

CHAPTER IV: AUDIT OF TRANSACTIONS (CIVIL DEPARTMENTS)

AGRICULTURE DEPARTMENT

4.1 Irregular drawal of funds

Drawal of Rs. 21.10 lakh by the EE certifying completion of work not done was irregular.

Scrutiny (September 2007) of records of the Executive Engineer (EE), (Agriculture), Ganganagar, Dharmanagar, North Tripura District revealed that a work order was issued (7 March 2007) to a contractor¹ for the construction of an office building² for the Superintendent of Agriculture at Panisagar at a tendered value of Rs. 18.67 lakh. The work was stipulated to be completed within 6 months from the date of handing over the site. The EE had drawn (19 March 2007) Rs. 18.70 lakh as secured advance after certifying in the Measurement Book (MB) that the work was done (in 12 days) as per the specification and that, detailed measurement could not be taken due to shortage of time. Subsequently, Rs. 2.40 lakh was drawn by the EE (March 2007) for preparation of design and estimates (Rs. 0.39 lakh), internal electrification (Rs. 2 lakh) and purchase of stationery articles (Rs. 0.01 lakh). The entire funds of Rs. 21.10 lakh were kept in a non-interest bearing CD account of the EE from the dates of their drawal.

The site was handed over to the contractor on 8 March 2007. But the work commenced only in July 2008 i.e. after a delay of 16 months from the date of issue of work order and handing over the site.

The EE stated (June 2008) that the amount was drawn to avoid lapse of budget grant and attributed (June 2008) the delay in starting the work to development of site. The reply is not acceptable as drawal of money from the treasury in anticipation of demand or to prevent the lapse of budget grant is not permissible as per the Central Treasury Rules.

Thus, drawal of Rs. 21.10 lakh by the EE by certifying completion of work actually not done and retention of the funds outside Government account was irregular.

The matter was reported to the Government in August 2008; reply had not been received (September 2008).

¹ Shri Pradip Chakraborty.

² Administrative approval for Rs. 27.59 lakh and expenditure sanction for Rs. 21.10 lakh were accorded by the Department in March 2007.

4.2 Irregular drawal of funds

The Executive Engineer, Agriculture Department, Ganganagar, Dharmanagar drew Rs. 1.74 crore through fully vouched contingent (FVC) bills for meeting future liabilities, in contravention of financial rules.

Central Treasury Rules authorise the Head of Office to incur contingent charges through fully vouched contingent (FVC) bills, subject to general limitations that all charges actually incurred should only be drawn and paid at once and no money should be drawn from the treasury unless it is required for immediate disbursement. Drawal of money from the treasury in anticipation of demand or to prevent the lapse of budget grant is not permissible.

Scrutiny (September 2007) of records of the EE, Agriculture Department, Ganganagar, Dharmanagar, revealed that Rs. 1.74 crore was drawn between March 2004 and August 2007 relating to different schemes / projects through 61 FVC bills, without the charges having been actually incurred, violating the basic requirement for drawal of such bills. The amounts were credited to the DDO's interest free CD Bank account, and disbursements were made upto 50 months after their drawal. As of 31 May 2008, Rs. 32.36 lakh remained undisbursed, even after the lapse of nine to 50 months due to non-supply / part supply of materials or non-execution / part execution of works.

Further, FVC bills were drawn after recording that the materials had been received / work done. Though a separate register was maintained to watch the adjustment of the money drawn in FVC bills, separate stock register or asset registers were not maintained by the EE for recording the details of supply made / works done / assets created.

The drawal of Rs. 1.74 crore without immediate requirement of funds had the following consequences:

- The amount drawn in FVC bills was exhibited as final expenditure in the respective years of the drawal, depicting incorrect and inflated expenditure of schemes/projects having serious implication for legislative accountability.
- Premature withdrawal of funds from Government account and parking in interest free CD account outside the Government account resulted in loss of interest of at least Rs.7.07 lakh to Government.
- The practice of transferring funds to bank account under the control of individual DDOs using the mechanism of FVC bills and incurring expenditure subsequently over prolonged period of time not only dilutes the expenditure control at appropriate levels but is also fraught with the risk of malpractice, including misappropriation, as no records existed to control the subsequent expenditure.

The EE stated (June 2008) that funds were drawn only to avoid lapse of grant under schemes / projects. Drawal of money to avoid lapse of grants or to meet future requirement is not permissible.

The matter was reported to the Government in August 2008; reply had not been received (September 2008).

EDUCATION (SCHOOL) DEPARTMENT

4.3 Extra liability due to deviation from approved project

Non-adherence to sanction, non-submission of required information to GOI in time and entering into a contract without approval resulted in extra burden on State Exchequer due to lapse of Central assistance of Rs. 1.25 crore apart from committed liability of Rs. 4.29 crore with uncertainty on receipt of further funds for discharging the liability.

The GOI approved (February 2002) a project for Rs. 3.35 crore for imparting computer education in 50 schools under modified Computer Literacy and Studies in School (CLASS), a Centrally Sponsored Scheme (CSS) launched during 2001-02 (Centre: 75; State: 25). The project allocated a provision of Rs. 6.70 lakh per school.

An amount of Rs. 1.25 crore being the first installment (50 *per cent* of Central share of Rs. 2.50 crore) was released (February 2002) by the GOI. The conditions for releasing the 2nd installment were, *inter alia*, that the utilisation certificate (UC) and intimation on release of State's share towards the first installment³ would be sent to the GOI by June 2002. The utilisation period was subsequently extended (September 2003) by the GOI up to March 2004.

Scrutiny (February – March 2008) of records of the Director, State Council of Educational Research and Training (SCERT), Agartala revealed that the task of selecting the agency for implementation of the project, was entrusted (August 2002) to the Information and Technology (I&T) Department. The I&T Department deviated from the scope of the approved project and invited tenders (January 2003) for the work, including additional components like teaching computer science from class VI to XII, maintenance and other expenses.

Education (School) Department, after Supply Advisory Board's (SAB) approval of the rates, without GOI's approval and concurrence of the State Government, executed (June 2004) a five year agreement with a Delhi based firm⁴ at Rs.7.39 crore for the same 50 schools i.e. @ Rs.14.78 lakh per school in place of the approved unit cost of Rs. 6.70 lakh per school. The GOI did not release the second installment since the requisite UC and other information were not sent to them within the financial year 2004-05. GOI discontinued the

³ Rs.41.88 lakh (50% of 25% of Rs. 3.35 crore).

⁴ Educomp Datamatics Limited (renamed later as Educomp Solutions Limited).

scheme from 2005-06 and introduced a new Information and Communication Technology (ICT) scheme.

As of August 2008, the Department paid (November 2004 to October 2007) Rs. 3.10 crore to the firm utilising Rs. 1.15 crore of the Central assistance and Rs. 42 lakh of State share released in December 2004; the balance (Rs. 1.53 crore) was met from the State plan (August 2007) on the condition that all the 50 schools should, from the year 2007-08 onwards, be included in the new ICT scheme. However, the GOI did not agree to include these 50 schools under the ICT scheme. Thus, further financing to discharge the balance liability of Rs. 4.29 crore to be paid to the firm upto 2009-10 with availability of only Rs. 15 lakh (Rs. 10 lakh of Central assistance retained by the Department and Rs. 5 lakh earned as interest thereon) remained uncertain. The physical progress achieved so far was not assessed / made available to Audit despite request (September 2008).

Thus, deviation from the approved project without the GOI's approval and concurrence of the State Government, non-release of the State's matching share and non-submission of the requisite information to the GOI in time led to lapse of the Central assistance of Rs. 1.25 crore. Besides, a committed liability of Rs. 4.29 crore was created with uncertainty regarding the means of discharging it. Considering that the Department could not give the details of the progress of the project to Audit, it is doubtful if the envisaged benefits were realised.

The matter was reported to the Government in August 2008; reply had not been received (September 2008).

HEALTH AND FAMILY WELFARE DEPARTMENT

4.4 Non-utilisation of Central assistance

Inadequate planning led to non-utilisation of Central assistance and failure to establish the Government Ayurvedic drugs manufacturing unit and strengthening of Psychiatry Department at Agartala Government Medical College.

(a) For setting up an Ayurvedic drugs manufacturing unit, the GOI sanctioned (November 2003) and released rupees one crore⁵ in two installments⁶ to the State under the Centrally Sponsored Scheme 'Quality Control of Ayurveda, Siddha, Unani and Homeopathy (ASU&H) drugs'. As per the sanction orders of the GOI, the State Government was to submit utilisation certificate within six months (i.e. May 2004) and report the progress of work twice a year. However, no timeframe was fixed for setting up the unit.

Scrutiny (October – November 2004) of records of the State Ayurvedic Hospital, Agartala and subsequent examination (June 2008) revealed that

⁵ Building: Rs. 35 lakh and Machinery/equipment: Rs.65 lakh.

⁶ November 2003: Rs. 35 lakh and January 2004: Rs. 65 lakh.

instead of setting up the unit at the existing State Ayurvedic Hospital at Agartala as originally envisaged, it was decided to construct the building at a new site at Gokulnagar (land acquired in August 2004) at an estimated cost of Rs 83.30 lakh. The State Government released Rs 35 lakh out of the central funds to the Director of Health Services (DHS) in April 2005. Subsequently, the DHS paid (June 2005) Rs 35 lakh to the Tripura Housing Board (THB) for executing the work. Since the change of location resulted in escalation of cost, the project became unviable and THB refunded (October 2006) Rs 33.43 lakh to the DHS (after deducting consultancy charge of Rs 1.48 lakh and bank commission of Rs. 0.09 lakh). As of July 2008, the amount of Rs 33.43 lakh was lying in a CD account of the DHS and the balance Rs. 65 lakh was not released by the State Government and no utilisation certificate / report on progress of the work was furnished to the GOI.

Thus, inadequate planning led to non-utilisation of Central assistance for over four years and failure in establishing the Government Ayurvedic drugs manufacturing unit.

The DHS stated (July 2008) that the State Government had subsequently decided (January 2007) to set up the manufacturing unit at a revised cost of rupees two crore. However, despite the lapse of 17 months (July 2008), there is no further action in this regard.

(b) For strengthening the Psychiatry department in Agartala Government Medical College (AGMC), the GOI released (February 2007) Rs 50 lakh⁷ under the National Mental Health Programme. The sanction order *inter alia* stipulated that (a) the work should be completed within 12 months, (b) the funds should be kept in a separate bank account to be operated at least by two officials, (c) the funds should not be diverted for any other purpose, and (d) entire funds should be refunded to the GOI if the work is not executed / completed.

Scrutiny (June 2008) of records of the Medical Superintendent (MS), Govind Bhallav Pant (GBP) Hospital and AGMC revealed that the central funds were deposited in the existing joint account held by the Principal, AGMC and MS, GBP Hospital at UTI bank (now Axis Bank) in March 2007. In the original plan, the project was to be located in the old GBP Hospital building. Subsequently, the State Government decided to shift it to another location (modified Super Speciality Block). In the meantime, in violation of the terms and conditions of the sanction, Rs 37.16 lakh from the funds was utilised to meet expenses on celebration of 3rd Foundation day, interviews and visits of Medical Council of India team. These expenses were only partially recouped periodically and as of June 2008, Rs 18.06 lakh remained to be recouped. Such violations led to a crisis, as at the time of deciding to place funds with PWD in March 2008, sufficient funds were not available. Eventually, the funds were handed over (Rs 32.62 lakh) to PWD only in July 2008.

The MS of GBP Hospital and AGMC stated (August 2008) that Rs 32.62 lakh had been placed (July 2008) with the State PWD for the civil works, and rates

⁷ Civil work: (Rs.40.90 lakh); Repair of existing building: (Rs.2.66 lakh); Furniture: (Rs.3.44 lakh) and Equipment: (Rs.3.00 lakh).

and firms had been finalised for procurement of furniture and equipment. The fact remains that the work of strengthening the Psychiatry Department had not started as of July 2008 despite the lapse of a year and a half from the release of funds.

The matter was reported to the Government in August 2008; reply had not been received (September 2008).

4.5 Un-authorised diversion of funds

Funds amounting to Rs 1.33 crore received for establishing the “Department of Endocrinology - Diabetes - Metabolic diseases” by up-grading the existing Diabetes Research Centre at GBP Hospital was utilised for unauthorised purposes.

Based on a proposal (January 2003) of the Government of Tripura (GOT) to establish “a separate Department of Endocrinology - Diabetes - Metabolic diseases” by expanding two more storeys of the existing Diabetes Research Centre at Govind Bhallav Pant (GBP) Hospital, Agartala the North Eastern Council (NEC) approved (March 2003) a project for Rs 1.47 crore⁸ and released Rs 1.33 crore⁹ during March 2003 to August 2006.

Scrutiny (November 2007 and June 2008) of records of the Medical Superintendent, GBP Hospital revealed that the entire amount of Rs 1.33 crore was spent (March 2003 to March 2007) on procurement of machinery and equipment which was not as per the approved project and also was unrelated with the objective of the project (except one item worth Rs 1.02 lakh). The machinery / equipment procured was distributed to various departments and units of the GBP Hospital. Though, no building was constructed, utilisation certificate for the entire amount was furnished to the NEC (July 2007) stating that the funds had been utilised for the purpose for which they were sanctioned.

The Medical Superintendent, GBP Hospital stated (July 2008) that Diabetes Research Centre was functioning as a part of the department of Medicine of the GBP Hospital. The reply is not tenable, as the Department did not obtain approval of the NEC for diverting the funds for purposes other than for which they were sanctioned and no building has been constructed.

Thus, funds amounting to Rs. 1.33 crore received for establishing the “Department of Endocrinology - Diabetes - Metabolic diseases” by up-grading the existing Diabetes Research Centre at GBP Hospital was fully utilised for unauthorised purposes resulting in the Department not being established and the building not being constructed.

⁸ Civil Works(Rs. 36.17 lakh); Machinery and equipment (Rs. 96.47 lakh); Furniture and linen(Rs. 6.93 lakh); Air Conditioning(Rs. 1.80 lakh); Vehicle(Rs. 3.00 lakh) and Books and Journals(Rs. 3.00 lakh).

⁹ Rs. 25 lakh on 10.3.03; Rs. 20 lakh on 18.11.03; Rs. 20 lakh on 3.1.05; Rs. 18 lakh on 3.1.05 and Rs. 50 lakh on 11.8.06.

The matter was reported to the Government in August 2008; reply had not been received (September 2008).

4.6 Working of the Regional Food Laboratory at Agartala

The Regional Food Laboratory at Agartala was non-functional and had major systemic inadequacies which posed a serious threat to public health.

The Director of Family Welfare and Preventive Medicine established a Regional Food Laboratory (Laboratory) at Agartala in August 1990. Scrutiny of records relating to the working of the Laboratory during the period 2003-08 revealed that it was non-functional since June 2006 due to shifting to new premises and retirement of the Public Analyst (January 2007). The Department had not filled up the vacant post as of August 2008. Further, scrutiny of the functioning of the laboratory revealed the following.

- The test reports were issued after delays ranging from one to 26 days in two to 12 *per cent* of cases¹⁰ during the period from 2003-04 to 2005-06 beyond the maximum permissible time of 40 days, which defeated the very purpose for which the Laboratory was set up. No corrective action was taken by the Department.
- Though testing facilities for aflatoxine, pesticides and insecticides residue etc. did not exist in the Laboratory, a certificate indicating that the food samples (in case of imported food items received from the Customs) conformed to the standards were being issued, thereby risking exposure of the consumers to the toxic materials.
- Prescribed fees were to be realised from the Customs authorities by the Laboratory for issue of test certificates. The requisite fees however, had not been realised by the Laboratory in any case during August 2002 to May 2006 resulting in loss of Rs. 42.61 lakh¹¹.
- Out of machinery and equipment valuing Rs. 78.22 lakh received (January 2005 to April 2007) under the World Bank assisted capacity building project, equipment worth Rs. 73.27 lakh remained idle since their date of receipt, due to lack of requisite training to the technicians for operation of these equipment on account of non-availability of training facilities in the State.
- The poor state of functioning of the Laboratory poses a serious threat to public health in the State, especially in view of the import of food items from the neighbouring developing countries. A technical audit report (April 2005) of the Directorate General of Health Services, GOI had

¹⁰ 2003-04 (84 cases); 2004-05 (21 cases); 2005-06 (89 cases).

¹¹ 7 samples received up to August 2002 @ Rs.1000 per sample and 1418 samples received thereafter @ Rs.3000 per sample as revised with effect from 27.8.2002.

expressed concern over the possibility of adulteration being passed undetected owing to poor knowledge of the technicians/chemists and lack of infrastructure in the Laboratory. The report recommended immediate intervention for its overall improvement but no effective action was taken by the Department leaving the public vulnerable to toxic health hazards.

Government stated (September 2008) that recruitment of Public Analyst was under process and that a system of monitoring the performance of the Laboratory every month had been introduced to prevent recurrence of delay. It was further stated that disciplinary proceedings had been initiated against the then Public Analyst for issue of false certificates and arrangements had been made for training of the technical persons.

INFORMATION, CULTURAL AFFAIRS AND TOURISM DEPARTMENT

4.7 Non-utilisation of Central assistance

Deficiencies in planning, coordination, monitoring and control led to non-implementation of tourism projects even after three years of receipt of funds (Rs. 5.69 crore) from the GOI.

On the basis of proposals (August 2004) of the Information, Cultural Affairs and Tourism (ICAT) Department, GOI sanctioned (April and May 2005) Rs. 7.11 crore and released (May 2005) 80 *per cent* of the amount (Rs.5.69 crore) for 18 projects under two schemes *viz.* Integrated Development (ID) of West/ North Tripura Circuit and Destination Development (DD) at Agartala (**Appendix-4.1**).

Scrutiny (July 2007) of records of the Director, ICAT revealed that the proposals had been made without due regard to their feasibility and the capacity of the implementing agencies. The Director released Rs. 4.23 crore to the implementing agencies between June 2006 and January 2008 and diverted (May 2006) Rs. 11 lakh¹² towards preparation of project report for DD at Agartala. The balance Rs. 1.35 crore was lying (May 2008) in his savings bank account. As of March 2008, none of the projects had been completed although the funds were released, subject to utilisation within 18 months.

Funds from three out of the nine projects under ID (**Appendix-4.1**) were proposed (November 2007) for diversion to another project (Tourist Lodge at Khumulwng), as the fund sanctioned (Rs. 12 lakh) by the GOI for that project was less than the anticipated requirement (Rs. 65.07 lakh). There was a two years' delay in starting the works of tourist lodges at Khumulwng, Kamalpur and Manu (February-May 2007) after receipt of funds. Out of nine projects under the DD, only two projects¹³ were partially completed (September 2007). Non-completion of the other projects was due to the delay in selection of

¹² Paid to the Indian Tourism Development Corporation (ITDC), New Delhi, a GOI undertaking, as consultancy charges

¹³ Illumination of MBB Tilla: (Rs. 10 lakh) and Sulabh Toilets at Agartala (Rs. 70 lakh) in three places out of nine.

agency, preparation of estimates, finalisation of tender and selection of site, etc.

The Department did not furnish the quarterly progress of works and utilisation certificates to the GOI, nor did it surrender the funds remaining unutilised for more than six months, as per the terms and conditions of the sanction. The Department also did not obtain regular reports of financial/physical progress from the executing agencies and hence there was very little monitoring.

The Director kept the funds in his savings account with the SBI and UTI Bank, outside the cash balances of the State Government with the RBI. This resulted in loss of interest of Rs. 26.11 lakh¹⁴ (upto 31 March 2008) due to difference in the rates of interest on savings bank deposits and on investment of funds of the State Government by the RBI. This is significant as the escalation in the project cost due to delays was admitted to be a State Government liability.

Thus, deficiencies in planning, coordination, monitoring and control led to non-implementation of tourism projects even after three years of receipt of funds (Rs. 5.69 crore) from the GOI while poor financial management led to loss of Rs. 26.11 lakh to the State Government.

Government stated (August 2008) that project works could not be taken up in time as Government agencies were heavily loaded with their own assignments and there was a dearth of reputed executing agencies in the State. It was further stated that one project (beautification of Benuban Bihar) had been completed and all possible efforts for early completion of the projects had been taken and a system was being developed for proper monitoring and coordination.

INFORMATION, CULTURAL AFFAIRS AND TOURISM DEPARTMENT AND AGRICULTURE DEPARTMENT

4.8 Unfruitful expenditure

Lack of effective action on the part of the Department to get the job completed either through the contractor or through the local panchayat resulted in unfruitful expenditure of Rs. 32.97 lakh. Besides, the objectives of the project were also not achieved.

GOI sanctioned (December 1999) 'Setting up of tourist resort on the bank of Khowra Lake with water sports facilities at Kailashahar, North Tripura' at a total cost of Rs.1.35 crore¹⁵ (Central share: Rs. 95 lakh and State's share: Rs. 40 lakh) and released Rs. 38.50 lakh (Rs. 28.50 lakh in December 1999 and Rs. 10 lakh in January 2002). The Information, Cultural Affairs and Tourism (ICAT) Department, accorded (December 2000) administrative approval for Rs. 57.50 lakh and released (February 2001 to March 2002)

¹⁴ Calculated taking the rate of interest on (a) savings bank deposit @ 3.5 per cent per annum and (b) on investment of funds of the State Government by the RBI @ 6 per cent per annum.

¹⁵ Containing 96 items.

Rs. 33 lakh¹⁶ to the EE, Agriculture Department, Ganganagar, Dharmanagar for executing the project.

Scrutiny (September 2007) of records of the EE revealed that a work order was issued (January 2001) to a contractor for Rs.56.52 lakh with a stipulation to complete the work within 12 months. The work started in January 2001 was stopped in April 2002, after completion of embankment and excavation of the lake (67 per cent) due to dispute between the contractor and the labourers and non-settlement of outstanding claims of the contractor for extra item of work¹⁷ by the Department. Subsequently, the Department decided (June 2002) to complete the balance work through the local Panchayat. However, despite the lapse of over four years, the Department is yet to take up the matter with the local panchayat.

Scrutiny further revealed that against actual utilisation of Rs. 32.97 lakh, the Department had furnished (March 2005) utilisation certificate for Rs.58.50 lakh to the GOI, against 70 per cent physical progress and on the strength of the factually incorrect utilisation certificate, requested the GOI to release the 2nd installment of Rs.37.50 lakh. The GOI did not release the 2nd installment, following a decision not to release further funds for those projects, which were sanctioned during 1998-99 but not completed within 31 March 2003. Thus, the expenditure of Rs. 32.97 lakh was incurred only for the limited purpose of embankment and excavation of the Khowra Lake, which also remained incomplete. The State Government was yet to take a decision on completion of the project from its own resources.

Thus, lack of effective action on the part of the Department to get the job done either through the contractor or through the local Panchayat resulted in unfruitful expenditure of Rs. 32.97 lakh. Besides, the objective of developing the lake resort was also not achieved even after the lapse of nine years since the approval of the project.

The matter was reported to the Government in August 2008; reply had not been received (September 2008).

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS) AND INDUSTRIES AND COMMERCE DEPARTMENT

4.9 Avoidable time and cost overrun

Poor planning and failure of the Departments to hand over clear site for the ITI building and hostel at Jatanbari led to avoidable time overrun of more than three years and cost overrun of at least Rs. 16 lakh.

The GOI approved (September 2002) Rs. 1.55 crore for strengthening the existing Industrial Training Institute (ITI) at Jatanbari. The EE, Amarpur Division issued (September 2003) the work order for the civil works,

¹⁶ Rs.10 lakh in February 2001; Rs. 13 lakh in March 2001 and Rs. 10 lakh in March 2002.

¹⁷ Bailing out water from the lake not included in the tender.

comprising a 50 bedded hostel building, an academic block and a workshop building, to a contractor (single tenderer) at a negotiated amount of Rs. 1.39 crore with the stipulation to complete the work within 18 months (by April 2005).

Scrutiny (December 2007) of records of the EE, revealed that the work could not be taken up, as the site was a reserved forest land. A new site was selected and handed over to the PWD in October 2004, after 13 months of the issue of the work order, and the contractor was requested (November 2004) to complete the work within the remaining five months. The contractor's demand (November 2004) for enhancement of rates of work to be done after the stipulated date of completion (i.e. April 2005) was not accepted (December 2004) by the Division and the contractor rescinded¹⁸ (April 2005) the work.

The PWD prepared (April 2005) revised estimates for Rs. 1.52 crore for the academic block and workshop building (based on TSR 2002) at the new site. After the proposal was approved (July 2005) by the GOI, the Industries and Commerce Department (ICD) declared the new site unsuitable and decided (October 2005) to revert back to the original site. Formal clearance from the Forest Department was received in December 2005 on payment of Rs.16.17 lakh, and the possession was taken in January 2006. The work order was issued (November 2005) to another contractor at a tendered value of Rs.97.46 lakh, for completion in 18 months. The work commenced in June 2006 and was completed in April 2008. The contractor was paid Rs.81.87 lakh (March 2008). For construction of the hostel building, work order was issued (March 2008) at a tendered value of Rs. 57.21 lakh for completion in nine months. The work commenced in March 2008 and was in progress (September 2008).

Director (ICD) stated (June 2008) that the delay in implementation of the project was due to delay in receipt of clearance from the Forest Department. Government stated (July 2008) that delay in handing over the clear site by the ICD was the main reason for delay in completion of the work.

Thus, poor planning and non-acquisition of a clear site led to avoidable time overrun of more than three years and cost overrun of at least Rs. 16 lakh in the project and consequent delay in the intended benefits of the project reaching the targeted beneficiaries. The funds released by the GOI (Rs. 38 lakh in September 2002 and Rs. 85 lakh in February 2007) remained idle for substantial periods due to lack of preparedness to execute the project.

¹⁸ The contractor has won (May 2007) an award of arbitration for Rs. 17.35 lakh, as damages; but the Department has filed objection before the District and Session Judge for review of the award. Further development is awaited (August 2008).

PUBLIC WORKS DEPARTMENT (ROADS AND BUILDINGS)

4.10 Idle and avoidable expenditure

Delay of more than four years in construction of a RCC bridge over river Gumti at Rangamati, led to expenditure of Rs. 88 lakh on the incomplete bridge remaining idle for more than two years.

The State Government approved (July 2000) Rs. 3.60 crore for construction of a RCC bridge¹⁹ over river Gumti at Rangamati to replace the existing Semi Permanent Timber (SPT) bridge to aid the rapid development and improvement of communication system in the insurgency prone tribal areas. The work order was issued (July 2001) by the EE, PWD, Amarpur Division to the lowest tenderer at Rs. 3.63 crore²⁰ for completion within 24 months.

Scrutiny (December 2007) of records of the EE revealed that there was a delay of 413 days in making a clear site available to the contractor. The work, scheduled to commence in August 2001, commenced in September 2002. Progress of work was very slow mainly due to delays in issuing steel to the contractor (30 to 357 days) and in payment of his bills (50 to 676 days). The contractor's demand (May 2004) for increased rates (cement, stone aggregate etc.) for works to be executed after the stipulated date of completion, was not acceded to (October 2004) by the Superintending Engineer (SE). Extensions were allowed to the contractor upto 31 December 2006 and the contract was rescinded (December 2006). Rupees 1.44 lakh being the earnest money and the security deposit was forfeited. As of December 2006, only 40 *per cent* of the sub-structure had been completed and the contractor was paid Rs.88 lakh²¹ (upto March 2006) against the work done for Rs. 95.52 lakh. Though tenders for the balance work (estimated cost: Rs. 2.08 crore) were invited in April 2007, tenders, received on fourth call (March 2008), were under process even after the lapse of 19 months from the date of rescission. Further development was awaited (July 2008).

Thus, delays in handing over the site, supply of steel and payments coupled with weak monitoring of the work and delayed action against the contractor for slow work for more than four years resulted in idle expenditure of Rs. 88 lakh on the incomplete bridge. The objective of aiding the development and improving the communication system in the insurgency prone area remained unachieved.

Government stated (July 2008) that delay in construction of the RCC bridge was unintentional. The reply is not tenable as the Department had failed to provide clear site in time to start the work and there was also delays in supplying steel at initial stage.

¹⁹ Name of work: Central Assistance programme for State roads of Inter-State or Economic Importance Scheme (EI) in the 9th Five Years Plan / Construction of RCC bridge over river Gumti at Rangamati, Khowai – Teliamura – Amarpur Road.

²⁰ Estimated cost: Rs.2.79 crore based on TSR 1998.

²¹ Rs. 76 lakh upto 5th RA bill + Rs. 12 lakh (part payment of 6th RA bills).

4.11 Undue financial benefit to the contractor

Irregular grant of interest free mobilisation advance to the contractor for construction of Agartala Government Medical College resulted in undue financial benefit of rupees nine crore to the contractor and loss of interest of Rs. 1.58 crore to the Government.

The CPWD Manual and the general conditions of contract for works in CPWD adopted by the State Government, provide for mobilisation advance to the contractors up to a maximum of rupees one crore on 10 *per cent* simple interest. The mode of granting the advance, safeguards and procedure for recovery have to be included in the NIT.

Scrutiny (May-June 2008) of records of the EE, Capital Complex Division, Agartala and the EE, Medical College Division, Agartala revealed that in the Notice Inviting Expression of Interest (NIEI) issued in December 2004 for construction of the Agartala Government Medical College (AGMC), there was no mention of mobilisation advance. An interest free mobilisation advance of Rs. 10 crore was, however, paid to the contractor²² in three installments²³. Scrutiny revealed that the provision for interest free mobilisation advance was included in the agreement (14 June 2005), signed much later than the letter of Intent (9 March 2005), issued by the EE, Capital Complex Division, Agartala at the instance of the contractor. Insertion of such a condition was violative of the provision of the CPWD Manual. Thus, the contractor was given an undue benefit of rupees nine crore (Rs. 10 crore – Rs. 1 crore), on account of which the Government suffered a loss of interest of Rs. 1.58 crore²⁴ during the period from 11 May 2005 to 7 July 2008.

Government stated (September 2008) that it had agreed to pay the interest free mobilisation advance, as the nationally reputed firm was awarded the entire task from planning to execution as a single package, as the single ‘expression of interest’ was received from the firm and there was no previous experience of the Department in establishing Medical College as per MCI norms. However, violation of the rules, which had resulted in undue financial aid to the contractor, causing loss to the Government could not be explained/justified.

²² M/s Larsen and Toubro Limited.

²³ Rs. 4 crore on 11th May 2005, Rs. 3 crore on 20th June 2005 and Rs. 3 crore on 8th December 2005.

²⁴ Interest @ 10 *per cent* for the period from 11-05-05 to 08-07-08 after adjusting recovery as and when made from contractor.

4.12 Unfruitful expenditure

Procurement of road construction and maintenance equipment without adequate requirement resulted in expenditure of Rs.1.52 crore remaining largely unfruitful.

To introduce mechanisation in road construction, with the approval of the Supply Advisory Board, the EE, Mechanical Division, PWD, Agartala issued (July 2004) supply orders for three asphalt drum mix plants, three mechanical paver finishers and three trolley mounted bitumen sprayers, including installation and commissioning of the three asphalt mix plants at Agartala, Santirbazar and Kamalpur, for Rs.1.02 crore. The basis for assessment of quantities of the equipment required was not, however, on record.

The supplier did not supply two mechanical paver finishers (cost: Rs.16.88 lakh), nor did he install and commission the machinery supplied (Rs.85.57 lakh²⁵). He was paid (March 2005) 90 *per cent* of the cost (Rs.77 lakh) and two mechanical paver finishers were purchased (July 2007) from another supplier at a cost of Rs.22.56 lakh, after rescinding the contract with the first supplier (November 2005).

Scrutiny (January 2008) of records of the EE revealed the following:

- The asphalt mix plant at Kamalpur had not been commissioned (August 2008), after more than four years of its receipt (September 2004) due to site dispute that was resolved only in January 2008 after which the work was stated to be in progress. Audit scrutiny revealed that the Division had not taken adequate action to obtain a clear site in time, which led to the expenditure of Rs. 34.42 lakh on procurement of the machinery remaining idle.
- The asphalt mix plants at Santirbazar and Agartala were grossly under-utilised as they functioned for only 15 and 17 days respectively, during the period December 2006 to June 2008 and May 2007 to June 2008 respectively, i.e about one day in a month on an average. None of the three trolley mounted bitumen sprayers had been utilised after their purchase, while mechanical paver finishers located at Santirbazar and Agartala had been utilised for 15 and 22 days respectively. Thus, the expenditure of Rs.48.97 lakh²⁶ incurred on annual running and operational contract and annual maintenance contract during this period, as well as the expenditure of Rs.68.99 lakh on their procurement remained largely unfruitful.

The EE, Mohanpur Division, who is in-charge of the plant at Agartala stated (February 2008) that there was no work under the Division to utilise the plant. The EE, Mechanical Division stated (January 2008) that all the divisions had been requested to utilise the plants in road construction works.

²⁵ Asphalt Drum Mix plant: 3 Nos × Rs. 22.82 lakh each; Mechanical paver finisher: 1 No. × Rs. 8.44 lakh each; Trolley Mounted Bitumen Sprayer: 3 Nos. × Rs. 2.89 lakh each.

²⁶ For Agartala and Santirbazar: Rs 12.72 lakh (AMC) + Rs. 36.25 lakh (AR&OC).

Thus, while the machinery at Kamalpur was not put to use even after four years of procurement, the machinery at Agartala and Shantirbazar, were scarcely utilised due to lack of demand from various divisions.

Besides, the Mechanical Division did not take any action for recovery of Rs.47.17 lakh²⁷ from the first contractor, under clause 3 and 15 of the contract, which had to be paid to the second agency in excess of the amount agreed with the first agency. After being pointed out in audit, the Division issued (April 2008) a notice to the contractor. Further development is awaited (September 2008).

Thus, procurement of plants without realistic assessment rendered the entire amount of Rs. 1.52 crore largely unfruitful.

EE stated (August 2008) that the plant at Kamalpur had been installed but not commissioned and the execution of balance work would be at the risk and cost of the original supplier. Further development is awaited (September 2008).

Government stated (September 2008) that procurement of the mechanised plants was considered to improve the quality of road construction, for speedy completion of works, and economy in cost and to minimize pollution of environment. The delay in commissioning the plant at Kamalpur was stated to be unforeseen as dispute on site arose at the time of installation and that the plant would be operationalised soon. But the fact remains that the equipment is still lying largely under utilised.

4.13 Unsatisfactory progress of project

Delay in acquisition of land, selection of Agency and award of work resulted in slow progress of NLCPR project and non-fulfillment of the intended objective despite incurring Rs. 1.05 crore and lapse of five months from the targeted date of completion.

The project “Replacement of 2 existing Semi Permanent Timber (SPT) bridges by RCC bridges on Kamalpur–Maracherra - Ambassa road” was approved for Rs. 4.28 crore in March 2006 under Non-Lapsable Central Pool of Resources (NLCPR). The GOI released (June 2006) Rs. 1.35 crore as the first installment of Central share of Rs.3.85 crore (90 *per cent*). The State share (10 *per cent*) of Rs. 43 lakh was however, not released. The project was scheduled to be completed by March 2008. The first installment of GOI funds released was to be utilised within nine months i.e by March 2007. The second installment could be claimed on achieving 75 *per cent* financial progress.

The project involved construction of approach road at Rs. 37.22 lakh for which statutory clearance for acquisition of land was a prerequisite, but the Department did not ensure it beforehand. Scrutiny of records of the Implementing Agency *viz* the EE Kamalpur Division revealed that the

²⁷ Difference in cost of 2 paver finisher: Rs. 5.68 lakh; Installation and commissioning: Rs. 7.54 lakh; expenditure on AR & OC: Rs. 23.22 lakh; Expenditure on AMC: Rs. 22.32 lakh; less amount withheld and bank guarantee forfeited: (-) Rs. 11.59 lakh.

proposal for land acquisition was sent (January 2008) after 18 months from the date of release of the GOI funds, due to disputes on land. The work for the approach road had not started as of August 2008.

An expenditure of Rs. 1.05 crore was incurred on construction of the bridges with 30 *per cent* physical progress achieved so far (August 2008). The balance amount (Rs. 30 lakh) is diverted to items not related to this project. The slow progress of the work was attributable mainly to excessive time taken (243 days) in selection of the Agency and award of work (24 November 2006) to the lone respondent against the tender (4th Call) opened on 16 March 2006 without adhering to the time schedule prescribed in the CPWD Manual allowing maximum time of 40 days to finalise tenders after the date of opening.

Thus, delay in both land acquisition and in selection of Agency resulted in slow progress of work and non-fulfillment of the intended objective, although Rs. 1.05 crore has been incurred and the stipulated date of completion expired in March 2008. Besides, non-utilisation of the first installment and failure to achieve 75 *per cent* financial progress in time delayed the State's entitlement to the 2nd installment from GOI, which was likely to add further to the present time overrun of over five months.

The matter was reported to the Government in September 2008; reply had not been received (September 2008).

PUBLIC WORKS DEPARTMENT (WATER RESOURCES)

4.14 Idle expenditure on incomplete work

Inadequate planning, improper survey and investigation led to idle expenditure of Rs. 3.17 crore and non-achievement of the intended objective despite the lapse of about six years.

Construction of left bank Manu canal (Main Canal) from ch 9006 m to ch 15022 m was awarded (October 2001) to M/s NPCC Ltd.²⁸ at Rs.2.47 crore (14 *per cent* above the estimated cost of Rs. 2.16 crore based on TSR 1998), with the stipulation to complete it by October 2002.

Scrutiny (January-February 2008) of records of the EE, Water Resource (WR) Division No.VI, Kailashahar revealed that the work commenced only in October 2002. The contract was terminated in November 2007, mainly due to disagreement on the claim of higher rate²⁹ by the agency for deviated quantities of earth work. The contractor was paid Rs. 3.17 crore³⁰ till December 2007.

²⁸ National Projects Construction Corporation Limited, a Government of India enterprise.

²⁹ Rs. 105/- per cum against agreement rate of Rs.41.51 per cum.

³⁰ Rs.3.16 crore upto March 2007 and Rs.0.01 crore in December 2007, for agreed items (Rs.2.68 crore including deviation of Rs.1.06 crore), substitute items(Rs.0.02 crore), extra items(Rs.0.06 crore) and price escalation(Rs.0.41 crore).

Scrutiny revealed that the reasons for the delay in completion of the work were as follows:

- Delay in acquisition of land and handing over the site.
- Lack of coordination with PWD (R&B) to construct road crossing culverts and to shift a Semi Permanent Timber (SPT) bridge over Maracherra.
- Inadequate survey, investigation and soil testing, resulting in changes in design and scope of work.
- The contract was terminated (November 2007) after 21 months from the date of decision (February 2006). The agency was, however, allowed to execute further work of Rs. 34 lakh (including deviated quantities of Rs. 18 lakh) during March 2006 to January 2007.
- As per terms and conditions of the contract, price escalation under Clause 10(CC) is admissible if the work is executed within the stipulated date of completion. Extension of time in this case was neither granted by the Department nor applied for by the agency.
- However, price escalation of Rs. 41 lakh (for the entire work executed beyond the stipulated period) was paid by the EE to the agency without approval from the competent authority.
- The Department has not taken any action to complete the work through any other agency (June 2008).

Inadequate planning, improper survey and investigation resulting in revision of design, deviation from design during execution and non-handing of site caused delays which prompted the agency to claim higher rate and led to the expenditure of Rs. 3.17 crore remaining idle without achieving the intended objective of the scheme for nearly six years (July 2008).

The matter was reported to the Government in August 2008; reply had not been received (September 2008).

SCHEDULED CASTES, OTHER BACKWARD COMMUNITIES AND RELIGIOUS MINORITIES WELFARE DEPARTMENT, EDUCATION (SCHOOL) DEPARTMENT AND REVENUE DEPARTMENT

4.15 Idle expenditure

Conflicting decisions and lack of proper planning led to idle expenditure of Rs. 42.42 lakh on construction of residential school for girl students.

The State Project Director (SPD), Sarva Shiksha Abhiyan (SSA) Rajya Mission placed Rs. 50 lakh³¹ with the Director of Scheduled Castes (SC) Welfare Department who in turn transferred³² the amount to the District Magistrate (DM), Dhalai for construction of a residential school for SC girl students (Class I – VIII) at Purba Nalicherra, Ambassa at an estimated cost of

³¹ Rs. 15 lakh in July 2003, Rs. 30 lakh in March 2005 and Rs. 5.00 lakh in January 2006.

³² Rs. 15 lakh in November 2004, Rs. 30 lakh in April 2005 and Rs. 5 lakh in April 2006.

Rs. 42.84 lakh³³. The DM, Dhalai placed Rs. 45 lakh (Rs. 15 lakh in December 2004 and Rs. 30 lakh in July 2005) with the EE, Rural Development Division (RDD), Dhalai for execution of the work and Rs. 5 lakh in May 2006 to the District Welfare Officer (DWO), Dhalai for purchase of furniture.

Scrutiny (July-August 2007) of records of the DM, Dhalai revealed that the plan and estimate prepared for the residential school was for a double storeyed building only, although the proposed school was supposed to include school building, hostel, staff quarters and playground. The work commenced in March 2005 and was completed in February 2007 at a cost of Rs. 42.42 lakh but the building was not taken over by the SC Welfare Department as of April 2008 for reasons not on record. While the work was in progress, the Director of SC Welfare Department decided (October 2006) to convert the building into a hostel by executing some additional works at a cost of Rs. 17 lakh³⁴ and to attach the hostel to the nearby Nalicherra High School, for which the DM, Dhalai asked for additional funds of Rs. 14.80 lakh³⁵. The SPD, SSA Rajya Mission did not agree to this (April 2007). The DM had also sent (March 2007) another estimate of Rs. 56.15 lakh³⁶ for construction of kitchen-cum-dinning hall including toilet facilities for the proposed hostel which was also not approved (August 2008). Meanwhile, the School Education Department accorded (June 2007) administrative approval and expenditure sanction for Rs. 14.80 lakh for the proposed additional construction from the State funds. The work on additional items is in progress, but the school building constructed at Rs. 42.42 lakh remained unutilised (September 2008).

Thus, conflicting decisions by the SC Welfare Department and the SSA authority as to how the building constructed with the SSA funds would be utilised, rendered the expenditure of Rs. 42.42 lakh idle for more than 19 months besides retention of rupees five lakh by DWO, Dhalai for 28 months (September 2008). The SC girl students were also deprived of the intended benefit under the SSA.

The DM stated (August 2007) that the idle expenditure was due to the indecision of the SC Welfare Department and Education (School) Department.

Government, however, stated (July 2008) that residential school was decided to be converted into hostel due to non-availability of adequate funds. The reply is not tenable as the Education (School) Department, started the construction of a two storeyed building deviating from the sanctioned plan and without arranging funds for construction of other amenities *viz* hostel, staff quarters and playground. Thus, the purpose of providing improved schooling facilities and quality education to SC girls students of remote localities through SSA, was totally frustrated.

³³ Ground floor : Rs. 26. 71 lakh and First floor: Rs. 16.13 lakh.

³⁴ Latrine and bathroom (10 Units): Rs. 8.05 lakh, Boundary wall: Rs. 6.15 lakh, Barbed wire fencing: Rs. 0.80 lakh and piped line water supply: Rs. 2.00 lakh.

³⁵ Rs. 17 lakh *minus* estimated unspent balance of Rs. 2.20 lakh

³⁶ (1) Kitchen-cum- dining hall including attached toilet block (Ground floor): Rs. 24.97 lakh,
(2) Kitchen-cum- dining hall including attached toilet block (First floor) : Rs. 16.60 lakh and
(3) Boundary wall : Rs. 14.58 lakh.

URBAN DEVELOPMENT DEPARTMENT (SABROOM NAGAR PANCHAYAT)

4.16 Unfruitful expenditure

Construction of a double storeyed building close to international border, without the requisite permission and ignoring the advice of the BSF resulted in unfruitful expenditure of Rs. 24.98 lakh.

Scrutiny (June-July 2007) of records of the Executive Officer (EO), Sabroom Nagar Panchayat (SNP) revealed that he ordered (October 2005) departmental construction of a double-storeyed building for a Fish and Meat Market, in place of the existing market. However, he did not obtain prior consent of the Border Security Force (BSF), even though the proposed market place was within 150 yards of the international border with Bangladesh. The work commenced in March 2006, but was suspended within three months³⁷, when only 10 *per cent* of the work was completed due to frequent verbal objections by the BSF for violating the India–Bangladesh Guidelines for Border Authorities, 1975. The BSF informed (August 2007) the SNP that it had been mutually agreed with the Bangladesh Rifles to construct a single storied tin-roof building. The work was, however, resumed (August 2007), defying the directions of BSF and was completed up to 80 *per cent* (total expenditure Rs. 24.98 lakh), consisting of the ground floor and the first floor upto the roof level, when the BSF once again directed (February 2008) to stop the work. The work was, however, restarted in June 2008 and tin roofing of the first floor has been completed (August 2008).

Thus, taking up the construction of a building within 150 yards of the international border without requisite clearances, and subsequently ignoring the instructions of the BSF, led to the building remaining incomplete for over two years and the expenditure of Rs. 24.98 lakh remaining unfruitful.

The Director, Urban Development Department stated (September 2008) that construction was taken up to upgrade the existing 50 years old market shed. The reply is not acceptable as the market place is within 150 yards from the zero point and is in violation of the India-Bangladesh Guidelines for Border Authorities, 1975.

The matter was reported to the Government in July 2008; reply had not been received (September 2008).

³⁷ At the time of suspension, Rs.17.05 lakh was spent on the work.

CIVIL, POWER AND PUBLIC WORKS DEPARTMENTS

4.17 Outstanding Inspection Reports

First reply for 206 out of 3,186 Inspection Reports issued during 1991-92 to 2007-08 were not furnished by the Civil, Power and Public Works Departments within the stipulated period.

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

The position of outstanding reports in respect of the Civil, Power and Public Works Departments is discussed below.

3,186 paragraphs included in 1,097 IRs issued upto 2007-08 were pending settlement as of June 2008. Of these, even the first reply had not been received in respect of 206 IRs in spite of repeated reminders. The year-wise break up of the outstanding IRs and paragraphs is given below:

Year Upto	Number of outstanding		Number of IRs of which even 1 st reply had not been received
	IRs	Paragraphs	
Upto 2002-2003	613	1700	54
2003-2004	74	215	8
2004-2005	81	196	19
2005-2006	70	217	25
2006-2007	114	371	31
2007-2008	145	487	69
Total	1097	3186	206

As a result, the following important irregularities commented upon in these IRs, had not been addressed as of June 2008.

Nature of irregularities	Number of cases	Amount involved (Rupees in crore)
Excess/Irregular/Avoidable/Unfruitful/Wasteful/Unauthorised/ Idle expenditure	88	15.43
Blocking of funds	41	21.67
Non-recovery of excess payments/overpayments	72	7.72
Others	778	287.65
Total	979	332.47

4.17.1 Departmental audit committee meetings

During 2007-08, eight Audit Committee meetings were held, in which, 20 IRs and 77 paragraphs were settled. The details are given below:

Department	No. of meetings held	IRs / paragraphs discussed (Nos.)		IRs / paragraphs settled (Nos.)	
		IRs	Paragraphs	IRs	Paragraphs
Civil Departments	5	39	99	14	60
Public Works Department	3	19	47	6	17
Total	8	58	146	20	77

4.17.2 Outstanding Inspection Reports of Local Bodies

The Government had prescribed that the first reply to the IRs should be furnished by the concerned departments within one month of the date of their receipt.

As of July 2008, 93 paragraphs included in 23 IRs issued between 2003-04 and 2007-08 to the local bodies/authorities were pending settlement.

4.18 Follow up action on earlier Audit Reports

4.18.1 Non-submission of explanatory notes

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

It was noticed that in respect of Audit Reports from the years 1988-89 to 2006-07 as indicated below, 19 Departments did not submit explanatory notes on 106 paragraphs and 22 reviews as of August 2008.

The department-wise analysis is given in **Appendix-4.2**, which shows that the departments largely responsible for non-submission of explanatory notes were Power, Public Works (R&B) and Transport Departments.

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

Finance Department, Government of Tripura issued (July 1993) instructions to all departments to submit Action Taken Notes (ATN) on various suggestions, observations and recommendations made by PAC for their consideration within six months of presentation of the PAC Reports to the Legislature. The PAC Reports / Recommendations are the principal medium by which the Legislature enforce financial accountability of the Executive to the Legislature

and it is appropriate that they elicit timely response from the departments in the form of Action Taken Notes (ATNs).

As of August 2008, out of 583 recommendations of the PAC, made between 1988-89 and 2002-03 (**Appendix-4.3**), PAC had discussed ATNs in respect of 317 recommendations (**Appendix-4.4**). Of the remaining 266 recommendations, the concerned administrative departments are yet to submit ATNs for 124 recommendations (**Appendix-4.5**). Of these 67 recommendations were due from two departments (*viz* Public Works Department and Agriculture Department).

4.18.3 Monitoring

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

Departmental Monitoring Committee

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

The details of DMC meetings held during 2007-08 are awaited (September 2008) from the Finance Department.

Apex Committee

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

The details of Apex Committee meetings held during 2007-08 are awaited (September 2008) from the Finance Department.