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## OVERVIEW

The Report consists of two Parts- Part - I on Urban Local Bodies (ULBs) and Part - II on Panchayati Raj Institutions (PRIs). Part I is divided into three Chapters. Chapter I shows an Overview of the Finances of ULBs including the Accounting Procedures, Chapter II features Performance Audit of Solid waste Management and thematic para on Public Private Partnership projects. Chapter –III contains audit findings on Thirteenth Finance Commission and transaction Audit paragraphs. Part II consists of two Chapters. Chapter I shows an Overview on Finances of PRIs, including accounting procedures and Chapter II contains audit findings on release and utilization of fund provided under Thirteenth Finance Commission and transaction Audit paragraphs.

### PART – I URBAN LOCAL BODIES

#### OVERVIEW OF FINANCES INCLUDING THE ACCOUNTING PROCEDURES OF THE URBAN LOCAL BODIES

Accounting formats as prescribed by the Task Force constituted by the Comptroller & Auditor General of India were not adopted by the ULBs.

**(Paragraph 1.4)**

Internal audit departments were not created in ULBs.

**(Paragraph 1.5.2)**

There was short devolution of grants amounting to ₹ 49.55 crore to ULBs.

**(Paragraph 1.8)**

Reconciliation of difference between cash book and pass book was not carried out by 11 ULBs.

**(Paragraph 1.11)**

There was non recovery of revenue amounting to ₹ 49.23 crore as tax revenue and ₹ 21.95 crore as non-tax revenue by ULBs.

**(Paragraph 1.12)**

Temporary advances amounting to ₹ 8.56 crore provided for official work to individuals and agencies of 13 ULBs, remained outstanding for 1 to 33 years, were not adjusted.

**(Paragraph 1.13)**

**CHAPTER – II**  
**PERFORMANCE AUDIT OF SOLID WASTE MANAGEMENT**

Funds amounting to ₹10.23 crore provided for implementation of Municipal Solid Waste Management were found blocked

**(Paragraph 2.1.6.4)**

Expenditure of ₹ 87.77 lakh was incurred on the items which were not covered under the provisions of Municipal Solid Waste Management Rules.

**(Paragraph 2.1.6.5)**

User charges for house-to-house collection of Municipal Solid Wastes amounting to ₹ 1.28 crore remained outstanding.

**(Paragraph 2.1.7.5)**

There was inordinate delay in allotment of land for landfill site.

**(Paragraph 2.1.7.9)**

No arrangement was made for pre-treatment of liquid generated from Slaughter Houses.

**(Paragraph 2.1.10.1 (a))**

Thematic paragraph on Public Private Partnership Projects taken-up by the ULBs Khandwa, Shivpuri and Bhopal

**(Paragraph 2.2)**

**CHAPTER – III**  
**TRANSACTION AUDIT PARAGRAPHS**

There were irregularities in release and utilisation of Thirteenth Finance Commission's grants by ULBs.

**(Paragraph 3.1)**

Surcharge of ₹ 1.23 crore was levied on Municipal Corporation Ujjain due to non payment of electricity bills regularly.

**(Paragraph 3.2)**

Ujjain Municipal Corporation received loan for temporary project and did not make efforts for conversion into relief grant creating liability of ₹15.67 crore.

**(Paragraph 3.3)**

There was loss of revenue due to non-realisation of fees from the telecom companies towards installation of telecom/mobile towers within Bhopal Municipal Corporation area an amount of ₹ 7.90 crore.

**(Paragraph 3.4)**

## **PART – II**

### **PANCHAYATI RAJ INSTITUTIONS**

#### **CHAPTER - I**

#### **OVERVIEW OF FINANCES INCLUDING THE ACCOUNTING PROCEDURES OF THE PANCHAYATI RAJ INSTITUTIONS**

Accounts in PRIs were not kept in the formats recommended by the Comptroller and Auditor General of India on the recommendations of the Eleventh Finance Commission.

**(Paragraph 1.5.1)**

There was non preparation of Annual Budget by Zila Panchayat Narsingpur.

**(Paragraph 1.5.3)**

There was short devolution of funds to PRIs amounting to ₹ 195.28 crore.

**(Paragraph 1.9)**

Bank Reconciliation Statement was not prepared by eight Zila Panchayats and 12 Janpad Panchayats.

**(Paragraph 1.10)**

There was defective reporting of utilisation certificates to Government of India.

**(Paragraph 1.12)**

There was non-adjustment of advances amounting to ₹ 19.42 lakh.

**(Paragraph 1.13)**

**CHAPTER – II**

**TRANSACTION AUDIT PARAGRAPHS**

There were irregularities in release and utilisation of Thirteenth Finance Commission's grants by PRIs.

**(Paragraph 2.1)**

There was loss of scheme funds amounting to ₹ 1.82 crore due to insolvency of bank, resulting in non- implementation of schemes.

**(Paragraph 2.2)**