



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Combined Annual Technical Inspection Report on Panchayat Raj Institutions and Urban Local Bodies for the period 2020-2022



**Government of Karnataka
Office of the Principal Accountant General
(Audit-I), Karnataka**

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on Panchayat Raj Institutions and
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Preface

This Combined Annual Technical Inspection Report on Panchayat Raj Institutions and Urban Local Bodies for the period 2020-22 is prepared for submission to the Government of Karnataka.

The State Government entrusted the audit of Panchayat Raj Institutions (Gram Panchayats) and Urban Local Bodies to the Comptroller and Auditor General of India under Section 20(1) of CAG's DPC Act, 1971 under Technical Guidance and Supervision with effect from April 2010 for Gram Panchayats and April 2011 onwards for Urban Local Bodies. However, the primary audit of the institutions is carried out by the Karnataka State Audit and Accounts Department.

The issues noticed as a result of test audit for the period 2020-22 as well as those which came to notice in earlier years but could not be dealt with in the previous Reports have also been included, wherever necessary.

The audit has been conducted in conformity with auditing standards issued by the CAG of India.

Overview

This Report contains three chapters. The first and the second chapters contain an overview of the Panchayat Raj Institutions and Urban Local Bodies in the State respectively. The third chapter contains observations arising out of audit of accounts of GPs and ULBs under Technical Guidance and Supervision. A synopsis of the findings is presented in this overview.

1 Accountability framework and financial reporting in Panchayat Raj Institutions

The total receipts and expenditure of Zilla Panchayats (ZP), Taluk Panchayats (TP) and Gram Panchayats (GP) for the years 2020-21 and 2021-22 is as follows:

(₹ in crore)				
PRIs	2020-21		2021-22	
	Receipts	Expenditure	Receipts	Expenditure
ZP	17,470.50	16,943.24	14,929.12	12,201.12
TP	21,624.03	21,391.42	23,483.53	16,876.40
GP	6,393.30	5,879.03	5,849.05	4,271.45

The Inspector General of Registration and Commissioner of Stamps could not transfer the Additional Stamp Duty to the Taluk Panchayats for the period 2019-2022 due to non-reconciliation of receipts with Sub Registrar Offices.

ZPs and TPs did not remit the unspent previous Finance Commission's grants to the tune of ₹29.35 crore to the Government account.

As at the end of March 2022, 271 Inspection Reports consisting of 1,590 paragraphs, 808 Inspection Reports consisting of 5,094 paragraphs and 389 Inspection Reports consisting of 4,260 paragraphs were outstanding in various ZP, TP and GPs respectively.

Against ₹11.81 crore ordered for recovery by Ombudsman under Mahatma Gandhi National Rural Employment Guarantee Scheme only ₹3.51 crore was recovered (March 2022).

(Chapter-I)

2 Accountability framework and financial reporting in Urban Local Bodies

During the period 2017-22, the proportion of own revenue to total receipts in respect of ULBs (other than BBMP) was in the range of 27 *per cent* to 41 *per cent* only, while the same for BBMP was in the range of 41 *per cent* to 64 *per cent*.

Arrears of property tax in ULBs (other than BBMP) had increased from ₹653 crore in 2017-18 to ₹1,666 crore in 2021-22 and the collection decreased from 53 *per cent* during 2017-18 to 36 *per cent* during 2021-22.

Arrears of property tax in BBMP had increased from ₹ 1,600 crore in 2017-18 to ₹1,860 crore in 2021-22 and the collection increased from 57 *per cent* during 2017-18 to 62 *per cent* during 2021-22.

ULBs (other than BBMP) in the State have not remitted ₹504.00 crore of health cess, ₹54.00 crore of library cess and ₹30.00 crore of beggary cess to the departments / heads of account concerned. BBMP had not remitted the entire health cess of ₹1,275.18 crore, library cess of ₹256.36 crore and beggary cess of ₹31.48 crore.

The duty on transfer of immovable properties to ULBs for the year 2019-20 to 2021-22 was under progress (January 2023). The Property Tax Board was established in the State only during July 2020. The State Government formed Internal Audit Wing to oversee the functions of ULBs only during March 2022. In respect of BBMP, the Draft Rules and Regulations are yet to be approved by the State Government.

Out of 681 Inspection Reports outstanding, 625 Inspection Reports containing 10,873 paragraphs were pending for more than three years indicating inadequate action on the part of ULBs.

(Chapter-II)

3	Results of audit of Gram Panchayats and Urban Local Bodies under TGS Module
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Improper collection of building license fees - ₹45.61 lakh and short/non-collection of building license fees ₹86.05 lakh

(Paragraph-3.6.1 and 3.6.2)

Loss of revenue due to non-realization of dues on account of dishonoured cheques - ₹48.74 lakh.

(Paragraph-3.6.3)

Short collection of rent on advertisement hoardings erected in the GP premises ₹4.01 lakh.

(Paragraph-3.6.4)

Irregular receipt of cheques from GPs by TP official in his personal capacity towards procurement of receipt books and other purchases.

(Paragraph-3.6.5)

Improper certification of earth work excavation by manual means instead of mechanical means facilitated payment of excess amount to the contractors ₹13.06 lakh.

(Paragraph-3.6.6)

Chapter-I

Accountability framework and financial reporting in Panchayat Raj Institutions

Chapter-I

Rural Development and Panchayat Raj Department

Accountability framework and financial reporting in Panchayat Raj Institutions

A Functioning of Panchayat Raj Institutions

1.1 Introduction

Consequent to the 73rd Constitutional Amendment Act (CAA), the State Government enacted the Karnataka Panchayat Raj Act, 1993 (henceforth referred to as KPR Act) to establish three tier Panchayat Raj Institutions (PRIs) - Gram Panchayats (GPs) at the village, Taluk Panchayats (TPs) at the taluk and Zilla Panchayats (ZPs) at the district levels in rural areas of the State. The KPR Amendment Act 2011 inserted sub section (i) under section 246 according to which “The Comptroller and Auditor General shall provide technical guidance and support for audit of accounts under this section in accordance with the provisions of Comptroller and Auditor General’s (Duties, Powers and Conditions of Service) Act, 1971[CAG’s (DPC) Act] and also undertake test check of the accounts of the GPs”. The Act was further amended in 2013 and 2015 and was renamed in 2017 as the Karnataka Gram Swaraj and Panchayat Raj Act, 1993.

Effective functioning of the PRIs is essential in order to address the needs of the people and also for effective implementation of schemes for economic, social and cultural development.

1.1.1 State profile

The comparative demographic and developmental picture of the State is given in **Table 1.1**. Population growth in Karnataka in the last decade was 15.60 *per cent*, which was less than the national average of 17.70 *per cent*. The decadal growth rates of urban and rural population were 31.50 *per cent* and 7.40 *per cent* respectively. As per Census 2011, the population of the State was 6.11 crore, of which, women comprised 49.31 *per cent*. The State has 114 backward taluks, out of which, 39 taluks are the most backward.

Table 1.1: Important statistics of the State

Indicator	Unit	State	National
Population	1,000s	61,095	12,10,570
Population density	Persons per sq km	319	382
Urban population	1,000s	23,997	3,77,106
Rural population	1,000s	37,097	8,33,463
Urban population	Percentage	39.28	31.20
Rural Population	Percentage	60.72	68.85
Number of ZPs	Numbers	31*	584 (approx)
Number of TPs	Numbers	233	6,312 (approx)
Number of GPs	Numbers	5,962	2,38,054 approx)
Gender ratio (females per 1,000 males)	Numbers	973	943
Literacy Rate	Percentage	75.40	73.00

*31st ZP:-Vijayanagara District

Source: Economic Survey Report 2021-22, Census 2011, RDPR Annual Report 2021-22 and Karnataka at a Glance 2021-22.

Karnataka is the seventh largest State in India in terms of geographical area (1,91,791 sq km) and accounts for 5.05 *per cent* of India's population. Rural literacy of the State (68.7 *per cent*) is better than the National literacy rate (67.8 *per cent*). Urban literacy rate (85.8 *per cent*) is also better than national literacy rate (84.10 *per cent*).

1.2 Organisational structure of PRIs

The Rural Development and Panchayat Raj Department (RDPR) headed by the Additional Chief Secretary, is the nodal department for PRIs at the State level. The organisational structure with respect to functioning of PRIs in the State is given in **Appendix 1.1**.

1.3 Audit Mandate of CAG with respect to PRIs

In respect of PRIs, the responsibility of the Comptroller and Auditor General of India (CAG) is different in respect of the ZPs and TPs on the one hand and the GPs on the other.

- As per Section 262 of KPR Act, the accounts of the ZP Fund shall be audited by the CAG in accordance with CAG's DPC Act. Similarly, Section 253 mandates that the accounts of TP Fund shall be audited by the CAG in accordance with Section 19(3) of CAG's (DPC) Act and the arrangement is extended every five years. The current extension is up to March 2027. Accordingly, the certification of the accounts of all the ZPs and TPs are undertaken and Separate Audit Reports for each ZP and one consolidated Separate Audit Report for all TPs are being issued. The audit observations on compliance and regularity issues are included in the Audit Report of the CAG.
- The primary audit of GPs is carried out by the Karnataka State Audit and Accounts Department (KSAAD). As per section 246 of KPR Act, the accounts of every GP shall be audited each year by such officer as may be authorised by the Director General, KSAAD. Further CAG is entrusted with Technical Guidance and Supervision (TGS) mandate under Section 20 (1) of the CAG's (DPC) Act, under which, he shall audit and test check the accounts of the GPs.

1.4 Devolution of Funds, Functions and Functionaries

The KPR Act provides for devolution of funds, functions and functionaries along with institutional mechanism and detailed governance framework as envisaged in the 73rd CAA.

1.4.1 Devolution of Funds

The revenue resources of the PRIs include Central Finance Commission (CFC)/State Finance Commission (SFC) grants, assigned revenue and own sources of revenue. Lack of devolution of funds to the PRIs, especially to GPs, has rendered them financially unsustainable as their own sources of revenue were less than two *per cent* of overall financial requirement. They were thus more reliant on the Government grants for their sustainability.

There was a delay in acceptance and implementation of the recommendations of CFCs/SFCs. Audit observed that there were delays in constitution of 2nd SFC by 474 days, 3rd SFC by 327 days and 4th SFC by 1,600 days respectively. The

State Government accepted the recommendations of respective SFCs with a delay ranging from 190 days to 1,284 days. The intervening period between the two SFCs *viz.*, 2002-03 to 2005-06 and 2017-18 were covered under respective previous SFCs recommendations. The State is still under 4th SFC regime instead of 6th SFC (4 states¹ are under 6th SFC regime). The institutional measures to consolidate the financial and accounting aspect were not fully implemented. Delay in implementation of SFCs affected the financial resource of PRIs due to non-discharge of incremental assigned grants/revenues during the intervening period. Further, an Action Taken Report on the recommendations of the SFCs which was required to be placed in the Legislature within six months, indicating the modification or acceptance and implementation was not placed.

The constraints in levying and collecting property tax and other taxes were not addressed by the Government as the right to levy and collection of property tax by GPs in the industrial areas was transferred to Karnataka Industrial Areas Development Board (KIADB)/Electronics City Industrial Township Authority (ELCITA). The concerned GPs are yet to realize property tax/building license fee of ₹ 30.03 crore collected by them.

The potential revenue avenues within PRI jurisdictional limits such as Betterment tax, Professional tax, Market fee, *etc.*, of GPs were not transferred to PRIs and requisite NOCs from GPs were not insisted upon.

1.4.2 Devolution of Functions

Section 58 of the KPR Act empowers the GPs to perform 31 functions as specified in the Schedule-I of the Act. Similarly, Section 145 and Section 184 empowers TPs and ZPs to perform 30 functions and 28 functions as specified in the Schedule-II and Schedule-III of the Act respectively. Though, the State Government transferred all the 29 functions (**Appendix 1.2**) as listed in the 11th Schedule to the PRIs, the activity map for distribution of all the functions among GPs, TPs and ZPs was devised only in November 2016. The Activity map is given in **Appendix 1.3**.

1.4.3 Devolution of Functionaries

The PRIs were not assigned powers to assess, recruit, define Cadre and Recruitment Rules (C&R rules), regulate pay and allowances, initiate disciplinary action and transfer functionaries except in the case of Group 'C' and 'D' posts.

Though the PRI functionaries of various line departments were brought under purview of RDPR, control over functionaries *viz.*, recruitment, transfer and disciplinary proceedings still lie with the State Government. Thus, there exists dual control over PRI functionaries.

The Third SFC highlighted the necessity of including the cadre of Extension Officers/Field Extension Officers in the C&R Rules, who will guide and work at Taluk/GP level for better implementation of various Government schemes.

However, Audit observed that the Karnataka General Services (Panchayat Raj Department Cadre and Recruitment) Rules, 2020 notified in July 2021 did not include the posts of Extension Officers and Field Extension Officers which was

¹ Assam, Bihar, Punjab and Rajasthan.

not in conformity with the SFC recommendation. The permanent cadre to function within the purview of the PRI was not constituted by the Government. The State Government accepted (May 2023) the audit comment.

As per Rashtriya Gram Swaraj Abhiyan (RGSA) Framework, the States are required to prepare detailed Annual State Capacity Building Plans for PRIs in accordance with the Guidelines and submit them to the Ministry of Panchayat Raj (MoPR) for appraisal and approval. Such annual plans are required to be developed by the State following a need assessment and a process which must include extensive consultation with Elected Representatives, Panchayat Functionaries and other stakeholders concerned. Audit observed that Abdul Nazir Sab State Institute of Rural Development and Panchayat Raj did not conduct Training Needs Assessment (TNA) annually and relied on TNA of 2015-16 for conducting trainings till 2020-21.

The State Government accepted (May 2023) that TNA was not conducted annually. Non conducting of TNA on annual basis and non-preparation of perspective plan defeated the objective of capacity building exercise.

1.5 Formation of Committees

1.5.1 Standing Committees

Sections 61, 148 and 186 of KPR Act provides that each GP, TP and ZP shall constitute Standing Committees from among its members by election and headed by *Adhyaksha* of respective PRIs. The Standing Committees shall perform the functions as delegated to them by the respective PRIs. The details of the roles envisaged for the Standing Committees are detailed in **Appendix 1.4(a)**.

Audit observed that the Standing Committees were not formed in 23 GPs as shown in **Appendix 1.4(b)**.

The State Government stated (April 2024) that necessary action has been taken to form the Standing Committees. However, records relating to the formation of Standing Committees were not furnished to audit.

1.5.2 District Planning Committee

Article 243ZD of the Constitution requires District Planning Committees (DPC) to consolidate the plans prepared by the Panchayats and Municipalities in the district and to prepare a District Development Plan (DDP) for a district as a whole.

The DDP was to be forwarded to the State Government through the Decentralized Planning and Development Committee (DPDC)² for integration into the State plan. Further, the DPC was to conduct meetings regularly. Funds for the DPCs were to be mobilized through annual contributions from the rural and urban local bodies.

² As per Section 310 B of the Karnataka Gram Swaraj and Panchayat Raj Act, the Karnataka Decentralised Planning and Development Committee must be constituted to review the development plan and annual economic plan of local bodies. The Chief Minister is the Chairman and Ministers of RDPR, UDD, Finance Department and Planning are the members.

Audit observed that DPC³ was not functioning in any of the districts and no meetings were being conducted resulting in non-preparation of consolidated DDP for the district. The sectoral plans are not prepared as the DPCs were non-functional.

The State Government replied (May 2023) that DPC meetings were not conducted due to COVID pandemic and the same will be conducted in due course. The reply is not acceptable as non-constitution and non-function of DPCs were observed even during the pre-pandemic period. Such non-formation and non-conduct of DPCs to prepare DDP is not explainable despite having the resources at their disposal.

1.6 Delegation of financial powers

The GP consists of elected members, one member for every four hundred of the population or part thereof of the panchayat area. Two members are chosen among the elected members to be *Adhyaksha* and *Upadhyaksha*. *Adhyaksha* is the executive head of the GP. Apart from the elected members, each GP shall have a whole time Panchayat Development Officer (PDO) and Secretary who shall be the officials of the Government and such other officials appointed by the Government.

Rules 77 and 80 of Karnataka Panchayat Raj Gram Panchayat (Budgeting and Accounting) Rules, 2006 [KPRGP (B&A) Rules] provides for delegation of financial powers with respect to sanction of estimates for developmental works of GP. The details are given in **Table 1.2**. The delegation of financial powers was being followed in the test checked GPs.

Table 1.2: Delegation of Financial Powers

Particulars	Authority	Financial Powers
Technical Sanction	GP Engineer	Up to ₹25,000/-
	Assistant Executive Engineer of ZP Sub-division	> ₹25,000 < ₹4,00,000
	Executive Engineer	> ₹4,00,000 < ₹10,00,000
	Superintending Engineer	₹10,00,000 and above
Administrative Sanction	<i>Adhyaksha</i> of GP	Does not exceed ₹5,000 provided GP has delegated such powers to <i>Adhyaksha</i> by means of a resolution.
	Gram Panchayat	> ₹5,000 < ₹10,00,000
	Chief Executive Officer of ZP	> ₹10,00,000 < ₹30,00,000
	Government	> ₹30,00,000

Source: KPRGP (B&A) Rules

1.7 System of Accounting in Panchayat Raj Institutions

1.7.1 System of Accounting in GPs

The annual statement of accounts of GPs comprises Receipt and Payment accounts, Income and Expenditure accounts and Balance Sheet in the prescribed forms. The accounts are prepared on accrual basis by adopting Double Entry Accounting System as prescribed under KPRGP (B&A) Rules. The annual

³ Out of the selected eight districts, only five districts have constituted DPC.

financial statement and the note on accounts shall be placed before the GP for its consideration and approval before 30 June of the succeeding year.

The Government of Karnataka (GoK) through National Informatics Centre developed a software called 'Panchatantra' to promote transparency in governance and make available all information. The Panchatantra is a web-based application with 3- tier architecture for implementing the double entry accounting system as well as for meeting the basic requirement of the GPs. The software was implemented in all the GPs with effect from 2012-13. GP-wise income and expenditure statement and balance sheet can be viewed in Panchatantra. Various reports maintained by the department are also available in the portal. All the GPs are using the Panchatantra for their day-to-day accounting transaction.

The State Government replied (April 2024) that Panchatantra 2.0 has been developed for accounting in GPs and it is operational.

1.7.2 System of Accounting in ZPs and TPs

Financial reporting in PRIs is a key element of accountability. Matters relating to drawl of funds, incurring of expenditure, maintenance of accounts, rendering of accounts by ZPs and TPs are governed by the provisions of KPR Act, Karnataka Zilla Panchayat (Finance and Accounts) Rules, 1996 [KZP(F&A) Rules], Karnataka Panchayat Raj Taluk Panchayats (Finance and Accounts) Rules, 1996 [KPRTP (F&A) Rules], Karnataka Treasury Code (KTC), Karnataka Financial Code (KFC), Manual of Contingent Expenditure, Karnataka Public Works Accounts Code (KPWAC), Karnataka Public Works Departmental Code (KPWDC), Stores Manual, Budget Manual, other Departmental Manuals, standing orders and instructions.

Annual accounts of ZPs and TPs are prepared in five statements for Revenue, Capital and Debt Deposit and Remittance (DDR) heads as prescribed vide Rule 37(4) read with appendix-I of KZP (F&A) Rules and Rule 30(4) read with appendix KPRTP(F&A) Rules. As per the recommendations of 13th CFC, PRIs have to prepare the accounts in the Model Panchayat Accounting System (MPAS) from 2011-12 as prescribed by Government of India.

ZPs prepared the accounts in MPAS format from 2011-12 onwards. Out of 31 ZPs, 30 ZPs have prepared MPAS completely in the prescribed formats and ZP, Bidar has not furnished MPAS format of accounts during 2021-22. Also, 42 TPs had not prepared the annual accounts in MPAS format during 2020-21 and 35 TPs during 2021-22 and thus, defaulted in complying with the norms, as detailed in **Table 1.3**.

Table 1.3: Status of annual accounts of TPs in MPAS format

Year	Number of TPs which submitted annual accounts	Number of TPs not prepared accounts in MPAS format
2019-20	162	42
2020-21	172	42
2021-22	171	35

Source: Annual accounts of TPs

The State Government replied (April 2024) that directions were issued to all ZPs and TPs for preparing Annual accounts in MPAS format.

1.7.2.1 Status of accounts in ZPs and TPs

KPR Act stipulates that the annual accounts are to be prepared and approved by the General Body of PRIs within three months from the closure of the financial year and are to be forwarded to the Accountant General/Principal Director of KSAAD to conduct audit.

The delay in submission of annual accounts by ZPs and TPs for the years 2019-20 to 2021-22 is exhibited in **Table 1.4**.

Table 1.4: Delay in submission of annual accounts by ZPs and TPs (as of March 2023)

Delay	Number of ZPs			Number of TPs		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
No delay	03	03	03	07	20	35
1 to 30 days	02	04	06	46	42	34
31 to 60 days	07	07	05	18	28	22
61 to 100 days	12	05	10	14	17	17
More than 100 days	06	11	05	80	65	63
Total submitted	30	30	29	165	172	171
Not submitted	00	00	01	11	09	62

Source: Compiled from Annual Accounts received by this Office.

The State Government replied (April 2024) that circular has been issued to all ZPs and TPs for preparing Annual accounts within the stipulated time.

1.7.2.2 Deficiencies in accounts of ZPs and TPs

Significant deficiencies noticed in the accounts of ZPs and TPs during 2020-21 and 2021-22 are detailed below:

- The GoK withdrew (October 2006 and June 2007) the Letter of Credit (LoC) system in Forest Divisions and Panchayat Raj Engineering Divisions (PREDS). Consequently, both the divisions had stopped issuing cheques. However, the annual accounts of ZPs for the year 2020-21 and 2021-22 continued to reflect balances relating to earlier period as detailed in **Appendix 1.5**. This indicated that ZPs had not reconciled the encashed cheques with treasuries, resulting in incorrect reporting of expenditure. Though these deficiencies were brought to notice of the Government through previous ATIR (2017-18), no action had been initiated to rectify the same.
- Though GoK dispensed with (September 2004) the system of operation of TP and GP suspense accounts by ZPs, they continued to depict the balances outstanding for the years 2020-21 and 2021-22 as detailed in **Appendix 1.6**.

The State Government accepted (April 2024) the deficiencies in the Annual Accounts of ZPs and TPs.

1.8 Financial Profile

1.8.1 Resources of the PRIs

The resource base of PRIs consists of own revenue, SFC grants, CFC grants, GoK grants and Government of India (GoI) grants for maintenance and development purposes. The fund details of flagship schemes are given in **Appendix 1.7**.

The trends of resources of PRIs for the period 2019-20 to 2021-22 are shown in **Table 1.5**.

Table 1.5: Trends and composition of resources of PRIs

(₹ in crore)

Particulars	2019-20	2020-21	2021-22
ZPs			
State Grants/Assigned Revenue	172.07	172.07	172.07
Grants from GoI for Centrally Sponsored Scheme [#]	39.78	*4,671.21	**2,143.30
Central Finance Commission	0	160.85	118.85
Other Receipts	12,090.49	12,466.37	12,494.90
Total	12,302.34	17,470.50	14,929.12
TPs			
State Grants/Assigned Revenue	361.89	411.89	461.89
Central Finance Commission	0	321.70	237.70
Other Receipt	20,762.07	20,890.44	22,783.94
Total	21,123.96	21,624.03	23,483.53
GPs			
Own Revenue	688.71	683.02	812.20
State Grants/Assigned Revenue	902.99	902.99	902.99
Central Finance Commission	2,507.88	2,734.45	2,020.45
Other Receipt	2,337.80	2,072.84	2,113.41
Total	6,437.38	6,393.30	5,849.05

Source: IFA, RDPR

*Figure pertains to 30 ZPs, **Figure pertains to 29 ZPs (Provisional).

Total figures of CSS expenditure incurred by ZP/TP/GP are exhibited under ZP.

The GPs are vested with the power to levy taxes and collect fees and implement GP Sector schemes. The TP and ZPs are vested only with powers to exercise supervisory roles in implementation of PRI schemes.

1.8.2 Application of Resources by PRIs

The trends of application of resources of PRIs for the period 2019-20 to 2021-22 are given in **Table 1.6**.

Table 1.6: Application of resources

(₹ in crore)

Particulars	2019-20	2020-21	2021-22
ZPs			
State Grants/Assigned Revenue/ other receipts	12,104.59	11,811.55	8,476.47
Grants from GoI for CSS	39.78	5,110.43 [^]	3,610.92 ^{^^}
Central Finance Commission*	0	21.26	113.73
Total	12,144.37	16,943.24	12,201.12
TPs			
State Grants/Assigned Revenue/ other receipts	21,126.99	21,308.70	16,653.59
Central Finance Commission*	0	82.72	222.81
Total	21,126.99	21,391.42	16,876.40
GPs			
State Grants/Assigned Revenue/ other receipts	4,841.06	5,040.75	2,387.29
Central Finance Commission	2,507.88	838.28	1,884.16
Total	7,348.94	5,879.03	4,271.45

Source: IFA RDPR.

*includes Basic (Untied) Grant and Tied Grant Expenditure

[^]Figure pertains to 30 ZPs^{^^} Figure pertains to 29 ZPs.

It can be seen from **Tables 1.5** and **1.6** that the expenditure against the available funds by the ZPs, TP and GPs for the year 2021-22 were 82, 72 and 73 *per cent* respectively indicating underutilization of funds.

1.8.3 Release of duty on transfer of immovable properties

As per Section 205 of KPR Act, the duty on transfer of immovable property shall be levied in the form of a surcharge at the rate of three *per cent* of the duty imposed by the Karnataka Stamp Act, 1957 on instruments of sale, gift, mortgage, exchange and lease in perpetuity, of immovable property situated within the limits of the area of a TP. The Additional stamp duty (ASD) collected for the above transactions shall be passed on to TPs in the State, in proportion to the population of the taluk, by the Inspector General of Registration and Commissioner of Stamps (IGR&CS) duly deducting 10 *per cent* towards collection charges.

Audit observed that the ASD receipt credited to particular TP was less than the ASD released by IGR&CS in 40 and 49 TPs during 2020-21 and 2021-22 respectively and in 32 and 18 TPs, the ASD was not credited by Treasury Network Management Centre during the year 2020-21 and 2021-22 as detailed in **Appendix 1.8**.

The reasons for non-crediting of ASD as apportioned by IGR&CS to various TPs were not forthcoming from the records.

The State Government, while accepting (June 2024) the audit findings, did not furnish reasons for not crediting the apportioned revenue to the TPs.

1.8.4 Status of transfer of non-tax revenue to PRIs

- 14th CFC recommended that the States should review the position and prepare a clear framework of rules for the levy of Betterment tax (Developmental Charges).

Audit observed that no Betterment Tax (Developmental Charges) framework was prepared by the Government, nor such provision existed in the KPR Act. However, Audit noticed that such provision exists in Karnataka Municipal Corporation Act, 1976 (KMC Act) empowering the Urban Local Bodies (ULB) to levy and collect such tax. In line with ULBs, PRIs also can be handed over this source of revenue.

- 14th CFC stipulated that the professional tax may be a major source of income for the local bodies and also recommended to assign this tax to the rural local bodies. Further, 15th CFC has also emphasized increasing the limits of Professional Tax by amending Article 276(2) of the Constitution.

Audit observed that GoK neither assigned Professional Tax to PRIs nor enhanced the limits unlike in the States of Tamil Nadu, Kerala, Haryana, Andhra Pradesh, Telangana, and Orissa where this revenue has been assigned to PRIs. Non-assignment of this revenue in the State led to loss of revenue to that extent.

- Section 69 of the KPR Act prescribes that no place within the jurisdiction of a Gram Panchayat shall be used as a shop whether permanently or temporarily, other than a shop referred to in section 68 and 69 under a license granted or renewed by the Gram Panchayat by collection of license fee.

However, Audit observed that GPs did not collect Market fee from APMC yards during the audit period, wherein, such license fee was collected by the Agriculture Department under rule 76(1) of Karnataka Agricultural Produce Marketing (Regulation and Development) Rules, 1968 [KAPM (R&D) Rules]. Consequent upon the enactment of the KPR Act, KAPM (R&D) Rules was not amended resulting in the loss of revenue for the Gram Panchayats.

1.9 Internal Control System of PRIs

Internal control mechanism is an integral function of an organization which helps it to govern its activities effectively and achieve its objectives. It is intended to provide reasonable assurance of proper compliance of Acts and Rules. Various internal control measures would minimize the risk of errors and irregularities.

As per the regulations, the primary auditor shall develop, in consultation with CAG, a system of internal control in the organization. Chapter II (Audit Concepts) of the KSAAD Audit manual gives details about the Internal Control Framework to be adopted such as executing orderly, ethical, economic efficient and effective operations, complying with applicable laws and regulations, fulfilling accountability obligations, safeguarding resources against loss, misuse and damage. It is suggested that in addition to the practices given in the Manual, maintenance of calendar of returns and peer review of the work between different Local Audit Circles may also be considered for adoption.

An Internal Audit wing is required to be established in the RDPR by the State Government. However, Audit observed that the same was not formed.

The State Government stated (April 2024) that Internal Audit wing in the districts is functioning under the Chief Accounts Officers of respective ZPs. The process to establish Internal Audit wing in the RDPR, by the State Government, has been initiated but due to the shortage of staff it was not convenient enough to frame the Internal Audit Wing.

1.9.1 Non-reconciliation of Cash book by various TPs

As per Article 293(b) and 329 of KFC, TPs are required to reconcile the difference between cash book balances and Bank balances at the end of each month and each year in the respective scheme-cash book.

However, it was seen in the test checked TPs for the year 2021-22 that the Internal Control systems such as non-reconciliation of scheme's cash book *etc.*, were inadequate in the TPs as detailed below in **Table 1.7**.

Table 1.7: Details of non-reconciliation of Scheme cash books in various TPs

Name of the District	Name of the TP	Name of the Scheme
Vijayanagar	Hosapete	NRLM, SBM, EO-TP-Est, ANSSIRD-Training, Meeting Hall Rent and Hampi Utsav
Tumakuru	Koratagere	RGCY, NRLM, Anganawadi, 15 th Finance, MGNREGA and ANSSIRD-Training
Kalaburagi	Sedam	Housing, 15 th Finance, NRLM and SBM
Koppal	Koppal	12 th Finance, 13 th Finance, Gram Swaraj, Stree Shakti Yojane, General Account and Biodiversity
	Gangavathi	General Account, MGNREGA, 15 th Finance, Anganawadi Toilet, 12 th Finance, 13 th Finance and SBM
Vijayapura	Vijayapura	15 th Finance, Suvarna Gramodaya, SBM, NRLM, RGCY and ANSSIRD-Training
	Sindagi	SBM, 15 th Finance and Housing scheme
	Indi	15 th Finance, 13 th Finance, SDP, RGCY, NRLM, TP Quarters, ANSSIRD-Training, Biodiversity and SBM
	Basavanabagewadi	15 th Finance, Commercial Complex, Samarthya Soudha, Samarthya Soudha Rent, SBM, Suvarna Gramodaya, ANSSIRD-Training and MGNREGA-Admn.
	Muddebihal	15 th Finance, TP & GP members honorarium, SBM, ANSSIRD-Training, Biodiversity, TP shop rent, Suvarna Gramodaya, Gram Swaraj, 12 th Finance (Building & maintenance) and 12 th Finance.

Source: Records of test-checked TPs

The State Government stated (June 2024) that meetings have been conducted to carry out the reconciliation and year ending process within a stipulated time.

1.10 Vigilance Mechanism

1.10.1 Ombudsman

As per the recommendations of the 13th CFC, the State Government was required to put in place a system of independent local body Ombudsman to investigate complaints of corruption and maladministration against the functionaries of local bodies, both elected members and officials. The Ombudsman would submit reports on such investigations to the Lokayukta who would forward the report with his recommendations to the Governor.

As per Section 30, Schedule 1 of the Mahatma Gandhi National Rural Employment Guarantee Act 2005 (MGNREGA), the States were mandated to appoint an Ombudsperson for each district for receiving grievances, enquiring and passing awards. The Chief Secretary of the State heads the selection committee of Ombudsman, appointed for two years' tenure which is extendable by two years.

As of February 2023, 30 regular Ombudsmen were appointed for 31 districts. In Gadag district an in-charge Ombudsman was functioning since 2021-22.

Ombudsman conducts enquiries on all the complaints in the implementation of the scheme and also recommends for recovery of the misappropriated amount, if any. As per the mandate, the said amount shall be recovered, and disciplinary proceedings shall be completed within six months.

As of March 2022, ₹11.81 crore was recommended for recovery, out of which ₹3.51 crore was actually recovered and ₹8.30 crore was pending for recovery.

The State Government accepted (April 2024) the audit findings.

1.10.2 Social Audit

The GoK notified (January 2012) and implemented Social Audit Rules, 2011. Accordingly, the Social Audit Directorate headed by the Director was formed and registered (May 2012) under the Societies Registration Act, 1960. The details of Social Audit taken up during the years 2020-21 and 2021-22 is given in **Table 1.8**.

Table 1.8: Details of Social Audit conducted

Sl. No	Name of the scheme	Whether social audit conducted or not	Mandate	Periodicity	Number of GPs Audited	
					2020-21	2021-22
1	MGNREGA	Yes	MGNREG Act, 2005	Twice a year in each GP	3,055 GPs in 1 st Round	5,916 GPs in 1 st Round (target 50 per cent of total GPs)
					5,862 GPs in 2 nd Round	5,868 GPs in 2 nd Round
2	14 th /15 th CFCs	Yes	Guidelines issued during Training	Once in a year	5,446 GPs	5,916 GPs
3	Pradhan Mantri Awas Yojana-Gramin (PMAY-G)	Yes	Scheme guidelines on social Audit	Conducting Social Audit as per the demand from the department concerned.	5,679 GPs	Not conducted
4	National Social Assistance Programme (NSAP)	No	6.10 of scheme guidelines	Once in a year	Nil	Nil
5	Public Distribution System	No	Section 28 National Food Security Act, 2013	Once in a year	Nil	Nil

Sl. No	Name of the scheme	Whether social audit conducted or not	Mandate	Periodicity	Number of GPs Audited	
					2020-21	2021-22
6	National Rural Livelihood Mission (NRLM)	No	As per 5.1 of Scheme guidelines	Once in a year	Nil	Nil
7	Mid-day Meal (MDM)	Yes	As per Education department request	Once in a year	Nil	93 schools
8	Swachh Bharath Mission (SBM)	No	As per 5.2.10 of Scheme guidelines	Once in a year	Nil	Nil

Source: Information furnished by the Director, Social Audit

Audit observed that as per information provided by Social Audit Directorate, there were Eight schemes for which Social Audit was envisaged by the Scheme guidelines. The Social Audit Directorate was constituted as a Society (Karnataka State MNREGA Social Audit Society) with the objective of Social Audit of MGNREGA. The 15th FC scheme guidelines provided that Social Audit Unit set up under MGNREGA Audit of Scheme Rules, 2011 shall also facilitate the Social Audit. The Directorate conducted Social Audit in respect of these two schemes (MGNREGA and 14th/15th CFC schemes). In respect of MGNREGA for the year 2020-21 (first round), the coverage was less than 50 *per cent* (3,055 GPs). There was shortfall in respect of 14th/15th FC scheme. In respect of MDM, the audit was conducted at the request of the Department. Social Audit was not conducted in respect of other schemes *viz.*, National Social Assistance Programme, Public Distribution System, National Rural Livelihood Mission and Swachh Bharath Mission during 2020-21 and 2021-22.

The Directorate stated (February 2023) that due to delay in release of funds by the Ministry of Rural Development, COVID pandemic and non-production of records by certain GPs, there was shortfall in conducting Social Audit.

1.10.3 Lokayuktha for PRIs

As per Section 286 of KPR Act, every member of GP, TP or ZP and every officer and servant employed under them shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code and Prevention of Corruption Act, 1988 for the time being in force. Further, as per Karnataka Lokayuktha Act, 1984 (Act No. 4 of 1985), if satisfied that the allegations against a public servant is *prima facie* true and makes a declaration that the post held by him, and the declaration is accepted by the Competent Authority that the public servant has committed any criminal offence, prosecution may be initiated without reference to any other authority.

The RDPR stated (February 2023) that there was no separate cell dealing exclusively with cases relating to complaints against the officials of PRIs. Further, it stated that during 2021-22, total cases registered relating to PRIs was 1,917 against which 1,271 cases were disposed.

The State Government confirmed (April 2024) the facts and figures.

B. Financial profile and Reporting

1.11 Reporting framework

Functioning of Finance/Accounts section of PRIs

- Section 30(1) of KZP (F&A) Rules stipulates that the Chief Accounts Officer (CAO) shall be Head of the Finance Wing of ZP. He shall work directly under Chief Executive Officer (CEO) and assisted by Accounts Officer, Accounts Superintendents and other Staffs as may be necessary in carrying out the function assigned to under these rules. Section 30(2) emphasise that the CAO will be in overall charge of the work relating to the Finance, Budget and Accounts of the ZP.
- Section 25(1) of KPRTP(F&A) Rules stipulates that the Executive Officer (EO) will be in overall charge of the work relating to the Accounts of the TP. The EO will be assisted by an Accounts Superintendent and Accounts Assistants.
- Section 111 of KPR Act stipulates that there shall be a whole time Panchayat Development Officer (PDO), Secretary and other officials appointed by the Government in each GP. The Secretary and the other officials shall assist the PDO in the discharge of his duties.

The Secretary shall be responsible for preparation of budget estimates, monthly accounts, half yearly accounts, trial balances, matters relating to drawal and expenditure of funds, maintenance of accounts and rendering of accounts as per the provisions of KPRGP (B&A) Rules.

The PDO shall submit the monthly accounts, furnish returns, statement of accounts and such other information when called for by the GP, Government or the auditor.

1.11.1 Variation in amount released by RDPR Department and received by ZP under 15th CFC Grant

Audit observed variations between the funds released by RDPR to each ZP and their accounting by ZPs during 2020-21 and 2020-22 under 15th CFC in 30 ZPs and 18 ZPs respectively as detailed in the **Appendix 1.9 and Appendix 1.10**.

While 25 ZPs had short accounted the funds to an extent of ₹34.31 crore, five ZPs ⁴ did not account any receipts to an extent of ₹23.58 crore during 2020-21 and during 2021-22, 18 ZPs accounted excess receipts to the extent of ₹1.93 crore.

The State Government stated (June 2024) that the funds were released to the districts as per the allocation from the Central Government. The reply is not tenable as it did not address the variation in accounting of funds.

⁴ Chamarajanagar, Chikkamagaluru, Uttara Kannada, Vijayapura and Yadgir.

1.11.2 Irregular retention of (10th to 14th CFC) funds - non-adherence to the instructions of RDPR.

RDPR issued (August 2016) instructions to all the ZPs/TPs to remit the unspent amount including interest in respect of closed and in-operative scheme accounts to the HOA '0515-00-800-0-03 - other receipts.

However, review of bank accounts appended to the Annual Accounts for the year 2021-22 showed that funds relating to previous CFCs (10th to 14th) were continued to be depicted in the annual accounts of ZPs/TPs to the tune of ₹29.35 crore without remitting it to the Government account as detailed in **Appendix 1.11** and **Appendix 1.12**.

Audit also observed that though the 14th CFC Grants were to be released to GPs, two ZPs, Bengaluru Urban (₹3.58 crore) and Shivamogga (₹10.35 lakh) had exhibited balances in the 14th FC which was irregular and in violation of CFC guidelines. The non-remittance thus resulted in blocking/accumulation of funds to the tune of ₹29.35 crore in the ZPs/TPs accounts.

Though the State Government accepted (June 2024) the finding, no action was initiated to get the unutilised funds from the respective ZPs/TPs.

1.11.3 Shortfall in 15th CFC Grants

Audit noticed that there was a shortfall of ₹1.5 crore in the release of basic grants to the State Government during the year 2021-22 as shown in **Table 1.9**.

Table 1.9: Allocation and release of 15th Finance Commission Grant

(₹ in crore)

Year	Allocation			Releases			Shortfall		
	Basic	Tied	Total	Basic	Tied	Total	Basic	Tied	Total
2020-21	1,608.50	1,608.50	3,217.00	1,608.50	1,608.50	3,217.00	0.00	0.00	0.00
2021-22	950.80	1,426.20	2,377.00	949.30	1,426.20	2,375.50	1.50	0.00	1.50

Source: GoI Operational Guidelines and release orders, RDPR data.

The State Government stated (June 2024) that the GoI had released the grants on pro rata basis for the year 2021-22, as a result of which the shortfall of ₹1.5 crore was incurred by the State Government.

1.11.4 Audit Online

Para 8 of the Operational Guidelines of 15th CFC stipulates (July 2021) that PRIs have to mandatorily prepare and make available online their audited accounts on 'Audit-Online application' to be eligible for release of grants.

The State Government stated (April 2024) that Audit Online has been implemented and carried out by KSAAD and online audit of all the GPs of the State has been completed. Further in respect of ZP/TPs, the mapping of units and personnel is in progress.

1.12 Audit arrangements

1.12.1 Internal Audit System of PRIs

Internal Audit is an important instrument to examine and evaluate the level of compliance with rules and procedures as envisaged in the relevant Acts as well as in the Financial/Accounting Rules and provides assurance to management on the adequacy of the risk management and internal control framework in the PRIs. The State Government did not have an Internal Audit Wing to oversee the functions of PRIs.

The State Government stated (April 2024) that Internal Audit wing in the districts is functioning under the Chief Accounts Officers of respective ZPs. The process to establish Internal Audit wing in the RDPR, by the State Government, has been initiated but due to the shortage of staff it was not convenient enough to frame the Internal Audit Wing.

1.12.2 External audit

1.12.2.1 Audit by Karnataka State Audit and Accounts Department

As per Section 246 of the KPR Act, the Principal Director, KSAAD shall submit to the Government a consolidated annual report in respect of all the GPs of the State, and State Government shall lay such report before both houses of the State Legislature. The consolidated annual report of the GPs up to the year 2021-22 had been laid before the State Legislature.

1.12.2.2 Financial statements certification

Section 246 of KPR Act stipulates that the accounts of every GP shall be audited each year by such officer as may be authorised by the Principal Director, KSAAD. The KPRGP (B&A) Rules stipulates the procedure to be followed. As per the prescribed procedure, the approved accounts shall be sent to the Chief Accounts Officer of the ZP and the Assistant Controller of the concerned Local Audit Circle for taking up audit. On completion of audit, the Assistant Controller of Local Audit Circle shall issue Audit Report on behalf of the Principal Director, KSAAD to the GP and Executive Officer within one month after completion of audit and ensure that the Audit Report shall contain a certified statement of Annual Receipt and Payment Account, Income and Expenditure account and Balance Sheet of the GP. The audit of accounts is important as the State Government may withhold release of funds to such GPs which fail to furnish accounts to the Audit authority within the stipulated period.

The status of audit conducted by KSAAD, as of March 2022, in respect of GPs in the State is shown in **Table 1.10**.

Table 1.10: Status of audit of GPs by KSAAD as of March 2022

Year	Number of GPs	Number of GPs audited
2017-18	6,022	5,939
2018-19	6,024	5,799
2019-20	6,035	5,493
2020-21	6,021	5,613
2021-22	6,005	5,938

Source: Information furnished by KSAAD

KSAAD stated (March 2023) that 42 GPs were not audited for five to 23 years either due to shortage of manpower or non-furnishing of records by the GPs as of March 2022. The details are given in **Appendix 1.13**.

The State Government accepted (April 2024) the shortfall in auditing GPs.

1.12.2.3 Audit by CAG

(a) Delay in issue of Local Audit Reports to GPs

Rule 246(5) of KPR Act stipulates that the Local Audit Reports (LAR) should be issued to GPs within 30 days from the last date of audit. On a general review of LARs, there was delay in issue of LARs ranging from 3 days to 209 days in 33 out of 45 test checked GPs.

(b) Non preparation of Gram Panchayat Development Plans

Twelve⁵ out of 45 test checked GPs did not prepare the GPDP as required under Section 309 of KPR Act, 1993.

(c) Non conduct of Physical Verification of Stores and Stock

None of the test checked 45 GPs had conducted annual verification of Stores and Stocks.

(d) Status of Certification of Accounts and Compliance Audit

The CAG audits and certifies the accounts of ZPs and TPs under Section 19(3) of CAG's (DPC) Act. The status of Certification of accounts and Compliance Audit for the period 2020-21 is indicated in **Table 1.11**.

Table 1.11: Status of audit of PRIs as of March 2022

	ZP	TP	GP
Certification of Accounts	30	154	-
Compliance Audit	09	23	71

Source: As per the information available in this office

(e) Responsiveness to Audit

Rule 63 of KZP(F&A) Rules stipulate that the heads of the Departments/Drawing and Disbursing Officers of ZPs shall attend to the objections issued by the Accountant General promptly. It further stipulates that the ultimate responsibility for expeditious settlement of audit objections rest with the CEO of ZPs. As of March 2022, 1,468 Inspection Reports (IRs) consisting of 10,944 paragraphs were outstanding in various PRIs as detailed in **Table 1.12**.

⁵ GPs - Arani, Bannikuppe, Belluru, Devalapura, Keregoddu, Kodathi, Kudur, Manchanayakanhalli, Mandya Gramanathara, Mangala, Mayaganahalli, Ummadahalli.

Table 1.12: Statement showing the details of outstanding IRs and paragraphs up to the audit period 2021-22

Unit	More than 10 years (up to 2011-12)		05 to 10 years (2012-13 to 2016-17)		03 to 05 years (2017-18 to 2019-20)		2020-21		2021-22		Total	
	IR	Paras	IR	Paras	IR	Paras	IR	Paras	IR	Paras	IR	Paras
ZPs	180	631	44	322	28	367	12	174	7	96	271	1,590
TPs	516	1,981	112	957	128	1,639	28	320	24	197	808	5,094
GPs	0	0	151	1,352	122	1,553	45	623	71	732	389	4,260
Total	696	2,612	307	2,631	278	3,559	85	1,117	102	1,025	1,468	10,944

Source: Inspection Reports

Out of 1,468 IRs outstanding, 696 IRs (47 *per cent*) containing 2,612 paragraphs (24 *per cent*) were pending for more than 10 years, indicating inadequate action on the part of CEOs. The details of IRs and paragraphs outstanding are in **Appendix 1.14**.

The State Government stated (April 2024) that periodical Ad-hoc Committee meetings at ZPs, TPs and GPs are being conducted for clearance of outstanding audit objections.

1.13 Paragraphs to be discussed by the Committee on Local Bodies and Panchayat Raj Institutions

The Second Administrative Reforms Commission recommended (October 2007) that audit reports on Local Bodies should be placed before the State Legislature and these reports should be discussed by a separate Committee of the State Legislature on the same lines as the Public Accounts Committee.

The State Government constituted the Committee on Local Bodies and Panchayat Raj Institutions on 12 March 2010 to discuss the audit reports on Local Bodies.

The details of paragraphs that appeared in Audit Reports/Annual Technical Inspection Reports during last five years with money value and the pendency position of the discussion is given in **Table 1.13**.

Table 1.13: Statement showing the details of paras with money value appeared in the Audit Reports and pendency of discussion.

(₹ in crore)			
Audit Report	No. of Paras	Money Value	Status of discussion
2019-20	01	1.29	Pending
2020-21	01	0.62	Pending

Source: CAG Audit Reports and Committee on LBs & PRIs meeting files.

The State Government accepted (April 2024) the above findings.

1.14 Implementation of Fourth State Finance Commission Recommendations

The Fourth Finance Commission was constituted in December 2015 for the award period of 2018-19 to 2022-23. Implementation of key recommendations of the Commission are as follows:

1.14.1 Devolution of financial resources between the State and the Local Bodies

One of the recommendations of SFC is that the actual devolution of financial resources between the State and the local bodies are to be in the ratio of 52:48 based on the Non-Loan Net Own Revenue Receipts (NLNORR) allocations with base year as 2018-19 and thereafter every year. Further, the above share of 48 *per cent* of NLNORR is devolved to PRIs, ULBs and BBMP in the ratio of 35, 12, and one respectively. As per the recommendations, 7.76 *per cent* of the share of PRIs in NLNORR was to be earmarked for GPs.

However, Audit observed that the share of the local bodies in NLNORR showed a decreasing trend from 33.43 *per cent* in 2018-19 to 30.93 *per cent* in 2021-22, which was much below the 4th SFC recommendation of 48 *per cent* as shown in **Table 1.14**.

Table 1.14: Relative share of local bodies in NLNORR

(₹ in crore)				
Particulars	2018-19	2019-20	2020-21	2021-22
NLNORR*	1,14,357.00	1,24,540.90	1,18,735.26	1,41,492.43
Devolutions to PRIs#	33,845.99	35,545.48	34,889.18	38,179.59
Devolutions to ULBs#	4,383.25	4,762.94	4,271.55	5,586.32
Total devolutions	38,229.24	40,308.42	39,160.73	43,765.91
Share of local bodies in NLNORR (<i>in per cent</i>)	33.43	32.36	32.98	30.93

*The cess and collection charges have not been considered for calculating NLNORR. Further, the compensation received as back-to-back loans during 2020-21 and 2021-22 has not been considered.

Devolutions from XIII, XIV and XV Finance Commission has not been included.

The State Government accepted (April 2024) the above findings.

1.14.2 Non-implementation of recommendations relating to database management

The 4th SFC vide its report observed data deficiency in RDPR and made recommendations (December 2018) to address the issues. Audit observed that these recommendations are yet to be implemented (February 2023). The recommendations and its implementation status is given in **Table 1.15**.

Table 1.15: Status of Recommendations of SFC relating to database management

Para No.	SFC Recommendation	Status
12.1.8(a)	Adopt the 13 th FC's suggestions and formats for ensuring a proper data base.	Not Implemented
12.1.8(b)	Decentralization Analysis Cell (DAC) with regard to each tier of PRIs should be further be empowered as the nodal agency for maintaining and updating data.	Implemented. However, DAC does not have a dedicated and reliable database.
12.1.8(c)	Local bodies will continue to need funding support for building capacity, data base and maintenance of accounts.	Not implemented.
12.1.8(d)	It is desirable that the local bodies should digitize and put in place all data on their programmes and projects (including historical and legacy data) and make it available in the public domain.	Not implemented.
12.1.8(e)	Information and data availability on the performance and operations on real time basis is critical for effective governance.	Real time data for the performance and operations of PRIs not available.

Source: Fourth SFC Report.

Conclusion

The expenditure against the available funds by the ZPs, TPs and GPs for the year 2021-22 were 82, 72 and 73 *per cent* respectively indicating underutilization of funds. The Inspector General of Registration and Commissioner of Stamps could not transfer the Additional Stamp Duty to the Taluk Panchayats for the period 2019-2022 due to non-reconciliation of receipts with Sub Registrar Offices. ZPs and TPs did not remit the unspent previous Finance Commission Grants to the tune of ₹29.35 crore to the Government account. As at the end of March 2022, 271 Inspection Reports consisting of 1,590 paragraphs, 808 Inspection Reports consisting of 5,094 paragraphs and 389 Inspection Reports consisting of 4,260 paragraphs were outstanding in various ZPs, TPs and GPs respectively. Against ₹11.81 crore ordered for recovery by Ombudsman under MGNREGA Scheme, only ₹3.51 crore was recovered. The State did not devolve the requisite share of NLNORR as per the recommendations of Finance Commission.

Chapter-II

Accountability framework and financial reporting in Urban Local Bodies

Chapter II

Urban Development Department

Accountability framework and financial reporting in Urban Local Bodies

A. Functioning of Urban Local Bodies

2.1 Introduction

The 74th Constitutional Amendment Act (CAA) enacted in 1992 envisaged creation of Local Self Governments for urban areas. The amendment sought to empower Urban Local Bodies (ULBs) to function efficiently and effectively as autonomous entities to deliver services for economic development and social justice with regard to 18 subjects listed in the Twelfth Schedule of the Constitution. In Karnataka, the ULBs are categorized according to their population⁶.

City Corporations (CC) are governed by the Karnataka Municipal Corporations Act, 1976 (KMC Act) and other ULBs are governed by the Karnataka Municipalities Act, 1964 (KM Act). Each Corporation/Municipal area has been divided into several wards, which are determined and notified by the State Government considering the population, geographical features, economic status, *etc.*, of the respective area. The basic information relating to ULBs are given in **Table 2.1**.

Table 2.1: Basic information of the State

Indicators	Unit	State	National
Population	In lakhs	610.95	12,105.69
Urban Population	In lakhs	236.26	3,771.06
Urban Population	Percentage of population	38.7	31.20
Population density	Persons/Sq. Kms	319.00	382.00
Urban Sex Ratio	Per Thousand	963.00	929.00
Urban Literacy rate	Percentage (2011 census)	85.80	84.10
City Corporations	Numbers	11*	-
City Municipal Councils	Numbers	61	-
Town Municipal Councils	Numbers	123	-
Town Panchayats	Numbers	117	-
Notified Area	Numbers	4	-

*Includes BBMP

Source: Karnataka at a Glance (Census of India 2011) and Directorate of Municipal Administration (DMA).

⁶ City Corporation- 3,00,000 and above, City Municipal Council-50,000 to below 3,00,000, Town Municipal Council -20,000 to below 50,000 and Town Panchayat 10,000 to below 20,000 and Notified Area Committees are administered separately by a committee.

Karnataka is the seventh most urbanised State with 38.7 *per cent* of population living in urban areas and the urban literacy of the State (85.80 *per cent*) is above the National literacy rate (84.10 *per cent*).

2.2 Organisation Structure of ULBs

The Urban Development Department (UDD), headed by the Additional Chief Secretary to Government, is the nodal department. The Directorate of Municipal Administration (DMA) established in December 1984 is the nodal agency responsible for the administrative, developmental and financial activities of all ULBs except Bruhat Bengaluru Mahanagara Palike (BBMP), which functions directly under UDD.

All ULBs except Notified Area Committees (NACs) have a body comprising of Corporators/Councillors elected by the people under their jurisdiction. The Mayor/President who is elected by the Corporators/Councillors presides over the meetings of the Council. NACs are administered separately by a Committee under the control of Deputy Commissioner. The Commissioner/Chief Officer is the executive head of ULBs. The organisational structure of ULBs is as shown in **Appendix 2.1**.

2.3 Audit Mandate of CAG with respect to ULBs

The GoK entrusted the audit of ULBs to CAG from the year 2008-09 under Section 14(2) of CAG's (DPC) Act. Subsequently, KM Act amended Section 290(1) as 'audit of all City Municipal Councils, Town Municipal Councils and Town Panchayats in a year shall be subjected to Technical Guidance and Supervision by the CAG through Complementary Audit and submit Annual Technical and Inspection Report'. Similarly, an amendment to KMC Act, inserted sub section (2-A) under section 150 according to which 'the audit of all transactions of receipts and expenditure of Municipal Corporations shall be subject to Technical Guidance and Supervision of the CAG'. With effect from 1 April 2011, GoK entrusted TGS under section 20(1) of CAG's (DPC) Act.

2.4 Devolution of functions

Sections 58 and 59 of Chapter V of KMC Act and Section 87 and 91 of Chapter V of KM Act empower Corporations and Municipal Councils to make adequate provisions to carry out obligatory and discretionary functions. The 74th CAA envisaged devolution of 18 functions listed in the Twelfth Schedule of the Constitution to ULBs (**Appendix 2.2**) Among the 18 functions, the State Government transferred 17 functions to ULBs, the exception being "Fire Services".

2.4.1 Devolution of funds

Section 140 of KMC Act provides for levy of duty on transfer of immovable property in the form of a surcharge at the rate of two *per cent* of the duty imposed by the Karnataka Stamp Act, 1957, on instruments of sale, gift, mortgage, exchange and lease in perpetuity of immovable property situated within the limits of a larger urban area. The entire amount collected in respect of the lands and other properties situated in the urban areas shall be passed on to ULBs in the State, in proportion to the population of ULBs by the IGR&CS after deducting 10 *per cent* towards collection charges.

Further, the ULBs were empowered to levy property tax every year on all buildings or vacant lands or both situated within their jurisdiction under section 103/108A of the KMC Act and Section 94 read with Section 108 of the KM Act. Self-assessment scheme was introduced by the Government from 2001-02 for assessment and collection of property tax by owners of the properties. The DMA developed an online property tax calculator through which property owners could assess and pay their taxes.

The 4th SFC had identified five sources of tax revenue and 30 sources of non-tax revenue such as building plan/licence approval fees, trade licence, rent from shops/markets/commercial establishments, water charges, parking fee, UGD charges, cable laying charges *etc.*, that could be levied by ULBs to augment their own resources. Audit observed that the ULBs were tapping 30 of these 35 identified sources. The details of the five sources that were not tapped are indicated below in **Table 2.2**.

Table 2.2: Details of the five sources that were not tapped

Sl. No.	Source	Statutory provision exists or not
1	Levy of tax on animals	Yes
2	Other fees and tolls	Yes
3	Cable laying charges	Can be levied subject to preparation of byelaws by ULBs and approval from Government
4	Greenery charges	No
5	Dog fee	No

Source: KM and KMC Acts.

2.4.2 Devolution of functionaries

The State Government regulates the classification, method of recruitment, conditions of service, pay and allowance, discipline and conduct of staff and officers of ULBs in accordance with the Karnataka Municipalities (Recruitment of Officers and Employees) Rules, 2010 and the Karnataka Municipal Corporations (Common Recruitment of Officers and Employees) Rules, 2010. The category of posts and recruitment authorities are indicated below in **Table 2.3**.

Table 2.3: Category of posts and recruitment authorities

Category of post	Authority
Group A	State Government
Group B and C	Director of Municipal Administration (DMA) or Officer empowered by Government
Group D	Deputy Commissioner (DC) for City Municipal Councils (CMCs), Town Municipal Councils (TMCs) and Town Panchayats (TPs) and Municipal Commissioner for CCs

Source: Information furnished by DMA

The State Government notified the Cadre and Recruitment Rules (C&R Rules) for Municipalities and Corporations during January 2011 and April 2011 respectively. The C&R Rules were not designed for function-wise requirement of staff as there was no sanctioned post of Environment Engineer in TPs and the existing Health Inspector was in-charge of solid waste management.

2.5 Formation of Committees

As per Section 11 of KMC Act and Section 63 of KM Act, the Corporations and Municipalities shall constitute different committees like Standing Committee, Ward Committee, District Planning Committee.

2.5.1 Standing Committees in ULBs

All ULBs other than BBMP have four⁷ Standing Committees whereas BBMP has eight⁸ Standing Committees. The Mayor / Deputy Mayor and the President / Vice-President of ULBs are *ex-officio* members of all the Standing Committees. The details of few committees are shown in **Table 2.4**.

Table 2.4: List of Committees

Sl. No	Committee Name	Members	Purpose / Powers
1	Taxation Committees	11 in BBMP 7 for others	Shall deal with all matters relating to finance and taxation and all matters not specifically assigned to any other standing committee.
2	Accounts Committee	11 in BBMP 7 for others	Shall deal with all matters relating to accounts and audit.
3	Town planning Committee	11 in BBMP 7 for others	Shall deal with all matters relating to public works, town planning and improvement.
4	Works Committee	11 (only for BBMP)	Shall deal with all major works in the jurisdiction of BBMP like Flyovers, Underpasses, Subways, Road Widening, Ring Roads, Elevated Roads and all works incidental thereto including land acquisition.
5	Public Health Committee	11 in BBMP 7 for others	The Standing Committee for public health, education and social justice shall deal with all matters relating to public health and education and securing the social justice to persons belonging to the Scheduled Castes, Scheduled Tribes and other weaker sections of the society and women.

Source: KMC and KM Acts

The State Government stated (July 2024) that presently Standing Committees are working in Ballari, Belagavi, Davanagere, Hubballi-Dharwad, Kalaburagi, Mangaluru, Mysuru Municipal Corporations. In respect of Shivamogga and Tumakuru, Administrative Officers are assigned and in Vijayapura the Standing Committee is yet to be formed due to Model Code of Conduct.

2.5.2 Ward Committees

The Constitution provides for Ward Committees in all Municipalities with a population of three lakh or more. As per Section 13H of KMC Act, Ward Committee shall be constituted by all the Corporations. The term of these bodies

⁷ Taxation, finance and appeals; public health, education and social justice; town planning and improvement; and accounts.

⁸ Taxation and finance and appeals; public health, solid waste and disaster management; ward level public works, town planning and infrastructure; education and social justice; horticulture; markets; audit and accounts and establishment and administrative reforms.

will be co-terminus with the Council. The Ward Committees were to act as a bridge between the Municipal Government and citizens to function as institutions of neighbourhood governance and increase proximity between elected representatives and citizens to provide a space for citizen participation at the local level planning. They were to perform duties such as preparation and submission of ward development schemes for allotment of funds, ensure proper utilisation of allotted funds, and maintenance of public utilities and to safeguard the assets of the Corporation.

Ward Committees were constituted in BBMP and three⁹ out of 10 CCs (January 2023).

The State Government stated (July 2024) the following reasons for the non-formation of Ward Committees in the remaining CCs as detailed in **Table 2.5**.

Table 2.5: Reasons for non-formation /delayed formation of Ward Committees in CCs.

City Corporations	Reasons for the delay
Ballari	Applications are accepted only for nine wards out of 39 wards. For other wards, the prescribed number of applications was not received, as such, the action would be taken to issue a public press release in the general meeting.
Belagavi	The required number of applications for forming the respective Ward Committees have not been received.
Davanagere	Action will be taken as per the decision of the General Assembly meeting subject No: 09 regarding the formation of Ward Committees in the remaining 23 wards.
Hubballi-Dharwad	Action would be taken as per the directions issued by DMA vide letter dated: 19.01.2024.
Kalaburagi	842 applications have been received from 55 wards. In the rest of the wards, the prescribed number of applications had not been received. Accordingly, the matter would be brought to the notice of the general meeting.
Mangaluru	Agenda has been presented to the Council regarding the nomination of representatives to the Area Sabhas of 60 wards vide Council Resolution No: 48/23-24 Dated: 28.07.2023. However, vide Council Resolution No. 49/2023-24 Dated: 28.07.2023, the said agenda had been postponed until the formation of the Area Sabha bye-laws. A committee has already been constituted under the chairmanship of the Hon'ble Mayor regarding framing of Bylaws as per Section-13J for smooth functioning of Ward Committees and Area Sabhas. Accordingly, after completion of draft of the bye-laws, the steps will be taken to form the area council.

⁹ Mangaluru CC (60 wards), Shivamogga CC (35 wards), Tumakuru CC (35 wards).

City Corporations	Reasons for the delay
Mysuru	A letter had been addressed to the Government regarding the criteria and process for nominating the members and action will be taken as per the clarification from Government.
Shivamogga	The term of the Elected Governing Body had expired on 27.11.2023.
Tumakuru	The term of the Elected Governing Body in Tumakuru City Corporation has expired on 29.01.2024. Therefore, it has been informed that Area Councils have not been formed.
Vijayapura	Election of Mayor and Sub-Mayor was held on 09.01.2024 and the Ward Committees will be formed soon.

Source: Reply of the State Government.

2.5.3 District Planning Committee

Article 243ZD of the Constitution of India provides for the constitution of a DPC for consolidation of plans prepared by the Panchayats and the Municipalities. The DPC was to prepare a comprehensive DDP with regard to matters of common interest between the Panchayats and the Municipalities including spatial planning; sharing of water and other physical and natural resources; integrated development of infrastructure and environment conservation and extent and type of available resources, whether financial or otherwise. The DDP was to be forwarded to the State Government through the Decentralised Planning and Development Committee (DPDC) for integration into the State plan. Funds for the DPCs were to be mobilised through annual contribution from the rural and urban local bodies. Further, in accordance with the circular issued (April 2001) by the State Government, the DPC was to conduct meetings regularly. The details of the DPC meetings conducted is awaited.

The DPCs were constituted in all districts except Bagalkote (July 2017). DPCs were reconstituted (September 2020) to formulate development plans. The DPC in Bagalkote was not formed, as the matter is pending in Hon'ble High Court.

2.6 Delegation of Financial Powers

The delegation of financial powers is provided in Sections 181 and 182 of KMC Act and Rule 6, 6A and Rule 7 of KMC Rules 1977 as amended from time to time. Details of delegation of financial powers as provided in these rules are as follows:

2.6.1 Powers relating to works

The State Government revised (November 2016) the administrative, technical and tender approval powers relating to ULBs for undertaking basic infrastructure works. The administrative approval of powers as per the revised orders is given in **Table 2.6**.

Table 2.6: Statement showing the administrative approval of powers for ULBs

(₹ in lakh)

Category of ULB	Officer Commissioner /Chief	Standing Committee	Council	Deputy Commissioner	DMA	Government
CC	≤50	>50 ≤ 100	>100 ≤	>200 ≤ 500	>500 ≤ 1,000	≥1,000
CMC-I	≤15	>15 ≤ 3330	>30 ≤	>100 ≤ 500		
CMC-II	≤10	>10 ≤ 20	>20 ≤ 50	>500 ≤ 500		
TMC	≤5	>5 ≤ 15	>15 ≤ 30	>30 ≤ 500		
TP	≤2	>2 ≤ 10	>10 ≤ 15	>15 ≤ 500		

Source: Government order No. UDD 184 MNE Bengaluru dated 11 November 2016

Further, the authorities indicated in the above table have the powers to approve tenders as per their administrative powers for tenders involving tender premium less than or equal to five *per cent*. For tender premium greater than five *per cent* but less than or equal to 10 *per cent*, the powers are vested with DMA and for tenders up to ₹1,000 lakh and beyond 10 *per cent*, the powers are vested with the Government. The engineers of CCs and CMCs have powers to accord technical sanction up to ₹500 lakh and ₹50 lakh, respectively while the engineers of TMCs and TPs have powers up to ₹5 lakh.

2.6.2 Powers relating to other expenditure

The State Government amended (February 2004) the Karnataka Municipalities (Powers of Expenditure) Rules, 1986 wherein expenditure powers are specified for Town and City Municipalities. However, the expenditure limits as indicated in **Table 2.6** have not been revised for more than 19 years.

The State Government stated (July 2024) that steps will be taken to revise the expenditure limits through consultation with the ULBs.

2.7 System of Accounting

Financial reporting is a key element of accountability. On the recommendations of 11th CFC, GoI had entrusted the responsibility of prescribing appropriate accounting formats for ULBs to CAG.

The Ministry of Urban Development, GoI had developed the National Municipal Accounts Manual (NMAM) as recommended by the CAG's Task Force. The State Government brought out the Karnataka Municipalities Accounting and Budgeting Rules, 2006 (KMABR) based on NMAM with effect from 1 April 2006. KMABR was introduced in a phased manner in all ULBs except BBMP. All ULBs were preparing fund-based accounts in double entry system. BBMP was maintaining Fund Based Accounting System (FBAS) based on the Bengaluru Mahanagara Palike (Accounts) Regulations, 2001 and has switched over (2015-16) to Integrated Financial Management System (IFMS).

The State Government stated (July 2024) that based on KMABR and NMAM, draft BBMP (Accounting & Budgeting) Rules, 2020 approved by the Council is under consideration.

2.8 Ombudsman

As per the recommendations of the 13th CFC, the State Government was required to put in place a system of independent local body Ombudsman to investigate complaints of corruption and maladministration against the functionaries of local bodies, both elected members and officials. It was observed that an independent ombudsman was not appointed.

The State Government stated (July 2024) that the Project Directors in the District Urban Development Cells (DUDC) created in the District Commissioner office are investigating and taking action on the complaints/appeals submitted against the officers/employees of the ULBs of the respective districts. In cases of serious allegations, an investigation team is assigned by the DMA office to get a report and take necessary action. Hence, it was felt the appointment of separate Ombudsman was not necessary.

The action of the State Government is in contravention of 13th CFC recommendations.

2.9 Fire Hazard

As per the guidelines of the 13th CFC, all Municipal Corporations with a population of more than one million (2001 Census) must put in place a fire hazard response and mitigation plan for their respective jurisdictions. In Karnataka, there is only one ULB with more than one million population (2011 Census), *i.e.*, BBMP. For the city of Bengaluru, a fire hazard response and mitigation plan has been uploaded on the website www.municipaladm.gov.in. However, the same has not been published in the State Gazette.

The State Government stated (May 2024) that 74th CAA devolved 18 functions listed in 12th schedule of constitution to ULBs. Out of 18, 17 functions were transferred to ULBs. Fire Fighting services had not yet been transferred to BBMP and hence not included in BBMP Act.

B Financial Profile and Reporting

2.10 Financial Profile

2.10.1 Resources of Urban Local Bodies

The details of revenue received by the ULBs (other than BBMP) and BBMP during the period 2017-18 to 2021-22 are shown in **Table 2.7** and **Table 2.8**.

Table 2.7: Resources of ULBs (Other than BBMP)

Year	Grants		Own revenue	Total Revenue
	GoK	GoI		
2017-18	1,422	2,634	1,515	5,571
2018-19	1,125	2,467	1,543	5,135
2019-20	2,881	1,450	1,713	6,044
2020-21	2,552	1,183	1,787	5,522
2021-22	2,615	603	2,207	5,425

Source: Information furnished by DMA

Table 2.8: Resources of BBMP

(₹ in crore)

Year	Grants		Own Revenue	Total Revenue
	GoK	GoI		
2017-18	275.30	3,754.68	2,825.12	6,855.10
2018-19	301.72	3,417.28	2,688.88	6,407.88
2019-20	2,206.77	487.85	3,715.52	6,410.14
2020-21	3,512.20	279.00	3,369.93	7,161.13
2021-22	3,053.23	140.22	5,586.83	8,780.27

Source: Information furnished by BBMP

Table 2.7 shows that the capacity of ULBs (other than BBMP) to generate own revenue during the period 2017-18 to 2021-22 was not encouraging as the proportion of own revenue to total receipts was in the range of 27 to 41 *per cent* for ULBs.

Table 2.8 shows the mixed trend in generation of own revenue in BBMP. However, for BBMP the proportion of own revenue to total receipts was in the range of 41 *per cent* to 64 *per cent*.

The State Government accepted (July 2024) the audit findings.

2.10.2 Application of Resources

The details of expenditure of ULBs (other than BBMP) and BBMP for the period from 2017-18 to 2021-22 is as shown in **Table 2.9** and **Table 2.10**.

Table 2.9: Application of Resources of ULBs (Other than BBMP)

(₹ in crore)

Expenditure	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue	3,661	3,441	3,996	3,650	4,571
Capital	1,797	1,171	2,006	2,082	2,062

Source: Information furnished by DMA

It can be seen from **Table 2.9** that revenue expenditure increased by 25 *per cent* while the Capital expenditure increased during the years 2017-18 to 2021-22 by 15 *per cent* in respect of ULBs (other than BBMP).

Table 2.10: Application of Resources of BBMP

(₹ in crore)

Expenditure	2017-18	2018-19	2019-20	2020-21	2021-22
Revenue	3,354.10	2,719.91	6,411.22	6,379.18	4,309.93
Capital	4,009.16	3,793.66	681.86	694.50	4,537.26

Source: Information furnished by BBMP.

It can be seen from **Table 2.10** that revenue expenditure increased by 28 *per cent* while the Capital expenditure increased by 13 *per cent* during the years 2017-18 to 2021-22 in respect of BBMP.

As could be observed from above (**Table 2.7** to **Table 2.10**) the ULBs were more dependent on grants received from Central and State Government to meet their Capital and Revenue expenditure.

The State Government stated (May 2024) that measures were being taken to control fiscal expenditure to provide more funding for capital expenditure.

2.10.3 Position of Receipts and Expenditure of major Schemes

Receipt and expenditure incurred on major schemes implemented by ULBs during the period from 2017-18 to 2021-22 is given in **Table 2.11**.

Table 2.11: Receipts and Expenditure of major schemes

(₹ in crore)

Year	Receipts				Expenditure			
	SBM	AMRUT	UIDSS MT	PKGBY	SBM	AMRUT	UIDSS MT	PKGBY
2017-18	131.27	408.86	326.08	42.64	86.46	814.90	227.63	43.42
2018-19	399.71	812.54	145.97	42.90	37.61	1,012.20	116.76	9.23
2019-20	72.00	837.24	0.00	57.10	8.53	1,198.21	13.62	43.64
2020-21	00.00	581.21	0.00	29.71	157.05	784.98	30.10	40.31
2021-22	199.01	156.65	0.00	30.00	47.3	325.54	24.72	28.24
Total	801.99	2,796.50	472.05	202.35	336.95	4,135.83	412.83	164.84

Source: DMA

SBM: Swachh Bharat Mission

AMRUT = Atal Mission for Rejuvenation and Urban Transformation

UIDSSMT= Urban Infrastructure Development Scheme for Small and Medium Towns

PK-GBY = Pourakarmika Gruha Bhagya Yojane

It could be seen from the above that in respect of SBM, the expenditure was only 42 *per cent* against total receipt for the years 2017-18 to 2021-22 and in respect of AMRUT programme, the expenditure was more than the receipts due to spending receipts pertaining to previous years.

The State Government stated (July 2024) that 63 *per cent* of the released funds have been utilized under the SBM scheme till date (July 2024). The reasons of the delay include COVID- Pandemic, public protest near SWM sites, non-availability of land, multiple calls of tender due to non-participation, model code of conduct due to State elections, Lok Sabha elections, bye-elections *etc.*

2.10.4 Status of collection of Property Tax

The State Government stated (May 2024) that a Self-Assessment Scheme (SAS) was introduced for payment of property tax applicable to all Municipalities of the State with effect from 1 April 2002. The position of property tax demanded, collected, balance and percentage of collection to total demand at the end of March 2022 in respect of all ULBs (except BBMP) and targets fixed and collections against targets in respect of ULBs and BBMP are shown in **Tables 2.12** and **Table 2.13** respectively.

Table 2.12: Position of demand, collection and balance of property tax in ULBs

(₹ in crore)

Year	Opening Balance	Current year demand	Total demand	Collection	Balance	Percentage of collection to total demand
2017-18	596	802	1,398	745	653	53
2018-19	653	898	1,551	738	812	48
2019-20	812	851	1,664	773	891	46
2020-21	891	1,579	2,470	856	1,614	35
2021-22	1,614	983	2,597	931	1,666	36

Source: Details furnished by DMA.

It can be seen that arrears of property tax had increased from ₹653 crore in 2017-18 to ₹1,666 crore in 2021-22 and the collection decreased from 53 *per cent* during 2017-18 to 36 *per cent* during 2021-22.

Table 2.13: Status of collection of property tax in BBMP

(₹ in crore)

Year	Number of properties for which tax collected	Total Demand	Actual Collection	Balance	Percentage of collection
2017-18	15,46,459	3,734.00	2,133.26	1,600.74	57
2018-19	16,30,770	4,429.00	2,529.42	1,899.58	57
2019-20	17,30,989	4,860.00	2,686.29	2,173.71	55
2020-21	18,07,589	4,899.00	2,781.45	2,117.55	57
2021-22	18,89,345	4,870.10	3,010.40	1,859.70	62

Source: Budget and details furnished by BBMP

BBMP failed to collect property tax in accordance with the demand from 2017-18 to 2021-22. However, the collection increased from 57 *per cent* during 2017-18 to 62 *per cent* during 2021-22.

The State Government stated (BBMP-May 2024, ULB-July 2024) that property tax could not be collected to its full potential due to COVID-19 pandemic during 2019-20 to 2020-21. BBMP has introduced (February 2024) One Time Settlement Scheme (OTS) for the benefit of taxpayers and it is expected to collect the pending tax dues at the earliest. The reply indicates the fact of poor collection of property tax as the same was within the range of 55 to 62 *per cent* only.

Property Tax Board

The 13th CFC recommended that State Governments must constitute a State level Property Tax Board, which would assist all Municipalities and Municipal Corporations in the State to put in place an independent and transparent procedure for assessing property tax. Further, Sections 102A to 102Y under Chapter IX-A of KMC Act provides for establishment of the Karnataka Property Tax Board by the State Government.

The Property Tax Board was established in the State during July 2020 and Non-Official Expert Member was appointed for the Board during November 2020.

2.10.5 Non/short remittance of cess

Section 108A of KMC Act provides for levy and collection of Property Tax along with the applicable cess such as health, library and beggary cess in respect of CCs including BBMP. The authority mandating the levy of cess, the rates and the head of account/institution to which the cess is to be remitted are as detailed in **Table 2.14**.

Table 2.14: Details of cess to be levied on property tax by ULBs

Sl. No	Type of cess	Authority mandating levy of cess	Effective From	Rate (per cent)	Purpose	To be remitted to
1	Health Cess	The Karnataka Health Cess Act, 1962	September 1962	15	Improve primary/ basic health care infrastructure	0045-00-109-0-01 (State Fund)
2	Library Cess	The Karnataka Public Libraries Act, 1965	April 1966	6	Improvement and development of library services	District Central/ City Library
3	Beggary Cess	The Karnataka Prohibition of Beggary Act, 1975	April 1976	3	Provide relief and rehabilitation to the beggars	Central Relief Fund

Source: KMC Act

Scrutiny of the information furnished by DMA and BBMP showed that huge balances of cess collected during the period 2017-18 to 2021-22 were not remitted to the departments concerned as detailed in the **Table 2.15** and **Table 2.16** respectively.

Table 2.15: Details of collection, remittance and balance of cess in ULBs (Other than BBMP)

(₹ in crore)

Year	Health Cess				Library Cess				Beggary Cess			
	OB	C	R	CB	OB	C	R	CB	OB	C	R	CB
2017-18	261	68	29	300	46	27	21	52	32	19	12	39
2018-19	300	70	20	350	52	28	23	57	39	21	12	48
2019-20	350	118	48	420	57	33	44	46	48	22	39	31
2020-21	420	132	84	468	46	53	48	51	31	27	29	29
2021-22	468	107	71	504	51	44	41	54	29	22	21	30

Source: Information furnished by DMA

OB: Opening Balance C: Collected R: Remitted CB: Closing Balance

The ULBs in the State had not remitted ₹504.00 crore of health cess, ₹54.00 crore of library cess and ₹30.00 crore of beggary cess to the departments/ heads of account concerned.

Table 2.16: Details of collection, remittance and balance of cess in BBMP

(₹ in crore)

Year	Health Cess				Library Cess			Beggary Cess		
	C	Rtd	R	B	C	R	B	C	R	B
2017-18	235.46	23.55	0	211.91	83.38	14.00	61.04	46.56	19.22	22.68
2018-19	273.31	27.33	0	245.98	101.16	78.09	12.95	54.58	10.00	39.12
2019-20	286.23	28.62	0	257.61	114.49	13.00	90.04	57.24	102.00	-50.48
2020-21	298.99	29.90	0	269.09	119.59	75.00	32.63	59.79	46.00	7.81
2021-22	322.88	32.28	0	290.59	127.45	55.00	59.70	63.72	45.00	12.35
Total	1,416.87	141.69	0	1,275.18	546.07	235.09	256.36	281.89	222.22	31.48

Source: Information furnished by BBMP

C: Collected R: Remitted B: Balance Rtd.: 10 per cent collection charges eligible to be retained by BBMP.

Further, BBMP failed to remit health cess of ₹1,275.18 crore (excluding collection charges of ₹141.69 crore), library cess of ₹256.36 crore and beggary cess of ₹31.48 crore to the departments/head of accounts concerned, which is in violation of provisions of KMC Act.

The State Government stated (July 2024) that DMA has issued Circular instructions directing all the ULBs including 10 CCs to transfer the cess amount collected as per the Fund Based Accounting System records to an ESCROW Bank Account automatically and remit the same to the concerned authorities. Accordingly, the ULBs are taking action to transfer the cess amount collected to the concerned authorities.

In respect of BBMP, exemption has been sought (December 2023) for payment of health cess as BBMP is providing health services by way of referral, maternity and other health services. Steps are being taken to pay the cess amount in a phased manner. Library cess and beggary cess will be remitted regularly.

2.10.6 Release of duty on transfer of immovable properties

As per Section 140 of KMC Act, the duty on transfer of immovable property shall be levied in the form of a surcharge at the rate of two *per cent* of the duty imposed by the Karnataka Stamp Act, 1957 on instruments of sale, gift, mortgage, exchange and lease in perpetuity of immovable property situated within the limits of a larger urban area. The Additional Stamp Duty collected in respect of the lands and other properties situated in the urban areas shall be passed on to ULBs in the State, in proportion to the population of the ULBs by the IGR&CS after deducting 10 *per cent* towards collection charges.

The duty on transfer of immovable properties of ₹31.86 crore (97 *per cent*), out of duty collected of ₹32.85 crore for the years 2017-18 and 2018-19 were released to ULBs during December 2018 and September 2021 and the duty on transfer of immovable properties to ULBs for the years 2019-20 to 2021-22 is under progress (January 2023).

The State Government stated (May 2024) BBMP is yet to realise ₹82.24 crore of Additional Stamp Duty as at the end of March 2022.

2.10.7 Central Finance Commission

Article 280(3)(C) of the Constitution mandated the CFC to recommend measures to augment the Consolidated Fund of a State to supplement the resource of ULBs based on the recommendations of the respective SFCs. While the 14th CFC recommended basic grant and performance grant to ULBs, 15th CFC recommended tied¹⁰ and untied¹¹ grants.

The details of funds received from GoI and transferred to ULBs by GoK during 2017-18 to 2021-22 is shown in **Table 2.17**.

Table 2.17: Details of release of 14th and 15th FC Grants to ULBs during 2016-17 to 2019-20

(₹ in crore)

Year	Basic Grant			Performance Grant		
	Allocation	Release	Shortfall	Allocation	Release	Shortfall
14th CFC						
2017-18	808.02	808.02	0.00	259.94	256.16	3.78
2018-19	738.55	738.55	0.00	295.20	0.00	295.20
2019-20	997.60	998.17	-0.57	0.00	0.00	0.00

¹⁰ Grants given for specific purpose and not intended for any other purpose.

¹¹ Discretionary grants.

Year	Basic Grant			Performance Grant		
	Allocation	Release	Shortfall	Allocation	Release	Shortfall
15th CFC						
2020-21	991.00	991.00	0.00	There is no performance grant concept in 15 th CFC		
2021-22	750.00	750.00	0.00			

Source: Information furnished by DMA

There was a short release of Performance Grants to the ULBs for the year 2017-18 amounting to ₹3.78 crore and ₹295.20 crore for the year 2018-19.

The State Government stated (July 2024) that though the claim towards shortfall in release of Performance Grants to ULBs to the extent of ₹3.78 crore for the year 2017-18 and ₹295.20 crore for the year 2018-19 was with GoI, the same were not released till date.

2.10.8 Utilisation of 14th and 15th CFC Grants

The details of releases, utilisation and balance amount in respect of 14th and 15th CFC grants are shown in **Table 2.18**.

Table 2.18: Details of amount utilised against the release of 14th and 15th CFC grants

(₹ in crore)				
Sl.no.	Particulars	Released Amount	Utilised Amount	Un-utilised Amount
14th CFC				
1	2017-18 Basic Grants	808.02	798.59	9.43
2	2017-18 Performance Grants	256.16	161.64	94.52
3	2018-19 Basic Grants	738.55	738.55	0.00
4	2019-20 Basic Grants	998.17	972.56	25.61
15th CFC				
1	2020-21	991.00	822.7	168.3
2	2021-22	750.00	571.01	178.99

Source: Information furnished by DMA

The State Government did not furnish (July 2024) any reasons for non-utilization of available funds.

2.11 Reporting framework

2.11.1 Functioning of Finance/Accounts Sections of ULBs

As per KMABR, every municipality shall follow the chart of accounts, accounting and budgeting procedures and maintain or cause to maintain such books of account as prescribed in these rules to adequately record all incomes, expenditures, assets and liabilities in respect of each fund. It should also maintain or cause to maintain forms and registers prescribed in the rules to record all financial transactions.

The Finance/Accounts section assists the Municipal Commissioner or the Chief Officer in preparation of the budget. It maintains accounts related records, prepares monthly accounts and consolidated Demand Collection and Balance statements. It also prepares annual financial statements comprising Receipt and Payment account, Income and Expenditure account, Balance Sheet and significant accounting policies followed in the presentation of the financial statements and Notes to Accounts which shall disclose contingent liabilities and

such other information as may be useful in understanding the financial statements clearly.

2.11.2 Financial statements certification in ULBs

According to KMABR (Rule 125), ULBs shall prepare the financial statements consisting of Receipts and Payments Account, Balance Sheet and Income and Expenditure Account along with Notes on Accounts in the form and manner prescribed and submit them to the Chartered Accountants (auditor) appointed by the State Government, within two months from the end of the financial year.

The auditor should complete the audit within four months (July) from the date of closure of financial year (31 March) and after completion of audit, should submit a report along with the audited accounts to the Municipal Council and the State Government. The audited accounts should be adopted by the Council within five months from the end of the financial year.

Accounts of 24 ULBs out of 309 ULBs were certified for the year 2020-21 and 18 ULBs out of 315 ULBs were certified for the year 2021-22 as at the end of December 2022.

The State Government stated (June 2024) that preparation of Annual Accounts for the year 2021-22 of all ULBs has been completed.

2.11.3 Financial statements certification in BBMP

In terms of provision 9(2) of Part II Schedule IX to KMC Act, the Commissioner, BBMP is required to prepare annual accounts every year and produce the accounts along with relevant records to the Chief Auditor for scrutiny not later than the first day of October in the year succeeding to which such account and registers relate.

However, the Principal Director, KSAAD, who is the statutory Auditor for BBMP, had audited the accounts of BBMP up to 2020-21 only (February 2023).

The State Government stated (May 2024) the annual accounts for the year 2021-22 have been submitted for certification.

2.12 Audit Arrangements

2.12.1 Internal audit

Internal Audit is an important instrument to examine and evaluate the level of compliance with rules and procedures as envisaged in the relevant Acts as well as in the Financial/Accounting Rules so as to provide independent assurance to management on the adequacy of the risk management and internal control framework in the ULBs.

The DMA did not have Internal Audit Wing to supervise the functions of ULBs and stated (July 2024) that the Government approved (August 2018) the upgradation and sanctioned additional post, which would be utilized for establishing the Internal Audit Wing.

The State Government stated (July 2024) that though Internal Audit Wing has been established in DMA, audit is being done with available personnel due to shortage of staff.

In respect of BBMP, the draft Rules and Regulations for establishment of Internal Audit Wing is under approval.

2.12.2 External audit

2.12.2.1 Audit by Karnataka State Audit and Accounts Department

The Principal Director, KSAAD, is the Primary Auditor of ULBs as per Section 150 of KMC Act and Section 290 of KM Act. The Primary Auditor's duty, *inter alia*, is to certify correctness of accounts, assess internal control system and report cases of loss, theft and fraud to audit entities and to the State Government. The status of audit by KSAAD during the period 2017-18 to 2021-22 in respect of ULBs is shown in **Table 2.19**. The Auditor is required to prepare a report on the accounts audited/examined and send a report to the Municipal Council concerned and the DMA. The Principal Director, KSAAD shall send consolidated Annual Audit Report pertaining to CMCs, TMCs, and TPs to the State Government for being placed before both Houses of the State Legislature. The Act/Rules are silent about the discussion of the consolidated Annual Audit Report.

Table 2.19: Statement showing the details of audit of ULBs by KSAAD as of March 2022

Year	CC		CMC		TMC/TP/NAC	
	Total	Audited	Total	Audited	Total	Audited
2017-18	11	10	56	48	210	184
2018-19	11	04	59	37	211	134
2019-20	11	04	58	24	212	91
2020-21	11	00	59	00	214	05
2021-22	11	02	59	18	218	65

Source: Information furnished by KSAAD

As seen above, the number of units audited by the KSAAD for 2018-19 to 2021-22 was drastically reduced compared to the year 2017-18.

The State Government did not furnish any reply.

• Non-inclusion of TGS aspect in the manual of KSAAD

The KSAAD was governed by the Mysuru Local Fund Audit Manual 1967 and other manual/instructions issued from time to time. Due to the amendments to relevant Acts and Rules and major changes in the system of accounting of many of the auditees including GPs and ULBs, the KSAAD manual was revised and submitted to the State Government in November 2014 for approval and the approved manual was brought out in August 2016. Though the audit of GPs and ULBs were entrusted to CAG under TGS with effect from 2010-11 and 2011-12 respectively, this aspect was not mentioned in the manual. Insertion of the entrustment to CAG under TGS module and the terms and conditions in the manual will create awareness among the audit staff of KSAAD and streamline the TGS system and make it more fruitful.

2.12.2.2 Audit by CAG

Under the TGS Module, this office has audited 22 ULBs and 21 audit units of BBMP in 2020-21, and 18 ULBs and 17 units of BBMP in 2021-22. CAG undertakes Performance Audits and Compliance Audits also in ULBs.

- **Performance audit**

During 2021-22, this office conducted Performance Audit on “*Mukhayamantrigala Nagarothana Yojane Phase-III*”. Performance Audit was conducted under section 13, 14, 15, 16, 17, 19 and 20 read with Section 23 of CAG’s (DPC) Act and regulation 45 to 52 of Regulation on Audit and Accounts-2020. The report was placed in the State Legislature (December 2022).

- **Compliance audit**

During 2021-22, this office has conducted various Compliance Audits under section 14(2) of CAG’s (DPC) Act.

- **Responsiveness to Audit**

Authorities were required to comply with the observations contained in the IRs issued by Accountant General, Karnataka and report their compliance within one month from the date of issue of such IRs. The details of outstanding paragraphs in respect of ULBs as on 31 March 2022 are shown in **Table 2.20**.

Table 2.20: Statement showing the details of non-compliance of the outstanding IRs and paragraphs

Year	Number of IRs	Number of Paragraphs
Up to 2017-18	511	9,040
2018-19	114	1,833
2019-20	14	258
2020-21	04	48
2021-22	38	242
Total	681	11,421

Source: Monthly Progress Report

Out of 681 IRs outstanding, 625 IRs (91.78 *per cent*) containing 10,873 paragraphs (95.20 *per cent*) were pending for more than three years indicating inadequate action on the part of ULBs.

2.13 Paragraphs to be discussed by the Committee on Local Bodies and Panchayat Raj Institutions

As at the end of March 2022 there were no paras pending for discussion by the LB and PRI committee.

Conclusion

During the period 2017-22, the proportion of own revenue to total receipts in respect of ULBs (other than BBMP) was in the range of 27 *per cent* to 41 *per cent* only, while the same for BBMP was in the range of 41 *per cent* to 64 *per cent*. Arrears of property tax in ULBs (other than BBMP) had increased from

₹653.00 crore in 2017-18 to ₹1,666.00 crore in 2021-22 and the collection decreased from 53 *per cent* during 2017-18 to 36 *per cent* during 2021-22. Arrears of property tax in BBMP had increased from ₹ 1,600.00 crore in 2017-18 to ₹1,860.00 crore in 2021-22 and the collection increased from 57 *per cent* during 2017-18 to 62 *per cent* during 2021-22. ULBs (other than BBMP) in the State have not remitted ₹504.00 crore of health cess, ₹54.00 crore of library cess and ₹30.00 crore of beggary cess to the departments / heads of account concerned. BBMP did not remit the entire health cess of ₹1,275.18 crore, library cess of ₹256.36 crore and beggary cess of ₹31.48 crore. The duty on transfer of immovable properties to ULBs for the year 2019-20 to 2021-22 was under progress (January 2023). The Property Tax Board was established in the State only during July 2020. The State Government did not have an Internal Audit Wing to oversee the functions of BBMP. Out of 681 Inspection Reports outstanding, 625 Inspection Reports containing 10,873 paragraphs were pending for more than three years indicating inadequate action on the part of ULBs.

Chapter-III

**Results of Audit of Gram Panchayats
and Urban Local Bodies under TGS
Module**

Chapter III

Results of Audit of Gram Panchayats and Urban Local Bodies under Technical Guidance and Supervision Module

3.1 Introduction

The State Government entrusted TGS mandate in respect of GPs and ULBs to the CAG under Section 20(1) of CAG's (DPC) Act. The entrustment for GPs was given for a period of five years from 2010-11 to 2014-15 and the validity is being extended for a further period of every five years. The current entrustment is for the period up to 2024-25.

As per the standard terms, CAG shall provide suitable TGS to primary statutory Auditors of GPs and ULBs viz., the Principal Director, KSAAD for strengthening Public Finance Management and Accountability in GPs/ULBs. Section 120 to 122 of Audit Regulations, 2020 issued under section 23 of CAG's DPC Act prescribe the areas where TGS support is to be extended i.e., planning, methodology/procedure, advice on improvements to the existing systems followed by the primary auditor, assistance for developing a system of internal control and training and capacity building. Information in respect of these parameters is obtained through specific returns/reports to be submitted by the Primary Auditor as discussed below.

3.2 Audit Planning

Audit Planning is essential in view of the need to prioritize manpower resources and focus on important aspects. It involves risk analysis of units based on various pre-decided parameters. The KSAAD is required to prepare the Annual Audit Plan (AAP) by the end of March every year for audit of GPs and ULBs in the next financial year and forward it to the office of Accountant General (Audit) [hereafter referred to as AG (Audit)] of the State. The KSAAD had submitted its Audit Plan for the year 2021-22 on 30 July 2021 after a delay of four months.

Chapter IV of the KSAAD manual highlights the importance of risk analysis and usage of sampling in audit:

- A hundred *per cent* audit check is not only highly expensive but also unwarranted as the objective of audit could be well achieved by a test check (Para 68).
- Since it is not possible to verify all the transactions, events, records *etc.*, the auditor uses risk to narrow down to areas or groups of transactions for audit (Para 69).

Chapter VI of the manual deals with the Audit Planning and manpower allocation to different types of audit units. The number of man-days allotted for each type of institution is indicated in **Table 3.1**.

Table 3.1: Number of mandays allotted for audit

Sl. No	Institution	Mandays
1	Gram Panchayat	Maximum 6
2	Town Panchayat	25-40
3	Town Municipal Council	40-50
4	City Municipal Council	150-200
5	Mahanagara Palike	As decided by the Joint Director, Local Audit Circle, in consultation with the Regional Office

Source: KSAAD Manual

The Annual Audit Plan for the year 2020-21 was not furnished by the primary auditor by March 2020. Audit Plan for the year 2021-22 submitted by KSAAD did not indicate any risk analysis as all the 6,005 GPs and 288 ULBs were planned for Audit. The KSAAD could audit 5,938 GPs and 85 ULBs indicating reduced man-days for each unit.

As per CAG mandate, all units to be audited are categorized into High, Medium and Low risk units based on detailed risk analysis viz., trend of expenditure and receipts, past audit findings from Inspection Reports, five-year plans and working group reports/Annual Plans etc. While the high-risk units are audited annually, the rest of the units are covered over a period of two to five years. The adoption of risk analysis methodology (as followed by CAG) by KSAAD is not forthcoming from the audit plan submitted.

3.3 Audit Methodology and Procedure

The audit methodology and procedures for audit of PRIs and ULBs are designed to check compliance with the various Acts and statutes enacted by the State Government and as per the guidelines prescribed by the CAG.

Under TGS module, CAG conducts audit of transactions for the selected two months based on highest expenditure and magnitude of transactions. Check of transactions are extended to the other months for further probe, if any discrepancies are noticed in the selected months. KSAAD may consider adopting this practice.

Further, KSAAD may attempt other types of audit like Performance Audits and Information Technology Systems Audit of selected subject matter.

3.4 Periodic Returns

The Assessment of the primary auditor is based on scrutiny of returns in Annexure A to H prescribed by the CAG, local audit reports and scrutiny of records of GPs and ULBs selected for audit under TGS module. The details regarding the returns furnished by the primary auditor to the AG (Audit) for the year 2020-21 and 2021-22 is given in **Table 3.2**.

Table 3.2: Returns furnished by the primary auditor

	Name of the return	Periodicity	Year	Due date	Actual date of submission	Remarks
Annexure A	Annual Audit Plan	Annual	2020-2021	31.03.2020	01.07.2021	Audit Plan was prepared and submitted. Total No. of mandays available during the year was 233.
			2021-2022	31.03.2021	30.07.2021	Since audit plan was received after implementation of the same, AG (Audit) could not provide guidance on the same.
Annexure B	Implementation of Audit Plan	Annual	2020-2021	15.04.2021	01.07.2021	Among total Auditable units (6,296), only 5,722 units were audited.
			2021-2022	15.04.2022	20.05.2022	As against 5,875 units, audit was conducted in 5,859 units
Annexure C	Serious Irregularities	Quarterly	2020-2021	15.07.2020 15.10.2020 15.01.2001 15.04.2022	01.07.2021	The details of serious irregularities noticed were not communicated by KSAAD to AG (Audit) for test check and providing guidance.
			2021-2022	15.07.2021 15.10.2021 15.01.2022 15.04.2022	20.05.2022	The details of serious irregularities noticed were not communicated by KSAAD to AG (Audit) for providing guidance and test check.
Annexure D	Training Programmes	Half yearly	2020-2021	August 2020 and February 2021	01.07.2021	AG (Audit) planned to impart training to 55 personnel during the period.
			2021-2022	August 2021 and February 2022	20.05.2022	AG (Audit) imparted training to 28 officers of KSAAD during September-2021.
Annexure E	Progress report of IRs and Paras of DLFA	Annual	2020-2021	15.04.2021	01.07.2021	During the year 2020-21, KSAAD settled 5,046 paras (₹5,002.66 lakh) relating to objections and 3,829 paras (₹963.64 lakh) relating to recovery of amounts.
			2021-2022	15.04.2022	20.05.2022	During the year 2021-22, KSAAD settled 12,658 paras (₹24,055.65 lakh) relating to objections and 6,673 paras (₹1,821.74 lakh) relating to recovery of amounts.
Annexure F	Progress report of IRs and Paras of test checked units	Annual	2020-2021	15.04.2021	01.07.2021	The KSAAD had cleared 295 paras relating to objections and 337 paras relating to recovery.

	Name of the return	Periodicity	Year	Due date	Actual date of submission	Remarks
	forwarded by AG to DLFA		2021-2022	15.04.2022	20.05.2022	The KSAAD had not pursued the AG (Audit) paras.
Annexure G	Consolidated Performance Report	Half yearly	2020-2021	15.10.2020 15.04.2021	01.07.2021	KSAAD reported that 5,722 units audited during 2020-21 and 4,985 LARs were issued, out of which 4,555 LARs were issued in time.
			2021-2022	15.10.2021 15.04.2022	20.05.2022	KSAAD reported that 5,987 units audited during 2021-22 and 5,893 LARs were issued, out of which 5,882 LARs were issued in time.
Annexure H	Status of Certification of Accounts	Annual	2020-2021	15.04.2021	01.07.2021	KSAAD had not furnished the status of certification of accounts of GPs.
			2021-2022	15.04.2022	Not furnished	

Source: Information furnished by KSAAD

3.5 Copies of Inspection Reports

Copies of IRs in respect of selected GPs and ULBs shall be forwarded by the primary auditor to the AG (Audit) for advice on system improvements and the AG (Audit) shall review the same with a view to make suggestions for improvement of existing systems being followed by the KSAAD. CAG reviewed Local Audit Reports of selected 45 and 71 GPs for the years 2020-21 and 2021-22 respectively furnished by KSAAD.

The issues noticed during the review of Inspection Reports of KSAAD and results of more detailed analysis by the CAG are discussed below.

3.5.1 Test check of GPs audited by Primary Auditor

The Primary Auditor conducted audit of 5,297 GPs (January 2021), 5,938 GPs (February 2023), out of which CAG selected 45 and 71 GPs based on expenditure incurred and manpower available for the years 2020-21 and 2021-22 respectively **Appendix 3.1**.

3.6 Important audit findings from the test check of GPs by CAG

3.6.1 Short collection of building license fees - ₹45.61 lakh

Review of Inspection Report: KSAAD vide their IR commented that the correctness of the data could not be verified due to non-maintenance of registers for issue of licenses in GP Doddabanahalli, GP Kittaganur, GP Mandya Gramanthara, GP Kannur, and GP Mayasandra.

On detailed analysis of files relating to issue of building licenses and fee collected in the above five GPs, Audit observed (March 2021) that the GPs collected fees of ₹73.55 lakh instead of ₹119.16 lakh towards issue of building licenses for the period 2016-17 to 2018-19 resulting short collection of ₹45.61 lakh. The details are vide **Appendix 3.2**.

3.6.2 Non collection of building license fees ₹86.05 lakh

The GoK in exercise of powers conferred by Section 315 read with Section 311 of the KPR Act (Karnataka Act 14 of 1993) made the KPR (ZPs, TPs and GPs Control Over erection of buildings) Model Bye-laws, 2015.

As per Rules 4 to 7 of the above model Bye-laws, every person who intends to erect, re-erect or make material alteration or demolish any building, shall give in writing an application for erection, re-erection, material alternation or demolition of the building to the authority of such intention in the form given in Schedule 1 and shall be accompanied by plans and statements in triplicate drawn or prepared along with *Khata* certificate, Receipts for fees, Building Plan and Specifications.

Further, Rule 8 (1) stipulates that no application under Bye law (4) and (7) shall be valid unless and until the person giving such application encloses the challan or receipt for having paid the necessary license fee as specified below:

Industries:

- (a) Fee to be imposed on different types of industrial buildings is shown in Schedule X.
- (b) If the estimation exceeds ₹10 lakh, one *per cent* of total estimated amount shall be paid as labour cess in addition to the amount shown in Schedule X.

Further, Rule 8(2) (v) stipulates that for the purpose of calculating fees, the area covered under the basement shall be counted towards the covered area.

On verification of daybook, bank passbook and other connected records relating to GPs, Shivarupattana and Nosagere of Malur Taluk, Kolar District for the years from 2017-18 to 2019-20, it was observed (March 2022) that there was short/non-collection of building license fee amounting to ₹86.05 lakh in four cases as detailed in **Appendix 3.3**.

Property Assessment needs to be carried out by the PDO of the GP concerned to arrive at the actual amount of Building License fee, based on area/type of the buildings as per the extant Acts and Rules.

The State Government, while accepting the audit observation stated (June 2024) that necessary action will be initiated in this regard.

Recommendation 1: State Government should direct KSAAD to examine all files relating to levy of license fees to ascertain the correctness of assessment and collection.

3.6.3 Loss of revenue due to non-realization of dues on account of dishonoured cheques - ₹48.74 lakh.

Review of Inspection Report: KSAAD had commented in GPs, Kaggalipura, Muguluru, Hulimangala and Anneshwara about non-issue of Form 3-A as per Rule No.20 of KPR (GP Budgeting and Accounting) Rules, 2006 in respect of Cheques/DDs received towards GP revenue.

As per Rule 20 of KPRGP (B&A) Rules, 2006, when GP receives payment by way of cheques or bank drafts, no cash receipt shall be issued. Instead, a temporary receipt in Form 3(A) shall be issued. On realization of the said cheque/bank draft, an official receipt in Form-3 will be issued to the remitter. In the event of the cheque being dishonored by the bank on presentation, the fact shall be reported at once to the remitter with demand for payment in cash. A detailed record of cheques/bank drafts received in the office shall be maintained in Form-4. Proceeds of cheques or bank drafts shall be credited to GP account in the treasury/bank within next day.

However, during test check of records such as daybook, cash receipt, cash book *etc.*, the following discrepancies were noticed.

The test checked four¹² GPs were receiving cheques/drafts from taxpayers and directly issuing Cash Receipts instead of temporary receipt in Form-3(A) as prescribed above. A detailed record of cheques/bank drafts received was not maintained in Form-4. Name of the taxpayer, address, survey number/plot number *etc.*, were not recorded in the General Receipt, as a result, the tax receipts could not be cross verified in the Demand Register (Form-11) of the GP. Instances of dishonoured cheque/loss of cheque or drafts, if any, were not kept on record.

On check of the bank pass sheet of respective GPs for the years 2016-17 to 2019-20, it was noticed that 47 cheques amounting to ₹48.74 lakh were returned/dishonored by the Bank (**Appendix 3.4**) indicating that the GPs did not exercise the procedures prescribed under KPRGP(B&A) Rules 2006.

The State Government accepted the audit comments.

Recommendation 2: The KSAAD should scrupulously audit transactions relating to dishonored cheques and instruct GPs to strictly adhere to KPRGP(B&A) Rules 2006 to safeguard the revenues.

3.6.4 Short collection of rent on advertisement hoardings erected in the GP premises - ₹4.01 lakh.

Review of Inspection Report: KSAAD vide their IR did not comment upon non-collection of rent on advertisement hoardings erected in the GP premises in GP Yamare.

¹² Anneshwara (August 2021), Hulimangala Kaggalipura and Muguluru (March 2021).

On analysis (February 2021) of GP proceedings, copy of agreement executed by the GP with the advertising agency and the rent realised, Audit noticed that the GP Yamare had realised only ₹1.15 lakh during 2017-18 against the amount due of ₹5.16 lakh towards rent for the years 2016-17 and 2017-18 as shown in **Table 3.3**.

Table 3.3: Short collection of rent on advertisement hoardings

(Amount in ₹)				
Sl. No.	Year	Rent on advertisement hoardings to be collected	Rent on Advertisement hoardings actually collected	Non/Short collection
1	2016-17	2,16,000	0	2,16,000
2	2017-18	3,00,000	1,15,295	1,84,705
Total		5,16,000	1,15,295	4,00,705

Source: Records of GP Yamare.

Further, the GP had neither issued notices nor initiated action towards collection of rent of ₹4.01 lakh with the advertising agency.

The State Government accepted (June 2024) the audit comments and stated that necessary action will be initiated.

Recommendation 3: The KSAAD should verify all such agreements with the agencies and direct GPs to initiate action for realization of pending dues.

3.6.5 Irregular receipt of cheques from GPs by TP official in his personal capacity towards procurement of receipt books and other purchases.

Review of Inspection Report: The issue of handing over cheques without supporting vouchers was not noticed/brought out in KSAAD Inspection Report.

As per Rule-21 of KPRGP (B&A) Rules, 2006, GP shall obtain the printed receipt books in Form-3 from the Government printing press or through ZP of the district. Under no circumstances it shall obtain its receipt books requirement from a private printer.

Further, as per Rule 43, every payment charged to the GP fund shall be supported by a bill or voucher and shall bear an order to pay the specified amount and as per Rule 46 (2), the voucher shall bear or have attached to it an acknowledgement of payment signed by the person for whom or on whose behalf the claim is put forth.

On verification of cash book, bank pass sheets of SB accounts of GP Shantipura and GP Muguluru (March 2021) for the year 2017-18 and 2018-19, it was noticed that the GPs had issued four cheques in the name of Shri T.V. Murthy, FDA of TP Anekal as detailed in **Table 3.4**.

Table 3.4: Details of Issue of cheques in contravention of rules

Sl. No.	Particulars Items	Name of the GPs	Cheque No. / Date	Amount (in ₹)
1	Procurement of Receipt Books	Shantipura	718615/01.01.2019	8,000
2	Procurement of Receipt Books	Muguluru	745134/26.04.2017	10,000
Sub-Total				18,000
3	Procurement of T Shirts for World Environment Day	Muguluru	367060/27.06.2018	6,500
4	Karnataka Panchayat Raj Act. Book	Muguluru	291756/05.09.2018	18,400
Sub-Total				24,900
Grand Total				42,900

Source: Records of GPs

Though the GPs made above purchases from Karnataka Law Journal Publication, Gandhinagar, Bengaluru, cheques were issued in favour of Shri T.V. Murthy, First Division Assistant, TP Anekal instead of transferring the amount to the concerned supplier's account.

The reasons for issue of cheques in personal capacity of TP Official was not forthcoming from the records, which is in contravention to the Rules supra and misuse of Government money cannot be ruled out.

The State Government replied (April 2024) that action will be taken against the concerned officials.

Recommendation 4: The KSAAD should verify procurement procedures of General Receipt Books and other contingent bills in accordance with KPRGP(B&A) Rules 2006.

3.6.6 Improper certification of earth work excavation by manual means instead of mechanical means facilitated payment of excess amount to the contractors - ₹13.06 lakh.

Review of Inspection Report: KSAAD vide their IR did not comment any observation on excess amount paid to the contractors for earth work excavation in GP Tumari.

Rule 34 (8) of Karnataka Public Works code requires the field engineer to ensure that the works are carried out according to the specification approved plans and estimates with required quality at all levels of construction and also timely efficient execution of works entrusted to him.

On a review of 86 works executed during the period from 2016-17 to 2020-21 by GP Tumari relating to development of road, improvements to road and providing NP2 pipes to the road, the following observations were noticed.

- (1) The estimates were prepared by adopting PRED Scheduled Rates, wherein, the item for 'Excavation of soil by manual means with lead up to 50m - Excavation for roadway in soil using manual means for carrying of cut earth

to embankment site with a lift up to 1.5m and lead up to 50m as per Technical Specification Clause 302.3 [Item No.3.5(i)]' was considered.

- (2) It was seen from the photographs taken during execution of work enclosed with final work bills that the same was actually executed by mechanical means, which carried lesser rates when compared to manual means.
- (3) However, it was certified by the concerned Engineers in the measurement books and final RA Bills that the above works were carried out by manual means.
- (4) Accordingly, the contractors had claimed the bill for manual means, which was higher than the mechanical means. The failure of the GP in regulating the claim for mechanical means resulted in excess payment of ₹13.06 lakh to the contractors as detailed in **Appendix 3.5**.

The State Government accepted (June 2024) the audit comments and stated that necessary action will be initiated.

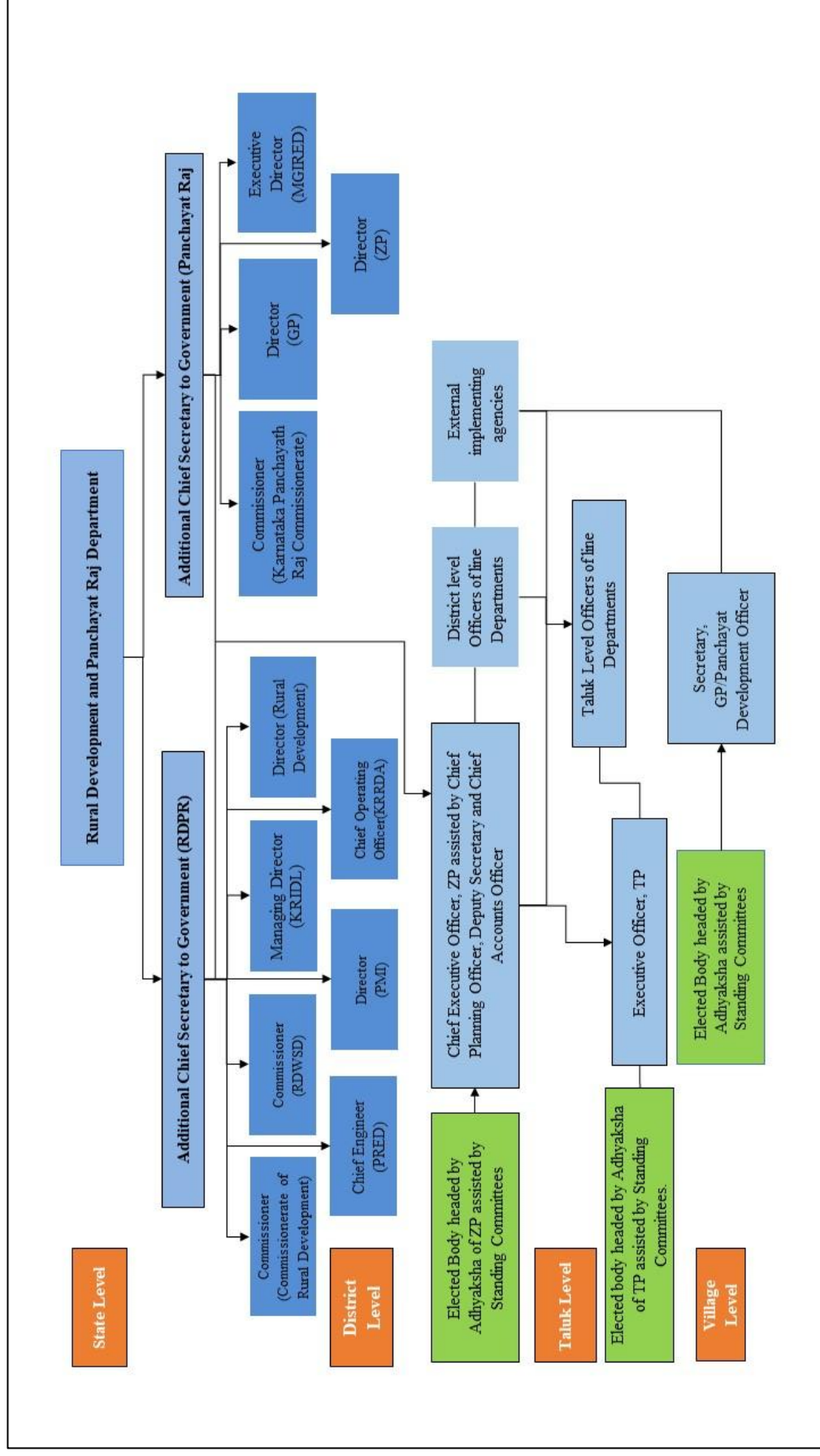


Bengaluru
The 11 AUG 2025

(Vimalendra Anand Patwardhan)
Principal Accountant General (Audit I)
Karnataka

Appendices

Appendix-1.1
Organisational structure of Panchayat Raj Institutions
(Reference: Paragraph 1.2 / Page 2)



Appendix 1.2

(Reference: Paragraph 1.4.2 / Page 3)

Sl. No.	List of 29 items under the Eleventh Schedule of the Indian Constitution
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	The minor forest produces.
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 the distribution of electricity.
15	Non-conventional energy sources.
16	Poverty alleviation program.
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	Markets 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 the welfare of the handicapped and mentally retarded.
27	The welfare of the weaker sections, in particular, of the Scheduled Castes and the Scheduled Tribes.
28	Public Distribution System.
29	Maintenance of community assets

Source: 11th Schedule of the Constitution of India

Appendix 1.3
(Reference: Paragraph 1.4.2 / Page 3)
List of Devolved functions to Panchayat Raj Institutions as per KPR Act 1993

Sl. No	Subject	Gram Panchayat	Taluk Panchayat	Zilla Panchayat
1	General functions	1) Preparing Annual action plan for panchayats area development 2) Preparing Annual budget 3) Providing compensations to Natural disasters 4) Preventing encroachment of public assets 5) Organising Self-service and providing contribution to community programmes 6) Maintaining important statistics of villages	1) Preparing annual action plans with regard to plans entrusted by Zilla Panchayats or Government in line with the Act and submitting it to Zilla panchayats for inclusion in the Zilla Plans within the specified time period. 2) Verifying, mobilizing and submitting mobilized plans to Zilla Panchayats, the Annual plans of all villages in the Gram panchayats. 3) Preparing annual budget of taluk panchayats and submitting it to the Zilla Panchayat within the prescribed time 4) Doing functions entrusted by Government or Zilla panchayats and implementing the works 5) Providing compensation in natural disasters	1) Monitoring, coordinating and mobilizing the Developmental schemes and preparing district development plan
2	Agriculture, Horticulture and Sericulture	1) Preparing comprehensive plan, consulting with gram Sabha for increase in horticulture products, preparing plans for comprehensive rural agriculture, horticulture and sericulture and monitoring their activities 2) Preparing plans for Agriculture, Horticulture, and sericulture for	1) Preparing Agriculture and horticulture comprehensive rural plans and conducting general and technical training at GP level for implementing them, encouraging agriculture and horticulture and developing them 2) Maintaining Agriculture seed centres (including horticulture Nurseries) 3) Conducting Agriculture fairs and marketing of vegetables, fruits and flowers	1) Developing infrastructure with regard to adopting of biotechnology for increase in horticultural produces 2) Maintaining combined watershed area for areas having more than one GP area 3) Establishing Agricultural and Horticultural farms and commercial farms and maintaining them 4) Providing agricultural inputs like money, water, seeds and fertilisers

	ensuring maximum utilisation of grazing land including barren land. 3) Establishing nurseries out of GP funds and maintaining them 4) Preparing plan for agriculture mechanisation, recommending and monitoring 5) Facilitating establishment of community Agriculture cooperative societies 6) Monitoring soil, water and seed protection. 7) Maintenance of watershed area 8) Exhibiting market prices 9) Monitoring agricultural insurances and implementing them	4) Providing technical support by giving training to technical staff and giving training to farmers and broadcasting improved agricultural methods. 5) Recommending establishment of Godowns and cold storages depending on the necessity, facilitating Taluk level cooperative societies and agricultural markets and monitoring basic infrastructure at taluk level. 6) Accumulating the statics collected by GPs and preparing taluk level plans for agricultural produces and markets. 7) Collection of pesticides and distributing them	5) Establishing godowns and maintaining them 6) Providing market facilities to agricultural produces and conducting agricultural fairs and exhibitions 7) Conducting programmes for popularising new research and pilot studies. 8) Conducting Activities for suitable research and development at local level 9) Establishing Agriculture and horticulture extension and training centres 10) Framing and implementing land improvement and protection programmes entrusted by Government 11) Giving training to farmers
3	Minor Irrigation 1) Preparing, implementing, renewing and maintaining all minor irrigation projects of 0-10-hectare <i>achut</i> area within gram panchayat area 2) Maintaining and implementing all minor and small irrigation projects in 0-10 hectares of <i>achut</i> area of gram panchayat level timely and allocation of available water equally and utilising it completely. 3) Recharging ground water and implementing and developing projects related to Rainwater harvesting 4) Maintaining all documents including mapping of all irrigation sources in the GP area.	1) Assisting ZP and Government in construction and maintenance of minor irrigation works 2) Implementing community irrigation and individual irrigation works	1) Developing ground water resources 2) Implementing and maintaining small irrigation projects for 40-hectare area
4	Animal Husbandry, 1) Implementing projects related to farms of Dairying, Poultry and sheep entrusted to GPs	1) Maintenance of Primary Veterinary Centres, First Aid Centres and mobile veterinary clinics	1) Preventing epidemic diseases 2) Establishing Veterinary Laboratories, Clinics and Mobile clinics

	Dairying, Poultry and Fisheries	<p>2) Implementing cattle development schemes entrusted to GPs</p> <p>3) Taking action for controlling epidemic diseases</p> <p>4) Implementing programmes relating to development of fisheries coming in irrigation works under GP jurisdiction.</p> <p>5) Establishing rural Fish and Meat markets and maintaining them.</p> <p>6) Development of grass land</p>	<p>2) Providing Medicine, medical assistance to GPs for taking action to control epidemic diseases</p> <p>3) Providing technical experts assistance to farmers and conducting trainings</p> <p>4) Development of breeds of Cattle, Poultry and others</p> <p>5) Encouraging cooperative societies with regard to activities of Animal Husbandry, poultry and Fisheries</p>	<p>3) Establishing Taluk and Village Veterinary Hospitals, First aid centres and Mobile veterinary clinics</p> <p>4) Encouraging District Milk Producers Cooperative societies</p> <p>5) Conducting district level training programmes to Farmers</p> <p>6) Providing Medicines, Medical equipment and injections</p> <p>7) Developing Fisheries in the irrigation works coming under Zilla Panchayat</p> <p>8) Implementing Fisheries and Fishermen welfare programmes</p> <p>9) Encouraging Dairying, Poultry and Pig framing</p>
5	Social forestry	<p>1) Afforestation in barren land</p> <p>2) Developing Social forestry, Farm Forestry</p> <p>3) Establishing Markets for Produces of Social Forestry, maintaining the disposing them</p> <p>4) Growing of trees for cattle feed, fuel and Fruits</p> <p>5) Implementing Agricultural Forestry Scheme</p> <p>6) Establishing Nurseries and maintaining them</p> <p>7) Maintaining small forest produces except Reserve Forest, Protected Forest, and Wildlife protected area</p> <p>8) Planning projects for social forestry and Farm forestry and implementing them.</p>	<p>Planting trees and maintaining them along roadside and other public places of its jurisdiction.</p> <p>Growing saplings necessary for GPs and distributing saplings and seeds to GPs</p> <p>Conducting training programmes for providing technical guidance for Fodder Development and fuel plants.</p>	<p>1) Preparing guidelines with regard to social forestry and biodiversity maintenance for use of GP and TP</p> <p>2) Encouraging Social and Farm forestry, Fuel Plant, and fodder development</p> <p>3) Maintenance of small forest produces grown in community land</p>

6	Tourism	<p>9) Planting trees and maintaining them along roadside and other public places of GP jurisdiction.</p> <p>1) Identifying the tourist places in GPs and submitting proposals regarding their development</p> <p>2) Facilitating tourism activities</p> <p>3) Providing infrastructure to Tourist Bungalows entrusted to GPs and maintaining them</p> <p>4) Collecting entrance fees and parking fees in tourist places other than maintained by Indian Archaeological department or local departments.</p>	<p>1) Identifying the tourist places in Taluks and framing proposals for their development</p> <p>2) Encouraging tourism activities</p> <p>3) Providing basic infrastructure in tourist centres entrusted to Taluk Panchayats</p> <p>4) Developing Tourist Attraction Centres entrusted to TPs and maintaining them</p>	<p>1) Identifying the tourist places in Taluks and framing proposals for their development</p> <p>2) Framing District Tourism Policy and tourism activities</p> <p>3) Providing infrastructure in Tourist centres</p> <p>4) Starting tourism attractions and maintaining them</p> <p>5) Appointing Tourist Guides, Green Police, Watchmen, Lifesavers in the tourist centres of Taluk and collecting entry fees and parking fees in the tourist centres entrusted to them</p>
7	Small scale industries and Village Industries, Khadi, Handicraft, Art, Gramodyoga and food processing industries	<p>1) Encouragement of Gudi industries, Khadi industries, village industries, food processing industries and other non-agricultural activities</p> <p>2) Arranging Exhibition and Market facility</p> <p>3) Framing State Committees and All India Committees for Gudi industries, Khadi industries, village industries, food processing industries and implementing them</p> <p>4) Collecting information with regard to available raw material and Value-added products</p> <p>5) Conducting market survey and broadcasting information to general public</p> <p>6) Encouraging food processing and Produce marketing activities.</p>	<p>1) Establishing giving assistance strategic plans to Gudi industries, Khadi industries, village industries, food processing industries and other non-agricultural activities</p> <p>2) Conducting Conference, Seminars, and training programmes</p> <p>3) Establishing small scale industries units</p> <p>4) Framing Self-employment schemes and implementing them</p> <p>5) Creating Accessory service centres General facility centres to GP clusters, or GP Groups</p> <p>6) Providing financial assistance to General Facility centres of cluster level.</p> <p>7) Maintaining General Facility Centres at Block level or Hobli level.</p>	<p>1) Establishing system with regard to development of Gudi Industries development</p> <p>2) Conducting training programmes at GP and TP level, Providing Technical guidance, and related and relating things</p> <p>3) Establishing Training and Produce Centres and maintaining them</p> <p>4) Arranging Market system for Gudi Industries Khadi industries and Handicrafts</p> <p>5) Developing link system for implementing State Committees and All India Committees and Commissions with regard to developing village industries and Gudi Industries</p> <p>6) Conducting district level entrepreneurship programmes</p> <p>7) Framing cooperative schemes for Khadi and Village industries and Food processing industries and implementing them.</p> <p>8) Implementing Schemes of State Committees and All India Committees and Commissions with regard to development of</p>

8	Rural Housing	<p>1) Identifying houseless and site less people and migrant workers.</p> <p>2) Participating in all Rural housing schemes including Fishermen housing schemes</p> <p>3) Participating in implementation of housing upgradation scheme</p> <p>4) Implementing seasonal facilities to seasonal migrant workers</p> <p>5) Encouraging rural Housing Cooperative Societies</p> <p>6) Identifying the government land and recommending to DC for site allocation or site reservation to houseless</p> <p>7) Sanctioning rural Housing and Layout schemes as per the orders of Government</p>	<p>1) Implementation of housing schemes outside Gramtana and distributing sites</p> <p>2) Adopting techniques of low-cost housing construction and informing them to GPs.</p> <p>3) Providing Technical assistance and equipment to GPs</p> <p>4) Encouraging Taluk level Housing cooperative societies.</p>	<p>village industries and Gudi industries</p> <p>1) Encouraging district level Housing Construction societies</p>
9	Drinking water supply	<p>1) Collecting information about water quality and scope and preparing programme regarding that.</p> <p>2) Maintaining water supply schemes in GPs and monitoring them</p> <p>3) Control, prevention and protection of water pollution</p> <p>4) Maintenance of traditional drinking water sources</p> <p>5) Collection of water samples from drinking water sources for testing</p> <p>6) Regular cleaning of drinking water sources</p> <p>7) Providing water to houses and commercial establishments by collecting user fees</p>	<p>1) Preventing water pollution and controlling</p> <p>2) Establishing Drinking water supply to GPs and maintaining them</p> <p>3) Providing Equipment and Technical assistance to GPs for implementing drinking water supply schemes</p>	<p>1) Establishing Drinking water supply schemes or multi taluk drinking water supply schemes</p> <p>2) Establishing drinking water testing laboratories</p> <p>3) Providing financial assistance to TPS and GPs with regard to implementation of water supply schemes</p>

10	Town and Rural schemes and Public works (roads, Bridges, waterways and other linking ways)	<p>8) Establishing water treatment plants and maintaining them.</p> <p>9) Providing assistance to authorities for ground water misuse.</p> <p>1) Framing schemes for the following and construction and maintenance Footpaths Village Roads Bridges, culverts Buildings Drains Structures other than entrusted to National Highways, State Highways and MDR, local bodies or Government departments.</p> <p>2) Establishing and maintaining the following: Shelters for travellers/ parking place for vehicles Playgrounds</p> <p>3) Constructing all types of Burial grounds and graveyards and maintaining them. Framing rules regarding use of all GP level graveyards and burial grounds</p> <p>4) Maintaining Boat, Ferry and water ways</p> <p>5) Maintaining rainwater drains</p> <p>6) Establishing community necessities like Bathing places, public markets etc.</p> <p>7) Developing Residential areas</p> <p>8) Constructing residential layouts</p> <p>9) Preparing plans for construction of school buildings, Hospitals and other public institutions entrusted to GPs, constructing them and maintaining them</p> <p>10) Preparing comprehensive village development plan.</p>	<p>1) Not in the control of any local authority or State Government or central Government GP level and TP level</p> <p>a) Roads, Footpaths, Taluk roads, Bridges, culverts, Buildings, Drains Not in the control of State or Central Government on local authority.</p> <p>2) Maintaining Boats, Ferries and water ways in the GP jurisdiction under the control of TPs</p> <p>3) Framing plans for High school buildings, Taluk Hospital and other Taluk level public institutions, constructing and maintaining them</p>	<p>1) Framing Schemes for all district roads passing through more than one taluk and relating to those taluks other than National Highways, State Highways and MRDS, Bridges, Culverts not in the control of any local authority or Government.</p> <p>2) Providing technology to GPs and TPs with regard to building construction and maintenance</p> <p>3) On request from GPs and TPs providing technical guidance and technology.</p> <p>4) Establishing multi taluk level civil amenities like Markets, Playgrounds, Stadiums etc. and maintaining them</p>
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11	Rural Electrification/ Power and Fuel	<p>1) Providing streetlights in roads and public places and maintenance</p> <p>2) Framing schemes for small traditional and non-traditional power plants like roof solar plates, solar electricity, biogas, windmill, small hydropower plants out of GP funds, implementing and maintaining them and encouraging them</p> <p>3) Marketing excess non-traditional fuel to others</p> <p>4) Providing assistance to rural electrification by way of doing self-service to GPs.</p>	<p>1) Coordinating with Electric supply companies with a view to continuously supplying quality electricity on special occasions and main crop seasons</p> <p>2) Preparing plans for suitable strength traditional and non-traditional fuel plants, implementing, and maintaining them.</p> <p>3) Marketing traditional and non-traditional fuel to others</p>	<p>1) Preparing plans for suitable strength traditional and non-traditional fuel plants, implementing, and maintaining them</p> <p>Marketing traditional and non-traditional fuel to others</p>
12	Poverty alleviation	<p>1) Identifying the poor and implementing poverty alleviation programmes</p> <p>2) Identifying and selection of beneficiaries of all poverty alleviation programmes</p> <p>3) Facilitating Gram Sabhas for selection of beneficiaries under various programmes of GP level</p> <p>4) Planning, implementation, monitoring and distributing poverty alleviation programmes benefits</p> <p>5) Providing infrastructure to self-employment programmes</p> <p>6) Organising self-help groups and neighbouring groups and strengthening them</p> <p>7) Analysing necessities of poverty alleviation</p>	<p>1) Providing technical equipment to GPs with regard to implementation of poverty alleviation programmes</p> <p>2) Carrying out self-employment programmes at taluk level</p> <p>3) Linking self-help groups in all individual and Government programmes</p>	<p>1) Developing crafts of poor identified by GPs</p> <p>2) Conducting technical training programmes</p> <p>3) Framing employment guarantee programmes in partnership with GPs and implementing them</p> <p>4) Conducting job fairs</p>

		8) Preparing plans for self-employment and wage employment and implementing them. 9) Providing basic necessities under various schemes 10) Participating in craft development programmes and creating awareness in public encouragement in employment opportunities		
13	Public distribution system	1) Maintaining distribution of food grains and other daily needs 2) Monitoring Public Distribution system and creating awareness about it. 3) Construction of Godowns and Rural Stockyards out of GP funds and maintaining them	1) Distributing essential stock	
14	Disaster Management	1) Conducting surveys to identify disaster prone areas 2) Creating disaster management facility and maintaining them 3) Identifying Local and outside experts in disaster management 4) Providing compensation and loss compensation to disaster prone persons according to guidelines issued by Government out of GPs own fund	1) Giving training to GP and TP level maintenance staff in disaster management programmes.	1) Creating infrastructure essential for disaster management
15	Education (Primary and Secondary Education, Technical and vocational education, Adult	1) Preparing plans for providing traditional and non-traditional Education at panchayats level and Monitoring 2) Sending proposals regarding opening of lower and upper primary schools to competent authority and obtaining sanctions.	1) Encouraging adult education 2) Preparing plans for providing traditional and non-traditional Education at taluk level and Monitoring 3) Sending proposals regarding opening of higher primary schools to competent authority and obtaining sanctions.	1) Preparing plans for providing traditional and non-traditional Education at district level and Monitoring 2) Sending proposals regarding opening of Higher secondary schools, PU colleges, ITI, Polytechnics to competent authority and obtaining sanctions

	and informal education	<p>3) Monitoring Government lower and upper primary school</p> <p>4) Constructing buildings for Government lower and upper primary schools and maintaining them</p> <p>5) Collecting details of children and updating the data</p> <p>6) Implementing Literacy programmes, informal and non-formal educational programmes, giving encouragement to adult literacy</p> <p>7) Maintaining quality control including Administration and Monitoring</p> <p>8) Reviewing and Evaluation of Educational programmes at Gram Panchayat level</p> <p>9) Monitoring higher secondary schools/ hostels of backward classes, Girls, Disabled and minority classes.</p> <p>10) Encouraging village handicrafts and giving them vocational training</p> <p>11) Ensuring full attendance in Primary and Upper Primary schools.</p>	<p>4) Conducting Central and State sponsored programmes with regard to education</p> <p>5) Constructing buildings for Government Primary and secondary schools and maintaining them</p> <p>6) Providing necessary assistance like books, reading material, training inputs etc3 to schools at gram panchayat level.</p> <p>7) Encouraging community education through youth clubs and Mahila Mandali</p> <p>8) Preparing plans to start schools/hostels for backward classes, Girls, Disabled and minority classes and maintaining them.</p>	<p>3) Establishing Government PU colleges, ITI, Polytechnic colleges and maintaining them.</p> <p>4) Preparing plans with respect to hostels coming under Zilla panchayats institutions</p> <p>5) Coordinating Central and State sponsored educational programmes and reviewing and monitoring of educational programmes.</p> <p>6) Arranging village handicraft and vocational training programmes</p> <p>7) Providing technical inputs, material and financial assistance to Gram panchayats and taluk panchayats</p> <p>8) Providing hostels to PU students, providing vocational training to students, girls and disabled of backward classes, providing vocational and technical education to students of minority classes, preparing plans for adult education, and maintaining them.</p> <p>9) Appointing guest teachers to educational Institutions coming under the purview of Zilla panchayats.</p> <p>10) Establishing special schools and hostels for disabled children and maintaining them.</p> <p>11) Encouraging non-formal educational programmes</p>
16	Libraries	<p>1) Maintaining GP level Libraries and monitoring them</p>	<p>1) Framing schemes for establishing Taluk level libraries and monitoring them</p> <p>2) Upgradation of libraries</p>	<p>1) Framing schemes with regard to establishing ZP level Libraries which are not coming under the control of other local bodies or Government and maintaining and monitoring</p>
17	Sports and cultural activities	<p>1) Construction playgrounds and maintaining them</p> <p>2) Identifying Art and cultural programmes</p>	<p>1) Encouraging rural crafts and vocational training</p> <p>2) Providing platform to exhibit their talent of cultural groups including youth</p> <p>3) Conducting youth fairs at taluk level</p>	<p>1) Recording rural Art and cultural activities and recording crafts produces</p> <p>2) Protecting the almost extinct heritage and reviving it.</p>

		<p>3) Protecting cultural programmes at GP level and reviving them 4) Encouraging youth clubs</p> <p>5) Providing assistance to poor and destitute artists and giving protection to them.</p> <p>6) Maintaining communal and religious harmony.</p> <p>7) Construction of Cultural centres, Community centres, open theatres at GP and community level and maintaining them</p> <p>8) Conducting youth festivals at GP and community levels</p> <p>9) Giving life skill and leadership education and training to youths and Conducting entertainment programmes.</p>	<p>4) Establishing youth centre at taluk level for youth</p> <p>5) Constructing playgrounds at taluk level and maintaining them.</p>	<p>3) Establishing cultural centres at District level and maintaining them. Conducting craft fairs</p> <p>4) conducting youth fairs at district level 5) Monitoring sports schools at district level</p> <p>6) Started giving annual awards to GPs for performing best in protection in the field of Communal and religious harmony, Children, minority, women rights violation etc.</p>
18	<p>Providing Market facility and conducting cattle fairs</p>	<p>1) Establishing public markets at GP level, providing facilities and maintaining them</p> <p>2) Controlling cattle fairs and festivals and conducting them</p> <p>3) Maintaining rural agricultural produces and craft produces and encouraging their marketing</p> <p>4) Providing storage and cold storage facility for agricultural produces</p> <p>5) Providing facilities to farmers for direct market and e-market for agricultural produces.</p>	<p>1) Establishing TP level Public markets and maintaining them</p> <p>2) Framing rules regarding conducting cattle fairs, festivals etc</p> <p>3) Creating basic infrastructure for Self-help groups and JLJs and encouraging marketing of their produces</p>	<p>1) Framing rules regarding conducting cattle fairs, festivals etc at state level</p>
19	<p>Public health (Hospitals, health including Public</p>	<p>1) Monitoring Indian Health facilities like Allopathic, Siddha, Yunani and Nature cure and Yoga at Gram Panchayati level</p>	<p>1) Submitting proposals to competent authority regarding establishing primary health centres and taluk hospitals and obtaining sanctions</p>	<p>1) Framing schemes with regard to providing both traditional and non-traditional public health facilities and maintaining them</p>

	health and family welfare	<p>2) Sending proposals to competent authorities for establishing Health sub centres at GP level and obtaining sanction for them and providing health care facilities and monitoring them, providing hospitals</p> <p>3) Implementing Family planning programmes at GP</p> <p>4) Conducting vaccination and other immunity programmes</p> <p>5) Providing licence to food and entertainment institutions</p> <p>6) Killing street dogs</p> <p>7) Preventing pandemic diseases and enforcing compensatory actions against them</p> <p>8) Monitoring Obstetrics and Children welfare centres</p> <p>9) Controlling sale of perishable food items like Meat, Fish and other foods</p>	<p>2) Encouraging immunisation and vaccination programmes</p> <p>3) Monitoring Primary health centres and taluk hospitals</p> <p>4) Arranging continuous assistance to GPs for programmes of Health services and sanitation programmes.</p> <p>5) Providing facilities to special groups, disabled and mentally retarded and opening centres for them</p> <p>6) Monitoring Laboratories and disease exploration services at taluk level and providing them to GPs</p> <p>7) Framing schemes regarding family welfare programmes at TP level and implementing them</p>	<p>2) Submitting proposals for establishing community health centres and district hospitals and obtaining sanction for them</p> <p>3) Maintaining Community health centres and district hospitals which are outside the control of Government or any local authority</p> <p>4) Obtaining Equipment, medicine etc for TP level, cluster level and GP level Health centres and supplying medical equipment and other medical items.</p> <p>5) Establishing Pandemic disease controlling system and implementing them</p> <p>6) Establishing taluk level laboratories and disease exploring services</p> <p>7) Implementing Obstetrics and child health programmes at district level and implementing and maintaining them</p> <p>8) Coordinating Centre and State sponsored programmes at district level</p> <p>9) Establishing Health service centres for disabled and mentally retarded</p> <p>10) Arranging family welfare programmes at district level and implementing them</p>
20	Sanitation	<p>1) Cleaning and protecting Public roads, drains, Ponds and other public places</p> <p>2) Establishing and maintaining Cemetery and Burial grounds</p> <p>3) Establishing Liquid waste management system and maintaining them</p> <p>4) Collecting, segregating and transporting solid waste to Multi village solid waste management plants</p>	<p>1) Encouraging Health and sanitation programmes in Fairs and festivals</p> <p>2) Establishing Multi village solid waste management systems and maintaining them</p> <p>3) Providing technical assistance to GPs</p>	<p>1) Mobilising district sanitation programmes</p> <p>2) Providing necessary assistance to GPs and TPs</p> <p>3) Framing District policies and exchanges and evaluating them</p>

		<p>5) Constructing Individual, Community toilet, bathrooms and Hygiene complexes and maintaining them</p> <p>6) Conducting GP level sanitation programmes including habitations, Public places and all local institutions and implementing them</p> <p>7) Developing Health and sanitation policies and implementing them</p> <p>8) Disposing unclaimed dead bodies of animals and controlling skin processing and painting</p> <p>9) Implementing Sanitation and waste management programmes at GP level</p>		
21	<p>Welfare of Women and child, Welfare of disabled and mentally retarded</p>	<p>1) Participating in implementation and monitoring of Women and child welfare programmes</p> <p>2) Participating in Health and nutritional food programmes of school children and implementation and maintenance</p> <p>3) Encouraging getting assistance from local development agencies, Private agencies, self-help groups in women and child development and empowerment</p> <p>4) Submitting proposals to competent authority for establishing Anganwadi centres and obtaining sanction</p> <p>5) Monitoring Anganwadis</p> <p>6) Sending beneficiaries list selected in Gram Sabhas under Pension to Widows, Aged persons, disabled, etc schemes to the respective departments</p>	<p>1) Framing schemes at taluk level for comprehensive child development programmes, implementing and monitoring them</p> <p>2) Encouraging, implementing, and monitoring programmes with regard to development and empowerment of women and child at taluk level</p> <p>3) Encouraging school health and nutritional health programmes and monitoring them</p>	<p>1) Implementing programmes with regard to technical inputs</p> <p>2) Implementing programmes for women empowerment and child development</p> <p>3) Conducting School health and nutritional food programmes</p> <p>4) Running and maintaining post metric hostels, boys' hostels and orphanages</p>

		7)Facilitating implementation of group insurance schemes to poor 8) Participating in social welfare programmes for Disabled, mentally retarded, community groups outcasted etc and monitoring the implementation of the programmes.		
22	Scheduled caste, scheduled tribes and other backward classes	1) Providing basic infrastructure in SC/ST colonies 2) Providing educational assistance to SC/ST students out of panchayats own funds on priority basis 3) Framing, implementing and coordinating Programmes creating awareness regarding law and other issues among weaker section of the society specially SC and ST 4) Participating in welfare programmes of weaker sections and monitoring their implementation 5) Planning establishment of hostels at GP level for SC, ST and backward classes and monitoring them 6) Preventing community and traditional activities which are against a particular person or community	1) Framing schemes for establishment of hostels for SC/ST and backward classes at taluk level and maintaining them 2) Framing schemes regarding establishing pre metric hostels and maintaining them 3) Preventing community and traditional activities which are against a particular person or community 4) Monitoring Old age pension, widow pension and disabled pension 5) Social welfare programmes including Disabled, Mentally retarded and orphan's welfare	1)Preventing methods which are against certain person or community 2) Monitoring and maintaining post metric hostels at district level 3) Running vocational training programmes with regard to SC/ST and other backward classes 4) Distributing grants, loans and grants in aid to individuals under schemes relating to welfare schemes of SC/ST and other backward classes
23	Livestock breeding centres, Car, Auto rickshaw and bus stands, bullock cart stands construction and maintenance	Livestock breeding centre, community cattle feed centres, Rural bus stands, rickshaw stand, Taxi/auto stand, slaughterhouses and commercial complexes construction and maintenance	Car/Auto and Bus stands construction and maintenance	

24	Giving all types of certificates	No objection certificates for Mines and Geology, Electrification, Excise, Ecology, Land conversion, Home stay, Resorts, Bar and Restaurants, Hostels, Bars, Burial ground and crematorium etc., for licences		
25	Statistics maintenance	Collecting all statistics related to villages, preparing statements and updating	Collecting Taluk statistics	1) Collecting district statistics 2) Preparing and finalising district plans depending on taluk viewpoints
26	Planning	Creating group of technical and subject experts for preparing long vision plans and annual plans	1) Accumulating plans received from GPs preparing TP level plans, receiving and creating taluk planning committee to submit it to ZP 2) Providing technicians help to GPs with regard to collection of statistics and information and framing schemes. 3) Monitoring the progress of all government programmes including Special component programme (SSP) and Tribal sub plan (TSP) and ensuring quality implementation.	1) Preparing district level plans 2) Accumulating plans received from TPs, preparing district level plans and forming committee for getting approval for district level plans. 3) Providing technicians help to TPs with regard to collection of statistics and information and framing schemes. 4) Monitoring the progress of all government programmes including Special component programme (SSP) and Tribal sub plan (TSP) and ensuring quality implementation. 5) Evaluating the schemes
27	Cooperation	Preparing activities for strengthening and popularising cooperation programmes	Providing necessary facility to encourage all block and taluk level cooperating societies	Providing facilities to all district level cooperative societies
28	Rural Environment and ecology	1) Framing schemes for protecting Rural environment and ecology in accordance with national and state policies 2) Establishing ecology maintaining committees 3) Preparing ecology diversity register 4) Preparing schemes and activities for ecology Act 2002 and implementing them		

		<p>5) Protecting environmentally sensitive areas</p> <p>6) Preparing schemes for protecting environment and implementing them. Maintaining parks</p> <p>7) Controlling waste pits and controlling rural markets</p> <p>Undertaking various revenue creation activities to mobilise own resources</p>			
29	Revenue creating activities	<p>1) Collection of databases of families and database management</p> <p>2) Recording village history, culture and heritage</p> <p>3) Conducting village development reviews and studies</p> <p>4) Calculating human resource development database</p> <p>5) To make available database of all GP public</p> <p>6) Creating awareness and Information, Education and link activities for all Government programmes.</p>	<p>Creating assets in Taluk centres and renting them</p>	<p>Creating assets in district centres and renting them out</p>	
30	Knowledge management	<p>1) Collecting statistic relating to Taluk's and maintaining database</p> <p>2) Recording Taluk's history, culture and heritage</p> <p>3) Conducting surveys and studies with regard to deciding taluk's human resource development.</p> <p>4) Computation of human resource development index regularly</p> <p>5) To make available general public all database</p> <p>6) Creating awareness about Government programmes and conducting activities of information, Education and communication</p>	<p>Creating assets in Taluk centres and renting them</p>	<p>1) Creating awareness regarding all Government activities and conducting activities of information, Education and communication</p> <p>2) Collecting district statistics and maintaining database</p> <p>3) Recording district's history, culture and heritage</p> <p>4) Conducting surveys and studies with regard to deciding district's human resource development</p> <p>5) Computation of human resource development index regularly</p> <p>6) To make available general public all database</p>	
31	Community asset management	<p>1) Protection and maintenance of community assets by GPs, their mapping, survey, recording and Maintenance</p> <p>2) Tanks, water channels, agricultural pits, bore wells and other tanks, afforestation etc recording and protection</p>	<p>1) Maintaining all community assets transferred from Government or local authority in TP</p> <p>2) Protecting and maintenance of other community assets</p>		

Source: Activity mapping of the Government of Karnataka

Appendix 1.4 (a)
(Reference: Paragraph 1.5.1 / Page 4)
Constitution of the Standing Committees and functions

Level of PRIs	Standing Committees	Executive of Standing Committees	Functions of Standing Committees
GP	(a) General Standing Committee (b) Finance, Audit and planning committee (c) Social Justice Committee	a) <i>Upadhyaksha</i> b) <i>Adhyaksha</i> c) Chairman (Elected from amongst members of other Standing Committee)	General Standing Committee: To perform functions relating to agricultural production, animal husbandry and rural industries and poverty alleviation programmes, education, public works and other functions of respective PRI. Finance, Audit and Planning Committee: To perform functions relating to finances of PRIs, framing of budgets, examination of receipts and expenditure statement, general supervision of revenue and expenditure and any other functions relating to development plan of respective PRI.
TP	(a) General Standing Committee (b) Finance, Audit and Planning Committee (c) Social Justice Committee	a) <i>Upadhyaksha</i> b) <i>Adhyaksha</i> c) Chairman (Elected from amongst members of other Standing Committee)	Social Justice Committee: Functions shall include i) Promotion of educational, economic, social, cultural and other interest of the SCs and STs and backward classes and their protection from social injustice. ii) Shall address women's concerns and issues such as empowerment of women by achieving their social, cultural and economic development and to protect them against crimes of domestic violence, sexual harassment etc. It shall also include tendering of advice on promoting gender friendly programs by ensuring adequate facilitations for women at schools, offices, factories, hospitals and other public places and go about their daily lives in freedom and dignity.
ZP	(a) General Standing Committee (b) Finance, Audit and Planning Committee (c) Social Justice Committee (d) Education and Health Committee (e) Agricultural and Industries Committee	a) <i>Upadhyaksha</i> b) <i>Adhyaksha</i> c) Chairman (Elected from amongst members of other Standing Committee) d) -do- e) -do-	Education and Health Committee a) Shall be in-charge of all educational activities of the Zilla Panchayat; (b) undertake the planning of education in the district within the framework of the national policy and the national and state plans; (c) survey and evaluate the educational activities of the Zilla Panchayat; (d) perform such other duties pertaining to education, adult literacy and cultural activities as the Zilla Panchayat may assign to it; (e) health services, hospitals, water supply, family welfare and other allied matters. Agriculture and Industry Committee: shall perform functions relating to agricultural production, animal husbandry, co-operation, contour bunding, reclamation, village and cottage industries and promotion of industrial development of the district.

Source: KPR Act

Appendix 1.4 (b)**(Reference: Paragraph 1.5.1 / Page 4)****Statement showing details of Committees not constituted**

Sl. No.	GP Name	Taluk	District	General Standing Committee
1	Haluvadi	Mandya	Mandya	No
2	Hosadurga	Kanakapura	Ramanagara	No
3	Kadhabahalli	Nagamangala	Mandya	No
4	Kodathi	Bengaluru East	Bengaluru Urban	No
5	Tuppadamadu	Nagamangala	Mandya	No
Sl. No.	GP Name	Taluk	District	Finance Audit & Planning Standing Committee
1	Chelluru	Kanakapura	Ramanagara	No
2	Haluvadi	Mandya	Mandya	No
3	Honnavara	Nagamangala	Mandya	No
4	Hosadurga	Kanakapura	Ramanagara	No
5	Kadhabahalli	Nagamangala	Mandya	No
6	Karadahalli	Nagamangala	Mandya	No
7	Kittaganuru	Bengaluru East	Bengaluru Urban	No
8	Kodathi	Bengaluru East	Bengaluru Urban	No
9	Singanayakanahalli	Yelahanka	Bengaluru Urban	No
10	T. Hosahalli	Kanakapura	Ramanagara	No
11	Tuppadamadu	Nagamangala	Mandya	No
12	Vandraguppe	Channapatna	Ramanagara	No
Sl. No.	GP Name	Taluk	District	Social Justice Standing Committee
1	Karadahalli	Nagamangala	Mandya	No
2	Kittaganuru	Bengaluru East	Bengaluru Urban	No
3	Kodathi	Bengaluru East	Bengaluru Urban	No
4	Singanayakanahalli	Yelahanka	Bengaluru Urban	No
5	Tuppadamadu	Nagamangala	Mandya	No
6	Vandraguppe	Channapatna	Ramanagara	No

Source: Information furnished by the test-checked GPs

Appendix 1.5

(Reference: Paragraph 1.7.2.2 / Page 7)

Statement showing amount under “PWD Cheques” and “Forest Cheques” under Major Head 8782 for the years 2020-21 and 2021-22

(₹ in crore)

Sl. No.	Name of the ZP	PWD/PRED II Cheques		Forest II Cheques	
		2020-21	2021-22	2020-21	2021-22
1	Bagalkote	12.02	12.02	0.05	0.05
2	Bengaluru(Rural)	7.05	7.05	-0.42	-0.42
3	Bengaluru(Urban)	5.14	5.14	0.04	0.04
4	Belagavi	17.38	17.38	0.79	0.79
5	Ballari	9.81	9.81	0.66	0.66
6	Bidar	0.54	0.54	0.25	0.25
7	Chamarajanagar	2.49	2.49	0.0	0.0
8	Chickaballapur	0	0	0	0
9	Chikkamagalur	0	0	0	0
10	Chitradurga	0	0	0	0
11	Dakshina Kannada	0	0	0	0
12	Davanagere	0	0	0	0
13	Dharwad	36.26	36.26	2.77	2.77
14	Gadag	0	0	0	0
15	Hassan	0	0	0	0
16	Haveri	0	0	0	0
17	Kalaburagi	30.04	0	0.49	0
18	Kodagu	13.03	13.03	2.64	2.64
19	Kolar	2.71	2.71	0.90	0.90
20	Koppal	0.69	0.69	0.18	0.18
21	Mandya	1.98	1.98	0.00	0.00
22	Mysuru	21.67	21.67	3.30	3.30
23	Raichur	0	0	0.20	0.20
24	Ramanagara	0	0	0	0
25	Shivamogga	0	0	0	0
26	Tumakuru	26.02	26.02	6.34	6.34
27	Udupi	0	0	0	0
28	Uttara Kannada	10.15	10.15	2.55	2.55
29	Vijayapura	0	0	0	0
30	Yadgir	0	0	0	0

Source: Annual Accounts of 30 ZPs for 2020-21 and 29 ZPs 2021-22 (excluding Kalaburagi)

Appendix 1.6

(Reference: Paragraph 1.7.2.2 / Page 7)

Statement showing balances under Taluk Panchayat and Gram Panchayat Suspense accounts for the years 2020-21 and 2021-22

(₹ in crore)

Sl. No.	Name of the ZP	TP Suspense		GP Suspense	
		2020-21	2021-22	2020-21	2021-22
1	Bagalkote	0	0	0	0
2	Bengaluru(Rural)	0	0	13.82	13.82
3	Bengaluru(Urban)	11.36	11.36	-0.67	-0.67
4	Belagavi	0	0	0.0	0.0
5	Ballari	0	0	0.0	0.0
6	Bidar	4.86	4.86	1.27	1.27
7	Chamarajanagar	-20.78	-20.78	0.25	0.25
8	Chickaballapur	0	0	0	0
9	Chikkamagalur	0	0	0	0
10	Chitradurga	0	0	0	0
11	Dakshina Kannada	0	0	0	0
12	Davanagere	-0.84	-0.84	0	0
13	Dharwad	1.04	1.04	1.34	1.34
14	Gadag	5.23	5.23	2.28	2.28
15	Hassan	9.18	9.18	0.03	0.03
16	Haveri	37.31	37.31	1.19	1.19
17	Kalaburagi	1.96	0.0	0.0	0.0
18	Kodagu	0	0	0.33	0.33
19	Kolar	-22.35	-22.35	0.0	0.0
20	Koppal	59.83	59.83	0.0	0.0
21	Mandya	1.99	1.99	7.05	7.05
22	Mysuru	5.07	5.07	5.94	5.94
23	Raichur	-0.80	-0.80	0.02	0.02
24	Ramanagara	0	0	0	0
25	Shivamogga	0	0	0	0
26	Tumakuru	0.44	0.44	0	0
27	Udupi	0	0	0	0
28	Uttara Kannada	0	0	0	0
29	Vijayapura	0	0	0	0
30	Yadgir	0	0	0	0

Source: Annual Accounts of 30 ZPs for 2020-21 and 29 ZPs 2021-22 (excluding Kalaburagi).

Appendix 1.7

(Reference: Paragraph 1.8.1 / Page 8)

Statement showing fund details of flagship schemes

(₹ in lakh)

Sl. No.	Scheme	Opening balance	Releases	Total fund available	Expenditure	Percentage of expenditure
1	Mahatma Gandhi National Rural Employment Guarantee Scheme	190.24	686.29	876.53	135.31	15
2	National Rural Drinking Water Programme	66.43	0.46	66.89	19.25	29
3	Pradhan Mantri Gram Sadak Yojana	30,363.00	1,20,079.00	1,50,442.00	1,49,598.00	99
4	Rashtreeya Gram Swaraj Abhiyana (RGSA)	9.60	4,020.36	4,029.96	4,015.62	99
5	Swachh Bharat Mission	46,918.70	21,376.17	68,294.87	36,055.00	53

Source: Annual Report of RDPR (2021-22)

Appendix 1.8

(Reference: Paragraph 1.8.3 / Page 9)

Statement showing TP wise Fund III details along with Additional Stamp duty for the year 2020-21 and 2021-22

(Amount in ₹)

TP wise Fund III details along with Additional Stamp duty for the year 2020-21								
Sl. No.	CF	MPAS	TP Name	Fund-III Receipts (including ASD) as per TNMC	ASD as per IGR	Difference		
1	0000-00-197-0-00	2515-00-001-0-97	Aland	0	16,68,101	-16,68,101		
2	0000-00-197-0-00	2515-00-001-0-97	Anekal	0	25,22,938	-25,22,938		
3	0000-00-197-0-00	2515-00-001-0-97	Bagepalli	1,77,332	8,94,468	-7,17,136		
4	0000-00-197-0-00	2515-00-001-0-97	Bangarpet	7,42,958	22,07,346	-14,64,388		
5	0000-00-197-0-00	2515-00-001-0-97	Belur	15,712	8,99,147	-8,83,435		
6	0000-00-197-0-00	2515-00-001-0-97	Chamarajanagar	0	17,44,104	-17,44,104		
7	0000-00-197-0-00	2515-00-001-0-97	Channagiri	7,95,244	14,73,655	-6,78,411		
8	0000-00-197-0-00	2515-00-001-0-97	Chikkamagaluru	0	14,88,528	-14,88,528		
9	0000-00-197-0-00	2515-00-001-0-97	Chikkanayakanahalli	1,94,439	10,34,035	-8,39,596		
10	0000-00-197-0-00	2515-00-001-0-97	Chincholli	99,090	12,39,531	-11,40,441		
11	0000-00-197-0-00	2515-00-001-0-97	Chintamani	10,84,129	14,52,953	-3,68,824		
12	0000-00-197-0-00	2515-00-001-0-97	Chittapura	0	19,70,229	-19,70,229		
13	0000-00-197-0-00	2515-00-001-0-97	Deodurga	8,65,494	13,67,824	-5,02,330		
14	0000-00-197-0-00	2515-00-001-0-97	Doddaballapura	50,845	14,60,382	-14,09,537		
15	0000-00-197-0-00	2515-00-001-0-97	Gangavathi	20,48,329	22,41,824	-1,93,495		
16	0000-00-197-0-00	2515-00-001-0-97	Gauribidanur	1,53,548	14,18,485	-12,64,937		
17	0000-00-197-0-00	2515-00-001-0-97	Gubbi	10,65,891	12,79,654	-2,13,763		
18	0000-00-197-0-00	2515-00-001-0-97	Hassan	4,12,641	19,31,126	-15,18,485		
19	0000-00-197-0-00	2515-00-001-0-97	Honnali	10,20,287	11,36,771	-1,16,484		
20	0000-00-197-0-00	2515-00-001-0-97	Hosadurga	32,755	11,46,082	-11,13,327		
21	0000-00-197-0-00	2515-00-001-0-97	Hosakote	8,47,376	13,20,112	-4,72,736		
22	0000-00-197-0-00	2515-00-001-0-97	Hubballi	0	6,96,118	-6,96,118		
23	0000-00-197-0-00	2515-00-001-0-97	Hungund	7,73,592	15,66,374	-7,92,782		

24	0000-00-197-0-00	2515-00-001-0-97	Jamkhandi	7,97,681	22,91,890	-14,94,209
25	0000-00-197-0-00	2515-00-001-0-97	Kadur	13,02,697	14,21,746	-1,19,049
26	0000-00-197-0-00	2515-00-001-0-97	Koppal	15,43,180	18,41,507	-2,98,327
27	0000-00-197-0-00	2515-00-001-0-97	Koratagere	3,40,064	8,16,928	-4,76,864
28	0000-00-197-0-00	2515-00-001-0-97	K.R.Nagar	10,06,695	12,31,586	-2,24,891
29	0000-00-197-0-00	2515-00-001-0-97	K.R.Pet	2,16,410	12,69,714	-10,53,304
30	0000-00-197-0-00	2515-00-001-0-97	Kustagi	7,65,293	13,88,229	-6,22,936
31	0000-00-197-0-00	2515-00-001-0-97	Maddur	6,30,954	14,40,094	-8,09,140
32	0000-00-197-0-00	2515-00-001-0-97	Madhugiri	22,498	13,05,723	-12,83,225
33	0000-00-197-0-00	2515-00-001-0-97	Magadi	1,18,771	12,73,736	-11,54,965
34	0000-00-197-0-00	2515-00-001-0-97	Mandya	38,952	20,23,679	-19,84,727
35	0000-00-197-0-00	2515-00-001-0-97	Mangaluru	16,94,065	48,48,224	-31,54,159
36	0000-00-197-0-00	2515-00-001-0-97	Mudigere	0	6,24,594	-6,24,594
37	0000-00-197-0-00	2515-00-001-0-97	Mysuru	58,61,981	62,48,025	-3,86,044
38	0000-00-197-0-00	2515-00-001-0-97	Nargund	2,69,977	4,90,491	-2,20,514
39	0000-00-197-0-00	2515-00-001-0-97	Ramanagar	3,06,532	12,99,620	-9,93,088
40	0000-00-197-0-00	2515-00-001-0-97	Ron	1,42,630	12,87,477	-11,44,847
41	0000-00-197-0-00	2515-00-001-0-97	Sedam	0	10,65,437	-10,65,437
42	0000-00-197-0-00	2515-00-001-0-97	Srirangapatna	5,86,815	8,78,348	-2,91,533
43	0000-00-197-0-00	2515-00-001-0-97	Sindhanur	13,09,883	19,16,668	-6,06,785
44	0000-00-197-0-00	2515-00-001-0-97	Siruguppa	4,73,850	13,11,757	-8,37,907
45	0000-00-197-0-00	2515-00-001-0-97	Sullia	2,99,404	7,07,914	-4,08,510
46	0000-00-197-0-00	2515-00-001-0-97	Tiptur	55,943	10,85,798	-10,29,855
47	0000-00-197-0-00	2515-00-001-0-97	Tumakuru	0	28,87,661	-28,87,661
48	0000-00-197-0-00	2515-00-001-0-97	Turuvekere	5,66,159	8,23,767	-2,57,608
49	0000-00-197-0-00	2515-00-001-0-97	Yadgir	0	19,41,816	-19,41,816
50			Ramdurga	0	12,60,199	-12,60,199
51			Kudligi	0	15,05,749	-15,05,749
52			Challakere	0	17,83,028	-17,83,028
53			Davanagere	0	33,24,332	-33,24,332
54			Harihara	0	12,38,961	-12,38,961
55			Jagaluru	0	8,37,553	-8,37,553
56			Arakalagud	0	9,97,257	-9,97,257
57			Sakaleshpura	0	6,27,026	-6,27,026

58			Haveri	0	13,66,635	-13,66,635
59			Ranebennur	0	16,34,340	-16,34,340
60			Hanagal	0	12,69,597	-12,69,597
61			Hirekeruru	0	11,26,579	-11,26,579
62			Shiggaon	0	9,15,974	-9,15,974
63			Byadagi	0	6,87,427	-6,87,427
64			Savanur	0	7,87,340	-7,87,340
65			Madikeri	0	7,14,524	-7,14,524
66			Somwarpet	0	10,06,616	-10,06,616
67			Virajpet	0	9,81,883	-9,81,883
68			Kolar	0	18,78,695	-18,78,695
69			Mulbagal	0	12,62,188	-12,62,188
70			Srinivasapura	0	9,86,138	-9,86,138
71			Kanakapura	0	17,10,363	-17,10,363
72			Pavagada	0	11,95,207	-11,95,207
ASD: Additional Stamp Duty, IGR: Inspector General of Registration and Commissioner of Stamps, TNMC: Treasury Network Management Centre						
TP wise Fund III details along with Additional Stamp duty for the year 2021-22						
Sl. No.	CF	MPAS	TP Name	Fund-III Receipts (including ASD) as per TNMC	ASD as per IGR	Difference
1	0000-00-197-0-00	2515-00-001-0-97	Afzalpur	10,74,051	25,13,295	-14,39,244
2	0000-00-197-0-00	2515-00-001-0-97	Bangarpet	29,50,304	51,65,224	-22,14,920
3	0000-00-197-0-00	2515-00-001-0-97	Bantwal	26,31,075	45,09,899	-18,78,824
4	0000-00-197-0-00	2515-00-001-0-97	Basavanabagewadi	37,48,542	39,77,683	-2,29,141
5	0000-00-197-0-00	2515-00-001-0-97	Bengaluru South	10,00,616	23,41,456	-13,40,840
6	0000-00-197-0-00	2515-00-001-0-97	Challakere	18,23,028	41,72,312	-23,49,284
7	0000-00-197-0-00	2515-00-001-0-97	Chikkamagaluru	14,88,528	34,83,177	-19,94,649
8	0000-00-197-0-00	2515-00-001-0-97	Chikkanayakanahalli	10,40,906	24,19,659	-13,78,753
9	0000-00-197-0-00	2515-00-001-0-97	Chintamani	10,84,129	33,99,933	-23,15,804
10	0000-00-197-0-00	2515-00-001-0-97	Chittapura	19,70,229	46,10,367	-26,40,138
11	0000-00-197-0-00	2515-00-001-0-97	Chitradurga	20,66,214	48,34,972	-27,68,758

12	0000-00-197-0-00	2515-00-001-0-97	Deodurga	13,67,824	32,00,730	-18,32,906
13	0000-00-197-0-00	2515-00-001-0-97	Gouribidanur	1,53,548	33,19,278	-31,65,730
14	0000-00-197-0-00	2515-00-001-0-97	Gubbi	24,28,995	29,94,409	-5,65,414
15	0000-00-197-0-00	2515-00-001-0-97	Harapanahalli	16,18,178	34,44,795	-18,26,617
16	0000-00-197-0-00	2515-00-001-0-97	Honnava	16,01,998	18,96,489	-2,94,491
17	0000-00-197-0-00	2515-00-001-0-97	Hosadurga	11,46,082	26,81,849	-15,35,767
18	0000-00-197-0-00	2515-00-001-0-97	Hubballi	6,96,118	16,28,927	-9,32,809
19	0000-00-197-0-00	2515-00-001-0-97	Hunsur	31,79,311	32,27,615	-48,304
20	0000-00-197-0-00	2515-00-001-0-97	Jewargi	18,66,227	33,86,621	-15,20,394
21	0000-00-197-0-00	2515-00-001-0-97	Kadur	14,21,746	33,26,908	-19,05,162
22	0000-00-197-0-00	2515-00-001-0-97	Kalaburgi	41,09,457	94,65,449	-53,55,992
23	0000-00-197-0-00	2515-00-001-0-97	Kolar	4,49,579	43,96,176	-39,46,597
24	0000-00-197-0-00	2515-00-001-0-97	Koratagere	11,08,992	19,11,625	-8,02,633
25	0000-00-197-0-00	2515-00-001-0-97	K.R.Nagar	10,06,695	28,81,930	-18,75,235
26	0000-00-197-0-00	2515-00-001-0-97	Kumta	12,16,617	17,59,793	-5,43,176
27	0000-00-197-0-00	2515-00-001-0-97	Kunigal	16,12,140	25,75,392	-9,63,252
28	0000-00-197-0-00	2515-00-001-0-97	Mangaluru	76,96,990	1,13,44,919	-36,47,929
29	0000-00-197-0-00	2515-00-001-0-97	Manvi	18,06,845	42,28,044	-24,21,199
30	0000-00-197-0-00	2515-00-001-0-97	Mudigere	6,24,594	14,61,559	-8,36,965
31	0000-00-197-0-00	2515-00-001-0-97	Mulbagal	12,62,188	29,53,540	-16,91,352
32	0000-00-197-0-00	2515-00-001-0-97	Mundargi	6,90,735	15,04,482	-8,13,747
33	0000-00-197-0-00	2515-00-001-0-97	Nargund	1,116	11,47,755	-11,46,639
34	0000-00-197-0-00	2515-00-001-0-97	Navalagund	6,34,331	21,69,606	-15,35,275
35	0000-00-197-0-00	2515-00-001-0-97	Nelamangala	2,12,515	24,05,504	-21,92,989
36	0000-00-197-0-00	2515-00-001-0-97	Piriyapatna	27,31,149	27,72,644	-41,495
37	0000-00-197-0-00	2515-00-001-0-97	Raichuru	37,50,584	56,87,699	-19,37,115
38	0000-00-197-0-00	2515-00-001-0-97	Ramanagara	19,535	30,41,130	-30,21,595
39	0000-00-197-0-00	2515-00-001-0-97	Ramdurg	12,60,199	29,48,886	-16,88,687
40	0000-00-197-0-00	2515-00-001-0-97	Ranebennur	16,34,340	38,24,380	-21,90,040
41	0000-00-197-0-00	2515-00-001-0-97	Raibag	33,04,151	46,25,207	-13,21,056
42	0000-00-197-0-00	2515-00-001-0-97	Sedam	10,65,436	24,93,140	-14,27,704
43	0000-00-197-0-00	2515-00-001-0-97	Shirahatti	17,32,423	22,88,929	-5,56,506
44	0000-00-197-0-00	2515-00-001-0-97	Srirangapatna	20,23,191	20,55,347	-32,156
45	0000-00-197-0-00	2515-00-001-0-97	Siruguppa	13,11,757	30,69,532	-17,57,775

46	0000-00-197-0-00	2515-00-001-0-97	Tiptur	10,85,798	25,40,785	-14,54,987
47	0000-00-197-0-00	2515-00-001-0-97	T-Narasipura	18,05,561	33,31,095	-15,25,534
48	0000-00-197-0-00	2515-00-001-0-97	Turuvekere	13,89,926	19,27,629	-5,37,703
49	0000-00-197-0-00	2515-00-001-0-97	Virajpet	9,81,883	22,97,621	-13,15,738
50			Bagalkote	0	32,52,150	-32,52,150
51			Bilagi	0	18,28,392	-18,28,392
52			Jamkhandi	0	53,63,058	-53,63,058
53			Yalandur	0	9,36,119	-9,36,119
54			Gudibande	0	6,36,847	-6,36,847
55			Ron	0	30,12,717	-30,12,717
56			Chincholli	0	29,00,522	-29,00,522
57			Alur	0	9,72,460	-9,72,460
58			Savanur	0	18,42,388	-18,42,388
59			Srinivasapura	0	23,07,579	-23,07,579
60			H.D.Kote	0	30,07,960	-30,07,960
61			Tumakuru	0	67,57,171	-67,57,171
62			Mundagod	0	12,11,073	-12,11,073
63			Haliyala	0	13,61,445	-13,61,445
64			Joida	0	5,93,274	-5,93,274
65			Yadgir	0	45,43,878	-45,43,878
66			Shahpur	0	41,47,640	-41,47,640
67			Shorapura	0	47,02,794	-47,02,794
ASD: Additional Stamp Duty, IGR: Inspector General of Registration and Commissioner of Stamps,						
TNMC: Treasury Network Management Centre						

Source: Information furnished by IGR & TNMC

Appendix 1.9

(Reference: Paragraph 1.11.1. / Page 14)

Statement showing 15th Finance Commission details for the year 2020-21

(Amount in ₹)

Sl. no.	Name of the ZP	As per ZP	As per RDPR*	Difference
1	Bagalkote	4,10,71,681	5,47,62,242	1,36,90,561
2	Bengaluru Rural	2,24,42,325	2,99,23,100	74,80,775
3	Bengaluru Urban	2,76,66,582	3,68,88,776	92,22,194
4	Belagavi	10,68,39,609	14,24,52,814	3,56,13,205
5	Ballari	5,55,70,842	7,40,94,458	1,85,23,616
6	Bidar	4,01,92,803	5,35,90,404	1,33,97,601
7	Chitradurga	4,39,36,092	5,85,81,458	1,46,45,366
8	Davanagere	3,30,43,011	4,40,57,347	1,10,14,336
9	Dharwad	2,55,78,096	3,41,04,127	85,26,031
10	Gadag	2,25,73,314	3,00,97,753	75,24,439
11	Hassan	4,65,30,195	6,20,40,260	1,55,10,065
12	Haveri	3,89,06,580	5,18,75,441	1,29,68,861
13	Kalaburagi	5,74,33,123	7,65,77,498	1,91,44,375
14	Chikkaballapura	3,14,29,547	4,19,06,064	1,04,76,517
15	Kodagu	1,66,46,466	2,21,95,287	55,48,821
16	Kolar	3,38,95,890	4,51,94,518	1,12,98,628
17	Koppal	3,45,05,196	4,60,06,929	1,15,01,733
18	Mandya	4,67,81,967	6,23,75,955	1,55,93,988
19	Mysuru	5,74,53,717	7,66,04,957	1,91,51,240
20	Raichur	4,49,94,468	5,99,92,622	1,49,98,154
21	Ramanagara	2,53,81,218	3,38,41,623	84,60,405
22	Shivamogga	3,80,04,492	5,06,72,656	1,26,68,164
23	Tumakuru	6,73,31,886	8,97,75,847	2,24,43,961
24	Udupi	3,00,11,724	4,00,15,630	1,00,03,906
25	Dakshina Kannada	4,12,40,217	5,49,86,955	1,37,46,738
26	Chikkamagaluru	0	4,09,08,822	4,09,08,822
27	Uttara Kannada	0	4,93,34,627	4,93,34,627
28	Chamarajanagar	0	3,68,99,225	3,68,99,225
29	Vijayapura	0	6,87,16,068	6,87,16,068
30	Yadgir	0	4,00,26,539	4,00,26,539
*includes Tied and Untied Grants.				

Source: Information furnished by ZPs

Appendix 1.10

(Reference: Paragraph 1.11.1 / Page 14)

Statement showing 15th Finance Commission details for the year 2021-22

(Amount in ₹)

Sl. no.	Name of the ZP/District	As per ZP	As per RDPR*	Difference
1	Bengaluru Urban	2,28,50,516	2,72,56,643	44,06,127
2	Bengaluru Rural	2,29,33,514	2,21,09,794	-8,23,720
3	Gadag	2,30,67,512	2,22,38,843	-8,28,669
4	Shivamogga	3,88,53,009	3,74,41,375	-14,11,634
5	Chikkaballapura	3,21,27,096	3,09,63,853	-11,63,243
6	Chikkamagaluru	3,13,61,991	3,02,27,003	-11,34,988
7	Chitradurga	4,49,20,807	4,32,85,087	-16,35,720
8	Dakshina Kannada	4,21,63,031	4,06,29,155	-15,33,876
9	Davanagere	3,37,77,606	3,25,53,408	-12,24,198
10	Hassan	4,75,74,473	4,58,40,751	-17,33,722
11	Haveri	3,97,75,810	3,83,30,097	-14,45,713
12	Kolar	3,46,50,068	3,33,93,649	-12,56,419
13	Mandya	4,78,32,025	4,60,88,792	-17,43,233
14	Mysuru	5,87,48,816	5,66,02,419	-21,46,397
15	Raichur	4,60,03,485	4,43,27,778	-16,75,707
16	Ramanagara	2,59,39,887	2,50,05,141	-9,34,746
17	Udupi	3,06,76,716	2,95,67,035	-11,09,681
18	Vijayapura	5,26,96,271	5,07,73,420	-19,22,851
*includes Tied and Untied Grants.				

Source: Information furnished by ZPs

Appendix 1.11

(Reference: Paragraph 1.11.2 / Page 15)

Statement showing Balances of 12th, 13th and 14th Finance Grants held with Zilla Panchayats as at the end of 2021-22

(Amount in ₹)		
Name of the ZP/District	Name of the Scheme	Balance as on 31.03.2022
Ballari	12 th CFC	1,77,74,698
Dharwad		7,632
Shivamogga		3,25,438
Tumakuru		16,41,851
Yadgir		243
Total		1,97,49,862
Ballari	13 th CFC	72,27,235
Bidar		88,26,789
Chikkamagaluru		1,16,71,272
Chitradurga		9,47,934
Gadag		4,811
Hassan		2,63,691
Haveri		86,28,133
Kolar		3,81,46,907
Koppal		29,61,846
Shivamogga		459
Tumakuru		3,64,62,914
Yadgir		2,89,75,126
Total		14,41,17,117
Bengaluru Urban	14 th CFC	3,57,77,240
Shivamogga		10,34,059
		3,68,11,299
Grand Total		20,06,78,278

Source: Annual Accounts of ZPs.

Appendix 1.12**(Reference: Paragraph 1.11.2 / Page 15)****Statement showing Balances of 12th and 13th CFC Grants held with TPs as at the end of 2021-22**

(Amount in ₹)				
Sl.No.	Zilla Panchayat Name	Taluk Panchayat Name	12 th CFC	13 th CFC
1	Bengaluru (R)	Nelamangala*	11,719	0
2	Ramanagara	Ramanagara	0	38,187
3		Magadi	18,385	0
4	Belagavi	Athani	0	20,53,617
5		Chikkodi*	46,240	20,77,672
6		Hukkeri*	1,036	0
7		Khanapur*	0	16,909
8		Ramdurg*	5,68,221	2,68,387
9	Vijayapura	Indi	0	4,71,210
10		Muddebihal	42,906	0
11	Chamarajanagara	Chamarajanagara	5,72,346	54,745
12		Gundlupet	4,95,290	68,65,842
13		Kollegal*	0	24,22,040
14		Yalandur*	98,096	8,68,954
15	Chitradurga	Challakere	4,69,559	17,79,265
16		Chitradurga	0	73,559
17		Hiriyur	0	53,37,443
18		Hosadurga*	1,99,843	0
19		Holalkere	8,08,237	9,23,375
20		Molakalmuru	0	15,74,633
21	Davangere	Davanagere	0	5,23,043
22		Jagalur*	0	34,695
23	Dharwad	Hubballi	7,840	0
24	Gadag	Naragund*	13,533	35,94,303
25		Ron*	3,82,468	0
26	Yadgir	Shahapur*	8,260	46,055
27		Shorapur*	10,688	4,05,498
28		Yadgir	19,576	29,10,950
29	Hassan	Arasikere*	0	677
30	Haveri	Haveri*	0	47,973
31		Shiggavi	2,761	0
32	Kodagu	Madikeri	0	51,292
33		Virajpet	0	1,65,729
34	Kolar	Bangarapet	8,983	14,829
35		Kolar	2,63,768	59,614
36		Malur	1,23,887	3,29,759
37	Chikkaballapura	Gudibande	86,724	1,17,912
38	Koppal	Gangavathi	49,541	5,86,106
39		Koppal	5,95,656	13,76,162
40		Kustagi*	0	15,14,111

41	Mandya	Maddur*	18,584	0
42		Malavalli*	0	40,656
43		Mandya	0	16,675
44	Mysuru	T.Narasipura	3,486	0
45	Raichur	Deodurga*	10,284	1,31,25,935
46		Lingasugur	0	1,75,88,047
47		Manvi*	23,99,246	0
48		Sindhanur*	12,58,732	74,90,040
49	Shivamogga	Hosanagara	2,374	52,18,460
50		Shimoga	0	17,40,690
51		Soraba	7,08,850	11,14,688
52	Tumakuru	Kunigal*	2,44,380	99,193
53		Pavagada*	0	58,026
54		Turuvekere	0	40,878
55	Uttara Kannada	Siddapura	77,778	0
Total			96,29,277	8,31,37,834
Grand Total			#9,28,52,863	
*Figures pertaining to 23 TPs are provisional				
#includes 10 th and 11 th Finance pertaining to TPs, Khanapura (₹27,922) and Ramdurg (₹57,830).				

Source: Annual Accounts of TPs.

Appendix 1.13

(Reference: Paragraph 1.12.2.2 / Page 17)

Statement Showing GPs not audited by KSAAD for more than five years

Sl. No.	Name of the District	Name of the Taluk	Name of the GPs	Period	No. of Years	Remarks/Reasons
1	Chitradurga	Holalkere	Adanur	2002 to 2010	9	Non furnishing of records by GP
2	Bagalkote	Ilkal	Hiresinganagutti	2001 to 2022	22	Non furnishing of records by GP
3	Raichur	Raichur	Sagunkunta	2006-2020	14	Shortage of Man-days
4			MittiMalkapura	1997-2020	23	Shortage of Man-days
5			Kamalapura	2004-2020	16	Shortage of Man-days
6			Linganakhanadoddi	1997-2000, 2004 to 2020	19	Shortage of Man-days
7			Gunjalli	2008-2020	12	Shortage of Man-days
8			Yaragera	2005-2020	15	Shortage of Man-days
9			Marchithala	2014-2020	6	Shortage of Man-days
10		Manvi	Byagavata	2007-2020	13	Shortage of Man-days
11			Utakanur	2007-2020	13	Shortage of Man-days
12			Kurdi	2009-2020	11	Shortage of Man-days
13		Maski	Halapura	2010-2020	10	Shortage of Man-days
14		Sirawara	Heera	1995-98, 1999-2000, 2005-2020	19	Shortage of Man-days
15			Mallata	2003-05, 2008-20	14	Shortage of Man-days
16			Navalakall	2011-2020	9	Shortage of Man-days
17			Bagalawada	2007-09, 2010-2020	12	Shortage of Man-days
18			Chagabavi	2007-2020	13	Shortage of Man-days
19			Haravi	2012-2020	8	Shortage of Man-days
20			Kallur	2010-2020	10	Shortage of Man-days
21			Ballatagi	2006-07, 2011-2020	10	Shortage of Man-days
22			K.Gudadinni	2013-2020	7	Shortage of Man-days
23			Athnur	2006-2020	14	Shortage of Man-days
24			Ganadinni	2011-2020	9	Shortage of Man-days
25			Sirawara	2011-2016	5	Shortage of Man-days
26		Deodurga	Kottadoddi	2007-2020	13	Shortage of Man-days
27			Alkoda	1997-98, 2007-2020	14	Shortage of Man-days
28			Jagirajadaladinni	2007-2020	13	Shortage of Man-days
29			Kyadigera	1994-97, 2012-2020	15	Shortage of Man-days
30			Gabbur	1996-98, 2007-2020	15	Shortage of Man-days
31			Malladakall	2007-2020	13	Shortage of Man-days
32			Hirebudur	2007-2020	13	Shortage of Man-days

33			Hemanal	2007-2020	13	Shortage of Man-days
34			Mundargi	1996-2000, 2007-2020	17	Shortage of Man-days
35			K.Irabagera	2003-2006, 2007-2020	16	Shortage of Man-days
36		Lingsugur	Gowdur	2008-2020	12	Shortage of Man-days
37			Nagalapura	2012-2020	8	Shortage of Man-days
38			Narakaladinni	2002-04, 2007-2020	15	Shortage of Man-days
39			Roudalabanda UKP	2007-2020	13	Shortage of Man-days
40			Kachapura	2004-06, 2007-2020	15	Shortage of Man-days
41			Sarjapura	2007-2020	13	Shortage of Man-days
42			Upparanandihal	2007-2020	13	Shortage of Man-days

Source: Information furnished by KSAAD

Appendix 1.14

(Reference: Paragraph 1.12.2.3 / Page 18)

Statement showing Inspection Reports and Paragraphs outstanding up to the audit period 2021-22 - Panchayat Raj Institutions

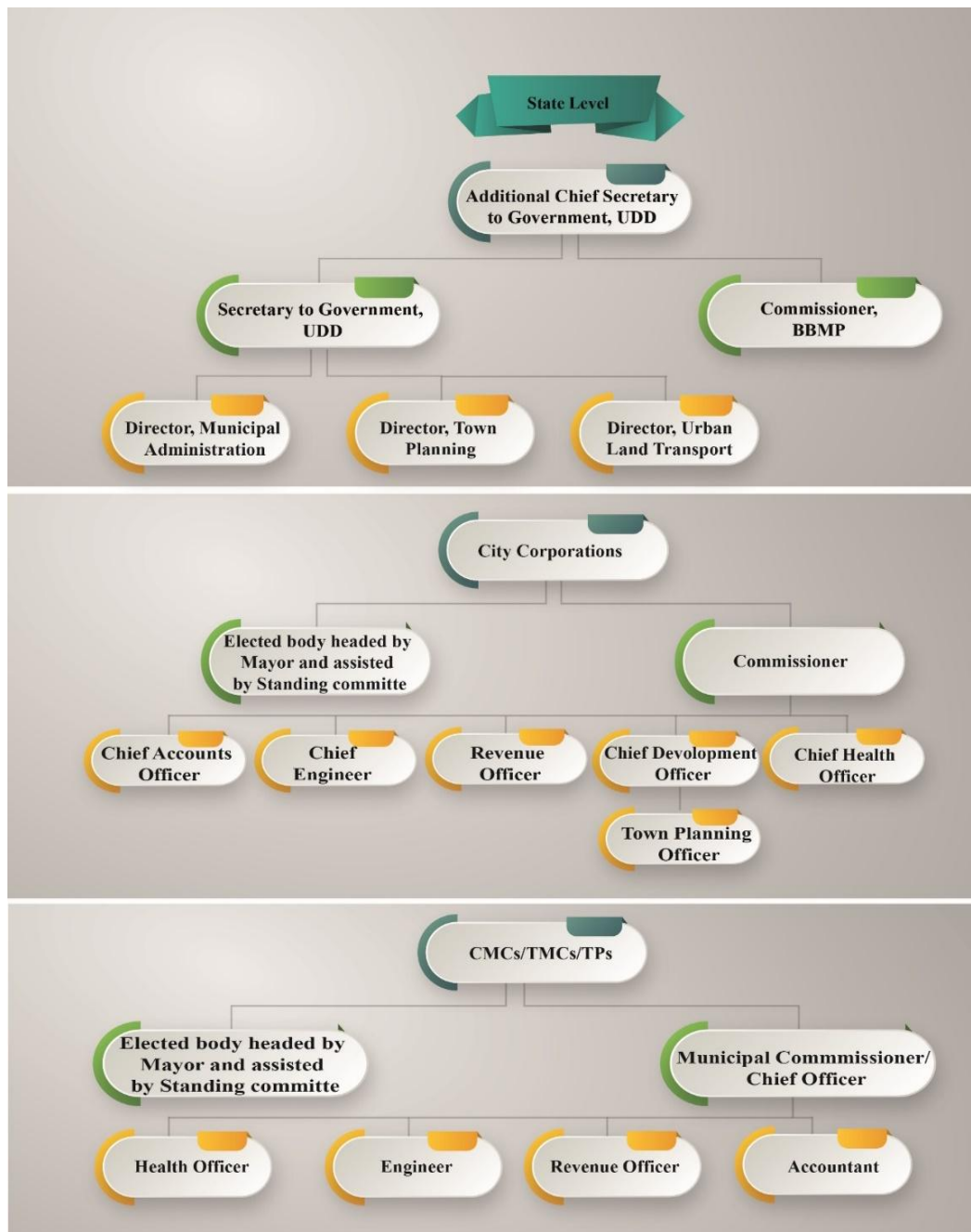
Sl. no.	Name of the ZP	More than 10 years (up to 2011-12)		05 to 10 years (2012-13 to 2016-17)		03 to 05 years (2017-18 to 2019-20)		2020-21		2021-22		Total	
		IR	Paras	IR	Paras	IR	Paras	IR	Paras	IR	Paras	IR	Paras
1	Bagalkote	19	57	3	31	5	54	3	30	0	0	30	172
2	Ballari	19	73	6	56	7	69	1	9	5	40	38	247
3	Bangalore (Rural)	6	65	4	43	3	37	4	53	0	0	17	198
4	Bangalore (Urban)	24	73	3	11	5	66	0	0	0	0	32	150
5	Belagavi	35	136	11	150	8	100	3	27	0	0	57	413
6	Bidar	26	139	5	49	5	62	3	31	0	0	39	281
7	Chamarajanagar	16	40	5	45	5	66	0	0	0	0	26	151
8	Chikkaballapur	25	132	3	21	4	46	4	59	0	0	36	258
9	Chikkamagaluru	32	80	6	42	3	48	0	0	3	35	44	205
10	Chitradurga	21	94	3	26	5	62	3	41	0	0	32	223
11	Dakshina Kannada	16	27	6	22	5	54	4	63	0	0	31	166
12	Davanagere	13	25	2	3	5	73	4	30	0	0	24	131
13	Dharwad	20	37	7	118	2	32	0	0	0	0	29	187
14	Gadag	28	140	2	10	5	34	0	0	5	39	40	223
15	Hassan	16	41	5	15	9	100	0	0	3	35	33	191
16	Haveri	26	95	4	25	7	69	0	0	0	0	37	189
17	Kalaburagi	29	75	7	57	8	133	0	0	5	46	49	311
18	Karwar	27	91	9	82	6	55	3	35	0	0	45	263
19	Kodagu	15	21	4	7	1	17	4	60	0	0	24	105
20	Kolar	39	165	2	49	7	84	0	0	3	23	51	321
21	Koppal	20	107	4	35	5	81	0	0	0	0	29	223
22	Mandya	36	215	6	60	8	132	0	0	0	0	50	407
23	Mysore	32	138	8	28	8	83	1	21	0	0	49	270
24	Raichur	29	127	6	47	5	84	0	0	0	0	40	258
25	Ramanagara	17	58	3	44	4	50	0	0	0	0	24	152
26	Shivamogga	24	58	5	24	6	95	0	0	3	38	38	215
27	Tumkur	42	160	10	93	7	110	0	0	4	37	63	400
28	Udupi	4	23	5	17	2	24	0	0	0	0	11	64
29	Vijayapura	26	48	7	26	4	47	3	35	0	0	40	156
30	Yadgir	14	72	5	43	2	39	0	0	0	0	21	154
Total		696	2,612	156	1,279	156	2,006	40	494	31	293	1,079	6,684
Total GPs		0	0	151	1,352	122	1,553	45	623	71	732	389	4,260
Grand Total		696	2,612	307	2,631	278	3,559	85	1,117	102	1,025	1,468	10,944

Source: Inspection Reports

Appendix 2.1

(Reference: Paragraph 2.2 / Page 22)

Organisational structure with respect to functioning of ULBs in the State



Appendix 2.2

(Reference: Paragraph 2.4 / Page 22)

List of 18 items under the 12th Schedule of the Indian Constitution

1. Regulation of land use and construction of land buildings.
2. Urban planning including the town planning.
3. Planning for economic and social development.
4. Urban poverty alleviation.
5. Water supply for domestic, industrial and commercial purposes.
6. Fire services.
7. Public health sanitation, conservancy and solid waste management.
8. Slum improvement and up-gradation.
9. Safeguarding the interests of the weaker sections of society, including the physically handicapped and mentally unsound.
10. Urban forestry, protection of environment and promotion of ecological aspects.
11. Construction of roads and bridges.
12. Provision of urban amenities and facilities such as parks, gardens and playgrounds.
13. Promotion of cultural, educational and aesthetic aspects.
14. Burials and burials grounds, cremation and cremation grounds and electric crematoriums.
15. Cattle ponds, prevention of cruelty to animals.
16. Regulation of slaughterhouses and tanneries.
17. Public amenities including street lighting, parking spaces, bus stops and public conveniences.
18. Vital statistics including registration of births and death.

Appendix 3.1

(Reference: Paragraph 3.5.1 / Page 42)

Statement showing the list of GPs test checked under TGS Module

2020-21			
Sl. No.	GP Name	Taluk	District
1	Adarangi	Magadi	Ramanagara
2	Arani	Nagamangala	Mandya
3	B. Hosur	Mandya	Mandaya
4	Bannikuppe	Ramanagara	Ramanagara
5	Belluru	Mandya	Mandaya
6	Chelluru	Kanakapura	Ramanagara
7	Chikkabidarakallu	Bengaluru South	Bengaluru
8	Chinya	Nagamangala	Mandya
9	Devalapura	Nagamangala	Mandya
10	Doddabanahalli	Bengaluru East	Bengaluru Urban
11	Goppahalli	Ramanagara	Ramanagara
12	Gramnthara	Mandya	Mandya
13	Haluvadi	Mandya	Mandya
14	Honnavara	Nagamangala	Mandya
15	Hosadurga	Kanakapura	Ramanagara
16	Kadhabahalli	Nagmangala	Mandaya
17	Kagglipura	Bengaluru South	Bengaluru
18	Kannur	Bengaluru East	Bengaluru
19	Karadahalli	Nagamangala	Mandya
20	Kasagattapura	Yelahanka	Bengaluru
21	Keregoddu	Mandya	Mandaya
22	Kittaganuru	Bengaluru East	Bengaluru Urban
23	Kodathi	Bengaluru East	Bengaluru Urban
24	Kodihalli	Ramanagara	Ramanagara
25	Kudur	Magadi	Ramanagara
26	Malur	Channapatna	Ramanagara
27	Manchanayakanahalli	Ramanagara	Ramanagara
28	Manduru	Bengaluru East	Bengaluru Urban
29	Mandya Gramnathara	Mandya	Mandya
30	Mangala	Mandya	Mandya
31	Mayaganahalli	Ramanagara	Ramanagara
32	Mayasandra	Anekal	Bengaluru
33	Mugulur	Anekal	Bengaluru
34	Sathanur	Mandya	Mandaya
35	Shantipura	Anekal	Bengaluru
36	Singanayakanahalli	Yelahanka	Bengaluru Urban
37	Soluru	Magdi	Ramanagara
38	Soolikere	Bengaluru South	Bengaluru
39	T. Hosahalli	Kanakapura	Ramanagara
40	Tuppadamadu	Nagamangala	Mandaya
41	Ummadahalli	Mandya	Mandaya

42	Uyyamballi	Kanakapura	Ramanagara
43	Vandraguppe	Channapatna	Ramanagara
44	Vibhulikere	Ramanagara	Ramanagara
45	Yamre	Anekal	Bengaluru
2021-22			
1	Bettakote	Devanahalli	Bengaluru (Rural)
2	Nalluru	Devanahalli	Bengaluru (Rural)
3	Kodigehalli	Doddaballapur	Bengaluru (Rural)
4	Gangavara Chowdappanahalli	Devanahalli	Bengaluru (Rural)
5	Karahalli	Devanahalli	Bengaluru (Rural)
6	Chokkahalli	Hoskote	Bengaluru (Rural)
7	Alooru Duddanahalli	Devanahalli	Bengaluru (Rural)
8	Budigere	Devanahalli	Bengaluru (Rural)
9	Majarahosahalli	Doddaballapur	Bengaluru (Rural)
10	Anneswara	Devanahalli	Bengaluru (Rural)
11	Samethanahalli	Hoskote	Bengaluru (Rural)
12	Sompura	Nelamangala	Bengaluru (Rural)
13	Jalige	Devanahalli	Bengaluru (Rural)
14	Chinnakote	Bangarpet	Kolar
15	Bellur	Kolar	Kolar
16	Nosagere	Malur	Kolar
17	Gullahalli	Bangarpet	Kolar
18	Narsapura	Kolar	Kolar
19	Abbenahalli	Malur	Kolar
20	D K Halli	Bangarpet	Kolar
21	Soolur	Kolar	Kolar
22	Hulibele	Bangarpet	Kolar
23	Hulimangala	Malur	Kolar
24	Shivarapattana	Malur	Kolar
25	Vemagal	Kolar	Kolar
26	Kurugal	Kolar	Kolar
27	Gummakallu	Mulabagal	Kolar
28	Gownipalli	Srinivasapura	Kolar
29	Thadigol	Srinivasapura	Kolar
30	Balla	Mulabagal	Kolar
31	Addagal	Srinivasapura	Kolar
32	Tavarakere	Hoskote	Bengaluru (Rural)
33	T Beguru	Nelamangala	Bengaluru (Rural)
34	Madaval	Gokak	Belagavi
35	Tigadi	Bailhongal	Belagavi
36	Hirenallur	Sagar	Shivamogga
37	Bhimaneri	Sagar	Shivamogga
38	Ullur	Sagar	Shivamogga
39	Jade	Soraba	Shivamogga
40	Tavanandi	Soraba	Shivamogga
41	Ulavi	Soraba	Shivamogga
42	Kundargi	Gokak	Belagavi

43	Anigol	Bailhongal	Belagavi
44	Belavadi	Bailhongal	Belagavi
45	Nnadagoan	Gokak	Belagavi
46	Sarjapura	Anekal	Bengaluru (Rural)
47	Kenganur	Bailhongal	Belagavi
48	Anandapur	Sagar	Shivamogga
49	Hirenandi	Gokak	Belagavi
50	Kanagoan	Gokak	Belagavi
51	Sangolli	Bailhongal	Belagavi
52	Chittur	Soraba	Shivamogga
53	Badigwad	Gokak	Belagavi
54	Manne	Nelamangala	Bengaluru (Rural)
55	Udikeri	Bailhongal	Belagavi
56	Tumari	Sagar	Shivamogga
57	Gowthampura	Sagar	Shivamogga
58	Bharangi	Soraba	Shivamogga
59	Induvalli	Soraba	Shivamogga
60	Nilaji	Belagavi	Belagavi
61	Honaga	Belagavi	Belagavi
62	Hindalga	Belagavi	Belagavi
63	Benkanahalli	Belagavi	Belagavi
64	Budhihal	Nelamangala	Bengaluru (Rural)
65	Karahalli	Bangarpet	Kolar
66	Kinaye	Belagavi	Belagavi
67	Kesaranahalli	Bangarpet	Kolar
68	Chikkatirupati	Malur	Kolar
69	Sulebhavi	Belagavi	Belagavi
70	Kakati	Belagavi	Belagavi
71	Sambra	Belagavi	Belagavi

Appendix 3.2

(Reference: Paragraph 3.6.1 / Page 43)

Statement showing the details of collection of Building Licence fees for the year 2020-21

(Amount in ₹)

Sl. No	Name of the District	Name of the Taluka	Name of the Gram Panchayat	Period of LARs	Name of the property	Type of property	Total built-up area (in sqm)	Building license to be collected	Building license collected	Short Collection
1	Bengaluru Urban	Bengaluru East	Doddabahanahalli	2015-16 to 2018-19	MO Anjinappa Reddy (SLV)	Residential	52,998	10,06,962	8,83,402	1,23,560
					SBR Habitate Ltd	Residential	25,405	4,82,695		
						Commercial	9,389	3,94,338	8,43,781	33,252
					Sumadhura	Residential	1,75,304	33,30,776	26,29,545	7,01,231
2	Bengaluru Urban	Bengaluru East	Kittaganuru	2015-16 to 2018-19	M/s Sukritha Buildmann (P) Ltd	Residential	47,510.26	9,02,694.9	8,55,159	47,536
3	Bengaluru Urban	Bengaluru East	Kannur	2015-16 to 2018-19	M/s Shriprop Builders private Ltd	Residential	57,868.41	10,99,500	10,00,000	99,500
4	Bengaluru Urban	Anekal	Mayasandra	2015-16 to 2018-19	M/s Value and assets Holdings Pvt Ltd rep by its GPA Holder Goyal Hariyana Realty.	Residential	32,119.39	6,10,268.4	1,00,000	5,10,268
					M/s ICONICA Projects	Residential	2,09,538	39,81,222	10,37,837	29,43,385
5	Mandya	Mandya	Gramanthara	2015-16 to 2018-19	ZA	Commercial	2,575.64	1,08,176.9	5,600	1,02,577
					Total			1,19,16,633.2	73,55,324	45,61,309

Source: Information furnished by GPs

Appendix 3.3

(Reference: Paragraph 3.6.2 / Page 43)

Statement Showing Details of Short Collection of Building Licence Fee for the year 2021-22

Sl. No	Name of the District	Name of the taluka	Name of the Gram Panchayat	Name of the property	Type of property	Total built-up area (in sqm)	Rate per sqm (in ₹)	Building license to be collected (in ₹)
1	Kolar	Malur	Nosagere	All Cargo Logistic Limited	Commercial	2,74,358	24	65,84,592
				M/s Srinivasa Industries	Commercial	1,394	24	33,456
2	Kolar	Malur	Shivarupattana	M/s.Honda Motorcycles and Scooter India Pvt Ltd	Commercial	64,877	24	15,57,048
				Endurance Technology Pvt.Ltd	Commercial	17,917	24	4,30,008
Total								86,05,104

Source: Information furnished by GPs

Appendix 3.4

(Reference: Paragraph 3.6.3 / Page 44)

Gram Panchayat wise list of dishonoured cheques

Kaggalipura Gram Panchayat, Bengaluru South Taluk, Bengaluru Urban District			
Sl. No.	Date	Cheque No.	Amount in ₹
1	01-12-2018	446980	68,000
2	19-11-2018	059452	4,550
3	05-10-2018	270323	3,214
4	14-09-2018	000047	8,840
5	28-08-2018	989399	4,152
6	20-08-2018	129988	3,207
7	23-07-2018	673308	9,420
8	23-07-2018	000006	17,734
9	18-07-2018	000040	33,930
10	18-07-2018	612225	33,400
11	18-07-2018	000156	32,610
12	25-06-2018	000019	21,300
13	14-06-2018	779240	5,000
14	14-06-2018	779239	4,697
15	12-06-2018	850508	58,301
16	12-06-2018	850509	5,816
17	20-04-2018	000021	6,391
18	02-01-2018	000132	3,470
19	18-12-2017	830097	21,276
20	13-12-2017	000015	12,582
21	20-10-2017	559403	18,300
22	19-10-2017	987752	7,35,873
23	18-09-2017	000046	4,710
24	08-09-2017	273249	48,943
25	08-09-2017	060397	6,873
26	20-04-2017	504406	2,251
27	17-03-2017	004182	13,770
28	03-01-2017	741224	4,590
29	16-08-2016	424683	5,00,000
30	17-08-2015	264736	48,943
Total			17,42,143

Source: Information furnished by GP

Muguluru Gram Panchayath, Anekal Taluk, Bengaluru Urban District			
Sl. No.	Date	Cheque No.	Amount in ₹
1	24-12-2018	911028	11,110
2	28-09-2018	278515	369
3	19-06-2018	119867	12,384
4	30-04-2018	211039	1,00,000
5	23-02-2018	993546	1,983
6	09-10-2017	001543	7,895
Total			1,33,741

Source: Information furnished by GP

Hulimangala Gram Panchayat, Anekal Taluk, Bengaluru Urban District			
Sl. No.	Date	Cheque No.	Amount in ₹
1	30-03-2019	461605	36,572
2	17-09-2018	765478	3,777
3	10-08-2018	843827	9,695
4	17-10-2017	60261	17,711
5	24-07-2017	798584	18,208
Total			85,963
Grand Total			19,61,847

Source: Information furnished by GP

Anneshwara Gram Panchayat, Devanahalli Taluk, Bengaluru Rural District			
Sl. No.	Date	Cheque No.	Amount in ₹
1	06-10-2016	809322	13,70,000
2	06-10-2016	016604	15,05,000
3	17-01-2017	786266	9,500
4	16-01-2018	170758	8,463
5	24-10-2019	061578	9,154
6	11-12-2019	105857	10,814
Total			29,12,931
Grand total			48,74,778

Source: Information furnished by GP

Appendix 3.5
(Reference: Paragraph 3.6.6 / Page 47)
Statement Showing Details of excess payments made by GP Tumari.

Sl. No	Name of the work	Estimated Cost	DC Bill No	Rate applicable for manual means	Qty	Total paid	Rate applicable for mechanical means	Amount payable	Excess paid	Year of PRED SR
(Amount in ₹)										
1	Road development from Kalasavalli circle main road to Hulasekere	73,000	4/20-21	205.25	314.82	64,616.81	44.44	13,990.60	50,626.20	2018-19
2	Providing cement pipe to the road in Hosahalli village	14,000	6/20-21	205.25	27.72	5,689.53	44.44	1,231.88	4,457.65	2018-19
3	Providing cement pipe to road near school, Kalasavalli	16880	8/20-21	205.25	41.76	8,571.24	44.44	1,855.81	6,715.43	2018-19
4	Providing cement pipe to road near Shivappa house, Hosalli	15,000	10/20-21	205.25	32.40	6,650.10	44.44	1,439.86	5,210.24	2018-19
5	Providing cement pipe to road from PWD Road to DDM School	15,000	12/20-21	205.25	32.40	6,650.10	44.44	1,439.86	5,210.24	2018-19
6	Providing NP2 pipe near Satish & Chandra house in Tumari-1	20,000	13/20-21	205.25	56.88	11,674.62	44.44	2,527.75	9,146.87	2018-19
7	Development of road from Kudururu Chadaravalli	48,000	19/20-21	205.25	206.16	42,314.34	44.44	9,161.75	33,152.59	2018-19
8	Development of road from Chadaravalli village, Bandalakallur	40,000	20/20-21	205.25	160.65	32,973.41	44.44	7,139.29	25,834.13	2018-19
9	Providing NP2 pipe to road in Chadaravalli village	43,440	22/20-21	205.25	50.04	10,270.71	44.44	2,223.78	8,046.93	2018-19
10	Providing NP2 pipe & dev of road in Baruve vill	50,000	23/20-21	205.25	182.61	37,480.70	44.44	8,115.19	29,365.51	2018-19

11	Dev of road in Baruve (ST Colony) Sannappa house to Durgappa house	30,000	24/20-21	205.25	145.55	29,874.14	44.44	6,468.24	23,405.90	2016-17
12	Dev of road in Baruve Ward Kiratodi Jalandar house to Karumane Prabhavati house	36,353	25/20-21	205.25	176.32	36,189.68	44.44	7,835.66	28,354.02	2018-19
13	Repairs to road & providing NP2 pipe in Baruve village, Ramesh Bhat house	23,000	26/20-21	205.25	46.8	9,605.70	44.44	2,079.79	7,525.91	2016-17
14	Providing NP2 pipe to road in Baruve village, Ganapati, puttappa, tippappa house	22,858	27/20-21	205.25	70.20	14,408.55	44.44	3,119.69	11,288.86	2018-19
15	Dev of road from Narugallu Subramanya Geru Byana to Bhaskarayya house	25,000	28/20-21	205.25	60.48	12,413.52	44.44	2,687.73	9,725.79	2018-19
16	Providing NP2 pipe & dev of road in chaduravalli channa kollappa	50,000	29/20-21	205.25	161.70	33,188.93	44.44	7,185.95	26,002.98	2018-19
17	Providing NP2 pipe at Ajitkumar house, Tumari-3	10,000	35/20-21	205.25	8.28	1,699.47	44.44	367.96	1,331.51	2018-19
18	Providing NP2 pipe and Dev of road in Tumari-3, Valagere village	28,000	36/20-21	205.25	15.03	3,084.91	44.44	667.93	2,416.97	2018-19
19	Repairs to road & providing NP2 pipe in Tumari-1 PWD Road to Ramesh house	30,000	37/20-21	205.25	105.48	21,649.77	44.44	4,687.53	16,962.24	2018-19
20	Road dev in Baruve from Sampada SR Manjunath Rao house to Bhat House	31,000	43/20-21	205.25	150.45	30,879.86	44.44	6,686.00	24,193.86	2018-19
21	Road dev in Baruve from Gangamma, Savita Durga Nayak house	29,000	44/20-21	205.25	49.94	10,250.19	44.44	2,219.33	8,030.85	2018-19
22	Providing cement pipe to road from Baruve to Amade Kagodu house	23,000	45/20-21	205.25	51.12	10,492.38	44.44	2,271.77	8,220.61	2018-19
23	Road development from Tigalara house to Varanasi Subraya house	22,000	46/20-21	205.25	106.00	21,756.50	44.44	4,710.64	17,045.86	2016-17

24	Road development from Baruve Kvagodu house to Amade Laxmi Narayana house	25,000	48/20-21	205.25	121.41	24,919.40	44.44	5,395.46	19,523.94	2016-17
25	Road Dev & providing NP2 pipe in ST Colony school road in Talagodu	46,000	57/20-21	205.25	163.53	33,564.53	44.44	7,267.27	26,297.26	2018-19
26	Repairs & Providing NP2 pipe in Baruve near ST Yallappa & Others houses	24,570	60/20-21	205.25	54.67	11,221.02	44.44	2,429.53	8,791.48	2016-17
27	Dev of road & providing NP2 pipe in Baruve village near Chimale Kiratodi Narayanachari house	17,000	61/20-21	205.25	22.32	4,581.18	44.44	991.90	3,589.28	2016-17
28	Providing NP2 pipe in SC colony, Savita House, Baruve,	50,334	62/20-21	205.25	63.00	12,930.75	44.44	2,799.72	10,131.03	2018-19
29	Providing NP2 pipe to the road near Megani Ganapati house, Baruve	17,000	66/20-21	205.25	22.25	4,566.81	44.44	988.79	3,578.02	2016-17
30	Road dev from Tigalara mane cross to Amade road cross, Baruve	28,000	67/20-21	205.25	136.29	27,973.52	44.44	6,056.73	21,916.79	2018-19
31	Providing NP2 pipe in Tumari-1 near Lalita Kom Laxmana house	10,000	79/20-21	205.25	8.28	1,699.47	44.44	367.96	1,331.51	2018-19
32	Road dev in ST colony in Sigandur Main Road, Hosalli	30,000	80/20-21	205.25	145.88	29,941.87	44.44	6,482.91	23,458.96	2018-19
33	Road dev in Talagodu - backside of Shankaracharya house	20,000	86/20-21	205.25	97.27	19,964.67	44.44	4,322.68	15,641.99	2016-17
34	Road dev by providing gravel to road from Hissodi to Chaduravalli	30,000	90/20-21	205.25	108.00	22,167.00	44.44	4,799.52	17,367.48	2018-19
35	Road dev from Baruve Kogawu house to Chimale Navin Shanti house	24,500	94/20-21	205.25	64.80	13,300.20	44.44	2,879.71	10,420.49	2016-17
36	Road dev in Baruve village near GP Building	22,000	95/20-21	205.25	58.32	11,970.18	44.44	2,591.74	9,378.44	2016-17
37	Road dev in Baruve village Amade SC Colony	20,000	97/20-21	205.25	97.20	19,950.30	44.44	4,319.57	15,630.73	2016-17

38	Road dev in Baruve village from Marakutukada Ivalli road to Hebbige	55,000	98/20-21	129.08	420.00	54,213.60	48.67	20,441.40	33,772.20	2016-17
39	Providing NP2 pipe in Kaluru village near Maralagodu Ganapathi House	20,000	109/20-21	205.25	16.56	3,398.94	44.44	735.93	2,663.01	2018-19
40	Dev of road to Masigaru Chandrashekhar house, Tumari	15,000	6/18-19	107.27	139.00	14,910.53	48.67	6,765.13	8,145.40	2014-15
41	Dev of road from Kiruvase Main Road to Kagere house	50,000	7/18-19	129.08	387.00	49,953.96	48.67	18,835.29	31,118.67	2014-15
42	Providing NP2 pipe to forest guest house	10,000	12/18-19	107.27	24.48	2,625.97	48.67	1,191.44	1,434.53	2014-15
43	Road construction with NP2 pipe from PWD road to Keremakki Gaddemane	25,000	13/18-19	107.27	96.48	10,349.41	48.67	4,695.68	5,653.73	2014-15
44	Development of road towards Samse Manjavya house, Valagere	15,000	20/18-19	107.27	138.00	14,803.26	48.67	6,716.46	8,086.80	2014-15
45	Road repairs & providing NP2 pipe in Valagere village Murakki Main Road	44,911	23/18-19	129.08	213.12	27,509.53	48.67	10,372.55	17,136.98	2014-15
46	Road repairs & providing NP2 pipe in Valagere village Murakki ST Manjappa & ST SrikanthMain Road	21,000	24/18-19	129.08	27.72	3,578.10	48.67	1,349.13	2,228.97	2014-15
47	Dev of road from Venkataramana Temple to Gerukayi Matha Timmappa House	50,000	26/18-19	129.08	178.20	23,002.06	48.67	8,672.99	14,329.06	2016-17
48	Dev of road from Kallukattu main road to Lakshmana ST house in Brahmanakeppige village	20,000	27/18-19	129.08	154.80	19,981.58	48.67	7,534.12	12,447.47	2014-15
49	Dev of road towards Hosamane Timmanayka house, Kiratodi village	22,000	28/18-19	129.08	43.56	5,622.72	48.67	2,120.07	3,502.66	2016-17
50	Providing NP2 pipe to PWD Road, Valagere to reach Hema House	10,000	29/18-19	129.08	5.04	650.56	48.67	245.30	405.27	2016-17

51	Dev of road from Electric TC to Elige Mahabalarao house in Talagodu of Chimale village	34,589	30/18-19	129.08	266.40	34,386.91	48.67	12,965.69	21,421.22	2016-17
52	Providing NP2 pipe to road near Chadavalli Padmanayka Anganwadi and Seetarama house	30,000	31/18-19	129.08	30.60	3,949.85	48.67	1,489.30	2,460.55	2016-17
53	Repairs to road from Chadavalli Anganwadi Sheshagiri Bhat house	20,000	32/18-19	129.08	154.20	19,904.14	48.67	7,504.91	12,399.22	2016-17
54	Providing NP2 pipe in Chadavalli SC colony	10,000	34/18-19	129.08	10.08	1,301.13	48.67	490.59	810.53	2016-17
55	Providing NP2 pipe to reach Elige Anantavaiya & Others houses in Tumari	16,000	47/18-19	107.27	21.24	2,278.41	48.67	1,033.75	1,244.66	2014-15
56	Providing NP2 pipe to road from Tigalaramane house to Maradarepatti Kani	12,000	48/18-19	107.27	46.44	4,981.62	48.67	2,260.23	2,721.38	2014-15
57	Dev of road from Kiratodi Drain to Elavalli road in Tumari	15,000	49/18-19	123.46	41.40	5,111.24	48.67	2,014.94	3,096.31	2014-15
58	Dev of road from Tigalaramane Satyabhama house to Maradaripatte Kani	28,000	50/18-19	107.27	232.50	24,940.28	48.67	11,315.78	13,624.50	2014-15
59	Dev of road in Baruve village from Elige road to Shankara Achari house, ST Colony	61,000	56/18-19	205.25	296.10	60,774.53	44.44	13,158.68	47,615.84	2016-17
60	Dev of road from Kalasavalli main road to Ganapati KR house	49,000	62/18-19	129.08	378.72	48,885.18	48.67	18,432.30	30,452.88	2016-17
61	Dev of road from Kalasavalli main road to Manjappa ST House	30,000	63/18-19	129.08	127.80	16,496.42	48.67	6,220.03	10,276.40	2016-17
62	Dev of road from Kalke Dharmayya Gowdru house to Doni Hole	40,000	67/18-19	129.08	309.84	39,994.15	48.67	15,079.91	24,914.23	2016-17
63	Dev of road from Kappaduru Baruve PWD Road Elige road	10,000	70/18-19	107.27	74.25	7,964.80	48.67	3,613.75	4,351.05	2014-15

64	Road Development Work from Baruve Ward to Kogodu House in Tumari GP	20,000	PFMS	205.25	97.27	19,964.67	44.44	4,322.68	15,641.99	2016-17
65	Road Development work from Karuru Main Road to Houses of Mahabaleswara Ravindra Matti and others in BrahmanKepp village, Tumari GP	38,000	PFMS	205.25	184.97	37,965.09	44.44	8,220.07	29,745.03	2016-17
66	Road Development work from Yelige Kumar House to Backside of the Puttanayak House in Baruve Ward, Tumari GP	33,000	PFMS	205.25	159.75	32,788.69	44.44	7,099.29	25,689.40	2016-17
67	Installation of Cement pipes in Different Roads of BrahmanKappe Villages, Tumari GP	75,000	PFMS	205.25	42.48	8,719.02	44.44	1,887.81	6,831.21	2016-17
68	Road Development work from Brahmankappe main road to House of jaddenbailSubbagattha in Tumari GP	60,000	PFMS	205.25	291.60	59,850.90	44.44	12,958.70	46,892.20	2016-17
69	Public Road construction for Connecting to Geetha Manjunath naik House in Kalooru Village, Tumari GP	25,000	325/19-20 (SDR)	205.25	81.36	16,699.14	44.44	3,615.64	13,083.50	2018-19
70	Road development for connecting to Hoovanna and Narayanappa and others house in Nadakappe Village, Tumari GP	40,807	Nil	205.25	115.65	23,737.16	44.44	5,139.49	18,597.68	
71	Installation of Cement pipes for Ward -I and WARD-II SC and ST colony in Brahmankappe village, Tumari GP	50,000	396/19-20 (SDR)	205.25	203.04	41,673.96	44.44	9,023.10	32,650.86	
72	Road development of Karekai Village, in Valagere Village, Tumari GP	19,000	Nil	205.25	92.14	18,911.74	44.44	4,094.70	14,817.03	

73	Road Repair near to ParshwanathNarigejedu and others house in Tumari GP	25,000	PFMS	205.25	121.41	24,919.40	44.44	5,395.46	19,523.94	
74	Road repair from Ganapati House to Muttakki Ganapati house in Tumari GP	50,000	PFMS	205.25	243.46	49,970.17	44.44	10,819.36	39,150.80	
75	Cement pipe installation from PWD Road Vakkodi to Yogaraj and others House in Koluru Village, Tumari GP	23,000	PFMS	205.25	70.10	14,388.03	44.44	3,115.24	11,272.78	
76	Road Development from Ashok Jaine House to HosagaddeIrappa House in Koluru Village	20,000	PFMS	205.25	97.20	19,950.30	44.44	4,319.57	15,630.73	
77	Cement pipe installation from PWD Road VakkoditoVandagadde Rajesh and others House in Koluru Village, Tumari GP	23,000	PFMS	205.25	111.60	22,905.90	44.44	4,959.50	17,946.40	
78	Road Development from Dakappa House to KadrolliVijayagouda House in Koluru Village Tumari GP	19,867	PFMS	205.25	95.40	19,580.85	44.44	4,239.58	15,341.27	
79	Road Development and Cement pipe installation fromMaralgodDakappa house to HirekeluruDyavanaika house in Tumari village	20,000	PFMS	205.25	55.80	11,452.95	44.44	2,479.75	8,973.20	
80	Road Development and Cement pipe installation from Kaluru Main Road to Shekar House in Kaluru,Tumari GP	20,440	PFMS	205.25	99.00	20,319.75	44.44	4,399.56	15,920.19	
81	Road Development and Cement pipe installation from Kaluru Main Road toHankodu Chandrakala House in Kaluru,Tumari GP	25,000	PFMS	205.25	81.00	16,625.25	44.44	3,599.64	13,025.61	

82	Road Development from PWD road to Kolegodu Ganapati House in Tumari Village Tumari GP	20,000	PFMS	205.25	97.20	19,950.30	44.44	4,319.57	15,630.73	
83	Road Development work near Kandravalli, GolebiduinKoloru Village, Tumari GP	10,000	PFMS	205.25	48.60	9,975.15	44.44	2,159.78	7,815.37	
84	Road Repair from Valagere Bus Stand to Jayanth House in Valagere Village, Tumari GP	33,000	PFMS	205.25	160.45	32,932.36	44.44	7,130.40	25,801.96	
85	Road Repair work from PWD road to Keremakki ST Colony in Tumari Village Tumari GP	25,000	PFMS	205.25	121.56	24,950.19	44.44	5,402.13	19,548.06	
86	Road Development and Cement pipe installation connecting to KiruvaseRamayyaMaskar house in Kaluru, Tumari GP	30,000	PFMS	205.25	71.01	14,574.80	44.44	3,155.68	11,419.12	
Total									13,06,591.13	

Source: Information furnished by GP

Glossary of Abbreviation

Abbreviation	Full Form
ASD	Additional Stamp Duty
ANSSIRDPR	Abdul Nazir Sab State Institute of Rural Development and Panchayat Raj
BBMP	Bruhat Bengaluru Mahanagara Palike
CAO	Chief Accounts Officer
CC	City Corporation
CEO	Chief Executive Officer
CFC	Central Finance Commission
CMC	City Municipal Corporation
DDP	District Development Plan
DMA	Directorate of Municipal Administration
DPC	District Planning Committee
DPDC	Decentralized Planning and Development Committee
ELCITA	Electronic City Industrial Township Authority
FBAS	Fund Based Accounting System
GP	Gram Panchayat
GPDP	Gram Panchayat Development Plan
IFMS	Integrated Financial Management System
KDPR	Karnataka Development and Panchayat Raj Department
KIADB	Karnataka Industrial Area Development Board
KRRDA	Karnataka Rural Roads Development Agency
KRIDL	Karnataka Rural Infrastructure Development Limited
KZP (F & A) Rule	Karnataka Zila Panchayat (Finance & Accounts) Rule
LAR	Local Audit Reports
MPAS	Model Panchayat Accounting System
MoPR	Ministry of Panchayat Raj
MGIRED	Mahatma Gandhi Institute of Rural Energy and Development
NAC	Notified Area Committees

NLNORR	Non-Loan Net Own Revenue Receipts
OR	Own Revenue
PDO	Panchayat Development Officer
PMI	Planning Monitoring and Information
PRED	Panchayat Raj Engineering Department
RDWSD	Rural Drinking Water and Sanitation Department
RGSA	Rashtriya Gram Swaraj Abhiyan
SFC	State Finance Commission
TGS	Technical Guidance and Supervision
TMC	Town Municipal Council
TP	Taluk Panchayat
UDD	Urban Development Department
ULBs	Urban Local Bodies
ZP	Zilla Panchayat

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