Chapter III

Function Based Audit of ULBs

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3.1 Introduction

The Function-Based Audit focuses on assessing the effectiveness and quality of service delivery by the ULBs in respect of the functions devolved by the State Government out of the 18 functions, enlisted in the Twelfth Schedule of the Constitution of India. This audit assesses how well the services are delivered to the citizens, identify the systemic issues and areas for improvement in urban governance.

For the Function Based Audit of ULBs, two functions namely cattle pounds, prevention of cruelty to animals and street lighting in the year 2022-23[1] and one function namely regulation of slaughterhouses and tanneries in the year 2023-24 were, selected. The ULBs have full jurisdiction over the functions of cattle pounds, prevention of cruelty to animals and regulation of slaughterhouses & tanneries, whereas the overlapping jurisdiction with State departments was existing in the function of street lighting.

3.2 Audit Scope and Methodology

Four districts namely Panipat & Fatehabad and Karnal & Sirsa were selected randomly for audit as indicated below:

Table 3.1: Details of selected ULBs

District	Name of ULB	Number of ULBs	Name of selected ULBs	Functions selected
Function Based Audit: 2022-23				
Fatehabad	Municipal Councils	2	Fatehabad and Tohana	Cattle pounds, prevention of cruelty to animals and Street lighting.
	Municipal Committees	1	Bhuna	
Panipat	Municipal Corporations	1	Panipat	
	Municipal Committees	1	Samalkha	
Function Based Audit: 2023-24				
Sirsa	Municipal Councils	2	Sirsa and Mandi Dabwali	Regulation of slaughterhouses and tanneries.
	Municipal Committees	1	Ellenabad	
Karnal	Municipal Corporations	1	Karnal	
	Municipal Committees	2	Indri and Nissing	

The audit methodology included review and analysis of the relevant records in the selected ULBs, conducting Joint Physical Verifications, collection of documentary and testimonial evidence to arrive at the audit findings.

3.3 Audit Criteria

The audit findings have been benchmarked against the following criteria:

- The Haryana Municipal Act, 1973.

[1] updated to cover audit period 2023-24.

- The Haryana Municipal Corporation Act, 1994.
- The Prevention of cruelty to Animals Act, 1960.
- The Animal Birth Control (Dogs) Rules, 2001(as amended in 2023).
- The Haryana Municipal (Regulation of Slaughterhouses) byelaws, 1977.
- The Water (Prevention and Control of Pollution) Act, 1974.
- The Air (Prevention and Control of Pollution) Act, 1981.

3.4 Overview of the selected functions

The role and functions of the ULBs in the selected functions are indicated below:

Street lighting: As per section 66A of the Haryana Municipal Act, 1973, municipalities are responsible for providing and maintaining street lighting as an essential civic service. The municipalities are required to install, operate and maintain street lights on public roads and places, ensure adequate illumination for safety, plan infrastructure, adopt energy-efficient systems, and carry out timely repairs, while also ensuring compliance with prescribed standards to provide reliable lighting services.

Cattle Pounds: Under the Haryana Municipal Act, 1973 and the Prevention of Cruelty to Animals Act, 1960, municipalities regulate cattle pounds and prevent cruelty to animals, establish and maintain impounding facilities for stray animals, ensure humane handling, feeding and shelter. They also enforce compliance, inspect facilities and take penal action against violations for animal welfare and urban sanitation.

Slaughterhouses and Tanneries: As per section 66A of the Haryana Municipal Act, 1973, municipalities are responsible for establishing and regulating slaughterhouses to ensure public health, sanitation and animal welfare. The municipalities permit slaughter only in authorised facilities, issue licences, ensure veterinary inspection, maintain hygiene and waste disposal, and enforce humane practices, while also ensuring safe meat supply and environmental protection.

3.5 Audit Findings

3.5.1 Findings related to street lighting

Deficiencies observed during audit of the street lighting function in the ULBs of Panipat and Fatehabad are indicated below:

3.5.1.1 Non-implementation of Centralized Control and Monitoring System resulting in delayed restoration of Street Lighting Services

The Centralized Control and Monitoring System (CCMS) panel facilitates the remote monitoring of lighting operations, such as turning lights on or off, dimming them and tracking energy consumption. These panels also provide real-time data and can automatically report faults or send alerts for issues like over/under voltage, short circuits, or other malfunctions.

The Directorate of Urban Local Bodies issued (May 2023) instructions to all the ULBs for preparing a detailed plan and estimates for installing CCMS panels and establishing Command & Control Centre to monitor the smart lighting system. Audit observed that the CCMS panels have not been implemented in the selected five ULBs namely Municipal Corporation Panipat, Municipal Committee Samalkha, Municipal Council Fatehabad, Municipal Council Tohana and Municipal Committee Bhuna till October 2025 despite lapse of more than two years.

The MC Panipat and Samalkha stated (October 2025) the DPRs were under finalisation for the implementation of CCMS, whereas the three selected ULBs of Fatehabad attributed the non-installation to the shortage of funds.

Considering that the Centralized Control and Monitoring System enables the improved efficiency, reliability, and monitoring, its non-implementation affects the remote monitoring, timely fault detection, energy consumption tracking, and automated switching of street lights, thereby impacting the quality-of-service delivery by the ULBs in respect of street lighting.

3.5.1.2 Absence of citizen feedback mechanism for street lighting services

A robust feedback mechanism is vital for evaluating public satisfaction with street lighting infrastructure and identifying areas for improvement. Engaging citizens in the operation and maintenance process ensures that municipal services are responsive, inclusive, and aligned with community needs.

Audit reviewed whether the selected ULBs established any system to collect feedback from citizens or citizen groups regarding the performance of street lights. Audit observed that no feedback mechanism was existing in any selected ULBs. This highlights that there was no engagement with the beneficiaries (complainants) in the monitoring or maintenance of the street lighting infrastructure. In Municipal Council, Tohana, the clause of feedback mechanism was not included in the service agreement with the contractor for the operation and maintenance of street lights.

The absence of a citizen feedback system affects identification/location of recurring issues such as faulty lights, inadequate coverage, or delayed repairs as well as accountability and transparency in service delivery.

These points were referred to the concerned ULBs in January 2026, but their reply was awaited (June 2026).

3.5.1.3 Deficiencies noticed during Joint Physical Verification

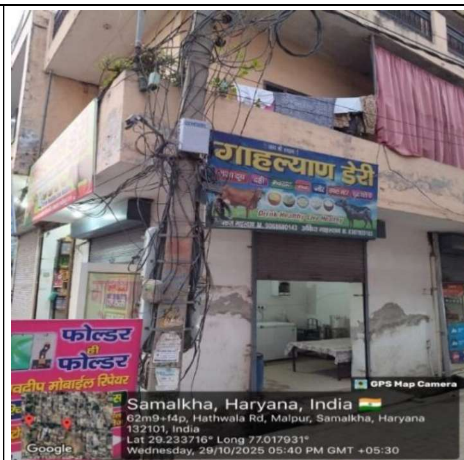
Municipal Committee, Samalkha

There are 17 wards in MC, Samalkha. Ward No. 5 with maximum number of complaints, was selected for Joint Physical Verification conducted on 29 October 2025 with officials of the Municipal Committee, Samalkha. Following major deficiencies were observed:

- **Deficiencies in street lights installation, coverage and functionality**

Physical verification revealed irregular pole placement causing dark stretches at three locations i.e. Malpur, Street adjoining Hathwala Road and Sitaram Colony. No street lights were found on Hathwala road, and several internal lanes remained unserved due to absence of poles or constraints like High Tension lines, while some newly installed poles lacked switches and lights were mounted on house walls. Instances of incorrect orientation and non-functional street lights were also observed.

Photograph 1 : exhibiting no streetlights at Hathwala Main Road



Photograph 2 : showing light near Gahalyan Dairy facing the pole instead of the road and was non-functional

- **Deficiencies in Maintenance and Complaint Redressal Mechanism**

No preventive maintenance system was in place, with repairs being undertaken only upon receipt of complaints. The complaint tracking was limited to manual registers, affecting monitoring and timely redressal. Further, toll-free numbers or digital platforms were not ensured for citizens for lodging complaints.

Fatehabad District

The Joint Physical Verification was conducted during 14 to 16 October 2025 in the selected ULBs of Fatehabad, which revealed the following:

ULB	Findings observed during JPV
MC Fatehabad	Out of eight locations, the streetlights at six locations were found non-functional resulting in dark stretches.
MC Tohana	At Town Park (Madan Lal Dhingra Park), all 36 installed poles were found without lights, whereas streetlights at other three inspected sites were found functioning. This highlights lack of uniformity in maintenance and monitoring.
MC Bhuna	The complaint register captured the date and location, without recording rectification or closure dates.

These points were referred to the concerned ULBs in January 2026, but their reply was awaited (June 2026).

State Government should ensure that ULBs introduce an appropriate complaint system for proper recording and tracking of complaints. Further, the feedback mechanisms such as mobile apps, helplines, surveys, or community meetings etc. may be established by the ULBs for efficiency in street light maintenance.

3.5.2 Findings relating to Cattle Pounds, prevention of cruelty to animals

Section 35 of the Prevention of Cruelty to Animals Act, 1960 relates to care and treatment of animals and their custody. Further, Section 38 of this Act empowers the central government to frame rules for carrying out the purposes of the Act. Accordingly, the Central Government framed the Animal Birth Control (Dogs) Rules, 2001 (as amended in 2023), particularly rules relating to establishment of shelters, feeding, vaccination and medical care of street dogs by local authorities.

3.5.2.1 Non-establishment of pounds for shelter and safeguarding of stray animals

The Animal Welfare Board of India stated (July 2018) that all local bodies are responsible to provide shelter, water, sufficient food, medical facilities etc. for stray animals. For this purpose, the municipalities have to revive/construct cattle pounds with requisite infrastructure specially shelter, water, feed, medical facilities, rescue and rehabilitation of stray animal provides for redressal of complaints/grievance of public etc. In this regard, audit observed the following:

Shelter and pounds for cattle: None of the selected ULBs namely MC, Panipat, MC Samalkha, MC Fatehabad, MC Tohana and MC Bhuna established any pounds or shelters for the cattle. No complaint register was maintained in MC Panipat regarding complaint received and resolved in respect of nuisance created by stray animals.

The MC Panipat engaged an agency for catching stray animals, which are sent to Shri Gopal Gaushala at Nain for keeping the stray cattle. MC Panipat was paying ₹ two lakh per month (from October 2020) which was increased to ₹ five lakh per month from June 2023 and later increased to ₹ 7.50 lakh from December 2024.

During the joint physical verification (October 2025), it was noted that the register of animals received from the agency responsible for catching stray cattle was not updated with monthly abstracts of cattle received, died, sold, or newly born. Further, the vaccinated and non-vaccinated cattle were kept together with no identification or tagging system to distinguish them which may expose animals to contagious diseases.

Other selected ULBs of Panipat[2] and Fatehabad[3] districts stated that stray animals were sent to nearby gaushalas, but no details were available/furnished by these ULBs.

These points were referred to the concerned ULBs in January 2026, but their reply was awaited (June 2026).

The non-maintenance of proper records of stray animals affects the planning and management of stray animal by the ULBs.

3.5.2.2 Shortfalls in sterilisation of dogs contributing to increased population of dogs and biting incidents

As per Animal Birth Control (Dogs) Rules, 2001, pet dog owner shall be responsible for controlled breeding, immunization, sterilization and licensing whereas street dogs shall be sterilised and immunized by participation of animal welfare organizations, private individuals and local authority. In this regard, audit observed the following:

- **Sterilisations of stray dogs:** The Municipal Corporation, Panipat (MCP) engaged (January 2021) an agency for sterilisation of dogs till June 2021, which was further extended upto June 2022. However, no survey or assessment of number of dogs' population was conducted before awarding the work of sterilization by MC Panipat in discharge of its function under Rule 5(e) of the ABC Rules, 2001, which provides that for planning and management of dog control programme, a survey of the number of street dogs shall be done by an independent agency. The agency conducted total 6,187 sterilisations of stray dogs till upto June 2022 including 2,176 sterilisation upto June 2021.

- **Dog bite cases**: Number of dog bite cases increased from 17,766 in 2022-23 to 21,576 in 2023-24, and further to 36,336 in 2024-25, which highlights an increasing trend in the dog bite cases. Despite this, no

2 MC Samalkha

3 MC Fatehabad, MC Bhuna and MC Tohana

sterilisation of dogs was done in the year 2023-24 despite availability of budget of ₹ 96 lakh. It is worth mentioning that the work order for sterilisation of dogs was issued on 4 February 2025, to be effective from 25 March 2025.

- In MC Samalkha, MC Fatehabad, MC Tohana and MC Bhuna, the data of records relating to stray and pet dog population and public grievances/complaints regarding dog bite cases were not being maintained. Further, sterilisation of dogs was not carried out in these ULBs, though cases of dog bite increased from 4,647 in 2022-23 to 6,859 in 2024-25 in Fatehabad District. There was no evidence of any long-term strategy for stray dog population control being framed.
- **Registration of dogs**: Section 311 of the Haryana Municipal Corporation Act, 1994, provides for registration of dogs kept within the municipal areas. Audit however, observed that there was only one case of registration of dog from 2020-21 to 2023-24 in MCP, whereas no dog registration took place in MCs of Samalkha, Tohana, Fatehabad and Bhuna upto March 2024. This highlighted the ULBs did not ensure compliance of the statutory provisions for regulation of pet dogs.

These points were referred to the concerned ULBs in January 2026, but their reply was awaited (June 2026).

State Government should ensure that Municipalities construct cattle pounds for impounded stray animals, make dog registration mandatory with prescribed fees, to support regulatory functions and Municipal revenue generation and constitute a three-tier committee to achieve dog-sterilisation targets.

3.5.3 Regulation of Slaughterhouses and Tanneries

The regulation of slaughterhouses in Haryana is governed by the Haryana Municipal Act, 1973, the Haryana Municipal (Regulation of Slaughterhouses) byelaws, 1977, Prevention of Cruelty to Animals (Slaughterhouse) Rules, 2001 and Water (Prevention and Control of Pollution) Act, 1974. Audit of selected ULBs in Sirsa and Karnal districts revealed significant deficiencies as detailed below:

3.5.3.1 Non-functional slaughterhouses contributing to unhygienic conditions

Section 170 (1) of the Haryana Municipal Act, 1973, authorises municipal committees to designate premises, either within or outside municipal limits, for the slaughter of animals intended for sale. Committees may grant or withdraw licenses for these premises and levy rent or fees if the premises belong to the municipality. Further, under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 (Sections 25 & 26) and the Air (Prevention and Control of Pollution) Act, 1981 (Section 21), slaughterhouses being classified under Red Category due to high pollution potential, are mandatorily required to obtain prior Consent to Establish (CTE) and Consent to Operate (CTO) from the State Pollution Control Board.

Four slaughterhouses were constructed in the selected ULBs during 2001-03. Audit, however, observed that three slaughterhouses were non-functional (December 2024) as indicated below:

Table 3.2: Details of non-functional slaughterhouses

Municipality	Slaughterhouses	Year of construction	Cost incurred (₹ in lakh)
Municipal Council, Sirsa	1	2001	7.13*
Municipal Council, Mandi Dabwali	1	2002-03	7.13
Municipal Committee, Ellenabad	1	2002	2.53

**Actual expenditure of slaughterhouse at Sirsa was not available, it is the grant provided to the municipality.*

The ULBs attributed the non-functioning of the slaughterhouses to the following:

Sirsa, Municipal Council: The slaughterhouse constructed in the year 2001, was closed in the year 2013 due to the non-installation of Effluent Treatment Plant (ETP). Subsequently, the ETP was installed in October 2019, however, the efforts were being made (September 2024) to get clearance from the State Pollution Control Board to operationalize the slaughterhouse.

Mandi Dabwali, Municipal Council: The slaughterhouse was stopped in the year 2013 due to lack of permission from the State Pollution Control Board. Further, a resolution was passed in November 2024 for the construction of a new, modern slaughterhouse.

Ellenabad, Municipal Committee: The slaughterhouse has not been used or operated since its construction in the year 2002. Further, a resolution was passed in July 2024 for the rejuvenation of the existing slaughterhouse.

The updated status of functioning of the above-mentioned slaughterhouses is awaited (May 2026).

Unauthorised slaughtering: The unauthorised slaughtering and meat shops were observed in the selected ULBs of Sirsa, Mandi Dabwali, Ellenabad, and Karnal. There were 38 unauthorised meat shops operating (September 2024) in Sirsa without licences, whereas such records were not maintained in Mandi Dabwali, Ellenabad, and Karnal. Though notices were issued by the ULBs directing closure of such slaughtering activities, no penalties were imposed.

Further, a meat market consisting of 16 shops was completed by the Municipal Committee Nissing in June 2021 at a cost of ₹ 54.99 lakh. Audit, however, observed that the meat market was still lying unutilised (March 2025) despite lapse of more than four years due to its non-allotment to the meat vendors.

The absence of operational slaughterhouses resulted in the non-availability of regulated facilities for scientific and hygienic slaughtering of animals, thereby encouraging unauthorised slaughtering practices.

These points were referred to the concerned ULBs in January 2026, but their reply was awaited (June 2026).

State Government should ensure the functioning of the authorised slaughterhouses in the municipal areas for scientific and hygienic slaughtering as well as to control the spread of unauthorised meat shops. Further, the municipalities should maintain proper records of licensed and unlicensed meat shops and take appropriate action against the unauthorised slaughtering activities.

3.6 Conclusion

The Function Based Audit of the selected functions of the ULBs brought out the major findings such as non-implementation of the Centralized Control and Monitoring System, which affected the remote monitoring, fault detection and automated switching of street lights, lack of citizen feedback system accountability and transparency in service delivery, non-establishment of pounds for shelter and safeguarding of stray animals and shortfalls in sterilisation of dogs which led to the increased population of dogs and biting incidents in the selected districts.

Further, the continued unauthorised slaughtering was also observed which posed risks to public health and the environment due to unhygienic slaughtering and improper disposal of animal waste, adversely affecting the sanitation, environmental sustainability, and public health services.

The report was issued to the State Government in January 2026, their reply is awaited (May 2026).

3.7 Recommendations

- *State Government should ensure that ULBs introduce an appropriate complaint system for proper recording and tracking of complaints. Further, the feedback mechanisms such as mobile apps, helplines, surveys, or community meetings etc. may be established by the ULBs for efficiency in street light maintenance.*
- *State Government should ensure that Municipalities construct cattle pounds for impounded stray animals, make dog registration mandatory with prescribed fees, to support regulatory functions and Municipal revenue generation and constitute a three-tier committee to achieve dog-sterilisation targets.*

- *State Government should ensure the functioning of the authorised slaughterhouses in the municipal areas for scientific and hygienic slaughtering as well as to control the spread of unauthorised meat shops. Further, the municipalities should maintain proper records of licensed and unlicensed meat shops and take appropriate action against the unauthorised slaughtering activities.*