

## **PREFACE**

The Report has been prepared for submission to the Government of Tripura in accordance with the terms and conditions of the entrustment of audit of Urban Local Bodies (ULBs) under Section 20(1) of CAG's DPC Act 1971 and audit of Panchayati Raj Institutions (PRIs) as a statutory auditor by the Comptroller & Auditor General (C&AG) of India.

The Office of the Senior Deputy Accountant General (Local Bodies Audit and Accounts) started functioning from 15<sup>th</sup> March 2007 under the administrative and technical control of the Accountant General (Audit), Tripura, Agartala.

Part-I of this Report consists of observations on Panchayati Raj Institutions and Part-II 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 2009-10.

# OVERVIEW

This Report, dealing with the results of audit of accounts of Local Bodies, is prepared in two parts and consists of five chapters. Part-I deals with Panchayati Raj Institutions and Part II on Urban Local Bodies. A synopsis of audit findings is presented in this overview.

## **I. An Overview of the Panchayati Raj Institutions**

At present, there are four Zilla Parishads, 23 Panchayat Samitis and 513 Gram Panchayats in Tripura. At the State level, the Panchayat Department of the State Government co-ordinates and monitors the functioning of the Panchayati Raj Institutions (PRIs).

*(Paragraph 1.1)*

Transfer of functionaries to PRIs was not done which is a prerequisite for successful working of local self government at the grass-root level. The works of the PRIs are being performed by the State Government functionaries only.

*(Paragraph 1.3)*

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. Besides, the own source of funds includes the revenue earned by the PRIs in the form of taxes, fees, issue of licenses, etc.

*(Paragraph 1.5)*

A test check of records of the Uttar Tripura Zilla Parishad for the year 2008-09 revealed that only two meetings of Standing Committees were held against the prescribed of 12 meetings in a year. In ten Panchayat Samitis, during 2008-09 meetings of the different Standing Committees were not held regularly.

*(Paragraph 1.6)*

No prescribed audit authority has yet been appointed by the State Government as per Section 215 of the Tripura Panchayats Act, 1993. The Comptroller and Auditor General of India is conducting audit of all three level of PRIs as statutory auditor as requested by State Government.

*(Paragraph 1.8)*

The State Government did not accept the recommendations of the second State Finance Commission considering the fact that higher devolution of fund as recommended by the Commission was not found realistic under the prevailing financial position of the State.

*(Paragraph 1.9)*

Development funds remaining unspent indicates poor planning and inadequate monitoring, thereby depriving the beneficiaries from the intended benefits of the schemes.

*(Paragraph 1.11.1)*

Scrutiny of the records of four Zilla Parishads and 19 Panchayat Samitis revealed that neither the Zilla Parishads nor the Panchayat Samitis have prepared the budget of its estimated receipts and disbursement for the year upto 2008-09 and expenditures were incurred without preparing the budget.

*(Paragraph 1.11.2)*

The records of four Zilla Parishads, 19 Panchayats Samitis and 289 Gram Panchayats were test checked during 2009-10 and it was noticed that none of these PRIs prepared Annual Accounts upto the year 2008-09.

*(Paragraph 1.11.3)*

## **II. Audit of transactions in Panchayati Raj Institutions**

Unauthorized diversion of ₹ 35.11 lakh towards construction of Dakbunglow and parents hall in violation of the schemes guidelines.

*(Paragraph 2.1)*

Advances of ₹ 3.85 crore given to various Implementing Officers between July 2007 and February 2009 for execution of various works remained un-adjusted.

*(Paragraph 2.2)*

Stalls rent of ₹ 1.34 lakh was outstanding as on 31.03.2009 from Ambassa market for the period from 2007-08 to 2008-09.

*(Paragraph 2.3)*

The beneficiary contribution of ₹ 2.49 lakh was not realized as per guidelines for utilization of PDF.

*(Paragraph 2.4)*

Test check of the records of Dhalai Zilla Parishad revealed that utilisation certificates for ₹ 21.37 lakh was not submitted to the sanctioning authority.

*(Paragraph 2.6)*

Diversion of poultry and piggery scheme fund of ₹ 1.60 lakh for purchasing of 32 nos. of sewing machines.

*(Paragraph 2.7)*

Loss of revenue by under assessment of lease rent of ₹ 1.22 lakh.

*(Paragraph 2.9)*

## **III. Performance Review –National Rural Employment Guarantee Act (NREGA)**

During 2008-09, ₹ 522.02 crore was available for implementation of the NERGA in Tripura and ₹ 499.03 crore was spent for the purpose, leaving a balance of ₹ 22.99 crore unspent at the end of the year, depriving the poor people from benefit of the scheme to that extent.

*(Paragraph 3.6.1)*

Out of 5,49,022 job cards holders during 2008-09, only 56,930 job cards holders (10.36 per cent) received 100 days of guaranteed wage employment and the primary objectives of the NREGA could not be achieved.

*(Paragraph 3.6.2)*

Execution of works without the approval of Gram Sabha for ₹ 48.13 lakh in violation of NREGA.

*(Paragraph 3.17.1)*

Un-authorized diversion of NREGA fund of ₹ 3.59 crore.

*(Paragraph 3.17.2)*

Due to non-adjustment of balance of ₹ 2.53 crore, the total generation of man-days created during 2008-09 could not be ascertained.

*(Paragraph 3.17.3)*

#### **IV. An Overview of Urban Local Bodies**

There are 16 Urban Local Bodies (1 Municipal Council and 15 Nagar Panchayats) in the State as on 31.03.2009. At the State level, the Urban Development Department of the State Government coordinates and monitors the functioning of ULBs.

*(Paragraph 4.1)*

All the 18 functions listed in the 12<sup>th</sup> Schedule of the Constitution have been transferred by the State Government to the ULBs. But in practice, certain important functions like fire service, road and bridges are still controlled by the State Government departments.

*(Paragraph 4.3)*

For execution of various developmental works, the ULBs mainly receive funds from the Government of India and the State Government in the form of grants. Besides, the sources include the revenue mobilized by the ULBs in the form of taxes, rent, fees, issue of licenses, etc.

*(Paragraph 4.4)*

Test check of records revealed that none of the ULBs has prepared balance sheet for the year upto 2008-09 as per the Tripura Municipal Act, 1994. Due to non-preparation of balance sheet, the actual position of assets and liabilities could not be ascertained.

*(Paragraph 4.8.2)*

TFC grants of ₹ 0.80 crore was allocated during 2006-07 and 2007-08 to the ULBs for database and maintenance of accounts. Test check of records revealed that neither the database nor the accounts maintenance was developed till date (December 2010)

*(Paragraph 4.8.4)*

Test check of records of nine Nagar Panchayats revealed that none of the Nagar Panchayats has prepared the Budget Estimates till now and expenditures were incurred without preparation and approval of the budget.

*(Paragraph 4.8.5)*

**V. Audit of transactions in Urban Local Bodies**

Idle investment of ₹ 33.93 lakh on construction of Fish and Meat market and loss of revenue of ₹ 22,200 per year.

**(Paragraph 5.1)**

Development funds of ₹ 3.63 crore kept in fixed deposits and remained unutilized.

**(Paragraph 5.2)**

Non utilisation of IDSMT funds of ₹ 1.42 crore for five years resulted in failure of achievement of objectives.

**(Paragraph 5.3)**

Non realisation of outstanding fees of ₹ 2.88 crore on the erection of electrical poles and transformers from Tripura State Electricity Corporation Ltd.

**(Paragraph 5.4)**

Avoidable loss of ₹ 12.59 lakh on account of penalty due to delayed payment of electricity bills.

**(Paragraph 5.5)**

Non realisation of outstanding revenues of ₹ 20.80 lakh from Bharat Sanchar Nigam Ltd for installation of 26 Mobile Towers.

**(Paragraph 5.6)**

Out of the available SJSRY funds of ₹ 7.12 crore during 2007-08 and 2008-09, AMC could utilise only ₹ 2.23 crore (31.32 *per cent*) leaving a balance of ₹ 4.89 crore (68.68 *per cent*) un-utilised and parked in the bank account as on March 2009.

**(Paragraph 5.7)**

Diversion of Valmiki Ambedkar Malin Basti Awas Yojana (VAMBAY) scheme funds of ₹ 35.88 lakh towards payment of salaries and wages.

**(Paragraph 5.8)**

Slow implementation of National Slum Development Programme/Environmental Improvement of Urban Slum led to locking up of funds.

**(Paragraph 5.9)**

Non-allotment of 351 stalls resulted idle investment of ₹ 10.89 crore.

**(Paragraph 5.10)**

Award of 427 nos of works (without call of tender) for ₹ 2.09 crore in excess of financial powers.

**(Paragraph 5.11)**

Test check of records of 13 markets under AMC revealed that touji rent of ₹ 1.73 crore was outstanding as on 31-03-2007

**(Paragraph 5.12)**

Advances paid to Implementing Officers (IOs) of ₹ 2.72 crore are yet to be adjusted/settled.

**(Paragraph 5.13)**

Loss of revenue of ₹ 23.67 lakh due to non-imposition of property tax by Kailashahar Nagar Panchayat.

**(Paragraph 5.14)**

Idle expenditure of ₹ 18.63 lakh for construction of a commercial complex and fish, meat & dry fish market and a vegetable market.

**(Paragraph 5.15)**

Due to failure to handover a clear site to the contractor in time for construction of a Super Market, avoidable extra expenditure of ₹ 8.52 lakh had to be incurred due to time and cost over run.

**(Paragraph 5.17)**

## CHAPTER I

### AN OVERVIEW OF THE PANCHAYATI RAJ INSTITUTIONS

#### 1.1 Introduction

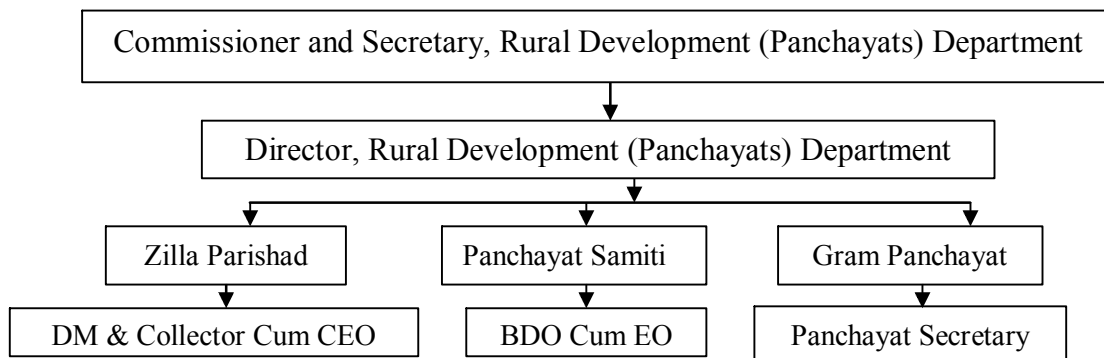
The first step towards setting up of Panchayati Raj System was taken up in the State in 1959 by adopting the Panchayat Raj Act of United Provinces (UP). Following the Act of UP the Tripura Panchayat Raj Rules, 1961 was framed and a single tier Panchayat Raj system was introduced in the State at the village level. The Gram Panchayats, the Executive Body of the Gram Sabha, were constituted through open election by raising of hands. In the year 1978, reforms were made in the election procedure by amending rules to ensure free and fair election under adult franchise by secret ballot system with participation of political parties. The Panchayats were assigned a special role in implementation of various development activities.

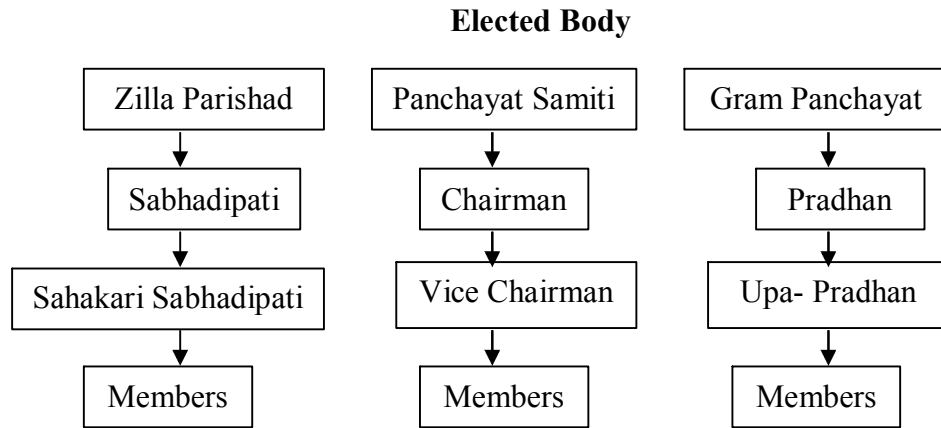
In pursuance of 73<sup>rd</sup> Constitutional Amendment Act, 1992 the Government of Tripura has enacted the Tripura Panchayats Act, 1993 with a view to set up three tier Panchayati Raj system and to enable them to function as vibrant institutions of local self government at the District, Block and Village levels. The first general elections for the purpose were held in the year 1994. At present, there are four Zilla Parishads, 23 Panchayat Samitis and 513 Gram Panchayats in Tripura. At the State level, the Panchayat Department of the State Government co-ordinates and monitors the functioning of the Panchayati Raj Institutions (PRIs).

#### 1.2 Organizational Structure of PRIs

The following organogram depicts the structure of the PRIs at different levels:

##### Administrative Body





At the district level, the District Magistrate & Collector-Cum-Chief Executive Officer of Zilla Parishad carries out the policies and directives of the Zilla Parishad, discharges duties defined under the Act, controls the officers/officials of Zilla Parishad and has custody of all papers and documents of Zilla Parishad.

The functions of the Block Development Officer-Cum-Executive Officer in Panchayat Samiti are to exercise all the powers conferred under the Act, to supervise and control the officials working under him, to supervise the execution of all works, to take custody of all papers and documents of Panchayat Samiti including drawals and disbursement of money out of the Panchayat Samiti fund.

The Panchayat Secretary is responsible for convening the meeting of Gram Sabha, maintenance of the records of Gram Panchayat, implementation of various developmental works and transaction of business as provided in the Act.

### **1.3 Devolution of Funds, Functions and Functionaries**

The 73<sup>rd</sup> Constitutional Amendment Act, 1992 provided for devolution of funds, functions and functionaries to the PRIs to make them financially capable and autonomous. As per the report of the Tripura State Finance Commission, formal devolution of funds to PRIs was started from the year 1997-98. Funds devolved to PRIs under State Finance Commission for the last eight years is given in the table below:



Table No. 1

(₹ In crore)

Head	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Grants-in-aid (Share of Taxes)	19.58	25.99	20.73	16.57	16.58	7.00	18.23	20.00
Grants-in-aid (PDF)	35.13	35.13	32.04	32.18	32.42	45.00	37.10	40.00
<b>Total</b>	<b>54.71</b>	<b>61.12</b>	<b>52.77</b>	<b>48.75</b>	<b>49.00</b>	<b>52.00</b>	<b>55.33</b>	<b>60.00</b>

Source: Report of the 3<sup>rd</sup> State Finance Commission and Panchayat Department

The above table shows that the devolution of funds to the PRIs during the period 2003-04 to 2007-08 almost remained static. In consequence of the 73<sup>rd</sup> Amendment to the Constitution of India, the State Government has devolved five subjects\* out of 29 subjects listed in the 11<sup>th</sup> Schedule of the Constitution to the control of three tier PRIs (August, 2006 & August, 2007). Out of these five subjects, funds for payment of wages of pump operators and power consumption charges only had been transferred to the PRIs. The remaining 24 subjects are yet to be transferred. Besides, the transfer of functionaries to PRIs was not done which is a prerequisite for successful working of local self government at the grass-root level. The works of the PRIs are being performed by the State Government functionaries only.

#### 1.4 Duties and Functions of PRIs

The Tripura Panchayats Act, 1993 prescribed various duties and functions for PRIs. Some of the important duties and functions are given below:

- (i) Preparation of Annual Action Plan.
- (ii) Promotion and development of agriculture and horticulture.
- (iii) Promotion of village plantation, social forestry and farm forestry.
- (iv) Irrigation including minor irrigation and water management.
- (v) Promotion of measures to increase agricultural production.
- (vi) Promotion of dairy farming, poultry and piggery.
- (vii) Development of pisciculture in private and community land.
- (viii) Implementation of poverty alleviation programmes.
- (ix) Any other local work or service of public utility.

\* (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 Sources of Funds

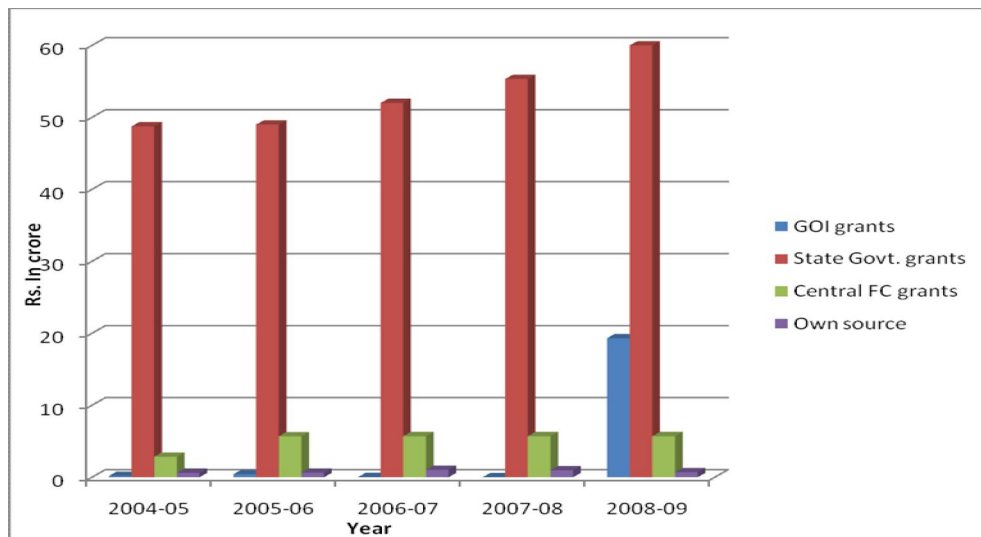
For execution of various developmental works, the PRIs mainly receive funds from the Government of India (GOI) and the State Government in the form of grants. The GOI grants include grants assigned under the recommendations of EFC and TFC. The State Government grants are received under the recommendations of SFC. Besides, the own source of funds includes the revenue earned by the PRIs in the form of taxes, fees, issue of licenses, etc. The position of receipts of funds by PRIs from different sources for the last five years is shown in the table No. 2 and chart No. 1 below:

**Table No. 2**

Head	( <i>₹ In crore</i> )				
	2004-05	2005-06	2006-07	2007-08	2008-09
GOI grants	0.18	0.43	0.02	-	19.32
State Govt. grants	48.75	49.00	52.00	55.33	60.00
Central FC grants	2.85	5.69	5.70	5.70	5.70
Own source	0.62	0.63	1.02	0.97	0.70
<b>Total</b>	<b>52.40</b>	<b>55.75</b>	<b>58.74</b>	<b>62.00</b>	<b>85.72</b>

Source: Panchayat Department

**Chart No. 1**



The above table/chart shows that grants from State Government constitute the major chunk of revenue during the last five years have not been increased substantially while the GOI grants increased substantially in 2008-09. The receipts from own sources have been declined during 2008-09.

## 1.6 Functioning of PRIs through Standing Committees

Zilla Parishads and Panchayat Samitis, have the following Standing Committee through which various functions are performed as per the Tripura Panchayats Act, 1993 and the Tripura (Administration) Rules, 1994.

- Finance Committee
- Education and Health Committee
- Works Committee
- Industries Committee
- Social Justice Committee
- Agriculture Committee
- Poverty Alleviation Committee

As per Rule 66 of the Tripura Panchayats (Administration) Rules, 1994 every Standing Committee shall hold meeting in the office of the Zilla Parishad once in a month on such date and time as may be fixed by the President. Under Rule 30, every Standing Committee of Panchayat Samiti shall hold a meeting in the office of the Panchayat Samiti once in a month on such date and time as may be fixed by the President. A test check of records of the Uttar Tripura Zilla Parishad for the year 2008-09 revealed that only two meetings of each Standing Committee were held against the prescribed of 12 meetings in a year. In ten Panchayat Samitis, during 2008-09 meetings of the different Standing Committees were not held regularly as shown in the table below:

**Table No. 3**

2008-09	No of meetings to be held in a year	No. of meetings held by each Standing Committee			Industries	Social Justice	Agriculture	Poverty alleviation	Total meetings held
		Finance	Education	Works					
<b>Name of ZP</b>									
Uttar Tripura Zilla Parishad	84	2	2	2	2	2	2	2	14
<b>Name of PS</b>									
Kathalia	84	3	2	3	3	2	4	4	21
Hrishyamukh	84	7	8	7	3	4	10	3	42
Bokafa	84	3	4	3	3	4	6	3	26
Kakraban	84	1	5	5	4	6	5	4	30
Jirania	84	1	2	4	-	6	2	2	17
Satchand	84	-	-	-	-	-	3	-	3
Rajnagar	84	2	2	3	3	3	3	4	20
Mohanpur	84	5	3	4	2	4	4	3	25
Khowai	84	1	4	4	6	1	3	2	21
Gournagar	84	-	2	1	-	-	2	-	5

From the above, it would be seen that none of the Standing Committees has held the required number of meetings during the year. Thus, non-holding of regular meetings indicates that the activities of the Zilla Parishad and Panchayat Samitis through different Standing Committees were not adequately followed up and reviewed.

The over-all monitoring and review of the functioning 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. No meeting of SLCC was held during 2008-09.

### **1.7 Accounting Arrangement**

Under Section 175, Section 119 and Section 66 of the Tripura Panchayat Act, 1993 the Zilla Parishads, Panchayat Samitis and the Gram Panchayats shall keep such accounts in such form as may be prescribed. The Chief Executive Officer is responsible for maintenance of accounts at Zilla Parishad and the Executive Officer at Panchayat Samiti level with the assistance of Accountant. The accounts of Gram Panchayat are maintained by Panchayat Secretary.

### **1.8 Audit Arrangement**

As per Section 215 of the Tripura Panchayats Act, 1993, the audit of the accounts of the funds of Gram Panchayat or Panchayat Samiti or Zilla Parishad shall be carried out by the authority as may be prescribed by the Government. A copy of such reports will be submitted in the following manner:

- (a) report on the Gram Panchayat shall be forwarded to the Panchayat Samiti by the Gram Panchayat;
- (b) report on the Panchayat Samiti shall be forwarded to the Zilla Parishad or the Prescribed authority by the Panchayat Samiti; and
- (c) report on the Zilla Parishad shall be forwarded to the State Government by the Zilla Parishad.

But no such prescribed audit authority has yet been appointed by the State Government. The Government of Tripura requested (3<sup>rd</sup> January 2004) C&AG to take up audit of PRIs as statutory auditor. Accordingly, the audit of PRIs has been taken up from the year 2006-07.

## **1.9 State Finance Commission**

As per the provision of the Tripura Panchayats Act, 1993 the first State Finance Commission (SFC) was set up in the year 1994. The SFC submitted its report in January 1996 to the State Government which was considered and accepted by the State Government and placed before the Legislative Assembly. On consideration of its report, actions were taken by the State Government for devolution of funds to PRIs for undertaking different developmental works. The second SFC was constituted in the year 1999 and its reports were submitted on 10<sup>th</sup> April, 2003 covering the period 2003-04 to 2007-08. The report was examined and laid in the State Assembly. The State Government did not accept the recommendations of the second SFC considering the fact that higher devolution of fund as recommended by the Commission was not found realistic under the prevailing financial position of the State. Instead the State Government had decided to continue the implementation of the recommendations of the first SFC till report of the next Finance Commission is received. The third Finance Commission was constituted in March 2008. The Commission submitted the report in October 2009 and the Government laid the Action Taken Report in the Tripura Legislative Assembly in March 2010.

## **1.10 Audit Coverage**

During 2009-10, the accounts of four Zilla Parishads, 19 Panchayat Samitis and 289 Gram Panchayats were test checked. The important audit findings are summarized in the succeeding chapters and paragraphs:

## **1.11 COMMENTS ON ACCOUNTS**

### **1.11.1 Unutilized Funds**

Test check of closing balances of three Zilla Parishads and 14 Panchayat Samitis for the year ended 31<sup>st</sup> March 2009 revealed that funds relating to different schemes remained unutilised as shown in the tables below:

Table No. 4

(₹ in lakh)

Name of Zilla Parishad/ Panchayat Samiti	Fund available			Expenditure			Closing balance		
	PDF	NREGA	TFC	PDF	NREGA	TFC	PDF	NREGA	TFC
1	2	3	4	6	7	8	10	11	12
Uttar Tripura	66.65	259.91	2.10	66.59	259.91	-	0.06	-	2.10
Dhalai	30.16	350.26	-	23.82	333.02	-	6.34	17.24	-
Dhakshin Tripura	95.26	770.09	8.86	71.14	770.09	8.83	24.12	-	0.03
<b>Total of ZP</b>	<b>192.07</b>	<b>1380.26</b>	<b>10.96</b>	<b>161.55</b>	<b>1363.02</b>	<b>8.83</b>	<b>30.52</b>	<b>17.24</b>	<b>2.13</b>
Khowai	66.83	-	6.63	56.61	-	6.31	10.22	-	0.32
Kalyanpur	36.26	934.01	-	36.26	859.40	-	-	74.61	-
Bishalgarh	51.54	2616.53	27.99	46.01	2590.20	27.99	5.53	26.33	-
Melagarh	33.09	1851.45	-	14.08	1740.66	-	19.01	110.79	-
Kathalia	21.93	539.60	-	15.74	170.87	-	6.19	368.73	-
Matabari	23.35	-	6.50	16.65	-	6.20	6.70	-	0.30
Kakraban	29.79	905.76	8.50	24.25	855.32	6.00	5.54	50.44	2.50
Bokafa	16.88	1976.73	13.00	16.88	1750.20	13.00	-	226.53	-
Hrishymukh	10.69	868.46	13.00	10.28	826.46	9.44	0.41	42.00	3.56
Satchand	13.27	1402.69	-	13.27	1380.99	-	-	21.70	-
Ambassa	19.30	1754.28	9.17	18.83	1694.25	9.17	0.47	60.03	-
Salema	119.46	-	-	49.55	-	-	69.91	-	-
Gournagar	20.69	1008.79	17.55	19.00	1008.24	17.55	1.69	0.55	-
Jirania	41.84	-	-	20.61	-	-	21.23	-	-
<b>Total of PS</b>	<b>504.92</b>	<b>13858.30</b>	<b>102.34</b>	<b>358.02</b>	<b>12876.59</b>	<b>95.66</b>	<b>146.90</b>	<b>981.71</b>	<b>6.68</b>

Development funds remaining unspent indicates poor planning and inadequate monitoring, thereby depriving the beneficiaries from the intended benefits of the schemes.

### 1.11.2 Status of preparation of Budget

As per provisions of sections 64, 118 and 173 of the Tripura Panchayats Act, 1993, Annual Budget of Gram Panchayats, Panchayat Samitis and Zilla Parishads showing the estimated receipts and disbursement for the following year is 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 have been approved by the prescribed authority. The Act further states that no expenditure shall be incurred unless the budget is approved by the prescribed authority.

Scrutiny of the records of four Zilla Parishads and 19 Panchayat Samitis revealed that neither the Zilla Parishads nor the Panchayat Samitis have prepared the budget of its estimated receipts and disbursement for the year upto 2008-09 and expenditures were incurred without preparing the budget.

Thus, incurring expenditure without preparing the budget was irregular and violation of the provisions of the Act.

### **1.11.3 Status of preparation of Annual Accounts**

Under Section 175, Section 119 and Section 66 of the Tripura Panchayat Act, 1993 the Zilla Parishads, Panchayat Samitis and the Gram Panchayats shall keep such accounts in such form as may be prescribed. The accounts of PRIs are being maintained in the formats prescribed by the C&AG of India. The records of four Zilla Parishads, 19 Panchayats Samitis and 289 Gram Panchayats were test checked during 2009-10 and it was noticed that none of these PRIs prepared Annual Accounts upto the year 2008-09. In absence of Annual Accounts, the position of opening balance, closing balance, receipts and payments under several heads, diversion of grants, etc., could not be ascertained.

### **1.11.4 Status of Certification of Accounts**

The State Government has not yet made any provisions in the State Acts/Rules for certification of accounts of the PRIs by the Examiner of Local Fund Audit or any State Auditing Authority. Till now not a single unit prepared the Annual Accounts, which could provide basis for conducting certification audit.

### **1.11.5 Issue of assurance on the utilization of TFC grants**

Finance Department (FD), the Government of Tripura is required to furnish a certificate to the Accountant General (Audit), on releases and utilization of TFC grants to the local bodies in the State. On receipt of such certificate, the Accountant General would conduct audit and give assurance to the Central Government on the utilisation of grants awarded

by TFC. As on date, no certificate on releases of such grants and their utilization was received from the Finance Department. The instalment(s) of TFC grants so far released by the GOI and the State Finance Department to the PRIs is shown below:

Table No. 5

(*₹ in crore*)

Released by GOI			Released by State Finance Department	
Instalment(s)	Date of release	Amount	Date of release	Amount
Ist instalment of 2005-06	05.04.2006	5.70	28.04.2006	5.70
2 <sup>nd</sup> instalment of 2005-06	06.11.2008	5.70	27.12.2007*	5.70
Ist instalment of 2006-07	06.11.2008	5.70	19.11.2008	5.70
2 <sup>nd</sup> instalment of 2006-07	28.04.2009	5.70	06.07.2009	5.70
Ist instalment of 2007-08	28.04.2009	5.70	06.07.2009	5.70
2 <sup>nd</sup> instalment of 2007-08	28.04.2009	5.70	06.07.2009	5.70
Ist instalment of 2008-09	23.03.2010	5.70	NA	NA

Source: Release of sanction orders by GOI and Finance Department.

The State has to mandatorily transfer the TFC grants released by the GOI 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 RBI bank rate alongwith grants. It was observed that GOI released ₹ 5.70 crore to the State Government as the 1<sup>st</sup> installment of TFC grants on 05.04.2006 and the State Finance Department transferred the same to the Panchayats Department on 28.04.2006. However, the Panchayats Department released the amount to the PRI units only 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 PRIs. The State Government had to release additional funds of ₹ 31.20 lakh as interest to the PRIs for delayed transfer of grants in the year 2008.

#### 1.11.6 Maintenance of database on finances of PRIs

On the recommendations of the EFC, database on finances were required to be maintained at all levels of PRIs for securing accountability and transparency in maintenance of accounts. Accordingly, the C&AG prescribed formats for the database in 2002. Director of Panchayats, Government of Tripura intimated (November 2010) that

\* The amount was adjusted against advance released on 27.12.2007.



State Government in the RD(Panchayats) Department has adopted the eight database formats on the finances of PRIs as prescribed by the C&AG and all the formats were circulated (September 2010) to the PRIs for adoption.

## CHAPTER II

### AUDIT OF TRANSACTIONS (PANCHAYATI RAJ INSTITUTIONS)

#### **2.1 Unauthorised diversion of ₹ 35.11 lakh towards construction of Dakbunglow and parents hall**

According to the guidelines on Panchayat Development Fund (PDF) and Sampoorna Gramin Rojgar Yojana (SGRY) scheme, these funds were not to be utilised for construction of school ghar, panchayat ghar or any new building without prior approval of the Government.

During test check of records of Uttar Tripura Zilla Parishad, it was noticed that a decision was taken by the Zilla Parishad in its meeting held on 04.01.2007 to construct a Dakbunglow in the Zilla Parishad complex. Accordingly, Uttar Tripura Zilla Parishad placed fund of ₹ 29.61 lakh to the Executive Engineer, RD Division (North) Kumarghat, against the approved estimates by diverting ₹ 19.61 lakh from SGRY scheme and ₹ 10.00 lakh from PDF during 2006-07 and 2007-08 for construction of the said Dakbunglow. No prior approval of the Government was obtained.

Thus, Uttar Tripura Zilla Parishad diverted ₹ 29.61 lakh for construction of the Dakbunglow in violation of the above guidelines.

Test check of records of Dhalai Zilla Parishad revealed that the Chief Executive Officer placed ₹ 5.50 lakh (January 2009) from Panchayat Development Fund to Zonal Development Officer for construction of new building (parents hall) in the complex of Jawhar Navodaya Vidhyalaya at 82 miles which is inadmissible under the guidelines.

While admitting the fact, the Secretary Zilla Parishad informed that such type of expenditure would not be incurred from Panchayat Development Fund in future.

## 2.2 Advances of ₹ 3.85 crore remained un-adjusted

Test check of records of Ambassa Panchayat Samiti and Kalyanpur Panchayat Samiti revealed that advances of ₹ 3.85 crore<sup>ca</sup> given to various Implementing Officers between July 2007 and February 2009 for execution of various works such as construction of passenger sheds, kitchen sheds, sanitary toilets, market stalls, culverts etc., were yet to be adjusted/settled.

Due to non-submission of adjustment of the said advances, the audit could not ascertain whether the works have actually been executed.

During discussion the Executive Officer of Ambassa Panchayat Samiti stated (August 2009) that necessary steps would be taken to obtain adjustments from the Implementing Officers. But action taken in this regard has not been intimated. The Executive Officer of Kalyanpur Panchayat Samiti stated (July 2010) that the works were completed and adjustments have been received.

## 2.3 Non realisation of revenue of ₹ 1.34 lakh

Test check of records of Dhalai Zilla Parishad revealed that stalls rent of ₹ 1.34 lakh was outstanding as on 31.03.2009 from Ambassa market for the period from 2007-08 to 2008-09.

The Secretary, Zilla Parishad stated (August 2009) that demand notice would be issued for collection of the outstanding revenues and the results would be intimated to audit. But the current status of issue of demand notice and recovery thereof is awaited.

## 2.4 Non-realisation of beneficiary contribution of ₹ 2.49 lakh

According to para 2.6(b) of the guidelines for utilisation of PDF, each beneficiary shall contribute at least 33 1/3<sup>rd</sup> *per cent* of total cost of agricultural equipment including pump sets to be provided to Schedule Tribe and Schedule Caste beneficiaries under the PDF scheme. Further, para 2.8(i) of the said guidelines states that each beneficiary shall contribute at least 25 *per cent* of the total cost of the project (other than agricultural

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<sup>ca</sup> Ambassa Panchayat Samiti - ₹ 1.60crore  
Kalyanpur Panchayat Samiti - ₹ 2.25 crore  
**Total** ₹ 3.85 crore

project) such as piggery, poultry, pisciculture etc., and the remaining amount will be borne by the Government.

During test check of records of Kalyanpur Panchayat Samiti for the year 2008-09, it was observed that Panchayat Samiti placed ₹ 2.80 lakh to the Superintendent of Agriculture, Teliamura for the purpose of distribution of agriculture equipment among the ST/SC farmers. The beneficiary contribution of ₹ 0.93 lakh being the 33 1/3<sup>rd</sup> per cent of the above amount was not realised from the beneficiaries. Similarly, scrutiny of records of Bokafa Panchayat Samiti for the year 2008-09 revealed that the Panchayat Samiti placed ₹ 6.24 lakh to the Superintendent of Fisheries, Belonia for distribution of composite fish units to the beneficiaries. However, the beneficiary contribution of ₹ 1.56 lakh being the 25 per cent of ₹ 6.24 lakh was also not realised. Thus, the beneficiary contribution of ₹ 2.49 lakh remained unrealized.

During discussion the Executive officers agreed with the audit observations and stated (August 2009 and September 2009) that steps would be taken to recover the amount. The detail of recovery is awaited (December 2010).

## 2.5 Non-production of records

Three Gram Panchayats and one Panchayat Samiti did not produce records/ vouchers to audit for the expenditure amounting to ₹ 24.04<sup>₹</sup> lakh during the year 2008-09.

Due to non production of records the expenditure incurred by the said PRIs could not be verified by audit.

## 2.6 Non submission of utilisation certificates for ₹ 21.37 lakh

General Financial Rules provide that each drawing and disbursing officer should submit the utilisation certificate to the sanctioning authority certifying that all the funds drawn were fully utilised for the purpose for which it was sanctioned.

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<sup>₹</sup> Durganagar Gram Panchayat	₹ 3.93 lakh
Dhakshin Bhuratali Gram Panchayat	₹ 8.17 lakh
Baghan Gram Panchayat	<u>₹ 11.94 lakh</u>
	<b>₹ 24.04 lakh</b>

Kalyanpur Panchayat Samiti  
Bank Account No. 10292 – TSB  
592 – TSB

Test check of the records of Dhalai Zilla Parishad revealed that utilisation certificates for ₹ 21.37 lakh was not submitted to the sanctioning authority.

The Secretary, Dhalai Zilla Parishad stated (August 2009) that necessary steps would be taken to obtain adjustments from the line departments and utilisation certificates would be submitted to the concerned authority. But the status of submission of utilization certificates has not been intimated to audit (November 2010).

### **2.7 Diversion of ₹ 1.60 lakh for unauthorised purchase**

During test check of records of Dakshin Tripura Zilla Parishad it was noticed that the Zilla Parishad gave administrative approval and expenditure sanction of ₹ 1.60 lakh to Bokafa Panchayat Samiti for implementation of poultry and piggery schemes.

Further scrutiny of records revealed that instead of incurring expenditure on poultry and piggery schemes, the Panchayat Samiti diverted the funds in purchasing of 32 nos. of sewing machines @ ₹ 5,000 each with the above funds thereby the intended scheme was not executed.

On this being pointed out in audit, the Executive Officer of the Bokafa Panchayat Samiti admitted the fact and ensured that such diversion of fund will not be occurred in future.

### **2.8 Extra financial benefit to the Self Help Groups of ₹ 2.66 lakh**

As per decision of the General Body Meeting of the Dakshin Tripura Zilla Parishad, the Secretary, Zilla Parishad placed an amount of ₹ 3.59 lakh to the Executive Officer, Kakraban Panchayat Samiti for implementation of Piggery/Poultry scheme @ ₹ 12,000 per Self Help Group (SHG) as grants under the PDF in April 2009. On receiving the funds, the Panchayat Samiti selected seven Self Help Groups and sanctioned ₹ 50,000 each instead of ₹ 12,000 through the Deputy Director, Animal Resource Development Department (ARDD), South Tripura, Udaipur for implementation of the scheme in contravention of the sanction by the Zilla Parishad. The details of expenditure are still awaited from the Deputy Director.

Thus, Panchayat Samiti, Kakraban extended an extra financial benefit of ₹ 2.66<sup>♦</sup> lakh to the above SHGs in violation of the decision of the General Body Meeting of the Zilla Parishad. On this being pointed out by audit, the Executive Officer stated that the matter would be brought to the notice of higher authority. But latest position and details of expenditure incurred has not been furnished to audit.

### **2.9 Loss of revenue by under assessment of lease rent of ₹ 1.22 lakh**

Department of Fisheries, Government of Tripura fixed the rent for leasing out of Government owned water area to the Co-operative Societies/Self Help Groups for the purpose of pisciculture as shown below:

(a) The rent for the water area like pond, tank, lake etc., situated in accessible area will be ₹ 10,000 per hectare per year and that of water area situated in inaccessible area will be ₹ 6,000 per hectare per year.

(b) The rent for water area like dead river/flood affected area etc. will be ₹ 3,000 per hectare per year both for accessible and inaccessible areas.

During test check of records of Panchayat Samiti (PS), Kakraban, it was noticed that PS made an agreement of lease with Jatiya Matshajibi Samabaya Samiti Ltd. Kakraban on 1<sup>st</sup> December 2006 for pisciculture at Kushamara lake No. 1, 2 and 3 for a period of three years @ ₹ 24,000 per year for all the lakes. The lakes are situated in an inaccessible area.

Audit observed that the total water area of these lakes is 10.78 hectare and as per the prescribed rate, the rent for leasing out of the lakes would be ₹ 64,680 per year (₹ 6,000 × 10.78 hectare). However, the lease committee of the Panchayat Samiti fixed the lease rent at ₹ 24,000 per year only. Thus, there was loss of revenue of ₹ 1.22<sup>▲</sup> lakh by under assessment of lease rent.

During discussion the executive Officer while admitting the fact stated (March 2010) that it would be rectified. However, the details of rectification are awaited (December 2010).

♦ (₹ 3.50 lakh – ₹. 0.84 lakh = ₹ 2.66 lakh)

▲ (₹ 64,680 – ₹ 24,000 = ₹. 40,680 × 3 years = ₹ 1,22,040)

## **2.10 Conclusion and recommendations**

Annual accounts were not prepared and the audit could not verify details of receipts, utilization of grants, status of assets and liabilities etc. for the PRIs, irregular/ inadmissible expenditure in violation of rules, diversion of funds, pending utilisation certificates, pending adjustments of advances etc., indicate that internal control mechanism was not adequate to ensure proper financial management.

In view of the findings the following recommendations are made for consideration of the Government:

- Budgets should be made mandatory by strengthening the accounting functionaries and approved by the prescribed authorities to ensure proper planning and expenditure control for various PRIs activities;
- The Department should identify the problem and take steps for preparation of annual accounts to enhance proper financial accountability;
- The Department should ensure regular monitoring of adjustment of advances made to implementing officers.

## CHAPTER III

### Performance Review

#### 3.1 National Rural Employment Guarantee Act (NREGA)

##### Highlights

During 2008-09, ₹ 522.02 crore was available for implementation of the NERGA in Tripura and ₹ 499.03 crore was spent for the purpose, leaving a balance of ₹ 22.99 crore unspent at the end of the year, depriving the poor people from benefit of the scheme to that extent.

*Paragraph 3.6.1*

Out of 5,49,022 job card holders during 2008-09, only 56,930 job cards holders (10.36 per cent) received 100 days of guaranteed wage employment and the primary objectives of the NREGA could not be achieved.

*Paragraph 3.6.2*

Execution of works without the approval of Gram Sabha for ₹ 48.13 lakh in violation of NREGA.

*Paragraph 3.17.1*

Un-authorized diversion of NREGA fund.

*Paragraph 3.17.2*

Due to non-adjustment of balance of ₹ 2.53 crore, the total generation of man-days created during 2008-09 could not be ascertained.

*Paragraph 3.17.3*

##### 3.1.1 Introduction

The National Rural Employment Guarantee Act, 2005 (NREGA) provides guarantee of 100 days employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. The NREGA Act was implemented at different times in different district of Tripura such as Dhalai from 2<sup>nd</sup> February 2006, West Tripura District from April 2007 and North Tripura District from April 2008.

The Act requires every state to formulate a State Rural Employment Guarantee Scheme (SREGS) which should conform to the minimum features specified under the Act. According to the Act, rural households have a right to register themselves with the local Gram Panchayats and seek employment. Employment is to be provided within 15 days



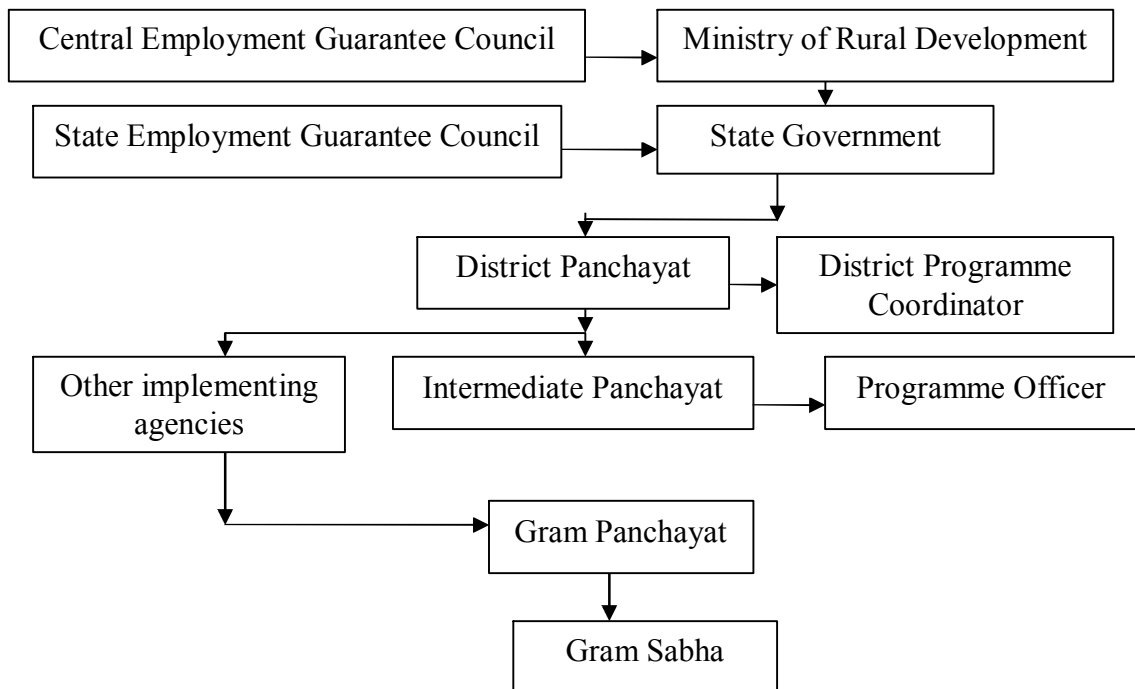
from the date of demand, failing which the State Government will have to pay un-employment allowance at the stipulated rates.

### 3.1.2 Objectives of the Scheme

The primary objective of the scheme is to provide legal guarantee of 100 days of employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work at the minimum wage rate prescribed in the State. The secondary objective includes protection of environment, empowering rural women, and reducing the rural/urban migration and fostering social equity.

### 3.1.3 Organizational Setup

#### 1.2 Organizational setup



### 3.1.4 Implementing Agencies

(a) **Gram Sabha:** The Act authorizes the Gram Sabha (GS) to recommend works to be taken up under Rural Employment Guarantee Scheme (REGS), to monitor and supervise the works and to conduct social audit of the implementation of the scheme. The Gram Sabha has a crucial role to play in ensuring transparency and accountability in the implementation of the scheme.

(b) **Gram Panchayat:** The Gram Panchayat (GP) has a pivotal role in the implementation of REGS. GP is responsible for planning of works, registering households, issuing of job cards, receiving applications for works, maintenance of records, allocation of employment, besides planning and execution of the Panchayat works. Employment guarantee assistant may also be appointed for carrying out the various activities at the GP level.

(c) **Intermediate Panchayat(Panchayat Samiti):** The Intermediate Panchayat (IP) will be responsible for planning at the block level and for monitoring and supervision. IP could take up the responsibility of executing works upto 50 *per cent* of works that are not executed by the GP.

(d) **District Panchayat(Zilla Parishad):** District Panchayats will be responsible for finalizing the District Plans and for monitoring and supervising the Employment Guarantee Scheme in the District. District Panchayats can also execute works from among the 50 *per cent* that are not to be executed by Gram Panchayats.

(e) **Other Implementing Agencies:** In addition to Panchayats, line Departments of State Government, Central and State Government Undertakings, Self-Help Groups can also be identified as Implementing Agencies.

The Programme Officer shall be responsible for coordinating the works undertaken by the GP at the Block level, while District Programme Coordinator shall be responsible for overall co-ordination and implementation of the scheme at the District level.

### 3.1.5 Funding pattern of the Scheme

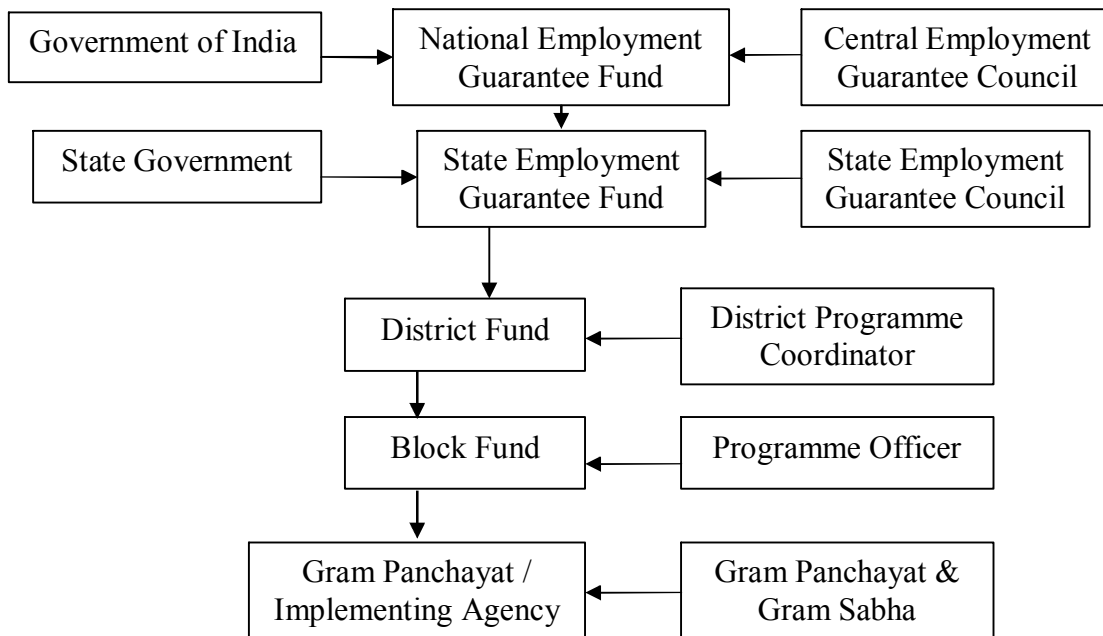
The Central Government will bear the following costs:

- (a) Entire cost of wages for unskilled manual workers
- (b) 75 per cent of the cost of material and wages for skilled and semi-skilled workers

The State Government will bear the following costs:

- (a) 25 per cent of cost of materials and wages for skilled and semi-skilled workers
- (b) Un-employment allowance to be paid to the job card holders who applied for the job but could not be provided wage employment within 15 days of application

### 3.1.6 Fund flow chart



### 3.2 Audit Objectives

The main objectives of Performance Audit were to ascertain whether:

- the financial and physical performance were achieved in implementation of scheme;
- perspective plan for estimating the demand for works and preparing a shelf of projects at District, Block and Gram Panchayat level was prepared;
- vigilance and monitoring committees were formed to verify the quality of works;
- the registers/records were maintained properly as prescribed;

- the intended objective of providing 100 days wage employment to the rural households having job cards was achieved;
- NREGA funds were utilized as per the guidelines;
- adequate and effective mechanism for social audit was in place.

### **3.3 Audit Criteria**

Audit criteria for performance audit were from the following:

- (i) The NREGA, 2005 and notifications issued there under;
- (ii) NREGA Operational Guidelines, 2006;
- (iii) Circulars and letters issued by the Ministry of Rural Development, Government of India.

### **3.4 Scope of Audit**

Audit of relevant records of Rural Development Department, offices of District Programme Coordinators, Block Panchayats and Gram Panchayats for the period 2007-08 and 2008-09 was conducted during December 2009 and February 2010.

### **3.5 Audit Sampling**

Two Districts (out of four Districts) were selected for Performance Audit of NREGA. Records of four blocks in West Tripura District and two blocks in South Tripura District and 42 GPs/VCs under these six blocks where the number of households were comparatively more were test checked.

### **3.6 Financial and Physical performance**

#### **3.6.1 Financial Performance**

During 2008-09, ₹ 522.02 crore was available for implementation of NREGA in Tripura and ₹ 499.03 crore was utilised for the purpose leaving an unspent balance of ₹ 22.99 crore at the end of the year (**Appendix I**).

The position of availability of funds and their utilization in respect of 42<sup>✶</sup> GPs/VCs of six blocks in West and South Tripura district during 2007-08 and 2008-09 is given below:

Table No. 7

(Rupees in crore)

Name of block	No. of GPs	Funds available	Expenditure	Balance
Teliamura	05	0.89	0.77	0.12
Mohanpur	08	1.13	0.73	0.40
Bishalgarh	11	1.36	1.00	0.36
Melagarh	10	1.04	0.74	0.30
Matabari	04	0.45	0.38	0.07
Rajnagar	04	0.42	0.39	0.03
<b>Total</b>	<b>42</b>	<b>5.29</b>	<b>4.01</b>	<b>1.28</b>
2008-09				
Teliamura	05	1.64	1.62	0.02
Mohanpur	08	3.74	2.28	1.46
Bishalgarh	11	3.94	3.51	0.43
Melagarh	10	2.74	2.08	0.66
Matabari	04	0.92	0.69	0.23
Rajnagar	04	1.13	0.84	0.29
<b>Total</b>	<b>42</b>	<b>14.11</b>	<b>11.02</b>	<b>3.09</b>

From the above it would be seen that out of ₹ 5.29 crore, ₹ 4.01 crore was utilized and balance of ₹ 1.28 crore remained unutilised at the end of the year 2007-08. During 2008-09, ₹ 11.02 crore was spent out of the available funds of ₹ 14.11 crore and ₹ 3.09 crore remained unspent at the end of the year 2008-09. The utilization of funds was 75.80 per cent in 2007-08 and 78.10 per cent in 2008-09 of the total funds received. Thus, there was an overall upward trend of utilisation of funds during 2008-09 as compared to the previous year.

### 3.6.2 Physical Performance

During 2007-08, there were 4,65,779 job card holders in three districts of Tripura (West Trpura, South Tripura and Dhalai) of which 4,23,724 job card holders were provided

✶ **Teliamura:-** Paschim Teliamura, Jaganathbari, Maiganga, Paschim Howaibari, Uttar pulinpur.

**Mohanpur:-** Ishanpur, Lambucherra, Nutannagar, Purba gandigram, Vidyasagar, Mohanpur, Budhjungnagar, Bhagaban Choudhury.

**Bishalgarh:-** Kamalasar, Purbagakulnagar, Lalsingmura, Bisramgang, Bishalgarh, Debipur, Madhupur, Promodhnagar, Amtali, Konaban.

**Melagarh:-** Purba Melagarh, Rudhijala, Dhakshin Nalchar, Purba Nalchar, Paschim Melagarh, Chandighar, Bagbasa, Paschim Nalchar, Uttar taibandal, Anandapur.

**Matabari:-** Matabari, Khilpara, Paschim kupilong, Paratia.

**Rajnagar:-** Barpathari, Rajnagar, Radhanagar, Trishna.

employment and 181.05 lakh man-days were generated. During 2008-09, there were 6,61,695 nos of registered households under the NREGA in four Districts of Tripura covering 513 GPs and 527 VCs under 40 blocks (**Appendix II**). Out of 6,00,615 nos of job card holders, 5,49,145 job card holders demanded employment; and 351.10 lakh man-days were generated by 5,49,022 job card holders (**Appendix III**). Out of 5,49,022 job card holders, only 56,930 job card holders (10.36 per cent) received 100 days of wage employment during 2008-09.

Test check of records of the 42 GPs/VCs revealed that only 12.85 lakh man-days were generated by 26,535 job card holders i.e. 48.34 average man-days during 2008-09 and the primary objective of the NREGA could not be achieved.

### 3.7 Perspective Plan

#### Requirement

Operational Guidelines of the NREGA provide for the preparation of a five year perspective plan at District, Block and Gram Panchayat levels to facilitate advance planning and to provide a development perspective for the District.

#### Audit finding

The test check of records at District, Block and 42 GP/VCs revealed that no such five year perspective plan was prepared as required under the NREGA Operational Guidelines. Due to non-preparation of perspective plan possibility of delay in selecting the works on priority basis and also delay in execution of works can not be ruled out.

#### Recommendation

*The District, Block and Gram Panchayat officers should be made directly responsible for preparation of perspective plan in a timely manner so as to ensure a long term shelf of projects for execution of different works under NREGA.*

### 3.8 Vigilance & Monitoring Committee

#### Requirement

For every work sanctioned under the scheme, there should be a local Vigilance and Monitoring Committee comprising of members of the locality or village where the work is undertaken to monitor the progress and the quality of work under execution. The Gram Sabha will elect members of these committees and should be ensured that members of SC/ST community and women are adequately represented on these committees.

#### Audit finding

Test check of records of 42 GPs/VCs in six blocks in the West and South Tripura Districts revealed that only 13 Vigilance Committees (Teliamura: 2, Mohanpur: 8,

Bishalgarh: 3) and 42 Monitoring Committees were formed. But the quality of works in these areas was not physically verified by the Vigilance Committees in respect of 29 GPs/VCs in six blocks.

Recommendation

*The Programme Officers of respective blocks should take necessary steps to form Vigilance Committee in each GP/VC where such committees have not been formed.*

### 3.9 District Schedule of Rates

Requirement

The NREGA Operational Guidelines provide that District Schedule of Rates (DSR) should be prepared for each District and should be displayed at work site in the local language. The State should prepare exhaustive and detailed list of works required for undertaking under NREGA in different geomorphologic conditions and the productivity norms against the DSR should be worked out for each locality in such a way that seven hours of normal works should earn minimum wages. Implementing Agencies may provide a description of daily work requirement to facilitate the fulfillment of productivity norms.

Audit finding

Test check of records of six Blocks and District Programme Coordinators of West and South Tripura Districts revealed that no such DSR was prepared during 2007-08 and 2008-09. The Schedule of Rates of Rural Development Department, Government of Tripura, was followed for execution of NREGA works.

Recommendation

*The District Programme Coordinator should ensure preparation of separate District Schedule of Rates for NREGA works fixing productivity norms for works in different geomorphologic conditions.*

### 3.10 Maintenance of Register at GP & Block levels

Requirement

Operational Guidelines of NREGA, 2005 has specified about the details of records and registers to be maintained at different levels.

Audit finding

Test check of records of 42 GPs/VCs in the six blocks of West and South Tripura Districts revealed that all the necessary registers were maintained by the GPs/VCs.

### 3.11 District Programme Coordinator

#### Requirement

Section 14 of NREGA, 2005 provides that the Chief Executive Officer of District Panchayat or Collector of the District or any other District officer of appropriate rank as the State Government may decide, shall be designated as the District Programme Coordinator for implementation of the scheme in the District.

Under Section 14(6) of NREGA, the District Programme Coordinator shall prepare in the month of December every year a labour budget for the next financial year containing the details of anticipated demand for unskilled manual work in the District and plan for engagement of labourers in the work covered under the scheme and submit the same to the District Panchayat.

#### Audit finding

Test check of records revealed that the State Government appointed the District Magistrate and Collectors as District Programme Coordinators for implementation of NREGA. All the functions as prescribed under the sections of the Act are performed by the DM & Collectors.

### 3.12 Programme Officer

#### Requirement

The State Government shall appoint a person who is not below the rank of Block Development Officer (BDO) with such qualification and experience as may be determined by the State Government as Programme Officer (PO) at intermediate level. The PO shall assist the Intermediate Panchayat in discharging its functions.

#### Audit finding

Test check of records revealed that the State Government appointed the existing BDOs as POs in addition to their normal duties. The full-fledged POs were not appointed for implementation of the NREGA programme. Besides the BDOs are also holding the charges of Executive Officers of the Panchayat Samitis. Due to non appointment of full-fledged POs 100 *per cent* supervision of NREGA works as required under the guidelines could not be carried out and no report of 100 *per cent* verification of works was made available to audit.



### 3.13 Fixing of wages rate to the labourer

#### Requirement

Section 6 of NREGA provides that until such time as a wage rate is fixed by the Central Government, the minimum wage fixed by the State Government under section 3 of the Minimum Wages Act, 1948 for agricultural labourers shall be considered as the wage rate.

#### Audit finding

In compliance of the above provisions, the Government of Tripura fixed the rate of wages for NREGA workers equivalent to the rate of agricultural workers @ ₹ 85 per day upto 28.02.09 and ₹ 100 from 01.03.2009 onwards.

### 3.14 Social Audit

#### Requirement

Section 17 of the NREGA provides a central role to ‘Social Audits’ as a means of continuous public vigilance. The guidelines indicate two types of social audit:

- Periodic assembling in the Gram Sabha for scrutiny of details of project;
- Public Vigilance involving potential beneficiaries and other stakeholders, which cover verification of 11 stages of implementation right from registration of families upto formation of Social Audit Forum. Social Audit Forum must be held twice in a year at the Gram Sabha level for all works done in the preceding year.

#### Audit finding

Test check of records of 42 GPs/VCs in six blocks revealed that in all the 42 GPs/VCs Social Audit was conducted during 2008-09. The reports of Social Audit were not made available to audit.

### 3.15 Monitoring and Reporting

#### Requirement

As per para 8.2.3 of the Operational Guidelines, field visits, inspections and sample checks (internally and externally) must be undertaken on a regular basis to ensure comprehensive and continuous assessment of the Scheme. State and District level officers should inspect 2 *per cent* works and 10 *per cent* works respectively. Block level officers will inspect 100 *per cent* works.

#### Audit finding

During scrutiny of records it was noticed that the District level officers verified more than 10 *per cent* of works. But it could not be ascertained in audit whether the block level officers verified 100 *per cent* of works as no report was prepared by them for such

verification. Besides, district internal audit cell was not constituted. Out of test checked of two districts, the District Quality Monitors were not constituted in South Tripura district. The reports of the quality monitors were not made available to audit. It was seen that Local Vigilance Committee and Monitoring Committee had been constituted in 42 GPs/VCs (Vigilance Committee: 13 and Monitoring Committee: 42). The records of the monitoring on the quality of work by these committees were not made available to audit.

**Recommendation**

*The State Government should take effective steps to ensure the requisite number of inspection at different levels. Vigilance Committee should be formed wherever yet to be formed. The monitoring report of these committees and quality monitors should be submitted to designated authority in the Government for the appropriate action.*

### 3.16 Muster Rolls

**Requirement**

According to NREGA Operational Guidelines, Muster Rolls issued from Block level should be maintained with unique identity number by the Gram Panchayats and other Implementing Agencies in the proforma suggested by the Ministry of Rural Development, Government of India. Further, photocopies of MRs are to be kept for public inspection in every GP/VC and MRs should be digitized at Programme Officer level.

**Audit finding**

Scrutiny of records of 42 GPs/VCs (32 GPs + 10 VCs) revealed that MRs were maintained with unique identity number as per the guidelines and no irregularities were noticed.

### 3.17 Irregularities

#### 3.17.1 Execution of works valued ₹ 48.13 lakh without approval of Gram Sabha in violation of NREGA

Under Section 13(1) of the NREGA, the Panchayats at District, Intermediate and Village level shall be the principal authorities for planning and implementation of the scheme. As per Section 16(1) of the Act, the Gram Panchayat shall be responsible for identification of the projects in the Gram Panchayats area which are to be taken up as per the recommendations of the Gram Sabha and the Ward Sabha. Section 16(3) of the Act states that every Gram Panchayat shall, after considering the recommendations of the Gram

Sabha and the ward Sabha, prepare a development plan and maintain a shelf of possible works to be taken up under the scheme as and when demand for work arises.

Test check of records of the Gram Panchayats under Mohanpur Panchayat Samiti revealed that 33 nos of different projects were selected and completed without the approval of the Gram Sabha and an expenditure of ₹ 48.13 lakh was incurred on these projects. It was also observed that these projects were not included in the Action Plan. The details of the works executed without the approval of the Gram Sabha are shown in the table below:

**Table No. 8**

*(Rupees in lakh)*

Particulars of the work executed	Total projects(Nos)	Expenditure involved
Road connectivity	16	14.72
Drinking water purpose	09	27.00
Irrigation	08	6.41
<b>Total</b>	<b>33</b>	<b>48.13</b>

Thus, taking up of works without the approval of the Gram Shaba was in violation of the Act.

### **3.17.2 Unauthorized diversion of NREGA fund**

**Requirement**

The list of permissible works are detailed in para 5.1.1 of the Operational Guidelines under schedule 1 of NREGA, 2005. It is also mentioned in para 5.1.1(ix) of the Guidelines that any other work may be notified by the Central Government in consultation with State Government. The following works have been carried out which were neither included in the list of permissible works nor any notification issued by the Central Government for execution of such works by utilizing NREGA funds.

**Audit finding**

- a) District Programme Coordinator (DM & Collector), South Tripura accorded administrative approval and expenditure sanction of ₹ 58.34 lakh for construction of 346 nos of Indira Awas Yojona (IAY) houses to Block Development Officer, Matabari and ₹ 58.95 lakh to the Executive Engineer, Rural Development, Store Division for supply of materials for the above purpose during 2007-08.

- b) The Programme Officers of Teliamura and Melaghar Panchayat Samiti incurred an expenditure of ₹ 1.87 crore<sup>^</sup> for construction of Steel Bridges and Market Complex/Stalls with NREGA funds.
- c) Teliamura Panchayat Samiti utilized NREGA funds of ₹ 54.96 lakh for excavation of ponds in private land.

Thus, the entire expenditure amounting to ₹ 3.59 crore was un-authorised and inadmissible under the guidelines.

**Recommendation**

*It should be ensured that no works are taken up which are not in accordance with the guidelines.*

### **3.17.3 Outstanding advances of ₹ 2.53 crore with Implementing Agencies**

**Requirement**

Under Para 5.2.2 of Operational Guidelines of NREGA, 2005 the other Implementing Agencies can be Intermediate and District Panchayat, Line Departments of the Government, Public Sector undertakings of Central and State Governments, Co-operative Societies with a majority share holders by Central & State Government and reputed NGOs having a proven track record of performance. Besides, Self-Help Groups may also be considered as possible Implementing Agencies.

Under para 5.2.3 of the guidelines, the selection of Implementing Agencies will be based on technical expertise and resource capacity to handle the works within the given time. The selection of Implementing Agencies will have to be indicated in the Annual Plan.

**Audit finding**

Scrutiny of records of Programme Officers of four blocks revealed that for NREGA funds of ₹ 2.53 crore placed with line Departments and Implementing Officers for implementation of NREGA works as advances, no adjustments have been submitted to the respective Programme Officers as on February 2010 (**Appendix IV**). In absence of such adjustment, total nos of man-days generated with the funds of ₹ 2.53 crore could not be verified and the authenticity of expenditure could not be ascertained in audit.

<sup>^</sup> Teliamura (i) Construction of Steel Bridge ₹ 19.04 lakh (ii) Construction of Market/ Stalls ₹ 84.31 lakh. Melaghar (i) Construction of Dakbunglow ₹ 9.82 lakh (ii) Steel Bridge ₹ 7.34 lakh (iii) Construction of Market Complex/Stalls ₹ 66.28 lakh.

Recommendation

*Systems should be in place to ensure adjustment of the advances given to Implementing Agencies in timely manner. They may be suitably instructed to submit adjustment in time while issuing the work orders.*

#### **3.17.4 Conclusion and recommendation**

- All the projects executed during the year should be adequately publicized to ensure accountability and public scrutiny;
- Full fledged Programme Officer should be appointed for implementation of the NREGA so as to ensure 100 *per cent* supervision by the block level officers;
- Minutes of the Vigilance Committee and Monitoring Committee should be maintained and made public;
- Internal audit system should be introduced at the District, Block and Gram Panchayat levels; and
- Planning process should be strengthened and system of accountability should be strengthened at the District, Block and Gram Panchayat levels.

## CHAPTER IV

### AN OVERVIEW OF THE URBAN LOCAL BODIES

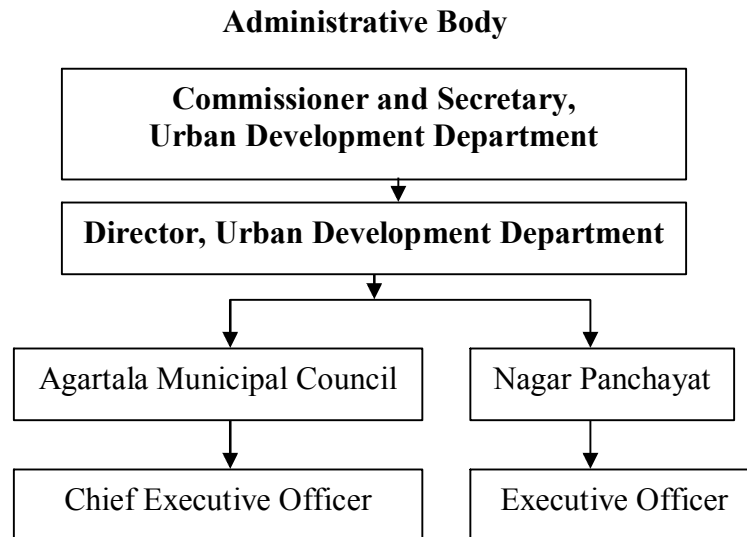
#### 4.1 Introduction

Consequent upon the 74<sup>th</sup> amendment of the Constitution, the Government of Tripura enacted the Tripura Municipal Act, 1994, for transferring the powers and responsibilities to Urban Local Bodies (ULBs) in order to implement schemes for economic development and social justice including those in relation to the matter listed in the Twelfth Schedule of the Constitution of India. There are 16 Urban Local Bodies (1 Municipal Council and 15<sup>◇</sup> Nagar Panchayats) in the State as on 31.03.2009. At the State level, the Urban Development Department of the State Government coordinates and monitors the functioning of ULBs.

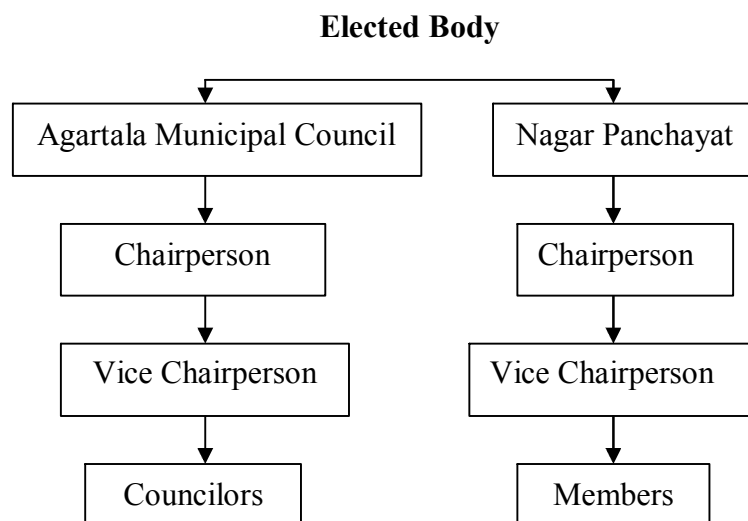
#### 4.2 Organisational Structure of ULBs

The Chairperson elected by the majority of Councilors/Members is the executive head of the ULB. The executive powers of the ULB is exercised by the Council.

The organizational structure of the ULBs is as follows:



<sup>◇</sup> Three Nagar Panchayats viz Ambassa Nagar Panchayat, Bishalgarh Nagar Panchayat and Shantir Bazar Nagar Panchayat came into existence in March 2009.



### **4.3 Status of devolution of Functions**

The 74<sup>th</sup> amendment of the Constitution was enacted to decentralize the powers and functions to the Urban Local Bodies for ensuring proper and planned growth of cities and towns with adequate infrastructure and basic amenities. On the mandate of above, the Government of Tripura enacted the Tripura Municipal Act, 1994 for decentralization of powers and functions to ULBs. All the 18 functions listed in the 12<sup>th</sup> Schedule of the Constitution have been transferred by the State Government to the ULBs. But in practice, certain important functions like fire service, road and bridges are still controlled by the State Government departments.

### **4.4 Sources of Funds**

For execution of various developmental works, the ULBs mainly receive funds from the Government of India and the State Government in the form of grants. The grants of GOI include grants assigned under the recommendations of Eleventh Finance Commission and Twelfth Finance Commission. The State Government Grants are received through devolution of net proceeds of the total tax revenue under the recommendations of State Finance Commission. Besides, the sources include the revenue mobilized by the ULBs in the form of taxes, rent, fees, issue of licenses, etc. During 2008-09, the ULBs received financial assistance of ₹ 68.54 crore (Central Share ₹ 37.65 crore: State Share ₹ 30.89

crore) by way of grants. Receipts of funds from various sources for the last five years are given below:

Table No. 9

(₹ In crore)

Head	2004-05	2005-06	2006-07	2007-08	2008-09
Central share	10.45	5.01	5.61	8.22	37.65
State share	1.31	7.96	5.25	10.14	5.19
Grants-in-aid (Share of taxes)	10.63	14.72	19.62	18.13	25.70
Central FC grants(EFC/TFC)	-	0.80	0.80	0.80	-
Own source	NA	NA	NA	8.27	14.15
<b>Total</b>	<b>22.39</b>	<b>28.49</b>	<b>31.28</b>	<b>45.56</b>	<b>82.69</b>

Source: Urban Development Department.

#### 4.5 Accounting Arrangement

The Chief Finance Officer is responsible for maintenance of accounts of Agartala Municipal Council, and the Executive Officers are responsible for the accounts of the Nagar Panchayats. Preparation and finalization of annual accounts of Agartala Municipal Council and all the Nagar Panchayats are in arrears since their inception (**Appendix V**). Urban Development Department, Government of Tripura has prepared the Tripura Municipal Accounts Manual (volume I & II) 2006 based on the National Municipal Accounts Manual which has not yet been adopted by the State Government.

#### 4.6 Audit Arrangement

As per Section 264, 265 and 266 of the Tripura Municipal Act, 1994, the accounts of the Municipality shall be examined and audited by an auditor appointed in that behalf by the State Government. The State Government shall, by rules, make provision with respect to the maintenance of accounts of the Municipalities and auditing of such accounts, including the power of the auditor. The auditor shall submit the audit report to the Chairperson of the Municipality and a copy thereof to the State Government. But no such arrangement has been made by the State Government. The Eleventh Finance Commission has 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 the Local Bodies. The matter regarding audit of Local Bodies under Technical



Guidance and Support (TGS) was taken up with the Government of Tripura in June 2008 and the Special Secretary, Finance Department, intimated that it would be placed with the Government for decision. However, the decision of the Government is still awaited (December 2010). In October 1996, the Government of Tripura entrusted audit of accounts of Agartala Municipal Council and all Nagar Panchayats to the C&AG of India under Section 20(1) of the C&AG's (DPC) Act, 1971.

#### **4.7 Audit Coverage**

The audit of the accounts of Agartala Municipal Council and nine Nagar Panchayats was test checked during 2009-10. Important audit findings are summarized in the succeeding chapter and paragraphs:

#### **4.8 COMMENTS ON ACCOUNTS**

##### **4.8.1 Receipts and expenditure of ULBs**

The funds in the form of grants received along-with unspent balance of previous year vis-à-vis the expenditure incurred by the ULBs during 2008-09 is as under:

**Table No. 10**

<i>(₹ In crore)</i>			
<b>Type of ULBs</b>	<b>Receipts</b>	<b>Expenditure</b>	<b>Balance</b>
Agartala Municipal Council	55.84	35.75	20.09
Nagar Panchayats	48.86	27.75	21.11
<b>Total</b>	<b>104.70</b>	<b>63.50</b>	<b>41.20</b>

The ULBs have not utilized about 40 *per cent* of the fund received indicating poor and slow implementation of different development schemes.

##### **4.8.2 Status of preparation of Balance Sheet**

Section 263 of the Tripura Municipal Act, 1994 provides that:

- (i) every Municipality shall cause to be prepared annually a balance sheet of assets and liabilities in the prescribed form within six months of the close of a year.
- (ii) balance sheet shall be placed before a meeting of the Municipality.

Test check of records revealed that none of the ULBs has prepared balance sheet for the year upto 2008-09. Due to non-preparation of balance sheet, the actual position of assets and liabilities could not be ascertained.

#### **4.8.3 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 other Auditing Authority. The matter for creation of State Auditing Agency to act as primary auditors in respect of Local Bodies has been taken up with the Special Secretary, Finance Department, Govt. of Tripura in June 2008. The Special Secretary intimated that he would take up the matter with the appropriate authority to expedite framing of required Rules assigning primary auditors in respect of Local Bodies in the State. The latest position has not been furnished.

#### **4.8.4 Status of Database on the Finances of ULBs**

On the recommendations of the EFC, database on finances as prescribed by the C&AG were required to be maintained at all levels of ULBs for securing accountability and transparency in maintenance of accounts. But the database on finances has not yet been developed by the ULBs although substantial funds have been received from the recommendation of the TFC for maintenance of accounts and database during 2006-07 and 2007-08. During 2006-07 and 2007-08, the ULBs received ₹ 1.60 crore under TFC grants for solid waste management, database and maintenance of accounts, of which ₹ 0.80 crore was allocated to the ULBs for database and maintenance of accounts. Test check of records revealed that neither the database nor the accounts maintenance was developed till date (December 2010).

#### **4.8.5 Status of preparation of Budget**

Under section 260(1) of the Tripura Municipality Act, 1994, the Budget Estimates of Municipality for a year shall be prepared in the prescribed form and presented before a meeting of Municipality, specially convened for the purpose, not later than the tenth day of March every year and shall be adopted after discussion within two weeks of presentation. A copy of the Budget Estimates adopted by the Municipality shall be sent to the State Government and a revised budget for the current year shall be framed in the prescribed form and presented before the Municipality for adoption after the first day of October, but not later than the thirty first day of December each year.

Test check of records of nine Nagar Panchayats revealed that none of the Nagar Panchayats has prepared the Budget Estimates till now and expenditures were incurred without preparation and approval of the budget. Non preparation of budget indicates lack of internal control in the management of finances in the ULBs.

## CHAPTER V

### AUDIT OF TRANSACTIONS (URBAN LOCAL BODIES)

#### 5.1 Idle investment of ₹ 33.93 lakh on construction of Fish and Meat market

Urban Development Department, Government of Tripura placed ₹ 25 lakh to Belonia Nagar Panchayat for construction of Fish and Meat market during 2005-06. Accordingly, Nagar Panchayat executed the work through the contractor at an estimated cost of ₹ 21.01 lakh (tender value of ₹ 23.11 lakh). The site of the market was in a distant place from the town.

The contractor completed (September 2006) the construction of the market at the final cost of ₹ 33.93 lakh. The market could not be leased out even after completion of the work for more than three years (March 2010). In reply to audit query, the Executive Officer of the Nagar Panchayat intimated (November 2010) that a meeting was held in the Nagar Panchayat on 23.08.2008 and 37 nos. of stalls have been allotted w.e.f. 01-10-2008 @ ₹ 50 per month for each stall. The Executive Officer further stated that the revenue collection was under process and the market was constructed on public demand at Vitar Bazar, the extreme border of Indo-Bangladesh.

The reply of the Executive Officer is not tenable as no revenue was received from the allottees being the stall rent till date (November 2010) and no record was furnished in support of construction of the market on public demand.

Thus, there was an idle investment of ₹ 33.93 lakh and loss of revenue of ₹ 22,200\* per year.

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\* Number of stalls – 37  
Rate fixed by NP - per stall ₹ 50 per month  
Annual loss – ₹ 22,200

## **5.2 Development funds of ₹ 3.63 crore kept in fixed deposits and remained un-utilized**

Urban Development Department, Government of Tripura released Additional Central Assistance (ACA) of ₹ 3.31 crore for development of Nagerjola and Radhanagar City Bus Terminus to the Chief Executive Officer, Agartala Municipal Council (AMC) as grants-in-aid in 2005-06. The AMC kept the whole amount in eleven Fixed Deposits with UCO Bank, Agartala and earned an interest of ₹ 0.51 crore upto maturity on 07.02.2008. The details of utilisation of interest earned of ₹ 0.51 crore could not be ascertained in audit.

Further scrutiny revealed that during 2006-07, Urban Development Department, Government of Tripura released another ACA fund of ₹ 0.32 crore to AMC for improvement of Madhyapara Water Body behind the sales counter of Handloom and Handicrafts, Agartala. It was noticed that the principal amount of ACA funds of ₹ 3.63 crore (₹ 3.31 crore + ₹ 0.32 crore) was deposited again in the UCO Bank on 30.04.2008 without utilising it for the purpose for which it was sanctioned. Keeping of scheme funds in fixed deposits for prolonged period without utilization defeats the very purpose for which funds were sanctioned by the State Government.

The matter was brought to the notice of the Chief Executive Officer in August 2010 and replies are awaited (November 2010).

## **5.3 Non-utilization of IDSMT funds of ₹ 1.42 crore for five years resulted in failure of achievement of objectives**

Integrated Development of Small and Medium Towns (IDSMT), a centrally sponsored scheme was introduced in the sixth plan with its main objective to slow down migration from rural area and smaller town to large cities by improving infrastructural facilities and helping in the creation of durable public assets in small medium towns having potential to emerge as regional centre of economic growth.

Test check of records of IDSMT scheme at AMC revealed that the AMC received ₹ 1.33 crore during 2005-06 to 2007-08 for implementation of various works under the scheme. Instead of implementing the works such as improving infrastructural development, creation of durable public assets, etc., the amount was kept in bank for prolonged period

and an interest of ₹ 0.09 crore was earned upto 31.03.2009. Thus, the fund received for improvement in infrastructure has been lying un-utilised for about five years as on date (November 2010).

During discussion the Chief Executive Officer stated (July 2009) that the amount would be utilised shortly. The latest position has not been furnished (November 2010).

#### **5.4 Non-realisation of outstanding fees of ₹ 2.88 crore from Tripura State Electricity Corporation Ltd.**

Section 97 of the Tripura Municipal Act, 1994 provides that sanction of the Municipality shall be required for any specific rights of way in the subsoil of public and private streets within the municipal area for different public utilities including electric supply. Municipality may levy any fee or charges for granting such sanction.

On the basis of the above provisions of the Act, AMC decided on 25.07.2006 to levy fee on the erection of electrical poles and transformers w.e.f. 2003-04 in its areas @ ₹ 100 per electrical pole and ₹ 1000 per transformer. Records indicated that there were 43,930 electrical poles and 400 transformers in AMC area.

Thus, the Tripura State Electricity Corporation Ltd. (TSECL) was liable to pay ₹ 2.88\* crore to AMC for erection of poles and transformers in Municipal area for the period from 2003-04 to 2008-09.

At the instance of audit, AMC issued (July 2009) demand notice to TSECL for realisation of the outstanding fees. Latest position has not been furnished (November 2010).

#### **5.5 Avoidable loss of ₹ 12.59 lakh on account of penalty due to delayed payment of electricity bills**

It was observed that the AMC paid penalty of ₹ 12.59 lakh to Tripura State Electricity Corporation Ltd. in March 2007 for delayed payment of electricity bills for the period from 31.08.1998 to 28.02.2007.

Thus, due to non-payment of the bills on due dates, AMC had to pay avoidable penalty of ₹ 12.59 lakh. Reasons for non payment of the bills in time were not on record.

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* $43,930 \times 100 \times 6 = ₹ 2,63,58,000$
$400 \times 1000 \times 6 = ₹ 24,00,000$
<b>Total ₹ 2,87,58,000</b>

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**5.6 Non-realisation of outstanding revenues of ₹ 20.80 lakh from Bharat Sanchar Nigam Ltd.**

Under the provision of Section 275 of the Tripura Municipal Act, 1994 read with Agartala Municipal Council Regulation 2004, any person erects/fixes any structure upon or over any land and building within Agartala Municipal Council area is liable to obtain permission from AMC on payment of appropriate fees. The erection of Mobile Tower within Agartala Municipal area without prior approval of the AMC is illegal and liable to pay penalty of the same amount.

As per the above provision of the Act, AMC fixed one time fee of ₹ 40,000 for installation of each Mobile Tower under its jurisdiction.

During test check of records of AMC, it was noticed that Bharat Sanchar Nigam Ltd (BSNL) erected 26 nos. of Mobile Towers in AMC area to launch Mobile service in Tripura without prior permission of the AMC and also without payment of the necessary fees. The date(s) of erection of the Towers were not on records.

Thus, BSNL was liable to pay one time fees of ₹ 10.40 lakh and penalty of ₹ 10.40 lakh to AMC for installation of 26 Mobile Towers as per the provision of the Act. AMC raised the demand to BSNL in November 2006 and thereafter no persuasion was made to realise the said amount. Thus, inaction of the AMC resulted in non-realisation of outstanding fees and penalty of ₹ 20.80 lakh.

During discussion the Chief Executive Officer stated (July 2009) that the matter would be taken up with the BSNL for making payment. Latest position has not been furnished (November 2010).

**5.7 Poor implementation of Swarna Jayanti Shahari Rojgar Yojana (SJSRY)**

SJSRY, a centrally sponsored scheme was introduced in Tripura in 1998-99. The objective of the scheme was to provide gainful employment to the urban unemployed or underemployed poor living below the poverty line through encouraging self-employment ventures or provision of wage employment. The scheme was to be funded on 75:25 basis between the Central and State Governments. The scheme consisted of two special

programmes viz., (i) The Urban Self Employment Programme (USEP) (ii) The Urban Wage Employment Programme (UWEP).

Test check of records of Agartala Municipal Council revealed that out of the available SJSRY funds of ₹ 7.12 crore during 2007-08 and 2008-09, AMC could utilise only ₹ 2.23 crore (31.32 *per cent*) leaving a balance of ₹ 4.89 crore (68.68 *per cent*) un-utilised and parked in the bank account as on March 2009. Out of ₹ 7.12 crore, ₹ 4.58 crore was sanctioned prior to 2007-08.

Scrutiny of records indicated that AMC did not have adequate plans nor did it make concerted efforts for full implementation of the scheme resulting in non-generation of employment opportunities and depriving the urban poor, unemployed and underemployed from intended benefits of the scheme.

During discussion the Chief Executive Officer stated (July 2009) that steps would be taken for speedy implementation of the scheme.

### **5.8 Diversion of scheme funds of ₹ 35.88 lakh towards payment of salaries and wages**

The Government of India introduced the Valmiki Ambedkar Malin Basti Awas Yojana (VAMBAY) scheme in 2001-02 with the objective to provide shelter to slum dwellers in urban areas who are living below the poverty line and members of economically weaker section who do not possess adequate shelters.

Scrutiny of cash book and bank account of VAMBAY scheme of AMC, it was noticed that the authority of AMC transferred VAMBAY funds of ₹ 35.88 lakh from Bank of Baroda to State Co-operative Bank, Battala Branch for payment of staff salaries and wages.

Thus, utilisation of scheme funds towards payment of salaries and wages has not only led to irregular diversion of funds but also deprived the people from the intended benefits of the scheme.

During discussion while admitting the fact, the Chief Executive Officer stated (July 2009) that reply would be furnished to audit regarding diversion of fund. The reply was still awaited (November 2010).



**5.9 Slow implementation of National Slum Development Programme/ Environmental Improvement of Urban Slum led to locking up of funds**

The basic objective of the National Slum Development Programme (NSDP)/ Environmental Improvement of Urban Slum (EIUS) scheme is to strive for holistic slum development with a healthy and enabling urban environment by providing adequate shelters and basic infrastructure facilities to the slum dwellers of the identified urban slum area. The component for assistance under the scheme includes all slum improvement/up-gradation/new construction and infrastructural facilities like water supply sewerage etc.

During test check of relevant records of Agartala Municipal Council, it was noticed that Urban Development Department, Government of Tripura placed NSDP/EIUS funds to AMC for the period from 2005-06 to 2008-09 for implementation of different works as shown in the table below:

**Table No. 11**

*(₹ in lakh)*

Year	Name of scheme	Opening balance	Fund received		Total	Expenditure	Balance
			Central	State			
2005-06	NSDP	92.88	12.72	13.75	119.35	26.95	92.40
2006-07	NSDP	92.40	Nil	Nil	92.40	61.37	31.03
2007-08 & 2008-09	EIUS	31.03	52.84	Nil	83.87	11.91	71.96

From the above, it would be seen that there was locking up of funds in each year. AMC utilized only ₹ 26.95 lakh out of total funds of ₹ 119.35 lakh during 2005-06. During 2007-08 & 2008-09 utilisation of funds was very poor and only ₹ 11.91 lakh could be utilised leaving an unspent balance of ₹ 71.96 lakh at the end of March 2009.

Thus, AMC failed to provide adequate infrastructural facilities to slum dwellers inspite of having sufficient funds during the last four years due to locking up of funds.

During discussion the Chief Executive Officer stated (July 2009) that action plan for the year 2009-10 has been taken up for utilisation of the fund.

**5.10 Non-allotment of stalls resulted in idle investment of ₹ 10.89 crore**

Scrutiny of records of AMC revealed that National Board of Construction Corporation (NBCC) Limited constructed three Bipani Bitan (Super Markets) namely, Chandrapur Bipani Bitan, Shymali Bazar Bipani Bitan and Bardowali Bipani Bitan at a cost of ₹ 8.41 crore. The NBCC handed over the Bipani Bitan to AMC in September 2008 and December 2008. Further scrutiny revealed that there were 325 nos of stalls in the three Bipani Bitan out of which only 155 nos were allotted and 170 nos remained un-allotted till the date of audit (July 2009). The proportionate construction cost of 170 nos of stalls was ₹ 4.46 crore. Similarly, Kailashahar Nagar Panchayat had constructed Shri Neketan Shopping Complex with 198 nos of stalls at a cost of ₹ 7.04 crore in 2007. Nagar Panchayat could allot only 17 nos of stalls and 181 stalls remained un-allotted as on October 2009. The proportionate construction cost of 181 stalls was ₹ 6.43 crore. Details are shown below:

**Table No. 12**

*(₹ in crore)*

<b>Name of Bipani Bitan</b>	<b>Construction cost</b>	<b>No. of stalls constructed</b>	<b>No. of stalls allotted</b>	<b>No. of stalls un-allotted</b>	<b>Proportionate construction cost of un-allotted stalls</b>
Chandrapur	3.60	160	93	67	1.50
Shyamalibazar	3.05	110	33	77	2.13
Bardowali	1.76	55	29	26	0.83
<b>Total</b>	<b>8.41</b>	<b>325</b>	<b>155</b>	<b>170</b>	<b>4.46</b>
ShriNiketan Shopping Complex	7.04	198	17	181	6.43
<b>Grand total</b>	<b>15.45</b>	<b>523</b>	<b>172</b>	<b>351</b>	<b>10.89</b>

Thus, non-allotment of 351 stalls resulted in idle investment of ₹ 10.89 crore (₹ 4.46 crore + ₹ 6.43 crore) for construction of the Bipani Bitan and the Shopping Complex. During discussion the Chief Executive Officer of AMC stated (July 2009) that the vacant stalls would be allotted within September 2009 while the Executive Officer of the Kailashahar Nagar Panchayat stated (October 2009) that the matter would be forwarded to the Nagar Panchayat Committee for taking decision for allotment of the vacant stalls. The latest positions have not been furnished (November 2010).

**5.11 Award of works for ₹ 2.08 crore in excess of financial powers**

Rule 23(B) of Delegation of Financial Powers Rules (DFPR), Tripura, 2007 provides the extent of financial and technical power delegated to the Engineering Officers of various Departments of the Government of Tripura other than PWD as shown below:

**Table No. 13**

*(₹ in lakh)*

Subject	Extent of power delegated				
	Chief Engineer	Add. Chief Engineer	Superintendent Engineer	Executive Engineer	Asstt. Engineer
Technical sanction to detailed estimates for work	150.00	75.00	50.00	10.00	1.00
Acceptance of lowest tender	75.00	50.00	30.00	5.00	0.50
Award of work without call of tender or by negotiation	₹ 2.00 lakh in each case	₹1.00 lakh in each case	₹ 0.50 lakh in each case subject to ₹ 2.00 lakh annually	₹ 0.25 lakh in each case subject to ₹ 1.00 lakh annually.	Nil

During test check of records of AMC for the year 2008-09, it was noticed that the Executive Engineers of four Divisions (Division No. I, II, III & IV) under the AMC awarded 427 nos of works (without call of tender) for ₹ 2.08 crore in excess of their financial powers in violation of DFPR as detailed in the table below:

**Table No. 14**

*(₹ in lakh)*

Year	Division	No of works awarded	Extent of power delegated annually	Value of work done	Value of works awarded in excess of financial power
2008-09	I	78	1.00	53.96	52.96
	II	240	1.00	61.73	60.73
	III	65	1.00	47.17	46.17
	IV	44	1.00	49.79	48.79
<b>Total</b>		<b>427</b>		<b>212.65</b>	<b>208.65</b>

On this being pointed out in audit, the Chief Executive Officer of AMC intimated (May 2010) that as per decision of the Chairperson-in-Council instruction has been issued to the concerned Executive Engineers of AMC to restrict themselves to the limits mentioned in the Delegation of Financial Power Rules of Tripura-2007.

### **5.12 Outstanding touji rent of ₹ 1.73 crore**

Test check of records of 13 markets under AMC revealed that touji\* rent of ₹ 1.84 crore was outstanding as on 31-03-2007. These outstanding amount were further increased by ₹ 0.50 crore and ₹ 0.60 crore during 2007-08 and 2008-09 respectively totaling to ₹ 2.94 crore.

However, AMC could realise only ₹ 1.21 crore (41 *per cent*), and ₹ 1.73 crore (59 *per cent*) was outstanding as on 31.03.09. No record was made available to audit whether any step was taken by AMC to collect the outstanding rent. Besides, reasons for non-recovery of the arrears were also not on record.

This indicated that AMC could not efficiently enforce collection of revenue resulting in bulk of revenue remaining unrealised. During discussion the Chief Executive Officer intimated (July 2009) that special drive would be given through camps for collection of arrears.

### **5.13 Non-adjustment of advances of ₹ 2.72 crore**

Test check of records of two ULBs revealed that advances of ₹ 2.72 crore (AMC: ₹ 1.29 crore and Kailshahar Nagar Panchayat: ₹ 1.43 crore) paid to Implementing Officers (IOs) for various developmental works during the period from 2003-04 to 2008-09 are yet to be adjusted/settled (**Appendix VI & VII**). The practice of non-adjustment of advances for several years has encouraged the practice of blocking of institutional funds for indefinite period.

Due to non- adjustment of advances, it could not be ascertained in audit whether all the works were actually executed and the expenditure incurred. Non-adjustment of advances for long period also indicates lack of internal control and improper financial management.

In August 2010, the Drawing and Disbursing Officer of AMC intimated that out of ₹ 1.29 crore, an amount of ₹ 66.11 lakh has been adjusted till March 2010 and the concerned IOs have been instructed for submission of adjustments without further delay. But the

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\* Touji is a document issued by the Municipal Authority to the vendor for running business in Municipal area. In turn, the vendors pay certain annual rent for running their business to the Municipality.

details of adjustments/vouchers indicating the name of works against which advances were given have not been furnished and no reply has been received from the Kailashahar Nagar Panchayat regarding adjustments of advances till date (November 2010).

**5.14 Loss of revenue of ₹ 23.67 lakh due to non-imposition of property tax**

Director, Urban Development Department, Government of Tripura instructed all Nagar Panchayats to impose of property tax w.e.f 1<sup>st</sup> April 2006.

During test check of records of Kailashahar Nagar Panchayat, it was noticed that Nagar Panchayat made an assessment (October 2006) for collection of property tax w.e.f 01.09.2006. Reasons for non assessment of the same w.e.f. 1<sup>st</sup> April 2006 were not on records. Details of assessment made for collection of property tax are shown below:

**Table No. 15**

*(₹ in lakh)*

No of wards	Total number of holding	No of cases where application received	No of cases where holding number allotted	No of cases where assessment done	Demand as per assessment w.e.f 01.09.06
15	3597	2632	2632	3597	7.89

Although the assessment was made in 2006 but the property tax was yet to be imposed thereby resulting in loss of revenue to the extent of ₹ 23.67<sup>₹</sup> lakh upto 31.03.2009. Nagar Panchayat did not furnish any record for non-imposition of property tax.

During discussion the Executive Officer of the Nagar Panchayat stated (October 2009) that the matter would be placed before the Nagar Panchayat Committee for taking up early decision for imposition of property tax. Latest position has not been intimated (November 2010).

**5.15 Idle expenditure of ₹ 18.63 lakh**

Scrutiny of records of Teliamura Nagar Panchayat for the year 2008-09 revealed that on the basis of the recommendation of the State Level Sanctioning Committee, Teliamura Nagar Panchayat constructed a commercial complex departmentally at a cost of ₹ 42.00 lakh within the area of Teliamura Agricultural Produce Regulated Market Committee

₹ Assessment made per year ₹ 7.89 lakh

Property tax was to be collected for 3 years ( w.e.f. 1<sup>st</sup> April 2006 to 31.03.2009) i.e. ₹ 23.67 lakh.

(TAPRMC) in 2007. Besides, one fish, meat & dry fish market and a vegetable market were also constructed at a cost of ₹ 27.18 lakh and ₹ 9.72 lakh respectively in the same complex during 2007. Though the commercial complex and the fish & vegetable markets were constructed by the Nagar Panchayat, these were handed over to the TAPRMC for their control and supervision. Reasons for handing over of the above commercial complex and the market/stalls to the TAPRMC were not on records. Further, the Executive Officer of the Nagar Panchayat intimated (November 2009) that the allotment of stalls and fixing of rate for rent have been done by the TAPRMC and revenue is also collected by them. Details are shown in the table below:

**Table No. 16**

<b>Name of the market</b>	<b>Total Nos. of stalls</b>	<b>Stalls allotted to businessmen</b>	<b>Rate of rent fixed per month</b>	<b>Rent collected upto 31.3.2009 (In ₹)</b>
Commercial complex	83	83	50	34900
Fish, meat and dry fish market	122	82	50	22350

It would be seen that out of 122 nos. of stalls, only 82 stalls have been allotted and 40 nos. stalls remained vacant in fish, meat and dry fish market as on 31.3.2009. The proportionate construction cost of 40 nos. of vacant stalls was ₹ 8.91 lakh. Besides, no record could be made available to audit whether the stalls of vegetable market were allotted to the businessman for which an amount of ₹ 9.72 lakh was spent.

Thus, there was an idle expenditure of ₹ 18.63<sup>₹</sup> lakh spent on the construction of the stalls. The Executive Officer intimated (November 2009) that the State Government had already taken decision to hand over the aforesaid commercial complex and the market/stalls to the Nagar Panchayat. Latest position has not been furnished (November 2010).

### **5.16 Splitting up of work**

According to para 2.47 of CPWD Manual Vol-II, splitting up of work in smaller components or in phases for the purpose of technical sanction or invitation of tenders by lower authorities is prohibited unless such splitting is allowed by Chief Engineer.

<sup>₹</sup> ₹ 8.91 lakh + ₹ 9.72 lakh = ₹ 18.63 lakh

During test check of records of Executive Officer, Khowai Nagar Panchayat for the year 2008-09, it was noticed that Nagar Panchayat prepared five estimates for construction of a satellite market at a cost of ₹ 43.93 lakh and obtained technical sanction of the estimates from the Executive Engineer in a phase manner. The value of each estimate is shown below:

Table No. 17

Sl. No.	No. of group-wise estimates	Estimated cost
1	Gr. I	9.00
2	Gr. II	11.74
3	Gr. III	7.73
4	Gr. IV	9.74
5	Gr. V	5.72
<b>Total</b>		<b>43.93</b>

Accordingly, work order was issued to the Junior Engineer of the Nagar Panchayat to construct the market. The Junior Engineer was paid the whole amount of ₹ 43.93 lakh as advance and the work was still in progress.

Thus, Nagar Panchayat has taken up the construction of the satellite by splitting the work into groups to avoid technical sanction of the higher authorities in violation of CPWD Manual. Further, approval of the Chief Engineer for splitting up of the work was also not obtained.

The Executive Officer while admitting the fact intimated (February 2010) that henceforth administrative approval and expenditure sanction/technical sanction would be obtained from the appropriate authority.

#### **5.17 Extra avoidable expenditure of ₹ 8.52 lakh**

Scrutiny of records of Sonamura Nagar Panchayat revealed that the Executive Officer invited tender (October 2007) for construction of a Super Market during 2007-08 with an estimated cost of ₹ 16.22 lakh. Only two contractors had responded to the tender. The tender of Shri Obaidul Haque being the first lowest (8.99 *per cent* above) was accepted with the tender value of ₹ 17.68 lakh. But Shri Obaidul Haque submitted a representation on 11.01.2008 to cancel his tender on the ground that he had quoted the rate at 8.99 *per cent* above the estimated cost in place of 28.99 *per cent* above due to slip of pen. Accordingly, the Executive Officer cancelled the same (January 2008) and the tender of

Shri Manik Lal Saha being the second lowest was accepted at 19.50 *per cent* above the estimated cost of ₹ 16.22 lakh with the tender value of ₹ 19.39 lakh in March 2008. The contractor was requested to start the work at once and complete the same in 45 days. But the contractor could not start the work as the clear site was not handed over to him within the stipulated time. The contractor requested on 24.04.2008 to raise his rate from 19.50 *per cent* to 50 *per cent* above due to price escalation which was not accepted by the Nagar Panchayat and the contract was cancelled in May 2008. In June 2008 fresh tender was called and four tenderers had responded. The tender of Shri Manik Lal Saha being the first lowest was accepted in July 2008 at 72 *per cent* above the estimated cost with the tender value of ₹ 27.91 lakh. The contractor started the work on 15.08.2008 with the stipulation to complete by six months. But the work was still in progress till March 2010. Due to failure to handover a clear site to the contractor in time, avoidable extra expenditure of ₹ 8.52<sup>91</sup> lakh had to be incurred due to time and cost over run.

### **5.18 Conclusion and recommendations**

There were a number of cases of accumulation of unutilized balances of funds. Annual accounts were not prepared. The loss of revenue due to non-allotment of stalls coupled with idle investment on construction of shopping complexes and markets, non-imposition of property tax, non-adjustment of advances for prolonged period, delays in implementation of schemes, diversion of funds, splitting up of work are instances indicating inadequate internal control mechanism in the ULBs.

The following recommendations are made for consideration of the Government:

- Annual accounts may be prepared by the ULBs without further delays.
- Proper assessment of requirement should be made before construction of market stalls.
- Schemes should be implemented in timely manner to avoid time and cost over run and to achieve the intended benefits.
- Advances given to Implementing Officers should be adjusted within the prescribed time.

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<sup>91</sup> ₹ 27.91 lakh – ₹ 19.39 lakh = ₹ 8.52 lakh



- The outstanding revenues should be timely billed, collected and accounted for.
- Diversion of funds should be avoided to ensure implementation of scheme to achieve the specific purposes.
- Internal control mechanism should be put in place and strengthened wherever found necessary.

**Agartala**

**(S. K. Garg)**  
**Sr. Deputy Accountant General**  
**( Local Bodies Audit & Accounts )**

**Countersigned**

**Agartala**

**(John K. Sellate)**  
**Accountant General (Audit),**  
**Tripura**

## Appendix – I

## Statement showing district-wise fund received and expenditure incurred under NREGA during the year 2008-09

*(Reference : Paragraph 3.6.1; Page 22)*

*(₹ in crore)*

Name of District	Opening balance	Fund received (Central)	Fund received (State)	Misc. receipts	Total	Expenditure	Balance as on 31.03.09
West	9.25	195.36	17.19	0.43	222.23	209.32	12.91
South	1.97	113.33	14.62	-	129.92	122.93	6.99
North	7.00	52.57	5.84	0.05	65.46	65.25	0.21
Dhalai	-	93.90	10.43	0.08	104.41	101.53	2.88
<b>Total</b>	<b>18.22</b>	<b>455.16</b>	<b>48.08</b>	<b>0.56</b>	<b>522.02</b>	<b>499.03</b>	<b>22.99</b>

## Appendix – II

## Statement showing district-wise registered households and provided employment during 2008-09

*(Reference : Paragraph 3.6.2; Page 24)*

Name of District	No of Blocks	No of GPs	No of households	No of VCs	No of households	Total households in State
WEST	16	223	194297	185	88727	283024
SOUTH	11	153	100029	167	73556	173585
NORTH	8	103	80443	79	41115	121558
DHALAI	5	34	26370	96	57158	83528
<b>TOTAL</b>	<b>40</b>	<b>513</b>	<b>401139</b>	<b>527</b>	<b>260556</b>	<b>661695</b>

## Appendix – III

## Statement showing district-wise Job Cards issued and Man-days generated during the year 2008-09

(Reference : Paragraph 3.6.2; Page 24)

Name of District	Total Job Card issued	Total house hold demanded employment	Total house hold provided employment	Man-days generated as on 31.03.2009 (in lakh)
West	254667	229000	229000	140.35
South	155783	138063	137940	87.54
North	112031	105207	105207	47.44
Dhalai	78134	76875	76875	75.77
<b>Total</b>	<b>600615</b>	<b>549145</b>	<b>549022</b>	<b>351.10</b>

## Appendix IV

## Statement showing the outstanding advances lying with various implementing officers/line departments

(Reference: Paragraph 3.17.3; Page 30)

Sl. No.	Name of block	Name of implementing officers/line department	Amount placed (₹ in crore)
1	Bishalgarh	Superintendent of Horticulture	0.14
	- do -	- do -	0.25
	- do -	Superintendent of Fisheries	0.45
	- do -	- do -	0.14
2	Melaghar	Different IOs	0.94
3	Matabari	Superintendent of Agriculture	0.03
	- do -	Superintendent of Fisheries	0.04
	- do -	Superintendent of Fisheries	0.01
	- do -	Dy. Director TR Division	0.02
	- do -	Superintendent of Horticulture	0.29
	- do -	Superintendent of Fisheries	0.16
4	Rajnagar	Deputy Director ARDD, Udaipur	0.02
	- do -	Asstt. Director, ARDD, Belonia	0.01
	- do -	Deputy Director Horticulture Santirbazar	0.03
<b>Total</b>			<b>2.53</b>

Appendix –V

Statement showing the arrear of accounts in respect of ULBs

(Reference: Paragraph 4.5; Page 34)

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

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

## Appendix –VI

Statement showing non adjustment of advances in respect of  
Agartala Municipal Council

(Reference: Paragraph 5.13; Page 46)

(₹ in lakh)

Sl. No.	Name of I.Os	Date of advance	Amount of advance
1	Narayan Chakraborty	5/07 to 11/08	4.04
2	Phani Bhusan Deb	6/07 to 8/07	0.24
3	Badal Banik	5/07 to 11/08	3.80
4	Bapi Acharjee	5/07 to 12/08	4.22
5	Braja gopal Debnath	5/07 to 12/08	2.90
6	Rupak Singha Roy	1/08	0.15
7	Mrinal Kanti Bhattacharjee	5/07 to 08/08	1.61
	- do -	12/08	0.53
8	Manik Acharjee	5/07 to 11/08	4.05
9	Sankar Roy	9/08 to 12/08	0.85
10	Anjali Das	05/07 to 10/07	0.75
11	Kanu Lal Dhar	12/07 to 11/08	1.86
12	Satish Biswas	05/07 to 12/08	1.43
13	Rama Sengupta	05/08 to 12/08	1.22
14	Sambhu nath Debbarma	05/07 to 12/08	2.51
15	Prabir Bhattacharjee	05/07 to 11/08	2.08
16	Dwijendra Deb	05/07 to 11/08	3.42
17	Asho Biswas	05/07 to 08/07	0.56
18	Archana gupta Majumder	09/07 to 08/08	1.28
19	Ajit Sutradhar	05/07 to 12/08	2.25
20	Paritosh Das	05/07 to 11/08	2.30
21	Prantosh Saha	06/07 to 12/08	1.32
22	Pradip Ghosh	05/07 to 08/08	1.67
23	Anil Debnath	08/07 to 12/08	3.48
24	Asish Bhattacharjee	05/07 to 11/08	4.35
25	Jayanta Sarkar	05/07 to 8/08	2.20
26	Arjun Ghosh	06/08 to 08/08	0.88
27	Santosh Nabdi	06/07 to 08/08	0.25
28	Ranjit Paul	09/07 to 08/08	1.82
29	Sadhan Debnath	05/07 to 11/08	4.04
30	Bijoy Bhusan Goswami	05/07 to 12/08	1.77
31.	Dilip Kr. Dey	09/08 to 12/08	0.72
32.	Krishnadhan Das	05/07 to 12/08	4.34
33	Biswanath Bhattacharjee	05/07 to 09/08	5.38
34	Dhiraj Roy Sarkar	05/07 to 01/08	2.02
35	Biswanath Bhattacharjee	06/08 to 09/08	1.17
36	Kaniram Saha	05/07 to 12/08	4.49
37	Archana gupta Majumder	05/07 to 08/08	0.97
38	Ashok Biswas	09/07 to 08/08	2.45
39	Manidipa Sarkar, CO	12/07 to 02/08	0.15
40	Tapan Kr. Jamatia, S/O	03/07 to 07/08	1.50
41	Anjan Bhowmik, JE	04/07	0.60
42	Dwipanjjan Debnath, JE	01/08 to 09/08	5.51

## Appendix – VI (Conclude)

Statement showing non adjustment of advances in respect of  
Agartala Municipal Council

(Reference: Paragraph 5.13; Page 46)

(₹ in lakh)

Sl. No.	Name of I.Os	Date of advance	Amount of advance
43	Joydeb Chakraborty, AE	07/07 to 02/08	6.01
44	Sadhan Dhar	07/07	1.00
45	Subrata Dey, JE	07/07 to 06/08	1.75
46	Parang Debbarma, MPS	09/07 to 11/07	0.16
47	Baby Chowdhury	07/07 to 01/08	0.12
	-do-	08/07 to 01/09	0.16
48	Zonal Office(South), AMC	10/07 to 01/09	1.93
49	Zonal East	10/07 to 01/09	1.80
50	Apan Debnath, AE	10/07 to 01/09	0.47
51	Bidhan Sarkar, MPS	08/07	0.08
52	Head Master, Chandrapur JB School	11/07	1.50
53	Head Master, Bodhjung Girls H.S School	12/07	0.25
54	Tanay Saha	01/08	0.76
55	Babu Basfore, JE	01/08 to 01/09	0.55
56	Manas Kr. Deb Roy, MPA	01/08 to 04/08	0.48
57	Anjan Bhowmik, AE	02/08 to 09/08	2.05
58	Bhaskar Debbarma, H/C	04/08 to 08/08	2.99
59	Nikhil Paul, MPS	12/08	0.02
60	Sujoy Chowdhury, AE	05/08 to 06/08	1.76
61	Kumud Debnath, ward-3	06/08 to 08/08	0.60
62	Bhanu Kr. Singha	08/08 to 03/09	2.00
63	Sujoy Chowdhury, AE	11/08 to 03/09	5.12
64	Ashok Biswas, ward-34	08/08 to 12/08	1.56
65	Soumitra Roy, JE	08/08	0.58
66	Debasish Dhar, ward-16	08/08 to 12/08	0.58
67	Smt. Ranju Saha, ward-21	08/08	0.40
68	Pradip Ghosh, ward-22	08/08 to 12/08	0.91
<b>Total</b>			<b>128.72</b>

Appendix VII

Statement showing non adjustment of advances in respect of  
Kailashahar Nagar Panchayat

(Reference: Paragraph 5.13; Page 46)

*(₹ in lakh)*

Sl. No.	Name of I.O Shri/Smt.	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	Total
1	Rupak Chakaraborty, JE	6.15	4.61	19.62	12.14	21.76	1.21	65.49
2	Subrata Deb, JE	5.01	3.53	7.89	9.69	18.03	4.76	48.91
3	Archana Deb, CO	0.90	0.08	0.14	1.95	0.16	Nil	3.23
4	Sajal Deb, TS	0.16	0.41	0.35	1.61	17.82	5.46	25.81
<b>Total</b>		<b>12.22</b>	<b>8.63</b>	<b>28.00</b>	<b>25.39</b>	<b>57.77</b>	<b>11.43</b>	<b>143.44</b>