

P R E F A C E

1. This report has been prepared for submission to the Government of Madhya Pradesh in accordance with terms of Technical Guidance and Supervision over the audit of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) by the Comptroller and Auditor General of India as envisaged by the Eleventh Finance Commission.
2. This report has been prepared in two Parts. Part - I deals with the observations on ULBs and Part – II with the observations on PRIs.
3. Chapter I of each part of this Report contains a brief introduction on the functioning and accounting procedures of ULBs/PRIs.
4. The cases mentioned in the report are those, which came into notice during the course of audit of transaction/inspection of accounts during 2008-09 as well as those which had come to notice during earlier years, but could not be dealt with in the previous Reports; matters relating to the periods subsequent to 2008-09 have also been included, wherever necessary.

OVERVIEW

The Report consists of two Parts. Part - I on Urban Local Bodies (ULBs) and Part - II on Panchayati Raj Institutions (PRIs). Part I is divided in to two Chapters, Chapter I on Overview on finance of ULBs including the accounting procedures; Chapter II on Transaction Audit Paragraphs. Part II consists of only one Chapter which includes Overview on finance of PRIs including the accounting procedures.

PART – I URBAN LOCAL BODIES

OVERVIEW ON FINANCES INCLUDING THE ACCOUNTING PROCEDURES OF THE URBAN LOCAL BODIES

The accrual system of accounting was made applicable from April 2008 only in 14 Municipal Corporations (MCs) and was yet to be applied in Nagar Panchayats and Nagar Palikas of the State.

(Paragraph 1.3.1.)

The Steering Committee to oversee the implementation of budget and accounting formats, as suggested by the Task Force, was not formed till March 2010.

(Paragraph 1.3.2.)

The provisions of Model Municipal Law (MML) with modification as suggested by CAG for section 93 to 96 of MML were not incorporated in the concerned Acts of ULBs.

(Paragraph 1.3.3)

Reconciliation of difference of ` 2.65 crore between balances of cash book and bank accounts was not done by 9 ULBs.

(Paragraph 1.9)

Advances amounting ` 22.08 lakh were not recovered from individuals of 13 Nagar Nigam/ Nagar Palika/ Nagar Panchayat.

(Paragraph 1.10)

Irregular diversion of funds amounting to ` 24.98 lakh by 4 ULBs.

(Paragraph 1.11)

Non recovery of tax amounting ` 7.71 crore by 18 Nagar Nigam/ Nagar Palika /Nagar Panchayat.

(Paragraph 1.12)

Premium of shops (` 0.68 crore) and rent (` 0.52 crore) was not recovered for last 2 to 6 years by 13 Nagar Palika, Nagar Panchayats.

(Paragraph 1.15)

Interest payable to ULBs for the delay in release of TFC grants was not paid.

(Paragraph 1.17.1)

<p style="text-align: center;">CHAPTER – II TRANSACTIONS AUDIT PARAGRAPHS</p>

Urban Development Cess of ` 16.78 crore was not credited by Nagar Nigam Jabalpur, Ratlam & Satna.

(Paragraph 2.1)

Blockage of funds worth ` 1.17 crore on the construction of shops.

(Paragraph 2.2)

Allotment of plots at the lower rates than fixed by Collector's guidelines resulted in loss of revenue of ` 78.10 lakhs.

(Paragraph 2.3)

Loss of ` 26.68 lakh on account of interest and processing charges.

(Paragraph 2.4)

Idle expenditure on construction of shopping complex amounting to ` 59.10 lakh.

(Paragraph 2.5)

PART – II

CHAPTER - I

PANCHAYATI RAJ INSTITUTIONS

**OVERVIEW ON FINANCES INCLUDING THE ACCOUNTING
PROCEDURES OF THE PANCHAYATI RAJ INSTITUTIONS**

Non-refund of unspent balances of closed/ non-operational schemes amounting to ` 1.17 crore resulted in deprival of intended benefits to the rural population.

(Paragraph 1.11)

Non payment of interest on delayed transfer.

(Paragraph 1.15.1)

User charges for water supply amounting to ` 0.39 crore were pending for recovery in 77 GPs of seven districts.

(Paragraph 1.15.3)

750 works taken up by 11 Janpads Panchayats under various schemes remained incomplete since 2001-02.

(Paragraph 1.16.1)

Irregular allotment of 5249 houses costing ` 1049.87 lakh by 14 Janpad Panchayats.

(Paragraph 1.16.2)

PART – I URBAN LOCAL BODIES

CHAPTER – I

OVERVIEW ON FINANCES OF THE URBAN LOCAL BODIES INCLUDING THE ACCOUNTING PROCEDURES

1.1 Introduction

Article 243 (W) of the Constitution of India envisages that the State Government may, by law, endow the municipalities with such powers and authority as may be necessary to enable them to function as institutions of self Government and such law may contain provisions for devolution of powers and responsibilities upon municipalities.

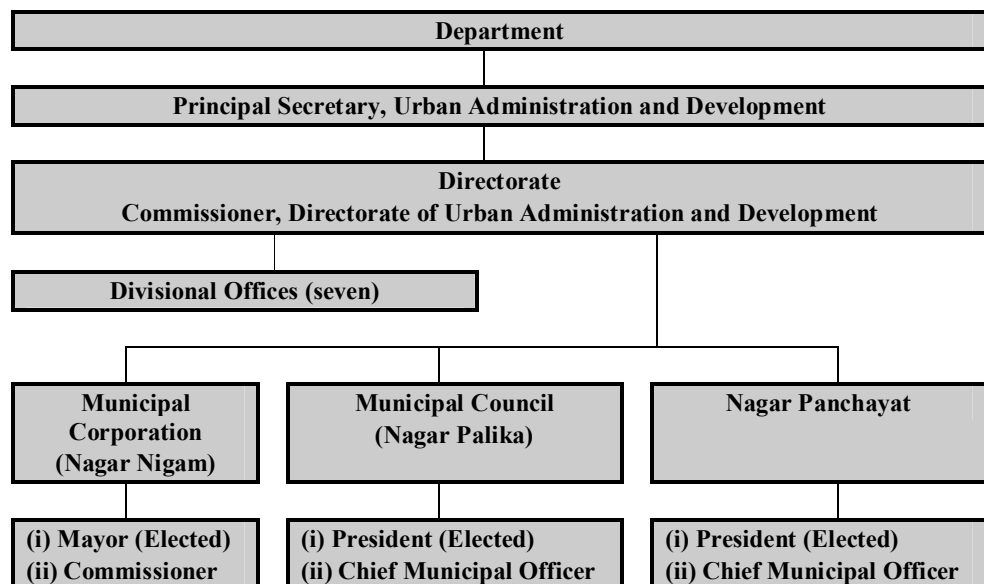
After the 74th Constitution Amendment, the Urban Local Bodies (ULBs) were made full fledged and vibrant institutions of Local Self Government by vesting them with clearly defined functions and responsibilities. Accordingly, the State Government reorganized (1993) these institutions into three tier system of ULBs namely Municipal Corporations for a larger urban area, Municipal Councils for smaller urban area and Nagar Panchayats for a transitional area.

At present, there are 14 Municipal Corporations, 96 Municipal Councils and 250 Nagar Panchayats. The last elections for the ULBs were held during 2005-06. All 360 ULBs as shown above cover 1.52 crore urban population of the state i.e. 25 percent of the total population of the state.

1.2 Administrative arrangements

All the ULBs are distinct legal authority to discharge the functions devolved under the provisions of Acts and Rules subject to monitoring powers vested in state authorities provided there in. The organisational structure of the Department is given below.

Organisational Chart of ULBs



1.3 Accounting arrangements

1.3.1 Consequent upon adoption of the budget and accounts format prescribed by the Task Force constituted by Comptroller & Auditor General of India (CAG) which inter alia suggested adoption of accrual based accounting by ULBs, the UADD published Madhya Pradesh Municipal Accounts Manual (MPMAM) in July 2007. However, as per orders of the UADD (July 2007) the accrual system of accounting was to be implemented with effect from April 2008 in 14 Municipal Corporations only. The above system is yet to be implemented in the remaining ULBs.

1.3.2 As per the decisions taken in the National Seminar organized (September 2003) by the Ministry of Urban Development, GOI, a Steering Committee was to be formed in all the States to see the implementation of budget and accounting formats as suggested by the CAG's Task Force. Even after regular correspondence, the committee was not formed so far till March 2010.

1.3.3 Government of India (GOI) forwarded (September 2004) extracts of section 93 to 96 of Model Municipal Law (MML) along with CAG's suggestions thereon for adoption by State Government. Commissioner (UADD) stated in the meeting (November 2008) that some progress in this regard has been made and assured to appraise audit accordingly. Reminders were issued to Principal Secretary (FD) in September 2009 and January 2010, but reply has not been received so far.

1.3.4 Database on finances of ULBs

The data is to be collected, compiled and maintained in standard formats prescribed by CAG. UADD agreed (June 2004) in principle to adopt the formats of database. In compliance it was stated (September 2009) that the database on finances is being maintained in standard formats in Nagar Nigam and action will be taken to maintain the database in other ULBs also.

1.4 Audit arrangements

1.4.1 The State Govt. has appointed Director/Commissioner of Local Fund (DLFA) as a primary auditor of accounts of Urban Local Bodies. As per recommendations of the Eleventh Finance Commission (EFC), audit by DLFA has been brought under the Technical Guidance and Supervision (TGS) of CAG by the State Government in November 2001. Accordingly, the office of the Senior Deputy Accountant General, (Local Body Accounts and Audit) is conducting audit of ULBs under TGS module. 88 ULBs including three Municipal Corporations were test checked by audit during 2008-09.

1.4.2 Approval of audit plans of Commissioner Local Fund Audit

The CLFA was required to prepare the audit plan in consultation with the Principal Accountant General (PAG) as a part of the TGS arrangement. However, inspite of request to the Government (February - November 2008), the audit plans of CLFA have not got approved from the PAG. The CLFA has furnished the list of units proposed to be audited during 2009-10 without getting it approved from PAG.

1.4.3 Internal Audit System

According to para 7.2 of the recommendations submitted (July 1996) by the First SFC and decision of the Finance Department (FD), an Internal Audit System was to be set up to ensure the accountability of ULBs. Such provision for creation of internal audit department was also mentioned in para 2.2.1 of MPMAM. However Directorate UADD (September 2009) stated that apart from the arrangement of pre-audit in 50 ULBs units, there was no system of internal audit in other ULBs.

1.5 Source of revenue

There were mainly two sources of revenue for local bodies (i) Government grants and (ii) own revenues. Own revenue resources of ULBs comprise of tax and non-tax revenues realised by them. Government grants comprise of funds released by the State Government and Government of India (GOI) on the recommendation of SFC, Central Finance Commission and State and GOI share for implementation of various schemes. The ULBs also obtain loans for implementation of various schemes relating to urban development.

1.6 Receipts and expenditure

1.6.1 Funds (share of tax revenue of the state, schemes funds & grants etc.) allocated to ULBs by the State Government through budget including State share of the GOI schemes & grants recommended by Twelfth Finance Commission (TFC) were as under:-

(` in crore)

Sl. No.	Bifurcations of grant						Actual Expenditure			Excess (+)/ Saving (-)
	Year	Share of Tax	Scheme funds	Grant	Pay & Allowance of Directorate	Total	Revenue	Capital	Total	
1.	2005-06	899.38	142.32	222.45	2.72	1266.87	1158.12	19.45	1177.57	(-) 89.30
2.	2006-07	1047.30	304.45	531.93	8.22	1891.90	1614.57	28.81	1643.38	(-) 248.52
3.	2007-08	1300.39	395.02	635.04	2.93	2333.38	1695.40	305.55	2000.95	(-) 332.43
4.	2008-09	1531.07	502.07	563.14	22.34	2618.62	2112.90	205.43	2318.33	(-) 300.29

The above figures indicate that the budget provisions increased by 38 per cent in ULB sector during the year 2008-09 as compared to the year 2006-07 but the ULBs could not spend the amount, resulting in saving during 2006-07 to 2008-09. Details of receipts of ULBs from their own sources and loans & expenditure was not available with Directorate, UADD. The Commissioner, (UADD) stated (September 2009) that the same would be collected and furnished to audit. However the position of State and Central grant, own revenue realized and classification of expenditure into capital and revenue heads of the test checked ULBs (Bhopal, Gwalior, Mandasaur, Neemuch and Ratlam) has been mentioned in the **Appendix-I**.

1.6.2 Submission of Utilisation Certificates (UCs)

Directorate UADD circular (December 2004) stipulated that grants should not be released before obtaining UCs of previous years. Audit scrutiny (September 2009) of records relating to the release of SFC grants by the Directorate UADD Bhopal revealed that grants were released without obtaining UCs (September 2009) for the year 2008-09. On being pointed out, the Commissioner UADD stated (September 2009) that orders have been issued for submission of UCs regularly.

1.7 Position of outstanding loans

The position of outstanding loans of all ULBs was not available with the Directorate UADD. Scrutiny (September 2009) of records in MC Bhopal, Ratlam, Mandsoore, Neemuch and Gwalior revealed that principal amount of ` 47.20 crore was due for repayment (September - November 2008) against the outstanding loans. The position of outstanding loans and interest in test checked districts were as under:-

(` in lakh)

Sl. No.	Name of ULB	Balance as on 1.4.08	Fresh loan during 08-09	Repayment during 08-09		Outstanding Principal as on 31 March 2009.
				Principal	As Interest	
1.	Bhopal	3509.90	--	1355.74	372.22	2154.16
2.	Ratlam	1120.00	--	--	--	1120.00
3.	Mandsoure	--	--	--	--	--
4.	Neemuch	--	--	--	--	--
5.	Gwalior	545.66	900	--	34.93	1445.66
		5175.56	900	1355.74	407.15	4719.82

1.8 Position of outstanding audit paragraphs

The position of outstanding audit paragraphs of ULBs included in the Inspection Reports (IRs) of the CLFA and AGs Inspection Reports are as under:-

(A) Outstanding audit paragraphs of CLFA

(As on 31 March 2009)

Sl. No.	Financial Year	ULB			
		Total No. of outstanding audit paragraphs	Addition	No. of paragraphs settled	No. of paragraphs Outstanding
1.	2006-07	178265	8227	13066	173426
2.	2007-08	173426	6471	8890	171007
3.	2008-09	171007	7183	9142	169048

(B) Outstanding audit paragraphs of AGs Inspection Reports.

(As on 31 March 2009)

Sl. No.	Financial Year	ULB			
		Total No. of outstanding audit paragraphs	Addition	No. of paragraphs settled	No. of paragraphs Outstanding
1.	2006-07	2508	601	0	3109
2.	2007-08	3109	514	0	3623
3.	2008-09	3623	778	61	4340

These outstanding paragraphs require active pursuance by CLFA for early settlement.

1.9 Bank-reconciliation statement not prepared

Rules 97-98 of Madhya Pradesh Nagar Palika Lekha Niyam 1971, provides that the reconciliation of any difference between the balances of cash book and

bank accounts is required to be conducted every month. However, it was noticed that the difference of cash balance of ` 2.65 crore between Cashbook and Bank statement at the close of the year (2001 to 2009) was not reconciled by 9 ULBs¹. Due to non-reconciliation of cash balance, possibility of temporary misappropriation or fictitious booking of expenditure could not be ruled out. The authenticity of cash balance of ULBs in the cashbook also remained doubtful in the absence of reconciliation with bank statement.

The position of the difference is given in **Appendix- II**.

1.10 Non-recovery of advances from individuals

Temporary advances were paid to Staff/officials for making petty payments. Madhya Pradesh Finance Department orders (2001) provides that the temporary advances should be adjusted or recovered at the earliest but in no case later than 3 months of payment of advance or last month (March) of financial year. In case of non-adjustment/recovery penal interest @ of interest payable by Banks on fixed deposits shall also be recovered. Audit of 13 Nagar Nigam/ Nagar Palika/ Nagar Panchayat revealed that a sum of ` 22.08 lakh paid to officials/ staff for various purposes were outstanding against them for the last one to 5 years as shown in **Appendix -III**. Lack of effective action to recover/ adjust the old outstanding advances may lead to loss with the passage of time.

1.11 Diversion of funds

Central Government / State Government released funds in the form of grants-in-aid for development of urban areas which were to be spent exclusively on the projects for which these were sanctioned. Diversion of funds from one scheme to another was not permissible without prior approval of the Central/ State Government.

Scrutiny of records revealed irregular diversion of funds amounting to ` 24.98 lakh by 4 ULBs during 2001-07 for the purposes not covered under the schemes or for routine municipal activities as shown in **Appendix -IV**.

1.12 Non recovery of taxes

Urban Local Bodies (ULBs) earn revenue from their own resources through taxes, rent, fees, issue of licenses etc. In (18) test checked Nagar Nigam/Nagar Palika/Nagar Panchayat. As of March, 2009 a sum of ` 7.71 crore as shown in **Appendix –V** was outstanding against the taxpayers, although the ULBs had powers under section 165 of Madhya Pradesh Municipalities Act, 1961 to approach a Magistrate to seek orders for recovery by distress and sale of any movable property of attachment and sale of immovable property belonging to defaulters, they failed to invoke these power to recover the outstanding taxes.

¹ (1) Nagar Palika Varaseoni (2) Nagar Palika Gadarwara (3) Nagar Palika Maudla (4) Nagar Palika Ganj Basoda (5) Nagar Palika Gohad (6) Nagar Panchayat Rahatgarh (7) Nagar Panchayat Gautampura (8) Nagar Panchayat Rajgarh (9) Nagar Panchayat Jaura

Failure to invoke its powers resulted in non-recovery of outstanding taxes and resource crunch leading to hindrance in development works.

1.13 Non depositing of amount in Provident Fund Accounts

Rule 102 (4) of M.P. Nagar Palika Lekha Niyam 1971 provides that the deduction of P.F. subscription will be credited in P.F. Account. Government of Madhya Pradesh, Department of Local Bodies further directed (February 1998) all the Commissioners / Chief Municipal Officers that Provident Fund (PF) subscriptions is required to be credited to the fund account of the employees scrupulously. However it was noticed that one Nagar Panchayat Rahatgarh (District-Sagar) did not deposit provident fund subscription of ` 10.61 lakh in the fund account of the employees during 10/1996-2005 which resulted not only loss of interest on provident fund account but also put additional burden on the ULB.

1.14 Non-creation of Reserve Fund of ULB's

Sub rule 3 (3) of Madhya Pradesh Nagar Palika Budget Rules, 1962 provides that every Nagar Palika is required to create a reserve fund account (Sanchit Nidhi) by depositing five per cent of net income every year, so that it may be used in special circumstances in the interest of the ULB.

Scrutiny of records of Ten Nagar Panchayat/Nagar Palika/Nagar Nigam revealed that due to financial crisis a sum of ` 1.55 crore was not deposited in the reserve fund account from their net income during 2001-08 as shown in **Appendix-VI**.

1.15 Non recovery of rent and premium of shops

Shops were constructed at various places by the ULBs to increase the revenue by way of premium and monthly rent of these shops.

Test check of records of 13 Nagar Palika, Nagar Panchayat revealed that the premium of shops amounting to ` 0.68 crore and rent of shops amounting to ` 0.52 crore was not recovered by these ULBs for the last two to six years. Detail are shown in **Appendix - VII**.

This has resulted in loss of revenue of ` 1.20 crore.

1.16 Conclusion

Budget and accounts in the format, prescribed by the CAG, were not maintained in all the three tiers of ULBs. Database in the formats prescribed by the CAG on finances of ULBs is yet to be compiled. The provisions of MML along with suggestion of CAG on section 93 to 96 of MML have not yet been incorporated in the concerned Acts. The information regarding receipts and expenditure of all ULBs was not being maintained by the Directorate UADD. Approval of PAG on audit plan was not obtained by the CLFA. The Steering Committee and State Legislature Committee were not yet formed.

1.17 Audit findings on release and utilisation of Twelfth Finance Commission's grants of Urban Local Bodies

1.17.1 Delay in transfer of grant to ULBs and non payment of interest on delayed transfer

According to para 6.1 and 6.4 of GOI guidelines of TFC grants, States have to mandatorily transfer the grants released by the Centre to the ULBs within 15 days from the date of its credit into the State Government's account. In case of delayed transfer of grants to ULBs beyond the specified period of 15 days, the State Government was required to pay interest to ULBs at the rate equal to the RBI rate on such delayed transfer.

Scrutiny of records of the FD revealed (September 2009) that the GOI released the first and second instalment of ` 72.20 crore (first instalment of ` 36.10 and second instalment of ` 36.10 crore) for the year 2008-09 on 24 October 2008 and 12 February 2009 respectively and credited into State Government's accounts on the same date. Bank accounts of ULBs were test checked in audit. The test check in eleven ULBs (September - December 2009) revealed that there was a delay of 06 to 17 days (beyond specified period of 15 days) in transfer of grants of ` 5.44 crore to their respective bank accounts. As per GOI guidelines and also as per past practice, the FD was required to pay interest @ 5% on the delayed transfer of grants to ULBs during the year 2008-09.

But no reply has been furnished so far by the FD and UADD (February 2010).

1.17.2 Unspent balance of previous grant

State TFC working plan/ guidelines envisaged that the TFC grants received may be utilised (i) on Solid Waste Management (SWM) 50 percent, (ii) on water supply and sanitation 48 percent and (iii) on building a data base on finances 2 percent.

Scrutiny of records of twenty two ULBs revealed that out of total TFC grant of ` 13.41 crore received by the ULBs during 2005-08, an amount of ` 5.86 crore remained unspent (September to December 2009) as shown in **Appendix-VIII**. On pointing out in audit, the Heads of auditee units explained various reasons viz. non approval of Parishad for incurring the expenditure, late allotment of grant, non acquisition of land for landfill stations and non demarcation of land for unspent grants.

1.17.3 False Certificate of Utilisation

As per para 6.3 of GOI guidelines of TFC grants, the State Finance Secretary was required to provide a certificate to GOI every year regarding percentage of grants spent by the ULBs on SWM.

Test check of records of Municipalities and Councils revealed that ₹ 9.71 crore on account of SWM was received in 23 ULBs during 2005-09. Out of it only ₹ 2.66 crore could be utilised during the period and ₹ 7.05² crore remained unutilised as detailed in **Appendix - IX**. Whereas the FD submitted the UCs of entire amount of ₹ 144.40 crore received on account of SWM (being 50 percent of total TFC grant) during 2005-09 in the state.

Thus UCs submitted to GOI by FD did not reflect the actual position of utilisation of TFC grants. Reply of FD was awaited (February 2010).

1.17.4 No progress in Solid Waste Management (SWM)

As per para 3.1 (XIV) of GOI guidelines of TFC grants, at least 50 percent of the grant-in-aid provided to each state for the ULBs should be earmarked for SWM. The Municipalities should concentrate on collection, segregation & transportation of solid waste.

Test check of records of nine ULBs belonging to six districts revealed that no work on SWM except an expenditure during 2005-09 of ₹ 0.0228 crore on preparation of DPRs was started despite release of grant of ₹ 1.97 crore as detailed in **Appendix- X**.

1.17.5 Non achievement of Solid Waste Management (SWM) parameters

According to the schedule II annexed to (Rule 6 (i) and (iii), 7 (i)) of GOI Municipal Solid Wastes (Management and Handling Rules 2000) parameters were fixed alongwith its compliance criteria for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes.

Test check of records of six MCs³ revealed that an expenditure of ₹ 19.78 crore⁴ was incurred from 2005-06 to 2008-09 only for collection and transportation of Municipal Solid Waste (MSW) under SWM but other activities like: segregation, storage, processing and disposal of MSW were not taken-up through Public Private Partnership (PPP) as required vide para 3.1 XIV of GOI guidelines of TFC grants. The reasons for not taking up the activities specified in the notification were Non-approval by the Parishad, Land under development, work under progress etc. This resulted in non-fulfillment of all the parameters & non-implementation of PPP in SWM.

1.17.6 Database on finances of ULBs

The second State Finance Commission (SFC) (Beyond the Fiscal Package) recommended (December 2003) the need for building up database in respect of municipal finances. This recommendation was accepted by the State Government (March 2005). The database needs to be collected, compiled and maintained in the standard formats as prescribed by the C&AG which was

² Unutilised amount ₹ 7.05 crore (pertaining to SWM) is included in unspent amount of ₹ 9.13 crore explained in para 2.1.4.1.

³ Nagar Nigam Bhopal, Dewas, Jabalpur, Sagar, Satna and Ujjain

⁴ ₹ 19.78 crore (Bhopal: ₹ 9.15, Dewas: ₹ 0.31, Jabalpur: ₹ 6.09, Sagar: ₹ 0.31, Satna ₹ 1.07 and Ujjain ₹ 2.85 crore)

agreed (June 2004) by UADD. But the final action for development of database was awaited (December 2009). As per UCs reported (July 2009) to GOI by FD, the TFC grants amounting to ` 5.78 crore (being 2 percent of total TFC grant ` 288.80 crore) for maintenance of accounts and creation of database received from 2005-06 to 2008-09 have been utilised on the specified purpose, but the database of finances in the formats prescribed by C&AG was not found created in any of the test checked Municipal Corporation/ Council in five districts⁵. It was also observed that in 15 Municipal bodies out of ` 19.07 lakh received for building of data base a sum of ` 16.85 lakh (84 percent) remained unspent as of March 2009.

⁵ Jabalpur, Jhabua, Sagar, Satna and Ujjain.

CHAPTRE - II

**TRANSACTION AUDIT PARAGRAPHS
(Urban Administration & Development Department)**

2.1 Non-crediting of Urban Development Cess by Nagar Nigams.

Non-crediting of Urban Development Cess to Government account amounting to ` 16.78 crore.

According to the provisions of section 6 (1) of the Madhya Pradesh Up-kar Adhiniyam 1981, Urban Development Cess (UDC) was to be charged & levied every year on all buildings / lands or both situated in Municipal area or Urban Area at the rate of 5 percent of the Annual Letting Value (ALV) or Annual Value. Further, where the lands or buildings or both are in occupation of the owner himself, the rate of cess shall be one half of the rate afore said i.e. 2.5 percent. The proceeds of cess collected by a local authority shall after deducting therefrom such sum of money on account of collection charge as the State Government may fix, be credited to the account of State Government and shall be used for Urban Development Scheme particularly to slum clearance.

Scrutiny (04/2004 to 03/2007) of records of three Nagar Nigams i.e. Jabalpur, Ratlam & Satna and later on information collected (January 2010) revealed that ` 16.78 crore as UDC was recovered from owners on the property during 2004-07 as shown in **Appendix- XI**, but contrary to the provisions, the cess was not credited into Government accounts.

On being pointed out in audit, Commissioner replied that due to shortage of funds in the Nigam, the amount of UDC was not credited into Government accounts and instructions were also not received from the Government in this regard. Thus the amount of UDC was not credited to Government account and at the same time the amount collected was diverted irregularly on other activities without obtaining prior permission of the Government.

The matter was reported to the Government (April 2009); but no reply has been received as of December 2009.

2.2 Blockage of funds worth ` 1.17 crore on the construction of shops

Blockage of funds worth ` 1.17 crore on the construction of 104 shops in Subhash Chandra Bose shopping complex.

According to rule 3 of the M.P. Nagar Palika Nigam (Transfer of immovable properties) Rule, 1994 any revenue earning immovable property, shall be sold or transferred to the highest bidder through public auction or by inviting sealed cover, if otherwise intended a prior permission of the Government was essential.

In Nagar Nigam, Ratlam 104 shops including 02 shops reserved for electrification work were constructed in “Subhash Chandra Bose Shopping Complex” at bus stand (1999) at a cost of ` 1.17 crore (costing ` 1.121 lakh per shop) from Nigam’s own funds.

It was observed that neither the shops were allotted nor registration fee was refunded to any of these 112 applicants even after a lapse of 10 years, which led to unfruitful expenditure of ` 1.17 crore on construction of 104 shops at Bus stand, Ratlam.

On being pointed out in audit Commissioner, Nagar Nigam Ratlam replied (July 2008 and December 2009) that since there was no provision of “first come first get” in the Adhinyam (Transfer of immovable properties) Rule, 1994, the Nagar Nigam has sought the guidelines from the Government (October 2009) in this regard and action to allot the shops will be taken after the Government decision.

Thus, shops could not be allotted even after a lapse of 10 years. Hence expenditure of ` 1.17 crore incurred remained unfruitful.

The matter was reported to Government (December 2008); but no reply has been received so far (December 2009).

2.3 Allotment of plots at the lower rates than fixed by Collector’s guidelines resulted in loss of revenue of ` 78.10 lakh.

There was a loss of revenue of ` 78.10 lakh to Nagar Nigam on account of allotment of plots at lower rates than fixed by Collector.

According to rule 3(a) of the M.P. Nagar Palika Nigam (Transfer of immovable properties) Rule, 1994 prior permission of the Government is essential for the Nagar Palika Nigam to transfer immovable property to public institutions for educational, religious or public purposes at the lower than scheduled rates,

Scrutiny of records of Commissioner, Nagar Nigam, Ratlam for the period April 2004 to March 2007 (August 2008) revealed that 212 (192 registered and 20 not registered) plots costing ` 1.91 crore were allotted on lease contract basis (during February 95 to April 2000) to individuals for residential purposes (which was not a public purpose but a private purpose) at rates lower than the rates fixed by the Collector without obtaining prior approval of the Nagar Nigam Parishad or the Government of M.P. The Commissioner and the Mayor made the allotments, which were against the provisions of rule 3 (a).

On being pointed out the Commissioner replied (August 2008 and December 2009) that the parishad is not empowered to transfer the plots at lower rates. The Nagar Nigam has sought guidance from the Government (October 2009) in this regard which is awaited.

Thus transfer of plots to individuals for residential purpose which was not a public purpose, as shown in **Appendix -XII** at rates lower than those fixed by the Collector resulted in a total loss of ` 78.10 lakh against 212 plots allotted.

The matter was reported to Government (December 2008); but no reply has been received so far (December 2009).

2.4 Loss of ` 26.68 lakh on account of interest and processing charges on loan from HUDCO.

As the clear site was not made available to the contractor, the Nagar Nigam, Dewas paid an amount of ` 23.99 lakh as an interest in addition to ` 2.69 lakh on account of processing fee without utilization of loan amount.

Due to acute water scarcity in Dewas town, Nagar Nigam, Dewas initiated a "Stop Dam Project (1998)" on river Kshipra to meet out the water supply demands of the town for present & next coming 30 years. The estimated cost of the project was ` 29.80 crore, out of which 70 percent i.e ` 20.88 crore was to be financed by Housing and Urban Development Corporation Ltd. (HUDCO) as a loan on Government bank guarantees and rest of the amount was to be managed by the Nigam from its own resources. The Urban Development Department accorded an Administrative sanction (August 2000) and revised administrative sanction for ` 27.99 crore (June 2002) to the project. An agreement was executed in August 2002 between Municipal Corporation, Dewas and M/s Larsen and Toubro Ltd. (L&T) Chennai. As per clause No. 4 of the agreement the clear site was to be made available to the contractor as per the design requirements. The design was accepted in June 2003, according to which Nigam had to obtain No Objection Certificate (NOC) from the Railway and National Highway authorities. Technical sanction was accorded in June 2003 and accordingly the work order was issued to L&T in July 2003 with the condition that the work was to be completed within 15 months from the date of handing over of site or date of issue of work order to the contractor whichever is later. Consequently, the HUDCO released (December 2003) a sum of ` 1.51 crore as first installment of loan to the Nagar Nigam, Dewas.

A scrutiny of records of Nagar Nigam, Dewas for the period April 2006 to March 2008 (July 2009) revealed that the work was never started as the site was not handed over to the contractor and the required NOC could not be obtained till November 2004. The contract was cancelled in May 2005, thus Nigam refunded loan amount together with interest thereon ` 1.78 crore (Loan ` 1.51 crore, interest ` 23.99 lakh and ` 2.69 lakh for processing fee) without utilizing the loan amount (December 2006), which resulted in a loss of ` 26.68 lakh to Nigam.

In reply the Commissioner stated that the contractor demanded price escalation against the contract agreement therefore the agreement was cancelled and land could not be occupied.

The reply is not acceptable, as the clear site was not made available as per agreement till November 2004 thus resulted in a loss of ` 26.68 lakh.

The matter was referred to the Government in November 2009; but the reply is awaited (January 2010).

2.5 Idle expenditure on construction of shopping complex amounting to ` 59.10 lakh

Construction of Shopping Complex without pre-assessment of demand resulted in idle expenditure of ` 59.10 lakh

A centrally sponsored scheme of Integrated Development of Small and Medium Towns (IDSMT) was launched in 1979-80 with an objective to improve infrastructure facilities for economic growth and employment and to reduce migration of people belonging to rural and smaller urban areas to bigger cities and towns for jobs. The Municipal Council Shajapur on 21.7.2001 authorized the Chief Municipal Officer (CMO) Shajapur to enter into an agreement with Madhya Pradesh Vikas Pradhikaran Sangh (MPVPS) Bhopal to prepare a development plan under the scheme. Consequently the MPVPS prepared a project consisting of seven works costing to ` 2.06 crore¹, including construction of a Shopping Complex and Platforms at Hatt Maidan in Shajapur (38 shops and 11 plat forms in two phases) at a cost of ` 64.47 lakh. A State level Committee sanctioned the above project (August 2002) and MPVPS conveyed it to CMO Shajapur (October 2002). Accordingly one instalment of grant in-aid amounting to ` 1.09 crore² was released in 2002-03.

During scrutiny of records of CMO Shajapur (January 2010) it was observed that the Nagar Palika Shajapur constructed the Shopping Complex at a total expenditure of ` 59.10 lakh at Hatt Maidan and handed it over to the revenue section of Nagar Palika (October 2007) for auction on lease. The Municipal Council, Shajapur fixed a premium of ` 1.51 lakhs and a rent ` 500/- per month of each shop by a resolution dated 3.12.2007. It was further observed that the shops could not be auctioned despite notifications published thrice in newspapers i.e. on 29.1.2008; 23.6.2008 and 26.2.2009. It was also seen that CMO Shajapur did not make any efforts towards disposing this immovable property by granting lease, sale or letting out on hire after 26.2.2009. Thus expenditure of ` 59.10 lakh remained idle, as the shops are vacant after lapse of two years.

On being pointed out in audit CMO accepted (January 2010) that the construction of the Shopping Complex was not on actual demand basis and also accepted that bidder did not participate in the auction as the Shopping Complex was constructed far away from the populated areas. Thus Nagar

¹ Central share ` 0.90 crore, State share ` 0.60 crore and Local Body share ` 0.56 crore.

² Central share ` 0.79 crore, State share ` 0.30 crore.

Palika Parishad created unsaleable assets which resulted in idle expenditure of ` 59.10 lakh.

The matter was reported to Government (February 2010); the reply has not been received so far (March 2010).

PART – II PANCHAYATI RAJ INSTITUTIONS

CHAPTER – I

OVERVIEW ON FINANCES INCLUDING THE ACCOUNTING PROCEDURES OF THE PANCHAYATI RAJ INSTITUTIONS

1.1 Introduction

A three-tier system of Panchayati Raj Institutions (PRIs) had been established in the State by Madhya Pradesh Panchayati Raj Aivam Gram Swaraj Adhiniyam (Act), 1993. (MPPRGSA) which came into force from January 1994.

At present there are 48 ZPs, 313 JPs and 23051 GPs in the state. The last general elections for the Gram Panchayats were held during 2004-05.

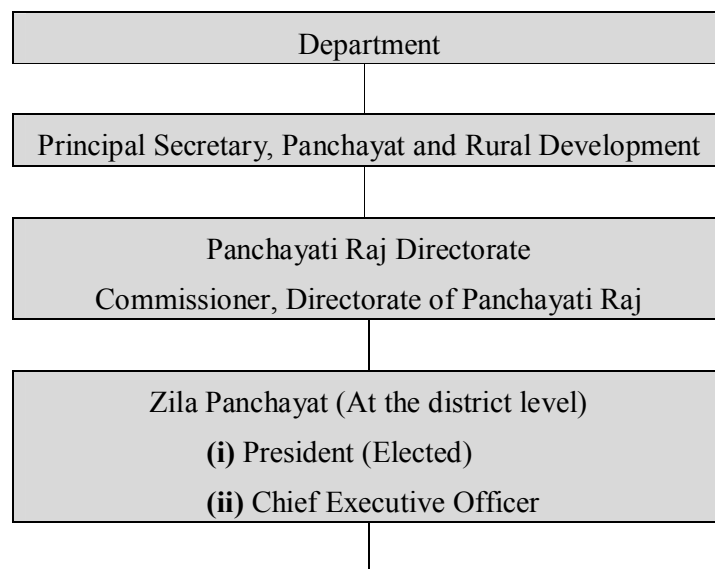
1.2 Area and Population

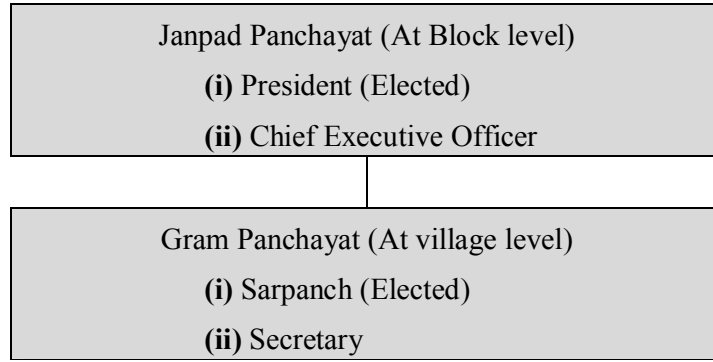
Total areas (3,08,000 sq. km.) of the state was covered by 4.51 crore of rural population being 75 per cent of the total population of 6.03 crore as per 2001 census. Of this, 0.90 crore (15 per cent) and 1.21 crore (20 per cent) were Schedule Caste and Schedule Tribes.

1.3 Administrative arrangements

All the PRIs are distinct legal authorities to discharge the functions devolved under the provisions of Acts and Rules subject to monitoring powers vested in state authorities provided there in. The organisational structure of the Department, at District, Block and Village level is given below.

Organisational Chart of PRIs





1.4 Accounting arrangements

1.4.1 Amendment in the Act

As per recommendations of the Eleventh Finance Commission (EFC), audit of accounts of Panchayati Raj Institutions has been entrusted to Director / Commissioner Local Fund Audit (DLFA) and Comptroller & Auditor General (C&AG) of India with the Technical Guidance and Supervision (TGS) of maintenance of accounts and conduct of audit by the State Government in November 2001. But PRIs' Acts were neither amended to empower the CAG nor positive response was received even after regular correspondence with the Panchayati Raj Directorate (PRD). The matter was discussed in the meeting (November 2008) held with Principal Secretary, Finance Department for inclusion of provision of TGS in concerning Act & Rules who assured that suitable action would be taken after consulting practices of other states.

1.4.2 Annual Accounts

As per Rule 63 of M.P. Panchayat Raj Aivam Gram Swaraj Adhiniyam, 1993 the Secretary of the Panchayat or in his absence, such other persons as may be authorised in his behalf, by the General Administration Committee, shall prepare the Annual Accounts as prescribed in Rule 62 and place before the General Administration Committee, for consideration and approval, by 30th day of April each year. During test check of records of ZP Mandasaur (30 GPs), Ratlam (35 GPs) and Neemuch (7 GPs) it was seen that no such Annual Accounts were prepared by the test checked GPs.

1.5 Audit arrangements

The State Government had consented for audit of PRIs by Comptroller & Auditor General (C&AG) of India under Technical Guidance and Supervision (TGS) in November 2001. Accordingly the office of the Senior Deputy Accountant General Local Body Accounts and Audit is conducting audit of PRIs under TGS module.

1.6 Approval of audit plans

The DLFA was required to prepare the audit plan in consultation with the Principal Accountant General (PAG) to include selection / rotation of units number of units to be test checked by AG (20 percent), audit party composition and their deployment. The AG would approve the audit plan as a part of the TGS arrangement. However, in spite of request to the Government (February-November 2008), the audit plan of DLFA were never got approved from the PAG. DLFA agreed to submit audit plan of 2009-10 to PAG for consultation /approval.

1.7 Constitution of State Legislature Committee

The EFC recommended that the report of C&AG relating to audit of accounts of PRIs was to be placed before a Committee of the State Legislature constituted on the same lines as Public Accounts Committee. In spite of request by the PAG to the Government, the Committee was yet to be constituted (December - 2010). Government, stated that it intends to include other class of local bodies within the purview of this class and is contemplating to amend M.P. Vidhan Sabha conduct of business rules.

1.8 Source of revenue

There were mainly two sources of funds for Local Bodies (i) Government grants and (ii) own revenues. Government grants comprise of (a) funds released by the State Government and Government of India (GOI) based on the recommendation of State Finance Commission (SFC), Twelfth Finance Commission (TFC) (b) GOI and State share released for various central and State sector schemes. Own revenue resources of PRIs comprise of tax and non-tax revenues realised by them.

1.9 Receipts and expenditure of PRIs

1.9.1 Non preparation of Annual Action plan

As per recommendation of 1st State Finance Commission (SFC) an annual action plan should be prepared at district level in respect of three tier of PRIs and should be monitored regularly by district authorities.

During test check of 4 districts¹ it was seen that a District Planning Committee comprising of district level representatives of various departments of the State Government was constituted in every district. The district annual action plan was prepared without calling for grass root level i.e. Gram Panchayat level annual action plans. Therefore equal distribution of resources upto Gram Panchayat level could not be assured. Preparation of decentralized annual action plan in respect of three tier of Panchayati Raj Institutions to ensure equal distribution of resources is needed.

¹ Gwalior, Mandsour, Neeemach and Ratlam.

Funds (Share of tax revenue of the state, schemes and grants etc.) allocated to PRIs by the State Government through budget including GOI's share of the schemes and grants recommended by EFC & TFC were as under:-

(` in crore)

Sl. No.	Grants in aid						Actual Expenditure			Excess (+)/ Saving (-)
	Year	Share of Tax	Scheme funds	Grant	Pay & Allowance of Directorate	Total	Revenue	Capital	Total	
1.	2005-06	130.25	244.43	1583.25	0.03	1957.96	1832.67	6.63	1839.30	(-) 118.66
2.	2006-07	19.30	245.63	2455.10	0.37	2720.40	2241.73	0.04	2241.77	(-) 478.63
3.	2007-08	176.12	239.49	2823.72	0.06	3239.39	2999.92	3.03	3002.95	(-) 236.44
4.	2008-09	174.30	415.21	3391.58	6.39	3987.48	3125.25	0.03	3125.28	(-) 862.20

It can be seen from the table that the budget provisions increased by 47 per cent during the year 2008-09 as compared to 2006-07 but the PRIs could not spend the amount, resulting into substantial saving from 2006-07 to 2008-09. The details of receipts of revenue and expenditure thereagainst in all PRIs were not being maintained at the PRD level. On being enquired, PRD replied (Sept. 2009) that the same would be collected and furnished to audit.

1.9.2 State Finance Commission (SFC)

The FD accepted (March 2005) the recommendation of second SFC for devolution of 2.93 per cent of 90 per cent of the State's own tax revenue to PRIs. The position of grants released to PRIs through state budget during 2005-06 to 2008-09 were as under:

(` in crore)

Year	Amount of own tax revenue of the state		Amount of share of own tax revenue to be allocated as per prescribed percentage (i.e. 2.93%)	Amount of share of own tax revenue (SFC grants) released to PRIs	Short fall (with percentage)
	Total	Net (After deduction of 10%)			
1	2	3	4	5	6
2005-06	9115	8203.50	240.36	207.91	32.45 (13)
2006-07	10473	9425.70	276.13	208.70	67.43 (23)
2007-08	12018	10816.20	316.91	243.00	73.91 (23)
2008-09	13614	12252.60	359.00	226.00	133 (37)

Reasons for shortfall were called for, reply from FD was awaited (December 2009)

The devolution of funds under recommendations of SFC were meant to cover the tasks of basic services, vis-à-vis development of water supply and sanitation etc. The shortfall in release of funds to PRIs from 2005-06 to 2008-09 resulted in less availability of funds with them for the purpose envisaged by SFC.

1.10 Position of Outstanding audit paragraphs:

As of March 2009, the number of outstanding audit paragraphs of PRIs included in the Inspection Reports (IRs) of DLFA excluding those of Gwalior region was 94703 Similarly the number of outstanding paras of AG's Inspection Reports was 11236 on the date. Details of outstanding paragraphs were as under:

(A) Outstanding audit paragraphs of DLFA

(As on 31 March 2009)

Sl. No.	Financial Year	PRI			
		Total No. of outstanding audit paragraphs	Addition	No. of paragraphs settled	No. of paragraphs Outstanding
1.	2006-07	87601	7250	12494	82357
2.	2007-08	82357	4502	10416	76443
3.	2008-09	76443	21151	2891	94703

(B) Outstanding audit paragraphs of AGs Inspection Reports.

(As on 31 March 2009)

Sl. No.	Financial Year	PRI			
		Total No. of outstanding audit paragraphs	Addition	No. of paragraphs settled	No. of paragraphs Outstanding
1.	2006-07	2824	3029	Nil	5853
2.	2007-08	5853	3877	07	9723
3.	2008-09	9723	1544	31	11236

Even after vigorous pursuance with the Finance Department, no audit committee was constituted in the State to discuss and settle the outstanding paragraphs resulting in large number of audit paras being left unsettled.

1.11 Non-refund of unspent balances of closed/non-operational schemes

As per guidelines of the schemes and instructions contained in the sanction by the Government the unspent balances of closed and non-operational schemes/programmes should be refunded to the concerned department. Test check of records of Eight PRIs revealed that as sum of ` 1.17 crore pertaining to various closed/non-operational schemes were lying in the bank account and not refunded to the Departments, as shown in the **Appendix- XIII**.

This resulted not only in blocking of funds but also in depriving the rural population from intended benefits.

1.12 Outstanding advances against individuals/executing agencies

Rule 49 of Madhya Pradesh Janpad Panchayat (Lekha Niyam), 1999 provides that advances for office expenses and transportation given to individuals/executing agency (Sarpanchs/ Pradhans/Officials etc.) should be got adjusted immediately after incurring such expenditure, failing which the entire amount of advance should be recovered from the next salary or sums payable to them.

Test check of records of five PRIs revealed that in contravention/violation of the above provision, a sum of ` 14.24 lakh was outstanding against individuals /executing agencies ranging from three to five years and more as shown in **Appendix -XIV**.

1.13 Bank-reconciliation statement not prepared

Rules 25-26 of Madhya Pradesh, Janpad Panchayat Lekha Niyam 1999, provides that the reconciliation of any difference between the balances of cash book and bank accounts is required to be conducted every month. However, it was noticed that the difference of cash balance of ` 5.25 crore between Cashbook and Bank statement at the close of the year (2007-08) was not reconciled by 22 PRIs as shown in the **Appendix -XV**. Due to non-reconciliation of cash balance, possibility of embezzlement of funds could not be ruled out and the authenticity of cash balance of PRIs in the cashbook also remained doubtful in the absence of reconciliation with bank statement.

1.14 Conclusion

Annual Accounts were not prepared by the PRI regularly. Details or receipts and expenditure of PRIs were not compiled at the State level. Approval of PAG on audit plan was not obtained by DLFA as envisaged under TGS module. The State Government has not formed a State Legislature Committee for discussion of CAG's Audit Reports on Local Bodies.

1.15 Audit findings on release and utilisation of Twelfth Finance Commission's grants of PRIs

1.15.1 Delay in transfer of grant to PRIs and non payment of interest of delayed transfer

According to para 6.1 and 6.4 of GOI guidelines on TFC grant States have to mandatorily transfer the grants released by the Centre to the PRIs within 15 days of its credit into the State Governments account. In case of delayed transfer of grant to PRIs beyond specified period of 15 days, the State Government was required to pay interest to PRIs at the rate equal to the RBI rate along with such delayed transfer of grants.

Scrutiny of records of the FD revealed (September 2009) that the GOI released the first and second instalment of ` 332.60 crore (first ` 166.30 and second ` 166.30 crore) for the year 2008-09 on 07 October 2008 and 28 April 2009 respectively and credited into State Government's account on the same date. Bank accounts of PRIs were test checked in audit. The test check in 266 Gram Panchayats (GPs) (September to December 2009) revealed that there were delays of 15 to 338 days (beyond specified period of 15 days) in transfer of grants of ` 3.92 crore² to their respective bank accounts. As per GOI guidelines and also as per past practice, the FD was required to issue a financial sanction for interest @ 5% for the delayed transfer of grants to PRIs bank accounts during the year 2008-09.

The State Government has already paid interest ` 1.64 crore to PRIs for delayed transfer of first instalment for 60 days (Excluding 15 days) but no interest was paid yet for further delayed transfer in to GPs bank accounts for year 2008-09.

² ` 3.92 crore (first instalment ` 1.95 crore and second instalment ` 1.97 crore)

On being pointed out regarding payment of interest for delayed transfer of grants (December 2009) no reply was furnished so far by FD as well as PRD.

1.15.2 Expenditure incurred without preparation of Self of Project by GPs

According to para 4.1.3 States TFC guideline (Revised 2006) each GPs should prepare an Annual Work Plan (Shelf of project) with the approval of Gram Sabha. Gram Panchayats should send a copy of self of project to Janpad Panchayat and Zila Panchayat for information and thereafter GPs would execute work as per project accordingly.

Scrutiny of records of 159 GPs of six districts³ revealed that an expenditure of ` 2.08 crore was incurred without preparation of Annual Work Plan. For this omission the GPs stated that they were not aware of such guidelines and instructions.

1.15.3 Non recovery of pending user charges

As mentioned in the para 3.1 (XII) GOI guidelines, of TFC grant the PRIs should, recover at least 50 per cent of recurring costs in the form of user charges. As per revised guidelines of State Government (para 4.2.1.1), recovery of user charges was to be made from the consumers of water connections under the Water Supply Scheme of “Naljal”.

Scrutiny of records of 77 GPs of six districts⁴ revealed that the amount of ` 0.39 crore was pending for recovery from the consumers of 15271 water connections. The reasons for pending recovery of user charges were attributed to lack of interest/ non cooperation of the representatives of public. GPs (September to December 2009) have, however, stated that recovery of user charges would be made.

1.15.4 Social Audit not conducted

As per para 13 of the state guidelines of TFC grant (Revised 2006) Social Audit of each construction and development work was to be conducted mandatorily by the Gram Sabhas (Village Assemblies). Scrutiny of records of 160 test checked GPs of five districts⁵ revealed that the Social Audit was not conducted by the concerned Gram Sabhas for want of instructions, lack of knowledge and work load etc.

1.15.5 Database formats on finances of PRIs not developed

According to recommendations of Eleventh Finance Commission (EFC) the data on finances of PRIs needs to be collected, compiled and maintained in standard formats as prescribed by C&AG. However, database formats have not been developed. As per UCs, the entire TFC grants amounting to ` 332.60 crore which included ` 14.16 crore for maintenance of accounts and creation

³ Dhar, Jabalpur, Jhabua, Sagar, Satna & Ujjain.

⁴ Dhar, Jabalpur, Jhabua, Sagar, Satna & Ujjain.

⁵ 160 GPs (Jabalpur 29, Jhabua 56, Sagar 33, Satna 09 and Ujjain 33).

of database received for 2008-09 stated to have been utilised in the JPs/GPs on the specified purpose. But the database of finances in the formats prescribed by C&AG was not yet created in any of the test checked JPs/GPs in five districts⁶.

1.16 Irregularities noticed in implementation of other schemes

1.16.1 Incomplete works under SGRY

Test check of records in 11 JPs revealed that 750 works taken up under various schemes including SGRY were lying incomplete from 2001-02 onwards on after incurring on expenditure of ` 791.43 lakh as detailed in **Appendix –XVI**. Due to non completions of works, the intended benefit of the assets could not be provided to the beneficiaries. Further, the possibility of deterioration of these assets can not be ruled out with the passage of time.

1.16.2 Irregular allotment of houses to the male beneficiaries under Indira Awas Yojna (IAY)

According to Para 6 of the guidelines of IAY issued by Government of India (GOI) and para 5.5 of the guidelines issued by Government of Madhya Pradesh, the allotment of Plots and Awas should be made in name of unmarried woman or widow in the family or in the joint name of husband and wife.

Test check of records of 14 JPs revealed that 5249 Awas costing ` 1049.87 lakh as shown in **Appendix -XVII** were allotted to male beneficiaries in violation of the provisions of the Yojna.

Date: 30 March, 2011
Place: Gwalior

(J.R. Meena)
Dy. Accountant General
(Local Bodies)
Madhya Pradesh

Countersigned

Date: 04 April 2011
Place: Gwalior

(B.R. Khairnar)
Principal Accountant General
(Civil and Commercial Audit)
Madhya Pradesh

⁶ Jabalpur, Jhabua, Sagar, Satna and Ujjain

Appendix – I
(Reference: Paragraph –1.6.1 page-3)

**Statement showing the details of own revenue assigned realised, grants & loan received from state and central government,
Revenue and Capital expenditure during the year 2006-07 to 2008-09 in test checked ULBs.**

(` in crore)

Sl. No.	Name of test checked units	Year	Details of own revenue assigned revenue and loan realised and grants received						Expenditure			Excess (-)/ Saving (+)	
			Own revenue realized	Assigned revenue	States Grant	Central Grant	Loan + OR	Total	Revenue Expenditure	Capital Expenditure	Total Expenditure		
1	2	3	4	5	6	7	8	9	10	11	12	13	
1.	MC Bhopal	2005-06	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		2006-07	62.43	54.11	18.96	30.64	38.71	204.85	157.23	45.18	202.41	2.44	
		2007-08	61.33	54.28	45.37	4.57	48.05	213.60	165.31	88.36	253.67	(-) 40.07	
		2008-09	64.71	71.07	111.23	109.83	--	356.84	172.14	74.65	246.79	110.05	
2.	MC Gwalior	2005-06	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		2006-07	18.75	50.20	2.35	1.32	--	72.62	58.40	12.18	70.58	2.04	
		2007-08	29.59	66.62	29.76	2.63	--	128.60	78.06	23.90	101.96	26.64	
		2008-09	31.71	72.39	27.39	3.91	9.00	144.40	103.80	28.95	132.75	11.65	
3.	MC Ratlam	2005-06	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		2006-07	6.67	7.06	8.50	--	4.26	26.49	20.84	5.46	26.30	0.19	
		2007-08	7.16	10.67	9.39	3.24	3.89	34.35	23.92	5.37	29.29	5.06	
		2008-09	8.06	12.67	9.39	--	3.89	34.01	27.73	7.25	34.98	(-) 0.97	
4.	Nagar Palika Neemuch	2005-06	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		2006-07	5.62	3.06	3.16	--	--	11.84	6.26	2.05	8.31	3.53	
		2007-08	6.05	4.35	3.58	--	--	13.98	5.79	2.72	8.51	5.47	
		2008-09	3.13	2.44	2.65	--	--	8.22	10.68	3.61	14.29	(-) 6.07	
5.	Nagar Palika Mandsaur	2005-06	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		2006-07	4.10	8.76	0.35	--	3.44	16.65	8.71	0.26	8.97	7.68	
		2007-08	12.03	8.23	0.70	3.49	1.63	26.08	23.21	0.37	23.58	2.50	
		2008-09	6.36	10.58	0.35	--	2.87	20.16	20.63	0.27	20.90	(-) 0.74	

Note:- The above figures were worked out from the budget estimates of these ULBs for the year 2005-06 to 2008-09

Appendix --II
(Reference: Paragraph 1.9 Page - 4)
Non preparation of Bank reconciliation statement

(` In rupees)

SL. No.	Name of Units	Period of Audit	Amount as per passbook/ Bank Statement	Amount as per cash book	Net Balances remained unreconciled
1.	Nagar Palika Bar Seoni	4/01 to 3/07	168.35	62.29	106.06
2.	Nagar Palika Gadarwara	4/05 to 3/07	241.83	91.92	149.91
3.	Nagar Palika Mandla	4/04 to 3/08	226.37	249.68	(-) 23.31
4.	Nagar Palika Ganj Basoda	4/04 to 3/09	102.52	87.50	15.02
5.	Nagar Palika Gohad	4/02 to 3/08	86.93	59.39	27.54
6.	Nagar Panchayat Rahatgarh	4/02 to 3/08	46.17	48.94	(-) 2.77
7.	Nagar Panchayat Gautam Pura	4/01 to 3/08	96.54	93.34	3.19
8.	Nagar Panchayat Rajgarh	4/04 to 3/08	32.96	46.00	(-) 13.04
9.	Nagar Panchayat Jaura	4/05 to 3/09	134.02	131.38	2.64
		Total	1135.69	870.44	265.25

Or say ` 2.65 crore

Appendix -III
(Reference: Paragraph – 1.10 Page -5)
Non-recovery of advances from individuals

(` in lakh)

SL. No.	Name of Unit	Period of Audit	Period from which outstanding	Amount
1.	Nagar Palika Varaseoni	4/01 to 3/07	from 4/01	4.13
2.	Nagar Palika Badwaha (Khargone)	4/04 to 3/07	10 year	0.71
3.	Nagar Palika Pandurana (Chhindwara)	4/03 to 3/08	from 95/96	0.45
4.	Nagar Palika Gadarwara	4/05 to 3/09	from 4/03	6.25
5.	Nagar Palika Ganj Basoda	4/04 to 3/07	4/07	0.59
6.	Nagar Panchayat Mehgaon	4/01 to 3/07	4/02	0.335
7.	Nagar Panchayat Badnawar	4/01 to 3/06	NA	0.72
8.	Nagar Panchayat Madav	4/01 to 3/05	4/2000	0.08
9.	Nagar Panchayat Mundi (Khandwa)	4/04 to 3/07	4/01	1.07
10.	Nagar Panchayat Jaura (Morena)	4/05 to 3/09	7/07	0.34
11.	Nagar Palika Mandla	4/04 to 3/08	10/5	4.18
12.	Nagar Palika Sanawad	4/05 to 3/07	5/94	2.37
13.	Nagar Palika Mahidpur	4/04 to 3/07	7/04	0.86
			Total	22.08

Appendix –IV
(Reference: Paragraph 1.11 Page 5)

Diversion of funds

(` in lakh)

S. No.	Name of unit	Period	Scheme for which grant was released,	Scheme for which grant was diverted	Amount
1.	Nagar Panchayat Majholi	4/01 to 3/08	Moolbhoot Suvidha	TCS	3.00
2.	Nagar Panchayat Ganj Basoda	4/04 to 3/09	SFC and Moolbhoot	Electric bill	16.46
3.	Nagar Palika Badwaha	4/04 to 3/07	Primary School	Madhyamic Bhavan	4.00
4.	Nagar Palika Varaseoni	4/01 to 3/07	Sansad Nidhi	Construction of Boundary Wall	1.52
				Total	24.98

Appendix –V
(Reference: Paragraph –1.12 Page -5)

Non recovery of taxes

(` in lakh)

Sl. No.	Name of Unit	Period of audit	Total un-recovered amount
1.	Nagar Palika Barwaha	4/2004 to 3/2007	62.63
2.	Nagar Palika Malajkhand	7/2006 to 3/2008	183.27
3.	Nagar Palika Panagar	4/2005 to 3/2008	3.26
4.	Nagar Panchayat Shahpura	4/2001 to 3/2007	10.45
5.	Nagar Palika Varaseoni	4/2001 to 3/2007	28.94
6.	Nagar Palika Pandurna	4/2003 to 3/2008	23.41
7.	Nagar Palika Gadarwara	4/2005 to 3/2007	91.82
8.	Nagar Palika Gunj Basoda	4/2004 to 3/2009	128.75
9.	Nagar Panchayat Maheshwar	4/2001 to 3/2007	57.20
10.	Nagar Panchayat Majholi	4/2001 to 3/2008	6.76
11.	Nagar Panchayat Rahatgarh	4/2002 to 3/2008	40.41
12.	Nagar Palika Anuppur	4/2007 to 3/2009	26.87
13.	Nagar Panchayat Gotampur	4/2001 to 3/2008	10.96
14.	Nagar Panchayat Badnawar	4/2001 to 3/2006	8.53
15.	Nagar Panchayat Mundi	4/2004 to 3/2007	6.94
16.	Nagar Palika Mandla	4/2004 to 3/2008	37.25
17.	Nagar Palika Mahidpur	4/2004 to 3/2007	26.20
18.	Nagar Palika Sanawad	4/2005 to 3/2007	17.44
		Total	771.09

Or say ` 7.71 crore

Appendix -VI
(Reference: Paragraph –1.14 Page -6)

Non-creation of Reserve Fund of ULB's

(` in lakh)

SL. No.	Name of Unit	Year	Outstanding Amount
1.	Nagar Palika Malajkhand	4/06 to 3/08	31.13
2.	Nagar Panchayat Shahpura	4/01 to 3/07	14.11
2.	Nagar Palika Varaseoni	4/01 to 3/07	6.89
3.	Nagar Palika Pandurna	4/03 to 3/08	26.72
4.	Nagar Panchayat Maheshwar	4/01 to 3/07	5.55
5.	Nagar Panchayat Majholi	4/05 to 3/08	6.56
6.	Nagar Panchayat Rahatgarh	4/04 to 3/08	13.06
7.	Nagar Panchayat Mundi	4/04 to 3/08	16.77
8.	Nagar Palika Mandla	4/04 to 3/07	7.04
9.	Nagar Palika Mahidpur	4/04 to 3/07	26.84
		Total	154.67

Or say ` 1.55 crore

Appendix -VII
(Reference: Paragraph –1.15 page -6)

Non-recovery of rent and premium of shops

(` in lakh)

S. No.	Name of Unit	Period of AIR	Arrear of Premium	Arrear of Rent	Total
1.	Nagar Palika Mandla	4/04 to 3/08	--	19.44	19.44
2.	Nagar Palika Sanawad	4/05 to 3/07	17.63	2.12	19.75
3.	Nagar Palika Veraseoni	4/01 to 3/07	--	1.74	1.74
4.	Nagar Palika Gadarwara	4/05 to 3/07	--	16.72	16.72
5.	Nagar Palika Majholi	4/01 to 3/08	--	1.00	1.00
6.	Nagar Palika Anuppur	4/07 to 3/09	--	4.20	4.20
7.	Nagar Palika Gautam pura	4/01 to 3/08	--	1.63	1.63
8.	Nagar Palika Badnawar	--	--	1.45	1.45
9.	Nagar Palika Rajgarh	4/04 to 3/08	--	3.42	3.42
10	Nagar Palika Pandurna	4/03 to 3/08	19.25	--	19.25
11.	Nagar Panchayat Jaura	4/05 to 3/09	19.08	--	19.08
12.	Nagar Palika Ganj Basoda	4/04 to 3/09	3.16	--	3.16
13.	Nagar Palika Mahidpur	4/04 to 3/07	8.54	--	8.54
		Total	67.66	51.72	119.38

Or say ` 00.68 crore ` 00.52 crore ` 1.20 crore

Appendix – VIII
(Reference: Paragraph 1.17.2 Page - 7)

Unspent Balance of grants

(` In Lakh)

Sl. No.	Units Name	Year	Received grant	Expenditure	Un spent grant
1.	Nagar Panchayat, Amar Patan (Satna)	2005-06	10.40	04.99	05.41
		2006-07	10.40	04.99	05.41
		2007-08	10.40	00.48	09.92
2.	Nagar Panchayat, Birsinghpur (Satan)	2005-06	8.00	07.84	00.16
		2006-07	8.00	00.26	07.74
		2007-08	8.00	Nil	08.00
3.	Nagar Palika Parishad, Barnagar (Ujjain)	2005-06	18.60	18.23	0.37
		2006-07	18.60	12.76	5.84
		2007-08	18.60	8.93	9.67
4.	Nagar Panchayat, Dharampuri	2006-07	4.25	2.13	2.12
		2007-08	8.50	4.25	4.25
5.	Nagar Palika Parishad, Deori (Sagar)	2005-06	14.40	07.18	07.22
		2006-07	14.40	04.00	10.40
		2007-08	14.41	05.39	09.02
6.	Nagar Nigam, Dewas	2005-06	73.68	37.85	35.83
		2006-07	73.58	47.92	25.66
		2007-08	73.61	51.16	22.45
7.	Nagar Palika Parishad, Jhabua	2005-06	18.40	5.65	12.75
		2006-07	9.20	Nil	9.20
		2007-08	18.40	5.81	12.59
8.	Nagar Panchayat, Kothi (Satna)	2005-06	4.88	2.34	2.54
		2006-07	4.88	1.31	3.57
		2007-08	4.88	2.33	2.55
9.	Nagar Panchayat, Kukshi	2005-06	15.50	8.27	7.23
		2006-07	7.75	3.11	4.64
		2007-08	15.50	13.26	2.24
10.	Nagar Palika Parishad, Nagod (Satna)	2005-06	12.40	0.01	12.39
		2006-07	12.40	0.38	12.02
		2007-08	12.40	6.31	06.09
11.	Nagar Panchayat, Patan (Jabalpur)	2005-06	08.69	08.40	00.29
		2006-07	08.48	01.97	06.51
		2007-08	08.49	06.20	02.29

12.	Nagar Panchayat, Petlawad (Jhabua)	2006-07	8.00	4.00	4.00
		2007-08	8.00	4.00	4.00
13.	Nagar Palika Parishad, Pithampur	2006-07	20.40	10.33	10.07
		2007-08	40.80	10.34	30.46
14.	Nagar Panchayat, Ranapur (Jhabua)	2005-06	6.80	3.83	2.97
		2007-08	6.20	0.50	5.70
15.	Nagar Palika Parishad, Rehli (Sagar)	2006-07	15.51	09.28	06.23
		2007-08	15.51	07.76	07.75
16.	Nagar Nigam, Sagar	2005-06	74.24	67.83	06.41
		2006-07	74.18	18.54	55.64
		2007-08	74.18	18.72	55.46
17.	Nagar Nigam, Satna	2005-09	288.32	250.87	37.45
18.	Nagar Panchayat, Shahpura (Jabalpur)	2005-06	07.70	03.85	03.85
		2006-07	07.70	03.85	03.85
		2007-08	07.70	03.85	03.85
19.	Nagar Palika Parishad, Sehora (Jabalpur)	2005-06	22.72	02.44	20.28
		2006-07	22.72	13.33	09.39
		2007-08	22.72	16.18	06.54
20.	Nagar Panchayat, Thandla (Jhabua)	2005-06	8.00	4.00	4.00
		2006-07	4.04	2.27	1.77
		2007-08	8.09	2.03	6.06
21.	Nagar Panchayat, Tarrana (Ujjain)	2005-06	13.80	6.98	6.82
		2006-07	6.90	Nil	6.90
		2007-08	13.80	7.45	6.35
22.	Nagar Panchayat, Unhel (Ujjain)	2005-06	8.90	Nil	8.90
		2006-07	4.45	Nil	4.45
Total			134146		585.52

Appendix - IX
(Reference: Paragraph –1.17.3 Page - 8)

Unspent grant included in Utilisation Certificate (UCs)
(2005-06 to 2008-09)

(` In lakh)

S. No.	Name of ULBs	Received amount	Expenditure during 2005-09	Unspent (upto December 09)
1	2	3	4	5
1.	Nagar Panchayat, Amar Patan (Satna)	20.80	00.52	20.28
2.	Nagar Palika Parishad, Barnagar (Ujjain)	37.20	13.13	24.07
3.	Nagar Panchayat, Birsinghpur (Satna)	16.00	04.26	11.74
4.	Nagar Nigam, Dewas	163.13	30.99	132.14
5.	Nagar Palika Parishad, Deori (Sagar)	28.80	Nil	28.80
6.	Nagar Panchayat, Dharpuri (Dhar)	17.00	4.25	12.75
7.	Nagar Palika Parishad, Jhabua	36.80	Nil	36.80
8.	Nagar Panchayat, Kothi, (Satna)	09.76	01.76	08.00
9.	Nagar Panchayat, Kukshi (Dhar)	31.00	10.05	20.95
10.	Nagar Panchayat, Nagod (Satna)	24.80	Nil	24.80
11.	Nagar Panchayat, Patan (Jabalpur)	17.07	Nil	17.07
12.	Nagar Panchayat, Petlawad (Jhabua)	16.00	04.00	12.00
13.	Nagar Palika Parishad, Pithampur (Dhar)	81.65	21.89	59.76
14.	Nagar Panchayat Ranapur (Jhabua)	13.30	6.60	6.70
15.	Nagar Palika Parishad, Rehli (Sagar)	31.02	09.28	21.74
16.	Nagar Nigam, Sagar	148.41	30.71	117.70
17.	Nagar Nigam, Satna	144.16	106.71	37.45
18.	Nagar Palika Parishad, Sehora (Jabalpur)	45.44	12.36	33.08
19.	Nagar Panchayat, Shahpur (Sagar)	11.70	07.80	03.90
20.	Nagar Panchayat, Shahpura (Jabalpur)	15.40	Nil	15.40
21.	Nagar Panchayat, Tarrana (Ujjain)	27.60	Nil	27.60
22.	Nagar Panchayat, Thandla (Jhabua)	16.13	Nil	16.13
23.	Nagar Panchayat, Unhel (Ujjain)	17.80	1.96	15.84
	Total	970.97	266.27	704.70

Or say ` 9.71, ` 2.66 and ` 7.05
crore

(73 percent)

Appendix - X
(Reference: Paragraph –1.17.4 Page -8)

No progress in Solid Waste Management

(` In lakhs)

S. No.	Units Name	Grant received during 2005-09	Expenditure up to December 09	Unspent grant
1	2	3	4	5
1.	Nagar Panchayat, Amar Patan (Satna)	20.80	Nil (0.52 DPR)	20.28
2.	Nagar Palika Parishad, Deori (Sagar)	28.80	--	28.80
3.	Nagar Palika Parishad, (Jhabua)	36.80	--	36.80
4.	Nagar Panchayat, Kothi (Satna)	9.76	Nil (1.76 DPR)	08.00
5.	Nagar Panchayat, Nagod (Satna)	24.80	--	24.80
6.	Nagar Panchayat, Patan (Jabalpur)	17.07	--	17.07
7.	Nagar Panchayat, Shahpura (Jabalpur)	15.40	--	15.40
8.	Nagar Panchayat, Tarana (Ujjain)	27.60	--	27.60
9.	Nagar Panchayat, Thandla (Jhabua)	16.13	--	16.13
	Total `	197.16	2.28	194.88
			Or say ` 1.95 crore	

Appendix – XI
(Reference: Paragraph 2.1 Page 11)
Non crediting of Urban Development cess by Nagar Nigam

(in lakh)

Sl. No.	Name of Nagar Nigam	Audit period	UDC collected during the year						Total
			2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	
1.	Jabalpur	4/05 to 3/07	114.50	164.31	252.19	303.55	281.65	394.02	1510.22
2.	Ratlam	4/04 to 3/07				32.92	38.40	50.89	122.21
3.	Satna	4/04 to 3/07				1.25	2.95	41.53	45.73
		Total	114.50	164.31	252.19	337.72	323.00	486.44	1678.16

Or say ` 16.78 crore

Appendix – XII
(Reference: Paragraph 2.3 Page 12)

Allotment of plots at lower rates than fixed by Collector's guidelines

Sl. No.	Name of Colony / Area	No. of plot allotted	Total Area per Sq. fit	Collector Rate per Sq. fit	Allotted Rate per Sq. fit	Total cost of plot as per Collector rate	Actual value of plot realized	Different (Amount to be realised)
1	2	3	4	5	6	7 (4X5)	8 (4X6)	9 (7-8)
1.	Yojana No. 32 Indira Nagar East Registered Allotment period 16.8.1996 to 15.11.1999	4	6800	80	35	544000	238000	306000
		1	720	80	17.5	57600	12600	45000
		1	1600	45	35	72000	56000	16000
		2	1320	90	35	118800	46200	72600
		1	720	65	17.5	46800	12600	34200
		3	2690	60	35	161400	94150	67250
2.	Yojana No. 32 Indira Nagar East (Unregistered) Allotment period 15.10.1999 to 3.4.2000	2	890	80	35	71200	31150	40050
		2	1950	80	17.5	156000	34125	121875
		1	1350	90	17.5	121500	23625	97875
3.	Yojana No. 35 Kasturba Nagar (Registered) Allotment period 17.9.1998 to 29.9.1999	4	4400	95	42	418000	184800	233200
		3	4730	83	42	392590	198660	193930
		2	1962.6	105	42	206073	82429.2	123643.8
4.	Yojana No. 35 Kasturba Nagar (Unregistered) Allotment period 17.9.1998 to 29.9.1999	1	1375	95	42	130625	57750	72875
		3	3288.35	105	42	345276.75	138110.7	207166.05
5.	Yojana No. 55 Devda Dev Narain (Registered) Allotment period 20.2.1995 to 9.2.2000	27	35650	50	40	1782500	1426000	356500
		5	3000	50	33	150000	99000	51000
		11	6600	50	35	330000	231000	99000
		1	1000	80	42	80000	42000	38000
		1	600	70	35	42000	21000	21000
		1	600	80	35	48000	21000	27000

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6.	Yojana No. 55 Devda Dev Narain (Unregistered) Allotment period 18.3.1999 to 21.3.2000	2	1200	70	35	84000	42000	42000
		1	1000	80	45	80000	45000	35000
7.	Yojana No. 64 Dongra Nagar (Registered) Allotment period 3.2.1995 to 9.4.1999	2	5600	60	40	336000	224000	112000
		2	5600	50	40	280000	224000	56000
		14	24211.49	60	38	1452689.4	920036.62	532652.78
		10	15160	70	38	1061200	576080	485120
		29	38940.34	50	38	1947017	1479732.92	467284.08
		25	26896.24	40	38	1075849.6	1022057.12	53792.48
		2	3000	60	33	180000	99000	81000
		16	23369.9	50	33	1168495	771206.7	397288.3
		3	3000	40	33	120000	99000	21000
		5	5880.15	80	38	470412	223445.7	246966.3
8.	Yojana No. 64, Dongra Nagar Commercial (Registered) Allotment period 4.1.1996 to 4.11.1999	5	9539.41	80	40	763152.8	381576.4	381576.4
9.	Yojana No. 64, Dongra Nagar Commercial (Unregistered) Allotment period 11.1.1996 to 13.7.1999	5	29171.04	80	40	2333683.2	1166841.6	1166841.6
10.	Yojana No. 12-13, Kaleni Colony (Registered) Allotment period 17.4.1995 to 13.5.1998	8	9375	170	65	1593750	609375	984375
		3	2925	170	51.25	497250	149906.25	347343.75
11.	Yojana No. 12-13, Kaleni Colony (Unregistered) Allotment date 17.8.1999	1	720	180	65	129600	46800	82800
12.	Ajanta Talkies Road (Unregistered) Allotment period 10.4.1999 to 20.5.1999	2	562.7	235	175	132234.5	98472.5	33762
13.	Amrit Sagar (Registered) Allotment date 23.7.1997	1	2100	60	32	126000	67200	58800
Total		212	289497.22	3218	1592.25	19105698.25	11295930.70	7809767.54

(Or say ` 78.10 lakh)

Appendix – XIII
(Reference: Paragraph –1.11 Page -22)

Non refund of unspent amount of closed / non-operational scheme

(` in lakh)

Sl. No.	Name of Scheme	Name of PRI	IR period	Non refunded Amount
1.	10 th Finance Commission	Zila Panchayat Ratlam	Checked by Chapter I party	1147201.64
		Zila Panchayat Neemuch	--do--	6824.00
		Janpad Panchayat Harrai	4/2005 to 3/2008	507649.00
		Janpad Panchayat Varaseone (Balaghat)	7/2005 to 3/2008	166307.00
			Total	1827981.64
2.	11 th Finance Commission	Zila Panchayat Ratlam	Checked by Chapter –I party	218244.00
		Zila Panchayat Neemuch		218244.00
		Zila Panchayat Gwalior		288684.00
		Janpad Panchayat Harrai	4/2005 to 3/2008	480201.00
		Janpad Panchayat Chourai	7/2004 to 3/2006	348692.00
		Janpad Panchayat Paraswada (Balaghat)	6/2001 to 3/2008	563469.00
		Janpad Panchayat Varaseoni (Balaghat)	7/2005 to 3/2008	1000329.00
		Zila Panchayat Dindori	4/2004 to 3/2007	3363000.00
			Total	6480863
3.	SGRY	Janpad Panchayat Harrai	4/2005 to 3/2008	877415
	SGRY Distt. level	Janpad Panchayat Chourai	7/2004 to 3/2006	430073
	SGRY Janpad level	Janpad Panchayat Chourai	7/2004 to 3/2006	675462.25
	SGRY Distt. level	Janpad Panchayat Paraswada	6/2001 to 3/2008	369613.00
	SGRY Janpad level	Janpad Panchayat Paraswada	6/2001 to 3/2008	482013.00
	SGRY NFFW	Janpad Panchayat Paraswada	6/2001 to 3/2008	558239.00
			Total	3392815.25
			Grant total	11708483.89

` 1.17 crore

Appendix - XIV
(Reference: Paragraph 1.12 Page -22)

Outstanding advances against individuals/executing agencies

(` in lakh)

SL. No.	Name of Unit	Period of Audit	Amount
1.	Janpad Panchayat Satna	4/04 to 3/08	3.20
2.	Janpad Panchayat Raipur Karchuliyan (Rewa)	4/05 to 3/07	5.95
3.	Janpad Panchayat Bahoriband (Katni)	5/05 to 3/07	2.42
4.	Janpad Panchayat Bari (Bareilly)	5/02 to 3/06	0.30
5.	Janpad Panchayat Bada Malehara (Chhatarpur)	4/04 to 3/07	2.37
		Total	14.24

**Appendix - XV
(Reference: Paragraph –1.13 Page -23)**

(Bank reconciliation statement not prepared)

(` in crore)

Sl. No.	Name of Unit	Period of AIR	Amount as per cash book	Amount as per pass book / bank statement	Net Balance remained unreconciled
1.	Janpad Panchayat Dharampuri (Dhar)	6/05 to 3/07	15990676	17190141	1199465
2.	-do- Paraswada (Balaghat)	6/01 to 3/08	8201585	8308232.24	106647.24
3.	-do- Chorai (Chhindwara)	7/04 to 3/07	17765285.47	21048726.35	3283440.88
4.	-do- Sanwer (Indore)	2/06 to 3/07	9953612	11973646	2020033
5.	-do- Ghatia (Ujjain)	3/02 to 3/06	1921966	3088845.76	1166879.76
6.	-do- Junnardev (Chhindwara)	12/04 to 3/08	30609290	40736745	10127455
7.	-do- Khargone	5/05 to 3/07	28172065	31710486	3538421
8.	-do- Panagar (Jabalpur)	4/04 to 3/07	4742485	6126408	1383923
9.	-do- Hata (Damoh)	4/04 to 3/07	2671956	6684731	4012775
10.	-do- Jhabua	6/04 to 3/07	26450874	26631609.45	180785.45
11.	-do- Indore	12/05 to 3/07	28103857	31483043.12	3379186.12
12.	-do- Baldevgarh (Tikamgarh)	4/04 to 3/07	11173710	12983383	18.10
13.	-do- Birsha (Balaghat)	4/03 to 3/08	8527788	23511598	14983810.00
14.	-do- Baradiya (Shajapur)	4/02 to 3/06	9135371	13255278.35	41.20
15.	-do- Badamalahra (Chhatrapur)	4/04 to 3/07	5450605.65	6183630.84	733025.19
16.	-do- Jaura (Morena)	5/04 to 3/07	2008517	2487250	4.79
17.	-do- Tarana (Ujjain)	4/04 to 3/06	13024801.19	13808047.92	783246.73
18.	-do- Pichor (Shivpuri)	4/05 to 3/07	2886919	31512442	26.43
19.	-do- Khachrod (Ujjain)	3/04 to 3/08	8938661.26	10443906.11	1505244.85
20.	-do- Dewri (Sagar)	9/04 to 3/07	1648848	2281964	633116
21.	-do- Lahar (Bhind)	7/04 to 3/07	11510802.76	11733080	222277.57
22.	-do- Jaisngh Nagar (Shadol)	10/04 to 3/07	36981293	40171671	3190378
			285870968.30	373354865.10	52450200.31

` 5.25 crore

Appendix - XVI
(Reference: Paragraph –1.16.1 page -25)

Incomplete works

(` in lakh)

Sl. No.	Name of the Unit	Period of AIR	No of works	Amount
1.	Janpad Panchayat Paraswada (Balaghat)	6/01 to 3/08	294	250.49
2.	Janpad Panchayat Chorai (Chhindwara)	7/04 to 3/06	04	10.30
3.	Janpad Panchayat Khalwa (Khandwa)	1/03 to 3/05	08	6.20
4.	Janpad Panchayat Harrai (Chhindwara)	4/05 to 3/08	32	12.90
5.	Janpad Panchayat Birsa (Balaghat)	4/03 to 3/08	188	312.67
6.	Janpad Panchayat Birsa (Balaghat)	4/03 to 3/08	30	37.13
7.	Janpad Panchayat Raipur Karchuliyan (Rewa)	4/05 to 3/07	59	58.78
8.	Janpad Panchayat Bari (Bareli)	5/02 to 3/06	14	14.01
9.	Janpad Panchayat Pichore (Shivpuri)	4/05 to 3/07	79	72.96
10	Janpad Panchayat Khachroad (Ujjain)	3/04 to 3/08	23	12.30
11.	Janpad Panchayat Sagar	4/04 to 3/08	19	3.69
		Total	750	791.43

Appendix - XVII
(Reference: Paragraph –1.16.2 page -25)

**Irregular allotment of houses to the male beneficiaries under
Indira Awas Yojana**

(` in lakh)

Sl. No.	Name of the unit	Period of AIR	No of house allotted to male beneficiaries	Money value involved
1.	Janpad Panchayat Paraswada (Balaghat)	6/01 to 3/08	620	112
2.	Janpad Panchayat Uchehara (Satna)	4/04 to 3/08	220	35.52
3.	Janpad Panchayat Baldevgarh (Tikamgarh)	4/04 to 3/07	302	61.00
4.	Janpad Panchayat Rampur Nikin (Sidhi)	4/02 to 3/07	795	136.70
5.	Janpad Panchayat Ashtta (Sehore)	4/01 to 3/08	1102	227.35
6.	Janpad Panchayat Raipur Karchuliyan (Rewa)	4/05 to 3/07	146	26.95
7.	Janpad Panchayat Barodiya (Shajapur)	4/02 to 3/06	303	49.70
8.	Janpad Panchayat Bari (Bareli)	5/02 to 3/06	242	42.00
9.	Janpad Panchayat Badamalahara (Chhatarpur)	4/04 to 3/07	167	31.30
10	Janpad Panchayat Tarana (Ujjain)	4/04 to 3/06	336	85.45
11.	Janpad Panchayat Pichore (Shivpuri)	4/05 to 3/07	153	32.40
12.	Janpad Panchayat Khachroud (Ujjain)	3/04 to 3/08	363	122.50
13.	Janpad Panchayat Deori (Sagar)	9/04 to 3/07	80	12.10
14.	Janpad Panchayat Barghat (Seoni)	4/03 to 3/07	420	74.90
		Total	5249	1049.87