CHAPTER – VII

Summary and Suggestions

An earnest attempt is made in this chapter to present a summary of the various findings, observations and conclusions arrived at in the previous chapters and to make suggestions to overcome the varied problems which the Tirumala Tirupati Devasthanams (TTD) is confronted with. In addition, several issues for future research are indicated. It may be stated that the summary, suggestions and hints for future studies mentioned are, by and large, based on a micro-analysis of the concept and practice of financing in the TTD.

1. Summary: A summary of the findings incorporated in the preceding six chapters is provided below.

1.1 Research design and methodology: Worshipping in temples is an ancient tradition if not a culture in India. Temples are social institutions, historical preservers of art and architecture and promoters of culture and national integration. They bring together people living in different parts of the country and make them feel that they form one nation with a common goal of life. They serve as financial institutions, consumers, employers, landlords, centres of learning, economic entities etc in India. There are some other religious organisations like the Muslim Wakf Boards, Christian Churches, Sikh Gurudwaras etc., in our country. Among the Hindu religious institutions, the TTD is considered to be the largest religious institution in India. The activities of the TTD include not only the propagation of Hindu religion but also launching various schemes and programmes for the social upliftment of the people in the country. There are a number of studies on the historical, religious, archaeological, sculptural, epigraphical, organisational, personal and managerial aspects of the TTD. There is no specific evaluative and analyti
study dealing with the finances of the TTD in detail in the recent past. Therefore, it is felt that there is an urgent need to carry out a detailed study on the finances of the TTD. The main objective of the study is to analyse the finances of the TTD. The data have been obtained from both the primary and secondary sources. Wholesale price indices are employed to deflate the financial data. The period of the study is confined to a decade viz., 1989-98. The data drawn from several sources have been properly tabulated, synthesised, analysed and interpreted with the help of appropriate tools, techniques and devices.

1.2 A profile of the TTD: The shrine of Sri Venkateswara at Tirumala has unique history. Lord Venkateswara is a powerful Deity having a firm hold on the faith of millions of people all over the country for centuries. No other temple in South India is attracting so many pilgrims or has been more opulent. There are numerous collections of legends and stories about Tirumala and its God, Venkateswara. But there is no direct evidence to show when and by whom the temple was built. The TTD conducts various daily, weekly and periodical sevas at the temple at Tirumala. The temple is also famous for its festivals. In addition to the Srivari temple, it manages ten other temples. There are over 30 educational institutions managed by the TTD. There is historical evidence to prove that many rulers of South India belonging to Pallava, Chola and Vijayanagara dynasties evinced keen interest in the maintenance of the Tirumala temple with sustained patronage. The temple of Sri Venkateswara reached the acme of its glory during the reign of an illustrious emperor, Krishna Devaraya of Tuluva dynasty of Vijayanagara. After the fall of Hindu kings, the management of the temple came into the hands of the rulers of Golkonda and Nawabs of Arcot. After the advent of the British, the manager of the temple passed on into the hands of the East India Company.
management of the Devasthanams was transferred in 1843 to the Mahant Hathiramji Mutt, Tirupati. The Government passed the TTD Act of 1932 to provide better administration and proper utilisation of funds. This Act was replaced by an enactment in 1951. Again the Government has replaced it by a comprehensive enactment, namely, the Andhra Pradesh (AP) Charitable and Hindu Religious Institutions Endowment Act, 1966. The control and supervision, which were found to be effective in the case of such religious institutions were working as administrative disincentives for the TTD. Hence, the legislature had enacted the TTD Act of 1979 and this was replaced by 1987 Act to consolidate and amend the law relating to the administration and governance of the TTD. Now the TTD is administered as per provisions of this Act. In the organisational hierarchy, Government of AP is at the top followed by the TTD Board of Trustees and Executive Officer (EO). The administration of the TTD is vested in the Board of Trustees. The EO is the chief administrative officer of the TTD. He is responsible for the proper maintenance and custody of the records and properties of the TTD.

1.3 Financial administration: The TTD follows the rules and regulations framed by the Government on financial matters from time to time. The Board Trustees manage the properties, funds and affairs of the TTD. Financial powers include management of property, fixing up of wages for the employees of the TTD, sale of movable property, leasing of immovable property etc. rest with the EO. Financial Advisor and Chief Accounts Officer (FACAO) is in-charge of the finance of the TTD. He exercises certain powers and performs duties such as maintenance of accounts. He is the pay and accounts officer. Preparation of budget, phy verifications of all the valuable properties of the TTD, payment of amounts due, employees (provident fund etc) and collection of income from various sources.
also within the purview of his duties. The TTD follows double entry system of accounting. All the TTD institutions are divided into 72 independent accounting units. These are mainly grouped into 7 departments. For each accounting unit, there is a separate bank account entitled “Collection Bank Account” and another account entitled “Disbursement Bank Account”. The accounting units maintain the books of original entry. The accounts department prepares balance sheet and profit and loss account. The TTD follows performance budgeting system. The FACAO as budget officer prepares budget and presents it to the EO. The Board of Trustees approves the budget. Finally, the TTD forwards a copy of the budget to the Government of AP for its approval. The TTD contributes annually to the Commissioner of Endowments Rs.50 lakhs towards Endowments Administration Fund. In addition, an amount of Rs.2.20 crores is paid towards Common Good Fund maintained by the Commissioner of Endowments. The Local Fund Audit Department of the Government of AP audits the accounts of the TTD. In the TTD, audit of accounts is pending from 1998. The audit report relating to 1996 and 1997 is yet to see the light of the day. During the period 1989-95, 11,059 audit objection involving an amount of Rs.50.61 crores have been reported.

1.4 Income: The aggregate income of the TTD, in terms of constant price, increased gradually from Rs.60.72 crores in 1989 to Rs.102.13 crores in 1995 except in 1991 when there was a decline. The compound growth rate (CGR) was 5.15 per cent, which is significant at one per cent level. In the total income of the TTD, the revenue income constitutes 56.71 per cent and the remaining capital income. The difference between the averages of revenue and capital income is significant. A similar trend can be noticed in the case of CGRs. The instability is higher in capital income than in revenue income. In the total revenue inc
investments, arjitham and prasadams and special darshan accounted for 63.10 per cent. There is a significant variation among the sources of revenue income of the TTD. Of all the sources of capital income, kanukas ranked first with a share of 68.71 per cent. There is a significant difference among the sources of capital income of the TTD.

In the total income of the TTD, income from temples accounted for 51.81 per cent and the rest, from sources other than temples. Of all the temples of the TTD Srivari temple ranked first followed by Sri Padmavathi, Sri Govindarajaswamy and other temples. In the case of kanukas, Srivari temple accounted for nearly 99 per cent of the total income from kanukas. In the total income of Srivari temple revenue income constituted 37.10 per cent and the rest, capital income. Among the different sources of income of Srivari temple, kanukas ranked first while investments last. In the arjitha seva income of Srivari temple, kalyanotsavam accounted for more than 50 per cent. Among the different prasadams of Srivari temple, small lado ranked first (88.88%) followed by big laddu and vada (7.44%) and 'others' (3.68%)

Income from religious sources accounted for 51.98 per cent of the total income of the TTD and the remaining, from non-religious sources. The income from pilgrims formed a lion’s share in the income of the TTD. There is homogeneity in receipts of non-pilgrim sources relative to pilgrim sources. The income from voluntary sources constituted 31.10 per cent of the total income of the TTD and rest, from non-voluntary sources. The consistency in non-voluntary receipts is higher as compared to the consistency in voluntary receipts. In the total income of TTD, of the three locations, the income of Tirumala-based sources ranked first a share of around 61 per cent. The homogeneity is more in the Tirupati-I receipts in relation to the rest.
In the case of income from educational and non-educational sources, almost all the income of the TTD was from non-educational sources. The consistency is more in the non-educational income relative to educational income. Most of the income of the TTD educational institutions is revenue in nature. The capital receipts of these institutions were nil in seven years and negligible in the remaining three years. Among the different sources of income of the TTD educational institutions, State Government played a major role contributing four fifths of the total income. In the total receipts of educational institutions of the TTD, public sources had a lion's share throughout the period referred to. Among the categories of educational institutions managed by the TTD, in terms of income, on an average, the colleges stood first (60.57%) followed by schools (31.59%) etc. Among the different sources of income of the TTD, head of account-wise, temples ranked first while service department for hospitals and dispensaries last. Of all the departments of the TTD, the Department of Temples ranked first while museum last. Three departments, namely, temples, huzur office and engineering accounted for 85.35 per cent of the total income of the TTD. Among the different sources of income of the TTD, kanukas occupied the first place with a share of nearly 30 per cent. Of all the endowment schemes, in terms of mean, Sri Venkateswara Nitya Annadana scheme ranked first with a proportion of 68.40 per cent. In the sphere of income, targets were achieved during a major part of the period referred to. The variation between estimates and actual receipts is not wide. The income of the Sri Durga Malleswaraswamy Varla Devasthanam (SDMVD), which was Rs.0.45 crores in 1989, increased to Rs.4.18 crores in 1998, recording a CGR of 17.67 per cent, which is significant at one per cent level. Though the increase in the incomes of the TTD and the SDMVD is significant, it is faster in the latter as compared to the former. The
homogeneity is more in the income of the TTD in relation to the SDMVD. There is a
direct relationship between the incomes of the TTD and the SDMVD.

1.5 Expenditure: The consolidated expenditure of the TTD, in terms of constant
prices, had gradually increased from Rs.47.95 crores in 1989 to Rs.70.45 crores in
1998, except for a decline during 4 years. The CGR was 4.60 per cent, which is
significant at one per cent level. In the total expenditure of the TTD, non-temple
related expenditure accounted for more than 80 per cent and the remaining, temple
related expenditure. There is a significant difference between the means and CGRs
of expenditure towards temples and items other than temples. There is consistency
in the expenditure towards maintenance of temples relative to non-temple related
expenditure. In terms of expenditure, of all the temples of the TTD, Srivari temple
occupied first place (92.09%) followed by Sri Govindarajaswamy (2.45%), Sri
Padmavathi (2.04%) and other (1.45%) temples. In the total expenditure of Srivari
temple, revenue expenditure accounted for a lion’s share. Capital expenditure was
meagre as it formed less than 2 per cent. Of all the items of expenditure of Srivari
temple, on an average, vagapadi ranked first while other benefits to staff last. In
the total expenditure of the TTD, expenditure on religious activities formed 21.62
per cent and the remaining, non-religious ones. There is homogeneity in the
religious expenditure as compared to non-religious one. In case of pilgrim related
and non-pilgrim related expenditures, more than 60 per cent of the expenditure of
the TTD was incurred on non-pilgrim activities. There is consistency in the
expenditure on pilgrims as compared to non-pilgrims. Of the total expenditure of
the TTD, voluntary expenditure constituted nearly 67 per cent and the rest, non-
voluntary expenditure. With regard to expenditure on developmental and non-
developmental activities, expenditure on non-developmental activities accounted for
nearly 79 per cent of the total expenditure. There is inconsistency in the expenditure on developmental activities relative to non-developmental activities. Of all the three location-wise expenditures, expenditure on Tirupati-based activities ranked first (50.29%) followed by Tirumala-based expenditure (40.90%) and other places-based expenditure (8.81%). The heterogeneity is higher in other places based expenditure.

In the total expenditure of the TTD, expenditure on non-educational activities accounted for 93 per cent. The inconsistency is higher in non-educational expenditure vis-a-vis educational expenditure. Among the categories of educational institutions managed by the TTD, in terms of expenditure, on an average, colleges occupied the first place (61.03%) followed by schools (22.93%) etc. Among the different items of expenditure relating to education, salaries ranked first with a share of more than 75 per cent. In the total expenditure of the TTD, more than 75 per cent of expenditure was revenue in nature. Among the different items of revenue expenditure, salaries and wages ranked first with a share of 30.60 per cent. There is a significant variation among the items of revenue expenditure of the TTD. Among the different items of capital expenditure of the TTD, construction cost of buildings occupied the first place with a share of nearly 90 per cent. There is a significant variation among the items of capital expenditure of the TTD. Among the different heads of expenditure of the TTD, expenditure on engineering division ranked first with 24.31 per cent. In the engineering division of the TTD, capital expenditure formed 56.96 per cent while the rest, revenue expenditure. Of the different categories of expenditure of engineering division of the TTD, in terms of mean, civil works ranked first (70.80%) followed by electrical installations (26.18%) and water works (3.02%). Among the different items of expenditure of general administration
department, grants and contributions occupied the first place with around 45 per cent. Of all the items of expenditure of service departments for temples of the TTD, salaries ranked first with a share of 47.44 per cent. In the case of expenditure of service departments for pilgrims, purchases occupied the first place with a share of nearly 59 per cent. With regard to medical expenses of the TTD, expenditure on employees accounted for more than half. Of all the departments of the TTD, expenditure is the highest in the engineering department. Three departments, namely, temples, engineering and huzur office, accounted for more than 61 per cent in the expenditure of the TTD. Among all the activities of the TTD, expenditure on engineering activity ranked first with a share of 24.31 per cent. Among the different items of expenditure of the TTD, purchases occupied the first place. The actual expenditure of the TTD surpassed the budget estimates in 2 out of 10 years. On an average, the level of performance of budget estimate to actual was 89.53 per cent. The expenditure of the SDMVD gradually increased from Rs.0.50 crores in 1989 to Rs.4.16 crores in 1998, except in 1993 and 1996 when there was a decline. The CGR was 20.79 per cent, which is significant at one per cent level. There is a direct relationship between the expenditures of the TTD and the SDMVD. Though the growth in both the expenditures is significant, it is faster in SDMVD as compared to the TTD. The homogeneity is more in the expenditure of the TTD than in that of the SDMVD.

1.6 **Unit cost, surplus, assets and liabilities:** The number of pilgrims has progressively increased from 106.07 lakhs in 1989 to 214.60 lakhs in 1998. The CGR was 8.90 per cent, which is significant at one per cent level. The expenditure on pilgrims went up from Rs.22.46 crores in 1989 to Rs.26.42 crores in 1998 with relative fluctuations. However, the cost per pilgrim has gradually declined from
Rs.21 in 1989 to Rs.12 in 1998, except in 1992, 1993 and 1998 when there was an increase. There is no relationship between the expenditure on pilgrims and number of pilgrims. The consistency in the expenditure on pilgrims is more than the consistency in the number of pilgrims and cost per pilgrim. The surplus of income over expenditure in the TTD was Rs.12.77 crores in 1989 as compared to Rs.31.68 crores in 1998. The surplus resulted throughout the study period without any exception. The relationship between income and surplus is strong and positive while there is no significant relationship between expenditure and surplus. In the TTD, revenue deficit existed in 6 out of 10 years, while there was capital surplus throughout the study period. Among the various heads of accounts of the TTD, temples generated surplus during the study period without any exception. General administration recorded surplus in 8 years only. All the remaining five heads of accounts recorded deficit. In the total surplus, temple; generated surplus throughout the period while sources other than temples recorded deficit throughout the period except one year. Of all the temples of the TTD, Srivari and Sri Padmavathi temples alone generated surplus, while the rest, deficit. During the study period, the entire surplus was from religious activities. Out of the total surplus, pilgrim sources generated surplus throughout the study period while sources other than pilgrims in 3 years. Of all the locations, only Tirumala-based activities generated surplus. There is a mixed trend in the case of Tirupati-based activities. In other places-based activities, deficit emerged throughout the period without any exception.

With regard to advances sanctioned by the TTD, house building loans ranked first. The homogeneity is more in the house building loans as compared to the remaining ones. The investments of the TTD, which were Rs.56.44 crores in 1989,
increased to Rs.99.46 crores in 1998 in terms of constant prices. The CGR was 3.70 per cent, which is significant at 5 per cent level. Out of the different investment funds of the TTD, reserve fund formed the lion’s share with a little over 54 per cent. There is consistency in depreciation fund relative to the remaining funds. Of all the assets of the TTD, buildings occupied first place with a share of more than 85 per cent. The consistency in the value of vehicles and equipment is higher than that of the remaining categories of assets. Among the deposits with the TTD, earnest money deposits ranked first. The instability is higher in other deposits. Of all the sources of funds, kanukas and other receipts ranked first with a share of more than 75 per cent except during 1992. In the case of application of funds, investments constituted only 59.97 per cent, 50.05 per cent and 53.08 per cent during 1990, 1993 and 1998 respectively. None of the uses of funds including investments, barring the aforesaid 3 years, crossed 50 per cent in any one of the years.

2. **Suggestions:** The following suggestions emerge from the present study.

2.1 **Income tax:** As the TTD is a religious institution, its income is being utilised for several charitable purposes. Presently, Government of India exempts the TTD from payment of income tax on year after year basis. It is suggested that the TTD should initiate steps to obtain exemption from payment of income tax permanently.

2.2 **Co-ordination:** Often, it is found that there is a discrepancy in the financial data maintained by the accounts department and the other concerned departments. The researcher noted this in the course of collection of primary data. So, there is a need for proper co-ordination between accounts department and other departments.

2.3 **Avoidance of cost escalation:** Decision making takes a lot of time in the TTD. First any plan has to be drawn up at the lower level, sent to the executive level and then presented to the Board of Trustees. The Board of Trustees, after
thoroughly discussing the pros and cons with the TTD authorities, takes a final decision. In this context, the escalation of cost cannot be ignored. By the time decisions are implemented, actual cost rises. Ultimately, the TTD suffers a huge loss. Thus, delays in decision making should be reduced as far as possible and the resultant cost escalation shall be minimised. It is evident from what is reported above that the system of project planning, organisation and management are unsatisfactory. Steps should be taken to improve the entire system of project planning and implementation on more scientific lines. Experts of project management may be consulted for this purpose.

2.4 Political interference: The TTD is a religious and charitable institution. Its activities are controlled by the AP Hindu Religious and Charitable Endowment Act. In recent years, there is an increase in political interference in the affairs of the TTD. Even on several trivial issues, the TTD officials seek clarifications and guidance from the Government. The Government forces the TTD to pay compensation for land acquisition in and around Tirupati, for which local organisations have to actually pay. It is suggested that the TTD should utilise its income for the benefit of pilgrims rather than on the works undertaken by Local/State Governments. Further, the TTD should also take steps to have its own Act which covers accounts manual, accounts code, internal audit system, financial management etc.

2.5 Training of employees: The TTD should organise/provide refresher courses to its employees to improve their morale, job satisfaction, work culture, skills, knowledge etc. Especially, personnel involved in budgeting activities should be educated properly in the matters of determining targets of expenditure etc in a more realistic way and forecasting expenditure on more rational and pragmatic lines.
2.6 Encroachment of properties: The TTD has lands worth more than 300 crores in and around Tirupati which are in possession of private parties. There are more than 200 land grabbing cases in the TTD. Though the TTD initiated legal action against the concerned people in the year 1994, it has withdrawn all these cases with the interference of the AP Government. This has resulted in loss of crores of rupees to the TTD. Though the TTD has satisfactory documents of title to ownership of land, building etc, it is reported that the TTD is not able to satisfactorily proceed against the land grabbers and unauthorised occupants of these properties due to carelessness and political interference. It is, therefore, suggested that the TTD should immediately take appropriate measures to safeguard its properties and take over their possession in physical as well as legal terms. This will help in improving the level of income of the TTD.

2.7 Establishment charges: The TTD has 15,000 employees on its pay roll. In fact, such a huge staff is not necessary. Establishment charges alone form nearly 24 per cent of the total expenditure of the TTD. Thus the TTD is saddled with heavy administrative overheads. In the TTD, 2,586 persons are working as mazdoors, gardeners, attenders, volunteers, cleaners etc, on Nominal Muster Role (NMR) basis since 1984. They were absorbed into regular service in the year 1991. Similarly, the TTD authorities, instead of appointing lecturers on a permanent basis, appointed lecturers on part-time basis during 1989-92 without prior permission from the AP Government. Of these, the services of 14 lecturers were regularised in the year 1998 as per the orders of the AP Government, resulting in additional financial burden, amounting to several lakhs of rupees to the TTD. It is, therefore, suggested that: (i) adhoc appointments of the staff in the TTD shall be avoided; (ii) scientific principles and practices of recruitment of staff shall be resorted to, only after
ascertaining the exact manpower needs; (iii) appointment of NMR staff shall be discontinued forthwith; and (iv) a separate department of Human Resource Management shall be set up immediately. This will help in cutting down the heavy and unnecessary expenditure on salaries and wages.

2.8 Expenditure on pilgrims: The TTD derives most of its income from pilgrims. Hence, it is the duty of the TTD to provide amenities to the satisfaction of pilgrims. On an average, in the total income of the TTD, income from pilgrim sources formed 57 per cent. On the other hand, the expenditure on pilgrims amounted to 39 per cent of the total expenditure. The expenditure incurred on them is considered to be relatively low. The existing choultries and cottages are inadequate to provide accommodation to the pilgrims. The sanitary conditions in the choultries and cottages are reported to be poor. It is, therefore, suggested that the TTD authorities should initiate necessary steps to improve maintenance of cottages and their surroundings. It is also high time that the TTD authorities should bestow its attention on the welfare of pilgrims rather than raising super structure guest houses and construction of kalyanamandapms etc.

2.9 Developmental expenditure: In the aggregate expenditure of the TTD, developmental expenditure constituted 21 per cent. As education, sanitation and medical facilities are basic necessities, it is suggested that the TTD authorities should take adequate and satisfactory steps to allocate substantial amounts on developmental activities.

2.10 Engineering works: In the aggregate expenditure of the TTD, the share of engineering works constituted 24.31 per cent. It is painful to note that the TTD spends crores of rupees on the construction of kalyanamandapams in various places within and outside the State of AP. It is reported that even in some remote villages
also the TTD has constructed several kalyanamandapams by spending lakhs of rupees, which is unjustifiable from the economic viewpoint as the yield of income from these kalyanamandapams is negligible. It is also reported that the income generated from them is not sufficient enough even to meet their maintenance charges. It is not surprising therefore that, their maintenance has become a problem. Therefore, there is an imperative need to avoid construction of kalyanamandapams in places where it is economically not feasible. Another serious matter which needs immediate attention of the TTD authorities is the magnitude of revenue expenditure in the engineering division. This is mainly due to the fact that the engineering department carries out lots of heavy repair works every year rather than undertaking fresh construction works. As a result, revenue expenditure in the expenditure of engineering division accounts for more than 40 per cent. It is alleged that there are lots of loopholes and misuse and abuse of funds in the repair activities. It is further reported that the TTD authorities sometimes assign work to the contractors on emergency basis without calling for tenders. Several cases of favouritism and nepotism in the matter of assignment of contract works are also reported. Such favouritism can only result in sacrificing of quality and cost considerations in these construction works.

2.11 Deputations: In recent years, it has become a practice on the part of AP Government to depute its officers to important posts in the TTD such as forest officer, press manager, estate officer, marketing officer etc, in spite of availability of duly qualified and experienced staff in the respective departments. This is vehemently opposed by the employees of the TTD. It is reported that many of these officers on deputation may not have full knowledge about the jobs assigned to them. Expenditure on salaries and other perks paid to these officers is to be borne
by the TTD. The TTD incurs a huge expenditure on these officials. It is suggested that the TTD authorities should avoid deputations in future and provide promotional opportunities to its own employees. If necessary, the promotees may be imparted necessary training. This will help the TTD authorities not only to minimise the establishment charges but also to improve the morale of its employees.

2.12 Accommodation charges: The TTD maintains a number of choultries, cottages and guest houses. It also maintains a number of guest houses with super special facilities. But it collects minimum rental charges on these. The TTD charges Rs.15 - Rs.50; Rs.75; Rs.100; and Rs.500 - 2,500 rent per day for general cottages, special cottages, ordinary guest houses and very important persons (VIP) suit in Tirumala respectively whereas the private hotels charge Rs.250 - Rs.450 for an ordinary room; Rs.750 - Rs.1,000 for a special room. No special and VIP guest houses are maintained by private organisations. In the case of accommodation at Tirupati, the TTD charges Rs.100 for ordinary suit and Rs.500 for special suit whereas the private hotels charge Rs.250 - Rs.450 for an ordinary suit and Rs.750 - Rs.1,000 for a special suit. From the aforesaid, it can be observed that the rental charges collected by the TTD are far less than those charged by other guest houses maintained by Government/Government sponsored/private sector organisations etc. It is suggested that the TTD authorities should increase the accommodation rates for the guest houses as these are mostly occupied by the VIPs who can afford to pay more. It can also raise the rental charges of cottages to a certain extent because these are very low when compared to the rental charges collected by other temples/private organisations etc. It is further suggested that a thorough review of the rental charges collected by the TTD shall be undertaken at periodical interval.
at least, once every two years and a more meaningful, economically viable and
cOMPetitive tariff should be evolved.

2.13 Regular commitments: Every year, the TTD contributes Rs.15 lakhs and
some times even more to Sri Venkateswara University and Sri Padmavathi Mahila
Viswavidyalayam. Similarly, a certain percentage of its income is contributed to Sri
Venkateswara Ram Narayan Ruia Hospital. It also provides more than 5 crores
annually to the Sri Venkateswara Institute of Medical Sciences, besides meeting half
of its establishment charges. In recent times, an underground drainage project was
undertaken in Tirupati town for which the TTD contributed more than 50 crores of
rupees. In fact, it is the responsibility of the State Government and Tirupati
Municipality to defray all this expenditure. But the TTD authorities are directed to
spare funds for all these programmes as there is a widely considered public opinion
that the TTD has lots of surplus funds and it can spare enough of its resources for
these public causes. In future, the TTD should either reduce or avoid such
contributions.

2.14 Seva rates and prasadams: There are several other avenues available for
the TTD to improve its financial position. For example, increasing the rates of arjitha
sevas and prasadams such as vada, appam, poli, jilebi, laddu etc. It is reported
that the TTD incurs considerable loss in the matter of preparation and sale of
prasadams. For example, the TTD sells each vada and appam at Rs.4 and Rs.1
respectively while it incurs an expenditure of nearly Rs.8 and Rs.4 for the
preparation of the former and the latter sequentially. Keeping all these facts in
view, the TTD has to increase arjitha seva and prasadam rates substantially. As
measure of employee welfare in the TTD, 10 laddus are supplied to every employer
every month at a concessional rate of Rs.5 per laddu, resulting in a grant of subsi
of 50 per cent on the actual sale price (Rs.10 per laddu). It is suggested that this incentive to employees of the TTD may be withdrawn with immediate effect as laddu is a Srivari Prasadam and it can be supplied to the TTD employees also at the same rates at which they are sold to public (devotees). This will help the TTD in cutting down some of its avoidable expenditure.

2.15 Misuse of vehicles: The TTD provides vehicles to its officers for official work. Annually, it spends crores of rupees on the purchase and maintenance of vehicles. It is pointed out during the survey that most of the officers misuse vehicles for their private purposes. The TTD should enforce strict vigilance on the use of vehicles. It must be ensured that the TTD vehicles are used for official purposes only and not for private purposes of its officials. For this purpose, the TTD has to undertake surprise checks to know the real purpose of movements of its vehicles; frequent verification of log books and collection of actual propulsion charges promptly from the concerned people. It is further suggested that the repairs and maintenance charges, expenditure on replacements and renewals of spares etc shall also be controlled effectively by the concerned officials. Necessary guidelines shall be evolved to introduce and implement effective measures for controlling expenditure in this regard. This will help the TTD to reduce some of its unnecessary expenditure.

2.16 Cultivation of flowers: The TTD purchases flowers worth lakhs of rupees every month. It also spends lakhs of rupees on the development of waste lands into gardens. It is high time the TTD authorities undertook programmes for development of floriculture (growth of flowers) on an extensive scale in order to meet the needs of its temples. Purchases of flowers from external agencies at higher costs can be avoided. This will also help in minimising the expenditure on flowers offered for devotional purposes in the TTD temples.
2.17 Lease rentals: The TTD leases its land, buildings etc at low rentals and meagre lease premium. The lease is granted for a period of 99 years. The lease rentals are not enhanced during the lease period. Recently, it was reported in the press as a news item that the TTD collects just one rupee towards rent of a big building situated in the heart of Chennai city. Similarly, it has let out a vast area of land in Tirumala at a token lease rate to the AP State Road Transport Corporation. It is suggested that the TTD authorities should review all the lease agreements they entered into earlier and enforce all the terms and conditions strictly. It has to enhance lease premium and rentals in future on par with the other government agencies/private organisations. This will help in augmenting the income of the TTD. Apart from these, necessary steps shall be taken immediately to plug all the loopholes in the implementation of all the lease agreements entered into by the TTD with the private individuals/organisations as well as several Government and Government sponsored organisations.

2.18 Marketing department: The TTD invites tenders and purchases its requirements from the suppliers whose quotations are the lowest. The tender schedule specifies the quality, quantity, size, colour etc of the materials to be supplied. Based on the comparative statement, verification of sample and a careful scrutiny of the terms and conditions laid down, the suppliers for different materials will be selected. It is reported that in several cases, suppliers supply materials of a low quality and at a higher price than what is agreed to. This has resulted in loss of crores of rupees to the TTD every year. This is mainly because of lack of proper vigilance on the part of marketing department officials and their collusion with the suppliers. There is a separate vigilance department in the TTD. The vigilance department officials should take necessary steps to eliminate these malpractices and
corrupt activities on the part of the marketing department officials etc. This will also help the TTD to cut down its expenditure on its purchases. Considerable savings in purchases can be effected as a result.

2.19 Operational funds: The financial records of the TTD reveal that though fixed deposits of crores of rupees are available with the TTD, it has overdrawn on many occasions to meet operational expenditure. This is due to lack of proper planning of operational funds. As a result, the TTD paid huge amounts as interests on these overdrafts. Therefore, it is suggested that the TTD should maintain adequate operational funds to avoid unnecessary payment of interest on overdrafts. This will further improve the financial position of the TTD.

2.20 Press: The TTD press is well equipped with high-tech machines and sound infrastructure. But there is under utilisation of existing capacity in the TTD press. The publications of the press, especially the calendars, have a high demand. But the supply is far less than the demand. In spite of the TTD having its own press, it entrusts substantial printing work to outside printing presses occasionally. Several cases of illegal gratification of the TTD press employees are reported in recent times. It is high time the TTD higher authorities took this matter seriously. Further, they should dispense with the practice of entrusting of printing work to outsiders when sophisticated machines worth crores of rupees are available in the TTD press. A thorough probe should be conducted into all the malpractices/corrupt activities of employees in the TTD press. The TTD press should also accept outside job orders in a big way to improve its income. Improving the earnings of the TTD press will help in improving the finances of the TTD in general.

2.21 Outstanding income from the Government: The TTD entertains nearly 50 - 60 State Government officials and non-officials as guests per month, on an
average. The expenditure incurred on their accommodation and on the facilities provided to them is to be borne by the Government. Initially, the TTD meets the entire cost and later on recovers the same from the Government. This amounts to around Rs.10 lakhs per year. The Government is indebted to the TTD to an extent of Rs.30 lakhs on this account. The TTD should take proper steps to recover the expenditure incurred on the guests from Government instead of accumulating it. A government official should be treated just like any other pilgrim and rental charges for accommodation and other facilities provided to him should be recovered on the spot.

2.22 Zero based budgeting: At present, the TTD follows performance budgeting. Though it is very easy and simple to follow, it has lots of defects. These are (i) inability to fix responsibility on officials for variances in actuals when compared to budgets; (ii) previous year's defects being present in the current year's budget; and (ii) inefficient and unimaginative method of preparing the budget. Zero based budgeting is the latest technique of budgeting and it has merits like (i) absence of unrealistic budgets; (ii) improvement of operational efficiency of the officials; (iii) optimum allocation of scarce resources among the departments; and (iv) complete avoidance of variances. So, it is suggested that the TTD may adopt zero based budgeting. The Government of AP is adopting the same for the last two years.

3. Hints for future studies: This study has been confined to the financial aspects of non-profit organisation viz., the TTD. However, a complete study of the behaviour of a big non-profit organisation requires an in-depth analysis of the decision-making process at different levels in the organisation and the varied problems experienced in the process of implementing these various decisions and the methods/practices adopted for converting the decisions of management into
action oriented programmes. This offers further scope for future research in this field in the years to come. A study of assets and investment pattern in the TTD in greater detail could not be made due to non-availability of the required data. No attempt is made in this study to conduct a detailed examination of the trends of cash inflows and outflows in the TTD as the required data was not made available to the researcher, inspite of her earnest attempts in this direction. This is another area which offers scope for future researchers to conduct detailed studies. Apart from these, detailed research studies can be conducted on the finances of the different temples such as Srivari temple at Tirumala, Sri Padmavathi Ammavari temple at Tiruchanoor etc (at unit level); financial management of educational institutions run by the TTD; dairy farm; printing and publications; TTD gardens; arjitha sevas; prasadams and all other activities undertaken by the TTD. These micro-level research studies that can be taken up by future researchers will throw more light on the trends, analysis, problems and ways and means to be adopted for solving the varied problems at different levels in the individual units of the TTD.