

OVERVIEW

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This Report contains five chapters. The first and third chapters contain an overview of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) respectively. The second chapter contains results of Compliance Audit of PRIs. The fourth chapter contains a Performance Audit on the 74th Constitutional Amendment Act (CAA) relating to ULBs. The fifth chapter contains results of Compliance Audit of ULBs.

A synopsis of the findings contained in the Performance Audit on 74th CAA and Compliance Audit on PRIs and ULBs is presented in this overview.

CHAPTER – I

An overview of Panchayati Raj Institutions

District Planning Committees (DPC) had been formed in all districts of General Areas but they were yet to perform their mandated functions as envisaged in Article 243 ZD of the Constitution.

(Paragraph 1.4.2)

The Director of Audit, Local Fund (DALF), Assam, established under the Assam Local Funds (Accounts & Audit) Act, 1930 is the Primary Auditor of all tiers of PRIs in the State. However, there were arrears in the audit of PRIs by the DALF, during the period 2016-17 to 2020-21, ranging between 47.80 and 57.37 per cent.

(Paragraph 1.5.1)

Rules 32, 33 & 34 of AP (F) Rules, 2002 stipulate that every Gaon Panchayat (GP), Anchalik Panchayat (AP) and Zilla Parishad (ZP) shall prepare their budgets before the beginning of the financial year in the prescribed formats. The ZPs are required to consolidate the budgets of the respective PRIs for submission to the State Government for final approval. However, it is noticed that GoA released funds irrespective of receipt of budget proposals without consideration of needs of the ZPs.

(Paragraph 1.7.2)

As the Asset Registers were not maintained, the assets of the PRIs could not be monitored, thereby leaving possibility for mis-utilisation/ mis-management of assets.

(Paragraph 1.9.1)

CHAPTER II

Compliance Audit of PRIs

Expenditure of ₹29.31 lakh on the construction of Bharat Nirman Rajiv Gandhi Sewa Kendra remained unfruitful as the project remained incomplete even after spending all the funds.

(Paragraph 2.1)

Failure of the Executive Officer, Jugijan Anchalik Panchayat (AP) to properly monitor the execution and measurement of the works led to a fictitious expenditure of ₹39.31 lakh.

(Paragraph 2.2)

Payment of ₹27.04 lakh against the actual execution of works valuing ₹5.40 lakh only resulted in the fictitious payment of ₹21.64 lakh by the Block Development Officer, Katlichera AP.

(Paragraph 2.3)

Procurement of materials without corresponding engagement of labour in execution of pro-siltation works valuing ₹2.00 crore in Morigaon district as well as improper reporting of the work program points towards doubtful execution of works.

(Paragraph 2.4)

CHAPTER – III

Overview of Urban Local Bodies (ULBs)

As per Article 243ZE of the Constitution of India, it is mandatory for the States to set up Metropolitan Planning Committees (MPCs) in the metropolitan areas of the country. However, MPCs are yet to be constituted in the State.

(Paragraphs 3.4.3)

There was overall lack of attention on part of Housing and Urban Development Department, as it did not notify the Service Level Benchmarking (SLBs) for the Guwahati Municipal Corporation (GMC) catering to the biggest urban settlement in the State.

(Paragraph 3.9)

Eighty three Utilisation Certificates (UCs) for grants paid during 2003-04 to 2018-19 to the Guwahati Development Department amounting to ₹ 619.06 crore were outstanding. In the absence of the UCs, it could not be ascertained whether the recipients had utilised the grants for the purposes for which those were given.

(Paragraph 3.11.3)

Nineteen out of 115 ULBs audited during 2017-18 to 2020-21 did not maintain basic records such as Stock Register and Register of Receipts.

(Paragraph 3.11.4)

CHAPTER IV

Performance Audit on

“Efficacy of implementation of 74th Constitutional Amendment Act”

The Performance Audit on the Efficacy of implementation of 74th Constitutional Amendment Act revealed that:

For effective decentralisation, implementation of constitutional provisions was also equally important. Audit observed that the legal provisions were not backed by decisive actions resulting in partial implementation of 74th CAA.

(Paragraph 4.3)

As per Section 53-A of the Assam Municipal (AM) Act, 1956, seven out of 18 functions stands transferred to ULBs whereas 10 functions were termed as inherent subjects and ULBs were supposed to implement those functions out of their own resources. Activity mapping for the transferred subjects had not been carried out by the Government.

There were several overlaps in discharge of the functions between ULBs, parastatals and Government departments. ULBs have very minimum role in implementation of devolved functions.

(Paragraph 4.4.1)

The 14th Finance Commission (FC) recommended a total allocation of ₹776.42 crore under basic grants for the period 2015-20 and ₹194.10 crore under performance grants for the period 2016-20. However, there was short release of GBG amounting to ₹95.07 crore under 14th FC grants during 2015-20.

(Paragraph 4.5.1.1.2)

Audit observed that as on March 2020, license fee amounting to ₹18.31 crore was outstanding against total demand of ₹41.15 crore in GMC alone. This indicated that business establishments continued to function without valid licenses.

(Paragraph 4.5.1.2.4)

Analysis of test-checked ULBs showed that the sanctioned strength was not commensurate with the population in the test-checked ULBs where the number of employees per 1,000 population varied in each test-checked ULB. Analysis of the working strength in the 19 test-checked ULBs, in terms of the number of employees per 1,000 population as per 2011 Census, also showed that it ranged between 0.49 and 3.43.

(Paragraph 4.6.1.2)

Though the State Government has initiated action for capacity building of the ULB staff by spending ₹ 18.41 crore towards construction of three urban training centres in three districts¹ during the period 2012-13 and one Urban Management Institution in Guwahati, it could not serve any purpose due to unavailability of required infrastructure like furniture, training materials and faculty.

(Paragraph 4.6.3.1)

Chapter V

Compliance Audit of ULBs

Commissioner, Guwahati Municipal Corporation made payment of ₹1.19 crore for desilting work of the river Bharalu of which an amount of ₹45.75 lakh is suspected to be fraudulent.

(Paragraph 5.1)

¹ Sonitpur, Golaghat and Cachar.

Unfruitful expenditure amounting to ₹53.74 lakh due to the injudicious decision of the Mangaldoi Municipal Board to execute work without ensuring the availability of a clear site.

(Paragraph 5.2)