

सत्यमेव जयते

**Report of the
Comptroller and Auditor General of India
for the year 2011-12**



**GOVERNMENT OF TRIPURA
Report No.1 of 2013**

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PREFACE

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

The Report deals with the findings of performance reviews and audit of transactions in various departments under Social, Economic, Revenue and General Sectors including audit of autonomous bodies and local bodies.

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

The cases mentioned in the Report are among those which came to notice in the course of test-audit of accounts during the year 2011-12 as well as those, which had come to notice in earlier years but could not be dealt with in previous Audit Reports; matters relating to the period subsequent to 2011-12 have also been included, wherever necessary.

Audit observations on matters arising from the examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2012 are included in a separate Report on State Finances.

The audits have been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

Executive Summary

This Audit Report has been prepared in six chapters. Chapters I to V deal with Social, Economic, Economic (Public Sector Undertakings), Revenue and General Sectors and Chapter VI deals with Follow up of Audit observations.

This Report contains 24 audit paragraphs (including 11 general paragraphs and one long paragraph on Utilisation of Edusat network), 3 Performance Audit and an Integrated Audit of the Education (Social Welfare and Social Education) Department. According to the existing arrangements, copies of the draft paragraphs and draft performance audit were sent to the Secretary of the Departments concerned with a request to furnish replies within six week. However, in respect of one Performance Audit and seven Audit Paragraphs included in the Report, no replies were received till the time of finalisation of the Report (February 2013). A synopsis of the important findings contained in the Report is presented below:

SOCIAL SECTOR

PERFORMANCE AUDITS

Integrated Audit of the Education (Social Welfare & Social Education) Department

The short release of funds against the approved planned budget provision and non-utilisation of even the available funds had adversely affected implementation of programme/schemes. Indiscriminate setting up of Anganwadi Centres without following the prescribed norm resulted in extra avoidable liability for payment of honorarium to the assigned staff, while essential facilities for drinking water, toilets, kitchen sheds and other minimum infrastructural needs in the AWCs remained neglected. The Department did not have proper control over construction of Anganwadi Centres which appeared to be either incomplete or not taken up at all in case of 1,367 buildings even after a lapse of more than two to six years since sanction and release of funds to the implementing agencies. The objective of all-round development of children through delivery of services in the area of pre-school education, immunisation, health check up and referral services etc. largely remained unachieved due to poor attendance coupled with inadequate convergence mechanism being arranged with the Health Department to carry out the activities in the AWCs. Failure to evolve a proper mechanism to ensure legitimacy of the beneficiaries before sanction of pension under various welfare schemes compounded by the absence of periodical physical verification to ensure beneficiaries' existence resulted in payment of benefits to dead, ineligible and non-existent persons. The annual target set for various training courses were immensely low considering the huge requirement, leading to a large number of field level and supervisory staff remaining untrained. Monitoring and evaluation mechanism was non-existent in the Department.

(Paragraph 1.3)

Performance Audit on “Mahatma Gandhi National Rural Employment Guarantee Scheme”

Performance audit of MGNREGS implementation revealed that all the required structural mechanism for operation of the Scheme was put in place, except the State Employment Guarantee Fund, which was operationalised only during 2012-13. The works were executed based on Annual plans only as no District Perspective Plans were finalised. The State provided employment to almost all those who reportedly demanded employment. However, the demand was not recorded and hence the fact of provision of employment to all those who demanded employment could not be vouched. 1.44 lakh households received employment beyond 100 days but the additional cost of ₹ 10.22 crore was met from the Central share instead of being borne by the State. There was short-payment of minimum wages by ₹ 34.50 lakh. In six Blocks 41 *per cent* block level works did not employ any NREGA labour against the letter and spirit of the Act and therefore, did not constitute NREGA works. Funds of ₹ 16.60 crore was diverted for the works covered under IAY Scheme and ₹ 5.27 crore was spent for the purposes covered under other infrastructural development schemes. *Kuchcha* road with no all weather access were constructed at a cost of ₹ 5.29 crore. 26 works costing ₹ 1.88 crore remained incomplete for periods ranging from one to four years. The funds utilisation under the Scheme was good ranging from 93.74 *per cent* to 98.85 *per cent*. The State short-provided its share by ₹ 133.09 crore due to adoption of incorrect formula by not considering 6 *per cent* administrative cost. The delay in release of State share ranged from 100 to 263 days in 20 out of 78 installments, whereas in some cases, it was provided in advance as well. Maintenance of subsidiary records needs improvement. MIS contains material errors and hence, it was not reliable. Various good practices such as Banking Correspondent Model for payment of wages, use of software for preparation of estimates, payments after check by Vigilance Committee, etc. were observed during Audit.

(Paragraph 1.4)

Transaction Audit Paragraphs

Utilisation of Edusat Network

The Edusat Network valued ₹ 3.18 crore (including cost of equipment etc. valued ₹.2.27¹ crore provided free of cost by the ISRO and ₹ 0.91 crore spent by the State Government) was plagued by under utilisation of network, non-fulfilment of objective, lack of monitoring, non-redressal of recommendations made by the ISRO and above all failure to safeguard the equipment of the network by the State Government. Further, the achievement of objectives of training to teachers and education to students through Edusat had not yielded the desired outcomes in the State.

¹ Cost of the hub, teaching end equipment, SIT equipment : ₹ 1.74 crore; cost of AMC: ₹ 0.18 crore; operational cost of hub: ₹ 0.25 crore; training for SIT operation: ₹ 0.02 crore; training on content generation: ₹ 0.08 crore

(Paragraph 1.5)

Splitting up of the construction works in groups, and spreading its award over 4-5 years caused significant delays in their completion. Further by taking up of fresh tasks planned at the post-execution stage coupled with non-taking over the Sub-Jail at Gandacherra even more than 22 months after completion of the originally assigned works the Sub-Jail could not be made useful and the total expenditure of ₹ 2.93 crore incurred thereon 22 to 73 months back remained unfruitful. Besides, starting of new Courts for the people was affected. The possibility of the vacant rooms getting deteriorated due to their prolonged disuse could not also be ruled out.

(Paragraph 1.6)

Tripura Building and Other Construction Workers' Welfare Board collected Cess and contribution amounting to ₹ 35.88 crore during 2007-08 to 2011-12 with the object of spending this fund amount towards social security of the workers. However, the Annual Budgets and action plan for providing benefits to the beneficiaries were not prepared. Consequently, only an amount of ₹ 23.72 lakh was spent towards the welfare activities during the above period leading to failure of the Board to achieve its object. Besides, unspent idle funds were kept by the Board in Savings Account instead of prudently investing the same in Fixed Deposits resulting in avoidable loss of interest of at least ₹ 2.77 crore, which could have been added to the Cess fund.

(Paragraph 1.7)

| |
|------------------------|
| ECONOMIC SECTOR |
|------------------------|

| |
|-------------------------------------|
| Transaction Audit Paragraphs |
|-------------------------------------|

Failure of the Public Works Department (Roads and Buildings) to take prudent, timely and effective action against the contractor for inordinate delay in execution of the construction works of the residential quarters for the 6th Battalion TSR through closure/rescission of the agreements for getting the works completed resulted in unfruitful expenditure of ₹ 79.17 lakh as it could not yield any benefit despite lapse of over nine years from the scheduled date (s) of completion.

(Paragraph 2.3)

In violation of the provisions of the manual seven package works were awarded to four private agencies by the Public Works Department (Roads and Buildings) allowing interest free mobilisation advances, which was beyond the scope of the MOUs signed, resulting in loss of interest to the tune of ₹ 2.46 crore. Besides, the works initiated earlier and due for completion were either lagging behind or were not completed in time defeating the very purpose of granting such advances.

(Paragraph 2.4)

Faulty planning in taking up execution of work without proper survey and ensuring availability of clear site by the Public Works Department (Water Resource) led to inevitable necessity for re-alignment of the canal track, which coupled with continued problem of land acquisition thereafter, resulted in delay in commencement of the work and the work remained incomplete for more than five years from the stipulated date of completion. Further, funds of ₹ 61.02 lakh invested on the incomplete work could not yield any benefit for the targeted groups of people.

(Paragraph 2.5)

Failure of the Public Works Department (Water Resource, Drinking Water and Sanitation) in assessing the actual requirement of store items and procurement thereof without keeping a special watch over slow moving items in contravention of the manualised provision and lack of co-ordination between the wings of the Department, resulted in accumulation of unutilised stock valued at ₹ 11.25 crore for the last 23 to 62 months, blocking up of public funds to that extent on idle stores, and also having the risk of deterioration due to prolonged storage.

(Paragraph 2.6)

ECONOMIC SECTOR (PUBLIC SECTOR UNDERTAKINGS)

PERFORMANCE AUDIT

Performance Audit of Power Transmission activities

The Tripura State Electricity Corporation Limited (Company) did not prepare any State Electricity Plan for development of transmission infrastructure in the State based on the National Electricity Plan. The Company prepared 11th Five Year Plan for 2007-12 for capacity addition of transmission infrastructure. The annual plans prepared by the Company on the basis of 11th Five Year Plan did not set targets in physical terms. The overall shortfall in achievement of physical targets set under 11th Five Year Plan (2007-12) for capacity addition of transmission lines and substations (132 KV and 66 KV) ranged from 33 to 94 *per cent*.

The execution of transmission projects by Company suffered with several deficiencies mainly relating to delays in completing the preparatory/pre-work award activities and deficiencies in realistic assessment of route length of lines. As a result, the execution of project suffered considerably on account of post award revisions in line lengths causing significant time and cost overrun.

The Company did not have any mechanism to ascertain segment-wise energy losses. Alternatively, combined transmission and distribution (T&D) loss data were being derived as a difference between the total energy put in the State Bus for sale and the net energy sold. A fixed percentage (six *per cent*) of the energy put in the State Bus was adopted by the Company as a normative transmission loss. As such, the actual transmission loss data could not be determined and analysed with reference to the norms fixed by the Central Electricity Authority.

The Grid Management system of Company was not satisfactory in the absence of adequate facilities for recording real time data in seven out of eight 66 KV substations. The functioning of the State Load Dispatch Centre (SLDC) was also not satisfactory in absence of proper maintenance of records and non-compliance with the mandatory provision of Grid Code Regulations issued by Tripura Electricity Regulatory Commission (TERC).

No Disaster Management programme was in place at the level of Sub-Stations, Extra High Tension Lines etc. thereby exposing the system against the risk of black out situations in case of major break down.

The energy accounting and audit system was non-existent in the Company. The Company did not maintain the details of the interface Boundary metering points. In the absence of these details feeder-wise percentage of energy loss could not be analysed.

No scientific system was in place for management of inventory. Monitoring mechanism of the Company was weak due to non-maintenance of necessary records on performance of the transmission system.

(Paragraph 3.2)

Transaction Audit Paragraphs

The Tripura Forest Development and Plantation Corporation Limited suffered a loss of ₹ 1.30 crore due to unjustified absorption of cost of packaging against supply of its product contrary to the product price criteria published by the Rubber Board.

(Paragraph 3.3)

Failure to take a firm decision by the Tripura State Electricity Corporation Limited at planning stage whether to go for construction of buildings in phases or in one go and subsequent delay in communicating the decision for discontinuance of the project to EPIL resulted in blocking of investment of ₹ one crore.

(Paragraph 3.4)

The Tripura State Electricity Corporation Limited incurred interest loss of ₹ 42.15 lakh on investment of surplus funds due to lack of coordination and control over the investments made by its Corporate Finance and Commercial & System Operation Wings.

(Paragraph 3.5)

REVENUE SECTOR

PERFORMANCE AUDIT

Computerisation of Transport Department in Tripura

The computerisation through 'VAHAN' and 'SARATHI' application software had been implemented in the Department between January 2004 and May 2006. But no inter-connectivity amongst the DTOs had been established. Thus, the intended objectives of computerisation of Transport Department could not be achieved in full. The details of offending vehicles could not be captured in the computer due to non-operation of the Enforcement module and therefore, the objective of the project remained unfulfilled. The existence of same engine/chassis number against more than one registration number and invalid data in mandatory fields made the database unreliable. Besides, there were cases of non-assignment of registration number to the vehicles transferred from other States. There were cases of non-renewal of registration/fitness certificates and non-realisation of road tax. Further, the enforcement module was also not established.

(Paragraph 4.2)

Transaction Audit Paragraphs

Concealment of turnover by the dealers and incorrect application of rates which escaped notice of the assessing authorities and erroneous computation of sales/purchase/opening stock, irregular adjustment of ITC by the assessing authorities resulted in short levy of tax of ₹ 43.54 lakh and leviable interest of ₹ 27.52 lakh and penalty of ₹ 16.19 lakh by the Finance (Excise & Taxation) Department.

(Paragraph 4.3)

Out of revenue of ₹ 10,50,461 collected by the Shibbari Beat Officer, Forest Department during 1 April 2007 to 8 September 2010, ₹ 5,48,573 was neither deposited into the Government Account nor was found lying in cash and was suspected to have been misappropriated.

(Paragraph 4.4)

GENERAL SECTOR

Transaction Audit Paragraphs

Administrative lapse by the Home (Police) Department in taking timely and proper follow up action culminated in non-availability of appropriate land for setting up the permanent Headquarters for the 8th Bn TSR at Lalcherra, and the Department's expenditure of ₹ 4.09 crore incurred two to nine years back for acquiring the required land from Forest Department and on construction of incomplete boundary wall in that area proved unfruitful.

(Paragraph 5.3)

CHAPTER I: SOCIAL SECTOR

1.1 Introduction

This Chapter of the Audit Report for the year ended 31 March 2012 deals with the findings on audit of the State Government units under Social Sector.

The names of the State Government departments and the total budget allocation and expenditure of the State Government under Social Sector during the year 2011-12 are given in the table below:

Table: 1.1

(₹ in crore)

| Name of the Departments | Total Budget Allocation | Expenditure |
|---|-------------------------|-----------------|
| Education (Higher) Department | 138.63 | 99.50 |
| Education (School) Department | 886.34 | 852.13 |
| Education (Social) Department | 282.66 | 235.58 |
| Education (Sports and Youth Programme) Department | 47.20 | 43.33 |
| Food, Civil Supplies and Consumer Affairs Department | 22.76 | 19.85 |
| Family Welfare and Preventive Medicine | 119.36 | 95.92 |
| Health Department | 131.50 | 135.26 |
| Labour Organisation | 3.84 | 4.76 |
| Panchayati Raj Department | 172.29 | 156.61 |
| Public Works (Drinking Water and Sanitation) Department | 79.12 | 68.78 |
| Relief and Rehabilitation Department | 25.42 | 25.35 |
| Rural Development Department | 112.42 | 111.05 |
| Tribal Welfare (Research) Department | 3.65 | 1.40 |
| Tribal Welfare Department | 1,148.42 | 841.65 |
| TRP and PGP Department | 11.85 | 9.54 |
| Urban Development Department | 124.98 | 126.71 |
| Welfare for SC and OBC Department | 553.73 | 355.95 |
| Welfare of Minorities Department | 8.90 | 8.43 |
| Total number of Departments = 18 | 3,873.07 | 3,191.80 |

Source: Appropriation Accounts – 2011-12.

Besides the above, the Central Government had transferred a sizeable amount of funds directly to the Implementing agencies under the Social Sector to different agencies in the State during the year 2011-12. The major transfers (₹ 5 crore and above) to the State Implementing Agencies for implementation of flagship programmes of the Central Government are detailed below:

Table: 1.2

Funds transferred to State Implementing Agencies during 2011-12 (₹ 5 crore and above)

(₹ in crore)

| Name of the Department | Name of the Scheme/ Programme | Implementing Agency | Amount of funds transferred during the year | Remarks |
|--|---|---|---|---|
| Education (School) | Sarva Shiksha Abhiyan (SSA) | SSA Rajya Mission, Tripura | 174.94 | Unspent balance as on 01-04-2011 was ₹ 53.92 crore. |
| Health | Hospitals and Dispensaries (under NRHM) | State Health and Family Welfare Society, Tripura | 6.50 | |
| | National Rural Health Mission (NRHM) Centrally Sponsored | State Health and Family Welfare Society, Tripura | 39.70 | |
| Public Works (Drinking Water and Sanitation) | National Rural Drinking Water Programme | SWSM, Tripura | 83.86 | |
| Rural Development | Mahatma Gandhi National Rural Employment Guarantee Scheme | District Rural Development Agencies (DRDA), Tripura | 959.33 | Funds transferred to 4 DRDAs in Tripura. |
| | Rural Housing – IAY | DRDAs | 115.31 | -do- |
| | Pradhan Mantri Gram Sadak Yojana (PMGSY) | Tripura Rural Roads Development Agency, District West Tripura | 234.79 | |
| Total: | | | 1,614.43 | |

Source: 'Central Plan Scheme Monitoring System' portal in Controller General of Accounts' website

1.2 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls, etc.

The audits were conducted during 2011-12 involving test-check of an expenditure of ₹ 2,810.19 crore (including expenditure pertaining to previous years audited during the year) of the State Government under Social Sector. This Sector contains one

“Performance Audit on ‘Mahatma Gandhi National Rural Employment Guarantee Scheme’, one Integrated Audit of the Education (Social Welfare and Social Education) Department’, thematic audit paragraph on ‘Utilisation of Edusat Network’ of the Education (School) Department and two Transaction Audit Paragraphs.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the departments. The departments are requested to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State under Article 151 of the Constitution of India for being laid in the State Legislature.

The major observations detected in audit during the year 2011-12 are as detailed in the succeeding paragraphs:

EDUCATION (SOCIAL WELFARE & SOCIAL EDUCATION) DEPARTMENT

1.3 INTEGRATED AUDIT OF THE EDUCATION (SOCIAL WELFARE & SOCIAL EDUCATION) DEPARTMENT

The Social Welfare and Social Education Department is responsible for implementation of various welfare schemes especially those relating to women, children, old age persons, persons with disability and also work for social justice and empowerment of the weaker sections of the society. The Performance Audit covered the period from 2007 to 2012 with the objective of assessing the level of economy, efficiency and effectiveness of significant activities keeping in view its mandate. The study revealed deficiencies in overall financial management in the Department. Integrated Child Development Service, a major activity of the Department suffered from shortage of basic facilities. The control mechanism of National Old Age Pension was weak leading to payment of pension to non-existent pensioners. The Department also suffered from manpower shortage in key functional areas. The major Audit findings are detailed below:

Highlights

Adequate survey was not conducted for identification of beneficiaries at the grass root level for inclusion under different plan schemes which form the basis for preparation of annual plans. The Department also did not prepare any perspective plan targeting long term goals.

(Paragraph 1.3.7)

Funds released by GOI were not allocated by the State Government to the Department in full and in time. Again, even the reduced funds allocated could not be utilised by the Department.

(Paragraph 1.3.8.2)

31 per cent of Anganwadi Centres (AWCs) reported non availability of drinking water facility, 49 per cent did not have toilet facility in the AWCs and 54 per cent were without kitchen shed despite the fact that cooking of meal in AWCs for providing hot cooked meal to the children and mothers was one of the prime activities under ICDS.

{Paragraph 1.3.9.1(c)}

Joint inspection of 116 AWCs disclosed that the number of children present for Pre-School Education were only 34 per cent of the enrolled numbers indicating poor performance in this area.

{Paragraph 1.3.9.1 (f)}

21,288 beneficiaries under the National Old Age Pension Scheme, with an annual pension liability of ₹ 21.05 crore, were found dead, ineligible or non-existent. No action was taken to stop payment of pension in respect of dead, ineligible or non-existent pensioners as ascertained and reported by the CDPOs.

{Para 1.3.9.3 (a)}

Out of 1,376 posts sanctioned under 33 categories, there was a shortfall of 451 (33 per cent) in 21 categories. Acute shortages (37 per cent) were noticed in the grade of Supervisors, who are in fact the key functionaries in the running of AWCs through their constant supervision, support and guidance to the AWWs.

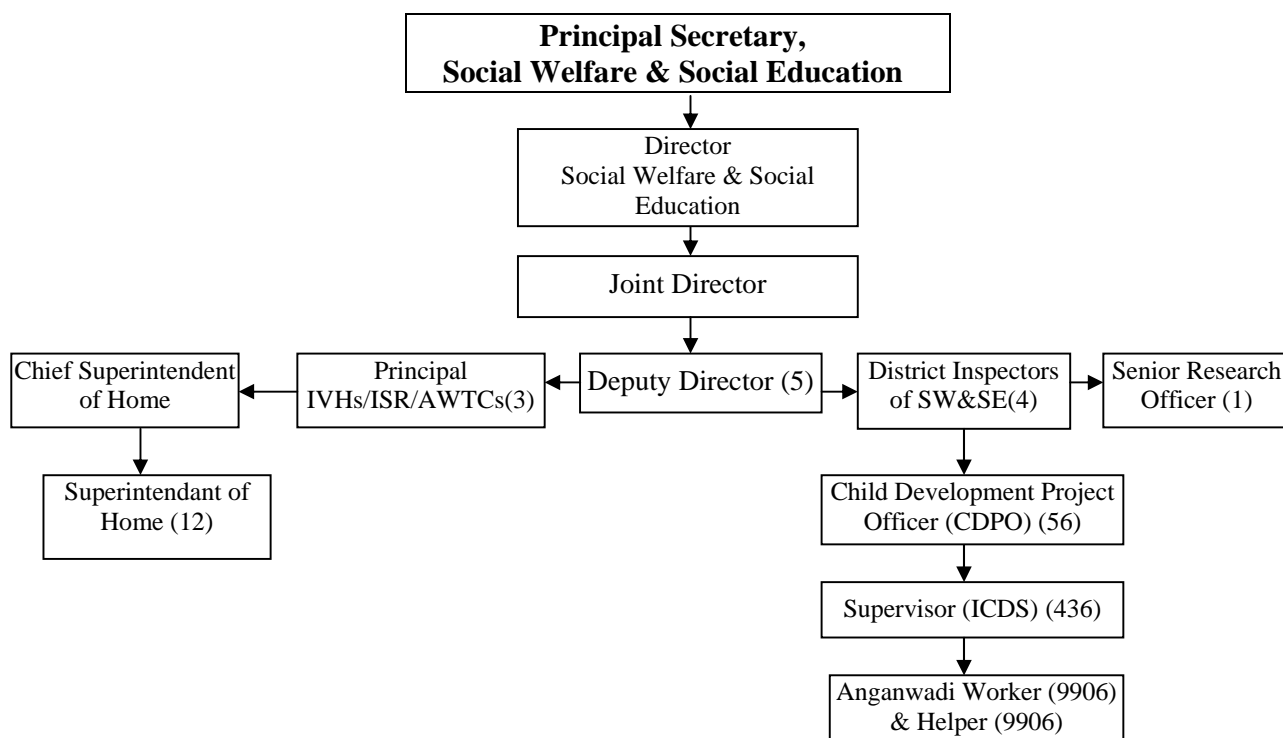
(Para 1.3.10.1)

1.3.1 Introduction:

Amongst the priorities of national development, commitment towards welfare of the under-privileged, backward and vulnerable sections of the society is an indispensable element. The Education (Social Welfare and Social Education) Department is the nodal authority in the State for implementation of different social welfare schemes, aimed at improving the nutritional and health standard of infants; capacity building of the pregnant and nursing mothers; providing security and welfare to women, old and disabled and other distressed persons. The focal point of delivery of all these services at the community level is the Anganwadi, set up in villages under the Block Level Child Development Projects.

1.3.2 Organisational Set-up:

At the Government level, the Principal Secretary of the Social Welfare and Social Education Department (SW&SE) is the administrative head. The Director, SW&SE is responsible for the implementation of the various Central and State welfare schemes through a network of 56 Integrated Child Development Projects all over the State. The organisational structure of the Department is given below:



1.3.3 Scope of Audit

The functioning of the Department for the period 2007-12 was reviewed through a test-check of records of the selected units in two districts (West Tripura and Dhalai) out of erstwhile four districts during July-September 2012. The units selected through Probability Proportionate to Size Without Replacement (PPSWR) method of sampling are the Director, Social Welfare and Social Education, two District Inspectors of Social Welfare and Social Education (West Tripura and Dhalai) out of four, 10 Child Development Project Officers (CDPOs) out of 56 (seven¹ in West Tripura out of 22 and three² in Dhalai out of six), one Anganwadi Workers Training Centre³ out of five, one Institute of Speech Rehabilitation⁴, one Protective Home for women⁵, one Institute of Visually Handicapped⁶ and two District Disability Rehabilitation Centres⁷ out of four in the State (one in each two selected districts). There are twenty two Central and State schemes being operated in the State of which eight major schemes which covered 88 *per cent* of the expenditure by the Department on Central and State Plan welfare activities during the period covered in audit were selected for audit scrutiny. Joint

¹ Urban, Mandai, Khowai, Kalyanpur, Kathalia, Teliamura and Hezamara.

² Ambassa, Manu and Salema.

³ Anganwadi Training Centre at Narsingarh, West District

⁴ Institute of Speech Rehabilitation, Abhoynagar in West Tripura district

⁵ Protective Home at Taranagar

⁶ Institute of Visually Handicapped Boys, Narsingarh

⁷ DDRC, Agartala (West District) & Ambassa (Dhalai District).

physical verification was also conducted in 116 Anganwadi Centres out of 9,906 in the State to assess their physical and performance status.

1.3.4 Audit Objectives

The audit of the Department was carried out with the objective of assessing whether there exists in the Department:

- efficient financial administration with reference to allocated priorities and optimum utilisation of resources;
- effective programme management in terms of delivery of goals of the schemes/programmes;
- efficient management of human resources in terms of recruitment, deployment and training of personnel for skill upgradation; and
- adequate supervision and monitoring.

1.3.5 Audit criteria

Following were the sources of criteria adopted for the audit:

- Budget documents , annual action plans;
- Guidelines issued for implementation of State and Centrally sponsored schemes;
- Departmental policies/rules and regulations; and
- Procedures prescribed for monitoring, evaluation, internal control and audit.

1.3.6 Audit Methodology

The Performance Audit commenced with an entry conference held on 29 August 2012 with the Principal Secretary, Social Welfare and Social Education Department during which audit objectives, audit criteria, scope of audit and methodology were discussed and agreed upon. The records relating to implementation of selected schemes were examined in the Directorate as well as in the field offices, Anganwadi Centres etc. selected for audit. Audit methodology also included issue of questionnaires, Audit Memos, interactions with the field functionaries, joint physical inspections of service delivery units as well as obtaining photographic evidence.

An Exit Conference was held with the Principal Secretary, Social Welfare and Social Education Department on 1 April 2013, where audit findings and recommendations were discussed. The views expressed in the exit conference and the departmental replies were suitably incorporated in the review.

1.3.7 Planning

The detailed annual budget for State Plan and Non-plan expenditure was prepared within the ceiling limits prescribed by the Finance Department, while in respect of Centrally Sponsored Schemes (CSS); the basis was anticipated receipts and expenditure during the year. With a view to enabling State Government to provide adequate budget grants

annually for implementation of various State and Centrally Sponsored Schemes, identification of beneficiaries at grass root level forms the basis for preparation of annual action plans and the most crucial pre-requisite for successful implementation of any scheme. The Department did not prepare any perspective plan targeting long term goals. Further, though Annual plans were drawn up every year there was no records available in the field offices or at the Directorate to substantiate that adequate survey was conducted for identification of beneficiaries at the grass root level for inclusion under different schemes.

1.3.8 Financial Management

The Department receives funds through budgetary allocation for the State under three grants⁸ for implementation of various welfare schemes sponsored by the Central and State Governments.

1.3.8.1 Budgetary outlay & expenditure

The year-wise budgetary allocation of funds and expenditure incurred by the Department during 2007-12, were as under:

Table 1.3.1

(₹ in crore)

| Year | Budget Provision | | | Expenditure | | | Excess(+) Savings(-) (Plan) | Excess(+) Savings(-) (Non-Plan) |
|---------|------------------|----------|--------|-------------|----------|-------------|-----------------------------|---------------------------------|
| | Plan | Non-Plan | Total | Plan | Non-Plan | Total | | |
| 2007-08 | 137.61 | 38.24 | 175.85 | 120.23 | 35.44 | 155.67 (89) | (-) 17.38 (13) | (-) 2.80 (7) |
| 2008-09 | 175.25 | 39.00 | 214.25 | 158.21 | 37.54 | 195.75 (91) | (-) 17.04 (10) | (-) 1.46 (4) |
| 2009-10 | 272.56 | 56.25 | 328.81 | 185.54 | 52.11 | 237.65 (72) | (-) 87.02 (32) | (-) 4.14 (7) |
| 2010-11 | 299.44 | 48.05 | 347.49 | 242.60 | 51.52 | 294.12 (85) | (-) 56.84 (19) | (+) 3.47 (7) |
| 2011-12 | 350.73 | 50.34 | 401.07 | 294.60 | 47.86 | 342.46 (85) | (-) 56.13 (16) | (-) 2.48 (5) |

Source: Voucher Level Computerisation (VLC) figures, maintained by the AG (A&E).

It was noticed that there were persistent savings under both the Plan and Non-Plan provision taken together during 2007-12, which ranged between 9 and 28 per cent. Savings under Plan provision increased threefold (32 per cent) in 2009-10 over previous year (10 per cent), which was, however, showing a declining trend from 2010-11. Huge savings in Plan provision (between 10 and 32 per cent) was indicative of poor budgeting and slow progress of implementation of the plan schemes.

1.3.8.2 Fund allocation & expenditure under CSS

Fund allocation and expenditure under Centrally Sponsored Schemes (CSS) during last five years are shown below:

⁸ Grant No 19, 20 and 41.

Table 1.3.2

(₹ in crore)

| Year | Allocation of funds | | | Total funds available | Expenditure | Unutilised balance | | |
|---------|---------------------|------------------------------|-------------|-----------------------|-------------|---------------------------|----------------|-----------------------|
| | Released by GOI | Released by State Government | | | | With the State Government | With the Dept. | Total with percentage |
| | | GOI share | State share | | | | | |
| 2007-08 | 68.72 | 93.51* | 7.60 | 101.11 | 90.15 | 19.42 | 10.96 | 30.38 (30) |
| 2008-09 | 72.44 | 101.46 | 12.00 | 113.46 | 107.73 | 1.37 | 5.73 | 7.10 (6) |
| 2009-10 | 153.90 | 110.08 | 4.24 | 114.32 | 113.88 | 50.92 | 0.44 | 51.36 (45) |
| 2010-11 | 163.21 | 173.11 | 1.84 | 174.95 | 167.89 | 41.46 | 7.06 | 48.52 (28) |
| 2011-12 | 178.98 | 210.69 | 6.88 | 217.57 | 204.83 | 16.81 | 12.74 | 29.55 (14) |

Source: Furnished by the Department. * Including previous year's balance (₹ 44.21 crore) released during the year.

The table above shows that although the funds released by GOI under CSS was not allocated by the State Government in full, the Department failed to utilise even the reduced funds so allocated annually necessitating revalidation of unspent funds in subsequent years (unutilised funds ranged between 6 and 45 per cent). This indicated capacity constraint of the Department to absorb available resources resulting in tardy progress of programme implementation, as discussed in the subsequent paragraphs.

Government stated (March 2013) that funds remained un-utilised due to late release by the Government as well as non-utilisation by the Implementing Agencies.

1.3.8.3 Retention of funds and Incorrect Reporting of Expenditure

The closing balance at the end of the last four consecutive years (2008-12) at the Directorate alone ranged between ₹ 3.98 crore (2008-09) and ₹ 13.04 crore (2011-12). Out of ₹ 13.04 crore, ₹ 56.85 lakh was lying in cash for more than a year since drawal from treasury.

Similarly, cash analysis at the end of 2011-12 in respect of 10 CDPOs (West:7 and Dhalai:3) revealed that ₹ 13.48 crore pertaining to various Central Sector Schemes drawn from treasury remained unutilised at the end of the year and was kept in the bank Current Deposit (CD) accounts of those DDOs. This was due to drawal of funds without proper assessment of actual requirement only to avoid lapse of budget grants.

It was also found that CSS funds (₹ 6.69 crore) involving various welfare schemes had been retained in CD accounts of seven⁹ CDPOs (out of the 10 test-checked) at the end of March 2012, although UCs were furnished to GOI during 2011-12.

⁹ CDPO Urban: ₹ 1.55 crore, CDPO Salema: ₹ 2.05 crore, CDPO Manu: ₹ 0.09 crore, CDPO Ambassa: ₹ 1.08 crore, CDPO Kalyanpur: ₹ 0.37 crore, CDPO Khowai: ₹ 0.62 crore and CDPO Kathalia: ₹ 0.93 crore.

1.3.8.4 Irregular drawal of funds

Two CDPOs drew ₹ 1.24 crore in March 2010 as the cost of 1,83,548 kg Masoor Dal (lentil) (Urban:56,523 kg and Salema: 1,27,025 kg), and three¹⁰ CDPOs drew ₹ 1.66 crore in February-March 2012 against 14 bills as the cost of 2,76,000 kg Masoor Dal under Supplementary Nutrition Programme (SNP). The bills were presented to treasury duly certified as materials received in full. The stock register, however, disclosed that only 17,000 kg dal was actually purchased and received (March 2012) in the store in two CDPOs (Ambassa: 7,000 kg & Salema: 10,000 kg), while CDPO, Urban had not effected any real purchase during the respective years. In the first instance the amounts were credited to the DDOs interest free Bank (CD) account and disbursements were made from time to time against purchases effected over a period of next two years (2010-12). This implied that the funds were drawn from the treasury through FVC bills supported by fake vouchers and false stock receipt certificates without effecting actual purchase. Thus, with a view to avoid lapse of funds, ₹ 2.82 crore (1.24 + 1.58) was fraudulently drawn in FVC bills without incurring actual expenditure and kept in CD account for future requirements.

Government stated (March 2013) that with a view to avoid disruption of nutritional programme, extra funds were allotted to CDPOs for advance procurement of dal, which they could not utilise on account of lack of storage facilities and therefore, drew the funds to avoid lapse of the funds. Government also stated that steps were being taken to improve the infrastructure deficiency in the CDPO offices so that such fraudulent draws does not recur in future. But the fact remains that the actual requirement, storage infrastructure etc. should have been taken into consideration before allocation of funds.

1.3.8.5 Parking of funds

For setting up five (one State level and four District level) Bal Bhavans in the State the Department sought (March 2009) financial assistance of ₹ 57.50 lakh (₹ 10 lakh each for specific science and creative activities and ₹ 2.50 lakh as contingency) from the GOI. Accordingly, National Bal Bhavan, an autonomous organisation under the Ministry of Human Resource Development, GOI released (May 2009) a grant of ₹ 10 lakh to be utilised during 2009-10 for purchase of specified science and literary activity related materials for the proposed State Bal Bhavan.

Scrutiny disclosed that as of September 2012, State Government failed to set up the proposed Bal Bhavan either at the State level or at the District level without any recorded reason. Meanwhile, failing to utilise the grants for more than two years, SW&SE Department diverted (October 2011) ₹ 7.00 lakh towards purchase of materials relating to science and literary activities to various Homes and Institutes (Visually Handicapped/

¹⁰ CDPO Urban: 72,000 kg (₹ 39.74 lakh); CDPO, Ambassa: 89,000 kg (₹ 56.94 lakh) & CDPO Salema: 1,15,000 kg (₹ 69.00 lakh).

Speech Rehabilitation and others) run by it, which should normally be a liability of the State Government, while the remaining ₹ 3.00 lakh was lying idle with the Department.

1.3.9 Programme Implementation

The welfare activities in the State are carried out through Centrally Sponsored Schemes (CSS) and State Plan Schemes. The field level implementation was carried out by the Block level Integrated Child Development Projects (56) headed by Child Development Project Officers (CDPOs) through a network of 9,906 Anganwadi Centres set up at the village level. The major social welfare schemes operational in the State are Integrated Child Development Services (ICDS), National Social Assistance Programme (NSAP), Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (RGSEAG), Indira Gandhi Matritva Sahayug Yojana (IGMSY) and Welfare of Persons With Disability (PWD) etc. in the Central Sector, while Indira Gandhi National Old Age Pension (IGNOAP both Central and State) and the Tripura Scheme for Incentive to Girl Child (State plan) were the major schemes implemented by the Department. The results of audit scrutiny, on test basis, on the implementation of the above schemes are discussed in subsequent paragraphs:

1.3.9.1 Integrated Child Development Services

Integrated Child Development Services (ICDS) Programme launched in 1975-76 by the Government of India for early childhood development offers a package of health, nutrition and pre-school education services to children below six years of age as well as pregnant and nursing mothers to fulfill a multitude of objectives which *inter alia* include laying a proper foundation for all-round development of children, improving their nutritional and health status, reducing the mortality, morbidity, malnutrition, school dropout rates and also enhancing the capacity of mothers to look after the normal health and nutritional needs of their children.

These objectives are sought to be achieved through a package of six services comprising (i) supplementary nutrition, (ii) immunisation, (iii) health check up, (iv) referral services, (v) pre-school education and (vi) nutrition and health education. The focal point of delivery of these services at the community level is the Anganwadi, set up in villages throughout the State under the control and supervision of the block level Child Development Projects.

(a) Funding pattern:

ICDS is a Centrally Sponsored Scheme implemented through the State Government with 100 *per cent* central assistance, except nutrition component (50:50 between Central and State). This was revised to 90:10 between the Centre and North-Eastern States for all components¹¹ of ICDS *w.e.f* 2009-10. During 2007-12, ₹ 376.27 crore (GOI: ₹ 346.91

¹¹ ICDS (General), ICDS (Supplementary Nutrition Programme) & Training except AWC building construction.

crore and State: ₹ 29.36 crore) was received under different components of the scheme, against which an expenditure of ₹ 372.44 crore was incurred by the Department.

(b) Injudicious setting up of Anganwadi Centres




The Department had set up 9,906 Anganwadi Centres (AWCs) throughout the State as of 2011-12. As per GOI guideline, AWC shall be set up with a minimum population of 400 and up to 800 in the rural/urban area and in the tribal/hilly areas, the minimum being 300. Scrutiny revealed that of the total 9906 AWCs available in the State 5,078 AWCs were set up in the urban/rural areas, of which 2,173 AWCs did not fulfill even the minimum population (400) criteria. Similarly, 2,720 AWCs (out of 4828) had been set up in the tribal areas with population less than the prescribed minimum of 300 (**Appendix 1.1**). As a result, the intake capacity of these AWCs set up in split up habitations remained grossly underutilised due to insufficient availability of the targeted beneficiaries. Of the 116 AWCs inspected during audit, eight were found closed and attendance was zero in five AWCs, 1-10 *per cent* in 12, 11-20 *per cent* in 16, 21-30 *per cent* in 23, 31-40 *per cent* in 17 and 41-50 *per cent* in 17 AWCs, while attendance more than 50 *per cent* was registered only in 18 AWCs. Thus, operation of AWCs below the minimum laid down population norm and without having sufficient number of beneficiaries resulted in extra avoidable liability on payment of honorarium to the Anganwadi Workers (AWWs) and the Anganwadi Helpers (AWHs) engaged therein besides other administrative expenses. The implementation policy, however, lacked consistency as it was noticed that 176 habitations having population more than the required minimum remained uncovered as of March 2012.

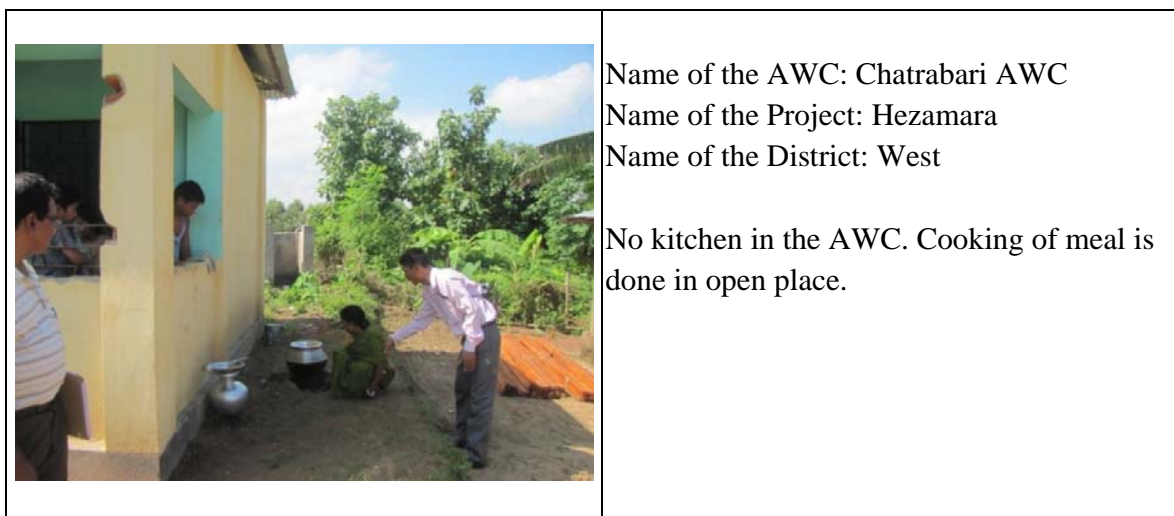
In the exit conference, the Principal Secretary stated (April 2013) that most of the hamlets in the interior comprises of lesser population than the minimum prescribed in the norms. The AWCs therefore, had to be set up to cover such hamlets. But the fact remains that AWCs were set up in habitations having population below the minimum required as per norm while habitations having population more than the required minimum remained un-covered.

(c) Facilities available in AWCs

The latest monthly report (May 2012) on availability of basic facilities in the AWCs like drinking water, toilets, kitchen sheds etc. showed a dismal status. A few instances are as under:

- (i) 3,094 AWCs (31 *per cent*) of the total 9,906 AWCs reported non-availability of drinking water facilities, while the existing water sources in 808 AWCs were non-functional.

| | |
|--|--|
| <p>Name of the AWC: Hospital Para Name of the Project: Manu Name of the District: Dhalai</p> <p>The existing two tube wells in the AWC are non-functional since long. The AWC does not have any alternate source of water now.</p> |  |
|  | <p>Name of the AWC: West Masli Garubasti Name of the Project: Manu Name of the District: Dhalai</p> <p>No source of drinking water is available in the AWC. Rain water is collected and stored in a bamboo structure wrapped with polythene for day to day use in the AWC.</p> |
| <p>Name of the AWC : Mohansardar Para AWC. Name of the Project: Hezamara. Name of the District: West.</p> <p>The AWC does not have kitchen. The meal for the children is cooked in the open without regard to hygiene.</p> |  |



Name of the AWC: Chatrabari AWC
 Name of the Project: Hezamara
 Name of the District: West

No kitchen in the AWC. Cooking of meal is done in open place.

- (ii) 4,907 AWCs (49 per cent) do not have toilet facilities at all, while the available facilities in 911 AWCs were not usable.
- (iii) 5,309 AWCs (54 per cent) do not have kitchen shed despite the fact that cooking of meal in AWCs for providing hot cooked meal to the children and mothers is one of the key activities under ICDS Programme.

Non-availability of these vital facilities adversely affected the goal of healthy and hygienic upbringing of the targeted children in the AWCs.

In the exit conference, the Principal Secretary stated (April 2013) that efforts had been taken to augment the basic facilities in the AWCs in convergence with other Schemes/Departments which had resulted in increase in the facilities in the AWCs.

(d) Supplementary Nutrition Programme

One of the main components of ICDS is to supplement the intake of nutrition of children below six years and pregnant/lactating mothers through providing Hot Cooked Meal (HCM) at the AWCs. The funds position and expenditure *vis-à-vis* physical achievement for last five years is given below:

Table 1.3.3

(₹ in crore)

| Year | Funds received | Expenditure | Unspent | Beneficiaries (Number in lakh) | | | | Shortfall (Percentage) | |
|---------|----------------|-------------|---------|--------------------------------|----------|----------|----------|------------------------|----|
| | | | | Children | | Mother | | | |
| | | | | Enrolled | Provided | Enrolled | Provided | | |
| 2007-08 | 15.19 | 14.87 | 0.32 | 3.67 | 2.72 | 1.46 | 0.57 | 26 | 61 |
| 2008-09 | 19.66 | 19.06 | 0.60 | 3.50 | 2.55 | 0.90 | 0.64 | 27 | 29 |
| 2009-10 | 36.33 | 36.13 | 0.20 | 3.45 | 2.48 | 1.08 | 0.68 | 28 | 37 |
| 2010-11 | 42.13 | 40.01 | 2.12 | 3.76 | 2.96 | 1.06 | 0.85 | 21 | 20 |
| 2011-12 | 71.97 | 71.94 | 0.30 | 3.76 | 2.98 | 0.98 | 0.80 | 21 | 19 |

Source: Departmental records.

The above table shows that a significant number of enrolled beneficiaries (children: 21-28 *per cent* and mother: 19-61 *per cent*) had not been provided with the benefits of supplementary nutrition. The Department did not take any steps to ascertain the reasons for the shortfall and take corrective measures in this regard.

Test-check of selected CDPOs revealed that supplementary nutrition was not provided for 3,779 days in patches in 154 AWCs during 2007-12 due to shortage of SNP materials in the AWCs; although adequate stocks were available in the central stores of the respective projects which could have been provided to AWCs. This shows lack of coordination between the service providers in the AWCs and the central stores.

Government stated (March 2013) that steps are being taken to extend nutritional coverage with the introduction of "Take Home Ration" for infants and mothers. Besides, the PRI bodies and the District & Block administration had been actively involved to work for increased attendance of beneficiaries in the AWCs. The Department, however, conveyed its ignorance of the frequent disruption of SNP in the AWCs due to shortage of material although these facts had been on record in the AWCs concerned and were further confirmed in writing by the Anganwadi Workers in the test-checked AWCs. Lack of this vital information at the Controlling Officer's level indicated deficiencies in the coordination and monitoring mechanism which existed in the Department.

(e) Excess expenditure on procurement of SNP materials

Of the two prime components (rice and dal) of Supplementary Nutrition Programme (SNP), rice is being arranged centrally by the Department from FCI for distribution to the AWCs through the respective ICDS projects, while CDPOs are permitted to procure dal from the open market. In view of the widely divergent rates from project to project State Government prescribed (August 2008) the following procedure for procurement of Masur Dal by the CDPOs:

- (i) to invite open tenders for supply of dal for a period of 3-6 months,
- (ii) to finalise the rate within the ceiling limits of prevailing rates issued by the Sub-Divisional Officers (Food & Civil Supplies) on the day of closing of tender.

Scrutiny revealed that the CDPOs effected purchases of the dal from a single source (one particular co-operative society at the local station) at their offered price plus service charge @ 5 *per cent* without following due purchase procedure prescribed by the Government.

Test-check further revealed that there was no uniformity in rates which varied significantly from project to project during the same period of supplies, as shown below:

Table 1.3.4

| Year | Number of Projects | Quantity purchased (in kgs) | Cost per kg (excluding service charge) (in ₹) | | Extra expenditure on purchase above the lowest price (in ₹) |
|---------|--------------------|-----------------------------|---|---------|---|
| | | | Lowest | Highest | |
| 2007-08 | 5 | 1,94,801 | 36.00 | 42.50 | 9,70,008 |
| 2008-09 | 6 | 2,83,098 | 42.30 | 66.80 | 53,98,452 |
| 2009-10 | 8 | 5,97,661 | 44.15 | 66.80 | 1,09,35,766 |
| 2010-11 | 7 | 4,38,416 | 45.20 | 59.00 | 33,46,721 |

| | | | | | |
|---------------|---|----------|-------|-------|--------------------|
| 2011-12 | 9 | 7,44,068 | 48.40 | 60.00 | 65,65,297 |
| Total: | | | | | 2,72,16,244 |

Source: Departmental records.

Thus, procurement of dal locally by the CDPOs from one particular agency for years together without observing the prescribed purchase procedure to arrive at the most competitive rates resulted in excess expenditure of ₹ 2.72 crore (calculated on the quantity purchased above the lowest price available in the State in the relevant year) during the five years (2007-12). The table above reflects position of only a few test-checked units implying that if all the units (56 in the State) procuring dal for SNP is taken into account the extent of such excess expenditure would be substantially higher.

Government stated (March 2013) that the rate of dal differs from project to project as the (i) prevailing rates differ from one Sub-Division to other, (ii) finalization of tender by projects on different dates resulted in variation of price as the rate fluctuates on a daily basis, and (iii) the projects purchasing different brands having varied rates. The Department also stated that in order to avoid constraints in tendering and to ensure smooth procurement it was decided (September 2012) by the Government that CDPOs shall procure dal from nearest Co-operative Society/Lamps/Packs etc. without subjecting the purchases to tender. The reply is not tenable as the stated factors contributing different rates in different Projects made it imperative that in order to effect economy in Government purchases and to ensure uninterrupted supplies of uniform best quality/brand dal the Department should have arranged for central procurement for the whole State with a dedicated distribution system. In this connection, it may be pointed out that while rice, one of the component of SNP, having three times larger volume than dal (proportionate mixture of rice and dal for SNP is 3:1) was arranged centrally and despatched to the ultimate service provider by the Department, there should not be any difficulty in the case of dal. In the process Government would have achieved economy, quality and ensured uninterrupted supply. The argument that in order to avoid disruption of SNP due to non-supply of dal, the requirement of tendering process had been dispensed with and reliance on the nearest Co-operatives (which always tend to charge exorbitant rates) was not in conformity with the laid down purchase procedures adopted by the Government.

In the exit conference, the Principal Secretary of the Department while accepting the views of audit stated that the matter would be examined in consultation with the Law Department.

(f) Pre-School Education

All children in the age group 3-6 years were to be provided with pre-school education (PSE) in the AWCs so as to make them capable of joining the main stream education. As per information furnished by the Department, year-wise position of enrolled children *vis-à-vis* pre-school education provided in AWCs was as under:

Table 1.3.5

| Year | Number of children enrolled (3-6 years) | Number of children PSE provided | Percentage Covered | Shortfall | Shortfall (percentage) |
|---------|---|---------------------------------|--------------------|-----------|------------------------|
| 2007-08 | 1,75,419 | 1,40,557 | 80 | 34,862 | 20 |
| 2008-09 | 1,80,060 | 1,46,585 | 81 | 33,475 | 19 |
| 2009-10 | 1,77,421 | 1,40,028 | 79 | 37,393 | 21 |
| 2010-11 | 1,95,029 | 1,57,010 | 81 | 38,019 | 19 |
| 2011-12 | 1,93,074 | 1,50,256 | 78 | 42,818 | 22 |

Source: Departmental records.

The table above showed that PSE was provided to 78- 81 *per cent* of the enrolled children. However, a joint physical inspection conducted (August-September, 2012) by audit and the ICDS staff in 116 AWCs covering 10 ICDS projects disclosed that none of the AWCs maintained any record in respect of PSE. Moreover, on the day of inspection, the number of children present for PSE in the test-checked AWCs was only 34 *per cent* of the enrolled numbers on an average. As a result, the PSE data provided by the Department was highly suspect when compared with the actual attendance.



Name of the AWC: Fishery Para AWC
Name of the Project: Manu
Name of the District: Dhalai

Poor attendance of children and mothers.

Government in its reply (March 2013) agreed that most of the children attended private nursery schools which resulted in shortfall in attendance for PSE in the Anganwadies. In the exit conference, the Principal Secretary stated (April 2013) that steps were being taken to streamline the AWCs to attract children for PSE.

(g) Health check-ups and referral services

Growth monitoring and nutrition surveillance are the two important aspects that are to be undertaken in the AWCs. Apart from general check up of all children below six years at regular intervals, immunisation and a minimum of four physical examinations during pregnancy and at least one visit after delivery of the pregnant and nursing mother was prescribed in the guideline. Test-check revealed that:

- No convergent arrangement with the Health Department to extend these services in the AWCs was made. As a result, health check-ups for the enrolled children and mothers had never been done in the AWCs and consequently, facility for referral services from the AWCs was also absent.
- In order to classify the nutritional status, the AWWs were to weigh all children up to three years of age every month and children of 3-6 years every three months. Non-availability of functional weight machines, non-replacement of damaged/non-functional machines adversely affected the health care monitoring in AWCs. During 2011-12, out of 1,206 AWCs in Dhalai District 1026 functioned without weight machine.
- The Department, failed to furnish information on the position of immunisation in respect of children above one year and the nursing/pregnant mothers during the last five years.
- Based on information furnished by the Department relating to March every year, the position of full immunisation of enrolled children less than one year of age, was as under:

Table 1.3.6

| Year | Number of enrolled children | Number of children fully immunised | Achievement (percentage) |
|---------|-----------------------------|------------------------------------|--------------------------|
| 2007-08 | 99,293 | 34,008 | 34 |
| 2008-09 | 99,293 | 45,303 | 46 |
| 2009-10 | 99,293 | 43,512 | 44 |
| 2010-11 | 99,591 | 47,971 | 48 |
| 2011-12 | 99,325 | 46,769 | 47 |

Source: Departmental records.

The above table shows that although ICDS scheme was being implemented in the state since 1975-76, immunisation was not a priority as only 34-48 *per cent* of the children in the age group 0-1 year could be provided with full vaccinations. It was also seen that there was no arrangement in place for immunisation activities in the AWCs. Out of the 116 AWCs physically verified, 57 AWCs obtained vaccination details of the children from the parents only for record, while the remaining 59 AWCs did not maintain proper records of immunisation.

Lack of these facilities resulted in depriving delivery of these vital services to the intended beneficiaries.

Government stated (March 2013) that Medical Officer In-charge of the respective areas were made responsible for ensuring regular visit of ASHA and other health workers in Anganwadies for providing services at the AWCs. In the exit conference, the Principal Secretary added that Government also planned to set up one Health Sub-centre in each area with one Supervisor stationed there to monitor health related issues in AWCs.

1.3.9.2 Construction of Anganwadi Centres

For construction of AWCs in the North-Eastern States, GOI provided funds @ ₹ 1.75 lakh per AWC effective from 2005-06 as per model estimate. According to GOI instructions, funds for construction was to be placed to the concerned District Programme Officers (ICDS). The Panchayati Raj Institutions/Village Communities may also be involved in the construction process. However, as per existing arrangement, SW&SE Department placed funds to the respective District Magistrates & Collectors who in turn sub-allocated funds to the Block Development Officers (BDOs) for execution of the sanctioned works.

The position of funds released by GOI and allocation thereof by the Department during 2006-12 are shown below:

Table 1.3.7

(₹ in crores)

| Year | GOI sanction and release | | Departmental sanction and release | | | Cumulative unutilised balance |
|---------------|--------------------------|---------------|-----------------------------------|--------------|--------------|-------------------------------|
| | No. of AWCs | Amount | OB | No. of AWCs | Amount | |
| 2006-07 | 2,220 | 38.85 | -- | -- | -- | 38.85 |
| 2007-08 | -- | -- | 38.85 | -- | -- | 38.85 |
| 2008-09 | -- | -- | 38.85 | 1,930 | 24.47 | 14.38 |
| 2009-10 | 4,739 | 82.93 | 14.38 | -- | -- | 97.31 |
| 2010-11 | -- | -- | 97.31 | 3,485 | 67.76 | 29.55 |
| 2011-12 | -- | -- | -- | 389 | | |
| Total: | 6,959 | 121.78 | | 5,804 | 92.23 | 29.55 |

Source: Departmental records.

The table above shows that GOI released ₹ 121.78 crore for construction of 6,959 AWCs between 2006-07 and 2009-10, of which SW&SE Department placed ₹ 92.23 crore for 5804 AWCs to the Implementing Agencies (IAs) throughout the State as of 2011-12. Thus, there was a shortfall in sanction and release of funds for construction of 1,155 AWCs for which funds were released by GOI. Thus, CSS fund of ₹ 29.55 crore received up to 2009-10 was parked by the State Government till the date of audit (September 2012) without being utilised for the purpose for which it was sanctioned.



Further scrutiny revealed that:

- Out of 2,220 AWCs sanctioned by GOI in 2006-07, the Department took up construction of only 1,930 AWCs in 2008-09 by releasing ₹ 24.47 crore to the IAs against actual requirement of ₹ 33.78 crore (@ ₹ 1.75 lakh each). There was no report on any subsequent release of the residual amount.
- The IAs without any approval of the competent authority undertook construction of 715 AWCs (out of 1,930 sanctioned in 2008-09) at an enhanced cost of ₹ 3.00 lakh each deviating from the model estimated cost of ₹ 1.75 lakh each, citing enhanced material and labour cost in remote areas. The unilateral action on the part of the IAs resulted in diversion of GOI funds meant for construction of at least another 510 AWCs.



- As of September 2012 only 1,748 AWCs (1,131 @ ₹ 1.75 and 617 @ ₹ 3.00 lakh), out of 1,930 sanctioned (2008-09) was completed and put to use. The current status of the remaining 182 AWCs¹² was not available with the Department even after four years since placement of funds (2008-09) by the Department after initial delay of about two years since the release of funds (2006-07) by the GOI.

Similarly, against GOI release of ₹ 82.93 crore for construction of 4,739 AWCs in 2009-10, the Department sanctioned 3,485 in 2010-11 and 389 in 2011-12 and released ₹ 68.76 crore to the IAs (Block Development Officers) keeping ₹ 14.17 crore with it which could have been utilised for construction of 865 AWCs had the sanction been given. As of September 2012, 2,689 AWCs were completed, 689 were in progress and the remaining 496 were not taken up even after a lapse of more than two years since GOI sanction and release of funds.

A few photographs in this regard is given below:

| | |
|---|--|
|  | <p>Name of the AWC: Panchayat Para. Name of the Project: Urban Name of the District: West</p> <p>The AWC had been running in a Health Sub-Centre although construction of the AWC building was reportedly completed.</p> |
| <p>Name of the AWC: Manipuri Basti (New) Name of the Project: Kalyanpur Name of the District: West</p> <p>Construction was not according to model estimate. A narrow building with little space without having store and kitchen. One portion of the building was also under unauthorised private occupation for storing paddy. Attendance was very poor.</p> |  |

¹² 84 @ ₹ 1.75 lakh and 98 @ ₹ 3.00 lakh

| | |
|---|---|
|  | <p>Name of the AWC: Chatrabari AWC Name of the Project: Hezamara Name of the District: West</p> <p>Construction was not according to model estimate. A constricted building was constructed with little space without having store and kitchen.</p> |
| <p>Name of the AWC: Sahisnu AWC Name of the Project: Kalyanpur Name of the District: West Tripura</p> <p>The AWC was running in an open small veranda at the residence of the AWW. Physical attendance was very low, while Hot Cooked Meal (<i>Khichuri</i>) was distributed in containers.</p> |  |

Government stated (March 2013) that the additional cost @ ₹ 1.25 lakh for each AWC had been borne from the State Plan fund. But the fact remains that the State Government had provided funds of ₹ 2.50 crore which was sufficient to meet the additional cost of only 200 AWCs whereas a total of 715 AWCs were sanctioned @ ₹ 3 lakh each.

1.3.9.3 National Social Assistance Programme

National Social Assistance Programme (NSAP), a 100 per cent Centrally Sponsored Scheme comprising three¹³ components, was introduced by the GOI in 1995-96, out of which two components, viz., National Old Age Pension (NOAP) and National Family Benefit Scheme (NFBS) were being implemented in the State. NSAP aims at providing financial benefits to the poor households subject to fulfillment of the prescribed norms and conditions. Till 2008-09, the scheme was being implemented in the State by the Rural Development Department through the RD Blocks. However, from 2009-10, the

¹³ 1. National Old Age Pension, 2. National Family Benefit Scheme (NFBS) and 3. National Maternity Benefit Scheme.

Social Welfare and Social Education Department was entrusted with the implementation of the scheme.

(a) Indira Gandhi National Old Age Pension

The National Old Age Pension scheme had been renamed as Indira Gandhi National Old Age Pension (IGNOAP) with effect from November 2007 under which all persons aged 65 years and above belonging to families below the poverty line would be eligible for monthly pension @ ₹ 200. The scheme was revised from 1 April 2011 with lowering of age limit from 65 to 60 years and also an increase in the monthly rate of pension to ₹ 500 for beneficiaries in the age group of 80 years and above. The State Government also implemented its own scheme concurrently as a supplement to the Central Scheme contributing @ ₹ 200 per month per IGNOAP beneficiary.

The year-wise physical targets *vis-à-vis* funds released and expenditure incurred under IGNOAP during the last three years (2009-12) since the scheme was being implemented by the Department were as under:

Table 1.3.8

(₹ in crore)

| Year | Sanctioned beneficiaries | Funds required | | Funds Released | | Expenditure | | Savings |
|---------------|--------------------------|----------------|---------------|----------------|--------------|--------------|--------------|--------------|
| | | GOI | State | GOI | State | GOI | State | |
| 2009-10 | 1,36,592 | 32.78 | 32.78 | 35.96 | 29.37 | 34.38 | 29.05 | 1.90 |
| 2010-11 | 1,36,592 | 32.78 | 32.78 | 35.11 | 35.78 | 30.98 | 30.88 | 9.03 |
| 2011-12 | 1,52,550 | 39.36 | 36.61 | 33.58 | 33.06 | 32.02 | 32.12 | 2.50 |
| Total: | | 104.92 | 102.17 | 104.65 | 98.21 | 97.38 | 92.05 | 13.43 |

Source: Departmental records.

The above table shows that:

- (i) Against the requirement of ₹ 207.09 crore during the three years (2009-12) for payment of benefits to the sanctioned beneficiaries, actual release was only ₹ 202.86 crore. Out of the shortfall of ₹ 4.23 crore, State's share alone accounted for ₹ 3.96 crore.
- (ii) There was a savings of ₹ 13.43 crore at the end of 2011-12 even after short release of funds resulting in withholding of benefits to at least 9,326 sanctioned beneficiaries. This indicated deficient management of the scheme relating to identification and coverage of beneficiaries and disbursement of benefits.

Government stated (March 2013) that funds remained unutilised due to death of beneficiaries. The reply is not acceptable as the Department should have evolved proper mechanism for prompt replacement of the vacancies arising due to death with wait-listed persons.

Implementation

The scheme was being implemented through the Block level ICDS projects, which upon selection of beneficiaries obtain approval of the competent authority and arrange monthly payment of financial benefits by crediting to their respective bank account. Test-check of the records of 10 selected projects in the two districts revealed that:

Deficient survey and selection

There was no system in place in the ICDS projects for extensive and regular survey within the project area for inclusion of eligible persons or exclusion of dead/ineligible persons from the list of beneficiaries. As a result, the payment in respect of dead or ineligible persons sanctioned earlier had been continuing thereby depriving other eligible persons to be brought under the scheme in vacancies arising due to death or otherwise.

The Principal Secretary stated in the exit conference (April 2013) that necessary action had since been taken to rectify the deficiencies pointed out in survey and selection, maintenance of records by the CDPOs etc.

Non-maintenance of records

According to prevailing procedure, deserving old and aged persons submit applications to the CDPOs, who upon scrutiny forward the application to the Panchayat Samities (PS) and the Head of the Department for approval. The CDPOs however, did not maintain any record/register in respect of applications so received, forwarded and finally approved. As a result, neither the Projects nor the Department was aware of position of number of applications received and finally disposed off.

Disbursement of pension in the name of dead/ineligible persons

Following instruction issued (October 2010) by the Department to carry out physical verification of all beneficiaries receiving pension under NSAP, District Inspector of SW&SE (DISE), West District ascertained the position in the district (22 ICDS projects) after physical verification of pensioners conducted (September 2011) by the respective CDPOs. The result of verification as furnished by DISE (West), was as under:

Table 1.3.9

| Type of pension ¹⁴ | Total Beneficiaries | Verification conducted | Results of verification | | |
|-------------------------------|---------------------|------------------------|-------------------------|---------------------------|-------------------------------------|
| | | | No. of persons Dead | No. of ineligible Persons | No. of persons not physically found |
| IGNOAP | 55,833 | 46,738 | 1,451 | 7,707 | 9095 |
| IGNWP | 6,490 | 5,830 | 31 | 400 | 660 |
| IGNDP | 416 | 359 | 2 | 20 | 57 |
| Total: | 62,739 | 52,927 | 1,484 | 8,127 | 9,812 |

Source: Departmental records.

¹⁴ IGNOAP: Indira Gandhi National Old Age Pension; IGNWPS: Indira Gandhi National Widow Pension Scheme and IGNDP: Indira Gandhi National Disability Pension.

The above table shows that out of 62,739 pensioners currently on roll, 1,484 were dead; 8,127 ineligible and 9,812 were found absent during the course of physical verification. However, the information though available with the Department in September 2011, no action was taken to stop payment of pension in respect of dead, ineligible or untraced pensioners so ascertained and reported by the CDPOs, as of September 2012.

Similarly, the verification report in respect of Dhalai District (6 projects) disclosed that out of 16,859 IGNOAP beneficiaries 15,808 were verified, of which 814 beneficiaries were found dead. The position of the remaining 1,051 beneficiaries could not be ascertained for reasons not on record. The Department also failed to confirm any action being contemplated to discontinue further payment to those bogus beneficiaries.

Thus, 21,288 beneficiaries (including 1,051 cases unverified in Dhalai) with a monthly pension liability of ₹ 85.15 lakh (@ ₹ 400 per month) in only two districts (out of four) were found dead, ineligible or nonexistent although the financial benefits to those dead/fake cases were paid regularly. Total financial involvement could not be worked out due to non-availability of actual date of death, date of commencement in the case of ineligible/nonexistent pensioners etc. However, given the scenario as above in West and Dhalai, the possibility of similar bogus payments of this benefit in the remaining two districts (consisting 28 ICDS Projects) could not be ruled out.

Test-check in two districts revealed that the percentage of non-existent and ineligible beneficiaries account for 25 per cent (20,237 out of 80,412) of the total beneficiaries covered under the scheme. If this trend prevails in other two districts, the amount of probable payment to bogus pensioners per year would be even more. This is considered to be the most important area which needs to be addressed by the Government on priority.

The Department had not put in place expeditiously any mechanism to get intimation on the occurrence of death of the existing beneficiaries expeditiously. As a result, instances of death were either not received at all or received belatedly by which time payments of pension to the dead person's bank account had been made well beyond the actual date of death. A few instances noticed in audit are shown below:

- (a) Two CDPOs¹⁵ credited pension in case of 62 dead beneficiaries to their bank accounts beyond the date of death (ranged from one to 33 months) resulting in overpayment of ₹ 1.81 lakh. No step was taken to track the current status of the excess credited amount and to arrange recovery/refund from the bank.
- (b) Two CDPOs¹⁶ stopped payment of pension on receipt of belated report of death in the case of 236 beneficiaries. The CDPOs, however, did not ascertain the actual

¹⁵ Teliamura: 33 cases for ₹ 1,25,600 and Kalyanpur: 29 cases for ₹ 55,200.

¹⁶ Teliamura: 200 cases and CDPO Kalyanpur: 36 cases.

date of death resulting in excess payment beyond the date of death till termination of payment which remained unassessed and unrealised.

- (c) In two CDPOs death of 119 beneficiaries (Kalyanpur: 7 and Teliamura: 112) was reported without mentioning actual date of death. The CDPOs also did not maintain any record to ascertain latest payment made in those cases resulting in excess payment which was not worked out for recovery.
- (d) Record available in CDPO, Teliamura disclosed that reports of death occurred between December 2009 and February 2012 in respect of 51 beneficiaries (received between February 2010 and May 2012) was neither recorded in the death register nor was the present status of payment to those dead beneficiaries available.

Government stated (March 2013) that the matter was pending with the Panchayati Raj Institutions who were integral stakeholders in monitoring of all social pension schemes. It was, further, assured that initiatives had already been taken to guard against sanctioning pension to dead/ineligible persons.

Cash payment adjustment not furnished

For cash payment of pension to the beneficiaries who had not opened bank account, cash advance was given to the Supervisors for disbursement of pension in person at their door step. Scrutiny revealed that:

- ❖ In CDPO Mandwai, ₹ 4.44 crore advanced to the seven Supervisors during March 2009 to March 2012 remained outstanding for adjustment as on the date of audit (August 2012). The CDPO's Cash Book exhibits those advances as final expenditure without obtaining details of payment and refunds of undisbursed amount, if any. In reply, the CDPO stated (September 2012) that adjustment of ₹ 4.17 crore had since been obtained from six Supervisors, while one Supervisor had not furnished (September 2012) adjustment of ₹ 0.27 crore pertaining to advances made during the last five years.
- ❖ In CDPO Manu, out of ₹ 6.58 lakh advanced to two Supervisors between June 2010 and January 2012 adjustment showing disbursement of ₹ 3.87 lakh was furnished only in June 2012. However, the undisbursed balance of ₹ 1.28 lakh had neither been refunded nor recovered from the defaulting supervisors as of September 2012.
- ❖ In CDPO Salema, ₹ 20.16 lakh being arrears of pension for the year 2011-12 was credited (June 2012) to the personal bank account of one Supervisor (Smt. Usha Das) for cash disbursement. Although disbursement was reported for ₹ 17.10 lakh in August 2012, the undisbursed cash of ₹ 3.06 lakh had not been refunded. Reason for crediting Government money into personal account of the Government official had not been stated. The system of transferring/handing over huge cash

for payment to pensioners needs to be reviewed by the Government and an alternative system evolved for safe transfer of funds to the pensioner till transition to payment through bank account is fully achieved.

Government stated (March 2013) that adjustments in respect of all outstanding advances had since been furnished by the defaulting officials. In the exit conference, the Principal Secretary also stated that appropriate action would be taken against the defaulters.

(b) National Family Benefit Scheme

Under the 'National Family Benefit Scheme (NFBS)' central assistance @ ₹ 10,000 will be available as a lump sum family benefit for households below poverty line on the death of the primary breadwinner in the bereaved family. The responsibility for implementation of the scheme in the State was entrusted to the CDPOs in the respective ICDS Projects, where applications are obtained, processed and financial benefits disbursed after sanction of the competent authority. Test-check of the selected CDPOs revealed the following shortcomings:

- Out of ten test-checked CDPOs, six¹⁷ did not maintain any detailed records of the beneficiaries viz. date of death, age on the date of death, case wise verification report, etc., consequent upon which the position of receipts and disposal of applications could not be ascertained.
- In four¹⁸ CDPOs, 196 cases were observed where payment of financial benefit was sanctioned and paid to the families after two to 29 years of death of the primary breadwinner.

Thus, the objective of the scheme to support the family immediately after death of the prime breadwinner had been frustrated.

- In CDPO, Khowai, the condition prescribed for eligibility (between age group of 18-64) for lump sum financial benefit had not been adhered to. Test-check revealed that 18 beneficiaries were granted financial benefit in spite of the fact that they exceeded the age limit of 64 years at the time of their death.

1.3.9.4 Rajiv Gandhi Scheme for Empowerment of Adolescent Girls-SABLA

Government of India launched 'Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (RGSEAG)-SABLA' in 2010-11 in two selected districts (West Tripura and Dhalai) with an aim to facilitate adolescent girls in receiving nutritional supplements in

¹⁷ Manu, Ambassa, Salema, Kathalia, Teliamura, and Hezamara.

¹⁸ Kalyanpur: 12 cases; Khowai: 34 cases; Mandwai: 20 cases and Urban: 130 cases.

conjunction with life style education, nutrition and health education, vocational education and awareness about socio-legal issues etc. at Anganwadi Centres.

(a) Funding pattern and expenditure

GOI provided financial assistance for nutritional component (50 per cent) in four installments and non-nutritional components (100 per cent) in two installments annually subject to utilisation of preceding grants. The position of funds released and expenditure incurred under the scheme as of March 2012 were as under:

Table 1.3.10

| Year | GOI share released | | State share released | Expenditure incurred | | Balance |
|---------------|--------------------|---------------|----------------------|----------------------|---------------|-------------|
| | Nutrition | Non-nutrition | | Nutrition | Non-nutrition | |
| 2010-11 | 133.95 | 106.40 | NIL | NIL | NIL | 240.35 |
| 2011-12 | 401.86 | 53.20 | NIL | 529.71 | 158.52 | 7.18 |
| Total: | 535.81 | 159.60 | -- | 529.71 | 158.52 | 7.18 |

Source: Departmental records.

GOI grant of ₹ 240.35 lakh released (February 2010) for the year 2010-11 was allocated by the State Government only in 2011-12. The scheme could not, therefore, be introduced in the State during 2010-11 and was launched with effect from November 2011 *i.e.* after idling of the CSS funds for more than nine months from release. Besides, State Government had not released any funds of its own share (50 per cent) on nutritional component.

Test-check of records in the Directorate and other DDOs, however, disclosed that utilisation of funds were exhibited merely on placement of funds to the DDOs and also on drawal of FVC bills in the Directorate without incurring actual expenditure. An amount of ₹ 92.49 lakh drawn between December 2011 and March 2012 in 10 FVC bills against non-nutrition activities remained unspent in the Directorate, while ₹ 1.12 crore (Nutrition: 106.18 lakh and Non-nutrition: ₹ 5.80 lakh) was unnecessarily parked in the current deposit accounts of the nine DDOs test-checked.

(b) Implementation

The Department furnished utilisation certificate of ₹ 158.52 lakh (out of ₹ 159.60 lakh received during 2010-12) till March 2012. Test-check (August – September 2012) of the records of the Directorate and 10 selected CDPOs (out of 28) disclosed that delivery of non-nutrition components of the scheme had not yet commenced, while utilisation of funds were reported merely on drawal of bills in the Directorate and also on placement of funds to the DDOs without incurring actual expenditure, as discussed below:

- ₹ 43.15 lakh was reportedly utilised during 2011-12 for providing training kits to AWCs to make the Adolescent Girls (AGs) aware of various health and socio-legal issues, but procurement thereof was not made (September 2012), failing which the training could not be started. The Department stated (September 2012) that procurement process was in progress.
- The Department had drawn ₹ 16.80 lakh (December 2011) for providing vocational training to girls aged 16 years and above but the same could not be started (till September 2012) due to non-availability of Government/ Public Sector Vocational Service Provider in the State. The entire amount was lying unutilised although UC for the amount during 2011-12 was furnished to GOI. The Department stated (September 2012) that training proposal through private agencies for 4,421 non-school going girls in 26 trades had been sent (August 2012) to GOI for approval.
- To combat Anaemia in AGs in the age group of 10-19 years, 1,70,488 registered AGs were targeted under the scheme with IFA supplementation in the form of IFA tablets. While the Health Department had supplied IFA tablets to 6203 AGs free of cost, the Department without incurring any expenditure to cover the remaining targeted AGs, had reported utilisation of an amount of ₹ 5.60 lakh during 2011-12, an amount which was actually lying unutilised as of March 2012.

Government stated (March 2013) that due to non-finalisation of implementation guidelines non-nutritional components of the scheme could not be made operational in time. It was also stated that rolling out of operational framework had since been completed for smooth implementation of the scheme.

(c) Delay in construction of Shelter house

The Ministry of Social Justice & Empowerment, GOI introduced a scheme “Group Home and Rehabilitation Activities under National Trust Act for Disabled Adults (GHARAUNDA)”, aimed at providing shelter and care to persons with specified disabilities. Under the scheme, National Trust proposed (December 2008) to finance up to ₹ 1.00 crore to set up a centre for lifelong shelter and care for persons with such disabilities in every State Capital, provided the State Government contributes matching grant (10 per cent) and provides land free of cost.

The State Government communicated (August 2009) acceptance of the proposal indicating that the site was already selected and ₹ 10 lakh had been kept as State share earmarked for setting up of the Shelter House. National Trust, accordingly, sanctioned (August 2009) rupees one crore with an advance release (May 2010) of ₹ 30.00 lakh to the SW&SE Department. The Department, however, retained the entire funds initially for about nine months and thereafter transferred (January 2011) to the District Disability Rehabilitation Centre (DDRC), West, the nodal agency nominated for the purpose.

Scrutiny of DDRC's record revealed that due to non-availability of land the construction could not be started and the entire funds remained unutilised as of September 2012 even after a lapse of more than 2 years.

(d) Institute of Speech Research

With a view to provide educational treatment to the deaf children, SW& SE Department had set up (March 1971) the Institute for Speech Rehabilitation (ISR) at Abhoynagar, Agartala. The objective was to provide training in education to the deaf and dumb children up to the Vth Grade on modern scientific lines following syllabi of State Board of Education in respect of academic content, but it suffered badly due to lack of adequate Speech Educators, non-functioning of equipment, non-setting up of clinic for deaf and dumb as the requisite audio logical and speech therapy equipment were not procured.

Government stated (March 2013) that action was being taken to fill up the vacancies of the remaining Speech Educators. The Department also stated that steps were being taken to obtain equipment and manpower from the National Institute for Hearing Handicapped, Mumbai for setting up early identification clinic for the deaf and dumb children.

1.3.10 Personnel Management & Training

1.3.10.1 Manpower Management

Field level functionaries are the backbone of the Department as all schemes being operational in the State for the welfare of the targeted communities are implemented through the block level ICDS Projects. They comprise of Anganwadi Workers (AWWs), Anganwadi Helpers (AWHs), Supervisors and the Child Development Project Officers (CDPOs). The CDPOs were responsible for implementation and administration of the ICDS Programme through the Supervisors and provide the link between the field functionaries and the Administration.

The Department had been suffering from acute shortage of staff in vital areas of activity. Out of 1,376 posts sanctioned under 33 categories, there was shortfall of 451 (33 per cent) in 21 categories. The position of the field functionaries as of March 2012 was as under:-

Table 1.3.11

| Category | Sanctioned Strength | Men-in-position | Shortages (%) |
|------------|---------------------|-----------------|---------------|
| CDPO | 56 | 48 | 8 (14) |
| Supervisor | 436 | 275 | 161 (37) |
| AWW | 9,906 | 9,709 (158)* | 197 (2) |
| AWH | 9,906 | 9,815 (541)* | 91 (1) |

Source: Departmental figures.

*Figures in bracket indicate number of Jr.SEO and School Mother working in AWCs as AWW and AWH.

The table above shows vacancies in the post of AWW (355) and AWH (632) at the grass root level which were partially filled up by deploying Jr. Social Education Organiser

(158) and School Mothers (541), not specifically trained for the diverse activities in the AWCs. Moreover, acute shortages (37 per cent) were noticed in the grade of Supervisors, who are in fact the key functionaries in the running of AWCs through their constant supervision, support and guidance to the AWWs.

Since the focal point of delivery of services of all social welfare programmes of the Department is the Anganwadi, to be run by trained AWWs and AWHs under constant supervision of the ICDS Supervisors and CDPOs, non-filling up of the posts in those vital areas would definitely have an adverse impact on the delivery of services and administration.

1.3.10.2 Training

Training and capacity building is the most crucial element in the ICDS Scheme, as the achievement of the programme goals largely depends upon the effectiveness of frontline workers in improving service delivery under the programme. There were four government run Anganwadi Workers Training Centres (AWTCs) (one in each district) and one NGO-run AWTC for training of Anganwadi Workers and Anganwadi Helpers.

(a) Targets and achievements

Targets and achievements of various training programmes for AWWs and AWHs in the five AWTCs in the State during 2007-12 are given below:

Table 1.3.12

| Year | Training of AWWs | | | | Training of AWHs | |
|---------------|---------------------|-------------------|--------------------|-------------------|----------------------|-------------------|
| | Job Course Training | | Refresher Training | | Orientation Training | |
| | Target | Achievement | Target | Achievement | Target | Achievement |
| 2007-08 | -- | -- | 160 | 116 (73) | 150 | 85 (57) |
| 2008-09 | 735 | 477 (65) | 3910 | 3,189 (82) | -- | -- |
| 2009-10 | 770 | 724 (94) | 560 | 475 (85) | 550 | 404 (73) |
| 2010-11 | 420 | 379 (90) | 850 | 778 (92) | 1000 | 912 (91) |
| 2011-12 | 385 | 348 (90) | 1170 | 1,066 (91) | 1200 | 986 (82) |
| Total: | 2,310 | 1,928 (83) | 6,650 | 5,624 (85) | 2,900 | 2,387 (82) |

Source: Departmental records.

The table above shows that achievements in all courses registered an average of more than 80 per cent during the last three years. The fact, however, remains that the annual targets set for various training courses were immensely low considering the huge requirement. As per ICDS guideline, refresher training was to be given to the AWWs once in every two years. This requires at least 4,953 AWWs (out of total 9,906 in the Department) to be given refresher training every year. Against this, annual physical achievement ranged between 116 and 3,189 AWWs only during last five years. Besides, a significant number of 3,695 AWWs and 3,466 AWHs, 9 CDPOs (out of 48 available) and 120 Supervisors (out of 275 available) in the Department remained untrained as of August 2012. Since quality services of the field level functionaries is vital for the

effective implementation of the welfare schemes, lack of proper training with periodical refreshing could be an impediment for successful discharge of their services.

Government while admitting that there was huge back log of trained personal stated (March 2013) that GOI was approached to provide funds for setting up of more training institutes in the State.

(b) Idle expenditure on NGO run AWTC

An Anganwadi Workers Training Centre was run by one NGO (Tripura Council for Child Welfare) with the approval of GOI on cost re-imburement basis. Due to deficient infrastructural and other facilities the Department stopped allotting trainees to the Centre since 2010-11 with provision to revive training programmes subject to suitable improvement. However, the committed annual liability in the form of honorarium, building rent and contingencies had to be borne without deriving any reciprocal services till date (September 2012). During 2010-11, the Department reimbursed ₹ 10.20 lakh to the Centre and the proposal for re-imburement for 2011-12 was also under process.

1.3.11 Monitoring and evaluation

Monitoring mechanism was deficient in almost all programmes being implemented in the State both at the State and District levels. Though Co-ordination Committees at the Block/Project, districts and the State levels were set up, there was no recommendation from those Committees to overcome shortfall/deficiencies in the implementation of various welfare schemes. Basic records relating to family survey, immunisation, health check up, supplementary nutrition and non-nutrition activities under ICDS had not been maintained at the implementing level. Apart from non-maintenance of proper records in respect of payment of social pension, sanction of pension to fake and ineligible persons and continued payment in the name of dead persons were indicative of total absence of adequate monitoring of the field level activities. AWC being the centre of all activities had not been visited by the District or State level officers. The overall impact of implementation of various schemes was also not evaluated at any level.

1.3.12 Conclusion

The short release of funds against the approved planned budget provision and non-utilisation of even the available funds had adversely affected implementation of programme/schemes. Indiscriminate setting up of Anganwadi Centres without following the prescribed norm resulted in extra avoidable liability for payment of honorarium to the assigned staff, while essential facilities for drinking water, toilets, kitchen sheds and other minimum infrastructural needs in the AWCs remained neglected. The Department did not have proper control over construction of Anganwadi Centres which appeared to be either incomplete or not taken up at all in case of 1,367 buildings even after a lapse of more than two to six years since sanction and release of funds to the implementing agencies.

The objective of all-round development of children through delivery of services in the area of pre-school education, immunisation, health check up and referral services etc. largely remained unachieved due to poor attendance coupled with inadequate convergence mechanism being arranged with the Health Department to carry out the activities in the AWCs. Failure to evolve a proper mechanism to ensure legitimacy of the beneficiaries before sanction of pension under various welfare schemes compounded by the absence of periodical physical verification to ensure beneficiaries' existence resulted in payment of benefits to dead, ineligible and non-existent persons. The annual targets set for various training courses were immensely low considering the huge requirement, leading to a large number of field level and supervisory staff remaining untrained. Monitoring and evaluation mechanism was non-existent in the Department.

1.3.13 Recommendations

- A reliable data base needs to be created for sound planning and effective implementation of social welfare schemes through a wide-ranging ground level survey. The survey report should be put up in the public domain for transparency.
- An effective monitoring mechanism is a call of the day to eliminate non-existent pensioners and for inclusion of new pensioners on a regular and continuous basis.
- Training needs of the field level functionaries and supervising staff should be adequately addressed.
- A professional agency may be engaged to undertake a work study to assess the requirement of manpower in key functional areas for effective functioning of the Department.

RURAL DEVELOPMENT DEPARTMENT

1.4 Performance Audit on “Mahatma Gandhi National Rural Employment Guarantee Scheme”

Highlights

No District Perspective Plans were finalised. Block Plans were prepared without considering the GP plans and District Annual Plans were forwarded to the MoRD suo-moto without considering all the Block Plans.

(Paragraphs 1.4.10.1 and 1.4.10.2)

The State share was short released by ₹ 133.09 crore. The delay in release of State share ranged from 100 to 263 days in 20 out of 78 installments, whereas in some cases, it was provided in advance as well.

(Paragraphs 1.4.11.2 and 1.4.11.3)

The overall wage material ratio was generally maintained. In six blocks, 41 per cent of block level works did not employ any NREGA labour against the letter and spirit of the Act and therefore, did not constitute NREGA works.

{Paragraph 1.4.14.1 (B)}

Funds of ₹ 16.60 crore was diverted for the works covered under IAY Scheme and ₹ 5.27 crore was spent for the purposes covered under other infrastructural development schemes.

(Paragraph 1.4.11.4)

0.42 per cent to 37.16 per cent of registered households received 100 days of employment, 1.44 lakh households received employment beyond 100 days but the additional cost of ₹ 10.22 crore was met from the Central share instead of being borne by the State. There was short-payment of minimum wages by ₹ 34.50 lakh.

(Paragraphs 1.4.13.1 and 1.4.13.2)

26 works costing ₹ 1.88 crore remained incomplete for a period ranging from one to four years.

(Paragraph 1.4.14.4)

MIS contained material errors and hence was not reliable.

(Paragraph 1.4.15.2)

1.4.1 Introduction

The National Rural employment Guarantee Act (NREGA) was enacted on 7 September 2005 to provide for the enhancement of livelihood security of the households in rural areas of the country by providing atleast one hundred days of guaranteed wage employment in every financial year to every household whose adult members are willing to do unskilled manual work.

The Act requires every State to formulate a State Rural Employment Guarantee Scheme within six months from the date of Notification of the Act (7 September 2005). Accordingly, in Tripura, the scheme was notified on 16 January 2006. Rural households have a right to register themselves with the local Gram Panchayats and seek employment under the Act. Work was to be provided within 15 days of the date of demand, failing which the State Government would have to pay unemployment allowance at the stipulated rates.

In Tripura, the NREGS was introduced in Dhalai District along with 200 most backward districts of the country in 2006-07 (Phase-I), South and West Tripura in 2007-08 (Phase-II) and North Tripura in 2008-09 (Phase-III), thereby covering the entire State.

The Act had been renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) from 2 October 2009.

1.4.2 Objective of the Scheme

The basic objective of the scheme was to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment. The other objectives were to generate productive assets, protect the environment, empower rural women, reduce rural-urban migration and foster social equity, among others.

1.4.3 Organisational set-up

The Tripura Rural Employment Guarantee Council was constituted in July 2006 under the Chairmanship of the Chief Minister of the State in order to ensure, advice, monitor the implementation of works/programmes related to MGNREGA. The State Government designated (13 February 2008) the Principal Secretary/Secretary, Rural Development Department as the State Rural Employment Guarantee Commissioner (SREGC) to ensure that all activities required to fulfill the objectives of the NREG Act were carried out in the State. At the district level, District Magistrate and Collectors were designated as District Programme Co-ordinators (DPCs) who functioned as the nodal officers. The Block Development Officers at block level functioned as Programme Officers (POs) while Panchayat Secretaries/Gram Rozgar Sahayaks (GRS) were made responsible at Gram Panchayat (GP) level for implementation of the scheme.

1.4.4 Financing Pattern

The Central Government bears the following costs:

- The entire cost of wages for unskilled manual workers.
- 75 per cent of the cost of material and wages for skilled and semi-skilled workers.
- Administrative expenses @ 6 per cent of the total expenditure. These will include, *inter alia*, the salary and allowances of Programme Officers and their support staff and work site facilities.
- Administrative expenses of the Central Employment Guarantee Council.

The State Government bears the following costs:

- 25 per cent of the cost of material and wages for skilled and semi-skilled workers.
- Unemployment allowance payable in case the State Government cannot provide wage employment within 15 days of application.
- Administrative expenses of the State Employment Guarantee Council.

1.4.5 Audit objectives

The main objectives of this Performance Audit were to assess whether:

- the structural mechanisms have been put in place and adequate capacity building measures taken for implementation of the Act;
- the procedures for preparing perspective and annual plans at different levels for estimating the likely demand for work and preparing shelf of projects were adequate and effective;
- the funds released for MGNREGS were accounted for and utilised in compliance with the guidelines;
- there was an effective process of registration of households, allotment of Job Cards, and allocation of employment in compliance with the Act/Rules;
- 100 days employment was provided to all registered households on demand or unemployment allowance paid in case of failure ;
- the MGNREGA works were properly planned and economically, efficiently and effectively executed in a timely manner;
- the convergence of the scheme with other Rural Development Programmes as envisaged was effectively achieved in ensuring sustainable livelihood to the targeted rural community and improving the overall rural economy;

- all requisite records and data were maintained at various levels and the MGNREGA data was automated completely and provides reliable and timely MIS.

1.4.6 Audit Criteria:

The following audit criteria were adopted for the performance audit:

- MGNREG Act and notifications issued thereunder;
- MGNREGA Operational Guidelines (2008);
- Circulars and orders issued from time to time by the Ministry of Rural Development (MoRD);
- Instructions issued from time to time by the State Government.

1.4.7 Scope of Audit

The Performance Audit on the implementation of MGNREGS in the State for the period from April 2007 to March 2012 was conducted between March 2012 and June 2012 through test-check of records of Rural Development Department (RDD), offices of the District Programme Coordinators, Programme Officers and Gram Panchayats.

Two Districts¹⁹ (out of four original districts) were selected for performance audit of MGNREGA. In each district, three blocks²⁰ were selected, in each block ten Gram Panchayats (GPs) were selected through random sampling, and in each selected GP, ten works through judgment were selected for physical verification as well as detailed examination. Details of the selected districts, blocks and GPs are given in **Appendix 1.2**.

Besides, household beneficiary survey of 600 beneficiaries (10 from each GP) selected through Simple Random Sampling Without Replacement (SRSWOR) was undertaken.

A survey was conducted of all households who did not have MGNREGA Job Cards and physical verification of all NREGS works executed in 2011-12 in two GPs²¹ of West Tripura district. In addition, scrutiny and physical verification of five works each selected at random executed at block level in six test-checked blocks in two districts was carried out.

¹⁹ West Tripura and South Tripura Districts

²⁰ Jirania, Hezamara and Teliamura under West Tripura District ; Matabari, Killa and Kakraban under South Tripura District

²¹ Paschim Howaibari GP under Teliamura RD Block and Sachindranagar GP under Jirania RD Block.

A desktop review of all works executed at block level in five selected²² blocks of two selected districts was also carried out.

1.4.8 Audit Methodology

An entry conference was held (7 March 2012) with the Secretary, RD Department, wherein the audit objectives, audit criteria and methodology were discussed. The audit findings are brought out in the succeeding paragraphs.

The following specific methodologies were adopted in audit for doing an impact assessment of the scheme:

- Household Beneficiary Survey;
- Physical Verification of works executed under the scheme.

At the conclusion of audit, findings were discussed in an exit conference held on 3 August 2012 with the Secretary and his views have been taken into consideration while finalising the report and formulating the recommendations.

Audit findings

1.4.9 Structural Mechanism

1.4.9.1 State Employment Guarantee Council

In compliance with Rule 5 of the Tripura Rural Employment Guarantee Rules, 2006, the State Government established (July 2006) Tripura Rural Employment Guarantee Council under the Chairmanship of the Chief Minister of the State in order to ensure, advice, monitor the implementation of works/programmes related to MGNREGA. The State Government designated (13 February 2008) the Principal Secretary/Secretary, Rural Development Department as the State Rural Employment Guarantee Commissioner (SREGC) to ensure that all activities required to fulfill the objectives of the NREG Act were carried out in the State.

During the period covered by audit, the Council met six (6) times. It was observed that the Council had recommended taking up with MoRD for inclusion of additional works under MGNREGA such as supply of inputs for fisheries, development of playgrounds, construction of common facility centres, power connectivity, development of village markets, production of fodder etc. Accordingly, the matter was taken up (October 2008) with MoRD wherein MoRD had approved (January 2009) only one item *i.e.*, inputs for fisheries.

²² Hezamara RD Block was not able to produce the requisite information.

1.4.9.2 State Employment Guarantee Fund (SEGF)

In compliance with operational guidelines of MGNREGA 2008, State had established State Employment Guarantee Fund (SEGF) and in order to manage this fund, a society namely, “Society for Rural Development in Tripura (SRDT)” was formed in September 2010. However, no funds were placed with the society. For operation and maintenance of these funds, a web based on line authorisation based Fund Flow Management System (FFMS) was designed in June 2011. On trial basis, FFMS was introduced in West District in 2011-12 but was kept in abeyance due to operational problems with Banks.

In the existing system, funds under MGNREGA were being physically transferred to the bank accounts of various implementing agencies.

Thus, due to non-operationalisation of the State Employment Guarantee Fund/Revolving fund and FFMS, Department was facing following obstacles:

- As the funds were scattered in multiple accounts at different levels, the funds could not be diverted to areas of greater need from non-performing blocks and consequently, more funds could not be sought from the Government of India in time;
- The exact quantum of funds utilised and balance available at any given point of time could not be ascertained in the existing system as the funds were sub-allocated to more than 1100 bank accounts;
- The maintenance of multiple accounts and its consequent impact on internal controls.

The Government stated (July 2012) that State Employment Guarantee Fund account in the name of the society had been opened and accordingly funds under MGNREGA were being transferred to the SEGF account by the MoRD, GOI, from the financial year 2012-13. As per the instructions of the MoRD, GOI, West Tripura District had been selected for implementation of electronic fund management system (e-FMS) on pilot basis.

1.4.9.3 Administrative pattern

In audit it was noticed that in absence of the full time dedicated District Programme Co-ordinators and Programme Officers, DM & Collectors were functioning as District Programme Coordinators and the BDOs were working as Programme Officers in addition to their normal assignments. 16 to 85 *per cent* works remained unsupervised by the POs in contravention of the guidelines, as detailed in **Appendix 1.3**. Thus, the resources for administration was not adequate and reduced the quantum of inspection, thereby impacting effectiveness at District and Block levels.

1.4.10 Planning

1.4.10.1 Preparation of District Perspective Plan (DPP)

The basic aim of planning was to prepare the districts well in advance, to provide productive employment on demand. For the purpose, District Perspective Plan (DPP) and Annual Plans (AP) were to be prepared by each NREGS district. Based on the DPP, the AP identifying the activities to be taken up on priority in a year to match the estimated demand for employment was to be prepared for each level of Panchayati Raj Institution (PRI) and approved by the District Panchayat (DP).

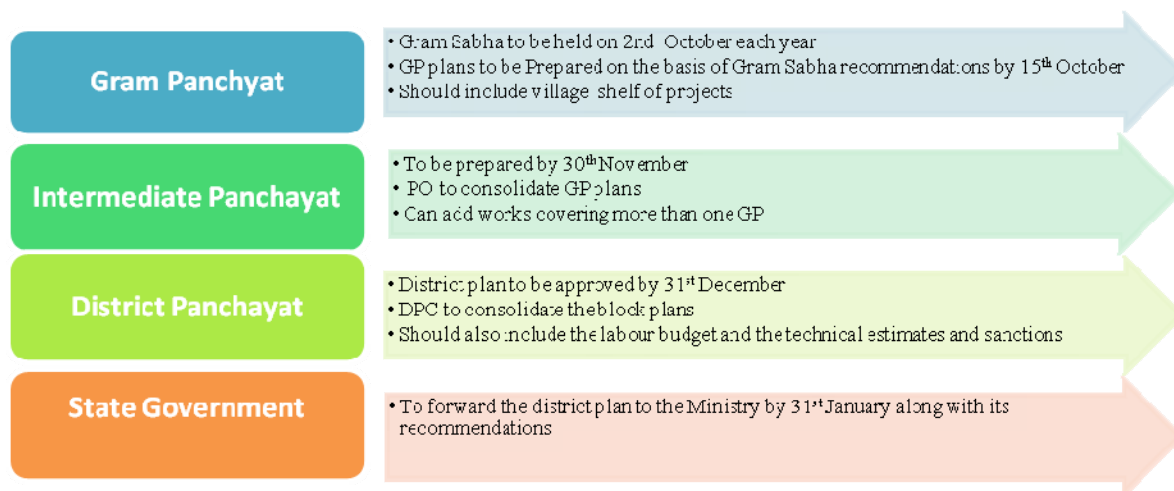
The work of preparation of the District Perspective Plan for the period 2008-13 for the three Districts (West, South and North) was outsourced (August 2009) to M/s Agricultural Finance Corporation Limited at a cost of ₹ 22.00 lakh with scheduled submission of the Draft Report by October 2009. The Draft Plan submitted (November 2010) by the Agency was not accepted by the Government as it failed to address many issues such as non-identification of location of works, absence of cause analysis of poverty, non-indication of method of measurement of outcome etc., whereas the agency had already been paid ₹ 8.20 lakh. The same agency was again engaged (May 2012) to prepare the perspective plan for 2012-17 within the earlier agreed cost on the grounds that the agency had the requisite domain expertise. This was not ready though the five year period (2012-17) had already commenced.

Thus, the Annual labour budgets could not flow from the perspective plan. Therefore, no formal long-term development strategy could be deployed.

1.4.10.2 Annual Plans

The Annual Plan is a working plan that identifies the activities to be taken up on priority in a year. The guidelines prescribe a detailed schedule for preparation of the Annual Plan, which is summarised in **Chart 1.4.1**.

Chart 1.4.1: Process of preparation of Annual plans



During audit it was noticed that District Annual Plans for the period from 2008-09 to 2011-12 were forwarded to MoRD during March to May against the stipulated date of 31 January. The Labour Budgets for the year 2008-09 was approved by MoRD in June 2008 and in the month of March for 2009-10 to 2011-12. However, in the 60 test-checked GPs, the formal approval of Gram Sabha was obtained belatedly during the period from November to June of the succeeding year and in some cases from July to August of the succeeding year as against the prescribed date of 2 October of the preceding year. In 6 test-checked blocks, Block Plans were forwarded to the District Programme Co-ordinators during February to June of the succeeding year against stipulated date of 30 November of the previous year. Hence, it is evident that the Annual Plans were being forwarded to the MoRD without obtaining the inputs from all the lower formations.

In the exit conference, the Secretary stated (August 2012) that Annual Plans were invariably made available before March in each year as they provide the inputs for seeking funds from GOI which may not be reflected in the documentation.

But the fact remains that Block Plans were prepared without considering the GP plans and District Annual Plans were forwarded to the MoRD *suo motu* without considering all the Block Plans.

1.4.10.3 Preparation of technical estimates and sanctions by the DPC

During scrutiny of 600 works executed by the 60 test-checked GPs under six blocks, it was noticed that in none of the cases, estimates were prepared and technical approvals accorded before 31 December. The estimates were prepared after receipt of funds and just

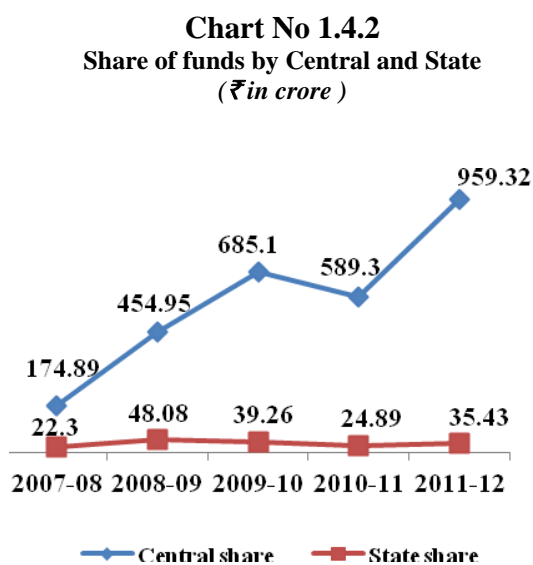
before or on the day of execution. In none of the cases, the project reports were prepared detailing the enduring outcomes.

While accepting (July 2012) the observation in principle, the Government stated (August 2012) that no work was executed without estimate and technical sanction and corresponding AA & ES by the competent authority. However, preparation of estimates and according technical sanction as a mere formality just before or on the day of execution after receipt of funds distorts the entire justification for preparation of estimates and according of technical sanction.

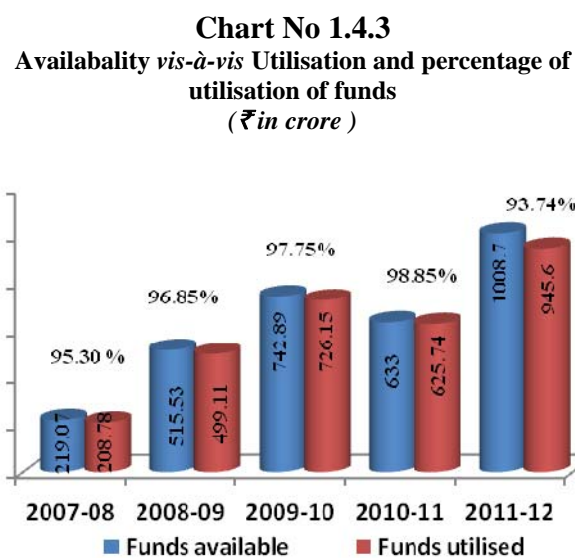
1.4.11 Financial Management

1.4.11.1 Availability of funds and expenditure

The details of availability of funds under MGNREGA, the contribution of Central and State share and utilisation of funds thereof during the period from 2007-08 to 2011-12 are shown in **Chart Nos. 1.4.2** and **1.4.3**.



Source: Departmental records



Source: Departmental records

A review of the Cash Books of the six test-checked blocks revealed the following deficiencies:

- Six blocks released ₹ 38.21 crore to the line departments against which Utilisation Certificate (UC) was received for ₹ 33.71 crore leaving a balance of ₹ 4.50²³ crore. However, the entire released funds were shown as final expenditure in the accounts of Blocks as well as Districts;

²³ Kakrabari: ₹ 1.61 crore, Matabari: ₹ 0.77 crore, Jirania: ₹ 0.85 crore, Teliamura: ₹ 0.34 crore and Hezamara: ₹ 0.93 crore.

- ₹ 6.36 crore²⁴ advanced to the implementing officers for implementation of block level works were lying unadjusted as on 31 March 2012 but the whole amount was booked as final expenditure in the accounts of the blocks;

The Government stated (August 2012) that though the works had been completed, payment for materials etc. were done after 1 April 2012 and, therefore, as on 31 March 2012 the amount was shown as outstanding with the Implementing Officers;

- Test-check of 60 GPs revealed that during the period from 2007-08 to 2011-12, ₹ 97.13 crore was released to the GPs by the blocks against which ₹ 95.03 crore was spent by the GPs leaving unspent balances of ₹ 2.10 crore as of March 2012. However, the entire released funds were shown as final expenditure in the accounts of the blocks as well as districts.

The Government stated (August 2012) that the entire funds were spent by concerned GPs/Villages, but MIS entry could not be done due to closure of the website. The Government further stated (November 2012) that in the accounts of the blocks the expenditure was shown on physical completion of works and submission of adjustments. The unadjusted amount lying with the Implementing Officers were shown as final expenditure as the works were physically completed although adjustments were submitted later on. At District level, expenditure were based on Block level MPR and MIS.

Reply is not tenable as it was noticed in audit that in 60 GPs ₹ 2.10 crore was lying unspent as of March 2012. Moreover, this practice was not permissible under the accounting rules and the annual accounts did not reflect the correct picture as the expenditure was incurred in the next financial year.

1.4.11.2 Short release of State share

As per the financing pattern under MGNREGA, out of 60:40 share between wages and materials, State Government was to contribute 25 per cent of 40 per cent (material cost) i.e. 10 per cent of overall expenditure. However, in audit it was noticed that during the period from 2009-10 to 2011-12 the State Government reduced its share by 6 per cent (administrative expenditure) and paid only 4 per cent of the overall expenditure although the administrative expenditure was borne by the Central Government in addition to its 90 per cent share. This resulted in short release of State share by ₹ 133.09 crore under the scheme.

Disagreeing with the interpretation of the State Government, as mentioned above Government of India had clarified that this was not applicable and the State Government's contribution under the scheme should be 25 per cent. However, the

²⁴ Kakraban: ₹ 1.07 crore, Matabari: ₹ 1.82 crore, Jirania: ₹ 1.63 crore, Teliamura: ₹ 0.96 crore, Killa: ₹ 0.63 crore and Hezamara: ₹ 0.25 crore.

Government of Tripura continued to provide only 4 per cent by taking 10 per cent as its share and further reduced by 6 per cent being administrative overhead borne by GOI.

It is evident that with this amount of ₹ 133.09 crore , additional 123.25 lakh persondays could have been generated, which would have significantly increased the average persondays generated by the State from 80 to 85 in 2009-10, from 67 to 73 in 2010-11 and from 86 to 95 in 2011-12 as detailed in **Appendix 1.4**.

Government stated (November 2012) that the shortfall amount of State share was released as 90:10 and the balance amount was calculated as 96:4 (Central: State). State liability was approved as 4 per cent of total cost according to labour budget. During 2011-12 the total Central share of ₹ 959.33 crore was released and proportionate State share comes to ₹ 106.59 crore as 90:10. Out of total requirement of State share, ₹ 35.43 crore was released in 2011-12 and the balance amount of ₹ 71.16 crore was released during 2012-13 as shortfall of 2011-12.

The fact remains that ₹ 61.93 crore being the State share for the year 2009-10 and 2010-11 was not released by the State Government.

1.4.11.3 Delay in release of State share

State share was mostly released on piecemeal basis without co-relation to the Central share. Out of 78 installments released, there was delay ranging from 100 days to 263 days in 20 installments and in some cases State share was released in advance.

1.4.11.4 Diversion of funds

In contravention of MGNREGS guidelines following diversion of funds were noticed in audit:

- During 2007-08, in West Tripura and South Tripura Districts MGNREGA funds amounting to ₹ 16.60 crore was diverted for construction of 6025 Rural Shelter houses;
- Test-check of records of 6 blocks revealed that NREGA funds amounting to ₹ 5.27 crore was utilised for construction of steel foot bridges, RCC cantilever bridges, market stall, SHG skill upgradation centre, children shed, pump house etc.

The Government stated (July/November 2012) that ₹16.60 crore had been diverted and utilised for construction of rural shelter houses on the basis of discussion/minutes (22 February 2008) with GOI. The concerned DPCs had also been instructed not to repeat such types of diversion in future.

However, scrutiny of the minutes (22 February 2008) of the meeting with the GOI revealed that the matter was taken up by the representative of Government of Tripura in the meeting but no decision was taken.

While accepting the audit observation the Government further stated (August 2012) that steel foot bridges, RCC cantilever bridges etc. were constructed to solve the communication problem of the people.

The reply was not tenable as these works were carried out in contravention of MGNREGS guidelines. These works could have been covered from other infrastructure development schemes.

1.4.12 Registration of households, allotment of Job Cards and allocation of employment

1.4.12.1 Registration of households

Every household whose adult members were willing to do unskilled manual works were eligible for registration under NREGA. After verification, the GPs were required to enter all details in a Registration Register and issue a Job Card to every registered household.

In Tripura 6,69,164 households (SC 1,21,895; ST 2,54,219; and other 2,93,050) were registered under NREGA as of March 2012. As per the Population Census 2011, there was excess registration of 66,918 households in three districts as compared to the Census details. However, no difference between Register of Residents (ROR) and Job Cards was noticed in audit.

The number of households as per ROR and those registered under NREGA in the test-checked blocks as of March 2012 is given in Table below:

Table 1.4.1

| Sl. No. | Blocks | Number of Households as per ROR | Number of Households registered and issued Job Cards | | | | Households remaining unregistered | |
|---------------|-----------|---------------------------------|--|---------------|---------------|---------------|-----------------------------------|--------------|
| | | | SC | ST | Other | Total | Number | Percentage |
| 01 | Hezamara | 10,225 | 28 | 9,271 | 155 | 9,454 | 771 | 7.54 |
| 02 | Jirania | 35,244 | 5,046 | 8,642 | 10,085 | 23,773 | 11,471 | 32.54 |
| 03 | Teliamura | 19,265 | 5,734 | 4,411 | 4,558 | 14,703 | 4,562 | 23.68 |
| 04 | Matabari | 32,950 | 5,416 | 4,183 | 14,370 | 23,969 | 8,981 | 27.26 |
| 05 | Kakraban | 20,438 | 3,658 | 1,968 | 8,531 | 14,157 | 6,281 | 30.73 |
| 06 | Killa | 10,364 | 14 | 7,649 | 263 | 7,926 | 2,438 | 23.52 |
| Total: | | 1,28,486 | 19,896 | 36,124 | 37,962 | 93,982 | 34,504 | 26.85 |

Source: Compilation of Block level records.

The above table shows that:

- In six test-checked blocks, as per ROR, 26.85 *per cent* households were yet to be registered. The unregistered households were highest in Jirania. However, no complaints of non-registration were seen in a pilot study carried out on 55 non-beneficiaries;
- No door to door survey was conducted to bring the willing unregistered households under MGNREGA but the Government indicated that all willing households were being enrolled. It was noticed that applications for inclusion

being processed, which were only on account of moving and setting up a new household or on account of moving to a new village.

The Government stated (August 2012) that in West Tripura District door to door survey was conducted in 2007-08 during the launch of the programme and in South Tripura District a massive IEC programme had been carried out to make the people interested to register themselves under MGNREGA.

1.4.12.2 Job Cards

Review of records relating to Job Cards revealed the following:

- In the State, 6,01,055 Job Cards were issued against total registration of 6,69,164 leaving a balance of 68,109. However, in the six test-checked blocks no case of non-issue of Job Cards was noticed;
- Issue of Job Cards within 15 days of applications could not be confirmed in the test-checked GPs due to absence of date of application and date of issue in the Application Register. However, during beneficiary survey of 600 households, no beneficiary complained about the non-receipt of Job Cards;
- No separate Job Card register was maintained in six test-checked blocks. As a result, list of Job Cards maintained at GPs could not be cross-checked with the block records;
- The list of registration was not found displayed in any of the test-checked GPs although no adverse effect was noticed but the transparency as envisaged was not attained.

1.4.12.3 Discrepancies in Job Card and Employment Register

A review of 600 Job Cards along with the Employment Register maintained at GP level revealed the following discrepancies:

- In 134 Job Cards, total days entered were less as compared to the Employment Register;
- In 103 Job Cards, total days entered were more than the entries made in the Employment Register.

While accepting the audit observation Government attributed (August 2012) the discrepancy to not updating the records and Registers. The Village level officials/staff were overloaded with multiple works. Despite this, standing instructions had been issued for timely updating of records and registers. These were now being observed with priority and monitored at regular intervals.

1.4.13 Livelihood security

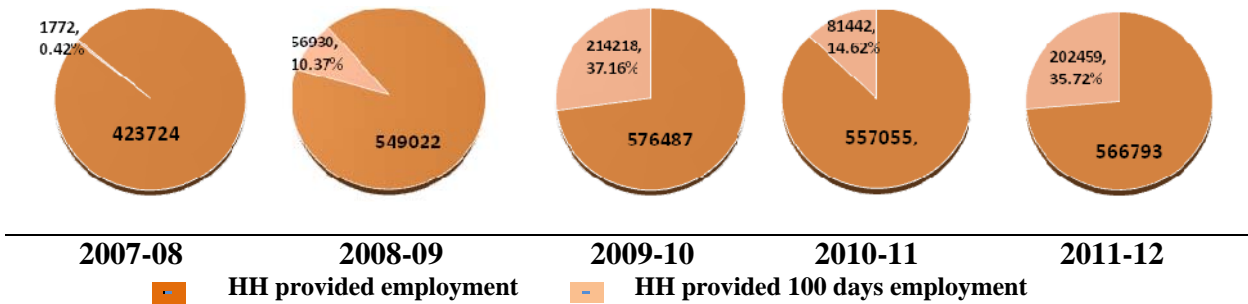
1.4.13.1 Employment

The primary objective of the scheme was to enhance livelihood security by providing at least 100 days of guaranteed wage employment.

The details of the households provided employment and those provided with 100 days of employment in the State during the period from 2007-08 to 2011-12 are depicted in **Chart 1.4.4:**

Chart No.1.4.4

Households provided employment and those provided 100 days employment



Source: Compilation of State level records.

In audit it was observed that:

- The State as a whole provided employment to almost all Job Card holders (99.63 per cent to 99.94 per cent) who reportedly demanded employment. However, in the test-checked 60 GPs, the demand was not recorded and hence the fact of provision of employment to all those who demanded could not be vouched in audit;
- The position of employment provided in the test-checked GPs is shown in Table below:

Table 1.4.2

| Year | Total registered households | Number of HH demanded employment | Number of HH provided employment | Mandays generated | Average mandays generated per household | Number of households provided 100 days employment | |
|---------|-----------------------------|----------------------------------|----------------------------------|-------------------|---|---|------------|
| | | | | | | Numbers | Percentage |
| 2007-08 | 38,160 | 28,984 | 28,984 | 8,53,883 | 29 | 50 | 0.17 |
| 2008-09 | 38,925 | 31,829 | 31,829 | 13,71,229 | 43 | 228 | 0.72 |
| 2009-10 | 38,733 | 34,721 | 34,721 | 24,98,667 | 72 | 7,468 | 21.51 |
| 2010-11 | 39,364 | 34,923 | 34,923 | 22,15,741 | 63 | 1,583 | 4.53 |
| 2011-12 | 38,303 | 35,437 | 35,437 | 29,98,977 | 85 | 11,569 | 32.65 |

Source: Compilation of GP level records

- The average employment provided to each household in each GP during the period from 2007-08 to 2011-12 was 29 to 85 days as against the block average of 33 days to 86 days, the State average of 43 to 86 days and the All India average of

42 to 54 days. The State average for engagement of SC and ST stood at 18 *per cent* and 42 *per cent* respectively of the total unskilled workers in 2011-12, in the sampled blocks the same was 22 *per cent* and 39 *per cent* and in sampled districts it was 18 *per cent* and 41 *per cent* respectively;

- Out of 17.00 lakh households employed during the period from 2009-10 to 2011-12, 2.80 lakh households²⁵ were provided 290.00 lakh persondays which was 9.85 lakh more than the stipulated 280.15 lakh. The excess expenditure of ₹ 10.22 crore for additional 9.85 lakh persondays was met from the Central share instead of being borne by the State. In the test-checked 60 GPs, 0.12 *per cent* to 88.94 *per cent* households received 100 days of employment against the State average of 0.42 *per cent* to 37.16 *per cent*;
- The demand for employment in the sampled GPs showed increasing trend whereas the demand for the State had slightly dropped by 3.48 *per cent* in 2010-11.

While accepting the audit observation Government stated (August 2012) that some of the households were provided with more than 100 persondays employment due to overlapping of works by the Blocks/GPs and Line Departments.

From the above, it could be concluded that due to lack of monitoring and inherent shortcomings in the internal control system, overlapping occurred.

1.4.13.2 Short payment of wages

GOI specified (14 January 2011) the minimum wages rate payable to the unskilled manual workers at ₹118 per day instead of ₹100 per day effective from 1 January 2011. Accordingly, the Government of Tripura also revised the rate effective from 1 January 2011 with clear direction to all the District Programme Coordinators to ensure payment of arrear wages at the revised rate for mandays generated from 1 January.

During audit it was noticed that out of six test-checked blocks, in Teliamura RD Block labourers (1,79,217 mandays) were paid at the rate of ₹ 100 per day against ₹ 118 admissible to them during January 2011 to March 2011 and no arrears were paid subsequently. Thus, there was short payment of wages amounting to ₹ 34.50 lakh to those labourers.

In the exit conference while accepting the observations the Secretary stated (August 2012) that due to shortage of funds arrear payments were not made. The Government further stated (August 2012) that ₹ 34.50 lakh had been placed with the Teliamura RD Block for making arrear payment.

²⁵ 2009-10:151111 (26.21 *per cent*); 2010-11:57573 (10.33 *per cent*) and 2011-12: 71471 (12.61 *per cent*).

1.4.13.3 Unemployment allowances

Audit observed the following in 6 test-checked blocks:

- In Hezamara Block, unemployment allowance amounting to ₹ 38,645 was paid to 131 Job Card holders in 2011-12;
- In Matabari Block, neither the employment was provided for 3,630 days to 54 Job Card holders nor was unemployment allowance paid. The reasons for the same were not found on records.

As the details of seeking employment were not recorded, there was no system of measuring eligibility for unemployment allowances.

1.4.14 Execution of works

The intention of the MGNREGA was to provide basic employment guarantee in rural areas and to create permanent assets. The Act also indicated the kind of works that may be taken up for this purpose. Audit scrutiny revealed as follows:

1.4.14.1 Wage-material ratio

As per the guidelines issued by MORD, the cost of wages and material ratio should be maintained at 60:40, preferably at the GP, Block and District levels.

A. Position at District level

The position of wage material ratio at the district level during the period from 2007-08 to 2011-12 is detailed in **Appendix 1.5**. It would be seen that in all the years, the material ratio was maintained within the limit by all the districts except South District in 2007-08 (40.16 per cent) and West District in 2008-09 (42.21 per cent).

It was observed that:-

- The West District generated 140.35 lakh persondays in 2008-09 as against the approved Labour Budget of 147.84 lakh persondays leading to a shortfall of 7.49 lakh persondays. The excess material cost of ₹ 456.31 lakh spent beyond the limit could have generated additional 5.37 lakh persondays;
- There was deliberate delay in entering the material cost in MIS so as to maintain the ratio. For instance, North District did not enter in the MIS the material cost of ₹ 800 lakh actually incurred on planting materials in 2011-12 specifically to restrict the wage material ratio within the limit.

The Government stated (July 2012) that all DPCs and POs especially South and West Tripura districts had been alerted to maintain 60:40 ratio strictly as per guidelines of MoRD. As regards delay in entering material costs in MIS of North Tripura District (now Unokoti) the DPC had been requested to take necessary corrective action. Further in the exit conference, the Secretary stated (August 2012) that the ratio was unfavorable

because the funds that were expected were not released as part of last installment by GOI in that year.

B. Position at Block level

The position of wage material ratio in the six test-checked blocks (including GPs & Line Departments) is shown in Table below:

Table 1.4.3

| Year | Expenditure on wages (₹ in crore) | Expenditure on material (₹ in crore) | Wages-material ratio |
|---------|---------------------------------------|--|----------------------|
| 2007-08 | 20.87 | 5.63 | 79:21 |
| 2008-09 | 40.98 | 28.27 | 59:41 |
| 2009-10 | 66.10 | 40.31 | 62:38 |
| 2010-11 | 56.44 | 33.82 | 63:37 |
| 2011-12 | 89.48 | 48.21 | 65:35 |

Source: Information furnished by Blocks.

The above table shows that the wage-material ratio in respect of the blocks as a whole was apparently maintained during the period covered in audit. This was due to the fact that while works taken up at GP level was totally labour intensive, the works undertaken by the blocks were purely material driven which resulted in no employment or negligible employment of MGNREGA households as explained below:

Execution of high material intensive works at Block level

There were three types of implementation models viz.

- Works carried out by Gram Panchayats (GPs) (almost all with 100 per cent labour);
- Works carried out by implementing officers appointed by BDOs (almost all carry material components higher than 40 per cent with the average being 90 per cent). Even where labour was used, it was only skilled labour, outside the NREGA card holders²⁶;
- Works carried out by line departments under convergence model (almost all have a substantive material component).

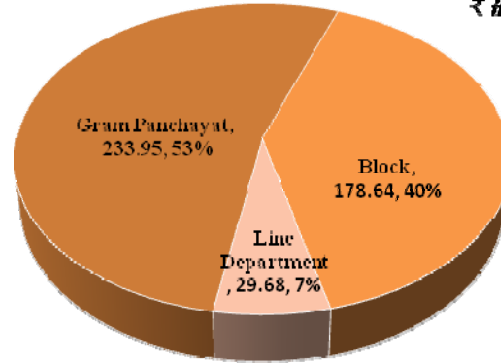
²⁶ A few of the block level works which were entrusted to GPs employed NREGA labour, but the material component was still higher than the norm.

Chart No 1.4.5

The details of share of expenditure at all levels in the sampled blocks during the period from 2007-08 to 2011-12 are depicted in the **Chart No 1.4.5**. It would be seen that while the expenditure at GP level was 53 per cent, it was 40 per cent at Block level and the same was 7 per cent in respect of line departments' level.

Share of expenditure in sampled blocks

₹ in crore



Source: Information furnished by the Blocks

Scrutiny of randomly selected five such works (executed at block level) in the six test-checked blocks in two districts revealed that NREGA labour was not at all employed. Even the estimates provided for only 8 per cent to 24 per cent of the total cost for NREGA labour. This was also not used during execution in contravention of the MGNREG Act. The details are shown in **Table No. 1.4.4**:

Table 1.4.4

(₹ in lakh)

| Name of Block | No of works verified | As per estimate | | | | As per actual | | | |
|---------------|----------------------|-----------------|---------------|---------------|-----------------------|---------------|---------------|---------------|-----------------------|
| | | Labour | Material | Total | Labour material ratio | Labour | Material | Total | Labour material ratio |
| Teliamura | 05 | 3.50 | 40.15 | 43.65 | 8:92 | 0 | 43.71 | 43.71 | 0:100 |
| Jirania | 05 | 8.09 | 32.46 | 40.55 | 20:80 | 0 | 40.55 | 40.55 | 0:100 |
| Hezamara | 05 | 8.34 | 37.63 | 45.97 | 18:82 | 0 | 45.97 | 45.97 | 0:100 |
| Matabari | 05 | 9.05 | 36.63 | 45.68 | 20:80 | 0.39 | 43.84 | 44.23 | 01:99 |
| Killa | 05 | 10.68 | 33.63 | 44.31 | 24:76 | 0 | 42.07 | 44.07 | 0:100 |
| Kakraban | 05 | 5.28 | 22.22 | 27.50 | 19:81 | 0 | 27.50 | 27.50 | 0:100 |
| Total: | 30 | 41.76 | 203.98 | 245.74 | 17:83 | 0.39 | 245.27 | 246.03 | 0:100 |

Source: Compilation of Block level records

It was seen that the works had been actually carried out and the assets were generally found to be in good order. However in one case, during field verification it was noticed that, the work “Retaining wall (45.00 mtr.long) at Daigya Bazaar of Purba Simna ADC

village under Hezamara RD block” was not executed as per the technical specification²⁷ of the approved estimate which was subsequently confirmed (August 2012) by the concerned Block Development Officer. As a result, it was doubtful whether the very purpose of the work would be served, as the dimensions were smaller. Further, on the basis of measurement of the executed work an amount of ₹ 5.45 lakh was to be recovered from the Implementing Officer.

On being pointed out Government stated (November 2012) that the Implementing Officer was asked by the BDO to show cause, review and reconstruct the said wall as per technical specification and the work was in progress.

Further, the desktop review of all such works in the six blocks over the period from 2009-10 to 2011-12 revealed that on an average 41 *per cent* of the total works did not engage any NREGA labourer. In fact, in Hezamara Block no NREGA labourer was engaged in any block level work and in Jirania Block 99 *per cent* of the works were executed without engaging any NREGA labourers. The details are shown in **Table 1.4.5**:

Table 1.4.5

(₹ in lakh)

| Name of Block | Period | Total no of works executed at Block level | No of works in which NREGA workers were not employed |
|---------------|--------------------|---|--|
| Jirania | 2009-10 to 2011-12 | 498 | 495 (99%) |
| Teliamura | 2009-10 to 2011-12 | 390 | 254 (65%) |
| Kakraban | 2009-10 to 2011-12 | 624 | 291 (47%) |
| Killa | 2009-10 to 2011-12 | 408 | 228 (56%) |
| Matabari | 2009-10 to 2011-12 | 2,803 | 597 (21%) |
| Hezamara | 2009-10 to 2011-12 | 152 | 152 (100%) |
| Total: | | 4,875 | 2,017 (41%) |

Source: Compilation of Block level records

As observed, the above works executed by the blocks may not be termed as ‘NREGA works’ specified under the NREG Act, 2005 as the very objective of the scheme to provide the employment to rural households was frustrated.

A further study of these test-checked blocks in terms of break-up of expenditure reported revealed that the wages ratio was in the range of 42 *per cent* to 53 *per cent* (as detailed in **Table 1.4.6**). However, it could not be ensured whether this expenditure on labour was

²⁷

| | Specification as per approved estimate | As per actual execution |
|------------------------------------|--|--|
| Length | 45.00 mtr | 40.10 mtr in two spans (25 mtr and 15.10 mtr) |
| Height above the ground level (GL) | 3.20 mtr | 25 mtr span- 2.20 mtr and in 15.10 mtr span-2.55 mtr |
| Width at the base level | 3.05 mtr | 25 mtr span- 1.60 mtr and in 15.10 mtr span-2.80 mtr |
| Width at the top level | 0.381 mtr | 0.381 mtr in both span |

incurred on employment of NREGA labourers, considering the results of detailed test-check and analytical review as above.

Table 1.4.6

| Year | (₹ in lakh) | | | |
|---------------|---------------------------------------|-----------------------------------|-------------------|---------------------|
| | Expenditure incurred on MGNREGA wages | Expenditure incurred on materials | Total expenditure | Wage-material ratio |
| 2007-08 | 393.64 | 343.07 | 736.71 | 53:47 |
| 2008-09 | 927.03 | 1,267.96 | 2,194.99 | 42:58 |
| 2009-10 | 2,474.97 | 2,552.65 | 5,027.62 | 49:51 |
| 2010-11 | 1,626.61 | 2,011.11 | 3,637.73 | 45:55 |
| 2011-12 | 2,164.99 | 2,581.57 | 4,746.56 | 46:54 |
| Total: | 7,587.24 | 8,756.36 | 16,343.61 | 46:54 |

Source: Compilation of Block level records

In view of above analysis, at least 41 per cent of the works executed at the block level may not be termed as NREGA works and the State Government should recoup an amount of ₹ 67.01 crores²⁸ to the scheme.

The State Government should conduct a review of all those works where no NREGA labourer was engaged in the State and recoup the outlay of such works to NREGA fund. In case the same percentage (41 per cent) was found to be non-NREGA works, it will amount to ₹ 357.74 crores²⁹.

Photographs of the works executed at block level:



Construction of box culvert near Dasher Ghat SB School at Surendranagar ADC village under Hezamara RD Block



Construction of Rajib Gandhi Seva Kendra at Salghara GP of Matabari RD Block

The Government stated (August 2012) that according to the operational guidelines of MGNREGA 60:40 wage-material ratio were maintained at the District level and Block level taking GP and Block level expenditure (including Line Departments) together. The instructions were being issued to maintain wage-material ratio at the GP level from

²⁸ 41 per cent of ₹ 163.44 crore.

²⁹ 41 per cent of ₹ 872.53 crore.

2012-13. It was further clarified that wage-material ratio would be calculated taking several projects together instead of each project separately.

On the observations that even estimates for such work did not provide for NREGA labourer, the Government outlined several constraint in employing NREGA labourers. The Government further stated that the material intensive works which were taken up at the block level were implemented as per the Schedule of Rates of RD Department for estimating the project cost. The Schedule of Rates had four categories of labourers i.e. highly skilled, skilled, semi-skilled and unskilled. The unskilled labourers who were working in such projects were integral part of the workforce and complementary to semi-skilled labourers. Mostly, they were working as helpers to the skilled labourers. Even though they belong to unskilled category, they possess some sort of skills which were not available among the general NREGA labourers. Due to this, there were constraints to employ NREGA labourers in material intensive works. They were paid unskilled wages at the rate prescribed in the RD Schedule of Rates which were higher than the wage rate for NREGA labourers. Hence, the expenditure on the unskilled wages of non-NREGA labourers was booked under the material component of the project to ensure that the provision of employment to the NREGA Job Card holders from the wage component was not adversely affected.

However the facts remains that in 41 *per cent* of such works no NREGA labourer was engaged, as admitted by the Government. The NREGA Act was meant to provide only unskilled manual works, as enumerated in its preamble itself and therefore, the concept of material intensive work was not covered under the ambit of this scheme.

These works had been done to meet the developmental priorities of the State and cannot be booked under NREGA Act. The expenditure of ₹ 357.74 crore identified in audit in respect of block level works needs to be withdrawn and debited to the right schemes while a review of all works where no NREGA labour was engaged needs to be conducted for transfer of such expenditure.

Besides, the reply was also not tenable as it was noticed that

- In Kakraban Block NREGA labourers were regularly engaged in “brick soling works”, executed at block level. So, in other blocks this practice could be considered for adoption;
- ‘Formation of *Kuchcha* roads’ and ‘bridges’ was constructed in different locations which could not be clubbed together as an umbrella project.

1.4.14.2 Impermissible works executed

Besides diversion of NREGA funds for works, which were to be covered under other schemes as mentioned earlier, it was further observed that an amount of ₹ 49.62 lakh was spent on Jungle cutting in two out of six test-checked blocks (Hezamara: ₹ 45.43 lakh; Killa: ₹ 4.19 lakh), which was impermissible as per NREGA guidelines.

Government stated (November 2012) that jungle cutting had been taken up as a part of formation of *Kuchcha* road, land development activities, plantation etc.

Reply was not found tenable as the jungle cutting was taken up as a separate work and not linked with the formation of *Kuchcha* road, land development activities, plantation etc.

1.4.14.3 Use of impermissible heavy machineries in works

In Hezamara RD Block, machineries were used in 3 works³⁰ involving ₹ 40.06 lakh in contravention of the Operational Guidelines.

The Government stated (August 2012) that the concerned workers were reluctant to carry out the ongoing works with the prescribed wages and the output of the works was seriously hampered. So, machinery was used for greater interest of the public. However, the BDOs had been cautioned not to repeat such instance in future.

1.4.14.4 Incomplete works

Out of six test-checked blocks, in two blocks (Hezamara and Teliamura), 26 works involving expenditure of ₹ 1.88 crore³¹ remained incomplete for periods ranging from one to four years due to site problem, delay in commencement, slow progress of work, non-supply of bricks by the supplier in time, transfer of IO etc. Thus, due to commencement of works without ensuring the availability of work site and supply of materials, the purpose of the projects could not be fulfilled.

The Government stated (August 2012) that all such works which could not be commenced due to site problem etc. had been cancelled and other works would be completed as early as possible.

1.4.14.5 Execution of works in test-checked GPs

The works proposed by GPs in their Annual Plans were intended to meet the estimated demand for employment. In the 60 test-checked GPs, 11,511 works were executed during the period from 2007-08 to 2011-12 as against 11584 works sanctioned for execution. In the test-checked GPs, the works were executed only in the range of 5 to 7 months in a year.

Sample photographs taken during physical verification of works are depicted below:

³⁰ (i) Construction of earthen bundh at Subalsingh of Bharat Chowdhury ADC village (₹ 16.88 lakh), (ii) Additional work of earthen bundh at Subalsingh- 2nd phase (₹ 18.86 lakh) and (iii) Construction of sluice gate over Rubricherra of Purba Tamakari Village (₹ 4.32 lakh)

³¹ Hezamara RD Block: 17 works- ₹ 1.37 crore and Teliamura RD Block: 09 works - ₹ 0.51 crore.



Test-check of records such as Muster Rolls, Employment Registers, Payment Schedules of banks, Measurement Books etc. at GP, revealed the following:

- Unique number was not mentioned against each work included in the Annual Work Plan and the Asset register. However, while entering the data in MIS, this number was generated. Therefore, Asset register cannot be tallied with MIS;
- Out of 600 sampled works the worksite boards showing the date of commencement, date of completion and other technical details of the works were found only in 366 cases. The GPs stated that the worksite boards had been displayed in all the works executed but in most of the cases the notice boards had been stolen;
- The Measurement Book was not maintained though the percentage of completion achieved was mentioned in the cover page of MR Bill, which was in the range of *50 per cent* to *80 per cent*. The system of recording of measurement in MB was introduced in October 2011. Since the measurement book was not maintained, Audit could not verify the correctness of the percentage of achievement recorded and the reasons for less achievement, if any.
- Out of 600 test-checked works (*vide Appendix 1.6*), the output was:
 - Not recorded in the cover page of MR in 149 cases,
 - Recorded as *80 per cent* and above in 117 cases,
 - Recorded between *50 to 80 per cent* in 316 cases and
 - Recorded as below *50 per cent* in 18 cases.

- The Government did not consider a system of completion of job by commissioning another MGNREGA work to avoid a situation where the half-complete work was rendered infructuous. This was particularly there in cases like roads where 60 per cent completion may mean that the connectivity between the origin and the end had not been achieved rendering it totally infructuous. During the inspection and field work, the authorities reported that the benefits were usually achieved and 60 per cent of completion may mean a lower width at places or extra gradient but the origin and destination were always connected. However, this aspect needs greater attention from Government;
- No separate completion reports were issued except making a record on the cover page of the Muster Roll;
- No records were maintained in respect of maintenance of assets created under NREGA and no funds were set apart for maintenance purpose.

The Government stated (November 2012) that special attention and instructions had been issued to all Implementing Officers/Agencies to instantly update records of progress of works in the MBs.

1.4.14.6 Execution of low priority works

The operational guidelines prescribed that the works be taken up in order of priority; the water conservation and water harvesting were the first priority. The details of expenditure incurred by six test-checked blocks during the period from 2007-08 to 2011-12 on different works in order of their priority as envisaged in the MGNREGS guidelines are shown in table below:

Table 1.4.7

| Sl. No. | Name of works | Number of works | Cost of works (₹ in crore) | Percentage w.r.t total number of works | Percentage w.r.t total cost |
|---------|---|-----------------|----------------------------|--|-----------------------------|
| 01 | Water conservation and Water harvesting | 6,705 | 56.29 | 19 | 15 |
| 02 | Drought proofing including afforestation & tree plantation | 0 | 0 | 0 | 0 |
| 03 | Irrigation canals including micro & minor irrigation works | 479 | 2.43 | 1 | 1 |
| 04 | Provision of irrigation facility to Schedule Castes/Schedule Tribes, land reforms and Indira Awas beneficiaries | 0 | 0 | 0 | 0 |
| 05 | Renovation of traditional water bodies including desilting of tanks | 0 | 0 | 0 | 0 |
| 06 | Land development | 10,824 | 71.45 | 31 | 19 |
| 07 | Flood control and protection works including drainage in water logged areas | 0 | 0 | 0 | 0 |
| 08 | Rural connectivity | 10,197 | 152.88 | 29 | 42 |
| 09 | Other works | 7,171 | 83.39 | 20 | 23 |
| | Total: | 35,376 | 366.44 | 100 | 100 |

Source: Compilation of Block level records

It is clear from the above table that the implementing agencies ignored the statutory priorities and gave highest priority to rural connectivity (42 *per cent*) which was at the lowest in the priority list. This indicated that the POs and DPCs did not scrutinise the appropriateness of the plan proposals as required under the guidelines.

The Government stated (August 2012) that the works were taken up as per the priority indicated by the PRI bodies.

1.4.14.7 Non-execution of All weather access roads

As per the guidelines, the rural connectivity was to be provided with all weather access³². A test-check of records of 60 GPs revealed that during the review period, 2,765 *kuchcha* roads at a cost of ₹ 5.29 crore were constructed without stabilisation of top surface and provision of drainage, culverts etc. detailed in Appendix 1.7.



Formation of road from the land of Ranjit Das to Chindrai Para under Paschim Howaibari GP

The Government stated (August 2012) that all weather roads could not be taken up under MGNREGA due to limitations of 60:40 wage-material ratio.

1.4.15 Maintenance of records and MIS

1.4.15.1 Maintenance of records

According to chapter-9 of the operational guidelines, Implementing Agencies (IAs) should maintain several records such as Application register, Employment register, Job Card register, Muster Roll register, Asset register, complaint register at block/GP level. These records were not maintained properly in any of the test-checked units. Hence, the veracity of monthly reports sent to MoRD could not be relied upon. Further, the PO was to collect data on labour employment and material received on a weekly basis from REGS worksites to be displayed on the notice-board. The data on labour employment and material received was not found displayed in the notice-board of the PO in any of the

³² An all-weather road is any unpaved roadway that is constructed of material (particularly gravel) that does not create mud during rainfall. Dirt roads are not considered to be all-weather roads.

blocks. Thus, in the absence of maintenance of basic records, the reliability of the data/information system of the State Government could not be vouched.

Test-check of 60 GPs revealed the following:

- Employment register and Job Cards were not updated in most of the GPs. The period of employment demanded and provided was also not entered in most of the cases. In the absence of proper records, the number of households and the period of employment demanded by them could not be readily ascertained;
- The list of addition and deletion of Job Cards were required to be read out in Gram Sabha and intimated to PO. But, no such supporting documents like minutes of meetings to the effect that the list of new additions/deletions had been read out in the Gram Sabha meetings were made available to Audit by any of the test-checked GPs/ADC Villages;
- Copies of the registration were required to be sent to the Programme Officer immediately for further planning, tracking and recording in the list to be made available with the PO. But, the registration (Job Cards) lists were not maintained by PO except data uploading in the MGNREGA website. Hence, Audit could not verify the registration list available with GPs;
- Periodical measurement of works and maintaining of Measurement Books in respect of works executed at GPs had not been adhered to. There was no system of recording the measurement even if the certificate given by the IOs on the cover page of MR admits shortfall in achievement.

While accepting the observations the Secretary stated (August 2012) that there was no complaint in providing job. However documentation would be improved. The Government further stated (August 2012) that acute shortage of efficient and experienced staff to handle the records in an effective manner had posed this problem. However, extensive corrective measures and orientation had been taken at regular intervals to overcome this problem.

1.4.15.2 Management Information System

Scrutiny of MIS data uploaded in the website revealed the following discrepancies:

- During the period covered under review, the closing balance of funds as shown in the MIS did not tally with the opening balance of funds of the next year in respect of any of the Districts. While the amount carried forward in excess ranged from ₹ 0.30 lakh to ₹ 366.34 lakh, the shortfall in carry forward balance ranged from ₹ 32.32 lakh to ₹ 11066.06 lakh;

- There was understatement of expenditure by ₹ 16.34 crore and overstatement of expenditure by ₹ 13.24 crore in MIS when compared with the audited accounts during the period from 2007-08 to 2010-11. This indicated that in respect of overstatement, the expenditure was uploaded in MIS merely on the basis of payment of advance to the IOs and understatement of expenditure was due to delay in uploading of actual expenditure in MIS;
- In respect of North District, where the scheme commenced in June 2008, 13.54 lakh persondays were shown to have been generated in the MPR. However, in the MPR of the next month *i.e.* July 2008, cumulative persondays generated up to July 2008 was shown as 0.736 lakh leading to a reduction of 12.804 lakh persondays;
- In respect of West District, as per the MIS of November 2009, the cumulative wages paid was ₹ 123.66 crore against 123.67 lakh persondays generated. On receipt of funds of ₹ 50.97 crore from Government of India in December 2009, in the MIS of December 2009, the cumulative wages paid was reduced to ₹ 93.88 crore and cumulative persondays generated to 92.81 lakh leading to a reduction in wages paid by ₹ 29.78 crore and persondays generated by 30.86 lakh;
- Unspent balances shown in the MIS did not tally with the unspent balances recorded in the Cash Books of the selected GPs;
- Test-check of 60 GPs revealed that:
 - The amount of funds shown in the block records as transferred to GPs and data shown in website as transferred to GPs varied from 1 to 42 *per cent*.
 - In 31 cases, MIS showed more expenditure as compared to expenditure shown in the Cash Book ranging from ₹ 0.01 lakh to ₹ 19.45 lakh.
 - In 64 cases, MIS showed less expenditure as compared to the expenditure shown in the Cash Book ranging from ₹ 0.02 lakh to ₹ 33.31 lakh.
- Test-check of entries made in the 600 Job Cards under 60 GPs along with data uploaded in the MIS against the Job Cards revealed the following discrepancies:
 - In 193 cases, MIS showed more mandays as compared to the entries made in the Job Cards.
 - In 77 cases, MIS showed less mandays compared to the entries made in the Job Cards.

Thus, Audit observed that MIS lacks data integrity and its data can not be relied upon for making decisions.

The Government accepted (July 2012) the observation in principle.

1.4.16 Supervision of works

According to NREGS, the Programme Officer essentially acts as a co-ordinator for NREGS at the block level. Block level officers were to conduct 100 *per cent* inspection of the works at GP level. Audit scrutiny revealed that the schedules for inspections were not drawn up in any of the six test-checked blocks. The corrective actions, if any, taken based on inspections etc., were not found on record. The district and block-wise evaluation was not conducted at the State and district levels. However, as per the information made available by the six test-checked blocks, the supervision of works at block levels by the PO was ranging from 15 to 84 *per cent* during the period from 2007-08 to 2011-12.

The Government stated (July 2012) that the inspection of MGNREGA works was regularly reviewed at the State, District and Block level meeting and the DM & Collectors and BDOs had been instructed to increase the number of works inspection. At the State level, Principal Secretaries and Secretaries had been assigned specific blocks for works inspection under MGNREGA. In the exit conference (August 2012) the Secretary also stated that additional resources *viz.*, officers in the rank of BDOs working in the Districts had been deployed for inspection. In addition, engineers of RD Department were also utilised for the purpose.

1.4.17 Social Audit, Transparency and Grievance Redressal

1.4.17.1 Social Audit

The scheme gives a central role to 'Social Audit' as a means of continuous public vigilance. This included verification of the different stages of implementation, *viz.*, registration of households, distribution of Job Cards, receipt of applications for work, preparation of shelf of projects and selection of sites, allotment of work to individuals, implementation and supervision of works, payment of wages and evaluation of works. Apart from ongoing process of social audit, a mandatory review of all aspects of social audit was to be ensured by organising Social Audit Forum at GP level twice a year. At this forum, information was to be read out publicly and opportunity given to people to question officials, seek and obtain information and verify financial expenditure etc.

In audit it was noticed that social audits were regularly conducted in all test-checked 60 GPs facilitated by the Gram Sabhas and an NGO 'Society for Social Services', Madhya Bharat Chapter was engaged (2008-09) by the State Government for conducting social audit in all GPs. No adverse reports were noticed.

1.4.17.2 Grievance redressal

Grievance redressal mechanisms were put in place at every level. However, time taken for disposal of complaints was ranging from 1 to 959 days. During beneficiary survey no complaints were reported by the beneficiaries about the system. It was noticed that:

- No Ombudsmen were appointed to look into the complaints with reference to NREGS implementation;
- Toll-free helpline service had been installed to register the complaints.

In the exit conference, the secretary stated (August 2012) that Ombudsmen were recruited in June 2012. However they had not submitted any reports, which would be sought for.

1.4.17.3 Transparency

The following was noticed:

- State Quality Monitors (SQM) at the State level and District Quality Monitors (DQM) at District level were not formed for reviewing the implementation of the scheme;
- Vigilance and Monitoring Committees were formed in all 60 GPs for every test-checked work;
- In view of observations made by the National Level Monitors in 2007-08 follow up action were taken by the State Government in most of the cases but the following points were not complied/partially complied:
 - Recording measurement of works regularly,
 - Monitoring/Inspection from District and Block level Officers,
 - Setting up of signboards exclusively for NREGA works in worksite with full details,
 - Updation of MR entry in Job Cards.

The Government accepted (July 2012) the observation in principle.

1.4.18 Impact Assessment

The Impact assessment of the scheme had been done for Dhalai District by National Institute of Rural Development (NIRD), Guwahati, which was sponsored by Government of India and the study revealed the following :-

- Increase of employment availability in the village;
- MGNREGS works had not come in the way of agriculture but to some extent bargaining power had come in the hands of work force especially landless class;
- Promotes benefit for the individual family in terms of creating assets for sustainable income generation;
- Low output of work due to participation of women and senior citizens;
- Most of the line departments had not done the requisite entry in the Job Cards;

- Process of social audit had not been followed up plan wise which hardly leave any impression either on the workers or on the functionaries of GP.

However, records relating to the evaluation and follow up action taken by the State Government were not produced to Audit.

The Government accepted (July 2012) the observation in principle.

1.4.19 Good Practices

There were several good practices adopted in Tripura, which were praiseworthy.

- Many of the Job Card holders in Tripura were residing in very remote places where there was neither banking facilities nor post office facilities. With a view to mitigate the problems, Business Correspondent (BC) model was implemented for payment of wages using bio-metric smart cards through banks in almost all cases. Government of Tripura had entered (September 2010) into MOU with Tripura Gramin Bank (TGB) and Tripura State Co-operative bank (TSCB) to operationalise Business Correspondent (BC) model for wage payments from November 2010. The Business Correspondents of banks would directly or through their sub-agents visit GPs at least once a week to make payments to the beneficiaries at their door steps. It was to be ensured by Banks that the card holders get their wages within 15 days of work as per MGNREGA guidelines.

As of May 2012, 1012 villages had been covered under the BC model, enrolments had been completed in respect of 5,41,381 beneficiaries and 5,05,165 Smart cards had been distributed.

- Tripura had an IT program developed with the aid of NIC to prepare estimates called *RuralSoft*. This program was used to prepare all estimates for work, which ensured that the process was transparent and accurate;
- All the payment for works was finalised after check by the Vigilance Committee;
- It was decided (May 2012) by the State Government to carry out few Aadhaar based financial transactions (AEPs) on experimental basis in West Tripura. As a part of it, the feeding of Unique Identity Number (UID)/Aadhaar Number in the ROR was being done in respect of blocks namely Mandwai, Hezamura, Dukli, Mohanpur and Jirania. Under this system, the complete data of the beneficiaries such as name, Bank Account Number, Unique Identification Number (UID) etc. would be mapped with the Job Card number.

1.4.20 Conclusion

Performance audit of MGNREGS implementation revealed that all the required structural mechanism for operation of the scheme was put in place, except the State Employment

Guarantee Fund, which was operationalised only during 2012-13. The works were executed based on Annual plans only as no District Perspective Plans were finalised. The State provided employment to almost all those who reportedly demanded employment. However, the demand was not recorded and hence the fact of provision of employment to all those who demanded employment could not be vouched. 1.44 lakh households received employment beyond 100 days but the additional cost of ₹ 10.22 crore was met from the Central share instead of being borne by the State. There was short-payment of minimum wages by ₹ 34.50 lakh. In six blocks 41 *per cent* block level works did not employ any NREGA labour against the letter and spirit of the Act and therefore, did not constitute NREGA works. Funds of ₹ 16.60 crore was diverted for the works covered under IAY Scheme and ₹ 5.27 crore was spent for the purposes covered under other infrastructural development schemes. *Kuchcha* road with no all weather access were constructed at a cost of ₹ 5.29 crore. 26 works costing ₹ 1.88 crore remained incomplete for periods ranging from one to four years. The funds utilisation under the scheme was good ranging from 93.74 *per cent* to 98.85 *per cent*. The State short-provided its share by ₹ 133.09 crore due to adoption of incorrect formula by not considering 6 *per cent* administrative cost. The delay in release of State share ranged from 100 to 263 days in 20 out of 78 installments, whereas in some cases, it was provided in advance as well. Maintenance of subsidiary records needs improvement. MIS contains material errors and hence, it was not reliable. Various good practices such as Banking Correspondent Model for payment of wages, use of software for preparation of estimates, payments after check by Vigilance Committee, etc. were observed during audit.

1.4.21 Recommendations

- The State Government should speed up the preparation of the Perspective Plan;
- The State Government should immediately provide the necessary funds to the tune of ₹ 61.93 crore, which were short-provided earlier;
- The practice of executing material intensive works at block level without engagement of NREGA labourers should be stopped;
- Re-prioritisation of works based on local needs may be taken up with the Government of India for effective implementation of the scheme in the State;
- The practice of leaving the works half-done should be discouraged and all the works should be completed in toto even if it requires additional resources for such completion.

EDUCATION (SCHOOL) DEPARTMENT

1.5 Utilisation of Edusat Network

The pivotal role of education as an instrument of social change by altering the human perspective and transforming the traditional mindset of society is well recognised. The universalisation of education has become the top priority, especially for the developing countries. But the extension of quality education to remote and rural regions becomes a herculean task for a large country like India with multi-lingual and multi-cultural population separated by vast geographical distances, and, in many instances, inaccessible terrain. Since independence, India has seen substantial increase in the number of educational institutions at primary, secondary and higher levels as well as the student enrolment. But the lack of adequate rural educational infrastructure and non-availability of good teachers in sufficient numbers adversely affect the efforts made in education.

In September 2004 the Government of India (GOI) launched a dedicated Satellite called Edusat to serve the educational sector offering an interactive satellite based distance education system for the country.

A tripartite Memorandum of Understanding (MOU) was executed (March 2005) for Edusat Network among Ministry of Human Resource Development (MHRD), Indian Space Research Organisation (ISRO) and the State Government. The State Council for Educational Research and Training (SCERT) under Education (School) Department was the nodal agency for the management of the distance education programme transmitted through the Edusat Network.

With the objective of teachers' training, the Edusat Network was inaugurated in Tripura in August 2007 with one telecasting (teaching) end comprising the up-linking Hub and studio installed in the premises of SCERT and 50 Satellite Interactive Terminals (SITs) as receiving (classroom) end installed at different locations of the State. As per MOU, the ISRO had supplied and installed (August 2007) the equipment for network free of cost.

In the meanwhile, the State Government placed ₹ 1.25³³ crore from Sarva Shiksha Abhiyan (SSA), Tripura Rajya Mission for Edusat Network. Out of funds so placed, an expenditure of ₹ 0.91 crore was incurred during 2006-07 to 2011-12 mainly towards recurring expenses like wages of the contractual staff for Edusat Network, payment for private security guards of Hub station, arrangement of trainings etc.

³³ ₹ 65 lakh in March 2006 and ₹ 60 lakh in March 2007

A study on the Edusat Network was conducted (July – August 2012) in the office of the Director, SCERT covering the period from 2006-07 to 2011-12, and the findings of audit are discussed in the succeeding paragraphs.

1.5.1 Non-achievement of target

The State Government sent (July 2005) a proposal to the ISRO for training of teachers for operationalisation of Edusat Network connectivity. A target for coverage of 34,000 school teachers and 600 fresher trainees by the network was envisaged in the proposal. Besides, a detailed teaching programme plan with a target for utilisation of the network for 2716 hours in each year was also included in the proposal.

It was noticed in audit that for teachers' training, against annual target of 2,716 hours, only 36 hours (1.32 *per cent*) and 70 hours (2.58 *per cent*) of transmission had taken place in 2007-08 and 2008-09 respectively. The network had not been utilised during 2009-10 to 2011-12 for teachers' training. Though 5,655 teachers attended the training programmes in the SITs during 2007-09 but no data regarding number of teachers trained through the network was maintained by the SCERT.

Mention was made in the Paragraph 1.1.15.3 of Performance Audit of Elementary Education featured in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2011 regarding poor availability of trained teachers wherein the Principal Secretary stated that low intake capacity of teachers' training institute was the reason for poor percentage of trained teachers in the School Education Department. But the Department did not make any efforts to utilise the Edusat Network as an alternative option to overcome the situation.

While accepting the facts the Government stated (March 2013) that a comprehensive and uniform year long calendar of Teacher Training Programmes would be finalised at a State level meeting of high officials of School Education Department and also stated that records of SIT wise training programmes, names of participating teachers with full official address would be maintained henceforth.

1.5.2 Change of objective without approval

It was noticed that though initially (2007-09) teachers' training schedules were taken through the network, the network was also utilised for the students of upper primary and secondary levels during 2007-12. But, the approval of the ISRO/MHRD regarding change of the objective was not found on record.

In reply to an audit query seeking the reasons for change of objective the Director, SCERT stated that the schools located in interior areas of the State were in dearth of good teachers and as such the network was utilised for taking classes for the students.

1.5.3 Utilisation of network for school students

As stated in the preceding paragraph, the network was utilised for taking classes for the students of upper primary and secondary levels. For this purpose 471³⁴ hours (against an annual target of 2716 hours) of transmission took place during 2007-08 to 2011-12 and the hard spots (difficult topic) of different subjects like English, Science, Mathematics etc. were mainly covered through such transmission.

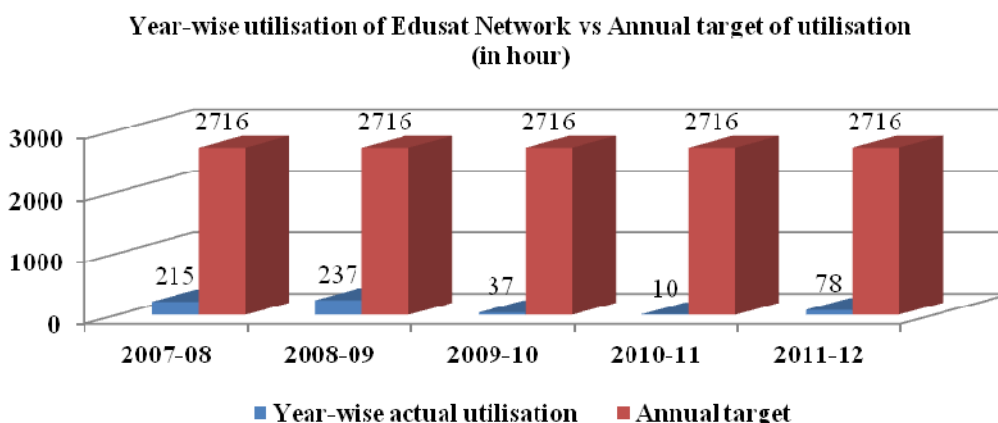
But, it was noticed that only the students of the schools having SITs in the school premises or in the adjacent Block Resource Centres were benefitted from the transmission thereby depriving the large section of the students of the State.

1.5.4 Under utilisation of the Edusat Network

As per MOU, the State Government was responsible for monthly utilisation plan of the Edusat Network in terms of time schedule, topics etc. and inform all concerned in advance.

But, it was noticed that no such monthly utilisation plan was prepared by the SCERT during 2007-08 to 2011-12. Further, regularity in transmission of Edusat programme was not achieved. The transmission was sporadic. The SCERT plans and designs programme transmission schedule for short duration of about 15-20 days. After the transmission of each schedule, SCERT again plans and designs the next schedule. The SCERT was finding difficulty to develop huge number and high quality contents for optimal utilisation of the network. As such, there was a regular disruption in the programme transmission and only 577 hours of transmission was undertaken during 2007-08 to 2011-12, of which 106 hours were utilised for teachers' education and 471 hours were utilised for the students of upper primary and secondary levels.

Chart 1.5.1



³⁴ 2007-08 : 179 hours, 2008-09: 167 hours, 2009-10: 37 hours, 2010-11: 10 hours and 2011-12: 78 hours.

The Director stated that a separate multimedia content generation lab was required for maximum utilisation of the network and a proposal incorporating the provision of multimedia lab was sent to MHRD in March 2011 which was yet to be approved by the MHRD.

But the fact remains that the SCERT took up the matter with the MHRD after a lapse of about four years since inception of the project.

The Government stated (March 2013) that efforts would be taken for optimal use of the network by formulation and implementation of the various programmes involving other Government Departments.

1.5.5 Assessment of educational needs and requirements of Tripura Edusat network by the ISRO

A study on assessment of the educational needs and requirements of Tripura Edusat Network was conducted by the Social Research Division, Development Educational and Communication Unit, ISRO in August 2009. A few suggestions made in the study report are listed below:-

- There was lack of trained teachers in the schools. Teachers training are the basic requirement;
- Monthly meetings with teachers can be organised on Edusat Network. Edusat Network could provide a platform for discussion of educational issues. Tele-conferences followed by question-answer session would help the teachers to enrich their knowledge for classroom teaching;
- Irregular power supply was a basic issue of the State because of which the students could not view the programme regularly.

It was noticed in audit that the Department did not take any follow up action on the above issues till date.

1.5.6 Equipment of SITs missing /stolen

As per MOU, the State Government was responsible for safe custody of items supplied and installed for Edusat Network by the ISRO and identification of the custodian for the same at all locations in the State.

Scrutiny of records revealed that equipment like video camera, microphone, keyboard, mouse, graphics card, CPU, UPS etc. were missing in 15 SITs (**Appendix 1.8**) and only in eight cases the matter was reported to the police between November 2006 and April 2012. Dates since when the equipment were missing/stolen (except in eight cases) were not available.

The Director, SCERT stated (August 2012) that in case of Hub station the private security agency was entrusted with the work and it was not possible to deploy guards for SITs. Night guard (if posted) in the schools was responsible for the safe custody of the SIT equipment.

Thus, failure to safeguard the equipment by the State Government as envisaged in the MOU rendered 15 SITs non-functional out of 50 SITs provided by the ISRO.

The Government stated (March 2013) that decision would be taken for safeguarding the equipment of the SITs.

1.5.7 Monitoring

A State Level Monitoring Committee (SLMC) was constituted under the Chairmanship of Commissioner, Education (School) Department in June 2006 to monitor the activity of Edusat Programme. The Committee had held only two meetings on 23 November 2006 and 9 January 2007 to discuss regarding the preparation for inauguration of the network. After that, no meeting was held to monitor the functioning of the Edusat Network.

The Government stated (March 2013) that the SLMC was being re-constituted shortly for holding meetings at least twice a year.

1.5.8 Conclusion

Thus, the Edusat Network valued at ₹ 3.18 crore (including cost of equipment etc. valued at ₹ 2.27³⁵ crore provided free of cost by the ISRO and ₹ 0.91 crore spent by the State Government) was plagued by under utilisation of network, non-fulfilment of objective, lack of monitoring, non-redressal of recommendations made by the ISRO and above all failure to safeguard the equipment of the network by the State Government. Further, the achievement of objectives of training to teachers and education to students through Edusat had not yielded the desired outcomes in the State.

1.5.9 Recommendations

The Government may consider implementation of the following recommendations:

- formulate a clearly defined action plan for fulfilment of objectives and optimal utilisation of the network;
- strengthen the present monitoring system to ensure effective utilisation of the network;
- provide funds for replacement of lost items of SITs to make them functional.

³⁵ Cost of the Hub, teaching end equipment, SIT equipment : ₹ 1.74 crore; cost of AMC: ₹ 0.18 crore; operational cost of Hub: ₹ 0.25 crore; training for SIT operation: ₹ 0.02 crore and training on content generation: ₹ 0.08 crore.

HOME (JAIL) AND PUBLIC WORKS (ROADS AND BUILDINGS) DEPARTMENTS

1.6 Unused construction

Splitting up of the construction work in groups and spreading its award over 4-5 years caused significant delays in their completion. Further, by taking up of fresh tasks planned at the post-execution stage coupled with non-taking over the Sub-Jail at Gandacherra even more than 22 months after completion of the originally assigned works the Sub-Jail could not be made useful and the total expenditure of ₹ 2.93 crore incurred thereon 22 to 73 months back remained unfruitful. Besides, starting of new Courts for the people was affected. The possibility of the vacant rooms getting deteriorated due to their prolonged disuse could not also be ruled out.

Administrative Approval and Expenditure Sanction (AA&ES) of ₹ 3.44 crore was conveyed (May 2003) by the Home (Jail) Department for construction of Sub-Jail at Gandacherra to accommodate 100 male prisoners (in two Wards, with 50 in each) and 25 female prisoners (in one Ward), including construction of administrative block, perimeter wall, watch tower, compound wall, residential quarters (one Type-III, 23 Type-II and one Type-I), etc. The amount was placed with the Chief Engineer (CE), PWD(R&B). Administrative Approval and Expenditure Sanction for ₹ 21.44 lakh more was later accorded (December 2006) for the revised estimated cost (₹ 76.14 lakh) of the perimeter wall.

Scrutiny (January – February 2012) of records of the EE, Ambassa Division, PWD (R & B) revealed that the said construction work (excepting the Type-I quarter) was split into 11 groups and work orders were issued to three contractors on different dates between 20 May 2004 and 10 February 2010 with completion time ranging between 60 days and 300 days but none of the works were completed within the stipulated time and there were delays for 18 to 48 months, in respect of the major works (**Appendix 1.9**) .

The construction work of the Sub-Jail (along with 8 Type-II quarters out of 23 assigned in total) was completed between 28 August 2006 and 27 November 2010 for a total work value of ₹ 2.93 crore (**Appendix 1.9**). The Superintending Engineer (SE), 5th Circle, PWD (R&B) requested (15 September 2010) the Inspector General (IG), Prison for taking over the completed Sub-Jail but the same had not been taken over (September 2012). The taking over of the Sub-Jail was getting deferred due to inclusion of fresh tasks planned at the post-execution stage, as revealed from the following facts:

- (i) The Minister of Home (Jail) visited the construction on 28 April 2011 and suggested some additional works like iron gate etc. which were to be attended beyond the scope of the agreement, as decided during the visit.

- (ii) After verification of the construction, the Home (Jail) Department requested (25 April 2012) the CE, PWD (R&B) to take up some additional works (6 Nos.) for making the Sub-Jail operational.
- (iii) The EE, Ambassa Division stating to have completed water supply, sanitation and electrification works requested (2 July 2012) the IG, Prison again for taking over the completed Sub-Jail.
- (iv) The IG, Prison requested (4 July 2012) the SE, 5th Circle, PWD(R&B) to complete the additional works (6 Nos.), requisitioned in April 2012, for taking over the Sub-Jail.
- (v) After a fresh visit of the spot on 26 July 2012 jointly by the officers of the PWD, the Inspectorate of Prison and the District Administration, it came to notice, *inter alia*, that boundary wall was built only on one side. Complete boundary walls on all sides along with some more additional works were felt necessary for operation of the Sub-Jail. All these were requisitioned with PWD afresh.
- (vi) The EE informed (30 August 2012) the IG, Prison that the works originally assigned to the PWD along with petty repair works to be carried out on urgent basis relating to the Sub-Jail were fully completed and conveyed that the works as per the latest requisition had further financial involvement, which was being assessed. It was also stated by him that despite sending of intimation about completion of construction of the Sub-Jail on several occasions, the same was not taken over.

The IG, Prison stated (September 2012) to Audit that the PWD could not complete all the required works as per approved estimate and certain modifications were required from the security point of view.

From the above it transpired that there was lack of proper coordination between the PWD (R&B) and the Home (Jail) Department as regards the handing over and taking over of the Sub-Jail. While the PWD (R&B) insisted on handing over the completed original works with petty repairs, the Home (Jail) Department gave stress on completion of the new items also before taking over, which they had failed to foresee and include in the original requisition.

The non-setting up of the Sub-Jail was also hampering early starting of new Court at Gandacherra Sub-Division despite completion of all other arrangements by the Law Department. The entire construction remained unused as it was not taken over and was at risk of getting dilapidated due to prolonged disuse. The indication in this regard is already visible as the painting works have started fading away.

Thus, splitting up of the construction work in groups and spreading its award over 4-5 years caused significant delays in its completion. Further, by taking up of fresh tasks planned at the post-execution stage coupled with non-taking over the Sub-Jail at

Gandacherra even more than 22 months after completion of the originally assigned works, the Sub-Jail could not be made operational and the total expenditure of ₹ 2.93 crore incurred thereon 22 to 73 months back remained unfruitful. Besides, starting of new Courts for the people was affected. The possibility of the vacant rooms getting deteriorated due to their prolonged disuse could not also be ruled out.

The Government stated (November 2012), inter alia, that the building would be taken over within the next 2/3 months on completion of the security related works and the remaining pending works would continue.

LABOUR DEPARTMENT
(Tripura Building and Other Construction Workers' Welfare Board)

1.7 Failure to achieve the objects of the Board besides imprudent investment of idle funds

Tripura Building and Other Construction Workers' Welfare Board collected Cess and contribution amounting to ₹ 35.88 crore during 2007-08 to 2011-12 with the object of spending this fund amount towards social security of the workers. However, Annual Budgets and action plan for providing benefits to the beneficiaries were not prepared. Consequently, only an amount of ₹ 23.72 lakh was spent towards the welfare activities during the above period leading to failure of the Board to achieve its object. Besides, unspent idle funds were kept by the Board in Savings Account instead of prudently investing the same in Fixed Deposits resulting in avoidable loss of interest of at least ₹ 2.77 crore, which could have been added to the Cess fund.

Tripura Building and Other Construction Workers' Welfare Board (the Board) was constituted (20 January 2007) under section 18 (1) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 of the Government of India with the objective to secure social security benefits to the workers engaged in building and other construction works. The Board started functioning *w.e.f.* 1 April 2007. The object of the Board was to secure certain social security benefits to the workers engaged in building and other construction works *viz.*, assistance in case of accident, payment of death benefits, pension, loans and advances, premium for Group Insurance scheme etc. The benefits were to be financed out of the funds created from the proceeds of Cess collected by the Board @ 1 *per cent* on the total project cost of construction, registration fees and the contributions received from the beneficiary workers. The duties and functions of the Board included administration of the cess fund and grant of benefits to the beneficiaries under the Act, laying down policies for the deposits of the fund, submission of annual budget to Government for sanction etc.

Scrutiny of records (June 2012) of the Board revealed that during 2007-08 to 2011-12, the Board collected an amount of ₹ 35.88 crore towards cess from various Government departments, agencies, bodies etc., and contributions from the beneficiaries. It was observed that during the above period, the Board had incurred only ₹ 23.72 lakh (0.66 *per cent* of total Cess collected) towards the welfare activities of the building and construction workers.

It was observed that during the period from 2007-08 to 2009-10, the Board had not prepared any annual budget for expenditure towards the social security services for the beneficiaries. Besides, the Board had not prepared any annual action plan against the total number of beneficiaries to be covered. Consequently, the surplus funds in each year after

incurring nominal expenditure towards social security had increased substantially from ₹ 1.83 crore in 2008-09 to ₹ 24.74 crore in 2011-12.

Moreover, the Board had kept these idle funds at low rate³⁶ savings account earning interest of ₹ 1.46 crore, instead of prudently investing the same in fixed deposits at least on yearly basis so as to earn higher³⁷ returns of ₹ 4.23 crore. This has resulted in avoidable loss of interest amounting to at least ₹ 2.77 crore as detailed in **Appendix 1.10**, which would have accrued for the intended purpose of spending towards the welfare activities of the building and construction workers.

Thus, the Board had failed to achieve its object of providing social security to the workers out of Cess fund collected besides idling of huge funds with resultant loss of interest of ₹ 2.77 crore.

The matter was reported to the Government (October 2012). In reply, the Secretary-cum-CEO of the Board, while not explaining the reasons for keeping the collected Cess fund idle, had stated (November 2012) that a total amount of ₹ 74 lakh was spent towards welfare activities of the workers in addition to investment of ₹ 20 crore in fixed deposits with ₹ 10 crore more to be invested in future.

The reply is not tenable as huge Cess funds were kept idle without spending the same on social security of workers, the purpose for which the Cess was collected. Further, during the period from 2007-08 to 2011-12, only an amount of ₹ 23.72 lakh was spent as per the approved accounts of the Board and the remaining amount of ₹ 50.05 lakh was spent during the year 2012-13 (up to November 2012). Moreover, the investment in fixed deposits had also been started only from May 2012.

³⁶ Rate of interest ranging between 3.5 and 4 per cent per annum

³⁷ Rate of interest ranging between 6.75 and 9 per cent per annum (for 1 year to less than 2 years)

CHAPTER II: ECONOMIC SECTOR

2.1 Introduction

This Chapter of the Audit Report for the year ended 31 March 2012 deals with the findings on audit of the State Government units under Economic Sector.

The names of the State Government departments and the total budget allocation and expenditure of the State Government under Economic Sector during the year 2011-12 are given in the table below:

Table 2.1

(₹ in crore)

| Name of the Departments | Total Budget Allocation | Expenditure |
|--|-------------------------|-----------------|
| Agriculture Department | 317.75 | 129.66 |
| Animal Resource Development Department | 51.44 | 46.27 |
| Co-operation Department | 19.35 | 16.60 |
| Fisheries Department | 24.16 | 21.63 |
| Forest Department | 63.18 | 55.42 |
| Horticulture Department | 28.82 | 24.96 |
| Industries and Commerce (Handloom, Handicrafts and Sericulture) Department | 28.13 | 23.37 |
| Industries and Commerce Department | 38.73 | 34.61 |
| Information, Cultural Affairs and Tourism Department | 33.69 | 31.19 |
| Information Technology Department | 8.64 | 12.56 |
| Power Department | 82.88 | 74.95 |
| Public Works (Roads and Buildings) Department | 511.63 | 430.28 |
| Public Works (Water Resource) Department | 198.52 | 98.55 |
| Science Technology and Environment Department | 3.88 | 3.56 |
| Total number of Departments = 14 | 1,410.80 | 1,003.61 |

Source: Appropriation Accounts – 2011-12.

Besides the above, the Central Government had transferred a sizeable amount of funds directly to the Implementing agencies under the Economic Sector to different agencies in the State during the year 2011-12. The major transfer (₹ 5 crore and above) for implementation of flagship programmes of the Central Government are detailed below:

Table 2.2

(₹ in crore)

| Name of the Department | Name of the Scheme/ Programme | Implementing Agency | Amount of funds transferred during the year |
|------------------------|--|---|---|
| Agriculture | Integrated Water Shed Mangement Programme (IWMP) | State Level Nodal Agency Department of Agriculture, Tripura | 18.17 |
| Total: | | | 18.17 |

Source: 'Central Plan Scheme Monitoring System' portal in Controller General of Accounts' website

2.2 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/ complexity of activities, level of delegated financial powers, assessment of overall internal controls, etc.

The audits were conducted during 2011-12 involving test-check of an expenditure of ₹ 1,729.74 crore (including expenditure pertaining to the previous years audited during the year) of the State Government under Economic Sector. This Sector contains four Transaction Audit Paragraphs.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the departments. The departments are requested to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State under Article 151 of the Constitution of India for being laid in the State Legislature.

The major observations detected in audit during the year 2011-12 are as detailed in the succeeding paragraphs:

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS)

2.3 Unfruitful expenditure

Failure of the Department to take prudent, timely and effective action against the contractor for inordinate delay in execution of the construction works of the residential quarters for the 6th Battalion TSR through closure/rescission of the agreements for getting the works completed resulted in unfruitful expenditure of ₹ 79.17 lakh as it could not yield any benefit despite lapse of over nine years from the scheduled date (s) of completion.

Administrative Approval and Expenditure Sanction for ₹ 2.81 crore were accorded (September 2001) by the Government for construction of residential accommodation¹ for the staff of 6th Battalion TSR Headquarters at Ramchandraghat, Khowai. However, construction of 64 quarters (Type-III: 4 and Type-II: 60) (including water supply and sanitation) was taken up during 2003-04 in phases by the Teliamura Division of PWD (R&B). Subsequently, the works were transferred to the Khowai Division of PWD (R&B) following departmental reorganisation (November 2006). Out of 64 quarters taken up for construction, 32 quarters (Type-II) had been completed and handed over (May 2010) to the TSR authority but the construction works for the remaining 32 quarters (Type-III: 4 and Type-II: 28) were not completed despite time lapse of over nine years (September 2012).

Scrutiny (April-May 2012) of records of the Executive Engineer (EE), Khowai Division revealed that for construction of the said 32 quarters, eight work orders (four under each) had been issued (seven on 27 August 2002 and one on 10 January 2003) to Contractor 'A', at his total tendered value of ₹ 1.19 crore² against total estimated cost of ₹ 1.03 crore³, allowing completion time of five and half months. Accordingly, eight different agreements were signed. Thus, 28 quarters were scheduled to be completed by 18 February 2003 and the rest four by 30 June 2003.

The specific reasons for delays were not made available to Audit by the Department, despite repeated persuasance except attributing (September 2012) the same merely to "various reasons".

There was no provision in the agreements to impose penalty for the failure of contractor to complete the works in time. The contractor was allowed provisional time extension upto January 2010 to keep the contract alive. No action was taken to close/rescind the agreements reportedly "to avoid the possibility of the contractor's going for arbitration".

¹ Type -I: 6, Type -II: 63 and Type -III: 3

² @ ₹ 14.44 lakh for 5 works under Agreement No. 50 to 54; @ ₹ 14.57 lakh under Agreement No. 55 and 56 and @ ₹ 17.55 lakh under Agreement No. 57

³ Estimated cost: ₹ 1.03 crore (@ ₹ 12.58 lakh for 7 works and @ ₹ 15.29 lakh for 1 work)

However, statutory notices were issued (March 2010) to the contractor rescinding the agreements and asking the contractor for conducting joint measurement on 25 April 2010, of the works executed. As per the latest measurement records, no works were executed by the contractor after 2008 when the last payment of ₹ 79.17 lakh in respect of all the eight works was made, against total value of work done for ₹ 1.01 crore.

The contractor, however, moved (November 2011) for arbitration in respect of five agreements, stating that the works were at finishing stage or at completed stage. According to the Contractor's submission before the Arbitrator, the delay in constructing the quarters was due to non-handing over of clear/complete work site at a time for simultaneous execution of the work as also delayed/irregular payment throughout the period of execution. Thus, the plea for not rescinding the works earlier proved imprudent in as much as it could not prevent the contractor from resorting to arbitration, and in the absence of these 32 quarters the families of the TSR personnel were facing shortage of accommodation, a good number of whom were staying outside the Battalion Headquarters.

Thus, failure of the Department to take prudent, timely and effective action against the contractor for inordinate delay in execution of the works of the residential quarters for the 6th Battalion TSR through closure/rescission of the agreements paving any alternative way out for getting the works completed, resulted in unfruitful expenditure of ₹ 79.17 lakh as it could not yield any benefit despite lapse of over nine years from the scheduled date (s) of completion.

The matter was reported to the Government in October 2012; reply had not been received (February 2013).

2.4 Undue financial benefit leading to loss of interest

In violation of the provisions of the manual seven package works were awarded to four private agencies by the Public Works Department (Roads and Buildings) allowing interest free mobilisation advances, which was beyond the scope of the MOUs signed, resulting in loss of interest to the tune of ₹ 2.46 crore. Besides, the works initiated earlier and due for completion were either lagging behind or were not completed in time defeating the very purpose of granting such advances.

According to the CPWD Works Manual, 2007 provision of mobilisation advance might be kept in the tender documents in respect of certain specialised and capital intensive works with estimated cost of ₹ 2 crore and above, against a Bank Guarantee of a Scheduled Bank for the full amount of advance. Such mobilisation advance was to be released to the contractor in not less than two installments on specific request as per the terms of the contract at 10 *per cent* simple interest and would be limited to 10 *per cent* of

tendered amount. The interest on the advance shall be calculated from the date of payment to the date of recovery.

Scrutiny of records of the Executive Engineers of four⁴ Divisions of PWD (R&B) revealed that with the approval (June 2008) of the Council of Ministers, the Public Works Department invited (between July 2008 and September 2008) Expression of Interest (EOI) from the reputed Private Sector Construction Agencies with a view to short-listing on the basis, *inter alia*, of evaluation of their technical and financial capabilities, and then asking the short-listed agencies for offering financial bids for a few specific packages of works in the State and awarding the works/packages to the lowest bidder on cost plus percentage basis.

On due completion of the above stages, four agencies (lowest bidders) were awarded (between December 2008 and December 2010) seven different packages of works on cost plus percentage basis with the approval (November 2008) of Works Advisory Board (WAB). Such works comprised of improvement of the existing roads at different locations, reconstruction of the existing culverts and also new construction of RCC culverts and bridges etc. during 2008-11 as detailed at **Appendix 2.1**. Time allowed for completion of each was two years, *i.e.* between January 2011 and January 2013. All the seven packages were in progress, of which completion of four⁵ were overdue between January 2011 and February 2012. The financial progress made till March 2012 in respect of the seven packages was as shown in **Appendix 2.2** which shows that three packages⁶ whose completion time was approaching had very slow progress.

It was seen in audit that a provision was made in the MOUs signed in respect of the works for payment of mobilisation advance equivalent to 5 *per cent* of the contract value in two equal installments, against an unconditional Bank Guarantee of any Scheduled Bank, which conformed only partially to the provision of the CPWD Works Manual. Neither any rate of interest chargeable was mentioned in the MOUs nor was there any indication that interest free mobilisation advance was to be paid. It was seen that the Superintending Engineer (SE), Planning Circle communicated (24th December 2009) the decision of the Department to the Divisions concerned to treat such advance as interest free. There could, however, be no reasonable ground for allowing interest free mobilisation advances in as much as all the agencies were assessed by the WAB as having adequate technical and financial capabilities. However, based on the decision of the Department, the four agencies were allowed interest free mobilisation advances of ₹ 19.49 crore against seven works awarded to them by four executing Divisions (**Appendix 2.2**).

⁴ Belonia (during February- March 2010 and December 2011- January 2012), Amarpur (during July 2010 and January – February 2012), Sonamura (during January 2012) and Santirbazar (during January 2012)

⁵ Sl. No. 1 to 4 of **Appendix 2.1**

⁶ Sl. No. 5 to 7 of **Appendix 2.1**

Thus, there was violation of the manualised provisions on the part of the Department in allowing interest free mobilisation advance to the agencies, which was also beyond the scope of the respective MOUs signed for the seven package works awarded to them. This led to a loss of interest to the Government to the tune of ₹ 2.46 crore (**Appendix 2.2**), which could have been realised by the four executing Divisions had such undue benefit not been extended to the agencies at the cost of public exchequer. Further, even though mobilisation advances were granted, none of the works was completed in time and were lagging behind the time schedule, defeating the very purpose of granting mobilisation advance.

The matter was reported to the Government in August 2012 and again in October 2012; reply had not been received (February 2013).

PUBLIC WORKS DEPARTMENT (WATER RESOURCE)

2.5 Faulty planning leading to idle investment

Faulty planning in taking up execution of work without proper survey and ensuring availability of clear site by the Public Works Department (Water Resource) led to inevitable necessity for re-alignment of the canal track, which coupled with continued problem of land acquisition thereafter, resulted in delay in commencement of the work and the work remained incomplete for more than five years from the stipulated date of completion. Further, funds of ₹ 61.02 lakh invested on the incomplete work could not yield any benefit for the targeted groups of people.

The work ‘Muhuri Irrigation Project at Kalashi (Diversion Scheme)/Construction of left bank main canal in between Ch. 6060 metres to Ch. 8555 metres excluding road bridges, cross drainage, road crossing and escape etc.’ was awarded (17 March 2006) by the Executive Engineer (EE), Water Resource Division No.IV, Belonia to a contractor at a tendered value of ₹ 91.21 lakh (35 *per cent* above the estimated cost of ₹ 67.56 lakh) with the approval (February 2006) of the Works Advisory Board (WAB), stipulating completion time of 12 months to be reckoned from 15 days after the date of issue of work order. An agreement was also signed fixing the completion date as 31 March 2007.

According to the CPWD Code⁷ and Manual⁸, the availability of a clear site was to be ensured before taking up the execution of any work.

⁷ Para 86 A(ii)

⁸ Para 5.1 and 15.2.1

Scrutiny (January-February 2012) of records of the EE revealed that tender had been invited for the aforesaid work without proper survey of the proposed site and it was only after the issue of the work order when the authority noticed (22 April 2006) that the canal alignment determined would pass through the sides of different ponds as well as the dead course of Pillakcherra (a rivulet) and also that the topographical position of the canal would exert hectic pressure during monsoon time, which might cause damage to the locality. Local people and different level of public dignitaries also expressed their opinion in this regard strongly. To overcome this problem and also considering the future aspect of the canal, the alignment was changed with the consent of the competent authority (19 May 2006). As a result, significant deviation from the approved items as well as fresh land acquisition for the re-aligned canal stood anew as inevitable necessity.

After finalising the re-alignment of the canal track, again there were delays in acquisition of land and it became possible to commence the work only on 7 March 2007 *i.e.* after more than 11 months from the issue of work order.

On the available site, total value of work done by the contractor, as per the last measurement taken between April 2009 and May 2009, was ₹ 61.02 lakh (including deviation for ₹ 35.19 lakh and extra item for ₹ 9.78 lakh) which was fully paid (March 2010) to the contractor through the 6th RA bill. There was no further execution of work due to non-availability of clear site.

Thus, faulty planning in taking up execution of work without proper survey and ensuring availability of clear site led to inevitable necessity for re-alignment of the canal track, which coupled with continued problem of land acquisition thereafter, resulted in delay in commencement of the work and the work remained incomplete for more than five years from the stipulated date of completion. Further, funds of ₹ 61.02 lakh invested on the incomplete work could not yield any benefit for the targeted groups of people.

The EE stated (June and July 2012) that land dispute still persisted and the contractor had represented (5 June 2012) for closure of the work due to efflux of time as also his serious illness. Further development was awaited (February 2013).

The matter was reported to the Government in July 2012 and again in September 2012; reply had not been received (February 2013).

**PUBLIC WORKS DEPARTMENT
(WATER RESOURCE, DRINKING WATER AND SANITATION)**

2.6 Blocking up of public funds on idle stores

Failure of the Public Works Department (Water Resource, Drinking Water and Sanitation) in assessing the actual requirement of store items and procurement thereof without keeping a special watch over slow moving items in contravention of the manualised provision and lack of co-ordination between the wings of the Department, resulted in accumulation of unutilised stock valued at ₹ 11.25 crore for the last 23 to 62 months, blocking up of public funds to that extent on idle stores, and also having the risk of deterioration due to prolonged storage.

As per manualised provision⁹ materials are to be purchased strictly in accordance with the requirements of the work and utilised to the best advantage of the Government. The purchase or indenting in excess of requirements should be avoided. The Divisional Officer concerned was also required to keep a special watch over slow moving items so as to avoid their accumulation in the stores.

Scrutiny (November 2010 and December 2011) of records of the Divisional Officer, Resource Division (PWD, Water Resource), Panchamukh, Agartala revealed that DI pipes (K-9 and K-7) of different diameters were procured by the Division in large quantities during 2007-11 mainly for urban water supply schemes but corresponding issues were much lesser resulting in accumulation of huge stock for a long period as detailed below:

- (i) 5,905.50 metres (m)¹⁰ DI pipes (K-9) of dia 400 mm, 450 mm and 500 mm were procured between May 2007 and August 2009, on the basis of requisition from the Chief Engineer, PWD (DWS) for the two years (2007-08 and 2008-09) for 12,540 m (400 mm: 5,500 m, 450 mm: 6,600 m and 500 mm: 440 m). The total stock of DI pipes (K-9) including opening balance of 529.00 m¹¹ (since March 2008), which stood at 6,434.50 m as of August 2009 had been lying in the Divisional Storeyards at Panchamukh, Agartala and Batarasi, Dharmanagar for the last 36 to 62 months without issue. The value of the stores so accumulated worked out to ₹ 3.51crore¹² at the then issue rate.
- (ii) 16,470 m DI pipes (K-7) of dia 300 mm, 400 mm and 450 mm were procured between February 2010 and August 2010 against requisition from the Chief

⁹ Para 37.9 and 38.9 of CPWD Manual Vol.II

¹⁰ 400 mm dia: 1,666.50 m in March 2008, 450 mm dia: 3,228.50 m in between April and August 2009, 500 mm dia: 1,010.50 m in between May 2007 and September 2008

¹¹ 400 mm dia as on March 2008: 475.50 m and 450 mm dia as on December 2008: 53.50 m

¹² 400 mm dia: 2,142 m x ₹ 3,571.82 = ₹ 76,50,838 (A); 450 mm dia: (742.50 m x ₹ 6693.49 + 2540 m x ₹ 6,795) = ₹ 2,22,29,216 (B); 500 mm dia: 1,010.50 m x ₹ 5,125.91 = ₹ 5,179,732 (C)

Total value: (A) + (B) + (C) = ₹ 3,50,59,786/-

Engineer, PWD (DWS) for two years (2007-08 and 2009-10) for 22,677 m (300 mm: 13,977 m, 400 mm: 8,400 m, and 450 mm: 300 m). The total stock of DI pipes (K-7) including previous balance of 2,057.50 m and issue (693 m) stood at 17,834.50 m (August 2010), out of which 67.50 m (300 mm) only was issued in February and June 2011. Thus, 17,767 m¹³ of DI pipes (K-7) valued ₹ 6.52 crore¹⁴ had been lying in the Divisional Storeyard at Panchamukh for last 23 to 29 months (till June 2012), with nominal issue 16 months back.

The Chief Engineer, PWD (DWS) during discussion (July 2012) stated that the Accelerated Urban Water Supply Scheme (AUWS) under which the pipes were requisitioned had been closed since 2008-09, where after no funds were available and therefore the pipes could not be lifted; and the pipes being usable only for urban schemes, could not be used in the ongoing works in rural areas. He further stated (August 2012) that (i) the Urban Development Department had been requested (August 2012) to examine the feasibility of utilising the pipes (400 mm dia and 450 mm dia) for their ADB Project in Municipal and Nagar Panchayat areas, (ii) a considerable quantity of 300 mm dia pipe and a small quantity of 350 mm dia pipe would be utilised in rising main line works by the DWS Divisions of Kumarghat and Kamalpur, and (iii) substantial quantities of the pipes would be utilised in urban areas during the financial year.

Cross-check of records revealed that supply orders for 16,500 m DI pipes (K-7) of dia 300 mm, 400 mm and 450 mm were issued by Resource Division in November 2009 *i.e.* even after discontinuation of AUWS Scheme, which indicated lack of co-ordination between the Water Resource and DWS wings of the Department. Had there been proper coordination between the wings, placement of supply orders for 16,500 m DI pipes (K-7) could have been held up. Thus, the DI pipes procured (K-9 and K-7) much in excess of actual requirement had been lying for the last 23 to 62 months without issue, blocking up public funds.

Further, while there was an opening stock of 2,583 m sheet piles as of November 2008, the Division procured (December 2008) further 3,064 m from SAIL, against requisition for 182.39 MT (3,194 m) from two WR Divisions¹⁵. The reasons for not taking due cognizance of the opening balance were not spelt out to Audit despite persuasion. Out of the total stock of 5,647 m sheet piles, the Division issued only 2,844 m¹⁶ during January 2009 to April 2011, the short-lifting being attributed to holding up of projects for unavoidable circumstances like site dispute, poor bearing capacity of foundation soil etc. Thus, total 2,803 m (160 MT) sheet piles had been lying in the Divisional Storeyard,

¹³ 300 mm dia: 8,948 m; 400 mm dia: 8,425.50 m and 450 mm dia: 393.50 m

¹⁴ 300 mm dia: 8,948 m x ₹ 2,914.37 = ₹ 2,60,77,783 (A); 400 mm dia: 8,425.50 m x ₹ 4,397 = ₹ 3,70,46,924 (B); 450 mm dia: 393.50 m x ₹ 5,180.69 = ₹ 20,38,602 (C)
Total value: (A)+(B)+(C) = ₹ 6,51,63,309

¹⁵ Division I, Agartala: 57.39 MT and Division IV, Belonia: 125 MT

¹⁶ 2,648 m upto May 2009; 97.75 m in January 2011 and 98 m in April 2011

Panchamukh, Agartala for more than three years with no issue over last one year (till June 2012). The value of the accumulated sheet piles worked out to ₹ 1.22 crore¹⁷ as per purchase rate from SAIL. Test check of records in an executing Division¹⁸ also revealed (March 2012) that sheet piles worth ₹ 32.96 lakh issued to it during March-May 2009 had remained unutilised till date of audit (December 2011).

Thus, failure of the Department in assessing the actual requirement of store items and taking into account the stock already in hand while making procurement thereof without keeping a special watch over slow moving items in contravention of the manualised provision and lack of co-ordination between the Water Resource and DWS wings of the Department resulted in accumulation of unutilised stock valued at ₹ 11.25 crore for the last 23 to 62 months, blocking up public funds on idle stores, fraught with the risk of deterioration due to prolonged storage.

The matter was reported to the Government in October 2012; reply had not been received (February 2013).

¹⁷ Total rate per MT (i.e.17.51 m): {₹ 66,879 + CST (4%): ₹ 2,675 + Transportation Charges: ₹ 6,589}= ₹ 76,143;

Total value: ₹ 76,143 per MT X 160 MT= ₹ 1,21,82,880

¹⁸ Water Resource Division No.1, Agartala

CHAPTER III: ECONOMIC SECTOR (Public Sector Undertakings)

3.1 Overview of State Public Sector Undertakings

Introduction

The State Public Sector Undertakings (PSUs) consist of State Government Companies and Statutory Corporations. The State PSUs are established to carry out activities of commercial nature while keeping in view the welfare of people. The State PSUs registered a turnover of ₹ 419.52 crore as per their latest finalised accounts as of September 2012. This turnover was equal to 2.13 *per cent* of Gross State Domestic Product (GSDP) for 2011-12. Thus, the State PSUs occupy an insignificant place in the State economy. Major activities of Tripura State PSUs were concentrated in power and manufacturing sectors. The State PSUs incurred a loss of ₹ 104.98 crore in aggregate as per their latest finalised accounts as of September 2012. They had employed 7360¹ employees as of 31 March 2012. The State PSUs do not include Departmental Undertakings (DUs), which carry out commercial operations but are a part of Government departments.

3.1.2 As on 31 March 2012, there were fourteen PSUs as per the details given below. None of the companies were listed on the stock exchange.

Table No. 3.1.1

| Type of PSUs | Working PSUs | Non-working PSUs ² | Total |
|-----------------------------------|--------------|-------------------------------|-----------|
| Government Companies ³ | 12 | 1 | 13 |
| Statutory Corporations | 1 | - | 1 |
| Total: | 13 | 1 | 14 |

Audit Mandate

3.1.3 Audit of Government companies is governed by Section 619 of the Companies Act, 1956. According to Section 617, a Government company is one in which not less than 51 *per cent* of the paid up capital is held by Government(s). A Government company includes a subsidiary of a Government company. Further, a company in which not less than 51 *per cent* of the paid up capital is held in any combination by Government(s), Government companies and Corporations controlled by Government(s) is treated as if it

¹ As per the details provided by PSUs, except one non-working PSU and one newly incorporated company.

² Non-working PSUs are those which have ceased to carry on their operations.

³ Includes one 619-B company namely Tripura Natural Gas Company Limited. During the year 2011-12, one 619-B company named North Eastern Industrial Consultants Limited (NEICL), which was hitherto audited by this Office has been shifted to our other Office namely MAB-I, Kolkata and hence the same has been excluded from the list. Besides, one newly incorporated company named Tripura Urban Transport Company Limited (TUTCL) has been added to the list during the current year.

were a Government company (deemed Government company) as per Section 619-B of the Companies Act.

3.1.4 The accounts of State Government companies (as defined in Section 617 of the Companies Act, 1956) are audited by Statutory Auditors, who are appointed by CAG as per the provisions of Section 619(2) of the Companies Act, 1956. These accounts are also subject to supplementary audit conducted by CAG as per the provisions of Section 619 (4) of the Companies Act, 1956.

3.1.5 Audit of Statutory corporations is governed by their respective legislations. CAG is the sole auditor of the only Statutory corporation in the State viz., Tripura Road Transport Corporation.

Investment in State PSUs

3.1.6 As on 31 March 2012, the investment (capital and long-term loans) in 14 PSUs (including 619 B companies) was ₹ 796.71 crore as per details given below.

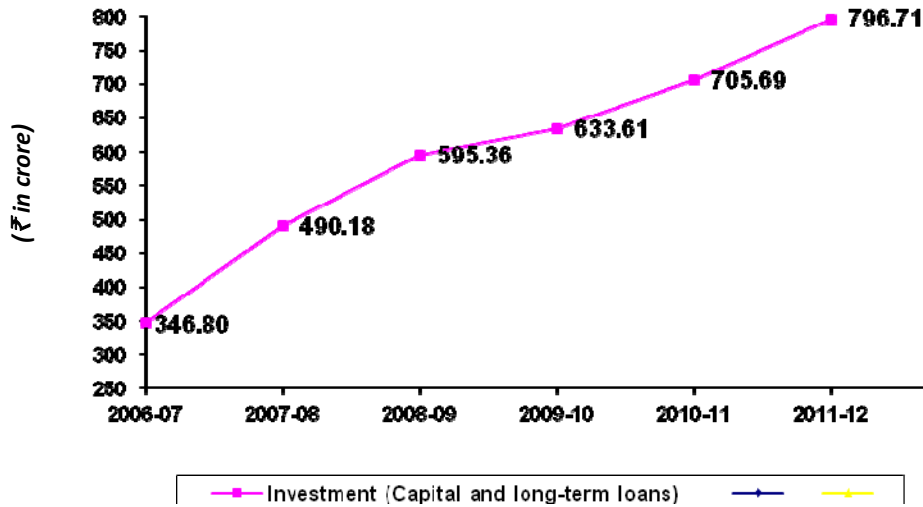
Table No. 3.1.2

(₹ in crore)

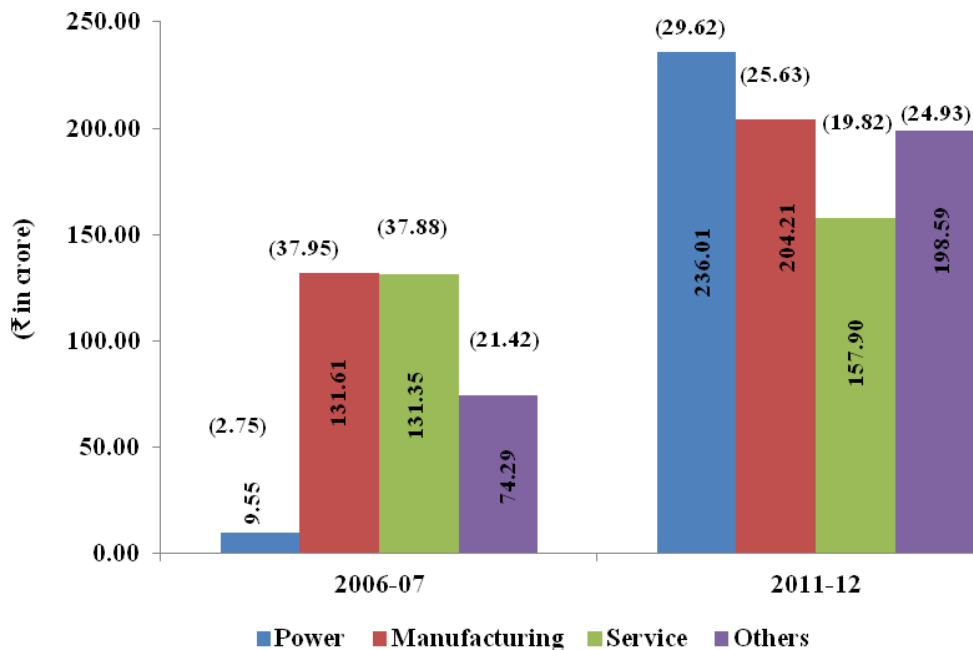
| Type of PSUs | Government Companies | | | Statutory Corporations | | | Grand Total |
|------------------|----------------------|-----------------|---------------|------------------------|-----------------|---------------|---------------|
| | Capital | Long Term Loans | Total | Capital | Long Term Loans | Total | |
| Working PSUs | 435.45 | 203.52 | 638.97 | 157.45 | 0.25 | 157.70 | 796.67 |
| Non-working PSUs | 0.04 | - | 0.04 | - | - | - | 0.04 |
| Total: | 435.49 | 203.52 | 639.01 | 157.45 | 0.25 | 157.70 | 796.71 |

A summarised position of Government investment in State PSUs is detailed in **Appendix- 3.1**.

3.1.7 As on 31 March 2012, of the total investment in State PSUs, 99.99 per cent was in working PSUs and the remaining 0.01 per cent in non-working PSUs. This total investment consisted of 74.42 per cent towards capital and 25.58 per cent in long-term loans. The investment had grown by 129.73 per cent from ₹ 346.80 crore in 2006-07 to ₹ 796.71 crore in 2011-12 as shown in the graph below.



3.1.8 The investment in various important sectors at the end of 31 March 2007 and 31 March 2012 are indicated below in the bar chart.



(Figures in brackets show the percentage of total investment)

It may be noticed that the major thrust of investment during 2006-07 was in manufacturing and service sectors. After transfer (January 2005) of activities relating to generation, transmission and distribution of electricity from the Power Department, Government of Tripura to a newly formed (June 2004) PSU (namely, Tripura State Electricity Corporation Limited), the investment in power sector had grown rapidly and

reached at the highest among other sectors at 29.62 per cent of total investments during 2011-12. The manufacturing sector was the second major sector of investment in PSUs as on 31 March 2012.

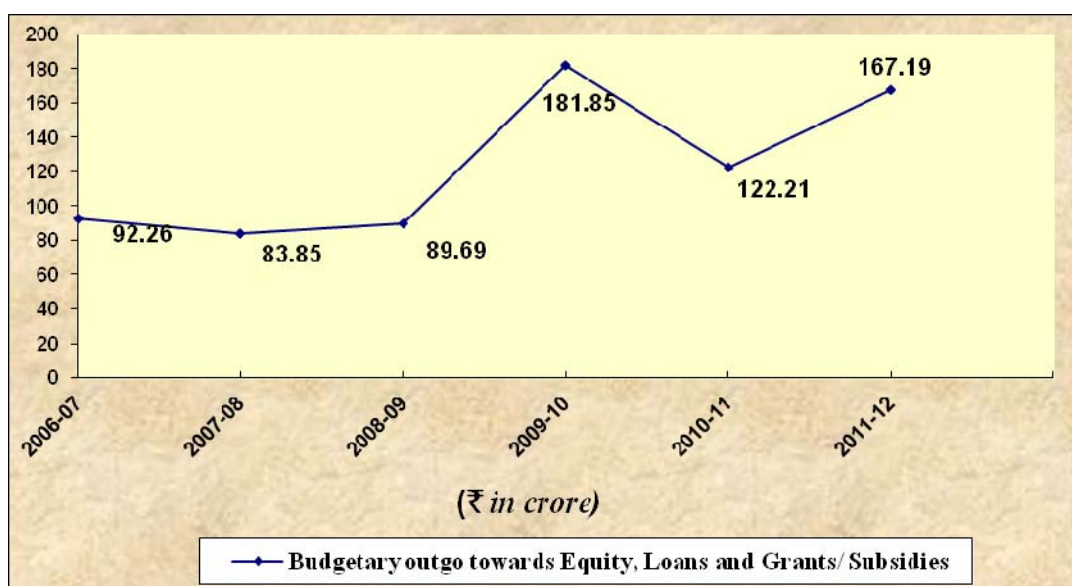
Budgetary outgo, grants/subsidies, guarantees and loans

3.1.9 The details regarding budgetary outgo towards equity, loans, grants/subsidies, guarantees issued, loans written off, loans converted into equity and interest waived in respect of State PSUs are given in **Appendix 3.3**. The summarised details are given below for three years ended 2011-12.

Table No. 3.1.3

| Sl. No. | Particulars | 2009-10 | | 2010-11 | | 2011-12 | |
|---------|--------------------------------------|-------------|--------|-------------|--------|-------------|--------|
| | | No. of PSUs | Amount | No. of PSUs | Amount | No. of PSUs | Amount |
| 1. | Equity Capital outgo from budget | 8 | 25.79 | 3 | 13.27 | 6 | 27.29 |
| 2. | Loans given from budget | 1 | 16.50 | - | - | 2 | 75.85 |
| 3. | Grants/Subsidy received ⁴ | 4 | 139.56 | 5 | 108.94 | 6 | 64.05 |
| 4. | Total Outgo (1+2+3) | 10 | 181.85 | 7 | 122.21 | 10 | 167.19 |
| 5. | Guarantee Commitment | - | - | - | - | - | - |

3.1.10 The details regarding budgetary outgo towards equity, loans and grants/subsidies for the past six years are given in a graph below:



The increase in the budgetary outgo of the State Government during the period from 2006-07 to 2009-10 was mainly directed to the power sector. The decrease in annual budgetary outgo in 2010-11 was due to decrease in outgo towards equity and grants to the PSUs. The annual budgetary outgo increased in 2011-12 mainly due to loan of ₹ 75.75

⁴ Amount represents outgo from State Budget only.

crore extended to one company namely Tripura Industrial Development Corporation Limited. During 2011-12, the State Government also provided significant financial support in the form of equity (₹ 15.80 crore) and grants (₹ 13.25 crore) to two State PSUs namely, Tripura Jute Mills Limited and Tripura Road Transport Corporation respectively.

Reconciliation with Finance Accounts

3.1.11 The figures in respect of equity, loans and guarantees outstanding as per records of State PSUs should agree with that of the figures appearing in the Finance Accounts of the State. In case the figures do not agree, the concerned PSUs and the Finance Department should carry out reconciliation of differences. The position in this regard as on 31 March 2012 is stated below.

Table No. 3.1.4

(₹ in crore)

| Outstanding in respect of | Amount as per Finance Accounts | Amount as per records of PSUs | Difference |
|---------------------------|--------------------------------|-------------------------------|------------|
| | 2011-12 | 2011-12 | 2011-12 |
| Equity | 871.79 | 585.43 | 286.36 |
| Loans | 43.50 | 203.77 | 160.27 |
| Guarantees | 49.59 | - | 49.59 |

It was observed that the differences occurred in respect of 11 PSUs and the differences were pending reconciliation since many years. The Government and the PSUs should take concrete steps to reconcile the differences in a time-bound manner.

Performance of PSUs

3.1.12 The financial results of PSUs, financial position and working results of the only working statutory corporation are detailed in **Appendices 3.2, 3.5 and 3.6** respectively. A ratio of PSU turnover to State GDP shows the extent of PSU activities in the State economy. The following table provides the details of working PSU turnover and State GDP for the period 2006-07 to 2011-12.

Table No. 3.1.5

(₹ in crore)

| Particulars | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------------------|
| Turnover ⁵ | 50.43 | 251.65 | 260.69 | 288.48 | 331.33 | 419.52 |
| State GDP | 10,914.23 | 11,797.07 | 13,104.47 | 14,604.28 | 16,327.89 | 19730.96 ⁶ |
| Percentage of Turnover to State GDP | 0.46 | 2.13 | 1.99 | 1.98 | 2.03 | 2.13 |

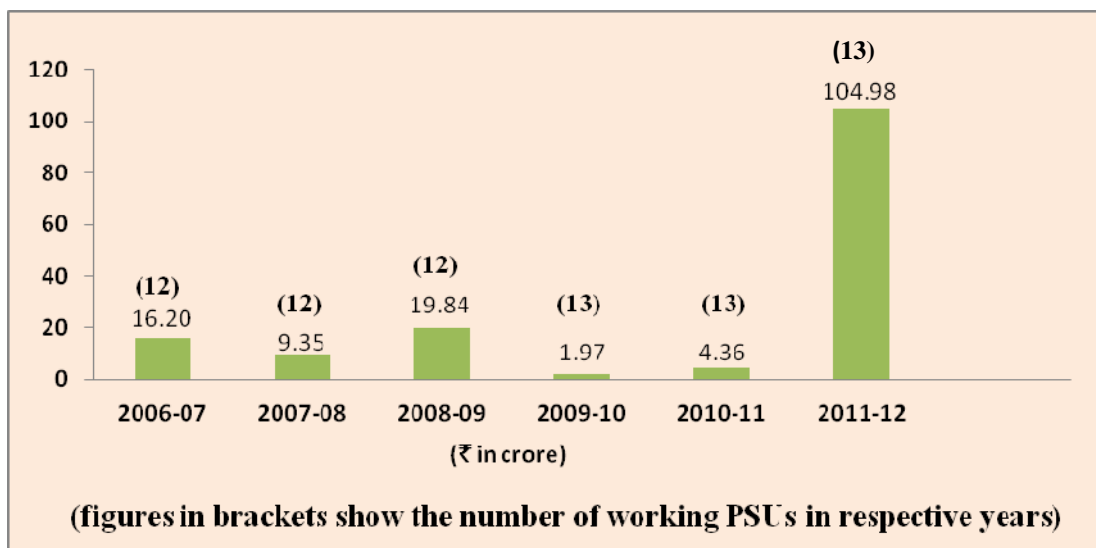
It may be noticed from the table that the turnover of the State working PSUs and the State GDP had shown consistent growth during all the six years from 2006-07 to 2011-12. The

⁵ Turnover as per the latest finalised accounts of PSUs as of September 2012

⁶ Based on Quarterly Review Report of the Finance Minister for third quarter of 2011-12

percentage of turnover to the State GDP had also shown increasing trend during the period of six years except during 2008-09 and 2009-10 when the percentage had marginally declined as the increase in the turnover during these two years was not commensurate with the growth in the State GDP.

3.1.13 Net losses⁷ incurred by State working PSUs during 2006-07 to 2011-12 based on their latest finalized accounts during the above period are given below in a bar chart:



From the above it can be seen that the working PSUs incurred overall losses in all the six years during 2006-07 to 2011-12. The overall losses during the five years upto 2010-11 ranged between ₹ 1.97 crore (2009-10) and ₹ 19.84 crore (2008-09), which increased significantly to ₹ 104.98 crore during 2011-12 mainly due to heavy losses incurred by the only power sector PSU. During the year 2011-12, out of 13 working PSUs, 4 PSUs earned profit of ₹ 33.73 crore and 8 PSUs incurred loss of ₹ 138.71 crore. One working PSU (*viz.* Tripura Urban Transport Company Limited) had not finalised its first accounts. The major contributor to profit was Tripura Forest Development & Plantation Corporation Limited (₹ 26.26 crore) while, heavy losses were incurred by Tripura State Electricity Corporation Limited (₹ 95.79 crore), Tripura Road Transport Corporation (₹ 19.24 crore) and Tripura Jute Mills Limited (₹ 13.55 crore).

3.1.14 The losses of PSUs are mainly attributable to deficiencies in financial management, planning, implementation of project, running their operations and monitoring. During the year 2011-12, we selected two PSUs namely Tripura State Electricity Corporation Limited and Tripura Forest Development and Plantation Corporation Limited for detailed audit. The details of revenue, cost, net profit of these

⁷ Arrived at before making the below the line adjustments like income tax penalty, refund of income tax etc.

PSUs as per their latest finalized accounts and the money value of audit objections are summarised below.

Table No. 3.1.6

(₹ in crore)

| Name of the Company | Revenue | Cost | Net Profit/ Net Loss (-) | Money value of audit objections | |
|--|---------------|---------------|-----------------------------|---------------------------------|-----------------|
| | | | | Excess cost incurred | Revenue forgone |
| Tripura State Electricity Corporation Limited (latest finalized accounts-2010-11) | 356.61 | 452.40 | (-) 95.79 | 22.13 | 0.51 |
| Tripura Forest Development and Plantation Corporation Limited (latest finalized accounts- 2010-11) | 50.17 | 23.91 | 26.26 | - | 1.30 |
| Total: | 406.78 | 476.31 | -69.53 | 22.13 | 1.81 |

3.1.15 The above losses pointed out are based on test check of records of PSUs. The actual losses would be much more. The above table shows that with better management, the losses can be eliminated. The PSUs can discharge their role efficiently only if they are financially self-reliant. The above situation points towards a need for professionalism and accountability in the functioning of PSUs.

3.1.16 Some other key parameters pertaining to State PSUs based on their latest finalized accounts are given below.

Table No. 3.1.7

(₹ in crore)

| Particulars | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|--|-----------------------|---------|---------|---------|---------|---------|----------|
| Return on Capital Employed (<i>per cent</i>) | Negative In All Years | | | | 0.59 | 0.50 | Negative |
| Debt | 8.81 | 8.50 | 23.74 | 98.29 | 108.37 | 128.28 | 203.77 |
| Turnover ⁸ | 53.79 | 50.43 | 251.65 | 260.69 | 288.48 | 331.33 | 419.52 |
| Debt/ Turnover Ratio | 0.16:1 | 0.17:1 | 0.09:1 | 0.38:1 | 0.38:1 | 0.39:1 | 0.49:1 |
| Interest Payments ⁸ | 5.68 | 5.69 | 6.31 | 5.89 | 7.27 | 9.37 | 9.37 |
| Accumulated losses ⁸ | 196.39 | 197.98 | 210.18 | 243.74 | 303.21 | 320.31 | 348.01 |

3.1.17 From the table above, it may be noticed that there had been significant increase in the overall debts of the State PSUs during past three years from ₹ 98.29 crore (2008-09) to ₹ 203.77 crore (2011-12) mainly on account of increase in the borrowings of Tripura State Electricity Corporation Limited and Tripura Industrial Development Corporation Limited. As a result, the Debt-Turnover ratio as well as the interest payments had been shown increasing trend after 2008-09. The return on capital employed had been negative during all six years except during 2009-10 and 2010-11 due to high losses incurred by the State PSUs.

3.1.18 The State Government had not yet formulated any dividend policy regarding payment of minimum dividend by the State PSUs. As per their latest finalised accounts as

⁸ Turnover of working PSUs and interest as well as accumulated losses as per the latest finalised accounts as of September 2012

on 30 September 2012, four PSUs earned an aggregate profit of ₹ 33.73 crore. None of these PSUs, however, declared any dividend during 2011-12.

Arrears in finalisation of accounts

3.1.19 The accounts of the companies for every financial year are required to be finalised within six months from the end of the relevant financial year under Sections 166, 210, 230, 619 and 619-B of the Companies Act, 1956. Similarly, in case of Statutory corporations, their accounts are finalised, audited and presented to the Legislature as per the provisions of their respective Acts.

The table below provides the details of progress made by working PSUs in finalisation of accounts as of September 2012:

Table No. 3.1.8

| Sl. No. | Particulars | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|---------|---|---------------|---------------|---------------|--------------|---------------|--------------|
| 1. | Number of working PSUs | 12 | 12 | 12 | 13 | 13 | 13 |
| 2. | Number of accounts finalised during the year | 5 | 6 | 24 | 38 | 27 | 22 |
| 3. | Number of accounts in arrears | 80 | 86 | 74 | 49 | 35 | 26 |
| 4. | Average arrears per PSU (3/1) | 6.67 | 7.17 | 6.17 | 3.77 | 2.69 | 2.00 |
| 5. | Number of Working PSUs with arrears in accounts | 12 | 12 | 12 | 13 | 13 | 13 |
| 6. | Extent of arrears | 1 to 13 years | 2 to 14 years | 2 to 15 years | 1 to 9 years | 1 to 10 years | 1 to 6 years |

3.1.20 From the table, it may be seen that there had been a significant improvement in the position of arrears of accounts of the State PSUs after 2007-08. This had reduced the average number of arrears per PSU from 7.17 accounts (2007-08) to 2.00 accounts (2011-12). It may, however, be observed that all the 13 working PSUs were still having arrears of accounts for periods ranging from 1 to 6 years as on 30 September 2011. Thus, concrete steps should be taken by the companies for preparation of accounts as per the statutory requirements with special focus on clearance of arrears in a time bound manner.

3.1.21 The State Government had invested ₹ 198.45 crore (equity: ₹ 31.95 crore, loans: ₹ 75.85 crore, grants: ₹ 50.65 crore and others: ₹ 40.00 crore) in 10 PSUs during the years for which accounts have not been finalised as detailed in **Appendix 3.4**. Delay in finalisation of accounts by these PSUs may result in risk of fraud and leakage of public money apart from violation of the provisions of the Companies Act, 1956.

3.1.22 The administrative departments have the responsibility to oversee the activities of these entities and to ensure that the accounts are finalised and adopted by these PSUs within the prescribed period. Though the concerned administrative departments and officials of the Government were informed of the arrears in finalisation of accounts by Audit from time to time, adequate remedial measures were not taken. As a result of this the net worth of these PSUs could not be assessed in audit.

Winding up of non-working PSUs

3.1.23 There was one non-working PSU (a company viz., Tripura State Bank Limited), as on 31 March 2012, which had been non-functional for around 42 years. It was in the process of liquidation under Section 560 of the Companies Act, 1956. The non-working PSU is required to be wound up expeditiously since its existence is not going to serve any purpose. The Company, however, continues to await liquidation for about four decades. The Government may expedite winding up of the Company.

Accounts Comments and Internal Audit

3.1.24 During the year 2011-12 (up to September 2012), 11 working companies had forwarded their 22 audited accounts to AG. Of these 12 accounts of 10 companies were selected for supplementary audit. The audit reports of statutory auditors appointed by CAG and the supplementary audit of CAG indicate that the quality of maintenance of accounts needs to be improved substantially. The details of aggregate money value of comments of statutory auditors and CAG based on the accounts audited during the period from 2008-09 to 2011-12 (till September 2012) are given below:

Table No. 3.1.9

(₹ in crore)

| Sl. No. | Particulars | 2008-09 | | 2009-10 | | 2010-11 | | 2011-12 | |
|---------|----------------------------------|-----------------|--------|-----------------|--------|-----------------|--------|-----------------|--------|
| | | No. of accounts | Amount | No. of accounts | Amount | No. of accounts | Amount | No. of accounts | Amount |
| 1. | Decrease in profit | 1 | 0.01 | 9 | 11.94 | 5 | 2.64 | 1 | 3.00 |
| 2. | Increase in loss | 8 | 9.73 | 9 | 8.79 | 12 | 14.99 | 9 | 23.32 |
| 3. | Non-disclosure of material facts | 5 | 12.17 | 4 | 3.91 | 0 | 0 | 6 | 36.83 |
| 4. | Errors of classification | 9 | 17.06 | 11 | 34.41 | 0 | 0 | 4 | 13.31 |

3.1.25 During the year, the statutory auditors had given qualified certificates on all the audited accounts received up to September 2012. The audit comments were based mainly on the non-compliance by the companies with the Accounting Standards namely AS-1 (Disclosure of Accounting Policies), AS-2 (Valuation of Inventories), AS-4 (Contingencies and Events occurring after the Balance Sheet Date), AS-5 (Net Profit or loss for the Period, Prior Period Items and Changes in Accounting Policies), AS-15 (Employee Benefits) and AS-22 (Accounting for Taxes on Income).

3.1.26 Some of the important comments in respect of accounts of Companies audited during the year 2011-12 (up to September 2012) are stated below:

Tripura Handloom and Handicrafts Development Corporation Limited

2010-2011

1. Short provisioning against the actuarial liability of Group Gratuity Scheme resulted in understatement of Current liabilities & Provisions as well as the accumulated loss by ₹ 6.43 crore each.
2. Non-writing off of debit balance in the Sundry Employees' Deductions Balance account resulted in overstatement of Current Assets, Loans & Advances and understatement of accumulated loss by ₹ 43.33 lakh.

Tripura State Electricity Corporation Limited

2008-2009

1. Non provisioning of liability payable against purchase of power and transmission charges has resulted in understatement of Current Liabilities and overstatement of Profit for the year by ₹ 2.95 crore each.
2. Non-booking of revenue against sale of power to the States of Manipur and Mizoram had resulted in understatement of Current Assets, Loans & Advances as well as understatement of Profit for the year by ₹ 4.01 crore.
3. The Company charged depreciation in excess of the rates prescribed under schedule XIV of the Companies Act, 1956 resulting in understatement of the Net Block of the Assets by ₹ 3.70 crore with corresponding understatement of the Profit for the year to the same extent.

2007-2008

1. Non-writing off of the delayed payment surcharge due from the Government of Mizoram and already waived off (2006) resulted in overstatement of Sundry Debtors by ₹ 5.18 crore with corresponding overstatement of accumulated profits to the same extent.

3.1.27 In respect of the only working Statutory Corporation viz., Tripura Road Transport Corporation, no annual accounts were finalised by the corporation during 2011-12.

3.1.28 The Statutory Auditors (Chartered Accountants) are required to furnish a detailed report upon various aspects including internal control/internal audit systems in the companies audited in accordance with the directions issued by the CAG to them under Section 619(3)(a) of the Companies Act, 1956 and to identify areas which needed improvement. An illustrative resume of major comments made by the Statutory Auditors

on possible improvement in the internal audit/internal control system in respect of 9 companies⁹ for the year 2011-12 are given below.

Table No. 3.1.11

| Sl. No. | Nature of comments made by Statutory Auditors | Number of companies where recommendations were made | Reference to serial number of the companies as per Appendix 3.2 |
|---------|--|---|---|
| 1. | No/ inadequate internal audit system | 6 | A-1, 5, 7, 8, 9, 11 |
| 2. | Non maintenance of cost record | 3 | A-1, 7, 8 |
| 3. | Non maintenance of proper fixed asset register | 8 | A-1, 2, 4, 5, 6, 8, 9, 11 |

Status of placement of Separate Audit Reports

3.1.29 Separate Audit Reports (SARs) issued by the CAG on the accounts of Tripura Road Transport Corporation were placed in the Legislature by the Government up to 2005-06.

The SARs for the years 2006-07, 2007-08 and 2008-09 which were issued to the Management/Government in September 2011 were yet to be placed in the Assembly. The Government intimated (November 2012) that the SARs had been sent for printing and would be placed in the next session of Assembly. The Government should ensure prompt placement of SARs in the Legislature.

Disinvestment, Privatisation and Restructuring of PSUs

3.1.30 No disinvestment, privatisation or restructuring of PSU occurred during 2011-12.

⁹ Serial number A-1, 2, 4, 5, 6, 7, 8, 9, 11 in Appendix 3.2

POWER DEPARTMENT

(Tripura State Electricity Corporation Limited)

3.2 Performance Audit of Power Transmission Activities

Highlights

Tripura State Electricity Corporation Limited (TSECL) is responsible for planning and development of the intra-state transmission system. Assessment of demand is an important pre-requisite for planning capacity addition. The Company, however, had not prepared the State Electricity Plan in line with the National Electricity Plan of February 2005. The shortfall in achievement of targets set under the 11th Five year Plan for addition of transmission lines and Substations ranged from 33 per cent to 94 per cent. The Annual Plans for 2007-12 were prepared for combined outlay on transmission and distribution without mentioning the targets in physical terms.

The execution of transmission projects by the Company suffered with several deficiencies mainly relating to delays in completing the preparatory/pre-work award activities and deficiencies in realistic assessment of route length of lines resulting in considerable cost and time over-run for the projects. The Company did not have any mechanism to ascertain segment wise energy losses viz., transmission and distribution losses and had adopted a normative loss of six per cent of the energy put in State Bus as transmission loss. The Grid Management system was deficient in absence of adequate facilities for recording real time data and non-maintenance of records as per the requirements of the Grid code regulations. There was no Disaster Management System in place at the level of Sub-Station, Extra High Tension Lines etc. to face unforeseen situation of black out. The Company has not conducted the energy audit of its transmission and distribution system till date. There was no scientific system in place for management of inventory and the monitoring mechanism of the Company was also deficient.

Following are the main highlights of the performance audit:

In the test-checked five completed projects, there was delay ranging from 12 to 41 months with a cost overrun of ₹ 15.58 crore. Further, test-check of 4 ongoing projects showed that projects had already been delayed by 13 to 46 months.

(Paragraph 3.2.11.1)

The delays in execution of projects occurred mainly on account of delay in completing the preparatory activities like prior route survey of line length, non-finalisation of design, obtaining of Right of Way, obtaining forest clearance etc.

(Paragraph 3.2.11.6 to 3.2.11.13)

The Company did not have any mechanism to determine the transmission and distribution loss and had adopted a normative transmission loss of six per cent of the energy put in State Bus.

(Paragraph 3.2.12.7)

The infrastructure for load monitoring at State Load Despatch Centre was not adequate as seven out of eight 66 KV substations of the Company had no provision for recording real time data. The mandatory provisions of Grid code regulations for maintenance of records were also not complied with. The Company had not established Disaster Management programme at the level of Sub-Stations, Extra High Tension Lines etc. to safeguard against the risk of blackout in case of major transmission failures.

(Paragraph 3.2.13)

Though the Tripura Electricity Regulatory Commission had made it mandatory to conduct the energy audit with effect from March 2007, the Company had not conducted any energy audit till date. In the absence of details of metering at boundary points, feeder wise losses could not be ascertained.

(Paragraph 3.2.14)

The Company had no system for effectively planning for procurement of material based on a scientific assessment of future requirements including material budgeting.

(Paragraph 3.2.15)

The internal control and monitoring control mechanism was weak as there was no Management Information and internal audit system.

(Paragraph 3.2.16)

Introduction

3.2.1 With a view to supply reliable and quality power to all by 2012, the Government of India (GOI) prepared the National Electricity Policy (NEP) in February 2005 which stated that the Transmission System required adequate and timely investment besides efficient and coordinated action to develop a robust and integrated power system for the country. It also, *inter-alia* recognized the need for development of National and State Grid with the coordination of Central/State Transmission Utilities. In Tripura, all the activities of generation, transmission, distribution and trading of power are carried out by Tripura State Electricity Corporation Limited (the Company). The Company was incorporated on 9 June 2004 under the Companies Act 1956 and functions under the administrative control of the Power Department, Government of Tripura.

3.2.2 The Management of the Company is vested with a Board of Directors comprising four members appointed by the State Government. The day-to-day operations are carried out by the Chairman cum Managing Director who is the Chief Executive of the Company with the assistance of Director (Technical) and three General Managers (Technical) and one General Manager (Finance). During 2007-08, 622.35 MUs of energy was transmitted

by the Company which increased to 888.25 MUs in 2011-12, *i.e.* an increase of 42.72 *per cent* during 2007-12. As on 31 March 2012, the Company had transmission network of 818.30 CKM and 19 Sub-stations (SSs) with installed capacity of 551.10 MVA, capable of annually transmitting 4103.49 MUs at 132 KV and 66 KV. The overall turnover of the Company was ₹ 348.22 crore in 2011-12, which was equal to 1.76 *per cent* of State Gross Domestic Product¹. It employed 3678 employees as on 31 March 2012.

A Performance Audit on the distribution activities of the Company was included in the Report of the Comptroller and Auditor General of India (Civil/Commercial), Government of Tripura for the year ended 31 March 2011. The Report had not been discussed by COPU (October 2012).

Scope of Audit

3.2.3 The present Performance Audit conducted during May 2012 to September 2012 covers performance relating to the transmission activities of the Company during 2007-08 to 2011-12. Audit examination involved scrutiny of records of different wings at the Head Office, State Load Despatch Centre (SLDC), the only Transmission Circle headed by Additional General Manager and one out of three Transmission Divisions headed by a Deputy General Manager.

During 2007-12, the Company constructed two SSs² (capacity: 70 MVA), 132 KV lines³ (capacity: 47.87 CKM) as well as augmented the existing transformation capacity by 104.70 MVA⁴. The present performance audit covered examination of five⁵ out of total 19 SSs in two out of four districts selected on the basis of capacity of SSs, geographic location and population of the districts. As regards the project execution coverage, both the new SSs (70 MVA⁶) constructed, SSs augmentation of 30 MVA⁷ out of 104.70 MVA completed and transmission line projects of 30 CKM⁸ out of 47.87 CKM executed during 2007-12 were selected based on the contract value.

¹ ₹ 19,730.96 crore

² Bodhjunnagar (50 MVA) and Jirania (20 MVA)

³ 132 KV lines from Ambassa to Kamalpur (30 CKM), Satchand to Sabroom (13 CKM) and Agartala-Dharmanagar line to Bodhjunnagar (4.87 CKM)

⁴ 132 KV SSs at Banduar, Udaipur (20 MVA), Ambassa (22.50 MVA), Gamaitilla (15 MVA), Gournagar (7.50 MVA), 66 KV SSs at Badharghat (15 MVA), Rabindranagar (8.70 MVA), Amarpur (5 MVA), Banduar (8.70 MVA), Bogafa (2.30 MVA)

⁵ Four 132 KV SSs namely Grid, Agartala (130 MVA), Bodhjunnagar (50 MVA), Udaipur (50 MVA) and Jirania (20 MVA) and one 66 KV SS at Badharghat (50 MVA)

⁶ 132 KV SSs at Bodhjunnagar (50 MVA) and Jirania (20 MVA)

⁷ 132 KV Gamaitilla SS (15 MVA) and 66 KV Badharghat SS (15 MVA)

⁸ 132 KV line from Ambassa to Kamalpur

Audit Objectives

3.2.4 The objectives of the performance audit were to assess whether:

- ❖ Perspective Plan was prepared in accordance with the guidelines of the National Electricity Policy/Plan and Tripura Electricity Regulatory Commission (TERC) and assessment of impact of failure to plan, if any;
- ❖ The transmission system was developed and commissioned in an economical, efficient and effective manner;
- ❖ Operation and maintenance of transmission system was carried out in an economical, efficient and effective manner;
- ❖ Effective failure analysis system was set up;
- ❖ Disaster Management System was set up to safeguard its operations against unforeseen disruptions;
- ❖ Efficient and effective energy conservation measures were undertaken in line with the National Electricity Plan (NEP) and establishment of Energy Audit System;
- ❖ Efficient and effective system of procurement of material and inventory control mechanism exists; and
- ❖ There is a monitoring system in place to review existing/ongoing projects, take corrective measures to overcome deficiencies identified, respond promptly and adequately to Audit/Internal audit observations.

Audit Criteria

3.2.5 The audit criteria adopted for assessing the achievement of the audit objectives were derived from the following sources:

- ❖ Provisions of National Electricity Policy/Plan and National Tariff Policy;
- ❖ Perspective Plan and Project Reports of the Company;
- ❖ Standard procedures for award of contracts with reference to principles of economy, efficiency, effectiveness, equity and ethics;
- ❖ Report of the Task force constituted by the Ministry of Power to analyse critical elements in transmission project implementation;
- ❖ Report of the Committee constituted by the Ministry of Power recommending the “Best Practices in Transmission”;
- ❖ Directions from State Government/Ministry of Power (MoP);
- ❖ Norms/Guidelines issued by TERC/Central Electricity Authority (CEA);
- ❖ Reports of North-Eastern Regional Power Committee (NERPC)/North-Eastern Regional Load Dispatch Centre (NERLDC);

- ❖ Manual of Transmission Planning Criteria (MTPC);
- ❖ Code of Technical Interface (CTI)/Grid Code consisting of planning, operation, connection codes; and
- ❖ Circulars, Manuals and MIS reports of the Company.

Audit Methodology

3.2.6 Audit followed the following mix of methodologies:

- ❖ Explaining audit objectives, scrutiny of records, interaction with the auditee personnel, analysis of data and raising of audit queries;
- ❖ Review of Agenda notes and minutes of Company/Board/NERPC/NERLDC, annual reports, accounts and regional energy accounts (REA);
- ❖ Scrutiny of loan files, physical and financial progress reports;
- ❖ Scrutiny of records relating to project execution, procurement, receipt of funds and expenditure; and
- ❖ Interaction with the Management during entry and exit conference.

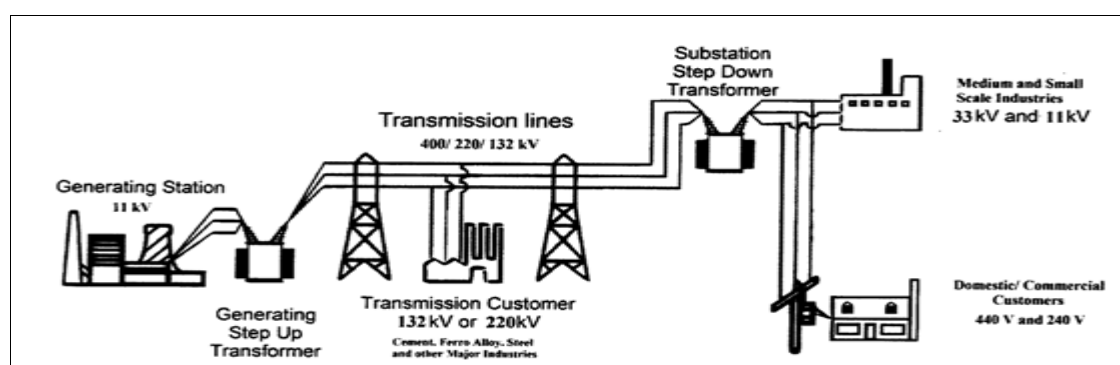
Besides, the audit objectives were also explained to the Company during an 'Entry Conference' held on 28 June 2012. Subsequently, audit findings were reported to the Company and the State Government in November 2012 and also discussed in an 'Exit Conference' held on 25 March 2013. The exit conference was attended by the Additional Chief Secretary, Government of Tripura, Chairman-cum-Managing Director (CMD) of the Company and other concerned officers. The Company replied to the audit findings in April 2013. The views expressed by them have been considered while finalising the Performance Audit.

Brief description of transmission process

3.2.7 Transmission of electricity is defined as bulk transfer of power over long distances at high voltages, generally at 132 KV and above. However, in Tripura, 66 KV and above voltages are treated under Transmission. Electric power generated at relatively low voltages in power plants is stepped up to high voltage power before it is transmitted to reduce the loss in transmission and to increase efficiency in the Grid. Sub-stations (SSs) are facilities within the high voltage electric system used for stepping-up/stepping down voltages from one level to another, connecting electric systems and switching equipment in and out of the system. The step up transmission SSs at the generating stations use transformers to increase the voltages for transmission over long distances.

Transmission lines carry high voltage electric power. The step down transmission SSs thereafter decreases voltages to sub transmission voltage levels for distribution to consumers. The distribution system includes lines, poles, transformers and other equipment needed to deliver electricity at specific voltages.

Electrical energy cannot be stored; hence generation must be matched to need. Therefore, every transmission system requires a sophisticated system of control called Grid management to ensure balancing of power generation closely with demand. A pictorial representation of the transmission process is given below:



Audit Findings

3.2.8 The audit findings of the performance audit have been finalised after taking into account the replies of the Company and views expressed by the representatives of the Company and State Government in the exit conference. The formal replies of the State Government were, however, yet to be received. The audit findings are discussed in subsequent paragraphs.

Planning and Development

National Electricity Policy/Plan

3.2.9 The Central Transmission Utility (CTU) and State Transmission Utilities (STUs) have the key responsibility of network planning and development based on the National Electricity Plan in coordination with all concerned agencies. At the end of 10th Plan (March 2007), the transmission system in the country at 765/HVDC/400/230/220/KV stood at 1.98 lakh circuit kilometres (CKM) of transmission lines which was planned to increase to 2.93 lakh CKM by end of 11th Plan *i.e.* March 2012. The National Electricity Plan assessed the total inter-regional transmission capacity at the end of 2006-07 as 14,100 MW and further planned to add 23,600 MW in 11th Plan bringing the total inter-regional capacity to 37,700 MW.

The Company's transmission network at the beginning of 2007-08 consisted of 17 nos. of Sub-Stations (132 KV and 66 KV levels) with a transmission capacity of 376.40 MVA

and 770.43 CKM of transmission lines. The transmission network as on 31 March 2012 consisted of 19 SSs with a transformation capacity of 551.10 MVA and 818.30 CKM of transmission lines.

The Company is responsible for planning and development of the intra-state transmission system. Assessment of demand is an important pre-requisite for planning capacity addition. It was, however, observed that neither TERC had given any direction to the Company for submission of the State Electricity Plan (SEP) nor the Company had submitted any SEP to TERC.

However, the physical targets projected in the 11th Five Year Plan of the State (2007-08 to 2011-12) and the actual achievements are shown below:-

Table No.3.2.1

| Sl. No. | Particulars | Target | Achievement ⁹ | Shortfall (in per cent) |
|---------|---------------------------------------|--------|--------------------------|-------------------------|
| 1 | Construction of 132 KV Lines (in CKM) | 417 | 27 | 94 |
| 2 | 132 KV Sub-stations (capacity in MVA) | 172.50 | 75.00 | 57 |
| 3 | 66 KV Sub-stations (capacity in MVA) | 15.00 | 10.00 | 33 |

It would be seen that the shortfall in addition of transmission lines and substations during 2007-12 against the targets set under 11th Five Year Plan ranged from 33 *per cent* to 94 *per cent*. In the Draft 12th Five Year Plan submitted (January 2012) by the Company to Government of Tripura (2012-17) showing the actual achievement against the 11th Plan, the details of Scheme wise funds sanctioned/received under the 11th Plan, the actual expenditure incurred thereagainst and the reasons for shortfall were not indicated. The Financial Statements of the Company did not reflect the separate physical and financial figures for three activities *viz.*, generation, transmission and distribution. Thus, the actual reasons for shortfall in achievement against the 11th Plan targets could not be analysed.

Based on the 11th Five Year Plan, the Company prepared and submitted their Annual Plans to Government of Tripura for the years from 2007-08 to 2011-12. A review of the Annual Plans revealed that the said plans contained only proposed combined financial outlay in respect of transmission and distribution together without mentioning the targets in physical term. In the absence of details relating to transmission activities separately both in physical and financial terms, the analysis of the actual achievements with reference to the targets of Annual Plans could not be carried out.

⁹ In the absence of item wise details of achievement, the spillover works of previous Five year Plans could not be segregated.

Transmission network and its growth

3.2.10 The transmission capacity of the Company at 132 KV and 66 KV levels during 2007-08 to 2011-12 is given below

Table No.3.2.2

| Sl. No. | Description | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | Total |
|--|---|---------|---------|---------|---------|------------------|--------|
| A. Number of Sub-stations (Numbers) | | | | | | | |
| 1 | At the beginning of the year | 17 | 17 | 19 | 19 | 19 | |
| 2 | Added during the year | Nil | 2 | Nil | Nil | Nil | 2 |
| 3 | Total sub stations at the end of the year (1+2) | 17 | 19 | 19 | 19 | 19 ¹⁰ | |
| B. Transformers capacity (MVA) | | | | | | | |
| 1 | Capacity at the beginning of the year | 376.40 | 413.90 | 508.60 | 533.60 | 551.10 | |
| 2 | Capacity added during the year | 37.50 | 94.70 | 25.00 | 17.50 | Nil | 174.70 |
| 3 | Capacity at the end of the year (1+2) | 413.90 | 508.60 | 533.60 | 551.10 | 551.10 | |
| C Transmission lines (CKM) | | | | | | | |
| 1 | At the beginning of the year | 770.43 | 770.43 | 770.43 | 818.30 | 818.30 | |
| 2 | Added during the year | Nil | Nil | 47.87 | Nil | Nil | 47.87 |
| 3 | Total lines at the end of the year (1+2) | 770.43 | 770.43 | 818.30 | 818.30 | 818.30 | |

From the above, it would be seen that during the period from 2007-08 to 2011-12, there was substantial increase in transmission capacity by 174.70 MVA (46.41 *per cent*) by adding two new Sub-stations as well as augmentation of the existing Sub-stations. There was, however, no significant increase in transmission lines, which increased by only 47.87 CKM (6.21 *per cent*) during 2007-12. Further, the additions included spillover works of 10th Five Year Plan completed during the period 2007-12, which could not be segregated in the absence of item wise details. It was, however, observed that the existing transmission capacity was far in excess of the requirement as discussed under paragraph 3.2.12.1 *infra*.

Project management of transmission system

3.2.11 A transmission project involves various activities from concept to commissioning. Major activities in a transmission project are (i) Project formulation, appraisal and approval phase and (ii) Project Execution Phase. For reduction in project implementation period, the Ministry of Power, Government of India constituted a Task Force on transmission projects (February 2005) with a view to:

- ❖ analyse the critical elements in transmission project implementation;
- ❖ implementation from the best practices of CTU and STUs; and

¹⁰ Include 132 KV Sub stations (11 nos.) and 66 KV Substations (8 nos.)

- ❖ suggest a model transmission project schedule for 24 months' duration.

The Task Force suggested and recommended (July 2005) the following remedial actions to accelerate the completion of Transmission systems.

- ❖ Undertake various preparatory activities such as surveys, design and testing, processing for forest and other statutory clearances, tendering activities etc. in advance/parallel to project appraisal and approval phase and go ahead with construction activities once Transmission Line Project sanction/approval is received;
- ❖ Break-down the transmission projects into clearly defined packages such that the packages can be procured and implemented requiring least coordination and interfacing and at same time it attracts competition facilitating cost effective procurement; and
- ❖ Standardise designs of tower fabrication so that 6-12 months can be saved in project execution.

It was observed that the Company had undertaken transmission projects funded mainly by the Ministry of Development of North-Eastern Region (DONER), Government of India through North Eastern Council (NEC) and Non-lapsable Central Pool of Resources (NLCPR) in addition to the projects financed out of own funds. For obtaining sanction from DONER, the Company prepared and submitted Detailed Project Reports (DPRs) for execution of projects. However, projects executed out of own funds were undertaken only based on estimates without preparation of DPRs. It was observed that the Company did not follow the recommendations of the Task Force mentioned above and the projects were undertaken and executed without any realistic assessment of load growth, survey of route length of lines, ensuring Right of Way (ROW), impact analysis of project in quantifiable terms etc. These led to abnormal variation in quantities during actual execution, delay in execution, cost overrun, creation of excess capacity, idle infrastructure etc.

3.2.11.1 Notwithstanding the elaborate guidelines given by the Task Force Committee for timely completion of the projects, the Company executed several SSs and Lines during 2007-12 with time overrun ranging from 12 to 41 months and cost overrun of ₹ 15.58 crore as shown below:

Table No.3.2.3

| Particulars | Actual additions | Test-checked in Audit | Range of time overrun (in months) | Cost overrun (₹ in crore) |
|--------------------------|------------------|---|-----------------------------------|---------------------------|
| New Sub-stations | 2 nos. (70 MVA) | 2 nos. (70 MVA) | 12 to 41 | 10.43 |
| Augmentation of capacity | 104.70 MVA | 30 MVA | 14 | 3.04 |
| Transmission lines | 47.87 CKM | 30 CKM & renovation, strengthening of lines | 34 | 2.11 |
| Total: | | | | 15.58 |

The stage wise details of time taken in pre and post work award activities of the projects relating to two new SSs (70 MVA), augmentation of SSs (30 MVA) and renovation/laying of new transmission line (30 CKM) completed during 2007-12 and test-checked in audit are tabulated in **Table 3.2.4**.

Table 3.2.4

| Sl. No. | Name of the Project | Date of sanction of DPR/ project estimate | Date of Notice Inviting Tenders (NIT) | Date of work order | Time taken in issue of work order after sanction of DPR/project estimates (in months) | Schedule date of completion as per sanction order/ work order | Actual date of completion | Delay in months |
|------------------------------------|--|---|---|--------------------|---|---|--------------------------------|-----------------|
| Construction of Substations | | | | | | | | |
| 1 | Jirania | January 2005 | July 2005 | May 2007 | 28 | January 2006 | June 2009 | 41 |
| 2 | Bodhjungnagar | September 2007 | December 2006 | May 2007 | No delay | December 2008 | December 2009 | 12 |
| Augmentation of Sub-station | | | | | | | | |
| 3 | Gamaitilla | March 2007* | December 2006 | May 2007 | 2 | December 2007 | February 2009 | 14 |
| Transmission line | | | | | | | | |
| 4 | Ambassa to Kumarghat (renovation work) | January 2005 | August 2005 | August 2006 | 19 | January 2006 | November 2008 | 34 |
| 5 | Ambassa to Kamalpur (drawing of line) | January 2007 | Executed as additional work with the renovation work at serial no. 4 above. | January 2007 | - | No separate date was available | No separate date was available | - |

* Date of approval of revised work estimates after incorporating additional LILO line

Similarly, the stage wise details of time taken in pre and post work award activities in respect of four ongoing projects (one SS and three transmission lines) test-checked are tabulated in **Table 3.2.5** below:

Table No.3.2.5

| Sl. No. | Name of the Project (Ongoing) | Date of sanction of DPR/ project estimates | Date of Notice Inviting Tenders (NIT) | Date of work order | Time taken in issue of work order after sanction of DPR/project estimates (in months) | Schedule date of completion | Actual date of completion | Delay in months up to December 2012 |
|--------------------------------------|--|--|---------------------------------------|--------------------|---|-----------------------------|---------------------------|-------------------------------------|
| Augmentation of substations | | | | | | | | |
| 1 | Dhalabil | March 2010 | October 2010 | April 2011 | 13 | November 2011 | Work in progress | 13 |
| Drawing of Transmission lines | | | | | | | | |
| 2 | Gamaitilla to Dhalabil | January 2008 | November 2007 | July 2008 | 6 | February 2009 | Work in progress | 46 |
| 3 | Surjyamaninagar to Bodhjunnagar | December 2010 | August 2010 | January 2011 | - | November 2011 | | 13 |
| 4 | Surjyamaninagar to Grid substation, Agartala | December 2010 | August 2010 | January 2011 | - | November 2011 | | 13 |

From the **Tables 3.2.4** and **3.2.5** above, it may be noticed that the delays in execution of four out of five projects (excluding the additional work at serial no. 5 of the table) completed during 2007-12 test-checked in Audit ranged between 12 and 41 months. In case of ongoing projects, it may be observed that in four ongoing projects test-checked, the completion of works had already been delayed for a period ranging between 13 and 46 months (till December 2012).

The delays in completion of the projects occurred mainly on account of non-undertaking of the preparatory activities like finalisation of design, conducting of prior route survey, timely issue of work orders, obtaining forest clearance, ensuring Right of Way etc., which are discussed below.

Delay in finalisation of design/drawings

3.2.11.2 Standardisation of design is essential for execution of any project to save time in finalisation of drawings after the work order is issued and also to avoid excessive time to be taken in approval of frequent changes in design and drawings. The Task Force constituted by the Government of India also recommended that design should be finalised as a part of preparatory activities of the project in advance/parallel to the project appraisal and approval stage. During test-check of five completed and four ongoing projects, it was noticed that in two¹¹ completed projects, there was delay in completion of the project ranging between 12 and 14 months mainly due to non-finalisation of design in advance resulting in frequent changes in design and drawings after the work was awarded, which could have been avoided if the task force recommendation was followed.

¹¹ Serial no. 2 and 3 of Table 3.2.4

Non-conducting of prior route survey

3.2.11.3 The conducting of prior route survey is a pre-requisite for any transmission line project so that the post-work award delay due to changes in actual route length resulting in changes in scope of work, approval of excess quantities etc., can be avoided. The Task Force constituted by the Government of India also recommended that the survey has to be conducted in advance/parallel to project appraisal and approval phase. It was, however, noticed that in the test-checked four projects¹² (two completed and two ongoing projects), prior route survey was not conducted, which contributed in delaying the projects for periods ranging between 13 and 34 months.

Delay in award of works

3.2.11.4 The Task Force recommended that tendering activity may be undertaken in advance/parallel to the project appraisal and approval phase so that execution can be commenced upon receipt of approval of the project. It was, however, noticed that in the test-checked three completed and two ongoing projects, the Company had taken abnormally high period ranging from 2 to 28 months in issuing the work orders after sanction of DPR/project estimates. The delays in release of award letters for the works had correspondingly pushed back the scheduled dates of project completion.

Delay in obtaining forest clearance

3.2.11.5 Obtaining of forest clearance is very essential for execution of any project and at the same time, procedural uncertainties are also involved in completing the process. To ensure timely completion of project, it is essential to ensure the necessary forest clearance before award of work. In two¹³ test-checked projects, however, it was noticed that non-availability of forest clearance had contributed towards overall delay of 34 months in completion of works

Case study

The case study of project execution and deficiencies observed by audit during the test-check of records are enumerated in the succeeding paragraphs.

Completed projects

Construction of 132 KV SS at Jirania (20 MVA)

3.2.11.6 NEC sanctioned (January 2005) the project for construction of 132 KV SS in Jirania at a cost of ₹ 4.83 crore with scheduled completion period of 12 months (January 2006). The project intended to improve the voltage profile at the consumer ends, provide reliable power supply in the State, and reduce transmission losses with corresponding

¹² Serial no. 4 and 5 of Table 3.2.4 and serial no. 3 and 4 of Table 3.2.5

¹³ Serial no. 4 and 5 of Table 3.2.4

reduction in the financial burden on the State budgets. As per the approved funding pattern, the project cost was to be provided by NEC in the form of grant (90 *per cent*) and loan (10 *per cent*). The scope of Project included commissioning of two transformers (2X10 MVA), construction of 132 KV Double Circuit (D/C) transmission lines and associated civil works. It was observed that though, as per the sanction order, the project was scheduled for completion by January 2006, it could be completed only in June 2009 at a total final cost of ₹ 8.21 crore. Thus, the project was completed with a cost overrun of ₹ 3.38 crore (₹ 8.21 crore *minus* ₹ 4.83 crore) and overall time overrun of 41 months from the scheduled completion period of the approved project (January 2006). The reason analysis for delays in execution of the project has been brought out in the succeeding paragraphs.

Pre-work award delays

Delay in finalisation of tender within the validity period of offer

As per the Task Force recommendation, tendering activities should be undertaken in advance/parallel to the project appraisal and approval phase so as to accelerate the completion of the project. It was, however, observed that the Company floated (July 2005) open tender for supply, erection and commissioning of transformers after a lapse of 5 months period from the approval of the project (January 2005). The technical bids and the price bids were opened in August 2005 and October 2005 respectively. Among the three bidders who participated in the tender, M/s Techno Corporation had emerged to be the lowest (L-1) with quoted price of ₹ 5.17 crore (inclusive of taxes and duties). The validity of the price bid was 120 days (*viz.*, up to 3 February 2006) from the date of opening of tender.

As per the ideal practice, the Company needed to freeze the technical issues at the stage of opening of technical bids itself so as to place the work order within the validity period. It was, however, observed that the Standing Tender Committee (STC-1) of the Company conducted negotiations with L-1 bidder regarding technical clarifications on rating of transformers after opening of the price bids. After negotiations, it was decided to supply one transformer departmentally and exclude the same from the scope of work order. Besides, certain other items such as, bus couple breaker and panel, etc. were also excluded from the work scope. Based on the above adjustments, the value of the work order was reduced to ₹ 4.02 crore.

The above adjustments had necessitated taking of additional time in finalisation of tenders and work order. The STC-1 finally recommended (25 March 2006) the proposal for placement of order to the Board of Directors, when the validity of offer had already expired. As a result, when the order was placed (25 March 2006), M/s Techno Corporation declined (May 2006) to execute the order.

The Company had no other option but to retender the work. It was observed that the Company placed (May 2007) order for the above work, after including one transformer

excluded earlier, on another firm (M/s Areva T&D India) on restrictive tender basis. The work was scheduled to be completed within 15 months viz., by August 2008. The work was finally completed (June 2009) at a total cost of ₹ 5.97 crore, which was higher than the quoted value (₹ 5.17 crore) of M/s Techno Corporation.

Thus, due to failure in finalising the tender within the validity period (February 2006) of the bid, additional time of 15 months was taken in issuing (May 2007) the work order after retendering. This had also caused avoidable extra expenditure of

₹ 0.80 crore (₹ 5.97 crore - ₹ 5.17 crore) in execution of the work.

Post-work award delay

The work was completed by M/s Areva in June 2009 after a delay of 10 months from the scheduled period of completion (August 2008) as per the work order mainly due to delay caused by the Company in approval of additional quantities of earthing and control cables (seven months) and in finalisation of 33 KV Switchyard layout (three months). It was observed that though M/s Areva submitted the revised BOQ in March 2008, the Company approved the same only in November 2008 after a delay of seven months. Further, the Company belatedly arranged (December 2008) the joint field visit of the project site with M/s Areva after a lapse of 19 months from the commencement (May 2007) of work, which delayed finalisation of the Switchyard layout.

Construction of 132/33 KV Sub-station at Bodhjungnagar (50 MVA)

3.2.11.7 Before planning the construction of a SS, it is essential that the growth of load and anticipated increase of demand in future along with permissible limits of voltage regulations are appropriately considered to avoid any mismatch between the infrastructure created *vis-à-vis* actual requirement. The load forecasts for the proposed new schemes should also consider the anticipated physical and financial benefit to be derived.

Based on anticipation of the power requirement as provided by the Department of Industries, Government of Tripura in respect of Industrial Growth Centre at Bodhjungnagar to the tune of 40 MW (47 MVA) by 2011, the Company undertook the project of construction of new 132/33 SS at Bodhjungnagar along with 50 MVA capacity (2 X 25 MVA) transformers, 132/33 KV LILO line from Agartala to Dharmanagar, control room building etc. The project was sanctioned (September 2007) under NLCPR at a cost of ₹ 9.37 crore with scheduled completion period of 15 months by December 2008. The project was completed in December 2009 at a final cost of ₹ 16.42 crore with a cost overrun of ₹ 7.05 crore and time overrun of 12 months.

For supply, erection, testing and commissioning of the SS, the Company placed (May 2007) letter of award (LOA) on M/s Areva (contractor) on restrictive tender basis with the scheduled completion period of 15 months (August 2008) at a value of ₹ 9.55 crore. It was observed that the Company failed to finalise the designs at project appraisal stage contrary to the Task Force recommendations and carried out revisions in the design even after award of the work. As a result, there was delay in execution of the project due to additional time taken by the Company for approval of additional quantities for earthing and control cables by the Company (4 months) and additional order of steel structure (8 months).

Management replied (April 2013) that scope of work had to be enlarged during project execution due to technical necessity. The reply is not acceptable as the Company should have finalised the necessary designs for the project before award of work so as to avoid subsequent delays in revision of the work scope.

Idle Infrastructure

The project for creation of additional transmission capacity of 50 MVA was taken up by the Company on the basis of anticipated power requirement of Industrial Growth Centre at Bodhjungnagar. It was observed that in anticipating the future load growth requirement, the Company relied upon the future load assessment provided by the Department of Industries, without any supporting details of the industrial units to be operationalised with the additional load. It was, however, observed that as against the total transmission capacity of 50 MVA created by the Company, the maximum demand as of August 2012 was only to the extent of 10 MW (12 MVA). Thus, the substation capacity created by the Company remained underutilised to the extent of 38 MVA¹⁴ (76 per cent). In view of this, necessary action should be taken by the State Government for utilisation of the entire newly created capacity.

Augmentation of Gamaitilla SS (15 MVA)

3.2.11.8 NEC sanctioned (January 2005) the project for augmentation of Sub-station at Gamaitilla to 132/11 KV level by addition of 1X15 MVA transformer at a cost of ₹ 1.57 crore. A revised estimate after including 132 KV LILO line from Agartala to Dharmanagar (via Ambassa) was also approved (March 2007) by NEC for a total cost of ₹ 3.25 crore with scheduled completion period of 9 months (December 2007). The project was completed in February 2009 at a final cost of ₹ 6.29 crore with a cost overrun of ₹ 3.04 crore (₹ 6.29 crore- ₹ 3.25 crore) and time overrun of 14 months. It was observed that the Company placed (May 2007) the LOA for supply and erection works without finalising the necessary drawings and designs for the project contrary to the recommendations of the Task Force. As a result, additional time of almost five months

¹⁴ The proportionate investment involved (excluding civil works) was ₹ 12.15 crore.

was taken in approval of design and extra quantity in respect of earthing materials after the award of the work causing delays in completion of the project.

Besides, the project was further delayed by eight months on account of the reasons attributable to the contractor (M/s Areva) such as late supply of foundation bolts (six months) and mesh grounding into the Switchyard area (two months) causing delay in execution of associated civil works by another agency. The Company, however, did not impose the liquidation damages amounting to ₹ 19.21 lakh on the contractor as per the contract terms.

Renovation of 132 KV Ambassa-Kumarghat Transmission lines and drawing of Ambassa-Kamalpur line

3.2.11.9 NEC sanctioned (January 2005) the Scheme of renovation and strengthening of 132 KV S/C line from Ambassa to Kumarghat (45 KM) at a cost of ₹ 3.88 crore with scheduled completion period of 12 months (January 2006). The work was, however, completed (November 2008) with a delay of 34 months at a total cost of ₹ 5.99 crore. The broad reasons for delay in completion of the project have been discussed in the succeeding paragraphs.

Pre-work award delay

As per the recommendations of the Task Force, all preparatory activities like, survey, design, processing for forest/statutory clearance, tendering activities, etc. should be undertaken at project appraisal stage and should go ahead with construction activities once project sanction is received. It was, however, observed that the Company took six months in floating (August 2005) the tenders after sanction (January 2005) of the project. The issue of work order was further delayed due to backing out by the L-1 bidder claiming for price variation without ceiling despite the tenders being invited on firm price basis. After negotiations (July 2006), the L-2 bidder (M/s Sikha Electric Store) agreed to match with L-1 price subject to allowance of price variation with upper ceiling of 20 *per cent* of the contract value. The work order was finally placed (August 2006) on L-2 bidder at reduced work scope for a value of ₹ 3.40 crore with scheduled completion period of 12 months (August 2007).

Thus, due to failure of the Company in finalising the tendering activities parallel to the project appraisal/approval stage caused delay of 19 months (January 2005 to August 2006) in award of work.

Post-work award delay

As per the recommendations of the Task Force, the Company was supposed to obtain forest clearance and complete the route survey of lines before award of work order. It

was, however, observed that the Company failed to ensure the forest clearance for the project before award of work, which caused delays in execution of works.

It was further noticed that the Company conducted the route survey of lines only after award of the work. Based on the route survey, the actual route length of the line to be renovated was found to be only 34 CKM as against the length of 45 CKM envisaged in the sanction order resulting in substantial savings in the project cost, complete details of which were not available. It was observed that instead of surrendering the amount so saved to NEC, the Company diverted the same on additional work of construction of Ambassa to Kamalpur line (30 CKM¹⁵) without prior concurrence of the NEC. The work for construction of the additional line was entrusted (January 2007) to the same contractor under the same agreement without calling for the tender. The execution of the renovation work as well as additional line work, however, suffered due to non-availability of the forest clearance. The entire project, including the work of the additional line was finally completed (November 2008) after an overall delay of 34 months against the scheduled date of completion (January 2006) as stipulated in the sanction order.

Thus, the failure of the Company to undertake/complete the preparatory activities such as finalisation of tendering activities, obtaining the forest clearance and conducting of route survey, etc. before taking up the project as per the Task Force recommendations had resulted in avoidable delay in execution of the project. Diversion of the project funds on additional works without the prior approval of the sanctioning authority (*viz.*, NEC) was also irregular.

Ongoing projects

Augmentation of Dhalabil SS

3.2.11.10 Considering the overload situation of existing 132/11 KV Dhalabil SS, project was approved (March 2010) for augmentation of the SS by addition of 1X15 MVA Transformer. After inviting (October 2010) open tenders, the Company placed (April 2011) Letter of Award (LOA) on M/s United Steel Products (contractor) for supply and erection works at a value of ₹ 1.88 crore with scheduled completion period of six months (November 2011). All the materials were to be dispatched by the contractor to the project site only after issuance of Material Inspection Clearance Certificate by the Company. No separate time frame for supply of the material by the contractor was, however, fixed in the work agreement.

It was observed that despite the enabling provision in the agreement, the Company did not conduct prior inspection of material without any recorded reasons. The contractor had supplied (November 2011) transformers along with its accessories such as transformer oil

¹⁵ The precise line length of 29.10 CKM rounded off to 30CKM.

valued ₹ 1.20 crore after a lapse of seven months from the date of issue of LOA. The Company also accepted the material supplied by the contractor and made (2 January 2012) payment of ₹ 1.13 crore against the supplies. It was observed that while opening (17 January 2012) the transformer oil barrels for filtration before pouring into the transformer, the Company noticed high water contents in the oil, which was not suitable for use.

The Company, instead of taking any action against the contractor, asked for replacement of transformer oil by fresh consignment on the plea to complete the work by February 2012. The contractor could replace the transformer oil only in March 2012 after a delay of three months from the original supply.

The work was further delayed due to delayed submission (August 2012) of design, drawings of civil foundation, switchyard etc., by the contractor and approval (December 2012) thereof by the Company. As against the scheduled completion of the work by November 2011, the project had already delayed by 13 months and the same was yet to be completed (December 2012). The Company, however, had not taken any action against the contractor for delays as per the contract conditions. (December 2012).

Thus, the waiver of contract condition for pre-despatch inspection of material and not taking any action against the contractor for supply of substandard quality of material as well as for delays in completing the works was unjustified.

It was further seen that the SS was presently able to cater to load demand of only 6 MW against the demand of 8.5 MW. Thus, due to delay in commissioning of the above 15 MVA transformer, there was less supply of energy to the tune of 1.8 MU per month causing corresponding load shedding in the region for the period of delay.

Construction of 132 KV Transmission Line between Gamaitilla SS to Dhalabil SS

3.2.11.11 For reliable power flow between 132 KV SS at Gamaitilla to 132 KV SS at Dhalabil, Khowai, the Company decided to construct 132 KV Transmission line (estimated route length 26 KM) out of its own funds. A LOA was issued (July 2008) on M/s Hi-Tech Engicon Limited at a value of ₹ 2.19 crore with scheduled period of completion by February 2009. The work was, however, yet to be completed (December 2012). The project was delayed mainly on account of the deficiencies in completing the preparatory activities by the Company before taking up the works as discussed in the succeeding paragraphs.

The major activities before taking up the works in a transmission project are project formulation, appraisal and approval. With a view to accelerate the completion of transmission project, the Task Force had recommended to undertake and complete all preparatory activities before award of the work. It was, however, observed that the Company failed in addressing the issues relating to Right of Way (ROW) and settlement

of land compensation, etc. before award of work. As a result, the project work was hampered due to obstruction created by the local people during execution of works. In the absence of detailed records relating to payment of land compensation for resolving of ROW issues, the delay analysis of the project on account of this factor could not be made.

It was further observed that the Company awarded the work based on the estimates prepared without proper route survey, realistic assessment of the exact route length, and assessment of actual quantities of material (*viz.*, tower materials and conductors, etc.) available departmentally for use in project works. In the absence of proper route survey, there was increase in the route length from 26 CKM to 30.40 CKM necessitating additional costs and time for the project. Further, abnormal deviation to the tune of ₹ 1.88 crore (82.73 *per cent*) were noticed in quantities of material to be used in the project. These deviations occurred mainly due to incorrect assessment of materials to be issued departmentally by the Company for use in the project works. The Board of the Directors of the Company decided (September 2011) to engage M/s Power Grid Corporation of India Limited for conducting the re-survey of the line route and re-assess the line length as well as the requirement of materials for the project. No further developments in the matter were noticed (December 2012).

Thus, due to Company's failure in adequately addressing the preparatory activities related issues before award of works, the execution of the project had already been delayed by 46 months and the same was still in progress (December 2012).

Construction of 132 KV lines from Surjyamaninagar to Bodhjungnagar and from Surjyamaninagar to Grid S/S, Agartala

3.2.11.12 The Company decided (July 2010) to construct 132 KV lines from Surjyamaninagar to Bodhjungnagar (estimated length 11.9 KM) (first work) and 132 KV lines from Surjyamaninagar to Grid S/S, Agartala (estimated length 11.14 KM) (second work) for dispersal of power to be received at Surjyamaninagar from upcoming Palatana Power Plant. The Ministry of Development of North-Eastern Region (DONER), Government of India approved (December 2010) the projects under Non-lapsable Central Pool of Resources (NLCPR) at a cost of ₹ 7.38 crore and ₹ 9.51 crore respectively. The Company floated (August 2010) tenders and placed (January 2011) two separate LOAs for first and second works on L-1 bidder for a value of ₹ 6.65 crore and ₹ 6.80 crore respectively with scheduled completion period of ten months (November 2011). While the first work was put on trial run (September 2012) at a cost of ₹ 11.86 crore, the second work was yet to be completed (December 2012).

It was observed that the Company prepared both the DPRs without undertaking preparatory activities such as route survey of lines, which was essential for realistic assessment of route length and requirement of material for the project. As a result, there

was increase in route length by 6.325 KM (52.70 *per cent*) and by 5.656 KM (47.13 *per cent*) in the first and second works respectively. The increase in the line length had resulted in increase in the tentative costs of first and second works by ₹ 3.99 crore and ₹ 4.67 crore respectively besides causing delays in completion of the projects on account of execution of additional works by the Company. The revised cost estimates for the two works were, however, yet to be submitted to DONER for approval (December 2012).

Thus, Company's failure in precisely assessing the route length of the project at planning stage based on the route survey of lines had resulted in increase in the cost of two works by an aggregate amount of ₹ 8.66 crore as well as delays in completion of the projects.

Shifting of Transmission Lines-Diversion of project fund

3.2.11.13 The Power Department of the State Government received sanction of ₹ 1.80 crore from the Finance Department of the Government of Tripura for execution of the work of shifting of a portion of existing 132 KV lines in the proposed secretariat area in Capital Complex. The funds allocated by the Finance Department were to be utilised specifically for the purpose of release. The Power Department reallocated (May 2006) the funds to the Company for executing the work. After inviting (September 2006) open tenders, the Company placed (April 2007) the work order at a value of ₹ 1.67 crore with scheduled completion period of six months (October 2007).

It was observed that on account of post work award revisions in the line length, there were savings of ₹ 0.87 crore in the project cost against the sanctioned amount of ₹ 1.80 crore as the work was almost completed (July 2008) at an aggregate cost of ₹ 0.93 crore.

It was, however, observed that instead of surrendering the unutilised amount of ₹ 0.87

crore, the Company diverted (July 2008) the same on other works *viz.*, construction of 132 KV Transmission line from 132 KV Ambassa-Baramura Transmission line to ongoing 132/11 KV SS at Gamaitilla without obtaining approval of the Finance Department, Government of Tripura. It was also noticed that the project relating to augmentation of Gamaitilla SS, which included construction of the above 132 KV lines as well had already been sanctioned (March 2007) separately by NEC for ₹ 3.25 crore.

Thus, diversion of unutilised amount by the Company without prior concurrence of the Finance Department of the State Government for the purpose not covered under the original sanction was irregular.

Performance of transmission system

3.2.12 The performance of the Company mainly depends on efficient maintenance of its EHT transmission network for supply of quality power with minimum interruptions. In

the course of operation of sub-stations and lines, the supply-demand profile within the constituent sub-systems is identified and system improvement schemes are undertaken to reduce line losses and ensure reliability of power by improving voltage profile. These schemes are for augmentation of existing transformer capacity, installation of additional transformers, laying of additional lines and installation of capacitor banks. The performance of the Company with regard to O&M of the system is discussed in the succeeding paragraphs.

Transmission capacity

3.2.12.1 The Company in order to evacuate the power from the Generating Stations and to meet the load growth in different areas of the State constructs lines and SSs at different EHT voltages. A Transformer converts AC voltage and current to a different voltage and current at a very high efficiency. The voltage levels can be stepped up or down to obtain an increase or decrease of AC voltage with minimum loss in the process. In Tripura, the evacuation is normally done at 132 KV and 66 KV SSs. The transmission capacity (132 KV and 66 KV) created *vis-à-vis* the transmitted capacity (peak demand met) at the end of each year by the Company during the five years ending March 2012 are as follows:

Table No.3.2.6

| Transmission capacity (in MVA) | | | | |
|--------------------------------|-----------|--|---|----------------|
| Year | Installed | After leaving 30 per cent towards margin | Peak demand including non-coincident demand | Excess |
| (1) | (2) | (3) | (4) | (5)= (3) - (4) |
| 2007-08 | 413.90 | 289.73 | 188.24 | 101.49 |
| 2008-09 | 508.60 | 356.02 | 190.58 | 165.44 |
| 2009-10 | 533.60 | 373.52 | 220.00 | 153.52 |
| 2010-11 | 551.10 | 385.77 | 238.82 | 146.95 |
| 2011-12 | 551.10 | 385.77 | 260.00 | 125.77 |

From the above table it could be observed that the overall transmission capacity was in excess of the requirement during each of the five years under review. The existing transmission capacity excluding 30 per cent towards redundancy worked out to an excess of 125.77 MVA as at the end of March 2012 involving estimated investment of ₹ 9.51 crore (₹ 1.89 crore per 25 MVA PTR). The financial burden of the said investment was passed on to the consumer by way of inclusion of depreciation component on idle transmission infrastructure in the power tariff. Existence of extra/idle capacity in the transmission network reflects unscientific planning in creation of transmission network.

Sub-stations

Adequacy of Sub-stations

3.2.12.2 Manual on Transmission Planning Criteria (MTPC) stipulates the permissible maximum capacity for different SSs *i.e.*, 320 MVA for 220 KV and 150 MVA for 132 KV SSs. Scrutiny of the maximum capacity levels of 132 KV SSs revealed that all the SSs were within the maximum capacity levels.

Voltage management

3.2.12.3 The licensees using intra-state transmission system should make all possible efforts to ensure that grid voltage always remain within limits. As per Indian Electricity Grid code STUs should maintain voltages ranges between 380-420 KV (in 400 KV line), 198-245 KV (in 220 KV line) and 119-145 KV (in 132 KV line). A review of the 132 KV bus voltages was conducted in five SSs in out of total 19 SSs in four districts. It was seen that while four SSs were recording the voltage profile in daily log sheets, one SS did not record the voltage profile. No consolidated position of voltage either monthly or on annual basis was maintained by any of the five SSs test-checked and it was also not a part of any returns submitted by SSs to the Divisions. A test-check of the log sheets of 10 months during the period from 2007-08 to 2011-12, however, revealed that in all the said four SSs out of five SSs test-checked, the voltages recorded ranged between 127 KV and 140 KV, which was within the permissible limits.

Lines

EHT lines

3.2.12.4 As per MTPC permissible line loading cannot normally be more than the Thermal Loading Limit (TLL). The TLL limits the temperature attained by the energised conductors and restricts sag and loss of tensile strength of the lines. The TLL limits the maximum power flow of the lines. As per MTPC the TLL of 132 KV line with ACSR¹⁶ Panther 210 sq. mm. conductor was 366 amps. Scrutiny of the line loadings in 5 SSs out of 19 SSs test-checked on the 132 KV and 66 KV feeders revealed that the TLL was within the maximum limits.

Maintenance

Performance of Current transformers (CT)

3.2.12.5 Current transformers are one of the most important and cost-intensive components of electrical energy supply networks, thus it is of special interest to prolong their life duration while reducing their maintenance expenditure. In order to gather detailed information about the operation conditions of CTs, various kinds of oil analysis like the standard oil Dissolved Gas Analysis (DGA) tests are generally conducted. For CT insulation a combination of an insulating liquid and a solid insulation impregnated therewith are used. For an evaluation of the actual condition of this insulating system usually a DGA is used, as failures inside the CT lead to a degradation of the liquid

¹⁶ Aluminium Conductor Steel Reinforced

insulation in such a way that the compound of the gases enables an identification of the failure cause.

It was, however, observed that the Company had not created any infrastructure for such tests. Review of records in 5 out of 19 SSs test-checked revealed that the details of failures of CTs were not entered in the Occurrence Registers/Log sheets on daily basis. Consolidated information of details of failure of CT on a monthly or annual basis was neither maintained by any SS nor the same was incorporated in the monthly progress reports submitted by the SSs to the Transmission Division. In the absence of these details, Audit could not assess the reasons and overall position of failure of CTs. This was indicative of non-existence of any kind of monitoring on the functioning and failure of CTs.

In the exit conference, the Chairman-cum-Managing Director (CMD) of the Company stated (March 2013) that CTs were generally inspected once in a year. The Additional Chief Secretary, Government of Tripura, however, emphasised that there was a need for maintaining history sheets indicating detailed records on maintenance and failure of CTs in the Sub-stations

Working of hot lines division/sub divisions

3.2.12.6 Regular and periodic maintenance of transmission system is of utmost importance for its un-interrupted operation. Apart from scheduled patrolling of lines following techniques are prescribed in the Report of the Committee for updating the Best practices of Transmission in the country for maintenance of lines:

- ❖ Hot Line Maintenance.
- ❖ Hot Line Washing.
- ❖ Hot line Puncture Detection of Insulators.
- ❖ Preventive Maintenance by using portable earthing hot line tools.
- ❖ Vibration Measurement of the line.
- ❖ Thermo-scanning.
- ❖ Pollution Measurement of the equipment.

The hot line technique (HLT) envisages attending to maintenance works like hot spots, tightening of nut and bolts, damages to the conductor, replacement of insulators etc. of SSs and lines without switching off. This includes thermo scanning of all the lines and SSs towards preventive maintenance. HLT was introduced in India in 1958.

It was, however, observed that the Company had not implemented the hot line techniques for maintenance of transmission lines (October 2012). In absence of hot line techniques, the Company had to shut down the system for carrying out the routine maintenance work causing frequent interruptions in power supply during the period of repairs.

Transmission losses

3.2.12.7 While energy is carried from the generating station to the consumers through the Transmission & Distribution (T&D) network, some energy is lost in the process which is termed as T&D loss. Transmission loss is the difference between energy received from the generating station/Grid and energy sent to the Distribution Sub-stations.

It was observed that the Company did not have any mechanism to work out segment wise actual losses *viz.*, Transmission, Sub-transmission, Distribution and Commercial losses separately. As a result, the difference between the total energy put in the State Bus for sale and the net energy sold was treated as T & D loss by the Company. The Company had adopted a normative transmission loss of six *per cent* calculated on the energy put in the State Bus during the performance audit period. The Company was not able to determine the actual transmission loss data on account of several constraints like absence of energy audit system despite the direction of TERC, non-recording of details of energy received by transmission sub-stations on account of malfunctioning of energy meters in sub-stations, absence of Tri-vector meters in sub-stations, absence of metering system in distribution sub-stations etc.

In absence of the actual transmission loss data, the trend analysis of actual transmission losses with reference to the norms prescribed by the CEA (four *per cent*) could not be made on realistic basis and losses on this account in financial as well as physical terms could not be pointed out.

Due to non-availability/non-furnishing of monthly drawal/consumption Statements of all the Transmission Sub-stations, however, Audit could not compute the actual transmission loss during the above period to ensure the adequacy of the normative transmission loss at the rate of six *per cent* adopted by the Company.

In the exit conference, CMD of the Company accepted (March 2013) the observation.

Grid Management

Maintenance of Grid and performance of SLDC

3.2.13 Transmission and Grid Management are essential functions for smooth evacuation of power from generating stations to the Company's distribution wing/consumers. Grid Management ensures moment-to-moment power balance in the interconnected power system to take care of reliability, security, economy and efficiency of the power system. Grid management in India is carried out in accordance with the standards/directions given in the Grid Code issued by CEA. National Grid consists of five regions *viz.*, Northern, Eastern, Western, North Eastern and Southern Grids. Regional Grids was having a Regional Load Despatch Centre (RLDC), an apex body to ensure integrated operation of the power system in the concerned region. In Tripura, the State Load Despatch Centre (SLDC), a constituent of North-Eastern Regional Load Despatch Centre (NERLDC), Shillong, ensures integrated operation of power system in the State. The SLDC is functioning under the management of the Company.

Infrastructure for load monitoring

3.2.13.1 Remote Terminal Units/Sub-station Management Systems (RTUs/SMSs) are essential equipment for monitoring the efficiency of the transmission system and the loads during emergency in load dispatch centres as per the Grid norms for all SSs. It was observed that all the three generating stations of the Company *viz.*, Rokhia, Baramura and Gumti are provided with RTUs for recording real time data for efficient Energy Management System. It was, however, observed that out of total 19 SSs of the Company as on 31 March 2012, all 11 nos. of 132 KV Sub-stations were provided with RTUs, while only 1 out of remaining 8 nos. of 66 KV SSs had the provision of RTUs for recording the real time data.

Grid discipline by frequency management

3.2.13.2 As per Grid Code, the transmission utilities are required to maintain Grid discipline for efficient functioning of the Grid. All the constituent members of the Grid are expected to maintain a system frequency between 49 and 50.5 Hertz (Hz) (49.2 and 50.3 Hz with effect from April 2009). Due to various reasons such as shortages in generating capacities, high demand, Grid indiscipline in maintaining load generation balance, inadequate load monitoring and management, however, Grid frequency goes below or above the permitted frequency levels. To enforce the Grid discipline, the RLDC issues three types of violation messages (A, B and C). Message A is issued when the frequency is less than 49.2 Hz and over-drawal is more than 50 MW or 10 *per cent* of schedule whichever is less. Violation B message is issued when frequency is less than 49.2 Hz and over-drawal is between 50 and 200 MWs for more than ten minutes or 200 MW for more than five minutes. Message C (serious nature) is issued 15 minutes after the issue of message B when frequency continues to be less than 49.2 Hz and over drawal is more than 100 MW or ten *per cent* of the schedule whichever is less. In addition, NERLDC also issued Message D for drawal in excess of restricted peak drawal stipulated by NERLDC in peak hours.

It was observed that SLDC functioning under the Company did not maintain separate records for the messages received from NERLDC during the period from 2007-08 to 2011-12 along with the details of compliance there against and no consolidated details/summary of messages received were maintained by SLDC. Based on the test-check of records produced to Audit, the details of messages received by SLDC as could be worked out by Audit for the years 2009-10 and 2010-11 are as follows:-

Table No.3.2.7

| | Message A | Message B | Message C | Message D | Total |
|---------------|-----------|-----------|-----------|-----------|-----------|
| 2009-10 | 7 | 10 | 0 | 4 | 21 |
| 2010-11 | 13 | 11 | 0 | 11 | 35 |
| Total: | 20 | 21 | 0 | 15 | 56 |

It may be seen that while the receipt of messages (A, B and D type) from NERLDC increased from 21 to 35 (67 per cent), the Message D had increased significantly from 4 to 11 during two years indicating increase in violation of overdrawals beyond restricted peak drawal stipulated by NERLDC. No C type message was, however, received by SLDC during 2009-10 and 2010-11.

Thus, increase in the receipt of type A, B and D messages put a question mark on the Grid discipline.

The Management replied (April 2013) that sharp increase in the demand during preceding two years led to small number of overdrawal situation. It was further stated that utmost care and efforts are taken consistently to maintain the grid discipline in day to day system operation. Reply is not acceptable in view of the fact that despite the consistent efforts claimed to have taken by the Company for maintaining grid discipline, the number of violation messages had increased significantly during 2010-11. The Company needs to take appropriate remedial action for effectively maintaining the grid discipline.

Backing Down Instructions (BDI)

3.2.13.3 When the frequency exceeds the ideal limits *i.e.* situation where generation is more and drawal is less (at a frequency above 50 Hz), based on instructions from NERLDC, SLDC takes action by issuing Backing down instructions (BDIs) to the Generators to reduce the generation for ensuring the integrated Grid operations and for achieving maximum economy and efficiency in the operation of the power system in the State. Failure of the generators to follow the SLDC instructions would constitute violation of the Grid code and would entail penalties.

Review of records at SLDC revealed that the BDIs issued by SLDC to the generating stations based on instructions received from NERLDC were properly recorded in the Daily Occurrence Register. The compliance to the BDIs so issued by the Generating Stations and the quantum of decrease in generation due to BDIs was, however, not found on record. Hence, in absence of complete records, the status of compliance of BDIs by the generating stations could not be verified in Audit.

The Management accepted the facts and stated (April 2013) that the status of compliance could not be produced to Audit as no such information was received from generating stations. The Management, however, assured for collection of compliance report from generating stations in future.

Non-compliance with Grid Code Regulations issued by TERC

3.2.13.4 Tripura Electricity Grid Code Regulations, 2010 was notified by TERC *vide* No.F.25/TERC/2009 dated 29 April 2010. It was observed that SLDC had not complied with the requirements of the Regulations as detailed below:

(a) Non-submission of returns

As per Para No.4.5.1, SLDC was required to submit a weekly report to TERC containing the Frequency profile, Maximum and Minimum frequency recorded daily on 15 minutes time block basis, Voltage profile of SSs, Transmission outages, constraints, Monthly load curve etc. Further, as per Para No.4.5.2, SLDC was also required to submit a quarterly report to TERC, bringing out the system constraints and other reasons for not meeting the requirements.

It was, however, observed that SLDC had not been furnishing any of the above returns to TERC. No records were, however, available regarding the details of action, if any, taken by TERC against the SLDC for non-submission of the said mandatory returns. The Management stated (April 2013) that submission of the said reports to TERC had since been started.

(b) Non-maintenance of Internal Operating Procedures

As per Para No.4.1.5, a set of detailed Internal Operating Procedures for the State Grid shall be developed and maintained by the SLDC in consultation with the entities. The SLDC was, however, not maintaining any such Internal Operating procedures.

(c) Absence of Demand Estimation for Operational Purposes

As per Para No. 4.3, the SLDC shall develop methodologies/mechanisms for periodical demand estimation (MW, MVAR and MWh) on daily/weekly/monthly/yearly basis mainly based on the data furnished by the Distribution Licensees for operational purposes. The SLDC was also required to devise appropriate mechanism to facilitate an on-line estimation of demand for daily operational use.

It was observed that the required facilities had so far not been developed by SLDC so as to facilitate on-line demand estimation for daily operational use.

In reply, Management accepted the facts and stated (April 2013) that SLDC would carry out the online demand estimation.

(d) Non-preparation of list of elements of State Grid

As per Para No. 4.3, a list of elements of State grid covered under these Regulations shall be prepared and be available with the SLDC within 30 June 2010. However, SLDC has so far (October 2012) not prepared the list of elements as required.

Planning for power procurement

3.2.13.5 The Company assesses the requirement of power based on the past consumption trends, present requirement, load growth trends and T & D losses and its trend. In

addition to its own generation, the Company purchases power from the Central Power Generating Stations based on allocation to the State in accordance with the Memorandum of Understandings (MOUs) entered into with the constituent States. It also draws day ahead plan for assessing its day to day power requirement. The details of total requirement of the State, total power supplied and shortage of power for the five years 2007-08 to 2011-12 are given below:

Table No.3.2.8

(Figures in MUs)

| Sl. No. | Details | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|---------|---------------------------------------|---------|---------|---------|---------|---------|
| 1 | Total power requirement ¹⁷ | 891 | 966 | 1046 | 1134 | 1229 |
| 2 | Total power put in State Bus | 622 | 693 | 735 | 818 | 888 |
| 3 | Power short supplied | 269 | 273 | 311 | 316 | 341 |
| 4 | Percentage of shortage | 30.19 | 28.26 | 29.73 | 27.86 | 27.75 |

It could be seen from the above that the percentage of shortage of power during 2007-12 was showing decreasing trend (except during 2009-10). It decreased from 30.19 per cent in 2007-08 to 27.75 per cent during 2011-12.

The gap in demand supply position also leads to variation between actual generation or actual drawal and scheduled generation or scheduled drawal which is accounted through Unscheduled Interchange (UI) charges, worked out by SLDC for each 15 minutes time block. UI charges are levied for the supply and consumption of energy in variation from the pre-committed daily schedule. This charge varies inversely with the system frequency prevailing at the time of supply/consumption. Hence, it reflects the marginal value of energy at the time of supply. The levying of UI charges acts as a commercial deterrent to curb over drawls from the Regional Grid during low frequency conditions.

The details of UI Pool account of the Company for the period from 2007-08 to 2011-12 are given below:-

Table No.3.2.9

| Year | Details of UI payable | | Details of UI receivable | | Net receivable | | |
|---------|-----------------------|---------------------|--------------------------|---------------------|----------------|---------------------|---------------------------------------|
| | Units (in MU) | Amount (₹ in crore) | Units (in MU) | Amount (₹ in crore) | Unit (in MU) | Amount (₹ in crore) | Average rate received per unit (in ₹) |
| 2007-08 | 1.348 | 3.81 | 58.220 | 26.91 | 56.872 | 23.10 | 4.06 |
| 2008-09 | 3.581 | 0.92 | 44.084 | 24.66 | 40.503 | 23.74 | 5.86 |
| 2009-10 | 2.290 | 1.49 | 60.765 | 22.85 | 58.475 | 21.36 | 3.65 |

¹⁷ As per 17th Electric Power Survey of India conducted by CEA

| | | | | | | | |
|---------------|---------------|-------------|----------------|---------------|----------------|--------------|------|
| 2010-11 | 2.214 | 0.36 | 58.568 | 16.87 | 56.354 | 16.51 | 2.92 |
| 2011-12 | 3.282 | 1.96 | 43.941 | 9.55 | 40.659 | 7.59 | 1.87 |
| Total: | 12.715 | 8.54 | 265.578 | 100.84 | 252.863 | 92.30 | |

It would be seen that though the Company had paid total amount of ₹ 8.54 crore to NERLDC for overdrawal of power, it had simultaneously received an amount of ₹ 100.84 crore for unscheduled sale of power due to less drawal against the allocation. Thus, there were net savings of ₹ 92.30 crore to the Company during 2007-12 under the UI Pool Account.

Disaster Management

3.2.13.6 Disaster Management (DM) aims at mitigating the impact of a major break down on the system and restoring it in the shortest possible time. As per the Best Practices, DM should be set up by all power utilities for immediate restoration of transmission system in the event of a major failure. It is carried out by deploying Emergency Restoration System, DG sets, vehicles, firefighting equipment, skilled and specialised manpower. Disaster Management Centre, National Load Dispatch Centre, New Delhi will act as a Central Control Room in case of disasters. The DG sets and Synchroscopes¹⁸ form an important part of DM facilities at Extra High Tension Sub-stations (EHT SSs) connecting major generating stations.

It was, however, observed that the Company had not established any DM programme so far for quick restoration of transmission system in case of major breakdown of system. In absence of an effective DM system, the transmission system of the Company was exposed against the risk of blackout situation for longer duration in case of major transmission system failure.

The Management replied (April 2013) that the State Grid had already established faster recovery of blackouts during national grid failure in July 2012 itself and the entire system could be restored within 20 minutes. The reply is not acceptable as the system established addresses the emergent situation at the State generating stations only and there was no disaster management system at the level of Sub-stations, EHT lines, etc. for recovery in case of blackouts.

Energy Accounting and Audit

3.2.14 Energy accounting and audit is necessary to assess and reduce the transmission losses. The transmission losses are calculated from the Meter Reading Instrument (MRI) readings obtained from Generation to Transmission (GT) and Transmission to Distribution (TD) Boundary metering points.

¹⁸ In an AC electrical power system, it is a device that indicates the degree to which two systems generators or power networks are synchronised with each other.

As per the time bound action plan prescribed by TERC, the technical and commercial losses should be segregated through energy audit by March 2007. TERC also made it mandatory to conduct the energy audit with effect from March 2007. The Company, however, had not conducted the energy audit of its transmission and distribution system so far (December 2012).

The Company also did not maintain the details of the interface Boundary metering points between GT and TD, type of meters provided etc. Hence, in absence of required details, the data relating to the percentage of losses in feeders, actual status of functioning of meters, suitability of meters and their compatibility to Current Transformers (CTs) and Power Transformers (PTs) could not be analysed.

In reply, the Management accepted the facts and stated (April 2013) that a Centrally Sponsored Scheme is under preparation for augmentation and replacement of entire metering system at all incoming and outgoing feeders.

Material Management

3.2.15 Absence of internal control mechanism

The key functions in material management are laying down inventory control policy, procurement of materials and disposal of obsolete inventory. The Company had not formulated any procurement policy and inventory control mechanism for economical procurement and efficient control over inventory. As such, the Company had no system for effectively planning for procurement of material based on a scientific assessment of future requirements including material budgeting. The material required for construction of transmission SS and lines such as Power Transformer (PTs), Current Transformers (CTs), Galvanized steel Towers, conductors, galvanized stranded wires, etc., were not procured but the contracts for construction and commissioning of the transmission projects were being awarded by the Company on 'turnkey basis', which included all the associated civil, erection and commissioning works.

A review of inventory control mechanism in place revealed the following deficiencies:-

- The Company does not have any designated Central Stores Division for storage of Transmission related equipment/materials and the materials are scattered across different transmission sub-stations.
- The Company does not have Repairs & Maintenance division. Major repairs and maintenance were executed through contracts.
- The quantitative details of materials/equipment etc. were maintained by the Sub-stations through Material at Site Account. The individual as well as consolidated position of materials and equipment lying in various Transmission Sub-stations was, however, not available with the Company and the same were also not included in the Financial Statements. As a result, the value and adequacy of

opening stock, purchases, consumption and closing stock of materials could not be ascertained in Audit.

- The Company had neither conducted ABC analysis nor fixed the stock levels such as minimum, maximum and re-order levels.
- The details of non-moving, surplus, obsolete, unserviceable and scrap materials were not available.
- No periodical physical verification reports of materials were available on record.
- The surplus materials, if any, lying with executing Sub-divisions after completion of works were being transferred to the other Sub-stations based on verbal instructions from the Transmission Divisions. The Sub-stations had also issued different store materials to other Sub-stations on verbal requisitions and the documents relating to receipt of indents for requirement of materials, Store issue vouchers, acknowledgement of receipt of materials etc. were not available on record except entries in the Material at Site Account.

Thus, there was complete absence of any internal control mechanism for upkeep/maintenance and control of the inventory lying in Sub-stations of the Company.

While confirming the facts in the exit conference, the CMD stated (March 2013) that as execution of all new works and maintenance would be done through contracts, the Company had not maintained any central transmission store division. The Additional Chief Secretary, Government of Tripura, however, emphasised the need for maintenance of detailed records.

Non-disposal of scrap materials resulted in loss of ₹ 51.53 lakh

3.2.15.1 After the renovation works in 132 KV SS, Kumarghat (length 70 CKM), total 120 KM of dismantled Panther conductor were lying as scrap with total quantity of 1.17 lakh kg. Since there was no scope in the Company to store such huge quantity of scrap materials, it was proposed (September 2007) to dispose of the scrap to the contractor involved in the above renovation work. The contractor had also agreed (February 2007) to purchase the said scrap at the rate of ₹ 44 per kg as against the estimated disposal value of ₹ 46.16 per kg. The Board of Directors (Board), however, decided (September 2007) to refer back the issue to the Standing Tender Committee (STC-1) for their consideration and appropriate decision. No further progress on disposal of scrap was available on record.

It was observed that no records were available to indicate the existence and details of these scrap materials viz., present stock position, actual utilization, condition of materials etc. Thus, considering the absence of proper storage facilities, the Company should have disposed of the scrap at a total value of ₹ 51.53 lakh. Thus, due to indecisive approach of

the Board, the Company lost the opportunity to earn an income of ₹ 51.53 lakh besides easing the space constraints for storage.

Monitoring and Control

3.2.16 The Company plays an important role in the State economy. Monitoring by top Management is essential to succeed in operating economically, efficiently and effectively and a sound Management Information System (MIS) is to be in place. It was observed that:

- i) The Register of Returns along with the nature and periodicity was not maintained. Hence the efficacy of the MIS in place was not verifiable.
- ii) The operational and financial performance of the Company was not reviewed periodically either by the Board of Directors or the top Management.
- iii) Delay in execution and consequent cost overrun was placed to the top management and the Board of directors only after actual completion of works for approval thereby indicating the absence of proper internal control by the Management.
- iv) The details on division wise performance, weaknesses and corrective measures, if any, taken by the Management was not periodically reported to the Board of Directors.
- v) The basis of fixation of plan targets was not available on record. Annual plans were drawn up indicating budgeted and revised estimates for some operational and financial parameters. There was, however, nothing on record to indicate regular assessment of actual performance *vis-a-vis* the targets fixed in the annual plans and budgets.
- vi) No systematic segment wise Annual Budget (*viz.*, Generation, Transmission and Distribution) was prepared for Generation, Transmission and Distribution activities of the company.
- vii) Comprehensive Management Reporting system was not developed.
- viii) Year-wise cumulative performance of the SSs and lines were neither being maintained nor consolidated for evaluation of annual performance of the SSs and lines by top Management and the Board of Directors. There was data inconsistency across various reports/returns and hence the best fit data approach was adopted by audit.
- ix) Verification of MIS reports of TL&SS, revealed that details regarding programmed overhauls of equipment like CBs¹⁹, due dates of batteries next oil change OLTC²⁰ operations, dates of maintenance works, performance of SS, performance of relays, cause-wise analysis of feeder breakdowns were not available.

Non-Review of the envisaged benefits of Transmission Schemes

¹⁹ Circuit Breaker.

²⁰ On Load Tap Changer.

3.2.16.1 The Company executed and commissioned two 132 KV SSs and erected a total length of 47.87 CKM of 132 KV lines during the period from 2007-08 to 2011-12 covered under the performance audit. It was observed that T&D schemes were approved mainly on the ground of supply of reliable power and strengthening of transmission network without taking into account the benefits in quantifiable terms such as reduction in line losses, improvement in voltage levels and the load growth to be achieved by the new schemes. Further, after execution of the Schemes, there was no system put in place by the Company to assess and review the actual achievements against the intended objectives. Consequently, Audit could not assess the benefits derived by execution of these Schemes.

Internal Controls and Internal Audit

3.2.16.2 Internal control is a process designed for providing reasonable assurance for efficiency of operations, reliability of financial reporting and compliance with applicable laws and statutes. Internal Audit, on the other hand, is designed to ensure proper functioning as well as effectiveness of the internal control system and detection of errors and frauds. There was no Internal Audit Wing in the Company. The Internal Audit of the Company was not conducted since its inception. The internal control of the Company was also weak as also discussed under Para **3.2.15** *supra*.

Audit Committee

3.2.16.3 The Company is to constitute an Audit Committee (AC) as required under Section 292A of the Companies Act, 1956 (Act). It was, however, observed that the Company had not so far constituted the AC in violation of the provisions of the Act.

Conclusion

The Company did not prepare any State Electricity Plan for development of transmission infrastructure in the State based on the National Electricity Plan. The Company prepared 11th Five Year Plan for 2007-12 for capacity addition of transmission infrastructure. The annual plans prepared by the Company on the basis of 11th Five Year Plan did not set targets in physical terms. The overall shortfall in achievement of physical targets set under 11th Five Year Plan (2007-12) for capacity addition of transmission lines and substations (132 KV and 66 KV) ranged from 33 to 94 *per cent*.

The execution of transmission projects by Company suffered with several deficiencies mainly relating to delays in completing the preparatory/pre-work award activities and deficiencies in realistic assessment of route length of lines. As a result, the execution of project suffered considerably on account of post award revisions in line lengths causing significant time and cost overrun.

The Company did not have any mechanism to ascertain segment-wise energy losses. Alternatively, combined transmission and distribution (T&D) loss data were being

derived as a difference between the total energy put in the State Bus for sale and the net energy sold. A fixed percentage (six *per cent*) of the energy put in the State Bus was adopted by the Company as a normative transmission loss. As such, the actual transmission loss data could not be determined and analysed with reference to the norms fixed by the Central Electricity Authority.

The Grid Management system of Company was not satisfactory in absence of adequate facilities for recording real time data in seven out of eight 66 KV substations. The functioning of the State Load Dispatch Centre (SLDC) was also not satisfactory in absence of proper maintenance of records and non-compliance with the mandatory provision of Grid Code Regulations issued by Tripura Electricity Regulatory Commission (TERC).

No Disaster Management programme was in place at the level of Sub-Stations, Extra High Tension Lines etc. thereby exposing the system against the risk of black out situations in case of major break down.

The Energy accounting and audit system was non-existent in the Company. The Company did not maintain the details of the interface Boundary metering points and the type of meters provided thereon in absence of which feeder-wise percentage of energy loss could not be analysed.

No scientific system was in place for management of inventory. Monitoring mechanism of the Company was weak due to non-maintenance of necessary records on performance of the transmission system.

Recommendations

- Capacity additions should be planned and executed in tandem with the National Electricity Plan duly taking into account the future load growth and probable increase in demand.
- The Company should overcome the deficiencies in completing the preparatory and other pre-award activities by adhering to the recommendations of the Task Force for speedy completion of works.
- The Company needed to devise an appropriate system for determining the energy loss data separately for transmission and distribution segments. The Company should also identify the factors responsible for high transmission losses through proper metering and effecting energy accounting and take necessary corrective action to restrict the losses within CEA norms.
- Adequate facilities should be provided in the system for recording real time data so as to maintain effective Grid discipline. The functioning of SLDC also needed to be improved by ensuring proper maintenance of records and complying with the mandatory provision of Grid Code Regulations.

- An effective Disaster Management System should be established at the level of Sub-stations, EHT lines, etc. for restoration of the transmission system in least possible time in case of major break down.
- A scientific system of Inventory Management needs to be put in place for proper accounting and upkeep of stores. Specific instructions should be issued to field offices for maintenance of complete records on performance of transmission system and regular submission of MIS reports to higher authorities for prompt remedial action on the discrepancies noticed.

The audit findings were reported to the Government (November 2012); replies had not been received (March 2013).

FOREST DEPARTMENT
(Tripura Forest Development and Plantation Corporation Limited)

3.3 Loss due to non-realisation of cost of packaging

The Company suffered a loss of ₹ 1.30 crore due to unjustified absorption of cost of packaging against supply of its product contrary to the product price criteria published by the Rubber Board.

The Tripura Forest Development and Plantation Corporation Limited (Company) had been selling its product namely Cenex¹ through tender/negotiation basis. Considering the fact that the rate of rubber quoted by the trader was always less than the rate published by the Rubber Board, Ministry of Commerce and Industry, Government of India in their website, the Company decided (December 2005) to sell its rubber products at the rate as published by the Rubber Board. Accordingly, the Company started selling Cenex based on the rates published every day in the website of the Rubber Board with effect from January 2006.

Scrutiny of records (March 2012) of the Company revealed that Cenex was being sold by the Company to the buyers directly from its Takmacherra Latex Centrifuging & Crepe Mill by filling the same in barrels. The Company had been procuring the barrels from time to time and utilising the same for packaging the Cenex for sale. It was noticed that although the freight charges relating to the Cenex sold were being borne by the buyers, the cost of the barrels procured and used by the Company in the packaging of Cenex was not being charged to the buyers.

It was seen that the prices published by the Rubber Board in its website were on Free On Board (FOB) basis up to 23 July 2007. The prices published on website were, however, made exclusive of VAT and other incidental expenses towards packing, transportation, warehousing, etc., by the Rubber Board with effect from 24 July 2007 by incorporating a footnote in the website. Audit observed that while the VAT/CST was being realised extra from the buyers over and above the price indicated in the website of Rubber Board with effect from 24 July 2007, the cost of packaging of Cenex *i.e.* cost of empty barrels was not being realised separately from the buyers.

During the period from August 2007 to March 2012, the Company sold 2,346.90 MT of Cenex by packing them in 12,352 nos. of barrels² and incurred a cost of ₹ 1.30 crore towards procurement of empty barrels (**Appendix 3.7**). As per the modified criteria of the Cenex price as published by the Rubber Board on website, the Company should have

¹ Cenex is Centrifuged latex of 60 *per cent* dry rubber content. The processing of natural rubber latex into high quality latex concentrate of 60 *per cent* dry rubber content is done through centrifugation. Cenex is used for foam products, adhesives, elastic threads, household and industrial gloves, balloons, rubber bands etc.

² One barrel contains 190 kg.

recovered the said packaging cost from the buyers. After being pointed out by Audit, however, the Company started realising the packaging cost from the buyers with effect from April 2012.

Thus, non-realisation of cost of barrels from the buyers has resulted in unjustified absorption of cost of ₹ 1.30 crore, which was a loss to the Company.

The Management stated (August 2012) that the change of the price format made in the Rubber Board website was not noticed due to oversight and that the additional cost of barrels might not have been agreed to by the buyers. The Government while endorsing (August 2012) the reply of the Management stated that the matter would be placed in the next meeting of the Board of Directors and further progress informed.

The reply is not tenable in view of the fact that even after the Company started (April 2012) realising the cost of barrels from buyers, the sale of Cenex had improved to 159.60 MT during April 2012 to September 2012 against the sale of 152.76 MT during corresponding period of 2011-12. This confirmed that the additional cost of barrels was agreed to by the buyers and, therefore, there was a possibility that the same could have been recovered from the buyers during the earlier period also.

The Management should put an appropriate control mechanism in place to realise the price from the buyers in accordance with the terms of price indicated in the Rubber Board website.

POWER DEPARTMENT
(Tripura State Electricity Corporation Limited)

3.4 Deficient planning in construction of buildings

Failure to take a firm decision by the Company at planning stage whether to go for construction of buildings in phases or in one go and subsequent delay in communicating the decision for discontinuance of the project to EPIL resulted in blocking of investment of ₹ one crore.

The Board of Directors (BOD) of the Tripura State Electricity Corporation Limited (Company) decided (December 2008) to engage M/s Engineering Projects (India) Limited (EPIL)³ for construction of four buildings⁴ on turnkey basis at Agartala. Accordingly, an MOU was signed (January 2009) between the Company and EPIL and after signing of MOU, an interest free advance of ₹ 1 crore was paid (March 2009) to EPIL as per the terms of MOU. The estimates submitted by EPIL for ₹ 22.71 crore was considered (June 2009) by the BOD to be high. Based on independent soil investigation reports, the estimates were revised to ₹ 17.90 crore (January 2010) including EPIL's Agency charges at the rate of 10 per cent.

Scrutiny of records (December 2011 - January 2012) revealed that while intimating the revised estimated cost, the Company requested (February 2010) EPIL to commence the tendering process as early as possible and emphasised to complete the project within 24 months from the date of signing of MOU. After 15 months of signing the MOU, however, the BOD desired (May 2010) that the CMD of the Company should review the construction work of four buildings and see if it may be done in a manner keeping in view the reserves of the Company. It was observed that though the decision of the BOD could have adverse effect on execution of the buildings work, this decision was not communicated to EPIL ignoring the fact that the Company had earlier requested EPIL for completing the work within 24 months of signing the MOU viz., by January 2011.

EPIL informed (November 2010) about the award (October 2010) of work contract for ₹ 13.59 crore and requested the Company to issue permission letter for starting the execution of work as the manpower and machinery had already been mobilised for the project. At that stage, the Company requested (December 2010) EPIL to submit building-wise price component for further review and appraisal of BOD. EPIL expressed (March 2011) its inability to provide such break-up as the tender was invited by it as a composite work after combining the Bill of Quantities of all the four buildings.

³ A Government of India Enterprise

⁴ (1) Multi-storied Office Building at Corporate Office Complex, (2) Multi-storied Office Building at 33/11 KV Sub-Station Complex, (3) Inspection Bungalow at Banamalipur, and (4) Multi-storied Office Building at IGM Sub-Division Complex

Based on the decision (August 2011) of the BOD, the Company requested (October 2011) EPIL to discontinue the works and refund the advance of ₹ 1 crore. In response, EPIL stated (October 2011) that it would revert back with the details of substantial expenditure it had already incurred on completing various project activities such as topographical survey, soil investigation, planning, designing, preparation of DPR, drawing, Bill of Quantities, tendering for finalisation of contractor, placement of work order to the contractor etc. No further developments in the matter were noticed (September 2012) except issuing (February 2012) of a reminder by the Company to EPIL.

Thus, failure in taking a firm decision at the planning stage for construction of buildings in phases or in one go and subsequent delay in communicating the decision for discontinuance of the project to EPIL resulted in blocking of investment of ₹ one crore. Recovery of the blocked funds was doubtful since the scope of work was unilaterally altered by the Company and the same was also belatedly communicated to EPIL when the latter had already incurred substantial amount on completing various project related activities.

The Company in the reply endorsed by the Government stated (September 2012) that though the detailed item wise estimate (BOQ) was to be submitted before commencement of tendering process, EPIL had taken unilateral action of going ahead with tendering process without the approval of the Company. It was stated that due to increase of gas price from 1 June 2010, the cash reserve of the Company had depleted considerably and, therefore, it was decided to go for phase wise construction. It was further stated that the decision taken by the BOD was for implementation by the Company and not for communicating to EPIL.

The reply is not tenable as, the Company while accepting (February 2010) the estimate had requested EPIL to go ahead with the tendering process and award of the work without asking for the building wise cost estimates. Further, the EPIL, being the implementing agency, should have been apprised of the decision of the BOD immediately instead of treating the same as an internal matter. The plea of the Company regarding depletion in the cash reserve is also not acceptable in view of the fact that the Company had huge surplus funds of ₹ 474.92 crore in fixed deposits as on 31 March 2010, which stood at ₹ 456.88 crore as on 31 March 2011. Further, to compensate for the increase in gas price, the power tariff was also correspondingly hiked with effect from 1 September 2010 through levy of Fuel and Power Purchase Cost Adjustment.

The Company should undertake the building construction projects only after assessment of actual requirement with proper planning at the initial stage of the project itself so as to avoid mid-term revisions, abandonment etc.

3.5 Loss of interest

The Company incurred interest loss of ₹ 42.15 lakh on investment of surplus funds due to lack of coordination and control over the investments made by its Corporate Finance and Commercial & System Operation Wings.

The Tripura State Electricity Corporation Limited (Company) receives funds from time to time from the Government of Tripura as well as the Government of India against various schemes/projects. The project funds not immediately required to meet the expenditure along with the surplus funds generated from the internal operations were being invested by the Corporate Finance Wing of the Company by way of fixed deposits (FDs) with various banks. Besides, the Commercial and System Operation (CSO) Wing of the Company also invests the surplus funds generated from the purchase and trading of power in FDs.

Scrutiny (December 2011- January 2012) of records revealed that the Company did not devise any investment policy/rules/regulations for governing the investment of surplus funds in a prudent manner. There was no system in the Company for preparing the cash budget and detailed instructions were not issued to its Finance Wing and CSO Wing to facilitate investment of its surplus funds in a coordinated and prudent manner so as to maximise the returns. It was noticed that the registers for investment/re-investment in FDs were not properly maintained and updated. Further, no records were available in the Company regarding the basis of investment decisions, determination of surplus funds available for investment and the copies of bank quotations for investment, approval of competent authority for investment/re-investment, FD receipts etc.

A review of the investments made by the Company in bank FDs during the period from 2005-06 to 2010-11⁵ revealed that FDs were made by the Corporate Finance Wing and CSO Wing with various banks independently without cross-verifying the higher rates of interest availed by the other Wing on a particular date. Besides, the variances were noticed in the interest rates of investments made by these wings themselves in different banks on a particular date, the Company thereby forgoing the opportunity to maximise the returns by making FDs with the banks offering higher interest rates. This was indicative of non-existence of adequate control and monitoring over investments.

It was observed that in respect of 19 such cases pertaining to the period from 2005-06 to 2010-11, the investments were made in FDs on the same date(s) at varied rates of interest thereby causing an interest loss of ₹ 42.15 lakh as detailed in **Appendix 3.8**.

⁵ Due to non-compilation of accounts, the details of Fixed Deposits made during the year 2011-12 are not available to Audit

The Management stated (June 2012) that FDs are accounted for and kept on record by Corporate Accounts Wing and CSO Wing separately but it is coordinated regularly from the Corporate Finance Wing for which instructions were issued (December 2010 and April 2011) by the CMD. It was further stated that during the years 2010-11 and 2011-12 such a loss of interest could be avoided altogether by keeping close watch on variation of interest rate.

The reply is not acceptable as the incidence of imprudent investment was persisting even after issue of instructions by the CMD as 6 out of 19 cases pointed out in the para pertained to the investments made during February/March 2011.

The matter was reported (October 2012) to the Government; their replies had not been received (February 2013).

CHAPTER IV: REVENUE SECTOR

4.1 GENERAL

4.1.1 Trend of revenue receipts

The tax and non-tax revenue raised by the Government of Tripura during the year 2011-12, the State's share of net proceeds of divisible Union taxes and duties assigned to States and grants-in-aid received from the Government of India during the year and the corresponding figures for the preceding four years are mentioned below:

Table: 4.1

| | | (₹ in crore) | | | | |
|------|--|----------------|----------------|----------------|----------------|----------------|
| | | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
| I. | Revenue raised by the State Government | | | | | |
| | • Tax revenue | 370.70 | 442.50 | 527.01 | 622.34 | 858.02 |
| | • Non-tax revenue | 115.41 | 149.04 | 125.40 | 131.79 | 214.22 |
| | Total: | 486.11 | 591.54 | 652.41 | 754.13 | 1072.24 |
| II. | Receipts from the Government of India | | | | | |
| | • State's share of net proceeds of divisible Union taxes | 650.62 | 686.52 | 706.34 | 1122.36 | 1307.56 |
| | • Grants-in-aid | 2561.61 | 2798.72 | 3042.60 | 3292.11 | 4097.10 |
| | Total: | 3212.23 | 3485.24 | 3748.94 | 4414.47 | 5404.66 |
| III. | Total receipts of State Government (I+II) | 3698.34 | 4076.78 | 4401.35 | 5168.60 | 6476.90 |
| IV. | Percentage of I to III | 13 | 15 | 15 | 15 | 17 |

The above table indicates that during the year 2011-12, the revenue raised by the State Government (₹ 1,072.24 crore) was 17 per cent of the total revenue receipts against 15 per cent in the preceding year. The balance 83 per cent of receipts during 2011-12 was from the Government of India.

4.1.1 (a) Tax Revenue: The following table presents the details of tax revenue raised during the period 2007-08 to 2011-12:

Table: 4.2

| | | (₹ in crore) | | | | | |
|---------|--|---------------|---------------|---------------|---------------|---------------|--|
| Sl. No. | Head of revenue | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | Percentage of increase (+) or decrease (-) in 2011-12 over 2010-11 |
| 1. | Sales Tax/VAT | 264.98 | 314.79 | 374.93 | 444.93 | 666.32 | (+ 50) |
| 2. | State Excise | 38.50 | 48.28 | 61.09 | 85.85 | 94.68 | (+ 10) |
| 3. | Other Taxes on Income and Expenditure | 23.73 | 25.97 | 29.16 | 29.22 | 30.27 | (+ 4) |
| 4. | Stamps and Registration Fees | 14.98 | 17.03 | 18.15 | 24.23 | 30.73 | (+ 27) |
| 5. | Taxes on Vehicles | 23.20 | 29.82 | 37.14 | 21.92 | 25.18 | (+ 15) |
| 6. | Other Taxes and Duties on Commodities and Services | 2.17 | 0.84 | 0.95 | 0.91 | 1.42 | (+ 56) |
| 7. | Land Revenue | 2.97 | 5.55 | 5.55 | 15.25 | 9.33 | (-) 39 |
| 8. | Taxes on Agricultural Income | 0.11 | 0.18 | 0.01 | 0.01 | 0.04 | (+ 300) |
| 9. | Taxes and Duties on Electricity | 0.01 | 0.02 | 0.02 | 0.02 | 0.05 | (+ 150) |
| 10. | Others | 0.05 | 0.02 | 0.01 | - | - | - |
| | Total: | 370.70 | 442.50 | 527.01 | 622.34 | 858.02 | (+ 38) |

The following reasons for variation were reported by the concerned departments:

Sales Tax:- The increase in collection of Sales Tax/VAT (50 per cent) was due to increase of rate of VAT, minimisation of evasion of tax and efficient tax collection due to intensive checking and regular monitoring at Churaibari Checkpost.

State Excise:- The increase in collection of State Excise (10 per cent) was due to higher consumption of 'Liquor' than previous year.

4.1.1 (b) Non-Tax Revenue: The following table presents the details of the non-tax revenue raised during the period 2007-08 to 2011-12.

Table: 4.3

(₹ in crore)

| Sl. No. | Head of revenue | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | Percentage of increase (+)/ decrease (-) in 2011-12 over 2010-11 |
|---------------|------------------------------------|---------------|---------------|--------------|---------------|---------------|--|
| 1. | Forestry and Wildlife | 5.52 | 5.57 | 6.29 | 7.64 | 6.98 | (-) 9 |
| 2. | Education, Sports, Art and Culture | 1.00 | 1.55 | 1.50 | 1.27 | 2.06 | (+) 62 |
| 3. | Crop Husbandry | 1.53 | 1.70 | 1.52 | 1.85 | 1.93 | (+) 4 |
| 4. | Other Administrative Services | 3.55 | 2.33 | 11.76 | 3.91 | 5.45 | (+) 39 |
| 5. | Miscellaneous General Services | 0.52 | 22.28 | 22.29 | 11.29 | 11.60 | (+) 3 |
| 6. | Water Supply and Sanitation | 0.62 | 1.23 | 1.13 | 1.21 | 1.26 | (+) 4 |
| 7. | Police | 14.22 | 19.86 | 16.88 | 24.73 | 37.33 | (+) 51 |
| 8. | Interest Receipts | 58.93 | 62.93 | 27.88 | 23.24 | 50.66 | (+) 118 |
| 9. | Stationery and Printing | 1.86 | 1.75 | 1.26 | 1.51 | 1.40 | (-) 7 |
| 10. | Animal Husbandry | 1.54 | 1.56 | 1.45 | 1.57 | 1.32 | (-) 16 |
| 11. | Industries | 9.30 | 9.38 | 11.87 | 30.63 | 39.80 | (+) 30 |
| 12. | Public Works | 3.98 | 6.17 | 7.71 | 7.83 | 7.84 | (+) 0.13 |
| 13. | Village and Small Industries | 0.07 | 0.02 | 1.46 | 0.04 | 0.01 | (-) 75 |
| 14. | Fisheries | 1.27 | 1.89 | 0.68 | 0.55 | 0.67 | (+) 22 |
| 15. | Other Rural Development Programmes | 0.07 | 0.03 | 0.03 | 0.08 | 0.04 | (-) 50 |
| 16. | Housing | 1.23 | 1.13 | 1.34 | 1.35 | 1.73 | (+) 28 |
| 17. | Minor Irrigation | 0.10 | 0.71 | 0.06 | 0.08 | 0.08 | - |
| 18. | Medical and Public Health | 3.74 | 4.52 | 4.87 | 4.06 | 5.14 | (+) 27 |
| 19. | Co-operation | 0.49 | 0.05 | 0.07 | 0.05 | 3.69 | (+) 7280 |
| 20. | Others | 5.38 | 4.38 | 5.35 | 8.90 | 35.23 | (+) 296 |
| Total: | | 114.92 | 149.04 | 125.4 | 131.79 | 214.22 | (+) 63 |

Reasons for variations from the concerned departments are awaited (February 2013).

4.1.2 Variation between the revised budget estimates and actuals

The variations between the revised budget estimates and actuals of revenue receipts under the principal heads of Tax and Non-Tax revenue for the year 2011-12 are mentioned in the following table:

Table: 4.4

(₹ in crore)

| Sl. No. | Head of Revenue Receipt | Budget estimates (Revised) | Actuals | Variation increase (+) decrease (-) | Percentage of variation over Revised Budget Estimate |
|------------------------|--|----------------------------|---------|-------------------------------------|--|
| Tax Revenue | | | | | |
| 1. | Sales Tax/VAT | 600.00 | 666.32 | (+) 66.32 | (+) 11.05 |
| 2. | State Excise | 90.00 | 94.68 | (+) 4.68 | (+) 5.20 |
| 3. | Other Taxes on Income and Expenditure | - | 30.27 | - | - |
| 4. | Stamps and Registration Fees | 19.97 | 30.73 | (+) 10.76 | (+) 53.88 |
| 5. | Taxes on Vehicles | 23.57 | 25.18 | (+) 1.61 | (+) 6.83 |
| 6. | Other Taxes and Duties on Commodities and Services | 0.72 | 1.42 | (+) 0.70 | (+) 97.22 |
| 7. | Land Revenue | 15.82 | 9.33 | (-) 6.49 | (-) 41.02 |
| 8. | Taxes on Agricultural Income | 0.02 | 0.04 | (+) 0.02 | (+) 100.00 |
| 9. | Taxes and Duties on Electricity | 0.03 | 0.05 | (+) 0.02 | (+) 66.67 |
| Non-Tax Revenue | | | | | |
| 10. | Forestry and Wildlife | 1.20 | 6.98 | (+) 5.78 | (+) 481.67 |
| 11. | Education, Sports, Art and Culture | 2.00 | 2.06 | (+) 0.06 | (+) 3 |
| 12. | Crop Husbandry | 1.70 | 1.93 | (+) 0.23 | (+) 13.53 |
| 13. | Other Administrative Services | 20.26 | 5.45 | (-) 14.81 | (-) 73.10 |
| 14. | Miscellaneous General Services | 11.93 | 11.60 | (-) 0.33 | (-) 2.77 |
| 15. | Water Supply and Sanitation | 1.94 | 1.26 | (-) 0.68 | (-) 35.05 |
| 16. | Police | 20.00 | 37.33 | (+) 17.33 | (+) 86.65 |
| 17. | Interest Receipts | 26.25 | 50.66 | (+) 24.41 | (+) 93.00 |
| 18. | Stationery and Printing | 0.75 | 1.40 | (+) 0.65 | (+) 86.67 |
| 19. | Animal Husbandry | 1.94 | 1.32 | (-) 0.62 | (-) 31.96 |
| 20. | Industries | 35.00 | 39.80 | (+) 4.80 | (+) 13.71 |
| 21. | Public Works | 15.00 | 7.84 | (-) 7.16 | (-) 47.73 |
| 22. | Village and Small Industries | 0.13 | 0.01 | (-) 0.12 | (-) 92.31 |
| 23. | Fisheries | 2.46 | 0.67 | (-) 1.79 | (-) 72.76 |
| 24. | Other Rural Development Programmes | 0.10 | 0.04 | (-) 0.06 | (-) 60.00 |
| 25. | Housing | 1.94 | 1.73 | (-) 0.21 | (-) 10.82 |
| 26. | Minor Irrigation | 1.94 | 0.08 | (-) 1.86 | (-) 95.88 |
| 27. | Medical and Public Health | 8.00 | 5.14 | (-) 2.86 | (-) 35.75 |
| 28. | Co-operation | 0.19 | 3.69 | (+) 3.50 | (+) 1842.11 |
| 29. | Others | 9.37 | 35.23 | (+) 25.86 | (+) 276.00 |

Source: Receipt Budget and Finance Account for the year 2011-12.

The following reasons for variations were reported by the concerned departments:

Sales Tax:- The increase in collection of Sales Tax/VAT (11.05 per cent) was due to increase of rate of VAT, minimisation of evasion of tax and efficient tax collection due to intensive checking and regular monitoring at Churaibari Checkpost.

State Excise:- The increase in collection of State Excise (5.20 per cent) was due to higher consumption of ‘Liquor’ than previous year.

4.1.3 Cost of collection

The gross collection of major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the period 2009-10 to 2011-12 along with the relevant all India average percentage of expenditure on collection to gross collections for 2010-11 are mentioned in the following table:

Table: 4.5

(₹ in crore)

| Sl. No. | Head of revenue | Year | Gross Collection | Expenditure on collection | Percentage of expenditure to gross on collection | All India average percentage for the year 2010-11 |
|---------|----------------------------------|---------|------------------|---------------------------|--|---|
| 1. | Sales Tax/ VAT | 2009-10 | 374.93 | 5.19 | 1.38 | 0.75 |
| | | 2010-11 | 444.93 | 5.74 | 1.29 | |
| | | 2011-12 | 666.32 | 7.84 | 1.18 | |
| 2. | State Excise | 2009-10 | 61.09 | 1.62 | 2.65 | 3.05 |
| | | 2010-11 | 85.85 | 1.44 | 1.68 | |
| | | 2011-12 | 94.68 | 1.41 | 1.49 | |
| 3. | Taxes on Vehicles | 2009-10 | 37.14 | 1.60 | 4.31 | 3.71 |
| | | 2010-11 | 21.92 | 1.55 | 7.07 | |
| | | 2011-12 | 25.18 | 1.37 | 5.44 | |
| 4. | Stamp Duty and Registration Fees | 2009-10 | 18.15 | 1.80 | 9.92 | 1.60 |
| | | 2010-11 | 24.23 | 1.32 | 5.45 | |
| | | 2011-12 | 30.73 | 1.91 | 6.22 | |

Source: Finance Accounts

4.1.4 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2012 in respect of the principal Heads of Revenue as reported by the Departments was ₹ 27.08 crore of which ₹ 2.40 crore (9 per cent) were outstanding for more than five years as per details mentioned in the following table:

Table: 4.6

(₹ in crore)

| Sl. No. | Head of revenue | Amount outstanding as on 31 March 2012 | Amount outstanding for more than five years |
|---------------|---------------------------------|--|---|
| 1. | Taxes/VAT on Sales, Trades etc. | 26.32 | 2.38 |
| 2. | Taxes on Vehicles | 0.76 | 0.02 |
| Total: | | 27.08 | 2.40 |

Source: State Department.

4.1.5 Arrears in assessment

The details of Sales Tax/VAT and Taxes on Agricultural income assessment cases pending at the beginning of the year 2011-12, cases which became due for assessment during the year, cases disposed during the year and number of cases pending at the end of the year 2011-12 as furnished by the Assistant Commissioner of Taxes are mentioned below:

Table: 4.7

(In number)

| Head of revenue | Opening balance as on 31 March 2011 | New cases due for assessment during 2011-12 | Total assessment due | Cases disposed of during 2011-12 | Balance at the end of the year 2011-12 | Percentage of disposals to the total assessments 5 to 4 |
|------------------------------|-------------------------------------|---|----------------------|----------------------------------|--|---|
| 1. | 2. | 3. | 4. | 5. | 6. | 7. |
| Taxes on Agricultural Income | 494 | 10 | 504 | - | 504 | - |

4.1.6 Evasion of Tax

The details of cases of evasion of tax detected, cases finalised and demands for additional tax raised in 2011-12, as reported by the Departments concerned are mentioned in the following table:

Table: 4.8

| Name of tax/duty | Cases pending as on 31 March 2012 | Cases detected during 2011-12 | Total | Number of cases in which assessments/ investigation completed and additional demand including penalty etc., raised during the year 2011-12 | | Number of pending cases as on 31 March 2012 |
|------------------|-----------------------------------|-------------------------------|-------|--|-------------|---|
| | | | | No. of cases | (₹ in lakh) | |
| Sales Tax/VAT | 607 | 1549 | 2156 | 1429 | 195.74 | 727 |

Source: State Departments

4.1.7 Refunds

The information on refunds in case of Sales Tax/VAT and Stamp Duty and Registration Fee during 2011-12 is mentioned in the following table:

Table: 4.9

(₹ in lakh)

| Sl. No. | Particulars | Sales Tax/VAT | |
|---------|---|---------------|--------|
| | | No. of cases | Amount |
| 1. | Claims outstanding at the beginning of the year | 03 | 0.74 |
| 2. | Claims received during the year | 01 | 1.50 |
| 3. | Refunds made during the year | - | - |
| 4. | Balance outstanding at the end of the year | 04 | 2.24 |

4.1.8 Response of the Departments/Government towards audit

Transactions and maintenance of important accounts and other records of the departments are test checked and Inspection Report containing audit findings is issued to the Head of the Office so audited for comments and/or compliance. Audit findings of serious nature are processed into draft paragraphs and forwarded to the Administrative Head of the concerned Department through demi-official letter drawing their attention to the audit findings with a request to furnish their response within six weeks. The response of the Departments/Government towards audit is discussed in succeeding paragraphs.

4.1.8 (a) Failure of senior officials to enforce accountability and protect the interest of the State Government

The Accountant General (Audit), Tripura (AG) conducts periodical inspection of the Government Departments to test check the transactions and verify the maintenance of important accounts and other records as prescribed in the rules and procedures. These inspections are followed up with the Inspection Reports (IRs) incorporating irregularities detected during the inspection and not settled on the spot, which are issued to the Heads of the Offices inspected with copies to the next higher authorities for taking prompt corrective action. The Heads of the Offices/Government are required to promptly comply with the observations contained in the IRs, rectify the defects and omissions and report compliance through initial reply to the AG within one month from the date of issue of the IRs. Serious financial irregularities are reported to the Heads of the Departments and the Government.

Inspection Reports issued upto June 2012 disclosed that 559 paragraphs involving ₹ 115.96 crore relating to 215 IRs remained outstanding at the end of November 2012 as mentioned in the following table along with the corresponding figures for the preceding two years.

Table: 4.10

| | June 2010 | June 2011 | June 2012 |
|--|-----------|-----------|-----------|
| Number of outstanding IRs | 156 | 208 | 215 |
| Number of outstanding audit observations | 390 | 539 | 559 |
| Amount involved (₹ in crore) | 92.46 | 100.12 | 115.96 |

The Department-wise details of the IRs and audit observations outstanding as on 30 June 2012 and the amounts involved are mentioned in the following table:

Table: 4.11

| Sl. No. | Name of Department | Nature of Receipts | No. of Outstanding IRs | No. of Outstanding Audit Observations | Money Value involved (₹ in crore) |
|---------------|-------------------------|---|------------------------|---------------------------------------|-----------------------------------|
| 1. | Finance | Taxes/VAT on Sales, Trade, etc | 69 | 221 | 14.18 |
| | | Professional Tax | 07 | 08 | 0.13 |
| | | Agricultural Income Tax | 02 | 02 | - |
| | | Amusement Tax | 07 | 16 | 0.30 |
| | | Luxury Tax | - | - | - |
| 2. | Forest | Forest Receipts | 32 | 100 | 6.28 |
| 3. | Industries and Commerce | Mines and Minerals | - | - | - |
| 4. | Revenue | Land Revenue | 37 | 53 | 1.01 |
| | | Stamp Duty and Registration Fees | 18 | 27 | 0.90 |
| 5. | Excise | State Excise | 19 | 55 | 7.78 |
| 6. | Transport | Taxes on Vehicles/Taxes on Goods and Passengers | 24 | 77 | 85.38 |
| Total: | | | 215 | 559 | 115.96 |

Even the first replies required to be received from the Heads of Offices within one month from the date of issue of the IRs were not received for 148 IRs issued upto June 2012. This large pendency of the IRs due to non-receipt of the replies is indicative of the fact that the Heads of Offices and Heads of the Departments failed to initiate action to rectify the defects, omissions and irregularities pointed out by Audit in the IRs.

It is recommended that the Government may take suitable steps to install an effective procedure for prompt and appropriate response to audit observations and may also take action against officials/officers who fail to send replies to the IRs/paragraphs as per the prescribed time schedules and also fail to take action to recover loss/outstanding demand in a time bound manner.

4.1.8 (b) Departmental Audit Committee Meetings

In order to expedite settlement of the outstanding audit observations contained in the IRs, Departmental Audit Committees are constituted by the Government. These committees are chaired by the Secretaries of the concerned administrative Department and attended by the concerned officers of the State Government and officers of the Accountant General (AG). The audit committees need to meet regularly in order to expedite clearance of the outstanding audit observations.

The number of Audit Committee Meetings (ACMs) held and settlement of IRs and Paras during the year (2011-12) is given below:

Table: 4.12

| No. of ACMs | Discussed | | Settled | |
|-------------|-----------|-------|---------|-------|
| | IRs | Paras | IRs | Paras |
| 17 | 117 | 490 | 106 | 468 |

The Government may ensure holding of frequent meetings of these Committees for effective action on the audit observations leading to their settlement.

4.1.8 (c) Response of the Departments to the draft audit paragraphs

Two draft paragraphs proposed for inclusion in the Audit Report of the Comptroller and Auditor General of India for the year ended March 2012 were forwarded (07-09-2012 & 12-09-2012) to the Secretaries/Commissioners of the respective Departments through demi-official letters.

The administrative Secretary/Commissioner did not furnish replies in respect of one draft paragraph.

4.1.8 (d) Follow up on Audit Reports – summarised position

As per recommendations made by the High Powered Committee (HPC) which were also accepted by the State Government in October 1993, *suo motu* explanatory notes on corrective/remedial measures taken on all paragraphs included in Audit Reports are required to be submitted by the Departments duly vetted by the Accountant General to PAC within three months from the date of placing of Audit Reports in the Legislature.

However, as of September 2012, *suo motu* explanatory notes pertaining to 12 paragraphs/reviews for the Audit reports for the years 2001-02 to 2010-11 were not received within the stipulated period of three months either from the Departments or through the Tripura Legislative Assembly Secretariat.

4.1.8 (e) Compliance with the earlier Audit Reports

In the Audit Reports 2006-07 to 2010-11 cases of under assessments, evasion, non/short levy of taxes/penalty, loss of revenue, failure to raise demands etc. involving ₹ 108.11 crore were reported. As of March 2012, the Departments concerned have accepted observations of ₹ 38.74 crore and recovered ₹ 7.91 crore. Audit Report wise details of cases accepted and recovered are given in the following table:

Table: 4.13

| (₹ in crore) | | | |
|----------------------|-------------------|----------------------|---------------|
| Year of Audit Report | Total money value | Accepted money value | Recovery made |
| 2006-07 | 14.71 | 14.15 | 6.42 |
| 2007-08 | 17.74 | 17.74 | 0.14 |
| 2008-09 | 68.43 | 2.34 | 0.62 |
| 2009-10 | 1.78 | 1.16 | 0.37 |
| 2010-11 | 5.45 | 3.35 | 0.36 |
| Total: | 108.11 | 38.74 | 7.91 |

4.1.9 Analysis of the mechanism for dealing with the issues raised by Audit

In order to analyse the system of addressing the issues highlighted in the Inspection Reports/Audit Reports by the Departments/Government, the action taken on the paragraphs and Performance Audits included in the Audit Reports of the last 10 years in respect of one Department is evaluated and included in each Audit Report.

The succeeding paragraphs 4.1.9 (a) to 4.1.9 (b) (ii) discuss the performance of Taxation Department in dealing with the cases detected in the course of local audit conducted during the last 10 years and also the cases included in the Audit Reports for the years 2002-03 to 2011-12.

4.1.9 (a) Position of Inspection Reports

The summarised position of Inspection Reports issued during the last 10 years, paragraphs included in these Reports and their status as on 30 June 2012 in respect of Sales Tax, State Excise are given in the following table:

Table: 4.14

(₹ in crore)

| Year | Opening balance | | | Addition during the year | | | Clearance during the year | | | Closing balance during the year | | |
|---------|-----------------|-------|-------------|--------------------------|-------|-------------|---------------------------|-------|-------------|---------------------------------|-------|-------------|
| | IRs | Paras | Money Value | IRs | Paras | Money Value | IRs | Paras | Money Value | IRs | Paras | Money Value |
| 2002-03 | 03 | 05 | 0.28 | - | - | - | - | - | - | 03 | 05 | 0.28 |
| 2003-04 | 03 | 05 | 0.28 | 05 | 15 | 0.09 | - | - | - | 08 | 20 | 0.37 |
| 2004-05 | 08 | 20 | 0.37 | 06 | 17 | 1.01 | - | - | - | 14 | 37 | 1.38 |
| 2005-06 | 14 | 37 | 1.38 | 04 | 14 | 0.10 | - | - | - | 18 | 51 | 1.48 |
| 2006-07 | 18 | 51 | 1.48 | 07 | 16 | 1.03 | - | - | - | 25 | 67 | 2.51 |
| 2007-08 | 25 | 67 | 2.51 | 10 | 43 | 2.15 | - | - | - | 35 | 110 | 4.66 |
| 2008-09 | 35 | 110 | 4.66 | 06 | 18 | 1.73 | - | 02 | 0.08 | 41 | 126 | 6.31 |
| 2009-10 | 41 | 126 | 6.31 | 04 | 12 | 0.36 | 02 | 09 | 0.15 | 43 | 129 | 6.52 |
| 2010-11 | 43 | 129 | 6.52 | 19 | 78 | 7.85 | - | 19 | 1.47 | 62 | 188 | 12.90 |
| 2011-12 | 62 | 188 | 12.90 | 12 | 48 | 5.36 | - | - | - | 74 | 236 | 18.26 |

We reminded the Department periodically to furnish replies to the outstanding audit observations.

4.1.9 (b) Assurances given by the Department/Government on the issues highlighted in the Audit Reports

4.1.9 (b) (i) Recovery of accepted cases

The position of paragraphs included in the Audit Reports of the last 10 years and those accepted by the Department and the amount recovered are mentioned in the following table:

Table: 4.15

| Year of Audit Report | No. of paragraphs included | Money value of the paragraphs (₹ in crore) | No. of paragraphs accepted | Money value of accepted paragraphs (₹ in crore) | Amount recovered during the year (₹ in crore) | Cumulative position of recovery of accepted cases (₹ in crore) |
|----------------------|----------------------------|--|----------------------------|---|---|--|
| 2001-02 | 5 | 0.68 | 3 | 0.17 | - | 0.15 |
| 2002-03 | 5 | 0.56 | 4 | 0.50 | 0.35 | 0.40 |
| 2003-04 | 2 | 0.15 | 2 | 0.15 | 0.11 | 0.15 |
| 2004-05 | - | - | - | - | - | - |
| 2005-06 | 1 | 0.05 | 1 | 0.05 | - | - |
| 2006-07 | 1 ¹ | 0.06 | - | - | - | - |
| 2007-08 | 1 | 0.34 | 1 | 0.34 | - | 0.14 |
| 2008-09 | 3 ² | 6.76 | 1 | 1.15 | 0.003 | 0.07 |
| 2009-10 | 3 | 1.74 | 2 | 1.16 | - | 0.37 |
| 2010-11 | 3 ³ | 3.14 | 3 | 3.14 | 0.05 | 0.36 |
| Total: | 24 | 13.48 | 17 | 6.66 | 0.513 | 1.64 |

From the above table it is seen that for the period from 2001-02 to 2010-11, 24 paragraphs involving ₹ 13.48 crore featured in the Audit Reports, of which 17 paragraphs involving ₹ 6.66 crore had been accepted by the State Government. Of the accepted amount ₹ 1.64 crore had been recovered till date.

The Departments need to evolve a strong mechanism to monitor and ensure recovery of accepted cases.

4.1.9 (b) (ii) Action taken on the recommendations accepted by the Departments/ Government

The draft Performance Audits (PAs) conducted by the AG are forwarded to the concerned departments/Government for their information with a request to furnish their replies. These PAs are also discussed in an exit conference and the Department's/Government's views are included while finalising the PAs for the Audit Reports.

During the period from 2001-02 to 2010-11, two Performance Audit Reports in respect of Finance (Excise and Taxation) Department were featured in the Audit Report – 2008-09 and 2010-11. Details of the Performance Audits are given below:

¹ One Para (Para No. 6.15) has been referred to the State Government

² Including one Review

³ Including one Review

Table: 4.16

| Year of Audit Report | Name of the Performance Audit | No. of recommendations | Details of the recommendations accepted |
|----------------------|--|------------------------|---|
| 2008-09 | Performance Audit on Transition from Sales Tax to Value Added Tax | Nine | Yet to be discussed in PAC. |
| 2010-11 | Performance Audit on 'Cross Verification of declaration forms used in Inter-State Trade' | Five | -do- |

4.1.10 Results of audit

4.1.10 (a) Position of local audit conducted during the year

Test check of the records of 55 units of Sales Tax, Excise, Registration, Agricultural Tax, Professional Tax, Land Revenue, Forest, Motor Vehicles and other Departments conducted during the year 2011-12 revealed underassessment/short levy/loss of revenue/non-realisation of outstanding revenue aggregating ₹ 4.87 crore in 45 cases, amount of which are yet to be recovered.

4.1.10 (b) This Report

This Report contains two paragraphs (selected from the audit detections made during the local audit referred to above and during earlier years which could not be included in earlier reports) and one Performance Audit on Computerisation in the Transport Department involving financial effect of ₹ 7.88 crore. The Departments/Government have accepted audit observations involving ₹ 7.30 crore out of which only ₹ 0.02 crore had been recovered. The replies in the remaining cases have not been received (March 2013). These are discussed in succeeding paragraphs.

TRANSPORT DEPARTMENT

4.2 Computerisation of Transport Department in Tripura

The Government of India had embarked upon a scheme for creation of a National Database network by introduction of Information Technology in the Road Transport Departments. Thus, the Central Government has been encouraging the States to work on standardised application formats and to undertake computerisation of backend processing, based on such standardised formats and inter operatable software so that the Registration Certificates/National Permits/Driving Licences are readable throughout the country. The National Informatic Centre (NIC) designed two softwares viz. (1) VAHAN-1 (1st version)/ VAHAN-2 (2nd version) for registration, assessment of taxes/fees and fitness of the vehicles and (2) SARATHI for issue/renewal of the driving licences. The softwares were made operational by the State Government in 2004 for VAHAN and in 2006 for SARATHI. The achievement of the implementation of the project vis-a-vis the objectives of the project was reviewed in audit and several deficiencies were noticed which are discussed in the succeeding paragraphs.

Highlights

The Departmental employees handle entire data entry at the Departmental counters but the issue of smart cards is handled by outsourced agency. The Department did not develop technical expertise to handle the database and issue of smart cards.

(Paragraph 4.2.7 and 4.2.12.3)

No central database had been established and all the DTOs were operating on standalone servers thereby no interlink network had been created. In the absence of interlink the intended objectives of computerisation such as online transmission of data to all other offices, cross verification, elimination of duplicate registration of vehicles, elimination of duplicate licences etc. could not be achieved in full.

(Paragraph 4.2.7)

Department did not implement the Enforcement Module available in the VAHAN software which was supposed to capture the details of offending vehicles including fines collected or penalty imposed. Thus, the implementation of the project remained incomplete and the objective of tracking offending vehicles remained unfulfilled.

(Paragraph 4.2.8.1)

Existence of same Engine/Chassis number in more than one Registration number was noticed (two to six times) and mandatory fields were either left blank or filled with invalid data in 7760 cases mainly due to inadequate supervision controls and lack of adequate validation checks. Existence of same Engine/Chassis number among different DTOs was also noticed.

(Paragraph 4.2.8.2)

Due to lack of input controls instances of incorrect capturing of Registration dates before purchase dates were noticed against 916 vehicles in VAHAN software while in SARATHI, the system accepts data for issuance of more than one driving licence to same person for same type or multiple type of vehicle.

(Paragraphs 4.2.8.3 and 4.2.9.1)

The back-log data was not captured properly in the system resulting in absence of road tax data of 36800 vehicles in the VAHAN database. Thus, the State Register and National Register were incomplete to that extent.

(Paragraph 4.2.8.4)

The Department executed agreement with an agency (a PSU) for implementation of Smart Cards System with a condition of 10 per cent sharing of revenue to the Government and with variable rates without any analysis.

(Paragraph 4.2.12.3)

Tripura Registration Mark was not assigned to 1287 vehicles transferred from other States causing a revenue loss of ₹ 3.06 lakh to the Government in the form of registration fees and the database also remained incomplete for those vehicles.

(Paragraph 4.2.13.1)

There was a potential loss of revenue of ₹ 88.86 lakh from the owners of vehicles (both commercial and non-commercial) awaiting renewal. Besides, due to improper mapping of business process rules there was a revenue loss of ₹ 1.01 lakh on account of short collection of tax and ₹ 6.02 crore remained un-realised from the defaulting vehicle owners.

(Paragraphs 4.2.13.2, 4.2.13.3 and 4.2.13.4)

4.2.1 Introduction

Due to increasing road network and phenomenal growth of vehicles in the past decades, the Government of India (GOI) felt an urgent need to create a National Database of registration of vehicles, driving licences, national permits etc. to serve as a reliable planning tool both for the Central Government and State Governments. Accordingly, the GOI, Ministry of Road Transport and Highways (MoRTH) had come up with a scheme to introduce Information Technology (IT) in the Road Transport Sector for creation of a National Database by developing and providing a uniform software which could be used by all the States for computerisation of Transport Offices responsible for issuing vehicle registration certificates and driving licences to the citizens at large. For this purpose, GOI, MoRTH approached the National Informatics Centre (NIC) in 2002 for development of a standardised software and creation of a National Database. The Ministry had been stressing on common specifications for the software, to ensure that documents issued by any State are readable throughout the country. Apart from aiming at computerisation of all Transport Offices across the country, the scheme also aimed at interconnectivity amongst Transport Offices in the State and a National Register of Motor

Vehicles. For such purpose, two softwares viz. 'VAHAN' and 'SARATHI' were developed by the NIC, Delhi.

Features of VAHAN and SARATHI:

VAHAN serves all activities related to vehicle registration, tax, permits etc. Following is a list of these services to be delivered through VAHAN:

- New Vehicle Registration, Renewal of Registration, Transfer of Ownership, Change of Address etc.;
- Issue of National & Inter-State Permits, Renewal of Permits;
- Tax calculation and Payment;
- Issue of Fitness Certificates, Renewal of Fitness Certificates; and
- Issue of Challans, Settlement of Penalty Amounts.

Services to be offered through SARATHI include:

- Issuing of Driving Licence;
- Issuing of Conductor's Licence;
- Issuing of Driving School Licence; and
- Charging fees.

A central database was to be created at State level with interconnectivity amongst all District Transport Offices (DTOs) and a secured network infrastructure was to be placed having adequate bandwidth to support data transfer between individual DTOs and State Register/National Register.

In Tripura, the Transport Department implemented the 'VAHAN' and 'SARATHI' in all the five¹ Transport Offices in a standalone server which facilitates services like issuing of Vehicle Registration Certificates, Driving Licence, Road Permits, etc.

4.2.2 Organisational set up

The Department was headed by one Special Secretary who was assisted by one Joint Transport Commissioner (JTC) in West Tripura District, two District Transport Officers (DTOs) in North Tripura District, one DTO each in Dhalai District and in South Tripura District. Sr. Motor Vehicle Inspector/Motor Vehicle Inspector (MVI) of each office were acting as System Administrators.

4.2.3 Audit objectives

The audit objectives were to ascertain whether

- the systems implemented were complete (module wise) and the data captured by the District Transport Offices (DTOs) were correct and complete;

¹JTC, Agartala; DTO, Udaipur; DTO, Kailashahar; DTO, Dharmanagar and DTO, Ambassa.

- connectivity was established between the DTOs in the State for creation of State Register of vehicles and licences, and with Central Server to access the National Registers;
- the software adequately addressed the business needs to ensure the correctness of the realisation of tax etc.;
- there were sufficient validation checks and security controls were in place;
- the available applications were efficiently used to control tax evasion, irregular issue of licences, registration and tracking of other irregularities under motor vehicle Act and Rules; and
- internal control mechanism was in place and was functioning properly.

4.2.4 Audit criteria

The sources of audit criteria for the performance audit were the following:

- ✓ The Motor Vehicles Act, 1988;
- ✓ The Central Motor Vehicles Rules, 1989;
- ✓ The Tripura Motor Vehicles Tax Act, 1972;
- ✓ Tripura Motor Vehicles Rules, 1991;
- ✓ The Tripura Motor Vehicle Tax (Amendment) Act, 1994 and 2009;
- ✓ General Financial Rules, 2005;
- ✓ Notifications/instructions issued by the State Government from time to time; and
- ✓ Circulars/instructions issued by the Central Government from time to time.

4.2.5 Scope of Audit and Methodology

The Performance Audit was conducted between August 2011 and December 2011 and again updated during August-September 2012 covering the period from April 2007 to March 2012. The scope of audit includes examination of database pertaining to the registration of vehicles and its allied activities and collection of fees, road tax, issue of driving licences etc. with a broader objective of evaluating the accuracy and integrity of data and the effectiveness of its application in management of various functions of the Department. The Information Technology (IT) database of all DTO offices had been analysed by using Computer Assisted Audit Technique namely IDEA for its correctness, completeness and reliability. The application software was also examined for its correctness, suitability and availability of controls. The IT system (Application software) of two DTO offices² (out of five in the State) had been physically checked. Entry conference and exit conference were held on 27 July, 2011 and 30 April 2012 respectively with Special Secretary to the Government of Tripura, Transport Department.

² JTC, Agartala and DTO, Udaipur

Further, the draft report had been updated during August-September 2012 based on latest database (August 2012) and replies furnished (May 2012) by the Department have been suitably incorporated in the report.

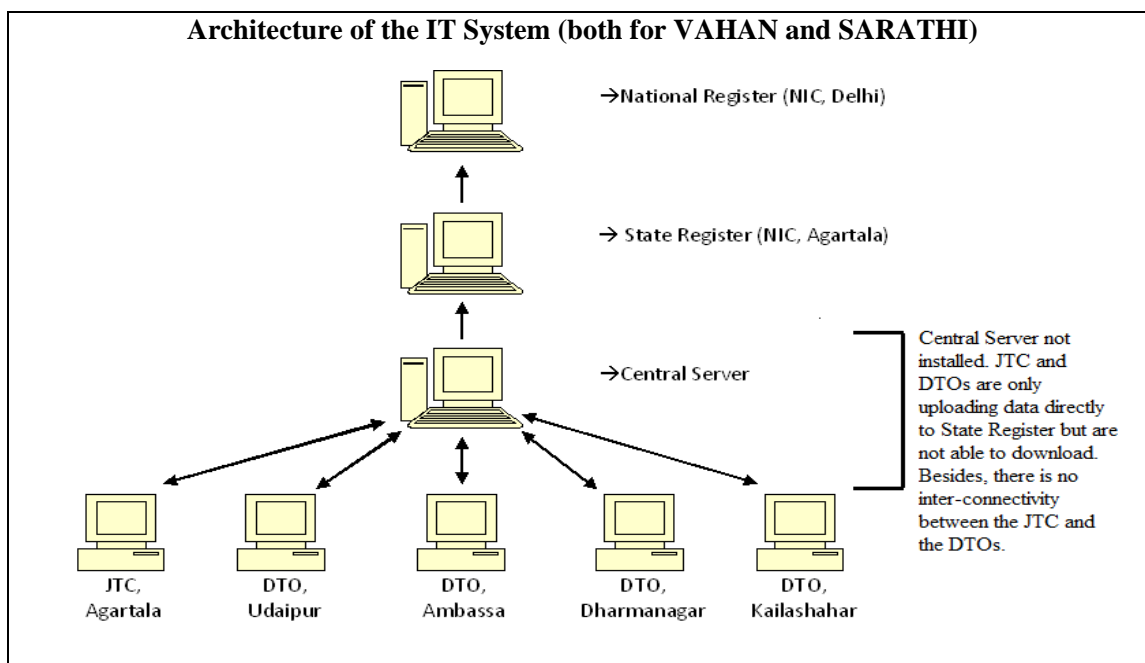
4.2.6 Acknowledgement

We acknowledge the co-operation extended by the Transport Department, Government of Tripura and their field formations in providing necessary information and records during the conduct of audit. We also acknowledge the assistance provided by the NIC, Tripura in terms of providing technical information.

4.2.7 Status of Computerisation in the State

There were five Transport Offices in Tripura. One Office, headed by Joint Transport Commissioner was at Agartala and remaining four offices were headed by District Transport Officers operating in their respective jurisdiction. The 'VAHAN' application software was implemented in all the offices during January-February 2004 while 'SARATHI' was implemented during May to July 2006.

The Architecture of IT system of VAHAN and SARATHI is given in the following diagram:



Initially, the computerisation started in one District Transport Office (Joint Transport Commissioner, Agartala) with an application known as TISLine (Transport Information System Line) developed locally by NIC, Tripura in 2000 which was subsequently replaced (January 2004) by a software named 'VAHAN' developed by the NIC, Delhi on Windows operating system using visual basic 6.0 for front end application programme and SQL Server 7.0 for the backend database. Subsequently, the 'VAHAN' application

had been implemented in the remaining four District Transport Offices in February 2004 in standalone servers.

The platform of 'VAHAN' application was changed from SQL to Oracle with 'VAHAN version-2' and put to use in all five DTOs from January-February 2010.

The SARATHI application software developed by NIC, Delhi for issuance of driving licences had been initially implemented in May 2006 in one District Transport Office (JTC, Agartala) and it was subsequently implemented in the remaining four DTOs during June-July 2006 in standalone servers.

The Vehicle Registration Certificates as well as the driving licences were issued in the form of Smart Cards by engaging a private agency named Webel Technology Ltd. (WTL), a Government of West Bengal undertaking. National permits were being issued by using online web based system. An agreement was executed (December 2005) between Transport Department and the WTL on computerisation of the Transport Department in Tripura and also on implementation of the Smart Card Project for driving licences and registration certificates. The agreement authorised WTL to execute the Project and provide all financial support and technical knowhow with regard to commissioning, operation and implementation of the Project on Build, Own, Operate and Transfer (BOOT) basis. All the equipment and facilities were to be provided by the State Government and WTL was to provide the requisite number of trained technical and non-technical personnel.

As per the Agreement, WTL would be entitled to charge and receive from the customers directly the following amount against services rendered. These charges are in addition to the fees payable to the Government for registration of vehicles and issue of driving licences, permits etc.

| | | |
|-----|---|---------------|
| (a) | Services for computerised learner's driving licence on good quality paper | ₹ 20.00 each |
| (b) | Permanent driving licence on smart card | ₹ 100.00 each |
| (c) | Permanent Registration Certificate on smart card | ₹ 375.00 each |
| (d) | Issuance of permanent permit | ₹ 50.00 each |

As the scheme envisaged that all the DTOs need to be connected with the respective State Data Centre (Central Database) for establishing inter-connectivity amongst the DTOs, a suitable and secured network infrastructure was to be placed having adequate bandwidth to support data transfer between individual DTOs and State Register/National Register.

However, in Tripura, no Central Database had been established for providing interconnectivity amongst the DTOs and the computerised system was in operation in all the DTOs through standalone servers.

Therefore, the objective of creation of interconnectivity amongst the DTOs could not be achieved.

Though there was no Central Database with interconnectivity amongst the DTOs, a State Consolidated Register (SCR) had been created at NIC, Tripura through a software called Oracle Data Integrator (ODI) configured at each of the VAHAN and SARATHI database for carrying out the transmission and replication process. The data of all four DTOs and one JTC³ had been transmitted to NIC, Tripura for consolidation in the State Register through Oracle Data Integrator (ODI) and further replication (transmission) from NIC, Tripura to NIC, Delhi for National Register. The integration of data pertaining to all DTOs had been completed fully and a State Consolidated Register had been created at the State level. National Consolidated Register had also been created at the National level.

Year-wise total number of vehicles registered and revenue collected during the period from 2007-08 to 2011-12 are given in the following table:

Table: 4.2.1

| Year | Number of vehicles registered | Number of Licences issued | Revenue collected (₹ in crore) |
|---------|-------------------------------|---------------------------|--------------------------------|
| 2007-08 | 11,174 | 8,035 | 23.20 |
| 2008-09 | 12,789 | 12,065 | 29.82 |
| 2009-10 | 19,421 | 23,164 | 37.14 |
| 2010-11 | 27,471 | 41,835 | 21.91 |
| 2011-12 | 27,895 | 36,578 | 25.18 |

Source: VAHAN and SARATHI database and Finance Accounts.

Though revenue growth was not among the objectives of the computerisation project a substantial growth was noticed in the number of vehicles registered and licence issue during the past five years. The revenue collection marginally grew in 2011-12 compared to 2007-08 while a significant growth was noticed in 2008-09 and 2009-10. The drop in revenue collection in 2010-11 was mainly due to short realisation of penalty against section 194 of the Motor Vehicle Act owing to a judgment of the Supreme Court which prohibits plying of vehicles with excess load after imposition of penalty. Even then there was a prima facie mis-match of growth in revenue which does not commensurate with the growth of number of vehicles registered and number of licences issued during the past years.

The Department needs to analyse the disproportionate growth in revenue collection for corrective action, if required.

³ There are 4 (four) DTOs, each in Ambassa, Dharmanagar, Kailashahar and Udaipur and one JTC office is in operation in Agartala.

Audit Findings

4.2.8. Deficiencies noticed in implementation of VAHAN application software

4.2.8.1 Non-implementation of Enforcement Module

There are nine⁴ modules in the 'VAHAN ver.-2' application software. Out of nine modules, eight modules were in operation. One module (Enforcement Module), however, was not put in operation (August 2012) by any of the DTOs. This module was to capture offending vehicles, details of fine collected and penalties imposed. As a result of non-operation of the module, such details were not captured. The details of offending vehicles including fine collected/penalty imposed were required to be captured in the database through enforcement module provided in the application.

The Government stated (May 2012) that Enforcement Module would be implemented after introduction of hand held terminals which are electronic devices to be used by the enforcement officers to capture the details of offending vehicles, including fine collected or penalty imposed. It also provides connectivity with the database. It was further stated that as per agreement dated 11 March 2011 (clause 16) Webel Technology Ltd, a Government of West Bengal undertaking, would provide hand held terminals along with software. The prototype of hand held terminal had been approved and the software was being developed. The matter was taken up with WTL and they assured that hand held terminals along with software would be provided shortly.

However, provision already exists in the VAHAN application enabling post data entry of the details of offending vehicles including fees collected or penalty imposed etc.

The reply of the Department is not convincing as the Enforcement Module already exists in the system, which could have been utilised for post data entry.

4.2.8.2 Existence of same Engine/Chassis number against more than one Registration Number

As per Rule 122 of Central Motor Vehicle (Amendment) Rules, 1993, every motor vehicle including agricultural tractor and construction equipment vehicle other than trailer and semi-trailer shall bear the identification number including month and year of manufacture, embossed or etched or punched on it.

It was noticed that there were no validation checks in the Computerised System (VAHAN version 2) to ensure that a vehicle with same engine number was not re-registered without cancellation of the previous registration. However, for chassis number, validation check had been provided at the Data Entry Level, but in the edit module {role

⁴ Registration, Fee, Fitness, Permits, Taxation, Verify/Approval, Administration, Enforcement and Reports.

assigned to Motor Vehicle Inspector (MVI)/Administrator} the validation check had not been provided.

Scrutiny of database of four DTOs and one JTC revealed that out of 2,19,000 records of registered vehicles, same engine number had been captured two to six times against 3486 different Registration numbers, same chassis number had been captured two to three times against 378 different Registration numbers. Out of 378 cases, both same engine and chassis numbers had been captured twice against 218 different Registration numbers. The numbers of cases registered prior to implementation of VAHAN ver-1, during operation of VAHAN-1 and after implementation of VAHAN ver-2 are shown in the following table:

Table: 4.2.2

| Sl. No. | Period of Registration | Number of Registered Vehicles | Cases of Registration No. with same Engine number assigned two to six times | Cases of Registration No. with same Chassis number assigned two to three times | Cases of Registration No. with same Engine and Chassis number assigned twice |
|---------------|---|-------------------------------|---|--|--|
| 1 | Registered prior to implementation of VAHAN- 1 (i.e. prior to January 2004) | 74,651 | 3,028 | 226 | 107 |
| 2 | Registered between 1-1-2004 to 31-12-2009 (during operation of VAHAN-1) | 73,986 | 349 | 103 | 79 |
| 3 | Registered from 1-1-2010 (after implementation of VAHAN ver-2) | 70,363 | 109 | 49 | 32 |
| Total: | | 2,19,000 | 3,486 | 378 | 218 |

Thus, due to non-availability of proper validation checks, same engine/chassis number appeared against more than one registration number even after implementation of VAHAN ver-2. Moreover, manual records submitted by the owners in respect of vehicles registered after implementation of computerised system were not shown to Audit by the DTOs. Therefore, the correctness of data in the system could not be verified by Audit.

Government stated (May 2012) that on receipt of audit observation validation check had also been provided in Edit Module of the VAHAN ver-2 which was provided in VAHAN application to perform necessary correction/changes, if any found/required later on. Moreover, validation of registration records was being done during regular transaction. Government also stated that as per the list having same chassis number provided by audit, 16 cases had already been corrected in West Tripura District and the list was also sent to other DTOs for necessary action in the case of other Districts. However, necessary correction is yet to be done in 3486 cases mentioned above (August 2012).

Further, scrutiny of the database revealed that in 7760 cases (out of 219000 cases) valid data was not captured in mandatory fields like Purchase date, Engine Number, Chassis Number, Vehicle class, Fitness date etc. The number of cases where mandatory fields were either left blank or captured with invalid data are given in the following table:

Table: 4.2.3

| Sl. No. | Name of field | No. of cases where mandatory fields are either blank or with invalid data | | | |
|---------------------------------------|----------------|---|---|--|------------------------------|
| | | Cases during back log data entry (i.e. prior to January 2004) | Cases during operation of VAHAN ver-1 (i.e. from January 2004 to December 2009) | New cases after implementation of VAHAN ver-2 (i.e. from January 2010) | Total |
| 1 | Purchase date | 3,484 | 42 | 0 | 3,526 |
| 2 | Engine Number | 508 | 20 | 1 | 529 |
| 3 | Chassis Number | 95 | 4 | 0 | 99 |
| 4 | Vehicle Class | 326 | 3 | 0 | 329 |
| 5 | Fitness Date | 3,252 | 25 | 0 | 3,277 |
| | Total: | 7,665 | 94 | 1 | 7,760 |
| Few instances are given below: | | | | | |
| | Regd. No. | Regd. date | Chassis number | Engine number | Remarks |
| 1 | TR01C 4341 | 17/05/2010 | MC1D4DDA9AP005945 | LTPUNKIRAIDEB BARMA | Invalid engine no. |
| 2 | TR02A 0766 | 1/7/2006 | PEW127904 | | Engine no. blank |
| 3 | TR03B 0378 | 15/10/2007 | | | Engine and Chassis No. blank |

During field visit of the IT system (VAHAN ver-2) implemented at JTC, Agartala and DTO, Udaipur, it was noticed that only 'Not null' validation checks (i.e. records could not be stored in the database unless the 'Not null' fields were filled up with any data which may or may not be relevant to the required information) are available in all mandatory fields in front end.

Hence due to failure of data entry controls, invalid data were being captured in the database even after implementation of VAHAN version-2.

The Government stated (May 2012) that the manual data was digitised as per information recorded in Form No. 24 (Registration Register). Due to lack of information in the original Registers from which information was collected for digitisation, some data could not be captured. However, at the time of renewal of registration and issuance of fitness certificates, data was being re-validated and updated. Recently, Transport Department, Government of Tripura had made it mandatory to convert all paper based Registration Certificates into smart cards. At the time of conversion, all the data would be collected and updated.

However, no time frame had been fixed for conversion of all paper based Registration Certificates into smart cards.

4.2.8.3 Acceptance of Purchase date later than Registration date

As per Rule 47 of Central Motor Vehicles Rules 1989, registration of a motor vehicle shall be made by the registering authority on or after the date of taking the delivery of such vehicle by the owner.

The scrutiny of database revealed that in 916 cases, the date of purchase of vehicles was shown later than the registration dates. The JTC/DTO-wise position are given in the following table:

Table: 4.2.4

| Sl. No. | Name of office | Number of cases having purchase date later than registration date | | | |
|---------|------------------|---|---|---|------------|
| | | Regd. before computerisation (back-log data) | Regd. after implementation of VAHAN ver-1 | Regd. after implementation of VAHAN ver-2 | Total |
| (1) | JTC, Agartala | 201 | 57 | 4 | 262 |
| (2) | DTO, Ambassa | 78 | 8 | 1 | 87 |
| (3) | DTO, Udaipur | 185 | 10 | 0 | 195 |
| (4) | DTO, Kailashahar | 111 | 15 | 2 | 128 |
| (5) | DTO, Dharmanagar | 173 | 63 | 8 | 244 |
| | Total: | 748 | 153 | 15 | 916 |

During field visit of the IT system (VAHAN ver-2) implemented at JTC, Agartala and DTO, Udaipur, it was seen that though the validation check of purchase date field was available in front end, no validation checks were available in edit module. Edit module is used by the MVIs (administrator) the competent authority for making corrections, if any, required during validation of data entry or for rectifying any wrong data, noticed at any later stage.

After implementation of VAHAN ver-2, there was no scope to capture purchase date later than registration, except through edit module where no validation check had been provided in 'Purchase date' field. Hence, the possibility of misuse of edit module in the above 15 cases of those registered after implementation of VAHAN ver-2 cannot be ruled out.

The Government while agreeing with the audit observation on the deficiency in the edit module stated (May 2012) that the NIC, Tripura had been approached for providing necessary validation checks in the edit module.

However, necessary validation check had been provided in edit module but correction had not been done in above 916 cases (August 2012).

4.2.8.4 Tax records of 36,800 (Private and Commercial) vehicles not captured in the current database

Tripura Motor Vehicles Tax Act, 1972, as amended from time to time, and the Rules made there under, stipulate that every owner of the vehicle was required to pay road tax at the rate specified in schedule I and II of the Act.

During scrutiny of the database of VAHAN Ver. 2 of all the five⁵ DTOs it was observed that Road Tax records of 36,800 registered vehicles (excluding Government vehicles) were not captured in the database. The number of vehicles against which tax information were not available in the database of different DTOs are given in the following table:

Table: 4.2.5

| Sl. No. | Period of Registration | Number of vehicles for which tax records not available | | | | | Total |
|---------|--|--|--------------|--------------|------------------|-------------------|---------------|
| | | JTC, Agartala | DTO, Ambassa | DTO, Udipur | DTO, Kailashahar | DTO, Dharma-nagar | |
| 1 | Registered prior to implementation of VAHAN Ver 1 | 26,319 | 792 | 3,375 | 1,858 | 1,706 | 34,050 |
| 2 | Registered from 01-01-2004 to 31-12-2009 (VAHAN ver-1) | 403 | 164 | 1157 | 464 | 553 | 2,741 |
| 3 | Registered from 01-01-2010 (VAHAN ver-2) | 05 | 01 | 01 | 01 | 01 | 9 |
| | Total: | 26,727 | 957 | 4,533 | 2,323 | 2,260 | 36,800 |

During physical visit of the IT system being implemented at JTC, Agartala and DTO, Udaipur, it was seen that in the 'VAHAN' ver.2 application, two options either registration with 'fees only' or registration with both 'fees and tax' option had been provided in the Registration Module for registration of vehicles, so that if necessary a vehicle could be registered without receiving any road tax.

In most of the cases, the option 'Registration with both fees and tax' was required for collection of fees and road tax. However, in certain cases, where exemption from paying road tax may be given by the State Government, the second option 'Registration with fees only' was required for registration.

If the registrations process of above nine cases which were registered after implementation of VAHAN ver-2, had been carried out through option 'Registration with both fees and tax', then the tax records should have also been found in the database. But, in the instant cases, the tax records were not found in the database.

Therefore, the possibility of misuse of 'fees only' option while registering nine private vehicles (as detailed in the following table) registered after implementation of VAHAN ver-2 cannot be ruled out.

⁵ JTC, Agartala, DTO, Udaipur; DTO, Kailashahar; DTO, Dharmanagar and DTO, Ambassa

Table: 4.2.6

| Sl. No. | Regd. No. | Regd. Date | Owner Name | Address | Category |
|---------|------------|------------|---------------------------|--|---------------------|
| 1 | TR01B 1328 | 27/10/2010 | S.P PROCUREMENT | A D NAGAR AGARTALA | Bus |
| 2 | TR01L 6360 | 09/08/2010 | SRI MANARANJAN BHOWMIK | KOBRA KHAMAR DURGANAGAR RANIRBAZAR | Motor Cycle (MC) |
| 3 | TR01L 7182 | 15/09/2010 | MR. CHANDAN DAS | C/O-SRI SUBAL DAS V S PALLY | MC |
| 4 | TR01M 9935 | 31/05/2011 | MR. NANDALAL MAJUMDER | JUMERDHEPA MELAGHAR | MC |
| 5 | TR01N 6807 | 09/08/2011 | MR. DIPANKAR CHOWDHURY | OLD CHOWDHURY BARI EAST SHIBNAGAR | MC |
| 6 | TR02B 7180 | 10/08/2010 | MD HABIBUR RAHMAN | NAYAPATHAR | MC |
| 7 | TR02D 1891 | 18/10/2011 | MRS. BABY SAHA | PACHARTHAL BAZAR | Goods carrier |
| 8 | TR03 7094 | 18/10/2010 | SEKHAR CH. DATTA | BHATTAPUKUR, AGARTALA | MC |
| 9 | TR04 4721 | 16/10/2022 | SUKANTA DAS | KALACHARI | MC |

The road tax records of 34,050 and 2,741 vehicles registered before implementation of 'VAHAN ver.-2' could not have been captured in the current database due to migration of records of those vehicles to VAHAN ver-2.

The Government stated (May 2012) that the data migration from VAHAN ver.-1 to VAHAN ver.-2 was combined with the process of data cleaning which separated insufficient/incomplete data into a separate table termed as 'Error Table' with the objective to correct/update the information whenever the owner presents himself/herself with the complete data. Revalidation of tax records was being done during normal renewal of registration/tax etc. and will also be done during smart card conversion process.

However, no fixed time frame had been given in the notification issued (December 2011) by the Transport Department for conversion of all paper based Registration Certificates into smart cards.

Hence, though insufficient/incomplete data was kept separately in the 'Error Tables', the updating/correcting of the said 36,800 tax records would not be completed unless the owners of vehicles present themselves for revalidation of tax or conversion of registration into smart cards.

4.2.8.5 Lack of interconnectivity amongst the DTOs with State Register

One of the objectives of the scheme was establishment of State Register (Central Server) with interconnectivity amongst the DTOs in the State. In Tripura, the computerised

system (VAHAN) was implemented in all the DTOs by using stand alone servers in each DTO.

It was also observed that due to non-establishment of central server and lack of interconnectivity amongst the database of all the five⁶ DTOs, the possibility of the same vehicle getting registered in different DTOs cannot be ruled out.

The existence of same Engine number and Chassis number in different DTOs as noticed during audit are detailed in the following table:

Table: 4.2.7

| Sl. No. | Name of Office | Regd. Number | Regd. date | Chassis number | Engine number |
|---------|------------------|--------------|------------|-------------------|---------------------|
| 1 | JTC, Agartala | TR01E 1065 | 06/10/2010 | MAT445051AZC16166 | 275IDI05CZYS32338 |
| 2 | DTO, Dharmanagar | TR02D 1542 | 17/07/2010 | MAT445051AZC16166 | 275IDI05CZYS32338 |
| 3 | DTO, Dharmanagar | TR02F 0213 | 28/05/2011 | MAT611233APK81942 | 310A66007075405 |
| 4 | DTO, Ambassa | TR04A 0447 | 08/08/2011 | MAT611233APK81942 | 310A66007075405 |
| 5 | JTC, Agartala | TR01L 7907 | 05/10/2010 | ME135B047A2010531 | 35B4010491 |
| 6 | DTO, Ambassa | TR04 7172 | 02/11/2010 | ME135B047A2010531 | 35B4010491 |
| 7 | JTC, Agartala | TR01R 1506 | 12/05/2011 | MAT448046B2B03085 | B591803111A62983427 |
| 8 | DTO, Dharmanagar | TR02D 1792 | 17/10/2011 | MAT448046B2B03085 | B591803111A62983427 |
| 9 | JTC, Agartala | TR01S 1817 | 10/01/2012 | MA1ZP2GLKB1L61155 | GLB1L54158 |
| 10 | DTO, Kailashahar | TR02E 1592 | 31/12/2011 | MA1ZP2GLKB1L61155 | GLB1L54158 |
| 11 | JTC, Agartala | TR01N 8470 | 30/09/2011 | MBLJA05EGB9D14071 | JA05EBB9D13615 |
| 12 | DTO, Udaipur | TR03C 9090 | 30/05/2011 | MBLJA05EGB9D14071 | JA05EBB9D13615 |
| 13 | JTC, Agartala | TR01P 6502 | 06/01/2012 | MD2DDJKZZTPD03401 | JKUBTD30628 |
| 14 | DTO, Dharmanagar | TR02A 9099 | 30/09/2010 | MD2DDJKZZTPD03401 | JKUBTD30628 |
| 15 | JTC, Agartala | TR01Q 7720 | 04/08/2012 | MD2DSJZZZUPD00439 | JZUBUD89262 |
| 16 | DTO, Udaipur | TR03D 6489 | 01/02/2012 | MD2DSJZZZUPD00439 | JZUBUD89262 |
| 17 | JTC, Agartala | TR01D 4197 | 24/04/2012 | MD6M12PK2B4G12838 | OK2GB1033475 |
| 18 | DTO, Dharmanagar | TR02A 2916 | 19/03/2012 | MD6M12PK2B4G12838 | OK2GB1033475 |

The Government stated (May 2012) that during the 1st and 2nd phases, network condition at the DTO level was very poor, due to which decentralised VAHAN and SARATHI were introduced. However, after establishment of State Consolidated Register (SCR), State Register (SR) and National Register (NR) and after provision of proper connectivity, each DTO shall be using the Centralised database which would overcome the problem of duplicate chassis and engine numbers.

Unless a Central Server connected with all DTOs are established (for which no target date had been fixed), the target to overcome the problem of duplicate chassis/engine numbers would not be solved.

⁶ JTC, Agartala, DTO, Udaipur; DTO, Kailashahar; DTO, Dharmanagar and DTO, Ambassa

4.2.9 Deficiencies noticed in implementation of SARATHI application software

4.2.9.1 Issuance of two or more driving licences to same persons

As per Section 6(1) of the Motor Vehicles Act, 1988, no person shall, while he holds any driving licence for the time being in force, hold any other driving licence. In case a person having a driving licence, applies for issuance of licence to drive any other type of vehicle in addition to existing type of vehicle(s), he may be issued a new driving licence (smart card) by updating his original driving licence instead of issuing another driving licence with new driving licence number.

One of the shortcomings of the SARATHI application was that there was no validation check/alarm message to show existence of driving licence of the same person whose data was being entered for issuing a new driving licence or a system to refuse the data of same person against whom driving licence data already exists in the database for any type of vehicle.

Scrutiny of SARATHI database of five DTOs revealed that in 66 cases as detailed in **Appendix 4.1** more than one driving licence had been issued to the same person either for same type of vehicle or for different types of vehicles. The JTC/DTO wise number of cases is given in the following table:

Table: 4.2.8

| Sl. No. | Name of Office | Total No. of driving licence issued | No. of persons having two driving licences for same type of vehicles | No. of persons having two driving licences for different types of vehicles | Total cases of licence holders having more than one driving licence | Total No. of licences |
|---|------------------|-------------------------------------|--|--|---|-----------------------|
| 1. | JTC, Agartala | 78382 | 15 | 23 | 38 | 76 |
| 2. | DTO, Udaipur | 33437 | 3 | 5 | 8 | 16 |
| 3. | DTO, Ambassa | 10787 | 3 | 2 | 5 | 10 |
| 4. | DTO, Dharmanagar | 10899 | 4 | 3 | 7 | 14 |
| 5. | DTO, Kailashahar | 10983 | 5 | 3 | 8 | 16 |
| Total: | | 144488 | 30 | 36 | 66 | 132 |
| Note: Name of the licence holder, Father's/Husband name, date of birth and blood group were taken into account to find out such cases excluding duplicate and renewal cases. | | | | | | |

Thus, due to absence of proper validation checks in the application software, the data of same person had been accepted more than once by the system. Hence, the provision of Motor Vehicles Act, 1988 that no person shall hold more than one driving licence could not be strictly enforced by the Department.

The Government stated (May 2012) that Sl. No. 19 of CMVR Form 04⁷, instructs the applicant to specify whether any other driving licence was held by him/her. However,

⁷ Serial 19 of Central Motor Vehicle Rules Form-04 *i.e.* Application Form for Driving License where applicants need to specify the details of driving license, if any, held with him/her.

necessary checks shall be provided in SARATHI. NIC, Tripura had been asked to take-up the matter with appropriate authority.

4.2.10 Data safety and security (Physical and Logical Access Controls)

Though the Department did not have any documented policy for physical and logical access controls, but all security measures like installation of server in a separate room, installation of air conditioner, regular updating of antivirus software, role-based access to users for restricting use of all modules by only authorised personnel etc. had been followed in all the five DTOs.

4.2.11 Business continuity Plan

Though the Department had no documented business continuity and disaster recovery plan, the database backups were being stored regularly on a daily basis in a separate server in the same building where the system was installed. Further, NIC, Tripura also kept data backup of VAHAN regularly for Consolidated State Register and National Register.

4.2.12 Implementation of other computerisation plans

4.2.12.1 Creation of State and National Register

As provided in the computerisation plan, though there was no Central Database with interconnectivity amongst the DTOs, a State Consolidated Register (SCR) had been created at NIC, Tripura through a software called Oracle Data Integrator (ODI) configured at each of the VAHAN and SARATHI database for carrying out the transmission and replication process. The data of all five DTOs had been transmitted to NIC, Tripura for State Register through ODI and further replicated (transmitted) from NIC, Tripura to NIC, Delhi for National Register. The connectivity between SCR, VAHAN and SARATHI Servers of DTOs at Tripura had been made by using Virtual Private Network over Broad Band (VPNoBB), Tripura Satellite Wide Area Network (TSWAN), Agartala City Area Network (ACAN) and WiMax (WiMax is a type of Wireless Internet connection which enables wireless data transfer over long distances). The data of SCR was further uploaded to State Register as well as National Register. The details of data pertaining to Tripura could be identified in the National Register through Web page of the Ministry of Road Transport and Highways (MoRTH)-‘National Register e-Services’. The updating of the data of SCR was being done regularly on a daily basis by the NIC, Tripura.

However, the objective of the scheme was to make interconnectivity amongst DTOs in the State and National Register. Since the Central Server connectivity with all the DTOs had not been done, the objective of the scheme was not completely fulfilled.

4.2.12.2 Implementation of on-line National Permit System

As per decision of the GOI to implement the new electronic system of grant of National Permit from 15 September, 2010, the State of Tripura was issuing the National Permits through web based Online National Permit System from October 2010.

4.2.12.3 Outsourcing for implementation of Smart Cards System

In order to implement the Smart Card Project for Driving Licence and Registration Certificates, a Memorandum of Undertaking (MoU) was signed (6 December 2005) between the Government of Tripura and WEBEL Technology Ltd. (WTL), a State Government Undertaking of West Bengal. As per the agreement, WTL was authorised to execute the project for a period of five years and provide all financial support and technical know-how with regard to commissioning, operation and implementation of the project on Build, Own, Operate and Transfer (BOOT) basis. The Firm (WTL) would collect a fixed rate of ₹ 100 and ₹ 375 directly from the customers for rendering services to provide Smart cards for Driving licences and Registration certificates respectively. Subsequently, the agreement was renewed with the agency for a further period of five years *w.e.f.* 1 April 2011 with a condition to pay 10 *per cent* of the gross collection at the prescribed rates to the State Government on monthly basis as revenue sharing effective from April 2011. As regards fees and penalty for issuing of Driving licences and Registration certificates, it had been collected separately by the DTOs during receipt of application from the customers.

However, no analysis was found on records for considering the 10 *per cent* of the collection as Government share. The execution of second agreement (renewal) with the same firm with a condition to pay 10 *per cent* of the gross collection to the State Government (against Government proposal of 15 *per cent*) without going through any open tender or obtaining rate quotation from the interested firms was also arbitrary.

The trends of issuing of Smart cards for driving licence and registration of vehicles are given in the following table:

Table: 4.2.9

| Year | No. of Smart Card (Registration Certificates) | No. of Smart Card (Driving Licences) | Fees collected for issue of Smart Cards (₹ in lakh) | | |
|---------------|---|--------------------------------------|---|---------------|---------------|
| | | | RC @ ₹ 375 | DL @ ₹ 100 | Total |
| 2007-08 | 15,117 | 8,035 | 56.69 | 8.03 | 64.72 |
| 2008-09 | 18,444 | 12,065 | 69.16 | 12.07 | 81.23 |
| 2009-10 | 26,610 | 23,164 | 99.79 | 23.16 | 122.95 |
| 2010-11 | 34,871 | 41,835 | 130.77 | 41.84 | 172.61 |
| 2011-12 | 39,890 | 36,578 | 149.59 | 36.58 | 186.17 |
| Total: | 1,34,932 | 1,21,677 | 506 | 121.68 | 627.68 |

Note: No. of RC calculated based on 'OP_DT_DATE' of 'SMART_CARD' Table of VAHAN and DL calculated based on 'DLISSUEDT_DATE' of 'DDLICENCE' Table of SARATHI

It was seen from the information furnished by the JTC, Agartala that during the period from April 2011 to March 2012, ₹ 18.74 lakh had been collected by the Government from the WTL as against total amount of ₹ 186.17 lakh collected by the WTL from the customers.

The Joint Secretary to the Government of Tripura, Transport Department stated (10 February 2012) that the agreement was renewed for a further period of five years as they had implemented the project successfully. The Supply Advisory Board (SAB) had examined the project and approved the proposal for the renewal of the agreement with the WTL subject to sharing of 10 *per cent* of gross collection with the State Government in view of increased volume of business. The Government share had been collected monthly from the WTL.

However, the reply is not convincing as Government could have insisted for 15 *per cent* of collection in order to earn additional revenue or could have gone for open tender for obtaining market rate. Further, there was no analysis for fixing of ₹ 375 for registration smart card and ₹ 100 for driving licence smart card.

4.2.13 Loss/Non-realisation of Road Tax and fees for renewal of Registration/Fitness

4.2.13.1 Non-Assignment of new Registration number to vehicles transferred from other States

As per Section 47 of the Motor Vehicles Act, 1988, when a motor vehicle registered in one State has been kept in another State, for a period exceeding twelve months, the owner of the vehicle shall apply to the registering authority, within whose jurisdiction the vehicle is presently used, for assignment of a new registration mark.

From an analysis of the IT database of all DTOs, it was noticed that road taxes in respect of 1287 such vehicles were collected for a period beyond 12 months of their transfer, but the vehicles were not assigned any Registration number of Tripura. The category-wise number of vehicles registered in other States and transferred to this State are given in the following table:

Table: 4.2.10

| Sl. No. | Category of Vehicles | Rate of Registration fees (in ₹) | No. of other State vehicles against which road tax realised for a period beyond twelve months (in Nos) | Registration fees to be realised (in lakh ₹) |
|---------|----------------------------|----------------------------------|--|--|
| 1 | Motor cycle | 60 | 224 | 0.13 |
| 2 | Private car (LMV) | 200 | 526 | 1.05 |
| 3 | Commercial (LMV) | 300 | 2 | 0.01 |
| 4 | Medium Passenger/Goods | 400 | 47 | 0.19 |
| 5 | Heavy Passenger/Goods | 600 | 251 | 1.51 |
| 6 | Other category of vehicles | 300 | 237 | 0.71 |
| | Total: | | 1,287 | 3.60 |

Thus, though the road tax was realised against above 1,287 vehicles transferred from other States, but non-assignment of new registration number led to a loss of revenue ₹ 3.60 lakh on one hand and on the other the database remained incomplete to that extent.

4.2.13.2 Non renewal of fitness certificate

Sec 41 (7) of the Motor Vehicles Act, 1988 provides that a certificate of registration in respect of a motor vehicle, other than a transport vehicle, shall be valid only for a period of 15 years from the date of issue of such certificate and shall be renewable. Further as per provisions of Rule 52 (3) of Central Motor Vehicle Rules 1989, a motor vehicle shall not be deemed to be fit for plying after the expiry of the period of validity entered in the certificate of registration and no such vehicle shall be used in any public place until its certificate of registration was renewed. Further, as per Section 56 of Motor Vehicle Act, 1988, in case of transport vehicles like goods and passenger carriers, the registration certificate was valid till certificate of fitness was valid.

Analysis of IT data of all DTOs revealed that, out of 2,01,760 vehicles registered on or after 1-1-1990, registration/fitness validity of 46,160 vehicles had expired till August 2012, but the owner had neither renewed the certificate of registration/fitness nor surrendered the same. Category-wise number of vehicles registered, expiry of validity of registration/fitness and fees for renewal of registration/fitness validity due to be realised are given in the following table:

Table: 4.2.11

| Sl. No. | Category of Vehicles | Number of vehicles Registered | Expiry of validity of Registration/ Fitness | Rate of fees to be realised for renewal (in ₹) | Total amount to be realised (in lakh ₹) |
|--|----------------------------|-------------------------------|---|--|---|
| (A) Vehicles Registered between 1-1-1990 and 31-12-1999 | | | | | |
| 1 | Motor cycle | 17,089 | 11,888 | 60 | 7.13 |
| 2 | Private car (LMV) | 3,256 | 2,345 | 200 | 4.69 |
| 3 | Commercial (LMV) | 1,962 | 1,270 | 300 | 3.81 |
| 4 | Medium Passenger/Goods | 208 | 123 | 400 | 0.49 |
| 5 | Heavy Passenger/Goods | 1,399 | 981 | 600 | 5.89 |
| 6 | Other category of vehicles | 2,941 | 1,664 | 300 | 4.99 |
| | Sub Total | 26,855 | 18,271 | | 27.00 |
| (B) Vehicles Registered on or after 1-1-2000 | | | | | |
| 1 | Motor cycle | 1,18,444 | 10,588 | 60 | 6.35 |
| 2 | Private car (LMV) | 22,590 | 1,895 | 200 | 3.79 |
| 3 | Commercial (LMV) | 4,189 | 7,533 | 300 | 22.60 |
| 4 | Medium Passenger/Goods | 1,205 | 529 | 400 | 2.12 |
| 5 | Heavy Passenger/Goods | 3,166 | 1,659 | 600 | 9.95 |
| 6 | Other category of vehicles | 25,263 | 5,685 | 300 | 17.05 |
| | Sub Total: | 1,74,857 | 27,889 | | 61.86 |
| | Grand Total: | 2,01,712 | 46,160 | | 88.86 |

Thus, non-renewal of validity of registration/fitness of above 46,160 vehicles led to a potential loss of revenue of ₹ 88.86 lakh.

The Government stated (May 2012) that Transport Department had recently introduced issuance of computerised fitness certificates. The manual fitness records would also be digitised. The Government also stated that during the conversion process of paper based registration certificates to smart cards, registration expiry date would also be updated. Regular enforcement drives were also being carried out to identify the defaulters. However, necessary updation of above 46,160 cases had not been completed (August 2012).

4.2.13.3 Non-realisation of road tax

Under section 4 of the Tripura Motor Vehicle Tax Act, 1972 and subsequent amendments, tax in respect of a vehicle is payable annually or quarterly within 30 days of the commencement of the year or quarter as the case may be. Further, under Section 4 (B) of the Tripura Motor Vehicle Tax (Amendment) Act 2009, if a vehicle fails to pay the tax in time, a penalty is recoverable and Taxing Officer is required to issue demand notices against the defaulter vehicles and initiate certificate proceedings in case demand notice fails to effect recovery.

Scrutiny of the IT database of all DTOs of the State revealed that validity of Road Tax of 17,631 vehicles (excluding Government vehicles) registered during or after the year 1990 had expired between November 1990 and March 2012. The amount un-realised on this account was ₹ 4.02 crore. Further, in accordance with Section 4 (B) of the Tripura Motor Vehicles Tax (Amendment) Act, 2009, penalty of ₹ 2.00 crore, was also to be realised from the defaulters till July 2012.

The details of the road tax due along with penalty to be realised are shown in the following table:

Table: 4.2.12

(₹ in lakh)

| Sl. No. | Type of vehicles | Road tax validity expired against vehicles registered on or after 1-1-1990 | | | |
|---------|--------------------------------|--|---------------|---------------|---------------|
| | | Nos. | Tax due | Penalty | Total |
| 1 | Two wheelers | 8,857 | 106.47 | 53.23 | 159.70 |
| 2 | Light Motor Vehicles (Private) | 1,765 | 36.56 | 18.22 | 54.78 |
| 3 | Goods carrier | 2,756 | 141.44 | 70.16 | 211.60 |
| 4 | Commercial | 4,032 | 86.44 | 42.99 | 129.43 |
| 5 | Special category | 174 | 17.54 | 8.53 | 26.07 |
| 6 | Tourist Cab | 47 | 13.32 | 6.66 | 19.98 |
| | Total: | 17,631 | 401.77 | 199.79 | 601.56 |

The Government stated (May 2012) that all old manual tax records would be digitised. The Department was also issuing demand notices against road tax defaulters.

4.2.13.4 Incorrect mapping of business process rules for one time and quarterly/yearly road tax

As per the Tripura Motor Vehicles Tax Act, 1972, amended provisions (Notification No. F. 7(2)/ Trans/ 2010 dated 24th October 2011), revised road tax was to be levied *w.e.f.* 1st November 2011.

Analysis of the database of all the DTOs revealed that during the period from November 2011 to August 2012 road tax of ₹ 1.01 lakh was short realised due to incorrect mapping of business process rules. Category wise short realisation was as under:

Table: 4.2.13

| Sl. No. | Category of vehicles | No. of Vehicles | One time Road Tax to be realised (in ₹.) | Tax actually realised (in ₹) | Short realised (in ₹) |
|---|----------------------|-----------------|--|-------------------------------|------------------------|
| One time Road tax (Appendix 4.2) | | | | | |
| 1 | Two wheeler | 10 | 22,000 | 10,600 | 11,400 |
| 2 | Private car | 08 | 40,500 | 32,812 | 7,688 |
| | Sub total: | 18 | 62,500 | 43,412 | 19,088 |
| Annual/Quarterly road tax (Appendix 4.3) | | | | | |
| 1 | Goods | 52 | 243,033 | 170,185 | 72,848 |
| 2 | Private Car | 19 | 36630 | 27,868 | 8,762 |
| | Sub total: | 71 | 2,79,663 | 1,98,053 | 81,610 |
| | Grand total: | | | | 1,00,698 |

The short realisation had not been addressed.

4.2.14 Inadequate documentation

Only the user manual, system installation manual were prepared by NIC. The Department had no documentation on other aspects like troubleshooting, system management, hardware maintenance, disaster management policy, security policy, training policy etc. The Department did not also maintain any records for system halts, if any, due to hardware or software problems. Lack of documentation may affect the smooth and efficient operation of the application.

4.2.15 Monitoring

A proper monitoring system is required for better and effective implementation of any IT system. 'VAHAN' application software was implemented in January 2004 and 'SARATHI' in May 2006 in all DTOs in standalone servers. However, no monitoring system exists at State Level in implementation to ensure accountability. Besides, no mechanism exists in the Department for reviewing the reports that are inbuilt in the application.

The Government stated (May 2012) that monthly monitoring meetings would be held by the respective DTOs involving NIC and WEBEL and also at the State level to discuss and monitor various issues on quarterly basis.

4.2.16 Conclusion

The computerisation through 'VAHAN' and 'SARATHI' application software had been implemented in the Department between January 2004 and May 2006. But no inter-connectivity amongst the DTOs had been established. Thus, the intended objectives of computerisation of Transport Department could not be achieved in full. The details of offending vehicles could not be captured in the computer due to non-operation of the Enforcement module and therefore, the objective of the project remained unfulfilled. The existence of same engine/chassis number against more than one registration number and invalid data in mandatory fields made the database unreliable. Besides, there were cases of non-assignment of registration number to the vehicles transferred from other States. There were cases of non-renewal of registration/fitness certificates and non-realisation of road tax. Further, the enforcement module was also not established.

4.2.17 Recommendations

The Government may consider implementation of the following recommendations:

- a Central database with interconnectivity should be established amongst the DTOs and the Police Department in the State;
- appropriate input controls should be urgently incorporated within the system to prevent entry of duplicate and improbable data;
- the system should have inbuilt validation checks to detect duplicate engine/chassis number and licence number;
- data integrity should be ensured and data capture should be complete and utilised to monitor vehicles on road and increase revenue collection;
- exception report should be generated to detect inaccurate data or data which violates the Motor Vehicles Act and Rules and necessary rectification of inconsistent data should be carried out to clean up the database;
- the validity checks available at data entry stage should also be available in Edit module so that there shall not be any data inconsistency; and
- training of the staff to reduce dependency on the outsourcing agency should be undertaken which would ensure data integrity and plug the leakage of revenue as well.

**FINANCE (EXCISE & TAXATION) DEPARTMENT
(SALES TAX /VALUE ADDED TAX)**

4.3 Short levy of tax

Concealment of turnover by the dealers and incorrect application of rates which escaped notice of the assessing authorities and erroneous computation of sales/purchase/opening stock, irregular adjustment of ITC by the assessing authorities resulted in short levy of tax of ₹ 43.54 lakh and leviable interest of ₹ 27.52 lakh and penalty of ₹ 16.19 lakh.

According to Section 25(3) of the Tripura Value Added Tax Act, 2004 read with Section 13 of the Tripura Sales Tax Act, 1976, if the Commissioner is satisfied that the return furnished by a dealer in respect of any year is correct and complete, he shall by order in writing assess the dealer. If the Commissioner in the course of any proceedings is satisfied that any dealer has concealed particulars of his turnover he may direct that such dealer shall pay by way of penalty in addition to the tax and interest at the rate of one and half *per cent* per month from the date tax is payable to the date of its payment or to the date of order of assessment, whichever is earlier payable by him, a sum not exceeding one and a half times that amount (but it shall not be less than 10 *per cent* of that amount).

Further, Section 31 of Tripura Value Added Tax Act, 2004, provides that where the Commissioner is not satisfied with the correctness of any return filed under section 24, or bona fides of any claim of exemption, deduction, concession, input tax credit or genuineness of any declaration, evidence furnished by a registered dealer in support thereof, the Commissioner may serve on such dealer a notice to produce the books of account and all evidences on which the dealer relies in support of his returns including tax invoice. The Commissioner shall, after giving reasonable opportunity of being heard, direct the dealer to pay, in addition to the tax and interest payable by him, a penalty not exceeding one and a half times the tax due (but it shall not be less than 10 *per cent* of that amount).

On test check of records (April 2011 to April 2012) of 10 Superintendent of Taxes¹ it was noticed that in 88 assessment cases relating to 35 dealers for the period from 2005-06 to 2010-11 finalised during financial year 2009-10 and 2010-11, there were 66 cases of concealment of turnover and incorrect application of rates by 29 dealers which escaped notice of the assessing authorities and 22 cases of erroneous computation of sales/purchase/opening stock, irregular adjustment of ITC by the assessing authorities in

¹ (1) Superintendent of Taxes, Charge-I, Agartala; (2) Superintendent of Taxes, Charge-II, Agartala; (3) Superintendent of Taxes, Charge-III, Agartala; (4) Superintendent of Taxes, Charge-V, Agartala; (5) Superintendent of Taxes, Charge-VI, Agartala; (6) Superintendent of Taxes, Charge-VIII, Agartala; (7) Superintendent of Taxes, Ambassa; (8) Superintendent of Taxes, Belonia; (9) Superintendent of Taxes, Teliamura; and; (10) Superintendent of Taxes, Udaipur.

respect of 6 dealers. This resulted in short levy of tax of ₹ 43.54 lakh (VAT) and leviable interest of ₹ 27.52 lakh and penalty of ₹ 16.19 lakh, as detailed in **Appendix 4.4** and **Appendix 4.5**

The Government stated (September 2012) that in case of 9 dealers (Sl. No. 4, 22, 24, 25, 26, 27 and 28 of **Appendix 4.4**, and Sl. No. 4 and 5 of **Appendix 4.5**) ₹ 1.99 lakh (out of ₹ 6.09 lakh after re-assessment against ₹ 7.51 lakh pointed out by Audit) had been recovered and recovery of balance amount of ₹ 4.10 lakh would be intimated in due course; in case of 23 dealers review had been taken up by the Revisional authority; in case of 2 dealers the cases are Sub-Judice in the Court of the Revisional authority and in case of one dealer the assessment period (2005-06) had become time barred. Further development was awaited (February 2013).

FOREST DEPARTMENT

4.4 Suspected misappropriation

Out of revenue of ₹ 10,50,461 collected by the Shibbari Beat Officer during 1 April 2007 to 8 September 2010, ₹ 5,48,573 was neither deposited into the Government Account nor was found lying in cash and was suspected to have been misappropriated.

The revenue realised by Beat Officers on sale of timber and other forest produces through GP² Books is remitted to the Treasury/Sub-Treasury through challans and the records of realised revenue are entered in their cash book. The counterfoils of the GP Books and receipt copy of the challans are retained in the Beat Office, which are to be periodically inspected by the Range Officer concerned.

As per the detailed instructions pursuant to the provisions of Account Code Volume III, issued by Forest Department *vide* Memorandum dated 23 June 1989, the Beat Officers are to submit every month detailed monthly account to the Range Officer along with copy of his cash account with all valid expenditure vouchers/muster rolls, copies of GPs/ other revenue fetching permit etc and copies of challans in support of remitting forest revenue to the Bank/Treasury. The Range Officer after scrutiny of the accounts of the Beat Officers under his jurisdiction is to incorporate their accounts in the Range Office cash book in details in respect of revenue receipts, revenue remitted to the Treasury/Sub-Treasury and the expenditure incurred on execution of works after countersigning the vouchers. The Range Officer in turn closes his monthly accounts with due incorporation of the accounts of his subordinate officers and then submit detailed monthly accounts to the Divisional Forest Officer (DFO).

During test check (December 2011) of records of the DFO, Manu Forest Division, some records of the Shibbari Beat Office³ *viz.*, Cash Books (prior to 3 November 2010), GP Books (7 Nos.) and TP⁴ Books (2 Nos.) relating to the period from April 2007 to September 2010 could not be produced to Audit as those were reportedly stolen (17-18 October 2010) from the custody of the Shibbari Beat Officer.

Audit of available records⁵ of the Shibbari Beat Office relating to the period from April 2007 to September 2010 revealed that out of forest revenue of ₹ 10,50,461⁶ (including Sales Tax/VAT, Income Tax and Surcharge) actually collected by the Shibbari Beat Officer during 1 April 2007 to 8 September 2010, only ₹ 5,01,888 was deposited into the

² General Permit –a receipt book for realisation of revenue on sale of forest produces

³ Under Range Officer, Manu

⁴ Transit Pass

⁵ 141 GP Books (2007-08: 25 Nos., 2008-09: 26 Nos., 2009-10: 61 Nos. and 2010-11: 29 Nos.); Remittance Challans; Bank Scrolls; Remittance Registers and other relevant records

⁶ Out of total revenue of ₹ 10,54,002 due to be collected, there was short realisation of ST of ₹ 3,541 and thus actual collection was ₹ 10,50,461

Government Account during April 2007 to September 2010. The balance amount of ₹ 5,48,573 was neither deposited into the Government Account nor was found lying in cash and was suspected to have been misappropriated (details are given in **Appendix 4.6**).

It was seen that no inspection of records of the Shibbari Beat Office was conducted by the Range Officer/DFO, Manu during April 2007 to November 2011 which is indicative that occurrence of misappropriation could have been avoided if there had been timely inspection.

The Shibbari Beat Officer had been placed under suspension with effect from 4 January 2012 and a disciplinary proceeding against him was initiated.

Scrutiny also revealed that out of Civil Advance of ₹ 17,15,715 paid⁷ to the Shibbari Beat Officer during 6 July 2007 to 11 October 2010 by the Range Officer, Manu for executing various works/programmes, recovery of ₹ 15,99,515 only was made through submission of adjustment during September 2007 to August 2010. The balance amount of ₹ 1,16,200 was unauthorisedly retained by the Shibbari Beat Officer since October 2010, misappropriation of which also can not be ruled out.

The Principal Chief Conservator of Forests stated (October 2012) that (i) on subsequent departmental inspection (December 2011) of the Shibbari Beat office total unremitted amount misappropriated stood at ₹ 7,17,976; (ii) inspection of the Shibbari Beat office was not done since April 2007 and was taken up only in November 2011 and due to failure on the part of the Range Officer and DFO, Manu to take up the inspection in time ultimately led to misappropriation of Government money; (iii) a charge sheet against the then Shibbari Beat Officer (now under suspension) is under process and (iv) all necessary action are being taken to recover the Government money. Further developments were awaited (February 2013).

The matter was reported to the Government in September 2012; reply had not been received (February 2013).

⁷ In Cash: ₹ 9,56,634 and by Cheque: ₹ 7,59,081

CHAPTER V: GENERAL SECTOR

5.1 Introduction

This Chapter of the Audit Report for the year ended 31 March 2012 deals with the findings on audit of the State Government units under General Sector.

The names of the State Government departments and the total budget allocation and expenditure of the State Government under General Sector during the year 2011-12 are given in the table below:

Table 5.1

(₹ in crore)

| Name of the Departments | Total Budget Allocation | Expenditure |
|---|-------------------------|-----------------|
| Chief Minister Secretariat | 0.58 | 0.52 |
| Civil Defence Department | 0.83 | 0.51 |
| Department of Parliamentary Affairs | 10.77 | 9.38 |
| Election Department | 4.76 | 4.09 |
| Employment | 3.08 | 2.88 |
| Factories and Boilers Organisation | 1.28 | 1.18 |
| Finance Department | 1,907.10 | 1,380.88 |
| Fire Service Organisation | 48.47 | 41.18 |
| General Administration (P & T) TPSC Department | 3.04 | 2.33 |
| General Administration (Political) Department | 1.64 | 1.48 |
| General Administration (AR) Department | 1.55 | 1.20 |
| General Administration, Printing and Stationery | 9.10 | 8.57 |
| General Administration (SA) Department | 38.07 | 34.64 |
| Governors Secretariat | 2.44 | 2.20 |
| High Court | 6.10 | 6.05 |
| Home (FSL, PAC and Prosecution Cell) | 8.00 | 7.78 |
| Home (Jail) Department | 22.96 | 16.82 |
| Home (Police) Department | 668.06 | 601.73 |
| Institutional Finance Department | 21.52 | 21.40 |
| Law Department | 45.96 | 26.28 |
| Planning and Coordination Department | 93.66 | 6.94 |
| Statistical Department | 11.49 | 7.93 |
| Treasuries | 4.60 | 4.00 |
| Total number of Departments = 23 | 2,915.06 | 2,189.97 |

Source: Appropriation Accounts – 2011-12.

Besides the above, the Central Government had transferred a sizeable amount of funds directly to the Implementing agencies under the General Sector to different agencies in the State during the year 2011-12. There was no major transfer (₹ 5 crore and above) under this Sector during 2011-12.

5.2 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls, etc.

The audits were conducted during 2011-12 involving test-check of an expenditure of ₹ 635.73 crore (including expenditure pertaining to the previous years audited during the year) of the State Government under General Sector. This Sector contains one Transaction Audit Paragraph.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the departments. The departments are requested to furnish replies to the audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State under Article 151 of the Constitution of India for being laid in the State Legislature.

The major observations detected in audit during the year 2011-12 are as detailed in the succeeding paragraph:

HOME (POLICE) DEPARTMENT

5.3 Unfruitful expenditure

Administrative lapse of the Home Department in taking timely and proper follow up action culminated in non-availability of appropriate land for setting up the permanent Headquarters for the 8th Bn TSR at Lalcherra, and the Department's expenditure of ₹ 4.09 crore incurred two to nine years back for acquiring the required land from Forest Department and on construction of incomplete boundary wall in that area proved unfruitful.

For setting up a permanent Headquarters for the 8th Battalion (Bn)¹ Tripura State Rifles (TSR) at Lalcherra, the Government of India (GOI) agreed (December 2002) in principle to the proposal of the State Government to divert 44 hectares of forest land to the State Home Department on the condition which *inter alia* included that 55 hectares of non-forest land and the cost of compensatory afforestation thereon would be handed over to the Forest Department. The Revenue Department recorded/mutated 55 hectares (April 2003: 44 hectares and August 2003: 11 hectares) of non-forest land in favour of the Forest Department and the TSR authority paid (July 2003) ₹ 21.65 lakh to the Forest Department for raising compensatory afforestation. The Net Present Value (NPV) of ₹ 2.55 crore² for the said 44 hectares of forest land (located in Mouja Lalcherra), was also payable by the Home Department to the Forest Department.

Later, it was decided (November 2005) at the level of the Chief Secretary to reduce the requirement of land from 44 hectares to 34 hectares. In the meantime, the Home Department accorded (March 2008) administrative approval and expenditure sanction of ₹ 1.97 crore³ towards the payment of NPV for 34 hectares of forest land to be diverted and the amount was paid (17 March 2008) by the TSR authority to the Forest Department.

Scrutiny of records (April 2011) of the Commandant, 8th Bn TSR, Lalcherra, Chailengta, Dhalai revealed that no forest land had been handed over to the TSR authority or the Home Department. The Forest Department claimed (March 2008), as per requirement of the provision of Forest (Conservation) Act, that either full payment (₹ 2.55 crore) for the originally identified quantum of land (44 hectares) was to be made or a fresh proposal was to be submitted for the intended change to obtain specific orders of the GOI.

¹ The 8th Bn TSR, deployed in Longtharai Valley (covering both Longtharai and Sakhan Ranges including Deo Reserve Forest) started functioning from old Block Development Office, Manu from 3 May 2002. It occupied (29 May 2005) the location of the 9th Bn TSR deployed at Lalcherra prior to the 8th Bn, after constructing some semi-permanent structures.

² @ ₹ 5.80 lakh per hectare in December 2003.

³ @ ₹ 5.80 lakh per hectare as determined earlier.

It was, however, seen that the Home Department, rather than following the advice of the Forest Department, insisted for more than two years, on the diversion of land being given effect without a fresh proposal but finally submitted a revised proposal only in July 2011. The Forest Department had requested (August 2011) GOI for in principle approval of the revised proposal for 34 hectares. Further development in this regard was awaited (June 2012).

Meanwhile, it had come to notice (June 2009) that the plot of the forest land proposed for diversion and already paid for, included a privately owned portion measuring 0.52 acre. This would also be needed to be resolved for smooth transfer of the proposed land to the TSR authority.

On the other hand, construction of boundary wall was taken up (December 2009) in the proposed area by the PWD (R&B) on requisition of the Home Department. This had faced objection from the Forest Department as there was no approval for diversion of forest land. The Home Department as the administrative department, failed to get the work stopped by the PWD (R&B) before August 2011 despite having knowledge of such objection since April 2010. An expenditure of ₹ 1.90 crore was incurred (March 2010 to March 2012) on the incomplete boundary wall.

The fate of the construction of the 8th Bn TSR Headquarters at Lalcherra had thus become uncertain for want of the Home Department's propriety on the land. While 86 permanent structures of 28 different types were required, only 10 semi-permanent structures were available (mostly Barracks, which too were being utilised for other purposes under compulsion).

Thus, administrative lapse of the Home Department in taking timely and proper follow up action culminated in non-availability of appropriate land for setting up the permanent Headquarters for the 8th Bn TSR at Lalcherra, and the Department's expenditure of ₹ 4.09 crore (0.22 + 1.97 + 1.90) incurred two to nine years back for acquiring the required land from Forest Department and on construction of incomplete boundary wall in that area proved unfruitful.

Government stated (August 2012) that Forest Department had since cleared the proposal and there would not be any problem for construction of the Headquarters for 8th Bn TSR. Facts, however, remained that expenditure of ₹ 4.09 crore incurred two to nine years back remained unfruitful.

CHAPTER – VI

FOLLOW UP OF AUDIT OBSERVATIONS

6.1 Follow up action on earlier Audit Reports

6.1.1 Non-submission of explanatory notes

Serious irregularities noticed in audit are included in the Report of the Comptroller and Auditor General of India (Audit Reports) and presented to the State Legislature. According to the instructions issued by the Finance Department, Government of Tripura in July 1993, the Administrative departments were required to furnish explanatory notes on the paragraphs/reviews included in the Audit Reports within three months of their presentation to the Legislature.

It was noticed that as of February 2013, 12 Departments did not submit explanatory notes on 23 paragraphs and 12 reviews included in the Audit Reports (Civil) from the years 2001-02 to 2010-11. The position of *suo motu* replies during the last five years is shown in the chart below.

Chart No. 6.1
Position of pending *suo motu* replies to Audit Reports

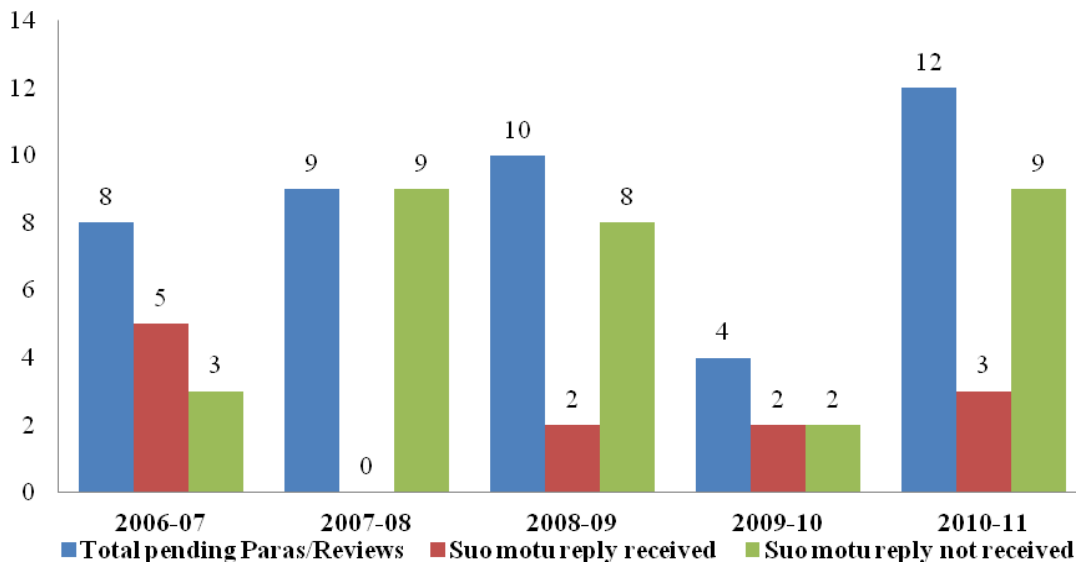


Chart 6.1 represents the position of *suo motu* replies received/not received pertaining to pending paras/reviews of Audit Reports (Civil) for the period from 2006-07 to 2010-11. The Department largely responsible for non-submission of explanatory notes was Public Works (Roads & Buildings)¹.

6.1.2 Response of the departments to the recommendations of the Public Accounts Committee (PAC)

Finance Department, Government of Tripura issued (July 1993) instructions to all departments to submit Action Taken Notes (ATN) on various suggestions, observations and recommendations made by PAC for their consideration within six months of presentation of the PAC Reports to the Legislature. The PAC Reports/Recommendations are the principal medium by which the Legislature enforces financial accountability of the Executive to the Legislature and it is appropriate that they elicit timely response from the departments in the form of Action Taken Notes (ATNs).

As of February 2013, out of 30 recommendations of the PAC made between 2000-01 and 2009-10, 18 ATNs were submitted of which 9 ATNs had been discussed by the PAC. The concerned administrative departments had not submitted ATNs for 12 recommendations. Of these, 4 recommendations were due from the Health and Family Welfare Department, 3 from Public Works (Drinking Water and Sanitation) Department.

6.2 Monitoring

The following Committees have been formed at the Government level to monitor the follow up action on Audit Reports and PAC recommendations.

Departmental Monitoring Committee

Departmental Monitoring Committees (DMCs) had been formed (April 2002) by all departments of the Government under the Chairmanship of the Departmental Secretary to monitor the follow up action on Audit Reports and PAC recommendations. The DMCs were to hold monthly meetings and send Progress Reports on the issue every month to the Finance Department.

The details of DMC meetings held during 2011-12 were awaited (February 2013) from the Finance Department.

¹ 12 Paragraphs and 1 Review.

Apex Committee

An Apex Committee had been formed (April 2002) at the State level under the Chairmanship of the Chief Secretary to monitor the follow up action on Audit Reports and PAC recommendations.

The details of Apex Committee meetings held during 2011-12 were awaited (February 2013) from the Finance Department.

6.3 Outstanding Inspection Reports

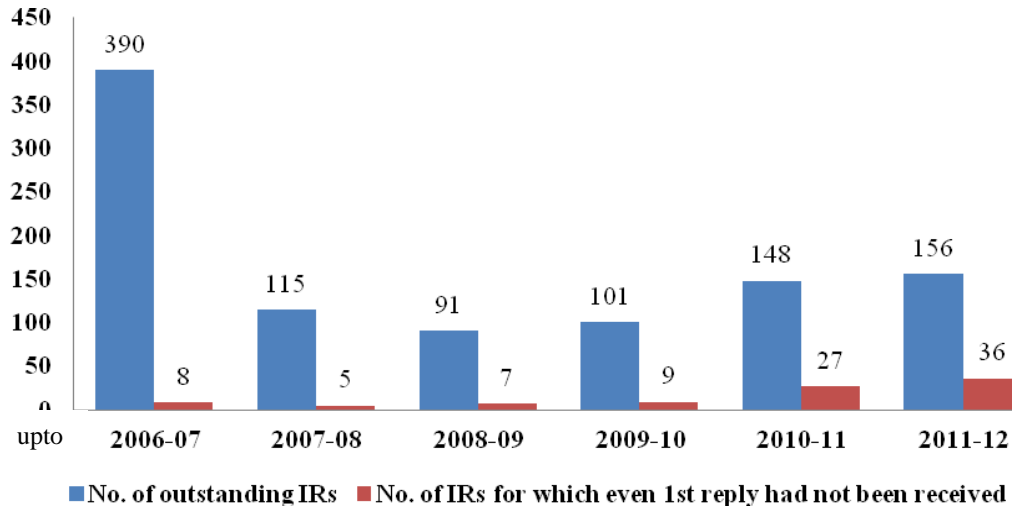
First reply for 92 out of 1,001 Inspection Reports issued upto 2011-12 were not furnished by the Civil and Public Works Departments within the stipulated period.

Audit observations on financial irregularities and deficiencies in maintenance of initial accounts noticed during local audit and not settled on the spot are communicated to the audited entities and to the higher authorities through Inspection Reports (IRs). The more serious irregularities are reported to the Government. The Government had prescribed that the first reply to the IRs should be furnished within one month from the date of receipt.

The position of outstanding reports in respect of the Civil Departments (including Public Works Department) is discussed below.

3,559 paragraphs included in 1,001 IRs issued upto 2011-12 were pending settlement as of February 2013. Of these, even the first reply had not been received in respect of 92 IRs in spite of repeated reminders. The year-wise break-up of the outstanding IRs and the position of response thereto is given in the chart below:

Chart No. 6.2
Position of total outstanding IRs



As a result, the following important irregularities commented upon in those IRs, had not been addressed as of February 2013.

Table No. 6.1

| Nature of irregularities | Number of cases | Amount involved (₹ in crore) |
|--|-----------------|------------------------------|
| Excess/Irregular/Avoidable/Unfruitful/Wasteful/Unauthorised/Idle expenditure | 164 | 135.51 |
| Blocking of funds | 131 | 110.23 |
| Non-recovery of excess payments/overpayments | 133 | 54.67 |
| Others | 1,208 | 784.43 |
| Total: | 1,636 | 1,084.84 |

6.3.1 Departmental Audit Committee meetings

Thirteen Audit Committee meetings were held during 2011-12 wherein 48 IRs and 188 paragraphs were discussed out of which 14 IRs and 109 paragraphs were settled.

Agartala
The

(R. K. Agrawal)
Accountant General (Audit),
Tripura, Agartala

Countersigned

New Delhi
The

(Vinod Rai)
Comptroller and Auditor General of India

Appendix 1.1

Establishment of AWCs where population was below the norms

{Reference: Paragraph 1.3.9.1 (b)} (Page No.12)

| District | Sl. No. | Name of the Projects | AWC in Urban / Rural areas below 400 population | AWC in Tribal areas below 300 population | Total AWCs established below the norms of population |
|--------------|---------|----------------------|---|--|--|
| West | 1. | Khowai | 137 | 9 | 146 |
| | 2. | Kalyanpur | 49 | 19 | 68 |
| | 3. | Teliamura | 44 | 10 | 54 |
| | 4. | Tulasikhar | 00 | 99 | 99 |
| | 5. | Padmabil | 00 | 133 | 133 |
| | 6. | Mungiakami | 00 | 20 | 20 |
| | 7. | Mohanpur | 134 | 25 | 159 |
| | 8. | Hezamara | 00 | 120 | 120 |
| | 9. | Jirania | 50 | 66 | 116 |
| | 10. | Mandwi | 00 | 72 | 72 |
| | 11. | Dukli | 54 | 17 | 71 |
| | 12. | Bishalgarh | 103 | 40 | 143 |
| | 13. | Jampuijala | 00 | 144 | 144 |
| | 14. | Melaghar | 95 | 17 | 112 |
| | 15. | Boxanagar | 87 | 8 | 95 |
| | 16. | Kathalia | 103 | 8 | 111 |
| | 17. | Agartala-2 | 22 | 00 | 22 |
| | 18. | Urban | 28 | 00 | 28 |
| | 19. | Ranirbazar NP | 18 | 00 | 18 |
| | 20. | Sonamura NP | 4 | 00 | 4 |
| | 21. | Khowai NP | 8 | 00 | 8 |
| | 22. | Teliamura NP | 11 | 00 | 11 |
| | | Total | 947 | 807 | 1754 |
| North | 1. | Kadamtala | 175 | 7 | 182 |
| | 2. | Panisagar | 110 | 25 | 135 |
| | 3. | North Dist. HQ | 44 | 11 | 55 |
| | 4. | Gour Nagar | 37 | 8 | 45 |
| | 5. | Kumarghat | 55 | 33 | 88 |
| | 6. | Pecharthal | 00 | 68 | 68 |
| | 7. | Kanchanpur | 00 | 228 | 228 |
| | 8. | Damcharra | 00 | 118 | 118 |
| | 9. | Jampuihil | 00 | 55 | 55 |
| | 10. | Kailashahar | 13 | 00 | 13 |
| | 11. | Dharmanagar NP | 19 | 00 | 19 |
| | | Total | 453 | 553 | 1006 |
| South | 1. | Matabari | 77 | 23 | 100 |
| | 2. | Kakraban | 59 | 12 | 71 |
| | 3. | Killa | 00 | 113 | 113 |

Appendix 1.1 (concl.)

Establishment of AWCs where population was below the norms

{Reference: Paragraph 1.3.9.1 (b)} (Page No.12)

| District | Sl. No. | Name of the Projects | AWC in Urban / Rural areas below 400 population | AWC in Tribal areas below 300 population | Total AWCs established below the norms of population |
|---------------------|---------|----------------------|---|--|--|
| | 4. | Amarpur | 70 | 106 | 176 |
| | 5. | Karbook | 00 | 174 | 174 |
| | 6. | Ompi | 00 | 97 | 97 |
| | 7. | Bakafa | 58 | 64 | 122 |
| | 8. | Jolaibari | 28 | 18 | 46 |
| | 9. | Rajnagar | 151 | 15 | 166 |
| | 10. | Hrishyamukh | 62 | 34 | 96 |
| | 11. | Satchand | 101 | 87 | 188 |
| | 12. | Rupaichari | 00 | 109 | 109 |
| | 13. | Amarpur NP | 4 | 00 | 4 |
| | 14. | Belonia NP | 13 | 00 | 13 |
| | 15. | Sabroom NP | 16 | 00 | 16 |
| | 16. | Udaipur NP | 4 | 00 | 4 |
| | | Total | 643 | 852 | 1495 |
| Dhalai | 1. | Salema | 98 | 37 | 135 |
| | 2. | Ambassa | 23 | 110 | 133 |
| | 3. | Chowmanu | 00 | 102 | 102 |
| | 4. | Manu | 00 | 123 | 123 |
| | 5. | Domburnagar | 00 | 136 | 136 |
| | 6. | Kamalpur NP | 9 | 00 | 9 |
| | | Total: | 130 | 508 | 638 |
| Grand Total: | | | 2173 | 2720 | 4893 |

Summary

| Projects (56) | West (22) | North (11) | South (15) | Dhalai (6) | Total |
|---------------------|-------------|-------------|------------|-------------|-------------|
| Urban / Rural | 947 | 643 | 130 | 453 | 2173 |
| Tribal | 807 | 852 | 508 | 553 | 2720 |
| Grand Total: | 1754 | 1495 | 638 | 1006 | 4893 |

Statement of inhabitations where population more than the norms without any AWCs

| Projects (56) | West (22) | North (11) | South (15) | Dhalai (6) | Total |
|---------------------|------------|------------|------------|------------|------------|
| Urban / Rural | 60 | 17 | 28 | 00 | 105 |
| Tribal | 48 | 4 | 16 | 03 | 71 |
| Grand Total: | 108 | 21 | 44 | 03 | 175 |

Appendix 1.2

Statement showing names of the units audited at the State, District, Block and GP levels

(Reference: Paragraph 1.4.7) (Page No.36)

| Sl. No. | Name of units audited | | | | |
|---------|-----------------------------|--|---|--------------------------------|------------------------------|
| 1 | State level: | Secretary to the Govt. of Tripura, RD Department | | | |
| 2 | District level: | (i) | DM & Collector, West Tripura District | | |
| | | (ii) | DM & Collector, South Tripura District (now Gumati) | | |
| 3 | Block level: | (i) | Jirania, Hezamara and Teliamura under erstwhile West Tripura District | | |
| | | (ii) | Kakraban, Killa and Matabari under erstwhile South Tripura District | | |
| 4 | GP level: | (A) | Erstwhile West Tripura District | | |
| | | | Under Jirania Block | Under Hezamara Block | Under Teliamura Block |
| | | (i) | <i>Radhakishore Nagar</i> | <i>Barkathal</i> | <i>Paschim Teliamura</i> |
| | | (ii) | <i>Bridhyanagar</i> | <i>Meghlibandh</i> | <i>Hadrai (ADC)</i> |
| | | (iii) | <i>Durganagar</i> | <i>Balurbandh</i> | <i>Chakmaghat</i> |
| | | (iv) | <i>Mdhaya Debendranagar</i> | <i>Dumrakaridak</i> | <i>Dakshin Krishnapur</i> |
| | | (v) | <i>Paschim Jiraniakhala</i> | <i>Paschim Chandpur</i> | <i>Howaibari</i> |
| | | (vi) | <i>Purba Debendranagar</i> | <i>Paschim Tamakari</i> | <i>Madhya Krishnapur</i> |
| | | (vii) | <i>Purna Noagaon</i> | <i>Purba Noagaon</i> | <i>Moharchara</i> |
| | | (viii) | <i>RADHAPUR</i> | <i>Ramsankar</i> | <i>Paschim Howaibari</i> |
| | | (ix) | <i>Sachindranagar</i> | <i>Sankhola</i> | <i>Sardukarkari (ADC)</i> |
| | | (x) | <i>Uttar Majlishpur</i> | <i>Surendranagar</i> | <i>Uttar Pulinpur (ADC)</i> |
| | | (B) | Erstwhile South Tripura District | | |
| | | | Under Kakraban Block | Under Killa Block | Under Matabari Block |
| | | (i) | <i>Jamjuri</i> | <i>Noabari</i> | <i>Shalghara</i> |
| | | (ii) | <i>Uttar Shilghati (ADC)</i> | <i>Dakshin Baramura</i> | <i>Dakshin Maharani</i> |
| | | (iii) | <i>Dakshin Rani (ADC)</i> | <i>Choygharia</i> | <i>Barabhiya</i> |
| | | (iv) | <i>Dhuptali (ADC)</i> | <i>Dakshin Brajendra Nagar</i> | <i>Gamaria (ADC)</i> |
| | | (v) | <i>Hadra</i> | <i>Kachigang</i> | <i>Khilpara</i> |
| | | (vi) | <i>Hurijal</i> | <i>Killa</i> | <i>Maharani</i> |
| (vii) | <i>Ichacherra</i> | <i>Kowaimura</i> | <i>Purba Gakulpur</i> | | |
| (viii) | <i>Murapara</i> | <i>Purba Khupilong</i> | <i>Tepania</i> | | |
| (ix) | <i>Purba Tulamura (ADC)</i> | <i>Raiyabari</i> | <i>Uttar Kalaban</i> | | |
| (x) | <i>Shilghati</i> | <i>Uttar Brajendra Nagar</i> | <i>Uttar Maharani</i> | | |

Appendix 1.3

Statement showing year-wise works supervised by POs in six Blocks

(Reference: Paragraph 1.4.9.3) (Page No.38)

| Name of the Block | Total no. of works executed | No. of works supervised by the POs | | | | | |
|-------------------|-----------------------------|------------------------------------|---------|---------|---------|---------|-------|
| | | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | Total |
| Jirania | 15438 | 385 | 410 | 485 | 489 | 521 | 2290 |
| Hezamara | 2776 | 196 | 162 | 218 | 215 | 101 | 892 |
| Teliamura | 6377 | 120 | 167 | 262 | 221 | 440 | 1210 |
| Matabari | 9508 | 308 | 406 | 570 | 590 | 976 | 2850 |
| Killa | 2863 | 180 | 430 | 609 | 440 | 405 | 2064 |
| Kakraban | 5339 | 798 | 827 | 773 | 781 | 1328 | 4507 |

Source: Information furnished by Blocks

Appendix 1.4

Details of possible generation of additional persondays with the shortfall in release of State share

(Reference: Paragraph 1.4.11.2) (Page No.43)

| Year | Persondays to be generated as per approved Labour budget (in lakh nos.) | Actual persondays generated (in lakh nos.) | Short-fall in achievement of persondays (in lakh nos.) | Shortfall in State share (₹ in crore) | Additional persondays that could have been generated with shortfall amount (in lakh nos.) | Registered House-holds (in lakh nos.) | Additional State average person-days per House-hold possible (in days) | Actual State average person-days per House-hold (in days) | Total possible average persondays generate in State (in days) |
|--------------|--|---|---|--|--|--|---|--|--|
| (1) | (2) | (3) | (4)= (2)-(3) | (5) | (6)= (5)/wage rate | (7) | (8)= (6)/(7) | (9) | (10)= (8)+(9) |
| 2009-10 | 574.30 | 460.22 | 114.08 | 32.10 | 32.10 (wage rate:₹ 100) | 6.07 | 5.28 | 80 | 85 |
| 2010-11 | 529.60 | 374.51 | 155.09 | 36.49 | 36.49 (wage rate:₹ 100) | 5.85 | 6.23 | 67 | 73 |
| 2011-12 | 500 | 490.13 | 9.87 | 64.50 | 54.66 (wage rate:₹ 118) | 6.01 | 9.09 | 86 | 95 |
| Total | 1603.90 | 1324.86 | 279.04 | 133.09 | 123.25 | | 20.60 | | |

Appendix 1.5
Statement showing details of material labour ratio at Districts
{Reference: Paragraph 1.4.14.1 (A)} (Page No.48)

| | Unskilled Wages paid (₹ in lakh) | Material cost (₹ in lakh) | | | Total cost (₹ in lakh) | Material ratio to total cost (%) | Per-centage in excess of 40% | Amount of material cost incurred in excess of limit (₹ in lakh) | Less persondays generated on unskilled labour taking min wage rate per day as ₹ 85 |
|-------------------|----------------------------------|---------------------------|---------------------------------|---------------------|------------------------|----------------------------------|------------------------------|---|--|
| | | On material | On semi-skilled & skilled wages | Total Material cost | | | | | |
| (A) Dhalai | | | | | | | | | |
| 2007-08 | 4116.15 | 1479.33 | 112 | 1591.33 | 5707.48 | 27.88 | | | |
| 2008-09 | 6440.62 | 3183.59 | 356.65 | 3540.24 | 9980.86 | 35.47 | | | |
| 2009-10 | 5024.63 | 2255.52 | 0 | 2255.52 | 7280.15 | 30.98 | | | |
| 2010-11 | 6150.15 | 3193.95 | 0.15 | 3194.1 | 9344.25 | 34.18 | | | |
| 2011-12 | 7390.03 | 4663.31 | 48.26 | 4711.57 | 12101.6 | 38.93 | | | |
| (B) South | | | | | | | | | |
| 2007-08 | 3565.81 | 2351.75 | 41.5 | 2393.25 | 5959.06 | 40.16 | 0.16 | 9.63 | 11324.71 |
| 2008-09 | 7654.25 | 3909.27 | 209.75 | 4119.02 | 11773.27 | 34.99 | | | |
| 2009-10 | 13158.34 | 6625.2 | 9.46 | 6634.66 | 19793 | 33.52 | | | |
| 2010-11 | 9981.35 | 4608.61 | 61.35 | 4669.96 | 14651.31 | 31.87 | | | |
| 2011-12 | 15882.45 | 9322.81 | 1161.86 | 10484.67 | 26367.12 | 39.76 | | | |
| (C) West | | | | | | | | | |
| 2007-08 | 5452.38 | 2778.41 | 41.2 | 2819.61 | 8271.99 | 34.09 | | | |
| 2008-09 | 11929.9 | 8423.46 | 290.33 | 8713.79 | 20643.69 | 42.21 | 2.21 | 456.31 | 536840.00 |
| 2009-10 | 17358.88 | 9220.37 | 56.21 | 9276.58 | 26635.46 | 34.83 | | | |
| 2010-11 | 14090.15 | 7842.2 | 255.57 | 8097.77 | 22187.92 | 36.50 | | | |
| 2011-12 | 24313.16 | 9705.8 | 1240.32 | 10946.12 | 35259.28 | 31.04 | | | |
| (D) North | | | | | | | | | |
| 2008-09 | 4032.98 | 1395.26 | 186.83 | 1582.09 | 5615.07 | 28.18 | | | |
| 2009-10 | 10737.94 | 6003.62 | 278.73 | 6282.35 | 17020.29 | 36.91 | | | |
| 2010-11 | 8228.47 | 5086.67 | 399.88 | 5486.55 | 13715.02 | 40.00 | | | |
| 2011-12 | 10279.79 | 5385.62 | 1364.82 | 6750.44 | 17030.23 | 39.64 | | | |

| | | | | | | | | | |
|--|--|--|--|--|--|---------------|--|---------------|------------------|
| | | | | | | Total: | | 465.94 | 548164.71 |
|--|--|--|--|--|--|---------------|--|---------------|------------------|

Appendix 1.6

Summary of 600 test-checked works

(Reference: Paragraph 1.4.14.5) (Page No.55)

Output of works

| Range | Killa | Kakraban | Teliamura | Hezamara | Jirania | Matabari | Total |
|--------------------------|----------|----------|-----------|----------|----------|----------|------------|
| 80% & above | 13 works | 11 works | 4 works | 7 works | 72 works | 10 works | 117 |
| 60% to 79% | 54 works | 53 works | 40 works | 24 works | 20 works | 73 works | 264 |
| 50% to 59% | 3 works | 25 works | 23 works | Nil | 1 work | 2 works | 54 |
| Below 50% | 1 work | 5 works | 11 works | Nil | 1 work | Nil | 18 |
| Not recorded | 29 works | 6 works | 22 works | 71 | 6 works | 15 works | 149 |
| Worksite board not found | 87 | 63 | 29 | 97 | 18 | 72 | 366 |

Engagement of women

| Range | Killa | Kakraban | Teliamura | Hezamara | Jirania | Matabari | Total |
|------------|----------|----------|-----------|----------|---------|----------|-----------|
| Below 10% | 0 works | Nil | 2 works | Nil | 2 works | Nil | 4 |
| 11% to 20% | 4 works | 1 work | 16 works | 15 cases | 1 work | 5 works | 42 |
| 21% to 29% | 12 works | 7 works | 30 works | 36 cases | 2 works | 6 works | 93 |

Appendix 1.7

Statement showing the GP-wise execution of earthen roads

(Reference: Paragraph 1.4.14.7) (Page No.57)

| Sl. No. | Name of Block | Name of GP/ ADC village | Total No. of works executed | Cost of the works (₹ in lakh) | No. of earthen road works executed | Cost of road works (₹ in lakh) | % of road works w.r.t. No. of total works | % of cost w.r.t. total cost |
|----------|-----------------|------------------------------------|-----------------------------|-------------------------------|------------------------------------|--------------------------------|---|-----------------------------|
| 1 | Kakraban | Dakshin Rani ADC Village | 88 | 70.22 | 46 | 41 | 52.27 | 58.39 |
| 2 | Kakraban | Dhuptali ADC Village | 71 | 53.08 | 23 | 22.79 | 32.39 | 42.94 |
| 3 | Kakraban | Hadra GP | 164 | 178.19 | 83 | 84.12 | 50.61 | 47.21 |
| 4 | Kakraban | Hurijala GP | 212 | 132.74 | 45 | 35.39 | 21.23 | 26.66 |
| 5 | Kakraban | Ichachhara | 162 | 94.32 | 28 | 10.46 | 17.28 | 11.09 |
| 6 | Kakraban | Jamjuri | 199 | 237.88 | 87 | 75.97 | 43.72 | 31.94 |
| 7 | Kakraban | Murapara | 168 | 131.14 | 32 | 34.13 | 19.05 | 26.03 |
| 8 | Kakraban | Purba Tulamura ADC | 68 | 34.87 | 19 | 12.93 | 27.94 | 37.08 |
| 9 | Kakraban | Shilghati | 97 | 146.29 | 39 | 64.92 | 40.21 | 44.38 |
| 10 | Kakraban | Uttar Shilghati ADC Village | 111 | 93.33 | 59 | 31.49 | 53.15 | 33.74 |
| A | Kakraban | Total of 10 GPs of Kakraban | 1340 | 1172.06 | 461 | 413.2 | 34.4 | 35.25 |
| 11 | Killa | Killa | 105 | 12425954 | 34 | 4967350 | 32 | 39.98 |
| 12 | Killa | Kachigang | 140 | 11644337 | 37 | 5335370 | 26 | 45.82 |
| 13 | Killa | Choygharia | 122 | 15661226 | 40 | 7881495 | 33 | 50.32 |
| 14 | Killa | Noabari | 118 | 10923762 | 53 | 4775426 | 45 | 43.72 |
| 15 | Killa | Uttar brajendra nagar | 170 | 19573277 | 48 | 7215612 | 28 | 36.86 |
| 16 | Killa | South brajendra nagar | 78 | 9478580 | 29 | 5109877 | 37 | 53.91 |
| 17 | Killa | Raiyabari | 136 | 11644337 | 50 | 6469580 | 37 | 55.56 |
| 18 | Killa | Purba kupilong | 91 | 8974136 | 22 | 2549663 | 24 | 28.41 |
| 19 | Killa | Kowaimura | 82 | 8924810 | 30 | 3405185 | 37 | 38.15 |
| 20 | Killa | Dakshin baramura | 108 | 10702850 | 38 | 5168495 | 35 | 48.29 |
| B | Killa | Total of 10 GPs of Killa | 1150 | 119953269 | 381 | 52878053 | 33.13 | 44.08 |

Appendix 1.7 (contd.)

Statement showing the GP-wise execution of earthen roads

(Reference: Paragraph 1.4.14.7) (Page No.57)

| Sl. No. | Name of Block | Name of GP/ ADC village | Total No. of works executed | Cost of the works (₹ in lakh) | No. of earthen road works executed | Cost of road works (₹ in lakh) | % of road works w.r.t. No. of total works | % of cost w.r.t. total cost |
|----------|-----------------------|-----------------------------------|-----------------------------|-------------------------------|------------------------------------|--------------------------------|---|-----------------------------|
| 21 | Matabari Block | Shalgara | 303 | 227.33 | 38 | 19.12 | 12.54 | 8.41 |
| 22 | Matabari Block | Tepania | 296 | 161.99 | 62 | 27.72 | 20.95 | 17.11 |
| 23 | Matabari Block | Khilpara | 475 | 316.32 | 23 | 40.59 | 4.84 | 12.83 |
| 24 | Matabari Block | Purba Gakulpur | 258 | 201.73 | 104 | 84.78 | 40.31 | 42.03 |
| 25 | Matabari Block | Maharani | 286 | 172.74 | 85 | 68 | 29.72 | 39.37 |
| 26 | Matabari Block | Uttar Maharani | 195 | 170.94 | 69 | 60.41 | 35.38 | 35.34 |
| 27 | Matabari Block | Dakshin Maharani | 111 | 124.64 | 67 | 101.2 | 60.36 | 81.19 |
| 28 | Matabari Block | Gamaria | 107 | 110.64 | 58 | 77.63 | 54.21 | 70.16 |
| 29 | Matabari Block | Barabhaya | 180 | 131.51 | 27 | 15.29 | 15 | 11.63 |
| 30 | Matabari Block | Uttar Kalaban | 95 | 68.83 | 16 | 14.85 | 16.84 | 21.57 |
| C | Matabari Block | Total 10 GP of Matabarti | 2306 | 1686.67 | 549 | 509.59 | 23.81 | 30.21 |
| 31 | Jirania Block | Bridhanagar | 157 | 221.56 | 22 | 41.97 | 14.01 | 18.94 |
| 32 | Jirania Block | Durganagar | 334 | 200.42 | 45 | 34.09 | 13.47 | 17.01 |
| 33 | Jirania Block | Madhya Devebdranagar | 339 | 204.35 | 57 | 47.24 | 16.81 | 23.12 |
| 34 | Jirania Block | Purba Devendranagar | 294 | 186.5 | 47 | 40.11 | 15.99 | 21.51 |
| 35 | Jirania Block | Purba Noagaon | 269 | 139.85 | 73 | 40.68 | 27.14 | 29.09 |
| 36 | Jirania Block | R. K. Naga | 409 | 268.82 | 56 | 38.7 | 13.69 | 14.4 |
| 37 | Jirania Block | Sachindranagar | 233 | 196.26 | 51 | 43.51 | 21.89 | 22.17 |
| 38 | Jirania Block | Paschim Jiraniakhola | 151 | 119.9 | 13 | 11.59 | 8.61 | 9.67 |
| 39 | Jirania Block | Radhapur | 213 | 128.82 | 70 | 45.25 | 32.86 | 35.13 |
| 40 | Jirania Block | Uttar Majlishpur | 225 | 177.4 | 29 | 24.76 | 12.89 | 13.96 |
| D | Jirania Block | Total of 10 GPs of Jirania | 2624 | 1843.88 | 463 | 367.9 | 17.64 | 19.95 |
| 41 | Teliamura RD Block | Dakshin Krishnapur GP | 325 | 257.74 | 62 | 31.46 | 19.08 | 12.21 |
| 42 | Teliamura RD Block | Madhya Krishnapur GP | 319 | 256.03 | 24 | 22.66 | 7.52 | 8.85 |

Appendix 1.7 (concl.)

Statement showing the GP-wise execution of earthen roads

(Reference: Paragraph 1.4.14.7) (Page No.57)

| Sl. No. | Name of Block | Name of GP/ ADC village | Total No. of works executed | Cost of the works (₹ in lakh) | No. of earthen road works executed | Cost of road works (₹ in lakh) | % of road works w.r.t. No. of total works | % of cost w.r.t. total cost |
|----------|---------------------------|------------------------------------|-----------------------------|-------------------------------|------------------------------------|--------------------------------|---|-----------------------------|
| 43 | Teliamura RD Block | Chakmaghat GP | 319 | 235.38 | 39 | 30.49 | 12.23 | 12.95 |
| 44 | Teliamura RD Block | Moharcharra GP | 255 | 257.42 | 5 | 2.55 | 1.96 | 0.99 |
| 45 | Teliamura RD Block | Paschim Teliamura GP | 384 | 315.91 | 50 | 50.02 | 13.02 | 15.83 |
| 46 | Teliamura RD Block | Hadrai ADC Village | 167 | 191.73 | 79 | 121.25 | 47.31 | 63.24 |
| 47 | Teliamura RD Block | Paschim Howaibari GP | 284 | 155 | 38 | 25.91 | 13.38 | 16.72 |
| 48 | Teliamura RD Block | Uttar Pulinpur | 204 | 214.42 | 28 | 48.07 | 13.73 | 22.42 |
| 49 | Teliamura RD Block | Howaibari GP | 176 | 175.94 | 15 | 10.37 | 8.52 | 5.89 |
| 50 | Teliamura RD Block | Bardukarkari ADC Village | 197 | 246.87 | 94 | 150.08 | 47.72 | 60.79 |
| E | Teliamura Rd Block | Total of 10 GP of Teliamura | 2630 | 2306 | 434 | 493 | 16.5 | 21.37 |
| 51 | Hezamara RD Block | Surendranagar | 127 | 139.73 | 47 | 51.93 | 37.01 | 37.16 |
| 52 | Hezamara RD Block | Paschim Chandrapur ADC Village | 129 | 136.02 | 50 | 54.77 | 38.76 | 40.27 |
| 53 | Hezamara RD Block | Dumrakaridak ADC Village | 125 | 115.18 | 51 | 79.91 | 40.8 | 69.38 |
| 54 | Hezamara RD Block | Shankhala ADC Village | 109 | 127.31 | 48 | 61.6 | 44.04 | 48.39 |
| 55 | Hezamara RD Block | Ramsankar ADC Village | 140 | 130.43 | 38 | 47.26 | 27.14 | 36.23 |
| 56 | Hezamara RD Block | Paschim Tamakari ADC Village | 157 | 158.79 | 61 | 79.99 | 38.85 | 50.37 |
| 57 | Hezamara RD Block | Barakathal ADC Village | 208 | 217.3 | 92 | 117.75 | 44.23 | 54.19 |
| 58 | Hezamara RD Block | Balurbandh ADC Village | 115 | 129.43 | 32 | 37.01 | 27.83 | 28.6 |
| 59 | Hezamara RD Block | Meghliband Village | 88 | 75.87 | 12 | 11.72 | 13.64 | 15.45 |
| 60 | Hezamara RD Block | Purba Noagaon ADC Village | 150 | 161.24 | 46 | 68.18 | 30.67 | 42.28 |
| | | Total of 10 GP of Hezamara | 1348 | 1391.29 | 477 | 610.12 | 35.39 | 43.85 |
| | | Total of 60 GPs | 11398 | 119961669 | 2765 | 52880447 | 24.26 | 44.08 |

Appendix 1.8
Statement showing missing/stolen equipment of SITs
(Reference: Paragraph 1.5.6) (Page No.67)

| Sl. No. | Location of the SIT | Equipments missing | Remarks |
|---------|---------------------------------|--|--|
| 1. | Charilam H/S School | Monitor, CPU, Keyboard & Mouse | Date of theft: 1-6-11 Date of reporting to Police: 1-6-11 By HM |
| 2. | Boxanagar H/S School | Camera | Date of theft: December 2011 to January 2012 Date of reporting to Police: 26-4-12 By HM cum BRC Coordinator, Boxanagar Block |
| 3. | Surendranagar H/S School | Microphone | Date of theft: 2007 Date of reporting to Police: 13-7-09 By HM cum BRC Coordinator, Hezamara Block |
| 4. | Chaudhurybari Girls' H/S School | UPS | NA |
| 5. | DIET, Kailashahar | Camera, Adaptor | |
| 6. | Kumarghat H/S School | Camea, Adaptor | |
| 7. | Karbook Panjiham H/S School | Battery, Graphics card | |
| 8. | Ledrai Dewan H/S School | Camera, adaptor | Date of theft: 4-9-07 Date of reporting to Police: 7-9-07 By HM |
| 9. | Kanchanpur H/S School | UPS, Projector | NA |
| 10. | Noabadi Killa H/S School | Speaker box, Sony Handycam, Adaptor | Date of theft: 24-11-06 Date of reporting to Police: 25-11-06 By HM cum BRC Coordinator, Killa Block |
| 11. | Chawmanu H/S School | BUC, LNB, RCST, Microphone, Base station feed, CPU | NA |
| 12. | Chailengta H/S School | Microphone | Date of theft: 25-2-10 Date of reporting to Police: 12-3-10 By HM |
| 13. | Chandraipara H/S School | Microphone, keyboard, mouse | Date of theft: 26-7-08 Date of reporting to Police: 27-7-08 By HM |
| 14. | Rajnagar Colony H/S School | Monitor, Microphone | NA |
| 15. | Bharat Sardar Para H/S School | RCST, Amplifier, CPU | Date of theft: 25-8-10 Date of reporting to Police: 26-8-10 By HM cum BRC Coordinator, Tulashikhar Block |

Appendix 1.9
Statement showing details of delay in completion of various construction works of Sub-Jail at Gandacherra
(Reference: Paragraph 1.6) (Page No.69)

| Sl. No. | Name of Work | Date of issue of work order | Name of the contractor | Date of actual commencement | Stipulated date for completion | Actual date of completion | Estimated cost put to tender | Actual expenditure | Delay in completion (in months) | Period passed after completion (in months) |
|---------------|--|-----------------------------|------------------------|-----------------------------|--------------------------------|---------------------------|------------------------------|--------------------|---------------------------------|--|
| 1. | 50 prisoners ward for male/ Gr. I | 20-05-2004 | Rabimohan Tripura | 04-06-2004 | 28-02-2005 | 28-08-2006 | 22,75,264 | 25,48,555 | 18 | 73 |
| 2. | -Do- / Gr. II | 30-10-2004 | Himangshu Bikash Saha | 15-11-2004 | 14-08-2005 | 20-10-2007 | 22,75,264 | 30,97,059 | 26 | 59 |
| 3. | Guard Room for Head Warden, Magazine Room, Interview Room, 6 Nos. Prisoners Barrack, Kitchen & Dining Room | 30-10-2004 | -do- | 15-11-2004 | 03-05-2005 | 05-05-2009 | 23,97,923 | 29,39,495 | 48 | 40 |
| 4. | 25 seated female prisoners' ward and 10 Nos. Prisoners cell | 02-07-2005 | -do- | 17-07-2005 | 12-05-2006 | 05-05-2009 | 28,19,375 | 37,70,150 | 36 | 40 |
| 5. | Perimeter Wall | 25-01-2007 | Rabimohan Tripura | 04-02-2007 | 25-01-2008 | 29-09-2008 | 38,99,904 | 70,42,508 | 8 | 48 |
| 6. | Watch Tower | 31-12-2008 | -do- | 22-01-2009 | 12-03-2009 | 12-08-2009 | 3,52,704 | 12,67,103 | 5 | 37 |
| 7. | 1 No. Type-III Quarter | 14-09-2005 | Sanjib Kr.Prasad | 28-09-2005 | 26-02-2006 | 30-09-2008 | 5,43,238 | 4,94,632 | 31 | 48 |
| 8. | (a) 4 Nos. Type-II Quarter/ Gr. I | 30-09-2005 | -do- | 30-09-2005 | 26-07-2006 | 23-03-2009 | 14,92,440 | 4,43,047 | 32 | 42 |
| | (b) -Do- / Gr. I (Balance Work) | 07-10-2009 | Rabimohan Tripura | 22-10-2009 | 21-04-2010 | 15-05-2010 | 9,32,815 | 16,01,527 | 1 | 28 |
| 9. | 4 Nos. Type-II Quarter (one twin double storied) | 16-09-2005 | -do- | 21-01-2009 | 01-08-2006 | 05-10-2009 | 14,92,440 | 26,96,835 | 38 | 35 |
| 10. | Administrative Block | 12-07-2005 | -do- | 27-07-2005 | 25-01-2006 | 08-08-2008 | 10,24,265 | 8,88,762 | 31 | 49 |
| | (a) -Do- (Balance Work) Gr. I & II | 20-09-2008 | -do- | 20-09-08 | 29-09-2008 | 30-09-2008 | 1,97,158 | 4,81,600 | On Time | 48 |
| | (b) -Do- (Balance Work) Gr. III & IV | 01-06-2009 | -do- | NA | 10-06-2009 | 11-06-2009 | NA | 1,89,306 | On Time | 39 |
| 11. | Boundary Wall | 10-02-2010 | -do- | 25-02-2010 | 24-08-2010 | 27-11-2010 | 22,17,296 | 18,51,620 | 3 | 22 |
| Total: | | | | | | | 2,19,20,086 | 2,93,12,199 | | |

Appendix 1.10

Details of avoidable loss of interest due to investment of idle funds in savings accounts instead of in fixed deposits

(Reference: Paragraph 1.7) (Page No.73)

(₹ in lakh)

| Year | Opening balance of funds | Interest earned during previous year available for reinvestment | Total investible idle funds at the beginning of the year | Period of investment | Rate of interest applicable for investment for one year (%) | Amount of interest |
|--|--------------------------|---|--|--------------------------|---|--------------------|
| (1) | (2) | (3) | (4) = (2) + (3) | (5) | (6) | (7) |
| 2008-09 | 183.36 | Nil | 183.36 | 01/04/2008 to 31/03/2009 | 8.50 | 15.59 |
| 2009-10 | 710.58 | 15.59 | 726.17 | 01/04/2009 to 31/03/2010 | 9.00 | 65.35 |
| 2010-11 | 1557.21 | 65.35 | 1622.56 | 01/04/2010 to 31/03/2011 | 6.75 | 109.52 |
| 2011-12 | 2474.35 | 109.52 | 2583.87 | 01/04/2011 to 31/03/2012 | 9.00 | 232.55 |
| Possible interest earning in case of investment in Fixed Deposits | | | | | | 423.01 |
| Less: Interest actually earned by investment in savings account | | | | | | 146.39 |
| Avoidable loss of interest | | | | | | 276.62 |

Appendix 3.1

Statement showing particulars of up-to-date capital, loans outstanding and manpower as on 31 March 2012 in respect of Government Companies and Statutory Corporations

(Referred to in paragraph 3.1.6) (Page No.86)

(Figures in Column 5 (a) to 6 (d) are ₹ in crore)

| Sl. No. | Sector and Name of the Company ^s | Name of the Department | Month and Year of incorporation | Paid-up capital [®] | | | | Loans outstanding at the close of 2011-12* | | | | Debt-equity ratio for 2011-12 (Previous year) | Man Power (No. of employees) (as on 31-03-12) |
|----------|---|---|---------------------------------|---|---------------|-------------|---------------|--|---------------|----------|---------------|---|---|
| | | | | State Govt. | Central Govt. | Others | Total | State Govt. | Central Govt. | Others | Total | | |
| 1 | 2 | 3 | 4 | 5(a) | 5(b) | 5(c) | 5(d) | 6(a) | 6(b) | 6(c) | 6(d) | 7 | 8 |
| A | Working Government companies | | | | | | | | | | | | |
| | AGRICULTURE AND ALLIED | | | | | | | | | | | | |
| 1 | Tripura Forest Development & Plantation Corporation Limited (TFDPCL) | Forest | 26.03.76 | 8.90 | 0.30 | 0 | 9.20 | 0 | 0 | 0 | 0 | 0 | 204 |
| 2 | Tripura Horticulture Corporation Limited (THCL) | Agriculture | 07.04.87 | 2.08 | 0 | 0 | 2.08 | 0 | 0 | 0 | 0 | 0 | 95 |
| 3 | Tripura Tea Development Corporation Limited (TTDCL) | Industries and Commerce | 11.08.80 | 28.19 | 0 | 0 | 28.19 | 0 | 0 | 0 | 0 | 0 | 758 |
| | Sector wise total | | | 39.17 | 0.30 | 0 | 39.47 | 0 | 0 | 0 | 0 | 0 | 1057 |
| | FINANCE | | | | | | | | | | | | |
| 4 | Tripura Handloom and Handicrafts Development Corporation Limited (THHDCL) | Industries and Commerce | 05.09.74 | 59.02 | 0.78 | 0.04 | 59.84 | 0 | 0 | 0 | 0 | 0 | 395 |
| 5 | Tripura Industrial Development Corporation (TIDCL) | Industries and Commerce | 28.03.74 | 16.16 | 0 | 1.64 | 17.80 | 75.75 | 0 | 0 | 75.75 | 4.26:1 (0:0) | 44 |
| 6 | Tripura Rehabilitation Plantation Corporation Limited (TRPCL) | Tribal Welfare (TRP & PTG) | 03.02.83 | 4.58 | 0 | 0 | 4.58 | 0 | 0 | 0 | 0 | 0 (0.08:1) | 211 |
| | Sector wise total | | | 79.76 | 0.78 | 1.68 | 82.22 | 75.75 | 0 | 0 | 75.75 | 0.92:1 (0.01:1) | 650 |
| | MANUFACTURING | | | | | | | | | | | | |
| 7 | Tripura Jute Mills Limited (TJML) | Industries and Commerce | 10.10.74 | 161.72 | 0 | 0 | 161.72 | 1.05 | 0 | 0 | 1.05 | 0.01:1 (0.01:1) | 1130 |
| 8 | Tripura Small Industries Corporation Limited (TSICL) | Industries and Commerce | 30.04.65 | 41.44 | 0 | 0 | 41.44 | 0 | 0 | 0 | 0 | 0 | 217 |
| | Sector wise total | | | 203.16 | 0 | 0 | 203.16 | 1.05 | 0 | 0 | 1.05 | 0.01:1 (0.01:1) | 1347 |
| | POWER | | | | | | | | | | | | |
| 9 | Tripura State Electricity Corporation Limited (TSECL) | Power | 09.06.04 | 109.29 | 0 | 0 | 109.29 | 126.72 | 0 | 0 | 126.72 | 1.16:1 (1.16:1) | 3678 |
| | Sector wise total | | | 109.29 | 0 | 0 | 109.29 | 126.72 | 0 | 0 | 126.72 | 1.16:1 (1.16:1) | 3678 |
| | SERVICES | | | | | | | | | | | | |
| 10 | Tripura Urban Transport Company Limited (TUTCL) | Transport | 03.01.10 | Newly incorporated company. First accounts yet to be finalised. | | | | | | | | | |
| 11 | Tripura Tourism Development Corporation Limited (T2DCL) | Information, Cultural Affairs & Tourism | 03.06.09 | 0.20 | 0 | 0 | 0.20 | 0 | 0 | 0 | 0 | 0 | 93 |
| | Sector wise total | | | 0.20 | 0 | 0 | 0.20 | 0 | 0 | 0 | 0 | 0.00 | 93 |

Appendix 3.1(concl.)

Statement showing particulars of up-to-date capital, loans outstanding and manpower as on 31 March 2012 in respect of Government Companies and Statutory Corporations

(Referred to in paragraph 3.1.6) (Page No.86)

(Figures in Column 5 (a) to 6 (d) are ₹ in crore)

| Sl. No. | Sector and Name of the Company [§] | Name of the Department | Month and Year of incorporation | Paid-up capital [@] | | | | Loans outstanding at the close of 2011-12* | | | | Debt-equity ratio for 2011-12 (Previous year) | Man Power (No. of employees) (as on 31-03-12) |
|-----------|---|-------------------------|---------------------------------|------------------------------|---------------|-------------|---------------|--|---------------|----------|---------------|---|---|
| | | | | State Govt. | Central Govt. | Others | Total | State Govt. | Central Govt. | Others | Total | | |
| 1 | 2 | 3 | 4 | 5(a) | 5(b) | 5(c) | 5(d) | 6(a) | 6(b) | 6(c) | 6(d) | 7 | 8 |
| | MISCELLANEOUS | | | | | | | | | | | | |
| 12 | Tripura Natural Gas Company Limited (TNGCL) | Industries and Commerce | 10.07.90 | 0 | 0 | 1.11 | 1.11 | 0 | 0 | 0 | 0 | 0 | 17 |
| | Sector wise total | | | 0 | 0 | 1.11 | 1.11 | 0 | 0 | 0 | 0 | 0 | 17 |
| | Total A (All sector wise working Government companies) | | | 431.58 | 1.08 | 2.79 | 435.45 | 203.52 | 0 | 0 | 203.52 | 0.47:1 (0.32:1) | 6842 |
| B. | Working Statutory Corporations | | | | | | | | | | | | |
| | SERVICES | | | | | | | | | | | | |
| 1 | Tripura Road Transport Corporation (TRTC) | Transport | 23.10.69 | 153.81 | 3.64 | 0 | 157.45 | 0.25 | 0 | 0 | 0.25 | Negligible | 518 |
| | Sector wise total | | | 153.81 | 3.64 | 0 | 157.45 | 0.25 | 0 | 0 | 0.25 | Negligible | 518 |
| | Total B (All sector wise working Statutory corporations) | | | 153.81 | 3.64 | 0 | 157.45 | 0.25 | 0 | 0 | 0.25 | Negligible | 518 |
| | Grand Total (A+B) | | | 585.39 | 4.72 | 2.79 | 592.90 | 203.77 | 0 | 0 | 203.77 | 0.34:1 (0.22:1) | 7360 |
| C. | Non-working Govt. companies | | | | | | | | | | | | |
| | FINANCE | | | | | | | | | | | | |
| 1 | Tripura State Bank Limited (TSBL) | Finance | Not available | 0.04 | 0 | 0 | 0.04 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sector wise total | | | 0.04 | 0 | 0 | 0.04 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total C (All sector wise non-working Government companies) | | | 0.04 | 0 | 0 | 0.04 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Grand Total (A+B+C) | | | 585.43 | 4.72 | 2.79 | 592.94 | 203.77 | 0 | 0 | 203.77 | 0.34:1 (0.22:1) | 7360 |

All figures are provisional and as given by the companies and corporations.

Sl.No.12 of Part-A is 619-B Company.

* Loans outstanding at the close of 2011-12 represent long term loans only.

@ paid up capital includes share application money.

§ One Company namely North Eastern Industrial Consultants Limited (NEICL) has been excluded from the list consequent upon shifting of audit control from this Office during the current year. One Company namely Tripura Urban Transport company Limited (TUTCL), being a newly incorporated company has been added to the list (A.10) in the current year.

Appendix 3.2

Summarised financial results of Government companies and Statutory corporations for the latest year for which accounts were finalised

(Reference: Paragraph No. 3.1.12) (Page No.89)

(Figures in column 5(a) to 11 are ₹ in crore)

| Sl. No. | Sector & Name of the Company | Period of Accounts & | Year in which finalised | Net Profit (+)/ Loss (-) | | | | Turnover | Impact of Accounts Comments * | Paid up Capital ® | Accumulated Profit (+)/ Loss (-) | Capital Employed # | Return on capital employed \$ | Percentage return on capital employed |
|--|------------------------------|--|-------------------------|---|-------------|--------------|-------------------------|---------------|-------------------------------|-------------------|----------------------------------|--------------------|-------------------------------|---------------------------------------|
| | | | | Net Profit/ Loss before Interest & Depreciation | Interest | Depreciation | Net Profit (+)/Loss (-) | | | | | | | |
| 1 | 2 | 3 | 4 | 5(a) | 5(b) | 5(c) | 5(d) | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| A. Working Government Companies | | | | | | | | | | | | | | |
| AGRICULTURE & ALLIED | | | | | | | | | | | | | | |
| 1 | TFDPCL | 2010-11 | 2012-13 | 27.11 | 0 | 0.85 | 26.26 | 43.11 | 0.62 | 9.20 | 98.99 | 110.77 | 26.26 | 23.71 |
| 2 | THCL | 2005-06 | 2011-12 | -0.15 | 0 | 0.01 | -0.16 | 3.69 | 0 | 1.52 | -1.23 | -1.12 | -0.16 | - |
| 3 | TTDCL | 2010-11 | 2012-13 | -1.95 | 0 | 0.15 | -2.10 | 5.27 | -0.41 | 25.9 | -12.57 | 15.88 | -2.10 | - |
| Sector wise total | | | | 25.01 | 0 | 1.01 | 24.00 | 52.07 | 0.21 | 36.62 | 85.19 | 125.53 | 24.00 | 19.12 |
| FINANCING | | | | | | | | | | | | | | |
| 4 | THHDCL | 2010-11 | 2012-13 | -6.75 | 0 | 0.06 | -6.81 | 3.75 | -8.29 | 53.14 | -56.71 | 52.44 | -6.81 | - |
| 5 | TIDCL | 2010-11 | 2012-13 | 2.52 | 0 | 0.01 | 2.51 | 3.83 | 0 | 17.80 | 0.59 | 18.24 | 2.51 | 13.76 |
| 6 | TRPCL | 2009-10 | 2011-12 | 4.48 | 0 | 0.06 | 4.42 | 18.46 | 0.19 | 4.58 | 8.68 | 23.77 | 4.42 | 18.59 |
| Sector wise total | | | | 0.25 | 0 | 0.13 | 0.12 | 26.04 | -8.1 | 75.52 | -47.44 | 94.45 | 0.12 | 0.13 |
| MANUFACTURING | | | | | | | | | | | | | | |
| 7 | TJML | 2010-11 | 2011-12 | -13.53 | 0 | 0.02 | -13.55 | 7.10 | 0 | 145.92 | -147.53 | 2.32 | -13.55 | - |
| 8 | TSICL | 2009-10 | 2012-13 | -0.53 | 0 | 0.28 | -0.81 | 18.00 | -2.18 | 36.59 | -21.47 | 15.65 | -0.81 | - |
| Sector wise total | | | | -14.06 | 0 | 0.30 | -14.36 | 25.10 | -2.18 | 182.51 | -169.00 | 17.97 | -14.36 | - |
| POWER | | | | | | | | | | | | | | |
| 9 | TSECL | 2010-11 ** | 2012-13 | -53.54 | 0 | 42.25 | -95.79 | 305.94 | -0.61 | 109.29 | 16.34 | 1224.01 | -95.79 | - |
| Sector wise total | | | | -53.54 | 0 | 42.25 | -95.79 | 305.94 | -0.61 | 109.29 | 16.34 | 1224.01 | -95.79 | - |
| SERVICES | | | | | | | | | | | | | | |
| 10 | TUTCL | Newly incorporated company. First accounts yet to be received. | | | | | | | | | | | | |
| 11 | T2DCL | 2010-11 | 2012-13 | 0.70 | 0 | 0.95 | -0.25 | 1.61 | 0.06 | 0.20 | 0.05 | 51.99 | -0.25 | - |
| Sector wise total | | | | 0.70 | 0 | 0.95 | -0.25 | 1.61 | 0.06 | 0.20 | 0.05 | 51.99 | -0.25 | - |
| MISCELLANEOUS | | | | | | | | | | | | | | |
| 12 | TNGCL | 2006-07 | 2011-12 | 1.19 | 0 | 0.65 | 0.54 | 4.85 | 0 | 1.39 | 1.20 | 4.86 | 0.54 | 11.11 |
| Sector wise total | | | | 1.19 | 0 | 0.65 | 0.54 | 4.85 | 0 | 1.39 | 1.20 | 4.86 | 0.54 | 11.11 |
| Total A (All sector wise working Government companies) | | | | -40.45 | 0 | 45.29 | -85.74 | 415.61 | -10.62 | 405.53 | -113.66 | 1518.81 | -85.74 | - |
| B. Working Statutory corporation | | | | | | | | | | | | | | |
| SERVICES | | | | | | | | | | | | | | |
| 1 | TRTC | 2008-09 | 2010-11 | -9.15 | 9.37 | 0.72 | -19.24 | 3.91 | -1.12 | 155.70 | -234.35 | 11.80 | -9.87 | - |
| Sector wise total | | | | -9.15 | 9.37 | 0.72 | -19.24 | 3.91 | -1.12 | 155.70 | -234.35 | 11.80 | -9.87 | - |
| Total B (All sector wise working Statutory Corporation) | | | | -9.15 | 9.37 | 0.72 | -19.24 | 3.91 | -1.12 | 155.70 | -234.35 | 11.80 | -9.87 | - |
| Grand Total (A+B) | | | | -49.60 | 9.37 | 46.01 | -104.98 | 419.52 | -11.74 | 561.23 | -348.01 | 1530.61 | -95.61 | - |

Appendix 3.2 (concl.)

Summarised financial results of Government companies and Statutory corporations for the latest year for which accounts were finalised

(Reference: Paragraph No. 3.1.12) (Page No.89)

(Figures in column 5(a) to 11 are ₹ in crore)

| Sl. No. | Sector & Name of the Company | Period of Accounts & | Year in which finalised | Net Profit (+)/ Loss (-) | | | | Turnover | Impact of Accounts Comments * | Paid up Capital @ | Accumulated Profit (+)/ Loss (-) | Capital Employed # | Return on capital employed \$ | Percentage return on capital employed |
|---|------------------------------|---|-------------------------|---|----------|--------------|--------------------------|----------|-------------------------------|-------------------|----------------------------------|--------------------|-------------------------------|---------------------------------------|
| | | | | Net Profit/ Loss before Interest & Depreciation | Interest | Depreciation | Net Profit (+)/ Loss (-) | | | | | | | |
| 1 | 2 | 3 | 4 | 5(a) | 5(b) | 5(c) | 5(d) | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| C. Non working Government companies | | | | | | | | | | | | | | |
| FINANCING | | | | | | | | | | | | | | |
| 1 | TSBL | Non functional and in the process of liquidation. | | | | | | | | | | | | |
| Sector wise total | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Total C (All sector wise non working Government company) | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Grand Total (A+B+C) | | | | -49.60 | 9.37 | 46.01 | -104.98 | 419.52 | -11.74 | 561.23 | -348.01 | 1530.61 | -95.61 | - |

@ Paid up capital includes share suspense/ application money

* Impact of accounts comments include the net impact of comments of Statutory Auditors and CAG and is denoted by (+) in case of increase in profit/ decrease in losses and (-) in case of decrease in profit/ increase in losses.

Capital employed represents net fixed assets (including capital works-in-progress) plus working capital except in case of finance companies/corporation where the capital employed is worked out as a mean of aggregate of the opening and closing balances of paid up capital, free reserves, bonds, deposits and borrowings (including refinance).

\$ Return on capital employed has been worked out by adding profit and interest charged to profit and loss account.

** Audited and Provisional Comments issued pending issue of final Comments

& Five accounts received from three Companies are pending finalisation of audit

Appendix 3.3

Statement showing grants and subsidy received/receivable, guarantees received, waiver of dues, loans written off and loans converted into equity during the year and guarantee commitment at the end of March 2012

(Reference: Paragraph No. 3.1.9) (Page No.88)

(Figures in column 3(a) to 6(d) are ₹ in crore)

| Sl. No. | Sector & Name of the Company | Equity/ loans received out of budget during the year | | Grants and subsidy received during the year | | | | Guarantees received during the year and commitment at the end of the year | | Waiver of dues during the year | | | |
|---|------------------------------|--|--------------|---|------------------|-------------|--------------|---|------------|--------------------------------|-----------------------------|---------------------------------|----------|
| | | Equity | Loans | Central Government | State Government | Others | Total | Received | Commitment | Loans repayment written off | Loans converted into equity | Interest/ penal interest waived | Total |
| 1 | 2 | 3(a) | 3(b) | 4(a) | 4(b) | 4(c) | 4(d) | 5(a) | 5(b) | 6(a) | 6(b) | 6(c) | 6(d) |
| A. Working Government Companies | | | | | | | | | | | | | |
| AGRICULTURE & ALLIED | | | | | | | | | | | | | |
| 1 | TFDPCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | THCL | 0.35 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | TTDCL | 2.29 | 0 | 1.79 | 0.20 | 0 | 1.99 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sector wise total | | 2.64 | 0 | 1.79 | 0.20 | 0 | 1.99 | 0 | 0 | 0 | 0 | 0 | 0 |
| FINANCING | | | | | | | | | | | | | |
| 4 | THHDCL | 6.70 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | TIDCL | 0 | 75.75 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | TRPCL | 0 | 0 | 0 | 0.50 | 0.77 | 1.27 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sector wise total | | 6.70 | 75.75 | 0 | 0.50 | 0.77 | 1.27 | 0 | 0 | 0 | 0 | 0 | 0 |
| MANUFACTURING | | | | | | | | | | | | | |
| 7 | TJML | 15.80 | 0 | 0 | 0.70 | 0 | 0.70 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 | TSICL | 2.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sector wise total | | 17.80 | 0 | 0 | 0.70 | 0 | 0.70 | 0 | 0 | 0 | 0 | 0 | 0 |
| POWER | | | | | | | | | | | | | |
| 9 | TSECL | 0 | 0.10 | 0 | 49.15* | 0 | 49.15 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sector wise total | | 0 | 0.10 | 0 | 49.15 | 0 | 49.15 | 0 | 0 | 0 | 0 | 0 | 0 |
| SERVICES | | | | | | | | | | | | | |
| 10 | T2DCL | 0 | 0 | 0 | 0.25 | 0 | 0.25 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | TUTCL | Newly incorporated company. Data is not available. | | | | | | | | | | | |
| Sector wise total | | 0 | 0 | 0 | 0.25 | 0 | 0.25 | 0 | 0 | 0 | 0 | 0 | 0 |
| MISCELLANEOUS | | | | | | | | | | | | | |
| 12 | TNGCL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sector wise total | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total A (All sector wise working Government companies) | | 27.14 | 75.85 | 1.79 | 50.80 | 0.77 | 53.36 | 0 | 0 | 0 | 0 | 0 | 0 |

*Including grants (₹ 9.15 crore) and subsidy (₹ 40.00 crore).

Appendix 3.3 (concl.)

Statement showing grants and subsidy received/receivable, guarantees received, waiver of dues, loans written off and loans converted into equity during the year and guarantee commitment at the end of March 2012

(Reference: Paragraph No. 3.1.9) (Page No.88)

(Figures in column 3(a) to 6(d) are ₹ in crore)

| Sl. No. | Sector & Name of the Company | Equity/ loans received out of budget during the year | | Grants and subsidy received during the year | | | | Guarantees received during the year and commitment at the end of the year | | Waiver of dues during the year | | | |
|---|------------------------------|---|--------------|---|------------------|-------------|--------------|---|------------|--------------------------------|-----------------------------|---------------------------------|----------|
| | | Equity | Loans | Central Government | State Government | Others | Total | Received | Commitment | Loans repayment written off | Loans converted into equity | Interest/ penal interest waived | Total |
| 1 | 2 | 3(a) | 3(b) | 4(a) | 4(b) | 4(c) | 4(d) | 5(a) | 5(b) | 6(a) | 6(b) | 6(c) | 6(d) |
| B. Working Statutory corporation | | | | | | | | | | | | | |
| SERVICES | | | | | | | | | | | | | |
| 1 | TRTC | 0.15 | 0 | 0 | 13.25 | 0 | 13.25 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sector wise total | | 0.15 | 0 | 0 | 13.25 | 0 | 13.25 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total B (All sector wise working Statutory Corporation) | | 0.15 | 0 | 0 | 13.25 | 0 | 13.25 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B) | | 27.29 | 75.85 | 1.79 | 64.05 | 0.77 | 66.61 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Non working Government companies | | | | | | | | | | | | | |
| FINANCING | | | | | | | | | | | | | |
| 1 | TSBL | Non functional for about 42 years. In the process of liquidation under Section 560 of Companies Act 1956. | | | | | | | | | | | |
| Sector wise total | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total C (All sector wise non working Government company) | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | | 27.29 | 75.85 | 1.79 | 64.05 | 0.77 | 66.61 | 0 | 0 | 0 | 0 | 0 | 0 |

NOTE: Figures are as given by the PSUs.

Appendix 3.4

Statement showing investment made by State Government in PSU's whose accounts are in arrears

(Reference: Paragraph No. 3.1.21) (Page No.92)

| Sl. No. | Name of PSU | Year upto which accounts finalised * | Paid up capital as per latest finalised accounts | Investment made by State Government during the years for which accounts are in arrears | | | | | No. of accounts in arrear |
|---|-------------|--------------------------------------|--|--|--------------|--------------|--------------|--------------|---------------------------|
| | | | | Year | Equity | Loans | Grants | Others | |
| 1 | 2 | 3 | 4 | 5(a) | 5(b) | 5(c) | 5(d) | 5(e) | |
| A. Working Government Companies | | | | | | | | | |
| 1 | TFDPCL | 2010-11 | 9.20 | 2011-12 | 0 | 0 | 0 | 0 | 1 |
| 2 | THCL | 2005-06 | 1.52 | 2006-07 | 0 | 0 | 0 | 0 | 6 |
| | | | | 2007-08 | 0.06 | 0 | 0 | 0 | |
| | | | | 2008-09 | 0.05 | 0 | 0 | 0 | |
| | | | | 2009-10 | 0.05 | 0 | 0 | 0 | |
| | | | | 2010-11 | 0.05 | 0 | 0 | 0 | |
| | | | | 2011-12 | 0.35 | 0 | 0 | 0 | |
| 3 | TTDCL | 2010-11 | 25.90 | 2011-12 | 2.29 | 0 | 0.20 | 0 | 1 |
| 4 | THHDCL | 2010-11 | 53.14 | 2011-12 | 6.70 | 0 | 0 | 0 | 1 |
| 5 | TIDCL | 2010-11 | 17.80 | 2011-12 | 0 | 75.75 | 0 | 0 | 1 |
| 6 | TRPCL | 2009-10 | 4.58 | 2010-11 | 0 | 0 | 1.16 | 0 | 2 |
| | | | | 2011-12 | 0 | 0 | 0.50 | 0 | |
| 7 | TJML | 2010-11 | 145.92 | 2011-12 | 15.80 | 0 | 0.70 | 0 | 1 |
| 8 | TSICL | 2009-10 | 36.59 | 2010-11 | 2.85 | 0 | 0 | 0 | 2 |
| | | | | 2011-12 | 2.00 | 0 | 0 | 0 | |
| 9 | TSECL | 2010-11 | 109.29 | 2011-12 | 0 | 0.10 | 9.15 | 40.00 | 1 |
| 10 | TUTCL | First accounts yet to be received. | | | 0 | 0 | 0 | 0 | 2 |
| 11 | T2DCL | 2010-11 | 0.20 | 2011-12 | 0 | 0 | 0.25 | 0 | 1 |
| 12 | TNGCL | 2006-07 | 1.39 | 2007-08 to 2011-12 | 0 | 0 | 0 | 0 | 5 |
| TOTAL(A): Government Companies | | | | | 30.20 | 75.85 | 11.96 | 40.00 | 24 |
| B. WORKING STATUTORY CORPORATION | | | | | | | | | |
| 1 | TRTC | 2008-09 | 155.70 | 2009-10 | 1.00 | 0 | 10.94 | 0 | 3 |
| | | | | 2010-11 | 0.60 | 0 | 14.50 | 0 | |
| | | | | 2011-12 | 0.15 | 0 | 13.25 | 0 | |
| TOTAL(B): Statutory Corporation | | | | | 1.75 | 0 | 38.69 | 0 | 3 |
| Grand Total (A+B) | | | | | 31.95 | 75.85 | 50.65 | 40.00 | 27 |

* Five accounts from three companies received during the year are pending audit/ issue of NRC and hence the same have not been considered as finalized.

Appendix 3.5

Statement showing financial position of Statutory Corporation
(Tripura Road Transport Corporation)

(Reference: Paragraph No.3.1.12) (Page No.89)

(₹ in crore)

| Sl. No. | Particulars | 2006-07 | 2007-08 | 2008-09 |
|-----------|--|---------------|---------------|---------------|
| A. | Liabilities | | | |
| 1. | Capital (including capital loan and equity) | 130.90 | 142.70 | 155.70 |
| 2. | Borrowings from Government | 0.25 | 0.25 | 0.25 |
| 3. | Funds (excluding depreciation & gratuity funds) | 0.05 | 0.05 | 0.05 |
| 4. | Trade dues, other current liabilities and provisions (including gratuity fund) | 76.24 | 84.22 | 93.13 |
| | Total (A) | 207.44 | 227.22 | 249.13 |
| B. | Assets | | | |
| 1. | Gross Block of fixed assets | 12.36 | 13.43 | 14.16 |
| | Less : Depreciation Reserve | <u>9.83</u> | <u>10.54</u> | <u>11.26</u> |
| | Net Block | 2.53 | 2.89 | 2.90 |
| 2. | Current Assets, Loans and Advances | 7.73 | 9.22 | 11.88 |
| 3. | Accumulated loss | 197.18 | 215.11 | 234.35 |
| | Total (B) | 207.44 | 227.22 | 249.13 |
| | Capital employed | 6.77 | 9.09 | 11.80 |

Capital employed represents net fixed assets (including capital work in progress) plus working capital but excluding interest accrued and gratuity reserve.

Appendix 3.6

**Statement showing working results of Statutory Corporation
(Tripura Road Transport Corporation)**

(Reference: Paragraph No.3.1.12) (Page No.89)

(₹ in crore)

| Sl. No. | Particulars | 2006-07 | 2007-08 | 2008-09 |
|---------|----------------------------------|-----------|-----------|-----------|
| 1. | Operating: | | | |
| | (a) Revenue | 4.00 | 3.68 | 4.22 |
| | (b) Expenditure | 22.19 | 21.96 | 23.28 |
| | (c) Surplus/(-)Deficit | (-) 18.19 | (-) 18.28 | (-) 19.06 |
| 2. | Non-operating: | | | |
| | (a) Revenue | 1.55 | 0.69 | 0.18 |
| | (b) Expenditure | 0.34 | 0.33 | 0.36 |
| | (c) Surplus/(-)Deficit | 1.21 | 0.36 | (-) 0.18 |
| 3. | Total: | | | |
| | (a) Revenue | 5.55 | 4.37 | 4.40 |
| | (b) Expenditure | 22.53 | 22.29 | 23.64 |
| | (c) Net Profit/(-)Loss | (-) 16.98 | (-) 17.92 | (-) 19.24 |
| 4. | Interest on Capital and Loans | 7.89 | 8.61 | 9.37 |
| 5. | Total return on capital employed | (-) 9.09 | (-) 9.31 | (-) 9.87 |

Appendix-3.7

Statement showing year-wise quantity of Cenex sold, Barrels used, average purchase cost of Barrels and cost of packaging

(Reference: Paragraph 3.3) (Page No.130)

| Year | Quantity of Cenex sold (in kg) | No. of Barrels used for packaging (190 kg per Barrel) | Average purchase cost per barrel (in ₹) | Cost incurred towards packaging (in ₹) |
|----------------------------|--------------------------------|---|---|--|
| (1) | (2) | (3) | (4) | (5) = (3) × (4) |
| 2007-08 (from August 2007) | 5,24,405 | 2,760 | 826.19 | 22,80,284 |
| 2008-09 | 3,34,035 | 1,758 | 826.68 | 14,53,303 |
| 2009-10 | 6,26,620 | 3,298 | 1,168.46 | 38,53,581 |
| 2010-11 | 4,95,900 | 2,610 | 1,200 | 31,32,000 |
| 2011-12 | 3,65,940 | 1,926 | 1,200 | 23,11,200 |
| Total: | 23,46,900 | 12,352 | | 1,30,30,368 |

Appendix-3.8
Statement showing loss of interest due to Fixed Deposits made on the same dates at varied interest rates
(Reference: Paragraph 3.5) (Page No.134)

| Sl. No. | Unit | FD No. | Date of Investment | Period of Investment | Name of Bank | Rate of interest (%) | Amount (in ₹) | Maturity value (in ₹) | Actual yield-quarterly compounded (%) | Possible yield (%) | Basis of possible yield | Difference in yield (%) | Loss of interest due to difference in yield (₹) |
|---------|------------------|--------|--------------------|----------------------|--------------|----------------------|---------------|-----------------------|---------------------------------------|--------------------|---|-------------------------|---|
| 1 | Corporate Office | NA | 27/03/2006 | 1 year | Union Bank | 6.40% | 15000000 | 15983286 | 6.56 | 9.08 | C.O FD for ₹ 100000000 on 27/03/2006 with Canara Bank for 1 year @ 8.79% with maturity value of ₹ 109084008 | 2.52 | 3,78,000 |
| 2 | Corporate Office | NA | 27/03/2006 | 1 year | UBI | 7.55% | 20000000 | 21553292 | 7.77 | 9.08 | C.O FD for ₹ 100000000 on 27/03/2006 with Canara Bank for 1 year @ 8.79% with maturity value of ₹ 109084008 | 1.31 | 2,62,000 |
| 3 | Corporate Office | NA | 27/03/2006 | 1 year | Axis Bank | 8.44% | 20000000 | 21742180 | 8.71 | 9.08 | C.O FD for ₹ 100000000 on 27/03/2006 with Canara Bank for 1 year @ 8.79% with maturity value of ₹ 109084008 | 0.38 | 76,000 |
| 4 | Corporate Office | NA | 27/03/2006 | 1 year | Axis Bank | 8.44% | 20000000 | 21742180 | 8.71 | 9.08 | C.O FD for ₹ 100000000 on 27/03/2006 with Canara Bank for 1 year @ 8.79% with maturity value of ₹ 109084008 | 0.38 | 76,000 |

Appendix-3.8 (contd.)
Statement showing loss of interest due to Fixed Deposits made on the same dates at varied interest rates
(Reference: Paragraph 3.5) (Page No.134)

| Sl. No. | Unit | FD No. | Date of Investment | Period of Investment | Name of Bank | Rate of interest (%) | Amount (in ₹) | Maturity value (in ₹) | Actual yield-quarterly compounded (%) | Possible yield (%) | Basis of possible yield | Difference in yield (%) | Loss of interest due to difference in yield (₹) |
|---------|-----------------------|--------|--------------------|----------------------|--------------|----------------------|---------------|-----------------------|---------------------------------------|--------------------|---|-------------------------|---|
| 5 | CSO | 22615 | 30/01/2008 | 395 days | SBI | 8.75% | 60000000 | 65895312 | 9.83 | 10.32 | CSO FD No. 644956 for ₹ 50000000 on 30/01/2008 with UCO Bank for 1 year @ 9.20% with maturity value of ₹ 54761147 extrapolated to ₹ 55161077 for 395 days | 0.49 | 2,94,000 |
| 6 | Corporate Office (CO) | NA | 24/07/2008 | 1 year | SBI | 10.25% | 20000000 | 22130152 | 10.65 | 10.81 | CSO FD No.20314 for ₹ 50000000 on 24/07/2008 with Axis Bank for 1 year @ 10.40% with maturity value of ₹ 55406338 | 0.16 | 32,000 |
| 7 | Corporate Office | NA | 27/09/2008 | 1 year | Canara Bank | 11.05% | 118213682 | 131827613 | 11.52 | 12.11 | C.O FD for ₹ 10000000 on 27/09/2008 with UCO Bank for 1 year @ 11.60% with maturity value of ₹ 11211443 | 0.59 | 6,97,461 |
| 8 | CSO | 44006 | 21/11/2008 | 1 year | Union Bank | 10.50% | 50000000 | 55460360 | 10.92 | 12.11 | C.O FD for ₹ 65713376 on 21/11/2008 with UCO Bank for 1 year @ 11.60% with maturity value of ₹ 73674174 | 1.19 | 5,95,000 |

Appendix-3.8 (contd.)
Statement showing loss of interest due to Fixed Deposits made on the same dates at varied interest rates
(Reference: Paragraph 3.5) (Page No.134)

| Sl. No. | Unit | FD No. | Date of Investment | Period of Investment | Name of Bank | Rate of interest (%) | Amount (in ₹) | Maturity value (in ₹) | Actual yield-quarterly compounded (%) | Possible yield (%) | Basis of possible yield | Difference in yield (%) | Loss of interest due to difference in yield (₹) |
|---------|------------------|--------|--------------------|----------------------|---------------------|----------------------|---------------|-----------------------|---------------------------------------|--------------------|--|-------------------------|---|
| 9 | Corporate Office | NA | 08/07/2009 | 1 year | Indian Bank | 7.25% | 36000000 | 38681821 | 7.45 | 7.98 | C.O FD for ₹ 36000000 on 08/07/2009 with UCO Bank for 1 year @ 7.75% with maturity value of ₹ 38872137 | 0.53 | 1,90,800 |
| 10 | Corporate Office | NA | 21/07/2009 | 1 year | UCO Bank High Court | 7.00% | 36000000 | 38586925 | 7.19 | 8.88 | C.O FD for ₹ 15000000 on 21/07/2009 with Tripura Co-op Bank for 1 year @ 8.60% with maturity value of ₹ 16332202 | 1.69 | 6,08,400 |
| 11 | Corporate Office | NA | 15/10/2009 | 1 year | UCO | 6.50% | 9000000 | 9599414 | 6.66 | 7.19 | C.O FD for ₹ 9000000 on 15/10/2009 with Vijaya Bank for 1 year @ 7% with maturity value of ₹ 9646731 | 0.53 | 47,700 |
| 12 | Corporate Office | NA | 15/10/2009 | 1 year | UCO | 6.50% | 9000000 | 9599414 | 6.66 | 7.19 | C.O FD for ₹ 9000000 on 15/10/2009 with Vijaya Bank for 1 year @ 7% with maturity value of ₹ 9646731 | 0.53 | 47,700 |

Appendix-3.8 (contd.)
Statement showing loss of interest due to Fixed Deposits made on the same dates at varied interest rates
(Reference: Paragraph 3.5) (Page No.134)

| Sl. No. | Unit | FD No. | Date of Investment | Period of Investment | Name of Bank | Rate of interest (%) | Amount (in ₹) | Maturity value (in ₹) | Actual yield-quarterly compounded (%) | Possible yield (%) | Basis of possible yield | Difference in yield (%) | Loss of interest due to difference in yield (₹) |
|---------|------------------|--------|--------------------|----------------------|--------------|----------------------|---------------|-----------------------|---------------------------------------|--------------------|---|-------------------------|---|
| 13 | Corporate Office | NA | 15/10/2009 | 1 year | UCO | 6.50% | 9000000 | 9599414 | 6.66 | 7.19 | C.O FD for ₹ 9000000 on 15/10/2009 with Vijaya Bank for 1 year @ 7% with maturity value of ₹ 9646731 | 0.53 | 47,700 |
| 14 | Corporate Office | 876265 | 28/02/2011 | 1 year | Canara Bank | 10.02% | 127629508 | 140906587 | 10.40 | 10.60 | C.O FD No.637618 for ₹ 50000000 on 28/02/2011 with UCO Bank for 1 year @ 10.20% with maturity value of ₹ 55298412 | 0.20 | 2,55,259 |
| 15 | Corporate Office | 876264 | 28/02/2011 | 1 year | Canara Bank | 10.02% | 130000000 | 143523677 | 10.40 | 10.60 | C.O FD No.637618 for ₹ 50000000 on 28/02/2011 with UCO Bank for 1 year @ 10.20% with maturity value of ₹ 55298412 | 0.20 | 2,60,000 |
| 16 | Corporate Office | 96621 | 28/02/2011 | 1 year | Vijaya Bank | 10% | 50000000 | 55190645 | 10.38 | 10.60 | C.O FD No.637618 for ₹ 50000000 on 28/02/2011 with UCO Bank for 1 year @ 10.20% with maturity value of ₹ 55298412 | 0.22 | 1,10,000 |

Appendix-3.8 (concl.)
Statement showing loss of interest due to Fixed Deposits made on the same dates at varied interest rates
(Reference: Paragraph 3.5) (Page No.134)

| Sl. No. | Unit | FD No. | Date of Investment | Period of Investment | Name of Bank | Rate of interest (%) | Amount (in ₹) | Maturity value (in ₹) | Actual yield-quarterly compounded (%) | Possible yield (%) | Basis of possible yield | Difference in yield (%) | Loss of interest due to difference in yield (₹) |
|---------------|------------------|--------|--------------------|----------------------|--------------|----------------------|---------------|-----------------------|---------------------------------------|--------------------|---|-------------------------|---|
| 17 | Corporate Office | 96620 | 28/02/2011 | 1 year | Vijaya Bank | 10% | 34796501 | 38408826 | 10.38 | 10.60 | C.O FD No.637618 for ₹ 50000000 on 28/02/2011 with UCO Bank for 1 year @ 10.20% with maturity value of ₹ 55298412 | 0.22 | 76,552 |
| 18 | Corporate Office | 96744 | 19/03/2011 | 1 year | Vijaya Bank | 10.05% | 50000000 | 55217572 | 10.44 | 10.60 | C.O FD No.637773 for ₹ 50000000 on 19/03/2011 with UCO Bank for 1 year @ 10.20% with maturity value of ₹ 55298412 | 0.16 | 80,000 |
| 19 | Corporate Office | 96743 | 19/03/2011 | 1 year | Vijaya Bank | 10.05% | 50000000 | 55217572 | 10.44 | 10.60 | C.O FD No.637773 for ₹ 50000000 on 19/03/2011 with UCO Bank for 1 year @ 10.20% with maturity value of ₹ 55298412 | 0.16 | 80,000 |
| Total: | | | | | | | | | | | | 42,14,572 | |

Appendix 4.1
Statement showing issuance of two or more driving licences to same persons
(Reference: Paragraph 4.2.9.1) (Page No.162)

| (A) For same type of vehicles | | | | | | | |
|--------------------------------------|------------------|----------------|-----------------------|--------------------------|------------|--------------|--------------|
| Sl. No. | DLNO | DL DATE | DLNAME | DLSWDOF | DOB | BLOOD | DLOLA |
| 1 | TR-0120080001166 | 27/03/2008 | Bikash**Malakar | Amulya**Malakar | 02/01/1982 | A+ | TR-01 |
| 2 | TR-0120120060139 | 28/03/2012 | Bikash**Malakar | Amulya**Malakar | 02/01/1982 | A+ | TR-01 |
| 3 | TR-0320070000348 | 22/05/2007 | Dipak**Saha | Suresh*Ch.*Saha | 26/09/1956 | O+ | TR-03 |
| 4 | TR-0320070000659 | 07/08/2007 | Dipak**Saha | Suresh*Ch.*Saha | 26/09/1956 | O+ | TR-03 |
| 5 | TR-0320070000347 | 22/05/2007 | Himan**Sen | Kali Prassan**Sen | 04/03/1956 | O+ | TR-03 |
| 6 | TR-0320070000662 | 07/08/2007 | Himan**Sen | Kali Prassan**Sen | 04/03/1956 | O+ | TR-03 |
| 7 | TR-0119990060602 | 23/02/1999 | Kamal**Hossain | Mantaj**Miah | 02/07/1979 | O+ | TR-01 |
| 8 | TR-0119990061198 | 23/08/1999 | Kamal**Hossain | Mantaj**Miah | 02/07/1979 | O+ | TR-01 |
| 9 | TRA0220070000628 | 12/12/2007 | Mr Biswajit**Chakma | Mr Sukhamoy**Chakma | 11/08/1977 | O+ | TRA02 |
| 10 | TRA0220080000042 | 18/01/2008 | Mr Biswajit**Chakma | Mr Sukhamoy**Chakma | 11/08/1977 | O+ | TRA02 |
| 11 | TRA0220080000163 | 13/03/2008 | Mr Ashis*Ch.*Paul | Mr Asutosh**Paul | 01/01/1977 | O+ | TRA02 |
| 12 | TRA0220080000370 | 17/04/2008 | Mr Ashis*Ch.*Paul | Mr Asutosh**Paul | 01/01/1977 | O+ | TRA02 |
| 13 | TRA0220070000649 | 13/12/2007 | Mr Dibakar**Shil | Mr Pran Hari**Shil | 20/02/1984 | A+ | TRA02 |
| 14 | TRA0220070000650 | 13/12/2007 | Mr Dibakar**Shil | Mr Pran Hari**Shil | 20/02/1984 | A+ | TRA02 |
| 15 | TRB0220090001292 | 23/03/2009 | Mr Hibru**Dewan | Sri Rantu*Jiban*Dewan | 24/12/1981 | A+ | TRB02 |
| 16 | TRB0220090001293 | 23/03/2009 | Mr Hibru**Dewan | Sri Rantu*Jiban*Dewan | 24/12/1981 | A+ | TRB02 |
| 17 | TRB0220100002631 | 22/03/2010 | Mr Purnendu**Talukdar | Sri Sabyasachi**Talukdar | 01/12/1978 | O+ | TRB02 |
| 18 | TRB0220100002848 | 08/04/2010 | Mr Purnendu**Talukdar | Sri Sabyasachi**Talukdar | 01/12/1978 | O+ | TRB02 |
| 19 | TR-0320070001146 | 07/11/2007 | Mr Subodh**Debnath | Sri Nepal**Debnath | 03/03/1977 | O+ | TR-03 |
| 20 | TR-0320070001210 | 16/11/2007 | Mr Subodh**Debnath | Sri Nepal**Debnath | 03/03/1977 | O+ | TR-03 |
| 21 | TR-0120060004194 | 14/06/2006 | Partha**Debnath | Sashadhar**Debnath | 19/04/1985 | B+ | TR-01 |
| 22 | TR-0120060004313 | 24/06/2006 | Partha**Debnath | Sashadhar**Debnath | 19/04/1985 | B+ | TR-01 |
| 23 | TR-0120020064559 | 08/07/2002 | Prasanta**Sarkar | Ratan*Ch.*Sarkar | 06/01/1982 | A+ | TR-01 |

Appendix 4.1 (contd.)
Statement showing issuance of two or more driving licences to same persons
(Reference: Paragraph 4.2.9.1) (Page No.162)

| (A) For same type of vehicles | | | | | | | |
|--------------------------------------|------------------|------------|--------------------------|-------------------------|------------|-----|-------|
| 24 | TR-0120020064560 | 08/07/2002 | Prasanta**Sarkar | Ratan*Ch.*Sarkar | 06/01/1982 | A+ | TR-01 |
| 25 | TR-0120060006480 | 08/12/2006 | Rajat*Kanti* Chakraborty | Makhan*Lal* Chakraborty | 17/12/1970 | B+ | TR-01 |
| 26 | TR-0120100026930 | 24/04/2010 | Rajat*Kanti* Chakraborty | Makhan*Lal* Chakraborty | 17/12/1970 | B+ | TR-01 |
| 27 | TR-0420090006580 | 20/03/2009 | Rajesh**Sarkar | Mantu**Sarkar | 14/03/1988 | B+ | TR-04 |
| 28 | TR-0420100006579 | 20/02/2010 | Rajesh**Sarkar | Mantu**Sarkar | 14/03/1988 | B+ | TR-04 |
| 29 | TR-0120040061059 | 24/04/2004 | Sri Kartik**Dey | Sri Ashok**Dey | 08/05/1985 | AB+ | TR-01 |
| 30 | TR-0120040061510 | 24/04/2004 | Sri Kartik**Dey | Sri Ashok**Dey | 08/05/1985 | AB+ | TR-01 |
| 31 | TR-0420070000138 | 02/03/2007 | Sri Mahadeb**Saha | Late Manmohan**Saha | 15/02/1968 | B+ | TR-04 |
| 32 | TR-0420070000139 | 02/03/2007 | Sri Mahadeb**Saha | Late Manmohan**Saha | 15/02/1968 | B+ | TR-04 |
| 33 | TR-0420070000020 | 03/05/2007 | Sri Tarani**Jamatia | Sri Suresh*Kr.*Jamatia | 03/11/1982 | B+ | TR-04 |
| 34 | TR-0420070000028 | 08/05/2007 | Sri Tarani**Jamatia | Sri Suresh*Kr.*Jamatia | 03/11/1982 | B+ | TR-04 |
| 35 | TR-0120080003694 | 16/08/2008 | Sri Biplab**Sarkar | Narayan Ch.**Sarkar | 26/03/1976 | B+ | TR-01 |
| 36 | TR-0120090009059 | 04/04/2009 | Sri Biplab**Sarkar | Narayan Ch.**Sarkar | 26/03/1976 | B+ | TR-01 |
| 37 | TRB0219920010686 | 04/09/1992 | Sri Goutam **Pal | Manomohan**Pal | 02/01/1967 | A+ | TRB02 |
| 38 | TRB0219920010687 | 04/09/1992 | Sri Goutam **Pal | Manomohan**Pal | 02/01/1967 | A+ | TRB02 |
| 39 | TR-0120090007986 | 19/02/2009 | Sri Indrajit**Dhar | Sri Sunil**Dhar | 22/04/1987 | B+ | TR-01 |
| 40 | TR-0120090019009 | 19/12/2009 | Sri Indrajit**Dhar | Sri Sunil**Dhar | 22/04/1987 | B+ | TR-01 |
| 41 | TRA0220020000153 | 13/05/2002 | Sri Jayanta**Mallik | Sri Jyotish**Mallik | 29/08/1975 | O+ | TRA02 |
| 42 | TRA0220020000157 | 13/05/2002 | Sri Jayanta**Mallik | Sri Jyotish**Mallik | 29/08/1975 | O+ | TRA02 |
| 43 | TRB0220090001677 | 18/06/2009 | Sri Prabal*Baran*Roy | Sri Parag*Baran*Roy | 13/06/1986 | B+ | TRB02 |
| 44 | TRB0220110007259 | 22/07/2011 | Sri Prabal*Baran*Roy | Sri Parag*Baran*Roy | 13/06/1986 | B+ | TRB02 |
| 45 | TRA0220070000434 | 04/10/2007 | Sri Prasanta**Mitra | Sri Parimal**Mitra | 01/01/1980 | A+ | TRA02 |
| 46 | TRA0220070000545 | 20/11/2007 | Sri Prasanta**Mitra | Sri Parimal**Mitra | 01/01/1980 | A+ | TRA02 |
| 47 | TR-0120070007240 | 31/01/2007 | Sri Raju**Majumder | Sri Jyotish**Majumder | 13/06/1982 | A- | TR-01 |
| 48 | TR-0120070009831 | 06/07/2007 | Sri Raju**Majumder | Sri Jyotish**Majumder | 13/06/1982 | A- | TR-01 |

Appendix 4.1 (contd.)
Statement showing issuance of two or more driving licences to same persons
(Reference: Paragraph 4.2.9.1) (Page No.162)

| (A) For same type of vehicles | | | | | | | |
|--|------------------|------------|-------------------------------|-----------------------------|------------|-----|-------|
| 49 | TR-0120070006870 | 11/01/2007 | Sri Sagartanu**Banik | Dr Shyamal**Krishna Banik | 16/02/1986 | A+ | TR-01 |
| 50 | TR-0120080003790 | 21/08/2008 | Sri Sagartanu**Banik | Dr Shyamal**Krishna Banik | 16/02/1986 | A+ | TR-01 |
| 51 | TR-0120060004154 | 14/06/2006 | Sri Swapan**Debnath | Sri Nepal**Debnath | 22/01/1975 | O+ | TR-01 |
| 52 | TR-0120060004491 | 17/07/2006 | Sri Swapan**Debnath | Sri Nepal**Debnath | 22/01/1975 | O+ | TR-01 |
| 53 | TR-0120070009894 | 06/07/2007 | Sri Utpal**Debray | Lt Satya*Bhusan*Debray | 05/03/1960 | AB+ | TR-01 |
| 54 | TR-0120100030317 | 15/06/2010 | Sri Utpal**Debray | Lt Satya*Bhusan*Debray | 05/03/1960 | AB+ | TR-01 |
| 55 | TR-0120060004875 | 11/08/2006 | Sri Uttam**Naha | Sri Jiban*Ch.*Naha | 04/07/1985 | O+ | TR-01 |
| 56 | TR-0120120065551 | 04/08/2012 | Sri Uttam**Naha | Sri Jiban*Ch.*Naha | 04/07/1985 | O+ | TR-01 |
| 57 | TR-0120020001964 | 27/06/2002 | Sri. Arunabha*Nandy* majumder | Sri Bhaskar*Nandy* Majumder | 15/05/1983 | O+ | TR-01 |
| 58 | TR-0120020001965 | 27/06/2002 | Sri Arunabha*Nandy* Majumder | Sri Bhaskar*Nandy* Majumder | 15/05/1983 | O+ | TR-01 |
| 59 | TR-0120060004142 | 14/06/2006 | Sujit**Das | Sri Man*Mohan*Das | 01/01/1978 | U | TR-01 |
| 60 | TR-0120060004216 | 15/06/2006 | Sujit**Das | Sri Man*Mohan*Das | 01/01/1978 | U | TR-01 |
| (B) For different types of vehicles | | | | | | | |
| 61 | TR-0120060004933 | 11/08/2006 | Abhimunya**Roy | Amarendra**Roy | 21/04/1986 | O- | TR-01 |
| 62 | TR-0120050000758 | 13/09/2005 | Abhimunya**Roy | Amarendra**Roy | 21/04/1986 | O- | TR-01 |
| 63 | TR-0420120010135 | 18/04/2012 | Ajit*Kr.*Das | Surjya*Kr.*Das | 15/01/1983 | B+ | TR-04 |
| 64 | TR-0420060003912 | 23/06/2006 | Ajit*Kr.*Das | Surjya*Kr.*Das | 15/01/1983 | B+ | TR-04 |
| 65 | TR-0120070010756 | 25/08/2007 | Litan**Mia | Eachab**Ali | 10/01/1988 | O- | TR-01 |
| 66 | TR-0120070011101 | 22/09/2007 | Litan**Mia | Eachab**Ali | 10/01/1988 | O- | TR-01 |
| 67 | TR-0420120009343 | 01/02/2012 | Mantu**Debbarma | Khelendra**Debbarma | 29/01/1992 | B+ | TR-04 |
| 68 | TR-0420110008664 | 16/11/2011 | Mantu**Debbarma | Khelendra**Debbarma | 29/01/1992 | B+ | TR-04 |
| 69 | TR-0320100008601 | 22/02/2010 | Mr Abhijit**Debnath | Sri Sukumar**Debnath | 17/05/1985 | B+ | TR-03 |
| 70 | TR-0320090005465 | 04/09/2009 | Mr Abhijit**Debnath | Sri Sukumar**Debnath | 17/05/1985 | B+ | TR-03 |
| 71 | TR-0320110021274 | 30/06/2011 | Mr Ramu**Das | Lt Priyalal**Das | 01/01/1987 | O+ | TR-03 |

Appendix 4.1 (contd.)
Statement showing issuance of two or more driving licences to same persons
(Reference: Paragraph 4.2.9.1) (Page No.162)

| (B) For different types of vehicles | | | | | | | |
|--|------------------|------------|------------------------|-------------------------|------------|-----|-------|
| 72 | TR-0320110021441 | 05/07/2011 | Mr Ramu**Das | Lt. Priyalal**Das | 01/01/1987 | O+ | TR-03 |
| 73 | TR-0320080002338 | 17/06/2008 | Mr Manik*Ch*Mallik | Lt .Kshitish*Ch.*Mallik | 12/11/1981 | A+ | TR-03 |
| 74 | TR-0320100008204 | 06/02/2010 | Mr Manik*Ch*Mallik | Lt. Kshitish*Ch.*Mallik | 12/11/1981 | A+ | TR-03 |
| 75 | TR-0320120027159 | 30/01/2012 | Mr Debasish**Gope | Sri Brajeswar**Gope | 05/04/1987 | O+ | TR-03 |
| 76 | TR-0320080002026 | 04/04/2008 | Mr Debasish**Gope | Sri Brajeswar**Gope | 05/04/1987 | O+ | TR-03 |
| 77 | TRB0220090001894 | 06/08/2009 | Mr Partha Sarathi**Deb | Sri Parimal*Ch.*Deb | 11/09/1989 | A+ | TRB02 |
| 78 | TRB0220070000523 | 26/12/2007 | Mr Partha Sarathi**Deb | Sri Parimal*Ch.*Deb | 11/09/1989 | A+ | TRB02 |
| 79 | TRA0220050003623 | 30/08/2005 | Mr Goutam**Das | Sri Gopal*Ch.*Das | 12/03/1983 | O+ | TRA02 |
| 80 | TRA0220100004761 | 18/11/2010 | Mr Goutam**Das | Sri Gopal*Ch.*Das | 12/03/1983 | O+ | TRA02 |
| 81 | TRA0220110005542 | 15/02/2011 | Mr Khokendra**Debnath | Lt. Bhuban*Ch.*Debnath | 03/06/1982 | B+ | |
| 82 | TRA0220120008914 | 06/03/2012 | Mr Khokendra**Debnath | Lt. Bhuban*Ch.*Debnath | 03/06/1982 | B+ | TRA02 |
| 83 | TRB0220110007266 | 22/07/2011 | Mr Ranjit**Malakar | Sri Rasendra**Malakar | 13/01/1989 | O+ | TRB02 |
| 84 | TRB0220100003197 | 01/06/2010 | Mr Ranjit**Malakar | Sri Rasendra**Malakar | 13/01/1989 | O+ | TRB02 |
| 85 | TRA0219950005459 | 07/02/1995 | Mr Santi**Marak | Lt. Mickel**Marak | 05/01/1973 | AB+ | TRA02 |
| 86 | TRA0220120008680 | 10/02/2012 | Mr Santi**Marak | Lt. Mickel**Marak | 05/01/1973 | AB+ | TRA02 |
| 87 | TR-0120050001950 | 19/12/2005 | Nirmal**Goswami | Sri Hari Gopal**Goswami | 04/12/1983 | B+ | TR-01 |
| 88 | TR-0120050001379 | 09/11/2005 | Nirmal**Goswami | Sri Hari Gopal**Goswami | 04/12/1983 | B+ | TR-01 |
| 89 | TR-0120120059109 | 13/03/2012 | Pranab**Sarkar | Brajendra**Sarkar | 15/11/1965 | B+ | TR-01 |
| 90 | TR-0120040057884 | 10/02/2004 | Pranab**Sarkar | Brajendra**Sarkar | 15/11/1965 | B+ | TR-01 |
| 91 | TR-0320080021779 | 23/07/2008 | Shyamal**Paul | Manindra**Paul | 02/01/1985 | A+ | TR-03 |
| 92 | TR-0320080022939 | 02/08/2008 | Shyamal**Paul | Manindra**Paul | 02/01/1985 | A+ | TR-03 |
| 93 | TR-0120060003450 | 07/04/2006 | Sri Shiben**Dhar | Sri Shishir*Kr.*Dhar | 10/12/1972 | B+ | TR-01 |
| 94 | TR-0120050001654 | 08/12/2005 | Sri Shiben**Dhar | Sri Shishir*Kr.*Dhar | 10/12/1972 | B+ | TR-01 |
| 95 | TR-0120070007690 | 22/02/2007 | Sri Amal**Das | Lt. Krishna*Kr.*Das | 22/04/1977 | B+ | TR-01 |
| 96 | TR-0120060005575 | 11/10/2006 | Sri Amal**Das | Lt. Krishna*Kr.*Das | 22/04/1977 | B+ | TR-01 |

Appendix 4.1 (contd.)
Statement showing issuance of two or more driving licences to same persons
(Reference: Paragraph 4.2.9.1) (Page No.162)

| (B) For different types of vehicles | | | | | | | |
|--|------------------|------------|------------------------|--------------------------|------------|----|-------|
| 97 | TR-0120090017827 | 27/11/2009 | Sri Biswajit**Majumder | Sri Sudhir*Ch.*Majumder | 02/01/1966 | B+ | TR-01 |
| 98 | TR-0120070009251 | 09/06/2007 | Sri Biswajit**Majumder | Sri Sudhir*Ch.*Majumder | 02/01/1966 | B+ | TR-01 |
| 99 | TR-0120070008284 | 04/04/2007 | Sri Chandan**Debnath | Sri Matilal**Debnath | 21/03/1977 | B+ | TR-01 |
| 100 | TR-0120050001394 | 09/11/2005 | Sri Chandan**Debnath | Sri Matilal**Debnath | 21/03/1977 | B+ | TR-01 |
| 101 | TR-0120080006085 | 25/11/2008 | Sri Dipak**Debnath | Hari Madhab**Debnath | 28/04/1989 | O+ | TR-01 |
| 102 | TR-0120080000979 | 11/03/2008 | Sri Dipak**Debnath | Hari Madhab**Debnath | 28/04/1989 | O+ | TR-01 |
| 103 | TR-0120080006174 | 28/11/2008 | Sri Dipankar**Das | Sri Dilip Kr.**Das | 26/01/1987 | O+ | TR-01 |
| 104 | TR-0120080004329 | 11/09/2008 | Sri Dipankar**Das | Sri Dilip Kr.**Das | 26/01/1987 | O+ | TR-01 |
| 105 | TR-0120060006297 | 30/11/2006 | Sri Goutam**Das | Lt. Ashutosh**Das | 15/01/1978 | B+ | TR-01 |
| 106 | TR-0120070007113 | 24/01/2007 | Sri Goutam**Das | Lt. Ashutosh**Das | 15/01/1978 | B+ | TR-01 |
| 107 | TR-0120100024269 | 16/03/2010 | Sri Jayanta**Debnath | Sri Jitendra*Ch.*Debnath | 10/12/1978 | B+ | TR-01 |
| 108 | TR-0120060006364 | 07/12/2006 | Sri Jayanta**Debnath | Sri Jitendra*Ch.*Debnath | 10/12/1978 | B+ | TR-01 |
| 109 | TR-0120090017371 | 19/11/2009 | Sri Jhutan*Nag* | Sri Kuntal*Kanti*Nag | 16/03/1988 | O+ | TR-01 |
| 110 | TR-0120100034306 | 31/08/2010 | Sri Jhutan*Nag* | Sri Kuntal*Kanti*Nag | 16/03/1988 | O+ | TR-01 |
| 111 | TR-0120080000928 | 11/03/2008 | Sri Khokan Ch.**Singha | Lt. Ratan Lal**Singha | 08/01/1969 | B+ | TR-01 |
| 112 | TR-0120070010945 | 14/09/2007 | Sri Khokan Ch.**Singha | Lt. Ratan Lal**Singha | 08/01/1969 | B+ | TR-01 |
| 113 | TR-0120100033645 | 18/08/2010 | Sri Manindra**Debnath | Sri Gopal*Ch*Debnath | 08/08/1975 | O+ | TR-01 |
| 114 | TR-0120100026279 | 13/04/2010 | Sri Manindra**Debnath | Sri Gopal*Ch*Debnath | 08/08/1975 | O+ | TR-01 |
| 115 | TR-0120100034401 | 01/09/2010 | Sri Rajesh**Karmakar | Sri Subhash**Karmakar | 06/05/1986 | B+ | TR-01 |
| 116 | TR-0120060002294 | 10/01/2006 | Sri Rajesh**Karmakar | Sri Subhash**Karmakar | 06/05/1986 | B+ | TR-01 |
| 117 | TR-0120100030781 | 21/06/2010 | Sri Rajkumar**Debbarma | Lt. Braja Lal**Debbarma | 08/08/1970 | B+ | TR-01 |
| 118 | TR-0120090010959 | 12/06/2009 | Sri Rajkumar**Debbarma | Lt. Braja Lal**Debbarma | 08/08/1970 | B+ | TR-01 |
| 119 | TR-0120100024736 | 22/03/2010 | Sri Sadip**Barman | Lt. Premananda**Barman | 04/08/1967 | B+ | TR-01 |
| 120 | TR-0120080005213 | 22/10/2008 | Sri Sadip**Barman | Lt. Premananda**Barman | 04/08/1967 | B+ | TR-01 |
| 121 | TR-0120070006932 | 12/01/2007 | Sri Sagar**Biswas | Sri Jitendra**Biswas | 07/09/1982 | O+ | TR-01 |
| 122 | TR-0120100026557 | 19/04/2010 | Sri Sagar**Biswas | Sri Jitendra**Biswas | 07/09/1982 | O+ | TR-01 |

Appendix 4.1 (concl.)
Statement showing issuance of two or more driving licences to same persons
(Reference: Paragraph 4.2.9.1) (Page No.162)

| (B) For different types of vehicles | | | | | | | |
|--|------------------|------------|----------------------------|--------------------------|------------|-----|-------|
| 123 | TR-0120090007615 | 06/02/2009 | Sri Santanu**Dey | Sri Sukumar**Dey | 02/01/1971 | A+ | TR-01 |
| 124 | TR-0120070009775 | 06/07/2007 | Sri Santanu**Dey | Sri Sukumar**Dey | 02/01/1971 | A+ | TR-01 |
| 125 | TR-0120100032032 | 13/07/2010 | Sri Shibsankar*Das* | Sri Krishna*Kamal*Das | 26/02/1990 | A+ | TR-01 |
| 126 | TR-0120100023696 | 09/03/2010 | Sri Shibsankar*Das* | Sri Krishna*Kamal*Das | 26/02/1990 | A+ | TR-01 |
| 127 | TR-0120070011454 | 15/10/2007 | Sri Suman**Das | Usha Ranjan**Das | 10/11/1986 | O+ | TR-01 |
| 128 | TR-0120080003603 | 12/08/2008 | Sri Suman**Das | Usha Ranjan**Das | 10/11/1986 | O+ | TR-01 |
| 129 | TR-0120080004522 | 19/09/2008 | Sri Surajit**Bhattacharjee | Dilip Ch.**Bhattacharjee | 03/02/1974 | A+ | TR-01 |
| 130 | TR-0120080000575 | 07/02/2008 | Sri Surajit**Bhattacharjee | Dilip Ch.**Bhattacharjee | 03/02/1974 | A+ | TR-01 |
| 131 | TRB0219900003687 | 24/05/1990 | Sri Tapash*Kanti*Debnath | Lt. Nemai*Kanti*Debnath | 06/12/1969 | AB+ | |
| 132 | TRB0220100004233 | 25/09/2010 | Sri Tapash*Kanti*Debnath | Lt. Nemai*Kanti*Debnath | 06/12/1969 | AB+ | TRB02 |

Appendix 4.2

Statement showing Improper mapping of business process rules in case of One Time Tax (OTT) for Private cars/ Two wheelers

(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd. date | Year of Mfg. | Purchase date | Maker/ Model | Sale Amt. | Receipt No. | Receipt date | Tax from date | Tax to date | Fine | Tax realised | Tax to be realised | Diff. |
|---------|------------|------------|--------------|---------------|-------------------------------|-----------|-------------|--------------|----------------------------|-------------|------|--------------|--------------------|--------------|
| 1 | TR01P 6430 | 31/12/2011 | 2011 | 20/12/2011 | PULSAR 180 DTSI ES UG 4 | 50000 | ZA85214 | 31/12/2011 | 01/12/2011 | 30/11/2026 | 100 | 1200 | 2200 | 1000 |
| 2 | TR01P 6586 | 10/01/2012 | 2011 | 03/01/2012 | MAHINDR A KINE | 35754 | ZA86498 | 10/01/2012 | 01/01/2012 | 31/12/2026 | 0 | 1000 | 2200 | 1200 |
| 3 | TR01P 6842 | 19/01/2012 | 2011 | 09/12/2011 | MAHINDR A KINE | 34859 | ZA87503 | 19/01/2012 | 01/12/2011 | 30/11/2026 | 0 | 1000 | 2200 | 1200 |
| 4 | TR01P 7905 | 16/02/2012 | 2011 | 10/02/2012 | MAHINDR A KINE | 35754 | ZA91295 | 16/02/2012 | 01/02/2012 | 31/01/2027 | 0 | 1000 | 2200 | 1200 |
| 5 | TR01P 8352 | 07/03/2012 | 2011 | 17/02/2012 | MAHINDR A KINE | 35754 | ZA94295 | 07/03/2012 | 01/02/2012 | 31/01/2027 | 0 | 1000 | 2200 | 1200 |
| 6 | TR01P 8693 | 21/03/2012 | 2011 | 21/02/2012 | MAHINDR A KINE | 35754 | ZA96353 | 21/03/2012 | 01/02/2012 | 31/01/2027 | 0 | 1000 | 2200 | 1200 |
| 7 | TR03D 5316 | 01/11/2011 | 2011 | 01/11/2011 | CBZ XTREME | 50000 | AA17332 | 01/11/2011 | 01/11/2011 | 31/10/2026 | 0 | 1100 | 2200 | 1100 |
| 8 | TR03D 5532 | 01/11/2011 | 2011 | 01/11/2011 | ACHIEVER | 50000 | AA17731 | 01/11/2011 | 01/11/2011 | 31/10/2026 | 0 | 1100 | 2200 | 1100 |
| 9 | TR03D 5565 | 01/11/2011 | 2011 | 01/11/2011 | TVS APACHE | 50000 | AA17704 | 01/11/2011 | 01/11/2011 | 31/10/2026 | 0 | 1100 | 2200 | 1100 |
| 10 | TR03D 7707 | 22/05/2012 | 2011 | 06/03/2012 | MAHINDR A KINE | 35754 | AA27281 | 22/05/2012 | 01/03/2012 | 28/02/2027 | 100 | 1100 | 2200 | 1100 |
| | | | | | | | | (A) | TOTAL (TWO WHEELER) | | | 10600 | 22000 | 11400 |
| 11 | TR01AC0504 | 07/12/2011 | 2011 | 30/11/2011 | OMINI E | 350000 | ZA81374 | 07/12/2011 | 01/11/2011 | 31/10/2026 | 1350 | 4100 | 4800 | 700 |
| 12 | TR01AC0566 | 16/12/2011 | 2011 | 12/12/2011 | CHEVROL TE AVEOU / VA | 473658 | ZA82660 | 16/12/2011 | 01/12/2011 | 30/11/2026 | 1350 | 4100 | 4800 | 700 |
| 13 | TR01AC0589 | 19/12/2011 | 2011 | 21/11/2011 | ALTO STD | 350000 | ZA82953 | 19/12/2011 | 01/11/2011 | 31/10/2026 | 1350 | 4100 | 4800 | 700 |
| 14 | TR01AC0601 | 20/12/2011 | 2011 | 30/11/2011 | OMNI E MPI STD BS III | 350000 | ZA83080 | 20/12/2011 | 01/11/2011 | 31/10/2026 | 1350 | 4100 | 4800 | 700 |

Appendix 4.2 (concl.)

Statement showing Improper mapping of business process rules in case of One Time Tax (OTT) for Private cars/ Two wheelers

(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd. date | Year of Mfg. | Purchase date | Maker/ Model | Sale Amt. | Receipt No. | Receipt date | Tax from date | Tax to date | Fine | Tax realised | Tax to be realised | Diff. |
|---------|------------|------------|--------------|---------------|--------------------------|-----------|-------------|--------------|----------------------------|-------------|------|--------------|--------------------|--------------|
| 15 | TR01AC0605 | 19/12/2011 | 2011 | 21/11/2011 | ALTO STD | 350000 | ZA82960 | 19/12/2011 | 01/11/2011 | 31/10/2026 | 1350 | 4100 | 4800 | 700 |
| 16 | TR01AD0352 | 09/02/2012 | 2007 | 28/02/2007 | BOLERO GLX | 600000 | ZA90475 | 09/02/2012 | 01/02/2012 | 31/01/2027 | 0 | 4100 | 6900 | 2800 |
| 17 | TR01AF0333 | 27/03/2012 | 2011 | 02/03/2012 | INDICA VISTA AQUA SAFIRE | 381824 | ZA99447 | 11/04/2012 | 01/03/2012 | 28/02/2027 | 12 | 4112 | 4800 | 688 |
| 18 | TR03E 0363 | 02/01/2012 | 2011 | 30/12/2011 | MARUTI WAGON RLXICNGB S4 | 434775 | AA20657 | 02/01/2012 | 01/12/2011 | 30/11/2026 | 1350 | 4100 | 4800 | 700 |
| | | | | | | | | (B) | TOTAL (PVT VEHICLE) | | | 32812 | 40500 | 7688 |
| | | | | | | | | | GRAND TOTAL (A + B) | | | 43412 | 62500 | 19088 |

Appendix 4.3

Statement showing short realisation of taxes in case of quarterly/yearly tax due to improper mapping of business process rules

(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd. date | Purchase date | Year of Mfg. | Laden Weight | Maker/ Model | Vehicle Type | Tax from date | Tax to date | Fine realised | Tax realised | Annual Tax | Tax to be realised | Short realised |
|---------|------------|------------|---------------|--------------|--------------|--------------------------|---------------|---------------|-------------|---------------|--------------|------------|--------------------|----------------|
| 1 | TR01C 0538 | 04/05/2000 | 21/04/2000 | 1999 | 42500 | CARGO 1312 | Goods Carrier | 01/10/2012 | 30/09/2013 | 0 | 8125 | 13135 | 13135 | 5010 |
| 2 | TR01C 0540 | 05/05/2000 | 21/04/2000 | 1999 | 40650 | CARGO 1312 | Goods Carrier | 01/10/2012 | 30/09/2013 | 0 | 8125 | 12672.5 | 12673 | 4548 |
| 3 | TR04 1922 | 01/08/2010 | 01/01/2009 | 2005 | 34500 | TATA LPS-3015EX / 32 | Goods Carrier | 01/08/2012 | 31/01/2013 | 525 | 2625 | 11135 | 5568 | 2943 |
| 4 | TRQ 0117 | 13/12/1992 | 01/12/1992 | 1987 | 26416 | CARGO 100.12 TRUCK | Goods Carrier | 01/04/2012 | 31/03/2013 | 0 | 8625 | 9114 | 9114 | 489 |
| 5 | TRL 1024 | 25/06/1968 | 11/06/1968 | 1968 | 25353 | TATA LPT 1613 | Goods Carrier | 01/07/2012 | 31/12/2012 | 0 | 2625 | 8848.25 | 4424 | 1799 |
| 6 | TR04 1884 | 20/05/2010 | 01/01/2010 | 2006 | 25000 | LPK 2516 TIPPER | Goods Carrier | 01/01/2012 | 31/12/2012 | 1235 | 5435 | 8760 | 8760 | 3325 |
| 7 | TR01G 1747 | 01/01/2001 | 01/01/2001 | 2001 | 21200 | TRUCK | Goods Carrier | 01/02/2012 | 31/01/2013 | 0 | 5250 | 7810 | 7810 | 2560 |
| 8 | TRL 0771 | 09/11/1965 | 02/11/1965 | 1965 | 19000 | LP 709/E AND LP 709/E/34 | Goods Carrier | 01/08/2012 | 31/01/2013 | 0 | 2100 | 7260 | 3630 | 1530 |
| 9 | TR04A 1535 | 20/02/1990 | 01/01/1990 | 1990 | 18500 | TRUCK | Goods Carrier | 01/12/2011 | 30/11/2012 | 1050 | 5250 | 7135 | 7135 | 1885 |
| 10 | TR01B 1711 | 03/04/2002 | 10/01/1982 | 1981 | 16600 | NOT AVAILABL E | Goods Carrier | 01/01/2012 | 31/12/2012 | 1050 | 5250 | 6660 | 6660 | 1410 |
| 11 | TRL 3584 | 22/04/1987 | 06/03/1987 | 1974 | 16500 | TATA DIESEL | Goods Carrier | 01/01/2012 | 31/12/2012 | 1050 | 5250 | 6635 | 6635 | 1385 |
| 12 | TR02 1688 | 29/11/1999 | 02/11/1999 | 1999 | 16220 | TATA 407/31 TRUCK | Goods Carrier | 01/12/2011 | 31/05/2012 | 525 | 2625 | 6565 | 3283 | 658 |
| 13 | TRL 1282 | 27/05/1971 | 04/05/1971 | 1971 | 16210 | LP 709/E AND LP 709/E/34 | Goods Carrier | 01/01/2012 | 31/12/2012 | 1050 | 5250 | 6562.5 | 6563 | 1313 |

Appendix 4.3 (contd.)

Statement showing short realisation of taxes in case of quarterly/yearly tax due to improper mapping of business process rules

(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd date | Purchase date | Year of Mfg. | Laden Weight | Maker/ Model | Vehicle Type | Tax from date | Tax to date | Fine realised | Tax realised | Annual Tax | Tax to be realised | Short realised |
|---------|------------|------------|---------------|--------------|--------------|-----------------------------|---------------|---------------|-------------|---------------|--------------|------------|--------------------|----------------|
| 14 | TR01A 1574 | 22/08/1997 | 25/06/1997 | 1997 | 16200 | 1612 SE | Goods Carrier | 01/04/2012 | 30/09/2012 | 0 | 2100 | 5250 | 2625 | 525 |
| 15 | TR01F 1628 | 29/06/2006 | 31/03/2006 | 0 | 16200 | SK1613 COALCAR RIERVERSI ON | Goods Carrier | 01/04/2012 | 31/03/2013 | 0 | 2625 | 5250 | 5250 | 2625 |
| 16 | TR03 1548 | 11/03/1998 | 01/03/1998 | 1998 | 16200 | TATA 2213 TRUCK | Goods Carrier | 01/01/2012 | 31/12/2012 | 0 | 4200 | 5250 | 5250 | 1050 |
| 17 | TR03 1869 | 25/11/2005 | 31/10/2005 | 2005 | 16200 | TATA LPT 1613 | Goods Carrier | 01/01/2012 | 31/12/2012 | 0 | 4200 | 5250 | 5250 | 1050 |
| 18 | TR03B 1510 | 08/12/2008 | 06/11/2008 | 2008 | 16200 | SK 1613/36 TC TIPPER | Goods Carrier | 01/11/2011 | 31/10/2012 | 0 | 4200 | 5250 | 5250 | 1050 |
| 19 | TR03B 1754 | 24/11/2009 | 14/11/2009 | 2009 | 16200 | SK 1613/36 TC TIPPER | Goods Carrier | 01/11/2011 | 31/10/2012 | 0 | 4200 | 5250 | 5250 | 1050 |
| 20 | TRL 3724 | 14/10/1988 | 06/10/1988 | 1973 | 15600 | TATA DIESEL | Goods Carrier | 01/01/2012 | 31/12/2012 | 0 | 4200 | 5250 | 5250 | 1050 |
| 21 | TR01B 1671 | 24/12/2001 | 04/10/1982 | 1980 | 15500 | SE 1210 | Goods Carrier | 01/04/2012 | 30/09/2012 | 0 | 2100 | 5250 | 2625 | 525 |
| 22 | TR01C 1725 | 20/11/2003 | 12/11/1982 | 1982 | 15500 | | Goods Carrier | 01/01/2012 | 31/12/2013 | 0 | 8400 | 5250 | 10500 | 2100 |
| 23 | TRL 0922 | 01/03/1967 | 15/02/1967 | 1967 | 15500 | LP 709/E AND LP 709/E/34 | Goods Carrier | 01/01/2012 | 31/12/2012 | 2100 | 4200 | 5250 | 5250 | 1050 |
| 24 | TRL 2199 | 30/09/1977 | 08/09/1977 | 1977 | 15500 | SE 1210 | Goods Carrier | 01/04/2012 | 31/03/2013 | 0 | 4200 | 5250 | 5250 | 1050 |
| 25 | TRL 3201 | 09/07/1982 | 05/06/1982 | 1982 | 15500 | SE 1210 | Goods Carrier | 01/04/2012 | 30/09/2012 | 0 | 2100 | 5250 | 2625 | 525 |
| 26 | TRL 3593 | 28/04/1987 | 07/03/1987 | 1987 | 15500 | TATA DIESEL | Goods Carrier | 01/01/2012 | 31/12/2012 | 0 | 4200 | 5250 | 5250 | 1050 |
| 27 | TRL 3943 | 02/02/1990 | 08/01/1990 | 1990 | 15500 | TATA DIESEL | Goods Carrier | 01/01/2012 | 31/12/2012 | 2100 | 4200 | 5250 | 5250 | 1050 |

Appendix 4.3 (contd.)

Statement showing short realisation of taxes in case of quarterly/yearly tax due to improper mapping of business process rules

(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd date | Purchase date | Year of Mfg. | Laden Weight | Maker/ Model | Vehicle Type | Tax from date | Tax to date | Fine realised | Tax realised | Annual Tax | Tax to be realised | Short realised |
|---------|------------|------------|---------------|--------------|--------------|----------------------------|---------------|---------------|-------------|---------------|--------------|------------|--------------------|----------------|
| 28 | TR03 1521 | 04/12/1996 | 10/11/1996 | 1996 | 15200 | LP 1510/52 TURBO | Goods Carrier | 01/01/2012 | 31/12/2012 | 0 | 4200 | 5250 | 5250 | 1050 |
| 29 | TRL 2497 | 11/07/1979 | 09/05/1979 | 1979 | 12210 | SE 1210 | Goods Carrier | 01/01/2012 | 31/12/2012 | 525 | 2625 | 5250 | 5250 | 2625 |
| 30 | TRL 6018 | 20/03/1989 | 20/03/1989 | 1989 | 12210 | SE 1210 | Goods Carrier | 01/02/2012 | 31/01/2013 | 0 | 4200 | 5250 | 5250 | 1050 |
| 31 | TR01E 0836 | 16/01/2010 | 11/06/2009 | 2009 | 12180 | SA 1212 TC 42 | Goods Carrier | 01/06/2012 | 31/05/2013 | 0 | 2625 | 5250 | 5250 | 2625 |
| 32 | TR01E 0837 | 16/01/2010 | 11/06/2009 | 2009 | 12180 | SA 1212 TC 42 | Goods Carrier | 01/06/2012 | 31/05/2013 | 0 | 2625 | 5250 | 5250 | 2625 |
| 33 | TR02B 1523 | 13/05/2002 | 05/01/2005 | 2004 | 12180 | LPT 1510 E/42 | Goods Carrier | 01/11/2011 | 31/10/2012 | 525 | 2625 | 5250 | 5250 | 2625 |
| 34 | TR02B 1504 | 12/09/1999 | 11/06/1999 | 1999 | 12100 | | Goods Carrier | 01/02/2012 | 31/01/2013 | 525 | 2625 | 5250 | 5250 | 2625 |
| 35 | TR03A 1759 | 18/03/2008 | 01/02/2008 | 2008 | 9600 | LPK 909/27 EX TIPPER BS II | Goods Carrier | 01/02/2012 | 31/01/2013 | 0 | 2100 | 2625 | 2625 | 525 |
| 36 | TRL 7110 | 28/08/1991 | 07/08/1991 | 1989 | 8800 | SE 1210 | Goods Carrier | 01/04/2012 | 31/03/2013 | 0 | 1620 | 2625 | 2625 | 1005 |
| 37 | TR03A 1717 | 29/12/2007 | 22/12/2007 | 2007 | 8720 | LP 709/38 EX COWL | Goods Carrier | 01/12/2011 | 30/11/2012 | 270 | 1620 | 2625 | 2625 | 1005 |
| 38 | TR03A 1925 | 07/11/2008 | 01/02/2001 | 2001 | 7850 | TATA 608/37 | Goods Carrier | 01/12/2011 | 30/11/2012 | 270 | 1620 | 2625 | 2625 | 1005 |
| 39 | TR02D 1637 | 24/01/2011 | 31/12/2009 | 2009 | 7750 | TATA 909 | Goods Carrier | 01/02/2012 | 31/01/2013 | 270 | 1620 | 2625 | 2625 | 1005 |
| 40 | TR02D 1638 | 24/01/2011 | 07/12/2009 | 2009 | 7750 | TATA 909 | Goods Carrier | 01/02/2012 | 31/01/2013 | 270 | 1620 | 2625 | 2625 | 1005 |
| 41 | TR02D 1639 | 24/01/2011 | 31/12/2009 | 2009 | 7750 | TATA 909 | Goods Carrier | 01/02/2012 | 31/01/2013 | 270 | 1620 | 2625 | 2625 | 1005 |
| 42 | TR01B 1922 | 12/12/2002 | 09/06/2002 | 2002 | 7500 | TATA LOP 1313 | Goods Carrier | 01/04/2012 | 31/03/2013 | 0 | 900 | 1620 | 1620 | 720 |

Appendix 4.3 (contd.)

Statement showing short realisation of taxes in case of quarterly/yearly tax due to improper mapping of business process rules

(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd. date | Purchase date | Year of Mfg. | Laden Weight | Maker/ Model | Vehicle Type | Tax from date | Tax to date | Fine realised | Tax realised | Annual Tax | Tax to be realised | Short realised |
|---------|------------|------------|---------------|--------------|--------------------|--------------------------------|---------------|-------------------------------|-------------|---------------|---------------|------------|--------------------|----------------|
| 43 | TR03A 1750 | 19/02/2008 | 15/02/2008 | 2008 | 7490 | SFC 709/38 CLB EX BSII | Goods Carrier | 01/02/2012 | 31/01/2013 | 0 | 1350 | 1620 | 1620 | 270 |
| 44 | TR03B 1799 | 29/01/2010 | 22/01/2010 | 2010 | 7490 | SFC 709/38 CLB EX BSII | Goods Carrier | 01/01/2012 | 31/12/2012 | 0 | 1350 | 1620 | 1620 | 270 |
| 45 | TR03 1780 | 17/11/2004 | 02/11/2004 | 2004 | 7250 | LP 709/38 EX COWL | Goods Carrier | 01/11/2011 | 31/10/2012 | 0 | 1350 | 1620 | 1620 | 270 |
| 46 | TR03 1884 | 07/02/2006 | 31/01/2006 | 2006 | 7250 | LP 709/38 EX COWL | Goods Carrier | 01/04/2012 | 31/03/2013 | 0 | 1350 | 1620 | 1620 | 270 |
| 47 | TR04 1736 | 10/01/2008 | 14/12/2007 | 2007 | 7250 | SFC 709/38 CLB EX BSII | Goods Carrier | 01/12/2011 | 31/01/2014 | 0 | 2925 | 1620 | 3240 | 315 |
| 48 | TR01C 1501 | 22/01/2003 | 21/10/1992 | 1992 | 6000 | TATA DIESEL | Goods Carrier | 01/12/2011 | 28/02/2013 | 180 | 1305 | 1620 | 2025 | 720 |
| 49 | TR02 1532 | 22/12/1992 | 15/12/1992 | 1992 | 6000 | TATA 608/34 | Goods Carrier | 01/01/2012 | 31/12/2012 | 150 | 900 | 1620 | 1620 | 720 |
| 50 | TR01U 1718 | 07/08/2012 | 02/08/2012 | 2012 | 5700 | SFC407/31 CLB | Goods Carrier | 01/08/2012 | 31/07/2014 | 0 | 1200 | 1620 | 3240 | 2040 |
| 51 | TR03A 1536 | 14/02/2007 | 24/01/2007 | 2007 | 5700 | SFC407/31 CLB EX BSII HD | Goods Carrier | 01/01/2012 | 31/12/2012 | 0 | 1350 | 1620 | 1620 | 270 |
| 52 | TR03D 1654 | 29/05/2012 | 25/05/2012 | 2012 | 4600 | MAHINDR A DI 3200 BS3 | Goods Carrier | 01/05/2012 | 30/04/2014 | 0 | 1200 | 900 | 1800 | 600 |
| | | | | | | | | TOTAL GOODS CARRIER(A) | | | 170185 | | 243033 | 72848 |
| | | | | | SAL AMT | | | | | | | | | |

Appendix 4.3 (contd.)
Statement showing short realisation of taxes in case of quarterly/yearly tax due to improper mapping of business process rules
(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd. date | Purchase date | Year of Mfg. | Laden Weight | Maker/ Model | Vehicle Type | Tax from date | Tax to date | Fine realised | Tax realised | Annual Tax | Tax to be realised | Short realised |
|---------|------------|------------|---------------|--------------|--------------|-------------------------------|--------------|---------------|-------------|---------------|--------------|------------|--------------------|----------------|
| 53 | TR01G 0680 | 17/07/2003 | 27/02/2003 | 2003 | 350000 | MARUTI GYPSY | Private | 01/02/2012 | 31/01/2017 | 675 | 2050 | 480 | 2400 | 350 |
| 54 | TR01G 0682 | 17/07/2003 | 27/02/2003 | 2003 | 350000 | MARUTI GYPSY | Private | 01/02/2012 | 31/01/2017 | 675 | 2050 | 480 | 2400 | 350 |
| 55 | TR01M 0346 | 18/11/2005 | 15/03/2005 | 2002 | 350000 | MARUTI 800 | Private | 01/01/2012 | 31/12/2016 | 685 | 2060 | 480 | 2400 | 340 |
| 56 | TR01Q 0445 | 18/08/2007 | 25/06/2007 | 2000 | 350000 | MARUTI OMNI E MPI STD AND VAR | Private | 01/06/2012 | 31/05/2017 | 41 | 2091 | 480 | 2400 | 309 |
| 57 | TR02 0606 | 24/01/2000 | 10/12/1999 | 1999 | 350000 | MARUTI 800 | Private | 01/03/2012 | 28/02/2017 | 675 | 2050 | 480 | 2400 | 350 |
| 58 | TR02 0643 | 23/12/2000 | 23/12/2000 | 2000 | 350000 | MARUTI 800 | Private | 01/03/2012 | 28/02/2015 | 405 | 1230 | 480 | 1440 | 210 |
| 59 | TR02B 0214 | 31/01/2000 | 02/01/2004 | 2004 | 350000 | MARUTI GYPSY | Private | 01/11/2011 | 31/10/2012 | 0 | 275 | 480 | 480 | 205 |
| 60 | TR03 0305 | 29/01/2000 | 15/01/2000 | 1994 | 350000 | MARUTI 800 | Private | 01/01/2012 | 31/12/2014 | 405 | 1230 | 480 | 1440 | 210 |
| 61 | TR03 0850 | 31/01/1997 | 15/01/1997 | 1996 | 350000 | MARUTI GYPYSY - HARD UP | Private | 01/01/2012 | 31/12/2016 | 675 | 2050 | 480 | 2400 | 350 |
| 62 | TR03A 0245 | 10/11/2004 | 05/12/1986 | 1986 | 350000 | MARUTI 800 | Private | 01/11/2011 | 31/10/2016 | 757 | 2132 | 480 | 2400 | 268 |
| 63 | TR03A 0356 | 06/05/2005 | 11/12/2002 | 1993 | 350000 | MARUTI 800 | Private | 01/12/2011 | 30/11/2016 | 675 | 2050 | 480 | 2400 | 350 |
| 64 | TR04A 0205 | 05/02/2010 | 01/11/2009 | 2003 | 350000 | MARUTI OMNI LMV/OB | Private | 01/11/2011 | 31/10/2013 | 50 | 600 | 480 | 960 | 360 |
| 65 | TR01Q 0212 | 01/06/2007 | 25/01/2007 | 2007 | 570935 | BOL LX | Private | 01/01/2012 | 31/12/2012 | 205 | 480 | 690 | 690 | 210 |
| 66 | TR01M 0502 | 17/01/2006 | 22/06/2005 | 2005 | 600000 | BOLERO GLX | Private | 01/06/2012 | 31/05/2017 | 0 | 2050 | 690 | 3450 | 1400 |

Appendix 4.3 (concl.)

Statement showing short realisation of taxes in case of quarterly/yearly tax due to improper mapping of business process rules

(Reference: Paragraph 4.2.13.4) (Page No.168)

(Amounts in ₹)

| Sl. No. | Regd. No. | Regd. date | Purchase date | Year of Mfg. | Laden Weight | Maker/ Model | Vehicle Type | Tax from date | Tax to date | Fine realised | Tax realised | Annual Tax | Tax to be realised | Short realised |
|------------------------------|------------|------------|---------------|--------------|--------------|-------------------------|--------------|---------------|-------------|---------------|---------------|------------|--------------------|----------------|
| 67 | TR01N 0519 | 19/08/2006 | 30/04/2006 | 2006 | 600000 | BOLERO GLX | Private | 01/04/2012 | 31/03/2013 | 0 | 410 | 690 | 690 | 280 |
| 68 | TR01AF0201 | 29/03/2006 | 29/03/2006 | 2005 | 650000 | INDICA DLS V2 BSII | Private | 01/08/2012 | 31/07/2017 | 0 | 2050 | 690 | 3450 | 1400 |
| 69 | TR01H 0349 | 14/10/2003 | 21/03/2003 | 2003 | 724609 | MAHINDIA NC 665 DP JEEP | Private | 01/03/2012 | 28/02/2017 | 675 | 2050 | 690 | 3450 | 1400 |
| 70 | TR02A 0410 | 27/08/2003 | 02/08/2003 | 2003 | 724609 | COMMAA NDER 655 D12WD | Private | 01/04/2012 | 31/03/2013 | 0 | 480 | 690 | 690 | 210 |
| 71 | TRA 1913 | 03/04/1980 | 08/03/1980 | 1980 | 724609 | COMMAA NDER 655 D12WD | Private | 01/04/2012 | 31/03/2013 | 0 | 480 | 690 | 690 | 210 |
| TOTAL PRIVATE CAR (B) | | | | | | | | | | | 27868 | | 36630 | 8762 |
| GRAND TOTAL (A+B) | | | | | | | | | | | 198053 | | 279663 | 81610 |

Appendix 4.4
Statement showing short levy of VAT, interest and penalty due to concealment of turnover by the dealers and incorrect application of taxable rates
(Reference: Paragraph 4.3) (Page No.171)

(₹ in lakh)

| Sl. No. | Name of the dealer | No. of assessment cases | Period of assessment | Date of assessment | Amount of Concealment of turnover ¹ | Amount on which incorrect application of taxable rates was made ² | Short levy | | | Total | Remarks |
|--|--------------------|-------------------------|----------------------|--------------------|--|--|----------------|----------|---------|-------|---|
| | | | | | | | Sales Tax/ VAT | Interest | Penalty | | |
| 1. Superintendent of Taxes, Charge-I, Agartala | | | | | | | | | | | |
| 1. | Gita Rani Stores | 1 | 2005-06 | 21.02.11 | 0.54 | 21.31 | 1.88 | 1.55 | 0.19 | 3.62 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| | | 2 | 2006-07 | | | | | | | | |
| 2. | Basak & Sons | 3 | 2005-06 | 31.01.11 | 5.45 | -- | 0.68 | 0.58 | 1.02 | 2.28 | -do- |
| | | 4 | 2006-07 | | | | | | | | |
| | | 5 | 2007-08 | | | | | | | | |
| | | 6 | 2008-09 | | | | | | | | |
| 3. | Nath Brothers | 7 | 2005-06 | 30.11.11 | 1.28 | 6.15 | 0.68 | 0.70 | -- | 1.38 | AA has stated that assessment period of 2005-06 became time barred on 01-04-2011, hence assessment of the dealer for the year 2005-06 could not taken up by the AA, moreover as per provision of TVAT Act, 2004 assessment of each dealer is not mandatory. |
| 2. Superintendent of Taxes, Charge-II, Agartala | | | | | | | | | | | |
| 4. | Kiran Enterprise | 8 | 2007-08 | 25.10.11 | -- | 14.31 | 1.22 | 0.49 | -- | 1.71 | The AA stated that in course of re-assessment no discrepancy in purchase value was found except some discrepancy in freight charge. Accordingly, additional demand of ₹ 0.02 lakh and ₹ 0.27 lakh raised for the years 2007-08 and 2009-10 has been realised. |
| | | 9 | 2009-10 | | | | | | | | |

¹ Taxable @ 12.5%² Tax deposited@4% instead of 12.5% i.e. 8.5% short deposited by the dealer

Appendix 4.4 (contd.)
Statement showing short levy of VAT, interest and penalty due to concealment of turnover by the dealers and incorrect application of taxable rates
(Reference: Paragraph 4.3) (Page No.171)

(₹ in lakh)

| Sl. No. | Name of the dealer | No. of assessment cases | Period of assessment | Date of assessment | Amount of Concealment of turnover ³ | Amount on which incorrect application of taxable rates was made ⁴ | Short levy | | | Total | Remarks |
|---|--------------------------|-------------------------|----------------------|--------------------|--|--|----------------|----------|---------|-------|--|
| | | | | | | | Sales Tax/ VAT | Interest | Penalty | | |
| 5. | Ramkrishna Varieties | 10 | 2005-06 | 26.04.11 | 1.88 | 6.53 | 0.79 | 0.72 | -- | 1.51 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| 6. | Cementation Industries | 11 | 2005-06 | 15.12.11 | 4.03 | -- | 0.50 | 0.53 | -- | 1.03 | -do- |
| 7. | Maa Tara Stores | 12 | 2008-09 | 08.12.10 | 0.07 | 4.50 | 0.39 | 0.06 | -- | 0.45 | -do- |
| | | 13 | 2009-10 | | | | | | | | |
| 8. | S.M.Traders | 14 | 2005-06 | 29.04.11 | 5.23 (4%) | -- | 0.21 | 0.19 | -- | 0.40 | -do- |
| 9. | New Chandra | 15 | 2005-06 | 24.03.11 | -- | 0.87 | 0.07 | 0.07 | -- | 0.14 | -do- |
| 3. Superintendent of Taxes, Charge-III, Agartala | | | | | | | | | | | |
| 10 | Maa Santoshi Electronics | 16 | 2005-06 | 23.03.11 | 2.40 | 53.67 | 4.87 | 2.32 | -- | 7.19 | -do- |
| | | 17 | 2006-07 | | | | | | | | |
| | | 18 | 2007-08 | | | | | | | | |
| | | 19 | 2008-09 | | | | | | | | |
| | | 20 | 2009-10 | | | | | | | | |
| 11. | N.G. Foot ware | 21 | 2005-06 | 28.02.11 | -- | 38.28 | 3.25 | 1.53 | -- | 4.78 | -do- |
| | | 22 | 2006-07 | | | | | | | | |
| | | 23 | 2007-08 | | | | | | | | |
| | | 24 | 2008-09 | | | | | | | | |
| | | 25 | 2009-10 | | | | | | | | |
| 12. | Kanika Enterprise | 26 | 2005-06 | 07.06.11 | 6.06 | 10.86 | 1.68 | 1.62 | | 3.30 | -do- |

³ Taxable @ 12.5%

⁴ Tax deposited@4% instead of 12.5% i.e. 8.5% short deposited by the dealer

Appendix 4.4 (contd.)
Statement showing short levy of VAT, interest and penalty due to concealment of turnover by the dealers and incorrect application of taxable rates
(Reference: Paragraph 4.3) (Page No.171)

(₹ in lakh)

| Sl. No. | Name of the dealer | No. of assessment cases | Period of assessment | Date of assessment | Amount of Concealment of turnover ⁵ | Amount on which incorrect application of taxable rates was made ⁶ | Short levy | | | Total | Remarks |
|--|---------------------------|-------------------------|----------------------|--------------------|--|--|----------------|----------|---------|-------|--|
| | | | | | | | Sales Tax/ VAT | Interest | Penalty | | |
| 13. | Saha Cycle Stores | 27 | 2005-06 | 07.08.11 | 23.69(@4%) | -- | 0.95 | 0.37 | | 1.32 | -do- |
| | | 28 | 2006-07 | | | | | | | | |
| | | 29 | 2007-08 | | | | | | | | |
| | | 30 | 2008-09 | | | | | | | | |
| | | 31 | 2009-10 | | | | | | | | |
| 14. | N.C. Das | 32 | 2005-06 | 14.01.11 | 3.70(@4%) | -- | 0.15 | 0.16 | -- | 0.31 | -do- |
| 15. | Padasova | 33 | 2008-09 | 14.07.11 | 1.60 | -- | 0.20 | 0.08 | -- | 0.28 | -do- |
| 4. Superintendent of Taxes, Charge-V, Agartala | | | | | | | | | | | |
| 16. | Barak Valley Cements Ltd. | 34 | 2005-06 | 29.11.10 | 12.81 | -- | 1.60 | 1.36 | 0.17 | 3.13 | The case is Sub-Judice in the Court of the Revisional authority. |
| 17. | Biswakarma Trading Co. | 35 | 2005-06 | 30.07.10 | 1.19 | 17.95 | 1.67 | 1.26 | 0.17 | 3.10 | -do- |
| 5. Superintendent of Taxes, Charge-VI, Agartala | | | | | | | | | | | |
| 18. | Wimco Ltd | 36 | 2005-06 | 23.03.11 | 1.42 (0.26 @4% & 1.16 @12.5%) | -- | 0.16 | 0.13 | 0.02 | 0.31 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| 6. Superintendent of Taxes, Charge-VIII, Agartala | | | | | | | | | | | |
| 19. | Basundara Enterprise | 37 | 2009-10 | 30.03.12 | 1.27 | -- | 0.16 | 0.05 | 0.03 | 0.24 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| | | 38 | 2010-11 | | | | | | | | |

⁵ Taxable @ 12.5%⁶ Tax deposited@4% instead of 12.5%i.e. 8.5% short deposited by the dealer

Appendix 4.4 (contd.)
Statement showing short levy of VAT, interest and penalty due to concealment of turnover by the dealers and incorrect application of taxable rates
(Reference: Paragraph 4.3) (Page No.171)

(₹ in lakh)

| Sl. No. | Name of the dealer | No. of assessment cases | Period of assessment | Date of assessment | Amount of Concealment of turnover ⁷ | Amount on which incorrect application of taxable rates was made ⁸ | Short levy | | | Total | Remarks |
|--|-------------------------|-------------------------|----------------------|--------------------|--|--|----------------|----------|---------|-------|--|
| | | | | | | | Sales Tax/ VAT | Interest | Penalty | | |
| 20. | Maa Automobiles Service | 39 | 2006-07 | 27.02.12 | 2.56(0.41 @4% & 2.15 @12.5%) | -- | 0.30 | 0.22 | 0.08 | 0.59 | -do- |
| | | 40 | 2007-08 | | | | | | | | |
| | | 41 | 2009-10 | | | | | | | | |
| | | 42 | 2010-11 | | | | | | | | |
| 21. | R.K.Trade & Agencies | 43 | 2007-08 | 29.05.11 | 3.00 | -- | 0.37 | 0.27 | 0.11 | 0.75 | -do- |
| | | 44 | 2009-10 | | | | | | | | |
| | | 45 | 2010-11 | | | | | | | | |
| 7. Superintendent of Taxes, Ambassa | | | | | | | | | | | |
| 22. | Life Style | 46 | 2008-09 | 10.08.11 | 1.96 | -- | 0.25 | 0.10 | 0.02 | 0.37 | ₹ 0.17 lakh has been realised, result of realization of balance dues will be intimated in due course. |
| 8. Superintendent of Taxes, Teliamura | | | | | | | | | | | |
| 23. | Lisha Varieties | 47 | 2009-10 | 29.10.11 | 11.22 | 2.02 | 1.57 | 0.40 | 1.48 | 3.45 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| | | 48 | 2010-11 | | | | | | | | |
| 24. | Paul Textile | 49 | 2005-06 | 25.04.11 | 10.86 | 11.60 | 2.34 | 0.98 | - | 3.31 | ₹ 0.25 lakh has been realised, result of realization of balance dues will be intimated in due course. |
| | | 50 | 2006-07 | | | | | | | | |
| | | 51 | 2007-08 | | | | | | | | |
| | | 52 | 2008-09 | | | | | | | | |
| 25. | Hindustan Traders | 53 | 2009-10 | 23.02.11 | 1.83 | -- | 0.23 | 0.18 | -- | 0.41 | Recovered ₹ 0.41 lakh by the AA. |
| | | 54 | 2005-06 | | | | | | | | |
| | | 55 | 2008-09 | | | | | | | | |
| | | 56 | 2009-10 | | | | | | | | |

⁷ Taxable @ 12.5%

⁸ Tax deposited @4% instead of 12.5% i.e. 8.5% short deposited by the dealer

Appendix 4.4 (concl.)
Statement showing short levy of VAT, interest and penalty due to concealment of turnover by the dealers and incorrect application of taxable rates
(Reference: Paragraph 4.3) (Page No.171)

(₹ in lakh)

| Sl. No. | Name of the dealer | No. of assessment cases | Period of assessment | Date of assessment | Amount of Concealment of turnover ⁹ | Amount on which incorrect application of taxable rates was made ¹⁰ | Short levy | | | Total | Remarks |
|---------------|-----------------------|-------------------------|----------------------|--------------------|--|---|----------------|--------------|-------------|--------------|--|
| | | | | | | | Sales Tax/ VAT | Interest | Penalty | | |
| 26. | Bharati Sweet Bhandar | 57 | 2005-06 | 29.06.11 | 1.46 (0.21@4% & 1.25@12.5%) | -- | 0.16 | 0.18 | -- | 0.34 | Recovered ₹ 0.34 lakh by the AA. |
| | | 58 | 2006-07 | | | | | | | | |
| 27. | S.K. Enterprise | 59 | 2005-06 | 31.01.11 | 0.13 | 1.90 | 0.18 | 0.13 | -- | 0.31 | ₹ 0.10 lakh has been realised, result of realisation of balance dues will be intimated in due course. |
| | | 60 | 2006-07 | | | | | | | | |
| | | 61 | 2007-08 | | | | | | | | |
| | | 62 | 2008-09 | | | | | | | | |
| | | 63 | 2009-10 | | | | | | | | |
| 28. | Maa Manorama Stores | 64 | 2009-10 | 28.10.11 | 0.23 | 2.03 | 0.20 | 0.07 | | 0.27 | ₹ 0.10 lakh has been realised, result of realisation of balance dues will be intimated in due course. |
| 29. | Banik Varieties | 65 | 2005-06 | 31.01.11 | 2.23 | -- | 0.28 | 0.27 | | 0.55 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| | | 66 | 2007-08 | | | | | | | | |
| Total: | | | | | | | 26.99 | 16.57 | 3.29 | 46.85 | |

⁹ Taxable @ 12.5%¹⁰ Tax deposited@4% instead of 12.5%.i.e. 8.5% short deposited by the dealer

Appendix 4.5
Statement showing short levy of VAT, interest and penalty due to erroneous computation
(Reference: Paragraph 4.3) (Page No.171)

(₹ in lakh)

| Sl. No. | Name of the dealer | No. of assessment cases | Period of assessment | Date of assessment | Nature of irregularities | Short levy | | | Total | Remarks |
|--|------------------------|-------------------------|----------------------|--------------------|--|----------------|----------|---------------------|-------|--|
| | | | | | | Sales Tax/ VAT | Interest | Penalty | | |
| 1. Superintendent of Taxes, Charge-VI, Agartala | | | | | | | | | | |
| 1. | Anjali Agency | 1 | 2005-06 | 10.09.10 | Erroneous computation of purchase and sales | 1.87 | 1.00 | -- | 2.87 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| | | 2 | 2006-07 | | | | | | | |
| | | 3 | 2007-08 | | | | | | | |
| | | 4 | 2008-09 | | | | | | | |
| 2. Superintendent of Taxes, Charge-VIII, Agartala | | | | | | | | | | |
| 2. | Debnath Cement House | 5 | 2005-06 | 30.03.12 | Erroneous computation of opening stock, purchase and irregular adjustment of ITC | 11.49 | 7.90 | 12.88 ¹¹ | 32.27 | -do- |
| | | 6 | 2006-07 | | | | | | | |
| | | 7 | 2007-08 | | | | | | | |
| | | 8 | 2008-09 | | | | | | | |
| | | 9 | 2009-10 | | | | | | | |
| 3. | Purnima Modak | 10 | 2005-06 | 30.11.11 | Erroneous computation of purchase and incorrect application of taxable rates | 1.79 | 1.54 | -- | 3.33 | -do- |
| | | 11 | 2006-07 | | | | | | | |
| | | 12 | 2007-08 | | | | | | | |
| 3. Superintendent of Taxes, Belonia | | | | | | | | | | |
| 4. | Saha Commercial Centre | 13 | 2005-06 | 20.08.11 | Erroneous computation of sales | 0.17 | 0.16 | 0.02 | 0.35 | ₹ 0.24 lakh has been realised, result of realization of balance dues will be intimated in due course. |
| | | 14 | 2008-09 | | | | | | | |
| | | 15 | 2009-10 | | | | | | | |
| 4. Superintendent of Taxes, Teliamura | | | | | | | | | | |
| 5. | Ashis Enterprise | 16 | 2005-06 | 30.12.10 | Erroneous computation of opening stock and purchase | 0.31 | 0.13 | -- | 0.44 | ₹ 0.09 lakh has been realised, result of realisation of balance dues will be intimated in due course. |
| | | 17 | 2007-08 | | | | | | | |
| | | 18 | 2008-09 | | | | | | | |

¹¹ Penalty of ₹ 10.59 lakh (0.1% on TOR) levied due to non submission of audited balance sheet.

Appendix 4.5 (concl.)
Statement showing short levy of VAT, interest and penalty due to erroneous computation
(Reference: Paragraph 4.3) (Page No.171)

(₹ in lakh)

| Sl. No. | Name of the dealer | No. of assessment cases | Period of assessment | Date of assessment | Nature of irregularities | Short levy | | | Total | Remarks |
|--|--------------------|-------------------------|----------------------|--------------------|-----------------------------------|----------------|--------------|--------------|--------------|--|
| | | | | | | Sales Tax/ VAT | Interest | Penalty | | |
| 5. Superintendent of Taxes, Udaipur | | | | | | | | | | |
| 6. | Herbary | 19 | 2005-06 | 25.05.09 | Erroneous computation of purchase | 0.92 | 0.22 | -- | 1.14 | Since AA has no power for making re-assessment of the dealer, the case is being taken up for review by the Revisional authority. |
| | | 20 | 2006-07 | | | | | | | |
| | | 21 | 2007-08 | | | | | | | |
| | | 22 | 2008-09 | | | | | | | |
| Total: | | | | | | 16.55 | 10.95 | 12.90 | 40.40 | |

Appendix 4.6

**Statement showing details of amount due to be realised, actual realisation, amount remitted etc. by the
Shibbari Beat Officer**

(Reference: Paragraph 4.4) (Page No.173)

(in ₹)

| Year | Due to be realised | | | | | Actual realisation | Short realized (Sales Tax/VAT) | Amount due to be remitted | Amount remitted | Amount not remitted |
|---------------|-------------------------------|---------------|----------------|------------------|------------------|-------------------------------|---|---------------------------------|-------------------------------|------------------------|
| | Value of forest produce | Income Tax | Sur- charge | Sales Tax/VAT | Total | | | | | |
| 2007-08 | 1,09,662 | 15,240 | 2,925 | 5,278 | 1,33,105 | 1,30,006 | 3,099 | 1,30,006 | 70,716 | 59,290 |
| 2008-09 | 1,47,992 | 12,656 | 7,714 | 48,209 | 2,16,571 | 2,16,279 | 292 | 2,16,279 | 1,11,877 | 1,04,402 |
| 2009-10 | 2,95,812 | 37,374 | 24,500 | 1,83,211 | 5,40,897 | 5,40,747 | 150 | 5,40,747 | 2,09,259 | 3,31,488 |
| 2010-11 | 1,33,824 | 19,176 | 4,258 | 6,171 | 1,63,429 | 1,63,429 (upto 08.09.2010) | NIL | 1,63,429 | 1,10,036 (upto 29.09.2010) | 53,393 |
| Total: | 6,87,290 | 84,446 | 39,397 | 2,42,869 | 10,54,002 | 10,50,461 | 3,541 | 10,50,461 | 5,01,888 | 5,48,573 |