

OVERVIEW

This report consists of eight chapters, containing audit observations on devolution of funds, irregularities in accounting procedures, revenue receipts, implementation of schemes and other civic services, execution of works, procurement and utilisation of assets, manpower management and establishment and environmental issues. A synopsis of the findings contained in the report is presented in this overview.

1. Devolution

Grant-in-aid in lieu of octroi and grants recommended by the Second State Finance Commission were short released by State Government to ULBs by Rs 64.79 crore (7.17 per cent) during 2000-03. The Government also did not provide entertainment tax of Rs 14.69 crore to ULBs during 2000-03.

(Paragraph 1.4)

2. Irregularities in Accounting Procedure

There were unreconciled differences of Rs 28.83 crore in cash books and bank / Personal Deposit (PD) accounts of three Municipal Corporations, three Municipal Councils (MCs) and 15 Municipal Boards (MBs).

(Paragraph 2.1)

Out of Rs 2.51 crore of urban assessment (lease money) collected by Jaipur Municipal Corporation (JMC) and 2 MBs, the minimum of Rs 2.26 crore (90 per cent of Rs 2.51 crore) was not credited to Government account even after lapse of 1 to 8 years.

(Paragraph 2.6)

Statutory deductions of Rs 14.53 crore made from salary of employees on account of subscription to General Provident Fund / Contributory Provident Fund (GPF/CPF), gratuity and pension contribution payable by ULBs were not deposited to concerned heads of account / funds.

(Paragraph 2.8)

3. Loss of revenue

Revenue of Rs 43.01 crore was short realised by one Municipal Corporation and 17 MBs during 1999-2003. Shortfalls in realisation of revenue ranged from 24 to 99 per cent in 18 ULBs.

(Paragraph 3.1)

House tax was not levied and collected at all by Municipal Corporation, Kota (MCK) and 64 other ULBs. House tax of Rs 72.76 crore against the demands raised by two Municipal Corporations, four MCs and 54 MBs was not recovered as on 31 March 2003.

(Paragraphs 3.3 and 3.5)

4. Implementation of schemes and other civic services

Out of Rs 5.27 crore released under Integrated Development of Small and Medium Towns scheme to five ULBs during 1995-96 to 1997-98, Rs 1.71 crore were neither utilised nor refunded to Government. In 35 ULBs, funds of Rs 10.06 crore released by Government under five other schemes were lying unutilised for 1 to 8 years.

(Paragraph 4.1 (ii) and (v))

5. Execution of works, procurement and utilisation of assets

Despite separate vigilance wing / vigilance staff, 9.82 lakh sq. yards Government / municipal land valued at Rs 59.45 crore in four ULBs had been encroached during 1979-2002 and no action has been taken as of March 2004.

(Paragraph 5.7)

6. Manpower management and establishment

Avoidable expenditure of Rs 59.17 lakh was incurred on pay and allowances of staff of seven ULBs working in other departments / offices during 1996-2003. In four ULBs, expenditure of Rs 69.18 lakh was incurred on the staff posted in excess of sanctioned strength.

(Paragraph 6.1(ii) and 6.3 (ii))

7. Environmental issues

Municipal Solid Wastes (Management and Handling) Rules, 2000 were not being complied with fully by the Municipal Corporations. In Municipal Corporation, Jodhpur proper disposal of bio medical wastes was not made due to non-establishment of common treatment facility.

(Paragraphs 7.1 and 7.2)

Municipal Corporation, Kota did not establish any authorised slaughter house and there was no control over the sale of uncertified meat. All four slaughter houses of Jaipur Municipal Corporation and Municipal Corporation, Jodhpur did not have the requisite facilities.

(Paragraph 7.3)