



APPENDICES

Appendix-1.1

(Refer: Paragraph-1.8.4; Page-24)

List of cash books that were not produced to audit

Sl. No.	Heads of the cash book
1.	Allowance and others to the members of PRIs and <i>Gram Kachahari</i>
2.	Externally Aided Project
3.	Contingencies for GPs
4.	Rent and Contingency for <i>Gram Kachahari</i>
5.	<i>Panchayat Sarkar Bhawan</i> (by PRD)
6.	Ex-gratia Grants for PRIs
7.	Award for GP and <i>Gram Kachahari</i>
8.	Grants to Bihar Gram Swaraj Yojana Society (BGSYS)
9.	On a contract basis DEO
10.	Training
11.	Modernisation of PRD
12.	<i>Panchayat Sarkar Bhawan</i> (by LAEO)
13.	State Election Commission (PRD)
14.	Election
15.	<i>Gram Kachahari Nayay Mitra</i> /Honorarium of Secretary
16.	Secretariat and Economic Services

(Source: Information obtained from the records of PRD)

Appendix-1.2

(Refer: Paragraph- 1.8.5.1; Page-25)

Status of implementation of the P.E.S. application software in the State

Application	Description	Status of implementation in the State
PRIA Soft	Captures receipt & expenditure details through voucher entries. Generates cash books, registers, etc.	Implementation of PRIA Soft application is under process.
Plan Plus	Facilitates participative decentralized planning & preparation of Gram Panchayat Development Plan (GPDP)	It is subsumed in the e-Gramswaraj application and plans are being uploaded for the year 2020-21 and 2021-22. Implemented
National Panchayat Portal	Dynamic Web site for each Panchayat to share information in the public domain	Implemented
Local Government Directory	Captures details of local governments and assigns unique code & maps Panchayats with Assembly and Parliamentary Constituencies	Implemented
Action Soft	Facilitates the proper recording of the Financial and Physical progress of the works	<i>Not available</i>
National Asset Directory	Captures details of assets created/maintained; provides for maintenance	<i>Not available</i>
Area Profiler	Captures geographic, demographic, infrastructural, socio-economic & natural resources profile of panchayats; Includes details of Elected Representatives & Panchayat Functionaries, etc	Partially Implemented
Service Plus	A dynamic service delivery portal to provide electronic delivery of services.	<i>Not available</i>
Training Management Portal	Portal to address training needs of stakeholders including feedback, training materials, etc.	<i>Not available</i>
Social Audit	To understand, measure & verify work done by the Panchayat & improve their social performance	<i>Not available</i>

(Source: RGSA frameworks issued by MoPR, GoI)

Appendix-2.1
(Refer: Paragraph-2.1; Page-33)
List of Units audited

Sl. No.	Name of the Unit
1	ZP Saran
2	ZP Darbhanga
3	ZP Purbi Champaran (Motihari)
4	ZP Siwan
5	DPRO Patna
6	DPRO Darbhanga
7	DPRO Purbi Champaran (Motihari)
8	DPRO Saran
9	DPRO Siwan
10	PS Baheri, Darbhanga
11	PS Dhaka, Motihari
12	PS Dariyapur, Saran
13	PS Barharia, Siwan
14	GP Hathauri(S), Baheri
15	GP Mitunia, Baheri
16	GP Barharia Lakhansen, Dhaka
17	GP Balua Gowawadi, Dhaka
18	GP Barharia, Barharia
19	GP Bhamopali, Baraharia
20	GP Jitwarpur, Dariyapur
21	GP Barwe, Dariyapur

(Source- Audit Tour programme)

Appendix-2.2

(Refer: Paragraph-2.1.1.2.; Page-35)

Status of implementations of 5th SFC recommendations

Sl. No.	Para No. of Fifth SFC Report	Recommendations of the Fifth State Finance Commission accepted by GoB.	Position of implementation as per field audit observation.
1.	9.5.2	Based on the scenarios of varying <i>per cent</i> of devolution, devolution of 8.5 <i>per cent</i> in 2015-16 and 9 <i>per cent</i> in 2016-17 to 2019-20 of the divisible pool is recommended.	Implemented Devolution of fund was done at the rate of 8.5 <i>per cent</i> of the divisible pool for 2016-17 to 2019-20.
2.	9.5.3	Inter LBs Share: The devolved funds would be shared among the PRIs and the ULBs in the ratio of 70:30 for the year 2015-16 and 60:40 for the subsequent years.	Implemented The devolved funds were shared among the PRIs and the ULBs in the ratio of 70:30 for 2016-17 to 2019-20.
3.	9.5.4	Devolved funds to the PRIs would be distributed among GP: PS: ZP in the ratio of 70:10:20	Implemented.
4.	9.5.5	Allocation of the devolved funds among different tiers of the PRIs.	Implemented Each GP in a particular Block did not get equal share based on Block's UDI (Under Development Index) rather funds were released to GPs as per population.
5.	9.5.8	The devolved funds would evidently be given to the LBs (which are self-governments) as "Block Funds". The 5 th SFC recommends the devolved funds to be used by the LBs for the purposes in that priority.	Not Implemented.
6.	9.6.1	As recommended in para 8.9.8, the total SFC transfers (Devolution + Grants) would be 2.75 <i>per cent</i> in 2015-16, 3 <i>per cent</i> in 16-17 & 17-18 and 3.25 <i>per cent</i> in 18-19 & 19-20 of the State Budget.	Partly implemented.
7.	9.6.3	Grants would focus on Capacity Building and would be utilized for (a) Manpower, Training, e-Governance, Office Space, (b) GK, (c) Preparation of Master Plans/CDPs/DPRs/GIS Maps, (d) Developing Divisional and District Headquarters on the lines of Smart and AMRUT Cities, (e) SPUR Type Professional Services to the ULBs and the PRIs, (f) Promoting PPP, (g) Incentive for ARM and Performance Grants (Para 8.9.2), (h) Regulatory Bodies including Ombudsman, State Property Tax Board, Urban Regulator, (i) DLFA and internal audit (j) Professionalizing SFC Cell in Finance Department.	Partly implemented.
8.	9.6.4	PRD would determine the norms based on letter and spirit of this commission's recommendations for disbursement of item-wise Grants among the PRIs. Being the first year of the SFC award, unused amount of Grants for 2015-16 would be disbursed as 'Block Fund'.	Partly implemented.
9.	9.6.7	It may be reiterated that the devolution amount could be utilized to supplement those component of the grants which need additional amounts.	Not Ascertained

Sl. No.	Para No. of Fifth SFC Report	Recommendations of the Fifth State Finance Commission accepted by GoB.	Position of implementation as per field audit observation.
10.	9.9	It is emphasized that the total Transfers (Devolution + Grants) recommended by the 5th SFC are over and above the normal State Budgetary provisions for the LBs.	Implemented.
11.	9.10	Grants amount not likely to be utilized in a year, would be given to the PRIs as 'Block Grants' (in the first week of the last quarter) for Smart Panchayats.	Not Implemented.
12.	9.11.2 (i)	Own Additional Resources (Tax and Non-Tax): The LBs must make all efforts to raise their own resources (tax & non-tax). Incidentally, one of the conditions imposed by the 14 th FC for performance grants is increase in own revenues. This would also enhance their autonomy and accountability.	Not Implemented.
13.	9.11.2 (ii)	Public Partnership (PPP): It is evident that for reaching All India level of infrastructure and services, the Bihar LBs would need huge amounts, which cannot be met through State Budget, FC/SFC transfers, Central Schemes and own revenues. Leveraging PPP in a big way for creation and O&M of infrastructure and services is a necessity.	Not Implemented.
14	9.11.2 (iii)	Borrowing: The possibility of market borrowing has to be explored seriously to finance long-term investment plans, provided that debt service is ensured and does not jeopardize the fiscal stability of either the local or the State Govt. Operational surpluses and own-capital revenues can be used for co-financing or repaying debt.	Not Implemented.
15	9.11.2 (iv)	Central and State schemes: The LBs have to make all efforts to fully utilize funds available under Central and State Schemes. The 5 th SFC is recommending sufficient funds for Capacity Building of the LBs to enable them to do so.	Partially Implemented.
16	9.11.2 (v)	Expenditure Management: Sound Expenditure Management is necessary to ensure that available funds are utilized efficiently and effectively on improving service delivery and achieving LB's objectives through professionally planning resources & expenditure, controlling & executing expenditure and monitoring expenditure performance (Details in Para 10.11)	Partly Implemented.
17.	9.12 (i)	As recommended by the 13 th FC & the 14 th FC, the 5 th SFC transfers would be released directly into the bank account of the LBs concerned through electronic fund transfer and core banking system. Where such facility is unavailable, other modes of expeditious transfer would be notified by State Govt.	Partially Implemented. Funds were directly transferred into the bank accounts of GPs and ZPs while funds meant for PSs were released through ZPs.
18.	9.12 (ii)	Devolution amount for 2015-16 would be released to each PRI. in one installment based on R.E/Actuals of the preceding year i.e. 2014-15. In the subsequent years, while first allocation of 50 <i>per cent</i> of devolved funds would be released based upon the R.E/Actuals of SOTR of the preceding year in April, the second installment shall be released by October of the year subject to submission of accounts of the previous year, audited even through internal Audit.	Not implemented. Amount for 2015-16 was not released. Funds were released with delay and without submission of accounts of the previous year, audited even through internal Audit.

Sl. No.	Para No. of Fifth SFC Report	Recommendations of the Fifth State Finance Commission accepted by GoB.	Position of implementation as per field audit observation.
19.	9.12 (iii)	Grants as recommended by the 5th SFC for 2015-16 would be released in one instalment based on the R.E/Actuals of the preceding year. In the subsequent years, while 1st instalment would be released along with the 1st instalment of the devolved fund (based on the RE/Actuals of the preceding year), the 2nd instalment would be released only after securing utilization report of the 1st instalment to the extent of 50 <i>per cent</i> , audited even through internal Audit.	Not implemented. Amount for 2015-16 was not released. Funds were released with delay and without securing utilization report of the 1 st installment to the extent of 50 <i>per cent</i> , audited even through internal Audit.
20.	9.12 (iv)	The details of Devolution and Grants received and utilized shall be placed before the respective Gram/Ward Sabhas and on the website of the LB at least twice a year in December and May respectively.	Partly implemented.
21.	9.12 (v)	In case some LBs fails to submit utilization report of 1st instalment of Grants within a year from the date of its release, 2 nd instalment due to them would be utilized by PR/UD Departments on Capacity Building of the LBs.	Not Implemented.
22.	9.13.1	Salaries of at least the existing staffs of the ZPs must come from their own revenues. State Govt. could at best meet the arrears.	Partly Implemented
23.	9.13.2	Funds earmarked for Manpower by the 5 th SFC is only for the sanction of new and filling of the vacant positions as per the Model Panchayat Cadres.	Not Implemented.
24.	9.13.3	Funds for e-Governance must be used for operationalizing e-Panchayat in a Mission Mode.	Partly Implemented
25.	10.2.1(ii)	Sufficient manpower and allocation have been recommended by this Commission to make DPC effective.	Not Implemented.
26.	10.2.3	All LBs (PRIs & ULBs) must prepare plans for socio-economic development as envisaged under Art 243ZD of the Constitution, leading to integrated district plan for both the panchayats and the municipalities through the DPC. <ul style="list-style-type: none"> • Moreover, it is proposed to develop Panchayats as Smart Panchayats. It is accordingly recommended that appropriate guidelines on proper planning and delivery, based on model guidelines of MoPR, be issued by PRD. • Given the problem of migration out of the rural areas, the upper two tiers of the Panchayats should plan and implement schemes for framing livelihood and overall economic development in coordination with the line departments. 	Not Implemented.

Sl. No.	Para No. of Fifth SFC Report	Recommendations of the Fifth State Finance Commission accepted by GoB.	Position of implementation as per field audit observation.
27.	10.3.6	<p>There should be adequate capacity building of both the elected and official functionaries particularly that of the GPs, for preparing budget and pursuing the same for expenditure control.</p> <ul style="list-style-type: none"> • PRD should provide necessary supervision and facilitation so that budgets are prepared and approved on time and also the documents for expenditure control. • Since, almost the entire funds are received by the Panchayats as grants or for implementation of schemes from or via the State Government, all information on probable receipt of funds should be communicated to the Panchayats in time. 	Partly Implemented.
28.	10.4.10	<ul style="list-style-type: none"> • PRD should come out with Rules to clearly prescribe procedural guidelines and circulate a Manual of Panchayat Finance, • Creation & filling of posts related to accounts must be done urgently and the incumbents trained intensively. • Accounts of Panchayats should be computerized using PRIASoft urgently. The same should be in place for all ZPs by 2016-17, all the PSs and GPs by the year 2017-18. • PRD must have a robust system of supervision and facilitation for maintenance of accounts by the Panchayat so that any problem is known and solved concurrently. 	Not Implemented.
29.	10.6.5 (i)	State Government should put in place rules and procedures for collection of property tax by the GPs.	Not Implemented.
30.	10.6.5 (ii)	The 14th FC has already recommended that the States should take steps to empower the Panchayats to collect tax on advertisement.	Not Implemented.
31.	10.6.5 (iii)	No rule has been framed by GoB to enable GPs for imposition of tax on Profession, Trade, Callings and Employment, therefore, cannot collect Profession tax. At present most of the taxes is collected from the public sector employers and the organized private sectors, which are mostly located in urban areas. Therefore, the net proceeds should be divided between urban and rural areas in the ration 2:1.	Not Implemented.
32.	10.6.5 (iv)	Sharing land revenue with the GPs in Bihar was recommended as early as in 1959. Land revenue was an important source for the State Government in those days. Net proceeds of land revenue collected from any GP may be transferred to the GP.	Not Implemented.
33.	10.6.5 (v)	Overall supervision of the GP on tax collection will be useful for better realization of the same.	Not Implemented.
34.	10.6.5 (vi)	There is provision for collection of tolls, fees, user charges etc. by the Panchayats. PRD should come out with model bye-laws for being adopted by the Panchayats. The process of adoption should be facilitated by PRD.	Not Implemented.

Sl. No.	Para No. of Fifth SFC Report	Recommendations of the Fifth State Finance Commission accepted by GoB.	Position of implementation as per field audit observation.
35.	10.6.5 (vii)	State Government should launch a drive for identification and documentation of all economic assets like lands, buildings, markets, water bodies etc. owned by Panchayats. These should be developed and managed for improving income of the Panchayats.	Not Implemented.
36.	10.6.5 (viii)	The Panchayats should be encouraged to develop infrastructures like markets, community centres, bus stands which are beneficial to the people and are also helpful in mobilizing revenue.	Not Ascertained
37.	10.6.5 (ix)	Services are the most visible activity of the Panchayats for the citizens and there should be enough emphasis in building capacities of their Panchayats for both improving services and recovering at least part of O&M charges.	Not Implemented.
38.	10.6.6	Incentivizing Collection of Own Revenue by the Panchayats: (i) The 14th FC has recommended performance grants for the GPs on condition that the revenue collected in the relevant year exceeds the amount collected in the previous year. In order to cross the initial barrier of collecting revenue, the incentive should be high enough to start with. The incentives should be given in the ratio of 1:4 for GPs, 1:3 for PSs and 1:2 for ZPs. i.e., for every additional Rs. 100 raised by a GP as their own revenue, they will be given 4 times the amount raised i.e. ₹ 400. There should be annual public function in each district to recognize performances of the GPs and to distribute performance grants so that there is more competition among the GPs in raising more revenue. (ii) The proposed TSSP should monitor the steps mentioned above along with improving capacity of collection of both tax and non-tax revenues.	Not Implemented.
39.	10.8(i)	Revenue (Tax and Non- Tax) Reforms (i) To begin with, the ZPs are expected to at least achieve the benchmark of meeting (a) 100 per cent their Establishment expenses and (b) O & M expenses of their infrastructure & services, through income from Own Sources; with the ultimate aim of getting credit rating to enable them to borrow from the market.	Not Implemented
40.	10.9.6 (i)	Local Assets: (i) Inventorying & periodically updating Fixed Asset Register (FAR), using transparent procedures for allocating assets for private use, aligning or classifying assets according to their role in delivering services, using the market value of assets for decision making, establishing a depreciation fund for funding asset replacement, monitoring key indicators (e.g., asset related costs and revenues), introducing life cycle management of infrastructure and buildings (starting from planning, operating and maintenance expenses for existing and new capital assets), using advanced instruments such as strategic asset management plans etc. must be implemented.	Not Ascertained.
41.	10.9.6 (iv)	PRI asset register should be available online by using 'Asset Directory' module of e-Panchayat.	Not Implemented.

Sl. No.	Para No. of Fifth SFC Report	Recommendations of the Fifth State Finance Commission accepted by GoB.	Position of implementation as per field audit observation.
42.	10.16.3	Restructure staffing urgently and equip all LBs (PRIs and ULBs) with relevant, adequate and skilled manpower as per proposed Model staffing details in Chapter-II & III. (Para 2.3 & Para 3.3.2) respectively, to meet the contemporary needs of technology and modern management. While doing so, it should be carefully determined as to which of the posts should be regular and contractual and which functions should be outsourced.	Not Implemented.
43.	10.19.1	Accountability and Transparency: i) Involving communities in setting key performance Indicators and reporting back to communities on performance, enhances accountability of the LBs and public trust in the local government system; ii) A monthly e-newsletter be issued by the LBs to stay in touch with and keep updated its citizens about all progress and initiatives. iii) Citizen's Charter should be updated and disseminated regularly and each LB should have a notice board displaying the Citizen's Charter for that LB. iv) PRD/ UDD need a Communication Cell with an aim to build ownership of reforms and improve dialogue between the LBs and citizens. For specific initiatives, the focus will be on building credibility, clarifying objectives and expected results. All vehicles for communication from LBs and PRD/UDD should carry coherent messages with a unified theme. It could also be outsourced to a professional firm.	Not Ascertained.
44.	10.19.2	<i>Gram Sabha and Ward Sabha:</i> The <i>Gram Sabha</i> and Ward committees play a major role in holding governmental authorities accountable. Active participation of citizens needs to be stimulated through proactive disclosure, greater accessibility to information and feedback channels. The ward Sabhas are to be made functional by holding elections.	Implemented.
45.	10.19.3 (iii)	Nevertheless, to deal with the complaints of corruption and maladministration, Ombudsman for oversight from above and effective social audit by the Gram/Ward Sabha from below, would be major steps.	Not Implemented.
46.	10.19.3 (iv)	Computerized accounts and transparent procurement process would also be necessary.	Not Ascertained.
47.	10.19.4	This commission recommends urgently putting in place Ombudsman separately for ULBs and PRIs since nature of their work is substantially different and the PRI Ombudsman itself would have huge work load. Moreover, the Ombudsman Rules for the PRIs should provide for Dy. Ombudsmen at Divisional level, given the large no. of PRIs.	Not Implemented.

(Source- 5th SFC Report, checklist and records of audited units)

Appendix-2.3

(Refer: Paragraph-2.1.2.1; Page-36)

Delayed transfer of funds to Panchayat Samitis by Zila Parishad, Darbhanga

(Amount in ₹)

S I. No.	Financial Year	Installment	Amount received in ZP	Date of entry in bank account	Date of transfer as per bank	Delays in transfer
1.	2016-17	First	3,80,19,756	10-1-17	23-1-17	12 days
		Second	3,80,19,756	30-3-17	11-4-17	12 days
2.	2017-18	First	4,32,51,228	8-2-18	28-2-18	19 days
		Second	4,32,51,228	31-3-18	16-5-18 & 25-5-18	16 days
3.	2018-19	First	5,00,55,664	23-10-18	1-12-18	38 days
		Second	4,74,56,479	20-3-19	28-5-19	69 days
4.	2019-20	First	5,06,41,456	31-10-19	25-11-19	26 days
		Second	5,33,45,379	13.04.20 to 15.04.2020 (CFMS)	19.08.2020 to 28.12.2020 (CFMS)	123 days to 257 days

(Source- Allotment Letter and Passbook)

Appendix-2.4
(Refer: Paragraph-2.1.2.4; Page-37)
Status of release of grants for capacity building of PRIs

(₹ in crore)

Projection of grants during FYs 2015-16 to 2019-20			Grant Sanctioned (₹ in crore)	Release of grants during FYs 2016-17 to 2019-20
A	Capacity Building	3,443.00	3,816.32	₹3,790.40 crore (Less release ₹25.92 crore)
	i. Manpower	2,720.00	3,168.47 252.62 201.18 194.05	Consolidated grant of ₹3,168.47 crore. In addition, ₹252.62 crore for arrear salary of ZPs employees, ₹ 175.26 crore for honorarium of Executive Assistants of GPs and ₹ 194.05 crore for District Panchayat Resource Centers (DPRC).
	ii. e-Governance	305.00		
	iii. Training	380.00		
	a) Programmes	200.00		
	b) Institutions	180.00		
	iv. Support for Smart Panchayats	38.00		
B	Gram Kachahari	340.00		
	v. Office Support	260.00		₹ 209.75 crore
	vi. Case Disposal	40.00		Nil
	vii. Dispute free village	40.00		Nil
C	viii. Panchayat Sarkar /ZP Bhavan	470.00	0	Nil
D	ix. District Planning Committees	80.00	0	Nil
E	Performance Grants	1,400.00	90	₹ 81crore. (Less release ₹ 9 crore)
	x. Additional Resource Mobilisation	880.00		Nil
	xi. Overall Performance	520.00		₹ 81 crore.
F	xii. Ombudsman	20.00	0	Nil
G	xiii. DLFA/Internal Audit	31.20	10	₹ 10
H	xiv. SFC Cell in Finance Department	0.80	0.25	₹ 0.25 crore

(Source- Sanction and Allotment Letters)

Appendix-2.5
(Refer: Paragraph-2.2; Page-43)

Sairat wise outstanding amount

(Amount in ₹)

SI No.	Name of Sairats	Bid Amount	Realized Amount	Outstanding amount
Financial Year : 2016-17				
1.	Bhagipatti Jheel Taxi Stand	11,00,000	1,50,000	9,50,000
Financial Year : 2017-18				
1.	Line Bazaar	30,000	15,000	15,000
2.	Gopalganj Gudri Bazaar	2,90,100	2,44,000	46,100
Total		14,20,100	4,09,000	10,11,100

Appendix- 2.6 (A)
(Refer: Paragraph-2.3; Page-45)

Details of the schemes for which no records were handed over by the then Panchayat Secretary

(Amount in ₹)

Sl. No.	Fund	Scheme No.	Estimated Cost (in ₹)	MB Amount	Advance to the Contractor	Physical Status	Remarks
1.	14 th	4/15-16	4,70,520	00	4,57,500	Work not started	Statement prepared from the scheme details handed over by the then Panchayat Secretary to the present Panchayat Secretary.
2.	FC	5/15-16	3,52,890	00	3,42,500	Work not started	
3.	BR	01/07-08	5,39,000	00	5,07,500	Work not started	
4.	GF	02/07-08	93,000	00	77,500	Work not started	
5.		03/07-08	2,96,000	00	2,32,500	Work not started	
6.		3/10-11	2,04,600	00	1,77,500	Work not started	
7.		1/11-12	3,72,000	00	3,57,500	Work not started	
8.		1/14-15	3,95,100	00	3,07,500	Work not started	
9.		1/15-16	4,90,000	00	4,07,500	Work not started	
10.		3/15-16	4,00,000	00	3,57,500	Work not started	
11.		5/15-16	4,81,000	00	4,07,500	Work not started	
12.		6/15-16	3,16,200	00	3,07,500	Work not started	
13.		7/15-16	-	00	3,07,500	Work not started	
14.		8/15-16	2,00,000	00	7,500	Work not started	
15.		9/15-16	3,45,000	00	1,07,500	Work not started	
		Total	49,55,310		43,62,500		

Appendix- 2.6(B)
(Refer: Paragraph-2.3; Page-45)

**Details of incomplete schemes for which only MBs were handed over by
the then Panchayat Secretary**

(Amount in ₹)

Sl. No.	Fund	Scheme No.	Estimated Cost (in ₹)	MB Amount	Advance to the Contractor
1	14 th FC	1/15-16	2,40,800	2,38,761	2,27,500
2		2/15-16	1,72,400	1,72,367	1,57,500
3		3/15-16	1,09,800	1,09,789	1,02,500
4	4 th SFC	1/15-16	4,70,520	4,70,523	3,42,500
5	BRGF	02/12-13*	2,04,600	1,66,033	7,500
6		1/13-14	4,95,000	4,92,625	4,07,500
7		2/15-16	2,71,310	2,71,310	2,57,500
8		4/15-16	3,72,810	3,68,430	3,57,500
		Total	23,37,240	22,89,838	18,60,000

(* Scheme file, muster rolls and vouchers and MBs were provided in this case, but the scheme was incomplete)

Appendix - 3.1
(Refer: Paragraph-3.3.2(i); Page-52)

List of 18 functions/subjects to be carried out by the ULBs

Sl. No.	Section of BMA 2007	Functions/Subjects
1.	290	Urban Planning including Town Planning
2.	274A & 275	Regulation of land use and construction of buildings
3.	45	Planning for economic and social development
4.	45	Roads and bridges
5.	45 & 169-192	Water supply for domestic, industrial and commercial purposes
6.	45; 193-203 & 220-230	Public health, sanitation conservancy and solid waste management
7.	45; 250-261 & 262-268	Urban forestry, protection of the environment and promotion of ecological aspects
8.	287	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded
9.	287&289	Slum improvement and up-gradation
10.	287	Urban Poverty Alleviation
11.	Chapter XXXII	Provision of urban amenities and facilities such as parks, gardens, playgrounds
12.	45	Promotion of cultural, educational and aesthetic aspects
13.	269-272 & 421	Burials and burial grounds; cremations, cremation grounds and electric crematoriums
14.	249 & 421	Cattle pounds; prevention of cruelty to animals
15.	352-353	Vital statistics including registration of births and deaths
16.	45	Public amenities including street lighting, parking lots, bus stops and public conveniences
17.	245 & 421	Regulation of slaughter houses and tanneries
18.	-	Fire Services

(Source: Bihar Municipal Act 2007 and Twelfth schedule of the Constitution)

Appendix - 3.2
(Refer: Paragraph- 3.3.2 (iii); Page-54)

Vacant posts of Executive and technical staff in ULBs

Sl. No	Designation	Sanctioned Post	Men- in position	Vacancy	Percentage of vacant posts	Remarks
1.	Municipal Commissioner	18	11	07	39	MC Bhagalpur, MC Madhubani MC Betiah, MC Sasaram, MC Motihari, MC Samastipur & MC Sitamarhi were in additional charge
2.	Sr. Additional Municipal Commissioner	01	00	01	100	The post is in the Patna Municipal Corporation (PMC)
3.	Additional Municipal Commissioner	20	02	18	90	Three (03) posts for PMC while one (01) post each for the remaining MCs.
4.	Joint Municipal Commissioner	02	00	02	100	-
5.	Deputy Municipal Commissioner	51	22	29	57	Four (04) posts for PMC while three (03) post for other MC
6.	Executive Officers +Secretary to authority	253 (246 +7)	130	123	49	83 posts for Municipal Council; 157 posts for Nagar Panchayat and 06 posts for the PMC circle
7.	City Manager	391	62 (3 regular & 59 on contract)	329	84	
8.	Project Officer-cum-Additional / Deputy Director	18	07	11	61	Project Officer-cum-Additional (09)/Deputy Director (09)
9.	Officer posts under Sanitation & Waste Management Section	392	00	392	100	Assistant (286)/ Deputy (83)/public sanitation & waste management officer (23)
10.	Officer posts under Welfare & Registration Section	388	00	388	100	Assistant (281)/ Deputy (83)/Public Welfare & Registration Officer (24)
11.	Officer posts under Revenue & Audit Section	388	00	388	100	Assistant (281)/ Additional (83)/Revenue & Audit Officer (24)
12.	Supervisory posts under Town Planning Section	124	00	124	100	Assistant (107) /Deputy (17) Town-Planning Supervisor
13.	Engineer-in-Chief	01	00	01	100	-
14.	Chief Engineer (CE)	05	04	01	20	Out of four (04) men-in-position, one (01) was on contractual basis

Sl. No	Designation	Sanctioned Post	Men- in position	Vacancy	Percentage of vacant posts	Remarks
15.	Superintending Engineer (SE)	21 (Civil-19; Mechanical-02)	15 (Civil-14; Mechanical-01)	06 (Civil-05; Mechanical-01)	29	Out of 15 men-in-position, 11 posts were on contractual basis
16.	Executive Engineer (EE)	86 (Civil-70; Mechanical-06; Electrical-10)	50 (Civil-45; Mechanical-03; Electrical-02)	36 (Civil-25; Mechanical-03 Electrical-08)	42	Both EEs (Electrical) were on deputation
17.	Assistant Engineer (AE)	264 (Civil-193; Mechanical-67; Electrical-04)	225 (Civil-179; Mechanical-44; Electrical-02)	39 (Civil-14; Mechanical-23; Electrical-02)	15	
18.	Junior Engineer (JE)	549 (Civil-429; Mechanical-70; Electrical-50)	71 (Civil-67; Mechanical-04; Electrical-00)	478 (Civil-362; Mechanical-66; Electrical-50)	87	
19.	Assistant Town Planner	10	00	10	100	
Total		2,982	599	2,383	80	

(Source: Information provided by UD&HD, GoB)

Appendix - 3.3
(Refer: Paragraph- 3.7.4; Page-62)

Achievement of MCs against targets set in the SLB

Indicator	Target Benchmark	Achievement of Twelve Municipal Corporations (in per cent)											
		1	2	3	4	5	6	7	8	9	10	11	12
WATER SUPPLY													
Coverage of water supply connections	100%	53	180	86	105	91	37	0	31	63	93	57	37
Extent of metering	100%	NP- Not Provided											
Continuity of water supplied	24 hrs												
Efficiency in collection of water use charges	90%												
Efficiency in redressal of customer Complaints	80%												
SEWERAGE													
Coverage of Toilets	100%	77	100	95	100	98	99	100	98	100	99	100	94
Coverage of sewerage Network	100%	50	NP	NP	NP	NP	64	0	NP	NP	34	NP	0
Efficiency in redressal of customer Complaints	80%												
STORM WATER DRAINAGE													
Coverage of storm water drainage network	100%	Under process.											
Incidence of water logging/flooding	0%												
SOLID WASTE MANAGEMENT													
Household Level Coverage	100%	NP- Not Provided											
Efficiency in collection of solid waste	100%												
Extent of segregation of Municipal Solid Waste (MSW)	100%												
Extent of Scientific Disposal of MSW	100%												
Efficiency in redressal of customer Complaints	80%												

(Source: Information furnished by UD&HD)

(1. Patna 2. Bihar Sharif 3. Arah 4. Gaya 5. Muzaifarpur 6. Begusarai 7. Munger 8. Purnea 9. Katihar 10. Chhapara 11. Darbhanga 12. Bhagalpur)

Note: (i) Coverage of water supply in regard to **Municipal Council** ranged between **21 per cent** (Farbisganj) and **153 per cent** (Bakhtiyarpur); further, in regard to **Nagar Panchayats**, it was ranging from **Nil** (Rafiganj) to **174 per cent** (Janakpur Road);

(ii) Coverage of toilets in regard to **Municipal Council** ranged between **86 per cent** (Barh) and **100 per cent** (19 Municipal Council); further, in respect of **Nagar Panchayats**, it ranged from **85 per cent** (Silao) to **100 per cent** (47 Nagar Panchayats);

Appendix - 3.4 (A)
(Refer: Paragraph- 3.8.1.3; Page-67)

Revenue of all ULBs during the financial years 2015-16 to 2019-20

(₹ in crore)

	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20
1. Own tax revenue						
a) Property Tax	129.51	177.06	178.44	219.18	176.69	880.88
b) Others						0.00
Total	129.51	177.06	178.44	219.18	176.69	880.88
2. Own Non tax revenue						
a) Fees etc.	16.27	36.76	33.27	33.24	29.00	148.54
b) User fee for civic services	0.00	0.00	0.00	0.00	0.00	0.00
c) Others	27.73	34.07	37.55	45.77	40.02	185.15
Total	44.00	70.83	70.83	79.01	69.02	333.69
3. Grants 14th FC						
a) Basic	255.85	351.86	405.11	473.68	637.79	2,124.28
b) Performance	0.00	104.22	0.00	0.00	0.00	104.22
Total	255.85	456.07	405.11	473.68	637.79	2228.50
4. 5th SFC						
a) Devolution	512.65	638.54	596.62	581.64	729.68	3,059.13
b) Grant	268.67	287.31	444.83	532.90	546.23	2,079.94
Total	781.32	925.85	1041.45	1114.54	1275.91	5,139.07
5. Assigned Revenue	195.08	207.71	180.49	280.95	211.39	1,075.62
6. Centrally Sponsored Schemes	211.23	1111.26	1059.07	1172.50	341.14	4,058.20
7. State Sponsored Schemes	654.23	547.60	657.77	648.15	581.84	3,089.58
Grand Total	2,271.22	3,496.38	3,593.15	3,988.01	3,293.78	16,805.54

(Source: Sixth SFC Report)

Appendix - 3.4 (B)
(Refer: Paragraph- 3.8.1.3; Page-67)

Expenditure of all ULBs during the financial years 2015-16 to 2019-20

(₹ in crore)

Items	2015-16	2016-17	2017-18	2018-19	2019-20	2015-20
1. Establishment						
a) Salary	381.90	511.47	548.64	630.17	540.72	2,612.90
b) Pension						
c) Others (Daily wages and Administrative Expenditure)	125.20	36.38	61.63	92.73	73.66	389.61
Total	507.10	547.85	610.27	722.91	614.38	3,002.52
2. O&M of Civic Services	213.17	273.11	373.28	299.87	346.25	1,505.67
3. Centrally Sponsored Schemes	211.23	1,111.26	1,059.07	1,175.50	501.14	4,058.20
4. Support from State Budget	1,121.64	1,147.34	1,300.02	1,347.52	1,411.13	6,327.66
Grand Total	2,053.24	3,079.56	3,342.64	3,545.80	2,872.90	14,894.14

(Source: Sixth SFC Report)

Appendix-3.5
(Ref: Para- 3.8.4; Page-69)

Unit-wise non-maintenance of key records

Sl. No.	Key records (Not Maintained)	Units concerned
1	Accountant Cash book	(a) Nagar Panchayat Rajgir
		(b) Municipal Council Madhubani
2	Advance Register	(a) Municipal Council Barh
		(b) Municipal Corporation Ara
3	Asset Register	(a) Nagar Panchayat Gogardiha
		(b) Nagar Panchayat Jaynagar
		(c) Municipal Council Barh
		(d) Municipal Council Hilsa
		(e) Municipal Council Madhubani
		(f) Municipal Corporation Ara
		(g) Municipal Corporation Bihar Sharif
4	Cashier Cash book	(a) Nagar Panchayat Areraj
		(b) Nagar Panchayat Rajgir
		(c) Nagar Panchayat Sherghati
		(d) Municipal Council Barh
		(e) Municipal Council Sheikhpura
		(f) Municipal Corporation Ara
5	Demand Register	(a) Nagar Panchayat Khusrupur
		(b) Nagar Panchayat Jaynagar
		(c) Municipal Council Barh
		(d) Municipal Council Madhubani
		(e) Municipal Corporation Ara
6	Grant Register	(a) Municipal Council Barh
		(b) Municipal Council Madhubani
		(c) Municipal Council Masaurhi
		(d) Municipal Corporation Ara
7	Scheme Register	(a) Nagar Panchayat Rajgir
		(b) Municipal Council Barh
		(c) Municipal Council Madhubani
		(d) Municipal Council Sheikhpura

(Source: Inspection Report of auditee units)

Appendix - 3.6
(Refer: Paragraph- 3.8.5; Page-70)

Non-preparation of BRS

(₹ in lakh)

Sl. No.	Unit	Whether BRS was Prepared	Difference b/w cash book & pass book	Reply of the unit
1	Nagar Panchayat Rajgir	No	30.81 (as on 31.03.19)	After matching the relevant amount, BRS would be prepared.
2	Nagar Parishad Madhubani	No	18.01 (as on 31.03.19)	BRS would be prepared.
3	Nagar Nigam Gaya	No	888.50 (as on 31 March 2018)	No reply was furnished
4	Nagar Panchayat Jaynagar	No	-	This would be communicated to the audit office after detection of errors.
Total			₹ 937.32	

(Source: Records of Audited units)

Appendix- 4.1
(Refer: Paragraph- 4.2; Page-75)
Loss of revenue due to wrong fixation

Sl. No.	PID No.	Name of the property	Date of acquisition	Road considered to assess present ARV	Present ARV, as per SAS form (A)	Road to be considered as per address	ARV to be fixed (B)	Present property tax (per cent of ARV) (C)	Property tax to be realised (per cent of ARV) (D)	Short realisation for one year (D-C)	Total duration	Short realisation up to FY 2019-20
1	2159298	MS SUJATA HOTEL, R BLOCK	01.04.2004	Other road	1,91,189	PMR	5,73,566	17,207	51,621	34,414	16	55,0624*
2	2157888	MS SUJATA HOTEL PVT LTD, R BLOCK	01.04.1982	Other road	15,97,709	PMR	47,93,126	1,43,794	4,31,381	2,87,587	26 #	74,77,262*
3	2112751	HOTEL NOVELTY INTERNATIONAL, FRASER ROAD	01.04.2002	Main road	1,87,200	PMR	2,80,800	16,848	25,272	8,424	18	1,51,632
4	2175450	VEENA THEATRES PRIVATE LTD, STATION ROAD	01.04.1975	Main road	2,59,538	PMR	3,89,307	23,358	35,034	11,676	26#	3,03,576
5	2091828	HOTEL ADITYA, PATNA ELECTRIC MARKET, STATION ROAD, PATNA	01.04.2012	Main road	1,37,664	PMR	2,06,496	12,390	18,585	6,195	7	43,365
Total												85,26,459

*Since the financial year 2020-21 tax is being paid as per PMR.

Time duration calculated from the financial year 1994-95 i.e. after notification of classification of road.

Appendix -4.2
(Refer: Paragraph- 4.2; Page-75)
Loss of revenue due non imposition of penalty

Sl. No.	PID No.	Name of the property	Date from which the revised holding tax to be realised	Road considered to assess present ARV	Present ARV as per SAS form	Road to be considered as per address	ARV to be fixed	Present property tax (per cent) of ARV)	Property tax to be realised (per cent of ARV)	Short realisation for one year	Time duration in years	Penalty 100 per cent of short realisation
1	2159298	MS SUJATA HOTEL, R-BLOCK	01.04.2014	Other Road	1,91,189	PMR	5,73,566	17,207	51,621	34,414	6	2,06,484*
2	2157888	MS SUJATA HOTEL PVT LTD, R-BLOCK	01.04.2014	Other Road	15,97,709	PMR	47,93,126	1,43,794	4,31,381	2,87,587	6	17,25,522*
3	2112751	HOTEL NOVELTY INTERNATIONAL, FRASER ROAD	01.04.2014	Main Road	1,87,200	PMR	2,80,800	16,848	25,272	8,424	6	50,544
4	2175450	VEENA THEATRES PRIVATE LTD, STATION ROAD	01.04.2014	Main Road	2,59,538	PMR	3,89,307	23,358	35,034	11,676	6	70,056
5	2091828	HOTEL ADITYA, PATNA ELECTRIC MARKET, STATION ROAD, PATNA	01.04.2014	Main Road	1,37,664	PMR	2,06,496	12,390	18,584	6,195	6	37,170
Total												20,89,794

* Since the financial year 2020-21, tax is being paid as per PMR



GLOSSARY OF ABBREVIATIONS

Glossary of Abbreviations

5 th SFC	Fifth State Finance Commission	GoB	Government of Bihar
6 th SFC	Sixth State Finance Commission	GP	Gram Panchayat
13 th FC	Thirteenth Finance Commission	GPDP	Gram Panchayat Development Plan
14 th FC	Fourteenth Finance Commission	GPMS	Gram Panchayat Management System
15 th FC	Fifteenth Finance Commission	IFMIS	Integrated Financial Management Information System
AAP	Annual Audit Plan	IRs	Inspection Reports
AC	Abstract Contingent	LBs	Local Bodies
AG	Accountant General	LFA	Local Fund Act
ARV	Annual Rental Value	MAS	Model Accounting System
ATIR	Annual Technical Inspection Report	MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
BDO	Block Development Officer	MMP	Mission Mode Project
BFR	Bihar Financial Rules	MSPNY	Mukhyamantri Shahari Payjal Nishchay Yojna
BG	Basic Grant	MoPR	Ministry of Panchayati Raj
BM Act	Bihar Municipal Act	MPR	Monthly Progress Report
BMAR	Bihar Municipal Accounting Rules	NCBF	National Capability Building Framework
BPRA	Bihar Panchayati Raj Act	PAC	Public Accounts Committee
BPRO	Block Panchayat Raj Officer	PG	Performance Grant
BPS and ZP (B&A) Rule	Bihar Panchayat Samiti and Zila Parishad (Budget & Accounts) Rule	PMC	Patna Municipal Corporation
BRGF	Backward Region Grant Fund	PRD	Panchayati Raj Department
BTC	Bihar Treasury Code	PRI	Panchayati Raj Institutions
CA	Chartered Accountant	PRIA Soft	Panchayati Raj Institutions Accounting Software
CAA	Constitutional Amendment Act	PS	Panchayat Samiti
CAG	Comptroller and Auditor General of India	RGPSA	Rajeev Gandhi Panchayat Sashaktikaran Abhiyaan
CEO	Chief Executive Officer	RGSA	Rashtriya Gram Swaraj Abhiyan
CFC	Central Finance Commission	SAS	Social Audit Society
DC	Detailed Contingent	SFC	State Finance Commission
DLFA	Director of Local Fund Audit	SLB	Service Level Benchmark
DM	District Magistrate	TGS	Technical Guidance and Support
DPC	District Planning Committee	UCs	Utilization Certificates
DPRO	District Panchayat Raj Officer	UD&HD	Urban Development & Housing Department
ELA	Examiner of Local Accounts	ULBs	Urban Local Bodies
ESC	Empowered Standing Committee	ZP	Zila Parishad
GFR	General Financial Rules		

