

# TABLE OF CONTENTS

		Reference No.	
		Para No.	Page No.
<b>Preface</b>			vii
<b>Overview</b>			ix - xii
<b>Chapter I – Introduction</b>	Background	1.1	1
	Organisational Structure	1.2	1
	Powers and Functions	1.3	2
	Fund Flow Arrangement	1.4	3
	Accounting Reforms / Arrangements	1.5	4
	Audit Arrangement	1.6	4
	Audit Coverage	1.7	4
	Follow up action on Audit Reports	1.8	4
	Response to Audit Observations	1.9	5
<b>Chapter II – Accounting Procedures and Financial Management</b>	Budget Provision	2.1	7
	Annual Accounts of ULBs	2.2	8
	Utilisation of funds	2.3	9
	Outstanding loans	2.4	9
	Cases of theft / defalcation / misappropriation	2.5	10
	Unwarranted expenditure	2.6	11
	Adjustment of advances	2.7	11
	Timely credit of Provident Fund subscription in the treasury	2.8	12
	Monitoring of Property Tax collection	2.9	12
	Collection of labour welfare cess and remittance thereof	2.10	13
	Replenishment of loan at the instance of Audit	2.11	14
	Maintenance of Cash Book / Stock Register	2.12	14
	Maintenance of basic records	2.13	14
	Internal Audit	2.14	15
Conclusion	2.15	15	
Recommendations	2.16	16	
<b>Chapter III – Receipts</b>	Budget estimates and actual receipts of own fund	3.1	17

		Reference No.	
		Para No.	Page No.
	Loss / arrear of revenue due to delay in revision of annual valuation of property	3.2	17
	Remission on property tax beyond permissible limit led to loss of ₹ 1.29 crore	3.3	18
	Non-imposition of surcharge leading to loss of revenue of ₹ 17.34 crore	3.4	19
	Outstanding water charges	3.5	19
	Outstanding fee - ₹ 4.25 crore	3.6	20
	Rent / lease money not realised - ₹ 30.50 crore	3.7	20
	Loss of revenue of ₹ 17.90 lakh due to delay in revision of building plan sanction fee	3.8	21
	Collection of penalty for unauthorised construction	3.9	21
	Conclusion	3.10	22
	Recommendations	3.11	22
<b>Chapter IV – Establishment</b>	Appointment of staff in excess of sanctioned strength resulting in excess expenditure of ₹ 24.23 crore	4.1	23
	Accumulation of outstanding liability of ₹ 5.45 crore towards pension and gratuity	4.2	24
	Liability towards outstanding water charges	4.3	24
	Irregularities in payment of electricity charges	4.4	24
	Conclusion	4.5	25
	Recommendations	4.6	25
<b>Chapter V – Material Management and Execution of Works</b>	Tender procedures not followed	5.1	27
	Irregular expenditure on works	5.2	28
	Incomplete works	5.3	29
	Procured items / completed works were not utilised properly	5.4	30
	Excess payment / procurement / issuance of material	5.5	30
	Payment without measurement	5.6	32
	Conclusion	5.7	32
	Recommendations	5.8	32
<b>Chapter VI – Implementation of Schemes</b>	Mid-day Meal Scheme	6.1	33
	Conclusion	6.2	35
	Recommendations	6.3	35

		Reference No.	
		Para No.	Page No.
<b>Chapter VII – Performance Audit</b>	Working of Siliguri Municipal Corporation	7.1	37
<b>Chapter VIII – Other Important Cases</b>	Insufficient efforts in collection of property tax from the Institute of Neurosciences, Kolkata - ₹ 2 crore	8.1	53
	Avoidable expenditure of ₹ 15.47 crore as demand charges	8.2	54
	Unfruitful expenditure – ₹ 10.94 crore	8.3	56
	Irregularities in tender procedure and splitting of works under JNNURM	8.4	58

## APPENDICES

<b>Appendix No.</b>	<b>Description</b>	<b>Page No.</b>
Appendix – 1	Name of ULBs	61
Appendix – 2A	Statement showing budget provisions and actual expenditure for the year 2011 – 12	62
Appendix – 2B	Statement showing budget provisions and actual expenditure for the year 2012 – 13	63
Appendix – 2C	Statement showing budget provisions and actual expenditure for the year 2013 – 14	64
Appendix – 3A	Statement showing excess of expenditure over budget provision under revenue section	65
Appendix – 3B	Statement showing excess of expenditure over budget provision under capital section	65
Appendix – 4	Separate Audit Report issued during 1 April 2013 to 31 March 2014 and opinion on the accounts	66
Appendix – 5	Results of audit comments on accounts	67
Appendix – 6	Number of journal vouchers passed (while preparing Annual Accounts) without any authorisation of competent authority and their money value	68
Appendix – 7	Statement showing utilisation of funds	69
Appendix – 8	Statement showing outstanding loans of ULBs	70
Appendix – 9	Statement showing outstanding advances	71
Appendix – 10	Loss of interest on Provident Fund	73
Appendix – 11A	Statement showing demand and collection of property tax for the year 2011-12	74
Appendix – 11B	Statement showing demand and collection of property tax for the year 2012-13	75
Appendix – 11C	Statement showing demand and collection of property tax for the year 2013-14	76
Appendix – 12	Statement showing non / short collection of labour welfare cess	77
Appendix – 13	Statement showing Budget Estimate, Actual Realisation and Percentage of Realisation of Own Fund during the period 2011-12, 2012-13 and 2013-14	78
Appendix – 14	Statement showing loss of revenue due to non-imposition of surcharge	79
Appendix – 15	Statement showing outstanding water charges as of March 2014	80
Appendix – 16	Statement showing outstanding fee	81
Appendix – 17	Statement showing outstanding rent / <i>salami</i> / development fee / parking fee from stalls / shops / ferry service	82
	Glossary of abbreviations	83