

CHAPTER-IV

AUDIT OF TRANSACTIONS URBAN LOCAL BODIES

This chapter contains eight paragraphs relating to transaction audit of Urban Local Bodies.

4.1 Loss of revenue

4.1.1 Loss of revenue due to change of land use

Realisation of regularisation amount and lease money at residential rates instead of commercial rates on conversion of land use from agriculture to commercial purpose resulted in loss of revenue of ₹ 22.99 lakh.

The guidelines (December 1999 and May 2000) of the State Government (Urban Development and Local Self Government Department) for conversion of land use from agriculture to commercial purpose stipulate that (i) regularisation amount is to be realised at four times the rates applicable for residential purpose and (ii) lease money at five *per cent* per annum of regularisation amount in case the lease money is deposited in lump sum for a period of ten years is to be realised.

Test check (December 2007) of records of Municipal Board (MB), Kesrisinghpur (District Sriganaganagar) for the period 2006-07 revealed that MB, Kesrisinghpur converted (April 2003) use of agriculture land measuring 12,100 square yard (sq yd) in favour of Rajasthan State Warehousing Corporation (RSWC), Kesrisinghpur and realised regularisation amount alongwith lease money of ₹ 6.05 lakh¹ at normal rate (₹ 40 per sq yd). Since RSWC, Kesrisinghpur purchased agriculture land for construction of *godowns* that was to be used for storage of goods on rental basis as such MB, Kesrisinghpur should have realised regularisation amount alongwith lease money of ₹ 29.04 lakh² at commercial rate (four time of normal rate). The

1. Regularisation amount recovered = 12,100 sq yds x ₹ 40 per sq yd = ₹ 4,84,000,
Lease money recovered = ₹ 4,84,000 x 2.5/100 x 10 years = ₹ 1,21,000,
Total amount recovered = ₹ 4,84,000 + ₹ 1,21,000 = ₹ 6,05,000.
2. Regularisation amount recoverable = 12,100 sq yds x ₹ 160 per sq yd = ₹ 19,36,000,
Lease money recoverable = ₹ 19,36,000 x 5/100 x 10 years = ₹ 9,68,000,
Total amount recoverable = ₹ 19,36,000 + ₹ 9,68,000 = ₹ 29,04,000.

State Government has not prescribed any check-list to prevent revenue loss that might occur in such type of cases.

The Secretary, Directorate Local Bodies Department, Rajasthan, Jaipur while accepting the facts stated (December 2009) that notices have been issued to RSWC, Kesrisinghpur to recover the amount. However, recovery effected, if any, in this regard had not been intimated (April 2011) to Audit.

Thus, short realisation of regularisation amount alongwith lease money resulted in loss of revenue of ₹ 22.99 lakh to MB, Kesrisinghpur.

4.1.2 Loss of revenue due to non/short collection of passenger tax

Failure of Municipal Council, Tonk to negotiate timely for collection of passenger tax at enhanced rate and non-collection of the tax from private vehicles resulted in loss of revenue of ₹ 30.53 lakh.

The Municipal Council, Tonk Passenger Tax Bye-laws, 1982 as amended (April 1992) by State Government, authorised Municipal Council (MC), Tonk to collect passenger tax (tax) at ₹ 0.50 per passenger from passenger vehicles entering into or going out of its municipal area. On the proposals (August 2000/January 2001) of MC, Tonk the State Government enhanced (October 2001) rate of tax from ₹ 0.50 to ₹ one per passenger.

Test check (July 2008) of records of MC, Tonk for the period 2007-08 revealed that as mutually agreed between MC and Rajasthan State Road Transport Corporation (RSRTC), the tax was being collected by the latter along with tickets from passengers travelling in its buses since September 1989 and 75 per cent of the tax so collected was remitted to MC, Tonk after retaining 25 per cent amount as collection charges. On enhancement of tax (October 2001), RSRTC started collecting tax at enhanced rate of ₹ one from 17 January 2002, but barely two days later it reverted (19 January 2002) back to the pre-revised rate of ₹ 0.50 due to decrease in its revenue as travelling by its buses became costlier by ₹ one in comparison to private vehicles from which tax was not being collected by MC.

Thereafter, MC auctioned the collection of tax from passengers of private vehicles for the year 2002-03 and awarded (April 2002) the contract to the successful bidder for ₹ 1.05 lakh. However, owing to protest by owners of private vehicles and passing of a resolution (September 2002) in the general meeting of MC for exempting the collection of tax from private vehicles, MC finally withdrew the contract in December 2002. Director, Local Bodies (DLB) though directed (November 2002 and March 2003) MC to ensure collection of tax at its own level by exercising powers conferred³ under bye-laws but did not extend any administrative or other help to MB for implementation and collection of tax and set aside (May 2003) the MC's

3. To stop, inspect and collect the tax from any vehicle carrying passengers at the places specified for this purpose and to impose penalty in case of evasion of tax.

aforesaid resolution. Later, MC identified (April 2004) three collection points, but made no further efforts for collecting the tax from private vehicles which resulted in non-collection of tax amounting to ₹ 8.40 lakh⁴ for the period 2002-10 alone.

Further, MC did not negotiate timely with RSRTC for increasing collection charges and collecting the tax at enhanced rate. However, after a lapse of more than five years, MC and RSRTC mutually agreed to increase collection charges from 25 to 35 *per cent* and RSRTC started collecting tax at enhanced rate from 11 May 2007 onwards. Thus, belated negotiation by MC with RSRTC resulted in short collection of tax amounting to ₹ 22.13 lakh⁵ for the period November 2001 to 11 May 2007.

State Government stated (July 2009) that tax at enhanced rate could not be collected timely due to delayed consent given by RSRTC and the tax from private vehicles could not be collected due to protest from their owners and pursuant to the MC's resolution exempting collection of tax from private vehicles. The reply was not acceptable as MC did not negotiate timely with RSRTC and did not enforce its powers to collect tax from private vehicles as directed by DLB.

Thus, failure of MC, Tonk to negotiate timely with RSRTC for collection of passenger tax at enhanced rate and non-collection of the tax from private vehicles resulted in loss of revenue of ₹ 30.53 lakh.

4.2 Diversion of funds

Irregular diversion of funds

Municipal Council, Alwar incurred expenditure on other works from funds meant for heritage conservation resulting in diversion of funds ₹ 28.27 lakh.

The State Government (Local Self Government Department- LSGD) selected (October 2004) Alwar city alongwith 22 others cities of archaeological importance for conservation of their heritage. As per order, LSGD was to act as nodal agency and works of heritage conservation were to be executed by urban local bodies (ULBs). A District Level Committee (DLC) headed by

4. Calculated for eight years (2002-03 to 2009-10) on the basis of contract amount (₹ 1.05 lakh) for the year 2002-03.
5. Passenger tax collected at ₹ 0.50 per passenger and remitted (after retaining collection charges at 25 *per cent*) to MC, Tonk by RSRTC depots, Ajmer (₹ 0.33 lakh during April 2002 to March 2007); Baran (₹ 0.48 lakh during November 2001 to March 2007); Bundi (₹ 0.17 lakh during November 2001 to December 2002); Kota (₹ 0.15 lakh during January 2005 to 10 May 2007); Sikar (₹ 0.04 lakh during January 2005 to 10 May 2007); Tonk (₹ 28.82 lakh during November 2001 to 11 May 2007) and Deluxe depot Jaipur (₹ 0.19 lakh during November 2001 to March 2007) = ₹ 30.18 lakh x 100/75 x 2 x 65/100 (-) ₹ 30.18 lakh = ₹ 22.13 lakh (*Details of passenger tax, if any remitted to MC, Tonk by these seven depots for the remaining periods and other depots of RSRTC during November 2001 to May 2007 were not on record*).

District Collector (DC) comprising members from various departments⁶ was to prepare a master plan for conservation of heritage buildings, palaces etc.

Test check of records of Municipal Council (MC), Alwar (November 2007) revealed that LSGD allotted (July 2005) ₹ 38 lakh to MC, Alwar for development of civic facilities in the vicinity of the selected monuments (₹ 35 lakh) and for execution of heritage conservation works as per the demand of the Art & Culture Department (A&CD) (₹ 3 lakh). As per sanction these works were to be approved by State Level Committee (SLC) comprising Secretaries of LSGD and A&CD.

However, MC, Alwar while incurring an expenditure of ₹ 38.56 lakh from the allotted funds spent ₹ 28.27 lakh⁷ on the works which were neither related to conservation of heritage nor development of civic facilities in the vicinity of monuments selected by DLC, Alwar in their meeting held in April and September 2005. The works were also not approved by the SLC.

MC, Alwar stated (November 2007) that the proposals of works approved by DLC, Alwar in their meeting held in September 2005 were disapproved (October 2005) by SLC but the works executed were approved (December 2005) by DC, Alwar. The Directorate Local Bodies Department, Rajasthan also justified (October 2010) the reply of MC. The replies were not tenable as the works were executed on *suo-moto* approval of DC, Alwar without any approvals of SLC and DLC. Further, LSGD neither gave its approval on the revised proposal of MC nor ensured proper utilisation of funds as per its sanction (July 2005) which indicated lack of internal control and monitoring system at the LSGD level. Moreover, Director, Local Fund Audit being the sole auditor of ULBs had also not pointed out such irregularity in its inspection reports.

Thus, expenditure incurred on other works from funds meant for heritage conservation not only resulted in diversion of funds of ₹ 28.27 lakh but also the envisaged purpose for heritage conservation of monuments of archeological importance was not achieved.

6. Commissioner/ Executive Officer of ULBs, members of Town Planning Department, Archaeology Department and Art, Culture & Tourism Department.

7. Construction of CC road at old Information Centre and Gandhi Bhawan, Alwar: ₹ 4.98 lakh; repair of *Nalla* and parking site outside old Information Centre, Alwar: ₹ 6.17 lakh; construction of boundary wall and renovation work of main gate of old Information Centre, Alwar: ₹ 3 lakh; Fountain work at old Information Centre, Alwar: ₹ 6.79 lakh and construction of *Nala* at city area (Bapu Bazar), Alwar: ₹ 7.33 lakh.

4.3 Avoidable expenditure

Supply of two more fire brigade vans by Local Self Government Department in violation of the Government of India norms and without ascertaining the requirement and availability of requisite trained staff with Municipal Board, Dungarpur led to avoidable expenditure of ₹ 27.90 lakh.

The Standing Fire Advisory Council, Government of India (GOI), Director General of Civil Defence laid down norms for fire fighting services. For urban areas having population of 0.50 lakh, there should be one fire fighting vehicle with one leading fireman, one driver-cum-pump operator and four firemen. During test checked (August 2007) of Municipal Board (MB), Dungarpur it was noticed that Local Self Government Department (LSGD) purchased 49 fire brigade vans during September 2001 to April 2004 under recommendations of Tenth Finance Commission and Eleventh Finance Commission (EFC) for urban local bodies (ULBs). LSGD allotted one⁸ fire brigade van valuing ₹ 4.39 lakh under Tenth Finance Commission in September 2001 and two⁹ vans valuing ₹ 27.90 lakh under EFC in March 2003 and April 2004 to MB, Dungarpur. It was further noticed that MB, Dungarpur already had two¹⁰ fire brigade vans in its possession. As per GOI norms, MB, Dungarpur having population of 0.43 lakh (as per census-2001), was required to have only one fire fighting van against five vans available with the MB. Further, against the norms of one leading fireman, one driver-cum-pump operator and four firemen for each van, there were five drivers on contract basis and one untrained fireman posted (as of September 2009), who were not qualified to manage the fire fighting system.

Secretary, Directorate Local Bodies Department, Rajasthan stated (December 2009) that Dungarpur is covered with dense forest area and fire brigade vans are presently being utilised in incidents of fire in urban as well as nearby rural forest areas, border areas of district and State and for VIPs visits as per directions of district administration. Scrutiny of log books revealed that all the three vans were mostly utilised for watering of plants and parks (129 times: 4,851 kilometers), recharging of batteries (27 times: 561 kilometers) and for purposes such as VIP visits and ceremonies of National festivals (17 times: 1,361 kilometers). Moreover, MB, Dungarpur intimated (August 2007, May and September 2009) that in view of the population of Dungarpur two vans were sufficient and these vans were allotted by LSGD without demand of MB and that one van out of the two old vans was off road and the same was not got repaired. It was also stated that MB had no objection if two out of four vans

8. RJ 12E 0831.

9. RJ 12E 0982 allotted in March 2003 (cost of chassis: ₹ 9.90 lakh and cost of fabrication: ₹ 4.42 lakh) and RJ 12E 1084 allotted in April 2004 (cost of chassis: ₹ 7.52 lakh and cost of fabrication: ₹ 6.06 lakh).

10. RJ 12E 002 and RJ 12E 0501.

were transferred to other ULBs. The reply of MB confirmed that only two vans were sufficient in Dungarpur and LSGD supplied additional vans not only against GOI norms but also without ascertaining the demand as well as availability of fire fighting personnel with MB. Moreover, LSGD has no system for assessing, availability and requirement of fire fighting vehicle with ULBs, is evident from the fact that no fire fighting vehicles were available in MBs, Neem Ka Thana and Khandela (District Sikar). Additional vehicles available in MB, Dungarpur could have been utilised in these MBs.

Thus, supply of two more fire brigade vans by LSGD in violation of the GOI norms and without ascertaining the requirement and availability of requisite trained staff with MB, Dungarpur led to avoidable expenditure of ₹ 27.90 lakh.

4.4 Other points

4.4.1 Irregular retention of lease money

Irregular retention of lease money by Municipal Council, Sriganganagar in disregard to rules resulted in non-crediting of Government revenue of ₹ 88.29 lakh to the Consolidated Fund of the State.

Rajasthan Municipalities (Disposal of Urban land) Rules, (RMR) 1974 provide that urban assessment or rent of land (lease money) collected by municipalities shall be credited to the Consolidated Fund of the State up to 31 March each year after retaining 10 *per cent* of the collected amount as service charges.

Test check (December 2007) of the records of Municipal Council (MC), Sriganganagar for the year 2006-07 revealed that MC, Sriganganagar collected lease money of ₹ 98.10 lakh¹¹ during 2002-07. Of this an amount of ₹ 88.29 lakh was to be credited to the Consolidated Fund of the State after retaining ₹ 9.81 lakh (10 *per cent* of ₹ 98.10 lakh). However, MC instead of crediting the amount to the Consolidated Fund of the State, retained it in its accounts. The irregular retention of lease money of ₹ 88.29 lakh by MC, Sriganganagar in disregard to RMRs not only resulted in creation of un-necessary liabilities on the MC but the amount also remained out of the purview of the Consolidated Fund of the State.

The Deputy Secretary (DS), Directorate Local Bodies Department (DLBD), Rajasthan, Jaipur while accepting the facts stated (December 2009) that efforts were being made to credit the lease money into the Consolidated Fund by the MC but due to poor financial condition of MC, the lease money could not be credited. It was, further, stated that the amount would be adjusted from the

11. Year 2002-03: ₹ 29,19,341; 2003-04: ₹ 13,98,526; 2004-05: ₹ 12,94,705; 2005-06: ₹ 17,36,897 and 2006-07: ₹ 24,60,718.

grants payable to the MC as and when its economic condition improves. The contention of the State Government was indicative of failure of Local Self Government Department in enforcing corrective action by the MC, as it was mandatorily required to credit the lease money in the Consolidated Fund of the State up to 31 March of each year as per provisions of RMRs (Disposal of Urban Land), 1974.

DS, DLBD further intimated (September 2010) that MC spent the lease money on developmental works and pay and allowances of employees. MC however could not furnish (January 2011) any document in support of actual amount of lease money spent on developmental works and pay and allowances during 2002-07, as it did not maintain separate details.

Thus, irregular retention of lease money by MC, Sriganaganagar in disregard to rules resulted in non-crediting of Government revenue of ₹ 88.29 lakh to the Consolidated Fund of the State and also reflected under-statement of the State receipts to that extent.

4.4.2 Deprivation of revenue to municipal board

Irregular extension of lease periods of rented properties by Municipal Board and slackness on part of Director, Local Bodies in according approval for sale of land on lease of 99 years deprived the municipality of ₹ 32.31 lakh.

The State Government (Local Self Government Department) (LSGD) instructed (November 2000, December 2001 and April 2005) that municipal land leased out on monthly rent basis for running of petrol pumps, cinemas, shops etc. should be disposed of by sale on lease of 99 years. The instructions (*ibid*) stipulate that (i) an amount at 30 *per cent* of prevailing reserve price is to be recovered for land let out between 26 January 1950 to 31 December 1983, (ii) in case original lessee transfers his tenant rights without permission of municipality or otherwise an additional amount at five *per cent* of recoverable amount is also to be recovered and (iii) cases involving recoverable amount up to ₹ 15 lakh are to be decided by municipal board concerned and cases of above amount are to be sent to Director, Local Bodies (DLB), Jaipur for approval of the State Government.

Test check (August 2007) of records of Municipal Board (MB), Dungarpur for the year 2006-07 revealed that land measuring 5,352 square feet (sq ft) at *Tehsil Chauraha*, Dungarpur was let out on monthly rental basis to a company¹² in July 1962 for running of a petrol pump which is now being run by firm 'A'. The lease period of rented property was extended from time to time and MB extended it for the last time from February 2007 to February 2010 in favour of firm 'A'. Information collected (July 2010) revealed that MB did not extend the lease period thereafter and decided (June 2010) to send the matter to DLB for

12. M/s Burmah Shell Oil Storage and Distributing Company of India now Bharat Petroleum Corporation Limited.

approval of the State Government for sale of land on lease of 99 years. MB should have sold the land on lease of 99 years instead of extending the lease period of the land from February 2007 and sending the case to the State Government for their approval. Since the recoverable amount was less than ₹ 15 lakh (₹ 14.58 lakh¹³), MB was itself competent to dispose off the land by sale on lease of 99 years in term of LSGD's instruction *ibid*. Besides, ₹ 0.73 lakh¹⁴ was also to be recovered as ownership of land had been transferred without permission of MB.

Similarly, a land measuring 7,200 sq ft at *Gopasagar*, Dungarpur was let out to firm 'B' in June 1953 for running of a petrol pump which is now being run by a firm 'C' with permission of MB. On application (December 2005) by firm 'C' for purchase of that land on lease of 99 years, MB sent (March 2006) the case to DLB for approval of the State Government. Meanwhile, MB extended (August 2006) the lease period of rented property from August 2006 to maximum three years or till receipt of approval from DLB. MB further intimated (July 2010) that the lease period thereafter was not extended. The approval from DLB was awaited (April 2011) even after elapse of more than four years. Delay in according of approval by DLB deprived MB of ₹ 17 lakh¹⁵.

The State Government agreed (August 2009) with Audit that land should have been disposed off by sale on lease for 99 years instead of extending lease period of rent. However, reasons for delay in according the approval by DLB even after expiry of more than four years were not intimated.

Thus, due to irregular extension of lease period of rented properties by MB, Dungarpur and slackness on part of DLB in according approval for sale of land on lease for 99 years deprived the MB an amount of ₹ 32.31 lakh¹⁶.

4.4.3 Deprivation of revenue due to non-regularisation of agriculture land

Failure of Municipal Council, Pali and Municipal Board, Sangaria to regularise agriculture land for residential/commercial purposes resulted in depriving the municipalities of revenue of ₹ 6.54 crore and urban assessment of ₹ 2.74 lakh.

The guidelines (December 1999, May 2000 and July 2001) of the State Government for regularisation of agriculture land for residential/commercial purposes stipulate that (i) Officers authorised by Revenue Department will transfer the title of agriculture land from private holder to municipalities concerned under Section 90(B) of Rajasthan Land Revenue (RLR) Act, 1956, (ii) after transferring the title of land municipality will regularise the agriculture land for residential purpose on deposit of the regularisation charges

13. $5,352 \text{ sq ft} \times ₹ 908 \text{ (Reserve price)} \times 30/100 = ₹ 14,57,885.$

14. $₹ 14,57,885 \times 5/100 = ₹ 72,894.$

15. $7,200 \text{ sq ft} \times ₹ 787 \text{ (Reserve price)} \times 30/100 = ₹ 16,99,920.$

16. $₹ 32.31 \text{ lakh} = ₹ 14.58 \text{ lakh} + ₹ 0.73 \text{ lakh} + ₹ 17 \text{ lakh}.$

by the land holders at the rate fixed by the State Government and (iii) for commercial purpose, regularisation amount at four times the rates applicable for residential purpose and urban assessment at five *per cent* per annum of regularisation amount in case the urban assessment is deposited in lump sum for a period of 10 years are to be realised.

(a) Test check (July 2007) of records of Municipal Council (MC), Pali for the year 2006-07 revealed that Authorised Officer (Sub District Magistrate, Pali) transferred title of agriculture land of 16.68 lakh square yards (sq yd) in 93 cases in favour of MC, Pali during 2001-02 under Section 90 (B) of RLR Act, 1956 but MC did not regularise the land from agriculture to residential purpose in spite of clear instructions (July 2001) of the State Government to regularise the cases by organising camps and issuing notices to the land holders.

The State Government while accepting the facts stated (December 2009) that in nine cases agriculture land of 3.14 lakh sq yds had been regularised and for remaining cases action was being taken by organising camps. Thus, the failure of MC, Pali to regularise 13.54 lakh sq yds agriculture land for residential purpose resulted in depriving the municipality of revenue of ₹ 6.49 crore¹⁷.

(b) Further test check (December 2007) of records of Municipal Board (MB), Sangaria (District Hanumangarh) for the year 2006-07 revealed that MB, Sangaria regularised 1,484 sq yds agriculture land for residential purpose in November 2001 and subsequently (February 2002) for commercial purpose realising regularisation charges at the rate of ₹ 30 per sq yd and ₹ 120 per sq yd respectively and urban assessment for 10 years in lump sum. The owner submitted a self-assessment of house tax for the year 2003-04 for 6,050 sq yds of land (1,484 sq yds of constructed area and 4,566 sq yds of open area). A physical verification conducted (August 2009) by Audit with MB, Sangaria also confirmed that the marriage palace was being run on 6,050 sq yds of land. Since open land of 4,566 sq yds was also being used unauthorisedly as a part of marriage palace hence MB, Sangaria should have regularised that portion of land for commercial purpose after it came to notice (2003-04) by realising regularisation charges of ₹ 5.48 lakh at the rate of ₹ 120 per sq yd. Besides this urban assessment of ₹ 2.74 lakh at five *per cent* per annum of regularisation amount for 10 years in lump sum also should have been realised.

Executive Officer, MB, Sangaria stated (August 2009) that notice had been issued for recovery of regularisation charges for 4,566 sq yds of land.

Thus, failure of MB, Sangaria to regularise 4,566 sq yds agriculture land for commercial purpose led to non-realisation of regularisation charges of ₹ 5.48 lakh and urban assessment of ₹ 2.74 lakh.

The matter was referred (September 2009) to the State Government; reply was awaited (April 2011).

17. 10.77 lakh sq yds at the rate of ₹ 50 per sq yd and 2.77 lakh sq yds at the rate of ₹ 40 per sq yd.

4.4.4 Deprivation of revenue due to non-conversion of land use

Slackness of urban local bodies to raise demand and recover the conversion charges from the occupants using their residential land unauthorisedly for other purposes, deprived the urban local bodies of revenue of ₹ 13.05 crore.

Rajasthan Municipalities Act, 1959 restricts change of use of any land of municipality for the purpose other than that for which it was originally allotted or sold. However, in public interest, Rajasthan Municipalities (Change of Land Use) Rules, 2000 permit a municipality to change the use of land from residential to commercial and non-commercial purposes by recovering conversion charges at the rates of 40 and 20 *per cent* respectively of residential reserve price (RRP). In the absence of RRP, these charges are to be recovered at the rate of 20 and 10 *per cent* respectively of residential market price (RMP) fixed by Sub-Registrar/District Collector concerned. Further, Urban Development Department classified (September 2000) complexes, shops etc as commercial and hotels, schools etc as non-commercial activities.

Test check (June 2006-April 2008) of records of 23 urban local bodies (ULBs) for the year 2005-07 revealed that residential land of 1,83,558 square yards (sq yd) in 1,934 cases¹⁸ and 1,97,541 sq yds in 233 cases¹⁹ was unauthorisedly being used for commercial (complexes, shops etc) and non-commercial (hotels, schools etc) purposes respectively without getting the land use changed. The ULBs had not initiated any action to get the land use changed in these cases which led to non-recovery of conversion charges of ₹ 13.05 crore worked out at the applicable rates of prevailing RRP and RMP as the case may be. The State Government has not prescribed any monitoring and control system for expeditious disposal of such cases.

After Audit pointed out (June 2006-April 2008), 10 ULBs²⁰ informed (June-November 2009) that notices had been issued to recover the conversion

18. MCs, Alwar: eight cases (conversion charges ₹ 0.06 crore); Bharatpur: three cases (₹ 0.18 crore); and Jhunjhunu: six cases (₹ 0.91 crore); MBs, Amet: 22 cases (₹ 0.04 crore); Anoopgarh: 71 cases (₹ 0.10 crore); Bhawanimandi: 224 cases (₹ 0.29 crore); Bhinder: 21 cases (₹ 0.06 crore); Nagaur: 1,276 cases (₹ 0.56 crore); Nathdwara: six cases (₹ 4.00 crore); Neem Ka Thana: five cases (₹ 1.42 crore); Nokha: 213 cases (₹ 0.69 crore); Shahpura: 51 cases (₹ 0.57 crore); Sirohi: 12 cases (₹ 0.17 crore) and Srimadhapur: 16 cases (₹ 0.64 crore).

19. MC, Alwar: 16 cases (conversion charges ₹ 0.11 crore); MBs, Anoopgarh: 24 cases (₹ 0.07 crore); Bari Sadri: 11 cases (₹ 0.04 crore); Begu: 17 cases (₹ 0.22 crore); Bhawanimandi: 13 cases (₹ 0.35 crore); Bundi: 12 cases (₹ 0.53 crore); Jhalawar: 22 cases (₹ 0.32 crore); Kaithun: 11 cases (₹ 0.05 crore); Lakheri: seven cases (₹ 0.05 crore); Losal: seven cases (₹ 0.06 crore); Nagaur: 22 cases (₹ 0.05 crore); Nathdwara: 11 cases (₹ 0.40 crore); Neem Ka Thana: six cases (₹ 0.19 crore); Rawatbhata: 21 cases (₹ 0.49 crore); Sambharlake: 15 cases (₹ 0.13 crore); Shahpura: 12 cases (₹ 0.10 crore) and Srimadhapur: six cases (₹ 0.20 crore).

20. MCs, Alwar and Jhunjhunu; MBs, Amet, Anoopgarh, Bundi, Losal, Neem Ka Thana, Nathdwara, Nokha and Srimadhapur.

charges and 10 ULBs²¹ stated (June 2007 to July 2009) that action would be taken to recover the conversion charges while Bharatpur did not initiate any action.

In respect of two ULBs, the State Government while accepting the facts stated (December 2009) that notices had been issued to schools concerned to recover the conversion charges in Bari Sadri and recovery would be effected in respect of Rawatbhata after completion of regularisation process of land concerned. However, recovery in the matter had not been effected by any ULB as of April 2011.

Thus, due to slackness of ULBs to raise demand and recover the conversion charges from the occupants using their residential land unauthorisedly for other purposes deprived the ULBs of revenue of ₹ 13.05 crore.

**JAIPUR,
The**

**(SUMAN SAXENA)
Principal Accountant General (Civil Audit), Rajasthan**

Countersigned

**NEW DELHI,
The**

**(VINOD RAI)
Comptroller and Auditor General of India**

21. MBs, Begu, Bhawanimandi, Bhinder, Jhalawar, Khaithun, Lakheri, Nagaur, Sambherlake, Shahpura and Sirohi.