

CHAPTER II: AUDIT OF TRANSACTIONS (CIVIL DEPARTMENTS)

Violation of contractual obligations/ Avoidable expenditure

PUBLIC WORKS DEPARTMENT (DRINKING WATER AND SANITATION)

2.1 Idle expenditure

The 'Water Supply arrangement at Bodhjungnagar Growth Centre' did not yield any benefit as the work of the Iron Removal Plant remained suspended since October 2007 due to faulty estimates and failure of the Department to take remedial measures. This coupled with non-execution of the overhead tank rendered the total expenditure of ₹ 70.75 lakh incurred on the project idle and unfruitful.

The project 'Water Supply arrangement at Bodhjungnagar Growth Centre' was entrusted (June 2004) with the Department as 'deposit work' by the Tripura Industrial Development Corporation Limited (TIDCL) (a Government of Tripura undertaking). The project comprised of six items of work viz. (i) Construction of 50,000 gallon capacity circular type ground level clear water reservoir, (ii) Construction of semi permanent pump house, (iii) Construction of RCC 50,000 Gallon capacity fire reservoir, (iv) Construction of plinth protection, surface drain, laying of delivery pipe line and expansion of pump house, (v) Quality improvement by Construction of Iron Removal Plant (IRP) with spray, aerator, sedimentation tank, rapid gravity filter, pump house, and (vi) Construction of overhead tank (OHT) of 60,000 gallon capacity. Against the estimated cost of ₹ 103.66 lakh¹ for the project, the Department received ₹ 99.00 lakh² upto August 2004 from the TIDC.

Scrutiny (October-November 2010) of records of the Executive Engineer, DWS Division-II (erstwhile PHE Division-IV), Agartala revealed that the first three items were completed between March 2007 and August 2008 at a cost of ₹ 20.93 lakh³, and Item No. (iv) was in progress (September 2011). Item No. (vi) i.e. the OHT was not taken up reportedly (December 2007) due to lapse of the unspent funds (₹ 43.55 lakh as of December 2007), although the amount had been lying in Government Account since 2004 after its placement by TIDC and the matter of revalidation thereof was not effectively pursued by the Division with the competent authority.

Further scrutiny revealed that the work of Item No. (v) i.e. 'Quality improvement by Construction of IRP etc.' was awarded to a contractor on 24 August 2006 for

¹ Prepared and communicated by the Chief Engineer of the erstwhile PWD (PHE) in June 2004.

² ₹ 75.00 lakh in June 2004 and ₹ 24.00 lakh in August 2004.

³ ₹ 7.99 lakh for item No. (i), ₹ 0.71 lakh and ₹ 7.00 lakh (paid to Rig Division) for item No. (ii), and ₹ 5.23 lakh for item No. (iii).

completion by 7 March 2007 at ₹ 24.37 lakh (32 per cent above the estimated cost of ₹ 18.46 lakh put to tender). The work, which commenced on 8 September 2006 was suspended by the contractor from 11 October 2007 alleging 'numerous non-cooperation' from the Department, after executing work valued at ₹ 21.30 lakh. The amount was paid to the contractor in March 2008. Prior to this, the contractor proposed (January 2007) for extra items to meet some gaps in the original estimate. The Sub-Divisional Officer (SDO) of the PHE, Jirania also informed (January 2007 and March 2007) the EE that the detailed estimate of the work had been prepared leaving out some essential items⁴, the control chamber room cum pump house had no adequate space, and separate space for pump house attached to the IRP building was required to be created. There was no decision on the part of the Department on these issues despite being recommended by the SDO. Ultimately, neither the contractor's requests (October 2008) for settlement of the final bill and refund of the security deposit, and also his claim (October 2009) for closure of the work were considered nor was any action taken against him by the Department. The agreement signed in 2006-07 was also not rescinded (September 2011). An expenditure of ₹ 29.04 lakh⁵ was booked/reported by the Department on this work till December 2010, which still remained incomplete (September 2011).

Thus, the 'Water Supply arrangement at Bodhjungle Growth Centre' could not yield any benefit as the work of the Iron Removal Plant remained suspended since October 2007 due to faulty estimates and failure of the Department to take remedial measures. This coupled with non-execution of the overhead tank due to administrative lapses, rendered the total expenditure of ₹ 70.75 lakh incurred on the project till December 2010 idle and unfruitful.

Government stated (September 2011) that execution of the balance work required revalidation of the balance fund but the TIDC and the Treasury Officer (TO) concerned did not respond to the approach of the Division for revalidation. The agency was also reluctant to work as per the agreement rate at this delayed stage due to hike in price of material and labour etc. Therefore, the Department was proceeding for closure of the agreement and also that the balance work would be taken up after getting funds from TIDC.

⁴ Polymer modified latex 1:2, Plinth protection and surface drain, GI fittings, Cement plaster, Anti-termite treatment, Door and window shutters, Extension of LT line etc.

⁵ ₹ 21.30 lakh paid to the contractor + ₹ 2.43 lakh and ₹ 5.31 lakh reported additionally without recorded details.

2.2 Idle expenditure

Due to lack of proper assessment in planning and injudicious selection of site, 11 quarters out of 12, constructed near Water Treatment Plant, Belonia, remained vacant since 2006 and ₹ 35.95 lakh invested on the construction remained idle for more than five years.

Following a visit of the proposed site for construction of staff quarters near Water Treatment Plant, Belonia by a high level team (including the Minister, PWD) in June 2001, it was decided to construct four Type III and eight Type II staff quarters at the site on priority basis. Accordingly, the SE, 3rd Circle, PWD (R&B), Udaipur as also the EE, PWD (R&B), Santirbazar Division was asked (June 2001) by the CE, PWD (PHE) to take up the work urgently. Although requirement of the quarters was stated to be 'assessed' by the CE, PWD (PHE), no assessment report could be made available to Audit. Administrative approval and expenditure sanction to the estimated amount of ₹ 34.47 lakh was conveyed by the Department for the work in January 2002.

Scrutiny (January - February 2011) of records of the EE, Drinking Water and Sanitation⁶ (DWS) Division, Belonia revealed that the work had been executed by the EE, PWD (R&B), Santirbazar Division through a contractor at a cost of ₹ 40.19 lakh and the quarters were handed over to the DWS Division, Belonia during March - April 2006. It was observed that since taking over of the quarters, the EE, DWS, Belonia had so far allotted (July 2011) only one quarter (Type III). The remaining 11 quarters were still lying vacant even after a lapse of more than five years (May 2011), reasons for which were loneliness of the area and non-availability of market facilities.

The EE stated (May 2011) that there were no applications for the vacant quarters. This implied that the 'assessment' claimed to have been made was not realistic and there was no demand for quarters. The EE also stated (May 2011) that there was no other plan as yet to utilise the quarters.

Thus, due to lack of proper assessment in planning and injudicious selection of site 11 quarters were lying vacant (May 2011) since their construction in 2006 and ₹ 35.95 lakh⁷ invested on the construction turned idle for more than five years. Besides, the possibility of the vacant quarters becoming dilapidated due to their prolonged disuse could not be ruled out.

Government stated (August 2011) that out of 12 quarters, four had been allotted so far (two Type III and two Type II) and there was no requirement of quarters from the staff of the Treatment Plant (seven out of 16 staff have their own house there). It was also stated that due to increase in the rate of house rent allowance after pay revision, there was lack of interest for occupying Government quarters as private rented house were cheaper.

⁶ The new name of the erstwhile Public Health Engineering (PHE) Wing, after re-organisation of the PWD in 2007.

⁷ 8 Type II quarters: ₹ 23.24 lakh; 3 Type III quarters: ₹ 12.71 lakh (₹ 16.95 lakh x 3/4)

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS)

2.3 Doubtful execution of work

Gross violation of the manualised provisions, raised doubts about actual execution of the work “Maintenance of Kamalpur-Maracherra-Ambassa Road during 2008-09/ SH: Construction of protection wall and wing wall”. It was claimed that the work was completed in 14 days against 90 days’ time allowed and ₹ 45 lakh had been paid to the contractor as part payment against the 1st and final bill for work value of ₹ 48.93 lakh. Finally, the bill along with deviations was approved for ₹ 53.05 lakh in June 2010 but there was no claim/ subsequent payment in full settlement of the final bill.

Scrutiny (November 2010) of records of the EE, Kamalpur Division revealed that the work “Maintenance of Kamalpur-Maracherra-Ambassa Road during 2008-09/ SH: Construction of protection wall and wing wall” was awarded (12 December 2008) to a contractor at his tendered value of ₹ 46.98 lakh (41 *per cent* above the estimated cost of ₹ 33.32 lakh put to tender). Although the completion time as per the detailed estimate and the NIT was 180 days and the stipulated completion time as per the work order was 90 days requiring the contractor to prepare bar chart for the work programme within 15 days from the date of the agreement, the work was shown to be completed in all respect in only 14 days i.e. on 26 December 2008 commencing on the very date of issue of the work order. The four key tasks after the reported progress/ completion of the work by the contractor and taking of its measurement viz. (1) Checking of measurement, (2) Preparation of abstract bill/ audit slip, (3) Preparation of deviation statement and extra item statement and (4) Preparation of RA/ final bill were all shown to be done in a single day i.e. on the very date of completion of the work.

Further scrutiny revealed that the chainage of the road was not found written in the detailed estimate as also in the MBs. The same was also not made available to Audit despite several requests since November 2010, and it was only for the first time in August 2011 that Government informed audit about the approximate location of the work, stated to be at about 16.20 K.M on the aforesaid road without, however, mentioning the exact starting and the ending point. While preliminary estimate had not at all been prepared, the detailed estimate, though prepared, did not show the measurement of the length, width and height of the walls to be constructed.

On examination in audit of the execution-related records in details, the following additional important facts emerged:

(i) The Measurement Book (MB) No. 169 used for the work had first two pages missing without any certificate recorded to this effect by the AE concerned. As per entries available at Page No. 34 of the MB under the signature of the AE the work was found to be completed even much earlier i.e. on 16 December 2008 within four

days of issue of work order, which, on being pointed out in audit was stated (June 2011) to be written “by mistake”.

(ii) There was no mention in the 1st and final bill/ audit slip about another MB (No.164), found to be used additionally for the said work, wherein measurement of execution of some portion of the agreement items valued at ₹ 4.53 lakh and extra items valued at ₹ 1.29 lakh were entered on the very date of the preparation of the 1st and final bill i.e. 26 December 2008 but the amounts were excluded from the said bill for no reasons on record.

(iii) Total value of the agreement items and the extra items executed as per entries in the two MBs (MB No.164 and 169) stood at ₹ 53.06 lakh⁸ but the AE prepared and submitted (26 December 2008) the 1st and final bill for ₹ 78.45 lakh⁹ applying bigger quantities/ higher rates for certain items beyond the scope of the agreement. The bill was, however, approved (11 June 2009) by the EE for a value of ₹ 48.93 lakh (which would have actually come to ₹ 45.89 lakh but for a mistake in totalling) against which part payment of ₹ 45 lakh was made (11 June 2009). Final deviation and extra item statement for ₹ 6.07 lakh and ₹ 3.63 lakh respectively was forwarded (7 June 2010) by the EE to the SE after 17 months of completion of the work as also preparation of the 1st and final bill, and the total value of work executed was shown as ₹ 53.05 lakh¹⁰ which was approved by the SE on that very date. No claim/ subsequent payment in full settlement of the final bill was on record (June 2011). Prior approval from the competent technical authority had also not been taken before execution of the extra item in violation of the prescribed provisions of CPWD.

(iv) The rate paid to the contractor was inclusive of the cost of *Jhama* bricks but neither the date of their collection/procurement was recorded in the MB nor was any supporting voucher attached with the 1st and final bill. In reply (June 2011) to an audit query, the supply was claimed to be made from the contractor’s own brick kiln.

(v) In the consumption statement, Road Roller was stated to be used for 6 days without any reference to its supplier, whereas the certificate recorded by the AE in the MB as well as the 1st and final bill showed that no T&P were issued to the contractor, and hence no recovery had been proposed.

(vi) No qualified engineer was deployed at the site of the work and test check of measurement was not also conducted by the EE despite manualised provisions.

(vii) The bill contained only the AE’s signature, and nowhere of the contractor or even of the JE.

The numerous deviations from the reasonable, natural and chronological stages of progress as pointed out above, including violation of manualised provisions as a matter of course obviously raised a doubt as regards actual execution of the work.

Government while admitting almost all the lacunae pointed out in audit stated (August 2011) that the work had to be taken up in an extreme emergent situation and

⁸ Agreement items including deviation quantity: ₹ 49.44 lakh + Extra items: ₹ 3.62 lakh.

⁹ Agreement item including deviation quantity: ₹ 76.16 lakh and Extra item: ₹ 2.29 lakh.

¹⁰ Agreement item including deviation quantity: ₹ 49.42 lakh and Extra item: ₹ 3.63 lakh

completed on war footing basis. It was not, however, spelt out why the special procedures prescribed in the CPWD Works Manual for such a work of inescapable nature/ urgency were not followed in the instant case. Reasons for notifying completion time of 180 days/ 90 days a fortnight before/ on the very date of commencement of the work also remained unclarified, especially when the requirement was emergent.

2.4 Avoidable time and cost overrun

Due to Department's failure to provide drawing and designs to the contractor in time, there was price increase of material components of the work 'Construction of building for Dormitory etc. at Belonia Town Hall Complex' which resulted in a time overrun of over 14 months and cost overrun of ₹ 20.77 lakh.

The Executive Engineer (EE), Belonia Division (R&B), Belonia awarded (14 December 2007) the work 'Construction of building for Dormitory etc. at Belonia Town Hall Complex, Belonia' to Contractor 'A' at ₹ 1.01 crore at the agreed rate of 24.97 per cent above the estimated cost (₹ 80.85 lakh), allowing 15 months' time for completion i.e. by March 2009.

Scrutiny (February-March 2010) of records of the EE revealed that the structural drawing and designs which are finalised by the Design Cell in the headquarter (Planning Circle) of the Department, could not be made available to the EE for being provided to the contractor in time.

The structural drawings for the foundation were handed over to the contractor on 13 March 2008. The structural details for the superstructure (right from lintel level) were made available to the contractor on 24 February 2009 i.e. only one month before the stipulated date of completion. Aggrieved by the failure in providing structural drawing/ designs in time, the contractor demanded (August 2008) enhancement of the agreed rate of '24.97 per cent above' to '50 per cent above' for the balance work, in pursuance of increase in price of materials. The contractor's demand was not conceded and he was informed (September 2008) that the issue was to be regulated according to Clause 10 CC of the general conditions of the contract agreement which provided for compensation in case of price increase of certain building materials as per prescribed formulae and conditions. The contractor did not agree to this and insisted (March 2009) that either the enhanced rate claimed by him should be paid for the balance work or the agreement should be closed. Ultimately, the work was closed in June 2009. The contractor was paid (September 2010) ₹ 68.89 lakh¹¹ in the 5th RA and final bill.

¹¹ Agreement quantity: ₹ 56.30 lakh {Estimated value: ₹ 45.05 lakh + ₹ 11.25 lakh (24.97 per cent of ₹ 45.05 lakh)} + Deviated quantity: ₹ 11.98 lakh + Extra Item: ₹ 0.61 lakh.

The balance work, estimated at ₹ 46.30 lakh (₹ 35.80 lakh¹² for agreement items and ₹ 10.50 lakh for additional works), was awarded (October 2009) to Contractor 'B' at the negotiated tendered value of ₹ 84.73 lakh (83 per cent above the estimated cost) stipulating 8 months' time for completion. The work commenced on 29 October 2009 and was completed on 7 June 2010 at ₹ 84.90 lakh (with deviation valued ₹ 0.17 lakh), which was paid to contractor 'B' in October 2010 in the 4th RA and final bill.

In audit analysis it was seen that the Department's views to attract the provisions under Clause 10 CC in the instant case was not appropriate as the price hike here was due to the Department's lapse to provide complete drawing and designs to the contractor which were finally completed only one month before the stipulated completion time of 15 months. It was also obvious that any subsequent agreement with a new contractor in pursuance of the increased price of the components of materials would involve higher cost; therefore the issue needed consideration.

Thus, closure of the agreement without any analysis/ comparative study of the rates in the changed circumstances, was unrealistic and imprudent. This resulted in time overrun of over 14 months and cost overrun of ₹ 20.77 lakh¹³. Had a negotiated rate been attempted with the first contractor, both these overruns could have been restricted to the least possible limit. Even if the contractor's demand of '50 per cent above' was agreed to, an extra expenditure of ₹ 11.81 lakh¹⁴ could have been avoided.

Government stated (August 2011) that the infrastructure of the Design Cell of the Department were not adequately augmented to cope with the increase in the volume of its works in the last few years and, therefore, the structural designs were being issued to site based on progress at site instead of the entire design for the entire work in advance. This did not make other contractors of positive attitude and spirit to insist for higher rates midway during the contract. While admitting price hike of materials as also occurrence of cost as well as time overrun, Government claimed that since the contractor did not show regard to the agreement provision for escalation of rate for the delayed period, closure of the agreement followed by invitation of fresh tender was the only prudent option to the Department as allowing higher rate as per his claim was not possible. Government's contention is not acceptable in audit since the contractor could not start (for four months till May 2008) a portion of the building due to non-availability of foundation structural details etc. followed by further delay in getting superstructure design right from lintel level. These delays coupled with price hike of materials exposed the contractor to risk, which he mitigated by asking for an increase, that could not be agreed to. The work was ultimately completed incurring an extra expenditure of ₹ 11.81 lakh.

¹² ₹ 80.85 lakh - ₹ 45.05 lakh.

¹³ Paid to Contractor A ₹ 68.89 lakh + paid to contractor B ₹ 84.90 lakh – tendered value ₹ 101.04 lakh – deviated, extra and additional works ₹ 31.98 = ₹ 20.77 lakh.

¹⁴ Cost overrun if 50 per cent above were allowed to Contractor A = 33 (83 – 50) per cent of balance work of ₹ 35.80 lakh i.e. ₹ 11.81 lakh

2.5 Unfruitful expenditure

The work of construction of boundary wall around the MBB College Complex was taken up without ensuring encumbrance free land resulting in unfruitful investment of ₹ 98.11 lakh as the work remained incomplete for over 81 months. Due to non-completion of the boundary wall and lack of watch and ward staff, the civil structures and electrical fittings of an eco-park constructed within the College Complex were damaged resulting in the completed park remaining unutilised for about 21 months rendering the expenditure of ₹ 1.92 crore thereon unfruitful as well.

Test-check (November 2010) of records of the Executive Engineer (EE), Agartala Division No.1 revealed the following:

(A) The EE awarded (September 2002) the work “Construction of boundary wall around the total length area of MBB College Complex (3,674.20 metres)¹⁵”, to NPCC Ltd¹⁶ at its tendered value of ₹ 84.70 lakh allowing 18 months’ completion time i.e. by September 2004 without ensuring encumbrance free land for the work in contravention of the provisions of the CPWD Manual. After progress of the work upto 1295 metres, the work was rescinded (April 2006) at the risk and cost of the agency due to reported delay and slow progress of work on the part of the agency, after making a payment (March 2005) of ₹ 26.39 lakh upto the 4th RA bill. Since the land was not available at different stretches as per the initially proposed alignment of the boundary wall due to encroachment and associated problems from local residents the Client Department (Higher Education) re-assessed the total length requirement for the wall at 3929 metres as against land availability of only 3114 metres.

A portion (1537 metres) of the balance work was awarded (December 2006) to Contractor A without resolving the problems of non-availability of land, encroachment, demarcation etc., at his tendered value of ₹ 77.15 lakh, but after a progress of 943.87 metres this second contractor also stopped (July 2009) working, alleging non-availability of clear site. The contractor was paid (August 2009) ₹ 49.60 lakh against final bill on closure of the agreement. Meanwhile, two other contractors also, on being awarded (February 2009 and March 2009) the work for 700 metres (Contractor B) and 750 metres (Contractor C), constructed the boundary wall for 475 metres and 150 metres respectively. Contractor B was paid (March 2010) ₹ 22.73 lakh while no payment was made to Contractor C till the date of audit.

¹⁵ Administrative approval and expenditure sanction for ₹ 83.32 lakh was accorded by the then Education Department in October 2001.

¹⁶ National Projects Construction Corporation Limited, a Government of India Enterprise

The work of the boundary wall therefore, remained incomplete after construction of a length of 2,863 metres¹⁷. The balance portion (1066 metres)¹⁸ was not taken up at all.

(B) The EE had taken up another work “Construction of an eco-park around the lake of MBB College under Additional Central Assistance (ACA) scheme” within the College Complex, as per assignment of the Information, Cultural Affairs and Tourism (ICAT) Department¹⁹. The EE awarded (March 2007) the work to Contractor X at his tendered value (negotiated) of ₹ 1.55 crore allowing 12 months’ completion time i.e. by February 2008. The work was completed in September 2009, and an amount of ₹ 1.44 crore was paid (June 2011) upto the 5th RA and final bill. In the meantime, the EE awarded (June 2009) construction of two gates with adjacent boundary wall of the eco-park²⁰ to Contractor Y at his tendered value (negotiated) of ₹ 37.98 lakh allowing six months’ time for completion i.e. by December 2009. The work started in July 2009 but was yet to be completed (June 2011). The contractor was paid (January 2011) ₹ 22.22 lakh upto the 3rd RA bill.

The constructed civil structures in the eco-park were damaged/ broken in some places due to the absence of security. This could be attributed to the incomplete boundary wall and the gates apart from lack of watch and ward staff. Costly electrical fittings like luminaries and other accessories installed²¹ in the park at ₹ 48.15 lakh had been damaged by miscreants, for which an FIR was lodged (17 February 2010). The incomplete and damaged park was handed over (20 February 2010) to the ICAT Department who in turn handed it over to the Agartala Municipal Council (AMC) on the same day.

During a physical verification of the site conducted by audit (24 June 2011) along with the departmental representative it was seen that the boundary wall had several gaps of lengths ranging between 2.5 metres and 350 metres and the eco-park with incomplete gates, damaged electrical fittings and broken tiles etc. was covered with wild growth and remained unprotected and unutilised.

Thus, taking up of the work of construction of boundary wall around the MBB College Complex without ensuring encumbrance free land in contravention of the codal provisions resulted in unfruitful investment of ₹ 98.11 lakh as the work remained incomplete for over 81 months. Consequently, the civil structures and electrical fittings of an eco-park constructed within the College Complex got damaged resulting in the completed park remaining unutilised for about 21 months rendering the expenditure of ₹ 1.92 crore thereon unfruitful as well.

¹⁷ (1295+943+475+150) metres = 2,863 metres.

¹⁸ (3929-2,863) metres = 1066 metres.

¹⁹ Administrative approval for ₹ 2.68 crore and expenditure sanction for ₹ 57 lakh was accorded by the ICAT Department in January 2006.

²⁰ Funds provided by the ICAT Department.

²¹ By the EE, Internal Electrical Division of PWD, against funds provided by the ICAT Department.

Government stated (October 2011) that the PW Department's efforts to complete the boundary wall in all respect did not yield the complete result mainly due to land dispute despite highlighting the local hindrance of the work to all concerned from time to time. It was also stated that this wall was not meant for full protection of the eco-park but provided only additional boundary wall facilities to it; the discontinuity of the wall was partially offset in the water bodies, and cannot be taken as the main cause of damages to the eco-park which was totally a separate work executed for a different department (ICAT) who is responsible to take care of the park in a befitting manner.

But the fact however, remains that the work of construction of the boundary wall around the college was taken up without ensuring encumbrance free land leading to unfruitful expenditure on the work. Besides, completion of the boundary wall would have provided sufficient security to the eco park and the damage by miscreants could also have been avoided. It is thus, evident that the unfruitful investment of ₹ 2.90 crore was the result of commencement of a work without ensuring encumbrance free land.

PUBLIC WORKS DEPARTMENT (WATER RESOURCES)

2.6 Avoidable expenditure

Due to lack of proper planning in material management the Department incurred an avoidable expenditure of ₹ 16.14 lakh.

Scrutiny (December 2010) of records of the Executive Engineer (EE), Resource Division, Panchamukh, Agartala revealed that based on a general requisition received in February 2007 for sinking of Deep Tube Wells, the EE made (between September 2008 and April 2009) plan estimates in respect of Water Resources/ Minor Irrigation schemes in West and South Tripura districts to procure 1,549.54²² cum pea gravel²³ from the quarries of Durgapur, West Bengal at an estimated cost of ₹ 87.05 lakh including loading, unloading and transportation.

After finalising the tendering process, the EE placed (between 3 June 2009 and 29 July 2009) three supply orders for 1,549.54 cum pea gravel to two Agartala-based suppliers (1099.54 cum by road direct from Durgapur to Panchamukh Store yard, and the rest by rail cum road i.e. by rail from Durgapur to Dharmanagar and thereafter by road from Dharmanagar to Panchamukh Store yard). The time allowed for completion of the supply in all the three supply orders was same i.e., six months. An amount of

²² 399.54 cum for Balance Work of MI schemes at West and South Tripura districts for the year 2006-07 (estimated in April 2009), 450 cum for Group-I of WR schemes at West and South Tripura districts for the year 2008-09 (estimated in September 2008) and 700 cum for Group-II of WR schemes at West and South Tripura districts for the year 2008-09 (estimated in February 2009).

²³ Of size 2.00 mm to 4.75 mm of the specification conforming to IS-4097-1967 (Grade A & B).

₹ 1.08 crore was paid to the suppliers for 1,563.68 cum pea gravel supplied during August 2009 to July 2010. The details are given in the table below:

Table 2.1

Group of supply with name of supplier & date of supply order (DOS)	Quantity ordered (cum)	Rate agreed (Rupees per cum)	Mode of transportation	Time allowed	Quantity supplied (cum)	Date of supply	Amount paid (Rupees in lakh)
Gr-I M/s Suman Enterprise, Agartala DOS:-03-06-2009	450.00	5,698	By rail cum road i.e. by rail from Durgapur to Dharmanagar and thereafter by road from Dharmanagar to Panchamukh Store yard	6 months from DOS (by 02-12-09)	518.965	17-03-2010	29.57
Gr-II M/s Choudhury Motors, Agartala DOS:-18-06-2009	700.00	7,715	By road direct from Durgapur to Panchamukh Store yard	-Do- (by 17-12-09)	49.900 141.560 <u>245.367</u> <u>210.067</u> 646.894	07-08-2009 05-11-2009 01-01-2010 08-07-2010	48.70*
Balance Quantity M/s Suman Enterprise, Agartala DOS:- 29-07-2009	399.54	7,498	-Do-	-Do- (by 28-01-10)	271.342 126.667 398.009	10-01-2010 27-07-2010	29.84
Total	1549.54				1563.868		108.11

* ₹ 1.21 lakh was not paid (August 2010) for shortage of funds.

Source: Supply Orders, Goods Received Sheets/ Bin Cards and Measurement Books/ RA Bills available in the Division.

From the above it is seen that the rates for Group-II and the Balance Quantity (transportation all through by road) were higher than the rate for Group-I (transportation by rail cum road) by ₹ 1,800²⁴ per cum and ₹ 2,017²⁵ per cum respectively.

Cross check of the entries available in the Goods Received Sheets, Bin cards, Measurement Books, Supply orders etc. revealed that there was no issue of pea gravel from the stock of 50.46 cum as on 16 May 2008 upto 16 May 2009 (more than one year) and out of the said stock, only 46.628 cum was issued between 17 May and 26 June 2009. It was further seen that out of 708.169²⁶ cum pea gravel received under Group-II and Balance Quantity at higher cost (all through by road), between 7 August 2009 and 10 January 2010 i.e., before arrival of pea gravels of Group-I at cheaper cost (518.965 cum) by rail cum road (received on 17 March 2010), the Division had issued only 201.71 cum pea gravel between 23 September 2009 and 19 February 2010,

²⁴ ₹ 7498 - ₹ 5698 = ₹ 1800

²⁵ ₹ 7715 - ₹ 5698 = ₹ 2017

²⁶ Under Group-II: 436.827 cum (49.90 cum on 7 August 2009, 141.56 cum on 5 November 2009 and 245.367 cum on 1 January 2010) and under Balance Quantity: 271.342 cum on 10 January 2010.

against specific requisitions. This indicated that there was no urgent requirement of pea gravel from the working Divisions during 2008-09 and 2009-10. Hence, it is evident that the materials requisitioned in February 2007 (two years back) could have been ordered for supply much earlier for being received comfortably at cheaper cost by rail cum road well ahead.

The EE stated (December 2010) that transportation by road was made for early receipt of the pea gravel than by rail transport. The reply is not tenable since time allowed for each supply was same i.e., six months and the pea gravel by rail-cum-road were received two and half months after the scheduled date of supply, whereas the last consignments of those by road were received six to seven months after the scheduled date of supply. Further, out of the total quantity of procurement during 2009-11 (1,563.868 cum), 958.85 cum pea gravel was still lying at the Store yard (Panchamukh) till 30 March 2011.

Thus, due to lack of proper planning in material management the Department incurred an avoidable expenditure of ₹ 16.14 lakh²⁷ procuring arbitrarily a larger quantity of pea gravel (1099.54 cum) direct by road at much higher cost, out of which only 201.71 cum (18 *per cent*) was consumed before arrival of the pea gravel by rail cum road at cheaper cost.

Government stated (August 2011) that for completion of the NABARD project of 133 Deep Tube Wells within the stipulated period (i.e. March 2009), the Department had to take up the drilling components of the scheme by its own arrangement following discontinuation of the said task by PWD (DWS) for irrigation purpose. Accordingly, agency was selected by call of tender for implementation of 100 Deep Tube Wells within the stipulated period (i.e. March 2009), and to support the programme the Department had the necessity to procure pea gravels of sufficient quantities. It was also stated that supply of pea gravel suffered from uncertainty/ failure of contract due to non-availability of wagons, and in such situations procurement of pea gravel was ensured by resorting to carriage by road directly from the quarries. There were practical difficulties at that time for carriage of pea gravels by railways and under this situation it was planned to invite tender for carriage by railway as well as road carriage.

The reply is not acceptable as, against materials requisitioned in February 2007, supply orders were issued after a long gap (between June 2009 and July 2009 i.e. even 3-4 months after the stipulated date of completion of the project). Further, apart from very low consumption of the pea gravel procured at higher cost (18 *per cent*) before arrival of the pea gravel at cheaper rate, the total quantity consumed thereafter till 30 March 2011 (605.018 cum out of 1,563.868 cum i.e. 33 *per cent*) did not also commensurate with the costly procurement claimed to have been made on urgent basis.

²⁷ Gr II: {(646.894 – 201.71) = 445.184 cum} x ₹ 2,017 = ₹ 8,97,936...(A);
Balance quantity: 398.009 cum x ₹ 1800 = ₹ 7,16,416...(B);
Total: (A) + (B) = ₹ 16,14,352

Regularity issues

RURAL DEVELOPMENT (PANCHAYAT) DEPARTMENT

2.7 Lapse of Twelfth Finance Commission allocation

Non-submission of requisite information/ certificates to the Government of India in time resulted in lapse of Central assistance of Twelfth Finance Commission allocation of ₹ 17.10 crore due for Panchayati Raj Institutions which adversely affected the improvement of water supply and sanitation in rural areas in the State. Besides, delay in transferring funds to the PRIs led to avoidable diversion of ₹ 22.21 lakh towards payment of interest from Panchayat Development Fund.

Guidelines issued by the Ministry of Finance, Government of India for release and utilisation of grants recommended by the Twelfth Finance Commission (TFC) contained *inter alia*, that the amount released under each installment should be mandatorily transferred to the Panchayati Raj Institutions (PRIs) within 15 days of the same being credited to the State's account, failing which interest at the rate equal to the RBI rate would have to be paid to the PRIs for the period of such delay in addition to the funds transferred late. Further, the release of second installment onwards of 2006-07 would be subject to submission of certificates by the State Finance Secretary to the Government of India (GOI) in the prescribed formats regarding timely release of the previous installment to PRIs, percentage of utilisation of funds on Water Supply and Sanitation schemes including the recurring O & M cost recoverable thereon and inter-se allocation of the next installment in advance.

Scrutiny (March-April 2009 and January-February 2011) of records of the Director of Panchayats, Agartala revealed that against the total allocation of ₹ 57 crore of TFC grant for 2005-10 for PRIs in the State, payable in 10 equal instalment of ₹ 5.70 crore each in July and January every year, GOI released ₹ 39.90 crore only (upto 1st installment of 2008-09) during the TFC period towards seven installments in total. The rest three installments amounting to ₹ 17.10 crore were not released by the GOI due to non-adherence to the guidelines in general, and especially for non-submission of requisite information/ certificates to the GOI in time by the State Government.

Scrutiny further revealed that GOI had released (5 April 2006) ₹ 5.70 crore as the first installment due for 2005-06 and since then several reminders had been issued by the GOI to the State Government specifically pointing out that to avail of the grants recommended by TFC in full before the expiry of the TFC period (March 2010). It was necessary to transfer the amount released under each installment to PRIs as per the GOI guidelines and also to submit the utilisation certificates in time. But the issue was not effectively addressed and there had been recurring delays in transferring funds to the PRIs by the State Government. Consequently, the State Government did not get the subsequent installments in time. The State Government received ₹ 34.20

crore²⁸ between November 2008 and March 2010, which were equivalent to only six installments. Meanwhile, the TFC period expired (March 2010) and the Central assistance of ₹ 17.10 crore lapsed. This affected adversely the improvement of water supply and sanitation in rural areas in the State.

Besides, due to delay of 333 days beyond the permissible period of 15 days in transferring the 1st installment to PRIs, the State Government had to pay (25 August 2008) ₹ 31.20 lakh to the PRIs from the State exchequer as penal interest (@ 6 per cent per annum). Further, due to 53 to 89 days' delay in transferring the subsequent installments, the State Government had to pay interest of ₹ 22.21 lakh²⁹ more, diverting funds from Panchayat Development Fund (PDF) grants since no extra funds were released this time by the State Finance Department for the purpose.

Thus, non-submission of requisite information/ certificates to the GOI in time resulted in lapse of Central assistance of ₹ 17.10 crore due for the PRIs. Besides, delay in transferring funds to the PRIs led to avoidable diversion of ₹ 22.21 lakh towards payment of interest from PDF, depriving the Panchayats further of their general Development Resources.

The matter was reported to the Government in June 2011; reply had not been received (October 2011).

RURAL DEVELOPMENT DEPARTMENT

2.8 Diversion and blockade of NREGA funds

In two RD Blocks of South Tripura District there was diversion of NREGA funds amounting to ₹ 1.46 crore to non-permissible works and involving only 13.70 per cent wage component as against the prescribed requirement of 60 per cent. Besides, a sum of ₹ 17.78 lakh had been blocked with the EE, RD Division, Udaipur for last four years.

NREGA is a scheme to enhance livelihood security for the rural population by providing guaranteed wage employment. The operational guidelines of NREG Act provide that the wage component for an NREGA work must not be below 60 per cent. Further, Schedule-I of the NREG Act prescribed the types of work permissible for execution under NREGA. The Act also prohibited use of funds allocated under NREGA for any other purposes, except by sending specific proposals for taking up new categories of works to the Government of India (GOI) through the State Employment Guarantee Council (SEGC) for necessary notification.

Scrutiny (March 2011) of records of the Block Development Officers (BDOs) of two RD Blocks of South Tripura District revealed that the District Programme Co-

²⁸ ₹ 11.40 crore (November 2008); ₹ 17.10 crore (April 2009) and ₹ 5.70 crore (March 2010).

²⁹ ₹ 7.31 lakh (March 2009) and ₹ 14.90 lakh (February 2010).

ordinator (DM & Collector), South Tripura, Udaipur allocated (1 September 2007) ₹ 72.51 lakh³⁰ of NREGA funds in favour of these Blocks for 2007-08, in order to meet the expenses for construction of 430 Nos³¹ IAY pattern Rural Shelter Houses (*pucca* type) @ ₹ 33,900/- per unit, within the jurisdiction of the respective RD Block (labour wages: ₹ 9.93 lakh³² and petty materials: ₹ 62.58 lakh) which is not permissible under NREGA. The allocated sum was deposited by the Project Director, DRDA (South) to the BDOs' respective bank accounts in September 2007. Nothing was available on record as regards sending of any proposal to the GOI through the SEGC on this issue as per requirement of the NREGA guidelines.

Further, at the instance of the DM & Collector, South Tripura, a total amount of ₹ 73.26 lakh³³ was deposited (June 2007) in the accounts of the Executive Engineer (EE), RD Division, Udaipur for procuring RD materials centrally and for supplying the same to the BDOs for construction of the shelter houses, as aforesaid.

It was seen in audit that out of ₹ 73.26 lakh placed for RD materials, ₹ 55.48 lakh³⁴ only were utilised. The balance amount of ₹ 17.78 lakh, lying with the EE, RD Division, Udaipur was neither recovered nor adjusted (June 2011).

Construction of IAY pattern houses was not included in the list of permissible types of works as per the operational guidelines of NREGA. Further, the wage component for the said works done by each of the above two Blocks was only 13.70 *per cent* as against the prescribed requirement of 60 *per cent*.

Thus, the very allocation was irregular and tantamount to diversion of NREGA funds amounting to ₹ 1.46 crore (i.e. ₹ 72.51 lakh *plus* ₹ 73.26 lakh) to non-permissible works. Besides, a sum of ₹ 17.78 lakh³⁵ had unnecessarily been blocked with the EE, RD Division, Udaipur for last four years (August 2011).

The BDOs stated (March 2011) that the works had been taken up as per direction of the higher authority.

The matter was reported to the Government in September 2011; reply had not been received (October 2011).

³⁰ Kakraban: ₹ 37.94 lakh for 225 houses and Rajnagar: ₹. 34.57 lakh for 205 houses

³¹ Kakraban: 225 houses and Rajnagar: 205 houses

³² Kakraban: ₹ 5.20 lakh and Rajnagar: ₹ 4.73 lakh

³³ Kakraban: ₹38.33 lakh and Rajnagar: ₹ 34.93 lakh

³⁴ Kakraban: ₹ 21.35 lakh and Rajnagar: ₹ 34.13 lakh

³⁵ Kakraban: ₹ 16.98 lakh and Rajnagar: ₹ 0.80 lakh

HOME (POLICE) DEPARTMENT

2.9 Wasteful expenditure

Lack of proper monitoring and appropriate timely action by the Department led to failure in getting four bus bodies fabricated even after 12 years of purchase of their chassis. This resulted in wasteful expenditure of ₹ 20.63 lakh as the chassis had become unfit due to prolonged exposure. Besides, there was a loss of interest of ₹ 12.72 lakh on the amount.

Home (Police) Department procured (December 1998) four bus chassis (Model TATA/LP-1510) from the local authorized dealer of TATA Motors (M/s Surana Motors Ltd, Agartala) at ₹ 17.66 lakh for use of the 5th Battalion (Bn) of Tripura State Rifles (TSR). The chassis were to be fabricated into bus bodies for putting them into use.

Scrutiny of records (February 2011) of the Commandant, 5th Bn of TSR, Doluma, Amarpur, South Tripura revealed that for fabrication of the bus bodies tender was invited in August 1999, after a gap of eight months of procurement of the chassis. Work order was issued (January 2000) to M/s. RAMCO COACHES, Kolkata at the negotiated rate of ₹ 3.25 lakh each. An agreement between the Commandant and the agency was signed (March 2000) which included *inter-alia* completion of fabrication works within 110 days from the date of handing over of the chassis to the agency, failing which the agency was liable to pay penalty @ ₹ 200/= per chassis per day subject to a maximum of 20 *per cent* of the contract value. The agreement also stipulated that if the agency failed to deliver the complete buses within the approved extended time, if any, allowed by the Commandant, the latter shall have the right to take back the chassis from the agency's workshop without assigning any reason. The chassis were handed over to the agency in March 2000. But the agency failed to execute the works even within the extended time (March 2001). After a delay of three years of expiry of the extended time, a show cause notice was issued to the agency in April 2004 and finally the work order was cancelled in March 2005 by the Commandant. The chassis were taken back (May 2005) from the workshop of the agency, without imposing any penalty though this was provided in the agreement, and were kept in the custody of the Commandant, 41 Bn CRPF, Strand Road, Kolkata. An expenditure of ₹ 2.97 lakh³⁶ was also incurred (May-June 2005) towards the cost of painting and mechanical repair of the chassis, expenditure on TA/DA of the inspecting team and other contingent expenditure.

Fresh tender was invited in November 2005 and with the approval (August 2006) of Supply Advisory Board (SAB) work order was issued to M/s. Indian Motors Works, Kolkata (the lowest tenderer) at ₹ 5.29 lakh each in October 2006 i.e. after a lapse of one year. Since the validity period of the tender expired the agency demanded

³⁶ Painting and mechanical repairs: ₹ 2.62 lakh + Expenditure on T.A/D.A: ₹ 0.23 lakh + Contingencies: ₹ 0.12 lakh

increased price at ₹ 6.47 lakh each which was also agreed to in February 2008 (after 16 months). The agency, however, demanded (February 2008) further increase of the enhanced rate. The Director General of Police took one year to forward the estimated cost of servicing/repairs (₹ 5.24 lakh³⁷) to the Commandant, 5th Bn of TSR (March 2009) but no further action in this regard was found to have been taken.

However, another tender was invited in June 2009, after a lapse of 28 months from the approval of increased price to M/s. Indian Motors Works, for the fabrication work and repairing of the chassis, against which the tender of M/s. Prakash Body Construction Company, Noagaon, Assam at ₹ 10.65 lakh each was the lowest. Proposal for approval of the tender was placed (November 2009) with the SAB, which suggested to ascertain whether the chassis were still usable. Accordingly, a joint inspection team³⁸, after checking (January 2010) the condition of the chassis at Kolkata, reported (February 2010) that all the chassis were kept in the open and had become dilapidated due to prolonged exposure.

Based on the above report as well as the report (November 2010) of the Executive Engineer, Mechanical Division, Agartala, the Director General of Police proposed (January 2011) Home (Police) Department for condemnation of all the chassis as those were not fit for economical repair and fabrication; and recommended to dispose of the chassis by public auction. The final decision from the Government was awaited (July 2011).

Thus, lack of proper monitoring and appropriate timely action by the Department led to failure in getting the four bus bodies fabricated even after a period of 12 years of purchase of their chassis. This resulted in wasteful expenditure of ₹ 20.63 lakh³⁹ as all the chassis had become unusable due to prolonged exposure in the open. Besides, there was a loss of interest (December 1998 to December 2010) of ₹ 12.72 lakh⁴⁰ calculated at the minimum RBI rate of six *per cent* per annum simple interest on the amount of ₹ 20.63 lakh blocked up without use.

Government while accepting the observations (September 2011) stated that the proposal to dispose of the four chassis is still under consideration.

³⁷ Estimated by M/s. French Motor Car Company Ltd., Kolkata (a Commercial Vehicle Workshop) in March 2008.

³⁸ Comprising the Superintendent of Police (Procurement) and the Executive Engineer, Mechanical Division, Agartala

³⁹ ₹ 17.66 lakh + ₹ 2.97 lakh

⁴⁰ ₹ 17.66 lakh x 6% x 12 years

2.10 Overburden on State exchequer

Short reimbursement of pay and allowances by ONGC to the 1st and the 2nd Battalions of TSR for dedicated deployment for its security duties, resulted in overburden of ₹ 3.79 crore on the State exchequer.

A Memorandum of Understanding (MOU) was signed (29 January 2005) between the Oil and Natural Gas Corporation (ONGC) Ltd. and the Government of Tripura mutually agreeing that the Tripura State Rifles (TSR) would provide protection to the ONGC's property/ assets and its personnel/ operations in the State of Tripura by raising a full TSR Battalion with the required complement of arms, ammunitions, equipment and vehicles etc. for dedicated deployment to ONGC for its security duties. The initial duration of the MOU was 10 years from the date of its signing.

In compliance with the said MOU, Government of Tripura had entrusted (June 2005) the 1st Battalion of TSR with the duty of security of assets of ONGC, Tripura. This arrangement continued upto 16 June 2009 and thereafter, the said security duty was taken over by the 2nd Battalion of TSR which had been declared (10 June 2009) by the Director General of Police (DGP), Tripura as the new Battalion for dedicated duty with ONGC in replacement of the 1st Battalion.

As per para 3 (iii) of the MOU, ONGC was liable to reimburse to the TSR authorities the pay and all other allowances as per the existing rules of the State Government. Accordingly, the DGP, Tripura had directed (18 June 2005) the Commandant, 1st Battalion of TSR to claim from ONGC the total cost of the salary/TA/DA/HRA/Holiday pay etc. for each month of such payment being made to its officers and staff from July 2005 onwards.

Scrutiny (March 2011) of records of the Commandant, 1st Battalion of TSR, Gokulnagar, West Tripura revealed that claims for reimbursement of pay and allowances for the period from 1 January 2009 to 31 May 2009 were originally raised by the Battalion with ONGC for ₹ 4.75 crore based on the pre-revised scale though arrears were to be given from 1 January 2009. However, no supplementary arrear claims had been raised by the Battalion with ONGC for the aforesaid period. Though the dues were claimed on 20 March 2011 at the instance of audit the reimbursement was still not received (June 2011). Consequently, as against ₹ 8.06 crore due, ₹ 4.75 crore only was reimbursed resulting in short reimbursement of ₹ 3.31 crore.

Further, scrutiny (May 2011) of records of the Commandant, 2nd Battalion of TSR, RK Nagar, West Tripura revealed that against reimbursement bills of monthly salaries of its officers and staff for the period from 1 April 2010 to 31 March 2011 amounting to ₹ 21.85 crore, ONGC authority deducted at source ₹ 48.37 lakh as Income Tax under Section 194 C of the Income Tax (IT) Act, 1961. The deduction of tax at source made by ONGC under the said section of IT Act was not justified since the said section was to be attracted only in case of payments made for any work contract. Further, the recipient for the payment here is a State Government Department whose

income of any sort is exempt from Union taxation under provisions of the Constitution of India. TSR could not, therefore, be treated as an 'assessee' for the purpose of the IT Act. Hence, the unauthorised deduction of tax at source by ONGC resulted in short reimbursement of ₹ 48.37 lakh to the Battalion. The Battalion also did not take any action to get back the money from ONGC.

The total short reimbursement of pay and allowances to the two Battalions thus, stood at ₹ 3.79 crore⁴¹, due to which the State exchequer was unnecessarily overburdened to that extent.

The matter was reported to the Government in July 2011; reply had not been received (October 2011).

⁴¹ ₹ 3.31 crore + ₹ 48.37 lakh

General

CIVIL DEPARTMENTS

2.11 Outstanding Inspection Reports

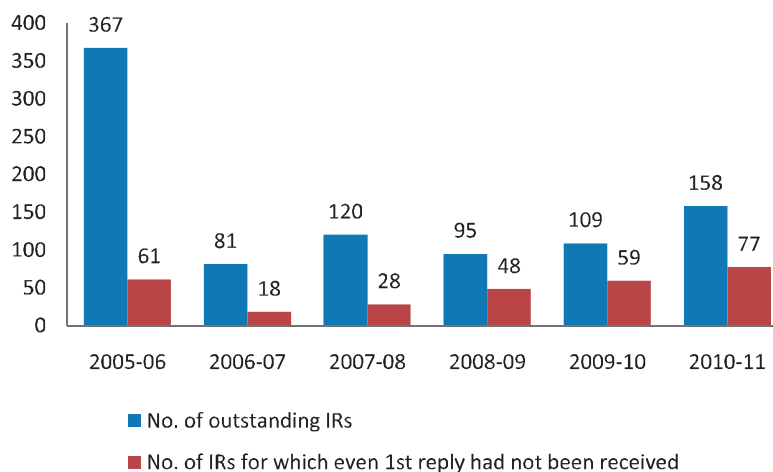
First reply for 291 out of 930 Inspection Reports issued upto 2010-11 were not furnished by the Civil and Public Works Departments within the stipulated period.

Audit observations on financial irregularities and deficiencies in maintenance of initial accounts noticed during local audit and not settled on the spot are communicated to the auditee departments and to the higher authorities through Inspection Reports (IRs). The more serious irregularities are reported to the Government. The Government had prescribed that the first reply to the IRs should be furnished within one month from the date of receipt.

The position of outstanding reports in respect of the Civil Departments (including Public Works Department) is discussed below.

3,155 paragraphs included in 930 IRs issued upto 2010-11 were pending settlement as of August 2011. Of these, even the first reply had not been received in respect of 291 IRs in spite of repeated reminders. The year-wise break up of the outstanding IRs and the position of response thereto is given in the chart below:

Chart No. 2.12.1
Position of total outstanding IRs



As a result, the following important irregularities commented upon in these IRs, had not been addressed as of August 2011.

Table No. 2.12.1

Nature of irregularities	Number of cases	Amount involved (Rupees in crore)
Excess/ Irregular/ Avoidable/ Unfruitful/ Wasteful/ Unauthorised/ Idle expenditure	82	60.10
Blocking of funds	86	61.56
Non-recovery of excess payments/overpayments	165	93.08
Others	1426	717.43
Total	1759	932.17

2.11.1 Departmental Audit Committee meetings

During 2010-11, twelve Audit Committee meetings were held. 68 IRs and 335 paragraphs were discussed in the meetings out of which 29 IRs and 260 paragraphs were settled.

2.12 Follow up action on earlier Audit Reports

2.12.1 Non-submission of explanatory notes

Serious irregularities noticed in audit are included in the Report of the Comptroller and Auditor General of India (Audit Reports) and presented to the State Legislature. According to the instructions issued by the Finance Department, Government of Tripura in July 1993, the Administrative departments are required to furnish explanatory notes on the paragraphs/reviews included in the Audit Reports within three months of their presentation to the Legislature.

It was noticed that in respect of Audit Reports (Civil) from the years 2000-01 to 2009-10, 13 Departments did not submit explanatory notes on 30 paragraphs and 12 reviews⁴² as of October 2011. The position of *suo motu* replies during the last five years is shown in the chart below.

⁴² Out of 140 paragraphs and 41 reviews pertaining to Audit Reports 1988-89 to 2007-08, 123 paragraphs and 29 reviews had been referred to State Government in March 2011 for settlement at their end, and 17 paras and 12 reviews pertaining to that period having significant financial implications were retained for settlement in PAC.

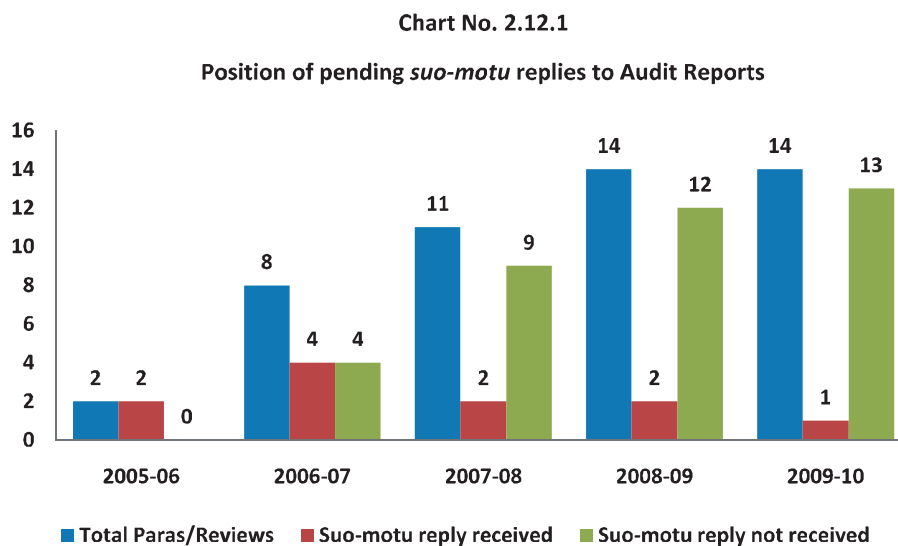


Chart 2.12.1 represents the position of *suo-motu* replies received/ not received pertaining to paras/ reviews of Audit Reports (Civil) for the period from 2005-06 to 2009-10. The department largely responsible for non-submission of explanatory notes was Public Works (R&B).

2.12.2 Response of the departments to the recommendations of the Public Accounts Committee (PAC)

Finance Department, Government of Tripura issued (July 1993) instructions to all departments to submit Action Taken Notes (ATN) on various suggestions, observations and recommendations made by PAC for their consideration within six months of presentation of the PAC Reports to the Legislature. The PAC Reports/Recommendations are the principal medium by which the Legislature enforces financial accountability of the Executive to the Legislature and it is appropriate that they elicit timely response from the departments in the form of Action Taken Notes (ATNs).

As of October 2011, out of 11⁴³ recommendations of the PAC, made between 2000-01 and 2008-09, no ATN in respect of any recommendation had been submitted to the PAC and so no ATN was discussed. The concerned administrative departments are yet to submit ATNs for 11 recommendations. Of these 7 recommendations are due from the Health and Family Welfare Department.

⁴³ 601 recommendations of the PAC pertaining to Audit Reports for the years from 1988-89 to 2005-06 stand referred to the State Government (March 2011) for settlement at their end.

2.12.3 Monitoring

The following Committees have been formed at the Government level to monitor the follow up action on Audit Reports and PAC recommendations.

Departmental Monitoring Committee

Departmental Monitoring Committees (DMCs) had been formed (April 2002) by all departments of the Government under the Chairmanship of the Departmental Secretary to monitor the follow up action on Audit Reports and PAC recommendations. The DMCs were to hold monthly meetings and send Progress Reports on the issue every month to the Finance Department.

The details of DMC meetings held during 2010-11 were awaited (October 2011) from the Finance Department.

Apex Committee

An Apex Committee had been formed (April 2002) at the State level under the Chairmanship of the Chief Secretary to monitor the follow up action on Audit Reports and PAC recommendations.

The details of Apex Committee meetings held during 2010-11 were awaited (October 2011) from the Finance Department.