

OVERVIEW

The Report consist of seven chapters containing introduction, audit comments on accounting procedures, deficiencies/lacunae in implementation of schemes, irregularities in execution of works, loss of revenue receipts and other important points of interest. A synopsis of audit findings contained in paragraphs is presented in this overview.

An overview of the Panchayati Raj Institutions and Urban Local Bodies

Formats for data base on finances, preparation of budget and keeping of accounts for the LBs were prescribed by the CAG but the final action for adoption was awaited.

(Paragraph 1.5.1)

Reconciliation of expenditure figure with those booked by AG (A&E) was not maintained in the Directorate of Urban Administration Department and the reconciliation work in 13 district of Directorate of Panchayat and Social Justices was yet to be completed.

(Paragraph 1.5.2)

There was delay of 15 days to 3 months in crediting of grants of TFC.

(Paragraph 1.5.4)

Accounting Procedures

Bank-reconciliation statement of Rs. 5.65 crore not prepared by 16 ULBs.

(Paragraph 2.2)

Non-recovery of advances of Rs.10.83 crore from individuals of 19 Nagar Nigam/ Nagar Palika.

(Paragraph 2.3)

Funds amounting to Rs.1.44 crore were diverted in eight ULBs

(Paragraph 2.4)

Non-utilisation of government grants of Rs.3.17 crore of EFC in 11 ULBs.

(Paragraph 2.5)

Non recovery of taxes of Rs. 308.66 crore in 33 Nagar Nigam/Nagar Palika/ Nagar Panchayat.

(Paragraph 2.6)

Non depositing of amount in GP Fund
(Paragraph 2.7)

Non creation of Reserve Fund of ULBs.
(Paragraph 2.8)

Expenditure incurred without approval of budget.
(Paragraph 2.9)

Irregular deposit of Rs. 4.45 crore in non-schedule bank.
(Paragraph 2.11)

Non reconciliation of balances of cash book and bank pass book of PRIs.
(Paragraph 2.13)

Non surrender of unspent balances of Rs. 1.17 crore of inactive/closed schemes.
(Paragraph 2.14)

Excess expenditures of Rs. 5.75 crore on works not regularised.
(Paragraph 2.16)

Incomplete works amounting to Rs. 46.03 crore in 38 units.
(Paragraph 2.17)

Implementation of Schemes

The Government of India introduced (1999) a programme of “Total Sanitation Campaign” to promote sanitation facilities in Rural houses, Schools and Aganwadis. Implementation of the Campaign was not carried out during the year 1999-2000 and 2000-2001. In 46 districts the achievement in the main component Individual House Hold Latrines (IHHLs) remained eight per cent (Above Poverty Line) and seventeen per cent (Below Poverty Line). Against the sanctioned cost of the project (Rs. 411.10 crore) only Rs. 162.72 crore (41 per cent) could be received (September 2006) whereas completion period of these districts was going to be over by the end of 2006-07. Similarly, two per cent of total project cost (Rs. 422.55 crore) of 48 districts was spent on Information Education and Communication (IEC) against the approval of 15 per cent. Funds for maintenance of school and Aganwadis latrines were not provided by the concerned departments. Convergence of Water Supply Programme with TSC did not take place. Only 190 Gram Panchayat out of 23051 were awarded with Nirmal Gram Puraskar. Preliminary survey was not conducted in test checked districts. Separate units of toilets for girls and boys were not provided. 2302 works (Estimated cost Rs. 6.08 crore) relating to hardware activities and alternate delivery mechanism were executed in excess of approval of the GOI. Monitoring of the campaign through regular field inspections was not conducted.

(Paragraph 3.1)

Execution of Works

Release of Bank Guarantee despite non recovery of mobilisation advance of Rs. 2.71 crore

(Paragraph 4.1)

Revenue Receipts

Non recovery of Urban Development Cess of Rs. 18.78 crore.

(Paragraph 5.2)

Non recovery of Worker Welfare Cess to the tune of Rs. 8.76 crore.

(Paragraph 5.3)

Loss of revenue of Rs. 6.64 crore on unsold property as well as undue interest liability of Rs. 4.15 crore payable to HUDCO.

(Paragraph 5.4)

Other Points of interest

Undue benefit of Rs. 1.56 crore to the coloniser.

(Paragraph 6.2)

Undue financial aid of Rs. 1.26 crore to the resident beneficiaries.

(Paragraph 6.3)