

# OVERVIEW

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A synopsis of the findings contained in the review and paragraph is presented in this overview:-

## ***1. INTRODUCTION TO ULBs IN THE STATE OF BIHAR***

◆Revision of Assessment of holdings was not done in 12 ULBs for long time. (Paragraph –1.5)

## ***2. BUDGET AND FINANCIAL MANAGEMENT IN ULBs***

- ◆Without preparation of budget estimates in 16 ULBs an expenditure of Rs 2856.83 lakh was incurred. (Paragraph –2.1) ◆As Annual Accounts were not prepared, the expenditure of Rs. 15724.77 lakh incurred by 40 ULBs could not be verified in audit. (Paragraph – 2.2.3)
- ◆ Difference of cash balance of Rs. 473.42 Lakh between cash book and treasury / bank pass book in 17 ULBs were not reconciled at the close of financial year ending March 2006. (Paragraph –2.2.4)
- ◆ Non- utilization of specific govt. grant to the tune of Rs.195.44 lakh in 12 ULBs. (Paragraph –2.4)
- ◆ Grant to the tune of Rs. 157.15 lakh meant for specific purposes were diverted by 16 ULBs towards payment of salary & allowances to staff and other expenditure.(Paragraph –2.5)

- ◆ Outstanding Advances stood at Rs. 2795.26 lakh in 22 ULBs at the end of 31 March 2006. (Paragraph –2.7)

### **3. MAJOR LAPSES IN REVENUE MANAGEMENT**

- ◆ Direct appropriation of revenue collected to the tune of Rs. 106.71 lakh by 9 ULBs. (Paragraph –3.1)
- ◆ Non/ short credit of revenue collected to the tune of Rs. 127.09 lakh. (Paragraph –3.2)
- ◆ Non/ Short realization of Education and Health Cess to the tune of Rs. 83.53 lakh in 10 ULBs. (Paragraph – 3.3)
- ◆ Non / Short deposit of Education and Health Cess of Rs. 936.36 lakh to Govt. account by 27 ULBs. (Paragraph –3.4)
- ◆ Non – realization of taxes, outstanding against government building to the tune of Rs. 187.31 lakh in 18 ULBs. (Paragraph –3.5)
- ◆ Non/ Short realization of bid amount from lessee of road side land, trees, pound, ferry, market etc. to the tune of Rs. 49.08 lakh in 21 ULBs. (Paragraph –3.6)
- ◆ Shop/Market rent amounting to Rs. 186.89 lakh was not realized as on 31<sup>st</sup> March 2006 in 22 ULBs (Paragraph –3.7)
- ◆ Loss of Rs. 2.88 lakh due to payment of interest on overdraft in Darbhanga Municipal Corporation. (Paragraph –3.8)
- ◆ Irregular expenditure of Rs. 8.44 lakh on Mobile Phones in Darbhanga Municipal Corporation. (Paragraph –3.9)
- ◆ Irregular over drawal of Rs. 4.94 lakh through self cheques in Katihar & Mahnar.
- ◆ Irregular payment of Rs. 3.21 lakh on allowances to Ward Councillors by Gaya Municipal Corporation (Paragraph –3.12)

### **4. LAPSES IN HUMAN RESOURCE MANAGEMENT**

- ◆ Unauthorized expenditure to the tune of Rs. 128.54 lakh over salary of staff appointed in excess of sanctioned strength in Muzaffarpur Municipal Corporation.(Paragraph –4.1.2)
- ◆ Unauthorized appointment of casual staff/ labourers in 22 ULBs without prior sanction from State Government resulted in unauthorized expenditure of Rs. 643.27 lakh. (Paragraph – 4.2)

- ◆ Excess payment of House Rent Allowance(HRA) of Rs. 6.53 lakh in Darbhanga Municipal Corporation. (Paragraph – 4.3)
- ◆ Irregular payment of salary of Rs. 1.42 lakh by Gaya Municipal Corporation for staff on deputation to Patna Municipal Corporation. (Paragraph –4.4)

## **5. MAJOR IRREGULARITIES IN IMPLEMENTATION OF SCHEMES**

- ◆ Misutilization and blocking of fund of Rs. 40.15 lakh under NSDP scheme by Muzaffarpur Municipal Corporation. (Paragraph –5.1.1)
- ◆ Irregular selection and execution of works without involvement of CDS/Neighbourhood Committees under NSDP Scheme (Paragraph –5.1.2)
- ◆ Non/ Short utilization of earmarked amount to the tune of Rs. 379.38 lakh as per guidelines of NSDP. (Paragraph –5.1.3)
- ◆ Execution of works amounting to Rs. 1.47 crore in non-slum areas by 6 ULBs.
- ◆ Undue favour of Rs. 9 lakh to Junior Engineer in Lakhisarai Nagar Parishad under SJSRY Scheme. (Paragraph –5.2.1)
- ◆ 1131 works remained incomplete after incurring an expenditure of Rs. 1378.95 lakh under various central grants. (Paragraph –5.5)
- ◆ Assets worth Rs. 19.88 lakh lying idle at Aurangabad Nagar Parishad & Gaya Municipal Corporation purchased under 11<sup>th</sup> F.C grant (Paragraph –5.6)

## **6. RECOVERY AT THE INSTANCE OF AUDIT**

- ◆ A sum of Rs. 40.53 lakh representing non/ short credit, outstanding rent, bid money, recovered at the instance of audit in 31 ULBs. (Paragraph –6.1)

## **7. STATUS OF RECOVERY BY SURCHARGE PROCEEDINGS**

- ◆ 22 cases of Surcharge involving Rs. 100.16 lakh were proposed and notices were issued for recovery by the Examiner of Local Accounts, Bihar in 13 ULBs. (Paragraph –7.1)