

## CHAPTER IV: GENERAL SECTOR

### 4.1 Introduction

This Chapter deals with audit observations in respect of the State Government departments under General Sector.

The names of the State Government departments and the break-up of the total budget allocation and expenditure of the State Government under General Sector during the year 2017-18 are given in **Table 4.1.1**.

**Table 4.1.1: Details of budget allocation and expenditure under General Sector**

(₹ in crore)

Name of the Departments	Total budget allocation	Expenditure
Department of Parliamentary Affairs	22.97	18.18
Governor's Secretariat	5.27	4.94
General Administration (SA) Department	63.24	58.15
Election Department	48.98	41.46
Law Department	159.05	114.67
General Administration (AR) Department	3.30	3.05
General Administration (P & T) Department	7.94	5.00
Statistical Department	9.04	7.20
Home (Police) Department	1,353.04	1,208.71
General Administration (Political) Department	2.66	2.26
Planning and Co-ordination Department	144.79	14.43
Home (Jail) Department	39.96	29.34
General Administration (Printing and Stationary) Department	20.48	11.08
Finance Department	3,298.56	2,580.50
Institutional Finance	3.84	3.49
Treasuries	11.14	10.06
Chief Minister's Secretariat	0.88	0.74
High Court	18.66	17.37
Fire Service Organisation	81.14	70.61
Civil Defence	0.36	0.23
Employment Services and Manpower Planning	8.77	7.64
Home (FSL, PAC, Prosecution & Co-ordination Cell) Department	5.78	3.82
<b>Total number of departments = 22</b>	<b>5,309.83</b>	<b>4,212.93</b>

Source: Appropriation Accounts – 2017-18.

### 4.2 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.

After completion of audit of each unit, Inspection Reports (IRs) 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 IRs. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these IRs are processed for

inclusion in the Audit Reports of the Comptroller and Auditor General of India, which are submitted to the Governor of Tripura (GoT) under Article 151 of the Constitution of India for being laid in the State Legislature.

Under General Sector, 18 auditable entities of the State Government involving an expenditure of ₹ 1,543.71 crore (including expenditure pertaining to previous years audited during the year) were test checked in audit during 2017-18. This chapter contains three Performance Audits on “NABARD assisted Rural Infrastructure Development Fund (RIDF) for rural connectivity”, “Utilisation of 13<sup>th</sup> and 14<sup>th</sup> Finance Commission grants” and “Crime and Criminal Tracking Network Systems (CCTNS) project in Tripura”, one long para on “Prison safety and prisoners released on parole” and one Compliance Audit Paragraph relating to the Home (Jail) Department.

### 4.3 Response of the Government/ departments towards audit

The Accountant General (Audit), Tripura 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 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 Accountant General (Audit) 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.

There are 219 paragraphs involving ₹ 55.85 crore relating to 48 IRs issued that remained outstanding at the end of June 2018 under General Sector. Year-wise position of outstanding IRs, paragraphs and money value involved for the last five years as on 30 June are given in **Table 4.3.1**.

**Table 4.3.1: Details of pending IRs**

Position of IRs	June 2014	June 2015	June 2016	June 2017	June 2018	Total
Number of IRs pending for settlement	16	7	4	5	16	48
Number of outstanding audit observations	57	30	14	20	98	219
Money value involved (₹ in crore)	10.73	8.76	5.84	0.66	29.86	55.85

The details in the above table indicated that the departments were not serious in taking necessary action in the final settlement of such cases.

## FINANCE DEPARTMENT

**4.4 NABARD assisted Rural Infrastructure Development Fund (RIDF) for rural connectivity**

*In order to encourage quicker completion of rural infrastructure projects, Government of India (GoI) created Rural Infrastructure Development Fund (RIDF) in National Bank for Agriculture and Rural Development (NABARD) in 1995-96. Rural roads and rural bridges are the eligible activities under RIDF for rural connectivity projects. In Tripura, NABARD disbursed loan amounting to ₹ 675.70 crore during the period from 2013-14 to 2017-18 for improvement in rural connectivity by construction of roads and bridges.*

*The Performance Audit (PA) of NABARD assisted RIDF for rural connectivity was undertaken to examine utilisation of loan by the State Government, extent of achievement of desired objectives of the projects and the mechanism for monitoring of implementation of projects.*

**Highlights:**

**Planning process of the State was inadequate as project proposals did not include the Detailed Project Reports (DPRs) which led to sanctioning of excess loan by NABARD.**

*(Paragraphs 4.4.8.1, 4.4.8.2 and 4.4.8.3)*

**During 2013-18, the State Government received reimbursement of ₹ 85.88 crore more than the actual expenditure due to submission of wrong claim in respect of sampled projects.**

*(Paragraph 4.4.9.2)*

**Bridge constructed at a cost of ₹ 2.69 crore remained unproductive due to non-construction of approach roads of the bridge.**

*{Paragraph 4.4.10.3 (i)}*

**Three bridge projects remained incomplete after incurring expenditure of ₹ 9.69 crore with the delays ranging from more than two years to seven years due to improper investigation of soil strata by the Department before preparation of DPRs, slow progress of work by the contractor and delay in according approval of bottom plugging by the Department.**

*{Paragraph 4.4.10.3 (ii)}*

**The Department incurred extra expenditure of ₹ 6.10 crore due to acceptance of tender at higher rate under cost plus tender in violation of decision taken by Council of Ministers.**

*(Paragraph 4.4.11.1)*

**Monitoring of the projects by the High Power Committee was weak as only one meeting in each year was held against the stipulated four meetings. In the absence of periodical monitoring at all levels, projects were delayed. Besides, implementing department did not submit the quarterly progress reports at regular intervals though it was envisaged in Guidelines for NABARD assisted RIDF.**

*(Paragraphs 4.4.12.1, 4.4.12.2 and 4.4.12.3)*

#### **4.4.1 Introduction**

Infrastructure development is a necessary precondition for integrated rural development. Rural infrastructure mainly includes agriculture, rural connectivity and social sector infrastructure. In order to encourage quicker completion of rural infrastructure projects, Government of India (GoI) created Rural Infrastructure Development Fund (RIDF) in National Bank for Agriculture and Rural Development (NABARD) in 1995-96. The main objective of NABARD funded RIDF is to promote balanced and integrated economic development of rural areas in the states by providing low cost fund<sup>1</sup> support to State Governments and State owned corporations for quick completion of rural infrastructure projects. Construction of rural roads and rural bridges are eligible activities under RIDF for rural connectivity projects.

NABARD was to provide loan assistance up to 90 *per cent* of the cost of a project in case of North Eastern States and hilly areas and remaining 10 *per cent* was to be borne by the state governments. Loans were to be released on reimbursement basis against the actual expenditure incurred in execution of sanctioned projects except for the initial 30 *per cent* of loan as mobilisation advance, which was subject to adjustment in subsequent releases. Each release to the State Government was to be treated as a separate loan and was repayable over a period of seven years, including two years' moratorium.

Borrowings of the State Government under RIDF are governed by Article 293 (3) of the Constitution under which GoI determines borrowing powers of the States from the market and financial institutions during a year.

During the period 2013-18, Government of Tripura (GoT) obtained ₹ 675.70 crore as loan assistance from NABARD under RIDF (tranches XII to XXIII) for implementation of 263 projects (40 roads and 223 bridges including 150 spill-over bridge projects sanctioned prior to 2013-14).

##### **4.4.1.1 Road and Bridge assets of Tripura**

As of March 2018, the State had a total road length of 13,036 km, out of which 853 km is covered under National Highways, 1,057 km State Highways, 461 km other District roads and 10,665 km under Village roads. There are 344 Reinforced Cement Concrete (RCC) bridges, 2,365 RCC box cell culverts, 441 Bailey bridges, and 24

<sup>1</sup> NABARD provide RIDF loan to the State Government at an interest rate of 1.5 *per cent* lesser than existing bank rate and hence, it is termed as low cost fund

Semi Permanent Timber (SPT) bridges existing in the State. As of March 2018, 464 RCC bridges, culverts and bailey bridges were constructed in the State under RIDF against the sanctioned number of 595. However, improvement work of 40 rural roads with sanctioned (under Tranches XXI to XXIII) length of 438.74 km were in progress (August 2018).

During the period 2013-18, improvement of 40 rural roads (under Tranches XXI to XXIII covering length of 438.74 km) and 74 bridges (under RIDF tranches XIX to XXIII) were sanctioned at a cost of ₹ 546.37 crore as detailed in **Table 4.4.1**.

**Table 4.4.1: Rural road and bridge projects sanctioned under RIDF during 2013-18**

(₹ in crore)

Tranche	No. of projects		Sanctioned cost		NABARD loan		Corresponding State share	
	Roads	Bridges	Roads	Bridges	Roads	Bridges	Roads	Bridges
XIX	0	15	0	29.97	0	26.98	0	2.99
XX	0	26	0	99.98	0	89.98	0	10.00
XXI	4	14	59.01	44.20	53.11	39.78	5.90	4.42
XXII	25	0	132.76	0	119.49	0	13.27	0
XXIII	11	19	102.87	77.58	92.58	69.82	10.29	7.76
<b>Total</b>	<b>40</b>	<b>74</b>	<b>294.64</b>	<b>251.73</b>	<b>265.18</b>	<b>226.56</b>	<b>29.46</b>	<b>25.17</b>

*Source: Chief Engineer, PWD (Roads & Bridges)*

Besides, there were 155 spill over bridge projects<sup>2</sup> implemented during 2013-18, which had been sanctioned prior to 2013-14 under RIDF tranches XII to XVIII.

#### 4.4.1.2 Physical Performance

The position of various projects completed for improvement of rural connectivity under RIDF between April 2013 and April 2018 is shown in **Table 4.4.2** and **Chart 4.4.1**.

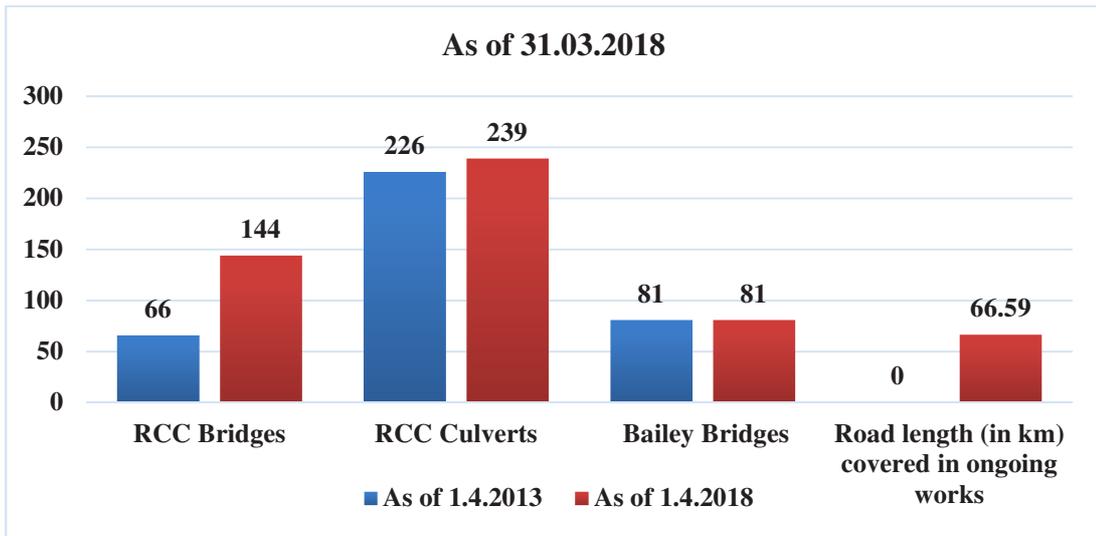
**Table 4.4.2: Position of various projects completed for rural connectivity under RIDF**

Type of projects	Position as of 1 <sup>st</sup> April 2013	Position as of 31 <sup>st</sup> March 2018
Length of rural road (improvement work)	0 km	66.59 km
Number of RCC bridges	66 Nos.	144 Nos.
Number of Culverts	226 Nos.	239 Nos.
Number of Baily bridges	81 Nos.	81 Nos.
Number of SPT bridges	0	0

*Source: Superintending Engineer, Monitoring Cell, PWD (Roads & Bridges)*

<sup>2</sup> Five spill over bridge projects were dropped during 2013-18

Chart 4.4.1

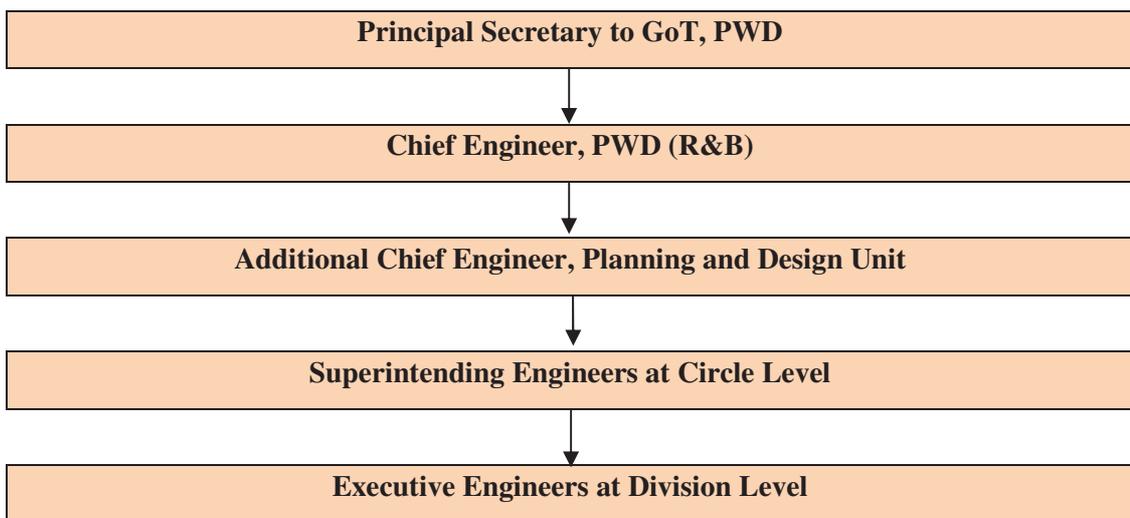


#### 4.4.2 Organisational Set-up

The Finance Department of GoT acts as nodal department for procurement of loans and their repayments. Public Works Department (PWD), under the administrative control of the Principal Secretary is responsible for implementation of the projects. Execution of the projects is administered by the Chief Engineer (CE), PWD (Roads & Bridges) (R&B), Additional CE (Planning and Design Unit), Superintending Engineers (SEs) at circle level and Executive Engineers (EEs) at division level as depicted in the following organogram.

Apart from sanctioning the project, NABARD was also responsible for monitoring the projects mainly to facilitate timely completion of projects, avoid cost overrun, and identify new investment opportunity.

Figure 4.4.1: Organisational chart of implementing department



#### 4.4.3 Scope of Audit

The Performance Audit (PA) on NABARD assisted RIDF for rural connectivity during 2013-14 to 2017-18 was carried out during June 2018 to August 2018. The PA was undertaken by test check of records of State Finance Department, Chief Engineer (CE), PWD (R&B), Additional CE (Planning and Design Unit), Regional Office of NABARD in Tripura at Agartala and eight executing divisions<sup>3</sup> out of 22 divisions of the State responsible for implementation of rural connectivity. In the eight selected divisions, 63<sup>4</sup> out of 79 projects executed during the period from 2013-14 to 2017-18 were selected. Sampling was done using Probability Proportional to Size With Out Replacement (PPSWOR).

Apart from scrutiny of records, physical verification of projects along with departmental representatives was also conducted. Photographic evidences were taken wherever necessary, to substantiate the audit findings.

#### 4.4.4 Audit Objective

The PA was taken up to assess whether:

- a. the loan amount made available to the implementing agencies was used economically, efficiently and effectively;
- b. execution of the projects of rural connectivity was done as per the NABARD Guidelines and applicable technical specifications;
- c. quality control and monitoring mechanism in place was adequate and effective.

#### 4.4.5 Audit Criteria

The criteria against which the audit findings were benchmarked were derived from the following sources:

- a. Detailed project reports, standard specifications and contract conditions;
- b. Policy, guidelines and manner of implementation of the projects;
- c. Terms and conditions of NABARD loans;
- d. Quality control, project monitoring and evaluation system prescribed; and
- e. Tripura Schedule of Rates (SOR) for Roads & Bridges and Analysis of Rates.

#### 4.4.6 Audit Methodology

The audit objectives, criteria and scope of the PA were discussed with the Principal Secretary, Finance Department in an Entry Conference held on 22 June 2018. The draft Report was issued to the State Government in September 2018. The audit findings, conclusion and recommendations were discussed with the Secretary, Finance Department in an Exit Conference held on 17 December 2018. Views of the Department expressed during the Exit Conference were duly incorporated against the relevant paragraphs of this PA, where appropriate.

<sup>3</sup> Amarpur Division, Ambassa Division, Bishalgarh Division, Bishramganj Division, Jirania Division, Kanchanpur Division, Santirbazar Division and Teliamura Division

<sup>4</sup> Completed: 31 Nos, Ongoing: 32 Nos

#### 4.4.7 Status of work

It can be seen from **Table 4.4.3** that 114 projects were sanctioned during the period 2013-18 in addition to 155 spill over projects already sanctioned prior to 2013-14.

**Table 4.4.3: Status of the projects implemented under RIDF during 2013-18**

Year	Number of projects sanctioned	Number of projects dropped	Number of projects taken up	Number of projects completed
Prior to 2013-14	155 spill over bridge projects which had been sanctioned prior to 2013-14 but implemented during 2013-18			
2013-14	15	1	14	34
2014-15	26	--	26	13
2015-16	18	5	18	13
2016-17	25	--	25	20
2017-18	30	--	30	11
<b>Total</b>	<b>114</b>	<b>6<sup>5</sup></b>	<b>113</b>	<b>91</b>

Source: CE, PWD (R&B)

It is evident from **Table 4.4.3** that 269 projects were sanctioned (including 155 spill over projects sanctioned prior to 2013-14) as of March 2018, out of which 91 projects were completed, six projects were dropped and the remaining 172 projects<sup>6</sup> were in progress.

#### 4.4.8 Planning

##### 4.4.8.1 Deficiencies in Planning

Paragraph 6.1 of Handbook on RIDF provides that appraisal and sanction of proposals is to be based on project lending which entails submission of Detailed Project Reports (DPRs) containing technical and financial parameters, drawings, maps, *etc.* to be submitted by the implementing department in formulation of projects in respect of road and bridge projects. Further, Paragraph 6.2.1 *ibid* states that the cost estimates of projects will be prepared after detailed field survey.

In addition to above, Guidelines for NABARD assisted RIDF provide that the Finance Department of the State was vested with the responsibility for submission of project proposals, scrutiny of the documents and drawal of funds. In selection of projects, the State was to accord priority to those projects in which large number of economic activities were to be generated and were in distressed districts, Economic Rate of Return (ERR) of the project are greater than 15 *per cent*, and Benefit Cost Ratio (BCR) was more than one at 15 *per cent* discounting factor. In addition, prerequisite factors like land acquisition, forest clearance and other bottlenecks were to be identified at the project proposal stage and mitigated suitably for timely completion of the projects.

<sup>5</sup> Out of six dropped projects, five projects were sanctioned prior to 2013-14 and were dropped (one in 2013-14 and four in 2015-16) and one project sanctioned during 2013-14 was dropped during 2015-16

<sup>6</sup> Including 11 non-starter projects (five non-starter projects as discussed in Case Study 2 under **Paragraph 4.4.8.1** and six non-starter projects as discussed in **Paragraph 4.4.10.2**) which were not dropped as of March 2018

The audit scrutiny of records however revealed that:

- Neither the State Finance Department nor the PWD *i.e.* implementing department prepared any priority list while selecting the projects and submission of project proposals to NABARD for loan assistance.
- Projects were sanctioned by NABARD based only on proposal submitted by the implementing department without DPR in all cases. This means that even the NABARD had not done due diligence exercise in this regard which was as required.
- After the projects were sanctioned by NABARD, the implementing department prepared DPRs for execution of bridge works. In case of road works, the implementing department did not prepare any DPR at all. However, they prepared technically sanctioned (TS) estimates in case of road works. However, neither the DPR nor the TS estimates prepared were submitted to NABARD in any of the cases.
- ERR or BCR had not been calculated in any of the selected 63 projects.

As the sanctioning of projects by NABARD was based only on the project proposals submitted by the implementing department in the form of list of works to be undertaken with bare minimum details (such as name of the project, location and cost, which were much higher than the detailed estimated costs ranging between ₹ 0.06 core to ₹ 7.63 crore), without DPRs, the NABARD sanctioned loan in excess of the detailed estimated cost (as per DPR) as discussed in **Paragraph 4.4.8.3**.

The fact was further corroborated in the reply of the Additional Chief Engineer (October 2018) whereby it was stated that DPRs were not prepared at sanctioning stage and they were prepared only after getting the projects sanctioned by NABARD. But, the contention of the implementing department that due to fund constraint, DPRs could not be prepared at sanctioning stage was not acceptable as provision was kept in the Guidelines of NABARD assisted RIDF for pre-appraisal expenses incurred on project preparation, cost of technical surveys, *etc.* at 0.5 *per cent* of the eventually sanctioned RIDF loan.

Further, due to lapses in identification and selection of projects at planning stage, it was observed in audit that six projects sanctioned at a cost of ₹ 30.76 crore were dropped by NABARD in 2013-14 (one project) and 2015-16 (five projects) after receiving the proposals from the State Government for dropping projects, since the projects had already been taken up against other schemes.

**Case study 1** illustrates the overlapping of RIDF project with other schemes during project selection stage.

### Case Study 1

After approval (February 2009) of the GoI, an administrative approval and expenditure sanction of ₹ 10.49 crore for the work 'RCC bridge over river Sonai on Jirania-Mandai-Patni-Chachubazar road' was accorded (February 2009) by State PWD under Special Plan Assistance (SPA). The work was awarded (December 2009) by the EE, Jirania Division to a contractor at the negotiated tendered value of ₹ 10.07 crore. The work commenced in January 2010 and was completed in December 2013 at a cost of ₹ 9.84 crore.

Test check of records revealed that before approval was received under SPA, a proposal of the above bridge was also sent to the NABARD in January 2007 at a cost of ₹ 5.01 crore. The project was sanctioned by NABARD in February 2007. It was noticed in audit that against the total expenditure of ₹ 9.84 crore, ₹ 6.36 crore<sup>7</sup> was met from the NABARD loan and rest from the SPA. Audit further observed that after lapse of two and half years from the date of work taken up under SPA, a proposal for dropping of the above project was sent to NABARD in July 2012 by State PWD and project was dropped by NABARD in March 2014 and subsequently NABARD adjusted the amount disbursed against other projects. This happened due to failures in identification and selection of project by the State Government leading to creation of interest liability of ₹ 2.07 crore<sup>8</sup>.

**Case study 2** illustrates the instances where sanctioned projects under RIDF could not be started as of March 2018 as the State Government did not ensure availability of land at planning stage.

### Case Study 2

It was noticed in audit that execution of 10 projects of the State with the sanctioned cost of ₹ 41.87 crore had not been started within 12 months as required as per guidelines from the dates of their sanction due to non-availability of land. Against these projects, the State Government had drawn ₹ 10.64 crore as mobilisation advances from the NABARD as of March 2015, which was subsequently adjusted. Out of these 10 projects, five projects were dropped during 2013-14 to 2017-18 by NABARD with recommendations of the State Government. Remaining five projects were not dropped as of March 2018.

#### 4.4.8.2 *Deficiencies in sanctioning of projects by NABARD*

RIDF is based on project lending which entails submission of DPRs containing technical and financial parameters, drawings, maps, etc. submitted by the implementing department through the nodal department.

<sup>7</sup> Over and above the project cost sanctioned under NABARD (₹ 9.84 – ₹ 3.48) crore = ₹ 6.36 crore

<sup>8</sup> Interest liability has been calculated considering simple rate of interest per annum with reducing balance

The State Government did not adhere to the NABARD Guidelines while submitting the project proposals nor did NABARD enforce them while sanctioning the projects. In the absence of DPRs duly supported by ERR and BCR, NABARD had sanctioned the projects in violation of their own Guidelines. This led to failure in ensuring the technical feasibility as well as economic viability of the projects at the time of sanctioning the projects.

#### 4.4.8.3 *Improper estimation*

Paragraph 6.1 of Handbook on RIDF stipulates that RIDF is based on project lending which entails submission of DPRs containing technical and financial parameters, drawings, maps, *etc.* submitted by the implementing department through the nodal department. Further, Paragraph 6.2.1 *ibid* states that the cost estimates of projects may be prepared after detailed field survey. The estimates in respect of the project proposals as approved by State Finance Department were to be received from implementing department, which would be scrutinised by the State Finance Department and NABARD as well.

As stated in **Paragraphs 4.4.8.1** and **4.4.8.2** above, projects were sanctioned by NABARD based only on project proposals submitted by the implementing department through State Finance Department instead of DPR. After the projects were sanctioned by NABARD, implementing department prepared DPRs for execution of projects. However, DPRs were never submitted to NABARD. Thus, project proposals were prepared and submitted by the State Government to NABARD without conducting detailed field survey.

Scrutiny of records revealed that in case of 21 out of 63 projects covered under this PA, project cost sanctioned by NABARD was on the much higher side (ranged from ₹ 0.06 crore (1.66 *per cent* of the cost as per DPR) to ₹ 7.63 crore (124.08 *per cent* of the cost as per DPR) as compared with the DPR cost. Out of 21 projects, seven projects<sup>9</sup> were completed well below the sanctioned cost (ranged from 13 to 61 *per cent* below the original sanction of the project).

Thus, the submission of inflated cost estimates (in the form of project proposal) by the CE, PWD (R&B) to NABARD without conducting any survey and sanction of the projects by NABARD without ensuring the mandatory documents/ reports resulted in excess sanction of loan amounting to ₹ 39.71 crore as detailed in **Appendices 4.4.1** and **4.4.2**.

During the Exit Conference (December 2018) the State Government stated that the matter had already been discussed with the General Manager, NABARD, Tripura Regional Office and it was assured to audit that in future DPR would be prepared before taking up of execution of the projects and would be submitted to NABARD.

<sup>9</sup> Excluding two completed projects where sanctioned cost was within 10 *per cent* higher than the actual completion cost and two projects against which total value of work done was not made available

## Conclusion

Planning process of the State was inadequate due to non-compliance with the prescribed procedure for identification of projects for loan assistance under RIDF, which led to dropping of overlapped sanctioned projects, which had already been funded under other schemes. Project proposals submitted by the State Government did not contain the DPRs and were lacking in scrutiny of the project proposals by NABARD, which led to excess sanction of loan. In the absence of ERR/ BCR, economic viability/ benefits of the projects was not ensured by the State.

### **Recommendation No. 1**

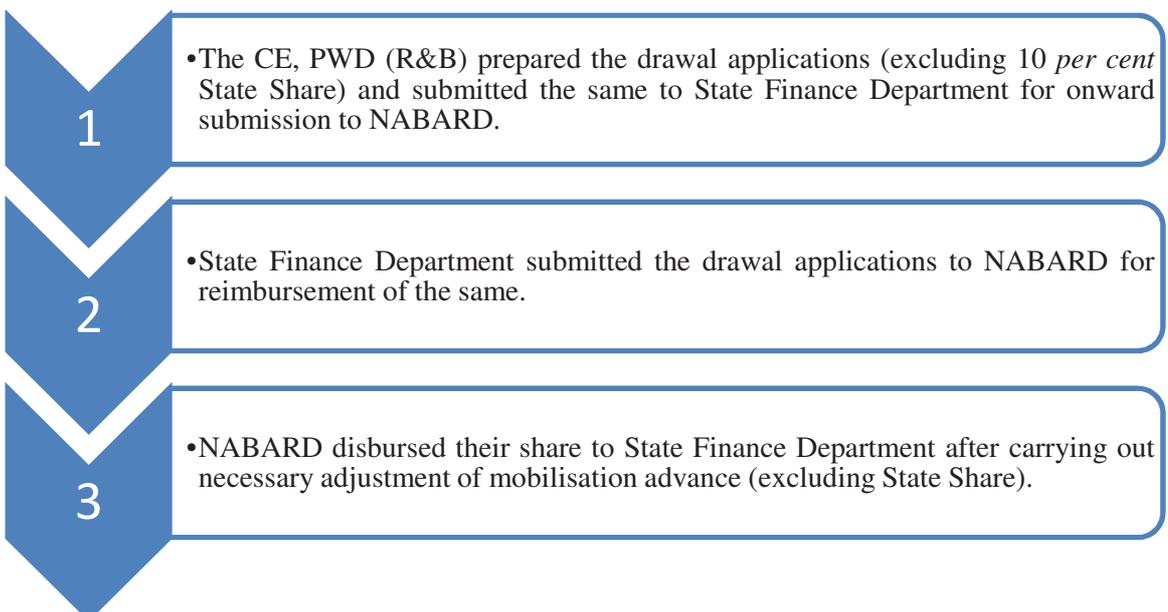
*Appropriate procedure for identification of projects for loan assistance under RIDF may be put in place through preparation of a shelf of projects to avoid overlapping of projects already taken up under other schemes.*

## 4.4.9 Financial management

State Finance Department (SFD) is the nodal agency for raising the loans and their repayment. All other related items of work viz. submission of application under sanctioned projects, reimbursement of loan amount against actual expenditure, execution of loan documents, repayment of loan, etc. are attended to by the SFD.

### **4.4.9.1 Budget provision, Utilisation and reimbursement by NABARD**

As per RIDF Guidelines, NABARD provides loans up to 90 per cent of the project cost on reimbursement basis except for initial 30 per cent of the project cost released as mobilisation advance. According to the general terms and conditions for sanctioning of loan by NABARD, each reimbursement of fund is to be deemed as a separate loan for the purpose of repayment. Repayment shall be made in equal annual instalments within seven years from the date of reimbursement, including a moratorium period of two years. The reimbursement applications are submitted by the State Finance Department to NABARD and the loans are disbursed by NABARD in following manner:



**Table 4.4.4: Details of budgetary provision, fund released, expenditure incurred, reimbursement claimed and loan disbursed by NABARD**

(₹ in crore)

Year	Budget provision		Funds released by SFD to implementing department against budgetary provision		Expenditure incurred as reported by the implementing department		Reimbursement claimed by the State Government	Loan reimbursed by NABARD
	NABARD share	State share	NABARD share	State share	NABARD share	State share		
2013-14	120.00	4.10	120.00	Nil	119.50	Nil	124.29	124.29
2014-15	151.19	4.10	151.19	4.10	150.11	4.10	158.08	158.08
2015-16	150.21	4.30	95.73	3.97	93.78	3.97	193.69	192.25
2016-17	130.09	10.64	129.83	10.64	129.73	10.64	107.20	95.08 <sup>10</sup>
2017-18	72.56	4.33	72.56	4.33	72.38	4.33	108.71	106.00
<b>Total</b>	<b>624.05</b>	<b>27.47</b>	<b>569.31</b>	<b>23.04</b>	<b>565.50</b>	<b>23.04</b>	<b>691.97</b>	<b>675.70*</b>

*Source: State Finance Department, State PWD (R&B) and NABARD, Tripura Regional Office*

\*Including unadjusted mobilisation advances of ₹ 107.47 crore as of March 2018.

It can be seen from **Table 4.4.4** that during 2013-14 to 2017-18, budget provision of ₹ 651.52 crore (including State share of ₹ 27.47 crore) was made by the SFD for implementation of rural connectivity projects. Against that, the SFD released ₹ 592.35 crore (including State share of ₹ 23.04 crore) to the implementing department.

Further, at the time of budget process, the SFD made budgetary provision of ₹ 27.47 crore only as against the due State share of ₹ 69.34 crore<sup>11</sup> which resulted in short provision of corresponding State share amounting to ₹ 41.87 crore.

Besides, during 2013-18, State Government released NABARD share of ₹ 569.31 crore only to the implementing department as against budgetary provision of ₹ 624.05 crore which resulted in short release to the tune of ₹ 54.74 crore (as NABARD share) to the implementing department.

Moreover, the SFD short released ₹ 40.21 crore<sup>12</sup> as State share to the implementing department during the period from 2013-14 to 2017-18.

#### **4.4.9.2 Wrong claim made by State Government**

Paragraph 2 (d) and (e) of Annexure IV of Hand Book on RIDF provides that NABARD should disburse the loan amount on a monthly basis on submission of Statement of Expenditure (SoE) incurred by the Government in execution of the work and drawal applications were to be submitted based on actual execution of work and expenditure incurred.

Scrutiny of records revealed that against the actual expenditure of ₹ 74.91 crore in respect of 42 sampled projects<sup>13</sup>, the State Government had forwarded reimbursement

<sup>10</sup> In one instance during 2016-17, NABARD reimbursed ₹ 3.41 crore against the claim of ₹ 2.14 crore resulting in excess reimbursement of ₹ 1.27 crore

<sup>11</sup> (₹ 624.05 crore /90) x 10 = ₹ 69.34 crore

<sup>12</sup> State share due against the NABARD share of ₹ 569.31 crore was ₹ 63.26 crore against which the actual release was ₹ 23.05 crore only

<sup>13</sup> 15 completed projects and 27 ongoing projects

claim of ₹ 160.79 crore up to March 2018 which was sanctioned and reimbursed by NABARD. It was seen in audit that none of the eight test checked divisions of State PWD either prepared the SoE or submitted the same to the CE on monthly basis as envisaged in the Guidelines of NABARD assisted RIDF. Therefore, in the absence of SoE at division level, reimbursement claim made by the CE in respect of 42 selected projects were much higher than the actual expenditure at division level. Out of these, it was observed in audit that in respect of 15 completed projects, the reimbursement claimed and sanctioned there against was ₹ 20.76 crore more than the actual completion cost incurred at division level as detailed in **Appendix 4.4.3**.

It was also observed in audit that SFD did not scrutinise the claims before onward submission to NABARD. Thus, failure on the part of the SFD to validate the claim made by the State PWD led to availing of reimbursement of ₹ 85.88 crore more than the actual expenditure during 2013-18. The details are shown in **Appendices 4.4.3 and 4.4.4**.

During the Exit Conference (December 2018), the State Government assured audit that proper care would be taken for scrutiny of reimbursement claims before submission to NABARD.

#### **4.4.9.3 Diversion of funds**

Paragraph 3 of Annexure IV of Handbook on RIDF stipulates that the State Government should utilise the loan amount solely and exclusively for the purpose for which it is sanctioned by NABARD. Further, the State Finance Department, while placing the fund to the implementing department, mentioned in their release orders that no part of the funds should be diverted for any purpose other than for which it was sanctioned.

Scrutiny of records of eight test checked divisions revealed that ₹ 53.15 crore was utilised towards inadmissible works/ procurement *viz.* maintenance of roads, bridges and building works (₹ 26.79 crore), procurement of store materials (₹ 11.72 crore), construction works under other schemes (₹ 14.13 crore) and miscellaneous expenditure (₹ 0.51 crore). This amount was debited to the NABARD funds by the divisions. Over and above the actual expenditure incurred against sanctioned projects (due to wrong claim submitted by the State Government as discussed in preceding **Paragraph 4.4.9.2**), these diverted amounts were also included in the claim as expenditure incurred against the sanctioned projects prepared and submitted by the CE and the same was claimed from NABARD by the State Government in violation of the prescribed Guidelines for NABARD assisted RIDF as well as State Finance Department's instructions.

Further, Paragraph 9 of Handbook on RIDF stipulates that for financing projects under RIDF, the State Government should meet cost escalation, if any, out of their own resources.

It was observed in audit that payment towards cost escalation of ₹ 0.15 crore was included in the claim of ₹ 5.17 crore and got reimbursed in respect of one project *viz.*

“Construction of RCC bridge over river Muhuri on Shillong Mog Para- Bhagyamani Chakma Para to Betaga via Lowgang road at Ch 1.7 km” against the total expenditure of ₹ 4.80 crore (including payment towards cost escalation) up to March 2018.

This indicated that despite being the nodal department, the State Finance Department had not done due diligence exercise of scrutinising and validating the claims raised by the implementing department, *i.e.* State PWD (R&B) before onward submission of the same to NABARD as required. Further, before making reimbursements, NABARD also did not take any step to verify the correctness of the claim.

Diversion of funds provided for NABARD assisted projects was not only irregular but also reduced the availability of funds for implementation of rural connectivity projects taken up under NABARD assisted RIDF. It was observed by audit in one of the test checked division<sup>14</sup> that three projects were not yet completed (August 2018) due to non-receipt of dues (₹ 43.50 lakh) by the contractor<sup>15</sup>.

During the Exit Conference (December 2018), the State Government assured that proper care would be taken for scrutiny of reimbursement claims before submission to NABARD.

#### **4.4.9.4 Status of repayment of loan**

During the period of 2013-14 to 2017-18, Government of Tripura made repayment of ₹ 319.98 crore and ₹ 175.72 crore on principal and interest respectively on rural connectivity under RIDF. However, Government of Tripura was making repayment of loan with interest on regular basis without any delay as per the norms and repayment schedule prescribed by NABARD.

### **Conclusion**

Instances of loan amount pending for disbursement by the State Finance Department, wrong claim made for reimbursement as loan by the State Government and diversion of funds indicate lack of financial controls over utilisation of NABARD loan. This also resulted in excess borrowing of interest bearing loan.

#### **Recommendation No. 2**

- *The State may ensure correct reporting of expenditure by preparation of Statement of Expenditure for reimbursement of expenditure made as loan from NABARD.*
- *Necessary administrative action may be taken against the officials who are responsible for preparation and submission of wrong and inflated SOE to NABARD through Finance Department.*

<sup>14</sup> EE, Kanchanpur Division

<sup>15</sup> Energy Development Company Ltd.

#### 4.4.10 Project execution

##### 4.4.10.1 *Inordinate delays in completion of works*

As per Paragraph 6.3 of Handbook on RIDF, the projects were to be completed by 3 to 5 years from the dates of sanction of the projects.

Scrutiny of records revealed that 19<sup>16</sup> (sanctioned cost of ₹ 85.59 crore) out of 32 selected ongoing projects could not be completed within the stipulated completion period of 3 months to 30 months from the date of issue of work order. As of March 2018, the delays ranged from 143 days to 2,871 days (**Appendix 4.4.5**) due to non-completion of bridge approach (three projects), non-acquisition of land (one project), defective agreement/ design and non-availability of structural drawing (three projects), deficient sub-soil investigation (three projects), shortage of funds (three projects), non-availability of machineries or labours (one project), delay in execution by the contractors (four projects) and illness of contractor (one project).

Further, in respect of 31 selected completed projects, it was seen that only one project was completed in time and remaining 30 projects were completed with the time overrun ranging from 45 to 4,129 days (**Appendix 4.4.6**) calculated from the date of completion schedule mentioned in the work order. As per information made available to audit, 30 out of 31 completed projects were delayed due to delay in handing over of clear site to the contractor (10 projects), delay in handing over drawing and design (five projects), slow progress by the contractor (six projects), execution of extra work (five projects), delay in approval of approach road (three projects) and change in river course (one project).

Therefore, the desired benefit of providing *pucca* bridges/ roads to the villagers for getting access to the nearest markets/ schools could not be achieved due to non-completion of projects within stipulated time.

##### 4.4.10.2 *Non- starter projects*

Paragraph 10 of Handbook on RIDF provides that a project will be considered as non-starter, if execution of the project is not started within 12 months from the date of issue of sanction letter, irrespective of whether the mobilisation advance has been availed or not by the State Government for the project. In case of failure to start the execution of the project, any outstanding amount including mobilisation advance disbursed under the project will be recovered/ adjusted against other ongoing projects.

It was noticed in audit that the State Government had received ₹ 24.34 crore for implementation of six<sup>17</sup> sanctioned<sup>18</sup> (under tranches XIII – one project, XV- one project, XVII- three projects and XIX- one project) projects covered under this PA. Out of these, five projects did not commence as of March 2018 due to change of drawing and design (one project), delay in preparation of DPR (one project) and non-

<sup>16</sup> Excluding two projects where delay ranged up to 60 days

<sup>17</sup> Apart from 10 project as discussed in Case Study 2 of **Paragraph 4.4.8.1**

<sup>18</sup> During April 2006 to April 2013 and was due for completion in between 2009 to March 2017

execution of project as per decision of the higher authority (three projects). One project could not be taken up as proposed site of the projects had fallen under the jurisdiction of National Highway Authority. Neither the State Government informed NABARD the facts regarding non-commencement of aforementioned six projects nor did NABARD identify the same as Non-Starter projects. Rather, the State Government wrongly claimed reimbursement based on the sanctioned cost only where no expenditure had been incurred at all, and received reimbursement of ₹ 24.34 crore (90 per cent of the sanctioned cost) from NABARD against the total sanctioned cost of ₹ 27.05 crore for these six projects.

Therefore, without ensuring the pre-requisite conditions, projects selected for implementation remained non-starter projects and there against the State Government raised interest-bearing loan of ₹ 24.34 crore leading to creation of interest liability of ₹ 8.61 crore<sup>19</sup> as of March 2018. Responsibility may be fixed for preparation and submission of such wrong reimbursement claims against the projects, which had not even started.

#### 4.4.10.3 *Incomplete projects*

##### (i) *Unproductive expenditure*

Paragraph 15.1 of CPWD Works Manual 2012 provides that availability of clear site is desirable before taking up any work. Further, RIDF Guidelines also stipulates that pre requisite factors including land acquisition is to be identified beforehand.

The work 'RCC bridge over Ekcharicherra at Nizachandra Para' was awarded (October 2013) to the lowest tenderer at tendered value of ₹ 2.75 crore with the stipulated time for completion by September 2015. As per agreement with the contractor, only bridge proper (sub structure and super structure works) was to be executed. Construction of approach roadwork was not made part of the agreement. The bridgework commenced in November 2013 and was completed in December 2016 at a cost of ₹ 2.72<sup>20</sup> crore. Though the actual expenditure incurred on the project was only ₹ 2.69 crore, the State wrongly claimed and received ₹ 5.84 crore (90 per cent of the sanctioned cost) as of March 2018 against the sanctioned cost of ₹ 6.49 crore. This resulted in wrong claim and excess reimbursement obtained from NABARD by the State Government as discussed in **Paragraph 4.4.9.2**.

Scrutiny of records revealed that the work of approach roads could not be taken up as of July 2018 due to land acquisition issues and the bridge proper could not be made functional as shown in **Photographs 4.4.1** and **4.4.2**.

<sup>19</sup> Interest liability has been calculated considering simple rate of interest per annum with reducing balance

<sup>20</sup> ₹ 2.69 crore was paid to the agency as of August 2018



Photographs 4.4.1 & 4.4.2 taken on 13-07-2018: RCC bridge over Ekcharicherra at Nizachandra Para

The Department took up the bridge project without ensuring the availability of land required for approach road. The bridge proper could not become operational in the absence of approach roads since its completion, *i.e.* December 2016 and therefore, the expenditure of ₹ 2.69 crore incurred for construction of bridge became unproductive without yielding the desired benefit.

(ii) *Idle expenditure*

(a) The work ‘Construction of RCC Bridge over Shillong Mog Para’ was sanctioned by the NABARD at a cost of ₹ 7.66 crore in February 2007 under Tranche XII. The work was awarded (November 2007) by the EE, Santirbazar Division to the lowest tenderer at the negotiated tendered value of ₹ 7.15 crore with the stipulation to complete the project by May 2010. The work commenced in January 2009 and was incomplete (August 2018). The contractor was paid ₹ 4.79 crore against the total value of work done of ₹ 4.85 crore as of August 2018. Though, the actual expenditure incurred on the project was only ₹ 4.79 crore, the State claimed and received ₹ 5.17 crore (67 per cent of the sanctioned cost of ₹ 7.66 crore) as of March 2018. This resulted in submission of wrong claim and excess reimbursement obtained from NABARD by the State Government as discussed in **Paragraph 4.4.9.2**. Further, NABARD neither performed the duty of monitoring with due diligence nor took any initiative to validate the claim raised by the State Finance Department before accepting the same.

Scrutiny of records revealed that due to obstruction during sinking of abutment well (A<sub>1</sub>) the work was stopped since June 2015. The sinking of A<sub>1</sub> well was done up to 9.90 metre against the designed depth of 20.50 metre. On the matter regarding hard soil at nine metre from the bed level, the STUP Consultants Private Limited (consulting agency who prepared the DPR) stated (October 2015) that hard strata of soil started from 11 metre below the ground level as per the design stage soil. The consultancy agency also stated that this might have happened due to non-application of kenteledge and water jetting simultaneously by the contractor. Besides, water

jetting from inside of the well using pump did not ensure desired level of water pressure.

Further, it was noticed in audit that one perennial 'cherra' (streamlet) is located on the alignment of approach at Lowgang side. Therefore, one small bridge over the cherra was required to complete the approach road. Accordingly, two estimates: i) for construction of one box cell culvert with earth cutting work for ₹ 1.79 crore and ii) Construction of RCC Bridge over Betagacherra on Lowgang side approach road for ₹ 1.13 crore were prepared by the EE, Santirbazar Division and were sent to the CE in January 2018. However, no decision in this regard was taken by the Department as of August 2018.

Therefore, due to improper investigation of soil strata by the implementing department before preparation of DPR, abutment well could not sink up to desired level. Besides, the bridge remained incomplete due to non-consideration of allied geographical conditions and thus, the desired objective also could not be achieved as of August 2018 *i.e.* even after lapse of more than seven years from the stipulated date of its completion.

The status of the project is shown in the **Photographs 4.4.3 and 4.4.4**.



**Photographs 4.4.3 & 4.4.4 taken on 01-08-2018: RCC Bridge over river Muhuri from Shillong Mog para Bhagyamani Chakma para to Betaga via Lowgang**

(b) The work 'Construction of RCC Bridge over river Khowai from Teliamura (Dashamighat) to Baishgharia' was awarded (July 2009) by the EE, Teliamura Division to M/s Simplex Project Limited at the tendered value of ₹ 6.15 crore (about 48 *per cent* above the estimated cost of ₹ 4.15 crore) with stipulation to complete the work by July 2011. The objective of the project was to connect the population at the opposite bank of Khowai River to Teliamura Nagar Panchayat area.

The work actually commenced in May 2010 and was still incomplete (March 2018). The agency was paid ₹ 4.36 crore (up to March 2016 and thereafter no bill was received by the division) against the total value of work done of ₹ 4.66 crore. However, the actual expenditure incurred on the project was only ₹ 4.36 crore. The State claimed and received ₹ 12.32 crore (89 *per cent* of the sanctioned cost of ₹ 13.78 crore) as of March 2018. This resulted in submission of wrong claim and

excess reimbursement obtained from NABARD by the State Government as discussed in **Paragraph 4.4.9.2.**

Scrutiny of records revealed that the Department expressed their dissatisfaction over slow progress of work and that the work was not completed. But, the Department did not take any penal action against the agency as per terms and conditions of the agreement made with the agency.

Therefore, the desired objective of rural connectivity remained unachieved due to incomplete bridge work even after lapse of more than six and half years and the expenditure of ₹ 4.36 crore incurred on the aforesaid bridge work was rendered idle.

The EE, Teliamura Division stated (June 2018) that the agency had informed the division that the remaining work would be started just after the rainy season.

The status of the project is shown in the **Photographs 4.4.5 and 4.4.6.**



**Photographs 4.4.5 & 4.4.6 taken on 29-05-2018: Construction of RCC Bridge over river Khowai on the road from Teliamura (Dashamighat) to Baishgharia**

(c) The work ‘Construction of RCC bridge over Gandacherra on the road from Gandacherra to Raishyabari at Ch. 1.00 km in place of bailey bridge’ was taken up (November 2013) for increase of vehicular movement of heavy traffic on Gandacherra–Raishyabari road. The work was awarded (November 2013) to a contractor by the EE, Ambassa Division at the tendered value of ₹ 2.48 crore with the stipulation to complete the work by June 2015. The work commenced in December 2013 and remained incomplete even as of August 2018. The agency was paid ₹ 0.54 crore against the total value of work done of ₹ 0.81 crore (33 *per cent* of tendered value). Though, the actual expenditure incurred on the project was only ₹ 0.54 crore, the State claimed and received ₹ 2.52 crore (89 *per cent* of the sanctioned cost of ₹ 2.83 crore) as of March 2018. This resulted in submission of wrong claim and excess reimbursement obtained from NABARD by the State Government as discussed in **Paragraph 4.4.9.2.**

Scrutiny of records revealed that the contractor sought for (March 2015) approval for bottom plugging<sup>21</sup> of abutment well No. 1 and well No. 2 of the bridge after sinking of wells 14.10 metre and 13.94 metre respectively against the design level of 82 metre for each well. The Superintending Engineer, 5<sup>th</sup> Circle, while recommending (June 2017) to the Chief Engineer (CE), PWD (R&B) for approval for the bottom plugging, stated that the above two wells could not sunk further due to hard brownish grey clay compacted laminated silt with fine sand mixture after attempting of all sorts of efforts. Finally, the CE accorded approval of the bottom plugging only in August 2017. This indicates that the DPR was prepared not based on actual site condition.

Thus, due to delay in the decision for approval of bottom plugging of well by the Department and preparation of DPR without proper investigation of actual site condition, bridge remained incomplete for more than 36 months (as of August 2018) from the stipulated date of completion (June 2015). Therefore, the desired objective to provide smooth vehicle movement also remained unachieved as of August 2018.

The EE, Ambassa Division stated (July 2018) that problem was faced during sinking of wells. He further added that wells had been sunk up to the required level and bottom plugging had also been done.

The status of the project is shown in the **Photographs 4.4.7 and 4.4.8**.



**Photographs 4.4.7 & 4.4.8 taken on 30-07-2018: Construction of RCC bridge over Gandacherra on the road from Gandacherra to Raishyabari at Ch. 1.00 km**

#### ***4.4.10.4 Inaction on the part of the implementing department against the defaulting contractors led to slippage in scheduled completion***

As per terms and conditions of the agreements, if the contractor fails to maintain the required progress in terms of the agreed time or fails to complete the work within a stipulated time, liquidated damages (LD) equivalent to 0.5 *per cent* of the contract value of the works for each week or part of the week subject to a ceiling of 10 *per cent* of the contract price should be levied on the contractor.

Scrutiny of records of four ongoing projects covered under this PA revealed that the contractors did not complete the works within the period stipulated in the agreements.

<sup>21</sup> After the well is sunk to the final position, the bottom plug is formed by concreting. The bottom plug serves as the base of the well

These projects were delayed for more than 6 to 82 months beyond the completion date as stipulated in the work order issued to the contractors. In these four projects, slow progress and non-completion of the works within stipulated period was attributable to the defaulting agencies. As per agreement provision, audit calculated LD of ₹ 1.61 crore that was to be levied on the defaulting agencies due to wilful delay in execution of the works by the contractors; however, the same had not been imposed as of March 2018 as detailed in **Appendix 4.4.7**.

#### **4.4.11 Contract Management**

##### **4.4.11.1 Extra expenditure due to acceptance of tender at higher rate**

The Public Works Department had put up (May 2008) proposal before the State Council of Ministers stating that local contractors were overloaded and not capable of taking up any more projects for implementation and were also not equipped with modern machinery and technology which were essential for speedy implementation of the projects of improved quality. Therefore, the Department may be allowed to award works to the Public Sector Undertakings (PSUs)/ Private Sector Agencies at 'Cost plus basis' (limited up to 10 *per cent* of the estimated cost) after invitation of Expression of Interest (EOI) and evaluation of experience, technical and financial capabilities. The above proposal of the Department was approved by the Council of Ministers, which was notified by the State Government in June 2008.

Scrutiny of records revealed that based on the financial bids submitted by the agencies (short listed bidders in restricted call of tender), the Department awarded seven works to the private contractors of outside of State and Central PSUs at 48 to 52 *per cent* above the estimated cost at Schedule of Rates (SoR) 2008 (in case of bridge projects) which was much higher than the limit of 10 *per cent* above the estimated cost set by the Council of Ministers as detailed in **Appendix 4.4.8**.

Further, justification for allowing 48 to 52 *per cent* above the estimated cost on the ground of speedy implementation of the projects is not acceptable in audit as none of the seven selected projects (shown in **Appendix 4.4.8**) under Cost Plus contract was completed within stipulated completion period. Out of the seven projects, six projects were completed with delay ranging from 437 to 1,446 days beyond the stipulated date of completion (shown in **Appendix 4.4.5**) and one project was still in progress (August 2018) though stipulated to be completed by July 2011 (shown in **Appendix 4.4.6**).

Thus, by accepting the tenders at higher rates for speedy completion of projects by the implementing department in violation of the approval of Council of Ministers, the implementing department had incurred extra expenditure of ₹ 6.10 crore in execution of seven selected bridge projects, which also were delayed/ remained incomplete.

#### **Conclusion**

Execution of projects was deficient as instances for non-commencement of works were noticed due to non-availability of land and change of drawing and design, *etc.* There were instances of delay in completion of projects due to delay in

communication of approval of plugging and inaction of the implementing department against the defaulting contractors. Due to non-completion of the projects in time, the State Government failed to derive the desired benefit of rural connectivity. Further, acceptance of tenders at higher rates under cost plus contract in violation of the decision made by the Council of Ministers, resulted in incurring extra expenditure of ₹ 6.10 crore by the implementing department, which calls for fixing of responsibility of the officials at fault.

**Recommendation No. 3**

- a. *The State Government may ensure essential prerequisites such as availability of clear site, proper drawing and design, adequate geo-technical/ soil investigations, etc. before taking up the projects to avoid idling of fund on incomplete projects.*
- b. *Government may ensure that the tendering process should be made fully compliant with the decision made by the Council of Ministers to avoid acceptance of tenders at higher rates under cost plus contract.*

#### 4.4.12 Monitoring

##### 4.4.12.1 High Power Committee

Paragraphs 11.1 and 11.2 of Handbook on RIDF stipulate that for financing the projects under RIDF, the State Government is required to constitute a High Power Committee (HPC) under the Chairmanship of Chief Secretary of the State Government and comprising the heads of all implementing departments and NABARD to review the progress of the projects at quarterly intervals.

Scrutiny of minutes of HPC revealed that though HPC desired to expedite the implementation of projects, only 91 projects were completed<sup>22</sup>. It was also observed that HPC emphasised the need to conduct review of RIDF projects at district level at quarterly intervals; however, the same was not done at district level as discussed in the succeeding paragraph.

##### 4.4.12.2 Review of RIDF projects at District Level

Paragraph 11.3 of Handbook on RIDF stipulates that apart from HPC meetings, which are to be conducted at State level, District Level Monitoring Committee (DLRC) under the chairmanship of District Collector is to be conducted at quarterly intervals where implementing departments concerned along with NABARD representative may participate.

<sup>22</sup> During 2013-18, 91 projects were completed out of total 263 projects (150 spill over projects taken-up prior to 2013-14 but implemented during 2013-18 and 113 projects taken up during 2013-18) in-progress/ taken up for implementation under RIDF. Of these, 164 projects (150 spill over projects taken-up prior to 2013-14 and 14 projects taken up during 2013-14) were scheduled to be completed by 2017-18.

Scrutiny of records revealed that implementing department had no record about formation of DLRC. It was confirmed by the EEs of selected divisions that no review was done by the DLRC under RIDF project. This indicates lack of monitoring at district level.

During the Exit Conference (December 2018), the Secretary assured that meetings of HPC at State level would be conducted regularly to review the progress of the projects at quarterly intervals and all the DMs and Collector of the districts would be instructed regarding formation of DLRC in their districts.

#### **4.4.12.3 Quarterly Progress Report**

Paragraph 23 (b) of Annexure IV of Handbook on RIDF provides that the implementing department should prepare and submit quarterly progress reports (QPRs) indicating the status on physical progress, residual work and expenditure incurred and claimed. In this regard, the HPC desired that project wise QPRs were to be submitted to NABARD by the implementing department.

Audit examination revealed that the above measures were not adequately followed by the implementing department as discussed below:

- a. The submissions of QPRs in case of selected projects were not properly documented. As such, audit could not assess the irregularity in submission of QPRs.
- b. Four<sup>23</sup> out of eight selected divisions did not prepare the QPR.
- c. One division<sup>24</sup> claimed that it had submitted the QPRs; however, the same was not produced to audit.
- d. In case of one division<sup>25</sup>, during the period 2013-18 covered in audit, only one QPR was submitted (June 2017) against stipulated 20 QPRs.

The above instances indicate that submission of QPRs was not yet streamlined though the Chief Secretary ordered the submission of the same to NABARD by the implementing department. As such, NABARD could not ascertain the actual progress/ status/ physical and financial achievement of the projects while making reimbursement against the amount claimed by the State Government.

During the Exit Conference (December 2018), the Secretary assured that the implementing department would be instructed to submit QPRs regularly.

#### **4.4.12.4 Project Completion Report**

Paragraph 12 of Handbook on RIDF stipulates that Project Completion Report (PCR) in the prescribed format, along with photographs, is to be submitted to NABARD within a month of completion of the project. The objective of obtaining PCRs is to make an assessment of the income generated and employment opportunities created in

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<sup>23</sup> Santirbazar Division, Teliamura Division, Amarpur Division and Bishalgarh Division

<sup>24</sup> Kanchanpur Division

<sup>25</sup> Jirania Division

the areas where the projects have been executed and to chalk out strategies for funding identical projects in future/ policy interventions required, *etc.*

Audit examination revealed that:

- a. against the 91 projects completed during 2013-18, the State Government had submitted only 36 PCRs (about 40 *per cent*) as of March 2018 to NABARD.
- b. PCRs in respect of 15 out of 31 selected completed projects were submitted by the respective EEs after lapse of 3 to 28 months from the date of completion of the projects.

NABARD also neither took any initiative to monitor the completion of the projects by itself nor did it assess the impact of the completed projects funded by them (*i.e.* income, employment generated in those areas and to chalk out strategies for funding identical projects in future/ policy interventions required, *etc.*) despite receiving 36 PCRs against 91 completed projects during 2013-18.

#### 4.4.12.5 *Impact Evaluation*

Rural connectivity projects assisted by RIDF of NABARD mainly consisted of construction of bridges and improvement of roads. In order to assess the socio-economic return of these projects, the State Government had to engage an independent third party agency to evaluate the project on various parameters. NABARD in its evaluation study had laid down some illustrative parameters<sup>26</sup> for evaluating the projects.

Although, the State PWD (R&B) constructed/ completed 144 RCC bridges, 239 culverts and 81 Bailey bridges (as of March 2018) in the State with assistance from NABARD loan, it was observed that neither the State Government nor NABARD engaged any third party agency for ex-post evaluation of the projects till date (August 2018). In the absence of any impact evaluation study, the extent of achievement of desired objectives for rural connectivity projects could not be ascertained by audit. However, in selected projects the position of non-achievement of rural connectivity has already been discussed in **Paragraphs 4.4.10.3 (i) and 4.4.10.3 (ii)**.

However, as depicted in the Booklet of NABARD, Tripura Regional Office, the State PWD (R&B) reported benefits against certain parameters in respect of four completed bridge projects as tabulated in **Table 4.4.5**. But, in the absence of information on the position prior to implementation of the four projects, the changes/ growth on the tabulated parameters due to implementation of these projects could not be assessed in audit.

<sup>26</sup> Improvement in access to education and health facility, reduction in school dropout rate, increase in financial inclusion, *etc.*

Table 4.4.5: Benefits assessed by the State PWD (R&amp;B) in respect of four completed bridge projects as on March 2016

Name of the work	RCC bridge over Local Cherra at Chittamara on the road from Manurmukh to Birchadra Manu at Ch.5.60 (RIDF XIII)	RCC bridge over Local Cherra at Paikhola on the road from Manurmukh to Birchadra Manu at Ch.6.80 (RIDF XIII)	RCC bridge over Ganga Cherra on Gargee-Tulamura road to Ganga Cherra via Ramakrishnapara at Ch.4.50 (RIDF XIII)	RCC bridge over river Gomati at Salgarah on the road from Salgarah to Jamjuri Manu at Ch.1.50 (RIDF XIII)
<b>Traffic intensity per day</b>				
Bus/Truck (Nos)	400+	400+	56+	25+
LMV/Motor Cycle/ Scooter	700+	700+	259+	75+
Tractor/ Trailer/ Agriculture tractor	20+	20+	19+	09+
Pedestrian/ Bicycle	600+	600+	508+	350+
Materials transported (MT)	4000+	4000+	315+	205+
<b>Other benefits</b>				
No of villages benefited	110	110	04	05
No. of population benefited	1,30,000+	1,30,000+	20,000+	27,000+
No. of farmers benefited	50,000 (approx.)	50,000 (approx.)	500+	1,500 (approx.)
No. of markets linked	35	35	05	04
No. of tourist spot linked	2	2	04	03

#### 4.4.12.6 Internal control

Internal control system in the implementing department was deficient and led to inflated claims being submitted. In the absence of SoEs at division level, the CE allowed reimbursement much higher than the actual expenditure and the State Finance Department also did not scrutinise the claims before submission to NABARD. That resulted in reimbursement of excess loan in actual requirement, which in turn put extra burden on the State exchequer. Further, Audit of eight test-checked divisions showed that records *viz.* Register of Work, Contractor's Ledger and physical achievement of the works (in *per cent*) were not maintained.

#### Conclusion

Absence of periodical monitoring at State level by HPC and at district level by the DLRC was also a contributing factor for considerable time overrun in completion of almost each and every project. Further, due to non-submission of QPRs on regular basis, the status on physical progress, residual work and actual expenditure incurred was not available.

***Recommendation No. 4***

Government should ensure;

- a. Regular monitoring of the implementing projects at highest level through HPC, DLRC, etc. for timely completion of the projects.*
- b. Proper and timely submission of Quarterly Progress Reports and Project Completion Reports to keep track of progress of work.*
- c. Implementation IT application to track the actual physical and financial achievement by the implementing divisions on regular periodical basis.*

## FINANCE DEPARTMENT

### 4.5 Utilisation of Thirteenth Finance Commission and Fourteenth Finance Commission grants

*Thirteenth Finance Commission and Fourteenth Finance Commission were constituted in November 2007 and January 2013 respectively. These Finance Commissions were required to make recommendations on specified aspects of Centre–States fiscal relations during the award periods of 2010-15 (for TFC) and 2015-20 (for FFC). Performance Audit of utilisation of TFC and FFC grants during the period from 2010-11 to 2017-18 in respect of Panchayati Raj Institutions, Urban Local Bodies and State Specific Needs was undertaken to assess whether the grants were utilised effectively and for intended purposes.*

#### Highlights

There was short release of grants of ₹ 91.71 crore in respect of PRIs, ₹ 26.54 crore in respect of ULBs and ₹ 196.91 crore under State Specific Needs due to non-submission of utilisation and completion certificates to the Government of India (GoI) in time.

*(Paragraph 4.5.8.1)*

During 2010-11 to 2014-15, the Rural Development (Panchayats) Department delayed the release of TFC grants by three days to 186 days for which interest of ₹ 27.50 lakh was paid to the PRIs. The Department paid penal interest of ₹ 14.40 lakh to the PRIs due to delay in transfer of FFC grants by 29 days during 2017-18.

*(Paragraph 4.5.8.2)*

Seventeen Gram Panchayats under six Panchayat Samitis in three districts had incurred an expenditure of ₹ 0.81 crore on 32 works, which were not permissible as per the Guidelines of FFC.

*{Paragraph 4.5.9.1 (i)}*

Agartala Municipal Corporation incurred an excess expenditure of ₹ 4.34 crore on operation and maintenance beyond the permissible limit of 10 per cent.

*(Paragraph 4.5.10.1)*

Due to failure of the Urban Development Department to introduce e-governance in 15 ULBs, TFC grants of ₹ 1.50 crore remained parked in banks for more than five years. Consequently, the ULBs failed to achieve transparency in accounting system as well as providing services to the citizens with respect to paying taxes in a convenient, efficient and transparent manner.

*(Paragraph 4.5.10.4)*

The State Government failed to avail of the grants of ₹ 130 crore for improvement of drainage system at Agartala due to delay in submission of modified DPR to GoI which had an adverse impact on construction of drainage works.

*(Paragraph 4.5.11.2)*

The construction of three workshop buildings in North Tripura District Polytechnic Institute taken up in February 2015 was not completed as of August 2018. Meanwhile, 303 students in civil, electronics and telecommunication and mechanical branches had passed out in 2017 and 2018 without workshop facilities in the institute.

*{Paragraph 4.5.11.3 (ii)}*

The State Government irregularly availed TFC grants of ₹ 13.50 crore for the project of 10<sup>th</sup> Battalion Headquarters of Tripura State Rifles at Jirania, major part of which had already been completed under Modernisation of Police Force scheme and from State Plan funds.

*{Paragraph 4.5.11.4 (iii)}*

#### 4.5.1 Introduction

The Finance Commission (FCs) had three constitutionally mandated tasks namely, distribution of net proceeds of taxes between Union and States, Grants-in-Aid to needy States and measures for supplementing the State resources for devolution to Panchayats and Municipalities (local bodies) in the State. Thirteenth Finance Commission (TFC) and Fourteenth Finance Commission (FFC) were constituted on 13 November 2007 and on 02 January 2013 respectively. These FCs were required to make recommendations on specified aspects of Centre–States fiscal relations during the award periods of 2010-15 (for TFC) and 2015-20 (for FFC).

The TFC recommended ₹ 292.95 crore for PRIs, ₹ 56 crore for ULBs and ₹ 500 crore for State Specific Needs (SSNs) for the State of Tripura while FFC recommended ₹ 335.67 crore for PRIs and ₹ 223.09 crore for ULBs.

#### 4.5.2 Organisational Set-up

The Principal Secretary, Finance Department is the administrative head responsible for release of FC grants to the implementing departments. The implementing departments include Rural Development (Panchayats) Department, Urban Development Department, Higher Education Department, Home (Police) Department and Tribal Welfare Department.

#### 4.5.3 Scope of Audit

Release and utilisation of grants during the period from 2010-11 to 2017-18 in respect of Panchayati Raj Institutions (PRIs) in three districts out of eight districts of

Tripura, seven Urban Local Bodies (ULBs) out of 20 ULBs and five<sup>27</sup> out of 11 projects under SSNs were reviewed in audit during the period from June-August 2018. West Tripura District was selected as Capital district. Dhalai was selected as backward district and Khowai District was selected through Simple Random Sampling With Out Replacement (SRSWOR) method. In three selected districts, all the 11 Panchayat Samitis (PSs), 55 out of 183 Gram Panchayats (GPs) and seven<sup>28</sup> out of 20 ULBs were selected through SRSWOR method.

Details of selection are shown in **Appendix 4.5.1**.

#### 4.5.4 Audit Objectives

The audit objectives were to assess whether:

- a. planning process for utilisation of grants was adequate, effective and according to guidelines;
- b. allocation, release and utilisation of funds were made as per guidelines;
- c. implementation of schemes was as per guidelines and for the intended purposes; and,
- d. there was a mechanism for adequate and effective monitoring and evaluation of utilisation of grants.

#### 4.5.5 Audit Criteria

The following sources of audit criteria were adopted for the Performance Audit:

- a. Recommendations and Guidelines of the Finance Commissions;
- b. Instructions issued by the Government of India and State Government;
- c. CPWD Works Manual 2012;
- d. General Financial Rules, 2005;
- e. Tripura Panchayats Act, 1993;
- f. Tripura Panchayats (Taxes, Fees, Rates & Tolls) Rules, 2011; and,
- g. Tripura Municipal Act, 1994.

#### 4.5.6 Audit Methodology

The Performance Audit (PA) commenced with an Entry Conference held on 22 June 2018 with the Principal Secretary, Finance Department and officers of the implementing departments wherein the audit objectives, scope of audit and audit criteria were discussed. This was followed by collection of relevant information through replies to audit queries/ memos, questionnaires and scrutiny of records.

<sup>27</sup> Construction of MBB College, construction of five TSR battalion headquarters, construction of drainage system in Agartala Municipal area, setting up of three polytechnic institutes and development of Kok-Borok language and culture

<sup>28</sup> Agartala Municipal Corporation, Udaipur Municipal Council, Santirbazar Municipal Council, Dharmanagar Municipal Council, Kailashahar Municipal Council, Teliamura Municipal Council and Amarpur Nagar Panchayat

Apart from these, physical inspection of the projects along with departmental representatives was also conducted. Photographic evidences were taken wherever necessary, to substantiate audit findings.

An Exit Conference was held with the Secretary, Finance and officers of the implementing departments on 17 December 2018, wherein audit findings and recommendations were discussed. The views expressed in the Exit Conference were suitably incorporated in the PA report.

## Audit Findings

### 4.5.7 Planning

Proper planning plays an important role in successful implementation of a programme. In a meeting (June 2010) chaired by the Minister of Rural Development (RD) (Panchayats) Department and Urban Development Department (UDD), it was decided to prepare an action plan for utilisation of TFC grants. In a review meeting (May 2014) chaired by the Chief Minister, it was also decided that the RD (Panchayats) Department would prepare work plan for utilisation of funds in consultation with GPs, PSs and Zilla Parishads (ZPs). The FFC recommended that each State should develop state specific time-bound action plan to address the issues highlighted by FFC.

As a result of audit, it was observed as under:

- a. RD (Panchayats) Department had prepared (June 2010) a five years' action plan for utilisation of TFC grants. The action plan, however, was not broken down into year-wise actionable, location-specific and quantitative terms. The plan reflected only budgetary allocation on certain specific activities for the period from 2010-11 to 2014-15. Moreover, items like payment of fixed salary, honorarium, sitting fee, travelling allowance, daily allowance, *etc.* to office bearers and members of PRIs were included in the action plan but payment of those items from TFC grants was not admissible. Further, action plan was not prepared in consultation with GPs, PSs and ZPs.

Hence, 'bottom-up' approach with the active involvement of PRIs was not followed in preparation of action plan, which did not reflect ground realities.

- b. The seven selected ULBs did not prepare any action plan for utilisation of TFC grants and works were executed without any action plan. The UD Department prepared an action plan for utilisation of FFC grants. The action plan reflected only broad activities and financial requirements without quantifying any target to be achieved with definite time bound implementing schedules. Besides, item like construction of office buildings was included in the action plan, the execution of which as per the Guidelines was not permissible from FFC grants.
- c. The State Government prepared working plan for the projects under SSNs. But, some components of the projects under SSNs were not taken up as envisaged in the working plan. Thus, the departments concerned failed to complete some of

the projects as per working plan and within the target date as discussed in **Paragraph 4.5.11.**

#### 4.5.8 Management of Grants

##### 4.5.8.1 Short release of grants by GoI due to non-submission of utilisation and completion certificates in time

As per Paragraph 6.3 of TFC Guidelines, first instalment of 2010-11 would be released unconditionally and for the second year instalment of 2010-11 onwards, States were required to send Utilisation Certificates (UCs) to Ministry of Finance for the previous instalment drawn.

Paragraph 5 of Guidelines of SSNs (TFC) for release and utilisation of grants stipulates that –

- (i) The first instalment will be released on submission of the working plan, approved by the State High Level Monitoring Committee (HLMC) chaired by the Chief Secretary.
- (ii) Grants would be released in four instalments during the award period 2011-15. For projects involving construction, 10 *per cent* of the grant will be withheld, and released on submission of a Completion Certificate (CC). States were requested to ensure that CCs are submitted well before March 2015, so that final releases could be made within the award period of TFC (2010-15).

The grants recommended by the FCs, actual release of grants by GoI to the State Government and grants released by the State Government to the implementing departments are shown in **Table 4.5.1.**

**Table 4.5.1: Details of release of funds**

(₹ in crore)

Purpose	TFC grants				FFC grants		
	Grants recommended for 2010-15 by FC	Grants actually released by GoI to State	Grants released to implementing departments by State	Short release of grants by GoI	Grants recommended for 2015-20 by FC	Grants released by GoI during 2015-18 to State	Grants released to implementing departments during 2015-18 by State
PRIs	292.95	201.24	201.24	91.71	335.67	158.43	158.43
ULBs	56.00	29.46	29.46	26.54	223.09	68.19	68.19
SSN	500.00	303.09	303.09	196.91	-	-	-
<b>Total</b>	<b>848.95</b>	<b>533.79</b>	<b>533.79</b>	<b>315.16</b>	<b>558.76</b>	<b>226.62</b>	<b>226.62</b>

Source: Finance Department

It can be seen from **Table 4.5.1** that during the award period of 2010-15, there was short release of grants of ₹ 91.71 crore in respect of PRIs, ₹ 26.54 crore in respect of ULBs and ₹ 196.91 crore under SSNs. Short release of funds was due to failure of the State Government to submit utilisation and completion certificates to the GoI in time. The short release of funds had adversely affected the implementation of the project of

drainage system in Agartala city which remained incomplete as of October 2018 as discussed in **Paragraph 4.5.11.2**.

#### **4.5.8.2 Delay in release of grants by RD (Panchayats) Department to the PRIs**

As per paragraph 4.2 of TFC Guidelines and paragraph 17 of FFC Guidelines for rural and urban local bodies, funds were to be released to the local bodies by the State Government within 10 days (for award period 2010-15) and 15 days (for award period 2015-20) of release by the GoI respectively. For failure to release grants in time, the State Government was liable to pay interest to the local bodies at the bank rate of RBI, for the number of days of delay.

Audit observed following delays in release of grants:

- a. During 2010-11 to 2014-15, the RD (Panchayats) Department delayed the release of TFC grants by three days to 186 days for which interest of ₹ 27.50 lakh was paid to the PRIs.
- b. The Department also paid penal interest of ₹ 14.40 lakh to the PRIs due to delay in transfer of FFC grants by 29 days during 2017-18.

The RD (Panchayats) Department stated (July 2018) that in respect of TFC grants, sanction memos were not uploaded immediately by the GoI after credit of fund in the Government account and also added that in respect of FFC grants, there was delay in taking decision on the purposes for which the grants would be utilised and also delayed release of grants by the Finance Department.

The reply was not acceptable, as the Department should have intimated the GoI of the delay in uploading of the sanction memos. As far as the utilisation of FFC grants was concerned, the purposes for which the grants were to be utilised had already been mentioned in the Guidelines of FFC issued by the GoI.

Thus, due to failure of officials of the RD (Panchayats) and Finance Department to release the grants to the PRIs in time, the State Government had to bear the penal interest of ₹ 41.90 lakh from state exchequer, which calls for fixing of responsibility of the officials at fault and to recover the amount of interest from them which had to be paid to PRIs, to avoid recurrence of such lapses in future.

During the Exit Conference, the RD (Panchayats) stated that Finance Department delayed the release of funds to the Department, which in turn led to delayed release of funds by the Department to the PRIs. The reply was not convincing as all the departments are required to work in close unison with each other in the interest of the State.

#### **4.5.8.3 Unspent balance of funds lying with Gram Panchayats**

The FFC recommended grants to the local bodies for providing a measure of unconditional support to GPs and ULBs for delivering basic services to the citizens.

Scrutiny of records, however, revealed that there was unspent balance of FFC grants of ₹ 5.54 crore (36.71 per cent) lying with 55 GPs as on 31 March 2018 against the

receipt of funds of ₹ 15.09 crore from the GoI during 2015-16 to 2017-18 as shown in **Appendix 4.5.2**.

The Panchayat Secretaries replied (November 2018) that due to Assembly Elections, resignation of panchayat bodies, *etc.* the FFC grants were not utilised.

The replies were not acceptable as FFC period commenced from April 2015 and the Assembly Elections were held on 18 February 2018 and election results were declared on 03 March 2018. As such, grants could have been utilised before and after declaration of election results.

Thus, due to the failure of the GPs to utilise the grants, the people were deprived of intended benefits of the grants in time.

#### **4.5.8.4 Non-receipt of performance grant**

Paragraph 11 of FFC Guidelines stipulates that the performance grants are designed to serve the purpose of ensuring reliable audited accounts and data of receipts and expenditure and improvement in own revenues.

Paragraph 13 of FFC Guidelines envisaged that detailed procedure and the operational criteria including quantum of incentives to be given for disbursement of performance grant to ULBs would be decided by the State Government subject to the following eligibility conditions:

- (i) the ULBs will have to submit audited accounts that relate to the year not earlier than two years preceding the year in which the ULBs seek to claim the performance grant; and
- (ii) the ULBs will have to show an increase in their own revenues over the preceding year as reflected in the audited accounts.

As per Guidelines of FFC, the performance grants were to be disbursed from the second year of the award period *i.e.* 2016-17 onwards. The FFC recommended performance grants of ₹ 8.75 crore for the year 2016-17 and ₹ 9.90 crore for the year 2017-18 in respect of all ULBs in Tripura.

As per conditions of eligibility for performance grants for 2016-17, the ULBs were required to prepare and submit audited accounts for the year 2014-15. Similarly, for 2017-18, they were required to prepare and submit audited accounts for the year 2015-16.

Scrutiny of records, however, revealed that out of 20 ULBs, only six ULBs<sup>29</sup> had prepared and submitted annual accounts for the year 2014-15 and three ULBs<sup>30</sup> had prepared and submitted audited accounts for the year 2015-16 to the Directorate of Urban Development Department (up to December 2016) for receiving performance grants for the year 2016-17 and 2017-18.

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<sup>29</sup> Ambassa Municipal Council, Teliamura Municipal Council, Ranirbazar Municipal Council, Mohanpur Municipal Council, Santirbazar Municipal Council and Belonia Municipal Council

<sup>30</sup> Teliamura Municipal Council, Mohanpur Municipal Council and Belonia Municipal Council

Thus, most of the ULBs did not comply with the eligibility conditions for receiving performance grant as of December 2016. As a result, the ULBs were deprived of performance grants of ₹ 18.65 crore<sup>31</sup>. Therefore, the State Government was not serious in availing the performance grants, which could have been spent on various activities.

During Exit Conference, the UDD admitted the fact of non-receipt of performance grants under FFC due to non-preparation and non-submission of audited accounts by the ULBs. It was, however, noticed in audit that the GPs received performance grants of ₹ 14.03 crore under FFC during 2016-17 and 2017-18.

### ***Recommendation No. 1***

*The Government needs to ensure that the ULBs prepare and submit audited accounts and increase their own revenue to avail of the performance grants.*

#### **4.5.8.5 Non-submission of utilisation certificates by the implementing agencies**

Rule 212 (1) of General Financial Rules (GFRs), 2005, provides that each drawing and disbursing officer should submit Utilisation Certificates (UCs) within 12 months of the closure of the financial year, to the sanctioning authority certifying that all the funds drawn were fully utilised for the purpose for which these were sanctioned.

It was noticed in audit that seven Panchayat Samitis<sup>32</sup> placed TFC grants of ₹ 1.09 crore to different line departments for execution of works during 2011-12 to 2014-15 of which UCs for ₹ 0.22 crore were submitted and UCs for ₹ 0.86 crore (*i.e.* 78.90 per cent) remained pending for submission as of August 2018 as detailed in **Appendix 4.5.3**. The physical and financial progress of the works valuing ₹ 0.86 crore was neither available with the PSs nor effective steps were taken to obtain the UCs.

Thus, due to lack of monitoring on the part of Panchayat Samitis, UCs for ₹ 0.86 crore remained pending with the implementing agencies. Besides, actual status of works was also not known due to non-submission of UCs.

## **4.5.9 Programme Implementation**

### **4.5.9.1 Panchayati Raj Institutions**

There are eight Zilla Parisads (ZPs), 35 Panchayat Samitis (PSs) and 591 Gram Panchayats (GPs) in the State of which three ZPs, 11 PSs and 55 GPs were covered in audit in three selected districts (out of eight districts).

As per Paragraph 6.3 of TFC Guidelines, first instalment of 2010-11 would be released unconditionally and for the second year instalment of 2010-11 onwards, states need to send UCs for the previous instalment drawn to the Ministry of Finance.

<sup>31</sup> ₹ 8.75 crore plus ₹ 9.90 crore

<sup>32</sup> Salema, Ambassa, Durga Chowmuhani, Bamutia, Mohanpur, Dukli and Jirania

The TFC had recommended a grant of ₹ 292.95 crore<sup>33</sup> and FFC recommended ₹ 335.67 crore<sup>34</sup> for PRIs during 2010-15 and 2015-20 respectively. Out of ₹ 292.95 crore, GoI released ₹ 201.24 crore during the award period of TFC. The GoI did not release the balance amount of ₹ 91.71 crore due to delay in submission of UCs. Non-release of the balance amount was attributed to failure of monitoring mechanism of the Department. The GoI released FFC grants of ₹ 158.43 crore out of ₹ 335.67 crore as of March 2018.

The audit findings are discussed in the succeeding **Paragraphs 4.5.9.1 (i) to (vii)**.

**(i) Execution of non-permissible works by the Gram Panchayats**

As per Paragraph 7 of FFC Guidelines, the basic grants should be provided to strengthen the delivery of basic civic services including water supply, sanitation including septic management, sewage and solid waste management, storm water drainage, maintenance of community assets, maintenance of roads, footpaths, street-lighting, burial and cremation grounds. Further, the Chief Secretary *inter alia* instructed (March 2012 and July 2016) in HLMC meetings to utilise the funds without delay and to ensure delivery of basic services to the people.

Scrutiny of records revealed that 17 GPs under six Panchayat Samitis had taken up 32 works *viz.* construction of boundary wall, purchase of furniture, extension of panchayat office, construction of agriculture shed, *etc.* from FFC grants during 2015-16 to 2017-18, which were not permissible as per the Guidelines of FFC. The GPs incurred an expenditure of ₹ 0.81 crore on these 32 works. It was also observed that the construction of boundary walls, extension of panchayat office, construction of agriculture shed, *etc.* were included in the action plan of the GPs as detailed in **Appendix 4.5.4**.

Thus, due to defective planning, the GPs executed such works in violation of FFC Guidelines and also at the cost of providing basic civic services to the people for which responsibility of the officials concerned needs to be fixed.

**(ii) Incomplete works**

Scrutiny of records revealed that 11 GPs under seven Panchayat Samitis had taken up 20 works *viz.* construction of water filter tanks, maintenance of brick soling roads, construction of pucca drains, construction of community centre in the premises of Gopal Jiu temple, sinking of ordinary hand pump, construction of open shed near Durga Mandir, *etc.* from FFC grants during 2015-16 to 2017-18. It was observed that the works remained incomplete after incurring an expenditure of ₹ 0.38 crore due to site disputes, non-availability of materials, *etc.* Further, the works for construction of community centre and open shed were not permissible as per the Guidelines of FFC as detailed in **Appendix 4.5.5**.

<sup>33</sup> ₹ 27.27 crore in 2010-11, ₹ 42.45 crore in 2011-12, ₹ 62.34 crore in 2012-13, ₹ 73.73 crore in 2013-14 and ₹ 87.16 crore in 2014-15

<sup>34</sup> ₹ 36.24 crore in 2010-11, ₹ 56.76 crore in 2011-12, ₹ 65.43 crore in 2012-13, ₹ 75.53 crore in 2013-14 and ₹ 101.71 crore in 2014-15

Due to non-completion of the works, the intended benefit could not be provided to the beneficiaries in time. Moreover, action needs to be taken against the persons for executing works, which were not permissible as per guidelines.

**(iii) Execution of works by Gram Panchayats outside Annual Action Plans**

The GPs execute various development works as per the Annual Action Plans (AAPs). As per Section 10 (2) of “The Tripura Panchayat Act, 1993”, the Gram Sansad shall *inter alia* consider the selection of beneficiaries and sites for works of public utility.

Scrutiny of records revealed that 10 GPs<sup>35</sup>, out of 55 GPs selected for audit, executed 37 works valued at ₹ 50.68 lakh outside the AAPs from FFC grants for which approval of the Gram Sansad was also not obtained as detailed in **Appendix 4.5.6**. It was noticed that Pashchim Ganki GP did not execute any work as per action plan during 2015-16 and 2016-17 under FFC. However, the GP executed four works valuing ₹ 6.68 lakh during 2015-16 and six works valuing ₹ 10.43 lakh during 2016-17 outside the action plan under FFC.

Thus, action plans were prepared by the GPs without due diligence and proper survey. Moreover, execution of works not planned is indicative of bad governance and lack of discipline in financial matters.

**Recommendation No. 2**

*Responsibility should be fixed against the official responsible for sanction and execution of works outside the action plan.*

**(iv) Non-functional ordinary hand pumps and water tanks**

The ordinary hand pumps (OHPs) and water tanks were installed in rural areas with the objective of providing water supply facilities to the people.

During physical verification of 1,608 OHPs installed from FC grants in 47 GPs, it was noticed that 203 OHPs (12.62 *per cent*) installed during 2013-14 to 2017-18 at a cost of ₹ 19.57 lakh were not found functioning (**Appendix 4.5.7**) for want of maintenance.

Similarly, during physical verification of 11 water tanks constructed in five GPs<sup>36</sup> from FC grants, seven water tanks (64 *per cent*) constructed during 2012-13 to 2016-17 at a cost of ₹ 5.47 lakh were not found in usable condition at all. No action was taken by the GPs to restore functioning of the OHPs and water tanks. Thus, the GPs did not maintain the OHPs and water tanks after their installation, due to which the basic objective of their installation could not be fulfilled.

Status of a few non-functional OHPs and one water tank is shown in the **Photographs 4.5.1 to 4.5.4**.

<sup>35</sup> under Teliamura, Kalyanpur, Khowai, Salema and Jirania Panchayat Samitis

<sup>36</sup> Tuichindrai ₹ 1.19 lakh, Dakshin Durgapur ₹ 1.44 lakh, Paschim Ghilatali ₹ 2.13 lakh, Paschim Chebri ₹ 0.20 lakh, Paschim Ganki ₹ 0.51 lakh



Photograph 4.5.1: OHP near the house of Babul Acharjee at Surjamaninagar GP



Photograph 4.5.2: OHP near Howaibari Sub-centre at Howaibari GP



Photograph 4.5.3: OHP near the house of Sushil Ch. Sarkar at Khasiamangal GP



Photograph 4.5.4: Water tank near Tarun Das para JB School at Dakshin Durgapur GP

Therefore, the expenditure of ₹ 25.04 lakh (₹ 19.57 lakh *plus* ₹ 5.47 lakh) incurred on installation of OHPs and water tanks remained unfruitful.

**(v) Irregular release of performance grant to Gram Panchayats**

Paragraph 13 of FFC Guidelines envisaged that detailed procedure and operational criteria including quantum of incentives to be given for disbursement of performance grant to GPs would be decided by the State Government subject to the following eligibility conditions:

- (a) The GPs will have to submit audited accounts that relate to the year not earlier than two years preceding the year in which the GPs seek to claim performance grant.
- (b) The GPs will have to show an increase in their own revenues over the preceding year as reflected in the audited accounts.

As per paragraph 12 of Guidelines of FFC, the performance grants were to be disbursed with effect from the second year of the award period *i.e.* 2016-17 onwards.

As per conditions of eligibility for performance grants during the year 2016-17, the GPs were required to prepare and submit audited accounts for the year 2014-15. Similarly, they were required to prepare and submit audited accounts for the year 2015-16 for becoming eligible for performance grants during 2017-18.

Scrutiny of records revealed that the Rural Development (Panchayats) Department released performance grant of ₹ 1.45 crore to 49 GPs during 2016-17 to 2017-18 (**Appendix 4.5.8**) in spite of non-fulfilment of the eligibility conditions mentioned above by these GPs. Thus, performance grants were claimed on the basis of wrong reporting.

Therefore, releasing of performance grants without adherence to eligibility criteria was irregular.

### ***Recommendation No. 3***

*Government may explore the possibility of engaging Chartered Accountants for preparation of audited accounts of PRIs.*

#### ***(vi) Non-submission of utilisation certificates by the Gram Panchayats***

Rule 212 (1) of General Financial Rules (GFRs), 2005, provides that each drawing and disbursing officer should submit the UCs to the sanctioning authority within 12 months of the closure of the financial year certifying that all the funds drawn were fully utilised for the purpose for which these were sanctioned.

Scrutiny of records revealed that Khowai Panchayat Samiti (KPS) gave ₹ 1.89 crore to 24 GPs for execution of various works under TFC grants during 2010-11 to 2014-15. Out of ₹ 1.89 crore, the GPs submitted UCs of ₹ 1.49 crore to the KPS and the UCs for balance amount for ₹ 0.40 crore were not submitted as of August 2018 though the works had been completed. Details have been shown in **Appendix 4.5.9**.

Non-submission of UCs despite completion of the works was not only violation of rules but also gross negligence on the part of the GPs.

#### ***(vii) Non-maintenance of database by Panchayati Raj Institutions***

On the recommendations of the Eleventh FC, database on finances was required to be maintained at all levels of PRIs for securing accountability and transparency in maintenance of accounts.

Further, Paragraph 6.4.2 (e) of the Guidelines of TFC for rural and urban local bodies stipulates that States should compile and maintain eight database formats prescribed in the year 2003 by Comptroller and Auditor General of India for PRIs.

The RD (Panchayats) Department informed in the meeting of HLMC held in March 2012 that the eight database formats were being maintained by the PRIs and provisions for levy of property tax by the PRIs had been incorporated in the Tripura Panchayat (Taxes, Fees, Rates and Tolls) Rules, 2011.

Scrutiny of records of three ZPs, 11 PSs and 55 GPs covered by this PA, however, revealed that the eight database formats were not maintained by these PRIs and property tax had not been levied.

Therefore, the PRIs did not ensure accountability and transparency in maintenance of accounts as advised by the FCs.

#### 4.5.10 Urban Local Bodies

As per paragraph 6.3 of TFC Guidelines, first instalment of 2010-11 would be released unconditionally and for the second year instalment of 2010-11 onwards, States need to send UC for the previous instalment drawn to Ministry of Finance.

The TFC had recommended a grant of ₹ 56.00 crore and FFC recommended ₹ 223.09 crore for ULBs during 2010-15 and 2015-20 respectively. Out of ₹ 56.00 crore, GoI released ₹ 29.46 crore during the award period of TFC. The GoI did not release the balance amount of ₹ 26.54 crore due to non- submission of UCs. The GoI released FFC grants of ₹ 68.19 crore out of ₹ 223.09 crore as of March 2018.

There are 20 ULBs in the State of which seven ULBs had been covered by audit and the audit findings are discussed in **Paragraphs 4.5.10.1 to 4.5.10.5.**

##### 4.5.10.1 *Excess expenditure beyond the permissible limit*

As per Paragraph 7 of FFC Guidelines, the basic grants should be provided to strengthen the delivery of basic civic services. Further, the cost of technical and administrative support towards operation and maintenance (O&M) should not exceed 10 *per cent* of the allocation to Gram Panchayat or Municipality under any circumstances.

Scrutiny of records of Agartala Municipal Corporation (AMC) revealed that AMC received ₹ 9.28 crore under FFC during 2017-18 and spent ₹ 5.27 crore towards O&M<sup>37</sup> which was 56.79 *per cent* of the total grant. Thus, there was an excess expenditure of ₹ 4.34 crore<sup>38</sup> beyond the permissible limit of 10 *per cent*.

Thus, due to extra spending on O&M, the basic civic services such as water supply, sanitation, septic management, sewage and solid waste management, storm water drainage, *etc.* to be provided to the people suffered.

##### 4.5.10.2 *Diversion of Fourteenth Finance Commission grants*

Paragraph 8 of FFC Guidelines envisaged that no expenditure would be incurred out of the FFC grants except on basic services.

<sup>37</sup> Cost of fuel ₹ 4.77 crore and cost of electric consumption ₹ 0.50 crore

<sup>38</sup> ₹ 9.28 x 10/100 = ₹ 0.93 crore and excess amount = ₹ 5.27 crore *minus* ₹ 0.93 crore = ₹ 4.34 crore

Scrutiny of records of Agartala Municipal Corporation (AMC) and Kailashahar Municipal Council (KMC) revealed that the AMC and KMC had diverted FFC grants amounting to ₹ 1.13 crore (4.46 per cent) during 2016-17 and 2017-18 towards installation of traffic signals, construction of park, beautification of road divider, etc. which were not admissible according to the Guidelines (**Appendix 4.5.10**).

Due to diversion of FFC grants, the activities on basic civic services such as water supply, sanitation, septic management, sewage and solid waste management, storm water drainage, etc. suffered.

#### **4.5.10.3 Advances lying outstanding with the implementing officers**

As per terms and conditions of the work orders issued to the implementing officers (IOs), the IOs should complete the works between 10 days and 90 days and submit the adjustments against the advances made to them within the stipulated period mentioned in the work orders.

The ULBs execute developmental works through the Junior Engineers of the ULBs and for this purpose, they were given advances. In fact, there is no such rule for giving advance to the Junior Engineers.

Scrutiny of records revealed that four<sup>39</sup> out of seven selected ULBs paid advances of ₹ 1.66 crore to the different IOs for execution of development works namely construction of roads/ drains/ slabs/ retaining wall, earth filling, etc. under TFC and FFC grants during 2013-14 to 2017-18. But, the IOs did not submit adjustment vouchers as of August 2018 in violation of the terms and conditions of the work orders. The grant of advances to IOs was not covered under rule.

Due to non-submission of adjustments, the actual expenditure incurred could not be verified. This may lead to misappropriation of the unadjusted advances and possibility of work not being implemented at all cannot be ruled out. As such, investigation in the matter is required to check whether the works in question have been executed. Besides, action needs to be taken against the officials at fault for not taking action as per prescribed procedure.

#### **4.5.10.4 Parking of funds due to non-introduction of e-governance**

Electronic governance (e-governance) is the application of information and communication technology for delivering Government services, exchange of information, etc. Through e-governance, Government services would be made available to the citizens in a convenient, efficient and transparent manner.

The UD Department released (April 2013) TFC grants of ₹ 1.50 crore to 15 ULBs<sup>40</sup> out of 16 ULBs that existed during that period for introduction of e-governance

<sup>39</sup> Dharmanagar Municipal Council: ₹ 19.80 lakh, Teliamura Municipal Council: ₹ 90.44 lakh, Udaipur Municipal Council: ₹ 9.37 lakh and Amarpur Nagar Panchayat: ₹ 46.46 lakh

<sup>40</sup> Dharmanagar, Kailashahar, Kumarghat, Kamalpur, Ambassa, Khowai, Teliamura, Ranirbazar, Bishalgarh, Sonamura, Udaipur, Amarpur, Santibazar, Sabroom, Belonia

(double entry accounting software and Geographic Information System based property tax system).

Scrutiny of records revealed that the e-governance was not introduced in those ULBs even as of October 2018.

In response, the Department stated (October 2018) that a tender was floated in January 2014 against which single tender had been received. Due to receipt of single tender, the tender was cancelled by the appropriate authority and e-governance remained un-introduced. Thereafter, no efforts were made by the State Government to implement the e-governance in those ULBs.

Thus, due to failure of the Department owing to its lack of seriousness to introduce e-governance in 15 ULBs, TFC grants of ₹ 1.50 crore remained un-utilised and parked in banks of the respective ULBs for more than five years. Consequently, the ULBs failed to achieve transparency in accounting system as well as providing services to the citizens with respect to paying taxes in a convenient, efficient and transparent manner.

#### 4.5.10.5 Utilisation of Fourteenth Finance Commission grants

As per Paragraph 7 of the FFC Guidelines, the FFC grants should be provided to support and strengthen the delivery of basic civic services including water supply, sanitation, sewerage and solid waste management, storm water drainage, maintenance of community assets, maintenance of roads, etc.

Scrutiny of records revealed that the FFC grants in respect of four ULBs, out of seven selected ULBs during period of FFC (2015-16 to 2017-18) were not utilised adequately as shown in **Table 4.5.2**.

**Table 4.5.2: Statement showing utilisation of grants by the four ULBs**

(₹ in lakh)

Name of ULB	Year	Spill over	Funds received	Total	Expenditure	Balance	Percentage of unutilised grants
Amarpur	2015-16	0	34.04	34.04	0	34.04	100.00
	2016-17	34.04	47.14	81.18	21.33	59.85	73.73
	2017-18	59.85	27.22	87.07	26.16	60.91	69.96
Udaipur	2015-16	0	89.28	89.28	38.54	50.74	56.83
	2016-17	50.74	123.64	174.38	50.29	124.09	71.16
	2017-18	124.09	71.40	195.49	102.70	92.79	47.47
Shantirbazar	2015-16	0	55.24	55.24	4.23	51.01	92.34
	2016-17	51.01	76.50	127.51	37.51	89.99	70.57
	2017-18	89.99	44.18	134.17	45.67	88.50	65.96
Kailashahar	2015-16	0	65.30	65.30	2.94	62.36	95.50
	2016-17	62.36	90.44	152.80	70.70	82.10	53.73
	2017-18	82.10	52.23	134.33	71.82	62.52	46.54

Source: Data furnished by the ULBs

It can be seen from the **Table 4.5.2** that the utilisation of grants by the ULBs during the last three years ranged between ₹ 2.94 lakh and ₹ 102.70 lakh and large amount of funds remained unutilised. The percentage of unutilised grants ranged between 46.54 per cent and 100 per cent. Udaipur Municipal Council had not taken up any work of providing drinking water to the people though it was planned for execution during 2016-17 and 2017-18. The grants were not utilised adequately due to lack of decision on the part of Executive Bodies/ Nagar Body to execute various development works under FFC.

Thus, the above ULBs failed to provide basic services to the people adequately and in a timely manner.

#### 4.5.11 State Specific Needs

The TFC had recommended a grant of ₹ 500 crore under SSNs to the State of Tripura. The recommendations and funds received under TFC for SSNs is shown in **Table 4.5.3**.

**Table 4.5.3: Details of grants (recommended and released) under SSNs**

(₹ in crore)				
Sl. No.	Particulars	Amount recommended	Release	Short release
1	Police Training	10.00	9.00	1.00
2	Tripura State Rifles Battalion Headquarters	75.00	67.50	7.50
3	Zonal Offices under TTAADC	20.00	18.00	2.00
4	Kok-Borok Language and Culture	10.00	9.00	1.00
5	Churaibari Checkpost Complex	20.00	15.00	5.00
6	Technical Education	75.00	35.74	39.26
7	Development of Maharaja Bir Bikram College Complex	30.00	27.00	3.00
8	New Raj Bhawan	30.00	21.85	8.15
9	Prison System	15.00	15.00	0.00
10	Fire Service Headquarters	15.00	15.00	0.00
11	Drainage System in Agartala	200.00	70.00	130.00
<b>Total</b>		<b>500.00</b>	<b>303.09</b>	<b>196.91</b>

*Source: Finance Department*

Out of 11 projects, five projects *i.e.* Tripura State Rifles Battalion Headquarters, Kok-Borok Language and Culture, Technical Education, Development of Maharaja Bir Bikram College Complex and Drainage System in Agartala were selected for audit where major portion of the grants was recommended keeping in view of importance of the topics.

The audit findings against the receipt / utilisation of TFC grants under SSNs and the implementation of the schemes there-under are discussed in **Paragraphs 4.5.11.1 to 4.5.11.6**.

##### **4.5.11.1 Short receipts of grants due to delay in submitting utilisation and completion certificates**

The conditions stipulated in the guidelines for release and utilisation of grants for SSNs were as under:

- a. The first instalment would be released on submission of working plan approved by HLMC to Ministry of Finance (MoF) and other line ministry concerned. The subsequent instalment would be released on receipt of utilisation certificate as per GFR 2005 in respect of previous release; and,
- b. For projects involving construction, 10 *per cent* of the grant would be withheld and released on submission of completion certificates, which are required to be submitted well before March 2015 so that the final releases can be made within the TFC award period (2010-15).

It is evident from **Table 4.5.3** that out of total recommendation of ₹ 500 crore made by the TFC, the State received only ₹ 303.09 crore. The GoI did not release the balance amount of ₹ 196.91 crore to the State due to delay in submission of utilisation and completion certificates, which is a serious matter. As such, the Government needs to do introspection about such execution and procedural delays and revamp its work culture to avoid such serious lapses in future so as to receive full grants in the interest of overall development of the State and its people.

#### **4.5.11.2 Construction of drainage system in Agartala**

The city of Agartala suffers from periodic water logging due to lack of storm water drainage system. Several localities of the city hinder gravity discharge of water into the surrounding rivers because of their location.

To tackle the water logging problem by construction/ improvement of drainage system in the city, the TFC recommended grants of ₹ 200 crore and the GoI released ₹ 20 crore in December 2011. The State Government submitted (March 2012) the Detailed Project Report (DPR) to the Ministry of Urban Development (MoUD), GoI, for the project. Subsequently, the GoI released ₹ 50 crore in February 2015.

The work of construction of 115.784 km drains under five packages in North, East, South and Central zones of AMC was awarded (between September 2012 and March 2013) to two different contractors<sup>41</sup> at an estimated cost of ₹ 182.42 crore. Works of all five packages started in June 2013.

Scrutiny of records revealed that the MoUD, GoI, advised (May 2012) the State Government to forward Master Plan 2004, incorporate details of the topography including contour plan of the project area, rainfall data for 25-50 years, cost of operation and maintenance of the drainage system, *etc.* in the DPR. Based on the advice of the MoUD, GoI, the State Government revised the DPR and submitted (September 2014) it to the MoUD, GoI. However, State Government failed to supply complete documents such as hydraulic design of the drainage system, revised land use map, *etc.* to the MoUD in time.

Meanwhile, the TFC period expired on 31 March 2015 and the GoI did not release the balance amount of ₹ 130 crore. Thus, the State was deprived of funds to the tune of ₹ 130 crore which adversely affected the construction of drainage system. The

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<sup>41</sup> Hindustan Steelwork Construction Ltd and Tapesh Debnath

State Government released (July 2015) an additional fund of ₹ 30 crore to the UDD from Divisible pool for the project.

It was noticed in audit that construction of 74.683 km (out of 115.784 km) drains only had been completed after incurring an expenditure of ₹ 89.08 crore as of June 2018. The UDD, however, short closed the drainage works of North, East and South zones and in some areas of Central zone. Details are shown in **Table 4.5.4**.

**Table 4.5.4: Zone-wise details of short closed of drainage works**

Name of zone	Provision as per agreement (In km)	Actual work done (In km)	Work short closed/ balance work (In km)
Central zone	RCC covered drain – 8.079 <sup>42</sup>	3.64	-
Central zone	Feeder drain (RCC)-15.70	5.20	10.50
	Feeder drain (Brick) 14.72	11.60	3.12
North zone	Major drain- 8.10	3.60	4.50
	Feeder drain- 19.65	12.10	7.55
East zone	Major drain - (RCC) 8.125	7.441	0.684
	Feeder drain (Brick)-15	13.337	1.663
South Zone	Major drain (RCC)- 11.41	7.30	4.11
	Feeder drain(Brick)- 15	10.465	4.535
<b>Total</b>	<b>115.784</b>	<b>74.683</b>	<b>36.662</b>

It would be seen from **Table 4.5.4** that construction of 36.662 km (out of 115.784 km) drains were short closed. Thus, the Department failed to construct the required length of drains in AMC area even after lapse of three years of expiry of TFC period.

Due to non-release of funds by the GoI, the objectives of the projects could not be achieved and the capital city continued to suffer from water logging during rainy season. Thus, incomplete project resulted in unfruitful expenditure of ₹ 89.08 crore as in the case of creation of a sewerage system, partial construction of drains cannot achieve the intended objective.

Water logging at Agartala city is shown in **Photograph 4.5.5**.

In response to an audit query, the Chief Engineer (CE), UDD stated (June 2018) that owing to constraints of funds coupled with non-availability of encroachment free site, most of the drainage works had to be left half done. It was further stated (October 2018) that only 50 per cent of the drainage works in central zone had been completed and the work from Orient Chowmuhani to Rabindra Bhawan had not been



**Photograph 4.5.5: Water logging near Rabindra Bhawan (07 July 2018), Central Zone**

<sup>42</sup> Work in progress

completed due to encroachment.

The reply of the CE was not justifiable as the State Government failed to avail the balance amount of ₹ 130 crore from the GoI for the purpose and encroachment free site for construction of drainage works should have been ensured before commencement of the works.

Therefore, the State Government failed to improve the drainage system in Agartala city due to lack of funds owing to delay in submission of modified DPR and complete documents and also failure to provide encroachment free sites due to which people had been facing inconvenience and water logging during rains.

#### **4.5.11.3 Construction of three Polytechnic Institutes**

The TFC recommended a grant of ₹ 75 crore for three polytechnics<sup>43</sup> in order to promote technical education in Tripura Tribal Areas Autonomous District Council (TTAADC) areas. It was observed that the GoI released ₹ 35.74 crore only due to non-submission of UCs. This resulted in lapse of ₹ 39.26 crore (₹ 75 crore minus ₹ 35.74 crore). The audit findings are discussed in **Paragraphs 4.5.11.3 (i) to (iii)**.

##### **(i) Khumulwng Polytechnic Institute**

To establish a quality technical education centre at Khumulwng in West Tripura District having four branches namely, civil engineering, computer science and technology, electrical engineering and rubber technology, the Higher Education Department (HED), Government of Tripura entrusted the Tripura Housing and Construction Board (THCB) with the responsibility of preparing a concept paper for construction of the said polytechnic institute. Accordingly, the THCB prepared the concept paper for construction of the institute for ₹ 24.31 crore in June 2010. The project envisaged construction of administrative and academic block, laboratory, workshop building, hostels for boys and girls, staff quarters, canteen, approach road and boundary wall.

Scrutiny of records revealed that the THCB was entrusted with (between January 2013 and January 2015) the construction of administrative and academic block and five workshop buildings by the HED. The Education (Higher) Department provided ₹ 21.71 crore<sup>44</sup> between June 2012 and March 2018 to THCB. The THCB completed the above works at a total cost of ₹ 21.85 crore<sup>45</sup> in May 2016. But, the remaining components of the project as envisaged in the concept paper *i.e.* hostels for boys and girls, staff quarters, *etc.* were not taken up ostensibly due to paucity of funds as the State Government failed to avail TFC grants of ₹ 39.26 crore (out of recommended amount of ₹ 75 crore) from the GoI due to non-submission of UCs. The institute started functioning from academic year 2016-17 with civil, mechanical and electrical engineering branches without taking up remaining components of the project and

<sup>43</sup> At Khumulwng - ₹ 30 crore, at Bagbassa- ₹ 25 crore and at Ambassa- ₹ 20 crore

<sup>44</sup> ₹ 15.24 crore from TFC grants and ₹ 6.47 crore from State Plan

<sup>45</sup> ₹ 15.24 crore from TFC grants, ₹ 6.47 crore from State Plan and ₹ 0.14 crore from own source of THCB

without providing other peripheral facilities like hostels for boys and girls and staff quarters.

**(ii) North Tripura District Polytechnic Institute**

The construction work of North Tripura District Polytechnic (NTDP) Institute was entrusted with the State Public Works Department (PWD) and accordingly, the PWD prepared a concept paper for construction of NTDP Institute at Bagbassa in August 2010. As per concept paper, the following main components of the institute were to be taken up:

- a. Composite building for administrative, academic, auditorium, seminar hall, canteen, workshops and watch ward, *etc.*;
- b. Construction of 100 bed boys' hostel;
- c. Construction of 100 bed girls' hostel;
- d. Boundary / guard wall; and
- e. Approach road, *etc.*

Scrutiny of records revealed that construction of administrative and academic buildings, auditorium and seminar/ conference hall had been taken up in June 2011 and completed in September 2014 at a cost of ₹ 14.39 crore. It was seen that the academic session of the institute had commenced from 2014-15 with three branches *i.e.* civil, mechanical, and electronics and telecommunication having intake capacity of 60 students in each branch. The construction of three workshop buildings was taken up at a cost of ₹ 1.08 crore in February 2015 with the stipulation to complete the work by May 2016 but the work remained incomplete (as of August 2018). Meanwhile, 303 students in civil, electronics and telecommunication and mechanical branches had passed out in 2017 and 2018 without workshop facilities in the institute.

As per All India Council of Technical Education (AICTE) norms, there should be hostel facilities for boys and girls in the technical educational institutes. It was noticed in audit that the NTDP institute was running without these facilities.

The fact remains that the institute lacked infrastructural facilities like workshop, hostel for boys and girls which were planned for efficient functioning of the institute.

**(iii) Dhalai District Polytechnic Institute**

As per concept paper, the construction of the following main components of the Dhalai District Polytechnic (DDP) Institute were to be taken up at a cost of ₹ 20.71 crore:

- a. Administrative and academic building, seminar hall, workshop, canteen, *etc.*;
- b. 100 bed boys' hostel; and
- c. Site development.

The construction work of the institute was entrusted with the State PWD. It was observed that academic and administrative building, workshop, canteen and auditorium were taken up in May 2011 and were completed in March 2015 at a cost of ₹ 10.25 crore.

As per AICTE norms, boundary wall, hostels for boys and girls, gymnasium, *etc.* are required to be constructed. Scrutiny of records revealed that the construction of boundary wall of 2,500 metre was taken up in March 2015. Out of 2,500 metre, 1,625 metre wall had been completed at a cost of ₹ 1.41 crore by December 2016 and remaining 875 metre was in progress as of August 2018. Construction of hostels for boys and girls were not taken up, ostensibly due to constraint of funds.

In response, the Principal of the DDP Institute replied (July 2018) that there was demand for 150 bed boys' hostel and added that six Type-III staff quarters constructed in May 2016, had been converted into 35 bed girls' hostel.

During the Exit Conference, the Education (Higher) Department stated that due to delay in acquiring forest land, the construction of the polytechnic institutes could not be completed in time which resulted in lapse of ₹ 39.26 crore and added that the construction of hostel for boys and girls, staff quarters, *etc.* in the polytechnic institutes were not taken up due to constraint of funds.

Thus, the infrastructural facilities were not in place in the polytechnic institutes due to constraint of funds as the State Government failed to avail ₹ 39.26 crore (out of ₹ 75 crore) from the GoI due to non-submission of UCs in time as per condition of release of TFC grants.

#### **4.5.11.4 Construction of five Tripura State Rifles Battalion Headquarters at different locations**

The State Government requested grants for construction of five Tripura State Rifles (TSR) battalion headquarters<sup>46</sup> comprising administrative block, barrack, staff quarters and other buildings for these battalions. In order to strengthen the security force, the TFC recommended a grant of ₹ 75 crore (₹ 15 crore for each battalion) for construction of five TSR battalion headquarters.

It was noticed in audit that out of ₹ 75 crore, GoI released ₹ 67.50 crore and ₹ 7.50 crore (10 *per cent*) remained withheld due to non-submission of UCs and delay in submission of completion certificate of the projects before 31 March 2015. Thus, there was lapse of ₹ 7.50 crore.

Out of five TSR battalion headquarters, the construction of 7<sup>th</sup> and 9<sup>th</sup> Battalion Headquarters had already been completed and were functioning. The deficiencies noticed in construction of 8<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> Battalion Headquarters are discussed below.

<sup>46</sup> 7<sup>th</sup> to 11<sup>th</sup> TSR Battalion Headquarters

**(i) Construction of 8<sup>th</sup> Tripura State Rifles Headquarters**

Scrutiny of records revealed that the work for construction of 8<sup>th</sup> Battalion TSR Headquarters at Lalcherra, Dhalai comprising 12 components<sup>47</sup> was entrusted with the PWD and PWD took up the work by engaging construction agency (NPCC Ltd.<sup>48</sup>) at cost plus contract at a tendered value of ₹ 14.70 crore in January 2009 from State budget under Plan Head with the stipulation to complete the project by January 2011. The work was commenced in December 2009. Subsequently, a proposal was initiated by the State Government in August 2010 to execute the work out of TFC grants.

It was seen that boundary wall, motor transport (MT) garage and office, 100 men barrack-II, quarter guard and subordinate officers mess had been completed at a cost of ₹ 7.57 crore by May 2017. The components like administrative building, magazine building and 100 men barrack-1 had not been completed as of August 2018 even after seven years from the stipulated date of completion due to slow progress of work by the construction agency.

Paragraph 15.1 of CPWD Works Manual, 2012 provides that availability of clear site is desirable before taking up of any work.

It was noticed that the construction of wireless centre, store building, watchtower, officer's mess and commanding officer's quarters could not commence as of August 2018 due to non-availability of clear site. The Department failed to hand over clear site to the construction agency after a lapse of more than three years of expiry of TFC period due to lack of proper planning.

Thus, due to failure of the Department to complete the project even after lapse of approximately nine years from the date of commencement of the work, the objective of strengthening the 8<sup>th</sup> Battalion TSR Headquarters at Lalcherra, Dhalai remained unachieved.

**(ii) Construction of 11<sup>th</sup> Battalion Tripura State Rifles Headquarters**

The Home (Police) Department released TFC grants of ₹ 13.50 crore to the PWD, Government of Tripura for construction of 11<sup>th</sup> Battalion TSR HQ at Pathaliaghat.

Scrutiny of records revealed that the work for construction of 11<sup>th</sup> Battalion TSR Headquarters at Pathaliaghat comprising 12 components<sup>49</sup> was taken up in July 2012 by engaging a contractor at the tendered value of ₹ 11.07 crore with stipulation to complete the works within 24 months. The work commenced in July 2012 and was in progress (August 2018). The value of work done was ₹ 15.52 crore and the contractor was paid ₹ 13.77 crore as of August 2018. It was seen that out of

<sup>47</sup> Boundary wall, magazine building, MT garage & office, 2 Nos. 100 men barrack, quarter guard, administrative building, wireless centre, store building, watch tower, officer's mess, SOS mess and Commanding Officer's (CO) quarter

<sup>48</sup> National Projects Construction Company Limited, a Government of India enterprise

<sup>49</sup> Boundary wall, magazine building, MT garage & office, 100 men barrack II, quarters guard, administrative building, wireless centre, store building, watch tower, officer's mess, SOS mess and CO's quarters

12 components, only five components namely administrative building, store building, MT office, magazine store and MT garage were completed and handed over to the Home (Police) Department in August 2017. The remaining components of the projects such as boundary wall, 100 men barrack-II, quarter guard, wireless centre, watch tower, officer's mess, SOS mess and CO's quarters had not been completed (August 2018). It was seen that the Executive Engineer, Bishramganj Division, PWD (Roads & Buildings) submitted tentative deviation of ₹ 3.92 crore and extra item of works for ₹ 0.43 crore to the Superintending Engineer, 4<sup>th</sup> Circle, PWD (R&B), Agartala in November 2014 for approval. The deviation and extra items of works were approved by the Chief Engineer in October 2016. Thus, there was delay in approval of deviation and extra items for about two years and during the said period, the work remained suspended by the contractor till deviation was approved. In response to an audit query, the Commandant of the Battalion replied (July 2018) that the battalion headquarters had not been shifted due to non-completion of boundary wall and watch tower. The Battalion Headquarters is still functioning at the old place *i.e.* at Gokulnagar.

The project which was scheduled to be completed in July 2014 remained incomplete as of August 2018 *i.e.* even after a lapse of more than three years from the expiry of TFC award period and the expenditure of ₹ 13.77 crore incurred for the project remained unproductive.

Therefore, due to delay in execution of works coupled with delay in according approval of deviation and extra items of works, the project remained incomplete as of August 2018 thereby depriving the TSR personnel of intended benefit of Battalions Headquarters at Pathaliaghat.

**(iii) Construction of 10<sup>th</sup> Battalion Tripura State Rifles Headquarters**

As per Rule 209 (1) of GFRs, 2005, the institution or organisation seeking grants-in-aid should certify that it has not obtained or applied for grants for the same purpose or activity from any other ministry or department of the Government of India or the State Government.

Scrutiny of records revealed that a Detailed Project Report for construction of 10<sup>th</sup> Battalion TSR Headquarters, Jirania for ₹ 15.02 crore had been prepared by the THCB in September 2010. The project comprised administrative block, quarter guard, officers mess, barrack of single officers, store building, 18 Type-II, 12 Type-III and one Type-V quarters and boundary wall for 350 metres.

It was noticed that the Home (Police) Department, Government of Tripura provided ₹ 10.17 crore from Modernisation of Police Force (MoPF) scheme and State Plan funds to THCB for construction of 10<sup>th</sup> Battalion TSR Headquarters at Jirania during 2007-08 to 2009-10. The work was entrusted to THCB in 2008-09. The THCB completed the construction of administrative block, wireless station, quarter guard, officers mess, barrack of single officers, store building, 30 Type-II, 10 Type-III and

one Type-V quarters at a cost of ₹ 12.46 crore<sup>50</sup> by September 2010. It was observed that the Home (Police) Department provided TFC grants of ₹ 5.25 crore only to THCB in 2011-12 of which the THCB spent ₹ 1.80 crore for construction of internal roads and boundary wall and ₹ 2.29 crore which was already incurred from own source of THCB, had been adjusted on receiving TFC grants from the Home (Police) Department. The balance amount of ₹ 1.16 crore<sup>51</sup> out of ₹ 5.25 crore was being utilised for construction of four type-II quarters and internal road for 10<sup>th</sup> Battalion TSR Headquarters.

The component wise expenditure incurred from Modernisation of Police Force/ State Plan Fund and funds demanded from TFC grants are shown in **Table 4.5.5**.

**Table 4.5.5: Statement showing component wise expenditure incurred from Modernisation of Police Force/ State Plan Fund and funds demanded from TFC**

(₹ in crore)

Sl. No.	Works executed from Modernisation of Police Force/ State Plan Fund		Sl. No.	Funds demanded from TFC	
	Particulars of item	Amount		Particulars of item	Amount
1	Administrative block	1.38	1	Administrative block	0.96
2	Quarter guard	0.98	2	Quarters guard	0.47
3	Officers mess	1.38	3	Officer's mess	1.55
4	Wireless station	1.30	4	Barrack for single officers	1.09
5	Store building	0.43	5	Store building	0.25
6	SO's mess	1.73	6	18 Nos. Type-II quarter	1.82
7	18 Nos Type-II quarters	3.10	7	12 Nos. Type-III quarter	1.61
8	12 Nos Type-II quarters		8	1 No. Type-V quarter	0.22
9	1 No Type-V quarter	0.59	9	Boundary wall for 350 mtr	0.13
10	10 Nos Type-III quarters	1.57	10	Cost Index	6.48
			11	Contingencies	0.44
<b>Total</b>		<b>12.46</b>	<b>Total</b>		<b>15.02</b>

*Source: Home (Police) Department, THCB and Detailed Project Report*

Since the major part of construction of the 10<sup>th</sup> Battalion TSR Headquarters at Jirania had already been completed before the TFC award period from Modernisation of Police Force/ State Plan Fund, seeking of funds for the same purpose from TFC grants was highly irregular, injudicious and in violation of financial rules.

**Therefore, the State Government availed the grants from the GoI by concealing facts and figures.**

During the Exit Conference, the Home (Police) Department, while accepting the audit observations, stated that the construction agencies would be asked to complete the TSR 8<sup>th</sup> and 11<sup>th</sup> Battalion Headquarters shortly.

#### **4.5.11.5 Development of Maharaja Bir Bikram College**

Maharaja Bir Bikram (MBB) College at Agartala is an old educational institution of the State. The TFC recommended a grant of ₹ 30 crore for construction and development of the College. It was seen that out of ₹ 30 crore, the GoI released

<sup>50</sup> ₹ 10.17 crore from MoPF and State Plan, and ₹ 2.29 crore from own source of THCB

<sup>51</sup> {₹ 5.25 crore – (₹ 1.80 crore + ₹ 2.29 crore)} = ₹ 1.16 crore

₹ 27 crore<sup>52</sup> during the award period and ₹ three crore (10 per cent) was not released due to non-submission of completion certificate of the project before 31 March 2015.

The work for reconstruction and development of MBB College comprised four components viz. administrative building, academic building (science block), commerce and management building and a 1,000 capacity auditorium. Out of the four components, construction of administrative, science academic block and commerce and management buildings was entrusted with the PWD and was completed between September 2012 and February 2016 at a cost of ₹ 13.62 crore. The construction of auditorium was also entrusted with the PWD and the PWD awarded (January 2013) the work to Ramky Infrastructure Limited (contractor) at a tendered value of ₹ 8.14 crore with the stipulation to complete the work by January 2015. However, the work remained incomplete (August 2018). The value of work done for construction of auditorium was ₹ 5.13 crore which had been paid to the contractor in March 2018. In response to an audit query, the executing division of PWD<sup>53</sup> concerned stated (August 2018) that construction of auditorium was delayed due to demolition of earlier structure (building), construction of reinforced cement concrete (RCC) retaining wall and the slow progress of works by the construction agency. The executing division also stated (November 2018) that demolition of earlier structure was not within the provision of the agreement and construction of retaining wall of 100 metre was within the scope of agreement, but after demolition of the earlier structure and site clearance, it had become necessary to construct retaining wall of length 160 metre. The incomplete auditorium is shown in **Photograph 4.5.6**.



**Photograph 4.5.6: Incomplete auditorium of MBB college**

Therefore, the students were deprived of auditorium facilities and the expenditure of ₹ 5.13 crore already incurred for auditorium remained unproductive as of August 2018.

#### **4.5.11.6 Development of Kok-Borok Language and Culture**

The main language of the inhabitants of the Tripura Tribal Areas Autonomous District Council (TTAADC) areas is Kok-Borok. The TFC recommended a grant of ₹ 10 crore for development of the Kok-Borok language and culture. It was noticed in audit that the GoI released ₹ nine crore<sup>54</sup> for the project during the award period and ₹ one crore was not released due to non-submission of completion certificates.

<sup>52</sup> ₹ 7.50 crore in 2011-12, ₹ 7.31 crore in 2012-13 and ₹ 12.19 crore in 2014-15

<sup>53</sup> EE, PWD (Roads & Bridges), Division III, Agartala

<sup>54</sup> ₹ 2.22 crore in 2011-12, ₹ 2.32 crore in 2012-13, ₹ 2.60 crore in 2013-14 and ₹ 1.86 crore in 2014-15

The nodal department of the project (Tribal Welfare Department) placed the entire amount of ₹ nine crore<sup>55</sup> at the disposal of the implementing agency (TTAADC) for implementation of the project during 2011-12 to 2014-15.

It was noticed in audit that the State Government had sent the Action Plan<sup>56</sup> for development of Kok-Borok language and culture to the GoI in August 2010. On receipt of the suggestion made by the Review Committee, Ministry of Culture, GoI, the State Government submitted the revised Action Plan to the GoI in December 2012 by incorporating the item *viz.* “Development of English to Bengali to Kok-Borok Dictionary”.

Scrutiny of records revealed the following deficiencies in the implementation of the project:

- a. The TTAADC could not finalise/ publish the trilingual dictionary as suggested by the GoI (August 2018). As a result, one of the main objectives of development of the Kok-Borok Language remained unachieved. It was noticed that TTAADC earmarked ₹ 11.00 lakh and spent ₹ 6.09 lakh towards preparation of the dictionary as of August 2018.
- b. Research works on standard Kok-Borok Grammar, Kok-Borok spelling method and etymological dictionary of Kok-Borok as envisaged in the Action Plan were not taken up (August 2018).
- c. Four libraries in four districts<sup>57</sup> were constructed at a cost of ₹ 5.28 crore (including internal electrification, boundary wall, contingency charges, *etc.*) with the provision of Digital Video Disc (DVD) facilities at Khumulwng library. But DVD facility was not available in the library (August 2018).
- d. Regular librarians were not appointed in the libraries. One librarian was appointed (January 2015) on contractual basis at Khumulwng library and three Kok-Borok teachers were entrusted (July 2015) with the job as librarians in the other three libraries without having experience and requisite qualification for proper handling of the libraries.
- e. There was no mechanism in place to provide membership cards for the readers in any of the libraries (August 2018).
- f. The quarters constructed for the librarian and night guard at Manu library at a cost of ₹ 25.06 lakh (including drain, approach road, water supply, sanitary installation

<sup>55</sup> ₹ 2.22 crore in 2011-12, ₹ 2.32 crore in 2012-13, ₹ 2.60 crore in 2013-14 and ₹ 1.86 crore in 2014-15

<sup>56</sup> (i) Translation, collection, compilation of books in Kok-Borok Language; (ii) Development of a Dictionary English-Bengali-Kok-Borok Language; (iii) Construction of State Kok-Borok Library 1 unit with furniture and equipment, procurement of books and DVD library and Computer Centre; (iv) Organising Kok-Borok Vocabulary, Terminology & Spelling method Workshop; (v) Research Projects for Development of Kok-Borok on different topics; Kok-Borok teaching Centre; (vi) Documentation, Collection and preservation of Tribal & Music, Dance, Folktales, Folk life & Culture a) Wedding ceremony b) Childhood to death c) Huk life d) Life style of villages & community e) Origin of folk dances

<sup>57</sup> Khumulwng at West Tripura, Birchandra Manu at South Tripura, Manu at Dhalai and Machmara at North Tripura District

and electrification) remained unutilised since January 2015. Hence, the expenditure of ₹ 25.06 lakh remained idle as of August 2018.

- g. The TTAADC placed ₹ 0.95 crore at the disposal of the Executive Engineer, PWD (Roads & Buildings) Division, Khowai during 2017-18 for construction of Kok-Borok library at Tulashikhor which was not provisioned in the approved Action Plan.
- h. The activities on documentation, collection and preservation of tribal dance, music, origin of folk dances, folk tales, folk life and culture, wedding ceremony, childhood to death, huk<sup>58</sup> life, life style of villages and communities were not taken up as envisaged in the Action Plan.

In reply, the Principal Officer (Education), TTAADC stated (August 2018) that the compilation of English to Bengali to Kok-Borok Dictionary was in progress and research works on standard Kok-Borok grammar, Kok-Borok spelling method and etymological dictionary of Kok-Borok had not been taken up for want of expertise. The reply was not acceptable as the Department failed to publish the trilingual dictionary even after seven years of receipt of grants from the GoI and expertise in respect of research works should have been ensured beforehand.

Thus, the TTAADC failed to implement the project as per action plan and as a result, the purpose for which the TFC grants were provided had been defeated.

During the Exit Conference, the Tribal Welfare Department stated that the TTAADC constructed four libraries and assured audit that they would finalise the trilingual dictionary.

#### 4.5.12 Monitoring and evaluation

Monitoring and evaluation provide means of corrective measures on deviations and deficiencies in implementation of various development activities.

As per Paragraph 9.1 of TFC Guidelines and Paragraph 23 of FFC Guidelines for utilisation of grants for rural and urban local bodies, every State should constitute a High Level Monitoring Committee (HLMC) headed by the Chief Secretary of the State Government and would include Finance Secretary and Secretaries of the departments concerned as members. HLMC should be responsible for ensuring adherence to the specific conditions in respect of each category of TFC grants and should meet once in every quarter to review the implementation of the grants. Similarly, HLMC is responsible for monitoring and carrying out concurrent evaluation of the local bodies receiving the FFC grants.

As per Paragraph 6 of Guidelines (TFC) of release and utilisation of grants for SSNs, every State shall constitute a HLMC for approval of the State's working plan and monitoring of utilisation of grants in accordance with the plan. The HLMC shall meet on a quarterly basis during the award period.

Scrutiny of records revealed that:

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<sup>58</sup> Shifting cultivation

- a. The State Government constituted (December 2010) HLMC in respect of PRIs and ULBs for monitoring the utilisation of TFC grants. The State Government also constituted (December 2015) HLMC in respect of PRIs for monitoring the utilisation of FFC grants but HLMC was not constituted for monitoring the utilisation of FFC grants in respect of ULBs. The State Government constituted (September 2011) the HLMC for monitoring the grants under SSNs (TFC).
- b. During 2010-11 to 2013-14, five meetings were held for utilisation of TFC grants of PRIs and no meeting was held in 2014-15. Only one meeting was held for utilisation of FFC grants during 2015-16 to 2017-18. The Chief Secretary *inter-alia* instructed to utilise the grants without delay and ensure basic service delivery to the people.
- c. Two meetings were held in 2012-13 and 2013-14 for utilisation of TFC grants in the ULBs and no meeting was held in 2014-15. In the meetings, the Chief Secretary instructed the implementing department to take expeditious steps to complete the work of drainage system of Agartala Municipal area and complete the entire work as per schedule by March 2015.
- d. The meetings of HLMC in respect of utilisation of TFC grants under SSNs were also not held on quarterly basis as envisaged in the Guidelines. Seven meetings of HLMC were held in respect of development of Kok-Borok language and culture against prescribed 20 meetings during the TFC period. In the meetings, it was directed that the funds should be utilised as per action plan.
- e. Similarly, only eight meetings of HLMC were held on construction of TSR battalion headquarters against 20 meetings<sup>59</sup>. The Chief Secretary requested the Department concerned to furnish pending utilisation certificates, progress reports, battalion wise expenditure statements, *etc.*
- f. Details of meetings of HLMC in respect of construction of three polytechnic institutes and MBB College were not made available to audit though called for (August 2018).
- g. Physical verification of the works by HLMC was not conducted at the implementing levels of local bodies.

It is evident that the meetings of HLMC were not held on quarterly basis. Thus, monitoring and evaluation was deficient with regard to utilisation of FC grants leading to lapse of funds, delay in execution of works, funds lying unutilised/ underutilised, *etc.*

#### **4.5.13 Effectiveness in utilisation of Finance Commission grants**

The Finance Commission (FCs) had three constitutionally mandated tasks namely, the distribution of net proceeds of taxes between Union and States, Grants-in-Aid to needy States, and measures for supplementing the State resources for devolution to panchayats and municipalities (local bodies) in the State.

<sup>59</sup> Quarterly four meetings *i.e.* 20 (4 x 5) meetings for TFC period (2010-11 to 2014-15)

Details of recommendation of grants by FCs and release of grants by the GoI are shown in Table 4.5.6.

Table 4.5.6: Details of release of funds

(₹ in crore)

Purpose	TFC grants		FFC grants	
	Grants recommended for 2010-15 by FC	Grants actually released by GoI to State	Grants recommended for 2015-20 by FC	Grants released by GoI during 2015-18 to State
PRI	292.95	201.24	335.67	158.43
ULB	56.00	29.46	223.09	68.19
State Specific Needs/ Grants	500.00	303.09	-	-
<b>Total</b>	<b>848.95</b>	<b>533.79</b>	<b>558.76</b>	<b>226.62</b>

The FC grants were given mainly for delivery of basic services to the citizens while the grants for SSNs were to address specific issues and local problems, infrastructure development, etc.

#### Major achievement:

- The Urban Development Department (UDD) procured 15 vehicles for 15 ULBs from FFC grants at a cost of ₹ 6.61 crore for the purpose of solid waste management during 2016-17. This facilitated the ULBs to transport the garbage to the dumping grounds, which ultimately helped in reducing the hazards of environmental pollution in the areas of ULBs.
- Prior to TFC period, the office of the six ULBs<sup>60</sup> functioned in old dilapidated buildings. The UDD released TFC funds of ₹ 4.57 crore to six ULBs for construction of six office buildings during 2010-11 to 2012-13. The construction of the buildings had already been completed and offices of the ULBs were functioning in the newly constructed buildings.
- The construction of three polytechnic institutes in the Tripura Tribal Areas Autonomous District Council (TTAADC) from TFC grants, not only benefited the local people of TTAADC for availing technical education but also the State at large.
- Four Kok-Borok libraries constructed at a cost of ₹ 5.28 crore in four districts<sup>61</sup> facilitated in preserving the linguistic identity of the tribal people. The other stakeholders such as students, teachers, NGOs, civil societies, etc. could also avail the facilities of these libraries.

#### Weaknesses:

- Due to failure of officials of the RD (Panchayats) and Finance Department to release the FCs grants to the PRIs in time, the State Government had to bear the penal interest of ₹ 41.89 lakh from state exchequer.

<sup>60</sup> Kailashahar, Kumarghat, Khowai, Sonamura, Belonia and Sabroom

<sup>61</sup> Khumulwng at West Tripura, Birchandra Manu at South Tripura, Manu at Dhalai and Machmara at North Tripura District

- b. There was an excess expenditure of ₹ 4.34 crore (*i.e.* 466.67 *per cent*) on O&M beyond the permissible limit of 10 *per cent* in Agartala Municipal Corporation under FFC grants.
- c. Failure in introducing e-governance in 15 ULBs by the UDD despite availability of funds: the citizens were deprived of the convenience of paying taxes through e-governance.
- d. Availing of grants from the GoI under State Specific Needs was in violation of rules and there was inordinate delay in completion of works/ projects under State Specific Needs, *etc.*

#### 4.5.14 Conclusion

There was lack of well-defined and sound planning in execution of the works from finance commission grants in the PRIs and ULBs. ‘Bottom-up’ approach with the active involvement of panchayats and municipalities was not followed in preparation of action plans. Instances of incomplete and non-permissible works, huge un-spent balances of funds, diversion of grants, outstanding advances, outstanding UCs, *etc.* were noticed in audit.

Short release of grants by the GoI against the approved outlay due to non-fulfilment of prescribed conditions of release of grants had adversely affected implementation of the projects under state specific needs. The implementing departments failed to execute the projects efficiently and in timely manner thereby depriving the beneficiaries from intended benefits of the projects.

#### ***Recommendation No. 4***

- a. Action/ works plan should be prepared, with the active involvement of panchayats and municipalities;*
- b. FC grants should be utilised timely for intended purposes only and DPR/modified DPR should be submitted to the GoI in time to avoid lapse of grants;*
- c. Responsibility of the officials may be fixed for various lapses pointed out in the report and appropriate action taken against them; and,*
- d. Monitoring mechanism should be strengthened for utilisation of grants effectively.*

## HOME (POLICE) DEPARTMENT

## 4.6 Implementation of Crime and Criminal Tracking Network Systems (CCTNS) project in Tripura

*Crime and Criminal Tracking Network and Systems (CCTNS) project was envisaged by Ministry of Home Affairs (MHA), Government of India to modernise the police force for enhancing outcomes in the areas of crime investigation and criminals' detection through creation of a nationwide network under the National e-Governance Plan (NeGP). While MHA was responsible for providing necessary funds and basic Core Application Software, States were to implement the project by engaging a System Integrator and customising the software to suit their requirement. MHA sanctioned ₹18.47 crore for Tripura against which an expenditure of ₹14.36 crore was incurred on the project as of March 2018. But, implementation of all the services as envisaged in the CCTNS guidelines issued to states was not achieved as of July 2018. Performance Audit of the project was conducted to evaluate efficiency and effectiveness of the system as well as adequacy of the controls in terms of the stated objectives of the project.*

**Highlights**

The operationalisation of CCTNS had not been fully stabilised. Except entries for General Diary(GD)/Unnatural Death(UD)/ Missing Diary(MD), registration of FIRs, investigation, prosecution being used by police stations, no other functionalities of CCTNS such as search/ view crime details, generation of reports, reporting, etc. were being used by the police stations and higher offices. Citizen interface services through Citizen Portal were not made fully functional, as no complaint had been received through Citizen Portal (July 2018). Implementations of modules for other services as envisaged were also not achieved (July 2018).

*{Paragraph 4.6.7.2 (iii)}*

Adequate capacity building was not ensured, as there was shortfall of 68 per cent in training of police personnel.

*(Paragraph 4.6.7.3)*

The police stations captured dates, time and FIR registration numbers manually instead of auto generation through CCTNS thereby defeating the very objective of CCTNS of making the police citizen friendly, transparent and accountable. The CCTNS database was lacking in consistency, quality and effectiveness of access controls.

*{Paragraph 4.6.7.4 (iv) to 4.6.7.4 (ix)}*

**System Integrator failed to complete data digitisation and migration of historical records to CCTNS. The digitisation of historical records and their migration into the CCTNS was not properly verified by the Department and were also not properly monitored by the SPMU/Governance committees.**

*{Paragraph 4.6.7.4 (x)}*

**Bharat Sanchar Nigam Limited (BSNL) failed to provide network connectivity to all the locations as six locations (out of 125) were not covered (July 2018). Out of 94 locations connected through VPNoBB, uptime was below 50 per cent in 44 to 77 locations, indicating poor network performance.**

*(Paragraph 4.6.7.5)*

**Monitoring of the project was ineffective, as prescribed meetings of the Governance Structure were not held regularly.**

*(Paragraph 4.6.8.2)*

#### **4.6.1 Introduction**

The Police Department and its functioning are critical and play an important part in the State administration in terms of its responsibility to maintain law, order and security in the State. Availability of relevant and timely information is necessary, particularly in investigation of crime and in tracking and detection of criminals. The Crime and Criminal Tracking Network Systems (CCTNS) was conceptualised (June 2009) by the Ministry of Home Affairs (MHA), Government of India (GoI) under National e-Governance Plan (NeGP) to facilitate collection, storage, retrieval, analysis, transfer and sharing of data and information among police stations, State Police Headquarters and Central Police Organisations through enhanced Information Technology (IT) tools. CCTNS aims at creating a comprehensive and integrated system for enhancing the efficiency and effectiveness of policing at all levels, particularly at the police station level. It operates through a nationwide networked infrastructure with IT enabled state-of-the-art tracking system around investigation of crime and detection of criminals in real time. CCTNS also provides for a citizen's interface to provide facilities of registering online complaint by the citizens besides keeping track of the progress of the crime and criminal investigations and prosecution cases, including progress of the cases in the courts.

A common Core Application Software (CAS) was developed by the National Crime Records Bureau (NCRB), GoI through M/s Wipro Limited (Software Development Agency). The Database Server is MySQL and frontend in Web Based using Java (JDK). The CAS was shared with the State Government by customising the software according to State specific requirements by appointment of System Integrator (SI).

The CAS developed by M/s Wipro Limited provided the State for configuration, customisation to meet the specific requirements of the State. A Memorandum of Understanding (MoU) was signed (October 2009) between MHA, GoI and Government of Tripura for implementation of the project in the State. On the basis of Project Implementation and Monitoring (PIM) report submitted (November 2010) by

the State Government, the MHA released ₹ 17.81 crore during the period from November 2009 to April 2018 for implementation of the project in the State. The CCTNS was implemented in 66 police stations<sup>62</sup> {out of 81 police stations including all the five Government Railway Police Station (GRPS)} during the period from September 2013 to April 2014 and was declared as Operational (Go-Live) with effect from 30 April 2014. By February 2017, the remaining police stations were also covered under CCTNS.

#### 4.6.2 Objectives of the CCTNS project

The overall objective of the project focused on enhancing the operational efficiency and effectiveness of the police force in delivering the services. The broad objectives of the project were as under:

- a. To make the police functioning more transparent by automating the functioning of police stations;
- b. To improve delivery of citizen-centric services through effective usage of information and communication technology;
- c. To provide the investigating officers of the civil police with tools, technology and information to facilitate investigation of crime and detection of criminals;
- d. To facilitate interaction and sharing of information among police stations, districts, State and central police agencies;
- e. To keep track of the progress of investigation and prosecutions in courts; and,
- f. To reduce manual and redundant records keeping.

#### 4.6.3 Organisational set-up

The CCTNS is being implemented in the State by (i) State Apex Committee<sup>63</sup>, headed by Chief Secretary which is responsible for review of the progress of the project and to oversee the utilisation of funds; (ii) State Empowered Committee<sup>64</sup>, headed by Director General of Police which is responsible for disbursement of funds including approval of various components and functionalities to be covered in the project, ensuring training arrangements, guidance to State Mission Team which is responsible to make the project operational; (iii) State Mission Team<sup>65</sup>, headed by nodal officer who is entrusted with the operational responsibility of the project; and (iv) District Mission Team, headed by Superintendent of Police of the district to ensure adherence to policy directions/ guidelines of CCTNS project.

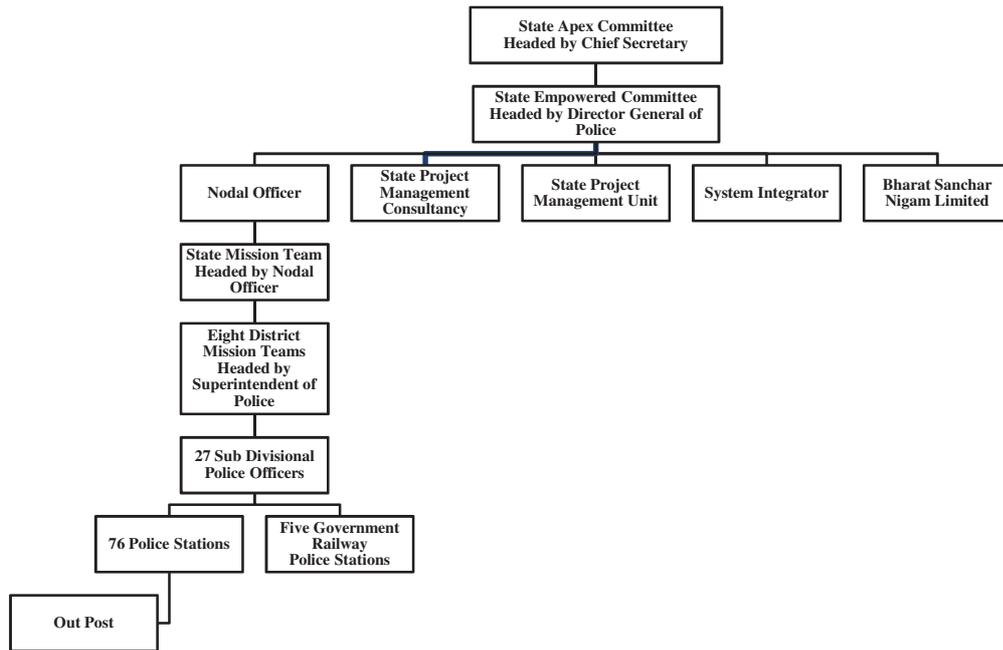
<sup>62</sup> Including one GRPS

<sup>63</sup> Members of State Apex Committee: Chief Secretary; DGP; IGP (Intelligence) Principal Secretary, Home; Secretary, Finance; Secretary, IT; Director, SCRB; State Informatics Officer, NIC; Representative of GoI, MHA

<sup>64</sup> Members of State Empowered Committee: DGP; IGP (Intelligence); Director, SCRB; Principal Secretary, Home; Secretary, Finance; Secretary, IT; SP (Communications)

<sup>65</sup> Members of State Mission team: IGP (Intelligence), SP (CID), State Informatics Officer, NIC

### Organisation Chart



#### 4.6.4 Audit objectives

The audit objectives of the PA were to assess whether:

- planning process was adequate, business rules were properly mapped and services were being rendered effectively to stakeholders;
- adequate human resources were deployed and training provided effectively to the police personnel;
- infrastructure was adequate and data captured in the system was valid, complete, reliable and authorised with effective controls;
- objectives of CCTNS were achieved; and,
- IT systems were effectively monitored.

#### 4.6.5 Audit criteria

The following sources of audit criteria were adopted for the PA:

- CCTNS guidelines and MoU signed between MHA and State Government;
- Instructions issued from time-to-time by the GoI with regard to CCTNS;
- Agreement made with State Project Management Consultancy (SPMC), BSNL, State Project Management Unit (SPMU) and System Integrator (SI); and,
- The Tripura Police Act, 2007 and Police Manual.

#### 4.6.6 Scope of Audit and Audit Methodology

The Performance Audit (PA) covering the period 2013-18 (*i.e.* since implementation of CCTNS project) was conducted during April-August 2018. CCTNS application including implementation records of the State level nodal officer {Superintendent of

Police (SP), Criminal Investigation Department (CID)), two Superintendent of Police (SP) offices<sup>66</sup> out of eight SP offices, offices of four Sub Divisional Police Officers<sup>67</sup> (SDPO) out of eight SDPOs in two selected districts, eight police stations<sup>68</sup> out of 14 police stations under four selected SDPOs, and Agartala GRPS<sup>69</sup> out of five GRPS were checked in audit. In the case of procurement and installation of computer and networking hardware and digitisation of old data, the records prior to 2013-14 were also checked. Audit also examined the modules implemented and the CCTNS data stored in the State Data Centre using audit tool.

The audit objectives, criteria and scope of audit were discussed with the Director General of Police, Government of Tripura in an Entry Conference held on 17 May 2018. The draft Report was issued to the State Government in October 2018. The audit findings, conclusions and recommendations were discussed with the Principal Secretary, Home Department in the Exit Conference held on 20 December 2018. Views of the Department during Exit Conference were duly incorporated against the relevant paragraphs in this report, where appropriate.

#### 4.6.7 Audit findings

##### 4.6.7.1 Budget and Expenditure

CCTNS, being a 100 *per cent* centrally funded scheme, the States were provided with the required funds for the components covered under the project. For implementation of CCTNS, the State Government prepared the PIM report with the help of State Project Management Consultant and submitted (November 2010) it to the MHA for according approval and for sanctioning project funding. MHA approved (February 2011) the PIM report and sanctioned ₹ 12.49 crore for various components of the project. Subsequently, additional fund of ₹ 5.98 crore was sanctioned for appointment of State Project Management Unit (SPMU) for monitoring of the implementation of CCTNS, appointment of BSNL for network connectivity and also for covering 16 police stations where computerised system (CIPA<sup>70</sup>) was implemented previously through NIC and 12 new police stations created after February 2011 (*i.e.* approval of PIM). The details of component-wise funds approved and expenditure incurred thereunder are shown in **Appendix 4.6.1**.

Further, it was noticed in audit that against the sanctioned amount of ₹ 18.47 crore, GoI released ₹ 17.81 crore till April 2018. Subsequently, ₹ 3.17 crore was released by the GoI in April 2018 (which has been received by the Tripura Police Computerisation Agency during July 2018 to September 2018) to meet the balance requirement of funds. The State Government had also earned an interest of ₹ 0.61 crore from saving bank account maintained by nodal officer of State Mission

<sup>66</sup> West Tripura and Sepahijala

<sup>67</sup> Bishalgarh, Jampuijala (Sepahijala District) and Jirania and Sadar (West Tripura District)

<sup>68</sup> Bishalgarh, Bishramganj (SDPO, Bishalgarh), Jampuijala, Takarjala (SDPO, Jampuijala), Mandai, Ranirbazar (SDPO, Jirania), West Agartala and West Agartala Women (SDPO, Sadar)

<sup>69</sup> GRPS are also a police station of the State Government established at different Railway Stations

<sup>70</sup> Common Integrated Police Application

Team. A total expenditure of ₹ 14.36 crore had been incurred for implementation of CCTNS project leaving a balance of ₹ 4.06 crore (including interest accrued of ₹ 60.92 lakh and sale of tender form of ₹ 0.02 lakh) as of July 2018 as detailed in **Appendix 4.6.1 & 4.6.2.**

#### 4.6.7.2 Project Planning, System Integration and Operationalisation

As per project implementation strategy of CCTNS, agreed between MHA and Government of Tripura, the State was provided with CAS by MHA, which could be customised, configured and deployed through the SI to meet the specific requirements of the State. Specific roles and responsibility of MHA, Government of Tripura and SI are given in **Table 4.6.1.**

**Table 4.6.1: Roles and responsibilities of Government of Tripura and SI**

Name of Agency	Roles and responsibilities
Government of Tripura	Responsible for selection of State Project Management Consultant (SPMC) for preparing detailed project report (DPR) and request for proposal (RFP) for selection of SI, identifying the customisation needs, institute the Governance Mechanism in alignment with the guidelines provided by MHA and appointment of SPMU for monitoring the procurement and commissioning of hardware, data digitisation, deployment, customisation, integration and configuration of CAS, <i>etc.</i>
System Integrator (SI)	Configuration of CAS to meet the State's requirement, digitisation of historical data, delivery and commissioning of IT infrastructure, capacity building, coordination and management of network connectivity, handholding support, post implementation services, <i>etc.</i>

##### **(i) Delays in execution of activities by the State Project Management Consultancy**

As per MoU signed between MHA, GoI and Government of Tripura, SPMC was to be appointed by the State Government within 45 days of signing the MoU (October 2009) with MHA, for assisting State Government in preparation of PIM report detailing project estimates, RFP for selection of SI for the project, *etc.*

It was noticed in audit that appointment of the SPMC had been done (April 2010). The SPMC submitted PIM report in November 2010 and RFP in August 2011 for selection of SI. Therefore, the preparation of PIM report and RFP was delayed by nine months and sixteen months respectively with reference to timeline prescribed in the MoU signed by the State Government with MHA. As such, the process of selection of SI was also delayed by 16 months. However, the CCTNS was declared as operational (Go-Live) with effect from 30 April 2014 as against the target of August 2013 (as per agreement made with SI), with a delay of nine months.

##### **(ii) Functioning of State Project Management Unit**

M/s Ernst & Young Private Ltd. was selected (May 2012) by the GoI as the State Project Management Unit (SPMU) and appointed (September 2012) by the State Government for three years for monitoring the procurement and commissioning of hardware, networking equipment and internet connectivity, data digitisation, deployment, customisation, integration and configuration of CAS, monitoring of

operation and maintenance, *etc.* Three years' agreement period of SPMU ended in September 2015 and further seven months' extension was given (June 2017) for the period from September 2016 to March 2017 after a lapse of one year from the date of expiry of agreement period due to delay in getting approval for extension from MHA. The SPMU was paid ₹ 3.18 crore as against agreement made for ₹ 3.65 crore. While granting of SPMU extension up to March 2017, GoI stated that funds would not be provided for SPMU extension beyond March 2017 and that the project operation and maintenance would be done by the State Government by their own staff and resources. However, during the period from October 2015 to August 2016 and from April 2017 onwards, the State Mission Team headed by nodal officer monitored the implementation of CCTNS, but due to lack of proper monitoring, the data digitisation was not fully completed as discussed in succeeding **Paragraph 4.6.7.4 (x)**.

Further, the State Government entered into (May 2012) an agreement with SI to provide services which included site preparation, supply and commissioning of hardware/ software at locations covered including customisation of CAS, State Data Centre (SDC) and Disaster Recovery (DR) site, digitisation of five years' legacy data (2008-09 to 2011-2012), capacity building and training, handholding support and operation and maintenance of infrastructure for five years up to April 2019. However, SPMU submitted project monitoring reports till the end of the three years' agreement period *i.e.* up to September 2015 and other reports till the end of seven months extension period *i.e.* up to March 2017. As per monitoring reports of SPMU, data digitisation was completed for 1.06 lakh records till September 2015 as against agreement quantity of 1.52 lakh records and as per monitoring reports of March 2017, data migration was completed for 1.13 lakh records till March 2017 *i.e.* only 0.07 lakh records were digitised by the SI during the period from October 2015 to March 2017. Thereafter, no achievement was made in data digitisation till June 2018 (month of scrutiny of database). Therefore, due to absence of effective monitoring of SPMU, the data digitisation was not completed. Further, effective monitoring of the functioning of SI was also not ensured by the State mission team, which led to incomplete data digitisation.

**(iii) Functioning of System Integrator (SI)**

M/s Kerala State Electronics Development Corporation Limited (KELTRON) and its consortium partner (M/s Payoda Technologies Private Limited) was appointed (May 2012) as SI. The scrutiny of records revealed the following:

**(a) Operationalisation of Core Application Software**

The following nine important service modules relating to police functioning were to be covered in CCTNS as per implementation guidelines issued to States by MHA, GoI.

- Registration, Investigation and Prosecution Solutions
- Law and Order Solutions
- Crime Prevention Solution

- Traffic Solutions
- Emergency Response Management Solutions
- Reporting Solutions
- Human Resources Management System Solutions
- Collaboration Solutions
- Citizen and External Interfacing Solutions

These services were to be implemented through various modules and sub-modules of CAS in the State (as detailed in **Appendix 4.6.3**). The implementation of CCTNS project at police stations in Tripura had commenced with effect from September 2013 and the CCTNS was declared operational (Go-Live) with effect from 30 April 2014.

Audit examined the functioning of CAS application and observed the following deficiencies:

- (i) Although, one service module of CAS viz., **‘Registration, Investigation, and Prosecution Solutions’** was declared operational and being used in all police stations, it was noticed that in addition to entries made in CCTNS, manual entries of General Diary (GD)/Unnatural Deaths (UD)/ Missing Diary including registration of FIRs were being continued at all police stations. Continuance of manual record keeping was made the CCTNS an auxiliary system. Moreover, submission of investigation reports/ charge sheets to court was also continued to be done manually. However, no decision was taken (as of July 2018) by the Government to discontinue the maintenance of manual records even after a lapse of more than four years from the date of declaration of CCTNS Go-Live.

Therefore, the very purpose of reducing manual works and automating the functioning of police stations was defeated.

During the Exit Conference, the Principal Secretary stated that necessary steps would be taken to stop the manual system.

- (ii) One sub-module **‘Citizen Portal’** for online registering of complaint by the citizen under service module viz. **‘Citizen and External Interfacing Solutions’** was also declared operational. But, during scrutiny of database, it was noticed that no online complaint/ suggestion was received by any of the police stations mainly due to the fact that no citizen awareness campaign to make the masses aware of the latest feature of CCTNS, was organised by the Department. Another sub-module **‘External interfacing system to interface with Courts, Jails, Hospitals, Universities, Telephone Service Providers and other external Government departments, etc.’** to facilitate electronic exchange of information under the service module **‘Citizen and External Interfacing Solutions’** was not implemented till July 2018.

Therefore, lack of awareness campaign prevented the citizens from using this online citizen portal for grievance redressal. The '**Citizen and External Interfacing Solutions**' was not fully implemented as of July 2018.

During the Exit Conference, it was informed by the Department that advertisements were now being done through Newspapers as well as through hoardings for online registering of complaint by the citizens. Further, it was assured that steps would be taken to get connectivity with the computerised system already implemented in the court.

- (iii) The sub module '**Email**' under service module '**Collaboration Solutions**' was implemented and used by the department. But, the other sub modules<sup>71</sup> were not implemented till July 2018.

Therefore, the decision of the State Government to declare CCTNS as operational (Go-Live) from 30 April 2014 without ensuring operationalisation of the service modules conceived cannot be termed as a well thought out decision. Even after a lapse of four years since the declaration of operational (Go-Live), four service modules<sup>72</sup> were not implemented and two service modules (Reporting Solution and Law & Order Solution) though implemented were not being used by the department as of July 2018. Reporting to higher authority and giving instruction to officers concerned regarding law and order and crime prevention through CCTNS were not achieved. Further, maintaining of traffic solution and HRMS solution through CCTNS were also not achieved.

(iv) *Coverage of Government Railway Police Stations and Out Posts*

Under CCTNS, all the five GRPS<sup>73</sup> were provided with computer and networking hardware and installed with CAS. But, internet connectivity was provided only to two GRPS<sup>74</sup> till July 2018.

Outposts were not covered under the CCTNS project as provision of computer and networking hardware and installation of CAS in the outposts were neither included in the RFP nor in the agreement made with SI. As such, the GD entries at outposts were being done manually.

Therefore, the very purpose of reducing manual work and automation of the Department was defeated.

During the Exit Conference, the Principal Secretary stated that all the 37 outposts would be covered under CCTNS by installation of computer hardware.

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<sup>71</sup> Police Messaging system, Bulletin Board, Case Knowledge Bank, News Group

<sup>72</sup> Traffic solutions, Crime Prevention solution, Emergency Response Management solutions and HRMS solution

<sup>73</sup> Agartala, Ambasa, Dharmanagar, Manu and Teliamura

<sup>74</sup> Agartala and Dharmanagar

**Recommendation No. 1**

*The Government needs to take steps for implementation and operationalisation of all the service modules of the project and also to reduce the manual work.*

**4.6.7.3 Capacity Building**

The objective of CCTNS capacity building initiatives was to equip the direct users (police personnel) of CCTNS with the required skills and knowledge to optimally use CCTNS. As per agreement entered into (May 2012) with the SI, the SI was to provide training to police personnel to enhance the outcomes in crime investigation, criminal tracking and other core police functions and also to facilitate smooth functioning of the CCTNS.

As per time schedule given in the RFP submitted (August 2011) by SPMC, training of targeted number of police personnel was to be completed within 44 weeks from the date of receipt of CAS from NCRB. As per the agreement with the SI, the key persons of different categories (Additional Director General of Police, Inspector General (IG), Deputy IG, SP, Deputy SP, Sub Inspector, Assistant Sub Inspector and Constables) who were directly impacted by the CCTNS with respect to reviewing the police station performance through CCTNS, reviewing the reports generated by the system, carrying out the required analysis using CCTNS, were to be trained by the SI. The training was to be completed by April 2013. However, it was noticed in audit that the SI completed the training of targeted number of personnel during the period from December 2012 to August 2015.

Further, refresher training and training to the remaining Officers/ Constables by internal trainers was to be provided subsequent to the trainings imparted by the SI. But, no training was organised by the Department for the remaining police personnel till July 2018. The refresher training was also not organised by the Department till July 2018.

As such, there was a shortfall of 100 *per cent* in providing training to Group-A Officers, 28 *per cent* in Group-B Officers and 72 *per cent* in Group-C Officials and over-all shortfall of 68 *per cent* (15,035 out of 22,205) at the State level.

Therefore, the objective of capacity building for optimum use of CCTNS and thereby enhancing the outcomes in crime investigation and criminals' tracking was not fully achieved.

During the Exit Conference, it was assured by the Department that refresher training would be started shortly and fresh training would be provided after identifying the Constables among un-trained police personal.

**Recommendation No. 2**

*Government should fix timeline for completion of training of the remaining police personnel and also to organise refresher training in order to build adequate capacity.*

#### 4.6.7.4 CCTNS Database

Access to the CCTNS database as maintained in the SDC was provided to Audit through a dummy server installed at State level nodal office (office of the SP, CID). It was observed that 48,029 FIR records, 1,20,966 crime detail records, 18,998 arrest memo records, 13,155 seizure memo records, 39,518 final reports and 27,93,950 GD entry records were available in CCTNS database.

During analysis of database using IT Audit tools, the following deficiencies were noticed:

(i) *Capturing of crime details/ arrest memo/ seizure memo records without FIR reference number or non-existence of related FIR records*

During analysis of CCTNS database, it was noticed that due to inadequate application controls 64,428 (42.83 per cent) crime detail records were captured without their FIR reference numbers. Similarly, 235 (1.24 per cent) arrest memo records and 178 (1.35 per cent) seizure memo records were also captured without their FIR references numbers. On the other hand, 413 (0.27 per cent) crime detail records, 73 (0.38 per cent) arrest memo records, 45 (0.34 per cent) seizure memo records and 145 (0.37 per cent) final report records were captured into the CCTNS database as of July 2018, but their related FIR records did not exist in the CCTNS database.

Therefore, capturing of crime detail records, arrest memo records, seizure memo records and final report records without FIR reference numbers and non-existence of related FIR records in the CCTNS database indicated that proper application controls were missing in the system.

(ii) *Delay in capturing of FIR records and not entering of 'information-received date' into the CCTNS database*

Data analysis revealed the following:

- (a) Capturing of FIR records into the CCTNS was to be done as soon as the FIR was registered in the police station. However, 722 FIRs (out of 18,373 FIRs captured into the CCTNS after implementation of CCTNS at different police stations) were captured with delays ranging from one day to more than 365 days. This indicated that FIR records were not captured in the database on real time basis.

Therefore, the objective of the CCTNS to provide online information on real time basis to the investigating officers for investigation of crime and detection of criminals was not fully achieved.

- (b) Further, due to lack of proper input validation control during capturing of FIR records, the information-received dates were required to be captured in the CCTNS, but in 42 per cent cases (20,273 out of 48,029 FIR records), the information-received dates were not entered into the CCTNS database. Year-wise position of FIR's information-received dates not entered into the CCTNS are shown in **Table 4.6.2**.

Table 4.6.2: Year-wise position of FIR's information-received dates not entered into the CCTNS

Year	No. of FIR records	Information received dates found blank	
		No. of FIR records	Percentage
Up to 2012	25,977	2044	7.87
2013	4,308	831	19.29
2014	2,827	2548	90.13
2015	4,906	4885	99.57
2016	4,095	4065	99.27
2017	3,963	3963	100.00
2018	1,937	1937	100.00
Future dates	16	0	0.00
<b>Total</b>	<b>48029</b>	<b>20,273</b>	<b>42.22</b>

Existence of FIR records without information-received dates indicated that inadequacy in enforcing the application controls in the system and integrity of the data captured. Moreover, the gradual increase in the instances of non-capture of these vital data, from 90 per cent in 2014 to 100 per cent in 2018, points towards the fact that these details were not being captured deliberately.

*(iii) Erroneous capturing of data in CCTNS database*

FIR registration dates of 1,031 FIR records (out of 48,029 FIR records) were captured before the GD entry dates, which ranged from one day to more than 365 days.

Further, while capturing FIR records in CCTNS database (FIR Table), in addition to 'FIR registration date' field, another field had been maintained for FIR registration year, but the database showed that registration years of 799 FIR records (797 records of digitised data) were not matching with the years as captured in 'FIR registration date' field. Similarly, in 633 seizure memo records (out of 13,155), the data as captured in the 'seizure registration year' field were not matching with the years as captured in 'seizure date' field. Few instances of both the cases are shown in **Appendix 4.6.4**.

Therefore, the capturing of different years in 'registration year' field and 'registration date' field indicate that validation controls in the system was inadequate.

*(iv) Capturing incorrect FIR numbers or higher FIR numbers with FIR dates earlier than previous FIR dates*

As per CCTNS application software, registration number and date for FIR was not required to be entered in the system and was to be captured automatically. However, CCTNS application system also allowed capturing of the FIR registration number and date manually. During analysis of database, it was noticed that FIR registration numbers and dates were captured manually at all police stations. However, due to lack of proper input validation control, the registration dates of 26 FIRs (out of 48,029 FIRs) were captured earlier than the registration date of the immediate preceding FIR (*i.e.* backdate) (as detailed in **Appendix 4.6.5**).

Further, in some cases, FIR registration numbers entered were abnormally higher than the FIRs registered on the same date or immediate previous registration dates. Few instances are shown in **Table 4.6.3**.

**Table 4.6.3: Instances where abnormal FIR registration numbers captured in the CCTNS database**

Name of Police station	Previous FIR No. and date		Post FIR No. and date	
	FIR No.	FIR date	FIR No.	FIR date
Lefunga PS	26	21-11-2015	9000	12-12-2015
Bisramjang PS	33	19-05-2012	3301221	19-05-2012
Jirania PS	102	25-12-2011	1294	25-12-2011
West Agartala PS	49	01-03-2009	500001	01-03-2009
	172	09-08-2009	472	09-08-2009
	210	07-09-2009	20801	07-09-2009
	245	13-10-2009	20501	14-10-2009

This also indicates inadequate application controls in the system for manual entry of FIR registration numbers and dates, thereby defeating the very purpose of automation of policing functions under CCTNS to ensure the transparency in registration of FIRs promptly after receipt of complaint from public.

**(v) All FIRs not captured into the CCTNS database**

The FIR registration numbers are always maintained serially and start with serial number one for each calendar year. During analysis of database, Audit observed that some FIR numbers were found missing in the database. As such, there were gaps between the FIR serial numbers. The instances of gaps between FIR serial numbers occurred on 2,112 occasions (1,953 occasions related to digitised data) at different police stations. Due to inadequate input validation control, the application system has accepted gaps between the FIR serial numbers. Few instances are shown in **Appendix 4.6.6**.

Further, Audit observed that all FIRs were not entered into the CCTNS. While comparing the manual records with CCTNS database, it was noticed in audit that 10,323 FIRs were registered during the period from 2013 to 2017 in 27 police stations of two districts selected for audit (West Tripura and Sepahijala), whereas only 7,805 FIRs existed in the database pertaining to that period under those police stations. As such, there was short capturing of 2,518 FIRs in CCTNS database (as detailed in **Appendix 4.6.7**).

Therefore, incomplete data render the database unreliable, thereby defeating the very purpose of implementing the CCTNS.

**(vi) Synchronisation date not captured in the database of State Data Centre**

Whenever data captured in local servers kept at different police stations were synchronised to the server of SDC, the synchronisation dates and time were to be captured into the tables concerned where data was synchronised, to monitor and ensure that data captured at police stations were synchronised at SDC on real time basis. Analysis of database revealed that synchronisation dates of different types of

records ranging from 2 to 57 per cent were not captured into the database. The details are shown in **Table 4.6.4**.

**Table 4.6.4: Synchronisation dates of different records not captured into the database**

Name of Tables	No. of records	No. of records for which synchronisation dates not captured	
		Number	Percentage
FIR	48,029	27,410	57
Arrest memo	18998	3405	18
Final report	39,518	10561	27
Crime Details	1,50,433	20463	14
Seizure Memo	13,155	543	04
Missing diary	2481	77	03
UD entry	4172	112	03
GD entry	27,93,958	68,564	02

Further, synchronisation dates of 1,10,592 GD entry records were captured (GD entry table) in the central database maintained at SDC before GD entry dates and time, which ranged between one hour and 18,105 hours (*i.e.* up to 755 days). The police station wise position of GD entry records for which synchronisation dates and time were captured earlier than GD entry dates and time are shown in **Appendix 4.6.8**.

Audit observed that it had happened due to mismatch of the dates and time as fixed in the central server of SDC with the dates and time as fixed in the local servers maintained at different police stations.

Therefore, capturing of inaccurate information in the database renders the database unreliable, defeating the very purpose of implementing the CCTNS.

**(vii) Description of place of occurrence and details of physical evidence recovered or seized from the scene of crimes not captured into the CCTNS**

In respect of the capturing of crime detail records into the CCTNS database, it was seen that though provisions for capturing description of the place of occurrence and description of physical evidence from scene of crime recovered or seized for the purpose of investigation were available in the CCTNS (Crime detail table), those data were not captured into the Crime detail table. Therefore, the main objective of providing information to facilitate investigation of crime and detection of criminals remained un-achieved.

**(viii) Weakness in CAS Access Controls**

Logical access controls are aimed at protecting computer resources (data, programmes and terminals) against unauthorised access attempts. Password and biometric finger print are an important aspect of computer security. It was observed that there was no documented access policy.

The SI was to maintain access controls to protect and limit access to the authorised End Users of the State. A role-based access was to be provided in the system. The system must be able to capture and store the data of user's attempts to access particular module/ sub-module of the system to which SI had defined the access.

In CCTNS, all users were provided role based access and assigned unique login-id and password to access the system. The detailed information of users was captured in “user info” table. Similarly, the roles (tasks) assigned to each user and logins made in the system were also captured in ‘roles’ and ‘login’ tables.

Scrutiny of the data of ‘user info’ table, ‘role’ table and ‘login’ table maintained in the CCTNS database revealed the following:

- a. Eight hundred and three out of 2,123 unique users logged into the system, but no detailed information of users were found captured in the ‘user info’ table.
- b. Similarly, 110 users logged into the system 456 times, but the role assigned to them were not found captured in the ‘role’ table.
- c. Out of 96,481 login records, the login dates of 13,596 login records in respect of 1,635 unique users were not found captured in the ‘login’ table.

The above deficiencies indicated that the access controls were not enforced adequately in the system. This made the system vulnerable, as the users’ identity could not be ascertained.

***(ix) Non-generation of Reports***

The objective of maintaining centralised database was to fulfil the requirement of different entities as per their requirement. The police stations prepared monthly reports about crime for reporting to district SP offices.

It was noticed in audit that CCTNS had not been used by the eight police stations of two sampled districts for generating the required monthly reports from the CCTNS and was being done manually. Similarly, other higher offices like district SP offices, four SDPOs of two sampled districts were also not generating any reports from the CCTNS. However, no decision about generating and sending of reports to higher authorities and courts mandatorily through online CCTNS was taken by the Government even after a lapse of more than four years from the date of declaration of CCTNS as operational (Go-Live).

Therefore, the objective of automating functioning of police stations was not achieved as the preparation and sending of crime detail reports were still being done manually.

***(x) Data digitisation and migration to CCTNS database***

As per agreement with SI, an estimated 1.52 lakh historical records pertaining to the years 2008-09 to 2011-12 (FIR, crime details, arrest memo, seizure memo, final form and court disposal) were to be digitised and migrated into CCTNS database within stipulated time of 14 weeks from date of receipt of CAS from the NCRB (October 2011). Agreement with the SI was concluded in May 2012 and as such, the digitisation of old data was to be completed within 14 weeks counting from May 2012 (*i.e.* date of agreement). But, the Department provided only 1.13 lakh records physically for digitisation and accordingly, the SI digitised 1.13 lakh historical

records and migrated them into the CCTNS database up to June 2018. The details of records digitised and migrated into CCTNS are shown in **Table 4.6.5**.

**Table 4.6.5: Details of records digitised and migrated into CCTNS**

Sl. No.	Name of records digitised	Estimated No. of records to be digitised	No. of records actually digitised
1.	FIR	30,000	29,656
2.	Crime details	30,000	29,383
3.	Arrest Memo	30,000	14,373
4.	Seizure Memo	30,000	9,764
5.	Final Form	30,000	29,711
6.	Court disposal	1,850	0
<b>Total</b>		<b>1,51,850</b>	<b>1,12,887</b>

Further, while comparing the historical data of manual records with CCTNS database, Audit noticed that 8,576 FIRs were registered during the years 2008-09 to 2011-12 in 13 police stations of two sampled districts, whereas, only 7,167 FIRs existed in the database pertaining to that period under those police stations. As such, there was short capturing of 1,409 FIRs in CCTNS database (as detailed in **Appendix 4.6.9**).

On the other hand, in some cases, FIR registration numbers captured digitally were greater than the last FIR number manually registered during a calendar year at the police station concerned. A few instances are shown in **Table 4.6.6**.

Due to lack of proper monitoring of the Department and agency (SPMU), short entries occurred and erroneous entries were not rectified.

**Table 4.6.6: Instances of FIR registration numbers captured higher than the last FIR number registered manually**

Police Station	Year of FIR	Last FIR No. as per manual records	FIR No. exist in the database
Bishramganj	2009	54	159, 169
	2010	51	118
	2011	93	94, 125, 129, 131, 140, 141, 143, 152, 164, 175
	2012	85	110, 149, 163, 165, 222, 251
West Agartala	2009	337	338, 339, 472
Takarjala	2011	28	29

Further, analysis of digitised data revealed the following:

- 486 seizure memo records were digitised with FIR registration number “zero”, 9,764 seizure memo records were digitised with seizure date ‘zero’, 87 FIR records were digitised twice (as detailed in **Appendix 4.6.10**) and 16 FIR records digitised with FIR dates higher than dates of entry made in the CCTNS (as detailed in **Appendix 4.6.11**).
- In 904 FIR records, though the FIR registration numbers were captured higher than the last registered FIR, their FIR registration dates were captured earlier than that of the last FIR registration dates (as detailed in **Appendix 4.6.12**).

However, the data as digitised and migrated into CCTNS was required to be verified by the Department and were to be monitored by the SPMU and Governance

committees constituted for implementation of CCTNS (discussed in **Paragraph 4.6.8.1**). But, the above deficiencies indicated that the digitisation of historical records and their migration into the CCTNS was not properly verified by the Department and was not properly monitored by the SPMU/ Governance committees. Resultantly, incorrect historical data were captured in the CCTNS and all FIR records of targeted periods (2008-12) were also not digitised.

Therefore, incorrect data digitisation and non-digitisation of all FIR of targeted periods made the database incomplete and unreliable.

During the Exit Conference, it was assured that the application system would be reviewed to mitigate the above deficiencies by engagement of technical experts through outsourcing.

### **Recommendation No. 3**

*Steps may be taken to ensure completeness and accuracy of database.*

#### **4.6.7.5 Poor performance of internet connectivity and non-imposition of penalty**

As per agreement made with BSNL (April 2012), the network connectivity was to be provided at all police stations, higher offices and State Data Centre (SDC). Accordingly, out of connectivity required for 125 locations, internet connectivity was provided at 103 locations by the BSNL<sup>75</sup> and 16 locations were connected through SWAN maintained by the NIC. It was decided in a meeting (17 January 2018) of State Empowered Committee that out of six remaining locations, internet connectivity was to be provided through Optical Fibre Connection (OFC) at three locations and through Rail network connection at three GRPS. But, internet connection in six locations had not been provided till July 2018 for which reasons were not found on record.

The agreement also stipulates imposition of penalty of two times of rental value for downtime<sup>76</sup> beyond the permissible downtime limit for not meeting the desired service levels<sup>77</sup>.

For monitoring of the uptime internet connectivity, the Department is to obtain uptime reports from the BSNL. However, the uptime reports were also generated by the department through SI by using Network Monitoring System (NMS) tool. It was noticed from the uptime<sup>78</sup> reports of BSNL that though there was no shortfall during the years 2013-14 and 2014-15, there was shortfall in maintaining prescribed uptime internet connectivity at three locations<sup>79</sup> during the year 2015-16. For the year

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<sup>75</sup> Through Virtual Private Network over Broad Band (VPN over BB) at 94 locations, through World-wide Interoperability for Microwave Access (WiMAX)/ Very Small Aperture Terminal (VSAT) at seven locations and through Multiprotocol Level Switching (MPLS) at two locations

<sup>76</sup> Non-availability of internet

<sup>77</sup> 97 per cent uptime for VPN over BB, 96 per cent uptime for WiMAX/VAST and 99 per cent uptime for MPLS connections as prescribed in the agreement

<sup>78</sup> Availability of internet

<sup>79</sup> Karbook PS : 95.99 per cent uptime with 351 hours downtime, Killa PS : 90.13 per cent uptime with 864 hours downtime and Panisagar PS: 94.06 per cent uptime with 520 hours downtime

2016-17 (up to December 2016), no uptime reports had been submitted by the BSNL, but as per uptime reports generated by the SI for monitoring availability of internet, the prescribed uptime (97 per cent) was not found maintained in any of the 91 locations where internet service was provided by the BSNL through VPNoBB. However, availability of uptime internet at remaining 14 locations was not determined in the reports generated by the SI. The Department paid rental charges for ₹ 94.19 lakh to BSNL for the period from the date of commissioning of each connection to March 2017. A penalty of ₹ 0.87 lakh was to be imposed for three locations for the year 2015-16 and ₹ 19.79 lakh for 91 locations for the year 2016-17 (up to December 2016). But, no penalty was imposed by the Department against the service provider for not meeting the desired service levels as stipulated in the agreement.

Further, it was noticed from uptime reports generated by the SI that during the period from April 2017 to March 2018, the percentage of uptime was even below 50 per cent in 44 to 77 locations (out of 94 VPNoBB connected locations). However, no payment was made to the BSNL for that period (as of July 2018). The instances point towards poor internet connectivity at police stations and higher offices<sup>80</sup>.

Hence, due to poor internet connectivity, the sharing of information among police stations and higher offices was not achieved.

During the Exit Conference, it was clarified by the Department that the up-time report generated by the SI was not based on up-time status on 24X7 basis. However, actual uptime would be re-assessed and permissible penalty would be imposed at the time of releasing next payment to BSNL. Moreover, scope for SWAN/ National Optical Fibre Network (NOFN) connectivity would be explored.

#### ***Recommendation No. 4***

*Government may ensure prescribed uptime internet connectivity at all police stations and higher offices besides providing adequate funds for repair and maintenance of the system. The penalty for not meeting the desired uptime internet connectivity may also be imposed against the service provider.*

#### **4.6.7.6 Procurement and installation of computer hardware**

An amount of ₹ 2.83 crore was approved by MHA for procurement and installation of computer hardware for police stations and higher offices on the basis of PIM report of the State Government. Out of that, an expenditure of ₹ 2.22 crore was incurred for procurement and installation of computer hardware as per the agreement with SI and the remaining amount was lying un-utilised.

Scrutiny of record revealed the following deficiencies:

<sup>80</sup> SDPOs, SPs and DGP offices

*(i) Electronic pens provided at Police Stations were not put to use*

Electronic pens (one pen for each police station) for use by the investigating officers during investigation to capture data at the scene of crime had been issued to 69 out of 81 police stations at a cost of ₹ 5.43 lakh (@ ₹ 7,875 per pen).

But, during visit of eight police stations selected in audit, it was noticed that the electronic pens were not put to use.

As such, the pens which were provided to eight police stations were lying unutilised and similar fate of other 61 electronic pens cannot be ruled out; thereby, defeating the very purpose for which these pens were procured.

*(ii) Computers and network hardware lying out of order due to non-availability of maintenance fund*

As per MoU signed between GoI and State Government, the State Government had to bear the additional cost for effective implementation of the project, which had not been provided for in approved project cost. However, no maintenance fund was allocated by the State Government.

As per information furnished to audit, hardware<sup>81</sup> valued at ₹ 34.89 lakh were out of order and lying idle at different police stations and higher office (July 2018) for want of maintenance indicating that CCTNS was not a priority of the State Government.

It was noticed in audit that State Government had not provided any fund for repair and maintenance of computers and peripherals for smooth functioning of CCTNS. This indicates that the CCTNS is not a priority of the State Government.

*(iii) Non-maintenance of IT Assets Registers*

As per MoU signed between State Government and GoI (October 2009), the State Government was to maintain a record in the form of a register for permanent or semi-permanent assets acquired under CCTNS fund provided by the GoI. Further, a list of assets acquired was also required to be submitted at the end of each financial year by the nodal officer to MHA.

The State nodal officer was to maintain Assets Register for assets acquired under CCTNS fund for sending a list of assets to GoI and also for monitoring its repair and maintenance.

It was noticed in audit that the State nodal officer neither furnished the list of assets to GoI nor maintained any Assets Register for the assets acquired under CCTNS fund.

Moreover, annual physical verification of computers and other hardware installed under CCTNS was also not done either by the State level nodal officer or by the district SPs.

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<sup>81</sup> 24 per cent of desktop computers (107 out of 439 Nos.), 10 per cent of printers (21 out of 218 Nos.), 32 per cent of UPS (37 out of 115 Nos.) and 15 per cent of network switches (17 out of 115 Nos.)

**Recommendation No. 5**

*Government needs to take steps to get adequate fund for maintenance and repairs to ensure smooth function of computer and hardware acquired under CCTNS.*

**4.6.8 Monitoring****4.6.8.1 Monitoring by SPMU**

SPMU was engaged (September 2012) at a cost of ₹ 3.31 crore for a period of three years for providing management services for overall implementation of CCTNS in the State. Responsibilities of SPMU included supporting the State in monitoring the compliance of contractual obligations of the SI, monitoring the deployment, customisation, integration and configuration of CAS, data digitisation, monitoring of the procurement, deployment and commissioning of necessary hardware, networking equipment and internet connectivity. Although, CCTNS was declared as Go-Live from 30 April 2014 yet, internet connectivity to all police stations was not achieved till July 2018. The digitisation of all historical crime records of targeted period (2008-12) was not fully achieved. Further, existence of incorrect FIR dates in digitised data and seizure memo records with FIR reference number “zero” in CCTNS database indicated that the data digitised by the SI was not properly verified by the SPMU.

Thus, non-completion of digitisation of all historical crime records of targeted periods and digitisation of incorrect data indicated that monitoring by the SPMU was not effective.

**4.6.8.2 Monitoring by the Governance Committees**

As per MoU signed between Government of Tripura and GoI (October 2009), Government of Tripura was to constitute Governance Structure for monitoring and review of the progress of the implementation of CCTNS and to ensure meetings as per the MHA guidelines. The State Government constituted four committees, but the prescribed meetings were not held which indicated the implementation of CCTNS had not been effectively monitored by the committees.

During 2013-14 to 2017-18, only five meetings (as against the required 20 meetings) and 13 meetings (as against the required 60 meetings) were held by the State Apex Committee and State Empowered Committee respectively. Similarly, out of the required 60 meetings to be held by the District Mission team of each district, only one to five meetings were held by the District Mission team during 2013-18. It was noticed in audit that the issues discussed in the meetings included providing internet connectivity, monitoring and verification of digitised data, installation of computer hardware and providing training to police personnel.

Therefore, non-achievement of performance of internet connectivity at desired level in all the police stations, non-completion of digitisation of all historical crime records of targeted periods (2008-12) and capturing of incorrect data, and non-capturing of

description of physical evidence recovered/ seized from the scene of crime for investigation indicated lack of monitoring by the Governance committees.

#### 4.6.8.3 Non-achievement of objectives of CCTNS

All the services modules as envisaged in the CCTNS guidelines issued to states were not implemented as of July 2018. Out of nine service modules, four service modules viz. Traffic Solutions, Crime Prevention Solution, Emergency Response Management Solutions and HRMS Solution were not implemented while two service modules viz. Reporting Solutions and Law & Order Solution were implemented but were not being used by the Department. The objectives of CCTNS were not achieved as discussed below:

**Objective of CCTNS:** Make the police functioning more transparent by automating the functioning of police stations and reduce manual and redundant records keeping;

**Status of achievement:** Though the entries made in CCTNS, manual entries of General Diary (GD)/ Unnatural Deaths (UD)/ Missing Diary including registration of FIRs were being continued at all police stations. Outposts were not covered under CCTNS, which led to the GD entries at Outposts being done manually. Therefore, the very purpose of reducing manual works and automating the functioning of police stations and out posts was defeated. The details are discussed in **Paragraphs 4.6.7.2 (iii) (a) (i) and 4.6.7.2 (iii) (a) (iii).**

**Objective of CCTNS:** Improve delivery of citizen-centric services through effective usage of information and communication technology;

**Status of achievement;** One sub-module ‘**Citizen Portal**’ for online registering of complaint by the citizen was implemented, but no online complaint had been received by any of the police stations due to lack of citizen awareness campaign. The details are discussed in **Paragraph 4.6.7.2(iii)(a) (ii).**

**Objective of CCTNS:** Keep track of the progress of investigation and prosecutions in courts;

**Status of achievement:** Sub-module ‘External interfacing system to interface with Courts, Jails, Hospitals, Universities, Telephone Service Providers and other external Government departments, etc.’ to facilitate electronic exchange of information under the service module ‘Citizen and External Interfacing Solutions’ was not implemented till July 2018. Resultantly, keeping track of the progress of investigation and prosecution in courts was not achieved. The details are discussed in **Paragraph 4.6.7.2 (iii) (a) (ii).**

**Objective of CCTNS:** Facilitate interaction and sharing of information among police stations, districts, State and central police agencies;

**Status of achievement:** As per uptime reports generated by SI, during the period from April 2016 to December 2016, the prescribed uptime (97 per cent) was not found maintained in any of the 91 locations where internet service was provided by

the BSNL through VPNoB, and during the period from April 2017 to March 2018, the percentage of uptime was even below 50 *per cent* in 44 to 77 locations (out of 94 location connected through (VPNoB). However, no penalty was imposed by the Department against the service provider. The sharing of information among police stations and higher offices was not achieved due to poor internet connectivity. The details are discussed in **Paragraph 4.6.7.5**.

**Objective of CCTNS:** Provide the investigating officers of the civil police with tools, technology and information to facilitate investigation of crime and detection of criminals

**Status of achievement:** Providing the investigating officers of the civil police with information to facilitate investigation of crime and detection of criminals was not achieved due to the following:

- The database exists with 64,428 crime detail records, 235 arrest memo records and 178 seizure memo captured without their FIR reference numbers. On the other hand, 413 crime detail records, 73 arrest memo records, 45 seizure memo records and 145 final report records having FIR reference number, but the FIRs were not existing in the database. Further, information-received date of 20,273 FIR records (out of 48,029 FIRs) were not captured in the database. The place of occurrence and description of physical evidence from the scene of crime recovered or seized were not captured into the database. CCTNS application system accepted FIR registration dates of 1,031 FIR records (out of 48,029 FIR records) before the GD entry dates. There were gaps between FIR serial numbers in 2,112 occasions. (1,953 occasions related to digitised data) in CCTNS database. Besides, there were incomplete and incorrect data in the digitised historical records. The details are discussed in **Paragraph 4.6.7.4 (i) to 4.6.7.4 (vii)**.

- One hundred and ten users logged into the system 456 times, but the role assigned to them were not found captured in the 'role' table. Eight hundred and three users (out of 2,123 unique users) logged into the system, but no detail information of users was found captured in the 'user info' table. In the 'login' table, 13,596 login records (out of 96,481 login records) in respect of 1,635 unique users were not found captured thereby making the CCTNS system vulnerable. The details are discussed in **Paragraph 4.6.7.4 (viii)**.

#### 4.6.9 Conclusion

Out of nine service modules as envisaged in the CCTNS Guidelines issued to the States, the Department implemented three modules partially (July 2018) through SI. SI had also implemented data digitisation partially.

Service modules *viz.* Law and Order Solution, Traffic Solutions, Crime Prevention Solution, Emergency Response Management Solutions, Reporting Solutions and HRMS Solution were not implemented. No complaint was received from citizen through web portal due to absence of citizen awareness programme.

BSNL had been the major roadblock in the project as it failed to provide the desired up-time internet connectivity.

Computer and peripherals were lying out of order due to non-provision of any fund for their repair and maintenance. The objective of capacity building was not fully achieved, as 68 *per cent* of police personnel remained untrained.

Therefore, despite incurring an expenditure of ₹ 14.36 crore, the objectives of the CCTNS project largely remained unachieved.

***Recommendation No. 6***

*State Government may consider taking steps for:*

- a. implementation and operationalisation of all the service modules of the project and to ensure completeness and accuracy of database;*
- b. ensuring prescribed up-time internet connectivity at all police stations and higher offices besides providing adequate funds for repair and maintenance of the system;*
- c. fixing timeline for completion of training of the remaining police personnel and also to organise refresher training in order to build adequate capacity building.*

## Home (Jail) Department

### 4.7 Prison safety and prisoners released on parole

#### 4.7.1 Introduction

Prisons are meant to confine prisoners and keep them in safe custody. Apart from providing custodial care to prisoners and isolating them from the community at large, the Home (Jail) Department also undertakes programmes aimed at reforming and rehabilitation of prisoners as part of social reclamation. There are 14 Jails<sup>82</sup> in the State having capacity to accommodate 2,253 prisoners against which, there were 1,032 prisoners including 508 under trials, 523 convicts and one arrested under National Security Act, lodged in jails as on 31 October 2018.

#### 4.7.2 Scope and objectives of audit

Records of Kendriya Sansodhanagar, Tripura (KST), Bishalgarh and three<sup>83</sup> out of 13 jails for the period from April 2013 to March 2018 were test checked during October-November 2018 with the objective of ascertaining the deficiencies in prisons safety and implementation of provisions of rules regarding custody and detention of prisoners.

#### 4.7.3 Audit Methodology

The records relating to release of prisoners on parole, escape of prisoners and prison safety maintained in concerned jails were test checked. Replies of the Superintendents, wherever received, were incorporated in the audit observations, which were also discussed with the Principal Secretary to Government of Tripura (GoT), Home (Jail) Department in the Exit Conference held on 4 February 2019. The responses received in Exit Conference and replies of the Department have suitably been incorporated in the paragraph.

#### 4.7.4 Audit findings

The important points noticed in the course of audit are discussed in the succeeding paragraphs.

##### 4.7.4.1 Prisoners released on parole and escaped from prisons still at large

###### A. Parole jumping

As per Section 31 A (1) of the Prisoners (Tripura Amendment) Act, 1979, prisoners are eligible for temporary release for one month at a time, on parole<sup>84</sup>, who, having been sentenced to imprisonment for a term of two years or more have actually undergone imprisonment for not less than one year and under Section 31 B (1) *ibid*

<sup>82</sup> One Kendriya Sansodhanagar (KST), two district jails, 10 Sub-Jails and one female jail in the complex of KST.

<sup>83</sup> Udaipur District Jail, Sonamura Sub Jail and Kamalpur Sub Jail

<sup>84</sup> Parole means leave earned by the convict after completion of a specified period of sentence as provided by the Act and includes the period of release allowed by the State Government in the Home (Jail) Department under Section 31 (A)(1) and 31 (B)(1) of the Act.

not exceeding two years provided that he has been sentenced to undergo rigorous imprisonment for ten years or more and he has served at least five years of his sentence excluding remission of his sentence but including the period of detention, if any, spent by him during trial and the period spent on temporary release on parole under section 31 A provided further that in both the cases before a prisoner is released he shall have to execute a bond with or without sureties as the State Government or other authority making the order of release may determine, for good behaviour during the period of release and for observing the conditions of the release.

Rule 3 of the Prisoners (Release on Parole) Rules, 1998 framed under Prisoners (Tripura Amendment) Act, 1979 further stipulates that prisoner may apply for release on parole in prescribed Form-I to the Inspector General of Prisons (IGP), Tripura through the Superintendent of the respective jail. On receipt of the application with descriptive roll, if the IGP is satisfied, he shall obtain a report from the District Magistrate of the respective district about the antecedents, family conditions of the prisoners and other information as he may think proper for consideration. After obtaining the report from the District Magistrate, the IGP shall forward the application to the Secretary, Home (Jail) Department, GoT for consideration of the Government's approval. The State Government may cause further inquiry on any matter through any agency as he thinks necessary for his satisfaction and thereafter may accord approval for releasing the convict on parole. Rule 10 (1) *ibid* further stipulates that after the parole period is over, prisoners released on parole are required to surrender himself to the Officer-in-Charge of the prison from which he was released. If the prisoner does not surrender himself, he may be arrested by the police without warrant and shall be remanded to undergo the remaining portion of his sentence and shall be punishable under Section 46 of the Prisoners Act, 1894 as if he has committed a prison offence.

During 2013-18, in test checked jails, a total of 156 prisoners were temporarily released on parole after obtaining surety bonds. Of these, 154 prisoners reported back within the permissible period, as detailed in **Table 4.7.1**.

**Table 4.7.1: Details of prisoners released on parole still at large (November 2018)**

Year	Prisoners released	Prisoners reported back	Prisoners did not report back
2013-14	59	59	Nil
2014-15	28	26	02
2015-16	25	25	Nil
2016-17	25	25	Nil
2017-18	19	19	Nil
<b>Total</b>	<b>156</b>	<b>154</b>	<b>02</b>

*Source: Information furnished by the Department*

The jail-wise detail of prisoners is given in **Appendix 4.7.1**, which indicated that three prisoners (including one convict who did not report back within due date *i.e.* June 2006) were still absconding (January 2019).

Further scrutiny revealed as follows:

- (i) Prisoners (Release on Parole) Rules, 1998 did not specify the reason on the basis of which prisoners can apply for parole. However, test check of applications submitted by the prisoners revealed that prisoners had applied for parole on the ground of house repairing, admission of children to school/ college, delivery of wife and treatment of father/ mother. There is no provision in the Rules to check the genuineness of the reason on the basis of which prisoners had applied for parole though in all the three cases where convicts did not report back, Superintendent, KST confirmed the facts from concerned District Magistrate and Collectors.
- (ii) Act and Rules did not specify the amount of sureties to be executed by the prisoner before being released on parole. However, during test check, it was noticed that in all the three cases personal bond with two sureties of ₹ 5,000 each only were executed by the convicts as mentioned in the parole orders issued by the Home (Jail) Department.

Thus, in view of meagre amount of sureties, Act and Rules could be reviewed in respect of prisoners convicted for serious offences.

## **B. Escape of prisoners**

Model Prison Manual (MPM), 2003, communicated by the Ministry of Home Affairs, Government of India recommends for installation of Close Circuit Television (CCTV), construction of watchtowers, power fencing, adequate guards and security staff, *etc.* as measures to prevent prisoners escaping from custody.

Audit observed that:-

- (i) In Kendriya Sansodhanagar, Tripura (KST), Bishalgarh, three prisoners had escaped from jail in October 2016 by scaling main perimeter wall of 20 feet height with the help of Galvanised Iron (GI) pipe who could not be traced as yet (January 2019). After the incident, a disciplinary proceeding had been initiated against three prison staff<sup>85</sup> in January 2017 and March 2017 for negligence. A penalty of reduction of pension by 7.5 *per cent* for a period of three years had been imposed (February 2018) upon the Deputy Superintendent from the date of his superannuation (July 2017).

In course of audit, it was noticed that in other two cases<sup>86</sup> a disciplinary proceeding was drawn up in January 2017. In this connection, Sub-Divisional Magistrate (SDM), Bishalgarh, appointed (March 2017) as Inquiry Authority (IA), had submitted inquiry report in October 2017 but the Inspector General of Prisons (IGP) had rejected (December 2017) the inquiry report and its findings due to infirmities in the inquiry report and ordered for further inquiry. In April 2018, the IA intimated that he could not initiate the inquiry due to Assembly Election 2018 and he had been transferred to the office of the District

<sup>85</sup> Deputy Superintendent, Head Warder and one Warder

<sup>86</sup> Sri Abhiram Majumder, Head Warder and Sri Ashu Kumar Jamatia, Warder

Magistrate & Collector, West Tripura as Senior Deputy Magistrate. In May 2018, the IA had been changed and the present SDM, Bishalgarh was appointed as IA. In March 2018 and subsequently in December 2018, Presenting Officer had also been changed. IA did not submit any report till January 2019.

Thus, the inquiry was under process as of January 2019 as the authority did not fix any timeframe in the order of appointment of IA to complete the inquiry.

- (ii) In Udaipur District Jail, during lockup at the evening on 27 April 2015, one Under Trial Prisoner (UTP)<sup>87</sup> was found missing. A Disciplinary Proceeding (DP) had been initiated against five prison staff<sup>88</sup> in September 2015 for gross negligence in their duties. The DP was under process as of January 2019. On receipt (27 April 2015) of information from the Superintendent, Udaipur District Jail, regarding escape of the UTP to Bangladesh, the Officer-in-charge of Radhakishorepur Police Station registered the case on the same day and submitted a charge sheet on 31 July 2015 under Section 224 Indian Penal Code (IPC). Subsequently, after taking cognizance of the case, the Ld. Court of Judicial Magistrate 2<sup>nd</sup> Class cum Civil Judge (Jr. Division) Udaipur, Gomati District, Tripura issued warrant against the escaped accused with a request to the Superintendent of Police, Gomati District to initiate extradition proposal with Bangladesh for extradition of the accused. The preparation of extradition proposal as per guideline of the Ministry of External Affairs, Government of India (GoI) was under process as on December 2018.

After the incidents, though CCTV was installed in KST but facilities of CCTV could not be utilised as no person was posted for live monitoring and due to non-functional cameras, as discussed in **Paragraph 4.7.4.2**. This indicates that the security arrangements were inadequate.

It was noticed that out of seven absconding prisoners (three who jumped parole and four absconding), six were involved in heinous crimes and had been sentenced to life imprisonment. Superintendents of the jails concerned had requested the Officer-in-Charge of the local police stations for the prisoners' immediate arrest and prosecution after getting information about their escape/ expiry of parole.

In case of three convicts who jumped parole, neither General Diary (GD) entry was made nor was any case registered in any police station.

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<sup>87</sup> Md. Tabakul Islam, S/o Sattar Ali of Tikkar Char under PS-Kotowali, District- Kumilla, Bangladesh.

<sup>88</sup> Head Warder and four Warders

However, in connection with three escaped prisoners, one GD entry was made (21 October 2016) in the Bishalgarh Police Station and FIR had been lodged on 21 October 2016 under Section 224/ 34 of IPC<sup>89</sup>. Police Department had submitted (May 2017) charge sheets in the court of law against the three convicts showing them as absconding. IGP had requested Superintendent of Police, Sepahijala District (November 2018) and Additional Director General of Police (January 2019) to form a special task force to track and catch the convicts who had escaped from KST. However, the jail authorities did not make any correspondence with Home (Police) Department regarding the three prisoners who did not report back after expiry of parole. The Home (Police) Department also did not communicate the whereabouts of the absconders to the jail authorities till January 2019.

Therefore, due to lack of action by both Home (Jail) and Home (Police) Department, offenders were at large and could pose a serious threat to society and law and order.

During Exit Conference, while accepting the audit observation, Principal Secretary stated that amendments to both the Prisoners (Tripura Amendment) Act, 1979 and Prisoners (Release on Parole) Rules, 1998 were in drafting stage. The Principal Secretary also assured audit that they would co-ordinate with the Home (Police) Department for the arrest of the escaped prisoners who are still at large.

#### 4.7.4.2 Prison safety

Section 55 of the Prisons Act, 1894 (as modified up to 01 January 1957) provides that it is the responsibility of the Jail Superintendent to undertake effective measures to ensure the safe custody and security of the prisoners. Section 24 *ibid* stipulates that whenever a prisoner is admitted in the prison, he shall be searched and all weapons and prohibited articles<sup>90</sup> be confiscated from him.

##### A. Inadequate control over entry of prohibited items

In KST, test check of Main Head Warder report book registers and information provided to audit, showed that prohibited articles like mobile phones, currency, ganja (marijuana), gas lighter, gold ornaments, rope, cooked meat, scissors, blades, match box, *etc.* were seized from prisoners. The incidents of seizure pointed to the need for review and strengthening of the ingress and egress procedures for prisoners and their proper search each time they enter after having left the jail premises for court appearances, medical treatment, *etc.* The procedure in respect of visitors also needed review.

<sup>89</sup> **Section 224 IPC:** Whoever intentionally offers any resistance or illegal obstruction to the lawful apprehension of himself for any offence with which he is charged or of which he has been convicted, or escapes or attempts to escape from any custody in which he is lawfully detained for any such offence, shall be punished with imprisonment of either description for a term which may extend to two years, or with fine, or with both.

**Section 34 IPC:** When a criminal act is done by several persons in furtherance of the common intention of all, each of such persons is liable for that act in the same manner as if it were done by him alone.

<sup>90</sup> “Prohibited article” means an article the introduction or removal of which into or out of a prison is prohibited by any rule under this Act.

During Exit Conference while accepting the audit observation, Principal Secretary stated that instruction would be issued for proper checking of prisoners each time they enter after having left the jail premises.

#### **B. Communication facilities not available**

Paragraph 23.18 of MPM recommends that the enclosures should be equipped with walkie-talkies.

However, it was noticed that in KST, there was no communication facilities *viz.*, intercom, telephone, wireless sets, *etc.* among the wards, among the watchtowers, among wards and main entrance/ control room for swift response in case of emergency.

#### **C. Inadequate security measures**

Paragraph 23.18 of MPM recommends having modern security equipment like jammers, ID machines hand-held and doorframe, metal detectors and other electronic devices for maintaining security in prisons.

Audit appraisal of security procedures in test checked jails showed that procedures and practices being followed by jails were not commensurate with the needs of security and vigilance in the present environment. In KST, the security staff posted at the gate to check vehicles entering the prison complex carrying jail supplies were not equipped with any instrument to detect explosives, only one Hand Held Metal Detector (HHMD) was issued to the security staff posted at the gate. But, during scrutiny of CCTV footage, checking was found to be done visually despite availability of HHMD.

#### **D. Shortage of prison staff**

In KST, 14 posts (82 *per cent*) out of 17 were lying vacant in the supervisory level. Further, in the category of guarding staff (Head Warder and Warder) 41 to 55 *per cent* posts were lying vacant in the test-checked jails. It was also noticed that in KST, watchtowers were left unmanned due to shortage of staff while 20 *per cent* warders were diverted for work in establishment section, cash section, canteen, water pump, computer section, hospital, dak, driving of vehicle, *etc.*

#### **E. Selection process of Warders pending finalisation**

According to the Recruitment Rules (RR) notified (September 1982) by the State Government, the method of recruitment of Warder (Class IV Non-Gazetted) is 100 *per cent* by direct recruitment to be made by the Home (Jail) Department. Recruitment process involves measurement of height, endurance test, written test and interview. Appointment will be made from the merit list to be determined on the basis of aggregate score in written examination and *viva voce* test. Further, State Government had notified (June 2018) new recruitment policy, which *inter alia* completely abolished interview for Group-D posts.

During scrutiny of records in the Prison Directorate, it was noticed that:

- (i) In the RR, there was no prescribed time schedule for completion of each stage of selection.
- (ii) State Government had conveyed approval for filling up of 56 Warders (Male) in July 2015. Notification for physical measurement and endurance test was issued (May 2016) in local newspapers, after 10 months from the date of approval of the Government, due to bye-election of State Assembly and Tripura Tribal Areas Autonomous District Council, delay in confirmation of ground by the Chairman (Sub-Divisional Magistrate) of the committee of the concerned district headquarter and also by the executive Jail officers, and delay in formation of sub-committee to assist the committee for taking measurement and endurance test of the candidates. Endurance test was conducted in June 2016 in which 2,065 candidates had qualified for appearing in written test. For conducting the written test, IGP had formed (December 2017) a committee to visit the examination venue in eight districts for confirmation of the feasibility of the venues for conducting the written test. The committee had submitted (December 2017) their report confirming suitability and adequacy of the venues for conducting the said test. However, in reply to the IGP's enquiry (November 2017), out of eight District Education Officers (DEO), two DEOs (Khowai and Dhalai) did not confirm the availability of invigilators in connection with the written examination of Warder (Male). Thereafter, the Department did not take any action for conducting written examination even after 15 months (January 2019) without assigning any reason for the failure.
- (iii) The Prisons Directorate informed (July 2018) the Hon'ble Supreme Court of India to that recruitment process had been completed to fill up eight vacant posts of Warder (Female). But the Department did not issue offer of appointment till November 2018. Reason for non-issue of appointment letters was neither found on record nor stated to audit.
- (iv) State Government had conveyed further approval for filling up 303 Warders' post (Male-277 and Female-26) in December 2016. Department took 10 months to form (October 2017) a committee for measurement and endurance tests of the candidates. Even after that, the Department could not take measurement and endurance test of the candidates till November 2018 as four superintendents<sup>91</sup> could not arrange/ confirm the test venue. Thereafter, the Department did not take any initiative for arranging test venue. Reason for non-confirmation of the test venue by the four superintendents was neither found on record nor stated to audit though called for.

Therefore, selection was pending in respect of 333 male Warders and 34 female Warders due to delay in notification, delay in formation of committee for taking measurement and endurance test, delay in arranging test venue for endurance test, delay in selection of candidates for appearing in written examination, non-finalisation of examination venue, non-issue of appointment letters of eight female Warders, *etc.*

<sup>91</sup> Udaipur District Jail and Kailasahar, Gandachara & Kamalpur Sub-Jail.

Further, action taken by the Controlling Officer as well as Head of Department for speedy completion of the recruitment process and issue of appointment letters in respect of eight female Warders against which recruitment process had been completed was neither found on record nor stated to audit which indicated that neither the Department nor the State Government was serious in making appointments against vacancies.

As a result, due to delay in selection procedure and lack of sense of responsibility and seriousness to take action, the Department could not appoint warders despite the shortage of guarding staff ranging from 41 to 45 *per cent* in the test checked jails and thereby compromising the security of jails.

During Exit Conference, while accepting the audit observation, Principal Secretary stated that State Government had cancelled the recruitment process and issued (June 2018) directives for preparation of new recruitment rules. The Principal Secretary also stated that Department had prepared draft RR and sent to the State Government for approval.

#### **F. Ineffective security equipment**

With a view to checking smuggling of weapons or metal items, explosives, *etc.* into prison premises, the Department had procured four Door Frame Metal Detector (DFMD) at unit cost of ₹ 2.12 lakh (June 1996), 11 portable DFMD collapsible Poly Vinyl Chloride (PVC) frame at unit cost of ₹ 0.26 lakh (June 1998), 70 Hand Held Metal Detector (HHMD) at unit cost of ₹ 0.26 lakh (May 1998) and three Explosive Detector EVD 3000 along with associated accessories at unit cost of ₹ 8.60 lakh in June 1998. Further, 31 Search Lights were procured in 1998 at unit cost of ₹ 0.07 lakh. Audit observed as follows:

- (i) All four DFMDs and 11 portable DFMDs were lying idle in store in unserviceable condition since 1996 and 1998 respectively;
- (ii) Out of 70 HHMD, 69 were lying in store of which 40 were in serviceable condition since 1998. Only one HHMD was issued to security personnel deployed in main gate but during test check of video footage captured by the CCTV, it was noticed that while checking of incoming prisoners who returned from court, hospital and visitors, HHMD was not used. Reason for non-utilisation of HHMD while checking was not found on record;
- (iii) All three Explosive Detectors EVD 3,000 were lying in store since 1998;
- (iv) All 31 Search Lights were lying in store in unserviceable condition since 1998; and
- (v) All the equipment procured between 1996 and 1998 had outlived their lifespan as per the Ministry of Home Affairs, Government of India guidelines. As per the guidelines, the above security gadgets<sup>92</sup> have the life span of 5-6 years.

<sup>92</sup> DFMDs-Five years; HHMDs-Five years; Explosive Detectors-Six years; Searchlights-Five years

It was further noticed that on the basis of the proposal of the Superintendent, KST, Bishalgarh, IGP had conveyed (October 2016) approval for repairing of Search Lights. However, the process of repairing work was not started (January 2019). As a result, these equipment were lying unserviceable.

Thus, the purpose of the procurement of security items was not achieved and the security of the KST was compromised.

### **G. Ineffective Close Circuit Television System**

MPM recommends installation of CCTV system to effectively monitor and maintain a close watch for any breach of security inside the prisons.

During test check of records and information made available to audit, the following was further noticed:

- (i) In KST, 69 CCTVs were installed (November 2016) at a cost of ₹ 58.98 lakh; of which, 37 cameras were not functioning since September 2018 due to thunder. Prisons directorate directed (July 2018) Superintendent, KST, Bishalgarh to take up the matter with the EE, Internal Electrification Division, Agartala. The cameras had not been repaired till January 2019. As a result, 37 CCTVs were still unserviceable.
- (ii) CCTV was not installed in Udaipur District Jail and Sonamura Sub-Jail while in Kamalpur Sub-Jail seven CCTV were installed in January 2016 which were not functioning since June 2018 but the jail authority did not take any initiative for repairing of the non-functional CCTV cameras.

Further, no staff had been deployed for live monitoring of the CCTV round the clock, on 24×7 basis and training was not provided to any staff on monitoring and taking footage. As a result, facilities of CCTV could not be utilised. Moreover, the Department did not make Annual Maintenance Contract (AMC) with any agency for repair and maintenance of the CCTVs.

Thus, lack of monitoring on the part of prison administration compromised the security of prisons.

### **H. Ineffective watch towers**

The MPM stipulates that watch towers, should be constructed both inside and outside the prison wherever necessary and Search Lights and Binoculars be provided to security staff posted in the watchtowers. Audit observed that:

- (i) In KST, five watchtowers were constructed inside the prison but security guards were posted only in two watchtowers due to shortage of staff. Binoculars and Search Lights were not provided to staff on duty on the watchtowers due to unavailability of binocular and Search Lights.
- (ii) In other three jails, security guards were not posted in watchtowers constructed outside the jail due to shortage of guarding staff.

Thus, due to shortage of guarding staff, watch towers were left unmanned thereby compromising the security of the jails.

### **I. Delay in installation of Mobile Jammer**

Government of Tripura had approved (September 2014) ₹ 2.00 crore under Special Central Assistance (SCA) (Untied) for the installation of Cellphone Jammers in all Jails. Accordingly, IGP sent (September 2014) a proposal to the Electronic Corporation of India Limited (ECIL) for providing details about Jammer machine to be installed in KST, Bishalgarh to check illegal use of Cellphone within the jail premises. Thereafter, ECIL submitted (September 2014) a techno-commercial proposal for supply, installation and commissioning of Cellphone Jammers in KST at a cost of ₹ 53.62 lakh. On receipt of proposal from ECIL, Home (Jail) Department sought (December 2014) permission from the Ministry of Home Affairs, GoI for procurement of five Cellphone Jammer machines from ECIL for installation in the premises of KST from security point of view. GoI had conveyed (February 2015) approval for procurement of five Cellphone Jammers (Model ECIL-SAMEL-SJJE-200) from ECIL. Supply Advisory Board/ Work Advisory Board of the State had approved (June 2015) the proposal for procurement of five Cellphone Jammers with the condition that existing manpower of the jail were to be trained for operating the device and AMC to be made after completion of the warranty period. Again, IGP sought (November 2016) quotations from Bharat Electronics Limited (BHEL) for both portable and normal Cellphone Jammers. In response, BHEL had submitted their proposal (January 2017) involving a cost of ₹ 73.77 lakh. The issue, however, remained unresolved as of November 2018 due to non-finalisation of vendor.

Thus, despite approval (September 2014) of ₹ 2.00 crore by the GoT, the Home (Jail) Department could not get the Mobile Jammers installed as of November 2018 due to non-finalisation of vendor. As a result, there was no system in place either to detect or to jam mobile phones thereby compromising the security and safe custody of prisoners despite the fact that during searches two mobile phones were found (July and November 2014) in KST in the possession of prisoners.

Therefore, shortage of staff, particularly in supervisory level, diversion of warders for official work, absence of communication facilities, lack of live monitoring of CCTVs and non-installation of mobile jammers adversely affected the security of the jails.

### **4.7.5 Conclusion**

- a. Due to lack of co-ordination between Home (Jail) and Home (Police) Departments, a number of hard-core criminals who were released on parole and escaped from prisons, still remain at large.
- b. The test-checked jails was facing acute shortage of staff across all cadres, which in turn adversely affected their functioning. Eighty two *per cent* posts were lying vacant in the supervisory level in KST and 41 to 55 *per cent* of guarding staff posts were lying vacant in all test-checked jails. The situation became worse as 18 *per cent* warders, instead of doing their assigned work, were

diverted to work in establishment section, cash section, canteen, water pump, computer section, hospital, dak, driving of vehicle, *etc.*

- c. Jails were lacking in adequate security measures. Security related equipment like CCTV and Search Lights were found to be either lying idle or not working optimally. This resulted in security lapses, which also facilitated escape of prisoners. Equipment like DFMD, HHMD, EVD were also found to be either lying idle or were not working optimally, which led to entry of prohibited articles inside the jail.

#### 4.7.6 Recommendations

- a. *Parole conditions in respect of prisoners convicted for serious offences should be reviewed and coordination between jail and police authorities should be improved so that prisoners on parole can be apprehended in case of default.*
- b. *Measures should be taken to fill up the vacant posts for efficient functioning of the jails and to frame prescribed norms to ensure completion of recruitment process in a timely manner.*
- c. *Security arrangements in the jails should be reviewed by the higher authorities and measures should be taken up for assessment of availability and workability of various security related equipment to make optimum use of them.*

The matter was reported to the Government (December 2018); reply had not been received (January 2019).

### HOME (JAIL) DEPARTMENT

#### 4.8 Embezzlement of ₹ 4.70 lakh.

**Violation of provisions of financial rules regarding handling of cash, absence of supervision and internal control led to embezzlement of ₹ 4.70 lakh.**

Rule 1351 (1) of the Bengal Jail Code, adopted by Government of Tripura (GoT), stipulates that entries shall be made immediately in the Cash Book after each transaction is effected; on the receipt side shall be entered sums received to make up the Permanent Advance, sums received from the Treasury on bills for special purposes, sums received on account of prisoners' property or diet money, *etc.* All receipts shall be compared by the Superintendent with entries in the Cash Book, and each receipt shall be countersigned (or cancelled as the case may be) by him after he has satisfied himself that it is genuine.

Rule 77-A of the Central Treasury Rules (CTRs) (Volume-I) also states that all Government Officers who receive Government dues and handle cash and perform the functions of Drawing and Disbursing Officer (DDO) should observe that all monetary transactions are entered in the Cash Book as soon as they occur and attested as a token

of check; the Cash Book is closed regularly after verifying the totals at the end of each month; cash balance in the Cash Book is verified and a certificate recorded to satisfy that money paid into treasury/ bank are actually credited through checking of treasury/ bank receipts. Rule 7 of General Financial Rules, 2017 also stipulates that all moneys received by or on behalf of the Government either as dues of Government or for deposit, remittance or otherwise, shall be brought into Government Account without delay. Rule 21 *ibid* further require strict enforcement of financial rules/ orders while managing public moneys.

Further, in terms of memorandum issued (October 2014) by the Finance Department (FD), GoT, DDO shall ensure that weekly reconciliation of the subsidiary register is done with the bank accounts. The bank accounts should be inspected by the Head of Department<sup>93</sup> at least once in a quarter and by Controlling Officer<sup>94</sup> at least once in six months. Cash analysis and Bank Reconciliation Statement (BRS) should be sent on monthly basis by the Head of Office<sup>95</sup> and DDO<sup>96</sup> to the Head of Department and Controlling Officer of the Department.

Scrutiny of Cheque Issue Register, Cash Book and Bank Pass Book of the office of the Superintendent, Kendriya Sansodhanagar, Tripura (KST) for the period from June 2013 to October 2018 revealed the following:

- Finance Department, Government of Tripura (GoT) communicated (21 January 2017) decision of the State Government to close Savings Bank (SB)/ Current Deposit (CD) accounts lying with the DDOs. However, it was noticed from the records maintained in the office of the Superintendent, KST that DDO operated one SB Account<sup>97</sup> with Tripura Gramin Bank, Bishalgarh Branch for keeping prisoner's wages money, drawal of AC Bill, *etc.* Treasury Officer, Bishalgarh asked (July 2018) DDO, KST to submit concurrence of Finance Department in respect of operation of bank account. Accordingly, based on the proposal initiated (July 2018) by the Superintendent, KST and forwarded by the Home (Jail) Department (July 2018), Finance Department, GoT gave (August 2018) concurrence for operation of one SB account by the DDO, KST.
- The DDO had no imprest for meeting emergency expenses for patient prisoners' treatment of the Sansodhanagar. As such, to take care of the day-to-day expenditure, DDO drew self-cheques from the SB account for meeting such expenditure. The amount was adjusted after passing the bills by the treasury. It was further noticed that DDO also had drawn self-cheques from the SB account for payment of wages, canteen bill and lawyer charge of prisoners.
- During the period from 20 December 2017 to 25 January 2018, DDO<sup>98</sup> authorised

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<sup>93</sup> Inspector General of Prisons

<sup>94</sup> Commissioner & Secretary, Home (Jail) Department

<sup>95</sup> Superintendent, Kendriya Sansodhanagar, Tripura

<sup>96</sup> Jailor, KST

<sup>97</sup> Account No. 8105011721605

<sup>98</sup> Shri Bani Kanta Debbarma, Jailor

Cashier<sup>99</sup> to draw six self-cheques aggregating ₹ 4.70 lakh, as detailed in **Table 4.8.1**, from the DDO's SB account.

**Table 4.8.1: Detail of self-cheques not entered in the receipt side of the Cash Book**

Cheque No and Date	Mode of drawal Recorded in CB	Date of entry in the payment side of CB for drawal from Bank	CB page reference (Book No. 6)	Date of drawal from Bank Account	Amount (in ₹)
015019/ 20-12-17	Our self	20-12-17	184	20-12-17	60,000
015020/ 22-12-17	Our self	22-12-17	186	22-12-17	30,000
011781/ 27-12-17	Our self	27-12-17	189	27-12-17	50,000
011783/ 08-01-18	Our self	08-01-18	200	08-01-18	1,50,000
011785/ 09-01-18	Our self	09-01-18	201	09-01-18	1,20,000
011788/ 25-01-18	Our self	25-01-18	215	25-01-18	60,000
<b>Total:</b>					<b>4,70,000</b>

*Source: Cheque issue register, Cash Book and Bank Statement*

The amount drawn from the bank was neither entered in the receipt side of the Cash Book nor recorded in any subsidiary register. The Actual Payees' Receipts (APRs) was not produced to audit to show their disbursement as well. Further, inspection of the bank account was never conducted by the Head of Department and Controlling Officer during the period covered in audit though it is required to be conducted at least once in a quarter and once in six months respectively.

- Analysis of undisbursed cash balances at the end of each day was recorded in the Cash Book but bank statement/ cheque issue register was not verified by the DDO to ascertain the correctness of the entries made in the Cash Book. Bank reconciliation was not conducted by the DDO during the period covered in audit. However, Head of Office and DDO were required to send cash analysis and BRS to the Head of Department and Controlling Officer on monthly basis.

Therefore, violation of provisions of financial rules regarding handling of cash by the Cashier and DDO, absence of supervision by the Head of Office, Head of Department and Controlling Officer led to embezzlement of ₹ 4.70 lakh.

During Exit Conference, (4 February 2019) while accepting the audit observation Principal Secretary to the Government of Tripura, Home (Jail) Department stated that Superintendent, KST had removed the Cashier from cash and issued (14 December 2018) show cause notice to him to deposit the amount within one week. Accordingly, the Cashier had deposited (17 December 2018) the amount of ₹ 4.70 lakh in the SB account of the KST.

Thus, despite misappropriation of ₹ 4.70 lakh, no administrative action was initiated against the officers responsible for lapses in monitoring and internal control, which led to embezzlement of public money. Moreover, the Department had also failed to lodge an FIR against the then cashier and DDO.

The matter was reported to the Government (December 2018); reply was awaited (January 2019).

<sup>99</sup> Sri Jaydip Debbarma, Cashier