL on 29 March 2007 to incorporate a clause in the new contract that "no transportation charge will be paid if the gas is not transported by the seller to the buyer". The reply is not tenable as despite the fact that no gas had been supplied through the Konaban pipeline since February 2003 no fruitful efforts had been made by the Company to have the provision reviewed bilaterally, even though Article 18 of the contract had a provision for amendment to the contract. This led to loss of Rs. 11.76 crore paid as transmission charges during the period from February 2003 to March 2007 without any supply of gas.

The matter was reported to the Government in June 2007; reply had not been received (September 2007).

7.7 Unfruitful.expenditure and loss

Despite construction of a diversion road in 2003, the Company did not take timely action for closing the road passing through the Rokhia Project which resulted in unfruitful expenditure of Rs. 26.41 lakh on the diversion road and also in loss of Rs. 12.15 lakh on account of damages to the diversion road due to its non utilisation.

Tripura State Rifles recommended (April 2001) that the Bishalgarh-Boxanagar road passing through the Rokhia Gas Thermal Project (RGTP) be closed (one kilometre) to public and vehicular traffic as being unsafe for security. The Power Department[37] requested (May 2001) the PWD to construct a diversion road. The construction of diversion road (1.754 km), commenced in November 2001 and completed by PWD in June 2003 at a cost of Rs. 26.41 lakh.

[37] The work of generation and transmission of power was transferred from the Power Department to Tripura State Electricity Corporation Limited in January 2005, following its incorporation in June 2004.

Test-check of records of the Company and PWD revealed that after completion (June 2003) of the diversion road, the PWD handed over (January 2004) the portion of the original road passing through the RGTP to Power Department. However, the Power Department did not take any action to close that portion of the road; the PWD also did not open the diversion road to the public (May 2007). Consequently, the stretch of the road passing through the project continued to be used by the public and vehicular traffic, despite the fact that the Intelligence Bureau had reported (July 2005) serious threats to the project from insurgents, terrorists etc.

Due to its non-utilisation since June 2003, the condition of the diversion road had deteriorated. According to the PWD (September 2006), the road had become unusable because of the weakening of the top crust and indiscriminate dumping of excavated material by the RGTP.

Thus, lack of timely action by the Power Department/Company, the expenditure of Rs. 26.41 lakh on the diversion road remained unfruitful for 50 months besides posing threat to the security of the project. In addition, it led to avoidable estimated expenditure of Rs. 12.15 lakh on repairs of the diversion road.

The matter was reported to the Government in June 2007; reply had not been received (September 2007).

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

Agartala
The 2007

Countersigned

(VIJAYENDRA N. KAUL)
Comptroller and Auditor General of India

New Delhi
The 2007

APPENDICES

APPENDIX 1.1

Part A

Structure and Form of Government Accounts
(Reference: Paragraph 1.1)

Structure of Government Accounts: The accounts of the State Government are kept in three parts (i) Consolidated Fund,(ii) Contingency Fund and (iii) Public Account.

Part I: Consolidated Fund

All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all moneys received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266(1) of the Constitution of India.

Part II: Contingency Fund

Contingency Fund of State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account

Receipts and disbursement in respect of certain transactions such as smal' savings, provident funds, reserve funds, deposits, suspense, remittances etc whicr do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266 (2) of the Constitution and are not subject to vote by the State Legislature.

APPENDIX 1.1
Part B

Layout of Finance Accounts
(Reference: Paragraph 1.1)

Statement	Layout
Statement No. 1	Presents the summary of transactions of the State Government – receipts and expenditure, revenue and capital, public debt receipts and disbursements etc in the Consolidated Fund, Contingency Fund and Public Account of the State.
Statement No. 2	Contains the summarised statement of capital outlay showing progressive expenditure to the end of current year.
Statement No. 3	Gives financial results of irrigation works, their revenue receipts, working expenses and maintenance charges, capital outlay, net profit or loss, etc. There is no commercial irrigation project in Tripura State.
Statement No. 4	Indicates the summary of debt position of the State, which includes borrowings from internal debt, Government of India, other obligations and servicing of debt.
Statement No. 5	Gives the summary of loans and advances given by the State Government during the year, repayments made, recoveries in arrears, etc.
Statement No. 6	Gives the summary of guarantees given by the Government for repayment of loans etc. raised by the statutory corporations, local bodies and other institutions.
Statement No. 7	Gives the summary of cash balances and investments made out of such balances.
Statement No. 8	Depicts the summary of balances under Consolidated Fund, Contingency Fund and Public Account as on 31 March 2006.
Statement No. 9	Shows the revenue and expenditure under different heads for the current year as a percentage of total revenue / expenditure.
Statement No. 10	Indicates the distribution between the charged and voted expenditure incurred during the year.
Statement No. 11	Indicates the detailed account of revenue receipts by minor heads.
Statement No. 12	Provides accounts of revenue expenditure by minor heads under non-plan, State plan and centrally sponsored schemes separately and capital expenditure major head-wise.
Statement No. 13	Depicts the detailed capital expenditure incurred during and to the end of the current year.
Statement No. 14	Shows the details of investment of the State Government in statutory corporations, Government companies, other joint stock companies, cooperative banks and societies etc, up to the end of the current year.
Statement No. 15	Depicts the capital and other expenditure to the end of the current year and the principal sources from which the funds were provided for that expenditure.
Statement No. 16	Gives the detailed account of receipts, disbursements and balances under heads of account relating to debt, Contingency Fund and Public Account.
Statement No. 17	Presents the detailed account of debt and other interest bearing obligations of the Government of Tripura.
Statement No. 18	Provides the detailed account of loans and advances given by the Government of Tripura, the amount of loans repaid during the year, the balances at the end of the year and the amount of interest received during the year.
Statement No. 19	Gives the details of balances of earmarked funds. No earmarking of funds have been made in Tripura as shown in the statement.

APPENDIX 1.1

Part C

List of terms used in the Chapter I and basis for their calculation
(Reference: Paragraph 1.3)

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

APPENDIX 1.2

Abstract of Receipts and Disbursements for the year 2006-07
(Reference: Paragraph 1.3)

(Rupees in crore)

Receipts				Disbursements					
2005-06		2006-07		2005-06		2006-07			
						Non-Plan	Plan	Total	
	Section-A : Revenue								
3024.12	**I. Revenue Receipts**	**3333.36**		**2391.79**	**I. Revenue Expenditure**	**1992.51**	**490.05**	**2482.56**	**2482.56**
296.09	-Tax Revenue	341.55		**1072.87**	**General Services**	**1151.93**	**3.27**	**1155.20**	
63.62	-Non-Tax Revenue	94.97		**780.61**	**Social Services**	**566.98**	**302.27**	**869.25**	
404.38	-State's Share of Union Taxes	515.78		463.06	-Education, Sports, Art and Culture	430.04	68.58	498.62	
1286.88	-Non-Plan Grants	1171.96		98.35	-Health and Family Welfare	71.20	41.16	112.36	
799.57	-Grants for State/Union Territory Plan Schemes	985.34		25.23	-Water Supply, Sanitation, Housing and Urban Development	5.34	11.80	17.14	
7.72	-Grants for Central Plan Schemes	12.47		9.42	-Information and Broadcasting	5.55	4.35	9.90	
140.53	-Grants for Centrally sponsored Plan Schemes	189.06		92.83	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	8.54	92.17	100.71	
25.33	-Grants for Special Plan Schemes (NEC)	22.23		6.46	-Labour and Labour Welfare	5.30	1.63	6.93	
				84.38	-Social Welfare and Nutrition	40.17	82.58	122.75	
				0.88	-Others	0.84	-	0.84	
				484.70	**Economic Services**	**273.60**	**135.39**	**408.99**	
				154.23	-Agriculture and Allied Activities	118.07	58.88	176.95	
				74.18	-Rural Development	31.23	54.93	86.16	
				1.95	-Special Areas Programme(NEC)	-	2.41	2.41	
				24.29	-Irrigation and Flood Control	19.36	0.72	20.08	
				123.68	-Energy	1.04	0.04	1.08	
				26.65	-Industry and Minerals	12.68	11.75	24.43	
				58.33	-Transport	73.85	0.20	74.05	
				8.23	-Communication	8.80	-	8.80	
				1.49	-Science, Technology and Environment	0.46	1.88	2.34	
				11.67	-General Economic Services	8.11	4.58	12.69	
				53.61	**Grants-in-aid and contributions**	-	**49.12**	**49.12**	
-	**II. Revenue deficit carried over to Section-B**	**Nil**			**II. Revenue surplus carried over to Section-B**	-	-		**850.80**
3024.12	**Total : Section A**	**3333.36**		**3024.12**					**3333.36**

APPENDIX 1.2 (Contd.)

(Rupees in crore)

Receipts				Disbursements					
2005-06		2006-07		2005-06		2006-07			
						Non-Plan	Plan	Total	
	Section-B : Others								
240.84	**III. Opening cash balance including permanent advance and cash balance investment**		**399.16***	-	**III. Opening overdraft from Reserve Bank of India**			-	
	IV. Miscellaneous capital receipts		**Nil**	**743.94**	**IV. Capital Outlay-**	**60.48**	**661.97**	**722.45**	**722.45**
				82.84	**General Services**	**10.93**	**67.43**	**78.36**	
				248.50	**Social Services**	**2.18**	**228.02**	**230.20**	
3.86	**V. Recoveries of loans and advances**		**3.52**	43.15	-Education, Sports, Art and Culture	0.05	24.69	24.74	
3.60	From Government servants	3.36		56.12	-Health and Family Welfare	2.13	53.36	55.49	
0.26	From others	0.16		85.19	-Water Supply and Sanitation	-	97.52	97.52	
632.33	**VI. Revenue surplus brought down**		**850.80**	25.72	-Housing and Urban Development	-	22.24	22.24	
144.98	**VII. Public debt receipts**		**224.96**						
136.16	Internal debt other than Ways and Means	219.13		33.06	-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	13.23	13.23	
NIL	Net transactions under Ways and Means Advances including Overdraft	Nil			Information and Broadcasting	-	3.80	3.80	
8.82	Loans and advances from GOI	5.83		5.26	-Social Security and Nutrition	-	12.76	12.76	
				-	-Others	-	0.42	0.42	
1587.63	**VIII. Public Account receipts**		**1477.49***	**412.60**	**Economic Services**	**47.37**	**366.52**	**413.89**	
570.42	Small savings and provident funds etc.	379.74		32.54	-Agriculture and Allied Activities	7.18	29.86	37.04	
7.64	Reserve fund	18.54		7.45	-Rural Development	5.70	6.18	11.88	
210.79	Deposits and Advances	199.45		37.48	-Special Areas Programme	-	21.52	21.52	
88.56	Suspense and Miscellaneous	73.06		40.20	-Irrigation and Flood Control	-	72.86	72.86	-
710.22	Remittances	806.70*		129.41	-Energy	21.99	59.16	81.15	-
-	**IX. Closing overdraft from RBI**	-		10.52	-Industry and Minerals	-	10.84	10.84	-
				149.29	-Transport	12.50	155.08	167.58	
				0.59	-Science, Technology and Environment	-	1.10	1.10	
				5.09	-General Economic Services	-	9.88	9.88	
				0.03	-Communication	-	0.04	0.04	
2609.64			**2955.93**	**2609.64**					

* Differs from the previous year due to proforma transfer of Rs. 1.13 crore from Public Account to cash balance.

APPENDIX 1.2 (Concld.)

(Rupees in crore)

Receipts			Disbursements				
2005-06		2006-07	2005-06		2006-07		
	Section-B : Others						
			2.35	**V.**	**Loans and Advances Disbursed**		**0.68**
			2.33		-To Government Servants	0.64	
			0.02		-To others	0.04	
			NIL	**VI.**	**Revenue deficit brought down**		-
			163.34	**VII.**	**Repayment of Public Debt**		**95.78**
			134.39		-Internal Debt other than Ways and Means Advances	68.05	
			NIL		-Net transactions under Ways and Means Advances including Overdraft	Nil	
			28.95		-Repayment of Loans and Advances to Central Government	27.73	
			1300.85♣	**VIII.**	**Public Account Disbursements**		**1354.01**
			305.66		-Small Savings and Provident Funds	323.37	
			0.53		-Reserve Fund	0.33	
			220.66		-Deposits and Advances	197.89	
			21.13		-Suspense	47.97	
			752.87♣		-Remittances	784.45	
			399.16♣	**IX.**	**Cash Balance at end**		**783.01**
			NIL*		-Cash in Treasuries	Nil	
			0.45		-Departmental Cash Balance including permanent advance	(-) 1.21	
			464.73		-Cash Balance investment	820.19	
			(-)66.02♣		-Deposit with Reserve Bank of India	(-) 35.97	
2609.64	**Total : Section B :**	**2955.93**	**2609.64**		**Total : Section B :**		**2955.93**

* Rs.1353 only.

Explanatory Notes for Appendices I, II, III :

1.The abridged accounts in the statements have to be read with comments and explanations in the Finance Accounts.

2.Government accounts being mainly on cash basis, the surplus on Government account, as shown in **Appendix II** indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures etc., do not figure in the accounts.

3.Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlement etc.

4. There was a net difference of (Dr.) Rs. 13.20 crore between the figure reflected in the accounts (Cr.: Rs. 34.84 crore) and that intimated by the RBI (debit: Rs. 48.04 crore) under "Deposit with Reserve Bank of India". However, at the close of July 2007 the net difference was Rs. 7.70 crore (Dr.). The difference is under reconciliation.

♣ Differs from the previous year due to proforma transfer of Rs. 1.13 crore from Public Account to cash balance.

APPENDIX 1.3
Assets and Liabilities
(Reference: Paragraph 1.7)

(Rupees in crore)

Liabilities				
As on 31 March 2006			**As on 31 March 2007**	
2412.89∆		Internal Debt		**2563.97**
	1144.05◙	Market Loans bearing interest	1159.35	
	0.23	Market Loans not bearing interest	0.06	
	226.75	Loans from LIC of India	210.46	
	969.22	Special Securities to National Small Savings Fund of Central Government	1114.24	
	72.64◙	Loans from other Institutions	79.86	
572.36		Loans and Advances from Central Government		550.46
	1.30	Pre- 1984-85 Loans	0.20	
	23.12	Non-Plan Loans	10.55	
	508.81	Loans for State Plan Schemes	498.85	
	0.94	Loans for Central Plan Schemes	0.86	
	16.57	Loans for Centrally Sponsored Plan Schemes	19.64	
	-	Ways and Means Advances	-	
	21.62	Loans for Special Schemes	20.36	
1315.90∆		Small Savings, Provident Funds, etc.		1372.27
2.77		Reserve Fund		20.98
116.65		Deposits not bearing interest		118.40
10.00		Contingency Fund		10.00
-		Remittance balances		-
-		Suspense and Miscellaneous balances		-
1760.74		Accumulated surplus on Government Account		2611.54
	1128.41	Revenue Surplus brought forward from previous year	1760.74	
	632.33	Add revenue surplus (+) / deficit (-) for the current year	850.80	
6191.31				**7247.62**

(Rupees in crore)

Assets				
As on 31 March 2006			**As on 31 March 2007**	
5528.25		Gross capital outlay on Fixed Assets		6250.70
	366.00	Investment in Government Companies and Statutory Corporations, etc.	396.25	
	5162.25	Other Capital Outlay on General, Social and Economic Services	5854.45	
61.55		Loans and Advances by the State Government		58.70
	34.95	Other Development Loans	34.82	
	26.60	Loans to Government Servants	23.88	
2.42		Other Advances		2.62
-		Reserve Fund		-
37.58		Suspense and Miscellaneous Balances		12.48
162.35♣		Remittance Balances		140.11
399.16♣		Cash Balance		783.01
	Nil*	Cash in Treasuries	Nil*	
	0.45	Departmental Cash Balance including permanent advances	(-) 1.21	
	464.73	Cash balance investment	820.19	
	(-) 66.02	Deposits with Reserve Bank of India**	(-) 35.97	
6191.31				**7247.62**

* Rs.1353 only

** Minus balance was the net difference between receipts and disbursement of the State Government for the year 2005-06 after incorporating all adjustments made by RBI for the year 2006-07 upto 25 April 2006/2007.

∆ Differs from the previous year due to proforma transfer of Rs. 969.22 crore from Small Savings, Provident Funds, etc to Special Securities to NSSF of Central Government.

◙ Differs from the previous year due to proforma transfer of Rs. 63.51 crore from market loan bearing interest to loans from other institutions.

♣ Differs from the previous year due to proforma transfer of Rs. 1.13 crore from Public Account to cash balance.

APPENDIX 1.4

Time Series Data on State Government Finances

(Reference: Paragraph 1.3)

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Part A. Receipts					
1. Revenue Receipts	**1880.07**	**2167.66**	**2576.90**	**3024.12**	**3333.36**
(i) Tax Revenue	183.09 (10)	221.47 (10)	239.63 (9)	296.09 (10)	341.55 (10)
Taxes on Agricultural Income	0.01 (#)	0.30 (#)	0.27 (#)	0.14 (#)	0.15 (#)
Taxes on Sales, Trade, etc.	126.97 (69)	149.25 (67)	160.69 (67)	203.39 (69)	233.45 (68)
State Excise	28.21 (15)	31.36 (14)	32.37 (14)	32.30 (11)	38.41 (11)
Taxes on Vehicles	5.29 (3)	8.01 (4)	10.45 (4)	17.43 (6)	22.51 (7)
Stamps and Registration Fees	7.81 (4)	11.17 (5)	12.07 (5)	14.21 (5)	16.61 (5)
Land Revenue	1.31 (1)	2.61 (1)	1.20 (1)	3.25 (1)	3.03 (1)
Other Taxes	14.40 (8)	18.84 (9)	22.58 (9)	25.37 (8)	27.39 (8)
(ii) Non-Tax revenue	98.73 (5)	167.78 (8)	176.85 (7)	63.62 (2)	94.97 (3)
(iii) State's share of Union taxes and duties	249.71 (13)	320.53 (15)	383.12 (15)	404.38 (13)	515.78 (16)
(iv) Grants-in-aid from Government of India	1348.54 (72)	1457.88 (67)	1777.30 (69)	2260.03 (75)	2381.06 (71)
2. Misc. Capital Receipts	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
3. Total Revenue and Non-debt Capital Receipts (1+2)	**1880.07**	**2167.66**	**2576.90**	**3024.12**	**3333.36**
4. Recoveries of Loans and Advances	**3.10**	**3.69**	**3.97**	**3.86**	**3.52**
5. Public Debt Receipts	**211.48**	**405.32**	**367.88**	**144.98**	**224.96**
Internal Debt (excluding Ways and Means Advances and Overdrafts)	202.93	313.07	272.72	136.16	219.13
Net transactions under Ways and Means Advances and Overdrafts	(-) 76.29	NIL	NIL	NIL	NIL
Loans and Advances from Government of India	84.84	92.25	95.16	8.82	5.83
6. Total Receipts in the Consolidated Fund (3+4+5)	**2094.65**	**2576.67**	**2948.75**	**3172.96**	**3561.84**
7. Contingency Fund Receipts	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
8. Public Account Receipts	**1575.97**	**1699.00**	**1482.51**	**1587.63**	**1477.49**
9. Total Receipts of the State (6+7+8)	**3670.62**	**4275.67**	**4431.26**	**4760.59**	**5039.33**

(#) Negligible

• Includes Ways and Means Advances from GOI.

APPENDIX 1.4 (Contd.)

Time Series Data on State Government Finances
(Reference: Paragraph 1.3)

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	**1960.72 (81)**	**2062.93 (82)**	**2182.63 (77)**	**2391.79 (76)**	**2482.56 (78)**
Plan including CSS	339.62 (17)	331.05 (16)	341.11 (12)	412.54 (13)	490.05 (15)
Non-plan	1621.10 (83)	1731.88 (84)	1841.52 (65)	1979.25 (70)	1992.51 (62)
General Services (including Interests Payments)	826.73 (42)	876.08 (42)	927.91 (33)	1072.87 (34)	1155.20 (36)
Economic Services	375.35 (19)	416.44 (20)	423.04 (15)	484.70 (15)	408.99 (13)
Social Services	716.56 (37)	732.65 (36)	795.36 (28)	780.61 (25)	869.25 (27)
Grants-in-aid and Contributions	42.08 (2)	37.76 (2)	36.32 (1)	53.61 (2)	49.12 (2)
11. Capital Expenditure	**451.21 (19)**	**443.78 (18)**	**636.50 (23)**	**743.94 (24)**	**722.45 (23)**
Plan including CSS	428.69 (95)	413.89 (93)	570.15 (90)	697.36 (94)	661.97 (92)
Non-Plan	22.52 (5)	29.89 (7)	66.35 (10)	46.58 (6)	60.48 (8)
General Services	43.28 (10)	43.51 (10)	65.46 (10)	82.84 (11)	78.36 (11)
Economic Services	240.69 (53)	243.31 (55)	356.46 (56)	412.60 (55)	413.89 (57)
Social Services	167.24 (37)	156.96 (35)	214.58 (34)	248.50 (34)	230.20 (32)
12. Disbursement of Loans and Advances	**8.24**	**6.03**	**2.05**	**2.35**	**0.68**
13. Total (10+11+12)	**2420.17**	**2512.74**	**2821.18**	**3138.08**	**3205.69**
14. Repayments of Public Debt	**114.80**	**250.87**	**159.73**	**163.34**	**95.78**
Internal Debt (excluding Ways and Means Advances and Overdrafts)	25.72	41.29	44.81	134.39	68.05
Net transactions under Ways and Means Advances and Overdrafts	NIL	Nil	NIL	NIL	NIL
Loans and Advances from Government of India[₹]	89.08	209.58	114.92	28.95	27.73
15. Appropriation to Contingency Fund	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
16. Total Disbursement out of Consolidated Fund (13+14+15)	**2534.97**	**2763.61**	**2980.91**	**3301.42**	**3301.47**
17. Contingency Fund Disbursements	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
18. Public Account Disbursements	**1246.12**	**1615.86**	**1105.65**	**1300.85**	**1354.01**
19. Total disbursement by the State (16+17+18)	**3781.09**	**4379.47**	**4086.56**	**4602.27**	**4655.48**

[₹] Includes Ways and Means Advances from GOI.

APPENDIX 1.4 (Concld.)

Time Series Data on State Government Finances

(Reference: Paragraph 1.3)

(Rupees in crore)

	2002-03	2003-04	2004-05	2005-06	2006-07
Part C. Deficits					
20. Revenue Deficit (-)/ Surplus (+) (1-10)	**(-) 80.65**	**(+) 104.73**	**(+)394.27**	**(+) 632.33**	**(+)850.80**
21. Fiscal Deficit (-) / Surplus (+) (3+4 - 13)	**(-) 537.00**	**(-) 341.39**	**(-) 240.31**	**(-) 110.10**	**(+)131.19**
22. Primary Deficit (-) / Surplus (+) (21-23)	**(-) 246.31**	**(-) 8.68**	**115.51**	**(-) 260.52**	**(+) 519.36**
Part D. Other data					
23. Interest payments (percentage of Revenue expenditure)	**290.73 (15)**	**332.71 (16)**	**355.82 (16)**	**370.62 (15)**	**388.17 (16)**
24. Arrears of Revenue[1] (percentage of Tax and Non-Tax revenue receipts)	**2.46 (0.86)**	**13.23 (3.40)**	**13.45 (3.23)**	**12.01 (3.34)**	**13.41 (3.07)**
25. Financial Assistance to local bodies etc.	**112.48**	**132.95**	**316.95**	**134.62**	**171.25**
26. Ways and Means Advances/Overdraft availed (days)	**27**	**24**	**32**	**NIL**	**NIL**
27. Interest on Ways and Means Advances/Overdraft (Rs. in crore)	**0.34**	**0.06**	**0.11**	**NIL**	**NIL**
28. Gross State Domestic Product (GSDP)[4]	**6481.58**	**7165.78**	**7511.81**	**7998.40**	**8894.50**
29. Outstanding Fiscal Liabilities[2] (year-end)	**3127.42**	**3577.93**	**4181.28**	**4420.57**	**4626.08**
30. Outstanding guarantees (year-end)[3]	**25.00**	**41.42**	**44.89**	**46.98**	**40.89**
31. Maximum amount guaranteed (year-end)	**66.30**	**64.83**	**66.10**	**65.37**	**67.96**
32. Number of incomplete projects	**125**	**124**	**206**	**220**	**185**
33. Capital blocked in incomplete projects	**58.73**	**12.02**	**188.08**	**177.24**	**188.52**

1. The information on arrears of revenue as furnished by the taxation authorities included only Sales Tax
2. Apart from public debt, includes other liabilities (i.e., Small savings etc., Reserve fund and Deposit).
3. Outstanding guarantees include interest
4. GSDP for the year upto 2002-03 are on actual basis and for the years from 2003-04 to 2006-07 are on provisional figures as made available by the State Government.

APPENDIX 1.5

Sources and Application of Funds

(Reference: Paragraph 1.3)

(Rupees in crore)

2005-06 Amount			2006-07 Amount	
		SOURCES		
3024.12		1.Revenue Receipts		3333.36
3.86		2.Recoveries of Loans and Advances		3.52
(-) 18.36		3.Increase in Public Debt		129.19
287.91		4.Net Receipts from Public Account		123.47
	264.76	Increase in Small Savings and Provident Funds	56.36	
	7.11	Increase (+) in Reserve Funds	18.21	
	(-) 9.87	Decrease (-) / Increase (+) in Deposits and Advances	1.55	
	67.43	Decrease (-)/Increase (+) in Suspense Balances*	(+) 25.10	
	(-) 41.52	Increase (+) / Decrease (-) in Remittance Balances	(+) 22.25	
3297.53		**Total**		**3589.54**
		APPLICATION		
2391.79		Revenue Expenditure		2482.56
743.94		Capital Expenditure		722.45
2.35		Lending for development and other purposes		0.68
159.45		Increase in cash balance including permanent advances, departmental cash balance and cash balance investment		383.85
3297.53		**Total**		**3589.54**

* Suspense and Miscellaneous, excluding Departmental Balances, Permanent Cash Imprest, Cash Balance Investment Account and other accounts.

APPENDIX 1.6

Statement showing the departments which did not submit information relating to financial assistance given to various bodies / authorities during 2006-07

(Reference : Paragraph 1.6.6)

Sl. No.	Department name
1.	Agriculture Department (excluding Horticulture)
2.	Animal Resources Development Department
3.	Education (Higher) Department
4.	Education (Social Welfare and Social Education) Department
5.	Education (Sports and Youth Affairs) Department
6.	Fisheries Department
7.	Food, Civil Supplies and Consumer Affairs Department
8.	Forest Department
9.	General Administration Department
10.	Planning and Co-ordination Department
11.	Power Department
12.	Public Works Department
13.	Revenue Department
14.	Rural Development (including Panchayats) Department
15.	Science, Technology and Environment Department
16.	Transport Department
17.	Tribal Welfare Department
18.	Welfare of SC,OBCs and Religious Minorities Department

APPENDIX 1.7

Statement showing status of arrears in submission of accounts

(Reference : Paragraph 1.6.7)

Sl. No.	Name of the body	Period of accounts not received
Section 19 (3)		
1.	Tripura Khadi and Village Industries Board	1997-98 to 2005-06
Section 20 (1)		
2.	Tripura Board of Secondary Education	1998-99 to 2005-06
3.	Tripura University	1998-99 to 2005-06
4.	Agartala Municipal Council	1977-78 to 2005-06
5.	Khowai Nagar Panchayat	1979-80 to 2005-06
6.	Sonamura Nagar Panchayat	1979-80 to 2005-06
7.	Belonia Nagar Panchayat	1977-78 to 2005-06
8.	Udaipur Nagar Panchayat	1977-78 to 2005-06
9.	Amarpur Nagar Panchayat	1979-80 to 2005-06
10.	Kailashahar Nagar Panchayat	1977-78 to 2005-06
11.	Dharmanagar Nagar Panchayat	1977-78 to 2005-06
12.	Sabroom Nagar Panchayat	1978-79 to 2005-06
13.	Kamalpur Nagar Panchayat	1978-79 to 2005-06
14.	Teliamura Nagar Panchayat	1987-88 to 2005-06
15.	Kumarghat Nagar Panchayat	1987-88 to 2005-06
16.	Ranirbazar Nagar Panchayat	1991-92 to 2005-06

APPENDIX – 2.1

Excess of expenditure over provision requiring regularisation

(Reference : Paragraph 2.3.2)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total grant/ Appropriation	Total Expenditure	Excess
Revenue – Voted				
1.	22 – Relief and Rehabilitation Department	1,124.64	1,126.26	1.62
2.	42 – Education (School) Department	1,666.60	1,848.30	181.70
Capital - Voted				
3.	41 – Education (Social) Department	1255.47	1256.05	0.58
Capital – Charged				
4.	13 – PW (Roads and Bridges) Department	2200.00	2,352.20	152.20
5.	20 – Welfare of Scheduled Caste Department	9.00	11.17	2.17
6.	43 – Finance Department	5,072.86	6,219.72	1,146.86
	Total	**11,328.57**	**12,813.70**	**1,485.13**

APPENDIX – 2.2

Areas in which major savings occurred

(Reference: Paragraph 2.4.1)

Grant No/ Major Head	Areas in which major savings occurred	Savings (Rupees in crore)
10	**Home (Police) Department**	**24.21**
2055	Police	10.56
2070	Other Administrative Services	0.50
3275	Other Communication Services	1.51
4055	Capital Outlay on Police	11.06
4070	Capital Outlay on other Administrative Services	0.58
13	**Public Works (Roads and Bridges) Department**	**54.95**
2045	Other Taxes and Duties on Commodities and Services	0.22
2059	Public Works	9.21
2216	Housing	2.16
3054	Roads and Bridges	0.04
2049	Interest payments	1.69
4059	Capital outlay on Public Works	9.72
4216	Capital outlay on Housing	11.49
4552	Capital outlay on North East Areas	3.98
5054	Capital outlay on Roads and Bridges	15.73
6003	Internal Debt of the State Government	0.71
14	**Power Department**	**6.24**
4801	Capital outlay on Power Projects	6.24
16	**Health and Family Welfare Department**	**28.35**
2210	Medical and Public Health	3.05
4210	Capital outlay on Medical and Public Health	25.30
19	**Tribal Welfare Department**	**29.62**
2210	Medical and Public Health	0.40
2225	Welfare of SC, ST and OBC	2.19
3456	Civil Supplies	0.10
2230	Labour and Employment	0.15
2401	Crop Husbandry	1.86
2403	Animal Husbandry	0.11
2402	Soil and Water conservations	0.57
2406	Forestry and wild life	0.02
2552	North East Areas	0.12
2215	Water Supplies and Sanitation	1.07
2202	General Education	1.07
2235	Social Security and Welfare	3.76
2211	Family Welfare	0.23
5054	Capital Outlay on Roads and Bridges	2.53
4701	Capital outlay on Major and Medium Irrigation	1.14
4702	Capital outlay on Minor Irrigation	4.66
4711	Capital outlay on Flood Control Project	0.11
4070	Capital outlay on other Administrative Services	9.53
20	**Welfare of Scheduled Castes Department**	**49.10**
2210	Medical and Public Health	1.57
2225	Welfare of SC, ST and OBC	3.43

APPENDIX – 2.2 (Concld.)

Areas in which major savings occurred

(Reference: Paragraph 2.4.1)

Grant No/ Major Head	Areas in which major savings occurred	Savings (Rupees in crore)
2552	North Eastern Areas	0.06
2202	General Education	3.03
2211	Family Welfare	0.23
2401	Crop Husbandry	0.64
4701	Capital outlay on Major and Medium Irrigation	0.83
4215	Capital outlay on water supply and sanitation	4.87
4202	Capital outlay on Education, Sports, Art and Culture	4.84
4403	Capital outlay on Animal Husbandry	1.31
4406	Capital outlay on Forestry and Wild life	0.18
4210	Capital outlay on Medical and Public Health	16.24
4211	Capital outlay on Family Welfare	0.24
5054	Capital outlay on Roads and Bridges	11.63
31	**Rural Development Department**	**20.29**
2215	Water Supply and Sanitation	18.30
2501	Special Programmes for Rural Development	1.21
2515	Other Rural Development Programmes	0.78
34	**Planning and Co-ordination Department**	**25.00**
3451	Secretariat Economic Services	0.14
4070	Capital Outlay on other Administrative Services	4.57
35	**Urban Development Department**	**3.53**
2217	Urban Development	3.14
3604	Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	0.39
41	**Education (Social) Department**	**5.31**
2202	General Education	3.55
2235	Social Security and Welfare	1.01
4235	Capital Outlay on Social Security and Welfare	0.75
42	**Education(Sports and Youth Programme) Department**	**2.34**
4202	Capital Outlay on Education, Sports, Art and Culture	2.34
43	**Finance Department**	**96.05**
2052	Secretariat - General Services	0.90
2071	Other Administrative Services	26.33
2049	Interest Payments	43.72
7610	Loans to Government Servants, etc.	2.19
6004	Loans and Advances from Central Government	22.91

APPENDIX – 2.3

Cases where supplementary provision proved unnecessary

(Reference: Paragraph 2.4.2)

(Rupees in crore)

Sl. No	Number and name of grant/appropriation	Original grant/ appropriation	Supplementary provision	Savings
	Revenue - Voted			
1	5 – Law Department	12.90	1.70	1.70
2	12 – Co-operation Department	7.32	0.16	0.38
3	16 –Health Department	47.39	4.64	3.38
4	20 – Welfare of Scheduled Castes Department	68.82	7.97	10.51
5	23 – Panchayati Raj Department	46.19	9.32	2.16
6	29 – Animal Resources Development Department	25.75	0.80	1.43
7	30 – Forest Department	29.57	0.76	4.92
8	31 – Rural Development Department	87.18	0.05	20.52
9	33 – Science, Technology and Environment Department	1.32	0.02	0.08
10	35 – Urban Development Department	61.80	1.75	32.08
11	37 – Labour Organisation	2.84	0.18	0.23
12	39 – Education (Higher) Department	37.17	0.06	7.25
13	40 – Education (School) Department	476.76	21.37	87.65
14	41 – Education (Social) Department	73.85	6.73	8.09
15	44 – Institutional Finance	1.00	0.07	0.02
16	51 – Public Works (Public Health Engineering) Department	22.92	1.18	12.14
17	55 – Employment Department	2.05	0.03	0.27
	Capital – Voted			
18	11 –Transport Department	18.15	6.69	7.79
19	16 – Health Department	70.72	13.43	30.40
20	19 – Tribal Welfare Department	219.75	63.47	139.03
21	20 – Welfare of Schedule Castes Department	105.46	40.24	95.30
22	27 – Agriculture Department	22.98	0.63	13.47
23	29 – Animal Resources Development Department	6.89	1.19	5.49
24	36 – Jail Department	11.40	3.04	9.02
25	40 – Education (School) Department	15.61	48.86	52.54
	Total	**1475.49**	**234.34**	**545.85**

APPENDIX – 2.4

Statement showing cases where supplementary provision was made in excess of actual requirement

(Reference : Paragraph 2.4.3)

(Rupees in crore)

Sl. No.	Number and name of grant/appropriation	Original grant/ appropriation	Actual Expenditure	Additional requirement	Supple-mentary provision	Savings
	Revenue – Voted					
1	4 – Election Department	2.70	4.08	1.38	1.66	0.28
2	8 – Appointment Department	0.14	0.21	0.07	0.32	0.25
3	19 – Tribal Welfare Department	189.93	192.95	3.02	34.96	31.94
4	21 – Food , Civil Supplies and Consumer Affairs Department	11.80	11.83	0.03	0.63	0.60
5	36 – Home (Jail) Department	8.07	8.70	0.63	0.77	0.14
	Revenue – Charged					
6	43 – Finance Department	350.41	358.91	8.50	18.22	9.72
	Capital - Voted					
7	6 – Revenue Department	4.20	18.06	13.86	24.09	10.23
8	13 – Public Works (Roads & Bridges) Department	130.72	164.18	33.46	65.08	31.62
9	15 – Public Works (Water Resources) Department	30.88	36.62	5.74	17.55	11.81
10	17 – Information, Cultural Affairs and Tourism Department	0.52	6.51	5.99	6.13	0.14
11	28 – Horticulture Department	4.43	4.55	0.12	1.81	1.68
12	30 – Forest Department	5.83	11.47	5.64	7.21	1.57
13	31 – Rural Development Department	3.76	11.22	7.46	7.49	0.03
14	51 – Public Works (PHE) Department	38.51	43.73	5.22	10.05	4.84
	Total	**651.18**	**873.02**	**91.12**	**195.97**	**104.85**

APPENDIX – 2.5

Statement showing cases where saving was more than Rs. 10 lakh and over 10 *per cent* of provision

(Reference: Paragraph 2.4.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Savings	Savings as percentage of total provision
	Revenue - Voted			
1	5 – Law Department	1460.00	169.77	12
2	7 – Administrative Reforms Department	127.95	29.58	23
3	8 – Appointment Department	46.48	25.75	55
4	9 – Statistical Department	281.45	66.94	24
5	11- Transport Department	115.20	16.29	14
6	17 – Information Cultural Affairs and Tourism Department	1089.65	128.86	12
7	18 – General Administration (Political)	112.60	40.90	36
8	19 – Tribal Welfare Department	22489.55	3194.88	14
9	20 – Welfare of Scheduled Castes Department	7678.57	1050.50	14
10	24 – Industries and Commerce Department	2296.81	768.40	33
11	25 – Industries (Handloom, Handicrafts & Sericulture) Department	1091.46	315.16	29
12	27 – Agriculture Department	6364.28	876.22	14
13	30 – Forest Department	3032.65	491.51	16
14	31 – Rural Development Department	8723.10	2052.06	24
15	32 – Tribal Rehabilitation in plantation and Primitive Group Programme	542.54	108.90	20
16	34 – Planning and Co-ordination Department	483.52	249.28	52
17	35 – Urban Development Department	6354.74	3208.11	50
18	39 – Education (Higher) Department	3723.79	724.82	19
19	40 – Education (School) Department	49812.34	8765.22	18
20	43 – Finance Department	17804.27	46665.40	38
21	45 – Taxes and Excise	488.94	103.55	21
22	46 – Treasuries	283.55	68.46	24
23	49 – Fire Service Organisation	1397.00	157.07	11
24	50 – Civil Defence	46.30	11.69	25
25	51 – Public Works (PHE) Department	2410.20	1214.44	50
26	52 – Family Welfare and Preventive Medicine	5310.13	630.13	12
27	55 – Employment	208.68	27.33	13
	Capital - Voted			
28	5 – Law Department	272.63	251.35	92
29	6 – Revenue Department	2829.18	1023.61	36
30	10 – Home (Police) Department	1916.04	1327.39	69
31	11 – Transport Department	2519.82	778.74	31
32	13 – Public Works (Roads & Bridges) Department	19579.68	3161.85	16
33	14 – Power Department	9476.72	2234.42	24
34	15 – Public Works (Water Resources) Department	4843.17	1181.43	24
35	16 – Health Department	8414.94	3040.22	36

APPENDIX – 2.5 (Concld.)

Statement showing cases where saving was more than Rs. 10 lakh and over 10 *per cent* of provision

(Reference : Paragraph 2.4.4)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Savings	Savings as percentage of total provision
36	19 – Tribal Welfare Department	28321.87	13903.15	49
37	20 - Welfare of Scheduled Castes Department	14570.55	9530.38	65
38	21 – Food and Civil Supplies Department	59.76	7.71	13
39	23 – Panchayati Raj Department	1371.00	798.75	58
40	24 – Industries and Commerce Department	1952.50	498.83	26
41	27 – Agriculture Department	2361.00	1346.80	57
42	28 – Horticulture Department	623.13	167.78	27
43	29 – Animal Resources Development Department	807.71	549.34	68
44	30 – Forest Department	1304.18	157.20	12
45	33 – Science, Technology and Environment Department	236.45	136.45	58
46	34 – Planning and Co-ordination Department	5849.88	4502.52	77
47	36 – Jail Department	1443.69	902.12	62
48	39 – Education (Higher) Department	871.54	545.08	63
49	40 – Education (School) Department	6446.61	5253.95	81
50	42 – Education (Sports and Youth Programme) Department	234.00	234.00	100
51	52 – Family Welfare and Preventive Medicine	609.21	510.07	84
52	56 – Information Technology Department	622.00	446.47	72

APPENDIX – 2.6

Statement showing significant cases of persistent savings

(Reference : Paragraph 2.4.5)

(Rupees in crore)

Sl. No.	Number and name of grant/appropriation	Amount of savings (percentage of savings to total provision in brackets)		
		2004-05	2005-06	2006-07
Revenue - Voted				
1.	20 – Welfare of Scheduled Castes Department	6.26 (12)	18.14 (27)	10.51 (14)
2.	25- Industries (Handloom, Handicrafts and Sericulture) Department	2.91 (31)	1.56 (12)	3.15 (29)
3.	35- Urban Development Department	8.50 (27)	41.12 (60)	32.08 (50)
4.	46-Treasuries	0.85 (27)	0.40 (14)	0.68 (24)
Capital - Voted				
5.	15 - Public Works (Water Resources) Department	11.45 (51)	9.35 (30)	11.81 (24)
6.	19 – Tribal Welfare Department	62.69 (53)	93.41 (53)	139.03 (49)
7.	20 – Welfare of Scheduled Castes Department	23.76 (61)	44.32 (52)	95.30 (65)
8.	27- Agriculture Department	11.81 (59)	9.60 (45)	13.47 (57)
9.	29- Animal Resources Development Department	3.78 (42)	6.17 (57)	5.49 (68)
10.	36- Jail Department	3.83 (42)	4.22 (53)	9.02 (62)
11.	42- Education (Sports and Youth Programme) Department	17.75 (99)	22.61 (99)	2.34 (100)
12.	51- Public Works (PHE) Department	3.21 (19)	9.08 (41)	4.84 (10)

APPENDIX –2.7

Injudicious re-appropriation of funds

(Reference: Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
1.	**Grant No. 6 – Revenue Department** (i) 4070 – Capital outlay on other Administrative Services 800 – Other expenditure 48 – Border Areas Development Programme 01 – BADP (Plan)	O. 0.50 S. 112.12	0.30	112.92	661.18	(+) 548.26
2.	**Grant No. 10 – Home (Police) Department** (i) 2055 – Police 03 – Education and Training 08 – Police 14 - Police Training college (Non-plan)	O. 420.80 S. 300.00	6.85	727.65	514.00	(-) 213.65
	(ii) 101 – Criminal Investigation and vigilance 08 – Police 03 – Criminal Investigation Branch (Non-plan)	O. 1354.85	63.10	1417.95	1323.18	(-) 94.77
	(iii) 12 – I.R. Battalion (Non-SRE) 06 – I.R. Battalion No. VI (T.S.R Battalion No. VIII)	O.964.60	5.81	970.41	916.33	(-) 54.08
	(iv) 109 – District Police 08 – Police 04 – District Armed Reserve (Non-plan)	O. 4181.25	(-) 116.29	4064.96	3974.56	(-) 90.40
	(v) 09 – Mobile Task Force (Non-plan)	O. 257.85	9.03	266.88	197.93	(-) 68.95
	(vi) 09 – Security Related expenditure 03 – District Administration (Non-plan)	O. 1480.00	(-) 250.00	1230.00	868.00	(-) 362.00
	(vii) 3275 – Other Communication Services 101 – Wireless Planning and Coordination 08 – Police 10 – Police Communication (Non-plan)	O. 1025.75	5.02	1030.77	880.00	(-) 150.77
	(viii) 2055 – Police 108 – State Headquarter Police 12 – I.R Battalion (Non SRE) 03 – I.R Battalion No. III (T.S.R Battalion No. VIII) Reimbursable / Sharing Scheme (Non-plan)	O. 925.60	187.93	1113.53	986.66	(-) 126.87
	(ix) 11 – T.S.R Battalion 01 – Battalion No. I (Non-plan)	O. 1296.10 S. 180.00	27.36	1503.46	1666.54	(+) 163.08
	(x) 04 – Battalion No. IV (Non-plan)	O. 1068.10	150.12	1218.22	1080.19	(-) 138.03
	(xi) 02 – IR Battalion No. II (TSR Battalion No. VI)	O. 1036.10	68.21	1104.31	1046.77	(-) 57.54
	(xii) 04- I.R.Battalion No. IV (TSR-Battalion No. IX) (Non-plan)	O.917.35	176.44	1093.79	922.61	(-) 171.18
	(xiii) 109 – District Police 08 – Police 05 – District Civil Police (Non-plan)	O. 6390.60	199.41	6590.01	6421.96	(-) 168.05
	(xiv) 2059 – Public Works 80 – General 053 – Maintenance and Repairs 43 – Finance Commission 28 – Public Buildings (TFC Award) (Non-plan)	Nil	80.00	80.00	14.56	(-) 65.44
	(xv) 4055 – Capital outlay on police 207 – State Police 800 – Other expenditure 08 – Police 11 – Police Force Modernisation Reimbursible / Sharing Scheme, Central Share (Non-plan)	O. 1500.00	(-) 300.00	1200.00	222.46	(-) 977.54

APPENDIX – 2.7 (contd)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(xvi) 09 – Security Related expenditure 01 – Amenities for Central para military Force (Non-plan)	O. 200.00	(-) 40.00	160.00	32.29	(-) 120.71
	(xvii) 03 – District Administration (Non-plan)	O. 100.00	60.00	160.00	102.00	(-) 58.00
3.	**Grant No. 13 – Public Works (Roads and Bridges) Department** (i) 2059 – Public Works 80 – General 0011 – Direction and Administration 25 – Public Works 02 – Direction (NP)	O. 1360.95	(-) 215.45	1145.50	706.58	(-) 438.92
	(ii) 03 – Execution (Non-plan)	O. 4181.55	(-) 250.67	3929.88	3776.11	(-) 153.77
	(iii) 053 – Maintenance and Repairs 25 – Public Works 01 – Administrative Buildings (Non-plan)	O. 872.66	(-)5.00	867.66	554.81	(-) 312.85
	(iv) 14 – Public Buildings (Non-Plan)	O. 1.00	239.00	240.00	53.34	(-) 186.66
	(v) 3054 – Roads and Bridges 04 – District and Other Roads 800 – Other expenditure 25 – Public Works 03 – Execution (Non-plan)	O. 5737.00 S. 458.39	241.61	6437.00	7384.98	(+) 947.98
	(vi) 2049 – Interest Payments 01 – Interest on Internal Debt 200 - Interest on other Internal Debt 58 – Debt Services 11 – NABARD (Non-plan)	O. 500.00	(-) 100.00	400.00	294.22	(-) 105.78
	(vii) 08 – LIC Loans (Non-plan)	O. 2500.00	100.00	2600.00	2536.93	(-) 63.07
	(viii) 4059 – Capital outlay on Public Works 01 – Office Building 051 – Constructions 56 – Non-lapsable 03 – Capital complies (Plan)	S. 999.49	245.71	1245.20	421.40	(-) 823.80
	(ix) 25 – Public Works 07 – General Administration (Plan)	O. 300.00	50.00	350.00	251.77	(-) 98.23
	(x) 4552 – Capital outlay on North Eastern Areas 04 – District and other Roads 800 – Other expenditure 57 – North Eastern Area Development 09 – Road of Fatikroy – Kailashahar and Pecharthan-Chebri (Plan) NEC Scheme	O. 2500.00	(-) 500.00	2000.00	1602.46	(-) 397.54
	(xi) 5054 – Capital outlay on Roads and Bridges 02 – Strategic and Border Roads 337 – Road works 56 – Non-lapsable 06 – Halahali – Belonia Road (CSS)	O. 2500.00	(-) 215.25	2284.75	2182.03	(-) 102.72
	(xii) 04 – District and other Roads 800 – Other expenditure 44 – Additional Central Assistance 01- ACA (Plan)	O. 1.00 S. 1234.19	1154.30	2389.49	919.71	(-) 1469.78
	(xiii) 54 – NABARD 01 – RIDF-V-Construction of ongoing Rural Bridges Project (Plan)	O. 2100.00	(-) 1008.00	1092.00	1916.47	(+) 824.47
	(xiv) 07 – State Share (Plan)	O. 900.00	180.00	1080.00	802.83	(-) 277.17

APPENDIX – 2.7 (contd)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(xv) 02 – Strategic and Border Roads 337 – Road works 13 – Transportation 01 – Central Road Fund (CSS)	Nil	119.54	119.54	264.60	(+) 145.06
	(xvi) 04 – Roads of Inter-State and Economic Importance (CSS)	O. 150.00	(-) 150.00	Nil	174.01	(+) 174.01
	(xvii) 04 – District and other Roads 800 – Other expenditure 48 – Border Area Development Programme 01 – BADP (Plan)	O. 1.00	123.70	124.70	326.07	(+) 201.37
	(xviii) 6003 – Internal Debt of the Government 104 – Loans from the National Bank for Agricultural and Rural Development 58 – Debt Services 11 – NABARD (Non-plan)	O. 440.00	60.00	500.00	674.76	(+) 174.76
	(xix) 103 – Loans from Life Insurance Corporation of India 58 – Debt Services 08 – LIC Loan (Non-plan)	O. 1760.00	(-) 60.00	1700.00	1628.40	(-) 71.60
	Grant No. 14 – Power Department (i) 4801 – Capital outlay on power projects 80 – General 190 – Investment in Public Sector and other Undertakings 60 – APDRP 01 – Metering (Plan)	O. 3484.00	(-) 1733.16	1750.84	1667.00	(-) 83.84
	(ii) 06 – Rural Electrification 800 – Other expenditure 26 – Power 15 – State contribution for 1×21 MW GT Project at Rokhia (Unit VIII) (Plan)	Nil	139.88	139.88	269.00	(+) 129.12
	(iii) 17 – Renovation of Rokhia Unit VIII	Nil	182.00	182.00	350.00	(+) 168.00
	(iv) 80 –General 26 – Power 11 – Corporation (Plan)	O. 1196.00	1104.00	2300.00	1696.00	(-) 604.00
4.	**Grant No. 15 – Public Works (Water Resources) Department** (i) 2702- Minor Irrigation 80 – General 001 – Direction and Administration 27 – Water Resources 14 – Execution (Non-plan)	O. 1471.75	2.72	1474.47	1159.61	(-) 314.86
	(ii) 2711 – Flood Control and Drainage 01 – Flood Control 001 – Direction and Administration 27 – Water Resources 05 – Flood Control and Drainages (Non-plan)	O. 493.25	(-) 2.05	491.20	646.83	(+) 155.63
	(iii) 4701 – Capital outlay on Major and Medium Irrigation 80 – General 800 – Other Expenditure 45 – AIBP 01 – Gomuti Irrigation Project (Plan)	O. 82.00	23.13	105.13	50.05	(-) 55.08

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(iv) 03 – Manu Irrigation Project	O. 357.00	25.06	382.06	221.48	(-) 160.58
	(v) 4711 – Capital outlay on Flood Control Projects 01 – Flood Control 800 – Other Expenditure 27 – Water Resources 17 – Critical Flood Control and Anti Erosion Schemes in Brahmaputra and Barak Valley (Plan)	O. 500.00 S. 642.25	57.75	1200.00	744.37	(-) 455.63
5.	**Grant No. 16 – Health Department** (i) 2210 – Medical and Public Health 01 – Urban Health Services – Allopathy 001 – Direction and Administration 98 – Administration 16- Health (Non-plan)	O. 3212.24 S. 274.49	27.42	3514.15	3345.06	(-) 169.09
	(ii) 71- Medical College 01 – Establishment (Non-plan)	O. 245.00	8.00	253.00	161.15	(-) 91.85
	01 – Establishment	O. 304.00	(-) 4.00	300.00	402.61	(+) 102.61
	(iii) 4210 – Capital outlay on Medical and Public Health 44 – Additional Central Assistance 01 – ACA (Plan)	O. 1.00 S. 1219.37	219.84	1440.21	Nil	(-) 1440.21
	(iv) 57 – Accident and Trauma Centre at Kulai (Plan) (NEC)	S. 60.31	3.42	63.73	Nil	(-) 63.73
	(v) 4210 – Capital outlay on Medical and Public Health 01 – Urban Health Services 56 – Non-Lapsable 22 – Medical College (CSS)	O. 3919.56	(-) 919.56	3000.00	4081.35	(+) 1081.35
6.	**Grant No. 19 – Tribal Welfare Department** (i) 2202 – General Education 01 – Elementary Education 106 – Teachers and Other Services 42 – Government Primary Schools 01 – Middle Stage Education (From Class VI to VIII) (Plan)	O. 308.20	(-) 93.40	214.80	108.28	(-) 106.52
	(ii) 02 – Primary Education (From Class I to Class V) (Plan)	O. 1555.70	(-) 1012.69	543.01	1188.80	(+) 645.79
	(iii) 2215 – Water Supply and Sanitation 01 – Water Supply 001 – Direction and Administration 30 – Rural Development 21 – North Tripura District (Plan)	O. 89.15 S. 2.58	0.04	91.77	25.69	(-) 66.08
	(iv) 2235 – Social Security and Welfare 02 – Social Welfare 102 – Child Welfare 33 – Welfare Programme 15 – Integrated Child Development Scheme (CSS)	O. 939.70	(-) 319.70	620.00	709.43	(+) 89.43
	(v) 02 – Social Welfare 102 – Child Welfare 70 – State Share 41 – Social Welfare and Social Education (Plan)	O. 217.00	62.00	279.00	144.76	(-) 134.24
	(vi) 03 – National Social Assistance Programme 101 – National Old Age Pension Scheme 33 – Welfare Programme 25 – National Old Age Pension Scheme (Plan)	O. 382.00	(-) 105.30	276.70	204.99	(-) 71.71
	(vii) 67 – National Social Assistance Programme (NSAP) 01 – National Old Age Pension (Plan)	O. 165.00 S. 520.92	59.75	745.67	447.55	(-) 298.12

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(viii) 2401 – Crop Husbandry 800 – Other expenditure 38 – Macro Management 27 – Macro Management in Agriculture (CSS)	O. 594.24	54.83	649.07	578.44	(-) 70.63
	(ix) 001 – Direction and Administration 98 – Administration 27 – Agriculture (Plan)	O. 467.94 S. 232.61	1.98	702.53	589.83	(-) 112.70
	(x) 2501 – Special Programme for Rural Development 04 – Integrated Rural Energy Planning Programme 109 – Monitoring 31 – Science and Technology 09 – Energy (Plan)	O. 10.00 S. 103.55	15.00	128.55	10.00	(-) 118.55
	(xi) 2225 – Welfare of SC, ST and OBC 02 – Welfare of ST 277 – Education 34 – Tribal Sub-plan 08 – Minor Forest Produce Operation (CSS)	O. 120.00	(-) 50.00	70.00	Nil	(-) 70.00
	(xii) 2406 – Forestry and Wild life 01 – Forestry 101 – Forest Conservation, Development and Regeneration 43 – Finance Commission 18 – Vocational Training (CSS)	O. 93.00 S. 52.00	(-) 1.00	144.00	Nil	(-) 144.00
	(vii) 67 – National Social Assistance Programme (NSAP) 01 – National Old Age Pension (Plan)	O. 165.00 S. 520.92	59.75	745.67	447.55	(-) 298.12
	(viii) 2401 – Crop Husbandry 800 – Other expenditure 38 – Macro Management 27 – Macro Management in Agriculture (CSS)	O. 594.24	54.83	649.07	578.44	(-) 70.63
	(ix) 001 – Direction and Administration 98 – Administration 27 – Agriculture (Plan)	O. 467.94 S. 232.61	1.98	702.53	589.83	(-) 112.70
	(x) 2501 – Special Programme for Rural Development 04 – Integrated Rural Energy Planning Programme 109 – Monitoring 31 – Science and Technology 09 – Energy (Plan)	O. 10.00 S. 103.55	15.00	128.55	10.00	(-) 118.55
	(xi) 2225 – Welfare of SC, ST and OBC 02 – Welfare of ST 277 – Education 34 – Tribal Sub-plan 08 – Minor Forest Produce Operation (CSS)	O. 120.00	(-) 50.00	70.00	Nil	(-) 70.00
	(xii) 2406 – Forestry and Wild life 01 – Forestry 101 – Forest Conservation, Development and Regeneration 43 – Finance Commission 18 – Vocational Training (CSS)	O. 93.00 S. 52.00	(-) 1.00	144.00	Nil	(-) 144.00
	(xii) 3604 – Compensation and Assignment to Local Bodies and Panchayat Raj Institutions 800 – Other expenditure 32 – Urban Development 14 – Devolution (Plan)	O. 172.77	(-) 72.77	100.00	Nil	(-) 100.00

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(xiv) 2202 – General Education 02 – Secondary Education 104 – Teachers and other Services 41 – Human Development 18 – Government Secondary Schools (Plan)	O. 152.80	596.54	749.34	188.69	(-) 560.65
	(xv) 3604 – Compensation and Assignment to Local Bodies and Panchayat Raj Institutions 200 – Other Miscellaneous compensation and assignments 34 – Tribal Sub-plan 14 – Sixth Schedule	O. 545.00	370.80	915.80	611.80	(-) 304.00
	(xvi) 4070 – Capital outlay on Other Administrative Services 800 – Other Expenditure 48 – Border Area Development Programme 01 – BADP (Plan)	O. 0.35 S. 317.61	41.20	359.16	181.67	(-) 177.49
	(xvii) 4202 – Capital outlay on Education, Sports, Art and Culture 203 – University and Higher Education 44 – ACA 01 – ACA (Plan)	O. 31 S. 207.13	19.77	227.21	40.76	(-) 186.45
	(xviii) 02 – Technical education 104 – Polytechnics 51 – External Aided Project 04 – Third Technician Education Project (Plan)	O. 217.00	(-) 62.00	155.00	93.00	(-) 62.00
	(xix) 4701 – Capital outlay on Major and Medium Irrigation 80 – General 800 – Other expenditure 02 – Khowai Irrigation Projects (Plan)	O. 195.00	13.00	208.00	154.00	(-) 54.00
	(xx) 4702 – Capital outlay on Minor Irrigation 101- Surface Water 46- State Share of AIBP 04 – Other Irrigation Project (Plan)	O. 313.00	(-) 3.00	310.00	219.19	(-) 90.81
	(xxi) 54 – National Bank for Agriculture and Rural Development (NABARD) 03 – RIDF – VI- Construction of cold storage and market yards (plan)	O. 800.00	(-) 207.00	593.00	217.02	(-) 375.98
	(xxii) 4810 – Capital outlay on Non-conventional Sources of Energy 102 – Solar 70 – State Share 33 – Science, Technology and Environment (Plan)	O. 150.00	(-) 1289.10	21.10	115.00	(+) 93.90
	(xxiii) 5054 – Capital outlay on Roads and Bridges 04 – District and other Roads 800 – Other expenditure 99 – Others 60 – Other than MNP (Plan)	O. 4773.38	(-) 2014.38	2759.00	2650.00	(-) 109.00
	(xxiv) 4070 – Capital outlay on other Administrative Services 800 – Other expenditure 99 – Others 27 – MLA, Local Areas Development Programme (Plan)	O. 200.00	21.00	221.00	Nil	(-) 221.00

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(xxv) 4225 – Capital outlay on Welfare of SC, ST and Other Backward Classes 800 – Other expenditure 44 – ACA 01 – ACA (Plan)	O. 1.00 S. 36.96	159.25	197.21	Nil	(-) 197.21
	(xxvi) 4403 – Capital outlay on Animal Husbandry 101- Veterinary Services and Animal Health 109 – Extension and Training 44 – ACA 01 – ACA (Plan)	O. 0.31	94.69	95.00	Nil	(-) 95.00
	(xxvii) 4801 – Capital outlay on Power Projects 80 – General 190 – Investment in Public Sector and Other Undertakings 60 – Accelerated Power Development Rural Programme (APDRP) 01- Metering (Plan)	O. 2077.00	(-) 1033.23	1043.77	Nil	(-) 1043.77
	(xxviii) 4215 – Capital outlay on water supply and sanitation 01- Water supply 102 – Rural Water Supply 28 – Public Health 03 – Rajib Gandhi National Drinking Water Mission	O. 1102.00	(-) 79.00	1023.00	1234.63	(-) 211.63
	(xxix) 4401- Capital outlay on Crop Husbandry 119 – Horticulture and vegetable crops 50 – Shifting cultivation 01 –Water shed Development Project (Plan)	O. 345.00	(-) 236.50	180.50	350.00	(+) 241.50
	(xxx) 4801 – Capital outlay on power projects 80 – General 190 – Investment in Public Sector and other undertakings 26 – Power 11 – Corporation (Plan)	O. 713.00	(-) 713.00	Nil	713.00	(+) 713.00
	(xxxi) 5054 – Capital outlay on Roads and Bridges 04 – District and other Roads 800 – Other expenditure 54 – NABARD 01 – RIDF-V-Construction of ongoing Rural Bridges Project (Plan)	Nil	651.00	651.00	397.85	(-) 253.15
7.	**Grant No. 20–Welfare of Scheduled Castes Department** (i) 2202 – General Education 01 – Elementary Education 106 – Teachers and other services 42 – Government primary schools 02 – Primary Education (from class I to V) (Plan)	O. 1024.15	(-) 708.56	315.59	827.69	(+) 512.10
	(ii) 2210 – Medical and Public Health 103 – Primary Health Centres 16 – Hospitals 10 – Primary Health Centres (Plan)	O. 341.50	34.50	376.00	254.39	(-) 121.61
	(iii) 2235 – Social Security and Welfare 02- Social Welfare 102 – Child Welfare 33 – Welfare Programme 15 – Integrated Child Development Scheme (CSS)	O. 479.25 S. 50.93	(-) 190.18	340.00	439.25	(+) 99.25

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(iv) 3604 – Compensation and Assignment to Local Bodies and Panchayati Raj Institutions 800 – Other expenditure 32 – Urban Development 14 – Devolution (Plan)	O. 86.38	(-) 35.00	51.38	Nil	(-) 51.38
	(v) 2202- General Education 02- Secondary Education 104 – Teaches and other Services 41 – Human Development 18 – Government Secondary Schools (Plan)	O. 79.65	351.10	430.75	128.08	(-) 302.67
	(vi) 2225 – Welfare of SC,ST and OBCs 03- Welfare of OBCs 277 – Education 35 – Scholarship and stipend 02 – Post-matric scholarship to OBC students (CSS)	O. 120.00	(-) 56.22	63.78	243.08	(+) 179.30
	(vii) 07 – Pre-matric scholarship to OBC students (CSS)	O. 125.00	(-) 61.22	63.78	250.67	(+) 186.89
	(viii) 4070 – Capital outlay on other Administrative Services 800 – Other expenditure 48 – Border Area Development Programme 01 – BADP (Plan)	O. 0.15 S. 810.43	0.09	810.67	276.46	(-) 534.21
	(ix) 99 – Others 27 – MAL-Local Area Development Programme (Plan)	O. 70.00	7.35	77.35	Nil	(-) 77.35
	(x) 4202 – Capital outlay on Education, Sports, Art and Culture 01- General Education 201 – Elementary Education 70 – State share 40 – School Education (Plan)	O. 150.00 S. 125.40	0.60	276.00	170.00	(-) 106.00
	(xi) 203 – University and Higher Education 44 – ACA 01 – Development of Science Block of women's College (Plan)	O. 0.17 S. 113.65	10.78	124.60	22.35	(-) 102.25
	(xii) 4215 – Capital outlay on Water Supply and Sanitation 01- Water supply 102 – Rural water supply 06 – Execution (Plan)	O. 349.10	(-) 84.50	264.60	200.00	(-) 64.60
	(xiii) 4403 – Capital outlay on Animal Husbandry 109 – Extension and Training 44 – ACA 01 – ACA (Plan)	O. 0.17 S. 41.52	9.31	51.00	Nil	(-) 51.00
	(xiv) 4702 – Capital outlay on Minor Irrigation 101 – Surface water 45 – Accelerated Irrigation Benefits Programme (AIBP) 04 – Other Irrigation Projects	O. 255.00 S. 261.15	27.85	544.00	482.46	(-) 61.54
	(xv) 4801 – Capital outlay on power projects 80 – General 190 – Investment in Public Sector Undertakings 60 – APDRP 01 – Metering (Plan)	O. 1139.00	(-) 566.61	572.39	Nil	(-) 572.39

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(xvi) 5054 – Capital outlay on Roads and Bridges 011 – District and other Roads 800 – Other expenditure 99 – Others 60 – Other than MNP (Plan)	O. 2617.66	(-) 1104.66	1513.00	350.13	(-) 1162.87
	(xvii) 4215 – Capital outlay on water supply and sanitation 01 – Water supply 800 – Other expenditure 70 – State share 31 – Rural Development (Plan)	O. 140.00 S. 267.26	52.74	460.00	849.53	(+) 389.53
	(xviii) 5054 – Capital outlay on Roads and Bridges 04 – District and other Roads 800 – Other expenditure 54 – NABARD 01- RIDF-V-Constructions of ongoing Rural Bridges Project (Plan)	Nil	357.00	357.00	129.00	(-) 228.00
8.	**Grant No. 23 – Panchayati Raj Department** (i) 2515 – Other Rural Development Programme 001 – Direction and Administration 98 – Administration 23 – Panchayat (Non plan)	O. 2031.90 S. 3.00	0.20	2035.10	1827.02	(-) 208.08
9.	**Grant No. 24 – Industries and Commerce Department** (i) 2851 – Village and Small Industries 102 – Small Scale Industries 29 – Industries Development 14 – Operation and maintenance (Non-plan)	O. 239.64	(-) 0.75	238.89	180.81	(-) 58.08
	(ii) 4070 – Capital outlay on other Administrative services 800 – Other expenditure 29 – Industries Development 11 – Setting up of Industrial Training Institute (CSS)	O. 700.00	(-) 445.00	255.00	365.22	(+) 110.22
10.	**Grant No. 25 – Industries (Handloom, Handicrafts and Sericulture) Department** (i) 2851 – Village and Small Industries 001 – Direction and Administration 98 – Administration 25 – Handloom (Non-plan)	O. 318.44	(-) 17.50	300.94	359.21	(+) 58.27
11.	**Grant No. 27 – Agriculture Department** (i) 2401 – Crop Husbandry 800 – Other expenditure 38 – Macro Management 27 – Macro Management in Agriculture (CSS)	O. 692.66 S. 496.09	78.99	1109.76	567.86	(-) 541.90
12.	**Grant No. 28 – Horticulture Department** (i) 4401 – Capital outlay on crop Husbandry 119 – Horticulture and vegetable crops 50 – Shifting cultivation 01 – Water Shed Development Project (Plan)	S. 180.60	1.40	182.00	Nil	(-) 182.00
13.	**Grant No. 29 – Animal Resources Development Department** (i) 4403 – Capital outlay on Animal Husbandry 101- Veterinary Services and Animal Health 43 – Assistance to States for control of Animal Diseases (ASCAD) (CSS)	O. 106.53	6.19	112.72	23.63	(-) 89.09

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference : Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(ii) 4403 – Capital outlay on Animal Husbandry 109 – Extension and Training 44- Additional Central Assistance 01 – ACA (Plan)	O. 0.52 S. 114.71	38.77	154.00	Nil	(-) 154.00
14.	**Grant No. 30 – Forest Department** (i) 2406 – Forestry and wild life 101 – Forest Conservations Development and Regeneration 43 – Finance Commission 27 – Maintenance of Forest – Preservation of Forest Wealth (Plan)	O. 159.00 S. 11.99	58.01	229.00	Nil	(-) 229.00
	(ii) 4406 – Capital outlay on Forestry and wild life 02 – Environmental Forestry and wild life 110 – Wild life 40 – Forestry 03 – Assistance to Sepahijala (CSS)	O. 8.00 S. 48.56	10.85	67.41	3.97	(-) 63.44
15.	**Grant No. 31 – Rural Development Department** (i) 2515 – Other Rural Development Programmes 001 – Direction and Administration	O. 333.88	4.01	337.89	260.03	(-) 77.86
16.	**Grant No. 33 – Science, Technology and Environment** (i) 5425 – Capital outlay on other Scientific and Environmental Research 800 – Other expenditure 70 – State share 33 – ST & E (Plan)	S. 119.45	107.00	226.45	100.00	(-) 126.45
17.	**Grant No. 34 – Planning and Coordination Department** (i) 4070 – Capital outlay on Other Administrative Services 800 – Other Expenditure 99 – Others 27 – MLA Local Area Development Programme (Plan)	O. 330.00	34.65	364.65	593.24	(+) 228.59
18.	**Grant No. 35 – Urban Development Department** (i) 2217 – Urban Development 191 – Assistance to Local Bodies Corporation, Urban Development Authorities, Town Improvement Boards etc. 20 – Jawaharlal Nehru National Urban Renewal Mission (JNNURM)	O. 1207.00	(-) 1017.70	189.30	Nil	(-) 189.30
19.	**Grant No. 36 – Jail Department** (i) 4059 – Capital outlay on Public works 60 – Other Buildings 800 – Other expenditure 43 – Finance Commission 20 – Prison Administration (Plan)	O. 175.50	(-) 97.50	78.00	Nil	(-) 78.00
20.	**Grant No. 39 – Education (Higher) Department** (i) 2202 – General Education 103 – Government colleges and Institutes 41 – Human Development 49 – Government Degree College (Non-Plan)	O. 1978.99	12.66	1991.65	1507.05	(-) 484.60
	(ii) 2203 – Technical Education 105 – Polytechnics 41 – Human Development 50 – Polytechnic Institutes (Non-plan)	O. 133.36	10.39	143.75	205.37	(+) 61.62

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference: Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(iii) 4202 – Capital outlay on Education, Sports, Art and Culture 01 – General Education 203 – University and Higher Education 44 – Additional Central Assistance 01 – ACA	O. 0.52 S. 348.75	31.88	381.15	68.39	(-) 312.76
	(iv) 02 – Technical Education 104 – Polytechnics 51 – External Aided Projects 04 – Third Technician Education Project (Plan)	O. 364.00	(-) 104.00	260.00	156.00	(-) 104.00
21.	**Grant No. 40 – Education (School) Department** (i) 2202 – General Education 01 – Elementary Education 106 – Teachers and other services 56 – Non-lapsable 28 – Sarva Shiksha Abhiyan (CSS)	S. 1756.17	41.64	1797.81	838.92	(-) 958.89
	(ii) 106 – Teaching and other Services 42 – Government Primary School 01 – Middle Stage Education	O. 520.75	(-) 150.88	369.87	215.53	(-) 154.34
	(iii) 104 – Teaching and other Services 41 – Human Development 18 – Government Secondary Schools (Plan)	O. 230.05 S. 246.39	831.50	1307.94	406.88	(-) 901.06
	(iv) 2059 – Public Works 80 – General 053 – Maintenance and repairs 43 – Finance Commission 28 – Public Buildings (TFC Award) (Non-plan)	Nil	300.00	300.00	151.00	(-) 149.00
	(v) 2202- General Education 01 – Elementary Education 106 – Teaching and other Services 402 – Government Primary Schools 02 – Primary Education (Class I to V) (Plan)	O. 1617.73	(-) 686.26	931.47	1805.00	(+) 873.53
	(vi) 02 – Secondary Education 104 – Teaching and other Services 41 – Human Development 18 – Government Secondary School (Non-plan)	O. 17481.10	1880.96	19362.06	17722.74	(-) 1639.32
	(vii) 4202 – Capital outlay on Education, Sports, Art and Culture 01- General Education 202 – Secondary Education 56 – Non lapsable 32 – Upgradation of Secondary School (CSS)	S. 2298.89	17.00	2315.89	Nil	(-) 2315.89
	(viii) 201 – Elementary Education 70 – State Share 40 – School Education (Plan)	O. 1467.93	(-) 775.93	692.00	625.55	(-) 66.45
	(ix) 202 – Secondary Education 411 – ACA 01- ACA (Plan)	O. 1.00 S. 2581.89	611.32	3194.21	420.06	(-) 2774.15
	(x) 70 – State Share 40 – School Education (Plan)	Nil	134.00	134.00	37.64	(-) 96.36

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference: Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
22.	**Grant No. 41 – Education (Social) Department** (i) 2202 – General Education 04 – Adult Education 200 – Other Adult Education Programme 33 – Welfare Programme 09 – General (Non-plan)	O. 2437.20	(-) 15.15	2425.05	2097.97	(-) 327.08
	(ii) 2235 – Social Security and Welfare 02 – Social Welfare 15 – Integrated Child Development Scheme (CSS)	O. 1657.32	(-) 978.88	678.44	1337.27	(+) 658.83
	(iii) 33 – Welfare programme 09 – General (Non-plan)	O. 355.25\ S. 6.59	0.44	362.28	294.29	(-) 67.99
	(iv) 4235 – Capital outlay on Social Security and Welfare 02 – Social Welfare 102 – Child Welfare 33 – Welfare Programme 15 – Integrated Child Development Scheme (CSS)	O. 979.13	(-) 639.13	340.00	1055.03	(+) 715.03
23.	**Grant No. 42 – Education (Sports and Youth Programme) Department** (i) 2204 – Sports and Youth Programme 101 – Physical Education 800 – Other expenditure 41 – Human Development 49 – Government Degree College	O. 10.80	1.40	12.20	459.10	(+) 446.90
	(ii) 4202 – Capital outlay on Education, Sports, Art and Culture 03 – Sports and Youth Services 800 – Other expenditure 04 – ACA 01 – ACA (Plan)	O. 1.00 S. 232.00	1.00	234.00	Nil	(-) 234.00
	Grant No. 43 – Finance Department (i) 2052 – Secretariat General Services 090 – Secretariat 05 – Establishment 011 – Audit Organisation (Non-plan)	O. 88.00	50.38	138.38	64.34	(-) 74.04
	(ii) 2071 – Pensions and Other Retirement Benefits 01 – Civil 101 – Superannuation and Retirement Allowances 02 – Pension 01 – General Pension (Non-plan)	O. 23946.50	(-) 2111.50	21835.00	19396.45	(-) 2438.55
	(iii) 104 – Gratuities 02 – Pension 01 – General Pension (Non-plan)	O. 2706.00	(-) 163.35	2542.65	2454.54	(-) 88.11
	(iv) 01 – Civil 102 – Commuted value of pensions 02 – Pensions 01 – General pension (Non-plan)	O. 545.00	(-) 100.18	444.82	2035.18	(+) 1590.36
	(v) 105 – Family pensions 02 – Pension 01 – General Pension (Non-plan)	O. 793.00	2062.45	2855.45	2748.97	(-) 106.48

APPENDIX – 2.7 (contd.)

Injudicious re-appropriation of funds

(Reference: Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(vi) 2049 – Interest Payments 01 – Interest on internal debt 101 – Interest on Market Loans 58 – Debt Services 10 – Market Loans (Non-plan)	O. 8775.00 S. 1822.20	582.80	11180.00	9809.21	(-) 1370.79
	(vii) 03 – Interest on Small Savings, Provident Funds etc. 104 – Interest on State PF 58 – Debt Services 05 – General Provident Fund (Non-plan)	O. 10577.90	1528.90	12106.80	10325.55	(-) 1781.25
	(viii) 04 – Interest on Loans and Advances from Central Government 101 – Interest on Loans for State / Union Territory Plan scheme 58 – Debt Services 19 – State Plan Scheme (Non-plan)	O. 5805.92	(-) 4642.32	1163.60	1329.18	(+) 165.58
	(ix) 122 – Interest on investment in Special Central Government Securities issued against net collection of small savings from 1.4. 1999 58 – Debt Services 17 – Small Savings Collections (Non-plan)	O. 8500.00	2760.00	1260.00	10039.87	(-) 1220.13
	(x) 103 – Interest on loans for centrally sponsored plan scheme 58 – Debt services 02 – CSS (Non-plan)	O. 169.64	(-) 36.59	133.05	195.06	(+) 62.01
	(xi) 109–Interest on State Plan Loans Consolidated in terms of recommendation of the TFC 58 – Debt Services 44 – Interest Payments of TFC (Non-Plan)	Nil	-	-	3170.33	(+) 3170.33
	(xii) 7610 – Loans to Government servants etc. 201 – House buildings Advances 51 – State Government employees (Non-plan)	O. 150.00	(-) 75.00	75.00	20.25	(-) 54.75
	(xiii) 800 – Other expenditure 99 – Others 51 – State Government employees (Non-plan)	O. 100.00	(-) 5.00	95.00	19.54	(-) 75.46
	(xiv) 6004 – Loans and Advances from the Central Government 02 – Loans for State / Union Territory Plan Schemes 101 – Block Loans 58 – Debt Services 19 – State Plan Scheme (Non-plan)	O. 2550.82	(-) 0.60	2550.22	258.75	(-) 2291.47
24.	**Grant No. 49 – Fire Services Organisation** (i) 2070 – Other Administrative Services 108 – Fire Protection and Control 05 – Establishment 22 – Fire Service Organisation (Non-plan)	O. 1382.00	(-) 82.27	1299.73	1224.93	(-) 74.80
25.	**Grant No. 51 – Public Works (PHE) Department** (i) 4215 – Capital Outlay on Water Supply and Sanitation 01 – Water supply 102 – Rural Water Supply 28 – Public Health 02 – Accelerated Urban Water Supply Scheme (CSS)	O. 350.00	(-) 100.00	250.00	Nil	(-) 250.00

APPENDIX – 2.7 (concld.)

Injudicious re-appropriation of funds

(Reference: Paragraph 2.5)

(Rupees in lakh)

Sl. No.	Details of grant/appropriation affected	Provision Original (O) Supplementary (S)	Re-appropriation	Total grant	Actual expenditure	Saving (-) Excess (+)
	(ii) 4215 – Capital outlay on Water Supply and Sanitation 01 – Water supply 102 – Rural Water Supply 28 – Public Health 03 – Rajib Gandhi National Drinking Water Mission (Plan)	O. 1544.00	(-) 78.00	1466.00	2210.30	(+) 744.30
26.	**Grant No. 52 – Family Welfare and Preventive Medicine** (i) 2210 – Medical and Public Health 03 – Rural Health Services – Allopathy 103 – Primary Health Centres 16 – Hospitals 10 – Primary Health Centres (Plan)	O. 977.30	(-) 13.18	964.12	828.68	(-) 135.44
	(ii) 06 – Public Health 001 – Direction and Administration 98 – Administration 52 – Family Welfare (Non-plan)	O. 1546.00	(-) 58.60	1487.40	1401.71	(-) 85.69
	(iii) 2211 – Family Welfare 101- Rural Family Welfare Services 19 – Family Welfare 11 – Health Sub-Centres (CSS)	O. 448.10	(-) 64.00	384.10	332.74	(-) 51.36
	(iv) 4210 – Capital outlay on Medical and Public Health 01 – Urban Health Services 200 – Other Health Schemes 15 – Health Services 11 – National Programme for Control of Blindness (CSS)	O. 208.21	(-) 25.00	183.21	89.86	(-) 93.35

APPENDIX –2.8

Expenditure incurred without budget provision

(Reference : Paragraph 2.6)

Sl. No.	Number and name of grant/appropriation	Head of account	Amount paid *(Rupees in lakh)*
1.	10 – Home (Police) Department	4070 – Capital outlay on other Administrative Services 07 – Forensic Science Laboratory	106.29
2.	13 – Public Works (Roads and Bridges) Department	6003 – Internal Debt of the State Government 06 – GIC Loans	49.04
3.	19 – Tribal Welfare Department	2204 – Sports and Youth Services 42 – Sports and Youth Programme	2.42
4.	25 – Industries (Handloom, Handicrafts and Sericulture) Department	2851 – Village and Small Industries 02 – Handloom Industries	11.22
5.	31 – Rural Development Department	2215 – Water Supply and Sanitation (i) 21 – North Tripura District (ii) 22 – Dhalai District	 66.83 1.28
6.	39 – Education (Higher) Department	2205 – Art and Culture 36 – Non-Government Five Art Music Institute	1.60
7.	43 – Finance Department	(i) 6003 – Internal Debt of the State Government 43 – Power Bond 44 – National Small Savings Fund (ii) 6004 – Loans and Advances from the Central Government 45 – Repayment of Loans as per Recommendation of 12th Finance Commission	 635.08 841.00 2225.00
8.	52 – Family Welfare and Preventive Medicine	2210 – Medical and Public Health 06 – Primary Health	0.95
		Total	**3940.71**

APPENDIX – 2.9

Statement showing amount of savings of Rs. 10 lakh and above not surrendered

(Reference: Paragraph 2.7)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Total savings	Amount not surrendered
	Revenue - Voted				
1.	1-Department of Parliamentary Affairs	619.27	604.29	14.98	10.46
2.	3-General Administration (Secretariat Administration) Department	2167.94	1857.09	310.85	310.85
3.	4-Election Department	436.11	408.20	27.91	27.91
4.	5-Law Department	1460.00	1290.23	169.77	128.97
5.	6 – Revenue Department	6268.08	6211.17	56.91	56.91
6.	7 – Administrative Reforms Department	127.95	98.37	29.58	19.01
7.	8 – Appointment Department	46.48	20.73	25.75	25.75
8.	9 – Statistical Department	281.45	214.51	66.94	13.81
9.	10 – Home (Police) Department	32089.07	30068.25	2020.82	2020.82
10.	13 – Public Works (Roads & Bridges) Department	18373.66	17257.92	1115.74	1090.74
11.	16-Health Department	5202.26	4863.98	338.28	335.28
12.	17-Information, Cultural Affairs and Tourism Department	1089.65	960.78	128.87	122.77
13.	18-GA (Political) Department	112.60	71.70	40.90	37.51
14.	19-Tribal Welfare Department	22489.55	19294.67	3194.88	1749.28
15.	20-Welfare of Scheduled Castes Department	7678.57	6628.07	1050.50	180.34
16.	21- Food, Civil Supplies and Consumer Affairs Department	1242.88	1182.80	60.08	60.08
17.	23 – Panchayati Raj Department	5550.46	5334.25	216.21	216.21
18.	24-Industries and Commerce Department	2296.81	1528.41	768.40	768.40
19.	25-Industries (Handloom, Handicrafts and Sericulture) Department	1091.46	776.30	315.16	41.66
20.	27-Agriculture Department	6364.28	5488.06	876.22	784.13
21.	28-Horticulture Department	1317.70	1217.75	99.95	52.90
22.	29-Animal Resources Development Department	2654.66	2511.75	142.91	75.71
23.	30-Forest Department	3032.65	2541.14	491.51	429.30
24.	31-Rural Development Department	8723.10	6671.04	2052.06	1889.52
25.	34-Planning and Co-ordination Department	483.52	234.24	249.28	12.61
26.	35-Urban Development Department	6354.74	3146.63	3208.11	418.50
27.	39-Education (Higher) Department	3723.79	2998.97	724.82	586.62
28.	40-Education (School) Department	49812.34	41047.12	8765.22	2907.93
29.	43-Finance Department	46665.40	28861.13	17804.27	1168.01
30.	51-Public Works (PHE) Department	2410.20	1195.76	1214.44	1214.44
31.	52-Family Welfare and Preventive Medicine	5310.13	4680.00	630.13	380.06
32.	55-Employment Department	208.68	181.35	27.33	23.95
33.	19-Tribal Welfare Department	22489.55	19294.67	3194.88	1494.88

APPENDIX – 2.9 (concld.)

Statement showing amounts of savings of Rs. 10 lakh and above not surrendered

(Reference : Paragraph 2.7)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Total saving	Amount not surrendered
	Revenue - Charged				
34.	13- Public Works(Roads & Bridges) Department	3035.00	2851.15	183.85	183.85
35.	48-High Court	283.50	268.38	15.12	15.12
	Capital - Voted				
36.	6-Revenue Department	2828.19	1805.57	1023.61	923.61
37.	10-Home (Police) Department	1916.04	588.65	1327.39	1046.39
38.	11-Transport Department	2519.82	1741.08	778.74	778.74
39.	13-Public Works (Roads and Bridge) Department	19579.68	16417.82	3161.86	2661.85
40.	14-Power Department	9476.72	7242.30	2234.42	430.42
41.	15-Public Works(Water Resources) Department	4843.17	3661.74	1181.43	1181.43
42.	16-Health Department	8414.94	5374.72	3040.22	1530.41
43.	17-Information, Cultural Affairs and Tourism Department	665.00	651.26	13.74	13.74
44.	20-Welfare of Scheduled Castes Department	14570.55	5040.17	9530.38	5648.70
45.	24-Industries and Commerce Department	1952.50	1453.67	498.83	53.83
46.	27-Agriculture Department	2361.00	1014.12	1346.88	1346.88
47.	29-Animal Resources Development Department	807.71	258.37	549.34	365.65
48.	30-Forest Department	1304.18	1146.98	157.20	147.13
49.	34-Planning and Co-ordination Department	5849.88	1347.36	4502.52	228.84
50.	36-Jail Department	1443.69	541.57	902.12	786.92
51.	39 – Education (Higher) Department	871.54	326.46	545.08	545.08
52.	40-Education (School) Department	6446.61	1192.66	5253.95	5253.95
53.	42-Education (Sports and Youth Programme) Department	234.00	-	234.00	234.00
54.	43- Finance Department	15450.00	113.63	15336.37	186.37
55.	51-Public Works (PHE) Department	4856.41	4372.64	483.77	205.77
56.	52-Family Welfare and Preventive Medicine	609.21	99.14	510.07	485.07
57.	55 – Employment Department	24.50	-	24.50	24.50
58.	56 – Information Technology Department	622.00	175.53	446.47	446.47
	Grand Total:	**379141.82**	**276426.30**	**102715.52**	**42480.04**

APPENDIX – 2.10

Statement showing amounts surrendered in excess of savings

(Reference : Paragraph 2.8)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total savings	Amount surrendered	Amount surrendered in excess
Revenue - Voted				
1.	32 – Tribal Rehabilitation in Plantation and Primitive Group Programme	108.90	147.91	39.01
2.	33 – Science, Technology and Environment	8.15	10.10	1.95
3.	41-Education (Social) Department	808.98	1024.32	215.34
Capital – Voted				
4.	28 – Horticulture Department	167.78	438.53	270.75
	Total	**1093.81**	**1620.86**	**527.05**

APPENDIX – 2.11

Statement showing rush of expenditure in the month of March 2007

(Reference : Paragraph 2.11)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Expenditure during March 2007	Percentage of expenditure during March to	
					Total provision	Total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Revenue					
1.	2 – Governor's Secretariat	165.12	157.91	24.73	15	16
2.	4 – Election Department	436.11	408.20	237.34	54	58
3.	6-Revenue Department	6268.08	6211.17	786.12	13	13
4.	7 – Administrative Reforms Department	127.95	98.37	32.61	25	33
5.	11-Transport Department	115.20	98.91	15.28	13	15
6.	13 – Public Works (Roads and Bridges) Department	21408.66	20109.07	4747.44	22	24
7.	14 – Power Department	78.00	62.91	12.19	16	19
8.	16-Health Department	5202.26	4863.98	961.33	18	20
9.	17 – Information Cultural Affairs and Tourism Department	1089.65	960.78	110.67	10	12
10.	19 – Tribal Welfare Department	22489.55	19294.67	5123.11	23	27
11.	20 – Welfare of Scheduled Castes Department	7678.57	6628.07	1917.98	25	29
12.	21 – Food, Civil Supplies and Consumer Affairs Department	1242.88	1182.80	175.32	14	15
13.	23-Panchayati Raj Department	5550.46	5334.25	1518.08	27	28
14.	24-Industries and Commerce Department	2296.81	1528.41	442.12	19	29
15.	27-Agriculture Department	6389.28	5504.41	705.92	11	13
16.	34 – Planning and Coordination Department	483.52	234.24	56.18	12	24
17.	35 – Urban Development Department	6354.74	3146.63	1049.96	17	49
18.	36 – Jail Department	884.26	870.01	116.12	13.78	
19.	37 – Labour Organisation	301.84	279.16	40.06	13	14
20.	41 – Education (Social) Department	8057.76	7248.78	1589.65	20	22
21.	44- Institutional Finance	106.76	104.53	28.65	27	27
	Capital					
22	6 – Revenue Department	2829.18	1805.57	937.45	33	52
23	10 – Home (Police) Department	1916.04	588.65	358.55	19	61
24	11-Transport Department	2519.82	1741.08	574.07	23	33
25	12-Co-operation Department	229.03	228.75	88.51	39	39
26.	13-Public Works (Roads and Bridges) Department	21779.68	18770.03	6928.08	32	37
27.	15-Public Works (Water Resources) Department	4903.17	3721.74	1277.76	26	34

APPENDIX – 2.11 (concld.)

Statement showing rush of expenditure in the month of March 2007
(Reference: Paragraph 2.11)

(Rupees in lakh)

Sl. No.	Number and name of grant/appropriation	Total provision	Total expenditure	Expenditure during March 2007	Percentage of expenditure during March to	
					Total provision	Total expenditure
(1)	(2)	(3)	(4)	(5)	(6)	(7)
28.	16 – Health Department	8414.94	5374.72	1737.00	21	32
29.	19 – Tribal Welfare Department	28321.87	14418.72	7148.93	25	50
30.	20 – Welfare of SC Department	14579.55	5051.34	2265.23	16	45
31.	21 – Food, Civil Supplies and Consumer Affairs Department	59.76	52.05	33.45	56	64
32.	25 – Industries (Handloom, Handicraft and Sericulture) Department	195.50	184.48	25.93	13	14
33.	26-Fisheries Department	70.96	67.47	35.97	51	53
34.	28 – Horticulture Department	623.13	455.35	83.80	13	18
35.	29 – Animal Resources Development Department	807.71	258.37	126.69	16	49
36.	30-Forest Department	1304.18	1146.98	258.62	20	23
37.	31 – Rural Development Department	1135.83	1128.67	954.74	84	85
38.	36 – Jail Department	1443.69	541.57	422.09	29	78
39.	39 – Education (Higher) Department	871.54	326.46	116.30	13	36
40.	51-Public Works (PHE) Department	4856.41	4372.64	1460.40	30	33

APPENDIX 2.12

Statement showing department-wise drawal of AC bills and submission of DCC Bills for the year 2006-07

(Reference: Paragraph 2.12)

(Amount in Rupees)

Department wise drawal of AC and submission of DCC Bills for the year 2006-07					
Sl. No.	**Name of Department**	**No. of AC Bills**	**Total amount**	**No. of DCC Bills**	**Total amount adjusted**
		(Upto 13-9-2006)		**(Upto 31-03-2007)**	
1.	Appointment and Services Department	1	5,000	Nil	Nil
2.	C.M.'s Secretariat	8	49,000	Nil	Nil
3.	Department of Parliamentary Affairs	1	20,000	Nil	Nil
4.	Education (Higher) Department	1	8,20,000	Nil	Nil
5.	Education (School) Department	262	65,50,000	Nil	Nil
6.	Education (Social) Department	213	86,19,531	Nil	Nil
7.	Education (Sports & Youth Programme) Department	19	4,44,100	Nil	Nil
8.	Governor's Secretariat	4	1,05,000	Nil	Nil
9.	Health Services	3	2,10,603	Nil	Nil
10.	Home (Police) Department	63	3,23,28,184	10	81,43,325
11.	Horticulture Department	50	10,66,000	Nil	Nil
12.	Law Department	1	40,000	Nil	Nil
13.	Planning & Co-ordination Department	230	1,04,32,492	Nil	Nil
14.	Political Department	16	7,24,600	Nil	Nil
15.	Relief & Rehabilitation Department	46	7,25,58,772	Nil	Nil
16.	Revenue Department	224	1,42,63,870	54	94,09,521
17.	Rural Development Department	42	19,79,000	Nil	Nil
18.	Tribal Welfare Department	129	52,42,325	Nil	Nil
19.	Welfare of Scheduled Castes and Other Backward Classes Department	15	4,81,217	Nil	Nil
	Total	**1328**	**15,59,39,694**	**64**	**1,75,52,846**

APPENDIX-3.1

(Reference: Paragraph 3.1.10.3)

Statement showing quarterly flow of funds through TSFAC during 2001-02 to 2006-07

(Rupees in lakh)

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
1st Quarter						
Opening Balance	-	336.15	875.45	384.03	786.61	116.60
Funds Received	-	59.50	-	700.00	98.50	300.00
Total	**-**	**395.65**	**875.45**	**1084.03**	**885.11**	**416.60**
Funds Released	-	154.58	48.63	187.50	619.35	300.11
Closing Balance	**-**	**241.07**	**826.82**	**896.53**	**265.76**	**116.49**
2nd Quarter						
Funds Received	116.75	150.00	200.00	402.50	-	700.00
Total	**116.75**	**391.07**	**1026.82**	**1299.03**	**265.76**	**816.49**
Funds Released	-	-	620.15	700.11	51.16	610.00
Closing Balance	**116.75**	**391.07**	**406.67**	**598.92**	**214.60**	**206.49**
3rd Quarter						
Funds Received	75.00	350.00	-	-	1200.00	-
Total	**191.75**	**741.07**	**406.67**	**598.92**	**1414.60**	**206.49**
Funds Released	52.35	75.62	0.12	422.50	848.00	140.00
Closing Balance	**139.40**	**665.45**	**406.55**	**176.42**	**566.60**	**66.49**
4th Quarter						
Funds Received	261.15	285.00	-	610.30	-	700.00
Total	**400.55**	**950.45**	**406.55**	**786.72**	**566.60**	**766.49**
Funds Released	64.40	75.00	22.52	0.11	450.00	200.00
Closing Balance	**336.15**	**875.45**	**384.03**	**786.61**	**116.60**	**566.49**

APPENDIX 3.2

(Reference: Paragraph 3.1.12.2 and 3.1.12.10)

Component-wise Financial Targets & Achievements (Up to March 2007) as per Progress Reports made available to Audit

(Rupees in lakh)

Sl. No.	Name of Component	2001-02		2002-03		2003-04		2004-5		2005-06		2006-07		Total	
		T	A	T	A	T	A	T	A	T	A	T	A	T	A
1.	Area Expansion including	229.80	95.67	357.50	176.49	338.00	371.35	598.00	830.33	520.00	299.95				
	Flowers	13.00	2.34	26.00	4.94	26.00	12.61	32.50	39.00	158.60	47.58	518.88	122.78	2818.28	2003.04
	TOTAL	**242.80**	**98.01**	**383.50**	**181.43**	**364.00**	**383.96**	**630.50**	**869.33**	**678.60**	**347.53**				
2.	Creation of Water Sources	22.50	10.88	103.50	11.25	114.00	35.38	136.25	255.63	425.00	407.75	275.00	252.63	1076.25	973.52
3.	On farm Water Management	8.10	1.94			11.53	2.74	80.00	44.85	101.00	101.00	133.30	Nil	333.93	150.53
4.	Production of Planting Materials	78.50	25.00	73.00	10.88	91.00	9.30	-	73.00	74.00	68.00	55.00	38.00	371.50	224.18
5.	Transfer of Technology	22.00	10.53	61.00	6.73	70.00	23.30	30.00	106.62	46.25	31.26	76.50	70.75	305.75	249.19
6.	Agriculture Equipments	21.50	15.74	131.50	53.64	204.00	196.03	169.75	711.56	141.75	94.23	111.50	97.28	780.00	1168.48
7.	IPM	26.00	1.00	2.00	6.00	2.00	4.24	4.30	15.00	5.00	2.50	10.00	10.00	49.30	38.74
8.	Women Development	-	-	5.00	-	5.00	2.80	-	7.50	8.40	4.94	10.00	10.00	28.40	25.24
9.	Infrastructure/ Technical Support	-	-	-	-	-	-	12.00	6.00	15.00	15.00	12.00	6.26	39.00	27.26
10.	Leaf Analysis Lab	20.00	-	-	6.00	-	2.00	-	2.00	-	-	-	-	20.00	10.00
11.	Seminar/Workshop			2.50	2.50	2.50	2.00	0.50	1.25	5.00	5.00	10.00	6.75	20.50	17.50
12.	Organic Farming	21.00	11.98	23.00	12.70	26.00	5.00	23.00	61.00	-	-	169.00	114.30	262.00	204.98
13.	On farm handling unit			-	-	10.00	-	25.00	20.00	-	-	10.00	7.00	45.00	27.00
14.	Integreted Mushroom Unit	50.00	-	-	-	-	-	-	-	-	-			50.00	-
15.	Bee Keeping											9.00	-	9.00	
	Grand Total	**512.40**	**175.08**	**785.00**	**291.13**	**900.03**	**666.75**	**1111.30**	**2173.74**	**1500.00**	**1077.21**	**1400.18**	**735.75**	**6208.91**	**5119.66**

APPENDIX-3.3

(Reference: Paragraph 3.1.12.3)

Statement Showing Targets & Achievements (Physical) Under "Area Expansion" Component (In hectares of land) as per Progress Reports made available to Audit

Category of Horticulture	Fruits		Vegetables		Spices				Plantation crops				Flowers		Medicinal plants		Aromatic plants		Total	
					Black pepper		Others		Cashew nut		Others									
Year	T	A	T	A	T	A	T	A	T	A	T	A	T	A	T	A	T	A	T	A
2001-02	460	225	350	350	50	15	150	75	150	81	-	-	100	100	-	-	-	-	1260	846
Short fall (-) Excess (+)	(-) 235		Nil	Nil	(-) 35		(-) 75		(-) 69				Nil	Nil					(-) 414	
2002-03	1245	516	730	343	50	35	325	104	150	85	250	32	200	38	-	18	-	9	2950	1180
Short fall (-) Excess (+)	(-) 729		(-) 387		(-) 15		(-) 221		(-) 65		(-) 218		(-) 162		(+) 18		(+) 9		(-) 1770	
2003-04	1205	1065	730	1070	50	36	325	335	90	70	200	227	200	97	-	18	-	9	2800	2927
Short fall (-) Excess (+)	(-) 140		(+) 340		(-) 14		(+) 10		(-) 20		(+) 27		(-) 103		(+) 18		(+) 9		(+) 127	
2004-05	2100	2773	1500	3865	-	35	600	618	300	-	100	210	250	300	-	40	-	-	4850	7841
Short fall (-) Excess (+)	(+) 673		(+) 2365		(+) 35		(+) 18		(-) 300		(+) 110		(+) 50		(+) 40				(+) 2991	
2005-06	1550	710	1275	1275	275	38	300	300	600	14.5	-	-	1220	1220	-	-	-	-	5220	3557.5
Short fall (-) Excess (+)	(-) 840		Nil	Nil	(-) 237		Nil	Nil	(-) 585.5				Nil	Nil					(-) 1662.50	
2006-07	1950	87	850	850	300	-	400	85	500	-	-	-	600	-	-	-	-	-	4600	1022
Short fall (-) Excess (+)	(-) 1863				(-) 300		(-) 400		(-) 500				(-) 600						(-) 3578	
Total	**8510**	**5376**	**5435**	**7753**	**725**	**159**	**2100**	**1517**	**1790**	**250.5**	**550**	**469**	**2570**	**1755**	**-**	**76**	**-**	**18**	**21680.0**	**17373.5**

APPENDIX–3.4

(Reference: Paragraph 3.2.3 and 3.2.8.1)

Statement showing year-wise and scheme-wise budget provision and expenditure on various Central sector schemes

(Rupees in crore)

Sl No.	Name of the scheme	Year	Budget provision		Funds released by				Total funds available		Expenditure incurred		Excess (+)/ Saving (-)	
					Government of India		State Government							
			SC	ST	SC	ST	SC	ST	SC	ST	SC	ST	SC	ST
1.	Post-Matric scholarship (100%)	2002-03	1.22	0.72	0.85	-	-	-	0.85-	-	1.12	-	0.27 (+)	
		2003-04	1.06	0.70	1.71	1.61	-	-	1.71	1.61	1.79	-	0.08 (+).	1.61 (-)
		2004-05	1.94	2.82	1.96	2.96	-	-	1.96	2.96	1.93	2.91	0.03 (-)	0.05 (-)
		2005-06	2.25	3.70	2.22	1.95	-	-	2.22	1.95	2.22	3.70	-	1.75 (+)
		2006-07	3.07	2.59	3.07	3.48	-	-	0.81	1.25	0.69	1.25	0.12 (-)	-
	Total		**9.54**	**10.53**	**9.81**	**10.00**	**-**	**-**	**7.55**	**7.77**	**7.75**	**7.86**		
2.	Pre -Matric scholarship for children of those parents engaged in unclean occupations (50:50)	2002-03	0.40	-	0.02	-	0.38	-	0.40	-	0.40			
		2003-04	0.40	-	0.07	-	0.43	-	0.50	-	0.50			
		2004-05	0.49	-	0.06	-	0.41	-	0.47	-	0.47			
		2005-06	0.51	-	0.08	-	0.43	-	0.51	-	0.51			
		2006-07	0.50	--	0.05		0.42	--	0.47	-	0.47	-	-	-
	Total		**2.30**	**-**	**0.28**	**-**	**2.07**	**-**	**2.35**	**-**	**2.35**	**-**	**-**	**-**
3.	Up gradation of merit (100 %)	2002-03	0.03	0.02	0.03	0.02	-	-	0.03	0.02	0.01	-	0.02 (-)	0.02 (-)
		2003-04	0.01	0.02	0.01	0.02	-	-	0.01	0.02	0.03	0.02	0.02 (+)	
		2004-05	0.03	0.02	0.03	0.02	-	-	0.03	0.02	0.03	0.02	-	-
		2005-06	0.03	0.02	0.03	-	-	-	0.03	-	0.03	0.02		0.02 (+)
		2006-07	0.03	0.02	0.03	0.02	-	-	0.03	0.02	0.03	0.02	-	-
	Total		**0.13**	**0.10**	**0.13**	**0.08**	**-**	**-**	**0.13**	**0.08**	**0.13**	**0.08**	**-**	**-**
4.	Book Bank Scheme (50:50)	2002-03	0.04	0.04	0.01	0.01	0.02	0.02	0.04	0.03	0.04	0.06	-	0.03 (+)
		2003-04	0.03	0.04	0.03	-	0.01	0.02	0.02	0.02	0.02	0.02	-	-
		2004-05	-	-	-	-	-	-	-	-	-	-	-	-
		2005-06	-	-	-	-	-	-	-	-	-	-	-	-
		2006-07	0.03	-	-	-	0.03	-	0.03	-	0.03	-	-	-
	Total		**0.10**	**0.08**	**0.04**	**0.01**	**0.06**	**0.04**	**0.09**	**0.05**	**0.09**	**0.08**	**-**	
5.(i)	Construction of SC Boys' Hostel (50:50)	2002-03	0.29	-		-	0.18	-	0.18	-	0.37	-	0.19 (+)	-
		2003-04	-	-	-		-	-	-	-	-			
		2004-05	1.00	-	1.00-			-	1.00	-	-		1.00 (-)	-
		2005-06	2.41	-	1.52		0.89	-	2.41	-	3.41		1.00 (+)	-
		2006-07	-	-	-		-	-	-	-	-	-	-	-
	Total		**3.70**	**-**	**2.52**	**-**	**1.07**	**-**	**3.59**	**-**	**3.78**	**-**	**0.19 (+)**	

APPENDIX-3.4 (Concld.)

(Reference: Paragraph 3.2.3 and 3 2.8.1)

Statement showing year-wise and scheme-wise budget provision and expenditure on various Central sector schemes

(Rupees in crore)

Sl No.	Name of the scheme	Year	Budget provision		Funds released by Government of India		Funds released by State Government		Total funds available		Expenditure incurred		Excess (+)/ Saving (-)	
			SC	ST	SC	ST	SC	ST	SC	ST	SC	ST	SC	ST
5 (ii).	Construction of SC Girls' Hostel (50:50)	2002-03	0.40	-	-	-	0.06	-	0.06		0.15	-	.09(+)	-
		2003-04	0.19	-	0.04	-	0.04	-	0.08		0.08	-	-	-
		2004-05	0.59	-	0.59	-	-	-	-		-	-	-	-
		2005-06	0.59	-	-	-	-	-	0.59		0.59	-	-	-
		2006-07	0.14		-		0.14		0.14		0.14	-	-	-
	Total		**1.91**	**-**	**0.63**	**-**	**0.24**	**-**	**0.87**	**-**	**0.96**	**-**		
5. (iii)	Construction of ST Boys' Hostel (50:50)	2002-03	-	0.24	-	-	-	0.24	-	0.24	-	0.24		
		2003-04	-	0.55	-	0.50	-	0.30	-	0.80	-	0.30		0.50 (-)
		2004-05	-	0.61	-	-	-	0.36	-	0.36	-	0.86		0.50 (+)
		2005-06	-	1.00	-	-	-	0.50	-	0.50	-	0.50		
		2006-07	-	0.50	-	-	-	-	-	-	-	-	-	-
	Total			**2.90**		**0.50**		**1.40**	**-**	**1.90**	**-**	**1.90**	**-**	**-**
5. (iv)	Construction of ST Girls' Hostel (50:50)	2002-03	-	1.47				0.67	-	0.67	-	0.67	-	-
		2003-04	-	0.50				0.25		0.25	-	0.25	-	-
		2004-05	-	0.35				0.10		0.10	-	0.10	-	-
		2005-06	-	1.41				0.33		0.33	-	0.33	-	-
		2006-07		-	-	-		-		-		-	-	-
	Total			**3.73**	**-**	**-**		**1.35**	**-**	**1.35**	**-**	**1.35**	**-**	**-**
6.	Establishment of Ashram School (50:50)	2002-03	-	0.60	-	Nil		0.10	-	0.10	-	0.10	-	-
		2003-04	-	0.80	-	0.50	-	0.30	-	0.80	-	0.30	-	(-) 0.50
		2004-05	-	0.75	-	Nil	-	0.50	-	0.50		1.00	-	(+) 0.50
		2005-06	-	0.34	-	Nil	-	0.17	-	0.17	-	0.17	-	-
		2006-07		-	-		-	1.00	-	1.00	-	1.00	-	-
	Total		**-**	**2.49**		**0.50**		**2.07**	**-**	**2.57**	**-**	**2.57**	**-**	**-**
	Total of table A		**17.68**	**19.83**	**13,41**	**11.09**	**3.44**	**4.86**	**14.58**	**13.72**	**15.06**	**13.84**		

NB:- The difference between total funds available and funds released by GOI and State Government in respect of SCs and STs was Rs. 2.27 crore and Rs. 2.23 crore due to late release of Post Matric Scholarship (PMS) during 2006-07.

APPENDIX-3.5

(Reference: Paragraph 3.2.3, 3.2.8 and 3.2.14)

Statement showing year-wise and scheme-wise budget provision and expenditure on nine State sector schemes

(Rupees in crore)

Sl No.	Name of the scheme	Year	Budget Provision		Funds released by Union Government		Funds released by State Government		Total funds available		Actual expenditure		Excess (+) / Savings(-)	
			SC	ST	SC	ST	SC	ST	SC	ST	SC	ST	SC	ST
1.	Pre-Matric scholarship to SC/ST students	2002-03	2.10	2.31	-	-	2.07	2.31	2.07	2.31	2.07	2.31	-	-
		2003-04	1.97	2.31	-	-	2.02	2.31	2.02	2.31	2.02	2.31	-	-
		2004-05	1.89	2.22	-	-	1.60	2.22	1.60	2.22	1.60	2.22	-	-
		2005-06	2/74	3.41	-	-	2.84	3.41	2.84	3.41	2.84	3.41	-	-
		2006-07	3.09	3.67	-	-	3.12	3.66	3.12	3.66	2.86	3.24	(-) 0.26	
	Total		**11.79**	**13.92**	-		**1.65**	**13.91**	**11.65**	**13.91**	**11.39**	**13.49**		
2.	Grants to students sponsored outside the State	2002-03	-	0.09	-			0.09		0.09		0.09		
		2003-04	-	0.13	-			0.13		0.13		0.13		
		2004-05	-	0.23	-			0.23		0.23		0.23		
		2005-06	-	0.28	-			0.28		0.28		0.28		
		2006-07	-	0.33	-			0.33		0.33		0.33		
	Total		-	**1.06**	-	-	-	**1.06**		**1.06**	-	**1.06**	-	-
3.	Construction of college hostel (ST)	2002-03	-	-	-			-		-	-			
		2003-04	-	0.04	-			0.04		0.04		0.04		-
		2004-05	-	0.04	-			0.04		0.04		0.04		Lying with the TTWREIS
		2005-06	-		-									
		2006-07	-		-									
	Total		-	**0.08**	-	-	-	**0.08**	-	**0.08**	-	**0.08**	-	-
4.	Supply of Free Text Books	2002-03	-	1.50	-			1.50		1.50		1.50		-
		2003-04	-	1.16	-			1.02		1.02		1.02		
		2004-05	-	0.92	-			0.78		0.78		0.78		
		2005-06	-	0.83	-			0.83		0.83		0.83		
		2006-07	-	0.77	-			0.77		0.77		0.77		-
	Total			**5.18**		-	-	**4.90**	-	**4.90**	-	**4.90**	-	-
5.	Diploma in nursing and physiotherapy	2002-03												
		2003-04												
		2004-05		2.80		2.80 (SCA)	-			2.80		2.80		
		2005-06		1.75		1.75 (SCA)	-			1.75		1.13		0.62 (-)
		2006-07		0.75		0.75 (SCA)	-			0.75		-		0.75 (-)
	Total		-	**5.30**	-	**5.30**				**5.30**		**3.93**		

APPENDIX-3.5 (Concld.)

(Reference: Paragraph 3.2.3, 3.2.8 and 3.2.14)

Statement showing year-wise and scheme-wise budget provision and expenditure on nine State sector schemes

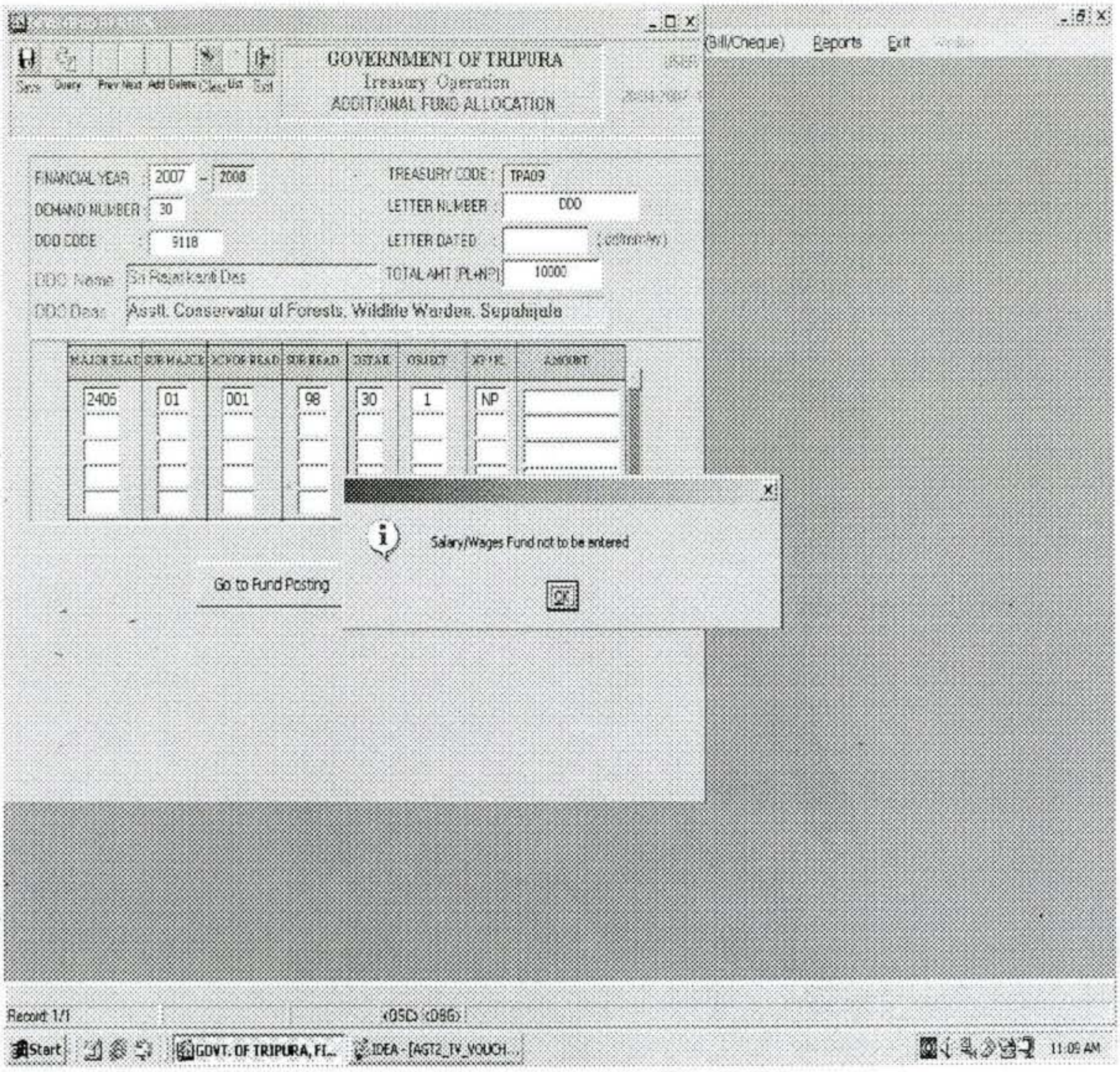
(Rupees in crore)

Sl No.	Name of the scheme	Year	Budget Provision		Funds released by Union Government		Funds released by State Government		Total funds available		Actual expenditure		Excess (+) / Savings(-)	
			SC	ST	SC	ST	SC	ST	SC	ST	SC	ST	SC	ST
6.	Folk/Arts/Culture /exhibition/ Seminar	2002-03	0.06	0.20	-	-	0.15	0.20	0.15	0.20	0.15	0.20	-	-
		2003-04	0.10	0.35		-	0.10	0.35	0.10	0.35	0.10	0.35	-	-
		2004-05	0.10	0.30	-	-	0.06	0.30	0.06	0.30	0.06	0.30	-	-
		2005-06	0.10	0.30	-	-	0.08	0.30	0.08	0.30	0.08	0.30	-	-
		2006-07	0.20	0.20	-	-	0.20	0.20	0.20	0.20	0.20	0.20	-	-
	Total		**0.56**	**1.35**	**-**	**-**	**0.59**	**1.35**	**0.59**	**1.35**	**0.59**	**1.35**	**-**	**-**
7.	Strengthening of educational infrastructure	2002-03		0.20		0.20 (SCA)-				0.20		0.20		
		2003-04		0.61		0.61 (SCA)				0.60		0.60		
		2004-05		-										
		2005-06		-										
		2006-07		-										
	Total		**-**	**0.81**		**0.81**	**-**	**-**	**-**	**0.81**	**-**	**0.81**	**-**	**-**
8.	Stipend/scholarship for the SC students who are studying in Mission school	2002-03	0.05		-	-	0.02	-	0.02	-	0.02	-	-	-
		2003-04	0.02	-	-	-	0.02	-	0.02	-	0.02	-	-	-
		2004-05	0.05	-	-	-	0.06	-	0.06	-	0.06	-	-	-
		2005-06	0.03	-	-	-	0.03	-	0.03	-	0.03	-	-	-
		2006-07	0.03	-	-	-	0.01	-	0.01	-	0.01	-	-	-
	Total		**0.18**	**-**	**-**	**-**	**0.14**	**-**	**0.14**	**-**	**0.14**	**-**	**-**	**-**
9.	Construction of warden's quarter/boundary wall in the SC hostel	2002-03	0.10	-	-	-	0.09	-	0.09	-	0.09	-	-	-
		2003-04	-											
		2004-05												
		2005-06												
		2006-07												
	Total		**0.10**	**-**	**-**	**-**	**0.09**		**0.09**	**-**	**0.09**	**-**	**-**	**-**
	Total of Table B		**12.63**	**27.70**	**-**	**6.11**	**12.11**	**21.30**	**12.11**	**27.41**	**12.21**	**25.62**		
	Grand total (A + B)		**30.31**	**47.53**	**13.41**	**17.20**	**15.55**	**26.16**	**26.69**	**41.13**	**27.27**	**39.46**		

APPENDIX - 3.6

A print screen of the messages showing that ***Salary/wages funds not to be entered***

(Reference: Paragraph 3.3.9.2)



APPENDIX-3.7

(Reference: Paragraph 3.3.9.3)

Statement showing the instance cases of differences between actual expenditure and the expenditure reflected in the Allocation table from which expenditure reports are being generated

Year	DDO CODE	As per Allocation table		Actual expenditure (as per Payment table)	Difference between actual expenditure and expenditure reflected in Allocation table (4-5)
		Allocation	Expenditure		
1	2	3	4	5	6
Udaipur Treasury					
2005-06	11199	292,200,843	297,519,998	293,809,638	3,710,360
2005-06	11089	40,443,771	40,443,771	40,100,442	343,329
2005-06	11038	5,225,852	5,220,040	5,050,713	169,327
2004-05	11199	15,360	265,796,262	265,674,872	121,390
2005-06	11090	28,803,043	28,803,043	28,735,103	67,940
2004-05	11089	27,725,863	22,435,335	22,369,310	66,025
2005-06	11031	38,072,611	37,798,120	37,734,472	63,648
2005-06	11055	8,314,584	8,312,185	8,252,703	59,482
2005-06	11044	3,493,110	3,492,698	3,433,216	59,482
2004-05	11070	147,451,059	167,877,295	167,828,835	48,460
2005-06	11037	18,129,530	17,837,678	17,804,818	32,860
2004-05	11004	4,324,945	5,620,735	5,593,081	27,654
2004-05	11032	57,527,139	60,569,229	60,551,434	17,795
2004-05	11068	7,391,979	10,016,665	10,000,930	15,735
2005-06	11029	46,140,334	46,139,138	46,125,924	13,214
2005-06	11003	14,493,511	14,492,506	14,481,896	10,610
Agartala Treasury No. I					
2005-06	8290	1,710,004,581	1,710,004,581	1,708,106,649	1,897,932
2005-06	8003	76,035,125	68,434,054	68,274,911	159,143
2004-05	8290	789,000	1,496,662,520	1,496,522,287	140,233
2004-05	8106	9,738,071	13,252,672	13,231,282	21,390
2004-05	8249	49,450,780	59,246,573	59,231,573	15,000
2004-05	8235	13,468,370	18,069,206	18,056,306	12,900
2005-06	8074	79,152,841	54,320,716	79,070,716	-24,750,000
2005-06	8289	145,623,026	145,623,026	145,704,567	-81,541
2005-06	8038	47,524,811	47,424,906	47,429,396	-4,490
Agartala Treasury No. II					
2004-05	9055	665,392,061	667,970,130	666,934,867	1,035,263
2004-05	9093	19,861,710	25,278,742	25,256,363	22,379
2004-05	9060	59,083,980	64,263,005	64,243,347	19,658
2004-05	9064	502,273,977	454,162,112	454,144,605	17,507
2004-05	9015	49,644,000	65,127,434	65,117,434	10,000
2005-06	9058	119,906,027	118,790,095	118,873,359	-83,264
2004-05	9106	20,583,000	26,215,929	26,282,683	-66,754
2004-05	9068	72,674,633	82,271,190	82,287,390	-16,200

APPENDIX-3.8

(Reference: Paragraph 3.4.7.4)

Delay in acquisition of land

Sl. No.	Name of the scheme	Year of sanction	Date of work order	Date of 1st communication with LAC for acquisition of land	Date of LAC's letter for placement of fund	Land required to be acquired	Land assessed for acquisition till date (May 07)	Funds placed with LAC with date (Rs. in lakh)	Date of handing over of the land by LAC and quantity	Remarks
1.	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
1.	Muhuri Irrigation Project at Kalashi (Diversion system)	2000-01	March 2001	November 2002 and June 2004	October 2005	200 acre	74.29 acre	170 (December 2005 and June 2006)	July 2006 and April 2007 71.85 acre	Work in progress
2.	Diversion scheme over Chagalnaiya Cherra	2000-01	June 2001	Land not acquired till March 2007						Head works completed and agreement closed
3.	Diversion scheme over Mahamaya cherra	1998-99	March 2001	NA	February 2003	0.66 acre	0.66 acre	1.20 (December 2003 and July 2004)	Not handed over till March 2007	Head works completed, Canal work in progress
4.	Diversion scheme over Guriacherra	2002-03	May 2005	October 2003	NA	2.52 acre	2.52 acre	3.35 (November 2004 and November 2005)	-do-	Work in progress
5.	Diversion Scheme over Mahish cherra (river)	2002-03	May 2005	NA	June 2006	1.59 acre	1.59 acre	1.00 (June 2006)	-do-	-do-
6.	Diversion scheme over Padmabill	2002-03	October 2003	November 2005	Nil	NA	Nil	Does not arise		-do-
7.	Diversion scheme over Pratyekroy cherra	2002-03	July 2003	August 2003	Nil	NA	Nil	-do-		-do-
8.	High Power Lift Irrigation scheme[1] at Narendranagar	2003-04	November 2004	June 2006	Nil	NA	Nil	-do-		-do-

[1] 1. High Power Lift Irrigation Scheme with pick up weirs at Srinagar, Amlighat has been suspended due to objection raised by Bangladesh.
2. High Power Lift Irrigation scheme at Satnala sanctioned in 2006-07 is at tender stage as of May 2007.

APPENDIX-3.9

(Reference: Paragraph 3.4.10.1)

Statement showing delays in finalisation of tender

Sl. No.	Name of the scheme	Date/year of sanction	Date of opening of tender	Date of submission of tender with comparative statement to WAB	Date of WAB approval	Date of issue of work order	Time taken to finalise tender	Delay in issue of work order
1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*
1.	Lift irrigation (with high power capacity pump) scheme at Narendranagar	July 2003	31-7-04	5-10-2004	19-10-04	22-11-04	115 days	75 days
2.	Diversion scheme at South Padmabill over Deocherra/SH : Head Works	April 2002	27-12-02 (2nd call)	28-4-2003	26-07-03	17-10-03	295 days	255 days
3	Diversion scheme over Pratyekroycherra	April 2002	27-11-02 (2nd call)	17-03-03	27-03-03	15-07-03	231 days	191 days
4.	Diversion Scheme over Mahish cherra (river) at Dasmani para/ Head Wroks	30-4-02	17-12-04 (2nd call)	20-1-05	25-05-05	15-02-05	161days	121 days
5.	Diversion scheme over Guriacherra /Head works	30-4-02	17-12-04	20-1-05	15-2-05	25-5-05	161 days	121 days
6.	Diversion scheme over Mahamaya cherra/Head works with canal and gate	24-11-79 21-11-98	30-12-2000	8-2-01	17-2-01	30-3-01	93 days	53 days
7.	Diversion scheme over Chagalnaiya Cherra/Head works with canal	30-09-2000	30-12-2000	13-3-01	11-5-01	26-6-01	180 days	140 days
8.	Muhuri Irrigation Project at Kalashi	August 1999	25-5-2000	27-10-2000	24-1-2001	15-3-2001	295 days	255 days

APPENDIX-3.10

(Reference: Paragraph 3.4.10.2)

Statement showing the delay in completion of MI Schemes

Sl No	Name of the MI scheme	Year of sanction	Scheduled date of completion	Year of completion	Delay (in years)
1	Agnipasha	2001-02	2003-04	2003-04	-
2	Baraitali	2001-02	2003-04	2002-03	-
3	Betcheera near market	1999-00	2001-02	2004-05	3
4	Bhaghabannagar-II	2001-02	2003-04	2005-06	2
5	Bilashpur II	2002-03	2004-05	2004-05	-
6	Damcherra	2001-02	2003-04	2002-03	-
7	Dhangraipara	2002-03	2004-05	2004-05	-
8	East Ratacherra	2000-01	2002-03	2004-05	2
9	Ganganagar	2002-03	2004-05	2005-06	-
10	Haliamura	2001-02	2003-04	2004-05	1
11	House of Manohar Ali	2001-02	2003-04	2002-03	-
12	Jagannathpur	2001-02	2003-04	2003-04	-
13	Jalai F II	2002-03	2004-05	2006-07	2
14	Jayantipur	2000-01	2002-03	2003-04	1
15	Kalatila	2001-02	2003-04	2004-05	1
16	Kinacharan para F II	2003-04	2005-06	In progress	1
17	Kumarghat bari	2001-02	2003-04	2003-04	-
18	Mangalkhali-II	2001-02	2003-04	In progress	3
19	Paschim Barahaldi	2000-01	2002-03	2004-05	2
20	Pekucheera	2000-01	2002-03	2005-06	3
21	Ramnagar F II	1999-00	2001-02	In progress	5
22	Rowa	2003-04	2005-06	In progress	1
23	Singirbillcheera II	2002-03	2004-05	In progress	2
24	South east Panisagar	1999-00	2001-02	2001-02	-
25	South Emrapasha	1999-00	2001-02	In progress	5
26	Srinathpur	2002-03	2004-05	2003-04	-
27	Subashnagar	2002-03	2004-05	2006-07	2
28	Tangibari	2001-02	2003-04	In progress	3
29	Ugalcherra	2001-02	2003-04	2003-04	-
30	Vhati Pechardhahar	2001-02	2003-04	2003-04	-
31	Anandasagar	2002-03	2004-05	2004-05	
32	Baishgharia	2006-07		New	
33	Bamutia Ph III	2002-03	2004-05	2006	1
34	Barabaghai	2006-07		New	
35	Berimura Ph II	2003-04	2005-06	2006	
36	Bhabatoshpara	2000-01	2002-03	2006	3
37	Chalita Cheri-II	1999-00	2001-02	In progress	
38	Dhanicheera	1999-00	2001-02	2004	2
39	Fulchari	2006-07		New	
40	Fulcheerimunda	1999-00	2001-02	In progress	
41	Halflong Gaonsava	2000-01	2002-03	2003	
42	Hezacheera	2006-07		New	
43	Jogoram modipara	2001-02	2003-04	2006	2
44	Kajir Khil	2000-01	2002-03	2006	3

Source: i) Review Report of the MI works for the State as a whole ii) Divisional Review Report and iii) Information furnished by the 3 (three) implementing WR Divisions (Agartala I, Belonia and Kailashahar).

APPENDIX-3.10 (Contd.)

(Reference: Paragraph 3.4.10.2)

Statement showing the delay in completion of MI Schemes

Sl No	Name of the MI scheme	Year of sanction	Scheduled date of completion	Year of completion	Delay (in years)
45	Kalasathi	2006-07		New	
46	Kurti over Kurticheera	1999-00	2001-02	2006	4
47	Manipuribasti-II	2006-07		New	
48	Matkacheera	2006-07		New	
49	Narayanpur	2002-03	2004-05	In progress	
50	North Champlichar	2006-07		New	
51	Paranjoypara	1999-00	2001-02	2004	2
52	Purbaramchandra ghat-II	2006-07		New	
53	Rabicharanpara	1999-00	2001-02	2004	2
54	Saranjoypara	2002-03	2004-05	2005	
55	Sikraibari-I	2005-06		In progress	
56	Ananta Sardar Para	2000-01	2002-03	2006	3
57	Bagafa Ashram School	1999-00	2001-02	2003	1
58	Belonia Near BSF	2000-01	2002-03	In progress	
59	Betaga-II	2001-02	2003-04	2004	
60	Bijoynagar	2006-07		New	
61	Chandra Singh Para	2000-01	2002-03	2004	1
62	Gardhang	2002-03	2004-05	2005	
63	Hajja (Baishnabpur)	1999-00	2001-02	2004	2
64	Indra nagar	2002-03	2004-05	2005	2
65	Joynagar	2006-07		New	-
66	Kalacherra	1997-98	1999-2000	2003	3
67	Kathar Cheri-III	2002-03	2004-05	2006	1
68	Laxminarayan Pur	2000-01	2002-03	2004	5
69	Mahadebkumb	1997-98	1999-2000	2006	5
70	Manu Bazar (Near Market)	2001-02	2003-04	2004	-
71	Muthamog	1997-98	1999-2000	2005	5
72	Ratanmani-VI	2006-07		New	-
73	SalthangManu	1999-00	2001-02	2004	2
74	Sinduk Pathar (Block)	1999-00	2001-02	2004	2
75	Sindukpathar-II	1999-00	2001-02	2004	2
76	Sishirai Bari	2002-03	2004-05	2005	-
77	Sukanta Palli	2006-07		New	-
78	West Dolai bari	2002-03	2004-05	2005	-
79	West Harina	2001-02	2003-04	2004	-
80	Word No. 9, Sabroom N.P	2001-02	2003-04	2004	-
81	North Hitcha Chari	2000-01	2002-03	2004	1
82	Asharambari-II	2002-03	2004-05	In progress	2
83	Baraigotapara	2002-03	2004-05	In progress	2
84	Barjala Binapani	2001-02	2003-04	2005-06	2
85	Bidya Mohan Thakurpara	2001-02	2003-04	2004-05	1
86	Binanhazari	2004-05		2006-07	-
87	Chachu	2002-03	2004-05	2004-05	-
88	Debatabari	2001-02	2003-04	2006-07	3
89	Dignalia	2001-02	2003-04	2003-04	-

APPENDIX-3.10 (Concld.)

(*Reference: Paragraph 3.4.10.2*)

Statement showing the delay in completion of MI Schemes

Sl No	Name of the MI scheme	Year of sanction	Scheduled date of completion	Year of completion	Delay (in years)
90	Ghashia	2006-07		New	-
91	Gnagar Bishrarhpara	2004-05		In progress	-
92	Habildarpara	2001-02	2003-04	2004-05	1
93	Jagadishpur	2001-02	2003-04	2004-05	1
94	Jamir Village	1999-00	2001-02	2006-07	4
95	Kalacheera	1999-00	2001-02	2003-04	2
96	Kashipur Mariamnagar	2002-03	2004-05	2004-05	-
97	Klibari Lalcheera	1999-00	2001-02	In progress	5
98	Kuchpara II	2001-02	2003-04	2006-07	3
99	Laxminarayanpur-V	2006-07		New	-
100	Makkumcgeera	1999-00	2001-02	2002-03	1
101	Nakshirai para	2001-02	2003-04	2003-04	-
102	Noagaon F cheera F II	2001-02	2003-04	2003-04	-
103	Noakhalipara	2001-02	2003-04	2005-06	2
104	Nowagang	2006-07		New	-
105	Purba NoaGaon	2001-02	2003-04	2006-07	3
106	Purnadas para	2001-02	2003-04	2003-04	-
107	Radhapur II	2001-02	2003-04	2004-05	1
108	Radhapur-III	2002-03	2004-05	2006-07	2
109	Rajdharnagar	2002-03	2004-05	2004-05	-
110	Rasharajnagar Ujancheera	2004-05		2006-07	-
111	Ratanpur	2004-05		In progress	-
112	Sambhusardarpara	2006-07		New	-
113	Shankhola	2006-07		New	-
114	Shikraihour	2000-01	2002-03	2002-03	-
115	Smtinagar	2001-02	2003-04	2005-06	2
116	Sonacheera	1999-00	2001-02	In progress	5
117	South Chargharia	1999-00	2001-02	2005-06	4
118	West Chebri	2001-02	2003-04	2004-05	1
119	Chagalnaiyacharra	2000-01	2002-03	In progress	
120	MahamayaCheera	1998-99	2000-01	In progress	
121	Muhuri Irri Project	2000-01	2003-04	In progress	
122	Mahish River	2002-03	2004-05	In progress	
123	Guria Cheera	2002-03	2004-05	In progress	
124	Soth Padmabill	2002-03	2004-05	In progress	
125	Pratekroy Cheera	2002-03	2004-05	In progress	
126	S nagar Amtali	2000-01	2002-03	In progress	
127	Narendra Nagar	2003-04	2005-06	In progress	
128	Satnala	2006-07		New	
129	Near Sonaicheri	2001-02	2003-04	In progress	
130	Bagbill	2001-02	2003-04	In progress	
131	Rangutia	2001-02	2003-04	In progress	
132	Indranagar near the house of Bimal das	2006-07		New	

APPENDIX 3.11

Statement showing the Revenue Circle-wise number of cases and occurrences of same Khatian numbers under same mouja, same plot numbers under same mouja, same occupier's name under same plot, same Khatian and same mouja and possessor's name under same Khatian and same mouja

(Reference: Paragraph 3.5.9.3)

Name of Revenue Circle	Khatian Numbers			Plot Numbers			Occupiers' Name			Possessor's Name		
	No. of records	No. of cases	No. of occurrences	No. of records	No. of cases	No. of occurrences	No. of records	No. of cases	No. of occurrences	No. of records	No. of cases	No. of occurrences
Ambassa	226	113	2 times	973	480	2-4 times	2	1	2 times	12	6	2 times
Belonia	0			2817	1339	2-4 times	2	1	2 times	25	6	2-12 times
Bishalgarh	0			3295	1619	2-10 times	4	2	2 times	23	9	2-4 times
Jirania	0			3289	1638	2-3 times	4	2	2 times	8	3	2-4 times
Kailashahar	0			2512	1055	2-5 times	0	0		26	13	2 times
Kamalpur	0			2388	1156	2-6 times	0	0		8	4	2 times
Khowai	0			3183	1579	2-5 times	10	5	2 times	2	1	2 times
Killa	0			6307	2980	2-26 times	24	12	2 times	36	16	2-5 times
Kumarghat	0			2491	1194	2-11 times	0	0		23	10	2-7 times
Melaghar	0			1135	565	2-3 times	7	3	2-3 times	6	2	2-4 times
Mohanpur	0			4752	2366	2-3 times	28	14	2 times	2	1	2 times
Teliamura	0			1254	619	2-10 times	10	5	2 times	3	1	3 times
Sabroom	0			7302	3602	2-24 times	28	14	2 times	45	20	2-5 times
Sonamura	0			788	393	2-3 times	2	1	2 times	7	3	3-4 times
Udaipur	0			5176	2441	2-56 times	20	10	2 times	33	16	2-3 times
Total	**226**	**113**	**2 times**	**47662**	**23026**	**2-26 times**	**141**	**70**	**2-4 times**	**259**	**111**	**2-12 times**

APPENDIX 3.12

Statement showing the number of records having null values

(Reference: Paragraph 3.5.9.4)

(in numbers)

Name of Revenue Circle	Table Name-TF1			Table Name-TF2				Table Name-TF4			
	Total number of records available in the table	Own-code (Khatian Type e.g. State Government, Central Government, Private etc)	DUS / REM1/ REM2/ REM3 (Act under which land allotted)	Status (possessor's status e.g. Allottee, rayati etc)	Total number of records available in the table	NBOUN (North Plot number)	OCCU (North Plot occupier's name)	Total number of records available in the table	Caste (General, SC, ST)	FNAME (Husband's/ Father's name)	Address
1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*	*12*
Ambassa	10,663	26	1,146	676	28,432	5,218	1,216	15,784	14,609	2,892	6,289
Belonia	40,737	182	5,510	3,682	108,648	14,223	4,657	64,360	61,730	16,791	27,498
Bishalagrh	63,740	831	7,477	6,680	186,653	28,327	8,560	96,892	91,188	25,181	39,445
Jrania	41,106	1,013	7,624	6,737	139,925	25,930	8,535	61,224	56,046	16,750	26,867
Kailashahar	34,421	2	2,402	2,238	97,065	16,200	6,582	57,880	54,782	13,262	26,272
Kamalpur	38,884	110	3,232	1,850	108,134	19,916	6,338	62,209	58,938	13,818	25,472
Khowai	50,938	167	10,555	6,440	167,623	27,943	9,689	74,121	70,250	19,004	30,803
Killa	68,682	2,968	1,222	6,130	181,353	24,967	10,158	106,663	96,687	17,795	31,444
Kumarghat	23,759	0	2,436	1,464	69,653	9,064	2,313	35,595	31,567	8,617	14,012
Melaghar	31,062	44	4,691	3,781	100,232	11,814	3,259	51,855	49,289	15,395	24,617
Mohanpur	47,535	808	6,284	5,505	158,602	29,267	11,670	69,262	63,094	11,782	13,414
Teliamura	25,137	136	3,821	2,955	74,612	10,984	3,107	36,534	34,557	7,896	14,636
Sabroom	101,474	5,289	5,735	3,179	294,987	41,920	15,664	159,555	147,151	30,784	48,796
Sonamura	38,296	442	6,165	3,948	114,101	14,114	3,349	70,369	68,644	22,709	35,800
Udaipur	64,858	3,328	927	4,854	158,759	22,818	8,707	100,917	91,167	14,931	24,807

APPENDIX 3.13

Instances showing the Khatian numbers available in different transaction tables but not available in Master table (TF1 Table)

(Reference: Paragraph 3.5.11(i))

Mouja Code	Khatian No. in TF4 Table (owner wise data)	Khatian No. in TF3 Table (Occupier other than owner wise data)	Khatian No. in TF2 Table (Plot wise data)	Khatian No. in TF1 Table (Master Table)
Bishalgarh Revenue Circle				
20219	14101	-	14101	No such Khatians are available
20218	1764/2	-	-	
20202	262/4	-	-	
20241	567/3	-	-	
20208	-	579/13	579/13	
20214	84/4	-	-	
20214	84/5	-	-	
20218	-	-	3488/1	
20217	-	-	822/1	
20208	579/20	-	-	

APPENDIX 4.1

(Reference: Paragraph 4.3)

Statement showing loss of interest to State Government

(in Rupees)

Sl. No.	Bank	Occurrence Date	Receipts			Payments			Net debit to State Govt. A/c (Col. 9-6)	Adjustment date	Delay (in days)	Interest[2]
			VDMS Figure	RBI Figure	Excess credit (+) /Less credit (-)	VDMS Figure	RBI Figure	Excess debit (+) /Less debit (-)				
(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*	*(8)*	*(9)*	*(10)*	*(11)*	*(12)*	*(13)*
1	SBI, Udaipur	30.4.06	1,64,21,798	1,62,64,511	(-) 1,57,287	17,30,13,078	17,40,72,264	(+) 10,59,186	12,16,473	31.7.06	90	23,996.18
2	SBI, Udaipur	2.06.06	1,87,610	92,599	(-) 95,011	6,013	9,91,678	(+) 9,85,665	10,80,676	31.7.06	58	13,737.91
3	UBI, Khowai	30.9.06	44,60,579	45,32,820	(+) 72,241	9,98,44,465	12,51,31,808	(+) 2,52,87,343	2,52,15,102	30.11.06	60	3,31,595.86
4	SBI, TLA House	15.1.06	3,24,326	4,58,445	(+) 1,34,119	27,77,751	4,85,83,736	(+) 4,58,05,985	4,56,71,866	31.05.07	135	13,51,386.72
5	UBI, Kailashahar	28.2.07	2,43,55,491	10,53,6,155	(-) 1,38,19,336	16,00,73,853	15,57,31,875	(-) 43,41,978	94,77,358	31.05.07	92	1,91,105.08
6	UBI, Amarpur	26.3.07	1,70,127	1,70,127	0.00	1,40,62,614	1,90,81,573	(+) 50,18,959	50,18,959	31.08.073	154	1,69,407.05
7	UBI, Amarpur	27.3.07	2,78,696	2,78,696	0.00	1,28,17,002	2,16,78,924	(+) 88,61,922	88,61,922	31.08.07[3]	153	2,97,177.88
8	UBI, Amarpur	28.3.07	1,41,482	1,41,482	0.00	1,25,27,727	1,84,59,968	(+) 59,32,241	59,32,241	31.08.07[3]	152	1,97,633.02
9	UBI, Amarpur	30.3.07	5,55,468	5,55,468	0.00	2,12,16,646	2,31,53,063	(+) 19,36,417	19,36,417	31.08.07[3]	150	63,663.02
10	UBI, Kailashahar	30.3.07	64,55,884	81,215	(-) 63,74,669	27,910,510	4,68,04,151	(+) 1,88,93,641	2,52,68,310	4/30/2007	30	1,66,147.79
11	UBI, Amarpur	29.3.07	40,797	40,797	0.00	1,48,48,545	1,51,09,935	(+) 2,61,390	2,61,390	31.08.07[3]	151	8,650.93
12	UBI, Amarpur	31.3.07	11,36,380	11,36,380	0.00	1,27,61,205	1,29,27,248	(+) 1,66,043	1,66,043	31.08.07[3]	150	5,458.95
13	UBI, Amarpur	29.4.06	4,71,657	4,71,657	0.00	61,47,839	62,39,324	(+) 91,485	91,485	30.04.06	1	20.05
14	UBI, Ambassa	03.4.06	14,72,169	14,72,169	0.00	2,68,01,953	2,68,02,038	(+) 85	85	30.04.06	27	0.50
15	SBI, Udaipur	03.05.06	8,89,352	8,89,352	0.00	19,29,495	19,34,517	(+) 5,022	5,022	31.07.06	87	95.76
16	UBI, Amarpur	30.6.06	13,290	13,290	0.00	60,11,862	60,47,862	(+) 36,000	36,000	31.07.06	30	236.71
17	UBI, Ambassa	30.6.06	50,323	50,323	0.00	66,03,615	66,05,615	(+) 2,000	2,000	31.07.06	30	13.15
18	UBI, Sabroom	26.9.06	1,45,491	1,45,491	0.00	88,09,158	89,59,098	(+) 1,49,940	1,49,940	30.11.06	64	2,103.27
19	SBI, Udaipur	26.10.06	44,01,437	44,01,437	0.00	6,02,365	6,02,947	(+) 582	582	30.11.06	34	4.34
20	UBI, Belonia	30.3.07	6,03,910	6,03,910	0.00	3,89,80,830	3,90,83,557	(+) 1,02,727	1,02,727	31.05.07	60	1,350.93
	Total		**6,25,76,267**	**4,23,36,324**	**(-) 2,02,39,943**	**64,77,46,526**	**75,80,01,181**	**(+) 11,02,54,655**	**13,04,94,598**			**28,23,785.11**

[2] Calculated @ 6 *per cent* plus 2 *per cent* penal interest.

3 Not yet adjusted, as such last date of the preceeding month (8/07) has been shown as the date of adjustment for the purpose of calculation of interest.

APPENDIX 4.2

(Reference: Paragraph 4.7)

Statement showing item-wise approved cost, amount released by GOI and expenditure incurred upto 31 December 2006

(Rupees in lakh)

Sl. No.	Item of work	Approved Cost	Amount released by GOI	Expenditure Incurred
1.	Acquisition of land	Nil	Nil	29.85[4]
2.	Construction of intake well, raw water pump house, etc.	41.00	41.00	12.50
3.	Construction of two Over Head Tanks (1.50 lakh gallon capacity)	100.00	125.00	115.78[5]
4.	Construction of one Over Head Tank (0.60 lakh gallon capacity)	25.00		Nil
5.	Sludge disposal line	5.63	5.63	Nil
6.	Construction of Water Treatment Plant	112.00	112.00	83.43
7.	(i) Procurement and laying of distribution of pipelines	197.53	197.53	296.40
	(ii) Providing and laying of clear water rising main	61.37	61.37	
8.	Setting up of a laboratory	1.65	1.65	Nil
9.	Compound wall and approach road	8.00	8.00	Nil
10.	Telephone facility	0.25	Nil	Nil
11.	Computer system	1.00	Nil	Nil
12.	Construction of staff quarters	20.44	Nil	Nil
13.	Contingencies	29.54	Nil	Nil
14.	Establishment charges	17.73	Nil	Nil
	Total	**621.14**	**552.18**	**537.96**

Source: Compiled on the basis of information furnished by the Department.

APPENDIX 4.2 (b)

(Reference: Paragraph 4.7)

(Rupees in lakh)

Sl. No.	Name of work	Approved cost	Tender value	Expenditure incurred up to December 2006
1.	(a) Construction of Water Treatment Plant	112.00	265.50	83.43[6]
	(b) Construction of intake well, raw water pump house, etc.	41.00		12.50
2.	Construction of Over Head Tank (1.50 lakh gallon) at PWD complex	50.00	68.00	69.24
3.	Construction of Over Head Tank (1.50 lakh gallon) at Kamraj Maidan	50.00	71.00	46.54
4.	(i) Procurement and laying of distribution pipelines	197.53	-	296.40
	(ii) Providing and laying of clear water rising main	61.37		

Source: - Compiled on the basis of information furnished by the Department.

[4] Not reported to the GOI in the utilisation certificates.

[5] OHT at PWD complex-Rs. 69.24 lakh and OHT at Kamraj Maidan – Rs. 46.54 lakh.

[6] Including mobilisation advance of Rs. 26.55 lakh.

APPENDIX 4.3

(Reference: Paragraph 4.14)

Statement showing deposit of funds in Savings Bank Account

Sl. No.	Date of receipt of funds	Name of scheme	Amount (in Rs.)
1.	26.07.04	GSY (Jagriti)	39,483
2.	12.08.05, 18.09.06	RGAU (Rajib Gandhi Akshay Urjja Diwas)	2,00,000
3.	4.2.04, 24.12.04, 30.3.05, 23.3.06, 28.03.06, 30.03.06, 12.04.06, 8.2.05, 3.4.06, 15.05.06	AIDS	39,03,960
4.	15.03.04, 19.03.04	Leprosy	73,080
5.	15.03.04	PMGSY	19,05,00,000
6.	10.03.04	PMRY	70,00,000
7.	2.01.04, 15.03.04, 10.09.04, 5.04.05, 1.11.06, 4.4.06	SGRY	13,72,487
8.	19.02.05, 22.05.06	SSA	1,75,50,000
9.	30.04.05, 29.05.06	MPLAD	2,00,000
10.	25.03.04, 22.08.04, 20.12.03, 03.04.05, 12.05.05, 18.11.05, 5.11.06	PPI	27,27,889
11.	6.07.06	UNDP (United)	10,56,900
12.	6.07.05, 19.06.06, 28.10.06, 6.11.06, 12.12.06	MNIC	4,90,300
13.	22.03.04	DWSC	40,20,000
14.	22.11.04, 5.04.05, 14.06.06, 29.11.05	DRDA	5,68,50,000
15.	17.01.05, 22.05.06	SGSY	1,51,16,000
	Total scheme funds		**30,11,00,099**
	Other funds		**7,39,74,827**
	Grand Total		**37,50,74,926**

APPENDIX–4.4

(Reference: Paragraph 4.16 and 4.16.1)

Statement showing component-wise funds received under SJSRY during 1998-99 to 2006-07

(Rupees in lakh)

Year	Source	USEP (Subsidy)	DWCUA (Subsidy)	USEP (Training)	DWCUA (Thrift and Credit Societies)	USEP (Infrastructure)	UWEP	Community structure	A&OE	Total
1998-99	Central	-	-	-	-	-	28.74	2.90	-	31.64
	State	-	-	-	-	-	16.00	-	-	16.00
	Total	**-**	**-**	**-**	**-**	**-**	**44.74**	**2.90**	**-**	**47.64**
1999-2000	Central	5.73	2.15	0.74	1.07	1.47	19.05	14.09	-	44.30
	State	-	-	-	-	-	12.69	-	-	12.69
	Total	**5.73**	**2.15**	**0.74**	**1.07**	**1.47**	**31.74**	**14.09**	**-**	**56.99**
2000-01	Central	-	-	-	-	-	6.26	-	-	6.26
	State	-	-	-	-	-	10.00	-	-	10.00
	Total	**-**	**-**	**-**	**-**	**-**	**16.26**	**-**	**-**	**16.26**
2001-02	Central	13.46	5.12	1.27	2.56	2.56	26.20	13.52	0.55	65.24
	State	-	-	-	-	-	7.85	7.61	0.81	16.27
	Total	**13.46**	**5.12**	**1.27**	**2.56**	**2.56**	**34.05**	**21.13**	**1.36**	**81.51**
2002-03	Central	0.05	-	4.19	-	2.35	-	5.94	-	12.53
	State	0.50	-	-	-	-	1.48	0.71	-	2.69
	Total	**0.55**	**-**	**4.19**	**-**	**2.35**	**1.48**	**6.65**	**-**	**15.22**
2003-04	Central	1.64	1.64	4.61	3.11	0.64	8.35	2.26	-	22.25
	State	2.06	-	2.25	0.72	0.15	0.95	0.67	-	6.80
	Total	**3.70**	**1.64**	**6.86**	**3.83**	**0.79**	**9.30**	**2.93**	**-**	**29.05**
2004-05	Central	21.52	21.52	57.34	35.85	7.17	63.95	132.20	-	339.55
	State	39.38	4.00	3.09	3.00	2.83	10.00	2.00	-	64.30
	Total	**60.90**	**25.52**	**60.43**	**38.85**	**10.00**	**73.95**	**134.00**	**-**	**403.85**
2005-06	Central	-	-	-	-	-	-	8.28	-	8.28
	State	5.00	5.00	3.00	3.30	3.60	46.45	3.00	-	69.35
	Total	**5.00**	**5.00**	**3.00**	**3.30**	**3.60**	**46.45**	**11.28**	**-**	**77.63**
2006-07	Central	-	-	-	-	-	-	-	-	-
	State	5.00	5.00	1.00	1.14	1.30	12.00	1.00	-	26.44
	Total	**5.00**	**5.00**	**1.00**	**1.14**	**1.30**	**12.00**	**1.00**	**-**	**26.44**
	Total Central	**42.40**	**30.43**	**68.15**	**42.59**	**14.19**	**152.55**	**179.19**	**0.55**	**530.05**
	Total State	**51.94**	**14.00**	**9.34**	**8.16**	**7.88**	**117.42**	**14.99**	**0.81**	**224.54**
	Grand Total	**94.34**	**44.43**	**77.49**	**50.75**	**22.07**	**269.97**	**194.18**	**1.36**	**754.59**

APPENDIX–4.5

(Reference: Paragraph 4.16, 4.16.1 and 4.16.3.3)

Statement showing year-wise and component-wise expenditure under SJSRY from 1999-2000 to 2006-07 (15-03-07)

(Rupees in lakh)

Component	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	Total expenditure	Total funds received	Funds remained unutilised	Percentage of unutilised funds to total funds received
USEP (subsidy)	3.09	3.11	1.41	5.86	1.34	9.42	6.25	19.32	49.80	94.34	44.54	47
DWCUA (subsidy)	-	-	-	-	-	-	-	-	-	44.43	44.43	100
USEP (Training)	-	-	-	0.25	0.15	0.41	3.98	1.42	6.21	77.49	71.28	92
DWCUA (T&CS)	-	-	-	-	-	-	-	11.84	11.84	50.75	38.91	77
USEP (Infrastructure)	-	-	-	-	-	-	-	-	-	22.07	22.07	100
UWEP	1.18	9.44	12.98	2.09	0.93	3.62	50.88	132.84	213.96	269.97	56.01	21
Community structure	-	-	-	-	-	-	-	13.79	13.79	194.18	180.39	93
A&OE	-	-	-	-	-	-	-	1.07	1.07	1.36	0.29	21
Total	**4.27**	**12.55**	**14.39**	**8.20**	**2.42**	**13.45**	**61.11**	**180.28**	**296.67**	**754.59**	**457.92**	**61 (average)**

APPENDIX 5.1

(Reference: Paragraphs 5.1.5.1 and 5.1.5.2)

A. Total Budget and Expenditure

(Rupees in crore)

Year	Budget Provision				Expenditure	Saving (-) / Excess (+)	Percentage of savings
	Original	Supplementary	Surrender	Total			
2002-03	**66.84**	**6.92**	**0.68**	**73.08**	**49.69**	**(-) 23.39**	**47.07**
2003-04	**71.42**	**18.26**	**0.23**	**89.45**	**62.03**	**(-) 27.42**	44.20
2004-05	**57.59**	**13.12**	**0.08**	**70.63**	**48.15**	**(-) 22.48**	46.68
2005-06	**66.46**	**17.21**	**-**	**83.67**	**62.65**	**(-) 21.02**	33.55
2006-07	**61.43**	**11.23**	**2.78**	**69.88**	**55.69**	**(-)14.19**	25.48

B. Revenue Budget and Expenditure

(Rupees in crore)

Year	Budget Provision				Expenditure	Saving (-) / Excess (+)	Percentage of savings
	Original	Supplementary	Surrender	Total			
2002-03	20.90	0.91	NIL	21.81	10.32	(-) 11.49	52.68
2003-04	21.11	-	0.23	20.88	8.48	(-) 12.40	59.39
2004-05	21.04	-	0.08	20.96	7.69	(-) 13.27	63
2005-06	21.47	0.41	-	21.88	9.94	(-) 11.94	54.57
2006-07	22.92	1.18	-	24.10	11.96	(-)12.14	50.37

C. Capital Budget and Expenditure

(Rupees in crore)

Year	Budget Provision				Expenditure	Saving (-) / Excess (+)	Percentage of savings
	Original	Supplementary	Surrender	Total			
2002-03	45.94	6.01	0.68	51.27	39.37	(-) 11.90	23.21
2003-04	50.31	18.26	-	68.57	53.55	(-) 15.02	22
2004-05	36.55	13.12	-	49.67	40.46	(-) 9.21	18.54
2005-06	44.99	16.80	-	61.79	52.71	(-) 9.08	14.69
2006-07	38.51	10.05	2.78	45.78	43.73	(-)2.05	4.48

D. Break-up of savings under Revenue Account

(Rupees in lakh)

Year	Total savings under Revenue Account	Major Savings			
		Suspense	Direction & Administration	Urban Water Supply	Rural Water Supply
2002-03	1148.86	1090.70	36.54	55.59	-
2003-04	1263.05	1225.15	27.38	8.95	-
2004-05	1335.57	1256.68	48.66	32.89	-
2005-06	1194.25	1148.68	24.87	11.30	9.40
2006-07	1214.44	1151.97	35.34	1.80	-

Source: Appropriation Accounts

APPENDIX 5.2

(Reference: Paragraph 5.1.5.3)

Statement showing excess expenditure

(Rupees in lakh)

		Total Grant	Expen-diture	Excess (%)
Appropriation Accounts for 2002-03	2215 – Water Supply and Sanitation 01 – Water Supply 102 – Rural Water Supply Programme (NP)	89.75	124.22	34.47 (42%)
	4215 Capital Outlay on Water Supply & Sanitation 01 – Water Supply 102 – Rural Water Supply (178) Rural Water Supply Scheme	160	173.77	13.77 (9%)
Appropriation Accounts for 2004-05	2215 – Water Supply and Sanitation 01 – Water Supply 102 – Rural Water Supply Programme 28 – Public Health 04 – Rural Water Supply Programme (NP)	33.05	43.62	10.57 (32%)
	4215 – Capital Outlay on Water Supply & Sanitation 01 – Water Supply 102 – Rural Water Supply 28 – Public Health 02 – Accelerated Urban Rural Water Supply Scheme (Plan)	200.00	218.20	18.20 (9%)
	03 – Rajib Gandhi National Drinking Water Mission (CSS)	1204.95	1220.38	15.43 (1%)
Appropriation Accounts for 2005-06	4215 – Capital Outlay on Water Supply & Sanitation 01 – Water Supply 102 – Rural Water Supply 800 – Other Expenditure 56 – Non Lapsable 19 – Drinking Water (CSS)	418.62	426.86	8.24 (2%)
	Total	**2106.37**	**2207.05**	**100.68**

APPENDIX 5.3

(Reference: Paragraphs 5.1.6.2 and 5.1.6.3)

A. Statement showing the total number of works to be completed in the State as per the Joint Action Plan prepared by PHED and RDD.

Name of the District	No. of sources to be created					
	2006-07		2007-08		2008-09	
	Total by PHED & RD	By PHED	Total by PHED & RD	By PHED	Total by PHED & RD	By PHED
West Tripura	2273	516	2058	389	1320	185
South Tripura	363	140	247	75	198	53
North Tripura	1628	144	335	194	2432	142
Dhalai	63	23	292	68	439	102
Total	**4327**	**823**	**2932**	**726**	**4389**	**482**

Out of total 11648 works (4327+2932+4389) in the State the PHED is responsible for 2031 works (823+726+482).

B. Statement showing performance of PHE in 2006-07 with reference to the Joint Action Plan

Name of the District	No. of sources to be created by PHE (2006-07)		
	Tube Wells targeted in the Plan*	DTWs actually targeted	Achievement
West Tripura	120	5	2
South Tripura	117	61	31
North Tripura	49	28	8
Dhalai	21	31	12
Total	**307**	**125**	**53**

*This include DTWs, Tube Wells and Mini Tube Wells.

Source : Joint Action Plan and Annual Reports

C. Statement showing delay in completion of Surface water treatment plants

Location (with capacity in MGD)	Date of commence-ment	Scheduled date of completion	Actual date of completion	Delay in months	Project cost (Rs. in lakh)	Actual expenditure (Rs. in lakh)
Amarpur (0.65)	2003	2005	In progress	24 (till date)	341.12	253.46
Sabroom (0.65)	2003	2005	-do-	-do-	258.28	96.11
Khowai (1.20)	June 2003	September 2004	November 2006	26	269.25	267.62
Kumarghat (0.65)	May 2001	June 2003	October 2005	28	417.23	418.50
Belonia (1.00)	September 2000	March 2002	September 2005	42	288.14	630.84
Udaipur (1.30)	April 2001	March 2003	September 2005	30	244.05	336.45
Kailashahar (1.00)	2004	March 2005	March 2007	24	254.26	254.25
Kamalpur (0.72)	January 2000	March 2002	September 2005	42	133.35	304.06
Sonamura (1.00)	February 2001	February 2003	September 2005	31	139.69	201.67
Teliamura (1.20)	March 2004	March 2006	In progress	18 (till date)	621.00	552.18
Dharmanagar(1.50)	July 2004	March 2005	June 2006	15	549.00	514.95

APPENDIX 5.4

(Reference: Paragraph 5.1.6.7)

Amount of work done without tendering

(Rupees in lakh)

Name of Division	Amount of work done without tendering					
	2002-03	2003-04	2004-05	2005-06	2006-07	Total
	Amount (No. of works)	Amount (No. of works)	Amount (No. of works)	Amount (No. of works)	Amount (No. of works)	Amount (No. of works)
PHE - I	32.62 (126)	45.92 (217)	30.89 (122)	*	*	109.43 (465)
PHE – II	38.83 (160)	69.79 (258)	62.07 (249)	34.32 (134)	34.62 (137)	239.63 (938)
PHE - IV	48.88 (217)	51.38 (227)	39.12 (176)	34.63 (159)	30.16 (140)	204.17 (919)
PHE - III	*	*	39.42 (163)	*	*	39.42 (163)
PHE - VI	*	*	36.61 (175)	40.30 (195)	*	76.91 (370)
Total	**120.33 (503)**	**167.09 (702)**	**208.11 (885)**	**109.25 (488)**	**64.78 (277)**	**669.56 (2855)**

*Less than Rs.30 lakh

Source : Divisional Records

APPENDIX 5.5

(Reference: Paragraph 5.1.10)

Statement of irregularities in maintenance of GPF Accounts of Group 'D' staff

Sl. No.	Name of division/office	Year	Number of employees involved	Amount drawn (Rs.)	Nature of drawal	Remarks
1	S.E., PHE Circle No. I, Kunjaban, Agartala	2004-05	2	(a) 19100 (b) 11450	Advance Advance	Rs. 19000 and Rs. 11400 were debited to GPF account instead of Rs. 19100 and Rs. 11450 respectively
		2005-06	1	12000	Withdrawal	Withdrawal of Rs. 12000 was not deducted from GPF balance.
		2006-07	2	11600 10400	Advance Advance	Advance of Rs. 11600 & Rs. 10400 were not deducted from GPF balance of the two employees
2.	CE, PWD (PHE), Agartala	2002-07	14	4386	Interest on GPF balance	Excess amount of interest of Rs. 4386 was allowed.
3.	Division-III, Udaipur	2004-05	1	16440	Advance	Not debited
		2005-06	1	46500	Advance	Not debited
		2006-07	4	103350	Advance	Not debited
			1	16400	Advance	Not debited
			5			Excess credit of Rs.20,862 was given due to erroneous calculation
4.	Division-II, Kumarghat	2006-07	1	35000	Withdrawal	Not debited
5.	S.E - II, Ambassa	2003-04	1	4,000	Withdrawal	Not debited
		2004-05	1	6,000	Withdrawal	Not debited
6.	Division – VI, Bishalgarh	2002-03	3	51,440	Advance/ Withdrawal	Not debited
		2003-04	1	19,500	Advance	Not debited

APPENDIX 5.6

(Reference: Paragraph 5.1.10)

Statement showing non maintenance of records by various PHE Divisions

Sl. No.	Name of records	Name of division
1	Contractors' Ledger	i. PHE Division I ii. PHE Division II iii. PHE Division III iv. PHE Division IV v. PHE Division V vi. PHE Division VI vii. Rig Division
2.	Register of Works	i. PHE Division I ii. PHE Division II iii. PHE Division III iv. PHE Division IV v. PHE Division V vi. PHE Division VI vii. Rig Division
3.	Works Abstract	i. PHE Division I ii. PHE Division II iii. PHE Division IV iv. PHE Division V v. Rig Division
4.	Control Register to keep a watch on disposal of Inspection Report (Appendix 74 of CPWD Manual Vol. II)	i. PHE Division I ii. PHE Division II iii. PHE Division IV iv. PHE Division V v. Rig Division
5.	Asset Register	i. PHE Division III ii. PHE Division VI

APPENDIX 5.7

(Reference: Paragraph 5.1.10)

Statement showing outstanding audit paragraphs against Public Works Department (Public Health Engineering), Tripura as on 31st March 2007

(Rupees in lakh)

Year	No. of outstanding IRs	No. of outstanding audit paragraphs	Money value (Rs.)
1999-2000	2	9	-
2000-01	2	13	64.98
2001-02	3	12	43.00
2002-03	1	10	-
2003-04	4	3	12.16
2004-05	3	19	57.45
2005-06	1	6	59.24
2006-07	3	30	203.18
Total	**19**	**102**	**440.01** **Say Rs. 4.40 crore**

APPENDIX 5.8

(Reference: Paragraph 5.1.11.1)

Office wise position of deployment of manpower in the PHED

Office	Post									
	CE	SE	EE	AE	JE	SO	OS	HC	UDC	LDC
CEs offuce	1	1	2	2	2	1	2	1	8	6
SE (M&P)		1	2	4	2			1	2	3
SE (CCDU)		1	2	2	1			1	3	4
SE (Circle.I)		1	2	9	2		1		7	7
SE (Circle.II)		1	2	6	2		1		6	7
EE (Divn.I)			1	9	27			1	7	13
EE (Divn.II)			1	8	15			1	6	10
EE (Divn.III)			1	11	27		1		5	12
EE (Divn.IV)			1	10	23			1	7	13
EE (Divn.V)			1	10	26			1	5	11
EE (Divn.VI)			1	9	21			1	5	10
EE (Divn.VII)			1	10	23			1	5	11
EE (Divn.VIII)			1	7	19			1	6	11
EE (Rig)			1	5	9			1	5	7
	1	5	19	102	199	1	5	11	77	125

APPENDIX 6.1

Statement showing the organisation-wise position of outstanding deployment cost of police personnel

(Reference: Paragraph 6.16.1)

Sl. No.	Name of the police establishment to whom due	Name of the organisation from whom due	Period of claim	Amount outstanding (Rs.)
1.	Commandant, Special Armed Force, Agartala	SBI, Agartala Branch, Agartala	2002-03 to 2006-07	51,73,302
2.		SBI, Assembly Branch, Agartala	2002-03 to 2006-07	32,50,176
3.		UBI, H.G.B Road, Agartala	2002-03 to 2006-07	40,79,955
4.		UCO Bank, Agartala	2002-03 to 2006-07	39,82,901
5.		Telephone Exchange, Badharghat, Agartala	2002-03 to 2006-07	27,30,190
6.		Telephone Exchange, North Gate, Agartala	2002-03 to 2006-07	28,41,493
7.		FCI, Godown M.B.Tilla	2002-03 to 2004-05	17,11,942
8.	Superintendent of Police, West Tripura, Agartala	Opening Balance[7]	2002-03	3,24,978
9.		BSNL, Agartala	2002-03 to 2006-07	5,95,437
10.		Tripura Tea Development Corporation	2002-03	3,46,766
11.		Central Bank of India, Agartala	2003-04 to 2006-07	14,32,002
12.		UBI, Khowai	2003-04 to 2006-07	28,38,588
13.		UBI, Sonamura	2003-04 to 2006-07	28,40,741
14.		ONGC Project Badharghat, Agartala	2005-06 to 2006-07	32,50,387
15.		Astt. Manager, (ONGC), Agartala (PG duty)	2005-06 to 2006-07	2,44,998
16.		SIB (MHA), Agartala	2006-07	38,419
17.		Doordarshan Kendra, Agartala	2006-07	95,684
18.		AIR, Bridhinagar	2006-07	94,230
19.		AIR, Studio Centre Agartala	2006-07	95,684
20.		Dharampal Satpal Ltd. Agartala	2006-07	39,146

[7] Organisation-wise details have not been furnished.

APPENDIX 6.1 (Concld.)

Statement showing the organisation-wise position of outstanding deployment cost of police personnel

(Reference: Paragraph 6.16.1)

Sl. No.	Name of the police establishment to whom due	Name of the organisation from whom due	Period of claim	Amount outstanding (Rs.)
21.	Superintendent of Police, South Tripura, Udaipur	SBI, Udaipur	2002-03 to 2006-07	34,35,900
22.		AIR Belonia	2002-03 to 2004-05 and 2006-07	23,32,100
23.		UBI, Udaipur/ Amarpur/ Sabroom, Belonia Branch	2002-03 to 2006-07	1,14,82,080
24.	Superintendent of Police, North Tripura, Kailashahar	AIR Studio Transmitter Complex, Kailashahar	2002-03 to 2006-07	41,17,606
25.		UBI, Kailashahar Branch	2003-04 to 2006-07	26,40,160
26.		SBI, Dharmanagar Branch	2003-04 to 2006-07	26,40,160
27.		Microwave Sub-station	2004-05 to 2006-07	31,97,424
28.		Airport Authority Kailashahar	2005-06 to 2006-07	81,405
29.	Superintendent of Police, Dhalai District, Ambassa	BSNL	2002-03 to 2006-07	1,68,32,186
30.		UBI, Authority	2003-04 to 2006-07	72,45,840
31.		Airport Authority, Kamalpur	2006-07	31,500
32		AIR, Fire Service etc.	2002-03 to 2006-07	97,258
33	Commandant 1st Battalion, TSR, Gokulnagar	Commandant, 1st Battalion TSR, Gokulnagar, Agartala	Outstanding upto 2006-07	4,41,80,049
Total				**13,43,20,687**

APPENDIX 7.1

Statement showing particulars of paid up capital, equity/loans received out of budget, other loans and loan outstanding etc. as on 31 March 2007 in respect of Government companies and Statutory corporation

(Reference: Paragraphs 7.1.1, 7.1.2, 7.1.4 and 7.1.6)

(Rupees in lakh)

Sl. No.	Name of the Sector and name of the company	Paid up Capital at the end of the year 2006-07					Equity/Loan received out of the budget during the year		Other Loans received during the year	Loans outstanding at the end of the year			Debt Equity Ratio (Previous year)
		State Government	Central Government	Holding Companies	Others	Total	Equity	Loans		Govt.	Others	Total	
1	2	3(a)	3(b)	3(C)	3(d)	3(e)	4(a)	4(b)	4(C)	4(d)	4(e)	4(f)	5
A. Working Government companies													
AGRICULTURE													
1.	Tripura Horticulture Corporation Ltd. (THCL)	151.95	-	-	-	151.95	1.50	-	-	-	-	-	-
	Total: AGRICULTURE	**151.95**				**151.95**	**1.50**						
FOREST													
2.	Tripura Forest Development and Plantation Corporation Ltd. (TFDPCL)	890.44	29.50	-	-	919.94	-	-	-	-	-	-	-
	Total: FOREST	**890.44**	**29.50**	-	-	**919.94**	-	-	-	-	-	-	-
INDUSTRIES													
3.	Tripura Small Industries Corporation Ltd. (TSICL)	2645.45	-	-	-	2645.45	228.14	-	-	-	-	-	-
4.	Tripura Industrial Development Corporation Ltd.(TIDCL)	1156.60	-	-	163.50	1320.10	50.50	-	-	-	-	-	-
5.	Tripura Handlooms and Handicraft Development Corporation Ltd. (THHDCL)	2118.29	77.78	-	4.00	2200.07	222.53	-	-	258.24	395.36	653.60	0.29(0.29)
6.	Tripura Jute Mills Ltd. (TJML)	10411.51	-	-	-	10411.51	949.00	-	-	109.45	-	109.45	0.01(0.01)
7.	Tripura Tea Development Corporation Ltd. (TTDCL)	1619.25	-	-	-	1619.25	170.75	-	-	-	-	-	-
	Total: INDUSTRIES	**17951.10**	**77.78**	-	**167.50**	**18196.38**	**1620.92**	-	-	**367.69**	**395.36**	**763.05**	-
POWER													
8.	Tripura State Electricity Corporation Limited (TSECL)	955.00	-	-	-	955.00	949.99	1104.00	2743.00	-	-	-	-
	Total power	**955.00**	-	-	-	**955.00**	**949.99**	**1104.00**	**2743.00**	-	-	-	-
PRIMITIVE GROUP PROGRAMME													
9.	Tripura Rehabilitation Plantation Corporation Ltd. (TRPCL)	457.73	-	-	-	457.73	-	-	-	-	-	-	-
	Total: Primitive Group Programme	**457.73**				**457.73**							
	Total(A): (Government companies)	**20406.22**	**107.28**	-	**167.50**	**20681.00**	**2572.41**	**1104.00**	**2743.00**	**367.69**	**395.36**	**763.05**	**0.04(0.04)**

APPENDIX 7.1 (Concld.)

Statement showing particulars of paid up capital, equity/loans received out of budget, other loans and loan outstanding etc. as on 31 March 2007 in respect of Government companies and Statutory corporation

(Reference: Paragraphs 7.1.2 ,7.1.4 and 7.1.6)

(Rupees in lakh)

Sl. No.	Name of the Sector and name of the company	Paid up Capital at the end of the year 2006-07					Equity/Loan received out of the budget during the year		Other Loans received during the year	Loans outstanding at the end of the year			Debt Equity Ratio (Previous year)
		State Government	Central Government	Holding Companies	Others	Total	Equity	Loans		Government	Others	Total	
1	2	3(a)	3(b)	3(c)	3(d)	3(e)	4(a)	4(b)	4(c)	4(d)	4(e)	4(f)	5
B. Working Statutory corporation													
TRANSPORT													
1.	Tripura Road Transport Corporation (TRTC)	12725.92	363.74	-	-	13089.65	1050	-	-	25.00	-	25.00	-
	Total(B): Statutory corporation	12725.92	363.74	-	-	13089.65	1050			25.00	-	25.00	-
	Grand Total(A+B)	33132.14	471.02	-	167.50	33770.65	3622.41	1104.00	2743.00	392.69	395.36	788.05	0.02(0.03)
C. Non-working companies													
FINANCE													
1.	Tripura State Bank Ltd.	4.00	-	-	-	4.00	-	-	-	-	-	-	-
	Total(C)	**4.00**	-	-	-	**4.00**	-	-	-	-	-	-	-

APPENDIX 7.2

Summarised financial results of working Government companies and Statutory corporation for the latest year for which accounts were finalised as of July 2007

(Reference: Paragraphs 7.1.7, 7.1.8 and 7.1.13)

(Rupees in lakh)

Sl. No.	Name of the Sector and Name of the companies	Name of Department	Date of Incorporation	Period of Accounts	Year in which accounts finalised	Net Profit (+)/ Loss (-)	Net impact of audit comments	Paid up capital	Accumulated Profit (+)/ Loss (-)	Capital employed	Total Return on Capital employed	Percentage of total return on Capital employed	Accounts in arrears in terms of years	Turn over (as on 31.3.07) (Rs. in lakh)	Man-power (number of regular employees as on 31.3.07)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
A	***Working Government companies***														
AGRICULTURE															
1.	Tripura Horticulture Corporation Ltd.	Agriculture Department	7.4.87	1999-2000	2004-05	(-)11.88	NRC	136.00	(-)38.88	28.61	(-)5.56	-	7	-	25
	Total: Agriculture					**(-)11.88**		**136.00**	**(-)38.88**	**28.61**	**(-)5.56**		**7**		**25**
FOREST															
2.	Tripura Forest Development and Plantation Corporation Ltd.	Forest Department	26.3.76	1997-1998	2006-07	109.53	NRC	809.94	90.45	1689.81	109.54	6.48	9	2636.21	224
	Total: Forest					**109.53**		**809.94**	**90.45**	**1689.81**	**109.54**		**9**	**2636.21**	**224**
INDUSTRY															
3.	Tripura Small Industries Corporation Ltd.	Industries and Commerce Department	30.4.65	1995-1996	2007-08	(-) 80.25	NRC	620.92	(-) 739.18	181.04	(-) 80.25	-	11	-	-
4.	Tripura Industrial Development Corporation Ltd.	-do-	28.3.74	2000-2001	2007-08	(-) 02.45	Increase in loss by Rs.18.70 lakh	1047.50	(-) 523.48	1375.42	37.11	2.70	6	137.22	30
5.	Tripura Handloom and Handicrafts Development Corporation Ltd.	-do-	5.9.74	1993-1994	2005-06	(-)124.12	Increase in loss by Rs.121.00 lakh	294.98	(-)434.77	322.89	(-)103.64	-	13	349.26	212
6.	Tripura Tea Development Corporation Ltd.	-do-	11. 8.80	1998-1999	2005-06	(-)18.44	Decrease in loss by Rs.5:00 lakh	592.50	(-)112.52	1097.67	(-)18.45	-	8	280.50	290
7.	Tripura Jute Mills Ltd.	-do-	10.10.74	1999-2000	2006-07	(-)490.65	Increase in loss by Rs.387.00 lakh	5038.51	(-)6482.07	(-)834.01	(-)490.65	-	7	335.21	1321
	Total: Industry					**(-) 715.91**	**Increase in loss by Rs.521.70 lakh**	**7594.41**	**(-) 8292.02**	**2143.01**	**(-) 655.88**		**45**	**1102.19**	**1853**

APPENDIX 7.2 (Concld.)

Summarised financial results of working Government companies and Statutory corporation for the latest year for which accounts were finalised as of July 2007.

(Reference: Paragraphs 7.1.7, 7.1.8 and 7.1.3)

(Rupees in lakh)

Sl. No.	Name of the Sector and Name of the companies	Name of Depart-ment	Date of Incorpo-ration	Period of Accounts	Year in which accounts finalised	Net Profit (+)/ Loss(-)	Net impact of audit comments	Paid up capital	Accumulated Profit (+)/ Loss(-)	Capital employed	Total Return on Capital employed	Percentage of total return on Capital employed	Accounts in arrears in terms of years	Turn over (as on 31.3.07) (Rs. in lakh)	Man-power (number of regular employees) (as on 31.3.07)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
POWER															
8.	Tripura State Electricity Corporation Limited	Power	9.6.04	2004-05	2005-06	-	-	5.01	-	-	-	-	2	-	
	POWER							5.01					2		
PRIMITIVE GROUP PROGRAMME															
9.	Tripura Rehabilitation Plantation Corporation Ltd.	Tribal Welfare Depart-ment	3.2.83	2005-06	2007-08	290.06	NRC	457.73	107.59	1004.78	290.83	28.88	1	1175.69	144
	Total: Primitive Group Programme					**290.06**		**457.73**	**107.59**	**1004.78**	**290.83**	-	**1**	**1175.69**	**144**
	Total of 'A' (Government companies)					**(-) 328.20**	**Increase in loss by Rs.531.70 lakh**	**9003.09**	**(-) 8132.86**	**4866.41**	**(-) 261.07**	-	**64**	**4914.09**	**2246**
B. Working Statutory corporation															
TRANSPORT															
1.	Tripura Road Transport Corporation	Transport Depart-ment	23.10.69	2001-02	2005-06	(-) 1304.88	Increase in loss by Rs.470.74 lakh	8367.95	(-)11679.07	(-)2585.57	(-)807.61	-	5		639
	Total of 'B'(Statutory corporation)					**(-) 1304.88**	**Increase in loss by Rs.470.74 lakh**	**8367.95**	**(-)11679.07**	**(-)2585.57**	**(-)807.61**	-	**5**		**639**
	GRAND TOTAL (A+B)					**(-) 1633.08**	**Increase in loss by Rs.992.44 lakh**	**17371.04**	**(-) 19811.93**	**(-) 2280.84**	**(-) 1068.68**	-	**69**	**4914.09**	**2885**

APPENDIX 7.3

Statement showing subsidy received, guarantees received, waiver of dues, loans on which moratorium allowed and loans converted into equity during the year, subsidy receivable and guarantee outstanding at the end of March 2007

(Figures in column 3 (a) to 5 (d) are in Rupees in crore)

(Reference: Paragraph 7.1.6)

(Rupees in crore)

Sl. No.	Name of the Public Sector Undertaking	Subsidy received during the year				Guarantee received during the year and outstanding at the end of the year					Waiver of dues during the year				Loans on which moratorium allowed
		Central Govern-ment	State Govern-ment	Others	Total	Cash credit from Bank	Loan from other sources	Letter of credit opened by banks in respect of imports	Payment obligation under agreement with Foreign Consultants or contract	Total	Loans repay-ments written off	Interest waived	Penal interest waived	Total	
1	2	3(a)	3(b)	3(c)	3(d)	4(a)	4(b)	4(c)	4(d)	4(e)	5(a)	5(b)	5(c)	5(d)	6
A.	*WORKING GOVERNMENT COMPANIES*														
1.	Tripura Horticulture Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.	Tripura Forest Development and Plantation Corporation Ltd.	0.15	-	-	0.15	-	-	-	-	-	-	-	-	-	-
3.	Tripura Small Industries Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	Tripura Industrial Development Corporation Ltd.	-	-	-	-	-	-	-	-	-	0.08	1.28	0.16	1.52	Moratorium allowed on all loans except Auto &Jeep under SRTO Scheme.
5.	Tripura Handloom and Handicrafts Development Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	Tripura Jute Mills Ltd.	-	-	-	-	-	-	1.80	1.80	1.80	-	-	-	-	-
7.	Tripura Tea Development Corporation Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Tripura State Electricity Corporation Limited	-	45.00	-	45.00	-	-	-	-	-	-	-	-	-	-
9.	Tripura Rehabilitation Plantation Corporation Ltd.	-	-	1.09	1.09	-	-	-	-	-	-	-	-	-	-
	Total of 'A'	**0.15**	**45.00**	**1.09**	**46.24**	**-**	**-**	**1.80**	**1.80**	**1.80**	**0.08**	**1.28**	**0.16**	**1.52**	**-**
B.	*WORKING STATUTORY CORPORATION*														
10.	Tripura Road Transport Corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total of 'B'	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Grand Total (A+B)	**0.15**	**45.00**	**1.09**	**46.24**	**-**	**-**	**1.80**	**1.80**	**1.80**	**0.08**	**1.28**	**0.16**	**1.52**	**-**

APPENDIX 7.4

Statement showing financial position of Statutory Corporation

(Tripura Road Transport Corporation)

(Reference: Paragraph 7.1.8)

(Rupees in crore)

	Particulars	2004-05	2005-06	2006-07
1.		(Provisional)	(Provisional)	(Provisional)
A.	**Liabilities**			
	Capital (including capital loan and equity capital)	111.09	120.39	130.89
	Borrowings from Government	0.25	0.25	0.25
	Borrowings from other sources	-	-	-
	Funds (excluding depreciation funds)	1.28	1.27	1.28
	Depreciation Reserve	-	-	-
	Trade dues and others current liabilities (including provision)	65.00	70.00	75.00
	Total of 'A'	**177.62**	**191.91**	**207.42**
B.	**Assets**			
	Net Block	12.53	12.93	13.06
	Capital Work-in-progress including cost of chassis	-	-	-
	Investment	-	-	-
	Current Assets, Loans and Advances	4.93	4.75	6.10
	Accumulated losses	160.16	174.23	188.26
	Total of 'B'	**177.62**	**191.91**	**207.42**
C.	**Capital Employed**[8]	(-)47.54	(-)52.32	(-)55.84

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

APPENDIX 7.5

Statement showing working results of Statutory Corporation (Tripura Road Transport Corporation)

(Reference: Paragraph 7.1.8)

(Rupees in crore)

Sl. No.	Particulars	2004-05	2005-06	2006-07
Operating		**(Provisional)**	**(Provisional)**	**(Provisional)**
a.	Revenue (Income)	3.51	3.45	3.46
b.	Expenditure	13.49	14.15	14.62
c.	Surplus (+) / Deficit (-)	(-) 9.98	(-) 10.70	(-) 11.16
Non-operating				
a.	Revenue (Income)	0.92	0.85	0.73
b.	Expenditure	6.90	7.36	7.56
c.	Surplus (+) / Deficit (-)	(-) 5.98	(-) 6.51	(-) 6.83
Total				
a.	Revenue (Income)	4.43	4.30	4.19
b.	Expenditure	20.39	21.51	22.18
c.	Net profit (+) / Loss (-)	(-) 15.96	(-) 17.21	(-) 17.99
	Interest on Capital and Loans	6.69	7.15	7.50
	Total return on Capital Employed[9]	(-) 9.27	(-) 10.06	(-) 10.49

[9] Total return on capital employed represents net surplus (+)/ deficit (-) *plus* total interest charged to Profit and Loss Account (less interest capitalized).

APPENDIX – 7.6

Statement showing operational performance of Statutory corporation (Tripura Road Transport Corporation)

(Reference: Paragraph 7.1.12)

Sl. No.	Particulars	Bus			Truck		
		2004-05 (Provisional)	2005-06 (Provisional)	2006-07 (Provisional)	2004-05 (Provisional)	2005-06 (Provisional)	2006-07 (Provisional)
1.	Average No. of vehicles held	95	96	91	24	24	20
2.	Average No. of vehicles on road	58	48	34	12	12	14
3.	Percentage of utilisation of vehicles	61.05	50	37.36	50	50	70
4.	Number of employees	720	698	600	70	60	30
5.	Employee – vehicle ratio	7.35	7.27	6.59	2.92	2.50	1.50
6.	No. of routes operated at the end of the year	28	26	21	-	-	-
7.	Route Kilometres	3401	3335	2741	-	-	-
8.	Kilometres operated (in lakh)						
	(a). Gross	28.30	25.25	20.84	1.51	1.42	0.78
	(b). Effective	28.00	25.01	20.64	1.59	1.41	0.77
	(c). Dead	0.30	0.24	0.20	0.02	0.01	0.01
9.	Percentage of dead kilometres to gross kilometres	1.06	0.95	0.96	1.32	0.70	1.28
10.	Average kilometres covered per Bus/Truck/day	134	144	168	34	33	15
11.	Operating revenue per kilometre (Paise)	1153	1251	1031	1879	2042	3205
12.	Average expenditure per kilometre (Paise) (Operating)	4178	5069	9295	8792	9507	5458
13.	Profit (+) / Loss (-) per kilometre (Paise)	(-)3025	3818	(-)8264	(-)6913	(-)7465	(-)2253
14.	No. of operating depots	2	2	2	1	1	1
15.	Average No. of break-downs per lakh kilometers	13.28	15.16	17	-	-	-
16.	Average No. of accidents	0.04	0.08	-	-	-	-
17.	Passenger – kilometres operated (in crore)	8.38	8.20	5.99	-	-	-
18.	Occupancy ratio	65.00	68.30	57.48	-	-	-

APPENDIX – 7.7

Statement showing the Department-wise Inspection Reports issued up to 31-03-2007 (outstanding as on July 2007)

(Reference: Paragraph 7.1.21)

Sl. No.	Name of Department	Number of PSUs	Number of outstanding IRs	No. of outstanding paragraphs	Years from which observation outstanding
1	*2*	*3*	*4*	*5*	*6*
1	AGRICULTURE	1	1	3	1994-95
			1	3	1995-96
			1	2	1996-97
			1	5	1997-98
			1	3	2001-02
					-
	TOTAL		**5**	**16**	-
2	FOREST	1	1	2	1993-94
			1	2	1995-96
			1	2	1997-98
			1	3	1999-2000
			1	4	2001-02
			1	2	2002-03
	TOTAL		**6**	**15**	-
3	INDUSTRIES & COMMERCE		1	1	19992-93 to 1993-94
			1	2	1993-94
			1	1	1994-95
			1	4	1994-95
			1	4	1994-95
			1	2	1995-96
			1	1	1995-96
			1	2	1996-2000
			1	4	1997-98
			1	5	1997-2000
			1	4	1998-99
			1	8	1998-99
			1	3	1999-2000
			1	8	1999-2000
			1	3	1999-2000 to 2001-2002
			1	2	2000-2001
			1	4	2000-2001

APPENDIX – 7.7 (Concld.)

Statement showing the Department-wise Inspection Reports issued up to 31-03-2007 (outstanding as on July 2007)

(Reference: Paragraph 7.1.21)

Sl. No.	Name of Department	Number of PSUs	Number of outstanding IRs	No. of outstanding paragraphs	Years from which observation outstanding
1	*2*	*3*	*4*	*5*	*6*
			1	3	2000-2001
			1	4	2001-2002
			1	2	2001-2002
			1	5	2002-2003
			1	5	2002-2003 to 2003-2004
			1	8	2004-2005
			1	2	2005-2006
			1	8	2003-2004
			1	4	2002-2003, 2003-2004
			1	5	2006-07
			1	7	2006-07
			1	2	2006-07
			1	8	2006-07
	TOTAL		**30**	**121**	-
4	TRANSPORT	**1**	1	5	1989-1990 to 1991-1992
			1	11	1992-93
			1	9	1993-94
			1	9	1997-1998
			1	2	1998-1999 to 2000-2001
	TOTAL		**5**	**36**	
	GRAND TOTAL (1+2+3+4)		**46**	**188**	

APPENDIX 7.8

Statement showing details of generating units, project cost and year of commissioning

(Reference: Paragraph 7.2.7.1)

Name of the Project	Unit No.	Installed capacity (in MW)	Project cost (Rs. in crore)	Source of funding	Date of commissioning	Present status
Gumti Hydro Electric Project	I	5.00	16.95	NA*	June 1976	Running
	II	5.00		NA*	February 1976	Running
	III	5.00	5.54	NA*	February 1984	Running
Baramura Gas Thermal Project	I	5.00 **	13.79	NA*	22.04.1986	Retired w.e.f. 16.07.97
	II	5.00 **		NA*	22.07.1986	Retired w.e.f. 07.04.03
	III	6.50 **	14.53	NA*	04.04.1990	Retired w.e.f. 24.09.98
	IV	21.00	95.36	NEC	19.12. 2002	Running
Rokhia Gas Thermal Project	I	8.00 **	40.35	State Plan	07.03.1990	Retired from. May 2006
	II	8.00 **		State Plan	20.12.1990	Retired from May 2006
	III	8.00	81.20	State Plan	04.07.1995	Running
	IV	8.00		State Plan	15.12.1995	Running
	V	8.00	85.45	North Eastern Council	02.03.1997	Running
	VI	8.00			02.08.1997	Running
	VII	21.00	85.17	NLCPR	02.08.2002	Running
	VIII	21.00	80.94	NLCPR	31.03.2006	Running
		142.5	519.28			

* *Not available.*

** *Units I,II and III of Baramura and units I and II of Rokhia had been retired after their normal life rendering the effective installed capacity at 110 MW*

APPENDIX 7.9

Statement showing details of Plant Load Factor of generating units of Rokhia Gas Thermal Power Project

(Reference: Paragraph 7.2.8.2)

	Unit I (8 MW)	Unit II (8 MW)	Unit III (8 MW)	Unit IV (8 MW)	Unit V (8 MW)	Unit VI (8 MW)	Unit VII (21 MW)	Unit VIII (21MW)	Total Plant (90 MW)
2002-03									
Maximum Possible Generations	70.08	70.08	70.08	70.08	70.08	70.08	121.96		542.44
Actual Generation in MU	32.48	0.38	12.69	23.79	35.55	43.11	84.72		232.72
Plant Load Factor(%)	46.35%	0.54%	18.11%	33.95%	50.73%	61.52	69.47		42.90%
2003-04									
Maximum Possible Generations	70.27	70.27	70.27	70.27	70.27	70.27	184.46		606.08
Actual Generation in MU	35.37	Nil	Nil	42.00	25.76	41.42	149.67		294.22
Plant Load Factor(%)	50.33%	0%	0%	59.93%	36.66%	59.10%	81.14		48.5%
2004-05									
Maximum Possible Generations	70.08	70.08	70.08	70.08	70.08	70.08	183.96		604.44
Actual Generation in MU	20.15	Nil	Nil	55.95	44.35	25.27	162.60		308.32
Plant Load Factor(%)	29.27%	0%	0%	79.84%	63.28%	36.05%	88.39%		51.00
2005-06									
Maximum Possible Generations	70.08	70.08	70.08	70.08	70.08	70.08	183.96		604.44
Actual Generation in MU	0.71	Nil	Nil	59.90	45.70	12.75	131.42		250.48
Plant Load Factor(%)	1.01%	0%	0%	85.47%	65.21%	18.19%	71.44%		41.44%
2006-07									**(74 MW)**
Maximum Possible Generations	Retired	Retired	70.08	70.08	70.08	70.08	183.96	183.96	648.24
Actual Generation in MU	Retired	Retired	41.92	42.00	42.48	0.07	79.83	144.14	353.67
Plant Load Factor(%)	Retired	Retired	59.82%	59.93%	60.62%	0.13%	43.40%	78.35%	54.56%

APPENDIX 7.9 (concld.)

Statement showing details of Plant Load Factor of generating unit at Baramura

(Reference: Paragraph 7.2.8.2)

Particular	2002-03	2003-04	2004-05	2005-06	2006-07
Maximum possible generation (in MU)	60.98	184.46	183.96	183.96	183.96
Actual Generation (in MU)	38.482	142.813	153.759	169.603	169.728
Plant Load Factor (in percentage)	63.10	77.42	83.58	92.20	92.26

Total for the State

Actual Generation Rokhia 232.72
Baramura 38.482
271.202

353.67
169.728
523.398

APPENDIX 7.10

Statement showing details of plant availability (Rokhia)

(Reference: Paragraph 7.2.8.3)

2002-03

	Unit – I	Unit – II	Unit – III	Unit – IV	Unit – V	Unit – VI	Unit – VII	Unit – VIII	Total plant
A	8760	8760	8760	8760	8760	8760	5808		58368
B	7239	149	2369	5676	6328	7838	5114		34713
C	1521	8611	6391	3084	2432	922	694		23655
D	82.64	1.70	27.01	64.79	72.24	89.47	88.05		59.47

2003-04

	Unit – I	Unit – II	Unit – III	Unit – IV	Unit – V	Unit – VI	Unit – VII	Unit – VIII	Total plant
A	8784	8784	8784	8784	8784	8784	8784		61488
B	8111	Nil	Nil	7781	5542	7921	8634		37989
C	673	8784	8784	1003	3242	863	150		23499
D	92.34	0%	0%	88.58	63.09	90.18	98.30		61.72

2004-05

	Unit – I	Unit – II	Unit – III	Unit – IV	Unit – V	Unit – VI	Unit – VII	Unit – VIII	Total plant
A	8760	8760	8760	8760	8760	8760	8760		61320
B	7563	Nil	Nil	8124	7484	3572	8631		35372
C	1197	8760	8760	636	1278	5188	129		25948
D	86.33	0%	0%	92.74	85.41	40.78	98.42		57.68

2005-06

	Unit – I	Unit – II	Unit – III	Unit – IV	Unit – V	Unit – VI	Unit – VII	Unit – VIII	Total plant
A	8760	8760	8760	8760	8760	8760	8760		61320
B	298	Nil	Nil	8551	7384	204	6527		24764
C	8462	8760	8760	209	1376	6756	2233		36556
D	3.40	0%	0%	97.61	84.29	22.88	74.51		40.38

2006-07

	Unit – I	Unit – II	Unit – III	Unit – IV	Unit – V	Unit – VI	Unit – VII	Unit – VIII	Total plant
A	Retired	Retired	8760	8760	8760	8760	8760	8760	52560
B	Retired	Retired	6456	6908	7125	65	4031	7143	31728
C	Retired	Retired	2304	1852	1635	8695	4729	1617	20832
D	0	0	73.70	78.86	81.34	0.74	46.01	81.54	60.37

A = Total hours available
B = Operated hours
C = Outages in hour
D = Plant availability (in *percentage*)

APPENDIX 7.10 (Concld.)

Statement showing the details of plant availability (Baramura)

(Reference: Paragraph 7.2.8.3)

Particular	2002-03	2003-04	2004-05	2005-06	2006-07
Total hours available	2904	8784	8760	8760	8760
Operated hours	2693	7719	8363	8442	8441
Outages in hour	211	1065	397	318	319
Plant availability (in percentage)	92.73	87.88	95.47	96.37	96.36

APPENDIX 7.11

Statement showing the details of plant utilisation (Rokhia)

(Reference: Paragraph 7.2.8.4)

2002-03

	Unit – I	Unit – II	Unit – III	Unit – IV	Unit-V	Unit-VI	Unit-VII	Unit-VIII	Total plant
A	57.91	1.19	18.95	45.41	50.62	62.70	107.39	-	3444.17
B	32.48	0.38	12.69	23.79	35.55	43.11	84.72	-	232.72
C	25.43	0.81	6.26	21.62	15.07	19.56	22.67		111.45
D	56.09	31.93	66.96	52.39	70.23	68.76	78.89	-	67.61

2003-04

	Unit-I	Unit-II	Unit-III	Unit-IV	Unit-V	Unit-V	Unit-VII	Unit-VIII	Total plant
A	64.89	-	-	62.25	44.34	63.37	181.31	-	416.16
B	35.37	-	-	42.00	25.76	41.42	149.67	-	294.22
C	19.52	-	-	20.25	18.58	21.95	31.64	-	121.94
D	54.51	-	-	67.47	58.10	65.36	82.55	-	70.69

2004-05

	Unit-I	Unit-II	Unit-III	Unit-IV	Unit-V	Unit-VI	Unit-VII	Unit-VIII	Total plant
A	60.50	-	-	65.00	59.86	28.58	181.25	-	395.19
B	20.51	-	-	55.95	44.35	25.27	162.60	-	308.32
C	39.99	-	-	9.05	15.51	3.31	18.65		86.87
D	33.90	-	-	86.08	74.09	88.42	89.71	-	78.10

2005-06

	Unit-I	Unit-II	Unit-III	Unit-IV	Unit-V	Unit-VI	Unit-VII	Unit-VIII	Total plant
A	2.38	-	-	68.41	59.07	16.03	137.07	-	282.96
B	0.71	-	-	59.90	45.71	12.74	153.54	-	272.60
C	1.67	-	-	8.51	13.36	3.29	(+)16.47	-	10.36
D	29.83	-	-	87.56	77.38	79.48	112.00	-	96.33

2006-07

	Unit-I	Unit-II	Unit-III	Unit-IV	Unit-V	Unit-VI	Unit-VII	Unit-VIII	Total plant
A	-	-	51.64	55.27	57.00		84.66	149.99	399.08
B	-	-	41.92	42.00	42.48		79.83	144.14	350.44
C	-	-	9.72	13.27	14.52		4.83	5.85	48.64
D	-	-	81.18	75.99	74.53		94.29	96.10	87.81

A = Possible generation in MU in actual hours operated.
B = Actual generation in MU.
C = Shortfall in generation.
D = Plant uitlisation (*percent*age).

APPENDIX 7.11 (Concld.)

Statement showing the details of plant utilisation (Baramura)

(Reference: Paragraph 7.2.8.4)

Particular	2002-03	2003-04	2004-05	2005-06	2006-07
Possible generation in MU in actual hours operated	60.984	161.656	175.623	177.282	177.21
Actual generation in MU	38.482	142.813	153.759	169.603	169.73
Shortfall in generation	22.502	18.843	21.864	7.679	7.48
Plant utilisation (percentage)	63.10	88.34	87.55	95.67	95.78

APPENDIX 7.12

Statement showing the details of cost of generation at plant bus-bar

(Reference: Paragraph 7.2.9)

Name of Genera-ting Stations	Particulars	2003-04		2004-05		2005-06		2006-07	
		Total cost (Rs. .in lakh)	Unit cost (in Rs.)	Total cost (Rs. in lakh)	Unit cost (in Rs.)	Total cost (Rs. in lakh)	Unit cost (in Rs.)	Total cost (Rs. in lakh)	Unit cost (in Rs.)
Rokhia	A- Variable cost								
	(i) Cost of Gas	3,839.772		3261.735		2949.152		3485.534	
	Total – 'A'	**3,839.772**	**1.308**	**3261.735**	**0.979**	**2949.152**	**1.138**	**3485.534**	**0.994**
	B – Fixed Cost								
	(i) Cost of establishment	111.859		115.714		125.137		118.620	
	(ii) Operation & maintenance	16.426		25.497		461.703		364	
	(iii) Interest on Capital	213.275		213.275		213.275		253.63	
	(iv) Depreciation	1792.560		1,768.56		1768.56		2,044.56	
	(v) Others	3.071		2.682		0.954		2.998	
	Total – 'B'	**2137.191**	**0.728**	**2125.728**	**0.638**	**2569.628**	**0.991**	**2784.060**	**0.794**
	Total cost	**5976.962**	**2.036**	**5387.463**	**1.617**	**5518.780**	**2.129**	**6269.594**	**1.788**
	Net generation in MU		293.388		332.961		259.132		350.477
Baramura	A- Variable cost								
	(i) Cost of Gas	1261.134		1261.048		1420.050		1492.090	
	Total – 'A'	**1261.134**	**0.879**	**1261.048.**	**0.820**	**1420.050**	**0.837**	**1492.090**	**0.879**
	B – Fixed Cost								
	(i) Cost of establishment	83.137		86.896		92.402		86.573	
	(ii) Operation & maintenance	6.807		3.767		38.380		27.606	
	(iii) Interest on Capital	119.200		119.200		119.200		119.200	
	(iv) Depreciation	667.860		667.860		580.680		580.680	
	(v) Others			19.91		21.41		18.00	
	Total – 'B'	877.005	0.611	**877.724**	**0.571**	**830.662**	**0.489**	**814.059**	**0.479**
	Total cost	2138.139	1.490	**2138.772**	**1.391**	**2250.712**	**1.326**	**2306.149**	**1.358**
	Net generation in MU		143.549		153.688		169.544		169.728

- *Cost of generation for 2002-03 could not be furnished by the TSECL*

APPENDIX 7.13

Statement showing details of excess consumption of natural gas against designed requirement of heat rate

(Reference: Paragraph 7.2.10.2)

Sl. No.		2002-03			2003-04			2004-05			2005-06			2006-07		
		Rokhia (8 MW)	Rokhia (21 MW)	Baramura (21 MW)	Rokhia (8 MW)	Rokhia (21 MW)	Baramura (21 MW)	Rokhia (8 MW)	Rokhia (21 MW)	Baramura (21 MW)	Rokhia (8 MW)	Rokhia (21 MW)	Baramura (21 MW)	Rokhia (8 MW)	Rokhia (21 MW)	Baramura (21 MW)
1	Actual generation (MU)	148.004	84.723	38.482	144.545	149.666	142.813	145.720	162.596	153.759	119.06	131.418	169.603	126.476	223.969	141.209
2	Heat energy required (MKcal.)	434687.748	275349.750	125066.500	425236.482	486414.500	464142.250	427979.64	528437.00	499716.750	349679.220	427108.500	551209.750	371460.012	727899.250	458929.250
3	Total heat energy required (MKcal.)	710037.498		125066.500	911650.982		464142.250	956416.640		499716.750	776787.720		551209.750	1099359.262		458929.250
4	Heat energy consumed (MKcal.)	1348893.442		295197.571	1500829.134		556702.632	1433282.604		583484.143	1118747.392		601297.308	1243197.080		615182.306
5	Excess heat energy consumed (MKcal)	638855.944		170131.071	589178.152		92560.382	476865.964		83767.393	341959.672		50087.558	143837.818		156253.056
6	Average Calorific Value	8254		8203	8274		8207	8268		8214	8288		8206	8296		8229
7	Average actual station heat rate	5796.033		7671.106	5097.129		3898.122	4643.384		3794.797	4471.894		3545.322	3547.481		4356.538
8	Excess heat energy consumed in MSCM	77.400		20.74	71.21		11.28	57.68		10.20	41.26		6.10	17.34		18.99
9	Cost of gas excluding rebate on less cal. Value per MSCM (Rs. in lakh)	17.29		17.18	17.33		17.19	17.31		17.20	17.36		17.18	17.37		17.23
10	Total cost (Rs. in crore)	13.38		3.56	12.34		1.93	9.98		1.75	7.16		1.05	3.01		3.27

Grand total Rs. 57.43 crore

APPENDIX 7.14

Details of fund released and project-wise up to date expenditure

(Reference: Paragraph 7.3.6.4)

(Rs. in lakh)

Sl. No.	Name of projects prepared by State Government /Company under APDRP	Cost of the projects	Date of sanction by GOI	Date of release of funds by GOI		Expenditure as on March 2007	Balance funds available
				Year	Amount		
1.	100% metering of feeders in the entire State. Metering of Distribution Transformers & Consumer metering in West Tripura District. Augmentation of sub-transmission & Distribution system in West Tripura District.	1327.00	19.03.2001	2000-01 2002-03	500.00 267.00	995.12	
2.	Metering, Computerization of consumer billing & collection and Sub-transmission & Distribution Improvement for Agartala Town	1427.00	06.06.2003	2003-04	610.00	1582.97	
3.	Sub-transmission / Distribution improvement for Outer Agartala.	1960.00	01.10.2004	2004-05	2887.00	748.29	58.61
4.	Sub-transmission / Distribution improvement for South Tripura District	2963.00	01.10.2004	2006-07	1667.00	1051.71	
5.	Sub-transmission / Distribution improvement for North Tripura District	2733.00	01.10.2004			774.13	
6.	Sub-transmission / Distribution improvement for Dhalai District	1899.00	04.04.2005			384.57	
7.	SCADA/DMS Scheme for Agartala town	2365.00	04.04.2005			335.60	
	Total	**14674.00**			**5931.00**	**5872.39**	**58.61**

APPENDIX 7.15

Statement showing inadequate assessment of requirements

(Reference: Paragraph 7.3.7.1)

Item	No. /KM	DPR quantity	Actual requirement	Actual quantity procured/achievement	Pe of
Consumer meter	No.	79 838	326193	257370	
Feeder meter & Power Transformer meter	No.	378	570	472	
Meter test bench including portable kits etc.	No.	05	72	72	
Augmentation of DTS	No.	3541	2476	1	
Energy meter of D T	No.	6498	3152	[illegible]	
Reconducting of11 KV line	KM	847	752		
New 11 KV line	KM	558.215	546.36	3	
New L T line	KM	695	496.45		
New-Substation	No.	07	07	01 &	
New 33 KV line	KM	83	76.139		
Reconducting of 33 KV line	KM	234	234		
Computerized billing	Divisions	07	11		
Mapping & Indexing of consumer	Divisions	07	11		
Computerized data logging	No. of PSS	47	42		
Metering of C T and PT	No.	109	109		
New DT	No	1052	821		
Augmentation of sub-station	No. PSS	31	31		
L T capacitor	No.	17700 KVAR	-		

[redacted] APDRP as on March 2007

[redacted] Paragraphs 7.3.7, 7.3.7.2 and 7.3.8)

	West Tripura		Agartala Town		Outer Agartala		South Tripura		North Tripura		Dhalai	
	Approved	Percentage of progress	Approved	Percentage of progress	Approved	Percentage of progress	Approved	Percentage of progress	Approved	Percentage of progress	Approved	Percentage of progress
New SS	Kathalia	80	Bordowali	100	Jogendranagar	0	Silachari	10	Dharmanagar	0	Salema	20
	Mandai	0										
Augmentation of SS	Rabindranagar	0	Badharghat	80	Durjoynagar	0	Banduar	0	Kanachanpur	100	Ambassa	100
	Kalyanpur	0	Rampur	100	Mohanpur	0	Kakraban	100	Kailashahar	100	Manu	0
							Belonia	0	Kanachanpur	0	Gandacherra	0
							Bagafa	0	Pecharthal	0		
							Satchand	0	Gournagar	0		
							Sabroom	0	Kumarghat	0		
							Rajnagar	0	Mission Tilla			
							Hrishyamukh	0				
							Jolaibari	0	Purba Kanchanbari	0		
New 33 KV Line	Sonamura-Kathalia	100	Badharghat-Rampur	100	Jogendranagar	0	Jatanbar-Silachari	55		0		0
	Bodhjungnagar-Khayerpur	80										
	Kalyanpur-Kunjban	80										
	Jirania-Mandai	0										
Reconductoring 33 KV Line	Agartala-Jirania	70	Collegetilla-Badharghat	100								
	Agartala-Mohanpur	70										
	Gamaitilla-Kalyanpur	80										
New 11 KV Line				40		30		30				20
Reconductoring 11 KV Line				50		0		0		0		0
New LT line				40		50		30		20		20
New DT				80		50		30		20		20
Augmentation of DTs				50		0		0		0		0
Computerised billing		50		100		100		70		50		50
Mapping & Indexing of Consumer Network		70		100		100		80		70		70
Computerised Data Logging		100		0		0		0		0		0
Metering	Feeder Meter & Power Transformer Meter	100		100				0		0		20
	Energy Meter for DT	40		0		0		0		0		0
	Consumer Meter	100		80		80		60		70		40
	Meter Test Bench	100		100		100		100		100		
	CT & PT	70										

APPENDIX-7.17

Statement showing item-wise list of procurement of materials against APDRP project

(Reference: Paragraph 7.3.7.4)

Sl. No.	Name of items procured	Description of work to which the items relate	Date of NIT	Date of issue of work order	Time gap between NIT and award of work (in months)	Date of receipt	Quantity	Value (Rs. in lakh)	Name of executing agency
1	Three phase semi automatic meter test bench.	Meter test bench	No.3 dt.02-09-05	12-04-06	7+	In progress	4 nos.	136.00 (Excluding sales tax @4%)	Dhoot Industrial & Investment Co., Kolkata
2	Single phase & three phase meter testing kit.	Meter test bench	No.3 dt.02-09-05	06-02-06	5+	August, 06	Single phase 55 nos. Three phase- 12 nos.	81.40 (Excluding sales tax @4%)	M/s Citrine Merchants Pvt. Ltd., Kolkata
3	1X3.15 MVA, 33/11 KV Power Transformer and related equipments.	Revamping of Sub-station at Rani Kakraban.	No.4 dt.08-09-05	14-2-06	5+	In progress	1PSS	23.66	Munna Mechanical Service Belonia
4	11KV underground XLPE cable and related materials.	New 11 KV UG cable line at Udaipur.	No.5 dt.17-09-05	24-3-06	6+	In progress	4 KM	54.51 (Excluding TVAT @ 12%)	Electric House, Udaipur
5	1X7.5 MVA, 33/11 KV Power Transformer with related equipments.	New power Sub-station at Kathalia.	No.6 dt.04-10-05	14-02-06	4+	In progress	1 PSS	129.68 (Excluding TVAT @ 12%)	M/s United Steel Products, Agartala
6	128 nos. DT & 34 KM 11 KV line with related materials (except DT, PCC pole & conductor).	New Distribution Transformer and new 11 KV line with in the jurisdiction of ED-VI, Bagafa.	No.8 dt. 29-10-05	09-08-06	9+	In progress	128 nos. DT & 34 KM 11 KV line	271.01 (Excluding TVAT @ 12%)	M/s United Steel Products, Agartala
7	89 nos. DT & 17 KM 11 KV line with related materials (accept DT, PCC pole & Conductor)	New distribution Transformer and new 11 KV line with in the jurisdiction of ED-I, Agartala	No.9 dt.14-11-05	20-04-06	5+	In progress	89 nos. DT & 17 KM 11 KV line	116.59 (Excluding TVAT @ 12.5%)	Rangamayee Structural Products, Agartala
8	117 nos. DT, 30 CKM 11 KV & 75 CKM LT line with related materials (except DT, PCC pole & conductor).	New Distribution Transformer, new 11 KV & new LT line within the jurisdiction of ED-IV, Udaipur	No.10 dt.14-11-05	09-08-06	8+	In progress	117 nos. DT, 30 CKM 11 KV & 75 CKM LT line.	284.07 (Excluding TVAT @ 12.5%)	Electric House, Udaipur

APPENDIX-7.17 (Contd.)

Statement showing item-wise list of procurement of materials against APDRP project

(Reference: Paragraph 7.3.7.4)

Sl. No.	Name of items procured	Description of work to which the items relates	Date of NIT	Date of issue of work order	Time gap between NIT and award of work (in months)	Date of receipt	Quantity	Value (Rs. in lakh)	Name of executing agency
9.	1X10 MVA, 66/33 KV Power Transformer	Revamping of Sub-station at Banduar, Udaipur	No. 11 dt.04-01-06	28-09-06	9	In progress	1 PSS	157.49 (Excluding TVAT @ 12.5%)	S.R. Construction Agartala
10.	113 nos. DT, 137.5 KM 11 KV & 70 CKM LT line	New Distribution Transformer, new 11 KV & new LT line within the jurisdiction of ED-III, Agartala	No. 11 dt.04-01-06	08-08-06	7+	In progress	113 nos. DT, 137.5 KM 11 KV & 70 CKM Lt line	323.89 (Excluding TVAT @ 12.5%)	S.R. Construction Agartala
11	Distribution Transformer Meter with related materials.	DT meter	No. 12 dt.10-01-06	Tender under finalisation					
12	1X5 MVA, 33/11 KV Power Transformer	New Power Sub-station at Salema.	No. 13 dt.31-01-06	09-08-06	6+	In progress	1 PSS	156.70 (Excluding TVAT @ 12.5%)	Tripura Electricals, Agartala
13	1X3.15 MVA, 33/11 KV Power Transformer	New Power Sub-station at Silachari and new 33 KV line from Jatanbari to Silachari	No. 13 dt.31-01-06	23-08-06	7	In progress	1PSS	273.74 (Excluding TVAT @ 12.5%)	Electric House, Udaipur.
14	1X7.5 MVA, 33/11 KV Power Transforme r	New Power Sub-station at Jogendranag ar and new 33 KV line.	No. 14 dt.10-03-06	19-12-06	9+	In progress		193.21	United Steel Products, Agartala
15	Revamping of 4 nos. 66 KV and 3 Nos. 33 KV S/S.	Revamping of Power S/S within the jurisdiction of ED-VI, Bagafa.	No. 14 dt.10-03-06	11-10-06	7+	In progress	7 PSS	353.67 (Excluding TVAT @ 12.5%)	Sun Electricals, Agartala
16	1X3.15 MVA, 33/11 KV Power Transformer	Augmentation of Power SS at Kalyanpur.	No. 14 dt.10-03-06	30-11-06	8+	In progress	1PSS	78.85	Sun Electricals, Agartala
17	Revamping 105 nos. DT.	Revamping of Distribution S/S within the jurisdiction of ED-III, Agartala.	No. 16 dt.15-05-06	24-03-07	9+	In progress		48.63	New Siva Enterprises Agartala

APPENDIX-7.17 (Contd.)

Statement showing item-wise list of procurement of materials against APDRP project

(Reference: Paragraph 7.3.7.4)

Sl. No.	Name of items procured	Description of work to which the items relates	Date of NIT	Date of issue of work order	Time gap between NIT and award of work (in months)	Date of receipt	Quantity	Value (Rs. in lakh)	Name of executing agency
18	Revamping 180 nos. DT.	Revamping of Distribution S/S with in the jurisdiction of ED-VI, Bagafa.	No. 18 dt.25-05-06	20-10-06	5+	In progress		33.36	M/s Munna Mechanical Service, Belonia
19	Revamping 120 nos. DT.	Revamping of Distribution S/S within the jurisdiction of ED-IV, udaipur	No. 18 dt.25-05-06	18-12-06	7+	In progress		25.49	M/s Electric House, Udaipur
20.	65 nos. DT, 80 KM 11 KV & 70 CKM LT line with related materials (except DT, PCC pole & Conductor).	New Distribution Transformer, new 11 KV & new LT line within the jurisdiction of ED-VII, Ambassa.	No. 20 dt.21-07-06	9-4-07	8+	In progress		168.62	M/s Bhattacharjee Construction, Surjamani-nagar, West Tripura.
21	1X7.5 MVA, 33/11 KV Power Transformer	Revamping of Power S/S within the jurisdiction of ED-III, Agartala	No. 21 dt.28-07-06	Tender received.	Tender under finalisation				
22	1X5 MVA, 33/11 KV Power Transformer.	Revamping of Distribution S/S within the jurisdiction of ED-III, (Durjoynagar)Agartala	No. 21 dt.28-07-06	10-4-07	8+		1 PSS	105.32	Techno Corporation Agartala

APPENDIX-7.17 (Concld.)

Statement showing item-wise list of procurement of materials against APDRP project

(Reference: Paragraph 7.3.7.4)

Sl. No.	Name of items procured	Description of work to which the items relates	Date of NIT	Date of issue of work order	Time gap between NIT and award of work (in months)	Date of receipt	Quantity	Value (Rs. in lakh)	Name of executing agency
23	1 X 3.15 MVA, 66/33 KV Power Transformer with allied equipments and extension of control room building.	Revamping of Power S/S within the jurisdiction of ED-VII, Ambassa.	No.22 dt.04-08-06	10-April 2007.	8+		1 PSS	99.50	M/s Prayaas Automation Pvt. Ltd. Kolkata
24	1 X 15 MVA, 66/33 KV Power Transformer with allied equipments.	Augmentation of Power Sub-station at Badharghat.	No. 04 dt.26-06-05 of TD, Agt.	14-02-06	7+	In progress	1 PSS	160.77	M/s United Steel Products, Agartala.
25	132 KV CT-10 nos. 132 KV PT-5 nos. And 66 KV CT-10 nos., 66 KV PT-7 nos.	Procurement of CT & PT	No.02 dt. 27-05-05 of TD, Agt.	02-11-05	5+	June, 2006	132 KV CT- 10 nos. 132 KV PT-5 nos. and 66 KV CT – 10 nos., 66 KV PT-7 nos.	47.74 (Excluding TST @ 12.5 %)	M/S Saha Trading, Agartala.

APPENDIX 7.18

(Reference: Paragraphs 7.3.9.3 and 7.3.13)

Statement showing the source data for computation of AT&C loss

Sl. No.	Name of project	Year	Total energy output (MU)	Energy billed			Distribution loss (MU)
				Total (MU)	Metered (MU)	Assessed (Mu)	
				Percentage to Output		Percentage to billed energy	
1.	Agartala Town (Div.I)	2005-06	103.55	83.383 (81%)	72.818 (70.32%)	10.565 (12.68%)	20.167 (19%)
		2006-07	118.84	86.42 (72.72%)	NA	NA	32.42 (27.28%)
2.	Outer Agartala (Div. III)	2005-06	106.29	84.261 (79.274%)	74.912 (70.48%)	9.349 (11.096%)	22.029 (20.726%)
		2006-07	121.38	72.36 (59.61%)	NA	NA	49.02 (40.38%)
3.	South Tripura (Div. IV)	2005-06	51.569	39.569 (76.730%)	33.842 (65.62%)	5.725 (14.474%)	12.000 (23.27%)
		2006-07	55.42	42.68 (77%)	NA	NA	12.74 (22.99%)
4.	Dhalai (Div. VII)	2005-06	34.454	22.163 (64.326%)	20.010 (58.08%)	2.153 (9.715%)	12.291 (35.674%)
		2006-07	36.42	23.64 (64.91)	NA	NA	12.78 (35.10%)

Appendix 7.19

(Reference: Paragraph 7.4.1)

Statement showing number of loan application (cases) received, number of cases sanctioned and loan disbursed during the period 2001-02 to 2005-06

(Rupees in crore)

Year	No. of applications (cases) pending at the beginning of the year	Amount involved (Rs.)	No. of cases received	Amount involved (Rs.)	No. of cases sanctioned	Amount involved (Rs.)	No. of cases to whom loan disbursed	Amount involved (Rs.)	No. of cases of rejection/ withdrawal	Amount involved (Rs.)	No. of pending cases	Amount involved (Rs.)
1	2	3	4	5	6	7	8	9	10	11	12	13
2001-02	89	2.67	93	1.51	61	1.13	51	0.69	16	0.28	105	2.76
2002-03	105	0.76	104	1.33	74	0.74	70	0.70	19	0.15	116	3.21
2003-04	116	3.21	121	1.77	86	1.36	60	0.75	14	0.10	137	3.52
2004-05	137	3.52	124	2.17	62	0.59	42	0.65	3	0.04	196	5.05
2005-06	196	5.05	150	2.13	91	1.18	75	0.61	4	0.04	251	5.96
Total			**592**	**8.91**	**374**	**5.00**	**298**	**3.40**	**56**	**0.61**		**20.50**

Appendix 7.20

(Reference: Paragraph 7.4.2)

Statement showing year-wise position of units involved in industrial and other than industrial purposes

(Rupees in crore)

Year	Industrial			Other than Industrial		
	No. of units involved	Amount involved	Category of business	No. of units involved	Amount involved	Category of business
2001-02	6	0.07	Handicrafts, Stone chips, Iron and Steel, Candle factory, Photography, Hotel	45	0.62	For purchase of Auto Rickshaw, Jeep, Bus, Truck, etc.
2002-03	8	0.20	Handicrafts, Stone chips Iron and Steel, Candle factory, Photography, Hotel	62	0.50	For purchase of Auto Rickshaw, Jeep, Bus, Truck, etc.
2003-04	8	0.06	Handicrafts, Stone chips, Iron and Steel, Candle factory, Photography, Hotel	52	0.70	For purchase of Auto Rickshaw, Jeep, Bus, Truck, etc.
2004-05	10	0.23	Handicrafts, Stone chips Iron and Steel, Candle factory, Photography, Hotel	32	0.42	For purchase of Auto Rickshaw, Jeep, Bus, Truck, etc.
2005-06	17	0.15	Handicrafts, Stone chips, Iron and Steel, Candle factory, Photography, Hotel	58	0.46	For purchase of Auto Rickshaw, Jeep, Bus, Truck, etc.
Total	**49**	**0.71**		**249**	**2.70**	

Appendix 7.21

(Reference: Paragraph 7.4.4)

1. Number of cases in which no records/documents for recovery of loans were available in the individual loanee file

Sl. No.	Name of Units	File No.
1.	Sri Tarun Barman	TIDC/MR/4(568)
2.	M/s Biswakarma Atta Mill	TIDC/MR/4(316)
3.	Sri Dipankar Debnath	TIDC/MR/SRTO/4(661)
4.	M/s Raima Paniya Jal	TIDC/MR/SSI/4(349)
5.	Rakshit Colour Ohoto Lab	TIDC/MR/4/260
6.	M/s Jupiter Industries	TIDC/SSI/MR/4(359)
7.	Sri Partha Sarkar	TIDC/SRTO/MR/4(632)
8.	Subir Debbarma	TIDC/SRTO/MR/4(680)
9.	Sri Swapan Kr. Deb	TIDC/SRTO/MR/4(673)
10.	M/s Tara Traders	TIDC/MR/4(336)
11.	Sri Prabir Kr. Bal	TIDC/SRTO/MR/4(643)
12	Anil Ch. Banik	TIDC/SRTO/MR/4(697)
13.	M/s Sampari Tailor	TIDC/SSI/MR/4(356)
14.	Sri Gautam Das Gupta	TIDC/MR/SRTO/4(496)
15.	Bijoy Ch. Sharma	TIDC/MR/4(572)
16.	Sujit Sarkar	TIDC/MR/4(602)
17	Guria Chamicals	TIDC/MR/4(294)
18.	Mukta Grill Factory	TIDC/MR/4(343)
19.	Uttam Bardhan	TIDC/MR/SRTO/4(706)
20.	Riddhi Garments	TIDC/SSI/MR/4(358)
21.	Gyasuddin Mia	TIDC/MR/4(595)
22.	Saha Adhesive Industries	TIDC/SSI/MR/4(347)
23.	Subrata Kr. Shil	TIDC/SRTO/MR/4(682)
24.	Mrinal Kanti Bhowmik	TIDC/SRTO/MR/4(620)
25.	Bindu Dey	TIDC/MR/4(555)
26.	Kanan Mala Engineering Works	TIDC/MR/4(335)
27.	Ram Thakur Tailors	TIDC/MR/4(304)
28.	Sadhan Nama	TIDC/MR/4(681)
29.	Nishi Kanta Sarkar	TIDC/SRTO/MR/4(615)
30.	Gautam Paul	TIDC/SRTO/MR/4(639)
31	Das Bag Industries	TIDC/MR/4(268)
32.	Ashok Paul	TIDC/SRTO/MR/4(606)

Appendix 7.21 (concld.)

(Reference: Paragraph 7.4.4)

2. Number of cases where no up to date correspondence were made for recovery in the individual loanee file.

Sl. No.	Name of unit/Promoter	File No.	Date of last correspondence /reference
1.	Joy Guru Weilding	TIDC/MR/4(305)	25.10.04
2.	Sajal kanti Sarkar	TIDC/MR/4k(588)	8.7.04
3.	Pakhi Sarkar	TIDC/MR/4(765)	2.9.98
4.	Ashim Majumder	TIDC/MR/4(441)	24.4.2000
5.	Laxmi Paul	TIDC/MR/4(794)	4.9.98
6.	Upendra Debnath	TIDC/MR/4(738)	1.9.98
7.	Biswa Karma Atta Mill	TIDC/MR/4(222)	23.6.01
8.	Biswa Ranjan Dutta	TIDC/SRTO/MR/4(508)	30.6.06
9.	Lalita Weaving and Dying Factory	TIDC/MR/L.Wraving/	3.5.03
10.	Chunnilal Banik	TIDC/MR/4(419)	3.1.07
11.	Taran Traders	TIDC/MR/4(3360	14.12.04
12.	Goutam Deb	TIDC/MR/4(594)	9.2.04
13.	Gurupada Saha	TIDC/SRTO/MR/4(486)	9.8.02
14.	Photostat & Commercial Unit	TIDC/MR/4 (125)	18.11.05
15.	Gopal Chandra Debnath	TIDC/MR/4 (735)	1.9.98
16.	Manik lal Choudhury	TIDC/MR/4 (739)	1.9.98
17.	Rekha Rani Saha	TIDC/MR/4 (796)	4.9.98
18.	Swapan Stores	TIDC/MR/4 (225)	31.1.97
19.	Pratima Readymade stores	TIDC/MR/4 (327)	10.3.97
20.	Purabli Candle factory	TIDC/MR/4 (236)	7.6.2006
21.	Swarup Modern Shetter type rice mill	TIDC/MR/SRTO/4(478)	10.3.97
22.	Nipendra Kr. Paul	TIDC/MR/4(464)	7.7.06
23.	Ajoy Dey	TIDC/MR/4(328)	4.11.06
24.	Drust Vedio Concern	TIDC/MR/4(301)	11.11.03
25.	Badal Chandra Roy	TIDC/MR/4(459)	17.10.03
26.	Pradip Das	TIDC/MR/4(365)	22.7.05
27.	Sajal Kr. Shil	TIDC/MR/SRTO/4(496)	21.7.05
28.	Goutam DasGupta	TIDC/MR/4(209)	7.11.01
29.	Saha Cable TV	TIDC/MR/4(389)	17.10.2000
30.	Ratan Das	TIDC/MR/4(749)	12.6.04
31.	Haradhan Shil	TIDC/MR/4748)	2.9.98
32.	Aditya Das Baisale	TIDC/MR/4747)	2.9.98
33.	Tapan Ch. Bhowmik	TIDC/MR/4(746)	2.9.98
34.	Paritosh Choudhury	TIDC/MR/4760)	2.9.98
35.	Santosh Debnath	TIDC/MR/4(743)	2.9.98
36.	Ruhini Kumar Shil	TIDC/MR/4(742)	2.9.98
37.	Ananda Rudra Paul	TIDC/MR/4(741)	2.9.98
38.	Dhruba lal Banik	TIDC/MR/4(753)	2.9.98
39.	Khokan Majumder	TIDC/MR/4	2.9.98

APPENDIX 7.22

(*Reference: Paragraph 7.5*)

Statement showing outstanding dues of the Industrial units set up at Industrial Growth Centre Project, Bodhjungnagar up to 31 March 2007

(Rupees in lakh)

Sl. No.	Name of the Industrial Units	Amount outstanding as of March 2003	Amount outstanding as of March 2004	Amount outstanding as of March 2005	Amount outstanding as of March 2006	Amount outstanding as of March 2007	Cumulative penal interest @ 10% p.a	Total (col.7+8)
1	2	3	4	5	6	7	8	9
1.	M/S Maa Sarada Chemicals Products Private Limited	-	-	0.42	0.40	0.27	0.03	0.30
2.	M/S TransIndia Agro Food Products Private Limited	2.88	6.00	8.94	12.00	15.00	4.22	19.22
3.	M/S Narayan Kar and Associates Private Limited	-	-	1.16	1.96	3.20	0.55	3.75
4.	M/S Tripura Ispat	-	-	-	-	0.03	0.0007	0.03
5.	M/S Ganapati Crusher	-	-	0.06	0.31	0.56	0.06	0.62
6.	M/S Gemini Distilleries Private Limited	-	-	-	-	0.31	0.03	0.34
7.	M/S Sherowali Food and Beverages Private Limited	-	0.02	0.16	0.79	0.85	0.15	1.00
8.	M/S Collin Traders	-	-	-	0.28	0.76	0.07	0.83
9.	M/S EDP Management Private Limited	-	-	-	0.24	0.10	0.04	0.14
10.	M/S Joy Chandimata	-	-	-	0.73	0.82	0.14	0.96
11.	M/S Cosmic Food Processors	-	-	-	-	0.19	0.01	0.20
12.	M/S JMP Industries	-	-	-	-	0.10	0.002	0.10
13.	M/S Penguin Agro International	-	-	-	-	0.52	0.01	0.53
14.	M/S Padam Cables	-	-	-	-	0.23	0.005	0.24
15.	M/S ANC Furnitures India Private Limited	-	-	-	-	0.06	0.0010	0.06
16.	M/S Samrat Hardware Industries	-	-	-	-	0.02	0.0003	0.02
17.	M/S Fareast Agro Fruit Products Private Limited	-	-	-	0.07	0.90	0.05	0.95
18.	M/S Videocon International Limited	-	-	-	-	3.36	0.21	3.57
	Total					**27.29**	**5.58**	**32.86**