

## OVERVIEW

This Report includes four Chapters. Chapters I and III present overviews of the accounts and finances of the Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) respectively. Chapter II comprises one performance audit and four audit paragraphs and Chapter IV comprises one performance audit and five audit paragraphs arising out of the compliance audit of the PRIs and ULBs respectively.

A synopsis of important findings contained in this report is presented in this overview.

### (A) Panchayati Raj Institutions

#### 1. An Overview of Accounts and Finances of Panchayati Raj Institutions

Own revenue of PRIs for the year 2012-13 was much less than one *per cent* of their total receipts. As such they were totally dependent on the Government grants. PRIs continue to maintain the annual accounts in conventional formats though the State Government had accepted the simplified Accounting Formats issued by the Ministry of Panchayati Raj, Government of India. Database on the finances of PRIs was, however, not developed. Substantial portion of Central/State grants was not utilised for extending the intended benefits to the rural people.

*(Paragraphs 1.5.2, 1.5.3 and 1.8.1)*

#### 2. Performance Audit of Implementation of Indira Awaas Yojana

Performance Audit of implementation of Indira Awaas Yojana (IAY) in selected districts, blocks and gram panchayats revealed that only 77.52 *per cent* of available funds were utilised during 2008-13 at the State level. Instances of selection of ineligible beneficiaries, deduction of Central assistance of ₹ 23.90 crore, delay in release of State share, irregular adjustment of IAY funds (₹ 3.83 crore) and delayed preparation of Chartered Accountant reports on accounts etc. were noticed. The IAY beneficiaries were not provided sanitary latrines, drinking water and electricity through convergence with other schemes. Monitoring of the implementation of IAY and inspection of constructed houses was weak and unreliable. Grievance redressal mechanism remained inadequate. Management Information System Programme Software 'AWASSoft' was not working effectively.

*(Paragraph 2.1)*

### **3. Compliance Audit of Panchayati Raj Institutions**

Lack of monitoring of execution of drinking water supply projects under Swajaldhara Yojana and follow up of instructions of State Water and Sanitation Mission, by Zila Parishad, Jaisalmer resulted in these projects lying incomplete for more than six years, rendering expenditure of ₹ 52.06 lakh unfruitful and deprived drinking water to residents of desert areas.

*(Paragraph 2.2.1)*

Tardy implementation of a special project under Swarnajayanti Gram Swarozgar Yojana in Baran district, resulted in under-utilisation of ₹ 2.19 crore which remained with Zila Parishad (Rural Development Cell), Baran in a bank account and non-achievement of the intended target. Besides, the project could not avail support of ₹ 1.10 crore from Government of India and the State Government.

*(Paragraph 2.3.1)*

Failure of the State Government to take concrete follow up action on recommendations of Public Accounts Committee for removal of unauthorised occupation of quarters and slackness of Panchayat Samiti, Amber in taking possession of the quarters from Public Works Department led to unauthorised occupation of Panchayat Samiti's land valuing ₹ 2.81 crore and the quarters constructed thereon.

*(Paragraph 2.3.2)*

## **(B) Urban Local Bodies**

### **4. An Overview of Accounts and Finances of Urban Local Bodies**

Own resources of ULBs were not adequate and they were largely dependent on grants and loans from the Central and State Governments. Annual accounts of ULBs were still being maintained in the conventional formats on cash basis instead of accrual basis.

*(Paragraphs 3.3 and 3.4)*

### **5. Performance audit of Implementation of Urban Infrastructure Development Scheme for Small and Medium Towns**

Performance Audit of the Urban Infrastructure Development Scheme for Small and Medium Towns of the selected projects revealed that out of 181 non-mission cities/towns in the State, the State Government covered 35 cities/towns only at random basis and 37 projects worth ₹ 609.93 crore were sanctioned during 2005-09. Only 22 projects (59 per cent) were completed by

utilising ₹ 124.60 crore. The second instalment of Additional Central Assistance of ₹ 175.06 crore was not received from GoI due to non-implementation of reforms. Instances of undue financial assistance to contractors (₹ 7.89 crore), created assets not put to use (₹ 6.88 crore), unfruitful expenditure on incomplete projects (₹ 5.47 crore) and irregular procurement of material (₹ 2.49 crore) were also noticed.

*(Paragraph 4.1)*

## **6. Compliance Audit of Urban Local Bodies**

Municipal Corporation, Jaipur failed in levy and collection of Labour Welfare Cess amounting to ₹ 42.87 lakh, from contractors.

*(Paragraph 4.2.1)*

Failure of Urban Improvement Trust, Kota in obtaining prior concurrence of the Defence establishment for construction of a flyover-elevated road from JDB College to Government College at Kota resulted in infructuous expenditure of ₹ 3.81 crore.

*(Paragraph 4.3.1)*

Slackness of Municipal Board, Bari and State Government in complying with the Hon'ble High Court orders, resulted in non-recovery of irregularly paid amount of ₹ 1.83 crore from contractor. Action against delinquent officers was also not initiated.

*(Paragraph 4.3.2)*

Failure in execution of scheme for conservation of heritage monuments by four municipal bodies resulted in blockage of ₹ 1.89 crore.

*(Paragraph 4.4.1)*

Failure of Municipal Corporation, Jaipur in finalisation of tender formalities for award of advertising licences led to loss of ₹ 1.20 crore.

*(Paragraph 4.4.2)*