

CHAPTER III: INTEGRATED AUDIT

FOREST DEPARTMENT

3.1 Integrated Audit of Forest Department

Forest plays a vital role in ecological balance, environmental stability, biodiversity conservation, food security and sustainable development of a country/region. The objectives of the Forest Department are to preserve natural forest, maintain environmental stability and increase forest cover through massive afforestation, social forestry programme, soil and water conservation works and preservation of wild life through people's participation. The Department was also required to carry out compensatory afforestation in the case of diversion of forest land for non-forestry purposes, prevent encroachment and enforce applicable laws for the protection and conservation of forest and wild life. A review on the functioning of the Department revealed that the financial management was deficient, progress of programme implementation was slow; manpower available was not commensurate with the increase in activities and the claim of the Department regarding achievement of targets was not reliable as detailed below:

Highlights

Budgetary control was inadequate reflecting persistent savings during 2006-11. Substantial savings in Plan provisions indicated a wide gap between planning and execution of planned activities.

(Paragraph 3.1.8.1)

The plantation activity suffered due to delay in sanction and release of funds. Audit also detected discrepancies in the reported area of plantation and cases of off season plantation, absence of scheduled post planting maintenance etc.

(Paragraph 3.1.9)

Joint Forest Management Committees being the central and integral part of all activities had not been extended to cover 531 panchayats for National Afforestation Programme and 114 villages under Japan International Co-operation Agency even after lapse of more than nine and four years of operation of these schemes which resulted in deprival of benefits to the targeted communities.

(Paragraphs 3.1.10.1 and 3.1.10.2)

Expenditure of ₹ 7.52 crore on cultivation of Tree Borne Oil Seeds (Jatropha) proved infructuous due to commencement of a project without proper survey and adequate planning.

(Paragraph 3.1.10.10)

Compensatory Afforestation (CA) against diversion of forest land for non-forestry purposes on 1,459 ha out of the stipulated 1,539 ha during 2006-11 was not done despite receipt of money from the User Agencies. Neither any separate cash book was maintained nor annual accounts of the State Compensatory Afforestation Fund Management & Planning Authority (CAMPA) was prepared.

(Paragraph 3.1.10.11)

Implementation of various schemes for regeneration, conservation and protection of forests did not have the desired impact in the State as the Forest Survey of India report (2009) revealed depletion of forest cover by 79 sq km over previous survey (2007). The reported achievements (98 per cent) of plantations *vis-à-vis* targets lacks reliability as reflected from the shortfall of 13,122 ha (35 per cent of the total target) in the two major schemes (NAP and JICA) alone.

(Paragraph 3.1.11)

Shortfall of staff in vital areas of planning, supervision and execution were a major hurdle in the functioning of the Department which adversely affected implementation and monitoring of various activities. Deployment of manpower also varied between 0.08 and 0.89 per sq km in the Divisions affecting uniform development of forestry in the State.

(Paragraph 3.1.12)

3.1.1 Introduction

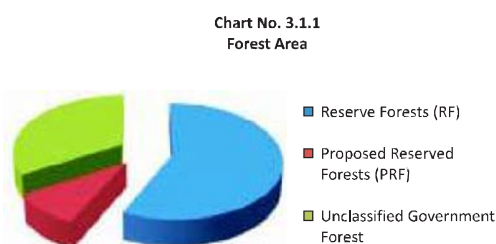
The State afforestation policy under the broad framework of the National Forest Policy (NFP), 1988 envisages effective rehabilitation of degraded forests and extending tree cover beyond traditional forest areas through suitable afforestation models to conserve bio-diversity and to satisfy local people's need and use. Joint Forestry planning and management involving local communities would be an integral part of all afforestation efforts to ensure enhanced productivity and livelihood of the fringe-forest dwellers.

Forestry is important in the State with a geographical area of 10,491 sq km predominantly hilly and with 6,294 sq km (60 per cent) forest land making the ratio one of the highest in the country.

The legal classification of forest areas of the State is shown below:

Table 3.1.1

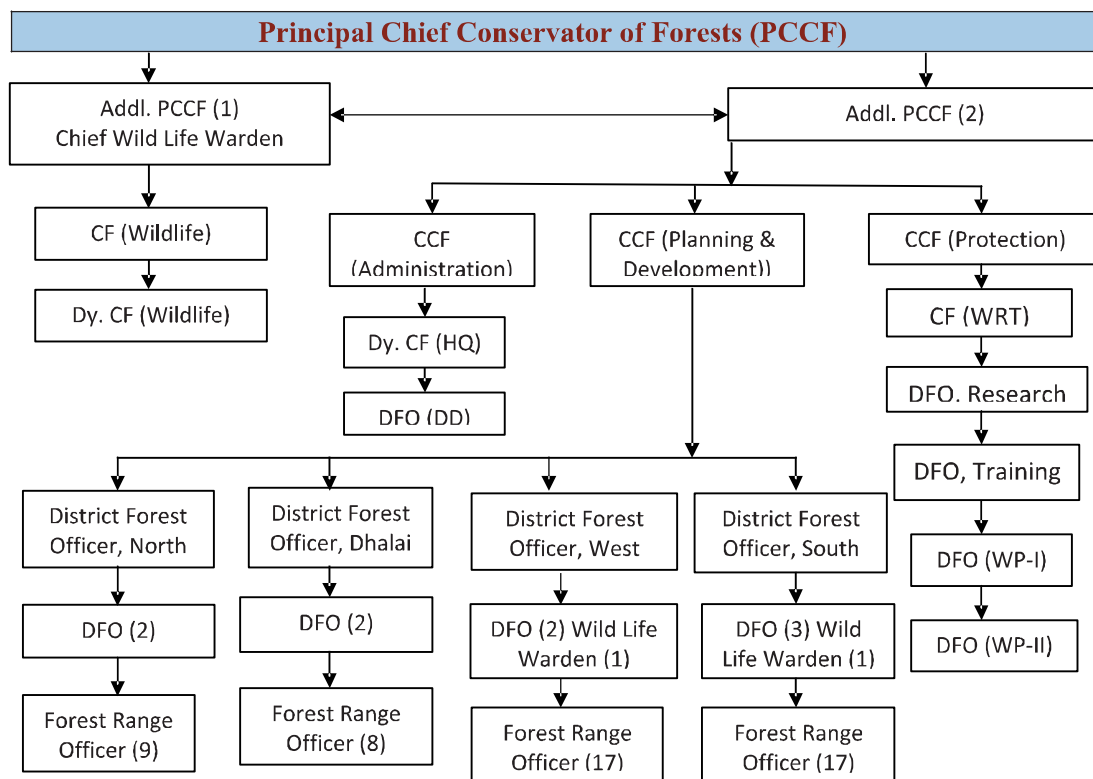
Sl. No.	Status	Area (sq km)	Percentage of geographical area of the State
1.	Reserve Forests (RF)	3,588.18	34.20
2.	Proposed Reserve Forests (PRF)	587.63	5.60
3.	Unclassified Government Forest	2,118.47	20.19
Total		6,294.28	59.99



3.1.2 Organisational set up

Principal Secretary, Forest and Environment is in overall charge of the Department. Principal Chief Conservator of Forests (PCCF) is the Head of the Department and is responsible for all forestry, wildlife and allied activities. He is assisted by three Additional Principal Chief Conservator of Forests (APCCF). APCCF-cum-Wildlife Warden is the Head of Wildlife wing and the other two APCCF are responsible for works related to afforestation, conservation, research and silviculture and bio-diversity in the State. They are assisted by the Chief Conservator of Forests (CCF) and Conservator of Forests (CF). The Divisional Forest Officers (DFOs) are responsible for actual implementation of schemes in the field through Forest Range Officers and other subordinate staff.

The organisational set up of the Department is given below:



3.1.3 Scope of Audit

The functioning of the Department for the five year period (2006-11) was reviewed through a test check of records of the Department during May-August 2011. Nine Drawing and Disbursing Officers (out of 15) as detailed below, were selected for audit by applying Probability Proportion to Size with Replacement (PPSWR) method of sampling giving due weightage to the amount of expenditure incurred. The records of the office of

the Principal Chief Conservator of Forests (PCCF) including Direction & Administration Division, five¹ territorial forest Divisions (out of eight), one² Wild Life Sanctuary (out of two), one³ Working Plan Division (out of two) and the Training and Research Divisions were examined by audit. The Department implemented 10 Centrally Sponsored Schemes (CSS), 13 State Plan Schemes, one North East Council Scheme and two Externally Aided Projects (EAPs). The allocations under the State schemes are not very significant and therefore, departmental activities were mainly confined to implementation of Central Sector Schemes and the Externally Aided Projects. Five major schemes (four CSS⁴ and one EAP⁵) relating to implementation of various forestry development and regeneration programmes in the State were studied and evaluated.

3.1.4 Audit Objectives

The audit of the Department was carried out with the objective:

- To review the planning process adopted and its adequacy for ensuring smooth implementation of the schemes undertaken by the Department.
- To review the financial management with reference to allocated priorities and optimum utilisation of resources.
- To review the management and performance of forest development schemes launched by the Government of India and the State of Tripura.
- To review the management issues in the areas of human resources; and
- To review the adequacy of supervision and monitoring mechanism in the Department.

3.1.5 Audit criteria

The criteria used for benchmarking the audit objectives were as under:

- Perspective Plan, Annual Action Plan; Guidelines of various Central/State Schemes.
- Government notifications and instructions issued from time to time for the implementation of State and Centrally sponsored schemes;
- Departmental Manual / Policies / Rules and Regulations;
- Budget documents, State Financial Rules;

¹ Ambassa, Manu, Teliamura, Sadar and Udaipur.

² Trishna Wild Life Sanctuary.

³ Working Plan Division –I.

⁴ National Afforestation Programme, Gregarious Flowering of Muli Bamboo, Development of Tree Borne Oil Seeds (TBO) and Compensatory Afforestation.

⁵ Japan International Co-operation Agency (JICA).

- Procedures prescribed for monitoring and evaluation of schemes/programmes.

3.1.6 Audit Methodology

The audit involved the following stages:

- Reviewing the Department's mandate and identification of its significant areas of activity for detailed examination.
- Development of the detailed audit programme for collection and examination of evidence indicating *inter alia* time schedules, distribution of work, supervision strategy etc.
- An entry conference was held on 9 June 2011 with the Principal Chief Conservator of Forests wherein the audit objectives and methodology were discussed.
- Audit findings were discussed with the Chief Secretary, Government of Tripura (in-charge of Forest Department) in an exit conference on 18 October 2011 and replies of the Department have been incorporated in the report at appropriate places.

Audit findings

3.1.7 Forest Policy and Planning

3.1.7.1 Perspective Plan and Annual Plan

The Department prepared a Perspective Plan for development of forestry in Tripura for seven years (2006-07 to 2012-13). The plan aims at linking all forestry management activities with poverty reduction mechanism and creation of livelihood opportunities through sustainable use of forests resources. The Plan encompasses sectoral objectives of the forestry sector in the State and programmes proposed to achieve them.

The perspective Plan was, however, not broken down into year-wise actionable location specific and quantitative terms. The Annual Plans of the Department also reflect only the broad objectives and financial requirement during the year without quantifying any target to be achieved with time bound implementing schedules.

The Department in the exit conference (October 2011) agreed to link physical and financial targets in all the plan documents.

3.1.7.2 Working Plan

Working Plans are one of the important forestry documents prescribing scientific management of forests. It analyses the existing conditions of the forests with reference to past management practices and prescribes management practices for sustainable development through treatment for regeneration and scientific exploitation of forests,

keeping in view different growth patterns, hygiene of forests and needs of the people. The National Forest Policy, 1988 envisaged that no forest should be permitted to work without approval of the Working Plan by the GOI. As per directive of the Hon'ble Supreme Court (January 1998) forest works on regeneration, protection and development should be carried out strictly in accordance with the approved Working Plans. It was, however, seen that as on date, out of nine working Forest Divisions, only two Divisions (Kailashahar and Manu) had approved Working Plans for the period from 2003-13 and 2005-15, respectively. Thus, the Divisions worked without approved Working Plan which was against the direction of the National Forest Policy, 1988 and the direction of the Hon'ble Supreme Court.

The Department stated (October 2011) that Working Plans of the remaining divisions were under process of scrutiny and approval.

3.1.8 Financial Management

The Department receives funds through budgetary allocation for the State for implementation of Centrally Sponsored and State Schemes and also Externally Aided Projects. The Department also receives off-budget funds from the Government of India for implementation of schemes like National Afforestation Programme (NAP), Development of Tree Borne Oil Seeds and Compensatory Afforestation Programme etc.

3.1.8.1 Budgetary Outlay and Expenditure

The budgetary allocation of funds and expenditure incurred by the Department during 2006-11, were as under:

Table 3.1.2

(Rupees in crore)

Year	Budget Provision			Expenditure			Excess(+) Savings(-) (Plan)	Excess(+) Savings(-) (Non-Plan)
	Plan	Non-Plan	Total	Plan	Non-Plan	Total		
2006-07	24.92	23.08	48.00	18.09	29.86	47.95	(-) 6.83 (27)	(+) 6.78
2007-08	33.18	24.44	57.62	30.86	23.73	54.59	(-) 2.32 (7)	(-) 0.71
2008-09	61.98	29.40	91.38	53.23	25.89	79.12	(-) 8.75 (14)	(-) 3.51
2009-10	67.01	40.45	107.46	54.02	37.82	91.84	(-) 12.99 (19)	(-) 2.63
2010-11	72.66	37.34	110.00	60.69	35.50	96.19	(-) 11.97 (16)	(-) 1.84

Source: Budget & Voucher Level Computerisation figures.

Figures in the parenthesis in the Plan Savings column indicate percentage

It may be observed that there were persistent savings in all the five years (2006-11) both in Plan and Non-Plan, except underestimation under Non-Plan in 2006-07. Substantial savings in Plan provision in all the five years indicated a wide gap between planning and implementation of planned activities.

The Department stated (October 2011) that due to non-release / release of funds at the fag end of the year there were savings in the Plan provision.

3.1.8.2 Off Budget Scheme financed by Government of India

Besides the budgetary allocation above, the National Afforestation Programme (NAP), launched during the 10th Plan period is the only significant off-budget Central Sector Scheme implemented by the State through funds provided by the GOI. The year-wise sanctioned project outlay, actual release of funds by GOI and their utilisation are shown below:

Table 3.1.3

Year	Project Outlay	Opening Balance	Funds Released by GOI	Total funds available	(Rupees in crore)	
					Funds Utilised	Closing Balance
upto 10 th Plan	25.56	--	19.77	19.77	19.55	0.22
2007-08	4.66	*0.28	1.91	2.19	1.53	0.66
2008-09	6.66	0.66	4.83	5.49	5.08	0.41
2009-10	4.48	⁶ 0.25	3.20	3.45	2.02	1.43
2010-11	11.76	1.43	10.43	11.86	8.28	3.58
Total 11th plan	27.56	0.28	20.37	20.65	16.91	3.74

Source: Departmental records. *including interest.

During the 10th Plan period (2002-07), against the sanctioned project outlay of ₹ 25.56 crore GOI released ₹ 19.77 crore (77 per cent), of which ₹ 19.55 crore was spent by the Forest Development Agencies (FDA) leaving an unspent balance of ₹ 0.22 crore. Again, during 11th Plan, out of the project outlay of ₹ 27.56 crore for the first four years (2007-11), GOI released ₹ 20.37 crore (74 per cent). At the end of March 2011, the FDAs utilised ₹ 16.91 crore (83 per cent) and balance ₹ 3.58 crore (including unspent funds of ₹ 27.97 lakh of 10th plan periods with interest) was lying unutilised as per departmental records. The actual balance however, was ₹ 3.74 crore due to the discrepancy of ₹ 16 lakh in the opening balance (₹ 25 lakh) of 2009-10 against the actual closing balance of ₹ 41 lakh in 2008-09, which had not been reconciled. It was further seen that funds were transferred to the FDAs⁷ at the Forest Division level, who in turn transferred it to the Joint Forest Management⁸ Committees (JFMCs) at village level for incurring actual expenditure. While the transfer to FDAs is construed as expenditure at the State level, FDAs also book expenditure on transfer to JFMCs.

Test check of the records of PCCF revealed that ₹ 3.74 crore constituting 18 per cent of the total transfer to FDAs was actually unspent. Similarly, out of ₹ 16.91 crore stated to

⁶ ₹ 41.04 lakh minus ₹ 25.32 lakh = ₹ 15.72 lakh, i.e. ₹ 16 lakh taken less in the opening balance during 2009-10.

⁷ FDA is constituted at the territorial/wildlife forest division level for implementation of NAP and function as a federation of all JFMCs in that forest division.

⁸ Joint Forest Management (JFM) is a concept of developing partnership between the fringe-forest user groups and the Forest Department, based on mutual trust and jointly defined roles and responsibilities with regard to forest protection and development.

have been utilised at the JFMCs level, a substantial part remained unspent with the JFMCs, as a test check of four FDAs revealed.

3.1.8.3 Unspent funds lying with JFMCs

Scrutiny of Disbursers' Ledger maintained in the four⁹ tests checked FDAs disclosed that ₹ 88.99 lakh was lying unspent with 137 JFMCs at the end of March 2011, as shown below:

Table 3.1.4

Name of the FDA	No. of JFMCs	Amount lying outstanding for adjustment (₹ in lakh)
FDA, Sadar	18	19.11
FDA, Manu	26	7.34
FDA, Udaipur	66	50.59
FDA, Ambassa	27	11.95
Total	137	88.99

Source: Departmental records.

Though the amount (₹ 88.99 lakh) was lying unspent with the JFMCs, the FDAs booked these as final expenditure after allocation to JFMCs. Huge cash balances at the level of JFMCs lying outside formal Government control is fraught with the risk of misappropriation and fraud and therefore needs to be avoided.

3.1.8.4 Departmental Receipts

The revenue receipts of the Department are not very substantial. It includes royalty on forest products namely timber, bamboo, minor forest produces and miscellaneous other receipts raised through penalties, income from zoos and sanctuaries, parks and gardens etc. Targets and achievements of revenue receipts during 2006-11, are shown below:

Table 3.1.5

Year	Target	Actual receipts	(Rupees in crore)	
			Excess(+)/ Shortage(-)	% Excess(+)/ Shortage(-)
2006-07	5.50	6.24	(+) 0.74	(+) 13.45
2007-08	6.05	5.52	(-) 0.53	(-) 8.76
2008-09	5.70	5.57	(-) 0.13	(-) 2.28
2009-10	5.99	6.30	(+) 0.31	(+) 5.18
2010-11	6.60	7.11	(+) 0.51	(+) 7.73

Source: Departmental records.

The trend of revenue realisation showed a decline in 2007-08 as compared to the previous year. The basis of fixation of targets as well as reason for shortfall in revenue collection during 2007-08 had not been stated.

⁹ Ambassa, Manu, Sadar and Udaipur.

The Department stated (October 2011) that the National Forest Policy emphasised on conservation forestry and not production forestry. As a result, there was no thrust on fixation of revenue targets in the Department.

3.1.8.5 Expenditure Control

Financial Rules require that expenditure should be evenly spread and the rush of expenditure, particularly in the closing month of the financial year, will ordinarily be regarded as a breach of financial discipline. The year wise expenditure incurred in March as a percentage of the total expenditure in the six¹⁰ test checked Divisions during 2006-11, are given below:

Table 3.1.6

(Rupees in lakh)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
Total expenditure	18.36	24.16	25.94	27.75	27.03
Expenditure in March	6.99	7.80	9.07	5.55	6.50
Percentage of expenditure in March	38	32	35	20	24

Source: Departmental records.

The above table shows that expenditure of the six test checked units ranged between 20 and 38 *per cent* in the month of March alone. It was also observed in audit that in 2006-07 the DFO, Manu incurred 62 *per cent* of its total expenditure in March that year.

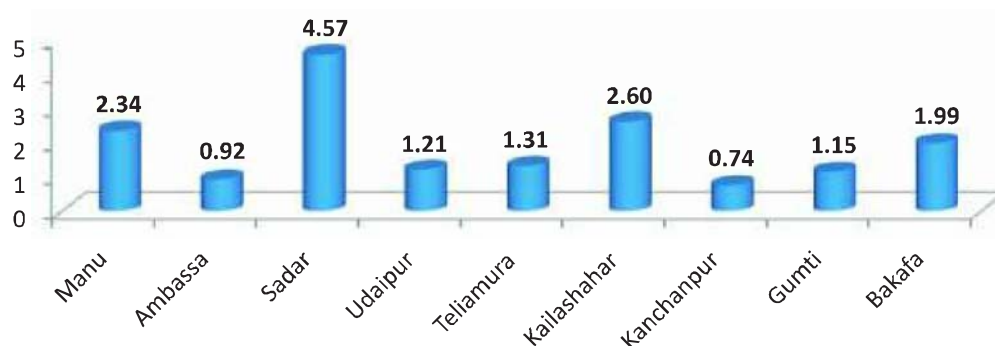
The Department stated (October 2011) that delayed release of funds by the Government and other financing agencies resulted in rush of expenditure towards the end of the year. The Department also stated that the matter would be pursued with the funding agencies for timely release of funds.

3.1.8.6 Uneven distribution of resources

The allocation of funds during the last five years (2006-11) amongst the forest Divisions towards implementation of various developmental works under the plan schemes were not proportionate to the assigned forest areas, as revealed from the graph below:

¹⁰ Ambassa, Manu, Teliamura, Trishna, Sadar and Udaipur.

Chart No.3.1.2
Fund allocation per sq km forest
(Rupees in lakh)



It would be observed from the above that the allocation of resources varies from ₹ 0.74 lakh to ₹ 4.57 lakh per sq km forest area from division to division which would end up in uneven growth and development of forests throughout the State.

The Department stated (October 2011) that action would be taken to ensure that such disparities in distribution of resources do not recur in future.

3.1.9 Plantation Programme

Plantation of trees is the core function of the Forest Department. The Department had taken up restocking of reserve forest, afforestation, social forestry, artificial regeneration, aided natural regeneration etc during 2006-11. The position of targets and achievements of plantations during the period as reported by the Department, were as under.

Table 3.1.7

(Area in ha)

Year	Target	Achievement	Percentage of Achievement
2006-07	7,199	7,798	108
2007-08	11,272	10,770	96
2008-09	12,313	11,214	91
2009-10	13,428	13,212	98
2010-11	19,500	19,621	100
Total	63,712	62,615	98

Source: Departmental records.

Scrutiny of the plantation records in the test checked Divisions, however, revealed the following:

3.1.9.1 Duplication of plantation area

The sanction for plantation was accorded only with the name of Joint Forest Management Committees (JFMCs) without earmarking the area for plantation. There was no

mechanism to check and ensure against overlapping of plantation projects on the same land under the same scheme or different schemes.

With effect from 2007-08, the system of pre-survey and re-survey of the plantation area was introduced with the aid of Geographical Positioning System (GPS) to identify the exact location of the plantation area. The implementing official made a pre-survey of the plantation area before executing actual plantation which was verified by another officer through a re-survey after completion of the plantation works and reported to the concerned Divisional Forest Officer.

Test check of GPS re-survey report in respect of 1203 cases involving 13,195 ha plantations in the selected divisions¹¹ revealed that 110 cases with 973 ha plantations (7.37 per cent) bear duplicate positional reading (**Appendix 3.1**), which implied that the same area of plantation was shown twice. The re-survey reports were, however, not verified by the Division to ascertain the correct position and for corrective action. This indicates that the re-survey was taken merely as a routine exercise without any action thereon.

The Department stated (October 2011) that the Divisional Forest Officers had been asked to re-survey the plantations and confirm the actual position.

3.1.9.2 Non-verification of plantation area by GPS reading

As prescribed, the plantation area was to be re-surveyed by use of GPS indicating the exact positional reading. It was, however, noticed in the three¹² test checked divisions that there were 84 cases involving 1,115 ha plantations (8.44 per cent of 1203 cases involving 13,195 ha plantations) raised during 2007-08 to 2010-11 which bear no GPS reading in the re-survey report furnished by the surveyor (**Appendix 3.2**). Hence, it could not be ascertained and verified in audit whether re-survey was actually carried out in these 84 cases. The Divisional authority had also not taken any action to find out the correct position.

The Department stated (October 2011) that the verification of the plantations were in progress and would be completed shortly.

3.1.9.3 Delay in sanction and release of funds

The work registers maintained by IOs revealed that plantation works were carried out before actual sanction of project by the competent authority and release of funds thereagainst, whereas the disbursement details against these works were recorded in Cash Book and adjustment vouchers submitted to the Divisional authority only after the receipt of sanctions and funds.

¹¹ Ambassa, Manu, Teliamura and Udaipur.

¹² Udaipur, Ambassa and Manu

Since all plantations related expenditure pertains to labour cost, it is not clear how the labourers have worked without daily payments. Moreover, this is also against the established principle to carry out the work only on receipt of proper sanctions. The plantation journal was not maintained and hence, there was no monitoring mechanism/inspection by the competent authority. In the absence of the plantation journal, the genuineness of the plantations work could not be verified by audit. An illustrative list of 300 ha plantations and 1.72 lakh nursery seedlings costing ₹ 17.92 lakh where works were executed prior to sanction and receipt of CA on test checked JFMCs are given in **Appendix 3.3**.

The Department stated (October 2011) that DFOs were being constantly pursued to maintain plantation journal and all related records but due to shortage of trained personal such lacunae remained, which would be improved in future.

3.1.9.4 Plantation during off-season

Plantation depends on compatible climatic conditions. It is, therefore, imperative that plantation activities start at the appropriate season to ensure its survival. As per the plantation schedule of forestry works prepared by the Department considering the local climatic conditions, plantation was to be carried out during monsoon, latest by June. It was noticed in two¹³ test checked Forest Divisions that the plantation activity was carried out over 382 ha (**Appendix 3.4**) during off-season (from July-March), i.e. one to nine months after the prescribed schedule, at a cost of ₹ 16.63 lakh. The survival rate of these plantations could not be assessed in audit as the Divisions did not maintain plantation journals/regeneration records.

The Department stated (October 2011) that although the plantations were raised in appropriate season the vouchers against the plantation activities were kept pending in anticipation of release of funds later. The reply is not tenable as all the plantation records viz., works register, muster roll and other connected records indicated actual dates of execution from which it is evident that the works were actually carried out during off-season.



3.1.9.5 Non-monitoring of survival of plantations

The Departmental guideline stipulates that plantation journal in respect of all plantations should be maintained by the IOs showing *inter alia* the details of all works undertaken, period of works, amount involved, survival rate of plants and their growth etc. It was, however, found that none of the IOs maintained plantation journal to record the survival rate of plantations raised by them under various schemes. The divisional authorities also did not record the survival rate of any plantations. As a result, overall survival rate of plantations at different time intervals could not be ascertained. It was, however, noticed from the joint physical verification of 18 plantations raised on 293 ha during 2006-11 that

¹³ Ambassa and Manu.

237 ha (81 *per cent*) had no survival at all while survival rate in 12 ha was about 50 *per cent* and in the remaining 40 ha the survival rate was about 70 *per cent*. This indicated poor survival rate of the Departmental plantations due to inadequate monitoring and follow up post-planting treatment.


The details of joint physical verification of a few plantations are given below:




Udaipur Division		
Name of the JFMC: Pouramura JFMC		Audit findings: Plantation areas were completely damaged and covered with wild forest without any trace of seedlings.
Name of Species and area	10 ha Jatropha 8 ha Medicinal Plant	
Year of plantation	2006-07 2005-06	
Date of photograph: 29 July 2011		
		
		

Manu Division	
Name of the JFMC: TMC Para JFMC	Audit findings:
Name of Species and area: 30 ha plantation area of various species	
Year of plantation: 2006-07	
Date of photograph: 23 July 2011	



Plantation area was completely damaged and encroached by the forest dwellers.

Teliamura Division	
Name of the JFMC: Garaipara & Dukhiapara JFMC.	Audit findings:
Name of Species and area: 50 ha Sal plantation each.	
Date of photograph: 6 July 2011	
	<p>Maintenance (weeding) of 100 ha ANR (50 ha each in 2 JFMCs) Sal plantation incurring an expenditure of ₹ 1.00 lakh was taken up during 2010-11. The plantations were found very old having matured trees of over 25 years. Such older plantations need no such maintenance and as it appears no weeding work had been carried out.</p>

Ambassa Division	
Name of the JFMC: Samprai JFMC	
Name of Species and area: 24 ha plantation of various species	
Date of photograph: 15 July 2011	
	<p>Audit findings:</p> <p>Plantation area covered with wild forests with no trace of seedlings planted.</p>
	
Ambassa Division	
Name of the JFMC: Masuraipara JFMC	
Name of Species and area: 40 ha plantation of various species	
Date of photograph: 15 July 2011	
	<p>Audit findings:</p> <p>40 ha (30 ha Misc, 5 ha Silviculture and 5 ha Misc) at Masuraipara JFMC were found</p>



completely covered with wild forest, filled up with compact shoulder height thatch cover without any trace of seedlings planted.

The Department stated (October 2011) that corrective measures in this regard would be taken.

Programme Implementation

The Perspective Plan emphasised that constant augmentation of forestry and wildlife resources is a prerequisite to meet the ever-increasing needs of various dependent stakeholders while maintaining ecological balance. To this end in view the Department implements various Centrally Sponsored Schemes, State Plan Schemes and Externally Aided Projects etc. as discussed in para 3.1.3. Of the total expenditure of ₹ 386.60 crore incurred by the Department during 2006-11, audit test checked the expenditure of ₹130.79 crore (34 *per cent*) incurred on the following five major schemes implemented in the State. The audit findings are discussed in subsequent paragraphs:

3.1.10 National Afforestation Programme

National Afforestation Programme (NAP) was launched (during 10th Plan period) by the Government of India (GOI) with the objective of sustainable development and management of forest resources by securing people's participation in planning and regeneration efforts and to promote the partnership concept in the management and administration of forests and common property resources.

The scheme was being implemented through the Forest Development Agencies (FDAs). FDAs are registered as a Federation of all Joint Forest Management Committees (JFMCs) within a territorial/wildlife Forest Division under the Societies Registration Act, 1860, of which the Conservator of Forests (CF) was the Chairman and the Divisional Forest Officer (DFO) was the Member-Secretary of respective FDAs. Other members were to be drawn from the JFMCs, Panchayats and the field level functionaries of the Department. Under the project, grants-in-aid were released directly by the Ministry of Environment & Forests (MoEF) to the FDAs concerned who were made responsible for implementation of the scheme. The revised plan of operational guidelines effective from 2010-11 envisaged a three-tier institutional set up, namely State Forest Development Authority (SFDA) at the State level, FDA at the Forest Division level and JFMC at the village level

for effective implementation of the scheme. Joint Forest Management (JFM) will be the central and integral part of the project under the scheme. To this end, focused efforts are to be made at all levels for constitution of JFMCs in all forest-fringe villages, creation of awareness about JFM procedure, micro-planning and its implementation, capacity building of JFMC members and participatory monitoring and evaluation.

3.1.10.1 Formation of Joint Forest Management Committees (JFMCs)

The State Government passed a resolution in November 2001, which was revised (January 2002) as per direction of GOI for constitution of JFMCs in each Gaon Panchayats/Autonomous District Council (ADC) Villages. Although there was no target fixed for formation of JFMCs under NAP in the State, only 507 JFMCs were formed till 2010-11. Thus, there still remained a shortfall of 531 JFMCs to be formed in all 1038 Gaon Panchayats/ADC villages in the State even after a lapse of more than nine years of operation of the scheme. Reasons for shortfall had not been stated.

This had resulted in deficient coverage of the scheme all over the State and deprivation of the targeted communities from their right of enjoying the benefits of forest resources, collection of non-timber forest produce, development of social and community infrastructure, improvement of living conditions through enhanced income levels as envisaged in the programme.

The Department stated (October 2011) that steps were being taken to cover the remaining Gaon Panchayats/ADC villages after due discussion with the villagers.

3.1.10.2 Micro Plan & Annual Plan of Operation

As per NAP guidelines, FDAs are to undertake micro planning exercise and develop work programme under the project for each JFMC in consultation with JFMCs. The progress of the micro plan would be suitably reviewed by the FDA/SFDA. Micro plan shall be an integrated plan for both village and forest development, framed in consonance with the broad prescriptions of forest working plan. The village development part of the micro plan would take into account ongoing and potential works that could be undertaken as part of Entry Point Activity component under NAP.

Scrutiny of records of the test checked six FDAs disclosed that three FDAs i.e. Sadar, Trishna and Udaipur did not prepare such micro plan for any JFMC whereas other three FDAs did it only for a few JFMCs i.e. Ambassa 16 out of 51, Manu 12 out of 39 and Teliamura eight out of 52 JFMCs.

In the absence of a micro plan, the base line information on the condition of forests under the charge of a JFMC and its requirement remained unascertained. As a result, proper planning for need based annual work programme for village development in the JFMC areas would not be feasible.

The Department stated (October 2011) that preparation of micro plans for all JFMCs were under process.

3.1.10.3 Entry Point Activities

Entry Point Activities (EPA) denotes creation of community infrastructure that serves the purpose of improvement of social and community living, builds confidence of the target people and thereby encourages common people to join participatory contribution to the community causes. The guidelines envisaged that during preparation of micro plans, the community would identify the EPA to be taken up during the project period. Since no micro plan was prepared by the FDAs there was no scope for the communities to identify the EPAs required to be taken up at the JFMC level.

The Department stated (October 2011) that this would be taken care of while preparing micro plans.

3.1.10.4 Plantation and Maintenance

Each plantation project shall be of five years duration i.e., advance work, plantation and maintenance for three years to ensure the survival. The target and achievements of plantations under NAP, as per progress report furnished to the National Afforestation & Eco-Development Board (NAEB), Ministry of Environment and Forests, Government of India, were as under:

Table 3.1.8

Year	Target (in ha)	Achievement (in ha)
2007-08 & 2008-09	8,885	5,019
2009-10	1,812	1,778
2010-11	4,735	3,134
Total	15,432	9,931 (64 %)

Source: Departmental records.

Reasons for shortfall as analysed in audit could be attributed to non-utilisation of available funds by the FDAs/JFMCs as detailed in Para 3.1.8.3.

Scrutiny of the records of plantation in the test checked FDAs revealed that:

- 51 ha plantations out of 500 ha stated to have been done in Teliamura FDA during 2006-07 were not found in resurvey in the same year, implying that 51 ha of sanctioned plantations were not established. The matter had not been investigated.
- 2,582 ha plantations in three FDAs were not maintained as required under the prescribed maintenance schedule (**Appendix 3.5**). In the absence of scheduled maintenance through periodical cultural treatment like weeding, vacancy feeling, earth mounding, protection from insects, fungi and fire etc. the survival of these plantations was doubtful.

The Department stated (October 2011) that due to financial crunch the plantations under NAP could not be maintained. The reply is not tenable as unspent funds were lying with the FDAs on a regular basis.

3.1.10.5 Results of scrutiny of JFMCs records

Records of 36 JFMCs test checked in six¹⁴ FDAs disclosed that the records were not properly maintained in the JFMCs. As a result, recorded statements of the Member Secretaries on the performance of JFMCs under their control were obtained. The consolidated results of such exercise are shown below:

- None of the JFMCs had up-dated Cash Books and Work Registers.
- Plantation / Nursery journals indicating survival, growth and health of the plants were not maintained properly and updated. As a result, successful achievements of plantation and nursery could not be ascertained. These records were also not verified by higher authorities.
- Monthly / Quarterly Progress Reports and accounts to FDAs were not furnished.
- Inspection by higher authority was not carried out.
- 21 JFMCs did not produce the records (Cash Book, Bank Accounts) of revolving funds. Revolving fund accounts of 10 JFMCs produced to audit revealed that the accounts had not been in operation for long (**Appendix 3.6**) indicating that the JFMCs were virtually non-functional.
- No records of composition, meetings, membership of JFMCs were available.
- The Member Secretaries of 13 JFMCs confirmed that 354 ha (**Appendix 3.7**) plantations raised during 2006-07 to 2008-09 were partially / fully unsuccessful due to inadequate post-planting maintenance, encroachment, cattle grazing, large scale destruction of bamboo shoots etc.
- Member Secretaries of two JFMCs stated that participation of JFMC members were not forthcoming for protection of plantations and forest resources in the respective JFMC areas.

The Department while admitting the lapse stated (October 2011) that the DFOs had been asked to ensure proper maintenance of JFMCs records.

It transpires from the above that the FDAs were only sanctioning the work programmes under NAP for JFMCs without proper planning, management control and monitoring the performance of the JFMCs to enable them to achieve their goal.

Thus, the objectives of the programme of protection and conservation of natural resources while ensuring people's participation in planning and regeneration efforts, promoting partnership concept in the management and administration of forests and common property resources had not been achieved.

¹⁴ Ambassa, Manu, Sadar, Teliamura, Trishna and Udaipur

3.1.10.6 Japan International Co-operation Agency (JICA) Project

The Forest Department, Government of Tripura had entered into an agreement with “Japan International Co-operation Agency (JICA)” for sustainable management of forest resources of the State. The project was to be implemented over a period of eight years from 2007-08 to 2014-15 involving project cost of ₹ 366 crore, of which ₹ 307 crore would be provided by JICA under its loan assistance programme for identified projects. The remaining amount of ₹ 59.00 crore would be borne by the State Government towards administrative cost and overheads. The main objectives of the project were to improve income and livelihood options of target households through improvement of forest density and conserving bio-diversity.

Accordingly, a Society, namely the “Tripura Forest Environmental Improvement and Poverty Alleviation Society (TFIPS)” registered under the Societies Registration Act, 1860 was constituted (24 May 2007) with the Chief Secretary, Government of Tripura as head of the Governing Body and the PCCF, Tripura as the Chairperson of the Executive Committee. Besides, a Project Management Unit (PMU) was also constituted for implementation of the project in the State through the Divisional Management Units (DMUs). The concept of Joint Forest Mechanism (JFM) hitherto formulated and implemented by the Forest Department for conservation and development of forest resources was to be followed in implementing JICA project and Joint Forest Management Committees (JFMCs) were to be constituted in the project area towards this end.

3.1.10.7 Financial Management

The operating procedure for the scheme envisaged that the funds would be released by the State Government through its budget. On utilisation, a part of these funds (except administrative and overhead cost) would be availed through reimbursement from JICA.

The targeted expenditure, funds actually released by the State Government, actual expenditure and amount reimbursed from JICA during the four years of operation (2007-11) of the project are given below:

Table 3.1.9

(Rupees in crore)

Year	Target	Funds released	Actual expenses			Reimbursed by JICA
			Reimbursable	Non-reimbursable	Total	
2007-08	20.40	4.02	3.80	0.12	3.92	0.94
2008-09	31.60	20.10	19.57	1.12	20.69	22.73
2009-10	75.30	31.00	29.51	1.15	30.66	30.64
2010-11	94.30	36.00	29.98	1.64	31.62	28.51
Total	221.60	91.12	82.86	4.03	86.89	82.82

Accounts for 2010-11 had not been finalised as of July 2011.

As only ₹ 91.12 crore (41 *per cent* of the targeted release of ₹ 221.60 crore during the four years 2007-11 and 25 *per cent* of the total project outlay of ₹ 366.00 crore in eight years till 2014-15) had been released by the State Government in four years as on 31 March 2011, the completion of the project within the time frame of eight years by 2014-15 remained doubtful.

3.1.10.8 *Unutilised funds with JFMCs and Implementing Agencies*

The funds were transferred from the PMU at the State level to DMUs at divisional level and thereon to JFMCs, besides other Implementing Agencies (IAs), who incurred the actual expenditure. However, contrary to the provision of the loan agreement reimbursement claims were preferred and obtained from JICA merely on transfer of funds to DMUs/IAs leading to premature reimbursement. The assistance was in the form of interest bearing loan to be borne by the State Government from the date of such reimbursement while making repayment of loan as per the agreed amortisation schedule.

Records of eight DMUs¹⁵ disclosed that out of ₹ 35 crore released to 283 JFMCs during the first four years (2007-11) for project activities, ₹ 25.48 crore (73 *per cent*) was utilised by the JFMCs as of March 2011 and the remaining ₹ 9.52 crore representing 27 *per cent* of the available funds were retained by the JFMCs, of which 44 JFMCs could not utilise more than 50 *per cent* of the released funds as of March 2011 (**Appendix 3.8**).

The Department while admitting the lapse stated (October 2011) that the JFMCs being located in the interior required more time than expected to train and sensitise the rural poor. This resulted in slow pace of activities and consequent parking of funds.

In total, even out of ₹ 82.82 crore obtained as reimbursement, ₹ 26.10 crore had remained unutilised with 14 implementing agencies including eight DMUs at the end of March 2010 (accounts for 2010-11 had not been finalised as of July 2011). Thus, claiming reimbursement without incurring expenditure was not only against the provision of funding agreement with JICA but also the Department invited an undue liability for payment of interest on reimbursed loan.

The Department stated (October 2011) that in the past the system of claiming the reimbursement was based on the proposed works of the JICA as per Annual Plan of Operation. This was necessitated due to the fact that the State Government was not in a position to advance the large amount for the activities under the project. However, the position had improved due to regular flow of funds and subsequent reimbursements after completion of activities.

Scrutiny of the records of implementation of the project further revealed that:

- The focus on project implementation was through Joint Management model and for this purpose JFMCs were to be formed in phases. It was, however, seen that

¹⁵ Bakafa, Gumti, Kailashahar, Kanchanpur, Sadar, Teliamura, Trisna and Udaipur.

against a target of 456 JFMCs to be formed during the three years (2008-11), notification were issued for formation of 419 JFMCs, of which 342 JFMCs could be formed leaving a shortfall of 114 JFMCs. The Department stated (October 2011) that steps were being taken to organize regular Block level meetings to encourage the targeted people to participate in JFMC formation and remaining JFMCs are expected to be formed by December 2011.

- The project required demarcation of the JFMC areas through proper survey and mapping with vital information of land use, density and standing stock etc., to facilitate micro-plan formulation and future monitoring. It was, however, seen that against 342 JFMCs targeted for survey and mapping during 2008-11, achievement was only 190 JFMCs. The backlog was attributed (October 2011) by the Department to non-availability of adequate number of surveyors for which recruitment process was being initiated. The fact, however, remained that due to delay in survey and mapping micro-planning exercise of the JFMCs got delayed with consequential delay in commencement of annual planning and project activities.
- The project guideline stipulates that micro-plan for five years for each JFMC should be prepared in consultation with JFMC members incorporating their ideas and requirements and that no activities in project areas should commence unless an approved micro-plan is ready for the concerned JFMCs. It was seen that out of the 342 JFMCs, Micro Plan was approved for 229 JFMCs as of March 2011. Reasons for non-preparation of micro-plan for the remaining 113 JFMCs had not been stated. Similarly, Annual Plan of Operations (APOs) based on approved micro-plan were approved for only 195 JFMCs, out of 342 JFMCs formed and operated under the project till 2010-11. This showed that contrary to project guidelines, project activities were carried out in the JFMCs without any concrete plan of operation. The Department stated (October 2011) that due to delayed start of the project, shortage of staff and other unforeseen factors resulted in slow progress in preparation of micro plans. It was however, assured that steps were being taken to engage sufficient staff to make up the loss of time.
- Against a target of raising 82 lakh nursery seedlings during the four years (2007-11), the Department raised only 46 lakh seedlings till the end of March 2011. The reasons for shortfall had not been stated. Moreover, the targets (82 lakh) fixed for the last four years were abruptly low against the projected requirement of 11.02 crore quality planting materials during the period of eight years of operation of the project till March 2015.
- Against the total target of the project for creation of 66,180 ha plantations during the eight years (2007-15), the Department achieved only 14,879 ha, representing about 22 *per cent* of the total projected targets and about 66 *per cent* of the

aggregate annual target of 22,500 ha fixed by the Department for the first four years (2007-11). The Department attributed (October 2011) the shortfall of plantation targets to initial delay in start of the project, shortage of staff, lack of awareness among JFMC members and shortage of funds etc., and stated that the situation was improving.

- Implementing Officers did not maintain any nursery / plantation journal, a vital record which depicts a complete picture of a nursery / plantation right from the process of preparation of nursery beds to their ultimate utilisation indicating the number raised/survived, expenditure incurred and disposal through planting/sale, balance stock and the survival rate, growth of the plantations etc. There was also no evidence to suggest that the nurseries/plantations were inspected by the higher authority.
- The project envisaged Entry Point Activities (EPA) i.e. construction of footpath and Vocational Training Centre (VTC) during the initial stages of JFMC activities to focus on bringing people together and to gain their trust.

Records disclosed that EPA had been taken up only in 118 JFMCs out of 342 formed and the activities restricted to construction of a Vocational Training Centre (VTC) in each JFMC. As of March 2011, 118 VTCs were constructed and a revised programme of Multi Utility Centre¹⁶ (MUC) had not yet taken off. No documentation of people's participation was also available.

- In order to support Income Generation Activities (IGA) of the beneficiaries through SHGs formed under JFMCs, the project envisaged financial support in the form of grants/loans of rupees one lakh per JFMC. Each SHG engaged in IGA shall receive 50 *per cent* of initial investment cost as grants, while the balance 50 *per cent* shall be as loan to be repaid with interest. Only 513 SHGs had been formed as of March 2011, against the total projected target of 1,400. Out of 513, only 138 had been funded for IGA as of March 2011. The Department stated (October 2011) that all the targeted 1400 SHGs would be formed during the next two years.

The performance of the Department for the first four years (2007-11) was lagging behind schedule as reflected from the achievement of only 342 out of 456 JFMCs targeted to be formed during the period. Micro-planning and Annual Plan of operation, a pre-requisite for commencement of project work in JFMCs had been in arrears. As a result, identification of critical areas requiring effective intervention through project activities remained a non-starter. There was acute shortfall in production of planting materials and

¹⁶ Vocational Training Centre of JICA project and Anganwadi Centre of Social Welfare and Education Department to be constructed as a common building.

plantations. Inadequate focus on Entry Point Activities at the initial stages of formation of JFMCs also failed to gain the trust of common people to bring them together.

3.1.10.9 Gregarious Flowering of Bamboo

MoEF, Government of India approved (July 2005) action plan for management of Gregarious Flowering of Bamboos with an outlay of ₹ 154.46 crore, of which State Government was to provide ₹ 120.48 crore and the Central Government ₹ 21.20 crore. The remaining ₹ 12.78 crore was to be obtained by the State from other sources. The activities identified to be undertaken under the programme had been defined with specific quantity and money value, namely (i) infrastructure development e.g. link road, transit depot, collection centre, purchase of vehicles, computer and furniture etc. (₹ 4.16 crore), (ii) regeneration activities (₹ 85.00 crore), (iii) fire control measures (₹ 50.00 crore), (iv) preventive health measures (₹ 3.80 crore), (v) value addition (₹ 3.00 crore) and (vi) contingencies and others (₹ 8.50 crore).

Scrutiny of the records of the PCCF revealed that MoEF released its share of ₹ 21.20 crore between March 2006 and July 2008 to the State Forest Department for implementation of the components specified in the Action Plan for which funding was being provided by MoEF subject to the condition that no deviation shall be made without prior concurrence of the Government of India. The Department incurred an expenditure of ₹ 19.28 crore till March 2009. MoEF neither revalidated the unspent balance of ₹ 1.92 crore nor released any further grants. State Government, without any recorded reason, did not release any amount of its share as per the approved project funding. As a result, project activity was confined only to the extent of Central share released and utilised.

Scrutiny of the records of the PCCF revealed that:

- Against the approved planting activity of 3,376 ha with fund provision of ₹ 10.00 crore out of MoEF's share, the Department raised new plantation of 7,622 ha, carried out scheduled maintenance of 4,668 ha of plantations raised in previous years, executed advance work for plantation in 2,679 ha and soil conservation work of 137.50 ha at a total cost of ₹ 11.14 crore. The expenditure was highly disproportionate to the quantum of works actually achieved *vis-à-vis* planned. Reasons for deviation had not been stated.
- Preparation of fire line for 5,000 ha in plantations raised under the project was estimated at ₹ 2.50 crore (@ ₹ 5,000 per ha). The Department reported actual preparation of fire line for 53,515 ha at a cost of ₹ 1.69 crore (@ ₹ 315.80 per ha) against actual plantation established under the scheme on only 7,622 ha. It is clear from the above that work estimate was grossly violated to divert money to cover more areas of plantations outside the project, which would have an effect on the quality of work and its preferred utility.

- Plantation cycle consists of advance work, planting and maintenance. Once a plantation is established it is necessary to protect it against fire, insects, fungi etc. through periodical cultural treatment like weeding, vacancy filling, earth mounding and creation of fire line etc. on a prescribed schedule for three years. It was, however, noticed that out of 7,622 ha plantation raised under the programme, prescribed annual maintenance was carried out only on 4,668 ha. In the absence of scheduled maintenance, survival of the remaining 2,954 ha plantations was doubtful.

Test check conducted in seven¹⁷ Forest Divisions disclosed that four¹⁸ Divisions did not maintain any separate records relating to execution of works under the scheme. Records of three Divisions (Manu, Research and Udaipur) revealed that:

- ₹ 43.65 lakh was diverted for creation of Check Dam in Manu (₹ 11.21 lakh) and water harvesting structure in Udaipur (₹ 25.47 lakh) to augment pisciculture activities in JFMCs and ₹ 6.97 lakh on construction and maintenance works at eco-park and other plantations unconnected with the activities under the scheme (**Appendix 3.9**).
- An expenditure of ₹ 4.19 lakh was incurred by DFO, Research Division on renovation, painting of office buildings and construction of retaining walls etc. diverting funds from the Central Grants.

The Department implemented the scheme only to the extent of Central share obtained and thereby spent only 12.48 *per cent* of the total proposed outlay of ₹ 154.46 crore. There were instances of diversion of funds, quality compromise on works due to gross violation of estimates etc. State Government had neither released any fund nor taken any steps to obtain funds from outside source as per the approved Action Plan. Thus, with the discontinuation of Central release, the activities on the scheme in the State had been stopped without any recorded arrangements for maintenance and upkeep of the assets created.

The Department admitted (October 2011) that the quantum of different components of work executed was more than the projected targets at lesser costs than sanctioned by the MoEF and maintenance of plantations could not be carried out for want of funds. The reason attributed by the Department was due to non-release of funds by the State Government.

3.1.10.10 *Development of Tree Borne Oil Seeds*

The State had a large area of degraded forests and waste land in which the project envisaged raising *Jatropha* plantations for tapping bio-fuel, which in the process shall be able to generate employment in rural areas and ease the requirement of the State in

¹⁷ Ambassa, Manu, Research, Teliamura, Trishna, Sadar and Udaipur.

¹⁸ Ambassa, Teliamura, Trishna and Sadar.

meeting its diesel demand to a considerable extent. Jatropha starts yielding from the third year onwards and continues fruiting till 30th year.

The State Government without conducting a proper survey and investigation to identify the ground realities informed the Union Ministry of Rural Development that there were sufficient grounds to believe that Jatropha cultivation as an economic activity was a serious possibility. The Union Ministry accordingly sanctioned ₹ 4.50 crore to Tripura Forest Development and Plantation Corporation (TFDPC) Limited to raise Jatropha nursery seedlings to be used for cultivation under various State/Central Schemes. In addition, National Oilseed & Vegetable Oils Development Board (NOVOD) and the State Government also allocated funds under various schemes to raise Jatropha plantations. FDAs working under the Forest Department in the State were engaged in raising Jatropha nurseries and plantations and a total of 4,137 ha plantations were raised during 2006-11 at a cost of ₹ 5.27¹⁹ crore through JFM Committees in the State.

Scrutiny of utilisation of funds revealed that:

- Out of ₹ 4.50 crore released by GOI during 2005-06 (₹ 3 crore) and 2007-08 (₹1.50 crore), TFDPC reallocated ₹ 3.36 crore to 9 FDAs, as of March 2011. Funds received in 2005-06 were made available to the IOs between 2006-07 and 2008-09, spanning over a period of three years, while ₹ 1.14 crore, out of ₹ 1.50 crore received in April 2007 remained unutilised with the TFDPC till date (August 2011). This indicated that fund flow to the IOs was very slow and thus the nursery programme suffered.
- Against ₹ 3.36 crore received during 2006-09, the FDAs spent ₹ 3.06 crore as of March 2011 on raising 0.97 crore nursery seedlings (₹ 2.25 crore) and creation of 632 ha plantations (₹ 80.60 lakh). ₹ 31.00 lakh (including interest) was still lying unspent for more than two years with four²⁰ FDAs.
- Out of five FDAs test checked, four²¹ FDAs did not maintain separate accounts for the fund. As a result, interest accrued, if any, on the unutilised funds remained unaccounted for.

Records of the PCCF revealed that Forest Department proposed to develop bio-fuel sector in the State through Public Private Partnership (PPP) mode for empowering the Joint Forest Management Committees (JFMCs) to take up plantation and production of Jatropha seeds in the forest land and selling them at remunerative prices. Accordingly, the Department entered into an agreement with M/s Samadarshi, a non-Government

¹⁹ ₹ 0.81 crore (out of ₹ 4.50 crore released by GOI) + ₹ 0.35 crore (fund released by NOVOD) + ₹ 4.11 crore (State share) = ₹ 5.27 crore.

²⁰ Udaipur: ₹ 10 lakh, Gumti: ₹ 10.65 lakh, Bakafa: ₹ 9.65 lakh and Sadar: ₹ 1.10 lakh (interest component only).

²¹ Teliamura, Ambassa, Manu and Udaipur.

organization (NGO) in May 2008 to ensure sale of Jatropha seeds, processing and extraction of oil. The MoU, effective from the date of signing (24 May 2008) for a period of five years, provided *inter alia* that:

- The State Government shall establish plantations of Jatropha on forest land and the NGO will purchase the harvested seeds.
- Government of Tripura shall provide land to the NGO at Agartala for setting up a Centralised Extraction/Processing Unit for Jatropha crude oil.
- The NGO shall impart training to various stakeholders on payment of cost to be borne by the Government for which at least one demonstration centre will be set up in each district by the State Government.

It was, however, seen that the NGO had neither made any purchase of Jatropha seeds nor any seeds were harvested by the Department. The NGO had not set up any infrastructural facility for oil extraction in the State. The Government also did not make arrangement for allotment of land to the NGO to facilitate setting up of extraction/processing unit of Jatropha crude oil. There was no report on setting up of demonstration centre in any of the districts or training programme conducted by the NGO to the stakeholders.

Thus, due to commencement of a project without proper survey and adequate planning, the objectives of generating employment and income for the rural people through Jatropha cultivation for bio-fuel production and to meet diesel demand of the Government remained unfulfilled with consequent abortive expenditure of ₹ 7.52 crore during 2006-07 to 2010-11 on creation of Jatropha nursery (₹ 2.25 crore) and plantations (₹ 5.27 crore).

The Department stated (October 2011) that Jatropha plantations were not successful in the climatic condition of the State and therefore, the programme had now been abandoned. The Department, however, failed to furnish the recorded decision of the Government in this regard. But the fact, however, remains that commencement of a project without adequate survey and investigation had resulted in infructuous expenditure of ₹ 7.52 crore.

3.1.10.11 Compensatory Afforestation

Compensatory Afforestation (CA) was aimed at reducing environmental damage and check de-forestation by afforestation on at least an equivalent area of non-forest land²² in lieu of forest land diverted for non-forestry purposes. CA is one of the most important conditions stipulated by the Central Government while approving proposals for transfer of forest land for non-forestry purposes. The cost of CA was to be deposited by the User Agencies (UAs) to the State Government prior to final approval. The Forest

²² Twice the area in case of non-availability of non-forest land or area stipulated by the Central Government.

(Conservation) Act, 1980 and Rules framed thereunder provided that the State Government while forwarding diversion proposals have to formulate site-specific action plan for CA and implement it in a time bound manner.

Scrutiny of the records of the PCCF revealed that:

- Against diversion of 696 ha forest land in 105 cases during 2006-11, 1,539 ha was stipulated for CA, of which afforestation in six cases were completed only on 80 ha as of March 2011 at a cost of ₹ 0.19 lakh.
- Of the 105 cases of diversion during 2006-11, compensatory afforestation on 1,459 ha (94 *per cent* of the stipulated area) in 99 cases was not taken up at all stated to be due to fund constraints and land disputes, which included 501.60 ha for which cost of CA was deposited by the UAs more than two years back. This was in contravention of the Government order requiring all work of CA to commence not later than the financial year following the one in which cost of CA was paid by the UAs.
- In pursuance of the Hon'ble Supreme Court order (30 October 2002) the MoEF constituted an authority known as Ad-hoc Compensatory Afforestation Fund Management and Planning Authority (CAMPA) in April 2004 for the purpose of management of money realised by the State towards compensatory afforestation and Net Present Value (NPV) etc. All money so received from UAs including unspent fund already realised against diversion of forest land by the States were to be transferred to the account of the Ad-hoc CAMPA maintained by the MoEF.

It was however seen that contrary to the above, all funds received towards CA, NPV etc. were deposited in the bank account of Nodal Officer (Forest Conservation) of the Department till February 2007, before being shifted to the system of transferring funds regularly to the Ad-hoc CAMPA including all unspent funds with effect from April 2007. The Department, however, did not maintain any accounts of the funds so received and transferred to Ad-hoc CAMPA. In the absence of Cash Book and other accounts the veracity of receipts and transfer of funds to Ad-hoc CAMPA could not be ascertained in audit.

- According to the prescribed procedure MoEF shall release funds from the Ad-hoc CAMPA to the State as per Annual Plan of Operation (APO) finalised by the State for CA. Since no APO or site-specific scheme for CA was furnished by the Department to the MoEF during 2006-07 to 2009-10, there was no release of funds during the period resulting in non-implementation of CA in the State during the same period.
- State Compensatory Afforestation fund Management and Planning Authority (CAMPA) had opened its Bank Account to facilitate release of funds from the Central Ad-hoc CAMPA only on 16 March 2010, in which ₹ 3.54 crore was

credited by the MoEF on the same day. The Department, however, prepared an Action Plan only in December 2010 i.e after a lapse of about nine months from receipt of funds and allocated ₹ 3.34 crore to the implementing Forest Divisions in February 2011.

Thus, failure of the Department in framing site-specific project proposal for CA during 2006-10 coupled with delay in opening bank account and formulating plan of operation for utilisation of CAMPA fund in 2010-11 led to non-release of funds by the MoEF during 2006-10 and non-utilisation of available funds in 2010-11.

The Department stated (October 2011) that apart from non-release of funds by the MoEF recognition of rights given under Recognition of Forest Right (RFR) Act, 2006 over the lands identified and reserved for CA resulted in non-execution of compensatory afforestation over the stipulated areas. However, due efforts were being taken for compensatory afforestation by identifying new plots for the purpose.

3.1.10.12 Unauthorised diversion of Forest land to Government Departments

Forest (Conservation) Act, 1980 provides that forest land shall be handed over to the User Agencies only after compliance of all conditions and final approval accorded by the MoEF. Section 2 of the Forest (Conservation) Act, 1980 and Rules framed thereunder provided that no State Government or other authority shall make, except with the prior approval of the Central Government, any order directing that any forest land or part thereof may be used for non-forest purpose. Section 3 of the Act further provides for proceedings against offences by Government Departments and other authorities.

Test check of the records of DFO, Ambassa revealed that in-principle approval was given by the Central Government in respect of four State Government projects. But without complying with the stipulated conditions for payment of Net Present Value and Compensatory Afforestation, the concerned authorities took possession of forest land and constructed infrastructure damaging forest resources (**Appendix 3.10**). Although the unauthorised occupations were in the notice of the Department, no action was taken to evict the offending Government departments or to initiate action as prescribed under the Act and Rules.

Besides this, another two agencies (i) 6th Bn. BSF and (ii) 11th Bn. CRPF also occupied forest land in Jawharnagar, Bet Bagan and Harincherra under Ambassa Forest Division and set up their establishments by construction of buildings and other infrastructure without following the due process in July and November 2008. The Forest Department though seized of the matter had not taken any action as yet.

The Department stated (October 2011) that the specific cases would be investigated to take appropriate action.

3.1.11 Afforestation and Protection

Against the target of creation of 63,712 ha plantation during the last five years (2006-11), the Department reportedly raised 62,615 ha registering only a marginal shortfall of 1,097 ha (refer to Para 3.1.9). Although the reported achievement was about 98 *per cent* of the target, the latest report (2009) of the Forest Survey of India (FSI), based on satellite data conducted every two years, disclosed that contrary to the departmental claims, the forest cover in the State had gone down over the years as evident from the table below:

Table 3.1.10

(Area in sq km)

Year	Very Dense Forest (above 70% density)	Dense Forest (40-70 % density)	Open Forest (10-40% density)	Scrub (below 10% density)	Total
2007	113	4816	3244	54	8227
2009	111	4770	3192	75	8148
Change	-2	- 46	- 52	+ 21	- 79

Source: Forest Survey of India report.

There is a decreasing trend of forest cover in the State reflecting degradation and loss of about 79 sq km in two years. Although, the forest in Tripura had been under systematic management for past 50 years this fragile resource base had undergone a change due to various anthropogenic disturbances resulting in degradation which was directly affecting the ecological stability, biological diversity, economic viability and environmental security of the State.

The Department admitted (October 2011) that Jhuming and unrecorded removal of forest resources had an adverse impact on the forest density and stated that all out-efforts were being made to enhance the forest cover.

Besides this, though the Department failed to furnish the scheme-wise targets/achievements of plantations undertaken during the last five years (2006-11), the records of two major schemes 'NAP and JICA' revealed that the target fixed in those schemes constituted 37,932 ha which was 60 *per cent* of the total plantation target of the Department. Out of 37,932 ha plantations, only 24,810 ha had been achieved (65 *per cent*) which was indicative of the fact that achievement reported by the Department had been overstated as 35 *per cent* plantations in respect of the two major schemes were yet to be achieved. Thus, 98 *per cent* reported achievement of the Department was not consistent with the actual performance.

The Department stated (October 2011) that the plantation targets were revised depending on shortage or excess of funds under individual schemes to maintain overall achievement of the total target. The reply was not tenable as there were no shortages of funds in both NAP and JICA to warrant reduction of targets.

3.1.11.1 Demarcation of reserved forests

In order to ensure protection of reserve forests, proper demarcation of forest land was required. The State had declared an area of 3,588 sq km as reserved forests during the period between 1961 and 1990. However, 588 sq km of the reserved forest area remained non-demarcated even after 20 years of its notification. The DFO, Working Plan Division stated (August 2011) that the demarcation of all reserved forest areas could not be completed due to non-availability of funds, and therefore, 588 sq km forest area remained unprotected.

The Department stated (October 2011) that the funds were being pooled from various sources to complete demarcation of forest areas.

3.1.11.2 Encroachment

As per records available with the Department, 47,758 ha of forest land were under encroachment as of 2006-07. Latest survey (2009) conducted by the Revenue Department of the State Government had shown such encroachment to the extent of 59,311 ha.

The Department, however, did not maintain any records of encroachments in forest areas since 2006-07 and despite repeated requisition by audit, it failed to furnish the current status of the old encroachments as well as further encroachments of forest lands after 2006-07.

Although the Divisional Forest Officers and Wild Life Wardens were empowered to evict encroachers from forest land under section 15 of the Tripura Land Revenue and Land Reforms Act, 1960, there was no record to substantiate that efforts were taken by them to retrieve the encroached forest land.

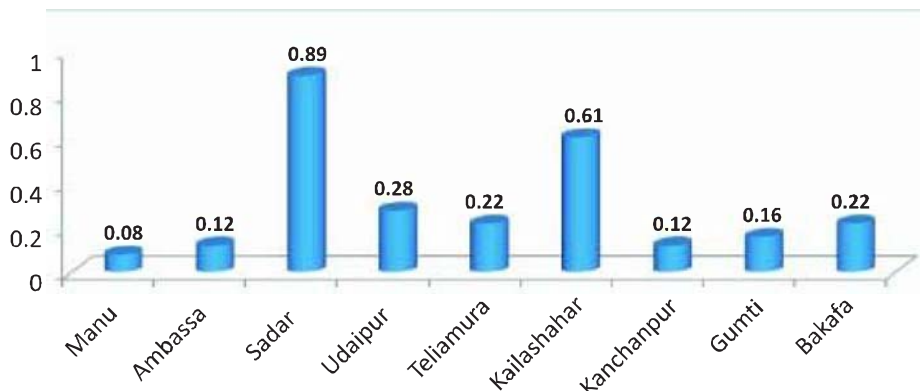
The Department admitted that encroachment was a serious socio-economic problem in the State and stated (October 2011) that a major chunk of encroached forest land had already been regularised by way of vesting of rights to forest dwellers under RFR Act, 2006 and also a detailed exercise was under way to identify and evict the encroachers. About 33 ha forest land had recently been freed from illegal encroachment.

3.1.12 Human resources management

Against 2,274 sanctioned posts in 39 categories of staff as on 31 March 2011, the Department had 1,731 (76 per cent) men-in-position leaving 543 posts of various categories vacant. Important posts to be manned by Indian Forest Service (IFS) officers (36 per cent), Tripura Forest Service (TFS) officers (21 per cent), Forest Range Officers (32 per cent), Forester (33 per cent) and Forest Guards (12 per cent) were lying vacant. Shortfall of staff in vital areas in the Department was a major hurdle in planning, implementation and monitoring of the various activities of the Department.

Further, it could be observed from the graph below that the deployment of available manpower was not in proportion to the forest area allocated to the Divisions.

Chart No. 3.1.3
Manpower deployment per sq km forest area



The deployment of staff varied from 0.08 to 0.89 per sq km in the Divisions. Thus, the available manpower was not rationally deployed in the Divisions to ensure uniform development of forestry in the State.

The Department stated (October 2011) that despite constant persuasion for filling up of the vacant posts the process of recruitment was very slow due to financial resource crunch in the State. The Department also stated that action was being taken to deploy the available manpower rationally.

3.1.13 Internal control and audit

Internal control and internal audit is an important appraisal activity within the organisation to examine and evaluate the activity of the organisation. The Department does not have any internal audit wing. The internal control of the Department was also deficient due to the fact that there was no record of prescribed field inspections by the higher authority. As plantation journals were not maintained, there was no report of failed plantations as detected in joint verification by audit. There were no parameters fixed for recording plantation growth and its survival rate so as to monitor the performance. The re-survey by GPS instituted in 2007-08 had revealed many cases of over-statement and overlapping of plantation area.

3.1.14 Monitoring and Evaluation

Monitoring and evaluation provides means of corrective measures on deviations and deficiencies in implementation of various development activities and data for future planning. It was, however, seen that the monitoring mechanism was deficient in the Department leading to slow progress of works, funds lying unutilised at the implementing levels, discrepant planting activity and non-monitoring of survival rate of plantations etc. Database on forestry and wildlife was not yet introduced in the Department. No record of constitution of monitoring committees was available in any of the six test checked Divisions and consequently no monitoring and evaluation of the activities of these

Divisions was done during the entire period covered by audit. In respect of the Central Sector Schemes (NAP and JICA), contrary to the provision of engagement of independent agencies / consultants by the State Government for monitoring and evaluation of the projects within 12-24 months of sanction to ascertain the adequacy of people's participation, functioning of JFMCs and micro-planning exercise etc., no arrangement for monitoring and evaluation of the activities through independent agencies were made as of July 2011, even after lapse of more than four years of commencement of the project works in 2007-08.

The Department admitted (October 2011) the lapses in the prevailing monitoring system and stated that steps were being taken to ensure strengthening of the existing monitoring mechanism.

3.1.15 Conclusion

The reported achievement (98 per cent) of plantation *vis-à-vis* target was not consistent with the Forest Survey of India Report (2009) reflecting degradation and loss of 79 sq km of forest cover in the State in two years and also the actual performance in the two major Schemes (NAP and JICA) showing shortfall in plantation of 13,122 ha (35 per cent of the target) during the same period. The plantation activity was also deficient due to delay in sanction and release of funds, discrepancy detected in area of plantation, off season plantation, absence of scheduled post planting maintenance etc. JFMC being a central and integral part of all activities had not been extended to cover all panchayat areas which resulted in deprivation of benefits to the targeted communities. This was further compounded by the shortfall in preparation of micro-plans and annual working plans, unutilised funds lying with implementing officers, shortfall in producing planting materials and creation of plantations, inadequate entry point and income generating activities in the JFMCs. Approved action plan for 'Gregarious Flowering of Muli Bamboo' had not been achieved due to non-release of State Government's share as per approved funding pattern. Expenditure of ₹ 7.52 crore on cultivation of Tree Borne Oil Seeds (*Jatropha*) proved infructuous due to commencement of the project without proper survey and adequate planning. Lack of procurement and marketing facilities resulted in wastages of potential oil seeds valuing ₹ 7.56 crore. Compensatory Afforestation on 1,459 ha (out of the stipulated 1,539 ha) against diversion of forest land during 2006-11 was yet to be taken up. Shortfall of staff in vital areas of planning, supervision and execution were a major hurdle in the functioning of the Department affecting implementation and monitoring of various activities.

3.1.16 Recommendations

The Department may examine and consider the following:

- the Department's Annual Plan should include verifiable quantitative targets in terms of new plantations, survival rates and extent of forest cover;
- timely release of funds to ensure plantation work during the season and also to avoid the rush of expenditure towards the end of the year;
- significant amount of cash were lying unutilised with the JFMCs and FDAs under NAP and JICA, which should be put to fruitful use at the earliest;
- micro level planning, work plans, functioning of JFMCs needs to be improved;
- compensatory afforestation needs to be completed at the earliest. Unauthorised use of forest land needs to be regularised at the earliest;
- depletion of forests noted in satellite survey, and shortages in plantations noted in GPS survey needs to be addressed. The monitoring of survival of plantation is essential to ensure successful plantation; and
- resource allocation to be addressed, internal control mechanism to be improved and Internal Audit Wing to be set up.