

PREFACE

The Report has been prepared for presentation to the Government of Tripura in accordance with the terms and conditions of the Technical Guidance and Supervision (TGS) over the maintenance of accounts and audit of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) by the Comptroller & Auditor General (C&AG) of India.

This is the first Report of the Office of the Senior Deputy Accountant General (Local Bodies Audit and Accounts) under the administrative control of the Accountant General (Audit), Tripura, Agartala. The office started functioning from 15th March 2007.

Part-A of this Report consists of observations on Panchayati Raj Institutions and Part-B consists of observations on Urban Local Bodies.

The cases mentioned in the Report are those, which came to notice during the course of test audit of accounts conducted upto 2008-09.

OVERVIEW

This Report includes two chapters. Chapter I deals with an overview of the Panchayati Raj Institutions containing the organizational set-up, accounting and audit arrangements, sources and flow of funds to Panchayati Raj Institutions (PRIs) and audit coverage including comments on accounts maintained by the PRIs and a long para on “Release and use of TFC grants”. Chapter II comprises 11 paragraphs dealing with the result of audit findings on the financial transactions of the PRIs followed by conclusions and recommendations. A summary of audit findings is given as under:

- Irregular expenditure on Indira Awas Yojana (IAY) houses out of NREGA fund Rs. 7.14 crore. **(Paragraph 2.1)**
- Unauthorized expenditure out of National Rural Employment Guarantee Act (NREGA) fund for construction of ponds on private individual land Rs. 4.93 crore. **(Paragraph 2.2)**
- Ratio of wage cost to material cost not maintained. **(Paragraph 2.3)**
- NREGA fund diverted for payment of subsidy for construction of IAY type houses Rs.1.35 crore. **(Paragraph 2.4)**
- Sampoorna Gramin Rojgar Yojna (SGRY) fund diverted for construction of Steel bridges and building Rs. 71.32 lakh. **(Paragraph 2.5)**
- Irregular expenditure on payment of power bill Rs.28.57 lakh. **(Paragraph 2.6)**
- Inadmissible expenditure made out of NREGA fund for payment to contractor. **(Paragraph 2.7)**
- Preparation of monthly progress report of works not based on actuals. **(Paragraph 2.8)**
- Non-production of records. **(Paragraph 2.9)**
- Advance lying outstanding from 2003-04 to 2007-08 Rs. 2.05 crore. **(Paragraph 2.10)**
- Sale proceeds of Amrapalli Plant recovered at the instance of audit Rs.11.46 lakh. **(Paragraph 2.11)**

CHAPTER I

AN OVERVIEW OF THE PANCHAYATI RAJ INSTITUTIONS

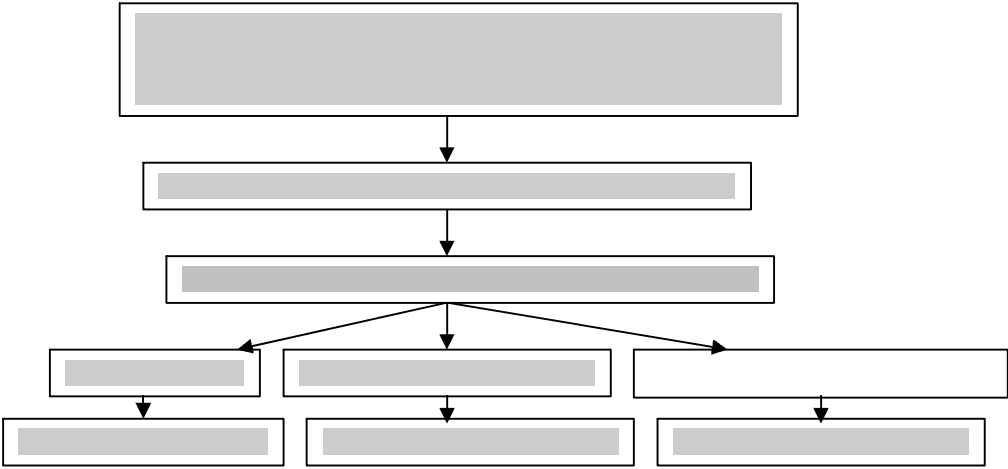
1.1 Introduction

In pursuance of 73rd Constitution Amendment Act, 1992 the Government of Tripura has enacted the Tripura Panchayat Act 1993 with a view to decentralize powers and strengthen the three tier structures of local governing bodies at the District, Block and Village levels. At present, there are 4 Zilla Parishads, 23 Panchayat Samitis and 513 Gram Panchayats functioning in Tripura. The Eleventh Finance Commission (EFC) recommended that the C&AG should be entrusted with the responsibility of exercising control and supervision over the proper maintenance of accounts and their audit for all the three tiers/levels of PRIs. Accordingly, as per request of the State Government audit of Local Bodies is being conducted by the O/o the Sr. Deputy Accountant General (LBA&A) since March 2007, under Section 20(1)/14 of the C&AG's DPC Act, 1971.

1.2 Organizational set up

The Panchayati Raj Institutions (PRIs) function under the administrative control of the Panchayati Raj (PR) Department headed by Commissioner & Secretary and assisted by Director (PR) and Addl. Director & Deputy Director at the State level.

The organizational set-up of the PRIs is as follows:



The Zilla Parishad is headed by the Sabhadhipati, while the Panchayat Samitis and Gram Panchayats are headed by the Chairman and the Pradhan who are elected representatives of the respective Panchayat Raj Institutions.

At the District level, the Zilla Parishad (ZP) is constituted by the elected representatives headed by the Sabhadhipati with the District Magistrate & Collector as the Chief Executive Officer (CEO). Under the CEO, District Panchayat Officer discharges day-to-day administrative functions of the Zilla Parishad as Ex-officio Secretary. The Panchayat Samiti (PS) functioning at the Block level is composed of elected representatives headed by the chairman of the PS with the Block Development Officer (BDO) as the executive head. Panchayat Officer or Panchayat Extension Officer acts as Ex-officio Secretary of the Panchayat Samiti. At the Gram Panchayat (GP) level, the elected members headed by a Pradhan constitute the GP. Panchayat Secretary appointed by the State Government in the Gram Panchayat performs the function of the Secretary of the Gram Panchayat under the control of the Pradhan.

1.3 Devolution of functions

The 73rd Constitutional Amendment Act 1992 envisaged devolution of funds, functions and functionaries to the Panchayati Raj Institutions (PRIs) to make them fiscally capable and autonomous. On the mandate of the above, the State Government devolved 5* subjects out of 29 listed in the 11th Schedule to the Constitution to the control of 3-tier PRIs (August, 2006 & August, 2007). The remaining 24 subjects have not so far been transferred.

1.4 Sources of funds

For execution of various developmental works, the PRIs mainly receive funds from the Government of India (GOI) and the State Government in the form of Grants. The GOI Grants include grants assigned under the recommendations of Eleventh Finance Commission (EFC) & Twelfth Finance Commission (TFC). The State Government grants are received under the recommendations of State Finance Commission (SFC). Besides, the source includes the revenue earned by the PRIs in the form of taxes, rent, fees, issue of licenses, etc. During 2007-08, Government provided financial assistance of Rs. 159.95 crore (Central share: Rs. 131.40 crore; State share: Rs. 28.55 crore) by way of grants to PRIs viz., Zilla Parishads, Panchayat Samitis and Gram Panchayats.

* (1) Water Resources, (2) Primary School, (3) Adult and Non- Formal Education, (4) Social Welfare including Welfare of the Handicapped and Mentally Retarded and (5) Women and Child Development.

1.5 Functioning of PRIs

Panchayat Samitis, Zilla Parishads have Standing Committees through which various functions as per the Act are performed.

- Finance, Audit and Planning Committee, to be known as Finance Committee;
- Education, Environment, Cultural, Health and Sports Affairs Committee, to be known as Education and Health Committee;
- Communication, Rural Electrification and Non Conventional Energy Committee, to be known as Works Committee;
- Industries including Cottage Industries and Sericulture Committee, to be known as Industries Committee;
- Social Justice Committee;
- Agriculture, Food, Irrigation, Co-operation, Fisheries and Animal Husbandry Committee, to be known as Agriculture Committee;
- Poverty Alleviation programme, Social and Farm forestry, Rural Housing and Drinking Water Committee, to be known as Poverty Alleviation Committee.

The over-all monitoring and review of the programmes are conducted at the State level by the State Level Co-ordination Committee (SLCC) and at the district level by the District Monitoring and Vigilance Committees.

1.6 Accounting arrangement

The Chief Executive Officer is responsible for maintenance of accounts in Zilla Parishad and the Block Development Officer in Panchayat Samiti maintains the accounts with the assistance of Accountants. In case of Gram Panchayat, the Executive Officer/Secretary maintains the accounts.

1.7 Audit arrangement

Directorate, Local Fund Audit has not been established in the State. Accounts of all the 4 Zilla Parishads, 23 Panchayat Samitis and 513 Gram Panchayats are in arrears since inception. Audit of PRIs are being conducted under section 20 (1) of the C&AG's (DPC) Act, 1971.

1.8 Audit coverage

The audit of the accounts of 4 Zilla Parishads, 23 Panchayat Samitis and 262 Gram Panchayats for the year 2007-08 were test checked during 2008-09. The important audit findings are summarized in the succeeding paragraphs and chapters.

1.9 COMMENTS ON ACCOUNTS

1.9.1 Unutilized Funds

Test check of closing balances of the PRIs for the year ended 31 March 2008 revealed huge amounts relating to different scheme funds kept unutilized as shown under:

(Rupees in lakh)

Name of the PRI	Number of PRIs	Amount
Zilla Parishad	02	18.91
Panchayat Samiti	21	1104.38
Gram Panchayat	112	933.61
Total	135	2056.90

Poor utilization of funds indicated defective planning and inadequate monitoring, thereby depriving the beneficiaries from receiving intended benefits from the schemes (**Appendix-I & II**).

1.9.2 Non preparation of Budget Estimates

As per provisions of section 173, 118 and 64 of the Tripura Panchayat Act, 1993 annual Budget Estimate of ZPs, PSs and GPs showing the probable receipts and disbursement for the following year are required, to be prepared and submitted to the next higher authority for approval. If the approval of the higher authority is not received, within two months, or by the last day of the year, whichever is earlier, the budget shall be deemed to be approved by the prescribed authority.

Scrutiny of the records of all the ZPs and PSs revealed that none of them prepared budget of its estimated receipts and disbursement for the following year and submitted them to the prescribed authority for approval.

1.9.3 Non-preparation of Annual Accounts

Soon after the closure of the financial year, the annual accounts of ZPs, PSs and GPs should be prepared showing total receipts and payments during the year

under different heads with opening and closing balances. In respect of PSs, the Government of Tripura issued instruction (April 2004) to prepare Annual Receipt and Payment accounts in the formats prescribed by C&AG of India.

Scrutiny of records of 4 ZPs, 23 PSs and 253 GPs revealed, annual receipt and payment accounts were not prepared by any of the unit. Due to non-maintenance of accounts, the actual position of income and expenditure could not be verified and the accounts presenting true and fair view could not be ascertained.

1.9.4 Certification of Accounts

The State Government has not made any provisions in the State Acts/Rules for certification of accounts for the PRIs by the Examiner of Local Fund Audit or any such State auditing Authority. Till now not a single unit has been able to prepare the Annual Accounts, which would provide basis for conducting certification audit.

1.9.5 Deficiencies in the maintenance of Cash Books

Test check of records of 16 PRIs (one ZP, five PSs and ten GPs)[♦] revealed that the maintenance of Cash Books were deficient in many ways. Some of the important deficiencies are as under:

- Cash Books are not maintained properly.
- Physical verification of cash is not conducted.
- Heavy cash balances in excess of the prescribed limits and without immediate liability were retained.
- Monthly analysis of closing cash balances is not prepared.
- Separate cash book and bill register were not maintained.
- Expenditure on Indira Awas Yojana (IAY), Sampurna Gramin Rojgar Yojna (SGRY) etc. is not recorded in cash book.

[♦] ZP = Uttar Tripura Zilla Parishad
PS = Salema, Melaghar, Hrishamukh, Ambassa, Bishalgarh
GP= Paschim Daalak, Purba Gandhi gram, Ekinpur, Kalikrishnanagar, Haripur, Dakshin Sonaichhari, Jirania, East Ratacheera, Tulamura, Kakraban

1.9.6 Non maintenance of Records

With a view to adopting uniform procedure for maintenance of accounts of PRIs, the Government issued instructions (September, 2005) to maintain accounts in the formats prescribed by the C&AG of India, w.e.f 01.01.2006 such as Annual receipt and payments accounts, Capital expenditure accounts, Statement of receivable and payables, Register for monthly receipts and payments, Monthly reconciliation statement, Accounts of movable and immovable property, Stock accounts, etc. In addition to the above, the C&AG also prescribed formats for creation of Database on Finances of PRIs. Test check of records of PRIs revealed that the said formats on accounts and the Database on Finances were not adopted. In the absence of the above, uniform accounts procedure is not maintained due to which financial and physical progress of the PRIs could not be ascertained.

1.9.7 Standing Committees Meeting

As per Rule 30 of the Tripura Panchayats (Administration) Rules, 1994 every Standing Committee shall hold a meeting in the Office of the Panchayat Samiti once in a month on such date and at such time as may be fixed by the President.

Test check of records of Panchayat Samitis revealed that in 10 PS out of 23 PS, Standing Committee meeting was not held regularly as per the Act (**Appendix - III**).

1.9.8 Non maintenance of Reports and Returns by Chairman

As provided in Rule 29(2) in the Tripura Panchayats (Administration) Rules, 1994, Chairman, Panchayat Samiti is required to collect monthly progress report of all works of Gram Panchayat and prepare in each quarter, a consolidated quarterly report of the works with comments of Panchayat Samiti to be submitted to the Zilla Parishad within three weeks of conclusion of each quarter's ending.

It is noticed that in all the Panchayat Samitis none of the Chairman prepared the report and submitted to Zilla Parishad as prescribed.

1.9.9 Non preparation of report on the work of Panchayat Samiti

As provided in Rule 28(1) in the Tripura Panchayats (Administration) Rules, 1994, Panchayat Samiti requires to prepare report of work done by it, in the previous year and works proposed to be done next year to be submitted to the

Chief Executive Officer, Zilla Parishad and District Panchayat Officer before 15th May of the year.

In all the Panchayat Samitis none of the Panchayat Samiti has prepared such report.

1.9.10 Release and use of TFC Grants

Twelfth Finance Commission (TFC) recommended Rs. 20,000 crores for Panchayat Raj Institutions (PRIs) of the country payable during the period 2005-2010 to be used to improve the Service delivery in respect of water supply and sanitation and are to take over water supply assets created under Swajaldhara programmes and maintain them with the help of these grants. As per inter- state allocations, the State of Tripura was allocated Rs. 57.00 crore to be paid and utilized during 2005-2010. The State have to mandatorily transfer grant released by the Centre to the PRIs within 15 days of the same being credited to State Account, failing which the State has to transfer to PRIs, interest at a rate equal to bank rate alongwith delayed transfer of grants.

Test check of records of Government in the Finance and Panchayati Raj Department revealed that Rs. 5.70 crore was released by GOI to the State as the first installment on 05.04.2006 and the same was credited to the State Account on 24.04.2006. The amount was transferred to PRIs on 05.03.2007 after a delay of 301 days beyond the stipulated period of 15 days thereby making the State liable for payment of interest to PRI for delayed transfer of grants.

(Rupees in lakh)

Year	Date of release by GOI and date of credit to State account		Grant transferred to controlling department of PRIs		Controlling department transferred to PRIs		Period of delay (days)
	GOI	Credit to State	Date of transfer	Amount transferred	Date of transfer	Amount transferred	
2005-06	05.04.2006	24.04.2006	28.04.2006	570	05.03.2007	570.00	301
2006-07	06.11.2008	06.11.2008	19.11.2008	570	24.01.2009	358.45	46
					24.01.2009	173.77	46
					19.02.2009	37.78	91

The State Government has not yet transferred the interest amount for delayed transfer of TFC grants for the year 2006-07 to PRIs.

1.9.10.1 Diversion of grant

Twelfth Finance Commission(TFC) guidelines provide for utilization of grants on water supply, sanitation, creation of database and maintenance of accounts at the grass root level.

Test check revealed that Rs. 220.00 lakh was spent on construction of Panchayat Ghar, SHG Training centre and Children Park/ECO Park, not being the legitimate purposes for expenditure. The said amount was diverted for unauthorized purposes out of the grants released during 2005-06.

Further it was also noticed from the sanction order that Rs. 396.23 lakh was diverted towards maintenance and repair of Gram Panchayat/Village Committee/BAC Hall/PS offices out of the second installment of TFC grants released for the year 2006-07.

1.9.10.2 Creation of database

Creation of database on finances of PRIs has not yet been developed in the State. During a meeting held with the O/o The Accountant General in June 2008, the State Government agreed to the need for early creation of the same. The creation of the database on finance of PRI has not yet started.

1.9.10.3 Issue of assurance on the utilization of grants

State Finance Department has to furnish to the State Accountant General (Audit), a certificate on releases of grants to the local bodies and their utilization. On receipt of the same, State Accountant General would conduct audit of release and utilization of this fund and would issue assurance certificate to the Central Government through the headquarters' office. As of now, no certificate on releases of grant and their utilization received from State Finance Department.

CHAPTER II RESULTS OF AUDIT

2.1 Irregular expenditure to the tune of Rs. 7.14 crore

Irregular expenditure on construction of IAY houses with NREGA fund Rs.7.14 crore

The list of permissible works are listed in Para 5.1.1 of the Operational Guidelines with reference to Schedule I of the NREGA, 2005.

Ministry of Rural Development (MORD), Government of India vide letter No.J-12015/1/06 –NREGA, dated 18.08.2006 also reiterated that first priority under NREGA is water conservation, plantation and forestation. All possibilities under these must be first fully assessed. The “Other Works” should be considered only when these possibilities have been exhausted and be based on an assessment of labour demand and its seasonality.

Test check of records of Paschim Tripura Zilla Parishad revealed that District Magistrate & Collector, West Tripura accorded administrative approval and expenditure sanction for Rs. 7.14 crore (**Appendix - IV**) from NREGA fund for construction of 2106 Nos. of IAY houses and accordingly Zilla Parishad released the entire fund to ten different Implementing Agencies in contravention to above provision.

Had there been no diversion of fund the same could have been utilized for generation of 8.40 lakh man days for the rural people for whom the fund has been created by the Parliament and allotted to the State Government (@ Rs.85/- per man day).

Department intimated in January 2009 that utilization certificates for the entire amount excepting for Rs. 1.70 lakh out of the fund placed with Block Development Officer(BDO) Teliamura was received.

2.2 Un-authorized expenditure from NREGA fund

Unauthorized expenditure out of NREGA fund for construction of ponds on private individual land – Rs. 4.93 crore

Schedule I of the NREGA, 2005 provides the list of the permissible works under the NREGA fund. It was also mentioned in (ix) that if any State Government finds any difficulty and wants to take any other works other than that mentioned in the above

schedule- I, then proposals are to be sent to Central Government through the State Employment Guarantee Council (SEGC) for necessary notification.

Section 16(1) of the Act provides that the GP shall be responsible for identification of the projects in the GP area to be taken up with the NREGA fund as per the recommendation of the Gram Sabhas.

Test check of records of Kalyanpur, Khowai, Ambassa, Salema, Boxanagar, Melaghar and Kathalia Panchayat Samitis revealed that an amount of Rs. 4.93 crore incurred out of NREGA fund during 2006-07 and 2007-08 for excavation of 939 numbers of ponds on land owned by private individuals (**Appendix -V**). The works were neither included in the work plan approved by the Gram Sabha nor permissible under the NREGA, 2005.

2.3 Ratio of wage cost to material cost not maintained

Ten Panchayat Samitis have spent an amount of Rs. 266.50 lakhs in 266 numbers of projects with ratio of wage cost to material cost at 13:87 instead of 60:40.

Para 5.4.1 of the Operational Guidelines of NREGA, 2005 provides that minimum ratio of wage cost to material cost at the minimum of 60:40 should be maintained for all projects.

Test check revealed that the same was not maintained as evidenced from the records of 10 Panchayat Samitis, an amount of Rs. 266.50 lakhs were spent in 266 number of projects with ratio of wage cost to material cost at 13:87 (Rs. 35.49 lakh : Rs. 231.01 lakh) (**Appendix-VI**).

2.4 Diversion of NREGA Fund

NREGA fund diverted for payment of subsidy for construction of houses under IAY scheme - Rs. 1.35 crore

National Rural Employment Guarantee Act (NREGA), 2005 and its Operational Guidelines provide (under Schedule I & II) the details of the permissible works under NREGA. Gram Sabha is the principal authority to recommend the works to be taken up under NREGA (Para 2.2.1. (a) of operational guidelines)

Section 7(1) of the Act makes provisions for payment of unemployment allowance in case employment is not provided within fifteen days of receipt of application seeking the employment. However no provision has been made either in the Act or Operational Guidelines for payment of subsidy.

In contravention of the above, Rs. 1.35 crore of NREGA fund was diverted during 2007-08 in favour of ten BDOs as subsidy for construction of 2106 No. of IAY houses (**Appendix-VII**).

2.5 Diversion of SGRY Fund

SGRY fund diverted for construction of Steel bridges and building-
Rs. 71.32 lakh

Sampoorna Gramin Rojgar Yojna (SGRY) Guidelines prohibits the following works - while there is no ceiling on the cost of works to be taken up, their size and cost and nature should be such that they could be completed within a period of one year and in exceptional situations within a maximum period of two years. At the Village Panchayat level, the nature of work should be such that they do not involve high level technical inputs etc. The works taken up must be kept within the overall Annual Action Plan of the Panchayat concerned. Bridge, Buildings works shall not be taken up under the programme:

“While there is no ceiling on the cost of works to be taken up under the programme, only such works should generally be taken up whose size and cost and nature are such that they are capable of being implemented at the local level and do not involve high level technical input etc”.

Test check of the records (November, December 2007) of the Dakshin Tripura Zilla Parishad and Paschim Tripura Zilla Parishad revealed that an amount of Rs. 71.32 lakh was diverted for construction of Steel Bridge and building in contravention to above (**Appendix -VIII**).

2.6 Irregular expenditure on payment of power bill Rs. 28.57 lakh

Eleven Panchayat Samitis paid 20% power bill on Lift Irrigation Scheme from the Panchayat Development Fund (PDF) in violation of the Government decision during 2007-08.

As per decision of Government of Tripura for payment of Power Consumption bill for Lift Irrigation Scheme, users of the schemes are to pay 20% of power consumption bills and 80% is to be paid out of the budget being transferred in favour of Panchayat Department from the budget wing of Public Works Department. But the users did not pay the 20% of the power consumption bill during 2006-07. Then the

Government decided that the payment will be made from the fund available with the Gram Panchayats beyond the amount so collected from the users for making payment of 20% of the bill amount to the Tripura State Electricity Corporation Limited (TSECL) and the rest 80% bill is paid out of the budget being transferred in favour of Panchayat Department from the budget wing of the Public Works Department (PWD). This arrangement was made for the financial year 2006-07 only and it was not extended after 2006-07.

Scrutiny revealed that eleven Panchayat Samitis paid Rs.28.57[^] lakh being the 20% power bill on Lift Irrigation Scheme from the Panchayat Development Fund (PDF) in violation of the Government decision during 2007-08.

2.7 Inadmissible expenditure made out of NREGA fund

Inadmissible expenditure made out of NREGA fund for payment to contractor – Rs. 2.92 lakh

Rule 5.2.5 of the Operational Guidelines to NREGA 2005, states as under:-

“As stated in the Act (Schedule I), contractors cannot be engaged in any manner in the execution of works.”

Test check of records of Kalyanpur Panchayat Samiti revealed that an amount of Rs. 2.92 lakh was paid to contractor out of NREGA fund for earth filling through mechanical transport in contravention to the above.

2.8 Preparation of monthly progress report of works not based on actuals

As per Rule 9.2.4 and 9.3.2 of the Operational Guidelines of NREGA, 2005, the Programme Officer shall obtain the monthly progress report of works from respective

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Khawai P.S -	3.38 lakh
Teliamura P.S.-	1.73 lakh
Kalyanpur P.S.-	1.95 lakh
Boxonagar P.S.-	0.62 lakh
Matabari P.S.	3.68 lakh
Ambassa P.S.	0.76 lakh
Salema P.S.	4.50 lakh
Dukli P.S.	0.44 lakh
Panisagar P.S.	1.19 lakh
Kathalia P.S.	1.19 lakh
Melaghar P.S.	9.13 lakh
Total Rs.	28.57 lakh

Gram Panchayats and to prepare consolidated monthly progress report of works in Annexure-B-12 for transmission to the District Programme Coordinator (DPC) (D.M. & Collector) for preparation of monthly and annual reports for onward transmission to the State Programme Coordinator and Ministry of Rural Development.

Test check of records of Kalyanpur Panchayat Samiti revealed that out of 16 Gram Panchayats, only 7 Gram Panchayats submitted their monthly progress report of works showing 1,02,618 man days were generated by incurring an expenditure of Rs. 72.09 lakh but the department furnished consolidated report to the DPC showing generation of 3,18,374 man days by incurring an amount of Rs. 320 lakh i.e. total amount placed with all the 16 Gram Panchayats were shown utilized without collecting/ascertaining actual position of utilisation of fund by the remaining nine Gram Panchayats.

2.9 Non-production of records

The case records, copies of Muster Rolls and Vouchers in support of expenditure on works etc. for Rs. 142.50 lakh (**Appendix-IX**) were not produced to audit in spite of written requisition. Due to non production of records the authenticity of the execution works by the 28 Gram Panchayats and the expenditure involved could not be verified.

2.10 Advance lying outstanding

Advance lying outstanding from 2003-04 to 2007-08- Rs. 204.97lakh

Advances made to individuals/implementing officers for developmental works should be promptly adjusted and the unspent balances refunded/ recovered immediately. Test check of records of five PRIs (**Appendix - X**) revealed, advances of Rs. 204.97lakh had not been adjusted since long. In case of Jirania Panchayat Samiti (PS) advances of Rs. 80.08 lakh lying unadjusted since 2003-04. Improper maintenance of Advance Ledgers may result in the non recovery and ultimately may end up in loss of money.

2.11 Revenue recovery at the instance of audit

Sale proceeds of Amrapalli Plant recovered at the instance of audit Rs. 11.46 lakh

Section 153(1)(a) of Tripura Panchayat Act, 1993 provides that the Standing Committee on Finance Audit and Planning shall scrutinize the proposals for increase

of revenue and to conduct general supervision over collection of revenue of the Zilla Parishad .

Test check of records revealed that as per decision of the Pashchim Tripura Zilla Parishad Rs. 22.47 lakh was placed with the Horticulturist, West District during the period from 2004-05 to 2006-07 for production of Amrapalli Plant and to deposit the sale proceeds of the Amrapalli Plant of Rs. 48.13 lakh @ Rs. 30/- each plant to Zilla Parishad.

Test check revealed that no initiative or action was taken by the Zilla Parishad (September 2007). Acting on the audit observation the Zilla Parishad has already collected Rs. 11.46 lakh by January 2009 and efforts were being made to collect the balance due revenue.

2.12 Conclusion and recommendations

There was accumulation of unutilized balances. Annual accounts were not prepared for which authenticity of accounts could not be ensured. Irregular/ inadmissible expenditure in violation of rules, diversion of fund indicate that internal control mechanism is not adequate to ensure proper financial management. In view of the findings as explained in previous chapters, the following recommendations are made for consideration of the Government.

The Government should ensure that:

- Annual Accounts are prepared by the PRIs regularly and timely;
- Timely utilization of funds and unspent balances refunded promptly;
- Database on finances is maintained at all levels of PRIs;
- Schemes are implemented as per guidelines;
- Standing Committees are activated and they perform duties as per the Act;
- Budget are prepared regularly and approval by the Prescribed Authorities obtained;
- More functions are transferred to PRIs along with necessary funds and functionaries.

Appendix – I
Statement of unspent balance of fund with Zilla Parishads &
Panchayat Samitis
(Reference : Paragraph 1.9.1; Page 4)

(Rupees in lakh)

Sl. No.	Name of Zilla Parishad & Panchayat Samiti	Year	Opening Balance	Fund received	Total	Expenditure	Unspent Balance as on 31 st March 2008
1.	Dhakshin Tripura Zilla Parishad	2007-08	1.87	41.01	42.88	40.37	2.51
2.	Dhalai Zilla Parishad	- Do -	50.72	21.87	72.59	56.19	16.40
Total							18.91
1.	Mohanpur Panchayat Samiti	- Do -	8.14	401.78	409.92	123.31	286.61
2.	Khowai Panchayat Samiti	- Do -	8.23	49.19	57.42	44.80	12.62
3.	Teliamura Panchayat Samiti	- Do -	9.95	45.95	55.90	38.59	17.31
4.	Kalyanpur Panchayat Samiti	- Do -	9.48	26.28	35.76	29.47	6.29
5.	Dukli Panchayat Samiti	- Do -	Nil	519.93	519.93	369.90	150.03
6.	Boxnagar Panchayat Samiti	- Do -	0.07	69.25	69.32	67.10	2.22
7.	Bishalgarh Panchayat Samiti	- Do -	0.81	1093.48	1094.29	1087.10	7.19
8.	Melagarh Panchayat Samiti	- Do -	0.13	843.00	843.13	645.79	197.34
9.	Kathalia Panchayat Samiti	- Do -	2.14	46.67	48.81	44.75	4.06
10.	Matabari Panchayat Samiti	- Do -	Nil	867.68	867.68	741.10	126.58
11.	Kakraban Panchayat Samiti	- Do -	1.72	22.05	23.77	12.67	11.10
12.	Amarpur Panchayat Samiti	- Do -	2.16	673.45	675.61	513.91	161.70
13.	Bokafa Panchayat Samiti	- Do -	1.18	23.31	24.49	15.54	8.95
14.	Rajnagar Panchayat Samiti	2007-08	Nil	347.70	347.70	306.55	41.15
15.	Hrishymukh Panchayat Samiti	- Do -	Nil	13.34	13.34	12.66	0.68
16.	Satchand Panchayat Samiti	- Do -	1.18	17.98	19.16	17.12	2.04
17.	Ambassa Panchayat Samiti	- Do -	1.21	35.36	36.57	22.05	14.52
18.	Salema Panchayat Samiti	- Do -	17.48	28.93	46.41	21.42	24.99
19.	Kadamtala Panchayat Samiti	- Do -	1.85	44.73	46.58	30.37	16.21
20.	Gournagar Panchayat Samiti	- Do -	0.55	16.77	17.32	13.48	3.84
21.	Kumarghat Panchayat Samiti	- Do -	3.12	11.85	14.97	6.02	8.95
Total							1104.38

(Source: Inspection Reports)

Appendix-II
Statement of unspent balance of fund with Gram Panchayats

(Reference: Paragraph 1.9.1; Page 4)

(Rupees in lakh)

Sl. No.	Name of G.P	Year	Opening balance	Fund received	Total	Expenditure	Unspent balance of Panchayats Development fund as on 31 st March 2008	Unspent balance of NREGA fund as on 31 st March 2008
1.	Radhanagar	2007-08	1.02	5.21	6.23	5.59	0.64	-
2.	Taraninagar	-do-	3.88	7.66	11.54	9.24	2.30	-
3.	Laljuri	-do-	3.06	3.81	6.87	5.54	1.33	-
4.	Mirja	-do-	1.83	10.70	12.53	9.98	2.55	1.79
5.	Ganga Charra	-do-	2.89	9.63	12.52	9.40	3.12	1.66
6.	Uttartulamura	-do-	1.41	6.79	8.20	6.06	2.14	1.18
7.	Tulamura	-do-	2.38	8.69	11.07	7.99	3.08	-
8.	Tilagaon	-do-	3.90	5.83	9.73	7.53	2.20	-
9.	Sorojini	-do-	2.24	2.42	4.66	3.16	1.50	-
10.	Samrupar	-do-	0.31	7.22	7.53	6.11	1.42	-
11.	Rangrung	-do-	5.68	4.89	10.57	4.74	5.83	-
12.	Srinathpur	-do-	0.66	3.18	3.84	1.84	2.00	-
13.	Shrirampur	-do-	5.07	5.80	10.87	6.27	4.60	-
14.	Yezakhawqra	-do-	1.09	3.79	4.88	2.91	1.97	-
15.	Noorpure	-do-	1.00	2.02	3.02	2.24	0.78	-
16.	Murticherra	-do-	1.54	2.05	3.59	2.84	0.75	-
17.	Manuvelly	-do-	6.09	4.23	10.32	4.22	6.10	-
18.	Chantail	-do-	4.98	6.09	11.07	5.90	5.17	-
19.	Laxmipur	-do-	3.75	4.63	8.38	4.15	4.23	-
20.	Khowrabil	-do-	3.30	4.61	7.91	4.43	3.48	-
21.	Latiapura	-do-	1.78	2.17	3.95	2.34	1.61	-
22.	Rangauti	-do-	1.05	2.53	3.58	2.72	0.86	-
23.	Westmashauli	-do-	1.05	2.86	3.91	3.84	0.07	-
24.	Krishanagar	-do-	1.28	4.02	5.30	4.59	0.71	-
25.	Sukantanagar	-do-	6.39	9.86	16.25	11.09	5.16	-
26.	West ratacherra	-do-	3.01	5.48	8.49	3.07	5.42	-
27.	Sonaimuri	-do-	3.90	8.42	12.32	4.62	7.70	-
28.	Saidarpar	-do-	5.87	4.82	10.69	6.19	4.50	-
29.	Mashauli	-do-	4.02	2.43	6.45	4.17	2.28	-
30.	Bhagabannagar	-do-	1.30	2.69	3.99	3.71	0.28	-
31.	Bilashpur	-do-	3.07	3.89	6.96	5.40	1.56	-
32.	Chandipur	-do-	4.41	5.14	9.55	5.22	4.33	-
33.	Dhanbilash	-do-	2.52	5.44	7.96	6.40	1.56	-
34.	Fulbrikandi	-do-	2.02	2.54	4.56	2.21	2.35	-
35.	Fultali	-do-	1.80	3.23	5.03	1.60	3.43	-
36.	Goldhakurpur	-do-	1.21	2.46	3.67	1.33	2.34	-
37.	Ichabpur	-do-	1.09	2.91	4.00	2.78	1.22	-
38.	Jalai	-do-	5.49	5.28	10.77	4.92	5.85	-
39.	Jarultali	-do-	1.28	2.52	3.80	1.52	2.28	-
40.	Pachim Gandhigram	-do-	1.46	20.96	22.42	14.72	7.70	6.67
41.	Purba Gandhigram	-do-	5.99	26.89	32.88	20.76	12.12	7.98
42.	Purba Duluchera	- do -	11.15	20.41	31.56	24.45	7.11	5.96
43.	Singerbil	-do-	6.12	21.65	27.77	17.02	10.75	7.79
44.	Ananganagar	-do-	1.74	19.86	21.60	20.06	1.54	1.01
45.	Duraishibbari	-do-	7.40	11.00	18.40	13.13	5.27	4.53
46.	Mohanpur	-do-	10.40	11.50	21.90	12.22	9.68	8.18
47.	Chotosurma	-do-	9.84	16.72	26.56	17.68	8.88	7.24
48.	Pachim Dalucherra	-do-	6.79	11.77	18.56	14.60	3.96	3.50
49.	North kachucherra	-do-	10.04	11.95	21.99	13.62	8.37	6.00
50.	Machuria	-do-	8.46	8.40	16.86	8.74	8.12	7.18
51.	Mayachari	-do-	8.14	15.06	23.20	15.62	7.58	6.09
52.	Moracherra	-do-	8.85	6.49	15.34	12.75	2.59	1.27
53.	Manik Bhandar	-do-	16.07	17.91	33.98	19.34	14.64	12.00
54.	Mahabir	-do-	3.96	11.96	15.92	9.50	6.42	4.64

Sl. No.	Name of G.P	Year	Opening balance	Fund received	Total	Expenditure	Unspent balance of Panchayats Development fund as on 31 st March 2008	Unspent balance of NREGA fund as on 31 st March 2008
55.	Kuchainala	-do-	12.63	20.62	33.25	19.83	13.42	10.74
56.	Kalachari	-do-	14.37	11.69	26.06	19.03	7.03	1.49
57.	East Lambucherra	-do-	6.98	7.07	14.05	6.40	7.65	4.75
58.	Debichara	-do-	11.88	16.24	28.12	18.02	10.11	7.95
59.	Dabbari	-do-	16.68	12.06	28.74	21.14	7.60	5.75
60.	Noagaons	-do-	10.29	24.94	35.23	14.93	20.30	18.90
61.	Salema	-do-	5.72	15.48	21.20	13.13	8.07	6.13
62.	Chulubari	-do-	12.26	15.81	28.07	11.11	16.96	9.41
63.	Baraluthma	-do-	7.53	11.60	19.13	12.43	6.70	5.38
64.	Bamanchera	-do-	10.95	15.36	26.31	16.47	9.84	7.96
65.	Avanga	-do-	7.59	14.68	22.27	14.87	7.40	4.34
66.	Chankap	-do-	7.61	10.40	18.01	11.54	6.47	4.82
67.	Halahali	-do-	12.47	14.37	26.84	13.00	13.84	10.45
68.	Halhuli	-do-	18.63	16.89	35.52	21.33	14.19	8.10
69.	Purba Nalicherra	-do-	14.14	17.33	31.47	30.21	1.26	0.43
70.	Kulai	-do-	5.26	11.13	16.39	12.72	3.67	2.41
71.	Uttar Nalicherra	-do-	6.73	7.45	14.18	11.76	2.42	1.79
72.	Harekhola	-do-	13.17	5.88	19.05	12.83	6.22	3.28
73.	Bilascherra	-do-	13.21	19.61	32.82	22.18	10.64	8.69
74.	Fatikcherra	-do-	4.88	25.22	30.10	19.79	10.31	8.24
75.	Narsinghar	-do-	2.90	25.11	28.01	18.11	9.90	7.57
76.	Lankamura	-do-	2.86	30.18	33.04	18.66	14.38	9.04
77.	Nutannagar	-do-	1.56	15.41	16.97	11.40	5.57	5.15
78.	Patunagar	-do-	2.61	21.97	24.58	14.38	10.20	9.64
79.	Laxmilunga	-do-	1.73	20.76	22.49	11.90	10.59	8.57
80.	Lembucherra	-do-	3.39	15.32	18.71	13.27	5.43	3.16
81.	Kamalghat	-do-	4.17	19.25	23.42	18.25	5.17	1.43
82.	Debendranagar	-do-	0.28	13.03	13.31	8.32	4.99	3.95
83.	Satdubia	-do-	5.16	31.01	36.17	20.46	15.72	11.90
84.	Kalkalia	-do-	3.50	19.41	22.91	11.95	10.96	8.43
85.	Betcherra	-do-	0.41	3.30	3.71	3.12	0.59	-
86.	Jagannath	2007-08	1.60	5.21	6.81	6.06	0.75	-
87.	Fatikroy	-do-	13.57	7.99	21.56	14.38	7.18	-
88.	Ambedkarnagar	-do-	3.42	10.42	13.84	6.13	7.71	-
89.	Eastratacherra	-do-	4.45	5.77	10.22	4.88	5.34	-
90.	Gakulnagar	-do-	2.82	6.85	9.67	8.97	0.70	-
91.	Kanchanbari	-do-	5.53	8.98	14.51	12.22	2.29	-
92.	Ganganagar	-do-	0.83	4.21	5.04	4.77	0.27	-
93.	East kanchanbari	-do-	3.11	4.56	7.67	4.31	3.36	-
94.	Dudhpur	-do-	4.36	6.17	10.53	8.12	2.41	-
95.	Bagbasa	-do-	1.69	2.74	4.43	2.99	1.44	-
96.	Dhupirband	-do-	0.62	3.98	4.60	3.38	1.22	-
97.	Huplong	-do-	1.07	7.72	8.79	6.34	2.45	-
98.	Lalcharra	-do-	1.22	4.50	5.72	2.93	2.79	-
99.	Jubarajnagar	-do-	2.23	5.14	7.37	2.60	4.77	-
100.	Pekucharra	-do-	0.73	1.67	2.40	1.67	0.73	-
101.	Panisagar	-do-	3.90	5.23	9.13	6.44	2.69	-
102.	Uttarkalaban	-do-	0.56	4.67	5.23	4.46	0.77	0.75
103.	Purbagakulpur	-do-	4.07	11.13	15.20	9.52	5.68	1.86
104.	Indranagar	-do-	6.01	13.17	19.18	10.52	8.66	2.17
105.	Garjeechera	-do-	3.36	4.18	7.54	4.20	3.34	0.70
106.	Salgarah	-do-	9.99	15.53	25.52	15.75	9.77	2.32
107.	Tapania	-do-	1.79	10.01	11.80	9.94	1.86	1.09
108.	Paschim khupilong	-do-	3.63	4.96	8.59	4.75	3.84	0.96
109.	Brahmakunda	-do-	1.83	23.10	24.93	16.48	8.45	8.36
110.	Ishanpur	-do-	1.34	9.81	11.15	6.58	4.57	3.22
111.	Tulabagan	-do-	2.43	13.66	16.09	10.10	5.99	3.90
112.	Vidyasagar	-do-	3.92	21.22	25.14	17.54	7.60	6.11
Total			556.66	1151.63	1708.29	1100.64	607.65	325.96

(Source: Inspection Reports of Gram Panchayats)

Appendix III
Statement showing less No. of Standing Committee Meeting
(Reference : Paragraph 1.9.7; Page 6)

Name of P.S	No of meeting to be held in a year	No. of meeting held in by each Standing Committee							Total meeting held	Short
		Finance	Education	Works	Industries	Social Justice	Agriculture	Poverty alleviation		
Salema	84	2	3	1	Nil				8	76
Ambassa	84	1	2	2	2	2	2	2	13	71
Kalyanpur	84	1	6	6	4	5	3	2	27	57
Teliamura	84	4	5	4	3	4	4	3	27	57
Khowai	84	Nil	2	5	2	Nil	3	Nil	12	72
Kathalia	84	3	2	3	2	2	3	2	17	67
Melaghar	84	5	5	5	5	5	5	5	35	49
Boxnagar	84	1	2	2	1	1	2	2	11	73
Kumarghat	84	2	2	6	2	2	3	2	19	65
Panisagar	84	1	3	3	1	NIL	3	NIL	11	73

(Source: Information furnished by the auditee units)

Appendix IV
Statement of diversion of NREGA fund towards construction of IAY type houses
(Reference : Paragraph 2.1; Page 9)

(Rupees in lakh)

Sl. No.	Name of the Implementing Officer	No. of IAY type houses	Cheque No. & date	Cost of material	Cost of wages & petty material	Total
1	B.D.O. Melaghar	294	0824050, 08.10.07	50.09	49.57	99.66
2	B.D.O Boxonagar	115	0824051, 25.09.07	19.59	19.39	38.98
3	B.D.O Kathalia	75	0824052, 14.09.07	12.78	12.65	25.43
4	B.D.O Bishalgarh	399	0824053, 24.09.07	67.98	67.28	135.26
5	B.D.O Dukli	173	0824054, 04.10.07	29.48	29.17	58.65
6	B.D.O Mohanpur	353	0824055, 01.10.07	60.14	59.52	119.66
7	B.D.O Jirania	202	0824056, 11.10.07	34.42	34.06	68.48
8	B.D.O Teliamura	140	0824057, 09.10.07	23.85	23.61	47.46
9	B.D.O Kalyanpur	158	0824958, 24.09.07	26.92	26.64	53.56
10	B.D.O Khowai	197	0824959, 04.10.07	33.56	33.22	66.78
Total		2106	----	358.81	355.11	713.92

(Source: Information furnished by the District Magistrate & Collector, West Tripura District)

Appendix – V
Statement of expenditure on excavation of ponds on private land
from NREGA fund
(Reference : Paragraph 2.2; Page 9)

(Rupees in lakh)

Sl. No.	Name of controlling Panchayat Samiti	Sl. No.	Name of Gram Panchyat	No. of pond excavated on private land	Expenditure
1	Kalyanpur	1	Purba Kunjaban	3	3.06
		2	Purba Kalyanpur	7	5.96
		3	Rupai	1	0.82
		4	Paschim kunjaban	5	2.93
		5	Uttar Ghilatali	4	2.20
		6	Prem Sing Orang	4	1.48
		7	Kalyanpu RD Block	4	1.70
		8	Dwalikapur GP	3	3.35
		9	Ghilatali GP	14	10.33
		10	Kalyanpur	4	4.04
		11	Kamalnagar GP	9	4.58
		12	Paschim Dwarikapur	3	1.40
		13	Paschim Ghilatali	3	2.49
		14	R. S. Para	6	4.40
2	Khowai	15	Bara Bill	6	3.95
		16	Dhala Bill	6	5.26
		17	Gam Nagar	2	1.49
		18	Jambura	20	4.80
		19	L.N.Pur	8	8.35
		20	M. Ganki	4	2.04
		21	Paharmura	8	3.76
		22	P.Chebri	7	5.53
		23	P.Ganki	12	2.04
		24	P.Singicherra	9	4.21
		25	P.Sonatala	12	5.80
		26	P. Chebri	6	1.66
		27	P.R.C.Ghat	6	4.36
		28	S.Padmabill	4	2.38
		29	Purba Ganki	8	4.21
		30	Sauti Nagar	3	3.03
		31	Sepaihom	3	2.86
		32	Samatal	8	3.43
34	U.Chebri	8	4.36		
35	U.R.C.Ghat	5	5.06		
36	U. Singi Cherra	4	2.47		
3	Ambassa	37	Paschim Balaram	4	1.02
		38	Purba Nalcherra	8	4.85
		39	Ambassa	9	3.42
		40	Paschim Lalcharri	2	1.39
		41	Kulai	17	6.44
		42	Uttar Nalcherra	2	0.24
		43	Ambassa	6	2.40
4	Salema	44	Naogan	4	5.76
		45	Bamancherra	3	2.61
		46	Bilascherra	7	7.83
		47	Mohanpur	6	6.09
		48	North Kachucherra	5	4.35
		49	Baralutma	4	3.48
		50	P. Dalucherra	11	14.79
		51	Dabbari	19	22.62
		52	Choto surma	5	6.09
		53	Avanga	2	3.48

Sl. No.	Name of controlling Panchayat Samiti	Sl. No.	Name of Gram Panchyat	No. of pond excavated on private land	Expenditure		
5	Boxnagar	54	Kalshimura	15	10.76		
		55	Anandanagar	13	3.23		
		56	Dakshin kalamcherra	11	4.13		
		57	Valuarchar	13	5.69		
		58	Uttar kalamcharra	14	5.59		
		59	Madhaya Baxnagar	16	4.97		
		60	Putia	11	4.74		
		61	Kulobari	5	2.3		
		62	Manikyanagar	8	4.62		
		63	Rahimpur	10	6.62		
		64	Asaha bari	6	3.18		
		65	Boxnagar	14	6.22		
		66	Matinagar	17	4.77		
		67	Kamalnagar	10	2.01		
		6	Melaghar	68	Aralia	9	2.10
				69	Bagabasa	12	4.33
				70	Bardwal	4	1.52
71	Chandamura			7	1.44		
72	Chandighar			6	1.51		
73	Chouhamuni			7	3.13		
74	Dhakshin nalchar			9	4.02		
75	Durgapur			12	3.07		
76	Grantali			10	1.73		
77	Indiranagar			10	3.36		
78	Jumerdepha			10	4.61		
79	Kamrangatali			7	1.53		
80	Kemtali			8	4.47		
81	Hashchoumuni			12	5.29		
82	Khedabari			8	2.82		
83	Kumira kucha			16	3.41		
84	Laxman depa			8	2.96		
85	Muhanbhog			8	2.01		
86	Nabadwip Chandranagar			3	0.47		
87	Paschim durlabnarayan			3	1.57		
88	Paschim melaghar			3	1.68		
89	Paschim nalchar			24	6.30		
90	Pongbari			9	1.86		
91	Purba chandigar			3	1.57		
92	Purba durlabnarayan			8	3.05		
93	Purba Melaghar			8	2.64		
94	Purba Nalchar			6	3.57		
95	Rajibnagar			4	2.25		
96	Rangamati			9	3.22		
97	Rudijjala			4	1.97		
98	Tajiling			15	4.31		
99	Taksapara			11	3.55		
100	Telkajala			24	9.93		
101	Urmai			22	9.10		
102	Jubaraj Ghat	5	1.96				
7	Kathalia	103	Rabindranagar	13	9.43		
		104	Suvapur	9	3.92		
		105	Sonapur	8	6.35		
		106	Monarchak	12	7.47		
		107	Dhanpur	8	3.64		
		108	Dhakshin Praharpur	13	6.58		
		109	Uttar Paharpur	8	7.22		
		110	Baspukur	15	7.75		
		111	Nirvoypur	3	3.77		
		112	Uttar Maheshpur	4	5.03		
		113	Kalikrishnanagar	8	7.13		
		114	Nidaya	13	8.17		
		115	Babanipur	2	5.55		
		116	Kathalia	1	2.18		
		117	South Maheshpur	2	1.42		
Total				939	493.40		

(Source: Information furnished by the Programme Officers)

Appendix –VI
Statement of works non maintaining minimum norm of 60:40
(Reference : Paragraph 2.3; Page 10)

(Rupees in lakh)

Sl. No.	Name of Panchayat	Name of work	No. of work	Wage cost	Percentage of wage cost	Material cost	Percentage of material cost
1	Teliamura	IAY type Rural Shelters	162	4.48	16.40	22.84	83.60
2	Boxonagar	Rubber plantation	10	5.92	43.27	7.76	56.73
3	Kathalia	IAY type Rural Shelters	87	4.84	16.40	24.66	83.60
4	Matabari	Brick soiling	4km	1.65	10.31	14.35	89.69
5	Kakraban	Brick soiling	2km	0.83	10.37	7.17	89.63
6	Amarpur	Brick soiling	13km	5.37	10.32	46.63	89.68
7	Bokafa	Brick soiling	13km	5.37	10.32	46.63	89.68
8	Rajnaragar	Brick soiling	6km	2.48	10.33	21.52	89.67
9	Hrishyamukh	Brick soiling	2km	0.83	10.37	7.17	89.63
10	Satchand	Brick soiling	9km	3.72	10.33	32.28	89.67
Total			266	35.49		231.01	

(Source: Furnished by the Programme Officer)

Appendix –VII
Statement of diversion of NREGA fund toward subsidy
(Reference : Paragraph 2.4; Page 10)

(Rupees in crore)

Sl. No.	Name of I.O	No. of IAY houses	Rate of subsidy per house	Total amount
1	B.D.O. Melaghar	294	@6400/-	0.19
2	B.D.O Boxanagar	115	@6400/-	0.07
3	B.D.O Kathalia	75	@6400/-	0.05
4	B.D.O Bishalgarh	399	@6400/-	0.26
5	B.D.O Dukli	173	@6400/-	0.11
6	B.D.O Mohanpur	353	@6400/-	0.23
7	B.D.O Jirania	202	@6400/-	0.13
8	B.D.O Teliamura	140	@6400/-	0.09
9	B.D.O Kalyanpur	158	@6400/-	0.10
10	B.D.O Khowai	197	@6400/-	0.12
Total		2106		1.35

(Source: Inspection Reports)

Appendix – VIII
Statement of diversion of SGRY Fund
(Reference : Paragraph 2.5; Page 11)

(Rupees in lakh)

Sl. No.	Name of implementing agencies	Cheques No. & date	Purpose	Amount
1	BDO, Matabari	0622357 dt. 7.3.07	Construction of steel bridge	4.73
		367 dt. 2.3.07	- do -	7.94
2	BDO, Kakraban	379 dt. 7.3.07	- do -	4.00
		374 dt. 21.3.07	- do -	0.34
3	BDO, Bokafa	307 dt. 7.3.07	- do -	3.00
		369 dt. 27.3.07	- do -	5.32
4	BDO, Rajnagar	362 dt. 7.3.07	- do -	8.50
		370 dt. 21.3.07	- do -	5.49
5	BDO, Hrishyamukh	358 dt. 7.3.07	- do -	2.50
		371 dt. 21.3.07	- do -	0.83
6	Manager, State Co-operative marketing, Udaipur	0622356 dt. 17.2.07	Construction of fertilizer sale counter	10.00
7	B.D.O Melaghar		Construction of steel bridge	4.00
8	- do -		- do -	1.64
9	- do -		- do -	5.00
10	- do -		- do -	2.00
11	BDO, Teliamura		- do -	4.03
12	BDO, Boxanagar		Construction of Building	2.00
Total				71.32

(Source: Information furnished by the Dakshin Tripura Zilla Parishad and Paschim Tripura Zilla Parishad)

Appendix-IX

Statement of non production of records (Reference : Paragraph 2.9; Page 13)

(Rupees in lakh)

Sl. No.	Name of GP	Sl. No.	Name of work	MR/Voucher No & date	Amount
1 Under Salema Panchayat Samiti					
	North Kachucherra GP	1	Construction work under NREGA	37 dt. 12.04.07	0.79
		2	Construction work under SGRY	39 dt. 04.05.07	0.75
		3	Construction works under NREGA	41 dt. 29.05.07	0.66
		4	Construction works under NREGA	42 dt. 02.06.07	0.90
		5	Construction works under NREGA	43 dt. 02.06.07	0.64
		6	Construction works under SGRY	56 dt. 05.10.07	0.30
		7	Construction works under NREGA	62 dt. 04.09.07	0.78
		8	Payments of labour/honorarium etc	57, 58, 59 dt. 15.10.07	0.24
		9	Construction works under NREGA	Nil dt. 16.10.07	0.73
		10	Construction works under SGRY	62 dt. 05.01.08	0.66
		11	Old age pension under NOAP	63 dt. 12.01.08	0.40
		12	Old age pension under NOAP	65 dt. 18.03.08	0.40
	Salema GP	13	NREGA works	C/d A/c No.335	7.12
	Hrerkhoala GP	14	NREGA works	C/d A/c No.336	3.49
	North Kachucherra	15	NREGA works	C/d A/c No.342	4.51
	East Dalucherra	16	NREGA works	C/d A/c No.344	5.77
	Noagaon	17	NREGA works	C/d A/c No.345	3.31
	Chankep	18	NREGA works	C/d A/c No.346	1.58
	West Daluchara	19	NREGA works	C/d A/c No.347	2.93
	Mechuria	20	NREGA works	C/d A/c No.349	2.50
	East lamboo	21	NREGA works	C/d A/c No.350	2.59
2 Under Mohanpur Panchayat Samiti					
	Purba Gandhigram GP	22	Construction of roads	1 dt. 04.04.07	0.30
		23	Construction of roads	2 dt.04.04.07	0.32
		24	Construction of roads	7 dt.10.08.07	0.06
		25	Maintenance of pipeline	9 dt..10.08.07	0.07
		26	Brick soiling	15 dt. 10.09.07	0.68
		27	Supervision of sports & culture	16 dt. 10.09.07	0.02
	Durai shibbari	22	NREGA works	C/d A/c No.352	3.43
	Chotusurma	23	NREGA works	C/d A/c No.353	5.57
	Debichara	24	NREGA works	C/d A/c No.355	5.93
	Marachara	25	NREGA works	C/d A/c No.356	8.04
	Mayachari	26	NREGA works	C/d A/c No.357	6.83
	Bamancharra	27	NREGA works	C/d A/c No.358	3.30
	Avanga	28	NREGA works	C/d A/c No.361	8.78
	Halhuli	29	NREGA works	C/d A/c No.362	0.74
	Dabbari	30	NREGA works	C/d A/c No.363	6.00
	Kalachari	31	NREGA works	C/d A/c No.364	6.48
	Halhali	32	NREGA works	C/d A/c No.365	3.84
	Manik Bhandar	33	NREGA works	C/d A/c No.366	7.59
	Chulobari	34	NREGA works	C/d A/c No.367	4.24
	Mahabir	35	NREGA works	C/d A/c No.369	4.85
	Mohanpur	36	NREGA works	C/d A/c No.373	4.62
	Kuchainala	37	NREGA works	C/d A/c No.392	9.44
	Baraluthma	38	NREGA works	C/d A/c No.427	4.41
	Bilashchara	39	NREGA works	C/d A/c No.403	5.42
	Paschim Dhalak under Amarpur PS	40	Construction of road	Vr. No.27 of 15.10.07 &34 of 31.03.08	0.49
Total					142.50

(Source: Inspection Report of Gram Panchayats)

Appendix X
Statement on outstanding advance
(Reference : Paragraph 2.10; Page 13)

(Rupees in lakh)

Sl. No.	Name of PRI	No. of cases advance paid	Period from which pending	Amount of outstanding advance
1	Dhalai ZP	05	2007-08	37.82
2	Mohanpur PS	41	2005-06 to 2007-08	51.96
3	Rajnagar PS	02	2007-08	8.54
4	Amarpur PS	28	2007-08	26.57
5	Jirania PS	27	2003-04 to 2007-08	80.08
Total		103		204.97

(Source: Inspection Reports)

CHAPTER I

AN OVERVIEW OF THE URBAN LOCAL BODIES

1.1 Introduction

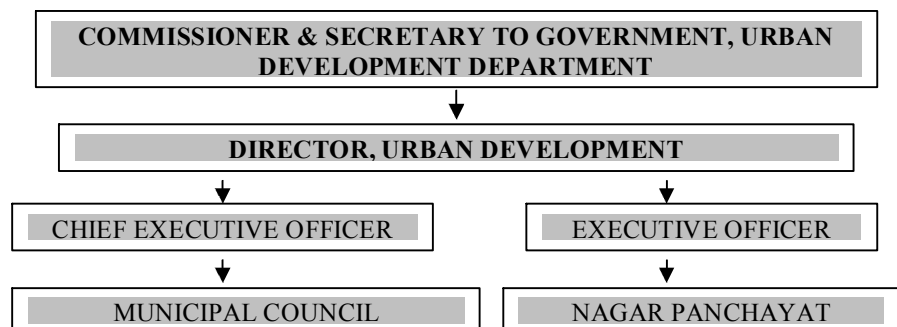
In pursuance of the 74th amendment of the Constitution envisaging three levels of Urban Local Bodies (Municipal Corporations, Municipalities and Notified Area Councils), the Tripura Municipal Act was enacted in 1994 to decentralize the powers and functions by transferring them to the Local Bodies for ensuring proper and planned growth of cities and towns with adequate infrastructure and basic amenities. At present there are 13 ULBs (1 Municipal Council and 12 Nagar Panchayat) in the state covering 17.66 *per cent* (5.65 lakh) of its total population (31.99 lakh).

The Eleventh Finance Commission (EFC) recommended that the C&AG should be entrusted with the responsibility of exercising control and supervision over the proper maintenance of accounts and their audit for all the three tiers/ levels of ULBs. Based on the recommendation as accepted by the Government of India (GOI), the State Government has provided Technical Guidance and Supervision (TGS) to the C&AG in the year 2002.

1.2 Organizational Set up

There are twelve Nagar Panchayats and one Municipal Council in Tripura. Urban Local Bodies (ULB) consists of elected members from each ward; the Chairperson elected by the majority of the elected members, is the executive head of the ULB and the Chairperson presides over the meeting. The executive powers of the ULB are exercised by the Council. All executive powers of the Municipality of a Smaller Urban Municipal area shall vest in the Chairperson-in-Council.

The organizational set-up of the ULBs is as follows:



The Nagar Panchayats and the Municipal Council are headed by Chairman who are elected representatives of the respective ULBs.

1.3 Devolution of Functions

The 74th amendment of the Constitution was enacted (1993) to decentralize the powers and functions to the Urban Local Bodies (ULBs) for ensuring proper and planned growth of cities and towns with adequate infrastructure and basic amenities. All the 18 functions enlisted in the 12th Schedule of the Constitution have been transferred by the Government of Tripura to the ULBs.

1.4 Sources of Funds

For execution of various developmental works, the ULBs mainly receive funds from the Government of India (GOI) and the State Government in the form of Grants. The GOI Grants include Grants assigned under the recommendations of Eleventh Finance Commission (EFC) & Twelfth Finance Commission (TFC). The State Government Grants are received through devolution of net proceeds of the total tax revenue under the recommendations of State Finance Commission (SFC). Besides, the source includes the revenue mobilized by the ULBs in form of taxes, rent, fees, issue of licenses, etc. During 2007-08 State Government provided financial assistance of Rs. 38.04 crore by way of grants to ULBs viz., Municipality and Nagar Panchayats.

1.5 Flow of Funds

The State Government on receipt of funds under the Centrally Sponsored Plan (CSP) Schemes releases the funds to the ULBs including its matching share through the budget provision of the State. The State Government also releases its own funds under State Plan and Non-Plan schemes through the State budget. However the EFC/TFC grants are transferred directly through sanction orders by the State to the ULBs once the grant amount is credited to the State account by the GOI.

1.6 Functioning of ULBs

The ULBs perform their functions through the supervision of different Standing Committees such as, Committee on Finance, Public Health and Public Works.

1.7 Accounting Arrangement

The Chief Finance Officer is responsible for maintenance of accounts in Municipal Council whereas the Executive Officers in case of Nagar Panchayat maintain the accounts with the assistance of accountants.

1.8 Audit Arrangement

Directorate for Local Fund Audit has not been established in the State. Accounts of all the 12 Nagar Panchayats and one Municipal Council are in arrears since their inception (**Appendix – I**). Audit of ULBs are conducted by the C&AG of India under section 20 (1) of the C&AG's (DPC) Act, 1971.

1.9 Audit Coverage

The audit of the accounts of 12 Nagar Panchayats (Appendix-I) were test checked during 2008-09. The important audit findings are summarized in the succeeding paragraphs and chapters.

1.10 COMMENTS ON ACCOUNTS

1.10.1 Receipt and Expenditure of funds under ULBs

The funds in form of grants received along with unspent balance of previous year vis-à-vis the expenditure incurred by the Urban Local Bodies (ULBs) of the State during 2007-08 is as under (**Appendix - II**):

(Rupees in crore)			
Type of ULBs	Receipt	Expenditure	Balance
Municipal Council	44.29	24.93	19.36
Nagar Panchayat	35.54	21.60	13.94
Total	79.83	46.53	33.30

Of the total grants received by the ULBs, 10 *percent* (Rs. 0.80 crore) pertained to Twelfth Finance Commission (TFC) grants. The information regarding the receipt of fund by the ULBs from their own sources was not available with the Government. No centralized agency has been created to consolidate such information. Analysis of allocation of grants amongst ULBs revealed, per capita allocation in Municipal Council was Rs. 550.00, while in Nagar Panchayats it was

Rs. 894.00 during 2007-08. There was nothing on record to explain the difference of per capita expenditure for Municipal Council and Nagar Panchayat.

1.10.2 Non-utilization of Funds

Test check of Receipt and Expenditure statements of one Municipal Council and all the twelve Nagar Panchayats revealed that the unutilized balances of Rs. 26.98 crore and Rs 33.28 crore (**Appendix-III**) constituted 5 to 82 *per cent* of the total funds available to the ULBs for expenditure during 2006-07 and 2007-08 respectively. During these years the percentage of expenditure to the total fund available was 63 and 58 respectively. Poor utilization of funds indicates defective planning and inadequate financial management which deprived the people, of the benefits of developmental works implemented by the ULBs.

1.10.3 Non preparation of Annual Accounts

Within three months of the close of a year, a financial statement for the preceding year in respect of a Municipality is required to be prepared in the form and manner prescribed. Municipalities are also required to prepare annually, a balance-sheet of assets and liability within six months of the close of a year. In violation of the above, all the twelve Nagar Panchayats and Agartala Municipal Council did not prepare the financial statement and balance-sheet since their inception. Due to non maintenance of accounts, the actual position of income and expenditure could not be verified and that the accounts presenting true and fair view could not be ascertained.

1.10.4 Certification of Accounts

The State Government has not made any provisions in the State Acts/Rules for certification of accounts for the ULBs by the Examiner of Local Fund Audit or any such state Auditing Authority.

1.10.5 Non- maintenance of Records/Registers

Scrutiny of records of Kumarghat , Teliamura, Sonamara and Udaipur Nagar Panchayats revealed that important records and registers like Advance Register, Stock Register of materials procured, Register of unserviceable materials, proper recordings in MBs etc. were not maintained by them. Due to non-maintenance of records, actual position of materials procured, utilized and details of works executed etc. could not be ascertained.

1.10.6. Non compliance with the provisions of the Tripura Municipal Act, 1994

As per provision (Sec. 86, 87 and 88) of the Tripura Municipal Act, 1994, the State Govt. was empowered to formulate rules and regulations for management of Municipal fund, its custody and application etc. The Act further provides (Sec. 262 & 263) that a Municipality shall require to prepare annually a financial statement and Balance sheet of assets and liabilities for the preceding year in the form prescribed, within three months/ six months of the closing of a year for its presentation before the meeting of the Municipality.

Test check of the records of the AMC revealed that rules and regulations for the management of Municipal fund were not framed by the State Government. The financial statements and balance sheets were also not prepared annually since inception. Instead, the AMC prepared annually statement of (1) Income (Revenue/ non-revenue) (2) Expenditure (Plan) and (3) Expenditure (Non Plan) of the preceding year at the close of the year.

1.10.7. Release and use of TFC Grants

Twelfth Finance Commission (TFC) recommended Rs. 5,000 crore for Urban Local Bodies (ULB) of the country payable during the period 2005-2010 to be used to improve the Service delivery in respect of solid waste management through public-private partnership and creation of database and maintenance of accounts at grass root levels. As per inter- state allocations, the State of Tripura was allocated Rs. 8.00 crore to be paid and utilized during 2005-2010. The State have to mandatorily transfer grant released by the Centre to the ULBs within 15 days of the same being credited to State Account, failing which the State has to transfer to ULBs, interest, at a rate equal to RBI Bank rate along with such delayed transfer of grants.

Test check of records of Government in the Finance Department and Urban Development Department revealed that Rs. 0.80 crore was released by GOI to the State as the first installment on 05.04.2006 and the same was credited to the State Account on 24.04.2006. The amount was transferred to ULBs on 15.06.2006 after a delay of 48 days beyond the stipulated period of 15 days there by making the State liable for payment of Rs. 0.63 lakh to ULBs as interest for delayed transfer of grants.

(Rupees in lakh)

Year	Date of release by GOI and date of credit to State account		Grant transferred to controlling department of ULBs		Controlling department transferred to ULBs		Period of delay (days)
	GOI	Credit to State	Date of transfer	Amount transferred	Date of transfer	Amount transferred	
2005-06	05.04.2006	24.04.2006	28.04.2006	80	15.06.2006	80	48

As of now, State Government has not transferred the interest amount of Rs. 0.63 lakh to the ULBs for delayed transfer of the grants.

During the year 2007-08, the State provided Rs. 0.80 crore for ULBs in its own budget towards payment of grant amount in anticipation of release of grant from the GOI but till date, the 2nd installment has not been released. Reasons for not releasing the 2nd instalment have not been furnished by the Government.

1.10.7.1. Non-utilization of TFC Grants

Twelfth Finance Commission guidelines provide for utilization of grants on solid waste management and creation of database and maintenance of accounts.

Test check of records of five Nagar Panchayats and Agartala Municipal Council (**Appendix-IV**) revealed, Rs. 30.14 lakh of the TFC grants received by them were not utilized as on 31.03.2008.

1.10.7.2 Non-maintenance of database on the finances as prescribed by C&AG

On the recommendations of the EFC, data base on finances were required to be maintained at all levels of ULBs for securing accountability and transparency in maintenance of accounts. Accordingly, the database formats on Finances were prescribed by the C&AG which have not yet been adopted by the Government. Accounting Manual and Municipal law on the basis of the “National Municipal Accounts Manual” and the “Model Municipal Law” have not yet been prepared. Apart from this no centralized accounting and financial information system has been put in place by the Government. As such the financial and physical progress of the activities of ULBs could not be ascertained.

1.10.7.3 Submission of utilization certificates in respect of grants kept unspent

Urban Development Department furnished utilization certificate (July 2007) for the entire amount of Rs. 80 lakh released by them keeping unspent balance of Rs. 30.14 lakh (**Appendix-IV**) with five Nagar Panchayats and Agartala Municipal Council as on 31.03.2008.

1.10.7.4. Diversion of grant

Twelfth Finance Commission guidelines provide for utilization of grants on solid waste management and creation of database and maintenance of accounts.

Test check of records of Agartala Municipal Council revealed that Rs. 2.20 lakh was spent for payment of audit fees.

CHAPTER II RESULTS OF AUDIT

The summary of the findings on audit of Agartala Municipal Council and other Twelve Nagar Panchayats are as under:

2.1 Diversion of IDSMT fund

Diversion of IDSMT fund for payment of salary- Rs. 105.57 lakh

Under Integrated Development of Small and Medium Towns (IDSMT) scheme Government of India approved Rs. 550.36 lakh for development of Nagerjola Bus Terminal Complex and Radhanagar Bus stand, out of which Rs. 286.36 lakh was sanctioned for construction of Bus Terminal Complex at Nagerjola with shopping facility (first phase). The Government of Tripura placed total amount of Rs.158.12 lakh (Central share Rs. 88.12 lakh, State share Rs. 70.00 lakh) to the Agartala Municipal Council (AMC) during 2003-04 (Rs. 23.00 lakh) and 2004-05 (Rs. 135.12 lakh).

Test check of records (December 2007-March 2008) revealed that work was taken up departmentally by AMC (actual date of commencement of work was not available in the departmental records) and an expenditure of Rs. 29.55 lakh was incurred upto February 2005 for development of work site (earth filling, leveling, dressing etc.) but the utilization certificate furnished to the Urban Development Department, Government of Tripura, showed the entire fund of Rs. 135.12 lakh received during 2004-05 had been utilized resulting in over statement of actual expenditure.

Further scrutiny revealed, out of Rs. 135.12 lakh received during 2004-05, Rs. 105.57 lakh (Rs. 135.12 lakh - Rs. 29.55 lakh) was diverted from the IDSMT scheme fund towards payment of salary of the employees of the AMC.

2.2 Idle investment on construction of shopping centre

Non allotment of 647 shops by three ULBs resulted in idle investment of Rs. 29.57 crore

Government of India, Ministry of Poverty Alleviation allotted fund for construction of shopping complex, one each in Agartala Municipal Council, Khowai Nagar Panchayat and Udaipur Nagar Panchayat and released the fund in favour of National Building Construction Corporation Ltd. (NBCC) for execution of the works. On completion of the works, all the three Shopping Complexes were handed over to the ULBs (AMC: October 2005, Khowai: October 2007 and Udaipur: December 2007).

Test check of records of the ULBs revealed that out of 705 shops constructed, only 58 had been allotted (**Appendix-V**). The rest 647 shops involving investment of Rs. 29.57 crore (AMC- Rs. 8.195 crore, Khowai- Rs. 12.625 crore & Udaipur-Rs. 8.75 crore) are yet to be allotted. This resulted in idle investment of Rs. 29.57 crore.

On being pointed out in audit, Agartala Municipal Council stated that there was no demand for shops and other two ULBs stated that process of allotment had been taken up. Non allotment of shops has resulted in idle investment besides loss of Rs. 29.35 lakh (**Appendix -V**) towards revenue (AMC upto 03/08 Rs. 13.34 lakh, Khowai upto 09/08 Rs. 9.51 lakh and Udaipur upto 08/08 Rs. 6.50 lakh) which could have been earned if given out to allottees.

2.3 Idling of development fund

Agartala Municipal Council and Dharmanagar Nagar Panchayat kept developmental funds of Rs. 6.95 crore in fixed deposit

Test check of record of Agartala Municipal Council revealed, development funds of Rs. 6.65 crore (**Appendix-VI**) had been kept in fixed deposit without being utilized for the purpose for which these were received.

Agartala Municipal Council received the development funds of Rs. 6.65 crore during March, 2005 and July, 2006 for improvement of water body, construction of Anganawadi Centre, development of City Bus Terminus under various schemes likes IDSMT, UDISSMT etc. which were either closed or defunct but the amount was kept lying in fixed deposit without being refunded to the Government.

Similarly test check of records of Dharmanagar Nagar Panchayat revealed that Urban Development Department , Government of Tripura placed an amount of Rs. 0.30 crore for construction of Indoor Stadium in July 2005 but the Nagar Panchayat, instead of utilizing the same, kept it in fixed deposit with State Bank of India, Dharmanagar Branch.

Non utilization of funds during the period of operation of the schemes defeated the very purpose of the schemes.

2.4 Unspent balance of development fund of Rs. 37.56 lakh

Rs. 37.56 lakh, being 99% of the developmental funds received between June 2006 and January 2008 kept unutilized

Test check of records of Ranirbazar Nagar Panchayat revealed that Rs. 0.28 lakh out of the development fund of Rs. 37.84 lakh received during June 2006 to January 2008

was utilized till date of audit (June 2008) and Rs. 37.56 lakh (**Appendix-VII**) being 99% of the fund received remained unutilized. Poor utilization of funds indicates defective planning and inefficient financial management which deprived the people of the benefit of development works implemented by the ULBs.

2.5 Blockage of construction fund - Rs. 40 lakh

Construction fund amounting to Rs. 40 lakh kept unutilized for a period ranging between four and ten years

Test check (April 2007) of the records of the Executive Officer, Sonamura Nagar Panchayat revealed that Urban Development Department (UDD) released Rs. 31 lakh during 1997-98 under Integrated Development of Small and Medium Town Scheme (IDSMT). Accordingly an amount of Rs. 20 lakh was placed with the Executive Engineer, Public Works Department Southern Division III, Sonamura (December 2003) for construction of double storied Super Market at Sonamura. However, Executive Engineer without executing the work refunded the entire amount to the Nagar Panchayat (August 2005) and the amount had been kept locked up in S/B A/C No.559 of the TSCO bank, Sonamura Branch since 11.08.05.

The UDD also released Rs. 20 lakh between October 2002 and March 2004 in five installments for construction of Sonamura Nagar Panchayat Office Building and the entire amount was placed with the Executive Engineer, PWD Southern Division III between October 2003 and March 2004. The Executive Engineer neither executed the work nor refunded the amount to Nagar Panchayat (August, 07).

On this being pointed out in audit, department stated (October,08) that construction works of Nagar Panchayat Office building had not yet been taken up but the construction works of the Super Market had been taken up (October 2008).

Reasons for delay in execution of work were mainly due to change of construction site, modification of Architectural and structural drawing, seeking administrative approval and expenditure sanction, Soil testing and over all delay in processing of entire project.

2.6 Avoidable liability of interest payment

Delay in refund of un-disbursed loan amount/disbursement of loan amount/refund of instalments and retention of un-disbursed loan amount resulted in avoidable liability of interest of Rs. 26.14 lakh

As per terms of agreement of Housing and Urban Development Corporation Limited (HUDCO) with the Nagar Panchayats if the loan or different components of loan

disbursed under the loan agreement was/were not used by the borrower within a period of 6(six) months due to any of the reasons like withdrawal of the scheme, not taking up implementation of the scheme, reduction in the number of the units to be constructed under the scheme, the Borrower shall immediately refund such amount(s) to HUDCO and in any case before the expiry of the period of six months from the date of disbursement of loan failing which the Borrower, notwithstanding anything to the contrary stated therein, will pay HUDCO, interest at the rate of 19 *percent* or such higher rate as may be fixed by HUDCO on all such funds from the date of release to the date of refunding of the same to HUDCO provided, however, in case the Borrower finds that it can not utilize the loan funds disbursed for any reason and deposits such funds to HUDCO within a period of six months from the date of release of funds, no penal, increased interest rate shall be levied.

Scrutiny of records of Teliamura, Udaipur and Khowai Nagar Panchayat revealed that an amount of Rs. 166.20 lakh was received by them from HUDCO for construction of dwelling houses under 2 Million Housing programme. But violation of the terms and conditions of loan agreement i.e. delayed release of loan amount to loanees and delayed refund of unutilized fund to HUDCO resulted in avoidable liability of interest payment of Rs. 26.14 lakh (**Appendix – VIII**) on the part of Nagar Panchayats.

On this being pointed out in audit, Executive Officers of the three Nagar Panchayats stated (July, October & November, 08) that poor participation of the beneficiaries in taking loan and ignorance of Nagar Panchayats that higher rate of interest (19%) would be charged on unutilized amount which resulted in extra liability in terms of interest. Government has already been requested for sanctioning additional fund for payment of the liability as pointed out by audit.

2.7 Incomplete works –Rs. 11.89 lakh

Work orders and cheques for Rs. 11.89 lakh were issued but works were not executed for a period ranging from 6 to 10 months

Test check of records of Ranirbazar Nagar Panchayat revealed that work order along with cheques were issued in respect of 50 developmental works involving an amount of Rs. 11.89 lakh (**Appendix-IX**) but not a single work had started till the date of audit (June/08) with delays ranging from 6 to 10 months.

2.8 Blockage of SJSRY fund of Rs. 19.40 lakh

The objective of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY), a centrally sponsored Scheme, was to provide gainful employment to the Urban un-employed or

under employed poor living below the poverty line (BPL) through encouraging self-employment ventures or provision of wage employments.

Test check of records of Khowai Nagar Panchayat revealed that out of Rs. 40.21 lakh (grants received in 2007-08: Rs. 17.65 lakh + unspent balance of 2006-07: Rs. 22.56 lakh) SJSRY fund available during 2007-08, Rs. 19.40 lakh, being 48% of the grant, remained unutilized (December 2008). Non-utilization of fund by the Nagar Panchayat led to deprivation of benefits intended under the schemes for the BPL population.

Department stated, in reply (December, 08) that conditions of guidelines became hindrance to utilize the fund and steps were being taken up to utilize the fund.

The reply is not convincing as works have been executed in other Nagar Panchayats without any amendment of the said guidelines.

2.9 Idling of fund for Anganwadi Centre

Five Nagar Panchayats kept unutilized Rs. 62.14 lakh received for construction of 60 Anganwadi centers

Social Welfare and Social Education Department, Government of Tripura placed fund with the ULBs for construction of 60 Anganwadi centers within their jurisdiction.

Test check of records of 5 Nagar Panchayats revealed that entire amount of Rs. 62.14 lakh placed by the Social Welfare and Social Education Department between October and November 2007 for construction of 60 Anganwadi centers remained unspent and execution of construction works of all the 60 Anganwadi centers (**Appendix-X**) had not started till the date of audit.

Pointed out in audit, department stated that due to non availability of khash land and insufficiency of fund provided for each centre, execution works could not be taken up.

2.10 Refund of installment from undisbursed loan amount

Installments of HUDCO loan paid out of loan amount Rs. 5.08 lakh

Khowai and Udaipur Nagar Panchayat reached an agreement with the Housing and Urban Development Corporation Limited (HUDCO) for housing loan under “2 Million Housing programme” for constructions of dwelling houses with a condition for payment of installment at the end of each quarter.

Test check of records revealed that both the Nagar Panchayats made repayment of Rs. 5.08 lakh to HUDCO out of the undisbursed loan amount before collection of installments from the loanees (**Appendix - XI**).

Pointed out in audit department stated that through oversight the repayment had been made out of loan amount.

2.11 Statutory tax at source

Non-deduction of Income Tax at source by three DDOs resulted in loss of Government revenue to the tune of Rs. 3.27 lakh

Section 194J of the Income Tax Act 1961 provides that any person, who is responsible for paying to a resident any sum by way of fees for professional services, or fees for technical services or royalty (w.e.f. July 13, 2006) shall deduct @ 5 percent upto May 31st, 2007 and thereafter @ 10 percent of gross amount of bill at source.

Test check of records (June 2008, July 2008 and March 2008) revealed that three DDOs had not deducted Income Tax of Rs. 3,26,942/- (Ranirbazar Nagar Panchayat: Rs. 93,474/-; Teliamura Nagar Panchayat: Rs. 1,08,468/- and AMC: Rs. 1,25,000/-) at source from the payments of Rs. 45,19,421/- made to the contractors between March 2006 and March 2008 on account of consultancy charges for preparation of Detailed Project Report (DPR) under Integrated Housing and Slum Development Programme (IHSDP) scheme Ranirbazar, DPR Teliamura Town under IHSDP (taxable @ 5 percent) and preparation of “City Development Plan” under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in Agartala (Taxable @ 10 percent) respectively.

Non-deductions of Income Tax at source is in violation of rules.

2.12 Wasteful expenditure

Wrong selection of site led to wasteful expenditure of Rs. 4.14 lakh

Clause 3.14 MPLADs Fund provides that decision making powers in regard to technical, financial and administrative sanction to be accorded under the scheme, vests with the District level functionaries. District authority should, before sanctioning the work, ensure that all clearance for such works has been taken from the competent authorities and the work conforms to the guidelines.

Test check of records of the Agartala Municipal Council revealed that Rs. 7.50 lakh was sanctioned in August 2001 for construction of Children Park at Akhaura check

post. After incurring an amount of Rs. 4,14,484/-, the work had to be abandoned due to objection raised by Bangladesh Rifle (BDR).

Indo-Bangladesh accord guidelines for Border Authorities 1975 provides that no construction work should be under taken which fall within 150 yards of the Inter National Border.

Thus execution of work without taking clearance from the competent authority as required under the MPLADs guidelines led to wasteful expenditure of Rs. 4.14 lakh.

2.13 Poor collection of property tax

Collection of property tax in Agartala Municipal Council declined from 62.26% in 2004-05 to 39.14% in 2007-08

Section 192 &193 of the Tripura Municipal Act, 1994 authorize Municipality to levy, collect and appropriate property tax.

Test check of the approved budget for the year 2004-05 to 2007-08 vis-a-vis the target for collection of property tax revealed that for poor collection of property tax, certain remedial measures were proposed in the budget to improve the collection in subsequent years. But instead of improving the collection in subsequent years, there was sharp decline in collection from 62.26% in 2004-05 to 39.14% in 2007-08 (**Appendix - XII**). The reasons for decline was attributed in the budget document to the following reasons:-

- (i). Non-recording of all the houses with water connection in departmental records;
- (ii). Assessment of property tax either not made correctly or the assessed figure not rectified latter in the departmental records.
- (iii). Non-registration of all the houses for holding.

2.14 Nominal collection of trade licence fee

Defaulters in payment of trade license fee under Agartala Municipal Council increased from 78.96% in 2005-06 to 79.20% in 2007-08

Section 201 of the Tripura Municipal Act, 1994 provides that any profession, trade, calling and employment or any other gainful activity in the Municipal area which require a licence or a permit under any other law shall also require a Municipal licence or permit to be obtained and renewed in such a manner as may be provided in the regulation.

Test check of the approved budget for the year 2005-06 to 2007-08 revealed, as admitted by Agartala Municipal Council that hardly 20% of the traders are paying fees. Administrative constraints are the reasons for poor collection. Licence Regulation Rules, 2004 has been prepared and awaiting approval. But instead of improvement in collection there was increase of defaulters in payment of trade license fees from 78.96% in 2005-06 to 79.20% in 2007-08 (**Appendix - XIII**).

The department though documented the defaulters for short collection of trade license fees but failed to book the defaulters.

2.15 Outstanding revenue of ULBs

Outstanding revenue of ULBs Rs. 2.32 crore

The ULBs earn major portion of their revenues from their own sources through collection of taxes, rent, fees and issue of licenses etc. The demand and collection of one Municipal Council and six Nagar Panchayats (**Appendix-XIV**) revealed that revenue of Rs. 2.32 crore were outstanding as on 31 March 2008. Out of the outstanding balances 83.19% constitute outstanding revenue against Agartala Municipal Council. It was also noticed that out of 15 markets under the jurisdiction of Agartala Municipal Council, 10 markets constitute 97.93% (Rs. 1.89 crore) of the outstanding revenue.

2.16 Conclusion and recommendations

There was accumulation of unutilized balances. Receipts & Payment accounts were not maintained for which authenticity of accounts could not be ensured. The loss of revenue due to non collection of fees, idling of assets, irregular/inadmissible expenditure in violation of rules, non- deduction of statutory deduction indicated that internal control mechanism were not adequate to ensure proper financial management. In view of the findings as explained in previous chapters, the Government should ensure that:

- Annual Accounts are prepared as per the prescribed format;
- Funds are utilized timely and unspent balances refunded promptly ;
- Data base on finances are maintained in all levels of ULBs;
- The outstanding dues are promptly collected;
- Works are completed in time;
- Idle assets are utilized to enhance the revenue of the ULBs;

- Statutory Government deductions are made and remitted to Treasury within stipulated period.

Agartala

**(S. Pandey)
Deputy Accountant General
(Local Bodies Audit & Accounts)**

Countersigned

Agartala

**(E. M. Patton)
Accountant General (Audit),
Tripura**

Appendix -I
List of ULBs audited during 2008-09 and Arrear of Accounts
(Reference: Paragraph 1.8; Page 27)

Sl. No.	Name of ULBs	Year from which Accounts are in Arrear
1	Ranirbazar	1991-92
2	Teliamura	1987-88
3	Khowai	1979-80
4	Amarpur	1979-80
5	Kamalpur	1978-79
6	Kumarghat	1987-88
7	Kailashahar	1977-78
8	Dharmanagar	1977-78
9	Sonamura	1979-80
10	Udaipur	1977-78
11	Sabroom	1978-79
12	Belonia	1977-78

(Source: Audit Report 2007-08)

NB: Agartala Municipal Council has not prepared and finalized their accounts since 1977.

Appendix – II
Statement of Receipt and Expenditure
(Reference: Paragraph 1.10.1; Page 27)

(Rupees in crore)

Sl. No.	Name of Nagar Panchayat	Receipts	Expenditure	Balance
1	KamalpurNagar Panchayat	1.86	1.17	0.69
2	Amarpur Nagar Panchayat	1.41	1.29	0.12
3	Udaipur Nagar Panchayat	3.50	3.14	0.36
4	Belonia Nagar Panchayat	3.66	1.16	2.50
5	Dharmanagar Panchayat	6.67	4.35	2.32
6	Kailashahar Nagar Panchayat	3.53	2.20	1.33
7	Khowai Nagar Panchayat	3.74	2.21	1.53
8	Teliamura Nagar Panchayat	3.80	1.63	2.17
9	Kumarghat Nagar Panchayat	1.96	1.34	0.62
10	Ranirbazar Nagar Panchayat	2.20	1.71	0.49
11	Sabroom Nagar Panchayat	1.41	1.07	0.34
12	Sonamura Nagar Panchayat	1.80	0.33	1.47
Total of 12 Nagar Panchayat		35.54	21.60	13.94
13	Agartala Municipal Council	44.29	24.93	19.36
Grand Total		79.83	46.53	33.30

(Source: Inspection Reports)

Appendix-III
Statement on non-utilisation of funds
(Reference: Paragraph 1.10.2; Page 28)

(Rupees in crore)

Sl. No	Name of ULB	Period	Opening balance	Receipt	Total fund	Expenditure	Closing balance (percentage of total fund)
Nagar Panchayat							
1	Belonia	2006-07	0.68	1.60	2.28	1.93	0.35(16)
		2007-08	0.35	3.31	3.66	1.16	2.50(68)
2	Amarpur	2006-07	0.26	2.15	2.41	2.29	0.12(05)
		2007-08	0.12	1.29	1.41	1.29	0.12(09)
3	Udaipur	2006-07	0.78	2.40	3.18	2.22	0.96(30)
		2007-08	0.96	2.54	3.50	3.14	0.36(10)
4	Dharmanagar	2006-07	1.83	6.36	8.19	4.87	3.32(41)
		2007-08	3.32	3.35	6.67	4.35	2.32(35)
5	Kailashahar	2006-07	1.47	2.31	3.78	1.69	2.09(45)
		2007-08	2.09	1.44	3.53	2.20	1.33(38)
6	Khowai	2006-07	1.52	2.25	3.77	2.25	1.52(40)
		2007-08	1.52	2.21	3.73	2.21	1.52(41)
7	Kumarghat	2006-07	1.12	0.85	1.97	0.94	1.03(52)
		2007-08	1.03	0.93	1.96	1.34	0.62(32)
8	Ranirbazar	2006-07	0.75	1.04	1.79	0.78	1.01(57)
		2007-08	1.01	1.19	2.20	1.71	0.49(22)
9	Sabroom	2006-07	0.43	1.34	1.77	1.24	0.53(30)
		2007-08	0.53	0.88	1.41	1.07	0.34(76)
10	Sonamura	2006-07	0.78	1.62	2.40	0.90	1.50(62)
		2007-08	1.50	0.30	1.80	0.32	1.48(82)
11	Teliamura	2006-07	0.88	1.99	2.87	2.20	0.67(23)
		2007-08	0.67	3.14	3.80	1.66	2.15(57)
12	Kamalpur	2006-07	0.58	1.29	1.87	1.23	0.64(34)
		2007-08	0.64	1.22	1.86	1.17	0.69(37)
Municipal Council							
13	Agartala	2006-07	10.88	25.63	36.51	23.27	13.24(36)
		2007-08	13.24	31.05	44.29	24.93	19.37(44)
Total		2006-07	21.96	50.83	72.79	45.81	26.98
Total		2007-08	26.98	52.85	79.83	46.55	33.28

(Source: Inspection Reports)

Appendix – IV
Statement of non utilization of TFC Grants
(Reference: Paragraph 1.10.7.1 & 1.10.7.3;Page 30 & Page 31)

(Rupees in lakh)

Sl. No	Name of the ULB	Order & date of receipt of grants	Amount received	Amount utilized	Amount kept unutilized as on 31.3.2008
1	Teliamura	F.11(2)/UDD/DUD/05/1777-81 Dt. 05.06.06	3.36	Nil	3.36
2	Khowai	F.11(2)/UDD/DUD/05/1772-76 Dt. 15.06.06	3.76	Nil	3.76
3	Kumarghat	F.11(2)/UDD/DUD/05/1762-66 Dt.: 15.06.06 (Rs.2.26 lakh)	14.33 (Unspent EFC fund Rs.12.07 +TFC grant Rs.2.26)	4.09	10.24
4	Ranirbazar	F.11(2)-UDD/DUD/2005/1782-86 Dt.:15.06.06	2.35	0.07	2.28
5	Dharmanagar	F.11(2)-UDD/DUD/2005/1782-86 Dt.:15.06.06	4.98	4.48	0.50
6	Agartala Municipal Council	F.11(2)-UDD/DUD/2005/1782-86 Dt.:15.06.06	42.30	32.30	10.00
Total			71.08	40.94	30.14

(Source: Information furnished by the ULBs)

Appendix-V
Statement of non allotment of shops
(Reference: Paragraph 2.2; Page 32)

(Rupees in lakh)

Name of ULB	No. of shop	No. of shops leased out	No. of shops kept idle	Rent per month	Loss of revenue per month	Total loss of revenue
Agartala Municipal Council	i) Ground floor-80 No.	i) 49 No.	i) 31 No.	i) 300/-	i) Rs.9,300	13.34
	ii) 1 st . floor-87 No.	ii) 9 No.	ii) 78 No.	ii)250/-	ii) Rs19,500	
	iii) 2 nd floor-86 No.	iii) Nil	iii) 86 No.	iii) 200/-	iii) Rs.17,200	
Khowai Nagar Panchayat	i) Ground floor:- a) Front side-45 No.	i) Nil	i) (a) 45 No.	i) (a) 500/-	i) Rs.40,500	9.51
	b) Middle side-45 No.	ii) Nil	ii) 92 No.	ii) 300/-	ii) Rs.27,600	
	ii) 1 st . floor-92 No.	iii) Nil	iii) 92 No.	iii)200/-	iii) Rs.18,400	
Udaipur Nagar Panchayat	i) Ground floor:- a) No.1-15	i) Nil	i)(a) 15 No.	i) (a) 800/-	i) Rs.40,200/-	6.50
	b) No.16-62	ii) Nil	ii) 62 No.	(b) 600/-	ii)Rs.24,800/-	
	ii) 1 st . floor-62 No.	iii) Nil	iii) 54 No	iii)300/-	iii)Rs.16,200/	
Total	705	58	647			29.35

(Source: Inspection Reports)

Appendix – VI
Statement of development fund kept in fixed deposit in bank
(Reference: Paragraph 2.3; Page 33)

(Rupees in crore)

Sl. No.	Name of ULB	Sanction order No. & date	Fixed deposit No.	Purpose of the fund	Amount
1	Agartala Municipal Council	F.6(12)UDD/DUD/97(P.V)/225 -30 dt. April 06	208698 dt. 29.07.06 Punjab & Sind Bank	Improvement of Madhya para water body	0.32
2		F.2(3) UDD/ DUD /2001/ 109-0-91 dt. 20.5.05	30613 dt. 07.10.05 Indian Bank	Management of three lakes L.N Bari, Durgabari & Dimsagar	0.10
3		Do	014132 dt. 02.01.06 Vijaya Bank		0.05
4		Do	137688 dt. 02.01.06 Vijaya Bank		0.05
5		Do	3036133 dt. 06.10.05 Bank of India		0.10
6		Do	028129 dt. 31.03.06 Vijay Bank		0.10
7		Do	83666 dt. 23.09.05 Union Bank of India		0.10
8		F.46(128)/ICDS/SWE/ 2005(L-1) dt. 04.05.06	711577 dt. 17.11.06 Alahabad Bank		Construction of Anganwadi centre
9		J-15011/4/2003-NRCD dt. 12.03.05	480005 dt. 30.03.05 Panjab & Sind Bank	Conservation of three lakes with 70:30 cost ratio	0.15
10		Do	712128 DT. 30.03.07 Alahabadh Bank		0.15
11		F.46(128)/ICDS/SWE/ 2005(L) dt.27.07.06	029151 dt. 20.11.06 TSCO Bank, Battala	Construction of Anganwadi centre	0.85
12		F.16(3)-UDD/DUD/ 99/ 180-86 dt. 18.04.06 (central share)	Deposit cheque No. 854274 dt. 26.07.06 Alahabadh Bank	IDSMT	0.44
13		F.16(3)-UDD/DUD/ 99/ 180-86 dt. 18.04.06 (central share)	Deposit cheque No. 148907 dt. 31.07.06 Bank of India	IDSMT	0.44
14		F.18(1)-UDD /DUD /2005 /825-30 dt. 18.5.05	F 03 578380 dt. 18.7.05 UCO Bank	Development of Nager Zalla and Radhanagar City Bus Terminal	0.30
15		Do	F 03 578381 dt. 18.7.05 UCO Bank		0.30
16		Do	K 04 301078 dt. 18.7.05 UCO Bank		0.30
17		Do	K 04 301079 dt. 18.7.05 UCO Bank		0.30
18		Do	K 04 301080 dt. 18.7.05 UCO Bank		0.30
19		Do	K 04 301081 dt. 18.7.05 UCO Bank		0.30
20		Do	K 04 301082 dt. 18.7.05 UCO Bank		0.30
21		Do	K 04 301083 dt. 18.7.05 UCO Bank		0.30
22		Do	K 04 301084 dt. 18.7.05 UCO Bank		0.30
23		Do	K 04 301085 dt. 18.7.05 UCO Bank		0.30
24		Do	K 04 301086 dt. 18.7.05 UCO Bank	0.30	
25	Dharmanagar Nagar Panchayat	F.18(1)-UDD /DUD /2005 /1997-2001/ dt. 11.7.2005	No. 547147 SBI	Construction of Indoor stadium	0.30
Total					6.95

(Source: Inspection Reports)

Appendix – VII
Unspent Development Fund
(Reference: Paragraph 2.4; Page 33)

(Rupees in lakh)

Sl. No.	Name of the scheme	Sanction order No. & date	Fund received	Expenditure incurred	Unspent balance	Percent age of unspent balance
1	Share of taxes (Town hall)	F.18(1)-UDD/ DUD/ 2007/ 3550-55 dt. 19.10.07	15.00	Nil	15.00	100
2	ICDS	Cheque No. 287577 dt. 18.11.07	10.50	Nil	10.50	100
3	SJSRY (CS)	F.18(1)-UDD/ DUD/ 98(4)/ 4554-58 dt. 14.12.07	5.89	Nil	5.89	100
4	EIWS	F.18(1)-UDD/ DUD/ 2007(P)/ 5576-80 dt. 31.1.08	1.47	Nil	1.47	100
5	Share of taxes	F.18(1)-UDD/ DUD/ 2007/ 500-505- dt. 30.05.07	1.25	0.06	1.19	95
6	SJSRY (CS)	F.18(1)-UDD/ DUD/ 98(L)/ 911-16 dt. 20.6.06	3.73	0.22	3.51	94
Total			37.84	0.28	37.56	99

Appendix - VIII
Statement of avoidable interest liability
(Reference: Paragraph 2.6; Page 34)

(Rupees in lakh)

Name of Nagar Panchayat	Category	Loan released by HUDCO	Un-disbursed loan amount refunded	Loan disbursed to loanee	Loan retained un-disbursed
Teliamura	LIG	14.14	4.55	8.12	1.47
	EWS	13.56	12.86	0.58	0.42
	Total	27.70	17.41	8.70	1.89
Udaipur	LIG	56.55	3.98	52.57	--
	EWS	54.25	17.40	26.90	9.95
	Total	110.80	21.38	79.47	9.95
Khowai	LIG	14.14	--	21.75	--
	EWS	13.56	--	4.90	1.05
	Total	27.70	Nil	26.65	1.05

(Source: Inspection Reports)

Rs. 7.61 lakhs loan amount disbursed to LIG loanee out of EWS loan amount. Avoidable interest liability due to delay in refund of un-disbursed loan amount/delay in disbursement/delay in refund of installments/retention of un-disbursed loan.

Name of Nagar Panchayat

Interest

Teliamura
Udaipur
Khowai
Total

Rs. 11.31
Rs. 10.99
Rs. 03.84
Rs.26.14 lakh

Appendix – IX
List of incomplete works
(Reference: Paragraph 2.7; Page 35)

(Rupees in lakh)

Sl. No.	Name of the ULB	Name of the work	Schedule period of completion	Not completed as of	Cheque No. & date	Expenditure not incurred
1	Ranirbazar	Bricks soling in Ward No. 5&9	September 2007	June 2008(10 months)	757322 dt. 31.3.08	0.25
2	- do -	- do -	September 2007	June 2008(10 months)		0.25
3	- do -	- do -	September 2007	June 2008(10 months)		0.25
4	- do -	- do -	September 2007	June 2008(10 months)		0.25
5	- do -	- do -	September 2007	June 2008(10 months)		0.13
6	- do -	Development of road in Ward No. 6	September 2007	June 2008(10 months)	757323 dt. 31.3.08	0.25
7	- do -	Development of road in Ward No. 6	September 2007	June 2008(10 months)		0.25
8	- do -	Development of road in Ward No. 6	September 2007	June 2008(10 months)		0.25
9	- do -	Development of road in Ward No. 6	September 2007	June 2008(10 months)		0.25
10	- do -	Development of road in Ward No. 6	September 2007	June 2008(10 months)	199576 dt. 29.12.07	0.25
11	- do -	Development of road in Ward No. 6	September 2007	June 2008(10 months)		0.18
12	- do -	Construction of road	November 2007	June 2008(7 months)	757317 dt. 31.3.08	0.25
13	- do -	Construction of road	November 2007	June 2008(7 months)		0.20
14	- do -	Construction of road in Ward No. 10	December 2007	June 2008 (6 months)	757318 dt. 31.3.08	0.25
15	- do -	Construction of road in Ward No. 10	December 2007	June 2008 (6 months)		0.25
16	- do -	Construction of road in Ward No. 10	December 2007	June 2008 (6 months)		0.25
17	- do -	Construction of road in Ward No. 10	December 2007	June 2008 (6 months)	421808 dt. 14.1.08	0.25
18	- do -	Construction of road in Ward No. 10	December 2007	June 2008 (6 months)		0.25
19	- do -	Construction of road in Ward No. 10	December 2007	June 2008 (6 months)	421809 dt. 14.1.08	0.25
20	- do -	Construction of road in Ward No. 10	December 2007	June 2008 (6 months)		0.12
21	- do -	Construction of gali road in Ward No. 10	December 2007	June 2008 (6 months)	757319 dt. 31.3.08	0.25
22	- do -	Construction of gali road in Ward No. 10	December 2007	June 2008 (6 months)		0.25
23	- do -	Construction of gali road in Ward No. 10	December 2007	June 2008 (6 months)		0.16
24	- do -	Construction of gali road in Ward No. 10	December 2007	June 2008 (6 months)	757324 dt. 31.3.08	0.25
25	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.25
26	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.25
27	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.25
28	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.25
29	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.25
30	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.25

Sl. No.	Name of the ULB	Name of the work	Schedule period of completion	Not completed as of	Cheque No. & date	Expenditure not incurred
31	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.20
32	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)		0.25
33	- do -	Construction of gali road in Ward No. 8	December 2007	June 2008 (6 months)	421775-777 dt. 29.12.07	0.25
34	- do -	Construction of palasiding Ward No. 10&11	August 2007	June 2008(10 months)		0.18
35	- do -	Construction of palasiding Ward No. 10&11	August 2007	June 2008(10 months)		0.25
36	- do -	Construction of palasiding Ward No. 10&11	August 2007	June 2008(10 months)		0.25
37	- do -	Brick soiling Ward No. 9&10	December 2007	June 2008 (6 months)	757320 dt 31.3.08	0.25
38	- do -	Brick soiling Ward No. 9&10	December 2007	June 2008 (6months)		0.25
39	- do -	Brick soiling Ward No. 9&10	December 2007	June 2008 (6months)		0.25
40	- do -	Brick soiling Ward No. 9&10	December 2007	June 2008 (6months)		0.25
41	- do -	Brick soiling Ward No. 9&10	December 2007	June 2008 (6months)		0.25
42	- do -	Brick soiling Ward No. 9&10	December 2007	June 2008 (6months)		0.25
43	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)	757329 dt 31.3.08	0.25
44	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)		0.25
45	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)		0.22
46	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)		0.25
47	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)		0.25
48	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)	757325 dt 31.3.08	0.25
49	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)		0.25
50	- do -	Earth filing Ward No. 6	December 2007	June 2008 (6months)		0.25
Total						11.89

Appendix –X
Statement of unspent balance of Anganwadi center
(Reference: Paragraph 2.9; Page 36)

(Rupees in lakh)

Sl. No.	Name of ULB	Sanction No. & date	No. of centres to be constructed	Fund provided	No. of centre constructed	Fund utilized	Pending No. construction works	Unspent fund
1	Sonamura	F.1(7-3) ICDS/2007/ 2279(40) dt.12.10.07	12	10.50	Nil	Nil	12	10.50
2	Teliamura	F.72(14)- DSNE/Cash/ 07 dt.28.11.07	11	19.25	Nil	Nil	11	19.25
3	Belonia	F.1(7-3) ICDS/SW E/2279 dt.12.10.07	15	13.13	Nil	Nil	15	13.13
4	Kumarghat	F.1(7-3) ICDS/SWE/ 2279(40) dt.12.10.07 F.1(7-3) ICDS/SWE/ 2279 dt.12.10.07	7	6.13	Nil	Nil	7	6.13
5	Dharmanagar	F.1(7-3) ICDS/SWE/ 2279(40) dt.12.10.07 F.1(7-3) ICDS/SWE/ 2279 dt.12.10.07	15	13.13	Nil	Nil	15	13.13
Total			60	62.14	Nil	Nil	60	62.14

(Source: Inspection Reports)

Appendix - XI
Statement of loan instalments paid out of loan amount
(Reference: Paragraph 2.10; Page 36)

Name of ULB	Period of collection of instalments from loanee	Amount collected from loanee (Rs.)	Payment made to HUDCO (Rs.)	Balance of collected amount (+) Saving (-)Excess
Udaipur	19.5.01 to 27.11.02	4,97,408/-	4,28,082/-	(+) 69,326/-
	28.11.02 to 06.03.03	3,27,486/- <u>69,326/-</u> 3,96,812/-	6,78,970/-	(-) 2,82,158/-
Khowai	Upto 09.01.2001	Nil	1,00,400/-	(-) 1,00,400/-
	Upto 31.03.2001	Nil	80,700/-	(-) 80,700/-
	Upto 03.08.2001	1,19,697/-	1,64,716/-	(-) 45,019/-
Total Amount refunded to HUDCO from loan amount				5,08,277/-

(Source: Inspection Reports)

Appendix –XII
Statement of poor collection of property tax
(Reference: Paragraph 2.13; Page 38)

(Rupees in crore)

Year	Number of ward	Number of Holding	Water connection	Number of holding which paid tax	Total collection	Percentage of holding tax paid
2004-05	17	34394	18918	21415	1.66	62.26
2005-06	17	35608	17768	16211	0.84	45.53
2006-07	35	57720	NA	17350	1.90	30.06
2007-08	35	59908	NA	23446	1.65	39.14

(Source: Inspection Reports)

Appendix –XIII
Statement of nominal collection of trade licence fee
(Reference: Paragraph 2.14; Page 39)

(Rupees in lakh)

Year	Total shops as per estimate	No. of shop owners deposited trade license fee	Amount collected	Percentage of shop owners deposited trade license	Percentage of defaulter
2005-06	20,000	4209	26.61	21.04	78.96
2006-07	20,000	3159	34.42	15.80	84.20
2007-08	20,000	4160	36.15	20.80	79.20

(Source: Inspection Reports)

Appendix –XIV
Statement of outstanding revenue
(Reference: Paragraph 2.15; Page 39)

(Rupees in crore)

Sl. No.	Name of ULB	Demand as on 1st April 2007	Collection during 2007-08	Balance as on 31 March 2008
1	Agartala Municipal Council	*2.71	*0.78	*1.93
2	Udaipur	0.12	0.05	0.07
3	Sonamura	0.13	0.05	0.08
4	Teliamura	0.06	0.04	0.02
5	Dharmanagar	1.00	0.90	0.10
6	Kamalpur	0.08	0.05	0.03
7	Kailashahar	0.24	0.15	0.09
Total		4.34	2.02	2.32

* Demand, collection and outstanding position shown for the year 2006-07 as the updated position for the year 2007-08 has not yet been compiled by the Agartala Municipal council.