

OVERVIEW

This report organized in two chapters. The first chapter contains audit observations on the accounts and finances of the Zila Parishads, Panchayat Samitis and Gram Panchayats and chapter 2 contains paragraphs based on audit of financial transactions of the Panchayati Raj Institutions (PRIs). The following is a synopsis of the findings contained in the report:-

Chapter-1 Accounts and Finances of the Panchayati Raj Institutions

There are 12 Zila Parishads, 77 Panchayat Samitis and 3243 Gram Panchayats in the State. The representative of PRIs are elected after every five years.

“Paragraph 1”

Although State Government constituted (May 2006) the DPCs in all the districts, they are functional only in two districts (Chamba and Sirmour).

“Paragraph 1.3”

The major source of funds of PRIs during 2005-06 to 2009-10 was State Government (55%) and Central Government (40%) grants. The own revenue and other revenue is meager as compared to central and state grants.

“Paragraph 1.4”

The CAG and Ministry of Panchayati Raj, Government of India has prescribed standard formats for budget and accounting system, but the Government of Himachal Pradesh has still not adopted these formats.

“Paragraph 1.5”

Comptroller and Auditor General of India conducts audit of PRIs under Technical Guidance and Support (TGS) arrangement as requested by the State Government.

“Paragraph 1.7”

Four ZPs and Nine PS irregularly incurred an expenditure of ₹ 6.54 crore between 2007-10 without approval of the estimates.

“Paragraph 1.9.1”

PRIs did not maintain important registers like stock register, immovable property register, works register, muster roll register, etc.

“Paragraph 1.9.2”

A difference of ₹ 5.09 crore between cash books and pass books at the close of the year 2009-10 remain unreconciled by 100 PRIs.

“Paragraph 1.9.3”

The delay in release of Twelfth Finance Commission grants to GPs by the ZPs/PSs ranged from one to 45 months during 2006-10.

“Paragraph 1.10.3”

Funds amounting to ₹ 85 lakh were utilized by GPs during 2006-07 and 2009-10 on 383 inadmissible works.

“Paragraph 1.10.4”

Chapter 2 Transaction Audit

Retention of cash-in-hand in excess of prescribed limit by PRIs.

PRIs retained cash-in-hand in excess of prescribed limit during 2005-10

“Paragraph 2.1”

One ZP and Twelve GPs did not take action to recover/adjust the outstanding advances of ₹ 8.14 lakh.

“Paragraph 2.2”

Funds amounting to ₹ 11.93 lakh earmarked for minor irrigation schemes remained un-utilised in Personal Ledger Account (PLA).

“Paragraph 2.3”

Revenue of ₹ 5.27 lakh remained un-realised on account of installation/renewal charges of Mobile Towers in 39 PRIs.

“Paragraph 2.4”

Seventy two GPs purchased material costing ₹ 4.11 crore without inviting quotations/tenders.

“Paragraph 2.5”

Loss of revenue of ₹ 31.98 lakh due to non-realization of house tax is reported in eighty one GPs.

“Paragraph 2.6”

Seventeen PRIs failed to realize rent of shops amounting to ₹ 11.58 lakh.

“Paragraph 2.7”

Forty three GPs incurred expenditure of ₹ 5.54 crore on 887 works without preparation of estimates.

“Paragraph 2.8”

Seventy seven GPs did not recover royalties of ₹ 23.00 lakh from the suppliers.

“Paragraph 2.9”

Thirteen GPs deployed same labourers on different works in the same period.

“Paragraph 2.10”

Twenty five GPs made short payment of ₹ 1.04 crore on labour components.

“Paragraph 2.11.1”

Twenty two GPs delayed the payment of wages by ₹ 0.53 crore for the period ranging between 15 and 315 days.

“Paragraph 2.11.2”