



सत्यमेव जयते

Annual Technical Inspection Report
on
Panchayati Raj Institutions and Urban Local Bodies
for the years ended 31 March 2018 and 31 March 2019



लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest



Government of Himachal Pradesh

Office of the Principal Accountant General (Audit)
Himachal Pradesh, Shimla

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Preface

This Report for the years ended 31st March 2018 and 31st March 2019 has been prepared for submission to the Government of Himachal Pradesh in terms of Technical Guidance and Support to audit of Panchayati Raj Institutions and Urban Local Bodies under Section 20(1) of the Comptroller and Auditor General's (CAG's) Duties, Powers and Conditions of Service (DPC) Act, 1971.

The Report contains significant results of the audit of the Panchayati Raj Institutions and Urban Local Bodies in the State including the departments concerned.

The issues noticed in the course of test audit done for the period 2017-18 and 2018-19, as well as those issues which came to notice in earlier years but could not be dealt within the previous reports have also been included, wherever necessary.

The audit has been conducted in conformity with auditing standards issued by the Comptroller and Auditor General of India.

OVERVIEW

OVERVIEW

This Report comprises of two parts containing four chapters. Chapters 1 and 2 pertain to Panchayati Raj Institutions and Chapters 3 and 4 pertain to Urban Local Bodies. A synopsis of important audit findings is presented in this overview.

PART A: Panchayati Raj Institutions (PRIs)

In accordance with the provisions under the Constitution (Seventy Third Amendment) Act, 1992, a three tier Panchayati Raj System structure viz. Gram Panchayat at village level, Panchayat Samiti at block level and Zila Parishad at district level was established under the Himachal Pradesh Panchayati Raj Act, 1994. Functions relating to 15-line departments have been assigned by the State Government to PRIs.

Chapter 1: Profile of Panchayati Raj Institutions

- Primary audit of Panchayati Raj Institutions (PRIs) is being undertaken by the Director, HP State Audit Department (HP SAD). The State Government has entrusted (March 2011) audit of PRIs to the Comptroller and Auditor General (CAG) with the responsibility of providing technical guidance and support under section 20(1) of the CAG's (DPC) Act, 1971.

(Paragraph 1.2)
- There are 12 Zila Parishads (ZPs), 78 Panchayat Samitis (PSs), and 3,226 Gram Panchayats (GPs) in the State as on 31 March 2019.

(Paragraph 1.3)
- The Panchayati Raj Institutions (PRIs) have technical and non-technical staff in various cadres. There are 413 vacant posts in PRIs against total sanctioned posts of 9,465 as of March 2019.

(Paragraph 1.3.2)
- The resource base of PRIs consists of (i) Central Finance Commission (CFC) grants, (ii) State Finance Commission (SFC) grants, (iii) Central Government grants and (iv) State Government grants for developmental activities and implementation of schemes. The funds of ₹ 1,457.99 crore and ₹ 1,757.57 crore were allotted to the PRIs for the years 2017-18 and 2018-19 respectively.

(Paragraph 1.4.1)
- With regard to accounting system in PRIs, the State Government adopted (March 2011) PRIASoft, a software developed by MoPR, for maintaining the accounts of PRIs as per the Model Accounting Structure.

(Paragraph 1.5)
- During 2017-19, 457 PRIs were audited by the HP SAD whereas the internal audits of 4,843 PRIs were conducted by the Audit Wing under Director, Panchayati Raj during the above period.

(Paragraph 1.7)

Chapter 2: Results of audit of Panchayati Raj Institutions

During the years 2017-18 and 2018-19, audit of three ZPs, nine PSs, 45 GPs and three ZPs, seven PSs, 103 GPs was conducted respectively. Audit of PRIs highlighted:

- Differences between figures of receipts and expenditure furnished to audit and those uploaded on PRIASoft.
(Paragraph 2.1.2)
- Non-reconciliation of balances of cashbook with bank statements.
(Paragraph 2.1.4)
- Non-depositing of liquor cess amounting to ₹ 12.26 lakh in Account-A.
(Paragraph 2.1.6(ii))
- Funds of ₹ 1.37 crore remained unspent due to non-commencement of works.
(Paragraph 2.3.1)
- Funds of ₹ 1.95 crore remained unspent due to non-completion of works.
(Paragraph 2.3.2)
- Funds of ₹ 5.12 crore received under 13th Finance Commission remained unutilised on account of non-start of works, incomplete works and non-release of funds.
(Paragraph 2.3.3)
- Funds of ₹ 8.16 crore under 14th FC remained unutilised owing to non-completion of works.
(Paragraph 2.4.1)
- Delay in release of wages amounting to ₹ 57.11 lakh under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for period ranging between 15 and 518 days.
(Paragraph 2.6)
- One hundred twenty-two PRIs purchased material costing to ₹ 8.74 crore without inviting quotations/ tenders.
(Paragraph 2.10)
- Irregular payment of Government money amounting to ₹ 72.39 lakh was done in 35 Gram panchayats.
(Paragraph 2.11)

PART B: Urban Local Bodies (ULBs)

The 74th Constitutional (Amendment) Act, 1992 paved the way for decentralisation of power, transfer and devolution of more functions and funds to the ULBs. The objective was to make the ULBs self-reliant and to provide better civic facilities to the people of areas under their jurisdiction. To implement the provisions of the said Act, the Government of Himachal Pradesh enacted the Himachal Pradesh Municipal Corporation Act, 1994 and the Himachal Pradesh Municipal Act, 1994. In Himachal Pradesh, 17 functions stand transferred to ULBs.

Chapter 3: Profile of Urban Local Bodies

- Primary audit of Urban Local Bodies (ULBs) is being undertaken by the Director, HP State Audit Department (HP SAD). The State Government has entrusted (March 2011) audit of ULBs to the Comptroller and Auditor General (CAG) with the responsibility of providing technical guidance and support under section 20(1) of the CAG's (DPC) Act, 1971.
(Paragraph 3.2)
- There are two Municipal Corporations, 31 Municipal Councils (MCs) and 21 Nagar Panchayats (NPs) in the State as on 31 March 2019.
(Paragraph 3.3)
- There are 1,230 vacant posts in Urban Local Bodies (ULBs) against total sanctioned posts of 3,749 in various cadres as of March 2019.
(Paragraph 3.3.2)
- For execution of various development works, ULBs receive funds in the form of grants mainly from (a) Central Finance Commission (CFC) grants, (b) State Finance Commission (SFC) grants, (c) Central Government grants and (d) State Government grants. Besides, revenue is also mobilised by the ULBs in the form of taxes, rent, fees, etc. The funds of ₹ 433.52 crore and ₹ 794.91 crore were allotted to the ULBs for the years 2017-18 and 2018-19 respectively.
(Paragraph 3.4.1)
- During 2017-18 and 2018-19, 25 and 26 ULBs respectively were audited by the HP SAD whereas there is no provision for a separate and independent internal audit agency under the control of the Director, Urban Development to conduct internal audit of ULBs.
(Paragraph 3.6)

Chapter 4: Results of audit of Urban Local Bodies

During the years 2017-18 and 2018-19, audit of two Municipal Corporations, six Municipal Councils, four Nagar Panchayats and two Municipal Corporation, seven Municipal Councils, five Nagar Panchayats was conducted respectively. Audit of ULBs *inter alia* highlighted:

- Due to ineffective monitoring, revenue of ₹ 11.80 crore on account of house tax in 17 ULBs remained unrealised.
(Paragraph 4.5.1(a))
- Rent due from shops, booths and stalls amounting to ₹ 14.75 crore remained unrealised in 21 ULBs.
(Paragraph 4.5.2)
- MC Shimla failed to realise lease money of ₹ 1.74 crore from shops and stalls.
(Paragraph 4.5.5)
- Funds amounting to ₹ 8.97 crore under AMRUT, ₹ 2.67 crore under PMAY and ₹1.00 crore under NULM remained unutilized.
(Paragraph 4.6)

- In three ULBs, funds amounting to ₹ 4.74 crore under 13th & 14th Finance Commission and 4th State Finance Commission remained unutilized.
(Paragraph 4.6.4)
- Funds amounting to ₹ 14.52 crore remained unspent in twelve test checked ULBs due to non-completion/ commencement of works.
(Paragraph 4.6.5)
- Funds amounting to ₹ 4.41 crore received for execution of sewerage schemes were lying unspent in two ULBs depriving public of the sewerage facilities.
(Paragraph 4.6.6)
- Non-allotment of 73 houses in MC Nalagarh resulted in unfruitful expenditure of ₹ 3.12 crore and non-realisation of beneficiary share of ₹ 1.36 crore.
(Paragraph 4.8)
- Utilisation Certificates of ₹ 3.97 crore were not obtained in two ULBs.
(Paragraph 4.14)
- Six ULBs sanctioned advances of ₹ 32.21 crore during 2015-18 without adjustment of previous advances.
(Paragraph 4.16)

CHAPTER-1
PROFILE OF PANCHAYATI RAJ
INSTITUTIONS

PART-A PANCHAYATI RAJ INSTITUTIONS (PRIs)

CHAPTER-1 PROFILE OF PANCHAYATI RAJ INSTITUTIONS

1.1 Background

The Constitution (73rd Amendment) Act, 1992 accorded constitutional status to the Panchayati Raj Institutions (PRIs) and established a structure of self-governing institutions at the rural level, with regular elections and flow of funds through Finance Commissions. The Act came into force in April, 1993. To implement the provisions of the said Act, the Government of Himachal Pradesh enacted the Himachal Pradesh Panchayati Raj Act, 1994 and framed the Himachal Pradesh Panchayati Raj (General) Rules, 1997 and the Himachal Pradesh Panchayati Raj (Finance, Budget, Accounts, Audit, Works, Taxation and Allowances) Rules, 2002 to enable these institutions to work as the third tier of Government. States were expected to devolve funds, functions and functionaries to these bodies so as to enable them to function as institutions of Local Self Government. Twenty-nine functions (**Appendix-1**) listed in the Eleventh Schedule of the Constitution were to be devolved to PRIs, along with funds and functionaries. PRIs were required to prepare plans and implement schemes for socio-economic development, particularly for those functions listed in the Eleventh Schedule of the Constitution.

The activity map for devolving functions, funds and functionaries (3Fs) of 15-line departments was notified vide notification No. PCH-HA (3)/9/2006, dated 19 October, 2009. Although all 29 functions relating to these 15-line departments (**Appendix-2**) have been assigned to PRIs, matching funds and functionaries have not been provided to the PRIs¹.

1.2 Audit mandate of the CAG

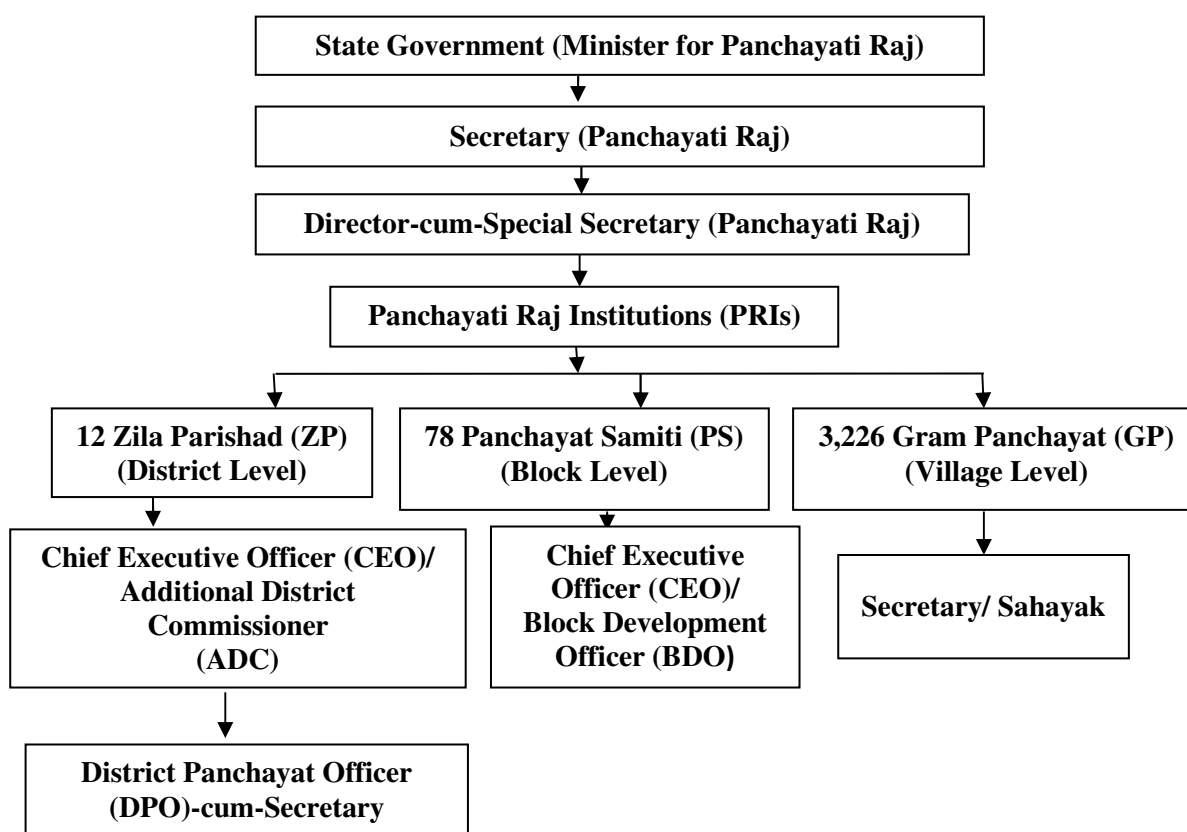
In Himachal Pradesh, primary audit of Panchayati Raj Institutions (PRIs) is being undertaken by the Director, HP State Audit Department (HP SAD). The State Government has entrusted (March 2011) audit of PRIs to the Comptroller and Auditor General (CAG) with the responsibility of providing technical guidance and support under section 20(1) of the CAG's (DPC) Act, 1971. The results of audit are included in the Annual Technical Inspection Report (ATIR), which is to be placed before the State Legislature as per Section 118 of the Himachal Pradesh Panchayati Raj Act, 1994. The Annual Technical Inspection Report for the year ended 31 March 2017 has been placed in the State Legislature on 29 August 2019.

1.3 Organisational structure of Panchayati Raj Institutions

There are 12 Zila Parishads (ZPs), 78 Panchayat Samitis (PSs) and 3,226 Gram Panchayats (GPs) in the State, as of March, 2019. The chart below depicts the organisational structure of the State Government, Panchayati Raj Department and the Panchayati Raj Institutions at the Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) level.

¹ Stated by Director, Panchayati Raj (July 2019).

Organisational set up



The chairpersons of ZPs and PSs, and the Pradhans of GPs are elected representatives and head the ZPs, PSs, and GPs respectively. District level officers are required to attend monthly meetings of the ZPs.

1.3.1 Standing Committees

The various Standing Committees in PRIs and their roles and responsibilities are given in **Table-1** below:

Table-1: Roles and responsibilities of the Standing Committees

Level of PRIs	Standing Committee headed by	Name of Standing Committees	Role and responsibilities of the Standing Committee
Zila Parishad	Chairman	General Standing Committee	Performs functions relating to establishment matters, communications, etc.
		Finance, Audit and Planning	Performs functions relating to finances of Zila Parishad.
		Social Justice Committee	Performs functions like promotion of educational, economic, social, cultural and other interests of SCs/ STs/ OBCs.
		Education and Health Committee	Undertakes planning of education in the district within the framework of the national policy and National and State plans.
		Agriculture and Industries Committee	Performs functions relating to agriculture and promotion of industrial development of the district.

Level of PRIs	Standing Committee headed by	Name of Standing Committees	Role and responsibilities of the Standing Committee
Panchayat Samiti	Chairman	General standing committee	Performs functions relating to the establishment matters.
		Finance, Audit and Planning	Performs functions relating to finances of the Panchayat Samiti.
		Social Justice committee	Performs functions like promotion of educational, economic, social, cultural and other interests of SCs/ STs/ OBCs.
Gram Panchayat	Pradhan or Up-Pradhan	Works Committee	All development works of the Gram Panchayat are executed by this committee.
		Budget Committee	Prepares the annual budget of the Gram Panchayats and submits the same to the Secretary.

Source: The Himachal Pradesh Panchayati Raj Act, 1994.

1.3.2 Institutional arrangements for the implementation of schemes

The Panchayati Raj Institutions (PRIs) have technical and non-technical staff in various cadres as per detail given in the table below:

Table: Details of Technical and Non-technical staff of PRIs

Technical and Non-technical staff		2018-19
Sanctioned Posts	Total	9,465
	Regular	2,755
	Contractual	6,710
In position	Total	9,052
	Regular	2,754
	Contractual	6,298
Vacant Posts	Total	413 (as of March 2019)
	Junior Engineer	30
	Assistant Engineer	01
	Panchayat Chowkidar	02
	Takniki Sahayak	86
	Panchayat Secretary	294

During 2017-19, 685 and 103 Panchayat Secretaries/ Sahayaks respectively were imparted basic computer training courses by the Panchayati Raj Department.

1.4 Financial profile

1.4.1 Fund flow to PRIs

Fund flow: Source and custody of funds in PRIs

The resource base of PRIs consists of (a) Central Finance Commission (CFC) grants, (b) State Finance Commission (SFC) grants, (c) Central Government grants and (d) State Government grants for developmental activities and implementation of schemes.

The funds allotted to the PRIs for the period from 2014-15 to 2018-19 are detailed in **Table-2:**

Table-2: Time series data on resources of PRIs

		(₹ in crore)					
Sr. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	
1.	Own Revenue	73.08	107.21	119.26	152.43	137.52	
2.	Loan	10.59	3.23	4.33	2.17	1.86	
3.	Finance Commission (FC) grants from Central Government (CFC) & grants from Central Government	167.03	197.87	306.05	312.60	361.63	
4.	Finance Commission (FC) grants from State Government (SFC) & grants from State Government	77.70	109.70	133.33	179.83	239.38	
5.	Grants for Centrally Sponsored Schemes	Centre Share	511.86	403.36	659.99	720.72	829.09
		State Share	65.21	52.61	76.46	36.62	138.49
6.	State Government grants for State Schemes	17.99	23.64	48.18	53.22	49.07	
7.	Other receipts	0.46	0.42	0.48	0.40	0.53	
Total		923.92	898.04	1,348.08	1,457.99	1,757.57	

Source: Director, Panchayati Raj and Rural Development Department, and Economics & Statistics Department.

Central Government grants: There are nine Centrally Sponsored Schemes namely (i) National Rural Livelihood Mission (NRLM) (ii) Swarnjayanti Gramin Swarojgar Yojna (SGSY) (iii) Rural Self Employment Training Institute (RSETI) (iv) Indira Awas Yojna (IAY)/ Pradhan Mantri Awas Yojna-G (PMAY-G) (v) Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) (vi) Swachh Bharat Mission-G (SBM-G) (vii) Pradhan Mantri Krishi Sinchayee Yojna (PMKSY) (viii) Deen Dayal Upadhyaya Gramin Kaushalya Yojna (DDU-GKY) and (ix) Integrated Watershed Management Programme (IWMP). Non-release of funds under SBM during 2017-18 and 2018-19 was attributed (August 2021) by Rural Development Department to previous funds lying unspent in Districts/Blocks.

The position of funds allocated to PRIs under Centrally Sponsored Schemes is given in **Table-3** below:

Table-3: Position of funds allotted to the PRIs for Major Centrally Sponsored Schemes

		(₹ in crore)				
Name of scheme	2014-15	2015-16	2016-17	2017-18	2018-19	Total
IAY/PMAY(G)	19.10	34.10	30.47	58.16	20.53	162.36
NRLM/SGSY	--	1.08	4.79	12.04	18.91	36.82
MGNREGA	394.33	387.68	440.56	610.55	890.85	2,723.97
SBM	151.72	5.75	130.33	--	--	287.80
PMKSY	--	5.14	83.91	29.81	26.71	145.57
DDU-GKY	--	--	44.24	46.40	7.70	98.34
Total	565.15	433.75	734.30	756.96	964.70	3,454.86

Source: Director, Rural Development Department (RDD).

State Government grants: Four schemes namely (i) Rajiv Awas Yojna (RAY) (ii) Mukhya Mantri Awas Yojana (MMAY) (iii) Matri Shakti Bima Yojana (MSBY) and (iv) Mukhya Mantri Awas Repair Yojana (MMARY) are 100 per cent State Sponsored Schemes. No funds were released during 2018-19 under Rajiv Awas Yojana (RAY) because this scheme was merged with Mukhya Mantri Awas Yojana (MMAY) in 2018-19. The position of funds allotted to the PRIs under these schemes for the period from 2014-15 to 2018-19 is detailed in **Table-4** below:

Table-4: Position of funds allotted to the PRIs for Major State Schemes

						(₹ in crore)
Name of scheme	2014-15	2015-16	2016-17	2017-18	2018-19	Total
RAY/MMAY	10.00	17.50	36.00	41.00	42.19	146.69
MSBY	--	1.49	1.38	1.42	3.58	7.87
MMARY	--	--	--	3.00	3.30	6.30
Total	10.00	18.99	37.38	45.42	49.07	160.86

Source: Director, Rural Development Department (RDD).

While Central and State grants are utilised by the PRIs for execution of Central and State Sponsored schemes as per guidelines issued by the GOI² and State Government, the own receipts of PRIs are utilised for execution of schemes and works formulated by the PRIs. Central and State schemes are implemented by the Gram Panchayats which are under the control of Panchayati Raj Department, but the funds are released by the Rural Development Department to the Gram Panchayats directly or through District Rural Development Agencies (DRDAs). The District Rural Development Agencies release the funds to Block Development Officers who further distribute them to Gram Panchayats for various activities. The funds allotted to the PRIs through different sources are kept in banks.

1.4.2 Application of resources: trends and composition

The application of resources (amounts released to PRIs by Department of Panchayati Raj, and amount of expenditure incurred by PRIs out of the funds released by Department of Rural Development) by PRIs for the period from 2014-15 to 2018-19 is detailed in **Table-5** below:

Table-5: Sector-wise application of resources

							(₹ in crore)
Sr. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	
1.	Own Revenue	322.85*	313.51*	401.08*	470.31*	525.07*	
2.	Loan						
3.	Expenditure from Finance Commission (FC) grants from Central Government (CFC) & grants from Central Government	167.03	197.87	306.05	312.60	361.63	
4.	Expenditure from grants for Centrally Sponsored Schemes	562.85	516.11	711.73	702.73	961.17	
5.	Expenditure from Finance Commission (FC) grants from State Government (SFC) & grants from state govt	77.70	109.70	133.33	179.83	206.65	
6.	Expenditure from State Government grants for State Schemes	17.65	19.01	35.41	32.44	49.07	
7.	Expenditure from Other Receipts	0.46	0.42	0.48	0.40	0.53	
Total		1,148.54	1,156.62	1,588.08	1,698.31	2,104.12	

Source: Director, Panchayati Raj and RDD, Himachal Pradesh, and Economics & Statistics Department.

* Disaggregated figures are not available with the Department. These figures also include closing balance.

² Government of India.

It may be noted that all the funds provided by the Panchayati Raj Department to the PRIs have been shown as expenditure, instead of actual expenditure at ground level. The exact figures of expenditure by the PRIs were not available with the Panchayati Raj Department. Further, it was noticed that the Department had not prescribed any periodic returns to review/control expenditure by the PRIs, which resulted in weak control mechanism and irregularities in functioning of PRIs as discussed in Chapter-2.

The actual utilisation of funds in 57 PRIs test-checked by Audit for the period 2014-15 to 2016-17 ranged between 64 and 72 *per cent* and in 113 PRIs test-checked by Audit for the period 2015-16 to 2017-18 ranged between 57 and 61 *per cent* as detailed in **Table-6 (i)** and **(ii)** below:

Table-6 (i): Utilisation of funds in test-checked PRIs during 2017-18 for the period 2014-15 to 2016-17

(₹ in crore)				
Year	Budget Estimates	Actual Expenditure	Savings (-)/ Excess (+)	Percentage of expenditure
2014-15	55.23	38.26	16.97(-)	69
2015-16	89.40	64.33	25.07(-)	72
2016-17	88.74	56.77	31.97(-)	64

Source: Figures furnished by the test-checked PRIs.

Table-6(ii): Utilisation of funds in test checked PRIs during 2018-19 for the period 2015-16 to 2017-18

(₹ in crore)				
Year	Budget Estimates	Actual Expenditure	Savings (-)/ Excess (+)	Percentage of expenditure
2015-16	129.40	73.19	56.21(-)	57
2016-17	131.94	74.85	57.09(-)	57
2017-18	161.44	99.15	62.29(-)	61

Source: Figures furnished by the test-checked PRIs.

1.5 Accounting system in PRIs

The PRIs maintain their accounts in the proforma prescribed under the Himachal Pradesh Panchayati Raj General Rules, 1997. Accounts of the Gram Panchayats are maintained by the Panchayat Secretary, appointed by the Director-cum-Special Secretary Panchayati Raj Department, and Panchayat Sahayak, appointed on contract basis by the Chief Executive Officer-cum-Block Development Officer. In case of Panchayat Samitis, the accounts are maintained by the accountants of development blocks. Accounts of ZPs are maintained by the District Panchayat Officer-cum-Secretary, ZP.

The Eleventh Finance Commission (EFC) had recommended that the CAG exercise control and supervision over maintenance of accounts of all the three tiers of PRIs. The CAG and Ministry of Panchayati Raj (MoPR), GOI had recommended a Model Accounting Structure for PRIs in 2009. The State Government adopted (March 2011) PRIASoft, a software developed by MoPR, for maintaining the accounts of PRIs as per the Model Accounting Structure. The Deputy Director (PR Department) stated (July 2019) that accounts are maintained on PRIASoft as recommended by the CAG and MoPR, GOI. Audit observations in respect of implementation of PRIASoft are mentioned in Chapter-2.

1.6 Financial reporting and accountability framework of PRIs (Internal Control System)

A sound internal control system contributes to efficient and effective governance. Compliance with financial rules, procedures and directives as well as timeliness and quality of reporting on the status of such compliance are attributes of good governance. The reports on compliance and controls, if effective and operational, assist the PRIs and the State Government in meeting its basic stewardship responsibilities, including strategic planning, decision making and accountability to the stakeholders. Himachal Pradesh Panchayati Raj (HPPR) Rules, 2002 provides that PRIs are required to maintain certain records, registers, forms and accounts. Discrepancies noticed in the internal control system of the PRIs resulting in irregular expenditure/ implementation of works, are discussed in Chapter -2.

1.7 Primary audit and Internal audit of PRIs

The Himachal Pradesh State Audit Department (HP SAD) has been empowered to conduct the primary audit of PRIs as per Section 118 of the Himachal Pradesh Panchayati Raj (HPPR) Act, 1994. During 2017-19, 457 PRIs were audited by the HP SAD.

Sub-section (1) of section 118 of the HPPR Act, 1994 also provides that there will be a separate and independent internal audit agency under the control of the Director, Panchayati Raj to audit the accounts of PRIs with a view to ensure proper control on income and expenditure. The position of internal audits conducted by the Audit Wing under Director, Panchayati Raj during the years 2017-18 and 2018-19 is given in **Table-7** below:

Table-7: Position of Internal Audits during 2017-18 and 2018-19

Name of Institution	Total units	No. of units planned for audit		No. of units audited		No. of units not audited		Percentage of shortfall (-)/ excess (+)	
		2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Zila Parishad	12	0	08	0	04	0	04	0	(-) 50
Panchayat Samiti	78	39	62	36	44	03	18	(-) 8	(-) 29
Gram Panchayat	3,226	1,613	2,821	2,140	2,703	--	118	(+) 33	(-) 4

Source: Director, Panchayati Raj Department.

It was noticed that the audit wing under Director, Panchayati Raj had not planned internal audit of ZPs during 2017-18.

1.8 Technical Guidance and Support

The audit of PRIs has been entrusted to the CAG under Section 20 (1) of the CAG's (DPC) Act, 1971 with the responsibility of providing Technical Guidance and Support (TGS) to the Primary Auditors as per sections 152-154 of Regulations on Audit and Accounts, 2007 with regard to annual audit plans, audit methodology and procedures, training and capacity building, reporting and submission of returns.

Audit Plans for the years 2017-18 and 2018-19 were received from the Primary Auditor (Director, HP SAD) and noted for the process of audit planning in this office.

Primary Auditor (Director, HP SAD) adhered to the audit methodology and procedures for audit as prescribed in Section 80 of the HPPR (Finance, Budget, Accounts, Audit, Works, Taxation and Allowance) Rules, 2002.

During 2017-19, 45 inspection reports from the audit of the PRIs conducted by the Primary Auditor were reviewed by the Office of the Principal Accountant General (Audit), Himachal Pradesh. Inspection Reports were evaluated and recommendations were made for improvement and subsequent follow-up. The following recommendations were made:

- i. Reference to rules may be mentioned clearly in separate paragraphs while raising objections.
- ii. Audit memos may be issued to the auditee unit.
- iii. The reply of the Secretary, Gram Panchayat may be incorporated in audit paras.

It may be noted that some similar recommendations for improvement had been made during previous years, but the shortcomings persisted indicating that HP SAD had not taken adequate steps to address the same.

Every year, two days training is imparted to the audit staff of HP State Audit Department (HP SAD) as per their requirement. During 2017-18, 24 participants from HP SAD were imparted training on 8th and 9th February 2018 on the topics: (i) Statutory provisions regarding finance, taxation and recovery of claims (ii) PRIs funds, their operation, application and investment (iii) Budget, expenditure and stores (iv) Audit and inspection (v) Panchayati Raj Public Works Rules and (vi) Introduction to MNREGA and its operational guidelines. During 2018-19, 25 participants from HP SAD were imparted training on 11th and 12th March 2019 on the topics: (i) PRIASoft (Accounting system in PRIs) (ii) Works Audit of ULBs and PRIs; and (iii) Drafting of audit requisitions, Key document and Audit Reports of ULBs and PRIs.

1.9 Audit coverage

During the year 2017-18, test-check of accounts and records of 57 PRIs was conducted by this office and reports were issued to the respective PRIs. This included three ZPs (out of 12), nine PSs (out of 78) and 45 GPs (out of 3,226) (**Appendix-3(i)**) selected on the basis of periodicity and expenditure. During the year 2018-19, test-check of accounts and records of 113 PRIs was conducted by this office and reports were issued to the respective PRIs. These included three ZPs (out of 12), seven PSs (out of 78) and 103 GPs (out of 3,226) (**Appendix-3(ii)**) selected on the basis of periodicity and expenditure. Important audit findings are discussed in Chapter-2.

1.10 Inspection reports and audit paras pending compliance

As a result of audit of PRIs under TGS, 2,454 inspection reports (IRs) containing 16,968 paras were issued by the Office of the Principal Accountant General (Audit), Himachal Pradesh to the PRIs concerned as of March 2019.

Of these, one IR and 86 paras were settled/ deleted leaving 2,453 IRs and 16,882 paras pending compliance as of March 2019. The details are given in **Table-8** below:

Table-8: Outstanding Inspection Reports and Audit Paras

Sl. No.	Year of issue of Inspection Reports	IRs/ Paras Outstanding as on 31 March 2018		Addition during the year 2018-19		Total		No. of IRs/ paras settled/ deleted during 2018-19		No. of IRs/ Paras outstanding as on 31 March 2019	
		IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
1.	Up to 2014-15	1,989	12,754	-	-	1,989	12,754	1	74	1,988	12,680
2.	2015-16	155	1,322	-	-	155	1,322	-	7	155	1,315
3.	2016-17	140	1,019	-	-	140	1,019	-	1	140	1,018
4.	2017-18	57	506	-	-	57	506	-	1	57	505
5.	2018-19	-	-	113	1,367	113	1,367	-	3	113	1,364
Total		2,341	15,601	113	1,367	2,454	16,968	1	86	2,453	16,882

Correspondence is being undertaken regularly with PRIs and Panchayati Raj Department to settle outstanding IRs/Paras, despite this the number of outstanding paras has increased. Increasing trend of outstanding inspection reports and paras is indicative of inadequate attention towards compliance to audit observations, and weak control mechanism. The Department should pay adequate attention towards compliance/ settlement and follow up of audit observations in order to minimise recurring nature of irregularities in the PRIs.

CHAPTER-2
RESULTS OF AUDIT OF
PANCHAYATI RAJ
INSTITUTIONS

CHAPTER-2

RESULTS OF AUDIT OF PANCHAYATI RAJ INSTITUTIONS

The deficiencies noticed during audit of Panchayati Raj Institutions conducted in 2017-18 and 2018-19 are discussed in the succeeding paragraphs.

The cases pointed out are based on the test check conducted by Audit. The Department may initiate action to examine similar cases and take necessary corrective action.

2.1 Accounting System

2.1.1 Implementation of PRIASoft and maintenance of National Asset Directory (NAD) during 2017-18

(i) The State Government adopted PRIASoft (March 2011), a software developed by Ministry of Panchayati Raj (MoPR), for maintaining the accounts of PRIs as per the Model Accounting System. The Director, Panchayati Raj Department had also directed (January 2012) all the Block Development Officers to implement the PRIASoft accounting system in the Gram Panchayats. Training on PRIASoft to officials of Gram Panchayats had also been provided.

In 18 out of 45 test-checked GPs (**Appendix-4**), Audit observed that maintenance of accounts on PRIASoft accounting system had started but accounts for the period April 2017 to January 2018 were not being maintained on PRIASoft.

In reply, the Secretaries of the GPs concerned stated (September 2017-January 2018) that the accounts could not be maintained on PRIASoft due to non-connectivity of broadband network in GPs.

It was also noticed that in 22 out of 45 test-checked GPs (**Appendix-4**), only three registers (register of annual receipt and payment account, consolidated abstract register, and monthly reconciliation statement) out of eight Model Accounting System registers were being maintained on PRIASoft while five registers (register of receivables and payables, register of immovable property, register of movable property, inventory (stock) register, and register of demand, collection and balance) were not being maintained. Books of accounts such as Journal Book, Ledger Book and Cheque receipts register were also not being maintained in these Gram Panchayats. Thus, PRIs were not fully adopting the PRIASoft defeating the purpose of transparent accounting.

In reply, the Secretaries of the GPs stated (September 2017-January 2018) that the accounts would be maintained shortly on PRIASoft.

(ii) National Asset Directory (NAD) aims to keep stock of all the assets created, controlled and maintained by the PRIs for their effective utilization. Joint Director-cum-Deputy Secretary, Panchayati Raj Department directed (June 2015) that National Asset Directory (NAD) is to be maintained by all PRIs in the State and that information of all assets created by PRIs may be uploaded on NAD application.

Audit noticed that in 40 out of 45 test checked GPs (except 5 GPs¹), information of assets created by PRIs was not being uploaded on NAD application resulting in lack of effective monitoring of assets.

In reply, the Secretaries of GPs stated (September 2017-January 2018) that entries on NAD application would be started shortly.

2.1.2 Discrepancies noticed in Accounting System

Differences between figures of receipts and expenditure in bank pass book/ manual cashbook and that uploaded on PRIASoft.

(i) During 2017-18, it was noticed that in 21 test-checked PRIs, the figures of balance in bank pass book for the year 2016-17 did not match with the figures uploaded on PRIASoft. There was a difference of ₹ 1.37 crore (Figures in PRIASoft were more in 09 PRIs by ₹1.08 crore and less in 12 PRIs by ₹0.29 crore.) in the figures of balance in bank pass book and that of uploaded on PRIASoft (**Appendix-5(i)**). Deviation in figures ranged between 0.08 and 219 *per cent*. The deviation was particularly high in GPs Jamni (219 *per cent*), Bandli (120 *per cent*) and Kotla Khanula (104 *per cent*). The deviations raise questions over the reliability of financial information being maintained.

(ii) During 2018-19, eleven out of 12 Zila Parishads, 73 out of 78 Panchayat Samitis and all Gram Panchayats (3,226) were maintaining their accounts on PRIASoft as per information supplied by Panchayati Raj Department.

It was noticed in 93 (82 *per cent* of test-checked PRIs) out of 113 test-checked PRIs (**Appendix-5(ii)**) that the figures of receipts and expenditure for the year 2017-18 furnished by these PRIs did not match with the figures uploaded on PRIASoft. There was a difference of ₹25.13 crore in the figures of receipt and ₹13.19 crore in the figures of expenditure. Deviation in figures of receipts ranged between 0.47 and 117.07 *per cent* and that of expenditure ranged between 0.13 and 335.69 *per cent*. The deviation was particularly high in GPs Kotlu (117.07 *per cent*), Khundiyan (115.52 *per cent*) and Hal (83.09 *per cent*) in figures of receipts and similarly in GPs Jhakled (335.69 *per cent*), Balol (329.31 *per cent*) and Salihar (265.18 *per cent*) in case of expenditure. The large deviations raise questions over the reliability of financial information being maintained on PRIASoft.

The Chief Executive Officers/the Panchayat Secretaries concerned stated (July 2018-February 2019) that differences would be sorted out and records would be maintained properly in future whereas the Secretaries of GP Gondhla and Gosal stated (August 2018) that the entry was not done smoothly in lack of proper internet connectivity and other technical services, but effort was being made to complete the entry.

2.1.3 Non-maintenance of registers

Rule 31 of the Himachal Pradesh Panchayati Raj (Finance) Rules, 2002 stipulates that every PRI shall maintain important records, registers, forms, etc., as detailed in rule 34 of HP Panchayati Raj (General) Rules, 1997.

¹ GPs Sayari, Sakori, Chammo, Hinner and Pokhri.

(i) During 2017-18, it was observed that out of 57 test checked PRIs, in 35 GPs and three Panchayat Samitis (**Appendix-6**), important registers like stock register, immovable property register, muster roll register, temporary advance register, travelling allowance register, contingency expenditure register, grants-in-aid register, cheque issue and receipt register, etc., were not maintained during 2017-18.

(ii) During 2018-19, it was observed that out of 113 test checked PRIs, in 94 GPs (82 per cent of test-checked PRIs) (**Appendix-6**), important registers like stock register, immovable property register, muster roll register, temporary advance register, stationary register, honorarium register, travelling allowance register, contingency expenditure register, grants-in-aid register, cheques issue and receipt register, etc. were not maintained by these GPs. Due to non-maintenance of these records, correctness of the relevant financial transactions could not be ascertained by audit.

The CEOs/the Panchayat Secretaries concerned stated (September 2017-February 2019) that these records would be maintained in future.

2.1.4 Non reconciliation of balances of cashbook with bank statements

Rule 15 (10) (b) of the Himachal Pradesh Panchayati Raj (Finance) Rules, 2002 provides that reconciliation of balances of cash book and bank accounts is required to be conducted every month. Any difference shall be explained and accounted for in a footnote in the cashbook.

Audit noticed in 2017-18 and 2018-19 that difference between balances of cash books and bank pass books amounting to ₹2.87 crore in 22 PRIs (**Appendix-7**) at the close of the year 2016-17 and ₹26.61 crore in 73 PRIs (**Appendix-7**) at the close of the year 2017-18 was not reconciled. Significant differences of ₹41.52 lakh and ₹38.11 lakh were noticed in GPs Nalka and Goyla respectively in 2017-18 whereas differences of ₹131.74 lakh, ₹287.99 lakh and ₹967.62 lakh were noticed in ZPs Hamirpur, Shimla and Kangra respectively in 2018-19.

Also, it was noticed in 2018-19 that in ZP Hamirpur, General and Panchayat Nidhi cashbooks showed more balance and 13th FC cashbook showed less balance in comparison to bank pass book. Similarly, In GP Dhakgaon, General and Panchayat Nidhi cashbooks showed more balance and 14th FC cash book showed less balance in comparison to bank pass book. In view of the huge differences in balances, the authenticity of accounts of these PRIs could not be relied upon and there might be chances of money received and spent through cash transactions being misappropriated or embezzled.

The CEOs/the Secretaries of the 22 PRIs (audited in 2017-18) concerned stated (October-December 2017) that the differences would be reconciled shortly. The CEOs/the Secretaries of the 73 PRIs (audited in 2018-19) concerned stated (July 2018-February 2019) that the differences would be reconciled shortly whereas the Secretary, ZP Kangra stated (January 2019) that non-reconciliation of bank pass book and cash book was due to lack of staff.

2.1.5 Irregularities in Cashbook and non-routing of transactions through cash book

Under rule 7 of Himachal Pradesh Panchayati Raj (Finance) Rules, 2002, the Secretary of the Gram Panchayat shall maintain a Cash Book in Form-14 of the General Rules. Entries in the cash book shall be made simultaneously with each item of income and expenditure on the

date of transaction. For each item of expenditure, a receipt which will be called voucher shall be obtained setting forth full and clear particulars, duly attested by the Pradhan and maintained in the appropriate files. Over-writing and erasures shall be strictly prohibited. The vouchers shall be numbered, and serial number of vouchers shall be changed after close of the financial year and new serial number of vouchers for the current financial year shall be given. Every voucher should bear resolution number and date, vide which the expenditure was authorized by the Gram Panchayat.

(a) During 2017-18, it was noticed in GP Wakna (Solan district) that ₹ 1.00 lakh was withdrawn from bank account no. 100834001002430 of Jogindra Central Co-operative Bank in February 2013. Amount was neither entered in the cash book nor was any voucher of the transaction made available to Audit.

In reply, the Secretary stated (October 2017) that the matter would be taken up with the bank authorities and balance as per cash book and pass book would be reconciled. The reply is not acceptable as funds were withdrawn during 2012-13 and the Secretary was required to reconcile the bank balance with the balance as per cash book at the end of financial year.

(b) During 2017-18, it was noticed in GP Sayari (Solan district) that 0.59 lakh was transferred from general cash book in December 2012 to MGNREGS cash book. Amount was neither entered in the MGNREGS cash book nor was any voucher regarding expenditure of this amount shown to audit.

In reply, the Secretary stated (October 2017) that the matter would be scrutinized. The reply is not tenable as more than three years had elapsed, but the amount had not been accounted for in the cash book.

(c) During 2018-19, it was noticed that irregularities such as non-mentioning dates and numbers of vouchers, non-making the list of all income & expenditures at the year end, cuttings/ overwriting, use of erasers and fluids, non-attestation of vouchers, non-verification of closing balance of cashbooks, non-entering the payment made by cheques in chronological way, etc. were found in 35 GPs².

The Panchayat Secretaries concerned stated (September 2018-January 2019) that Cash book would be maintained as per rules in future.

(d) During 2018-19, it was noticed in three GPs (Lalung, Fariyan and Deothi) that cash books and vouchers were not maintained for the years 2013-14 to 2015-16, 2015-16 and 2004-14 respectively.

The Secretary, GP Lalung stated (September 2018) that cash book for this period 2013-14 to 2015-16 was not present in the office as the previous Secretary had not handed over the same. In respect of non- maintenance of vouchers, it was stated that the online vouchers were maintained by Takniki Sahayak and the vouchers would be shown to audit later. The Secretary, GP Fariyan stated (December 2018) that cash book for that year would be got prepared by then Panchayat Secretary whereas the Secretary, GP Deothi stated

² GPs Kelong, Ghodna, Barwala, Barbog, Dadas, Ghoond, Dhalli, Bawat, Gosal, Muling, Junga, Gondhla, Kuthar, Badhal, Chopal, Pujarli (Beolia), Bagain, Khangsar, Baloh, Kiran, Kyar, Kyari, Khurik, Dhugyari, Pujarli-3, Bandi, Garoh, Tangnu Janglikh, Chebdi, Kotlu, Harsi, Sihal, Khangteri, Salihar and Kardang.

(September 2018) that these records were not in the office as vigilance enquiry was going on against then Panchayat Secretary.

2.1.6 (i) Improper maintenance of accounts of income from own resources, grants-in-aid and loans

Rule 4(1) of The Himachal Pradesh Panchayati Raj (Finance) Rules, 2002 provides that every GP, PS and ZP is required to maintain separate accounts of income from own resources such as rent, all taxes, duties, cesses, fees imposed and realised under the Act (Account 'A'), and income from grants-in-aid, funds allocated for development works or special purposes, loans, share of taxes, fees, cess allocated for specific purpose by the State Govt. and other income (Account 'B'). Also, the interest earned on funds deposited in Account-B shall be transferred to Account-A in the month of January and July every year.

It was noticed during 2017-18 and 2018-19 that 115 GPs³ and 15 PSs⁴ out of 170 test checked PRIs were not maintaining such accounts in the prescribed format and all transactions were carried out through a single account in contravention of the rule *ibid*. In absence of separate account 'A' and 'B', correctness of figures of income from own resources, grants-in-aid and loans received could not be verified. The Chief Executive Officers/ Panchayat Secretaries concerned assured (September 2017-January 2019) to maintain separate accounts in the prescribed format in future.

2.1.6 (ii) Non-depositing of liquor cess in Account 'A'

During 2018-19, it was observed that in 10 GPs, liquor cess amounting to ₹12.26 lakh (Appendix-8) collected was not deposited in Account 'A'. The liquor cess was the part of own revenue of GPs and could be utilised in other developmental activities. The Panchayat Secretaries concerned stated (August-November 2018) that the amount of liquor cess would be deposited in Account 'A' soon.

2.1.7 Non-depositing of receipts in bank account/ Gram Panchayat Fund

Rule 6(3) of HPPR Rules, 2002 provides that all moneys received and spent on behalf of the Gram Panchayat shall be credited into and withdrawn from the Gram Panchayat Fund.

It was noticed during 2017-18 in GP Sayari (Block Kandaghat, District Solan) that the GP received ₹0.24 lakh as own receipts during 2014-17. Secretary had not deposited the receipts in the bank/ Gram Panchayat Fund and rather incurred expenditure of ₹0.23 lakh from these

³ **2017-18: 42 GPs** Nor, Goyla, Karadsu, Chammo, Bandli, Wakna, Mandalgarh, Kutahchi, Khilra, Sulpur Jaboth, Kalahod, Dhawal, Dhanalag, Darpa, Pipli, Bhawguri, Tunan, Pokhri, Nalka, Takrasi, Fanauti, Kot, Sakori, Galu, Utpur, Jugahan, Tandi, Tunna, Jadla, Aihju, Shirar, Sarahan, Pangan, Nirmand, Jamni, Kotla Khanula, Sayari, Barchwar, Basha, Santhal Padain, Karana and Noun.

2018-19: 73 GPs Karevthi, Kuddu, Chadoli, Deothi, Manjholi, Sawad, Malendi, Sihal, Sarpara, Ladoh, Dhugyari, Poling, Bandi, Gharoh, Khaira, Jaipidi Mata, Kadoa, Manjholi Tipper, Thana, Mogra, Badehar, Kanda Banah, Gangot, Goral Dhar, Kasba Jagir, Barwala, Kothi, Katlah, Khairiyar, Kardang, Barbog, Salihar, Khangteri, Ghodna, Upper Thehru, Balol, Kotlu, Bhapu, Harsi, Ghahad, Balor, Jhikli Ichhi, Ustehad, Khangsar, Dhalli, Kyar, Bagain, Bhaloh, Saddu Bargan, Pujarli(3), Gosal, Ghoond, Muling, Junga, Gondhala, Chebdi, Pujarli (Beolia), Kaloond, Ballah, Makdoli, Diyana, Jagothi, Milakh, Jangal, Nerna, Kuthar, Khundiyan, Hatwas, Mamu Gurchaal, Jhakled, Darcha, Kelong and Dadas.

⁴ **2017-18:** Eight PSs Dharampur; Naggar; Gopalpur, Anni, Chauntra, Sundernagar, Gohar, and Nirmand.
2018-19: Seven PSs Nankhari, Rohru, Nagrota Surian, Lambagaon, Indora, Fatehpur and Theog.

receipts on office expenses and refreshment of GP members. Expenditure from own receipts without crediting into Gram Panchayat Fund was contrary to the rule *ibid*.

In reply, the Secretary stated (October 2017) that receipts were utilised without crediting into GP Fund due to lack of awareness about rules.

2.1.8 Non-preparation of estimates for developmental works

Rule 94 of the HP Panchayati Raj (Finance) Rules, 2002 stipulates that estimates for all works costing more than ₹25,000 but less than ₹50,000/- shall be prepared by the Takniki Sahayak and for works costing more than ₹50,000/- shall be prepared by Junior Engineer. Further the above rates have been revised in March 2017 that all works costing upto ₹3,00,000/- shall be prepared by the Takniki Sahayak and for works costing more than ₹3,00,000 /- and upto ₹5,00,000/- shall be prepared by Junior Engineer. All the works costing more than ₹50,000/- shall be taken by the Panchayat for execution only after the administrative approval and technical sanction on the estimates prepared by the Panchayats.

It was noticed during 2018-19 that estimates for different works such as construction/ repair of panchayat ghar, community hall, public toilet, protection wall, path, irrigation tank, kuhal, etc. worth ₹2.28 crore pertaining to the period from 2013 to 2018, were not prepared to obtain the administrative approval and technical sanction for execution of the same and copies of estimates were not found in eight GPs⁵.

The Panchayat Secretaries concerned stated (September 2018-January 2019) that copies of estimates were sent to Block Development Officers for sanction of first instalment and in future copies of the same would be kept in the records.

2.1.9 Non-accounting of material

Material of ₹0.44 crore was not accounted for in the stock register.

Under rule 69 of HPPR Rules, 2002, all stores when received are required to be examined, counted, measured or weighed, as the case may be, at the time of taking delivery and should be entered in the stock register immediately. A certificate to the effect is also required to be given at the end of the entries for each single day by the official in charge of stores authorised by the Gram Panchayat or the Panchayat Samiti or the Zila Parishad, as the case may be, stating that the stores have been received in proper condition and according to specifications. In the event of stores found surplus, the same should be indicated as additional receipt and shortages, if any, should be indicated in red ink. Further, rule 70 of the HPPR Rules, 2002 *ibid* stipulates that article of stores shall be issued against proper indents.

It was observed during 2017-18 that in 12 out of 45 test checked GPs, items of stores such as steel, timber, furniture, hardware items, solar lights, street lights, sports items, heaters, etc. purchased during 2011-17 at a cost of ₹0.44 crore were not accounted for in the stock registers (**Appendix-9**). This was indicative of poor record maintenance on the part of GPs and the possibility of pilferage or loss as a result of non-accounting of these stores cannot be ruled out.

⁵ GPs Barbog: ₹27.88 lakh, Darcha: ₹64.14 lakh, Muling: ₹15.30 lakh, Gosal: ₹21.32 lakh, Khangsar: ₹7.84 lakh, Gondhla: ₹20.88 lakh, Kardang: ₹48.75 lakh and Bagain: ₹21.60 lakh.

In reply, the Secretaries of GPs concerned stated (October 2017-January 2018) that the items would be entered in the stock registers. The fact, however, remains that there was absence of proper check over maintenance of store records by the GPs concerned.

2.1.10 Non-conducting of Physical Verification

Under rule 73(1) of HP Panchayati Raj (Finance) Rules, 2002, physical verification of all stores shall be conducted by the Pradhan in the case of Gram Panchayat and by the Secretary concerned in case of Panchayat Samiti or Zila Parishad, at least once in six months and invariably in April, every year. The results of the verification shall be recorded in writing. During the verification in April, the condition of each article shall be indicated against it in the stock register.

Scrutiny of records showed that in 59 (**Appendix-10**) out of the test checked 170 PRIs (audited during 2017-18 and 2018-19), physical verification of stores and stock had not been conducted. Due to non-conducting of physical verification actual position of stores/ stock was not verified by the concerned PRIs.

In reply, the Executive officer and the Secretaries of PRIs concerned stated (October 2017-March 2019) that the physical verification of stores and stock would be conducted shortly.

2.2 Revenue

2.2.1 Non-recovery of House Tax

133 out of 148 test-checked GPs (audited during 2017-18 and 2018-19) did not realise house tax of ₹58.63 lakh.

Rule 33 of The Himachal Pradesh Panchayati Raj (Finance) Rules, 2002 provides that the Secretary of the GP shall see that all revenues are correctly, promptly and regularly assessed, realised and credited to the accounts of the Panchayat concerned; and section 114 of HP Panchayati Raj Act, 1994 provides that any person evading the payment of any tax, fee, rate or amount due shall be punishable with fine.

Audit noticed that in 39 out of 45 test checked GPs in 2017-18, house tax amounting to ₹15.96 lakh (**Appendix-11**) upto 2016-17 was not recovered as of March 2018 and in 94 out of 103 GPs test checked in 2018-19, house tax amounting to ₹42.67 lakh (**Appendix-11**) up to the end of year 2017-18 was not recovered as of March 2019. Moreover, the GPs had not taken any action to levy penalty on the defaulters for non-payment of house tax in terms of Section 114 of HP Panchayati Raj Act, 1994. This had deprived the GPs concerned from their due share of revenue. The accumulation of arrears indicates ineffectiveness of GPs in collection of revenue.

The Secretaries concerned stated (September 2017-March 2019) that efforts would be made to recover the outstanding house tax.

2.2.2 Outstanding rent

(i) Seventeen PRIs failed to realise rent due from shops amounting to ₹19.80 lakh.

ZPs, PSs and GPs maintain shops in their jurisdiction, and these are rented out on monthly rental basis.

Scrutiny of records revealed that in seven PRIs (audited during 2017-18) (**Appendix-12**), an amount of ₹9.99 lakh on account of rent from 25 shops (for the period 2013-14 to 2016-17) was outstanding as of March 2018 and in 10 PRIs (audited during 2018-19) (**Appendix-12**), an amount of ₹9.81 lakh on account of rent from 45 shops (for the period 2006-07 to 2017-18) was outstanding as of March 2019. This indicated that timely collection of shop rent had not been given due attention by these PRIs, resulting in loss of revenue.

The CEOs/the Secretaries of PRIs concerned stated (September 2017-March 2019) that outstanding rent would be recovered from the defaulters.

(ii) Loss of revenue due to non-revision of shop rent ₹1.16 lakh.

During 2018-19, scrutiny of records revealed that ZP Kangra at Dharamshala had rented out nine shops during March-May 2014. As per clause no. 03 of the agreement made with tenants of shops, shop rent was not enhanced at the rate of 10 *per cent* by ZP. This resulted in loss of revenue of ₹1.16 lakh as of January 2019. The Secretary, ZP Kangra stated (January 2019) that recovery of rent would be made shortly.

2.2.3 Non-recovery of duty for installation of Mobile Towers

Revenue of ₹13.51 lakh on account of installation and renewal fees of mobile towers remained unrealised in 48 test-checked GPs.

The Government of Himachal Pradesh vide notification no. DIT. Dev-(IT) 2005(Misc.) dated 22nd August 2006 authorised GPs to levy duty on installation of mobile communication towers in their jurisdiction at the rate of ₹ 4,000 per tower and to collect annual renewal fee at the rate of ₹2,000 per tower. Further as per notification no. DIT. Dev-(IT) 2005 (Misc.) 96 dated 21 June 2017, the rate for installation and renewal fee was increased to ₹10000 and ₹5000 respectively.

Audit noticed during 2017-18 and 2018-19 that in 48 out of 148 test-checked GPs, 81 mobile towers were installed during 2001-18 but installation and renewal fees amounting to ₹13.51 lakh (**Appendix-13**) had not been recovered from the mobile companies (The same issue has been highlighted under para 2.1.3 in ATIR for the year ending March 2015, para 2.2.3 in ATIR for the year ending March 2016 and para 2.2.3 in ATIR for the year ending March 2017). This deprived the GPs of their due share of revenue. The Secretaries of the GPs stated (September 2017-March 2019) that action would be taken shortly to recover the dues.

2.2.4 Non deduction of TDS

Eighteen PRIs made payment to contractors without deducting TDS amounting to ₹1.55 lakh.

Section 194 (c) of the Income Tax Act, 1961 provides that any payment made to contractors exceeding ₹30,000/- as single time payment and aggregating ₹1,00,000/- during the financial year is liable to deduction of Tax Deduction at Source (TDS) @ one *per cent* from individuals and two *per cent* from firms/companies of the total payment.

During scrutiny of records in 18 PRIs audited during 2017-18 and 2018-19, it was noticed that payment amounting to ₹1.04 crore was made to contractors/firms for use of JCB and carriage of materials such as stone, sand etc. during the period 2012-18 without deducting TDS of ₹1.55 lakh (**Appendix-14**).

In reply, the Secretaries of eight PRIs⁶ (audited in 2017-18) concerned stated (September-December 2017) that TDS could not be deducted due to lack of awareness of Income Tax Rules and the same would now be recovered from the concerned contractors and deposited with the Government. The Secretaries of eight GPs⁷ (audited in 2018-19) concerned stated (July-November 2018) that TDS would be recovered from concerned contractors whereas the secretaries of GPs (Chadoli and Goral Madawag) stated (August 2018) that TDS would be deducted from bills of contractors in future.

2.3 Blocking of funds

2.3.1 Blocking of funds due to non-commencement of works

Funds of ₹1.37 crore remained unspent due to non-commencement of works.

(a) During 2017-18, it was noticed that in seven out of 45 test checked GPs (**Appendix-15(i)**), an amount of ₹26.02 lakh was received (2012-17) for execution of 19 development works under various schemes. However, no expenditure was incurred on execution of these works as of October 2017. Non-utilisation of funds for developmental activities resulted in blocking of funds in these Gram Panchayats besides depriving the beneficiaries of the intended benefits.

The Secretaries of the GPs concerned stated (September-October 2017) that works could not be started as the process of transfer of land was not completed.

(b) During 2018-19, it was noticed that in 38 out of 113 test checked PRIs, an amount of ₹1.11 crore (**Appendix-15(ii)**) was received during 2012-19 for execution of 112 developmental works such as playground, rain shelter, mahila mandal, road, ambulance road, community hall, public toilet, etc. under various schemes viz. 5th Rajya Vit Ayoge (Zila Parishad/Panchayat Samiti), Members of Parliament Local Area Development Scheme (MPLAD), Mukhya Mantri Adarsh Gram Yojana (MMAGY), Vidhayak Kshetra Vikas Nidhi Yojna (VKVNY), State Disaster Response Fund (SDRF), etc. However, no expenditure was incurred on execution of these works as of September 2018 and the funds

⁶ **2017-18:** ZP Solan, GPs Pokhri, Karana, Takrasi, Fanuati, Nor, Tunan and Kot.

⁷ **2018-19:** GPs Naldehra, Deothi, Chalahal, Vaish (Piplidhar), Chebdi, Khamadi, Khabal and Diyana.

were lying with concerned PRIs. Thus, non-utilisation of funds for developmental activities resulted in blocking of funds, besides depriving the beneficiaries of the intended benefits of the schemes.

The Assistant Commissioner, PS Rohru and the Secretaries of the GPs⁸ concerned stated (July-December 2018) that works could not be started due to land issues. The Secretaries of GPs⁹ stated (July 2018-March 2019) that the works would be started soon, and the funds would be utilised shortly. The Secretary GP Balor stated (November 2018) that the work could not be started as there was no path to reach the site and it was not possible to send raw material to the site, but the path was near completion and the work would be started soon whereas the Secretary GP Ghodna stated (September 2018) that NOC from the forest department was not received, efforts were being made to obtain the same.

The replies are not tenable as codal formalities such as process for transfer/ availability of land should have been completed before getting the works sanctioned.

2.3.2 Unutilised funds due to non-completion of works

Funds of ₹1.95 crore remained unspent due to non-completion of works in 59 PRIs.

(a) During 2017-18, it was noticed that in 15 out of 57 test-checked PRIs, against an amount of ₹1.90 crore received for execution of 118 works (scheduled for completion within three to 12 months) during 2011-17 under various schemes, expenditure of ₹0.93 crore was incurred, and the balance amount of ₹0.97 crore (51 *per cent*) was lying unutilised as of January 2018 (**Appendix-16(i)**). This had resulted in non-achievement of intended benefits to the public.

The Executive Officer/the Secretaries of PRIs concerned stated (September 2017 – January 2018) that works could not be completed due to land disputes and litigations. Some works were in progress and would be completed shortly. The replies are not acceptable as these works remained incomplete even after lapse of one to six years from the date of sanction.

(b) During 2018-19, it was noticed that in 44 out of 103 test-checked GPs audit noticed that against an amount of ₹2.34 crore (**Appendix-16(ii)**) received for execution of 121 works such as mahila mandal, playground, public toilet, community hall, pucca path, road, ambulance road, etc. during 2007-18 under various schemes viz Vikas Mein Jan Sahyog (VMJS), Members of Parliament Local Area Development Scheme (MPLAD), Mukhya Mantri Adarsh Gram Yojana (MMAGY), Satluj Jal Vidyut Nigam limited (SJVNL), Vidhayak Kshetra Vikas Nidhi Yojna (VKVNY), etc., expenditure of ₹1.36 crore was incurred and the balance amount of ₹0.98 crore (42 *per cent*) was lying unutilised till the date of audit (July 2018- March 2019).

The Secretaries of 39 GPs¹⁰ stated (July 2018-February 2019) that works were in progress and would be completed shortly whereas the Secretary, GP Salihar stated (October 2018) that

⁸ GPs Shingla, Khamadi, Jhakled, Nerna, Jangal, Vaish, Khabal, Mogda, Ramnagar, Majholi Tipper, Mandal, Chebdi, Pujarili-3, Saddu Bargan, Sarpara, Bhapu, Balol, Naldhera, Salihar, Diudi Mala and Karevathi.

⁹ GPs Pujarli (Beolia), Japidi Mata, Khaira, Junga, Kakrain, Malendi, Bhaloh, Goral Madawag, Kyari, Chadoli, Kiran, Badhal and Gangot.

¹⁰ GPs Daimlu, Hal, Langcha, Chebdi, Majholi Tipper, Kanda Banah, Khamadi, Chalahal, Shingla, Goral Madawag, Kyari, Deothi, Naldehra, Khangteri, Kiran, Neerath, Chadoli, Badhal, Gangot, Khaira, Poling, Chawada-2, Kakrain, Ballah, Makdoli, Diyana, Milakh, Nerna, Goral Dhar, Hatwas, Kothi, Kotlu, Kadoo, Rehan, Saddu Bargan, Ladoh, Ustehad, Jhikli Ichhi, Sawad.

the work could not be completed due to land dispute and litigation. The Secretary, GP Pujarli-3 stated (July 2018) that the works could not be completed due to shortage of workers whereas the Secretary GPs Dol, Sarpara and Datnagar stated (August-December 2018) that works were incomplete due to shortage of funds.

The replies are not acceptable as these works had remained incomplete even after lapse of one to three years from the date of sanction.

2.3.3 Unutilised funds received under 13th Finance Commission

Funds of ₹5.12 crore received under 13th Finance Commission remained unutilised in 22 PRIs on account of non-start of works, incomplete works and non-release of funds.

As per guidelines of the 13th Finance Commission (13th FC), grants released by GOI to the State Government were to be transferred to PRIs within 15 days from the date of their credit into the account of the State and the works approved thereof were to be completed within a period of three months from the date of their sanction. During 2017-18, audit noticed the following:

(i) In five out of nine test-checked Panchayat Samitis, against an amount of ₹1.07 crore received under 13th FC during 2012-16 for 128 developmental works, an amount of ₹0.57 crore was released to the executing agencies (Gram Panchayats) and the balance amount of ₹0.50 crore (47 per cent) was still lying unutilized with the Panchayat Samitis as of December 2017 (**Appendix-17**). The Executive Officers of PSs concerned stated (September-December 2017) that these works were in progress and balance amount would be released shortly for completion of works.

(ii) In four PRIs¹¹ ₹2.00 crore was received during 2013-16 under 13th FC for 146 development works which had not been taken up for execution as of January 2017. The entire amount remained blocked with the PRIs as of November 2017. The Executive Officers/ Secretaries of the PRIs concerned stated (September-November 2017) that the works could not be taken up for execution due to non-availability of land and court cases.

(iii) Out of ₹1.02 crore received during 2006-17 under 13th FC by six test-checked PRIs, ₹0.71 crore was further released to various executing agencies while ₹0.31 crore remained unutilized¹² with these PRIs. The Executive Officers/Secretaries of these PRIs concerned stated (September-December 2017) that directions would be issued to executing agencies to complete the pending works.

(iv) Panchayat Samiti Chauntra (District Mandi) was sanctioned ₹0.47 crore under 13th FC during 2013-16 for installation of Solar lights in various Gram Panchayats. Scrutiny revealed that the office had neither purchased any solar lights nor released any amount to the Gram Panchayats. The entire amount of ₹0.47 crore remained blocked, and the beneficiaries were deprived of the intended benefits of the scheme. In reply, the Executive Officer concerned stated (October 2017) that the matter of authorizing refund of the unutilized amount would be

¹¹ ZP Solan: ₹1.87 crore; PSs Dharampur: ₹0.07 crore; Gohar: ₹0.04 crore and GP Pipli: ₹0.02 crore.

¹² GPs Tandi: ₹0.87 lakh; Barchwar: ₹0.23 lakh; Jamni: ₹0.94 lakh; Santhal Padain: ₹0.83 lakh; PSs Sundernagar: ₹8.72 lakh and Dharampur: ₹19.14 lakh.

taken up with higher authorities. The reply is not tenable as the amount should have been utilized within the financial year as per the guidelines of the 13th Finance Commission.

(v) In six out of 57 test-checked PRIs funds amounting to ₹6.74 crore were received during 2013-17 under 13th Finance Commission. Funds amounting to ₹4.90 crore were released/utilised during above period while ₹1.84 crore remained un-utilised¹³ with these PRIs. The Executive Officers/ Secretaries of the PRIs concerned stated (September-October 2018) that funds could not be utilised due to shortage of labour as multiple works were running simultaneously under MGNREGS. The reply is indicative of poor planning resulting in non-utilization of the funds within the stipulated time period.

The above instances of blockade and non-utilization of funds had resulted in non-completion of works in time and non-achievement of intended benefits to the public at large. This shows poor implementation and poor fund management by the PRIs.

2.3.4 Diversion of funds received under 13th Finance Commission

Three PSs diverted funds amounting to ₹0.15 crore during 2012-16.

Scrutiny of records in 2017-18 revealed that in three¹⁴ out of nine test-checked PSs, funds amounting to ₹14.79 lakh received under 13th Finance Commission were diverted during 2012-16 to works such as other construction works, washing of seat covers and curtains of vehicles, expenses for diesel for vehicle which were not permissible as per 13th Finance Commission guidelines.

The Executive Officers stated that (November-December 2017) works were sanctioned on the recommendation of Panchayat Samiti members and sanction had been accorded by the competent authority. The reply is not acceptable as expenditure was incurred on works not permissible as per 13th Finance Commission guidelines.

2.4 Unutilised funds received under 14th Finance Commission

2.4.1 Blocking of funds due to non-completion of works

Funds of ₹8.16 crore under 14th FC remained unutilised in 78 out of 170 test-checked PRIs during 2017-18 and 2018-19 owing to non-completion of works.

As per guidelines of the 14th FC, grants released by the GOI to the State Government were to be transferred to the PRIs within 15 days from the date of their credit into the account of the State. Audit noticed the following:

(a) During 2017-18, it was noticed that in 28 out of 45 test-checked GPs funds amounting to ₹4.79 crore (**Appendix-18(i)**) were received during 2015-17 under 14th Finance Commission. Funds amounting to ₹1.43 crore were utilised during above period whereas ₹3.36 crore remained unutilised with these GPs due to non-receipt of approved shelf of works for the year 2015-16 from the District Panchayat Officer. The Secretaries of the GPs concerned stated (October 2017-January 2018) that the amount would be utilised shortly. The reply is

¹³ PSs Chauntra: ₹40.34 lakh, Dharampur: ₹89.54 lakh; Kandaghat: ₹8.64 lakh and Gopalpur: ₹34.41 lakh; GPs Bhawguri: ₹8.36 lakh and Chammo: ₹3.35 lakh.

¹⁴ PSs Nirmand: ₹5.84 lakh, Gohar ₹0.15 lakh and Naggar: ₹8.80 lakh.

indicative of poor planning resulting in non-utilization of the funds within the stipulated time period.

(b) During 2018-19, it was noticed that in 50 out of 103 test checked GPs, ₹10.24 crore (**Appendix-18(ii)**) were received during 2015-18 under 14th FC. Funds amounting to ₹5.44 crore were utilised during above period and a sum of ₹4.80 crore (47 per cent) remained unutilized with these GPs. Thus, it is the indicative of poor planning resulting in non-utilisation of the funds within the stipulated period. The Secretaries of the GPs concerned stated (September 2018-March 2019) that fund could not be utilised due to late passage of 14th Finance Commission's shelf, but remaining amount would be utilised shortly.

2.4.2 Blocking of funds due to non-commencement of works

Funds of ₹75.05 lakh under 14th FC remained unutilised in 10 out of 170 test-checked PRIs during 2017-18 and 2018-19 owing to non-commencement of works.

(a) During 2017-18, it was noticed in three out of 45 test checked GPs (**Appendix-19(i)**) that funds amounting to ₹37.93 lakh were received during 2015-17 under 14th Finance Commission for various development works which had not been taken up for execution as of March 2017. The entire amount remained blocked with the PRIs as of January 2018.

The Secretaries of Gram Panchayats concerned stated (October-December 2017) that works could not be taken up for execution due to non-availability of labour and works would be started shortly.

(b) During 2018-19, it was noticed in seven (GPs Khundiyan, Badehar, Langcha, Hal, Daimul, Pujarli (Beolia) and Jangal) out of 103 test checked GPs that funds amounting to ₹37.12 lakh (**Appendix-19(ii)**) were received during 2015-18 under 14th Finance Commission for various development works but these fund had not been utilised as of March 2018. The entire amount remained blocked with the GPs till the date of audit.

The Secretaries concerned stated (August 2018-March 2019) that fund would be utilised shortly whereas the Secretary of GP Khundiyan stated (October 2018) that works could not be taken up for execution due to land issues. Thus, funds under 14th FC were not utilised within stipulated period resulting in non-achievement of intended facilities.

2.5 Blocking of funds under National Rural Health Mission

Funds of ₹3.99 lakh remained unutilised under National Rural Health Mission.

During 2017-18, audit noticed in 27 GPs (13 GPs in Mandi and 14 GPs in Kullu) out of 45 test checked GPs that received funds amounting to ₹4.17 lakh during 2011-17 under National Rural Health Mission (**Appendix-20**). Expenditure of ₹0.18 lakh only was incurred during 2011-17 leaving balance amount of ₹3.99 lakh unutilised as of January 2018 with the concerned Gram Panchayats. 24 GPs did not utilise funds for a period of two to five years without any reasons on record, thereby hampering the intended purposes.

The Secretaries of GPs concerned stated (September 2017-January 2018) that the amount received under National Rural Health Mission would be utilised as per guidelines.

2.6 Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

2.6.1 Delay in release of wages

Payment of wages amounting to ₹57.11 lakh in 14 GPs to labourers was delayed for period ranging between 15 and 518 days.

As per section 3 of MGNREGA Act 2005, referred in para 8.3.1 of MGNREGA Operational guidelines 2013, workers are required to be paid wages on a weekly basis and in any case not beyond a fortnight from the date on which work was done. In case of delay beyond a fortnight, workers were entitled for compensation as per the provisions of 'Payment of Wages Act, 1936'.

Audit noticed that during the years 2012-18, 14 GPs made payment of ₹57.11 lakh (**Appendix-21**) to workers under MGNREGS after a delay ranging between 15 and 518 days beyond the permissible period of a fortnight. However, no compensation was paid to the labourers for delayed payment. Thus, due to delay in payment, persons who sought employment under MGNREGS were subjected to undue hardship and were also deprived of the compensation which was legally entitled to receive.

The Secretaries of the GPs concerned stated (January-March 2019) that delay in payment of wages of workers was due to delay in getting funds from the development block office whereas the Secretaries of GPs Kakrain, Poling and Sawad stated (February-March 2019) that the payments would be timely made in future.

2.6.2 Doubtful/ double payment of wages under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

Ten GPs showed deployment of same labourers on different works in same period indicating doubtful payment of ₹2.27 lakh.

It was noticed in two GPs (in 2017-18) and in eight GPs (in 2018-19) that same labourers were shown as having been deployed on different works and different muster rolls in the same period during 2010-17 indicating doubtful deployment and double payment of wages of ₹0.59 lakh¹⁵ and ₹1.68 lakh¹⁶ respectively under MGNREGS. Deployment of same labourers on different works in the same period is indicative of inadequate and ineffective internal control mechanism and negligence on the part of the GPs.

The Secretaries of the GPs concerned stated (September 2017-September 2018) that the matter would be investigated.

2.6.3 Expenditure on wages of labourers without completing muster rolls/ Non-obtaining of muster rolls from District Panchayat Officer and other irregularities.

Rule 102 (1) and (2) of the HP Panchayati Raj (Finance) Rules, 2002 stipulates that when the works of Panchayat to be executed departmentally by daily labour, the Secretary or any other officer/ official under him shall maintain a muster-roll. These muster rolls shall be printed by

¹⁵ GPs Goyla: ₹0.54 lakh and Sayari: ₹0.05 lakh.

¹⁶ GPs Kardang: ₹0.05 lakh, Barbog: ₹0.13 lakh, Darcha: ₹1.05 lakh, Kuthar: ₹0.24 lakh, Ghodna: ₹0.05 lakh, Kyar: ₹0.06 lakh, Junga: ₹ 0.06 lakh and Pujarali: ₹0.04 lakh.

the District Panchayat Officer and the Panchayat shall obtain the muster-roll forms from the District Panchayat Officer by placing a requisition as per its requirement.

(a) During 2017-18, audit noticed that in GP Basha, Block Kandaghat, District Solan ten workers were deployed on construction of water harvesting tank during 2012-13 and expenditure of ₹0.15 lakh was incurred on their wages. Contrary to provision *ibid*, muster-roll issued for this work was incomplete. The name of work for which this muster-roll was issued, and attendance of workers was not found marked. In the absence of marking of attendance of workers, payment of wages to labourers cannot be admitted as genuine and the possibility of misappropriation cannot be ruled out.

The Secretary of GP stated (November 2017) that appropriate action would be taken.

(b) During 2018-19, audit noticed that in 15 GPs¹⁷, muster rolls were not being obtained from the District Panchayat Officer and were printed by Gram Panchayats. Moreover, neither serial number nor date and description of work had been mentioned on these muster rolls.

The Secretaries of the GPs (Langcha, Lalung, Daimul, Khurik and Hal) stated (August-September 2018) that muster rolls were brought from private vendors due to unawareness of the rule whereas the Secretaries of the GPs¹⁸ stated (August-September 2018) that muster rolls would be collected and maintained as per rules in future.

2.6.4 Excess payment against muster roll amounting to ₹0.38 lakh

Audit noticed that in five GPs¹⁹, excess wages amounting to ₹0.38 lakh were paid to daily wage workers due to marking of their attendance on the 31st of months having 30 days only. Moreover, in case of GP Barbog, irregular payment of ₹0.03 lakh was made without entering the name of workers in the muster roll whereas in case of GP Keylong, ₹0.01 lakh was paid without obtaining signature of workers in the muster roll.

The Secretaries of the GPs concerned stated (August-September 2018) that appropriate action would be taken in this regard after investigating the matter whereas the Secretary, GP Daimul stated (August 2018) attendance on the 31st day on muster roll was made by mistake and the excess payment made would be recovered.

2.6.5 Payment by 11 GPs to workers without documentary proof

Rule 50 of HPPR Rules, 2002 stipulates that separate acknowledgment, stamped where necessary, shall be taken from the person receiving payment at the time of making payment and shall be attached to the voucher concerned.

(i) Audit noticed in 2017-18 that out of 45 test checked GPs, in nine GPs²⁰ wages amounting to ₹5.06 lakh were paid to 15 workers during 2011-15 without taking acknowledgement

¹⁷ GPs Langcha, Lalung, Daimul, Khurik, Hal, Ghodna, Bagain, Pujarli, Darcha, Khangsar, Gosal, Muling, Gondhla, Barbog and Keylong.

¹⁸ GPs Pujarli, Ghodna, Darcha, Bagain, Khangsar, Gosal, Muling, Gondhla, Barbog and Keylong.

¹⁹ GPs Khangsar: ₹0.14 lakh, Daimlu: ₹0.02 lakh, Darcha: ₹0.02 lakh, Barbog: ₹0.18 lakh and Keylong: ₹0.02 lakh.

²⁰ GPs Noun: ₹0.55 lakh; Aihju: ₹0.03 lakh; Kotla Khanula: ₹0.99 lakh; Tunna: ₹0.69 lakh; Tandi: ₹0.17 lakh; Kalahod: ₹0.03 lakh; Khilra: ₹0.19 lakh; Kutahchi: ₹1.28 lakh and Bandli: ₹1.13 lakh.

receipt (signature) of the workers on the muster rolls. The payment of ₹5.06 lakh was therefore doubtful, and the possibility of misappropriation cannot be ruled out. The Secretaries of the GPs concerned stated (October 2017-January 2018) that appropriate action would be taken and intimated to audit.

(ii) Out of 45 test checked GPs audited during 2017-18, in two²¹ GPs payment amounting to ₹0.50 lakh was made to elected members of the Gram Panchayats as honorarium during 2011-16 without taking acknowledgement receipt (signature). The Secretaries of the GPs concerned stated (September-November 2017) that the matter would be investigated, and action would be taken as per rules.

In the absence of acknowledgement receipts, it could not be ascertained that payment was made to the actual beneficiaries/ workers.

2.7 Doubtful expenditure of ₹2.89 lakh

As per rule 47 of HPPR Act, 2002 every payment, including repayment of money previously lodged in the Panchayat Fund, for whatever purpose, shall be supported by a voucher setting forth full and clear particulars and proper classification in the accounts.

During 2017-18, scrutiny of records showed that out of 45 GPs, in four GPs²² expenditure of ₹2.89 lakh was incurred during 2012-15 on works under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and for making various payments such as payment of electricity bills, renovation of Panchayat Ghar, repair of computer, payment of solar lights, etc., whereas bills and vouchers were not produced to Audit. In the absence of vouchers, the expenditure could not be verified, and the possibility of misappropriation cannot be ruled out.

The Secretaries of GPs concerned stated (September-November 2017) that vouchers would be traced and kept in the file. Reply is not acceptable as every payment is to be supported by a voucher.

2.8 Non-adjustment of temporary advances of ₹9.24 lakh

As per rule 189 (1) to (4) of Himachal Pradesh Financial Rules 2009, Head of the Office is authorised to sanction advances to a Government servant for purchase of goods or for hiring services or for any other special purpose, as may be prescribed. Rule further provides that adjustment bills along with balances, if any, had to be submitted within 15 days of the withdrawal of advance. Second advance shall not be granted until the Government servant concerned has submitted adjustment account of the first advance.

Audit noticed that temporary advances of ₹9.46 lakh²³ were sanctioned between the period from 1998-99 to 2016-17 for different purpose to Pradhans of seven GPs. Out of these advances, amount of ₹9.24 lakh was pending for adjustment for a period ranging from two to 20 years. Thus, the possibility of misuse of these advances cannot be ruled out.

²¹ GPs Galu: ₹0.24 lakh and Sulpur Jaboth: ₹ 0.26 lakh.

²² GPs Basha: ₹1.66 lakh; Sulpur Jaboth: ₹0.14 lakh; Goyla: ₹0.42 lakh; and Sayari: ₹0.67 lakh.

²³ GPs Muling: ₹0.90 lakh (c/o FDA Bhawan), Gondhla: ₹4.50 lakh (c/o Mahila Mandal), Chadoli: ₹0.92 lakh (purchase of sports equipment and construction works), Bagain: ₹0.90 lakh (development work), Kuthar: ₹0.37 lakh (development work), Dadas: ₹0.57 lakh (c/o Panchayat Ghar) and Junga: ₹1.30 lakh (execution of different works).

The Secretaries of GPs stated (August-September 2018) that adjustment of advance would be settled after verification and the same would be intimated to audit.

2.9 Non-preparation of budget estimates

Rule 37 of HP Panchayati Raj (Finance) Rules, 2002 stipulates that every Gram Panchayat shall prepare budget estimates of its receipt and expenditure for each financial year in the format prescribed in Form-11. The budget estimates shall be prepared by the Secretary by 15th October of the previous year and submitted to the Gram Panchayat for scrutiny and the same shall be passed by the Gram Sabha by majority vote.

Audit noticed that 30 Gram Panchayats²⁴ did not prepare budget estimates for the period ranging from 2013-14 to 2017-18 whereas budget estimates for the year 2017-18 was not prepared in GP Barwala.

The Secretaries of the GPs stated (July 2018-January 2019) that budget would be prepared in future. The reply is not acceptable as non-preparation of budget was indicative of lack of financial planning by Panchayats.

2.10 Irregular purchase of materials

122 out of 170 test-checked PRIs during 2017-18 and 2018-19 purchased material costing to ₹8.74 crore without inviting quotations/ tenders.

Rule 67 (5)(a) and (b) of the HP Panchayati Raj (Finance) Rules, 2002 provides that stores above ₹50,000 may be purchased from the open market by inviting tenders through advertisement in at least two newspapers having wide circulation in the area, and stores above ₹1,000 but less than ₹50,000 by inviting quotations from at least three persons/firms. During 2017-18 and 2018-19, it was observed that in 122 out of 170 test checked PRIs, different materials for construction works, furniture, office equipment, etc. costing ₹8.74 crore (**Appendix-22**) was purchased during the period from 2013-14 to 2017-18 without inviting quotations/tenders. As such the purchases were made without observing the prescribed procedures, the possibility of payment of higher rates could not be ruled out.

The Secretaries/the CEOs²⁵ concerned of 38 PRIs (audited in 2017-18) stated (September 2017-January 2018) that purchases would be made as per rules in future. The Secretaries concerned of 81 PRIs (audited in 2018-19) stated (July 2018-February 2019) that due to urgency of material, quotation/ tender could not be invited, but purchases would be made as per rules in future whereas the Secretaries of GPs (Harsi, Upper Tehru and Jagothi) stated (June 2018-March 2019) that they were not aware about the rules due to which the materials were purchased without inviting quotation/tender, but in future, the rule would be followed.

²⁴ GPs Kadoa, Gangot, Thana, Ramnagar, Jaipidi Mata, Kotkayna, Kyari, Kuddu, Tangnu Janglikh, Kiran, Chadoli, Bawat, Goral Madawag, Khangteri, Pujarli-3, Jagothi, Katlah, Kanda Banah, Darcha, Kardang, Kelong, Barbog, Khurik, Daimlu, Lalung, Langcha, Gosal, Gondhala, Khangsar and Hal.

²⁵ ZP Mandi; PSs Gohar and Kandaghat; GPs Basha, Sakori, Wakna, Sayari, Hinner, Goyla, Chammo, Nalka, Bhawguri, Jadla, Kohila, Fanuati, Pokhri, Takrasi, Karana, Kot, Tunan, Sarahan, Nirmand, Karadsu, Tunna, Tandi, Kutahchi, Kotla Khanula, Noun, Jugahan, Kalahod, Khilra, Dawal, Santhal Padain, Utpur, Galu, Aihju, Pipli and Sulpur Jaboth.

2.11 Irregular payment of Government money amounting to ₹72.39 lakh

Rule 74 of the Himachal Pradesh Panchayati Raj (Finance) Rules, 2002 provides every officer/official of the Panchayat shall be responsible not only for any loss sustained by the Panchayat through fraud or negligence on his part but also for the loss arising out of fraud or negligence on the part of any other servant, to the extent to which it may be shown that he indirectly contributed to the loss by his own action or negligence.

It was observed that in 35 GPs, ₹72.39 lakh (**Appendix-23**) were paid in irregular manner such as payment to Panchayat members for work done as per muster roll and honorarium for attendance in Gram Sabha meeting on the same day, issue of cheques not in name of workers/contractors, payment to contractors without revenue tickets on bills above ₹5000/-, non-obtaining receipts for payment to workers, non-verification of vouchers, etc. Thus, this showed negligence on the part of GPs and resulted in irregular payment to that extent.

The Secretaries concerned stated (September 2018-January 2019) that the discrepancies would be looked into, and the loss would be reconciled shortly. The Secretary, GP Sihali stated (March 2019) that leave salary were allowed as per verbal instruction of higher authorities and compliance for the same would be shown to audit whereas the Secretary, GP Thana stated (July 2018) that due to non-availability of bank accounts of labourers, the cheque of their payment was issued to the Gram Panchayat member. The Secretary, GP Harsi stated (February 2019) that the irregularity was because they were not aware about the rule and non-availability of bank accounts of labourers whereas the Secretary, GP Ghadh stated (March 2019) that in future, all payment would be made in the accounts of labourers.

2.12 Irregular payment amounting to ₹5.55 lakh

Rule 49 of HPPR Rules, 2002 provides that no payment shall be made by a Gram Panchayat either in cash or by means of cheque unless voucher bears a pay order signed or initialled jointly by the Pradhan of Gram Panchayat and the Secretary of the Panchayat concerned. Rule 50 further provides that separate acknowledgement, stamped where necessary, shall be taken from the person receiving payment, at the time of making payment and shall be attached to the voucher concerned and all paid vouchers shall be stamped 'paid', signed and dated by the Secretary to avoid their being used for a second time.

Scrutiny of records during 2017-18 revealed that bills amounting to ₹5.55 lakh produced to audit by six GPs²⁶ on account of material purchased were irregular in nature. The serial number of bills and dates mentioned therein were not in coherence and vouchers were not stamped 'paid', signed and dated by the Secretary. Separate acknowledgement had not been taken from the persons receiving payment and was not found attached to the voucher concerned. Thus, payment of ₹5.55 lakh was irregular, and reliability of these transactions could not be authenticated by audit.

The Secretaries of the GPs stated (September 2017) that the action would be taken as per rules and intimated to audit. Reply is not tenable as payment should have been made as per rules.

²⁶ GPs Darpa: ₹1.81 lakh, Kotla Khanula: ₹1.38 lakh, Aihju: ₹0.56 lakh, Barchwar: ₹0.82 lakh, Santhal Padain: ₹0.42 lakh, and Noun: ₹0.56 lakh.

CHAPTER-3
PROFILE OF URBAN LOCAL
BODIES

PART-B
URBAN LOCAL BODIES (ULBs)

CHAPTER-3
PROFILE OF URBAN LOCAL BODIES

3.1 Background

The Constitution (74th Amendment) Act, 1992 paved the way for decentralisation of power and transfer of 18 functions (**Appendix-1**) listed in the Twelfth Schedule of the Constitution along with funds and functionaries to the Urban Local Bodies (ULBs). The Act came into force in June 1993. To implement the provisions of the said Act, the Government of Himachal Pradesh enacted the Himachal Pradesh Municipal Corporation Act, 1994 and the Himachal Pradesh Municipal Act, 1994. In Himachal Pradesh, 17 functions stand transferred (August 1994) to ULBs (except fire services); however, the corresponding funds and functionaries were yet to be made available to the ULBs.

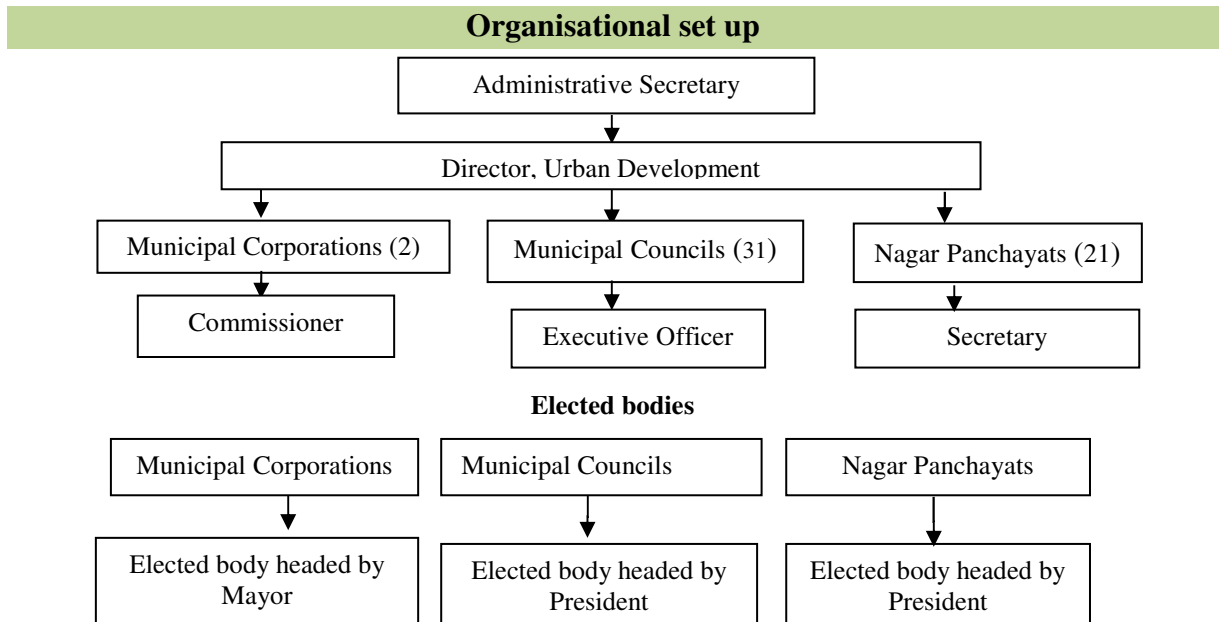
3.2 Audit mandate

In Himachal Pradesh, primary audit of ULBs is being conducted by the Director, HP State Audit Department. The State Government entrusted (March 2011) audit of ULBs to CAG with the responsibility of providing Technical Guidance and Support (TGS) under Section 20(1) of the CAG's DPC Act, 1971. The results of audit are included in Chapter-4.

3.3 Organisational structure of Urban Local Bodies

There are two Municipal Corporations, 31 Municipal Councils (MCs) and 21 Nagar Panchayats (NPs) in the State as on 31st March 2019.

The overall control of the ULBs rests with the Additional Chief Secretary/ Secretary (Urban Development) to the Government of Himachal Pradesh through Director, Urban Development. The organisational set-up is as under:



3.3.1 Standing committees

Various standing committees involved in financial matters and implementation of schemes are detailed in **Table-9** below:

Table-9: Roles and responsibilities of the Standing Committees

Name of the standing committee	Standing committee headed by	Roles and responsibilities of the standing committee
General Standing Committee	Mayor in Municipal Corporation and President in Municipal Council and Nagar Panchayat	Performs functions relating to establishment matters, communications, buildings, urban housing and provision of relief against natural calamities, water supply and all residuary matters.
Finance, Audit and Planning Committee		Performs functions relating to the finances of municipality, framing of budget, scrutinising prospects of increase of revenue and examination of receipts and expenditure statements.
Social Justice Committee	Deputy Mayor in Municipal Corporation and President in Municipal Council and Nagar Panchayat	Performs functions relating to promotion of education and economic, social, cultural and other interests of SC, ST, other backward classes, women and other weaker sections of the society.

Source: The Himachal Pradesh Municipal Corporation Act, 1994 and the Himachal Pradesh Municipal Act, 1994.

3.3.2 Institutional arrangements for implementation of the schemes

In the Directorate of Urban Development, posts of one Project Officer and two Statistical Assistants have been sanctioned in the project section to oversee implementation of various schemes by the ULBs. During 2017-18, posts of Statistical Assistants were vacant.

Table: Details of Position of staffs of various categories in ULBs

Year	Sanctioned Posts	Vacant Posts	Percentage of vacancy
2017-18	3,754	1,194	(32 per cent)
2018-19	3,749	1,230	(33 per cent)

3.4 Financial profile

3.4.1 Fund flow to ULBs

For execution of various development works, ULBs receive funds in the form of grants mainly from (a) Central Finance Commission (CFC) grants, (b) State Finance Commission (SFC) grants, (c) Central Government grants and (d) State Government grants.

Besides, revenue is also mobilised by the ULBs in the form of taxes, rent, fees, etc. The resources of ULBs for the period from 2014-15 to 2018-19 are detailed in **Table-10**:

Table-10: Time series data on resources of ULBs

		(₹ in crore)					
Sr. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	
1.	Own Revenue	118.04	128.60	173.20	161.18	288.68	
2.	Loan	0.03	0.43	0	0	0.01	
3.	Finance Commission (FC) grants from Central Government (CFC)	22.52	24.55	34.87	30.98	17.92	
4.	Finance Commission (FC) grants from State Government (SFC)	72.40	85.51	99.45	111.36	120.74	
5.	Grants for Centrally Sponsored Schemes	Centre share	91.43	130.47	336.28	48.05	125.08
		State share	0.05	29.16	36.70	5.33	20.54
6.	State Government grant for state schemes	34.55	67.15	75.08	76.62	221.94	
Total		339.02	465.87	755.58	433.52	794.91	

Source: Director, Urban Development Department (UDD) and Economics & Statistics Department.

Central Government grants: There are seven Centrally Sponsored Schemes: (i) Atal Mission for Rejuvenation and Urban Transformation (AMRUT) (ii) Pradhan Mantri Awas Yojana – Housing for All (Urban) (PMAY-HFA Urban) (iii) National Urban Livelihood Mission (NULM) (iv) Jawaharlal Nehru National Urban Renewal Mission (JNNURM) (v) Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) (vi) Smart City Mission (SCM) and (vii) Swachh Bharat Mission-U (SBM-U).

The position of funds allotted to the ULBs under these schemes for the period from 2014-15 to 2018-19 is detailed in **Table-11** below:

Table-11: Position of funds allotted to the ULBs for Major Centrally Sponsored Schemes

		(₹ in crore)				
Name of scheme	2014-15	2015-16	2016-17	2017-18	2018-19	Total
JNNURM	90.93	92.07	--	3.97	--	186.97
UIDSSMT	0.13	27.75	105.83	--	--	133.71
NULM	--	6.71	6.58	6.86	2.66	22.81
AMRUT	--	22.48	24.06	23.33	36.00	105.87
SCM	--	2.00	208.89	--	78.00	288.89
PMAY-HFA (U)	--	0.73	16.57	19.22	22.06	36.52
SBM-U	--	7.69	11.06	--	6.89	25.64
Total	91.06	159.43	372.99	53.38	145.61	822.47

Source: Director, Urban Development Department (UDD).

State Government grants: The position of funds allotted to the ULBs under Major State Schemes for the period from 2014-15 to 2018-19 is detailed in **Table-12**:

Table-12: Position of funds allotted to the ULBs for Major State Schemes

(₹ in crore)

Name of scheme	2014-15	2015-16	2016-17	2017-18	2018-19	Total
World Bank Aided Greater Projects	--	--	--	--	143.53	143.53
Sewerage Schemes	23.00	24.00	32.50	23.42	25.00	127.92
Sewerage Maintenance	5.00	8.40	9.05	20.00	18.21	60.66
Merged area grant	--	3.00	3.00	3.00	3.00	12.00
Parking	--	15.00	9.38	10.00	10.00	44.38
Development of Parks	--	--	9.30	10.00	10.00	29.30
Lakshay Schemes	--	--	1.20	1.20	1.20	3.60
Total	28.00	50.40	64.43	67.62	210.94	421.39

Source: Director, Urban Development Department (UDD).

The funds allotted to the ULBs through various sources are kept in the banks. Central and State grants are utilised by the ULBs for execution of Central and State sponsored schemes as per guidelines issued by GOI and the State Government while the own receipts of ULBs are utilised for administrative expenses and execution of schemes/ works formulated by the ULBs.

3.4.2 Application of Resources: Trends and Composition

The application of resources of ULBs for the period from 2014-15 to 2018-19 is detailed in **Table-13** below:

Table-13: Application of resources sector-wise

(₹ in crore)

Sr. No.	Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	
1.	Own Revenue	150.78*	167.20*	229.78*	268.17*	370.24*	
2.	Loan						
3.	Expenditure from Finance Commission (FC) grants from Central Government (CFC)	22.52	24.55	34.87	30.98	17.92	
4.	Expenditure from Grants for Centrally Sponsored Schemes	Expenditure from Centre share	91.43	130.47	336.28	48.05	125.08
5.		Expenditure from State share	0.05	29.16	36.70	5.33	20.54
6.	Expenditure from Finance Commission (FC) grants from State Government (SFC)	72.40	85.51	99.45	111.36	120.74	
7.	Expenditure from State Government grant for State schemes	34.55	67.15	75.08	76.62	221.94	
Total		371.73	504.04	812.16	540.51	876.46	

Source: Director, Urban Development Department (UDD) and Economics & Statistics Department.

* Disaggregated figures are not available with the Department. These figures also include closing balance.

It may be noted that all the funds released by the Urban Development Department to the ULBs have been shown as expenditure, instead of actual expenditure at ground level. The

exact figures of expenditure by the ULBs were not available with the Urban Development Department. Further, it was also noticed that the Department had not prescribed any periodic returns to review/ control expenditure by ULBs, which resulted in weak control mechanism and irregularities in functioning of ULBs as mentioned in Chapter-4.

However, the figures of actual expenditure for 12 ULBs (for the period 2014-15 to 2016-17) and 14 ULBs (for the period 2015-16 to 2018-19) test-checked by Audit have been included in **Table-15(i)** and **(ii)** of Chapter-4.

3.5 Financial reporting and accounting framework of ULBs (Internal Control System)

A sound internal control system significantly contributes to efficient and effective governance. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the ULBs and the State Government in meeting their basic stewardship responsibilities including strategic planning, decision making and accountability towards stakeholders. The weaknesses and gaps noticed in the internal control system are mentioned in Chapter-4.

3.6 Primary audit and Internal audit of ULBs

Under Section 161(3) of Himachal Pradesh Municipal Corporation Act, 1994 and Section 255(1) of Himachal Pradesh Municipal Act, 1994, the accounts of the ULBs are to be audited by a separate and independent agency. Primary audit of ULBs is being conducted by the Director, HP State Audit Department (HP SAD). During the years 2017-18 and 2018-19, 25 and 26 ULBs were audited by the HP SAD respectively. The results of these audits are included in Annual Audit Report of the ULBs which is laid before the State Legislature by the State Government as per Section 255 (3) of Himachal Pradesh Municipal Act, 1994.

There is no provision for a separate and independent internal audit agency under the control of the Director, Urban Development to conduct internal audit of ULBs with a view to ensure internal control on income and expenditure.

3.7 Technical Guidance and Support

The audit of ULBs has been entrusted to the CAG under Section 20 (1) of the CAG's (DPC) Act, 1971 with the responsibility of providing suitable Technical Guidance and Support (TGS) to Primary Auditors as per sections 152-154 of Regulations on Audit and Accounts, 2007 regarding annual audit plans, audit methodology and procedures, training and capacity building, reporting and submission of returns.

Audit Plan for the years 2017-18 and 2018-19 was received from the Primary Auditor (Director, HP State Audit Department (HP SAD)) and noted for the process of audit planning in this office.

The Primary Auditor (Director, HP SAD) adhered to the audit methodology and procedures for audit as prescribed in Section 164 of the Himachal Pradesh Municipal Corporation Act, 1994.

During the years 2017-18 and 2018-19, five Inspection Reports (in each year) from the audit of ULBs conducted by the primary auditors were reviewed by the office of the Principal Accountant General (Audit), Himachal Pradesh. Inspection Reports were evaluated, and recommendations were made for improvement and subsequent follow-up. The following recommendations were made to the office of the Director, HP State Audit Department:

- (i) Reference to rules may be mentioned clearly in separate paragraphs while raising audit objections.
- (ii) Audit memos may be issued to the auditee unit.
- (iii) The reply of the Secretary and Executive Officer of the ULBs concerned may be incorporated in audit paras.
- (iv) The calculation may be shown clearly in table format.

It may be noticed that similar recommendations for improvement had been made during previous years, but the shortcomings persisted indicating that HP SAD had not taken adequate steps to address the same.

Every year, two days training is imparted to the audit staff of HP State Audit Department (HP SAD) as per their requirement and topics suggested by them. During 2017-18, 24 participants from HP SAD were imparted training on 8th and 9th February 2018 on the topics: (i) Statutory provisions regarding finance, taxation and recovery of claims (ii) PRIs funds, their operation, application and investment (iii) Budget, expenditure and stores (iv) Audit and inspection (v) Panchayati Raj Public Works Rules and (vi) Introduction to MNREGA and its operational guidelines. During 2018-19, 25 participants from HP SAD staff were imparted training on 11th - 12th March 2019 on the topics: (i) PRIASoft (Accounting system in PRIs) (ii) Works Audit of ULBs and PRIs; and (iii) Drafting of audit requisitions, Key document and Audit Reports of ULBs and PRIs.

3.8 Audit Coverage

During 2017-18, 12 out of 54 ULBs were test-checked by the office of the Principal Accountant General (Audit), Himachal Pradesh and reports were issued to the respective ULBs. Records of two Municipal Corporation, six Municipal Councils and four Nagar Panchayats were examined during 2017-18 (**Appendix-3(i)**). During 2018-19, records of 14 ULBs (two Municipal Corporations, seven Municipal Councils and five Nagar Panchayats) out of 54 ULBs were test-checked by the office of the Principal Accountant General (Audit), Himachal Pradesh and reports were issued to the respective ULBs (**Appendix-3(ii)**). Important audit findings of those reports have been incorporated in Chapter-4 of this report. The cases pointed out in this report are based on the test check conducted by Audit. The Department may initiate action to examine similar cases and take necessary corrective action.

3.9 Audit observations pending compliance

The ULBs are required to rectify the defects/ omissions highlighted in the observations contained in the Inspection Reports (IRs) issued by the Principal Accountant General (Audit), Himachal Pradesh, and report their compliance to settle the observations.

The details of IRs and paragraphs issued, settled/ deleted and outstanding as on 31st March 2019 are given in **Table-14**:

Table-14: Outstanding Inspection Reports and Audit Paras

Sl. No.	Year of issue of Inspection Reports	IRs/ Paras Outstanding as on 31 March 2018		Addition during 2018-19		Total		No. of IRs/ paras settled/ deleted during 2018-19		No. of IRs/ Paras outstanding as on 31 March 2019	
		IRs	Paras	IRs	Para	IRs	Paras	IRs	Paras	IRs	Paras
1.	Upto 2014-15	157	1,013	-	-	157	1,013	-	43	157	970
2.	2015-16	16	134	-	-	16	134	-	12	16	122
3.	2016-17	16	176	-	-	16	176	-	4	16	172
4.	2017-18	12	133	-	-	12	133	-	7	12	126
5.	2018-19	-	-	14	186	14	186	-	-	14	186
Total		201	1,456	14	186	215	1,642	-	66	215	1,576

Correspondence is being undertaken to settle IRs/ Paras, despite this the number of paras pending for settlement has increased which is indicative of lack of required attention and effective action which undermines accountability.

CHAPTER-4
RESULTS OF AUDIT OF URBAN
LOCAL BODIES

CHAPTER-4

RESULTS OF AUDIT OF URBAN LOCAL BODIES

The deficiencies noticed during audit of Urban Local Bodies in 2017-18 and 2018-19 are discussed in the succeeding paragraphs.

The cases pointed out are based on the test check conducted by Audit. The Department may initiate action to examine similar cases and take necessary corrective action.

4.1 Accounting system

As per instruction of the Director, Urban Development (April 2009) ULBs are required to adopt the double entry system of accounting. As stated by the department (July 2018 and August 2019), 12 ULBs test-checked during 2017-18 and 14 ULBs test-checked during 2018-19 had maintained their accounts in double entry system.

4.1.1 Non-preparation of Accounts

According to Sections 252 and 253 of Himachal Pradesh Municipal Act, 1994, accounts of the income and expenditure of the municipality shall be kept in accordance with such rules as may be prescribed. The municipality shall within a period not exceeding three months from the end of the financial year prepare the accounts for that year. The Municipality shall, as soon as the annual accounts have been finally passed by it, transmit this to Director (Urban Development).

During test check of records in 2018-19, it was noticed in four¹ ULBs (Municipal Corporation Shimla, Municipal Councils Sujampur and Nerchowk, and NP Bhuntar) that annual accounts had not been prepared whereas these accounts were required to be prepared and approved by the elected house of the Municipality.

The Executive Officer, MC Sujampur stated (December 2018) that annual accounts would be prepared regularly in future whereas the Secretary, NP Bhuntar stated (February 2019) that due to heavy rush of work annual accounts could not be prepared. The Accounts Officer, MCorp. Shimla stated (November 2018) that due to vacant post of Accountant/Sr. Accountant, annual accounts could not be prepared, but the same would be prepared in future whereas the Executive Officer, MC Nerchowk stated (February 2019) that due to shortage of staff, annual accounts could not be prepared, but the same would be prepared in future.

4.2 Preparation of Budget

Preparation of budget without estimating expected expenditure.

The budget estimates of ULBs are to be prepared as per Himachal Pradesh Municipal Accounts Code, 1975, keeping in view the expected income and expenditure for the next financial year, and are placed before the House of the Committee thereafter. After passing of

¹ MCorp. Shimla (for 2017-18); MCs Sujampur (for 2014-15 to 2017-18) and Nerchowk (for 2016-17 to 2017-18); NP Bhuntar (for 2014-15 to 2017-18).

budget by the House of the Committee, budget estimates are submitted to the Director, Urban Development for approval.

(i) The year-wise position of budget provision and expenditure there against in the two Municipal Corporations, six Municipal Councils and four Nagar Panchayats for the years 2014-17 is given in **Table-15(i)** below.

Table-15 (i): Budget provision vis-a-vis expenditure in 12 test-checked ULBs during 2017-18
(₹ in crore)

Year	Budget Provision	Actual Expenditure	Savings (-)/ Excess (+)	Percentage of savings
2014-15	320.62	210.07	110.55 (-)	34
2015-16	265.25	181.68	83.57 (-)	32
2016-17	427.42	245.85	181.57 (-)	42

Note: Unit-wise position is given in **Appendix-24(i)**.

It is evident from **Table-15(i)** that there were persistent savings ranging between 32 and 42 per cent during 2014-17 indicating that the budget estimates were not realistic. The Director, Urban Development Department stated (March 2019) that reasons had been sought from the concerned ULBs.

(ii) The year-wise position of budget provision and expenditure there against in two Municipal Corporations, seven Municipal Councils and five Nagar Panchayats for the years 2015-18 is given in **Table-15(ii)** below.

Table-15(ii): Budget provision vis-a-vis expenditure in 14 test-checked ULBs during 2018-19
(₹ in crore)

Year	Budget Estimates	Actual Expenditure	Savings (-)/ Excess (+)	Percentage of savings
2015-16	417.11	203.68	213.43(-)	51
2016-17	530.19	213.41	321.35(-)	61
2017-18	591.48	225.99	368.90(-)	62

Note: Unit-wise position is given in **Appendix-24(ii)**.

It is evident from **Table-15(ii)** that there were persistent savings ranging between 51 and 62 per cent during 2015-18 indicating that the budget estimates were not realistic. This resulted in blockade of funds as this amount could have been used for other developmental works. The Director, Urban Development Department stated (January 2021) that reasons had been sought from the concerned ULBs.

4.3 Purchase of material without inviting quotations

Four ULBs purchased different materials amounting to ₹9.79 lakh without inviting quotation.

Rule 97(1) of Himachal Pradesh Financial Rules, 2009 (revised) provides that goods can be purchased up to monetary value not exceeding ₹3,000/- on each occasion subject to a maximum of ₹50,000 during a financial year without inviting quotations or bids. If the monetary value exceeds ₹3000/- and is up to ₹1,00,000 purchase will be made on the recommendation of a duly constituted Local Purchase Committee as per rule 98. Purchases above ₹1,00,000 will be made through tender system.

During 2018-19, audit noticed that four ULBs (MCorp. Dharamshala, NPs Banjar, Bhuntar and Karsog) had purchased items/materials like cement, furniture, computer etc. worth ₹9.79 lakh² during 2014-15 to 2017-18 without inviting quotations. This was in contravention to the rules *ibid*. This might have led to uneconomical purchases by the ULBs.

The Additional Commissioner/the Secretaries concerned stated (December 2018-February 2019) that these items were required to be purchased immediately and hence quotations were not called for. Reply is not tenable as purchase without following due procedure is not permissible in ordinary circumstances except for emergency cases.

4.4 Non-maintenance of records

As per provision of HP Municipal Accounts Code, 1975 read with section 57(3) of Municipal Council Act, 1994 the Municipal Council is required to maintain the register and map of all immovable assets of which it is proprietor or which vests in it or which it holds in trust for the State Government.

(a) During 2017-18, it was noticed in MC Nalagarh that the following registers had not been maintained:

- 1) Immovable properties (including maps and inventory of immovable property vested on in possession of MC).
- 2) Register of securities.
- 3) Register of earnest money.
- 4) Classified abstract.
- 5) Register of medical claims.
- 6) Register of maintenance of vehicle repairs.
- 7) Register of tender forms

It was further noticed that in NPs Sunni and Arki, Pay Bill Register for the establishment was not being maintained in violation of Financial Rules. Non-maintenance of these registers in the above mentioned ULBs indicated lack of control mechanism.

The Executive Officer/the Secretaries of ULBs concerned stated (December 2017-January 2018) that the record would be maintained in future and compliance would be shown to Audit.

(b) During 2018-19, it was noticed in NP Karsog that the following registers had not been maintained:

- 1) Stock & issue register
- 2) House tax (Demand & Collection) register
- 3) MAS register related to works executed
- 4) Shop rent (Demand & Collection) register
- 5) Mobile tower fee register
- 6) Electricity cess and liquor fee register

This is a non-compliance of the provision of the Act *ibid* and can lead to possibility of

² NPs Banjar: ₹1.74 lakh, Karsog: ₹1.11 lakh and Bhuntar: ₹1.39 lakh; MCorp. Dharamshala: ₹5.55 lakh.

misappropriation of Government resources. Non-maintenance of these registers also indicated lack of control mechanism.

The Secretary, NP Karsog stated (February 2019) that the records would be maintained in future.

4.5 Revenue

4.5.1 Outstanding House Tax

(a) Due to ineffective monitoring, revenue of ₹11.80 crore on account of house tax in 17 out of 26 test checked ULBs remained unrealised.

Section 258 (2) of the Himachal Pradesh Municipal Act, 1994 stipulates that sum due to municipality is to be paid within 15 days failing which the sum shall be recovered, with all costs, by distraint and sale of the property of the defaulter.

Audit noticed that in eight out of 12 test-checked ULBs in 2017-18, recovery of house tax of ₹4.47 crore was outstanding as on April 2016 whereas in nine out of 14 test-checked ULBs in 2018-19, recovery of house tax of ₹4.45 crore was outstanding as on 1st April 2017. Demand of ₹11.94 crore (₹6.17 crore in 2016-17 and ₹5.77 crore in 2017-18) of house tax was raised during the years 2016-17 and 2017-18. Total demand was ₹20.86 crore (₹10.64 crore up to March 2017 and ₹10.22 crore up to March 2018) against which collection of ₹8.98 crore (₹3.06 crore in 2016-17 and ₹5.92 crore in 2017-18) was made. Rebate of ₹0.08 crore was also allowed in 2018-19 in MC Kullu and NP Nadaun. Thus, total revenue of ₹11.80 crore (₹7.58 crore as of March 2017 and ₹4.22 crore as of March 2018) on account of house tax remained outstanding in these ULBs. This indicated that effective action had not been taken as per rule *ibid* to recover the tax outstanding for long periods. This also deprived the ULBs concerned of revenue amounting to ₹11.80 crore (**Appendix-25**) which could have been utilised for other developmental works in ULBs.

The Executive Officers/the Secretaries of ULBs concerned stated (December 2017-March 2019) that notices had been issued to the defaulters and efforts for recovery of outstanding amount would be made whereas the Executive Officer, MC Hamirpur stated (December 2018) that the outstanding tax was due to land dispute and the Executive Officer, MC Ghumarwin stated (December 2018) that despite being raising bills to the residents multiple times, the residents were not depositing the house tax.

(b) Non- imposing of house tax

As per Section 65 of the Himachal Pradesh Municipal Act, 1994 and further notification issued by the Govt. of Himachal Pradesh vide no. 1997/24 dated 28/8/1997, directions were issued to MCs/NPs to pass resolution to impose house tax on building and land within their jurisdiction varying from seven and half *per cent* to twelve and half *per cent* on the annual rental value of such buildings and lands.

(a) During 2017-18, audit noticed that MCs Solan and Nalagarh were providing various facilities to households falling within the MC area such as maintenance of roads, paths, streetlights, cleanliness, collection of garbage, etc. but house tax as per the above provision had not been imposed by the MCs.

In the case of Municipal Council Solan, scrutiny further revealed that correspondence made with Director, Urban Development regarding imposition of house tax was discussed in various meetings of the elected House of MC and proposal was rejected by the House with the plea that sanitary/ conservancy tax was already being collected. However, all resolutions passed by the House were rejected by the Director, Urban Development who directed the MC to impose the house tax.

In the case of Municipal Council Nalagarh, it was noticed that the elected house passed the resolution to impose house tax excluding domestic buildings. Despite this, the MC had not imposed house tax on any kind of building (domestic/ commercial). Scrutiny further revealed that MC had not conducted any survey regarding number of households (domestic/ commercial) falling under the jurisdiction of the MC in order to assess the amount of realisable revenue.

The Executive Officer, MC Solan stated (January 2018) that the matter would be placed before the House for reconsideration as the resolution passed by the House had been rejected by the Director, Urban Development whereas the Executive Officer, MC Nalagarh stated (November 2017) that the resolution to impose house tax had been passed and valuation of buildings was being undertaken.

(b) During 2018-19, audit noticed that in NPs Jawali and Karsog who were providing various facilities to the households falling within its area, no house tax had been imposed. There were 3,918 houses in these NPs (NP Karsog: 952 houses and NP Jawali: 2,966 houses) on which House Tax had not been imposed thereby resulting in substantial loss of revenue to NPs.

The Secretaries of ULBs concerned stated (January-February 2019) that a survey of newly constructed buildings of the NP area would be conducted and house tax would be imposed in the area covered under jurisdiction of the NPs.

(c) Incorrect opening balances taken in House Tax registers amounting to ₹8.03 lakh

In three ULBs (MCs Ghumarwin, Hamirpur and Manali) audited during 2018-19, audit noticed that an amount of ₹8.03 lakh³ was taken less in the opening balances during the period from 2014-15 to 2017-18 in the house tax registers. MCs had taken opening balance ₹13.41 lakh instead of ₹21.44 lakh in these test checked cases. This resulted in suspected misappropriation of MC funds.

The Executive Officers concerned stated (December 2018-March 2019) that house tax register would be scrutinized, and mistakes would be corrected accordingly.

4.5.2 Non-realisation of rent

Rent due from shops, booths and stalls amounting to ₹14.75 crore remained unrealised in 21 test checked ULBs during 2017-18 and 2018-19.

Section 258 (1)(b) of the Himachal Pradesh Municipal Act, 1994 provides that if any amount due to the municipality remains unpaid for 15 days, the Executive Officer/the Secretary may serve notice of demand upon the persons concerned.

It was noticed that rental charges amounting to ₹7.60 crore (**Appendix-26**) were pending for

³ MCs Ghumarwin: ₹5.92 lakh; Hamirpur: ₹1.22 lakh and Manali: ₹0.89 lakh.

recovery as of April 2016 in 10 out of 12 test-checked ULBs during 2017-18 whereas rental charges amounting to ₹6.72 crore (**Appendix-26**) were pending for recovery as of March 2017 in 11 out of 14 test-checked ULBs during 2018-19 against tenants and lessees of shops and stalls owned and rented out by these ULBs. Further, demand of ₹9.56 crore (₹4.66 crore during 2016-17 and ₹4.90 crore during 2017-18) was raised. Against the total demand of ₹23.88 crore (₹12.26 crore up to March 2017 and ₹11.62 crore up to March 2018), ₹9.13 crore (₹4.27 crore in 2016-17 and ₹4.86 crore in 2017-18) were recovered leaving recovery of ₹14.75 crore (₹7.99 crore as of March 2017 and ₹6.76 crore as of March 2018) pending in these ULBs. This adversely affected the income of ULBs.

The Executive Officers/the Secretaries of concerned ULBs stated (November 2017-March 2019) that notices had been issued to the defaulters and the amount would be recovered shortly whereas the Executive Officer, MC Kullu stated (February 2019) that in the general meeting of Lok Adalat of Kullu district, the session judge had directed that opportunity of about a year may be granted to the defaulters and recovery be effected in equal instalments.

4.5.3 Non-recovery of installation and renewal fees on mobile towers

Failure to realise installation and renewal fees on mobile towers by 18 out of 26 test checked ULBs resulted in loss of revenue of ₹56.69 lakh.

Himachal Pradesh Government vide notification no. DIT.Dev-(IT) 2005(Misc.) dated 22 August 2006 authorised ULBs to levy duty on installation of mobile communication towers at prescribed rates. Further as per notification no. DIT.Dev-(IT) 2005(Misc.) 96 dated 21 June 2017 rates amended as one time installation fee at the rate of ₹50,000 per tower and annual renewal fee at the rate of ₹25,000 per tower in case of Municipal Corporation area and at the rate of ₹25,000 and ₹12,500 respectively in case of Municipal Councils and Nagar Panchayats.

Scrutiny of records revealed that in 18 out of 26 test-checked ULBs during 2017-18 and 2018-19 (**Appendix-27**), mobile towers were installed during 2004-17 but the ULBs concerned had not recovered installation and renewal fees of ₹56.69 lakh (₹25.21 lakh as of March 2017 and ₹31.48 lakh as of March 2018). This deprived the ULBs of their due share of revenue.

The ULBs concerned (audited in 2017-18) stated (November 2017-January 2018) that action would be taken shortly to recover the dues. The ULBs concerned (audited in 2018-19) stated (December 2018-March 2019) that notices were being issued to defaulters and recovery would be made shortly.

4.5.4 Outstanding tehbazari fee/ show tax/ trade tax/ hostel's rent

Collection of tehbazari fee/ show tax/ trade tax/ hostel's rent remained pending in six ULBs resulting in outstanding amount of ₹55.85 lakh.

Section 66 of Himachal Pradesh Municipal Act, 1994 provides that municipality is empowered to impose any toll, tax, or fee such as sanitation tax, rehri/ tehbazari fee, trade tax, etc., in its jurisdiction.

(a) During 2018-19, it was noticed that in three ULBs (MCorp. Shimla, MC Sujampur and NP

Bhuntar), an amount of ₹41.35 lakh⁴ was outstanding on account of rehri/tehbazari fee from the allottees of 343 sites/ khokhas. No specific effort was made by the ULBs to recover the outstanding amount which adversely affected the revenue of ULBs.

The Executive officers of ULBs concerned stated (December 2018-March 2019) that notices were being issued to the defaulters and recovery would be made shortly.

(b) During 2018-19, it was noticed that in NP Karsog, no resolution was passed by the house of NP for identification of street vendors and collection of rehri/ tehbazari fees for the site allotted.

In reply, the Secretary stated (February 2019) that Town Vending Committee had not been formed and the matter of collection of tehbazari fee had not been decided in the house.

(c) According to Municipal Corporation Shimla house resolution No. 3(21) dated 23/04/12, lump-sum amount of show tax at the rate of ₹72,000/- per year has been approved. Further section 121 of Himachal Pradesh Municipal Corporation Act, 1994 provides that if the tax or fee is not paid within one month of the due date, an interest at the rate of one per cent per month shall be charged for every calendar month or part thereof.

During 2018-19, it was noticed in MCorp. Shimla that show tax of ₹11.94 lakh (including interest of ₹6.41 lakh) was outstanding from the owners of two cinema halls (Ritz and Shahi) running in MC jurisdiction for the period of 2012-18.

No reply was furnished by the Municipal Corporation, Shimla in this regard.

(d) During 2018-19, it was noticed in MC Dehra that trade tax amounting to ₹1.85 lakh was pending for recovery as of March 2015. Further, demand of ₹0.76 lakh was raised against traders during 2015-18. Out of total demand of ₹2.61 lakh, ₹0.41 lakh were recovered leaving trade tax of ₹2.20 lakh (84.29 per cent of total demand) pending as of March 2018. The detail is shown in the table below:

Table 16: Details of Trade tax

Year	Opening Balance (₹)	Current Demand (₹)	Total (₹)	Collection (₹)	Balance Outstanding (₹)
2015-16	1,84,860.00	25,400.00	2,10,260.00	00	2,10,260.00
2016-17	2,10,260.00	25,400.00	2,35,660.00	00	2,35,660.00
2017-18	2,35,660.00	25,400.00	2,61,060.00	40,700.00	2,20,360.00
Total		76,200.00		40,700.00	

The Executive Officer stated (January 2019) that trade tax was not collected due to shortage of staff and the amount would be recovered shortly.

(f) During 2018-19, it was noticed in Municipal Council, Kullu that eight women were living in working women hostel on monthly rent basis (w.e.f. 1992/2003 till date of audit) which was under the jurisdiction of MC. But the hostel rent was neither paid by occupants nor demanded by the MC. Against the total demand on account of rent for hostel of ₹0.43 lakh

⁴ MCorp. Shimla: ₹0.40 lakh; MC Sujapur: ₹5.18 lakh and NP Bhuntar: ₹35.77 lakh.

(including opening balance of ₹0.32 lakh as of March 2017), ₹0.08 lakh were recovered during 2017-18 leaving rent amount of ₹0.36 lakh pending from occupants as of March, 2018. The Executive Officer stated (March 2019) that notices had been issued to defaulters and legal action would be taken to recover the outstanding amount of rent.

Thus, non-recovery of various taxes had deprived the ULBs of revenue which could have been utilised for other developmental works.

4.5.5 Non-recovery of lease money

MCorp. Shimla failed to realise lease money of ₹1.74 crore from shops and stalls.

Scrutiny of records during 2017-18, it was noticed that Municipal Corporation, Shimla had leased out shops/stalls to 153 parties on rent basis. It was noticed that lease money amounting to ₹0.53 crore was pending for recovery against these 153 shops and stalls as of April 2016. Further, demand of ₹1.63 crore was raised during 2016-17. Against the total demand of ₹2.16 crore, ₹0.42 crore was recovered leaving recovery of ₹1.74 crore pending as of March 2017. Lack of action in recovering the lease money had resulted in loss of revenue.

The Executive Officer stated (December 2017) that the main reason for less recovery of lease money was shortage of staff and efforts were being made to recover the outstanding lease money.

4.5.6 Non-renewal of lease deed

Non-renewal of lease deed of shops resulting in a loss of revenue of ₹5.35 lakh.

As per para 5 of notification no. LSG-F (6)-1/85-IV dated 21/12/2001 Govt. of HP, MC shall lease out the stalls/shops constructed by MC for period not exceeding 25 years in the first time and after every five years, the lease rent shall be enhanced by 10 *per cent* of the amount being charged at the time of signing of lease.

During 2018-19, it was noticed that in two Municipal Councils, Hamirpur and Sujapur had leased out 24 shops for five or ten years with the conditions that the premises would be given for a period of five years at first time and after expiry of the period it would be extended by enhancing rent of 5% or 10% of the amount being charged at the time of signing the lease deeds. It was noticed that the validity of lease deeds has elapsed for the period ranging between two months and 108 months. Neither the period of lease deed had been extended nor was the rate of shops enhanced by the MCs. This resulted in a loss of revenue to MCs amounting to ₹5.35 lakh⁵.

In reply, the Executive Officer (MC Hamirpur) stated (December 2018) that the process of renewing the lease would be initiated shortly whereas the Executive Officer (MC Sujapur) stated (December 2018) that rent register would be verified.

⁵ MCs Hamirpur: ₹0.91 lakh and Sujapur: ₹4.44 lakh.

4.5.7 Non-realisation of rent from the Government offices amounting to ₹13.81 lakh

During 2018-19, it was noticed in two Municipal Councils Kullu and Ner Chowk that seven offices⁶ were running in the buildings of the MCs since 2004 and 2017 respectively. MCs had not prepared any rent agreement for running these offices. It was further noticed that MC Kullu had fixed rent at ₹7,500/- per month and 10% increase after every five years. Accordingly, a rent of ₹13.81 lakh (including ₹10.54 lakh as opening balance in April 2015) had not been paid by the office of District Election Officer as of March 2019. Whereas MC, Ner Chowk had neither fixed any rent for the space provided to different offices nor these offices were paying any amount of rent to MC as of February 2019. This resulted in a loss of revenue to MCs to that extent.

The Executive Officer, MC Kullu stated (March 2019) that DC Kullu had directly refused to pay any rent for this premise and the matter for waiving of this outstanding rent would be taken up with the competent authority whereas the Executive Officer, MC Ner Chowk stated (February 2019) that the matter regarding realisation of rent had been discussed in the meeting vide resolution no.14/2018, but due to shortage of staff, the rent could not be realized.

4.5.8 Non-recovery of Electricity Cess

ULBs failed to realise electricity cess from HPSEB resulting in loss of revenue.

Section 69 of The Himachal Pradesh Municipal Act, 1994 provides that electricity cess was recoverable on consumption of electricity at the rate not exceeding 20 paise per unit, consumed by any person for the electricity within the limits of municipal area. The electricity cess was to be collected by the Himachal Pradesh State Electricity Board (HPSEB) and paid to the municipality concerned.

(a) During 2017-18, it was noticed in Municipal Council (MC) Nalagarh that the MC had not recovered/ collected electricity cess amounting to ₹11.19 lakh from HPSEB for the last four years i.e., 2013-17 as per the above provision.

The Executive Officer stated (December 2017) that the electricity cess could not be collected due to shortage of staff.

(b) During 2018-19, it was noticed in four ULBs⁷ that the electricity cess had not been recovered/collected by these ULBs from the HPSEB as per the above provision. In the cases of NPs, the cess was pending from its inception whereas dues were pending for year 2017-18 in MC, Ghumarwin. Thus, due to non-recovery of electricity tax, ULBs suffered a loss of revenue to that extent.

The Executive Officer, MC Ghumarwin stated (December 2018) that matter would be taken up with the Executive Engineer of HPSEBL for recovery of electricity cess. The Secretaries (NPs Karsog and Jawali) stated (January-February 2019) that electricity cess could not be collected due to shortage of staff whereas the Secretary, NP Banjar stated (February 2019) that due to heavy rush of work, the electricity cess could not be collected.

⁶ MC Kullu: District Election Officer and MC Ner Chowk: Treasury Office, Election Office, Welfare Office, Veterinary Office, SDM Office and Tehsil Office.

⁷ MC Ghumarwin; NPs Banjar, Jawali and Karsog.

4.5.9 Non-collection of water charges by Municipal Council Solan

Non-collection of water charges deprived the Municipal Council Solan of revenue of ₹63.67 lakh.

Section 258 (1)(b) of the Himachal Pradesh Municipal Act, 1994 provides that if any amount due to the municipality remains unpaid for 15 days, the Executive Officer/ Secretary may serve notice of demand upon the persons concerned.

During 2017-18, test-check of records of Municipal Council, Solan revealed that MC had raised bills for water charges amounting to ₹63.67 lakh for the period 2015-17 but collection of the charges remained pending as of January 2018. Municipal Council, Solan had not initiated any action to recover the water charges in the manner prescribed *ibid*. Thus, MC Solan had not taken any steps for recovery of water charges.

The Executive Officer stated (January 2018) that the water connections of defaulting consumers were being disconnected and the matter would be placed before the General House in the next meeting.

4.5.10 Suspected misappropriation of funds

Discrepancies in cash book entries of Municipal Council Nalagarh indicated suspected misappropriation of ₹1.59 lakh.

During 2017-18, scrutiny of cash book and receipt books of Municipal Council Nalagarh revealed that the actual amount as per receipt books had not been entered on the receipt side of the cash book. For the period 2014-16, the entries in the cash book were made for lesser amount (₹14,079) than the actual receipts (₹18,351) resulting in less deposit of amount (₹4,272) in the bank account. It was further noticed that the totals recorded on the receipt side of the cash book was incorrect (pages 7, 32, 35, 36, 39, 47, 59, 77, 110, 170, 179, 189, 190, 196) resulting in less deposit of ₹8,727/- in the bank account.

On the payment side of the cash book for the period 2015-16, more amount (₹17.57 lakh) had been entered whereas actual amount (₹16.11 lakh) was less as per vouchers, resulting in excess withdrawal (₹1.46 lakh) from bank. This shows weak control of the MC over financial transactions.

Admitting the facts, the Executive Officer stated (November 2017) that necessary corrections would be made in the cash book and compliance would be shown to Audit. The reply is not acceptable as the matter needs to be investigated and the possibility of misappropriation of ₹1.59 lakh cannot be ruled out.

4.6 Blocking of funds

4.6.1 Blocking of funds amounting to ₹8.97 crore under AMRUT

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) provides basic services (e.g., water supply, sewerage, urban transport) to households and builds amenities in cities which will improve the quality of life for all, especially the poor and the disadvantaged as a national priority.

During 2018-19, audit noticed that Municipal Council Kullu received funds amounting to ₹12.97 crore for Water supply, Sewerage, Drainage, Urban Transport (Non-Motorized) and

Parks, and ₹0.25 crore for preparation of Service Level Improvement Plan/ Individual Capacity Building under AMRUT Scheme in three instalments (₹6.08 crore in August 2016, ₹0.25 crore in March 2017 and ₹6.89 crore in July 2017). The details of the approved projects are mentioned in table below:

Name of Project approved under AMRUT	Funds received (₹ in crore)	Name of executing agencies/amount released (₹ in crore)	Status of work as on March 2019
Water supply & Sewerage	4.00	IPH Kullu (4.00)	Completed
Urban transport (provision of foot over bridge)	0.25	IPH Kullu (0.25)	Work cancelled and amount refunded to MC Kullu after one-year lapse
Urban transport (Work regarding provision of underpass)	0.25	PWD Kullu (0.25)	Not yet started
Storm water drainage	8.72	Municipal Council, Kullu	Not yet started
Urban transport			Development of footpaths and pedestrian paths (Work awarded)
Green space and park			Development of parks (Work awarded)
Total	13.22		

Thus, non-execution of these projects due to non-approval of DPR/ estimates not only resulted in blockade of funds of ₹8.97 crore (₹8.72 crore with MC + ₹0.25 crore returned after project cancellation) but also deprived the beneficiaries from the intended benefits of the scheme. The Executive Officer, MC Kullu stated (March 2019) that tenders had been invited and works would be started soon.

4.6.2 Blocking of funds amounting to ₹2.67 crore under Pradhan Mantri Awas Yojna

The scheme "Pradhan Mantri Awas Yojna" (PMAY) comes with an aim of constructing more than two crore houses during 2015-2022 to meet the demand posed by urban cities and provides central assistance to Urban Local Bodies and other implementing agencies for providing houses to all eligible families and beneficiaries. A beneficiary family will comprise husband, wife, unmarried sons and/or unmarried daughters and the beneficiary family should not own a pucca house either in his/her name or in the name of any member of his/her family in any part of India to be eligible to receive central assistance under the mission.

During 2018-19, scrutiny of records revealed that Municipal Corporation, Dharamshala and Municipal Council, Kullu had targeted 986 beneficiaries⁸ to be covered during 2015-22 and a grant of ₹8.29 crore under PMAY was received during 2016-17 to 2017-18. Out of these funds, only ₹5.11 crore had been disbursed to 420 beneficiaries out of whom 141 beneficiaries had completed their houses and got full benefits of the scheme. 279 beneficiaries have partially completed the construction work to plinth, lintel and roof level. Rest of 566 beneficiaries had not started the construction work due to having pucca house, having not

⁸ MCorp. Dharamshala: 895 beneficiaries and MC Kullu: 91 beneficiaries.

enough money to start even foundation work, land dispute etc. Also, as per instruction of Director (UDD), an amount of ₹70.00 lakh had been refunded to the department by MCorp. Dharamshala. Hence, remaining ₹2.67 crore⁹ (including interest) was lying undisbursed till the date of audit resulting into blocking of funds with ULBs and deprived the beneficiaries from intended benefits of the scheme. This also shows that the selection of beneficiaries was not done properly by these ULBs as some beneficiaries were already having pucca houses and there is a possibility that eligible beneficiaries being left out.

The Additional Commissioner, MCorp. Dharamshala stated (October 2019) that some beneficiaries had not started the construction work due to financial constraints even after doing earnest efforts to motivate them for the same whereas the Executive Officer, MC Kullu stated (March 2019) that 24 beneficiaries paused the work due to winter season which would be completed soon, and 41 beneficiaries had not started the work due to non interest in construction of new house and financial constraints.

4.6.3 Blocking of funds amounting to ₹1.00 crore under National Urban Livelihood Mission

As per para 4.10 of the guidelines of Support to Urban Street Vendors under National Urban Livelihood Mission (NULM), financial support will be provided to the ULBs for improvement of infrastructure and providing of basic services in the existing market of street vendors.

During 2018-19, audit noticed that Director, Urban Development Department had released ₹1.00 crore under NULM to Municipal Corporation, Dharamshala for development of vendors' market in August 2016. MC had held these funds in the bank account for a period of more than six months and thereafter the same was released to the Superintendent Engineer, H.P. Housing and Urban Development Authority (HIMUDA), Rakkar, Dharamshala in February 2017 for the development of market for street vendors and construction of prefabricated market. HIMUDA had submitted the preliminary estimate amounting to ₹4.07 crore to MC with the request that necessary administrative approval & expenditure sanction may be arranged, and 50 *per cent* of total estimated cost may be deposited with HIMUDA to start the work. MC had not accorded administrative approval & expenditure sanction from the competent authority and requested HIMUDA to return the amount in October 2018 by stating the reason of non-availability of land. This not only resulted in blockade of fund of ₹1.00 crore with HIMUDA for 21 months from the release of fund till the date of audit (November 2018) but also deprived the public from the intended benefits of the scheme. This showed improper planning on the part of MCorp. Dharamshala.

The Additional Commissioner, MCorp. Dharamshala stated (November 2018) that land at proposed sites was not available and NOC was not received for the vendor market development. The reply is not acceptable as all codal formalities should have been completed before the release of fund.

⁹ MCorp. Dharamshala: ₹223.85 lakh and MC Kullu: ₹43.25 lakh.

4.6.4 Blocking of funds received under 13th & 14th Finance Commission and 4th State Finance Commission

Funds amounting to ₹4.75 crore under 13th & 14th Finance Commission and 4th State Finance Commission remained blocked in three ULBs.

(a) The recommendations of 13th Finance Commission for the award period 2010-15 includes, inter-alia, release of grant-in-aid to State Governments for Rural and Urban Local Bodies. The 13th Finance Commission was required to recommend measures needed to augment the Consolidated Funds of the States to supplement the resources of the Panchayats and Municipalities.

During 2018-19, it was noticed that Director, Urban Development, Shimla had released grants amounting to ₹35.09 lakh under 13th Finance Commission during the period from 2014-15 to 2015-16 to MC Ghumarwin. Out of total amount, an expenditure of ₹6.49 lakh had been incurred upto March 2018 by the MC. Moreover, the remaining amount was neither utilised by the MC in above duration nor returned to the funding agency as period of the Commission had ended. This not only resulted in blockade of funds amounting to ₹28.60 lakh but also deprived the public from the intended benefits of the grants.

The Executive Officer, MC Ghumarwin stated (December 2018) that the grant was proposed for construction of Gau Sadan for Municipal Council but due to non-availability of land, it could not be constructed. The reply is not acceptable as codal formalities for availability of land should have been completed before making any proposal. If the land was not available in MC area, the said amount should have been transferred to the sanctioning authority without delay. The updated status in this regard has been sought from MC Ghumarwin (January 2021), but no reply was furnished by the MC.

(b) As per guidelines of the 14th Finance Commission, grants received by urban local bodies shall be utilised for delivery of basic civic services such as water supply, sanitation, sewage, maintenance of roads, footpath, street lights, etc.

During 2018-19, audit noticed in two (NPs Karsog and Jawali) out of 14 ULBs that funds amounting to ₹1.32 crore¹⁰ were received under 14th Finance Commission during 2016-17 to 2017-18 out of which an expenditure of ₹45.17 lakh was incurred. These ULBs, after lapse of one to two years, utilised only 34 *per cent* of total funds received under 14th FC. Thus, amount of ₹86.75 lakh¹¹ was blocked and remained unutilized as of March 2019.

The Secretaries (NPs Karsog and Jawali) stated (January-February 2019) that the work could not be started due to shortage of staff, but the funds would be utilised shortly.

(c) The grants under 4th State Finance Commission shall be utilized by the local bodies for maintenance of assets, performance of statutory and delegated functions, and honorarium of the elected representatives.

During 2018-19, audit noticed in two (NPs Karsog and Jawali) out of 14 ULBs that funds amounting to ₹4.95 crore¹² were received under 4th State Finance Commission during 2016-17

¹⁰ NPs Karsog: ₹28.91 lakh and Jawali: ₹103.01 lakh.

¹¹ NPs Karsog: ₹28.37 lakh and Jawali: ₹58.38 lakh.

¹² NPs Karsog: ₹195.43 lakh and Jawali: ₹299.75 lakh.

to 2017-18 out of which an expenditure of ₹1.36 crore was incurred. Thus, amount of ₹3.59 crore¹³ (73 per cent of total fund) was blocked and remained unutilized as of March 2019.

The Secretaries (NPs Karsog and Jawali) stated (January-February 2019) that the work could not be started due to shortage of staff, but the funds would be utilised shortly.

4.6.5 Blocking of funds under various schemes

Funds amounting to ₹14.52 crore remained unspent in twelve out of 26 ULBs due to non-completion/ commencement of works.

(a) During 2017-18, it was noticed in five out of 12 test checked ULBs that funds amounting to ₹9.46 crore¹⁴ were available during 2014-17 for execution of 32 development works such as construction of retaining walls, boundary walls, shed, repair of paths, sarai bhawan, construction/ restoration of office, parking, parks, etc. These works were to be completed within a period of six months to one year. However, no expenditure had been incurred out of these funds on execution of these works as of January 2018 which resulted in depriving the beneficiaries of intended benefits.

The Executive Officers of the ULBs concerned stated (December 2017-January 2018) that the works could not be started due to non-fulfilment of codal formalities, land disputes, involvement of forest land, non-transfer of possession of land etc. and efforts were being made to start the works at the earliest.

(b) During 2018-19, it was noticed in seven out of 14 ULBs that funds amounting to ₹5.13 crore¹⁵ under schemes such as Vidhayak Keshetra Vikas Nidhi Yojna (VKVNY), Central Road Funds (CRF), Sectoral Decentralized Planning (SDP), Members of Parliament Local Area Development Scheme (MPLADS), National Urban Livelihood Mission (NULM), Swachh Bharat Mission (SBM), etc. were received during 2012-18 for execution of development works such as construction of roads, parking, parks, shed, retaining walls, pucca path, samshan ghat, sarain, sewerage works, etc. However, no expenditure had been incurred out of the funds on execution of these works due to different reasons¹⁶ as of March 2019 whereas in NP Jawali funds of ₹7.17 lakh was utilised for works under Civic Amenities and NULM as of January 2019 and remaining funds of ₹1.69 crore remained unspent with the NP due to non-completion of work. Non-utilisation of funds for developmental activities resulted in blocking of funds amounting to ₹5.06 crore besides depriving the beneficiaries of the intended benefits from these development works.

The Executive Officers (MCs Ghumarwin and Dehra) stated (December 2018-January 2019) that the works could not be started due to land issue/disputes whereas the Executive Officer, MC Manali stated (March 2019) that tendering process for the work was in progress. The Executive Officer, MC Kullu stated (March 2019) that the works were in progress. The

¹³ NPs Karsog: ₹146.09 lakh and Jawali: ₹213.66 lakh.

¹⁴ MC Mandi: ₹18.60 lakh (12 works); NPs Bhota: ₹50.00 lakh (01 work); Sunni: ₹20.00 lakh (01 work); Baijnath: ₹2.00 crore (01 work) and MCorp. Dharamshala: ₹6.57 crore (17 works).

¹⁵ MCs Ner Chowk: ₹35.25 lakh, Ghumarwin: ₹1.60 crore, Kullu: ₹25.00 lakh, Manali: ₹60.00 lakh, Dehra: ₹4.00 lakh, and NPs Karsog: ₹38.04 lakh, Jawali: ₹1.91 crore.

¹⁶ Not tendered (25 works), Land issue/disputes (03 works), Work in progress (01 work), Tendering process (05 works), Shortage of fund (01 work) and Shortage of staff (03 works).

Executive Officer/the Secretary (MC Ner Chowk and NP Karsog) stated (February 2019) that the works could not be started due to shortage of staff whereas the Secretary, NP Jawali stated (January 2019) that the works could not be started due to shortage of funds and the other works could not be completed due to shortage of staff.

The replies are not tenable as codal formalities should have been completed before getting the works sanctioned and release of funds.

4.6.6 Blocking of funds received for sewerage schemes

Urban Development Department released funds amounting to ₹4.41 crore to two test checked ULBs¹⁷ for execution of sewerage schemes during 2014-17. These funds were required to be further released to the Irrigation and Public Health (IPH) Department as per their requirement to execute sewerage schemes in respective ULBs.

During 2017-18, audit noticed that the work of sewerage schemes had either not been executed (NP Sunni) or lying incomplete (MC Solan) as of January 2018 and funds amounting to ₹4.41 crore were lying blocked in the bank accounts of respective ULBs and the facility of sewerage schemes could not be provided to the public of the area.

The Executive Officer, MC Solan stated (August 2021) that no funds were released for Sewerage Scheme to IPH Department, and no work was executed by the MC after 2016-17 whereas the Secretary, NP Sunni stated (August 2021) that NP was trying all its efforts such as making verbal request and correspondence with the IPH Deptt., but the sewerage work was still pending. The reply is not acceptable as the funds were lying blocked with the ULBs even after lapse of more than four years from the date of release of fund.

4.6.7 Blocking of funds received for construction of parks

For the improvement of living standard of people residing in urban areas, the State Government framed a policy (2015-16) for establishment of parks in areas falling under the jurisdiction of Urban Local Bodies. Under this policy 60 *per cent* of the total cost of the project was to be provided by the State Government as grant-in-aid and the remaining amount was to be met by the concerned ULB from its own resources.

During 2017-18, it was noticed that the Director, Urban Development released funds amounting to ₹95.00 lakh¹⁸ for the construction of parks in their jurisdiction during 2016-18. It was noticed that more than six months to one year had lapsed from the date of release of funds but both ULBs could not finalize the site for the said works and funds of ₹1.42 crore (₹95.00 lakh + matching share of ₹47.42 lakh) had been deposited in bank accounts. Blocking of funds deprived the public of intended facility of the parks.

The Executive Officer, MCorp. Dharamshala stated (August 2021) that the fund could not be utilised due to unavailability of land in MCorp. Dharamshala. Now fund of ₹31.21 lakh has been transferred on 29.07.2021 to Forest Department for construction of park at their own land while the Secretary, NP Baijnath stated (July 2021) that ₹20.00 lakh had been transferred to HPPWD in August 2018 and construction of two parks were in progress. Release of funds

¹⁷ NP Sunni: ₹99.20 lakh and MC Solan: ₹341.84 lakh.

¹⁸ MCorp. Dharamshala: ₹35.00 lakh and NP Baijnath: ₹60.00 lakh.

without availability of land or submission of proposal had resulted in unnecessary parking of funds.

4.7 Diversion of funds

Four ULBs diverted grants amounting to ₹10.29 crore during 2014-17.

(i) During 2017-18, audit noticed that Director, Urban Development released funds amounting to ₹15.24 crore under 4th State Finance Commission (SFC) to three ULBs¹⁹ during 2014-17 with the direction to utilize the grant for the purpose for which it had been sanctioned/ provided. The SFC had recommended the grant for maintenance of assets (streets, street lighting, public toilets, parks, office buildings, town halls, drainage, etc.), performance of statutory and delegated functions and honorarium to elected representatives. Scrutiny of records revealed that ULBs had incurred expenditure amounting to ₹9.48 crore on pay and allowances, pension, and gratuity, leave encashment and payment of provident fund which were not covered under the components recommended by the 4th SFC.

The Executive Officers/the Secretaries concerned ULBs stated that (December 2017-January 2018) the grants were utilized for the above purposes due to shortage of funds. The replies are not acceptable as utilization of development grants towards payment of pension/ gratuity and pay & allowances was contrary to the terms.

(ii) During 2017-18, test check of records revealed that NP Baijnath received funds amounting to ₹1.00 crore from Director, Urban Development during 2015-16 for construction and creation of infrastructure facilities in new office building. Scrutiny revealed that the NP had not identified the land for construction of office building even though more than two years had elapsed from the date of release of funds. Instead, the NP had incurred expenditure of ₹0.81 crore on salary of staff, sanitation and other office expenses which was irregular.

The Secretary stated (January 2018) that no asset had been handed over to NP Baijnath. The reply is not tenable as funds should have been utilized for the stipulated purpose only.

Above instances of irregular diversion of funds shows poor management of funds. Further provision for salary/ pension/ gratuity should have been made under relevant head of account.

4.8 Unfruitful expenditure and non-realisation of beneficiary share

Non-allotment of 73 houses in MC Nalagarh resulted in unfruitful expenditure of ₹3.12 crore and non-realisation of beneficiary share of ₹1.36 crore.

Integrated Housing & Slum Development Programme (IHSDP) was launched during the year 2005 under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) for holistic slum development and basic infrastructure facilities to slum dwellers of identified urban areas. As per guidelines, total household survey of slums was required to be conducted prior to submission of Detailed Project Report (DPR) to GOI.

During 2017-18, scrutiny of records revealed that MC Nalagarh had prepared a DPR for 128 houses for identified urban poor under the scheme. For the construction of these houses, funds amounting to ₹5.46 crore were released by the Director, Urban Development to the CEO-cum

¹⁹ MCs Hamirpur: ₹7.50 crore and Mandi: ₹7.08 crore; NP Bhotia: ₹0.66 crore.

Secretary HIMUDA in two instalments (February 2010: ₹2.57 crore and April 2013: ₹2.89 crore). HIMUDA had completed construction of these houses (construction cost per dwelling unit: ₹4.27 lakh) and handed over the same to MC Nalagarh in February 2016. It was noticed that out of 128 houses, MC Nalagarh had allotted only 55 houses to the beneficiaries of identified urban poor after receiving an amount of ₹1.87 lakh from each beneficiary. Non-allotment of the remaining 73 houses (August 2021) resulted in unfruitful expenditure of ₹3.12 crore (₹4.27 lakh x 73) and non-realisation of beneficiary share of ₹1.36 crore (₹1.87 lakh x 73) to be received from the beneficiaries to whom these houses were to be allotted.

In reply, the Executive Officer stated (August 2021) that the tender had been called for remaining 73 no. of houses. The fact however is that MC failed to allot these houses even after lapse of five years besides resulted in deterioration of the assets with passage of time.

4.9 Unfruitful expenditure amounting to ₹11.55 lakh

Unfruitful expenditure amounting to ₹11.55 lakh was incurred by NP Bhuntar.

As per works manual, work taken up for execution should be completed in time in order to avoid cost escalation and to provide benefit of the work to the intended beneficiaries in time.

During 2018-19, it was noticed in NP Bhuntar that the Director, Urban Development had released funds amounting to ₹20.00 lakh for construction of park in July 2017. The work was awarded to a contractor in March 2018 with stipulated period of two months for construction. Out of these funds, ₹11.55 lakh was incurred on the construction of park, but the work was not completed as of July 2021. Thus, non-completion of park resulted not only in unfruitful expenditure of ₹11.55 lakh but also in blocking of funds amounting to ₹8.45 lakh. Besides, public of the area were deprived of the intended benefits of the park.

The Secretary stated (February 2019) that Honourable Supreme Court had stopped the dumping of garbage at dumping site, Pirdi and therefore in absence of any other site, the garbage was being dumped at the other end of park. Remaining work of the park would be completed after finalisation of another dumping site. The reply is not acceptable as NP did not make efforts to finalise another site for dumping of garbage to complete the construction of park.

4.10 Unfruitful expenditure and lapse of GOI grant

Housing units for Krishna Nagar slum, Shimla under Rajiv Awas Yojna remained incomplete, and grant of ₹23.32 crore was lapsed.

During 2017-18, audit noticed that Municipal Corporation, Shimla prepared a pilot Detailed Project Report (DPR) for Krishna Nagar slum in Shimla under Rajiv Awas Yojna for ₹33.99 crore (Central share: ₹27.62 crore, State share: ₹4.39 crore, ULB's share: ₹0.50 crore and beneficiaries' share: ₹1.48 crore) which was approved (March 2013) by the Ministry of Housing & Urban Poverty Alleviation (MoHUPA). The project included three main components- Construction of Housing Complex (300 Dwelling Units of which 224 were beneficiary housing units while 76 were rental housing units) on three sites, Community Centre, and Children Park. The cost per dwelling unit was estimated at ₹10.12 lakh (including cost of infrastructure) and the beneficiary contribution was stipulated at ₹0.66 lakh per unit.

The work was scheduled to be completed during the Twelfth Five Year Plan (2013-17) in Mission Mode.

It was noticed that the work of construction of 296 dwelling units, Community Center and Children Park were awarded to different contractors at a tendered cost of ₹ 32.57 crore against which funds of ₹10.67 crore (Central Share: ₹ 9.21 crore and State Share: ₹1.46 crore) were released (November 2013) by the State Government to MCorp. Shimla with the stipulation to complete the work within two to 24 months. Scrutiny of records revealed that only ₹4.93 crore had been utilized during 2013-18 and the works were left incomplete (except construction of Children Park) by the contractors. It was further noticed that no penal action was initiated against the contractors for incomplete works as required under clause-3 of individual contract agreement. Further scrutiny of records revealed that MCorp. Shimla had requested (August 2017) the Director, Urban Development to take up the matter of release of balance grant of ₹23.32 crore. Thus, the project scheduled to be completed during 2013-17 was still incomplete and the possibility of lapse of balance GOI grant of ₹23.32 crore could not be ruled out. Besides, housing facilities had not been provided to the slum dwellers of Krishna Nagar area as envisaged. There was also the possibility of cost overrun which would entail additional financial burden on the State exchequer and the beneficiaries.

The matter was referred (December 2017) to MCorp. Shimla but no reply was furnished.

4.11 Idle expenditure on salary

Idle expenditure of ₹15.95 lakh on salary of Library Attendant posted in MC Nagrota Bagwan without existence of library.

During 2017-18, it was noticed in MC Nagrota Bagwan that Director Urban Development regularised (August 2007) services of a Library Attendant (LA) against a newly created post. LA joined duty on 23.08.2007. An amount of ₹15.95 lakh was paid to LA on account of salary (August 2007 to November 2017). It was noticed that services of the incumbent were not being used as Library Attendant because no library existed in Nagrota Bagwan.

The Executive Officer stated that (December 2017) services of the official were being utilized for various activities. The reply is not tenable as posting of Library Attendant without existence of any library was irregular. The matter may be reviewed by the competent authority.

4.12 Liability for electricity bills along with surcharge amounting to ₹34.09 lakh

Non-payment of electricity bills in time resulted in unnecessary liability of NP Bhuntar amounting to ₹34.09 lakh with surcharge.

Rule 2.10 (b) (3) Himachal Pradesh Financial Rules, 1971 provides that all charges incurred are drawn and paid at once and are not held up for want of funds and allowed to stand over to be paid from the grant of another year, that money indisputably payable should not, as far as possible, be left unpaid; and that all inevitable payments are ascertained and liquidated at the earliest possible date.

During 2018-19, scrutiny of records of NP Bhuntar revealed that electricity bills of street light amounting to ₹37.42 lakh including surcharge for the month of March 2017 (continued from previous outstanding bills) was issued by the Assistant Engineer (AE), HPSEBL, Electrical Sub-Division, Bhuntar. NP had deposited ₹1.00 lakh and ₹7.00 lakh against these bills on dated 17.03.2017 and 24.03.2017 respectively leaving a balance of ₹29.42 lakh. The AE had again issued the electricity bills amounting to ₹34.09 lakh (including surcharge of ₹0.67 lakh) in September 2018, but NP failed to deposit the same as of February 2019. Thus, delay in depositing the electricity bills resulted in not only unnecessary liability of NP but also excess payment of surcharge amounting to ₹0.67 lakh.

The Secretary stated (February 2019/July 2021) that due to non-payment of outstanding electricity cess (pending from approximately last 10 years) by the HPSEBL, electricity bill had not been paid. It was further stated that information regarding outstanding electricity cess was not provided by HPSEBL. If actual amount of cess is intimated by the HPSEBL, rest amount of the bill would be paid at the earliest in instalments.

4.13 Violation of norms-Splitting up of works

Para 6.44 of PWD Manual of Orders, read with instruction issued in April 2012 provides that splitting up of work/project should not be carried out to avoid e-tendering, publication through press or to avoid approval of the higher authority.

During 2018-19, audit noticed in NP Karsog that four works²⁰ amounting to ₹14.40 lakh were awarded to three contractors for the period from November 2014 to January 2015. Each of these works was split up in two works to avoid wide publicity and to avoid sanction of the higher authority. Splitting up of works resulted in violation of tendering process of ensuring maximum competition and transparency. Besides, possibility of extension of undue favour to the contractors cannot be ruled out in Audit.

The Secretary stated (February 2019) that the matter would be taken up with the Director, Urban Development for obtaining ex-post-facto sanction.

4.14 Non-obtaining of Utilisation Certificates of ₹3.97 crore

Financial rules require that Utilization Certificate (UC) should be submitted to the competent authority within the time as prescribed so that it can be ensured that fund had been utilized for the purpose for which it was sanctioned.

During 2018-19, audit noticed that NP Karsog and MC Dehra have received ₹22.41 lakh and ₹3.75 crore from Urban Development Department for construction of road/ toilets and sewerage work respectively during 2014-15 to 2017-18. The funds were released to the executive agencies (HPPWD, BDO office, IPH Department) during 2016-17 to 2018-19. Even after lapse of eight to 32 months, Utilization Certificates of ₹3.97 crore relating to these

²⁰ 'Drain & Providing & fixing grating from Rest House to Bimla Khad', 'Providing & fixing grating from PNB towards Pawan Studio', 'Providing & lying tile flooring from house of Sh. Hitesh to house of Sh. Mast Ram' and 'Providing & fixing grating from Krishna complex towards Phase 2 & 3'.

works were not obtained by ULBs as of February 2019. Further, physical reports were also not obtained by NP Karsog till the date of audit. In case of MC Dehra, physical report for the work under sewerage scheme were obtained which showed that only 75% of the total work was completed as of January 2019. As a result, public of the area had been deprived of the intended benefits of the schemes.

The Secretary, NP Karsog/the Executive Officer, MC Dehra stated (January-February 2019) that UCs of the released funds would be obtained immediately.

4.15 Irregular expenditure incurred without obtaining technical sanction

Municipal Council Manali incurred irregular expenditure of ₹37.00 lakh without obtaining technical sanction.

Rule 4(1) of Himachal Pradesh Municipal Works Rules, 2010 provides that no original/ repair work shall be undertaken by a municipality, if it involves an expenditure exceeding ₹50,000/- unless technical sanction of the Competent Authority has previously been obtained.

During 2018-19, audit noticed that in Municipal Council Manali, an expenditure of ₹37.00 lakh was incurred on three works for repairing road and extension of garbage dumping site during 2017-18. The amount in each case was more than ₹50,000/-, but MC did not obtain technical sanction of the Competent Authority for these expenditures. Thus, expenditure of ₹37.00 lakh without obtaining technical sanction of the Competent Authority was irregular and contrary to the rule *ibid*.

The Executive Officer, MC Manali stated (March 2019) that technical sanction for the work was obtained. The reply is not tenable as technical sanction for the work was obtained from Assistant Engineer, but the Assistant Engineer (municipality) had power to sanction the work up to ₹10 lakh and cost of each work was more than ₹10 lakh.

4.16 Non-adjustment of advances

Six ULBs sanctioned advances of ₹32.21 crore during 2015-18 without adjustment of previous advances.

As per rule 189 (1) to (4) of Himachal Pradesh Financial Rules, 2009, Head of the Office is authorised to sanction advances to a Government servant for purchase of goods or for hiring services or for any other special purpose, as may be prescribed. Rule further provides that adjustment bills along with balances, if any, had to be submitted within 15 days of the withdrawal of advance. Second advance shall not be granted until the Government servant concerned has submitted adjustment account of the first advance.

(a) During 2017-18, audit noticed that in two Municipal Councils (Nalagarh and Solan), temporary/contingent advances of ₹1.09 crore sanctioned between 1999-2017 to 20 Government officials/Departments for carrying out development works, establishment expenditure, store purchase, etc. were pending for adjustment for a period of more than one

to 18 years (**Appendix-28**) as of January 2018. Subsequent advances were being given to the officials without adjustment of previous advances. In MC Nalagarh, two officials had retired from service but the adjustment bills for amount of ₹3.33 lakh advanced to them between December 1999 and July 2012 were neither submitted by them nor adjusted by the Department at the time of their retirement.

(b) During 2017-18, it was observed in Municipal Corporation Shimla that ₹31.03 crore sanctioned by the Municipal Corporation during 1963-2017 as contingent advances to various departments for different purposes (under detail heads public works, store material, project, scheme, temporary advances, street light, water supply, etc.) were pending for adjustment (**Appendix-28**) as of December 2017. Subsequent advances were being given to the departments without adjustment of previous advances. It was further noticed that temporary advances amounting to ₹17.68 crore sanctioned during 1963-2017 were pending for adjustment as of December 2017 and record relating to these advances was not available with the Municipal Corporation. This indicated laxity on the part of the Municipal Corporation in enforcing codal provisions regarding adjustment of advances involving substantial amounts.

(c) During 2018-19, audit noticed in three ULBs²¹ that temporary /contingent advances of ₹9.42 lakh (**Appendix-28**) had been sanctioned between 2015-16 and 2017-18 to six Government officials. The advances were given for carrying out different purposes such as purchases of stores for development works, establishment expenditure, door to door garbage collection etc. which were pending for adjustment for a period of more than 17 to 43 months from the date of granting of such advances ranging from December 2018 to March 2019. Subsequent advances were given to the officials without adjustment of previous advances. This indicated laxity on the part of these ULBs in enforcing codal provisions regarding adjustment of advances.

The Additional Commissioner, MCorp. Dharamshala and the Executive Officers (MCs Kullu and Manali) stated (December 2018- March 2019) that outstanding advances would be adjusted/recovered immediately.

4.17 Undue Benefits to the firms amounting to ₹6.69 lakh

Rule 103 of Himachal Pradesh Financial Rules, 2009 provides that limited tender system may be adopted for purchase of goods up to ₹10 lakh.

During 2018-19, scrutiny of records in two ULBs (MC Dehra and NP Jawali) revealed that NP Jawali had purchased dust bins amounting to ₹3.32 lakh from the firm 'Himalaya Engineering Works, Dehra' during 2016-17. Similarly, Municipal Council, Dehra had hired a firm named 'Plan Foundation, Broadway enclave, Sanjauli, Shimla' for getting services in respect of house tax assessment work, survey, development of software and its renewal and paid ₹3.37 lakh to this firm during 2014-15 to 2016-17.

²¹ MCorp. Dharamshala; MCs Kullu and Manali.

In both the cases, amount of the goods purchased/ services obtained were more than ₹1.00 lakh, but tenders were not invited by these ULBs. This was a violation of the provisions of the rule *ibid*. By not inviting tenders, ULBs had been deprived of the benefit of goods and services at competitive prices. Besides, possibility of passing undue favour to the firms cannot be ruled out.

The Executive Officer, MC Dehra stated (January 2019) that due to completion of the work at urgent basis, tender was not called for whereas the Secretary, NP Jawali stated (January 2019) that at time of purchase, facilities like office set-up, computers were not available and due to shortage of staff, NP failed to call for tender. Reply is not tenable as financial procedures of procurement cannot be bypassed unless compelling reasons are there and purchase without following due procedure under such circumstances is permissible as per rules.

4.18 Non-accounting of material

Material of ₹1.14 lakh was not accounted for in the stock register by the Municipal Council Hamirpur.

Rule 135 of HPFR 2009 provides that all the goods received shall be counted, measured, and weighed as the case may be when delivery is being taken by a responsible Government servant who should see that quantity is correct and quality is good. A certificate in token of receipt of material is to be recorded and entry made in an appropriate register.

During 2017-18, scrutiny of records of Municipal Council, Hamirpur showed that cement bags and drain covers purchased at a cost of ₹1.14 lakh were not accounted for in the relevant store and stock register. Hence, the possibility of pilferage or loss cannot be ruled out. This was indicative of poor record maintenance on the part of the MC. In reply, the Executive Officer stated (December 2017) that the relevant entries would be made in the stock registers. Reply is not acceptable as there was absence of proper check over maintenance of records by the MC concerned.

4.19 Non-conducting of Physical Verification of stores/ stock

Rule 140(2) of Himachal Pradesh Financial Rules, 2009 provides that Head of the Department shall conduct the physical verification of fixed assets, consumable goods and dead stock or unserviceable items or cause it to be conducted through his subordinate officer or through a committee constituted either by him or by the State Government, at least once in a year.

During 2018-19, audit noticed that in four²² out of 14 ULBs, physical verification of stores/stock had not been conducted for the period ranging between 1999 and 2018. Consequently, physical existence of stores/ stock could not be verified in audit. Moreover,

²² MCorps. Shimla (from 1999) and Dharamshala (from 2016-17), MCs Ghumarwin (from 2011) and Hamirpur (from 2006).

due to non-conducting of physical verification, there is a risk of misuse of store items.

The Municipal Engineer, MCorp. Dharamshala and the Executive officers (MCs Ghumarwin and Hamirpur) stated (December 2018) that due to huge burden of work, physical verification of stores/stock could not be carried out which would be conducted shortly whereas the Commissioner MCorp. Shimla did not furnish any reply in this regard.



(RITU DHILLON)

**Principal Accountant General (Audit)
Himachal Pradesh**

Shimla

Date: 14 March 2022

APPENDICES

APPENDICES

Appendix-1

(Refer paragraphs 1.1 and 3.1; page 1 and 29)

Details of functions listed in 11th & 12th Schedules of the Constitution

Sl. No.	Detail of 29 functions listed in 11 th Schedule of the Constitution which were devolved to PRIs
1.	Agriculture, including agricultural extension
2.	Land improvement, implementation of land reforms, land consolidation and soil conservation
3.	Minor irrigation, water management and watershed development
4.	Animal husbandry, dairying and poultry
5.	Fisheries
6.	Social forestry and farm forestry
7.	Minor forest produce
8.	Small scale industries, including food processing industries
9.	Khadi, village and cottage industries
10.	Rural housing
11.	Drinking water
12.	Fuel and fodder
13.	Roads, culverts, bridges, ferries, waterways and other means of communication
14.	Rural electrification, including distribution of electricity
15.	Non-conventional energy sources
16.	Poverty alleviation programme
17.	Education, including primary and secondary schools
18.	Technical training and vocational education
19.	Adult and non-formal education
20.	Libraries
21.	Cultural activities
22.	Market and fairs
23.	Health and sanitation, including hospitals, primary health centres and dispensaries
24.	Family welfare
25.	Women and child development
26.	Social welfare, including welfare of the handicapped and mentally retarded
27.	Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes
28.	Public distribution system
29.	Maintenance of community assets
Sl.No.	Detail of 18 functions listed in 12 th Schedule of the Constitution which were devolved to ULBs
1.	Urban planning including town planning
2.	Planning of land- use and construction of buildings
3.	Planning for economic and social development
4.	Roads and bridges
5.	Water supply for domestic, industrial and commercial purposes
6.	Public health, sanitation conservancy and solid waste management
7.	Fire services
8.	Urban forestry, protection of the environment and promotion of ecological aspects
9.	Safeguarding the interests of weaker sections of society, including the handicapped and mentally retarded
10.	Slum improvement and upgradation
11.	Urban poverty alleviation
12.	Provision of urban amenities and facilities such as parks, gardens, playgrounds
13.	Promotion of cultural, educational and aesthetic aspects
14.	Burials and burial grounds; cremations, cremation grounds and electric crematoriums
15.	Cattle pounds; prevention of cruelty to animals
16.	Vital statistics including registration of births and deaths
17.	Public amenities including street lighting, parking lots, bus stops and public conveniences
18.	Regulation of slaughter houses and tanneries

Appendix-2

(Refer paragraph 1.1; page 1)

Detail of 15-line departments assigned to PRIs

Sl.No.	Line departments
1.	Agriculture
2.	Animal Husbandry
3.	Ayurveda
4.	Education
5.	Food & Supplies
6.	Forest
7.	Health and Family Welfare
8.	Horticulture
9.	Industries
10.	Irrigation and Public Health
11.	Public Works
12.	Revenue
13.	Rural Development
14.	Social Justice and Empowerment
15.	Fisheries

Appendix-3(i)

(Refer paragraphs 1.9 and 3.8; pages 8 and 34)

Audit coverage- Details of Panchayati Raj Institutions and Urban Local Bodies audited during 2017-18

Zila Parishads

Sl. No.	Name of Zila Parishad
1.	Mandi
2.	Solan
3.	Kullu

Panchayat Samitis

Sl. No.	Name of Panchayat Samiti	Name of District
1.	Kandaghat	Solan
2.	Anni	Kullu
3.	Nirmand	Kullu
4.	Naggar	Kullu
5.	Dharampur	Mandi
6.	Gopalpur	Mandi
7.	Chauntra	Mandi
8.	Gohar	Mandi
9.	Sundernagar	Mandi

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Chammo	Dharampur	Solan
2.	Bhawguri	Dharampur	Solan
3.	Nalka	Dharampur	Solan
4.	Goyla	Dharampur	Solan
5.	Jadla	Dharampur	Solan
6.	Hinner	Kandaghat	Solan
7.	Sakouri	Kandaghat	Solan
8.	Sayari	Kandaghat	Solan
9.	Wakna	Kandaghat	Solan
10.	Basha	Kandaghat	Solan
11.	Kohila	Anni	Kullu
12.	Karana	Anni	Kullu
13.	Pokhri	Anni	Kullu
14.	Fanauti	Anni	Kullu
15.	Takrasi	Anni	Kullu
16.	Nirmand	Nirmand	Kullu
17.	Kot	Nirmand	Kullu
18.	Sarahan	Nirmand	Kullu
19.	Nor	Nirmand	Kullu
20.	Tunan	Nirmand	Kullu
21.	Devgarh	Naggar	Kullu
22.	Pangan	Naggar	Kullu
23.	Karadsu	Naggar	Kullu
24.	Mandalgarh	Naggar	Kullu
25.	Shirar	Naggar	Kullu
26.	Dhanalag	Gopalpur	Mandi
27.	Darpa	Gopalpur	Mandi
28.	Jamni	Gopalpur	Mandi
29.	Barachwar	Gopalpur	Mandi
30.	Sulpur Jaboth	Gopalpur	Mandi
31.	Pipli	Chauntra	Mandi
32.	Santhal Padain	Chauntra	Mandi
33.	Galu	Chauntra	Mandi
34.	Aihju	Chauntra	Mandi

35.	Utpur	Chauntra	Mandi
36.	Tandi	Gohar	Mandi
37.	Tunna	Gohar	Mandi
38.	Kutahchi	Gohar	Mandi
39.	Kotla Khanula	Gohar	Mandi
40.	Noun	Gohar	Mandi
41.	Jugahan	Sundernagar	Mandi
42.	Bandli	Sundernagar	Mandi
43.	Kalohad	Sundernagar	Mandi
44.	Dhawal	Sundernagar	Mandi
45.	Khilra	Sundernagar	Mandi

Municipal Corporations

Sl. No.	Name of Municipal Corporation
1.	Shimla
2.	Dharamshala

Municipal Councils

Sl. No.	Name of Municipal Council
1.	Nalagarh
2.	Hamirpur
3.	Solan
4.	Jogindernagar
5.	Nagrota Bagwan
6.	Mandi

Nagar Panchayats

Sl. No.	Name of Nagar Panchayat
1.	Arki
2.	Sunni
3.	Bhota
4.	Baijnath

Appendix-3(ii)

(Refer paragraphs 1.9 and 3.8; pages 8 and 34)

Audit coverage- Details of Panchayati Raj Institutions and Urban Local Bodies audited during 2018-19

Zila Parishads

Sl. No.	Name of Zila Parishad
1.	Hamirpur
2.	Kangra at Dharamshala
3.	Shimla

Panchayat Samitis

Sl. No.	Name of Panchayat Samiti	Name of District
1.	Fatehpur	Kangra
2.	Indora	Kangra
3.	Nagrota Surian	Kangra
4.	Lambagaon	Kangra
5.	Nankhari	Shimla
6.	Rohru	Shimla
7.	Theog	Shimla

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Jagothi	Rohru	Shimla
2.	Khangteri	Rohru	Shimla
3.	Katlah	Rohru	Shimla
4.	Pujarli-3	Rohru	Shimla
5.	Jaipidi Mata	Jubbal Kotkhai	Shimla
6.	Kuddu	Jubbal Kotkhai	Shimla
7.	Kotkyana	Jubbal Kotkhai	Shimla
8.	Kyari	Jubbal Kotkhai	Shimla
9.	Ramnagar	Jubbal Kotkhai	Shimla
10.	Thana	Jubbal Kotkhai	Shimla
11.	Bhaloh	Mashobra	Shimla
12.	Dhalli	Mashobra	Shimla
13.	Junga	Mashobra	Shimla
14.	Naldehra	Mashobra	Shimla
15.	Pujarli (Beolia)	Mashobra	Shimla
16.	Khawal	Chohara	Shimla
17.	Dhakgaon	Chohara	Shimla
18.	Tangnu Janglikh	Chohara	Shimla
19.	Diudi Mala	Chohara	Shimla
20.	Majoli Tipper	Nankhari	Shimla
21.	Khamadi	Nankhari	Shimla
22.	Chadoli	Chopal	Shimla
23.	Bawat	Chopal	Shimla
24.	Kanda Banah	Chopal	Shimla
25.	Gorali Madawag	Chopal	Shimla
26.	Kiran	Chopal	Shimla
27.	Manjoli	Chopal	Shimla
28.	Chebri	Basantpur	Shimla
29.	Chalahal	Basantpur	Shimla
30.	Vainsh (Piplidhar)	Basantpur	Shimla
31.	Duttanagar	Rampur	Shimla
32.	Sarpara	Rampur	Shimla
33.	Shingla	Rampur	Shimla
34.	Neerath	Rampur	Shimla
35.	Deothi	Rampur	Shimla
36.	Bagain	Theog	Shimla

37.	Ghodna	Theog	Shimla
38.	Ghoond	Theog	Shimla
39.	Dadas	Theog	Shimla
40.	Kuthar	Theog	Shimla
41.	Kyar	Theog	Shimla
42.	Sinhal	Narkanda	Shimla
43.	Malendi	Narkanda	Shimla
44.	Karewthi	Narkanda	Shimla
45.	Mogra	Narkanda	Shimla
46.	Gondhala	Lahaul	Lahaul Spiti
47.	Muling	Lahaul	Lahaul Spiti
48.	Khangsar	Lahaul	Lahaul Spiti
49.	Gosal	Lahaul	Lahaul Spiti
50.	Kardang	Lahaul	Lahaul Spiti
51.	Barbog	Lahaul	Lahaul Spiti
52.	Darcha	Lahaul	Lahaul Spiti
53.	Keylong	Lahaul	Lahaul Spiti
54.	Daimul	Spiti	Lahaul Spiti
55.	Langcha	Spiti	Lahaul Spiti
56.	Lalung	Spiti	Lahaul Spiti
57.	Hal	Spiti	Lahaul Spiti
58.	Khurik	Spiti	Lahaul Spiti
59.	Chalwada-2	Fatehpur	Kangra
60.	Diyana	Fatehpur	Kangra
61.	Rehan	Fatehpur	Kangra
62.	Nerna	Fatehpur	Kangra
63.	Salihar	Dehra Gopipur	Kangra
64.	Jhakled	Dehra Gopipur	Kangra
65.	Khundiyan	Dehra Gopipur	Kangra
66.	Bhapoo	Indora	Kangra
67.	Makdoli	Indora	Kangra
68.	Baleer	Indora	Kangra
69.	Mamu Gurchaal	Nurpur	Kangra
70.	Milakh	Nurpur	Kangra
71.	Kheriyan	Nurpur	Kangra
72.	Jangal	Nagrota Surian	Kangra
73.	Dol	Nagrota Surian	Kangra
74.	Fariyan	Nagrota Surian	Kangra
75.	Sadoon Bargran	Nagrota Bagwan	Kangra
76.	Hatwas	Nagrota Bagwan	Kangra
77.	Ustehad	Nagrota Bagwan	Kangra
78.	Jogipur	Kangra	Kangra
79.	Balol	Kangra	Kangra
80.	Jhikli Ichhi	Kangra	Kangra
81.	Kadoa	Pragpur	Kangra
82.	Gangot	Pragpur	Kangra
83.	Kasba Jagir	Pragpur	Kangra
84.	Badhal	Pragpur	Kangra
85.	Goral Dhar	Pragpur	Kangra
86.	Barwala	Dharamshala	Kangra
87.	Mandal	Dharamshala	Kangra
88.	Gharoh	Rait	Kangra
89.	Bandi	Rait	Kangra
90.	Dhugiyari	Rait	Kangra
91.	Kothi	Baijnath	Kangra
92.	Sawad	Baijnath	Kangra
93.	Poling	Baijnath	Kangra
94.	Harsi	Lambagaon	Kangra

95.	Kotlu	Lambagaon	Kangra
96.	Upper Theru	Lambagaon	Kangra
97.	Kaloond	Bhawarna	Kangra
98.	Ghadh	Bhawarna	Kangra
99.	Balla	Bhawarna	Kangra
100.	Khaira	Sulah	Kangra
101.	Kakrain	Sulah	Kangra
102.	Ladoh	Panchrukhi	Kangra
103.	Badehar	Panchrukhi	Kangra

Municipal Corporations

Sl. No.	Name of Municipal Corporation
1.	Shimla
2.	Dharamshala

Municipal Councils

Sl. No.	Name of Municipal Council	Name of District
1.	Ghumarwin	Bilaspur
2.	Hamirpur	Hamirpur
3.	Sujanpur	Hamirpur
4.	Dehra	Kangra
5.	Nerchowk	Mandi
6.	Kullu	Kullu
7.	Manali	Kullu

Nagar Panchayats

Sl. No.	Name of Nagar Panchayat	Name of District
1.	Jawali	Kangra
2.	Nadaun	Hamirpur
3.	Karsog	Mandi
4.	Banjar	Kullu
5.	Bhuntar	Kullu

Appendix-4

(Refer paragraph 2.1.1; page 11)

Non-preparation of cash book in PRIASoft and non-maintenance of assets on National Assets Directory

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Kot	Nirmand	Kullu
2.	Tunan	Nirmand	Kullu
3.	Sarahan	Nirmand	Kullu
4.	Nor	Nirmand	Kullu
5.	Nirmand	Nirmand	Kullu
6.	Takrasi	Anni	Kullu
7.	Fanauti	Anni	Kullu
8.	Karana	Anni	Kullu
9.	Kohila	Anni	Kullu
10.	Mandalgarh	Naggarr	Kullu
11.	Karadsu	Naggarr	Kullu
12.	Shirar	Naggarr	Kullu
13.	Devgarh	Naggarr	Kullu
14.	Pangan	Naggarr	Kullu
15.	Jadla	Dharampur	Solan
16.	Goyla	Dharampur	Solan
17.	Nalka	Dharampur	Solan
18.	Bhawguri	Dharampur	Solan

Non-maintenance of three Model Accounting System Registers (Register of annual receipt and payment account, consolidated abstract register, and register of immovable property)

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Basha	Kandaghat	Solan
2.	Wakna	Kandaghat	Solan
3.	Dhanalag	Gopalpur	Mandi
4.	Barachwar	Gopalpur	Mandi
5.	Jamni	Gopalpur	Mandi
6.	Darpa	Gopalpur	Mandi
7.	Sulpur Jaboth	Gopalpur	Mandi
8.	Kutahchi	Gohar	Mandi
9.	Noun	Gohar	Mandi
10.	Kotla Khanula	Gohar	Mandi
11.	Tunna	Gohar	Mandi
12.	Tandi	Gohar	Mandi
13.	Santhal Padain	Chautra	Mandi
14.	Utpur	Chauntra	Mandi
15.	Galua	Chauntra	Mandi
16.	Pipli	Chauntra	Mandi
17.	Aihju	Chauntra	Mandi
18.	Dhawal	Sundernagar	Mandi
19.	Kalohad	Sundernagar	Mandi
20.	Khilra	Sundernagar	Mandi
21.	Bandli	Sundernagar	Mandi
22.	Jugahan	Sundernagar	Mandi

Appendix-5(i)

(Refer paragraph 2.1.2; page 12)

Difference between figures of balance in bank pass book and that of uploaded on PRIASoft during 2016-17

(₹ in lakh)

Sl. No.	Name of Panchayat Samiti	Name of District	Uploaded on PRIASoft	Balance in bank pass book	Difference	Differences in per cent
1.	Sundernagar	Mandi	120.60	130.90	10.30	7.87
2.	Chauntra	Mandi	210.24	195.03	15.21	7.80
Total (i)					25.51	-

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of District	Uploaded on PRIASoft	Balance in bank pass book	Difference	Differences in per cent
1.	Bandli	Mandi	14.05	6.39	7.66	119.87
2.	Kutahchi	Mandi	6.69	9.11	2.42	26.56
3.	Khilra	Mandi	34.15	36.20	2.05	5.66
4.	Kalohad	Mandi	28.97	25.34	3.63	14.33
5.	Dhawal	Mandi	52.52	52.29	0.23	0.44
6.	Pipli	Mandi	9.84	9.83	0.01	0.10
7.	Galud	Mandi	12.45	12.67	0.22	1.74
8.	Utpur	Mandi	25.50	33.25	7.75	23.31
9.	Jugahan	Mandi	35.81	31.87	3.94	12.36
10.	Tandi	Mandi	23.84	23.90	0.06	0.25
11.	Tunna	Mandi	16.14	19.40	3.26	16.80
12.	Kotla Khanula	Mandi	39.24	19.24	20.00	103.95
13.	Santhal Padain	Mandi	16.22	16.32	0.10	0.61
14.	Sulphur Jaboth	Mandi	37.30	37.33	0.03	0.08
15.	Darpa	Mandi	1.73	3.84	2.11	54.95
16.	Jamni	Mandi	45.88	14.39	31.49	218.83
17.	Aihju	Mandi	28.61	16.00	12.61	78.81
18.	Barachwar	Mandi	38.27	24.86	13.41	53.94
19.	Noun	Mandi	25.95	26.44	0.49	1.85
Total (ii)					111.47	-
Grand Total (i) & (ii)					136.98	-

Source: Figures supplied by the test-checked units.

Appendix-5(ii)

(Refer paragraph 2.1.2; page 12)

Difference between figures of receipts and expenditure furnished to audit by test-checked PRIs and that of uploaded on PRIASoft during 2017-18

(₹ in lakh)

Zila Parishad

Sl. No.	Name of Zila Parishad	Receipt as per manual cashbook	Receipt uploaded on PRIASoft	Difference	Difference in per cent	Expenditure as per manual cash book	Expenditure uploaded on PRIASoft	Difference	Difference in per cent
1.	ZP Shimla	1,700.48	1,847.35	146.87	8.64	1,554.25	1,615.34	61.09	3.93
Total (i)		1,700.48	1,847.35	146.87		1,554.25	1,615.34	61.09	

Panchayat Samitis

Sl. No.	Name of Panchayat Samiti	Receipt as per manual cash book	Receipt uploaded on PRIASoft	Difference	Difference in per cent	Expenditure as per manual cash book	Expenditure uploaded on PRIASoft	Difference	Difference in per cent
1.	Nankhari	59.52	43.75	15.77	26.50	69.83	61.93	07.90	11.31
2.	Rohru	108.92	111.85	02.93	2.69	76.94	83.10	06.17	8.02
3.	Indora	189.58	149.81	39.77	20.98	133.08	121.79	11.29	8.48
4.	Fatehpur	194.19	249.77	55.58	28.62	142.57	182.62	40.05	28.09
5.	Nagrota Surian	128.78	128.18	0.60	0.47	182.48	202.43	19.95	10.93
Total (ii)		680.99	683.36	114.65		604.90	651.87	85.36	

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Receipt as per manual cash book	Receipt uploaded on PRIASoft	Difference	Difference in per cent	Expenditure as per manual cash book	Expenditure uploaded on PRIASoft	Difference	Difference in per cent
1.	Kothi	38.08	30.93	07.15	18.78	30.39	28.60	01.79	5.89
2.	Poling	57.73	32.75	24.98	43.27	31.71	31.67	0.04	0.13
3.	Sawad	67.47	37.70	29.77	44.12	30.52	31.06	0.54	1.77
4.	Ghadh	12.20	12.62	0.42	3.44	16.24	17.69	01.45	8.93
5.	Balla	12.40	11.37	01.03	8.31	11.02	22.24	11.22	101.81
6.	Salihar	53.88	21.95	31.93	59.26	19.53	71.32	51.79	265.18
7.	Jhakled	27.70	29.08	01.38	4.98	11.60	50.54	38.94	335.69
8.	Khundiyan	20.88	45.00	24.12	115.52	26.19	51.29	25.10	95.84
9.	Mandal	45.52	19.61	25.91	56.92	24.37	21.73	02.64	10.83
10.	Barwala	27.14	22.30	04.84	17.83	23.00	29.71	06.71	29.17
11.	Chalwada-2	21.19	23.02	01.83	8.64	17.14	26.81	09.67	56.42
12.	Rehan	52.64	21.74	30.90	58.70	20.05	28.81	08.76	43.69
13.	Diyana	52.02	18.17	33.85	65.07	48.20	26.67	21.53	44.67
14.	Bhapoo	43.15	42.77	0.38	0.88	41.70	42.55	-0.85	2.04
15.	Baleer	43.81	30.46	13.35	30.47	34.42	33.98	0.44	1.28
16.	Makdoli	32.35	26.85	05.50	17.00	24.88	30.18	05.30	21.30
17.	Balol	21.17	25.28	04.11	19.41	07.37	31.64	24.27	329.31

18.	Jhikli Ichhi	76.05	42.18	33.87	44.54	43.26	43.73	0.47	1.09
19.	Jogipur	81.59	55.24	26.35	32.30	41.88	43.80	01.92	4.58
20.	Upper Thehru	15.07	26.76	11.69	77.57	10.44	33.13	22.69	217.34
21.	Kotlu	17.69	38.40	20.71	117.07	14.80	33.42	18.62	125.81
22.	Harsi	48.36	62.16	13.80	28.54	16.09	57.91	41.82	259.91
23.	Kaloond	31.87	31.43	0.44	1.38	12.94	23.91	10.97	84.78
24.	Sadoon Bargran	15.70	09.02	06.68	42.55	08.20	13.63	05.43	66.22
25.	Ustehad	42.53	18.00	24.53	57.68	20.86	22.43	01.57	7.53
26.	Hatwas	49.05	26.28	22.77	46.42	33.87	30.32	03.55	10.48
27.	Dol	46.82	40.02	06.80	14.52	15.51	33.41	17.90	115.41
28.	Jangal	42.03	46.84	04.81	11.44	14.21	51.68	37.47	263.69
29.	Mamu Gurchaal	47.54	32.30	15.24	32.06	34.27	33.07	01.20	3.50
30.	Kheriyan	37.07	14.64	22.43	60.51	27.59	21.51	06.08	22.04
31.	Milakh	39.51	25.18	14.33	36.27	24.35	24.47	0.12	0.49
32.	Ladoh	78.02	30.73	47.29	60.61	58.00	34.08	23.92	41.24
33.	Badehar	53.30	25.51	27.79	52.14	41.22	28.91	12.31	29.86
34.	Gangot	42.03	25.19	16.84	40.07	17.59	30.77	13.18	74.93
35.	Goral Dhar	38.26	23.98	14.28	37.32	25.08	26.56	01.48	5.90
36.	Badhal	93.41	42.82	50.59	54.16	46.36	29.77	16.59	35.79
37.	Kasba Jagir	32.40	20.80	11.60	35.80	24.70	28.29	03.59	14.53
38.	Kadoa	30.75	20.82	09.93	32.29	22.67	32.29	09.62	42.43
39.	Dhugiyari	20.96	20.75	0.21	1.00	13.15	21.85	08.70	66.16
40.	Bandi	32.81	30.28	02.53	7.71	23.11	26.67	03.56	15.40
41.	Gharoh	58.91	30.66	28.25	47.95	30.19	52.38	22.19	73.50
42.	Khaira	54.71	23.19	31.52	57.61	32.93	06.02	26.91	81.72
43.	Kakrain	43.03	22.15	20.88	48.52	41.64	30.05	11.59	27.83
44.	Gosal	27.40	23.49	03.91	14.27	10.01	27.21	17.20	171.83
45.	Gondhala	86.61	66.88	19.93	23.01	54.13	69.95	-15.82	29.23
46.	Langcha	82.40	54.00	28.40	34.47	36.32	35.82	0.50	1.38
47.	Khurik	157.39	86.24	71.15	45.21	99.76	179.22	79.46	79.65
48.	Hal	44.54	81.55	37.01	83.09	22.72	25.66	02.94	12.94
49.	Daimul	103.12	63.44	39.68	38.48	26.11	17.46	08.65	33.13
50.	Lalung	130.57	81.35	49.22	37.70	51.25	43.34	08.16	15.92
51.	Vainsh (Piplidhar)	22.19	16.99	05.20	23.43	10.51	18.10	07.59	72.22
52.	Chebdi	40.03	31.82	08.21	20.51	30.62	42.27	11.65	38.05
53.	Chalahal	47.72	34.95	12.77	26.76	27.13	33.68	06.55	24.14
54.	Khawal	40.65	55.05	14.40	35.42	38.43	63.90	25.47	66.28
55.	Tangnu Janglikh	37.07	51.35	14.28	38.52	32.54	44.05	11.51	35.37
56.	Dhakgaon	75.23	66.14	09.09	12.08	52.74	64.51	11.77	22.32
57.	Bawat	86.80	84.76	02.04	2.35	47.84	73.75	25.91	54.16
58.	Gorali Madawag	64.97	48.02	16.95	26.09	26.87	45.14	18.27	67.99

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59.	Kiran	75.05	56.60	18.45	24.58	32.13	51.68	19.55	60.85
60.	Chadoli	72.11	46.60	25.51	35.38	41.93	47.80	05.87	14.00
61.	Ramnagar	54.45	45.97	08.48	15.57	29.33	35.58	06.25	21.31
62.	Kotkayna	45.93	28.51	17.42	37.93	33.59	34.53	0.94	2.80
63.	Kuddu	65.71	31.63	34.08	51.86	37.80	34.19	03.61	9.55
64.	Kyari	50.88	49.81	01.07	2.10	15.22	33.28	18.06	118.66
65.	Pujarli (Beolia)	85.67	60.98	24.69	28.82	18.61	55.94	37.33	200.59
66.	Naldehra	45.07	39.01	06.06	13.45	26.49	48.72	22.23	83.92
67.	Bhaloh	38.33	22.68	15.65	40.83	25.55	32.49	06.94	27.16
68.	Majoli Tipper	47.31	36.20	11.11	23.48	30.52	31.38	0.86	2.82
69.	Khamadi	46.19	42.16	04.03	8.72	20.18	48.00	27.82	137.86
70.	Mogra	37.04	13.43	23.61	63.74	15.58	16.11	0.53	3.40
71.	Malendi	35.87	20.16	15.71	43.80	26.81	27.94	01.13	4.21
72.	Karewathi	37.65	22.38	15.27	40.56	13.14	20.71	07.57	57.61
73.	Neerath	32.22	47.26	15.24	47.30	12.65	31.04	18.39	145.38
74.	Deothi	38.73	28.56	10.17	26.26	22.85	25.34	02.49	10.90
75.	Duttanagar	63.05	44.94	18.11	28.72	25.84	35.93	10.09	39.05
76.	Shingla	53.52	37.85	15.67	29.28	31.38	35.56	04.18	13.32
77.	Pujarli-3	102.27	46.03	56.24	54.99	83.90	43.65	40.25	47.97
78.	Jagothi	44.00	29.58	14.42	32.77	28.02	32.46	04.44	15.85
79.	Khangtedi	85.73	24.29	61.44	71.67	66.55	28.13	38.42	57.73
80.	Katlaah	68.26	25.69	42.57	62.36	54.10	28.83	25.27	46.71
81.	Ghoond	84.82	58.84	25.98	30.63	54.74	46.27	08.47	15.47
82.	Dadas	47.16	24.67	22.49	47.69	31.22	31.07	0.15	0.48
83.	Kyar	64.62	56.33	08.29	12.83	32.76	31.86	0.90	2.75
84.	Ghodna	67.51	42.47	25.04	37.09	40.70	30.98	30.98	76.12
85.	Bagain	52.39	33.31	19.08	36.42	22.08	35.28	13.20	59.78
86.	Manjholi	75.08	96.75	21.67	28.86	24.54	65.00	40.46	164.87
87.	Kandabana h	107.32	62.02	45.30	42.21	77.85	54.43	23.42	30.08
Total (iii)		4,569.43	3,257.17	1,682.70		2,656.28	3,248.79	1,172.40	
Grand Total (i), (ii) and (iii)		6,950.90	5,788.38	2,512.75		4,815.43	5,516.00	1,318.85	

Source: Figures supplied by the test-checked units.

Appendix-6

(Refer paragraph 2.1.3; page 13)

Non maintenance of important records

2017-18

Panchayati Samitis

Sl. No.	Name of Panchayati Samiti	District
1.	Nirmand	Kullu
2.	Anni	Kullu
3.	Chauntra	Mandi

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Nor	Nirmand	Kullu
2.	Tunan	Nirmand	Kullu
3.	Kot	Nirmand	Kullu
4.	Nirmand	Nirmand	Kullu
5.	Sarahan	Nirmand	Kullu
6.	Karadsu	Naggarr	Kullu
7.	Mandalgarh	Naggarr	Kullu
8.	Pangan	Naggarr	Kullu
9.	Devgarh	Naggarr	Kullu
10.	Kohila	Anni	Kullu
11.	Fanauti	Anni	Kullu
12.	Pokhri	Anni	Kullu
13.	Takrasi	Anni	Kullu
14.	Karana	Anni	Kullu
15.	Tandi	Gohar	Mandi
16.	Kotla Khanola	Gohar	Mandi
17.	Noun	Gohar	Mandi
18.	Tunna	Gohar	Mandi
19.	Kutahchi	Gohar	Mandi
20.	Kalohad	Sundernagar	Mandi
21.	Jugahan	Sundernagar	Mandi
22.	Bandli	Sundernagar	Mandi
23.	Khilra	Sundernagar	Mandi
24.	Sulpur Jaboth	Gopalpur	Mandi
25.	Jamni	Gopalpur	Mandi
26.	Dhawal	Gopalpur	Mandi
27.	Barachwar	Gopalpur	Mandi
28.	Dhanalag	Gopalpur	Mandi
29.	Darpa	Gopalpur	Mandi
30.	Pipli	Chauntra	Mandi
31.	Galv	Chauntra	Mandi
32.	Utpur	Chauntra	Mandi
33.	Aihju	Chauntra	Mandi
34.	Santhal Padain	Chauntra	Mandi
35.	Sayari	Kandagahat	Solan

2018-19

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Sawad	Baijnath	Kangra
2.	Poling	Baijnath	Kangra
3.	Kothi	Baijnath	Kangra
4.	Balla	Bhawarna	Kangra
5.	Salihar	Dehra Gopipur	Kangra
6.	Khundiyan	Dehra Gopipur	Kangra
7.	Jhakled	Dehra Gopipur	Kangra
8.	Mandal	Dharamshala	Kangra
9.	Barwala	Dharamshala	Kangra
10.	Chalwada-2	Fatehpur	Kangra
11.	Diyana	Fatehpur	Kangra
12.	Nerna	Fatehpur	Kangra
13.	Balir	Indora	Kangra
14.	Makdoli	Indora	Kangra
15.	Bhapoo	Indora	Kangra
16.	Jogipur	Kangra	Kangra
17.	Balol	Kangra	Kangra
18.	Upper Thehru	Lambagaon	Kangra
19.	Kotlu	Lambagaon	Kangra
20.	Harsi	Lambagaon	Kangra
21.	Kaloond	Bhawarna	Kangra
22.	Ustehad	Nagrota Bagwan	Kangra
23.	Saddu Bargran	Nagrota Bagwan	Kangra
24.	Hatwas	Nagrota Bagwan	Kangra
25.	Dol	Nagrota Surian	Kangra
26.	Jangal	Nagrota Surian	Kangra
27.	Fariyan	Nagrota Surian	Kangra
28.	Milakh	Nurpur	Kangra
29.	Mamu Gurchaal	Nurpur	Kangra
30.	Kheriyan	Nurpur	Kangra
31.	Ladoh	Panchrukhi	Kangra
32.	Badehar	Panchrukhi	Kangra
33.	Kasba Jagir	Pragpur	Kangra
34.	Kadoa	Pragpur	Kangra
35.	Gangot	Pragpur	Kangra
36.	Badhal	Pragpur	Kangra
37.	Goral Dhar	Pragpur	Kangra
38.	Dhugiyari	Rait	Kangra
39.	Gharoh	Rait	Kangra
40.	Bandi	Rait	Kangra
41.	Kakrain	Sulah	Kangra
42.	Khaira	Sulah	Kangra
43.	Khangsar	Lahaul	Lahaul Spiti
44.	Muling	Lahaul	Lahaul Spiti
45.	Gondhala	Lahaul	Lahaul Spiti
46.	Gosal	Lahaul	Lahaul Spiti
47.	Keylong	Lahaul	Lahaul Spiti

48.	Darcha	Lahaul	Lahaul Spiti
49.	Kardang	Lahaul	Lahaul Spiti
50.	Khurik	Spiti	Lahaul Spiti
51.	Lalung	Spiti	Lahaul Spiti
52.	Daimul	Spiti	Lahaul Spiti
53.	Langcha	Spiti	Lahaul Spiti
54.	Hal	Spiti	Lahaul Spiti
55.	Chebdi	Basantpur	Shimla
56.	Vainsh (Piplidhar)	Basantpur	Shimla
57.	Chalahal	Basantpur	Shimla
58.	Diudi Mala	Chhohara	Shimla
59.	Tangnu Janglikh	Chhohara	Shimla
60.	Dhakgaon	Chhohara	Shimla
61.	Khawal	Chhohara	Shimla
62.	Chadoli	Chopal	Shimla
63.	Gorali Madawag	Chopal	Shimla
64.	Bawat	Chopal	Shimla
65.	Kiran	Chopal	Shimla
66.	Kuddu	Jubbal Kotkhai	Shimla
67.	Kotkayna	Jubbal Kotkhai	Shimla
68.	Jaipidi Mata	Jubbal Kotkhai	Shimla
69.	Ramnaggar	Jubbal Kotkhai	Shimla
70.	Thana	Jubbal Kotkhai	Shimla
71.	Majholi	Kupwi	Shimla
72.	Kanda Banah	Kupwi	Shimla
73.	Bhaloh	Mashobra	Shimla
74.	Naldehra	Mashobra	Shimla
75.	Dhalli	Mashobra	Shimla
76.	Junga	Mashobra	Shimla
77.	Pujarli (Beolia)	Mashobra	Shimla
78.	Khamadi	Nankhari	Shimla
79.	Majoli Tipper	Nankhari	Shimla
80.	Malendi	Narkanda	Shimla
81.	Mogra	Narkanda	Shimla
82.	Karewthi	Narkanda	Shimla
83.	Duttanagar	Rampur	Shimla
84.	Sarpara	Rampur	Shimla
85.	Neerath	Rampur	Shimla
86.	Deothi	Rampur	Shimla
87.	Pujarli-3	Rohru	Shimla
88.	Jagothi	Rohru	Shimla
89.	Ghodna	Theog	Shimla
90.	Ghoond	Theog	Shimla
91.	Kuthar	Theog	Shimla
92.	Dadas	Theog	Shimla
93.	Bagain	Theog	Shimla
94.	Kyar	Theog	Shimla

Appendix-7

(Refer paragraph 2.1.4; page 13)

Non-reconciliation of difference between cash books with bank pass books

2017-18

1. Cases where cash book shows less balance than bank pass book

(₹ in lakh)

Panchayat Samitis

Sl. No.	Name of Panchayat Samiti	District	Balance as per Bank Pass Book on 31 March 2017	Balance as per Cash Book on 31 March 2017	Difference
1.	Anni	Kullu	56.76	54.31	2.45
2.	Chauntra	Mandi	195.03	187.39	7.64
Total (i)			251.79	241.70	10.09

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Block	District	Balance as per Bank Pass Book on 31 March 2017	Balance as per Cash Book on 31 March 2017	Difference
1.	Tunna	Gohar	Mandi	19.40	19.35	0.05
2.	Noun	Gohar	Mandi	26.43	23.86	2.57
3.	Kotla Khanula	Gohar	Mandi	18.82	9.41	9.41
4.	Tandi	Gohar	Mandi	24.15	17.13	7.02
5.	Utpur	Chauntra	Mandi	33.25	23.62	9.63
6.	Hinner	Kandaghat	Solan	27.41	0.01	27.40
7.	Sayari	Kandaghat	Solan	9.89	0.01	9.88
8.	Sakouri	Kandaghat	Solan	10.53	0	10.53
9.	Wakna	Kandaghat	Solan	33.86	0	33.86
10.	Basha	Kandaghat	Solan	14.43	0	14.43
11.	Nalka	Dharampur	Solan	41.52	0	41.52
12.	Jadla	Dharampur	Solan	37.26	0.01	37.25
13.	Goyla	Dharampur	Solan	38.11	0	38.11
14.	Karana	Hinnar	Kullu	23.56	23.44	0.12
15.	Nirmand	Nirmand	Kullu	39.23	12.72	26.51
16.	Sarahan	Nirmand	Kullu	26.69	26.05	0.64
17.	Nor	Nirmand	Kullu	20.81	16.54	4.27
18.	Takrasi	Anni	Kullu	12.50	10.22	2.28
19.	Kohila	Anni	Kullu	16.70	15.41	1.29
20.	Pokhri	Anni	Kullu	6.07	5.95	0.12
Total (ii)				480.62	203.73	276.89

Summary of Difference between cash book and bank pass book

(₹ in lakh)

Sl. No.	Kind of Unit	Number of Units	Difference between cash book and bank pass book
1.	Panchayat Samiti	2	10.09
2.	Gram Panchayat	20	276.89
Total		22	286.98

Source: Figures supplied by the test-checked units.

2018-19

1. Cases where bank pass book shows less balance than cash book

(₹ in lakh)

Zila Parishads

Sl. No.	Name of Zila Parishad	Balance as per Bank Pass Book as on 31 March 2018	Balance as per Cash Book as on 31 March 2018	Difference
1.	Hamirpur	63.51	77.48	13.97
2.	Kangra at Dharamshala	2,225.17	3,192.79	967.62
Total (i)		2,288.68	3,270.27	981.59

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Block	District	Balance as per Bank Pass Book as on 31 March 2018	Balance as per Cash Book as on 31 March 2018	Difference
1.	Harsi	Lambagaon	Kangra	32.28	32.65	0.37
2.	Dhankgaon	Chhohara	Shimla	6.51	16.78	10.27
Total (ii)				38.79	49.43	10.64
Grand Total (i) and (ii)				2,327.47	3,319.70	992.23

Source: Figures supplied by the test-checked units.

2. Cases where bank pass book shows more balance than cash book

(₹ in lakh)

Zila Parishads

Sl. No.	Name of Zila Parishad	Balance as per Bank Pass Book as on 31 March 2018	Balance as per Cash Book as on 31 March 2018	Difference
1.	Hamirpur	299.61	167.87	131.74
2.	Shimla	772.94	484.95	287.99
Total (i)		1,072.55	652.82	419.73

Panchayat Samitis

Sl. No.	Name of Panchayat Samiti	District	Balance as per Bank Pass Book as on 31 March 2018	Balance as per Cash Book as on 31 March 2018	Difference
1.	Nagrota Surian	Kangra	181.47	172.29	9.18
2.	Lambagaon	Kangra	107.01	83.53	23.48
3.	Indora	Kangra	352.61	337.19	15.42
4.	Fatehpur	Kangra	166.54	145.10	21.44
5.	Theog	Shimla	109.64	108.51	01.13
Total (ii)			917.27	846.62	70.65

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Block	District	Balance as per Bank Pass Book as on 31 March 2018	Balance as per Cash Book as on 31 March 2018	Difference
1.	Naldehra	Mashobra	Shimla	18.26	0	18.26
2.	Karewathi	Narkanda	Shimla	24.52	0	24.52
3.	Mogra	Narkanda	Shimla	17.72	0	17.72
4.	Mlandi	Narkanda	Shimla	8.66	0	8.66
5.	Chadoli	Chopal	Shimla	43.22	0	43.22
6.	Gorali Madawag	Chopal	Shimla	39.35	0	39.35
7.	Bawat	Chopal	Shimla	39.75	0	39.75
8.	Kiran	Chopal	Shimla	42.91	0	42.91

9.	Diudi Mala	Chhohara	Shimla	8.14	0	8.14
10.	Dhankgaon	Chhohara	Shimla	17.85	6.58	11.27
11.	Tangu Janglikh	Chhohara	Shimla	17.32	0	17.32
12.	Khawal	Chhohara	Shimla	05.27	0	05.27
13.	Manjholi	Kupwi	Shimla	50.48	0	50.48
14.	Kanda Bnah	Kupwi	Shimla	28.95	0	28.95
15.	Kyari	Jubbal Kotkhai	Shimla	38.15	0	38.15
16.	Kotkayna	Jubbal Kotkhai	Shimla	12.44	0	12.44
17.	Jaipidi Mata	Jubbal Kotkhai	Shimla	27.00	0	27.00
18.	Ramnagar	Jubbal Kotkhai	Shimla	25.12	0	25.12
19.	Thana	Jubbal Kotkhai	Shimla	06.25	0	06.25
20.	Khangtedi	Rohru	Shimla	15.68	0	15.68
21.	Jagothi	Rohru	Shimla	16.87	0	16.87
22.	Katlah	Rohru	Shimla	14.12	0	14.12
23.	Pujarli-3	Rohru	Shimla	17.61	0	17.61
24.	Vainsh (Piplidhar)	Basantpur	Shimla	11.68	0	11.68
25.	Chebdi	Basantpur	Shimla	16.39	0	16.39
26.	Chalahal	Basantpur	Shimla	20.84	0	20.84
27.	Khamadi	Nankhari	Shimla	24.74	0	24.74
28.	Majoli Tipper	Nankhari	Shimla	16.79	0	16.79
29.	Shingla	Rampur	Shimla	22.14	0	22.14
30.	Duttanagar	Rampur	Shimla	33.03	0	33.03
31.	Sarpara	Rampur	Shimla	24.74	0	24.74
32.	Neerath	Rampur	Shimla	15.34	0	15.34
33.	Deothi	Rampur	Shimla	15.89	0	15.89
34.	Salihaar	Dehra Gopipur	Kangra	16.58	0	16.58
35.	Khundian	Dehra Gopipur	Kangra	13.57	0	13.57
36.	Jhakled	Dehra Gopipur	Kangra	22.42	0	22.42
37.	Ladoh	Panchrukhi	Kangra	20.02	0	20.02
38.	Badehar	Panchrukhi	Kangra	17.85	0	17.85
39.	Jhikli Ichhi	Kangra	Kangra	32.79	0	32.79
40.	Balol	Kangra	Kangra	13.88	0	13.88
41.	Jogipur	Kangra	Kangra	39.72	0	39.72
42.	Gaahad	Bhawarna	Kangra	7.18	0.01	7.17
43.	Balla	Bhawarna	Kangra	15.21	0	15.21
44.	Kotlu	Lambagaon	Kangra	24.08	22.82	01.26
45.	Kaloond	Bhawarna	Kangra	20.51	0	20.51
46.	Saddu Bargran	Nagrota Bagwan	Kangra	5.99	0	5.99
47.	Hatwas	Nagrota Bagwan	Kangra	18.13	0	18.13
48.	Ustehad	Nagrota	Kangra	19.94	0	19.94
49.	Kakrain	Sulah	Kangra	0.90	0	0.90
50.	Khaira	Sulah	Kangra	20.69	0	20.69
51.	Poling	Baijnath	Kangra	26.03	0	26.03
52.	Kothi	Baijnath	Kangra	9.10	0.01	9.09
53.	Gharoh	Rait	Kangra	8.84	0	8.84
54.	Kadoa	Pragpur	Kangra	8.41	0	8.41
55.	Gangot	Pragpur	Kangra	23.96	0	23.96

56.	Goral Dhar	Pragpur	Kangra	13.18	0	13.18
57.	Kasba Jagir	Pragpur	Kangra	12.97	0	12.97
58.	Mandal	Dharamshala	Kangra	18.56	18.52	0.04
59.	Barwala	Dharamshala	Kangra	04.03	0.01	04.02
60.	Makdoli	Indora	Kangra	7.44	0	7.44
61.	Milakh	Nurpur	Kangra	11.53	0	11.53
62.	Mamu Gurhaal	Nurpur	Kangra	12.70	0	12.70
63.	Kheriyan	Nurpur	Kangra	09.09	0	09.09
64.	Nerna	Fatehpur	Kangra	13.83	0	13.83
Total (iii)				1,226.35	47.95	1,178.40
Grand Total (i), (ii) and (iii)				3,216.17	1,547.40	1,668.78

Summary of Difference between cash book and bank pass book

(₹ in lakh)

Sl. No.	Kind of Unit	Number of Units	Difference between cash book and bank pass book
1.	Zila Parishad	3	1,401.32
2.	Panchayat Samiti	5	70.65
3.	Gram Panchayat	65	1,189.04
Total		73	2,661.01

Source: Figures supplied by the test-checked units.

Appendix-8

(Refer paragraph 2.1.6(ii); page 15)

Non-depositing of liquor cess in Account 'A'

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Amount of liquor cess
1.	Deothi	Rampur	Shimla	0.29
2.	Duttanagar	Rampur	Shimla	3.37
3.	Malendi	Narkanda	Shimla	0.59
4.	Sinhal	Narkanda	Shimla	0.49
5.	Mogra	Narkanda	Shimla	0.57
6.	Diyana	Fatehpur	Kangra	0.35
7.	Nerna	Fatehpur	Kangra	2.94
8.	Khundiyan	Dehra Gopipur	Kangra	1.27
9.	Jhakled	Dehra Gopipur	Kangra	0.88
10.	Shingla	Rampur	Shimla	1.51
Total				12.26

Source: Figures supplied by the test-checked units.

Appendix-9

(Refer paragraph 2.1.9; page 16)

Details of non-accountal of material by the Gram Panchayats during 2017-18

Gram Panchayats

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Period of Purchase	Amount
1.	Kohila	Aani	Kullu	2014-17	4.96
2.	Pokhri	Aani	Kullu	2011-16	2.73
3.	Fanauti	Aani	Kullu	2011-14	3.36
4.	Pangan	Nagggar	Kullu	2012-14	2.15
5.	Mandalgarh	Nagggar	Kullu	2012-17	9.43
6.	Devgarh	Nagggar	Kullu	2012-14	2.99
7.	Nor	Nirmand	Kullu	2012-14	2.32
8.	Tunan	Nirmand	Kullu	2015-17	4.07
9.	Nirmand	Nirmand	Kullu	2012-14	5.63
10.	Saharan	Nirmand	Kullu	2012-14	3.08
11.	Kalohad	Sundernagar	Mandi	2015-16	0.11
12.	Darpa	Gopalpur	Mandi	2017	2.91
Total					43.74

Source: Figures supplied by the test-checked units.

Appendix-10

(Refer paragraph 2.1.10; page 17)

Non-conducting of Physical Verification

2017-18

Sl. No.	Name of Panchayat Samiti	Name of District
1.	Chauntra	Mandi

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Shirar	Naggar	Kullu
2.	Sarahan	Nirmand	Kullu
3.	Pangan	Naggar	Kullu
4.	Nirmand	Nirmand	Kullu
5.	Nor	Nirmand	Kullu
6.	Karadsu	Naggar	Kullu
7.	Tunan	Nirmand	Kullu
8.	Kot	Nirmand	Kullu
9.	Mandalgarh	Naggar	Kullu
10.	Devgarh	Naggar	Kullu
11.	Hinner	Kandaghat	Solan

2018-19

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District
1.	Mamu Gurchaal	Nurpur	Kangra
2.	Khundiyan	Dehra Gopipur	Kangra
3.	Jhakled	Dehra Gopipur	Kangra
4.	Hatwas	Nagrota Bagwan	Kangra
5.	Saddu Bargran	Nagrota Bagwan	Kangra
6.	Jhikli Ichhi	Kangra	Kangra
7.	Balol	Kangra	Kangra
8.	Jogipur	Kangra	Kangra
9.	Balir	Indora	Kangra
10.	Makdoli	Indora	Kangra
11.	Chalwada-2	Fatehpur	Kangra
12.	Diyana	Fatehpur	Kangra
13.	Nerna	Fatehpur	Kangra
14.	Rehan	Fatehpur	Kangra
15.	Jangal	Nagrota Surian	Kangra
16.	Fariyan	Nagrota Surian	Kangra
17.	Badehar	Panchrukhi	Kangra
18.	Ladoh	Panchrukhi	Kangra
19.	Kothi	Baijnath	Kangra
20.	Poling	Baijnath	Kangra
21.	Sawad	Baijnath	Kangra
22.	Khaira	Sulah	Kangra
23.	Kakraim	Sulah	Kangra
24.	Dhugiyari	Rait	Kangra
25.	Bandi	Rait	Kangra
26.	Gharoh	Rait	Kangra
27.	Kasba Jagir	Pragpur	Kangra
28.	Goral Dhar	Pragpur	Kangra
29.	Ghoond	Theog	Shimla
30.	Dadas	Theog	Shimla

31.	Kuthar	Theog	Shimla
32.	Ghodna	Theog	Shimla
33.	Bagain	Theog	Shimla
34.	Kyar	Theog	Shimla
35.	Sinhal	Narkanda	Shimla
36.	Karewthi	Narkanda	Shimla
37.	Pujarli (Beolia)	Mashobra	Shimla
38.	Dhalli	Mashobra	Shimla
39.	Bhaloh	Mashobra	Shimla
40.	Junga	Mashobra	Shimla
41.	Majoli Tipper	Nankhari	Shimla
42.	Keylong	Lahaul	Lahaul Spiti
43.	Barbog	Lahaul	Lahaul Spiti
44.	Gosal	Lahaul	Lahaul Spiti
45.	Khangsar	Lahaul	Lahaul Spiti
46.	Muling	Lahaul	Lahaul Spiti
47.	Gondhala	Lahaul	Lahaul Spiti

Source: Figures supplied by the test-checked units.

Appendix-11

(Refer paragraph 2.2.1; page 17)

Details of non-recovery of house tax by the Gram Panchayat concerned

(₹ in lakh)

2017-18				
Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Amount
1.	Nor	Nirmand	Kullu	0.39
2.	Kot	Nirmand	Kullu	0.61
3.	Tunan	Nirmand	Kullu	0.40
4.	Sarahan	Nirmand	Kullu	0.27
5.	Nirmand	Nirmand	Kullu	0.46
6.	Karadsu	Naggar	Kullu	0.15
7.	Shirar	Naggar	Kullu	0.09
8.	Pangan	Naggar	Kullu	0.15
9.	Devgarh	Naggar	Kullu	0.28
10.	Pokhri	Anni	Kullu	0.59
11.	Fanauti	Anni	Kullu	0.41
12.	Kohila	Anni	Kullu	0.66
13.	Karana	Anni	Kullu	0.29
14.	Sayari	Kandaghat	Solan	0.64
15.	Hinner	Kandaghat	Solan	0.62
16.	Jadla	Dharampur	Solan	0.42
17.	Bhawguri	Dharampur	Solan	0.23
18.	Nalka	Dharampur	Solan	0.25
19.	Goyla	Dharampur	Solan	0.83
20.	Chammo	Dharampur	Solan	0.15
21.	Bandli	Sundernagar	Mandi	0.15
22.	Khilra	Sundernagar	Mandi	0.20
23.	Kalohad	Sundernagar	Mandi	0.43
24.	Dhawal	Sundernagar	Mandi	0.33
25.	Jugahan	Sundernagar	Mandi	0.28
26.	Jamni	Gopalpur	Mandi	0.85
27.	Barchwar	Gopalpur	Mandi	0.16
28.	Sulpur Jaboth	Gopalpur	Mandi	0.58
29.	Darpa	Gopalpur	Mandi	0.35
30.	Pipli	Chauntra	Mandi	0.63
31.	Aihju	Chauntra	Mandi	0.53
32.	Santhal Padain	Chauntra	Mandi	0.02
33.	Galoo	Chauntra	Mandi	0.42
34.	Utpur	Chauntra	Mandi	0.79
35.	Tandi	Gohar	Mandi	0.54
36.	Kutahchi	Gohar	Mandi	0.30
37.	Tunna	Gohar	Mandi	0.59
38.	Kotla Khanula	Gohar	Mandi	0.26
39.	Noun	Gohar	Mandi	0.66
Total				15.96

2018-19				
Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Amount
1.	Malendi	Narkanda	Shimla	0.22
2.	Mogra	Narkanda	Shimla	0.06
3.	Karewthi	Narkanda	Shimla	0.58
4.	Kyari	Jubbal Kotkhai	Shimla	1.45
5.	Kuddu	Jubbal Kotkhai	Shimla	0.85
6.	Jaipidi Mata	Jubbal Kotkhai	Shimla	0.03
7.	Ramnagar	Jubbal Kotkhai	Shimla	0.35
8.	Thana	Jubbal Kotkhai	Shimla	0.24
9.	Kotkayna	Jubbal Kotkhai	Shimla	0.35
10.	Junga	Mashobra	Shimla	0.10
11.	Naldehra	Mashobra	Shimla	0.28
12.	Pujarli (Beolia)	Mashobra	Shimla	0.15
13.	Dhalli	Mashobra	Shimla	0.32
14.	Ghodna	Theog	Shimla	2.03
15.	Kuthar	Theog	Shimla	1.22
16.	Dadas	Theog	Shimla	0.20
17.	Bagain	Theog	Shimla	0.77
18.	Kyar	Theog	Shimla	0.53
19.	Ghoond	Theog	Shimla	1.36
20.	Majholi	Kupwi	Shimla	0.94
21.	Kanda Banah	Kupwi	Shimla	0.39
22.	Gorali Madawag	Chopal	Shimla	0.84
23.	Sarpara	Rampur	Shimla	1.16
24.	Duttanagar	Rampur	Shimla	0.73
25.	Deothi	Rampur	Shimla	1.16
26.	Neerath	Rampur	Shimla	0.41
27.	Shingla	Rampur	Shimla	0.67
28.	Bawat	Chopal	Shimla	0.52
29.	Kiran	Chopal	Shimla	0.49
30.	Chadoli	Chopal	Shimla	0.56
31.	Khawal	Chhohara	Shimla	0.24
32.	Diudi Mala	Chhohara	Shimla	0.94
33.	Dhakgaon	Chhohara	Shimla	0.56
34.	Tangnu Janglikh	Chhohara	Shimla	1.11
35.	Khangtethi	Rohru	Shimla	0.07
36.	Pujarli-3	Rohru	Shimla	0.06
37.	Jagothi	Rohru	Shimla	0.07
38.	Khamadi	Nankhari	Shimla	0.31
39.	Majoli Tipper	Nankhari	Shimla	0.44
40.	Khamadi	Nankhari	Shimla	0.31
41.	Vainsh (Piplidhar)	Basantpur	Shimla	0.15
42.	Chebdi	Basantpur	Shimla	0.44
43.	Chalahal	Basantpur	Shimla	0.03
44.	Kasba Jagir	Pragpur	Kangra	0.01
45.	Jhikli Ichhi	Kangra	Kangra	0.57
46.	Balol	Kangra	Kangra	0.16
47.	Salihar	Dehra Gopipur	Kangra	0.47
48.	Jhakled	Dehra Gopipur	Kangra	0.05
49.	Khundiyan	Dehra Gopipur	Kangra	0.19
50.	Ladoh	Panchrukhi	Kangra	0.68

51.	Poling	Baijnath	Kangra	0.06
52.	Sawad	Baijnath	Kangra	0.05
53.	Kothi	Baijnath	Kangra	0.14
54.	Saddu Bargran	Nagrota Bagwan	Kangra	0.94
55.	Hatwas	Nagrota Bagwan	Kangra	0.86
56.	Ustehad	Nagrota Surian	Kangra	0.52
57.	Jangal	Nagrota Surian	Kangra	0.48
58.	Dol	Nagrota Surian	Kangra	0.78
59.	Fariyan	Nagrota Surian	Kangra	1.06
60.	Kakrain	Sulah	Kangra	0.23
61.	Khaira	Sulah	Kangra	0.27
62.	Dhugiyari	Rait	Kangra	0.22
63.	Gharoh	Rait	Kangra	0.45
64.	Kadoa	Pragpur	Kangra	0.03
65.	Gangot	Pragpur	Kangra	0.09
66.	Badhal	Pragpur	Kangra	0.27
67.	Mandal	Dharamshala	Kangra	0.66
68.	Barwala	Dharamshala	Kangra	1.81
69.	Badehar	Panchrukhi	Kangra	0.38
70.	Makdoli	Indora	Kangra	0.22
71.	Balir	Indora	Kangra	0.49
72.	Bhapoo	Indora	Knagra	0.15
73.	Diyana	Fatehpur	Kangra	0.07
74.	Chalwada-2	Fatehpur	Kangra	0.81
75.	Rehan	Fatehpur	Kangra	1.81
76.	Nerna	Fatehpur	Kangra	0.08
77.	Upper Thehru	Lambagaon	Kangra	0.03
78.	Harsi	Lambagaon	Kangra	0.06
79.	Kotlu	Lambagaon	Kangra	0.04
80.	Kheriyan	Nurpur	Kangra	0.42
81.	Milakh	Nurpur	Kangra	0.23
82.	Mamu Gurchaal	Nurpur	Kangra	0.31
83.	Ghadh	Bhawarna	Kangra	0.21
84.	Khangsar	Lahaul	Lahaul Spiti	0.43
85.	Muling	Lahaul	Lahaul Spiti	0.12
86.	Gondhala	Lahaul	Lahaul Spiti	0.12
87.	Khurik	Spiti	Lahaul Spiti	0.06
88.	Lalung	Spiti	Lahaul Spiti	0.13
89.	Daimul	Spiti	Lahaul Spiti	0.07
90.	Gosal	Lahaul	Lahaul Spiti	0.22
91.	Keylong	Lahaul	Lahaul Spiti	0.95
92.	Darcha	Lahaul	Lahaul Spiti	0.20
93.	Kardang	Lahaul	Lahaul Spiti	0.04
94.	Barbog	Lahaul	Lahaul Spiti	0.32
Total				42.67

Source: Figures supplied by the test-checked unit.

Appendix-12

(Refer paragraph 2.2.2; page 18)

Details of outstanding rent of shops

2017-18

(₹ in lakh)

Zila Parishads

Sl. No.	Name of Zila Parishad	Period	Number of shops	Amount
1.	Kullu	05/2017 to 07/2017	3	0.17
2.	Mandi	2016-17	8	7.69
Total (i)			11	7.86

Panchayat Samiti

Sl. No.	Name Panchayat Samiti	District	Period	Number of shops	Amount
1.	Anni	Kullu	2013-17	4	0.16
Total (ii)				4	0.16

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Period	Number of shops	Amount
1.	Nirmand	Nirmand	Kullu	2015-17	4	0.36
2.	Sayari	Kandaghat	Solan	2013 -17	1	0.91
3.	Wakna	Kandaghat	Solan	---	--	0.65
4.	Barachwar	Gopalpur	Mandi	2014-17	5	0.05
Total (iii)					10	1.97
Grand Total (i), (ii) and (iii)					25	9.99

2018-19

(₹ in lakh)

Zila Parishad

Sl. No.	Name of Zila Parishad	Period	Number of shops	Amount
1.	Kangra at Dharamshala	2014-18	01	01.83
Total (i)			01	01.83

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Period	Number of shops	Amount
1.	Khangtedi	Rohru	Shimla	2016-18	06	0.07
2.	Junga	Mashobra	Shimla	2008-18	04	1.24
3.	Naldehra	Mashobra	Shimla	2009-18	02	4.11
4.	Shingla	Rampur	Shimla	2017-18	03	0.12
5.	Nerna	Fatehpur	Kangra	2006-18	02	0.13
6.	Rehan	Fatehpur	Kangra	2014-18	14	1.24
7.	Jhikli Ichhi	Kangra	Kangra	2016-18	05	0.46
8.	Badhal	Pragpur	Kangra	-----	05	0.42
9.	Poling	Baijnath	Kangra	2013-18	03	0.19
Total (ii)					44	07.98
Grand Total (i) and (ii)					45	09.81

Source: Figures supplied by the test-checked units.

Appendix-13

(Refer paragraph 2.2.3; page 18)

Details of non-recovery of duty for installation/renewal of mobile tower within Gram Panchayat area**2017-18**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Number of Towers	Year of installation	Amount
1.	Jadla	Dharampur	Solan	1	--	0.10
2.	Wakna	Kandaghat	Solan	6	2014-15	0.24
3.	Hinner	Kandaghat	Solan	1	2010-11	0.14
4.	Basha	Kandaghat	Solan	1	2013-14	0.08
5.	Sakouri	Kandaghat	Solan	1	2014-15	0.06
6.	Dhanalag	Gopalpur	Mandi	2	2009-13	0.30
7.	Kalohad	Sundernagar	Mandi	1	--	0.08
8.	Mandalgarh	Naggar	Kullu	3	2005-07	0.94
9.	Karadsu	Naggar	Kullu	2	2010-11	0.13
10.	Tunan	Nirmand	Kullu	1	2009	0.22
11.	Takrasi	Anni	Kullu	2	2010-15	0.15
12.	Karana	Anni	Kullu	1	2004	0.34
Total				22	2004-15	2.78

2018-19

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Number of Towers	Year of installation	Amount
1.	Krevathi	Narkanda	Shimla	02	2016-18	0.23
2.	Mogra	Narkanda	Shimla	02	2013-18	0.24
3.	Majoli Tipper	Nankhari	Shimla	01	2009-18	0.18
4.	Khamadi	Nankhari	Shimla	-	2013-18	0.03
5.	Deothi	Rampur	Shimla	01	2017-18	0.08
6.	Duttanagar	Rampur	Shimla	02	2008-18	0.38
7.	Sarpara	Rampur	Shimla	01	2008-18	0.32
8.	Chebdi	Basantpur	Shimla	01	2008-18	0.28
9.	Chalahal	Basantpur	Shimla	02	2012-18	0.30
10.	Pujarli (Beolia)	Mashobra	Shimla	03	2008-18	0.42
11.	Junga	Mashobra	Shimla	01	2017-18	0.22
12.	Dadas	Theog	Shimla	04	2009-18	0.20
13.	Ghodna	Theog	Shimla	01	2010-18	0.18
14.	Ghoond	Theog	Shimla	04	2005-18	0.28
15.	Kuthar	Theog	Shimla	01	2013-18	0.08
16.	Thana	Jubbal Kotkhai	Shimla	-	2016-18	0.05
17.	Dhankgaon	Chhohara	Shimla	-	2015-17	0.04
18.	Poling	Baijnath	Kangra	01	2012-18	0.16
19.	Gharoh	Rait	Kangra	01	2016-18	0.03
20.	Salihar	Dehra Gopipur	Kangra	03	2009-17	0.58
21.	Ladoh	Panchrukhi	Kangra	01	2008-18	0.64
22.	Badehar	Panchrukhi	Kangra	01	2010-18	0.54
23.	Ustehad	Nagroti Bagwan	Kangra	01	2008-18	0.09
24.	Jangal	Nagroti Surian	Kangra	02	2005-18	0.71
25.	Fariyan	Nagroti Surian	Kangra	01	2012-18	0.17
26.	Gangot	Pragpur	Kangra	07	2010-18	1.18
27.	Goral Dhar	Pragpur	Kangra	01	2014-18	0.07
28.	Badhal	Pragpur	Kangra	03	2009-18	0.75

29.	Khaira	Sulah	Kangra	02	2001-18	0.74
30.	Mamu Gurchaal	Nurpur	Kangra	02	2009-18	0.42
31.	Bhapoo	Indora	Kangra	01	2014-18	0.10
32.	Balir	Indora	Kangra	01	2013-18	0.15
33.	Rehan	Fatehpur	Kangra	02	2013-18	0.18
34.	Khurik	Spiti	Lahaul Spiti	01	2008-18	0.27
35.	Darcha	Lahaul	Lahaul Spiti	01	2008-09	0.22
36.	Gosal	Lahaul	Lahaul Spiti	01	2008-18	0.22
Total				59		10.73

Source: Figures supplied by the test-checked units.

Appendix-14

(Refer paragraph 2.2.4; page 19)

Non-deduction of TDS

(Amount in ₹)

2017-18					
Sl. No.	Name of Zila Parishad			Amount Paid	TDS required to be deducted @ 2%
1.	Solan			10,05,918	20,118
Total(i)				10,05,918	20,118
Sl. No.	Name of Gram Panchayat	Block	District	Amount Paid	TDS required to be deducted @ 2%
1.	Pokhri	Anni	Kullu	6,90,000	13,800
2.	Karana	Anni	Kullu	98,000	1,960
3.	Takrasi	Anni	Kullu	2,18,000	4,360
4.	Fanauti	Anni	Kullu	6,32,000	12,640
5.	Nor	Nirmand	Kullu	1,62,000	3,240
6.	Tunan	Nirmand	Kullu	6,54,050	13,081
7.	Kot	Nirmand	Kullu	2,03,750	4,075
Total(ii)				26,57,800	53,156
Grand Total (i) & (ii)				36,63,718	73,274

2018-19					
Sl. No.	Name of Gram Panchayat	Block	District	Amount Paid	TDS required to be deducted (@ 1% or 2%)
1.	Naldehra	Mashobra	Shimla	5,11,550	10,231
2.	Gorali Madawag	Chopal	Shimla	14,31,000	14,310
3.	Chadoli	Chopal	Shimla	6,71,600	13,432
4.	Deothi	Rampur	Shimla	13,05,300	13,053
5.	Chalahal	Basantpur	Shimla	7,16,150	7,162
6.	Vainsh (Piplidhar)	Basantpur	Shimla	13,04,742	13,047
7.	Chebdi	Basantpur	Shimla	2,00,000	2,000
8.	Khamadi	Nankhari	Shimla	2,48,500	4,970
9.	Khawal	Chhohara	Shimla	2,53,100	2,531
10.	Diyana	Fatehpur	Kangra	65,000	13,00
Total				6,706,942	82,036
Total TDS (2017-18 & 2018-19) - ₹ 1,55,310					

Source: Figures supplied by the test-checked units.

Appendix-15(i)

(Refer paragraph 2.3.1; page 19)

**Blocking of funds due to non-commencement of works under various schemes
2017-18**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of District	Period	Number of works	Receipt	Expenditure	Amount
1.	Nalka	Solan	2016-17	2	2.54	--	2.54
2.	Jadla	Solan	2016-17	3	4.00	--	4.00
3.	Goyla	Solan	2015-16	1	0.50	--	0.50
4.	Bhawguri	Solan	2016-17	5	8.00	--	8.00
5.	Sakouri	Solan	2016-17	3	6.48	--	6.48
6.	Santhal Padain	Mandi	2013-14	2	1.50	--	1.50
7.	Karana	Kullu	2015-16	3	3.00	--	3.00
Total				19	26.02	--	26.02

Appendix-15(ii)

(Refer paragraph 2.3.1; page 19)

**Blocking of funds due to non-commencement of works under various schemes
2018-19**

(₹ in lakh)

Panchayat Samiti

Sl. No.	Name of Panchayat Samiti	Name of District	Period	Number of works	Receipt	Expenditure	Amount
1.	Rohru	Shimla	2017-19	18	10.25	-	10.25
Total (i)				18	10.25	-	10.25

Gram Panchayats

Sl. No.	Name of Gram Panchayat	Name of District	Period	Number of works	Receipt	Expenditure	Amount
1.	Shingla	Shimla	2011-12	01	1.0	-	1.00
2.	Khamadi	Shimla	2012-13	01	1.29	-	1.29
3.	Vainsh (Piplidhar)	Shimla	2013-16	02	1.30	-	1.30
4.	Khawal	Shimla	2015-17	02	1.35	-	1.35
5.	Mogra	Shimla	2015-16	01	0.77	-	0.77
6.	Ramnagar	Shimla	2017-18	01	5.00	-	5.00
7.	Majoli Tipper	Shimla	2013-17	02	02.49	-	2.49
8.	Pujarli (Beolia)	Shimla	2009-18	07	5.39	-	5.39
9.	Chebdi	Shimla	2016-17	01	2.0	-	2.0
10.	Jaipidi Mata	Shimla	2016-18	02	01.50	-	1.50
11.	Mlendi	Shimla	2016-17	01	1.0	-	1.0
12.	Sarpara	Shimla	2014-15	01	1.0	-	1.0
13.	Junga	Shimla	2009-18	13	11.77	-	11.77
14.	Pujarli-3	Shimla	2017-18	04	3.00	-	3.00
15.	Bhaloh	Shimla	2007-11	01	0.63	-	0.63
16.	Naldehra	Shimla	2009-18	07	05.38	-	5.38
17.	Diudi Mala	Shimla	2016-17	01	0.59	-	0.59
18.	Ghodna	Shimla	2012-18	07	06.50	-	6.50
19.	Karewathi	Shimla	2016-17	01	01.47	-	1.47

20.	Gorali Madawag	Shimla	2015-18	03	02.50	-	2.50
21.	Kyari	Shimla	2012-18	06	07.00	-	7.00
22.	Chadoli	Shimla	2015-16	01	0.39	-	0.39
23.	Kiran	Shimla	2015-18	03	0.84	-	0.84
24.	Deothi	Shimla	2014-17	04	04.50	-	4.50
25.	Jhakled	Kangra	2017-18	01	2.50	-	2.50
26.	Nerna	Kangra	2016-17	01	0.30	-	0.30
27.	Jangal	Kangra	2016-17	01	1.50	-	1.50
28.	Badhal	Kangra	2017-19	04	03.42	-	3.42
29.	Gangot	Kangra	2016-17	01	02.00	-	2.00
30.	Kakrain	Kangra	2017-18	01	5.00	-	5.00
31.	Saddu Baargan	Kangra	2013-14	01	0.60	-	0.60
32.	Khaira	Kangra	2017-18	02	04.50	-	4.50
33.	Mandhal	Kangra	2015-18	05	08.50	-	8.50
34.	Baleer	Kangra	2016-17	01	2.0	-	2.0
35.	Bhapoo	Kangra	2017-18	01	0.40	-	0.40
36.	Balol	Kangra	2016-17	01	0.70	-	0.70
37.	Salihar	Kangra	2017-18	01	0.80	-	0.80
Total (ii)				94	100.88	-	100.88
Grand Total (i) and (ii)				112	111.13	-	111.13

Source: Figures supplied by the test-checked units.

Appendix-16(i)

(Refer paragraph 2.3.2; page 20)

**Blocking of funds due to non-completion of works under various schemes
2017-18**

(₹ in lakh)

Sl. No.	Name of Panchayat Samiti	Name of District	Period	Number of works	Receipt	Expenditure	Amount
1.	Nirmand	Kullu	2016-17	10.00	29.00	12.60	16.40
Total (i)				10.00	29.00	12.60	16.40
Sl. No.	Name of Gram Panchayat	Name of District	Period	Number of works	Receipt	Expenditure	Amount
1.	Hinner	Solan	2013-14	4	3.20	03.00	0.20
2.	Chammo	Solan	2011-15	14	21.45	15.15	6.30
3.	Jadla	Solan	2014-16	6	12.75	4.97	7.78
4.	Sayari	Solan	2011-17	14	23.84	11.12	12.72
5.	Goyla	Solan	2014-17	25	20.32	7.96	12.36
6.	Bhawguri	Solan	2013-16	19	28.40	11.96	16.44
7.	Wakna	Solan	2016-17	3	9.00	4.26	4.74
8.	Nalka	Solan	2016-17	10	15.75	6.25	9.50
9.	Sakouri	Solan	-----	1	5.00	4.50	0.50
10.	Basha	Solan	2012-16	5	4.80	2.01	2.79
11.	Karadsu	Kullu	2015-16	2	6.00	4.25	1.75
12.	Pokhri	Kullu	2013-14	1	2.50	2.01	0.49
13.	Mandalgarh	Kullu	2015-16	3	6.00	1.68	4.32
14.	Shirar	Kullu	2015-16	1	2.00	0.91	1.09
Total (ii)				108	161.01	80.03	80.98
Grand Total (i) & (ii)				118	190.01	92.63	97.38

Appendix-16(ii)

(Refer paragraph 2.3.2; page 20)

**Blocking of funds due to non-completion of works under various schemes
2018-19**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of District	Period	Number of works	Receipt	Expenditure	Amount
1.	Daimul	Lahaul Spiti	2016-17	02	11.00	01.69	09.31
2.	Hal	Lahaul Spiti	2016-17	01	0.50	0.25	0.25
3.	Langcha	Lahaul Spiti	2011-12	01	02.50	0.45	02.05
4.	Chebdi	Shimla	2015-17	03	03.50	01.66	01.84
5.	Majoli Tipper	Shimla	2012-18	09	16.49	07.06	09.43
6.	Kanda Banah	Shimla	2016-17	01	03.00	0.90	02.10
7.	Khamadi	Shimla	2015-17	03	03.30	02.43	0.87
8.	Pujarli-3	Shimla	2014-15	01	01.00	0.50	0.50
9.	Chalahal	Shimla	2015-16	01	01.60	01.17	0.43
10.	Shingla	Shimla	2015-17	04	11.90	11.48	0.42

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11.	Gorali Madawag	Shimla	2011-18	05	05.00	02.28	02.72
12.	Kyari	Shimla	2007-08	01	05.00	01.00	04.00
13.	Duttanagar	Shimla	2016-17	02	03.00	02.83	0.17
14.	Deothi	Shimla	2017-18	04	05.60	04.78	0.82
15.	Naldehra	Shimla	2016-18	05	10.00	06.00	04.00
16.	Khangtedi	Shimla	2015-18	02	09.14	07.64	01.50
17.	Kiran	Shimla	2013-18	10	13.25	04.29	08.96
18.	Sarpara	Shimla	2015-16	01	01.50	01.50	00
19.	Neerath	Shimla	2016-17	02	12.65	06.91	05.74
20.	Chadoli	Shimla	2014-17	02	05.50	01.00	04.50
21.	Badhal	Kangra	2017-18	11	20.15	12.07	08.08
22.	Gangot	Kangra	2016-18	03	09.00	04.24	04.76
23.	Khaira	Kangra	2017-18	01	03.00	01.87	01.13
24.	Poling	Kangra	2017-18	01	05.00	03.18	01.82
25.	Dol	Kangra	2017-18	04	05.65	04.78	0.87
26.	Chalwada-2	Kangra	2016-18	02	02.65	01.62	01.03
27.	Kakrain	Kangra	2014-16	03	02.50	01.95	0.55
28.	Balla	Kangra	2015-17	04	08.75	06.68	02.07
29.	Makdoli	Kangra	2017-18	01	0.50	0.30	0.20
30.	Diyana	Kangra	2017-18	03	02.90	01.80	01.10
31.	Milakh	Kangra	2017-18	02	01.20	0.27	0.93
32.	Salihar	Kangra	2015-16	01	0.45	0.12	0.33
33.	Nerna	Kangra	2017-18	02	07.90	07.39	0.51
34.	Guraldhar	Kangra	2017-18	01	0.80	00	0.80
35.	Hatwas	Kangra	2017-18	02	0.70	0.25	0.45
36.	Kothi	Kangra	2011-12	01	01.50	0.90	0.60
37.	Kotlu	Kangra	2014-18	05	04.90	03.10	01.80
38.	Kadoa	Kangra	2014-18	06	06.40	03.63	02.77
39.	Rehan	Kangra	2017-18	02	01.90	01.33	0.57
40.	Sadoon Bargran	Kangra	2014-15	01	10.00	06.50	03.50
41.	Ladoh	Kangra	2013-14	01	0.40	0.20	0.20
42.	Ustehar	Kangra	2014-17	02	03.75	02.27	01.48
43.	Jhikli Ichhi	Kangra	2017-18	01	0.50	0.28	0.22
44.	Sawad	Kangra	2017-18	01	08.00	05.16	02.84
Total				121	233.93	135.70	98.23

Source: Figures supplied by the test-checked units.

Appendix-17

(Refer paragraph 2.3.3; page 21)

Details of blocking of funds under 13th Finance Commission**Panchayat Samitis**

(₹ in lakh)

Sl. No.	Name of Panchayat Samiti	District	Period	Number of Works	Amount Sanctioned	Fund released	Balance
1.	Kandaghat	Solan	2014-15	3	11.43	9.60	1.83
2.	Gopalpur	Mandi	2014-16	52	17.36	12.24	5.12
3.	Gohar	Mandi	2012-17	38	18.59	12.53	6.06
4.	Nirmand	Kullu	2014-15	5	12.45	6.20	6.25
5.	Naggar	Kullu	2015-16	30	47.80	16.81	30.99
Total				128	107.63	57.38	50.25

Source: Figures supplied by the test-checked units.

Appendix-18(i)

(Refer paragraph 2.4.1; page 22)

**Details of blocking of funds under 14th Finance Commission due to incomplete work
2017-18**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Block	District	Period	Receipt	Expenditure	Balance
1.	Sayari	Kandaghat	Solan	2015-17	13.96	1.77	12.19
2.	Hinner	Kandaghat	Solan	2015-17	20.75	0.16	20.59
3.	Pangan	Naggar	Kullu	2015-17	18.62	0.75	17.87
4.	Shirar	Naggar	Kullu	2015-17	15.80	6.74	9.06
5.	Devgarh	Naggar	Kullu	2016-17	18.68	6.04	12.64
6.	Mandalgarh	Naggar	Kullu	2015-17	23.65	2.83	20.82
7.	Karadsu	Naggar	Kullu	2015-17	31.19	0.58	30.61
8.	Nirmand	Nirmand	Kullu	2015-17	24.68	10.08	14.60
9.	Sarahan	Nirmand	Kullu	2015-17	14.22	3.69	10.53
10.	Nor	Nirmand	Kullu	2015-16	11.21	4.40	6.81
11.	Kot	Nirmand	Kullu	2015-17	24.28	9.39	14.89
12.	Tunan	Nirmand	Kullu	2015-17	15.49	2.67	12.82
13.	Takrasi	Anni	Kullu	2015-17	13.09	4.52	8.57
14.	Pokhri	Anni	Kullu	2015-17	11.21	6.50	4.71
15.	Karana	Anni	Kullu	2015-17	19.55	13.45	6.10
16.	Tunna	Gohar	Mandi	2015-17	13.23	5.82	7.41
17.	Kutahchi	Gohar	Mandi	2015-17	11.65	10.05	1.60
18.	Noun	Gohar	Mandi	2015-17	17.98	4.25	13.73
19.	Kotla Khanula	Gohar	Mandi	2015-17	14.73	4.37	10.36
20.	Tandi	Gohar	Mandi	2015-17	12.79	2.19	10.60
21.	Dhawal	Sundernagar	Mandi	2015-17	19.73	3.13	16.60
22.	Khilra	Sundernagar	Mandi	2015-17	15.84	7.55	8.29
23.	Kalohad	Sundernagar	Mandi	2015-17	14.60	0.18	14.42
24.	Bandli	Sundernagar	Mandi	2015-17	17.23	15.98	1.25
25.	Jugahan	Sundernagar	Mandi	2015-17	16.33	6.77	9.56
26.	Aihju	Chauntra	Mandi	2016-17	18.42	3.25	15.17
27.	Utpur	Chauntra	Mandi	2016-17	17.66	2.95	14.71
28.	Galu	Chauntra	Mandi	2016-17	13.11	3.23	9.88
Total					479.68	143.29	336.39

Appendix-18(ii)

(Refer paragraph 2.4.1; page 23)

**Details of blocking of funds under 14th Finance Commission due to incomplete work
2018-19**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Block	District	Period	Receipt	Expenditure	Balance
1.	Jogipur	Kangra	Kangra	2015-18	50.36	16.24	34.12
2.	Balol	Kangra	Kangra	2015-18	14.99	4.57	10.42
3.	Ustehad	Nagrota	Kangra	2015-18	27.53	12.01	15.52
4.	Nerna	Fatehpur	Kangra	2015-18	32.36	22.04	10.32
5.	Diyana	Fatehpur	Kangra	2015-18	15.60	09.61	05.99
6.	Chalwada-2	Fatehpur	Kangra	2015-18	15.95	10.96	04.99
7.	Rehan	Fatehpur	Kangra	2015-18	60.94	30.42	30.52
8.	Makdoli	Indora	Kangra	2015-18	17.72	14.27	03.45

9.	Bhapoo	Indora	Kangra	2015-18	36.09	26.78	09.31
10.	Baleer	Indora	Kangra	2015-18	21.12	15.74	05.38
11.	Jhakled	Dehra Gopipur	Kangra	2015-18	15.45	06.95	08.50
12.	Khundiyan	Dehra Gopipur	Kangra	2015-18	24.86	21.80	03.06
13.	Salihar	Dehra Gopipur	Kangra	2015-18	18.10	13.84	04.26
14.	Hatwas	Nagrota Bagwan	Kangra	2015-18	37.56	22.98	14.58
15.	Sadoon Bargran	Nagrota Bagwan	Kangra	2015-18	15.65	09.64	06.01
16.	Mamu Gurchaal	Nurpur	Kangra	2015-18	38.69	29.98	08.71
17.	Milkh	Nurpur	Kangra	2015-18	18.18	05.16	13.02
18.	Kheriyan	Nurpur	Kangra	2015-18	35.47	27.06	08.41
19.	Khaira	Sulah	Kangra	2015-18	25.85	07.52	18.33
20.	Kakrain	Sulah	Kangra	2015-18	22.59	21.68	0.91
21.	Gharoh	Rait	Kangra	2015-18	41.49	29.43	12.06
22.	Bandi	Rait	Kangra	2015-18	17.15	14.24	02.91
23.	Dhugiyari	Rait	Kangra	2015-18	16.95	07.42	09.53
24.	Balla	Bhawarna	Kangra	----	14.66	04.13	10.53
25.	Dhol	Nagrota Surian	Kangra	2015-18	33.16	10.69	22.47
26.	Jangal	Nagrota Surian	Kangra	2015-18	24.27	04.32	19.95
27.	Fariyan	Nagrota Surian	Kangra	2015-18	32.01	08.47	23.54
28.	Kothi	Baijnath	Kangra	2016-18	10.97	10.65	0.32
29.	Poling	Baijnath	Kangra	2015-18	25.72	13.57	12.15
30.	Sawad	Baijnath	Kangra	2015-18	38.20	17.11	21.09
31.	Harsi	Lambagaon	Kangra	----	28.76	04.19	24.57
32.	Kotlu	Lambagaon	Kangra	----	18.31	04.70	13.61
33.	Upper Thehru	Lambagaon	Kangra	----	14.55	03.62	10.93
34.	Badhal	Pragpur	Kangra	2015-18	41.17	10.37	30.80
35.	Goral Dhar	Pragpur	Kangra	2015-18	16.04	05.72	10.32
36.	Kasba Jagir	Pragpur	Kangra	2015-18	12.74	05.95	06.79
37.	Khurik	Spiti	Lahaul- Spiti	2016-17	03.96	02.79	01.17
38.	Fariyan	Nagrota Surian	Kangra	2016-17	0.75	0.40	0.35
39.	Kiran	Chopal	Shimla	2016-17	09.00	06.29	02.71
40.	Badhal	Pragpur	Kangra	2017-18	06.10	02.36	03.74
41.	Gangot	Pragpur	Kangra	2017-18	04.00	02.42	01.58
42.	Pujarli-3	Rohru	Shimla	2016-18	22.69	17.16	05.53
43.	Hal	Spiti	Lahaul Spiti	2016-17	01.94	0.43	01.51

44.	Langcha	Spiti	Lahaul Spiti	2016-17	02.64	01.74	0.90
45.	Makdoli	Indora	Kangra	2017-18	01.48	0.92	0.56
46.	Diyana	Fatehpur	Kangra	2017-18	0.60	0.04	0.56
47.	Nerna	Fatehpur	Kangra	2017-18	05.00	04.91	0.09
48.	Khangtedi	Rohru	Shimla	2015-18	25.73	16.90	08.83
49.	Kotlu	Lambagaon	Kangra	2016-17	03.00	0.28	02.72
50.	Kadoa	Pragpur	Kangra	2016-18	05.80	03.79	02.01
Total					1,023.90	544.26	479.64

Source: Figures supplied by the test-checked units.

Appendix-19 (i)

(Refer paragraph 2.4.2; page 23)

**Details of blocking of funds under 14th Finance Commission due to non-start of work
2017-18**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Block	District	Period	Receipt	Expenditure	Balance
1.	Sakouri	Kandaghat	Solan	2015-17	7.27	00	7.27
2.	Basha	Kandaghat	Solan	2016-17	6.71	00	6.71
3.	Wakna	Kandaghat	Solan	2015-17	23.95	00	23.95
Total					37.93	00	37.93

Appendix-19 (ii)

(Refer paragraph 2.4.2; page 23)

**Details of blocking of funds under 14th Finance Commission due to non-start of work
2018-19**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Block	District	Period	Receipt	Expenditure	Balance
1.	Khundiyan	Dehra Gopipur	Kangra	2016-18	02.50	00	02.50
2.	Badehar	Panchrukhi	Kangra	2017-18	07.80	00	07.80
3.	Langcha	Spiti	Lahaul Spiti	2016-17	0.76	00	0.76
4.	Hal	Spiti	Lahaul Spiti	2016-17	03.00	00	03.00
5.	Daimul	Spiti	Lahaul Spiti	2016-17	16.51	00	16.51
6.	Jangal	Nagrota Surian	Kangra	2016-18	05.30	00	05.30
7.	Pujarli (Beolia)	Mashobra	Shimla	2015-16	01.25	00	01.25
Total					37.12	00	37.12

Source: Figures supplied by the test-checked units.

Appendix-20

(Refer paragraph 2.5; page 23)

Details of funds remained unutilized under NRHM

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Receipt	Expenditure	Balance
1.	Noun	Gohar	Mandi	0.19	0.13	0.06
2.	Kutahchi	Gohar	Mandi	0.10	0.01	0.09
3.	Tandi	Gohar	Mandi	0.15	-	0.15
4.	Tunna	Gohar	Mandi	0.15	-	0.15
5.	Kotla Khanula	Gohar	Mandi	0.34	-	0.34
6.	Santhal Padain	Chauntra	Mandi	0.20	0.04	0.16
7.	Galoo	Chauntra	Mandi	0.10	-	0.10
8.	Utpur	Chauntra	Mandi	0.20	-	0.20
9.	Aihju	Chauntra	Mandi	0.20	-	0.20
10.	Barchwar	Gopalpur	Mandi	0.10	-	0.10
11.	Jamni	Gopalpur	Mandi	0.20	-	0.20
12.	Kalohad	Sundernagar	Mandi	0.15	-	0.15
13.	Jugahan	Sundernagar	Mandi	0.14	-	0.14
14.	Karana	Anni	Kullu	0.20	-	0.20
15.	Kohila	Anni	Kullu	0.10	-	0.10
16.	Pokhri	Anni	Kullu	0.20	-	0.20
17.	Takrasi	Anni	Kullu	0.25	-	0.25
18.	Fanauti	Anni	Kullu	0.10	-	0.10
19.	Shirar	Naggar	Kullu	0.20	-	0.20
20.	Pangan	Naggar	Kullu	0.20	-	0.20
21..	Karadsu	Naggar	Kullu	0.10	-	0.10
22.	Mandalgarh	Naggar	Kullu	0.10	-	0.10
23.	Sarahan	Nirmand	Kullu	0.10	-	0.10
24.	Nirmand	Nirmand	Kullu	0.10	-	0.10
25.	Nor	Nirmand	Kullu	0.10	-	0.10
26.	Tunan	Nirmand	Kullu	0.10	-	0.10
27.	Kot	Nirmand	Kullu	0.10	-	0.10
Total				4.17	0.18	3.99

Source: Figures supplied by the test-checked units.

Appendix-21

(Refer paragraph 2.6; page 24)

Details of delay in releasing payments under MGNREG Scheme

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Period	Delay in days	Amount
1.	Kasba Jagir	Pragpur	Kangra	-	24 to 120	04.13
2.	Badhal	Pragpur	Kangra	2014-17	16 to 123	09.17
3.	Gharoh	Rait	Kangra	2013-18	16 to 75	01.79
4.	Bandi	Rait	Kangra	2013-18	17 to 217	01.15
5.	Dhugiyari	Rait	Kangra	2013-18	17 to 82	11.70
6.	Kakrain	Sulah	Kangra	2013-18	16 to 122	01.00
7.	Ladoh	Panchrukhi	Kangra	2013-18	19 to 105	02.30
8.	Badehar	Panchrukhi	Kangra	2013-14	18 to 52	05.42
9.	Kothi	Baijnath	Kangra	2013-14	20 to 44	01.21
10.	Poling	Baijnath	Kangra	2013-18	19 to 90	03.90
11.	Sawad	Baijnath	Kangra	2013-18	18 to 82	03.88
12.	Karewthi	Narkanda	Shimla	2015-18	15 to 64	03.21
13.	Sinhal	Narkanda	Shimla	2015-18	20 to 66	03.63
14.	Majoli Tipper	Nankhari	Shimla	2012-14	66 to 518	04.62
Total						57.11

Source: Figures supplied by the test-checked units.

Appendix-22

(Refer paragraph 2.10; page 27)

Irregular purchase of material**2017-18****(₹ in lakh)**

Sl. No.	Name of Zila Parishad	Amount
1.	Mandi	1.05
Total (i)		1.05

Sl. No.	Name of Panchayat Samiti	District	Amount
1.	Gohar	Mandi	0.42
2.	Kandaghat	Solan	11.40
Total (ii)			11.82

Sl. No.	Name of Gram Panchayat	Block	District	Amount
1.	Basha	Kandaghat	Solan	08.48
2.	Sakouri	Kandaghat	Solan	13.32
3.	Wakna	Kandaghat	Solan	03.14
4.	Sayari	Kandaghat	Solan	08.74
5.	Hinner	Kandaghat	Solan	24.65
6.	Goyla	Dharampur	Solan	04.26
7.	Chammo	Dharampur	Solan	09.73
8.	Nalka	Dharampur	Solan	14.99
9.	Bhawguri	Dharampur	Solan	23.73
10.	Jadla	Dharampur	Solan	04.62
11.	Kohila	Anni	Kullu	5.05
12.	Fanauti	Anni	Kullu	03.56
13.	Pokhri	Anni	Kullu	04.31
14.	Takrasi	Anni	Kullu	01.18
15.	Karana	Anni	Kullu	01.02
16.	Kot	Nirmand	Kullu	5.87
17.	Tunan	Nirmand	Kullu	03.06
18.	Sarahan	Nirmand	Kullu	01.95
19.	Nirmand	Nirmand	Kullu	03.79
20.	Karadsu	Naggur	Kullu	02.15
21.	Tunna	Gohar	Mandi	0.90
22.	Tandi	Gohar	Mandi	1.65
23.	Kutahchi	Gohar	Mandi	2.87
24.	Kotla Khanula	Gohar	Mandi	2.29
25.	Noun	Gohar	Mandi	1.98
26.	Jugahan	Sundernagar	Mandi	1.57
27.	Kalohad	Sundernagar	Mandi	2.93
28.	Khilra	Sundernagar	Mandi	2.57
29.	Dhawal	Sundernagar	Mandi	3.39
30.	Santhal Padain	Chauntra	Mandi	0.57
31.	Utpur	Chauntra	Mandi	1.34
32.	Galu	Chauntra	Mandi	1.65
33.	Aihju	Chauntra	Mandi	1.47
34.	Pipli	Chauntra	Mandi	1.55
35.	Sulpur Jaboth	Gopalpur	Mandi	0.39
Total (iii)				174.72
Grand Total (i), (ii) & (iii)				187.59

2018-19

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Amount (₹ in lakh)
1.	Karewthi	Narkanda	Shimla	08.40
2.	Sinhal	Narkanda	Shimla	10.55
3.	Malendi	Narkanda	Shimla	06.26
4.	Mogra	Narkanda	Shimla	02.62
5.	Ghoond	Theog	Shimla	24.57
6.	Ghodna	Theog	Shimla	16.21
7.	Dadas	Theog	Shimla	33.50
8.	Kuthar	Theog	Shimla	17.81
9.	Pujarli (Beolia)	Mashobra	Shimla	20.27
10.	Junga	Mashobra	Shimla	08.02
11.	Kotkayna	Jubbal kotkhai	Shimla	07.18
12.	Kyari	Jubbal Kotkhai	Shimla	07.33
13.	Kuddu	Jubbal Kotkhai	Shimla	08.29
14.	Jaipidi Mata	Jubbal-Kotkhai	Shimla	10.12
15.	Ramnagar	Jubbal-Kotkhai	Shimla	07.78
16.	Thana	Jubbal-Kotkhai	Shimla	09.51
17.	Shingla	Rampur	Shimla	05.89
18.	Deothi	Rampur	Shimla	05.97
19.	Neerath	Rampur	Shimla	04.00
20.	Duttanagar	Rampur	Shimla	15.21
21.	Khangtedi	Rohru	Shimla	09.50
22.	Pujarli-3	Rohru	Shimla	16.37
23.	Katlah	Rohru	Shimla	08.88
24.	Jagothi	Rohru	Shimla	04.20
25.	Chalahal	Basantpur	Shimla	03.62
26.	Vainsh (Piplidhar)	Basantpur	Shimla	01.52
27.	Chebdi	Basantpur	Shimla	03.26
28.	Majoli Tipper	Nankhari	Shimla	04.88
29.	Diudi Mala	Chhohara	Shimla	03.75
30.	Tangnu Janglikh	Chhohara	Shimla	05.15
31.	Dhakgaon	Chhohara	Shimla	01.71
32.	Khawal	Chhohara	Shimla	05.24
33.	Gorali Madawag	Chopal	Shimla	07.14
34.	Chadoli	Chopal	Shimla	04.90
35.	Kiran	Chopal	Shimla	05.66
36.	Bawat	Chopal	Shimla	08.68
37.	Kanda Banah	Kupwi	Shimla	12.01
38.	Majholi	Kupwi	Shimla	03.01
39.	Sawad	Baijnath	Kangra	06.72
40.	Poling	Baijnath	Kangra	09.61
41.	Kothi	Baijnath	Kangra	07.82
42.	Ladoh	Panchrukhi	Kangra	05.00
43.	Badehar	Panchrukhi	Kangra	05.40
44.	Ghadh	Bhawarna	Kangra	05.80
45.	Kaloond	Bhawarna	Kangra	03.66
46.	Balla	Bhawarna	Kangra	06.47
47.	Harsi	Lambagaon	Kangra	05.70

48.	Upper Thehru	Lambagaon	Kangra	01.28
49.	Khaira	Sulah	Kangra	09.82
50.	Kakrain	Sulah	Kangra	03.90
51.	Bandi	Rait	Kangra	03.80
52.	Gharoh	Rait	Kangra	06.05
53.	Dhugiyari	Rait	Kangra	07.08
54.	Kheriyan	Nurpur	Kangra	01.46
55.	Mamu Gurchaal	Nurpur	Kangra	02.30
56.	Milakh	Nurpur	Kangra	01.49
57.	Baleer	Indora	Kangra	06.11
58.	Bhapoo	Indora	Kangra	02.63
59.	Makdoli	Indora	Kangra	01.51
60.	Badhal	Pragpur	Kangra	10.67
61.	Goral Dhar	Pragpur	Kangra	07.00
62.	Gangot	Pragpur	Kangra	08.59
63.	Kasba Jagir	Pragpur	Kangra	06.29
64.	Kadoa	Pragpur	Kangra	09.38
65.	Mandal	Dharmshala	Kangra	07.61
66.	Barwala	Dharmshala	Kangra	04.97
67.	Sadoon Bargran	Nagrota Bagwan	Kangra	02.75
68.	Dol	Nagrota Surian	Kangra	02.06
69.	Jhikli Ichhi	Kangra	Kangra	03.46
70.	Balol	Kangra	Kangra	02.61
71.	Rehan	Fatehpur	Kangra	04.53
72.	Diyana	Fatehpur	Kangra	02.76
73.	Khurik	Spiti	Lahaul Spiti	13.57
74.	Lalung	Spiti	Lahaul Spiti	11.21
75.	Langza	Spiti	Lahaul Spiti	07.22
76.	Daimul	Spiti	Lahaul Spiti	09.10
77.	Hal	Spiti	Lahaul Spiti	14.52
78.	Kardang	Lahaul	Lahaul Spiti	17.96
79.	Darcha	Lahaul	Lahaul Spiti	23.46
80.	Keylong	Lahaul	Lahaul Spiti	33.43
81.	Barbog	Lahaul	Lahaul Spiti	19.99
82.	Gondhala	Lahaul	Lahaul Spiti	07.74
83.	Muling	Lahaul	Lahaul Spiti	04.80
84.	Gosal	Lahaul	Lahaul Spiti	08.56
Total				686.82
Grand Total (2017-18 and 2018-19)				874.41

Source: Figures supplied by the test-checked units.

Appendix-23

(Refer paragraph 2.11; page 28)

Irregular Payment of Government Money

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Name of Block	Name of District	Amount
1.	Karewthi	Narkanda	Shimla	10.42
2.	Kuddu	Jubbal Kotkhai	Shimla	0.01
3.	Chadoli	Chopal	Shimla	0.01
4.	Diudi Mala	Chhohara	Shimla	01.70
5.	Deothi	Rampur	Shimla	02.51
6.	Khangtethi	Rohru	Shimla	0.02
7.	Duttanagar	Rampur	Shimla	04.55
8.	Kotkayna	Jubbal Kotkhai	Shimla	0.01
9.	Malendi	Narkanda	Shimla	08.48
10.	Sinhal	Narkanda	Shimla	0.24
11.	Saddu Bargran	Nagrota	Kangra	02.01
12.	Ustehad	Nagrota	Kangra	02.08
13.	Balol	Kangra	Kangra	02.27
14.	Manjholi	Kupwi	Shimla	0.01
15.	Kiran	Chopal	Shimla	0.02
16.	Hatwas	Nagrota Bagwan	Kangra	01.29
17.	Mamu Gurchaal	Nurpur	Kangra	02.13
18.	Pujarli-3	Rohru	Shimla	01.58
19.	Gharoh	Rait	Kangra	0.02
20.	Neerath	Rampur	Shimla	02.19
21.	Langcha	Spiti	Lahaul Spiti	0.02
22.	Jaipidi Mata	Jubbal Kotkhai	Shimla	0.01
23.	Tangnu Janglikh	Chhohara	Shimla	04.78
24.	Kadoa	Pragpur	Kangra	01.65
25.	Ramnagar	Jubbal Kotkhai	Shimla	02.20
26.	Thana	Jubbal Kotkhai	Shimla	05.53
27.	Ghadh	Bhawarna	Kangra	1.84
28.	Mogra	Narkanda	Shimla	04.72
29.	Khawal	Chhohara	Shimla	0.83
30.	Bainsh (Piplidhar)	Basantpur	Shimla	02.22
31.	Jagothi	Rohru	Shimla	0.02
32.	Bawat	Chopal	Shimla	0.01
33.	Milakh	Nurpur	Kangra	02.25
34.	Kanda Banah	Kupwi	Shimla	4.00
35.	Harsi	Lambagaon	Kangra	0.76
Total				72.39

Source: Figures supplied by the test-checked units.

Appendix-24(i)

(Refer paragraph 4.2; page 38)

Statement of budget estimates and actual expenditure of ULBs during 2014-17**2014-15**

(₹ in lakh)

Municipal Corporations

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Savings/ Excess
1.	Shimla	15,664.86	7,604.11	8,060.75
2.	Dharamshala	3,477.68	2,776.35	701.33
Total (i)		19,142.54	10,380.46	8,762.08

Municipal Councils

1.	Hamirpur	4,342.77	3,886.42	456.35
2.	Mandi	4,524.15	3,631.83	892.32
3.	Nalagarh	603.16	383.58	219.58
4.	Solan	2,076.50	1,619.04	457.46
5.	Jogindernagar	318.72	148.44	170.28
6.	Nagrota Bagwan	782.16	749.68	32.48
Total (ii)		12,647.46	10,418.99	2,228.47

Nagar Panchayats

1.	Arki	83.66	90.16	-6.5
2.	Bajjnath Paprola	--	---	---
3.	Bhota	91.88	57.12	34.76
4.	Sunni	96.79	60.45	36.34
Total (iii)		272.33	207.73	64.60
Grand Total (i), (ii) and (iii)		32,062.33	21,007.18	11,055.15

2015-16

(₹ in lakh)

Municipal Corporations

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Savings/ Excess
1.	Shimla	16,612.30	11,722.43	4,889.87
2.	Dharamshala	2,925.63	1,300.62	1,625.01
Total (i)		19,537.93	13,023.05	6,514.88

Municipal Councils

1.	Hamirpur	1,066.33	646.13	420.20
2.	Mandi	1,889.21	1,642.36	246.85
3.	Nalagarh	699.57	432	267.57
4.	Solan	2,362.86	1,680.87	681.99
5.	Jogindernagar	397.12	305.36	91.76
6.	Nagrota Bagwan	238.96	221.66	17.30
Total (ii)		6,654.05	4,928.38	1,725.67

Nagar Panchayats

1.	Arki	100.00	99.34	0.66
2.	Bajjnath Paprola	---	----	----
3.	Bhota	76.14	51.19	24.95
4.	Sunni	156.84	65.86	90.98
Total (iii)		332.98	216.39	116.59
Grand Total (i), (ii) and (iii)		26,524.96	18,167.82	8,357.14

2016-17

(₹ in lakh)

Municipal Corporations

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Savings/ Excess
1.	Shimla	21,517.52	13,388.50	8,129.02
2.	Dharamshala	7,850.82	5,163.80	2,687.02
Total (i)		29,368.34	18,552.3	10,816.04

Municipal Councils

1.	Hamirpur	1,202.70	990.71	211.99
2.	Mandi	6,020.30	798.81	5,221.49
3.	Nalagarh	928.00	624.57	303.43
4.	Solan	2,975.43	2,399.04	576.39
5.	Jogindernagar	229.15	145.41	83.74
6.	Nagrota Bagwan	790.61	759.84	30.77
Total (ii)		12,146.19	5,718.38	6,427.81

Nagar Panchayat

1.	Arki	141.24	84.83	56.41
2.	Bajinath Paprola	674.22	43.73	630.49
3.	Bhota	219.95	92.80	127.15
4.	Sunni	191.75	92.90	98.85
Total (iii)		1,227.16	314.26	912.90
Grand Total (i), (ii) and (iii)		42,741.69	24,584.94	18,156.75

Appendix-24(ii)

(Refer paragraph 4.2; page 38)

Statement of budget estimates and actual expenditure of ULBs during 2015-18

2015-16

(₹ in lakh)

Municipal Corporations

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Savings (-)/ Excess (+)
1.	Shimla	28,784.60	11,722.43	17,062.17
2.	Dharamshala	7,900.92	5,163.80	2,737.12
Total (i)		36,685.52	16,886.23	19,799.29

Municipal Councils

1.	Dehra	459.44	271.52	187.92
2.	Hamirpur	1,066.33	646.13	420.20
3.	Kullu	1,175.21	921.72	253.49
4.	Manali	788.60	630.96	157.64
5.	Nerchowk	117.50	00	117.50
6.	Sujanpur	329.16	326.93	2.23
7.	Ghumarwin	199.42	168.43	30.99
Total (ii)		4,135.66	2,965.69	1,169.97

Nagar Panchayats

1.	Banjar	50.67	38.92	11.75
2.	Karsog	152.67	30.59	122.08
3.	Jawali (newly created)	--	--	--

4.	Nadaun	394.23	167.45	226.78
5.	Bhuntar	292.02	279.32	12.70
Total (iii)		889.59	516.28	373.31
Grand Total (i), (ii) and (iii)		41,710.77	20,368.20	21,342.57

2016-17

(₹ in lakh)

Municipal Corporations

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Savings (-)/ Excess (+)
1.	Shimla	39,714.12	13,388.50	26,325.62
2.	Dharamshala	5,130.37	2,670.83	2,459.54
Total (i)		44,844.49	16,059.33	28,785.16

Municipal Councils

1.	Dehra	517.50	280.09	237.41
2.	Hamirpur	1,202.70	990.70	212.00
3.	Kullu	3,091.55	1,527.64	1,563.91
4.	Manali	761.14	725.61	35.53
5.	Nerchowk	660.60	232.35	428.25
6.	Sujanpur	333.42	408.52	(+)75.10
7.	Ghumarwin	260.94	293.61	(+)32.67
Total (ii)		6,827.85	4,458.52	2584.87

Nagar Panchayats

1.	Banjar	72.85	43.59	29.26
2.	Karsog	210.61	330.99	(+)120.38
3.	Jawali (newly created)	366.94	28.00	338.94
4.	Nadaun	504.82	284.69	220.13
5.	Bhuntar	191.65	135.54	56.11
Total (iii)		1,346.87	822.81	764.82
Grand Total (i), (ii) and (iii)		53,019.21	21,340.66	32,134.85

2017-18

(₹ in lakh)

Municipal Corporations

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Savings (-)/ Excess (+)
1.	Shimla	47,512.53	14,669.59	32,842.94
2.	Dharamshala	3,543.47	2,475.77	1,067.70
Total (i)		51,056.00	17,145.36	33,910.64

Municipal Councils

1.	Dehra	381.90	271.52	110.38
2.	Hamirpur	846.30	655.43	190.87
3.	Kullu	2,829.83	2,026.82	803.01
4.	Manali	790.04	726.90	63.14
5.	Nerchowk	900.82	173.59	727.23
6.	Sujanpur	334.38	317.64	16.74
7.	Ghumarwin	299.12	469.50	(+)170.38
Total (ii)		6,382.39	4,641.40	2,081.75

Nagar Panchayats

1.	Banjar	119.44	61.54	57.90
2.	Karsog	288.22	50.28	237.94
3.	Jawali (newly created)	616.41	141.70	474.71
4.	Nadaun	475.21	378.29	96.92
5.	Bhuntar	211.02	180.69	30.33
Total (iii)		1,710.30	812.50	897.80
Grand Total (i), (ii) and (iii)		59,148.69	22,599.26	36,890.19

Source: Figures supplied by the test-checked units.

Appendix-25

(Refer paragraph 4.5.1(a); page 40)

Details of outstanding house tax in respect of ULBs

(₹ in lakh)

2017-18

Sl. No.	Name of Municipal Corporation	Opening balance as of April 2016	Demand during 2016-17	Total Demand	Collection during 2016-17	Outstanding amount as of March 2017
1.	Dharamshala	86.67	209.67	296.34	63.11	233.23
Total (i)		86.67	209.67	296.34	63.11	233.23
Sl. No.	Name of Municipal Council	Opening balance as of April 2016	Demand during 2016-17	Total Demand	Collection during 2016-17	Outstanding amount as of March 2017
1.	Hamirpur	76.48	98.55	175.03	126.46	48.57
2.	Mandi	124.74	271.98	396.72	77.80	318.92
3.	Nagrota Bagwan	15.23	12.30	27.53	7.89	19.64
4.	Jogindernagar	45.09	4.61	49.70	4.86	44.84
Total (ii)		261.54	387.44	648.98	217.01	431.97
Sl. No.	Name of Nagar Panchayat	Opening balance as of April 2016	Demand during 2016-17	Total Demand	Collection during 2016-17	Outstanding amount as of March 2017
1.	Arki	38.31	8.00	46.31	10.45	35.86
2.	Sunni	50.31	9.81	60.12	9.85	50.27
3.	Bhotta	10.16	1.74	11.90	5.23	6.67
Total (iii)		98.78	19.55	118.33	25.53	92.80
Grand Total (i), (ii) & (iii)		446.99	616.66	1,063.65	305.65	758.00

(₹ in lakh)

2018-19

Sl. No.	Name of Municipal Corporation	Opening balance as of April 2017	Demand during 2017-18	Total Demand	Collection during 2017-18	Rebate	Outstanding amount as of March 2018
1.	Dharamshala	233.81	209.04	442.85	227.27	--	215.58
Total (i)		233.81	209.04	442.85	227.27	--	215.58
Sl. No.	Name of Municipal Council	Opening balance as of April 2017	Demand during 2017-18	Total Demand	Collection during 2017-18	Rebate	Outstanding amount as of March 2018
1.	Hamirpur	48.57	122.85	171.43	113.40	--	58.03
2.	Sujanpur	20.72	23.76	44.48	23.95	--	20.53
3.	Dehra	19.17	11.14	30.31	7.09	--	23.21
4.	Manali	15.32	111.05	126.37	94.39	--	31.98
5.	Kullu	30.60	71.59	102.19	81.10	7.50	13.59
6.	Ghumarin	47.52	16.38	63.90	36.45	--	27.45
Total (ii)		181.90	356.77	538.68	356.38	7.50	174.79
Sl. No.	Name of Nagar Panchayat	Opening balance as of April 2017	Demand during 2017-18	Total Demand	Collection during 2017-18	Rebate	Outstanding amount as of March 2018
1.	Nadaun	23.17	8.33	31.50	5.39	0.97	25.14
2.	Banjar	6.34	2.90	9.25	2.63	--	6.61
Total (iii)		29.51	11.23	40.75	8.02	0.97	31.75
Grand Total (i), (ii)&(iii)		445.22	577.04	1,022.28	591.67	8.47	422.12

Source: Figures supplied by the test-checked units.

Appendix-26

(Refer paragraph 4.5.2; page 41-42)

Details of non-realization of rent from shops/ booths/ stalls

(₹ in lakh)

2017-18

Municipal Corporation

Sl. No.	Name of Municipal Corporation	Opening balance as on 01 April 2016	Demand raised	Total	Collection as on 31 March 2017	Outstanding amount as on 31 March 2017
1.	Shimla	415.64	228.00	643.64	219.40	424.24
Total (i)		415.64	228.00	643.64	219.40	424.24

Municipal Councils

1.	Mandi	113.47	75.29	188.76	81.32	107.44
2.	Nagrota Bagwan	13.47	15.80	29.27	13.75	15.52
3.	Nalagarh	60.75	71.66	132.41	55.33	77.08
4.	Hamirpur	40.54	20.40	60.94	19.43	41.51
5.	Jogindernagar	2.87	2.61	5.48	3.04	2.44
6.	Solan	104.04	42.84	146.88	26.69	120.19
Total (ii)		335.14	228.60	563.74	199.56	364.18

Nagar Panchayats

1.	Sunni	3.58	5.15	8.73	4.40	4.33
2.	Bhotta	3.08	1.19	4.27	1.24	3.03
3.	Arki	2.87	3.00	5.87	3.13	2.74
Total (iii)		9.53	9.34	18.87	8.77	10.10
Grand Total (i), (ii) & (iii)		760.31	465.94	1,226.25	427.73	798.52

(₹ in lakh)

2018-19

Municipal Corporations

Sl. No.	Name of Municipal Corporation	Opening balance as on 01 April 2017	Demand raised during 2017-18	Total Demand	Collection during 2017-18	Outstanding amount as on 31 March 2018
1.	Shimla	424.24	235	659.24	247.46	411.78
2.	Dharamshala	32.47	55.02	87.49	57.30	30.19
Total (i)		456.71	290.02	746.73	304.75	441.97

Municipal Councils

1.	Ghumarwin	04.38	3.48	7.87	3.45	4.41
2.	Kullu	30.24	45.14	75.38	44.99	30.39
3.	Manali	63.15	96.24	159.39	85.94	73.46
4.	Dehra	20.49	09.56	30.05	12.36	17.69
5.	Ner Chowk	0.30	0.24	0.54	0.19	0.35
6.	Sujanpur	28.45	20.81	49.26	14.69	34.56
Total (ii)		147.01	175.47	322.49	161.62	160.86

Nagar Panchayats

1.	Bhuntar	43.36	8.99	52.34	8.32	44.03
2.	Nadaun	20.8	13.12	33.92	10.66	23.26
3.	Banjar	4.16	2.33	6.49	0.77	5.72
Total (iii)		68.32	24.44	92.75	19.75	73.01
Grand Total (i), (ii) & (iii)		672.04	489.93	1,161.97	486.12	675.84

Source: Figures supplied by the test-checked units.

Appendix-27

(Refer paragraph 4.5.3; page 42)

Details of non-recovery of duty for installation/ renewal of mobile towers within Urban Local Bodies area

(₹ in lakh)

2017-18**Municipal Corporation**

Sl. No.	Name of Municipal Corporation	Year of installation	Period for which amount pending	Number of towers	Amount
1.	Dharamshala	2006-15	2006-07 to 2016-17	12	2.55
Total (i)				12	2.55

Municipal Councils

Sl. No.	Name of Municipal Council	Year of installation	Period for which amount pending	Number of towers	Amount
1.	Nalagarh	-----	2008-09 to 2016-17	4	1.07
2.	Solan	2006-17	2015-16 to 2016-17	16	1.13
3.	Hamirpur	2006-15	2009-10 to 2016-17	19	2.96
4.	Mandi	-----	Upto 2016-17	7	12.20
5.	Nagrota Bagwan	2005-2014	2005 to 2018	8	1.01
6.	Joginder Nagar	-----	Upto 2016-17	8	2.36
Total (ii)				62	20.73

Nagar Panchayats

Sl. No.	Name of Nagar Panchayat	Year of installation	Period for which amount pending	Number of towers	Amount
1.	Sunni	-----	Upto 2016-17	12	1.56
2.	Arki	-----	Upto 2016-17	6	0.37
Total (iii)				18	1.93
Grand Total (i), (ii) and (iii)				92	25.21

(₹ in lakh)

2018-19**Municipal Corporations**

Sl. No.	Name of Municipal Corporation	Year of installation	Period for which amount pending	Number of towers	Amount
1.	Shimla	-	2017-18	84	12.76
2.	Dharamshala	2008-2012	Upto 03/2018	5	5.26
Total (i)				89	18.02

Municipal Councils

Sl. No.	Name of Municipal Council	Year of installation	Period for which amount pending	Number of towers	Amount
1.	Dehra	2004	2009-18	1	0.35
2.	Manali	2006-09	Up to 03/2018	9	3.15
3.	Ghumarwin	2006-09	2010- 18	4	1.11
4.	Hamirpur	2006-17	Up to 03/2018	16	3.56
5.	Kullu	--	Up to 03/2018	16	3.68
Total (ii)				46	11.85

Nagar Panchayats

Sl. No.	Name of Nagar Panchayat	Year of installation	Period for which amount pending	Number of towers	Amount
1.	Banjar	--	2014-18	--	0.55
2.	Nadaun	--	Upto 03/2018	--	1.06
Total (iii)				--	1.61
Grand Total (i), (ii) and (iii)				130	31.48

Source: Figures supplied by the test-checked units.

Appendix-28

(Refer paragraph 4.16; page 57)

Statement showing the detail of outstanding advances given to officials/ departments but not adjusted as of December 2017**2017-18****Municipal Council, Nalagarh**

Sl. No.	Name of Employee/ Department	Date on which advance given	Amount (in ₹)
1.	Sh. Hem Raj, JE retired	12/1999 to 2/2014	93,060
2.	Sh. Baljeet Singh, Draftsman	06/2000 to 7/2016	3,07,200
3.	Sh. Dinesh Kumar, Accountant		10,000
4.	Sh. Sanjay Awasthi, JE retired	08/2000 to 10/2006	2,40,463
Total(i)			6,50,723

Municipal Council, Solan

Sl. No.	Name of Employee/Department	Purpose of advance	Date on which advance given	Amount (in ₹)
1.	Sh. M.L. Thakur, JE	Nosal for fountain, sand purchase, sample test for water	5/1999 to 04/2001	2,300
2.	Triloki Nath Attri, Sanitary Inspector	Purchase of high security plates	02/2013	1,432
3.	Sh. Kuldeep Gupta, Clerk	Removal of sand	10/1999	500
4.	Sh. Sohan Lal, Mate	Sample test for water	2003-04	1,200
5.	Sh. Karan Chand Verma, SI	Repair of Vehicle	2003-04	500
6.	HP Civil Supply Corporation	Purchase of cement	2005-06 to 2016-17	38,10,807
7.	Sh. Ramshad Ali, Saharanpur	Statue of Ravana	2005-06	15,000
8.	HP State Small Industries Export Cop.	Steel and Bitumen	2006-07 to 2016-17	60,04,554
9.	Executive Engineer, Sub Division HPSEBL Solan	Point of Street light Ward No. 1	06/2017	78,740
10.	Assistant Engineer, Sub Division IPH Solan	Purchase of GI/CI pipes	2006-07 to 2014-15	87,072
11.	Him Udyog Goyal Niwas, Solan	Purchase of RCC pipes	2005-06 to 2007-08	1,85,510
12.	Manager HP Agro Industries Solan	Purchase of cement, steel and dustbin	2006-07 to 2010-2011	1,812
13.	M/s Sabu Tor, Kala Amb, Nahan	Purchase of steel	2011-12 to 2012-13	36
14.	Sh. Vinod Pal, JE	TA advance	04/2012	2,536
15.	Assistant Engineer, Horticulture Sub Division HPPWD Solan	Purchase of Plants	08/2010	2,000
16.	Deputy Director, Animal Husbandry, Solan	Sterilization of dogs	5/2016	80,000
Total (ii)				1,02,73,999
Grand Total (i) & (ii)				1,09,24,722

Municipal Corporation, Shimla

Sl. No.	Head of Account	Detail Head Description	Period	Opening balance as on 31.03.2016 (in ₹)	Advance paid during the Year 2016-17 (in ₹)	Total (in ₹)	Advance adjusted during the year 2016-17 (in ₹)	Balance (in ₹)
1.	460-40-01	Public Works	1.4.07 to 31.3.17	11,29,241	1,00,00,000	1,11,29,241	0	1,11,29,241
2.	460-40-02	Store/ material	1.4.07 to 31.3.17	1,68,71,606	1,50,27,511	3,18,99,117	0	3,18,99,117
3.	460-50-01	Permanent Advance	1.4.07 to 31.3.17	31,565	0	31,565	0	31,565
4.	460-50-02	Project	1.4.07 to 31.3.17	91,26,477	0	91,26,477	0	91,26,477
5.	460-50-03	Scheme	1.4.07 to 31.3.17	49,68,820	0	49,68,820	0	49,68,820
6.	460-50-05	Temporary Advance	1.4.63 to 31.3.17	17,25,08,612	1,15,07,163	18,40,15,775	72,18,481	17,67,97,294
7.	460-60-01	Street light	1.4.07 to 31.3.17	4,41,96,218	1,58,43,051	6,00,39,269	0	6,00,39,269
8.	460-60-03	Water Supply	1.4.07 to 31.3.17	1,61,16,827	0	1,61,16,827	0	1,61,16,827
9.	460-33-01	Public lamp post	1.4.07 to 31.3.17	0	1,57,509	1,57,509	0	1,57,509
10.	460-60-05	Others Water	1.4.07 to 31.3.17	0	10,000	10,000	0	10,000
Total				26,49,49,366	5,25,45,234	31,74,94,600	72,18,481	31,02,76,119

2018-19**Statements showing the detail of outstanding advances given to employee but not adjusted or recouped as of December 2018****Municipal Corporation, Dharamshala**

Sr.No.	Name of employee to whom advance given	Date on which advance given	Amount (in ₹)
1.	Sh. Sarvan Kumar, Driver	4/2017 to 6/2017	20,000
2.	Sh. Sandeep Kumar Bharmouria, Manager	1/2017 to 5/2017	5,28,000
3.	Sh. Manjeet Singh, Driver	6/2017	20,000
4.	Sh. Vidhesh Kumar, Driver	6/2017	15,000
Total(i)			5,83,000

Municipal Council, Kullu

Name of Employee to whom advance given	Voucher No./ Date on which advance given	Purpose of advance	Amount (in ₹)
Sh. Niti Bibhash, Sanitary Inspector	49, 8/2015	Door to Door garbage collection	3,26,550
	56, 8/2015	SBM	18,000
	38, 9/2015	NGT care	4,000
Total(ii)			3,48,550

Municipal Council, Manali

Name of Employee to whom advance given	Voucher No./ Date on which advance given	Purpose of advance	Amount (in ₹)
Sh. Nathu Ram, Driver	77, 10/2017	Repair of JCB robot	10,000
Total(iii)			10,000
Grand Total (i), (ii) & (iii)			9,41,550

Source: Figures supplied by the test-checked units.

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