

CHAPTER III: ECONOMIC SECTOR

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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 year 2019-20 are given in **Table 3.1.1**.

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

(₹ in crore)

Name of the Department	Total budget allocation	Expenditure
Co-operation	35.88	32.08
Public Works (Roads & Buildings)	1068.54	652.66
Power	136.84	136.45
Public Works (Water Resource)	197.80	100.14
Information and Cultural Affairs	44.01	42.39
Industries & Commerce	121.10	104.50
Industries & Commerce (Handloom, Handicrafts & Sericulture)	42.07	33.98
Fisheries	87.68	72.83
Agriculture	566.95	335.13
Horticulture	155.55	90.71
Animal Resources Development	124.98	104.81
Forest	188.56	123.30
Science, Technology and Environment	6.82	5.73
Factories and Boilers Organisation	3.06	2.97
Information Technology	16.60	6.73
Tourism	4.00	3.67
Total number of Departments = 16	2800.44	1848.08

Source: Appropriation Accounts, 2019-20

We audited 10 units under this Sector, covering expenditure of ₹ 258.88 crore (including expenditure of the previous year).

This Chapter contains one Performance Audit titled “**Development and Promotion of Horticulture in Tripura**” relating to the Agriculture & Farmers’ Welfare Development Department and three Compliance Audit paragraphs under Public Works (Roads & Building) and Forest Department involving money value of ₹ 5.47 crore.

Agriculture and Farmers' Welfare Department

3.2 Performance Audit on Development and Promotion of Horticulture in Tripura

3.2.1 Introduction

Horticulture is defined as the science of growing and management of fruits, vegetables including tubers, ornamental, aromatic and medicinal crops, spices, plantation crops and their processing, value addition and marketing. The horticulture crops include fruits, vegetables, spices, plantation crops and flowers. Crops like mushroom, bamboo and bee keeping (helps in improving crop productivity) are also important components of horticultural development. Over the past two decades, the horticulture sector has emerged as a prominent sector in the Indian agricultural scenario contributing to the overall economic growth. Besides providing nutritional and health benefits, this sector has given wide variety of products that are available round the year. The sector also provides a wide range of options for sustainable rural economy through diversification. In order to provide impetus to horticulture sector, Government of India has undertaken several initiatives. The Major scheme – Mission for Integrated Development of Horticulture (MIDH) is being implemented in the country by adopting an end to end approach for increasing production of horticulture crops and reducing post-harvest losses.

Tripura is characterised by hilly terrain consisting of parallel hills and ridges alternated with narrow valleys, deep fertile soil, sub-tropical humid climate with abundance of rainfall, offering immense scope for development of horticultural sector. In the State, the area under horticultural crops has declined from 1,23,268 ha in 2015-16 to 1,21,160 ha in 2019-20 with marginally increase in production from 14,55,215 MT to 14,58,245 MT. Status of horticultural crops in Tripura at the end of 2019-20



¹¹ are given in **Appendix 3.2.1**.

In the State, South Tripura District is leading in vegetable production in terms of production and Khowai District leads in productivity while Dhalai District leads in production and productivity of fruits and North Tripura in production and productivity of nuts. Detail position is given in **Table 3.2.1**.

¹¹ Horticulture Area Production Information System (HAPIS) data for the year 2019-20 provided by the Directorate of Health & Soil Conservation (DH&SC), Government of Tripura.

Table 3.2.1: Production and productivity rank of district of different horticulture items in the State during 2015-16 to 2019-20

Sl. No.	Particulars of Horticulture Products	Highest producing district	Highest productivity
1.	Vegetables	South Tripura	Khowai
2.	Fruits	Dhalai	Dhalai
3.	Nuts	North Tripura	North Tripura
4.	Spices	South Tripura	North Tripura
5.	Potato	South Tripura	North Tripura

Source: Five years data on horticulture area and production from 2015-16 to 2019-20 provided by the Directorate of Horticulture and Soil Conservation, Government of Tripura (details shown in Appendix 3.2.2)

Production of vegetables, fruits, nuts and spices in Tripura during 2015-16 and 2019-20 is given in **Table 3.2.2**.

Table 3.2.2: Production of different horticulture items in the State during 2015-16 and 2019-20

Sl. No.	Name of the product	Production during (in thousand MT)	
		2015-16	2019-20
1	Vegetables	765.51	776.50
2	Fruits	552.77	543.77
3	Nuts	35.19	37.55
4	Spices	33.40	32.70

Source: Horticulture production data for Tripura 2015-16 and 2019-20 provided by the Directorate of Horticulture and Soil Conservation, Government of Tripura

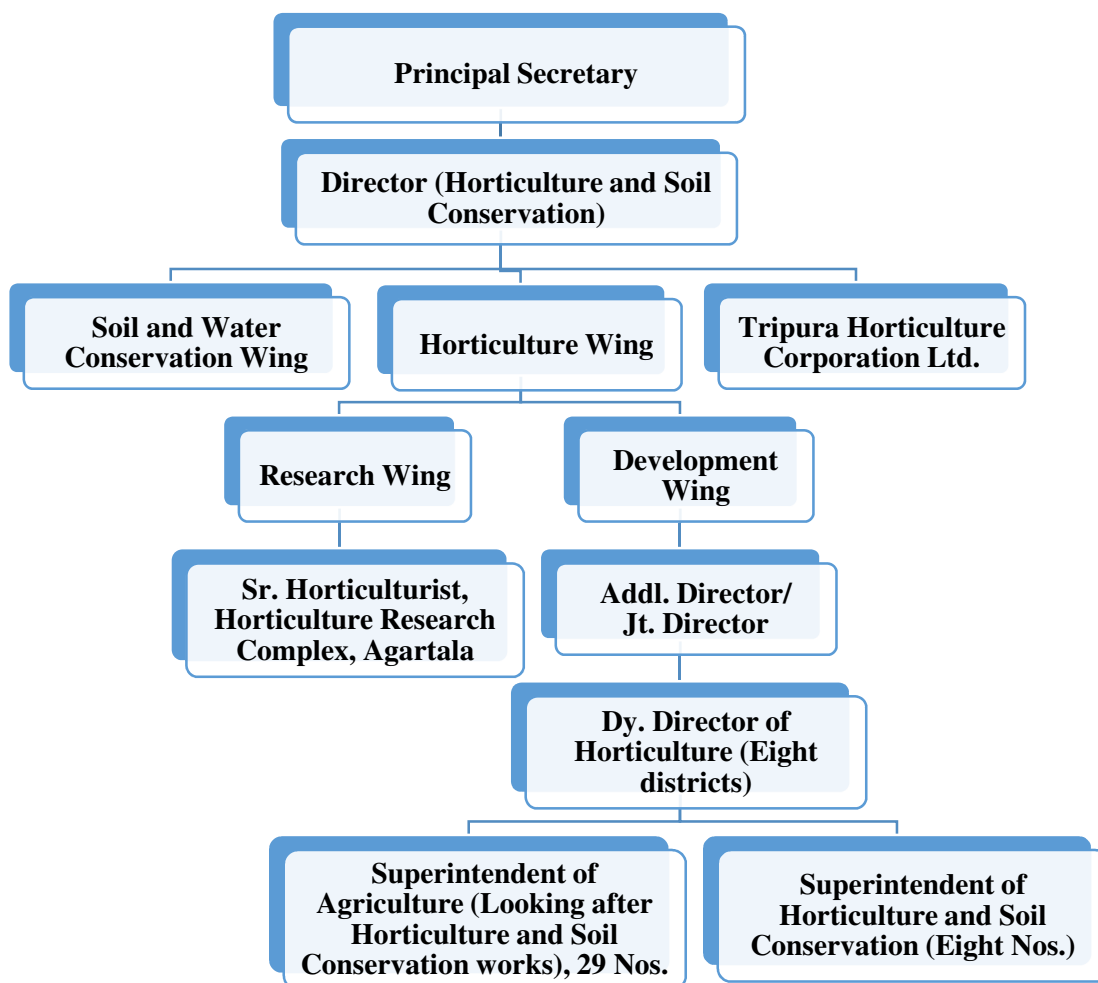
3.2.2 Organisational set-up

The Directorate of Horticulture and Soil Conservation (H&SC) at the State level is a wing under the Agriculture and Farmers' Welfare Department, Government of Tripura, which is headed by the Principal Secretary. Directorate of H&SC is assisted at the district level by eight Deputy Director level officers. At the sub-divisional level 36 Superintendent of Agriculture/ Horticulture are implementing the departmental programmes and the schemes. Below the Superintendent of Agriculture/ Horticulture, the field level functionaries like Agri. Sector Officers (ASO) and Village Level Workers (VLWs) work at Agri Circle and Gaon Panchayat/ Village Council levels, respectively. Tripura Horticulture Corporation Limited (THCL)¹² procures power tillers, seeds, seedlings, manures, *etc.* on behalf of the Directorate while the College of Agriculture, Tripura (CAT) and Tripura Khadi and Village Industries Board (TKVIB) implement programmes¹³ for the Directorate.

¹² A government owned corporation

¹³ Implemented programmes under National Bee Board funds

Chart 3.2.1: Organisational Set- up



3.2.3 Audit objectives

The Performance Audit was conducted to ascertain whether:

- effective planning process was in place fixing priorities for the State/ different districts/ regions in consonance with the diverse agro climatic features and various schemes/ projects for increase of production area as well as productivity of horticulture crops were planned effectively;
- implementation of the schemes/ projects and provision and utilisation of funds was efficient and effective and had resulted in increased acreage of horticultural crops and diversification of horticultural production as envisaged;
- the promotion of technology, extension, post-harvest management, processing and marketing for holistic growth of horticulture sector in consonance with comparative advantage each State/ region;
- the skills of the local youth had been developed to create employment opportunities in the horticulture sector; and
- monitoring and evaluation system including internal controls were adequate and effective.

3.2.4 Audit Scope and methodology

Audit covered the period from 2015-16 to 2019-20 and examined the expansion of coverage (both in terms of area and productivity), rejuvenation, production of seeds and planting materials, creation of infrastructure, capacity building, undertaking of innovative projects in the area of horticulture development, post-harvest management, processing and marketing and skill development.

Performance Audit (PA) covered all the components of works under Mission for Integrated Development of Horticulture (MIDH), implementation of works with spill over funds of erstwhile Technology Mission (TM), Horticulture Mission for North East and Himalayan States (HMNEH), funds received from National Bee Board (NBB), National Bamboo Mission (NBM), Special Central Assistance (SCA) to Tribal Sub Scheme (TSS) funds, funds from Coconut Development Board (CDB) and State Plan funds utilised by the State Horticulture Mission¹⁴ (SHM) and the Directorate of H&SC under the Department of Agriculture and Farmers' Welfare, Government of Tripura during the period from 2015-16 to 2019-20. Entry Conference was held on 2 December 2020 with the Secretary, Department of Agriculture and Farmers' Welfare, Government of Tripura wherein audit objectives, scope, criteria and methodology of Performance Audit were discussed. Samples¹⁵ were selected on Simple Random Sampling Without Replacement (SRSWOR) method. Physical verification was undertaken where funds had been spent on creation or acquisition of asset(s) to assess the actual benefits. Exit Conference was held with the Secretary to Government of Tripura, Agriculture and Farmers' Welfare Department on 6 December 2021 where audit findings were discussed. Replies (January 2022) of the Government and views expressed during Exit Conference were suitably incorporated in the PA at appropriate places.

3.2.5 Audit criteria

Audit findings were benchmarked against the criteria derived from the following sources:

- a. Operational Guidelines of MIDH and other relevant scheme/project guidelines;
- b. Annual Action Plans, Outcome Budget;
- c. Central Treasury Rules (CTR); Delegation of Financial Power Rules, Government of Tripura (DFPRT); 2017 (Amended in 2019).
- d. Tripura Horticultural Nurseries (Regulation) Act, 2013;
- e. Departmental Manual/ Rules/ Policies, *etc.*;

¹⁴ State Horticulture Mission (SHM), Tripura was responsible for implementation of programmes under the MIDH scheme where Director of H&SC acts as State Mission Director (SMD) and the Deputy Directors in the districts act as District Mission Director (DMDs).

¹⁵ Superintendants of Agriculture (SAs), Dukli, Jirania, Mandwi, Mohanpur and Hezamara of West Tripura District; SAs, Ambassa and Salema and Superintendent of Horticulture (SH), Manu in Dhalai District; SH, Kumarghat in Unakoti District; Deputy Director (Vegetable), Horticulture Research Complex (HRC), Nagichera

- f. Guiding Manual of Horticultural Crop Statistics for the Field Staff, Government of Tripura;
- g. Guidelines, Circulars, Notifications and various orders issued by the Government of India (GoI)/ State Government from time to time.

Acknowledgement

Audit acknowledges the co-operation and assistance extended by the Agriculture and Farmers' Welfare Department as well by its field offices during the conduct of the Performance Audit.

Audit findings

3.2.6 Planning

As per Mission for Integrated Development of Horticulture (MIDH) guidelines, there shall be a State Horticulture Mission (SHM) in every State which shall prepare perspective/ strategic plan and road map for overall development of horticulture in the State. This will form the basis for preparing Annual Action Plans. SHM shall also organise baseline survey in districts to determine status of horticulture production, potential and demand, so as to arrive at the assistance required and incorporate the same in the Action plans.

The SHM in the State was formed and registered as a Society under the Societies Registration Act, 1860 in November 2014. Except for the MIDH and State Plan funds, no plan document was prepared by the Department for other components of funds¹⁶. Audit noticed the following deficiencies in planning for implementation of the programme.

3.2.6.1 Perspective Plans

Mission for Integrated Development of Horticulture (MIDH) guidelines (para 5.1) stipulate that State level agency shall prepare Strategic/ Perspective and annual State Level Action Plan (SLAP) in consonance with Mission's goals and objectives in close co-ordination with Technical Support Group (TSG), State Agriculture Universities (SAUs), ICAR institutes and oversee its implementation.

Audit noticed that SHM, Tripura did not prepare a Perspective Plan for the horticulture development in the State as was envisaged in the Guidelines.

The Government stated (January 2022) that the Department had formulated a three-year Action Plan 2020-21 to 2022-23 for the overall development of horticulture sector in Tripura and the Annual Action Plan of MIDH had been framed to fulfil the targets of the three-year Perspective Plan.

¹⁶ Special Central Assistance to Tribal Sub Plan Scheme, National Bamboo Mission, National Bee Board Fund, Coconut Development Board Fund and Un-spent funds under Technology Mission and Horticulture mission

3.2.6.2 Annual Action Plans

According to para 5.3 of the MIDH guidelines, for preparation of annual plan and activities, the Ministry of Agriculture will communicate the tentative outlay for the year to each State which in turn, will indicate sector-wise/ district-wise allocation. The district level agencies¹⁷ will prepare Annual Action Plan (AAP) keeping in view their priority and potential and submit the plan to State Horticulture Mission. State Horticulture Mission (SHM) in turn will prepare a consolidated proposal for State as a whole, get it vetted by the respective Board of Management and submit the same to Ministry of Agriculture (MoA), Government of India (GoI) for consideration by National Level Executive Committee (EC).

Audit noticed that on receipt of tentative allocation from the MoA, GoI, SHM itself prepared the AAP in contravention of what was envisaged in the scheme guidelines. Therefore, the bottom-up approach of planning was not followed and need based targets as per local demand were not set. It was also noticed that the AAP prepared by SHM was not placed before the Board of Management of the Society¹⁸ for approval during 2015-16 to 2019-20 rather sent directly to Government of India. No meeting of the Board was convened during the audit period though as per the mandate¹⁹, the Board of Management was to meet at least once in a quarter to discuss *inter alia* the Annual Budget and Work Plan of the Society, issue guidelines for implementation of various activities and programmes, consider and approve Annual Reports, etc.

While accepting the fact, Government stated (January 2022) that Annual Action Plans were sent to the Government of India without approval of the Board.

3.2.7 Financial management

3.2.7.1 Sources and application of funds

The Department received funds from nine different sources for horticulture development in the State, which includes funds from Coconut Development Board (CDB), National Bee Board (NBB), National Bamboo Mission (NBM), Special Central Assistance to Tribal Sub Schemes (SCA to TSS), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Mission for Integrated Development of Horticulture (MIDH), State Plan funds, and spill over funds of Technology Mission (TM)²⁰ and Horticulture Mission for North East and Himalayan States (HMNEH)²¹. The salary and other regular establishment expenditure are met by the State Government while scheme related administrative expenditure are met from the MIDH under the 'Mission Management' component.

¹⁷ District Horticulture Mission offices as per the MIDH guidelines

¹⁸ As per the Bye-Laws of the Tripura State Horticulture Mission (SHM), there is no State Level Executive Committee (SLEC), rather Board of Management exists which consists of 13 members under the Minister of Agriculture, who is the President of the Mission.

¹⁹ Articles of Association of the SHM, Tripura

²⁰ Technology Mission was launched by the Government of India in 1987 with five basic objectives of immunisation of pregnant women and children, improvement in telecommunication services, literacy, oil seed production and drinking water facility.

²¹ HMNEH is a part of MIDH scheme which was implemented for overall development of horticulture in NE and Himalayan States.

The funds from the CDB, NBB and NBM were meant for specific intervention for horticultural development in terms of coconut plantation and programmes, bamboo plantation and rearing of bees and bee hives for helping the farmers in artificial pollination as well as income generation from honey. The funds under the SCA to TSS and MGNREGS were mainly the funds by the Tribal Welfare and the Rural Development Departments, Government of Tripura respectively, for implementation of plantation programmes in the fields of selected beneficiaries. The MIDH funds were the main source of funds in the sharing pattern of 90:10 between the Central and the State Governments which catered to, apart from the plantation activities, horticulture mechanisation, human resource development, integrated post-harvest management, establishment of marketing infrastructure, *etc.* Audit noticed that the Directorate of H&SC had spill over funds of ₹ 25.61 crore and ₹ 2.24 crore under the erstwhile programmes of TM and HMNEH respectively at the beginning of 2015-16. Total receipts and expenditure for horticulture development in the State during 2015-16 to 2019-20 is given in **Table 3.2.3**.

Table 3.2.3 Fund availability and expenditure for horticulture programme in the State during 2015-16 to 2019-20

(₹ in crore)

Year	Opening Balance	Receipts	Other receipts ²²	Total funds	Expenditure	Closing balance (per cent to Total Funds)
2015-16	14.87	62.05	14.14	91.06	54.43	36.63 (40)
2016-17	36.63	55.04	4.15	95.82	42.54	53.28 (56)
2017-18	53.28	25.87	22.97	102.12	37.52	64.60 (63)
2018-19	64.60	18.39	3.89	86.88	52.36	34.52 (40)
2019-20	34.52	36.61	11.98	83.11	51.38	31.73 (38)
Total		197.96	57.13		238.23	

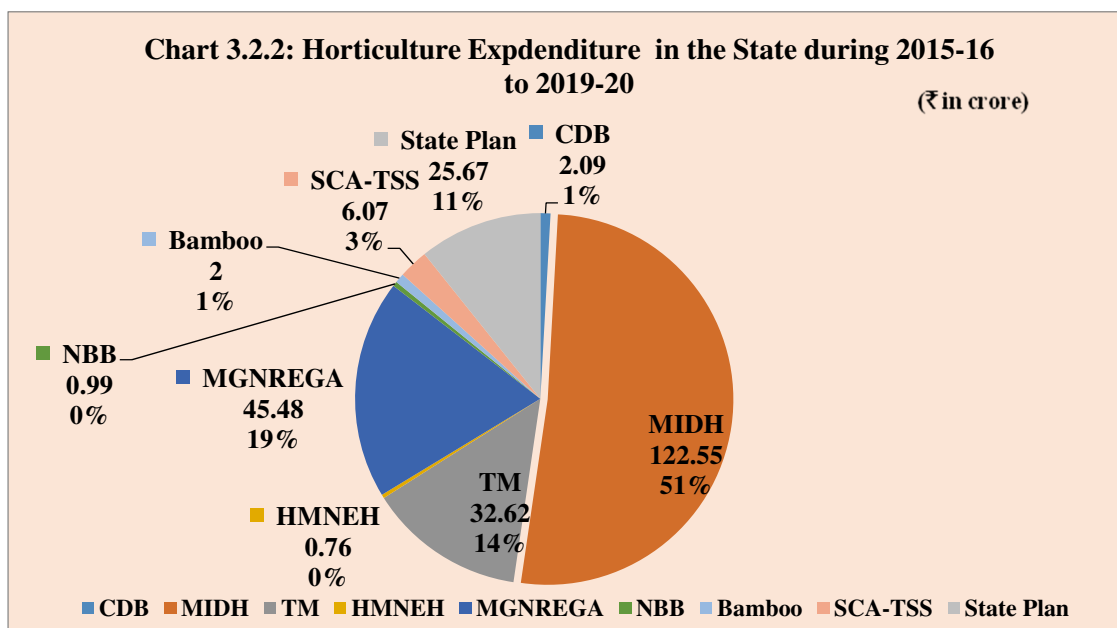
Source: Directorate of Horticulture and Soil Conservation.

It could be seen from **Table 3.2.3** that year wise unspent funds varied from 38 per cent to 63 per cent. Audit also noticed that out of ₹ 122.55 crore of MIDH funds, ₹ 43 crore²³ were released in March by the Government of India that also formed a major part of the unspent balance with the Directorate of H&SC.

²² Interest and refunds

²³ ₹ 14 crore in 2015-16, ₹ 7 crore in 2016-17, ₹ 12 crore in 2018-19 and ₹ 10 crore in 2019-20.

Chart 3.2.2: Fund position with percentage during 2015-16 to 2019-20



It can be seen from **Chart 3.2.2** that total expenditure for horticulture development in the State during 2015-16 to 2019-20 was ₹ 238.23 crore while the MIDH alone accounted for ₹ 122.55 crore (51 per cent) while State plan funds had a share of 11 per cent. Details of receipts are given in **Appendices 3.2.3 to 3.2.10**.

3.2.7.2 Delay in release of MIDH funds

According to Rule 6.1 of the MIDH guidelines, funds will be released to the State Governments by GoI. State Government will release funds to the SHMs/ State Level Implementing Agencies, who in turn will make funds available to District Mission Committees (DMCs)/ District Implementing Agencies. The detail fund position is given in **Table 3.2.4**.

Table 3.2.4: Fund position of MIDH during 2015-16 to 2019-20

(₹ in crore)

Sl. No.	Year	Share details	1 st Instalment	2 nd Instalment	Total Amount
1.	2015-16	GoI	18.75	14.00	32.75
2.		State	1.88	1.76	3.64
3.	2016-17	GoI	16.50	7.00	23.50
4.		State	1.83	0.78	2.61
5.	2017-18	GoI	10.00	0.00	10.00
6.		State	1.11	0.00	1.11
7.	2018-19	GoI	12.00	0.00	12.00
8.		State	1.33	0.00	1.33
9.	2019-20	GoI	10.00	10.00	20.00
10.		State	1.11	1.11	2.22
Total			74.51	34.65	109.16

Source: Departmental figures and fund sanction memos

Audit noticed that during 2017-18, the first instalment of fund from GoI was received in September 2017 and during 2018-19, the first instalment was received in

March 2019. There was delay²⁴ in release of Central share by the State Government which ranged from seven days to 49 days during 2015-16 to 2019-20. As regards the release of State Share, the delay ranged from 17 days to 160 days (**Appendix 3.2.11**).

The Government stated (January 2022) that the delay occurred as the State Finance Department required some time for processing of release of funds which had been minimised since 2017-18. The Government assured that maximum efforts would be taken, henceforth, for reducing any avoidable delay for release of Central share and corresponding State share by State Government.

3.2.7.3 Receipt of 2nd instalment of funds

The financial sanction under the MIDH is guided by the conditions that the grants shall be utilised and disbursed in accordance with the MIDH operational guidelines, approved Annual Action Plan, maintenance of proper accounts of the expenditure incurred and submission of audited accounts and utilisation certificates in time.

It can be seen from **Table 3.2.4** that the State did not get the second instalment of funds on two successive occasions during 2017-18 and 2018-19. It was seen from the records that the Department sent the proposal for 2nd instalment of funds for 2017-18 only in the month of March 2018²⁵ after receiving a reminder from the Ministry of Agriculture, Government of India. Non-submission of Utilisation Certificates for the previous year and delayed submission of proposals for the current year led to non-receipt of 2nd instalment of funds under MIDH during 2017-18 and 2018-19. Non-receipt of funds were ₹ 23.00²⁶ crore in 2017-18 and ₹ 32.00²⁷ crore in 2018-19, respectively.

The Government accepted the facts and stated (January 2022) that delay in submission of Utilisation Certificates and Audited statements, non-submission of proposals in time which were the major impediments in timely release of Central assistance, had been taken care of and expenditure had been geared up.

3.2.7.4 Non-maintenance of records

As per Rule 77(ii) of the Central Treasury Rules (CTR), as adopted by Government of Tripura, all monetary transactions shall be entered in the Cash Book as soon as they occur and shall be attested by the Head of Office in token of check. During 2015-16 to 2019-20, an expenditure of ₹ 238.23 crore was incurred for horticulture development in the State. Audit noticed the following discrepancies on non-maintenances of records by the sampled offices including the Directorate of H&SC.²⁸:

- i) Cash Book was not maintained properly as expenditure of ₹ 45.48 crore incurred during 2015-16 to 2019-20 under Mahatma Gandhi National Rural

²⁴ Delay was calculated from the date of release by the GoI to the date of release by the State Finance Department after allowing seven days normal transaction time.

²⁵ 6 March 2018

²⁶ The proposal was for ₹ 33.00 crore and fund receipt was ₹ 10.00 crore

²⁷ The proposal was for ₹ 44.00 crore and fund receipt was ₹ 12.00 crore

²⁸ Directorate implemented the commercial floriculture project and provided assistance for post-harvest management activities.

Employment Guarantee Scheme (MGNREGS) was not entered in the Cash Book;

- ii) Consolidated records were not maintained by the sampled offices. As a result, work-wise and component-wise release of funds and achievements there against could not be verified in audit;
- iii) Master Data file for keeping the recommendations of Panchayati Raj Institutions (PRIs) against the selected beneficiaries were not maintained.

Thus, due to non-maintenance of vital records by the sampled offices, timely and proper implementation of the programme and resultant target and achievement report submitted by the respective offices remained un-verified in audit.

The Government accepted (January 2022) the facts and stated that all the offices under the Department were instructed to maintain project registers henceforth.

3.2.7.5 Erratic use of photographic evidences for releasing assistance to the beneficiary

Execution of intermediary works like land preparation, sowing of seeds or planting of saplings, weeding, mulching and related expenditure thereof by the beneficiary for claiming assistance from the Government under the horticultural schemes, could not be verified in audit as the Department did not fix any specific criteria for release of assistance to the beneficiaries under the horticultural schemes. On many occasions, no photographs were used but on some occasions, a single stage photograph at the completion stage was used for release of payments to the beneficiaries. It is pertinent to mention that under the scheme guidelines of MGNREGS, three stage photographs are mandated to prevent the risk of fraudulent drawal of scheme benefits.

No reply was received from the Government (March 2022).

3.2.7.6 Irregularities in raising of credit bills against the Government

To facilitate implementation of Area Expansion Programme of Vegetables under Government approved schemes including MIDH during 2019-20, the farmers in the State were allowed to procure seeds as per their choice from the licensed vegetable seed supplier/ distributors/ dealers in the State. Bills were to be raised by the agencies against the supply of seed to the farmers which were to be settled as per the certification by the farmers and concerned field officials. Related payment was to be made directly to the account of the supplier.

Test check of records of the sampled units under Directorate of H&SC, Government of Tripura revealed that the Department accepted and settled bills amounting to ₹ 2.94 crore²⁹ during 2019-20 in favour of the seeds' suppliers and nursery owners which were raised by the firms on the certification by the field level officials of the Department.

²⁹ Deputy Director of Horticulture (DDH), Unakoti: ₹ 12.79 lakh; SA, Salema: ₹ 15.00 lakh; SH, Kumarghat: ₹ 90.54 lakh; SH, Manu: ₹ 44.59 lakh, SA, Mohanpur: ₹ 61.80 lakh; SA, Mandwi: ₹ 9.30 lakh; SA, Jirania: ₹ 24.00 lakh; SA, Hezamara: ₹ 12.27 lakh; SA, Dukli: ₹ 15.21 lakh and SA, Ambassa: ₹ 8.91 lakh

Scrutiny of the vouchers revealed that (i) name, father's/ husband's name and address of the farmers were not properly recorded for proper identification of the farmer (ii) multiple payments were released to the firm in a single voucher/ invoice with the legend '**only one farmer and 5 others**', '**only one farmer and 4 others**', *etc.* and all these invoices were certified by the departmental officers and payments were released. Thus, the entire expenditure was doubtful due to non-availability of details in the vouchers.

The Department failed to take adequate measures in the order to safeguard fraudulent raising of credit bill by the firms which resulted in submission and acceptance of bill without the farmers' details, claim for multiple payments in a single invoice without even recording the name of farmers, *etc.*

No specific reply was received from the Government (March 2022).

3.2.7.7 Idle fund under NMMI Scheme

National Mission on Micro Irrigation (NMMI) was a Centrally Sponsored Scheme for implementation of drip irrigation system in respect of small and marginal farmers. The expenditure of the scheme would be in the ratio 50:10:40 between Central Government, State Government and the beneficiary. Though, the scheme was to be implemented in the State from the year 2010-11, work orders were issued for installation of drip irrigation system in the orchards of 254 beneficiaries under Deputy Director of Horticulture (DDH), West Tripura in March 2014.

Records related to NMMI scheme under DDH, West Tripura revealed that the office had received funds amounting to ₹ 428.25 lakh as Central Share, State Share from the State Government in instalments during the period from 2010-11 to 2014-15. Out of 254 beneficiaries (314.62 hectares) for which work orders were issued, works pertaining to only 62 beneficiaries (102.02 hectares) were completed with an expenditure of ₹ 52.22 lakh. Interest amounting to ₹ 88.27 lakh was accrued (upto February 2021) on the un-utilised fund of ₹ 374.54 lakh. Implementation of the scheme was stopped and no expenditure was incurred after January 2018. NMMI Scheme fund amounting to ₹ 462.81 lakh along with interest was lying idle in the bank as on February 2021.

The Government stated (January 2022) that delay/ non-implementation of NMMI scheme fund in the State was mainly due to reluctance by the beneficiaries to contribute high rate of beneficiaries' share which was nearly 50 *per cent* as per the schematic norms. Presently, a number of schemes were available where farmers' share had come down between 12 *per cent* and 15 *per cent*. It was also stated that, Department was in contact and seeking approval from the Government for diversion of NMMI scheme into useful devices/implements for irrigation like pump sets/solar pumps.

The Government should return the unutilised fund to Government of India or to take approval to use the fund for implementation of other scheme.

3.2.8 Programme implementation

3.2.8.1 Non-availability of farmers' database

Audit noticed that farmers' database with their name, address, name of the village and land holding, class of land *viz.* Khas land, Allotted land, Jote land, *etc.* falling under the jurisdiction of the offices were not maintained by the Department. As such, assistance made under different horticulture schemes to the eligible farmers on the basis of the land area of the respective crops remained un-verified. The beneficiaries were selected on the basis of the recommendation of the Panchayati Raj Institutions (PRIs).

The Government accepted the fact and stated (January 2022) that beneficiary management system (BMS) had been introduced for all major schemes like MIDH only from 2020-21 onwards where the legacy data of the beneficiaries like name, address, AADHAR number, ration card number, area and schematic assistance were uploaded in the Government portal from the base year 2018-19. Presently the uploading of beneficiary legacy data was under process.

3.2.8.2 Infrastructure development

3.2.8.2 (i) Establishment of Nurseries

Para 7.5 of the MIDH guidelines stipulates that production and distribution of good quality seeds and planting material will receive top priority. States will have a network of nurseries for producing planting material, which was established through Central or State assistance. To meet the requirement of planting material (for bringing additional area under improved varieties of horticultural crops and for rejuvenation programme for old/ senile plantations), assistance will be provided for setting up of new hi-tech nurseries and small nurseries under the public as well as private sectors. Assistance to be given for public sector was 100 *per cent* and 50 *per cent* for private sector. SHM was required to assess the area-wise requirement of planting materials taking into account the availability, additional requirement in view of area expansion, rejuvenation, *etc.* and sanction new nurseries.

As per the target and achievement report of MIDH during 2015-16 to 2019-20, the Department established eight small nurseries and six high-tech nurseries in the public sector. Though the Department established eight nurseries during 2018-19 and 2019-20 at the cost of ₹ 1.20 crore (@ ₹ 15 lakh per nursery), Audit noticed that major supply of seedling and plants were made by private nurseries as discussed in **Paragraph 3.2.8.2(ii)**. Physical verification of the plants and seedlings supplied by the private nurseries revealed that specifications³⁰ of the plants and seedlings were not complied with by the private nurseries and distributed to the beneficiaries. **Photographs 3.2.1** and **3.2.2** will substantiate the audit observation.

³⁰ Minimum 90 cm height, age-12 to 18 months having more than five good leaves or branches with live shoots



Photograph 3.2.1



Photograph 3.2.2

Photographs 3.2.1 and 3.2.2: Seedlings and plants of same species of plants in different size supplied by private nurseries kept in the Bhagabannagar Sub-Seed Store under Unakoti District for distribution to the beneficiaries

The Government stated (January 2022) that only eight nurseries had been assisted under MIDH programme and additional six high tech nurseries were shown wrongly in the target and achievement report. The Government stated that the production level of these orchards had been raised significantly but their impact could not be ascertained due to non-maintenance of proper records by the orchard in charge.

However, no reply was furnished regarding non-adherence to the specifications of plants and seedlings by the private nurseries while supplying to the Horticulture Offices (March 2022).

3.2.8.2 (ii) Status of private nurseries in the State

Tripura Horticultural Nurseries (Regulation) Act, 2013, which came into force in October 2013, stipulates that the owner of every horticultural nursery and every person carrying on business or sale of horticultural plants should obtain license under the Act and follow the rules and regulations formulated therein.

There were 87 private nurseries in the State during the audit period. It was noticed that the Superintendent of Horticulture and Superintendent of Agriculture (SH and SA) offices in the sampled districts purchased seedlings/ plantlets for ₹ 2.84 crore during the audit period from the private nurseries while seedlings/ plantlets valuing ₹ 7.07 lakh were purchased from Government orchards during 2015-20. The details of seeds and seedlings/plantlets purchased from private firms and government nursery is given in **Appendix 3.2.12**.

Verification of eight³¹ private licensed nurseries in the sampled districts revealed that none of the nursery followed the prescribed stipulations regarding maintenance of source records of root stock and scion used for propagation, plant protection operation, number of plants raised and sold, performance of the crop, sale records, cash memos, inspection of the nursery by the Licensing Authority, etc. as per the

³¹ SA Salema-Prantar SHG; SH-Kumarghat-Parwine Nursery; SA Hezamara-Mailuma Nursery and Radha Madhab Nursery, SA Jirania-Chakraborty Nursery & Biotech, SA Mohanpur- Baba Agro, Sriza Small Nursery and New Green Park Nursery.

licensing conditions. The officials of the Department did not adequately inspect the nurseries to either enforce the licensing conditions or to cancel the license. Thus, availability of quality plants and seedlings by the licensed private nurseries in the State were not ensured.

No reply was received from the Government (March 2022).

3.2.8.2 (iii) Seed infrastructure in the State

Tripura is not suited for quality vegetable seed production due to prevalence of high humidity and high acidic nature of the soil. Thus, the State has no seed production infrastructure and no target for production of seeds was kept in the AAP of MIDH during 2015-16 to 2019-20. The seeds were mostly procured from private seed firms on the basis of the approved seed list by the Department which was prepared on the basis of seed trial for adaptability, production and productivity of the seeds by the State Horticulture Research Complex, Agartala. A number of deficiencies were noticed in the seed trial process in audit, particularly with regard to, identity of seed producing firm which should have been kept a secret for an independent and fair trial. However, at the instance of audit the procedure was modified and sealed cover procedure was adopted.

It was noticed that firms supplied seeds to the Department without mentioning the batch number, packaging date and the best before date, as required under the terms and conditions of the supply order. The Department accepted the supply in violation of the conditions of the supply order and distributed such seeds among the farmers in the State. It was noticed that seeds valuing ₹ 9.02 crore were purchased from private nurseries while seeds valuing ₹ 7.60 lakh were purchased from Government orchards during 2015-20 by the SA and SH offices in the sampled districts (**Appendix 3.2.12**).

The sampled units released full amount of the suppliers' bill without retaining 20 *per cent* as reserve till receipt of performance report from field and germination report from the Seed Testing Laboratory. Thus, distribution of seeds to the farmers with good germination status and performance parameter was not ensured in audit.

The Government while accepting the facts, stated that in future complete information regarding the batch number, manufacturing/ packaging date and the expiry date of seeds as mentioned in the supply order would be properly recorded.

3.2.8.2 (iv) Status of Government orchards

There are 47 orchards (**Appendix 3.2.13**) under the administrative control of the Directorate of H & SC, Government of Tripura. These orchards were developed for demonstration of new technologies and introduction of new crops/ varieties to the farmers for improvement in production and productivity. The State Government has decided (April 2020) to constitute 'Tripura Farms & Orchards Research and Demonstration Society' with six large Agricultural Firms and nine Orchards declaring them as of 'State importance' for efficient farm management and improvement of effectiveness in the field.

Audit noticed that except for the Mushroom Spawn Production and True Potato Seeds (TPS) Production Units under Horticulture Research Complex (HRC), Nagicheera which was the biggest State level Research Complex, no other production units could achieve the annual production target during 2015-16 to 2019-20. The reasons for non-achievement of the target were attributed by the Department to non-availability of adequate number of mother plants, lack of pure genetic materials for initiation and multiplication, old plantation and high rate of mortality. The basis for fixing the annual target was also not available on record. Shortfall in achievement is given in **Table 3.2.5**.

Table 3.2.5: Non-achievement of targets by the Horticulture Research Centre, Nagicheera

(in numbers)

Sl. No.	Name of the Unit	Name of the Crop	Target for Production	Achievement	Shortfall (in per cent)
1.	Tissue Culture Unit	Banana Sucker	94,500	6,258	93
2.	Tissue Culture Unit	TPS Parental Lines	1,65,000	95,394	42
3.	Cashew Nut Unit	Cashew Nut Plantlets	45,000	13,940	69
4.	Spices Unit	Spices Plantlets and Rhizomes	25,000	17,200	31

Source: Information furnished by the HRC, Nagicheera.

It can be seen from **Table 3.2.5** that Government orchard could not provide the desired outputs in providing seedlings and plantlets to the farmers in the State for horticulture development and promotion.

Verification of the records of sampled selected orchard³² records revealed that there were 1.92 lakh³³ damaged or over-aged seedlings which could not be utilised for plantation works. Detail position is given in **Appendix 3.2.14**.

The Government while accepting the facts, stated (January 2022) that necessary steps had been undertaken to gear up the production and utilisation of planting material in Government orchards. Regarding damaged or over-aged seedling, the Government stated that lack of fencing and source of irrigation, lack of infrastructure, less strength of labourer, *etc.* had contributed to such damages of the said planting materials. From the replies it appears that the Department failed to take adequate measures to prevent seedling from damage in selected Government orchards.

3.2.8.3 Establishment of new gardens and plantations

3.2.8.3 (i) Target and achievement at the State level under MIDH Scheme

Para 7.18 of the MIDH guidelines envisages coverage of area under improved varieties of horticultural crops. Area expansion will be done in conjunction with Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) under which cost on labour component of work such as digging, fencing, *etc.* could be

³² Gurupada Government orchard, Baram Government Orchard, Tarabancheera Government Orchard, Karamcheera Government Orchard.

³³ 1,91,897

met with. Cost of raising new plantations varies from crop to crop which will be taken into consideration while providing assistance to the beneficiary. Assistance for creation of new plantations under the MIDH was provided to the beneficiaries for creation of new gardens under the components of fruits, vegetables, setting up of mushroom spawn units, flowers, spices, *etc.* subject to the cost limits under the Scheme. The beneficiaries were selected by PRIs.

Audit noticed that the State could not achieve the target for creation of new plantations under the components of fruits, vegetables, flowers, spices, costal plantations, setting up of mushroom spawn units, *etc.* during 2015-20 and the shortfall ranged from 29 *per cent* to 100 *per cent*.

The detail position of target and achievement for creation of new plantations in the State and maintenance/ rejuvenation of old and senile plantations during 2015-16 to 2019-20 in the State is given in **Table 3.2.6**.

Table 3.2.6: State level target and achievement for creation, maintenance and rejuvenation of new gardens under MIDH during 2015-16 to 2019-20

Sl. No.	Name of item	Unit	2015-16		2016-17		2017-18		2018-19		2019-20		Shortfall of 2015-16 to 2019-20 (per cent)
			T	A	T	A	T	A	T	A	T	A	
Creation of New Plantation under MIDH scheme during 2015-16 to 2019-20													
1.	Fruit	Ha	1595	534	0	0	788	524	815	460	252	212	1720 (50)
2.	Vegetables	Ha	3751	1791	2000	2000	1560	1060	2270	2035	5057	3557	4195 (29)
3.	Mushroom	No.	4	1	1	1	0	0	3	0	16	10	12 (50)
4.	Flowers	Ha	289	64	107	107	179	139	148	105	288	268	328 (33)
5.	Spices	Ha	360	0	0	0	0	0	0	0	564	244	680 (74)
6.	Costal Horticulture ³⁴	Ha	0	0	0	0	0	0	1004	4	0	0	1000 (100)
Maintenance of plantation under MIDH scheme during 2015-16 to 2019-20													
7.	Fruit	Ha	977	0	0	0	0	0	1000	500	261	191	1547 (69)
8.	Costal Horticulture	Ha	0	0	0	0	0	0	0	0	1000	400	600 (60)

T-Target and A-Achievement

Source: State level target and achievement report

Note: The data include the achievement with the spill over funds too in respect of annual targets

As regards the utilisation of funds, the Department could not utilise 42 *per cent* of the available funds on establishment of new gardens. Analysis of reasons for shortfall was not done by the Department.

The situation in the three selected districts mirrored the above position and the shortfall ranged from 20 *per cent* to 100 *per cent*.

The Government stated (January 2022) that during 2015-16, the shortage in Area Expansion Programme under MIDH was due to simultaneous implementation of

³⁴ Cashew Nut is included under Costal Horticulture

programme under MGNREGS where the entire cost of cultivation was covered and farmers were benefited more. The Government attributed the shortfall in achievement against physical target to non-receipt of 2nd instalment during 2017-18 and 2018-19.

The reply is not acceptable as the Department failed to submit Utilisation Certificates for previous year and submit proposals on time which led to non-receipt of 2nd instalment of funds for the year 2017-18 and 2018-19.

3.2.8.4 Status of horticulture mechanisation in the State

Para 7.43 of the MIDH guidelines provides for horticulture mechanisation which is aimed to improve farm efficiency and reduce drudgery of farm work force. Assistance in horticulture mechanisation is for activities such as procurement of power operated machines & tools, besides import of new machines and is available to grower associations, farmer groups, self help groups, women farmer groups having at least 10 members, who are engaged in cultivation of horticultural crops.

In Tripura, the component 'Horticulture Mechanisation' under the MIDH, was mainly implemented by distribution of power tillers (8 bhp³⁵ and above) to the selected beneficiaries at the subsidised rate. A subsidy of ₹ 0.75 lakh per beneficiary was provided from the MIDH while balance amount for procurement of power tiller was borne by the beneficiary. Beneficiaries were selected by the PRIs.

State level target and achievement as well the status for the sampled districts in distribution of power tillers are given in **Table 3.2.7**.

Table 3.2.7: The target and achievement for distribution of power tillers during 2015-16 to 2019-20

Name of the Unit	Target and Achievement			
	Target		Achievement (Shortfall in <i>per cent</i>)	
	Physical (in Nos.)	Financial (₹ in lakh)	Physical (in Nos.)	Financial (₹ in lakh)
State	5901	4425.75	4701 (20)	3525.75 (20)
West Tripura	871	653.25	722 (17)	534.75 (18)
Dhalai	342	132.75	151 (56)	74.25 (44)
Unakoti	437	264	154 (65)	18 (93)

Source: Target and achievement report submitted by the State and the sampled district offices

It can be seen from **Table 3.2.7** that 20 *per cent* of the targeted distribution of power tillers could not be achieved by the State during 2015-16 to 2019-20 while the shortfall in the sampled districts varied between 17 *per cent* and 65 *per cent*, with the major non-achiever being the Unakoti District. Financial achievement in Unakoti District was only seven *per cent* in comparison to the Physical achievement of 35 *per cent* which indicates that either achievement was exaggerated or payment of subsidy to the Power Tiller firms was not released.

Scrutiny of the records of the units at the sampled districts revealed that:

³⁵ bhp- brake horse power

- i. Land records of the beneficiaries were not obtained by the offices before distribution of Government subsidised power tiller. Physical verification of the power tillers distributed to the beneficiaries was not done by the offices at regular interval.
- ii. Record indicating in details about the beneficiary, model name and brand name of the power tiller, date of sanction of power tiller and payment of the subsidy, engine number and chassis number of the power tiller was not maintained by any of the sampled offices.
- iii. DDH, Dhalai made payment to Private Firms³⁶ for an amount of ₹ 2.15 crore as Government Subsidy component for purchase of Power Tillers by the farmers during 2015-20. However, DDH, Dhalai could produce the vouchers for ₹ 1.73 crore and vouchers for balance amount of ₹ 42.00 lakh was not produced to Audit. Scrutiny of vouchers revealed a number of irregularities *viz*, payment of subsidy bills without the copies of delivery challan, payment of bills on the photocopy of delivery challans, non-matching of engine number and chassis number with the bill copy and challan copy, *etc*. Detail position is given in the **Appendix 3.2.15**.

The Government stated (January 2022) that the reasons for less physical and financial achievements not been commensurate with physical achievement under Unakoti District would be investigated and the factual report would be submitted. Regarding distribution of power tillers, Government assured that land records of the beneficiaries are to be ensured at the time of submission of application. However, the Government has not furnished reply for non-production of vouchers for payment of subsidy of ₹ 42 lakh for purchase of power tillers by the Deputy Director of Horticulture, Dhalai District. Moreover, irregularities noticed during scrutiny of vouchers were also not addressed (March 2022).

3.2.8.5 Creation of water harvesting structure

According to para 7.23 of the MIDH guidelines, assistance will be provided for creating water sources through construction of community tanks, farm ponds/reservoirs with plastic/ RCC lining to ensure life saving irrigation to horticulture crops. Further, para 7.24 of the MIDH guidelines provides that assistance will also be provided for creating water source through construction of farm ponds/ tube wells/ dug wells for individuals. Maintenance of the asset will be the responsibility of the beneficiaries.

The physical and financial target for creation of water resources in the State as well as in the sampled districts are given in **Tables 3.2.8**.

³⁶ M/s Balaji Enterprise, M/s Dutta Machinery Stores, M/s J-Deep Chemicals & Fertilizer, M/s Krishi Shilpa Udyog, Agartala, M/s Tapas Chakraborty, Bengal Tools Ltd, Agt, M/s MB Agriculture & Machinery and Shri Nikunja Debnath

Table 3.2.8: The physical target and achievement for creation of water sources during 2015-16 to 2019-20 in the State and selected districts*(in numbers)*

Name of the Unit	Target and Achievement			
	Target		Achievement (Shortfall in per cent)	
	Physical (in Nos.)	Financial (₹ in lakh)	Physical (in Nos.)	Financial (₹ in lakh)
State	250	225	141 (44)	127 (56)
West Tripura	40	36	15 (63)	14 (38)
Dhalai	20	18	10 (50)	9 (50)
Unakoti	20	18	11 (45)	10 (56)

Source: Target and achievement report submitted by the State and the selected district offices

It can be seen from **Table 3.2.8** that 44 per cent of the targeted works could not be achieved by the State during the audit period. As regards the performance of the sampled districts, shortfall ranged between 45 per cent to 63 per cent.

The Government stated (January 2022) that during 2016-19, no target for creation of Water Harvesting Structure (WHS) was fixed for horticulture purposes by Government of India. In 2015-16, though target was fixed for 235 WHS but no funds were placed, thus target could not be achieved. It was also stated that the target fixed for 2019-20 was achieved during 2019-20 and 2020-21.

The reply is not acceptable as the State Government had sufficient funds for creation of water sources during 2015-20.

3.2.8.5 Non- execution of community tanks at sampled districts

The Superintendent of Horticulture (SH), Manu placed funds amounting to ₹ 6.30 lakh in December 2015 to the Executive Engineer (EE) (Agriculture), Dharmanagar, North Tripura for excavation of seven community tanks with the instruction to submit Utilisation Certificates (UCs) at an early date. It was, however, noticed (August 2021) that Executive Engineer did not submit UCs in this regard to SH, Manu. No record regarding completion of work was available with the SH, Manu though five years and seven months had elapsed from the date of placement of funds.

It was further noticed that office of the DDH, Dhalai placed ₹ 76.75 lakh³⁷ to the (EE) (Agriculture), Dharmanagar, North Tripura and DDH, West placed ₹ 75.00 lakh³⁸ to EE (Agriculture), West District for construction of seven water sources through construction of community tanks, farm ponds/ reservoirs with plastic/ RCC lining to ensure irrigation to horticulture crops at different places but no work status report, completion report, utilisation certificate/ adjustment was found in records and without these documents construction of community tanks could not be ensured by Audit.

³⁷ ₹ 25 lakh vide Cheque No. 111792 dt. 30.12.2015, ₹ 34.50 lakh vide Cheque No. 364479 dt. 31.12.2015 and ₹ 17.25 lakh vide Cheque No. 426810 dt. 14.11.2019

³⁸ ₹ 50.00 lakh in December 2015 and ₹ 25 lakh in October 2018

During beneficiary survey in the Mainama Village Council³⁹ under SH, Manu, it was stated by all 10 beneficiaries that they faced a lot of hardship in growing up of plants due to scarcity of water and had to depend on rain water only. Beneficiaries also stated that many seedlings received from the Department had died due to scarcity of water.

Thus, it was observed that community tanks were not constructed on time and the ensuing benefits, to generate more resources for their livelihood, could not be availed by the communities.

No reply has been furnished by the Government (March 2022).

3.2.8.6 Observation on promotion of Integrated Nutrient Management (INM) and Integrated Pest Management (IPM)

With a view to discourage indiscriminate use of nutrients and pesticides by farmers, component of 'promotion of INM and IPM' was implemented through technology dissemination. Assistance was also given for developing of vermin-compost facilities.

Audit noticed that only 55 *per cent* of the targeted area could be achieved by the State during 2015-16 to 2019-20.

The situation in the sampled districts was very grim, no work was carried in the sampled districts and the achievement was 'Nil' though targets of covering of 100 ha, 550 ha and 375 ha was fixed in the districts of West Tripura, Dhalai and Unakoti Districts, respectively during 2015-16 to 2019-20.

No analysis of shortfall was done either at the State or the district level.

The Government stated (January 2022) that the target for 2019-20 could not be achieved due to release of funds at the fag end of the financial year by the GoI.

3.2.8.7 Creation of plantations under MGNREGA Scheme

Chapter 7 of the Operational Guidelines of the MGNREGA, 2013 provides a list of permissible works, the work drought proofing including afforestation and tree plantation is a permissible work under the list. The guidelines further stipulate that priority of work shall be determined by each Gram Panchayat. The Project Implementing Agencies (PIA) can be line departments of the Central or State Governments. For implementation of horticultural programmes under the MGNREGS, administrative approval and work sanction are done by the District Programme Coordinator⁴⁰ and works are executed by respective Superintendent of Horticultures (SH) and Superintendent of Agriculture (SA) in the districts. At the time of sanction of work, funds allocation are communicated to the SAs/ SHs and payments are made by the SAs/ SHs using Fund Transfer Order (FTO).

Detail position of targets and achievement under MGNREGS works in the State under the horticulture component during 2015-16 to 2019-20 are given in **Table 3.2.9**.

³⁹ The village and the beneficiaries were selected on random basis.

⁴⁰ District Magistrate and Collector of the District

Table 3.2.9: State level physical and financial achievements under MG-NREGA

Sl. No	Financial Year	Physical Target (Ha)	Physical Achievement (Ha)	Shortfall (in Ha) (per cent)	Financial Target (₹ in lakh)	Financial Achievement (₹ in lakh)	Shortfall (₹ in lakh) (per cent)
1.	2015-16	NA	* ⁴¹	NA	3929	1723	2206 (56)
2.	2016-17	2696	2424	272 (10)	4214	1234	2980 (71)
3.	2017-18	588	395	193 (33)	4214	2007	2207 (52)
4.	2018-19	2166	1474	692 (32)	2480	808	1672 (67)
5.	2019-20	1763	1311	452 (26)	6067	1114	4953 (82)
Total⁴²		7213	5604	1609 (22)	20904	6886	14018 (67)

Source: Data provided by the Directorate of H&SC, Government of Tripura

NA-Not available

The Physical and Financial targets were not achieved. While the shortfall in Physical achievement ranged from 10 per cent to 33 per cent during 2016-17 to 2019-20, the Financial achievement fell short by 52 per cent to 82 per cent during 2015-20.

Audit noticed that none of the sampled implementing units maintained any Project Register recording in details of the works so undertaken, date of sanction, date of commencement, date of completion, area coverage, etc. Thus, target and achievement at the SA/ SH level remained un-verified in audit.

Audit further noticed that none of the sampled units recorded the MGNREGS expenditure in Cash Book of the office in violation of the Rule 77(ii) of the Central Treasury Rules (CTR) which provides that all monetary transactions should be entered in the Cash Book as soon as they occur and attested by the Head of Office in token of check.

Test check of the completed works (**Photographs 3.2.3** and **3.2.4** downloaded from the MGNREGS Website as specimen photographs) revealed that no plantation was visible against two arecanut plantation works undertaken in the Unakoti Village Council during 2018-19 at the cost of ₹ 1.29 lakh each. Similar status of mango plantation work undertaken in the Bhagaban Nagar Gaon Panchayat during 2017-18 was noticed. Thus, the Department failed to implement the works under MGNREGS in true spirit for the benefit of the beneficiary.

⁴¹ Physical achievement was 2128 Ha but the target could not be submitted by the DH&SC.

⁴² Only four year figures have been taken into consideration since full data for 2015-16 was not available.



Photograph 3.2.3

Photographs 3.2.3 and 3.2.4 shows arecanut plantation in the Unakoti Village under Unakoti District. However, no arecanut plantation is visible in both the photographs.

The Government stated (January 2022) that in few cases, poor maintenance of created plantation under MGNREGS from 2nd year onwards by the farmers was the main constraint in horticulture plantation.

The reply of Government was not acceptable as the photographs were downloaded from MGNREGA website which appeared to be newly created plantations only.



Photograph 3.2.4

3.2.8.8 Execution of works under SCA to TSS and National Bamboo Mission

The Department received ₹ 6.07 crore and ₹ 2.50 crore from the Tribal Welfare Department, Government of Tripura under SCA to TSS and the Tripura Bamboo Mission, respectively during 2018-19 and 2019-20.

The funds under the SCA to TSS component were placed for implementation of horticulture based programme for the Scheduled Tribe (ST) beneficiaries in the State while the funds from the Bamboo Mission were placed for creation of High Density Bamboo plantations in 2019-20.

No progress and achievement report was available with the Directorate of H&SC for both the schemes. No Register of Works was maintained by the field level units, as such implementation of these schemes at field level also could not be assessed and verified.

Audit physically verified (August 2021) three Government Orchards at Durgacherra, Karamcherra and Balaram. Verification of Durgacherra and Karamcherra⁴³ Orchards revealed that both the orchards were stated to have raised bamboo plantations with 12,000 bamboo seedlings, at the cost of ₹ 12.98 lakh during 2019-20 and 2020-21. However, no bamboo plantation was found during physical verification (August 2021) at Karamcherra Orchard while in Durgacherra Orchard, it was noticed that only few bamboo plants were available and those were covered by dense bushes and other plants. The In-charge of the Karamcherra Orchard stated (August 2021) that the plants were destroyed by cattle. In Balaram Orchard, out of 2,500 bamboo seedlings which were raised at the cost of ₹ 2.09 lakh, only six seedlings were found

⁴³ Durgacherra Tribal Colony Orchard and Karamcherra Tribal Colony Orchard

during physical verification (February 2021). An expenditure of ₹ one lakh was incurred for procurement of plantation guard but despite incurring expenditure, the bamboo seedlings were destroyed.

Audit observations have been substantiated with **Photographs 3.2.5** and **3.2.6**.



Photograph 3.2.5: Karamcherra Orchard **Photograph 3.2.6: Durgacherra Orchard**

The reasons for non-availability/ less availability of bamboo plantations in the Karamcherra, Balaram and Durgacherra Orchards during physical verification in audit were not stated (January 2022) by the Government (March 2022).

3.2.8.9 Programme execution under National Bee Board funds

In order to make available the infrastructure needed for integrated development of bee keeping in the State of Tripura, particularly at the farmers level, the facilities including availability of bee hives and other equipment, quality queen bees, bee colonies, honey processing facilities, *etc.* a proposal for setting up of Integrated Beekeeping Development Centre (IBDC) was prepared (July 2017) with the project cost of ₹ 2.30 crore by the College of Agriculture, Government of Tripura (CAT) and sent to the National Bee Board, Government of India with the objective of (i) Queen Bee Multiplication and Nucleus Stock Development, (ii) Setting up of Information Centre, (iii) Honey Bee Disease diagnostic laboratory, (iv) Testing of Quality Control of Honey and Hive Products and (v) Establishment of Bee Garden.

The National Bee Board, Government of India released and placed (March 2018) funds of ₹ 1.15 crore to the Director of H&SC in 2017-18. The funds were placed with the implementing agencies⁴⁴ by the Directorate in September 2018 with the delay of nearly five months.

Audit noticed that, a large chunk of funds⁴⁵ remained unutilised with the Directorate of H&SC while no expenditure was made by the Tripura Khadi and Village Industries Board (TKVIB) till the end of March 2020. The expenditure (upto September 2021) at the CAT stood at ₹ 60.94 lakh with the balance fund of ₹ 20.06 lakh. Thus, due to delay utilisation of funds the project objectives were frustrated.

⁴⁴ ₹ 81.00 lakh to the College of Agriculture, Tripura (CAT), ₹ 15.00 lakh to the Tripura Khadi and Village Industries Board (TKVIB) and ₹ 19.00 lakh to the Director of H&SC, Government of Tripura

⁴⁵ ₹ 15.73 lakh out of ₹ 19.00 lakh

The Government stated that slow progress of work and under-utilisation of funds were mainly attributed to Covid-19 pandemic situation by the CAT. Non-utilisation of the first instalment of funds also led to non-release of second instalment by the National Bee Board.

The reason attributed by the CAT is not acceptable as the funds were placed with the unit in September 2018 which is 18 months before the Covid-19 lockdown.

No specific reply was received from the Government (March 2022).

3.2.8.10 Programme execution with the spill over funds of Technology Mission (TM) and HMNEH

Objective of Technology Mission (TM) launched by the Government of India in 1987 *inter alia* includes oil seed production and drinking water facility while HMNEH is a part of MIDH scheme which was implemented for overall development of horticulture in NE and Himalayan States. After launch of MIDH in 2014-15, no funds under TM were released by Government of India.

Audit noticed that the Department had spill over funds of ₹ 35.39 crore under TM during 2015-20. The major activities undertaken with the funds include (i) commercial floriculture in the State, (ii) setting up of Cold Storage, (iii) initiative for organic farming in the State and (iv) setting up of Centre of Excellence at Horticulture Research Centre at Nagicherra, Agartala. Apart from these, regular plantation activities were also undertaken from these two schemes but no target and achievement report was prepared by the Directorate and also could not be made available to Audit.

The Government stated (January 2022) that the unspent balance funds had been utilised under various beneficiary oriented programmes. Without divulging the details, it was stated that the compiled report on progress of various plantation activities undertaken with HMNEH fund with effect from 2015-16 was maintained at the State level.

Reply of the Government was not acceptable as at the end of 2019-20, the spill over funds of TM stood ₹ 10.79 crore which should have been refunded.

3.2.8.11 Implementation of commercial floriculture project

Considering the huge demand for assistance under exotic flower component, the Department, with the approval of the State Supply Advisory Board (SAB)⁴⁶, had undertaken execution of exotic flower under the component of Commercial Floriculture in protected poly/ shade net structure mode, during 2016-17 at the project cost of ₹ 14.17⁴⁷ crore. Anthurium (114 units), Orchid (111 units) and Gerbera (102 units) plants were selected by the Department for implementation in the field of the selected beneficiaries with the 100 *per cent* assistance from the Government. The

⁴⁶ SAB is the highest body in the State to consider and approve the purchase proposals made by the Government Departments in the State.

⁴⁷ 122 units of Anthurium: ₹ 5.19 crore, 25 units of Orchid: ₹ 1.04 crore and 180 units of Gerbera: ₹ 7.94 crore.

projects were implemented by engaging firms⁴⁸ which dealt with such type of works and selection was done through invitation of tender. The projects were centrally implemented by the Directorate of H&SC, Tripura.

Verification of the records relating to execution of the works revealed that:

The Directorate did not maintain any Project Register containing the detail information of all the projects, with the name of the beneficiary, date of selection, progress of work at different stages with the date of commencement and date of completion and release of payments to the executing firms.

Each project work was to be executed in Turn-key Mode by the selected firm and to be handed over to the selected beneficiary. However, copy of the work order, which contained the details of works to be done by the firm and supplies to be made or successful completion of each project, were not shared with the beneficiaries which was required as per terms and conditions of the contract with the firms. As a result, the beneficiaries were not aware of the project details and the projects were taken over by them without knowing the full details of the project. No formal selection letter was also issued by the Department in favour of the selected beneficiaries.

The firms were paid interest free advance of ₹ 4.25 crore as 30 *per cent* of the total project cost as per the terms and conditions of the agreement. Agreements were signed with the respective firms in September 2016 and in May 2017 and the projects were supposed to be completed within nine months from the date of agreement. However, 11 projects remained incomplete despite an expenditure of ₹ 11.19 crore (December 2020). Project wise completion details were not available with the Department and could not be verified in audit.

Total 37 projects in the field of beneficiaries were selected on random basis and verified in audit (August/ September 2021). On verification, it is noticed that in 14 out of 37 projects, most of the seedlings were damaged, beneficiaries could not be traced out, marketing infrastructure were not available, *etc.* Details are given in **Appendix 3.2.16.**

Government stated (January 2022) that the project register would be maintained henceforth and copy of the work order and the items of the projects would be made available to the beneficiaries. It was also stated that the respective firms had executed handing-over memos with the beneficiaries, thus they were aware of the project details. The Government further stated that implementing process of 327 units could not be completed in time due to repeated changes in the list of beneficiaries from the field level, rejection of beneficiaries due to technical problems, *etc.* Regarding non-utilisation of floriculture projects by the beneficiaries, the Government stated that the average life span of these projects is three years and most of the projects had already crossed their economic life span. As a result, instances of non-utilisation of floriculture projects in the field were noticed. It was also stated that the farmers earned good income from the projects during peak season.

⁴⁸ Florance Flora, Bangalore (218 projects) and North Bengal Floritech, Siliguri (109 projects)

However, the fact remains that basic aim of the projects to provide sustainable source of income to the farmers and make them self-reliant by cultivation of exotic commercial floriculture remained frustrated due to non-availability of marketing infrastructure and the floriculture cultivation could not be sustained.

3.2.8.12 Failure in implementation of Centre of Excellence for fruits at Horticulture Research Centre, Nagicherra

In accordance with the approval of the Government, Directorate of H & SC had submitted (January 2014) an additional action plan of ₹ 19.16 crore to the Ministry of Horticulture, Government of India (GoI) under HMNEH programme for the year 2013-14. With a target to develop Citrus and Mango fruits for their good prospects in the State, a Centre of Excellence for Fruits (CEF) was proposed in the additional action plan. A stretch of land of 12 hectare (Ha) had also been identified (March 2015) for this purpose in the Horticulture Research Complex (HRC), Nagicherra. Ministry of Agriculture, GoI had conveyed (24 March 2014) Administrative Approval & Expenditure Sanction of ₹ 15.79 crore for implementation of the project.

Mission Director, HMNEH released⁴⁹ the funds of ₹ five crore in favour of the Deputy Director of Horticulture, West Tripura in two instalments for implementation of CEF. However, the funds were kept un-utilised. Reason for not-taking up the work was not available on record.

The Government stated (January 2022) that funds earmarked for CEF at Horticulture Research Complex, Nagicherra were being utilised for Centre of Excellence for vegetables at Birchandra Manu after necessary approval from the Chairman, SLEC and Government. Funds were being utilised for horticultural components only, taking into consideration the cultivation of vegetables as a potential tool to support livelihood support system of Tripura's farmers. The project was under implementation.

Despite the Government reply, the fact remains that the Centre of excellence for fruits which was conceptualised at the Horticulture Research Complex, Nagicherra to develop Citrus and Mango fruits in the State remained unachieved.

3.2.8.13 Failure in adoption and certification of organic farming

Department of Agriculture and Farmers' Welfare, Government of Tripura decided to set up organic farming of Horticulture Crops with the estimated cost of ₹ 20.00 crore for 10,000 ha in the State from 2014-15.

Accordingly, the Director of H&SC invited (July 2014) Notice Inviting Tender (NIT) for adoption and certification of organic farming with market linkage and facilitation of export and domestic retail chain in fruits like pineapple, citrus, banana, *etc.* and vegetables of Tripura at farmers' level and related activity with the available funds under the HMNEH for the same component. The Sikkim State Co-operative Supply & Marketing Federation Limited (SIMFED), Gangtok was selected (April 2015) for execution of the work at an estimated cost of ₹ one crore and a Work Order was issued (15 March 2016) in favour of SIMFED. SIMFED was allotted 500 ha area in

⁴⁹ In March and April 2014

Hezamara Block of West Tripura District and Nalchar Block of Sepahijala District covering 250 ha area each for adoption of organic farming of fruits, vegetables and spices in Tripura, at the rate of ₹ 9,555 per hectare. According to the terms of the MoU, the SIMFED was paid ₹ 19.11 lakh being 1st instalment in September 2017 on completion of 1st phase *i.e.* selection of beneficiaries, *etc.* SIMFED had submitted monthly progress reports up to June 2017 and thereafter no progress reports were submitted till date (August 2021). As a result, in absence of progress reports and other records, status of the project could not be ascertained.

The Government accepted the fact and stated (January 2022) that overlapping of areas was observed due to introduction of Mission Organic Value Chain Development (MOVCD) scheme for organic farming of vegetables led to an observation on technical infeasibility due to transfer of chemicals from the field which was not under organic certification process. Thus, earlier scheme was considered non-feasible.

Thus, improper planning and lack of proper sensitisation among the farmers about the benefit of organic farming led to wastage of Government money of ₹ 19.11 lakh.

3.2.9 Impact of the Horticulture Development Schemes in the State

Horticulture cultivation area, production and productivity in the State during 2015-20 were shown in **Table 3.2.10**. The total cropped area of the State in 2015-16 was 1.23 lakh ha which decreased to 1.21 lakh ha in 2019-20. Nearly 77 *per cent* of the cropped area was under vegetable and fruits in the State during 2015-20.

Table 3.2.10: Area, production and productivity of selected crops in the State

Name of the crop	Status in 2015-16			Status in 2019-20		
	Area(Ha)	Production (MT)	Productivity (MT/Ha)	Area(Ha)	Production (MT)	Productivity (MT/Ha)
Vegetable	39201	683837	17.44	39119	688268	17.59
Fruits	55570	552768	9.95	54160	543774	10.04
Nuts	12708	35183	2.77	12468	37545	3.01
Spices	8105	44915	5.54	7363	42792	5.81
Potato	7684	138512	18.03	8050	145866	18.12
Total	123268	1455215		121160	1458245	

Source: Records of Directorate of H&SC and SHM

The areas under cultivation declined marginally in 2019-20 as compared to 2015-16 whereas there was marginal increase in the productivity during 2019-20 as compared to 2015-16.

The situation in the State is mirrored in selected districts also as shown in **Table 3.2.11**.

Table 3.2.11: Areas under cultivation in the three sampled districts*(in Ha)*

Name of the crop	West Tripura		Dhalai		Unakoti		Total	
	2015-16	2019-20	2015-16	2019-20	2015-16	2019-20	2015-16	2019-20
Vegetable	5849	5769	4835	4639	2921	2820	13605	13228
Fruits	6598	6392	11716	11543	3452	3704	21766	21639
Nuts	1355	1329	1898	1975	781	908	4034	4212
Spices	980	834	1283	1184	484	454	2747	2472
Potato	422	377	1037	996	575	1083	2034	2456
Total	15204	14701	20769	20337	8213	8969	44186	44007

Source: Horticulture Area Production Information System (HAPIS) data, Ministry of Agriculture, Government of India

In West Tripura and Dhalai Districts the area under cultivation decreased while in Unakoti District the area under cultivation increased during 2019-20 as compared to 2015-16.

Impact on production of horticultural crops in the sampled districts has been discussed in **Table 3.2.12**.

Table 3.2.12: Total production in the three sampled districts*(in MT)*

Name of the crop	West Tripura		Dhalai		Unakoti		Total	
	2015-16	2019-20	2015-16	2019-20	2015-16	2019-20	2015-16	2019-20
Vegetable	97940	95813	83157	78906	53659	50617	234756	225336
Fruits	61165	59545	124497	124887	36051	38926	221713	223358
Nuts	4041	4018	6144	6374	2361	2892	12546	13284
Spices	5564	4943	5140	6423	3120	2873	13824	14239
Potato	7580	6831	18666	18048	10400	19624	36646	44503
Total	176290	171150	237604	234638	105591	114932	519485	520720

Source: Horticulture Area Production Information System (HAPIS) data, Ministry of Agriculture, Government of India

It can be seen from **Table 3.2.12** that the production decreased in the West Tripura and Dhalai Districts during 2019-20. At the same time, production increased in Unakoti District.

3.2.10 Non-maintenance of source records for horticultural crop statistics in the State

The Directorate of H&SC under the Department of Agriculture and Farmer's Welfare, Government of Tripura published (August 2016) the 'Guiding Manual for Horticultural Crop Statistics for the Field Staff'. While giving the detail procedure for collection and verification of data of horticultural area in the field and the quantum of production, the manual impressed upon the need for reliable statistics about the area and production for setting realistic target for production and its achievement. Guidelines further stipulates that it is the foremost duty of the staff/ officers working in the field of Horticulture to collect reliable data, record it properly and analyse it systematically to get an authentic picture with respect to assessing horticultural area, production and productivity of the State.

In order to verify the district level Horticulture Crop Statistics data submitted by the DDH, West Tripura and Unakoti Districts, audit requisitioned the basic records for the

statistical data as mentioned in the guidelines. However, both the offices could not submit any basic records for data compilation by the VLWs/ AAs and verification of the records prepared by the VLWs/ AAs at the respective level of ASO, SH and DDH. Thus, authenticity of the horticulture statistics data could not be verified in audit.

The Government stated (January 2022) that basic records for horticulture statistics data (area and production) were compiled by the village level workers/ agri assistant at field level. However, concerned Superintendents of Horticulture/ Superintendents of Agriculture (SH/SA) had been instructed to keep the basic records for horticulture statistics data (area and production).

3.2.11 Post-harvest management

Post-harvest management includes packing, grading, transportation, curing, ripening of horticulture produce and setting up of cold storage units. These facilities are essential for increasing the marketability of agriculture products adding value to the produce, increasing profitability and reducing losses. The State Horticulture Mission (SHM) provides subsidy of 50 *per cent* of the estimated cost for post-harvest management activities as per the provisions under the MIDH.

3.2.11.1 Marketing infrastructure

The marketing programmes under the MIDH include strengthening of existing markets and investment from the private and co-operative sectors in the development of market infrastructure. Audit noticed that 94 *per cent* of marketing infrastructure works could not be completed in the State. Out of the targeted 156 marketing infrastructure, only 10 works were completed. State incurred only ₹ 1.50 lakh out of the earmarked funds of ₹ 7.74 crore during 2015-16 to 2019-20. Thus, it was observed that there was a serious mismatch between the planning and the execution at the field.

No reply has been furnished by the Government (March 2022).

3.2.11.2 Setting up of cold storage units and Integrated Pack House

(a) Wasteful expenditure

Para 7.46 of the MIDH guidelines provides for setting up of cold storage units under the component of post-harvest management, which includes projects relating to establishment of pre-cooling units @ ₹ 25.00 lakh/ unit with capacity of six MT.

Audit noticed that the Department set up three solar power operated cold storage units under the public sector with the capacity of six MT each at three districts⁵⁰ at the cost of ₹ 56.16 lakh⁵¹ during 2019-20.

Joint physical verification (September 2021) of two cold storage units and scrutiny of records of the Directorate of H&SC revealed that the cold storage unit at West Tripura District at Horticulture Research Complex (HRC), Nagicheera commissioned in May 2019, functioned only for a brief period and remained non-functional from

⁵⁰ West Tripura, Dhalai and Gomati Districts. The Gomati District was not in the sample, thus not visited in audit.

⁵¹ At the rate of ₹ 18.72 lakh each

November 2020 *i.e.* after expiry of warranty⁵² period and the cold storage⁵³ unit at the Dhalai District at Bilashcheera, Kamalpur Sub Division commissioned in September 2019 was located at nearly five Km away from the nearest market with only access by village roads and no regular transport system, hence it also remained non-functional. Thus, the entire expenditure of ₹ 37.44 lakh (₹ 18.72 lakh per unit) on construction of two cold storage units at Nagicheera and Bilashcheera was wasteful.

The Government stated (January 2022) that the Solar Based Cold Chamber was operational at Horticulture Research Centre, Nagicherra after necessary measures taken up by the executing firm. Government further stated that appropriate measures were being taken in regards to Cold Chamber at Bilashcherra.

(b) Integrated Pack House

The Department initiated action for setting up of an Integrated Pack House at the Horticulture Research Complex (HRC) at Nagicheera, Agartala during 2018-19. After completion of initial works *viz.*, feasibility study, preparation of Detailed Project Report (DPR), invitation of tender, selection of suitable agency, *etc.* the work for establishment of Integrated Pack House at HRC, Nagicheera was awarded to a firm in August 2020 at the tendered cost of ₹ 2.73 crore. The work was in progress (October 2021).

3.2.11.3 Setting up of food processing unit

It was seen that the Department regularly invited expression of interest (EoI) through open advertisement during 2015-16 to 2019-20 from the interested entrepreneurs of the State and outside the State for setting up of food processing industries in the State utilising the horticultural produces in the State and by availing of the subsidy component under the MIDH. Audit noticed that, in response of the EoI, only seven entrepreneurs expressed their willingness during 2015-16 to 2019-20 and all the cases were considered by the Department and provided subsidy under MIDH (**Appendix 3.2.17**) for setting up of food processing units. Audit noticed that all the units were operational during the period of audit.

3.2.12 Delay in formulation of strategy to implement Agriculture Export Policy

Government of India introduced a comprehensive Agriculture Export Policy (AEP) in December 2018, with the following objectives:

- i. to diversify our export basket, destinations and boost high value and value added agricultural exports, including focus on perishables;
- ii. to promote novel, indigenous, organic, ethnic, traditional and non-traditional agri products exports;
- iii. to provide an institutional mechanism for pursuing market access, tackling barriers and dealing with sanitary and phyto sanitary issues;
- iv. to strive to double India's share in world agri-exports by integrating with global value chains; and

⁵² Commissioned in May 2019 and the warranty expired in April 2020

⁵³ Commissioned in September 2019

- v. enable farmers to get benefit of export opportunities in overseas market.

The Government of India requested (December 2018) the State to initiate action as envisaged in the Agri Export Policy. The State Government declared (August 2020) the Directorate of H&SC, as the Nodal Agency and the Director of H&SC as the Nodal Officer for the State Agriculture Export Policy nearly after a delay of two years.

Audit noticed that State Level Monitoring Committee was constituted in December 2020 and the strategy to implement Agriculture Export Policy (AEP) in Tripura, approved by the State Government, was sent to the Government of India in August 2021. Thus, there was inordinate delay in formulation of Export Policy of the State. Reason for the delay was not found on record. Due to delay in formulation of AEP creation of export oriented infrastructure *viz.* creation of cold chain set-up, setting up of export oriented linkage through road, railway and airway network, packaging establishment, capacity building of farmers through training and exposure visits, *etc.* were delayed as were envisaged in the AEP.

Audit further noticed that horticultural exports of 890.04 MT valued ₹ 70.63 lakh during 2017-18 to 2019-20 (**Appendix 3.2.18**) to Bangladesh was recorded in the Agri Export Policy of the State.

The Government stated (January 2022) that draft policy jointly prepared by Directorate of H&SC and APEDA, New Delhi, had been submitted to APEDA during August 2021 after necessary approval from State Government.

3.2.13 Capacity building

As per para 7.33 of the MIDH guidelines, under the HRD programme, training of farmers, entrepreneurs, field level workers and officers will be taken up. Programme for providing appropriate training to farmers for adoption of high yielding varieties of crops and farming system at State level and outside the State. Programme for training of officials concerned with implementation field level workers who will in turn train/guide farmers will also be taken up.

SHM did not utilise the opportunities available under the MIDH for training of farmers as well as for the departmental officials during 2015-16 to 2019-20.

As against a target of 7,849 farmers and gardeners, training was provided to 2,669 farmers/ gardeners during 2015-20. The shortfall in training of farmers stood at 66 *per cent*, utilising ₹ 48.29 lakh against the target of ₹ 2.32 crore. Similarly, as against the target of 1,380 officials to be trained during 2015-20, SHM imparted training to only 480 members (35 *per cent*) indicating lack of focus on training of staff too with ₹ 3.05 lakh was spent against the target of ₹ 47.20 lakh.

As regards development of skills of local youths, no information was furnished by the Directorate of H&SC.

No reply was received from the Government (March 2022).

3.2.14 Monitoring and Evaluation

According to paragraphs 4.8 and 4.9 of the MIDH guidelines, the State Level Executive Committee (SLEC) and the District Level Committees were to review and monitor the implementation of the programmes at the State and district levels. The Technical Support Group (TSG) of the Mission was to carry out concurrent monitoring of programmes. Further, as per the Memorandum of Association, the SHM should hold the General Body Meeting of all its members at least once in every year and the Board of Management (BoM) of the Society should meet at least once in a quarter.

However, it was noticed in audit that neither the SHM at the State level nor the DHM at the district level maintained any consolidated records *viz.* Meeting Register to arrange the agenda notes with the minutes of the meetings in chronological manner.

As a result, exact number of meetings held at the respective levels could not be ascertained. Except the first meeting of the General Body after formation of the Society⁵⁴, held in November 2014, no record regarding holding of subsequent meetings was made available to audit. Similarly, no record regarding holding of BoM meeting was made available to audit.

This indicates absence of proper monitoring at the State and district levels, which resulted in non-implementation or delays in completion of projects and inclusion of non-viable schemes in successive annual plans.

Further, the Department did not undertake an evaluation study during 2015-20 by engaging an independent agency to assess the impact of implementation of different horticulture programmes in the State.

No reply was received from the Government (March 2022).

3.2.15 Conclusion

The Directorate of Horticulture & Soil Conservation is implementing an umbrella of schemes for development of horticulture in the State. Mission for Integrated Development of Horticulture (MIDH) was the biggest scheme among all the schemes. The State Horticulture Mission (SHM) and the district level Missions were constituted under the MIDH in 2014 and the MIDH programme has been implemented in the State from 2014-15. Audit noticed that Annual Action Plans (AAPs) for 2015-16 to 2019-20 were prepared without following the bottom up approach contrary to GoI guidelines. Audit noticed that a major supply of seedlings and plants were made from private nurseries. Production of quality planting material was not ensured by the Department before distribution to the beneficiaries. The area under cultivation in respect of vegetables, fruits, nuts, spices and potato declined marginally in 2019-20 as compared to 2015-16 whereas there was a marginal increase in production during the same period.

⁵⁴ Society was registered on 7 November 2014

There was substantial shortfall in creation of Water Harvesting Structures, Integrated Nutrient Management (INM), Integrated Pest Management (IPM) activities and creation of marketing infrastructure. Initiatives under post harvest management aimed at reducing post harvesting losses and improving marketability of horticulture produce were largely ineffective as creation of cold storage facilities were very limited and these were mostly non-functional. Establishment of food processing industry in the State was also not very impressive as only seven units came up during 2015-20. Monitoring activities were inadequate and independent impact evaluation was not done by the Department. Further, despite creation of separate wing of Horticulture under the Department of Agriculture and Farmers' Welfare way back in 1985, full-fledged infrastructure is yet to be developed for horticulture in the State.

3.2.16 Recommendations

- 1. State Government may consider to prepare Perspective Plan and prepare Annual Action Plans as per the guidelines of the MIDH.*
- 2. Department should take initiatives to increase production of seedlings in government orchards and ensure availability of quality planting material from State owned orchards and private nurseries. It should enforce the provisions of Tripura Horticultural Nurseries (Regulations) Act, 2013 strictly.*
- 3. Department should ensure to increase areas under cultivation and rejuvenation of old and senile plantations in the State to increase production and productivity.*
- 4. Monitoring of programme implementation may be strengthened and independent evaluation study may be considered to assess the implementation of horticulture programmes in the State.*

PUBLIC WORKS (Roads and Building) DEPARTMENT

3.3 Unauthorised expenditure

The Department unauthorisedly utilised Central Road Fund of ₹ 2.43 crore on an unapproved road project in violation of Central Road Fund (State Roads) Rules, 2014 and also falsely reported to Government of India about utilisation of Central Road Fund.

As per Rule 7 and 8 of Central Road Fund (State Road Rules) 2014, the Central Government shall accord administrative approval of the identified individual works on the basis of proposal forwarded by the State Government. There shall not be any change in scope of work from those as per administrative approval. The revised estimates shall not be considered by the Central Government.

Ministry of Road Transport and Highway (MoRTH), Government of India (GoI) accorded (January 2015) administrative approval of ₹ 6.47 crore for the work 'Improvement and upgradation of the road from Chandrapur to Chaturdas Devata Temple⁵⁵ via Baldakhal (Length=3.831 Km.)' under Central Road Fund (CRF).

Test check (August-September 2019) of records of the Executive Engineer (EE), Jirania Division, Public Works Department (Roads and Building) {PWD (R&B)} revealed that the location of the road work proposed under CRF had already been proposed (February 2013) under Pradhan Mantri Gram Sadak Yojana (PMGSY). The road work under PMGSY was started in February 2015 and completed in July 2019 at the cost of ₹ 3.42 crore.

Though the same stretch of road work was under execution from PMGSY, the Department ignored the fact and invited (May 2015) tender for the road work under CRF. With the approval (November 2015) of Work Advisory Board (WAB), the work under CRF was awarded (November 2015) to the lowest tenderer⁵⁶ at his tendered value of ₹ 5.28 crore (i.e. 14.69 per cent below the estimated cost of ₹ 6.19 crore) with the stipulated completion time of 12 months. As the road work at the location approved by MoRTH was already executed under PMGSY, the Department decided (February 2016) to execute another road work⁵⁷ from the funds sanctioned by the MoRTH, GoI for road project approved under CRF. The Department assigned the work at the new location to the same contractor who was awarded the work approved under CRF, without preparation of fresh estimates for the work at the new location and calling of tender. The Department had only obtained an undertaking from the contractor that he would execute the work at the rate approved by the WAB against the agreement for the work sanctioned by MoRTH, GoI under CRF. The road work (length-2.631 Km) at new location⁵⁸ commenced in May 2016 and was completed in March 2019. Beyond that, no further execution was made due to non-availability of

⁵⁵ Situated at old Agartala, 6 (six) Km. away from the capital city, Agartala

⁵⁶ Sri Arun Kumar Dey

⁵⁷ Bypass to Assam para Railway bridge (Length=3.831Km.)

⁵⁸ Bypass to Tolakona Panchayat Office (Length= 2.631 Km.)

land. The two road works at the approved and changed locations are shown in **Appendix 3.3.1**.

The contractor was paid (upto March 2019) ₹ 2.43 crore from the CRF against the total value of work done for ₹ 2.84 crore up to third Running Account (RA) and Final bill.

Thus, the Department in violation of Rule 7 of CRF (State Roads) Rules, 2014 executed another road work⁵⁹ from the funds sanctioned by MoRTH, GoI for road project approved under CRF. Moreover, while furnishing the proposal to MoRTH for funding of the road work under CRF, the Department falsely certified that the project had not been proposed for funding under any other source/ Centrally Sponsored Schemes. Further, while furnishing (January 2017, March 2017, October 2017 and January 2020) the UCs and progress reports to the MoRTH, GoI, the Department concealed the diversion and did not inform about the execution of another road from CRF instead of originally approved work 'Improvement and upgradation of the road from Chandrapur to Chaturdas Devata Temple⁶⁰ via Baldakhal (Length=3.831Km.)'.

Therefore, the Department had not only unauthorisedly utilised Central Road Fund of ₹ 2.43 crore on an unapproved road project in violation of Central Road Fund (State Roads) Rules, 2014 but also falsely reported to the Government of India about utilisation of CRF.

On being pointed out by audit, the Department admitted (March 2021) that the CRF had been utilised on a road at another location as the road work at the location approved by the MoRTH, GoI under CRF, had already been taken up under PMGSY.

The matter was reported to the State Government (July 2021); reply had not been received (March 2022).

PUBLIC WORKS (Roads and Building) DEPARTMENT

3.4 Extra expenditure

The Department incurred extra expenditure of ₹ 0.68 crore towards payment of price variation due to delay in handing over clear site to the construction agency.

Paragraph 15.1 (2) of CPWD Works Manual, 2007 as adopted by the State PWD provides that before approval of Notice Inviting Tender (NIT), availability of clear site, structural drawings and lay out plan, *etc.* were desirable.

Mention was made in paragraph 4.5.11.4 (i) under the Performance Audit of "Utilisation of Thirteenth and Fourteenth Finance Commission" of the Report of Comptroller and Auditor General of India Report on Social, Economic and Revenue Sector, Government of Tripura for the year 2017-18 (Report No.2 of 2019) regarding

⁵⁹ Bypass to Assam para Railway bridge (Length=3.831 Km.)

⁶⁰ Situated at old Agartala, 6 (six) Km away from the capital city, Agartala

failure of the Public Works Department to complete construction of 8th Tripura State Rifles Headquarters even after a lapse of nine years from the date of commencement (January 2010) of the work due to delay in handing over of clear site to the construction agency⁶¹.

Further, scrutiny (July-August 2019) of the records of the Executive Engineer, Longtharai Valley Division, Public Works Department (Roads and Buildings) (EE) revealed that the project 'Construction of the 8th BN Tripura State Rifles Headquarter at Lalcherra comprising of 14 work components⁶², was awarded (January 2009) to the agency on cost plus percentage basis (at the rate of 23.69 *per cent* above the Tripura Schedule of Rates (TSR), 2008). A Memorandum of Understanding (MoU) was also concluded (January 2009) between the EE and the agency to complete the works of the project within the stipulated completion time of 24 months from the date of approval of Detailed Project Report or handing over of clear site, whichever is later. Clause 16 of MoU provides that, if during the progress of the works the price of construction materials and/or wages of labour increases and if such increase exceeds 10 *per cent* of the price and/or wages of the quoted rate (*i.e.* 23.69 *per cent* above the TSR, 2008) and the agency pays in respect of that material such increased price and/or in respect of labour engaged on execution of the work such increased wages then the amount of the contract shall accordingly be varied, provided that any increase so payable is not attributable to delay in execution of the contract within the control of the agency.

The agency commenced the project in January 2010 with construction of the boundary wall. However, after completion of 3,240 metre (out of 3,423 metre) of boundary wall, the work was stopped (June 2010) by the Forest Department as the proposed location of the project falls under forest land. The work of boundary wall resumed after the Department handed over (June 2014) clear site to the agency and eight⁶³ out of the remaining 13 components⁶⁴ (excluding boundary wall) also commenced between July 2014 to October 2015. Out of nine components being executed by the agency as stated above, only seven⁶⁵ components were completed (between March 2017 and September 2019) and execution of the remaining two components (*i.e.*, Admn. Building and 100 men Barrack-I) were in progress (March 2021). Five components of the project (*viz.*, Commandant's quarter, wireless centre, store building, watch tower and officer's mess) were not started (March 2021) even after lapse of more than 10 years from the date of award of the project in spite of

⁶¹ M/s National Projects Construction Corporation Limited, a Central Public Sector Undertaking

⁶² Boundary wall, Magazine building, MT Office, MT Garage, 100 men Barrack-I, 100 men Barrack-II, Quarter guard, Admn. Building, Wireless centre, Store building, Watch Tower, Officer's Mess, SOS Mess and Commandant's quarter

⁶³ Magazine building, MT Office, MT Garage, 100 men Barrack-I, 100 men Barrack-II, Quarter guard, Admn. Building and SOS mess

⁶⁴ Magazine building, MT Office, MT Garage, 100 men Barrack-I, 100 men Barrack-II, Quarter guard, Admn. Building, Wireless centre, Store building, Watch Tower, Officer's Mess, SOS Mess and Commandant's quarter

⁶⁵ Boundary wall, Magazine building, MT Office, MT Garage, 100 men Barrack-II, Quarter guard, and SOS mess

availability of fund in the Division. The agency was paid ₹ 11.04 crore (upto March 2021) against the total value of work done for ₹ 11.10 crore.

In addition to the above payment, the agency claimed (March 2017) price variation of ₹ 0.99 crore as per clause 16 of MoU due to hike in price of the materials⁶⁶ utilised in seven components⁶⁷ of the project which had been taken up during July 2014 to January 2017. Against the agency's claim, the Department had paid ₹ 0.68 crore as the price escalation cost to the agency (upto March 2021).

The awarding of work without ensuring the clear site, commencement of various components of the project were delayed and for that, the Department had borne extra expenditure of ₹ 0.68 crore towards price variation on the seven components which were executed after more than four years from the scheduled commencement dates of these components. The possibilities of further extra expenditure on price variation could not be ruled out as the work of five components had not been started and two components were in progress⁶⁸ (March 2021).

While admitting the fact, the EE stated (27 August 2019) that due to non-diversion of forest land, work could not be started and therefore, price variation had been paid beyond the stipulated time frame of the work.

The matter was reported to the Government (July 2021); reply is awaited (March 2022).

FOREST DEPARTMENT

3.5 Unfruitful expenditure

There was unfruitful expenditure of ₹ 2.36 crore on creation of eco-park under MGNREGS funds as the park was lying unused due to non-availability of funds for maintenance.

The Ramchandra Para Joint Forest Management Committee (JFMC), in its general meeting held on 2 January 2015, had decided to create an eco-park in Ramchandra Para under MGNREGS through Forest Department.

The Chief Executive Officer⁶⁹, Gomati Forest Development Agency (DFO⁷⁰, Gomati) had accorded (in December 2015, February 2016 and May 2016) administrative approval and expenditure sanction (AA & ES) under Mahatma Gandhi National Rural Employment Guarantee scheme (MGNREGS) fund for creation of different assets (detail in **Annexure 3.5.1**) of ₹ 1.60 crore against Action Plan of Operation (APO) of

⁶⁶ TMT bar, Labour, reinforcement and cement

⁶⁷ MT Garage, MT Office, Admn. Building, 100 men Barrack-I, 100 men barrack II, quarter guard and SOS mess

⁶⁸ Due to fund constraints as reported by the EE

⁶⁹ Chief Executive Officer (CEO) is the head of the State Employment Guarantee Mission (SEGM) established by the State Government with adequate operational flexibility and autonomy to support the Panchayati Raj Institutions and other implementing agencies.

⁷⁰ District Forest Officer

2015-16 and ₹ 0.76 crore against APO of 2016-17 at Ramchandra Para under East Manikya Dewan ADC Village and Lebachara ADC Village under Karbook range of Karbook RD Block.

Accordingly, the SDFO⁷¹, Karbook had incurred expenditure of ₹ 1.60 crore during 2015-16 and 2016-17 on 10⁷² components of works against the APO of 2015-16 and ₹ 0.76 crore on eight⁷³ components of works against the APO of 2016-17 as detailed in **Appendix 3.5.1**. The execution of works for creation of eco-park commenced between May 2015 and April 2016 and were completed by March 2016 and March 2017.

Scrutiny (November 2019) of records⁷⁴ of the SDFO, Karbook and joint physical verification (on 31 October 2019 and 15 November 2019) with the departmental officers, it was noticed that the park was lying closed and abandoned. The complete park was covered with weeds, rose garden, ornamental plantation, floriculture plantation, hedge plantation and palm plantation created at a cost of ₹ 57.45 lakh as shown in **Appendix 3.5.1** were found almost damaged. Further, the remaining assets constructed at a cost of ₹ 1.79 crore were lying unused. The park was not inaugurated till July 2021 though an expenditure of ₹ 2.36 crore was incurred. Reason for not opening the park for public use was not found on record.

On being pointed out in audit, SDFO, Karbook stated (November 2019) that no fund had been received for maintenance of the park. As a result, park was covered with weeds. The reply was not acceptable as the SDFO had not sent any proposal to the Department seeking fund for maintenance work.

On the issue of opening the eco-park for the public, the SDFO has not furnished any specific reply (March 2022).

Therefore, the infrastructure created for creation of eco-park under MGNREGS was also lying unused due to non-availability of funds for maintenance. Thus, the park was not opened for public use and the whole plantations in the park were covered with weeds due to non-maintenance. This resulted in unfruitful expenditure of ₹ 2.36 crore.

The Department should take initiative to open the park for public use and allocate funds for its maintenance.

The matter was reported (September 2021) to the State Government; reply is awaited (March 2022).

⁷¹ Sub-Divisional Forest Officer

⁷² (i) Construction of boundary fencing 1,500 mtr., (ii) Construction of one approach gate, (iii) Construction of chequered tiles soling, (iv) Construction of five passenger shed, (v) Construction of toilet block, (vi) Construction of brick soiling: 450 mtr., (vii) Construction of tree protection guard structure, (viii) Construction of pipe line connection over 2,500 mtr., (ix) Construction of five labour shed and (x) Construction of check dam.

⁷³ (i) Construction of overhead tank, (ii) Construction of two submersible pump, (iii) Construction of one storehouse, (iv) Creation of rose garden plantation, (v) Creation of ornamental plantation, (vi) Creation of floriculture plantation, (vii) Creation of hedge plantation and (viii) Creation of plum plantation

⁷⁴ Sanction Order, Work Order, Fund Transfer Order register, MGNREGA website and adjustments submitted by the IOs

