

Annual Technical Inspection Report
on
Panchayati Raj Institutions and Urban Local Bodies
for the year ended 31 March 2015

Government of Punjab



OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT),
PUNJAB, CHANDIGARH

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PREFACE

This report for the year ended March 2015 has been prepared for submission to the Government of Punjab in terms of Technical Guidance and Support to audit of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) under Section 20(1) of the Comptroller and Auditor General of India's (Duties, Powers and Conditions of Service) Act, 1971.

The Report contains significant results of the audit of the PRIs and ULBs in the State including the departments concerned.

The issues noticed in the course of test audit for the period 2014-15 as well as those issues which came to notice in earlier years, but could not be dealt with in the previous Reports have also been included, wherever necessary.

The audit has been conducted in conformity with auditing standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

This Report is in two parts and consists of four chapters. Chapters I and II deal with Panchayati Raj Institutions and Chapters III and IV deal with Urban Local Bodies. A synopsis of audit findings is presented in this Executive Summary:

Overview of Panchayati Raj Institutions (PRIs)

There are 22 Zila Parishads (ZPs), 145 Panchayat Samitis (PSs) and 13,109 Gram Panchayats (GPs) in the State. Total number of 1,903 posts of technical and non-technical staff under PRIs were lying vacant. Of the 29 functions included in the Eleventh Schedule of the Constitution, only 13 functions have been transferred to the PRIs. Important records like movable/immovable asset register, demand and collection register, advances/loan outstanding register, receipt book register, etc. were not maintained. 79 Gram Panchayats and one Panchayat Samiti did not reconcile the balances of bank accounts with the balances of cash book. 21 Gram Panchayats operated more than one bank account for Panchayat funds in violation of norms issued under Punjab Panchayati Raj (Gram Panchayat) Rules 2012.

(Chapter-I)

Results of Audit of Panchayati Raj Institutions

- In eight GPs ₹ 7.85 lakh were not handed over by the Sarpanchs on vacation of office to the concerned Block Development and Panchayat Officers.
- In 64 GPs and six PSs, ₹ 2.17 crore were withdrawn from bank through self-cheques in contravention to the Rules.
- There was short collection of Panchayat Secretary wages of ₹ 2.28 crore as 20 per cent of the income from auction of Gram Panchayat land by six Panchayat Samitis in respect of 415 GPs.
- Detailed estimate involving expenditure of ₹ 1.96 crore in 14 GPs were not prepared in contravention of provisions of PWD Code.
- Unauthorised occupation of land measuring 116 acre, 7 kanal and 14 marla under Bhogpur Panchayat Samiti valuing ₹ 17.79 lakh was noticed.
- Rent/lease money amounting to ₹ 1.06 crore was outstanding in respect of 179 shops and buildings in four Panchayat Samitis.
- Material worth ₹ 3.18 crore was purchased by 106 Gram Panchayats from local market in contravention of provisions of Punjab Financial Rules (Volume I).
- Irregularities in auction of shamlat land in Samalsar Gram Panchayat were noticed.

(Chapter-II)

Overview of Urban Local Bodies (ULBs)

There are 10 Municipal Corporations and 164 Municipal Councils/Town Councils in the State. State specific accounts manual, though prepared could not be adopted as the re-submitted draft manual after sorting out the discrepancies pointed out by Examiner, Local Fund Accounts Punjab was being re-examined by the department.

(Chapter-III)

Results of Audit of Urban Local Bodies

- Failure of the department to ensure availability of land prior to release of funds resulted in blocking of ₹ one crore.
- Labour cess of ₹ 3.38 crore was not remitted to the Labour Welfare Board within 30 days of collection of Cess in contravention of the Cess Rules, 1998.
- VAT was deducted at the rate of four and five *per cent* during the period between April 2011 and August 2014 instead of at the rate of five and six *per cent* respectively resulting in short deduction of VAT of ₹ 18.77 lakh.
- No action was initiated against the library authorities for unauthorised construction of 33 shops on the land leased out exclusively for library purpose.
- Payment of ₹ 87.86 lakh was made for the work left midway by the contractor.
- Wasteful expenditure of ₹ 17.95 lakh by MC, Kurali and ₹ 1.18 crore by MC, Jalandhar was incurred on incomplete works.

(Chapter-IV)

PART – A
PANCHAYATI RAJ INSTITUTIONS

Chapter-I

Overview of Panchayati Raj Institutions

1.1 Background of Panchayati Raj Institutions

The Constitution (Seventy Third Amendment) Act, 1992 accorded constitutional status to Panchayati Raj Institutions (PRIs) and established a three tier structure with regular elections of Panchayats every five years, constitution of State Finance Commission to make recommendations regarding the financial powers of the Panchayats, *etc.* The act envisaged a three tier system of PRIs namely Gram Panchayat (GP) at Village level, Panchayat Samiti (PS) at Block level and Zila Parishad (ZP) at District level. As a follow up, the States were required to entrust these bodies such powers, functions and responsibilities as to enable them to function as institutions of self-government. In particular, the PRIs were required to prepare plans for economic development and social justice as per the functions enumerated in the Eleventh Schedule of the Constitution.

Accordingly, a three tier Panchayati Raj System was established under the Punjab Panchayati Raj Act, 1994 with elected bodies at the village, block and district levels. The latest elections of PRIs were held in July 2013.

1.1.1 Audit mandate of CAG of India

The Thirteenth Finance Commission (TFC) recommended that the State Government must put in place an audit system for all tiers of PRIs. Based on the recommendations of TFC, the State Government entrusted (August 2011) the test audit of PRIs to the Comptroller and Auditor General of India (CAG) under Section 20 (1) of the CAG's (Duties, Powers and Condition of Service) Act, 1971 and for providing Technical Guidance and Support (TGS) over the work of the Examiner, Local Fund and Accounts, Punjab (ELFA) with regard to audit of PRIs. An Annual Technical Inspection Report (ATIR) on the audit of PRIs conducted during preceding year is sent by the Pr. Accountant General (Audit) to State Government to be laid before the State Legislature.

1.1.2 Accounting system in Panchayati Raj Institutions

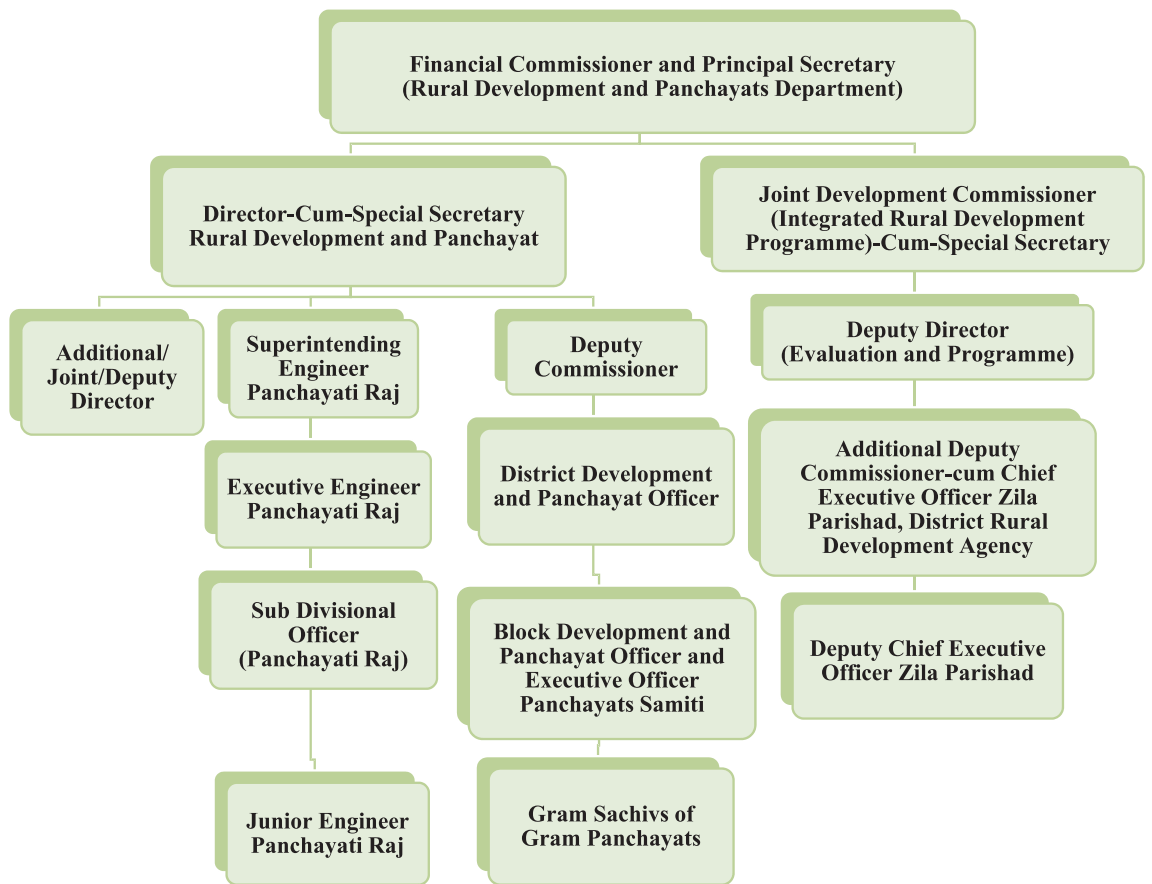
The Deputy Chief Executive Officer was responsible for the maintenance of accounts of ZP with the assistance of the Accounts Officer. The BDPO-cum-Executive Officer maintained the accounts of Panchayat Samiti while Gram Sachiv/ Secretary maintained accounts of GP. The certification of accounts was being done by Deputy Chief Executive Officer, Executive Officer and Sarpanch in respect of ZPs, PSs and GPs respectively. ELFA being a statutory auditor was responsible for conducting audit of PRIs.

The Ministry of Panchayati Raj, Government of India in consultation with the Comptroller and Auditor General of India developed the Model Accounting Structure (MAS), 2009. The model formats developed under MAS was to benefit State Government in terms of tracking the flow and usage of funds while the Panchayats were to gain in terms of better financial management,

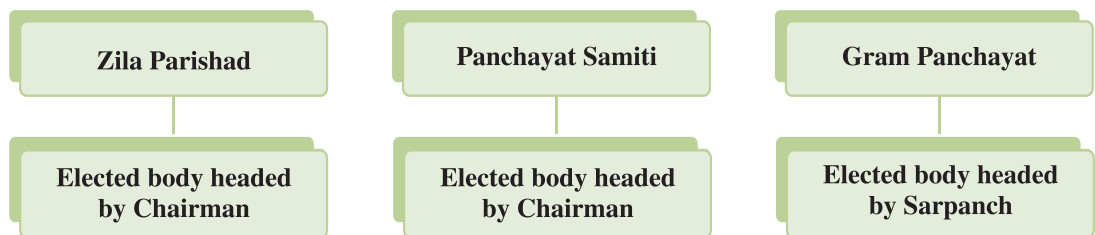
enhanced credibility and assessing Panchayat finances for devising strategies to make Panchayats financially viable. Subsequently, in December 2013, Director, Rural Development directed all the Additional Deputy Commissioners (Development) to create a data base on the basis of proformas as prescribed in MAS so as to make the MAS functional from April 2014. Accordingly, MAS has been adopted (April 2015) and voucher entries were being made in the software and the reports were being generated through the MAS.

1.2 Organizational structure of Panchayati Raj Institutions

(i) Executive level



(ii) Elected Level



1.2.1 Standing Committees

The details of various Standing Committees involved in financial matters and implementation of schemes are given in **Table 1.1**.

Table 1.1 Roles and responsibilities of the Standing Committees

Level of PRIs	Standing Committee headed by	Name of the Standing Committee	Roles and responsibilities of the Standing Committee
District Panchayat	Chairman	General Committee	Performs functions relating to establishment matters, communications, buildings, etc.
		Finance Audit and Planning Committee	Performs functions relating to finances of the Zila Parishad .
		Social Justice Committee	Performs functions like promotion of education, economic, social, cultural and other interest of the Scheduled Castes (SCs) and Backward Classes (BCs), protecting SCs/BCs from social injustice, etc.
		Education and Health Committee	Performs functions relating to promotion of educational activities in the ZP, maintenance of health services, hospitals, water supply, family welfare, etc.
		Agriculture and Industry Committee	Performs functions relating to agriculture production, animal husbandry, village and cottage industries, promotion of industrial development of the district, etc.
Block Panchayat	Chairman	General Committee	Performs functions relating to establishment matters, communications, building, rural housing, etc.
		Finance, Audit and Planning Committee	Performs functions relating to finance of the Panchayat Samiti.
		Social Justice Committee	Performs functions relating to promotion of education, economic, social, cultural and other interests of the SCs/BCs, etc.
Village Panchayat	Chairman	Production Committee	Performs functions relating to agriculture production, animal husbandry, rural industries and poverty alleviation programmes.
		Social Justice Committee	Performs functions relating to promotion of education, economic, social, cultural and other interests of the SCs/BCs, etc.
		Amenities Committee	Performs functions relating to education, public health, public works, etc.

Source: Punjab Panchayati Raj Act, 1994

1.2.2 Staff position in PRIs

Panchayati Raj Institutions have technical and non-technical staff. Against 4,331 sanctioned posts, 1,903 posts were lying vacant under various cadres as on 31 March 2015 (*Appendix-I*). Two training centres, namely Community Development Training Centre, Batala and Gram Sevak Training Centre, Nabha are imparting training to the officials of PRIs to enhance their skills.

1.2.3 Devolution of functions

The Constitution (Seventy Third Amendment) Act, 1992, envisaged devolution of funds, functions and functionaries to the PRIs to enable them to work as institutions of self-government. Although the State Government had devolved all 29 functions included in the Eleventh Schedule of the Constitution to the three tiers of Panchayats as per the Punjab Panchayati Raj Act, 1994, only 13 functions viz. animal husbandry, rural housing, drinking water, education (including primary and secondary schools), libraries, cultural activities, markets and fairs, health and sanitation, family welfare, women and child development, social welfare including welfare of handicapped and mentally retarded, welfare of the weaker sections and in particular of the Scheduled Castes and the Scheduled Tribes and maintenance of community assets are actually being performed by the PRIs.

1.3 Financial profile

1.3.1 Fund flow to Panchayati Raj Institutions

The resource base of PRIs consists of own receipts, State Finance Commission (SFC) grants, Central Finance Commission (CFC) grants, State Government grants and Central Government grants for maintenance/development purposes and implementation of schemes. Central and State grants are utilized by the PRIs for execution of Central and State sponsored schemes as per the guidelines issued by GOI and State Government in this regard.

The fund-wise sources and their custody for each tier are given in **Table 1.2**.

Table 1.2: Fund flow arrangement in Centrally Sponsored Schemes

Sr. No.	Scheme	Fund flow arrangement
1.	Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)	GOI and State Government transfer their respective shares of MGNREGA funds in a bank account, called State Employment Guarantee Fund (SEGF). Accounts of beneficiaries are being credited from the SEGF through Electronic Fund Management System.
2.	Indira Awaas Yojana (IAY)	The IAY is funded on cost-sharing basis between the GOI and the State Government in the ratio of 75:25. Funds are released to District Rural Development Agency (DRDA)/ ZP and there from funds are directly transferred to the beneficiaries' accounts.
3.	Integrated Watershed Development Programme (IWDP)	Funds are released to District Rural Development Agency (DRDA) which transfers it to Watershed Committee directly involved in implementation of the programme.
4.	Integrated Watershed Management Programme (IWMP)	
5.	National Rural Livelihood Mission (NRLM)/ Swarnjayanti Gram Swarozgar Yojana (SGSY) ¹	The total cost of the project is shared between Centre and State in the ratio of 75:25. Funds are released to DRDA and thereafter directly transferred to beneficiaries' accounts through BDPOs.

Source: Information provided by the Department

¹ Swarnjayanti Gram Swarozgar Yojana was restructured and was being implemented as National Rural Livelihood Mission since 2011-12.

1.3.2 Resources: Trends and Composition

The resources of PRIs for the period from 2010-15 are detailed in **Table 1.3**.

Table 1.3: Time series data on resources of PRIs

(₹ in crore)					
Year	2010-11	2011-12	2012-13	2013-14	2014-15
Own Revenue	313.05	362.66	415.31	456.84	272.90
CFC transfers (Central Finance Commission devolutions)	103.50	139.10	74.59	60.00	272.90
SFC transfers (State Finance Commission devolutions)	69.22	78.75	85.91	99.00	0.00
Grants from State Government*	1,055.26	1,172.51	1,298.14	1,440.93	9.10
GoI grant for CSS	267.56	201.85	165.85	299.17	214.55
Other Receipt (bank interest etc.)	9.75	10.30	10.89	11.43	5.33
TOTAL	1,818.34	1,965.17	2,050.69	2,367.37	774.78

Source: Figures provided by Department of Rural Development and Panchayats, Punjab

* includes State Government grants for State Schemes

1.3.3 Application of Resources: Trends and Composition

The application of resources of PRIs for the period from 2010-15 are detailed in **Table 1.4**.

Table 1.4: Expenditure from resources (sector-wise)

(₹ in crore)					
Description	2010-11	2011-12	2012-13	2013-14	2014-15
Expenditure from own revenue	313.05	362.66	415.31	456.84	272.90
Expenditure from CFC transfers (Central Finance Commission devolutions)	103.50	139.10	74.59	60.00	272.90
Expenditure from SFC transfers (State Finance Commission devolutions)	69.22	78.75	85.91	99.00	0.00
Expenditure from grants from State Government*	1,055.26	1,172.51	1,298.14	1,440.93	9.10
Expenditure on CSS	267.51	236.88	185.49	281.76	269.34
Expenditure from Other Receipt	9.75	10.30	10.89	11.43	0.87
TOTAL	1,818.29	2,000.20	2,070.33	2,349.96	825.11

Source: Figures provided by Department of Rural Development and Panchayats, Punjab

* includes State Government grants for State Schemes

The above figures were provided by the Department of Rural Development and Panchayats, Punjab on the basis of grants disbursed to PRIs. No record in respect of actual expenditure incurred by the PRIs was maintained by the department except for expenditure on Centrally Sponsored Schemes (CSS).

Table 1.5: Statement showing expenditure incurred under major CSS.

(₹ in crore)

Schemes	2010-11	2011-12	2012-13	2013-14	2014-15
MGNREGS	166.98	162.82	157.76	262.56	210.48
IAY	77.79	53.94	17.41	4.72	32.53
SGSY	17.49	11.42	4.56	0.00	0.00
NRLM	0.00	0.21	1.06	3.14	7.82
IWDP	3.26	1.41	1.09	0.19	0.00
IWMP	1.99	7.29	4.67	10.16	18.51

Source: Figures provided by Department of Rural Development and Panchayats, Punjab

Note: SGSY scheme closed on 31 March 2013 and IWDP scheme closed on 31 December 2012.

1.4 Accountability framework of Panchayati Raj Institutions (Internal Control System)

A sound internal control system significantly contributes to efficient and effective governance of the PRIs by the State Government. Compliance with financial rules, procedures and directives as well as timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the PRIs and the State Government in meeting its basic stewardship responsibilities, including strategic planning, decision making and accountability of the stakeholders. The following deficiencies were found in the internal control system:

1.4.1 Primary Audit of PRIs

Examiner, Local Fund and Accounts (ELFA) has been empowered to conduct the audit of all tiers of PRIs. ZPs and PSs are audited under Rule 100 of the Punjab Panchayat Samitis and Zila Parishads (General) Financial, Budget, Accounts and Audit Rules, 1964 framed under sections 83 and 115 (i) of the Punjab Panchayat Samitis and Zila Parishads Act, 1961 whereas GPs are audited under Rule 33 (i) of the Punjab Gram Panchayat Rules, 1995 framed under section 101(i) of the Punjab Gram Panchayat Act, 1952. The position of internal audit conducted during 2014-15 is given in **Table 1.6**.

Table 1.6: Position of internal audit

Name of the institution	Total units	No. of units to be audited as per manual*	No. of units planned	No. of units audited	No. of units not audited	Percent-age of shortfall
Zila Parishad	22	11	5	5	6	54.55
Panchayat Samitis	145	72	34	40	32	44.44
Gram Panchayats	13,109	6,550	2,700	1,914	4,636	70.78
Total	13,276	6,633	2,739	1,959	4,674	

Source: Figures provided by Examiner, Local Fund and Accounts, Punjab

* Manual of the Local Audit Department, Punjab

Analysis of table shows that against 6,633 units required to be audited by the ELFA, only 1,959 units (29.54 per cent) were actually audited during

2014-15. The department attributed the shortfall to shortage of staff. On being enquired about the follow up action taken on the audit findings it was stated (March 2016) that a committee of two members namely, the District Development and Panchayat Officer (DDPO) of the Department of Rural Development and Panchayats, Punjab and Regional Deputy Director of Examiner, Local Fund and Accounts had been constituted² for pursuing audit findings in respect of PRIs.

1.4.2 Non-maintenance of record

Section 87(1) of the Panchayati Raj Act, 1994 provides that the Sarpanch, and in his absence, the Panch authorized by the GP or by the BDPO in this behalf shall be responsible for the safe custody of the movable property of the GP and such of its records as may be prescribed. Immovable property belonging to or vested in the GP shall also remain in his charge. Section 87 (2) further provides that Panchayat Secretary shall be responsible to maintain up to date all records of the GP in the custody of Sarpanch or the Panch as prescribed under Section 87(1).

Audit scrutiny of records of 114 GPs (**Appendix-II**) showed that basic records such as movable/immovable assets register, demand and collection register, advances/loans outstanding register, receipt book register, register of stores and stock with physical verification, cheque/draft register were not being maintained for the period from August 2011 to December 2014. In the absence of such record, proper accountal of the assets, material procured and advances made and its recovery could not be vouched safe in audit.

The concerned authorities stated (June 2014-January 2015) that necessary instructions would be issued to all the GPs and records would be maintained in future.

1.4.3 Non-reconciliation of withdrawals and deposits from/into banks

Rule 2.2(v) of Punjab Financial Rule (Volume-I) and Rule 27 of the Punjab Panchayati Raj (Gram Panchayat) Rules, 2012 provide that every Drawing and Disbursing Officer is required to reconcile with bank's record all the amounts drawn from bank and deposited into the bank during the month to check the accuracy of entries made in the cash book.

Audit scrutiny of records of 79 Gram Panchayats and one Panchayat Samiti showed (**Appendix-III**) that reconciliation with bank account was not carried out despite the fact that difference in balances as per cash book and pass book ranged between ₹ 153 and ₹ 5,63,805 in these PRIs. The authenticity of accounts of these PRIs could not be ascertained in the absence of reconciliation with bank statements.

The officers of the concerned PRIs stated (June 2014-January 2015) that the necessary reconciliation would be carried out in future.

² Date of constitution of committee was not supplied by the department.

1.4.4 Operation of multiple bank accounts

Rule 24 of the Punjab Panchayati Raj (Gram Panchayat) Rules, 2012 provides that Gram Panchayat fund mentioned in section 86 of the Punjab Panchayati Raj Act, shall be kept in a savings bank account in the name of the Gram Panchayat in a nationalized bank. The Gram Panchayat may open a savings bank account for other schemes, if their terms and conditions provide so.

Audit scrutiny of records of 21 Gram Panchayats showed that more than one bank account was being operated for panchayat fund in violation of norms issued in this regard (*Appendix-IV*).

The concerned authorities while admitting the audit observation stated (April 2014-January 2015) that the accounts would be closed in due course of time. The matter was again referred (May 2016) to the concerned authorities, reply to which was awaited (May 2016).

1.4.5 Lack of response to audit observations

Details of audit paragraphs issued by the ELFA and outstanding as on 31 March 2015 are given in **Table 1.7**.

Table 1.7: Details of outstanding paras

Sr. No.	Since pending	Zila Parishad	Panchayat Samitis	Total
1.	Up to 5 years old	306	2,473	2,779
2.	5 to 10 years old	270	3,211	3,481
3.	More than 10 years old	610	15,612	16,222
Total		1,186	21,296	22,482

Source: Information supplied by Examiner, Local Fund and Accounts, Punjab (Information regarding details of outstanding paras in respect of Gram Panchayats was called for (July 2015); reply was awaited (May 2016)).

Besides this, on the entrustment of audit of PRIs to CAG in August 2011, the audit of three tiers of PRIs in Punjab State was taken up by Principal Accountant General (Audit), Punjab. During the year 2014-15, 239 units of PRIs (4 ZP, 15 PS and 220 GPs) were audited and the Inspection Reports (IRs) on the said PRIs containing 1,314 audit observations were issued between March 2014 and February 2015 to the concerned units of PRIs with a copy to Examiner, Local Fund and Accounts (ELFA) and Director Rural Development and Panchayat, Punjab for their comments. Two PRIs submitted their replies in respect of two paras whereas replies of the remaining 237 PRIs in respect of 1,312 paras were awaited (December 2015). The audit findings are summarized in Chapter-II.

Chapter-II

Results of audit of Panchayti Raj Institutions

2.1 Non-handing over of cash by the Sarpanches

Section 87 of the Punjab Panchayti Raj Act, 1994 provides that the Sarpanch shall be responsible for the safe custody of the movable property of the GP and such of its records and immovable property belonging to or vesting in the GP shall also remain in his charge and he is required to hand over complete charge of such record and property to Executive Officer, Panchayat Samiti (EOPS) before filing of his nomination papers for election or on vacation of his office, failing which EOPS may apply to Executive Magistrate for securing from such Sarpanch such records or property as the case may be. Further, Section 87(6) provides that 'Notwithstanding anything contained in this Act, whoever, in contravention of the provisions of this section wilfully evades the handing over of such record or property shall, on conviction by Judicial Magistrate of the first class be punishable with imprisonment either description which may extend to three years or with fine or with both'.

Scrutiny of records (between April 2014 to March 2015) of eight GPs of three blocks however showed that ₹ 7.85 lakh had not been handed over by the then Sarpanches to the concerned BDPOs (*Appendix-V*).

On being enquired (May 2016), the concerned BDPOs stated that notices have been issued to the ex-sarpanches to deposit the amount.

2.2 Irregular cash withdrawals from bank through self-cheques

Rule 24 (8) of Punjab Panchayti Raj (Gram Panchayat) Rules, 2012 provides that amount shall be drawn only through cheques. Payment to third parties for the amount exceeding ₹ 5,000 shall also be made through account payees cheques.

Scrutiny of records in 64 GPs and six PSs showed that ₹ 2.17 crore (*Appendix-VI*) were withdrawn from the banks through self/bearer cheques in contravention to the provision of rules *ibid*. The officers of the concerned PRIs, while admitting (May 2014-January 2015) the audit observation, noted the same for future compliance. However, no reasons for withdrawal of funds through self/bearer cheques were furnished (May 2016).

2.3 Short collection

The Department of Rural Development and Panchayats, Government of Punjab issued (December 2012) instructions that 20 *per cent* of the income resulting to the GP for the last three years from the auction of shamlat land¹ of

¹ Common land belonging to GP.

GP should be deposited with PS so that the salary/wages could be paid to the workers of the Panchayat Samitis.

Scrutiny of records (between April 2014 and March 2015) in the offices of six PSs (Attari, Faridkot, Ropar, Samana, Sangrur and Sirhind) showed that instructions *ibid* were not followed as an amount of ₹ 1.50 crore was deposited against the requisite amount of ₹ 3.79 crore (₹ 18.93 crore receipt as income of shamlat land) by 415 GPs during 2014-15 resulting in short deposit of ₹ 2.28 crore (*Appendix-VII*) with PSs.

The concerned Executive Officers stated (June 2014-December 2014) that the balance amount would be collected from the concerned GPs.

2.4 Execution of works without estimates

Para 2.89 of Punjab Public Works Department Code provides that no work shall be commenced unless a properly detailed design and estimate has been sanctioned, allotment of funds made and orders for its commencement issued by the competent authority.

Scrutiny of records (May 2014-December 2015) showed that in 14 Gram Panchayats of four blocks (*Appendix-VIII*) an expenditure of ₹ 1.96 crore was incurred on various works, which had been completed, without preparation of estimates in contravention of the provisions *ibid*. In the absence of estimates, reasonableness of quantities of works executed could not be ascertained in audit.

The concerned BDPOs admitted the facts and stated (May 2014-December 2015) that the compliance would be made in future.

2.5 Unauthorised occupation of shamlat land

Rule (5) (2) of Punjab Public Premises and Land (Eviction and Rent Recovery) Act, 1973 relating to eviction of unauthorized persons provides that if any person refuses or fails to comply with the order of eviction within thirty days of the date of its publication under sub-section (I), the Collector or any other officer duly authorized by him in this behalf may evict that person from, and take possession of the public premises and may, for that purpose, use such force as may be necessary.

Examination of records of EOPS, Bhogpur showed that land measuring 116 acres, 7 kanal and 14 marlas valuing ₹ 17.79 lakh (as per collector rate) of eleven GPs (Akhara, Bulle, Bullawal, Badala, Charke, Dhadda, Laroi, Mumandpur, Shakarpur, Sohalpur and Tandi) was under unauthorized occupation of various persons. However, no action had been taken by the EOPS to get the possession of land for which no reasons were given.

The department stated (September 2014) that matter would be taken up with higher authorities for vacation of the unauthorized occupation of land.

2.6 Non-production of vouchers

Rule 2.20 of Punjab Financial Rules (Volume-I), provides that every payment made should be supported with relevant vouchers and actual payee receipt.

During test check of records in 16 GPs of six blocks, no supporting vouchers were produced to audit against the expenditure of ₹ 23.24 lakh incurred under various schemes/grants (*Appendix-IX*). In the absence of the same, the authenticity of the expenditure could not be verified in audit.

The concerned EOPSS replied (June 2014-January 2015) that vouchers would be produced during next audit.

2.7 Non-recovery of outstanding rent

Notification issued (April 1984) by Department of Rural Development and Panchayats, Government of Punjab provides that if a person neither provides the vacant possession of the leased property or public place immediately after the expiry of the period of lease nor agrees to enhance the lease money, he is liable to pay to the Panchayat Samiti or Zila Parishad, as the case may be, an amount equivalent to 20 times (twenty times) the amount which would have been payable had the lease of such property or public place continued during that period. Further, as per rent agreement, in case of default of payment of rent for three consecutive months, the landlord shall be entitled to remove the tenancy and eject him/them without any notice by giving one month's notice.

Examination of records of four EOPSS (December 2014-January 2015) showed that rent/lease money amounting to ₹ 1.06 crore was outstanding in respect of 179 shops and buildings (*Appendix-X*).

On being enquired (May 2016), the concerned EOPSS replied that notices had been issued to tenants for recovery of outstanding rent.

2.8 Irregular purchase of material

Rule 15.2 (b) of the Punjab Financial Rules (Volume-I) provides that purchases must be made in an economical manner; in accordance with definite requirements of the public service. When stores are purchased from the open market the system of open competitive tender should, as far as possible, be adopted as per Appendix 8 of Punjab Financial Rules (Volume-II) which provides that the value of articles to be purchased without inviting tenders shall not exceed ₹ 100 and the total value of such purchases made during financial year shall not exceed ₹ 5,000.

Audit of records showed that in 106 Gram Panchayats under 13 blocks, material such as sand, iron rods, RCC pipes, S.B. motor 15 HP, electrical items, almirahs, chairs, machinery items, cement, PVC pipes, bajri, etc. worth ₹ 3.18 crore were purchased from the local market without obtaining quotations or floating tenders in contravention of the Rule *ibid* thereby

compromising transparency and depriving the benefit of competitive rates to effect economy in expenditure (*Appendix-XI*).

The concerned EOPs, while admitting the facts, stated (June 2014-December 2014) that necessary instructions would be issued to all the GPs and noted the audit observation for future compliance.

2.9 Non-preparation of Annual Accounts

Rules 23 and 24 of the Punjab Zila Parishad/Panchayat Samiti (General) Financial Budget, Account and Audit, Rules, 1964 provide that Zila Parishad and Panchayat Samiti shall prepare its Annual Accounts showing its income and expenditure. The account so prepared is to be submitted by the Panchayat Samitis and Zila Parishad to the Zila Parishad and Examiner/Government respectively by 15 May every year. Further, Rule 27 (10) of Punjab Panchayati Raj (Gram Panchayat) Rules, 2012 provides that at the end of each year, the Gram Panchayat shall prepare its annual accounts and send it to the Panchayat Samiti by the following 31 May for transmission to the Zila Parishad.

Scrutiny of the records of three EOPs and 134 GPs showed that annual accounts for the period ranging between April 2011 and December 2014 were not prepared, as detailed in *Appendix-XII*.

The concerned authorities, while admitting the audit observation (June 2014-January 2015) stated that annual accounts would be prepared.

2.10 Irregularities in auction of Shamlat land

Rule 38 of Punjab Panchayati Raj (Gram Panchayat) Rule, 2012 provides that it shall be the duty of the Sarpanch to ensure proper maintenance of accounts of revenue as well as expenditure. The Panchayat Secretary shall be responsible for timely receipt and collection of revenues. It is his responsibility that dues are correctly and regularly assessed, collected and promptly credited to the fund. He shall accordingly arrange to obtain from all the sources where revenue arises, returns regarding the progress or realization and cause them to be noted in the Demand and Collection Register.

Examination of records in Gram Panchayat, Samalsar of Block Bagha Purana, (June 2014) showed that Shamlat land was auctioned for ₹ 6.65 lakh on 16 April 2011, whereas as per cash book the said amount was received on 13 April 2011 i.e. prior to the auction of land. Further examination of records showed that the bid amounts quoted by the different bidders were different when proceedings book was compared with the auction register. Moreover, as per the auction register, the highest bidder continued to bid and overbid his own bidding when no other bidder was quoting rates. As such, the whole process of auction appeared to be irregular.

On being pointed out, the department stated (May 2016) that reply would be furnished after scrutinizing the record.

The contents of this report were referred to Government in March 2016; reply was awaited (May 2016).

PART – B
URBAN LOCAL BODIES

Chapter-III

Overview of Urban Local Bodies

3.1 Background of Urban Local Bodies

Government of Punjab implemented the system of democratic governance down to grass root level in Urban Local Bodies (ULBs) through Punjab Municipality Act, 1911. The objective was to make the ULBs self reliant and to provide better civic facilities to the people of areas under their jurisdiction. Further, 74th Constitutional Amendment paved the way for decentralization of power, transfer and devolution of more functions and funds to the ULBs. Consequently, more diversified responsibilities were devolved through three levels namely Municipal Corporation, Municipal Committee and Town Council. To incorporate the provisions of 74th Amendment, State legislature enacted/amended the Punjab Municipal Corporation Act, 1976 (amended in 1994) for Municipal Corporations and Punjab Municipal Act, 1911 (amended in 1994) for Municipal Committees and Town Councils. The ULBs are governed by the elected representatives with a five years tenure normally. The latest elections of ULBs were held in February 2015.

3.1.1 Audit Mandate of CAG of India

The Thirteenth Finance Commission (TFC) recommended that the State Government must put in place an audit system for all categories of ULBs. Based on the recommendations of TFC, the State Government entrusted (August 2011) the test audit of ULBs to Comptroller and Auditor General of India (CAG) under section 20(1) of the CAG's (Duties, Powers and Condition of Service) Act, 1971 and for providing Technical Guidance and Support (TGS) over the work of the ELFA, with regard to audit of ULBs. ATIR on the audit of ULBs conducted during preceding year is sent by the Pr. Accountant General (Audit) to the State Government to be laid before the State Legislature.

3.1.2 Accounting system in Urban Local Bodies

In terms of the Eleventh Finance Commission recommendations, Government of India (GOI), Ministry of Urban Development in consultation with the CAG, developed (November 2004) the National Municipal Accounts Manual (NMAM) with a view to not only increasing transparency and accountability in the utilization of public funds but also to assist ULBs to play their role more effectively and ensure better service delivery.

In accordance with this manual, a draft of the State specific manual had been prepared for maintenance of accounts as per the formats and patterns mentioned in the NMAM and the same had been forwarded (October 2012) to the Examiner, Local Fund Accounts, Punjab for necessary vetting and amendment thereof. Some discrepancies in the draft manual were pointed out by the ELFA Punjab and the departmental Council constituted for the purpose. The draft manual was sent for review to M/s CRISIL who had been engaged for this purpose. M/s CRISIL has now re-submitted (September 2015) the draft manual after sorting out the discrepancies pointed out to it. The draft manual was being re-examined by the department. However, the fact remains

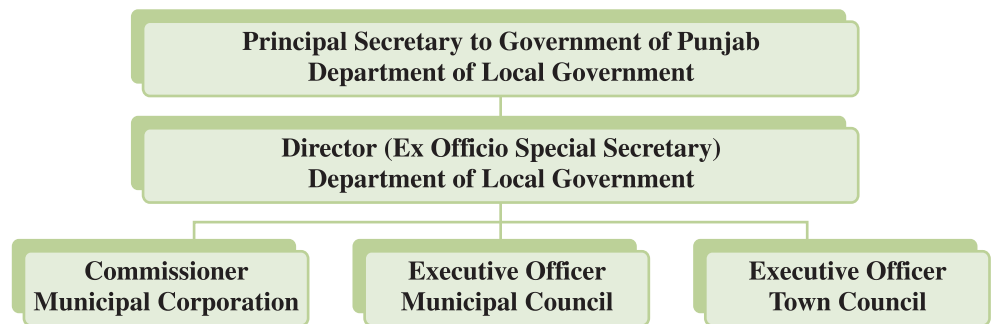
that even after a lapse of more than 10 years, NMAM could not be adopted till September 2015. The reply of the department regarding the latest status of the manual was awaited (May 2016).

The accounts of the ULBs are monitored by the Commissioner in case of Municipal Corporations and the President in case of Municipal Committees and Town Councils. However, there is no provision for certification of accounts of the ULBs in the Punjab Municipal Corporation Act, 1976.

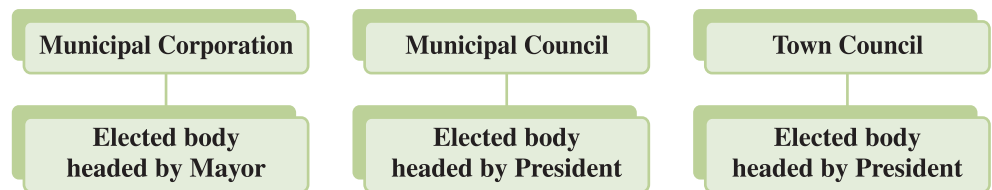
3.2 Organizational structure of Urban Local Bodies

The organizational structure of ULBs in Punjab State is as under:

(i) Executive Level



(ii) Elected Level



3.2.1 Standing Committees

Brief introduction to the working of ULBs and various Standing Committees involved in financial matters and implementation of schemes are given in **Table 3.1**.

Table 3.1: Roles and responsibilities of the Standing Committees

Level of ULBs	Roles and responsibilities of the Standing Committees
Municipal Corporation	Each Municipal Corporation can constitute as many committees, namely Finance and Contract Committee, Water Supply and Sewerage Disposal Committee, etc. for the exercise of any power or discharge of any function which the Corporation may by resolution delegate to them or for inquiring into, reporting or advising upon any manner which the Corporation may refer to them as per provision of Section 42 of the Punjab Municipal Corporation Act, 1976.
Municipal Committee/ Town Council	Section 34 of the Punjab Municipal Act, 1911 provides that a committee may appoint a sub-committee consisting of such members as it may deem fit for the management of any or more wards and may delegate to the sub-committee all or any of the powers of the Committee to be exercised within the wards.

Source: Information provided by Director, Local Government

3.2.2 Staff position in ULBs

The Local Government Department, Punjab directs, supervises and controls the functioning of all the ULBs in the State. On being enquired (October 2015

and January 2016), regarding staff position in ULBs, no reply was furnished by the department. The matter was again taken up (May 2016) demi-officially with Director, Local Government. However, the information was still awaited (May 2016).

3.2.3 Devolution of functions

As a follow up to the 74th Constitutional Amendment (1992), the Government of Punjab entrusted all 18 functions to ULBs under Section 50-B of the Punjab Municipality Act. The functions entrusted to the ULBs and being performed by them are urban planning including town planning, regulation of land-use and construction of buildings, planning for economic and social development, roads and bridges, water supply for domestic, industrial and commercial purposes, public health, sanitation, conservancy and solid waste management, fire services, urban forestry, protection of the environment and promotion of ecological aspects, safeguarding the interests of weaker sections of society including the handicapped and mentally retarded, slum improvement and upgradation, urban poverty alleviation, provision of urban amenities and facilities such as parks, gardens, playgrounds, promotion of cultural, educational and aesthetic aspects, burials and burial grounds; cremations, cremation grounds and electric crematoriums, cattle ponds; prevention of cruelty on animals, vital statistics including registration of births and deaths, public amenities including street lighting, parking lots, bus stops and public conveniences and regulation of slaughter houses and tanneries.

3.3 Financial profile

3.3.1 Fund flow to Urban Local Bodies

For execution of developmental works, ULBs receive funds mainly from GOI and the State Government in the form of grants. GOI grants include grants assigned under the recommendations of the Central Finance Commission and grants for implementation of schemes. The State Government grants are received through devolution of net proceeds of the total tax revenue on the recommendation of the State Finance Commission (SFC) and grants for implementation of State sponsored schemes. Besides, revenue is also mobilized by the ULBs in the form of taxes, rent, fees, issue of licenses, etc. While Central and State grants are utilized by the ULBs for execution of Central and State sponsored schemes as per the guidelines issued by GOI and State Government respectively in this regard, the own receipts of ULBs are utilized for administrative expenses and execution of schemes/works formulated by the ULBs. The source of fund is given in **Table 3.2**.

Table 3.2: Fund flow arrangement in major Centrally Sponsored Schemes

Sr. No.	Scheme	Fund flow arrangement
1.	Swaran Jayanti Shahri Rojgar Yojana (SJSRY)	Funding under SJSRY is shared between the Centre and the State in the ratio of 75:25. The Central share is released to the nodal agency in the form of demand draft and State share is apportioned through State budget.

Sr. No.	Scheme	Fund flow arrangement
2.	Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)	Grants-in-aid is to be shared by Central and State Government in the ratio of 80:10. The Central share is released to the nodal agency and balance 10 per cent to be arranged by the ULBs from own sources.
3.	Integrated Housing and Slum Development Programme (IHSDP)	Eighty per cent of the cost of the scheme flows from the Centre in the form of grants-in-aid to the nodal agency. The remaining 20 per cent is shared by the State Government, ULBs and parastatal agencies. The ULBs raise their contribution from their own resources or from beneficiary's contributions.
4.	Urban Infrastructure and Governance (UIG)	Funding under UIG is shared between the Centre, State and ULBs/parastatal agencies in the ratio of 80:10:10. The ULBs raise their contribution from financial institutions. The funds are released to nodal agency which disburses the assistance to ULBs/parastatal agencies.
5.	Basic Service to the Urban Poor (BSUP)	Eighty per cent of the cost of the scheme flows from the Centre in the form of grants-in-aid. The remaining 20 per cent is shared by the State Government, ULBs and parastatal agencies. The ULBs raise their contribution from beneficiary's contributions. The funds are released to nodal agency which disburses the assistance to ULBs/parastatal agencies.

Source: Departmental data

3.3.2 Resources: Trends and Composition

The resources of ULBs for the period from 2010-15 are detailed in **Table 3.3**.

Table 3.3: Time series data on resources of Urban Local Bodies

	2010-11	2011-12	2012-13	2013-14	2014-15
	<i>(₹ in crore)</i>				
Own Revenue:					
(a) Tax	1,300.87	1,366.36	1,565.21	1,723.42	1,791.75
(b) Non-Tax	315.63	381.36	379.57	627.97	484.06
Total own revenue	1,616.50	1,747.72	1,944.78	2,351.39	2,275.81
CFC transfers (Central Finance Commission devolutions)	46.34	29.09	119.81	55.29	266.68*
SFC transfers (State Finance Commission devolutions)	0.00	5.68	0.00	0.67	0.00
Grants from State Government	97.46	5.13	62.84	29.79	53.58
GOI grants for CSS	22.39	0.00	92.67	105.68	174.80
Other Receipt:					
PIDB, PMIDC, PUDA, etc.	32.05	209.12	53.01	253.34	264.74
Capital Receipt (sale of property, etc.)	66.60	91.57	49.61	96.84	37.78
Total	1,881.34	2,088.31	2,322.72	2,893.00	3,073.39

Source: Figures provided by Director, Local Government, Punjab

*The substantial increase in 2014-15 under CFC than earlier years is due to release of 13th Central Finance Commission grant of ULBs by the State.

3.3.3 Application of Resources: Trends and Composition

The application of resources of ULBs for the period from 2010-15 are detailed in **Table 3.4**.

Table 3.4: Application of resources (sector-wise)

	(₹ in crore)				
	2010-11	2011-12	2012-13	2013-14	2014-15
Expenditure from own revenue	1,863.92	2,134.39	2,045.81	2,586.73	2,466.18
Expenditure from CFC transfers(Central Finance Commission devolutions)	46.34	29.09	119.81	55.29	266.68
Expenditure from SFC transfers (State Finance Commission devolutions)	-	5.68	-	0.67	-
Expenditure from grants from State Government.	97.46	5.13	62.84	29.79	53.58
Expenditure on CSS	22.39	0.00	92.67	105.68	174.80
TOTAL	2,030.11	2,174.29	2,321.13	2,778.16	2,961.24

Source: Figures provided by Director, Local Government, Punjab

(Excess expenditure during 2010-11 and 2011-12 was met from the saving of ₹540.96 crore made during 2007-09).

Table 3.5: Statement showing expenditure under major CSS

	(₹ in crore)				
Schemes	2010-11	2011-12*	2012-13	2013-14	2014-15
SJSRY	0.40	0.00	7.58	0.00	0.00
UIDSSMT	20.69	0.00	19.17	77.26	30.35
IHSDP	0.58	0.00	10.92	0.00	0.00
UIG	0.00	0.00	30.27	28.41	114.25
BSUP	0.72	0.00	24.73	0.00	9.04

Source: Figures provided by Director, Local Government, Punjab

* The Department attributed (June 2016) the reasons for 'nil' expenditure during 2011-12 to non-release of funds by the State Government under these schemes.

3.4 Accountability framework of Urban Local Bodies (Internal Control System)

A sound internal control system significantly contributes to efficient and effective governance of the ULBs by the State Government. Compliance with financial rules, procedures and directives as well as timeliness and quality of reporting on the status of such compliance is, thus, one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the ULBs and the State Government in meeting its basic stewardship responsibilities, including strategic planning, decision making and accountability of the stakeholders. The following deficiencies were found in the internal control system:

3.4.1 Primary Audit of Urban Local Bodies

Examiner, Local Fund and Accounts has been empowered to conduct the audit of Municipal Corporation as per Section 176 (2) of the Punjab Municipal Corporation Act, 1976. The audit of Municipal Committees/Town Councils has been empowered under Rule XVII. 17(I)(a) of the Municipal Account Code, framed under Section 240 of the Punjab Municipal Act. The position of internal audit conducted during 2014-15 is given in **Table 3.6**.

Table 3.6: Position of internal audit

Name of the institution	Total units	No. of units to be audited as per manual*	No. of units planned	No. of units audited	No. of units not audited	Percentage of shortfall
Municipal Corporation	10	10	10	10	Nil	Nil
Municipal Committee/ Town Council	164	164	56	51	113	68.90
Total	174	174	66	61	113	64.94

Source: Information supplied by Examiner, Local Fund and Accounts, Punjab

** Manual of the Local Audit Department, Punjab*

The department attributed the shortfall to shortage of staff. On being enquired about the follow up action taken on the audit findings, it was stated (March 2016) that a two member committee namely, the Regional Deputy Director of Local Government, Punjab and Regional Deputy Director of Examiner, Local Fund and Accounts had been constituted¹ for pursuing and settlement of audit objections.

3.4.2 Lack of response to audit observations

Details of audit paragraphs issued by ELFA and outstanding as on 31 March 2015 are given in **Table 3.7**.

Table 3.7: Details of outstanding paras

Sr. No.	Since pending	Municipal Corporation	Municipal Committee/ Town Council	Total
1.	Up to 5 years old	2,149	5,430	7,579
2.	5 to 10 years old	1,443	3,569	5,012
3.	More than 10 years old	4,670	11,680	16,350
	Total	8,262	20,679	28,941

Source: Information supplied by Examiner, Local Fund and Accounts, Punjab

Besides this, on the entrustment of audit of ULBs to CAG in August 2011, the audit of three levels of ULBs in Punjab State was taken up by Pr. Accountant General (Audit) Punjab. During the year 2014-15, 23 units of ULBs were audited and Inspection Reports (IRs) containing 364 audit observations were issued (between April 2014 and March 2015) to the concerned audit entities with a copy to ELFA and Director Local Government, Punjab for their comments. Four ULBs (Dina Nagar, Zirakpur, Samana and Mukatsar) submitted their replies in respect of 40 paras whereas replies of the remaining 19 ULBs in respect of 324 paras were awaited (May 2016). The audit findings are summarized in Chapter-IV.

¹ Date of constitution of committee was not supplied by the department.

Chapter-IV

Results of audit of Urban Local Bodies

4.1 Blockade of funds

Department of Local Government, Punjab (Department) released (November 2011) a grant of ₹ 50 lakhs as first instalment to Municipal Corporation, Hoshiarpur from the Urban Infrastructure Development Fund for the construction of Swami Vivekananda Auditorium at Hoshiarpur and directed to send the utilization certificate after its utilization.

Examination of records of Municipal Corporation, Hoshiarpur showed that Corporation paid (December 2012) ₹ 3.50 lakhs as fee for architect services to M/s Architects Atelier, Chandigarh for the construction of Swami Vivekananda Auditorium at Hoshiarpur. However, the work could not be started as MC, Hoshiarpur was not in possession of land on which the auditorium was to be constructed. Further examination of records showed that despite non-receipt of utilization certificate of first instalment of ₹ 50 lakh and non-availability of land with MC, the Department released the second instalment of ₹ 50 lakhs (December 2013) to MC. However, MC could not initiate the project due to non-availability of land.

MC, Hoshiarpur stated (March 2016) that some of the land belonged to Punjab Water Supply and Sewerage Board and in the last meeting with Political Adviser to CM Punjab, it had been decided to send detailed proposal of transfer of that land to the Board. Thus, failure of the department to ensure availability of land prior to release of funds resulted in blockade of ₹ one crore for the last more than three years.

4.2 Non-deduction/remittance of labour cess

(a) In order to regulate employment and conditions of service including providing basic amenities and welfare facilities to workers engaged in construction activities throughout the country, the GOI enacted (August 1996) the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Building and Other Construction Workers Welfare Cess Act, 1996 which provide for levy and collection of cess at source at such rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by employers. Subsequently, the Punjab Government framed (October 2008) the Punjab Building and Other Construction Workers (Regulation of Employment and Conditions of Service)

Rules, 2008 and implemented (November 2008) the collection of labour cess at the rate of one *per cent* of the cost of construction. Government of Punjab, Department of Labour's letter dated 11 November 2008 laid down that henceforth no building plan should be approved by local authorities without collecting one *per cent* cess of the cost of construction estimated at ₹ 10 lakh or more.

Examination of records of Town Council, Maloudh showed that labour cess at the rate of one *per cent* of the estimated cost was not collected while approving (between March and November 2012) six building plans. This resulted into non-collection of labour cess of ₹ 0.60 lakh as given in **Table 4.1.**

Table 4.1: Statement showing non-collection of labour cess

(Amount in ₹)

Sr. No.	Name of the applicant	B.A. No.	Date	Estimated cost	Labour Cess due	Labour Cess deducted	Difference
1	Lakhvir Singh	34 R	14-03-12	19,26,500	19,265	9,265	10,000
2	Rashpal Singh	4R	24-05-12	16,25,000	16,250	6,250	10,000
3	Navjot Sharma	5R	18-06-12	14,25,000	14,250	4,250	10,000
4	Kulwant Singh	11/R	17-09-12	15,34,000	15,340	5,340	10,000
5	Gurjant Singh	12/12	19-09-12	11,41,500	11,415	1,415	10,000
6	Dev Raj	1/12	30-11-12	13,31,500	13,315	3,315	10,000
	Total			89,83,500	89,835	29,835	60,000

Source: Departmental records

The Department stated (April 2016) that notices had been issued to the concerned to recover the labour cess.

(b) Section 3(1) of the Building and Other Construction Workers' Welfare Cess Act, 1996 provides that cess would be collected at the rate of one *per cent* of the construction cost. Further, Rule 5(3) of the Building and Other Construction Workers' Welfare Cess Rules, 1998 provides that the cess collected should be remitted to the Building and Other Construction Workers' Welfare Board (Board) within 30 days after deducting the collection charges at the rate not exceeding one *per cent* of the cess collected.

Examination of records of five ULBs showed that ₹ 3.38 crore¹ collected (between April 2011 and March 2015) as cess from the applicants for approval of their layout plans for the construction of buildings and other construction works was not remitted to the Board within 30 days of collection of cess in contravention to the provisions *ibid*.

No reply was given by MCs of Hoshiarpur, Maur Mandi and Pathankot whereas MC SBS Nagar (December 2015) and MC Amritsar (May 2016) stated that labour cess would be deposited.

4.3 Non-deposit of cancer and culture cess

Department of Housing and Urban Development (Housing-II Branch), Government of Punjab, in order to bring unauthorized colonies under the umbrella of planning framework and to provide basic facilities to the residents of these colonies, notified (October 2014) that out of the total proceeds of composition fee, one *per cent* was to be deposited as Cancer Cess and one *per cent* as Culture Cess.

Examination of records of Municipal Corporation, Hoshiarpur showed (February 2015) that ₹ 15.21 crore were collected as composition fee by regularizing 6,807 unauthorized plots/buildings and 147 unauthorized colonies as on 5 February 2015. However, Cancer and Culture Cess at the rate of one *per cent* each amounting to ₹ 30.42 lakh was not deposited, for which no reason was given by the department.

MC, Hoshiarpur while admitting the audit observation stated (December 2015) that amount would be deposited as early as possible.

4.4 Short deduction of Value Added Tax

Section 27 of the Punjab Value Added Tax Act, 2005 provides that every contractee responsible for making payment to any person for discharge of any liability on account of valuable consideration, exceeding ₹ five lakh in a single contract payable for the transfer of property in goods in pursuance of a works contract shall at the time of making such payment to the contractor deduct a sum towards the tax payable under this Act. Government of Punjab amended Section 27 of Punjab Value Added Tax Act, 2005 (November 2011) and increased the rate of deduction of VAT at source from the bills of the

¹ (i) Amritsar: ₹ 2.01 crore; (ii) Hoshiarpur: ₹ 1.01 crore; (iii) Maur Mandi: ₹ 0.02 crore; (iv) Pathankot: ₹ 0.33 crore; and (v) SBS Nagar: ₹ 0.01 crore.

contractors from four *per cent* to five *per cent* and to six *per cent* (March 2013).

Examination of the records of five ULBs (September 2014 to February 2015) showed that in 93 cases, while making payments to the contractors during the period between April 2011 and August 2014, VAT was deducted at the rate of four and five *per cent* instead of five and six *per cent* resulting in short deduction of VAT of ₹ 18.77 lakh as given in **Table 4.2** for which no reasons were given by the department.

Table 4.2: Statement showing short deduction of Value Added Tax

(₹in lakh)

Sr. No.	Name of ULB	Period	No. of cases	Short deduction of VAT
1	Municipal Corporation, Hoshiarpur	01/13 to 03/13	11	5.44
2	Municipal Council, Dinanagar	04/12 to 04/14	30	6.77
3	Municipal Council, Maur	04/11 to 03/14	18	1.35
4	Municipal Council, Sahnewal	08/11 to 08/14	-	3.79
5	Municipal Council, SBS Nagar	10/13 to 11/13	34	1.42
TOTAL			93	18.77

Source: Departmental records

The concerned authorities of the ULBs stated that efforts would be made to recover the amount.

4.5 Unauthorized construction of shops

Department of Local Government, Punjab issued (October 1998) a policy regarding periodical increase in the rent of Municipal properties in the State. As per guidelines, in case of violation, the ULBs are to have the right to get the property vacated under the law. Sub-letting is to be made a ground for eviction and cases should be filed under the Public Premises Act, 1971, in the court of Regional Deputy Directors, Local Government immediately. Guidelines further provide that when an individual is allotted a property to be used for specific purpose and if he makes use of it for the purpose other than specified in allotment letter/rent lease deed /agreement, the allottee will have to vacate the premises.

Examination of records of Municipal Corporation, Bathinda showed that MC, Bathinda leased land (1,840 square yards) for a public library in the year 1965

for five years which was extended from time to time. MC, Bathinda in March 2003 after receiving a request of library authorities to extend the lease period after 31 March 2003, noticed that library authorities had constructed 33 shops on the land given on lease exclusively for library purpose and were collecting rent of ₹ 3.54 lakh per annum. The entire construction, except the library premises, was raised without prior consent and approval of MC, Bathinda. Subsequently, MC, Bathinda filed (June 2004) a case under Public Premises Act in the court of Collector-sub-Division, Bathinda.

The Hon'ble Court directed (April 2006) MC, Bathinda to first solve the issue regarding extension of lease applied by library authority in three months in public interest and also to reach an agreement after consulting representatives of library authorities with regard to issue of 33 shops and if the issue was not sorted out within three months, the MC could file a case again. However, MC, Bathinda after a period of more than two years in February 2009, extended the lease period from April 2003 to 31 March 2015 in respect of land being used as public library only. On being enquired (September 2015) about the current status, MC, Bathinda stated (October 2015) that the case with regard to constructions of shops was put up to the General House of MC in June 2015 but the same was kept pending by MC, Bathinda. It was further stated that rent of of 33 shops was also not being deposited with MC, Bathinda.

4.6 Incomplete work

Examination of records of Municipal Corporation, Ludhiana showed that MC Ludhiana awarded (February 2011) the work of providing and laying of interlocking tiles and construction of footpath on sides of Gill Road to Campa Cola Chowk to Sidhwan Canal Ludhiana to M/S Captain Enterprises against the tendered cost of ₹ two crore. The work which was to be completed within six months i.e. by August 2011, was extended up to November 2011.

Examination of records showed that despite allowing extension of time period and issuing five notices during February-July 2012, the contractor completed only 40 *per cent* of work and thereafter left the work on the grounds of non-availability of sand in the market. In the meantime, MC made a payment (June 2013) of ₹ 87.86 lakh to the contractor against 8 Running Bills for the 40 *per cent* of completed work. MC, citing other similar works being executed by other contractors, again directed (January 2014) the contractor to start the work within a week. However, the contractor did not start the work. The MC again issued a notice (August 2014) to the contractor to complete the work within two months but the work was yet to be completed (May 2016).

4.7 Irregular payment of electricity bills

Examination of records of Municipal Council, Kotkapura showed that MC paid the electricity bills (A/c no. F46/GC46/0024W) of ₹ 4.08 lakh for the period April 2011-July 2014 against the meter installed in its own name in the campus (i.e. Community Centre Viz. Indira Marriage Palace) under occupation of SDM office, Kotkapura. The premises was not being used by the MC, Kotkapura.

The MC stated (December 2015) that payment of electricity bills had been stopped and action was being initiated to recover the payment already made. No further reply has been received from the department regarding the current status of recovery (May 2016).

4.8 Wasteful expenditure

Rule 2.89 of Punjab Public Works Department Code (PWD Code) provides that no work shall be commenced unless a properly detailed design and estimate have been sanctioned; allotment of funds made, and orders for its commencement issued by competent authority.

(a) Examination of records of Municipal Council, Kurali showed that Deputy Director, Urban Local Bodies, Patiala accorded (May 2011) an administrative approval for construction of basement hall-cum-store near MC office at an estimated cost of ₹ 23.50 lakh. The work was awarded (May 2011) to the Kurali Co-operative Society for construction of the hall with a time limit of one year. However, after incurring expenditure of ₹ 17.95 lakh (upto January 2012), the work was stopped without assigning any reason resulting into wasteful expenditure.

Municipal Council, Kurali stated that the work could not be completed due to shortage of funds. However, efforts would be made to complete the project within a short period. The reply of the MC was not tenable as the MC should have ensured availability of funds before awarding the work. On being enquired (May 2016) about the current status of the project, no reply was furnished by the Department.

(b) Examination of records of Municipal Corporation, Jalandhar showed that 11 works (such as construction of building, supply of material, service lane, footpath, laying mix-seal carpet and construction of community centre) at an estimated cost of ₹ 4.30 crore were allotted to nine contractors/agencies between August 2010 and September 2011 with a time limit of two to

six months. In respect of these, three works were completed with an expenditure of ₹ 48.58 lakh. Of the remaining eight works, MC decided (October 2014) to stop/cancel the works after incurring an expenditure of ₹ 1.18 crore which led to wasteful expenditure and denying the intended benefits such as, providing service lanes on GT Road, roads and footpaths facilities, development of green belt and construction of community centre for general public.

MC, Jalandhar stated that the works could not be continued due to paucity of funds. The reply of the department was not tenable as the works should have been allocated/awarded only after ensuring the availability of the required funds.

The contents of this report were referred to Government in March 2016; reply was awaited (May 2016).



CHANDIGARH
The : 22 July 2016

(JAGBANS SINGH)
Pr. Accountant General (Audit), Punjab

APPENDICES

Appendix-I

(Referred to in Paragraph 1.2.2; page 3)

Staff position in Panchayati Raj Institutions as on 31 March 2015

Sr. No.	Name of Post	Sanctioned Strength	In position	No. of vacant posts
1	Superintendent	171	33	138
2	Panchayat Officer	140	44	96
3	Panchayat Secretary	2,378	1,588	790
4	Veterinary Inspector	1	1	0
5	Patwari	88	24	64
6	Clerk	380	193	187
7	Craft Teacher	306	248	58
8	Peon	366	68	298
9	Water carrier/ Sweeper	26	07	19
10	Chowkidar	169	56	113
11	Tax Collector	126	68	58
12	Waterman/Boatman	31	18	13
13	Accountant	24	13	11
14	Personal Assistant	21	16	5
15	Steno Typist	23	21	2
16	Daftri	5	01	4
17	Mali	32	13	19
18	Driver	44	16	28
Total		4,331	2,428	1,903

Source: Departmental data

Appendix-II

(Referred to in Paragraph 1.4.2; page 7)

Statement showing non-maintenance of data of Gram Panchayats

Sr. No	Name of			Period	Type of data
	Gram Panchayat	Block	District		
1	Samalsar	Bagha Purana	Moga	08/11 to 04/14	Moveable/Immovable Properties Register, Muster Roll Registers, Demand and Collection Register, Advance/Loan Outstanding Register, Register of Receipt Books, Physical Verification of Store and Stock Register, Cheque/Draft Register, Assets Register, MR Register and Cash Book.
2	Malke	Bagha Purana	Moga	08/11 to 10/14	
3	Rupalon	Samrala	Ludhiana	08/11 to 10/14	
4	Harbanshpura	Samrala	Ludhiana	08/11 to 10/14	
5	Manjali Kalan	Samrala	Ludhiana	08/11 to 10/14	
6	Mehduda	Samrala	Ludhiana	08/11 to 07/14	
7	Bagli Kalan	Samrala	Ludhiana	08/11 to 10/14	
8	Kuba	Samrala	Ludhiana	08/11 to 07/14	
9	Srawarpur	Samrala	Ludhiana	08/11 to 10/14	
10	Bhaurla	Samrala	Ludhiana	08/11 to 10/14	
11	Goslan	Samrala	Ludhiana	08/11 to 10/14	
12	Salandi	Samrala	Ludhiana	08/11 to 10/14	
13	Mutton	Samrala	Ludhiana	08/11 to 08/14	
14	Guruwali	Attari	Amritsar	08/11 to 06/14	
15	Khaheera	Attari	Amritsar	08/11 to 06/14	
16	Sagna	Attari	Amritsar	08/11 to 06/14	
17	Bagraian	Attari	Amritsar	02/11 to 10/14	
18	Narayan Pur	Attari	Amritsar	08/11 to 06/14	
19	Dhattal	Attari	Amritsar	08/11 to 08/14	
20	Attari	Attari	Amritsar	04/11 to 10/14	
21	Bakhna Kalan	Attari	Amritsar	08/11 to 10/14	
22	Ladhwal	Attari	Amritsar	08/11 to 10/14	
23	Mulla Behram	Attari	Amritsar	08/11 to 06/14	
24	Chathwind	Attari	Amritsar	08/11 to 10/14	
25	Rampur	Attari	Amritsar	08/11 to 10/14	
26	Bodh	Attari	Amritsar	08/11 to 10/14	
27	Khasa	Attari	Amritsar	08/11 to 10/14	
28	Basaike Gillan	Attari	Amritsar	08/11 to 10/14	
29	Lahorimal	Attari	Amritsar	08/11 to 10/14	
30	Bakhma Khurd	Attari	Amritsar	08/11 to 10/14	
31	Tibban Khurd	Attari	Amritsar	08/11 to 10/14	
32	Rajiana	Bagha Purana	Moga	08/11 to 04/14	
33	Manuke	Bagha Purana	Moga	08/11 to 04/14	
34	Lande	Bagha Purana	Moga	08/11 to 03/14	
35	Kotla Badla	Khamanno	Fatehgarh Sahib	08/11 to 06/14	Moveable/Immovable Properties Register, Demand and Collection Register, Advance/Loan Outstanding Register, Register of Receipt Books, Store and Stock Register and Cheque/Draft Register, Assets Register, Muster Roll Register, Complaint Register, Works Account Register and Balance Sheet.
36	Jattana Ucha	Khamanno	Fatehgarh Sahib	08/11 to 06/14	
37	Barwali Khurd	Khamanno	Fatehgarh Sahib	08/11 to 06/14	
38	Burj	Khamanno	Fatehgarh Sahib	08/11 to 06/14	Moveable/Immovable Properties Register, Store and Stock Register, Cheque/Draft Register, Assets Register, Muster Roll Register, Works Account Register and Balance Sheet.

Sr. No	Name of			Period	Type of data
	Gram Panchayat	Block	District		
39	Amrala	Khamanno	Fatehgarh Sahib	08/11 to 06/14	Moveable/Immovable Properties Register, Demand and Collection Register, Advance/Loan Outstanding Register, Register of Receipt Books, Store and Stock Register, Cheque/Draft Register, Assets Register, Muster Roll Register, Complaint Register, Works Account Register and Balance Sheet.
40	Samashpur Singha	Khamanno	Fatehgarh Sahib	08/11 to 06/14	
41	Chandiala	Khamanno	Fatehgarh Sahib	09/11 to 06/14	
42	Mirpur	Khamanno	Fatehgarh Sahib	08/11 to 06/14	
43	Dulwa	Khamanno	Fatehgarh Sahib	08/11 to 06/14	
44	Gagarwal	Khamanno	Fatehgarh Sahib	08/11 to 06/14	
45	Sanoura	Bhogpur	Jalandhar	08/11 to 07/14	Moveable/Immovable Properties Register, Muster Roll Registers, Demand And Collection Register, Advance/Loan Outstanding Register, Register of Receipt Books, Physical Verification of Store and Stock Register, Cheque/Draft Register, Assets Register, MR Register, Cash Book, etc.
46	Sudana	Bhogpur	Jalandhar	08/11 to 07/14	Assets Register, Grant Register, Stock Register and Works Register.
47	Khojkipur	Bhogpur	Jalandhar	08/11 to 07/14	
48	Kingra Chouala	Bhogpur	Jalandhar	08/11 to 07/14	
49	Manak Rai	Bhogpur	Jalandhar	08/11 to 07/14	Register of Receipt Books, Cheque/Draft Register and Assets Register.
50	Kulara	Samana	Patiala	08/11 to 07/14	Assets Register and Grant Register.
51	Shahpur	Samana	Patiala	08/11 to 10/14	
52	Rajila	Samana	Patiala	08/11 to 08/14	
53	Talwandi Malik	Samana	Patiala	08/11 to 07/14	
54	Dullar	Samana	Patiala	08/11 to 07/14	
55	Bamana	Samana	Patiala	08/11 to 08/14	
56	Chanarthal	Maur	Bathinda	08/11 to 07/14	Demand and Collection Register, Advance/Loan Outstanding Register, Register of Receipt Books and Cheque/Draft Register.
57	Chathewala	Maur	Bathinda	08/11 to 07/14	
58	Mansa Kalan	Maur	Bathinda	08/11 to 07/14	
59	Ram Nagar	Maur	Bathinda	08/11 to 07/14	
60	Kotli Khurd	Maur	Bathinda	08/11 to 07/14	
61	Sandoha	Maur	Bathinda	08/11 to 07/14	Assets Register, Grant Receipt Register, Store & Stock Register and Works Register.
62	Samrala	Bamial	Pathankot	08/11 to 08/14	
63	Scola	Bamial	Pathankot	08/11 to 08/14	Work Register, Grant Register and Assets Register.
64	Bhakani	Bamial	Pathankot	08/11 to 09/14	
65	Danewal	Bamial	Pathankot	08/11 to 08/14	
66	Manwal	Bamial	Pathankot	08/11 to 08/14	
67	Balotar	Bamial	Pathankot	08/11 to 10/14	
68	Muthi	Bamial	Pathankot	08/11 to 08/14	
69	Khoji Chack	Bamial	Pathankot	08/11 to 09/14	
70	Sarota	Bamial	Pathankot	08/11 to 09/14	
71	Gher	Bamial	Pathankot	08/11 to 08/14	
72	Kotli Jawahar	Bamial	Pathankot	08/11 to 08/14	
73	Golah	Bamial	Pathankot	08/11 to 08/14	
74	Dhinda	Bamial	Pathankot	08/11 to 08/14	
75	Palah	Bamial	Pathankot	08/11 to 09/14	
76	Janial	Bamial	Pathankot	08/11 to 08/14	
77	Bamial	Bamial	Pathankot	08/11 to 08/14	
78	Anial	Bamial	Pathankot	08/11 to 09/14	
79	Chack Amir	Bamial	Pathankot	08/11 to 08/14	
80	Kot Bhattian	Bamial	Pathankot	08/11 to 08/14	
81	Akabarpur	Roopnagar	Roopnagar	08/11 to 11/14	Assets Register, Grant Register and Complaint Register.
82	Saifalpur	Roopnagar	Roopnagar	08/11 to 10/14	
83	Salora	Roopnagar	Roopnagar	08/11 to 10/14	
84	Santpur Chupke	Roopnagar	Roopnagar	08/11 to 10/14	
85	Allowal	Roopnagar	Roopnagar	08/11 to 11/14	
86	Gandhon Kalan	Roopnagar	Roopnagar	08/11 to 10/14	Assets Register, Grant Register, Cheque/Draft Register and Schemes Cash Book.
87	Majri Jattan	Roopnagar	Roopnagar	08/11 to 10/14	

Sr. No	Name of			Period	Type of data
	Gram Panchayat	Block	District		
88	Makauri Kalan	Roopnagar	Roopnagar	08/11 to 10/14	Moveable /Immoveable Register, Property Register, Cheque Register, Assets Register and Grant Register. Schemes Cash Book of moveable/Immoveable Register, Property Register, Cheque /Draft Register and Grant Register.
89	Tapparian Kotla	Roopnagar	Roopnagar	08/11 to 10/14	
90	Thauna	Roopnagar	Roopnagar	08/11 to 10/14	
91	Chandpur	Roopnagar	Roopnagar	08/11 to 10/14	
92	Hussainpur	Roopnagar	Roopnagar	08/11 to 10/14	
93	Manuha Kalan	Roopnagar	Roopnagar	08/11 to 10/14	
94	Nanakpur	Roopnagar	Roopnagar	08/11 to 08/14	
95	Sihon Majra	Roopnagar	Roopnagar	08/11 to 10/14	
96	Lopon	Samrala	Ludhiana	06/11 to 10/14	
97	Kalai Majra	Samrala	Ludhiana	08/11 to 10/14	
98	Bomb	Samrala	Ludhiana	08/11 to 07/14	
99	Lal Kalan	Samrala	Ludhiana	08/11 to 06/14	
100	Manki	Samrala	Ludhiana	08/11 to 10/14	
101	Sanyal	Mukerian	Hoshiapur	08/11 to 11/14	
102	Salarian Kalan	Mukerian	Hoshiapur	08/11 to 11/14	
103	Nathuwal	Mukerian	Hoshiapur	08/11 to 11/14	
104	Check Shero	Mukerian	Hoshiapur	08/11 to 11/14	
105	Akam	Mukerian	Hoshiapur	08/11 to 12/14	
106	Chanur	Mukerian	Hoshiapur	08/11 to 11/14	
107	Guanspur	Mukerian	Hoshiapur	08/11 to 11/14	
108	Tangralian	Mukerian	Hoshiapur	08/11 to 11/14	
109	Chhanta	Mukerian	Hoshiapur	08/11 to 11/14	
110	Dhaura Kherha	Mukerian	Hoshiapur	08/11 to 11/14	Assets Register and Grant Receipt Register.
111	Lohgarh	Mukerian	Hoshiapur	08/11 to 11/14	Assets Register, Grant Receipt Register, Works Register and Cheque/Draft Register.
112	Basti Bagh	Mukerian	Hoshiapur	08/11 to 12/14	
113	Taggar Khurd	Mukerian	Hoshiapur	08/11 to 11/14	
114	Sango Katrala	Mukerian	Hoshiapur	08/11 to 11/14	

Source: Departmental data

Appendix-III

(Referred to in Paragraph 1.4.3; page 7)

Non-reconciliation of withdrawals and deposits from/into banks

Sr. No	Name of			Date	Balance in ₹ as per		Difference
	Gram Panchayat	Block	District		Cash Book	Pass Book	
1	Akalgarh Khurd	Pakhawal	Ludhiana	06/14	5,97,306	4,81,891	1,15,415
2	Amrala	Khammano	Fatehgarh Sahib	06/14	2,82,549	2,85,414	2,865
3	Anial	Bamial	Pathankot	09/14	1,35,420	1,26,402	9,018
4	Aryanwala	Faridkot	Faridkot	07/14	3,70,443	99,240	2,71,203
5	Bagli Kalan	Samrala	Ludhiana	03/14	2,45,288	1,47,504	97,784
6	Bagroei	Mukerian	Hoshiarpur	12/14	1,70,217	16,851	1,53,366
7	Basti Bagh	Mukerian	Hoshiarpur	12/14	1,78,980	1,79,720	740
8	Bhai Bakhtor	Maur	Bathinda	07/14	4,35,156	4,86,135	50,979
9	Bhatnura Labana	Bhogpur	Jalandhar	07/14	11,12,651	12,05,456	92,805
10	Bhaurla	Samrala	Ludhiana	07/14	1,22,828	1,56,429	33,601
11	Burj	Khammano	Fatehgarh Sahib	06/14	1,77,644	1,74,614	3,030
12	Chack Amir	Bamial	Pathankot	09/14	15,829	6,012	9,817
13	Chalari Khurd	Sirhind	Fatehgarh Sahib	03/14	2,99,603	3,97,724	98,121
14	Chanarthal	Maur	Bathinda	07/14	16,26,086	16,31,452	5,366
15	Chandbaja	Faridkot	Faridkot	10/14	4,582	5,685	1,103
16	Chandiala	Khammano	Fatehgarh Sahib	06/14	9,12,478	8,92,658	19,820
17	Channwala	Bagha Purana	Moga	03/14	3,67,427	3,85,738	18,311
18	Chanur	Mukerian	Hoshiarpur	12/14	3,62,977	5,33,961	1,70,984
19	Chatherwala	Maur	Bathinda	07/14	12,74,763	14,47,620	1,72,857
20	Chhanta	Mukerian	Hoshiarpur	12/14	3,955	5,469	1,514
21	Deep Singh Wala	Faridkot	Faridkot	10/14	15,54,624	15,51,576	3,048
22	Dhinda	Bamial	Pathankot	09/14	1,700	18,673	16,973
23	Dulwa	Khammano	Fatehgarh Sahib	06/14	81,548	1,51,957	70,409
24	Ghanola	Roopnagar	Roopnagar	05/14	19,761	1,76,099	1,56,338
25	Golah	Bamial	Pathankot	09/14	2,05,931	1,91,828	14,103
26	Golewala	Faridkot	Faridkot	10/14	1,65,230	1,62,899	2,331
27	Goslan	Samrala	Ludhiana	10/14	1,95,799	35,804	1,59,995
28	Jalanpur	Samrala	Ludhiana	06/14	2,39,834	3,865	2,35,969
29	Jalberi Gehlan	Sirhind	Fatehgarh Sahib	03/14	16,486	16,639	153
30	Jand	Pakhawal	Ludhiana	06/14	8,41,986	6,01,527	2,40,459
31	Jattan ucha	Khammano	Fatehgarh Sahib	06/14	1,54,615	1,20,403	34,212
32	Kahan Chand Wala	Ferozepur	Ferozepur	05/14	4,42,359	2,02,388	2,39,971
33	Kala Bakra	Bhogpur	Jalandhar	07/14	13,21,345	13,42,165	20,820
34	Khoji Chack	Bamial	Pathankot	09/14	45,182	3,745	41,437
35	Khojkipur	Bhogpur	Jalandhar	07/14	4,15,986	4,30,357	14,371

Sr. No	Name of			Date	Balance in ₹ as per		Difference
	Gram Panchayat	Block	District		Cash Book	Pass Book	
36	Kot Bhattian	Bamial	Pathankot	09/14	1,33,603	26,799	1,06,804
37	Kotla Badla	Khammano	Fatehgarh Sahib	06/14	4,31,015	4,37,659	6,644
38	Kotla Nihang	Roopnagar	Roopnagar	05/14	4,01,596	1,90,826	2,10,770
39	Kotla Raike	Bagha Purana	Moga	05/14	59,602	60,848	1,246
40	Kotli Jawahar	Bamial	Pathankot	09/14	5,185	5,201	16
41	Kotli khurd	Maur	Bathinda	07/14	10,71,095	14,03,879	3,32,784
42	Kutbe Wala	Ferozepur	Ferozepur	05/14	1,14,004	1,55,559	41,555
43	Lal Kalan	Samrala	Ludhiana	10/14	4,06,447	5,55,371	1,48,924
44	Laroi	Bhogpur	Jalandhar	07/14	5,56,284	58,077	4,98,207
45	Leel	Pakhawal	Ludhiana	09/14	1,49,811	1,72,833	23,022
46	Malikpur	Sirhind	Fatehgarh Sahib	03/14	3,15,400	3,10,130	5,270
47	Manak Rai	Bhogpur	Jalandhar	07/14	1,38,086	2,93,315	1,55,229
48	Mansa Kalan	Maur	Bathinda	05/14	1,88,615	2,64,352	75,737
49	Manupur	Samrala	Ludhiana	10/14	2,01,675	2,24,027	22,352
50	Manwal Mangwal	Bamial	Pathankot	09/14	12,675	11,732	943
51	Miapur	Sirhind	Fatehgarh Sahib	03/14	1,40,531	87,036	53,495
52	Mirpur	Khammano	Fatehgarh Sahib	06/14	1,77,864	2,17,182	39,318
53	Moranwali	Faridkot	Faridkot	07/14	1,08,047	2,50,008	1,41,961
54	Mulepur	Sirhind	Fatehgarh Sahib	03/14	1,29,668	83,382	46,286
55	Muthi	Bamial	Pathankot	09/14	1,23,713	37,007	86,706
56	Mutton	Samrala	Ludhiana	08/14	1,35,015	4,66,467	3,31,452
57	Narang Ka Siyal	Ferozepur	Ferozepur	05/14	4,261	23,407	19,146
58	Pakhikala	Faridkot	Faridkot	04/14	3,160	4,228	1,068
59	Palah	Bamial	Pathankot	09/14	14,060	13,287	773
60	Panjoli Kalan	Sirhind	Fatehgarh Sahib	03/14	21,97,783	22,30,532	32,749
61	Pipali	Faridkot	Faridkot	07/14	5,53,944	5,49,881	4,063
62	Rajpur	Bhogpur	Jalandhar	07/14	2,68,453	2,52,131	16,322
63	Raqmdas Nagar	Sirhind	Fatehgarh Sahib	03/14	33,452	78,277	44,825
64	Rastgo	Bhogpur	Jalandhar	07/14	6,27,357	7,26,823	99,466
65	Rattan	Pakhawal	Ludhiana	06/14	1,691	30,067	28,376
66	Rode khurd	Bagha Purana	Moga	03/14	4,08,850	2,00,899	2,07,951
67	Rupalon	Samrala	Ludhiana	10/14	1,33,475	2,09,886	76,411
68	Saanipur	Sirhind	Fatehgarh Sahib	03/14	1,66,378	1,90,568	24,190
69	Sadhwala	Faridkot	Faridkot	07/14	1,844	4,618	2,774
70	Salarian Kalan	Mukerian	Hoshiarpur	12/14	58,249	1,76,563	1,18,314
71	Samsatipur Singha	Khammano	Fatehgarh Sahib	06/14	2,18,798	3,59,043	1,40,245

Sr. No	Name of			Date	Balance in ₹ as per		Difference
	Gram Panchayat	Block	District		Cash Book	Pass Book	
72	Sango Katrala	Mukerian	Hoshiarpur	12/14	4,68,567	4,97,310	28,743
73	Sanoura	Bhogpur	Jalandhar	07/14	2,41,757	3,30,211	88,454
74	Sanyal	Mukerian	Hoshiarpur	12/14	5,90,767	26,962	5,63,805
75	Sarota	Bamial	Pathankot	09/14	1,19,451	23,431	96,020
76	Sidhupur	Sirhind	Fatehgarh Sahib	03/14	1,02,314	1,11,346	9,032
77	Sukha Anand	Bagha Purana	Moga	03/13	7,97,685	8,13,948	1,263
78	Tagaradian	Mukerian	Hoshiarpur	12/14	2,46,092	2,44,605	1,487
79	Tarkhan Majra	Sirhind	Fatehgarh Sahib	03/14	3,35,998	6,25,502	2,89,504
80	-	EOPS Attari	Amritsar	08/14	1,86,939	2,47,116	60,177

Source: Departmental data

Appendix-IV

(Referred to in Paragraph 1.4.4; page 8)

Statement showing operation of multiple bank accounts

Sr. No	Name of Gram Panchayat	Block	Name of Scheme	Name of Bank	Bank Account No.
District Bathinda					
1	Bhai Bakhtor	Maur	Panchayat Fund	OBC Bank	024820100011630
				Co-operative Bank	022234003000079
2	Mansa Kalan	Maur	Panchayat Fund	State Bank of Patiala	55133903672
				State Bank of Patiala	55061720054
				HDFC Bank	21931000006060
3	Ram Nagar	Maur	Panchayat Fund	OBC Bank	06352010055130
				Co-operative Bank	022234003000048
4	Sandoha	Maur	Panchayat Fund	OBC Bank	02319
				Co-operative Bank	1033
				Co-operative Bank	1102
District Mansa					
5	Gudthari	Bikhee	Panchayat Fund	Co-operative Bank OBC Bank	130734003000035 1158219105629
6	Atala Khurd	Bikhee	Panchayat Fund	HDFC Bank Co-operative Bank	50100044274975 130734003000050
7	Bir Khurd	Bikhee	Panchayat Fund	Co-operative Bank HDFC Bank	130734003000039 14261450000118
District Jalandhar					
8	Bhatnura Labana	Bhogpur	Panchayat Fund	PNB Bank	3507000100078913
				BoB Bank	31840100000317
9	Kala Bakra	Bhogpur	Panchayat Fund	Punjab & Sindh Bank	2441000001664
				Punjab Gramin Bank	86410100057527
10	Sanora	Bhogpur	Panchayat Fund	Co-operative Bank	55
				BoB Bank	31840100001024
				Axis Bank	912010050994044
11	Sudana	Bhogpur	Panchayat Fund	Co-operative Bank Jalandhar	9270401158
				Gramin Bank	2394
12	Khojkipur	Bhogpur	Panchayat Fund	UCO Bank	19240100002063
				Central Co-operative Bank	27 & 6
13	KingraChoula	Bhogpur	Panchayat Fund	Axis Bank	912010051812585
				PNB Bank	142068
				Punjab Gramin Bank	864101000
				Punjab & Sindh Bank	6182
				Central Co-operative Bank	185
District Ludhiana					
14	Madpur	Samrala	Panchayat Fund	Co-operative Bank	6324
				Co-operative Bank	11209

Sr. No	Name of Gram Panchayat	Block	Name of Scheme	Name of Bank	Bank Account No.
District Moga					
15	Lande	Bagha Purana	Panchayat Fund	Axis Bank	22376
				OBC	5190
				Co-operative Bank	931
16	Samalsar	Bagha Purana	Punchayat Fund	Axis Bank	910010019310775
				Punjab & Sindh Bank	4207
17	Rajiana	Bagha Purana	Punchayat Fund	Axis Bank	47445
				OBC	5080
				Co-operative Bank	756
District Patiala					
18	Badshahpur (Kale Ke)	Samana	Panchayat Fund	Axis Bank Malwa Gramin Bank	913010057293886 15029023403
19	Kulburcha	Samana	Panchayat Fund	Malwa Gramin Bank Axis Bank Bank of India	15014028668 913010021240438 631810110001616
District Sangrur					
20	Bahadurpur	Sangrur	Panchayat Fund	Axis Bank OBC Bank	497010100042635 15162011000195
21	Badrukha	Sangrur	Panchayat Fund	Punjab & Sindh Bank Axis Bank	04971000000935 497010100042732

Source: Departmental data

Appendix-V

(Referred to in Paragraph 2.1; page 9)

Statement showing non-handing over of cash by the Sarpanches

Sr. No.	Name of Gram Panchayat	Name of Sarpanch	Since when pending	Description	Amounts (in ₹)
Block Bamial District Gurdaspur					
1	Muthi	Rina Rani	1999-2000	Cash	86,710
2	Khoji Chack	Smt Kamlesh Kumari	2012-13	Cash	39,457
3	Sarota	Janak Singh	07/2013	Cash	96,020
4	Kot Bhattian	Bhua Datta singh	07/2013	Cash	1,06,806
Block Sangrur District Sangrur					
5	Togwal	Bakhshish	Prior to 12/2011	Cash	1,30,330
Block Samrala District Ludhiana					
6	Harbanshpur	Surmukh	08/2011	87 quintal of wheat and 25000 bricks	2,64,203
7	Kuba	Inderjeet kaur	07/2013	Cash	24,147
8	Jalanpur	Vichitra kaur	08/2011	Cash	35,000
		Harman Singh	08/2011	Cash	2,159
Total					7,84,832

Source: Departmental data

Appendix-VI

(Referred to in Paragraph 2.2; page 9)

Statement showing irregular cash withdrawals from bank through self-cheques

Sr. No.	Name of the			Period	No. of transaction	Total amount (in ₹)
	Gram Panchayat	Block/ Panchayat Samiti	District			
1	-	EOPS Attari	Amritsar	08/11 to 06/14	34	27,15,405
2	-	EOPS Faridkot	Faridkot	08/11 to 12/13	11	1,64,000
3	-	EOPS Maur	Bathinda	01/12 to 07/12	7	50,000
4	-	EOPS Ropar	Roopnagar	08/13 to 02/14	8	75,000
5	-	EOPS Samana	Patiala	04/11 to 06/14	15	2,30,000
6	-	EOPS Sirhind	Fatehgarh Sahib	01/11 to 01/14	101	19,24,382
7	Akam	Mukerian	Hoshiarpur	05/11 to 01/13	16	1,75,000
8	Aklia	Bhikhee	Mansa	02/13 to 01/14	3	9,560
9	Anial	Bamial	Pathankot	11/13 to 07/14	7	2,47,175
10	Aryanwala	Faridkot	Faridkot	04/11 to 10/13	19	7,38,497
11	Bahadurpur	Sangrur	Sangrur	09/11 to 07/12	7	2,03,607
12	Balotar	Bamial	Pathankot	07/12 to 03/14	6	85,900
13	Bamial	Bamial	Pathankot	05/13 to 03/14	8	1,78,800
14	Bamna	Samana	Patiala	07/12 to 03/14	20	4,13,275
15	Basti Bagh	Mukerian	Hoshiarpur	01/13 to 10/13	5	1,12,000
16	Bhai Hawara Azam Shah	Ferozepur	Ferozepur	09/11 to 05/13	3	54,500
17	Bhakari	Bamial	Pathankot	02/13 to 06/14	15	2,77,150
18	Bhatnura Labana	Bhogpur	Jalandhar	02/13 to 07/14	13	1,83,152
19	Chack Amir	Bamial	Pathankot	06/14 to 08/14	4	51,000
20	Chack Shero	Mukerian	Hoshiarpur	04/11 to 04/12	6	86,100
21	Chandbaja	Faridkot	Faridkot	07/11 to 05/14	9	2,65,800
22	Chanarthal	Maur	Bathinda	06/14 to 08/14	7	1,35,874
23	Chathewala	Maur	Bathinda	08/11 to 05/14	20	7,86,698
24	Danewal	Bamial	Pathankot	02/13 to 06/14	12	1,85,100
25	Deep Singh Wala	Faridkot	Faridkot	04/13 to 06/14	16	6,16,814
26	Dekhalan	Sangrur	Sangrur	06/14 to 08/14	4	1,00,000
27	Dhadaria	Sangrur	Sangrur	06/13 to 08/14	10	2,02,868
28	Dhai pai	Pakhawal	Ludhiana	12/11 to 03/14	18	3,39,023
29	Dhaura Khera	Mukerian	Hoshiarpur	08/11 to 07/14	5	90,289
30	Dhinda	Bamial	Pathankot	09/11 to 09/14	8	1,10,000
31	Faridkot Dehati	Faridkot	Faridkot	07/12 to 03/14	17	7,56,400
32	Gholia Khurd	Bagha Purana	Moga	04/11 to 04/12	10	2,45,000
33	Golah	Bamial	Pathankot	09/13 to 01/14	8	1,85,000
34	Golewala	Faridkot	Faridkot	06/11 to 07/14	22	4,05,066
35	Hussainpur	Roopnagar	Roopnagar	01/13 to 05/14	8	1,47,850

Sr. No.	Name of the			Period	No. of transaction	Total amount (in ₹)
	Gram Panchayat	Block/ Panchayat Samiti	District			
36	Janial	Bamial	Pathankot	12/11 to 08/13	8	1,91,000
37	Jodhpur Pakhar	Maur	Bathinda	12/11 to 02/14	12	4,44,000
38	Kala Bakra	Bhogpur	Jalandhar	09/11 to 05/14	9	8,42,000
39	Khoji Chack	Bamial	Pathankot	11/13 to 05/14	4	68,000
40	Khojkipur	Bhogpur	Jalandhar	03/13 to 04/13	3	53,112
41	Kot Bhattian	Bamial	Pathankot	03/13 to 06/14	5	87,000
42	Kotla Nihang	Roopnagar	Roopnagar	09/11 to 06/14	8	1,51,500
43	Kotli Khurd	Maur	Bathinda	09/13 to 02/14	6	1,77,000
44	Kotra Kalan	Bhikhee	Mansa	09/12 to 03/13	9	51,487
45	Kutbewala	Ferozepur	Ferozepur	11/11 to 11/11	4	1,20,490
46	Lande	Bhagha purana	Moga	10/11 to 06/13	10	2,34,500
47	Laroi	Bhogpur	Jalandhar	02/13 to 05/13	3	30,713
48	Leel	pakhowal	Ludhiana	08/11 to 03/14	11	2,73,000
49	Madpur	Roopnagar	Roopnagar	12/11 to 06/12	11	2,29,200
50	Maiser Khana	Maur	Bathinda	07/12 to 07/14	19	9,70,479
51	Mansa Kalan	Maur	Bathinda	11/11 to 03/14	10	3,42,054
52	Manwal Mangwal	Bamial	Pathankot	03/11 to 06/12	8	1,42,000
53	Palah	Bamial	Pathankot	06/13 to 05/14	6	1,12,000
54	Rajila	Samana	Patiala	04/13 to 12/13	4	2,70,000
55	Rajiana	Bagha Purana	Moga	08/11 to 10/13	22	4,40,600
56	Ram Nagar	Maur	Bathinda	11/11 to 05/13	16	4,07,500
57	Rastgo	Bhogpur	Jalandhar	05/12 to 07/14	13	2,01,200
58	Rode khurd	Bagha Purana	Moga	12/11 to 03/14	6	10,06,500
59	Sadhwala	Faridkot	Faridkot	09/11 to 03/12	18	5,10,888
60	Saifalpur	Roopnagar	Roopnagar	05/13 to 05/14	7	70,156
61	Salora	Roopnagar	Roopnagar	07/12 to 11/14	5	80,000
62	Sandoha	Maur	Bathinda	03/12 to 02/14	12	3,07,000
63	Sango Katrala	Mukerian	Hoshiarpur	11/13 to 12/13	3	62,000
64	Sanoura	Bhogpur	Jalandhar	10/13 to 08/14	6	66,669
65	Sanyal	Mukerian	Hoshiarpur	03/14 to 08/14	2	50,000
66	Sarota	Bamial	Pathankot	06/12 to 04/13	8	1,79,000
67	Scola	Bamial	Pathankot	06/13 to 12/13	16	2,17,890
68	Sihon Majra	Roopnagar	Roopnagar	12/13 to 08/14	9	1,99,000
69	Sukhanand	Bagha Purana	Moga	10/12 to 03/13	12	3,40,000
70	Tapparian Kotla	Roopnagar	Roopnagar	03/13 to 09/14	10	1,95,000
Total						2,16,69,223

Source: Departmental data

Appendix-VII

(Referred to in Paragraph 2.3; page 10)

Statement showing short collection of Panchayat Secretary wages

Sr. No.	District	Block	Number of the Gram Panchayat	Period	Auction money of Shamlat Land	Amount due @ 20 per cent	Amount actually deposited	Difference
(in ₹)								
1.	Amritsar	Attari	46	04/11 to 10/14	1,05,55,605	21,11,121	0	21,11,121
2.	Faridkot	Faridkot	43	04/11 to 07/14	1,42,79,365	28,55,873	10,43,750	18,12,123
3.	Fatehgarh Sahib	Sirhind	62	04/11 to 10/14	6,40,07,765	1,28,01,553	0	1,28,01,553
4.	Patiala	Samana	82	04/11 to 03/14	3,31,20,066	66,24,013	32,10,180	34,13,833
5.	Ropar	Ropar	80	04/11 to 10/14	1,06,45,380	21,29,076	0	21,29,076
6.	Sangrur	Sangrur	102	04/11 to 10/14	5,66,46,095	1,13,29,219	1,07,73,341	5,55,878
Total			415		18,92,54,276	3,78,50,855	1,50,27,271	2,28,23,584

Source: Departmental data

Appendix-VIII

(Referred to in Paragraph 2.4; page 10)

Statement showing execution of works without estimates

Sr. No	Name of Gram Panchayat	Name of Work	Name of scheme	Amount (in ₹)	Status of work
Block Attari, District Amritsar					
1.	Mahowa	Construction of streets, sanitation and rural toilets	RKY, M.P. LAD, 13 th F.C	11,33,035	Completed
2.	Ladhwal	Construction of road, sanitation and Dharamashala	RKY, 13 th F.C.	4,21,429	Completed
3.	Basaikhe Gillan	Construction of streets	M.P. LAD	3,00,000	Completed
4.	Beserke	Construction of road and streets	M.P. LAD & BADP	8,10,000	Completed
5.	Lahorimal	Construction of road, streets and rural toilets	M.P. LAD, RKY, BADP	7,50,000	Completed
6.	Bakhna Khurd	Construction of road, streets, drains and sanitation	BADP & 13 th F.C.	24,09,630	Completed
Block Bagha Purana, District Moga					
7.	Gholia Khurd	Construction of estate, Gym, SCs Dharamshala and streets	13 th FC, RDF, M.P. LAD,	23,54,000	Completed
8.	Samalsar	Water supply & sanitation, Dharamshala and bus stand	13 th FC, RDF	20,12,445	Completed
9.	Malke	Water tank, stadium, water supply and sanitation	13 th FC, RDF	11,34,230	Completed
10.	Rajina	Water tank, stadium, water supply and sanitation, construction of stadium, drains and constructions of toilets	R.K.Y., 13 th F.C., M.P. LAD	25,65,480	Completed
11.	Manuke	Water sanitation, cow shed and water tanker,	13 th F.C., M.P. LAD	17,53,900	Completed
12.	Lande	Gym, water supply and sanitation	13 th F.C., M.P. LAD	8,90,645	Completed
Block Bhikhee, District Mansa					
13.	Atala Khurd	Construction of streets, drainage, toilet, Dharamshala	M.P. LAD	8,00,000	Completed
Block Bhogpur, District Jalandhar					
14.	Manak Rai	Cleaning of pond and toilets and rural sanitation and Panchayat Ghar, construction of streets and drains and dirty water drainage	13 th F.C., untied fund, RKY.	22,46,926	Completed
Total				1,95,81,720	

Source: Departmental data

Appendix-IX

(Referred to in Paragraph 2.6; page 11)

Details of non-production of vouchers

Sr. No.	Name of Gram Panchayat	No. of vouchers	Period	Type of voucher	Amount (in ₹)
Block Bagha Purana, District Moga					
1	Gholia Khurd	2	10/11 to 01/14	Various material	19,600
2	Mirpur	2	06/12 to 06/14	Various material/muster roll	29,900
Block Bamial, District Pathankot					
3	Sarota	38	04/13 to 02/14	Not available	2,96,020
Block Bhogpur, District Jalandhar					
4	Laroi	8	03/13 to 07/14	Various material/muster roll	2,82,044
Block Faridkot, District Faridkot					
5	Aryanwala Kalan	8	01/12 to 04/14	M.R., streets light	3,34,398
6	Chandbaja	1	04/14 to 04/14	Bricks, bajri	33,345
7	Pakkhikalan	7	02/12 to 03/13	Bricks, M.R., sand	3,11,242
8	Pipali	6	03/12 to 03/13	Bricks, cement, M.R., plastic pipes	1,94,455
9	Rajpur	5	01/14 to 03/14	Bricks, muster roll, BKO	2,38,291
10	Rastgo	6	09/11 to 06/12	Cement, BKO	1,73,450
11	Sadhwala	1	03/13 to 03/13	Cement	16,000
Block Pakhowal, District Ludhiana					
12	Nangal Kalan	2	9/12 to 11/12	Development work, drains & streets	36,348
Block Sirhind District, Fatehgarh Sahib					
13	Akbarpur	12	12/11 to 10/14	Muster roll, cement, sand	2,54,960
14	Gandhon Kalan	1	06/13 to 06/13	Muster roll	32,220
15	Majri Jattan	2	09/14 to 09/14	Cement, Labour	49,425
16	Sihon Majra	1	04/12 to 04/12	M.R., Bajri	22,650
Total		102			23,24,348

Source: Departmental data

Appendix-X

(Referred to in Paragraph 2.7; page 11)

Details of non-recovery of outstanding rent

Sr. No.	District	Block	Description of Shop/Building	Number of Shops/Buildings	As on*	Amount (in ₹)
1	Jalandhar	EOPS Bhogpur	Shops	73	31/03/15	40,19,718
2	Faridkot	EOPS Faridkot	Shops	45	31/07/14	16,98,039
3	Ropar	EOPS Ropar	Shops	24	31/10/14	36,08,081
4	Ludhiana	EOPS Samrala	Shops/Booth/ Shed/Cycle Stand	37	31/03/15	12,50,922
Total				179	-	1,05,76,760

Source: Departmental data

*Age wise details of outstanding rent was sought from the department; reply was awaited (May 2016).

Appendix-XI

(Referred to in Paragraph 2.8; page 12)

Details of irregular purchase of material

Sr. No.	Name of			No of transactions/ item	Period	Description of material	Amount (in ₹)
	Gram Panchayat	Block	District				
1.	Sukhanand	Bagha Purana	Moga	7	04/11 to 03/14	Cement, bajri	1,61,975
2.	Rode Khurd	Bagha Purana	Moga	3	04/11 to 03/14	Sanitary wares, solar light, water storage tank	2,32,178
3.	Channwala	Bagha Purana	Moga	8	04/11 to 03/14	Bajri, cement and sand	2,41,970
4.	Kotla Raike	Bagha Purana	Moga	5	04/11 to 03/14	Cement, RCC pipes & furniture	4,86,382
5.	Manuke	Bagha Purana	Moga	7	04/11 to 03/14	Cement, saria, pipes, pipes and other electricity material	6,00,454
6.	Samrala	Bamial	Pathankot	1	04/11 to 09/14	Sanitary items	16,590
7.	Scole	Bamial	Pathankot	8	04/11 to 09/14	Cement, bajri, sand	1,56,700
8.	Bhakhari	Bamial	Pathankot	14	04/11 to 09/14	Cement, sand	4,93,510
9.	Manwal Magwal	Bamial	Pathankot	5	04/11 to 09/14	Cement, bajri, sand,	50,820
10.	Balotar	Bamial	Pathankot	2	04/11 to 09/14	Cement	23,750
11.	Gher	Bamial	Pathankot	7	04/11 to 09/14	Cement and steel	2,26,524
12.	Kotli Jawahar	Bamial	Pathankot	4	04/11 to 09/14	Cement, saria and paint	70,300
13.	Golah	Bamial	Pathankot	7	04/11 to 09/14	Cement, iron , pipes	86,618
14.	Dhinda	Bamial	Pathankot	1	04/11 to 09/14	Cement	6,900
15.	Palah	Bamial	Pathankot	4	04/11 to 09/14	Saria, RCC pipes, cement	55,880
16.	Janial	Bamial	Pathankot	10	04/11 to 09/14	Cement, saria, pipes, paints, and electrical items, inter lock tiles	2,96,550
17.	Chack Amir	Bamial	Pathankot	6	04/11 to 09/14	Cement and steel	1,69,950
18.	Kot Bhattian	Bamial	Pathankot	4	04/11 to 09/14	Cement, pipes, saria, iron	71,765
19.	Matti	Bhikhee	Mansa	20	09/12 to 04/14	Pipes, table, arm chair,	10,05,858
20.	Bir Khurd	Bhikhee	Mansa	8	09/12 to 04/14	Cement,sand, pipe, bajri	2,92,678
21.	Gudkhari	Bhikhee	Mansa	11	09/12 to 04/14	Cement, iron rod, and RCC pipes, S.B. motor 15 HP	2,50,274
22.	Laroi	Bhogpur	Jalandhar	15	04/11 to 07/14	Cement, sand, bajri	4,13,250
23.	Rajpur	Bhogpur	Jalandhar	8	04/11 to 07/14	Cement, bajri, sand, material	1,61,664
24.	Rastgo	Bhogpur	Jalandhar	7	04/11 to 07/14	Cement, bajri, bricks, door	92,992
25.	Kala Bakra	Bhogpur	Jalandhar	8	04/11 to 07/14	Bricks, electronics items, pipes, interlocking bricks, rori items	2,61,172
26.	Manak Rai	Bhogpur	Jalandhar	7	04/11 to 07/14	Cement, bajri, sand,	2,59,500
27.	Sanoura	Bhogpur	Jalandhar	2	04/11 to 07/14	Furniture and bricks	68,922
28.	Khojkipur	Bhogpur	Jalandhar	2	04/11 to 07/14	Cement, RCC pipes,	1,42,776
29.	Kingra Wala	Bhogpur	Jalandhar	8	04/11 to 07/14	Sand, sanitation mateiral cement pipes, furniture,	4,10,328
30.	Faridkot Dehati	Faridkot	Faridkot	10	04/11 to 10/14	PVC pipes, cement	8,52,100
31.	Jhotiwala	Faridkot	Faridkot	6	04/11 to 07/14	Bajri, cement, sand, gatka, table, chairs, water tank, gym material, almirahs	3,00,230
32.	Pakhikalan	Faridkot	Faridkot	2	04/11 to 07/14	Pipes	92,000
33.	Chand Baja	Faridkot	Faridkot	12	04/11 to 07/14	Cement, sand, iron rod and bajri	3,31,914
34.	Golewala	Faridkot	Faridkot	10	04/11 to 07/14	Cement, saria, gym kit basin	3,17,680
35.	Moranwali	Faridkot	Faridkot	26	04/11 to 07/14	Cement, pipes, bajri, R.O System., water tank, saria	12,71,289
36.	Deep Singh Wala	Faridkot	Faridkot	27	04/11 to 07/14	Water tank, pipe, cement, saria, Basin and RCC pipe	13,22,332
37.	Aryanwala	Faridkot	Faridkot	18	04/11 to 07/14	Cement, interlocking tiles, saria, bari, pipes, iron rods	9,81,713
38.	Sadhwala	Faridkot	Faridkot	4	04/11 to 07/14	Cement, saria, pipes, bajri, Gym kit	2,71,448
39.	Kutbewala	Ferozepur	Ferozepur		04/11 to 04/14	Solar light	4,00,000
40.	Barwali Khurd	Khammano	Fatehgarh Sahib	11	08/11 to 06/14	Sand, cement, bajri	7,16,424
41.	Kotla Badla	Khammano	Fatehgarh Sahib	7	08/11 to 06/14	Cement, sand & stone, PVC pipes, water tank.	1,00,865

Sr. No.	Name of			No of transactions/ item	Period	Description of material	Amount (in ₹)
	Gram Panchayat	Block	District				
42.	Jattan Ucha	Khammano	Fatehgarh Sahib	6	08/11 to 06/14	Cement, bajri, sand, sand pumps, spray, PVC pipes	43,299
43.	Burj	Khammano	Fatehgarh Sahib	7	08/11 to 06/14	Cement, spray	91,790
44.	Amrala	Khammano	Fatehgarh Sahib	10	08/11 to 06/14	Bajri, cement,sand, submersible pumps, jharna	1,21,245
45.	Samastipur Singha	Khammano	Fatehgarh Sahib	6	08/11 to 06/14	Cement, bajri, sand, iron steel	2,87,150
46.	Mirpur	Khammano	Fatehgarh Sahib	7	08/11 to 06/14	Cement, sand, bajri, gym, pipes, chairs, table	1,88,445
47.	Dulwa	Khammano	Fatehgarh Sahib	2	08/11 to 06/14	Bajri, cement, sand	93,100
48.	Chanrthal	Maur	Bathinda	20	08/11 to 07/14	Cement, saria, pipes	6,80,118
49.	Ram Nagar	Maur	Bathinda	12	08/11 to 07/14	Cement, saria	2,63,448
50.	Kotli Khurd	Maur	Bathinda	12	08/11 to 07/14	Cement	2,74,250
51.	Akalgarh Khurd	Pakhowal	Ludhiana	4	04/11 to 06/14	Cement, sand, bajri	49,050
52.	Jand	Pakhowal	Ludhiana	8	04/11 to 06/14	Clay, sanitary, cement, sand	2,03,875
53.	Jodhan	Pakhowal	Ludhiana	7	04/11 to 09/14	Saria, cement, bajri, tiles.	81,489
54.	Rattan	Pakhowal	Ludhiana	7	04/11 to 09/14	RCC pipes, PVC pipes, sand, cement	3,75,783
55.	Burj Littan	Pakhowal	Ludhiana	9	04/11 to 09/14	Various material, PVC pipes, bricks, cement and sports items	3,28,921
56.	Dhai Pai	Pakhowal	Ludhiana	4	04/11 to 09/14	Saria, Gym material	71,791
57.	Leel	Pakhowal	Ludhiana	8	04/11 to 06/14	Cement, sand, bajri, Gym items, saria, gate, wire	2,12,849
58.	Nangal Kalan	Pakhowal	Ludhiana	11	04/11 to 09/13	Cement, steel	2,30,222
59.	Nangal Khurd	Pakhowal	Ludhiana	7	04/11 to 09/14	Saria, hardware items, cricket kit, Gym items, PVC items, sanitation	93,340
60.	Akbarpur	Roopnagar	Roopnagar	10	04/11 to 10/14	Cement, bajri, gatka,	1,66,440
61.	Allowal	Roopnagar	Roopnagar	9	04/11 to 10/14	Cement, iron, bajri, gatka	2,37,825
62.	Gandhon Kalan	Roopnagar	Roopnagar	8	04/11 to 10/14	Cement, sand, bajri	1,49,100
63.	Majri Jattan	Roopnagar	Roopnagar	11	04/11 to 10/14	Cement, bajri, gatka, sand	1,86,592
64.	Makauri Kalan	Roopnagar	Roopnagar	7	04/11 to 10/14	Cement, bajri, gatka, sand, bolder	3,70,500
65.	Saifalpur	Roopnagar	Roopnagar	9	04/11 to 10/14	Cement, bajri, sand, iron, iron rods	1,67,390
66.	Salora	Roopnagar	Roopnagar	10	04/11 to 10/14	Various material, furniture, cement, sand, pipes	1,73,781
67.	Santpur Chupke	Roopnagar	Roopnagar	8	04/11 to 10/14	Bajri, gatka, cement, sand	1,20,200
68.	Tapparain Kotla	Roopnagar	Roopnagar	11	04/11 to 10/14	Bajri, gatka, cement,sand, saria	4,94,384
69.	Thauna	Roopnagar	Roopnagar	7	04/11 to 10/14	Cement,sand, saria, bajri	89,710
70.	Chandpur	Roopnagar	Roopnagar	8	04/11 to 10/14	Bajri, gatka, cement, sand, saria, bricks	1,26,688
71.	Ghanola	Roopnagar	Roopnagar	4	04/11 to 10/14	Steel, bajri, sand, sports, Gym items	1,80,421
72.	Dhangoli	Roopnagar	Roopnagar	4	04/11 to 10/14	Cement, reta, bajri, gatka	1,33,150
73.	Gharota	Roopnagar	Roopnagar	5	04/11 to 10/14	Cement, bajri, sand, iron, hardware	1,62,448
74.	Kotla Nihang	Roopnagar	Roopnagar	9	04/11 to 10/14	Cement, bajri, gatka, electrical items, gate grill	1,79,717
75.	Madpur	Roopnagar	Roopnagar	4	04/11 to 10/14	Saria, cement, sand, gatka	1,36,731
76.	Hussainpur	Roopnagar	Roopnagar	7	04/11 to 10/14	Bajri, cement, sand,	1,58,850
77.	Mansuha Kalan	Roopnagar	Roopnagar	10	04/11 to 10/14	Bajri, cement, gatka, sanitary, wire	1,50,580
78.	Nanakpura	Roopnagar	Roopnagar	8	04/11 to 10/14	Bajri, cement, gatka, reta	2,21,770
79.	Sihon Majra	Roopnagar	Roopnagar	5	04/11 to 10/14	Bajri, cement, sand, doors window	1,30,725
80.	Kulara	Samana	Patiala	4	04/11 to 06/14	Cement, sand, gravel,	25,400
81.	Shahpur	Samana	Patiala	1	04/11 to 06/14	8 mm pipes	2,38,875
82.	Rajila	Samana	Patiala	3	04/11 to 06/14	Cement, reta, bajri, RCC pipes,	6,01,118
83.	Talwandi Malik	Samana	Patiala	5	04/11 to 06/14	Cement, sand and gravel	4,37,177

Sr. No.	Name of			No of transactions/ item	Period	Description of material	Amount (in ₹)
	Gram Panchayat	Block	District				
84.	Kulburcha	Samana	Patiala	3	04/11 to 06/14	Cement, sand and gravel	1,82,162
85.	Dullar	Samana	Patiala	3	04/11 to 06/14	RCC pipes, tiles, iron rod	7,03,450
86.	Bishenpur	Samana	Patiala	2	04/11 to 06/14	Electrical pumps, filling material	47,200
87.	Lopon	Samrala	Ludhiana	14	08/11 to 10/14	Cement, saria, chair, almirah, pipes	3,68,540
88.	Kalal Majra	Samrala	Ludhiana	12	08/11 to 10/14	Cement, RCC pipes, bajri, reti, saria, street light	3,85,329
89.	Bomb	Samrala	Ludhiana	11	08/11 to 10/14	Cement, bajri, PVC pipes, , books, reta	17,226
90.	Lal Kalan	Samrala	Ludhiana	10	08/11 to 10/14	Cement, bajri, RCC pipes, GS pipes	3,39,533
91.	Manki	Samrala	Ludhiana	16	08/11 to 10/14	Cement, bajri, RCC pipes, reta	3,83,344
92.	Rupalon	Samrala	Ludhiana	25	08/11 to 10/14	Cement, bajri, RCC pipes, sand, TMT saria	14,58,731
93.	Harbanshpura	Samrala	Ludhiana	4	08/11 to 10/14	Cement, bajri, pipes sand	1,00,050
94.	Manjali Kalan	Samrala	Ludhiana	24	08/11 to 07/14	Cement, bajri, sand, building material, bricks, pipes	7,73,956
95.	Mehduda	Samrala	Ludhiana	14	08/11 to 07/14	Cement, bajri, RCC pipes, sand, saria, tiles	6,46,785
96.	Bhaurla	Samrala	Ludhiana	4	08/11 to 07/14	Cement, bajri, sand, saria	85,967
97.	Goslan	Samrala	Ludhiana	4	08/11 to 07/14	Bajri, cement	1,89,075
98.	Salaudi	Samrala	Ludhiana	16	08/11 to 10/14	Cement, bajri, sand, saria, RCC pipes and sports itmes	4,71,741
99.	Mutton	Samrala	Ludhiana	12	08/11 to 08/14	Cement, bajri, sand, bricks books	5,93,103
100.	Jalanpur	Samrala	Ludhiana	9	08/11 to 06/14	Cement, reta, bajri	2,28,400
101.	Manupur	Samrala	Ludhiana	6	08/11 to 10/14	Cement, reta, bajri, RCC pipes	1,59,300
102.	Bahadurpur	Sangrur	Sangrur	9	08/11 to 10/14	Cement, sand & electrical items, tiles, building material, hardware	3,41,484
103.	Badrukha	Sangrur	Sangrur	6	08/11 to 10/14	Saria, building material, boundry grill	2,08,525
104.	Balian	Sangrur	Sangrur	10	08/11 to 10/14	Cement, PVC pipes, sanitary, hardware items, Gym articles, GI shed	3,40,557
105.	Dhadrian	Sangrur	Sangrur	8	08/11 to 10/14	Cement, bajri, sand, saria, tiles	4,29,239
106.	Mangwal	Sangrur	Sangrur	9	08/11 to 10/14	Cement, bajri, sand, saria, tiles, TMT saria, sanitary items, rori	8,85,765
Total							3,18,35,424

Source: Departmental data

Appendix-XII

(Referred to in Paragraph 2.9; page 12)

Details of non-preparation of annual accounts

Sr. No.	Name of			Period
	Gram Panchayat	Block	District	
1.	Akam	Mukerian	Hoshiarpur	08/11 to 12/14
2.	Amrala	Khammano	Fatehgarh Sahib	04/11 to 08/14
3.	Anial	Bamial	Pathankot	09/11 to 09/14
4.	Badrukha	Sangrur	Sangrur	08/11 to 11/14
5.	Badshapur (Kale Ke)	Samana	Patiala	04/11 to 07/14
6.	Bagli Kalan	Samrala	Ludhiana	04/11 to 10/14
7.	Bagrian	Attari	Amritsar	08/11 to 10/14
8.	Bahadurpur	Sangrur	Sangrur	08/11 to 11/14
9.	Bakhma Khurd	Attari	Amritsar	08/11 to 10/14
10.	Balian	Sangrur	Sangrur	08/11 to 11/14
11.	Balotar	Bamial	Pathankot	09/11 to 09/14
12.	Balwar Kalan	Sangrur	Sangrur	04/11 to 10/14
13.	Bamial	Bamial	Pathankot	09/11 to 09/14
14.	Bamna	Samana	Patiala	04/11 to 07/14
15.	Barwali Khurd	Khammano	Fatehgarh Sahib	04/11 to 08/14
16.	Basaike Gillan	Attari	Amritsar	08/11 to 10/14
17.	Basti Bagh	Mukerian	Hoshiarpur	08/11 to 12/14
18.	Beed Bhamrasi	Attari	Amritsar	08/11 to 11/14
19.	Beserke	Attari	Amritsar	08/11 to 10/14
20.	Bhai Bhawara Azam	Ferozepur	Ferozepur	04/11 to 04/14
21.	Bhakani	Bamial	Pathankot	09/11 to 09/14
22.	Bhaurla	Samrala	Ludhiana	04/11 to 10/14
23.	Bibipur	Attari	Amritsar	08/11 to 11/14
24.	Bishempur	Samana	Patiala	04/11 to 07/14
25.	Bodh	Attari	Amritsar	08/11 to 10/14
26.	Bomb	Samrala	Ludhiana	04/11 to 10/14
27.	Burj	Khammano	Fatehgarh Sahib	04/11 to 08/14
28.	Chack Amir	Bamial	Pathankot	09/11 to 09/14
29.	Chaleri Khurd	Attari	Amritsar	08/11 to 11/14
30.	Chanu Wala	Bagha Purana	Moga	04/11 to 03/14
31.	Chanur	Mukerian	Hoshiarpur	08/11 to 12/14
32.	Chathwind	Attari	Amritsar	08/11 to 10/14
33.	Check Shero	Mukerian	Hoshiarpur	08/11 to 12/14
34.	Danewal	Bamial	Pathankot	09/11 to 09/14
35.	Dayalgarh	Sangrur	Sangrur	04/11 to 10/14
36.	Dekhalan	Sangrur	Sangrur	08/11 to 11/14
37.	Dhadrian	Sangrur	Sangrur	08/11 to 11/14
38.	Dhattal	Attari	Amritsar	08/11 to 10/14
39.	Dullar	Samana	Patiala	04/11 to 07/14
40.	Dulwa	Khammano	Fatehgarh Sahib	04/11 to 08/14
41.	Gagarwal	Khammano	Fatehgarh Sahib	04/11 to 08/14
42.	Gandu Kilcha	Ferozepur	Ferozepur	04/11 to 04/14
43.	Ghabdan	Sangrur	Sangrur	04/11 to 10/14
44.	Ghalia Khurd	Bagha Purana	Moga	04/11 to 03/14
45.	Gher	Bamial	Pathankot	09/11 to 09/14
46.	Golah	Bamial	Pathankot	09/11 to 09/14
47.	Goslan	Samrala	Ludhiana	04/11 to 10/14
48.	Guanspur	Mukerian	Hoshiarpur	08/11 to 12/14
49.	Gurwali	Attari	Amritsar	08/11 to 10/14
50.	Habib Wala	Ferozepur	Ferozepur	04/11 to 04/14

Sr. No.	Name of			Period
	Gram Panchayat	Block	District	
51.	Harbanspura	Samrala	Ludhiana	04/11 to 10/14
52.	Jalal Wala	Ferozepur	Ferozepur	04/11 to 04/14
53.	Jalanpur	Samrala	Ludhiana	04/11 to 10/14
54.	Jalberi Gehlan	Attari	Amritsar	08/11 to 11/14
55.	Janial	Bamial	Pathankot	09/11 to 09/14
56.	Jattan Uchan	Khammano	Fatehgarh Sahib	04/11 to 08/14
57.	Kala Bakra	Bhogpur	Jalandhar	04/11 to 03/14
58.	Kahan Chandwala	Ferozepur	Ferozepur	04/11 to 04/14
59.	Kalai Majra	Roopnagar	Roopnagar	04/11 to 10/14
60.	Kalandi	Sangrur	Sangrur	04/11 to 10/14
61.	Khaheera	Attari	Amritsar	08/11 to 10/14
62.	Khasa	Attari	Amritsar	08/11 to 10/14
63.	Khoji Chack	Bamial	Pathankot	09/11 to 09/14
64.	Kingra Choura	Bhogpur	Jalandhar	04/11 to 07/14
65.	Kot Bhattian	Bamial	Pathankot	09/11 to 09/14
66.	Kothay Dullat	Sangrur	Sangrur	04/11 to 10/14
67.	Kotla Raike	Bagha Purana	Moga	04/11 to 03/14
68.	Kotli Jawahar	Bamial	Pathankot	09/11 to 09/14
69.	Kuba	Samrala	Ludhiana	04/11 to 10/14
70.	Kular Khurd	Sangrur	Sangrur	04/11 to 10/14
71.	Kulara	Samana	Patiala	04/11 to 07/14
72.	Kulburcha	Samana	Patiala	04/11 to 07/14
73.	Kutbe Wala	Ferozepur	Ferozepur	04/11 to 04/14
74.	Ladhwai	Attari	Amritsar	08/11 to 10/14
75.	Lahorimal	Attari	Amritsar	08/11 to 10/14
76.	Lal Kalan	Samrala	Ludhiana	04/11 to 10/14
77.	Lande	Bagha Purana	Moga	04/11 to 05/14
78.	Laroi	Bhogpur	Jalandhar	04/11 to 07/14
79.	Loha Khera	Sangrur	Sangrur	04/11 to 10/14
80.	Lohgarh	Mukerian	Hoshiarpur	08/11 to 12/14
81.	Longo Majri	Attari	Amritsar	08/11 to 11/14
82.	Mahalam	Ferozepur	Ferozepur	04/11 to 04/14
83.	Mahowa	Attari	Amritsar	08/11 to 10/14
84.	Malikpur	Attari	Amritsar	08/11 to 11/14
85.	Malke	Bagha Purana	Moga	04/11 to 05/14
86.	Manak Rai	Bhogpur	Jalandhar	04/11 to 07/14
87.	Mangwal	Sangrur	Sangrur	08/11 to 11/14
88.	Manjali Kalan	Samrala	Ludhiana	04/11 to 10/14
89.	Manki	Samrala	Ludhiana	04/11 to 10/14
90.	Manuke	Bagha Purana	Moga	04/11 to 05/14
91.	Manupur	Samrala	Ludhiana	04/11 to 10/14
92.	Manwal	Bamial	Pathankot	09/11 to 09/14
93.	Mehduda	Samrala	Ludhiana	04/11 to 10/14
94.	Miapur	Attari	Amritsar	08/11 to 11/14
95.	Mirpur	Khammano	Fatehgarh Sahib	04/11 to 08/14
96.	Muhammadpur	Sangrur	Sangrur	04/11 to 10/14
97.	Mulepur	Attari	Amritsar	08/11 to 11/14
98.	Mulla Behram	Attari	Amritsar	08/11 to 10/14
99.	Muthi	Bamial	Pathankot	09/11 to 09/14
100.	Narang Ke Siyal	Ferozepur	Ferozepur	04/11 to 04/14
101.	Narayan Pur	Attari	Amritsar	08/11 to 10/14
102.	Nathuwal	Mukerian	Hoshiarpur	08/11 to 12/14
103.	Palah	Bamial	Pathankot	09/11 to 09/14
104.	Panjoli Kalan	Attari	Amritsar	08/11 to 11/14
105.	Rajiana	Bagha Purana	Moga	04/11 to 05/14
106.	Rajila	Samana	Patiala	04/11 to 07/14

Sr. No.	Name of			Period
	Gram Panchayat	Block	District	
107.	Rajpur	Bhogpur	Jalandhar	04/11 to 07/14
108.	Rampura	Attari	Amritsar	08/11 to 10/14
109.	Ramdas Nagar	Attari	Amritsar	08/11 to 11/14
110.	Rastgo	Bhogpur	Jalandhar	04/11 to 07/14
111.	Rode Khurd	Bagha Purana	Moga	04/11 to 03/14
112.	Saanipur	Attari	Amritsar	08/11 to 11/14
113.	Salarian Kalan	Mukerian	Hoshiarpur	08/11 to 12/14
114.	Samastipur Singha	Khammano	Fatehgarh Sahib	04/11 to 08/14
115.	Sango Katrala	Mukerian	Hoshiarpur	08/11 to 12/14
116.	Sanoura	Bhogpur	Jalandhar	04/11 to 07/14
117.	Sanyal	Mukerian	Hoshiarpur	08/11 to 12/14
118.	Sarota	Bamial	Pathankot	09/11 to 09/14
119.	Scole	Bamial	Pathankot	09/11 to 09/14
120.	Shahpur	Samana	Patiala	04/11 to 07/14
121.	Sidhupur	Attari	Amritsar	08/11 to 11/14
122.	Smalsar	Bagha Purana	Moga	04/11 to 03/14
123.	Sohian	Sangrur	Sangrur	04/11 to 10/14
124.	Srawarpur	Samrala	Ludhiana	04/11 to 10/14
125.	Sudana	Bhogpur	Jalandhar	04/11 to 07/14
126.	Sukhanand	Bagha Purana	Moga	04/11 to 03/14
127.	Tagaradian	Mukerian	Hoshiarpur	08/11 to 12/14
128.	Taggar Khurd	Mukerian	Hoshiarpur	08/11 to 12/14
129.	Talwandi Malik	Samana	Patiala	04/11 to 07/14
130.	Tarkhan Majra	Attari	Amritsar	08/11 to 11/14
131.	Tibban Khurd	Attari	Amritsar	08/11 to 10/14
132.	Togawal	Sangrur	Sangrur	04/11 to 10/14
133.	Ubhawal	Sangrur	Sangrur	04/11 to 10/14
134.	Waryam Wala	Ferozepur	Ferozepur	04/11 to 04/14
135.	-	Bamial	Pathankot	09/11 to 09/14
136.	-	Bhogpur	Jalandhar	04/11 to 07/14
137.	-	Sangrur	Sangrur	08/11 to 11/14

Source: Departmental data

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