



Annual Technical Inspection Report on PRIs and ULBs

for the year ended 31 March 2015

GOVERNMENT OF SIKKIM

TABLE OF CONTENTS

Contents	Paragraph Number	Page Number
Preface	v	
Overview	vii	
CHAPTER – I		
AN OVERVIEW OF THE FUNCTIONING, ACCOUNTIBILITY MECHANISM AND FINANCIAL REPORTING ISSUES OF PANCHAYAT RAJ INSTITUTIONS (PRIs)		
Introduction	1.1	1
Organisational Structure of PRIs	1.2	1
Functioning of PRIs	1.3	2
Formation of various Committees	1.4	4
Audit Arrangement	1.5	6
Response of Audit Observations	1.6	7
Ombudsman	1.7	9
Social Audit	1.8	9
Lokayukta	1.9	9
Submission of Utilisation Certificate	1.10	10
Internal Audit and Internal Control System of PRIs	1.11	10
Financial Reporting Issues	1.12	11
CHAPTER – II		
AUDIT ON TRANSACTIONS OF PANCHAYATI RAJ INSTITIONS		
Wasteful expenditure towards salary and allowances of Divisional Forest Officer	2.1	25
Extra expenditure on construction of Community Recreation Centre at Bermoik-Barthang	2.2	26
Injudicious expenditure from District Innovation Fund	2.3	27
Unfruitful expenditure on water harvesting structure	2.4	28
Unfruitful expenditure on Information, Education and Communication activities	2.5	29

CHAPTER – III
AN OVERVIEW OF THE FUNCTIONING, ACCOUNTABILITY MECHANISM
AND FINANCIAL REPORTING ISSUES OF URBAN LOCAL BODIES

Introduction	3.1	31
Organisational Set up	3.2	31
Functioning of ULBs	3.3	33
Formation of various Committees	3.4	33
Audit Arrangement	3.5	33
Response to Audit Observations	3.6	34
Ombudsman	3.7	35
Social Audit	3.8	35
Lokayukta	3.9	35
Property Tax Board	3.10	35
Service Level Benchmark	3.11	35
Submission of Utilisation Certificates	3.12	36
Internal Audit and Internal Control System of ULBs	3.13	36
Financial Reporting Issues	3.14	37

APPENDICES

Statement	Appendix	Page Number
Statement showing vital statistics of Rural Sikkim	1.1	43
Statement showing powers of PRIs	1.2	44
Statement showing functions to be transferred to PRIs	1.3	49
Statement showing functions not transferred to PRIs	1.4	53
Statement showing utilisation certificates submitted by PRIs	1.5	55
Statement showing vital statistics of Urban Sikkim	1.6	56
Statement showing functions to be transferred to ULBs	1.7	57
Statement showing service level benchmark for solid waste management	1.8	58