



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

**Report of the
Comptroller and Auditor General of India
on
Social, Economic and Revenue Sectors
for the year ended 31 March 2023**

**Government of Tripura
Report No. 2 of 2024**

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PREFACE

1. This Report of the Comptroller and Auditor General of India for the year ended 31 March 2023 has been prepared for submission to the Governor of Tripura under Article 151 of the Constitution of India for being laid on the floor of the State legislature.
2. This Report contains significant results of Subject Specific Compliance audit and Compliance Audit of departments of the Government of Tripura under Social, Economic and Revenue Sectors including departments of Urban Development, Labour, Tribal Welfare, Agriculture and Farmers Welfare, Forest, Public Works (Water Resource), Public Works (Building), Public Works (Roads & Building), Tourism and Finance (Excise & Taxation) Departments.
3. The cases mentioned in this Report are those which came to notice in the course of test audit during the year 2022-23 as well as those which came to notice in earlier years but could not be dealt with in the previous Reports. Matters relating to the period subsequent to 2022-23 have also been included, wherever necessary. The Report has been finalised after considering the response of the Government Departments, wherever received.
4. Audit has been conducted in conformity with Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

OVERVIEW

CHAPTER-I

INTRODUCTION

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from the performance audits and test audit of transactions of various departments of the Government of Tripura pertaining to Social, Economic and Revenue Sectors. The primary purpose of this Report is to bring to the notice of the State Legislature, significant results of audit.

Out of 1,668 auditee units, 129 units were planned for audit during 2022-23. After carrying out risk assessment and keeping in view the available manpower, 45 units were actually audited during 2022-23 involving an expenditure of ₹ 643.60 crore

This Report *inter alia* contains two Performance Audits titled “Solid Waste Management in Urban Areas of Tripura” and “Welfare of Building and Other Construction Workers” and three Subject Specific Compliance Audits titled “Implementation of Pradhan Mantri Kisan Samman Nidhi Scheme in Tripura”, “Swadesh Darshan Scheme” and “Department’s Oversight on GST Payments and Return Filing” and six Compliance Audit paragraphs.

CHAPTER-II

SOCIAL SECTOR

PERFORMANCE AUDIT

URBAN DEVELOPMENT DEPARTMENT

Performance Audit on “Solid Waste Management in Urban Areas of Tripura”

Waste is a product or substance which is no longer suited for its intended use. Wastes are generally classified into Municipal Solid Waste (MSW), bio-medical waste (BMW), Construction and Demolition (C&D) waste, e-waste, plastic waste, slaughterhouse waste, industrial waste, and hazardous waste by virtue of their nature. They are also classified as biodegradable, non- biodegradable, combustible, dry and inert based on their characteristics.

Municipal Solid Waste Management (MSWM) in urban areas has emerged as one of the biggest challenges that our country faces today. The situation is aggravated by rapid urbanisation. Inadequate management of waste has significant negative externalities in terms of public health and environmental outcomes. Besides, it has an adverse impact on the aesthetic appearance of the surroundings.

There are 20 Urban Local Bodies¹ (ULBs) responsible for implementation of the Solid Waste Management Rules, 2016 (SWM Rules, 2016) in Tripura. The estimated

¹ One Municipal Corporation; 13 Municipal Councils and six Nagar Panchayats

solid waste generation in these ULBs was 2290.14 Tonnes Per Day (TPD) during 2017-23. Out of the above, 2,115.05 TPD of waste were being collected, of which 1319.48 TPD were being processed. Plastic waste accounted for 317.63 Tonnes Per Annum (TPA). The ULBs generated 2,314 TPA of construction and demolition waste and 49.03 TPA of e-waste during 2017-22.

The Central Government has the power to take necessary measures for protecting and improving the quality of the environment, subject to the provisions of the Environment (Protection) Act, 1986. Judicial interventions have had a significant impact on SWM.

None of the sampled ULBs had prepared short-term, long-term, and contingency plans during 2017-23 for adopting a systematic approach to SWM. In the absence of these plans, the objectives of municipal solid waste management to be achieved over specific planning horizons and the details of specific actions that need to be implemented were not highlighted. Despite massive awareness campaigns, use of banned plastic carry bags, non-coverage of 100 *per cent* door to door collection and non-segregation of waste at source, littering of waste/ garbage on roadside/street were noticed. The principles of adopting 3R approach which helps to reduce quantity of waste, cost associated with its handling, and its environmental impacts were missing. There was wide variation between the actual waste generation and the model waste generation which impacted proper implementation of SWM in absence of authentic estimation of waste.

The sampled ULBs collected user charges of ₹ 1.25 crore only against the demand of ₹ 37.41 crore for the period from 2019-20 to 2022-23 resulting in loss of irrecoverable revenue of ₹ 36.16 crore. Segregation of waste at source was either not followed or being partially followed in the sampled ULBs. Widespread lack of dustbins in public places resulted in littering of waste leading to unhygienic condition, unhealthy odour and contamination of the environment. Non-availability of material recovery facilities resulted in failure to recover the recyclables and to convert waste into new materials and objects by segregating dry and wet waste. Non-recognition of informal waste pickers and collectors and their non-integration with authorised pickers/ collectors resulted in failure of their participation in SWM. Acute shortage of auto tippers, pushcarts, *etc.* led to ineffectiveness and inefficiency in collection and transportation of municipal solid waste. Despite imposing ban by the State and the GoI, single use plastic carry bags, flex, plastic spoons, *etc.* were being sold and used in the markets. Due to non-availability of fencing around the dumping yard/ landfills, stray animals/ cattle/ pigs were seen feeding at solid waste dumping yard/ landfills and found pulling out or scattering/ consuming food waste that was packed in plastic bags creating untidy and unhygienic surroundings apart from consuming plastic. Non-availability of slaughterhouses even in Agartala Municipal Corporation (AMC) led to killing of animals such as goats, chickens/ ducks on the open roadsides/ streets and in the market places.

Except AMC no other sampled ULBs has obtained authorisation or consent certificate from Tripura State Pollution Control Board for establishment of dumping ground/ landfills and tertiary waste processing centres in violation of the Rules. The sampled ULBs are yet to identify land for setting up of sanitary landfills. Faulty selection and operation of landfill/ dumping yard sites posed serious threat to public health and environment.

The Government constituted State Level Advisory Body (SLAB) for monitoring of execution of SWM projects and the first review meeting was held in April 2017. But information/ record regarding subsequent meetings of SLAB was not made available to audit for scrutiny. Although 18 meetings of State Level Committee (SLC) were held upto September 2022 through video conferences, but compliance/ action taken reports by different departments were not found on records. Non constitution of ward level committee was indicative of deficiencies in monitoring of SWM activities by the ULBs such as segregation, collection, transportation, street sweeping, drain cleaning, prohibition of littering, *etc.* by the ULBs.

Non-availability of public health officer, sanitary officer, sanitary sub inspector, environmental engineer for SWM in the ULBs led to ineffective implementation of SWM activities. Establishment of Micro Composting Centres, dumping grounds, tertiary waste processing centres, *etc.* without environmental clearance was not only a violation of Manual but was also fraught with severe environmental and health hazards. There was absence of assessment of environmental impact in the ULBs.

Recommendations

- *The Government should ensure that the ULBs prepare short term plans aligned with the long-term planning and implementation apart from contingency plan.*
- *Adoption of principles of 3R approach, which helps to reduce quantity of waste, cost associated with its handling, and its environmental impacts should be ensured.*
- *The Government should ensure that all households pay user charges for door-to-door collection of municipal solid waste in segregated manner.*
- *The Government may explore the feasibility for involvement of private parties and citizens for effective segregation of waste at source.*
- *The Government may consider identifying garbage vulnerable points and the ULBs may develop mobile applications that allow citizens to take pictures of garbage littering hot spots and upload it using the mobile app and take timely corrective action for collection of such littered garbage.*
- *The Government may consider for creation of material recovery facilities near landfills and dumping ground to facilitate segregation of dry and wet waste.*
- *The Government should consider and initiate appropriate strategies for involvement of informal waste pickers in solid waste management with authorised ones.*

- *The Government should ensure that the ULBs obtain authorisation from the TSPCB for setting up landfills, processing facilities, etc. as per Solid Waste Management Rules, 2016.*
- *The Government may explore the feasibility of establishing sanitary landfills for all ULBs for disposal of inert materials remaining after processing.*
- *The Government should activate monitoring committees and strengthen control mechanisms in Solid Waste Management.*
- *The Government may consider the appointment of public health officer, sanitary officer, sanitary sub inspector and environmental engineer in the ULBs for effective implementation of SWM activities.*
- *Government should ensure for attaining environmental clearance from SPCB before establishment of processing facilities.*
- *The Government may consider for undertaking an evaluation study by engaging third party to assess the impact of environment.*

Paragraph 2.2

LABOUR DEPARTMENT

Performance Audit on “Welfare of Building and Other Construction Workers”

Under Section 27 (2) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (BOCW Act), the Comptroller and Auditor General of India has the right and privileges to access/ demand the production of books, accounts, connected vouchers and to inspect any office of the Building and Other Construction Workers Welfare Board. The Government of India (GoI) enacted (August 1996), the BOCW Act and Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act). The aim of the Acts was to provide safety, health and welfare measures for the benefit of building and other construction workers through levy/ collection of cess. The provisions of the BOCW Act covered “every establishment which employs or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work”. Further, the Act provided that every building worker between the age group of 18 to 60 years who was not a member of any welfare fund established under any law and had completed a period of ninety days of service during the preceding twelve months as a construction worker in the State could be registered as a ‘beneficiary’.

The GoI framed (November 1998) BOCW Rules, 1998 and Cess Rules, 1998. As required under BOCW Act, the Government of Tripura (GoT) notified (August 2002) Tripura Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2001 (TBOCW Rules). The collection of BOCW cess was fixed at the rate of one *per cent* on the cost of construction.

The State Government constituted (January 2007) the Tripura Building & Other Construction Workers Welfare Board (the Board).

Section 264 of TBOCW Rules enshrined the powers, duties and functions of the Board which *inter alia* includes all matters connected with the administration of the fund and grant of benefits to the beneficiaries under the Act and rules made there under; submission of annual budget to Government for sanction, submission of annual report to Government on the activities of the Board, annual audit of accounts of the Board in accordance with the provisions of the Act, speedy settlement of claims and sanction of advances and other benefits and proper and timely recovery of any amount due to the Board, *etc.*

Non-existence of effective mechanism to measure, manage and monitor the registration of establishments under the Act was noticed and BOC workers were not identified or encouraged for registration.

Cases of short-collection and non-deposit of labour cess by cess collecting authorities were noticed due to non-assessment of cess by the Assessing Officers. Besides, non-deduction of advance cess by the building plan approving authorities were also noticed.

Due to non-reporting of accidents/ incidents coupled with non-appointment of Safety Officer by the employer, investigation/ enquiry for ensuring health and safety norms were not initiated.

In absence of inspection reports/ notes, the Department failed to verify and take corrective measures towards implementation of health/ safety norms, identification of eligible willing BOC workers and establishments for registration as required under BOCW Act. Besides, shortage of inspecting staff and absence of planning for inspection were also noticed which adversely affected the inspection activities.

There were delays in settlement of claims under various welfare schemes in absence of any fixed time frame for disbursement process. Further irregularities were noticed in providing financial assistance under COVID-19 scheme due to non-maintenance of updated and comprehensive database of registered beneficiaries by the Board.

Monitoring was inadequate because the State Government did not re-constitute the State Advisory Committee since February 2008 for advising on the matters arising out of the administration of the Act and the Board did not ensure submission of periodical returns from the employers for obtaining the information like the details of the workers entitled to be registered, information about the maximum number of building workers employed on any day during the year, total number of days of engagement of building workers, *etc.* There were deficiencies in internal control of the Board like non conducting of Social Audit, non-submission of annual budgets, annual returns to the State Government and non-constitution of grievance redressal mechanism.

Recommendations

The Government may consider to;

- ***constitute an Expert Committee at the earliest to advice for making the State Rules consistent with the Central Acts;***

- *adopt suitable mechanism to ensure identification and registration of all the construction workers and establishments in the State, both in public and private sector;*
- *maintain a database of registered workers and establishments;*
- *adopt suitable mobile application for easy issuance of MCs to construction workers;*
- *ensure that cess collectors and assessment officer are made accountable for ensuring that the cess amount is duly assessed, realised and remitted to the Board in timely manner;*
- *ensure advance collection of cess in respect of the private constructions through building plan approving authorities i.e. ULBs and monitor the same with the Urban Development Department on a regular basis;*
- *ensuring appointment of a Safety Officer adopting suitable mechanism for timely reporting of accidents/ incidents and conducting investigation/ enquiry at accident sites with proper documentation;*
- *make quarterly/ annual inspection plans based on risk profile and volume of the construction sites taking into consideration manpower availability for inspection;*
- *adopt suitable mechanism for effective monitoring of inspection activities and review the inspection reports regularly;*
- *adopt innovative ideas for creating mass awareness;*
- *adopt a mechanism for timely disposal of claims;*
- *re-constitute the State Advisory Committee;*
- *constitute the grievance redressal mechanism; and*
- *ensure regular submission of periodical returns from the employers.*

Paragraph 2.3

COMPLIANCE AUDIT PARAGRAPHS

TRIBAL WELFARE DEPARTMENT

Excess expenditure

Failure of verification of genuineness of applications for hostellers' scholarship at the school/ institute level, District and Department levels led to excess payment of ₹ 1.97 crore to the day scholars at the hostellers' rate.

Paragraph 2.4

Excess expenditure

Payment of pre-matric scholarship at the revised rate to beneficiaries for eight months for the year 2019-20 instead of at the pre-revised rate resulted in extra expenditure of ₹ 94.59 lakh.

Paragraph 2.5

CHAPTER-III

ECONOMIC SECTOR

AGRICULTURE AND FARMERS WELFARE DEPARTMENT

Subject Specific Compliance Audit on “Implementation of Pradhan Mantri Kisan Samman Nidhi Scheme in Tripura”

Pradhan Mantri-Kisan Samman Nidhi (PM-KISAN) Scheme is a central sector scheme with 100 *per cent* funding by the Government of India (GoI), being implemented under the Direct Benefit Transfer (DBT) mode. The Scheme aims to provide farmers having cultivable land with financial support of ₹ 6,000 per annum per farmer family payable in three equal instalments of ₹ 2,000 each in every four months. The scheme was effective from December 2018 for transfer of benefit to eligible beneficiaries.

Initially the scheme was admissible only to Small and Marginal Farmers (SMF) with combined landholding upto two hectares. The revised scheme guidelines (June 2019) extended the benefits to all farmer families irrespective of the size of their holdings.

Land holding (cultivable land) is the main criteria to avail the benefit. Agriculture land used for non-agriculture purposes are not covered under the scheme. Similarly, farmers falling under certain specified categories of higher economic status are not covered under the scheme. Aadhaar (Unique Biometric Identification Number) seeded bank account of beneficiary is mandatory for release of all instalments with effect from December 2019.

Non-linking of land records with Unique Biometric Identification Number, Mobile number, Bank accounts of the respective landowners led to disbursement to the ineligible beneficiaries. Undue financial benefits were extended to the ineligible beneficiaries even after the date of approval of their ineligibility. Improper verification/ validation of farmers’ requisite documents resulted in irregular disbursement to the Government employees, IT payees, farmers not-possessing agricultural land, duplicate bank account holders, ineligible farmers having bank accounts outside the State. Benefit was also denied to the eligible beneficiaries due to non-approval of SRFs by the Department, pendency of Unique Biometric Identification Number correction, short disbursement of first instalment. Inadequate monitoring and insufficient physical verification resulted in payment to the ineligible beneficiaries.

Recommendations

For proper implementation of the scheme, the Government may consider to;

- *link the land records with the Unique Biometric Identification Number, bank details and mobile number of the respective landowners;*
- *properly scrutinise the self-declaration forms to weed out the ineligible applicants; and*

- *strengthen the monitoring mechanism at block, district and State levels.*

Paragraph 3.2

COMPLIANCE AUDIT PARAGRAPHS

FOREST DEPARTMENT

Sand Mining in Tripura

Forest revenue is one of the sources of non-tax revenue of the State Government. Royalty from sand mining lease holders is the major revenue of the Forest Department. During the period 2016-17 to 2022-23, the Forest Department collected revenue of ₹ 27.67 crore from royalty of sand mining activities, whereas the total revenue of the Department was ₹ 103.17 crore.

The sand in Tripura has been classified as ‘Riverine resources’. As of March 2023, 2,05,747 cum river sand was available in Tripura. River sand mining is a widespread practice as habitations concentrates along the rivers and the mining locations are preferred near the markets or along the transportation route. Excessive removal of sand may significantly distort the natural equilibrium of the river stream channel. It can damage private and public properties as well as aquatic habitats.

In order to have a control on sand mining in Tripura, the State Government, in exercise of power conferred by section 15 of the Mines and Minerals (Regulation and Development) Act, 1957 (Central Act 67 of 1957), framed (September 2014) Tripura Minor Mineral Concessions (TMMC) Rules, 2014 for regulating the grant of mining leases and other concessions in respect of minor minerals (including sand) in the State. TMMC Rules 2014 is the only legal framework to control the extraction of river sand in the State.

Audit of sand mining revealed that non-establishment of District Mineral Foundation, and non-contribution to National Minerals Exploration Trust resulted in non-realisation of revenue. Mining Blocks were allotted outside the mining sites identified in District Survey Report in violation of guidelines issued by Ministry of Environment, Forest and Climate Change.

Inadequate monitoring resulted in instances of unauthorised sand mining, use of machinery and extraction of sand beyond permissible limit thereby increasing the chances of the soil erosion of riverbed, non-submission of half-yearly compliance report for Environment Clearance and other prescribed reports/ returns by the proponents to the Tripura State Pollution Control Board and the Department respectively.

Recommendations

The Government may consider to:

- *establish the District Mineral Foundation and amend TMMC Rules, 2014 in line with MMR, 2015 to realise DMF;*
- *allotting the mining blocks within those identified in the District Survey Report;*

- *collect royalty for contribution to the National Minerals Exploration Trust;*
- *prevent unauthorised mining and use of machinery for extraction of sand; and*
- *ensure effective monitoring of sand mining.*

Paragraph 3.3

PUBLIC WORKS (WATER RESOURCE) DEPARTMENT

Unfruitful expenditure

Failure to ensure quality control by the Engineering Officers coupled with lackadaisical approach of the Department for rectification of the technical defects led to unfruitful expenditure of ₹ 3.09 crore on partially constructed headworks of the Minor Irrigation scheme (rainwater storage project) and additional liability of ₹ 0.72 crore on rectification of defective works.

Paragraph 3.4

PUBLIC WORKS (BUILDING) DEPARTMENT

Non recovery of dues from the contractor

The Executive Engineer, Public Works (Building) Department, Capital Complex Division did not recover the dues (₹ 1.62 crore) from the contractor being the value of unused departmentally supplied steel not returned by the contractor, rent charges of plant, empty bitumen drums and taxes.

Paragraph 3.5

PUBLIC WORKS (ROADS AND BUILDING) DEPARTMENT

Extra expenditure

The Executive Engineer, Public Works Department (Roads & Buildings), Dharmanagar Division did not take steps for obtaining confirmation on publication of the first call of tender in the newspapers, from the Information and Cultural Affairs Department in violation of the State Government's instructions. That led to the cancellation of the first call of tender and awarding of the work at a higher rate in the subsequent call which led to extra expenditure of ₹ 0.93 crore.

Paragraph 3.6

CHAPTER-IV

ECONOMIC SECTOR (STATE PUBLIC SECTOR ENTERPRISES)

Functioning of Public Sector Enterprises

As on 31 March 2023, the State of Tripura had 16 Public Sector enterprises (PSEs) (15 working and one non-working). Out of 15 working PSEs, 14 are Government companies and one is Statutory Corporation. As on 31 March 2023, the investment of the State Government (capital and long-term loans) in 16 PSEs was ₹ 1,881.79 crore in the form of equity (₹ 1,652.33 crore) and long term loans (₹ 229.46 crore).

The State Government investment (₹ 1,881.79 crore) as on 31 March 2023 consisted of 87.81 *per cent* towards capital and 12.19 *per cent* in long-term loans as against the investment of ₹ 1,675.55 crore as on 31 March 2019 consisting of 87.69 *per cent* (capital) and 12.31 *per cent* (long-term loans).

Paragraphs 4.1.1 and 4.1.2

As per the information furnished by the PSEs, during 2022-23 the State Government provided budgetary support of ₹ 303.85 crore in the form of capital (₹ 43.15 crore), Loans (₹ 100 crore) and grants/ subsidy (₹ 160.70 crore).

Paragraph 4.1.4

As per the latest finalised accounts of PSEs as on 30 September 2023, the aggregate paid-up capital and accumulated losses of 15 working PSEs were ₹ 1,613.60 crore and ₹ 1,485.57 crore respectively. Analysis of investment and accumulated losses of these PSEs revealed that the accumulated losses (net of free reserves) of four working PSEs (₹ 1,057.82 crore) had completely eroded their paid-up capital (₹ 845.99 crore).

Paragraph 4.1.9.2

TOURISM DEPARTMENT

(Tripura Tourism Development Corporation Limited)

Subject Specific Compliance Audit on “Swadesh Darshan Scheme”

The Swadesh Darshan Scheme (SDS) -Integrated Development of Theme Based Tourist Circuits in the Country is the flagship scheme of the Ministry of Tourism (MoT), Government of India (GoI) for development of the tourism infrastructure in the country. The MoT, GoI launched this Centrally funded scheme in January 2015.

Two tourist circuits namely Agartala Tourist Circuit and the Unakoti Tourist Circuit were approved (December 2015) by the MoT for the State

Poor management of the SDS fund by the Tripura Tourism Development Corporation resulted in underutilisation of funds and refund of ₹ 1.80 crore to the MoT. Interest income earned on the SDS Fund aggregating to ₹ 1.03 crore was not remitted back to the MoT.

Despite lapse of seven years and after an aggregate expenditure of ₹ 85.67 crore incurred since the inception of the SDS, the objective of promoting tourism by way of increasing the footfall of tourist, *etc.* remained unfulfilled due to the following reasons:

Deficient planning of the State Government in undertaking the infrastructural creation projects which were non-compliant to Statutory laws, international ramifications, territorial jurisdiction disputes, environmental implications, *etc.* resulted in derailment/ delayed completion and/or dropping of the several project/ project Components by the MoT.

Irregularity in selection of the PMC as well deficient services rendered by the PMCs resulted in (a) derailment of nine high valued infrastructure creation SDS projects leading to infructuous expenditure of ₹ 8.57 crore and (b) dropping of the project/project components of ₹ 34.75 crore.

Undue delays in entrustment of the infrastructure creation projects to the Implementing Agencies as well as in invitation of tenders in respect of the same resulted in delays in completion of the projects ranging from six months to 57 months.

Creation of nine Log-Huts in excess of the quantities sanctioned by MoT, deficient planning leading to recasting of the estimates, non-utilisation of the Log-Huts resulted in idle expenditure of ₹ 2.33 crore and unauthorised expenditure of ₹ 4.13 crore. 10 out of the 18 Log-Huts created by the Forest Department was lying unutilised for over two to five years.

Deficient planning and non-utilisation of the assets procured under the Adventure Tourism Theme of the SDS resulted in idle/infructuous expenditure of ₹ 4.03 crore

Deficient monitoring mechanism prevalent in the TTDCL resulted in the improper up-keep/ maintenance of various assets created under SDS thereby leading to infructuous/ idle expenditures of ₹ 9.64 crore.

Recommendations

The State Government may consider to;

- *develop a sound planning policy for the development and implementation of the infrastructure creation projects with consideration of factors like (a) compliance with the statutory laws (b) international ramifications, territorial jurisdiction disputes and environmental implications, etc. in consultation with the other stakeholders namely Forest Department, ASI, etc.;*
- *exercise due diligence and ensure compliance with the codal provisions in the selection of the Project Management Consultants (PMCs);*
- *mitigate the procedural delays in the entrustment of the execution work to the State Government Implementing Agency (IA) as well as in the invitation of tenders in respect of the same;*
- *ensure the professional management of the financial resources, tracking and monitoring of the project fund lying with the other IAs and submission of accurate UCs; and*
- *strengthen its Monitoring Mechanism to ensure proper up-keep/maintenance of various assets created and timely completion of the projects.*

Paragraph 4.2

CHAPTER-V

REVENUE SECTOR

General

During the year 2022-23, the revenue raised by the State Government was ₹ 3,402.03 crore which was 18.58 *per cent* of the total Revenue Receipts. The balance 81.42 *per cent* of the revenue receipts during 2022-23 was received from the GoI in the form of State share of Union Taxes and Duties and Grants-in-Aid. The collection of own revenue increased by ₹ 511.61 crore during 2022-23 as compared to previous year and the rate of growth of own revenue increased to 17.70 *per cent* in 2022-23 as compared to 10.41 *per cent* during 2021-22. Revenue Receipts of the State increased by 3.95 *per cent* from ₹ 17,613.95 crore in 2021-22 to ₹ 18,309.01 crore in 2022-23.

Paragraph 5.1.1

Although target of Revised Estimates was not achieved in 2019-20, actual collection was more than the target as projected in the RE for the years 2020-21 and 2021-22. In 2022-23, the actual collection was less than the RE by ₹ 0.03 crore only.

Paragraph 5.1.2 (i)

Arrear of revenue increased from ₹ 62.12 crore at the end of March 2022 to ₹ 161.24 crore at the end of March 2023. The arrear of revenue outstanding for more than five years also increased from ₹ 37.12 crore to ₹ 45.63 crore during the same period.

Paragraph 5.1.3

In the last ten years' Audit Reports, 23 paragraphs involving ₹ 52.46 crore featured in the Audit Reports, of which 21 paragraphs involving ₹ 46.60 crore had been accepted by the State Government. Out of this, only ₹ 1.37 crore (2.94 *per cent*) was recovered.

Paragraph 5.1.6.2

FINANCE (EXCISE & TAXATION) DEPARTMENT**Subject Specific Compliance Audit on “Department’s Oversight on GST Payments and Return Filing”**

The introduction of Goods and Service Tax (GST) has replaced multiple taxes levied and collected by the Centre and States. GST, which came into effect from 1 July 2017, is a destination-based consumption tax on the supply of goods or services or both levied on every value addition. The Centre and States simultaneously levy GST on a common tax base. Central GST (CGST) and State GST (SGST)/ Union Territory GST (UTGST) are levied on intra-State supplies, and Integrated GST (IGST) is levied on the inter-State supplies.

Section 59 of the Tripura Goods and Service Tax (TGST) Act, 2017 stipulates GST as a self-assessment based tax, whereby the responsibility for calculating tax liability, discharging the computed tax liability and filing returns is vested with the taxpayer. The GST returns must be filed online regularly on the common GST portal, failing which penalties will be payable. Even if the business has had no tax liability during a particular tax period, it must file a nil return mandatorily. Further, Section 61 of the TGST Act read with Rule 99 of the Tripura Goods and Service Tax Rules (TGST Rules), 2017 stipulate that the proper officer may scrutinise the return and related particulars furnished by taxpayers, communicate discrepancies to the taxpayers and seek an explanation.

This Subject Specific Compliance Audit (SSCA) was taken up considering the significance of the control mechanism envisaged for tax compliance and the oversight mechanism of the Commercial Taxes Organisation, Tripura (Department) in this new tax regime.

Audit find that documentation of essential oversight functions of charges such as scrutiny of returns, audit of taxpayers and taxpayer’s compliance was poor and not amenable to evaluation. As such, the functions of the charges were not fully carried out in an organised manner.

Further, out of the 235 high value data inconsistencies identified by Audit the Department responded to 191 cases. Of these, 140 cases constituting 59.57 *per cent*, turned out to be compliance deficiencies amounting to ₹ 68.65 crore. A relatively higher rate of mismatches deficiencies was noticed in ITC availment, tax paid, *etc*. The Department has not responded to 44 cases of inconsistencies, which has an identified mismatch of ₹ 16.64 crore.

Detailed audit of GST returns also suggested significant non-compliance. In 30 out of 30 cases examined, granular records were not forthcoming, which constituted a significant scope of limitation. In ten out of 30 cases examined, were liable to pay interest on delay payment of tax (cash component) amounting to ₹ 0.30 crore. A relatively higher rate of deficiencies was noticed in 32 identified mismatch of ITC availed and discharge of tax liability with a risk exposure of ₹ 27.27 crore.

From a systemic perspective, the Department needs to strengthen the institutional mechanism in the Charges to establish and maintain effective oversight on return filing, taxpayer compliance, tax payments, cancellation of registrations and recovery of dues from defaulters.

Recommendations

The Department may;

- *formulate SOP or prescribe detail procedures for selection of scrutiny cases and fix targets, so that an optimum number of cases can be scrutinised in every financial year before the cases became time barred;*
- *ensure timely verification of cancellation of registrations to prevent undue loss of tax revenue and unfair tax practices;*
- *formulate detail selection procedures for cases for conduct of audit so that an optimum number of cases can be audited in every financial year;*
- *urgently pursue where inconsistencies and deviations were pointed out by Audit and result there-of may be intimated to Audit; and*
- *initiate remedial action for all the compliance deviations brought out in this report before they get time barred.*

Paragraph 5.2

CHAPTER-VI

Follow Up of Audit Observations

As of September 2023, 84 paragraphs (60 paragraphs and 24 performance audits) relating to the Audit Report for the years 2006-07 to 2019-20 were awaiting discussion by the Public Accounts Committee. Of these, explanatory notes on 66 paragraphs (50 paragraphs and 16 performance audits) have not yet been received from the departments.

Paragraph 6.1.1(a)

As of September 2023, 17 paragraphs (12 paragraphs and five performance audits) relating to the Audit Report for the years 2014-15 to 2019-20 were awaiting discussion by the Committee on Public Undertakings. Of these, explanatory notes on 13 paragraphs (nine paragraphs and four performance audits) have not yet been received from the departments.

Paragraph 6.1.1(b)

Analysis of the position of outstanding IRs showed that 2,437 paragraphs included in 328 IRs issued during the last five years up to 2022-23 were pending for settlement as of September 2023. Of these, even the first reply had not been received in respect of 905 paragraphs involving 114 IRs in spite of repeated reminders.

Paragraph 6.3

There are 2,437 paragraphs involving ₹ 3,162.34 crore relating to 328 IRs issued during the last five years 2018-19 to 2022-23 which remained outstanding at the end of 30 September 2023 under Social, Economic, Revenue and General Sectors.

Paragraph 6.5

CHAPTER I: INTRODUCTION

CHAPTER I: INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from the Performance Audit, Subject Specific Compliance Audit and test audit of transactions of various departments of the Government of Tripura pertaining to Social, Economic and Revenue.

The primary purpose of this Report is to bring to the notice of the State Legislature, significant results of audit. The findings of audit are expected to enable the Executive to take corrective action, to frame appropriate policies as well as to issue directives that will lead to improved financial management and contribute to better governance. Auditing standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions.

This chapter in addition to explaining the planning and coverage of audit, provides a synopsis of significant instances of non-compliance with applicable laws, rules, regulations, various orders and instructions issued by the competent authorities.

1.2 Authority for Audit

This office functioned as a Branch Office of the Accountant General, Assam from 1967. Since 18 November 1974, it has been functioning as an independent office. Following a restructuring of cadres in 1984, the audit functions were entrusted to the office of the Accountant General (Audit), Tripura and the Accounts and Entitlement functions were entrusted to the Accountant General (A&E), Tripura.

Under the directions of the C&AG, the office of the Principal Accountant General (Audit), Tripura conducts audit of government departments, Public Sector Undertakings, Autonomous Bodies and other Institutions¹ under Social, Economic, Revenue and General Sectors, which are spread all over the State. The Principal Accountant General (Audit) is assisted by two Deputy Accountants General.

The authority for audit is derived from the Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 (C & AG's (DPC) Act). Under Section 13 of the C & AG's (DPC) Act the office of the Principal Accountant General (Audit) has been entrusted with the audit of all expenditure incurred from the Consolidated Fund of Government of Tripura. This office conducts audit of revenue receipts of the Government of Tripura under Section 16 of the C & AG's (DPC) Act. This office conducts supplementary audit of the Balance Sheet of all State Government companies under Section 143 (6) (a) of the Companies Act, 2013. This office is responsible for audit of accounts of autonomous bodies and authorities falling under Section 14, 15, 19 (2), 19 (3) and 20 (1) of C&AG's (DPC) Act.

¹ Audit of World Bank assisted projects, Asian Development Bank assisted projects, etc.

Besides these, this office is also responsible for the audit of accounts of Tripura Tribal Areas Autonomous District Council (TTAADC) constituted under the provision of Sixth Schedule of the Constitution. The Audit Report on the accounts of the Council is prepared separately for laying before the Council. The C&AG prescribes the principles and methodologies for various audits in the Auditing Standards and the Regulations on Audit and Accounts (Amendments), 2020.

1.3 Planning and conduct of Audit

Audit process commences with the assessment of risk of the departments based on the expenditure incurred, criticality/ complexity of activities, priority accorded for the activity by the Government, level of delegated financial powers, assessment of internal controls, concerns of stakeholders, previous audit findings, *etc.* Based on this risk assessment, frequency and extent of audit are decided and an annual audit plan is formulated to conduct audit.

After completion of each audit, Inspection Report (IR) containing audit findings is issued to the Head of the unit with a request to furnish replies within one month of receipt of the IR. Wherever replies are received, audit findings are either settled or further action for compliance is advised. Significant audit observations pointed out in these IRs, which require attention at the highest level in the Government, are processed for inclusion in the Audit Report which are submitted to the Governor of Tripura under Article 151 of the Constitution of India for causing them to be laid on the Table of the State Legislature.

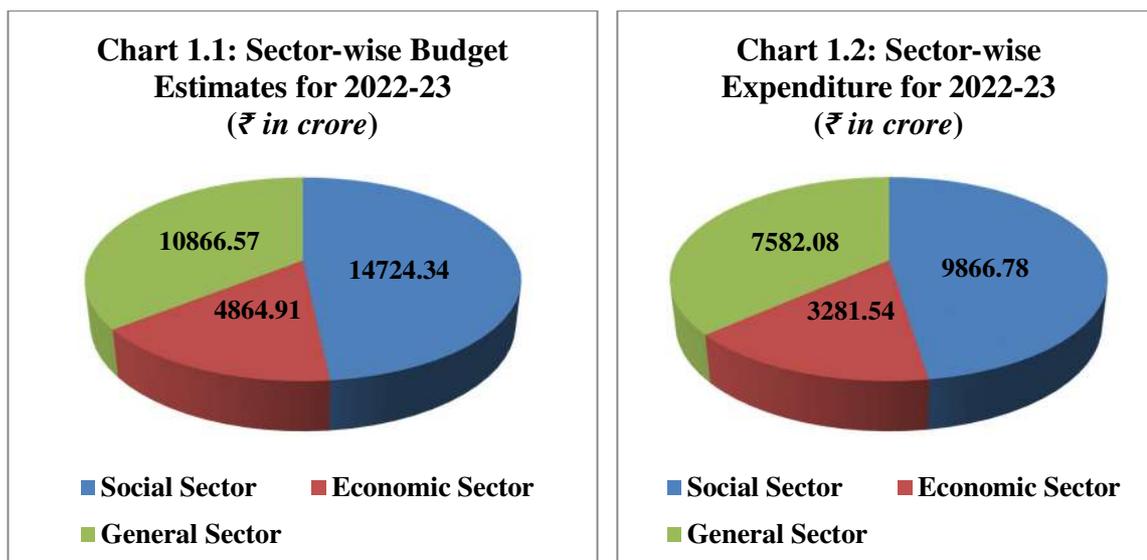
Audit Plan is prepared in such a way that it fits into the long term and short term goals of audit in consonance with the overall “Vision and Mission” of the Supreme Audit Institution of India. It has been prepared after carrying out risk assessment and keeping in view the available manpower. Elements of the Audit Quality Management Framework (AQMF) *viz.* materiality, inputs from Voucher Level Computerisation (VLC), financial size of the units, data from various e-governance initiatives taken by government, flagship programme undertaken by auditees, press criticism/ electronic media coverage, expected audit impact and continuous improvement based on past experience, *etc.* were taken into account to the extent possible while framing out the plan. A sector wise analysis of government spending, investment policy of the government in infrastructure development, industrialisation and socio-economic activities alongwith due consideration of possible audit impact were taken into account in prioritising auditee units for preparing the audit plan.

Considering the availability of resources, focus has been given in areas of high financial risk than to thinly spreading out the resources throughout the Government activities. This would have better socio-economic impact and add value to governance.

Out of 1,668² auditee units, 129³ units were planned for audit during 2022-23. After carrying out risk assessment and keeping in view the available manpower, 45⁴ units were actually audited during 2022-23 involving an expenditure of ₹ 643.60 crore.

1.4 Significant Audit Observations

During the year 2022-23, the State Government had incurred an expenditure of ₹ 20,730.40 crore against the respective budget provision of ₹ 30,455.82 crore under Social, Economic and General Sectors. Sector wise budget and expenditure for the year 2022-23 are depicted in the **Charts 1.1** and **1.2**.



Source: Appropriation Accounts 2022-23

This Report, *inter alia*, contains two Performance Audits titled “Solid Waste Management in Urban Areas” and “Welfare of Building and Other Construction Workers” and three Subject Specific Compliance Audits titled “Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)”, “Swadesh Darshan Scheme” and “Department’s oversight on GST Payments and Return Filing”, and six Compliance Audit paragraphs on major findings of audit from test check of the transactions of 45 units in the Social, Economic, Revenue and General Sectors involving an expenditure of ₹ 643.60⁵ crore during 2022-23. Significant audit findings are discussed in the respective succeeding chapters.

² As on 31 March 2022 {excluding Local Bodies (PRIs and ULBs), units under Central Government and Banks}

³ Social Sector: 43 units, Economic Sector: 55 units, Economic Sector (PSU): three, Revenue Sector: 22 units and General Sector: six units

⁴ Social Sector: 11 units, Economic Sector: 19 units, Economic Sector (PSU): five units, Revenue Sector: three units and General Sector: seven units

⁵ Social Sector: ₹ 57.46 crore, Economic Sector: ₹ 108.10 crore, Economic Sector (PSU): ₹ 254.07 crore, Revenue Sector: ₹ 191.22 crore and General Sector: ₹ 32.74 crore

CHAPTER II: SOCIAL SECTOR

CHAPTER II: SOCIAL SECTOR

2.1 Introduction

This Chapter of the Audit Report deals with the findings of audit of Government units under Social Sector.

The total budget allocation and expenditure of the departments under Social Sector during the years 2022-23 are given in **Table 2.1.1**.

Table: 2.1.1: Details of allocation and expenditure under Social Sector

(₹ in crore)

Name of the Department	Budget allocation	Expenditure
Education (Higher)	320.29	207.39
Education (School)	2,293.72	1,448.23
Education (Social)	1,436.03	1,303.01
Education (Elementary)	1,173.31	780.14
Education (Youth Affairs and Sports)	124.21	99.50
Food, Civil Supplies and Consumer Affairs	150.74	125.71
Family Welfare and Preventive Medicine	898.74	560.25
Health	743.95	447.24
Health (AGMC & GBP)	206.59	164.98
Labour Organisation	15.82	12.33
Panchayati Raj	472.80	428.52
Public Works (Drinking Water and Sanitation)	475.68	346.99
Relief and Rehabilitation	696.13	79.51
Rural Development	3,230.99	2,437.90
Tribal Welfare (Research)	15.80	5.68
Kokborok and other Minority Languages	1.49	1.24
Tribal Welfare	811.74	611.34
Tribal Rehabilitation in Plantation and Particularly Vulnerable Tribal Group	52.91	33.43
Urban Development	1,299.51	659.87
Welfare of Scheduled Castes	135.48	51.49
Welfare of Minorities	80.75	26.03
OBC Welfare	75.32	32.58
Skill Development	12.34	3.42
Total number of departments = 23	14,724.34	9,866.78

Source: Appropriation Accounts 2022-23

We audited 11 units during 2022-23 under this Sector covering expenditure of ₹ 57.46 crore (including of the previous years).

This Chapter contains two Performance Audits titled “Solid Waste Management in Urban Areas” and “Welfare of Building and Other Construction Workers” under Urban Development and Labour Departments along with two Compliance Audit Paragraphs under the Tribal Welfare Department involving money value of ₹ 2.92 crore.

URBAN DEVELOPMENT DEPARTMENT

2.2 Performance Audit on “Solid Waste Management in Urban Areas of Tripura”

2.2.1 Introduction

Waste is a product or substance which is no longer suited for its intended use. Wastes are generally classified into municipal solid waste (MSW), bio-medical waste (BMW), construction and demolition (C&D) waste, e-waste, plastic waste, slaughterhouse waste, industrial waste, and hazardous waste by virtue of their nature. They are also classified as biodegradable, non- biodegradable, combustible, dry and inert based on their characteristics.

Municipal solid waste management (MSWM) in urban areas has emerged as one of the biggest challenges that our country faces today. The situation is aggravated by rapid urbanisation. Inadequate management of waste has significant negative externalities in terms of public health and environmental outcomes. Besides, it has an adverse impact on the aesthetic appearance of the surroundings.

There are 20 urban local bodies⁶ (ULBs) responsible for implementation of the Solid Waste Management Rules, 2016 (SWM Rules, 2016) in Tripura. The estimated solid waste generation in these ULBs was 2,290.14 tonnes per day (TPD) during 2017-23. Out of the above, 2,115.05 TPD of waste were being collected, of which 1,319.48 TPD were being processed. Plastic waste accounted for 317.63 tonnes per annum (TPA). The ULBs generated 2,314 TPA of construction and demolition waste and 49.03 TPA of e-waste during 2017-22.

The Central Government has the power to take necessary measures for protecting and improving the quality of the environment, subject to the provisions of the Environment (Protection) Act, 1986. Judicial interventions⁷ have had a significant impact on SWM.

The regulatory framework governing the management of different types of waste is given in **Appendix 2.2.1**.

Chart 2.2.1 depicts the role of various authorities at all levels in planning, execution, and monitoring of MSW management.

⁶ One municipal corporation; 13 municipal councils and six nagar panchayats

⁷ (a) Municipal Council, Ratlam vs. Shri Vardichand and others (1980) – Supreme Court opined that lack of finances cannot be the reasons for not discharging statutory duties.

(b) B.L. Wadhwa vs. Union of India (1994) – Supreme Court issued directives to Delhi Municipal Corporation regarding the collection, transportation and disposal of garbage and hospital waste. © Ms. Almitra Patel vs. Union of India (1996) - Supreme Court constituted a committee to look SWM in Class I cities *i.e.* cities with a population of over one lakh.

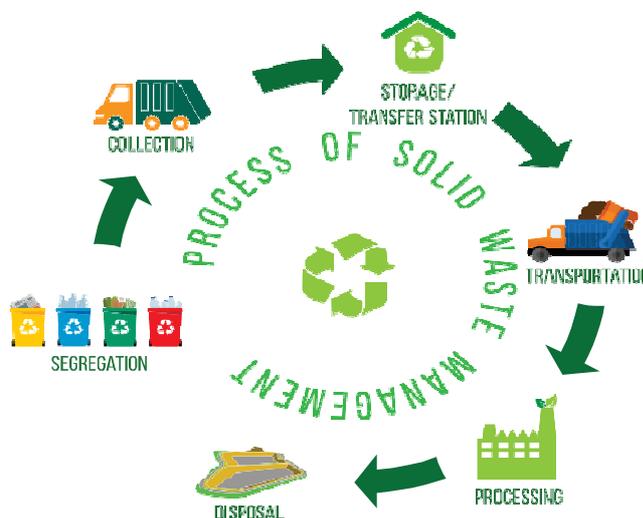
Chart 2.2.1: Role of various authorities in MSW management



Source: Manual on MSWM, 2016

- SWM was one of the 18 functions devolved to the ULBs under Article 243 (12th Schedule) of the Constitution of India. Chapter XI (Section 169 to 180) of the Tripura Municipal Act, 1994 mandates management of solid waste as an obligatory function of the ULBs. The 14th and 15th Finance Commissions identified SWM as one of the core sectors besides water supply, sewerage, and storm water drainage.

The process of waste management is depicted below:



Source: MSW Manual, 2016

The waste that is generated should be segregated and collected at source. Thereafter, it should be transported and processed in accordance with the principles of reduce, reuse, and recycle (3R). The inert material remaining after processing must be safely disposed of in the sanitary landfills. The process of segregation to disposal of waste management is the responsibility of the ULBs.

2.2.2 Organisational set-up

The Urban Development Department (UDD), headed by the Secretary to the Government of Tripura is the nodal department for the governance of all ULBs in the State. He is assisted by the Director, UDD. The organisational structure with respect to functioning of the ULBs is given in **Appendices 2.2.2 (A) and 2.2.2 (B)**.

2.2.3 Audit objectives

The performance audit was conducted to assess whether:

- “strategy and planning” of solid waste management in urban areas is commensurate with the wastes generated and concurrent with the prevailing legal framework;
- municipal tasks associated with solid waste management including collection, segregation, storage, transportation, disposal, and social inclusion of informal waste workers were effective, efficient, and economical;
- planning, construction, commissioning, operation, and maintenance of solid waste management projects in ULBs was effective, efficient, and financially sustainable; and
- monitoring and evaluation of solid waste management system including adequacy of awareness creation, citizen engagement for effecting behavioral change, complaint redressal mechanism for citizens, assessment of environmental impacts and implementation of the “Internal control and monitoring mechanism” was adequate and effective.

2.2.4 Audit scope, methodology and sampling

The PA on ‘Solid Waste Management in Urban Areas’ was conducted during September 2022 to June 2023. The period of audit coverage was April 2017 to March 2023. The audit methodology involved examination of the records relating to SWM in the Directorate of UDD, Tripura State Pollution Control Board (TSPCB) and selected ULBs. Besides, document analysis, response to audit queries and collection of photographic evidence during field inspection carried out. Entry Conference was held on 22 September 2022 with the Secretary, UDD in which audit methodology, scope, objectives, and criteria were explained. Draft audit findings were issued to the Government in July 2023 for response. Significant findings were discussed (3 August 2023) with the Secretary, UDD in an Exit Conference. The views and responses of the Government were duly incorporated wherever appropriate.

Out of 20 ULBs spread in the eight districts, the only Municipal Corporation (Agartala MC), five Municipal Councils (Dharmanagar, Ambassa, Kailashahar, Teliamura and Belonia) and two Nagar Panchayats (Sonamura and Amarpur) were selected using simple random sampling. One Nagar Panchayat (Sabroom) was taken up at the request of the Government during Entry Conference. The details of the nine selected sampled ULBs are shown in **Appendix 2.2.3**.

2.2.5 Audit criteria

The criteria for evaluating the performance of SWM were derived mainly from:

Central Acts and Rules:

- The Environment (Protection) Act and Rules, 1986
- Water (Prevention and Control of Pollution) Act, 1974
- Manual on Municipal Solid Waste Management, 2000
- Municipal Solid Wastes (Management and Handling) Rules, 2000
- Manual on Municipal Solid Waste Management, 2016 issued by GoI in April 2016 and The Solid Waste (Management and Handling) Rules, 2016
- Performance parameters set out in Service Level Benchmarking (SLB) guidelines.
- Construction and Demolition Waste Management Rules, 2016
- Plastic Waste Management Rules, 2016
- Guidelines of Swachh Bharat Mission (Urban) 2017
- E-Waste Management Rules, 2016
- Manual for Common Municipal Solid Waste Management Facility (CMSWMF)
- Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001

State Acts and Rules:

- Tripura Municipal Act, 1994
- Tripura Municipal Solid Waste (Management and Handling) Cleanliness and Sanitation Rules, 2019
- Agartala Municipal Corporation Solid Waste Management Regulation, 2017

Instructions, guidelines, policies issued by Central Pollution Control Board, State Pollution Control Board, Government of India / State Government on solid waste management from time to time.

2.2.6 Audit findings

Audit Objective 1: To assess whether “strategy and planning” of solid waste management in ULBs is commensurate with the solid wastes generated and concurrent with the prevailing legal framework.

2.2.6.1 Strategy and planning

The framework for administration and management of SWM in India is broadly divided into three tiers - Central, State and Local Government. Other stakeholders that play a crucial role are households, businesses, industries, informal sectors,

non-governmental organisations (NGOs), community-based organisations (CBOs), self-help groups (SHGs), *etc.* Involvement of all these stakeholders is necessary at several stages of SWM. The role and responsibilities of stakeholders involved in the process of SWM in urban areas are shown in **Appendix 2.2.4**.

2.2.6.1(i) State Policy and strategy on integrated SWM

Clause 11(a) (b) of SWM Rules, 2016 (notified on 8 April 2016) stipulated that the Secretary, UDD should prepare the State Policy, consistent with these rules, National Policy on SWM and National Urban Sanitation Policy of the MoUD, by April 2017.

Audit observed (April 2023) that the “Tripura Solid Waste Management Policy” was notified by the Government in October 2018. Examination of the policy revealed that the following issues were not indicated in the State Policy as envisaged in the National Policy:

- Role and responsibilities of the informal sector of waste pickers, waste collectors and recycling industry,
- Master plan of every city/ town in the State for setting up of solid waste processing and disposal facilities,
- Establishment of common regional sanitary land fill for a group of cities and towns falling within a distance of 50 km (or more) from the regional facility on a cost sharing basis,
- Capacity building of local bodies in managing solid waste, segregation and transportation or processing of such waste at source, and
- Starting of a scheme on registration of waste pickers and waste dealers.

Thus, the State Policy was not consistent with the National Policy on SWM and National Urban Sanitation Policy of the MoUD.

The Government replied (December 2023) that-

- The informal waste pickers are mostly seen in Agartala. These waste pickers sell waste to small localised kawariwallas, who intern sells the waste to big recyclers at Agartala.
- Due to acute financial constraints and non-availability of resource/ technical person at ULB level State Government decided to prepare a DPR for solid waste management centrally at State level.
- Setting up of sanitary landfill requires huge financial support.
- The Directorate had engaged several orientation workshops by inviting various Solid Waste Management Expert and Resource persons who are acknowledged by Ministry to explore low-cost solid waste management model. Additionally, several exposure visit and training sessions to different successful SWM implementing State and cities has been conducted.

However, the Government was silent about non-inclusion of the issues in the State Policy as pointed out by audit. Thus, integration of informal waste pickers, preparation of master plan of every city, establishment of common regional sanitary landfills, *etc.* were not ensured.

2.2.6.1(ii) Municipal Solid Waste Management plan

2.2.6.1(ii)(a) Short-term and long-term action plan

Manual on Municipal Solid Waste Management (MSWM), 2016 (Paras 1.4.5 and 1.4.6) emphasises that the ULBs are to prepare a detailed SWM plan with short-term (five years) and long-term (20-25 years) action plans apart from contingency plans. The short-term plan should lead to achievement of the long-term plan. Local authorities should ensure that short-term plans aligned with the long-term planning and implementation. As per para 5.4 *ibid*, contingency plans are to prepare for appropriate storage of waste, to tide over situations of non- performance of processing/ treatment/ disposal facilities.

Manual on MSWM, 2016 (Para 1.4.4.1) provides for constitution of a core team or advisory team (internal stakeholders) involving departments⁸ concerned with SWM services for developing the SWM plan and involvement of the community (external stakeholders comprising households, informal sectors, NGOs, CBOs, SHGs, women's groups, secondary schools and college students, *etc.*), in SWM planning and implementation.

However, no such core team or advisory team involving internal/ external stakeholders was constituted in any of the sampled ULBs for developing the MSWM plan during 2017-23.

None of the sampled ULBs had prepared short-term, long-term and contingency plans during 2017-23 for adopting a systematic approach to SWM. In the absence of these plans, the objectives of municipal solid waste management to be achieved over specific planning horizons and the details of specific actions that need to be implemented could not be identified. In this regard, the following deficiencies were observed:

- The ULBs adopted population estimation/ per capita method to arrive at average waste generated by a specific class of generators without collecting samples continuously for a period of seven days at multiple representative locations within the jurisdiction of ULB during summer, winter and rainy seasons as envisaged in the Manual on MSWM, 2016. Thus, estimation of waste generation was unrealistic.

⁸ (i) Commissioner or Chief Executive of the ULB (ii) Head of the SWM Department (iii) Environment Engineer in the SWM Department (iv) Head of the Town Planning Department (v) Head of Water Supply, Public Health or Sanitation and Sewerage Department (vi) Head of the Accounts Department, (vii) Ward level official in the SWM Department

- The ULBs did not ensure the financial viability of the MSWM system and its sustainability overall. The Government had to borrow loan from NABARD for construction of tertiary waste processing plants. Further, due to scarcity of funds, the sampled ULBs are lacking vehicles for transportation of waste as per requirements.
- The gap analysis of the information on heavy machineries/ vehicles (*e.g.* compactors, JCB, front loader, bob cat, cesspool, dumper placer, tipper truck/ auto, hand cart with six PVC bucket of 40 ltr. Capacity, *etc.*) for collection of any form of waste/ silt/ dust, *etc.* from households, commercial establishments, street sweepings, secondary storage bins, *etc.* was not done. As a result, the identification of key shortfalls in achieving the desired level of services remained unassessed.

The Government replied (August 2023) that a DPR on SWM was centrally prepared by the Directorate covering all ULBs. The scope of the DPR was limited to the availability of funds and allocation of the Ministry. The 15th FC grants and other schemes of Central and State Governments including Department of Development of North Eastern Region (DONER), Ministry of Jal Sakti, *etc.* had been revoked to obtain funds and none of them had turned out to financially support the needs of the State in this regard.

The Government, however, was silent on preparation of short term, long-term, contingencies plans and constitution of core team involving stakeholders in management of solid waste.

2.2.6.1(ii)(b) Preparation of DPR for Solid Waste Management

As per paragraph 7.2 and 7.3 of Swachh Bharat Mission (SBM) guidelines, ULBs were to prepare DPRs for Solid Waste Management (SWM) of their city in consultation with the State Government.

Audit noticed that the UDD prepared a DPR centrally for all ULBs instead of preparing for each respective ULBs. The following deficiencies were noticed in the DPR.

- The number of shops, commercial establishments, hotels, restaurants, banquet halls, large markets (vegetables, meat and fish), slums and other informal settlements, industries and their profile, health care establishments, slaughterhouses, land use plan, physical infrastructure, roads, storm waste management, sewage management, *etc.* was not included in the DPR as envisaged in para 5.2.3 of Manual on MSWM, 2016.
- Generation of solid waste from public buildings such as places of public worship, industrial buildings, community centres, *etc.* and existing quantity of unprocessed solid waste dumped in landfill sites in and around the city were not estimated in the DPR.

- Population estimation/ per capita method was adopted to arrive at average waste generated. Thus, the waste assessment did not capture and include temporal fluctuations (festivals/ functions like social, economic, religious, political, *etc.* during summer, winter, and rainy seasons) in generation of waste.

Besides, the following gap analysis was not done as envisaged in para 5.2.3 of Manual on MSWM, 2016:

- Manpower and vehicle requirement for door-to-door collection, street sweeping and drain cleaning;
- Sufficiency of secondary collection bins;
- Gaps in awareness among city residents and civic authorities; and
- Gaps in institutional structure.

Thus, the DPR prepared centrally by the Department was deficient in management of SWM in the ULBs. As a result, the assessment of generation of waste, capital and O&M expenses, *etc.* were unrealistic as discussed in **Paragraphs 2.2.6.1(vi) and 2.2.6.2(i).**

The Government admitted (December 2023) the fact of limited scope of DPR.

2.2.6.1(iii) Service Level Benchmarks - Targets and achievement in sampled ULBs

Ministry of Urban Development (MoUD) has set Service Level Benchmarks (SLBs) at the national level for service provision in four key sectors –water supply, sewerage, SWM and storm water management. Monitoring performance and improvement is envisaged as the goal of the SLB. MoUD defined a common minimum framework for monitoring and reporting on performance indicators, of which eight performance indicators pertained to SWM as detailed in **Appendix 2.2.5.**

Analysis of SLB declarations (2021-22) by eight⁹ sampled ULBs in respect of these performance indicators (except efficiency in redressal of customer complaints) showed that extent of segregation, recovery of solid waste, scientific disposal, and cost recovery of solid waste of the sampled ULBs were significantly below the benchmarks.

There was wide variation of benchmarks especially in respect of extent of household coverage, segregation, recovery and scientific disposal of municipal solid waste, which is shown in the **Table 2.2.1.**

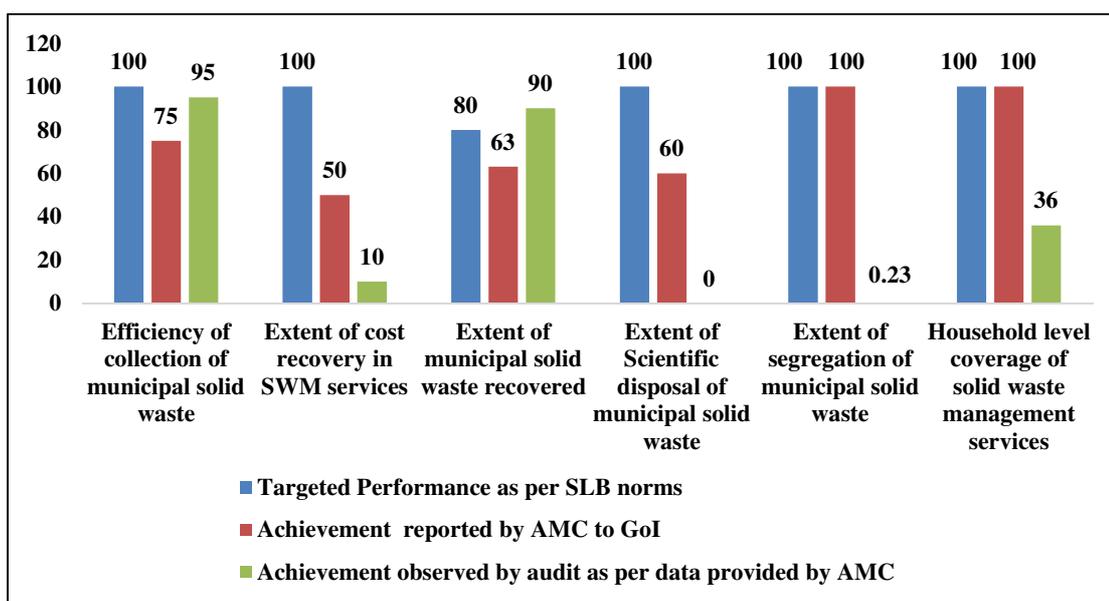
⁹ Sonamura Nagar Panchayat has not prepared SLB

Table 2.2.1: Average achievement of SLBs shown by the eight sampled ULBs and observed by Audit

Performance indicator	Average achievement reported by the sampled ULBs to GoI	Average achievement observed by audit as per data provided by the ULBs
Household level coverage of SWM services through door-to-door collection of waste	89	62
Efficiency of collection of municipal solid waste	81	81
Extent of segregation of municipal solid waste	86	24
Extent of municipal solid waste recovered	52	33
Extent of Scientific disposal of municipal solid waste	39	0
Extent of cost recovery in SWM services	48	31

The status of SLB in respect Agartala Municipal Corporation (AMC) is shown in **Chart 2.2.2**.

Chart 2.2.2: Comparison of achievements (in percentage) shown by the AMC in the SLB with status observed by audit as per data provided by AMC



Source: City solid waste action plan (CSWAP) and information furnished by the AMC

The achievements (in percentage) shown by the eight sampled ULBs in the SLB and actual status as observed by audit is shown in **Appendix 2.2.6**.

The data on SLBs as reported by sampled ULBs and the data provided to audit did not match. However, the correctness of the achievements against benchmark declared by ULBs could not be ascertained as no documentary evidence/ records was available in support of their claims. Hence, SLBs reported by the ULBs were not dependable.

The Government stated (December 2023) that operationalisation of all the targeted waste treatment plants coupled with primary waste collection by women SHGs and

processing of solid waste in various segments (dry, wet, *etc.*) have already started changing scenario and is expected to meet all SLBs very shortly.

2.2.6.1(iv) Information, Education and Communication activities

As per para 1.3 of Manual on MSWM, 2016, the ULBs should plan for an effective Information, Education and Communication (IEC) campaign to promote the concept of 3Rs to minimise waste generation.

As per para 1.4.5.13 *ibid*, the IEC¹⁰ campaign should not only target households, shops, and commercial and institutional premises, but also all other stakeholders such as municipal officials, elected representatives, schools, NGOs, the informal sectors, media, *etc.* to ensure their participation in managing city waste by discharging their role effectively.

The status of various modes of communication used in sampled ULBs is given in **Table 2.2.2**.

Table 2.2.2: Modes of communication used for IEC activities by the nine sampled ULBs during 2017-23

Modes of communication used	Percentage (No.) of ULBs conducted the mode of communication used for IEC activities
Audio	44 (4)
Video	22 (2)
Mass communication	44 (4)
Wall Paintings	100 (9)
Schools	67 (6)
Hoardings	67 (6)
Street Jatras	56 (4)
Pamphlets	67 (6)

Source: Information furnished by ULBs

It may be seen from **Table 2.2.2** that the percentage of mode of communication adopted for IEC activities in Audio, video, mass communication, and street Jatras were less as compared to wall paintings, hoardings, pamphlets, *etc.* Besides, the following issues relating to IEC were not addressed:

- Domestic hazardous waste includes both toxic and bio-medical wastes. However, neither State level authorities nor ULB level authorities notified and publicised list of domestic hazardous wastes. Special wastes including domestic hazardous wastes can pose a substantial or potential threat to health and environment because of their constituents such as ignitability, reactivity, *etc.*
- e-waste consists of different components that are both hazardous and non-hazardous. Hence, e-waste should be segregated at source and should not be

¹⁰ IEC activities as per paragraph 15(zg) of SWM Rules, 2016: (i) not to litter (ii) minimise generation of waste (iii) reuse the waste to extent possible (iv) practice segregation of waste into biodegradable, non- biodegradable, sanitary waste and domestic hazardous waste (v) practice home composting, vermin composting and biogas generation or community participation (vi) wrap securely used sanitary waste (vii) storage of segregated waste in different bins. (viii) hand over segregated waste to waste pickers and (ix) pay monthly user fee or charges to waste collectors or local bodies for SWM.

mixed with solid waste. However, no specific IEC activity focused on e-waste segregation.

- As per para 1.4.5.13 of Manual on MSWM, 2016, an efficient waste management programme, regardless of the strategy, requires significant cooperation from waste generators and active community participation. The sampled ULBs except AMC, Amarpur MC and Sabroom NP, however, did not encourage community participation adequately.

The Government replied (August 2023) that the ULBs are performing massive campaigns with citizens through public awareness activities *i.e.* sports, rallies, stage drama, print media advertisement, wall paintings, sensitisation meeting held with school, clubs, *etc.* Besides, many walkathons were arranged with banners, flexes and placards depicting various Swachhta message *e.g.* banning of single use plastic bags, *etc.* which received a wide participation and appreciation from different sections of society. The Government further stated that total 160 women SHGs organised IEC activities to aware citizens to achieve 100 *per cent* door to door collection and ensure 100 *per cent* source segregation of waste.

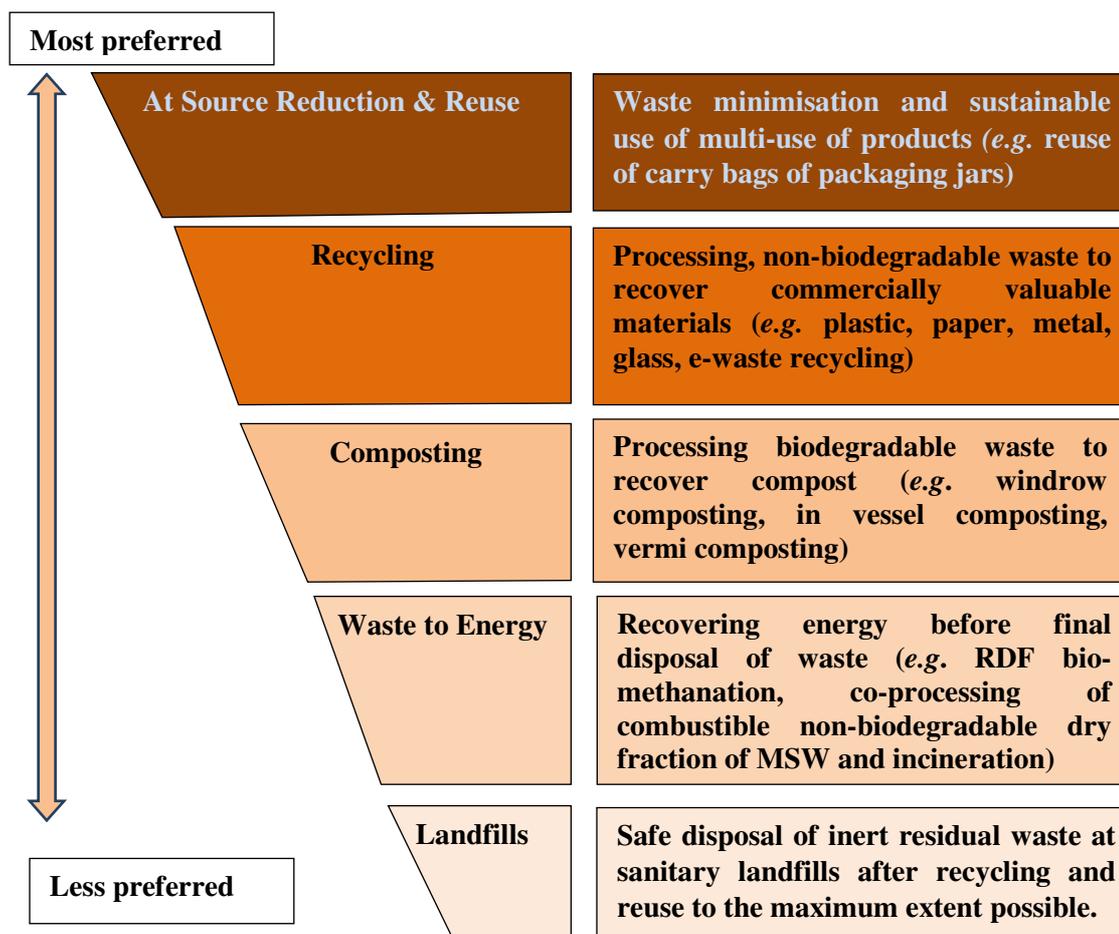
The fact, remains, that despite massive awareness campaigns, restrictions on plastic carry bag usages, 100 *per cent* door to door collection and segregation of waste at source, non-littering of waste/ garbage on roadside/ street, could not be ensured during the period covered by audit. Thus, the behavioural change of the citizens did not improve to the desired extent.

2.2.6.1(v) Absence of efforts for waste minimisation

Manual on MSWM, 2016 (para 2.1) prescribes a step-wise approach in order of environmental priority for different waste management options with prevention¹¹ being most preferred option and disposal the least preferred. It is closely linked to 3R approach, which helps to reduce quantity of waste, cost associated with its handling, and its environmental impacts. The Manual also stipulates that waste minimisation strategies require policy interventions at national, State, and local levels. ULBs were to play a pioneering role by reducing the amount of waste to be managed. Step-wise approach in order of environmental priority for different waste management options is shown in **Chart 2.2.3**.

¹¹ Waste prevention known as source reduction which means using less material to get a job done. Waste prevention methods help create less waste before recycling.

Chart 2.2.3: Step-wise approach in order of environmental priority for different waste management options



Source: Manual on MSWM, 2016

As per information furnished by the UDD, out of 2,115.05 TPD of wastes generated during 2017-23, 799.38 TPD (38 per cent) were deposited at landfill/ dump sites without processing in all 20 ULBs.

In respect of the nine sampled ULBs during the period, out of 1,204.28 TPD of wastes, 347.88 TPD (29 per cent) were deposited at landfill/ dump sites without processing. It was observed that, as of March 2023, recycling of waste was done by Agartala Municipal Corporation (AMC) and composting of wastes was done in only two of the sampled ULBs¹². The sampled ULBs had neither waste to energy/ incineration facilities nor sanitary landfills during the period covered by audit. Thus, 3R approach in minimising the amount of waste to be disposed were not followed adequately.

The Government replied (December 2023) that extensive awareness and raids on single use plastic, 3Rs of waste management, *i.e.* Reduce, Reuse & Recycle, supply of colour coded dustbins, *etc.* were done.

The fact remained that recycling and composting was being done by AMC only and Sabroom NP has started composting from July 2022. The other sampled ULBs have

¹² AMC and Sabroom NP

not done recycling and composting during the period covered by audit. Thus, the principles of adopting 3R approach in minimising the amount of waste to be disposed and reducing the public health and environmental risks were not adequately ensured.

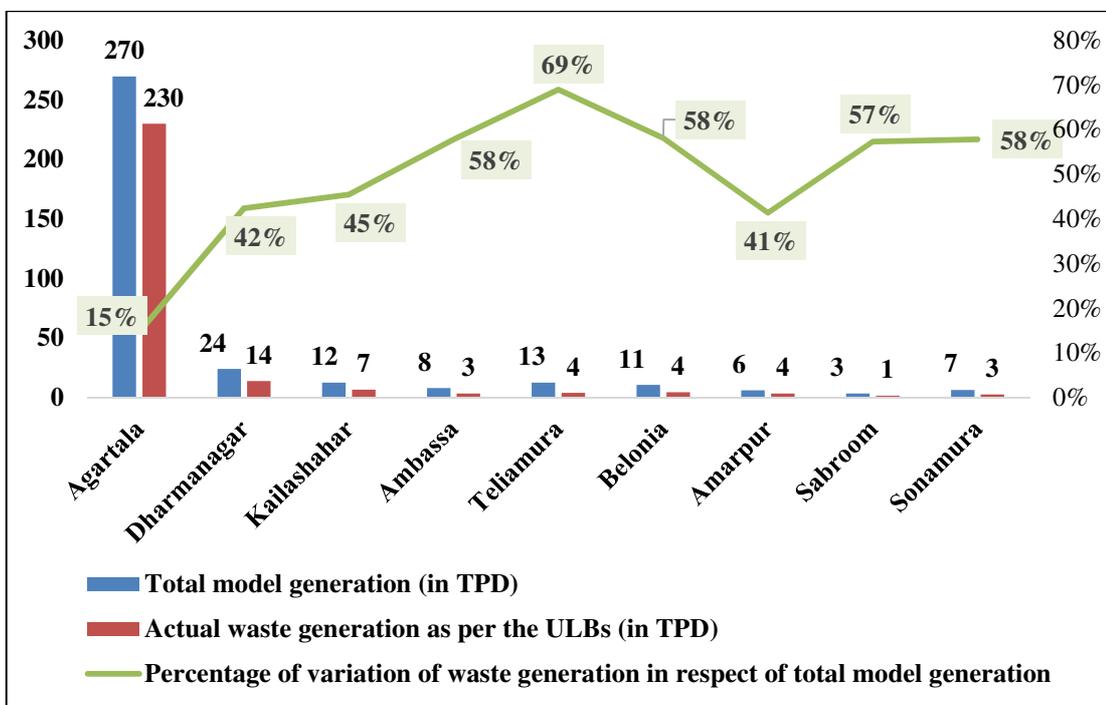
2.2.6.1(vi) Assessment and generation of waste

A reliable assessment of different kinds of waste generated in the city limit is essential for planning and effective implementation of SWM. Para 3.3.6 of Manual on MSWM, 2000, stipulates that data on waste generation, weight and volume should be collected by each authority for application in its own area of operation.

Para 1.4.3.3.1 of Manual on MSWM, 2016 stipulated that for the purpose of long-term planning, average amount of waste disposed by a specific class of generators may be estimated only by averaging data from several samples. These samples are to be collected continuously for a period of seven days at multiple representative locations within jurisdiction of ULB, in each of three main seasons’ viz., summer, winter and rainy seasons. Waste should be aggregated over seven-day period, weighed and averaged. These quantities could then be extrapolated to entire ULB, and per capita generation assessed.

It was observed (April 2023) that the ULBs adopted population estimation/ per capita method to arrive at average waste generation. It was found that there were wide variation (**Appendix 2.2.7**) in waste generation during 2021-22 between model waste generation as per the Manual and actual waste generation, which ranged from 15 per cent to 69 per cent as shown in the **Chart 2.2.4**.

Chart 2.2.4: Variation of waste generation in the sampled ULBs



Further, analysis of waste generation as projected in the DPR and actual waste generation by the sampled ULBs revealed that there was less generation of waste in

the ULBs as compared to the estimation provided in the DPR during 2021-22. The percentage of waste generation was less by 26 per cent (77.93 TPD) to 70 per cent (9.32 TPD) as shown in **Table 2.2.3**.

Table 2.2.3: Showing less generation of waste by the sampled ULBs as compared to DPR during 2021-22

Sl. No.	Name of ULB	Waste generation as per DPR (in TPD)	Actual waste generation as per ULBs (in TPD)	Difference (in TPD)	Percent of less generation of waste as compared to DPR
1	Agartala Municipal Corporation	299.85	221.92	77.93	26
2	Dharmanagar MC	26.33	9.87	16.46	63
3	Kailashahar MC	13.44	4.92	8.52	63
4	Ambassa MC	9.70	3.39	6.31	65
5	Teliamura MC	13.22	3.90	9.32	70
6	Belonia MC	12.15	4.49	7.66	63
7	Amarpur NP	6.82	3.55	3.27	48
8	Sabroom NP	4.12	1.48	2.64	64
9	Sonamura NP	7.22	2.77	4.45	62

Source: DPR for Solid Waste Management in Tripura prepared by UDD and data furnished by ULBs

It may be seen from the **Chart 2.2.4** and **Table 2.2.3** that, in absence of authentic estimation of waste, there was wide variation between the actual waste generation and the model waste generation which impacted proper implementation of SWM.

The Government stated (December 2023) that in the recent past all ULBs engaged a third party agency to carry out waste characterisation and estimation.

However, nothing was on record regarding collection of waste as samples for a period of seven days at multiple representative locations within jurisdiction of ULB, in each of three main seasons' viz., summer, winter and rainy seasons.

Conclusion

None of the sampled ULBs had prepared short-term, long-term, and contingency plans during 2017-23 for adopting a systematic approach to SWM. In the absence of these plans, the objectives of municipal solid waste management to be achieved over specific planning horizons and the details of specific actions that need to be implemented were not highlighted. Despite massive awareness campaigns, use of banned plastic carry bags, non-coverage of 100 per cent door to door collection and non-segregation of waste at source, littering of waste/ garbage on roadside/ street were noticed. The principles of adopting 3R approach which helps to reduce quantity of waste, cost associated with its handling, and its environmental impacts were missing. There was wide variation between the actual waste generation and the model waste generation which impacted proper implementation of SWM in absence of authentic estimation of waste.

Recommendations

- i. *The Government should ensure that the ULBs prepare short term plans aligned with the long-term planning and implementation apart from contingency plan.*

- ii. *Adoption of principles of 3R approach, which helps to reduce quantity of waste, cost associated with its handling, and its environmental impacts should be ensured.*

Audit Objective 2: *To assess whether municipal tasks associated with solid waste management including segregation, collection, storage, transportation, disposal and social inclusion of informal waste workers were effective, efficient and economical.*

2.2.6.2 Financial management

2.2.6.2(i) Unrealistic assessment of requirement of funds

As per para 1.4.5.6.2 of Manual on MSWM 2016, Municipal Solid Waste Management (MSWM) services are sustainable only if they are financially viable on a stand-alone basis. Therefore, the assessment of financial viability is an important step in planning any SWM system.

Audit observed that the UDD prepared centrally a DPR for solid waste management in respect of all 20 ULBs for the period of 2020-25. A comparison between the assessment of financial requirements for 20 ULBs as per DPR and the actual expenditure incurred by nine sampled ULBs in the period of preceding five years is shown in **Table 2.2.4**.

Table 2.2.4: Comparison between the assessment of financial requirements for 20 ULBs as per DPR and the actual expenditure incurred by nine sampled ULBs

Financial requirement of capital cost and O&M cost for five years (during 2020-25) in 20 ULBs as per DPR (₹ in crore)		Capital expenditure and O&M expenditure on SWM for preceding five years (during 2018-23) in the nine sampled ULBs (₹ in crore)	
Capital	O&M cost	Capital	O&M expenditure
38.80	96.35	30.34	115.73

Source: DPR prepared by UDD and Information furnished by ULBs

It would be seen from the **Table 2.2.4** that the requirement of capital expenditure as per DPR in 20 ULBs was ₹ 38.80 crore and O&M expenditure was ₹ 96.35 crore for 2020-25 and the nine sampled ULBs incurred ₹ 30.34 crore towards capital expenditure and ₹ 115.73 crore on O&M during 2018-23.

Thus, the assessment of requirements of fund for 20 ULBs for 2020-25 was not realistic as compared to the expenditure incurred by the nine sampled ULBs during 2018-23, since trend of expenditure on preceding years was not taken into consideration in the DPR.

No reply was received from the Government (February 2024).

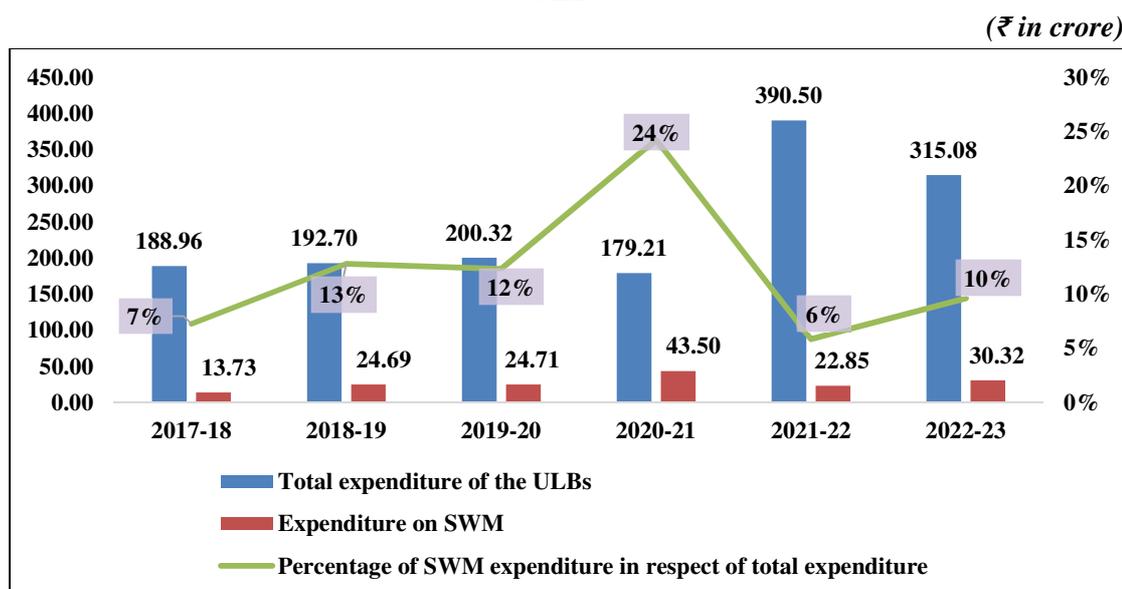
2.2.6.2(ii) Fund availability and expenditure

As per Clause 15(x) of SWM Rules, 2016, ULBs are required to make adequate provisions of funds for capital investment as well as operation and maintenance of SWM services in annual budget.

Audit observed that eight¹³ out of nine sampled ULBs had neither prepared annual budget nor made any provisions of funds for capital investment and O&M of SWM services during 2017-23. Although, the AMC prepared annual budgets, however, it did not make any provision for funds for capital investment and O&M for SWM. As a result, the actual requirement of funds for the purpose could not be analysed and ensured its availability. The expenditure on SWM were utilised from various Central Government grants¹⁴ and State Government programme¹⁵ as per requirement. The sampled ULBs executed works on SWM from SBM for construction of tertiary centres, segregation centres, procurement of SWM equipment, payment of wages to SHG members for door-to-door collection of garbage, cleaning of toilets, awareness generation activities on “Swachhata Hi Seva”, ban of single use plastic and plastic mukta bharat, *etc.* During 2017 to 2023, the sampled ULBs utilised ₹ 12.68 crore from SBM for SWM. But no amount was found to have been utilised by the sampled ULBs for SWM purposes from JNNURM and AMRUT.

The overall availability of funds and expenditure on SWM in the sampled ULBs for 2017-23 are given in **Chart 2.2.5**.

Chart 2.2.5: Overall fund available vs expenditure on SWM for 2017-23 in the sampled ULBs



Source: Information furnished by ULBs

It can be seen from **Chart 2.2.5** that the expenditure on SWM activities has decreased during 2021-22 and 2022-23 as compared to 2020-21 since no such capital investment was made by the ULBs. However, the overall expenditure has increased substantially during the period. The expenditure on SWM increased during 2020-21 due to construction of tertiary centres, procurement of tricycles, SHG toolkits, e-rickshaw, *etc.*

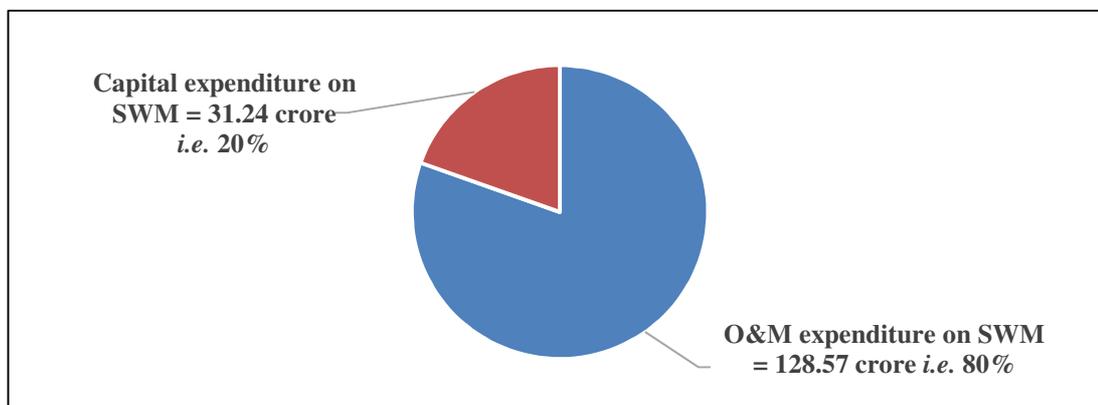
¹³ Dharmanagar MC, Kailashahar MC, Ambassa MC, Teliamura MC, Belonia MC, Amarpur NP, Sonamura NP and Sabroom NP.

¹⁴ Fourteenth Finance Commission (14th FC) grants, Fifteenth Finance Commission (15th FC) grants, Swachh Bharat Mission (SBM).

¹⁵ Tripura Urban Employment Programme (TUEP) and own sources (Municipal Fund)

It was noticed that there was an unspent balance of ₹ 132.36 crore at the end of March 2023 in respect of nine sampled ULBs as detailed in **Appendix 2.2.8**. The capital expenditure and total expenditure on SWM in the sampled ULBs for 2017-23 are shown in **Chart 2.2.6**.

Chart 2.2.6: Capital expenditure vs O&M expenditure on SWM for 2017-23 in the sampled ULBs



Source: Information furnished by ULBs

It can be seen from **Chart 2.2.6** that:

- The percentage of capital expenditure in respect of total expenditure on SWM was 20 per cent during 2017-18 to 2022-23 in the sampled ULBs.
- The above indicates that the Government had not devised adequate strategies for creating the required capital investment for SWM.
- Resultantly, the issue of recycling of solid waste had not received due attention and ULBs did not utilise even the available fund ₹ 132.36 crore for creation of assets for SWM activities up to March 2023.

Further, it was observed that

The Government replied (August 2023) that the grants received from Ministry for Swachh Bharat Mission Urban (Phase- I) during 2014-2022 was ₹ 61.99 crore while the grants allocated for Swachh Bharat Mission 2.0 was ₹ 85.30 crore and added that the scope of SWM is vast and to properly implement the entire scope, a large financial support is required. The allocation of Ministry in this regard to Tripura is meagre and no additional financial support was received from the State Government during Phase - I.

However, the fact remains that the ULBs did not utilise the available fund of ₹ 132.36 crore towards SWM activities which remained unspent as of March 2023.

2.2.6.2(iii) Levy and collection of user charges from the households

As per Clause 15(f) of SWM Rules 2016, the ULBs shall prescribe from time to time user fee as deemed appropriate and collect the fee from the waste generators on its own or through authorised agency. The ULBs fixed rates of user charges to be collected from the households from the year 2019-20.

No demand of user charges was found on records in the sampled ULBs. However, as per information/ data¹⁶ furnished by the sampled ULBs, audit calculated the demand of user charges for ₹ 37.41 crore for the year 2022-23 of which ₹ 1.25 crore (3.34 *per cent*) was collected by the ULBs as of March 2023. This indicated an irrecoverable loss of ₹ 36.16 crore due to non-levy and non-realisation of user fees due from all the households as detailed in **Appendix 2.2.9**.

Due to inefficient revenue collection, ULBs failed to collect ₹ 36.16 crore which could have been utilised for O&M and capital expenditure and also loan of ₹ 13.02 crore from NABARD (for construction of tertiary processing facilities) at the interest rate of 2.75 *per cent* per annum could have been avoided.

The Government replied (August 2023) that special attention would be given to collect user charges not only from households but also from all other commercial and government establishments to guard revenue loss. State had already notified user charge collection rates and ULBs had also notified their user charge collection rates. Measures like tagging register of ordinary resident (ROR), property tax, trade license, *etc.* would be adopted by ULBs to ensure collection of user charges. The Government also stated that the enforcement of user charges collection from all sources of waste generation was a tedious task which ULBs were trying to enforce by involving all stakeholders.

2.2.6.2(iv) Non-levy of user charges for C&D waste from bulk generators

As per Clause 4(5) of C&D Waste Management Rules, 2016, every waste generator shall pay relevant charges for collection, transportation, processing and disposal as notified by the authorities designated by the State Government.

Audit observed that except AMC, none of the sampled ULBs had notified prescribed rate, norms for collection of C&D waste from C&D waste generators¹⁷. AMC collected user charges of ₹ 27.86 lakh for C&D waste from C&D waste generators during 2018-23. Therefore, the eight sampled ULBs failed to collect user charges as of March 2023 which indicates that the ULBs were not pro-active in generation of their own revenue and were not stringent towards violators.

The Government replied (August 2023) that the ULBs were requested to adopt and notify "The Construction & Demolition Waste Management Policy, 2019" that was notified by State which prescribed rate, norms for collection of C&D waste from C&D waste generators.

2.2.6.2(v) Non levy/ collection of user charges from railway authorities

Provisions of SWM Rules, 2016 are also applicable to industrial townships, areas under the control of Indian Railways, airports, airbases, Ports and harbours, defence establishments, special economic zones, *etc.* As such, user fees should be collected from those authorities.

¹⁶ No. of households, rate of user charges per households per month

¹⁷ Owners, entrepreneurs, builders, contractors, individual, *etc.* are the bulk generators

Audit found that in two¹⁸ sampled ULBs, areas under the control of Indian Railways were within the municipal urban limits. However, the waste generated within the railway premises were neither handed over to the ULBs nor the ULBs insisted the Railway Authority to hand over the waste and pay the user fee for waste generation from the Indian Railways as stipulated in SWM Rules. The Station Superintendent, Dharmanagar Railway Station stated (September 2023) that contractual labours collected wastes/ garbage from railway station premises and its' colony and dumped in a selected place for disposal.

Thus, the ULBs were sustaining loss of revenue for non-levy of user fees on the Railway Authorities.

The Government replied (August 2023) that the Indian Railways authorities would be communicated to hand over their solid waste in lieu of user charges.

2.2.6.2(vi) Non collection of spot fines

As per Section 179 of Tripura Municipal Act, 1994 whoever deposits or throws or causes or permits to be deposited or thrown any solid wastes on any place in contravention of the provisions of this Act shall, subject to such rules and regulations as may be made in this behalf, be punishable with fine which shall not be less than five hundred rupees or more than five thousand rupees for each of such offences.

In exercise of the power conferred on UDD by Rule 6(24) and Rule 8.1 of the Tripura Municipal Solid Waste (Management and Handling) Cleanliness and Sanitation Rules, 2019, UDD notified (July 2019) the rates of penalties/ fines to be imposed by ULBs for violation of the rules as shown in **Appendix 2.2.10**.

Audit observed that none of the sampled ULBs had collected spot fines for littering from individual households, community-based organisations, market complexes, *etc.* who failed to comply with the provision of SWM Rules. **Photographs 2.2.1 to 2.2.3** show littering of wastes from individual households, market complexes, *etc.*



¹⁸ Agartala Municipal Corporation and Dharmanagar Municipal Council

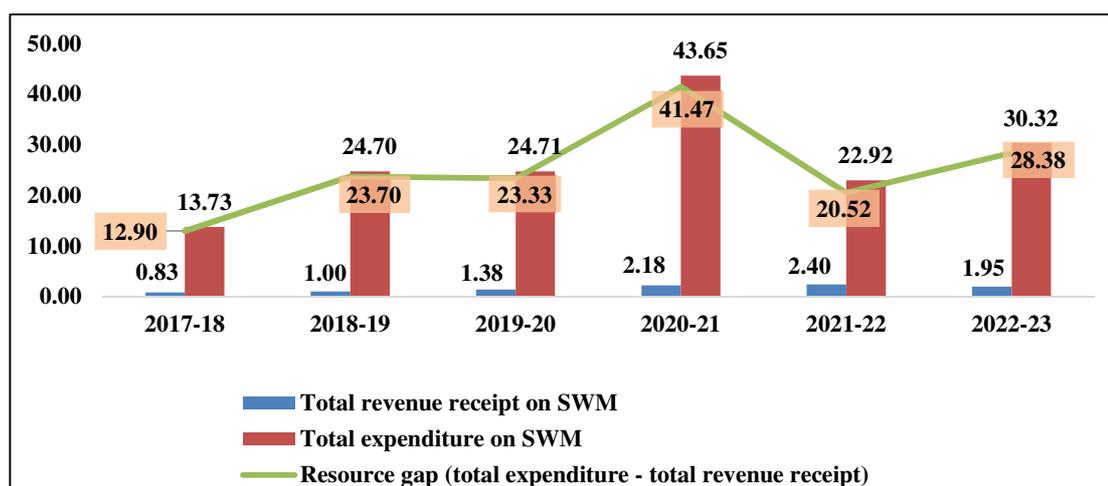
This indicates that the provisions of Tripura Municipal Act, 1994 and Tripura Municipal Solid Waste (Management and Handling) Cleanliness and Sanitation Rules, 2019 were not implemented properly to deal with the issue.

The Government replied (August 2023) that it had already notified user charge collection rates and ULBs had also notified their user charge collection rates. The Government further stated that measures like tagging ROR, property tax, trade license, *etc.* were being adopted by the ULBs to ensure collection of user charges. Discrete enforcement of user charges collection from all sources of waste generation was a tedious task which became more difficult due to non-involvement of elected representatives in enforcement. However, efforts to impose spot fines would be made.

2.2.6.2(vii) Resource expenditure gap

The MSWM system will become financially viable/ sustainable if there are increases in collection of user charges, sales of recyclable material and compost. This will reduce the resource-expenditure gap. Hence, strict enforcement of levy and collection of user charges is essential to reduce resource-expenditure gap. However, the levy and collection of user charges from the households, user charges for C&D waste, sales of recyclable material and compost, *etc.* were found to be deficient in the sampled ULBs as discussed in preceding paragraphs. The impact thereof is the increase in the gap between generation of revenue and the expenditure in relation to SWM activities during 2017-23. The resource-expenditure gap increased from ₹ 12.90 crore (2017-18) to ₹ 28.38 crore (2022-23) in the sampled ULBs as shown in **Chart 2.2.7**.

Chart 2.2.7: Revenue vs Expenditure gap related to SWM (₹ in crore) in the sampled ULBs



Source: Information provided by ULBs

It can be seen from **Chart 2.2.7** that the expenditure on SWM increased significantly during 2020-21 as compared to previous years due to construction of tertiary centres, procurement of tricycles, SHG toolkits, plastic granulating machines, e-rickshaw, *etc.* However, revenue receipt on SWM had not increased correspondingly with increase of total expenditure during the last five years which was indicative of weak financial

management by the ULBs. This gap is being met out by ULBs from their own revenue (property tax, license fee, water tax, stall rent, *etc.*), grants from Central Finance Commission and Swachh Bharat Mission. However, property tax was revised in January 2016, which was based on Annual Property Value (APV). Water charges were revised in May 2014 from ₹ 30 to ₹ 40 in respect of domestic connection and ₹ 250 to ₹ 300 in respect of commercial connection.

Table 2.2.5 shows total revenue collection and revenue from SWM charges of the sampled ULBs except Kailashahar Municipal Council¹⁹ during 2018-19 to-2022-23.

Table 2.2.5: Total revenue collection vs revenue from SWM charges during 2018-19 to 2022-23 in eight sampled ULBs

Year	Total revenue collection (₹ in crore)	SWM charges (₹ in crore)	Percentage of SWM charges in respect of total revenue collection
2018-19	21.98	1.00	5
2019-20	28.02	1.36	5
2020-21	30.44	2.14	7
2021-22	34.23	2.35	7
2022-23	34.33	1.89	6
Total	149	8.74	6

Source: Information furnished by ULBs

It can be seen from **Table 2.2.5** that the total revenue collection such as property tax, license fee, water tax, stall rent, *etc.* in respect of the sampled ULBs was in increasing trend during 2018-19 to 2022-23 while the user charges for SWM did not increase substantially during the period. This indicated that due attention was not given by the ULBs to increasing the user charges.

No reply was received from the Government (February 2024).

2.2.6.3 Segregation of waste

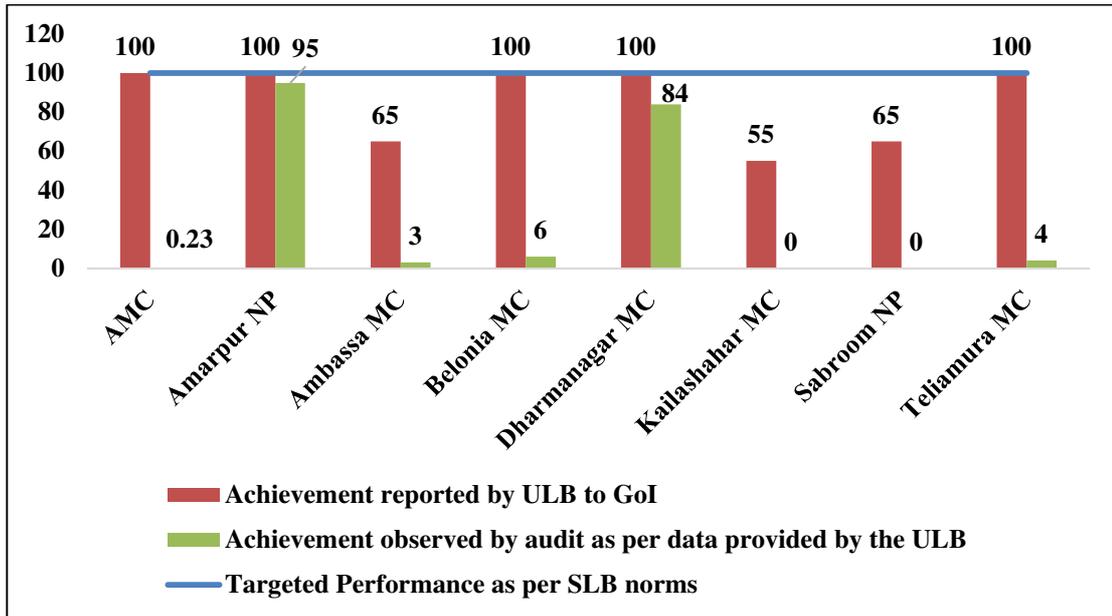
For segregation of solid waste, SWM Rules, 2016 provide that ULBs should create public awareness through information, education and communication campaign and educate the waste generators to practice segregation of waste into bio-degradable, non-biodegradable (recyclable and combustible), sanitary waste and domestic hazardous wastes at source.

The eight sampled ULBs declared that they had achieved SLBs from 55 *per cent* to 100 *per cent* for segregation of waste during 2021-22. However, the data on SLB provided by ULBs revealed that the eight²⁰ sampled ULBs segregated waste from zero *per cent* to 95 *per cent* which is shown in **Chart 2.2.8**.

¹⁹ Kailashahar Municipal Council did not furnish the information

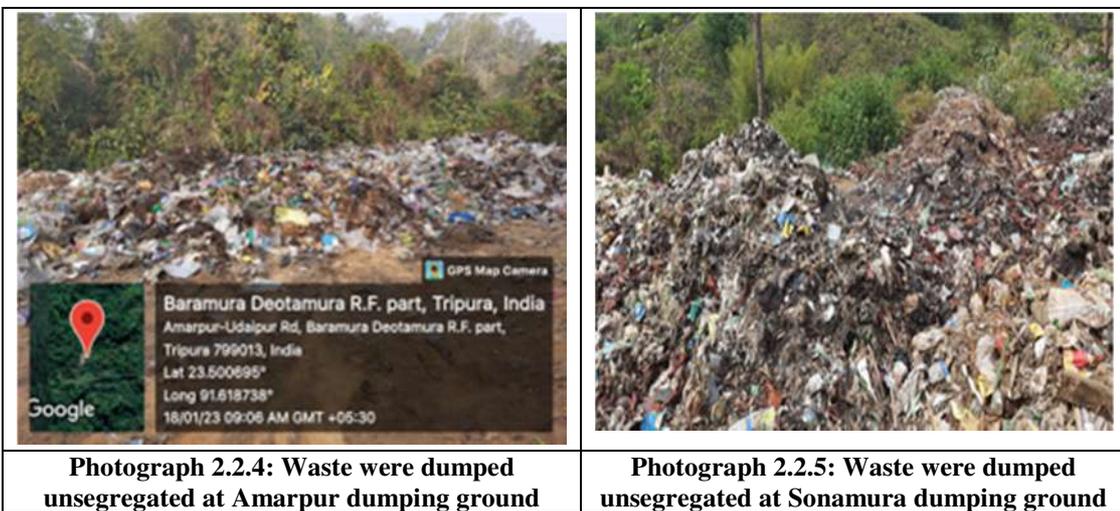
²⁰ Sonamura Nagar Panchayat did not prepare SLB

Chart 2.2.8: Status of SLB on extent of segregation on municipal solid waste during 2021-22



Source: City solid waste action plan (CSWAP) of the sampled ULBs and information furnished by the ULBs

Assessment of segregation of waste in the sampled ULBs revealed that wastes were dumped without segregation at dumping grounds under Amarpur Nagar Panchayat, Sonamura Nagar Panchayat, Ambassa Municipal Council and Agartala Municipal Corporation as shown in **Photographs 2.2.4 to 2.2.7**.





The issues with regard to segregation of waste in the sampled ULBs is discussed below.

2.2.6.3(i) Segregation of waste at source/ household level

Manual on MSWM, 2016 (para 2.2.1.2) stipulates that ULBs must accord highest priority for segregation of waste at source.

Further, Manual on MSWM, 2000 (paras 18.3 and 18.4) and 2016 (para 2.1.4) specify that one of the methodologies is providing incentives in the form of rewards/ grants/ subsidies to ensure proper segregation of waste at source.

It was, however, observed that out of nine sampled ULBs, segregation at source was not followed in four²¹ ULBs and partially followed in five²² ULBs. Further, even the domestic hazardous waste was getting dumped in landfills. Wastes are collected from households in mixed mode by primary collector and transferred to the secondary segregation centres. Thereafter, some dry wastes like plastic, bottle, cardboard, packing material, rubber, *etc.* partially segregated and waste from roadside, markets, hotels, restaurants, *etc.* transported to the open dumping grounds.

Audit did not notice any incentive/ disincentive mechanism to promote segregation of waste in any of the sampled ULBs. This indicates the lack of initiative/ adequate measures on the part of the ULBs in promoting segregation of waste.

Thus, due importance to segregation of waste at source was not given by the ULBs during the period of audit.

The Government replied (August 2023) that primary collection from source of waste generation by involving Women SHG and allied equipment is being done by all ULBs. Basic waste segregation into dry & wet category is being enforced at the source and various IEC activities targeting waste segregation at source has already been carried out in large scale to aware citizens. The Government also stated

²¹ Kailashahar MC, Ambassa MC, Teliamura MC and AMC

²² Amarapur NP, Sabroom NP, Sonamura NP, Belonia MC and Dharmanagar MC

(December 2023) that the ULBs have been requested to device unique mechanism to incentivise citizens in case they handover proper segregated waste.

2.2.6.3(ii) Non-issuance of bins

According to Paragraph 7.10.6 of Guidelines for Swachh Bharat Mission (Urban), 2017, ULBs were advised to distribute two colour coded bins per household.

Audit observed that five sampled ULBs²³ distributed colour coded bins among 12,965 out of 27,114 households for segregation of waste at source and the bins were being used by the households. Other four sampled ULBs²⁴ did not distribute any bins for source segregation. As the colour bins were not given to the households of four sampled ULBs, segregation at source was absent in those ULBs although as per SLB, the ULBs are required to segregate 100 *per cent* at source.

Thus, highest priority was not accorded by the Government to segregate waste at source which would ensure that waste was less contaminated and could be efficiently collected and transported for further effective processing.

The Government replied (December 2023) that there was no earmarked fund from central assistance from the said item therefore only a fraction of the amount required has been placed to ULBs for the said activity from central grants under SBM-U. However, ULBs have been encouraged to carry out the same activity to fulfil the gap from their own revenue.

2.2.6.3(iii) Non-segregation of domestic hazardous waste

As per Clause 15(i)(j) of SWM Rules, 2016, ULBs are required to establish waste deposition centres for domestic hazardous²⁵ waste and give directions to waste generators to deposit domestic hazardous wastes at the centres for its safe disposal. Manual on MSWM, 2016 indicates different kinds of domestic hazardous waste. As domestic hazardous waste included both toxic and bio-medical wastes, it needs to be classified as per schedule II of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.

Audit observed that both State and ULBs did not notify and publicise list of items classified as domestic hazardous waste to be segregated at source. Consequently, the quantity of domestic hazardous waste generated was not assessed and the contaminated mixed waste reached the open dumping ground or landfills. Sampled ULBs also did not establish separate waste deposition centres for domestic hazardous waste.

Audit found that in all the sampled ULBs, the un-segregated MSW which include domestic hazardous waste such as batteries, glass pieces, *etc.* were disposed in the landfills during the period covered under audit.

²³ Belonia MC, Dharmanagar MC, Amarpur NP, Sonamura NP and Sabroom NP

²⁴ Agartala Municipal Corporation, Kailashahar MC, Ambassa MC and Teliamura MC

²⁵ Household Hazardous Waste (HHW) is any unwanted household product labelled as flammable, toxic, corrosive, or reactive. The most common products include aerosols, anti-freeze, asbestos, fertilizers, motor oil, paint supplies, photo chemicals, poisons, and solvents, *etc.*

It was seen that waste had hazardous wastes such as broken bottles made of glass, brake fluid, diesel fuel, *etc.* as shown in **Photographs 2.2.8** and **2.2.9**.



Thus, the possibility of seeping underground and contaminating the ground water apart from air and soil pollution could not be ruled out.

The Government stated (December 2023) that the exclusive list of domestic hazardous waste is under preparation by TSPCB and admitted the fact for not having deposition centres for hazardous waste and added that to address the same in all ULBs, a lot of funds is required which is yet to be decided upon.

2.2.6.3(iv) Non-segregation of sanitary waste

As per clause 4 (1)(b) of SWM Rules, 2016, every waste generator shall wrap securely the used sanitary waste like diapers, sanitary pads, *etc.* in the pouches provided by the manufacturers or brand owners of these products or in a suitable wrapping material as instructed by the local authorities and shall place the same in the bin meant for dry waste or non- bio-degradable waste.

Audit observed (May 2023) that none of the sampled ULBs emphasised segregation and disposal of sanitary waste which are not collected separately as required under SWM Manual, 2016.

Due to non-segregation of sanitary waste, possibility of causing long term deterioration of water and soil quality, pathogens²⁶ in the environment, *etc.* cannot be ruled out.

The Government replied (December 2023) that in a similar manner as for the case of domestic hazardous waste, sanitary wastes are segregated at waste processing plants of ULBs.

The fact remains that no efforts were made to separate sanitary waste from other waste at source.

²⁶ A pathogen is any organism that causes disease. Viruses, bacteria, fungi, and parasites are all examples of pathogens.

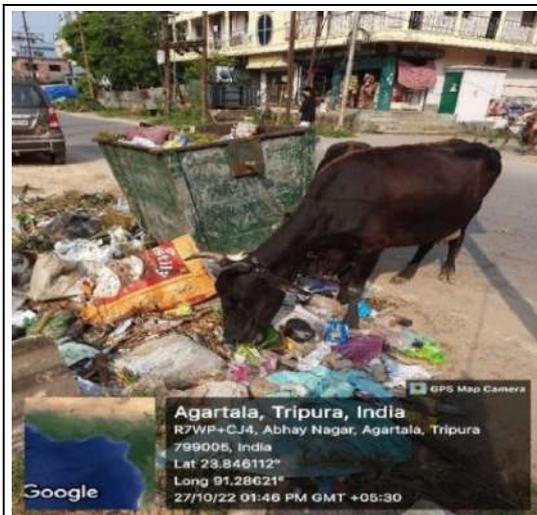
2.2.6.4 Storage facilities

2.2.6.4(i) Inadequate storage facilities

Clause 3 of Schedule II of MSW (Management & Handling) Rules, 2000 stipulates that the municipal authorities shall establish and maintain storage facilities for solid waste in such a manner that unhygienic and insanitary conditions were not created. Further, the storage facility was to be established by considering quantities of waste generation in a given area and the population density placed in an area that is accessible to users; waste stored are not exposed to open atmosphere and bins for storage of bio-degradable wastes shall be painted green, white for storage of recyclable wastes and black for storage of other wastes. As per Schedule-II (Clause 4) of the above Rules, the storage facilities set up by the municipal authorities shall be daily attended for clearing of wastes. The bins or containers wherever placed shall be cleaned before they start overflowing.

The sampled ULBs had provided green open containers on roadsides. During field inspection of nine ULBs, it was observed (May-June 2023) that none of the ULBs placed different coloured containers at one particular place. Due to non-provision of adequate number of secondary storages, people deposited garbage on the roadside. The open-air temporary storage bins created insanitary conditions, besides emanating unhealthy odor in the surroundings.

Further, it was seen that the containers overflowed with solid waste and were scattered on the roadside as shown in the **Photographs 2.2.10** and **2.2.11**.



Photograph 2.2.10: Overflow of dustbins at Abhaynagar under AMC



Photograph 2.2.11: Garbage deposited at roadside under Battala Flyover (Pillar No. 39) under AMC

There were no adequate containers/ bins with required storage, nor the wastes cleaned regularly during 2017-23 leading to unhygienic and insanitary condition, bad smell, contamination of the environment for the nearby residents which is indicative of lack of required initiative on the part of ULBs and the Department for providing need-based storage bins and regular cleaning of waste.

The Government replied (December 2023) that door to door waste collection across all 334 wards involving women SHG are in place. Citizens are requested through IEC activity to hand over waste to SHG instead of littering public places. Placing of bins in large quantity is not pragmatic as citizens becomes reluctant to handover waste to women SHG, thus, resulting in non- generation of user charge. To procure large number of bins shall involve huge financial requirement.

The fact remains that waste was not collected from all the households and waste was accumulated on the road sides as evidenced in the above photographs. Further, reluctance of citizens to handover waste to women SHG was indicative of lack of awareness of the citizens.

2.2.6.4(ii) Non-setting up of material recovery facilities

As per Clause 15 (h) of SWM Rules, 2016, the local authorities shall set up material recovery facilities (MRF) for sorting of recyclable materials.

As per status and timelines prescribed in Tripura Solid Waste Management Policy, 2018, the MRF should be established and completed by December 2018. Audit observed (May 2023) that except AMC, no other sampled ULBs set up MRF for sorting of recyclable materials to enable authorised waste pickers and waste collectors to separate recyclables from the waste for processing.

Thus, non-availability of MRF resulted in failure to recover the recyclables and convert waste into new materials and objects.

The Government replied (December 2023) that the tertiary waste treatment plant was targeted to treat both dry and wet streams of waste and thus shall cater to the purpose of material recovery facility. Agartala Municipal Corporation has functional MRF in PPP mode. On the other hand, the 13 registered recyclers in Agartala have their own MRFs which are frequently procuring wastes from our ULBs and are dependent on them. Therefore, setting up of separate standalone material recovery facility may not be reasonable.

The fact remains that the Tripura Solid Waste Management Policy, 2018, envisaged to establish and complete MRF by December 2018. Moreover, MRF facilitates to recycling the waste which in turn the ULBs will have a scope to earn revenue.

2.2.6.5 Collection of waste

Paras 10.3 and 10.4 of Manual on MSWM, 2000, state that ULBs shall arrange for the collection of domestic, trade and institutional, food/ biodegradable waste, recyclable waste material/ non-biodegradable waste besides domestic hazardous/ toxic waste from doorstep or community bins or waste deposition centres specially established for the purposes. A waste collection system is therefore necessary to ensure that waste stored at source is collected regularly and it is not disposed of on the streets, drains, water bodies, *etc.*

The following deficiencies were noticed in the sampled ULBs for collection of waste.

2.2.6.5(i) Street sweeping and cleaning on daily basis

Para 2.4.2 of Manual on MSWM, 2016 stipulates that it is necessary to have a well-planned, time-bound daily system for street sweeping including adequate staff and equipment. Street sweepers were instructed to report daily for duty at designated locations and such locations should have provisions for storing street sweeping equipment.

It was seen in the nine sampled ULBs that out of 882 km. of roads, ULBs did not carry out street sweeping of 664 km. (75 per cent) on daily basis during 2022-23 as shown in **Table 2.2.6**.

Table 2.2.6: Statement showing street sweeping in nine sampled ULBs on daily basis during 2022-23

Name of ULB	No. of wards	Total road distance in the ULB (in km.)	Daily coverage of road sweeping (in km.)	Percentage of coverage
AMC	51	501	138	28
Dharmanagar MC	25	165	11	7
Kailashahar MC	17	32	18	56
Ambassa MC	15	10	5	50
Teliamura MC	15	10	5	50
Belonia MC	17	22	15	70
Amarpur NP	13	33	5	15
Sabroom NP	9	52	15	29
Sonamura NP	13	57	5	9
Total	175	882	218	25

Source: Information furnished by ULBs

It may be seen from the **Table 2.2.6** that the sampled ULBs covered the daily sweeping of 218 km. out of 882 km. (25 per cent) during 2022-23. Thus, short coverage of sweeping resulted in accumulation of garbage on the roads and consequent environmental pollution in and around the roads. Further, the ULBs did not ensure planning, time-bound daily system for street sweeping covering the entire streets. The ULBs attributed the deficiencies to shortage of equipment and manpower. The ULBs requested the UDD to provide vehicles which have not been provided as yet.

The Government replied (December 2023) that sweeping and cleaning of all major roads including the back lanes are being done on daily basis under Agartala Municipal Corporation. For remaining ULBs, cleaning of roads is being done by manual taskforce and limited machineries. All major roads are cleaned daily while the back lanes and other connecting roads are cleaned intermittently as and when required.

The fact remained that the roads apart from major roads were not cleaned regularly.

2.2.6.5(ii) Non integration of informal waste collectors in waste management

As per Clause 15(c) of SWM Rules, 2016, the State Government requires to provide broad guidelines regarding integration of waste pickers or informal waste collectors with SWM system. It is the duty of the ULBs to establish system to recognise organisations of informal waste collectors and establish a system to facilitate their participation in SWM including door-to-door collection. As per status and timelines

prescribed in Tripura Solid Waste Management Policy, 2018, the ULBs should establish a system for recognising informal waste pickers and collectors and their integration with authorised waste pickers and collectors by December 2018.

However, the sampled ULBs have not yet established the system to recognise informal waste pickers/ collectors to facilitate their participation in SWM along with staff of ULBs and 86 SHGs in the sampled ULBs.

The Government replied (December 2023) that the informal waste pickers are mostly seen in Agartala, and 13 number of recyclers are registered at Agartala and efforts are being taken to empanel them to the newly constructed Tertiary Waste Treatment Plant for effective segregation and inclusion of informal sector into the waste management scenario.

2.2.6.5(iii) Personal Protection Equipment

As per Clause 15 (zd) of SWM Rules, 2016, ULBs shall ensure that operator of a facility provides personal protection equipment (PPE) including uniform, hand gloves, raincoats, appropriate footwear and masks to all workers handling solid waste and same are used by workforce.

The sampled ULBs provided fluorescent jackets, hand gloves, masks, raincoats, footwear, *etc.* to the labourers/ workers and SHGs during 2019 to 2023 for collection of waste from the households and bins. Audit observed (May 2023) that despite providing PPE, the waste handlers hardly used the same. Non-utilisation of PPE is risky and may lead to serious health hazards.

Thus, there was absence of adequate awareness about the health risk associated in non-use of the PPE and inadequate monitoring on the part of ULBs/ Department for non-use of PPE in handling solid waste by the waste handlers.

Photograph 2.2.12 shows non-wearing of PPE during waste handling.



Photograph 2.2.12: Garbage collection staff under AMC without protective equipment

The Government replied (December 2023) that Personal Protection Equipment & safety toolkits are being given to all frontlines Safai Karmacharis on regular basis as and when required.

However, Government was silent on non-use of PPE in handling solid waste by the waste handlers.

2.2.6.5(iv) Non-operation and maintenance of screening of solid waste

As per instruction of the National Green Tribunal (NGT) (January 2019), all States and Union Territories may ensure that all drains are tapped with appropriate measures (wire nets, *etc.*) and no solid waste or plastic waste is allowed to reach river, lake, water bodies, ponds, *etc.*

It was, however, observed that huge quantity of solid waste and plastic waste kept on the river side and plastic was floating on the river as shown in the **Photographs 2.2.13 and 2.2.14.**



Photograph 2.2.13: Garbage deposited near Howrah River near Battala under AMC



Photograph 2.2.14: Garbage floating in Kathakhal river near Abhoynagar bridge under AMC

Due to not taking up appropriate measure such as tapping of drains with wired nets, *etc.* solid waste or plastic waste reached to the river which got polluted and became unusable by the public.

The Government replied (December 2023) that a combination of bio-remediation of drains and Sewage Treatment Plants (STPs) are targeted to cover most of the waste water generation of all ULBs. These projects are either in tendering stage or initial work have started and upon completion of these projects the overall scenario shall change permanently.

2.2.6.6 Transportation of waste

Transportation plays a vital role in SWM services. Depending on the local conditions and location of landfill site, ULBs use different types of vehicles such as pushcarts, auto tippers, tractors, tipper trucks, and light commercial vehicles, *etc.* for collection and transportation of waste.

2.2.6.6(i) Shortage of vehicles for door-to-door collection

The State Solid Waste Management Policy, 2018 envisaged use of auto tippers, pushcarts and tricycles for door-to-door collection of solid waste. The normative standards prescribed under the policy for door-to-door waste collection is given below:

- i. one auto tipper is required for 1,000 households.
- ii. one pushcart is required for 160 households.
- iii. one tricycle is required for 240 households.

The status of availability of auto tippers, pushcarts, and tricycles in the sampled ULBs is given in **Table 2.2.7**.

Table 2.2.7: Status of availability of auto tippers, pushcarts and tricycles in the sampled ULBs as of March 2023

Mode of transportation	Category of ULB	No. of vehicles required as per normative standards	No. of vehicles available	Shortage	Percentage of shortage
Auto tipper	AMC	136	53	83	61
	MCs	38	14	24	63
	NPs	8	2	6	75
Pushcart	AMC	851	182	669	79
	MCs	232	134	98	42
Tricycle	AMC	568	84	484	85
	MCs	155	60	95	61

Source: Information furnished by ULBs

There was an acute shortage of auto tippers, pushcarts, and tricycles in the ULBs. Shortage of vehicles up to 85 *per cent* is indicative of ineffectiveness and inefficiency in collection and transportation of municipal solid waste.

The Government while admitting the fact stated (December 2023) that the total financial requirement for procuring SWM vehicles are huge and there is no fund source for the same in 19 ULBs except Agartala MC. AMC has the support of ADB loan, JnNURM and other source for procurement of SWM vehicles. The remaining 19 ULBs have been requested to purchase the same from the other schemes/ 15th FC/ own source as per requirements.

2.2.6.6(ii) Transportation of solid waste in open vehicles

Clause 4 of Schedule II of MSW (Management and Handling) Rules, 2000 envisages that vehicles used for transportation of wastes shall be covered. Waste should not be visible to public, nor exposed to open environment preventing their scattering.

Audit noticed (December 2022-May 2023) that vehicles used for solid waste transportation in AMC were not covered as shown in **Photographs 2.2.15 to 2.2.17**.



Thus, the transported waste was visible and exposed to an open environment. These uncovered vehicles emanated odor during transportation and scattered the waste causing inconvenience to public besides defeating the very purpose of hygienic transfer of solid waste from one place to other.

The Mechanical Division of AMC is responsible for management of solid waste including transportation of waste and monitoring of vehicles in AMC area. But no monitoring was found done by the Division during 2017-23 leading to unhygienic transfer of solid waste from one place to another.

The Government replied (August 2023) that the covered and compartmentalised waste collection vehicles such as Ambikapur style tricycles and battery-operated e-rickshaw had been procured and distributed to the ULBs to address the issue.

However, details of procurement, distribution and utilisation of the vehicles were not furnished in Audit.

2.2.6.6(iii) Use of transportation vehicles without authorisation

As per Section 39, 55 and 56 of Motor Vehicle (MV) Act, 1988, a transport vehicle shall not be deemed to be validly registered for the purpose of Section 39 of MV Act, 1988, unless it carries a certificate of fitness issued by the prescribed authority to the effect that the vehicle complies with all the requirements of Act and Rules made there under. The ULBs were to obtain the fitness certificate from the Regional Transport Officers (RTOs) concerned.

Audit noticed (May-June 2023) that in nine sampled ULBs, the vehicles used for SWM activities did not have valid fitness, insurance and registration as detailed below;

- 175 out of 184 vehicles (95 per cent) have no valid fitness certificates,
- 178 vehicles have no valid insurance, and

- 118 vehicles were neither registered with the Regional Transport Offices (RTO) of the State nor from other States.

The above deficiencies highlighted the absence of internal control mechanism within the Department.

The Government while admitting the fact stated (December 2023) that all ULBs shall be requested to comply with MV Act 1988.

2.2.6.6(iv) Non-monitoring of transportation vehicles through GPS

Transportation of solid waste from source of generation to the authorised destination is important to ensure its proper disposal. SWM Manual, 2016 stipulates that communication technologies such as Global Positioning System (GPS), Geographic Information System (GIS) are to be integrated as part of monitoring of SWM system. A GPS can be synchronised with the GIS to monitor and track waste transportation vehicles and identify any irregularities in waste movement (Clause 2.3.12.1 of Manual on MSWM, 2016).

Further, as per Clause 1.3 and 6.1.1 of Manual on MSWM, 2016, Management Information System (MIS) should be set up to record and monitor all information or data on MSWM and is the best way to ensure achievement of target through a computerised MIS and should be linked to the Geographic Information System (GIS) to show real-time spatial information such as movement of vehicle, secondary collection, bin pick up and transportation to processing and disposal sites can also be linked to GIS system.

Audit observed (December 2022-April 2023) that vehicles were not provided with GPS. Though MIS was developed by the ULBs under Swachh Bharat Mission scheme, but it was not integrated with GIS and General Packet Radio Service (GPRS) indicating deficiency in proper monitoring of movement of vehicles, secondary collection, bin pick up and transportation to processing and disposal of waste.

The Government replied (December 2023) that Agartala Smart city has developed an Integrated Command Control Centre (ICCC) where there is provisions to track a vehicle using GIS and General Packet Radio Service (GPRS). Agartala shall implement the same as per available scope and financial support in due course of time. Setting up of vehicle tracking system, procurement of necessary hardwires and setting up a monitoring unit for individual ULBs is a big financially inclusive task.

The reply is not acceptable as lack of finances cannot be reasons for not discharging statutory duties as opined by the Supreme Court in the case of Municipal Council, Ratlam vs. Shri Vardhan and others (1980).

2.2.6.7 Processing of Municipal Solid Waste

Treatment and processing of segregated waste streams not only reduces operational costs but also increases the efficiency of the process.

As per information furnished by the UDD, the details of solid waste generated, collected, and processed in the State and nine sampled ULBs for the period 2017-23 are given in **Table 2.2.8** and **Table 2.2.9** respectively.

Table 2.2.8: Details of solid waste generated by all 20 ULBs in Tripura during 2017-23*(in TPD)*

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Waste generated	433.20	445.72	411.32	333.90	332.90	333.10	2290.14
Collected	372.50	389.46	380.80	317.69	321.50	333.10	2115.05
Uncollected	60.70	56.26	30.52	12.40	11.40	0.00	171.28
Processed	148.40	150.10	253.60	214.00	220.28	333.10	1319.48
Waste to landfill	224.10	239.36	127.20	107.50	101.22	0.00	799.38
Percentage of processing	40	39	67	67	69	100	62

Source: Data furnished by the UDD and Annual Report on SWM by CPCB, Delhi

The data provided by the Department regarding assessment of quantity of solid waste generation lacks credibility because the Department has shown same quantity of waste generated, collected, and processed during 2022-23 and the percentage of processing was shown as 100 *per cent* for all ULBs in the State and no waste was transported to landfill. But it is noticed from the information furnished by nine sampled ULBs to audit that 159.43 TPD of waste was sent to landfills during 2022-23 as given in **Table 2.2.9**.

Table 2.2.9: Details of solid waste generated by nine sampled ULBs during 2017-23*(in TPD)*

Particulars	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Waste generated	183.37	206.79	216.35	233.71	256.28	210.11	1306.61
Collected	164.29	187.22	196.92	214.9	238.93	202.02	1204.28
Uncollected	19.08	19.57	19.43	18.81	17.35	8.10	102.34
Processed	129.52	150.19	151.54	174.54	203.32	42.59	851.70
Waste to landfill	34.77	37.03	45.38	40.36	35.62	159.43	352.59
Percentage of processing	79	80	77	81	85	21	71

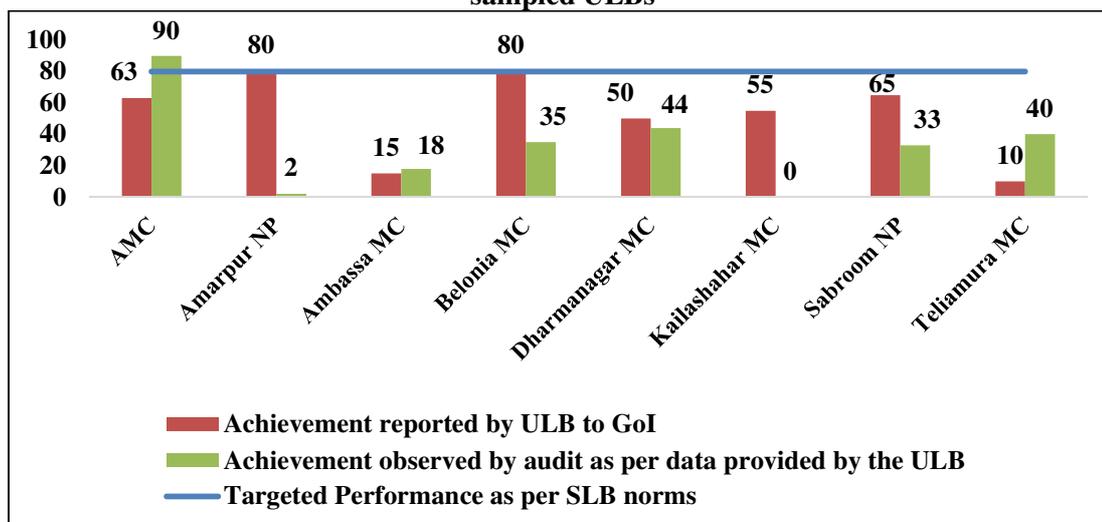
Source: Information furnished by ULBs

Nine sampled ULBs had shown that 159.43 TPD of waste was sent to landfills during 2022-23 which was not consistent with the overall position of 20 ULBs during the year.

The processing facility for producing compost in AMC became non-functional from 2016 due to termination of the private agency engaged for the purpose. The construction of tertiary waste processing centres in eight sampled ULBs was taken up between November 2020 and June 2021 out of which five have been completed and three centres are in progress. Except Sabroom Nagar Panchayat, no completed waste processing centre has started processing as of March 2023. Therefore, 71 *per cent* processing of solid waste as shown by the sampled ULBs during 2017-23 remained doubtful in audit due to wrong reporting by the Department as well as the sampled ULBs and dubious model of assessing quantity of solid waste generated.

The sampled ULBs declared that they had achieved SLBs (2021-22) from 10 *per cent* to 80 *per cent* for recovery of solid waste, but Audit observed that in actual zero *per cent* to 60 *per cent* recovery of solid waste was done, which is shown in **Chart 2.2.9**.

Chart 2.2.9: Status of SLB (in percentage) on extent of municipal solid waste recovery in sampled ULBs



Source: City solid waste action plan (CSWAP) of the sampled ULBs and information furnished by the ULBs

The Government replied (December 2023) that total solid waste generation in 20 ULBs is 333.1 TPD and 16 tertiary waste treatment plants were being constructed. Additionally, 85 secondary waste sorting & segregation centre in 20 UBLs are functional.

However, Government was silent on inflated data of waste processing shown by the Department and the nine sampled ULBs.

2.2.6.8 Disposal of solid waste

Schedule II (6) of the MSW (Management and Handling) Rules, 2000 provides that land filling of mixed waste shall be avoided unless the same is found unsuitable for waste processing and the landfill sites shall meet the specifications as given in Schedule-III of MSW Rules.

As per clause 1.2.3 of Manual on MSWM, 2016, decentralised system of SWM reduces the cost incurred for the collection, transportation, and disposal of waste by the ULBs.

The sampled ULBs declared that they had achieved SLBs (2021-22) from 10 *per cent* to 80 *per cent* for the extent of scientific disposal of solid waste, but Audit observed that in actual there was zero *per cent* scientific disposal of solid waste in all the ULBs as there was no sanitary landfill in the sampled ULBs. The details are shown in the **Table 2.2.10**.

Table 2.2.10: Status of SLB on extent of scientific disposal of solid waste in the sampled ULBs (in per cent)

Name of ULB	Targeted Performance as per SLB norms	Achievement reported by ULB to GoI	Actual status as observed by audit
Agartala Municipal Corporation	100	60	0
Amarpur NP	100	100	0
Ambassa MC	100	0	0
Belonia MC	100	100	0
Dharmanagar MC	100	55	0
Kailashahar MC	100	0	0
Sabroom NP	100	0	0
Teliamura MC	100	0	0

Source: City solid waste action plan (CSWAP) of the sampled ULBs, information furnished by the ULBs and physical inspection by audit

Audit observed in the sampled ULBs that the landfill sites received mixed waste in violation of the above Rules.

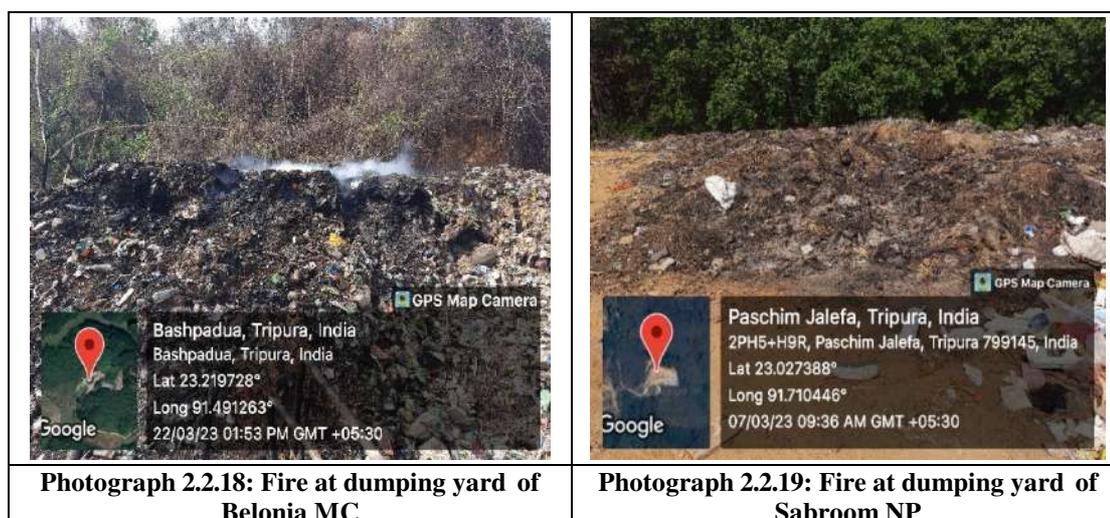
The following deficiencies were noticed in the sampled ULBs for disposal of waste.

2.2.6.8(i) Incineration of Municipal solid waste at landfills

Schedule II (1) (vii) of MSW (Management and Handling) Rules, 2000 envisages that waste garbage, dry leaves should not be burnt. Necessary precautions should be taken to reduce nuisance of odour, flies, rodents, birds menace and fire hazard by the municipal authorities.

The Government of Tripura issued notification (May 2017) to impose ban/prohibition on open burning of waste on lands, including landfill sites by any person including local body, any organisation, *etc.* in the whole State in compliance with the NGT order. Any person or body responsible for burning of waste, shall be liable to pay environmental compensation of ₹ 5,000 in case of simple burning, while ₹ 25,000 in case of bulk wastes burning.

It was observed that solid waste was burnt at landfills in Belonia Municipal Council and Sabroom Nagar Panchayat as evidenced from **Photographs 2.2.18** and **2.2.19**:



Audit noticed that the ULBs had not made any provisions for treatment of fire management at landfill sites. Burning of solid waste was not only a violation of MSW

Rules and but was also fraught with severe environmental and health hazards. No precautionary measures were found to be taken by the ULBs for such hazard. Further, no action was initiated by the ULBs to impose penalty for such burning incidence.

The Government replied (August 2023) that the dumpsite of Sabroom NP had already been remediated and the work order for remediation of dumpsite of Belonia MC had been issued and work would be commenced shortly.

However, the Government remained silent on the issue of burning of waste at landfills.

2.2.6.8(ii) Capping layer of earth covering waste and leachate treatment

As per Schedule 1 (Clauses ii and iii of C) of SWM Rules, 2016, wastes shall be covered immediately or at the end of each working day with minimum 10 cm of soil, inert debris or construction material. Prior to monsoon season, an intermediate cover of 40-65 cm thickness of soil should be placed on landfill with proper compaction and grading to prevent infiltration during monsoon.

Audit observed (March 2023) in sampled ULBs that no such capping layer of earth covering was made during 2017-23 over waste neither daily nor prior to monsoon season to avoid erosion of leachates at landfills sites. Audit found that the dumping ground of DC Nagar under AMC, the collected waste remained dumped in the dumpsite and became like mountain of MSW with four big heaps of waste. As the dumpsite gets old, it poses a threat to public health, and it damages the environment due to leachate formation as can be seen in **Photographs 2.2.20** and **2.2.21**.



The Government replied (December 2023) that it has adopted 3-tier zero landfill approach therefore earth covering waste and leachate treatment shall not be required further.

The fact remained that huge wastes were dumped in the dumping grounds of the sampled ULBs, and leachates formation was noticed in the DC Nagar dumping yard under AMC.

2.2.6.9 Management of Plastic Waste, E-Waste, Construction & Demolition Waste and other Waste

2.2.6.9(i) Plastic Waste Management

Single Use Plastics referred to as disposable plastics (use and throw items), are commonly used for plastic packaging and include items intended to be used only once before they are thrown away or recycled. These include, among other items, carry bags, food packaging, bottles, straws, containers, cups, and cutlery.

Plastic waste, especially littering of single use plastic, poses severe environmental problems, moreover, there is frequent water logging of different areas due to blockage of drains and canals by plastic waste.

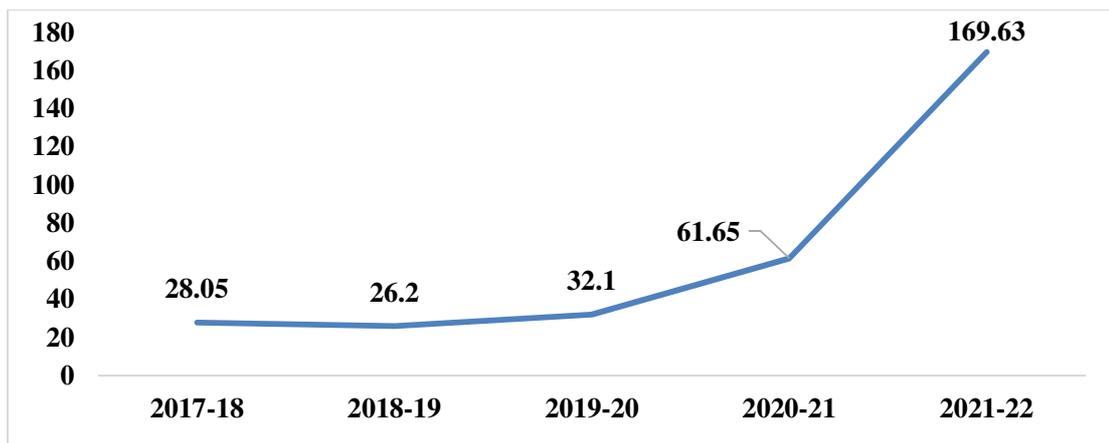
Ministry of Environment, Forest and Climate Change, GoI notified (February 2011) the Plastic Waste Management (Management and Handling) Rules, 2011 (PWM Rules, 2011). It was replaced by the Plastic Waste Management Rules, 2016 (PWM Rules, 2016) notified (March 2016) by GoI. These rules should apply to every waste generator, local body, manufacturer, importer and producer.

As per information furnished (May 2023) by the TSPCB, 317.63 tons of plastic waste was generated and the same quantity of waste *i.e.* 317.63 tons of plastic waste was collected and processed by the ULBs during 2017-22.

Audit observed that there was no collection and segregation of plastic waste in Amabassa MC, Kailashahar MC, Belonia MC and Amarpur NP during 2018-22.

The generation of plastic waste (in TPA) during 2017-18 to 2021-22 in all the ULBs is shown in **Chart 2.2.10**.

Chart 2.2.10: Generation of plastic waste (in TPA) during 2017-18 to 2021-22



It can be seen from **Chart 2.2.10** that the generation of plastic waste was in increasing trend from 2017-18 to 2021-22. This indicates that the PWM rules were not enforced properly by the ULBs.

The Government stated (December 2023) that communication to handover plastic waste to PWD has been issued to all ULBs.

But the Government was silent on generation of plastic in large scale.

2.2.6.9(i)(a) Use of banned plastic

As per Clause 4(b) of PWM Rules, 2016, no vendor should use plastic carry bags or products made of recycled plastic and such bags should not be used for storing, carrying, dispensing or packaging ready to eat or drink food stuff.

Government of Tripura notified (March 2015) ban on manufacture, supply, sale and usage of plastic carry bags, banners, buntings, flex, plastic flags, plastic plates, cups, plastic spoons, cling films and plastic sheets made of thermocol and plastic.

MoEF&CC, GoI issued (August 2021) notification regarding ban on the manufacture, use, sale, import and handling of Single Use Plastic (SUP) items from 1 July 2022.

Audit observed (May 2023) that plastic carry bags or containers were being used for packing food stuffs, vegetables, *etc.* It indicates that PWM Rules were not being enforced fully resulting in availability of banned plastics in the markets for carrying materials other than garbage as shown in **Photograph 2.2.22**.



Photograph 2.2.22: Use of plastic carry bags in markets

Despite imposing ban by the State and the GoI, single use plastic carry bags, flex, plastic spoons, *etc.* were being sold and used in the markets due to laxity in enforcement of ban as well as PWM Rules. This indicates that the Government was not serious in implementing the PWM Rules.

The Government replied (August 2023) that frequent raids were being conducted by the ULBs and not only SUP items were being ceased but also fines were being imposed on violators. ULBs were encouraging citizens and shopkeepers to adopt the habit of alternate SUP items.

The fact, however, remains that the eight sampled ULBs had not conducted frequent and regular raids during 2018-19 to 2022-23. Dharmanagar MC, Ambassa MC, Amarpur and Belonia MC did not conduct any raid during 2018-19 to 2021-22. Similarly, Teliamura MC, Kailashahar MC and Sabroom NP did not conduct any raid during 2022-23. No raid was conducted by Sonamura NP during 2018-19 and 2020-21. AMC did not furnish any information regarding conduct of raid.

2.2.6.9(i)(b) Non-use of plastic of alternative users

Clause 5(b) of PWM Rules, 2016 stipulates that the municipal authorities/ local bodies should encourage use of plastic waste (preferably the plastic waste which cannot be further recycled) for road construction as per Indian Roads Congress (IRC) guidelines or energy recovery or waste to oil, *etc.* IRC has also issued guidelines for use of waste plastic in hot bituminous mixes in wearing course (IRC-SP-98-2013) for road construction works as plastic waste have great potential for use in bituminous construction.

Audit observed that none of the sampled ULBs adopted use of plastic waste in formation of roads/ energy recovery/ waste to oil, *etc.* However, the Smart City Mission, Agartala had constructed around 0.68 km bituminous with plastic road from Boy's Bodhjung School to Women's College during 2021-22. But Audit did not come across any instance that seized plastic and plastic waste were being transmitted by ULBs to the State Public Works Department (PWD) or any such organisations for usage in laying roads indicating lack of initiation by ULBs.

The Government replied (August 2023) that communication had been issued to all ULBs to handover plastic waste to the State PWD.

2.2.6.9(i)(c) Alternative of Single Use Plastic

In compliance of NGT order, the Science, Technology & Environment Department, Government of Tripura has prepared (June 2022) an action plan for implementation of PWM Rules, 2016 in the State. The action plan for alternative of SUP is shown in **Appendix 2.2.11**. The Science, Technology & Environment Department will look after the entire mission of phasing out of the SUP as nodal department in terms of policy making, monitoring of implementation, explore the scope or develop new technology which will provide adequate alternatives and to popularise them among the entrepreneurs. As per the action plan, ULBs should identify at least one SHG and train it to start manufacturing alternative items and promote alternatives of SUP in various markets, shopping malls, rail stations, bus stations, *etc.* The UDD has been designated as nodal department for implementation of action plan in urban areas.

The sampled ULBs stated (May 2023) that the SHG groups were identified and encouraged/ motivated for production of alternatives items. But no such alternative of SUP has been produced by any SHG.

Thus, alternative of SUP as proposed in the action plan has not yet been implemented by the UDD in urban areas despite availability of funds of ₹ 132.36 crore in the sampled ULBs as of March 2023.

The Government replied (December 2023) that Dharmanagar is producing cloth and paper bags in markets recently and the remaining ULBs are requested to replicate the same.

2.2.6.9(i)(d) Ingestion of plastic by cattle/ pigs

As per Schedule II (1) (viii) of MSW (Management and Handling) Rules, 2000, stray animals should not be allowed to move around waste storage facilities or at any other place in the city or town and should be managed in accordance with the State laws.

Further, as per Schedule I (B)(i) & (iii) to MSW (Management and Handling) Rules, 2016, landfill site shall be fenced or hedged and provided with proper gate to monitor incoming vehicles, to prevent entry of unauthorised persons and stray animals. The landfill site should have inspection facilities, weigh bridge facility, fire protection equipment, *etc.*

Audit noticed that there was no fencing around the dumping yard/ landfills, nor any inspection facility, weighbridge facility, fire protection equipment, *etc.* in the sampled ULBs. Stray animals/ cattle/ pigs were seen feeding at solid waste dumping yard/ landfills and found pulling out or scattering/ consuming food waste that was packed in plastic bags creating untidy and unhygienic surroundings apart from consuming plastic as may be seen in **Photographs 2.2.23 and 2.2.24.**



During field inspection, one cattle owner stated²⁷ that four cattle died due to consumption of food waste packed in plastic bags in open dumping ground under Belonia Municipal Council. The dumping ground is located adjacent to a habitation of three families. During interview, a lady inhabitant stated that due to bad odour and flies they were residing in unhealthy atmosphere and facing difficulties even in taking food.

The Animal Resource Development Department informed (May 2023) audit that surgeries of 10 cases of ingestion of plastic by stray animals/ cattle were conducted during 2017-20, all the 10 animals had died.

The Government replied (August 2023) that all identified legacy dumpsites were being remediated and solid waste generated by each ULB would be treated in their

²⁷ <https://bit.ly/3RN7R5C>

solid waste processing facilities which were either already operationalised or under construction. Further, a mechanism to tackle littering in public places was in place, the notified byelaws had the provision to impose fine on violators for littering public place. However, enforcement of the same was facing extensive resistance from various sections of the society including the elected bodies. Once enforcement takes its force the above issue can be addressed efficiently.

But the Government did not mention about the construction of fencing around the dumping yard/ landfills, inspection facility, weighbridge facility, fire protection equipment, *etc.*

2.2.6.9(ii) E-waste Management

E-waste (Management & Handling) Rules were notified in 2011 and came into force with effect from 1 May 2012. This was replaced by E-waste Management Rules, 2016 which came into effect from 1 October 2016. These rules are applicable to every producer, consumer/ bulk consumer, collection centre, dismantler and recycler of e-waste involved in manufacture, sale, and purchase and processing of electrical and electronic equipment or components specified in **Schedule-I** of E-waste Management Rules, 2016 including their components, consumables, parts and spares which make product operational.

2.2.6.9(ii)(a) Non-handling of e-waste

Schedule IV of E-waste Management Rules, 2016 stipulates the responsibilities of municipal authorities/ local bodies as

- to ensure that e-waste if found to be mixed with MSW is properly segregated, collected and channelised to authorised dismantler or recycler; and
- to ensure that e-waste pertaining to orphan products is collected and channelised to authorised dismantler or recycler.

As per information furnished (May 2023) by the TSPCB, 49.04 TPA of e-waste was generated and the same quantity of waste *i.e.* 49.04 TPA of e-waste was collected and processed by the ULBs during 2018-22.

Audit observed (April 2023) that none of the sampled ULBs handled e-waste during 2017-23. No e-waste was handed over separately by the households to waste collectors in any of the sampled ULBs. The waste collectors also did not insist/ direct the households regarding segregation and separate collection of e-waste. ULBs did not collect and channel e-waste to authorised dismantlers/ recyclers. Since e-waste was not handed over separately by the households these were getting mixed with municipal solid waste.

However, analysis of data furnished by TSPCB revealed that the two private authorised²⁸ e-waste agencies collected and transmitted the e-waste to outside the State for recycling after procuring from different offices and shops. The sampled

²⁸ (1) M/s Green Partners, Agartala (2) Karo Shamvhav Pvt. Ltd.

ULBs had not made any assessment for generation of e-waste. Hence, the data provided by TSPCB for generation, collection, and segregation of e-waste by the ULBs was not authentic in absence of assessment and non-handling of e-waste. Therefore, the ULBs had a little role in collection and segregation of e-waste indicating non-compliance of E-Waste Management Rules.

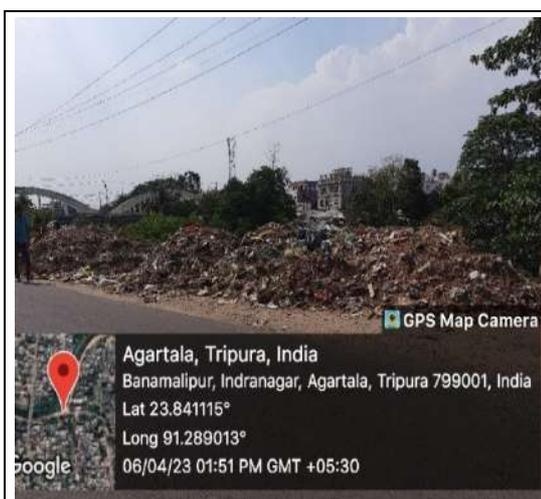
The Government replied (August 2023) that though a part of the e-waste had already been recycled by the ULBs but still there are other options to explore in the said field. ULBs and Government offices would now be requested to empanel authorised agencies to take away the e-waste generated in the offices and extend support to recycle other private and public e-waste being generated in ULBs' jurisdiction.

The fact remained that the no e-waste was handled by the sampled ULBs as of March 2023.

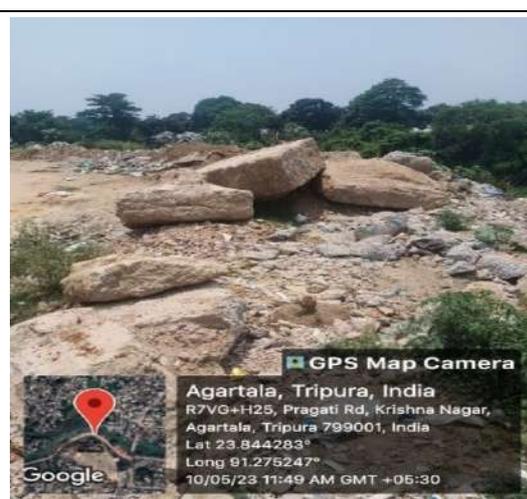
2.2.6.9(iii) Management of Construction and Demolition (C&D) Waste

Clause 4.6 of Manual on MSWM, 2000 stipulates that C&D waste, being inert in nature does not create chemical or biochemical pollution. Hence, maximum effort should be made to reuse and recycle them. It was only in 2016 that separate rules viz., Construction and Demolition Waste Management Rules, 2016 for Management of C&D waste was notified by GoI. In the meantime, GoI issued (January 2021) guidelines for strategic management of C&D waste.

As per information furnished (May 2023) by the TSPCB, 2,314 tonne of C&D waste was generated by the ULBs during 2018-22. The C&D waste generated was not recycled or reused since ULBs are yet to establish C&D waste processing facilities/plants. The TSPCB informed (May 2023) audit that the ULBs were dumping the inert C&D waste in low lying areas for land development. But low-lying areas were not specified by the TSPCB, and huge quantity of C&D waste were seen dumped on roadsides specially in AMC areas creating environmental hazards as can be seen in **Photographs 2.2.25 and 2.2.26.**



Photograph 2.2.25: C&D waste deposit site near Abhaynagar bridge under AMC



Photograph 2.2.26: C&D waste deposit site near Katakhal river behind Pragati school under AMC

The Government replied (August 2023) that due to financial crunch and non-availability of private players, the C&D plant could not be set up.

2.2.6.9(iii)(a) State Policy for Construction and Demolition Waste

As per Clause 9 (1) of C&D Waste Management Rules 2016, Secretary in charge of the Department shall prepare their policy document with respect to management of C&D waste in accordance with provisions of rules within one year from date of notification of rule *i.e.*, from February 2017.

The Government of Tripura, UDD had notified a State Policy for C&D Waste Management in December 2019 *i.e.* after a lapse of two and half years of the notification of rules by the GoI. As per the policy, the ULBs were to prepare plans and procedures for management of C&D waste within their jurisdictions.

But no action plan was prepared by the sampled ULBs even after lapse of three years the C&D waste was not processed for reuse. Reasons for non-development of action plans were not on records.

The Government replied (August 2023) that as per the request of Ministry of Housing & Urban Affairs (MoHUA) and Central Public Health & Environmental Engineering Organisation an action plan for setting up a C&D Waste Management plant for all ULBs centrally at Agartala had been prepared and submitted to MoHUA for approval.

2.2.6.9(iii)(b) Non-use of C&D Waste for construction works

Clause 11 of C&D Waste Management Rules, 2016 stipulates that Bureau of Indian Standards (BIS) and Indian Roads Congress (IRC) shall be responsible for preparation of code of practices and standards for use of recycled materials and products of construction and demolition waste in respect of construction activities and the role of IRC shall be specific to the standards and practices pertaining to construction of roads. IRC-121-2017 provides for use of C&D waste in road works.

The TSPCB intimated (May 2023) that 2,314 ton of C&D waste²⁹ was generated and collected during 2018-22. Audit observed that none of the sampled ULBs had utilised C&D waste in construction of road works resulting in dumping of C&D wastes in open area causing hazards to the environment.

The Government stated (December 2023) that setting up a proper C&D waste management plant, a suitable land has been identified and demarked for C&D plant at Bodhjunnagar, Agartala and an Action Plan has been submitted to Ministry and extensive persuasion is being done to receive funds from Ministry of Housing and Urban Affairs (MoHUA) under SBM-U 2.0.

2.2.6.9(iv) Non-construction of slaughterhouses

Rule 3(1) of Prevention of Cruelty to Animals (Slaughterhouses) Rules, 2001 stipulates that no person should slaughter any animal within a municipal area except

²⁹ The figures for 2022-23 are under compilation by TSPCB.

in a slaughterhouse recognised or licensed by the concerned authority empowered under the law for the time being in force to do so.

Construction and maintenance of slaughterhouse is one of the 18 functions of ULBs. But it was noticed in audit that slaughterhouses were not constructed by the ULBs in the State, even the AMC did not have slaughterhouse and the animals such as goats, chickens, ducks, *etc.* were slaughtered in the market places or on the open roadsides.

Thus, absence of slaughterhouses in the ULBs would not only provide scope for activities such as illegal slaughtering within the urban limits in contravention to the Rule *ibid* but also result in hazards to public health as well as contamination of environment and cruelty to animals in public places.

The Tripura High Court directed (February 2022) the State Government to ban the sale of meat products in public places and streets. Despite banning order, open slaughtering of animals and sale of meat in public places/ streets were taken place in AMC areas in violation of Rules as well as direction of the High Court.

Audit found that some of the open slaughtering of animals/ chickens and sale of meat on the roadside/ markets under AMC areas are shown in **Photographs 2.2.27 to 2.2.30.**

	
<p>Photograph 2.2.27: Open slaughtering at GB bazar, Agartala</p>	<p>Photograph 2.2.28: Open slaughtering at Bhuturia, Agartala</p>
	
<p>Photograph 2.2.29: Open slaughtering of chickens at Lake Chowmohani Market, Agartala</p>	<p>Photograph 2.2.30: Open slaughtering near G.B. Bazar, Agartala</p>

The Government replied (August 2023) that AMC had already identified suitable land at Bodhjung Nagar and prepared a DPR for the same though the financial assistance for setting up the same was not finalised. Setting up of a modern abattoir/ slaughterhouse is a big financial inclusive task while on the other hand in most of the ULBs slaughtering of cattle is decentralised and petty meat retailers are slaughtering animals in low quantity.

The reply of the Government is not acceptable as the 'Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001' do not allow to slaughter any animal within a municipal area except in a slaughterhouse recognised or licensed by the concerned authority empowered under the law for the time being in force to do so.

Conclusion

The sampled ULBs collected user charges of ₹ 1.25 crore only against the demand of ₹ 37.41 crore for the period from 2019-20 to 2022-23 resulting in loss of irrecoverable revenue of ₹ 36.16 crore. Segregation of waste at source was either not followed or being partially followed in the sampled ULBs. Widespread lack of dustbins in public places resulted in littering of waste leading to unhygienic condition, unhealthy odour and contamination of the environment. Non-availability of material recovery facilities resulted in failure to recover the recyclables and to convert waste into new materials and objects by segregating dry and wet waste. Non-recognition of informal waste pickers and collectors and their non-integration with authorised pickers/ collectors resulted in failure of their participation in SWM. Acute shortage of auto tippers, pushcarts, *etc.* led to ineffectiveness and inefficiency in collection and transportation of municipal solid waste. Despite imposing ban by the State and the GoI, single use plastic carry bags, flex, plastic spoons, *etc.* were being sold and used in the markets. Due to non-availability of fencing around the dumping yard/ landfills, stray animals/ cattle/ pigs were seen feeding at solid waste dumping yard/ landfills and found pulling out or scattering/ consuming food waste that was packed in plastic bags creating untidy and unhygienic surroundings apart from consuming plastic. Non-availability of slaughterhouses even in AMC led to killing of animals such as goats, chickens/ ducks on the open roadsides/ streets and in the market places.

Recommendations

- i. The Government should ensure that all households pay user charges for door-to-door collection of municipal solid waste in segregated manner.*
- ii. The Government may explore the feasibility for involvement of private parties and citizens for effective segregation of waste at source.*
- iii. The Government may consider identifying garbage vulnerable points and the ULBs may develop mobile applications that allow citizens to take pictures of garbage littering hot spots and upload it using the mobile app and take timely corrective action for collection of such littered garbage.*
- iv. The Government may consider for creation of material recovery facilities near landfills and dumping ground to facilitate segregation of dry and wet waste.*

- v. *The Government should consider and initiate appropriate strategies for involvement of informal waste pickers in solid waste management with authorised ones.*

Audit Objective 3: To assess whether planning, construction, commissioning, operation and maintenance of waste management projects in ULBs was effective, efficient and financially sustainable.

2.2.6.10 Inadequate infrastructure for processing

Schedule I of MSW (Management and Handling) Rules 2000 provides time schedule of December 2003 or earlier for setting up of processing and disposal facilities. Clause 22 of SWM Rules, 2016 read with Schedule I of MSW Manual, 2000 make ULB authorities responsible for compliance to criteria specified for timely setting up of waste processing and disposal facilities and their monitoring, improvement of existing landfill site as well as identification of landfill sites for future use and making sites ready for operation.

As per Clause 15(v) of SWM Rules, 2016, ULBs should facilitate construction, operation and maintenance of solid waste processing facilities and preference shall be given to decentralised processing to minimise transportation cost and environmental impacts such as bio-methanation, micro composting, vermin composting, anaerobic digestion or any other appropriate processing for bio-stabilisation of bio-degradable wastes.

Rule 22 of SWM Rules, 2016 specifies the time frame for setting up solid waste processing facilities (Tertiary waste processing centre) by local bodies below one lakh population within three years from the date of notification of the Rules *i.e.* in April 2019.

It was observed that four ULBs under West Tripura District namely Agartala Municipal Corporation, Mohanpur Municipal Council (MC), Ranirbazar Municipal Council and Jirania Nagar Panchayat were using Debendra Chandra Nagar Processing site with a capacity of 250 MT for treatment and disposal of solid waste. Average daily generation of Municipal Solid Waste (MSW) of these four ULBs was 263 MT. Dharmanagar MC has a processing site with capacity of nine TPD for treatment and disposal of solid waste and generation of MSW was 13.65 TPD. Remaining seven ULBs have identified landfill sites and construction of tertiary centres with capacity of 10 TPD each in those ULBs and generation of MSW in these seven ULBs were between 1.48 TPD and 7.00 TPD. The capacity of landfill sites in these seven ULBs were adequate. On the other hand, the capacity of landfill sites in AMC and Dharmanagar MC were not adequate in respect of waste generation.

AMC had constructed waste processing centre in 2012. The processing facility for producing compost in AMC became non-functional from 2016-17 due to termination of the private agency engaged for the purpose. However, AMC produced huge quantity of compost through windrow composting process before 2016-17, which remained unsold and stacked at processing centre for more than six years. However,

the actual quantity of compost produced was not furnished to audit. AMC informed (June 2023) audit that the processing of fresh waste started from November 2022 and 11,847 MT was processed upto March 2023. But the quantity of compost sold was not furnished to audit.

Thus, compost remaining unused/ unsold for prolonged period, the possibility of degradation of the quality cannot be ruled out. The accumulation of compost is shown in the **Photograph 2.2.31**.



Photograph 2.2.31: Accumulation of compost at DC Nagar waste processing centre under AMC

The other eight sampled ULBs identified suitable site for construction of tertiary waste processing centres during 2020-21. The status of construction of tertiary waste processing centres in respect of eight sampled ULBs are given in **Table 2.2.11**.

Table 2.2.11: Statement showing the status of construction of tertiary processing centres as of June 2023

(₹ in crore)

Sl. No.	Name of ULB	Date of work order	Estimated cost	Work order value	Expenditure	Physical status of the work
1	Dharmanagar MC	04-01-2021	1.49	1.32	0.98	Completed
2	Kailashahar MC	08-04-2021	1.49	1.33	1.47	Completed
3	Ambassa MC	05-05-2021	1.30	1.16	1.34	Completed
4	Teliamura MC	21-01-2021	1.49	1.49	0.80	In progress
5	Belonia MC	28-06-2021	1.48	1.22	0.98	In progress
6	Amarpur NP	24-02-2021	1.49	1.49	0.50	In progress
7	Sonamura NP	22-03-2021	1.49	1.18	1.49	Completed
8	Sabroom NP	19-11-2020	1.49	1.34	1.34	Completed

Source: Information furnished by the ULBs

Out of eight tertiary centres, construction of five centres had been completed and three centres were in progress as of June 2023. It was noticed that though the five tertiary waste processing centres had been completed but not operationalised for processing due to lack of adequate machineries as shown in **Photographs 2.2.32** and **2.2.33**.

	
<p>Photograph 2.2.32: Tertiary waste processing centre, Ambassa not yet operationalised</p>	<p>Photograph 2.2.33: Tertiary waste processing centre, Sonamura not yet operationalised</p>

The Government replied (August 2023) that an agency had already been engaged by the AMC to restart the operation of DC Nagar plant which was now operational and added that the situation would improve after operationalisation of all targeted SWM processing facilities for other remaining ULBs.

2.2.6.10(i) Establishment and operation of landfills/ tertiary centres without authorisation

As per clause 15(y) of SWM Rules 2016, ULBs should obtain authorisation for setting up waste processing, treatment or disposal facility, if the volume of waste is exceeding five metric tons per day including sanitary landfills from the State Pollution Control Board.

The sampled ULBs (except AMC) had not obtained any authorisation or consent certificate from the TSPCB for establishment of dumping ground/ landfill and tertiary waste processing centres. **TSPCB informed (May 2023) audit that the ULBs had been requested (April 2023) to apply for obtaining authorisation under SWM Rules, 2016.**

The Government replied (August 2023) that consent certificate from the Tripura State Pollution Control Board for establishment of tertiary waste processing plants were being perused by ULBs.

2.2.6.10(ii) Non-setting up of sanitary landfills

Clause 11 (j) and 12 (a) of SWM Rules, 2016 provides that the State and district authorities should facilitate identification and allocation of suitable land for sanitary landfill for setting up solid waste processing and disposal facilities to local authorities within one year from the date of notification of the Rules.

Audit observed (May 2023) that the sampled ULBs did not have sanitary landfill sites for disposal of inert materials remaining after processing. The ULBs are yet to identify land for setting up sanitary landfills.

The Government replied (December 2023) that keeping in mind the acute financial constraints and non-availability of resource/ technical person at ULB level, the State Government decided to adopt a 3-tier zero landfill solid waste management approach. This system enables non requirement of sanitary landfill as the inert that shall be left out after processing shall be used for low land filing and for use as a base soling for road construction.

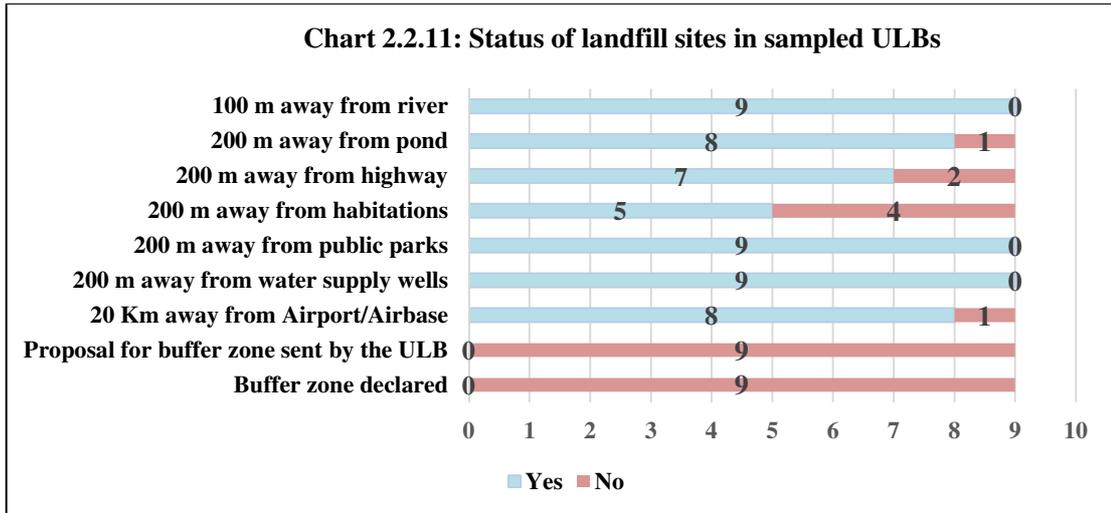
However, during audit it was noticed that the wastes remaining after segregation were disposed in the dumping ground as evidenced in the **Photographs 2.2.34** and **2.2.35**.



2.2.6.10(iii) Faulty selection and operation of landfill/ dumping yard sites

Schedule III of MSW (Management and Handling) Rules, 2000 and Schedule I (A)(vii) of SWM Rules, 2016 lay down criteria for selection of sites for landfills such as, landfill site should be 100 meter away from river, 200 metre from a pond, highways, habitations, religious place and water supply wells and 20 km. away from airports or airbase. As per Schedule I (ix) of SWM Rule 2016, a buffer zone should be maintained around solid waste processing and disposal facility, exceeding five tonnes per day of installed capacity. This should be maintained within the total area of the solid waste processing and disposal facility in consultation with SPCB. As per the SBM handbook paragraph 3.13, buffer zone should be 100 meters for sites accepting 50 tonnes waste per day, and up to 500 meters for large sites. It is necessary to prevent new residential and commercial development in a buffer zone around such locations.

The status of landfill sites is depicted in **Chart 2.2.11**.



Audit observed from the GIS data that the sampled ULBs selected landfill sites for SWM in deviation to SWM Rules as discussed below:

- None of the sampled ULBs (nine landfills) declared a buffer zone of development around the landfills.
- In four sampled ULBs³⁰, habitations were developed within 200 meters from landfills.
- Two ULBs³¹ had landfills located near National/ State highways, *i.e.*, within 200 meters.

Landfill/ dumping ground of Kailashahar MC is located 50 meters away from a school and 100 meters away from another school. It was noticed in audit that two schools had been established in 2007 and 2018 respectively, while the dumping ground was set up after establishment of the schools *i.e.* in March 2019. The school authorities complained TSPCB for shifting the landfill elsewhere as it generates odour to the surrounding areas. But no action was taken by TSPCB. Further, neither did Kailashahar Municipal Council (KMC) obtain the environmental clearance from the TSPCB nor the TSPCB ask the KMC for the same.

- One ULB³² had landfill located within 200 meters of river/ nallah and water bodies resulting in leachate flowing to water bodies during rainy seasons causing water pollution.
- One ULB³³ had landfill located within 20 kms from airport/ air base.

Landfills with GIS data showing violations of SWM Rules are depicted in **Photographs 2.2.36 to 2.2.39**.

³⁰ Kailashahar MC, Belonia MC, Amarpur NP and Sonamura NP

³¹ Kailashahar MC and Amarpur NP

³² Sonamura NP

³³ Agartala Municipal Corporation

<p>Photograph 2.2.36: One road passing through within 100 meters, school within 100 meters and habitation present within 200 meters</p>	<p>Photograph 2.2.37: One road passing through within 100 meters</p>
<p>Photograph 2.2.38: One PHC within 100 meters, water body within 200 meters and habitation present within 200 meters</p>	<p>Photograph 2.2.39: One National highway within 100 meters, and habitation present within 300 meters</p>

Thus, the above landfills/ dumpsites identified and operated by the sampled ULBs were susceptible to environmental hazards which was indicative of ineffective management of solid waste.

The Government replied (August 2023) that 13 identified legacy waste dumpsites of 13 ULBs were in a process of being remediated using SBM-U 2.0 grants. Dumpsite of Sabroom NP had already been remediated so far.

However, the Government was silent on the selection and operation of landfills/ dumpsites adjacent to habitation, water body, national highway, *etc.* as pointed out by audit.

Good Practice - Remediation of legacy waste of Hapania Dumpsite, Agartala

Scientific closure of abandoned open dumping yard at Hapania under AMC remediated in August 2022. Various stages of remediation of legacy waste at Hapania Dumpsite, Agartala is shown in **Photographs 2.2.40 to 2.2.43.**



Conclusion

Except AMC no other sampled ULBs has obtained authorisation or consent certificate from TSPCB for establishment of dumping ground/ landfills and tertiary waste processing centres in violation of the Rules. The sampled ULBs are yet to identify land for setting up of sanitary landfills. Faulty selection and operation of landfill/ dumping yard sites posed serious threat to public health and environment.

Recommendations

- i. *The Government should ensure that the ULBs obtain authorisation from the TSPCB for setting up landfills, processing facilities, etc. as per Solid Waste Management Rules, 2016.*
- ii. *The Government may explore the feasibility of establishing sanitary landfills for all ULBs for disposal of inert materials remaining after processing.*

Audit Objective 4: To assess whether Monitoring and evaluation of waste management system including adequacy of awareness creation, citizen engagement for effecting behavioural change, complaint redressal mechanism for citizens, assessment of environmental impacts and implementation of the “internal control and monitoring mechanism was adequate and effective

2.2.6.11 Institutional mechanism for monitoring of solid waste management

2.2.6.11(i) Inadequate monitoring of SWM by State Level Advisory Body

Government constituted State Level Advisory Body (SLAB) for proper implementation of Solid Waste Management Rules, 2016 in March 2017. The Principal Secretary, Urban Development Department is the Ex-Officio Chairman of the Body and representatives from MoEF, MoRD, CPCB, TSPCB, *etc.* as Members of SLAB. The SLAB should meet at least once in every six months to review the matters related to implementation of these rules, State policy and strategy on solid waste management and give advice to State Government for taking measures that are necessary for expeditious and appropriate implementation of these rules. Copies of the review report shall be forwarded to the TSPCB for necessary action.

Further, the Government has constituted (February 2019) State Level Committee (SLC) to monitor the implementation of Solid Waste Management Rules, 2016 under the Chairmanship of the Chief Secretary on regular basis.

It was observed that the first review meeting of SLAB was held in April 2017. But information/record regarding subsequent meetings of SLAB to monitor for improving SWM practices and execution of SWM projects was not made available to audit for scrutiny. The TSPCB intimated (May 2023) audit that the information regarding meetings of SLAB was not available with them.

However, scrutiny of minutes of meeting of SLC revealed that 18 meetings were held upto September 2022 through video conference. But compliance/ action taken reports by different departments such as single use banned plastics, segregation of waste at source, 100 *per cent* door to door collection of waste, *etc.*, were not found on records. Thus, effectiveness of monitoring at the State level for proper implementation of SWM Rules, 2016 remained questionable.

2.2.6.11(ii) Monitoring at ULB level

As per para 6.1 of Manual on MSWM, 2016, ward level committees should be constituted for ensuring and monitoring SWM services including segregation, collection, transportation, street sweeping, drain cleaning, and prohibition of littering. However, in the sampled ULBs, ward level committees were not constituted indicating deficiencies in monitoring of SWM activities such as segregation, collection, transportation, street sweeping, drain cleaning, *etc.* Reasons for non-constitution of ward committees, however, were not on records.

The Government replied (August 2023) that formation of ward level committees would be notified as per available guidelines.

2.2.6.11(iii) Constraint of manpower

Para 1.4.5.4 of Manual on MSWM, 2016 stipulates that ULBs should have an SWM cell or SWM department having staff with technical and managerial skills specific to SWM like public health officer, sanitary officer, junior engineer, sanitary sub inspector, environmental engineer for SWM and sanitation activities.

There was no dedicated SWM cell in the sampled ULBs having adequate staff with technical and managerial skills. It was seen that one Junior Engineer in each ULB had been designated as nodal officer for overseeing the activities of SWM in addition to their routine works.

Besides, there was no public health officer, sanitary officer, sanitary sub inspector, environmental engineer for SWM and sanitation activities in the sampled ULBs (AMC has a health officer). Hence, constraint of manpower in the ULBs was one of the obstacles for effective implementation of SWM activities.

The Government while admitting the fact stated (December 2023) that decision would be taken.

2.2.6.11(iv) Facilities without environmental clearance

GoI notification (September 2006) and Manual for Common Municipal Solid Waste Management Facility (CMSWMF) stipulate obtaining environment clearance from SPCB before establishment of processing facilities.

The sampled ULBs had not obtained environmental clearance for construction of Micro Composting Centres (MCCs), dumping grounds, tertiary waste processing centres, *etc.* from TSPCB. Thus, establishment of MCCs, dumping grounds, tertiary waste processing centres, *etc.* without environmental clearance was not only a violation of Manual but was also fraught with severe environmental and health hazards.

The Government replied (December 2023) that most of the facilities for processing Solid Waste are constructed recently and added that wherever the facilities are operationalised, ULBs are in process of obtaining clearance from TSPCB.

The fact remained that as per Manual for CMSWMF, the ULBs should obtain clearance before establishment of processing facilities.

2.2.6.11(v) Environment and health impact assessment

Para 22 of Manual on MSWM, 2000 envisages that improper handling of solid wastes creates potential risks to environment and health. More serious impact is transfer of pollution to water, ground water and air. Air pollution is caused due to burning of wastes, either in open air, or in plants that lack effective treatment facilities from gaseous effluents.

Audit observed that no such environment and health impact assessment was made by the ULBs. Besides, the Department had not undertaken any evaluation study during 2018-23 to assess the impact of environment and implementation of internal control

and monitoring mechanism in SWM activities. Further, TSPCB also did not conduct any study to assess the environmental impact of eight sampled ULBs except DC Nagar dumping ground under AMC. TSPCB reported that the quality of ground water, air and noise were within the prescribed standard limit of Bureau of Indian Standard, 2012, Central Pollution Control Board, 2009 and Central Pollution Control Board (Rule 3(1) & 4(1)) respectively.

The Government replied (December 2023) that the landfills of Kamalpur, Teliamura, Hapanai of AMC, Panisagar, Sabroom, Khowai are already remediated. The remaining 10 identified dumpsites of 10 ULBs are in the final stage of remediation and also added that this shall drastically improve the environmental impact.

However, Government was silent on environment and health impact assessment.

Conclusion

The Government constituted SLAB for monitoring of execution of SWM projects and the first review meeting was held in April 2017. But information/ record regarding subsequent meetings of SLAB was not made available to audit for scrutiny. Although 18 meetings of SLC were held upto September 2022 through video conferences, but compliance/ action taken reports by different departments were not found on records. Non constitution of ward level committee was indicative of deficiencies in monitoring of SWM activities by the ULBs such as segregation, collection, transportation, street sweeping, drain cleaning, prohibition of littering, *etc.* by the ULBs.

Non-availability of public health officer, sanitary officer, sanitary sub inspector, environmental engineer for SWM in the ULBs led to ineffective implementation of SWM activities. Establishment of MCCs, dumping grounds, tertiary waste processing centres, *etc.* without environmental clearance was not only a violation of Manual but was also fraught with severe environmental and health hazards. There was absence of assessment of environmental impact in the ULBs.

Recommendations

- i. The Government should activate monitoring committees and strengthen control mechanisms in Solid Waste Management.*
- ii. The Government may consider the appointment of public health officer, sanitary officer, sanitary sub inspector and environmental engineer in the ULBs for effective implementation of SWM activities.*
- iii. Government should ensure for attaining environmental clearance from SPCB before establishment of processing facilities.*
- iv. The Government may consider for undertaking an evaluation study by engaging third party to assess the impact of environment.*

LABOUR DEPARTMENT

2.3 Performance Audit on “Welfare of Building and Other Construction Workers”

2.3.1 Introduction

Under Section 27 (2) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (BOCW Act), the Comptroller and Auditor General of India has the right and privileges to access/ demand the production of books, accounts, connected vouchers and to inspect any office of the Building and Other Construction Workers Welfare Board. The Government of India (GoI) enacted (August 1996), the BOCW Act and Building and Other Construction Workers Welfare Cess Act, 1996 (Cess Act). The aim of the Acts was to provide safety, health and welfare measures for the benefit of building and other construction workers through levy/ collection of cess. The provisions of the BOCW Act covered “every establishment³⁴ which employs or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work”. Further, the Act provided that every building worker between the age group of 18 to 60 years who was not a member of any welfare fund established under any law and had completed a period of ninety days of service during the preceding twelve months as a construction worker in the State could be registered as a ‘beneficiary’.

The GoI framed (November 1998) BOCW Rules³⁵, 1998 and Cess Rules³⁶, 1998. As required under BOCW Act, the Government of Tripura (GoT) notified (August 2002) Tripura Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2001 (TBOCW Rules). The collection of BOCW cess was fixed at the rate of one *per cent*³⁷ on the cost of construction.

The State Government constituted (January 2007) the Tripura Building & Other Construction Workers Welfare Board (the Board).

Section 264 of TBOCW Rules enshrined the powers, duties and functions of the Board which *inter alia* includes all matters connected with the administration of the fund and grant of benefits to the beneficiaries under the Act and rules made there under; submission of annual budget to Government for sanction, submission of annual report to Government on the activities of the Board, annual audit of accounts of the Board in accordance with the provisions of the Act, speedy settlement of claims and sanction of

³⁴ Establishment means any establishment belonging to, or under the control of, Government, anybody corporate or firm, an individual or association or other body of individuals which or who employs building workers in any building or other construction work; and includes an establishment belonging to a contractor but does not include an individual who employs such workers in any building or construction work in relation to his own residence, the total cost of such construction not being more than ₹ 10 lakh.

³⁵ Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules 1998

³⁶ Building and Other Construction Workers Welfare Cess Rules 1998

³⁷ The rate was fixed in the TBOCW rules which was notified in August 2002.

advances and other benefits and proper and timely recovery of any amount due to the Board, *etc.*

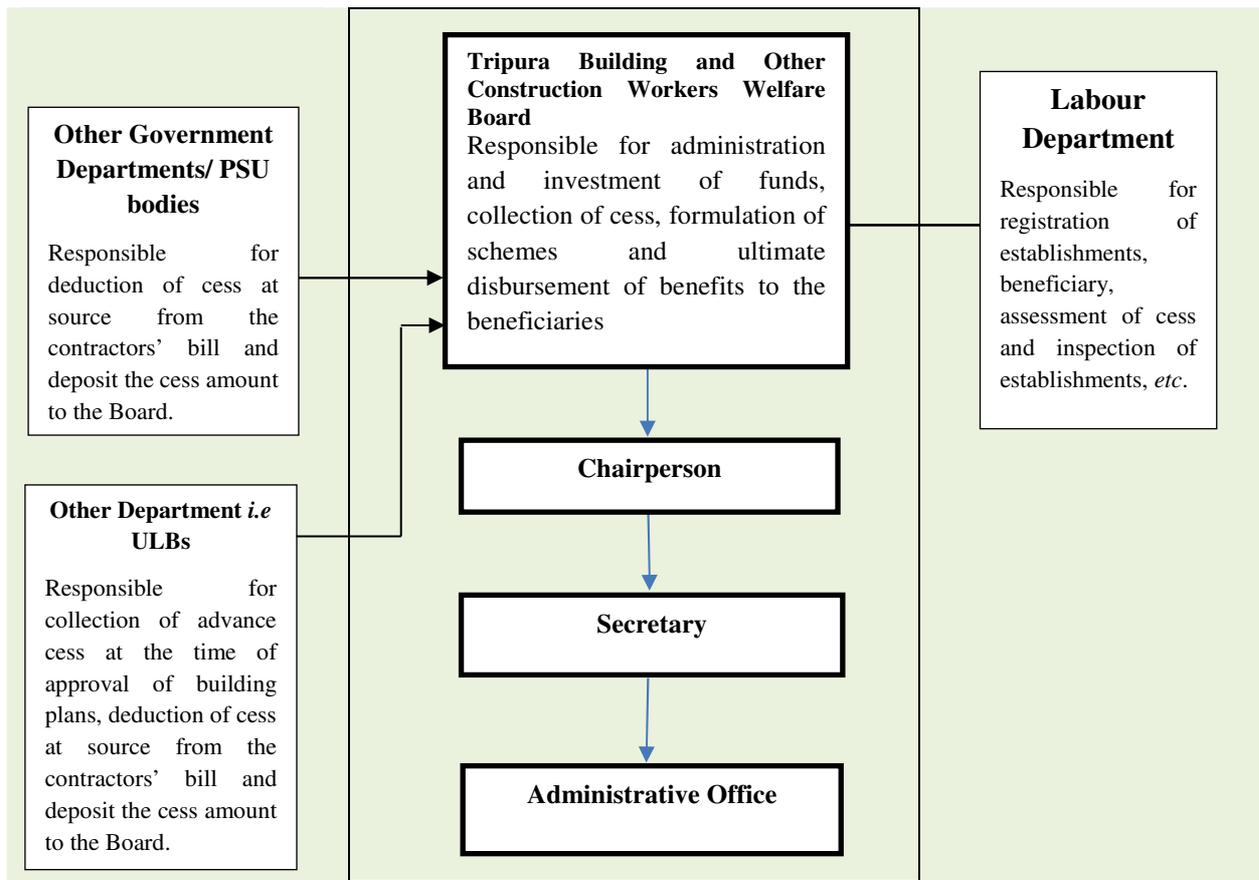
2.3.2 Organisational set-up

The Labour Department is headed by the Secretary. Under him, the Labour Commissioner, Joint Labour Commissioner, Deputy Labour Commissioner are functioning for overall administration and enforcement of the Act. At district level, all District Labour Officers and Labour Inspectors were functioning under the Labour Commissionerate. The Department is responsible for registration of establishments, assessment of cess and inspection of establishments.

The Board is headed by a chairperson who would be appointed by the State Government. Apart from representatives from the GoT and member representatives from various establishments, the Secretary of the Board is the Chief Executive Officer of the Board. The Board is mainly responsible for collection of cess, administration and investment of funds, registration of workers as beneficiaries, formulation of schemes and ultimate disbursement of benefits to the beneficiaries.

The organisational set-up of the Board is depicted in **Chart 2.3.1**.

Chart 2.3.1: Organisational set-up of the Board and other agencies involved in the welfare of BOC workers



2.3.3 Audit objectives

The Performance Audit on “Building and Other Construction Workers’ was taken up with the objectives to get a reasonable assurance that;

- a. the rules notified by the Government under the Act are consistent with the spirit of both the Acts³⁸;
- b. there was effective system for registration of establishments and beneficiaries;
- c. the cess assessment, collection, and transfer of collected cess to the Fund was efficient;
- d. Government prescribed appropriate health and safety norms and could ensure an environment of compliance to those norms by employer;
- e. Government implemented transparent and effective system of inspections to check evasion of Labour cess and compliance to health and safety norms by the employers and
- f. The administration and utilisation of fund on implementation of welfare scheme by the Board was efficient and effective and as per Act and rules framed by the State Government.

2.3.4 Audit criteria

Audit findings were benchmarked against the following sources of criteria:

- i. Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996 (BOCW Act);
- ii. Building and Other Construction Workers' Cess Act 1996 (Cess Act);
- iii. Building and Other Construction Workers' Cess Rules, 1998 (BOCW Rules);
- iv. Tripura Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Rules, 2001 (TBOCW Rules).
- v. General Financial Rules;
- vi. Orders issued by the Supreme Court from time to time; and
- vii. Guidelines, circulars, notifications, and orders issued by the GoI/ State Government from time to time.

2.3.5 Audit Scope, sample and methodology

The Performance Audit was conducted during April 2023 to June 2023 and covered the period from the year 2017-18 to 2022-23.

Two districts (West Tripura District and South Tripura District), six welfare schemes (Education, Marriage, Death, Major ailments, Assistance during COVID-19 and Awareness), four working divisions {Agartala Division-III, PWD (R&B)³⁹; Tripura Housing and Construction Board; Belonia Division PWD (DWS⁴⁰) and Belonia Division PWD (R&B)}, four Urban Local Bodies (Agartala Municipal Corporation, Mohanpur Municipal Council, Belonia Municipal Council and Santirbazar Municipal Council), 235 registered beneficiaries, 69 unregistered BOC workers, eight registered

³⁸ Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996 and Building and Other Construction Workers' Cess Act, 1996

³⁹ Public Works Department (Roads & Buildings)

⁴⁰ Drinking Water & Sanitation

establishments (Sri Arun Kumar Dey, Sri Goutam Banik, Sri Subir Datta, Sri Sajal Deb, Sri Bijan Bhuiyan, Sri Kamal Dey, Sri Pankaj Mallik and Sri Bikash Saha) and eight unregistered establishments (Sri Jasoda Lal Roy, Sri Dinesh Banik, Sri Shibu Saha, Smt. Jhuma Podder, Sri Shankar Kanti Saha, Sri Jiban Krishna Kar, Sri Gathan Datta and Sri Niraj Kumar Dhar) were selected for audit. The details of sampling adopted are given in **Appendix 2.3.1**.

An Entry conference was held on 30 June 2023 at the level of the Secretary, Labour Department.

Audit methodology involved scrutiny of records of Labour Department, Board as well as works' executing units, survey of beneficiaries including unregistered BOC workers, survey of registered and unregistered establishments, physical verification at work sites, *etc.* Replies to audit memos furnished by the Labour Department and the Board, and information/ data collected through survey questionnaires were used as evidence in audit.

Reply received (September 2023) from the Government was suitably incorporated in the report. Exit Conference was held on 5 October 2023 with the Secretary, Labour Department.

2.3.6 Acknowledgement

Office of the Principal Accountant General (Audit), Tripura acknowledges the co-operation extended by the Labour Department and the Board during conduct of the Performance Audit.

2.3.7 Financial management

As per Rule 268 of the TBOCW Rules, the Welfare Board fund constitutes of grants or loans or advances, if any, made to the Board by the Central Government, all contributions paid by the beneficiaries and all sums received by the Board under the Cess Act and rules made there under may be credited. The fund was required to be spent for the welfare of building and other construction workers on schemes like pension, maternity benefits, disability pension, payment for funeral assistance, medical assistance, financial assistance for education and marriage of children and accidents, *etc.*

During 2017-23, the main source of income of the Board was cess levied and collected under Cess Act, interest received from the investments and registration and contribution fees received from the registered construction workers.

During 2017-18 to 2022-23 the Board received/ collected a ₹ 230.58 crore wherein cess collected contributed major portion (72 *per cent*) of the receipts. This included the interest earned during the period on FDs of ₹ 55.57 crore. Besides, as on March 2023, the Board invested ₹ 315.64 crore⁴¹ in Fixed Deposits (FD) and ₹ 52.99 crore⁴² was lying in the Savings Bank (SB) Accounts.

⁴¹ ₹ 161.98 crore was invested in Fixed Deposit at the opening of 2017-18

⁴² Opening and closing balance of savings bank account during 2017-23 was ₹ 9.51 crore and ₹ 52.99 crore respectively.

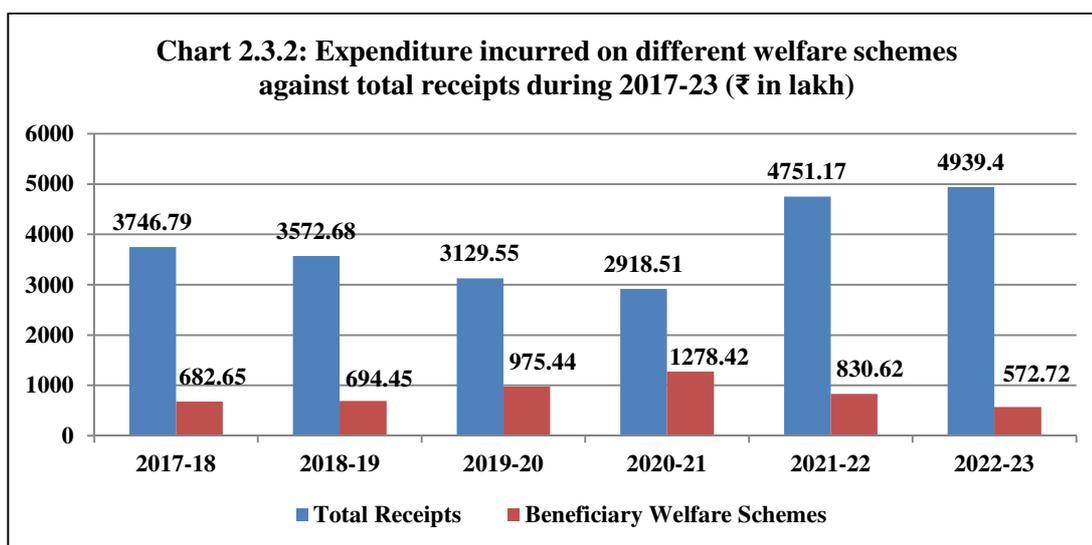
Out of the total receipt of ₹ 230.58 crore, expenditure of the Board was only ₹ 51.81 crore (22.43 per cent) of the total receipts as detailed in **Table 2.3.1**.

Table 2.3.1: Fund position of the Board during 2017-23

(₹ in lakh)

Year	Receipts				Expenditure				
	Labour cess	Beneficiary registration & subscription	Interest on FD & SB account	Other fund ⁴³	Total	Beneficiaries' Welfare schemes	Establishment expenditure including office contingency	Awar eness	Total
2017-18	2218.02	145.35	1380.17	3.25	4723.27	682.65	12.53	0	695.18
2018-19	2420.48	108.87	1042.08	1.25	3572.68	694.45	13.61	0	708.06
2019-20	1752.25	70.60	1306.70	0	3129.55	975.44	15.53	0	990.97
2020-21	2079.28	94.86	744.37	0	2918.51	1278.42	18.19	0	1296.61
2021-22	3744.39	84.71	897.07	25.00	4751.17	830.62	41.18	0	871.80
2022-23	4381.00	74.47	472.28	11.65	4939.40	572.72	7.31	38.45	618.48
Total	16595.42	578.86	5842.67	41.15	23058.10	5034.30	108.35	38.45	5181.11

The percentage of fund utilised on various welfare schemes ranged between 11.60 per cent (minimum during 2022-23) and 43.80 per cent (maximum during 2020-21) against total receipts during the respective years as shown in the **Chart 2.3.2**.



From **Chart 2.3.2** it was seen that compared to the total receipts, the fund utilised on various welfare schemes was very poor and insufficient.

Reasons for poor utilisation of fund for welfare schemes were mainly attributed to;

- low rate of registration of beneficiaries and establishments;
- not incurring any expenditure on awareness programmes during 2017-18 to 2021-22 except only ₹ 38.45 lakh was spent on awareness campaign during 2022-23; and
- non-revision⁴⁴ of the rates of financial assistance provided by the Board under different welfare schemes considering the increasing price index/ inflation.

⁴³ This includes Grant-in-Aid from Labour Directorate and GoI against e-Shram fund, Pradhan Mantri Shram Yogi Maan-dhan (PM-SYM) scheme fund.

⁴⁴ Rates were revised only once in October 2022 during the period covered by audit i.e. 2017-23.

Further, the following irregularities were also noticed in the audit;

- as per Section 25 of the BOCW Act, every year the Board should prepare budget for the next financial year showing the estimated receipts and expenditure of the Board and forward the same to the State Government.

But in violation of the BOCW Act, the Board did not prepare annual budget during 2017-2023 (except for the year 2017-18). Therefore, expenditure budgeting against the available fund was totally absent and the Board parked the fund in savings account and fixed deposits.

- the Board did not assess the year-wise cess receivable and as such, it failed to identify the instances of non-deposition/ non-transfer of labour cess by the collectors as mentioned in **Paragraphs 2.3.8.3(i) and 2.2.8.3(ii)**.
- the Board did not prepare budget in respect of long-term liabilities that would arise due to pension schemes.
- year-wise break up of maturity and re-investment of the cess fund in the form of Fixed Deposits (FDs) are not maintained by the Board. Further, the Board has not submitted its annual accounts to Principal Accountant General (audit) as mentioned in **Paragraph 2.3.8.8(i)**. Therefore, opening and closing balances of each year could not be derived by audit.

In reply, the Government stated (September 2023) that these issues would be taken care of by the Board in future.

2.3.8 Audit findings

Objective 1: Whether the rules notified by the Government under the Act are consistent with the spirit of both the Acts

2.3.8.1 Disparity between BOCW Act and TBOCW Rules

(i) Section 5(1) of BOCW Act stipulates that the Government may constitute one or more expert committees consisting of persons specially qualified in building and other construction works for advising the Government to make rules under the Act.

Further, Section 41 of BOCW Act stipulated that after considering the recommendation of the expert committee, the State Government was to frame rules in respect of safety and health of building workers.

However, no such provision had been adopted by the State Government in TBOCW rules and such expert committee was not formed (September 2023).

This indicated that State Government framed rules initially as well without any expert committees provisioned in the BOCW Act. This further implies that rules which invariably required technical input/ consultation in respect of safety and health of building workers (*viz.* fire protection, health safety, lifting appliance, gears, ramps, concrete work, demolition, *etc.*) were framed in absence of expert committees as required under Section 41 of the BOCW Act.

(ii) Section 4(2)(e) of BOCW Act *inter alia* includes that State Government may nominate members to represent the building workers in the State Advisory Committee (SAC). Whereas Rule 10(e) of TBOCW Rules provides that four persons, out of whom at least one should be woman, to be nominated by the State Government representing the Building and other Construction Work as Members.

Thus, there was the disparity between the provisions of the Act and the Rules adopted by the State Government.

It was noticed that the representation from the side of the construction workers was not clearly mentioned in the notification issued (February 2015) on reconstitution of the last SAC in contravention of the aforesaid provision of the Act.

In reply, the Government stated (September 2023) that the provision was not incorporated in the concerned State Rules. However, the issue would be examined as per audit observation.

Recommendation

The Government may consider to constitute an Expert Committee at the earliest to advice for making the State Rules consistent with the Central Acts.

Objective 2: Whether there was effective system for registration of establishments and beneficiaries

2.3.8.2 Implementation of Acts and Rules

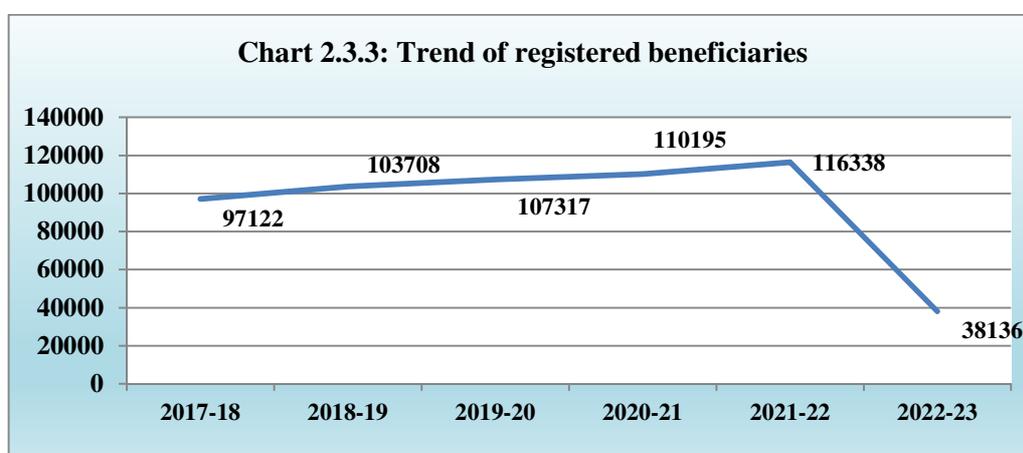
2.3.8.2(i) Registration of BOC workers

Rule 269 of TBOCW Rules provides that every building worker in the age group of 18 years to 60 years who is not a member of any welfare fund established under any law and has completed a period of 90 days of service during the previous year as construction worker in the State can be registered as a beneficiary. As per Rule 270, a certificate from the employer or the contractor certifying that the applicant is a building worker, is required along with application for registration (Form XXVII). Rule 270(4) and Rule 272 *ibid* requires that a registration fee of ₹ 20 is to be deposited by the worker at the time of registration along with the monthly contribution of ₹ 20.

Supreme Court directed (January 2009) the State Governments to ensure a proper mechanism to identify/ register the beneficiaries. Further, based on the directives of the Supreme Court, Paragraph 6.1 of Guidelines of Mission Mode Project (MMP) for Building and other Construction Workers Advisory issued (July 2020) by the Ministry of Labour and Employment, Government of India (Ministry, GoI), stipulated for registration of all left out unregistered BOC workers within three months' time period.

The deficiencies noticed in the process of registration of beneficiaries are discussed below.

- Up-to-date and comprehensive database having complete and accurate information about registered beneficiaries was not available. This led to failure in measuring, managing, and monitoring of alive, dead, shifted, active (who continued their membership subscription) and inactive (who discontinued their membership subscription) registered beneficiaries. During 2017-23, there was an increasing trend in registration of beneficiaries from 0.97 lakh in 2017-18 to 1.16 lakh in 2021-22. But due to identification of active and inactive beneficiaries, the number of registered beneficiaries drastically dropped to 0.38 lakh in 2022-23 when digitisation of the active beneficiaries started. The trend of registered beneficiaries during 2017-23⁴⁵ depicted in **Chart 2.3.3**.



Further audit noticed that due to such incomplete, outdated, and inaccurate database of registered beneficiaries there were instance of denial of financial assistance provided under COVID-19 scheme to the inactive beneficiaries as discussed in **Paragraph 2.3.8.6(ii)**.

- Section 15 of the BOCW Act states that every employer shall maintain a register⁴⁶ showing the details of employment of beneficiaries employed in the building or other construction works and the Secretary of the Board or any other officer duly authorised by the Board can inspect the same without prior notice. During survey (May 2023) of 16 sampled establishments, it was noticed that 248 out of 257 construction workers (*i.e.* 96 per cent) employed under them remained unregistered. Moreover, none of the employers maintained the register regarding details of engagement of BOC workers, *etc.* for inspection, which violated the provisions of Section 15 of the BOCW Act. The Board did not conduct any inspections as per the above provision for such non-compliance during 2017-23. Besides, there was no mechanism in place to prepare any quarterly/ annual inspection plan to ensure periodical inspection of each establishment/ worksite which has been discussed in **Paragraph 2.3.8.5(i)**.

⁴⁵ Total number of registered beneficiaries at the end of each financial year

⁴⁶ Form XV as prescribed under Rule 240 of TBOCW Rules

- Further, in absence of monthly returns (Form XXXII)⁴⁷ from the registered establishments, neither the District Labour Offices nor the Board was in a position to identify the unregistered BOC workers engaged by those establishments resulting in non-registration of eligible workers.
- Survey of 69 sampled unregistered BOC workers revealed that all of them were eligible for registration and were willing to get registered. This indicated failure of both the Department and the Board due to non-ensuring of maintenance of register by the employers for engagement of BOC workers, submission of monthly returns by the employers as well as ineffective awareness activity {as mentioned in **Paragraphs 2.3.8.8(ii)** and **2.3.8.6(iv)**} resulting in non-identification and registration of eligible unregistered BOC workers.
- No mechanism was adopted by the Department and the Board to ensure that the workers employed in the works executed by the State Government departments/ PSUs/ autonomous bodies, got registered as beneficiaries. The existing system of registration facilitates the willing workers only and therefore, the Department and the Board failed to reach out to all the potential BOCW workers to get them registered.
- The Board did not set up any targets for registering the construction workers to monitor the achievement/ progress during 2017-23.
- Information regarding the unregistered eligible workers/ beneficiaries employed in building or other construction works were not obtained by the Department and the Board through inspections. Further, there was no mechanism in place for ensuring that the workers of an establishment inspected by the Labour Inspector were got registered as beneficiaries.

Thus, non-adoption of any mechanism by the Board as prescribed in the TBOCW Rules as well as non-adherence to the directions of the Supreme Court to identify the unregistered workers resulted in denial of welfare benefits to the willing and eligible construction workers who did not/ could not register themselves.

While accepting the facts, the Government stated (September 2023) that since inception, District Offices had not maintained registers properly for registered beneficiaries which led to failure in maintaining consolidated and comprehensive data base as well identifying alive, dead, and inactive beneficiaries. However, since April 2022 the beneficiary registration was being done through online portal to avoid duplicate registration cases and to include the database. The Government further stated that reasons for non-registration of BOC workers were mainly due to lack of awareness and lack of pro-active initiative from the registering authority. The Department would emphasise for special drive for registration of workers. The Government had also issued instructions to the concerned officers/ Inspectors for strict adherence to submit inspection reports regularly.

⁴⁷ Number and name of the worker(s) to be registered as per Rule 273(2) of TBOCW Rules

2.3.8.2(ii) Non-implementation of online migration certificate

Paragraph 6.2.2 of Guidelines of Mission Mode Project (MMP) for Building and other Construction Workers Advisory issued (July 2020) by the Ministry, GoI stipulated developing a system for issuing online Migration Certificate (MC) to the migrating labour by the respective State Welfare Boards (SWBs) in the following ways *i.e.* (i) online application/ telephonic application from registered mobile number for Migration Certificate (ii) issue online Migration Certificate (MC) automatically and instantaneously on his/ her registered mobile number without asking any reason or without denial (iii) de-register him/ her from their register and shift his/ her data to migrated category (iv) destination States/ SWBs to honour MC on uploading and issue re-registration number counting him as their own registered worker (v) destination States/ SWB to honour all his benefits and to continue them until further migration/ renewal.

The Ministry, GoI informed (September 2015) the Supreme Court in the writ petition⁴⁸ that the Ministry is introducing Universal Access Number (UAN) to be provided to every construction worker, so that if he or she migrates from one State to another, the benefit of registration does not get lost, nor does the construction workers need to get registered in other States.

Further, pursuant to the direction (March 2018) of Supreme Court, the Director General, Labour Welfare of the Ministry, GoI instructed all the State Governments and Union Territories to comply with the 'Model Scheme for the welfare of BOC Workers' which included allotment of Unique Identification Number (UIN) to the registered BOC workers and upload complete details on State web portal and National BOCW portal.

Audit observed that no system had been adopted by the Board for issuing of online MC as stipulated in the MMP. Audit survey revealed that 17 out of 69 unregistered BOC workers *i.e.* 25 per cent of them were migrant labourers. The District Labour Officer, West Tripura District informed (July 2023) audit that the migrant workers were not registered with the Board.

It was also seen in audit that no initiative had been taken by the Board for providing UAN/ UIN to registered BOC workers (September 2023). There were no recorded reasons for non-introduction of UAN/ UIN by the Board or any compliances on development of online MC which had a scheduled implementation timeline of three months from the date of issue of the GoI's direction.

Thus, due to non-providing of online/ mobile facility for issuance of MC as well as UAN/ UIN, the Board failed to provide continuity of services to the already registered workers migrating to and from the State. This would, further, have an adverse impact on the portability of welfare benefits to the migrant workers.

⁴⁸ Writ Petition (Civil) No. 318 of 2006

In reply, the Government stated (September 2023) that issue had been referred to the Government of India for guidance and implementation of the Hon'ble Supreme Court's mandate.

2.3.8.2(iii) Registration of establishments

Section 7 of the BOCW Act stipulates that every employer shall apply to the registering officer for registration of the establishment⁴⁹ within 60 days from such commencement. Further, Rule 23 of TBOCW Rules specifies the manner of making application for registration of an establishment.

The Supreme Court directed (March 2018) all State Governments to put in place and strengthening the registration machinery both for the registration of establishments as well as registration of construction workers in a specific time frame to be decided by the respective State Governments, but at the earliest. In the absence of the registration of establishments involved in construction activities, it would be extremely difficult for the authorities under the BOCW Act to implement the provisions of labour laws.

It was noticed in audit that;

- i. The Department did not maintain database on the registration of establishments during 2017-23 due to which the year wise details of registered establishments were neither available with the Department nor with the Board. Though, in the two sampled districts, as of March 2023, 730 (*i.e.*, 254 under West Tripura District and 476 under South Tripura District) establishments were stated to be registered by the respective district offices; but no database with specified⁵⁰ detailed list/ information was maintained by the district offices also.

In absence of such comprehensive database of the registered establishments, the Board failed to monitor changes in the management/ ownership (if any) of those establishments.

- ii. The registration of establishments was being done manually in a prescribed format which included information relating to the employers and workers under them. However, registration of establishments was made online⁵¹ since April 2022. Though the registration of establishments had been made online⁵², no mechanism to ensure registration of all eligible establishments had been put in place such as linking with the Government and planning authorities (including local bodies in the State) undertaking and authorising construction activities which was essential to identify prospective establishments to be covered under the Act. Further, during audit survey (May 2023) of sampled eight unregistered

⁴⁹ Establishment means any establishment belonging to, or under the control of Government, anybody corporate or firm, an individual or association or other body of individuals which or who employs building workers in any building or other construction work; and includes an establishment belonging to a contractor but does not include an individual who employs such workers in any building or construction work in relation to his own residence, the total cost of such construction not being more than ₹ 10 lakh.

⁵⁰ Such as registration number, date of registration, *etc.*

⁵¹ Through online portal: swaagat.tripura.gov.in

⁵² Only 21 establishments were registered through online mode as of July 2023.

establishments/ construction sites, it was noticed that two establishments remained unregistered despite knowing the requirement of establishment's registration with the Board. The balance six establishments did not even know requirement of registration. Those establishments remained unregistered though they were engaging 10 to 42 workers at the work sites.

Thus, the Department and the Board did not put in place a mechanism to ensure that all the establishments get registered, as required under the Act.

While accepting the facts, the Government stated (September 2023) that Department had failed to establish a mechanism for effective monitoring of establishment registration. However, measures would be taken in consultation with the IT Department to effectively design an online Application/Module for registration of establishment.

Conclusion

Non-existence of effective mechanism to measure, manage and monitor the registration of establishments under the Act was noticed and BOC workers were not identified or encouraged for registration.

Recommendations

The Government may consider:

- *To adopt suitable mechanism to ensure identification and registration of all the construction workers and establishments in the State, both in public and private sector;*
- *To maintain a database of registered workers and establishments;*
- *To adopt suitable mobile application for easy issuance of MCs to construction workers.*

Objective 3: Whether cess assessment, cess collection and transfer of collected cess to the fund was efficient

2.3.8.3 Assessment and collection of the cess

2.3.8.3(i) Non -assessment of cess receivable and cess paid

Section 4 (1) of the Cess Act stipulates that "Every employer shall furnish such return to such officer or authority, in such manner and at such time as may be prescribed". Section 4 (2) of the Cess Act, further, states that "If any person carrying on the building or other construction work, liable to pay the cess, fails to furnish any return under sub-section (1), the officer or the authority shall give a notice requiring such person to furnish such return before such date as may be specified in the notice". Further, Section 5 of the Cess Act specifies the manner of assessment of cess by the authority after making such inquiry, if he thinks fit, on the particulars stated in the returns and finally, passing of assessment order stipulating specified time on which cess shall be paid by the employer.

Audit observed that though the Department notified (May 2018) Cess Assessing Officers (Superintending Engineers of Public Works Department and Rural Development Department, Chief Executive Officer/ Executive Officer of Urban Local Bodies (ULBs), etc.), there was no record to show that cess assessment orders were passed specifying the cess due, cess paid, balance amount payable, cess to be deducted and collected by various entities. As such, the gap (if any) between cess receivable and received could not be measured and managed by the Department/ Board. Though the Department issued notification, no penal provision and/ or accountability was fixed upon the Assessing Officers by the Board for non-assessment of cess.

Besides, the Board had issued instructions (in 2006 and 2008) that one *per cent* cess had to be collected on the estimated cost while approving the building plans by the ULBs. However, no such mechanism had been evolved for assessment of cess recoverable in respect of building plans approved by the ULBs and the ULBs did not deduct/ collect any cess on estimated cost of the construction work while sanctioning building plans. In case of four sampled ULBs, audit observed that ₹ 89.14 crore was not deducted while approving the building plans as discussed in **Paragraph 2.3.8.3(iii)**.

Thus, due to non-assessment of cess due to be paid as well as absence of proper mechanism towards timely deposition of labour cess, instances of delayed deposition and short/ non deposition of labour cess of ₹ 2.74 crore by the sampled three PWD Divisions and two ULBs were noticed in audit as discussed in **Paragraph 2.3.8.3(ii)**. Also, the Board/ Department did not impose penalty (at the rate of two *per cent* for every month) on the seven sampled⁵³ defaulting cess collectors/ depositors for their undue delay (beyond 30 days) in deposition of cess amount.

In reply, Government stated (September 2023) that recently an order was issued to all Assessing Officers and Cess Collectors to furnish information on amount of cess collected and deposited to the Board during the period 2017-23. Also, the Board has recently developed an online cess collection portal for timely and hassle-free deposition of labour cess by the Government departments/ PSUs/ private organisations which would automatically impose penalty in case of delayed remittance.

2.3.8.3(ii) Non-receipt of Cess fund

Rule 5 (3) of the Building and Other Construction Workers' Welfare Cess Rules, 1998 (Cess Rules) provides that the cess collected should be remitted to the Board within 30 days of its collection. Section 8 of the Cess Act also provides that if any employer fails to pay any amount of cess within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two *per cent* for every month. Section 9 of the Cess Act provides that if

⁵³ Division-I, PWD (R & B); Division-III, PWD(R&B); Belonia Division, PWD (R&B); Belonia Division-IV, PWD (Water Resource) (WR); Santirbazar Division, PWD (R&B), Belonia Municipal Council, Santirbazar Municipal Council

any amount of cess is not paid within the date specified in the order of assessment, the authority may impose a penalty not exceeding the amount of cess.

Audit found that five of the sampled units (three working Divisions⁵⁴ of State PWD and two ULBs⁵⁵) collected ₹ 2.74 crore of the cess during 2017-23, but the same was not deposited to the Board, as detailed in **Appendix 2.3.2**. The undeposited amount by the PWD Divisions was lying with the State Treasury and in case of ULBs, the undeposited amount was lying in the DDO's bank accounts.

Audit observed that the Board had not adopted any mechanism to monitor deduction of cess and depositing the same by the deductor. Consequently, the Board failed to assess and impose any penalty against the delayed deposition/ non-deposition of the cess amount.

In reply, the Government stated (September 2023) that Board recently instructed all the District Labour Officers to conduct field visit within their respective jurisdictions and to submit the comprehensive reports in view of assessing the pending cess amounts in the defaulting units.

2.3.8.3(iii) Non-collection of advance cess

As per notification issued (December 2006 and February 2008) by the Department, the ULBs should deduct one *per cent* cess on the estimated cost of the approved construction work. It is stipulated that every application of such approval should be accompanied by a crossed demand draft for one *per cent* on the estimated cost of construction work (in case of works with the estimated cost more than ₹ 10 lakh) in favour of the Board as indicated in sub rule 4 of Rule 4 of Cess Rules.

Further, ULBs were also instructed by the Department to submit regular reports on plans approved by the ULBs for large construction projects to the Labour Commissioner.

It was seen in audit that no such reports were submitted by the ULBs. After issuance of such instruction, the Labour Commissioner of the Department also did not follow-up/ monitor the submission of reports as well as non-deduction of advance cess on approved plans by the ULBs.

Scrutiny of the records revealed that during 2017-23 four sampled ULBs⁵⁶ had issued approval of plans (exceeding estimated cost of ₹ 10 lakh) for building and other construction works involving 29,96,114.045⁵⁷ sqm plinth area but they did not levy advance cess in respect of the plans so approved.

On the basis of plinth area and minimum construction cost per sqm, the total non-collection of advance cess has been worked out to be ₹ 89.14 crore (**Appendix 2.3.3**).

⁵⁴ Belonia PWD (R&B) Division-₹ 1.23 crore; Belonia PWD (WR) Division- ₹ 0.16 crore; Santirbazar PWD (R&B) Division- ₹ 1.21 crore

⁵⁵ Santirbazar Municipal Council-₹ 0.08 crore; Belonia Municipal Council-₹ 0.08 crore

⁵⁶ Agartala Municipal Cooperation (AMC), Mohanpur Municipal Council, Belonia Municipal Council and Santirbazar Municipal Council

⁵⁷ 29,45,745.425 sqm. plinth area of RCC structure and 50,368.62 sqm. plinth area of load bearing structure

In reply, the Government stated (September 2023) the Board recently took up the matter with Urban Development Department/ ULBs for deduction of cess on estimated cost of the work while approving private building plans.

Conclusion

Cases of short-collection and non-deposit of labour cess by cess collecting authorities were noticed due to non-assessment of cess by the Assessing Officers. Besides, non-deduction of advance cess by the building plan approving authorities were also noticed.

Recommendations

The Government may consider:

- *to ensure that cess collectors and assessment officer are made accountable for ensuring that the cess amount is duly assessed, realised and remitted to the Board in timely manner;*
- *to ensure advance collection of cess in respect of the private constructions through building plan approving authorities i.e. ULBs and monitor the same with the Urban Development Department on a regular basis.*

Objective 4: Whether Government prescribed appropriate health and safety norms and could ensure an environment of compliance to those norms by employer

2.3.8.4 Safety measures

2.3.8.4(i) Non-appointment of Safety Officer

Rule 209 (3) of TBOCW Rules provides that wherever number of workers employed by single employer is less than 500, such employers may form a group and appoint a common Safety Officer for such group of employers. Duties of safety officer were to advise and assist the employer in the fulfilment of his obligations, statutory or otherwise concerning prevention of personal injuries and maintaining a safe working environment.

During audit survey of 16 sampled establishments (engaging six to 42 construction workers), it was found that no Safety Officer was appointed by the employers in violation of Rule 209 (3) of TBOCW Rules. Moreover, during 2017-23, financial assistance was provided to 107 registered beneficiaries being accident victims as discussed in **Paragraph 2.3.8.4(ii)**. In absence of Safety Officer(s), not only these accident cases were left un-investigated in respect of non-compliance of safety and health norms but also identification of issues related to occupational diseases contraction, advisory on safety issue, framing of safety rules, *etc.* could not be ensured.

Besides, Rule 251(2) stipulates that an inspector of the Department may issue show cause notice or warning to employers regarding the safety, health or welfare of building workers which was not done by the Department.

In reply, the Government stated (September 2023) that steps would be taken to ensure the appointment of Safety Officer as per rule. Further, direction was given to all enforcement machineries for implementation of the provision rigorously.

2.3.8.4(ii) Non-reporting of accidents

Section 39 of the BOCW Act, prescribed notice to be given by an employer if any accident/ incidents happened in the jurisdiction of his establishment. On receipt of such notice, the authority was to investigate or inquiry as it considered necessary.

As per information furnished (April 2023) by the Board to audit, 107 beneficiaries in the State being accident victims were provided with financial assistance during 2017-23 on the basis of applications received from the beneficiaries. However, only four accident cases were reported during 2017-23 where all the four accident victims succumbed to death as stated by the Labour Directorate in July 2023.

This indicates that all the accident/ incident cases were not reported to the Labour Directorate. Besides, since the above four expired workers were not registered as beneficiaries under the Board, the death benefits to the expired workers could not be extended by the Board.

Further, the Department did not have any documents *viz.* investigation/ enquiry report, *etc.* of the accident sites. It indicated that the Department did not make any investigation of accident cases (including 107 cases where accident benefits were given as well as four accident cases which were reported) as required under Section 39 of BOCW Act and therefore, it failed to find out the reasons for accidents, non-compliance of safety norms, *etc.* to prevent repetition of the accidents in the work sites.

While accepting the facts in the Exit Conference, the Secretary stated (October 2023) that the issue would be streamlined shortly.

Conclusion

Due to non-reporting of accidents/ incidents coupled with non-appointment of Safety Officer by the employer, investigation/ enquiry for ensuring health and safety norms were not initiated.

Recommendation

The Government may consider ensuring appointment of a Safety Officer adopting suitable mechanism for timely reporting of accidents/ incidents and conducting investigation/ enquiry at accident sites with proper documentation.

Objective 5: Whether Government implemented transparent and effective system of inspections to check evasion of Labour cess and compliance to health and safety norms by the employers

2.3.8.5 Inspection

2.3.8.5(i) Inadequacy of inspections

According to Rule 251 of the TBOCW Rules, an Inspector may, *inter alia*, examine a construction site or place or premises used for a building or other construction work. She/ He may issue of show-cause notice or warning to employers regarding safety, health or welfare of building workers provided under the BOCW Act or the TBOCW Rules and enquired into the cause of any accident or dangerous occurrence due to any operation connected with or incidental to such building or other construction work, or of non-compliance with any of provisions of the Act and Rules and give directions in this regard.

As per information furnished to audit, the Labour Inspectors under District Labour Offices conducted 723 inspections in four districts under TBOCW Rules in different districts during 2017-23 as shown in **Table 2.3.2**.

Table 2.3.2: District wise position of inspections conducted under TBOCW Rules by the Labour Inspectors during 2017-23

Name of the Districts	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Unakoti	10	15	12	10	15	20	82
Khowai	12	14	3	2	10	11	52
Gomati	209	124	128	37	17	23	538
South Tripura	11	9	8	6	10	7	51
Total	242	162	151	55	52	61	723

Source: Information furnished by the Labour Directorate

Audit observed that;

- In four Districts (*viz.* West Tripura, North Tripura, Sepahijala and Dhalai) no inspections were conducted in the last six years.
- Though the Department informed audit that 723 inspections had been conducted during 2017-23, the inspection reports/ notes were not documented/ maintained. In absence of inspection reports/ notes, the findings of the inspections conducted by the Inspectors could not be verified. Further, there was no record either at District level or State level on the corrective measures enforced as a follow-up of these inspections.
- Audit found in the survey of 16 sampled work sites/ establishments that Department did not conduct any inspections during 2017-23.
- The Department did not put any mechanism in place/ prepare any quarterly/ annual inspection plan to ensure periodical inspection of each establishment/ work site by the Inspectors.

Inadequacy of inspections resulted in non-registration of eligible and willing BOC workers, non-registration of establishments, non-assurance of health and safety norms by the employers and non-investigation of accident cases which were discussed in **Paragraphs 2.3.8.2(i), 2.3.8.2(iii), 2.3.8.4(i) and 2.3.8.4(ii)** respectively.

While accepting the facts, the Government stated (September 2023) that all the District Labour Officers had been cautioned for negligence of duties in undertaking inspections and verification as per Act and Rules. Additionally, the Labour Officers had been directed to take up inspection which would be monitored.

2.3.8.5(ii) Shortage of manpower for inspection

Section 43 (1)(a) of the BOCW Act provides that Inspector may assess facilities such as drinking water, latrines, urinals, first aid and canteen provided by the employer for the workers. Besides, it may be ensured that normal working hours were fixed, and overtime was paid where the workers were deployed for additional hours over and above the normal working hours. Further, each establishment should be periodically inspected by the Inspector.

Availability of the manpower against the sanctioned strength ranged between 78 per cent (in 2017-18) and 54 per cent (in 2022-23) in the State as shown in **Table 2.3.3**.

Table 2.3.3: Details showing vacant posts in the Labour Department

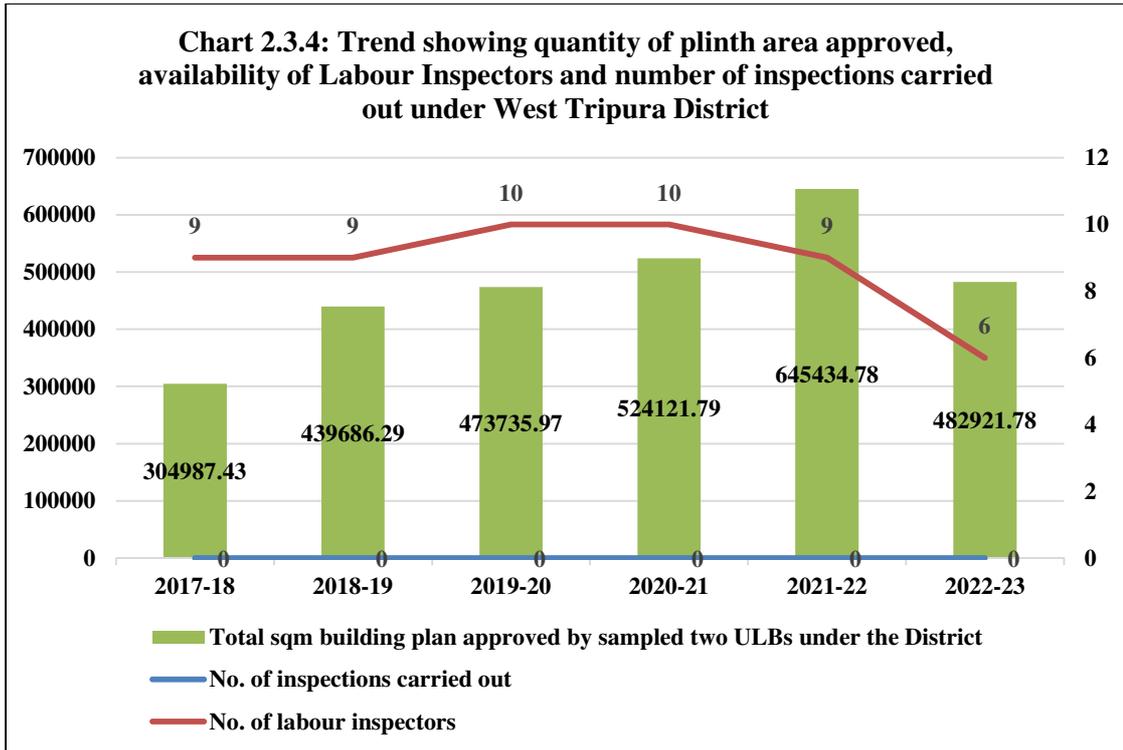
Year	Labour Officer			Labour Inspector		
	Sanctioned strength	Men-in-position	Percentage of availability of manpower against the sanctioned strength	Sanctioned strength	Men-in-position	Percentage of availability of manpower against the sanctioned strength
2017-18	10	08	80	68	53	78
2018-19	10	07	70	68	52	76
2019-20	10	04	40	68	52	76
2020-21	10	00	00	68	52	76
2021-22	10	00	00	68	49	72
2022-23	10	09	90	68	37	54

Source: Information furnished by the Labour Directorate

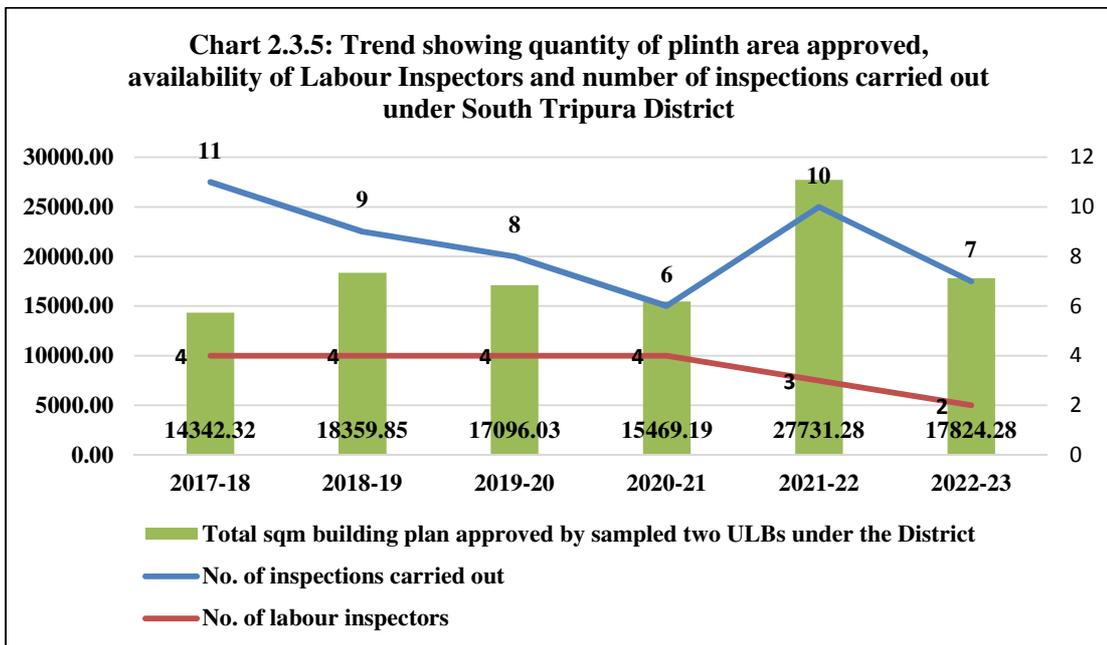
It can be seen from **Table 2.3.3** that there were vacancies in the post of Labour Inspectors and Labour Officers. There was no Labour Officer in the entire State during 2020-22, thereby affecting the monitoring of inspections conducted by the Labour Inspectors. As pointed out in **Paragraph 2.3.8.5(i)**, yearly average of inspections carried out drastically came down from 185 during 2017-20 to 53 during 2020-22.

Year wise position of availability of Labour Inspectors, number of inspections carried out and quantity of plinth area approved by the sampled ULBs under the two sampled districts⁵⁸ are shown in **Charts 2.3.4 and 2.3.5**.

⁵⁸ West Tripura District and South Tripura District



Audit observed that in West Tripura district, despite of availability of labour inspectors, no inspection was carried out during 2017-23 though plinth area approved by the ULBs had an increasing trend.



In South Tripura District, the number of Inspectors and number of inspections carried out decreased while plinth area approved by the ULBs was increased during 2017-23.

Further, it was noticed that there was only one Chief Labour Officer against the sanctioned strength of two during the period of 2017-20. Thereafter, the post remained vacant during the period of 2020-23.

Shortage of inspecting staff led to inadequacy of inspections apart from poor monitoring and non-enforcement of relevant Acts and Rules by the Department.

In reply, the Government stated (September 2023) that Department would pursue the matter for filling up of all vacant post of Labour Officers and Labour Inspectors.

Conclusion

In absence of inspection reports/ notes, the Department failed to verify and take corrective measures towards implementation of health/ safety norms, identification of eligible willing BOC workers and establishments for registration as required under BOCW Act. Besides, shortage of inspecting staff and absence of planning for inspection were also noticed which adversely affected the inspection activities.

Recommendations

The Government may consider to;

- *make quarterly/ annual inspection plans based on risk profile and volume of the construction sites taking into consideration manpower availability for inspection;*
- *adopt suitable mechanism for effective monitoring of inspection activities and review the inspection reports regularly.*

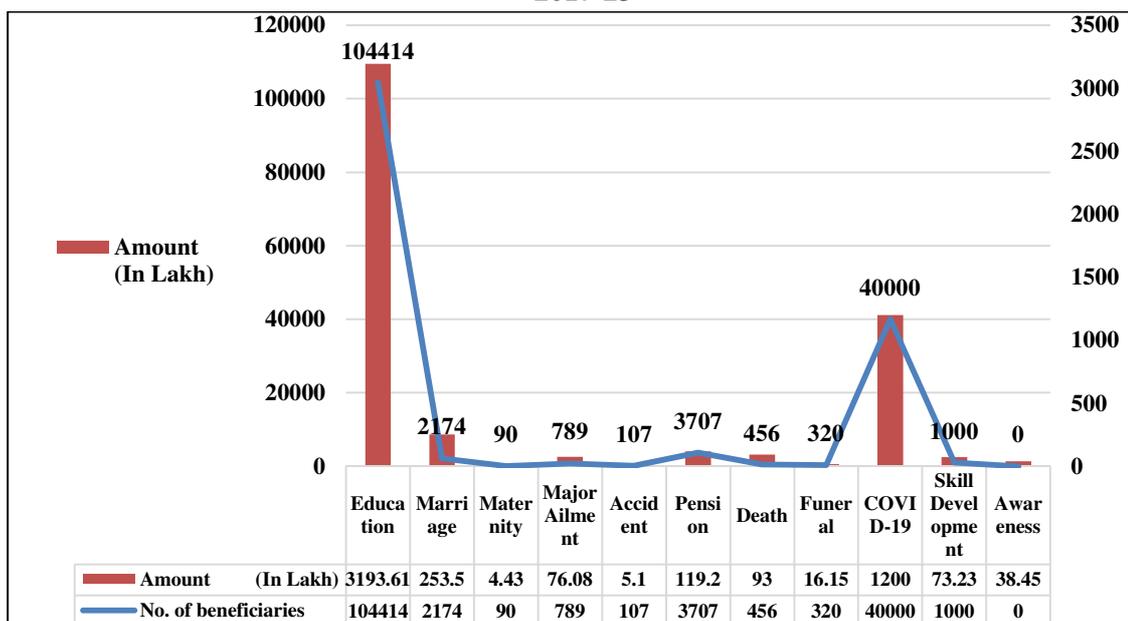
Objective 6: Whether administration and utilisation of fund on implementation of welfare schemes by the Board was efficient and effective and as per Act and rules framed by the State Government

2.3.8.6 Implementation of welfare schemes

Section 22 read with Section 24 (2) of the BOCW Act, stipulates that cess collected is required to be spent for the welfare of construction workers on schemes, *i.e.*, maternity benefits, pension, advances for purchase and construction of houses, disability pension, payments of financial assistance, medical assistance, financial assistance for education and marriage of children. Moreover, pursuant to the direction of the Supreme Court (March 2018), the Ministry, GoI framed a Model Welfare Scheme which included life and disability care, health and maternity cover, education to the wards of the BOC workers, housing, pension, skill development and awareness programmes.

It was noticed in audit that the Board implemented 11 welfare schemes for registered workers under the Act. Details of expenditure incurred on the welfare schemes along with number of beneficiaries benefited during 2017-23 are shown in **Chart 2.3.6**.

Chart 2.3.6: Number of Beneficiaries and amount spent on the welfare schemes during 2017-23



2.3.8.6(i) Non-fixation of timeframe for disposal of requests for financial assistances

As per direction given by the Supreme Court (January 2010), the benefits under the Acts must be extended to the registered workers within a stipulated time frame, preferably within six months⁵⁹.

Scrutiny of 145 sampled applications under three sampled schemes⁶⁰ (*i.e.* Education, Marriage and Major Ailments) revealed that timelines for scrutiny, sanction/ rejection, and disbursement of financial assistance under the schemes were not fixed by the Board/ Department upto November 2022⁶¹. It was seen in audit that the time taken by the Board for sanctioning of financial assistance after receipt of applications under the schemes ranged between 13 days and 460 days. Further, there were 74 instances out of selected 145 cases where time taken to extend the benefits were beyond six months as detailed in **Table 2.3.4**.

Table 2.3.4. Time taken by the Board for disposal of applications for financial assistance

Name of the Schemes	Total number of applications selected for audit scrutiny	Time taken for sanctioning the applications from the receipt of applications		Number of cases where time taken beyond 180 days <i>i.e</i> six months in extending benefit
		Minimum (in days)	Maximum (in days)	
Education	60	94	460	33
Marriage	59	49	399	32
Major ailment	26	31	277	09

⁵⁹ Except in case of extending assistance under death benefit where timeframe was stipulated to be 60 days under Model Welfare Scheme as discussed in **Paragraph 2.3.8.6(iii)**

⁶⁰ Excluding COVID assistance and awareness schemes as assistance was not given based on the applications for these two schemes and also death benefit which was discussed under Model Welfare Scheme at **Paragraph 2.3.8.6(iii)**

⁶¹ The Board fixed timeframe of 20 days for disposal of applications 16 November 2022

Thus, there were abnormal delays in disbursing the schemes' benefit to the applicants due to non-fixation of timelines for disposal of applications. Further, there was no grievance redressal mechanism in place both at State and District levels where beneficiaries could lodge complaints for such delays.

While accepting the facts, the Government stated (September 2023) that due to manual processing (collection, scrutiny, rectification, resubmission, *etc.*) of all the applications for availing scheme benefits, disbursement of benefits take time. However, the Board adopted an online portal (<https://bocwtripura.in/>) for speedy disbursement of financial assistance from now onwards. A timeframe of 20 days after receipt of applications was set by the Board in November 2022 for settlement of claims. Further, it was ensured that the matter would be taken care of by the Board in future.

2.3.8.6 (ii) Implementation of financial assistance provided under COVID-19 scheme

The State Government decided (March 2020) to extend a benefit of ₹ 3,000 per beneficiary under COVID-19 Emergency Relief Scheme to 40,000 beneficiaries involving a total amount of ₹ 12 crore to be paid from the available fund with the Board. As of March 2020, 1,07,317 BOC workers were registered under the Board; but compliance of the State Government's decision to provide COVID-19 assistance to 40,000 beneficiaries resulted in deprivation of balance 67,317 beneficiaries. Moreover, the Board neither maintained bank account details of the registered beneficiaries in a database nor made any effort to collect bank account details of the inactive beneficiaries. Also, the Department/ Board did not further pursue with the State Government to cover the remaining 67,317 beneficiaries despite availability of huge fund with the Board.

Further, out of 40,000 beneficiaries, the payment made to 721 beneficiaries was not successful due to incorrect bank accounts' information. Rectification of bank accounts were done for only 28 beneficiaries (out of 721 beneficiaries) and accordingly payment was made to them and the remaining 693 beneficiaries were deprived of the financial assistance under COVID-19 scheme.

It was noticed in audit that:

- the Board did not maintain comprehensive and updated database⁶² of the beneficiaries and therefore, it failed to maintain the bank account details of the beneficiaries
- the Department/ Board did not fix any criteria (except availability of active bank accounts of the beneficiaries) regarding the selection of 40,000 beneficiaries under COVID-19 emergency relief scheme out of 1,07,317 registered BOC workers.

⁶² Including active bank account details

Scrutiny of the records related to 18,467⁶³ beneficiaries under two sampled districts (West Tripura and South Tripura) revealed that;

- a) there were four instances (all under West Tripura District) where financial assistance of ₹ 3,000 (in each case) was transferred twice to the same beneficiaries' bank accounts resulting in excess payment of ₹ 12,000.
- b) there were 1,638⁶⁴ instances (transaction involving payments of ₹ 49.14 lakh (@ ₹ 3,000 each) of mismatch in beneficiaries' names against the same registration numbers as per the beneficiaries' list submitted by the Board to the bank and list of registered workers furnished by the Board to Audit (which did not contain beneficiaries' bank account numbers). As such, payment of ₹ 49.14 lakh made to persons other than the registered beneficiaries was irregular.
- c) there were 257 instances⁶⁵ of payments made twice to the same beneficiary registration number resulting in irregular disbursement of ₹ 7.71 lakh.

In absence of comprehensive database (such as details of bank account number, Unique Biometric Identification Number, *etc.*), the Board did not ensure authenticity of the payees before making payments and hence, the possibility of extending financial assistance to the ineligible persons could not be ruled out.

While accepting the facts, the Government stated (September 2023) that it had happened due to lack of effective database and therefore, the Board had to rely on incomplete and outdated information which led to mistake in remote verification process (such as over phone/ WhatsApp) during pandemic situation. It further stated that need of speedy disbursement and inadequate monitoring had contributed to the providing financial assistance to ineligible persons and duplications in extending the assistance took place due to processing of huge number of beneficiaries' information only through MS Office. This also indicated that the Board did not have any Database Management System.

2.3.8.6(iii) Implementation of Model Welfare Scheme

As per Supreme Court's judgement (March 2018), the State Boards were to implement Model Welfare Scheme (MWS) for welfare of the construction workers in the State. The instances of non-compliance with the criteria of MWS are detailed below:

- (i) According to MWS, the benefits under death and disability was to be paid within 60 days. Test check of 24 sampled applications revealed that death benefit was paid within stipulated 60 days in only four (*i.e.* 17 *per cent*) cases. In remaining 20 (*i.e.* 83 *per cent*) cases, there were delays (beyond 60 days) ranging from 25 days to 373 days.
- (ii) Paid maternity leave, ranging from 90 days to 26 weeks, for up to two deliveries was to be provided. It was seen in audit that the scheme was formulated and

⁶³ 13,634 beneficiaries under West Tripura District and 4,833 beneficiaries under South Tripura District

⁶⁴ 1,608 instances under West Tripura District and 30 instances under South Tripura District

⁶⁵ West Tripura District: 255 and South Tripura District: two

launched⁶⁶ in October 2022 by the Board. However, no beneficiary claimed the benefit under that scheme upto March 2023.

- (iii) According to the MWS guidelines, the Board was to formulate schemes to provide transit accommodation, labour shed, mobile toilets, *etc.* However, no such scheme to provide transit accommodation, labour shed, mobile toilets, *etc.* for the predominant migratory BOC workers was formulated by the Board (April 2023).
- (iv) Ceiling of 10 *per cent* expenditure on skill development, out of the total cess collected amount in previous year, was to be adhered to. It was seen that during the period covered in audit, only ₹ 0.73 crore was spent only in 2020-21 for skill development of 915 workers against the total amount of cess collected of ₹ 17.52 crore during 2019-20 *i.e.*, only 4.17 *per cent*. However, the Board did not conduct any skill development training during 2017-20 and 2021-23.

While admitting the facts, the Government stated (September 2023) that the Board had adopted an online portal for speedy disbursement of financial assistance and a timeframe of 20 days after receipt of applications was set by the Board in November 2022 for settlement of claims. It also added that for providing transit accommodation, labour sheds, mobile toilets, *etc.* a proposal would be placed before the Board in the upcoming Board's meeting. With reference to skill development programme, the Government stated during Exit Conference that though the beneficiaries were being paid stipend and were being distributed kits like masonry, the workers were reluctant to get trained. However, efforts would be made to increase skill development trainings.

2.3.8.6(iv) Lack of awareness among the BOC workers

The direction issued by the Supreme Court (January 2010), *inter alia*, stated that awareness should be created on registration of BOC workers and the benefits available under the BOCW Act. There should be effective use of media, All India Radio and Doordarshan for awareness regarding the Act, the benefits available thereunder and the procedures for availing the benefits.

Further, pursuant to the judgement (19 March 2018) of the Supreme Court, the Ministry, GoI prepared Model Welfare Scheme for BOC Workers and action plan (for strengthening implementation machinery). This also includes awareness generation among BOC workers.

It was noticed in audit that during 2017-22, no expenditure was incurred by the Board on awareness activities and only ₹ 38.45 lakh was spent on awareness during 2022-23.

However, as per information furnished by the Board, registration camps were conducted by the field functionaries of the Labour Department and flex, festoons on

⁶⁶ Maternity leave with pay of maximum three months shall be provided to the female registered construction worker who has been working as construction worker for not less than one year at the minimum rate of wages in respect of unskilled BOCW workers as notified by the Department.

welfare schemes were displayed at prominent places of market areas, motor stands, Blocks/ Gram Panchayat/ Village Council offices for mass awareness; though no such documentary evidence⁶⁷/ report supporting the awareness campaign conducted by the Board during 2017-22, was available on records.

The Board issued a work order (in December 2022) to a third party (M/s Boom Box Animation, Agartala selected through open tendering process) which conducted various awareness activities like roadside drama, road show by publicity van, branding on vehicles, printing and distribution of leaflets, hoarding, etc. in the State at a cost of ₹ 38.45 lakh during 2022-23.

During survey of 69 unregistered construction workers, it was noticed that 61 per cent of them were not aware about the various schemes run by the Board and balance 39 per cent workers were aware of only two to five schemes out of 11 schemes implemented by the Board. Further, 20 per cent workers were not aware about the existence of the Board as discussed in succeeding **Paragraph 2.3.9.2**. The surveyed unregistered workers expressed their willingness to become registered beneficiaries with the Board after audit team explained the scheme benefits to them. This corroborated the fact that awareness activities conducted by the Board/ Department were not effective.

In reply, the Government stated (September 2023) that for providing transparent, time bound, social security benefits to the registered construction workers State Government had decided to take up special drive for awareness generation and mass registration of the eligible construction workers.

Conclusion

There were delays in settlement of claims under various welfare schemes in absence of any fixed time frame for disbursement process. Further irregularities were noticed in providing financial assistance under COVID-19 scheme due to non-maintenance of updated and comprehensive data base of registered beneficiaries by the Board.

Recommendations

The Government may consider;

- *to adopt innovative ideas for creating mass awareness; and*
- *to adopt a mechanism for timely disposal of claims.*

2.3.8.7 Monitoring

2.3.8.7(i) Non-formation of State Advisory Committee

Section 4(1) of BOCW Act provides that the State Government had to constitute a committee viz; the State Advisory Committee (SAC) to advise the State Government on such matters arising out of the administration of the Act. The SAC had to conduct meetings at least once in six months.

⁶⁷ Voucher, photograph/ report of awareness campaign, etc.

Audit observed that though the State Government had notified the TBOCW Rules in August 2002, the SAC was constituted in February 2015 whose term expired in January 2018 and last meeting of the SAC was held in January 2016. After January 2018, SAC was not re-constituted (September 2023) and thus, no meeting was held for more than seven years (September 2023).

While accepting the fact, the Government stated (September 2023) that proposal for reconstitution of the Committee was under process.

2.3.8.7(ii) Non-submission of returns by the registered establishments

As per Rule 242 of the TBOCW Rules, every employer shall send annually a return⁶⁸ relating to establishment to the Registering Officer having jurisdiction so as to reach the return not later than 15th February following each calendar year. Further, Rule 272(2) of TBOCW Rules stipulates submission of monthly returns by the employers to the Secretary of the Board (or any other officer authorised by him) in Form XXXII, showing details of workers entitled to be registered as well as those who left the service during the preceding month.

Scrutiny revealed that none of the employers carrying out building or other construction works, had furnished the annual and monthly returns during 2017-23. Moreover, the registering officers of the Department as well as Secretary of the Board failed to enforce and ensure submission of such returns by the employers. As a result, the Board had no information about the details of the workers entitled to be registered, information about the maximum number of building workers employed on any day during the year, total number of days of engagement of building workers, *etc.*

While accepting the facts, the Government stated (September 2023) that the steps would be taken to ensure non-recurrence of the same in future.

2.3.8.7(iii) Intimation of notice of commencement and completion of building and other construction works

As per Section 46 of the BOCW Act, an employer shall, at least thirty days before the commencement of any building or other construction work, a written notice⁶⁹ send or cause to be sent to the Inspector having jurisdiction in the area where the proposed building or other construction work is to be executed and in case of any change in the particulars furnished, the employer shall intimate the change to the Inspector within two days of such change. Further, as per Section 48 of the BOCW Act, where an employer fails to give notice of commencement of the building or other construction work, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to two thousand rupees, or both.

⁶⁸ In Form XXV

⁶⁹ The name and situation of the place where the building or other construction work is proposed to be carried on, the name and address of the person who is undertaking the building or other construction work, the nature of the work involved and the facilities, including any plant and machinery, provided, the number of workers likely to be employed during the various stages of building or other construction work, the approximate duration of the work, *etc.*

Audit observed that though none of the registered establishments had intimated the actual date of commencement and completion as per the provisions of the Act, the Board had not taken any steps to obtain such information from the establishments nor imposed any penalty on employers failing to provide such notices.

In absence of such intimation for commencement of work by the employers, establishments carrying out building and other construction activities remained outside the monitoring purview of the Board.

While accepting the facts, the Government stated (September 2023) that the issue would be taken up with all concerned departments and organisations for strict enforcement of the Act.

2.3.8.8 Internal Control

2.3.8.8(i) Audit of the Board

- As per Section 27(1) of the BOCW Act, the accounts of the Board were to be audited by the Comptroller and Auditor General of India. But the Board did not submit its annual accounts for the period from 2017-18 to 2022-23 to the Principal Accountant General (Audit), Tripura for audit.
- Specific direction was given (March 2018) by the Hon'ble Supreme Court in response to a writ petition⁷⁰ to conduct the Social Audit on the implementation of the Act so that in future there is better and more effective and meaningful implementation of the Act. The matter had been discussed in the Monitoring Committee meeting held (May 2018) under the Chairmanship of Director General, Labour Welfare of Ministry, GoI and included in Model Welfare Scheme circulated by the GoI for compliance by State/ UT Governments. The objective of Social Audit was to visit ongoing construction sites, inform the workers about their entitlements as per the Act, identify eligible workers but not registered and facilitating workers for filing grievances, *etc.*

Scrutiny revealed that no Social Audit had been conducted by the Board during 2017-23 which resulted in non-achievement of the objectives of social audit.

The Government assured (September 2023) that issue of social audit would be taken care of by the Board in future.

2.3.8.8(ii) Other deficiencies

The following deficiencies in internal control of the Board were noticed in audit:

- annual action plans and perspective plans were not prepared by the Board though the Board was responsible for implementation of various welfare schemes for the construction workers.
- Section 57 of the BOCW Act provides that every Board should furnish from time to time to the Central and State Governments such returns as they may

⁷⁰ WP 318 of 2006

require. The State Government prescribed submission of annual report and annual budget by the Board to oversee the proper implementation of the Act and functioning of the Board. Further, as per Section 26 of the Act, every year the Board should prepare its annual report, giving a full account of its activities during the previous financial year and submit the same to the State Government, But the Board had neither submitted annual budgets (except for the year 2017-18) nor annual reports to the State Government. Also, the Board/ Department did not set any annual and/ or long-term target for registration of establishments and beneficiaries, inspections, conducting awareness programmes, *etc.* Therefore, the Board could not effectively assess its activities/ achievements against any performance indicators.

- the Board did not prepare any annual action report to review/ monitor their own performance and gap-up the deficiencies.
- the Board did not prescribe any return format for the cess deductor (*i.e.*, urban local bodies, *etc.* who were authorised to approve the buildings plans and collect cess on the estimated construction cost) indicating the number of buildings/ approved construction plans along with estimated cost of construction works to ensure that the cess collected by them was being deposited to the Board.
- effective mechanism for collection of cess was absent and comprehensive database on registered establishments and beneficiaries, ongoing construction works (both public and private, *etc.* was not maintained by the Board.
- the Supreme Court of India directed (February 2012) that every Welfare Board should hold its meeting at least once in every two months and submit the minutes to the Secretary (Labour) of the Government quarterly, so that the implementation of the schemes could be reviewed periodically. During 2017-23, the Board held only 12 board meetings (33 *per cent*) against required 36 meetings. Therefore, implementation of the schemes was not reviewed periodically.
- grievance redressal mechanism was not constituted both at the district level and State level which could be a potential source of information regarding lacuna/ shortfall in various activities of the Board.

The Government replied (September 2023) that necessary steps would be taken by the Board to comply all these issues.

Conclusion

Monitoring was inadequate as the State Government did not re-constitute the State Advisory Committee since February 2008 for advising on the matters arising out of the administration of the Act and the Board did not ensure submission of periodical returns from the employers for obtaining the information like the details of the workers entitled to be registered, information about the maximum number of building workers employed on any day during the year, total number of days of engagement of

building workers, etc. There were deficiencies in internal control of the Board like non conducting of Social Audit, non-submission of annual budgets, non-submission of annual accounts, annual returns to the State Government and non-constitution of grievance redressal mechanism.

Recommendations

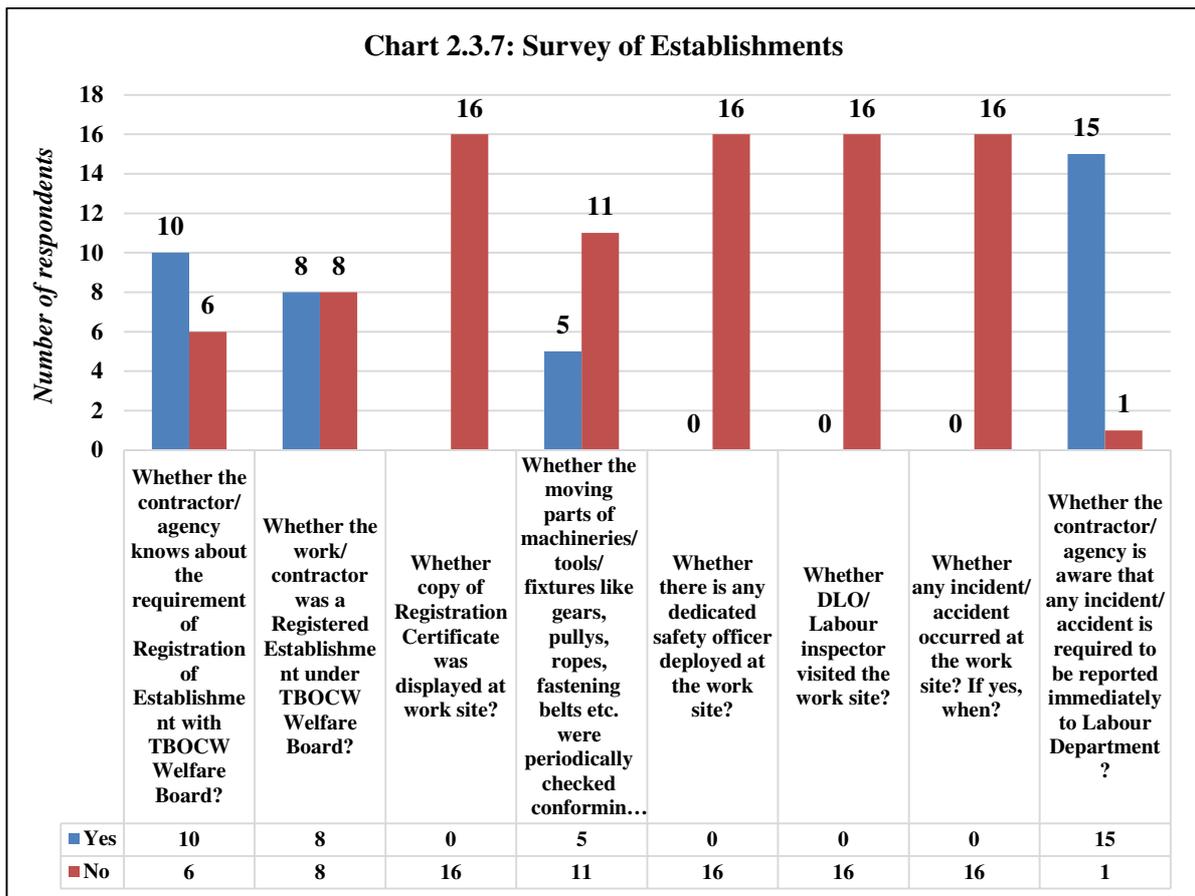
The Government may consider;

- *to re-constitute the State Advisory Committee;*
- *to constitute the grievance redressal mechanism; and*
- *to ensure regular submission of periodical returns from the employers and regular submission of annual accounts of the Board to the Principal Accountant General (Audit), Tripura for audit.*

2.3.9 Audit Survey

2.3.9.1 Audit survey of establishments

Summary of audit findings during survey (May 2023) of 16 (eight registered and eight unregistered) establishments are given in **Chart 2.3.7**.



Further, it was noticed that;

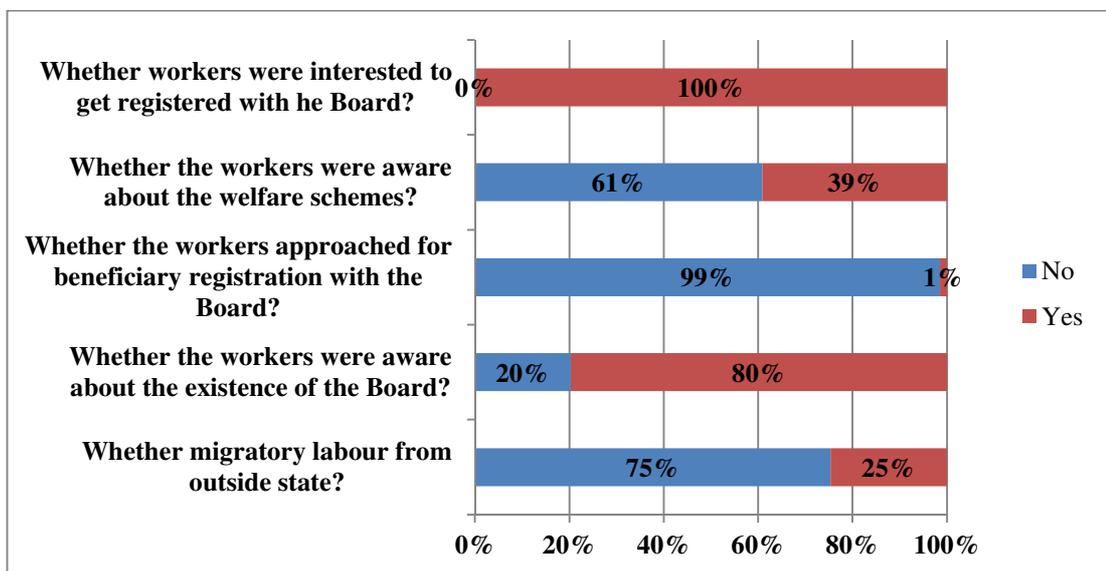
- Out of 257 BOC workers employed at the 16 work sites, only nine (3.5 per cent) workers were found registered with the Board.

- Neither the Board nor the Urban Local Body collects cess from private establishment.
- None of the establishments displayed the board mentioning the rate of wages, hours of work and name of inspector having jurisdiction as required under Rule 238 of the TBOCW Rules.
- None of the registered establishments had received the assessment order passed by the Assessment Officer.

2.3.9.2 Audit survey of un-registered BOC workers

Summary of audit findings during survey (May 2023) of 69 unregistered BOC workers are given in **Chart 2.3.8**.

Chart 2.3.8: Survey of unregistered BOC workers



It was also noticed that;

- 39 per cent workers who stated that they were aware about the schemes were actually aware of only two to five schemes out of 11 schemes those were being implemented by the Board.
- Though 80 per cent workers were aware about the existence of the Board, only one per cent of them have approached the Board for registration.

TRIBAL WELFARE DEPARTMENT

2.4 Excess expenditure

Failure of verification of genuineness of applications for hostellers' scholarship at the school/ institute level, District and Department levels led to excess payment of ₹ 1.97 crore to the day scholars at the hostellers' rate.

Ministry of Tribal Affairs (MoTA), Government of India (GoI) introduced (July 2012) a centrally sponsored scheme of Pre-matric Scholarship for needy Scheduled Tribe (ST) students studying in classes IX and X. The objective of the scheme was to support parents of ST children for education of their wards studying in classes IX and X so that the incidence of drop-out, especially in the transition from elementary to the secondary stage is minimised. Paragraph 6 of the scheme guidelines provided that the day scholars were entitled for scholarship at lower rates as compared to the hostellers. The MoTA revised the rate of scholarship from the academic session 2019-20 with effect from 1 December 2019 as given in **Table 2.4.1**.

Table 2.4.1: Rates of Scholarship

(in ₹)

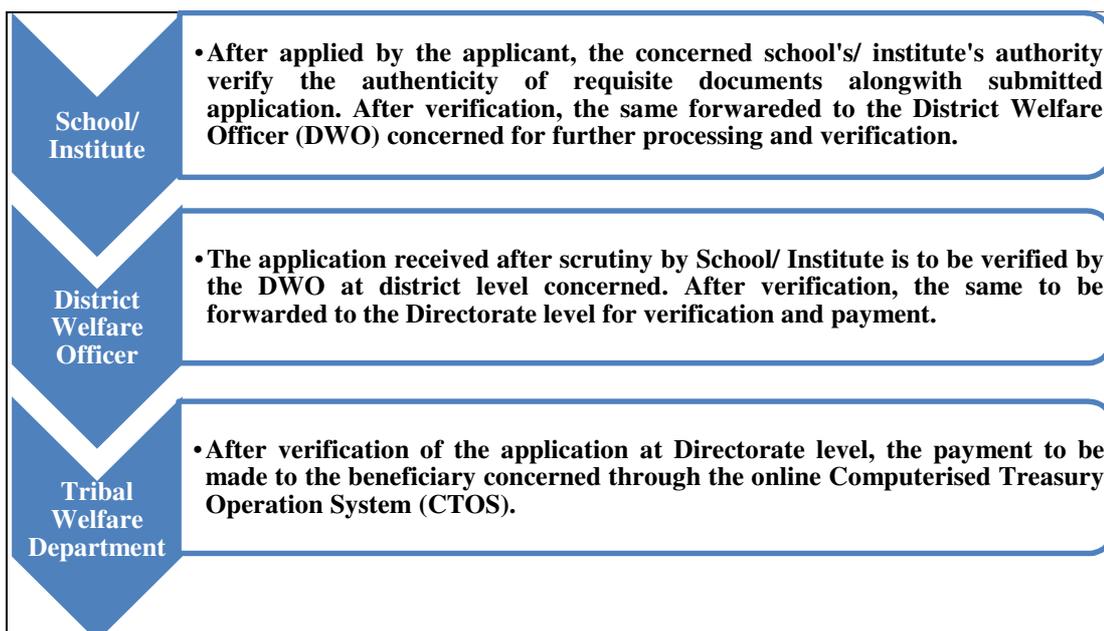
Item	Day Scholars		Hostellers	
	Pre-revised rate	Revised rate	Pre-revised rate	Revised rate
Scholarship for 10 months (<i>per month</i>)	150	225	350	525
Books and <i>Ad hoc</i> Grant (<i>per annum</i>)	750	750	1000	1000

As per paragraphs 8 and 9 of the scheme guidelines, the scholarship will be payable for 10 months in an academic year from April or from the month of admission, whichever is later, to the month in which the examinations are completed, at the end of the academic year, with the condition that if the scholar secures admission after the 20th day of a month, the amount will be paid from the month following the month of admission.

Section 10 (ii) of the scheme guidelines states that, if a student is found to have obtained scholarship by false statement, his/ her scholarship will be cancelled forthwith and the amount of scholarship paid will be recovered, at the discretion of the State Government/ UT Administration. The student concerned will be blacklisted and debarred for scholarship in any scheme forever.

The Scheme is implemented through the National Scholarship Portal (NSP) in the State. As per mechanism in the NSP, the application will be generated by the applicants through the NSP portal along with requisite information and documents, followed by three level log-in credentials for application processing and verification in this portal as detailed in **Chart 2.4.1**.

Chart 2.4.1: Three levels application processing and verification mechanism



Scrutiny (December 2022) of the data of Tribal Welfare Department, Government of Tripura pertaining to Pre-matric ST scholarship revealed that during 2017-22, 6,653 applicants (2,292 boys and 4,361 girls) were extended the excess benefit of ₹ 1.97 crore as hostellers scholarship. However, these students were studying in schools/ institutes which did not have any hostel facility as detailed in **Appendix 2.4.1**, and thus, were eligible only for day scholars' scholarship.

It was further noticed that, during 2018-22, while studying in the same school in classes IX and X, the students claimed day scholar rate in class IX and hotelier rate in class X⁷¹.

Therefore, failure on the part of the Department to verify the genuineness of student applications for hostellers' scholarship at the institute level, the District and Department levels led to excess payment of hostellers' scholarship of ₹ 1.97 crore to the student of institutes/ schools which had no hostel facility.

The Government stated (March 2023) that the institute level would be instructed to verify whether the students were hosteller or day scholar and liability would be fixed upon them in case of discrepancies. The reply of the Government, however, is silent on the failure to verify at the District and Directorate level.

Recommendation:

The government should ensure proper verification of the scholarship applications at the institute, District and Department levels to prevent payment of scholarships to ineligible students.

⁷¹ During 2018-19: 343 students, 2019-20: 151 students; 2020-21: 155 students and during 2021-22: 225 students.

TRIBAL WELFARE DEPARTMENT

2.5 Excess expenditure

Payment of pre-matric scholarship at the revised rate to beneficiaries for eight months for the year 2019-20 instead of at the pre-revised rate resulted in extra expenditure of ₹ 94.59 lakh.

Ministry of Tribal Affairs (MoTA), Government of India (GoI), introduced (with effect from 1 July 2012) a centrally sponsored scheme (funding pattern of 90:10 between Centre and State Governments) of Pre-Matric Scholarship for needy Scheduled Tribe (ST) students studying in classes IX and X. As per paragraph 8 and 9 of Pre-Matric (ST Category) scheme guidelines, the scholarship will be payable for 10 months in an academic year from April or from the month of admission, whichever is later, to the month in which the examinations are completed, at the end of the academic year with the condition that if the scholar secures admission after the 20th day of a month, the amount will be paid from the month following the month of admission. Further, in case of renewal of scholarship, it will be paid from the month following the month upto which scholarship was paid in the previous year. As per paragraph 6 of pre-matric (ST category) scheme guidelines (effective from 1 July 2012), day scholars were entitled for scholarship at lower rates as compared to the hostellers.

The MoTA revised (20 December 2019) the rate of scholarship in respect of Day Scholars and Hostellers from the academic session 2019-20 which was effective from 1 December 2019, as given in **Table 2.5.1**.

Table 2.5.1: Rate of scholarship (pre-revised and revised)

(in ₹)

Item	Day Scholars		Hostellers	
	Pre-revised rate	Revised rate	Pre-revised rate	Revised rate
Scholarship (per month)	150	225	350	525
Books and Ad hoc Grant (per annum)	750	750	1,000	1,000

Scrutiny (May 2023) of data provided (August 2022) to Audit by the Tribal Welfare Department, Government of Tripura revealed that for the year 2019-20, 3,589 and 7,391 students totalling to 10,980 were extended benefit of scholarship as hostellers and day scholars, respectively in all districts across the State.

As per revised rate of the MoTA, the scholarship should be paid at pre-revised rate for eight months (from April to November 2019) and at revised rate for two months (for December 2019 and January 2020). But the Department disbursed (last payment on 7 December 2020) the scholarship for all 10 months (from April to January) based on revised rate instead of the pre-revised rate for the first eight months. This resulted in an extra expenditure of ₹ 94.59 lakh. The details of the category-wise and district-

wise excess payment of pre-matric scholarship for the year 2019-20 are given in **Appendices 2.5.1 and 2.5.2.**

In reply, the Government stated (March 2023) that, in the financial year 2019-20, Pre-matric scholarship for ST students had been given at revised rate for all the 10 months. The scholarship amount could not be fragmented into month-wise in the National Scholarship Portal (NSP) due to which the scholarship had been paid at revised rate for 10 months.

The reply of the Government is not acceptable because the Department did not make any efforts to avoid excess payment of scholarship amount by taking up the matter with the MoTA prior to disbursement of the scholarship amounts. It was only after being pointed out by Audit that the Department informed (April 2023) the matter to the MoTA. In response, the MoTA had informed (December 2023) that ₹ 85.13 lakh (being 90 *per cent* of ₹ 94.59 lakh) would be deducted from the next release of funds.

Recommendation:

The government should ensure payment of scholarship to eligible students as per the applicable rates to avoid excess payment.

CHAPTER III: ECONOMIC SECTOR

CHAPTER III: ECONOMIC SECTOR

3.1 Introduction

This Chapter deals with the findings of audit on the State Government units under Economic Sector.

The details of the total budget allocation and expenditure of the departments under Economic Sector during the years 2022-23 are given in **Table 3.1.1**.

Table 3.1.1: Details of allocation and expenditure under Economic Sector (Non-PSEs)

(₹ in crore)

Name of the Department	Budget allocation	Expenditure
Co-operation Department	54.32	46.98
Public Works (Roads and Buildings) Department	1,734.52	1,295.45
Power Department	385.96	357.13
Public Works (Water Resource) Department	475.96	152.37
Information, Cultural Affairs Department	79.10	68.33
Industries and Commerce Department	211.93	148.01
Industries & Commerce (Handloom, Handicrafts and Sericulture) Department	44.08	35.97
Fisheries Department	165.87	77.00
Agriculture Department	608.61	404.35
College of Agriculture	8.95	6.65
Horticulture Department	155.94	95.24
Animal Resource Development Department	216.80	145.31
Forest Department	471.92	270.36
Science, Technology and Environment Department	23.90	23.10
Factories and Boilers Organisation	4.36	3.23
Information Technology Department	155.66	138.69
Tourism Department	67.03	13.37
Total number of Departments = 17	4,864.91	3,281.54

Source: Appropriation Accounts 2022-23

We audited 19 units during 2022-23 under this Sector, covering expenditure of ₹ 108.10 crore (including expenditure of the previous years).

This Chapter contains one Subject Specific Compliance Audit on “Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)” under Agriculture Department, one long Draft Paragraph on “Sand Mining in Tripura” under the Forest Department and three compliance audit paragraphs under Public Works (Water Resource), Public Works (Building) and Public Works (Roads and Building) Departments involving money value of ₹ 9.81 crore.

AGRICULTURE AND FARMERS WELFARE DEPARTMENT

3.2 Subject Specific Compliance Audit on “Implementation of Pradhan Mantri Kisan Samman Nidhi Scheme in Tripura”

3.2.1 Introduction

3.2.1.1 Overview of the Scheme

Pradhan Mantri-Kisan Samman Nidhi (PM-KISAN) Scheme is a central sector scheme with 100 *per cent* funding by the Government of India (GoI), being implemented under the Direct Benefit Transfer (DBT) mode. The Scheme aims to provide farmers having cultivable land with financial support of ₹ 6,000 per annum per farmer family payable in three equal instalments of ₹ 2,000 each in every four months. The scheme was effective from December 2018 for transfer of benefit to eligible beneficiaries.

Initially the scheme was admissible only to small and marginal farmers (SMF) with combined landholding upto two hectares. The revised scheme guidelines (June 2019) extended the benefits to all farmer families irrespective of the size of their holdings.

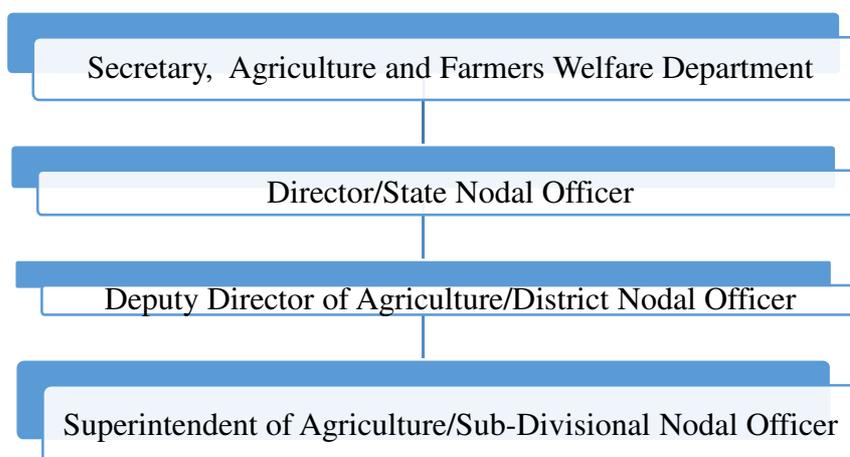
Land holding (cultivable land) is the main criteria to avail the benefit. Agriculture land used for non-agriculture purposes are not covered under the scheme. Similarly, farmers falling under certain specified categories of higher economic status are not covered under the scheme. Unique Biometric Identification Number seeded bank account of beneficiary is mandatory for release of all instalments with effect from December 2019.

3.2.1.2 Organisational set-up

In Tripura, PM-KISAN scheme is implemented through the Agriculture and Farmers Welfare Department, Government of Tripura (GoT) as the nodal department. Under the Department, a State Nodal Officer at the rank of Director has been appointed.

Chart 3.2.1 illustrates the organisational set-up of implementation of PM-KISAN.

Chart 3.2.1: Organisational set-up for implementation of PM-KISAN

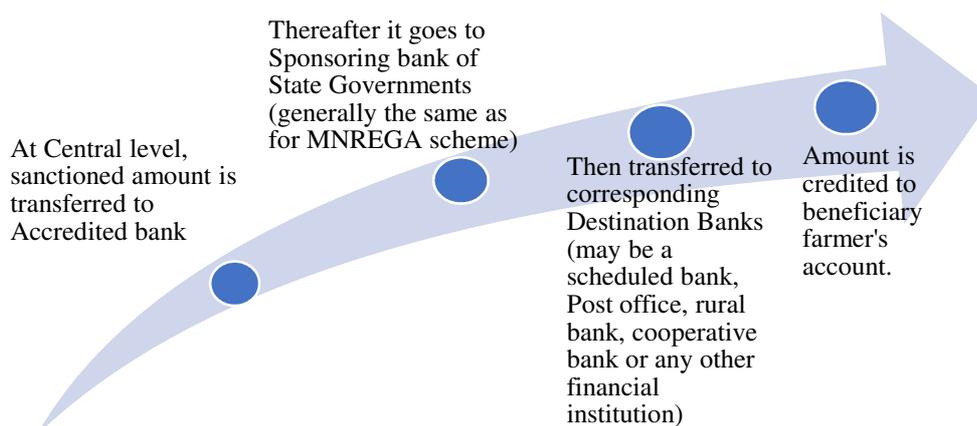


Source: Information furnished by the Department

3.2.1.3 Transaction flow

Financial benefit of the scheme is transferred to the bank accounts of the beneficiaries, held in destination banks, through the accredited bank of the Ministry of Agriculture, Cooperation and Farmers Welfare (MAC&FW), Government of India (GoI) and the sponsoring bank of the State Government⁷², using the Public Financial Management System (PFMS). The banking transaction is managed and monitored by National Payments Corporation of India (NPCI). The transaction flow is given in **Chart 3.2.2**.

Chart 3.2.2: Transaction flow



Source: PM-KISAN guidelines

3.2.1.4 Audit objectives

The audit objectives were to assess the:

- efficiency and effectiveness of the system put in place for identification and verification of beneficiaries by the State Government.
- financial management of the scheme including processing of payments to the beneficiaries, DBT, refunds, and their accounting; and
- efficiency and effectiveness of the monitoring mechanisms for the scheme.

3.2.1.5 Audit scope, methodology and sampling

The SSCA on implementation of PM-KISAN was conducted covering the period from 2018-19 to 2022-23. Audit examined the records of the Directorate of Agriculture (DoA), Deputy Director of Agriculture (DDA) of the three sampled districts and Superintendent of Agriculture (SA) of six sub-divisions. Besides, beneficiary survey was conducted in the sampled districts.

For conducting the audit, three⁷³ out of eight districts (38 *per cent*) in the State was selected through random sampling process taking saturation level as the criteria. From the three sampled districts, six blocks⁷⁴ (two blocks from each of the three sampled

⁷² State Bank of India

⁷³ Sepahijala, Khowai and North Tripura Districts

⁷⁴ Mohanbhog and Charilam under Sepahijala District, Padmabil and Teliamura under Khowai District and Panisagar and Laljuri under North Tripura District

districts) were selected for the audit. From each of the six sampled blocks, 18 villages (three villages from each of the sampled blocks) were selected for the purpose of the audit. Selection of both the blocks and villages were done through simple random sampling method.

In addition, 270 beneficiaries (15 beneficiaries from each of the 18 sampled villages) were selected through simple random sampling for verification of beneficiary records.

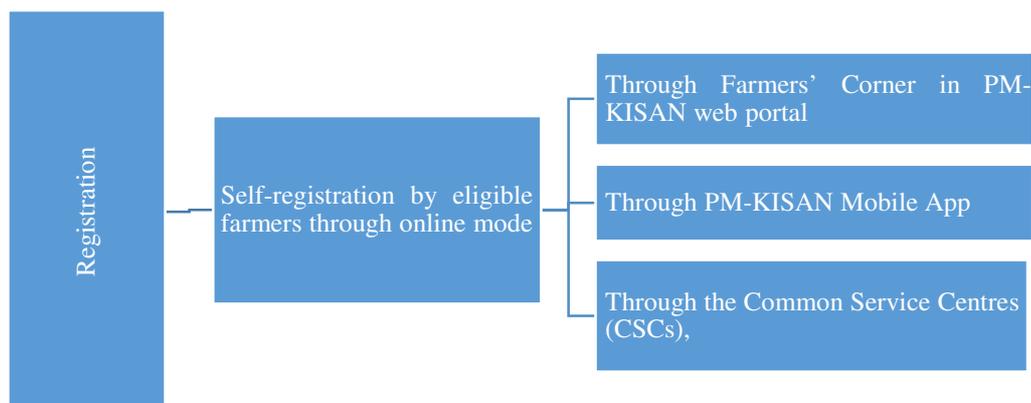
3.2.2 Audit findings

Audit objective 1 To assess the efficiency and effectiveness of the system put in place for identification and verification of beneficiaries by the State Government

3.2.2.1 Non-approval of self-registered farmers

Paragraph 3.3.1 of the User Manual for PM KISAN portal stipulates that a facility for approval of self-registered farmers has been provided to both State and district level users. It is the responsibility of State Government to verify the applications of the farmers submitted online. State Government need to ensure that the farmer is legitimate and is eligible for registration under the scheme. The method of self-registration process of the scheme is shown in **Chart 3.2.3**.

Chart 3.2.3: Self-registration process

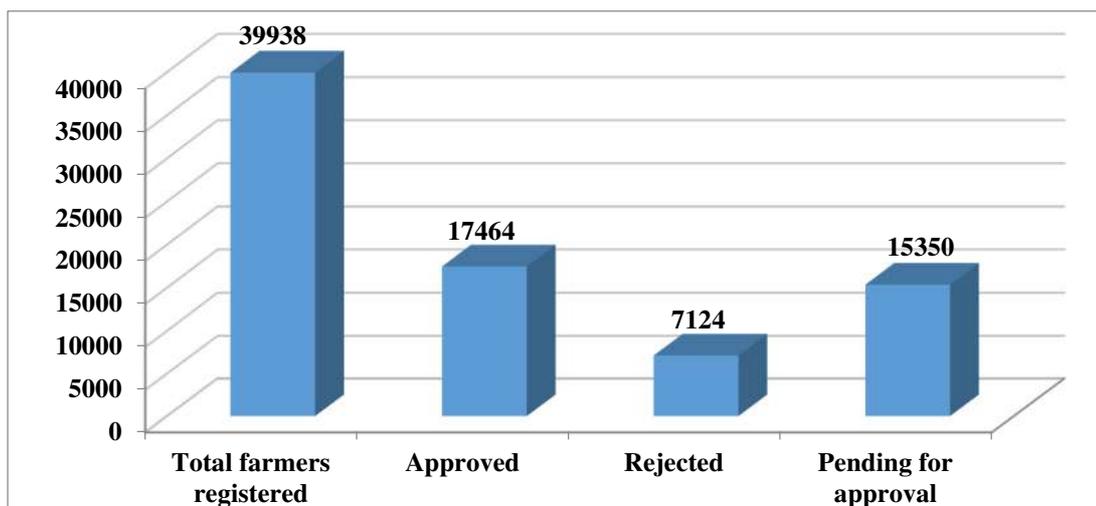


Source: User Manual of PM-KISAN portal

Farmers have been provided with the facility of self-registering themselves under PM-KISAN scheme. The farmers who have self-registered themselves by adopting any of the above methods were to be approved by the State Nodal Officer (SNO). The State approved farmers' records will then pass through the entire process of validation to proceed with the payments.

Scrutiny of the status report of self-registered farmers (SRFs) of the State revealed that a sizeable number of SRFs were pending for approval as depicted in the **Chart 3.2.4**.

Chart 3.2.4: Status of SRFs as of March 2023



Source: PM-KISAN portal

Thus, due to non-approval of SRFs by the Department, 15,350 farmers (as on 21 March 2023) were denied the intended scheme benefits.

The SNO informed (March 2024) audit that the Department did not deploy manpower to clear the pending applications.

In reply, the Government stated (December 2023) that approval of SRF requires physical presence of the farmer along with related documents for verification in the Sub-Division/ Block. The approval of SRFs is continuing and the pendency is getting reduced and is 11,854 as of December 2023.

The reply is not acceptable because the Department did not take appropriate steps like deployment of adequate manpower, fixing timeframe for clearance of pendency *etc.* Therefore, only 3,496 pending cases (23 per cent) were cleared during the period from March 2023 to December 2023.

3.2.2.2 Non-linking of land records with Unique Biometric Identification Number, bank account and mobile number

Paragraph 6.3 of the operational guidelines of the scheme stipulates that the existing land-ownership system in the concerned State will be used for identification of beneficiaries. Accordingly, it is of utmost importance that the land records are clear and updated. State will expedite the progress of digitisation of the land records and linking the same with Unique Biometric Identification Number and bank details of the beneficiaries.

Further, Revenue Department, Government of Tripura decided (July 2011) that the Unique Biometric Identification Number card number of the land holders should be incorporated in Computerised Khatian and Manual Khatian at the end of address of each land holder.

Scrutiny of the records revealed that though the land records were fully computerised and digitised by the Directorate of Land Records and Settlement (DLR&S), Revenue

Department, Government of Tripura, the land records were not linked with the Unique Biometric Identification Number number, bank account and mobile number of the respective landowners. The DLR&S informed (December 2021) audit that the programme for Unique Biometric Identification Number seeding with the Record of Rights (RoR)⁷⁵, integration of bank account details and mobile numbers was under process. However, the reasons for non-linking the land records with Aadhar, mobile number and bank account number were not provided.

Due to non-linking of the land records with the Unique Biometric Identification Number, bank details, *etc.* of the respective landowners, the eligibility of the scheme beneficiaries were not properly ensured.

In reply, Government stated (December 2023) that the issue is being pursued with the DLR&S. Further, a comprehensive farmer database of the State with the land linking and Geo-referencing of village map is now under preparation which may take considerable time. But the Government remained silent on the timelines for completion of the process.

3.2.2.3 Selection of ineligible beneficiaries

Paragraph 3 and Paragraph 4.1 (a) and (b) of the operational guidelines of the scheme stipulates that a landholder farmer's family is defined as "a family comprising of husband, wife and minor children who own cultivable land as per land records of the concerned State". Only one member from the defined farmer family is entitled to the scheme benefits. All institutional landholders and farmer families in which one or more of its members, *inter alia*, belong to following categories shall not be eligible for the benefit under the scheme.

- Former and present Ministers/ State Ministers and former/ present Members of Lok Sabha/ Rajya Sabha/ State Legislative Assemblies/ State Legislative Councils, former and present Mayors of Municipal Corporations, former and present Chairpersons of District Panchayats
- All serving or retired officers and employees of Central/ State Government ministries/ offices/ departments and their field units, Central or State Public Sector Enterprises (PSEs) and attached offices/ Autonomous Institutions under Government as well as regular employees of the Local Bodies (excluding Multi-Tasking Staff/ Class IV/ Group D employees)
- All superannuated/ retired pensioners whose monthly pension is ₹ 10,000 or more (excluding Multi-Tasking Staff/ Class IV/ Group D employees)
- All persons who paid Income Tax in last assessment year.

⁷⁵ The ROR is the primary record of land that proves the rights on land belongs to a particular landowner of that property. The right to record holds the information of property transactions.

- Professionals like Doctors, Engineers, Lawyers, Chartered Accountants, and Architects registered with professional bodies and carrying out profession by undertaking practices.

Scrutiny of records revealed that there were ineligible beneficiaries under PM-KISAN scheme in the State as discussed in **Paragraphs 3.2.2.3(i) to 3.2.2.3(iv)**.

3.2.2.3(i) Payment to ineligible beneficiaries

Paragraph 4.7 of the User Manual for PM KISAN portal stipulates that, in case, a farmer dies or is identified as ineligible at any point of time by the State/ field functionaries, the portal has been equipped with the function to permanently stop processing any future payments under this scheme to this farmer. This can be done by 'Death/ Ineligibility Cases' window provided in the correction module. Paragraph 4.8 of the User Manual stipulates that if the farmer's records have been marked as 'Death/ Ineligibility Cases', it must be approved by the SNO to mark them for permanent deletion from the system.

Scrutiny of the database of PM-KISAN revealed that 2911 beneficiaries were found to be ineligible up to March 2023 due to various reasons (untraceable, not having land ownership, beneficiaries do not belong to State, retired or serving government employees, and other exclusion criteria). Out of 2,911 beneficiaries, 2,763 ineligible beneficiaries were extended the benefit amounting to ₹ 4.18 crore⁷⁶, 127 beneficiaries did not receive any instalment and ineligibility of remaining 21⁷⁷ were revoked by the SNO. The district-wise number of ineligible beneficiaries detected, and total payments credited to their accounts are given in **Appendix 3.2.1**.

It was further noticed that out of the ₹ 4.18 crore, ₹ 4.44 lakh was credited to 173 beneficiaries even after the date of ineligibility request made by the field functionaries. This included ₹ 3.60 lakh credited to 151 beneficiaries due to non-implementation of 'Stop Payment activities' after acceptance of ineligibility by the SNO.

In reply, the Government stated (December 2023) that stop payment activities were revamped and continued with verification of opened lots by the district level and the process of recovery was also under implementation with support of the sponsoring banks. 365 stop payment activities had been performed by the SNO level during the period from April 2022 to March 2023.

The reply is not acceptable as a huge amount of benefit was extended to ineligible beneficiaries. Ineligibility requests of the field functionaries were also not accepted promptly. Further, the stop payment activities were not implemented in the cases of 151 ineligible farmers.

⁷⁶ This includes ₹ 4.96 lakh credited to 43 government employees separately mentioned in **Paragraph 3.2.2.3(ii)**.

⁷⁷ Out of 21 beneficiaries, seven beneficiaries received payment after revocation, payment of four beneficiaries was under process and payment status of remaining 10 beneficiaries was not available in the payment database.

3.2.2.3 (ii) Payment to the employees of Government of Tripura

Cross-check of the PM-KISAN database with Human Resource Management System (HRMS) managed by the Finance Department, Government of Tripura revealed that 337 out of 2,44,072 beneficiaries were State Government employees (Group B and Group C). Out of 337 beneficiaries, 297 (88 per cent) were registered through departmental login and the remaining through self-registration. A payment of ₹ 47.84 lakh was paid to 337 ineligible beneficiaries upto March 2023 in violation of scheme guidelines. The district-wise beneficiaries detected in audit, and total payments credited to their accounts are given in **Appendix 3.2.2**.

In reply, the Government stated (December 2023) that the DDAs are instructed to carry out verification if any of those are still active in the portal. However, inbuilt mechanism is functional now for removal of all those defaulters. Agriculture Department would take up the matter with the related departments to take appropriate action for recovery of the money from them.

3.2.2.3(iii) Payment to beneficiaries post their death

Scrutiny of the database of PM-KISAN revealed that 1155 beneficiaries were marked as dead up to March 2023. Out of 1,155, ₹ 54.20 lakh was credited to 848 beneficiaries post their death. The district-wise number of deceased beneficiaries detected, and total payments credited to their accounts are given in **Appendix 3.2.3**.

It was also noticed that ₹ 2.36 lakh, out of ₹ 54.20 lakh, was credited to 111 beneficiaries after the date of their ineligibility request made by the field functionaries. This consisted of ₹ 2.08 lakh credited to 97 beneficiaries due to non-implementation of 'Stop Payment activities' after acceptance of ineligibility by the SNO.

In reply, the Government stated (December 2023) that stop payment activities were revamped and continued with verification of opened lots by the district level and the process of recovery was also under implementation with support of the sponsoring banks. 365 stop payment activities had been performed by the SNO level during the period from April 2022 to March 2023.

The reply is not acceptable as a huge amount of benefit was extended to beneficiaries post their death. Ineligibility requests of the field functionaries were also not accepted promptly. Further, the stop payment activities were not implemented in the cases of 97 deceased farmers.

3.2.2.3(iv) Financial benefit to Income Tax payee farmers

Scrutiny of the database of the PM-KISAN revealed that 1,693 income taxpayers were registered as beneficiaries. The district-wise number of income tax payee farmers and total payments credited (₹ 2.27 crore) to the accounts of 1,637 beneficiaries are detailed in **Appendix 3.2.4**. Out of 1,693 beneficiaries, 56⁷⁸ beneficiaries did not receive any instalment.

⁷⁸ The beneficiaries were identified as IT payee before disbursement of the scheme benefit.

In reply, the Government stated (December 2023) that the process of recovery from the income taxpayers is under implementation with the support of the sponsoring banks and also, such individuals are de-registered in portal through inbuilt mechanism after physical verification. A payment of about ₹ 17 lakh had been recovered from ineligible farmers.

The reply is not acceptable because lapses in scrutiny of applications and approval led to extending the scheme benefits to the ineligible beneficiaries.

3.2.2.4 Ineligible beneficiaries noticed out of the sampled beneficiaries

3.2.2.4(i) Beneficiaries received benefits without land ownership

Paragraph 3 of the operational guidelines of the scheme stipulates that a landholder farmer's family is defined as "a family comprising of husband, wife and minor children who owns cultivable land as per land records of the concerned State". The existing land-ownership system should be used for identification of beneficiary for calculation of benefit.

In 29 cases, land ownership was found in favour of persons other than the beneficiaries. But those beneficiaries received the scheme benefit of ₹ 6.74 lakh without land ownership. Details are shown in the **Appendix 3.2.5**.

In reply, the Government stated (December 2023) that 38,047 farmers are cultivating in their ancestral piece of land and the matter was also discussed with the PM-KISAN Division, GoI. GoI modified the guidelines and uploading of land details is not mandatory in seven States including Tripura. Besides, a detailed survey was being conducted for preparation of a comprehensive farmer database having land linked to their activity. Out of 29 objected beneficiaries, a random verification was conducted against six cases. The Government, however, did not take action in respect of the remaining 23 beneficiaries.

3.2.2.4(ii) Benefits extended to the beneficiaries holding non-agriculture land

Paragraph 1 of operational guidelines of the scheme provides income support to all landholding farmers' families in the country, having cultivable land.

Scrutiny of the self-declaration forms (SDFs) of sampled beneficiaries along with relevant documents revealed that benefits were disbursed to seven beneficiaries of ₹ 1.82 lakh who did not possess agricultural land, in violation of the scheme guidelines. Details are shown in the **Appendix 3.2.6**.

In reply, the Government stated (December 2023) that the de-registration of ineligible beneficiaries after physical examination is being done to remove all such cases and the Deputy Director of Agricultures (DDAs), Superintendent of Agricultures (SAs) including Village Nodal Officers (VNOs) were directed to verify such cases and over 17,652 cases were made ineligible and de-registered from the portal.

3.2.2.5 Denial of benefit to the beneficiaries

3.2.2.5(i) Short disbursement of instalments

Paragraph 5.4 of the operation guidelines of the scheme regarding methodology for calculation of benefit stipulates that the beneficiaries, whose names are uploaded in PM-KISAN portal by the State in a particular four-month period/ trimester, shall be entitled to receive benefit for that trimester and for further instalments pertaining to the subsequent trimesters for that financial year.

Further, as per the instructions issued (June 2019) by the Ministry of Agriculture, Cooperation & Farmers Welfare (MAC&FW), Government of India (GoI), release of benefits to the beneficiaries should commence from the four-monthly period in which their names have been identified and the data uploaded in PM-KISAN portal during the same period and subsequent release of instalments would be done for the remaining four-monthly periods of that financial year onwards.

However, it was noticed in the status report (March 2023) of the beneficiary that as many as 1,106 beneficiaries registered under the scheme were not extended the benefit of first instalment of ₹ 22.12 lakh pertaining to the trimester during which they were registered. Besides, first to fourth instalments amounting to ₹ 1.34 lakh were not released to 19 beneficiaries. As such, short disbursement of instalment of ₹ 23.46 lakh (*i.e.*, ₹ 22.12 lakh *plus* ₹ 1.34 lakh) was made to 1,125 beneficiaries (1,106 beneficiaries *plus* 19 beneficiaries). Details are shown in **Appendix 3.2.7**.

In reply, Government stated (December 2023) that request for fund transfers (RFTs) against opened lots were finally signed and uploaded in due time by the State. Further, there was no role to be played by the State.

The reply is not acceptable as the SNO inadequately monitored the PM-KISAN portal-interface wherein option namely 'Overall Summary Report' under 'Report' provides period-wise details of payments made to the farmers and also gives the details of farmers registered during a trimester, the records which were validated along with number of farmers who were paid the due instalments during that trimester. As such, the SNO's inadequate supervision/ monitoring relating to post RFT activities *viz.*, disbursement to actual number of beneficiaries against RFT⁷⁹ raised, subsequent corrective actions pertaining to non-paid beneficiaries, *etc.* led to such short disbursements.

3.2.2.5(ii) Non-authentication of beneficiaries' records with unique biometric identity

Paragraph 10.2 of operational guidelines of the scheme stipulates that the Scheme is being implemented through an Unique Biometric Identification Number linked electronic data base containing details of all members of the families of the farmers whose names appear in the land records. For transfer of the financial benefits to the

⁷⁹ Authority could not furnish the instalment wise RFTs raised for the beneficiaries, though called for (December 2023).

eligible farmers, Unique Biometric Identification Number shall be collected for all beneficiaries, since payment shall be done only on the basis of Unique Biometric Identification Number seeded database.

Further, the Ministry advised (March 2019) the State Governments and nodal officers (PM-KISAN) to make all out efforts for Unique Biometric Identification Number seeding of database. The Ministry also allowed the State Governments to spend fund from the administrative expenses released by the GoI under the scheme, if they hired the agencies authorised by the UIDAI who could undertake Unique Biometric Identification Number authentication of beneficiaries by going from house to house.

Scrutiny of the unique biometric identity Status Report (June 2023) revealed that 21,061 out of 28,050 records rejected during unique biometric identity authentication were corrected while 6,989 records were pending for correction. It was also noticed that 1,856 out of 8,349 invalid unique biometric identities were corrected and 6,493 records were pending for correction. Moreover, the State did not hire any agency for Unique Biometric Identification Number authentication.

In reply, the Government stated (December 2023) that the Directorate is supporting to resolve all techno-digital issues. Therefore, the dedicated agency involving huge expenditure was not considered by the Department. A 40 days' duration campaign is planned from 6 December 2023 to 15 January 2024 to include the last mile eligible farmer in the scheme.

Audit objective 2 To assess financial management of the scheme including processing of payments to the beneficiaries, DBT, refunds, and their accounting

3.2.2.6 Transfer to doubtful/ ineligible bank accounts

3.2.2.6(i) Disbursement of scheme benefits to the doubtful beneficiaries

The Ministry instructed (February 2019) that the field functionaries, while taking the declarations from the beneficiaries for not being in the exclusion category and consent for use of their Unique Biometric Identification Number, should ensure that the information captured related to names, Unique Biometric Identification Number number, bank account number and IFSC Code should be accurate.

Further, before launching the scheme, the Chief Secretary (CS), Government of Tripura instructed (February 2019) the Department to collect IFSC code of all banks of the State from the lead Bank Managers and circulate to all field functionaries.

Scrutiny of the payment database of PM-KISAN revealed that 337 beneficiaries of sampled districts possessed bank accounts outside⁸⁰ the State of Tripura wherein ₹ 43.50 lakh were credited as scheme benefit to such beneficiaries (up to March 2023). District-wise such disbursements are shown in the **Table 3.2.1**.

⁸⁰ Worked out on the basis of IFSC of Banks

Table 3.2.1: District-wise disbursement of instalments to the bank accounts outside State

Name of the district	Number of untraceable/ ineligible beneficiaries	Number of instalments disbursed	Amount involved (₹ in lakh)
Khowai	25	188	3.76
North Tripura	205	1,784	35.68
Sepahijala	107	203	4.06
Total	337	2,175	43.50

Source: SNO and beneficiary status report on PM-KISAN web portal

Further, the concerned field functionaries (Deputy Directors of Agriculture) replied (September-October 2023) that the beneficiaries mentioned in **Table 3.2.1** were ineligible/ untraceable. Moreover, the documents as proof of their residency in Tripura, such as ration card, Permanent Resident of Tripura Certificate (PRTC), land records, etc. of those beneficiaries have not been furnished to audit.

In absence of residential proof of the beneficiaries, ₹ 43.50 lakh was disbursed to the doubtful beneficiaries.

In reply, Government stated (December 2023) that registration under the scheme was continued under multi-facet mode, verification of such cases under SNO was also continued along with de-registration of ineligible cases. As of now, 2,912 such individuals⁸¹ were identified and made ineligible in Khowai, North Tripura and Sepahijala Districts respectively. The process of screening in accordance with existing guidelines of the scheme was continued and expected to be completed by 15 January 2024. But the Government reply remained silent on identification of 337 beneficiaries having bank accounts outside State.

3.2.2.6(ii) Benefit credited into wrong bank account

Test check of handwritten grievances revealed that PM-KISAN benefits in respect of 30 beneficiaries, ₹ 3.62 lakh were credited to wrong bank accounts. As a result, the beneficiaries were deprived from getting the scheme benefits. Details are shown in **Appendix 3.2.8**.

In reply, Government stated (December 2023) stated that the PM-KISAN scheme initially was guided for distribution of benefit through the bank account and the process continued up to third instalment. Subsequently, fund transfer was adopted under Aadhaar Based Payment System (ABPS) mode and correction made for bank accounts was not active in the portal at present. As such, the SNO had no role to play for correction of bank accounts.

The reply is not acceptable because the SNO could get the bank accounts corrected by pursuing the matter with the banks. Further, the grievances could not be redressed within two weeks of time by State/ District Level Grievances Monitoring Committees as stipulated in the scheme guidelines.

⁸¹ 940 in Khowai District, 711 in North Tripura District and 1,261 in Sepahijala District

3.2.2.6(iii) Release of instalments to the beneficiaries having the same Bank account number

Paragraph 4.1 of the operation guidelines of the scheme stipulates that State Government should prepare database of eligible beneficiary landholder farmer families in the villages capturing the Name, Age, Gender, Category (SC/ ST), Unique Biometric Identification Number, Bank Account Number, IFSC Code.

Scrutiny of the PM-KISAN database revealed that by pre-fixing zeros (to the extent of six zeros) to the same bank account number, multiple beneficiaries were registered and after registration, financial benefits of ₹ 10.80 lakh ranging from one instalment to 13 instalments were released to 156 beneficiaries which were ineligible/ not traceable/ PFMS rejected beneficiaries out of 169 beneficiaries belonging different groups of same bank account during the period from February 2019 to March 2023. Details are shown in **Appendix 3.2.9**.

Therefore, ₹ 10.80 lakh was irregularly disbursed to 156 ineligible/ inactive beneficiaries.

While accepting the fact, the Government stated (December 2023) that those were mostly related to funds transfer during 2019 and 2020 up to third instalment. It added that fund transfer was then adopted under Aadhaar Based Payment System (ABPS) mode and correction mode for bank accounts was not active. Awareness campaign regarding linking of bank accounts with Unique Biometric Identification Number was being continued.

The reply is not acceptable as the cases were found for 4th instalment to 13th instalment during 2021, 2022 and 2023.

3.2.2.7 Refund of funds

Standard Operating Procedure (SoP) issued (April 2021) by the GoI provides framework/ mechanism for recovery of funds, which has been credited to ineligible/ death/ income tax/ wrong account beneficiaries and refund of money from State account to Central Department account through 'Non-Tax Receipts portal (NTRP)'.

Scrutiny of the bank account opened by the Department for return of scheme benefits revealed that the Department had recovered ₹ 10.71 lakh (1.53 *per cent*) from the ineligible beneficiaries (up to March 2023) against ₹ 6.99 crore⁸² which was required to be recovered from ineligible beneficiaries. On the contrary, recovery status report of the PM KISAN portal revealed that only ₹ 3.24 lakh was recovered (May 2023) from the ineligible beneficiaries and was also communicated to the State Level Bankers Committee. Thus, recovery of funds transferred to ineligible beneficiaries was very slow. Further, it also showed that the recovery cases were not mapped correctly in the PM-KISAN portal in violation of the SoP.

⁸² ₹ 6.99 crore = ₹ 4.18 crore {**Paragraph 3.2.2.3(i)**} plus ₹ 0.54 crore {**Paragraph 3.2.2.3(iii)**} plus ₹ 2.27 crore {**Paragraph 3.2.2.3(iv)**}

In reply, the Government stated (December 2023) that after deregistration of the farmers, it poses some challenges to make recovery of benefit transferred to their accounts. All necessary steps for recovery had been completed and almost ₹ 17 lakh had already been credited to the State recovery account. Recovery in the government account was continued.

The reply is not acceptable because the rate of recovery was very slow and moreover, the Department did not reconcile the mismatch of recovery amounts as shown in the portal with recovery reflected in the bank account opened for the purpose.

3.2.2.8 Failed transactions

A transaction is considered as failed when the transaction is returned or rejected by bank or NPCI. The payment response against each record is received from PFMS from Banks/ NPCI and the same is passed on to PM-KISAN portal. A report is made available to the States where they can see the list of failed transactions with the reason of failure against each record.

As per the Scheme portal, opportunity would be opened to the States for correction of the bank account details on receipt of response from PFMS as “transaction failure”. The records which need no bank account correction will be processed by the system automatically.

Analysis of the Transaction Failure report generated from the PM-KISAN portal revealed 3,032 failed transactions during 2018-23. The reasons and number of transaction failures are indicated in **Table 3.2.2**.

Table 3.2.2: Detail of reasons for failed transactions as of March 2023

Sl. No	Reasons	No. of cases	Percentage
1	Account blocked or frozen	165	5.44
2	Unique Biometric Identification Number number not mapped to account number	140	4.62
3	Account closed	2,217	73.12
4	Account closed or transferred	40	1.32
5	Account under litigation	4	0.13
6	Non-existence of account	68	2.24
7	Other reasons for failed transactions ⁸³	398	13.13
Total		3,032	100

Source: PM-KISAN database

It can be seen from **Table 3.2.2** that 2,634 out of 3,032 failed transactions (87 per cent) were related to bank accounts and 68 failed transactions (2.24 per cent) were due to inaccurate data entry by the Department. It was observed that details of failed

⁸³ Unique Biometric Identification number de-seeded from NPCI mapper by bank - customer to contact his/ her bank, Account Holder Expired, Document Pending for Account Holder turning Major, Inactive Unique Biometric Identification Number, Invalid account type (NRE/ PPF/ CC/ Loan/ FD), etc.

transactions were not shared with the beneficiaries and no attempt was made to obtain their correct bank details.

In reply, the Government stated (December 2023) that the awareness campaign regarding linking of bank accounts with Aadhar was being continued for completion of e-KYC to avoid transaction failure.

3.2.2.9 Non-utilisation of administrative expenses

Paragraph 8.3 of operational guidelines of the scheme stipulates that 0.125 per cent for the amount of instalments transferred to beneficiaries, can be transferred by the Centre to the State Government to cover the expenditure on their Project Monitoring Units (PMUs) and for meeting other related administrative expenses including cost to be incurred for procurement of stationary, field verification, filling of prescribed formats, their certification and its uploading as well as incentive for field functionaries, publicity, etc.

Further, the Ministry had also allowed the State Governments to spend fund from the administrative expenses released by the GoI under the scheme, if they hired the agencies authorised by the UIDAI who could undertake Unique Biometric Identification Number authentication of beneficiaries by going from house to house.

During 2018-19 to 2022-23, the Department received ₹ 51.08 lakh, for meeting the administrative expenses. Out of ₹ 51.08 lakh, the Department could utilise only ₹ 34.59 lakh leaving a balance of ₹ 16.49 lakh as of March 2023.

It was, however, noticed in audit that no publicity had been made in spite of availability of adequate fund during the years 2020-21 and 2021-22 to create better awareness among the farmers on the coverage and inclusion/ exclusion criteria of the scheme.

In reply (December 2023), the Government stated that expenditure of the said fund was committed against different digital activities including issuance of public notice through print and electronic media as per need basis. Further, no additional fund had been allocated during the years 2022-23 and 2023-24. The Department decided to utilise the unspent balance towards organising special campaign scheduled during the period from 6 December 2023 to 15 January 2024.

Audit objective 3: To assess efficiency and effectiveness of the monitoring mechanisms for the scheme

3.2.2.10 Monitoring Committee not constituted

Paragraph 7.1 of operational guidelines of the scheme stipulates that there should be stratified review/ monitoring mechanism at National/ State/ District levels. The National Level Review Committee (NLRC) should be headed by the Cabinet Secretary. The States should notify the State and District Level Review/ Monitoring Committees.

It was noticed that State and District Level Review/ Monitoring Committees were not constituted during 2018-19 to 2022-23. This indicates that there was inadequate monitoring at the State and District levels for effective implementation of the Scheme.

This aspect assumes greater importance, given the irregularities in identification of beneficiaries, payment to 5,542 ineligible beneficiaries amounting to ₹ 7.42 crore, denial of benefits to beneficiaries, *etc.* as discussed in **Paragraphs 3.2.2.3(i), 3.2.2.3(ii), 3.2.2.3(iii) and 3.2.2.3(iv).**

In reply, the Government stated (December 2023) that there were 539 Village Nodal Officers, 58 Block Nodal Officers and eight District Nodal Officers activated across the State. Besides, the Secretary of Agriculture and Farmers Welfare, Director of Agriculture review the progress at a regular interval and monitor the implementation of the scheme. However, the grievance monitoring committee headed by the Secretary, Agriculture and Farmers Welfare, Tripura at State level and District Magistrate & Collector in the district level had been constituted in January 2022.

The reply is not acceptable because ₹ 7.42 crore had been disbursed to ineligible beneficiaries due to inadequate monitoring at State, District and Block levels.

3.2.2.11 Physical verification of beneficiaries

Paragraph 10.5 of operational guidelines of the scheme stipulates that the State is required to undertake physical verification of around five *per cent* of the beneficiaries for the eligibility during the year. The State is required to conduct the physical verification of the beneficiaries randomly selected by the Ministry. Details of those beneficiaries are made available on the PM KISAN portal for verification.

It was noticed (September 2023) in audit that no physical verification as stipulated in the guidelines was conducted during the year 2019-20. However, physical verification was conducted during 2020-21 and 2021-22⁸⁴ and the result of verification is shown in **Table 3.2.3.**

Table 3.2.3: Year-wise details of physical verification conducted during 2020-22

Year	Verific ation percen tage	Total	Reported eligible	Reported ineligible / Death	Verification conducted (4)+(5)	Verification pending (3)-(6)	Shortfall (in percentage)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2020-21	5	10,137	8,084	679	8,763	1,374	13.55
2021-22	10	19,234	12,516	1,052	13,568	5,666	29.45
Total		29,371	20,600	1,731	22,331	7,040	43.01

Source: Records furnished by the SNO

From **Table 3.2.3**, it can be seen that the State had conducted only 43 *per cent* of the total randomly selected beneficiaries.

The SNO informed (November 2023) that the physical verification was not conducted during the year 2022-23 as Ministry did not set target for the same.

If the State had completed the physical verification of remaining beneficiaries, then ineligible beneficiaries could have been weeded out.

⁸⁴ Ministry selected 10 *per cent* instead of five *per cent*

In reply, the Government stated (December 2023) that target and selection of random farmer for physical verification during the year 2022-23 had not been made available in the portal by the GoI. However, the Department was continuing the completion of the remaining 5,745 physical verification of 2020-21 and 2021-22 for saturation of more farmers under the scheme during the special campaign scheduled during 6 December 2023 to 15 January 2024.

3.2.2.12 Excess advertisement cost paid to the newspaper agencies

Paragraph 8.1 of operation guidelines of the scheme stipulates that there will be a dedicated Project Monitoring Unit (PMU) at State level to monitor and coordinate with the Central Government with regard to implementation of Income Support Scheme. It shall also undertake publicity campaign (Information, Education and Communication-IEC) in the State.

The SNO published advertisement of the self-declaration form (SDF) for information, awareness and seeking applications from the eligible farmers for availing benefits under the scheme.

Scrutiny of the records revealed that the SNO paid ₹ 15.48 lakh for display of advertisement in the newspapers against the admissible amount of ₹ 10.83 lakh {as per clause 12 and 13 of Tripura Advertisement Guidelines (Third Amendment), 2014⁸⁵}. This resulted in excess payment of ₹ 4.65 lakh to newspaper agencies as depicted **Appendix 3.2.10**.

In reply, the Government stated (December 2023) that scheme was implemented with participation of people that requires wide publicity of the benefit/ guidelines/ instructions of the Ministry. The State was very scrupulous in spending administrative fund. The payment towards advertisement costs were made through the Information and Culture Affairs Department as per related norms of the State Government.

The reply is not acceptable as excess payment of ₹ 4.65 lakh was paid in violation of the Tripura Advertisement Guidelines (Third Amendment), 2014.

3.2.3 Conclusion

Non-linking of land records with Unique Biometric Identification Number, Mobile number, Bank accounts of the respective landowners led to disbursement to the ineligible beneficiaries. Undue financial benefits were extended to the ineligible beneficiaries even after the date of approval of their ineligibility. Improper verification/ validation of farmers' requisite documents resulted in irregular disbursement to the Government employees, IT payees, farmers not-possessing agricultural land, duplicate bank account holders, ineligible farmers having bank accounts outside the State. Benefit was also denied to the eligible beneficiaries due to non-approval of SRFs by the Department, pendency of Unique Biometric Identification

⁸⁵ Rate of advertisement of category A, B & C newspapers was ₹ 75, ₹ 65 & ₹ 50 *per column per centimetre* (Black and White) respectively. The rate of coloured advertisement was 45 *per cent* above the rate of black & white advertisement and negotiable case to case basis.

Number correction, short disbursement of first instalment. Inadequate monitoring and insufficient physical verification resulted in payment to the ineligible beneficiaries.

3.2.4 Recommendations

For proper implementation of the scheme, the Government may consider to;

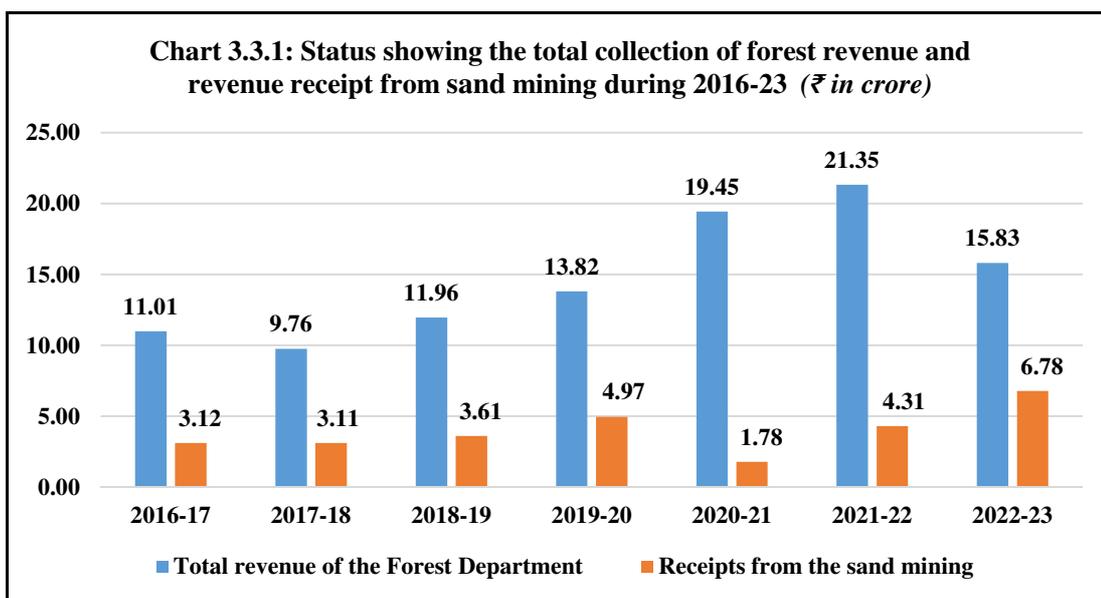
- *link the land records with the Unique Biometric Identification Number, bank details and mobile number of the respective landowners.*
- *properly scrutinise the self-declaration forms to weed out the ineligible applicants in a time bound programme; and*
- *strengthen the monitoring mechanism at block, district and State levels.*

FOREST DEPARTMENT

3.3 Sand Mining in Tripura

3.3.1 Introduction

Forest revenue is one of the sources of non-tax revenue of the State Government. Royalty from sand mining lease holders is the major revenue of the Forest Department. During the period 2016-17 to 2022-23, the Forest Department collected revenue of ₹ 27.67 crore from royalty of sand mining activities, whereas the total revenue of the Department was ₹ 103.17 crore. The total revenue of the Forest Department *vis-à-vis* receipts from the sand mining activities during 2016-23 is shown in **Chart 3.3.1**.



Source: Information furnished by the Department

The sand in Tripura has been classified as ‘Riverine resources’. As of March 2023, 2,05,747 cum river sand was available in Tripura. River sand mining is a widespread practice as habitations concentrates along the rivers and the mining locations are preferred near the markets or along the transportation route. Excessive removal of sand may significantly distort the natural equilibrium of the river stream channel. It can damage private and public properties as well as aquatic habitats.

In order to have a control on sand mining in Tripura, the State Government, in exercise of power conferred by section 15 of the Mines and Minerals (Regulation and Development) Act, 1957 (Central Act 67 of 1957), framed (September 2014) Tripura Minor Mineral Concessions (TMMC) Rules, 2014 for regulating the grant of mining leases and other concessions in respect of minor minerals (including sand) in the State. TMMC Rules 2014 is the only legal framework to control the extraction of river sand in the State.

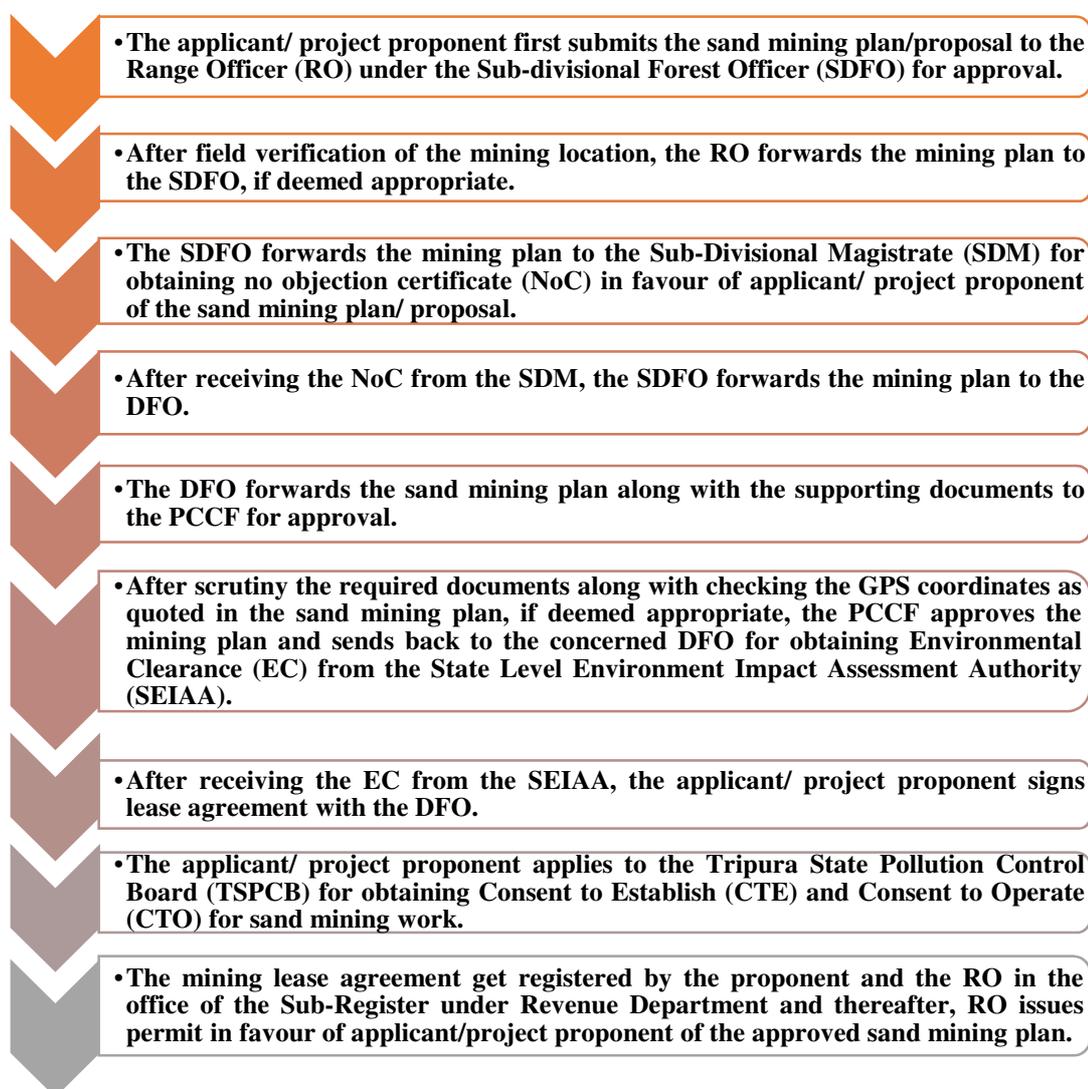
3.3.2 Organisational set-up

The Principal Secretary, Forest Department, Government of Tripura is the administrative head and overall, in charge of the Department. The Principal Chief

Conservator of Forests (PCCF) is the Head of the Department and Head of Forest Forces. The PCCF is responsible for policy decision making, budgetary control, direction, and overall working of the Department. The PCCF is assisted by the Additional Principal Chief Conservator of Forests (APCCF)/ Chief Conservator of Forests (CCFs)/ Deputy Chief Conservator of Forests (DCFs)/ Conservator of Forests (CFs) at headquarter level.

The District Forest Officers (DFOs) at district level and Sub-Divisional Forest Officers at Sub-division level are responsible for monitoring the activities of sand mining and collection of royalty/ revenue from the sand mining activities at the district level and sub-division level, respectively. The procedures for approval of sand mining plans are given in **Chart 3.3.2**.

Chart 3.3.2: Flow chart showing procedures for approval of sand mining plan



3.3.3 Audit objectives

The audit was conducted to get a reasonable assurance that;

- a. the procedures for approval of sand mining plans and process of execution of lease agreements were as per provisions contained in the relevant act and rules,

- b. an effective monitoring mechanism was in place to prevent illegal mining.

3.3.4 Audit criteria

Audit findings were benchmarked against the criteria derived from the following sources:

- i. Tripura Minor Mineral Concession Rules, 2014,
- ii. Mines and Minerals (Development and Regulation) Act, 1957,
- iii. National Mineral Exploration Trust Rules, 2015,
- iv. Sustainable Sand Mining Management Guidelines, 2016, and
- v. District Survey Report (DSR), and
- vi. Government orders, notifications, departmental manual/ policies/ rules and regulations, *etc.*

3.3.5 Audit scope, sample and methodology

Audit methodology involved test check of the records of the offices of the PCCF at the State level; DFOs of two sampled districts (Unakoti and South Tripura Districts) at district level; two Forest Sub-Divisions (Kumarghat and Kailashahar) under the Unakoti District and three Forest Sub-Divisions (Sabroom, Bagafa and Trishna Wildlife Sanctuary (WLS)) under South Tripura District. Besides, joint physical verification of 56 randomly selected sand mining sites of the sampled districts were also conducted with the departmental officials.

The draft report was issued to the State Government in November 2023 and Government's reply was received in March 2024. The audit findings were discussed (March 2024) at the level of the Principal Secretary, Forest Department where senior officers of the Department were also present. The views expressed by the Department during the discussion were suitably incorporated in the report along with the Government's reply.

Audit objective 1: Whether the procedures for approval of sand mining plans and process of execution of lease agreements were as per provisions contained in the relevant act and rules

3.3.6.1 Non-establishment of the District Mineral Foundation

Tripura Minor Mineral Concession (TMMC) Rules, 2014 were framed under the provisions of the Mines and Minerals (Development and Regulation) Act, 1957 to regulate the grant of mining leases and other concessions in respect of the minor minerals (including sand) in Tripura. As per Section 9B of the Mines and Minerals (Development and Regulation) Act, 1957 (as amended in January 2015), the State Government had to establish/ constitute by notification a trust as a non-profit body to be called the District Mineral Foundation (DMF). The objective of the DMF shall be to work for the interest and benefit of persons, and the affected areas by mining related operations in such manner as may be prescribed by the State Government. The idea behind the contribution being that local mining affected communities mostly tribal and

among the poorest in the country, also have the right to benefit from natural resources at entrusted from where they live.

Further, the Government of India framed (January 2015) the Mines and Minerals (Contribution to District Mineral Foundation) Rules, 2015. The rules provide that every holder of a mining lease or a prospecting licensee-cum-mining lessee shall, in addition to the royalty, pay to the Mines and Minerals Foundation of the district in which the mining operations are continued, an amount at the rate of (a) ten *per cent* of the royalty paid in terms of the Second Schedule to the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957) in respect of mining leases or prospecting licence-cum-mining lease granted on or after 12 January 2015.

The State received ₹ 27.67 crore as royalty from sand mining during the period 2016-17 to 2022-23 against which ₹ 2.77 crore should have been collected and paid to the DMF as shown in **Table 3.3.1**.

Table 3.3.1: Details of royalty received *vis a vis* amount to be collected for DMF

(₹ in crore)

Year	Amount of royalty received from sand mining	Amount to be collected and paid (10 <i>per cent</i> of the royalty) to the DMF
2016-17	3.12	0.31
2017-18	3.11	0.31
2018-19	3.61	0.36
2019-20	4.97	0.50
2020-21	1.78	0.18
2021-22	4.31	0.43
2022-23	6.78	0.68
Total	27.67	2.77

Source: Information furnished by the Forest Department

Audit observed that the State Government, did not frame the District Mineral Foundation Rules, 2015 (June 2023). Consequently, the State Government did not realise ₹ 2.77 crore during 2016-23. Thus, the objective of creation of DMF for the interest and benefit of persons, and the affected areas by mining related operations, could not be achieved.

The Government replied (March 2024) that in Tripura Minor Mineral Concessions Rules, 2014 (TMMC Rules), there was no provision of the District Mineral Foundation and hence, no efforts had been taken. The Department, however, assured (March 2024) that steps for amendment of the TMMC Rules would be considered.

3.3.6.2 Non-realisation of royalty for contribution to National Mineral Exploration Trust Fund

Section 9C of the Minor Mineral (Development and Regulation) Act, 1957 as amended in 2015 stipulates that: (1) The Central Government shall, by notification, establish a trust, to be called the National Mineral Exploration Trust (NMET). (2) The object of the trust shall be to use the funds accrued to the trust for the purposes of regional and detailed exploration in such manner as may be prescribed by the Central Government. (3) The composition and functions of the trust shall be such as may be prescribed by

the Central Government. (4) The holder of a mining lease or a mineral concession shall pay to the trust, a sum equivalent to two *per cent* of the royalty paid in terms of the Second Schedule, in such manner as may be prescribed by the Central Government.

Rule 7 (3) of the National Mineral Exploration Trust Fund Rules, 2015 states that the holder of a mining lease and prospecting license cum mining lease shall make payment for the contribution of trust fund of amount payable under sub-section 4 of section 9C of the Act to the State Government simultaneously with payment of the royalty. Rule 7(6) of the National Mineral Exploration Trust Rules, 2015 stipulates that the responsibility of collection and depositing the amount so collected in the trust fund and maintaining necessary accounts to be shared with the Central Government shall be that of the State Government.

Test check of the records revealed that during 2016-23, the Department did not collect two *per cent* of the royalty amounting to ₹ 55.34 lakh (two *per cent* on ₹ 27.67 crore) from the sand mining lease holders for contribution to the NMET Fund because there is no provision in the TMMC Rules for realisation of contribution to the NMET fund.

The Government replied (March 2024) that in TMMC Rules, there was no provision for National Mineral Exploration Trust and hence, no efforts had been taken. The Department assured (March 2024), at the instance of Audit, that steps for amendment of TMMC Rules would be considered in accordance with the provisions of The Mines and Minerals (Development and Regulation) Act, 1957 (as amended in 2015).

3.3.6.3 Allotment of mining blocks not identified in the District Survey Report

As per Paragraph 7 (iii) (a) and Annexure (X) of notification⁸⁶ and Sustainable Sand Mining Management Guidelines, 2016 issued by the Ministry of Environment, Forest and Climate Change (MoEF&CC), Government of India (GoI), a District Survey Report (DSR) of sand mining or river-bed mining and mining of other minor minerals had to be prepared for each district of the State. The DSR will guide systematic and scientific utilisation of natural resources, so that present and future generation may be benefited at large.

The purpose of the DSR is to identify the areas of aggradations or deposition where mining can be allowed and identification of areas of erosion and proximity to infrastructural structures and installations where mining should be prohibited. The period of district survey report was for five years. Further, the State Level Expert Appraisal Committee in their 24th meeting (September 2020) recommended that mining should be done only in areas/ stretches identified in the DSR suitable for mining and so certified by the Sub-Divisional Level Committee after site visit.

As per DSR, 2018 of Unakoti District, 52 sand mining blocks were identified for extraction of sand in the district. Audit scrutiny of the records and information furnished by the District Forest Officer (DFO), Unakoti, revealed that with the approval

⁸⁶ No. SO-141(E) of January 2016

of the PCCF, the DFO, Unakoti had allotted total 56 sand mining blocks. Out of 56 blocks approved, 30 sand mining blocks were not identified in the DSR. Details of the sand mining blocks allotted beyond the DSR are shown in **Appendix 3.3.1**.

Thus, the Department violated the instructions of MoEF&CC, GoI and Sustainable Sand Mining Management Guidelines, 2016 while allotting the sand mining blocks.

Extraction of sand in areas beyond the sand mining blocks identified in the DSR had caused weakening of river embankment and erosion of riverbed as detailed in the subsequent case studies. It may also cause negative impact on aquatic ecosystem of the area.

The Government replied (March 2024) that the matter had been taken up with the Member-Secretary, State Level Environment Impact Assessment Authority (SEIAA)/ State Level Expert Appraisal Committee (SEAC). It added that the SEAC in its 10th meeting (August 2023) had decided to consider the creation of new Block IDs and Moujas for mining plans till the finalisation of new District Survey Report (DSR).

The reply is not acceptable as 30 unidentified sand mining blocks were approved by the Department during the period from September 2019 to April 2022, *i.e.*, much earlier than the holding of 10th meeting of SEAC in August 2023.

3.3.6.4 Unauthorised sand mining

Rule 3(1) of TMMC Rules envisages that no person shall undertake any mining or quarrying operations in any area except under and in accordance with the terms and conditions of a mining lease or mining permit, as the case may be, granted in accordance with the provisions of these rules.

During joint physical verification (June-October 2023) in the two sampled districts, it was noticed that there were 10 cases⁸⁷ of illegal/ unauthorised sand mining sites with the stacks of sand and machines. A few photographs of the Illegal sand mining sites are shown in **Photographs 3.3.1 to 3.3.10**. Details of approximate quantity of sand found at sites and value of loss of royalty are given in **Appendix 3.3.2**.

⁸⁷ These 10 cases were not included in the 56 randomly selected sand mining sites

Sites of illegal sand mining

Location of illegal sand mining and approx. quantity of sand found at site	
 <p>Latitude: 24.164603 Longitude: 92.020279 Elevation: 30.644657 m Accuracy: 9.10 m Time: 21-06-2023 17:11:37</p>	 <p>Latitude: 24.267243 Longitude: 92.025011 Elevation: 32.6341100 m Accuracy: 38.01 m Time: 19-07-2023 10:39:33</p>
<p>Photograph 3.3.1: Indira Colony, near School Playground, Fatikroy, Kumarghat, Unakoti, 500 cum</p>	<p>Photograph 3.3.2: Near approved sand mining site of Parijat Singha, Bilaspur, Gournagar, Kailashahar, Unakoti, 400 cum</p>
 <p>Latitude: 24.216005 Longitude: 91.986031 Elevation: 43.6441211 m Accuracy: 9.50 m Time: 19-07-2023 11:56:11</p>	 <p>Latitude: 24.216514 Longitude: 91.986382 Elevation: 43.221454 m Accuracy: 17.49 m Time: 19-07-2023 11:51:52</p>
<p>Photograph 3.3.3: Near approved sand mining site of Jail Sing Debbarma, Panchamnagar, Chandipur, Kailashahar, Unakoti, 350 cum</p>	<p>Photograph 3.3.4: Near the approved sand mining site of Jail Singh Debbarma, Panchamnagar, Chandipur, Kailashahar, Unakoti, 300 cum</p>
	 <p>Latitude: 23.265893 Longitude: 91.488654 Elevation: 16.8841076 m Accuracy: 9.98 m Time: 09-10-2023 16:06:10</p>
<p>Photograph 3.3.5: Near Kamranga Bari bridge at Chaintail, Chandipur, Kailashahar, Unakoti, 600 cum</p>	<p>Photograph 3.3.6: Illegal Sand Mining site under Abhaya Range of Trishna WLS, Trishna, South Tripura District, 700 Cum</p>



Photograph 3.3.7: Santibazar of Bagafa Range under SDFO, Bagafa, South Tripura, 3500 cum



Photograph 3.3.8: Kakulia Range under SDFO, Bagafa, South Tripura, 200 cum



Photograph 3.3.9: Near Madhya Pilak High School under, Joliabari, Kakulia Range under SDFO, Bagafa, South Tripura, 2000 cum



Photograph 3.3.10: Paschim Ludhua of Satchand Range under SDFO Sabroom, South Tripura, 500 cum

Illegal mining indicates, inadequate patrolling/ lapse of departmental monitoring by the concerned SDFOs which resulted in loss of Government revenue of ₹ 7.72 lakh as shown in **Appendix 3.3.2** and caused serious damages to the environment. Further, analysis of Google Earth Images⁸⁸ for a considerable period ranging from February 2016 to October 2023 are shown in **Appendix 3.3.3**. Besides, illegal sand mining had adversely affected the water level of Muhuri River under South Tripura District. Two case studies regarding decrease in water level of Muhuri river of South Tripura District due to illegal and unscientific sand mining are given below:

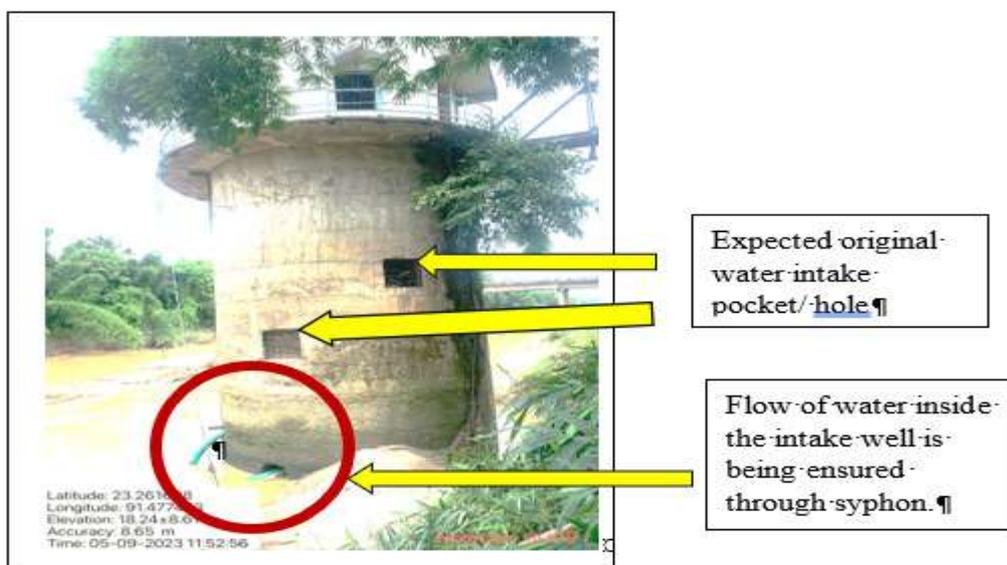
Case Study 1

The Executive Engineer (EE), Drinking Water & Sanitation (DWS), Division, Belonia, South Tripura District informed (September 2022) the DFO, South Tripura District that the water level in the Muhuri river had decreased due to unscientific sand mining. Consequently, the required amount of raw water was not entering smoothly inside the intake well of Surface Water Treatment Plant (SWTP) on Muhuri River, near Ratan Mani Setu, Belonia, through its pockets due to descending water level of Muhuri River.

⁸⁸ As per availability of images in the Google Earth

During joint physical verification (September 2023) of SWTP with the representative of EE, DWS Division, Belonia, it was noticed that the water level of the Muhuri river level was far lower than the openings/ pockets of intake well of the SWTP and water was not entering inside the well on its own.

To ensure smooth inflow of water into the intake well, water was being pumped into the intake well through a syphon so that supply of drinking water could be ensured in the Belonia town and its adjoining area. The present status of intake well and water level is depicted in **Photograph 3.3.11**.



Photograph 3.3.11: SWTP over Muhuri River, Belonia, South Tripura

Case Study 2

The Assistant Engineer (AE), DWS Sub-Division, Jolaibari of South Tripura District had informed (March 2019) the EE, DWS Division, Belonia about the decrease in water level of Muhuri river. The AE also informed (December 2021) the DFO, South Tripura District about lifting of sand by unknown persons in Muhuri River, which had led to the formation of scouring⁸⁹ in the river. Further, the residents of North Jolaibari area had submitted (April 2021 and December 2021) representations to the PCCF about the extraction of sand in Muhuri River adjacent to intake well of mini SWTP at Jolaibari. It was alleged that due to lifting of the sand from the Muhuri river the mini SWTP and lift irrigation scheme had been affected. The PCCF directed (December 2021) the DFO, South Tripura District to investigate the matter. During joint investigation carried out (January 2022) by the SDFO, Bagafa and the AE, DWS Sub-Division, Jolaibari, it was found that that machines were used by unknown persons for lifting of sand from the Muhuri river near Water Pump Resource area of mini SWTP at Joliabari. But follow-up action taken on the investigation was not be made available to audit.

⁸⁹ Removal of sediments from the riverbed or bank

The Sub-Divisional Magistrate (SDM), Santir Bazar, South Tripura District had also received (January 2022) a complaint from the local people of North Jolaibari regarding lifting of Sand from the Muhuri River near the Mini SWTP, Jolaibari by one licensed proponent of sand mining due to which residents were not getting drinking water. To investigate the matter a team was constituted by the SDM, Santirbazar with the Deputy Collector and Magistrate, Jolaibari; AE, DWS Sub-division, Jolaibari; Range Officer, Jolaibari; and Tehsildar, Jolaibari Tehsil. After conducting enquiry, the team reported (February 2022) that the lifting of sand had been carried out by one proponent within 135 metre of the intake well of mini SWTP, Jolaibari and 195 metre from the Kakulia bridge and National Highway. The enquiry team recommended to cancel the license of the proponent. Based on the recommendation of the enquiry team, license of the proponent was cancelled.



Photograph 3.3.12: Mini SWTP over Muhuri river, Joliabari

The Department stated (March 2024) that the forest officials were on regular vigil and assured that patrolling would be further strengthened to prevent illegal sand mining.

3.3.6.5 Non-compliance of Rules and Guidelines of Sand Mining

3.3.6.5(i) Permission granted for extraction of Sand without Consent to Operate from the Tripura State Pollution Control Board

MoEF&CC, GoI constituted (November 2018) the State Level Environment Impact Assessment Authority (SEIAA), Tripura. The State Government notified (January 2019) the Tripura State Pollution Control Board (TSPCB) to act as a Secretariat of the SEIAA, Tripura.

Rule 6 of the TMMC Rules provides that Forest Department, Government of Tripura approves the mining plans of proponents and sends them to the SEIAA for Environmental Clearance (EC) and accordingly, Consent to Operate (CTO) is to be issued by the TSPCB to the proponents.

Test check of the records of DFO, South Tripura District revealed that the following proponents had been given permission for extraction of sand but the proponents did not obtain the CTO from the TSPCB. Details of the permission for extraction of sand and total quantity extracted by these proponents were shown in **Table 3.3.2**.

Table 3.3.2: Cases where permission was granted for extraction of sand without CTO

Name of the proponents	Name of the SDFO	Block ID	Permit issued for extraction of sand (in cum)	Sand extracted (in cum)
Apaito Mog	Bagafa	ST-69	500	500
Nirmal Malla	Bagafa	ST-84	4,000	4,000
Total quantity			4,500	4,500

The proponents did not obtain the Consent to Operate from the TSPCB but the DFO, South Tripura District issued the permits to the proponents for extraction of sand violating the provisions of the TMMC Rules.

While accepting the fact, the Government replied (March 2024) that the sand mining in those locations had been stopped. However, the Department did not take any action against the concerned DFO for irregular issue of permits.

3.3.6.5(ii) Stamp duty and Registration fees not levied due to non-registration of lease agreements

As per Section 17 (d) of the Indian Registration Act, 1908, leases of immovable property from year to year, or for any term exceeding one year, or reserving a yearly rent, shall be registered.

Further, the lease agreement so executed should be got registered with the Revenue Department with proper stamp duty on consideration on price of royalty. The supplementary agreement for the extended period is required to be registered with the Revenue Department.

Test check of the records in the sampled districts revealed that after expiry of initial lease period of two years of eight proponents under Unakoti District lease agreements were executed between the DFO and the proponents for another two years. But the proponents did not get the agreements for second term, registered as per Rule 24 of TMMC Rules.

Therefore, the State Government sustained loss of revenue of ₹ 1.31 lakh on Stamp duty and Registration fees, due to non-registration of supplementary sand mining lease agreements during 2016-23.

While accepting the fact, the Government stated (March 2024) that the supplementary agreement for the extended period would be made.

3.3.6.5(iii) Permission issued for extraction of sand beyond the limit prescribed in the CTO and EC

The sand mining plan, EC, and CTO of each proponent fixed the prescribed limit for extraction of sand per year according to the deposition of sand and also considering the erosion of riverbed and diversion of flow of water in river.

Test check of the records revealed that five proponents had been granted permission by the DFO, South Tripura District for extraction of sand beyond their prescribed quantity per year as indicated in the relevant ECs and CTOs. Details of prescribed quantity,

actual extraction, and excess extraction of sand beyond the limit prescribed in the ECs and CTOs are shown in **Table 3.3.3**.

Table 3.3.3: Excess extraction of sand

Sl. No.	Name of the proponent	Block ID No.	Forest Sub-Division	Permissible quantity in a year (in cum)	Permission issued by the Forest Department for extraction of sand in a year (in cum)	Excess extraction (in cum)
1	Kamal Shil	ST-48	Sabroom	426.375	1,500	1,073.625
2	Tutul Laskar	ST-51	Sabroom	583.725	1,500	916.275
3	Sasanka debnath	ST-53	Sabroom	687.110	3,000	2,312.890
4	Jadu Nath	ST-44	Sabroom	283.500	1,500	1,216.500
5	Basu Deb Das	ST-63	Sabroom	389.920	1,500	1,110.080
Total excess extraction of sand beyond the permissible limit				2,370.630	9,000	6,629.370

From **Table 3.3.3**, it may be seen that the DFO, South Tripura issued permission for extraction sand beyond the prescribed limit which resulted in excess extraction of 6,629.370 cum sand.

Extraction of sand in excess of limit prescribed in the ECs and CTOs may cause the erosion of the riverbed and diversion of flow of water in river. The reasons for giving the permission beyond the prescribed limit by the DFO, South Tripura District in violation of terms and conditions of ECs and CTOs, were not found on records.

While accepting the fact, the Government stated (March 2024) that issue of granting permission beyond the limit had happened by mistake and it assured that henceforth, no new permission beyond the limit prescribed in the CTO and EC would be granted.

3.3.6.5(iv) Extraction of sand without demarcation of sand mining sites

As per Rule 16(i) and 19 of TMMC Rules and terms and conditions of EC issued by the SEIAA, mining should be done only in areas/ stretches identified in the District Level Survey Report suitable for mining and mining should begin only after pucca pillar marking the boundary of lease area is erected at the cost of the lease holder after certification by the Forest Department.

During joint physical verification (June-July and October 2023) it was found that 10 out of 56 selected sites in Unakoti and South Tripura Districts, prescribed area was not demarcated with pillars by the lease holders (details shown in **Appendix 3.3.4**). Non demarcation of sites may lead to extraction of sand beyond the specified area.

The Government replied (March 2024) that all extraction sites were identified and demarcated by pillar. The reply is not acceptable because during joint physical verification 10 out of 56 selected sand mining sites had not been found demarcated with the pillars.

3.3.6.5(v) Non-realisation of penalty for extraction of sand outside the specified area

Test check of the records of the DFO, South Tripura District revealed that the Range Officer, Hrishyamukh Range had submitted a demarcation report (February 2022) of sand mining sites of 14 proponents under Belonia Beat near Muhuri river. As per the report submitted by the Range Officer, six out of the 14 proponents had lifted 14,614 cum of sand outside their actual designated land as mentioned in their mining plans, in violation of Rule 16(i) and 19 of TMMC Rules and terms and conditions of the ECs.

It was further noticed that the DFO had imposed penalty (July 2022) of ₹ 10.23 lakh against all the six proponents, out of which four proponents had deposited penalty (₹ 6.45 lakh) and the remaining two proponents⁹⁰ did not deposit the penalty (₹ 3.78 lakh). This resulted in non-realisation of penalty of ₹ 3.78 lakh.

While accepting the fact, the Government replied (March 2024) that reminder would be issued for recovery of penalty from the defaulters.

3.3.6.5(vi) Use of machinery for sand mining

As per paragraph 7 of the approved sand mining plan, no machinery should be allowed in case of riverbed mining. The sand mining should be manual with the help of spade, hands shovel in which the riverbed materials would be collected in its existing form.

However, explanation below Rule 16 of the TMMC Rules, provides that mining operations include the erection of machinery laying of tracks or construction of a road in connection with the working of the mine.

During joint physical verification (June-October 2023) of 56 randomly selected sand mining sites it was found that in 54 cases machinery were used, and in two cases both the machinery and manual method were used for extraction of river sand in violation of approved sand mining plans as shown in **Photographs 3.3.13 to 3.3.16**. Details are given in **Appendix 3.3.4**.



Photograph 3.3.13: Use of machinery (Pump Machine) at Pecharthal Range under SDFO, Kumarghat, Unakoti



Photograph 3.3.14: Use of machinery (Pump Machine) at Kumarghat Range under SDFO, Kumarghat, Unakoti

⁹⁰ (a) Shri Santhosh Nath of Uttar Sonaichari (4) Sand Mines, Block-ID – ST 21A ₹ 1,68,210
(b) Shri Subrata Das of Uttar Sonaichari (5) Sand Mines, Block-ID – ST 20C ₹ 2,09,930



Photograph 3.3.15: Use of machinery (Pump Machine) at Abhaya Range under Wildlife Warden, Trishna WLS



Photograph 3.3.16: Use of machinery (Pump Machine) at Hrishyamukh Range under SDFO, Bagafa, South Tripura

These lease holders violated the terms and conditions of approved sand mining plans thereby increasing the chances of soil erosion in the riverbed.

Due to lifting of sand by machinery, the embankment of river became weak and unstable. But the Department did not take any action against the defaulters due to incorporation of the “explanation” clause below Rule 16 of TMMC Rules.

In reply, the Government stated (March 2024) that the ‘explanation’ below Rule 16 (1) (h) of the TMMC Rules provided that mining operations should include the erection of machinery, laying of tracks or construction of a road in connection with the working of the mine. The Department agreed (March 2024) to the suggestions made by the audit to prohibit the use of machineries for extraction of sand as the pumping of sand from the riverbed for extraction of sand damages the rivers’ eco-system, and the ‘explanation’ clause be appropriately modified by amending the TMMC Rules.

Audit objective 2: Whether the effective monitoring mechanism for sand mining were in place to prevent illegal mining

3.3.7 Inadequate monitoring

3.3.7.1 Non-submission half-yearly compliance report for prior stipulated Environmental Clearance conditions to the State Pollution Control Board

As per the terms and conditions stipulated in the EC issued by the SEIAA and Enforcement & Monitoring Guidelines for Sand Mining, 2020 issued by the MoEF&CC, GoI, the proponents are required to submit half-yearly compliance reports for prior stipulated EC terms and conditions (in hard and soft copies) to the TSPCB on 1st June and 1st December of each Calendar Year.

Further, in the 29th meeting of State Level Expert Appraisal Committee (SERC) it was decided that the all the reports and data pertaining to prior stipulated EC terms and conditions should be submitted to the Member Secretary, SEIAA for needful action by the supervising authorities/ committees/ regulators.

However, in all the 56 randomly selected sand mining sites, none of the proponents had submitted half yearly compliance reports to the TSPCB (district-wise details shown in **Appendix 3.3.4**) which indicated that the Department did not evolve any monitoring mechanism for compliance of terms and conditions of EC. The SEIAA and TSPCB also did not ensure the compliance of terms and conditions of EC. Details of action taken by the SEIAA and TSPCB for ensuring submission of half yearly compliance reports by the proponents were not furnished, though called for (April 2024) by audit.

The Department assured (March 2024) that the matter regarding non-submission of half yearly compliance report would be taken up with the State Environment Impact Assessment Authority (SEIAA) for ensuring compliance.

3.3.7.2 Non-submission of reports and returns by the proponents

Rule 41(3) of TMMC Rules, 2014 stipulates that every lessee or permit holder shall submit every month to the PCCF/ DFO or authorised officer a true and correct return for minor minerals in **FORM-H** by the 5th Day of the following month to which it relates.

Rule 16(1)(b) of TMMC Rules, 2014 stipulates that the lessee shall submit a quarterly royalty statement in **FORM-I** to the competent authority by 15 July, 15 October, 15 January and 15 April for the preceding quarter respectively.

Rule 16(1)(n) of TMMC Rules, 2014 stipulates that the lessee shall submit an annual return on mineral raised, despatched, royalty paid, manpower employed, *etc.* in **FORM-J** to the PCCF/ CCF/ DFO as the case may be, by the 20 April for the preceding financial year.

However, test check of the records revealed that none of the proponents of randomly selected 24 sand mines in Unakoti District had submitted the above-mentioned returns during 2016-23. In South Tripura District, only one out of 32 randomly selected cases had not submitted the reports and returns to the competent authority (details shown in **Appendix 3.3.4**). Therefore, the actual quantity of sand extracted, despatched, royalty paid, workforce employed, *etc.* could not be ascertained in audit.

Non-submission of mandatory returns by the proponents indicated lack of monitoring by the departmental officers which led to unauthorised sand mining and loss of revenue, use of machinery, *etc.* as detailed in **Paragraphs 3.3.6.5 and 3.3.6.6(vi)**.

While accepting the fact, the Government stated (March 2024) that the action would be taken by the DFOs for submission of reports and returns by the proponents.

3.3.7.3 Inadequate inspection of sand mining sites

As per Rule 16.1(k) of TMMC Rules, 2014 read with the terms and conditions of EC, lease holder shall keep a correct account of date wise quantity of minerals mined out, dispatched from the mine, mode of transport, registration number of vehicle, person in-charge of vehicle and mine plan. This should be produced before officers of the Central Government and the State Government for inspection.

During the joint physical verification (June-October 2023) of 56 randomly selected sand mining sites under two sampled districts, it was noticed that the lease holders of 40 sites have not maintained records relating to quantity of sand extracted, dispatched from the mine (date wise) which indicated that the Departmental officers had not conducted inspection of mining sites, in violation of the TMMC Rules and conditions of EC. The details are shown in **Appendix 3.3.4**.

Non-maintenance of accounts of sand mining by the proponents coupled with non-inspection by the departmental officers indicated inadequate monitoring of the mining sites by the Department, which led to unauthorised sand mining and loss of revenue.

The Government replied (March 2024) that the monitoring would be ensured by conducting review meetings at the District/ State Levels and physical site inspections, visits, etc.

3.3.8 Conclusion

Audit of sand mining revealed that non-establishment of District Mineral Foundation, and non-contribution to National Minerals Exploration Trust resulted in non-realisation of revenue. Mining Blocks were allotted outside the mining sites identified in District Survey Report in violation of guidelines issued by MoEF&CC.

Inadequate monitoring resulted in instances of unauthorised sand mining, use of machinery and extraction of sand beyond permissible limit thereby increasing the chances of the soil erosion of riverbed, non-submission of half-yearly compliance report for Environment Clearance and other prescribed reports/ returns by the proponents to the TSPCB and the Department respectively.

3.3.9 Recommendations

It is recommended that the Government should;

- 1. establish the District Mineral Foundation and amend TMMC Rules, 2014 in line with MMR, 2015 to realise DMF;*
- 2. allot the mining blocks within those identified in the District Survey Report;*
- 3. collect royalty for contribution to the National Minerals Exploration Trust;*
- 4. prevent unauthorised mining and use of machinery for extraction of sand;*
- 5. fix responsibility on officers for granting permission to extract sand (i) without the CTO and (ii) beyond the quantity prescribed in the CTO and EC; and*
- 6. ensure effective monitoring of sand mining.*

PUBLIC WORKS (WATER RESOURCE) DEPARTMENT

3.4 Unfruitful expenditure

Failure to ensure quality control by the Engineering Officers coupled with lackadaisical approach of the Department for rectification of the technical defects led to unfruitful expenditure of ₹ 3.09 crore on partially constructed headworks of the Minor Irrigation scheme (rainwater storage project) and additional liability of ₹ 0.72 crore on rectification of defective works.

The work 'Rainwater storage project/ Minor Irrigation (MI) scheme at Kashari Cherra under Rajnagar Block, South Tripura/ SH: Construction of earth dam, under sluice and pipe outlet (excluding spillway, diaphragm wall and steel gate)' was awarded (October 2011) to a contractor at his tendered value of ₹ 2.74 crore. As per divisional records, the work commenced in November 2011 and was completed in April 2017. Against the value of work done, the contractor was paid ₹ 2.81 crore (upto January 2019). In addition to the above, ₹ 0.28 crore⁹¹ was incurred towards construction of steel gate of the MI scheme, which was executed separately by another contractor.

Test check (May 2022) of records of the Executive Engineer (EE), Public Works department (Water Resource){PWD (WR)}, Division-IV, Belonia revealed that, Chief Engineer (CE), PWD (WR), Superintending Engineer (SE), WR Circle-III along with the EE visited the project during September 2017 and noticed that the earthen dam of the scheme in down-stream side had been eroded due to heavy rainfall and pressure of seepage water and outlet sluice valve had been opened for passing out of stored water thereby preventing the further erosion of the earthen dam. The Assistant Engineer (AE), WR Sub-Division-1 (under the jurisdiction of WR Division IV) requested (September 2017) the agency to rectify the erosion of earthen dam, with the intimation to the EE. After that, the EE instructed (January 2021) the contractor to rectify all the defects within three months from the date of issue of the instructions failing which full security deposit deducted from his bills would be forfeited. But the contractor did not rectify the defects citing that the Division had already certified (August 2017) that the work had been completed as per specifications in the measurement book of the work and moreover, the defect liability period of one year to be reckoned from the completion of the work was already completed.

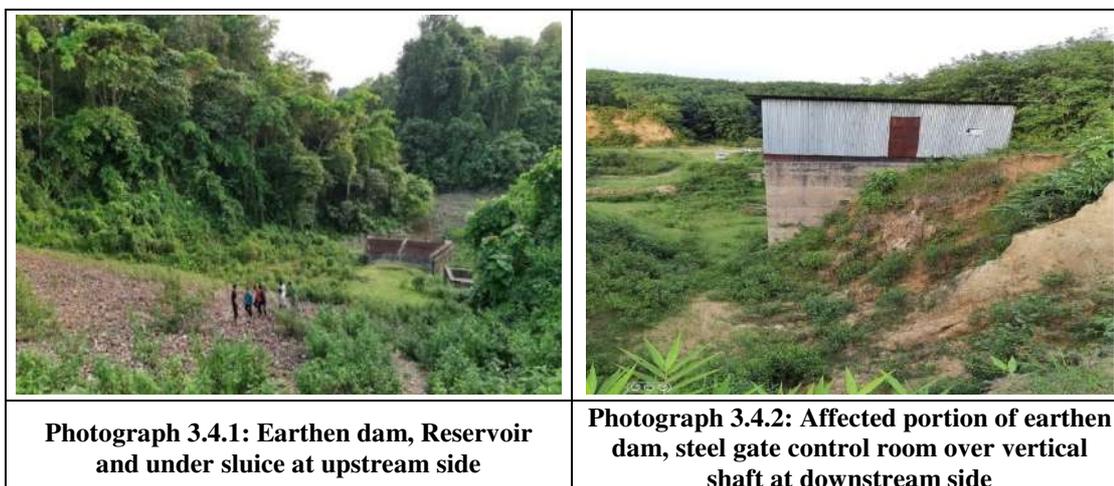
After a period of more than six years of detecting the defects by the CE in September 2017, the Department formed (February 2022) a technical committee to submit the remedial measures for completion of the MI scheme and the committee in its report (March 2022) stated the technical causes for failure of the scheme as absence of

⁹¹ There was expenditure of ₹ 84.25 lakh for steel gates of three rainwater harvesting projects (including Kashari Cherra project) and therefore, average cost for construction of steel gate for this project was taken as ₹ 28.08 lakh (*i.e.* ₹ 84.25 lakh/3)

quality⁹² construction. The Chief Engineer (CE), PWD (WR) approved (March 2022) the proposal and the Department prepared (October 2022) the estimate for the work ‘Construction of spillway, abutment wall, etc. including balance work of earthen dam’ and based on the estimate the work was awarded (December 2023) to another contractor. The detailed estimate and the agreement of the second work included two items (*i.e.* earth cutting and earth filling) to rectify the defects of the work done by the previous contractor, valued ₹ 0.72 crore⁹³.

Audit observed that the concerned JE/ AE/ EE did not adequately ensure quality aspect of work executed by the first contractor leading to the avoidable defects pointed out by the technical committee. Moreover, the Department did not timely assess the reasons and quantum of defects to be rectified. Without such assessments, the AE and EE instructed the contractor to rectify the defects after certification by them of work completion as per the specification and after completion of defect liability period.

The status (May 2022) of the construction work of partially completed headworks of the scheme is shown in **Photographs 3.4.1, 3.4.2 and 3.4.3**.



⁹² Absence of core wall material of required characteristics, improper compaction of soil, settlement/ slipping of a part of dam and huge seepage caused by quick and unscientific priming of water in the dam before construction of toe drain, huge leakage of water through joints of spun pipe (outlet pipe), steep slope of downstream earth surface of the dam, absence or improper laying and connection of horizontal and vertical sand filter, use of improper quality of filter material, etc.

⁹³ {Item at Sl.1 of the estimate: 21,482 cum (qty.) x ₹ 134.90 (rate) *i.e.* ₹ 28.98 lakh *plus* item at Sl. 3(a) of the estimate: 20,148 cum (qty.) x ₹ 200.10 (rate) *i.e.* ₹ 40.31 lakh} *plus* tender premium (3.30 per cent) = ₹ 71.58 lakh



Photograph 3.4.3: Seepage of water through Steel gate control room and under sluice at downstream side

Para 53.4 of CPWD Works Manual, 2007 provides that the direct responsibility for ensuring proper quality of work as per approved specifications rests with the Executive Engineer, Assistant Engineer, and Junior Engineer. The Superintending Engineer shall be overall responsible for management of quality system and procedures for the works under his charge.

Therefore, failure to ensure quality control by the Engineering Officers during the execution of headworks by the first contractor coupled with lackadaisical approach of the Department for assessment and rectification of the technical defects led to unfruitful expenditure of ₹ 3.09 crore⁹⁴ on partially constructed headworks of the MI scheme and additional liability of ₹ 0.72 crore on rectification of defective works.

In reply, the Government stated (March 2024) that, some portion of the dam had been kept bare without turf for taking up the second phase work *i.e.* spillway and its allied works. Rainfall occurred resulting in flash flood and the bare top of the dam had been got affected. No further damage had been taken place due to precautionary measures taken by releasing water from the reservoir and there was no unfruitful expenditure because the scheme would be commissioned within one and half year.

The reply is not acceptable to audit as the work was completed (April 2017) without ensuring proper quality by the departmental engineers contrary to the manualised provision. The Department also could not act against the defaulting contractor due to incorrect certification on completion of work. Besides, it did not take timely and appropriate response for rectification of the defects noticed (September 2017) in the work executed by the first contractor.

Recommendations:

- 1 The Government may fix responsibility of the officer concerned for failure in ensuring quality control in execution of the project; and**
- 2 ensure quality control during execution of projects to avoid additional expenditure on rectification of defective works and timely completion of the projects.**

⁹⁴ Value of the work done by the first contractor: ₹ 2.81 crore *plus* expenditure on construction of steel gate: ₹ 0.28 crore

PUBLIC WORKS (BUILDING) DEPARTMENT

3.5 Non recovery of dues from the contractor

The Executive Engineer, Public Works (Building) Department, Capital Complex Division did not recover the dues (₹ 1.62 crore) from the contractor being the value of unused departmentally supplied steel not returned by the contractor, rent charges of plant, empty bitumen drums and taxes.

The Executive Engineer, Public Works (Building) Department, Capital Complex Division (EE, CCD) awarded (November 2009) the construction work of “Composite Tripura Legislative Assembly Building and New Secretariat Building at New Capital Complex, Agartala, Tripura/ Package-3/ Infrastructure Work (Phase-II)” to a contractor⁹⁵ at a tendered value of ₹ 37.78 crore, *i.e.* 25.77 per cent above the estimated cost of ₹ 30.04 crore with a stipulation to complete the work within 24 months, *i.e.* November 2011. The work commenced in November 2009 and was completed in March 2018. The total value of work done was ₹ 40.40 crore (including extra items of ₹ 1.09 crore) upto 20th RA and final bill. Of these, ₹ 39.42 crore⁹⁶ was paid (11 September 2018) to the contractor.

Test check (June 2021) of records of the EE, CCD revealed that, there was non-recovery of dues of ₹ 1.62 crore from the contractor as detailed in **Appendix 3.5.1**. Audit noticed recoverable dues against departmentally supplied steel, rent charges of Asphalt Drum Mix Plant and empty bitumen drums as discussed in succeeding paragraphs.

(i) Non-recovery against departmentally supplied steel

Para 25.3.1(2)(iv)(c) of CPWD Manual, 2007 stipulates that “theoretical consumption statement for steel bars should be prepared along with every running bill”. As per Clause 98(d) of the agreement concluded with the contractor, steel was supplied by the Department as per the rates as shown in **Table 3.5.1**.

Table 3.5.1: Rates of departmentally issued materials

Sl. No.	Particulars	Recovery rate (in ₹)	Unit
1.	Tor Steel (8 mm to 16 mm)	36,883	MT
2.	Tor Steel (20 mm and above)	36,779	MT

Clause 98(e)(i) of the agreement also stipulated for recovery of departmentally issued steel at double the issue rate if the balance/ unutilised quantity (*i.e.* difference between quantity issued and quantity consumed as per theoretical consumption *plus five per cent* wastage) of steel were not returned by the contractor.

Against six⁹⁷ agreement items (AI) of work, 921.106 MT steel was consumed. However, no theoretical consumption statement against the departmentally supplied

⁹⁵ Shri Bimalendu Chakraborty

⁹⁶ ₹ 38,82,02,787 (19th RA bill) and ₹ 60,00,000 (20th RA bill)

⁹⁷ AI 4, 5, 6, 7, 9 and 12 (detail in **Appendix 3.5.2**)

steel was prepared by the Sub-Divisional Officer and the Divisional Officer passed⁹⁸ the bills without preparation of theoretical consumption statement.

Audit noticed that ₹ 39.20 lakh was not recovered by the Division against the quantity of balance unused steel not returned by the contractor. The details of the balance quantity of steel and the money value involved calculated at double the issue rate as per the agreement are shown in **Appendix 3.5.2**. It was found that balance quantity of steel issued against six AIs of work not returned by the contractor was 53.161 MT (issued quantity of 974.163 MT *minus* consumed quantity of 921.002 MT including five *per cent* wastage) instead of 14.516 MT as calculated by the Division. Thus, there was a short recovery of ₹ 39.20 lakh.

(ii) Non-recovery of rent charges of Asphalt Drum Mix Plant

As per Clause 78.2 of the agreement, the contractor shall make his own arrangements to equip himself with all machinery and special tools and plant for the speedy and proper execution of the work and the Department does not undertake responsibility towards their supply.

As per Clause 78.3 of the agreement, the Department shall supply such of the machinery that may be available on hire basis but their supply cannot be demanded as matter of right and no delay in progress can be attributed to such non-supply of the plant by the Department. The hire charges for the machinery handed over to the contractor will be recovered at the rate prevalent at the time of supply. The contractor will have to execute a supplemental agreement with the Executive Engineer at the time of supply of the machinery. Clause 78.4 of the agreement provided that the acceptance of departmental machinery on hire was optional to the contractor.

Hence, the supply of plant, equipment, and labour mandatorily by the Department was not stipulated in the agreement with the contractor.

As per the decision taken in the review meeting (11 March 2014) of the Engineer-in-Chief and instructions (14 March 2014) of the Superintendent Engineer, 4th circle to the EE, Mechanical Division, PWD (R&B), the Asphalt Drum Mix (ADM) plant at Damdamia alongwith all related equipment and accessories were handed over to the contractor and recovery of rent of ADM plant and accessories, *etc.* had to be made by the EE, CCD. The upkeep & maintenance and operation of the plant should be borne by the Division. The plant was returned (4 May 2016) by the contractor and the EE, Mechanical Division requested (12 March 2014) the EE, CCD to recover the hiring charges (₹ 9,603 per day as per rate fixed by Mechanical Division of the State PWD) of the plant from the contractor.

It was, however, noticed in audit that the contractor had used the ADM plant for 780 days during 15 March 2014 to 4 May 2016, but hiring charges of the plant was not

⁹⁸ The Sub-Divisional Officer is responsible for preparation of the theoretical consumption statement and it is approved by the Divisional Officer.

recovered by the Division from the contractor, which resulted in non-recovery of ₹ 74.90 lakh⁹⁹ in violation of provision of agreement.

(iii) Short recovery of empty bitumen drum

As per Clause 98 (d) of the agreement, empty bitumen drum should be returned to the Assistant Engineer/ Capital Complex Sub Division No.1. In the event of non-return of the empty bitumen drum, the contractor should be charged ₹ 100 for each empty bitumen drum.

It was noticed that 441.557 MT bitumen was issued in 2,729¹⁰⁰ bitumen drums and out of which 875 empty bitumen drums were recovered. Therefore, balance 1,854 empty bitumen drums valued ₹ 1.85 lakh¹⁰¹ remained unrecovered from the contractor (June 2023).

Thus, the EE, CCD did not recover the dues of ₹ 1.62 crore from the contractor being the value of unused departmentally supplied steel not returned by the contractor, rent charges of plant, empty bitumen drums and taxes.

The matter was reported to the Government in July 2023. In reply, the Government stated (January 2024) that the amount to be recovered for departmentally issued unused steel not returned by the contractor is ₹ 10.70 lakh instead of ₹ 39.20 lakh and recovery rate for hiring charge of ADM plant was ₹ 6,812 per day instead of ₹ 9,603 per day. The reply is not acceptable as the Department had not taken into account the five *per cent* wastage on the total steel used as per the agreement and the rate of recovery for rent charges of ADM plant was ₹ 9,603 per day (instead of ₹ 6,812) as mandatory supply of plant and equipment by the Department was not stipulated in the agreement with the contractor. The Department also failed (January 2024) to furnish the reason for delay in payment of final bill to the contractor for over five years (*i.e.*, from the date of preparation of final bill on 6 September 2018).

Recommendations:

- 1 The Government may take action against the officer(s) concerned after fixing responsibility for failure to recover the value of unused departmentally supplied steel not returned by the contractor, rent charges of plant, empty bitumen drums and taxes.***
- 2 The Government may establish a system to ensure that financial interests of the State are always protected during execution of the projects.***

⁹⁹ ₹ 74,90,340 (for 780 days during 15 March 2014 to 4 May 2016 @ ₹ 9,603 per day)

¹⁰⁰ 441.557 MT of Bitumen requires 2,729 barrels as it was seen from the store indents that 10.0316 MT of Bitumen was issued in 62 barrels

¹⁰¹ ₹ 1,854 x ₹ 100= ₹ 1,85,400

PUBLIC WORKS (ROADS AND BUILDING) DEPARTMENT

3.6 Extra expenditure

The Executive Engineer, Public Works Department (Roads & Buildings), Dharmanagar Division did not take steps for obtaining confirmation on publication of the first call of tender in the newspapers, from the Information and Cultural Affairs Department in violation of the State Government's instructions. That led to the cancellation of the first call of tender and awarding of the work at a higher rate in the subsequent call which led to extra expenditure of ₹ 0.93 crore.

The State Government adopted (May 2007) the Central Public Works Department (CPWD) Works Manual to the State Public Works Department (PWD) subject to some modifications/ alterations in the CPWD Works Manual. As per Para 17.1(1) of CPWD Works Manual, 2014, wide publicity should be given to the Notice Inviting Tender (NIT) and tenders must be invited in the most open and public manner possible by advertisement on the website/ press. As per instructions (May 2007) issued by the State Government¹⁰², the advertisement for NITs shall be sent by the Executive Engineer (EE) to the Directorate of Information and Cultural Affairs (ICA) Department, Government of Tripura for insertion in the press well in advance and a watch should be kept by the EE on publication of advertisement in those newspapers where advertisements are being released by the ICA Department. Newspapers cuttings in each case should be collected by the EE and kept on record as a proof of publicity achieved as far as possible.

The PWD accorded (December 2016) the administrative approval and expenditure sanction of ₹ 9.15 crore for the work "Improvement of Bagbassa-Dharmanagar road from intermediate lane to double lane/ SH: Widening, BM, carpeting, protection wall, etc. portion from Ch.0.00 Km. to Ch. 8.00 Km." The Chief Engineer (CE), Public Works Department (Roads and Building) {PWD (R&B)} accorded (January 2017) technical sanction of ₹ 9.15 crore for the work.

Scrutiny (January 2022) of records of the Executive Engineer (EE), PWD (R&B), Dharmanagar Division revealed that the EE invited (February 2017) the tender {(vide Press Notice Inviting Tender (PNIT) dated 28 February 2017 with last date of submission of bid on 30 March 2017)}. PNIT was uploaded (1 March 2017) on the website (<https://tripuratenders.gov.in>). In response, three bids were received and the first lowest bidder¹⁰³ quoted rate of 5.57 per cent below the estimated cost (₹ 8.89 crore) put to tender. During evaluation of tender and submitting the same along with the bid documents, to the CE, PWD (R&B), the EE and Superintending Engineer, First Circle, PWD (R&B) stated (August 2017-September 2017) that the rate quoted by the first lowest bidder might be accepted as the quoted rate was favourable to the Department. Although the EE had sent the NIT to the Directorate of ICA Department, Government

¹⁰² Issued vide Government of Tripura, PWD's notification No. F.15(2)/MC-PWD dated 30 May 2007

¹⁰³ M/s N. G. Bhattacharjee Construction Co.

of Tripura for publication in the newspapers but the EE did not (i) keep watch of publication of the advertisement in newspapers and (ii) collect the newspapers' cuttings for keeping on record as a proof of publicity, in violation of the State Government's instructions. The Chief Engineer (CE) (December 2017) cancelled the first call of tender due to non-submission of confirmation from the ICA Department, Government Tripura on publication of NIT in the newspapers, by the EE.

After that, the EE invited (January 2018) the second call of tender through e-tendering by uploading the PNIT on the website and by publishing the PNIT in newspapers through ICA Department. Out of two bids received in second call, the first lowest bid was found informal as the bidder had not furnished the earnest money as per terms and conditions of the NIT. The CE cancelled the tender as the rate quoted by second lowest bidder was found high (11.67 *per cent* above the estimated cost of ₹ 8.89 crore put to tender) and ordered (July 2018) to call the tender for third time.

The EE invited (November 2018) the third call of tender through e-tendering by uploading the PNIT on the website and by publishing the PNIT in newspapers through ICA Department. In the third call of tender (November 2018), eight bidders participated during the tendering process and the first lowest bidder¹⁰⁴ quoted ₹ 9.32 crore *i.e.* 4.89 *per cent* above the estimated cost of ₹ 8.89 crore put to tender. On acceptance of lowest quoted rate by the CE, the EE issued (August 2019) work order to the lowest bidder with a stipulation to complete the work by six months. The work commenced in August 2019 and was completed in January 2021. The total value of work done was ₹ 9.44 crore (including extra items valued ₹ 0.26 crore) and the same was paid (March 2021) to the contractor.

Thus, the EE, PWD (R&B), Dharmanagar Division did not take steps for obtaining confirmation on publication of the first call of tenders in the newspapers, from the ICA Department in violation of the State Government's instructions. That led to the cancellation of the first call of tender and awarding of the work at a higher rate in the subsequent call with the involvement of extra expenditure¹⁰⁵ of ₹ 0.93 crore.

In reply, the Government stated (March 2023) that the EE, PWD (R&B), Dharmanagar Division had issued press notice to the ICA Department for press publication, which was never received by the ICA Department. It also added that cancellation of e-tender in the first call due to non-publication of the NIT in newspapers was strictly in compliance with the guidelines as issued by the Government.

The reply is not acceptable because as per State Government's instructions (May 2007) the duty of the EE, PWD (R&B), Dharmanagar Division was not only limited to making request with the Director, ICA Department, Government of Tripura for release of advertisement but the EE should also (i) keep watch of publication of the advertisement in the newspapers and (ii) collect the newspapers' cuttings for keeping on record as a proof of publicity.

¹⁰⁴ Shekhar Ch. Podder, Contractor

¹⁰⁵ ₹ 8.89 crore x [4.89-(-5.57)] *per cent*

The matter was again taken up (July 2023) with the State Government. The Secretary accepted the facts and also assured (December 2023) that the Department would issue necessary directions for ensuring the publication of tender notices in the newspapers.

Recommendation:

The Government may fix responsibility of the officers concerned for the lapse and also to ensure timely implementation of the projects thereby avoiding the cost escalation.

CHAPTER IV: ECONOMIC SECTOR
(State Public Sector Enterprises)

CHAPTER IV: ECONOMIC SECTOR (STATE PUBLIC SECTOR ENTERPRISES)

4.1 Functioning of State Public Sector Enterprises

4.1.1 Introduction

The State Public Sector Enterprises (PSEs) consist of State Government Companies and Statutory Corporations. The PSEs are established to carry out activities of commercial nature and occupy an important place in the State economy. As on 31 March 2023, there were 16 PSEs (including one non-working) in Tripura. The details of the PSEs in Tripura as on 31 March 2023 are given in **Table 4.1.1**.

Table 4.1.1: Total number of PSEs as on 31 March 2023

Type of PSEs	Working PSEs	Non-working PSEs ¹⁰⁶	Total
Government Companies ¹⁰⁷	14	1 ¹⁰⁸	15 ¹⁰⁹
Statutory Corporations	1	-	1
Total	15	1	16

None of these PSEs were listed on the Stock Exchange. During the year 2022-23, two new PSEs were incorporated and no existing PSE was closed down.

4.1.2 Investment in PSEs

4.1.2.1 State Government's investment in PSEs

The State's investment in its PSEs was by way of share capital/ loans and special financial support by way of revenue grants.

As on 31 March 2023, the investment of the State Government (capital and long-term loans) in 16 PSEs was ₹ 1,881.79 crore¹¹⁰ in the form of equity (₹ 1,652.33 crore) and long term loans (₹ 229.46 crore).

The State Government investment (₹ 1,881.79 crore) as on 31 March 2023 consisted of 87.81 *per cent* towards capital and 12.19 *per cent* in long-term loans as against the investment of ₹ 1,675.55 crore as on 31 March 2019 consisting of 87.69 *per cent* (capital) and 12.31 *per cent* (long-term loans). A graphical presentation of State Government investment in PSEs during last five years (2018-19 to 2022-23) has been given in **Chart 4.1.1**.

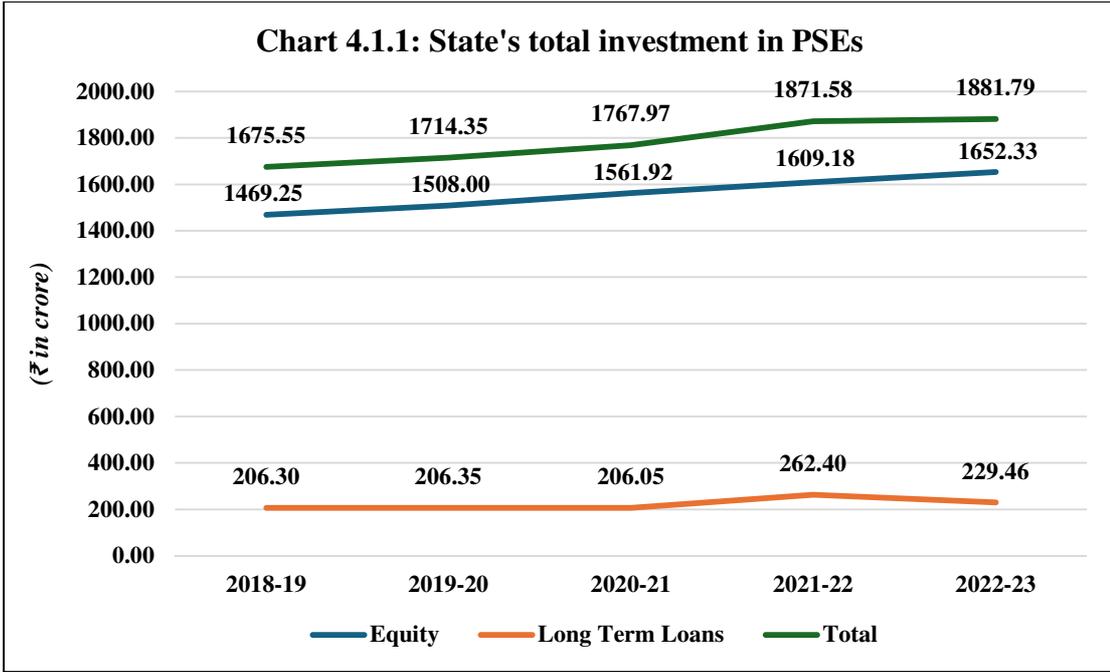
¹⁰⁶ Non-working PSEs are those which have ceased to carry on their operations.

¹⁰⁷ Government companies include Other Companies referred to in Section 139(5) and 139(7) of the Companies Act, 2013.

¹⁰⁸ Tripura State Bank Limited

¹⁰⁹ Does not include two new PSE's - Tripura Nature Trails and Resort Limited (incorporated on 21 November 2022) and Tripura Power Transmission Limited (incorporated on 19 January 2023) whose first accounts are not finalised as on 30 September 2023.

¹¹⁰ Investment figures are provisional and as provided by the PSEs excepting three PSEs (Sl. No. A.8, A.9 and A.14 of **Appendix 4.1.1**), investment figures for which have been adopted from their finalised accounts for 2022-23.



As can be seen from **Chart 4.1.1** that, the State Government's investment in PSEs during last five years showed an increasing trend. The State's investment grew by 12.31 per cent (₹ 206.24 crore) from ₹ 1,675.55 crore in 2018-19 to ₹ 1,881.79 crore in 2022-23.

During 2022-23, out of 14¹¹¹ working PSEs where State Government had made direct investment, eleven PSEs incurred loss (₹ 321.03 crore) and three PSEs earned profit (₹ 0.89 crore) as per their latest finalised accounts (**Appendix 4.1.1**). None of the three profit making PSEs had declared any dividend. There was no recorded information about the existence of any specific policy of the State Government regarding payment of dividend by the PSEs.

The State Government's investment (historical value) in PSEs had eroded by 11.92 per cent in 2022-23, and the accumulated losses (₹ 1,118.89 crore¹¹²) of four PSEs¹¹³ had completely eroded the State's investment (₹ 845.99 crore) in their paid-up capital, as per their latest finalised accounts.

4.1.2.2 Total Sector-wise investment in PSEs

Details of the total investment of State Government and Other Stakeholders (Central Government, Holding Companies, Banks, Financial Institutions, etc.) in PSEs under various important sectors at the end of 31 March 2019 and 31 March 2023 has been given in **Table 4.1.2**.

¹¹¹ Excluding Tripura Natural Gas Company Limited (profit earned: ₹ 20.25 crore), which had no direct investment from the State Government

¹¹² Net after adjusting the Free Reserves (₹ 61.07 crore) of PSE at serial No. A8 of **Appendix 4.1.1**

¹¹³ Serial No. A5, A8, A13 and B1 of **Appendix 4.1.1**

Table 4.1.2: Sector-wise details of total investments¹¹⁴ in PSEs

(₹ in crore)

Name of Sector	Government/ Other Companies		Statutory Corporations		Total Investment	
	2018-19	2022-23	2018-19	2022-23	2018-19	2022-23
Power	742.35	1,464.69	0.00	0.00	742.35	1,464.69
Manufacturing	404.96	499.33	0.00	0.00	404.96	499.33
Financing	144.62	144.62	0.00	0.00	144.62	144.62
Service	148.94	205.65	163.03	163.96	311.97	369.61
Agriculture & Allied	72.95	103.72	0.00	0.00	72.95	103.72
Miscellaneous	8.86	30.12	0.00	0.00	8.86	30.12
Total	1,522.68	2,448.13	163.03	163.96	1,685.71	2,612.09

Source: PSEs data

It can be seen from **Table 4.1.2** that as compared to 2018-19, the combined investment of State Government and Other Stakeholders increased by ₹ 926.38 crore (55 per cent) during 2022-23, major portion (94 per cent) of which pertained to the Power Sector (₹ 722.34 crore), Manufacturing Sector (₹ 94.37 crore) and in Service Sector (₹ 57.64 crore).

The increase in investment under the Power sector was mainly due to the net increase in borrowings (₹ 722.24 crore¹¹⁵) availed by power sector companies from various sources during the period of five years (2018-23). Increase in the investment under Manufacturing sector was attributable to additional equity infusion by the State Government to Tripura Jute Mills Limited (₹ 86.53 crore) and Tripura Small Industries Corporation Limited (₹ 7.84 crore) over the period of four years (2019-23).

Similarly, the investment in the Service sector increased mainly due to additional equity contribution (₹ 57.49 crore) provided by the State Government to Tripura Handloom and Handicrafts Development Corporation Limited (₹ 56.31 crore) and Tripura Road Transport Corporation (₹ 1.18 crore) during the said period.

4.1.3 Reconciliation with Finance Accounts

The figures in respect of equity and loans provided by the State Government as per the records of PSEs should agree with the corresponding figures appearing in the Finance Accounts of the State. In case of differences in the figures, the PSEs concerned and the Finance Department should carry out reconciliation of differences. The position in this regard as on 31 March 2023 is given in **Table 4.1.3**.

¹¹⁴ Investment figures are provisional and as provided by the PSEs excepting the PSEs, which had finalised their up-to-date accounts as at 30 September of 2019 and 2023 respectively.

¹¹⁵ State Government: ₹ 23.41 crore; Central Government: ₹ 482.40 crore and Others: ₹ 216.43 crore

Table 4.1.3: Equity, loans outstanding as per the Finance Accounts vis-à-vis records of PSEs

(₹ in crore)

Outstanding in respect of	Amount as per Finance Accounts	Amount as per records of PSEs	Difference
Equity	1,593.00	1,652.33	59.33
Loans	156.90	229.46	72.56

Source: Finance Accounts 2022-23 and PSEs records

As on 31 March 2023, there were unreconciled differences in the figures of equity (₹ 59.33 crore) and loan (₹ 72.56 crore) as per two sets of records. The differences in equity occurred in respect of 13 PSEs¹¹⁶ falling under Agriculture and Allied Sector (four PSEs), Service Sector (four PSEs), Manufacturing Sector (two PSEs), Power Sector (two PSEs) and Finance Sector (one PSE).

As regards Loan figures, the Finance Department disburses the loans to various Departments of the State Government for different sectoral activities and booked the amount sector-wise in the Finance Accounts. In turn, the Departments disburse these loans to respective PSEs functioning under their administrative control. Hence, PSE-wise figures of State Government loans provided to various PSEs are not available in the State Finance Accounts. However, the State Government loan figure booked in the Finance Accounts (₹ 156.90 crore) pertained to the PSEs under Power Sector (₹ 156.75 crore) and Service Sector (₹ 0.15 crore).

The State Government and the PSEs concerned may take concrete steps to reconcile the differences in a time-bound manner. The Government should correct the system of recording the funding provided to PSEs in the State Finance Accounts and the Finance Accounts be updated.

4.1.4 Special support and guarantees to PSEs during the year

The State Government provides financial support to PSEs in various forms through annual budgetary allocations. The summarised details of budgetary outgo towards equity, loans and grants/ subsidies in respect of PSEs for the three years ended 2022-23 are given in **Table 4.1.4**.

¹¹⁶ PSEs at Sl. Nos. A.1 to A.12 and B.1 of **Appendix 4.1.1**

Table 4.1.4: Details regarding budgetary support to PSEs

(*₹ in crore*)

Particulars	2020-21		2021-22		2022-23	
	No. of PSEs	Amount	No. of PSEs	Amount	No. of PSEs	Amount
Equity capital outgo from budget	6	52.34	6	46.86	6	43.15
Loans given from budget	-	-	1	56.36	1	100.00
Grants/ subsidy from budget	2	71.18	4	120.71	4	160.70
Total Outgo¹¹⁷	8	123.52	10	223.93	10	303.85
Guarantees issued	-	-	1	100	1	175.00
Guarantee commitment	-	-	-	-	-	-

Source: Figures as provided by the PSEs

It can be seen from **Table 4.1.4** that, the State Government had provided a total budgetary support of ₹ 303.85 crore to PSEs during 2022-23, which was higher by ₹ 180.33 crore (145.99 per cent) as compared to the financial support provided during 2020-21.

The major beneficiaries of budgetary outgo during 2022-23 were Tripura State Electricity Corporation Limited (loan: ₹ 100 crore, grant/ subsidy: ₹ 129.09 crore), Agartala Smart City Limited (grant/ subsidy: ₹ 25.27 crore), Tripura Handloom and Handicrafts Development Corporation Limited (equity: ₹ 14.82 crore) and Tripura Jute Mills Limited (equity: ₹ 12.53 crore).

4.1.5 Accountability framework

The audit of the financial statements of a Company in respect of financial years commencing on or after 1 April 2014 is governed by the provisions of the Companies Act, 2013 (Act) and audit of the financial statements in respect of financial years that commenced earlier than 1 April 2014 continued to be governed by the Companies Act, 1956. The new Act has brought about increased Regulatory Framework, wider Management responsibility and higher Professional Accountability.

4.1.5.1 Statutory Audit/ Supplementary Audit

Statutory Auditors appointed by the Comptroller and Auditor General of India (C&AG), audit the financial statements of a Government Company. In addition, C&AG conducts the Supplementary Audit of these financial statements under the provisions of Section 143 (6) of the Act.

Audit of Statutory Corporations is governed by their respective Legislations. The State of Tripura had only one Statutory Corporation (Tripura Road Transport Corporation), which was working. The C&AG is the sole auditor of this Corporation in terms of Section 19 (2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 33(2) of the Road Transport Corporations Act, 1950.

¹¹⁷ Actual number of PSEs, which received equity, loans, grants/ subsidies from the State Government.

4.1.5.2 Role of Government and Legislature

The State Government exercises control over the affairs of these PSEs through its administrative departments. The Government appoints the Chief Executive and Directors on the Board of these PSEs.

The State Legislature also monitors the accounting and utilisation of State Government investment in the PSEs. For this purpose, the Annual Reports of State Government Companies together with the Statutory Auditors' Reports and comments of the C&AG thereon are to be placed before the Legislature under Section 394 of the Act. Similarly, the Annual Reports of Statutory Corporations along with the Separate Audit Reports of C&AG are required to be placed before the Legislature as per the stipulations made under their respective governing Acts. The Audit Reports of C&AG are submitted to the Government under Section 19A of the C&AG's (Duties, Powers and Conditions of Service) Act, 1971.

4.1.6 Arrears in finalisation of accounts

Financial statements of the Companies are required to be finalised within six months from the end of the relevant financial year *i.e.* by end of September in accordance with the provisions of Section 96 (1) of the Companies Act. Failure to do so may attract penal provisions under Section 99 of the Act. Similarly, the accounts of Statutory Corporations, are to be finalised, audited and presented to the Legislature as per the provisions of their respective Acts.

Timely finalisation of accounts is important for the State Government to assess the financial health of the PSEs and to avoid financial misappropriation and mismanagement. Persistent delay in finalisation of accounts is fraught with the risk of fraud and leakage of public money going undetected apart from violation of the provision of the Companies Act, 2013.

Table 4.1.5 provides the details relating to finalisation of accounts by working PSEs as of 30 September 2023.

Table 4.1.5: Position relating to finalisation of Accounts of working PSEs

Sl. No.	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
1.	Number of working PSEs	14	15 ¹¹⁸	15	15	15
2.	Number of Accounts finalised during the year	16	16 ¹¹⁹	13	18	13
3.	Number of Accounts in arrears	21	24	26	23	25
4.	Number of Working PSEs with arrears in Accounts	12	13	14	12	12
5.	Extent of arrears (number in years)	1 to 4 years	1 to 4 years	1 to 5 years	1 to 6 years	1 to 7 years

¹¹⁸ Included Tripura Power Generation Limited which was incorporated on 28 January 2015.

¹¹⁹ Included four arrear accounts of Tripura Power Generation Limited (2015-16 to 2018-19).

As could be noticed from **Table 4.1.5** that the accounts of only three¹²⁰ out of 15 working PSEs were up-to-date as on 30 September 2023. Remaining 12 working PSEs had a backlog of total 25 accounts for periods ranging from one to seven years. The oldest Accounts in arrears was since 2016-17 (seven Accounts), which related to ‘Tripura Horticulture Corporation Limited’ as detailed in **Appendix 4.1.1**.

The administrative departments concerned have the responsibility to oversee the activities of these entities and to ensure that their accounts are finalised and adopted by the PSEs within the stipulated period.

The Principal Accountant General (Audit), Tripura had been taking up the matter regularly with the PSEs¹²¹ and the administrative departments¹²² concerned for liquidating the arrears of accounts of PSEs. However, the State Government and the PSEs concerned could not address the issue to clear all pendency of accounts of the PSEs in a time bound manner.

4.1.7 Placement of Separate Audit Reports

Timely placement of SARs in the State Legislature is important to ensure timely reporting on the functioning of the Corporation to the stakeholders and fix accountability of the Management for its performance.

Tripura Road Transport Corporation (TRTC) was the only Statutory Corporation in the State of Tripura covered under the audit purview of C&AG. The Accounts of TRTC have been finalised upto 2019-20 and Separate Audit Reports (SARs) of the C&AG on these Accounts have also been issued. The SARs on the Accounts of TRTC have been placed (7 July 2023) in the State Legislature upto the accounting year 2019-20.

Recommendations:

- a. The State Government may set up a special cell to oversee the clearance of arrears of PSE-accounts and set the targets for individual PSEs, which may be monitored by the cell;*
- b. The State Government may ensure that existing vacancies in the accounts department of PSEs are timely filled up with persons having domain expertise and experience; and*
- c. The PSEs may get the figures of equity and loans reconciled with the State Government Departments and arrear of accounts are cleared.*

¹²⁰ Tripura Natural Gas Company Limited, Tripura Power Generation Limited and Tripura State Electricity Corporation Limited.

¹²¹ May, October, December 2022 and March 2023

¹²² June 2022

4.1.8 Investments made by State Government in PSEs whose accounts are in arrears

The State Government had invested ₹ 65.75 crore in six PSEs (equity: ₹ 65.75 crore and loans: Nil) during the years for which these PSEs had not finalised their accounts as detailed in **Table 4.1.6**.

Table 4.1.6: Investment by State Government in PSEs having accounts in arrears

(₹ in crore)

Sl. No.	Name of PSE	Accounts finalised upto	Accounts pending finalisation	Investment by State Government during the period of arrears	
				Equity	Loans
1	Tripura Horticulture Corporation Limited	2015-16	2016-17 to 2022-23	5.70	0.00
2	Tripura Tea Development Corporation Limited	2021-22	2022-23	6.30	0.00
3	Tripura Rehabilitation Plantation Corporation Limited	2020-21	2021-22 & 2022-23	6.50	0.00
4	Tripura Jute Mills Limited	2021-22	2022-23	12.53	0.00
5	Tripura Small Industries Corporation Limited	2018-19	2019-20 to 2022-23	19.90	0.00
6	Tripura Handloom and Handicrafts Development Corporation Limited	2021-22	2022-23	14.82	0.00
Total				65.75	0.00

In the absence of accounts and their subsequent audit, it could not be verified if the investments made and the expenditure incurred have been properly accounted for and the purpose for which the amount was invested was achieved or not.

The Government may consider not giving further financial assistance to the PSEs having backlog of Accounts until the accounts are made as current as possible.

The Government may consider setting up a special cell under the Finance Department to oversee the expeditious clearance of arrears of accounts of PSEs. Where there is lack of staff expertise, Government may consider outsourcing the work relating to preparation of accounts and take action against Company Management responsible for arrears of accounts.

4.1.9 Performance of PSEs as per their latest finalised accounts

The financial position and working results of working PSEs as per their latest finalised accounts as on 30 September 2023 are detailed in **Appendix 4.1.1. Table 4.1.7** provides the comparative details of working PSEs turnover and State GSDP for a period of five-year ending 2022-23.

Table 4.1.7: Details of working PSEs-turnover vis-à-vis GSDP

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Turnover ¹²³	1,024.88	1,289.82	1,742.31	1,878.68	2077.17
GSDP ¹²⁴	49,823.32	54,151.12	53,504.12	62,550.44	72,635.62
Percentage of Turnover to GSDP	2.06	2.38	3.26	3.00	2.86

As can be seen from **Table 4.1.7** that the turnover of the working PSEs and the GSDP have shown an increasing trend during the five years under reference excepting the marginal decline (₹ 647.00 crore) in the GSDP during 2020-21. The year-wise percentage of State PSE turnover to GSDP, however, has shown decreasing trend during recent two years (2021-22 and 2022-23). This was mainly due to the fact that the growth of PSE-turnover during last two years (2021-22 and 2022-23) was not commensurate with the pace of increase in the GSDP during the said two years.

The increase in State PSE-turnover (₹ 198.49 crore) during 2022-23 was mainly driven by the growth of ₹ 108.39 crore in the turnover of one power sector company (Tripura State Electricity Corporation Limited) from ₹ 1,562.76 crore (2021-22) to ₹ 1,671.15 crore (2022-23).

4.1.9.1 Key parameters

Some other key parameters of PSEs performance as per their latest finalised accounts as on 30 September of the respective year are given in **Table 4.1.8**.

Table 4.1.8: Key Parameters of PSEs

(₹ in crore)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Debt	297.10	491.07	532.56	770.73	933.14
Turnover ¹²⁵	1,024.88	1,289.82	1,742.31	1,878.68	2,077.17
Debt/ Turnover Ratio	0.29:1	0.38:1	0.31:1	0.41:1	0.45:1
Interest Payments	1.21	6.97	12.89	14.40	26.02
Accumulated losses	1,028.84	1,120.95	1,055.60	1,181.86	1,485.57 ¹²⁶

Debt-Turnover Ratio

A low debt-to-turnover ratio (DTR) demonstrates a good balance between debt and income. Conversely, a high DTR can signal of having too much of debt against the income of PSEs from core activities. Thus, the PSEs having lower DTR are more likely to comfortably manage their debt servicing and repayments.

¹²³ Turnover of working PSEs as per their latest finalised accounts as on 30 September of respective year

¹²⁴ GSDP figures as per MoSPI

¹²⁵ Turnover of working PSEs as per their latest finalised accounts as on 30 September of the respective year

¹²⁶ Overall accumulated losses of 15 working PSEs after taking into account the accumulated losses of 11 PSEs (₹ 1,765.45 crore) and accumulated profits of four PSEs (₹ 279.88 crore)

PSE Debt

It can be noticed from **Table 4.1.8** above that during the period of five years (2018-23), the PSEs debt had increased by ₹ 636.04 crore (214.08 *per cent*) from ₹ 297.10 crore (2018-19) to ₹ 933.14 crore (2022-23). The major increase in the PSE debts was during 2019-20 (₹ 193.97 crore) and 2021-22 (₹ 238.17 crore), which was mainly attributable to the increase of ₹ 196.60 crore (2019-20) and ₹ 235.40 crore (2021-22) in the long term debts of Tripura State Electricity Corporation Limited. A major portion (99.37 *per cent*) of PSE debts during 2022-23 pertained to Tripura State Electricity Corporation Limited (₹ 798.83 crore) and Tripura Industrial Development Corporation Limited (₹ 128.41 crore).

It can further be seen from **Table 4.1.8** that during 2018-23, the PSE Turnover had grown by ₹ 1,052.29 crore (102.67 *per cent*) from ₹ 1,024.88 crore (2018-19) to ₹ 2,077.17 crore (2022-23). However, more than 80 *per cent* (₹ 1,671.15 crore) of PSE Turnover (₹ 2,077.17 crore) during 2022-23 was contributed by one power sector PSE (Tripura State Electricity Corporation Limited).

During the five years (2018-23), the Debt to Turnover Ratio has increased from 0.29:1 (2018-19) to 0.45:1 (2022-23), which indicated deteriorated position of PSEs in servicing and repayment of their long-term debts as compared to previous years.

Further, the accumulated losses of PSEs during 2018-23, had also increased by ₹ 456.73 crore (44.39 *per cent*) from ₹ 1,028.84 crore (2018-19) to ₹ 1,485.57 crore (2022-23), which was a drain on the financial resources of the State. Three PSEs¹²⁷ contributed 99.81 *per cent* (₹ 1,482.58 crore) of the overall accumulated losses of PSEs during 2022-23.

4.1.9.2 Erosion of capital due to losses

The aggregate paid-up capital and accumulated losses of 15 working PSEs as per their latest finalised accounts as on 30 September 2023 were ₹ 1,613.60 crore and ₹ 1,485.57 crore respectively (**Appendix 4.1.1**).

Analysis of investment and accumulated losses of these PSEs revealed that the accumulated losses (net of free reserves) of four working PSEs (₹ 1,057.82 crore) had completely eroded their paid-up capital (₹ 845.99 crore) as detailed in the **Table 4.1.9**.

¹²⁷ Tripura State Electricity Corporation Limited (₹ 803.57 crore), Tripura Jute Mills Limited (₹ 390.97 crore) and Tripura Road Transport Corporation (₹ 288.04 crore)

Table 4.1.9: PSEs with erosion of paid up capital

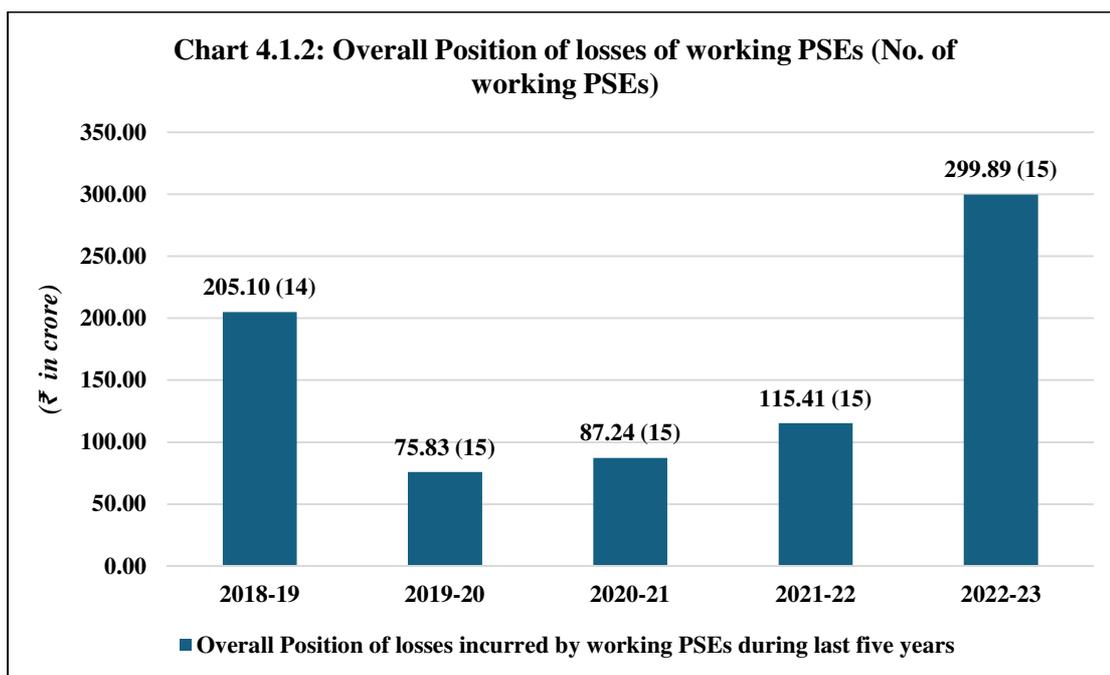
(₹ in crore)

Name of PSE	Year of Accounts	Paid up capital	Accumulated losses
Tripura State Electricity Corporation Limited	2022-23	665.76	742.50*
Tripura Road Transport Corporation	2019-20	163.96	288.04
Tripura Industrial Development Corporation Limited	2021-22	16.17	27.04
Agartala Smart City Limited	2021-22	0.10	0.24
Total		845.99	1,057.82

*Net after adjusting 'free reserves' of ₹ 61.07 crore

Accumulation of huge losses by these PSEs had eroded public wealth, which is a cause of serious concern and the State Government needs to review the working of these PSEs to either improve their profitability or close their operations.

The overall position of losses¹²⁸ incurred by working PSEs during 2018-19 to 2022-23 are depicted in **Chart 4.1.2**.



(Figures in brackets show the number of working PSEs in respective years)

From **Chart 4.1.2**, it can be seen that the working PSEs incurred losses during all the five years under reference and had shown an increasing trend after 2019-20. The losses of working PSEs during last five years were mainly driven by the losses incurred by the power sector PSEs. The overall losses of working PSEs, which were highest during 2022-23 (₹ 299.89 crore) were mainly contributed by the losses (₹ 284.33 crore) of Tripura State Electricity Corporation Limited.

¹²⁸ As per the latest finalised accounts of working PSEs as on 30 September of the respective year

During the year 2022-23, out of 15 working PSEs, four PSEs earned an aggregate profit of ₹ 21.14 crore and eleven PSEs incurred loss of ₹ 321.03 crore. The details of major contributors to overall profits and losses of working PSEs are given in **Table 4.1.10**.

Table 4.1.10: Major contributors to profits and losses of working PSEs

(₹ in crore)

Name of PSE	Latest finalised accounts	Profit (+)/ loss (-)
Tripura Natural Gas Company Limited	2022-23	(+) 20.25
Tripura State Electricity Corporation Limited	2022-23	(-) 284.33
Tripura Jute Mills Limited	2021-22	(-) 16.03
Tripura Small Industries Corporation Limited	2018-19	(-) 7.98

4.1.9.3 Return on Capital Employed

Return on Capital Employed (ROCE) is a profitability metric that measures the long term profitability and efficiency of the total capital employed by a company. Companies create value when they generate returns on the capital employed. ROCE is an important decision metric for long term lenders. ROCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed¹²⁹.

During 2022-23, the overall Capital Employed in 15 working PSEs as per their latest accounts was ₹ 1,122.24 crore. The ROCE of 14 out of these 15 PSEs ranged from (-) 192.90 *per cent* (Tripura Jute Mills Limited) to (+) 15.71 *per cent* (Tripura Natural Gas Company Limited). ROCE of two SPSE (Tripura Road Transport Corporation and Agartala Smart City Limited) was not workable due to complete erosion of the Capital Employed. Further, out of 15 working PSEs, only three PSEs¹³⁰ had positive ROCE (**Appendix 4.1.1**).

4.1.10 Return on Investment on the basis of Present Value of Investment

The Rate of Real Return (RORR) measures the profitability and efficiency with which equity and similar non-interest bearing capital have been employed, after adjusting them for the time value. To determine the Rate of Real Return on Government Investment (RORR), the investment of State Government¹³¹ in the form of equity, interest free loans and grants/ subsidies given by the State Government for operational and management expenses less disinvestments (if any) has been considered, and indexed to their Present Value (PV) and summated. The RORR is then calculated by dividing the 'profit after tax' (PAT) by the sum of the PV of the Government investment.

¹²⁹ Capital employed = Paid up share capital plus accumulated profits plus free reserves & surplus plus long term loans minus accumulated losses and deferred revenue expenditure

¹³⁰ PSEs at Sl. No. A.11, A.12 and A.14 of **Appendix 4.1.1**

¹³¹ As per the records of PSEs

During 2022-23, out of 15 working PSEs, eleven PSEs incurred loss (₹ 321.03 crore) and only four PSEs earned profits¹³² (₹ 21.14 crore) (**Appendix 4.1.1**). On the basis of return on historical value, the State Government investment eroded by 11.92 per cent during 2022-23. On the other hand, the Rate of Real Return where the present value of investment is considered, the State Government investment eroded by 4.57 per cent as shown in **Appendix 4.1.2**. This difference in the percentage of investment erosion was on account of adjustments made in the investment amount for the time value of money.

4.1.11 Winding up of non-working PSEs

As on 31 March 2023, there was only one non-working PSE (*viz.* Tripura State Bank Limited), which had been non-functional since 1971. The said PSE was in the process of liquidation under Section 248 of the Companies Act, 2013¹³³ since 1971. Since the PSE was neither contributing to the State economy nor meeting the intended objectives of its formation, the liquidation process to wind up this PSE needs to be expedited.

4.1.12 Impact of Audit Comments on Annual Accounts of PSEs

During October 2022 to September 2023, 11 working PSEs (all Companies) had forwarded 13 accounts to the Principal Accountant General (Audit), Tripura. Eleven accounts of nine Companies were selected for Supplementary Audit during the year while Non-Review Certificates (NRC) were issued against remaining two accounts of two Companies. The audit reports of Statutory Auditors appointed by the C&AG and the supplementary audit conducted by the C&AG indicated that the quality of maintenance of State PSE accounts needs to be improved substantially. The details of aggregate money value of comments of Statutory Auditors and the C&AG are given in **Table 4.1.11**.

Table 4.1.11: Impact of audit comments on working Companies

(₹ in crore)

Sl. No.	Particulars	2020-21		2021-22		2022-23	
		No. of accounts	Amount	No. of accounts	Amount	No. of accounts	Amount
1.	Decrease in profit	1	0.11	4	7.05	1	3.26
2.	Increase in loss	4	0.75	3	11.87	6	7.93
3.	Non-disclosure of material facts	1	150.37	0	0.00	2	91.26
4.	Errors of classification	0	0.00	0	0.00	0	0.00

During the year, the Statutory Auditors had given qualified certificates on all the 13 accounts of 11 companies. There were four instances of non-compliance with the Accounting Standards in three accounts. The audit comments were based on the

¹³² As per the latest finalised accounts of working PSEs as on 30 September 2023

¹³³ The Companies Act, 2013 replaced the erstwhile Companies Act, 1956 with effect from 1 April 2014.

non-compliance with IND AS-109 (Financial Instruments), AS-5 (Net profit or loss for the period, prior period items and changes in the Accounting Policies), AS-17 (Segment Reporting) and AS-29 (Provisions, Contingent Liabilities and Contingent Assets).

The only Statutory Corporation in the State (*viz.* Tripura Road Transport Corporation) for which the C&AG is the sole auditor, had not forwarded any accounts during the reporting period to the Principal Accountant General (Audit), Tripura.

4.1.12.1 Gist of some of the important comments of the statutory auditors and CAG in respect of accounts of the PSEs are as under:

Tripura Handloom & Handicrafts Development Corporation Limited (2021-22)

- ‘Expenditure (₹ 17.28 crore)’ was understated by ₹ 1.76 crore due to non-accounting of outstanding expenses/ claims pertaining to the current year contrary to the principles of accounting on accrual basis, resulting in the understatement of ‘Loss for the year’ by ₹ 1.76 crore with the corresponding understatement of ‘Current Liabilities’ to the same extent.

Tripura State Electricity Corporation Limited (2022-23)

- ‘Liabilities for Deposit Works (₹ 125.58 crore)’ was overstated by ₹ 7.07 crore (net) due to inappropriate inclusion of the fictitious assets (debit balances: ₹ 5.11 crore) and fictitious liabilities (credit balances: ₹ 12.18 crore) being carried forward for the periods prior to the financial year 2010-11 without any supporting details/ documents and hence, the same should have been written back. This has correspondingly resulted in the overstatement of ‘Loss for the year’ to the same extent.
- The Company has irregularly booked an amount aggregating to ₹ 43.86 crore as ‘Grant Receivable against R-APDRP Expenditure-Other Non-Current Assets (Note 5)’ towards (a) Depreciation against R-APDRP assets created out of PFC Loan, (b) Communication Expenses, (c) Professional and Testing charges, *etc.* relating to R-APDRP Scheme works, which was not justified pending conversion of the PFC Loan into Grant by the PFC.

Tripura Industrial Development Corporation Limited (2021-22)

- ‘Capital Work-in-Progress’ was overstated by ₹ 9.36 crore due to inclusion of the capital cost of various Tangible Assets which were already completed as on 31 March 2022 and hence, same should have been transferred to ‘Tangible Assets’ and depreciation charged accordingly. This resulted in understatement of ‘Tangible Assets’ (Gross Block) by ₹ 9.36 crore each.

Tripura Rehabilitation and Plantation Corporation Limited (2020-21)

- ‘Sheet rubber (₹ 0.85 lakh kg @ ₹ 105 per kg: ₹ 0.90 crore)’ under Inventories (*refer ‘Notes on Accounts’ para VIII*) represents the value of Sheet Rubber Stock derived based on the purchase price of latex (₹ 105 per kg) prevailing at the end of

2020-21 thereby completely ignoring the processing cost incurred in bringing the inventories to their present location and condition, which is not in conformity with the provisions of 'Accounting Standard 2: Valuation of Inventories'. This has resulted in understatement of 'Inventories' by ₹ 0.17 crore with corresponding overstatement of 'Cost of Material consumed' and 'Loss for the year' to the same extent.

- 'Office building: ₹ 0.73 crore' under Fixed Assets represents the three storied office building occupied by the Company as its Headquarters since January 2015. The Company had considered the useful life of the Building as 30 years (depreciation charged: ₹ 9.50 *per cent* per annum) instead of 60 years (applicable depreciation rate: 4.87 *per cent* per annum) as prescribed under the Companies Act, 2013 (refer Part C para 5, item 1(a) of Schedule II). Further, depreciation was not charged on the building during 2015-16 to 2017-18. Thus, there was an overall short charging of depreciation to the extent of ₹ 0.09 crore (current period-over charged: ₹ 0.02 crore; prior-period short charged: ₹ 0.11 crore). This has resulted in overstatement of 'Office Building' by ₹ 0.09 crore with corresponding understatement of the 'Loss for the year' to the same extent.

4.1.13 Follow up action on Audit Reports

4.1.13.1 Submission of Explanatory notes

The Reports of the C&AG represent the culmination of the process of audit scrutiny. It is, therefore, necessary that they elicit appropriate and timely response from the executive. The Finance Department, Government of Tripura had issued (July 1993) instructions to all administrative departments to submit replies (explanatory notes) to paragraphs/ performance audits included in the Audit Reports of the C&AG within a period of three months of their presentation to the Legislature, in the prescribed format without waiting for any questionnaires from the Committee on Public Undertakings (COPU). The position of receipt of replies/ explanatory notes to paragraphs/ performance audits pending to be received from the State Government/ administrative departments concerned is given in **Table 4.1.12**.

Table 4.1.12: Explanatory notes not received (as on 30 September 2023)

Year of the Audit Report (Commercial/ PSEs)	Date of placement of Audit Report in the State Legislature	Total performance audits and paragraphs included in the Audit Report		Number of performance audits/ paragraphs for which explanatory notes were not received	
		Performance audits	Paragraphs	Performance audits	Paragraphs
2014-15	23-03-2016	1	2	Nil	2
2015-16	15-03-2017	1	Nil	1	Nil
2016-17	23-11-2018	1	1	1	1
2017-18	30-08-2019	1	4	1	4
2018-19	17-03-2022	0	2	0	2
2019-20	28-03-2022	1	0	1	0
Total		5	9	4	9

From **Table 4.1.12**, it can be seen that out of 14 paragraphs/ performance audits, explanatory notes to 13 paragraphs/ performance audits in respect of three departments, which were commented upon, were awaited (September 2023).

The issue of pendency of furnishing of *suo motu* replies to audit paras was taken up (June 2022) with the Secretary, Tripura Legislative Assembly and Finance Department, Government of Tripura with the request to take steps so that the departments concerned furnish the *suo motu* replies and the pendency can be reduced. Moreover, the list of outstanding paras were also forwarded to the Finance Department and the department concerned in June 2023.

4.1.13.2 Discussion of Audit Reports by COPU

The status of performance audits and paragraphs relating to PSEs that appeared in the State Audit Reports and discussed by the COPU as on 30 September 2023 was as given in **Table 4.1.13**.

Table 4.1.13: Performance audits/ paragraphs featured in State Audit Reports *vis-à-vis* discussed by COPU as on 30 September 2023

Audit of Report Year	Number of performance audits/ paragraphs			
	Appeared in Audit Reports		Discussed by COPU	
	Performance audits	Paragraphs	Performance audits	Paragraphs
2013-14	1	3	1	3
2014-15	1	2	Nil	Nil
2015-16	1	Nil	Nil	Nil
2016-17	1	1	Nil	Nil
2017-18	1	4	Nil	Nil
2018-19	0	2	Nil	Nil
2019-20	1	Nil	Nil	Nil
Total	6	12	1	3

4.1.13.3 Compliance to Reports of COPU

Action Taken Notes (ATNs) to 58 recommendations pertaining to latest 10 Reports of the COPU presented to the State Legislature between November 2010 and February 2015 have not been received (September 2023) as indicated in **Table 4.1.14**.

Table 4.1.14: Compliance to COPU reports

Sl. No.	COPU Report Number	Date of Placement in the State Assembly	Based on Audit Report for the year	Total no. of recommendations in COPU report	No. of recommendations where ATNs not received
1	41	01.11.2010	2000-01	5	5
2	42		2006-07	3	3
3	43		2002-03	8	8
4	44		1989-90	9	9
5	45	06.03.2012	2006-07	8	8
6	46		2007-08	5	5
7	47		2007-08	1	1
8	48		On spot study tour by COPU at TFDPC	5	5
9	49	25.02.2014	2008-09	10	10
10	50	20.02.2015	2004-05	4	4
Total				58	58

The above Reports of COPU contained recommendations in respect of compliance audit paragraphs pertaining to five departments of the State Government, which appeared in the Reports of the C&AG for the years 1989-90 to 2008-09.

Recommendation;

State Government should review and revamp the mechanism of responding to audit observations. The Government may ensure that explanatory notes to audit paragraphs/ performance audits and ATNs on the recommendations of COPU are provided as per the prescribed time schedule and the loss/outstanding advances/ overpayments flagged in audit recovered within the prescribed period to enable accountability for public finances.

TOURISM DEPARTMENT
(Tripura Tourism Development Corporation Limited)

4.2 Subject Specific Compliance Audit on “Swadesh Darshan Scheme”

4.2.1 Introduction

The Swadesh Darshan Scheme (SDS) - Integrated Development of Theme Based Tourist Circuits¹³⁴ in the Country is the flagship scheme of the Ministry of Tourism (MoT), Government of India (GoI) for the development of the tourism infrastructure in the country. The MoT, GoI launched this Centrally funded scheme in January 2015.

The Swadesh Darshan Scheme is envisioned to synergise with other Government of India schemes like Swachh Bharat Abhiyan, Skill India, Make in India, etc. with the idea of positioning the Tourism sector as a major engine for job creation, driving force for economic growth, building synergy with various sectors to enable tourism to realise its potential. The main objectives of the Scheme, inter alia, includes the following:

- to position tourism as a major engine of economic growth and job creation.
- develop circuits having tourist potential in a planned and prioritised manner.
- promote cultural and heritage value of the country to generate livelihood in the identified region.
- to create employment through active involvement of local communities, *etc.*

4.2.2 Implementation of Swadesh Darshan Scheme in the State of Tripura

Tripura is a hilly North-Eastern State of India blessed with natural rich topography, unique geographical location with tropic of cancer passing through its heart. The State, an abode of rich floral and faunal biodiversity, unique landscapes and moderate climate throughout the year has immense potential for tourism. The total tourist’s inflow (both domestic as well as foreign nationals) in the State commencing from the financial year 2015-16 to March 2023 was 29.75 lakh.

The MoT, GoI sanctioned creation of two tourist circuits under the SDS in Tripura namely (a) Development of North-East circuit: Agartala– Sepahijala– Melaghar– Udaipur– Amarpur– Tirthamukh– Mandirghat– Dumboor- Narikel Kunja– Gandacherra– Ambassa (*Agartala Tourist Circuit*) at a sanctioned cost of ₹ 99.59 crore in the year 2015-16, and (b) Development of North- East circuit: Surmacherra- Unakoti- Jampui Hills- Gunabati- Bhubaneshwari- Matabari-

¹³⁴ Tourist circuit is defined as a route on which at least three major tourist destinations falling in different towns, villages or cities are located but not separated by a long distance. It should have well defined entry and exit points. A tourist who enters should get motivated itself to visit all the places identified on the circuit.

Neermahal- Boxanagar- Chottakhola- Pilak- Avangcherra (*Unakoti Tourist Circuit*) at a sanctioned cost of ₹ 64.99 crore in the year 2018-19.

- The Agartala Tourist Circuit comprised 11 different tourist destinations which was subsequently revised to 10¹³⁵ destinations. The sanctioned cost of the said circuit was revised (August 2020) to ₹ 82.85 crore. The total expenditure on Agartala Tourist Circuit was ₹ 73.75 crore (March 2023).
- The Unakoti Tourist Circuit comprised 11 different tourist destinations which was subsequently revised (March 2022) to 10¹³⁶ destinations with a sanctioned cost of ₹ 50.38 crore which was further revised (July 2022) to ₹ 44.83 crore. The total expenditure on Unakoti Tourist Circuit was ₹ 11.92 crore (March 2023).

The State Tourism Department is the administrative department for promotion of tourism in the State. Tripura Tourism Development Corporation Limited (TTDCL) is the nodal agency for implementation of SDS in the State.

4.2.3 Audit objectives

The Subject Specific Compliance Audit (SSCA) on the implementation of the SDS was conducted with a view to get a reasonable assurance that:

- the SDS funds were utilised judiciously, and the tourist circuits so created in the State out of the SDS funds resulted in the augmentation of the tourists' inflows in the State,
- the identified tourist circuits in the State comprising all the project components therein were executed in an economic, efficient, effective, and coordinated manner, and
- there existed proper monitoring mechanisms for ensuring the achievement of scheme objectives.

4.2.4 Audit scope, methodology and sampling

The SSCA covered implementation of the scheme in the State with due emphasis on the development of the two tourist circuits namely (a) Agartala Tourist Circuit and (b) Unakoti Tourist Circuit from the scheme's inception in January 2015 to March 2023. The records of the Directorate of Tourism (DoT), Government of Tripura (GoT); TTDCL, and other State Government implementing agencies, *etc.* were examined during the audit. Besides, joint physical inspection of the sites was also conducted in coordination with the audited entities.

An Entry Conference was held in July 2023 at the level of the Secretary, Tourism Department, Government of Tripura, and the officers of the TTDCL wherein the audit objectives, criteria and scope of audit were explained. The audit findings were

¹³⁵ Dropped destination being Raishyabari comprising of six Project components involving Sanctioned Project cost of ₹ 1.39 crore.

¹³⁶ Dropped destination being Matabari comprising of 10 Project components involving Sanctioned Project cost of ₹ 13.93 crore.

discussed at the level of the Secretary, Tourism Department, Government of Tripura, and the officers of TTDCL in an Exit Conference held in March 2024. The views expressed by the Government during the Exit Conference and the replies (April 2024) furnished post Exit conference have been suitably incorporated in the relevant observations.

A total of 19 Projects (to the extent of 100 *per cent*) out of the 19 projects/projects' components valuing ₹ one crore or more of both the tourist circuits identified under the SDS were selected for the detailed audit scrutiny. The details of the projects selected for the audit scrutiny during SSCA are given in **Appendix 4.2.1**.

4.2.5 Audit criteria

The following criteria were applied for the SSCA:

- Scheme guidelines and instructions issued by the MoT, GoI.
- Instructions issued by the State Government.
- Terms and conditions of the sanction letters of the scheme issued by the MoT, GoI.
- General Financial Rules, 2017 (GFR, 2017), Central Vigilance Commission (CVC) guidelines, Archaeological Survey of India (ASI) guidelines.

4.2.6 Audit findings

Objective 1: The SDS funds were utilised judiciously, and the tourist circuits so created in the State out of SDS funds resulted in the augmentation of tourists' inflows in the State

4.2.6.1 Utilisation of SDS Fund

The SDS guidelines, 2017 provided that the SDS fund to the State Government will be released as under:

Sl. No.	Instalment	Percentage
1	First	30 <i>per cent</i> of the project cost on submission of the work orders, Good for Construction (GFC), DPR with GFC, statutory approvals from the respective agencies for construction initiation and detailed Bills of Quantities (BoQs)
2	Second	30 <i>per cent</i> of the project cost after receipt of Utilisation Certificate (UC) for the first instalment
3	Third	25 <i>per cent</i> of the project cost after receipt of UC for the second instalment
4	Fourth	10 <i>per cent</i> of the project cost on completion of the work and receipt of UC
5	Fifth	Five <i>per cent</i> of the project cost after successful Operation and Maintenance (O&M) of toilet, Tourist Facilitation Centre (TFC), cafeteria facilities for one year as certified by an independent agency

Scrutiny of the records revealed that out of ₹ 84.39 crore (being in excess of the revised sanctioned cost by ₹ 1.54 crore) received for Agartala Tourist Circuit during the period from 2015-16 to 2022-23, the TTDCL could utilise 87 per cent of the funds so received (i.e. ₹ 73.75 crore) during the period and surrendered ₹ 11.54 crore to the MoT. Out of ₹ 18.37 crore received (i.e. 41 per cent of revised sanctioned cost of ₹ 44.83 crore) during 2018-19 to 2022-23 for Unakoti Tourist Circuit, the TTDCL could utilise 64.90 per cent (i.e. ₹ 11.92 crore) of the fund so received during the said period. Further, the TTDCL refunded ₹ 1.80 crore to the MoT in respect of the Unakoti Tourist Circuit. Audit further observed that, notwithstanding the aforementioned percentage utilisation of the SDS funds, the utilisation of the SDS fund was marred with significant delays ranging from 11 to 57 months. In respect of the Unakoti Tourist Circuit, the TTDCL could not obtain the subsequent release of SDS funds from the MoT. The delay in utilisation/ non-release of subsequent instalment of SDS fund was attributable to several project management issues which are discussed in the succeeding paragraphs.

The Government replied (April 2024) that at the initial stage, there was no engineering wing for implementation of works under SDS and it had to depend upon other State Government departments like Rural Development Department, Public Works Department, etc. Further, Engineering wing of the TTDCL started functioning from 2020-21. Moreover, all the work orders were issued in the year 2020 and the progress of works were hampered due to restrictions imposed during the Covid 19 pandemic.

The reply is not acceptable because the low utilisation of the fund was primarily attributable to failure on the part of TTDCL to undertake the implementation of the sanctioned projects immediately and/ or delays in execution of the projects.

4.2.6.1(i) Non-refund of interest income to the MoT

As per Rule 230 (8) of General Financial Rules, 2017 (GFR, 2017), all interest or other earnings against grant or other advances should be mandatorily remitted to the Consolidated Fund of India. In this regard, clause 9 of the sanction letters issued by the MoT, *inter alia*, states that the TTDCL will not keep the amount released by the Central Government unutilised for more than six months. In case, the funds are not utilised by such time, the same shall have to be surrendered to the Central Government along with the interest earned, if any.

Audit observed that the TTDCL had earned interest income on SDS fund aggregating to ₹ 4.23 crore during the period from August 2016 to March 2023. However, the TTDCL had remitted interest income to the tune of ₹ 3.22 crore only to the MoT. Besides, interest income of ₹ 0.02 crore earned on the SDS fund was still lying (October 2023) with the SDFO, Ambassa. Thus, the TTDCL, in violation of the

aforesaid provision, did not refund ₹ 1.03 crore¹³⁷ of interest income earned on SDS fund to the MoT (October 2023).

The Government assured (April 2024) that henceforth the above instructions would be strictly followed.

4.2.6.1(ii) Submission of inaccurate Utilisation Certificates

SDS Guidelines, 2015 provide that subsequent instalments of the SDS fund will be released only on the receipt of Utilisation Certificates (UCs) in respect of the previous instalments disbursed.

The details of the sanctioned project cost, quantum of SDS fund released to the Implementing Agencies (IAs), expenditure incurred as well as the incorrect UCs sent to the MoT in respect of nine out of the 19 sampled projects is depicted in **Table 4.2.1**.

Table 4.2.1: Statement showing the details of sanctioned project cost, SDS fund released to the IAs, expenditure and UCs sent to the MoT for the period up to October 2023

(₹ in crore)						
Sl. No.	Project name	Project cost	Fund placed to the IAs	Expenditure	UCs sent to MoT	Difference (f)-(e)
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Light & Sound Show at Ujjayanta Palace	8.28	5.60	5.50 (5.33+0.17)	5.60	0.10
2	Border Ceremony Facility Project at Akhaura	9.05	9.05	5.44	9.05	3.61
3	Sepahijala Log-Huts - 10 Nos. (Constructed 5 Nos),	4.15	4.02	4.02	4.43	0.41
4	Udaipur- Tepania Log hut (3 Nos.)	1.24				
5	Ambassa Destination : Log Huts (3 Nos.)	1.24				
6	Baramura Destination: Log Huts- (10 Nos.) (Constructed 5 Nos.)	4.15				
7	Melaghar Destination	3.90	3.56	2.02	3.46	1.44
8	Narikel Kunja Destination: 16 Nos. of Log Huts	7.05	7.40	7.40	5.61	(-) 1.79
9	Signage- Circuit Agartala	1.11	0.74	0.50	0.86	0.36
Total				24.88	29.01	

¹³⁷ ₹ 1.03 crore = ₹ 1.01 crore interest income earned lying with TTDCL plus ₹ 0.02 crore interest income earned on the funds lying with SDFO, Ambassa

It can be seen from the **Table 4.2.1** that as against the expenditure of ₹ 17.48 crore in respect of eight projects mentioned in Sl. No. 1 to 7 and Sl. No. 9, the TTDCL had furnished inaccurate UCs to the MoT by overstating the utilisation of the fund to an extent of ₹ 5.92 crore. Further, in respect of the project mentioned at Sl. No. 8, the TTDCL had furnished inaccurate UCs to the MoT by way of understating the expenditure to an extent of ₹ 1.79 crore.

Audit observed that SDS fund of ₹ 2.43 crore was released to the Executive Engineer, Agartala Division No.1, Public Works Department (Roads and Buildings), GoT (Division-1, Agartala), for execution of the Border Ceremony Facility project at Akhaura, Agartala. The said fund of ₹ 2.43 crore was unutilised, and it had already been lapsed (October 2023) for want of revalidation. Besides, SDS fund amounting to ₹ 0.24 crore placed with the IA namely the State Public Works Department (PWD) and Rural Development Department (RDD) for signage project component remained unutilised for four years (October 2023). Hence, incorrect UCs in respect of the above cases were furnished to the MoT.

Thus, the TTDCL, after disbursement of funds to the IAs for execution of the projects entrusted to them, failed to effectively account for and monitor the utilisation of funds by the IAs. Failure on the part of the TTDCL to do so resulted in the submission of incorrect UCs.

The Government, while admitting the fact, stated (March 2024) that the UCs had been submitted based on the SDS fund disbursed to the executing agencies. The Government assured (April 2024) that henceforth, the UCs would be sent to the MoT, GoI based on the UCs received from the executing agencies.

4.2.6.1(iii) Inflow of tourists in the State

The tourists' inflows/ tourists' footfall is the key indicator for ascertaining the present status of tourism of a Country/ State/ Place and the generation of the potential revenue in respect thereof. The details of the year-wise tourist arrivals in the State during the period from 2015-16 to 2022-23 are depicted in **Table 4.2.2**.

Table 4.2.2: Tourists' footfall in Tripura during the period 2015-16 to 2022-23

Financial year (FY)	No. of tourists' inflow (overnight visited)			Increase in domestic tourist footfall vis a vis previous FY (in percentage)	Increase in foreign tourist footfall vis a vis previous FY (in percentage)	Increase in total tourist footfall vis a vis previous FY (in percentage)	Decrease in total tourist footfall vis a vis pre-Covid period (2019-20) (in percentage)
	Domestic	Foreign	Total				
2015-16	3,63,828	35,619	3,99,447	-	-	-	-
2016-17	3,80,578	39,229	4,19,807	4.60	10.14	5.10	-
2017-18	4,03,394	80,094	4,83,488	6.00	104.17	15.17	-
2018-19	4,16,860	1,12,955	5,29,815	3.34	41.03	9.58	-
2019-20	4,31,142	1,54,993	5,86,135	3.43	37.22	10.63	-
2020-21	74,344	1	74,345	-82.76	-100.00	-87.32	-87.32
2021-22	1,96,820	36	1,96,856	164.74	3,500.00	164.79	-66.41
2022-23	2,49,712	35,137	2,84,849	26.87	97,502.78	44.70	-51.40

Source: Information furnished by the TTDCL

It can be seen from **Table 4.2.2** that prior to the outbreak of the Covid-19 pandemic, the tourists' inflow (both domestic as well as foreign) in the State was 5.86 lakh whereas the tourists' inflow during 2022-23 was a meagre 2.85 lakh which was not even 50 per cent of the total tourists visiting the State immediately prior to outbreak of the Covid-19 pandemic.

The Government stated (April 2024) that the tourism sector had been most affected during Covid-19 pandemic and all the tourist destinations had less footfall as the entry points of the State were closed. It was further stated that the State Government's recent initiatives of nominating Sourav Ganguly as the brand ambassador of Tripura Tourism, introduction of the Light and Sound show at Ujjayanta Palace for 365 days in a year, etc. would further boost the tourists' inflow in the State.

However, the fact remains that the tourists' footfall in the financial year 2022-23 was not even *at par* with the pre covid period level notwithstanding expenditure of the SDS funds to the tune of ₹ 85.67 crore¹³⁸ over a period of eight years towards the implementation of the Scheme. Further, many projects/ project components were not fully developed (October 2023) while some of the components were dropped. As a result, the intended benefits of improved infrastructures envisaged under the Scheme for the purpose of promotion of tourism in the State is yet to be achieved.

¹³⁸ Expenditure of ₹ 73.75 crore in respect of Agartala Tourist Circuit plus expenditure of ₹ 11.92 crore in respect of Unakoti Tourist Circuit till 2022-23

Objective 2: *The identified tourist circuits in the State comprising all the project components therein were executed in an economic, efficient, effective, and coordinated manner.*

4.2.6.2 Execution of infrastructural creation projects

The project-wise project management issues *viz.* deficient planning in respect of obtaining prior site clearance from the Forest department and the Archaeological Survey of India (ASI), lack of monitoring of the project works, deficiency in agreements of the project entrusted, *etc.* by the TTDCCL in the construction of SDS projects works leading to infructuous expenditure, delay in project completion and expenditure on extra items, *etc.* are discussed in subsequent paragraphs.

4.2.6.2(i) Irregularity in selection of Project Management Consultant (PMC) and deficiencies in services provided by the PMCs

A. Irregularity in the selection of the PMC: Project Management Consultant (PMC) plays an important role in the successful completion of construction projects by providing services right from the stage of conceiving the Project to the final stage of its completion.

The provisions of clause (xxi) of rule 173 of the GFR, 2017, *inter alia*, provide that when a limited or open tender results in only one effective offer, it shall be treated as a single tender contract. Further, Rule 194 of the GFR, 2017 also provides that the selection by direct negotiation/nomination, on the lines of single tender mode of procurement of goods, is considered appropriate only under exceptional circumstances such as: (i) tasks that represent a natural continuation of previous work carried out by the firm; (ii) in case of an emergency situation, situations arising after natural disasters, situations where timely completion of the assignment is of utmost importance; and (iii) situations where execution of the assignment may involve use of proprietary techniques or only one consultant has requisite expertise, *etc.*

Rule 194 of GFR, 2017 states that full justification for single source selection should be recorded in the file and approval of the competent authority be obtained before resorting to such single-source selection.

It was noticed (October 2023) in audit that the TTDCCL had invited (July 2015) Request for Proposal (RFP) on a very short notice of seven days for the purpose of selection of a PMC for rendering professional services for specific projects including Detailed Project Reports (DPRs) and costing, *etc.* for tourist destinations/ circuits under NE circuit of SDS. It was further observed that in the selection of PMC, M/s Luit Valley Engineering Private Limited, Guwahati, was the only qualified bidder for selection as PMC. However, the State Government in violation of the provisions of Rule 173 and Rule 194 of GFR, 2017, proceeded with the finalisation of the RFP on a single tender basis without recording any justifications in respect thereof. As such, M/s Luit Valley Engineering Private Limited was selected as PMC for the SDS Projects.

Thus, lack of due diligence and transparency in the selection process of the PMC as well as undue haste on the part of the State Government resulted in the loss of opportunity of selection of a competent PMC from across the spectrum of PMCs available across the Country.

The Government, on the issue of the irregular selection of the PMC, replied (April 2024) that out of two bidders, the work was awarded to the lowest bidder *i.e.* Luit Valley Engineering Private Limited, Guwahati.

The reply of the Government, on the issue of selection process of the PMC, is not acceptable because (i) in response to RFP invited by the TTDCL, two bidders had submitted their bids of which one of the bidder's technical bid was treated as non-responsive due to non-submission of requisite papers and earnest money. Further, the State Government finalised the RFP on a single bid basis without recording any justifications and awarded (August 2015) the work to the only qualified bidder *i.e.*, M/s Luit Engineering Private Limited, Guwahati.

B. Deficient services rendered by the PMC: The DPRs so prepared by the selected PMC were defective since 46 project components valuing ₹ 34.75 crore were dropped by the MoT. Besides, due to the defective DPR prepared by the said PMC, the implementation of nine¹³⁹ projects valuing ₹ 58.70 crore were adversely affected/dropped or are on the verge of being dropped by the MoT. The deficient services rendered by the selected PMC are discussed in the subsequent paragraph. The State Government failed to initiate any penal action against the PMC for the deficient services rendered. This was indicative of poor monitoring on the part of the PMC.

The Government, on the issue of deficient services rendered by the PMC, admitted (March 2024) that there were some shortcomings in the projects prepared by the PMC. The Government in its reply also stated (April 2024) that some of the projects had been dropped by the MoT due to sanction of funds under other schemes in the same destination to avoid duplication.

4.2.6.2(ii) Execution of the infrastructural projects

A. Delay in completion of the SDS Projects

SDS guidelines, 2015 stipulate that invitation and finalisation of all tenders for the projects shall be completed within three months from the date of the sanction of the projects.

Further, the SDS sanction letters issued to the State Government in respect of both the Circuits, *inter alia*, provide that the project should be commissioned within a maximum period of 30 months from the date of issue of sanction.

¹³⁹ Border Ceremony Facility project at Akhaura, (b) Boxanagar project, (c) Light and Sound Show project, (d) Infrastructure facilities at Jampui Hills and Highest peak, (e) Bhubaneshwari temple and other ASI protected areas projects, (f) Unakoti project, (g) Chottakhola project, (h) Surmacherra projects and (i) Avangcherra projects

The overall delay in completion of the SDS projects under both the Agartala Tourist Circuit and Unakoti Tourist Circuit is summarised in **Appendix 4.2.2**.

Scrutiny of the records revealed that:

- there were delays in entrustment of the infrastructure creation projects in respect of the Agartala Tourist Circuit to other State IAs ranging from six months to 44 months from the date of the sanction of the project by the MoT.
- as against three months stipulated in the SDS guidelines, there were delays in finalisation of the tender ranging from five months to 56 months and from 14 months to 43 months in case of Agartala Tourist Circuit and Unakoti Tourist Circuit respectively.
- the delays in completion of the projects under the Agartala Tourist Circuit, as against the sanction letter stipulated period of 30 months, ranged from 11 months to 57 months. Further, the delays in completion of the projects under the Agartala Tourist Circuit, as against the scheduled time completion period as per the respective agreements, ranged from nine to 36 months respectively.
- none of the projects in respect of the Unakoti Tourist Circuit were completed (October 2023) notwithstanding expiry of a period of 32 months from the stipulated period in the sanction letter.

B. Implementation of projects in respect of Agartala Tourist Circuit

1. Light and Sound Show project at Ujjayanta Palace

Ujjayanta Palace is a favoured tourist destination in the State of Tripura. Ujjayanta Palace is now a state museum, popularly known for its display of lifestyle, arts and cultural artefacts, and utility crafts of communities residing in Northeast India.

The creation of the Light & Sound Show project at Ujjayanta Palace, Agartala was sanctioned (December 2015) at a cost of ₹ 8.28 crore by the MoT, GoI. The main objective of the said project was to exhibit the Light and Sound Show on the right façade of the Ujjayanta Palace building in order to showcase the heritage and culture of Tripura.

Scrutiny of the records revealed that:

- ***Defective DPR prepared by the earlier PMC:*** The TTDCL after many deliberations, entrusted (November 2019) the execution of the project to the Implementing Agency (IA) namely, Agartala Smart City Limited (ASCL) with inordinate delay of over four years. The DPR for the said project prepared by the earlier PMC was not based on the actual site-survey and thus could not be utilised by the ASCL. The DPR for the project had to be prepared afresh by the ASCL by its existing PMC *i.e.* Tata Consulting Engineer Limited for ₹ 17.35 lakh. The preparation of the fresh DPR resulted in excess expenditure of ₹ 17.35 lakh.
- ***Delay in completion of the project vis a vis the scheduled time completion:*** As against the scheduled time completion period of six months, the ASCL completed

the project with inordinate delay of nine months (March 2023) at a cost of ₹ 5.33 crore.

Audit further observed that:

- ***Deficient planning:*** The TTDCL, as such, did not have the requisite technical expertise for execution of the said project of such scale. Notwithstanding, the TTDCL spent considerable time in the tendering and retendering process for execution of the said project by itself. The TTDCL, eventually, entrusted the execution work to ASCL with an inordinate delay of over four years. This was indicative of deficient planning on the part of both the State Government as well as the TTDCL.
- ***Delay of 22 months in finalisation of tender by ASCL:*** As against the scheme guidelines, 2015 requiring the finalisation of tender within three months from the sanction of the project by the MoT, the tender floated (November 2020) by the ASCL for the project was finalised (December 2021) with an inordinate delay of almost two years.
- ***Inclusion of inadmissible item in contract agreement:*** Notwithstanding, the specific SDS guidelines stipulation of the expenditure, if any, incurred in respect of the Operation and Maintenance (O&M) of the assets created under the SDS to be borne by the State Government, the ASCL entered into an agreement for O&M of the project for ₹ 80 lakh from the SDS fund which was an inadmissible item.
- ***Extension of undue favour to the contractor:*** The provisions of clause No. 46 of the General Conditions of the Contract (GCC), *inter alia*, provides that where the contractor fails to complete whole of the works or any part thereof within the stipulated time period, recoveries *i.e.* Liquidated Damages (LD) shall be made from the Running Account Bills (RA Bills) of the Contractor at the prescribed rates. It was observed that the contractor took almost 18¹⁴⁰ months for completion of the said project. However, ASCL could not curb the delay tactics of the contractor by way of invocation of the aforementioned clause No. 46 of the GCC. This resulted in extension of undue benefit to the contractor.

The Government replied (April 2024) that the delay was mainly attributable to (a) its limited expertise in implementation of such projects, and (b) time taken in selection of the implementing agency as well as finalisation of the script for the project.

The reply is not acceptable since the Department failed to take into consideration the fact that it had no expertise in executing such technical projects of a large scale at the inception/ planning stage itself. Instead, it spent considerable time in tendering and retendering for execution of the project by itself and finally entrusted the work to the ASCL. This resulted in the time overrun of the project for over five years.

¹⁴⁰ Since the contractor applied for the third extension of time (EoT) for the period up to 30 July 2023

2. *Border Ceremony Facility project at Akhaura*

The creation of the Border Ceremony Facility (BCF) project comprising of 11 project components at the Integrated Check post (ICP), Akhaura, Agartala, West Tripura was sanctioned (December 2015) by the MoT at a cost of ₹ 9.25 crore¹⁴¹ (**Appendix 4.2.3**). The objective of the creation of the said infrastructural facilities was to enable the tourists to watch the beating retreats ceremony of both Border Security Force (Indian side) and the Border Guard of Bangladesh (BGB) at ICP on the lines of the Indo-Pak Wagah Border. The TTDCL entrusted (January 2016) the execution of the BCF project to the PWD. The tender for the construction of the Conference block, Way-side amenities (Cafeteria) including site development work under Group-I part of the BCF project was floated in August 2016. After finalisation of the tender, the work order was issued (December 2016) to the contractor at a contract value of ₹ 3.83 crore (*i.e.* 22 per cent above the estimated cost) with the scheduled time completion period of 18 months *i.e.* by 28 June 2018.

The tender for the construction of the covered gallery with barrack {earlier named as Open Air Theatre (OAT)}, toilet block, gate, and site development work under Group-II part of the BCF project was floated in September 2019. The PWD issued (June 2020) the work order to the contractor at a contract value of ₹ 3.96 crore (*i.e.*, 17 per cent above the estimated cost) with scheduled completion period of 12 months *i.e.*, by 16 June 2021.

Scrutiny of the records revealed that:

- ***Suspension of the construction work midway:*** The construction works at the ICP site was suspended since 4 March 2019 due to objections raised by the Border Guards of Bangladesh (BGB). The cafeteria with the reduced scope up to single storey, was completed after a delay of 11 months on 31 May 2019 against the scheduled date of completion (28 June 2018). In respect of the Covered gallery with barrack, only 24 piling and six pile-caps had been completed by 28 September 2021. The said works remained suspended (October 2023) after an expenditure of ₹ 5.44 crore¹⁴².
- ***Temporary closure of the project by MoT:*** The MoT advised (June 2022) the State Government to close the balance work and to complete the same out of the State Fund when permission to resume the work is granted by the BGB. The MoT also advised the State Government to hand over the completed tourist facilities under the SDS at ICP to the Land Port Authority of India (LPAI) for operation. Accordingly, conference block (only completed structure of ground floor¹⁴³ and incomplete first floor) and the cafeteria with toilet block were handed over to the LPAI on 4 May 2023. The facilities handed over to the LPAI was not being used for the tourists' facilities.

¹⁴¹ Details given in **Appendix 4.2.3** (Sl. No. 1)

¹⁴² ₹ 5.44 crore = ₹ 3.54 crore incurred in respect of the Group-I plus ₹ 1.11 crore incurred in respect of the Group-II of the BCF Project plus ₹ 0.79 crore in respect of Extra item

¹⁴³ Except the finishing work, doors, windows, shutters, *etc.* fittings, sanitary fittings, water supply facilities and electrification work

Audit further observed that:

- **Deficient planning on the part of the PMC and the State Government:** The execution of the BCF project at Akhaura, *ab initio*, was marred with the deficient planning on the part of the State Government and the PMC. Both the State Government and the PMC failed to take into consideration namely (a) the tourist potential of the site, (b) the international ramifications/ defense potential associated with the constructions at site nearing the neighbouring country. As such, the DPR for the project prepared by the PMC was defective. This resulted in the failure on the part of the State Government to provide encumbrance-free land to the executing agency.
- **Inordinate delay in tendering process:** There were inordinate delay of six months to three years in according the approval for the Technical Sanction (TS)/ Expenditure Sanction (ES) of the said project, thereby leading to inordinate delays in finalisation of the tendering process.
- **Infructuous expenditure:** The total expenditure in respect of BCF project (October 2023) stood at ₹ 5.44 crore. The BCF project, being incomplete over seven years and the chances of resumption of the balance work being uncertain as well as the completed facilities with the reduced scope not being utilised for the tourists' facilities, the entire expenditure of ₹ 5.44 crore became infructuous.

The status of the project during joint inspection is depicted in **Photographs 4.2.1** and **4.2.2**.



Photograph 4.2.1: The Conference block (Project Cost: ₹ 3.12 crore) abandoned mid-way after constructions upto first floor



Photograph 4.2.2: The State-of-the-Art Cafeteria with toilet block lying idle (₹ 1.8 crore¹⁴⁴) for over four years and being used by BSF Jawans

¹⁴⁴ ₹ 1.80 crore = cafeteria (₹ 1.40 crore) plus toilet-block (₹ 0.40 crore)

The Government admitted the fact and replied (April 2024) that the intended objectives of the BCF project could not be realised due to the objections raised by the Bangladesh Border Guard (BGB) since the project sites fell within 150 yards of the international border. As such, the conference block and the OAT could not be constructed. Furthermore, as per the directives of the MoT, GoI, the conference Block with the reduced scope, cafeteria, toilet block, *etc.* were handed over to the LPAI.

Thus, the fact remains that the expenditure of ₹ 5.44 crore became infructuous and the intended objective of creating a gallery for watching the beating retreats could not be achieved.

3. *Development of Sepahijala Project*

The development of Sepahijala was planned under two projects - creation of log-huts at Sepahijala and execution of different components at Melaghar. The creation of log-huts has been discussed in **Paragraph 4.2.6.2(iii)**. The creation of the development works at Melaghar and Neermahal projects comprising of 11 project components was sanctioned (December 2015) by the MoT at a cost of ₹ 3.56 crore¹⁴⁵ (**Appendix 4.2.3**). The execution work of the creation of the development works at Melaghar and Neermahal projects was entrusted (2016) to the PWD.

Scrutiny of the records revealed that:

- ***Delay in completion of the project:*** The tender for the construction of the development works was floated in December 2016. The PWD awarded (March 2017) the work to the contractor at a contract value of ₹ 3.17 crore (at 19.51 *per cent* above the estimated cost). The scheduled period of completion of the work was 18 months *i.e.*, by 9 September 2018. The execution of the components *viz.* (a) jetties, (b) Open Air Stage/ Theatre (OAT) including gallery at Rajghat, (c) site development at Neermahal and Rajghat end, (d) Ticket counter and food kiosk and (e) RC retaining wall were completed with a delay of over 18 months.

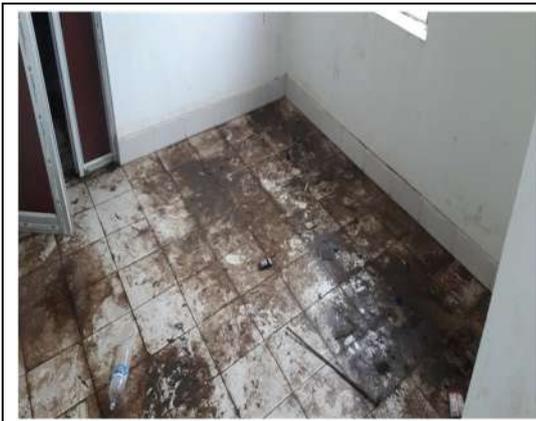
Audit further observed that:

- ***Foreclosure of the contract:*** The Contractor requested (May 2020) for the foreclosure of the contract (after receiving payment of ₹ 1.39 crore) citing his inability to continue the work at the originally contracted rate in view of prevalent high market price. This was approved to by the PWD on 21 January 2021.
- ***Execution of works outside the scope of the agreement:*** The nodal agency instead of focusing on the original scope of the work, had asked the contractor to do extra works and extra items of the works. These were not covered under the scope of the original contract agreement but were executed on the verbal instructions of the higher authority. These included (a) VIP room refurbished as a childcare room, (b) painting of Neermahal during International Tourism Mart

¹⁴⁵ Details given in **Appendix 4.2.3** (Sl. No. 2)

(ITM) and (c) refurbishment of royal kitchen as VIP room at a cost of ₹ 35.97 lakh¹⁴⁶. Moreover, extra items of works aggregating to ₹ 27.06 lakh were also executed under the contract.

- **Retendering of the works leading to time over-run and cost over-run:** Subsequent to the cancellation of the contract in January 2021, two fresh tenders were invited in February 2021 and March 2021 respectively for the construction of Souvenir Shop and Welcome Gate at Neermahal. The works were completed with a delay of eight months in August 2022 and handed over to the TTDCL. The payment made for the construction-work of the Souvenir Shop and Welcome Gate at Neermahal aggregated to ₹ 62.10¹⁴⁷ lakh. Thus, these two works which were originally sanctioned for ₹ 22.94 lakh were executed at a cost of ₹ 63.70 lakh due to delay in execution and focusing on other items of works.
- **Deficient planning leading to infructuous expenditure:** Constructions of OAT and Souvenir Shop at Rajghat were not need-based since these assets were lying unutilised for the period ranging from one to four years and at present the facilities so created is not in a usable condition (**Photographs 4.2.3 to 4.2.4**).



Photograph 4.2.3: The Green Room of the OAT



Photograph 4.2.4: The first building with the climbers on the opening door i.e., Souvenir Shop lying unutilised for over one year.

Further, the TTDCL failed to commence the operation of these facilities (October 2023). Besides, the construction work of the second jetty near Neermahal Access Point was suspended midway after incurring ₹ 12.03 lakh on the verbal instructions of the higher authority. As such, expenditure on OAT¹⁴⁸, (₹ 57.23 lakh¹⁴⁹), Souvenir Shop (₹ 18.32 lakh) and second jetty at Neermahal access point (₹ 12.03 lakh) totalling to ₹ 87.58 lakh became infructuous.

¹⁴⁶ ₹ 35.97 lakh = ₹ 1.36 lakh (VIP room refurbished as Child Care Room) plus ₹ 21.99 lakh (Painting of Neer Mahal during ITM) plus ₹ 12.62 lakh (refurbishment of Royal Kitchen as VIP room)

¹⁴⁷ ₹ 62.10 lakh = ₹ 17.50 lakh (Souvenir Shop) plus ₹ 44.60 lakh (Gate)

¹⁴⁸ i.e., Open-Air Theatre involving components viz. Site clearance, Site Development, Construction of open stage, open gallery, toilet, retaining wall, etc.

¹⁴⁹ ₹ 57.23 lakh = ₹ 14.88 lakh (Construction of Open Air Theatre at Rajghat) plus ₹ 19.35 lakh (Site Development at Rajghat End) plus ₹ 11.37 lakh (Gallery at Rajghat) plus ₹ 11.63 lakh (RC retaining wall)

- **Blocking of SDS Fund due to poor monitoring:** After payment of ₹ 2.02 crore (total execution ₹ 2.10 crore) to contractors by the PWD, the balance SDS fund of ₹ 1.54 crore was lying unutilised with PWD since May 2023 (October 2023) and had not been remitted back to the TTDCL. Due to poor monitoring, the Department failed to recoup the unutilised SDS fund from the PWD.

On the issue of non-utilisation of the OAT of the Melaghar project, the Government replied (April 2024), that the OAT was being used for hosting cultural programmes and it was being managed by the *Samitis* (Societies) comprising the local people. On the issue of non-utilisation of the Souvenir Shop, it informed (April 2024) that the said Souvenir Shop would be inaugurated shortly. On the issue of SDS fund of ₹ 1.54 crore lying with the PWD, it stated (April 2024) that the PWD had been directed to submit UC and refund the unutilised funds.

The reply of the Government is not acceptable since the OAT and Souvenir shop so constructed were lying unutilised as it was in unusable condition since four years and one year respectively. Further, no records relating to handing over of OAT to the *Samitis* were furnished. Besides, poor monitoring on the part of the Department resulted in blocking of SDS fund for ₹ 1.54 crore lying with the PWD.

C. Implementation of projects in respect of Unakoti Tourist Circuit awaiting the completion

1. Construction & Development of Tourism infrastructure project at Surmacherra

The 'Construction and development of tourism infrastructure at Surmacherra, Dhalai District, Tripura' project comprising creation of 17 tourists' facilities/ project components in the vicinity of Surmacherra waterfall was sanctioned (August 2018) by the MoT for ₹ 6.72 crore. The TTDCL issued (July 2020) the work order to the contractor at a contract value of ₹ 6.49 crore (11.79 per cent above the estimated cost) with completion period of 18 months from the date of issue of work order i.e. by 20 January 2022.

Audit observed that:

- **Non-completion of the project /Non-commencement of the project Components' work:** In spite of three time-extensions accorded by the MoT up to December 2023, the physical progress of works was 72.43 per cent (October 2023) and the works of the four project components namely (a) solar power station (b) solar pump, (c) rock climbing and (d) bouldering climbing wall with sanctioned cost of ₹ 1.41 crore were not started (October 2023).

The reasons for non-completion of the project (October 2023) after the expiry of 32 months from the date of issue of SDS sanction letter's stipulated period of 30 months was mainly attributed to (a) Covid-19 pandemic turmoil of 14 months period from July 2020 to August 2021, (b) stoppage of the work on account of *jote* land issues, (c) material mobilisation issues due to National Highway (NH) construction work during the rainy season, and (d) delays by the contractor.

- **Execution of work outside the scope of the agreement:** Four substituted items (₹ 0.44 crore) against agreement items (₹0.31 crore) and 10 extra items (₹ 0.43 crore) earlier not included in the scope of the contract, was approved by the TTDCL in September 2023 and were executed by the contractor. As such, out of the total payment ₹ 4.66 crore made to the contractor, the work outside the scope of the agreement aggregating to ₹ 0.87 crore was executed.
- **Deficient services rendered by the PMCs:** The DPRs prepared by both¹⁵⁰ the PMCs were defective since the same was not based upon the actual site-condition. As such, this necessitated the incorporation of substituted items and extra items of work (₹ 0.56 crore) in the scope of the agreement.
- **Extension of undue benefit to the contractor:** During joint physical inspection with the officials of TTDCL (September 2023), Audit observed that the work of the approach road connecting the steel foot bridge constructed in the vicinity of the Surmacherra waterfall was of sub-standard quality. Therefore, the approach road connecting to the steel foot bridge was washed away by rain within a few days of its construction.

TTDCL, instead of penalising the Contractor by way of deduction of liquidated damages, approved extra items of work valued for ₹ 0.20 crore in the name of road protection work out of which work valuing ₹ 0.14 crore was excluded later from the scope of the contract. This resulted in extension of undue benefit to the Contractor.

The status of the project during joint inspection is depicted in **Photographs 4.2.5** and **4.2.6**.



Photograph 4.2.5: The last stretch of the approach road leading to the steel foot bridge which was washed away by first rain



Photograph 4.2.6: The steel foot bridge constructed to get a better view of the Surmacherra Waterfall

¹⁵⁰ M/s Luit Valley Engineering Pvt. Limited, Guwahati (First PMC) and M/s Engineers Project (India) Limited (EPIL) (Second PMC)

The Government replied (April 2024) that the work of rock climbing and bouldering climbing wall could not be taken up since the rocks on testing were found to be immature and were not safe for such exercise. Further, the road connecting to the steel bridge which had been washed away due to rains was repaired. The solar power station, solar lights and 63 KVA DG sets were installed.

Thus, the reply of the State Government affirms the audit observation that proper feasibility study was not conducted based on the actual site-survey prior to conceiving the said project.

2. *Jampui Hills and Highest peak, North Tripura District*

The “Construction and development of tourism infrastructure at Jampui Hills and Highest Peak, North Tripura District” project comprising of 12 tourist facilities¹⁵¹/ project components was sanctioned (August 2018) by the MoT for ₹ 6.48 crore. The TTDCL issued the work order to the contractor in November 2020 at a contract value of ₹ 6.34 crore (14.50 per cent above the estimated cost) with the scheduled time completion period being 12 months i.e., by 17 November 2021.

Audit observed that:

- ***Territorial jurisdiction dispute/ site-clearance issue:*** The construction work could not be carried out by the contractor due to the objections on the territorial jurisdiction raised (July 2021) by Mizoram. Further, the construction work of the way-side amenities at Hmunpui village, Jampui Hills and Welcome Gate at Kanchanpur road, Jampui Hills could not be carried out due to encroachment of the site by local inhabitants and requirement of alignment of the NH. The construction of viewpoints, the integrated complex and parking was stopped by the State Forest Department (October 2022) on the ground of non-production of the "No-Objection Certificate (NoC)" for constructions in the biodiversity area.
- ***Deficient services rendered by the PMC:*** Obstruction/ interruption in the execution of work mid-way on account of territorial jurisdiction dispute/ site-clearance issue was indicative of the fact that DPR had been prepared by the PMC without taking into consideration the actual site-condition. As such, the DPR prepared for the project was defective on account of deficient services rendered by the PMC.
- ***Infructuous expenditure:*** The TTDCL could not resolve above stated issues and the work was not started at these three sites (October 2023). The future of these incomplete works (expenditure: ₹ 0.43 crore) remains uncertain and the expenditure of ₹ 0.43 crore became infructuous.

The status of the project during joint inspection is depicted in **Photographs 4.2.7** and **4.2.8**.

¹⁵¹ Details given in **Appendix 4.2.3** (Sl. No. 9)



In reply, the Government stated (April 2024) that the construction of different components like integrated complex building, welcome gate, retaining wall, pathway, photo viewpoint, *etc.* had been taken up. But the Forest Department had raised objection (October 2022) since the site of the project fell within the biodiversity heritage sites and the Government dropped the project. It added that the abandoned project would be handed over to the Tripura Nature Trails and Resorts Limited¹⁵².

The reply is not acceptable since both the State Government as well as the PMC, while conceiving the project, failed to take into consideration the site clearance as well as the territorial jurisdiction issues with the neighbouring State.

Thus, the failure on the part of the Government to do so resulted in the dropping of the project and thereby rendering the expenditure of ₹ 0.43 crore infructuous.

3. *Chottakhola Project, South Tripura District*

The “Construction and development of tourism infrastructure at Chottakhola, South Tripura district, Tripura” project comprising the various components¹⁵³ namely (a) gazebo both for park and picnic Spot, (b) outdoor sitting (c) solar illumination, (d) public conveniences, *etc.* was sanctioned (August 2018) by the MoT for ₹ 5.65 crore. The TTDCL issued (August 2020) the work order to the contractor at a contract value of ₹ 5.80 crore (18 *per cent* above the estimated cost) with a scheduled time completion period of 15 months from the date of issue of work order *i.e.* by 14 November 2021.

Audit observed that:

- ***Inordinate delay of 11 months in submission of estimates and deviation for execution of extra item:*** The Forest Department directed (September 2021) the TTDCL to execute the work using local eco-friendly material instead of any concrete structure. After 11 months from the date of issue of directives by the Forest Department, the TTDCL submitted the tentative extra item statement of

¹⁵² A newly established PSU under Forest Department, Government of Tripura entrusted with the responsibility of the development of Eco-Tourism in the State with the involvement of the local people

¹⁵³ Details given in **Appendix 4.2.3** (Sl. No. 3)

₹ 1.01 crore for the construction of the project components viz. (a) 10 gazebos, (b) three public conveniences and (c) three angling platform outdoor sitting with Shelter, etc. with the eco-friendly materials to its PMC for approval. The said deviation for extra item valuing ₹ 1.01 crore was approved by the PMC and subsequently by the TTDCL and the State Government in March 2023.

- ***Delay in completion of the project/ non-commencement of the project component work:*** The overall physical progress of the project stood at 77.66 per cent (August 2023) whereas the two project components namely (a) solar illumination and (b) solar powered boats (five numbers) with sanctioned costs of ₹ 0.87 crore were not executed. The total payment made to the contractor stood at ₹ 3.17 crore (October 2023).

The inordinate delay in completion of the project by 32 months (October 2023) was attributable to (a) 12 months' Covid-19 pandemic period, (b) delay of nine¹⁵⁴ months in completion of the work by the contractor, and (c) delay of over 10 months in approval of the estimates for extra items by both TTDCL and PMC which was necessitated on account of use of eco-friendly materials in lieu of RCC constructions.

The Government, on the issue of non-commencement of the 'solar illumination' and 'solar power boats' works of the said project, stated (March 2024) during the Exit Conference, that the solar illumination work had been completed. Solar power boat work could not be taken up because the area was surrounded by the trees and pebbles. It further stated that the project had been conceptualised in consultation with the Forest Department. However, the Forest Department later directed for use of eco-friendly material in place of RCC constructions. The Government informed (April 2024) that penalty for delay in completion of work would be imposed as per terms and conditions of the agreement.

The reply is not acceptable as the Government, due to consideration of the ambitious and unviable project components such as solar power boat, had to drop the said project component which were planned for increasing the tourists' inflow. This was indicative of poor feasibility studies by both the PMC and the Department as it was found that the area was surrounded by the trees and pebbles.

4. Avangcherra project, South Tripura District

The "Construction and development of tourism infrastructure at Avangcherra, South Tripura District" project comprising of 16 various tourists' facilities¹⁵⁵/ components was sanctioned (August 2018) by the MoT for ₹ 8.60 crore. The TTDCL issued (July 2020) the work order to contractor at a contract value of ₹ 7.40 crore (4.45 per cent above the estimated cost) with a scheduled time completion period of 18 months from the date of issue of work order i.e. by 30 January 2022.

¹⁵⁴ Reckoned from the date of 1 September 2021, the said being the restoration of normalcy post second phase of Covid-19 pandemic

¹⁵⁵ Details given in **Appendix 4.2.3** (Sl. No. 4)

Audit observed that:

- **Insignificant physical progress:** the overall physical progress of the project (August 2023) was 45.02 per cent with the insignificant progress in respect of six¹⁵⁶ (Appendix 4.2.3) project components with the sanctioned costs of ₹ 4.97 crore. The total payment to the contractor was ₹ 2.17 crore (October 2023).
- **Inordinate delay/ Non-completion of the project:** As against the stipulated period of 30 months as envisaged in the sanction letter of MoT, the project remained incomplete (October 2023) even after 32 months from the date of issue of SDS sanction letter. The delay was attributable to (a) taking seven months for selection of the second PMC¹⁵⁷ for preparation of the concept plan, DPR, estimates, etc. afresh for the project, (c) delay of over 12 months by the TTDCL in providing the drawings for all the project components to the contractor, (d) delay of over six months by the TTDCL in framing the design, estimates, etc. for constructions using eco-friendly materials in lieu of RCC constructions, (e) delay of 13¹⁵⁸ months on account of Covid-19 pandemic.

The status of the project during the joint inspection is depicted in **Photographs 4.2.9** and **4.2.10**.



Photograph 4.2.9: The incomplete crossover bridge lying at Avangcherra Eco-Park



Photograph 4.2.10: The incomplete Tourist Facilitation Centre at Avangcherra Eco-Park

The Government replied (March 2024) that the ‘aerial forest walkway’ component had been completed and the cross over bridge component was nearing completion. The Government stated (April 2024) that penalty for delay in completion of work would be imposed as per terms and conditions of the agreement.

The fact remains that remaining five identified components of the project valuing ₹ 2.07 crore remained incomplete even after two years from the scheduled completion date as per the work order issued to the contractor.

¹⁵⁶ Details given in Appendix 4.2.3 (Sl. No. 5)

¹⁵⁷ M/s Engineers Project (India) Limited (EPIL)

¹⁵⁸ The period of 13 months being reckoned from August 2020 to August 2021

5. *Boxanagar project, Sepahijala District*

The “Construction and development of tourism infrastructure at Boxanagar¹⁵⁹, Sepahijala District” project comprising of 12 various tourists’ facilities¹⁶⁰/ components was sanctioned by the MoT (August 2018) for ₹ 5.57 crore. The provisions of Section 20B of the Ancient Monuments and Archaeological Sites and Remains (AMASR) Act, 1958 (as amended in 2010), states that every area beginning at the limit of the prohibited area in respect of every ancient monument of national importance under Sections 3 and 4 of the Act *ibid* and extending to a distance of 200 meters in all directions shall be the regulated area in respect of every ancient monument and archaeological site and remains.

The work for the construction work was awarded (November 2020) to the contractor at an agreement cost of ₹ 3.97 crore (7.98 *per cent* above the estimated cost) with the scheduled time completion period being 12 months i.e. 26.11.2021.

Audit observed that:

- ***Deficient Planning on the part the State Government and the PMC:*** Both the State Government and the PMC failed to take into consideration, the necessity of obtaining the site-clearances prior to conceiving the project and framing the DPR for the project. As such, the DPR so framed by the PMC was defective since the same was not based on the actual site-survey.
- ***Non-compliance with the statutory provisions of AMASR Act, 1958:*** The Archaeological Survey of India (ASI)’s permission was not obtained prior to commencement of the execution work. Further the site for construction was within 200 metres of the ASI site. As such, ASI, Udaipur Sub-circle, Tripura office requested (May 2023) the TTDCCL to stop the ongoing unauthorised constructions (ground floor of the Tourist Interpretation Centre (TIC)) in violation of the provisions of AMASR Act, 1958. Thus, not complying the provisions of AMASR Act, 1958 and non- obtaining the statutory clearances resulted in suspension of the construction work midway. This rendered the expenditure of ₹ 0.57 crore infructuous.

The status of the project during joint inspection is depicted in **Photographs 4.2.11** and **4.2.12**.

¹⁵⁹ Boxanagar is situated 40 km. from the city of Agartala in the north-western part of Sonamura sub-division on the edge of the border with Bangladesh. Boxanagar has tremendous tourist potential in the sense that the recent excavations during the period 2001-2004 led to the discovery of a massive brick-built ancient Buddha Stupa, a chaitya griha and a monastery. This discovery reflects the art, architecture, and religious aspects of ancient Tripura.

¹⁶⁰ Details given in **Appendix 4.2.3** (Sl. No. 6)



The Government replied (April 2024) that the construction of different components like TIC building¹⁶¹, ticket counter, retaining wall, culvert had been taken up. But the ASI raised objections since the project site fell within 200 meters. It further stated that the State Government had taken a strong view of the objections raised by the ASI officials in a meeting held in August 2023 under the chairmanship of the Hon'ble Minister, Tourism Department in the presence of the representatives of the ASI.

The reply is not acceptable since both the State Government as well as the PMC failed to take into considerations the statutory provisions of the law of the land and the necessity of obtaining the requisite site clearances from the appropriate authority.

6. Creation of tourist infrastructure facilities in ASI protected areas.

The creation of the two tourist infrastructure facilities in ASI protected areas namely the “Conservation and development works in ASI protected areas in Unakoti” project comprising 16 various tourists’ facilities/ components and (b) “Conservation and development works in ASI protected areas in Tripura at Gunabati Temple, Bhubaneshwari Temple, Mahadeb Bari and Pilak Site – 02” project comprising 17 various tourists’ facilities/ components was sanctioned (August 2018) by the MoT respectively for ₹ 7.86 crore {revised (July 2022) to ₹ 4.61 crore} and for ₹ 3.68 crore {revised (July 2022) to ₹ 1.65 crore} respectively.

Scrutiny of the records revealed that:

- The TTDCL, in respect of the ASI Project at Unakoti, awarded (November 2022) the work to the contractor at a contract cost of ₹ 4.13 crore (15.89 per cent above the estimated cost) with the scheduled time of completion being 12 months i.e. by 22 November 2023.
- The TTDCL, in respect of other project in ASI protected areas in Tripura at Gunabati Temple, Bhubaneshwari Temple, Mahadeb Bari and Pilak Site– 02, awarded (November 2022) the work to the contractor at a contract value of

¹⁶¹ The TIC is a single-story building which is to be constructed for giving refreshment to the tourists who visits in the ancient Remains at Boxanagar.

₹ 2.44 crore (18.50 per cent above the estimated cost) with a completion period of 12 months i.e. by 27 November 2023.

Audit observed that:

- ***Non-compliance with the statutory provisions:*** The execution work in respect of the aforementioned two projects, except for the creation of Wayside Amenities at Manu in respect of ASI project at Unakoti, could not be commenced for want of statutory clearances under the Forest Conservation Act, 1980 and Biodiversity Act, 2002 since the sites for creation of the proposed tourists' facilities fell within the Biodiversity Heritage Sites (BHS). The TTDCCL, as such, failed to obtain the requisite site clearances and/ or NOC from the Forest Department.
- ***Deficient Planning and deficient services rendered by the PMC:*** Both the State Government as well as the PMC failed to take into consideration the necessity of obtaining the statutory clearances while conceiving the project and framing the DPR respectively for the said project. The DPR, as such, prepared by the PMC was defective since the same was not based on the actual site-survey.
- ***Unauthorised change in the scope of the work and the resultant deviation from the contract:*** In respect of creation of only one component of wayside amenities at Manu in respect of ASI project at Unakoti valuing ₹ 1.48 crore, the State Government, without seeking the permission of the MoT changed (May 2023) the scope of the agreement by ₹ 0.38 crore (being 25.60 per cent of the project component cost) for the purpose of creation of another floor for accommodating tourist, separate kitchen and retaining wall.

Audit further observed that:

- The MoT issued (April 2023) a directive for dropping the project in case of non-receipt of the NOC by the State Government for construction in ASI protected areas, by April 2023.
- The State Government, eventually, approved (July 2023) shifting of six project components of the project in ASI areas at Unakoti valuing ₹ 2.85 crore to an alternative place at Sonamukhi where suitable land was available.
- The State Government requested (June 2023) the MoT for sanction for implementation of the project components sanctioned for the Bhuvaneshwari Temple namely parking, outdoor sitting and two public conveniences to another destination namely Bandaur (Udaipur).
- The approval of the MoT for shifting the project components sanctioned for the two projects in the ASI areas to Sonamukhi and Bandaur was not received (October 2023).

The Government replied (April 2024) that initially ASI was the implementing agency for Unakoti project, but it failed to float tender due to mismatch of Swadesh Darshan Scheme and ASI guidelines. After that, in July 2022 the whole project was handed

over to the Tourism Department. As the site fell within the forest land, the Forest Department did not issue the NOC to TTDCL. As such, the project components of the aforementioned two projects in the ASI protected areas were shifted to nearby Sonamukhi and Bandaaur sites with due intimation to the MoT in July 2023.

The reply is not acceptable since the State Government, while conceiving the project, failed to take into consideration the statutory provisions of the law of the land and the necessity of obtaining the requisite site clearances/ NOC from the appropriate authority.

Thus, deficient planning at the feasibility study stage itself by both the PMC as well as the Department resulted in shifting the project components to another sites and the consequent non-completion of the project October 2023).

4.2.6.2 (iii) Creation of log-huts across the State

The State Government, with a view to promote eco-tourism conceived (2016) construction of 54 log-huts at different tourist destinations in Tripura. The MoT sanctioned the creation of 54 log-huts for ₹ 22.80 crore which was revised (August 2020) to 42 log-huts with the revised sanctioned cost of ₹ 17.83 crore. These log-huts were to be created at (a) Sepahijala (10), (b) Tepania (3), (c) Narikel Kunja (16), (d) Baramura (10) and (e) Ambassa tourist destinations (03).

4.2.6.2(iii)(a) Idle/ Infructuous expenditure of ₹ 2.33 crore¹⁶²

The construction of 18 log-huts was entrusted (September 2016-November 2016) to the State Forest Department. The Forest Department submitted (July 2016) an estimate of ₹ 18.19 lakh for each log-hut with the scheduled period of completion of two months and the same was approved by the TTDCL in September 2016.

(i) Model log-hut at Khumulwng Eco Park: Of the 18 log-huts, the creation of one model log-hut at Khumulwng Eco Park was later entrusted (November 2016) to the Tripura Tribal Areas Autonomous District Council (TTAADC). The TTAADC commenced (June 2017) the work with a delay of over seven months and completed (November 2019) with a delay of over 30 months for ₹ 18.19 lakh.

During joint physical inspection with the officials of TTAADC and TTDCL, it appeared that the log-hut had not been utilised since its creation. It was observed that the log hut was in an uninhabitable condition. Further, the flooring was found to be defective, and all the furniture therein was missing. Thus, non-utilisation of the log-hut for over four years led to wasteful expenditure of ₹ 18.19 lakh.

¹⁶² **Infructuous expenditure** (Khumulwng = ₹ 18.19 lakh plus Baramura = ₹ 106.07 lakh plus Dinning Hall cum Kitchen= ₹ 14.11 lakh) plus **Idle Expenditure** (Hatipara=₹ 32.35 lakh plus Ambassa=₹ 62.03 lakh)



Photograph 4.2.13: The model log-hut at Khumulwng Eco Park lying unused for over four years

ii. Model log-hut at Salbagan, Hatipara

One model log-hut developed by the Forest Department at Salbagan, Hatipara near Agartala for ₹ 32 lakh, was completed in January 2018 with a delay of 11 months and inaugurated with a delay of over nine months in October 2018.

Joint physical inspection with the officials of TTDCL (September 2023) revealed that the said model hut was not being used for tourism purposes and instead the same was being used by the Forest Department. All the furniture were shifted for personal use in the staff quarter and offices of the Forest Department. Thus, the log-hut created at an expense of ₹ 32 lakh was not utilised for the intended purpose of creating facility for the tourists.



Photograph 4.2.14: The model log-hut at Salbagan Eco Park not being put to use for tourism purpose over five years



Photograph 4.2.15: Furniture of log-hut being used in the staff quarter

iii. Log-huts at Ambassa Eco Park

As against the stipulated period of completion of two months, three log-huts at Ambassa Eco Park, Dhalai District, were completed (July 2018) by the Forest Department with a delay of over 20 months and cost-overrun of ₹ 7.48 lakh. Further, the log-huts were inaugurated with a delay of 33 months on 03 May 2021.

Joint physical inspection with the officials of TTDCL (September 2023) revealed that these log-huts, though in good habitable condition, were not being used for the

tourism purpose. The same were being used by the Forest Department as a rest house for over five years which led to idle expenditure of ₹ 62 lakh on construction of these log-huts.



Photograph 4.2.16: Log-huts at Ambassa Eco Park not being put to use for tourism purpose over five years

iv. Log-huts at Baramura Eco Park

As against the scheduled completion period of two months, five log-huts at Baramura Eco park, Khowai District, were completed (July 2018) for ₹ 1.06 crore with a delay of over 20 months and cost-overrun of ₹ 15 lakh. Further, these log-huts were inaugurated with a delay of 20 months on 8 February 2020.

Joint physical inspection with the officials of TTDCL (September 2023) revealed that of the five log-huts, three log-huts had been damaged significantly over the years owing to the termites and became unserviceable since November 2021. Further, two log-huts were unserviceable since July 2023. As such, all the five log-huts were lying in unserviceable condition (October 2023).

Further, dining hall cum kitchen constructed for ₹ 14.11 lakh (December 2018) had been damaged significantly over the period of two years for want of proper upkeep/maintenance. Thus, the entire expenditure of ₹ 1.20 crore on construction of log-huts and dining hall cum kitchen was infructuous.



Photograph 4.2.17: Log-huts at Baramura Eco Park lying unserviceable for over two years



Photograph 4.2.18: Dining hall cum kitchen at Baramura Eco Park lying damaged and unserviceable for over two years

The TTDCL accorded Administrative Approval (AA) and Expenditure Sanction (ES) (September -November 2016) to the Forest Department for operation and maintenance as well as revenue sharing of these 18 log-huts. Audit observed that the agreement was executed only for 13 log-huts at Sepahijala, Tepania and Baramura. The log-hut at Khumulwng Eco Park could not be utilised for any purpose due to uninhabitable condition and log-hut at Hatipara was found being utilised by the Forest Department.

Thus, out of 18 log-huts, five log-huts were not utilised for over four years, *i.e.*, since their creation, and five log-huts have become inhabitable. Audit further observed that the reasons for non-utilisation of the log-huts was attributable to (a) non-handing over/ taking over of the log-huts, (b) failure on the part of the TTDCL to enter into agreement with the Forest Department for ensuring the utilisation of the log-huts and (c) poor monitoring by the TTDCL to ensure optimum utilisation of the log-huts for the tourist purposes.

As such, expenditure of ₹ 1.38 crore¹⁶³ incurred on the log-huts, *etc.* was rendered infructuous with idle expenditure of ₹ 0.94 crore¹⁶⁴. This also included an excess expenditure of ₹ 0.51 crore¹⁶⁵ in creation of 18 log-huts due to the delays in the construction of the same.

The Government replied (April 2024) that all the log-huts situated at Khumulwng, Ambassa, Hatipara, Baramura, Tepania and Sepahijala would be formally handed over to the Forest Department and these log huts would be operated and managed by the Forest Department through Tripura Nature Trails and Resorts Limited.

The reply is not acceptable since 10 out of 16 log-huts created by the Forest Department were found being used by Forest Department itself. As such, 10 log-huts

¹⁶³ **Infructuous Expenditure** (Khumulwng = ₹ 18.19 lakh, Baramura = ₹ 106.07 lakh and Dining Hall cum Kitchen= ₹ 14.11 lakh)

¹⁶⁴ **Idle Expenditure** (Hatipara=₹ 32.35 lakh and Ambassa=₹ 62.03 lakh)

¹⁶⁵ ₹ 51.46 lakh = Salbagan = ₹ 14.16 lakh *plus* Ambassa = ₹ 7.48 lakh *plus* Baramura = ₹ 15.14 lakh *plus* Tepania = ₹ 5.51 lakh *plus* Sepahijala = ₹ 9.17 lakh

were not being used for the tourists' purpose for which the Government did not take any appropriate steps.

4.2.6.2(iii)(b) Unauthorised expenditure

The TTDCCL floated (June 2020) a tender for the "Manufacture, Supply, Erection, and Commissioning of 33 log-huts including electrical, sanitary and plumbing and supporting infrastructure at various tourist destinations". It was noticed that the revised sanction for 42 log-huts was issued in August 2020 {discussed in Paragraph 4.2.6.2(iii) (a)}. However, the TTDCCL without modifying the scope of the sanction went ahead with the tender procedure and issued (December 2020) the work order. Thus, it exceeded the sanction limit by nine log-huts, for which no approval was obtained from the MoT.

The work order was issued (December 2020) at a contract value of ₹ 8.20 crore (35.80 per cent below the estimated cost put to tender) with the scheduled completion period of six months *i.e.* by 15 June 2021. The contractor completed 15 log-huts at Narikel Kunja with a delay of 17¹⁶⁶ months and handed over the same on 17 November 2022 against the stipulated date of completion on 15 June 2021. Audit observed that eight log-huts at Narikel Kunja and 10 log-huts at Chabimura remained incomplete even after delay of 29 months (October 2023). The contractor was paid ₹ 7.40 crore (October 2023).

Further, the PMC did not prepare even the plans properly. As such, it required revision within one month from the date of issue of work order in January 2021. This resulted in deviations from the scope of the agreement for ₹ 1.90 crore. The deviation being 23.21 per cent of the contract value required prior/ post-facto sanction of the MoT. The TTDCCL did not obtain approval for this deviation.

Thus, creation of the extra nine log-huts as well as the deviations resulted in unauthorised expenditure of ₹ 4.13 crore¹⁶⁷.

The Government replied (April 2024) that during the execution of log huts it had been observed that total floor area must be increased from 42.34 sqm. to 47.25 sqm. Accordingly, a revised drawing and deviation statement for ₹ 1.90 crore had been prepared and got approved by the State Government.

The reply of the Government is not acceptable since the DPR so prepared by the PMC was not based on the actual site-condition and thus necessitated recasting of estimates and the resultant deviations. Failure on the part of the PMC to do so resulted in said deviation for ₹ 1.90 crore. Besides, the Government's reply was silent on the propriety for creation of nine log-huts in excess of the sanctioned quantities.

¹⁶⁶ Inclusive of delay of nine months being solely attributable to the second phase Covid-19 pandemic turmoil during the period from December 2020 to August 2021.

¹⁶⁷ ₹ 4.13 crore = the unit cost of ₹ 24.84 lakh for creation of one log-hut under the contract X nine log-huts plus deviations aggregating to ₹ 1.90 crore.

4.2.6.2(iii)(c) Operation of the log-huts

(i) Operation of the log-huts at Narikel Kunja

Joint physical inspection with the officials of TTDCL (September 2023) in respect of the operation of 23 log-huts revealed that:

- **Deficient lease agreement:** SDS Sanction letter stipulates that the TTDCL shall not rent/ lease or transfer property without the permission of the MoT.

The operation of 15 log-huts at Narikel Kunja tourist destination, in violation of SDS Sanction letter, was leased out (October 2022) to an agency without obtaining the sanction of the MoT at a lease rental revenue of ₹ 0.45 crore per annum. The average occupancy rate of the 15 log-huts from January 2023 to August 2023 was only 30.25 per cent. The agency had adopted dynamic tariff rate for the log-huts. The base tariff rate being exhibited on-line was in the range of ₹ 3,570 to ₹ 4,552 and the agency had charged tariff as high as ₹ 7,039 in the peak season. The dynamic tariff was steep when compared to the tariff rate of ₹ 2,240 for the log-huts of the same designs, specifications and amenities being operated by the TTDCL itself. Even such high tariff rate was exclusive of the additional tariff of ₹ 1,000 each for accommodating children below 12 years. Further, as the tariff did not include boarding and no other facilities being available, it may be difficult to promote Narikel Kunja as an attractive tourist destination.



Photograph 4.2.19: The State-of-the-art log-huts adding beauty to the panoramic Narikel Kunja tourist destination

Further, eight log-huts were nearing their completion and not handed over (October 2023) to the TTDCL by the Contractor.

The Government stated (April 2024) that the log-huts of Narikel Kunja were leased out to the private agency and there is no scope laid down in the agreement for controlling the room tariff by the TTDCL. The reply of the Government is not acceptable since the Government, while protecting its own financial interest, failed to safeguard the interest of the tourists' interests as envisaged under the SDS.

(ii) *Operation of the log-huts at Chabimura tourist destination*

Joint physical inspection with the officials of TTDCL (September 2023) of 10 log-huts at the Chabimura tourist destination (involving the expenditure of ₹ 2.48 crore) revealed that the log-huts were being developed without site development and proper approach road leading thereto were not need-based and as such seemed to be on the higher sides due to the remoteness of the said area and the absence of basic amenities like health-care facilities, eateries, *etc.*

	
<p>Photograph 4.2.20: The unbuilt muddy approach road leading to log-huts at Chabimura</p>	<p>Photograph 4.2.21: Log- hut being developed amidst wild grasses and jungles at Chabimura</p>

The Government replied (April 2024) that tender process for leasing out the log huts at Chabimura had been started. The lessee would arrange food facilities and other itineraries for the guests/ tourists. It further stated that regarding the security issues of Log-Huts at Chabimura, the Superintendent of Police, Gomati District had been requested to set up a police outpost.

The reply of the Government is not acceptable due to (a) lack of tourist potential for overnight stay at the Chabimura tourist destination, (b) the remoteness of the area as well as (c) non-availability of the basic facilities like eateries, health-care facilities, security, *etc.* the creation of 10 log-huts at Chabimura appeared to be on the higher side.

4.2.6.2(iv) Procurement under SDS/ Adventure Tourism theme

The MoT sanctioned ₹ 10.31 crore (December 2015) for procurement of various items, *viz.* Battery Operated Vehicles (BOVs), paddle boats, Fibre Reinforced Plastic (FRP) boats, speed motor boats, water scooter/ jet-skies, *etc.* under the “Adventure Tourism” theme. The sanctioned cost was later revised (August 2020) to ₹ 5.07 crore. Audit observed that as against the sanctioned cost of ₹ 5.07 crore, the TTDCL procured 33 items valuing ₹ 5.22 crore as detailed in **Table 4.2.3**.

Table 4.2.3: The details of procurement made in respect of Adventure Tourism/ Eco-Tourism under Swadesh Darshan Scheme

Sl. No.	Procurement description	Qty. (in No.)	Amount (₹)	Date of supply	Placed at destination initially
1.	Procurement of water scooters	1	25,60,488	12-12-2019	Dumboor
2.		1	25,60,488	16-01-2021	Dumboor
3.		4	99,34,989	26-04-2021	Narikel Kunja-01; Udaipur Nagar Panchayat-02; Ujjayanta Palace lake-01
4.	Procurement of 4-seater paddle boat	4	6,24,400	03-12-2019	Sepahijala lake
5.	Procurement of 10–12-seater rescue boats	2	42,05,556	17-03-2020	Chabimura and Narikel Kunja
6.	Procurement of 20-seater 40 HP speed boats	4	1,03,51,112	17-03-2020	Chabimura and Narikel Kunja
7.	Procurement of 20-seater 50 HP speed boats	6	1,58,87,400	17-03-2020	Chabimura and Narikel Kunja
8.	Procurement of battery-operated vehicles	11	60,96,490	07-07-2019	Ujjayanta palace-03; Akhaura Border-02; Khumulwng-03; Sepahijala -02; Durgabari-01
Total		33	5,22,20,923		

4.2.6.2(iv)(a) Infructuous expenditure**(i) Infructuous expenditure in respect of water scooters procured under the Adventure Tourism theme**

Out of the aforementioned 33 items procured under “Adventure Tourism” theme, the TTDCL, as against the sanctioned cost of ₹ 17 lakh, had procured (December 2019 to April 2021) six water scooters valuing ₹ 1.51 crore. The details of water-scooter lying idle/ unused at various tourist destinations are depicted in **Table 4.2.4**.

Table 4.2.4: The details of water scooter lying idle/ unused at various tourist destinations

Item procured	Qty. (in No.)	Lying idle for (as of October 2023)	Lying idle at	Remarks
Water scooter- six Nos. (Sanctioned cost ₹ 0.17 crore, Procurement cost ₹ 1.51 crore)	1	12 months	Jagannath Dighi, Udaipur	Out of six water scooters procured, only two were in working condition. As such, expenditure of ₹ 1.01 crore on procurement of the four water-scooters was rendered infructuous.
	1	16 months	Laxminarayan Dighi, Agartala	
	2	Over 12 months	Narikel Kunja	

The TTDCL had placed six water scooters at the disposal of individual/ *Samiti* (Society) at various¹⁶⁸ tourist destinations by entering into lease agreements for their day to day operation. Audit observed that lease rent of ₹ 0.02 crore was outstanding (October 2023) for the period from February 2022 to July 2023.

Joint physical inspection with the officials of TTDCL (September 2023) revealed that two jet-skies/ water scooters were lying unutilised at Narikel Kunja (**Photograph 4.2.24**) for want of necessary repair and maintenance by the TTDCL. The water scooters at Jagannath Dighi and Laxminarayan Dighi were kept in a packed condition.

		
<p>Photograph 4.2.22: Jet-skie lying unutilised at Jagannath Dighi, Udaipur</p>	<p>Photograph 4.2.23: Jet-skie lying unutilised at Laxminarayan Dighi, Agartala</p>	<p>Photograph 4.2.24: Jet-skies, with tyres submerged in water, lying unutilised at Narikel Kunja</p>

(ii) Infertuous expenditure in respect of motor boats procured under the Adventure Tourism theme

The TTDCL, as against the sanctioned cost of ₹ 3.64 crore, had procured (March 2020) 12 motor boats valuing ₹ 3.04 crore under the Adventure Tourism theme. The details of motor boats lying idle/ unused at various tourist destinations are depicted in **Table 4.2.5**.

¹⁶⁸ Narikel Kunja, Jagannath Dighi at Udaipur and Laxminarayan Dighi at Agartala

Table 4.2.5: The details of motor boats lying idle/ unused at various tourist destinations

Item procured	Qty. (in No.)	Description of idle item (in No.)	Lying idle for (as of October 2023)	Lying idle at	Remarks
10-12-seater fast rescue boats, 20-seater 40 HP speed motor boats, 20-seater 50 HP speed motor boats	02	Two Nos. 40 HP	24 months	Maharani Barrage	Out of 12 motor boats only two were in working condition. Due to improper upkeep/ maintenance of the assets, the expenditure of ₹ 2.52 crore for procurement of the 10 speed motor boats was rendered infructuous.
	02	One No. 50 HP	Over 10 months	Narikel Kunja	
		One No. 40 HP	Over 10 months		
	06	Four Nos. 50 HP	Over 15 months	Chabimura	
		Two Nos. Rescue Boat	Over 15 months		

The TTDCL placed all the 12 speed motor boats at the disposal of individual/ *Samiti* (Society) at various¹⁶⁹ tourist destinations by entering into lease agreements for their day to day operation. Audit observed that lease rent of ₹ 0.06 crore was outstanding (October 2023) for the period from February 2021 to July 2023.

Joint physical inspection with the officials of TTDCL (September 2023) revealed that:

- Two of the 20-seater speed motor boats were lying unused/ idle at Maharani Barrage, Gomati District since December 2021 (**Photograph 4.2.25**). The reason for non-utilisation was attributed to the dearth of tourists, which implies that the speed boats were placed without doing any survey for their use. Further, prolonged non-use will render the expenditure on these motor boats infructuous.
- Two 20 seater speed motor boats were damaged at the Narikel Kunja for more than 10 months (October 2023) and lying unutilised/ idle due to maintenance issues (**Photograph 4.2.26**).
- Four speed motor boats and two rescue speed motor boats were damaged and lying unutilised/ idle (October 2023) at Chabimura due to maintenance issues pending for more than 15 months (**Photograph 4.2.27**).

¹⁶⁹ Narikel Kunja, Jagannath Dighi at Udaipur and Laxminarayan Dighi at Agartala

		
Photograph 4.2.25: 20-seater 40 HP speed boats lying idle at Maharani Barrage	Photograph 4.2.26: 50 HP 20-seater speed boat lying damaged at Narikel Kunja Tourist Destination	Photograph 4.2.27: 50 HP boats and Rescue boats lying damaged at Chabimura Tourist Destination

Thus, out of 12 motor boats, 10 motor boats placed at the tourist destinations were lying unutilised. Further, the TTDCL also did not have any plan for the regular up-keep/ maintenance of these assets for ensuring their smooth operation.

(iii) Infructuous expenditure in respect of battery operated vehicles procured under the Adventure Tourism theme

As against the sanctioned cost of ₹ 1.38 crore, the TTDCL procured (July 2019) 11 Battery Operated Vehicles (BOVs) valuing ₹ 0.61 crore. The details of BOVs lying idle/ unused at various tourist destinations are depicted in **Table 4.2.6**.

Table 4.2.6: The details of BOVs lying idle/ unused at various tourist destinations

Item procured	Quantity (in No.)	Lying idle for (as of October 2023)	Lying idle at	Remarks
BOVs	03	Over 48 months	Ujjayanta Palace, Agartala	Out of 11 BOVs, only two were in working condition. Thus, failure of the TTDCL in ensuring the regular utilisation of the procured BOVs, rendered the expenditure of ₹ 0.50 crore on procurement of the BOVs, infructuous.
	01		Akhaura Border (ICP), Agartala	
	02		Khumulwng Eco Park	
	02		Sepahijala wildlife Sanctuary	
	01		Durgabari Tea garden	

Audit observed that the BOVs procured by the TTDCL were not need-based. The TTDCL, post procurement of BOVs, had requested (October 2019) various Government agencies for utilisation of these assets. However, none of the

Government agencies responded to TTDCL's request for taking over these BOVs. As such, the TTDCL did not have a plan for utilisation of the procured BOVs. Finally, the TTDCL placed them at various tourist destinations without entering into any operation and maintenance (O&M) contract and/ or lease agreement with the State agency. Besides, absence of the O&M contract also deprived the TTDCL of the opportunity of ensuring the smooth operation of these assets.

During joint physical inspection with the officials of TTDCL (September 2023), it was noticed that out of the 11 BOVs procured for ₹ 0.61 crore, nine were not being put to use for the period ranging from one to three years and were lying idle for want of necessary repair/ renewal and maintenance (**Photographs 4.2.28 to 4.2.30**).

		
<p>Photograph 4.2.28: Two BOVs at Sepahijala destination lying in a condemnable state for over a year</p>	<p>Photograph 4.2.29: BOVs lying unused at Khumulwng destination for over two years</p>	<p>Photograph 4.2.30: BOVs lying idle at Ujjayanta Palace for over three years for want of necessary repairs/ renewals</p>

The Government replied (March 2024) that the BOVs could not be used for almost two years due to lockdown during the Covid-19 Pandemic and therefore, the batteries got discharged and had almost become unserviceable/ unusable. The Government further informed that the Department might consider outsourcing the operation of these BOVs to the outside agencies.

4.2.6.2(iv)(b) Idle expenditure

The TTDCL approved (May 2022) paragliding project in Jampui Hills-Tlaksih and paramotoring project in Chabimura/ Neermahal/ Dumboor lake and accordingly made a procurement *i.e.* paramotoring and paragliding of ₹ 0.57 crore¹⁷⁰ for adventure tourism from the other project fund. Further, for the purpose of augmenting/ strengthening adventure tourism in the State, the Alpine Wanderers Pvt. Ltd. proposed (May 2021) imparting of training for paragliding and paramotoring sports for ₹ 0.29 crore¹⁷¹.

¹⁷⁰ ₹ 57 lakh = ₹ 33.80 lakh for para motoring *plus* ₹ 23.20 lakh towards paragliding.

¹⁷¹ ₹ 29 lakh = ₹ 18.8 lakh towards imparting Training in paragliding *plus* ₹ 10.20 lakh towards imparting training in paramotoring.

The TTDCL decided that 50 *per cent* of the expenditure would be financed by TTDCL from SDS fund and the balance 50 *per cent* would be borne by the trainees.

Audit observed that:

- The TTDCL had released ₹ 0.21 crore during the period 2020-22 for the purpose of training to five local youths who completed their training during the period from January 2022 to February 2022.
- Paragliding project was inaugurated (September 2022) in Jampui Hills.
- Apart from imparting training to five local youths, the TTDCL did not create basic infrastructure like approach road, ticket counter, resting place, proper signage, *etc.* Further, considering the faraway location of the paragliding project, proper advertisement and awareness campaign was required for its successful continuance. In the absence of all these preparations, the project remained in operation for merely three months and only 25 tourists took part in paragliding adventure.
- Moreover, paramotoring at Chabimura and Neermahal was not commenced (October 2023) due to the non-finalisation of site.
- The five Pilots along with two Ground staff (Marshall) were being paid monthly remuneration since September 2022 from the TTDCL's own fund without performing any duty.

Thus, the entire expenditure of ₹ 78 lakh¹⁷² towards paragliding and paramotoring sports under the Adventure Tourism Theme was rendered wasteful.

The Government replied (March 2024) that the Government needs to make a conscious review of the project components such as paragliding and paramotoring sports since the same did not seem feasible on account of geographical location of the State as well as tourists' inflow in the State. It further stated that, the State Government, instead, needs to focus its attention on the development of basic tourist facilities in the State. The Government, however, informed (April 2024) that paragliding activity at Jampui Hills had resumed from January 2024.

The reply of the Government was, however, silent on the number of tourists utilising the paragliding activity to assess its commercial viability and its impact on increase of tourist's inflow.

4.2.6.2(v) Poor implementation of the Signage component and lack of publicity for the tourist destinations

Appropriate advertisement/ publicity and/ or signage systems are important to make travelling a seamless experience. For dissemination of information pertaining to the other tourist destinations falling on a tourist circuit to the tourists visiting a particular

¹⁷² ₹ 78 lakh = ₹ 11.82 lakh incurred towards training in para gliding sports *plus* ₹ 8.88 lakh incurred towards training in para motoring sports *plus* procurement of ₹ 57 lakh made from another project fund.

tourist place, distribution of leaflets/ brochures is a very convenient and yet economical mode of publicity.

Signage may broadly be classified into four categories as per their purpose: namely (a) information, (b) direction, (c) identification and (d) emergency. Accessible information through well-designed wayfinding and signage systems, under the aforementioned categories of signage, remains an area of immense concern and development.

The DPR prepared by the PMC provided for the “Installation of 1,481 Signage across various Tourist Destinations in the State” as detailed in **Table 4.2.7**.

Table 4.2.7: Details of the sanctioned cost and signages to be installed under the tourist circuits

(₹ in crore)

Name of the Circuit	Sanctioned cost	Revised sanctioned Cost	Number of Signage
Agartala Circuit	1.19 (December 2015)	1.11 (August 2020)	675
Unakoti Circuit	1.09 (August 2018)	1.01 (July 2022)	806

Scrutiny of the records revealed that:

- The TTDCL, since the inception of the SDS in the State, had not prepared any leaflets/ brochures for the advertisement or publicity of the tourist destinations falling on the two tourist circuits.
- The TTDCL had disbursed (February 2019) ₹ 0.25 crore¹⁷³ to the PWD and RDD. However, the said fund was lying unutilised (October 2023).
- The TTDCL, after an inordinate delay of 39 months¹⁷⁴, floated (July 2019) the first tender for installation of 675 Signages across various Tourist Destinations in Agartala Tourist Circuit.
- The details of the invitation of tenders in respect of signage project component under the tourist circuits, tendered value, expenditure incurred, numbers of signages installed, *etc.* are given in **Table 4.2.8**.

¹⁷³ ₹ 24.50 lakh = ₹ 24.20 lakh to the PWD and ₹ 0.30 lakh to RDD

¹⁷⁴ The period of 39 months being reckoned from March 2016 being the target date for finalisation of tender for the projects as per the SDS guidelines.

Table 4.2.8: Details of tender and expenditure incurred in respect of Signages installed under the tourist circuits

(*₹ in crore*)

Name of the Circuit	Tender	Tendered value	Expenditure	Number of signage	Remarks
Agartala Circuit	1st (September 2019)	0.45	0.17	70	Cancelled on 25 February 2021 due to non-performance of obligations
Agartala Circuit	2nd (September 2021)	0.33	0.39	36	Payment for additional six Signage inclusive of ₹ 0.07 crore
Unakoti Circuit	3rd (August 2022)	0.29	0.29	25	Work was awarded (August 2022) to two L 1 bidder at contract value of ₹ 0.29 crore each.
		0.29	0.29 (Pending)	25	

Audit further observed that:

- **Deficient planning:** The TTDCL failed to plan for resorting to the advertisement/ publicity of the other tourist destinations falling on its tourist circuits by way of preparation and distribution of leaflets/ brochures detailing the importance/ salient features of tourist destinations and accessibility thereto.

The implementation of the signage project component delayed for over 39 months *ab initio* was also marred by deficient planning. The TTDCL failed to assess that the installation of signage across various destinations in the State required a lot of work involving considerable time for (a) concept and approval of design, (b) approval of the appropriate authority for installation at various locations, (c) preparation of signages and (d) their proper placement across the State.

- Failure on the part of the first contractor to perform his obligations for installing 675 signages across various tourist destinations in Agartala tourist Circuit was primarily attributable to the failure of the TTDCL to provide location and content of the signage in respect of 349 locations for over four months after the commencement of the work.
- **Poor monitoring:** The TTDCL also failed to effectively monitor the work of the respective contractors and mitigate delays in respect of the second and third tenders.
- **Non-utilisation of the SDS fund:** The details of the SDS fund in respect of the signage project component lying unutilised (October 2023) is enumerated in Table 4.2.9.

Table 4.2.9: Details of un-utilised funds in respect of Signage Project component

(₹ in crore)

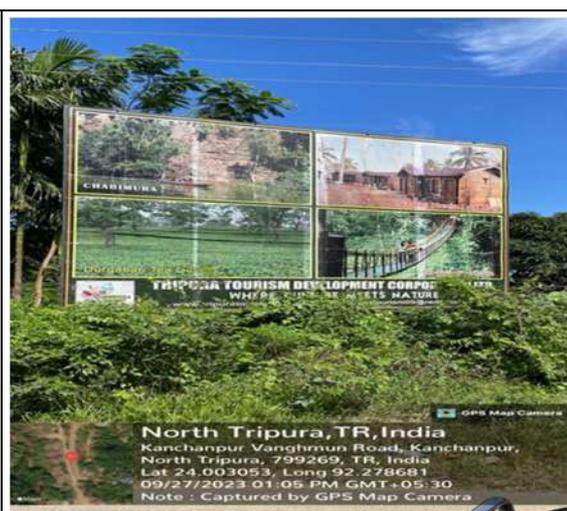
Name of the Circuit	Sanctioned cost	Revised sanctioned cost	Expenditure	Unutilised funds (October 2023)
Agartala Circuit	1.19 (December 2015)	1.11 (August 2020)	0.50	₹ 0.61 ¹⁷⁵
Unakoti Circuit	1.09 (August 2018)	1.01 (July 2022)	₹ 0.64	₹ 0.37 ¹⁷⁶

It can be seen that ₹ 98 lakh could not be utilised for over five years (October 2023) due to poor implementation of the signage project component.

Joint physical inspection with the officials of TTDCL (September 2023) further revealed that the signage installed by the contractor in respect of the first tender was informative (**Photograph 4.2.31**). The signage developed by the contractors in respect of the second and third tenders was not informative both in terms of the distance of the tourist destination from the point of signage and the availability of amenities like accommodation, food joints, health-care services, etc. (**Photograph 4.2.32**).



Photograph 4.2.31: The informative signage installed at Amarpur Tourist Lodge.



Photograph 4.2.32: The Signage installed in Jampui Hills depicting four pictures of Tourist Destinations without any further information in respect of the same.

The Government replied (April 2024) that on account of slow progress of the contractor in respect of the first contract for installation of 675 Signages was cancelled and accordingly second and third tenders were invited for speedy installation of Signages across the State. The contractors under the second and third

¹⁷⁵ ₹ 61.41 lakh = Fund of ₹ 111 lakh disbursed towards the signage component of Agartala Circuit – (₹ 16.92 lakh payment made to the contractor under the first tender + ₹ 32.67 lakh payment made to the contractor under the second tender)

¹⁷⁶ ₹ 37.01 lakh = ₹ 101 lakh being the sanctioned cost for signage component in respect of Unakoti Circuit *minus* (Agreement cost of ₹ 57.46 lakh for installation of 50 signages in Unakoti Circuit + Deviation of ₹ 6.53 lakh in respect of the second tender.

contract have completed their work. The Government further assured that in future signages constructed would be more informative.

The reply of the Government is not acceptable since the Signage Project Component work under SDS suffered significant time overrun on account of deficient planning by TTDCL to assess the installation of Signages across the state, failure to obtain necessary site clearances/ NOCs from the respective municipal corporations as well as inordinate delays in submission of the approved concept and design of signages to the Contractor in respect of the first contract.

Objective 3: There existed proper monitoring mechanisms for ensuring the achievement of the scheme objectives

4.2.6.3 Monitoring mechanism

To execute the projects economically and efficiently as well as to watch the physical and financial progress of the projects, effective monitoring is an essential pre-requisite. The following deficiencies were noticed in monitoring the implementation of tourism projects sanctioned by the MoT.

There were delays ranging from six months to 44 months in entrustment of the infrastructure creation projects to the implementing agencies (IAs) by the TTDCL. There were delays ranging from nine months to 36 months in completion of the Agartala Tourist Circuit and Unakoti Tourist Circuit projects against time frame stipulated in the respective agreements. There were cases of non-obtaining statutory clearances and non-compliances with the law of the land leading to the derailment of SDS projects. There were cases of inaccurate submission of UCs against the SDS fund.

The TTDCL, after placement of SDS fund with the IAs for execution of the SDS projects failed to supervise the execution work of the projects. The TTDCL failed to adhere to the provisions of GFR 2017, *etc.* thereby leading to irregularity in selection of PMC as well as non-refund of interest income on the SDS Fund. Assets procured under the Water Sports/ Adventure Tourism theme of the SDS were not put to use due to non-maintenance for the period ranging from six months to 15 months. Ten log-huts set up were not being utilised for the period ranging from two to five years.

4.2.6.4 Conclusion

Despite lapse of seven years and after an aggregate expenditure of ₹ 85.67 crore incurred since the inception of the SDS, the objective of promoting tourism by way of increase in the footfall of tourists and creation of local employment remained unfulfilled due to the following reasons:

- Deficient planning of the State Government in undertaking the infrastructural creation projects which were non-compliant to statutory laws, international ramifications, territorial jurisdiction disputes, environmental implications, *etc.* resulted in derailment/ delayed completion and/or dropping of the several project/ project Components by the MoT.

- Irregularity in selection of the PMC as well deficient services rendered by the PMCs resulted in (a) derailment of nine high valued infrastructure creation SDS projects which led to infructuous expenditure of ₹ 8.57 crore and (b) dropping of the project/ project components of ₹ 34.75 crore.
- Undue delays in entrustment of the infrastructure creation projects to the IAs as well as in invitation of tenders in respect of the same resulted in delays in completion of the projects ranging from six months to 57 months.
- Poor management of the SDS fund by the TTDCL resulted in underutilisation of funds and refund of ₹ 13.34 crore to the MoT.
- Deficient monitoring mechanism prevalent in the TTDCL resulted in the improper up-keep/ maintenance of various assets created under SDS thereby leading to infructuous/ idle expenditure of ₹ 9.64 crore.

4.2.6.5 Recommendations

The State Government may consider to:

- *develop a sound planning policy for the development and implementation of the infrastructure creation projects with consideration of factors like (a) compliance with the statutory laws (b) international ramifications, territorial jurisdiction disputes and environmental implications, etc. in consultation with the other stakeholders namely Forest Department, ASI, etc.;*
- *exercise due diligence and ensure compliance with the codal provisions in the selection of the Project Management Consultants;*
- *mitigate the procedural delays in the entrustment of the execution work to the State Government Implementing Agencies (IAs) as well as in the invitation of tenders in respect of the same;*
- *ensure the professional management of the financial resources, tracking and monitoring of the project fund lying with the other IAs and submission of accurate UCs; and*
- *strengthen its monitoring mechanism to ensure proper up-keep/ maintenance of various assets created and timely completion of the projects.*

CHAPTER V: REVENUE SECTOR

CHAPTER V: REVENUE SECTOR

5.1 GENERAL

5.1.1 Trend of Revenue Receipts

The Tax and Non-tax Revenue raised by Government of Tripura during the year 2022-23, the net proceeds of State's share of Union Taxes and Duties assigned to the State and Grants-in-aid received from the Government of India (GoI) during the year and the corresponding figures for the preceding four years are given in **Table 5.1.1**.

Table 5.1.1: Trend of revenue receipts

(₹ in crore)

Sl. No.	Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
I.	Revenue raised by State Government					
	Tax Revenue	1,765.91	2,101.79	2,332.44	2,616.31	2999.68
	Non-tax Revenue	372.20	271.65	285.49	274.11	402.35
	Total	2,138.11	2,373.44	2,617.93	2,890.42	3,402.03
	<i>Increase over previous year (per cent)</i>	<i>11.62</i>	<i>11.01</i>	<i>10.30</i>	<i>10.41</i>	<i>17.70</i>
II.	Receipts from the GoI					
	Net proceeds of State Share of Union Taxes and Duties	4,888.95	4,211.78	4,218.45	6,077.52	6,724.23
	Grants-in-aid	5,003.83	4,416.37	6,456.02	8,646.01	8,182.75
	Total	9,892.78	8,628.15	10,674.47	14,723.53	14,906.98
III.	Total Revenue Receipts of the State Government (I and II)	12,030.89	11,001.59	13,292.40	17,613.95	18,309.01
IV.	Percentage of I to III	17.77	21.57	19.69	16.41	18.58

Source: Finance Accounts

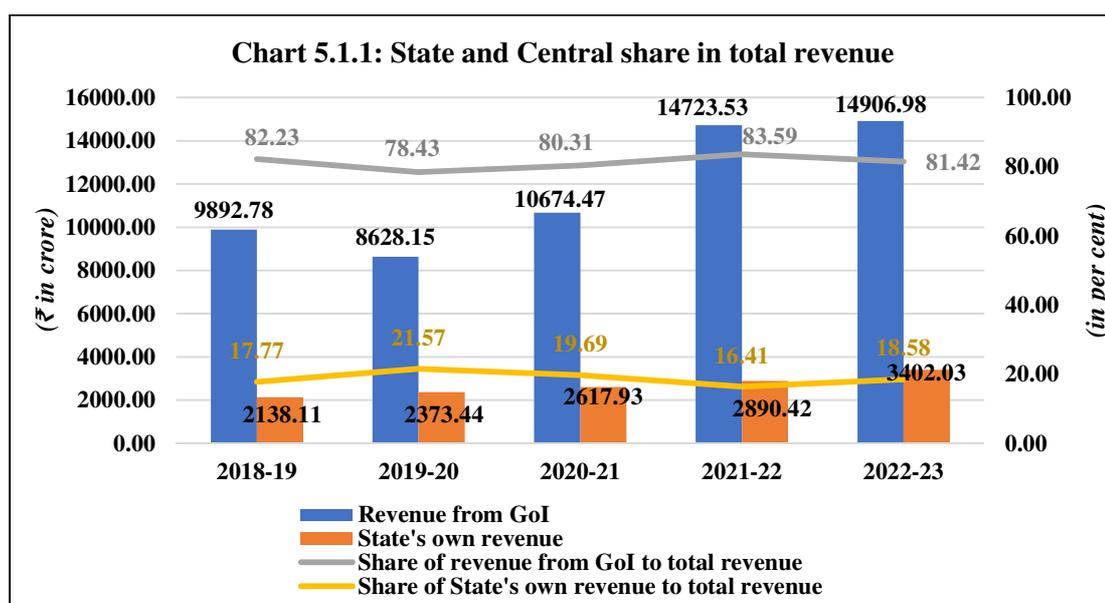


Table 5.1.1 and **Chart 5.1.1** indicates that during the year 2022-23, the revenue raised by the State Government was ₹ 3,402.03 crore which was 18.58 per cent of the total

Revenue Receipts. The balance 81.42 *per cent* of the revenue receipts during 2022-23 was received from the GoI in the form of State share of Union Taxes and Duties and Grants-in-Aid. The collection of own revenue increased by ₹ 511.61 crore during 2022-23 as compared to previous year and the rate of growth of own revenue significantly increased to 17.70 *per cent* in 2022-23 as compared to 10.41 *per cent* during 2021-22. Revenue Receipts of the State increased by 3.95 *per cent* from ₹ 17,613.95 crore in 2021-22 to ₹ 18,309.01 crore in 2022-23.

5.1.1(a) Tax Revenue

During 2022-23 collection of Tax revenue had increased by ₹ 383.37 crore (14.65 *per cent*) over the previous year. The details of Tax Revenue raised during the period 2018-19 to 2022-23 are indicated in **Table 5.1.2**

Table 5.1.2: Components of Own Tax Revenue during 2018-19 to 2022-23

Head of revenue	2018-19	2019-20	2020-21	2021-22	2022-23	(₹ in crore)
						Increase (+) or decrease (-) of actual in 2022-23 over 2021-22 (<i>per cent</i>)
Sales Tax/ Value Added Tax (VAT)	361.95	435.88	403.19	463.12	463.57	0.10
Goods and Service Tax	977.44	1026.63	1056.01	1282.69	1459.01	13.75
State Excise	214.35	231.70	287.36	319.60	368.11	15.18
Stamps and Registration Fees	51.32	61.67	69.53	89.65	102.53	14.36
Taxes on Vehicles	83.50	97.14	97.41	103.22	117.55	13.88
Other Taxes on Income and Expenditure	43.87	43.59	41.00	41.75	37.99	(-) 9.01
Land Revenue	5.29	12.98	9.85	8.94	12.59	40.83
Other Taxes and Duties on Commodities and Services	27.93	161.58	255.84	273.37	402.49	47.23
Taxes & Duties on Electricity	0.01	30.54	112.09	33.74	35.60	5.51
Others	0.25	0.08	0.16	0.23 ¹⁷⁷	0.24 ¹⁷⁸	4.35
Total	1765.91	2101.79	2332.44	2616.31	2999.68	14.65

Source: Finance Accounts

Goods and Service Tax: The reason attributed by the Finance (Excise and Taxation) Department for increase of collection of Goods and Service Tax (13.75 *per cent*) was due to more collection of SGST and IGST than that of previous year.

State Excise: The reason attributed by the Finance (Excise & Taxation) Department for increase of collection of State Excise (15.18 *per cent*) was due to growth in excise revenue collection.

Other taxes on Income & Expenditure: The reason attributed by the Department for decrease of collection (9.01 *per cent*) was due to no revision in the rate of Profession

¹⁷⁷ Tax on Agriculture Income (₹ 0.04 crore), Taxes on Immovable Property other than Agricultural Land (₹ 0.19 crore)

¹⁷⁸ Tax on Agriculture Income (₹ 0.20 crore), Taxes on Goods and Passengers (₹ 0.04 crore)

Tax during the year 2022-23 and less collection from Salary and Wages earners during the year.

Stamp and Registration Fees: The Revenue Department attributed the reason for increase of collection (14.35 *per cent*) to increase in land value at a flat rate of five *per cent* on yearly basis and selling and purchasing of land.

Land Revenue: The reason attributed by the Land Revenue Department for increase of collection of Land Revenue (40.83 *per cent*) was due to increase in number of mutation, diversion and correction of land records.

Taxes on Vehicles: Transport Department attributed the reason for increase of collection (13.88 *per cent*) to increase of registration of vehicles and regular enforcement drive throughout the State by the Motor Vehicle Inspectors in collaboration with Police/ Traffic Police and other officers/ officials.

The other departments (indicated in **Table 5.1.2**), despite requested (August 2023), did not furnish (October 2023) the reasons for variations in Tax Receipts with respect to the previous year.

5.1.1(b) Non-tax Revenue

During 2022-23 collection of Non-tax revenue had increased by ₹ 128.23 crore (46.78 *per cent*) over the previous year. The details of the Non-Tax Revenue raised during the period 2018-19 to 2022-23 are indicated in **Table 5.1.3**.

Table 5.1.3: Components of Non-tax Revenue during 2018-19 to 2022-23

(₹ in crore)

Sl. No.	Head of revenue	2018-19	2019-20	2020-21	2021-22	2022-23	Increase (+)/ decrease (-) of actual in 2022-23 over 2021-22 (<i>per cent</i>)
1	Interest Receipts	146.11	19.25	18.11	24.43	22.93	(-) 6.14
2	Industries	92.81	100.27	89.56	86.62	161.94	86.95
3	Police	71.77	65.13	75.79	82.77	122.42	47.90
4	Public Works	5.06	4.95	6.94	6.67	6.11	(-) 8.40
5	Forestry and Wildlife	11.96	13.82	19.45	21.35	15.83	(-) 25.85
6	Water Supply and Sanitation	1.88	1.25	1.28	1.87	1.46	(-) 21.93
7	Misc. General Services	6.18	20.44	44.11	23.70	29.71	25.36
8	Other Administrative Services	4.71	8.29	5.22	7.07	6.58	(-) 6.93
9	Medical and Public Health	3.97	8.94	1.88	1.73	3.54	104.62
10	Crop Husbandry	3.56	2.98	2.54	2.33	2.94	26.18
11	Animal Husbandry	2.07	2.05	1.57	1.30	1.42	9.23
12	Housing	2.07	2.16	2.03	2.23	2.57	15.25
13	Education, Sports, Art and Culture	1.78	1.05	1.04	0.76	2.98	292.11
14	Stationery and Printing	2.00	2.15	1.50	1.06	1.46	36.45
15	Others ¹⁷⁹	16.27	18.92	14.47	10.22	20.46	100.20
	Total	372.20	271.65	285.49	274.11	402.35	46.78

Source: Finance Accounts

¹⁷⁹ Comprising 27 Major Heads including dividends and profits

Stationery and Printing: The reason attributed by the G.A (Printing & Stationery) Department for increase in collection (36.45 *per cent*) was due to increase in number of requisition of printing papers or other printing materials by the Government Department/ PSUs/ Boards/ Government Institutions, *etc.*

The other departments (indicated in **Table 5.1.3**), despite requested (August 2023), did not furnish (October 2023) the reasons for variations in Non-tax Revenue Receipts with respect to the previous year.

5.1.2 Revenue and return filing trends

5.1.2(i) GST Revenue of Government of Tripura: Comparison between budget estimates and actual receipts

The comparison of budget estimates and the corresponding actual collection of Goods and Service Tax (GST) during the period from 2019-20 to 2022-23 are shown in **Table 5.1.4**.

Table 5.1.4: Revenue from GST during 2019-20 to 2022-23

(₹ in crore)

Year	Budget Estimates (BE)	Revised Estimates (RE)	Actuals
	State GST	State GST	State GST
2019-20	1,149.74	1,149.74	1,026.63
2020-21	1,310.70	984.80	1,056.01
2021-22	1,122.67	1,250.51	1,282.69
2022-23	1,425.58	1,459.04	1,459.01

Source: Information furnished by office of the Principal Accountant General (A&E), Tripura

It may be seen from **Table 5.1.4** that, although target of RE was achieved for the 2020-21 and 2021-22, actual collection was less than the target as projected in the RE for the years 2019-20 and 2022-23. The State's GST collection steadily increased over the years from ₹ 1,026.63 crore in 2019-20 to ₹ 1,459.01 crore in 2022-23.

5.1.2(ii) Bi-monthly compensation received from Union Government

The bi-monthly compensation received from Union Government under GST (Compensation to States) Act, 2017¹⁸⁰ for the year 2022-23 is given in **Table 5.1.5**.

Table 5.1.5: Bi-monthly compensation received from Union Government for the year 2022-23

(₹ in crore)

Month	Provisional Compensation		Shortfall (+)/ Excess (-), if any
	Due	Received	
April-May	77.31	Nil	(+) 77.31
June-July	63.73 ¹⁸¹	Nil	(+) 63.73
Total	141.04	Nil	(+) 141.04

Source: Information furnished by the Finance (Excise & Taxation) Department

¹⁸⁰ An act to provide compensation to the States for the loss of revenue arising on account of implementation of the GST in pursuance of the 101 Constitutional Amendment Act, 2016

¹⁸¹ The five year transition period after adoption of GST on 1 July 2017 came to an end on 30 June 2022. With this, the era of GST Compensation that the State Government were entitled has ended.

5.1.2(iii) Trends of Integrated GST apportionment to the State and its cross utilisation

The Integrated GST (IGST) collected will be apportioned between the Centre and the State where the goods or services are consumed. The revenue will be apportioned to the Centre at the CGST rate, and the remaining amount will be apportioned to the consuming State.

The trends of IGST apportionment to the State and its cross utilisation are given in **Table 5.1.6**.

Table 5.1.6: Integrated Goods and Services Tax

(₹ in crore)

IGST component	2019-20	2020-21	2021-22	2022-23
IGST ¹⁸² apportioned to the State as per Section 17 of IGST Act, 2017	15.30	124.17	103.55	163.70
IGST provisionally/ ad-hoc apportioned to the State	32.52	74.82	61.68	45.50
IGST cross utilised between				
SGST ¹⁸³ as IGST	(-) 30.90	(-) 42.96	(-) 57.15	(-) 80.88
IGST as SGST	(+) 644.58	(+) 531.32	(+) 788.16	(+) 899.40
Apportionment of IGST – Transfer of Interest Compound to SGST				0.28

Source: Information furnished by office of the Principal Accountant General (A & E), Tripura

5.1.2(iv) Registration under GST

The total registrant under GST as on 31 March 2023 were 30,394, of which normal taxpayers were 27,767 which accounted for 91.36 per cent and composition taxpayers were 1,586 which accounted for 5.22 per cent. The category wise registrations under GST is given in **Table 5.1.7**.

Table 5.1.7: Details of GST registrations upto 31 March 2023

Category of Registrant	No. of Registrants	Percentage of total
Normal taxpayers	27,767	91.36
Composition taxpayers	1,586	5.22
Tax Deductors at Source	994	3.27
Tax Collectors at Source	37	0.12
Input Service Distributors	0	0.00
Others (Casual, NRTP, OIDAR) ¹⁸⁴	10	0.03
Total Registrants	30,394	100

Source: Information furnished by the Finance (Excise & Taxation) Department

5.1.2 (v) GST Return filing pattern of GSTR-1 and GSTR-3B

The trends of filling of GSTR-1¹⁸⁵ and GSTR-3B¹⁸⁶ as on 31 March 2023 for the period

¹⁸² IGST: It is a tax collected by the Central Government for an inter-State sale

¹⁸³ SGST: It is a tax collected by the State Government for an intra-State sale

¹⁸⁴ Non-Resident Taxable Person (NRTP), Online Information Data Access and Retrieval Services (OIDAR).

¹⁸⁵ GSTR-1: It is a sales return that is required to be filed by every GST registered person

¹⁸⁶ GSTR-3B: It is a self-declared consolidated summary return of inward and outward supplies which is required to be filed by a registered person electronically on the GST common portal

from April 2022 to March 2023, as compiled from the summary reports shared by GSTN, have been depicted in the **Table 5.1.8**.

The filing of GSTR-I for April 2022 was 89.73 per cent while that of March 2023 was 98.50 per cent. It was noticed that on an average about 90 per cent tax payers filed their GSTR-I returns during 2022-23.

Table 5.1.8: Details of return filing (GSTR-I and GSTR-3B) during 2022-23

Return Types	GSTR-I			GSTR-3B				
Months	Due for filing	Return filed	Return filing (in percent age)	Due for filing	Return filed as on 31 March 2023	Return filing (in percent age)	Return filed by due date	Percentage of return filed by due date
April 2022	18,977	17,029	89.73	18,977	17,350	91.43	NA**i	NA
May 2022	19,277	17,254	89.51	19,277	17,553	91.06	NA	NA
June 2022	19,361	17,428	90.02	19,361	17,752	91.69	NA	NA
July 2022	19,402	17,379	89.57	19,402	17,687	91.16	NA	NA
August 2022	19,474	17,616	90.46	19,474	17,867	91.75	NA	NA
September 2022	19,641	18,007	91.68	19,641	17,989	91.59	NA	NA
October 2022	19,543	17,890	91.54	19,543	17,895	91.57	NA	NA
November 2022	19,594	18,023	91.98	19,594	18,036	92.05	NA	NA
December 2022	19,346	18,126	93.69	19,346	18,089	93.50	NA	NA
January 2023	19,719	18,038	91.48	19,719	18,043	91.50	NA	NA
February 2023	18,241	18,021	98.79	18,241	17,982	98.58	NA	NA
March 2023	18,289	18,015	98.50	18,289	17,932	98.05	NA	NA

Source: Information furnished by the Finance (Excise & Taxation) Department

**NA-Not available

5.1.2(vi) Revenue earning from top 10 commodities/ services

The details of the revenue earning from top 10 commodities/ services during 2022-23 are given in the **Table 5.1.9**.

Table 5.1.9: Revenue from top 10 commodities/ services during 2022-23

(₹ in crore)

Sl. No.	Name of commodity	SGST collections	
		Total	Ranking
1	Cement & Products	71.91	1
2	Automobile	46.09	2
3	Iron & Steel	45.79	3
4	Food Items	37.73	4
5	Tobacco & Products	33.24	5
6	Electricals	23.49	6
7	Tyres & Tube	19.50	7
8	Petroleum Products	16.97	8
9	Machinery	16.25	9
10	Pharmaceutical & Medicines	16.18	10

Sl. No.	Name of Services	Total	Ranking
1	Works Contract	65.66	1
2	Telecommunication & Postal/ Courier	20.95	2
3	Health/ Heath Care	17.36	3
4	Insurance	14.67	4
5	Banking & financial Institutions	13.27	5
6	Consultancy	2.37	6
7	Infrastructure (Construction)	2.20	7
8	Manpower	1.86	8
9	Advertising	1.24	9
10	Rental & Lease	1.11	10

Source: Information furnished by the Finance (Excise & Taxation) Department

5.1.3 Analysis of arrears of revenue

The arrears of revenue as on 31 March 2023 on account of Taxes/ VAT, GST and Taxes and Duties on Electricity stood at ₹ 161.24 crore, of which, ₹ 45.63 crore was outstanding for more than five years, as detailed in **Table 5.1.10**.

Table 5.1.10: Arrears of revenue

(₹ in crore)

Sl. No.	Head of revenue	Total amount outstanding as on 31 March		Amount outstanding for more than five years as on 31 March	
		2022	2023	2022	2023
1	Taxes/ VAT	45.33	53.43	37.12	33.41
2	GST	16.79	13.08	-	12.22
3	Taxes and Duties on Electricity	-	94.73	-	-
Total		62.12	161.24	37.12	45.63

Source: Information furnished by the Finance (Excise & Taxation) Department.

It may be seen from **Table 5.1.10** that arrear of revenue increased from ₹ 62.12 crore at the end of March 2022 to ₹ 161.24 crore at the end of March 2023. The arrear of revenue outstanding for more than five years also increased from ₹ 37.12 crore to ₹ 45.63 crore during the same period.

5.1.4 Evasion of tax detected by the department

The details of cases of evasion of tax detected by the Finance (Excise & Taxation) Department, cases finalised and the demands for additional tax raised as reported by the Department, *etc.* are given in **Table 5.1.11**.

Table 5.1.11: Evasion of tax

Head of revenue	Cases pending as on 31 March 2022	Cases detected during 2022-23	Total	Number of cases in which assessment/ investigation completed and additional demand with penalty, etc. raised		Number of cases pending for finalisation as on 31 March 2023
				No. of cases	(₹ in crore)	
Tax/ VAT	1,027	51	1,078	52	0.68	1,026
GST	108	259	367	267	2.74	100
Total	1,135	310	1,445	319	3.42	1,126

Source: Information furnished by the Finance (Excise & Taxation) Department

As on 31 March 2022, 1,135 cases of evasion of tax/ VAT were outstanding. During 2022-23, 310 cases of evasion of tax had been detected under Tripura VAT Act, 2004 and GST Act, 2017 taking the total pending cases to 1,445. Of these, assessments/ investigation of only 319 (22.08 per cent) cases were completed and additional demand including penalty, etc. of ₹ 3.42 crore was raised during the year 2022-23. Consequently, 1,126 cases were pending as on 31 March 2023.

Government should put in place a mechanism to expedite the disposal of cases pending for finalisation.

5.1.5 Pendency of refund cases

The details of the claims for refund received and refunds made under GST, VAT and State Excise are shown in Table 5.1.12.

Table 5.1.12: Details of pendency of refund cases

Sl. No.	Particulars	GST		Sales Tax / VAT		State Excise		Total	
		No. of Cases	Amount	No. of cases	Amount	No. of cases	Amount	No. of cases	Amount
1	Claims outstanding at the beginning of the year	1	0.04	1	0.05	-	-	2	0.09
2	Claims received during the year	36	4.07	14	8.34	20	0.22	70	12.63
3	Refunds made during the year	29	1.57	4	0.65	17	0.21	50	2.43
4	Balance outstanding at the end of the year	7*	1.94**	11	7.74	3	0.01	21*	9.69**

*One case has been rejected

**One refund amount of ₹ 0.60 crore has been rejected

Source: Information furnished by the Finance (Excise & Taxation) Department

During 2022-23, the State Government refunded ₹ 2.43 crore under GST, Sales Tax and State Excise in 50 cases. Claims in respect of 36 cases of GST for ₹ 4.07 crore, 14 cases of Sales Tax (VAT) for ₹ 8.34 crore and 20 cases of State Excise for ₹ 0.22 crore of refund were received during the year. Of these, 29 cases of GST for ₹ 1.57 crore, four cases of VAT for ₹ 0.65 crore and 17 cases of State Excise for ₹ 0.21 crore have been refunded during the year 2022-23.

5.1.6 Analysis of the mechanism for dealing with the issues raised by Audit

In order to analyse the effectiveness of the departments/ Government in addressing the issues highlighted in the Inspection Reports (IRs)/ Audit Reports, the action taken on the paragraphs and performance audits featured in the Audit Reports of the last ten years by the Finance (Excise & Taxation) Department has been evaluated. The results are included in this Audit Report.

The succeeding Paragraphs 5.1.6.1 and 5.1.6.2 explain the performance of the Finance (Excise & Taxation) Department with reference to cases detected in the course of local audit during the last ten years and the cases included in the Audit Reports for the years 2013-14 to 2022-23.

5.1.6.1 Position of Inspection Reports

The summarised position of the outstanding IRs during the last ten years, paragraphs included in those reports and their status as on 30 June 2023 in respect of Finance (Excise & Taxation) Department are tabulated in Table 5.1.13.

Table 5.1.13: Position of IRs

(₹ in crore)

Year	Inspection Report	Paragraphs	Money Value
2013-14	13	45	3.53
2014-15	13	63	12.55
2015-16	17	42	7.91
2016-17	14	62	5.52
2017-18	11	60	6.76
2018-19	13	46	6.47
2019-20	10	58	5.68
2020-21	4	30	1.58
2021-22	1	7	7.19
2022-23	0	0	0
Total	96	413	57.19

The age-wise break up of outstanding IRs and Paragraphs for 2013-14 to 2022-23 as on 30 June 2023 is shown in Table 5.1.14.

Table 5.1.14: Age wise break up of outstanding IRs

(₹ in crore)

Years	Inspection Report	Paragraphs	Money value
0-3 years	5	37	8.77
4-6 years	34	164	18.91
7-9 years	44	167	25.98
10 years	13	45	3.53
Total	96	413	57.19

It is evident from Table 5.1.14 that between a range of zero to three years, five IRs and 37 paragraphs remained outstanding, between four to six years, 34 IRs and 164 paragraphs and between seven to nine years, 44 IRs and 167 paragraphs remained outstanding and 13 IRs and 45 paragraphs remained outstanding for more than 10 years as on 30 June 2023. This indicates the fact that the efforts taken by the Department for settlement of the outstanding IRs are rather slow and inadequate. Necessary steps may be taken to increase the pace of settlement in this regard.

5.1.6.2 Recovery in accepted cases

The position of paragraphs included in the Audit Reports of the last ten years, those accepted by the Department and the amount recovered during the year 2022-23 and the cumulative position of recovery of accepted cases as on 31 March 2023 are shown in **Table 5.1.15**.

Table 5.1.15: Position of recovery of accepted Audit paragraphs of Audit Reports

(₹ in crore)

Year of Audit Report	Number of paragraphs included	Money value of the paragraphs	Number of paragraphs accepted including money value	Money value of accepted paragraphs	Amount recovered during 2022-23	Position of recovery of accepted cases as of 2023
2010-11	3 ¹⁸⁷	3.12	3	3.12	* ¹⁸⁸	0.44
2011-12	1	0.87	1	0.87	Nil	0.07
2012-13	1	1.51	1	1.51	Nil	0.22
2013-14	3 ¹⁸⁹	11.17	3	6.06	Nil	0.24
2014-15	2	0.39	2	0.39	Nil	0.28
2015-16	2	0.46	2	0.46	Nil	Nil
2016-17	4 ¹⁹⁰	31.87	3	31.73	Nil	0.01
2017-18	3	1.77	3	1.77	0.04	0.05
2018-19	3	1.30	2	0.69	Nil	0.06
2019-20	1 ¹⁹¹	@	1	@ ¹⁹²	Nil	Nil
Total	23	52.46	21	46.60	0.04	1.37

It is evident from **Table 5.1.15** that the progress of recovery even in accepted cases was very slow. During the last ten years, 23 paragraphs involving ₹ 52.46 crore featured in the Audit Reports, of which 21 paragraphs involving ₹ 46.60 crore had been accepted by the State Government. Out of this, only ₹ 1.37 crore (2.94 per cent) was recovered.

The Department should pursue and monitor prompt recovery of the dues involved in accepted cases within a specified timeframe. It would not only enable better compliance with relevant rules, but would also augment Government revenues.

5.1.7 Actions taken on the recommendations accepted by the department/ Government

The draft Performance Audits (PAs) conducted by the office of the Principal Accountant General (Audit) are forwarded to the concerned departments with a request to furnish the replies. These Performance Audits are also discussed in Exit Conference and the departments' views are incorporated/ considered while finalising the Audit Report.

Four performance audits on Finance (Excise & Taxation) Department, Transport Department and Revenue Department have featured in the last five years' Audit Reports

¹⁸⁷ Including one Performance Audit

¹⁸⁸ ₹ 17,685 recovered during 2022-23

¹⁸⁹ Including one Performance Audit

¹⁹⁰ Including one Performance Audit

¹⁹¹ One Subject Specific Compliance Audit Report (SSCA)

¹⁹² ₹ 12,041

during 2014-15 to 2019-20. The number of recommendations and their status is given in **Table 5.1.16**.

Table 5.1.16: Details of recommendations of PAs and their status

Year of Report	Name of the performance audit	No. of recommendations	Status (as on September 2023)
2014-15	IT Audit on Computerisation of Land Records.	3	The PA had not been discussed in Public Accounts Committee (PAC).
2015-16	Collection of Revenue from outsourced Activities in Motor Vehicle Tax.	4	The PA had been discussed by PAC on 17 June 2022
2016-17	System and Procedures in force in the Taxes and Excise Organisation regarding Excise Duty	3	The PA had not been discussed in PAC
	Border Area Development Programme	3	The PA had not been discussed in PAC

Table 5.1.16 indicates that discussion of Performance Audits had not been made in PAC in timely manner which led to loss of importance of audit observations with the passage of time.

5.1.8 Results of audit

Position of local audit conducted during the year

Test check of the records of two units of Motor Vehicles/ Transport Department during the year 2022-23 revealed under assessment/ short levy/ loss of revenue/ non-realisation of outstanding revenue of ₹ 27.51 crore in two cases. No reply has been received (September 2023) from both the units.

5.1.9 Coverage of this report

This Chapter contains one Subject Specific Compliance Audit titled “Department’s Oversight on GST Payments and Return Filing” under Finance Department.

FINANCE (EXCISE AND TAXATION) DEPARTMENT

5.2 Subject Specific Compliance Audit on “Department’s Oversight on GST Payments and Return Filing”

5.2.1 Introduction

The introduction of Goods and Service Tax (GST) has replaced multiple taxes levied and collected by the Centre and States. GST, which came into effect from 1 July 2017, is a destination-based consumption tax on the supply of goods or services or both levied on every value addition. The Centre and States simultaneously levy GST on a common tax base. Central GST (CGST) and State GST (SGST)/ Union Territory GST (UTGST) are levied on intra-state supplies, and Integrated GST (IGST) is levied on the inter-state supplies.

Section 59 of the Tripura Goods and Service Tax (TGST) Act, 2017 stipulates GST as a self-assessment based tax, whereby the responsibility for calculating tax liability, discharging the computed tax liability and filing returns is vested with the taxpayer. The GST returns must be filed online regularly on the common GST portal, failing which penalties will be payable. Even if the business has had no tax liability during a particular tax period, it must file a nil return mandatorily. Further, Section 61 of the TGST Act read with Rule 99 of the Tripura Goods and Service Tax Rules (TGST Rules), 2017 stipulate that the proper officer may scrutinise the return and related particulars furnished by taxpayers, communicate discrepancies to the taxpayers and seek an explanation.

This Subject Specific Compliance Audit (SSCA) was taken up considering the significance of the control mechanism envisaged for tax compliance and the oversight mechanism of the Commercial Taxes Organisation, Tripura (Department) in this new tax regime.

5.2.2 Audit objectives

This audit was oriented towards providing assurance on the adequacy and effectiveness of systems and procedures adopted by the Department with respect to tax compliance under GST regime. Audit of ‘Department’s oversight on GST Payments and Return filing’ was taken up with the following audit objectives to seek a reasonable assurance on:

- Whether the rules and procedures were designed to secure an effective check on tax compliance and were being duly observed by taxpayers; and
- Whether the scrutiny procedures, internal audit and other compliance functions of the Charges were adequate and effective.

5.2.3 Audit methodology and scope

This SSCA was predominantly conducted based on data analysis, which highlighted risk areas and red flags pertaining to the period July 2017 to March 2018. Through data analysis a set of 13 deviations were identified across the domains of input tax credit (ITC), discharge of tax liability, registration and return filing. Such deviations were

followed up through a **Centralised Audit** (Limited Audit)¹⁹³, whereby these deviations were communicated to the relevant State departmental field formations and action taken by the jurisdictional formations on the identified deviations was ascertained without involving field visits. The centralised audit was supplemented by a **Detailed Audit** involving field visits for verification of records available with the jurisdictional field formations. Returns and related attachments and information were accessed through the state GST Portal as much as feasible to examine data/ documents relating to taxpayers (*viz.* registration, tax payment, returns and other departmental functions). The detailed audit also involved accessing relevant granular records from the taxpayers such as invoices through the respective field formations. This apart, compliance functions of the departmental formation such as scrutiny of returns, action on late filers and non-filers, cancellation of registration and internal audit were also reviewed in selected charges.

The review of the scrutiny of returns by the Department and verification of taxpayers' records covered the period from July 2017 to March 2018, while the audit of the functions of 10 selected charges covered the period July 2017 to March 2021. The SSCA covered only the State administered taxpayers. The field audit was conducted from April 2022 to January 2023.

An Entry conference of this SSCA was held on 9 March 2022 with the Commissioner of Taxes, Tripura in which the audit objectives, sample selection, audit scope and methodology were discussed. The Exit Conference was held on 10 May 2023 with the Commissioner of Taxes during which the audit findings were discussed. The Commissioner of Taxes stated that the matters under audit observation would be examined and results thereof would be intimated in due course. Significant findings were discussed with the Secretary, Finance Department, Government of Tripura in a meeting held on 5 June 2024. The views and responses of the Government were duly incorporated wherever appropriate.

5.2.4 Audit Sample

A data-driven approach was adopted for planning as also to determine the nature and extent of substantive audit. The sample for this SSCA comprised a set of deviations identified through data analysis for centralised audit that did not involve field visits; a sample of taxpayers for detailed audit that involved field visits and scrutiny of taxpayers' records at departmental premises; and a sample of Charges for evaluating the compliance functions of the departmental field formations.

There were three distinct parts of the SSCA as under:

(i) Part I- Audit of Charges

Ten Charges (out of total 15) having jurisdiction over one or more than one selected sample of cases for detailed audit were considered as the sample of charges for evaluation of their oversight functions.

¹⁹³ Centralised Audit did not involve seeking taxpayer's granular records such as financial statements related ledger accounts, invoices, agreements, *etc.*

(ii) Part II –Centralised Audit

The sample for Centralised Audit was selected by identification of high-value or high-risk deviations from rules and inconsistencies between returns through data analysis for evaluation of the adequacy and effectiveness of the scrutiny procedure of the Taxes Organisation. Accordingly, 235 (cases) were selected for Centralised Audit under this SSCA.

(iii) Part III-Detailed audit

It was conducted by accessing taxpayers' records through Charges for evaluation of the extent of tax compliance by taxpayers. The sample of taxpayers for Detailed Audit was selected based on risk parameters such as excess ITC, tax liability mismatch, disproportionate exempted turnover to total turnover and Irregular ITC reversal. The 30 taxpayers selected for Detailed Audit comprised Large¹⁹⁴, Medium¹⁹⁵ and Small¹⁹⁶ strata taxpayers as well as taxpayers selected randomly.

The details of sample for Centralised Audit, Detailed Audit and Audit of Charges selected for this SSCA are brought out in **Appendices 5.2.1, 5.2.2 and 5.2.3.**

5.2.5 Audit criteria

The source of audit criteria comprised the provisions contained in the TGST Act, IGST Act, and Rules made there under.

In addition, the notifications and circulars issued by State Tax Department relating to filing of returns, notifying the effective dates of filing of various returns, extending due dates for filing returns, rates of tax on goods and services, payment of tax, availing and utilising ITC, scrutiny of returns and oversight of tax compliance and scrutiny of returns and cancellation of registrations, *etc.* also formed part of the audit criteria.

5.2.6 Audit findings

The audit findings are categorised into the following three categories:

- Oversight on Charge functions– Audit of Charges
- Centralised Audit (Limited Audit)
- Detailed Audit

5.2.6.1 Oversight on Charge functions– Audit of Charges

The role of Charges is to provide oversight for ensuring compliance by taxpayers in respect of accuracy of the taxable value declared, calculation and payment of tax liabilities, filing of returns, *etc.* For evaluating the functions of the charges, the audit areas include (i) scrutiny of returns (ii) action on late-filers and non-filers (iii) cancellation of registration and (iv) internal audit.

¹⁹⁴ First strata comprise large taxpayers – top two *per cent* of taxpayers based on turnover

¹⁹⁵ Second strata comprise medium taxpayers – next eight *per cent* of taxpayers based on turnover

¹⁹⁶ Third strata comprise small taxpayers – remaining 90 *per cent* of taxpayers

5.2.6.1(i) Deficient monitoring mechanism on return scrutiny

As per section 61 (1) of the TGST Act, 2017 the proper officer may scrutinise the return and related particulars furnished by the registered person to verify the correctness of the return and inform him of the discrepancies noticed, if any, in such manner as may be prescribed and seek his explanation thereto.

Year-wise information relating to scrutiny of returns during the period from 2017-18 to 2020-21 was called for in August 2022 and again in December 2022 from 10 selected charges.

Out of a sample of 10 charges (Charge-I to VIII, Teliamura and Bishalgarh), audit could not verify the overseeing mechanism on return scrutiny in eight Charges as neither records nor data were provided to Audit.

The Superintendent of Taxes, Charge-V stated (November 2022) that 1,536 and 1,776 returns were scrutinised during the FYs 2019-20 and 2020-21 respectively. Subsequently, ASMT-10 was issued to 96 taxpayers and response received from 51 taxpayers during FY 2019-20. Again, ASMT-10 was issued to 74 taxpayers and response received from 43 taxpayers during FY 2020-21; but the charge office failed to take follow-up action during both the FYs.

The Superintendent of Taxes, Teliamura stated (July 2023) that 396 and 1,380 returns were scrutinised during the FYs 2019-20 and 2020-21 respectively. Subsequently, ASMT-10 were issued to 32 taxpayers and responses received from 10 taxpayers during FY 2019-20. Again, ASMT-10 was issued to 115 taxpayers and responses received from seven taxpayers during FY 2020-21; but the charge office failed to take action on remaining taxpayers during both the FYs.

Moreover, no Standard Operating Procedure (SOP) for scrutiny of returns had been introduced in the Taxes Organisation till date (March 2023).

Despite intimation/ persuasion to respective charge offices on December 2022 again, remaining eight charges did not furnish any reply regarding scrutiny of returns till (July 2023).

Audit also could not verify the same due to non-maintenance of monthly MIS reports/ data related to returns scrutiny in the state GST portal (boweb).

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Secretary instructed the Commissioner of Taxes to sought information from the remaining eight charges and made available to Audit early.

Recommendation 1

The Department may formulate SOP or prescribe detail procedures for selection of scrutiny cases and fix targets, so that an optimum number of cases can be scrutinised in every financial year before the cases became time barred.

The Department accepted the recommendation and would formulate an SOP for selection of scrutiny cases and fix targets.

5.2.6.1(ii) Lack of action on late-filers and non-filers

Section 46 of the TGST Act, 2017 read with Rule 68 of TGST Rules, 2017 stipulates issue of a notice in Form GSTR-3A requiring filing of return within fifteen days if the taxpayer had failed to file the return within the due date. Further, Section 62 of TGST Act, 2017 read with Rule 100 of TGST Rules, 2017 stipulates that in case the taxpayer fails to file the returns even after such notice, the proper officers may proceed to assess the tax liability of the said person to the best of their judgment, taking into account all the relevant material which is available or gathered and issue an assessment order in Form ASMT-13.

Filing of returns is related to payment of tax as the due date for both the actions are the same, which implies risk of non-payment of tax/ penalty in the case of non-filers.

Year-wise information relating to action taken on late-filers and non-filers during the period from 2017-18 to 2020-21 was called for in August 2022 and again in December 2022 from 10 selected charges.

The Superintendent of Taxes, Teliamura stated (November 2022) that 62 (FY 2019-20) and 265 (FY 2020-21) cases of late filers/ non-filers were identified. Subsequently, 51 taxpayers filed returns within 15 days after issue of notice during 2019-20 and 245 taxpayers filed returns within 15 days after issue of notice during 2020-21. The Superintendent further stated (July 2023) that remaining 11 (62-51) non-filers and 20 (265-245) non-filers had filed returns for the period 2019-20 and 2020-21 respectively.

Further, nil response (November 2022) of the Superintendent of Taxes, Charge-V, revealed that no action had been initiated against late filers/ non-filers during the FYs 2017-18 to 2020-21. Requisite information was not provided by the remaining eight charges (July 2023).

Audit also could not verify the same due to non-maintenance of monthly MIS reports/ data related to non-filers/ late filers in the state GST portal (boweb).

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Secretary instructed the Commissioner of Taxes to sought information from the remaining eight charges and made available to Audit early.

5.2.6.1(iii) Non-furnishing of information on cancellation of registration

Section 45 of the TSGST Act read with Rule 81 of the TSGST Rules, 2017 specify that any person whose registration was cancelled should file final return in FORM GSTR-10 within three months of the date of cancellation or date of order of cancellation, whichever is later. Field formation/ Superintendent of taxes is responsible for *suo moto* cancellation of registration of non-filers.

Year-wise information relating to the verification mechanism on cancellation of registration of defaulters during the period from 2017-18 to 2020-21 was called for in August 2022 and again in December 2022 from 10 selected charges.

The Superintendent of Taxes, Teliamura stated (July 2023) that number of requisitions received for cancellation from taxpayers were 28, 53 and 22 during 2018-19, 2019-20

and 2020-21 respectively and number of *suo moto* cancellation initiated were 96 and 82 during 2019-20 and 2020-21 respectively. But the authority did not issue any cancellation order (REG-19) to the taxpayers from which requisition for cancellation were received during 2018-21. Tax Authority completed 96 and 82 cancellation procedures (*suo moto*) during 2019-20 and 2020-21 respectively.

No response had been furnished by the remaining nine charge offices (July 2023).

Due to non-furnishing of information/ record by most of the selected charges, the effectiveness of verification mechanism on cancellation of registration of defaulters by the tax authorities could not be assessed.

Audit also could not verify the same due to non-maintenance of monthly MIS reports/ data related to cancellation of registration in the state GST portal (boweb).

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Secretary instructed the Commissioner of Taxes to sought information from the remaining nine charges and made available to Audit early.

Recommendation 2

The Department may ensure timely verification of cancellation of registrations to prevent undue loss of tax revenue and unfair tax practices.

The Department accepted the recommendation and would take steps to timely scrutinise all cases of cancellation of registration.

5.2.6.1(iv) Deficient action on internal Audit

As per Section 65 of the TGST Act, 2017 the Commissioner or any officer authorised by him, by way of a general or a specific order, may undertake audit of any registered person for such period, at such frequency and in such manner as may be prescribed. Section 2 (13) of the TGST Act, 2017, defines “Audit” as the examination of records, returns and other documents maintained or furnished by the registered person under this Act or the rules made thereunder or under any other law for the time being in force to verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess his compliance with the provisions of this Act or the rules made thereunder.

Year-wise information relating to the status of audit conducted by the tax authorities during the FYs 2017-18 to 2020-2021 was called for in August 2022 from selected 10 charges.

From the reply it became evident that Charge-II prepared audit plan to audit 51 taxpayers during the year 2020-21, but did not execute. Charge-IV prepared plan to audit 70 taxpayers during 2020-21 and audited 50 taxpayers. But no audit function was initiated by both the charge offices during 2017-18 to 2019-20. Teliamura charge stated (July 2023) that 25 taxpayers were selected for GST audit, of which audit of six taxpayers had been completed.

Intimation was again made to the respective tax authorities in December 2022, but no further response had been received (July 2023).

Due to non-furnishing of information in most of the cases, the audit functions performed by the charge offices could not be assessed.

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Secretary instructed the Commissioner of Taxes to sought information from the remaining seven charges and made available to Audit early.

Recommendation 3

The Department may formulate detail selection procedures for cases for conduct of audit so that an optimum number of cases can be audited in every financial year.

The Department accepted the recommendation and would work out detail procedure for selection of cases for internal audit.

5.2.6.2 Inconsistencies in GST returns -Centralised audit

Audit analysed GST returns data pertaining to 2017-18 as made available by GSTN. Rule-based deviations and logical inconsistencies between GST returns filed by taxpayers were identified on a set of 13 parameters, which can be broadly categorised into two domains - ITC and Tax payments.

Out of the 13 prescribed GST returns¹⁹⁷, the following basic returns that apply to normal taxpayers were considered for the purpose of identifying deviations, inconsistencies and mismatches between GST returns/ data:

- GSTR-1: monthly return furnished by all normal and casual registered taxpayers making outward supplies of goods and services or both and contains details of outward supplies of goods and services.
- GSTR-3B: monthly summary return of outward supplies and input tax credit claimed, along with payment of tax by the taxpayer to be filed by all taxpayers except those specified under Section 39(1) of the Act. This is the return that populates the credit and debits in the Electronic Credit Ledger and debits in Electronic Cash Ledger.
- GSTR-6: monthly return for Input Service Distributors providing the details of their distributed input tax credit and inward supplies.
- GSTR-8: monthly return to be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST, introduced in October 2018.

¹⁹⁷ GSTR-1, GSTR-3B, GSTR-4 (taxpayers under the Composition scheme), GSTR-5 (non-resident taxable person), GSTR-5A (Non-resident OIDAR service providers), GSTR-6 (Input service distributor), GSTR-7 (taxpayers deducting TDS), GSTR-8 (E-commerce operator), GSTR-9 (Annual Return), GSTR-10 (Final return), GSTR-11 (person having UIN and claiming a refund), CMP-08, and ITC-04 (Statement to be filed by a principal/ job-worker about details of goods sent to/ received from a job-worker).

- GSTR-9: annual return to be filed by all registered persons other than an Input Service Distributor (ISD), Tax Deductor at Source/ Tax Collector at Source, Casual Taxable Person and Non-Resident taxpayer. This document contains the details of all supplies made and received under various tax heads (CGST, SGST and IGST) during the entire year along with turnover and audit details for the same.
- GSTR-9C: annual audit form for all taxpayers having a turnover above ₹ 5 crore in a particular financial year. It is basically a reconciliation statement between the annual returns filed in GSTR-9 and the taxpayer's audited annual financial statements.
- GSTR-2A: a system-generated statement of inward supplies for a recipient. It contains the details of all B2B transactions of suppliers declared in their Form GSTR-1/5, ISD details from GSTR-6, details from GSTR-7 and GSTR-8 respectively by the counterparty and import of goods from overseas on bill of entry, as received from ICEGATE Portal of Indian Customs.

The data analysis pertaining to State jurisdiction on the 13 identified parameters and extent of deviations/ inconsistencies observed are summarised in **Table 5.2.1**.

Table 5.2.1: Summary of state data analysis

Sl. No	Parameter	Algorithm used	Number of deviations	Amount (₹ in crore)
1	Mismatch in availing of ITC	ITC available as per GSTR-2A with all its amendments was compared with the ITC availed in GSTR-3B in Table 4A(5) (accrued on domestic supplies) considering the reversals in Table 4B(2) but including the ITC availed in the subsequent year 2018-19 from Table 8C of GSTR-9.	25	11.69
2	Mismatch in availing of ITC under Reverse Charge Mechanism (RCM).	RCM payments in GSTR-3B Table 3.1(d) was compared with ITC availed in GSTR-9 Table (6C+6D+6F). In case where GSTR-9 was not available, RCM liability in GSTR-3B Table 3.1(d) was compared with GSTR-3B Table {4(A)(2) +4(A)(3)}	25	1.37
3	Mismatch in availing of ITC under RCM without payment	RCM liability declared in GSTR-9 Table 4G was compared with ITC availed in GSTR-9 Table (6C+6D+6F). In cases where GSTR-9 was not available, RCM payments in GSTR-3B Table 3.1(d) was compared with GSTR-3B 4(A) (2) and 4A (3).	3	0.03
4	Incorrect availment of ISD credit	ISD received in GSTR-9 Table 6G was compared with ITC transferred in GSTR-6 (sum of Table 5A +Table 8A +Table 9A of GSTR-6) of the distributor. In cases where GSTR-9 is not available then GSTR-3B	24	1.14

Sl. No	Parameter	Algorithm used	Number of deviations	Amount (₹ in crore)
		Table 4(A)(4) compared with sum of Table 5A +Table 8A +Table 9A of GSTR-6.		
5	Incorrect ISD credit reversal	GSTR-9 Table 7B/7H of the recipients was compared with sum of Table 8A (negative figures only) and Table 9A (negative figures only) of their GSTR-6S.	01	0.0002
6	Mismatch in ITC availed between annual returns and financial statement (Table 12F of GSTR-9C)	Positive entries in Table 12F of GSTR-9C	25	19.81
7	Reconciliation between ITC declared in annual return with expenses in financial statements (Table 14T of GSTR-9C)	Positive entries in Table 14T of GSTR-9C	24	82.90
8	Mismatch in turnover between annual return and financial statement (Table 5R of GSTR-9C)	Negative figure in Table 5R of GSTR-9C	25	581.50
9	Mismatch in taxable turnover between annual return and financial Statements (Table 7G of GSTR-9C)	Negative figure in Table 7G of GSTR-9C	6	2.78
10	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR-9C)	Negative figure in Table 9R of GSTR-9C	25	3.06

Sl. No	Parameter	Algorithm used	Number of deviations	Amount (₹ in crore)
11	Undischarged Tax liability	Greater tax liability between GSTR-1 (Tables 4 to 11) and GSTR-9 (Tables 4N, 10 and 11) was compared with tax paid details in GSTR-3B Table {3.1(a) + 3.1(b)}. In cases where GSTR-9 was not available, tax paid in GSTR-3B was compared with GSTR-1 liability. The amendments and advance adjustments declared in GSTR-1 and GSTR-9 were duly considered.	25	18.33
12	Cases where GSTR-3B not filed but GSTR-1 or GSTR-2A available	Taxpayers who have not filed GSTR-3B but have filed GSTR-1 or where GSTR-2A is available, indicating taxpayers carrying on the business without discharging tax.	02	0.87
13	Short payment of interest on delayed payments.	Interest calculated at the rate of 18 per cent on cash portion of tax payment on delayed filing of GSTR-3B vis-à-vis interest declared in GSTR-3B Table 6.1.	25	2.31
Total			235	725.80

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Department acknowledged and accepted the fact.

5.2.6.2(i) Non-submission of reply by the department

Audit selected a sample of 235 cases from amongst the top deviations/ inconsistencies in each of the 13 parameters for the year 2017-18. The audit queries were issued to the respective Charges in April 2022 without further scrutiny of taxpayer's records. The audit check in these cases was limited to verifying the Department action on the identified deviations/ mismatches.

Initial responses were yet to be received for 44 inconsistencies out of 235 communicated to the charges in April 2023, which represent a risk exposure of ₹ 16.64 crore as given in **Table 5.2.2**.

Table 5.2.2: Reply not received

Sl. No.	Audit Dimension	(₹ in crore)					
		Sample		Department's Reply not received		Percentage	
		Number	Amount of mismatch	Number	Amount	Number	Amount
<i>I</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
1	Mismatch in availing of ITC	25	11.69	4	1.36	16	11.63
2	Mismatch in availing of ITC under Reverse Charge Mechanism (RCM)	25	1.37	1	0.19	4	13.87

Sl. No.	Audit Dimension	Sample		Department's Reply not received		Percentage	
		Number	Amount of mismatch	Number	Amount	Number	Amount
1	2	3	4	5	6	7	8
3	Mismatch in availing of ITC under RCM without payment	03	0.03	0	0	0	0
4	Incorrect availment of ISD credit	24	1.14	8	0.09	33.33	7.89
5	Incorrect ISD credit reversal.	01	0.0002	01	0.0002	100	100
6	Mismatch in ITC availed between annual return and financial statements (Table 12F of Form 9C)	25	19.81	5	0.24	20	1.21
7	Reconciliation between ITC declared in annual return with expenses in financial statements (Table 14T of Form 9C)	24	82.90	2	3.58	8.33	4.32
8	Mismatch in turnover between annual return and financial statements (Table 5R of Form 9C)	25	581.50	2	5.08	8	0.87
9	Mismatch in taxable turnover between annual return and financial statements (Table 7G of Form 9C)	06	2.78	03	1.63	50	58.63
10	Mismatch in tax paid between books of accounts and annual return (Table 9R of Form 9C)	25	3.06	5	0.49	20	16.01
11	Undischarged tax liability	25	18.33	05	1.97	20	10.75
12	Cases where GSTR 3B not filed but GSTR-1 or GSTR-2A is available.	02	0.88	02	0.88	100	100
13	Short payment of interest on delayed payment.	25	2.31	06	1.13	24	48.92
	Total	235	725.80	44	16.64	18.72	2.29

Considering that the overall rate of conversion of inconsistencies into compliance deviations as brought out in the next paragraph. The Tax Department is required to expedite verification of these cases as a priority. Details of these cases are listed in **Appendix 5.2.4**. The top five cases in terms of money value where response is yet to be received, is given in **Table 5.2.3**.

Table 5.2.3: Top five (5) cases in terms of money value where response is yet to be received

Sl. No.	GSTIN	Trade Name	Dimension	Charge	Mismatch amount (₹ in crore)
1	16AABCN2066M1ZC	M/s Narendrapur Tea Company Private Limited	Mismatch in turnover between annual return and Financial Statements (Table 5R of Form GSTR-9C).	Dharmanagar	3.68
2	16AAICS0296H1Z7	M/s Schlumberger Solutions Private Limited	Reconciliation between ITC declared in annual return with expenses in financial statements (Table 14T of Form GSTR-9C)	Charge-V	3.47
3	16AHDPS9448L2ZL	M/s Ashirbad Gas Agency	Mismatch in turnover between annual return and Financial Statements (Table 5R of Form GSTR-9C).	Charge-I	1.39
4	16AABAT1839L2Z8	M/s Tripura Cricket Association	Short payment of interest on delayed payment	Charge-V	0.86
5	16CXJPS3809M1ZU	M/s Loknath Rubber	Mismatch in taxable turnover between annual return & financial statement (Table 7G of GSTR-9C)	Udaipur	0.72

Recommendation 4

Department may urgently pursue the 44 out of 235 cases where inconsistencies and deviations were pointed out by Audit and result there-of may be intimated to Audit.

In the meeting (5 June 2024) the Secretary, Finance Department, Government of Tripura while accepting the recommendation, the Secretary instructed the Commissioner of Taxes that replies may be sought from the concerned charges and made available to the Audit at the earliest.

5.2.6.2(ii) Results of centralised audit

Based on responses to the Audit Queries received from the Department, the extent to which 11 parameters translated into compliance deviations is summarised in **Appendix 5.2.5**.

5.2.6.2(iii) Summary of Centralised Audit

Audit noticed deviations from the provisions of the Act in 140 cases (Col. No. 6, 8, 10, 12, 14 of **Appendix 5.2.5**) involving mismatch of ITC/ tax liability involving an amount

of ₹ 68.65 crore (Col. No 7, 9, 11, 13 and 15 of **Appendix 5.2.5**) constituting 73.29 per cent of the 191 cases of inconsistencies/ mismatches for which the Department provided responses. Relatively higher rates of deviations were noticed in risk parameters such as short/ non-payment of interest, ITC mismatch and availing ITC under RCM, etc.

In 42 (Col. No. 4 of **Appendix 5.2.5**) out of 191 cases, constituting 21.99 per cent, where the Department's reply was acceptable to Audit and had valid explanations.

In three cases (Col. No. 20 of **Appendix 5.2.5**) constituting 1.57 per cent, the Department stated that it was examining the underlying deviation of ₹ 0.01 crore (Col. No. 21 of **Appendix 5.2.5**). In the remaining six cases (Col. No. 18 of **Appendix 5.2.5**), constituting 3.14 per cent, though the Department did not accept the deviations pointed out by Audit, its contention was not borne out by evidence and thus, was not amenable to verification by audit.

Illustrative cases for each dimension of Centralised audit (for compliance deviation pertaining to cases of recovery, ASMT-10, SCN issued and under correspondence with taxpayer) is given in **Table 5.2.4**.

Table 5.2.4: Illustrative case of dimension of Centralised audit

Sl. No	Dimension	GSTIN	Trade name	Jurisdictional charge	Mismatch (₹ in crore)	Action taken
1	Mismatch in availing of ITC	16ADNPR5 161K1Z1	M/s Liza Traders	Bishalgarh	0.17	<u>ASMT-10 issued</u>
2	Mismatch in availing of ITC under Reverse Charge Mechanism (RCM)	16BOKPD1 877D1Z2	M/s Swarupananda Rubber Enterprise	Belonia	0.32	<u>ASMT-10 issued</u>
3	Mismatch in availing of ITC under RCM without payment	16AHFPC2 767G1ZJ	M/s New Standard Medical Agency	Charge-VI	0.006	<u>ASMT-10 issued</u>
4	ISD credit incorrectly availed by the recipients	16AAACO0 054F1ZZ	M/s Oriental Structural Engineers Pvt.Ltd	Belonia	0.34	<u>ASMT-10 issued</u>
5	Mismatch of ITC availed between annual returns and financial statement	16AADCB1 615J1ZZ	M/s Brite Rubber Processor Private Ltd.	Charge-III	14.69	<u>DRC-3</u>

Sl. No	Dimension	GSTIN	Trade name	Jurisdictional charge	Mismatch (₹ in crore)	Action taken
	(Table 12F of GSTR-9C)					
6	Reconciliation between ITC declared in annual return with expenses in financial statements (Table 14T of GSTR-9C)	16AAICP2379N1ZT	M/s Progressive Automobiles Pvt. Ltd	Charge-I	21.98	<u>ASMT-10 issued</u>
7	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR-9C)	16BBTPS0396G2Z2	M/s Santoshi Traders.	Ambassa	1.98	<u>ASMT-10 issued</u>
8	Mismatch in taxable turnover between annual return and financial statements (Table 7G of GSTR-9C)	16ADNPP3687N1ZM	M/s Planetorium	Charge-II	0.60	<u>ASMT-10 issued</u>
9	Mismatch in taxpaid between books of accounts and returns (Table 9R of GSTR-9C)	16AQUPB8439Q1ZW	M/s Nilotpal Bose	Kailasahar	0.03	<u>SCN</u>
10	Undischarged tax liability	16AACCT2964M1ZY	M/s Tripura State Electricity Corporation Ltd.	Charge-I	8.10	<u>ASMT-10 issued</u>
11	Short payment of interest on delayed payments	16CAOPM5025R1Z0	M/s Subir Majumder	Udaipur	0.02	<u>SCN</u>

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Department acknowledged and accepted the facts.

Illustrative cases for each dimension from the Table 5.2.4

(i) Dimension - Mismatch in availing of ITC

GSTR-2A is a purchase related dynamic tax return that is automatically generated for each business by the GST portal, whereas GSTR-3B is a monthly return in which summary of outward supplies along with ITC declared and payment of tax are self-declared by the taxpayer.

To analyse the veracity of ITC utilisation, relevant data were extracted from GSTR-3B and GSTR-2A for the year 2017-18, and the ITC paid as per suppliers' details was matched with the ITC credit availed by the taxpayer. The methodology adopted was to compare the ITC available as per GSTR 2A with all its amendments and the ITC availed in GSTR-3B in Table 4A (5)¹⁹⁸ considering the reversals Table 4B (2)¹⁹⁹ but including the ITC availed in the subsequent year 2018-19 from Table 8C of GSTR 9.

Audit observed that in case of M/s Liza Traders (GSTN-16ADNPR5161K1Z1) under Bishalgarh charge, the ITC available as per GSTR-2A was ₹ 0.0002 crore and the ITC availed in Table 4A (5) of GSTR-3B was ₹ 0.17 crore. This resulted in mismatch of ITC availed amounting to ₹ 0.17 crore which was intimated to the Superintendent of Taxes in May 2022. In response (June 2022), the Superintendent stated that ASMT-10 issued seeking the reasons for the discrepancy had been issued. Latest position of action taken along with supporting documents may be furnished to audit.

(ii) Dimension- Mismatch in availing of ITC under Reverse Charge Mechanism (RCM)

Reverse Charge Mechanism the liability to pay tax is fixed on the recipient of supply of goods or services instead of the supplier or provider in respect of certain categories of goods or services or both under Section 9(3) or Section 9(4) of the TGST Act, 2017 and under sub-section (3) or sub-section (4) of Section 5 of the IGST Act, 2017.

GSTR-9 is an annual return to be filed once for each financial year, by the registered taxpayers who were regular taxpayers, including SEZ units and SEZ developers. The taxpayers are required to furnish details of purchases, sales, input tax credit or refund claimed, or demand created, etc.

To analyse the veracity of ITC availed on tax paid under Reverse Charge Mechanism (RCM) for the year 2017-18, the datasets pertaining to GSTR-3B and annual return GSTR-9 were compared to check whether the ITC availed on RCM was restricted to the extent of tax paid. The methodology adopted was to compare the RCM liability in

¹⁹⁸ All other eligible ITC

¹⁹⁹ Other ITC reversed

GSTR-3B Table 3.1(d)²⁰⁰ with ITC availed in GSTR-9 Table 6C²⁰¹, 6D²⁰² and 6F²⁰³. In cases where GSTR-9 was not available, RCM liability in GSTR-3B Table 3.1(d) was compared with the ITC availing part of GSTR-3B 4A (2)²⁰⁴ and 4A (3)²⁰⁵.

Audit observed that in case of M/s Swarupananda Rubber Enterprise (GSTN-16BOKPD1877D1Z2) under Belonia charge, the ITC available in Table 3.1(d) of GSTR-3B was ₹ 0.13 crore and the ITC availed in Table 4A (2) & (3) of GSTR-3B was ₹ 0.45 crore resulting in mismatch of ITC availed amounting to ₹ 0.32 crore which was intimated to the Superintendent of Taxes during May 2022. In response (June 2022), the Superintendent stated that ASMT-10 seeking the reasons for the discrepancy had been issued. Latest development along with supporting documents may be furnished.

(iii) Dimension - Mismatch in availing of ITC under RCM without payment

The extent of availing of ITC under RCM for the year 2017-18 without discharging equivalent tax liability or in other words, short payment of tax under RCM was analysed by comparing the datasets pertaining to GSTR-3B and annual return GSTR-9 to check whether the tax has been discharged fully on the activities/ transactions under RCM. In cases where GSTR-9 was filed, the RCM liability declared in Table 4G²⁰⁶ of GSTR-9 was compared with ITC availed in Table (6C+6D+6F) of GSTR-9. In cases where GSTR-9 was not available, RCM payments in GSTR-3B Table 3.1(d)²⁰⁷ was compared with GSTR-3B 4(A) (2)²⁰⁸ and 4A (3)²⁰⁹.

Audit observed (December 2022) that in case of M/s New Standard Medical Agency (GSTN-16AHFPC2767G1ZJ) under Charge-VI, RCM payments in Table 3.1 (d) of GSTR-3B was ₹ 0 and compare with Table 4A(2) + 4A(3) of GSTR-3B of ₹ 0.006 crore. This resulted in excess availment of ITC on RCM without payment of tax amounting to ₹ 0.006 crore.

The matter was intimated to the Superintendent of Taxes during December 2022. In response (July 2023), the Superintendent stated that ASMT10 was issued to the taxpayer. Latest development along with supporting documents may be furnished.

(iv) Dimension – Incorrect availment of ISD credit

To analyse whether the ITC availed by the taxpayer is in excess of that transferred by the Input Service Distributor (ISD), ITC availed as declared in the returns of the taxpayer is compared with the ITC transferred by the ISD in their GSTR 6. The methodology adopted was to compare Table 6G²¹⁰ of GSTR-9 or Table 4(A)(4)²¹¹ of

²⁰⁰ Inward supplies (liable to reverse charge)

²⁰¹ Inward supplies receive from unregistered persons liable to reverse charge

²⁰² Inward supplies received from registered persons liable to reverse charge

²⁰³ Import of services

²⁰⁴ Import of services

²⁰⁵ Inward supplies (liable to reverse charge)

²⁰⁶ Inward supplies on which tax is to be paid on reverse charge basis

²⁰⁷ Inward supplies (liable to be reverse charge)

²⁰⁸ Import of services

²⁰⁹ Inward supplies liable to be reverse charge other than Import of Goods and Services

²¹⁰ ITC received from ISD

²¹¹ Inward supplies from ISD

GSTR-3B of the recipient taxpayers under the jurisdiction of this State with the sum of Table 5A²¹², Table 8A²¹³, and Table 9A²¹⁴ of GSTR-6 of the respective ISD.

In case of M/s Oriental Structural Engineers Pvt. Ltd. (GSTN-16AAACO0054F1ZZ) under Belonia Charge, audit observed (May 2022) that the ITC availed in Table 6G of GSTR-9 was ₹ 0.54 crore and the ITC transferred by the ISD in Table (5A+8A+9A) of GSTR-6 was ₹ 0.20 crore. This resulted in incorrect availment of ITC transferred by the ISD amounting to ₹ 0.34 crore which was intimated to the Superintendent of taxes. In response (June 2022), the Superintendent stated that ASMT-10 seeking the reasons for the discrepancy had been issued. Latest development along with supporting documents may be furnished.

(v) Dimension - Mismatch in ITC availed between annual return and financial statements (Table 12F of GSTR-9C)

Table 12 of GSTR-9C reconciles ITC declared in annual return (GSTR-9) with ITC availed as per audited Annual financial statement or books of accounts. Column 12F of this Table deals with unreconciled ITC.

The certified reconciliation statement submitted by the taxpayer as required under the rule 80(3) of TGST Rules, 2017 in form GSTR-9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in ITC declared in the Annual Return with the Financial Statements.

Unreconciled ITC of ₹ 15.92 crore declared in Table 12F of GSTR-9C being ITC availed in GST returns in excess of eligible ITC based on financial statements, in case of M/s Brite Rubber Processor Private Ltd. (GSTN-16AADCB1615J1ZZ) under Charge III was noticed and communicated to the Superintendent of Taxes in May 2022. In response (November 2022), the Superintendent of Taxes stated that after final scrutiny the deviated ITC amount detected was ₹ 14.69 core and the taxpayer deposited the same amount through DRC-03. On being satisfactory after audit scrutiny of the reply, the case was not further pursued.

(vi) Dimension- Reconciliation between ITC declared in annual return with expenses in financial statements (Table 14T of GSTR-9C)

Table 14 of GSTR-9C reconciles ITC declared in annual return (GSTR-9) with ITC availed on expenses as per audited Annual financial statement or books of accounts. Column 14T of this table deals with unreconciled ITC.

The certified reconciliation statement submitted by the taxpayer as required under the rule 80(3) of TGST Rules, 2017 in form GSTR-9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in ITC declared in the Annual Return with the expenses reported in the Financial Statements.

Unreconciled ITC of ₹ 21.98 crore declared in Table 14T of GSTR-9C being ITC availed in GST returns in excess of eligible ITC based on expenses reported in financial

²¹² Distribution of the amounts of eligible ITC for the tax period

²¹³ Mismatch of ITC reclaimed and distributed

²¹⁴ Redistribution of ITC distributed to a wrong recipient

statements, in case of M/s Progressive Automobiles Private Ltd (GSTN-16AAICP2379N1ZT) under Charge-I was noticed and intimated to the Superintendent of Taxes during May 2022. In response (November 2022), the Superintendent stated that ASMT-10 seeking the reasons for the discrepancy had been issued. Latest development along with supporting documents may be furnished.

(vii) Dimension- Mismatch in turnover between annual return and financial statements (Table 5R of GSTR-9C)

Table 5 of GSTR-9C is the reconciliation of turnover declared in audited annual financial statement with turnover declared in annual turnover (GSTR-9). Column 5R of this table captures the unreconciled turnover between the annual return GSTR-9, and that declared in the Financial Statement for the year after the requisite adjustments.

The certified reconciliation statement submitted by the taxpayer as required under rule 80(3) of TGST Rules, 2017 in form GSTR-9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in turnover reported in the Annual Return *vis-à-vis* the Financial Statements. The unreconciled amount in cases where the turnover declared in GSTR-9 is less than the financial statement indicates non-reporting, under-reporting, short-reporting, omission, error in reporting of supplies leading to evasion or short payment of tax. It could also be a case of non-reporting of both taxable and exempted supplies.

Audit observed (April 2022) unreconciled turnover in Table 5R of GSTR-9C amounting to ₹ 1.98 crore was issued to the Superintendent of Taxes, Ambassa in respect of M/s Santoshi Traders (GSTN-16BBTPS0396G2Z2). In response (April 2022), the Superintendent stated that DRC-07 on the differences in the turnover had been issued. Latest development along with supporting documents may be furnished.

(viii) Dimension - Mismatch in taxable turnover between annual return and financial statements (Table 7G of GSTR-9C)

Table 7 of GSTR-9C is the reconciliation of taxable turnover. Column 7G of this table captures the unreconciled taxable turnover between the annual return GSTR-9 and that declared in the financial statement for the year after the requisite adjustments.

The certified reconciliation statement submitted by the taxpayer as required under the rule 80(3) of TGST Rules, 2017 in Form GSTR-9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in taxable turnover reported in the Annual Return *vis-à-vis* the Financial Statements. The unreconciled amount in cases where the taxable turnover in GSTR-9 is less than the financial statement indicates non-reporting, under-reporting, short-reporting, omission, error in reporting of taxable supplies. It could also be on account of non-reporting of both taxable and exempted supplies.

Audit observation on undischarged taxable turnover in Table 7G of GSTR-9C amounting to ₹ 0.60 crore was issued to the Superintendent of Taxes, Charge-II in respect of M/s Planetorium (GSTN-16ADNPP3687N1ZM) in May 2022. In response (July 2023), the Superintendent stated that ASMT-10 issued to the taxpayer seeking the

reasons for the discrepancy. Latest development along with supporting documents may be furnished.

(ix) Dimension - Mismatch in tax paid between books of accounts and annual returns (Table 9R of GSTR-9C)

The certified reconciliation statement submitted by the taxpayer as required under rule 80(3) of TGST Rules, 2017 in form GSTR-9C for the year 2017-18 was analysed at data level to review the extent of identified mismatch in tax paid between the Annual Return and the books of account. Table 9 of the form 9C attempts to reconcile the tax paid by segregating the turnover rate-wise and comparing it with the tax discharged as per annual return GSTR-9. The unreconciled amounts could potentially indicate tax levied at incorrect rates, incorrect depiction of taxable turnover as exempt or *vice versa* or incorrect levy of CGST/SGST/IGST. There can also be situations wherein supplies/tax declared are reduced through amendments (net of debit notes/ credit notes) in respect of the 2017-18 transactions carried out in the subsequent year from April to September 2018. Consequential interest payments - both short payments and payments under incorrect heads - also need to be examined in this regard.

Unreconciled payment of tax declared in Table 9R of GSTR-9C amounting to ₹ 0.03 crore in case of M/s Nilotpal Bose (GSTN- 16AQUPB8439Q1ZW) under Kailasahar Charge was noticed and intimated to the Superintendent of Taxes during May 2022. In response (June 2022), the Superintendent stated that show cause notice (SCN) seeking the reasons for the discrepancy had been issued. Latest development along with supporting documents may be furnished.

(x) Dimension – Undischarged tax liability

GSTR-1 depicts the monthly details of outward supplies of Goods or Services. These details also assessed by the taxpayer and mentioned in annual return GSTR-9 in the relevant columns. Further, taxable value and tax paid thereof also shown in GSTR-3B.

To analyse the undischarged tax liability, relevant data were extracted from GSTR-1 and GSTR-9 for the year 2017-18 and the tax payable in these returns was compared with the tax paid as declared in GSTR-9. Where GSTR-9 was not available, a comparison of tax payable between GSTR-1 and GSTR-3B was resorted to. The amendments and advance adjustments declared in GSTR-1 and GSTR-9 were also considered for this purpose.

For the algorithm, Tables 4 to 11 of GSTR-1 and Tables 4N, 10 and 11 of GSTR-9 were considered. The greater of the tax liability between GSTR-1 and GSTR-9 was compared with the tax paid declared in Tables 9 and 14 of GSTR-9 to identify the short payment of tax. In the case of GSTR-3B, Tables 3.1(a)²¹⁵ and 3.1(b)²¹⁶ were considered.

During audit, it was observed that in case of M/s Tripura State Electricity Corporation Ltd.(GSTN- 16AACCT2964M1ZY) under Charge-I, the tax payable in Table 4 to 11 of GSTR-1 was nil and the tax payable declared in Tables 4N, 10 and 11 of GSTR-9

²¹⁵ Outward taxable supplies (other than zero rated, nil rated and exempted)

²¹⁶ Outward taxable supplies (Zero rated)

was ₹ 8.10 crore. Tax paid as per GSTR-9 was nil. This resulted in mismatch of tax liability amounting to ₹ 8.10 crore. The matter was intimated to the Superintendent of Taxes in May 2022. In response (November 2022), the Superintendent stated that ASMT-10 seeking the reasons for the discrepancy had been issued. Latest development along with supporting documents may be furnished.

(xi) Dimension - Short payment of interest on delayed payments

Section 50 of the TGST Act, 2017 stipulates that every person liable to pay tax in accordance with the provisions of this Act or the rules made there under but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay interest at the rate notified.

The extent of short payment of interest on account of delayed remittance of tax during 2017-18 was identified using the tax paid details in GSTR-3B and the date of filing of the GSTR-3B. Only the net tax liability (cash component) has been considered to work out the interest payable.

Audit observed that in case of M/s Subir Majumder (GSTN-16CAOPM5025R1ZO) under Udaipur charge, having interest due of ₹ 0.02 crore and interest paid as per cash ledger and GSTR-3B was nil. This resulted in a short payment of Interest amounting to ₹ 0.02 crore which was intimated to the Superintendent of Taxes in May 2022. In response (June 2022), the Superintendent stated that show cause notice (SCN) seeking the reasons for the discrepancy had been issued. Latest development along with supporting documents may be furnished.

5.2.6.3 Analysis of causative factors

Considering the Department's response to 191 cases out of the sample of 235 data deviations/ inconsistencies, the factors that caused the data deviations/ inconsistencies are as follows:

5.2.6.3 (i) Deviations from GST law and rules

Out of the 235 deviations summarised in **Appendix 5.2.5**, the Department had accepted the audit observations or initiated examination in 140 cases involving an amount of ₹ 68.65 crore. Out of the cases, the Department has recovered ₹ 15.51 crore (**Appendix 5.2.6**) in four cases, issued SCN in eight cases for ₹ 1.66 crore (**Appendix 5.2.7**), issued notice conveying discrepancies to the taxpayer in Form ASMT-10 in 58 cases for ₹ 39.03 crore (**Appendix 5.2.8**) and was in correspondence with the respective taxpayers or issued DRC-01A in 63 cases amounting to ₹ 8.82 crore (**Appendix 5.2.9**).

Illustrative cases of two high values:

- (i) Audit observed that in case of taxpayer M/s Minamati Enterprise having GSTIN-16AIOPD3768J1ZW, the tax liability as shown in GSTR-1 was ₹ 0.54 crore and payment of tax as per GSTR-3B was ₹ 0.07 crore. Thus, this resulted in short payment of tax amounting to ₹ 0.47 crore. The methodology adopted was to

consider Tables 4 to 11 of GSTR-1 and Tables 4N, 10 and 11 of GSTR-9. The greater of the tax liability between GSTR-1 and GSTR-9 was compared with the tax paid declared in Tables 9 and 14 of GSTR-9 to identify the short payment of tax. In the case of GSTR-3B, Tables 3.1(a)²¹⁷ and 3.1(b)²¹⁸ were taken into account.

On this being pointed out in Audit (December 2022), the Superintendent of Taxes, in response (July 2023), stated that notice was served to the taxpayer under Section 70 of TGST Act, 2017. Latest development along with supporting documents may be furnished

- (ii) Audit observed (May 2022) that in case of taxpayer M/s Antar Enterprise having GSTIN-16A00PM8961L1Z2, the ITC available as per GSTR-2A was ₹ 0.0002 crore and the ITC availed in Table 4A (5) of GSTR-3B was ₹ 0.62 crore. The methodology adopted was to compare the ITC available as per GSTR-2A with all its amendments and the ITC availed in GSTR-3B in Table 4A (5)²¹⁹ considering the reversals in Table 4B (2)²²⁰ but including the ITC availed in the subsequent year 2018-19 from Table 8C of GSTR-9. This resulted in mismatch of ITC availed of ₹ 0.62 crore.

In response (15 June 2022), the Superintendent of taxes, Bishalgarh stated that ASMT-10 had been issued to the taxpayer. Latest development along with supporting documents may be furnished.

5.2.6.4 Cases where Department's reply was not accepted to Audit

Out of the 235 non-compliance cases, Department replies not accepted by audit in seven cases amounting to ₹ 3.63 crore. In these cases, the Department only forwarded explanation of the taxpayers without explicitly commenting on the audit observations and relevant documents. Details of these cases along with the Audit rebuttal are given in **Appendix 5.2.10**. Two rebuttal cases are discussed below:

- (i) Mismatch of ITC availed between Annual returns and Books of accounts of ₹ 0.60 crore declared in Table 12F of GSTR-9C was noticed in case of M/s Panna Motors (GSTIN- 16AAHFP2649D1ZC), under Charge-IV, which was communicated to the Superintendent of Taxes in May 2022. In response (November 2022), it was stated that before 09.10.2019, taxpayers used to claim ITC on a self-declaration basis in Table 4(A) of GSTR-3B with no compulsion to reconcile the ITC figure with the GSTR-2A. The amount of ITC which was not reflected in GSTR-2A was treated as provisional credit. The plea is not acceptable, since under Section 16 of TGST Act 2017 the tax authority has to scrutinise the eligibility of ITC availed by the taxpayer. Further, supporting documents such as purchase invoices were not furnished. In absence of relevant documents audit could not verify the authenticity. Latest development along with supporting documents may be furnished.

²¹⁷ Outward taxable supplies (other than zero rated, nil rated and exempted)

²¹⁸ Outward taxable supplies (Zero rated)

²¹⁹ All other eligible ITC

²²⁰ Other ITC reversed

Short payment of interest on delay payment of tax was notice in case of taxpayer M/s Everest Infra Energy Ltd (GSTN-16AABCE7178B1ZT,) under Charge-IV having interest due of ₹ 0.07 crore and interest paid as per cash ledger and GSTR-3B was nil, which was communicated to the Superintendent of Taxes in May 2022. In response (November 2022), it was stated that GSTR-3B filing due date was extended upto February 2019 vide notification No-31/2018. However, no such notification was found issued by the State Tax Department and CBIC notification No. 31/2018 dated 6 August 2018 does not pertain to extension of GSTR-3B filing due date.

5.2.6.5 Detailed audit of GST returns

In a self-assessment regime, the onus of compliance with the law is on the taxpayer. The role of the Department is to establish and maintain an efficient tax administration mechanism to provide oversight. With a finite level of resources, for an effective tax administration, to ensure compliance with law and collection of revenue, an efficient governance mechanism is essential. An IT driven compliance model enables maintaining a non-discretionary regime of governance on scale and facilitates a targeted approach to enforce compliance.

From an external audit perspective, Audit also focused on a data-driven risk-based approach. Thus, apart from identifying inconsistencies/ deviations in GST returns through pan-State data analysis, a detailed audit of GST returns was also conducted as a part of this review. A risk-based sample of 30 taxpayers was selected for this part of the review. The methodology adopted was to initially conduct a desk review of GST returns and financial statements filed by the taxpayers as part of the GSTR-9C and other records available in the back-end system to identify potential risk areas, inconsistencies/ deviations and red flags. Desk review was carried out in office of the PAG (Audit), Tripura. Based on desk review results, detailed audit was conducted in Commercial Taxes Organisation, Tripura field formations by requisitioning corresponding granular records of taxpayers such as financial ledgers, invoices, *etc.* to identify causative factors of the identified risks and to evaluate compliance by taxpayers.

5.2.6.5(i) Scope limitation (Non-production of records)

The Department provided access through the GST portal application-the back-end system of the State Tax Department (boweb) to Audit in its premises.

Audit teams downloaded various returns of selected samples of taxpayers for verification of returns. Although, no granular records relating to the taxpayers were provided by the Department.

The details of non- production of records are summarised in the following paragraphs:

Non-production: During the desk review of taxpayers' records available in the back-end system, Audit identified the risks related to excess ITC and tax liability mismatches for detailed examination. On the ITC dimension, the mismatches were identified by comparing GSTR-3B with GSTR-2A and GSTR-9, and the declarations made in Table 12 and 14 of GSTR-9C. On the tax liability dimension, the mismatches were identified by comparing GSTR-3B with GSTR-1 and GSTR-9 and the declarations in Table 5,

Table 7 and Table 9 of GSTR-9C. However, in 30 sampled cases, the Department did not produce the corresponding granular records such as the tax invoices, financial statements, credit & debit notes, *etc.* required for examining the causative factors for mismatches of ITC and tax liability. Audit requisitioned these granular records of the taxpayers through the respective Charges. The jurisdiction-wise non- production of records is summarised in **Table 5.2.5**.

Table 5.2.5: Non-production of records

Jurisdictional charge	Sample	No of cases where records were not provided
	Number of taxpayers	Number of taxpayers
Charge-I	2	2
Charge-II	3	3
Charge-III	1	1
Charge-IV	1	1
Charge-V	4	4
Charge-VI	4	4
Charge-VII	2	2
Charge-VIII	7	7
Bishalgarh	5	5
Teliamura	1	1
Total	30	30

The granular records were not produced in 100 *per cent* of cases, as a result deviation/ mismatches amounting to ₹ 27.27 crore could not be examined in detail by Audit.

5.2.6.5(ii) Audit findings

As brought out in the previous paragraphs, detailed audit involved a desk review of GST returns and other basic records to identify risks and red flags, which were followed up by field audit to identify the extent of non-compliance by taxpayers and action taken by the departmental field formations. Non-compliance by taxpayers at various stages ultimately impacts the veracity of returns filed, utilisation of ITC and discharge of tax payments. The audit findings are categorised under (a) Returns, (b) Utilisation of ITC, (c) Discharge of tax liability and (d) Other findings.

5.2.6.5(ii)(a) Returns

(i) Non-payment of interest on delayed payment

Section 50 (1) of the TGST Act, 2017 stipulates that every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at, such rate, not exceeding eighteen per cent, as may be notified by the Government.

As per CBIC notification²²¹ vide F.No.CBEC-20/01/08/2019-GST dated 18

²²¹ There was no such notification from the State Tax Department

September 2020, the taxpayer is liable to pay interest only on net cash tax liability *i.e* cash component, if there is delay in payment of tax.

Scrutiny of GSTR-3B returns for the period 2017-18 filed by 30 taxpayers of 10 Charge offices revealed that 10 taxpayers of five charge offices submitted returns with delay as enumerated in **Appendix 5.2.11**. The taxpayers were liable to pay interest on delay payment of tax (cash component) of ₹ 0.30 crore.

When this was pointed out in Audit (July 2022), the Department in reply (July 2023) stated that in case of four taxpayers²²², DRC-01A was issued for recovery of due interest. In case of another four taxpayers²²³, intimation of discrepancy in Form ASMT-10 was issued. In case of one taxpayer M/s Laxmi Narayan Traders (GSTIN-16AACFL8969P1ZD) step would be taken for recovery of interest due. In case of another taxpayer M/s Sentu Dey (GSTIN-16AZIPD6343A2ZT), the case has been under court sub-judice.

Latest position of recovery of outstanding interest along with supporting documents may be furnished to audit.

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Department accepted the audit observation and assured to take necessary action at the earliest.

(ii) Non-filing of annual return (GSTR-9) and Reconciliation Statement (GSTR-9C)

Section 44(1) of TGST Act, 2017 read with Rule 80 (1) of TGST Rules, 2017 stipulates that every registered person other than person paying tax under Sec 51 or 52 shall furnish an annual return in Form GSTR-9 for every financial year electronically in such form and manner as may be prescribed on or before the thirty-first day of December following the end of such financial year.

Further, sub-section (2) of Section 44 of the Act and read with Rule 80 (2) of TGST Rules, 2017 every registered person who is required to get his accounts audited in accordance with the provisions of sub-section (5) of section 35 shall furnish, a copy of the audited annual accounts and a reconciliation statement, reconciling the value of supplies declared in the return furnished for the financial year with the audited annual financial statement and such other particulars as may be prescribed, duly certified in form GSTR-9C, electronically.

In this regard, every registered person whose aggregate turnover during a financial year exceeds ₹ two crore should get his account audited as specified under Section 35 (5) of the TGST Act, 2017 and read with Rule 80 (3) of TGST Rules, 2017.

Further, as per Section 46 of the TGST Act, 2017 where a registered person fails to furnish a return under section 39 or 44 or 45, a notice shall be issued to him to furnish

²²² GSTIN-16BIMPS7519H1ZQ, 16AAACR6117Q2Z0, 16AAKCA5823G1ZQ & 16AVEPS7445N2ZU

²²³ GSTIN-16ATVPS5284L1ZL, 16AARFK7454M1ZJ, 16AACFU6266G1Z1 & 16APDPR6406H1ZV

such return within fifteen days in such form and manner as may be prescribed.

The Finance Department, Government of Tripura vide notification NO.F. 1- 11 (91)-TAX/ GST/ 2020 dated 17 March 2020 extended the due date for filing annual returns up to 7 February 2020.

Audit noticed that in three out of 30 cases examined, the taxpayers did not file GSTR-9 and GSTR-9C despite their annual turnover crossed ₹ two crore threshold exemptions limits as given in **Table 5.2.6**.

Table 5.2.6: Non-filing of annual return (GSTR-9)

Charge	GSTIN	Legal Name	Total turnover as per GSTR 3B (₹ in crore)	Due date of filing GSTR-9/9C	Date of filing GSTR 9/9C
Charge-VIII	16ACUPP3799B1Z1	Doraiah Palimpat	2.85	07.02.2020	Not filed
Bishalgarh	16AARFK7454M1ZJ	K. K. R. Jv	29.56	07.02.2020	Not
Bishalgarh	16AZIPD6343A2ZT	Sentu Dey	6.22	07.02.2020	Not

The matter was intimated to the respective Superintendent of Taxes in July 2022 and December 2022. The Department in reply stated (July 2023) that in case of Taxpayer (GSTIN-16ACUPP3799B1Z1) notice in Form GSTR-3A issued to the taxpayer. In case of the remaining two taxpayers no reply has been furnished to audit (July 2023). Latest developments along with supporting documents may be furnished.

5.2.6.5(ii)(b) Mismatch relating to ITC

Input Tax Credit means the Goods and Services Tax paid by a taxable person on purchase of goods and/ or services that are used in the course or furtherance of business. To avoid cascading effect of taxes, credit of taxes paid on input supplies can be used to set-off for payment of taxes on outward supplies.

Section 16 and 17 of the TGST Act, 2017 prescribe the eligibility and conditions to avail ITC. Credit of CGST cannot be used for payment of SGST/ UTGST and credit of SGST/ UTGST cannot be utilised for payment of CGST. Rule 36 to 45 of the TGST Rules, 2017 prescribes the procedures for availing and reversal of ITC.

Audit analysed the dataset of GSTR-2A in respect of selected taxpayers along with datasets of GSTR-3B, GSTR-9 and GSTR-9C filed by the taxpayers and noticed mismatches of input tax credit among returns. Audit could not examine mismatches in detail since relevant granular records were not produced by the Department.

Audit observed 26 instances of ITC related mismatches, amounting to ₹ 26.47 crore out of 30 sampled cases examined. The deficiencies were due to availing ITC irregularly, availing ineligible ITC and non or short reversal of ITC. Hence, these cases remain as mismatches. The details of mismatches in input tax credit noticed by Audit are given in **Table 5.2.7**.

Table 5.2.7: Mismatch in input tax credit claimed by taxpayers

Sl. No.	Parameter	No. of cases	No. of Charge office	Amount of mismatch (₹ in crore)	Remarks
1	<p>Mismatch between ITC availed in 3B and ITC availed in GSTR-2A:</p> <p>To analyse, the data were extracted from GSTR-9/ GSTR-3B and GSTR-2A, and the ITC paid as per suppliers' details was matched with the ITC credit availed by the taxpayer and compare the ITC available as per GSTR-2A with all its amendments and the ITC availed in GSTR-3B in Table 4A(5) considering the reversals in Table 4B(2) but including the ITC availed in the subsequent year 2018-19 from Table 8C of GSTR-9 (Appendix 5.2.12).</p>	20	7	13.34	<p>On this being pointed out in Audit (August 2022), ASMT-10 was issued to two taxpayers M/s NBCC (India) Ltd (GSTIN-16AAACN3053B1Z3) & M/s Evac Engineering Projects Pvt. Ltd (GSTIN-16AACCE9137D1ZT). Registration were suspended in case of two taxpayers M/s Tirthamoyee Traders Pvt. Ltd (GSTIN-16AAECT9428J1ZX) & M/s Abhijit Saha (GSTIN-16ATVPS5284L1ZL). Notice served to one taxpayer M/s Sterling and Wilson Pvt. Ltd. (GSTIN-16AAACS9939D1Z7). In all cases, latest development along with supporting documents may be furnished.</p> <p>In case of taxpayer M/s Sankar Saha (GSTIN-16AVWPS6181K1ZK) the Department in reply (July 2023) stated that actual excess of ITC was ₹ 0.02 crore against the audit objected amount of ₹ 0.11 crore. Further, it stated that the computation was done as per the reply furnished by the taxpayer against the ASMT10 issued to him. In another case M/s Samarsh Chowdhury (GSTIN-16AXDPC0281F1Z1), there was no excess of ITC as computed by the tax authority against the audit objected amount of ₹ 0.11 crore.</p>

Sl. No.	Parameter	No. of cases	No. of Charge office	Amount of mismatch (₹ in crore)	Remarks
					<p>However, in both cases no supporting documents were forwarded. Latest position along with supporting documents in support of their claimed may be furnished to audit.</p> <p>In case of taxpayer M/s Satyam Rubber Industries (GSTIN-16ACAFS0417M1Z7), Department stated (July 2023) that the taxpayer had reversed ITC for ₹ 3.70 crore in the month of April 2018 and also realised ₹ 0.16 crore as tax, interest and penalty after all adjustments. Invoices for the remaining amount of ITC ₹ 0.44 crore claimed by the taxpayer during FY 2017-18 had been uploaded and amended by the supplier on or before March 2019 vide CBIC order No-02/2018-Central Tax dated 31 December 2018. However, no supporting documents for the recovery of ₹ 0.44 crore has been furnished by the Department. In this regard it is stated that supporting documents may be furnished for recovery of the ITC amount of ₹ 0.44 crore.</p> <p>In case of four taxpayers viz: M/s Delwara Steel (GSTIN-16AAFCK1502P1ZI), M/s ITD Cementation India Ltd (GSTIN-16AAACT1426A1Z2), M/s Rajesh Saha (GSTIN-16AVEPS7445N2ZU) & M/s Tata Play Ltd (GSTIN-16AAGCS9294M1ZI) the</p>

Sl. No.	Parameter	No. of cases	No. of Charge office	Amount of mismatch (₹ in crore)	Remarks
					<p>Department in reply (July 2023) stated that all relevant records submitted by the taxpayers were checked and found satisfactory. However, no documents were forwarded to audit. Hence, audit could not verify the authenticity in absence of relevant documents. In all cases, supporting documents related to the latest reply may be furnished to audit.</p> <p>In case of three taxpayers M/s Maupasa Saha (GSTIN-16BIMPS7519H1ZQ), M/s NPCC Ltd (GSTIN-16AAACR6117Q2Z0) & M/s Doraiah Palimpati (GSTIN-16ACUPP3799B1Z1) the Department in reply (July 2023) stated that the taxpayers were issued summon u/s 70 of TGST Act 2017.</p> <p>One taxpayer M/s ABM Rubber Industries Pvt. Ltd (GSTIN-16AAKCA5823G1ZQ) was issued DRC-01A and suspended the registration. In all cases, latest development along with supporting documents may be furnished.</p> <p>In case of another four taxpayers²²⁴ it was stated (July 2023) that ASMT10 were issued and suspended their registrations. All supporting documents related to the latest</p>

²²⁴ GSTIN-16AACFU6266G1Z1, 16APDPR6406H1ZV, 16ASAPS8250N1Z8 & 16AZIPD6343A2ZT

Sl. No.	Parameter	No. of cases	No. of Charge office	Amount of mismatch (₹ in crore)	Remarks
					reply may be furnished to audit.
2	<p>Mismatch of ITC in ECL than declared in annual return:</p> <p>ITC claimed gets credited to ECL of the taxpayer through GSTR-3B. Table 6A of GSTR-9, which is the sum total of ITC availed in R3B is auto populated. Through Table 6B to 6H, the taxpayer provides bifurcation of the ITC availed in form of inputs, input services, and capital goods. Table 6J of GSTR-9 brings out the difference of ITC actually availed through 3Bs, and ITC entered in Table 6B to 6H. A negative figure in 6J is indicative of excess availment of ITC (Appendix 5.2.13).</p>	3	2	1.23	<p>On this being pointed out in audit, the Department in reply (July 2023) stated that the taxpayer M/s Abhijit Saha (GSTIN-16ATVPS5284L1ZL) had furnished a reply against the notice issued in Form ASMT-10 and after careful examination, it was found that the reply of the taxpayer was valid. But no supporting documents were furnished to audit. In absence of supporting documents audit could not establish its authenticity. Thus, all supporting documents may be furnished to audit.</p> <p>In case of the remaining two taxpayers²²⁵, it was stated (July 2023) that the taxpayers were issued summon u/s 70 of TGST Act 2017 for examination of records. Latest development along with supporting documents may be furnished to audit.</p>
3	<p>Mismatch in ITC availed under RCM (with payment of tax):</p> <p>Data of Table 3.1 (d) of GSTR-3B, which contains the details of inward supplies that are liable to reverse charge, was compared with RCM ITC availed in GSTR-9 Table</p>	1	1	0.0071	The matter was intimated to the concerned tax authority in July 2022 and December 2022, but no reply had been furnished to Audit till date (July 2023). Reply may be furnished to audit.

²²⁵ M/s NPCC Ltd (GSTIN- 16AAACR6117Q2Z0) & M/s Tata Play Ltd (GSTIN-16AAGCS9294M1ZI)

Sl. No.	Parameter	No. of cases	No. of Charge office	Amount of mismatch (₹ in crore)	Remarks
	6C+6D+6F (Appendix 5.2.14).				
4	<p>Mismatch of ITC between Annual Return (GSTR9) and audited Financial Statements (Table 14T of GSTR9C)</p> <p>Table 14T of GSTR-9C compares expenses incurred on inputs, capital goods and any other expenses with the input tax credit availed and highlight any excess availing of input tax credit on account of ineligible credit (Appendix 5.2.15).</p>	2	1	11.90	<p>On this being pointed out in Audit (July 2022), the Superintendent of Taxes issued (July 2023) intimation of discrepancies in Form ASMT-10 to the two taxpayers²²⁶.</p> <p>Latest development along with supporting documents may be furnished to audit.</p>
	Total	26	11	26.47	

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Department accepted the audit observation and assured to take necessary action at the earliest.

5.2.6.5(ii)(c) Mismatches relating to discharge of tax liability

The taxable event in the case of GST is supply of goods and/ or services. Section 9 of the TGST Act, 2017 is the charging section authorising levy and collection of tax called State/ Centre Goods and Services Tax on all intra-State supplies of goods or services or both, except on supply of alcoholic liquor for human consumption, on value determined under section 15 of the Act *ibid* and at such rates not exceeding 20 *per cent* under each Act, *i.e.*, CGST Act and TGST Act. Section 5 of the IGST vests levy and collection of IGST on interstate supply of goods and services with Central Government with maximum rate of 40 *per cent*.

Audit scrutinised GSTR-1, GSTR-3B and GSTR-9 returns filed by the taxpayers for the year 2017-18 and noticed mismatch in discharge of tax liability by comparing the tax liability furnished in the returns. Out of 30 sampled cases examined, Audit observed four instances of discharge of tax related mismatched amounting to ₹ 0.80 crore. Audit could not examine these mismatches in detail since relevant granular records were not produced by the Department. The details of mismatches are given in **Table 5.2.8**.

²²⁶ M/s NBCC (India) Ltd (GSTIN-16AAACN3053B1Z3) & M/s ITC Ltd Company (GSTIN-16AAACI5950L1ZD)

Table 5.2.8: Mismatch related to discharge of tax liability

Sl. No.	Parameter	No. of cases	No. of charge office	Amount of mismatch (₹ in crore)	Remarks
1	<p>Mismatch in tax liability on comparing greater of the tax liability of GSTR-1, GSTR-9 with reference to Tax payment in GSTR-9:</p> <p>GSTR-1 and GSTR-9 for the year 2017-18 and the tax payable in these returns was compared with the tax paid in GSTR-9 (Appendix 5.2.16).</p>	2	2	0.11	<p>In case of the taxpayer M/s ABM Rubber Industries Pvt. Ltd (GSTIN-16AAKCA5823G1ZQ), it was stated (July 2023) that DRC-01A was issued as well as audit u/s 65 of TGST Act 2017 was under process. Latest development along with supporting documents may be furnished.</p> <p>In case of taxpayer M/s Sabita Paul (GSTIN-16AKCPP0564E1ZF), no reply has been furnished to Audit (July 2023). Reply along with supporting documents may be furnished to audit.</p>
2	<p>Unreconciled turnover and tax payment:</p> <p>Figures under Table 7G and 9R indicate mismatch of taxable turnover and tax paid respectively between annual return and the financial statements (Appendix 5.2.17).</p>	2	1	0.69	<p>On this being pointed out in Audit (July 2022), the Department in reply (July 2023) stated that intimation of discrepancy in Form ASMT-10 had been issued to the taxpayer²²⁷. Latest development along with supporting documents may be furnished to audit.</p>
Total		4	3	0.80	

In the meeting (5 June 2024) with the Secretary, Finance Department, Government of Tripura, the Department accepted the audit observation and assured to take necessary action at the earliest.

5.2.6.5(ii)(d) Other findings-Classification of goods & services

The Finance Department, Government of Tripura notification No.1/ 2017-State Tax (Rate) dated 28 June 2017 has fixed the rate of taxes of various goods under GST based on the Harmonised System of Nomenclature (HSN) classification and schedules. Similarly, the Finance Department, Government of Tripura notification No.11/2017–

²²⁷ M/s NBCC (India) Ltd (GSTIN-16AAACN3053B1Z3)

State Tax (Rate) dated 28 June 2017 has fixed the rate of taxes of various services under GST based on the scheme of classification of Service Accounting Code (SAC). Further, Finance Department notification No. 2/ 2017– State Tax (rate) dated 28 June 2017 specified goods which are exempted in the course of intra-state business. Besides, as per Finance Department, Government of Tripura vide notification No. F.1.11(91)-Tax/ GST/ 2017 (Part-III) dated 29 June 2017 specified that a registered person having annual turnover of ₹ 1.5 crore & above in the preceding financial year shall mention the digits of Harmonised System of Nomenclature (HSN) Codes in a tax invoice issued by him.

Audit cross-examined the classification of supplies declared by the taxpayers in registration form, returns of GSTR-9, rate of taxes of goods & services notified by the Finance Department, Tripura and tax invoices. In five cases out of 30 cases examined, Audit observed discrepancies in classification of supplies and rate of taxes as detailed in **Appendix 5.2.18**.

Audit could not verify the correctness of classification of supplies and rate of taxes in the absence of the tax invoices.

The matter was intimated to the Superintendent of Taxes in July 2022 and December 2022 with the request to examine at their end. The Department in reply (July 2023) stated that ASMT10 issued to the four taxpayers²²⁸ and their registration were suspended. But, in case of one taxpayer M/s NBCC (India) Ltd (GSTIN-16AAACN3053B1Z3) no reply has been furnished (July 2023). In all cases, latest development along with supporting documents may be furnished.

Recommendation 5

The Department may initiate remedial action for all the compliance deviations brought out in this report before they get time barred.

5.2.7 Conclusion

The Subject Specific Compliance Audit (SSCA) on Department's Oversight on GST Payments and Return Filing disclosed that documentation of essential oversight functions of charges such as scrutiny of returns, audit of taxpayers and taxpayer's compliance was not proper and not amenable to evaluation. As such, the functions of the charges were not fully carried out in an organised manner.

Further, out of the 235 high value data inconsistencies identified by Audit the Department responded to 191 cases. Of these, 140 cases constituting 73.29 per cent, turned out to be compliance deficiencies amounting to ₹ 68.65 crore. Relatively higher rates of deviations were noticed in risk parameters such as short/ non-payment of interest, ITC mismatch and availing ITC under RCM, etc. The Department has not responded to 44 cases of inconsistencies, which has an identified mismatch of ₹ 16.64 crore.

²²⁸ GSTIN-16AAECT9428J1ZX, 16AARFK7454M1ZJ, 16AACFU6266G1Z1 & 16ASAPS8250N1Z8

Detailed audit of GST returns also suggested significant non-compliance. In 30 out of 30 cases examined, granular records were not forthcoming, which constituted a significant scope of limitation. In ten out of 30 cases examined, were liable to pay interest on delay payment of tax (cash component) amounting to ₹ 0.30 crore. A relatively higher rate of deficiencies was noticed in 30 identified mismatch of ITC availed and discharge of tax liability with a risk exposure of ₹ 27.27 crore²²⁹. From a systemic perspective, the Department needs to strengthen the institutional mechanism in the Charges to establish and maintain effective oversight on return filing, taxpayer compliance, tax payments, cancellation of registrations and recovery of dues from defaulters.

5.2.8 Summary of recommendations

- 1. The Department may formulate SOP or prescribe detail procedures for selection of scrutiny cases and fix targets, so that an optimum number of cases can be scrutinised in every financial year before the cases became time barred.*
- 2. The Department may ensure timely verification of cancellation of registrations to prevent undue loss of tax revenue and unfair tax practices.*
- 3. The Department may formulate detail selection procedures for cases for conduct of audit so that an optimum number of cases can be audited in every financial year.*
- 4. The Department may urgently pursue where inconsistencies and deviations were pointed out by Audit and result there-of may be intimated to Audit.*
- 5. The Department may initiate remedial action for all the compliance deviations brought out in this report before they get time barred.*

²²⁹ Total money value of Table 5.2.8 plus Table 5.2.9

**CHAPTER VI:
FOLLOW UP OF AUDIT OBSERVATIONS**

CHAPTER VI

FOLLOW UP OF AUDIT OBSERVATIONS

6.1 Follow-up action on earlier Audit Reports

6.1.1 Explanatory notes not submitted

Finance Department of the Government of Tripura issued instructions (July 1993), to the administrative departments to initiate, *suo motu*, positive and concrete action in all audit paragraphs and reviews featuring in the Audit Reports of Comptroller and Auditor General of India (C&AG) regardless of whether the cases are taken up for examination by Public Accounts Committee (PAC)/ Committee on Public Undertakings (COPU) of the Tripura Legislative Assembly or not and to furnish detailed notes indicating the corrective/ remedial action taken or proposed to be taken by them within a period of three months of the presentation of Audit Reports to the Legislature.

Serious irregularities noticed in audit are included in the Audit Reports of the C&AG and presented to the State Legislature.

(a) Public Accounts Committee

As of September 2023, 84 paragraphs (60 paragraphs and 24 performance audits) relating to the Audit Report for the years 2006-07 to 2019-20²³⁰ were awaiting discussion by the PAC. Of these, explanatory notes on 66 paragraphs (50 paragraphs and 16 performance audits) have not yet been received from the departments. The position of pendency of receipt of *suo motu* replies on paragraphs/ performance audits of the last five years Audit Report awaiting discussion by PAC is shown in **Table 6.1.1**.

Table 6.1.1: Position of pending *suo motu* replies on paragraphs/ performance audits of Audit Reports awaiting discussion by PAC

Year of Report	Total paragraphs/ performance audits awaiting discussion	<i>Suo-motu</i> reply received	<i>Suo-motu</i> reply not received
2015-16	6	Nil	6
2016-17	10	1	9
2017-18	9	2	7
2018-19	10	Nil	10
2019-20	6	1	5

Table 6.1.1 presents the position of *suo motu* replies received/ not received pertaining to paragraphs/ performance audits of Audit Reports pending discussion by PAC for the period from 2015-16 to 2019-20. The departments largely responsible for not submitting explanatory notes were Public Works Department (26), Agriculture (seven), Finance Department (six), Revenue Department (four) amongst others.

The issue of pendency of furnishing of *suo motu* replies to audit paras was taken up (June 2022) with the Secretary, Tripura Legislative Assembly and Finance Department, Government of Tripura with the request to take steps so that the departments concerned furnish the *suo motu* replies and the pendency can be reduced.

²³⁰ Audit Report for the year 2019-20 was placed in the State Legislature 28 March 2023.

Moreover, the list of outstanding paras was also forwarded to the Finance Department and the department concerned in June 2023.

(b) Committee on Public Undertakings

As of September 2023, 17 paragraphs (12 paragraphs and five performance audits) relating to the Audit Report for the years 2014-15 to 2019-20²³¹ were awaiting discussion by the COPU. Of these, explanatory notes on 13 paragraphs (nine paragraphs and four performance audits) have not yet been received from three departments. The departments responsible for not submitting explanatory notes on paragraphs were Industries and Commerce Department (eight), Power Department (four) and Forest Department (one).

The issue of pendency of furnishing of *suo motu* replies to audit paras was taken up (June 2022) with the Secretary, Tripura Legislative Assembly and Finance Department, Government of Tripura with the request to take steps so that the departments concerned furnish the *suo motu* replies and the pendency can be reduced. Moreover, the list of outstanding paras were also forwarded to the Finance Department and the department concerned in June 2023.

6.1.2 Action taken on the recommendations of the Public Accounts Committee/ Committee on Public Undertakings

The administrative departments are required to take suitable action on the recommendations made in the Reports of the PAC/ COPU presented to the State Legislature. Following the circulation of the Reports of the PAC/ COPU, Heads of Departments are to prepare comments on action taken or proposed to be taken on the recommendations of the PAC/ COPU and submit the same to the State Assembly Secretariat.

(a) Public Accounts Committee

As of September 2023, Action Taken Notes (ATNs) on 162 recommendations of the PAC made between 2010-11 and 2022-23 were awaited from the administrative departments concerned, of which, 54 pertained to Finance (Excise and Taxation) Department, 27 to Public Works (Roads and Building) Department, 11 to Social Welfare and Social Education Department, nine to Urban Development Department, seven to Transport Department, six each to Education (Higher) Department, Industries & Commerce Department, Public Works (Drinking Water and Sanitation) Department and Education (School) Department, five to Health and Family Welfare Department, four each to Fisheries Department and Animal Resource Development Department and 17 ATNs to other departments. All these departments are required to expedite submission of ATNs to the PAC without further delays.

(b) Committee on Public Undertakings

As of September 2023, ATNs on 58 recommendations of the COPU made between 2009-10 and 2014-15 were awaited from the administrative departments concerned, of which, 22 to Industries and Commerce Department (Tripura Jute Mills Ltd.: seven, Tripura Industrial Development Corporation Ltd.: eight, Tripura Small Industries

²³¹ Audit Report for the year 2019-20 was placed in the State Legislature 28 March 2023.

Corporation Ltd.: four, Tripura Tea Development Corporation Ltd.: two and Tripura Handloom & Handicraft Development Corporation: one), 13 each to the Forest Department (Tripura Forest Development and Plantation Corporation Ltd.) and Power Department (Tripura State Electricity Corporation Limited), seven to the Tribal Welfare Department (Tribal Rehabilitation in Plantation & Primitive Group Programme) and three to the Transport Department (Tripura Road Transport Corporation). There is need for all these departments/ companies to submit ATNs without further delays to take the things to their logical end.

6.2 Monitoring

The following committees were formed at the Government level to monitor the follow up action on Audit Reports and PAC/ COPU's recommendations.

6.2.1 Departmental Monitoring Committee

Departmental Monitoring Committees (DMCs) were formed (April 2002) by all departments of the Government under the chairmanship of the departmental Secretaries to monitor the follow up action on Audit Reports and PAC/ COPU recommendations. The DMCs are to hold monthly meetings and to send progress reports on the issue every month to the Finance Department.

Details about meetings of the DMCs during 2022-23, though requested (July 2023), were not furnished (October 2023).

6.2.2 Apex Monitoring Committee

An Apex Monitoring Committee was formed (April 2002) at the State level under the chairmanship of the Chief Secretary to monitor the follow up action on Audit Reports and PAC/ COPU's recommendations.

Details about meetings of the Apex Monitoring Committee during 2022-23, though requested (July 2023), were not furnished (October 2023).

6.3 Outstanding Inspection Reports

The Principal Accountant General (Audit), Tripura conducts periodical inspections of government departments to test check transactions and verify the maintenance of accounts and other records according to prescribed rules and procedures. Audit observations on financial irregularities and deficiencies in maintenance of initial accounts noticed during local audit and not settled on the spot are communicated to the audited entities and to the higher authorities through Inspection Reports (IRs). The more serious irregularities are reported to the Government. The Government instructed (July 1993) that the first reply to the IRs should be furnished within one month from the date of receipt of IR.

Analysis of the position of outstanding IRs showed that 2,437 paragraphs included in 328 IRs issued during the last five years up to 2022-23 were pending for settlement as of September 2023. Of these, even the first reply had not been received in respect of 905 paragraphs involving 114 IRs in spite of repeated reminders. The year-wise break-up of the outstanding IRs and the position of response thereto is given in **Table 6.3.1**.

Table 6.3.1: Position of Outstanding IRs where first reply have not been received

Years	No. of outstanding		First reply had not been received	
	IRs	Paras	IRs	Paras
2018-19	98	639	17	129
2019-20	48	373	12	111
2020-21	86	665	45	332
2021-22	48	357	23	168
2022-23	48	403	17	165
Total	328	2,437	114	905

As a result, the following important irregularities commented upon in those IRs were not addressed as of September 2023.

Table 6.3.2: Irregularities not addressed

Nature of irregularities	Number of cases	Amount involved (₹ in crore)
Excess/ Irregular/ Avoidable/ Unfruitful/ Wasteful/ Unauthorised/ Idle expenditure	390	543.95
Blocking of funds	114	439.66
Non-recovery of excess payments/ overpayments	118	127.96
Under assessment	74	10.71
Loss of Revenue	149	158.33
Misappropriation/ Suspected misappropriation	8	6.52
Others	1,616	1,873.90
Total	2,469	3,161.03

It is evident from **Table 6.3.2** that 2,469 cases for ₹ 3,161.03 crore involving audit observations on blocking of funds, excess/ over payments, loss of revenue, under assessment, excess/ irregular/ wasteful/ idle expenditure, *etc.* remained un-addressed by the departments concerned, which is a matter of serious concern.

6.4 Departmental Audit Committee Meetings

As per the Office Memorandum dated 14 July 1993 issued by the Government of Tripura, the Departmental Audit Committees (DACs) are required to be constituted by each Department with the Secretary of the Department as Chairman, Head of the Department as Member and one Officer of the rank of Deputy Secretary from the Finance Department as Member and Deputy Accountant General, Tripura as Convener. The DACs are to monitor the progress in disposal of the outstanding audit paras and IRs issued by the Principal Accountant General (Audit), Tripura. Audit Committee Meeting was not held during 2022-23.

6.5 Response of the Government/ departments towards audit

The Principal 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 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 Principal 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 2,437 paragraphs involving ₹ 3,162.34 crore relating to 328 IRs issued during the last five years 2018-19 to 2022-23 which remained outstanding at the end of 30 September 2023 under Social, Economic, Revenue and General Sectors. The year-wise position of outstanding IRs, paragraphs and money value involved for the last five years as on 30 September 2023 are given in **Table 6.5.1**.

Table 6.5.1: Details of pending IRs

Position of IRs	Outstanding as of September 2023					Total
	2018-19	2019-20	2020-21	2021-22	2022-23	
Number of IRs pending for settlement	98	48	86	48	48	328
Number of outstanding audit observations	639	373	665	357	403	2,437
Money value involved (₹ in crore)	498.46	538.14	1,207.85	233.98	683.91	3,162.34

The details in **Table 6.5.1** indicates that the departments were not serious in taking necessary action for final settlement of such cases.

It is recommended that the Government may review the matter and ensure that an effective system exists for sending replies to Audit within the prescribed time frame.

Agartala
The: 31 December 2024


(RANENDU SARKAR)
Accountant General (Audit), Tripura

Countersigned

New Delhi
The: 15 January 2025


(K. SANJAY MURTHY)
Comptroller and Auditor General of India

APPENDICES

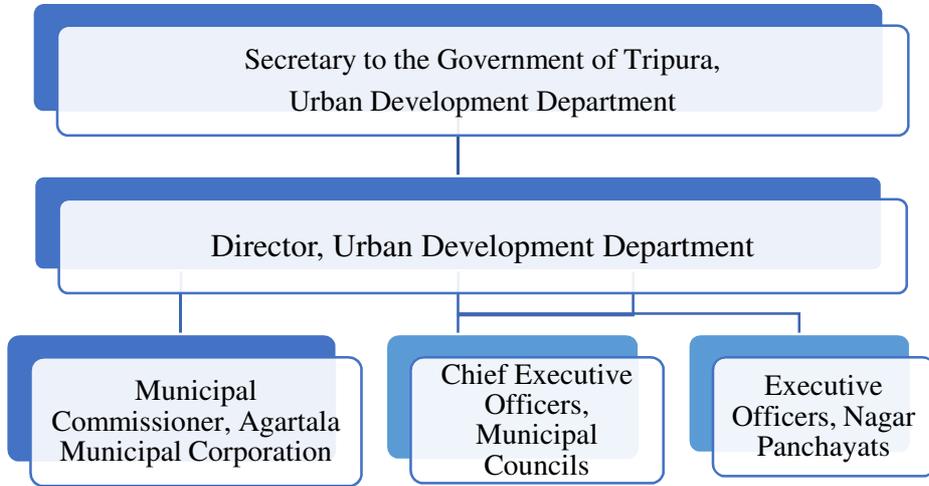
Appendix 2.2.1

Regulatory framework governing the management of different types of waste (Reference: Paragraph 2.2.1)

Type of waste	Regulatory framework
Municipal solid waste	<ul style="list-style-type: none"> MSW (Management and Handling) Rules, 2000 Manual on Municipal Solid Waste Management, 2000 Manual on Municipal Solid Waste Management, 2016 Solid Waste Management Rules, 2016
Biomedical waste	<ul style="list-style-type: none"> The Bio-medical Waste (Management and Handling) Rules, 1998 The Bio-medical Waste (Management and Handling) Rules, 2016
Plastic waste	<ul style="list-style-type: none"> Plastic Waste (Management & Handling) Rules, 2011 Plastic Waste Management Rules, 2016
E-waste	<ul style="list-style-type: none"> E-waste (Management & Handling) Rules, 2011 E-waste (Management) Rules, 2016
Construction & Demolition waste	<ul style="list-style-type: none"> Construction and Demolition Waste Management Rules, 2016

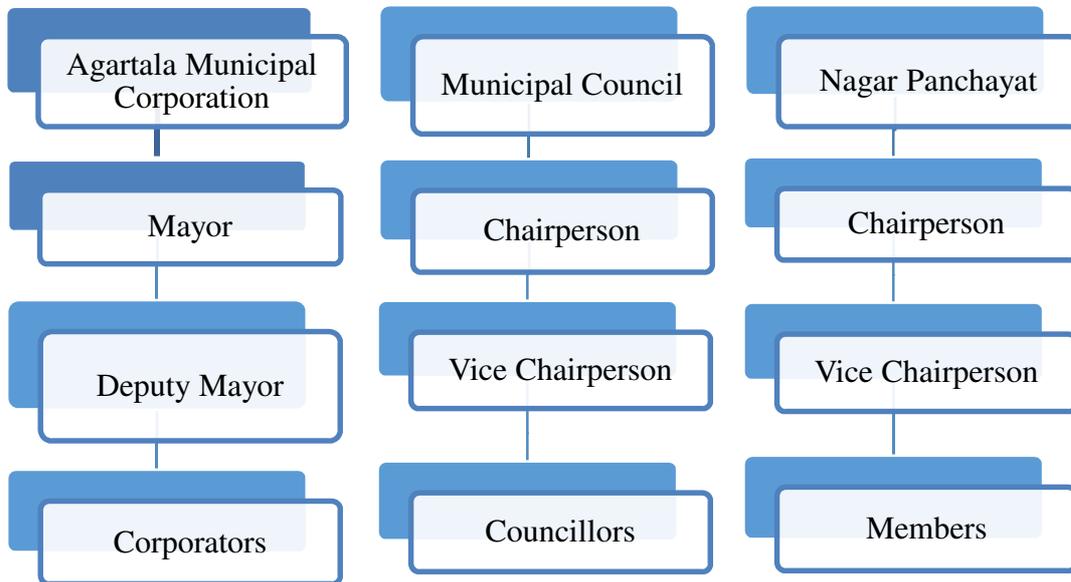
Appendix 2.2.2 (A)

Organisational structure of Urban Development Department
(Reference: Paragraph 2.2.2)



Appendix 2.2.2 (B)

Organisational structure of elected members of ULBs
(Reference: Paragraph 2.2.2)



Appendix 2.2.3

Statement showing the details of sampled ULBs

(Reference: Paragraph 2.2.4)

Sl. No.	Name of ULBs	Area (in Sq. Km.)	District	Population	No. of Wards
1	Agartala Municipal Corporation	76.50	West Tripura	5,34,201	51
2	Dharmanagar Municipal Council	10.69	North Tripura	41,086	23
3	Ambassa Municipal Council	14.77	Dhalai	15,907	15
4	Kailashahar Municipal Council	6.19	Unakoti	23,271	15
5	Teliamura Municipal Council	3.75	Khowai	23,038	15
6	Belonia Municipal Council	5.74	South Tripura	21,176	15
7	Sonamura Nagar Panchayat	4.13	Sepahijala	12,592	11
8	Amarpur Nagar Panchayat	8.55	Gomoti	11,887	11
9	Sabroom Nagar Panchayat	5.06	South Tripura	6,764	09

Source: ULBs

Appendix 2.2.4

Statement showing the responsibilities of stakeholders involved in process of SWM
(Reference: Paragraph 2.2.6.1)

Institution/ stakeholders	Role and responsibilities in SWM
Central Government (MoEFCC, MoUD and CPCB)	Framing of laws and rules; policies and norms; guidelines; manuals; and technical assistance; financial support; monitoring the implementation of laws and rules.
State Government (UDDheaded by Principal Secretary/Secretary and SPCB headed by Member Secretary)	Policy framing, monitoring implementation of laws and rules in metropolitan cities; state policy and SWM strategy; guidelines, manuals, and technical assistance; financial support; reporting on SLBs to the MoUD; capacity building of local bodies; granting consent to set up treatment and disposal activities.
District Magistrate & Collector assisted by Additional District Magistrate	Review the performance of ULBs on waste management process; facilitate identification and allotment of suitable land for solid waste processing and disposal facilities.
ULBs (headed by Municipal Commissioner or Chief Executive Officers/ Executive Officers)	Implementation of MSW Rules, providing SWM services; preparation of SWM plan; framing by-laws; levy and collection of fees; financing SWM system; creating public awareness; and involvement of informal sector in SWM.
Informal Sector (waste recyclers, non-governmental organisations (NGOs), community-based organisations (CBOs) and private partners)	Resource recovery and recycling at different stages; providing support to the local recycling industry; involvement of community; creating awareness; collection and transportation of waste; and technology providers.

Source: Manual on MSWM, 2000 and 2016

Appendix 2.2.5

SLB performance indicators and benchmarks pertaining to SWM

{Reference: Paragraph 2.2.6.1(iii)}

Sl. No.	Performance indicator	Unit as percentage of	Benchmark (in percentage)
1	Household level coverage of SWM services	households and establishments covered by daily doorstep collection system	100
2	Efficiency of collection of municipal solid waste	total waste collected against waste generated within the project area	100
3	Extent of segregation of municipal solid waste	households and establishments that segregate their waste	100
4	Extent of municipal solid waste recovered	quantum of waste collected, which is either recycled or processed	80
5	Extent of scientific disposal of municipal solid waste	waste disposed in a sanitary landfill against total quantum of waste disposed in landfills and dumpsites	100
6	Extent of cost recovery in SWM services	recovery of all operating expenses related to SWM services that the ULB can meet from the operating revenues of sources related exclusively to SWM	100
7	Efficiency in redressal of customer complaints	total number of SWM related complaints resolved against total number of SWM complaints received within 24 hours	80
8	Efficiency in collection of SWM user charges	current year revenues collected against total operating revenues for the corresponding period	90

Source: Manual on MSWM, 2016

Appendix 2.2.6

Comparison of achievements (in per cent) shown by the sampled ULBs in the Service Level Benchmark with actual status as observed by audit

{Reference: Paragraph 2.2.6.1(iii)}

Name of ULB	Service Level Benchmark	Targeted Performance as per SLB norms	Achievement shown by ULB	Achievement observed by audit as per data provided by the ULB
Agartala Municipal Corporation	Efficiency of collection of municipal solid waste	100	75	95
	Extent of cost recovery in SWM services	100	50	10
	Extent of municipal solid waste recovered	80	63	90
	Extent of Scientific disposal of municipal solid waste	100	60	0
	Extent of segregation of municipal solid waste	100	100	0.23
	Household level coverage of solid waste management services	100	100	36
Dharmanagar Municipal Council	Efficiency of collection of municipal solid waste	100	70	82
	Extent of cost recovery in SWM services	100	11	13
	Extent of municipal solid waste recovered	80	50	44
	Extent of Scientific disposal of municipal solid waste	100	55	0
	Extent of segregation of municipal solid waste	100	100	84
	Household level coverage of solid waste management services	100	100	96
Kailashahar Municipal Council	Efficiency of collection of municipal solid waste	100	60	82
	Extent of cost recovery in SWM services	100	13	71
	Extent of municipal solid waste recovered	80	55	0
	Extent of Scientific disposal of municipal solid waste	100	0	0
	Extent of segregation of municipal solid waste	100	55	0
	Household level coverage of solid waste management services	100	70	13
Ambassa Municipal Council	Efficiency of collection of municipal solid waste	100	70	88
	Extent of cost recovery in SWM services	100	15	3
	Extent of municipal solid waste recovered	80	15	18
	Extent of Scientific disposal of municipal solid waste	100	0	0
	Extent of segregation of municipal solid waste	100	65	3
	Household level coverage of solid waste management services	100	75	42
Teliamura Municipal Council	Efficiency of collection of municipal solid waste	100	100	64
	Extent of cost recovery in SWM services	100	43	12

Source: City solid waste management plan and information furnished by ULBs

Appendix 2.2.6 (concl.)

Comparison of achievements (in per cent) shown by the sampled ULBs in the Service Level Benchmark with actual status as observed by audit

{Reference: Paragraph 2.2.6.1(iii)}

Name of ULB	Service Level Benchmark	Targeted Performance as per SLB norms	Achievement reported by ULB to GoI	Achievement observed by audit as per data provided by the ULB
	Extent of municipal solid waste recovered	80	10	40
	Extent of Scientific disposal of municipal solid waste	100	0	0
	Extent of segregation of municipal solid waste	100	100	4
	Household level coverage of solid waste management services	100	100	69
Belonia Municipal Council	Efficiency of collection of municipal solid waste	100	100	82
	Extent of cost recovery in SWM services	100	100	62
	Extent of municipal solid waste recovered	80	80	35
	Extent of Scientific disposal of municipal solid waste	100	100	0
	Extent of segregation of municipal solid waste	100	100	6
	Household level coverage of solid waste management services	100	100	69
Amarpur Nagar Panchayat	Efficiency of collection of municipal solid waste	100	100	80
	Extent of cost recovery in SWM services	100	100	28
	Extent of municipal solid waste recovered	80	80	2
	Extent of Scientific disposal of municipal solid waste	100	100	0
	Extent of segregation of municipal solid waste	100	100	95
	Household level coverage of solid waste management services	100	100	80
Sabroom Nagar Panchayat	Efficiency of collection of municipal solid waste	100	70	78
	Extent of cost recovery in SWM services	100	50	46
	Extent of municipal solid waste recovered	80	65	33
	Extent of Scientific disposal of municipal solid waste	100	0	0
	Extent of segregation of municipal solid waste	100	65	0
	Household level coverage of solid waste management services	100	70	93

Source: City solid waste management plan and information furnished by ULBs

Appendix 2.2.7

Variations in per capita estimation indicated by ULBs and as worked out by Audit for 2021-22

{Reference: Paragraph 2.2.6.1(vi)}

Sl. No.	Name of the ULB	Base year Population as of 2011 census	Year	Population	Residual refuse (col e*0.3)	Commercial refuse (col e*0.10)	Street sweeping (col e*0.05)	Institutional refuse (col e*0.05)	Total in Kg/day (f+g+h+i)	Total model generation (in TPD)	Waste generation by ULB in TPD	Percentage of variation of waste generation in respect of total model generation
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Agartala	438,408	2021-22	5,39,302	161790.6	53930.2	26965.1	26965.1	269651	269.65	230	15
2	Dharmanagar	40,677	2021-22	48,074	14422.2	4807.4	2403.7	2403.7	24037	24.04	13.85	42
3	Kailashahar	24,049	2021-22	24,926	7477.8	2492.6	1246.3	1246.3	12463	12.46	6.8	45
4	Ambassa	16,978	2021-22	16,079	4823.7	1607.9	803.95	803.95	8039.5	8.04	3.39	58
5	Teliamura	20,778	2021-22	25,134	7540.2	2513.4	1256.7	1256.7	12567	12.57	3.9	69
6	Belonia	19,820	2021-22	21,433	6429.9	2143.3	1071.65	1071.65	10716.5	10.72	4.49	58
7	Amarpur	10,634	2021-22	12,106	3631.8	1210.6	605.3	605.3	6053	6.05	3.55	41
8	Sabroom	7,007	2021-22	6,936	2080.8	693.6	346.8	346.8	3468	3.47	1.48	57
9	Sonamura	11,141	2021-22	13,117	3935.1	1311.7	655.85	655.85	6558.5	6.56	2.765	58

Source: Information/records furnished by the sampled ULBs

Note1: minimum consideration taken for calculation (indices 0.3, 0.10 and 0.05 used in columns f, g, h and i) as per para 3.3.6.2 of Manual on MSWM, 2000 and para 1.4.3.3 of Manual on MSW, 2016 for 3.5 per cent population growth.

Appendix 2.2.8

Status of total available fund, overall expenditure and expenditure on SWM in sampled ULBs during 2017-23

*{Reference: Paragraph 2.2.6.2(ii)}**(₹ in lakh)*

Name of ULB	Year	Total fund available	Expenditure during the year	Closing balance	Expenditure on SWM
Agartala Municipal Corporation	2017-18	16,673.07	13,672.60	3,000.47	1,106.19
	2018-19	18,980.41	14,774.38	4,206.03	2,106.62
	2019-20	21,550.96	15,289.44	6,261.52	2,067.56
	2020-21	19,729.18	13,724.47	6,004.71	3,842.63
	2021-22	36,678.33	30,749.91	5,928.42	1,466.03
	2022-23	34,519.02	24,096.86	10,422.16	2,305.40
Dharmanagar Municipal Council	2017-18	878.31	738.35	139.96	96.72
	2018-19	1,408.66	1,117.86	290.80	105.63
	2019-20	1,329.54	828.11	501.43	104.84
	2020-21	813.55	345.02	468.53	152.45
	2021-22	2,382.42	1,836.35	546.07	207.73
	2022-23	1,820.34	1,347.60	472.74	287.23
Amabassa Municipal Council	2017-18	665.45	344.08	321.36	11.45
	2018-19	780.58	324.64	455.94	10.22
	2019-20	975.47	513.91	461.56	46.19
	2020-21	1,099.06	630.78	468.28	51.86
	2021-22	1,636.00	1,061.65	574.35	80.72
	2022-23	1,677.15	1,179.53	497.62	49.99
Kailshahar Municipal Council	2017-18	1,804.43	1,219.00	585.43	50.94
	2018-19	1,107.82	437.82	670.00	63.01
	2019-20	1,342.07	676.81	665.26	98.98
	2020-21	1,299.85	707.07	592.78	85.95
	2021-22	1,906.82	1,297.00	609.82	80.65
	2022-23	1,334.40	767.71	566.69	74.03
Teliamura Municipal Council	2017-18	610.29	461.33	148.96	3.44
	2018-19	634.00	423.26	210.74	29.40
	2019-20	860.82	403.78	457.04	10.06
	2020-21	1,101.00	598.91	502.09	2.51
	2021-22	1,565.59	806.52	759.07	8.94
	2022-23	166.78	110.04	56.74	2.06
Belonia Municipal Council	2017-18	724.81	553.10	171.71	39.79
	2018-19	703.91	548.25	155.66	41.70
	2019-20	883.01	612.85	270.16	49.71

Appendix 2.2.8 (Concl.)

Status of total available fund, overall expenditure and expenditure on SWM in sampled ULBs during 2017-23

{Reference: Paragraph 2.2.6.2(ii)}

(*₹ in lakh*)

Name of ULB	Year	Total fund available	Expenditure during the year	Closing balance	Expenditure on SWM
	2020-21	854.68	520.27	334.41	96.38
	2021-22	1,458.54	1,152.26	306.28	155.64
	2022-23	2,309.82	2,010.98	298.84	61.94
Amarpur Nagar Panchayat	2017-18	2,408.57	967.06	1,441.51	27.98
	2018-19	1,597.18	674.96	922.22	62.18
	2019-20	1,236.67	745.05	491.61	47.53
	2020-21	1,085.23	616.83	468.39	38.77
	2021-22	1,282.51	779.18	503.33	77.46
	2022-23	593.08	270.90	322.18	72.57
Sabroom Nagar Panchayat	2017-18	782.15	476.70	305.45	9.74
	2018-19	708.57	482.61	225.96	23.03
	2019-20	587.70	407.73	179.97	26.00
	2020-21	560.34	390.19	170.15	49.60
	2021-22	1,251.14	878.81	372.33	124.46
	2022-23	1,340.16	1,174.72	165.44	87.50
Sonamura Nagar Panchayat	2017-18	852.63	463.99	388.64	26.92
	2018-19	842.73	486.32	356.41	27.32
	2019-20	847.29	554.04	293.25	20.17
	2020-21	784.61	387.71	396.90	29.75
	2021-22	854.69	488.48	366.21	83.49
	2022-23	983.24	550.11	433.13	91.62

Source: Information furnished by ULBs

Note: Total unspent balance as of 31 March 2023 is ₹ 1,3235.54 lakh (i.e ₹ 10,422.16 + ₹ 472.74 + ₹ 497.62 + ₹ 566.69 + ₹ 56.74 + ₹ 298.84 + ₹ 322.18 + ₹ 165.44 + ₹ 433.13)

Appendix 2.2.9

Status of levy and collection of user charges for SWM (2019-20 to 2022-23) in sampled ULBs

{Reference: Paragraph 2.2.6.2(iii)}

(*₹ in lakh*)

Name of ULB	Year	Opening Balance	Rate of user fee for SWM (per month)	Total No. of households	D2D collection to be levied from all households	Demand	Collection	Short realisation
Agartala Municipal Council	2019-20	0	40	1,06,370	510.58	510.58	31.51	479.07
	2020-21	479.07	50	108,158	648.95	1,128.01	65.89	1,062.12
	2021-22	1,062.12	60	109,678	789.68	1,851.81	71.50	1,780.31
	2022-23	1,780.31	60	138,958	1,000.50	2,780.80	16.91	2,763.89
Dharmanagar Municipal Council	2019-20	0.00	60	11,360	13.63	13.63	2.85	10.78
	2020-21	10.78	60	11,594	83.48	94.26	9.94	84.32
	2021-22	84.32	60	11,693	84.19	168.51	12.11	156.39
	2022-23	156.39	60	1,1693	84.19	240.58	28.89	211.69
Kailashahar Municipal Council	2019-20	0.00	50	6,578	12.79	12.79	2.16	10.62
	2020-21	10.62	60	7,103	12.79	23.41	3.72	19.69
	2021-22	19.69	60	7,151	51.49	71.17	5.07	66.11
	2022-23	66.11	60	7,151	51.49	117.60	5.47	112.13
Ambassa Municipal Council	2019-20	0.00	50	4,405	4.41	4.41	0.80	3.61
	2020-21	3.61	60	4,655	33.52	37.12	1.23	35.89
	2021-22	35.89	60	4,710	33.91	69.80	1.25	68.55
	2022-23	68.55	60	4,710	33.91	102.46	1.80	100.66
Teliamura Municipal Council	2019-20	0.00	50	6,353	9.53	9.53	3.00	6.53
	2020-21	33.44	50	6,425	38.55	71.99	8.40	63.59
	2021-22	173.32	30	6,506	23.42	196.74	10.80	185.94
	2022-23	253.00	30	6,506	23.42	276.42	13.16	263.26
Belonia Municipal Council	2019-20	0.00	50	6,532	26.13	26.13	13.10	13.03
	2020-21	13.03	50	6,617	39.70	52.74	23.15	29.59
	2021-22	29.59	50	6,692	40.15	69.74	26.14	43.61
	2022-23	43.61	50	6,692	40.15	83.76	27.12	56.64
Amarpur Nagar Panchayat	2019-20	0.00	50	3,591	1.80	1.80	0.31	1.49
	2020-21	1.49	50	3,637	21.82	23.31	7.74	15.57
	2021-22	15.57	50	3,658	21.95	37.52	9.83	27.69
	2022-23	27.69	50	2,870	17.22	44.91	9.40	35.51
Sabroom Nagar Panchayat	2019-20	0.00	50	2,099	8.40	8.40	3.94	4.46
	2020-21	4.46	50	2,179	13.07	17.53	8.91	8.62
	2021-22	8.62	50	2,207	13.24	21.87	9.24	12.63
	2022-23	12.63	50	2,207	13.24	25.87	12.11	13.76
Sonamura Nagar Panchayat	2019-20	0.00	50	3,473	17.37	17.37	3.49	13.87
	2020-21	13.87	50	3,473	20.84	34.71	1.30	33.41
	2021-22	33.41	50	3,473	20.84	54.25	6.48	47.77
	2022-23	47.77	50	3,476	20.86	68.62	10.22	58.40

Source: Information furnished by ULBs

Note: Total short realisation as of 31 March 2023 is ₹ 3,615.94 lakh (i.e. ₹ 2,763.89+₹ 211.69+₹ 112.13+₹ 100.66 +₹ 263.26+₹ 56.64+₹ 35.51+₹ 13.76 +₹ 58.40)

Appendix 2.2.10

Rate (s) of penalties/ fines to be imposed by ULBs as per the Rules

{Reference: Paragraph 2.2.6.2(vi)}

Rule No	Description of Rules	Municipal Corporation (in ₹)	Municipal Councils (in ₹)	Nagar Panchayats (in ₹)
4.1 to 4.4	Littering on roads/streets	200	200	200
4.4 Nuisance	Spiting	100	100	100
	Urinating	200	200	200
	Defecating in open space	500	500	500
5.1 and 5.2	For delivering waste that is not segregated and not stored in separate bins:	100	100	100
	Individual Bulk	500	500	500
5.8	For not storing & delivering construction and demolition waste in segregated manner	1000	1000	1000
5.11	For burning waste	500	500	500
7.3	For a vendor/ hawker without a container/ waste basket	200	200	200
	For a vendor/ hawker who does not deliver waste in a segregated manner as specified	100	100	100
7.5	For littering/ defecation by pet/ owned animals	500	500	500
7.6	For not cleaning-up after public gathering/ event within 4 hours	5000	5000	5000

Appendix 2.2.11

Action plan for alternative of Single Used Plastic (SUP)

{Reference: Paragraph 2.2.6.9(i)(c)}

Sl. No.	SUP items	Approx. Qty. of SUP items used per year	Proposed alternatives of SUP items	Approx. Qty. of items to be produced per year as alternative
1	Ear buds with plastic sticks	12,000 Nos.	Bamboo/ wooden sticks	12,000 Nos.
2	Plastic sticks for balloons	5.5 lakhs Nos.	Bamboo/ wooden sticks	5.5 lakhs Nos.
3	Plastic flags	50,000 Nos.	Paper/ Cloth flags	50,000 Nos.
4	Plastic candy sticks	4.6 lakhs Nos.	Bamboo/ wooden sticks	4.6 lakhs Nos.
6	Polystyrene (Thermocol) for decoration	10,000 kg	Paper/ Cloth for decoration	10,000 kg
7	Plastic cup & plates	Plastic Cup=6 lakhs Nos. Plastic Plates=Nil.	Paper/ Mud cup, Plates made of banana, shawl, areca nut leaves	Paper/ Mud cup = 6 lakhs Nos.
8	Plastic straws	41,000 Nos.	Bamboo/Paper Straw	Bamboo/Paper Straw = 41,000 Nos.
9	Plastic cutlery items such as forks, spoons, knives, trays	12 lakhs Nos. cutlery items	Bamboo/ wooden forks, spoons, knives	12 lakhs Nos. cutlery items
10	Plastic stirrers	5000 Nos.	Bamboo/ wooden stirrers	5000 Nos.
11	Plastic carry bags	70 Tons	Paper bags, clothes bags, jute bags, crochet bags, muslin bags, Biodegradable plastic bags, plastic bags above 120 micron	70 Tons

Appendix 2.3.1

Sampling adopted for the Performance Audit

(Reference: Paragraph 2.3.5)

Sl. No.	Aspect	Selection criteria	Sample selected
1	Selection of districts	Based on the highest amount of cess collection and expenditure on various welfare schemes by the Board	Out of eight districts, two districts were selected namely, a) West Tripura District and b) South Tripura District
2	Selection of schemes	Based on highest amount of financial assistance given to the beneficiaries and one scheme (<i>i.e.</i> , awareness) with zero beneficiary involvement was also selected to assess the extent to which the Department and the Board generated awareness among the BOCW workers about the welfare schemes.	Out of 11 welfare schemes implemented by the Board, six schemes were selected namely- a) Education b) Marriage c) Death d) Major Ailments e) Assistance during COVID-19 f) Awareness (zero beneficiary involvement)
3	Selection of units	Based on highest expenditure on works within the sampled districts. Based on highest area and population of the Urban Local Bodies within the sampled districts.	Four Working Divisions namely- a) Division-III, PWD (R&B) (under West Tripura District) b) Tripura Housing and Construction Board (under West Tripura District) c) Belonia Division, PWD (R&B) (under South Tripura District) d) Belonia Division, PWD (DWS) (under South Tripura District) Four Urban Local Bodies namely- a) Agartala Municipal Corporation (under West Tripura District) b) Mohanpur Municipal Council (under West Tripura District) c) Belonia Municipal Council (under South Tripura District) d) Santirbazar Municipal Council (under South Tripura District)
4	Selection of registered beneficiaries	Through random sampling from the applications of the beneficiaries within the sampled districts.	235 registered beneficiaries were selected from two sampled districts, who received financial assistance from the Board under the five selected schemes.
5	Selection of unregistered BOC workers	Through random sampling based on availability and willingness of the beneficiaries at the sampled worksites.	69 unregistered BOC workers in two sampled districts were randomly selected for survey.

Appendix 2.3.1 (concl.)

Sampling adopted for the Performance Audit

(Reference: Paragraph 2.3.5)

Sl. No.	Aspect	Selection criteria	Sample selected																																																						
6	Selection of Establishments	Through random sampling within the sampled districts.	<p>Eight registered and eight unregistered establishments were selected randomly for survey from the two sampled districts.</p> <p>Eight selected registered establishments are-</p> <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Name of the agency</th> <th>District</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Sri Arun Kumar Dey</td> <td>West Tripura</td> </tr> <tr> <td>2</td> <td>Sri Goutam Banik</td> <td>West Tripura</td> </tr> <tr> <td>3</td> <td>Sri Subir Datta</td> <td>West Tripura</td> </tr> <tr> <td>4</td> <td>Sri Sajal Deb</td> <td>West Tripura</td> </tr> <tr> <td>5</td> <td>Sri Bijan Bhuiyan</td> <td>South Tripura</td> </tr> <tr> <td>6</td> <td>Sri Kamal Dey</td> <td>South Tripura</td> </tr> <tr> <td>7</td> <td>Sri Pankaj Mallik</td> <td>South Tripura</td> </tr> <tr> <td>8</td> <td>Sri Bikash Saha</td> <td>South Tripura</td> </tr> </tbody> </table> <p>Eight selected unregistered establishments are-</p> <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Name of the agency</th> <th>District</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Sri Jasoda Lal Roy</td> <td>West Tripura</td> </tr> <tr> <td>2</td> <td>Sri Dinesh Banik</td> <td>West Tripura</td> </tr> <tr> <td>3</td> <td>Sri Shibu Saha</td> <td>West Tripura</td> </tr> <tr> <td>4</td> <td>Smt. Jhuma Podder</td> <td>West Tripura</td> </tr> <tr> <td>5</td> <td>Sri Shankar Kanti Saha</td> <td>South Tripura</td> </tr> <tr> <td>6</td> <td>Sri Jiban Krishna Kar</td> <td>South Tripura</td> </tr> <tr> <td>7</td> <td>Sri Gathan Datta</td> <td>South Tripura</td> </tr> <tr> <td>8</td> <td>Sri Niraj Kumar Dhar</td> <td>South Tripura</td> </tr> </tbody> </table>	Sl. No.	Name of the agency	District	1	Sri Arun Kumar Dey	West Tripura	2	Sri Goutam Banik	West Tripura	3	Sri Subir Datta	West Tripura	4	Sri Sajal Deb	West Tripura	5	Sri Bijan Bhuiyan	South Tripura	6	Sri Kamal Dey	South Tripura	7	Sri Pankaj Mallik	South Tripura	8	Sri Bikash Saha	South Tripura	Sl. No.	Name of the agency	District	1	Sri Jasoda Lal Roy	West Tripura	2	Sri Dinesh Banik	West Tripura	3	Sri Shibu Saha	West Tripura	4	Smt. Jhuma Podder	West Tripura	5	Sri Shankar Kanti Saha	South Tripura	6	Sri Jiban Krishna Kar	South Tripura	7	Sri Gathan Datta	South Tripura	8	Sri Niraj Kumar Dhar	South Tripura
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Appendix 2.3.2

Labour cess collected from the contractors by the sampled units but not deposited to the Board

*{Reference: Paragraph 2.3.8.3(ii)}**(₹ in lakh)*

Name of the Office	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
Santirbazar Municipal Council	0.27	1.46	0.14	2.35	1.88	2.24	8.34
Belonia Municipal Council	2.15	0.41	1.22	0.67	1.72	2.19	8.36
PWD (WR), Div. IV, Belonia	0	0	5.67	8.51	1.62	0	15.80
PWD (R&B), Belonia Division	33.17	33.21	24.72	23.73	7.83	0	122.66
PWD (R&B), Santirbazar Division	14.14	14.12	17.97	36.21	36.49	0	118.93
Total	49.73	49.20	49.72	71.47	49.54	4.43	274.09

Appendix 2.3.3

Non-collection of advance cess by the ULBs

{(Reference: Paragraph 2.3.8.3(iii))}

I. Agartala Municipal Corporation								
(Amount in ₹)								
		RCC structure			Load bearing structure			
Year	Total plinth area approved (in square metre)	Plinth area rate (per sq. metre)	Amount of approved plinth area (Col.2 X Col.3)	Cess to be deducted (at the rate of one per cent approved plinth area)	Total plinth area approved (in square metre)	Plinth area rate (per sq. metre)	Amount of approved plinth area (Col.6 X Col.7)	Cess to be deducted (at the rate of one per cent approved plinth area)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2017-18	2,97,768	30,000	8,93,30,40,000	8,93,30,400	6,236	21,500	13,40,74,000	13,40,740
2018-19	4,31,063	30,000	12,93,18,90,000	12,93,18,900	5,037	21,500	10,82,95,500	10,82,955
2019-20	4,64,151	30,000	13,92,45,30,000	13,92,45,300	5,663	21,500	12,17,54,500	12,17,545
2020-21	5,17,621	30,000	15,52,86,30,000	15,52,86,300	3,559	21,500	7,65,18,500	7,65,185
2021-22	6,36,522	30,000	19,09,56,60,000	19,09,56,600	6,212	21,500	13,35,58,000	13,35,580
2022-23	4,72,307	30,000	14,16,92,10,000	14,16,92,100	6,424	21,500	13,81,16,000	13,81,160
			84,58,29,60,000	84,58,29,600			71,23,16,500	71,23,165
II. Belonia Municipal Council								
		RCC structure			Load bearing structure			
2017-18	11,051.685	30,000	33,15,50,550	33,15,506	749.63	21,500	1,61,17,045	1,61,170
2018-19	16,675.387	30,000	50,02,61,610	50,02,616	198.4	21,500	42,65,600	42,656
2019-20	12,204.863	30,000	36,61,45,890	36,61,459	210.99	21,500	45,36,285	45,363
2020-21	10,179.437	30,000	30,53,83,110	30,53,831	150.948	21,500	32,45,382	32,454
2021-22	22,289.181	30,000	66,86,75,430	66,86,754	508.749	21,500	1,09,38,104	1,09,381
2022-23	11,961.492	30,000	35,88,44,760	35,88,448	372.783	21,500	80,14,835	80,148
			2,53,08,61,350	2,53,08,614			4,71,17,250	4,71,173

Appendix 2.3.3 (concl.)

Non-collection of advance cess by the ULBs

{Reference: Paragraph 2.3.8.3(iii)}

(Amount in ₹)

III. Mohanpur Municipal Council								
		RCC structure			Load bearing structure			
Year	Total plinth area approved (in square metre)	Plinth area rate (per sq. metre)	Amount of approved plinth area (Col.2 X Col.3)	Cess to be deducted (at the rate of one per cent approved plinth area)	Total plinth area approved (in square metre)	Plinth area rate (per sq. metre)	Amount of approved plinth area (Col.6 X Col.7)	Cess to be deducted (at the rate of one per cent approved plinth area)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2017-18	983.43	30,000	2,95,02,900	2,95,029	0	0	0	
2018-19	3,586.29	30,000	10,75,88,700	10,75,887	0	0	0	
2019-20	3,870.31	30,000	11,61,09,300	11,61,093	51.66	21,500	11,10,690	11,107
2020-21	2,941.79	30,000	8,82,53,700	8,82,537	0	0	0	0
2021-22	2,700.78	30,000	8,10,23,400	8,10,234	0	0	0	0
2022-23	4,190.78	30,000	12,57,23,400	12,57,234	0	0	0	0
			54,82,01,400	54,82,014				11,107
IV. Santirbazar Municipal Council								
		RCC structure			Load bearing structure			
2017-18			7,62,30,183	7,62,302			0	0
2018-19			4,21,45,979	4,21,460			17,42,784	17,428
2019-20			13,47,52,814	13,47,528			23,25,774	23,258
2020-21			14,78,86,300	14,78,863			44,89,217	44,892
2021-22			14,46,00,035	14,46,000			24,36,989	24,370
2022-23			16,46,99,904	16,46,999			0	0
			71,03,15,215	71,03,152			1,09,94,764	1,09,948
Grand total (I+II+III+IV)								89,14,38,772

Appendix 2.4.1

Statement showing the year-wise and district-wise details of payment of hostellers' scholarship to the students in which the schools/ institutions had no hostel facility

(Reference: Paragraph 2.4)

Year	District	Category	No. of students paid hostel scholarship without hostel facility in school	Scholarship rate for hosteller	Amount disbursed at hosteller rate	Scholarship rate for day scholar	Amount to be disbursed at day scholar rate	Excess amount disbursed
1	2	3	4	5	6 (4x5)	7	8 (4x7)	9 (6-8)
2017-18	Dhalai	Boys	1	4,500	4,500	2,250	2,250	2,250
		Girls	3	4,500	13,500	2,250	6,750	6,750
	Gomati	Boys	76	4,500	3,42,000	2,250	1,71,000	1,71,000
		Girls	163	4,500	7,33,500	2,250	3,66,750	3,66,750
	Khowai	Boys	95	4,500	4,27,500	2,250	2,13,750	2,13,750
		Girls	193	4,500	8,68,500	2,250	4,34,250	4,34,250
	North Tripura	Boys	14	4,500	63,000	2,250	31,500	31,500
		Girls	68	4,500	3,06,000	2,250	1,53,000	1,53,000
	Sepahijala	Boys	52	4,500	2,34,000	2,250	1,17,000	1,17,000
		Girls	45	4,500	2,02,500	2,250	1,01,250	1,01,250
	South Tripura	Boys	9	4,500	40,500	2,250	20,250	20,250
		Girls	27	4,500	1,21,500	2,250	60,750	60,750
	Unakoti	Boys	5	4,500	22,500	2,250	11,250	11,250
		Girls	24	4,500	1,08,000	2,250	54,000	54,000
	West Tripura	Boys	235	4,500	10,57,500	2,250	5,28,750	5,28,750
Girls		231	4,500	10,39,500	2,250	5,19,750	5,19,750	
Total:			1,241		55,84,500		27,92,250	27,92,250
Total Boys:			487		21,91,500		10,95,750	10,95,750
Total Girls:			754		33,93,000		16,96,500	16,96,500
2018-19	Dhalai	Boys	19	4,500	85,500	2,250	42,750	42,750
		Girls	51	4,500	2,29,500	2,250	1,14,750	1,14,750
	Gomati	Boys	101	4,500	4,54,500	2,250	2,27,250	2,27,250
		Girls	267	4,500	12,01,500	2,250	6,00,750	6,00,750
	Khowai	Boys	135	4,500	6,07,500	2,250	3,03,750	3,03,750
		Girls	284	4,500	12,78,000	2,250	6,39,000	6,39,000
	North Tripura	Boys	12	4,500	54,000	2,250	27,000	27,000
		Girls	26	4,500	1,17,000	2,250	58,500	58,500
	Sepahijala	Boys	85	4,500	3,82,500	2,250	1,91,250	1,91,250
		Girls	76	4,500	3,42,000	2,250	1,71,000	1,71,000
	South Tripura	Boys	7	4,500	31,500	2,250	15,750	15,750
		Girls	26	4,500	1,17,000	2,250	58,500	58,500
	Unakoti	Boys	0	4,500	0	2,250	0	0
		Girls	20	4,500	90,000	2,250	45,000	45,000
	West Tripura	Boys	160	4,500	7,20,000	2,250	3,60,000	3,60,000
Girls		218	4,500	9,81,000	2,250	4,90,500	4,90,500	
Total:			1,487		66,91,500		33,45,750	33,45,750
Total Boys:			519		23,35,500		11,67,750	11,67,750
Total Girls:			968		43,56,000		21,78,000	21,78,000

Appendix 2.4.1 (contd...)

Statement showing the year-wise and district-wise details of payment of hostellers' scholarship to the students in which the schools/ institutions had no hostel facility

(Reference: Paragraph 2.4)

Year	District	Category	No. of students paid hostel scholarship without hostel facility in school	Scholarship rate for hosteller (revised rate)	Amount disbursed at hosteller rate	Scholarship rate for day scholar (pre revised rate)	Amount to be disbursed at day scholar rate	Excess amount disbursed
1	2	3	4	5	6 (4x5)	7	8 (4x7)	9 (6-8)
Payment for eight months								
2019-20	Dhalai	Boys	13	5,200 ²³²	67,600	1,950 ²³³	25,350	42,250
		Girls	80	5,200	4,16,000	1,950	1,56,000	2,60,000
	Gomati	Boys	59	5,200	3,06,800	1,950	1,15,050	1,91,750
		Girls	133	5,200	6,91,600	1,950	2,59,350	4,32,250
	Khowai	Boys	138	5,200	7,17,600	1,950	2,69,100	4,48,500
		Girls	251	5,200	13,05,200	1,950	4,89,450	8,15,750
	North Tripura	Boys	26	5,200	1,35,200	1,950	50,700	84,500
		Girls	85	5,200	4,42,000	1,950	1,65,750	2,76,250
	Sepahijala	Boys	63	5,200	3,27,600	1,950	1,22,850	2,04,750
		Girls	86	5,200	4,47,200	1,950	1,67,700	2,79,500
	South Tripura	Boys	18	5,200	93,600	1,950	35,100	58,500
		Girls	57	5,200	2,96,400	1,950	1,11,150	1,85,250
	Unakoti	Boys	5	5,200	26,000	1,950	9,750	16,250
		Girls	25	5,200	1,30,000	1,950	48,750	81,250
	West Tripura	Boys	155	5,200	8,06,000	1,950	3,02,250	5,03,750
		Girls	205	5,200	10,66,000	1,950	3,99,750	6,66,250
	Total:			1,399		72,74,800		27,28,050
Total Boys:			477		24,80,400		9,30,150	15,50,250
Total Girls:			922		47,94,400		17,97,900	29,96,500

²³² ₹ 525 x 8 + ₹ 1,000 annual books and Ad-hoc grant= ₹ 5,200

²³³ ₹ 150 x 8 + ₹ 750 annual books and Ad-hoc grant= ₹ 1,950

Appendix 2.4.1 (contd...)

Statement showing the year-wise and district-wise details of payment of hostellers' scholarship to the students in which the schools/ institutions had no hostel facility

(Reference: Paragraph 2.4)

Year	District	Category	No. of students paid hostel scholarship without hostel facility in school	Scholarship rate for hosteller (revised rate)	Amount disbursed at hosteller rate	Scholarship rate for day scholar (pre revised rate)	Amount to be disbursed at day scholar rate	Excess amount disbursed
1	2	3	4	5	6 (4x5)	7	8 (4x7)	9 (6-8)
Payment for two months								
2019-20	Dhalai	Boys	13	1,050 ²³⁴	13,650	450 ²³⁵	5,850	7,800
		Girls	80	1,050	84,000	450	36,000	48,000
	Gomati	Boys	59	1,050	61,950	450	26,550	35,400
		Girls	133	1,050	1,39,650	450	59,850	79,800
	Khowai	Boys	138	1,050	1,44,900	450	62,100	82,800
		Girls	251	1,050	2,63,550	450	1,12,950	1,50,600
	North Tripura	Boys	26	1,050	27,300	450	11,700	15,600
		Girls	85	1,050	89,250	450	38,250	51,000
	Sepahijala	Boys	63	1,050	66,150	450	28,350	37,800
		Girls	86	1,050	90,300	450	38,700	51,600
	South Tripura	Boys	18	1,050	18,900	450	8,100	10,800
		Girls	57	1,050	59,850	450	25,650	34,200
	Unakoti	Boys	5	1,050	5,250	450	2,250	3,000
		Girls	25	1,050	26,250	450	11,250	15,000
	West Tripura	Boys	155	1,050	1,62,750	450	69,750	93,000
Girls		205	1,050	2,15,250	450	92,250	1,23,000	
Total:			1,399		14,68,950		6,29,550	8,39,400
Total Boys:			477		5,00,850		2,14,650	2,86,200
Total Girls:			922		9,68,100		4,14,900	5,53,200
Grand Total			1,399		87,43,750		33,57,600	53,86,150
Boys			477		29,81,250		11,44,800	18,36,450
Girls			922		57,62,500		22,12,800	35,49,700

²³⁴ ₹ 525 x 2 = ₹ 1,050²³⁵ ₹ 225 x 2 = ₹ 450

Appendix 2.4.1 (concl.)

Statement showing the year-wise and district-wise details of payment of hostellers' scholarship to the students in which the schools/ institutions had no hostel facility

(Reference: Paragraph 2.4)

Year	District	Category	No. of students paid hostel scholarship without hostel facility in school	Scholarship rate for hosteller	Amount disbursed at hosteller rate	Scholarship rate for day scholar	Amount to be disbursed at day scholar rate	Excess amount disbursed
1	2	3	4	5	6 (4x5)	7	8 (4x7)	9 (6-8)
2020-21	Dhalai	Boys	1	6,250	6,250	3,000	3,000	3,250
		Girls	43	6,250	2,68,750	3,000	1,29,000	1,39,750
	Gomati	Boys	42	6,250	2,62,500	3,000	1,26,000	1,36,500
		Girls	101	6,250	6,31,250	3,000	3,03,000	3,28,250
	Khowai	Boys	139	6,250	8,68,750	3,000	4,17,000	4,51,750
		Girls	250	6,250	15,62,500	3,000	7,50,000	8,12,500
	North Tripura	Boys	13	6,250	81,250	3,000	39,000	42,250
		Girls	56	6,250	3,50,000	3,000	1,68,000	1,82,000
	Sepahijala	Boys	21	6,250	1,31,250	3,000	63,000	68,250
		Girls	33	6,250	2,06,250	3,000	99,000	1,07,250
	South Tripura	Boys	14	6,250	87,500	3,000	42,000	45,500
		Girls	53	6,250	3,31,250	3,000	1,59,000	1,72,250
	Unakoti	Boys	3	6,250	18,750	3,000	9,000	9,750
		Girls	20	6,250	1,25,000	3,000	60,000	65,000
West Tripura	Boys	118	6,250	7,37,500	3,000	3,54,000	3,83,500	
	Girls	146	6,250	9,12,500	3,000	4,38,000	4,74,500	
Total:			1,053		65,81,250		31,59,000	34,22,250
Total Boys:			351		21,93,750		10,53,000	11,40,750
Total Girls:			702		43,87,500		21,06,000	22,81,500
2021-22	Dhalai	Boys	8	6,250	50,000	3,000	24,000	26,000
		Girls	128	6,250	8,00,000	3,000	3,84,000	4,16,000
	Gomati	Boys	133	6,250	8,31,250	3,000	3,99,000	4,32,250
		Girls	304	6,250	19,00,000	3,000	9,12,000	9,88,000
	Khowai	Boys	90	6,250	5,62,500	3,000	2,70,000	2,92,500
		Girls	211	6,250	13,18,750	3,000	6,33,000	6,85,750
	North Tripura	Boys	13	6,250	81,250	3,000	39,000	42,250
		Girls	63	6,250	3,93,750	3,000	1,89,000	2,04,750
	Sepahijala	Boys	34	6,250	2,12,500	3,000	1,02,000	1,10,500
		Girls	52	6,250	3,25,000	3,000	1,56,000	1,69,000
	South Tripura	Boys	22	6,250	1,37,500	3,000	66,000	71,500
		Girls	77	6,250	4,81,250	3,000	2,31,000	2,50,250
	Unakoti	Boys	5	6,250	31,250	3,000	15,000	16,250
		Girls	31	6,250	1,93,750	3,000	93,000	1,00,750
West Tripura	Boys	153	6,250	9,56,250	3,000	4,59,000	4,97,250	
	Girls	149	6,250	9,31,250	3,000	4,47,000	4,84,250	
Total:			1,473		92,06,250		44,19,000	47,87,250
Total Boys			458		28,62,500		13,74,000	14,88,500
Total Girls			1,015		63,43,750		30,45,000	32,98,750
Grand Total			6,653		3,68,07,250		1,70,73,600	1,97,33,650
Grand Total Boys:			2,292		1,25,64,500		58,35,300	67,29,200
Grand Total Girls:			4,361		2,42,42,750		1,12,38,300	1,30,04,450

Source: Database of Pre-Matric Scholarship from Tribal Welfare Department

Appendix 2.5.1

Statement showing payment of excess scholarship for the year 2019-20 (as on 7 December 2020)

(Reference: Paragraph 2.5)

Category	Nos. of beneficiaries	Rate of Scholarship	Total Scholarship extended	Scholarship to be extended to students		Annual Books and Ad-hoc Grant	Total scholarship to be extended	Excess scholarship extended
				for eight months ²³⁶ as per pre revised rate	for two months ²³⁷ as revised rate			
1	2	3	4 (2x3)	5	6	7	8 (5+6+7)	8 (4-8)
Hosteller	3,589	₹ 6,250 ²³⁸	₹ 2,24,31,250	₹ 1,00,49,200 (₹ 350x3,589x8)	₹ 37,68,450 (₹ 525 x 3,589x2)	₹ 35,89,000 (₹ 1,000x3,589)	₹ 1,74,06,650	₹ 50,24,600
Day scholar	7,391	₹ 3,000 ²³⁹	₹ 2,21,73,000	₹ 88,69,200 (₹ 150x7,391x8)	₹ 33,25,950 (₹ 225 x 7,391x2)	₹ 55,43,250 (₹ 750x7,391)	₹ 1,77,38,400	₹ 45,34,600
Total:	10,980		₹ 4,46,04,250	₹ 1,89,18,400	₹ 70,94,400	₹ 91,32,250	₹ 3,51,45,050	₹ 94,59,200

Source: Database provided by the Departmental

²³⁶ From April 2019 to November 2019²³⁷ December 2020 and January 2021²³⁸ (₹ 525x10) + ₹ 1,000 = ₹ 6,250²³⁹ (₹ 225x10) + ₹ 750 = ₹ 3,000

Appendix 2.5.2

Statement showing district wise excess payment of Pre-Metric scholarship to beneficiaries under Schedule Tribe category for the year 2019-20 (as on 7 December 2020)

(Reference: Paragraph 2.5)

(in ₹)

District	Category	Nos. of beneficiaries	Monthly pre-revised rate	Monthly revised rate	Total Scholarship extended	Scholarship to be extended for eight months (from April to Nov. 2019) as per pre revised rate	Scholarship to be extended for two months (Dec. 2020 and Jan. 2021) as revised rate	Total scholarship to be extended	Excess scholarship extended
1	2	3	4	5	6=(3x5) x10	7= (3x4) x 8	8= (3x5) x 2	9= (7+8)	10= (6-9)
Dhalai	Hosteller	283	450	625	17,68,750	10,18,800	3,53,750	13,72,550	3,96,200
	Day scholar	1,497	225	300	44,91,000	26,94,600	8,98,200	35,92,800	8,98,200
Gomati	Hosteller	643	450	625	40,18,750	23,14,800	8,03,750	31,18,550	9,00,200
	Day scholar	1,215	225	300	36,45,000	21,87,000	7,29,000	29,16,000	7,29,000
Khowai	Hosteller	727	450	625	45,43,750	26,17,200	9,08,750	35,25,950	10,17,800
	Day scholar	762	225	300	22,86,000	13,71,600	4,57,200	18,28,800	4,57,200
North Tripura	Hosteller	426	450	625	26,62,500	15,33,600	5,32,500	20,66,100	5,96,400
	Day scholar	378	225	300	11,34,000	6,80,400	2,26,800	9,07,200	2,26,800
Sepahijala	Hosteller	351	450	625	21,93,750	12,63,600	4,38,750	17,02,350	4,91,400
	Day scholar	774	225	300	23,22,000	13,93,200	4,64,400	18,57,600	4,64,400
South Tripura	Hosteller	332	450	625	20,75,000	11,95,200	4,15,000	16,10,200	4,64,800
	Day scholar	1,805	225	300	54,15,000	32,49,000	10,83,000	43,32,000	10,83,000
Unakoti	Hosteller	107	450	625	6,68,750	3,85,200	1,33,750	5,18,950	14,9,800
	Day scholar	369	225	300	11,07,000	6,64,200	2,21,400	8,85,600	2,21,400
West Tripura	Hosteller	714	450	625	44,62,500	25,70,400	8,92,500	34,62,900	9,99,600
	Day scholar	590	225	300	17,70,000	10,62,000	3,54,000	14,16,000	3,54,000
Districts/ Place from Other States	Hosteller	6	450	625	37,500	21,600	7,500	29,100	8,400
	Day scholar	1	225	300	3,000	1,800	600	2,400	600
Total		10,980			4,46,04,250	2,62,24,200	89,20,850	3,51,45,050	94,59,200

Source: Database provided by the Departmental

Appendix 3.2.1

District-wise ineligible beneficiaries detected as of March 2023

*{Reference: Paragraph 3.2.2.3(i)}**(in ₹)*

Sl. No.	Name of the district	No. of ineligible beneficiaries detected	Total payments credited to ineligible beneficiaries		
			No. of farmers received minimum one instalment	No. of instalments received	Total payments
1	Dhalai	48	45	292	5,84,000
2	Gomati	1,202	1,100	6,373	1,27,46,000
3	Khowai	137	127	1,116	22,32,000
4	North Tripura	638	633	5,885	1,17,70,000
5	Sepahijala	131	112	706	14,12,000
6	South Tripura	119	117	1,026	20,52,000
7	Unakoti	16	15	138	2,76,000
8	West Tripura	620	614	5,358	1,07,16,000
Total		2,911	2,763	20,894	4,17,88,000

Source: Database furnished by SNO

Appendix 3.2.2

Employees of State Government registered under PM KISAN Scheme as of March 2023

*{Reference: Paragraph 3.2.2.3(ii)}**(in ₹)*

SL No.	Name of the district	No. of government employee registered	No. of installments received	Amount paid to the government employee
1	Dhalai	16	123	2,46,000
2	Gomati	59	413	8,26,000
3	Khowai	21	162	3,24,000
4	North Tripura	67	489	9,78,000
5	Sepahijala	81	550	11,00,000
6	South Tripura	33	227	4,54,000
7	Unakoti	17	122	2,44,000
8	West Tripura	43	306	6,12,000
Total		337	2,392	47,84,000

Source: Database of SNO and HRMS

Appendix 3.2.3

District-wise death beneficiaries reported as of March 2023

{Reference: Paragraph 3.2.2.3(iii)}

(in ₹)

Sl. No.	Name of the district	No. of death beneficiaries reported	Total payments credited to death beneficiaries post death		
			No. of beneficiaries received minimum one instalment	No. of installments received	Total payments
1	Dhalai	226	164	534	10,68,000
2	Gomati	65	49	163	3,26,000
3	Khowai	111	93	324	6,48,000
4	North Tripura	267	138	376	7,52,000
5	Sepahijala	135	116	338	6,76,000
6	South Tripura	144	111	365	7,30,000
7	Unakoti	74	60	226	4,52,000
8	West Tripura	133	117	384	7,68,000
Total		1,155	848	2,710	54,20,000

Source: Database furnished by SNO

Appendix 3.2.4

District-wise income tax payee farmers as of March 2023

(Reference: Paragraph 3.2.2.3(iv))

(in ₹)

Sl. No.	Name of the district	Total No. of income tax payee farmers	No. of income tax payee farmers received minimum one instalment	No. of instalments received by income tax payee farmers	Total fund received by income tax payee farmers
1	Dhalai	85	84	600	12,00,000
2	Gomati	211	202	1,327	26,54,000
3	Khowai	116	109	766	15,32,000
4	North Tripura	326	319	2,222	44,44,000
5	Sepahijala	326	308	2,037	40,74,000
6	South Tripura	263	258	1,849	36,98,000
7	Unakoti	86	82	668	13,36,000
8	West Tripura	280	275	1,890	37,80,000
Total		1,693	1,637	11,359	2,27,18,000

Source: Database furnished by SNO

Appendix 3.2.5
Details of ownership of land in different name against 29 cases and amounts disbursed
{Reference: Paragraph 3.2.2.4(i)}

(in ₹)

Sl. No.	Registration No.	Name as per Self Declaration Forms	Name as per land records	No. of Instalments (@ ₹ 2,000)	Amount paid as of September 2023
1	TR157513785	Khokan Choudhury	Abinash Ch. Sarkar	13	26,000
2	TR270675058	Loknath Debbarma	Haradhan Debbarma	11	22,000
3	TR155226944	Nabarun Chowdhury	Nityananda Chowdhury	13	26,000
4	TR157523492	Tutan Chowdhury	Khirud Chowdhury	3	6,000
5	TR144179261	Gayati Debbarma	Chandra Nath Debbarma	13	26,000
6	TR144352240	Kshebukrai Debbarma	Nishan Debbarma	13	26,000
7	TR277706808	Biswarai Debbarma	Ramabali Debbarma	10	20,000
8	TR226326617	Rabindra Debnath	Madan Mohan Debnath	13	26,000
9	TR147656995	Jitendra Debbarma	Ramcharan Debbarma	13	26,000
10	TR226397442	Radha Nath Debbarma	Brajendra Ch. Debbarma	13	26,000
11	TR292339071	Badhan Debbarma	Jamini Debbarma	7	14,000
12	TR270062130	Sunil Debbarma	Bhuban Ch. Debbarma	9	18,000
13	TR226397367	Juddha Mani Debbarma	Manicharan Debbarma	13	26,000
14	TR289268653	Sujit Bhowmik	Subhash Ch. Bhowmik	8	16,000
15	TR145638762	Harun Miah	Sultan Miah	13	26,000
16	TR289268742	Rina Bala Das	Satayajit Das	8	16,000
17	TR224411178	Ashutosh Nath	Ananda Mohan Debnath	13	26,000
18	TR153808472	Shankar Debnath	Thakur Mani Nath	13	26,000
19	TR226381357	Sunati Das	Rajendra Kr. Das	13	26,000
20	TR226379313	Kamakhya Das	Jogesh Ch. Das	13	26,000
21	TR226394424	Amulya Kumar Das	Hara Kumar Das	13	26,000
22	TR278141464	Nikhil Nath	Nanda Kumar Nath	10	20,000
23	TR117738625	Hiralal Nuniya	Budhua Nuniya	13	26,000
24	TR156669937	Ranai Malakar	Prahlad Malakar	13	26,000
25	TR152681663	Bharat Halam	Nun Halam	13	26,000
26	TR224367016	Niyaj Ali	Alim Miah	13	26,000
27	TR211805684	Armuj Ali	Rakib Ali	13	26,000
28	TR268385322	Abdul Hachib	Abdul Hashim	11	22,000
29	TR152779090	Akhil Das	Abani Mohan Das	13	26,000
Total No. of instalments and amount paid				337	6,74,000

Appendix 3.2.6
Disbursement of fund to non-agriculture land holders
{Reference: Paragraph 3.2.2.4(ii)}

(in ₹)

Sl. No.	Registration No.	Name of beneficiaries	Name of Village block & district	No. of instalments @ of ₹ 2000)	Amt. received as of September 2023
1	TR144401106	Dhanchandra Kalai	Brahmachhara,	13	26,000
2	TR145614019	Sunil Sarkar	Teliamura, Khowai	13	26,000
3	TR152865633	Budha Laxmi Debbarma	Uttar Pulinpur , Teliamura, Khowai	13	26,000
4	TR148587956	Anil Debbarma	Chakmaghar, Teliamura, Khowai	13	26,000
5	TR152595562	Chanshwari Debbarma	Ratanpur , Padmabil, Khowai	13	26,000
6	TR226363678	Bel Pati Debbarma		13	26,000
7	TR148878971	Nanda Lal Roy	Pekuchhara, Panisagar, North Tripura	13	26,000
Total				91	1,82,000

Source: Records furnished by SA and PM-KISAN portal

Appendix 3.2.7

Short disbursement of instalments

{Reference Paragraph 3.2.2.5(i)}

(Amount in ₹)

Sl. No.	Name of the District	Number of beneficiary not receiving 1st instalment	Amount	Number of beneficiary not receiving 1st and 2nd instalment	Amount	Number of beneficiary not receiving 1st, 2nd and 3rd instalment	Amount	Number of beneficiary not receiving 1st, 2nd, 3rd and 4th instalment	Amount	Amount of non receiving of multiple instalments (Column 6+8+10)
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>
1	Dhalai	123	2,46,000	0	0	0	0	3	24,000	24,000
2	Gomati	44	88,000	0	0	0	0	0	0	0
3	Khowai	109	2,18,000	1	4,000	1	6,000	1	8,000	18,000
4	North Tripura	250	5,00,000	1	4,000	1	6,000	0	0	10,000
5	Sepahijala	402	8,04,000	0	0	1	6,000	5	40,000	46,000
6	South Tripura	94	18,8,000	0	0	0	0	2	16,000	16,000
7	Unakoti	19	38,000	0	0	0	0	0	0	0
8	West Tripura	65	1,30,000	0	0	2	12,000	1	8,000	20,000
Total		1,106	22,12,000	2	8,000	5	30,000	12	96,000	1,34,000

Source: Beneficiary Status Report

Note: Total beneficiaries = 1,106+2+5+12 = 1,125; Total amount involved = ₹ 22,12,000+ ₹ 1,34,000 = ₹ 23,46,000

Appendix 3.2.8

Scheme benefits credited to wrong bank account

*{Reference: Paragraph 3.2.2.6(ii)}**(in ₹)*

Sl. No.	Name	Name of districts and blocks	Registration No	Wrong account	Correct bank account	Amt. credited into wrong bank account
01.	Sudhir Chandra Nath	SNO, Agartala	TR125006083	**1631	8044020001531	14,000
02.	Madan Debnath	Sepahijala Bishramganj,	TR291152993	**6323	8027020006923	8,000
03.	Babul Nath	North Tripura, Panisagar	TR288169577	**0006	8080026000008	2,000
04.	Nripendra Nath	-do-	TR125980779	**1267	8090012001367	14,000
05.	Mantulal Das	-do-	TR152772200	**3220	0035120600003002	12,000
06.	Premananda Nath	-do-	TR145737494	**2048	8077012312948	14,000
07.	Hanif Uddin	-do-	TR211859036	**3485	000612060003458	12,000
08.	Manimohan Sinha	-do-	TR152644130	**2063	8086029002083	12,000
09.	Harekrishna Saha	-do-	TR268611508	**6535	30560076126	4,000
10.	Kirendra Das	-do-	TR151001143	**3138	000612060003183	20,000
11.	Sudhanya Reang	North Tripura, Kanchanpur	TR155237829	**1308	32771527690	18,000
12.	Nirbai Ray Reang	-do-	TR224436837	**0575	00 1612060000757	16,000
13.	Nitai Chandra Bhowmik	-do-	TR125052941	**8468	8087020003055	6,000
14.	Joy Babu Reang	-do-	TR278251110	**5285	38059179534	10,000
15.	Lalmohan Reang	-do-	TR144148288	**2344	8076020004270	18,000
16.	Dai Borani Reang	-do-	TR147585935	**0227	8084012588733	18,000
17.	Adeda Khatun	-do-	TR285040145	**2639	0 64910032848	4,000

Appendix 3.2.8 (concl.)

Scheme benefits credited to wrong bank account

*{Reference: Paragraph 3.2.2.6(ii)}**(in ₹)*

Sl. No.	Name	Name of districts and blocks	Registration No.	Wrong account	Correct bank account	Amt. credited into wrong bank account
18.	Alena Khatun	-do-	TR285916931	**4928	36300287962	4,000
19.	Amena	-do-	TR285912867	**4671	41830933156	4,000
20.	Anjuna Khatun	-do-	TR285918180	**7751	684102120078013	4,000
21.	Anuwara Begum	-do-	TR285730665	**7802	3945266013	4,000
22.	Arjun Das	-do-	TR270709674	**4390	0770010224390	12,000
23.	Bipul Kumar Chakma	-do-	TR125057855	**4270	290501000004270	18,000
24.	Milan Chakma	-do-	TR154281992	**0219	004812060000218	20,000
25.	Biswa Karma Debbarma	Khowai, Teliamura	TR117731644	**5305	8031012034515	6,000
26.	Kehetra Mohan Debbarma	-do-	TR145829424	**0377	81030115003377	20,000
27.	Dhan Kumar Debbarma	-do-	TR152797434	**0503	8103011400368	8,000
28.	Arun Debnath	-do-	TR146990167	**1642	8031020001692	20,000
29.	Sujit Debbarma	-do-	TR226378889	**3964	8103020003969	20,000
30.	Niru Kumar Debbarma	-do-	TR145832088	**0180	8103020003108	20,000
Total amount credited in wrong bank account						3,62,000

Appendix 3.2.9

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
1	TR144378550	Shameshwar Chakma	Dhalai	002812060001917	12	Yes	24,000
2	TR144250916	Raramati Reang	Dhalai	002812060001917	13	No	
3	TR144095758	Bishwajit Debbrama	Dhalai	005912060000055	9	Yes	18,000
4	TR224434988	Ramba Bati Reang	Dhalai	005912060000055	12	No	
5	TR261856462	Dibana Tripura	Dhalai	28320110015742	2	Yes	4,000
6	TR144102184	Smt Sabita Reang	Dhalai	28320110015742	7	No	
7	TR288719780	Samsera Begum	Sepahijala	000011830931499	2	Yes	4,000
8	TR288720468	Subham Biswas	Sepahijala	00011830931499	7	Yes	14,000
9	TR288719630	Som Murmu	Sepahijala	011830931499	2	Yes	4,000
10	TR288720471	Thetan Baske	Sepahijala	0011830931499	2	Yes	4,000
11	TR224366233	Narayan Ch. Das	Khowai	1372010172509	10	Yes	20,000
12	TR154604859	Dipak Das	Khowai	1372010172509	11	Yes	22,000
13	TR124952856	Gopal Yadab	North Tripura	10987717226	7	No	
14	TR124935443	Rina Malakar	North Tripura	10987717226	3	Yes	6,000
15	TR144364473	Dwijendra Chandra Nath	North Tripura	000612060006549	13	No	
16	TR226396468	Dwigendra Kumar Debnath	North Tripura	612060006549	5	Yes	10,000
17	TR211741027	Fulajan Bibi	North Tripura	000612061115611	3	No	
18	TR225929603	Fuljan Bibi	North Tripura	000612061115611	3	Yes	6,000
19	TR288632487	Arsad Ali	Gomati	000036026591054	1	Yes	2,000

Appendix 3.2.9 (contd...)

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
20	TR288634729	Arsad Ali	Gomati	0000036026591054	1	Yes	2,000
21	TR288631830	Arsad Ali	Gomati	36026591054	7	Yes	14,000
22	TR288633348	Arsad Ali	Gomati	00036026591054	1	Yes	2,000
23	TR288631832	Arsad Ali	Gomati	036026591054	1	Yes	2,000
24	TR288632488	Arsad Ali	Gomati	00000036026591054	4	Yes	8,000
25	TR288631831	Arsad Ali	Gomati	0036026591054	1	Yes	2,000
26	TR288680587	Gulesa	Gomati	000036546833048	5	Yes	10,000
27	TR288684019	Gulesa	Gomati	00036546833048	4	Yes	8,000
28	TR288684326	Gulesa	Gomati	0036546833048	4	Yes	8,000
29	TR288684020	Gulesa Das	Gomati	00000036546833048	1	Yes	2,000
30	TR288680588	Gulesa	Gomati	036546833048	4	Yes	8,000
31	TR288676381	Gulesa Khatun	Gomati	0000036546833048	4	Yes	8,000
32	TR288634725	Anita Singha	Gomati	0036220910445	1	Yes	2,000
33	TR288634726	Anita Singha	Gomati	00036220910445	1	Yes	2,000
34	TR288632484	Anita Singha	Gomati	036220910445	4	Yes	8,000
35	TR288631767	Anita Singha	Gomati	0000036220910445	1	Yes	2,000
36	TR288635533	Anita Singha	Gomati	00000036220910445	4	Yes	8,000
37	TR288613890	Anjuna Khatun	Gomati	036407302573	1	Yes	2,000
38	TR288613891	Anjuna Khatun	Gomati	00036407302573	1	Yes	2,000
39	TR288615733	Anjuna Khatun	Gomati	00000036407302573	4	Yes	8,000
40	TR288615596	Anjuna Khatun	Gomati	000036407302573	1	Yes	2,000
41	TR288614684	Anjuna Khatun	Gomati	36407302573	4	Yes	8,000

Appendix 3.2.9 (contd...)

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
42	TR288615643	Anjuna Khatun	Gomati	0036407302573	4	Yes	8,000
43	TR288684091	Golai Singha	Gomati	038708519216	4	Yes	8,000
44	TR288684082	Anjuna Khatun	Gomati	00000038708519216	1	Yes	2,000
45	TR288676337	Chanu Singha	Gomati	0000038708519216	5	Yes	10,000
46	TR288684093	Gopal Singha	Gomati	00038708519216	4	Yes	8,000
47	TR288684012	Dulal Singha	Gomati	0038708519216	1	Yes	2,000
48	TR288676254	Anwar	Gomati	000037543662566	1	Yes	2,000
49	TR288676255	Anwor Alam	Gomati	037543662566	4	Yes	8,000
50	TR288683944	Anwor Hosen	Gomati	0000037543662566	4	Yes	8,000
51	TR288680551	Anwor Ali	Gomati	0037543662566	4	Yes	8,000
52	TR288684042	Anwor Hosen	Gomati	00037543662566	4	Yes	8,000
53	TR288615732	Anika Roy	Gomati	039536940684	1	Yes	2,000
54	TR288613893	Asmita Roy	Gomati	0039536940684	1	Yes	2000
55	TR288613884	Agrina Roy	Gomati	000039536940684	1	Yes	2,000
56	TR288613895	Asusant Roy	Gomati	00039536940684	1	Yes	2,000
57	TR288613894	Asmitarl Roy	Gomati	00000039536940684	1	Yes	2,000
58	TR288614685	Asmira Roy	Gomati	00000035254278751	1	Yes	2,000
59	TR288614683	Aligum Begum	Gomati	0035254278751	1	Yes	2,000
60	TR288612292	Anjuma Begum	Gomati	0000035254278751	1	Yes	2,000
61	TR288612289	Agnian Begum	Gomati	035254278751	1	Yes	2,000
62	TR288680584	Firoz Gandhi	Gomati	00000035931467592	4	Yes	8,000
63	TR288676388	Jahar Ali	Gomati	035931467592	7	Yes	14,000

Appendix 3.2.9 (contd...)

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
64	TR288683969	Bhutku Singha	Gomati	00035931467592	7	Yes	14,000
65	TR288613892	Asdikal Mandal	Gomati	00000037008680449	1	Yes	2,000
66	TR288615593	Afrinal Mandal	Gomati	000037008680449	1	Yes	2,000
67	TR288615730	Adrasal Mandal	Gomati	0037008680449	1	Yes	2,000
68	TR288612291	Alkitar Mandal	Gomati	0000037008680449	1	Yes	2,000
69	TR288676333	Bisho Khatun	Gomati	000039439536750	1	Yes	2,000
70	TR288676332	Bisho Ghosh	Gomati	00039439536750	4	Yes	8,000
71	TR288680558	Bisho Bibi	Gomati	00000039439536750	1	Yes	2,000
72	TR288684285	Bisho Begum	Gomati	0000039439536750	4	Yes	8,000
73	TR288684057	Injila Khatun	Gomati	00035916759991	1	Yes	2,000
74	TR288684104	Injila Khatun	Gomati	000035916759991	1	Yes	2,000
75	TR288684336	Injila Bibi	Gomati	00000035916759991	1	Yes	2,000
76	TR288684335	Injila Begum	Gomati	0000035916759991	4	Yes	8,000
77	TR288635858	Jalima Khatun	Gomati	0035652983828	1	Yes	2,000
78	TR288615651	Gaji Nesa	Gomati	00035652983828	1	Yes	2,000
79	TR288615823	Gani Hali	Gomati	035652983828	1	Yes	2,000
80	TR288632969	Jhari Nesa	Gomati	0000035652983828	1	Yes	2,000
81	TR288684327	Hafij Uddin	Gomati	00036160362926	1	Yes	2,000
82	TR288684371	Jasian Begum	Gomati	0036160362926	1	Yes	2,000
83	TR288680623	Kalima Khatun	Gomati	000036160362926	1	Yes	2,000
84	TR288684292	Faraj Md	Gomati	036160362926	1	Yes	2,000
85	TR288633356	Damij Uddin	Gomati	00000032744330184	1	Yes	2,000

Appendix 3.2.9 (contd...)

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
86	TR288633420	Dilip Das	Gomati	0000032744330184	5	Yes	10,000
87	TR288676406	Jahidul	Gomati	00000034959259984	7	Yes	14,000
88	TR288684330	Hasibul Rahaman	Gomati	000034959259984	7	Yes	14,000
89	TR288684193	Amila Khatun	Gomati	0034959259984	7	Yes	14,000
90	TR288632489	Asakalu Singha	Gomati	0000038287025776	7	Yes	14,000
91	TR288634745	Gopen Das	Gomati	00038287025776	1	Yes	2,000
92	TR288633354	Bikas Singha	Gomati	038287025776	1	Yes	2,000
93	TR288684109	Jaki Alam	Gomati	000037987986722	5	Yes	10,000
94	TR288684060	Jaina I Haque	Gomati	0037987986722	4	Yes	8,000
95	TR288684090	Gariman Nesha	Gomati	00000037987986722	1	Yes	2,000
96	TR288684370	Janki Pal	Gomati	000037988351214	7	Yes	14,000
97	TR288683964	Avinash Kumar	Gomati	0037988351214	4	Yes	8,000
98	TR288680541	Anik Singha	Gomati	0035945859298	7	Yes	14,000
99	TR288684005	Anil Ch. Singha	Gomati	035945859298	7	Yes	14,000
100	TR288676329	Bikash Pal	Gomati	0000035945859298	7	Yes	14,000
101	TR288680544	Anit Singha	Gomati	035874511943	7	Yes	14,000
102	TR288684016	Gopali Singha	Gomati	0000035874511943	1	Yes	2,000
103	TR288676557	Kalpita Singha	Gomati	00000035874511943	4	Yes	8,000
104	TR288684282	Bhamal Singha	Gomati	00000036061894852	1	Yes	2,000
105	TR288684049	Baburam Singha	Gomati	0000036061894852	1	Yes	2,000
106	TR288684094	Gopali Singh	Gomati	0000036500133037	4	Yes	8,000
107	TR288684056	Holika Debnath	Gomati	00000036500133037	4	Yes	8,000

Appendix 3.2.9 (contd...)

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
108	TR288684434	Jyotish Ch. Singha	Gomati	000031533012613	6	Yes	12,000
109	TR288632527	Dhiren Sharma	Gomati	0000031533012613	1	Yes	2,000
110	TR288631835	Ataur Rahaman	Gomati	0000032611210190	1	Yes	2,000
111	TR288633351	Ataur Rahaman	Gomati	00032611210190	6	Yes	12,000
112	TR288680583	Fesi Ahammed	Gomati	36069586974	7	Yes	14,000
113	TR288684211	Kafiluddin	Gomati	0000036069586974	7	Yes	14,000
114	TR288680594	Hamidul Rahaman	Gomati	00037591006130	1	Yes	2,000
115	TR288680534	Ajima Khatun	Gomati	0000037591006130	7	No	
116	TR288613950	Ganga Hemram	Gomati	0000038643029891	4	Yes	8,000
117	TR288614688	Dipu Hemram	Gomati	0000038643029891	4	Yes	8,000
118	TR288676385	Intajul Haque	Gomati	000035009177684	6	Yes	12,000
119	TR288684059	Islam Uddin	Gomati	0035009177684	1	Yes	2,000
120	TR288683978	Dalkhua Asiruddin	Gomati	0038518263734	7	Yes	14,000
121	TR288680593	Hamid Raza	Gomati	000038518263734	1	Yes	2,000
122	TR288684004	Anand Kr. Sah	Gomati	00037028644996	1	Yes	2,000
123	TR288684238	Arbind Kumar	Gomati	000037028644996	7	Yes	14,000
124	TR288683936	Alo Davi Singha	Gomati	032744714660	1	Yes	2,000
125	TR288676250	Alo Davi Singha	Gomati	0032744714660	5	Yes	10,000
126	TR241067755	Jalin Mala Tripura	Gomati	004312060002202	12	No	
127	TR193406240	Atindra Tripura	Gomati	004312060002202	11	Yes	22,000
128	TR288631766	Alpan	Gomati	036020246514	5	Yes	10,000
129	TR288635532	Alpan	Gomati	36020246514	4	Yes	8,000

Appendix 3.2.9 (contd...)

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
130	TR288631842	Dhoda Mahammad	Gomati	036934673413	4	Yes	8,000
131	TR288633357	Dhoda Mahammad	Gomati	00036934673413	1	Yes	2,000
132	TR288633358	Dhoda Mahammad	Gomati	0036934673413	4	Yes	8,000
133	TR288632529	Dhoda Mahammad	Gomati	000036934673413	1	Yes	2,000
134	TR288635780	Dhoda Mahammad	Gomati	36934673413	4	Yes	8,000
135	TR288632528	Dhoda Mahammad	Gomati	0000036934673413	4	Yes	8,000
136	TR288635781	Dhoda Mahammad	Gomati	00000036934673413	4	Yes	8,000
137	TR288676265	Bapi Singha	Gomati	0000034902197987	4	Yes	8,000
138	TR288684053	Bapi Singha	Gomati	034902197987	1	Yes	2,000
139	TR288683999	Aditya Singha	Gomati	00034902197987	4	Yes	8,000
140	TR288684089	ganiju minj	Gomati	000037190476044	1	Yes	2,000
141	TR288684051	badirna mnj	Gomati	00037190476044	1	Yes	2,000
142	TR288676408	janiha minj	Gomati	037190476044	1	Yes	2000
143	TR288680556	Basida Khatun	Gomati	036311971190	1	Yes	2,000
144	TR288684435	Jyotish Ch. Singha	Gomati	00036311971190	1	Yes	2,000
145	TR288632070	Idrish Alam	Gomati	0000032549234325	7	Yes	14,000
146	TR288614681	Ala Uddin	Gomati	000032549234325	7	Yes	14,000
147	TR288684015	Ganu Banu	Gomati	0000036308064039	4	Yes	8,000
148	TR288684023	Hali Md	Gomati	00000036308064039	4	Yes	8,000
149	TR288680540	anesul kadri	Gomati	000039324209430	1	Yes	2,000
150	TR288684172	ajad	Gomati	0039324209430	1	Yes	2,000
151	TR288613883	Afsana	Gomati	00038797813224	4	Yes	8,000

Appendix 3.2.9 (concl.d.)

Groups of beneficiaries holding same bank account number vis-à-vis disbursement of instalment (as of March 2023)

{Reference: Paragraph 3.2.2.6(iii)}

Sl. No.	Reg. No	Farmer Name	District	Bank Account No.	No. of instalment disbursed	Rejected or Ineligible as per Beneficiary Status Report on Web Portal	Irregular disbursement to Ineligible/Inactive beneficiary (₹)
152	TR288348214	Ful Banu	Gomati	0038797813224	4	Yes	8,000
153	TR288676262	Babul Sharma	Gomati	0033143857377	7	Yes	14,000
154	TR288680554	Babita Sharma	Gomati	00033143857377	7	No	
155	TR211839107	Sandhya Rani Jamatia	Gomati	004212060004137	10	Yes	20,000
156	TR224435573	Dayal Sadhan Jamatia	Gomati	004212060004137	10	Yes	20,000
157	TR288632491	Ashiya Khatun	Gomati	0000034018658425	4	Yes	8,000
158	TR288635535	Ashiya Khatun	Gomati	000034018658425	4	Yes	8,000
159	TR289220165	Ayasa Parbin	Gomati	32466040593	7	No	
160	TR289221398	Sahadath Hossain	Gomati	32466040593	1	Yes	2,000
161	TR289221324	Md Sajid	Gomati	35131914347	1	Yes	2,000
162	TR289221333	Niranjan Pal	Gomati	35131914347	1	Yes	2,000
163	TR289223134	Khatuna Begum	Gomati	35949218603	1	Yes	2,000
164	TR289223834	Khatun	Gomati	35949218603	1	Yes	2,000
165	TR144255349	Sarpa Laxmi Tripura	South Tripura	003912060009449	13	No	
166	TR144133379	Sadhan kumar Tripura	South Tripura	003912060009449	13	Yes	26,000
167	TR179347257	Bhairab Sing Reang	South Tripura	663902010000015	13	Yes	26,000
168	TR179348181	Bipa Ray Reang	South Tripura	663902010000015	13	No	
169	TR117701517	Mukta Dhan Murasing	South Tripura	663902010000015	13	No	
Total							10,80,000

Source: Database furnished by the SNO and Web Portal

Appendix 3.2.10

Disbursement of excess payment to different newspaper agencies

(Reference: Paragraph 3.2.2.12)

(Amount in ₹)

Sl. No.	Name of the agency	Category	Admissible amount to be paid	Amount paid	Excess paid
1	Ajker Fariad	B	37,664	52,164	14,490
2	Bartaman Tripura	B	41,633	55,755	14,123
3	Daily Desher Katha	B	1,09,610	1,85,493	75,884
4	Dainik Ganadoot	B	55,010	76,167	21,158
5	Dainik Sambad	A	1,19,543	1,75,329	55,682
6	Ganasambad Patrika	B	51,188	67,500	16,313
7	Jagaran	B	63,473	86,940	23,468
8	Manush Patrika	B	74,393	1,03,005	28,613
9	Pragati Sambad	B	55,801	77,263	21,462
10	Syandan Patrika	A	1,81,965	2,67,036	85,071
11	Tripura Darpan	B	52,553	72,765	20,213
12	Tripura Observer	B	1,06,880	1,47,987	41,108
13	Tripura Times	B	78,488	1,08,675	30,188
14	Vivek	B	54,600	72,000	17,400
Total			1,08,2801	1,54,8079	4,65,173

Source: Information furnished by SNO

Appendix 3.3.1

List of Sand Block IDs issued in the Unakoti District beyond the District Survey Report

(Reference: Paragraph 3.3.6.3)

Sl. No.	Forest Department's. Sl. No.	Block ID Number	Project Proponent name	Mouza name	SDFO/ WLW	Date of approval by the PCCF
1	F/SM/33/19	UNA-53	Sanjay Paul	Purba Ratachhara	Kumarghat	24-09-2019
2	F/SM/12/19	UNA-54	Dibakar Chakraborty	Manu	Kumarghat	24-09-2019
3	F/SM/15/19	UNA-55	Rahul Das	Pabiachara	Kumarghat	24-09-2019
4	F/SM/16/19	UNA-56	Debashis Datta	Paschim Ratachhara	Kumarghat	24-09-2019
5	F/SM/13/19	UNA-57	Nalini Kanta Das	Pabiachara	Kumarghat	24-09-2019
6	F/SM/14/19	UNA-58	Masebbir Ali	Sarada Chara	Kumarghat	24-09-2019
7	F/SM/58/19	UNA-60	Jamal Khan	Dhanbilash	Kailashahar	02-11-2019
8	F/SM/57/19	UNA-61	Tasid Ali	Dhanbilash	Kailashahar	02-11-2019
9	F/SM/60/19	UNA-63	Subadhan Debbarma	Fultali	Kailashahar	02-11-2019
10	F/SM/61/19	UNA-64	Biswajit Debnath (Unit-I)	Kamrangabari	Kailashahar	02-11-2019
11	F/SM/62/19	UNA-65	Gourab Sinha	Radhanagar	Kailashahar	02-11-2019
12	F/SM/206/20	UNA-67	Bidyut Roy	Dhanichara	Kumarghat	19-12-2020
13	F/SM/231/21	UNA-67	Usha Rani Das	Pabiachara	Kumarghat	02-03-2021
14	F/SM/175/20	UNA-69	Bipul Bhattacharjee	PurbaRatachhara	Kumarghat	08-12-2020
15	F/SM/203/20	UNA-70	Sourav Shil	Halai Cherra	Kailashahar	19-12-2020
16	F/SM/207/20	UNA-71	Ananta Nama	Chhantail	Kailashahar	19-12-2020
17	F/SM/204/20	UNA-72	Ramekbal Goyala	Samrurpar	Kailashahar	19-12-2020
18	F/SM/205/20	UNA-73	Ajit Deb	Manu Valley	Kailashahar	19-12-2020
19	F/SM/258/21	UNA-76	Narayan Sarkar	Halaichara	Kailashahar	10-05-2021
20	F/SM/230/21	UNA-77	Fuzail Ahamed	Kailashahar	Kailashahar	02-03-2021
21	F/SM/273/21	UNA-78	Sanku Dey	Chantail	Kailashahar	24-06-2021
22	F/SM/323/22	UNA-82	Parindra Debnath	Kumarghat	Kumarghat	18-07-2022
23	F/SM/306/22	UNA-83	Biswajit Sinha	Chantail	Kailashahar	11-04-2022
24	F/SM/307/22	UNA-84	Parijat Singha	Bilashpur	Kailashahar	11-04-2022
25	F/SM/305/22	UNA-85	Aminul Haque & others	Chantail	Kailashahar	11-04-2022
26	F/SM/341/22	UNA-86	Sabita Das (Dey)	Saidabari	Kumarghat	10-11-2022
27	F/SM/320/22	UNA-87	Sajal Debnath & Akamad Ali	PurbaRatacherra	Kumarghat	27-06-2022
28	F/SM/309/22	UNA-89	Dipu Rani Debbarma	Dhanbilash	Kailashahar	11-04-2022
29	F/SM/310/22	UNA-90	Suhael Ahmed Choudhury	Chantail	Kailashahar	11-04-2022
30	F/SM/308/22	UNA-91	Bikash Sawachi	Chantail	Kailashahar	11-04-2022

Appendix 3.3.2
Loss of revenue due to illegal sand mining
(Reference: Paragraph 3.3.6.4)

Sl. No	Name of the sampled district	Name of the Sub-Division under the District	Location of illegal sand mining	Approx. quantity of sand found at site (in cum)	Rate of royalty per cum (in ₹)	Loss of royalty (in ₹)
1	Unakoti	Kumarghat	Indira Colony, near School Playground, Fatikroy, Kumarghat	500	85.26	42,630
2	Unakoti	Kailashahar	Near approved sand mining site of Parijat Singha, Bilaspur Gournagar Kailashahar	400		34,104
3	Unakoti	Kailashahar	Near the approved sand mining site of Jail Singh Debbarma, Panchamnagar, Chandipur, Kailashahar	350		29,841
4	Unakoti	Kailashahar	Near approved sand mining site of Jail Sing Debbarma, Panchamnagar, Chandipur, Kailashahar	300		25,578
5	Unakoti	Kailashahar	Near Kamranga Bari Bridge at Chaintail, Chandipur, Kailashahar	600		51,156
6	South Tripura	Trishna WLS	Abhaya Range of Trishna Wildlife Sanctuary (WLS)	700		59,682
7	South Tripura	Bagafa	Santirbazar under Bagafa Range	3,500		2,98,410
8	South Tripura	Bagafa	Near Madhaya Pilak High School under Joliabira Kakulia Range	2,000		1,70,520
9	South Tripura	Bagafa	Kakulia Range	200		17,052
10	South Tripura	Sabroom	Paschim Ludhua under Satchand Range	500		42,630
Total						7,71,603

Appendix 3.3.3

Details of illegal sand mining sites found during joint physical verification under two selected districts and their Google Earth images

(Reference: Paragraph 3.3.6.4)

Sl. No	Location of Illegal Sand Mining with GPS Coordinates	Google Earth Pictures		Picture during Physical Verification	Period of illegal sand mining.
1	<p>Photograph 1: Indira Colony, near School Playground, Fatikroy, Kumarghat, Unakoti, 500 cum *LA-24.184602 **LO-92.026275</p>	 <p style="text-align: center;">December 2021</p>	 <p style="text-align: center;">February 2022</p>	 <p style="text-align: center;">June 2023</p>	<p>December 2021 to June 2023</p>
2	<p>Photograph 2: Near approved sand mining site of Parijat Singha, Bilaspur, Gournagar, Kailashahar, Unakoti, 400 cum LA-24.267243 LO-92.025011</p>	 <p style="text-align: center;">December 2018</p>	 <p style="text-align: center;">November 2021</p>	 <p style="text-align: center;">July 2023</p>	<p>July 2023</p>

Appendix 3.3.3 (contd.)

Details of illegal sand mining sites found during joint physical verification under two selected districts and their Google Earth images
(Reference: Paragraph 3.3.6.4)

Sl. No	Location of Illegal Sand Mining with GPS Coordinates	Google Earth images		Picture during Physical Verification	Period of illegal sand mining.
3	Photograph 3: Near approved sand mining site of Jail Sing Debbarma, Panchamnagar, Chandipur, Kailashahar, Unakoti, 350 cum LA-24.216005 LO-91.986051	 December 2021	 November 2022	 July 2023	December 2021 to July 2023
4	Photograph 4: Near the approved sand mining site of Jail Singh Debbarma, Panchamnagar, Chandipur, Kailashahar, Unakoti, 300 cum LA-24.216514 LO-91.986382	 December 2016	 November 2022	 July 2023	December 2016 to July 2023

Appendix 3.3.3 (contd.)

Details of illegal sand mining sites found during joint physical verification under two selected districts and their Google Earth images

(Reference: Paragraph 3.3.6.4)

Sl. No	Location of Illegal Sand Mining with GPS Coordinates	Google Earth images		Picture during Physical Verification	Period of illegal sand mining.
5	Photograph 5: Near Kamranga Bari bridge at Chaintail, Chandipur, Kailashahar, Unakoti, 600 cum LA-24.30436 LO-92.011862	Not available		 <p style="text-align: center;">July 2023</p>	July 2023
6	Photograph 6: Illegal Sand Mining site under Abhaya Range of Trishna WLS, Trishna, South Tripura District, 700 Cum LA-23.255893 LO-91.488564	 <p style="text-align: center;">February 2022</p>	 <p style="text-align: center;">December 2022</p>	 <p style="text-align: center;">October 2023</p>	February 2022 to October 2023

Appendix 3.3.3 (contd.)

Details of illegal sand mining sites found during joint physical verification under two selected districts and their Google Earth images
(Reference: Paragraph 3.3.6.4)

Sl. No.	Location of Illegal Sand Mining with GPS Coordinates	Google Earth images		Picture during Physical Verification	Period of illegal sand mining.
7	Photograph 7: Santibazar of Bagafa Range under SDFO, Bagafa, South Tripura, 3500 cum LA-23.297660 LO-91.558794	 January 2022	 December 2022	 September 2023	January 2022 to September 2023
8	Photograph 8: Kakulia Range under SDFO, Bagafa, South Tripura, 200 cum LA-23.238957 LO-91.627383	 February 2020	 February 2022	 September 2023	February 2022 to September 2023

Appendix 3.3.3 (concl.)

Details of illegal sand mining sites found during joint physical verification under two selected districts and their Google Earth images

(Reference: Paragraph 3.3.6.4)

Sl. No.	Location of Illegal Sand Mining with GPS Coordinates	Google Earth images		Picture during Physical Verification	Period of illegal sand mining.
9	Photograph 9: Near Madhya Pilak High School under, Joliabari, Kakulia Range under SDFO, Bagafa, South Tripura, 2000 cum LA-23.214217 LO-91.584597	 November 2018	 January 2022	 September 2023	November 2018 to September 2023
10	Photograph 10: Paschim Ludhua of Satchand Range under SDFO Sabroom, South Tripura, 500 cum LA-23.053134 LO-91.731576	 February 2016	 February 2022	 October 2023	February 2016 to October 2023

*LA: Latitude**LO: Longitude

Appendix 3.3.4

Statement showing status of observance of TMMC Rules and EC/ sand mining plan

(Reference: Paragraphs 3.3.6.5(iv), 3.3.6.5(vi), 3.3.7.1, 3.3.7.2, 3.3.7.3)

(Percentage to the total sand mining sites shown in parenthesis)

Sl. No.	Particulars	South Tripura District			Unakoti District				
		No. of sand mining sites visited	Yes	No	Partially	No. of sand mining sites visited	Yes	No	Partially
1	Whether Area of sand mining was demarcated with pillar or boundary marks (as per terms and conditions of EC and TMMC Rules, 2014)	32	30 (93.75)	2 (6.25)	0 (0.00)	24	16 (66.66)	8 (33.33)	0 (0.00)
2	Whether machineries were used for extraction of sand (as per approved sand mining plan)	32	32 (100)	0 (0.00)	0 (0.00)	24	22 (91.66)	2 (8.33)	0 (0.00)
3	Whether the lessee has submitted the monthly return (in Form-H) on minerals raised to the PCCF/DFO/CCF, as the case may be, by 15 th Day of the following month (as per Rule 41(3) of TMMC Rules, 2014)	32	31 (96.88)	1 (3.12)	0 (0.00)	24	0 (0.00)	24 (100)	0 (0.00)
4	Whether the lease has submitted the quarterly royalty statement (in Form-I) to the Competent Authority by 15 July, 15 October, 15 January and 15 April for the preceding quarters respectively (as per Rule 16(1)(b) of TMMC Rules, 2014)	32	31 (96.88)	1 (3.12)	0 (0.00)	24	0 (0.00)	24 (100)	0 (0.00)
5	Whether the lease has submitted the annual return on minerals raised, despatched, royalty paid, manpower employed, etc. (in Form-J) to the PCCF/DFO/CCF, as the case may be, by the 20 April for the preceding financial year (as per Rule 16(1)(n) of Rule TMMC Rules, 2014)	32	31 (96.88)	1 (3.12)	0 (0.00)	24	0 (0.00)	24 (100)	0 (0.00)

Appendix 3.3.4 (concl.)

Statement showing status of observance of TMMC Rules and EC/ sand mining plan

(Reference: Paragraphs 3.3.6.5(iv), 3.3.6.5(vi), 3.3.7.1, 3.3.7.2, 3.3.7.3)

(Percentage to the total sand mining sites shown in parenthesis)

Sl. No.	Particulars	South Tripura District				Unakoti District			
		No. of sand mining sites visited	Yes	No	Partially	No. of sand mining sites visited	Yes	No	Partially
6	Whether the proponent submitted half-yearly compliance reports as per terms and conditions stipulated in prior Environmental Clearance in hard and soft copies to the Tripura State Pollution Control Board on 1 June and 1 December of each calendar year (as per terms and conditions of EC)	32	0 (0.00)	32 (100)	0 (0.00)	24	0 (0.00)	24 (100)	0 (0.00)
7	Whether any date-wise record was maintained by the lessee of sand mining to keep correct account of quantity of mineral mined out during the year and which is required to be produced before Officer-in-Charge of Central/State Government for inspection. (as per terms and conditions of EC and Rule 16.1 (k) of TMMC Rules, 2014)	32	15 (46.87)	17 (53.13)	0 (0.00)	24	1 (4.17)	23 (95.83)	0 (0.00)
8	Whether inspection of records maintained by the lessee were done by any Officer of the Forest Department or Central or State Government. (as per terms and conditions of EC and Rule 16.1(k) of TMMC Rules, 2014)	32	0 (0.00)	32 (100)	0 (0.00)	24	(0.00)	24 (100)	(0.00)

Appendix 3.5.1

Statement showing recoverable dues from the contractor
(Reference: Paragraph 3.5)

Sl. No.	Particulars	Amount
1	Total value of work done upto 20th RA & Final bill	40,40,26,407
2	Less – Paid upto 19 th RA bill	38,82,02,787
3	Less- Part payment made against 20 th RA & Final bill of ₹ 1,35,64,129	60,00,000
4	Total payment made (Sl. No. 2plus3)	39,42,02,787
5	Balance amount to be paid against 20 th RA & Final bill of ₹ 1,35,64,129 (Sl. No. 1 minus 4)	98,23,620
	Recoveries to be made from contractor	
6	Departmentally issued steel used and recovery to be made	41,83,292
7	Departmentally issued unused steel not returned by the contractor (recovery to be made at double the issue rate) as calculated by Audit	39,19,612
8	Recovery of hiring charges of ADM ²⁴⁰ plant	74,90,340
9	Recovery against empty bitumen drums	1,85,400
10	Income Tax @ one per cent on ₹ 98,23,620	98,236
11	Labour Cess @ one per cent ₹ 98,23,620	98,236
12	CGST and SGST @ two per cent on ₹ 98,23,620	1,96,472
	Total recoveries to be made from contractor (sum of Sl. No. 6 to 12)	1,61,71,588

²⁴⁰ Asphalt Drum Mix Plant

Appendix 3.5.2

Statement showing recoveries to be made by the division against balance unreturned quantity of steel by the contractor
(Reference: Paragraph 3.5)

Particulars	Quantity of steel used as calculated by Audit (in MT)									Calculation shown by the Division (in MT)			Quantity lying with contractor as calculated by audit (in MT)	Money value involved (in ₹)	
	Retaining wall	Road-side drain	CD & Under pass			Covered car parking	Boundary wall	Total	Allowable wastage of 5 per cent	Grand total	Quantity issued (in MT)	Quantity used (in MT)			Quantity lying with contractor (in MT)
AI No.	6	9	4	7	12	5	5	--	--	--	--	--	--	--	--
1	2	3	4	5	6	7	8	9	10	11 (9+10)	12	13	14	15 (12-11)	16
20 mm to 32 mm															
32 mm	0.000	0.000	0.000	0.000	0.000	16.393	0.000	16.393	0.820	17.213	16.505	193.493	0.000	8.955	8.955 x ₹ 36,779
28 mm	0.000	0.000	0.000	0.000	0.000	0.511	0.000	0.511	0.026	0.537	0.745		0.000		
25 mm	16.244	0.000	0.000	0.000	0.000	0.000	0.000	16.244	0.812	17.056	20.150		2.282		
20 mm	93.182	2.398	0.000	23.441	19.481	5.654	0.620	144.776	7.239	152.015	158.375		0.000		
Total	109.426	2.398		23.441	19.481	22.558	0.620	177.924	8.896	186.820	195.775	193.493	2.282	8.955	658711.89
8 mm to 16 mm															
16 mm	40.409	5.707	2.201	52.368	26.739	6.914	4.086	138.424	6.921	145.345	156.983	766.154	4.785	44.206	44.206 x ₹ 36,883
12 mm	127.755	83.739	18.939	24.478	15.349	5.530	46.923	322.713	16.136	338.849	356.180		1.196		
10 mm	66.901	42.923	16.133	8.777	8.413	11.713	15.804	170.664	8.533	179.197	184.810		0.000		
8 mm	2.022	1.980	12.794	7.358	3.236	9.575	30.455	67.420	3.371	70.791	80.415		6.253		
Total	237.087	134.349	50.067	92.981	53.737	33.732	97.268	699.221	34.961	734.182	778.388	766.154	12.234	44.206	3260899.80
Grand total	346.513	136.747	50.067	116.422	73.218	56.290	97.888	877.145	43.857	921.002	974.163	959.647	14.516	53.161	3919611.69

Appendix 4.1.1

Summarised financial position and working results of Government companies and Statutory Corporations as per their latest finalised accounts as on 30 September 2023

(Reference: Paragraphs 4.1.2.1, 4.1.6, 4.1.9, 4.1.9.2, 4.1.9.3 and 4.1.10)

(Figures in columns (5) to (12) are ₹ in crore)

Sl. No.	Sector / name of the Company	Period of Accounts	Year in which accounts finalised	Paid-up Capital @	Loans outstanding at the end of year	Accumulated Profit (+) / Loss (-)	Free Reserve & Surplus	Turnover	Net profit (+)/ loss (-)	Net impact of Audit Comments	Capital Employed*	Return on capital employed	Percentage return on capital employed #	Manpower
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
A. Working Government Companies														
AGRICULTURE & ALLIED														
1	Tripura Forest Development & Plantation Corporation Limited	2020-21	2022-23	9.20	0.00	108.93	0.00	43.13	-0.02	0.00	118.13	-0.22	-0.19	139
2	Tripura Horticulture Corporation Limited	2015-16	2020-21	4.74	0.00	-3.85	0.00	41.28	-0.08	4.41	0.89	-0.08	-8.99	54
3	Tripura Tea Development Corporation Limited	2021-22	2023-24	58.15	0.00	-29.14	0.00	12.18	-2.25	0.00	29.01	-2.25	-7.76	845
4	Tripura Rehabilitation Plantation Corporation Limited	2020-21	2023-24	8.85	0.00	1.78	0.00	18.69	-4.22	0.22	10.63	-4.22	-39.70	131
Sector wise total				80.94	0.00	77.72	0.00	115.28	-6.57	4.63	158.66	-6.77	-4.27	1169.00
FINANCING														
5	Tripura Industrial Development Corporation Limited	2021-22	2023-24	16.17	128.41	-27.04	0.00	6.89	-1.67	47.36	117.54	-1.38	-1.17	47
Sector wise total				16.17	128.41	-27.04	0.00	6.89	-1.67	47.36	117.54	-1.38	-1.17	47

Appendix 4.1.1 (contd.)

Summarised financial position and working results of Government companies and Statutory Corporations as per their latest finalised accounts as on 30 September 2023

(Reference: paragraphs 4.1.2.1, 4.1.6, 4.1.9, 4.1.9.2, 4.1.9.3 and 4.1.10)

(Figures in columns (5) to (12) are ₹ in crore)

Sl. No.	Sector / name of the Company	Period of Accounts	Year in which accounts finalised	Paid-up Capital @	Loans outstanding at the end of year	Accumulated Profit (+) / Loss (-)	Free Reserve & Surplus	Turnover	Net profit (+)/ loss (-)	Net impact of Audit Comments	Capital Employed*	Return on capital employed	Percentage return on capital employed #	Manpower
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
MANUFACTURING														
6	Tripura Jute Mills Limited	2021-22	2022-23	398.23	1.05	-390.97	0.00	0.24	-16.03	44.20	8.31	-16.03	-192.90	121
7	Tripura Small Industries Corporation Limited	2018-19	2022-23	67.62	0.21	-62.48	0.00	8.13	-7.98	0.07	5.35	-7.98	-149.16	71
Sector wise total				465.85	1.26	-453.45	0.00	8.37	-24.01	44.27	13.66	-24.01	-175.77	192
POWER														
8	Tripura State Electricity Corporation Limited	2022-23	2023-24	665.76	798.83	-803.57	61.07	1671.15	-284.33	7.07	722.09	-260.35	-36.06	3057
9	Tripura Power Generation Limited	2022-23	2023-24	0.10	0.00	-0.02	0.00	0.00	-0.01	0.00	0.08	-0.01	-12.50	0
Sector wise total				665.86	798.83	-803.59	61.07	1671.15	-284.34	7.07	722.17	-260.36	-36.05	3057
SERVICES														
10	Tripura Handloom and Handicrafts Development Corporation Limited	2021-22	2023-24	176.15	4.27	-158.38	0.00	5.66	-4.37	8.05	22.04	-4.37	-19.83	147
11	Tripura Urban Transport Company Limited	2021-22	2023-24	0.90	0.00	2.06	0.00	0.26	0.02	0.00	2.96	0.03	1.01	1

Appendix 4.1.1 (contd.)

Summarised financial position and working results of Government companies and Statutory Corporations as per their latest finalised accounts as on 30 September 2023

(Reference: paragraphs 4.1.2.1, 4.1.6, 4.1.9, 4.1.9.2, 4.1.9.3 and 4.1.10)

(Figures in columns (5) to (12) are ₹ in crore)

Sl. No.	Sector / name of the Company	Period of Accounts	Year in which accounts finalised	Paid-up Capital @	Loans outstanding at the end of year	Accumulated Profit (+) / Loss (-)	Free Reserve & Surplus	Turnover	Net profit (+)/ loss (-)	Net impact of Audit Comments	Capital Employed*	Return on capital employed	Percentage return on capital employed #	Manpower
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
12	Tripura Tourism Development Corporation Limited	2021-22	2023-24	13.67	0.00	-1.72	0.00	4.50	0.35	0.00	11.95	0.39	3.26	65
13	Agartala Smart City Limited	2021-22	2023-24	0.10	0.00	-0.24	0.00	0.00	-0.07	0.00	-0.14	-0.07	Not workable	28
Sector wise total				190.82	4.27	-158.28	0.00	10.42	-4.07	8.05	36.81	-4.02	-10.92	241
MISCELLANEOUS														
14	Tripura Natural Gas Company Limited	2022-23	2023-24	30.00	0.12	167.11	0.00	263.59	20.25	0.00	197.23	30.98	15.71	16
Sector wise total				30.00	0.12	167.11	0.00	263.59	20.25	0.00	197.23	30.98	15.71	16
Total A (All sector wise working Government companies)				1449.64	932.89	-1197.53	61.07	2075.70	-300.41	111.38	1246.07	-265.56	-21.31	4722
B. Working Statutory corporation														
SERVICES														
1	Tripura Road Transport Corporation	2019-20	2022-23	163.96	0.25	-288.04	0.00	1.47	0.52	4.85	-123.83	0.52	Not workable	149
Sector wise total				163.96	0.25	-288.04	0.00	1.47	0.52	4.85	-123.83	0.52	Not workable	149
Total B (All sector wise working Statutory Corporation)				163.96	0.25	-288.04	0.00	1.47	0.52	4.85	-123.83	0.52	Not workable	149
Grand Total (A+B)				1613.60	933.14	-1485.57	61.07	2077.17	-299.89	116.23	1122.24	-265.04	-23.62	4871

Appendix 4.1.1 (concl.)

Summarised financial position and working results of Government companies and Statutory Corporations as per their latest finalised accounts as on 30 September 2023

(Reference: paragraphs 4.1.2.1, 4.1.6, 4.1.9, 4.1.9.2, 4.1.9.3 and 4.1.10)

(Figures in columns (5) to (12) are ₹ in crore)

Sl. No.	Sector / name of the Company	Period of Accounts	Year in which accounts finalised	Paid-up Capital @	Loans outstanding at the end of year	Accumulated Profit (+) / Loss (-)	Free Reserve & Surplus	Turnover	Net profit (+)/ loss (-)	Net impact of Audit Comments	Capital Employed*	Return on capital employed	Percentage return on capital employed#	Manpower
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
C. Non working Government companies														
FINANCING														
1	Tripura State Bank Limited	Non functional and in the process of liquidation.												
Sector wise total				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0
Total C (All sector wise non working Government company)				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0
Grand Total (A+B+C)				1613.60	933.14	-1485.57	61.07	2077.17	-299.89	116.23	1122.24	-265.04	-23.62	4871

@ **Paid up capital** includes 'share application money pending allotment'.

***Capital Employed** represents Shareholders' Fund (Net worth) plus Long Term Borrowings; where, Shareholders' Fund represents 'Paid up Share Capital plus Accumulated Profit and Free Reserves & Surplus minus Accumulated Loss and Deferred Revenue Expenditure.

#**Percentage of Return on Capital Employed** is calculated by dividing SPSE's Earnings before Interest and Taxes (EBIT) by the Capital Employed.

Appendix -4.1.2

Statement showing Rate of Real Return on Government Investment

(Reference: Paragraph 4.1.10)

(₹ in crore)

Financial Year	Present value of total investment at the beginning of the year	Equity infused by the State Government during the year	Net interest free loan given by the State Government during the year	Interest free loan converted into equity during the year	Grants/subsidies given by the State Government for operational and administrative expenditure	Disinvestment by the State Government during the year at face value	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year
A	B	C	D	E	F	G	H	I	J	$K = I \times (1+J/100)$	$L = I \times J/100$	M
Upto 1999-2000	0.00	156.02	2.58	0.00	0.00	0.00	158.60	158.60	12.25	178.03	19.43	-10.90
2000-01	178.03	20.44	0.00	0.00	0.00	0.00	20.44	198.47	10.82	219.95	21.47	-11.00
2001-02	219.95	25.33	0.00	0.00	0.00	0.00	25.33	245.28	10.35	270.66	25.39	-25.62
2002-03	270.66	15.53	9.13	0.00	0.00	0.00	24.66	295.32	7.08	316.22	20.91	-8.52
2003-04	316.22	18.35	0.00	0.00	0.00	0.00	18.35	334.57	9.92	367.76	33.19	-8.45
2004-05	367.76	22.99	0.00	0.00	0.00	0.00	22.99	390.75	9.17	426.58	35.83	-18.99
2005-06	426.58	23.40	0.00	0.00	0.00	0.00	23.40	449.98	8.56	488.50	38.52	-19.11
2006-07	488.50	36.22	11.04	0.00	45.00	0.00	92.26	580.76	8.46	629.90	49.13	-16.33
2007-08	629.90	29.07	4.78	0.00	50.00	0.00	83.85	713.75	8.27	772.78	59.03	-9.50
2008-09	772.78	31.13	30.50	0.00	28.06	0.00	89.69	862.47	8.00	931.47	69.00	-19.84
2009-10	931.47	25.79	16.50	0.00	139.56	0.00	181.85	1,113.32	7.98	1,202.16	88.84	-1.97
2010-11	1,202.16	13.27	0.00	0.00	108.94	0.00	122.21	1,324.37	8.88	1,441.97	117.60	-4.36
2011-12	1,441.97	27.29	75.85	0.00	64.05	0.00	167.19	1,609.16	8.41	1,744.49	135.33	-104.98
2012-13	1,744.49	30.94	0.00	0.00	63.43	0.00	94.37	1,838.86	8.44	1,994.06	155.20	-103.46
2013-14	1,994.06	41.27	0.00	0.00	110.09	0.00	151.36	2,145.42	8.53	2,328.43	183.00	-137.51
2014-15	2,328.43	38.88	12.00	0.00	128.31	0.00	179.19	2,507.62	13.18	2,838.12	330.50	-139.06
2015-16	2,838.12	38.48	0.00	0.00	88.79	0.00	127.27	2,965.39	12.95	3,349.41	384.02	-148.41

Appendix 4.1.2 (concl.)

Statement showing Rate of Real Return on Government Investment

(Reference: Paragraph 4.1.10)

(₹ in crore)

Financial Year	Present value of total investment at the beginning of the year	Equity infused by the State Government during the year	Net interest free loan given by the State Government during the year	Interest free loan converted into equity during the year	Grants/subsidies given by the State Government for operational and administrative expenditure	Disinvestment by the State Government during the year at face value	Total investment during the year	Total investment at the end of the year	Average rate of interest	Present value of total investment at the end of the year	Minimum expected return to recover cost of funds for the year	Total earnings/profit after tax (PAT) for the year
A	B	C	D	E	F	G	H	I	J	$K = I \times (1+J/100)$	$L = I \times J/100$	M
2016-17	3,349.41	60.74	13.25	0.00	87.28	0.00	161.27	3,510.68	7.50	3,773.98	263.30	-129.39
2017-18	3,773.98	30.53	0.00	0.00	77.35	0.00	107.88	3,881.86	7.50	4,173.00	291.14	-201.89
2018-19	4,173.00	34.81	0.00	0.00	70.77	0.00	105.58	4,278.58	7.16	4,584.93	306.35	-218.15
2019-20	4,584.93	49.89	0.00	0.00	83.82	0.00	133.71	4,718.64	7.89	5,090.94	372.30	-93.57
2020-21	5,090.94	52.34	0.00	0.00	71.18	0.00	123.52	5,214.46	7.67	5,614.41	399.95	-108.99
2021-22	5,614.41	46.86	0.00	0.00	120.71	0.00	167.57	5,781.98	7.50	6,215.63	433.65	-141.22
2022-23	6,215.63	43.15	100.00	0.00	160.70	0.00	303.85	6,519.48	7.55	7,011.70	492.22	-320.14
TOTAL							2,686.39					

Year	Total earnings/loss in 2022-23	Investment by the State Government as per total of the column H above	Return on State Government investment on the basis of historical value	Present value of State Government investment at the end of 2022-23	Real return on State Government investment considering the present value of investments
	A	B	C	D	E
2022-23	-320.14	2,686.39	-11.92	7,011.70	-4.57

Appendix 4.2.1

Statement of Projects selected for detailed audit scrutiny

(Reference: paragraph 4.2.4)

(` in crore)

Sl. No.	Project/ Component	Implementing Agency (IA)	Sanctioned Cost	Expenditure
AGARTALA CIRCUIT i.e. SDS 1.0 Phase-I				
1.	Light and Sound show at Ujjayanta Palace, Agartala	CEO, ASCL	8.29	5.50 ²⁴¹
Border Ceremony Facility Project at ICP Akhaura, Agartala				
2.	Conference Block	PWD	3.12	5.44
3.	Wayside amenity (cafeteria)	PWD	1.40	
4.	Open air theatre	PWD	2.95	
Sepahijala				
5.	Pedal boats and eco-friendly battery-operated vehicle	TTDCL	1.05	0.17
6.	Log huts (10 Nos.)	Forest Dept.	4.15	1.00
Melaghar				
7.	Construction of open-air stage/theatre at Rajghat	PWD	1.07	2.02 ²⁴²
Udaipur				
8.	Log huts (3 Nos.)	Forest Dept.	1.24	0.61
Narikel Kunja				
9.	Log huts (16 Nos.)	TTDCL	7.05	7.40
Ambassa				
10.	Log huts (3 Nos.)	Forest Dept.	1.24	0.62
Baramura				
11.	Log huts (10 Nos.)	Forest Dept.	4.15	1.06
Mandirghat				
12.	Procurement of Motorised Speed Boats	TTDCL	1.11	0.52
UNAKOTI CIRCUIT				
1.	Construction and Development of Tourism Infrastructure at Surmacherra, Dhalai District, Tripura	L1 Contractor vide Tendering process	6.72	4.66
2.	Construction and Development of Tourism infrastructure at Jampui Hills and Highest Peak, North District, Tripura	-do-	6.48	0.43
3.	Construction and Development of Tourism infrastructure at Chottakhola, South District, Tripura	-do-	5.66	3.17
4.	Construction and Development of Tourism infrastructure at Avangcherra, South District, Tripura	-do-	8.61	2.17

²⁴¹ (₹ 5.33 crore + ₹ 0.17 crore)²⁴² It involves expenditure on other project components executed alongwith sampled components by IA at Melaghar destination detailed in relevant paragraph of report.

Appendix 4.2.1 (concl.)

Statement of Projects selected for detailed audit scrutiny

(Reference: paragraph 4.2.4)

(*₹ in crore*)

Sl. No.	Project/ Component	Implementing Agency (IA)	Sanctioned Cost	Expenditure
UNAKOTI CIRCUIT				
5.	Construction and Development of Tourism infrastructure at Boxanagar, Sepahijala District, Tripura	-do-	5.58	0.57
6.	Conservation and Development works in ASI protected areas in Tripura at Unakoti	-do-	4.61	0.52
7.	Conservation and Development works in ASI protected areas in Tripura at Bhubaneshwari temple, Mahadeb Bari, and Pilak site 02	-do-	1.65	0

Appendix 4.2.2

Overall delay in completion of the SDS projects.

{Reference: Paragraph 4.2.6.2(ii)}

A. Statement of delays in the tendering process and delays in completion of the projects in respect of Agartala Tourist Circuit under SDS

Project Name	Sanctioned Project cost (₹ in lakh)	Delay in entrustment of the Project by TTDCL (in months)	Delay in Tendering (in months)	Delay in completion of project beyond SDS stipulated 30 months (in months)	Delay in completion of project from the Schedule date of completion (in months)
Light & Sound Show Project at Ujjayanta Palace	828.50	44	56	57	9
Border Ceremony Facility at Akhaura					
Conference Block	312.34	0	5	Incomplete	Incomplete
Wayside Amenity (Cafeteria)	140.37	0	5	11	11
Open Air Theatre	295.01	42 ²⁴³	42	Incomplete	Incomplete
Development of Sepahijala					
Log Huts- 10 Nos. (constructed 5 Nos.)	414.54	6 ²⁴⁴	6	17 ²⁴⁵	36
Melaghar Destination: Open Air Stage/Theatre at Rajghat	107.44	0	8	20	18
Udaipur Destination					
Log hut (3 Nos.)	124.36	6	6	17	36
Narikel Kunja Destination: 16 Nos. of Log Huts	704.72	-	51	53 ²⁴⁶	17
Ambassa Destination: Log Huts (3 Nos.)	124.36	6	6	17	36
Baramura Destination: Log Huts- (10 Nos.)	414.54	6	6	17	36

²⁴³ AA & ES dated September 2019 being taken in to consideration for the purpose

²⁴⁴ Log-Huts were developed internally by the Forest Department, GoT. Thus, Work order dated 19 September 2016 being taken in to consideration.

²⁴⁵ Proposed Handing over/ Taking over dated 26 November 2019 being taken in to consideration for the computation of delays in Completion of the Log-Hut Projects.

²⁴⁶ Handing over/ Taking over dated 17 November 2022 being taken in to consideration for the computation of delays in Completion of the Log-Hut Projects.

Appendix 4.2.2 (concl.)

Overall delay in completion of the SDS projects.

*{Reference: Paragraph 4.2.6.2(ii)}***B. Statement of delays in the tendering process and delays in respect of the projects under Unakoti Circuit awaiting their completion till October 2023**

Project Name	Revised Project cost (₹ in lakh)	Delay in Tendering process (in months)	Delays beyond the SDS stipulated 30 months in r/o Projects awaiting completion (in months)	Delays beyond schedule date of completion in r/o Projects awaiting completion (in months)
Surmacherra, Dhalai District, Tripura Project	671.80	14	Incomplete 32	Incomplete 21
Jampui Hills and Highest Peak, North District, Tripura Project	648.12	14	Incomplete 32	Incomplete 23
Chottakhola, South District, Tripura Project	565.60	14	Incomplete 32	Incomplete 23
Avangcherra, South District, Tripura Project	860.54	14	Incomplete 32	Incomplete 21
Boxanagar, Sepahijala District, Tripura Project	557.55	17	Incomplete 32	Incomplete 23
ASI protected areas in Tripura at Unakoti Project	461.05	43	Incomplete 32	-
ASI protected areas in Tripura at Bhubaneshwari temple, Mahadeb Bari and Pilak site 02 Project ²⁴⁷	165.33	43	Incomplete 32	-

²⁴⁷The said Project has been shifted to the Bandaur Site.

Appendix 4.2.3

Component-wise details of projects

{Reference: Paragraph 4.2.6.2(ii)}

Sl. No.	Details of the component	Sanctioned Amount (₹ in crore)	Details of the component	Sanctioned Amount (₹ in crore)
1.	Border Ceremony Facility at Akhaura			
	(a) 62.5 KVA DG set	0.06	(g) Site development	0.48
	(b) Conference block	3.12	(h) Site filling	0.42
	(c) Way-side amenities (cafeteria):	1.40	(i) Signage	0.05
	(d) Open Air Theatre and/or Covered Gallery with barracks	2.95	(j) Solid water and liquid waste management	0.03
	(e) Toilet block	0.38	(k) Solid waste management	0.02
	(f) RC Retaining wall	0.34		
2.	Development of Sepahijala (Melaghar)			
	(a) 1. Two Jetties	0.37,	(b) Signage at Neer Mahal palace	0.05
	2. Gate	0.06	(c) 1. Site development	0.25
	3. Open Air Stage/Theatre at Rajghat	1.07	2. Ticket Counter & Food Kiosk with Toilet block	0.63
	4. Site development	0.25	3. RC Retaining Wall	0.49
	5. Souvenir shop	0.17	4. Signage at Neer Mahal (Access point) plus Contingency @ Three per cent i.e. ₹ 10,38,684	0.05
	6. Signage at Melaghar,	0.06		
3.	Chottakhola, South Tripura District			
	(a) Gazebos both for Park & Picnic Spot-10 numbers	1.00	(g) Welcome gate- 3 numbers	0.40
	(b) Outdoor sitting	0.03	(h) Compound fencing	0.41
	(c) Solar illumination	0.41	(i) Angling platform-3 numbers	0.24
	(d) Public convenience-3 numbers	0.91	(j) Floating jetty	0.15
	(e) Souvenir shop and Cafeteria	0.99	(k) Pathways	0.64
	(f) Solar powered boats-5 numbers	0.47		

Appendix 4.2.3 (contd.)

Component-wise details of projects

{Reference: Paragraph 4.2.6.2(ii)}

Sl. No.	Details of the component	Sanctioned Amount (₹ in crore)	Details of the component	Sanctioned Amount (₹ in crore)
4.	Avangcherra, South Tripura District			
	(a) Tourist facilitation centre	0.83	(i) Solid waste Management	0.14
	(b) Camping ground with infrastructure development	1.16	(j) Crossover bridge	0.40
	(c) Adventure activity zone comprising of aerial forest walkway and high rope course	2.90	(k) Gazebos -4 numbers	0.80
	(d) Landscaping	0.17	(l) Outdoor sitting arrangement with shelter	0.14
	(e) Parking	0.12	(m) Public convenience - 2 numbers	0.36
	(f) Compound fencing and Gate	0.42	(n) Drinking water facility	0.13
	(g) Floating jetty	0.15	(o) Solar powered boat - 5 numbers	0.30
	(h) Internal pathway	0.32	(p) Solar illumination	0.27
5.	Avangcherra, South Tripura District			
	a) Camping ground with infrastructure development	1.16	(d) Gate and Floating Jetty	0.17
	(b) Adventure activity zone comprising of aerial forest walkway and High Rope course	2.90	(e) Solar powered boat	0.30
	(c) Landscaping	0.17	(f) Solar Illumination	0.27
6.	Boxanagar, Sepahijala District			
	(a) Tourist Interpretation Centre with rest rooms	1.15	(g) Retaining wall	0.42
	(b) two public convenience	0.36	(h) Solar illumination of pathways and ruins	0.20
	(c) Solid waste management	0.09	(i) Pathway	0.19
	(d) Signage	0.15	(j) Parking	0.46
	(e) Outdoor sitting with shelter	0.11	(k) Landscaping	0.31
	(f) Boundary wall	0.29	(l) Approach road (1.90 km)	1.83

Appendix 4.2.3 (concl.)

Component-wise details of projects

{Reference: Paragraph 4.2.6.2(ii)}

Sl. No.	Details of the component	Sanctioned Amount (₹ in crore)	Details of the component	Sanctioned Amount (₹ in crore)
7.	ASI Protected areas in Unakoti Project			
	(a) Camping ground with infrastructure development	0.95	(i) Barricading of rock relief base	0.39
	(b) cafeteria	0.83	(j) Landscaping	0.25
	(c) visitor centre	0.66	(k) Open Air Theatre	0.77
	(d) Pathways with lookout points	0.47	(l) Entrance Gateway and Security Fencing	0.50
	(e) Public convenience and drinking water	0.29	(m) Parking	0.51
	(f) Solar power station	0.13	(n) Outdoor sitting	0.19
	(g) Solid waste management	0.14	(o) CCTV	0.16
	(h) Signage	0.15	(p) Wayside amenity at Manu	1.48
8.	ASI protected areas in Tripura at Bhubaneshwari temple, Mahadeb Bari and Pilak site -2 Project			
	Gunabati Temple	0.39	Pilak	0.07
	(a) Parking		(a) Signage	
	(b) Signage	0.07		
	Bhubaneshwari Temple			
	(a) Parking	0.39		
	(b) Outdoor Sitting	0.19		
	(c) Public Toilet – 2 Nos	0.29		
(d) Signage	0.08			
(e) Landscaping	0.18			
9.	Tourism Infrastructure at Jampui Hills & Highest Peak, North Tripura District, Tripura			
	Highest Peak		Jampui Hills	1.94
	(a) Integrated Complex with Cafe, Toilets and Drinking Water	1.15	(a) Wayside Amenities – 02 numbers	
	(b) Parking,	0.31	(b) Signage	0.08
	(c) Pathways	0.32	(c) Welcome Gate (3 Nos.) at Jampui Hills Tourist Destination and components	0.78
	(d) View Point (04 Nos.)	0.51		
	(e) Solar Illumination	0.12		
	(f) Signage & Welcome Gate	0.05		
	(g) Solid Waste Management	0.05		
	(h) Approach Road	1.03		
(i) Landscaping	0.12			

Appendix 5.2.1
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
1	Mismatch in availing of ITC	16AABCR7176C1ZG	31,06,575
2	Mismatch in availing of ITC	16AGKPS6915Q1ZH	20,49,260
3	Mismatch in availing of ITC	16ACYPN3961F1Z3	22,93,443
4	Mismatch in availing of ITC	16AAGCM9000M2ZB	97,63,937
5	Mismatch in availing of ITC	16ACAPR9009C2ZT	81,10,711
6	Mismatch in availing of ITC	16AAACN7335C2ZR	84,45,369
7	Mismatch in availing of ITC	16AAACB8516F1ZX	20,20,106
8	Mismatch in availing of ITC	16AABCB5691A1Z0	33,46,514
9	Mismatch in availing of ITC	16AAACS4457Q1ZT	51,57,146
10	Mismatch in availing of ITC	16ACVPL7331G2Z9	26,75,980
11	Mismatch in availing of ITC	16AABCT9162G1Z8	20,53,608
12	Mismatch in availing of ITC	16AADCC8088Q1ZV	21,87,661
13	Mismatch in availing of ITC	16AAACB5985C1ZS	25,05,926
14	Mismatch in availing of ITC	16AAHCS4907J1Z5	90,69,433
15	Mismatch in availing of ITC	16AMWPS2574H1ZC	1,55,70,309
16	Mismatch in availing of ITC	16AAACH1766P1Z8	28,92,811
17	Mismatch in availing of ITC	16AAACB2100P1Z0	21,56,024
18	Mismatch in availing of ITC	16AADCB0274F1Z3	20,75,155
19	Mismatch in availing of ITC	16AATPI9627C1ZG	16,74,854
20	Mismatch in availing of ITC	16ABKPH9660C2ZM	57,06,878
21	Mismatch in availing of ITC	16AOPM8961L1Z2	62,13,118
22	Mismatch in availing of ITC	16AAIFD9949B1ZA	43,10,706
23	Mismatch in availing of ITC	16ADNPR5161K1Z1	16,54,413
24	Mismatch in availing of ITC	16AHYPS5603C1Z3	21,47,211
25	Mismatch in availing of ITC	16CJLPS9964H1ZB	97,39,348
26	Mismatch in availing of ITC under RCM	16AABFU8226H1Z4	18,90,447
27	Mismatch in availing of ITC under RCM	16ABRPC5152H1Z0	1,57,148
28	Mismatch in availing of ITC under RCM	16AGKPS6784P1Z8	1,51,770
29	Mismatch in availing of ITC under RCM without payment	16AVLPS3607F1ZH	15,30,925
30	Mismatch in availing of ITC under RCM	16AUPPD5538D1Z0	18,57,916
31	Mismatch in availing of ITC under RCM	16ABVPR4298K1ZL	64,588
32	Mismatch in availing of ITC under RCM	16AGGPS7219F1Z9	2,79,410
33	Mismatch in availing of ITC under RCM	16AXQPM1993D1Z5	1,15,703
34	Mismatch in availing of ITC under RCM	16AWEPS2508P1Z3	58,934
35	Mismatch in availing of ITC under RCM	16AMLBP9884A1ZZ	1,72,726
36	Mismatch in availing of ITC under RCM	16AGOPB0875A1ZS	7,95,939
37	Mismatch in availing of ITC under RCM	16AKHPP5606N2ZP	2,20,442
38	Mismatch in availing of ITC under RCM	16AAIPG2712M1ZS	1,57,944
39	Mismatch in availing of ITC under RCM	16BWLPM6280L1ZW	1,56,085
40	Mismatch in availing of ITC under RCM	16IEKPS7529A1Z6	63,054

Appendix 5.2.1 (contd.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
41	Mismatch in availing of ITC under RCM	16APFPD0086F1ZB	2,02,680
42	Mismatch in availing of ITC under RCM	16BBBPR8407B1ZW	1,13,351
43	Mismatch in availing of ITC under RCM	16ANOPR5940H1ZJ	1,29,192
44	Mismatch in availing of ITC under RCM	16CDFPP6373P1ZR	65,564
45	Mismatch in availing of ITC under RCM	16BOKPD1877D1Z2	31,94,450
46	Mismatch in availing of ITC under RCM	16AAECV5685K1ZQ	4,47,974
47	Mismatch in availing of ITC under RCM	16BVWPG5967L1ZL	1,37,935
48	Mismatch in availing of ITC under RCM	16AXOPR0061P1ZW	11,32,627
49	Mismatch in availing of ITC under RCM	16AADCA1701E1ZG	2,37,838
50	Mismatch in availing of ITC under RCM	16ADGPG3707P1ZD	3,88,033
51	Mismatch in availing of ITC under RCM without payment	16AAAYFM0066C1Z9	48,065
52	Mismatch in availing of ITC under RCM without payment	16AHFPC2767G1ZJ	56,584
53	Mismatch in availing of ITC under RCM without payment	16APFPD0086F1ZB	2,02,680
54	Incorrect availment of ISD credit	16AAACG1376N1ZF	51,600
55	Incorrect availment of ISD credit	16AJVPS9821K3Z6	29,16,644
56	Incorrect availment of ISD credit	16AAACB1534F1Z9	1,11,383
57	Incorrect availment of ISD credit	16AJVPS9821K1Z8	31,14,062
58	Incorrect availment of ISD credit	16AABCI6363G1ZM	1,95,158
59	Incorrect availment of ISD credit	16ABMPC7975P1ZT	6,870
60	Incorrect availment of ISD credit	16AAACR9627B1ZJ	29,829
61	Incorrect availment of ISD credit	16AAACN4165C2ZT	37,756
62	Incorrect availment of ISD credit	16AAGFR5098F1ZY	3,66,911
63	Incorrect availment of ISD credit	16AAECS0547D1ZP	15,996
64	Incorrect availment of ISD credit	16AUVPS7891N1Z6	1,26,542
65	Incorrect availment of ISD credit	16AKCPP0569K1ZX	1,73,218
66	Incorrect availment of ISD credit	16ALFPR0409Q1ZR	21,804
67	Incorrect availment of ISD credit	16BOOPD2768H1ZQ	18,948
68	Incorrect availment of ISD credit	16EGQPS4235F1Z1	7,284
69	Incorrect availment of ISD credit	16AGOPB0875A1ZS	3,57,553
70	Incorrect availment of ISD credit	16AAACP0485D1ZR	29,209
71	Incorrect availment of ISD credit	16AAACP0486A1ZW	8,890
72	Incorrect availment of ISD credit	16AAACO0054F1ZZ	34,46,165
73	Incorrect availment of ISD credit	16APSPC0681E1Z0	2,26,355
74	Incorrect availment of ISD credit	16AVRPS2556H1Z1	7,463
75	Incorrect availment of ISD credit	16CGJPS6416H1Z3	25,245
76	Incorrect availment of ISD credit	16AKGPH1829J1Z6	14,652
77	Incorrect availment of ISD credit	16BXUPS3357J1ZN	1,17,086
78	Incorrect ISD credit reversal.	16AAACU5552C1ZM	1,535

Appendix 5.2.1 (contd.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
79	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR-9C)	16ABZPR9070P1ZB	5,20,506
80	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR-9C)	16AJVPS9821K1Z8	33,26,387
81	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR-9C)	16AJVPS9821K3Z6	29,16,644
82	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AARFP9176F1ZM	12,49,041
83	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAACJ6716F1ZR	3,45,965
84	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16ADMPR1514P1Z3	2,93,222
85	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16ACDFS0034M1Z7	2,89,008
86	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AADCB1615J1ZZ	15,92,72,880
87	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16ABTPD7579D1ZA	21,40,264
88	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AGYPD4613L1Z1	12,39,032
89	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAFFK5678K1ZT	4,31,441
90	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAHFP2649D1ZC	59,92,445
91	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAACN4165C2ZT	25,16,579
92	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AUPPD5538D1ZO	8,49,856
93	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AABCJ2967K1ZA	3,79,767
94	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAACC1206D1ZJ	10,44,972
95	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AGGPS7209H1Z7	2,82,396
96	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AEUPC6174R2ZL	10,18,070
97	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAMFB4919K1Z5	3,07,033
98	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAECM7627A1ZQ	7,02,207
99	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR)	16AAACO0054F1ZZ	56,76,675

Appendix 5.2.1 (contd.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
100	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR	16AAACN9991J1ZV	36,94,677
101	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR	16BRLPB7270C1Z0	5,31,813
102	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR	16AAECP6347E2ZF	20,39,805
103	Mismatch of ITC availed between annual returns and financial statements (Table 12F of GSTR	16AAOFB3786C2ZC	10,70,606
104	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR-9C)	16AAICP2379N1ZT	21,97,59,490
105	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR-9C)	16AADCB1615J1ZZ	16,00,77,112
106	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16ADDFS5228C1ZC	85,84,167
107	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16ABTPD7579D1ZA	21,40,263
108	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16AGYPD4613L1Z1	12,39,032
109	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16AAACN7335C2ZR	19,36,78,436
110	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16AAHFP2649D1ZC	59,92,445
111	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16AABCV8616R1ZM	27,52,591
112	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16AAACN4165C2ZT	25,16,580
113	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16AABCD5534A1Z8	20,72,099
114	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR	16AAICS0296H1Z7	3,46,52,060

Appendix 5.2.1 (contd.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
115	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AACPY3301Q1ZD	12,00,745
116	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAACS8577K1ZS	1,82,64,285
117	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAACG1395D1ZX	1,23,08,688
118	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AGOPS1768B3Z5	66,43,625
119	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAECT8071H1Z5	12,26,28,998
120	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAACT3910D1ZV	1,18,35,437
121	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAECM5260H1ZJ	37,19,602
122	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AADCM7418C1ZQ	31,45,658
123	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AASFP3517B1ZC	15,63,214
124	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAHFD1317J1ZO	13,86,125
125	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAACO0054F1ZZ	56,76,604
126	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AAACN9991J1ZV	36,94,677
127	Reconciliation between ITC availed in annual return with expenses in financial statements (Table 14T of GSTR)	16AADCA1701E1ZG	34,79,648
128	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR-9C)	16AACCT2964M1ZY	8,10,28,456
129	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR)	16AAYPN9135H1Z1	1,66,23,743

Appendix 5.2.1 (contd.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
130	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AHDPS9448L2ZL	1,39,27,543
131	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AHBPS0347L1Z8	6,63,39,720
132	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16BVOPS4814A1ZK	6,37,48,516
133	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AGQPD2870F1ZF	3,57,67,400
134	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16ALCPR2085D1Z9	7,40,84,696
135	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16ADCPP1754F1ZQ	1,68,97,652
136	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AAATB1459N2ZK	12,79,96,216
137	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AABCR4365D1ZL	1,35,88,836
138	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AAACJ9366R1ZQ	41,36,83,616
139	Mismatch in turnover between annual return and financial statements (table 5R of GSTR	16ADNPP3667J1ZY	4,65,54,500
140	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16ADZPD8745R1ZD	3,98,54,992
141	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16ABDFM0295M1Z0	2,41,23,700
142	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AHDPS9177J1ZO	1,44,00,855
143	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AAACD4950B1Z5	6,88,87,456
144	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AACCR1459F1ZJ	5,07,36,684
145	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AGXPD1103G1ZQ	3,02,93,852
146	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AABFN2612E1ZV	2,23,93,020
147	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AAALT1090R1ZG	4,45,95,67,600
148	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16BBTPS0396G2Z2	1,97,70,468
149	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AKPPM6463J1ZK	4,32,65,556
150	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16BYVPB6641Q1ZM	1,51,99,423

Appendix 5.2.1 (contd.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
151	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16AABCN2066M1ZC	3,68,33,200
152	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR	16ABUPD8206A1ZX	1,94,37,752
153	Mismatch in taxable turnover between Annual return and financial statement (Table 7G of form 9C)	16ADNPP3687N1ZM	60,12,941
154	Mismatch in taxable turnover between Annual return and financial statement (Table 7G of form 9C)	16ACHPB8490N1Z5	26,28,637
155	Mismatch in taxable turnover between Annual return and financial statement (Table 7G of form 9C)	16BOIPM6430F1Z0	28,84,940
156	Mismatch in taxable turnover between Annual return and financial statement (Table 7G of form 9C)	16AULPS6278H1ZY	48,32,053
157	Mismatch in taxable turnover between Annual return and financial statement (Table 7G of form 9C)	16CXJPS3809M1ZU	71,87,494
158	Mismatch in taxable turnover between Annual return and financial statement (Table 7G of form 9C)	16ALHPD4424F2ZI	43,25,798
159	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR-9C)	16BISPS1173F3ZW	28,28,872
160	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AJVPS9821K3Z6	15,01,589
161	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ACYPN3961F1Z3	5,90,852
162	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AGQPB8513P1ZW	1,76,855
163	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ADBPM1599A1ZT	5,68,544
164	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AAECP0139L1ZF	7,69,244
165	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ACHPB8490N1Z5	4,75,146
166	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ALZPD7384A2ZT	6,97,448
167	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ABTPD7585P1ZN	5,75,655
168	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AIZPT3346F1ZO	5,58,220
169	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AAAFK8412G1ZL	2,15,404
170	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AABFN2612E1ZV	11,98,638
171	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AADCC8088Q1ZV	2,09,050

Appendix 5.2.1 (contd.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
172	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AAALT1090R1ZG	36,35,222
173	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AAACH1766P1Z8	5,35,175
174	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AAACB2894G1ZQ	1,91,310
175	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AHTPS0439H1ZY	1,42,091
176	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AAACO0054F1ZZ	1,21,96,429
177	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AAJFK4131F1ZM	12,15,375
178	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ALGPS5040P1ZM	3,91,227
179	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AQUPB8439Q1ZW	3,09,420
180	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ACNPL8894J1ZP	5,15,594
181	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AHWPB1217B1ZU	4,29,514
182	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16ALHPD4424F2ZI	3,74,022
183	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR	16AALFD5298C1ZB	3,02,628
184	Undischarged tax liability	16ADTPR9412K1ZT	34,74,429
185	Undischarged tax liability	16AACCT2964M1ZY	8,10,28,459
186	Undischarged tax liability	16BISPS1173F3ZW	44,93,353
187	Undischarged tax liability	16AJVPS9821K3Z6	18,24,006
188	Undischarged tax liability	16AYCPS4460J1Z6	39,81,613
189	Undischarged tax liability	16AHKPS7896K1Z9	29,41,351
190	Undischarged tax liability	16AAACD2086J1ZP	47,79,946
191	Undischarged tax liability	16ACHPB8490N1Z5	35,68,405
192	Undischarged tax liability	16AAACC1206D1ZJ	20,79,943
193	Undischarged tax liability	16ALZPD7384A2ZT	48,93,651
194	Undischarged tax liability	16AWWPS9217R1Z5	2,21,72,638
195	Undischarged tax liability	16ECZPS1470K1ZQ	20,50,394
196	Undischarged tax liability	16AAECS4335F1ZJ	46,15,562
197	Undischarged tax liability	16AADCS2469K1Z2	92,75,628
198	Undischarged tax liability	16AIOPD3768J1ZW	46,71,424
199	Undischarged tax liability	16AGKPS6781J1ZN	28,03,140
200	Undischarged tax liability	16AVJPS0342P2Z3	23,11,311
201	Undischarged tax liability	16ALGPS5058P1ZC	38,91,459

Appendix 5.2.1 (concl.)
Sample for Limited Audit
(Reference: Paragraph 5.2.4)

Sl. No.	Dimension	GSTIN	Amount
202	Undischarged tax liability	16AAACH1766P1Z8	26,15,784
203	Undischarged tax liability	16AAACP0485D1ZR	18,37,913
204	Undischarged tax liability	16AWMPC1865H1ZI	41,30,535
205	Undischarged tax liability	16APWPB8993A1ZI	29,38,888
206	Undischarged tax liability	16AALFD5298C1ZB	26,62,514
207	Undischarged tax liability	16AEQPC9882E1Z4	20,70,624
208	Undischarged tax liability	16AAALS7791L1Z9	22,37,894
209	Cases where GSTR-3B was not filed but GSTR-1 or GSTR-2A is available	16AABCF7508A1Z4	23,80,854
210	Cases where GSTR-3B was not filed but GSTR-1 or GSTR-2A is available	16ALXPC4257H1ZT	63,73,269
211	Short payment of Interest on delayed payments	16AACCE4248H1ZR	4,25,785
212	Short payment of Interest on delayed payments	16APIPD8924K2ZL	2,70,580
213	Short payment of Interest on delayed payments	16AAJPK1451A1ZA	2,99,966
214	Short payment of Interest on delayed payments	16AADCD4705H1ZX	1,79,129
215	Short payment of Interest on delayed payments	16BOFPS2897F2ZH	6,35,812
216	Short payment of Interest on delayed payments	16AABCE7178B1ZT	7,53,752
217	Short payment of Interest on delayed payments	16AAACU5559K1ZY	1,93,123
218	Short payment of Interest on delayed payments	16AOZPD8303G1ZR	3,08,820
219	Short payment of Interest on delayed payments	16AABCN7761P1ZU	15,09,214
220	Short payment of Interest on delayed payments	16AABAT1839L2Z8	85,65,176
221	Short payment of Interest on delayed payments	16AABCO9053D1ZL	37,00,434
222	Short payment of Interest on delayed payments	16AAACJ5184F1ZN	9,80,299
223	Short payment of Interest on delayed payments	16AAECT8071H1Z5	6,13,004
224	Short payment of Interest on delayed payments	16ABVPR4143H1Z8	2,48,466
225	Short payment of Interest on delayed payments	16AANFR5923L1ZO	1,95,742
226	Short payment of Interest on delayed payments	16AAFFL7288Q1ZE	2,37,175
227	Short payment of Interest on delayed payments	16AGSPA4256G1ZE	2,76,324
228	Short payment of Interest on delayed payments	16AUOPB4946Q1ZY	1,73,759
229	Short payment of Interest on delayed payments	16AAECP9270C1ZG	2,26,124
230	Short payment of Interest on delayed payments	16ABBFS3770R1ZK	1,75,882
231	Short payment of Interest on delayed payments	16AAACO0054F1ZZ	16,83,973
232	Short payment of Interest on delayed payments	16BSAPP2622Q1ZG	8,56,215
233	Short payment of Interest on delayed payments	16BPZPS0267Q2ZO	2,23,554
234	Short payment of Interest on delayed payments	16FFVPS0438P1ZF	1,58,184
235	Short payment of Interest on delayed payments	16CAOPM5025R1ZO	1,70,231

Appendix 5.2.2

List of 30 selected taxpayers for detailed audit under SSCA
(Reference: Paragraph 5.2.4)

Sl. No.	Jurisdiction Name	Date of Regd.	GSTIN	Name of taxpayer
1	Charge-I	01.07.2017	16AAACI5950L1ZD	I T C Ltd Company
2	Charge-I	01.07.2017	16AAACN3053B1Z3	NBCC (India) Ltd
3	Charge-II	09.07.2017	16AKEPP5587B1Z2	Gouranga Chandra Paul
4	Charge-II	01.07.2017	16AAECT9428J1ZX	Tirthamoyee Traders Private Ltd
5	Charge-II	01.07.2017	16ATVPS5284L1ZL	Abhijit Saha
6	Charge-III	01.07.2017	16ADVPP8961D1ZW	Bijan Kumar Paul
7	Charge-IV	01.07.2017	16ADNPP3650P1ZV	Dulal Chandra Paul
8	Charge-V	01.07.2017	16AAACS9939D1Z7	Sterling And Wilson Private Ltd
9	Charge-V	02.07.2017	16AAAGM0289C1ZM	Ministry Of Railways
10	Charge-V	06.07.2017	16AADCS1107J1ZN	Schlumberger Asia Services Ltd
11	Charge-V	02.07.2017	16ACAFS0417M1Z7	Satyam Rubber Industries
12	Charge-VI	01.07.2017	16AACFL8969P1ZD	Laxmi Narayan Traders
13	Charge-VI	01.07.2017	16AACCE9137D1ZT	Evac Engineering Projects Private Ltd
14	Charge-VI	01.07.2017	16AVWPS6181K1ZK	Sankar Saha
15	Charge-VI	01.07.2017	16AXDPC0281F1Z1	Samaresh Chowdhury
16	Charge - VII	01.07.2017	16BIMPS7519H1ZQ	Maupasa Saha
17	Charge - VII	01.07.2017	16ABAFM3265G1ZG	Maa Tripureswari Asset Reconstruction Consultancy Services
18	Charge - VIII	08.08.2017	16AAACR6117Q2Z0	National Projects Construction Corporation Ltd
19	Charge - VIII	01.07.2017	16AAKCA5823G1ZQ	Abm Rubber Industries Private Ltd
20	Charge - VIII	01.07.2017	16AAACT1426A1Z2	ITD Cementation India Ltd
21	Charge - VIII	01.07.2017	16AAFCK1502P1Z1	Delwara Steel Industries Private Ltd
22	Charge - VIII	01.07.2017	16AVEPS7445N2ZU	Rajesh Saha
23	Charge - VIII	01.07.2017	16AAGCS9294M1Z1	Tata Play Ltd
24	Charge - VIII	01.07.2017	16ACUPP3799B1Z1	Doraiah Palimpati
25	Bishalgarh	29.08.2017	16AARFK7454M1ZJ	K. K. R. Jv Partnership
26	Bishalgarh	01.07.2017	16AZIPD6343A2ZT	Sentu Dey
27	Bishalgarh	01.07.2017	16AACFU6266G1Z1	Uttam Trading
28	Bishalgarh	01.07.2017	16APDPR6406H1ZV	Uttam Roy
29	Bishalgarh	01.07.2017	16ASAPS8250N1Z8	Mati Lal Saha
30	Teliamura	01.07.2017	16AKCPP0564E1ZF	Sabita Paul

Appendix 5.2.3**List of sample for charge audit**
(Reference: Paragraph 5.2.4)

Sl. No.	Name of charge
1	Charge-I
2	Charge-II
3	Charge-III
4	Charge-IV
5	Charge-V
6	Charge-VI
7	Charge-VII
8	Charge-VIII
9	Bishalgarh
10	Teliamura

Appendix 5.2.4

Department reply not received
(Reference: Paragraph 5.2.6.2(i))

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
1	Mismatch in availing ITC	16AABCR7176C1ZG	Charge-I	31,06,575
2		16AAACB8516F1ZX	Charge-V	20,20,106
3		16AABCB5691A1Z0	Charge-V	33,46,514
4		16AAACS4457Q1ZT	Charge-V	51,57,146
5	Mismatch in availing ITC under RCM	16AABFU8226H1Z4	Charge-I	18,90,447
6	Incorrect availment of ISD credit	16AAACG1376N1ZF	Charge-I	51,600
7		16AAACB1534F1Z9	Charge-II	1,11,383
8		16AABCI6363G1ZM	Charge-III	1,95,158
9		16ABMPC7975P1ZT	Charge-III	6,870
10		16AAGFR5098F1ZY	Charge-V	3,66,911
11		16AAECS0547D1ZP	Charge-V	15,996
12		16AUVPS7891N1Z6	Charge-V	1,26,542
13		16BOOPD2768H1ZQ	Charge - VII	18,948
14	Incorrect reversal of ISD credit	16AAACU5552C1ZM	Charge-I	1,535
15	Mismatch of ITC availed between annual return and financial statements (Table 12F of GSTR-9C)	16ABZPR9070P1ZB	Charge-I	5,20,506
16		16ADMPR1514P1Z3	Charge-II	2,93,222
17		16ACDFS0034M1Z7	Charge-II	2,89,008
18		16AAACC1206D1ZJ	Charge-V	10,44,972
19		16AGGPS7209H1Z7	Charge-V	2,82,396
20	Reconciliation between ITC availed in annual return with expenses in financial statement (Table 14T of Form GSTR 9C)	16AAICS0296H1Z7	Charge-V	3,46,52,060
21		16AACPY3301Q1ZD	Charge-V	12,00,745
22	Mismatch in turnover between annual return and financial statements (Table 5R of GSTR-9C)	16AHDPS9448L2ZL	Charge-I	1,39,27,543
23		16AABCN2066M1ZC	Dharmanagar	3,68,33,200
24	Mismatch in taxable turnover between annual return & financial statement (Table 7G of GSTR-9C)	16AULPS6278H1ZY	Bishalgarh	48,32,053
25		16CXJPS3809M1ZU	Udaipur	71,87,494
26		16ALHPD4424F2ZI	Udaipur	43,25,798
27	Mismatch in tax paid between books of accounts and Annual Return (Table 9R of GSTR- 9C)	16BISPS1173F3ZW	Charge-I	28,28,872
28		16ALZPD7384A2ZT	Charge-V	6,97,448
29		16ABTPD7585P1ZN	Charge-V	5,75,655
30		16AIZPT3346F1ZO	Charge-V	5,58,220
31		16AAAFK8412G1ZL	Charge-V	2,15,404
32	Undischarged tax liability	16ADTPR9412K1ZT	Charge-I	34,74,429
33		16BISPS1173F3ZW	Charge-I	44,93,353
34		16AAACD2086J1ZP	Charge-III	47,79,946
35		16AAACC1206D1ZJ	Charge-V	20,79,943
36		16ALZPD7384A2ZT	Charge-V	48,93,651
37	Cases where GSTR 3B was not filed but GSTR 1 or GSTR2A is available	16AABCF7508A1Z4	Charge-I	23,80,854
38		16ALXPC4257H1ZT	Belonia	63,73,269

Appendix 5.2.4 (concl.)
Department reply not received
(Reference: Paragraph 5.2.6.2(i))

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
39	Short payment of interest on delayed payment	16AACCE4248H1ZR	Charge-I	4,25,785
40		16APIPD8924K2ZL	Charge-I	2,70,580
41		16AAACU5559K1ZY	Charge-V	1,93,123
42		16AOZPD8303G1ZR	Charge-V	3,08,820
43		16AABCN7761P1ZU	Charge-V	15,09,214
44		16AABAT1839L2Z8	Charge-V	85,65,176
		Total		

Appendix 5.2.5

Summary of deficiencies and compliance deviations

{Reference: Paragraphs 5.2.6.2(ii), 5.2.6.2(iii)}

(₹ in crore)

Audit Dimension		Summary of deficiencies				Summary of compliance Deviations															
		Cases where reply received		Department reply accepted by audit		Accepted by Department including cases where action is yet to be initiated.								Department not acceptable to audit (rebuttal)		Total		Department reply not furnished with appropriate documentary evidence.		Department stated they are examining the audit AQ.	
				With valid explanation		Recovered		ASMT-10		SCN issued		Under correspondence with taxpayer									
Sl. No	Dimension	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
	<i>I</i>	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
1	Mismatch in availing of ITC	21	10.33	03	2.25	0	0	8	2.42	0	0	05	1.92	4	2.93	17	7.27	01	0.81	0	0
2	Mismatch in availing of ITC under RCM.	24	1.18	2	0.34	0	0	12	0.62	0	0	9	0.21	0	0	21	0.83	0	0	1	0.01
3	Mismatch in availing of ITC under RCM without payment	3	0.03	0	0	0	0	01	0.01	0	0	02	0.02	0	0	03	0.03	0	0	0	0
4	Incorrect availment of ISD credit	16	1.05	01	0.01	0	0	08	0.70	0	0	05	0.33	0	0	13	1.03	02	0.007	0	0
5	Mismatch in ITC availed between annual return and financial statements (Table 12F of 9C)	20	19.57	06	1.82	1	14.69	04	1.07	02	0.31	06	1.08	01	0.60	14	17.75 ₂₄₈	0	0	0	0
6	Reconciliation between ITC declared in annual return with expenses in financial statements (Table 14T of 9C)	22	79.32	12	53.68	0	0	04	23.26	0	0	05	2.17	0	0	09	25.43	01	0.21	0	0

²⁴⁸ Including ₹ 14.69 crore (Col. No. 7) recovered amount will not be further pursued.

Appendix 5.2.5 (contd.)

Summary of deficiencies and compliance deviations

{Reference: Paragraphs 5.2.6.2(ii), 5.2.6. 2(iii)}

₹ in crore

Audit Dimension		Summary of deficiencies				Summary of compliance Deviations															
		Cases where reply received		Department reply accepted by audit		Accepted by Department including cases where action is yet to be initiated.								Department reply not acceptable to audit (rebuttal)		Total		Department reply not furnished with appropriate documentary evidence.		Department stated they are examining the audit AQ.	
				With valid explanation		Recovered		ASMT-10		SCN issued		Under correspondence with taxpayer									
Sl. No	Dimension	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
7	Mismatch in turnover between annual return and financial statements (Table 5R of 9C)	23	249	05	-	0	-	09	-	0	-	07	-	0	-	16	-	0	-	02	-
8	Mismatch in taxable turnover between annual return and financial statements (Table 7G of 9C)	03	250	2	-	0	-	01	-	0	-	0	-	0	-	1	-	0	-	0	-
9	Mismatch in tax paid between books of accounts and annual returns (Table 9R of 9C)	20	2.57	07	0.34	0	0	03	1.38	01	0.03	08	0.80	01	0.02	13	2.23	0	0	0	0

²⁴⁹ Total unreconciled turnover (TO) in Table 5R of GSTR 9C in the 25 cases is ₹ 581.50 crore, out of which department's reply in respect of mismatched TO of ₹ 5.08 crore in two cases yet to be received, in five cases involving mismatched TO of ₹ 62.59 crore valid explanation were provided by the Department and the compliance deviation in the remaining eighteen (18) cases involving mismatched TO of ₹ 513.83 crore have been observed.

²⁵⁰ Total unreconciled taxable turnover (TTO) in Table 7G of GSTR 9C in the six cases is ₹ 2.78 crore, out of which Department's reply in respect of mismatched TTO of ₹ 1.63 crore in three cases yet to be received, in two cases involving mismatched TTO of ₹ 0.55 crore valid explanation were provided by the Department and the compliance deviation in the remaining one case involving mismatched TTO of ₹ 0.60 crore have been observed.

Appendix 5.2.5 (concl.)

Summary of deficiencies and compliance deviations

{Reference: Paragraphs 5.2.6.2(ii), 5.2.6. 2(iii)}

(₹ in crore)

Audit Dimension		Summary of deficiencies				Summary of compliance Deviations															
		Cases where reply received		Department reply accepted by audit		Accepted by Department including cases where action is yet to be initiated.								Department not acceptable to audit (rebuttal)		Total		Department reply not furnished with appropriate documentary evidence.		Department stated they are examining the audit AQ.	
				With valid explanation		Recovered		ASMT-10		SCN issued		Under correspondence with taxpayer									
Sl. No.	Dimension	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
	<i>I</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>13</i>	<i>14</i>	<i>15</i>	<i>16</i>	<i>17</i>	<i>18</i>	<i>19</i>	<i>20</i>	<i>21</i>
10	Undischarged tax liability	20	16.36	04	1.22	03	0.82	04	8.93	04	1.30	04	1.87	0	0	15	12.92	1	2.22	0	0
11	Short payment of interest on delayed payments	19	1.18	0	0	0	0	04	0.64	01	0.02	12	0.42	01	0.08	18	1.16	01	0.02	0	0
Total		191	131.59	42	59.66	4²⁵¹	15.51	58	39.03	8	1.66	63	8.82	07	3.63	140	68.65	6	3.27	3	0.01

²⁵¹ Since the amount were already recovered, these four cases will not be further pursued

Appendix 5.2.6

Recovered Amount (DRC-03)
{Reference: Paragraph 5.2.6.3(i)}

Sl. No.	Dimension	GSTIN	Charge	Amount (in ₹)	Form No.
1	Mismatch of ITC availed between annual returns and financial statement (Table 12F of GSTR-9C)	16AADCB1615J1ZZ	Charge-III	14,68,52,251	DRC-03
2	Undischarged tax liability	16AEQPC9882E1Z4	Udaipur	20,70,624	DRC-03
3		16AAALS7791L1Z9	Udaipur	22,37,894	DRC-03
4		16AYCPS4460J1Z6	Charge-II	39,81,613	DRC-03
Total				15,51,42,382	

Appendix 5.2.7

Show cause notice (SCN) issued
{Reference: Paragraph 5.2.6.3(i)}

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
1	Mismatch of ITC availed between annual return and financial statements (Table 12F of GSTR-9C)	16AAECP6347E2ZF	Kailasahar	20,39,805
2		16AAOFB3786C2ZC	Kailasahar	10,70,606
3	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR-9C)	16AQUPB8439Q1ZW	Kailasahar	3,09,420
4	Undischarged tax liability	16AIOPD3768J1ZW	Charge - VIII	46,71,424
5		16AGKPS6781J1ZN	Charge - VIII	28,03,140
6		16AAACH1766P1Z8	Charge - VIII	26,15,784
7		16APWPB8993A1ZI	Kailasahar	29,38,888
8	Short payment of interest on delay payment.	16CAOPM5025R1Z0	Udaipur	1,70,231
Total				1,66,19,298

Appendix 5.2.8

ASMT-10 issued

{Reference: Paragraph 5.2.6.3(i)}

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
1	Mismatch in availing of ITC	16AATPI9627C1ZG	Bishalgarh	16,74,854
2		16ABKPH9660C2ZM	Bishalgarh	57,06,878
3		16AOOPM8961L1Z2	Bishalgarh	62,13,118
4		16ADNPR5161K1Z1	Bishalgarh	16,54,413
5		16AHYPS5603C1Z3	Bishalgarh	21,47,211
6		16AGKPS6915Q1ZH	Charge-II	20,49,260
7		16ACVPL7331G2Z9	Charge-VI	26,75,980
8		16AABCT9162G1Z8	Charge-VI	20,53,608
9	Mismatch in availing of ITC under RCM	16ABRPC5152H1ZO	Charge-II	1,57,148
10		16AGKPS6784P1Z8	Charge-II	1,51,770
11		16ABVPR4298K1ZL	Charge-VI	64,588
12		16BBBPR8407B1ZW	Ambassa	1,13,351
13		16ANOPR5940H1ZJ	Ambassa	1,29,192
14		16CDFPP6373P1ZR	Belonia	65,564
15		16BOKPD1877D1Z2	Belonia	31,94,450
16		16AAECV5685K1ZQ	Bishalgarh	4,47,974
17		16BVWPG5967L1ZL	Bishalgarh	1,37,935
18		16AXOPR0061P1ZW	Dharmanagar	11,32,627
19		16AADCA1701E1ZG	Dharmanagar	2,37,838
20		16ADGPG3707P1ZD	Dharmanagar	3,88,033
21	Mismatch in availing of ITC under RCM without payment	16AHFPC2767G1ZJ	Charge-VI	56,584
22	Incorrect availment of ISD credit	16AJVPS9821K1Z8	Charge-II	31,14,062
23		16AKCPP0569K1ZX	Charge-VI	1,73,218
24		16ALFPR0409Q1ZR	Charge-VI	21,804
25		16AAACO0054F1ZZ	Belonia	34,46,165
26		16APSPC0681E1Z0	Belonia	2,26,355
27		16AVRPS2556H1Z1	Belonia	7,463
28		16CGJPS6416H1Z3	Bishalgarh	25,245
29		16AKGPH1829J1Z6	Bishalgarh	14,652
30	Mismatch of ITC availed between annual return and financial statements (Table 12F of GSTR-9C)	16AEUPC6174R2ZL	Charge-VI	10,18,070
31		16AAMFB4919K1Z5	Charge-VI	3,07,033
32		16AAACO0054F1ZZ	Belonia	56,76,675
33		16AAACN9991J1ZV	Bishalgarh	36,94,677

Appendix 5.2.8 (concl.)

ASMT-10 issued

{Reference: Paragraph 5.2.6.3(i)}

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
34	Reconciliation between ITC availed in Annual returns with expenses in financial statements (Table 14T of GSTR-9C)	16AAICP2379N1ZT	Charge-I	21,97,59,490
35		16AAACO0054F1ZZ	Belonia	56,76,604
36		16AAACN9991J1ZV	Bishalgarh	36,94,677
37		16AADCA1701E1ZG	Dharmanagar	34,79,648
38	Mismatch in turnover between annual return and financial statement (Table 5R of GSTR 9C)	16AKPPM6463J1ZK	Belonia	²⁵²
39		16BYVPB6641Q1ZM	Belonia	²⁵³
40		16AACCT2964M1ZY	Charge-I	²⁵⁴
41		16AAYPN9135H1Z1	Charge-I	²⁵⁵
42		16AHBPS0347L1Z8	Charge-II	²⁵⁶
43		16BVOPS4814A1ZK	Charge-II	²⁵⁷
44		16AGQPD2870F1ZF	Charge-II	²⁵⁸
45		16ADZPD8745R1ZD	Charge-VI	²⁵⁹
46		16ABUPD8206A1ZX	Teliamura	²⁶⁰
47	Mismatch in taxable turnover (Table 7G of GSTR 9C)	16ADNPP3687N1ZM	Charge-II	²⁶¹
48	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR-9C)	16AAACO0054F1ZZ	Belonia	1,21,96,429
49		16AAJFK4131F1ZM	Belonia	12,15,375
50		16ALGPS5040P1ZM	Dharmanagar	3,91,227
51	Undischarged tax liability	16ECZPS1470K1ZQ	Charge-VI	20,50,394
52		16AACCT2964M1ZY	Charge-I	8,10,28,459
53		16AVJPS0342P2Z3	Belonia	23,11,311
54		16ALGPS5058P1ZC	Belonia	38,91,459
55	Short payment of interest on delay payment	16AABCO9053D1ZL	Charge-VI	37,00,434
56		16AAACO0054F1ZZ	Belonia	16,83,973
57		16BSAPP2622Q1ZG	Belonia	8,56,215
58		16BPZPS0267Q2ZO	Bishalgarh	2,23,554
	Total			39,03,37,044

²⁵² Unreconciled turnover in Table 5R of GSTR-9C is ₹ 4,32,65,556²⁵³ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 1,51,99,423²⁵⁴ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 8,10,28,456²⁵⁵ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 1,66,23,743²⁵⁶ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 6,63,39,720²⁵⁷ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 6,37,48,516²⁵⁸ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 3,57,67,400²⁵⁹ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 3,98,54,992²⁶⁰ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 1,94,37,752²⁶¹ Unreconciled taxable turnover in Table 7G of GSTR-9C is ₹ 60,12,941

Appendix 5.2.9

Under correspondence with taxpayers

{Reference: Paragraph 5.2.6.3(i)}

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
1	Mismatch in availing ITC	16AAGCM9000M2ZB	Charge-III	97,63,937
2		16ACYPN3961F1Z3	Charge-II	22,93,443
3		16AAACH1766P1Z8	Charge - VIII	28,92,811
4		16AAACB2100P1Z0	Charge - VIII	21,56,024
5		16AADCB0274F1Z3	Charge - VIII	20,75,155
6	Mismatch in availing of ITC under RCM	16AGGPS7219F1Z9	Charge-VI	2,79,410
7		16AWEPS2508P1Z3	Charge - VII	58,934
8		16AMLPB9884A1ZZ	Charge - VII	1,72,726
9		16AGOPB0875A1ZS	Charge - VIII	7,95,939
10		16AKHPP5606N2ZP	Charge - VIII	2,20,442
11		16AAIPG2712M1ZS	Charge - VIII	1,57,944
12		16BWLPM6280L1ZW	Charge - VIII	1,56,085
13		16IEKPS7529A1Z6	Charge - VIII	63,054
14		16APFPD0086F1ZB	Charge - VIII	2,02,680
15	Mismatch in availing of ITC under RCM without payment	16AAYFM0066C1Z9	Charge-VI	48,065
16		16APFPD0086F1ZB	Charge - VIII	2,02,680
17	Incorrect availment of ISD credit	16AJVPS9821K3Z6	Charge-II	29,16,644
18		16EGQPS4235F1Z1	Charge - VIII	7,284
19		16AGOPB0875A1ZS	Charge - VIII	3,57,553
20		16AAACP0485D1ZR	Charge - VIII	29,209
21		16AAACP0486A1ZW	Charge - VIII	8,890
22	Mismatch of ITC availed between annual return and financial statements (Table 12F of GSTR-9C)	16AJVPS9821K1Z8	Charge-II	33,26,387
23		16AJVPS9821K3Z6	Charge-II	29,16,644
24		16AARFP9176F1ZM	Charge-II	12,49,041
25		16ABTPD7579D1ZA	Charge-III	21,40,264
26		16AAFFK5678K1ZT	Charge-III	4,31,441
27		16AAECM7627A1ZQ	Charge - VIII	7,02,207
28	Reconciliation between ITC availed in annual return with expenses in financial statement (Table 14T of Form GSTR 9C)	16AAACT3910D1ZV	Charge - VIII	1,18,35,437
29		16AAECM5260H1ZJ	Charge - VIII	37,19,602
30		16AADCM7418C1ZQ	Charge - VIII	31,45,658
31		16AASFP3517B1ZC	Charge - VIII	15,63,214
32		16AAHFD1317J1ZO	Charge - VIII	13,86,125

Appendix 5.2.9 (concl.d.)

Under correspondence with taxpayers

{Reference: Paragraph 5.2.6.3(i)}

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
33	Mismatch in turnover between annual return and financial statement (Table 5R of GSTR 9C)	16BBTPS0396G2Z2	Ambassa	²⁶²
34		16AHDPS9177J1ZO	Charge - VII	²⁶³
35		16AAACD4950B1Z5	Charge - VII	²⁶⁴
36		16AACCR1459F1ZJ	Charge - VII	²⁶⁵
37		16AGXPD1103G1ZQ	Charge - VII	²⁶⁶
38		16AABFN2612E1ZV	Charge - VII	²⁶⁷
39		16AAALT1090R1ZG	Charge - VIII	²⁶⁸
40	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR-9C)	16AJVPS9821K3Z6	Charge-II	15,01,589
41		16ACYPN3961F1Z3	Charge-II	5,90,852
42		16AABFN2612E1ZV	Charge - VII	11,98,638
43		16AADCC8088Q1ZV	Charge - VII	2,09,050
44		16AAALT1090R1ZG	Charge - VIII	36,35,222
45		16AAACH1766P1Z8	Charge - VIII	5,35,175
46		16AAACB2894G1ZQ	Charge - VIII	1,91,310
47	16AHTPS0439H1ZY	Charge - VIII	1,42,091	
48	Undischarged tax liability	16AJVPS9821K3Z6	Charge-II	18,24,006
49		16AHKPS7896K1Z9	Charge-II	29,41,351
50		16AAECS4335F1ZJ	Charge - VII	46,15,562
51		16AADCS2469K1Z2	Charge - VII	92,75,628
52	Short payment of interest on delay payment.	16AAJPK1451A1ZA	Charge-II	2,99,966
53		16AADCD4705H1ZX	Charge-II	1,79,129
54		16BOFPS2897F2ZH	Charge-II	6,35,812
55		16AAACJ5184F1ZN	Charge - VII	9,80,299
56		16AAECT8071H1Z5	Charge - VII	6,13,004
57		16ABVPR4143H1Z8	Charge - VII	2,48,466
58		16AANFR5923L1ZO	Charge - VII	1,95,742
59		16AAFFL7288Q1ZE	Charge - VII	2,37,175
60		16AGSPA4256G1ZE	Charge - VIII	2,76,324
61		16AUOPB4946Q1ZY	Charge - VIII	1,73,759
62		16AAECP9270C1ZG	Charge - VIII	2,26,124
63	16ABBFS3770R1ZK	Charge - VIII	1,75,882	
Total				8,81,77,085

²⁶² Unreconciled turnover in Table 5R of GSTR-9C is ₹ 1,97,70,468²⁶³ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 1,44,00,855²⁶⁴ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 6,88,87,456²⁶⁵ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 5,07,36,684²⁶⁶ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 3,02,93,852²⁶⁷ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 2,23,93,020²⁶⁸ Unreconciled turnover in Table 5R of GSTR-9C is ₹ 4,45,95,67,600

Appendix 5.2.10

Audit rebuttal

(Reference: Paragraph 5.2.6.4)

Sl. No.	Dimension	GSTN	Charge	Amount (in ₹)
1	Mismatch in availing ITC	16AADCC8088Q1ZV	Charge - VII	21,87,661
2		16AAACB5985C1ZS	Charge - VII	25,05,926
3		16AAHCS4907J1Z5	Charge - VII	90,69,433
4		16AMWPS2574H1ZC	Charge - VII	1,55,70,309
5	Mismatch of ITC availed between annual return and financial statements (Table 12F of GSTR-9C)	16AAHFP2649D1ZC	Charge-IV	59,92,445
6	Mismatch in tax paid between books of accounts and annual return (Table 9R of GSTR-9C)	16AGQPB8513P1ZW	Charge-II	1,76,855
7	Short payment of interest on delay payment	16AABCE7178B1ZT	Charge-IV	7,53,752
Total				3,62,56,381

Appendix 5.2.11

Delay in submission of returns
{Reference: Paragraph 5.2.6.5(ii)(a)}

(in ₹)

Sl. No.	GSTIN	Jurisdictional charge	Return Period	Due Dates	Filing Date	Cash Setoff	Delay (in days)	Interest Rate (in per cent)	Interest due
	1	2	3	4	5	6	7	8	9
1	16ATVPS5284L1ZL	Charge-II	September 2017	20-10-2017	<u>12-01-2018</u>	<u>2,51,120</u>	84	18	10,402.56
			December 2017	20-01-2018	<u>03-02-2018</u>	<u>1,96,926</u>	14	18	1,359.59
			February 2018	20-03-2018	<u>24-05-2018</u>	<u>2,18,739</u>	65	18	7,011.63
2	16AACFL8969P1ZD	Charge-VI	November 2017	20-12-2017	<u>14-06-2018</u>	<u>23,090</u>	176	18	2,004.08
			December 2017	20-01-2018	<u>18-06-2018</u>	<u>60,846</u>	149	18	4,470.93
3	16BIMPS7519H1ZQ	Charge - VII	July 2017	20-08-2017	<u>29-08-2017</u>	<u>23,21,330</u>	9	18	10,302.88
			August 2017	20-09-2017	<u>21-09-2017</u>	<u>8,96,014</u>	1	18	441.86
			September 2017	20-10-2017	<u>24-10-2017</u>	<u>14,92,882</u>	4	18	2,944.86
4	16AAACR6117Q2Z0	Charge - VIII	August 2017	20-09-2017	<u>21-09-2017</u>	<u>2,89,626</u>	1	18	142.82
			October 2017	20-11-2017	<u>26-11-2017</u>	<u>48,939</u>	6	18	144.80
			November 2017	20-12-2017	<u>21-12-2017</u>	<u>3,56,653</u>	1	18	175.88
5	16AAKCA5823G1ZQ	Charge - VIII	September 2017	20-10-2017	<u>25-05-2018</u>	<u>25,431</u>	217	18	2,721.46
			October 2017	20-11-2017	<u>16-06-2018</u>	<u>1,57,004</u>	208	18	16,104.73
			December 2017	20-01-2018	<u>26-06-2018</u>	<u>1,52,112</u>	157	18	11,777.21
6	16AVEPS7445N2ZU	Charge - VIII	August 2017	20-09-2017	<u>14-10-2017</u>	<u>1,41,050</u>	24	18	1,669.41
			September 2017	20-10-2017	<u>23-10-2017</u>	<u>2,47,050</u>	3	18	365.49
			November 2017	20-12-2017	<u>22-12-2017</u>	<u>29,851</u>	2	18	29.44
			December 2017	20-01-2018	<u>19-02-2018</u>	<u>1,88,467</u>	30	18	2,788.27
			March 2018	20-04-2018	<u>23-04-2018</u>	<u>2,36,547</u>	3	18	349.95

Appendix 5.2.11 (concl.)

Delay in submission of returns
{Reference: Paragraph 5.2.6.5(ii)(a)}

(in ₹)

Sl. No.	GSTIN	Jurisdictional charge	Return Period	Due Dates	Filing Date	Cash Setoff	Delay (in days)	Interest Rate (in per cent)	Interest due
1	2	3	4	5	6	7	8	9	10
7	16AARFK7454M1ZJ	Bishalgarh	September 2017	20-10-2017	<u>03-05-2018</u>	<u>12,180</u>	195	18	1,171.28
			October 2017	20-11-2017	<u>03-05-2018</u>	<u>85,260</u>	164	18	6,895.54
			November 2017	20-12-2017	<u>29-05-2018</u>	<u>41,18,920</u>	160	18	3,24,999.71
			December 2017	20-01-2018	<u>16-08-2018</u>	<u>2,12,205</u>	208	18	21,767.00
			January 2018	20-02-2018	<u>07-09-2019</u>	<u>87,81,444</u>	564	18	24,42,444.36
8	16AZIPD6343A2ZT	Bishalgarh	February 2018	20-03-2018	<u>21-03-2018</u>	<u>10,18,800</u>	1	18	502.42
9	16AACFU6266G1Z1	Bishalgarh	August 2017	20-09-2017	<u>27-09-2017</u>	<u>1,69,125</u>	7	18	583.82
			September 2017	20-10-2017	<u>16-11-2017</u>	<u>1,93,025</u>	27	18	2,570.14
			October 2017	20-11-2017	<u>26-12-2017</u>	<u>2,87,794</u>	36	18	5,110.32
			November 2017	20-12-2017	<u>24-01-2018</u>	<u>5,30,133</u>	35	18	9,150.24
			December 2017	20-01-2018	<u>16-02-2018</u>	<u>4,69,842</u>	27	18	6,255.97
			January 2018	20-02-2018	<u>17-03-2018</u>	<u>11,05,476</u>	25	18	13,629.15
			February 2018	20-03-2018	<u>20-04-2018</u>	<u>14,53,368</u>	31	18	22,218.61
			March 2018	20-04-2018	<u>19-05-2018</u>	<u>17,74,130</u>	29	18	25,372.48
10	16APDPR6406H1ZV	Bishalgarh	September 2017	20-10-2017	<u>24-11-2017</u>	<u>7,33,063</u>	35	18	12,652.86
			October 2017	20-11-2017	<u>27-11-2017</u>	<u>5,56,819</u>	7	18	1,922.16
			February 2018	20-03-2018	<u>21-03-2018</u>	<u>3,87,102</u>	1	18	190.89
			March 2018	20-04-2018	<u>24-05-2018</u>	<u>1,00,448</u>	34	18	1,684.22
Total									29,74,329.02

Appendix 5.2.12

Mismatch in ITC claimed by the taxpayers

{Reference: Paragraph 5.2.6.5(ii)(b)}

Sl. No.	GSTIN	Charge	GSTR3B ITC Availed (in ₹)	GSTR2A ITC eligible (in ₹)	Difference (3B - 2A) (in ₹)	GSTR9_8D table (in ₹)
1	16AAACN3053B1Z3	Charge-I	11,33,59,340	7,82,00,636	3,51,58,704	-3,75,44,226
2	16AAECT9428J1ZX	Charge-II	6,52,31,317	5,44,84,535	1,07,46,783	-1,07,62,663
3	16ATVPS5284L1ZL	Charge-II	2,13,48,290	1,73,90,438	39,57,851	-54,290
4	16AAACS9939D1Z7	Charge-V	1,82,32,211	1,61,75,967	20,56,244	-21,20,712
5	16ACAFS0417M1Z7	Charge-V	5,48,58,440	1,18,14,537	4,30,43,900	-4,17,02,774
6	16AACCE9137D1ZT	Charge-VI	47,28,036	36,37,782	10,90,253	-8,89,644
7	16AVWPS6181K1ZK	Charge-VI	20,92,103	9,79,211	11,12,892	-65,163
8	16AXDPC0281F1Z1	Charge-VI	34,93,160	23,85,526	11,07,634	-3,77,972
9	16BIMPS7519H1ZQ	Charge - VII	1,00,48,378	59,76,405	40,71,973	-22,93,960
10	16AAACR6117Q2Z0	Charge - VIII	1,73,24,761	1,26,30,435	46,94,325	-41,04,268
11	16AAKCA5823G1ZQ	Charge - VIII	64,18,696	51,10,290	13,08,405	-13,82,065
12	16AAACT1426A1Z2	Charge - VIII	1,30,48,416	1,01,07,279	29,41,136	-26,07,482
13	16AAFCK1502P1ZI	Charge - VIII	34,77,204	9,72,098	25,05,105	-2,44,71,740
14	16AVEPS7445N2ZU	Charge - VIII	25,85,282	18,02,722	7,82,559	-9,51,965
15	16AAGCS9294M1ZI	Charge - VIII	1,90,87,475	76,42,629	1,14,44,845	-11,01,616
16	16ACUPP3799B1Z1	Charge - VIII	50,59,536	24,76,694	25,82,842	0
17	16AACFU6266G1Z1	Bishalgarh	17,74,478	15,19,818	2,54,660	-1,31,774
18	16APDPR6406H1ZV	Bishalgarh	1,23,39,720	1,10,25,133	13,14,587	-12,17,138
19	16ASAPS8250N1Z8	Bishalgarh	73,83,485	44,57,843	29,25,642	4,41,622
20	16AZIPD6343A2ZT	Bishalgarh	5,70,211	2,54,402	3,15,809	0
Total amount					13,34,16,149	

Appendix 5.2.13

Mismatch of ITC in ECL

{Reference: Paragraph 5.2.6.5(ii)(b)}

Charge	GSTIN	Table 6A figure	Table 6I figure	Table 6J figure
		(₹ in crore)	(₹ in crore)	(₹ in crore)
Charge-II	<u>16ATVPS5284L1ZL</u>	2.19	2.13	-0.06
Charge - VIII	<u>16AAACR6117Q2Z0</u>	1.73	1.67	-0.06
Charge - VIII	<u>16AAGCS9294M1ZI</u>	2.02	0.91	-1.11
Total amount				-1.23

Appendix 5.2.14

Mismatch of ITC under RCM (with payment)

{Reference: Paragraph 5.2.6.5(ii)(b)}

Charge	GSTIN	GSTR3B Table - 3.1(d) (in ₹)	GSTR9 Table (6C+6D+6F) (in ₹)	Difference (in ₹)
Bishalgarh	16APDPR6406H1ZV	44,44,435	45,15,634	-71,199

Appendix 5.2.15

Mismatch of ITC availed in annual returns and financial statements

{Reference: Paragraph 5.2.6.5(ii)(b)}

(₹ in crore)

Sl. No.	Charge Name	GSTIN	GSTR-9C		
			Table 14S	Table 14R	Table 14T (14S-14R)
1	Charge -I	16AAACI5950L1ZD	89.31	88.27	1.04
2	Charge-I	16AAACN3053B1Z3	10.86	0	10.86
Total					11.90

Appendix 5.2.16

Short discharged of tax liability

{Reference: Paragraph 5.2.6.5(ii)(c)}

GSTIN	Charge	GSTR 1 Tax liability (in ₹)	GSTR 9 Tax liability (in ₹)	Greater value of Tax liability between GSTR1 or GSTR9 (in ₹)	GSTR 9 Tax payment (in ₹)	Short tax payment (6-5) (in ₹)
1	2	3	4	5	6	7
16AAKCA5823G1ZQ	Charge-VIII	66,79,769	67,06,023	67,06,023	66,58,404	-47,619
16AKCPP0564E1ZF	Teliamura	54,27,993	43,42,743	54,27,993	43,42,743	-10,85,250
Total						-11,32,869

Appendix 5.2.17

Un-reconciled taxable turnover and payment of tax

{Reference: Paragraph 5.2.6.5(ii)(c)}

Table 7 (GSTR-9C)				
Jurisdiction	GSTIN	Figure from Table 7E	Figure from Table 7F	Figure from Table 7G
		(in ₹)	(in ₹)	(in ₹)
Charge-I	16AAACN3053B1Z3	1,04,99,94,946	1,05,16,13,914	16,18,968
Table 9 (GSTR-9C)				
Charge-I	GSTIN	Figure from Table 9P	Figure from Table 9Q	Figure from Table 9R (9Q-9P)
		(in ₹)	(in ₹)	(in ₹)
	16AAACN3053B1Z3	13,62,90,670	13,10,05,668	-52,85,002

Appendix 5.2.18

Taxpayers with discrepancies in classification of supplies and rate of taxes

{Reference: Paragraph 5.2.6.5(ii)(d)}

Sl. No.	GSTIN	Charge	Evaluation revealed					Remarks
			HSN/ SAC code as declared in Registration Form	HSN/ SAC code as per notification of Finance Department, Tripura	Description of goods/ services	Rate of tax declared in GSTR9 (in per cent)	Rate of tax as per Finance Department, Tripura notification (in per cent)	
1	16AAACN3053 B1Z3	Charge-I	440410	9954	Works Contract Services	12, 15 & 18	18	SAC code was not same as declared in registration Form and Finance Department, Tripura. Besides, in GSTR9 the taxpayer paid tax at the rate of 12 per cent, 15 per cent & 18 per cent but the service was taxable with a single rate of 18 per cent as per Finance Department, Tripura.
			440406	997211	Renting of Immovable Property Services	Nil	18	The taxpayer claimed exemption as declared in GSTR 9 though service was taxable at 18 per cent as per Finance Department, Tripura
2	16AAECT9428 J1ZX	Charge-II	87120010	8712	Bicycles and other cycles (including delivery tricycles), not motorised.	5, 12, 18 & 28	12	The taxpayer dealt with goods taxable at 12 per cent & 18 per cent as per Finance Department, Tripura, but paid tax in four slabs of five per cent, 12 per cent, 18 per cent and 28 per cent.
			72151000	7215	All bars and rods, of iron or non-alloy steel		18	
			76041039	7604	Aluminium bars, rods and profiles		18	

Appendix 5.2.18 (contd.)

Taxpayers with discrepancies in classification of supplies and rate of taxes

{Reference: Paragraph 5.2.6.5(ii)(d)}

Sl. No.	GSTIN	Charge	Evaluation revealed					
			HSN/ SAC code as declared in Registration Form	HSN/ SAC code as per notification of Finance Department, Tripura	Description of goods/ services	Rate of tax declared in GSTR9 (in per cent)	Rate of tax as per Finance Department, Tripura notification (in per cent)	Remarks
			76109030	7610	Aluminium structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, towers, lattice masts, roofs, roofing frame works, balustrades, pillars and columns); aluminum plates, rods, profiles, tubes and the like, prepared for use in structures.		18	
			23040010	2304	Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya bean oil		5	
			9101110	9101	Wristwatches, pocket-watches and other watches, including stop-watches, with case of precious metal or of metal clad with precious metal		18	
			17031000	1703	Molasses		28	

Appendix 5.2.18 (contd.)

Taxpayers with discrepancies in classification of supplies and rate of taxes

{Reference: Paragraph 5.2.6.5(ii)(d)}

Sl. No.	GSTIN	Charge	Evaluation revealed					Remarks
			HSN/ SAC code as declared in Registration Form	HSN/ SAC code as per notification of Finance Department, Tripura	Description of goods/ services	Rate of tax declared in GSTR9 (in per cent)	Rate of tax as per Finance Department, Tripura notification (in per cent)	
			73229010	73229010	Radiators for central heating, not electrically heated, and parts thereof, of iron or steel, etc.		18	
			25161100	2516	Granite crude or roughly trimmed		5	
			25140000	2514	Slate, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape.		5	
			25151210	2515	Marble and travertine, crude or roughly trimmed.		5	
			85287100	8528	Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, etc.		28	
			85437099	8543	Electrical machines and apparatus, having individual functions not specified or included elsewhere in this Chapter		18	

Appendix 5.2.18 (contd.)

Taxpayers with discrepancies in classification of supplies and rate of taxes

{Reference: Paragraph 5.2.6.5(ii)(d)}

Sl. No.	GSTIN	Charge	Evaluation revealed					Remarks
			HSN/ SAC code as declared in Registration Form	HSN/ SAC code as per notification of Finance Department, Tripura	Description of goods/ services	Rate of tax declared in GSTR9 (in per cent)	Rate of tax as per Finance Department, Tripura notification (in per cent)	
			85442010	8544	Insulated wire, cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, etc.		18	
			440165	-	Broadcasting Service		18	
3	16AARFK7454 M1ZJ	Bishalgarh	440410	9954	Works Contract Services	-	18	The SAC code and rate of tax could not be cross verified since the taxpayer did not file GSTR9C.
4	16AACFU6266 G1Z1	Bishalgarh	40121100	4012	Retreaded or used pneumatic tyres of rubber; solid or cushion tyres, tyre tread sand tyre flaps, of rubber.	5	18	As declared in GSTR9, taxpayer paid tax at five per cent. But the goods were taxable at the rate of 18 per cent as per Finance Department, Tripura.
5	16ASAPS8250 N1Z8	Bishalgarh	96161010	9616	Scent sprays and similar toilet sprays, and mounts and heads therefore; powder-puffs, etc.	5, 12, 18 & 28	28	As per GSTR9 the taxpayer paid tax at five per cent, 12 per cent, 18 per cent & 28 per cent. But as per Finance Department, Tripura no such goods were found taxable at five per cent.
			34011190	3401	Soap; organic surface-active products and preparations for use as soap, in the form of bars, cakes, pieces or shapes, etc.		18	

Appendix 5.2.18 (concl.)

Taxpayers with discrepancies in classification of supplies and rate of taxes

{Reference: Paragraph 5.2.6.5(ii)(d)}

Sl. No.	GSTIN	Charge	Evaluation revealed					Remarks
			HSN/ SAC code as declared in Registration Form	HSN/ SAC code as per notification of Finance Department, Tripura	Description of goods/ services	Rate of tax declared in GSTR9 (in per cent)	Rate of tax as per Finance Department, Tripura notification (in per cent)	
			22021090	2202	Waters, Including Mineral Waters and aerated Waters, etc.		12	
			19041090	1904	Puffed rice, commonly known as Muri, flattened or beaten rice, etc.		Nil	
			39199090	3919	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls, etc.		18	

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