



**Annual Technical Inspection Report**  
**On**  
**Panchayati Raj Institutions and Urban Local Bodies**  
**for the year ending 31 March 2011**



**OFFICE OF THE ACCOUNTANT GENERAL (AUDIT), TRIPURA, AGARTALA**

**In terms of the Technical Guidance and Support (TGS) by  
the Comptroller and Auditor General of India**

**Government of Tripura**

## Table of Contents

	<i>Paragraph</i>	<i>Page</i>
PREFACE		v
OVERVIEW		vii-ix
<b>PART- I PANCHAYATI RAJ INSTITUTIONS</b>		
<b>CHAPTER I</b>		
<b>SECTION ‘A’</b>		
<b>AN OVERVIEW OF PANCHAYATI RAJ INSTITUTIONS</b>		
Background	1.1	1
State profile	1.2	1
Organizational Structure of PRIs	1.3	2
Duties and Functions of PRIs	1.4	3
Decentralized Planning	1.5	4
Financial profile	1.6	5
Devolution of Functions, Funds and Functionaries	1.7	7
State Finance Commission	1.8	8
Utilization of Funds	1.9	8
Accountability framework	1.10	9
Conclusion	1.11	11
<b>SECTION ‘B’</b>		
<b>FINANCIAL REPORTING</b>		
Legal framework	1.12	12
Accounting system of PRIs	1.13	12
Financial Reporting issues	1.14	12
Conclusion	1.15	13
<b>CHAPTER II</b>		
<b>AUDIT OF TRANSACTIONS (PANCHAYATI RAJ INSTITUTIONS)</b>		
Diversion of Panchayat Development Fund	2.1	14
Diversion of TFC grants	2.2	14
Non-realisation of user charges of Lift Irrigation Scheme	2.3	15
Bank reconciliation statement not prepared	2.4	15
Non-production of records	2.5	16
Conclusion and recommendations	2.6	16

<b>PART -II URBAN LOCAL BODIES</b>		
<b>CHAPTER III</b>		
<b>SECTION 'A'</b>		
<b>AN OVERVIEW OF URBAN LOCAL BODIES</b>		
Introduction	3.1	17
Size of ULBs	3.2	17
Organizational set up	3.3	18
Financial profile	3.4	20
Investment through major schemes	3.5	23
Status of devolution of functions	3.6	24
Accountability framework	3.7	24
Conclusion	3.8	25
<b>SECTION 'B'</b>		
<b>FINANCIAL REPORTING</b>		
Legal Framework	3.9	26
Conclusion	3.10	27
<b>CHAPTER IV</b>		
<b>AUDIT OF TRANSACTIONS (URBAN LOCAL BODIES)</b>		
Locking of funds	4.1	28
Non-realisation of premium money amounting to ₹ 99.44 lakh	4.2	29
Idle investment	4.3	30
Non-execution of works under Bidhayak Elaka Unnayan Prkalpa	4.4	31
Blockage of funds	4.5	32
Un-adjusted advances	4.6	32
Outstanding rent	4.7	33
Non submission of utilization certificates	4.8	34
Outstanding trade license fee	4.9	34
Non recording of cash withdrawal in the cash book	4.10	35
Conclusion and recommendations	4.11	36

<b>APPENDICES</b>		
<b><i>Sl. No.</i></b>	<b><i>Particulars</i></b>	<b><i>Page No.</i></b>
<b>1.1</b>	Roles and responsibilities of Standing Committees	37
<b>1.2</b>	Powers of State Government in relation to PRIs	39
<b>2.1</b>	Statement showing un-reconciled differences between Cash Book and Bank Statement where bank reconciliation statement not prepared	41
<b>3.1</b>	Statement showing Arrear of Accounts of ULBs	42
<b>4.1</b>	Statement showing un-adjusted advances lying with various implementing officers/agencies of Agartala Municipal Council as on 31.03.2011	43
<b>4.2</b>	Statement showing un-adjusted advances with implementing officers of Ranirbazar Nagar Panchayat for the year 2009-10 and 2010-11	46
<b>4.3</b>	Statement showing amount of advance outstanding with the Junior Engineer w.e.f. 05.07.2010 to 29.12.2010	47