

CHAPTER III: PERFORMANCE REVIEWS (CIVIL DEPARTMENTS)

AGRICULTURE DEPARTMENT

3.1 Technology Mission for Integrated Development of Horticulture in Tripura

The Technology Mission for integrated development of horticulture in Tripura was taken up in 2001-02 and aimed mainly at area expansion, water management, production of planting materials, transfer of technology through farmers training, promotion of organic farming etc. A performance audit of the programme brought out the following main points:

Highlights

The implementation of the Mission was affected by the delays in release of funds, both by Union Ministry of Agriculture and Tripura Small Farmers Agri-business Consortium (TSFAC), as well as diversion and under-utilisation of available funds.

(Paragraph 3.1.10)

The cluster approach recommended by the Mission guidelines was not followed and there were poor physical achievements in respect of fruits, spices, flowers etc due in part to failure of the centralised procurement arrangement for planting materials.

(Paragraph 3.1.12.3)

Transfer of technology through farmers training was affected by non-establishment of training centres and non-operationalisation of the training centres established.

(Paragraph 3.1.12.7)

Diversion of Rs. 5.12 crore for purchase of pump sets affected other components of the programme.

(Paragraph 3.1.12.8)

Linkages with other Mini-Missions for post harvest management and fruit processing needed strengthening for optimal benefits from the Mini-Mission to flow.

(Paragraph 3.1.12.13)

Monitoring mechanism was not effective and no evaluation of the impact of the programme had been made.

(Paragraph 3.1.13)

3.1.1 Introduction

The Centrally Sponsored Scheme-Technology Mission for Integrated Development of Horticulture in North-Eastern States - was launched in the State in 2001-2002 for implementation during the Tenth Plan period. The Mission comprised four Mini Missions, of which Mini Mission II was to be implemented by the State Government and in respect of the other three Mini Missions, the State Government was responsible for consolidating and sending

its requirement to other Implementing Agencies (see paragraph 3.1.3 below) through specific proposals.

3.1.2 Objectives of the Mission

The objectives of the Mission, in general, were to establish convergence and synergy among numerous ongoing governmental programmes in the field of horticulture development to achieve horizontal and vertical integration aimed at:

- ensuring adequate, appropriate, timely and concurrent attention to all links in the production of horticulture crops, post-harvest management and consumption chain,
- maximising economic, ecological and social benefits from existing investments and infrastructure created for horticulture development,
- promoting ecologically sustainable intensification, economically desirable diversification and skilled employment to generate value addition to horticulture crops, and also,
- promoting development and dissemination of eco-technologies based on the blending of traditional wisdom and technology with frontier knowledge such as bio-technology, information technology and space technology.

3.1.3 Components of the Scheme

(i) Mini Mission I (Research)

Comprised research work and supply of basic seed and planting materials of horticulture crops as also technology standardisation and technology refinement. Its implementation was the responsibility of the Indian Council for Agriculture Research (ICAR).

(ii) Mini Mission II (Production and Productivity)

It consisted mainly of (a) area expansion under various horticulture crops, (b) creation of water sources, (c) farm water management, (d) production of planting materials, (e) transfer of technology through farmers training and training of trainers, (f) promotion and popularisation of organic farming and agriculture equipment, (g) promotion of integrated pest management. It was coordinated by the Department of Agriculture and Co-operation (DAC), Ministry of Agriculture, GOI and implemented by the Agriculture/Horticulture Department of the State.

(iii) Mini Mission III (Post-harvest management, marketing and export)

Involved strengthening of marketing infrastructure, development of whole-sale markets, rural primary markets and agriculture marketing information centres. Two Agri-Export Zones were required to be established in each State of the NE Region. This Mini Mission was coordinated by the DAC and implemented by NHB, DMI, NAFED and APEDA¹.

¹ NHB- National Horticulture Board; DMI - Directorate of Marketing Intelligence; NAFED- National Agriculture Co-operative Marketing Federation; APEDA-Agriculture and Processed Food Products Export Development Authority.

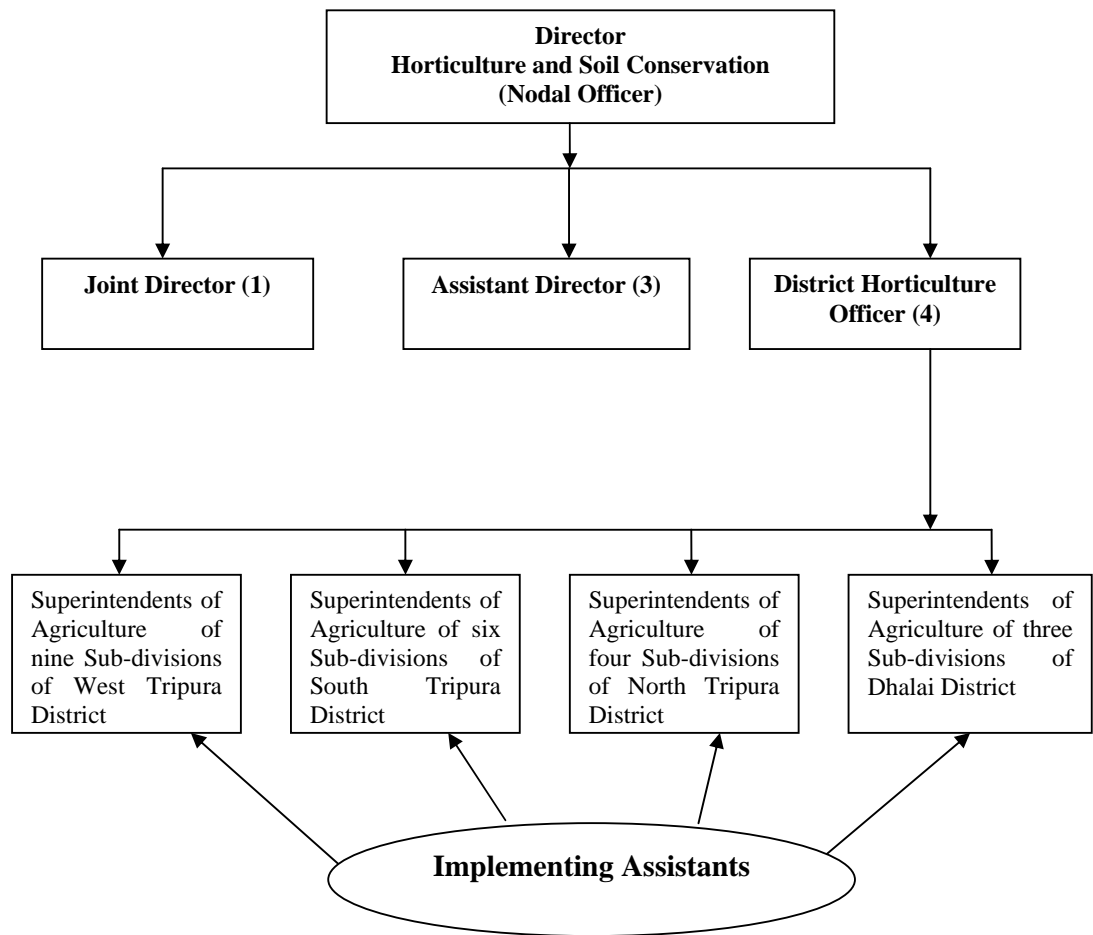
(iv) Mini Mission IV (Processing)

It aimed at (a) promotion of new units, (b) up-gradation and modernisation of existing units (c) Market promotion (d) Research and Development and (e) Human Resource Development. This Mini Mission was coordinated and implemented by the Ministry of Food Processing Industries of the GOI.

To ensure proper linkage and co-ordination among various Mini Missions, proposals in respect of different Mini Missions were required to be approved by the State Level Steering Committee (SLSC) constituted for review/monitoring of the Mission activities.

3.1.4 Organisational set-up

The Director, Horticulture and Soil Conservation of the State (DHSE) is the nodal officer of the Mission and also the Member Secretary of the SLSC. He was assisted by one Joint Director, one Deputy Director, 3 Assistant Directors and 4 District Horticulture Officers, who in turn were assisted by 22 Superintendents of Agriculture. An organogram in this regard is given below:



3.1.5 Funding

For MM II, the DAC, Union Ministry of Agriculture (MOA), on the basis of work plans, was to release funds to the Central Small Farmers' Agri-business Consortium (SFAC) which in turn was to release the funds to State level SFAC (TSFAC) in 3-4 installments as per approved physical and financial targets. The TSFAC was to release funds to the District Horticulture Officers (DHOs) on the direction of the Secretary / Director (Horticulture) or to the Director of Horticulture for central expenditure. For the other three Mini Missions, the DAC was to release funds to the respective Implementing Agencies as per the approved action plan (for MM I) or proposals approved by the Project Approval Committee (PAC) concerned (for MM III and MM IV).

3.1.6 Scope of the performance audit

The performance audit conducted during January - April 2007 aimed at evaluating the efficiency, economy and effectiveness of planning and implementation of Mini Mission II by the State as also of the State's responsibilities in respect of Mini Missions I, III and IV. The review covered the period 2001-02 to 2006-07 and encompassed 50 *per cent* of the 22² Superintendents of Agriculture (SAs) in the four districts of the State, selected through Statistical Sampling using the Probability Proportionate to Size With Replacement (PPSWR) method.

3.1.7 Audit Objectives

The performance audit sought to assess:

- Whether the overall objectives of the Mini-Mission II i.e. to increase the quantum of production and productivity of the horticulture produce in the State, were achieved;
- Whether the planning for the Mission was adequate and effective;
- Whether the execution of the schemes was efficient, economic and effective and as per approved plan;
- Whether the efforts under Mini Mission II were integrated with marketing, processing and export activities under other Mini Missions, to get the optimum benefits of the Mission;
- Whether the monitoring system was adequate and effective.

3.1.8 Audit Criteria

The following major criteria were used:

- Mission guidelines issued by MOA,
- Project reports prepared by the Department,
- Directions and other communications from MOA,
- Contracts, MOUs etc signed by the Department.

² West Tripura: 4 out of 9; South Tripura: 3 out of 6; North Tripura: 2 out of 4 and Dhalai district: 2 out of 3.

3.1.9 Audit methodology

The audit process started with an entry conference with the DHSC on 24 January 2007, wherein the audit objectives and criteria were explained. This was followed by collection of relevant information through questionnaires etc following which, field examination of the selected units, including office of the DHSC, were conducted. The results of the examination of records and questionnaires as well as the documents collected during audit formed the audit evidence and the basis of audit observations, which were discussed in an exit conference held (3 August 2007) with Secretary, Agriculture. The comments of the Department have been incorporated in the report at appropriate places.

3.1.10 Financial Management

3.1.10.1 Delays in funding by Government of India

During 2001-02, 2003-04, 2004-05 and 2005-06, SFAC failed to provide adequate funds to TSFAC within the financial year concerned, and the shortages were made up in the subsequent years only *viz.* in April 2002, June 2004, May 2005 and April 2006 respectively. There were delays ranging from 22 to 72 days on the part of SFAC in transferring funds to TSFAC during 2001-02 to 2005-06. Besides, over 50 *per cent* of funds for 2004-05 (Rs. 6.10 crore i.e. 55 *per cent* of allocation) and 2006-07 (Rs. 7 crore i.e. 50 *per cent* of allocation) were provided in March end making the implementation during the year unfeasible. On five other occasions, the SFAC took 22 to 72 days to issue cheques after sanction of funds by the MOA.

3.1.10.2 Underutilisation of funds

Table No. 3.1.1: Utilisation of funds

(Rupees in lakh)

Year	Opening balance	Released during the year	Total	Expenditure	Interest earned during the year	Closing balance
1	2	3	4	5	6	7
2001-02	-	452.90	452.90	175.08	3.34	281.16
2002-03	281.16	844.50	1125.66	291.13	3.39	837.92
2003-04	837.92	200.00	1037.92	666.75	29.65	400.82
2004-05	400.82	1712.80	2113.62	2173.74	17.54	(-) 42.58
2005-06	(-) 42.58	1298.50	1255.92	1077.21	3.83	182.54
2006-07	182.54	1700.00	1882.54	735.75	16.42	1163.21
Total		6208.70		5119.66	74.17	

Source: MOA release orders, Financial Progress Reports furnished by the Department to GOI and Bank Statements of TSFAC's account as made available to Audit.

During 2001-02 to 2006-07, the amount spent by the State Government (Rs 51.20 crore) was less than the amount released by SFAC resulting in overall saving of Rs 10.89 crore (17.54 *per cent*) apart from interest of Rs.74.17 lakh earned during the years. Table above shows that the expenditure was very slow in the first two years. Although it picked up later, it slowed down considerably again during 2006-07. This was due to inadequate

preparedness of the implementing agencies to execute the programmes as planned, as discussed later (paragraphs 3.1.10.3, 3.1.11, 3.1.12.2 etc).

3.1.10.3 Retention of funds by TSFAC

In contravention of the MOA instructions not to delay releasing funds to the implementing agencies, TSFAC retained huge funds every quarter (**Appendix 3.1**), the amount varied from Rs. 66.49 lakh to Rs. 896.53 lakh (32.20 to 82.70 *per cent* of available funds) during 2001-02 to 2006-07. Funds had remained with the TSFAC for months together waiting to be released for want of requisition from the Director who, despite having the approved Action Plan for the State, failed to submit timely requisition for the funds. This showed that the Department's planning and programme execution were not adequately geared for timely utilisation of funds.

3.1.10.4 Diversion of funds

The implementation of the Mission was further affected by diversion of funds, which further reduced the availability of funds, as would be evident from the following:

(i) On verbal instructions from the DHSC, Rs. 1.80 crore of Mission funds were diverted (April 2004) to Civil Deposit Account³ without approval of MOA or SLSC. As a result, a number of payments to the farmers were kept pending till the amount was released (May and July 2005). For example, DHO, South Tripura had been able to pay only Rs. 17.80 lakh of the farmers' / suppliers' bills amounting to Rs. 87.13 lakh as of March 2006. Similarly, DHO, North Tripura was able to clear pending bills of farmers for Rs. 75 lakh during 2005-06 only after getting back the sum from the civil deposit.

(ii) While transferring (28 August 2004) the cash to the new Cash Book opened for Technology Mission, Rs. 1.50 lakh was not transferred to the new Cash Book/ Bank Account meant for TM funds. The shortfall had yet to be made good (May 2007). The Secretary of the department in the exit conference (August 2007) stated that the matter would be looked into ensure that the amount is transferred to TM account.

3.1.10.5 Defective Reporting

Progress Reports were sent to MOA/SFAC after booking the expenditure against the year of allocation, irrespective of whether the expenditure was incurred and the year in which the expenditure was incurred. The revised Progress Reports sent to MOA (June 2007) showed that expenditure figures had been changed right from 2001-02 onwards, and the expenditure for the period 2001-02 to 2006-07 had been inflated, the authenticity and basis of which could not be verified in audit.

3.1.11 Inadequate Planning

Annual Action Plans (AAPs) were to be submitted to MOA showing the physical and financial targets for the current year and the balance carried

³ By three District Horticulture Officers (North Tripura: Rs. 75 lakh; South Tripura: Rs. 50 lakh and Dhalai: Rs. 55 lakh).

forward from the previous year for release of funds. The AAPs were prepared without adhering to the requirements of the guidelines that called for involvement of district and lower level functionaries in the preparation of the AAPs. Several systemic defects in the planning process came to light, as stated below:

- (i) Base line surveys for preparation of project report/work plans were not conducted in any of the four districts. Consequently, the adequacy and comprehensiveness of the plans remained questionable and integration of the activities of the four Mini-Missions did not get due importance.
- (ii) The work/action plan for the State was not based on district level plans, as required under the Mission guidelines, as the district level project reports were neither prepared nor asked for by the State level authorities. As a result, the Action Plan lacked ground level participation.
- (iii) In contravention of the guidelines, prior approval of the SLSC was not obtained before sending the work/action plan to the nodal agency for release of funds, depriving the SLSC of contributing to the action plan. Preparation of the AAPs without considering all these essential aspects thus, speaks of inadequacy in planning for programme implementation.

3.1.12 Programme Execution

3.1.12.1 Failure to get technical inputs from ICAR

Technical inputs from the ICAR regarding supply of nucleus / basic seeds, planting materials and technological refinement and training were a vital component for the success of Mini Mission II. However, the Department failed to take any appreciable inputs from the ICAR, despite the latter having a regional office in Agartala. This, coupled with the absence of any base line surveys, led to ad hoc and unrealistic approach in the implementation of the Mission, as brought out in subsequent paragraphs. Also, no follow up action was taken on SLSC's instructions (September 2001) for:

- conducting on-farm demonstration on staggering of pineapple in collaboration with ICAR and organising visit of farmers to see the technology adoption;
- selecting resistant varieties of solanaceous vegetable crops in consultation with ICAR;
- cultivating selected varieties of jackfruit and utilising it as vegetable.

However, ICAR imparted training to 325 farmers and extension functionaries on two topics following the SLSC meeting (October 2004) on pineapple, litchi and mango cultivation and use of modern techniques useful in Tripura conditions. Thus, non-adherence to SLSC's instructions led to poor achievement in area expansion.

(i) Lack of collaboration with National Research Centre for Orchids

Collaboration with National Research Centre for Orchids (NRCO), Sikkim was required on matters pertaining to Mini Mission I, including finalisation of the work plan for production of seed / planting material for different fruits,

vegetables and flowers. Such collaboration, however, did not exist even though no costs were involved. A requisition sent by DHSC (May 2002) for improved varieties of nucleus seeds /planting materials met with no response from NRCO. In the case of another project for production of seed / planting material etc a revised project asked (May 2004) for by the NRCO was yet to be submitted by the Director (April 2007). Thus, the Department did not get the benefit of collaboration with NRCO in respect of supply of nucleus / basic seeds under Mini Mission I.

(ii) Delay in selection of planting material and seeds

There was four years’ delay in finalising the selection of planting material and seeds for the area expansion programme. It was only in April 2005 that a Technical Committee consisting of seven members was constituted by the Government for selection of planting materials and seeds. The Committee proposed (April 2005) (i) locally adopted varieties of fruit plants, (ii) commercially accepted varieties of flowers and (iii) adopted varieties of vegetables adding that the performance reports available for different hybrid vegetable varieties from the ICAR State Centre and HRC, Nagicherra were insufficient to make conclusive selection of all varieties of vegetable crops. An expert appointed (May 2005) by the Government to examine the report of the Committee had raised several issues stating (June 2005) that the report lacked any long term plan demarcating crop-specific ‘production-zones’ backed by scientific and resource-based data, which was necessary for development of horticultural crops in the State. The expert’s comments had however not been addressed and the area expansion programme was being implemented based broadly on the Committee’s recommendations. This resulted in continued poor performance during the following two years in each category of horti-crops except vegetables.

3.1.12.2 Performance under Mini Mission II

Appendix 3.2 shows the financial performance in different areas during 2001-02 to 2006-07. The component-wise summarised position as per Progress Reports made available to Audit is given in the following table:

Table No. 3.1.2

(Rupees in lakh)

Sl. No.	Name of Component	Total allocation of funds	Total expenditure (upto March 2007)	Percentage of expenditure over allocation
1.	Area Expansion including Flowers	2818.28	2003.04	71.07
2.	Creation of Water Sources	1076.25	973.52	90.45
3.	On farm Water Management	333.93	150.5 3	45.02
4.	Production of Planting Materials	371.50	224.18	60.34
5.	Transfer of Technology	305.75	249.19	81.50
6.	Agriculture Equipments	780.00	1168.48	149.80

(Rupees in lakh)

Sl. No.	Name of Component	Total allocation of funds	Total expenditure (upto March 2007)	Percentage of expenditure over allocation
7.	IPM	49.30	38.74	78.58
8.	Women Development	28.40	25.24	88.87
9.	Infrastructure/Technical Support	39.00	27.26	69.90
10.	Leaf Analysis Lab	20.00	10.00	50.00
11.	Seminar/Workshop	20.50	17.50	85.37
12.	Organic Farming	262.00	204.98	78.24
13.	On farm handling unit	45.00	27.00	60.00
14.	Integrated Mushroom Unit	50.00	-	Nil
15.	Bee Keeping	9.00		Nil
	Grand total	6208.91	5119.66	82.45

Source: Progress Reports submitted by the Department.

The performance under different components of the Mini Mission is discussed below:

Area Expansion

3.1.12.3 Lack of cluster approach

The Mission guidelines required that a cluster approach, requiring selection of beneficiaries in a contiguous area covering the whole village, be followed for area expansion under horticultural crops, having linkages with other missions. However, no such approach was followed and the selection of the beneficiaries was made without any relation to beneficiaries from other supportive components like creation of Water Sources, Agriculture Equipment, On-farm Water Management etc. Thus, the benefits of an integrated approach were lost. Further, none of the four District Horticulture Officers developed any 'Centre of Excellence', which were required under the Mission guidelines to implement all the components of the Mini-Mission in a contiguous area.

(i) Poor Physical Achievements

During 2001-02 and 2002-03, only 846 hectares out of 1260 hectares (67.14 *per cent*) and 1,180 hectares out of 2,950 hectares (40 *per cent*) targeted for area expansion were achieved (**Appendix 3.3**). In the following year (2003-04), although the shortfall continued in coverage of fruits, spices, plantation crops and flowers, the overall coverage was 4.54 *per cent* over the targets, mainly due to 46.58 *per cent* higher achievement in vegetable crops. The shortfall in coverage of fruits during the first three years, mainly in banana, pineapple, mango and orange, was attributable to failure in selection of suitable varieties and non-availability of quality planting materials like suckers/grafts/ cuttings/plantlets etc.

Most of the planting materials used up to 2004-05 were procured by the farmers locally without adequate certification of the quality due to the Department's failure to establish a quality assurance system. It was only in respect of potato that more or less uninterrupted supply of quality True Potato Seeds (TPS) was ensured by a Government Agency *viz.* HRC, Nagicherra.

During 2004-05 the area coverage in almost all sectors (except cashew nut) exceeded the target, but the increase in production and productivity was not assessed. The failure to use assured quality seeds of appropriate varieties resulted in poor achievement in all sectors of area expansion except vegetable.

(ii) Failure of Centralised Procurement of Planting Materials

During 2005-06, the procurement of planting materials was centralised with the DHSC. The suppliers engaged by him failed to ensure timeliness and quality of planting material supplied, to the satisfaction of the district/block level officers, thereby adversely affecting the programme, especially in respect of fruits, for which the achievement during the year was only 45.81 *per cent*. Test check revealed that a number of Superintendents of Agriculture (SAs) refused (May 2006) to receive the defective or delayed (post-planting season) supply of planting material, which led to loss of Rs. 2.18 lakh on account of 56,000 damaged banana suckers.

For 2006-07, two All India Notices Inviting Tenders (NITs) were issued (February and March 2006) by DHSC and a team visited (April–June 2006) different nurseries of West Bengal and Haryana, to check the quality of planting materials (banana, pineapple, guava, litchi, cashew nut, black pepper etc). The expenditure of Rs. 3 lakh incurred as travelling expenses of the team-members in connection with the said visit was irregularly met from Trainers' Training component. However, by the time the specific proposals from the Tender Committee were submitted (September 2006) to the Supply Advisory Board (SAB), the planting season (May-August 2006) was already over. In December 2006 i.e almost 9-10 months after their invitation, both the tenders were cancelled. Non-supply of planting materials before the planting season resulted in almost negligible achievement of area expansion in fruits (87 out of 1,950 hectares targeted i.e. 4.46 *per cent*), and zero achievement in cashew nut (target 500 hectares) and black pepper (target 300 hectares). Thus the entire exercise proved futile.

(iii) Persistent poor performance in cashew nut development

Despite the availability of funds, the area expansion in cashew nut was a failure as out of target of 1,790 hectares (six years from 2001-02 to 2006-07), only 250.50 hectares (13.99 *per cent*) was covered (March 2007), with 100 *per cent* failure during 2004-05 and 2006-07, and 97.58 *per cent* failure during 2005-06. This was attributed (May 2007) to non-receipt/late receipt of cashew nut grafts. Thus due to failure of the Department to provide cashew nut grafts, the targeted expansion could not be achieved.

(iv) Poor performance in Black Pepper development

Against the target of 725 hectares at a planned expenditure of Rs. 96.50 lakh (2001-02 to 2006-07), only 159 hectares (21.93 *per cent*) was covered at an expenditure of Rs. 20.07 lakh (March 2007). The position was especially alarming in 2005-06 and 2006-07 when the shortfall was 86.18 *per cent* and 100 *per cent* respectively. There was inordinate delay of 15 months in initiating follow up action on the directions of the SLSC (May 2005), to

examine the possibility of raising crops like black pepper in the forest areas. After the proposal was approved (August 2006) by SLSC, Rs. 30.81 lakh was transferred (November 2006) to the Forest Department by which time, the planting season (June-July 2006) for black pepper was over. Thus, administrative laxity resulted in non-achievement of the targeted expansion despite availability of funds. The utilisation certificate in respect of the funds transferred to the Forest Department was still pending (May 2007).

(v) Floriculture

Rs. 3.34 crore was allocated for area expansion of flower crops during 2001-07 against which Rs. 1.17 crore was spent, covering 1,755 of the targeted 2,570 hectares (**Appendix 3.3**), the shortfall being 31.71 *per cent*.

In this field too, inordinate delays in finalisation of tenders for centralised procurement of planting materials for commercially viable flowers for the 2005-06 Plan led to non achievement of target as the purchase did not materialise even before the planting season for 2006-07. The Directorate took more than 7 months to scrutinise the rates received in response to Notice Inviting Expression of Interest (September 2005) for setting up commercial Flower Centres at prime locations. Even after the SAB had approved (May 2006) the proposal, the Directorate took more than 2 months to sign the MOUs with the firms (July 2006 and August 2006). A departmental inspection (April 2007) revealed several deficiencies in the material supplied and unsatisfactory service by the supplier but no corrective action had been initiated despite complaints from the field offices.

Model Floriculture Centre, Lembucherra: The DHSC took up (March 2002) establishment of a Model Floriculture Centre (MFC) at a cost of Rs. 70 lakh, with financing from the GOI. The establishment of the Centre was to be completed within two months of the completion of the MFC building which was completed in May 2004. Scrutiny of records revealed several irregularities as discussed below:

- Contract for 15 items was awarded (April 2003) to a Delhi-based firm for Rs. 42.25 lakh without competitive bidding and approval of the SAB, as provided in the Delegation of Financial Power Rules.
- The firm was selected (February 2003) on the basis of its presentation (along with two other firms) to a six member Committee constituted (May 2002) under the Chairmanship of the Director. No recorded details of the recommendations of the Committee were made available to audit except a note by an Assistant Director that the presentation of the firm was good while that of the others “shabby and incomplete”.
- Scrutiny revealed that the firm had quoted lump sum amounts for different items, the amounts being exactly the same as in the estimates given in the operational guidelines of the GOI. The firm had not given the details of the items under different heads (e.g tools and implements, furniture and fixture, glass ware etc.) or their break-up costs. In the circumstances, it was left to the firm to decide what items to supply under different heads as well as their specifications.

- The firm was paid an advance of Rs. 12.60 lakh through a cheque drawn on 1 April 2003 even before signing the MOU on 4 April 2003. The MOU was not vetted by technical experts.
- The firm was required to complete the work by November 2003, but materials worth Rs. 7.50 lakh had not been supplied as of May 2007 despite payment of Rs. 42.17 lakh. The rest of the materials / machineries were supplied (August 2004) after a delay of eight months. However, no action was taken against the firm, which thus escaped penalty of Rs. 16.90 lakh⁴, as per the MOU.
- There was further delay of 10 months in the inspection of the material supplied; the Inspection Report by a departmental committee revealed (June 2005) various shortcomings / defects in many items valued at Rs. 22.70 lakh. The supplies were taken into stock (July 2005) without addressing the defects, which had remained unrectified as of May 2007. In a meeting (November 2005) the Director decided that no steps could be taken against the firm as the supplies were as per the MOU.
- The MFC had remained dysfunctional even after more than three years from its scheduled date of completion (November 2003), and expenditure of Rs. 42.17 lakh. Meanwhile, chemicals and pesticides valuing Rs. 1 lakh had become unusable due to expiry. Machinery / equipment/structures valued at Rs. 3.60 lakh was not installed or used and meanwhile warranty expired.
- Of the remaining Rs. 27.75 lakh (70–42.25), to be spent departmentally on nine items, the DHSC had diverted Rs. 15.63 lakh to other projects⁵ and the balance Rs. 12.12 lakh remained unspent (April 2007). The Tissue Culture Lab, an important component of the MFC, had not been taken up even after five years of approval of the project.

Thus, irregularities in the selection of the firm and non-enforcement of the terms of the contract, led to the expenditure of Rs. 42.17 lakh remaining unfruitful as the MFC remained non-functional.

(vi) Integrated Mushroom Unit

The integrated mushroom unit, to be established under the supervision and technical support from ICAR, had not been established, despite receiving Rs 50 lakh from MOA in 2001-02. After retention by TSFAC for about four and a half years, the amount was transferred (July 2006) to the Executive Engineer (Agri), West (Rs 19.96 lakh), Executive Engineer (Mech) (Rs. 14.01 lakh) and the DHSC (Rs. 16.03 lakh) for execution of the work departmentally at Horticulture Research Complex (HRC), Nagicherra. The construction of the building was to be completed on 15 November 2006, but had not been completed (September 2007). Machinery and equipment essential for running the unit were also not procured (May 2007). The delay was attributed (May

⁴ 5 per cent of the contracted value (Rs.42.25 lakh) for each month of delay, for 8 months = Rs.42.75 lakh × 5 × 8/100 = Rs. 16.90 lakh.

⁵ Leaf Analysis Laboratory and Plant Health Clinic in the Directorate and Tissue Culture Laboratory at Horticulture Research Complex, Nagicherra.

2007) to lack of specific guidelines about the equipment, components and infrastructure facilities etc prior to new MOA guidelines (January 2004) and also to the time taken for training a team of Scientists and Engineers before setting up the Unit.

Due to non-establishment of the Unit, the mushroom growers could not be supplied the compost and spawn and were also deprived of the facility of collection, processing and marketing of their produce. Thus despite availability of funds, this area could not be given any impetus.

3.1.12.4 Creation of Water Sources – uncertainty about the benefits

The Mission guidelines provided for creation of water sources to support horticulture. Out of Rs. 4.70 crore provided in the Annual Plans for 2004-05 (Rs. 0.70 crore) and 2005-06 (Rs. 4 crore), Rs. 4.22 crore⁶ was transferred to authorities other than the departmental implementing officers (i.e. DHOs) in contravention of the guidelines and without the approval of even the SLSC. These authorities were also not given the details of the beneficiaries under the Mission to ensure that the water bodies were created such that the integrated benefits of the “cluster approach” were not lost. Utilisation certificates had not been furnished by most of the authorities except for Rs. 1.40 crore furnished by District Magistrate (West) and Rs.70 lakh by CEO, FDA, Udaipur. None of the authorities had furnished the list of beneficiaries. In the circumstances it was unclear as to what extent the benefits of water bodies had reached the targeted beneficiaries. For example, the Director had no records to show that the eligible beneficiaries benefitted from the 104 forest check dams constructed (2006-07) out of the said funds at a cost of Rs. 1.38 crore. A joint inspection of 10 check dams by the Audit and the officials of the Forest Department showed that they were mainly used for wild animals of the sanctuary, pisciculture, and improvement of the ecosystem.

3.1.12.5 On- farm Water Management

On-farm Water Management consisted of drip irrigation, green-houses and shade-nets. The following table indicates that during the period 2001-07, there was poor achievement in this component too, except in respect of shade nets.

Table No. 3.1.3

Component	Target (Nos.)	Achievement (Nos.)	Percentage of achievement
Drip irrigation	340	18	5.29
Green-houses	442	311	70.36
Shade nets	320	300	93.75

Source: Physical Progress Reports submitted by the Department.

During 2001-07, out of allocation of Rs. 2.11 crore for green houses, Rs. 96.90 lakh for drip irrigation and Rs. 23.80 lakh for shade-nets, the corresponding

⁶ 2004-05: Rs. 0.22 crore to Superintendent of Fisheries (South Tripura) through DHO (South) 2005-06: Rs. 1.50 crore to District Magistrate (West); Rs. 1 crore to DM (North); Rs. 1.18 crore to Forest Department through DM (South) and Rs. 0.32 crore to DM (South) total Rs.4 crore.

expenditure was Rs. 1.25 crore (59 per cent), Rs. 5.13 lakh (5 per cent) and Rs. 21 lakh (88 per cent) respectively. Further, the following irregularities were noticed.

- Six SAs⁷ had idle stock of 192 units of UV films and 184 units of shade-nets valuing Rs. 20.06 lakh since May/July 2006.
- Three SAs⁸ could not show supporting papers for utilisation of 220 UV films and 213 shade-nets valuing Rs. 28.55 lakh issued to them.
- Rs. 1.71 lakh placed with 6 SAs in April 2002 for drip irrigation was taken back by the Director after two years (February 2004) and utilised for installation of deep tube well in a Government Park in the capital.

Thus, the objectives of on-farm water management remained unachieved.

3.1.12.6 Production of Planting Materials

This consisted of establishment of nurseries, both in public and private sectors, at an approved cost of Rs. 3 lakh each, which would ensure supply of minimum two to three lakh plants of good quality and improved varieties, per year. In addition, a Tissue Culture Laboratory (TCL) was to be established (approved cost Rs. 21 lakh) in 2001-02 for producing healthy planting materials, free from virus and other diseases. Although a TCL was established (August 2004) at a cost of Rs. 17.50 lakh, it had produced only 20,000 plants during 2005-06 and 2006-07 against the required minimum of 15 lakh plants per year as per GOI guidelines.

The position in respect of nurseries was also much below expectation as out of 56 nurseries planned during 2001-07, only 30 (54 per cent) were established at a cost of Rs. 1.65 crore. There was no centralised information on the performance of these nurseries or their contribution to horticulture development. In the absence of performance and production, the possibility of these nurseries running far below potential cannot be ruled out.

- In North Tripura, only Rs. 4.72 lakh was disbursed to four private nurseries, despite allocation of Rs. 12 lakh. The DHO stated (February 2007) that some of the beneficiaries (nursery owners) failed to complete the works and did not claim the amount.
- In another case, a public sector nursery was shown to have been established in Bishalgarh at a cost of Rs.3 lakh but records revealed that Rs. 2.83 lakh had still remained unspent (April 2007).
- A nursery taken up in Lembuchera (August 2002) at an approved cost of Rs. 18 lakh had remained incomplete for no recorded reasons after about five years and expenditure of Rs.10.60 lakh (April 2007). The balance amount was lying idle with the Principal, Upgraded Training Centre

⁷ SAs of Bishalgarh (23 and 20), Matabari (60 and 67), Bagafa (60 and 57), Rajnagar (35 and 31), Rupaichari (12 and 9), Satchand (2 and nil) units of UV films and shade-nets respectively.

⁸ SAs of Teliamura (75 and 73), Melaghar (70 and 67), Dukli (75 and 73) units of UV films and shade-nets respectively.

(UGTC). The expenditure remained unfruitful besides Rs. 7.40 lakh remaining blocked for five years.

3.1.12.7 Transfer of Technology through farmers training

This component as envisaged in the guidelines aimed at educating the farmers about the modern technology of cultivating horti-crops through training/demonstration etc. During 2001-02 to 2006-07, 9903 farmers were imparted training (inside State: 8797 and outside State: 1106) against a target of 10950 (inside State: 9500 and outside State: 1450). Superintendent of Agriculture, Melaghar received Rs. 2.10 lakh for training 140 farmers in 2006-07; although no training was conducted till date of audit (April 2007), the Progress Report showed full achievement, without giving the details of trainees.

(i) Non-availability of service from Supervisory Training Centre (STC)

Out of four STCs planned in the State (2002-03 to 2006-07), only two were established (March 2006 and October 2006). The STC established (March 2006) in West Tripura district at a cost of Rs 19.40 lakh was occupied by DHO (West) and not a single training class was held. Another STC, established (October 2006) in the North Tripura district at a cost of Rs. 36.03 lakh had not started functioning due to non-deployment of staff. The work for setting up of two more STCs was not taken up despite release of the funds (Rs. 40 lakh) by GOI in full. Thus the purpose of establishing the STCs at a cost of Rs. 55.43 lakh was defeated.

3.1.12.8 Production and Popularisation of Agri Equipment

The Mission envisaged popularising the use of appropriate agricultural equipment like Power Tiller, Diesel Engine (Pump-sets) etc to improve efficiency and help farmers in reducing physical labour in the farms. The beneficiaries were to be selected out of the farmers selected for area expansion and other components of the Mission.

The following table shows the achievements under different categories of this component as reported to MOA:

Table No. 3.1.4

	Target (Nos.)	Achievement (Nos.)
Manually operated Equipment	850	704 (83%)
Power operated Equipment	400	391 (98%)
Power Tiller	1407	1341 (95%)
Diesel Engine (Pump sets)	1240	5904 (476%)
Power driven Equipment	50	Nil

Source: Information furnished by the Department.

The number of pumps included 5,688 pump sets, for which Rs. 5.12 crore of Mission funds was diverted to Rural Development Department following the State Government decision (June 2004) to distribute pump sets among the cultivators jointly out of Technology Mission (Rs. 9000), SGRY (Rs. 7000) and Beneficiaries' contribution (Rs. 4000). This was done without the approval of MOA and no records were available showing the names and

addresses of the beneficiaries making it difficult to establish whether all the beneficiaries under the Mission had been supplied with a pump set. Test check showed that in the West, North and South districts, the DHOs could not settle in time the claims of the beneficiaries related to production of fruit plants, vegetable crops, spices etc pending from 2001-02 to 2005-06. The component most affected by this diversion was area expansion.

3.1.12.9 Integrated Pest Management

Under this component, financial assistance was payable to the horticulture farmers for use of bio-pesticides at the rate of Rs. 1000 per hectare. During 2001-07, 2074 hectares (82 *per cent*) were brought under the use of bio-pesticide at a cost of Rs. 20.74 lakh as against the target of 2,530 hectares. Despite this inadequate area coverage, the Department failed to provide the farmers the services of (i) Plant Health Clinic (2) Leaf Analysis Laboratory and (3) Disease Forecasting Unit, which were required to be established under this component. The details in this regard are discussed below:

(i) Plant Health Clinic (PHC)

The establishment of the PHC, for which Rs. 20 lakh was provided in the Action Plan for 2001-02, was delayed as the supplier took a year to supply the instruments /chemicals /lab furniture etc against the stipulated two months from the date of handing over of the building. No action was taken against the supplier for the delay despite provision of 5 *per cent* penalty in the agreement signed. The inspection of the instruments (January and February 2005) showed defects like non-functioning of ELISA READER, improper functioning of PH meter, RIMI Centrifuge machine, Systonic conductivity meter etc but no action was taken to get them properly replaced by the supplier at their cost as per the terms of the agreement. The Clinic started functioning (December 2005) but no records of the work done were being maintained due to which, performance and utility of PHC could not be verified.

(ii) Leaf Analysis Laboratory (LAL)

Rupees 20 lakh was released by MOA during 2001-02 for establishment of Leaf Analysis Laboratory. The civil work was to be started in May 2003 and to be completed by August 2003. The supplier had been given the order (April 2003) to supply the equipment / chemicals within two months of handing over the building, which was handed over only in December 2003. The establishment of the Laboratory was further delayed due to inordinate delay (more than 2 years) by the supplier in completing the supplies (July 2005). However, no penalty was imposed as per the terms of agreement (May 2007). During demonstration (May 2005), the Atomic Absorption Spectrophotometer did not function and some other defects were also noticed (May 2005) but these were not got rectified / replaced by the supplier at his cost as per the terms and conditions (May 2007). The Laboratory was understaffed (one person in position against the required 2 persons) and no records of works done were available to facilitate evaluation of its functioning. Thus, the purpose for which the laboratory was set up could not be verified.

(iii) Disease Forecasting Unit (DFU)

The Unit was commissioned (April 2005) i.e., 3 years after the funds were made available by MOA, at a cost of Rs 5.25 lakh. No efforts were made (May 2007) to engage technical staff as per requirement due to which the laboratory was not properly equipped in disease forecasting and the horti-farmers were yet to benefit from the Unit. Further, purpose for which the unit was established was defeated.

3.1.12.10 Organic farming

Under this component, financial assistance of Rs. 10,000 per hectare was available to the farmers adopting organic farming. There was also provision for setting up earthworm/ vermi compost unit. During 2001-07, of the 1120 hectares targeted for organic farming, 948 hectares (84.64 *per cent*) were covered as per Progress Reports while 427 earthworm / vermi compost units were set up against the target of 450 (94.89 *per cent*). Except for 2004-05, the performance was much below the target in all the years (**Appendix 3.2**).

Test check of records of SA, Bishalgarh revealed that in the Progress Report for 2006-07, coverage of all the targeted 17 earthworm/ vermi compost unit was shown as achieved despite the fact that during 2006-07, funds were provided for only 10 units (April 2007), the works for which were in progress. Thus, there was inflated exhibition of achievement.

3.1.12.11 Bee Keeping

MOA approved Rs. 4 lakh for 2006-07 for covering 500 hectares for pollination support to increase crop productivity and Rs. 5 lakh for development of bee keeping but no funds were released to the implementing officers and hence the target remained unachieved.

3.1.12.12 Organisation/Infrastructure/Technical Support

Although a Technology Mission Cell was set up at the Headquarters, proper infrastructure like computers and other equipment right down to the block level, as envisaged in the Mission, was lacking. Further, an IT network connecting all the Community Information Centres (CICs) that was to be provided right upto the block level, as per the Mission guidelines was also not established.

In the absence of a separate organisational structure at the block level, the horticulture activities were being looked after by the SAs. Recognising this need, the SLSC recommended (October 2004) separate establishment for horticulture down to the block level. However, as of May 2007, out of 40 blocks, only in Khowai block an Assistant Director (Horticulture) was in position, functioning independently from SA.

3.1.12.13 Linkage with other Mini Missions

(i) Post Harvest Management –Mini Mission III

- Creation of infrastructure for post harvest management, marketing and export under Mini Mission III, was an important link in the process of

horticulture development and the State Government was responsible for preparing and sending proposals to MOA. It was seen that adequate attention was not paid in this regard. Two proposals for setting up whole sale market at Battala Bazar and Maharaj Ganj Bazar, initiated in May 2002, remained under correspondence with MOA for over 3 years before being dropped. Another proposal for development of four⁹ whole sale markets and five¹⁰ Rural primary Markets was sent (May 2005) to MOA but the proposals for one whole sale market and five Rural Primary Markets were not found fit by the MOA, mainly due to defects in the site plans. The fact also is that most of the components under Mini Mission I to IV were not implemented satisfactorily and fully.

▪ **Non-establishment of Agri Export Zones**

No action was taken to send proposals to APEDA to establish Agri Export Zones, (at least two), as required under the Mission.

(ii) Fruit Processing - Mini Mission IV

One proposal for financial assistance to a fruit processing project sent (May 2004) to MOA had not been approved. Another project, taken up under the aegis of Tripura Industrial Development Corporation Limited, had also not fructified due to the inability of the promoter to contribute his share of equity.

3.1.13 Monitoring and Evaluation

There was inadequate monitoring of the Mission activities, both at the SLSC level and below. While the SLSC held its first meeting four and a half months after its constitution (May 2001), it took another 32 months to meet for the second time. Next three meetings were held at an average interval of nine months. The last meeting took place on 18 August 2006, when it was decided to meet twice a year but no meeting was held thereafter despite being overdue (February 2007). The SLSC also had no effective system for obtaining Inspection Reports from the field offices for monitoring utilisation of funds and watching achievement of the objectives targeted under the scheme. Further, the follow-up action on SLSC decisions was not ensured through collection/scrutiny of Action Taken Reports. District Level Co-ordination Committee under the chairmanship of the Collector, required to be formed as per operational guidelines for monitoring at District level, had not been constituted (April 2007).

There was no evaluation of the impact of the programme. No data was available about the increase in the production or productivity attributable to the Mission activities.

3.1.14 Conclusion

The implementation of the Mini-Mission was unsatisfactory and appeared half hearted. It suffered due to defective planning which was not based on any

⁹ at Panisgar, Bishalgarh, Natun Bazar and Garjee @ Rs. 100.00 lakh for each.

¹⁰ at Jalabasa, Jalabazar, Machmara, Damcherra and Kamalnagar @ Rs. 17.50 lakh for each.

base-line surveys. Even after five years of the commencement of the Mission, no centralised information was available regarding the beneficiaries and the extent of benefits received by them or the impact of the Mission in terms of production and productivity of horticultural crops. While the transfer of technology from research institutions like ICAR and NRCO was wanting, further dissemination down the line suffered due to non-operation of the training centres. Delays in release of funds and under-utilisation of available funds, coupled with tardy project implementation resulted in many a critical component of the Mission remaining inoperational. Similarly, there was negligible progress in creating linkages with other mini-missions for post harvest management and fruit processing, which were serious impediments in optimal development of horticulture in the State.

3.1.15 Recommendations

- A well defined Master Plan should be formulated for implementation of all the Missions in the State and the nodal department must show more commitment for the implementation and success of various schemes for over all development of the State.
- Setting up of “Centre of Excellence” for Horticulture Mission Programme in each district should be aggressively pursued.
- The potential for fruit processing and viability of setting up such units should be aggressively pursued and initiative may be taken for establishing “Agri Export Zones” to provide farmers with adequate export facilities.
- Activities undertaken under the Missions should be aggressively spread amongst the farming community to make them aware of the benefits of the Mission components and how it will improve their economic lives.
- To minimise overall dependence on other States for procurement of planting materials, time bound programme may be taken up for multiplication of Mother Plants of Horti crops suitable for the State through establishment of multi crop nurseries under the guidance of ICAR.
- Management information system should be set up giving two way information on project implementation, assistance to beneficiaries given under various schemes and feedback / follow up.
- It should be ensured that rules are complied with before and during execution of works.

The matter was reported to the Government in July 2007; reply had not been received (September 2007).

**SCHEDULED CASTES, OTHER BACKWARD COMMUNITIES
AND RELIGIOUS MINORITIES WELFARE DEPARTMENT
AND TRIBAL WELFARE DEPARTMENT**

3.2 Educational Development of Scheduled Castes and Scheduled Tribes

A number of Central and State sector schemes were in operation in the State for the benefit of SC/ST children, with the main objective of improving their enrolment, upgrading their skills, and eliminating any gender disparities. A review of some of these schemes indicated several inefficiencies in financial management and programme implementation. Some important points are as follows.

Highlights

The Nodal departments did not conduct any surveys for collecting and compiling comprehensive and reliable data about the target group of beneficiaries.

(Paragraph 3.2.7.2)

Large amounts of funds had remained unutilised with some educational institutions for several years, while in others the funds were not utilised in time.

(Paragraphs 3.2.8.3 and 3.2.8.4)

Information about the benefits given under the Pre-Matric scholarship for children of parents engaged in unclean occupation was not reliable while there was no information about the students in Post-Matric classes.

(Paragraphs 3.2.9.1 and 3.2.9.2)

Income certificates given by unauthorised persons were accepted.

(Paragraph 3.2.9.2)

There were delays in the construction of hostels, while those completed were underutilised. There was no perspective plan for hostels, based on the number and distribution of SC/ST students over the State.

(Paragraphs 3.2.10 to 3.2.10.4)

While the data available indicated improvement in enrolment and decline in drop-outs, the level of drop-outs in case of STs was much higher than for SCs. Similarly, gender disparity persisted in case of SC students, while no information about gender disparity was available in case of tribal students.

(Paragraph 3.2.16)

3.2.1 Introduction

As per 2001 Census, the SCs and STs constitute 17.40 and 31.04 *per cent* respectively of the State's population. While the literacy rate of SCs (74.68 *per cent*) was more than the national literacy rate of 65 *per cent*, that of STs (56.48 *per cent*) fell short by 8.52 *per cent*. Various educational schemes are being implemented by the State Government for enabling SCs/STs to upgrade

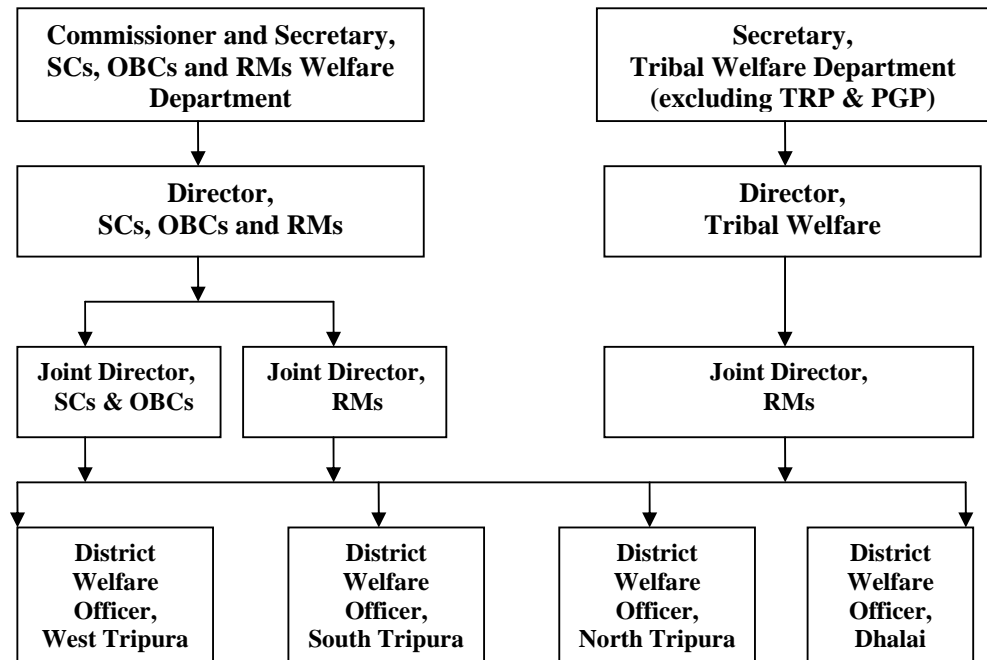
their educational levels and skills. The objective of these schemes is to increase enrolment and retention of SCs/STs in educational institutions, reduce drop-out rates and increase their representation in jobs and higher educational and professional institutions. The Central sector schemes implemented by the State Government in this regard are:

- Pre-Matric Scholarship for the children of those engaged in unclean occupations,
- Post-Matric Scholarship,
- Upgradation of merit,
- Book Bank Scheme,
- Construction of hostels for SC/ST boys and girls, and
- Establishment of Ashram Schools in Tribal Sub-plan areas.

Apart from these schemes, as many as 27 schemes are implemented by the State Government from its own resources.

3.2.2 Organisational set up

The Commissioner and Secretary of SCs, OBCs and Religious Minorities (RMs) Welfare Department and the Secretary of Tribal Welfare (TW) Department (Nodal departments) are responsible for implementation of the schemes in the State. They are assisted by (i) Director of SCs, OBCs and RMs Welfare (DSC) and (ii) Director of Tribal Welfare (DTW) respectively. The organogram is given below:



The schemes are implemented through Director of Higher Education (DHE) and Director of School Education (DSE); four District Education Officers (DEOs); 17 Sub-Divisional Magistrates (SDMs), four District Welfare Officers (DWOs¹¹) and 17 Inspectors of Schools. The schemes are implemented in 3,659¹² schools, 22 colleges and 1 University. Construction of hostels for SC/ST boys and girls and Ashram School are executed through PWD, Tripura Housing Board (THB), Rural Development (RD) Department and Engineering Wing of Agriculture Department etc. The State Government has also formed a Society named Tripura Tribal Welfare Residential Educational Institution Society (TTWREIS) for management of Eklavya Model Residential (EMR) schools.

3.2.3 Scope of Audit

Six Central sector schemes (**Appendix 3.4**) and nine out of 27 State sector schemes (**Appendix 3.5**), with an expenditure of Rs. 66.73 crore, were selected for the Performance Audit. The review was conducted during July-October 2006 and April-June 2007 by a test check of records of the Directorate of Tribal Welfare, Directorate of SC Welfare, Directorate of Higher Education, Director of School Education, six¹³ SDMs, four¹⁴ Inspectors of Schools, 54¹⁵ institutions including hostels; Southern Division-III, Sonamura; RD Division, Udaipur; three¹⁶ DWOs; two¹⁷ BDOs; and Tripura Housing Board, Agartala for the period 2002-03 to 2006-07.

3.2.4 Audit Objectives

The performance audit was conducted to ascertain whether:

- Planning for implementation of the schemes for the educational development of SCs/STs was effective and based on reliable and acceptable data.
- The allocation, release and utilisation of funds for various schemes were judicious, adequate and effective.
- Efforts of the Government in implementation of the schemes resulted in improving the educational level and standard of SC/ST children in terms of literacy rate, Gross Enrolment Ratio (GER), Gross Dropout Rate (GDR) and Gender Parity Index (GPI).
- The monitoring system at various levels was effective.

¹¹ DWO- West Tripura, South Tripura, North Tripura and Dhalai.

¹² Primary- 1985, Upper Primary – 1003, Secondary– 423 and Higher Secondary – 248.

¹³ SDM- Sadar, Sonamura, Udaipur, Amarpur, Ambassa and Kamalpur.

¹⁴ Inspector of Schools- Sadar- A, Mohanpur, Udaipur and Kamalpur.

¹⁵ 36 sampled institutions, 4 additional institutions other than sampled, 12 sampled hostels and 2 additional hostels other than sampled.

¹⁶ DWO-West Tripura, South Tripura and Dhalai districts.

¹⁷ BDO-Amarpur and Karbook.

3.2.5 Audit criteria

The following criteria were used:

- Policy and guidelines of GOI and the State Government relating to educational development of SC and ST students,
- Criteria for selection of beneficiaries,
- Guidelines and instructions relating to financing of the schemes,
- Prescribed monitoring mechanism.

3.2.6 Audit methodology

Before taking up the audit, entry conference was held in June 2006 with the Directors of SCs, OBCs and RMs Welfare and ST Welfare Departments wherein the objectives, approach and audit requirements were discussed. Information/records furnished by the Departments and collected through questionnaires was used as evidence. The auditee units were selected using the simple random sampling without replacement (SRSWOR) method. The audit findings were discussed with the Commissioner and Secretary, Tribal Welfare Department and Commissioner and Secretary, SC Welfare Department in exit conferences held in August 2007 and September 2007 respectively. The replies of the Departments have been incorporated in the review at appropriate places.

3.2.7 Audit findings

3.2.7.1 Planning for implementation of the schemes

Proper planning includes collection/documentation of year-wise disaggregated data of SC/ST children (boys and girls separately) in the age group of 6-11 (primary class), 11-14 (middle class) and those in high school (upto 10th class). The concerned departments were to conduct surveys for ascertaining the targeted population under each scheme and document the same. They were to give adequate publicity to the schemes for generating public awareness and maximising enrolment; document the prescribed rules, regulations and criteria for selection of beneficiaries; conduct physical verification of beneficiaries to ascertain the correctness of the number of beneficiaries, and make efforts for coverage of minimum 30 *per cent* girl beneficiaries in all the schemes.

3.2.7.2 Non-availability of reliable data

Audit scrutiny revealed that collection/documentation of year-wise and age group-wise disaggregated data of eligible SC/ST boys and girls was not being undertaken by the Nodal departments. Surveys for ascertaining the targeted population and gross enrolment ratio (the percentage of enrolment to estimated child population) were not conducted by the DSC and DTW. Thus, the data on the target group was neither complete nor reliable. The requirement of funds was assessed on the basis of the information furnished by the educational institutions on the number of students enrolled irrespective of their eligibility. This resulted in surrender of substantial Post Matric Scholarship (PMS) funds by the implementing institutions. In the 20 test-checked institutions, Rs. 45.09

lakh (15.21 *per cent*) remained unutilised due to non-availability of eligible beneficiaries and was surrendered to the sanctioning authority. The DTW stated (September 2007) that there was no report from the implementing agencies regarding surrender of PMS funds. The reply is not tenable as Rs. 45.09 lakh surrendered included Rs. 13.21 lakh meant for ST students.

3.2.7.3 Non-collection of basic information

The Nodal departments did not collect any information about the Gross Enrolment Ratio (GER), Gender Parity Index (GPI) or other critical indicators and their trends in respect of SC/ST students for necessary policy level interventions. The Government stated (September 2007) that it would collect the information about GER, GPI etc. In the absence of these statistics, it could not be verified how the nodal departments were addressing the concerns of the targeted groups.

3.2.8 Financial Management

3.2.8.1 Allocation, release and utilisation of funds

The GOI share of contribution of Central Sector Schemes 'Post matric scholarship' and 'Upgradation of Merit' is 100 *per cent* while in respect of Central Sector shares *viz.* 'Pre matric scholarship for children of those engaged in unclean occupations, 'Book Bank Scheme', 'Construction of hostels for SC/ST boys and girls' and 'Establishment of Ashram Schools in TSP areas' is on 50:50 basis between the GOI and the State. The State sector schemes however, are funded by the State from its own resources. Year-wise budget provision and expenditure incurred during 2002-03 to 2006-07 for implementation of various Central and State sector schemes are shown in **Appendix 3.4 and 3.5**. The overall outlay and expenditure are summarised in tables 3.2.1 and 3.2.2 below:-

Table No. 3.2.1: Tribal Welfare Department

(Rupees in crore)

Year	Budget provision	Funds released by		Total	Expenditure incurred	Excess (+)/ Savings(-)
		GOI	State Government			
2002-03	7.39	0.03	5.33	5.36	5.37	(+) 0.01
2003-04	7.21	2.63	5.33	7.96	5.35	(-) 2.61
2004-05	11.06	2.98	7.33	10.31	11.26	(+) 0.95
2005-06	13.04	1.95	7.57	9.52	10.67	(+) 1.15
2006-07	8.83	3.50	6.71	10.21	6.81	(-) 3.40
Total	47.53	11.09	32.27	43.36	39.46	

Source: Information furnished by DTW

Table No. 3.2.2: SC Welfare Department

(Rupees in crore)

Year	Budget provision	Fund released by		Total	Expenditure incurred	Excess (+)/ Savings(-)
		GOI	State Government			
2002-03	4.69	0.92	2.97	3.89	4.42	(+) 0.53
2003-04	3.78	1.86	2.01	3.87	3.95	(+) 0.08
2004-05	6.09	3.64	2.42	6.06	4.44	(-) 1.62
2005-06	8.66	3.85	4.23	8.08	9.67	(+) 1.59
2006-07	7.09	3.15	3.92	7.07	4.69	(-) 2.38
Total	30.31	13.42	15.55	28.97	27.17	

Source: Information furnished by DSC

The savings were mostly due to delay in release of funds by GOI, State Finance Department and non utilisation of funds (Rs. 1.37 crore) by the DTW. The following points were noticed.

3.2.8.2 Delay in release of Post Matric Scholarship (PMS) funds

The PMS aimed at providing financial assistance to the SC/ST students at Post Matric level to enable them to complete their education without any financial constraints.

The first installment of PMS funds of Rs. 1.25 crore (ST) and Rs. 0.81 crore (SC) released (May and June 2006) by the GOI were released by the Finance Department to the Nodal departments after 2 to 4 months (August 2006 and November 2006) against the permissible period of one month. The second installment (Rs. 2.26 crore and Rs. 2.23 crore) released (February and March 2007) by the GOI were not released by the Finance Department until first week of April 2007. The delay in release of funds / non availability of timely funds negated the benefits of the programme.

The SC Welfare Department stated (September 2007) that the delay in releasing PMS funds by the Finance Department was due to non-crediting of funds into State Government account by the RBI. The reply, however, is not tenable as the funds were credited by RBI into Government Account on 26 February 2007 (Rs. 0.81 crore) and 30 March 2007 (Rs. 1.45 crore).

3.2.8.3 Unspent funds

Several cases of funds of different schemes remaining unspent were noticed in audit, indicating inadequate assessment of funds and poor financial control. For example:

- Tripura University did not surrender unspent balance of Rs. 5.47 lakh (including interest Rs. 0.38 lakh) out of Rs. 86.64 lakh of PMS funds received during 2002-07. The same remained in the Bank account of the University as of June 2007.
- Rupees 0.38 lakh of unspent balance of Book Bank Scheme for ST students received during 2002-03 remained with the Polytechnic Institute, Agartala as of June 2007. The DTW did not investigate the reasons for the funds remaining unutilised.
- Principal, Government Law College did not surrender the unspent balance (April 2007) of Rs. 5.33 lakh out of Rs. 9.90 lakh received during 2002-07 for PMS to SC students. The SC Welfare Department stated (September 2007) that it would ask the relevant institution to intimate the reason for non-surrendering of the unutilised amount.
- EE, PWD, Sonamura did not return (June 2007) Rs. 4.35 lakh out of Rs. 23.23 lakh received during 1998-04 for construction of 30 seated SC Girls' hostel. The DSC did not take any action for obtaining refund of the amount, even after 4 years of completion of the project.

- Out of Rs. 30.30 lakh released by the DTW to SDM, Kamalpur during 2002-07 for PMS, Rs.7.61 lakh remained unutilised (June 2007); the reason for non-utilisation was not on record.
- The DTW transferred (March 2006) Rs. 7.17 lakh of PMS funds to the TTWREIS, out of which Rs. 3.38 lakh was lying (June 2007) in the savings bank account of the TTWREIS. Reasons for non-utilisation of funds were neither on record nor stated.

In none of the cases, the sanctioning authorities had taken prompt action for obtaining refund of the unspent balances, with interest. The unspent balance retained by the disbursing institutions indicate that DTW and DSC were not monitoring releases made by them under various schemes and whether benefits were reaching the targeted groups.

3.2.8.4 Funds not utilised in time

- The terms and conditions of PMS require the funds to be disbursed by March of the year in which the funds were received. However, Rs. 1.19 crore (out of Rs. 2.23 crore of the final installments released by the GOI in February 2007) was lying unutilised with the DTW (June 2007), as the utilisation certificates (UCs) for earlier installments had not been furnished by different implementing units. The DTW stated (September 2007) that the funds had been released subsequently.
- Rupees 7.19 lakh remaining unspent out of Rs. 134 lakh of PMS funds received during 2002-07 was refunded by the MBB College, Agartala after delays ranging from 6 to 10 months. The DTW stated (September 2007) that the matter was being looked into while the DSC stated (September 2007) that the unspent funds were utilised in other institutions.

From the above it will be clear that the DTW had not set up any system to monitor funds disbursed by them i.e. whether the implementing institutions were distributing the funds correctly and in time in the absence of UCs.

3.2.9 Implementation of schemes - Central schemes

As mentioned in para 3.2.7.2, non-availability of complete and reliable data on target groups affected the implementation of the schemes, due to flawed assessment of the requirement of funds. The implementation of each of the schemes is discussed below:

3.2.9.1 Pre-Matric Scholarship for children of parents engaged in unclean occupations

The objective of the scheme is to provide financial assistance¹⁸ to parents traditionally engaged in unclean and unhygienic occupations like scavenging, flaying and tanning to enable their children to pursue education up to matriculation level. The expenditure under the scheme is shared on 50:50 basis by the Central and the State Governments. As per information furnished by the

¹⁸ The rates of scholarship are: day scholars Rs. 40-75 per month and hostellers Rs. 300-375 per month.

DSC, 22,636 students were covered under the scheme during 2002-07, as detailed below, incurring expenditure of Rs. 2.35 crore:

Table No. 3.2.3

Year	Total number of students enrolled Class-I to X	Total number of eligible students Class-I to X	Total number of applications received for scholarship and scholarship given Class-I to X
2002-03	4,592	4,625	4,592
2003-04	4,486	4,483	4,486
2004-05	4,208	4,198	4,208
2005-06	4,492	4,480	4,492
2006-07	4,858	4,953	4,858
Total	22,636	22,739	22,636

Source: Furnished by the Directorate of SC Welfare

The above table shows differences between eligible students and enrolled students in different years. This implies that scholarships were wrongly given to ineligible students / some eligible students were left out. Further in the absence of reliable data on the number of students in this category the impact of the scheme could not be verified.

The DSC stated (September 2007) that it would look into the matter and take necessary measures.

3.2.9.2 Post-Matric Scholarship (PMS) Scheme

The objective of the 100 per cent Centrally Sponsored Scheme is to provide financial assistance to the SC/ST students studying at Post-Matriculation level. The details of outlay, release of Central share, expenditure incurred and savings/excess year-wise are given below:-

Table No. 3.2.4*(Rupees in crore)*

Year	Budget provision		Funds released by GOI		Expenditure incurred		Excess(+)/ Savings(-)	
	SC	ST	SC	ST	SC	ST	SC	ST
2002-03	1.22	0.72	0.85	-	1.12	-	(+) 0.27	-
2003-04	1.06	0.70	1.71	1.61	1.79	-	(+) 0.08	(-) 1.61
2004-05	1.94	2.82	1.96	2.96	1.93	2.91	(-) 0.03	(-) 0.05
2005-06	2.25	3.70	2.22	1.95	2.22	3.70	--	(+) 1.75
2006-07	3.07	2.59	3.07	3.48	0.69	1.25	(-) 2.38	(-) 2.23
Total	9.54	10.53	9.81	10.00	7.75	7.86		

Source: Information furnished by Director of SC Welfare and Director of Tribal Welfare

Against Rs.19.81 crore received from the GOI during 2002-07, only Rs. 15.32 crore was available for utilisation; the balance Rs. 4.49.crore¹⁹ was released by the State Finance Department in April 2007. The total expenditure incurred was Rs. 15.61 crore but the DSC did not have information (June 2007) about the number of students enrolled in Post-Matric classes as they did not maintain any such record. According to the information furnished by DSC (table below) all the 45,729 SC students who applied during 2002-07 were covered under

¹⁹ Received from GOI in February 2007 but released in April 2007.

the scheme, but, in the test checked schools, 131 out of 5,525 students enrolled did not get the benefit due to low attendance (5), absenteeism (43) and non-receipt of application (83).

Table No. 3.2.5

Year	Total number of SC students enrolled in Post-Matric classes / courses	Total number of applications received for scholarship from SC students	Total number of SC students actually covered
2002-03	NA	7,926	7,926
2003-04	NA	8,491	8,491
2004-05	NA	8,640	8,640
2005-06	NA	10,300	10,300
2006-07	NA	10,372	10,372
Total		45,729	45,729

Source: Furnished by the Directorate of SC Welfare

In case of STs, the DTW stated that only 27,757 students were covered against the enrolment of 31,910 during 2002-06 (no information regarding 2006-07 was furnished), as shown in the table below without explaining the reasons for less coverage.

Table No. 3.2.6

Year	Total number of ST students enrolled in Post-Matric classes / courses	Total number of applications received for scholarship	Total number of ST students actually covered
2002-03	7,271	5,466	5,466
2003-04	7,670	6,251	6,251
2004-05	7,973	7,238	7,238
2005-06	8,996	8,802	8,802
2006-07	NA	NA	NA
Total	31,910	27,757	27,757

Source: Furnished by the Directorate of Tribal Welfare

The Nodal Departments did not maintain any record to show the number of beneficiaries under the PMS who were also the beneficiaries under the Pre-Matric Scholarship scheme. As a result, it was difficult to assess the impact of financial assistance to pre-matric students on their post-matric enrolment.

Only those students were eligible for PMS whose parental income was less than Rs. 1 lakh a year as certified by the SDO / Dy. Collector. It was observed in 4²⁰ test-checked units that 305 (SC-62, ST- 243) students were granted PMS of Rs. 5.29 lakh during 2002-07 on the basis of income certificates issued by the Members of Legislative Assembly (MLA), Member of TTAADC and others, who were not authorised to issue such certificates as per the guidelines, but had been allowed by the Government to issue the certificate.

The DTW stated (September 2007) that the recommendation for accepting the income certificates from MLAs etc had been referred (March 2000) to the GOI, but no approval of the GOI was produced. The DSC stated (September 2007) that it would insist on the certificates from the SDMs / DCMs henceforth.

²⁰ Women's College; SDM, Sadar; SDM, Udaipur; KC Girls' HS school.

3.2.9.3 Book Bank Scheme

The objective of the scheme is to provide SC/ST students access to latest books and to reduce the drop-out ratio of SC/ST students studying in professional courses. The scheme is funded by the Central and State Governments on 50:50 basis.

Book Banks were set up in 4 colleges²¹ and Tripura University. The scheme required that, only prescribed text books be purchased; books be issued only to the target groups; books be purchased in sets in the prescribed ratio i.e. one set for two students for Under Graduate courses and one set for each student for Post Graduate courses and Chartered Accountancy; and books be disposed of after their prescribed life of three years. It was seen in audit that:

- Reference books were also purchased in addition to text books. In Government Law College 1,256 reference books costing Rs. 3.50 lakh were purchased during 2002-07.
- Text books were purchased individually instead of in sets irrespective of their requirement for each course in the prescribed ratio and consequently were not made available to beneficiaries in sets.
- Procedure for invitation of tender or quotation was not adopted. Books were purchased from the Book sellers/Publishers by placing supply orders and sometimes from Book fair instead of inviting any tender or quotation.
- 58 books were issued in Polytechnic Institution and Government Law College to the faculty members who retained them for years.
- Books were not disposed of after their prescribed life of three years leading to accumulation of books year after year.

The DTW stated (September 2007) that it had issued instructions to institutions to strictly follow the guidelines in this regard, while the DSC assured to look into the matter (September 2007). Thus, the objectives of the scheme were not achieved.

3.2.9.4 Book bank facility not fully extended to SC/ST students of Medical College

During 2005-06, Rs. 0.85 lakh was released by the DSC for implementation of book bank scheme in Agartala Government Medical College (AGMC), out of which only Rs. 0.38 lakh was spent. The balance of Rs. 0.47 lakh was surrendered (February 2007). The Principal, AGMC did not furnish any proposal during 2006-07, though asked for by the DSC, depriving SC students of the benefit of the scheme. Similarly, 33 ST students in the AGMC did not get any benefit of the scheme during 2005-06 and 2006-07 as no fund was released by the DTW due to non-receipt of any proposal. The Department did not pursue the matter proactively.

²¹ Law College; Tripura Engineering College; Agartala Government Medical College and Polytechnic Institute.

The DSC stated (September 2007) that as there was income bar, it could not cover all the students, but did not explain the reasons for releasing more funds than required in 2005-06.

3.2.9.5 Up-gradation of merit

The objective of the scheme is to upgrade the merit of SC/ST students by providing them remedial and special coaching in classes IX to XII. The scheme provides for 100 *per cent* Central assistance to the State and a package grant of Rs. 15,000 per student per year.

The scheme was implemented in only one school, namely Umakanta Academy, Agartala, which received assistance of Rs.19.80 lakh during 2002-07. Out of 168 beneficiaries (SC-88, ST-80) coached during 2002-07, 165 beneficiaries were successful in the respective examinations. Out of 34 beneficiaries of the 12th class, 31 (91 *per cent*) got admission in higher classes; the candidates from the Academy held first positions in the SC and ST lists in the PCM (Physics, Chemistry, Mathematics) group and 3rd position in PCB (Physics, Chemistry, Biology) group of the Tripura Joint Entrance Examination, 2006. Despite these encouraging results, the scheme was not extended to the other parts of the State as the State Government's proposal in this regard had not been approved by GOI. No disabled or girl students were selected during 2002-07 as the Nodal departments did not identify any girls' school for this scheme. Reasons for non-implementation of the scheme in other schools of the State was stated (August 2007) by the DTW to be due to non-receipt of approval from the GOI.

The reply is not tenable since the DTW did not effectively pursue with the GOI for obtaining approval and requisite funds.

3.2.10 Hostels for SC/ST students

The scheme provides for Central assistance to the State Government on 50:50 basis. During 2001-06, 3 SC hostels²² (2 Boys' and 1 Girls') and 5 ST hostels²³ (4 Boys' and 1 Girls') were sanctioned²⁴ and funds released by the GOI; but construction of only two 50 seated ST Boys' hostels²⁵ and one 240 seated SC Boys' hostel²⁶ was completed (September 2006). The construction of the remaining 2 SC hostels (BR Ambedkar Boys' hostel and SC Girls' hostel at Krishnanagar) and 2 ST hostels (attached to Sabroom Boys Class XII School and Gardhang Boys Class XII School) were in progress and one ST Girls' Hostel at Krishnanagar was completed as stated (September 2007) by TW Department

The DTW attributed (September 2007) the reasons to delay in getting the site and arranging additional funds at the State level.

²² 3 in Agartala.

²³ 3 in Agartala, 2 in Sabroom.

²⁴ In 2001-02- 3 ST (Boys-2 + Girls-1), 2003-04 – 2 ST (Boys), 2004-05 – 2 SC (1 Boys + 1 Girls), 2005-06 – 1 SC.

²⁵ Holy Cross and Bharatiya Vidya Bhavan, both at Agartala.

²⁶ Agartala.

3.2.10.1 Low capacity utilisation of the hostels

It was observed (May 2007) that only 50 boarders availed hostel facilities against the capacity of 100 in the two 50 seated ST Boys' hostel, while against the capacity of 30, only 21 boarders availed facilities in the SC Girls' hostel at Sonamura. The number of boarders in Bharatiya Vidya Bhavan at Agartala had decreased to 5 as of June 2007 against the capacity of 50 showing a sharp decline in occupancy. The School Management stated that (June 2007) it was mainly due to non-availability of private coaching in the vicinity. This is indicative of the fact that selection of the sites for the hostels were faulty.

3.2.10.2 Delays in construction of hostels

The construction of the ST Girls' hostel at Krishnanagar sanctioned (September 2001) at a cost of Rs. 40 lakh for completion in 18 months had been completed as of September 2007. Though a pre-requisite, the soil testing was not done initially, which led to revision of the estimate (December 2006). Similarly, the construction of two ST Boys' hostels at Sabroom (sanctioned in March 2004 at a cost of Rs. 1.08 crore), scheduled for completion in 18 months, had not been completed as of June 2007. The delay was partly due to delay in foundation work and soil testing and partly due to late release of funds by the State Government after 11 months of receipt of the funds from GOI.

3.2.10.3 Hostel completed at a cost of Rs. 3.49 crore remained unutilised

A 240 seated hostel building attached to Anandanagar HS School, Bishalgarh, sanctioned (March 2005) at a cost of Rs 3.39 crore was completed in September 2006 at a cost of Rs. 3.49 crore, but was not being utilised as the DSC had failed to take possession of the building (June 2007). State Government stated (September 2007) that the Department was trying to create some posts for the hostel and as soon as the posts were created, the hostel would be taken over.

3.2.10.4 Lack of perspective plan for hostels

The Nodal departments did not have any perspective plans for construction of the hostels to cover all the districts of the State based on the number and distribution of SC/ST population over the State. During 2002-07 emphasis was given to construction of hostels mainly in the West District, while two other districts (Dhalai and North Tripura) were not covered at all. In the absence of a perspective plan, it was difficult to ascertain whether the construction of hostels was being taken up in order of priority and the needs of the SC/ST students.

3.2.11 Establishment of Ashram Schools

3.2.11.1 Ashram School not started even after 5 years

This is a Centrally Sponsored Scheme on 50:50 cost sharing basis between the Central and the State Governments. The objective of the scheme is to promote and extend educational facilities in the tribal areas on the pattern of the old gurukul type of education. The DTW did not have any perspective plans for

construction of Ashram schools, based on the concentration of tribal population. The GOI released (September 2003) Rs. 50 lakh for construction of one Ashram School at Dakshin Karbook, South Tripura but there was a delay of 18 months in releasing the funds by the Finance Department (March 2005) to TTWREIS and further delay of about one year by TTWREIS in releasing the funds (March 2006) to the implementing authorities. The school building had been completed but the school was not started (June 2007), even after five years of getting funds from the GOI.

The DTW stated (September 2007) that the school had become functional from July 2007 with limited infrastructure due to paucity of funds.

3.2.11.2 Ashram Schools with inadequate infrastructure

Two Ashram schools at Sadhutilla (300 seated) in Dhalai District and at Kanchanpur (100 seated) in North Tripura District, constructed at a cost of Rs. 2.46 crore and Rs. 1.16 crore were in operation (September 2003 and June 2004) but, with inadequate infrastructure as reported (October 2006) by TTWREIS. However, there was no record to show that the inadequacies had been identified and taken up at the appropriate level.

The DTW stated (September 2007) that GOI sanctioned funds for construction of building only and additional funds for other infrastructural facilities and staff were to be arranged from State resources.

3.2.12 State schemes

3.2.12.1 Sponsoring of ST students for Diploma courses in Nursing and Physiotherapy

The objective of the scheme is to sponsor male and female tribal students to the institutes outside the State for diploma courses in nursing and physiotherapy. During 2004-07 the Government received Rs. 5.30 crore of Special Central Assistance from the GOI out of which DTW spent only Rs. 3.93 crore for sponsoring of students in nursing and physiotherapy, and pharmacy courses leaving an unspent balance of Rs. 1.37 crore in the CD account of the DTW even though full utilisation certificates had been sent to the GOI.

3.2.12.2 Pre-Matric Scholarship

The objective of the Pre-Matric Scholarship scheme is to award scholarship to eligible SC/ST students of classes VI to X.

3.2.12.3 Scholarship for SC students

During 2002-07, Rs. 11.39 crore was reported disbursed by DSE to 2,55,124 SC students, as detailed below:

Table No. 3.2.7

Year	No. of students targeted	No. of students covered	Expenditure incurred (Rupees in crore)
2002-03	40,000	46,000	2.07
2003-04	50,000	44,892	2.02
2004-05	50,057	35,619	1.60
2005-06	58,735	63,169	2.84
2006-07	70,000	65,444	2.86
Total	2,68,792	2,55,124	11.39

Source: Furnished by the Directorate of SC Welfare and Directorate of School Education.

The DSC had very little role in the process, except for acting as the funds releasing authority. It did not have school-wise and class-wise break-up of students and was completely dependent on the DSE for budgeting and utilisation of the funds. Even the targets and achievements reported were based on the information furnished by the DSE. No analysis of the wide variation in the figures of target and achievement (Table 3.2.7) was done. In 2006-07, out of Rs. 3.12 crore released, the DSE had spent only Rs. 2.86 crore; the unspent balance of Rs. 0.26 crore had not been surrendered. The DSE stated that the funds were not required, which was not in consonance with the coverage (65,444) being substantially less than the target (70,000). It will be observed that the number of SC students covered under Pre-Matric scholarship (Table 3.2.7) appears to be highly inflated when compared to figures of PMS as indicated in Table 3.2.5 of paragraph 3.2.9.2. The fact is that despite large number of beneficiaries under Pre-Matric Scholarship, the number under PMS went down. This indicates that either the number of Pre-Matric Students was fabricated or the drop out rate at PMS level was very high. There was no record to show that this aspect was analysed by DSC.

3.2.12.4 Scholarship for ST students

During 2002-03 to 2006-07, Rs. 13.92 crore was stated by DTW to have been disbursed to 3,90,498 ST students, as detailed below:

Table No. 3.2.8

Year	No. of students targeted	No. of students covered	Expenditure incurred (Rupees in crore)
2002-03	56,000	83,336	2.31
2003-04	80,000	76,594	2.31
2004-05	75,000	72,637	2.22
2005-06	73,469	79,107	3.41
2006-07	78,000	78,824	3.67
Total	3,62,469	3,90,498	13.92

Source: Directorate of ST Welfare.

Scrutiny of records revealed that the targets were not fixed on the basis of any survey. The DTW did not have information about the number of schools and the total number of enrolled ST students class-wise. The DTW stated (July 2007) that the targets were based on the proposals received from the SDMs and achievement/coverage was based on the sanctions issued. In the circumstances, there was no assurance about the genuineness of the figures

reported, or the coverage of the eligible population, which is evident from the lack of a direct relationship between the number of students covered and the expenditure reported (Table 3.2.8). Test check showed that against the expenditure of Rs. 3.67 crore shown during 2006-07, the actual expenditure was only Rs. 3.24 crore; the unspent amount of Rs. 0.42 crore was lying in the CD account (June 2007).

The DTW stated (September 2007) that it did not have independent field offices and had to depend upon the data furnished by the DMs/SDMs but did not indicate why the significant variations in the targets and achievements had not been investigated. Further, it will be observed that the number of ST students covered under Pre Matric Scholarship (Table 3.2.8) appear to be highly inflated when compared to figures of PMS as mentioned in paragraph 3.2.9.2. The fact is that despite the large number of beneficiaries under Pre-Matric Scholarship, the number under PMS went down. This indicates that either the number of Pre Matric students was fabricated or the drop out rate at PMS level was very high. There was no record to show whether this aspect was analysed by DTW.

3.2.13 Supply of Free Text Books

The objective of this State scheme is to provide financial assistance to the tribal students studying in Class I to degree courses for purchase of text books, and to provide incentive to tribal boys and girls for curtailing high drop out. During 2002-03 and 2003-04 the Department supplied books from classes VI to VIII instead of financial assistance.

Table No. 3.2.9

(Rupees in lakh)

Year	Funds released	Funds utilised	No. of beneficiaries covered
2002-03	150.00	150.00	1,39,012
2003-04	102.57	102.57	60,451
2004-05	77.76	77.76	4,055
2005-06	83.48	83.48	37,692
2006-07	76.68	76.68	22,786
Total	490.49	490.49	2,63,996

Source: Directorate of ST Welfare.

The above table shows that the number of beneficiaries came down drastically from 2003-04 onwards due to exclusion of students of classes I to VIII (covered under Sarva Shiksha Abhiyan since 2004-05) and shortage of funds. The sudden increase in number of beneficiaries in 2005-06 was due to coverage of backlog beneficiaries (12,994) of 2004-05. The expenditure in 2004-05 included Rs. 31.26 lakh for the books supplied in 2003-04; and Rs. 44.76 lakh received on 25 March 2005 and diverted to TTWREIS for subsequent expenditure in 2005-06.

It was also seen that more than 10,000 books printed during 2001-04 at a cost of Rs. 1.94 lakh were not distributed and had since become outdated due to change (2004) in syllabus. The DTW did not have first hand information about the details of the beneficiaries for which he was solely dependent on the

SDMs; as a result, he was not in a position to make comprehensive assessment of the needs and distribution of financial aid/books to the students.

3.2.14 Grants to students sponsored outside the State

The tribal students were sponsored (1999-2000 to 2002-03) for studies outside the State in Bharatiya Vidya Bhavan, Allahabad, Uttar Pradesh and Banasthali Vidyapith, Banasthali, Rajasthan. Under the scheme, the students were given annual fees, hostel fees, uniform allowance etc. No student was sponsored under the scheme after 2002-03. The DTW stated (July 2007) that the funds (**Appendix 3.5**) available (Rs. 1.06 crore during 2002-03 to 2006-07) were just sufficient to maintain the 83 students already sponsored.

3.2.15 Construction of college hostel

The objective of this State scheme is to provide additional hostel rooms, supply of furniture, utensils and internal electrification for ST students in different colleges in Tripura. However, the Directorate had not made any State-wide assessment of the works and the funds required. Rupees 8.24 lakh only had been released during 2003-05 by the DTW, out of which Rs. 4.24 lakh was utilised by the DWO, Agartala for construction of an additional room, internal electrification and furniture for the college hostel at Abhoynagar (Agartala). The balance Rs. 4 lakh was passed on (2004-05) to TTWREIS for another hostel at Agartala but had remained unutilised. The Directorate had not taken any action to utilise the amount. Thus, there was very little activity under the scheme, which had failed to reach out of Agartala.

3.2.16 Effectiveness of the schemes implemented under Central and State Sectors

3.2.16.1 Enrolment

Aimed at the educational development of SC/ST students, the Central and the State Governments have implemented several schemes, as discussed in the preceding paragraphs, providing scholarships, free text books, special coaching, boarding house stipend, grants for studying outside the State etc. The information furnished by the departments, however, showed only marginal improvement in the enrolment of both SC and ST students, as shown below (inclusive of figures mentioned in tables 3.2.7 and 3.2.8) in classes I to X.

Table 3.2.10
Trend in enrolment of SC/ST students

Year	SC		ST	
	Boys	Girls	Boys	Girls
2002-03	72,410	67,861	1,37,873	1,16,100
2003-04	72,750	69,052	1,39,834	1,20,541
2004-05	75,479	70,155	1,54,319	1,30,603
2005-06	77,176	73,333	1,60,619	1,36,728
2006-07	NA	NA	1,56,781	1,35,344

Source: Directorate of School Education and Directorate of ST Welfare.

It would be seen that:

- For SC students, the increase in the enrolment of boys was 1.65 *per cent* per year as compared to 2 *per cent* for girls.
- For ST students, the increase in (except in 2006-07) the enrolment of boys was 2.7 *per cent* per year, as compared to 3.3 *per cent* for girls.
- For ST students, the enrolment declined in 2006-07 (both boys and girls).

In the test checked schools, the enrolment of SCs had gone up from 1,386 in 2002-03 to 1521 (9.74 *per cent*) in 2006-07, while that of STs had gone up from 466 to 620 (33.05 *per cent*) during the same period.

3.2.16.2 Ratios

The following table shows some important ratios and their trends, as furnished by the Directorate of School Education (DSE). As mentioned in paragraph 3.2.7.3, the Nodal departments did not have this information.

Table No. 3.2.11

For SC				
Classes (I-VIII)	2002-03	2003-04	2004-05	2005-06
GER ²⁷	112.88	112.50	115.30	115.81
GDR ²⁸	65.98	31.22	22.16	20.66
GPI ²⁹	0.98	0.99	0.98	0.99
For ST				
Classes (I-VIII)	2002-03	2003-04	2004-05	2005-06
GER	116.84	118.34	128.56	130.73
GDR	76.29	35.39	31.35	27.59
GPI	NA	NA	NA	NA

Source: Furnished by the Directorate of School Education.

Note: Figures for the year 2006-07 were not available.

The following trends were discernible:

- The GER had increased both in case of SCs and STs.
- The GDRs had decreased significantly, both in case of SCs and STs, but the dropout rates for STs were much higher than for SCs.
- The GPI had remained static and less than one in case of SCs, indicating persistence of gender disparity.

The Directorate of TW did not have information about the GPI for STs, indicating lack of any initiative to proactively monitor the trends for policy interventions.

3.2.17 Monitoring and Evaluation

There was little monitoring of financial and physical progress by the Nodal departments which were totally dependent on the information supplied by the

²⁷ GER: Gross Enrolment Ratio.

²⁸ GDR: Gross Dropout Rates.

²⁹ GPI: Gender Parity Index.

DSE or the SDMs / DMs. The targets were fixed based on the information furnished by them and shown as achieved after releasing the funds, without any follow-up action or monitoring. Periodic reports/returns from the implementing authorities were not collected regularly. Infact from the foregoing paragraphs, it will be observed that monitoring, evaluation and implementation was marginal and unsatisfactory.

Evaluation of the schemes was not done by any independent agency. There was no system in place for internal audit.

3.2.18 Conclusion

Despite the multiplicity of the schemes, the Nodal departments did not have reliable database of their own on the targeted population, which was an impediment to effective planning and implementation of the schemes. In addition, the role of the Nodal departments was very routine instead of being proactive. There were instances of funds remaining unspent, delays in release of funds and construction of hostels as well as non-utilisation of hostels constructed which showed the lack of commitment on behalf of the Nodal departments. The departments did not have a perspective plan, based on a comprehensive mapping of the SC/ST population and distribution of the SC/ST students so as to optimise the benefits of the available schemes. Monitoring of the schemes was not streamlined and the effectiveness of the schemes was not evaluated from time to time.

3.2.19 Recommendations

- The Nodal departments should maintain a comprehensive database about the SC/ST children age-wise, by collecting information through panchayat level sources, and update it every year.
- Nodal departments must show more commitment for the implementation and success of various schemes. They should proactively monitor the disbursement of the benefits and evaluate whether the benefits are reaching the target groups. Such evaluation will also ensure that more number of SC/ST students are brought into the ambit of various schemes.
- State wide publicity should be given to the schemes to attract more SC/ST students.
- Liaisoning should be done with more number of professionals outside the State educational institutions, in order to send the local students outside for further studies.
- An implementation regime should be framed and enforced and responsibility should be fixed for delays and slippages. Accountability must be ensured.
- The Nodal departments should monitor the progress closely, where creation of infrastructure is involved so that the purpose for which infrastructure is created, is achieved.

FINANCE DEPARTMENT

3.3 Audit of Computerisation of Treasury Operation System in Tripura

With a view to exercise better expenditure control and monitoring of fund flow, the Government initiated the computerisation of Treasuries in 1998, which was implemented in all treasuries and sub-treasuries in 2003-04 at a cost of Rs. 1.47 crore. Audit of Treasury Operation System (TOS) was conducted to evaluate the efficiency and effectiveness of the system as well as the adequacy of the controls in terms of the stated objectives of the system.

Highlights

There was a delay in implementation of the system. Non incorporation of important modules like PLA, Pension, Deposit and Stamp account etc led to only limited use of system.

(Paragraphs 3.3.6.1 and 3.3.7.1)

Deficiency in designing of database structure resulted in slowing down of the system.

(Paragraph 3.3.7.2)

In the absence of change management control policy, different versions of application software were being run in treasuries and sub-treasuries thereby increasing the risk of non recovery of data in the event of data loss due to disaster like virus attack etc.

(Paragraph 3.3.8.4)

Lack of adequate processing controls resulted in payment of bills other than salary/wages being passed under salary/wages sub-object head without ascertaining the availability of funds in the concerned head of account.

(Paragraph 3.3.9.2 (i))

Discrepancy in the figures of expenditure generated by the system and actual payment made by the treasury were noticed, due to generation of expenditure reports from allocation table instead of actual payment transaction tables.

(Paragraph 3.3.9.3(i))

In the absence of segregation of duty, the treasury personnel were performing the duties interchangeably and in some cases the data entry operators were virtually discharging the duty of Treasury Officers. This posed a major risk to the system.

(Paragraph 3.3.13.2)

3.3.1 Introduction

The Government of Tripura initiated in 1998 the project Treasury Operation System (TOS) to computerise all treasuries. An agreement was made with RITES, a Government of India Undertaking, for the system development and implementation. The TOS was developed in Oracle 8i in Windows NT environment. The project was implemented in all treasuries and sub-treasuries in 2003-04. Till March 2007, the Department had spent Rs 1.47 crore, including Rs. 0.04 crore for training, Rs. 0.38 crore for software and Rs.1.05 crore for hardware.

3.3.2 Objectives of the computerisation

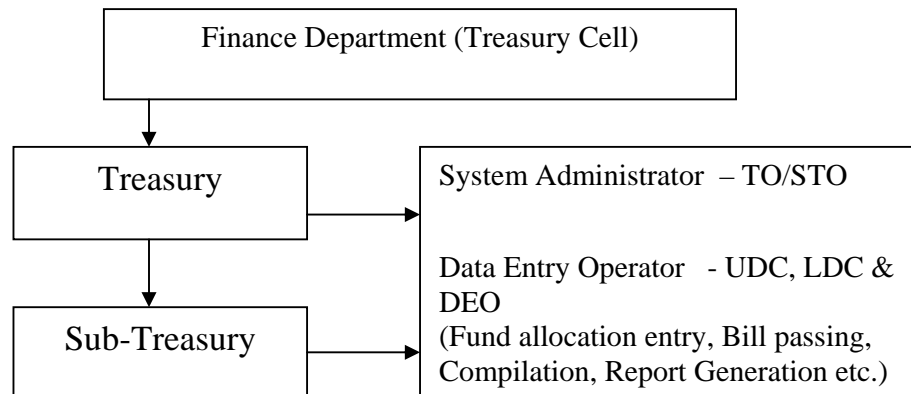
The main objectives of the computerised Treasury Operation System were to:

- Make available DDO-wise expenditure at treasuries/sub-treasuries level;
- Ensure passing of bills only within allocation of funds and stopping excess expenditure over budget allocations;
- Make available up-to-date expenditure to the Finance Department for expenditure control;
- Ensure effective implementation of the Finance department's instructions by treasuries/sub-treasuries; and
- Help in effective monitoring of funds flow.

3.3.3 Organisational set up

The Commissioner and Secretary, Finance assisted by a Special Secretary, is responsible for implementation of the computerisation of treasury operations. There are five treasuries and nine sub-treasuries in the State, which are under the administrative control of the District Magistrates and Sub-Divisional Magistrates respectively. The Treasury Cell in the Finance Department is headed by a Deputy Secretary.

Organisational Chart of Treasury Operation System



3.3.4 Audit objectives

The objectives of the audit were to verify whether:

- the Treasury Operation System (TOS) had been designed and was functioning in terms of the stated objectives;
- the processing of transactions by TOS was being done as per rules governing them;
- the controls were adequate and information/ reports generated were reliable, complete and accurate;
- the human resources were adequate to carry out the responsibility of Treasury Officers.

3.3.5 Scope of audit and Audit methodology

The audit of Treasury Operation System (TOS) was conducted during 2nd April to 15th May 2007 by examination of documents in Finance Department and the hardware and software in the treasuries/ sub-treasuries. The application package was evaluated with respect to Central Treasury Rules (CTR) adopted by Government of Tripura. The adequacy of controls was verified and back up data of treasuries and sub-treasuries were uploaded into a dummy server and analysed using IDEA software. The systems in three out of five treasuries (Agartala Treasury No. I, Agartala Treasury No. II and Udaipur) and three out of nine sub-treasuries (Sonamura, Khowai and Belonia) were physically verified.

Audit findings

3.3.6 Systems Development

3.3.6.1 Delay in development of software

There was inordinate delay in the development of software. The targeted time for the development of the software (TOS) was within 9.5-10 months of the agreement (24 November 1998). A Supervisory Group was constituted (21 June 1999) to supervise the contract with RITES, seven months after the agreement. Despite delay in achieving all the milestones mentioned in the agreement, there was no evidence whether the Supervisory Group had analysed the reasons for delay and taken steps to facilitate the implementation. The application software was developed in August 2001 but it was first implemented in Agartala Treasury II a year later, in August 2002. Due to delayed procurement of computer hardware and networking materials, the TOS was implemented in other treasuries and sub-treasuries only in 2003-04.

3.3.7 System Deficiency

3.3.7.1 Exclusion of important modules

The Department did not prepare any User Requirement Specification (URS). The important modules like Personal Ledger Account, Pension, Deposit and Stamp account were not incorporated in the initial project documents i.e. System Design Report prepared by the RITES (vendor) and as such were not included in the Treasury Operation System (TOS). Due to exclusion of the aforesaid modules, these functions were carried out either manually or not

carried out at all. For example, entries of the payment of monthly pension made by the banks were not being recorded in the pension registers maintained in the treasuries/ sub-treasuries due to large volume of records, leaving no scope to cross check the payment made by the banks vis-à-vis pension authorized by the Accountant General, and ensure that the payment was as per the authority. The Department stated (July 2007) that necessary provision would be made in the software.

3.3.7.2 Deficiency in designing of database structure

Quick retrieval of information is one of the main advantages of an Oracle RDBMS. The following important features, available in Oracle RDBMS, were not properly defined at the time of development of the application software, which resulted in slowing down of the system:

(i) Tablespace: An oracle database can be divided into smaller logical areas of space known as tablespaces which provide a fine-grained control of disk space management. Separate tablespaces for different segments, are required to make the system more effective by ensuring flexibility in the database administration and quick and instant transaction processing. On scrutiny of the database, it was seen that only one tablespace had been created for the whole database.

(ii) Partition: Scalability and availability are major concerns when a table in the database has high concurrent usage. In such case data within a table may be stored in several partitions to make the system more responsive. However, not a single table in the TOS database had been partitioned.

(iii) Normalisation: Normalisation of data reduces the repetition of data, i.e. data redundancy, which causes storage and access problems leading to a slow and sluggish system. Though the concept of normalisation was kept in view while defining some tables meant for fund allocation, it was not considered in case of table relating to bill passing and compilation of vouchers. The main transaction table was defined so poorly that it had 82 columns and data like Name, Designation of DDO, Head of Account, etc. were being entered repeatedly.

Because of using single tablespace and absence of partitioning and normalisation, the system has been less effective, less responsive and slow, leading to delays in preparation of accounts by the Treasury Officers. The Department stated (July 2007) that it would make efforts to modify the software.

3.3.7.3 No provision to record details of Abstract Contingent (AC) and Detailed Contingent (DCC) bills

The system had no provision to record the details of sanctioning authority, purpose of drawal and check validation on the total amount field to ensure that the DDOs withdraw money through AC bills within the financial limits fixed by the Government. It was also noticed that in the absence of information of DC bills (for adjustment of AC bills) in the application software the Treasury

Officers were unable to refuse payment of AC bills even when DC bills were pending for more than the maximum permissible 90 days³⁰. The DDOs were routinely violating the orders of the Government limiting the amount of AC bills to Rs. 50,000. A number of DDOs were observed to have drawn large sums of money by splitting the amount into several bills. The maximum number of AC bills were drawn in March to avoid the lapse of budget. A few instances in Agartala Treasury No. I and II are given below:

Table No. 3.3.1

DDO Designation	Amounts drawn during 2005-06		Amounts drawn in March 2006	
	No. of Bills	Amount (Rs.)	No. of Bills	Amount (Rs.)
Agartala Treasury No. I				
BDO, Bishalgrh RD Block	285	13,661,883	285	13,661,883
BDO, Hezamara RD Block, Sadar	301	14,925,145	217	10,725,145
IS, Mohanpur	90	2,226,500	60	1,500,000
Executive Engineer, RD Division Krishnanagar, Agartala	79	7,155,836	43	3,969,556
BDO, Jampuijala RD Block, Agartala	66	3,117,414	66	3,117,414
IS, Bishalgarh, Tripura West	358	8,482,500	120	2,906,000
Agartala Treasury No. II				
Executive Engineer, Agriculture Department (Civil), Agartala	27	12,907,890	27	12,907,890
Executive Engineer, Mechanical, Agriculture Department, Agartala	2	4,200,000	2	4,200,000
Superintendent of Agriculture, Mandai Agriculture Sub Division	83	1,995,000	71	1,615,000
Superintendent of Agriculture, Jirania Agriculture Sub-Division	66	1,273,000	63	1,210,000
Superintendent of Agriculture, Mohanpur Agriculture Sub-Division	96	1,797,795	54	1,018,800
Superintendent of Agriculture, Bishalgarh	94	2,611,957	24	912,957

3.3.8 General Controls

3.3.8.1 No physical access control

Physical access controls are designed to protect the computer hardware and software from fire, theft and any unauthorised access, especially into the server room. In Agartala Treasury No. II, Belonia and Khowai Sub-Treasuries the server and client machines were installed in the same room. In Sonamura and Khowai Sub-Treasuries, physical access control was compromised by allowing visitors into the computer room as no alternative provision had been made for the visitors coming for submitting bills, challans etc. The Department stated (July 2007) that attempt would be made for implementation of physical access controls.

3.3.8.2 Password policy

Password policy had not yet been adopted by the Department and hence the users were not mandatorily changing their passwords, though the system had a

³⁰ Rule 26 of Delegation of Financial Power Rules, Tripura 1994.

provision for changing passwords. In Ambassa Treasury the user ID and password were noticed to have a single character.

In the absence of appropriate password policies and procedures, no standard practices were being followed while creating User ID and password. The system was vulnerable to unauthorised access, which may lead to fraud and disaster. The Department stated (July 2007) that attempt would be made to adopt and implement a password policy.

3.3.8.3 Environmental controls

Environmental controls are required to protect the system from fire, dust, vagaries of weather etc. During visit of treasuries/sub-treasuries³¹ it was noticed that preventive measures like AC machines, fire extinguishers etc were absent and the client and server rooms were found to be full of dust. The Department stated (July 2007) that necessary steps would be taken for providing proper environment in the treasuries/ sub-treasuries.

3.3.8.4 Change management controls

An IT system requires regular review to identify and sort out any programming fault and carry out changes as per new requirement. Though changes had been made in the system several times, the Department had not kept any documentation of the changes nor had adopted any change management policy to control the changes and maintain uniformity in application software running across the treasuries/sub-treasuries. The following deficiencies were noticed:

- Changes were made in the system at Agartala Treasury No. I and Agartala Treasury No. II for providing high degree of security features to restrict unauthorised access for various levels of officials, such changes were not made in other treasuries.
- In Agartala Treasury No. I and Agartala Treasury No. II, some tables capturing history of various transactions. No such tables were available in the databases at Sonamura, Udaipur, Belonia and Khowai treasury/sub treasuries.

Absence of change management control policy leads to lack of uniformity in the use of the software in different treasuries, which increases the risk of non-recovery of data in the event of data loss due to disaster like virus attack, etc. The Department stated (July 2007) that modified software would be installed in all other treasuries/ sub-treasuries and documentation of changes would be institutionalised.

3.3.8.5 Disaster Recovery and Business Continuity Planning

No Disaster Recovery Policy and Backup Policy had been formulated by the Department. The following deficiencies were noticed in audit:

- (i) Treasury Offices were taking backup in the hard disk of server/client machine instead of storing at offsite locations and in fireproof cabinets.

³¹ Agartala Treasury No. I, Agartala Treasury No. II, Udaipur, Sonamura, Belonia and Khowai.

- (ii) Periodic testing of database backup was not being done in any treasury.
- (iii) Treasuries and sub-treasuries had not been provided with stand-by server. In the event of break-down of server the work of treasury would be stopped completely.
- (iv) Antivirus software in the Server and Client machines was not updated in the treasuries/sub-treasuries³² visited by the audit party.

The Department stated (July 2007) that attempt would be made to implement a disaster recovery policy.

3.3.9 Application controls

Application controls ensure that the transactions are processed according to the rules and regulations governing them and the data is accurate and reliable. The following deficiencies were noticed in the application controls:

3.3.9.1 Input controls

Input controls ensure that the data received for processing are genuine, complete, accurate, properly authorised and are entered accurately without duplication.

(i) Existence of duplicate bill numbers

The DDO has to maintain a single bill register and submit bills to the treasury/sub-treasury with a unique bill number. However, due to inadequate validation check, and absence of any other controls the database had a large number of duplicate bills under the same DDO. As such there was a risk of passing the same bill twice or more by the treasury. The number of duplicate bills noticed in the database during 2005-06 is shown below:

Table No. 3.3.2

Name of Treasury	Number of DDOs	Number of Bills	Number of repetition of the same bill no.
Agartala-I	16	76	2 to 5
Agartala-II	102	6325	2 to 15
Khowai	61	583	2 to 116
Sonamura	23	315	2 to 10

The Department stated (July 2007) that remedial action would be taken to provide proper check in the system.

(ii) Absence of validation checks in the application

In the manual system, bills were approved after proper verification of sanction order, powers of sanctioning authority, DDO's signature and necessary documentary proofs etc. Though the System Design Report of TOS had provisions in the application to prompt the bill passing person to say 'Yes/No' for the validation checks like endorsement, DDO authority, Controlling Officer's signature, head of account, signature of DDO etc before passing bills, the TOS application software did not have any such checks except the

³² Agartala Treasury No. I, Agartala Treasury No. II, Udaipur, Sonamura, Belonia and Khowai

DDO signature in the Bill Verification screen. As such, particulars of each bill were being verified manually before entering into the computer, which defeated the very purpose of computerisation. The Department stated (July 2007) that attempt would be made to implement the checks as pointed out.

3.3.9.2 Processing controls

Processing controls perform further validation of transactions by checking data for duplication and consistency. The following discrepancies were found in the database due to inadequate processing controls.

(i) Bills other than salary/wages were being passed under salary/wages sub-object head, without ascertaining the allocation of funds in the respective head of account

Provisions for capturing DDO-wise funds and passing bills against available funds had been made in the Treasury Operation System. Up to 2004-05, the entries of DDO-wise fund allocation relating to salary and wages bills were made in the system. Subsequently, the software was modified to provide that when salary or wages bills are passed through the system, the amount of that bill will automatically get stored in the Fund allocation table and update the corresponding DDO's expenditure tables. This has given rise to the risk of passing a salary and wages bill without provision in the budget. A print screen of the message showing that '*Salary/Wages funds not to be entered*' is given in **Appendix 3.6**.

The absence of this processing control was being misused to book expenditure other than salary and wages under salary/wages sub-object head. For instance, during 2005-06, Rs. 28,28,104 against bill type 'CONTINGENT', Rs. 1,03,82,601 against bill type 'OTHER', Rs. 3,55,143 against bill type 'AC BILL' and Rs. 20,42,429 against bill type 'Fully Vouched' were passed under salary/ wages sub-object code.

In absence of on-line connectivity of treasuries with the Finance Department and non-maintenance of central database, the Treasury Officer cannot exercise check on excess expenditure over the grants.

There was a risk of drawal in excess of budget provision due to wrong booking of expenditure other than salary under salary sub-object head. The Department stated (July 2007) that remedial action would be taken to introduce suitable check in the system to prevent its misuse.

(ii) Absence of validation check between drawing and disbursing officers (DDOs) and the Head of Accounts

As per Treasury Rules, the DDOs are authorised to draw bills in respect of only those head of accounts, which they are authorised to operate. It was noticed that the budget provisions made for Khowai and Sonamura Sub-Treasury under Head of Account 2054-00-097-07-06 and 2054-00-097-07-08 respectively were being utilised by the DDOs belonging to Agartala Treasury No. I, as shown in the following table:

Table No. 3.3.3

Financial Year	DDO code	Major-head	Sub-Major head	Minor head	Sub Minor head	Object head	Sub Object head	No. of bills	Amount (Rs.)
2004-05	8002	2054	00	097	07	06	01	15	4,64,517
2004-05	8003	2054	00	097	07	06	01	28	2,72,980
2005-06	8002	2054	00	097	07	06	01	16	4,54,926
2005-06	8002	2054	00	097	07	08	13	3	4,938
2005-06	8003	2054	00	097	07	06	01	28	2,69,291
2005-06	8003	2054	00	097	07	06	13	1	4,930

The Department stated (July 2007) that remedial action would be taken.

3.3.9.3 Output controls

Weakness in processing may be compensated by strong controls over output. On the other hand, a well-controlled system for input and processing is likely to be completely undermined if the output is uncontrolled. The following discrepancies were noticed during audit:

(i) Discrepancy in expenditure report

It was seen that the figures of the expenditure reports generated through the system did not tally with the actual payments made by treasury. The expenditure reports are generated from Allocation table instead of Payment table where data of actual expenditure is stored. The records of Allocation table automatically get updated when a bill is verified and passed. But the actual payment made by the treasury is to be derived from Payment transaction table where records are updated after compilation (i.e. on receiving of vouchers from the bank after payment). Thus total expenditure available in Allocation table may not match (if payment is not made by the banks due to some discrepancies in the bill) with the amount in the Payment table. For instance, the discrepancies between the expenditures recorded in the Payment and Allocation tables are given in **Appendix 3.7**, DDO-wise. The Department stated (July 2007) that necessary rectification would be made in the software to restrict the occurrence of such cases.

(ii) MIS Report

The treasuries are generating limited number of reports like daily scrolls for sending to bank along with vouchers, head of account-wise monthly receipts and payments/transactions etc. But there is no provision to generate many MIS reports essential to ensure the effectiveness and monitoring of the system e.g.,

- Reports relating to users log-on and log-off time to detect whether database is unauthorisedly accessed beyond office hours or holidays.
- Reports relating to existence of the same bill number more than once for the same DDO in a financial year.
- Reports showing bills not passed by the Treasury Officer to verify whether any fresh bills were submitted by the DDO against these pending bills.

- Reports relating to bills passed by the Treasury Officer to verify on a certain date whether payments against those bills had been made by the bank.

The Department stated (July 2007) that it would make necessary modification in the software to generate the MIS reports.

3.3.10 Master/Standing Data file controls

These are meant to ensure the integrity and accuracy of the master files and standing data. Information on master files may affect related financial transactions and so must be adequately protected. During scrutiny of the master tables of the databases, the following irregularities were noticed:

- (i) Account code master tables were not uniform in all treasuries though codal provisions are common for all treasuries. Some important Major/ Minor heads were missing from the master tables leading to wrong classification by treasuries.
- (ii) As per CTR Rule 649, sums received in advance from municipalities or other bodies for payment of compensation for land acquired are to be credited to Special Deposit Head 8443-00-117-**Deposits for work done for Public bodies or private individuals**. But due to absence of Minor head 117 under Major Head 8443 in the master table, the amount received for aforesaid purposes were being booked under 8443-00-106 (PL account of LA Collector) instead of being credited to head 8443-00-117.

3.3.11 Delay in submission of accounts to AG office

Despite the computerisation, the initial accounts, required to be sent to AG office latest by 10th of the following month, were not being sent in time and there were delays up to 43 days in the year 2006-07. The Treasury Officers of Agartala Treasuries (No. I and II) stated that such delays were due to slow processing system, shortage of staff, inadequate trained persons, delay in receiving of accounts from sub-treasuries etc. The delays were noticed across the treasuries which are evident from the following table:

Table No. 3.3.4

Sl. No.	Name of Treasury ³³	Month of accounts	Delay (in days)
1	Agartala I	April 2006	43
		March 2007	36
2	Agartala II	April 2006	39
		March 2007	29
3	Udaipur	August 2006	30
		March 2007	28
4	Kailashahar	January 2007	26
		March 2007	22
5	Dhalai	September 2006	26
		March 2007	16

³³ There are five treasuries in Tripura viz. Agartala Treasury No. I, Agartala Treasury No. II, Udaipur, Kailashahar and Dhalai.

3.3.12 Inadequate documentation

The Department had not documented the 'User Requirement Specification'. The System Analysis and System Design Report prepared by RITES are available with Finance Department, but other documentations like User Manual, Operation Manual, IT Security and Backup policy etc were not prepared by the Department (July 2007). Even the desktop operational instructions for the Data Entry Operators (DEOs) were not available, which may affect the smooth and efficient operation of the work.

3.3.13 Personnel management

3.3.13.1 Inadequate training to treasury personnel

TOS is being controlled and monitored by the Treasury Cell in the Finance Department, comprising one qualified software engineer from RITES and one officer of State Government. Treasury/ Sub-Treasury Officers act as system administrators in their respective treasuries/sub-treasuries. The treasuries and sub-treasuries do not have database administrator / programmer for rectifying any errors in the database. Even for minor faults in the system, Treasury Officer/Sub-Treasury Officer has to contact the Treasury Cell. A formal training on the TOS had been imparted by the vendor to the staff of treasuries at the time of implementation. But there was no documented policy for training the newly recruited staff or for training to restore the TOS within a reasonable time if the system was disrupted.

3.3.13.2 Segregation of duties

A well-defined segregation of duties among the staff operating the computer system ensures better and effective implementation of an IT system and also reduces the risk of error and fraud. There was no documented policy for assigning duties for working on the TOS, due to which the treasury personnel were performing different duties interchangeably.

In Sonamura, Khowai and Belonia Sub-Treasuries, the DEOs were doing all types of data entry like funds allotment, bill entry, bill passing and compilation, which was tantamount to DEO virtually discharging the duties of Treasury Officer and hence was a major risk. In Sonamura Sub-Treasury even a Gestetner operator was entrusted with data entry.

3.3.14 Conclusion

The TOS could not be treated as reliable. Manual verification of bills was still being done before entering in the system as the required validation checks were deactivated. Maintenance of various accounts and ledgers outside the computerised environment and manual interventions at various stages of processing defeated the purpose of computerisation to a large extent. Faulty database design not only slowed down the system but also did not provide for foolproof masters and reconciliation of data flowing into the system from various levels. Lack of documentation had led to complete dependence on the TOS developer. Standard practices for password management, data back-up, retrieving and archiving of data were not being followed. In the absence of change management policy, uniformity of application software was not

maintained across the treasuries and sub-treasuries, which may create problem in recovery of data in the event of data loss due to disaster like virus attack etc.

3.3.15 Recommendations

- The TOS needs to be improved by incorporating new modules like Personal Ledger Account, Pension, Deposit, Stamp Account etc with strong input, processing and output controls.
- Proper segregation of duty in conjunction with audit trail in the application software needs to be enforced to prevent fraud and fix accountability and responsibility.
- Database structure needs to be reviewed thoroughly so that modifications could be made to exercise control over CCO/DDO-wise, demand-wise, head of account-wise, scheme-wise and treasuries/ sub-treasuries-wise expenditure.
- Policy and procedure regarding data security, password management, backup, data restoration and change management should be formulated and implemented.
- A detailed user manual, system data flow diagrams and system maintenance manuals should be prepared in respect of the duties to be performed at the treasuries and sub-treasuries.
- The Department should adopt a Personnel Management Policy to train the personnel in the treasuries in project and data management as well as in accounting system.
- All treasuries and sub-treasuries should be equipped with dust free, temperature-controlled environment with proper fire safety system.

PUBLIC WORKS DEPARTMENT (WATER RESOURCES)

3.4 Minor Irrigation Schemes

During 2003-04 to 2006-07, the Department took up 569 Minor Irrigation Schemes for commissioning to cover 14,775 hectares of land. At the end of 2006-07, only 61 per cent of the target area was covered. The schemes suffered significantly due to defective planning, poor financial management and inability of the department to enforce strict implementation schedule. Some of the major points noticed were as follows:

Highlights

There was no evidence of survey and investigation in 122 Lift Irrigation and Deep Tube Well Schemes out of 132 schemes test checked.

(Paragraph 3.4.7.1)

Though availability of site is a prerequisite for planning and designing of a scheme, the Department initiated proposal for acquisition of land 1 to 25 months after issue of work orders.

(Paragraph 3.4.7.4)

33 Minor Irrigation schemes were completed at a cost of Rs. 3.90 crore without the minimum irrigation potential of 20 hectares each, in violation of AIBP guidelines.

(Paragraph 3.4.8.3)

Majority of the schemes taken up remained incomplete.

(Paragraph 3.4.9.1)

Against the target of 14,775 hectares, only 9,016 hectares (61 per cent) was brought under irrigation during 2003-07, the shortfall each year ranging from 24 to 55 per cent.

(Paragraph 3.4.9.2)

A joint inspection of 14 LI schemes showed over-reporting of irrigation potential by 47 per cent and of the beneficiaries covered by about 50 per cent.

(Paragraph 3.4.9.4)

The completed irrigation schemes were not fully handed over to the user groups and the operation and maintenance cost continued to be borne by the Government. Failure to implement this reform measure would entail forfeiture of central benefits.

(Paragraphs 3.4.11.1 and 3.4.11.2)

There was no evidence of laboratory testing of the materials used in the works. As a result, there was no assurance that the quality of material used conformed to the specified standards.

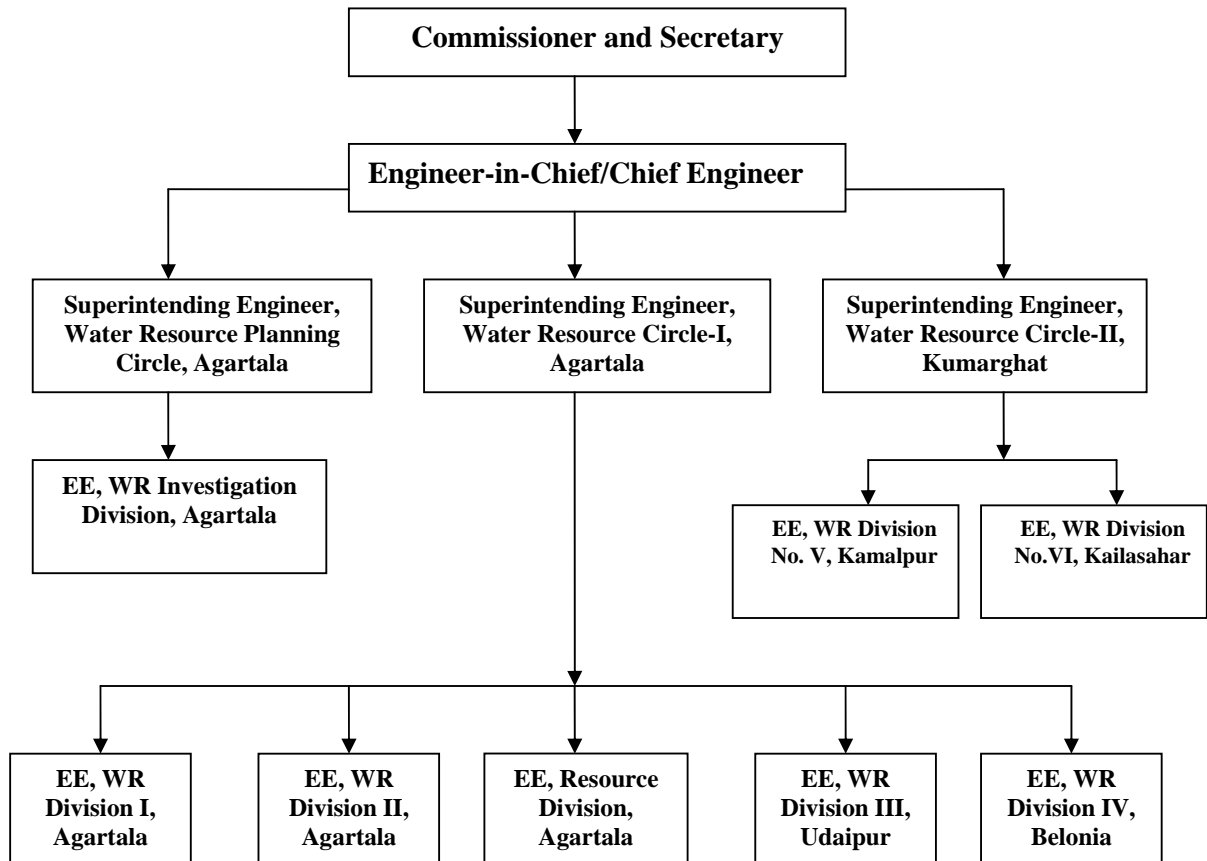
(Paragraph 3.4.12)

3.4.1 Introduction

Tripura with a geographical area of 10,49,100 hectares is covered with reserve forest (65 per cent) and only 2.80 lakh hectares of land is available for agricultural activities. Irrigation facilities can be extended to 1.17 lakh hectares of land with full utilisation of surface and ground water resources. By 2002-03 end, 72,284 hectares of cultivable land had been brought under irrigation through minor and medium irrigation projects. During 2003-04 to 2006-07, the PWD (WR) Department took up for commissioning 569 minor irrigation schemes to cover 14,775 hectares of land, with assistance from the Accelerated Irrigation Benefit Programme (AIBP), NABARD and Central assistance. These schemes envisaged utilisation of ground as well as surface water. At the end of 2006-07, the reported coverage (9,016 hectares) was only 61 per cent of the targeted coverage, with many projects remaining incomplete.

3.4.2 Organisational set up

Minor irrigation schemes are implemented by the Public Works Department, which functions under the administrative control of the Commissioner and Secretary, PWD. Implementation of minor irrigation schemes (MIS) is done by the Engineer-in-Chief / Chief Engineer, PWD (WR), who is assisted by three Superintending Engineers (SEs) and eight Executive Engineers (EEs). The organogram is given below:



3.4.3 Scope of audit

The implementation of MIS was reviewed in audit through a test check of the records of the CE, PWD (WR); three SEs and five EEs³⁴, for the period 2003-04 to 2006-07 covering 132³⁵ out of total 569 schemes targeted for commissioning and an expenditure of Rs. 54.86 crore out of the total expenditure of Rs. 96.11 crore. The schemes were selected using the statistical random sampling without replacement (SRSWOR) method. Out of the four districts and 40 blocks in the State, the review covered three districts³⁶ and 22 blocks.

3.4.4 Audit objectives

The broad audit objectives were to verify whether:

- the planning for implementation of schemes was adequate;
- the targeted area was brought under the irrigation on a sustainable basis ;
- the execution / implementation of the schemes was efficient, economic and effective;
- the schemes were successfully commissioned without cost and time overrun;
- the MIS were handed over to Panchayats in time and were managed efficiently and effectively;
- monitoring was adequate and effective;
- whether the overall objective of the schemes was achieved.

3.4.5 Audit criteria

The following major criteria were used:

- Operational guidelines;
- Annual Action Plans and physical and financial targets;
- Project proposals prepared by the Department.

3.4.6 Audit methodology

The entry conference with the Commissioner and Secretary to the Government of Tripura, PWD, Water Resources, could not be held for want of response despite repeated requests. However, the objectives and the criteria were discussed by the audit team with the then Engineer-in-Chief in January 2007. Information furnished by the Department and collected through questionnaires etc was used as evidence. The audit findings were discussed in an exit conference with the Commissioner and Secretary on 13 August 2007. The replies furnished have been incorporated, wherever appropriate.

³⁴ Water Resource Division No.I Agartala; Water Resource Division No. IV, Belonia; Water Resource Division No. VI, Kailashahar; Resource Division, Agartala and Water Resource Investigation Division, Agartala.

³⁵ Lift Irrigation: 118; High Powered Lift Irrigation: 3; Diversion Schemes: 7; Deep Tube Wells: 4

³⁶ (i) West Tripura District (ii) South Tripura District and (iii) North Tripura District.

3.4.7 Planning

3.4.7.1 Survey and investigation reports not available in most cases

Proper survey and investigation is a pre-requisite for successful implementation of a scheme. Out of 132 schemes (covering a designed command area of 8,297 hectares) test checked in audit, there was no recorded evidence of this being done in 118 Lift Irrigation (LI) and four Deep Tube Well (DTW) schemes.

The Government stated (August 2007) that generally the feasibility study in respect of LI schemes was conducted by the Assistant Engineers and Junior Engineers of the sub-divisions concerned but copies of such feasibility study were not made available to Audit.

3.4.7.2 Non-availability of survey agency

In respect of 50 other MI schemes (Rain Water Harvesting Reservoirs for irrigation), the Department appointed (November 2005) the Water and Power Consultancy Services (WAPCOS) (India) Ltd, New Delhi, a GOI Undertaking, as consultant, at a cost of Rs. 1.18 crore, for preparation of the detailed project report (DPR), to be submitted by November 2006. There was delay in completion of this work as the consultant had not completed the surveys nor the DPRs as of May 2007. The Executive Engineer, WR Investigation Division stated (May 2007) that non-availability of a survey agency (to be engaged by the consultant) was the main reason for delay in completion of the work. Rs. 35.54 lakh had been paid to the firm as of March 2007. Thus, in the absence of field surveys and DPRs giving hydrological and hydraulic data, the Department was not in a position to complete the works and audit was unable to verify the effective implementation of the MIS.

Government stated (August 2007) that WAPCOS was facing difficulty in engaging an agency for survey works, but the field survey and investigation for 23 locations and survey drawings for 18 projects had been completed and submitted to the Department and that the WAPCOS had been advised to complete the work without loss of time. The fact therefore, remains that delay by the WAPCOS in field surveys and drawings has led to overall delays in the projects.

3.4.7.3 Detailed Project Reports (DPR) not available

The Muhuri irrigation project (estimated cost: Rs.29.44 crore), for irrigation of 1950 hectares, was taken up in March 2001 for completion in March 2004. Though the Government stated (August 2007) that the project had been sanctioned by the NABARD on the basis of a DPR, the same was not produced to audit. The contractor, National Projects Construction Corporation Limited (NPCC) for the head work demanded (March 2006) extension of 273 days citing absence of hydraulic data in respect of Muhuri river, required for hydraulic and structural design of the works. This resulted in project delay. Government stated (August 2007) that the necessary data had to be supplied by the NPCC. This indicated deficient planning and coordination.

3.4.7.4 Acquisition of land not planned in advance

As per rules, availability of site is a prerequisite for planning and designing before starting of a work. Hence detailed estimates, drawings and designs should be completed before taking over the site. However, in respect of 7 Diversion and 3 High Power Lift Irrigation (HPLI) schemes for irrigation of 3828 hectares, the Department sent (November 2002 to June 2006) the requisition to the Land Acquisition Collector (LAC) 1 to 25 months after the issue (between March 2001 to May 2005) of the work orders. For Muhuri irrigation project, Kalashi, against the requirement of 200 acres, only 74.29 acres of land was acquired (71.85 acres handed over to the Department) at a cost of Rs. 1.58 crore till May 2007. For three Diversion schemes³⁷, the land (4.77 acres) had not been handed over even after the payments (Rs. 5.65 lakh) had been made one to three and half years back. In two Diversion schemes and one HPLI Scheme³⁸, no action was taken by the LAC to acquire the land even after 1 to 4 years of requisition (between November 2002 and June 2006) by the divisions concerned. The non availability of land led to delays in completion of the projects / schemes. The delays at various stages including land acquisition are shown in **Appendix 3.8**.

3.4.8 Financial Management

3.4.8.1 Short release of funds

The MIS was funded from AIBP³⁹, State Plan, Additional Central Assistance (ACA), Command Area Development (CAD), NABARD loan and Rationalisation of Minor Irrigation Statistics (RMIS). It was noticed that against the budget provision of Rs. 145.70 crore the Finance Department released only Rs. 96.93 crore (67 per cent), out of which, the Department had spent Rs.96.11 crore during 2003-07, as shown below:

Table No.3.4.1

(Rupees in crore)

Year	Budget provision	Funds released by Finance Department	Short release of fund (%)	Expenditure
2003-04	28.69	19.75	8.94(31%)	19.76
2004-05	30.98	13.41	17.57(57%)	13.28
2005-06	33.51	21.65	11.86(35%)	21.53
2006-07	52.52	42.12	10.40(20%)	41.54
Total	145.70	96.93	48.77(33%)	96.11

Source: Information furnished by the Finance Department and CE, PWD (WR).

³⁷ Diversion scheme over Mahamayacherra, Guriacherra and Mahi-river (cherra) for irrigating 377 hectares.

³⁸ Diversion scheme over South Padmabill, Pratyekroycherra and High Power Lift Irrigation Scheme at Narendranagar, for irrigating 920 hectares.

³⁹ Accelerated Irrigation Benefit Programme funding pattern was as under:

From 1st February 2002= 3:1 (75% Central loan and 25% State share)

From 1st April 2004 =3:1 (75% Central loan and 25% State share)

Relaxed terms = On timely completion of the project Central loan will be converted into 90% grant and 10% loan and for reforming State 1: 0 (Central : State) i.e. cent per cent grant .

From 1st April 2005 = 3:1 (75% Central share and 25% State share).

Out of 75% Central share 90% shall be provided by the GOI as grants and 10% had to be mobilised by State Government as market borrowings, relaxed term will continue.

From December 2006, 90% Central grant and 10% State share (to be arranged by the State Government).

The above table shows that the shortfall in the release of funds in all the four years ranged from 20 to 57 per cent.

3.4.8.2 Delay in release of funds

The Finance Department released Rs. 16.94 crore of NABARD loan (obtained during 2002-07 at interest of 6.50 to 11.50 per cent per annum) to the implementing agencies after delays of 46 to 214 days, as detailed below, which resulted in interest liability of Rs. 45.06 lakh (calculated after allowing 15 days time for normal transaction) for idle retention of funds.

Table No. 3.4.2

Year	Amount of loan (Rupees in crore)	Date of receipt	Date of release	Delay in release (in days)
2002-03	2.00	09-01-2003	22.05.03	133
2003-04	3.00	19-12-2003	Rs. 50 lakh on 01.06.04 Rs. 250 lakh on 20.07.04	165 214
2004-05	3.63	20-01-2005	03.05.05	103
2005-06	2.00	17-01-2006	24.04.06	97
2006-07	6.31	13-03-2007	28.04.07	46

Source: Information furnished by the Department.

The Finance Department attributed (June 2007) the above to the delay in depositing the cheque into the Government account and delay in finalisation of tender by the implementing department. It also stated that the implementing department had been advised to avail loan(s) only when it was ready.

3.4.8.3 Construction of MIS without the minimum irrigation potential

As per AIBP guidelines, an individual scheme should cover at least 20 hectares of irrigation potential. It was noticed that in 33 MIS (approved by CE, PWD,WR) completed during 2003-07 at a cost of Rs. 3.90 crore, irrigation potential created by the individual schemes was only 10 to 19 hectares. 477 hectares irrigation potential was created out of 670 hectares designed command area against those 33 MIS.

Of the 33 MIS, 11 were approved with designed command area of 12 to 18 hectares; in the remaining 22 MIS, the designed command area was 20 hectares and above but the potential created was only 10 to 18 hectares.

The Chief Engineer, Public Works Department (WR) stated (September 2007) that since the 11 MI schemes had been approved by the GOI it was evident that they fulfilled the AIBP norms and that steps were being taken to utilise the full irrigation potential of the remaining 22 schemes. But sending the proposal for 11 schemes with less than 20 hectares irrigation potential by the State Government and according approval by GOI were not in conformity with the eligibility criteria of AIBP guidelines for Minor Irrigation Schemes.

3.4.9 Physical performance

3.4.9.1 Schemes remained incomplete

No new schemes were sanctioned by GOI during 2003-04 and 2004-05, due to the number of schemes already in hand. During 2005-06 and 2006-07, 270 new MIS (to irrigate 10,979 hectares) were sanctioned, in addition to the ongoing 358 MIS (to irrigate 18,277 hectares) at the beginning of 2003-04.

There was no evidence of fixing annual targets for completion of MIS during the period reviewed. The Department provided conflicting figures of the schemes completed (Table 3.4.3), which shows that each year, only a few projects in hand were completed as compared to the number targeted:

Table No. 3.4.3

Year	Target for commissioning as per the Annual Action Plan (AAP)	Reported as completed in the annual review reports of MI programmes	Reported as completed in the Government reply dated 24.8.2007
2003-04	184	61	135
2004-05	171	128	93
2005-06	116	71	62
2006-07	98	NA	56

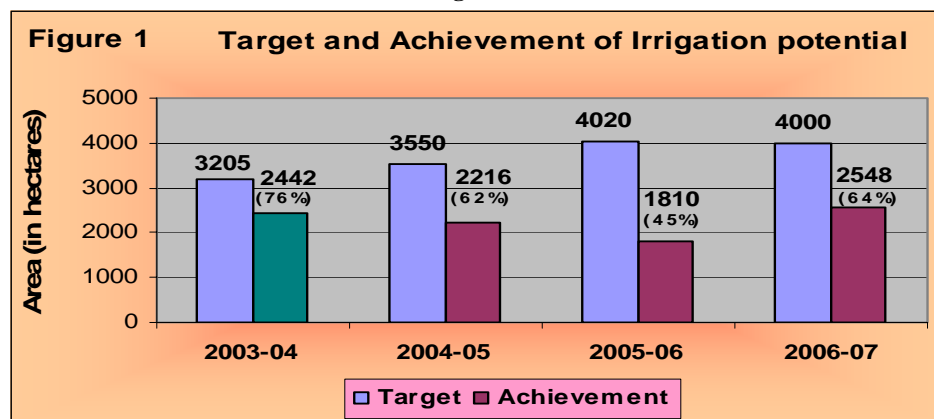
The conflicting figures showed that the monitoring and reporting were deficient. The Department did not make available a comprehensive list of all projects with details of important milestones like date of commencement, commissioning, completion etc to assess the performance correctly.

Government stated (August 2007) that works were affected due to delay in land acquisition, slow progress by the agencies, and delay in release of funds by State / Central Government.

3.4.9.2 Targeted area not covered

As per the records in the Chief Engineer's office, against the target of 14,775 hectares from 569 schemes, only 9,016 hectares (61 per cent) was brought under irrigation during 2003-07, the shortfall each year ranging from 24 to 55 per cent as shown in Figure-1.

Figure 1



Source: Information collected from review report (2003-06) available in CE's office and departmental reply dated 02-06-2007 (for 2006-07).

The shortfall was mainly on account of failure to implement the LI schemes. It was noticed that despite the GOI's advice not to take up new schemes without completing the 358 ongoing schemes, the Department took up 211 new schemes without completing the ongoing schemes (358). The CE, PWD (WR) stated (May 2007) that the target fixed by the Department was kept on the optimistic side to provide for the numerous requisitions from the Panchayats and attributed the shortfall to the infrastructure of the Department, inadequate

availability of funds, late release of funds, long drawn process of land acquisition and, dearth of proper agency for construction of Diversion and DTW projects. The reply indicated a flawed approach, where projects were taken up without much regard to the implementation capacity or concern for timely completion, resulting in suboptimal utilisation of scarce resources.

Government stated (August 2007) that 13,458 hectares of land was brought under irrigation against the target of 18,598 hectares during 2003-07, but did not furnish year-wise break-up of the targets and achievement. The wide variation between the figures available in the CE's records and those furnished by the Government underscored the unreliability of the information with its attendant implications for the performance of the Department.

3.4.9.3 Progress Reports not submitted

None of the six executing Divisions submitted quarterly progress reports or completion reports to the CE (Water Resources), in respect of 569 schemes out of 628 (estimated cost of Rs. 133.63 crore) undertaken by the Department during 2003-07. Government stated (August 2007) that the progress of works was being reviewed almost every month at the level of the Chief Minister and the Minister concerned. In the absence of quarterly reports, the physical progress and financial progress of schemes in progress or completed could not be verified.

3.4.9.4 Over-reporting of irrigation potential

Audit conducted (January, April and May 2007) a joint inspection of 28 LI schemes (654.28 hectares) along with departmental engineers, Panchayat Samiti members, Users Committees and beneficiaries. The inspection revealed that the Panchayats did not maintain any beneficiary list in respect of 14 LI schemes (339.28 hectares). In other 14 LI schemes, against the 315 hectares of irrigation potential reported to have been created, only 166.49 hectares (53 per cent) were found to have been actually created, as per the records made available by the respective Panchayats, as shown below:

Table No 3.4.4

Name of the Division	No of LI schemes	Designed Command Area (DCA) (hectares)	Created Command Area (CCA) as reported by the WR Department (hectares)	Command Area as per the beneficiary list (hectares)	Shortfall with reference to CCA (hectares)	Percentage of shortfall
WR Division-I, Agartala	4	158	146	51.69	94.31	65
WR Division-IV, Belonia	8	157	124	92.96	31.04	25
WR Division-VI, Kailashahar	2	55	45	21.84	23.16	51
Total	14	370	315	166.49	148.51	47

Source: Information furnished by the Department and respective Gaon Panchayats.

The inspection also revealed that the number of beneficiaries had been over-reported. As against the projected 629 beneficiaries owning 212 hectares in respect of 10 LI schemes (irrigation of 169 hectares), where records were

made available to Audit, only 313 (about 50 *per cent*) beneficiaries owning 114.90 hectares were found to be covered, as shown in Table 3.4.5:

Table No 3.4.5

Name of the Division	No. of LI schemes	No. of beneficiaries projected by the Department ⁴⁰	No. of actual beneficiaries as per the beneficiary list	Shortfall of beneficiaries	Shortfall (in <i>per cent</i>)
WR Division-IV, Belonia	8	512	232	280	55
WR Division-VI, Kailashahar	2	117	81	36	31
Total	10	629	313	316	50

Source: Information furnished by the Department and respective Gaon Panchayats.

The over-reporting is further corroborated by a joint survey on irrigation conducted (2005) by PWD(WR), Agriculture Department and Rural Development Department, which showed that 22,829 hectares (64 *per cent* of 35,484 hectares reported to have been created) irrigation potential, created by PWD(WR) through 802 MIS, was being under utilised. The main reasons for under utilisation were reported to be non availability of pipelines and scarcity of water. In view of the overall under achievement, payments in excess of work done and misappropriation cannot be ruled out. The matter therefore, needs investigation by the appropriate authority.

Government stated (August 2007) that the total reported coverage may not be possible due to factors like non-completion of the total distribution system, non availability of the entire required land, difficulties / non preparedness on the part of beneficiaries to utilise the potential created to the fullest extent etc. The reply is not tenable as the schemes were handed over to the panchayats on completion in all respect.

3.4.10 Project implementation

The project implementation was tardy and lacked accountability. Some major factors that contributed to poor project implementation were the failure of the Department to enforce a strict implementation regime with provision for fixing accountability and responsibility, deficiencies in the system of monitoring and reporting the progress of work, other administrative delays and lack of proper planning.

3.4.10.1 Delay in acceptance of tender and issue of work order

Rules provide that tender should be finalised within 40 days from the date of opening, even when approval is required from the Works Advisory Board (WAB). It was noticed that this provision was not followed by the Department. Inordinate delays in acceptance of tender and issue of work order ranging from 53 to 255 days in respect of test-checked Diversion schemes were noticed. This resulted in overall delay in completion of the schemes. The position has been shown in **Appendix 3.9**. Government stated (August 2007) that it had instructed all concerned to finalise tenders expeditiously.

⁴⁰ No. of projected beneficiaries were not available in respect of Water Resource Division-I, Agartala.

3.4.10.2 Delays in implementation of the schemes

The Department did not maintain up to date centralised database of the status of the schemes. Of the 132 schemes (covering 8,297 hectares) test checked, 83 schemes (covering 3078 hectares) were completed and 28⁴¹ were incomplete, excluding 19 new schemes taken up during 2006-07 and 2 suspended schemes. Of the completed schemes (83), 37 schemes had been completed with delays ranging from one to five years. Similarly, of the 28 incomplete schemes, 22 schemes had already had delays of one to five years (**Appendix 3.10**).

Some of the important projects and the delays in their implementation are discussed below:

- **Idle expenditure on suspended works:** The Department had taken up (March 2001 to April 2003) 15 MIS (approved cost Rs. 4.66 crore) along the international border area with Bangladesh. The works were suspended (May 2003), following instructions of the BSF (on objection raised by Bangladesh) that the schemes were within 150 yards of the international border which was in violation of the Indo-Bangladesh guidelines for border authorities, 1975, prohibiting pucca construction within 150 yards of the international border. The matter was still under discussion with the Joint River Commission (JRC) and the exchange of engineering data with Bangladesh was in progress (January 2007). Meanwhile, an expenditure of Rs. 1.95 crore had already been incurred at the time of suspension of the works. Rs. 9.62 lakh was spent subsequently (during 2003-07). The above restrictions alongside international border is common knowledge and in case of doubt the Department should have consulted the State Home Department or even the BSF.

Government stated (September 2007) that GOI had always taken the stand that there was nothing wrong in taking up the schemes on the banks of Feni and Muhuri rivers and that the DI pipes worth Rs. 1.72 crore purchased for Amlighat scheme had been used in other MI schemes and that the agreements for these schemes had since been closed and payments made to the agencies. The reply is not tenable since restrictions alongside international border is common knowledge and the Department could also not furnish documents in support of their reply.

- **Expenditure of Rs. 14.47 crore on incomplete Diversion schemes:**

The following four Diversion schemes, scheduled to be completed (April 2003 to September 2005), were still in progress (May 2007) resulting in idle expenditure of Rs.14.47 crore and defeating the purpose for which it was incurred.

⁴¹ Lift Irrigation-19, Lift Irrigation (High Power) -1, Diversion-7 and Deep Tube Well-1.

Table No 3.4.6

Name of the incomplete scheme	Tendered value (Rupees in crore)	Date of work order	Due date of completion	Upto date expenditure (Rupees in crore)	Physical progress (percentage)
Muhuri Irrigation Project at Kalashi (Diversion scheme) (i) Head works	21.17	March 2001	March 2004	11.71	60
Diversion scheme over Mahamaya cherra head-works with canals	1.54	March 2001	April 2003	1.11	75
Diversion scheme at South Padmabill head-works with canal	1.89	October 2003	September 2005	0.85	55
Diversion scheme over Prateyakroy cherra head-works with canal	1.59	July 2003	June 2005	0.80	55
Total	26.19			Rs. 14.47	

Source: Departmental records viz 9 work orders, 9 bills, Measurement Books etc.

(i) Muhuri Irrigation Project at Kalashi

The scheme was sanctioned in 2000-01 to irrigate 1,950 hectares land. The head works with gate were awarded (March 2001) to NPCC at a cost of Rs. 21.17 crore with the stipulation to complete by March 2004. The work started in November 2002 and was in progress (May 2007). The expenditure incurred was 40 *per cent* (Rs. 8.64 crore) with physical progress for various components being 60 *per cent* (March 2007). The delay in execution of head works was mainly due to:

- Non-supply by the Department of hydrological and hydraulic data required for design, for which NPCC claimed 273 days' extension,
- Shifting of barrage location,
- Delay in providing power line within 150 metres of work site as per terms and conditions of the contract.

Out of 26 KM of canal, only 11.726 KM had been taken up due to delay in acquisition of land. The cumulative effect of the Departmental lapses was time over-run of three years and cost over-run of Rs. 65.74 lakh as of March 2007.

Government stated (August 2007) that the location of the barrage was changed to avoid insurgent activities and that the supply of hydrological and hydraulic data was the responsibility of NPCC. The reply is not tenable, as it showed that all the relevant factors had not been taken into account before starting the project.

(ii) Diversion scheme at South Padmabill

The scheme, designed for irrigation of 380 hectares of cultivable land for 1000 projected beneficiaries, was sanctioned in 2002-03 and the work was awarded (October 2003) at a cost of Rs. 1.89 crore with the stipulation to complete within two years. The proposal for acquisition of land to the LA Collector

(North) was sent only in November 2005, after expiry of the stipulated date of completion of the project. No land had been acquired as of May 2007. While the head-works had already been completed (May 2007), the project remained incomplete for want of distribution canal; physical and financial progress was 55 *per cent* and 45 *per cent* respectively.

Government stated (August 2007) that the Collector, North Tripura had been requested to take special measures for acquisition of land.

(iii) Diversion scheme over Prateyakroy cherra

The scheme was sanctioned in 2002-03 for irrigation of 400 hectares of cultivable land. The work was awarded (July 2003) for Rs. 1.59 crore with stipulation to complete within two years. The proposal for acquisition of land was sent to the LA Collector (North) in August 2003 and February 2007. No land had been acquired (May 2007) while the head-work had already been completed (May 2007). Physical and financial progress was 55 *per cent* and 50 *per cent* respectively.

Government stated (August 2007) that the Collector, North Tripura had been requested to take special measures for acquisition of land.

3.4.10.3 Closure of contract due to departmental lapses

For Irrigation of cultivable land the work ‘Diversion scheme over Chagalnaiya cherra at Rajnagar GP under Satchand Block’ was awarded (June 2001) at a cost of Rs. 91.39 lakh for completion by July 2003. Due to slow progress of work, only 23 *per cent* of work was completed (Rs. 20.84 lakh) within the stipulated period. Notices were issued to the contractor (December 2001, September 2002 and April 2003) but no action was taken to rescind the contract in terms of agreement and complete the work at his risk and cost.

It was observed that the Department did not take any action (March 2007) to acquire the land for the brick line canal (2,000 metres). After execution of head works (March 2006) and brick line canal (800 metres) on donated land, the agreement was closed (March 2007) on the plea that there was no provision of funds for acquisition of land, although a provision of Rs.5.10 lakh was made in the estimate for acquisition of land. Due to inaction of the Department to acquire the land, only 32 hectares of irrigation potential was created (at a cost of Rs. 65.49 lakh) instead of the designed 160 hectares.

Government stated (August 2007) that construction of canal for another 2 km was in progress on donated land.

3.4.11 Operation and maintenance of MIS

3.4.11.1 Schemes not handed over to the Panchayats completely

For reduction of operation and maintenance (O & M) cost and also for the optimum utilisation of the services, the Government decided to hand over the completed MIS to Panchayats and fixed the rate of water charges. There was not much development in handing over of MIS till June 2006, when the

Council of Ministers decided (June 2006) to hand over all completed MIS by 15th August 2006. As of March 2007, 1,446 MIS out of 1518 MIS completed upto March 2006, had been handed over (March 2007) to the Panchayats. The Government decided (February 2007) not to hand over any further schemes to panchayats till confirmation of their ability to sustain the schemes already handed over. During joint inspection of 28 LI schemes (January, April and May 2007), it was noticed that full fledged collection of water charges by the Panchayats had not been started to meet the operation and maintenance of MIS. Only Rs. 11,255 had been collected as water charges from the beneficiaries of 8 schemes since taking over by the Panchayats.

The Department stated (August 2007) that the collection of water charges was not the responsibility of PWD (WR). The reply is not tenable as the failure of the Panchayats to collect the water charges would affect the financial viability of the irrigation schemes.

3.4.11.2 Failure to avail central assistance for financing the MIS

According to AIBP guidelines, one of the main criteria for categorising a State as a reforming State is increasing the user charges in stages so that in 5 years' time the water rates are able to meet full O&M costs for all category of projects. The major benefit of being categorised as a reforming State is that 100 *per cent* Central assistance would be available for financing the schemes. As pointed out in paragraph 3.4.11.1, the Government did not hand over all the MIS to Panchayats nor did it increase the water charges to meet the O&M charges. As a result, the Government failed to avail of 100 *per cent* Central assistance for financing the MIS.

3.4.12 Quality assurance

The standard agreement with the contractors provides for periodic tests to be carried out on materials, mortars, mixes etc. There was no evidence of such laboratory testing of materials used in any of the Diversion schemes test checked. As a result, there was no assurance that the quality of the material used in the works conformed to the specified standards. Government stated (August 2007) that all concerned (PWD, WR) had been instructed to follow this strictly.

3.4.13 Monitoring and evaluation

3.4.13.1 Monitoring meetings not held adequately

As per AIBP guidelines, the Government constituted (July 2000) a sub-committee (8 members) task force under the Chairmanship of the CE, PWD (WR) for monitoring the progress of irrigation works. During 2003-07, the sub-committee met only twice (April 2003 and February 2004) and discussed physical and financial progress of the schemes. The Government formed (April 2004) a State Level Apex Committee under the Chairmanship of the Chief Secretary to prepare an action plan for irrigation besides monitoring the progress of MIS. Only one meeting of the Committee was held in May 2004.

Government stated (August 2007) that a number of meetings of the State Level Committee under the Chairmanship of Chief Secretary were held during

the last 4 months, without giving details of the number or any other details of discussion.

3.4.13.2 Periodic Progress Report not submitted

There was no system in place for regular submission of the quarterly /monthly progress reports on MIS to the CE (WR). As a result, the accuracy of the quarterly progress reports sent to Planning and Coordination Department and to GOI on AIBP funded schemes could not be verified in audit. A centralised database with scheme-wise details like year of sanction, commencement, completion, up-to-date expenditure etc required for effective monitoring, was not maintained. There was no documentary evidence of Senior Officers visiting the work sites during implementation in respect of test checked Divisions. Thus, the monitoring system in the Department remained inadequate, undocumented and therefore un-verifiable. Government stated (August 2007) that SEs/EEs regularly inspected the works during implementation and that the CE inspected the work sites periodically. The reply is not tenable in the absence of verifiable records.

3.4.14 Conclusion

The minor irrigation schemes, taken up for meeting the irrigation needs of the farmers, suffered significantly due to defective planning, poor financial management, absence of hydrological and hydraulic data, and the inability of the Department to enforce a strict implementation regime. There were inordinate delays in contracting and land acquisition and the monitoring system was deficient due to lack of a system of obtaining periodic progress reports from the field units and enforcing accountability. There was also over-reporting in respect of creation of irrigation potential and the number of beneficiaries covered. The result was non-achievement of the targets for coverage of the specified area, even while there were doubts about the veracity of the figures of the reported achievements. The State also lost the opportunity to benefit from Central assistance due to its failure to implement the requisite reform measures like handing over the operation and maintenance of the schemes to the user groups.

3.4.15 Recommendations

- The Department must show more commitment and proactiveness for implementation and success of various schemes.
- Schemes should be prioritised and schemes in hand should be completed before taking up fresh schemes, so that scarce resources are not diluted and the implementation capacity is optimally utilised.
- An implementation regime should be formulated and enforced strictly and responsibility should be fixed for delays and slippages.
- A centralised database of the schemes should be set up with relevant details like date of start, scheduled date of completion, date of completion, command areas targeted and created, details of beneficiaries etc.

- Land acquisitions should be planned well in advance to ensure timely completion of schemes and relevant rules should be complied with, before taking up works.
- An appropriate reporting mechanism should be instituted and the scheme progress reports and milestones should be reviewed by the designated authorities at prescribed intervals and necessary follow up action should be taken where required.

REVENUE (LAND RECORDS AND SETTLEMENT) DEPARTMENT

3.5 Audit of Computerisation of Land Records

To overcome the problems inherent in the manual system of maintenance and updating of land records, Government of India initiated a scheme for Computerisation of Land Records in 1988-89. It was launched in Tripura on a pilot project basis in the North Tripura District in 1991-92. Thereafter, the project was taken up in other districts in 1993-94 with the help of National Informatics Centre, Agartala. Even after 15 years, the scheme had not become fully functional and the benefits of computerisation were not fully available to public or the Department.

Highlights

Lack of definite time frame and effective monitoring led to indefinite delay in the implementation of the scheme. Tardy implementation was evident from the fact that the scheme, which commenced in 1991, was not yet complete even in the pilot district.

(Paragraphs 3.5.6 and 3.5.7)

Due to lack of validation controls, program error, lack of interrelation among various tables and faulty data type description, the consistency, integrity and reliability of the data had been compromised.

(Paragraphs 3.5.9 and 3.5.11)

Due to non-feeding of data in crucial fields, database was incomplete and would be of limited use to the Department.

(Paragraph 3.5.9.4)

Mouja-wise total area of land available in manual records did not tally with Khatian-wise total area of land and plot-wise total area of land available in the database.

(Paragraph 3.5.12.1)

Due to non-adoption of any business continuity policy, no back-up was being taken for mutation orders and the offsite storing of monthly database back-up was not regular. No testing procedure to check the back-up data had been adopted.

(Paragraph 3.5.8.2)

Due to non-utilisation of computers, generators and other peripherals expenditure of Rs. 1.14 crore remained idle.

(Paragraph 3.5.16.2)

3.5.1 Introduction

Government of India, (GOI) Ministry of Rural Development, Department of Land Resources, initiated (1988-89) a scheme for “Computerisation of Land Records” (CLR), as 100 *per cent* grants-in-aid scheme, to be executed by the respective State Governments on a district-wise project basis through their Revenue Department. Accordingly, the CLR scheme was launched in North Tripura District on a pilot project basis in 1991-92. Subsequently the scheme was extended to other districts of Tripura in 1993-94.

The software was developed by National Informatics Centre (NIC) initially on Unix platform with FoxBASE. Subsequently, in January 2000, NIC developed new software “JAMI” version 2 on Windows platform and database in MS Access with C-DAC GIST SDK (Indian script tool) and the data entry module was also modified accordingly. The application software was further updated (August 2004) by JAMI Version 3.0 on Windows platform and database in SQL Server with C-DAC GIST SDK.

3.5.2 Objectives of the scheme

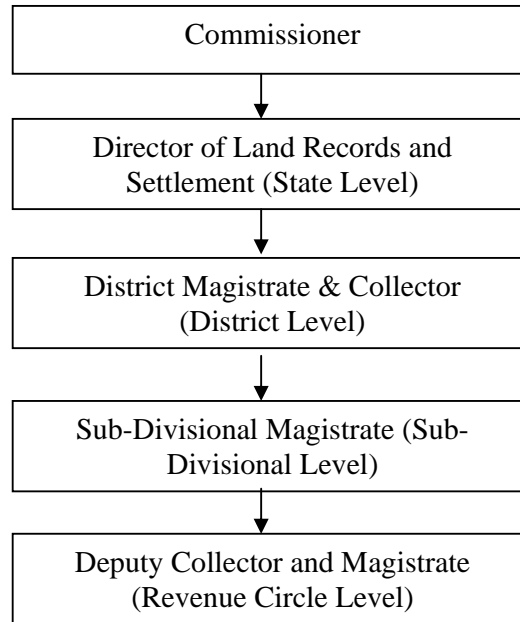
The objectives of the scheme were to:

- facilitate easy maintenance and updating of the changes in the land database.
- provide comprehensive security to make the land records tamper proof which is expected to reduce litigation and social conflicts associated with land disputes.
- provide the required support for implementation of developmental programmes for which data about distribution of land holdings is vital.
- facilitate preparation of annual set of records in the mechanised process and thereby producing accurate documents for recording details such as collection of land revenue, cropping pattern etc.
- provide database for Agricultural Census.
- issue updated copy of Record of Rights of land holders quickly.

3.5.3 Organisational set up

Revenue Department (Land Records and Settlement), Government of Tripura is responsible for implementation of the scheme in the State. Commissioner, Revenue Department is assisted by the Director of Land Records and Settlement (DLRS) at the State level, District Magistrate and Collector at the District level, Sub-Divisional Magistrate (SDM) at the Sub-Divisional level and Deputy Collector and Magistrate (DCM) at the Revenue Circle level.

Organisational Chart



3.5.4 Audit objectives

The audit objectives were to verify whether:

- IT system meets the objectives of the Scheme
- IT Security and Business Continuity Planning is adequate
- There is any deficiency in the Application Software
- The database is accurate and reliable
- There is any discrepancy in procurement of Computer Hardware and Software.
- Funds provided by the Government of India are being utilized economically and efficiently.

3.5.5 Scope and Methodology of Audit

The data of 15 Revenue Circle offices (out of 19 Revenue Circles where computerisation of land records had been declared operational as of the date of audit) were examined in audit using IDEA software and the IT system of 7 Revenue Circles were physically verified. Planning and implementation related documents in the office of the Director of Land Records and Settlement, Tripura, Agartala were scrutinised to see the efficiency and effectiveness of planning and implementation. The documents relating to purchase of computer hardware and software worth Rs. 2.87 crore were also seen. The application software was examined for its correctness, suitability

and availability of controls. The replies of the Department received (September 2007) have been incorporated where appropriate, in the review.

Audit findings

3.5.6 Implementation

Initially, the Government of India set March 1992 for completion of the pilot project but subsequently revised it to December 1994. The State Government, however, did not frame any time bound action plan, which led to indefinite delay in implementation of the scheme. The CLR, which commenced in 1991, was still under implementation and the State Government had failed to implement the computerisation of land records in all the Revenue Circles. The computerisation was not complete even in the pilot district of North Tripura. The Department stated (September 2007) that the computerisation had been implemented in 22 Revenue Circles and would be implemented shortly in four Revenue Circles. The funds for six Circles had not yet been provided by the GOI.

3.5.7 Delay in capturing of pre-computerised data

The initial capturing of pre-computerised data was started (1993) by engaging departmental staff in North Tripura District. But in other three districts no data entry was done up to November 1999 due to want of Windows-based data entry software. Subsequently, software was developed (JAMI version 2) by NIC in January 2000 but the work of data entry was very slow. As of August 2007, only 7.77 lakh out of 9.77 lakh records of rights (RORs) in the State had been entered, which included 6 lakh RORs in the office of the DLRS through an outside agency (at a cost of Rs. 21.98 lakh) and 1.77 lakh RORs at the DM and Collector's offices in North and South Tripura districts. Departmental staff/ private parties were engaged to recheck/validate the data; as of August 2007, only 7.51 lakh RORs had been validated. Data entry of 2,00,000 RORs was yet to be completed (August 2007).

The Department stated (September 2007) that scarcity of trained staff was affecting the project.

3.5.8 General Controls

3.5.8.1 Lack of documentation

National Informatics Centre (NIC) had been involved in the CLR scheme right from its inception in 1991 as the technical partner and developer of software. The district units of NIC were in charge of assisting/supervising the implementation of the CLR in various Revenue Circles. The Department had not taken any initiative to get the documentation like data organisation, data flow diagram, structural design, modular structures etc from NIC and was totally dependent on NIC for System support and updating.

3.5.8.2 Business Continuity Planning

A well Business Continuity and Disaster Recovery planning ensures recovery of key business process following a disaster. The objective is to reduce downtime and hence loss to the business.

As per operational guideline of DSLR all Revenue Circles have to take daily and monthly backup, on both tape and CD and a copy of the monthly backup (in CD) is to be kept with the DCM and SDM concerned.

Scrutiny of the records / information furnished by the DCM of 7 Revenue Circles revealed that daily database back-up was being taken only on tape. The monthly database back-up in CDs was not being stored offsite as prescribed, but was being sent to the DSLR office though not regularly. Further, the Department had not adopted any testing procedure to check the back-up data by restoration at periodic intervals.

The Department stated (September 2007) that two persons had been selected for the restoration of back-up data.

3.5.8.3 Environment controls

Environmental controls are necessary to reduce the risk of damage and unauthorised access. It was observed that while AC machines were installed in all the Revenue Circles, no other precautionary measures like fire alarms, extinguishers etc were in place. Computers infected with viruses or malicious code jeopardise information security. Antivirus software had not been installed / updated in all the seven Revenue Circles inspected.

The Department stated (September 2007) that Antivirus software had now been installed.

3.5.9 Data accuracy/ completeness (Input Controls / Validation)

3.5.9.1 Deficiency in JAMI 3.0 Application Software

3.5.9.2 Allowing of Null value

One of the shortcomings of the Application software attributable to lack of validation checks at the data entry level, is that it allows null values for some crucial and mandatory fields like Total Area of land, Khatian Type, Status of land, Name of owner etc due to which the system would not be able to generate accurate MIS reports or queries from the database.

3.5.9.3 Lack of validation control led to duplicate records in the database

As per Rule 61 of The Tripura Land Revenue and Land Reforms Rules, 1961, a separate number (hereinafter called the plot number) shall be allotted to every plot i.e. a piece of land within one periphery which is possessed by one person or a set of persons jointly, which is held under one title and which consists of one class of land.

During analysis of the databases of 15 out of 19 Revenue Circles, it was seen that:

- (a) 113 Khatian numbers were entered twice under the same mouja,
- (b) 23,026 plot numbers were entered 2-26 times under different Khatians of the same mouja,

- (c) 70 occupiers' names were entered 2-4 times under the same plot number of same Khatian and same mouja and
- (d) 111 possessors' names were entered 2-12 times under the same Khatian and same mouja. Revenue Circle-wise details of duplicate records are shown in **Appendix 3.11**.

These errors occurred due to lack of appropriate check/ validation controls at the time of creation of tables.

The Department stated (September 2007) that the matter is to be looked after by the NIC

3.5.9.4 Lack of validation controls led to incomplete data

As per Rule 53(1) of Tripura Land Revenue and Land Reforms Rules, 1961, the record of rights shall consist of a statement in Form-7 referred to as Khatian, in the prescribed format.

Analysis of the databases of 15 Revenue Circles revealed that data entries pertaining to mandatory fields of Khatian such as type of Khatian, Act under which the land (plot) was allotted to the possessor(s), status of possessor(s), North Plot number, Possessor of North Plot, possessor's last name, possessor's Father/Husband's name, possessor(s) address, caste were not being done in many cases (**Appendix 3.12**), although the fields were available in the software.

This was due to lack of appropriate validation controls at the time of creation of the tables. Any analysis and generation of reports based on incomplete database is likely to generate incomplete information. Thus, non-capturing of data in crucial fields made the database incomplete and unreliable.

3.5.9.5 Incorrect updations due to programme error

When a part of the land owned by an individual is sold to other person, a new record should be created with new Khatian number exhibiting the area of land purchased. The area of land in original Khatian should be reduced by the area of land sold accordingly.

It was observed that when a piece of land is sold, a new record was being created with the area of land purchased but the system was not reducing the area from the original piece of land correctly which is a serious deficiency in the software. Mouja-wise illustrative examples are given below.

Table No. 3.5.1

Sl. No.	Mouja name	No. of Khatian		No. of Khatian increase/decrease (d-c)	Total area of land (in acres)		
		December 2006	March 2007		December 2006	March 2007	Area increase (g-f)
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>	<i>h</i>
Udaipur Revenue Circle							
1	Rajarbagh	3278	3308	30	523.32	528.64	5.32
2	Jamjuri	984	993	9	135.98	164.58	28.60
Teliamura Revenue Circle							
1	Teliamura	3446	3589	143	1809.66	1946.43	136.77
2	Moharcherra	2465	2482	17	2196.50	2199.92	3.42
Jirania Revenue Circle							
1	Bankim Nagar	2867	2897	30	1945.56	1985.49	39.93
2	Purba Debendranagar	1837	1841	4	3749.79	3796.45	46.66

The above table shows that in all the cases (revenue moujas) the total area of the land also increased with the increase in the number of Khatians. Had the area in the original Khatian been reduced proportionately, these anomalous situations would not have arisen. The Senior System Analyst of NIC stated (July 2007) that this happened due to misuse of 'EDIT MODE' provided in the front-end for making certain corrections.

3.5.9.6 No facility to view the history of ownership

The Revenue Department alone is authorised to certify (to a court or any other agency) the Record of Rights in respect of land. In the manual system, the records being permanent, the history of ownership of any piece of land was not lost in the process of updating. However, in the computerised environment, the history of the ownership of any land is available in the log files, but no facility had been provided in the software to retrieve the earlier ownerships of land. The absence of this essential facility, available in the manual system, reflects a serious deficiency in the application.

The Department stated (September 2007) that it would consult NIC for providing the facility in the software.

3.5.9.7 No facility to view the existing Khatian details on mutation screen

With the implementation of the computerised system in the Revenue Circles, the issue of manually written ROR was totally stopped. The mutation DATA ENTRY screen does not have the option to view the original Khatian, which could reduce the processing time and possibility of entering incorrect data.

3.5.10 Security

3.5.10.1 Physical access controls

Physical access controls are specifically aimed at ensuring that only the persons authorised by management have physical access to computer systems especially in the server room. No record was maintained, except in Bishalgarh Revenue Circle, of the persons having access to the server room.

The Department stated (September 2007) that installation had been issued to Revenue Circles to maintain the records.

3.5.10.2 Logical access controls

Logical access controls are aimed at protecting computer resources (data, programmes and terminals) against unauthorised access attempts. It was observed that the software provides role-based password for restricting unauthorised users. Bio-metric device was being used for approval of mutation cases. The Department did not have adequate password policy for maintaining IT security which is evident from the following shortcomings:

(i) Shortcomings attributable to User (Land Revenue) Department

- No password had been provided in the CLR Database.
- More than one Administrative user was created in some Revenue Circles.
- In most of the cases, designation in abbreviated form was used as User ID. Details of the user such as, user name, address, phone number, etc had not been entered against the User ID due to which the authorities may not be able to identify the user of any particular entry in case required.
- Default password given at the time of installation of the software was being used in most of the Revenue Circles till date. Even the Administrator password had not been changed. As such the possibility of unauthorised persons becoming aware of the password was high.

(ii) Shortcomings attributable to software developer (NIC)

- No facility was provided in the application software for changing/updating the password by users themselves.
- Passwords were not encrypted (violation of primary criteria of logical access control).

3.5.11 System Design

On scrutiny of database design, it was noticed that the basic characteristics were not defined carefully at the time of creation of tables to establish and enforce data integrity and reduce redundancy and also to enable faster searches in the database. The following characteristics were not taken into account while designing the database:

(i) Entity inter-relationship

The SQL Server used in CLR project is a Relational Database model. The data should be stored in the form of inter-related tables, which would automatically reduce the redundancy of data as well as the storage space. It was found that no such relationship had been created among the Master tables and the Transactions tables, which had led to many discrepancies in the database (illustration is given in **Appendix 3.13**).

(ii) Data-Type

Some fields like owner code, mouja code etc were specified as character and not as numeric, which may slow down the searches in the database and generation of reports. The Department stated (September 2007) that the matter had been discussed with the NIC for further modification.

3.5.12 Irregularities in CLR database**3.5.12.1 Total area of land-difference between manual records and database**

Analysis of the databases of six Revenue Circles⁴² showed that mouja-wise total area of land available in manual records did not tally with Khatian-wise total area of land and plot-wise total area of land available in the databases as detailed below:

Table No. 3.5.2*(in acres)*

Revenue Circles	Area of land as per manual records	Land area as per database		Difference between manual and database (Khatian-wise) (b-c)	Difference between manual and database (Plot-wise) (b-d)
		Khatian-wise	Plot-wise		
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
Khowai	87,250.891	88,458.696	86,687.970	-1,207.805	+562.921
Teliamura	100,917.825	102,549.083	102,216.049	-1,631.258	-1,298.224
Mohanpur	91,352.090	534,848.828	93,325.976	-443,496.738	-1,973.886
Bishalgarh	89,537.792	449,425.180	90,883.015	-359,887.388	-1,345.223
Melaghar	49,913.890	529,408.526	50,702.962	-479,494.636	-789.072
Sonamura	67,863.138	190,254.658	69,554.234	-122,391.520	-1,691.096
Total	486,835.626	1,894,944.971	493,370.206	-1,408,109.345	-6,534.58

These differences needed to be reconciled for correct record of land.

3.5.13 Mutation orders not stored in computers

Mutation orders are required to be stored in the computer for providing evidence in case of land dispute in future. For this purpose scanners have been provided to all Revenue Circles. During audit of 7 Revenue Circles, it was seen that the mutation orders were not being stored (scanned) regularly in the computer. In Jirania and Sonamura Revenue Circles, the scanning of mutation orders was not being done at all. In Teliamura, Mohanpur and Melaghar Revenue Circles, scanning of mutation orders was not done for 3, 4 and 6 months respectively.

It was also observed that the scanned images of the mutation orders were being saved in the hard disk of client machine instead of in the server database and there was no provision in the software to browse the mutation orders stored in the system. Due to non storing of scanned mutation orders in the server the back-ups of the scanned mutation orders were left out of the database backup.

⁴² Bishalgarh, Melaghar, Mohanpur, Sonamura, Teliamura and Khowai

The Department stated (September 2007) that the software had been modified and would be implemented.

3.5.14 Irregular issuance of notices and pendency of mutation cases

For new mutation cases the notice has to be issued through the system so that the application date can be stored in the system to monitor the settlement of mutation cases. Despite Government instructions to issue computerised notices for new mutation cases, the Revenue Circles were not issuing computerised notices regularly. Jirania Revenue Circle had not yet started issuing computerised notices. There was no provision in the software to capture the actual date of application and the reasons for pendency. The Department agreed (September 2007) to adopt the provision.

3.5.15 Non-existence of MIS report module

Initially there was no provision/report module in the software to generate MIS reports. Despite a decision by the Department (August 2005) for incorporating such provision to generate 29 queries/reports, NIC had not modified the software accordingly. Even if it is done, the following seven out of 29 reports would not be accurate due to null values in the mandatory fields/columns e.g Khatian Type, Class of land, status of land, caste of owner etc in important tables.

Table No. 3.5.3

Sl. No.	Reports/Queries
1.	Total area under tribal ownership/ ownership based evaluation
2.	Total area under rubber plantation/based on a particular crop
3	Retrieved scanned documents against a particular mutation case
4	Land class based plot evaluation
5	Revenue Status (Collection of revenue)
6	Total Rayati Land Holding
7	Violation of allotment Rules u/s 14(1),14(2),187

Further, the generation of the following reports would not possible at all as the relevant fields/columns based on which report would be generated, were absent.

- Total ADC/ Non ADC lands
- Total number of RoRs printed during a period
- Khatians against which legal proceedings are on

The Department stated (September 2007) that generation of required MIS report in conformity with the data available in the database would be adopted shortly.

3.5.16 Other points of interest

3.5.16.1 Non-revision of input sheet as per requirement of the computerised system

Mutation cases are done mainly in two ways. One is full transfer i.e. transfer of the ownership of any particular Khatian, and the other by opening a new

Khatian in case of transfer of a part of the land from existing Khatian. For this purpose, the data entry operator has to know whether it is a full transfer or part transfer case.

In 7 Revenue Circles, it was seen that the format of order sheet (input sheet) in mutation cases was the same as used before computerisation, and there was no provision for mentioning whether it was full or part transfer case. As a result, sometimes this information was not being recorded in the order sheet by the RI/DCM. Due to this, the chances of creation of new Khatian instead of transferring the ownership were high.

The Department stated (September 2007) that the input sheet would be designed as per requirement of the computerised system.

3.5.16.2 Non-utilisation of computers, generators and other peripherals valued Rs. 1.14 crore

Government of India released Rs. 6.10 crore for Computerisation of Land Records of the State. Of this, Rs. 2.87 crore was spent for purchase of server, computers, printers, UPS, generators etc while Rs. 2 crore was spent on creation of infrastructure, data entry works etc leaving an unspent balance of Rs. 1.23 crore (March 2007).

Scrutiny of the records of the Director of Land Records and Settlement, revealed that computers, servers and other peripherals worth Rs. 112.50 lakh⁴³ had not yet been put to use for the purpose for which they were purchased. During discussion, the Department stated that the un-utilised computers (Pentium-I) were not compatible with the latest version of software (August 2004). It was also noticed that 24 generators purchased at a cost of Rs. 13.14 lakh were provided to 24 Revenue Circles for supplying power to UPS, but the generators valuing Rs. 1.70 lakh were not being used in Jirania, Mohanpur, Melaghar, Sonamura and Teliamura Revenue Circles due to non availability of operator.

Thus, due to non-utilisation of the computers, generators and other peripherals expenditure of Rs. 114.20 lakh remained idle.

The Department stated (September 2007) that steps would be taken to replace the 50 computers out of funds (Rs. 118.70 lakh) provided (January 2007) by the GOI for Computerisation of Land Records.

3.5.16.3 Under-utilisation of Touch Screen Kiosks

The Department decided to install touch screen kiosks in each Revenue Circle for people to view Khatian/ RoR of their choice and incurred an expenditure of Rs. 24.87 lakh for this purpose. However, in Bishalgarh, Jirania, Mohanpur, Melaghar, Sonamura, and Teliamura, most of the kiosks were lying idle due to ignorance of the users (public) or lack of connectivity with the software. The DCMs of the Revenue Circles stated that the number of average users was not

⁴³ Server- 6 nos., Computer-80 nos., Printer-80 Nos., UPS-18 Nos., Modem- 15 nos.

even 50 per month, which may partly be due to inadequate publicity and partly due to the fact that the kiosks provided only details of Khatians available in the system which is of limited use. As has been pointed out in the preceding paragraphs, the database was not accurate, complete and reliable and so the successful use of the kiosks was doubtful.

The Department stated (September 2007) that awareness programme/campaign would be organized.

3.5.17 Complete switch over to Computerised System before stabilisation

Before complete switch over to the computerised system completeness, accuracy and reliability of data as well as IT security should be ensured. As detailed in the preceding paragraphs, the data was incomplete, inaccurate and unreliable and IT security concerns had not been addressed. Complete switch over to the computerised system, before stabilisation of the database and the system and the resultant problems may hamper the scheme objective of reducing the litigation and social conflicts associated with land disputes.

The Department stated (September 2007) that steps would be taken for further checking of the computerised RORs.

3.5.18 Lack of Monitoring System

A proper monitoring system is required for better and effective implementation of any IT system. The CLR scheme, started in 1991, was still under implementation and had not been completed even in the pilot district of North Tripura (August 2007). The Department did not fix any targets or milestones to complete the scheme. The data entry (started in 1993) and the data validation were still going on (August 2007). This clearly indicated lack of effective monitoring and control by the Department.

The Department stated (September 2007) that the reasons for delay in implementation of CLR scheme were (i) initial data entry started in DOS environment which was very slow; (ii) revisional survey in various moujas were not complete; and (iii) changing of software from DOS to Windows platform. But the Department did not indicate the action taken to put in place an effective monitoring system.

3.5.19 Conclusion

More than 15 years after its commencement and after expenditure of Rs.4.87 crore (March 2007), the scheme was yet to reach a functional stage where the intended benefits of computerisation could be made available to the general public or even the Department. A host of factors like defective planning, inadequate monitoring and control, and deficiencies in the software design contributed to the tardy implementations.

3.5.20 Recommendations

- The Application package needs to be improved by incorporating necessary input and processing controls.

- The Department may adopt an appropriate password policy, back-up and disaster recovery plan and establish appropriate security environment.
- A comprehensive user manual detailing duties and responsibilities of the System Administrator, Database Administrator and Data Entry Operator should be prepared.
- Time bound programme for completion of the Project, with appropriate monitoring system and accountability should be established.