

## ANNUAL TECHNICAL INSPECTION REPORT ON PANCHAYATI RAJ INSTITUTIONS AND URBAN LOCAL BODIES

for the year ended 31 March 2013

The Report has been laid on the table of the State Legislature Assembly on 04-08-2014



OFFICE OF THE ACCOUNTANT GENERAL (AUDIT) ASSAM, GUWAHATI

In terms of the Technical Guidance and Supervision by the Comptroller and Auditor General of India

## **GOVERNMENT OF ASSAM**

## TABLE OF CONTENTS

	Referen	ice to		
	Paragraph	Page (s)		
Preface		v		
Overview		vii-ix		
CHAPTER – I Section-A				
AN OVERVIEW OF PANCHAYATI RAJ INSTIT	UTIONS (PRI	s)		
Introduction	1.1	1		
State Profile	1.2	1		
Organisational setup in State Government and PRIs	1.3	2		
Size of PRIs	1.4	3		
Functioning of PRIs	1.5	3		
Standing Committees	1.6	4		
Staffing pattern of PRIs	1.7	4		
District Planning Committee	1.8	5		
State Finance Commission Grants	1.9	6		
Status of Decentralised Governance in respect of PRIs	1.10	7		
Financial Profile of PRIs	1.11	7		
Revenue resources and expenditure management of PRIs	1.12	10		
13 <sup>th</sup> Finance Commission Grants	1.13	10		
Creation of Database	1.14	11		
Accountability framework	1.15	11		
Vigilance mechanism	1.16	12		
Audit Mandate	1.17	13		
Conclusion	1.18	14		
SECTION 'B' FINANCIAL REPORTING OF PRIS				
Financial Reporting Issues	1.19	15		
Reporting Arrangements	1.20	17		
Internal Control System in PRIs	1.21	18		
Audit of Accounts of PRIs	1.22	18		
Administrative Reports	1.23	20		
Conclusion	1.24	20		

CHAPTER – II				
TRANSACTION AUDIT OF PRIs				
Panchayat and Rural Development Department				
Fraudulent Withdrawal	2.1	21		

Table of Contents

Misappropriation of fund	2.2	22
Doubtful Expenditure	2.3	23
Unfruit ful Expenditure	2.4	23
Unauthorized and Dubious Expenditure	2.5	24
Irregular Financial Assistance	2.6	25
Inadmissible and Unproductive Expenditure	2.7	25
Unproductive Expenditure	2.8	26
Doubtful Expenditure	2.9	27
CHAPTER – III		
Section-A		
An Overview of Urban Local Bodies (U	1	
Introduction	3.1	29
Size of ULBs	3.2	29
Organisational setup in State Government and ULBs	3.3	30
Functioning of ULBs	3.4	30
Standing Committees	3.5	31
Staffing pattern of ULBs	3.6	31
State Finance Commission Grants	3.7	31
Status of devolution of 3Fs	3.8	32
Financial Profile of ULBs	3.9	33
Expenditure management of ULBs	3.10	36
13 <sup>th</sup> Finance Commission Grants	3.11	36
Accountability framework	3.12	37
Vigilance mechanism	3.13	38
Audit Mandate	3.14	39
Conclusion	3.15	40
SECTION 'B' FINANCIAL REPORTING OF ULI	3s	
Legal framework	3.16	41
Financial Reporting Issues	3.17	42
Internal Audit	3.18	`43
Audit of Accounts of ULBs	3.19	43
Administrative Reports	3.20	45
Conclusion	3.21	45
CHAPTER – IV	1	
TRANSACTION AUDIT OF ULB		2
Urban Development Department	1	
Misappropriation of Government money	4.1	47
CHAPTER – V PERFORMANCE AUDIT		
Guwahati Development Departme	nt	
Performance Audit on the working of the Guwahati Municipal Corporation	5.1 to 5.8	49 to 91

	APPENDICES		
Appendix No.	Details	Page (s)	
I.	Roles and Responsibilities of Standing Committees of PRIs.	93	
II.	Power of State Government over PRIs	94	
III.	Statement showing non-reconciliation of Bank Balances as per Pass Book & Cash Book	95	
IV.	Statement showing expenditure incurred by PRIs without preparation of Budget	96	
V.	<ul><li>A. Statement showing unrealistic budget prepared by PRIs.</li><li>B. Statement showing unrealistic budget prepared by ULBs.</li></ul>	97	
VI.	Statement showing non-adjustment of advances	98	
VII.	Statement showing non-realisation of outstanding kist money	99	
VIII.	Statement showing pending utilization certificate against different implementing agencies during the year 2012-13	100	
IX.	Internal Control System at the level of LBs.	100	
X.	Statement showing details of execution of schemes and expenditure incurred there against	102	
XI.	Statement showing position of computers in non-electrified GPs	103	
XII.	Statement showing financial benefits extended to ineligible beneficiaries	106	
XIII.	Statement showing expenditure incurred on construction of guide bunds	106	
XIV.	Statement showing the details of present status of transfer of Funds, Functions and Functionaries (3Fs) to GMC as of March 2012	107	
XV.	Statement showing the details of variation between major Receipt and Expenditure heads of the GMC for the years 2007-12	108	
XVI.	Statement showing the detailed position of delay and deposit of Property Tax by the Lokhra Zone during the period from Nov 2011 to March 2012	109	
XVII.	Summarised position of expenditure incurred for other purposes by diverting the fund received under the award of 12 <sup>th</sup> FC	110	
XVIII.	Statement showing the detailed position of diversion of funds received under TASFC (Salary component)	111	
XIX.	Details of exclusion of GMC's arrear amounts from subsequent year's demand	115	
XX.	Statement showing the detailed position of non-realisation of Scavenging charges from the owners/proprietors of the Private Markets running under GMC area and Lease money	116	
XXI.	Statement showing the details of levy PF of highest or any one unit in case of construction of multiple units in a plot	117	
XXII.	Details of un-licensed private parking places	118	
XXIII.	Details of payments made for the works to M/s KBL	119	
XXIV.	Statement showing the details of extra additional expenditure incurred towards engagement of labour and purchase of POL in connection with SWM by the garage branch of GMC	120	
XXV.	Execution of desilting works	126	
XXVI.	Statement showing the details of short deduction of AVAT/Income Tax by the GMC authority on payments of bills in r/o execution of BSUP project	127	