



सत्यमेव जयते

**ANNUAL TECHNICAL INSPECTION REPORT ON
PANCHAYATI RAJ INSTITUTIONS &
URBAN LOCAL BODIES
FOR THE YEAR 2017-18 & 2018-19**



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



**GOVERNMENT OF HARYANA
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT)
HARYANA**



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PREFACE

This Report for the years 2017-18 and 2018-19 has been prepared for submission to the Government of Haryana 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's (Duties, Powers and Conditions of Service) Act, 1971.

The Report contains significant results of audit of Panchayati Raj Institutions and Urban Local Bodies in the State including the Departments concerned.

The issues noticed in the course of test audit for the period 2017-19 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.

OVERVIEW

This Report is in two parts and consists of four chapters. Part A containing Chapters 1 and II deals with Panchayati Raj Institutions (PRIs) and Part B containing Chapters III and IV deals with Urban Local Bodies.

Profile of the Panchayati Raj Institutions (PRIs)

As on March 2019, there were 21 Zila Parishads (ZPs), 126 Panchayat Samities (PSs) and 6,197 Gram Panchayats (GPs) in the State. Overall control of PRIs rests with the Additional Chief Secretary to Government of Haryana, Development and Panchayats Department and Rural Development Department through the Directors, Development and Panchayats Department and Rural Development Department. The 73rd Constitutional amendment accorded constitutional status to PRIs. The State Government enacted the Haryana Panchayati Raj Act, 1994 and framed the Haryana Panchayati Raj Rules, 1995 and Haryana Panchayati Raj (Finance, Budget, Accounts, Audit, Taxation and Works) Rules, 1996 to enable these institutions to work as a third tier of Government. The records of accounts of 10 ZPs, 68 PSs and 621 GPs were test-checked during the year 2017-19. The important audit findings are mentioned below:

(Chapter I)

Highlights of audit of Panchayati Raj Institutions

Audit of 'Management of Assets in Panchayati Raj Institutions' highlighted deficiencies such as:

- In the absence of Asset Registers, position of availability of assets and their proper utilisation could not be ascertained.
- Land was not leased out for cultivation by 18 GPs leading to revenue loss of ₹ 100.77 crore.
- Adequate action was not taken for recovery of lease money of ponds.
- Buildings and shops of Zila Parishad Karnal (ZPK) were not given on rent resulting in loss of revenue of ₹ 33.38 lakh.
- Benefit of annuity of ₹ 4.21 crore was not passed on to GPs by Block Development and Panchayat Officers (BDPOs).
- Efforts for recovery of rent of shops and building were lacking as rent of ₹ 76.48 lakh was outstanding against lessees.
- Construction of 12 Bharat Nirman Rajiv Gandhi Sewa Kendras (BNRGSKs) was not completed even after spending ₹ 84.84 lakh.

- Implementation of Solid and Liquid Waste Management Projects was not efficient as a number of projects remained incomplete and some completed projects were not in working condition.
- 21 Panchayat Samitis/GPs made purchases between January 2015 and May 2019 of building materials for different works at higher rates leading to extra expenditure of ₹ 7.74 lakh.
- Cash balances amounting to ₹ 18.86 lakh were not handed over by 93 ex-Sarpanches/Panches to the authorised persons i.e. Sarpanches or Panches, Social Education Panchayat Officer or *Gram Sachiv*. Further, GPs kept cash in hand in excess of prescribed limits.

(Paragraph 2.1)

Director, Development and Panchyats Department released (January 2017) performance grant of ₹ 76.15 crore to 6,205 Gram Panchayats (GPs) though the GPs did not meet eligibility conditions of 14th Finance Commission.

(Paragraph 2.2)

Panchayat Samiti, Rai (Sonipat) failed to collect and deposit Service Tax amounting to ₹ 7.06 lakh on rental receipts from tenants.

(Paragraph 2.4)

Chief Planning and Development Officer, Hisar and Sirsa released an amount of ₹ 12.71 crore under Scheduled Caste Sub-Plan (SCSP) Component to 172 Gram Panchayats (GP) in violation of guidelines as Scheduled Caste (SC) population in these villages was not in majority or in excess of 40 *per cent*.

(Paragraph 2.6)

In 16 Block Development and Panchayat Offices (BDPOs) and two District Rural Development Agencies (DRDAs), assistance of ₹ 6.32 crore was provided under Indira Awaas Yojana to 1,313 beneficiaries who had not completed their dwelling units. In four DRDAs and one BDPO, assistance of ₹ 20.69 crore was provided to 3,996 beneficiaries under Priyadarshini Awaas Yojana, who had not completed their dwelling units.

(Paragraph 2.7)

Ex-Sarpanches/Panches of three GPs of Fatehabad block had deposited receipts of lease money collected with delay of 8 to 172 days. Further, Ex-Sarpanches/Panches of GPs of Adampur, Narnaund and Uklana blocks retained cash in hand in excess of prescribed limit for a period ranging between 28 and 123 days. In one case of GP, Sarsod under Barwala block, an amount of ₹ 2.46 lakh was reflected as cash in hand since June 2005.

(Paragraph 2.8)

A sum of ₹ 40.56 lakh remained unrecovered from 58 ex-Sarpanches and Panches in seventeen blocks.

(Paragraph 2.9)

District Rural Development Agency (DRDA), Hisar purchased a tractor costing ₹ 2.88 lakh for a religious place in contravention of guidelines for Member of Parliament Local Area Development (MPLAD) Scheme.

(Paragraph 2.12)

Recommendations on PRI Section:

- ❖ BPDOS need to ensure that proper asset registers should be maintained to avoid misappropriation of assets and their effective utilisation.
- ❖ Gram Panchayats (GPs) should make strenuous efforts to lease out the cultivable land to avoid revenue loss and should be leased out as per policy so that everyone gets fair opportunity.
- ❖ GPs needs to ensure that if lease money of ponds is not received in time then lease may be cancelled and security money forfeited.
- ❖ On receipt of Annuity amount from DDPOs, each BDPO should immediately transfer such amount to the concerned GPs.
- ❖ Building and shops should be leased out regularly with periodical revision of rent of the properties. Further, strenuous efforts should be made to recover outstanding rent.
- ❖ District Programme Coordinator should co-ordinate with the concerned BDPO/GP to get the BNRGSKs to be completed in time.
- ❖ The department should make efforts to complete pending Solid Liquid Waste Management Projects at the earliest and make them functional to achieve the desired objectives.
- ❖ The PRIs should adhere to the rates of purchase of building material finalized by District Level Committee.
- ❖ The department needs to ensure that GPs should comply with the rules and make efforts to recover interest amount.
- ❖ The Department should ensure to release the performance grants as prescribed in 14th Finance Commission recommendations.
- ❖ The Panchayat Samiti needs to ensure that Service Tax may be collected from tenants and deposited the same to Service Tax Department.

- ❖ The Department should utilize the funds earmarked for SC population as per guidelines to benefit the SC community.
- ❖ The BDPO and District Rural Development Agency (DRDA) needs to ensure that assistance for Indira Awaas Yojana scheme should be released as prescribed in guidelines.
- ❖ The BDPOs should make efforts to deposit receipt at the earliest and recover the interest for the period of delay in deposit of said receipt as prescribed in rules.
- ❖ The department should make strenuous efforts to recover the balance amount from ex-sarpanches/panches.
- ❖ The Department should ensure to purchase the material as prescribed in MPLAD guidelines.

Profile of Urban Local Bodies (ULBs)

As on 31 March 2019, there were 10 Municipal Corporations, 18 Municipal Councils and 58 Municipal Committees in the State. Overall control of the ULBs rests with the Principal Secretary to the Government of Haryana, Urban Local Bodies Department through the Director, Urban Local Bodies Department. The 74th Constitutional Amendment accorded constitutional status to the ULBs in 1992. To implement the provisions of the 74th Constitutional Amendment, the Government of Haryana enacted the Haryana Municipal Corporation Act, 1994 and amended the Haryana Municipal Act, 1973 for transferring the powers and responsibilities to ULBs. The records of 30 ULBs (10 Municipal Corporations, 12 Municipal Councils and eight Municipal Committees) and the office of Directorate, Urban Local Bodies were test checked during the year 2017-18 and 2018-19. Important findings are detailed below:

(Chapter III)

Highlights of Audit of Urban Local Bodies

Municipal Corporations (MCs) of Gurugram and Panchkula were established for planned economic development and social justice including making arrangements for water supply, public health, sanitation, urban planning, construction of buildings, roads and bridges, public amenities. Financial management in Municipal Corporations (MCs) of Gurugram and Panchkula was inefficient which was evident in instances like non-adjustment of outstanding advances of ₹ 342.91 crore, non-availment of exemption from Goods and Services Tax, and loss of revenue due to the lack of co-ordination and encroachment of land. There were several instances of non-recovery of taxes/rents, deficient charging of fee for trade and commercial activities, and loss due to unauthorized installation of mobile/communication towers. The

corporations failed in realising revenue due to cases of dishonoured cheques, while substantial funds were lying unspent .

(Paragraph 4.1)

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched by GOI in June 2015 for providing basic services such as water supply, sewerage, urban transportation to households and build amenities in cities to improve the quality of life for all. As against State Annual Action Plan (SAAP) of ₹ 2,565 crore, ₹ 313.36 crore was released by the Centre and State Governments. Of this, ₹ 282.09 crore was released to ULBs for implementation of projects but only three ULBs spent ₹ 60.05 crore and balance amount of ₹ 222.04 crore was lying unutilised with ULBs. Thus, the implementation of the mission is very slow as only 2.34 *per cent* had been spent as against the total SAAP of ₹ 2,565 crore despite a lapse of more than three years of the mission period (2015-20). An amount of ₹ 12.85 crore was spent by the Department on Administrative and Office Expenses (A&OE) out of project funds in violation of project guidelines. Due to non-utilization of funds, the Department could not claim second and third instalments of mission funds from GOI. Further, priority was not given to water supply projects by six municipalities as provided for in guidelines. Irregular payment of mobilization advance of ₹ 6.69 crore was given to a contractual agency. Further, a work of ₹ 178.10 crore was allotted on single tender in violation of PWD Code. A work was allotted without getting prior clearances from other departments in violation of mission guidelines which resulted in slow execution of works.

(Paragraph 4.2)

Audit of 'Execution of Works in Urban Local Bodies' brought out that financial management was not sound as there were cases of diversion of funds of ₹ 2.46 crore, loss of interest of ₹ 1.07 crore due to non-investment of unutilized grants, non-deduction of sales tax/GST of ₹ 34.18 lakh, short deduction of security deposit and extra burden of ₹ 6.81 crore due to the lack of co-ordination with Railways. There were cases of irregular allotment of works, allotment of works to ineligible contractors, irregular execution of earth work and execution of works on quotations basis instead of e-tendering. The instances of excess payments of ₹ 1.24 crore on account of steel, earth filling, premium over Non-scheduled (NS) items, bituminous works, etc also came to notice. Also, fire safety measures as envisaged in National building code were not adhered to. Further, monitoring and quality control mechanism was not adequate as Citizen Supervisory Committees were not constituted, sub-standard works were executed and quality assurance of water used in execution of works was not ensured.

(Paragraph 4.3)

Seven Municipalities (Haily Mandi, Kalayat, Kalanaur, Charkhi Dadri, Bahadurgarh, Gohana and Palwal) had not recovered development charges amounting to ₹ 15.63 crore from landowners of 73 colonies located in areas covered under civic amenities and infrastructure deficient municipal areas.

(Paragraph 4.4)

Municipal Corporation of Faridabad did not take action to recover balance External Development Charges (EDC) of ₹ 11.18 crore from property holders despite lapse of seven to 25 years.

(Paragraph 4.5)

Municipal Corporations of Ambala and Hisar had not recovered the licence fee of ₹ 2.12 crore from 35,194 units carrying out various trade/commercial activities.

(Paragraph 4.6)

Municipal Corporations of Faridabad and Gurugram had not availed of the exemption of Goods and Service Tax (GST) amounting to ₹ 2.23 crore on outsourcing of services resulting in avoidable expenditure to this extent.

(Paragraph 4.8)

Sixteen Municipalities and office of Director Urban Local Bodies, Panchkula made irregular purchases amounting to ₹ 2.44 crore without following the codal provisions.

(Paragraph 4.9)

Municipal Corporation, Ambala and Karnal released first instalment of incentive twice to 13 beneficiaries under Swachh Bharat Mission resulting in double payment of ₹ 71,000.

(Paragraph 4.13)

Auction of a disputed site by Municipal Corporation Faridabad resulted in avoidable payment of interest of ₹ 61.52 lakh.

(Paragraph 4.14)

Non-exercise of checks over the receipts and deposits by Municipal Corporation Sonapat (MCS) resulted in suspected embezzlement of ₹ 0.58 lakh.

(Paragraph 4.15)

Three municipalities (Ambala, Charkhi Dadri and Pehowa) diverted funds amounting to ₹ 107.30 lakh provided for development works towards payment of salaries, arrears, allowances of the staff, wages, audit fees, etc.

(Paragraph 4.16)

Recommendations on ULBs Section

4.1 Working of Municipal Corporation, Gurugram and Panchkula

- The Department should prepare plans for economic development and social justice.
- MCs concerned should establish Area Sabhas (ASs) and Ward Committees (WCs) for initiation of proposals and determine the prioritisation of the schemes/development programmes.
- MCs should prepare the budget on realistic basis taking into consideration plans for development works/recurring expenditure and the availability of funds, etc.
- The MCs concerned may prescribe the time limit for adjustment of advances.
- Relevant exemption notification of Government should be kept in view before hiring/availing of pure services and making payment of GST for such services.
- MC should ensure to deposit the labour cess with the Haryana Building and other Construction Workers Welfare Board within prescribed time after deduction of collection charges.
- MCG may ensure that payment vouchers should be attached with concerned voucher files.
- Government should prepare a plan for utilisation of funds for intended purpose as well as time frame be fixed for refund of unspent funds to the Government.
- Waste management machines should be purchased with proper planning and its utilisation so that purpose of machine could have been served.
- MCs concerned should strengthen the system to recovery of taxes, rent, licence fee, etc. to make the municipalities self-sustainable.
- Action should be taken to recover the fire charges as arrear of land revenue under Municipal Act, 1973.
- MC may ensure that contract amount should be deposited as per agreement within prescribed time limit.
- MC should take prompt action to remove any encroachment of MC land and also take appropriate action against encroachers.

- MCs may take corrective action on illegal marriage palaces as per Act which is running without permission.
- The MCs concerned may take steps to fill up vacant posts in order to streamline the functioning of the Municipality and increase efficiency.

4.2 Atal Mission for Rejuvenation and Urban Transformation

- The DULB may ensure that funds are released in time. Further, the concerned MCs may ensure that funds should be utilised on the prescribed purpose and in time as per sanction.
- Projects should be taken up as per prioritization policy as envisaged in the guidelines of the Mission.
- While carrying out development works, PWD Code should be followed in letter and spirit. Further, Terms & Conditions of the DNIT and Contract Agreement of the works being executed under the project should be adhered to.
- Work should be allotted only after seeking prior clearances from concerned department.

4.3 Execution of works in Urban Local Bodies

- The State Government may ensure that MCs should prepare plan for economic development and social justice.
- The MCs needs to ensure that funds should be utilized for the purpose for which these were sanctioned.
- Works should be executed as per the prescribed DNIT and terms and condition of Contract Agreement as envisaged in the PWD Code and Manual. Eligibility of all bidders should be verified before finalization of lowest bidder.
- Fire safety measures as envisaged in National building Code should be adhered to.
- The State Government may take necessary steps to execute the works under the supervision of Citizen Supervisory Committee.
- The MC may ensure to check quality of the water used in construction works.
- ❖ The ULBs should take appropriate and effective steps in time for assessment and collection of the development charges.
- ❖ Arrears of External Development charges/conversion charges should be assessed and recovery process of outstanding amount initiated along

with due amount of interest. Notices for the same should be issued in time bound manner and action taken as per Section 130 of HMC Act 1994.

- ❖ MCs should make strenuous steps persistently to recover trade licence fee from defaulting units/persons which were carrying out trade/commercial activities without permission.
- ❖ MCF and MCG should keep in view the Government of India notification to avail exemption of GST on eligible services in future.
- ❖ Municipalities should adhere to the State Governments orders prescribing threshold limit of rupees one lakh for all kind of purchases to be made through e-tendering without any splitting up of purchase orders.
- ❖ MCs should devise a mechanism to verify/ scrutinize the applications of beneficiaries properly in order to weed out duplicate applications so that double payments could be avoided in future. Further, excess payments made to the beneficiaries should be recovered without further delay.
- ❖ The department should have put the property under auction only after ensuring the clear title of the property and free from any court case.
- ❖ The provisions of Municipal Account Code, 1930 must be adhered to and due checks need to be exercised over the receipts and deposits by Municipal Corporation to avoid recurrence of any embezzlement.
- ❖ MCs needs to ensure to utilize the funds for the purpose for which these were received/sanctioned. Further, approval of the Government should be sought for utilization of such amount for a purpose other than as prescribed in sanction order, if any.

PART A: PANCHAYATI RAJ INSTITUTIONS

PART A: PANCHAYATI RAJ INSTITUTIONS

CHAPTER-I

PROFILE OF THE PANCHAYATI RAJ INSTITUTIONS

1.1 Introduction

The 73rd Constitutional Amendment accorded constitutional status to the Panchayati Raj Institutions (PRIs) and established a system of uniform structure, regular elections and regular flow of funds through Finance Commissions. As a follow up, the States were required to entrust these bodies with such powers, functions and responsibilities so as to enable them to function as institutions of local self-Government. In particular, the PRIs were required to prepare plans and implement schemes for economic development and social justice including those in relation to matters listed in the Eleventh Schedule of the Constitution of India.

The State Government enacted the Haryana Panchayati Raj Act, 1994 and framed the Haryana Panchayati Raj Rules, 1995 and the Haryana Panchayati Raj (Finance, Budget, Accounts, Audit, Taxation and Works) Rules, 1996 to enable these institutions to work as a third tier of the Government. Accounting structure as prescribed by the Comptroller and Auditor General (CAG) and Ministry of Panchayati Raj (MOPR), Government of India (GOI) has been adopted by the State Government and Annual Accounts (Receipts and Expenditure) are to be maintained by the PRIs accordingly.

1.2 Audit arrangement

The Director, Local Audit Department (LAD), Haryana is the statutory auditor and responsible for conducting the audit of PRI units. After conducting audit, Inspection Reports (IRs) are issued to the concerned PRIs.

The Eleventh Finance Commission (EFC) recommended that CAG of India should be entrusted with the responsibility of exercising control and supervision over proper maintenance of accounts and their audit for all the three tiers/levels of PRIs. Thirteenth Finance Commission (TFC) further recommended that the State Government must make arrangement for placement of Annual Technical Inspection Reports (ATIRs) of CAG before the State Legislature. The State Government entrusted (August 2008) the test audit of PRIs to CAG under Section 20 (1) of CAG's (Duties, Powers and Conditions of Service) Act, 1971. The State Government further notified (December 2011) that ATIR of CAG as well as Annual Report of LAD would be placed before the State Legislature. The Fourteenth Finance Commission (FFC) also recommended that the Technical Guidance and Support (TGS) arrangements by the CAG should be

continued and States should take action to facilitate local bodies to compile accounts and have them audited in time.

The State Government has complied with conditions of the *ibid* notification by placing ATIRs from 2009 to 2017 before the State Legislature, with the last placement (2016-17 Report) on 10 September 2018. Annual Audit Report of the Local Audit Department for the year 2015-16 was placed before the State Legislature on 27 February 2019. A separate Committee on Local Bodies and Panchayati Raj Institutions was constituted (May 2014) by the Haryana Vidhan Sabha for discussion of ATIRs and ATIRs upto 2016-17 have been discussed in Vidhan Sabha. However, 10¹ paragraphs were pending in the Committee for discussion.

The parameters of TGS to primary external auditors of PRIs viz; LAD (Statutory Auditor) for the purpose of strengthening public finance management and accountability in PRIs have been prescribed in Regulations 120 to 122 of the Regulations on Audit and Accounts, 2020, issued by the CAG of India under Section 23 of CAG's (DPC) Act, 1971.

In pursuit of the task of providing TGS to LAD, this office organised three training programme for officers/officials of Local Audit Department in February 2018, August 2018 and February 2019 on 'Certification of Annual Accounts of PRIs and Social Audit in present scenario', 'E-auditing system or paperless Auditing Techniques; Auditing of Contracts, outsourcing and Procurement' and 'Steps for Internal Audit for Government Department/ Corporation/Board, etc. strengthening thereof and audit of Public Private Partnership (PPP)' respectively.

Earlier, suggestions were made (January 2018) to LAD for improving the reporting system by following the structured reporting format containing preamble, facts of the case with evidences, quoting correct and appropriate orders/rules while framing audit observations. Further, it was suggested to take up the matter with appropriate authority for settlement of old outstanding paras and non-production of records by auditee units (January 2019).

Inspection Reports on audit of Zila Parishad Ambala, District Rural Development Agency Sirsa, Gurugram and Palwal; Block Development and Panchayat Officers²; XEN Panchayati Raj, Gurugram; were sent to LAD (January -June 2018 and January 2020) as an illustrative sample for their guidance. However, it was observed from 168³ Audit and Inspection Notes sent by LAD to this office that these suggestions/guidance are not being followed.

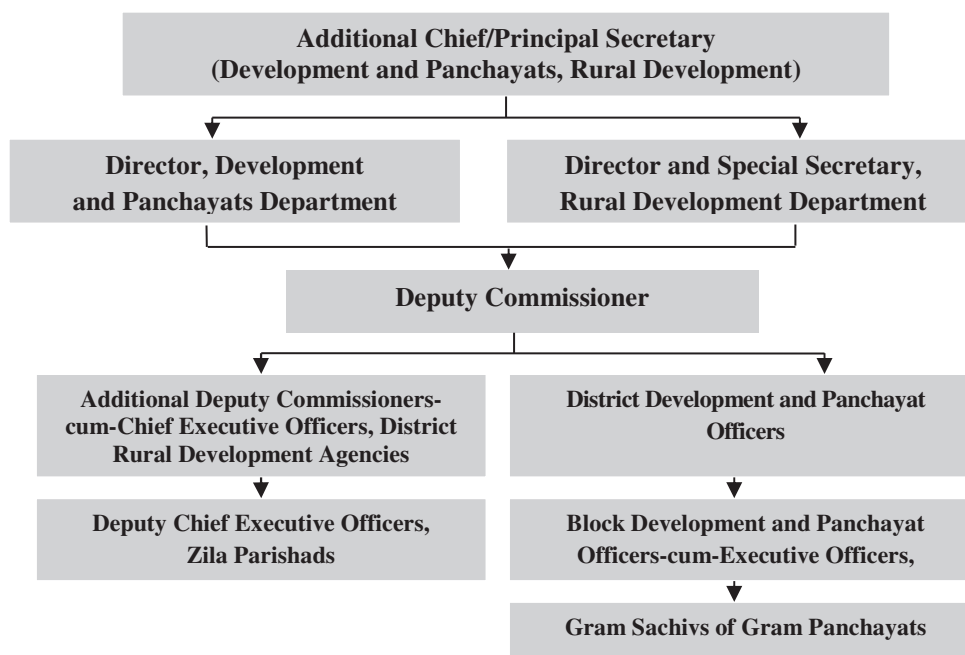
¹ 2011-12: Two, 2014-15: One, 2015-16: One and 2016-17: Six

² Dabwali, Murthal, Gohana, Ambala-1, Gannaur, Barara, Khol, Badagudha, Kharkhoda, Beri, Salhawas, Bahadurgarh, Gurugram, and Farukhnagar.

³ 2017-18: 76 and 2018-19: 92

1.3 Organisational structure of Panchayati Raj Institutions

As on March 2019, there were 21 Zila Parishads (ZP), 126 Panchayat Samities (PS) and 6,197 Gram Panchayats (GP) in the State. The President of ZP, Chairman of PS and the Sarpanch of GP are the elected members and head the ZPs, PSs and GPs respectively. The organisational structure of the State Government, Panchayati Raj Department and the PRIs at the ZP, PS and GP levels has been depicted below.



1.3.1 Standing Committees

The PRIs constituted Standing Committees to perform assigned functions. The details of Standing Committees of PRIs 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 Committees
Panchayat Samiti	Chairman	General Standing Committee	Looks after establishment matters, communication, building, rural housing, village extensions and relief.
		Finance, Audit and Planning Committee	Looks after the finance of the Panchayat Samiti, framing of budgets, co-operation, small saving scheme and any other function relating to the development plan of the block.
		Social Justice Committee	Looks after promotion of education, economic, social, and cultural and other interests of the Scheduled Castes and Backward Classes.
Gram Panchayat	Chairman	Production sub-committee	Looks after agriculture production, animal husbandry, rural industries and poverty alleviation programmes.
		Social justice sub-committee	Looks after promotion of education, economic, social, cultural, sports, games and other interests of the Scheduled Castes and Backward Classes and other weaker sections; and promotion of welfare of women and children.
		Amenities sub-committee	Looks after education, public health, public works and other functions of sub-committees of the Gram Panchayat.

1.3.2 Institutional arrangements for implementation of schemes

The PRIs have technical and non-technical staff. Against 5,760 sanctioned posts, 1,661 posts were lying vacant in these institutions as of 31 March 2020 (**Appendix I**). Vacant posts against sanctioned strength⁴ were mainly in cadres i.e. District Development and Panchyat Officer: 21 (48 per cent), Block Development and Panchyat Officer: 68 (48 per cent), Gram Sachiv: 737 (33 per cent), Clerks: 165 (40 per cent), Patwari: 40 (31 per cent), Executive Engineer: 13 (46 per cent), Sub-Divisional Engineer: 61 (41 per cent). In ZPs, against 269 sanctioned posts, 139 posts were lying vacant (**Appendix II**).

1.3.3 Devolution of functions

The 73rd Constitutional Amendment Act, 1992 envisaged devolution of funds, functions and functionaries to the PRIs to make them fiscally capable and autonomous. The State has devolved 21 out of 29 functions included in the Eleventh Schedule of the Constitution to PRIs as shown in **Table 1.2**.

Table 1.2: Details of functions transferred to PRIs

Sr. No.	Functions transferred to PRIs
1.	Agriculture, including agricultural extension
2.	Land improvement, implementation of land reforms, land consolidation and soil conservation
3.	Minor irrigation, water management and watershed development
4.	Animal husbandry, dairying and poultry
5.	Social forestry and farm forestry
6.	Minor forest produce
7.	Rural housing
8.	Drinking water
9.	Fuel and fodder
10.	Poverty alleviation programme
11.	Education, including primary and secondary schools
12.	Libraries
13.	Markets and fairs
14.	Health and sanitation, including hospitals, primary health centers and dispensaries
15.	Family welfare
16.	Women and child development
17.	Social welfare, including welfare of handicapped and mentally retarded
18.	Welfare of weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes
19.	Public distribution system
20.	Maintenance of community assets
21.	Bus Queue Shelter ⁵

⁴ Sanctioned Posts in cadres District Development and Panchyat Officer: 44, Block Development and Panchyat Officer: 140, Gram Sachiv: 2,237, Clerks: 416, Patwari: 130, Executive Engineer: 28, Sub-Divisional Engineer: 148.

⁵ Bus Queue Shelter function is partially devolved under function 'Roads, Culverts, Bridges, Ferries, Waterways and Other Means of Communication'.

1.4 Financial profile

1.4.1 Fund flow to PRIs

Source and custody of funds in PRIs

The resource base of PRIs consists of Own Revenue, State Finance Commission (SFC) grants, Central Finance Commission (CFC) grants, State Government grants and Central Government grants. While Central and State grants are utilised by the PRIs for execution of Central and State sponsored schemes as per the guidelines issued by Government of India (GOI) and State Government in this regard, own receipts of PRIs are utilised for execution of schemes/works formulated by the PRIs. The fund flow arrangements for major schemes are given in **Table 1.3**.

Table 1.3: Fund flow arrangements in major centrally Sponsored Schemes

Sr. No.	Scheme	Fund flow arrangements
1	Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA)	GOI and State Government transfer their respective shares of MGNREGA funds in a bank account, called State Employment Guarantee Fund (SEGF) which is set outside the State Accounts. Funds are released from SEGF to District Rural Development Agencies (DRDAs), BDPOs and GPs.
2	Pradhan Mantri Awas Yojna (PMAY(G))	The Pradhan Mantri Awas Yojna (Gramin) is a centrally sponsored scheme which is re-structured from Indira Awas Yojna, w.e.f. 1 st April 2016. Cost of unit assistance is to be shared between the GOI and the State Government in the ratio of 60:40. There shall be a minimum of three instalments and the construction of house should be completed within 12 months from the date of sanction. Funds from GOI and State Government are transferred to State Nodal account. Fund transfer order (FTO) is generated by BDPO from AwaasSoft, which is sent to State Nodal Bank by Public Financial Management System (PFMS) and Funds are credited to beneficiary account.
3.	National Rural Livelihoods Mission (NRLM)	Deen Dayal Antodya Yojana (DAY)-NRLM is a centrally sponsored flagship programme for poverty reduction in the rural area through building strong institutions e.g. Self Help Group (SHG), Village Organizations (VO) and Cluster level Federations (CLF) of the poor and enabling these institutions to access a range of financial services and livelihood services. It is funded on sharing basis between the GOI and the State Government in the ratio of 60:40. There are four initiatives launched under this scheme i.e. Mahila Kisan Sashaktikaran Pariyojana (MKSP), Start-up Village Entrepreneurship Programme (SVEP), Aajeevika Grameen Express Yojana (AGEY) and Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY). GOI and State Government transfer their respective shares of NRLM funds in a separate bank account of State Rural Livelihood Mission (SRLM, an autonomous body under Rural Development Department and incorporated as society) allocates at District level.
4	Swachh Bharat Mission (Rural)	Under this scheme, funds are shared in the ratio of 60:40 between the Centre and State Government for construction of Individual Household Latrines (IHHL). On receipt of funds from GOI, the State releases the grants along with its share to district implementing agency (DRDA). The Gram Panchayat concerned provides information about beneficiaries with necessary details to the BDPO and DRDA which in turn release the assistance to the beneficiaries.

1.4.2 Resources and utilisation of funds

The resources and utilisation of funds of PRIs for the period from 2014-15 to 2018-19 are detailed in **Table 1.4**.

Table 1.4: Time series data on resources and utilisation of funds of PRIs

(₹ in crore)

Particulars	2014-15		2015-16		2016-17		2017-18		2018-19	
	R	E	R	E	R	E	R	E	R	E
Own Revenue	411.54	411.54	282.06	282.06	277.85	277.85	400.02	400.02	520.38	520.38
CFC transfers (Central Finance Commission devolutions)	284.06	284.06	419.28	419.28	656.72	656.72	756.98	756.98	775.99	755.99
SFC transfers (State Finance Commission devolutions)	199.99	199.99	150.00	150.00	312.45	312.45	455.00	455.00	631.15	631.15
Grants for CSS (Centre and State Share)	508.03	421.69	363.15	271.68	557.54	482.08	336.75	300.15	814.51	636.57
State Government grants for state schemes	340.15	340.15	389.10	389.10	638.40	636.10	821.95	797.88	582.60	582.60
Total	1,743.77	1,657.43	1,603.59	1,512.12	2,442.96	2,365.20	2,770.70	2,710.03	3,324.63	3,126.69

Note: R: Receipt and E: Expenditure

Source: Director, Development and Panchayats Department, Haryana and Director, Rural Development Department Haryana

1.5 Accounting arrangement

The Deputy Chief Executive Officer is responsible for maintenance of accounts of the ZPs, Block Development and Panchayat Officer-cum-Executive Officer Panchayat Samiti (BDPO-cum-EOPS) with the assistance of Accountant maintains the accounts of Panchayat Samitis (PSs) while Gram Sachiv/Secretary maintains accounts of GPs.

State Government has adopted Model Accounting Structure 2009 developed by the Ministry of Panchayati Raj (MOPR) in consultation with the Comptroller and Auditor General (CAG) w.e.f. April 2010. The Director, Development and Panchayats Department stated (August 2016) that all the tiers of PRIs are maintaining their accounts in PRIASoft, a software which is based on Model Accounting Structure, 2009.

1.6 Audit coverage

The records of accounts of 10⁶ ZPs out of 21, 68⁷ PSs out of 126 and 621⁸ GPs out of 6,197 were test-checked during the years 2017-18 to 2018-19 (*Appendix III*). The important audit findings are discussed in Chapter-II.

⁶ 2017-18: {(i) Ambala, (ii) Rewari, (iii) Sirsa, (iv) Bhiwani and (v) Sonipat}, 2018-19: {(i) Hisar, (ii) Fatehabad, (iii) Yamunanagar, (iv) Panchkula and (v) Karnal}

⁷ 2017-18: 35 and 2018-19: 33

⁸ 2017-18: 316 and 2018-19: 305

1.7 Outstanding Inspection Reports and Paragraphs

The PRIs are required to comply with the observations, contained in the Inspection Reports (IRs), issued by the Principal Accountant General (Audit), Haryana and rectify the defects/omissions and/or report their compliance/response.

The details of inspection reports (IRs), paragraphs issued and outstanding as on September 2019 (Paragraphs settled upto February 2021) are shown in **Table 1.5**.

Table 1.5: Outstanding IRs/Paragraphs of PRI

Year of issue of Inspection Reports	Opening balance of outstanding audit objection		Addition		Total		No. of IRs/ paras settled		No of IRs/Paras outstanding as of September 2019	
	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
2014-15	234	1,745	43	307	277	2,052	09	149	268	1,903
2015-16	268	1,903	46	271	314	2,174	51	890	263	1,284
2016-17	263	1,284	52	326	315	1,610	6	84	309	1,526
2017-18	309	1,526	61	432	370	1,958	2	90	368	1,868
2018-19	368	1,868	61	436	429	2,304	0	152	429	2,152
	Total		263	1,772	Total		68	1,365		

The number of outstanding paragraphs has increased from 1,526 (March 2017) to 2,152 (March 2019). The pendency of paragraphs is indicative of lack of due attention which undermines accountability.

CHAPTER -II
Results of Audit of Panchayati Raj Institutions**Development and Panchayats Department****2.1 Management of Assets in Panchayati Raj Institutions****2.1.1 Introduction**

Main assets of Panchayati Raj Institutions (PRIs) are land properties situated within the Panchayat areas and whose ownership is vested in them. All lands vested or deemed to have been vested in Panchayats under the Punjab Village Common Lands (Regulation) Act 1961 and are to be utilized and disposed of by Panchayats for the benefit of the inhabitants of those villages. The PRIs are empowered to generate income from these properties. PRIs generate income by leasing land properties, ponds, ferry ghats, renting of shops and other buildings situated in PRI areas, etc. Apart from the land properties, PRIs have other assets acquired or created from their own funds or funds received from the Government.

The Additional Chief Secretary /Principal Secretary to Government of Haryana, Development and Panchayats Department is the administrative head of the Department at Government level. The Director, Development and Panchayats is the departmental head and is responsible for monitoring the affairs of PRIs through District Development and Panchayat Officers (DDPOs) at district level and Block Development and Panchayat Officers (BDPOs) at block level.

With a view to assessing the creation, utilization and maintenance of assets of PRIs, records of Directorate of Development and Panchayats Department along with offices of DDPO, Zila Parishads, BDPO, Executive Engineers (Panchayati Raj) of five¹ districts along with 282 selected Gram Panchayats (GPs) for the period 2016-19 were test checked during February- December 2019. The details of test checked GPs are given in **Appendix-IV**. The audit findings are discussed in succeeding paragraphs.

2.1.2 Non-maintenance of Asset Registers

As per provisions of Rule 12 of Haryana Panchayati Raj Rules 1995, GPs were required to maintain Register of Immovable Properties in Form (xiii) and Register of Movable Properties in Form (xiv).

Scrutiny of records of test checked GPs revealed that aforesaid Registers were not maintained by any of the test checked GPs. In the absence of Asset Registers, position of availability of assets and their proper utilisation could

¹ Karnal, Kurukshetra, Jhajjar, Gurugram and Sirsa.

not be ascertained in Audit. Chances of their misappropriation, non-utilisation or mis-utilisation cannot be ruled out.

On being pointed out by Audit, the concerned BDPOs admitted (March to November 2019) the lapse and ensured that the proper Asset Registers would be maintained in future.

Recommendation: BPDOs need to ensure that proper asset registers should be maintained to avoid misappropriation of assets and their effective utilisation.

2.1.3 Village common land

According to the Punjab Village Common Lands (Regulations) Act 1961, the Panchayats may make use of the *shamlat*² land vested in them for various purposes.

2.1.3.1 Loss of revenue due to non-leasing of land

The GPs were expected to lease out their land, which was not being utilized for common purpose of the villagers, for generating revenue. Scrutiny of records of BDPOs revealed that 18 GPs out of 32 test checked BDPOs had not leased out the entire cultivable land, some portion of land was not leased out for intermediate periods and in some villages the land was not given on lease for periods up to five years. Due to this, GPs could not generate revenue of ₹ 100.77 crore (***Appendix-V***) during the period 2013-19.

On being pointed out by Audit, concerned BDPOs stated (September - December 2019) that necessary action would be taken after investigating the matter.

2.1.3.2 Irregular leasing of more than 10 acres land to single persons

Rule 6 (2) of the Punjab Village Common Land Rules 1964, also applicable in Haryana, stipulates that the maximum area of *Shamlat* land to be leased to a person for cultivation shall not exceed 10 acres at any time.

Seven GPs in five Blocks leased cultivable lands to 11 persons in excess of 10 acre in each case during 2016-19 (***Appendix-VI***). More persons could have been given land on lease, had these Rules been followed by GPs. This tantamount to extending undue favour to the lessees. On being pointed out by Audit, concerned BDPOs stated (July - November 2019) that due care would be taken in this regard in future.

² *Shamlat*: Land reserved for benefits of village community including streets, lanes, playgrounds, schools, drinking wells or ponds situated within sabha area.

2.1.3.3 Non-leasing of land to members of Scheduled Castes

Rule 6 (1) (a) of the Punjab Village Common Land Rules 1964, also applicable in Haryana, prescribes that out of the land proposed to be leased for cultivation, 30 *per cent* land should be reserved for giving on lease by auction, to members of the Scheduled Castes.

Scrutiny of record revealed that in three GPs, though the cultivable land was leased out but no land was reserved for giving on lease to members of SC category as per details given in **Table 1**. In Joniyawas village of Farukhnagar Block, only four kanal land was leased to a Scheduled Caste person as against the availability of 104.20 kanal land for leasing. This was less than the prescribed 30 *per cent* of total cultivable land.

Table1: Details showing non-leasing of land to members of Scheduled Castes

BDPO	Name of GP	Year	Cultivable land
Bahadurgarh	Matan	2015-17	20 acre
Gurugram	Dharampur	2016-19	12 acre 2 kanal
Sohna	Samarthla	2016-19	25 acre 11 kanal 4 marla

Thus, non-compliance of the aforesaid rules deprived the members of Scheduled Caste of intended benefits of taking the Panchayat land on lease. On being pointed out by Audit, BDPOs concerned stated (September to December 2019) that due care would be taken in this regard in future.

Recommendation: GPs should make strenuous efforts to lease out the cultivable land to avoid revenue loss and should be leased out as per policy so that everyone gets fair opportunity.

2.1.3.4 Non-utilisation of land

Gram Panchayat, Alipur Khalsa under the BDPO-cum-EOPS, Gharaunda passed (June 2013) a resolution to lease its land to the Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL) for construction of 33KV sub-station. In the lease register of the GP for the year 2016-17, plot number five was shown as given on lease to the UHBVNL. Further, the lease money of this land was also not being received by the GP as no record of receipt of lease money from UHBVNL was available with the GP.

The UHBVNL requested (July 2018) the Sub-Divisional Magistrate, Gharaunda for clearance of waste and industrial disposal from the land of proposed 33KV sub-station. Construction of the Sub-station had not been started. Thus, the Panchayat land was lying unutilised without receipt of any lease money from UHBVNL. It was observed that no efforts were made by GP to recover the lease money from UHBVNL.

On being pointed out in audit, the concerned BDPO replied (March 2019) that the matter would be investigated.

2.1.3.5 Recoverable lease money of ponds

The village ponds were given on lease with the condition that the lessee shall deposit the annual lease money for subsequent years on or before the due date, failing which the lease shall automatically stand cancelled and the security forfeited.

Audit observed that lease money amounting to ₹ 4.04 lakh was outstanding against lessee in five test checked GPs as per details given below:

BDPO	Name of GP	Lease period	Period of recovery	Recoverable amount (₹ in lakh)
Nissing	Motia	October 2010-October 2020	October 2011 to February 2018	0.84
Gharaunda	Upli	November 2009-November 2019	November 2016 to February 2019	0.77
Nilokheri	AbliaGajir	April 2012-March 2019	April 2018 to March 2019	0.63
Beri	Baghpur	August 2017- August 2025	August 2018 to August 2019	0.80
Farukhnagar	ShekhpurMajri	May 2015 to April 2022	May 2018 to April 2019	1.00
Total				4.04

In case of GPs Upli, Shekhpur Majri and Ablia Gajir, notices were issued (September 2018 and May 2019) to lessees but in respect of GPs, Baghpur and Motia notices had not been issued. As per terms and condition of lease, the lease was required to be cancelled and security money forfeited. But these GPs had not cancelled the leases. Had the GPs cancelled lease timely and leased the ponds, GPs would have earned revenue of ₹ 4.04 lakh.

Recommendation: GPs needs to ensure that if lease money of ponds is not received in time then lease may be cancelled and security money forfeited.

2.1.3.6 Non-distribution of annuity to Gram Panchayats

An amount of ₹ 10,000 per acre per year is paid by the State Government as annuity of 100 square yard plots to the GPs whose land was acquired under Mahatma Gandhi Gramin BastiYojana.

Audit observed that 14 BDPOs in three districts received ₹ 552.25 lakh from DDPOs during the period 2014-19 but out of this amount, only ₹ 191.64 lakh was disbursed to the GPs. Remaining amount of ₹ 360.61 lakh (**Appendix-VII**) was lying undisbursed with BDPOs (January to December 2019). Neither BDPO offices distributed the amount of annuity in full to the GPs nor the GPs made any efforts to get the annuity amount from the BDPO offices. Due to non-disbursement of annuity, the GPs were deprived of the benefit of compensation provided by the Government.

Similarly, DDPO, Karnal refunded (June 2018) annuity amount of ₹ 84.38 lakh including interest of ₹ 24.33 lakh meant for GPs to the Chief Administrator, Haryana Rural Development Authority without recording any reasons. This also deprived the concerned GPs from the benefit of annuity provided by Government.

The DDPO, Karnal stated (January 2019) that the amount was refunded on the directions of the Government. Audit observed that the Government had sought the refund of unspent balance of the annuity amount. However, in the instance cases the DDPO Karnal had not distributed the amount of annuity to the BDPOs for further disbursement to concerned GPs because of which the funds remained unspent with the DDPO. Thus, due to the refund of amount of annuity, the GPs were deprived of the benefit of annuity provided by the Government.

Recommendation: On receipt of Annuity amount from DDPOs, each BDPO should immediately transfer such amount to the concerned GPs.

2.1.4 Buildings and Shops

As per provision contained in Rule 21 of Haryana Panchayati Raj Rules 1995, a Panchayat Samiti may lease out any public property or place. Similarly, a Zila Parishad may lease out immovable property subject to the provisions contained in Section 144 of Haryana Panchayati Raj Act, 1994. Further, Section 201 of Haryana Panchayati Raj Act, 1994 stipulates that the collector shall recover any sum due under this Act except fine in criminal cases as if it were arrears of land revenue.

2.1.4.1 Revenue loss due to non-leasing of building and shops

Zila Parishad, Karnal (ZPK) had not leased out basement hall and two shops since April 2013. The Executive Engineer, Panchayati Raj, Karnal estimated rent of ₹ 22,703 of the basement hall and ₹ 5701 for each shop per month. Zila Parishad did not make any efforts to auction to rent out the shops and basement hall. Had the basement hall and shops been rented out, the ZPK would have earned ₹ 23.87 lakh as rent during the period from April 2013 to January 2019. Similarly, a building of ZPK situated at Nayaypuri had not been rented out since August 2017. It was earlier rented out at ₹ 55,962 per month. Had efforts been made to rent it out, ZPK would have earned ₹ 9.51³ lakh as rent during the period from September 2017 to January 2019. Thus, ZPK suffered a revenue loss of ₹ 33.38 lakh due to not renting out its properties.

³ Earlier rented out at ₹ 55,962 per month and Period for which building remained vacant (not rent out) = September 2017 to January 2019 (total 17 months).
Total amount which could have been earned by rent/leased out the building =
₹ 55,962 x 17 = ₹ 9,51,354

On being pointed out by Audit, the Chief Executive Officer, Zila Parishad, Karnal stated (February 2019) that efforts were being made to lease out the properties. It was also added that the properties would be leased out as and when the Zila Parishad gets reasonable rental price.

2.1.4.2 Outstanding rent of shops/buildings

Rule 43 (2) of the Haryana Panchayati Raj Finance, Budget, Accounts, Audit, Taxation and Works Rules, 1996 prescribes that no amount due to Panchayat Samiti or Zila Parishad shall be left outstanding without sufficient reasons.

An amount to ₹ 76.48 lakh was outstanding on account of rent against tenants and occupants of the 165 shops and five buildings of nine BDPOs and one Zila Parishad as detailed below:

District	Panchayat Samiti/ Zila Parishad	Number of shops	Number of buildings	Outstanding rent (₹ in lakh)
Karnal	Nissing	24	Nil	23.05
	Nilokheri	22	Nil	5.87
	Indri	01	03	2.74
	Karnal	06	Nil	0.50
	ZP Karnal	Nil	02	5.44
Jhajjar	Bahadurgarh	20	Nil	8.09
	Matanhail	07	Nil	4.38
Gurugram	Sohna	25	Nil	4.61
Kurukshetra	Ladwa	51	Nil	16.76
Sirsa	Sirsa	09	Nil	5.04
Total		165	05	76.48

Audit observed that PRIs had not taken adequate steps to recover the rent as arrear of land revenue as per provision of Panchayati Raj Act. On being pointed out during audit (March 2019 to December 2019) concerned BDPOs and CEOs stated that outstanding rent would be recovered soon.

Recommendation: Building and shops should be leased out regularly with periodical revision of rent of the properties. Further, strenuous efforts should be made to recover outstanding rent.

2.1.5 Creation of other assets

2.1.5.1 Bharat Nirman Rajiv Gandhi Sewa Kendra

Bharat Nirman Rajiv Gandhi Sewa Kendras (BNRGSK) were to be constructed at Gram Panchayats and Block levels under MGNREGS to strengthen the infrastructure to implement the Mahatma Gandhi National Rural Employment Guarantee Act effectively and efficiently.

Para 1.7 of Manual on BNRGSK for Block and Panchayat level stipulates that the quality of construction and timely completion of BNRGSK building is the responsibility of the District Programme Coordinator (Deputy Commissioner).

Construction of buildings of BNRGSKs in 12 villages under four BDPOs were not completed even after incurring an expenditure of ₹ 84.84 lakh as per details given below:

District	Name of BDPO	Name of village	Year of sanction	Sanctioned amount	Expenditure
				(₹ in lakh)	
Jhajjar	Salhawas	Bithla, Chandoul and Jaitpur	2013-14 and 2016-17	50.49	11.29
	Bahadurgarh	Chhudani and Kharmaan	2012-13 and 2013-14	20.00	12.03
	Matanhail	Redhuwas, Amdal Shahpur, Bilochpura, Jhanswa, Sasrauli and Bhindawas	2012-13 and 2013-14	77.13	55.53
Sirsa	Dabwali	Mathdadu	2012-13	10.00	5.99
Total				157.62	84.84

On being pointed out by Audit, Assistant Block Program Officers, MNREGA, Salhawas, Bahadurgarh and Matanhail stated (August 2019 to September 2019) that due to not taking keen interest by newly elected Sarpanches, BNRGSKs could not be completed. Audit is of the opinion that the concerned District Programme Coordinator should have taken proper action for completion of the BNRGSKs.

Further, it was observed that building of BNRGSK, Beri, was constructed during 2010-11 at a cost of ₹ 25 lakh and was also put to use. However, the building was damaged during an agitation in February 2016. After that the building was not being utilized. No efforts were made to repair the building to put it to use. No reasons for not getting the building repaired for such a long period were on record. Thus, the building was lying without use for want of repair. In the reply BDPO, Beri stated (July 2019) that the building would be utilized after necessary repair.

Recommendation: District Programme Coordinator should co-ordinate with the concerned BDPO/GP to get the BNRGSKs to be completed in time.

2.1.5.2 Solid and Liquid Waste Management Projects

One of the objectives of the Swachh Bharat Mission (Gramin) is to bring about improvement in the cleanliness, hygiene and the general quality of life in rural areas. As per guidelines of State Government (November 2015), the Solid and Liquid Waste projects were to be completed within three to four months of release of funds to the executing agency. Further, funds should not remain unutilized for more than three to four months. Audit observed that implementation of project was not efficient as discussed below:

(i) Government sanctioned 74 projects for construction of Solid Waste Management and Liquid Waste Management for Gurugram and Jhajjar

Districts at an estimated cost of ₹ 19.17 crore. Out of these projects, 20 projects were completed and 54 projects remained incomplete as per details given below:

Executive agency	Year of sanction	Total projects	Completed projects	Incomplete projects	Expenditure on incomplete projects (₹ in lakh)
Executive Engineer (Panchayati Raj), Gurugram	2014-16	56	17	39	370.83
Executive Engineer (Panchayati Raj), Jhajjar	2014-15	18	3	15	82.31
Total		74	20	54	453.14

On being pointed out, Executive Engineer (Panchayati Raj), Gurugram stated (October 2020) that the projects remained incomplete due to non-availability of funds. Thus, expenditure of ₹ 4.53 crore incurred on incomplete projects remained unfruitful.

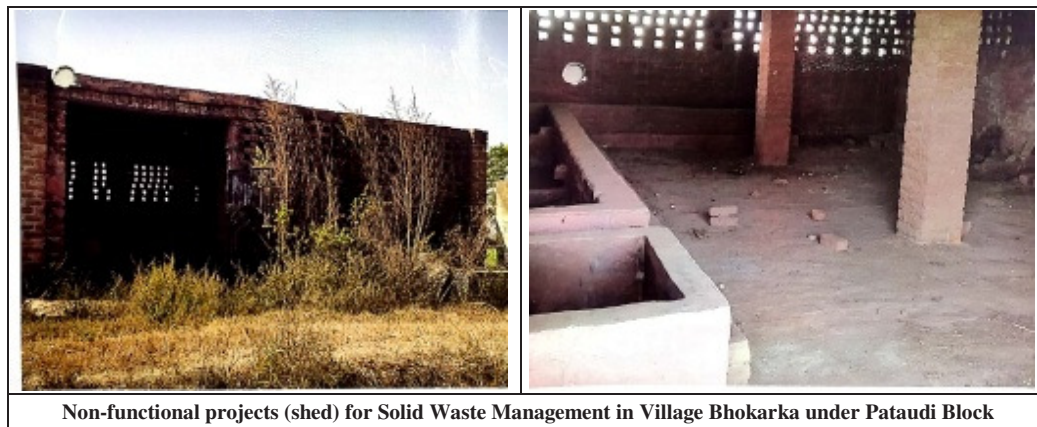
(ii) District Rural Development Agency (DRDA), Karnal released (2016-17 and 2017-18) funds of ₹ 2.53 crore to 33 GPs and the Executive Engineer (Panchayati Raj), Karnal for construction of 33 Solid and Liquid Waste Projects but construction of these projects remained incomplete as of January 2019.

(iii) Under Solid Liquid Waste Management Project, work of four ponds in village Judola (Farukhnagar Block) at a cost of ₹ 29.99 lakh and another work of three ponds and one shed in village, Joniyawas (Farukhnagar Block) at a cost of ₹ 33.38 lakh were executed by the Executive Engineer, Panchayati Raj, Gurugram during 2016-17 and 2017-18 respectively. Physical inspection of these works along with concerned Sarpanches of GPs revealed that the aforesaid projects in both the villages were non-functional. In both cases, the liquid waste was spreading on the adjacent land instead of falling in ponds constructed under the project. The Shed constructed under this project was meant for segregation of garbage for disposal. It was observed that no activity of garbage collection and segregation was being carried out in the shed as shown in pictures below:



Non-functional projects (shed) for Solid Waste Management in village Joniyawas under Farukhnagar Block

(iv) A shed for Solid Waste Management was constructed by Gram Panchayat, Bhokarka under BDPO, Pataudi at a cost of ₹ 2.52 lakh during 2013-15. Audit observed that no efforts were made by GPs for collection, segregation and safe disposal of solid waste. Even after five years, the shed was lying unutilised and not being used for the specified purpose, rendering the expenditure of ₹ 2.52 lakh as unfruitful.



Non-functional projects (shed) for Solid Waste Management in Village Bhokarka under Pataudi Block

Recommendation: The department should make efforts to complete these pending Solid Liquid Waste Management Projects at the earliest and make them functional to achieve the desired objectives.

2.1.5.3 Irregularities in purchase of building material

2.1.5.3.1 Purchase of building material at higher rates

As per guidelines of Government regarding execution of development works issued in December 2012, a Committee headed by the Deputy Commissioner and consisting of DDPO, Executive Engineer (Panchayati Raj) and the District Food and Supplies Controller was to fix the rates for various items, block-wise, valid for three months. As far as possible, the Committee was to follow the rates approved by the Director, Supplies and Disposal. Thereafter, the rates were to be revised, if necessary, and while revising the rates, the rates of adjoining districts/blocks were to be kept in view.

Scrutiny of records of test checked Panchayat Samitis and GPs revealed that 21 Panchayat Samitis/ GPs made purchases between January 2015 and May 2019 of building materials for different works at higher rates than the rates fixed by the Committee headed by the Deputy Commissioners of the concerned districts. The purchases of building material at higher rates resulted in extra expenditure of ₹ 7.74 lakh (***Appendix-VIII***). BDPO, Nilokheri replied (January 2020) that recovery of excess amount of ₹ 0.33 lakh from concerned firms had been made and deposited in the Government Account while other BDPOs stated (July 2019 to December 2019) that necessary action would be taken after investigation of the matter.

Recommendation: The PRIs should adhere to the rates of purchase of building material finalized by District Level Committee.

2.1.5.3.2 Extra payment of GST on purchase of building material

Deputy Commissioner, Gurugram prescribed (July 2017) rates inclusive of GST *inter-alia* of steel, ready mix-concrete (RMC), paver blocks to be purchased for developmental works of villages. Audit observed that in respect of five GPs/ Panchayat Samiti, the suppliers applied the prescribed rate and also added the GST in the bills, whereas the rates fixed by the DC were inclusive of GST. This resulted in overpayment amounting to ₹ 2.62 lakh to the suppliers as per details given below:

Sr. No.	Name of the BDPO & GP	Bill No & Date/voucher	Name of Items purchased	Amount paid	Amount due	Over-payment
				(₹ in lakh)		
1	BDPO, Pataudi	545 dated 13 June 2019	Steel	2.41	2.04	0.37
2	BDPO, Sohna (GP Sarmathla)	75 dated 11 September 2018	RMC	6.70	5.67	1.03
3	BDPO, Sohna (Panchayat Samiti)	1153 dated 20 June 2019	Steel	2.00	1.69	0.31
4	BDPO, Sohna (Panchayat Samiti)	23 & 24 dated 8 January 2018, 91 dated 5 October 2018	RMC	4.66	3.95	0.71
5	BDPO, Sohna (GP-Hariyaha)	13 dated 13 November 2017	Paver blocks	2.47	2.27	0.20
Total						2.62

The concerned BDPO stated (December 2019) that the amount would be recovered from the concerned firms.

2.1.5.3.3 Overpayment on account of incorrect totalling of bills

GP Bhokarka under BDPO Pataudi purchased building material viz, stone metal, stone dust, rodi, bricks, inter-locking blocks etc during March-May 2019 through seven⁴ bills. Total of these bills works out to ₹ 2.83 lakh but payment of ₹ 3.40 lakh was made to the suppliers. It was observed that totalling of amount of bills was incorrect resulting in overpayment of ₹ 0.57 lakh to the suppliers.

The concerned BDPO stated (December 2019) that the amount would be recovered after investigation.

2.1.6 Liquid assets

2.1.6.1 Non-recovery of cash in hand from ex- Sarpanches

Section 18 (2) of the Haryana Panchayati Raj Act, 1994 (the Act, 1994) provides that BDPOs may, within a period of seven days prior to the publication of election programme of the GP or in the event of suspension or

⁴ Bill no & Date: (i) 183 dated 16 March 2019, (ii) 184 dated 16 March 2019, (iii) 378 dated 01 May 2019, (iv) 379 dated 01 May 2019, (v) 380 dated 01 May 2019, (vi) 381 dated 01 May 2019 and (vii) 382 dated 01 May 2019

removal of Sarpanch or Panch, order to handover the records, register and other property to the person authorized for the custody of the record and property. Further, if any person fails to hand over the record or property to a person authorized by the BDPO under section 18 (1) or section 18 (2) of the Act, as the case may be, the BDPO shall apply to an Executive Magistrate for securing such records and property from the person so that it can be handed over to authorized person {Section 18 (3)}.

Scrutiny of the records of test checked GPs revealed that cash balances amounting to ₹ 18.86 lakh were not handed over by 93 ex-Sarpanches/Panches of 56 GPs (*Appendix-IX*) to the authorized persons i.e. Sarpanches or Panches, Social Education Panchayat Officer or *Gram Sachiv*. These cases are prior to April 2016. Appropriate action to recover the amount as provided for in the Haryana Panchayati Raj Act, 1994 was not taken against the defaulting ex- Sarpanches/ Panches.

2.1.6.2 Recoverable amount due to delay or non-deposition of cash in hand

Rule 11(3) of the Haryana Panchayati Raj Finance, Budget, Accounts, Audit, Taxation and Works Rules, 1996 (the Rule, 1996) prescribes that a sum not exceeding ₹ 25,000 may be kept in the custody of the *Sarpanch* as cash in hand. The *Sarpanch* shall be liable to pay interest at the rate of 21 *per cent* per year on the sum kept by him as cash in hand beyond the prescribed limit. Further, Rule 16(2) prescribe that at the close of the day while signing the Cash Book, the Gram Sachiv, should see that the receipts collected during the day are credited into the bank or treasury on the same day or on the morning of the following working day.

Sarpanches of 12 GPs under six BDPO-cum-EOPS retained cash in hand ranging from ₹ 0.34 lakh to ₹ 6.57 lakh beyond prescribed amount during the period from April 2016 to September 2019 (*Appendix-X*). A sum of ₹ eight lakh was recoverable as interest from the *Sarpanches* of respective Blocks due to retention of cash in hand beyond the prescribed limits. In the reply, concerned BDPOs stated (March to December 2019) that interest amount would be recovered as per rules.

Recommendation: The department needs to ensure that GPs should comply with the rules and make efforts to recover interest amount.

2.1.7 Conclusions

Management of assets in PRIs was not efficient as Asset Registers were not maintained by PRIs, in the absence of which availability of assets with PRIs and their utilisation could not be ascertained. Land was not leased out for cultivation by 18 GPs leading to revenue loss of ₹ 100.77 crore. Adequate action was not taken for recovery of lease money of ponds. Buildings and shops of Zila Parishad, Karnal (ZPK) were not given on rent resulting in loss

of revenue of ₹ 33.38 lakh. Efforts for recovery of rent of shops and building were lacking as rent of ₹ 76.48 lakh payment was outstanding against lessees. Benefit of annuity of ₹ 4.02 crore was not passed on to GPs by BDPOs. Construction of 12 BNRGSKs was not completed even after spending ₹ 84.84 lakh. Implementation of Solid and Liquid Waste Management Projects was not efficient as a number of projects remained incomplete and some completed projects were not in working condition. PRIs purchased building material at higher rate leading to extra expenditure of ₹ 7.74 lakh. A sum of ₹ 18.86 lakh remained unrecovered from 93 ex-Sarpanches/Panches. Further, GPs kept cash in hand in excess of prescribed limits.

These points were referred (September 2020) to the Principal Secretary to Government of Haryana, Development and Panchayats Department, and Rural Development Department; the reply was awaited (February 2021).

2.2 Release of Performance Grants to Gram Panchayats without fulfillment of eligibility conditions

Under paragraph 13 of the guidelines of Fourteenth Finance Commission (FFC) issued by Government of India (GOI) in October 2015, the detailed procedure and the operational criteria including quantum of incentives to be given for disbursement of performance grant to the Gram Panchayats (GP) has been prescribed which inter-alia stipulates that quantum of incentive would be decided by the State Government concerned subject to the following eligibility conditions:

- i. GP will have to submit audited accounts that relate to an year not earlier than two years preceding the year in which the Gram Panchayats seeks to claim the performance grant.
- ii. The GP will have to show an increase in their own revenues over the preceding year as reflected in the audited accounts.

Scrutiny of the records of the Director, Development and Panchayats Department revealed that the Performance Grant amounting to ₹ 76.15 crore received (January 2017) from GOI was released to 6,205 GPs without the fulfilment of eligibility conditions i.e. submission of audited accounts and increase in own revenues of GPs. Thus, the performance grant amounting to ₹ 76.15 crore was released to GPs in violation of FFC guidelines.

On being pointed out, the Director, Development and Panchayats Department stated (May 2018) that due to non-receipt of report/information regarding eligibility of GPs for Performance Grant, grants were released to all GPs on the basis of population (90 *per cent*) and area (10 *per cent*) as per FFC recommendations. Audit observed that the criteria of population and area adopted by the department were to be followed in respect of distribution of basic grants and not for distribution of performance grants. The performance grant released to the GPs was in violation of guidelines and, thus, irregular.

The matter was referred (January 2018) to the Principal Secretary to Government of Haryana, Development and Panchayats Department for comments, whose reply was awaited (February 2021).

Recommendation: The Department should ensure to release the performance grants as prescribed in 14th Finance Commission recommendations.

2.3 Purchases made on quotation basis instead of e-tendering

With the objective of introducing uniformity in the procurement processes and enhancing efficiency and transparency in procurement systems, Government of Haryana decided (June 2015) that all purchase of goods and store, works and services of Government departments should be made by using a single web portal and also directed that all department must ensure switching over to e-tendering by July 2015. Further, the Government fixed (June 2016) as minimum threshold value of e-tendering as ₹ one lakh in respect of procurement of stores/goods/ works/services in the State in each case (without any splitting of order). The Chief Engineer, Panchayati Raj conveyed (June 2016) the decision to all Superintending Engineers of Panchayati Raj.

2.3.1 Purchase made on quotation basis instead of e-tendering

Scrutiny of the records of the Executive Engineer, Panchayati Raj, Hisar revealed that an expenditure of ₹ 20.96 lakh was incurred on procurement of black granite for preparation of *Gaurav Patts* for 85 villages in January 2018 on quotation basis instead of e-tendering which was in contravention of *ibid* decision of the Government. Thus, purchases of ₹ 20.96 lakh were made without following the system of e-tendering and the objective of Government of enhancing efficiency and transparency in procurement systems remained unachieved.

On being pointed out, the Executive Engineer, Panchayati Raj, Hisar stated (June 2018) that the work relates to each GPs and one *Gaurav Patt* was to be constructed in each village. It was also added that these petty works started departmentally and a comprehensive reply would be submitted. The reply is not acceptable as the purchase on quotation basis was in contravention of Government decision as purchases above ₹ one lakh were to be made by using web-portal.

2.3.2 Irregular allotment of work

Scrutiny of the records of Block Development and Panchayat Officer (BDPO), Uklana revealed that the Gram Panchayats (GPs) Budha Khera passed a resolution for “Installation of dustbins at various places in the village” in September 2015. Thereafter, the work was executed and payment of ₹ 7.12 lakh was made to the agency (October 2015). Scrutiny of records revealed that out of three quotations, one quotation was collected in May 2015

i.e. before passing the resolution (September 2015) in Gram Sabha and another one was collected (November 2015), after making the payment to the contractor. Third quotation was obtained in October 2015 from M/S Krishan Steel and Wooden Industries, who executed the work. Thus, the quotations were not collected in a transparent manner.

GP Bheri Akbarpur executed the work 'Demarcation of village' and paid ₹ 5.17 lakh to the contractor (20 August 2017). Scrutiny of records revealed that the quotations for the work were collected from 17 to 19 August 2017 while actually the work was executed from 25 June 2017 to 10 August 2017. This shows that quotations were collected after completion of the work which was irregular.

The Block Development and Panchayat Officer (BDPO), Uklana stated (June 2018) that these matters would be investigated.

These points were referred (June 2018) to the Principal Secretary to Government of Haryana, Development and Panchayat Department; reply was awaited (February 2021).

Recommendation: The department should adopt e-tendering while allotting the work with threshold limit of ₹one lakh.

2.4 Non-recovery and non-payment of Service Tax

As per Section 65(105) (zzzz) of the Finance Act 1994, the term 'taxable service' for renting of immovable property means any service provided or to be provided to any person, by any other person in relation to renting of immovable property for use in the course of furtherance of business or commerce. Section 66B prescribes levy of service tax at prescribed rates on the value of services provided other than those specified in the negative list.

Scrutiny of records of BDPO-cum-Executive Officer Panchayat Samiti, Rai (Sonipat) revealed that buildings, booths and plots of the Panchayat Samiti were rented out on monthly rental basis. The Panchayat Samiti was liable to pay ₹ 7.06 lakh Service Tax on rental receipts for the period from January 2014 to June 2017 after collecting the same from tenants. However, the Panchayat Samiti had neither collected Service Tax from tenants nor deposited any amount with the Service Tax Department.

The BDPO-cum-Executive Officer Panchayat Samiti, Rai (Sonipat) stated (December 2017) that due amount of Service Tax would be recovered and fact had been noted for compliance in future.

The matter was referred (January 2018) to the Principal Secretary to Government of Haryana, Development and Panchayats Department; their reply was awaited (February 2021).

Recommendation: The Panchayat Samiti needs to ensure that Service Tax may be collected from tenants and deposited the same to Service Tax Department.

2.5 Non-recovery of arrear of House Tax

As per rule 117 (1) of the Haryana Panchayati Raj Finance, Budget, Accounts, Audit, Taxation and Works Rules, 1996 (the Rule), a Gram Panchayat (GP) shall pass a resolution for the imposition of a house tax under clause (a) of sub-section (1) of Section 41 within its jurisdiction at such rates as it may deem proper but not exceeding ₹ 30 per annum. Further, Rule 118 provides that after the close of each year, the GP shall prepare a list of defaulters showing the amount due from them and forward a separate case of each defaulter to Collector who shall recover the same as arrears of land revenue under Section 201 of the Act. The amount, thus recovered, shall be handed over to the GP.

Scrutiny of the records of 22 BDPOs of ten districts revealed that House Tax amounting to ₹ 215.31 lakh pertaining to the period prior to 2018-19 was outstanding (*Appendix-XI*). Audit observed that GPs concerned had not taken appropriate action for recovery of House Tax as per extant rules.

Five⁵ BDPOs stated (August 2018 to March 2019) that efforts would be made to recover the outstanding house tax and 10⁶ BDPOs stated (August 2018 to January 2019) that notices/instructions were being issued to GPs concerned to recover the outstanding house tax. Three⁷ BDPOs stated (October to December 2018) that after recovering the amount, audit would be informed while six BDPOs stated (August to September 2018) that recovery would be made promptly.

The matter was referred (June 2017 to August 2018 and September 2018 to April 2019) to the Principal Secretary to Government of Haryana, Development and Panchayats Department for comments; the reply was awaited (February 2021).

Recommendation: The department should make efforts for speedy recovery of outstanding house tax.

⁵ Dabwali, Murthal, Jakhal, Radaur and Nilokheri.

⁶ Badhra (Charkhi Dadri), Shahzadpur (Ambala), Saha (Ambala), Rewari, Bawal (Rewari), Tohana, Bhuna, Fatehabad, Karnal, and Morni.

⁷ Bilaspur, Chhachharauli and Mustafabad

2.6 Utilization of Scheduled Caste Sub-Plan funds in villages not having a majority of Scheduled Caste population

Guidelines for implementation of the Scheduled Caste Sub Plan (SCSP) issued by the Planning Commission, Government of India provide that only those schemes should be included under SCSP that ensure direct benefits to individuals or families belonging to the scheduled castes. In case of area oriented schemes, schemes directly benefiting scheduled caste hamlets/villages having a majority of scheduled caste population shall be included in SCSP. Further, para 8.1 of D-plan guidelines also stipulates that the villages having 40 *per cent* Scheduled Caste population should be covered under SCSP component.

Scrutiny of the records of the Chief Planning and Development Officer (CPDO), Sirsa and Hisar revealed that the fund amounting to ₹ 12.71 crore were spent on execution of the 315 developmental works in 172 Gram Panchayats (GPs) under 16 BDPOs on construction of Choupals, Aaganwari Centres, Street lights, etc. under SCSP component in the area not having majority of the Scheduled Caste (SC) population (*Appendix-XIII*). Since the funds were released for area oriented schemes, its release to GPs not having majority or SC population in excess of 40 *per cent* was in contravention of SCSP guidelines.

On being pointed out, the Planning Officer, Hisar stated (September 2018) that SCSP budget is allocated for SC population and not for the villages having majority of Scheduled Caste population. The reply was not tenable as it was in contravention to scheme guidelines.

The matter was referred to the Principal Secretary, Planning Department in September 2018 and the Director, Economic and Statistical Analysis Department (June 2018) for comments. The Additional Chief Secretary replied (November 2020) that funds are distributed as per planning commission guidelines. The reply was not acceptable as the guidelines provide that funds were to be provided to villages under SCSP area oriented scheme only where SC population is more than 40 *per cent* while the villages highlighted by audit were having SC population less than 40 *per cent*.

Recommendation: The department should utilize the funds earmarked for SC population as per guidelines to benefit the SC community.

2.7 Non-completion of dwelling units

(i) Financial assistance of ₹ 70,000 was to be provided to each beneficiary in three installments to construct dwelling units under the scheme of Indira Awaas Yojana. After verification of construction work up to the lintel level, the second installment was to be released by the BDPOs. The third installment

was to be given only after the house including the sanitary toilet was constructed and the beneficiary started living in the house. Completion of a dwelling unit in no case should take more than two years from the date of sanction of first installment.

Scrutiny of records of 16⁸ BDPOs and two District Rural Development Agency (DRDA) revealed that 1313 beneficiaries to whom a sum of ₹ 6.32 crore (*Appendix-XIII*) was released as first/second installment during 2012-16 had not applied for release of second/third installment. Non-release of second/third installment indicated that beneficiaries had not completed construction of their dwelling units after two to six years of release of first installment defeating the objective of the scheme in these cases.

On being pointed out, 12⁹ BDPOs and DRDAs stated (August 2018 to January 2019) that the notices would be issued to the beneficiaries and three BDPO (Uklana, Agroha and Barwala) stated (June-September 2018) that action would be taken after investigation while BDPO, Adampur stated (July 2018) that action would be taken as per rules.

Scrutiny of records of BDPO, Kharkhoda revealed that an amount of ₹ 6.25 lakh was paid (January 2016 and March 2016) twice to 25 beneficiaries on account of first installment resulting in double payment of ₹ 6.25 lakh. A reference was made (November 2016) to Additional Deputy Commissioner, Sonapat by BDPO, Kharkhoda for further guidance in the matter. Thereafter, no efforts were made either to recover the amount or to adjust the amount in subsequent installments despite lapse of more than two years of payment.

(ii) Pradhan Mantri Awaas Yojana-Gramin (PMAY-G) has been implemented w.e.f. April 2016 including financial assistance of ₹ 1.20 lakh to be provided to all houseless household beneficiaries in three installments. The First installment was to be released at the time of sanction, the second installment can be mapped to either foundation or plinth level and the third installment should be mapped to either windowsill/Lintel/Roofcast. The beneficiaries should complete the dwelling unit within 12 months from the date of sanction.

Scrutiny of records (April 2014 to September 2018) of three BDPOs (Fatehabad, Ratia and Bhattu Kalan) revealed that a sum of ₹ 146.10 lakh (*Appendix-XIII*) was released as first/second installment during 2016-18 but second/third installment was not released. Non-release of second/third installment indicated that the beneficiaries had not completed the construction

⁸ BDPO-Rewari, Bawal, Jatusana, Khol, Uklana, Agroha, Adampur, Barwala, Hansi-I, Chhachhrauli, Mustafabad, Morni, Hansi-II, Ratia, Fatehabad and Bhattu Kalan, DRDA-Ambala, Sirsa

⁹ BDPO- Rewari, Bawal, Jatusana, Khol, Hansi-I, Chhachhrauli, Mustafabad, Morni, Hansi-II, Ratia, Fatehabad and Bhattu Kalan.

of their dwelling units despite lapse of more than two years of release of first installment(s) defeating the objective of the scheme.

On being pointed out, the BDPO stated (September-November 2018) that the notices would be issued to the beneficiaries for completion of the dwelling units.

(iii) In order to provide shelter in the rural areas to the poor people, State Government launched Priyadarshini Awaas Yojana (PAY) from 2013-14 on the pattern of Indira Awaas Yojna (IAY), wherein financial assistance of ₹ 81,000 was to be provided to each beneficiary in three installments, ₹ 25,000 at the time of sanction, ₹ 35,000 after construction of house up to lintel level and ₹ 21,000 after putting up doors and windows. The beneficiaries was to complete the dwelling unit within six months which could be extended up to nine months in special circumstances. In case the unit was not completed within stipulated period, the BDPO was required to recover the grant with penal interest at the rate 12 *per cent* per annum. In case the BDPO concerned comes to conclusion that the beneficiaries had misappropriated or mis-utilized the amount, he/she was to initiate criminal proceedings against the defaulting beneficiaries.

Scrutiny of records (April 2013 to September 2018) of four¹⁰ DRDAs and BDPO, Bhattu Kalan revealed that 876¹¹ beneficiaries after taking first installment of ₹ 2.19 crore in 2013-14 and 3,088¹² beneficiaries after taking first and second instalment of ₹ 18.50 crore from 2013-14 to 2016-17 did not complete their houses and had not even applied for subsequent i.e. second/third instalment(s). Non-release of second/third installment(s) indicated that the beneficiaries had not completed the construction of their dwelling units despite lapse of more than five years of release of first installment(s) defeating the objective of the scheme.

On being pointed by Audit, eight¹³ BDPOs stated (May 2017-January 2018 and November 2018) that the notices would be issued to defaulting beneficiaries for completion of their units. Three¹⁴ BDPOs stated (July 2017-September 2017) that the appropriate action would be taken against the defaulters after ascertaining the position from the Gram Sachivs concerned. Thus, proper monitoring and appropriate action against the defaulters was lacking.

¹⁰ Ambala, Sonipat, Rewari and Sirsa

¹¹ DRDA Ambala: 280, DRDA Sirsa: 236, DRDA Sonapat: 208 and DRDA Rewari: 152.

¹² DRDA Ambala: 1247, DRDA Sirsa: 684, DRDA Sonapat: 673 and DRDA Rewari: 452 BDPO Bhattu Kalan: 32.

¹³ BDPO Kharkhoda (Sonipat), Oddhan (Sirsa), Sirsa, Khol (Rewari), Saha (Ambala), Shahzadpur (Ambala), and Naraiangarh (Ambala), BDPO Bhattu Kalan (Fatehabad)

¹⁴ BDPO Brara (Ambala), Ambala-I and Ambala-II

The matter was referred (January 2018 to February 2019) to the Principal Secretary to Government of Haryana, Development and Panchayats Department; their reply was awaited (February 2021).

Recommendation: The BDPO and District Rural Development Agency (DRDA) needs to ensure that assistance for Indira Awaas Yojana scheme should be released as prescribed in guidelines.

2.8 Non-recovery of interest recoverable from Sarpanches due to retention of cash beyond prescribed limit

Rule 11(3) of the Haryana Panchayati Raj Finance, Budget, Accounts, Audit, Taxation and Works Rules, 1996 (the Rules, 1996) provides that a sum not exceeding ₹ 25,000 should be kept in the custody of the *Sarpanch* as cash in hand and that he will be liable to pay interest at the rate of 21 *per cent* per year beyond the prescribed limit. Further, Rule 16(2) prescribes that at the close of the day while signing the cash Book, the *Gram Sachiv*, should see that the receipts collected during the day are credited into the bank or treasury on the same day or on the morning of the following working day.

Scrutiny of the records (April 2013 to November 2018) of five Block Development and Panchayats Offices (BDPOs) revealed that Ex-Sarpanches/panches of various Gram Panchayats of BDPO, Fatehabad had deposited receipt collected in lieu of lease money of Panchayat land with delay of eight to 172 days.

Further, Ex-Sarpanches/panches of various Gram Panchayat of BDPO, Adampur, Narnaud and Ukalana retained cash in hand in excess of prescribed limit of ₹ 25,000 for a period ranging between 28 and 123 days in violation of aforesaid provisions of the Rule, 1996. In case of GP, Sarsod under BDPO, Barwala an amount of ₹ 2.46 lakh was being reflected as cash in hand since June 2005. Audit observed that the interest of ₹ 14.53 lakh recoverable from Sarpanches for delay in deposit of receipts, had not been recovered from them (*Appendix-XIV*).

On being pointed out, the BDPOs, Fatehabad and Adampur stated (July-September 2018) that the interest would be recovered while BDPOs of Barwala and Narnaud stated (August-September 2018) that action would be taken to recover the interest. BDPO, Uklana stated (June 2018) that final reply would be submitted to audit after investigating the matter.

The matter was referred (July-October 2018) to the Principal Secretary to Government of Haryana, Development and Panchayats Department; reply was awaited (February 2021).

Recommendation: The BDPOs should make efforts to deposit receipt at the earliest and recover the interest for the period of delay in deposit of said receipt as prescribed in rules.

2.9 Non-recovery of balances from ex- Sarpanches

Section 18 (2) of the Haryana Panchayati Raj Act, 1994 provides that the BDPO may, within a period of seven days prior to the publication of election programme of the Gram Panchayat (GP) or in the event of suspension or removal of *Sarpanch or Panch*, order to handover the records, register and other property to the person authorized for the custody of the record and property. If any person fails to hand over the record or property to a person authorized by the BDPO, the BDPO shall apply to an Executive Magistrate for securing such records and property from the person so that it can be handed over to authorized person {Section 18 (3)}.

Section 53 of the Act further provides that BDPO concerned shall take necessary steps for recovery from Sarpanch or Panch on account of loss, waste or miss application of Gram fund which is a consequence of neglect or misconduct of Sarpanch or a Panch while working as Sarpanch or a Panch.

Scrutiny of the records of 17 BDPOs revealed that cash balances amounting to ₹ 27.69 lakh had not been handed over by 58 ex-Sarpanch (**Appendix-XV**) to the authorized person i.e. *Sarpanch or Panch*. The amount had been lying with them for the period from 1989-93 to 2014-15.

Further, Ex-Sarpanch of GPs Jagmalwali of Odhan block of Sirsa district was found to be guilty in departmental inquiry (August 2015) and orders were passed by the Deputy Commissioner, Sirsa to recover ₹ 12.87 lakh from the Sarpanch. However, the amount had not yet been recovered from them (February 2021).

Appropriate action as provided for in the Haryana Panchayati Raj Act, 1994 had not been taken against the defaulting ex- Sarpanches/Panches to recover the amount. Resultantly, a sum of ₹ 40.56 lakh remained unrecovered from the ex-Sarpanches.

BDPO Hisar-I, Hisar-II, Jagadhari and Mustafabad stated (August- December 2018) that money would be recovered from ex-sarpanches while BDPO Tohana, Ratia and Fatehabad stated (September 2018) that notice would be issued to ex-Sarpanches for recovery. The reply of concerned BDPOs indicates that appropriate action had not been taken so far to recover the cash balances.

The matter was referred (April 2017 to February 2018 and August 2018 to January 2019) to the Principal Secretary to Government of Haryana,

Development and Panchayats Department for comments; reply was awaited (February 2021).

Recommendation: The department should make strenuous efforts to recover the amount from ex-sarpanches/panches.

2.10 Irregularities in payments

(A) (i) Payment made without receiving acquaintance

Rule 136(1) of the Haryana Panchayati Raj Finance, Budget, Accounts, Audit, Taxation and Work Rules, 1996 provides that in case work is carried out by daily labourer, the person in charge of the work shall maintain a muster roll and acknowledgement of payment from payees shall be obtained on the muster rolls.

Scrutiny of the records (April 2014 to August 2018) of the BDPOs Agroha, Hisar-I, Bhuna and Executive Engineer, Panchayati Raj (EE, PR), Fatehabad revealed that 141 labourers were engaged on muster rolls and ₹ 9.31 lakh was paid (*Appendix-XVI*) to them during February 2016 to January 2018. In the office of BDPOs Hisar-I and Bhuna, names of labourers were not found recorded on muster rolls involving payment of ₹ 5.08 lakh. Signature/thumb impressions of labourers were not obtained from labourers in support of payments having been made. In the office of BDPO Agroha and Executive Engineer, Panchayati Raj (EE, PR), Fatehabad, signatures/thumbs impressions of labourers were not found marked on the muster rolls involving payment of ₹ 4.23 lakh. Making payment without name of labourers and signatures/thumb impressions of labourers is fraught with the risk of misappropriation of funds.

BDPOs and Executive Engineer, Panchayati Raj, Fatehabad stated (July 2018 to September 2018) that matter would be investigated.

ii) Doubtful Payment

Scrutiny of records (April 2014 to January 2019) of BDPO Uklana, Hisar-I, Hisar-II and Chief Planning and Development Officer (CPDO) Karnal, revealed that the payments of ₹ 1.81 lakh were made to 61 labourers for carrying out 15 developmental works on muster rolls during June 2014 to October 2017 (*Appendix-XVI*). Further, it was observed that these 61 labourers were shown employed at different works simultaneously during the same period. Since simultaneous employment of same persons at different works not possible, payments made on the muster rolls carried the risk of falling under suspected cases of fraud and corruption.

BDPO Uklana, Hisar-I, Hisar-II and CPDO Karnal stated (June 2018 to February 2019) that reply/recovery would be submitted/made after investigation

(B) Panchayats under Block Development and Panchayat Officers (BDPOs) Baragudha, Nathusari Chopata, Gohana, Mundlana and District Rural Development Agency (DRDA), Sonipat engaged labourers on muster rolls for execution of minor works departmentally between September 2013 and May 2017. Scrutiny of muster rolls (April 2017 to December 2017) revealed serious irregularities as discussed below:

- (i) In Chhatrian Panchayat of BDPO Baragudha, and DRDA Sonipat, names of 28 labourers involving payment of ₹ 2.03 lakh were not found recorded in muster rolls. In three Panchayats under BDPOs Baragudha, Gohana, Mundlana and DRDA Sonipat, signatures/thumbs impressions of 108 labourers involving payment of ₹ 5.39 lakh were not found marked on the muster rolls. Payment without name of labourers and signatures/thumb impressions of labourers and payment without verification is fraught with the risk of misappropriation of funds.
- (ii) Same 10 persons were shown employed at two places on muster rolls i.e 'Construction of street with interlocking paver blocks, Bichpari, Mundlana' and 'Construction of Boundary wall of Panchayat, Sadan, Mundlana' during the period from 01 September 2013 to 18 September 2013 and payment of ₹ 42,430 was made to these persons for this period on each of the muster rolls. Since simultaneous employment of same persons at different works is not possible, the payment made on one of the muster rolls amounting to ₹ 42,430 carried the risk of misappropriation.
- (iii) In Jasania Panchayat under BDPO Nathusari Chopata, payments of wages to 32 labourers amounting to ₹ 1.50 lakh were not verified by the Sarpanch. Making payment without verification of the Sarpanch was irregular.

These irregularities in payment on muster rolls are of serious nature and need to be properly investigated.

Since these irregularities were based on test check records, detailed examination may be carried out by the Department to detect similar irregularities in other units as well.

These points were referred (May 2017 to January 2018 and July 2018 to March 2019) to the Principal Secretary to Government of Haryana, Development and Panchayats Department; reply thereto was awaited (February 2021).

Recommendation: The department may investigate the matter and initiate action accordingly for doubtful payments.

2.11 Diversion of funds of District Plan Scheme

The guidelines of District Plan Scheme stipulate that funds should be released/spent only on the schemes approved by District Planning Committee (DPC).

Scrutiny (May 2017) of records (2012-17) of Block Development and Panchayat Officer (BDPO), Dabwali revealed that funds of ₹ 20 lakh were diverted (December 2012) towards Schedule Castes Chaupal scheme from District Plan Scheme (D-Plan Scheme) for making payment for completed works under Schedule Castes Chaupal scheme in violation of Scheme guidelines. This resulted in non-execution of development works under District Plan Scheme to that extent. The diverted funds had not yet been recouped (August 2018).

BDPO, Dabwali stated (August 2018) that amount was diverted temporarily as the payment was required to be made for completed works under Scheduled Castes Chaupal Scheme and that efforts would be made to recover the diverted funds. The fact, however, remains that the funds were not recouped to District plan Scheme despite lapse of about six years.

The matter was referred (June 2017) to the Principal Secretary to Government of Haryana, Planning Department for comments; the reply thereto was awaited (February 2021).

2.12 Expenditure on impermissible works

According to paragraph 2.4 of guidelines on Members of Parliament Local Area Development Scheme (MPLADS), all works to meet locally felt infrastructure and development needs with an emphasis on creation of durable assets in the constituency are permissible under MPLADS except for the works mentioned in Annexure-II of the guidelines. Annexure-II of these guidelines prohibits works within the places of religious worship and on land belonging to or owned by religious faith/group amongst others.

Scrutiny of the records (April 2014 to April 2018) of the District Rural Development Agency (DRDA), Hisar revealed that an administrative approval for ₹ 2.88 lakh was accorded (September 2016) to purchase a tractor for Dera Mahant Om Narayan Giri Gaushala, Narnaund for keeping cleanliness in the Gaushala. Secretary, Municipal Committee, Narnaund being the implementing agency made (December 2016) payment of ₹ 2.88 lakh. It is pertinent to mention here that Director, MPLADS, Ministry of Statistics and Programme Implementation, Government of India clarified (June 2016) to the Deputy Commissioner, Hisar that purchase of tractor was not permissible as guidelines prohibits works within the places of religious worship and on land belonging to or owned by religious faith/group. Despite this, the tractor was

purchased for the Dera. Thus, the aforesaid purchase of a tractor valuing ₹ 2.88 lakh was in contravention of MPLAD guidelines.

The matter was referred (June 2018) to the Principal Secretary, Rural Development Department; reply was awaited (February 2021).

Recommendation: The Department should ensure to purchase the material as prescribed in MPLAD guidelines.

2.13 Doubtful execution of works

The Deputy Commissioner, Sirsa accorded (December 2012) Administrative Approval for ₹ 1.91 crore for execution of works of earth filling and pavement of streets in 12 villages of Baragudha block of the district. Scrutiny of records (December 2017) of BDPO, Baragudha (Sirsa) revealed that the work of earth filling was got executed through tractors and hand receipts were used to claim the amount by executing agencies. With a view to assess the genuineness of claims of earth filling works by the executing agencies, audit verified the registered numbers of tractors, mentioned on the hand receipts, from the website of Ministry of Road Transport & Highways (MORT&H) and it was observed that vehicle numbers shown as tractors on the hand receipt was actually registered as Motorcycle/Scooter in respect of case at Sr. no. 1 of the table involving payment of ₹ 0.95 lakh. This fact was also confirmed by the Registering Authority (MV), Sirsa. In respect of other two cases (Sr. no. 2 and 3 of the table) involving payment of ₹ 1.85 lakh, vehicle numbers did not exist on the website of MORT&H. The details of these cases are given in the following table:

Sr. No.	Name of Gram Panchayats	Period of earth filling	Voucher number/date	Amount (₹ in lakh)	Tractor number	Remarks
1.	Ranga	01 September 2012 to 15 September 2012	296/14 December 2012	0.95	HR26-AR 6891	Vehicle registered in Gurugram as Motorcycle/ scooter
2.	Kurangawli	01 October 2012 to 30 October 2012	300/14 December 2012	1.23	HR33-2222	Vehicle does not exist
3.	Matar	01 September 2012 to 22 September 2012	304/14 December 2012	0.62	RJP-6818	Vehicle does not exist
Total				2.80		

It could not be verified as to whether the earth filling works of ₹ 2.80 lakh had actually been executed or not. Veracity of claims by executing agencies could not be vouchsafed in audit and execution of earth filling works was doubtful. The matter needs to be thoroughly examined along with other similar cases of earth filling works to ascertain the genuineness of expenditure.

The Director Rural Development Department stated (January 2019) regarding Serial number 1 that the registration number of a motor cycle of the son of tractor owner was mentioned on the bill inadvertently. As regards Serial number 2 and 3, it was stated that the work was executed through tractors but

the owners of tractors did not have the registration certificates with them for verification as they had sold the vehicles. The reply is not convincing and matter needs to be investigated.

2.14 Delay in making payment of wages

Section 3(3) of the National Rural Employment Guarantee Act, 2005 stipulates that disbursement of wages to worker under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) should be made on weekly basis or in any case not later than a fortnight after the date on which such work was done. MGNREGS guidelines further provides that payment should be made not later than 15 days from the date it becomes due or else the recipients shall be entitled to compensation at a rate of 0.05 *per cent* of the unpaid wages per day for the duration of the delay beyond the sixteenth day of the closure of the Muster Rolls. Every Programme Officer should decide compensation payable for delayed payment of wages except the grounds (i) funds were not available at the paying authority level (ii) compensation not due (wages had been paid in time but details not entered in MIS) and (iii) natural calamities.

Scrutiny of the records (April 2016 to December 2018) of Directorate of Rural Development Department revealed that payment of compensation of ₹ 4.92 crore¹⁵ for delayed payment of wages for 4.99 crore¹⁶ person days was rejected by the Programme Officers concerned on the grounds of 'Other reasons'. These reasons were not specified in the guidelines for rejection of compensation for delayed payment of wages. Thus, rejection of compensation on these grounds was in violation of scheme guidelines resulting in non-payment of compensation for delayed payment of wages amounting to ₹ 4.92 crore to the workers.

The Department stated (January 2019) that reply would be submitted after investigating the matter but further reply had not been furnished (February 2021).

The matter was referred (February 2019) to the Principal Secretary to Government of Haryana, Rural Development Department; reply was awaited (February 2021).

Recommendation: The department should ensure to disburse wages timely to workers under MGNREGS as per guidelines.

¹⁵ 2014-15: ₹ 2.66 crore, 2015-16: ₹ 1.49 crore, 2016-17: ₹ 0.72 crore and 2017-18: ₹ 0.05 crore (The amount of compensation has been worked out on proportionate basis)

¹⁶ 2014-15: 2.66 crore person days, 2015-16: 1.60 crore person days, 2016-17: 0.69 crore person days and 2017-18: 0.04 crore person days.

PART B: URBAN LOCAL BODIES

PART B: URBAN LOCAL BODIES

CHAPTER-III

PROFILE OF THE URBAN LOCAL BODIES

3.1 Introduction

The 74th Constitutional Amendment paved the way for de-centralisation of powers and transfer of 18 functions, listed in the Twelfth Schedule of the Constitution along with funds and functionaries to the Urban Local Bodies. The Government of Haryana enacted the Haryana Municipal Corporation Act, 1994 and amended the Haryana Municipal Act, 1973 for transferring the powers and responsibilities to Urban Local Bodies (ULBs).

3.2 Audit arrangement

The Director, Local Audit Department (LAD), Haryana is the statutory auditor of all Municipal Corporations, Municipal Councils and Municipal Committees.

The Eleventh Finance Commission (EFC) recommended that CAG of India should be entrusted with the responsibility of exercising control and supervision over proper maintenance of accounts and their audit for all the three tiers/levels of ULBs. The Thirteenth Finance Commission (TFC) further recommended that the State Government must make arrangement for placement of ATIRs of CAG before the State Legislature. The State Government entrusted (August 2008) test audit of ULBs to the CAG under Section 20 (1) of the CAGs (Duties, Powers and Conditions of Service) Act, 1971 and also for allowing CAG for providing Technical Guidance (TG) to the Director, LAD, Haryana with regard to ULBs. The State Government further notified (December 2011) that ATIR of CAG as well the Annual Report of LAD would be placed before the State Legislature.

The State Government has complied with conditions of the ibid notification by placing ATIRs from 2009 to 2017 before the State Legislature, with the last placement (2016-17 report) on 10 September 2018. Annual Audit Report of the Local Audit Department Haryana for the year 2015-16 was placed before the State Legislature on 27 February 2019. A separate Committee on Local Bodies and Panchayati Raj Institutions has also been constituted (May 2014) by the Haryana Vidhan Sabha for discussion of ATIRs and previous all ATIRs upto 2016-17 have been discussed in Vidhan Sabha. However, 12¹ paragraphs were pending in the Committee for discussion.

The parameters of TGS to primary external auditors of ULBs viz; the LAD (Statutory Auditor) for the purpose of strengthening public finance management and accountability in ULBs have been prescribed in Regulations 120 to 122 of

¹ 2011-13: Two, 2013-14: Three, 2014-15: One, 2015-16: Five and 2016-17: One

the Regulations on Audit and Accounts, 2020, issued by the CAG of India under Section 23 of CAG's (DPC) Act, 1971.

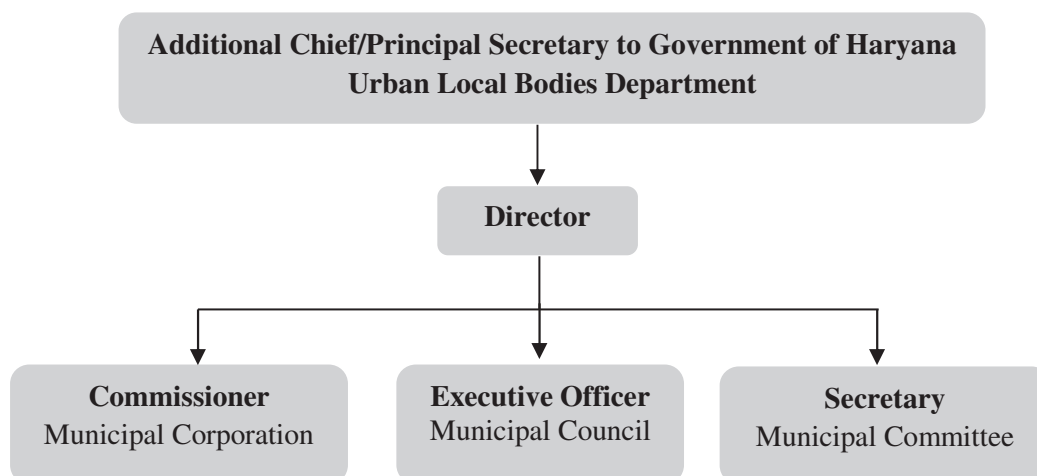
In pursuit of the task of providing TGS to LAD, this office organised three training programme in February 2018, August 2018 and February 2019 on Certification of Annual Accounts of ULBs, E-auditing system or paperless Auditing Techniques; Auditing of Contracts, outsourcing and Procurement; Steps for Internal Audit for Government Department/ Corporation/ Board, etc strengthening thereof and audit of Public Private Partnership (PPP) respectively.

Earlier suggestions were made to take up the matter with appropriate authority for settlement of old outstanding paras and non-production of records by auditee units (January 2019). Inspection Report of Municipal Corporation, Karnal, Faridabad, Ambala, Sonapat, Yamunanagar and Hisar; Municipal Council, Kaithal, Gohana, Thanesar, Hansi, Rewari and Tohana; Municipal Committee, Ladwa, Shahabad, Meham, Sampla, Beri, Rania, Dharuhera and Kalanwali were sent to LAD (January-June 2018 and January 2020) as an illustrative sample for their guidance. However, it was observed from 161² Audit and Inspection Notes sent by LAD to this office that these suggestions/guidance were not being followed and this will continue to be monitored till improvement is effected by the LAD.

3.3 Organisational structure of Urban Local Bodies

There are 10³ Municipal Corporations, 18 Municipal Councils and 58 Municipal Committees in the State. Urban Local Bodies consist of elected members from each ward. The Mayor in Municipal Corporation and President in Municipal Council and Municipal Committees are elected by majority of elected members from different wards. The overall control of ULBs rests with the Principal Secretary (ULBs) to the Government of Haryana through the Director, Urban Local Bodies Department. The organisational set-up of ULBs is detailed in **Chart 1** below:

² 77 Audit and Inspection Notes in 2017-18 and , 84 Audit and Inspection Notes in 2018-19
³ (i) Gurugram, (ii) Panchkula, (iii) Faridabad, (iv) Rohtak, (v) Hisar, (vi) Sonapat, (vii) Panipat, (viii) Karnal, (ix) Ambala and (x) Yamunanagar,

Chart 1: Organisational set-up of ULBs

3.3.1 Standing Committees

The ULBs shall constitute standing committees to perform assigned functions. Details of constitution of the Standing Committees of ULB are given in **Table 3.1**.

Table 3.1: Roles and responsibilities of the Standing Committees

Level of ULBs	Standing Committee Headed by	Name of the Standing Committee	Roles and responsibilities of the Standing Committees
Urban Local Bodies (ULBs)	Chairman	Finance Sub-Committee	Looks after the functions related to the finance of municipality, framing of budget, scrutinising prospects of increase of revenue and examination of receipts and expenditure statements.
		Public Works and Building Sub-committee	Looks after the functions relating to municipal works, maintenance and verification of municipal properties and buildings under the control of ULBs. It also deals with all cases of encroachments and projections.
		Sanitation and water Supply Sub-committee.	Looks after matters relating sanitation, health, sewerage and water supply.

3.3.2 Devolution of functions

The 74th Amendment of the Constitution was enacted to decentralize the powers and functions to ULBs for ensuring proper and planned growth of cities and towns with adequate infrastructure and basic amenities. The Government of Haryana has entrusted 18 functions to ULBs as per details given in **Table 3.2** below.

Table 3.2: Details of functions transferred to ULBs

Sr. No.	Functions Transferred to ULBs
1.	Urban planning including town planning
2.	Regulation of land use and construction of buildings
3.	Planning for economic and social development
4.	Roads and bridges
5.	Water supply- domestic, industrial and commercial
6.	Public health sanitation, conservancy and sewerage water maintenance
7.	Fire services
8.	Urban forestry, protection of environment and promotion of ecological aspects
9.	Safeguarding the interest of weaker sections of the society including the handicapped and mentally retarded
10.	Slum improvement and upgradation
11.	Urban poverty alleviation
12.	Provision of urban amenities and facilities- parks, gardens and play grounds
13.	Promotion of cultural, educational and aesthetic aspects
14.	Burials and burial grounds, cremations, cremation grounds and electric crematoriums
15.	Cattle Ponds, prevention of cruelty to animals
16.	Vital statistics including registration of births and deaths
17.	Public amenities including street lighting, parking lots, bus stops and public conveniences
18.	Regulation of slaughter houses and tannery

3.4 Financial profile

3.4.1. Fund flow to ULBs

For execution of various developmental works, the ULBs receive funds mainly from Government of India (GOI) and the State Government in the form of grants. GOI grants include grants assigned under the recommendations of the Central Finance Commission (CFC) and grants for implementation of schemes. The State Government grants are received through devolution of net proceeds of the total tax revenue on the recommendations of the State Finance Commission (SFC) and grants for implementation of State sponsored schemes. Besides, revenue is also mobilised by the ULBs in the form of taxes, rent, fees and issue of licenses.

While Central and State grants are utilised by the ULBs for execution of Central and State sponsored schemes as per the guidelines issued by GOI and State Government in this regard, own receipts of ULBs are utilised for administrative expenses and execution of schemes/works formulated by the ULBs. The fund flow arrangements in major schemes are given in **Table 3.3:**

Table 3.3: Fund flow arrangements in major schemes

Sr. No.	Scheme ⁴	Fund flow Arrangements
1	National Urban Livelihood Mission (NULM)	Funding under NULM is shared between the Centre and the State in the ratio of 60:40. The objective of scheme is to reduce poverty and vulnerability of the urban poor households by enabling them to access gainful self-employment and skilled wage employment opportunities. State Urban Development Agency (SUDA), Haryana is the implementing agency for the scheme. The release of Centre share to State, would be done in two instalments directly to the account of the State Mission Management Unit (SMMU) formed under SUDA. The SMMU further released the funds district-wise through City Mission Management Units (CMMU) as per targets set/projects received.
2.	Swachh Bharat Mission-Urban (SBM-U)	SBM-U scheme is being implemented by the Ministry of Urban Development w.e.f. October 2014. Mission objectives are to eliminate open defecation, eradication of manual Scavenging and behavioural change regarding healthy sanitation practices etc. In this scheme the maximum assistance of ₹ 14000/- per Individual Household Latrines (IHL) (GOI share Rs. 4000 and Haryana State Government Share Rs 10000) shall be provided to beneficiaries. Haryana State Slum Clearance Board (HSCB) is the implementing agency for the scheme. HSCB receives the funds from GOI and State Government as per mission guidelines. Thereafter, the funds are released by the HSCB to the concerned ULBs.
3.	Atal Mission for Rejuvenation and Urban Transformation (AMRUT)	AMRUT is the Centrally Sponsored Scheme for five years of 2015-20. The Central assistance for the projects will be in three instalments of 20:40:40 of the approval cost. This is for strengthening of Urban infrastructure and improvement of slums. Funds for implementation of the scheme are shared between Centre and State Government. Haryana Urban Infrastructure Development Board is the implementing agency for the scheme. The State Annual Action Plan (SAAP) has been prepared by the Board. The Board receives the funds from the GOI and State Government to implement the SAAP. Further, the funds are released to the concerned ULBs.
4.	Pradhan Mantri Awas Yojna-Urban (PMAY-U)	PMAY-U seeks to address the housing requirement of Urban poor including slum dwellers thorough- Slum rehabilitation of Slum Dwellers with participation of private developers using land as a resource, Promotion of Affordable Housing for weaker section through credit linked subsidy, Affordable Housing in partnership with Public & Private sectors and Subsidy for beneficiaries-led individual house construction/enhancement. State Urban Development Agency (SUDA), Haryana is the implementing agency for the scheme. The release of Centre share to State, will be done into two instalments directly to the account of the State Mission Management Unit (SMMU) formed under SUDA. The SMMU further released the funds district-wise through City Mission Management Units (CMMU) as per targets set/projects received.

3.4.2 Resources and utilisation of funds

The trend of resources and utilisation of funds of ULBs for the period from 2014-18 to 2018-19 are detailed in **Table 3.4**.

⁴ Schemes from Sr. No. 1 to 3 pertain to the year 2017-19 and scheme at Sr. No. 4 pertains to the year 2018-19.

Table 3.4: Time series data on resources and utilisation of funds of ULBs**(₹ in crore)**

Particulars	2014-15		2015-16		2016-17		2017-18		2018-19	
	R	E	R	E	R	E	R	E	R	E
Central Finance Commission	204.24	122.74	135.04	135.04	301.21	301.21	433.28	433.28	177.87	177.87
State Finance Commission	152.53	152.53	189.96	189.96	241.32	241.32	250.00	250.00	318.00	318.00
Loans	0	0	0	0	0	0	0	0	0	0
Own Sources (Taxes and Non Taxes)	570.55	555.95	1,259.35	1,459.35	1,264.20	2,055.55	2878.63	2878.63	2266.14	2767.64
Other grants	1,471.08	1,394.52	1660.06	1660.06	2,616.61	2,616.61	3861.06	3861.06	2691.75	2691.75
Grand Total	2,398.40	2,225.74	3,244.41	3,444.41	4,423.34	5,214.69	7422.97	7422.97	5453.76	5955.26

Source: Figures provided by Director, Urban Local Bodies, Haryana**Note: R: Receipt and E: Expenditure****3.5 Accounting arrangement**

Senior Accounts Officers are responsible for maintenance of accounts in Municipal Corporations while the Executive Officers in the case of Municipal Councils and Secretaries in the case of Municipal Committees maintain the accounts with the assistance of Accountants.

The maintenance of accounts of Municipal Committees, Municipal Councils and Municipal Corporations is governed by the Municipal Account Code, 1930. The Director, Urban Local Bodies Department stated (January 2021) that codification pattern, based on the National Municipal Accounts Manual, was yet to be introduced as amendment in the Haryana Municipal Account Code 1930 was under consideration.

3.6 Audit coverage

Thirty ULBs (10⁵ Municipal Corporations, 12⁶ Municipal Councils and eight⁷ Municipal Committees) and the Directorate, Urban Local Bodies were selected in approved Audit Plans and conducted audit of these units during the year 2017-18 and 2018-19.

3.7 Outstanding Inspection Reports and Paragraphs

The Commissioners/ Executive Officers/ Secretaries of the Municipal Corporations, Municipal Councils and Municipal Committees respectively are required to comply/respond in respect of the observations, contained in the IRs, issued by the Principal Accountant General (Audit) Haryana and rectify the

⁵ (1) Gurugram, (2) Faridabad (3) Panchkula, (4) Sonipat, (5) Panipat (6) Rohtak, (7) Ambala (8) Yamunanagar (9) Karnal and (10) Hisar

⁶ (1) Fatehabad, (2) Palwal, (3) Sirsa, (4) Jhajjar (5) Narwana, (6) Kaithal (7) Gohana, (8) Bahadurgarh, (9) Narnaul (10) Charkhi Dadri, (11) Tohana and (12) Jind.

⁷ (1) Ellanabad, (2) Julana, (3) Kalayat, (4) Pehowa, (5) Kalanaur, (6) Cheeka, (7) Haily Mandi, (8) Uchana.

defects/omissions and report their compliance/response to settle the observations. The details of inspection reports (IRs), paragraphs issued and outstanding as on September 2019 (Paragraphs settled upto February 2021) are shown in **Table 3.5**.

Table 3.5: Position of outstanding IRs/Paragraphs of ULBs

Year of issue of Inspection Reports	Opening balance of outstanding IR/Paras		Addition		Total		No. of IRs/ paras settled		No of outstanding IR/Paras as on September 2019	
	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
2013-14	111	1,018	32	453	143	1,471	-	-	143	1,471
2014-15	143	1,471	32	271	175	1,742	-	21	175	1,721
2015-16	175	1,721	54	345	229	2,066	35	807	194	1,259
2016-17	194	1,259	27	229	221	1,488	0	138	221	1,350
2017-18	221	1,350	27	237	248	1,587	0	62	248	1,525
2018-19	248	1,525	20	238	268	1,763	0	124	268	1,639
Total			192	1,773	Total		35	1,152		

As is evident from above table, the outstanding paragraphs increased to 1,639 in 2018-19 from 1,350 in 2016-17. The high pendency of paragraphs for compliance is indicative of lack of required attention and effective action which undermines accountability.

CHAPTER-IV

Results of audit of Urban Local Bodies

Urban Local Bodies Department

4.1 Working of Municipal Corporations, Gurugram and Panchkula

4.1.1 Introduction

The functioning of Municipal Corporations (MCs) is governed by the Haryana Municipal Corporation Act, 1994 (HMC Act). The main functions of MCs are planning for economic development and social justice and making arrangement for water supply, public health, sanitation and solid waste management, urban planning, construction of buildings, roads and bridges, public amenities including street lighting, parking lots and public conveniences, etc. The Municipal Commissioner is the administrative head of the each MC. All executive powers for carrying out provisions of the Act are vested with him. The Municipal Corporation Gurugram (MCG) and Municipal Corporation Panchkula (MCP) cover an area of 184.59 and 52.32 square kilometres with a population of 8.87 lakh and 2.81 lakh respectively as per Census of 2011.

With a view to assess the working of various functions, audit of MCG and MCP, covering the period 2015-18 was conducted during February to June 2018.

4.1.2 Planning

4.1.2.1 Non-preparation of plans

As per provisions of HMC Act, MCs were required to prepare plans for economic development and social justice including all the functions entrusted to them. Further, every MC was required to prepare various plans for the areas under its jurisdiction and submit the same to the District Planning Committee for consolidation into a Development Plan (DP) of the district.

Audit scrutiny showed that neither any plan for economic development and social justice was prepared in the test-checked MCs nor DPs of districts were prepared during 2015-18. Development works/schemes were executed by the MCs on *ad-hoc* basis without proper plan. MCP admitted (May 2018) that plans were not prepared and had not given any assurance as well for preparation of plans in future.

Recommendations: The Department should prepare plans for economic development and social justice.

4.1.2.2 Non-establishment of Area Sabha and Ward Committees

The Haryana Municipal Citizens' Participation Act, 2008 provides for constitution of an Area Sabha (AS) in each Ward to generate proposals and

determine the prioritisation of the schemes/development programmes for implementation in the area. Similarly, Ward Committees (WCs) for each ward consisting of a Ward Councilor as Chairperson and eminent members (not less than three and not more than ten persons) nominated by the Corporations were to be constituted. Audit observed that ASs and WCs were not constituted in any of the Wards. The MCP admitted (June 2018) that the ASs were not constituted but no reasons were given for this while MCG stated (October 2018) that ASs and WCs had not been established. No assurance was also given for constituting AS and WC by either of the MCs. The proposals for implementation of schemes were not received through ASs and WCs with the result that priority of the schemes and development programmes was not being determined with reference to the needs and demand in respective areas.

Recommendations: MCs concerned should establish ASs and WCs for initiation of proposals and determine the prioritisation of the schemes/development programmes.

4.1.3 Financial management

4.1.3.1 Unrealistic estimates of expenditure and receipts

The budget estimates and actual expenditure for the years 2015-16 to 2017-18 are given in the following table:

(₹ in crore)

Year	Name of MC	Budget estimate	Actual expenditure	Saving(-)/ Excess(+)	Percentage of variation
2015-16	MCG	1,708.04	394.33	(-) 1,313.71	77
	MCP	75.80	33.62	(-) 42.18	56
2016-17	MCG	1,773.25	315.15	(-) 1,458.10	82
	MCP	83.68	49.59	(-) 34.09	41
2017-18	MCG	1,425.62	1,327.87	(-) 97.75	07
	MCP	197.75	165.17	(-) 32.58	16
Total		5,264.14	2,285.73	(-)2,978.41	57

As seen from the above table, there were persistent savings (7 to 82 per cent in MCG and 16 to 56 per cent in MCP) in the budget provisions over the last three years. Audit observed that budget was prepared on the basis of budgets of previous years without taking into consideration plans for developments works/recurring expenditure, the availability of funds, etc.

MCG stated (April 2018) that the budget could not be prepared on realistic basis as year-wise work plans were not definite while MCP stated (June 2018) that budget was prepared on the basis of the previous year budget.

The budget estimate and the actual receipts for the years 2015-16 to 2017-18 are given in the following table:

Year	Name of MC	Budget estimate	Actual receipts#	Variations Shortfall (-)	Percentage of realisation
		(₹ in crore)			
2015-16	MCG	1,788.01	674.94	(-) 1113.07	38
	MCP	76.81	42.26	(-) 34.55	55
2016-17	MCG	1,836.65	570.71	(-) 1265.94	31
	MCP	85.77	52.55	(-) 33.22	61
2017-18	MCG	1,602.95	1,657.41	(+) 54.46	(+) 103
	MCP	89.42	61.71	(-) 27.71	69
Total		5,479.61	3,059.58	(-)2,420.03	56

includes own receipts as well as grants.

As evident from the above table, there were shortfalls in the realization of revenue. MCG stated (April 2018) that actual receipt was less as compared to estimates due to less realization of taxes, license fee, etc. MCP stated (June 2018) that efforts would be made to achieve the target in the next year. The municipalities need to strengthen their revenue collection mechanism.

Recommendations: MCs should prepare the budget on realistic basis into consideration plans for developments works/recurring expenditure and the availability of funds, etc.

4.1.3.2 Non-adjustment of outstanding advances

Rule XVII.14 of Municipal Account Code 1930 stipulates that the MC shall prescribe a time limit on the expiry of which, advances shall be accounted for or refunded. Test-check of records revealed that advances aggregating to ₹ 342.91¹ crore sanctioned for carrying out various development activities within the municipal limits were pending for adjustment as of March 2018. Age analysis of pending advances showed as under:

Sr. No.	Pendency	Number of advances	Amount
			(₹ in crore)
1	More than five years but less than 10 years	504	203.59
2	More than one year but less than five years	77	139.32
Total		581	342.91

Audit observed that no time limit was prescribed for adjustment of advances. The pendency indicated laxity on the part of the MCs in enforcing codal provisions regarding adjustment of the advances. MCG and MCP stated (April-May 2018) that instructions would be issued to all the concerned for adjustment of outstanding advances urgently.

Further, Audit noticed that MCG drew advances of ₹ 48.40 lakh and disbursed to 12 employees in 38 cases during March 2015 to October 2016. The amount was refunded in MC fund by these employees during September 2016 to March 2018 without utilisation of any amount. Thus, the amount was drawn without any requirement. Audit observed that no approval was obtained from

¹ Municipal Corporation, Gurugram: ₹ 342.51 crore and Municipal Corporation, Panchkula: ₹ 0.40 crore,

the Commissioner for disbursement of advances, which tantamounts to temporary embezzlement of MC funds.

Recommendation: The MCs concerned may prescribe the time limit for adjustment of advances.

4.1.3.3 Non-availment of exemption from Goods and Services Tax

The Government of India, Ministry of Finance (Department of Revenue) vide their Notification dated 28 June 2017 provided exemption from Goods and Services Tax to pure services (excluding works contract service or other composite supplies involving supply of any goods) provided to a local authority by way of any activity in relation to any function entrusted to a municipalities under article 243W of the Constitution. As per this notification, the municipalities were not required to pay GST to the agencies on the bills provided for various services² from July 2017 onwards.

Scrutiny of records showed that MCP had not availed benefits of the exemption and paid GST amounting to ₹ 38.16 lakh to the agencies for providing various services during July 2017 to May 2018 resulting in avoidable financial burden on the municipality. MCP admitted the fact and stated (June 2018) that exemption notification was not in the notice of concerned staff and added that refund would be taken from the contractor.

Recommendations: Relevant exemption notification of Government should be kept in view before hiring / availing of pure services and making payment of GST for such services.

4.1.3.4 Non-deposit of deducted Labour Cess

Haryana Government made (February 2007) rules to levy labour cess at the rate of one *per cent*. Rules provide that the cess collected should be remitted to the Haryana Building and other Construction Workers Welfare Board (Board) within 30 days after deducting the collection charges. The Director, ULB issued instructions (July 2007) to all municipalities that the municipalities should collect Labour Cess at the rate of one *per cent* of the estimated cost of construction. These provisions are not applicable to individual residential houses whose total cost of construction does not exceed ₹ 10 lakh.

Test check of records of MCG revealed that labour cess of ₹ 3.83 crore³ was deducted for passing buildings plans during 2013-17. Audit observed that MCG did not deposit labour cess amounting to ₹ 3.83 crore with the Board. MCG stated (April 2018) that due amount would be deposited with the

² Sanitation, fire services, maintenance of street light and roads, etc.

³ 2013-14: ₹ 0.15 crore, 2014-15: ₹ 0.68 crore, 2015-16: ₹ 1.68 crore and 2016-17: ₹ 1.32 crore.

authority concerned at the earliest but no further development had been intimated (February 2021).

Recommendation: MC should ensure to deposit the labour cess with the Haryana Building and other Construction Workers Welfare Board within prescribed time after deduction of collection charges.

4.1.3.5 Purchase of store items on quotations basis instead of e-tendering

The Director, Urban Local Bodies (DULB), Haryana informed (November 2014) all municipalities about the decision of the State Government for enforcement of e-tendering system for all type of civil works, purchase of stores or engagement of labour under outsourcing policy with effect from December 2014. Further, it was decided (June 2016) by the Government that the minimum threshold value of e-tendering in respect of procurement of stores/goods/works/services in the State would be ₹ one lakh in each case (without any splitting of order).

Audit observed that expenditure of ₹ 92.85 lakh⁴ was incurred for procurement of various store items such as lights, stationary, furniture items and execution of works during September 2015 to October 2016 and all the purchases were made on quotations basis instead of e-tendering.

MCG stated (April 2018) that tender could not be floated as material was purchased on urgent basis while MCP stated (June 2018) that material was purchased without e-tendering in emergent case and further added that tenders would be invited for purchase of material in future. The replies were not acceptable as items such as lights, stationary, furniture, benches for parks, mobile toilets, etc are not of urgent nature and if considered necessary, approval for purchase of these items without following the system of e-tendering should have been obtained from the Government.

Recommendations: MCs concerned may consider purchasing the material without e-tendering in emergent case.

4.1.3.6 Missing vouchers

Scrutiny of records of MCG revealed that payment vouchers of ₹ 11.33 crore were entered in the cash book but not attached with the voucher file for the months of November 2015 to December 2016, which is in violation of Rule 1.7 and Rule 1.8 of Municipal Account Code 1930. In the absence of the vouchers, assurance about genuineness of expenditure is not derived. MCG stated (April 2018) that missing vouchers were being traced out and same would be produced to Audit. However, further development in this regard was not furnished as of February 2021.

⁴ Municipal Corporation, Gurugram: ₹ 43.98 lakh and Municipal Corporation, Panchkula: ₹ 48.87 lakh.

Recommendation: MCG may ensure the payment vouchers should be attached with vouchers file.

4.1.4 Irregularities/deficiencies in programme and scheme implementation

4.1.4.1 Un-authorized retention of Central Finance Commission funds

Grants received under 13th and 14th Finance Commission were to be utilized within the one year from the date of drawal of the amount from the treasury. After the expiry of this period, the unspent grants were to be deposited in Government treasury.

MCG and MCP, however, retained grants of ₹ 46.64 crore⁵ out of ₹ 64.64 crore from the last one to four years in contravention to the condition of Finance Commissions. MCG and MCP, while accepting the facts stated (April-May 2018) that unspent grants would be utilized shortly. However, further developments were awaited (February 2021).

Recommendations: The MCs concerned may ensure that development works should be completed.

4.1.4.2 Funds not utilized for creation of assets under State Finance Commission grant

Sanctions releasing grants-in-aid on the recommendations of State Finance Commission (SFC) specified that the funds would be utilised for creation of assets. An amount of ₹ 15.76 crore was released (May 2016- January 2017) under SFC for creation of capital assets in MCG and MCP. Out of which, an expenditure of ₹ 3.64 crore was incurred for repair of roads, operation and maintenance which does not constitute creation of assets. Thus, the expenditure was incurred in contravention of guidelines.

MCG stated (April 2018) that expenditure was incurred on the development works as specified in the sanction order while MCP stated (May 2018) that expenditure would be incurred as per scheme guideline in future. Reply of MCG was not convincing as funds under SFC were meant for creation of assets, not for repair, operation and maintenance of roads.

4.1.4.3 Blocking of funds

As per provisions of Municipal Account Code 1930 (Section III.8 (2) and (3)), MCs should return the grants to the Government if it is not required or applied for intended purpose.

⁵ Municipal Corporation, Gurugram: ₹ 34.25 crore (2013-14: ₹ 1.49 crore, 2014-15: ₹ 5.29 crore, 2015-16: ₹ 2.78 crore and 2016-17: ₹ 24.69 crore) and Municipal Corporation, Panchkula: ₹ 12.39 crore (2015-16: ₹ 1.21 crore, 2016-17: ₹ 7.29 crore and 2017-18: ₹ 3.89 crore)

Test check of records of MCG and MCP revealed that an amount of ₹ 147.74 crore was received during May 2012 to March 2017 from State Government for various schemes such as Development of SC Basti, State Finance Commission grants, Surcharge on VAT, Solid Waste Management, etc for execution of development works. Out of this, an amount of ₹ 49.45 crore was utilized for the intended purpose and balance amount of ₹ 98.29 crore was lying unspent as of March 2018 as given in the Table below:

Year	Unutilised grant (₹ in crore)		
	MCP	MCG	Total
2012-13	4.91	0	4.91
2013-14	0.57	0	0.57
2014-15	21.83	0.46	22.29
2015-16	38.68	1.95	40.63
2016-17	26.91	2.98	29.89
Total	92.90	5.39	98.29

The Corporations had neither refunded the unspent grants to the Government nor prepared any plan for utilisation of funds for intended purpose. Further, time limit has not been fixed for refund of unspent funds by GOI or State Government. Non-utilization of grants resulted in non-execution of development works in these municipal areas depriving citizens of these facilities despite availability of fund.

MCG and MCP stated (April-May 2018) that unspent grants would be utilized in current year but further development in this regard was not intimated (February 2021).

Recommendation: Government should prepare a plan for utilisation of funds for intended purpose as well as time frame be fixed for refund of unspent funds to the Government.

4.1.4.4 Waste management machine lying idle

MCP invited (November 2017) e-tender for installation of waste management machines in Panchkula city. Two machines for processing 500 kilogram organic waste per day were purchased (December 2017) at a cost of ₹ 24.36 lakh. These machines were installed in Sector 7 and 21 of Panchkula. Audit noticed that both the machines were not in use and were lying idle, though sufficient segregated waste material was available at sites.

MCP stated (June 2018) that awareness campaign under Information, Education and Communication (IEC) to encourage and educate community to segregate waste at source was being done. The facts remain that machines were purchased without any planning since its utilisation is not possible without segregation of waste. The purpose of their purchase was thus not served.

Recommendations: Waste management machines should be purchased with proper planning and its utilisation so that purpose of machine could have been served.

4.1.4.5 Swachh Bharat Mission (Urban)

(i) Diversion of funds: As per guidelines of Swachh Bharat Mission (Urban) {SBM (U)}, an incentive of ₹ 14,000 per household was to be given to the targeted beneficiaries for the construction of Individual House Hold Latrines (IHHLs). Scrutiny of records revealed that an amount of ₹ 4.90 crore was released (May 2017) to MCP for providing first and second instalment of incentive money to 7,000 targeted beneficiaries. Subsequently, on the basis of survey the numbers of eligible beneficiaries were reduced to 1,994 as applicants had provided fake accounts details, their families had applied from other cities, residential addresses were shown in unauthorised colonies, etc.

Further, it was revealed that MCP had spent ₹ 0.86 crore on IHHL and ₹ 3.71 crore on various item such as salary of motivators, workshops, purchase of mobile toilets, dustbins and e-cart rickshaws, hiring of vehicles, advertisements, refreshment of meeting, purchase of mobile phone, etc., out of IHHLs funds. Spending of funds of ₹ 3.71 crore on items other than incentive to households for construction of latrines was irregular and tantamount to diversion of funds.

As per paragraph 6.4 of the guidelines (2014) of SBM (U), there would be no incentive support for the construction of public toilets under SBM. State Government released (November 2016) grants of ₹ 3.98 crore out of central share for IEC, community toilets and solid waste management but MCG had spent ₹ 2.15 crore out of ₹ 3.98 crore on construction of public toilets and balance funds of ₹ 1.83 crore were lying unspent with MCG. Thus, the funds meant for IEC, community toilets and solid waste management were diverted towards construction of public toilets.

MCP stated (June 2018) that the amount would be recouped from the municipal funds while MCG stated (April 2018) that grants had been utilised for development work for public use. The reply of MCG was not tenable as funds were meant for construction of community toilets, IEC and solid waste management, not for public toilets, the expenditure on which was prohibited under the scheme.

(ii) Double/triple release of first instalment: Scrutiny of records and analysis of computerized data of IHHL beneficiaries of MCG revealed that first instalment of financial assistance was given twice to 22 beneficiaries and thrice to one beneficiary. This resulted in excess payment of ₹ 1.68 lakh.

Audit observed that double/multiple payments occurred due to improper scrutiny of applications by ULB as applicants had submitted two/three different

applications by minor change in name, father's/husband's name, address, bank account number, etc. Thus, proper checks were not exercised while scrutinizing the applications. MCG, however, accepted (April 2018) the double payment of 22 beneficiaries and stated that excess payment made would be adjusted in next instalments. Further developments were awaited (February 2021).

Recommendation: The MC concerned may exercise proper checks while scrutinizing the applications so that double payment could be avoided.

4.1.5 Execution of works

4.1.5.1 Execution of development work in prohibited area

As per Works of Defence Act 1903, there was restriction on construction activities in the area falling within the limits of 900 metres from the outer parapet of Air Force Station and Ammunition Depot, Gurugram. Town and Country Planning Department constituted a committee headed by Chief Secretary in December 2011 for taking effective action against unauthorised construction /colonization in the area. Despite this, MCG constructed a road from Shani Mandir to Sector-23 old Carterpuri Road from 0.700 to 1.600 km at a cost of ₹ 73.87 lakh (upto March 2017). As the area was prohibited for carrying out construction activities, the expenditure incurred was unauthorized. MCG stated (April 2018) during exit conference that construction work was done as per requirement of residents. The reply is not acceptable as road was constructed in the restricted area which was against the Works of Defence Act 1903.

4.1.5.2 Loss due to change in specifications

As per terms and conditions of the technical notes of three⁶ road works allotted in October 2017, no change could be made in specifications and scope of work without specific approval of the competent authority before commencement of work and further specified that any deviation from the sanctioned detailed estimate would need approval of the competent authority. Scrutiny of records of MCP revealed that the administrative approval and technical sanction of these road works were obtained from competent authority wherein thickness of mastic asphalt was 40 mm but its thickness was changed to 25 mm without recording any justification and without approval of the competent authority. The sanctioned rate of 40 mm thick mastic asphalt was ₹ 874 per square metre (sqm). But at the time of preparing of comparative statement, rate was compared

⁶ (i) Special repair of road starting from Labour Chowk (near village Budhanpur) to dividing road B/W Sector-12A & Industrial area phase-I via Amartax Chowk till NH-22 Panchkula, (ii) Special repair of road from Bella Vista chowk to roundabout of sector-11/15 via Bus Stand, Panchkula and (iii) Special repair of road from roundabout of sector 7/6 & 8/5 (Shalimar Mall/ Shakti Bhawan Chowk) to dividing road B/W Sector-12A & Sector-4 via Bus Stand till NH-22 Panchkula.

with 25 mm thick and finally these three works were allotted (October 2017) at rate of ₹ 825 per sqm for 25 mm thick mastic asphalt.

Audit observed that rate of 25 mm thickness was ₹ 690 per sqm in case of another work allotted in March 2018 (Construction of bitumen mastic asphalt road from Gandhi chowk to Railway station, Kalka (Railway road) via SDM office Ward no.1, Kalka). Thus, the reasonable rate of 25 mm mastic asphalt was ₹ 690 per sqm but these three works were executed at the rate of ₹ 825 per sqm without the approval of the competent authority. This resulted in loss of ₹ 29.06 lakh.

MCP stated (June-2018) that the matter would be investigated and appropriate action would be taken.

Recommendation: MC may execute the work as per specifications with the approval of the competent authority before commencement of work and if deviation it should be approved by the competent authority.

4.1.6 Assessment, demand and collection of taxes/fees

4.1.6.1 Unauthorised installation of mobile/ communication towers

Urban Local Bodies Department notification (October 2013) provides for charging of licence and processing fees (₹ 2.50 lakh per site for erection of mobile/ communication tower and ₹ 1,000 per tower processing fee) for the installation of communication infrastructure. The competent authority shall proceed to get the unauthorized communication structure removed at the expense of such service provider.

Test check of records of MCG revealed that 259 mobile towers were installed within the jurisdiction of MCG. Audit observed that these towers were installed without permission of the competent authority and installation charges and processing fees of ₹ 6.50 crore⁷ was not recovered from the concerned tower owners. MCG stated (May-2018) that notices had been issued to the owners of mobile towers which were running without permission. Further developments were awaited (February 2021).

4.1.6.2 Non-recovery of property tax including fire tax

Section 87 of the HMC, Act provides that the municipality shall levy property tax payable by the owner or occupier of building and land at the rates notified by the Government, from time to time. Section 95 of the HMC, Act further provides that on the failure to recover any sum due on account of tax from the person primarily liable, the Commissioner shall recover the said amount from the occupier by attachment of rent payable by occupier.

⁷ 259 x ₹ 2.51 lakh = ₹ 6.50 crore

Scrutiny of Demand and Collection Registers of MCG and MCP revealed that property tax including fire tax amounting to ₹ 166.40 crore⁸ was in arrears as on March 2018. It was also observed that concerned MCs had not recovered the amount of outstanding property tax from the owner by attachment of rent under section 95 of the HMC Act. Even the proceedings and notices of attachment of rent had not been issued with the result that huge arrears had accumulated.

MCG (April 2018) stated that notices would be issued and recovery would be made while MCP stated (June 2018) efforts were being made to recover the outstanding tax. The reply is not tenable as non-realisation of the dues is attributable to administrative short comings in initiation and processing of action for recovery by the concerned Municipalities.

4.1.6.3 Non-recovery of rent of shops

As per Demand and Collection Register for the year 2017-18 maintained in the MCG and MCP, shops lease rent amounting to ₹ 1.35 crore was outstanding as on March 2018 as per details given below:

Number of years for which outstanding	Number of shops	Amount outstanding (₹ in lakh)
More than 10 years	106	81.53
Between five to 10 years	46	39.88
Between one to five years	38	13.68
Total	190	135.09

As is evident from the above table, the rent was outstanding for the period exceeding 10 years as well. MCs stated (April-June 2018) that notices would be issued to tenants for deposit of outstanding rent. Thus, notices were not issued to the defaulters by MCs which resulted in non-recovery of rent.

4.1.6.4 Loss of revenue for trade and commercial activities

Sections 330, 331, 335, and 336 read with the Section 352 (2) of the HMC Act, 1994 stipulate obtaining of permission/licence for carrying out various trade/commercial activities, etc. in the municipal areas. Annual fee for providing permission/licences has been prescribed by the MCG and MCP and in November 2008 and June 2016 respectively.

Scrutiny of records of MCG and MCP revealed that 6,187 units⁹ were carrying out various trades and commercial activities in the areas of these MCs as of March 2018 without permission/licences of the MCs. This resulted in non-generation of revenue of ₹ 3.22 crore¹⁰.

⁸ Municipal Corporation, Gurugram: ₹ 163 crore and Municipal Corporation, Panchkula: ₹ 3.40 crore

⁹ MCG: 71 units, MCP: 6,116 units.

¹⁰ MCG : ₹ 0.71 crore, MCP: ₹ 2.51 crore.

On being pointed out, MCG stated (April 2018) that notice would be issued to recover the fee; while MCP stated (June 2018) that though the committee so formed finalised the rates of trade licenses in June 2016, yet the sanction from Government was pending. The reply of MCP is not tenable as the Commissioner is fully competent for deciding the rates. The fact remains that MCs were not making adequate efforts to recover the amount with the result that huge potential of revenue on this account remained untapped.

4.1.6.5 Non-recovery of Municipal Electricity Tax

Section 87 of the HMC Act provides that a tax on the consumption of energy at the rate five *paisa* for every unit of electricity consumed by any person within the limits of the municipality is leviable.

Scrutiny of records of MCG revealed that tax on consumption of energy amounting to ₹ 59.50 crore was recoverable from Dakshin Haryana Bijli Vitran Nigam Limited (DHBVNL) as of March 2018. Audit observed that proper action was not taken by MCG to recover the amount from DHBVNL. MCP had not maintained any records regarding Municipal Electricity Tax recoverable from Uttar Haryana Bijli Vitran Nigam Limited. However, MCP had realized ₹ 6.61 crore as municipal electricity tax against the budget estimate of ₹ 12 crore during 2015-18. MCP stated (June 2018) that recovery would be made as per demand. The reply is not tenable as MCP had not taken concrete steps to assess and recover the actual amount of tax. Audit further observed that there were no proper mechanism to reconcile and timely recovery of the Municipal Electricity Tax from the DISCOMs. As a result, huge potential revenue remained untapped.

Recommendation: MCs concerned should strengthen the system to recovery of taxes, rent, fee, etc. to make the municipalities self-sustainable.

4.1.6.6 Loss of revenue due to delay in tendering process on outdoor advertisement

The Hon'ble High Court of Punjab and Haryana permitted (November 2014) MCG to put unipoles for advertisement on 77 places. Thereafter, MCG decided to put unipoles at 69 sites measuring 17,679.50 square feet.

Audit observed that MCG invited (September 2015) tenders for outdoor advertisement after lapse of nine months of the permission of the Hon'ble High Court. The contract was awarded (December 2015) to an outdoor media company at the rate of ₹ 463 per square feet per month and the company started the work in March 2016. Had MCG invited the tenders immediately after the permission by Hon'ble High Court, the MC would have been able to earn additional revenue for 11 months¹¹, which worked out as ₹ nine crore (17679.50 x 463 x 11 = ₹ 9,00,41,694).

¹¹ December 2014 to August 2015 : Nine months and January 2016 to February 2016: Two months

MCG stated (April 2018) that reserve price for auctioning of advertisement rights was to be finalized by a committee headed by Divisional Commissioner and meeting of committee was held only in April 2015 and subsequently tender were floated in July 2015. Audit is of the opinion that MCG should have insisted the committee for finalization of reserve price at the earliest to avoid loss of revenue of huge amount. Had the Committee headed by the Divisional Commissioner held the meeting immediately after the orders of the Hon'ble High Court of Punjab and Haryana for fixation of reserve price, revenue of ₹ nine crore would have been earned. Responsibility should be considered to be fixed for the loss due to delay in fixation of reserve price.

4.1.6.7 Non-realisation of revenue due to dishonoured cheques

MCs were receiving payments on accounts of house tax, fire tax, fee/charges, earnest money deposit of tenders etc. through cheques. These cheques were required to be deposited in banks and banks in turn were required to credit the amount in MCs accounts. In case of dishonour of cheques, the demands were required to be raised from the defaulters.

Scrutiny of records of MCP revealed that 83 cheques of ₹ 20.27 lakh received on accounts of house tax, fire tax, fee/charges, earnest money deposit of tenders etc. during January 2017 to May 2017 were dishonoured by the banks. However, the reasons for dishonoured cheques were not made available to Audit. It was further observed that the MCs had not monitored the realization of revenue of these dishonoured cheques from payers, as a result, revenue to the extent of ₹ 20.27 lakh remained unrecovered.

On being pointed out by Audit, MCP stated (May 2018) that demand had been raised against defaulters. The efforts made by MC to realize the amount of dishonoured cheques were not adequate with the result that ₹ 20.27 lakh remained unrecovered.

4.1.6.8 Non-realization of fire charges

Rule 11 (2) of Haryana Municipal (Formation and Working of Fire Brigade) Rule, 1985 provides that in case of extinguishing of fire outside the jurisdiction of municipal area, charges were to be recovered from the persons, institutions, villages to whom fire service was provided. If the person, to whom these services were rendered, had not paid the amount, action should be taken to recover the amount as arrear of land revenue under Section 98 of Haryana Municipal Act, 1973.

Scrutiny of record of MCG showed that an amount of ₹ 25.48 lakh¹² on account of fire charges was lying outstanding against persons, gram panchayats and institutions up to March 2018. MCG stated (April 2018) that

¹² 2011-12: ₹ 3.49 lakh, 2012-13: ₹ 3.72 lakh, 2013-14: ₹ 2.32 lakh, 2014-15: ₹ 3.79 lakh, 2015-16: ₹ 2.40 lakh, 2016-17: ₹ 4.57 lakh and 2017-18: ₹ 5.19 lakh

notices were being issued to recover the outstanding fire charges. Further developments were awaited (February 2021)

Recommendation: Action should be taken to recover the fire charges as arrear of land revenue under Municipal Act, 1973.

4.1.6.9 Non-recovery of contract amount

As per term and conditions of bid documents, the contractors for lifting of dead animals were required to deposit 50 per cent of the contract amount at the time of opening of bid and balance amount was to be deposited on the execution of agreement. In case the contractor failed to deposit the amount at the time of execution of agreement, the contract would be cancelled and 50 per cent amount deposited at the time of opening of bid would be forfeited.

Scrutiny of records of MCP revealed that four contractors were allotted the work of lifting of dead animals at a contracted amount of ₹ 42.62 lakh during the period 2016-18. The contractors had deposited only ₹ 29.31 lakh and balance amount of ₹ 13.31 lakh was not deposited. Audit observed that MCP neither recovered the outstanding amount nor cancelled the contract agreement. MCP stated (June 2018) that notices had been issued to all the contractors for recovery of outstanding amount but further developments about recovery were awaited (February 2021).

Recommendations: MC may ensure that the contract amount should be deposited as per agreement within prescribed time limit.

4.1.7 Other irregularities

4.1.7.1 Encroachment of land

Section 408 of HMC, Act stipulates that no person shall, without authority in that behalf, remove earth, sand or other material or deposit any matter or make any encroachment in or on any land vested in the Corporation or in any way obstruct the same. Further, Section 408A provides that in case of any encroachments or un-authorized occupation of land by any person/bodies, the Corporation will take timely action for getting the same freed from encroachment.

Scrutiny of records of MCG showed that 31.37 acres of land valuing ₹ 232.64 crore (other than court cases) was under encroachment in various areas of the city as of March 2018. MCG was empowered under Section 408A to take possession of the premises/land or building/structure constructed on the land or demolish unauthorized construction or restore to its original state but appropriate action was not taken against the encroachers. MCG stated during exit conference (April 2018) that action would be initiated against encroachers. Further developments were awaited (February 2021).

Recommendations: The MC should take prompt action to remove any encroachment of MC land and also take appropriate action against encroachers.

4.1.7.2 Irregular running of marriage palaces/halls

Sections 250, 254 and 330 of the HMC Act provide that requisite permission was required to be taken from the Commissioner of the MCs for erection of building or the execution of a work, alter, enlarge or extend any factory, workshop or trade premises. If erection of any work has been completed or commenced without sanction referred to in Section 254, the Commissioner in addition to any other action make an order of demolition.

Scrutiny of records of MCG and MCP revealed that 75 banquet halls¹³ were running irregularly without obtaining permission from the Corporations. Audit observed that neither any process to regularize the marriage palace nor any action for demolition of structure had been taken by the Corporations. MCP stated (June 2018) that action is being taken to regularise the illegal marriage palaces while MCG (April 2018) stated that notices had been issued to the owners, which are running without permission.

Recommendation: MCs may take corrective action of illegal marriage palaces as per Act which is running without permission.

4.1.7.3 Loss due to lack of co-ordination between MCG and Police Department

Section 201 of the Motor Vehicle Act 1988 provides that such officer or authority as the State Government may, by notification in the official Gazette, authorise shall recover penalty or towing charges from the vehicle owner or person in-charge of such vehicle. Towing charges includes any costs involved in the removal of the motor vehicle from one location to another.

On request of Traffic Police, Gurugram, towing vehicles were hired (January 2016) by MCG from a contractor and kept at the disposal of the Traffic Police, Gurugram for towing vehicles parked in the non-parking areas and imposing penalties. The amount of penalty (other than the penalty levied by Police Department) was to be shared in the ratio of 66:34 between the contractor and MCG. As per term and conditions of contract with MCG, the towing charges were required to be collected by the contractor. However, only such officer, which is authorised by State Government under Section 201 of the Motor Vehicle Act 1988, was required to recover the penalty or towing charges and neither the MCG nor the contractor engaged by MCG fall under this category.

Test check of records of the MCG revealed that the contractor provided (18 January 2016) seven cranes which remained at the disposal of Police Department upto 29 February 2016 but the towing charges from the defaulters was not collected by contractor as neither the permission was granted by the police department for collection of the same to contractor nor was it possible

¹³ Municipal Corporation, Gurugram: 63 and Municipal Corporation, Panchkula: 12

to authorize the contractor in view of provisions of Section 201 of Motor Vehicle Act, 1988. Consequently, towing charges of the vehicles could not be recovered. MCG paid hiring charges amounting to ₹ 15.93 lakh at the rate of ₹ 4,750 per crane per day to the contractor for this period. These cranes were again provided to the Police Department on the same term and conditions during 29 July 2016 to 30 November 2016, but no towing charges was collected. However, payments of ₹ 60.80 lakh was made (December 2016 and March 2017) to the contractor. Thus, MCG suffered loss of ₹ 76.73 lakh due to undertaking activities outside its purview.

MCG stated (June 2017) that penalty for unauthorised parking was imposed by the Police Department and revenue was also earned at their level. The reply is not tenable as MCG took up activities outside its domain without any Memorandum of Understanding (MoU) or agreement with the police department to recover charges for the services being provided by or through MCG. This resulted in an irregular expenditure of ₹ 76.73 lakh which was not a part of function of MCG.

4.1.7.4 Shortage of staff

The overall position of staff sanctioned and persons-in-position as at end of March 2018 was as under:

Position of staff sanctioned and persons-in-position

Category of staff	Name of MC	Sanctioned staff	Persons-in-position	Shortage (Percentage)
Technical (Group A, B and C)	MCG	85	62	23 (27)
	MCP	69	47	22 (32)
Non- Technical (Group A and B)	MCG	31	19	12 (39)
	MCP	06	03	03 (50)
Non- Technical (Group C)	MCG	425	81	344 (81)
	MCP	84	14	70 (83)
Group D	MCG	94	19	75 (80)
	MCP	17	10	07 (41)
Total		811	255	556 (69)

It would be seen that there was shortage of manpower resources in various cadres ranging between 27 and 83 per cent as on March 2018.

Recommendations: The MCs concerned may take steps to fill up vacant posts in order to streamline the functioning of the Municipality and increase efficiency.

4.1.7.5 Non-preparation of Annual Accounts

Section 168 of HMC Act read with paragraph III 7 (1) of the Municipal Account Code 1930 provides that an Annual Account for every year in respect of Municipality was to be prepared. Audit observed that Annual Accounts

were not being prepared by MCP since its inception (March 2010). However, income and expenditure statement was being prepared in MCP. Due to non-preparation of Annual Accounts, the true and fair view of the affairs of MCP could not be ascertained. Moreover, during audit of MCP (February 2021 to June 2021) also, it was observed that Annual Accounts was still not being prepared by MCP.

4.1.8 Conclusions

MCG and MCP were established for planning economic development and social justice including making arrangement for water supply, public health, sanitation, urban planning, construction of buildings, roads and bridges, public amenities. Financial management was not sound as there were cases of non-adjustment of outstanding advances of ₹ 342.91 crore, non-availment of exemption from Goods and Services Tax, purchase of store items on quotations basis instead of e-tendering, loss of revenue due to the lack of co-ordination and encroachment of land. Revenue realization is an important aspect for enabling the MCs to execute development activities but there were instances of non-recovery of taxes, non-recovery of rent of shops, loss of revenue due to deficiencies in charging of fee for trade and commercial activities, loss due to unauthorized installation of mobile/ communication towers, non-recovery of property tax including fire tax, non-recovery of municipal electricity tax, non-realisation of revenue due to dishonour of cheques. Evidently, lot of funds were lying unspent with MCs and huge amount of revenue was not being tapped. Therefore, it is recommended that Government should monitor the activities of both the MCs to bring about improvement in their working and to achieve the objective of their constitution.

These points were referred to the Government in February 2019 but their reply was still awaited (February 2021).

4.2 Atal Mission for Rejuvenation and Urban Transformation

4.2.1 Introduction

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched by Government of India (GOI) in June 2015 for providing basic services i.e water supply, sewerage, urban transportation to households and build amenities in cities to improve the quality of life for all. Thrust areas for focus of mission were (i) water supply (ii) sewerage facility and septage management (iii) storm water drains to reduce flooding (iv) pedestrians, non-motorized and public transport facilities, parking spaces and (v) enhancing amenity value of cities by creating and upgrading green spaces, parks and recreation centres, especially for children.

The Apex committee in the Ministry of Urban Development provides annual budget to States. State High Power Steering Committee (SHPS) gets city Service Level Improvement Plan (SLIP) prepared at ULBs level and aggregates all the SLIPs to form State Annual Action Plan (SAAP). The Apex committee appraises and approves the SAAPs of the States. As against the total amount of SAAP of ₹ 2,565 crore, an amount of ₹ 313.36 crore was released by the Centre and State Governments during 2015-18. Apart from this, an advance of ₹ five crore was released by GOI in February 2016 for preparation of SLIPs and capacity building of ULBs.

With a view to assess the efficiency in planning and implementation of the mission activities, records of all the 18¹⁴ Urban Local Bodies (ULB) in the State covering 20 mission cities along with records of Director General, Urban Local Bodies for the period 2015-18 were test checked during March-June 2018 .

4.2.2 Financial management

4.2.2.1 Delay in release and unauthorised retention and utilization of funds

Paragraph 9.5 of the mission guidelines stipulates that State should release the Central Assistance funds along with State share to the ULBs within seven working days of release of central share.

Scrutiny of records of Director General, ULB revealed that the State Government released Central Assistance along with State share after a delay of three to seven months as per details given below:

Delay in the release of Grants

(₹ in crore)

Sr. No.	Grant received (Central Share and State Share)	Date of sanction by State Government	Date of release to ULBs	Grant released	Delay
1.	87.60	20 February 2016	03 October 2016	79.6	7 months 13 days
2.	101.76	22 September 2016	16 January 2017	72.49	3 months 24 days
3.	123.50	11 December 2017	27 March 2018	130.00	3 months 16 days
	312.86			282.09	

Source: Director General, Urban Local Bodies, Panchkula

It was further noticed that the Director General, ULBs released ₹ 282.09 crore as against the sanction of ₹ 312.86 crore after retaining ₹ 30.77 crore. Out of this, an expenditure of ₹ 12.85 crore was incurred as Administrative and Office Expenses (A&OE) and ₹ 17.92 crore had been lying with the Directorate. Spending of projects fund on A&OE and retaining of funds by Directorate was irregular as the funds were meant for implementation of the projects.

¹⁴ (i) Municipal Corporation, Ambala comprising Ambala Cantt. and Ambala City, (ii) Karnal, (iii) Yamunanagar comprising Jagadhari and Yamunanagar, (iv) Panipat, (v) Sonapat, (vi) Panchkula, (vii) Rohtak, (viii) Faridabad, (ix) Gurugram, (x) Hisar, (xi) Municipal Council, Bhiwani, (xii) Bahadurgarh, (xiii) Jind, (xiv) Palwal, (xv) Rewari, (xvi) Thanesar, (xvii) Kaithal and (xviii) Sirsa.

4.2.2.2 Non-utilization of funds

(a) Audit observed that out of ₹ 282.09 crore released to 18 municipalities, only three¹⁵ municipalities spent ₹ 60.05 crore (21 per cent) on projects during 2015-17 and balance amount of ₹ 222.04 crore was lying in the bank accounts. Thus, implementation of the projects and utilization of funds was very slow. Due to non-utilization of funds of first instalments, the Department could not claim second and third instalments from GOI.

MC, Faridabad stated (July 2018) that amount could not be spent as the project was yet to be finalised.

(b) An amount of ₹ five crore was released by GOI in July 2015 for preparation of SLIPs and capacity building of ULBs. Out of this, funds were released to 18 municipalities at ₹ 25 lakh each in February 2016. Audit, however, observed that the amount had not been utilized by any of the municipalities except MC, Sirsa (₹ 1.50 lakh).

Further, it was observed that an amount of ₹ 25 lakh had not been credited in the bank accounts of MC, Sonipat though a period of more than two years had elapsed since the release of funds. MC, Sonipat admitted (February 2018) that the amount had not been received and added that the matter had been taken up with the Directorate.

4.2.2.3 Diversion of project funds towards pay and allowances

Paragraph 3.1.9 of the mission guidelines prohibits incurring of expenditure on purchase of land, staff salaries, power, telecom, health, education, wage employment, etc. Scrutiny of records, however, revealed that Municipal Corporations (MC) of Hisar and Ambala spent ₹ 50 lakh and ₹ 88.20 lakh respectively on pay and allowances which was in contravention of guidelines. MC, Hisar stated that amount would be recouped from MC funds.

4.2.2.4 Non-maintenance of separate bank account

As per Paragraph 9.1 of AMRUT guidelines, funds were to be kept in separate bank account by the implementing agencies. Scrutiny of the records revealed that no separate bank account of AMRUT scheme was maintained by the MC Faridabad. The scheme funds were kept in a common bank account opened in the name of Municipal Corporation, Faridabad. In the absence of separate bank account, the interest earned and its utilization on the scheme could not be ascertained.

Recommendation: The DULB may ensure that funds are released in time. Further, the concerned MCs may ensure that funds should be utilised on the prescribed purpose and in time as per sanction.

¹⁵ (i) Ambala: ₹ 13.39 crore (ii) Karnal: ₹ 46.16 crore and (iii) Hisar: ₹ 0.50 crore.

4.2.3 Project implementation

4.2.3.1 Projects not taken on priority basis

According to Paragraph 6.6 of project guidelines, universal coverage of the scheme was to be started with water supply followed by sewerage, storm water drains, urban transport, etc. Water supply and Sewerage can be taken together depending on availability of funds.

Scrutiny of the records revealed that projects were not taken up as per prioritization policy envisaged in the guidelines after ascertaining the baseline position of water supply, sewerage, etc. Six¹⁶ municipalities had not taken up water supply projects despite service level gaps in water supply ranging between 23 and 38 *per cent* in their areas. Other projects such as sewerage, drainage, etc. were taken up instead of water supply projects by these municipalities which was in contravention of mission guidelines.

The Commissioner, MC Karnal stated (July 2018) that the detailed project report of water supply project was in the process of finalization.

Recommendation: Projects should be taken up as per prioritization policy as envisaged in the guidelines of the Mission.

4.2.3.2 Payment of mobilization advance in contravention of NIT conditions

As per condition number 4.23.2 of Detailed Notice Inviting Tender (DNIT), mobilization advance shall be given at the rate of 10 *per cent* of the accepted contract amount in two instalments against a bank guarantee. First instalment not more than five per cent of the accepted contract amount was to be released immediately after signing the contract. Second instalment on demand by the contractor would be released only after submission of service improvement plan and on submission of details of use of first instalment. It was, however, observed that MC, Ambala had given second instalment of mobilization advance of ₹ 6.69 crore in December 2017 for the Ambala Sewerage (AMRUT) programme without obtaining the details of utilization of first instalment of mobilization advance. The work was not even started by the contractor as of January 2018. Thus, release of second instalment of ₹ 6.69 crore was in contravention of DNIT condition and tantamounts to undue favour to the contractor.

4.2.3.3 Irregular allotment of work on single tender

According to para 13.18.1(g) of PWD code, single tenders shall normally not be considered unless there are special circumstances to do so. If special

¹⁶ (i) Karnal (30 *per cent* gap), (ii) Panipat (35 *per cent* gap), (iii) Thanesar (38 *per cent* gap), (iv) Jind (33 *per cent* gap), (v) Hisar (25 *per cent* gap) and (vi) Sirsa (23 *per cent* gap).

circumstances are not present, tender shall be re-called. If re-tendering again results in a single tender, its acceptance may be considered with proper justification and reasons.

The Municipal Corporation, Karnal (MCK) invited (March 2017) tenders for sewerage treatment plant on Sequential Batch Reactor (SBR) technology for ₹ 158.98 crore. Two bidders came in response to invited bids. In the meantime, the concept of GST was introduced by GOI and there was no clarity regarding variation in rates of GST. In view of this, State Level Technical Committee (SLTC) in its 9th Meeting (June 2017) decided to recall the tenders to explore competitive rates after Implementation of GST.

Accordingly, tenders were re-invited in July 2017 and two bidders participated in the tendering process. However, only one agency was technically qualified and work was allotted after negotiation for ₹ 178.10 crore. Thus, the work was allotted on the basis of single tender. As there were no special circumstances of allotment of work on single tender, allotment of work was not in order instead tenders should have been re-invited as per requirement of the PWD Code.

The Executive Engineer, MCK stated (July 2018) that first time two tenders were received and same were rejected by SLTC. After that re-tendering was done where two tenderers participated in the bid process but one tender was rejected on technical ground and remaining one tender was accepted by the competent authority. Reply is not tenable as tenders invited in March 2017 cannot be considered as first tendering process as these tenders were set aside and tenders were re-called due to uncertainties in rates of GST. Thus, the work was awarded on single tender without any special circumstances which tantamount to extending undue favour to the agency.

Recommendation: While carrying out development works, PWD Code should be followed in letter and spirit. Further, Terms & Conditions of the DNIT and Contract Agreement of the works being executed under the project should be adhered to.

4.2.3.4 Allotment of work without obtaining clearances from departments

Paragraph 6.10 of the mission guidelines stipulates that work orders should not be issued unless all the necessary clearances have been obtained from the departments concerned.

Scrutiny of records of MC Karnal revealed that the work of 'Construction of Storm Water Drain along with Intermediate Pumping Station and Rain Water Harvesting Structure' was allotted in July 2017. Audit observed that work was allotted without obtaining necessary clearances/permission from Forest Department, Uttar Haryana Bijli Vitran Nigam Limited (UHBVNL), Public Works Department (Building and Roads) and National Highways Authority of

India with the result that only 10 *per cent* of the work could be executed by the agency as of July 2018. Thus, allotment of work without obtaining clearances from various departments resulted in slow execution of works, depriving the citizens of the facility of storm water drain and rain water harvesting.

MC, Karnal admitted (July 2018) the facts and stated that the works would be expedited after getting 'No Objection Certificate' (NOC) from Forest Department, shifting of poles by UHBVNL and permission of road crossing from PWD (B&R) and NHAI.

Recommendation: Work should be allotted only after seeking prior clearances from concerned department.

4.2.3.5 Capacity building and monitoring

Annexure-7 of mission guidelines provides that ULBs would impart training to all the elected representatives and functionaries of ULBs to enhance the functional knowledge, improve the job related skills and to change the attitude of municipal functionaries. Scrutiny of records, however, revealed that the training was imparted to functionaries of ULBs but elected representatives were not imparted training in nine¹⁷ municipalities. In MC, Sirsa training was imparted to 16 elected representatives out of 31. In remaining eight¹⁸ municipalities, no records were maintained about imparting of training to elected representatives. As the elected representatives were not given the required training, there was a lack of appreciation for the modalities of the scheme by them and their functional knowledge and skills remained to be enhanced. As a result of this, the benefits of their inputs could not be derived and monitoring over the implementation of projects was lacking.

According to paragraph 15.1 of the mission guidelines, District Level Review and Monitoring Committees (DLRMC) were to be constituted for monitoring and review of the implementation of the projects under mission. Scrutiny of the records revealed that in six¹⁹ municipalities DLRMC were not constituted with the result that monitoring of the implementation of projects was lacking, even the works had not been allotted to contractors except for MC, Karnal.

4.2.4 Conclusions

AMRUT was launched by GOI in June 2015 for providing basic services such as water supply, sewerage, urban transportation to households and build

¹⁷ (i) Panipat, (ii) Karnal, (iii) Rewari, (iv) Bahadurgarh, (v) Palwal, (vi) Rohtak, (vii) Thanesar, (viii) Bhiwani and (ix) Jind.

¹⁸ (i) Ambala, (ii) Yamunanagar, (iii) Sonapat, (iv) Panchkula, (v) Faridabad, (vi) Gurugram, (vii) Hisar, and (viii) Kaithal.

¹⁹ (i) Panipat, (ii) Sirsa, (iii) Karnal, (iv) Rewari, (v) Palwal and (vi) Jind

amenities in cities to improve the quality of life for all. But the implementation of the projects of the mission was very slow. As against State Annual Action Plan of ₹ 2,565 crore, ₹ 313.36 crore was released by the Centre and State Governments. Of this, ₹ 282.09 crore were released to ULBs for implementation of projects but only three ULBs spent ₹ 60.05 crore and balance amount of ₹ 222.04 crore was lying unutilised with ULBs. The implementation of the mission is very slow as only ₹ 2.34 per cent had been spent as against the total SAAP of ₹ 2,565 crore despite lapse of more than three years of the mission period (2015-17). Due to non-utilization of funds, the Department could not claim second and third instalments of mission funds from GOI. An amount of ₹ 12.85 crore was spent by the Department on Administrative and Office Expenses out of project funds in violation of project guidelines. Further, priority was not given to water supply projects by six municipalities as provided for in guidelines. Irregular payment of mobilization advance of ₹ 6.69 crore was given to a contractual agency. There were instances of violation of extant rules/instructions/in guidelines for award of works.

4.3 Execution of works in Urban Local Bodies

4.3.1 Introduction

Urban Local Bodies (ULBs) or Municipalities are the primary administrative units for providing basic infrastructure and services in urban areas. ULBs execute various development works through the funds received under different grants/schemes such as Surcharge on VAT (Rajiv Gandhi Urban Development Scheme), Deen Dayal Upadhaya Sewa Basti Yojana (DDUSBY), Central Finance Commission (CFC), State Finance Commission (SFC) and Municipal Funds. Under the grants/schemes, the development works such as construction of community centres, repair, strengthening and construction of roads with drains, development of parks, providing street lights, sewerage system, water supply, etc. are executed. In the State, funds of ₹ 4,391.11 crore were received during 2016-19 for execution of development works. In test checked MCs, against the receipt of ₹ 1,809.40 crore, an expenditure of ₹ 1,403.65 crore was incurred during 2016-19.

With a view to assessing whether the works were executed efficiently and effectively, record of Directorate, three²⁰ out of 10 Municipal Corporations, five²¹ out of 18 Municipal Councils and 15²² out of 52 Municipal Committees were selected for test-check using Random Sample Technique through IDEA. The records of these municipalities (MCs) for the period 2016-19 were

²⁰ (i) Karnal (ii) Faridabad and (iii) Yamunanagar

²¹ (i) Hansi, (ii) Thanesar, (iii) Gohana, (iv) Rewari and (v) Tohana

²² (i) Naraingarh, (ii) Samalkha, (iii) Radaur, (iv) Beri, (v) Sampla, (vi) Meham, (vii) Mahendergarh, (viii) Rania, (ix) Safidon, (x) Pehowa, (xi) Ladwa, (xii) Kalayat, (xiii) Pataudi, (xiv) Shahbad and (xv) Bawani Khera.

scrutinized during April - October 2019. In 23 selected ULBs, 702 works such as construction of community centers, repair, strengthening and construction of roads with drains, etc. which consist of 51 *per cent* of total allotted amount of all works, were selected for scrutiny.

4.3.2 Planning

Efficient and timely delivery of services requires proper planning so that resources can be arranged and required infrastructure is developed in a systematic manner in tune with evolving needs. Scrutiny of records of MCs revealed that planning was not efficient as discussed in following paragraphs.

4.3.2.1 Non-preparation of plans

As per Section 42 of Haryana Municipal Corporation Act, 1994 (the Act) Municipal Corporations were required to prepare plans for economic development and social justice in respect of all the functions entrusted to them. Further, every Municipal Corporation was required to prepare plans for the areas under its jurisdiction and submit the same to the District Planning Committee for consolidation into a Development Plan (DP) of the district. Audit scrutiny showed that neither the plan for economic development and social justice nor DP of districts was prepared by any of the Municipal Corporations test-checked. The development works were executed by the Corporations on *ad-hoc* basis without proper planning.

Recommendation: The State Government may ensure that MCs should prepare plan for economic development and social justice.

4.3.2.2 Non-establishment of Area Sabha and Ward Committees

The Haryana Municipal Citizens' Participation Act, 2008 provides for constitution of an Area Sabha (AS) in each Ward to generate proposals and determine the priority of the schemes and development programmes to be implemented in the area. Similarly, Ward Committees (WCs) for each ward consisting of a Ward Councilor as Chairperson and eminent members (not less than three and not more than ten persons) nominated by the Corporations were to be constituted to provide assistance for preparation and monitoring of development schemes. Audit noticed that ASs and WCs were not constituted in any of the Wards of municipalities. The municipalities concerned stated (April- October 2019) that the ASs and WCs would be constituted at the earliest. Thus, the proposals for implementation of schemes were not received through ASs and WCs and these committees were not involved in preparation and monitoring of development schemes with the result that priority of schemes was not being determined in consultation with ASs with reference to needs of respective areas and the benefit of WCs in taking assistance for preparation and monitoring of development schemes was not being derived.

4.3.3 Financial management

4.3.3.1 Diversion of funds

Sanctions of grants-in-aid on the recommendations of State Finance Commission (SFC) specified that the funds would be utilised for creation of assets. Scrutiny of records revealed that eight MCs²³ spent ₹ 2.39 crore, out of ₹ 53.46 crore on repair of roads, operation and maintenance of works during 2016-19. This expenditure does not constitute creation of assets. Similarly, Grant-in-Aid in respect of Surcharge on VAT (Rajiv Gandhi Urban Development Scheme) of ₹ 0.07 crore, out of ₹ 2.28 crore, was diverted on refund of earnest money and repair and maintenance of works. Thus, ₹ 2.46 crore were diverted on other works instead of creation of assets. In reply, the MCs stated (May- October 2019) that expenditure incurred on the items other than creation of assets would be recouped and expenditure on such items out of these grants would be avoided in future.

Recommendation: The MCs needs to ensure that funds should be utilized for the purpose for which these were sanctioned.

4.3.3.2 Loss of interest due to non-investment of un-utilised grants

As per Section 60 of Haryana Municipal Act, 1973, surplus funds, which were not required for current charges, were required to be invested by the Councils/Committees.

Three MCs²⁴ received ₹ 15.08 crore from ULB Department between April 2009 and January 2018 for execution of works. The works, however, could not be started due to non-clearance of site by Forest Department, existence of old building, etc. Funds were kept in savings bank account instead of investing properly in fixed deposits to earn higher rate of interest. This resulted in loss of interest of ₹ 1.07 crore²⁵ to these municipalities. On being pointed out by audit, MC, Gohana stated (September 2019) that amount would be kept in fixed deposits in future. MC, Tohana stated (October 2019) that work had been started and would be completed soon. The fact remains that due to non-investment of unutilised grants, MCs suffered a loss of interest of ₹ 1.07 crore.

4.3.3.3 Non- sharing of construction cost with Railways

Para 925 (4) of the Indian Railways Permanent Way Manual (June 2006) provides that of ROB/RUB constructed in replacement of busy Level

²³ (i) Karnal (ii) Yamunannagar-Jagadhari (iii) Sampla (iv) Gohana (v) Radaur (vi) Pehowa (vii) Hansi and (viii) Pataudi.

²⁴ (i) Gohana, (ii) Tohana and (iii) Shahabad.

²⁵ (i) Gohana: ₹ 76.92 lakh (ii) Tohana: ₹ 12.67 lakh and (iii) Shahabad: ₹ 17.82 lakh (calculated on the basis of borrowing rates)

Crossings²⁶ (LCs) situated in Municipal areas where light vehicular traffic is considerable and where railways are satisfied that closure of LCs caused hardship, additional provision may be made for construction of subway or a light over bridge with ramps for use of light vehicular traffic. The cost of these ramps/subway would be shared equally with the sponsoring authority on 50:50 basis.

The Director General, ULB department, accorded administrative approval for construction of one Low Height Subway (LHS) and one Foot Over Bridge (FOB) in December 2017 in consultation with Railways with estimated cost of ₹ 13.62 crore and funds to this extent were deposited by MC Karnal with Railways in January 2018. Audit observed that in terms of Para 925 (4) of the Indian Railways Permanent Way Manual, the expenditure on LHS and FOB was required to be shared with Railways on 50:50 basis but MC Karnal had deposited entire cost (₹ 13.62 crore) instead of 50 per cent of cost i.e. ₹ 6.81 crore. This had resulted in extra expenditure of ₹ 6.81 crore out of MC funds.

On being pointed out by Audit, MC Karnal stated (May 2019) that the matter would be taken up with Railways for sharing of expenditure. Further developments were awaited (February 2021).

4.3.4 Irregularities in execution of works

4.3.4.1 Irregular allotment of works

(i) Tenders should invariably be invited in most transparent manner. Further, guidelines issued (February 2014) by the Director ULBs provides that in respect of non-scheduled (NS) items proper supporting documents should be attached for justification of their rates with supporting quotations, etc.

Two Municipal Councils²⁷ revised estimates of eight works from ₹ 10.10 crore to ₹ 28.29 crore during 2017-18 and allotted the enhanced works to the same agencies/contractors to whom work was allotted before enhancement. Further, it was noticed that out of enhanced works of ₹ 18.19 crore, NS items of ₹ 7.23 crore (40 per cent) were included in the revised estimates for which no rate analysis was done. Since the enhanced scope of work included substantial amount of NS items, and the nature of works was different than that of original work, these works should have been treated as separate works and the same should have been allotted after tendering and analysis of rates of NS items.

Similarly, in MC, Rania NS items of ₹ 59.73 lakh (39 per cent) were included in the estimate of ₹ 151.81 lakh (enhanced from ₹ 49.50 lakh). Audit observed that rate analysis of NS items was not done as per instructions of Directorate.

²⁶ An intersection where Railway line crosses a road at the same level.

²⁷ (i) Gohana and (ii) Sampla

The MC, Sampla and Rania stated (September 2019) that the matter would be examined while MC, Gohana stated that works were enhanced on the demand of public representatives. The reply of MC Gohana is not tenable as the enhanced works should have been allotted after following the codal provisions/ prescribed guidelines. Further developments from MC Sampla and Rania were awaited (February 2021)

(ii) As per para 14.2.1 of Haryana PWD code, each PWD shall have rules for enlistment of contractors for various categories of works. There can be different classes of contractors, depending on parameters specified, but these parameters may include tendering limits, jurisdiction and qualification to be possessed.

MC, Hansi allotted the work of maintenance of street light for one year with total allotment cost of ₹ 19.97 lakh to an agency. As per enlistment certificate of the agency, tendering limit of the agency was ₹ 10 lakh for roads and building works. Despite this, electrical work of ₹ 19.97 lakh was allotted to the agency. Thus, work was allotted to ineligible contractor. In reply, Executive Officer, MC, Hansi stated (July 2019) that tender was floated and work was allotted to L1 bidder. Reply is not acceptable as work was allotted to an ineligible contractor.

(iii) Tenders for work for Maintenance of parks in Zone 2, 3 and 4 having estimated amounts of ₹ 21.58 lakh, ₹ 20.89 lakh and ₹ 48.82 lakh respectively were invited by the MC, Karnal for one year maintenance in October 2018. Audit noticed that as per terms and conditions of the tender, the agencies quoted the rates as ₹ 20.30, ₹ 26.06 and ₹ 24.09 per square meter per annum basis; which works out as ₹ 1.69, ₹ 1.75 and ₹ 1.74 per square meter per month. After negotiation, the lowest bidder of agency was agreed to reduce his quoted rate from ₹ 20.30 per square meter per month to ₹ 2.65 per square meter per month while agency had originally quoted the rates ₹ 20.30 per square meter per annum. However, ₹ 1.69 per square meter per month was worked out on the basis of originally quoted rates of ₹ 20.30 per square meter per annum. The Corporation treated the rates given by the contractor per month instead of per annum. This had resulted in allotment of these works at higher rates leading to extra expenditure of ₹ 34.04 lakh. On being pointed out in audit, the MC Karnal stated that the estimates of the works were prepared on monthly basis and the tenders were invited accordingly. The reply was not acceptable as the rate in tenders were invited and quoted by the tenderers on annual basis.

Recommendation: Works should be executed as per the prescribed DNIT and terms and condition of Contract Agreement as envisaged in the PWD Code and Manual. Eligibility of all bidders should be verified before finalization of lowest bidder.

4.3.4.2 Excess payments to the Contractor/agency

Before making payments against execution of works, proper scrutiny of records, measurements of works, calculations of amounts with reference to clauses of agreements, codal provisions, etc. are required to be done to avoid any over payments to contractors. Scrutiny of records revealed that MCs were not exercising these checks properly before making payments resulting in excess payments to contractors as discussed in the following table. Audit further observed that MCs were not prompt in recovery of excess payment made to the contractors/agencies despite being pointed out by Audit. As a result, ₹ 1.24 crore remained outstanding.

Details of excess payments	Amount (₹ in lakh)	Response of Department/MCs
(i) In MC, Karnal, a Non- Scheduled (N.S.) item with quantity of 4,747.01 cubic metre (cum) was included in the work 'Relaying of I.P.B. from Kachwa road to Kaithal under bridge'. The work order was issued (September 2018) to the agency with quoted rate of ₹ 22 per cum. The actual quantity supplied was 4,643 cft (i.e. 4,643 x 0.0283 = 131 cum) and ₹ 2,882 was payable. Audit observed that MCK had made payment of ₹ 1.02 lakh (January 2019) by taking wrong measurement unit.	0.99	The MC, Karnal admitted (May 2019) the calculation mistake in making the payment. However, recovery of over payment had not been made (February 2021).
(ii) If during execution of the work, the rate of bitumen/emulsion increases or decreases at refinery, the difference in rate is required to be paid/recouped from the contractual agency. In MC Karnal, two works with agreement amount of ₹ 6.24 crore were executed during 2017-18. Audit observed that the rates of bitumen/emulsion decreased during execution of works, however, no recovery was made on account of decrease in rates of bitumen/emulsion. The recoverable amount on the basis of final/last paid bill (February 2019) works out to ₹ 28.59 lakh (on the basis of minimum difference of rates).	28.59	The MC, Karnal stated (May 2019) that the amount on account of de-escalation would be recovered from the final payment/security of the agencies. However further progress of recovery was awaited (February 2021).
(iii) The Director, ULBs instructed (July 2014) that in no case municipalities would allow the tender premium over the rates of Non-Scheduled (NS) items as these are based on market rates and analysis are prepared keeping in mind all the applicable taxes, market prices and contractors profit. In MC, Radaur and Yamunanagar/Jagadhari premium at 18.95 and 20 per cent respectively was paid to the contractors on NS items in contravention of instructions ibid during 2017-19 on execution of two works which resulted in excess payments of ₹ 0.67 lakh (February 2019) and ₹ 10.67 lakh (September 2018) in MC Radaur and Yamunanagar/ Jagadhari respectively.	11.34	MC, Radaur stated (August 2019) that rates were approved by the competent authority. The reply is not tenable as premium was not payable as per instructions of the Directorate. MC, Yamunanagar-Jagadhari stated (August 2019) that matter would be examined and outcome would be reported to audit. Final outcome was awaited (February 2021).

Details of excess payments	Amount (₹ in lakh)	Response of Department/MCs
(iv) The steel was to be used in the works as per make given in the work order/Haryana Schedule of Rates (HSR). In case steel is not arranged by the agency as specified in the work order/HSR, deduction at the rate of ₹ 6,000 per metric ton would be made. In MCs Pehowa, Rania and Sampla, the agencies used steel of other makes than specified in the work order/HSR in case of six works for which recovery of ₹ 25.26 lakh was to be made (as per <i>Appendix XVII-A</i>). As the works are in progress, the recoverable amount would increase with the progress of the works.	25.26	MCs Pehowa and Sampla stated (August- September 2019) that recovery would be made from the agencies. MC, Rania stated (September 2019) that necessary action would be taken after investigating the matter. Final outcome was awaited (February 2021).
(v) In MC, Pehowa, rates for the item of earth filling in the work 'Construction of community centre and gym, near Bharamjun at Pehowa' was given at the rate of ₹ 80.31 per Cubic Metre (Cum) whereas payment at the rate of ₹ 230 per Cum (June 2019) was made. Total quantity of earth filling executed was 8207.71 Cum. This resulting in excess payment of ₹ 12.29 lakh.	12.29	On being pointed out by Audit, MC, Pehowa stated (August 2019) that recovery would be made from the agency. Final outcome was however awaited (February 2021).
(vi) In MC Karnal, Yamunanagar-Jagadhari and Sampla, payment of NS items for ₹ 69.27 lakh was made (November 2016 to January 2019) in respect of four works. However, these items were available in Haryana Schedule of Rates (HSR). The rates of NS items were higher than HSR rates. The rates of these items as per HSR were ₹ 35.75 lakh. This resulted in excess payment of ₹ 33.52 lakh (<i>Appendix XVII-B</i>).	33.52	The MC Yamunanagar-Jagadhari and Sampla stated (August and September 2019) that the matter would be examined and reported to Audit. However, no further reply was furnished (February 2021). The MC Karnal stated (May 2019) that the specifications of the tiles used in the works and tiles available in HSR were different. The reply is not tenable as items available in HSR should not be treated as N.S. items in the estimate.
(vii) As per Haryana Schedule of Rates (HSR), if water is supplied by the Department free of cost, a recovery of 0.50 per cent of the total cost of the work executed by the contractor i.e. including cost of all material, labour, etc. is to be made. In case of MCs Faridabad and Rania, it was noticed that water was supplied by these MCs free of cost but recovery of ₹ 5.61 lakh (Modernization of Raja Nahar Singh Cricket Stadium, Faridabad; ₹ 4.94 lakh (May 2019) (upto 3 rd running bill) and (ii) Construction of community hall and shops at Balasar Road Rania; ₹ 0.67 lakh) (August 2019) on account of supply of water was not made.	5.61	MC, Faridabad stated (July 2019) that the reply would be furnished after obtaining the same from concerned branch. MC, Rania stated (February 2021) that necessary action would be taken after conducting proper inquiry. Further developments were awaited (February 2021).
(viii) In MC, Rania, payment of ₹ 2.18 lakh (November 2018) was made against the item 'time switch/street light controller'. During physical verification along with staff of MC Rania, it was noticed that the item was not installed.	2.18	MC, Rania stated (September 2019) that necessary action would be taken after conducting proper inquiry. Further developments were awaited (February 2021).
(ix) In MC, Yamunanagar/Jagadhari, the works of Construction of streets in Ward No. 10 with drain type I and II, 577 brick masonry chambers were constructed (July 2018) for which deduction of 1.75 feet of length of PVC pipe per chamber in lieu of each brick masonry chamber was to be made. Audit observed that recovery of ₹ 1.19 lakh in respect of 344 chambers (1.75 feet per chamber) at the rate of ₹ 197 per feet was not made.	1.19	MC, Yamunanagar/Jagadhari stated (August 2019) that necessary action would be taken after conducting proper inquiry. Further developments were awaited (February 2021).

Details of excess payments	Amount (₹ in lakh)	Response of Department/MCs
(x) In MC, Faridabad the work for operation and maintenance of 45 MLD (SBR Technology) STP was allotted (September 2011) to an agency for a period upto August 2020. As per clause 5 (xiii) of the agreement, epoxy coating should be done quarterly on manual and mechanical screen and ventilators of STP and MPS chequered plates on division box, sludge sump, drain sump, all M.S. parts in screening cum grit chamber and gate on combined effluent channels. In case of default, ₹ 3500 per MLD of rated capacity of STP per quarter was to be deducted. It was noticed that payment for 12 months (i.e. four quarters) was made (January and August 2018) to the agency through 43 rd (05 months 01.07.2017 to 30.11.2017) and 44 th (07 months 10.12.2017 to 03.06.2018) running bills. The agency did not carry out the epoxy coating. However, deduction for only two quarters at the rate of ₹ 1,57,500 per quarter was made on this account resulting in excess payment of ₹ 3.15 lakh (2*1,57,500). The records relating to material management (purchase vouchers, log books) as provided in the agreement were not found attached with vouchers. Thus, undue favour of ₹ 3.15 lakh was extended to the agency.	3.15	MC, Faridabad stated (July 2019) that the reply would be furnished after obtaining the same from concerned branch. Further developments were awaited (February 2021).
Total	124.12	

4.3.4.3 Non-provision of fire safety measures in buildings and other structures

As per guidelines issued (February 2014) by DULB for the preparation of estimates of civil works in municipalities, provisions in accordance with National Building Code for fire safety measures and renewal energy system were to be made in all types of buildings and these provisions were to be checked personally by the Executive Engineers/Municipal Engineers/Assistant Engineers. Scrutiny of records revealed that in seven MCs²⁸ out of 23 MCs test checked, these provisions were not made in the estimates of 12 test-checked building works with estimated cost of ₹ 27.57 crore. Thus, buildings were constructed without proper fire safety measures and renewable energy system. On being pointed out in Audit, the MCs stated (May-September 2019) that the due care would be taken in future and provisions of these items would be made in the estimates. However, no action was taken in respect of these 12 building works.

Recommendation: Fire safety measures as envisaged in National building Code should be adhered to.

²⁸ (i) Karnal (ii) Faridabad (iii) Radaur (iv) Pehowa (v) Sampla (vi) Gohana (vii) Rania

4.3.4.4 Excess expenditure on purchase of pipes

The MC Faridabad, prepared (October 2017 and February 2018) estimates/ DNITs for purchase of Ductile Iron (D.I.) pipes of various *dia* for ₹ 1.76 crore and purchased the pipes from two agencies for execution of two works²⁹ after calling tenders in November 2017 and May 2018. Audit noticed that the Rate Contract (RC) for supply of D.I. pipes (by Directorate of Supplies & Disposals) was in force for the period 15 May 2017 to 14 May 2018 i.e. during processing/execution of these works. The rates of Pipes purchased through tenders were higher than RC rates. This resulted in excess expenditure of ₹ 36.50 Lakh on purchase of pipes for these two works. The MC, Faridabad stated (July 2019) that reply would be submitted after obtaining from the branch concerned. However, further developments were awaited (February 2021).

4.3.4.5 Irregularities in modernization of Raja Nahar Singh Cricket Stadium

(i) As per para 13.14 of the PWD Code, interest bearing mobilization advance to the extent of 5 *per cent* of the contract value may be given to the contractor. There were provisions of mobilization and secured advances in the agreement. However, there was no mention regarding rate of interest in the agreement but as per para *ibid* of PWD code, the interest is required to be recovered from the agency on mobilization advance. Audit noticed that the agency requested for a mobilization advance of ₹ 11.53 crore. However, the MC sanctioned the secured advance, without bringing any material at site instead of mobilization advance with the result that MC could not recover any interest from the agency. This tantamount to extending undue benefit to the contractor.

(ii) Paragraph 4.0 (u) of the Special Conditions of Contract of tender document of the work, expenditure on electricity during execution of work was to be borne by the contractor. Audit noticed that neither the MCF nor the agency had applied for temporary electricity connection from Electricity Company. Electricity connection was illegally taken from a nearby MCF tubewell functioning for water supply. Thus, the expenditure on electricity was borne by the MC. However, recovery on account of electricity charges could not be worked out as a separate connection was not taken from the electricity company with the result that recovery of expenditure on electricity charges was not made from the agency.

(iii) Agency was also required to furnish the detail of technical staff as per Annexure I of contract data. There was a provision of penalty of ₹ 12 lakh (from February 2019 to June 2019) in case agency fails to furnish the same. The agency did not furnish the requisite data but MCF did not impose any

²⁹ (i) Supply of various size D.I. pipes for 27' Road, Dabua Colony, Ward No.-9
(ii) Supply of various size D.I. pipes for village Sihi Sector-8 in Ward No.-34.

penalty. In the absence of requisite data, deployment of staff on the work also could not be ascertained.

4.3.4.6 Non-deduction of statutory dues

(i) **Non-deduction of Sales tax:** As per provisions of Sub section (1) of Section 24 of the Haryana Value Added Tax Act, 2003, every person is required to deduct sales tax at the rate of 5.25 *per cent* from the payment made to contractors of any valuable consideration for the execution of works contracts. Audit noticed that MC, Yamunanagar-Jagadhari made payment of ₹ 6.32 crore (between August and November 2017) to the 52 contractors but Sales Tax of ₹ 33.19 lakh was not deducted. In Exit Conference (August 2019), Executive Officer, MC, Yamunanagar-Jagadhari stated that matter would be looked into.

In respect of one case³⁰ MC, Faridabad did not deduct the amount of GST of ₹ 0.99 lakh (at the rate of 2 *per cent* of ₹ 49.63 lakh) from the payment made to the contractor.

(ii) **Short deduction of security deposit:** As per work agreements executed with the agencies, security amount at the rate of 10 *per cent* was required to be deducted from the running bills of the contractors. Further, labour cess at the rate of one *per cent* was required to be deducted from the payment made to the contractors. Audit noticed that MC Yamunanagar/Jagadhari had paid an amount of ₹ 12.50 crore (between October 2017 and November 2017) to 75 contractors. However, against the requirement of deducting security deposit of ₹ 1.25 crore, ₹ 1.11 crore was deducted resulting in short deduction of ₹ 0.14 crore. Similarly, against the requirement of deduction of ₹ 12.50 lakh on account of labour cess, ₹ 11 lakh only was deducted resulting in short recovery of ₹ 1.50 lakh. On being pointed out by audit, MC, Yamunanagar-Jagadhari stated (August 2019) that matter would be looked into. However, further developments were awaited (February 2021).

4.3.4.7 Irregular execution of earth works

As per technical notes of four works worth ₹ 24.24 crore executed by MC Sampla, the source of earth with Khasra number and name of the land owner was required to be appended with detailed estimate before taking the work in hand. The documents relating to earth should be checked in respect of California Bearing Ratio (CBR)³¹ and other soil characteristics as per Indian Road Congress (IRC) by Superintending Engineer and approval accorded. Audit, however, noticed that earth work of 129666.60 cum was executed but

³⁰ Providing and fixing of DI pipe lines K-9 size of 100 mm dia and 150 mm dia in Dayal Bag Colony in Ward No. 19 Faridabad

³¹ It is a penetration test used to evaluate the sub-grade strength of soil, roads and pavements.

the source was neither mentioned in detailed estimate nor in the MBs. Thus the source and lead for earth work was not checked and approved by the Superintending Engineer. Execution of earth works without mentioning the source of the earth and without approval from the competent authority was in contravention to the conditions of DNIT/codal provisions.

4.3.4.8 Execution of works without e-tendering

The Director, ULB Haryana informed (November 2014) all municipalities about the decision of the State Government for enforcement of e-tendering system for all types of work whether procurement of civil works, purchase of stores or engagement of labour under outsourcing policy for any cost with effect from December 2014. The orders were reiterated and it was directed (December 2014) that disciplinary action would be taken against the erring officers/officials. Further, it was decided (June 2016) by the Government that the minimum threshold value of e-tendering in respect of procurement of stores/goods/ works/ services in the State would be ₹ one lakh in each case (without any splitting of order).

Scrutiny of record of MCF, revealed that 320 development works for ₹ 14.77 crore relating to repair of drains at various places, supply of stone metal, providing and laying of interlocking tiles and culverts in various streets, etc. were allotted to the agencies during 2016-19. Audit noticed that the works were allotted on quotation basis instead of e-tendering which was in contravention of ibid decision of the Government. During exit conference (July 2019), MCF stated that reply would be submitted after verification of facts. Thus, works of ₹ 14.77 crore were allotted without following the system of e-tendering and the objective of the Government of enhancing efficiency and transparency in execution of works remained unachieved.

Recommendation: The MC needs to ensure that works are to be awarded adopt proper tender process to ensure efficiency and transparency award of tenders.

4.3.5 Monitoring and quality Control

4.3.5.1 Non-monitoring of execution of works by Citizen Supervisory Committee

As per the decision taken in a meeting (July 2015) under the Chairmanship of Special Principal Secretary/Chief Minister, Citizen Supervisory Committee (CSC) consisting of Municipal Councilor and at least three residents having stake in the work, was to be set up by each Municipal Corporation for supervision of the execution of works on the ground. Test check of records of three Municipal Corporations revealed that citizen supervisory committees

were not set-up by two MCs³². As a result of this, none of the 49 test checked works could be supervised as per ibid decision of the Government. On being pointed out in Audit, the MCs stated (May and August 2019) that the CSCs would be constituted at the earliest.

Recommendations: The State Government may take necessary steps to execute the works under the supervision of Citizen Supervisory Committee.

4.3.5.2 Execution of sub-standard work

(i) The work of providing and fixing 80 mm thick interlocking tiles in Moti Nagar H. No. 47 to Ram Kumar Gali No. 5 Ward No. 8 was allotted (February 2014) to a contractor for ₹ 10.06 lakh by MC, Karnal and completed in October 2014. Payment of ₹ 9.71 lakh was made to the contractor (November 2014). On the basis of a complaint, sampling of the work was done after completion of work but the samples of interlocking paver block (IPB) were not found of the desired standards (June 2016). Resultantly, the MC issued notice to the firm for recovery of ₹ 5.67 lakh in July 2016. However, recovery of claimed amount had not been made (February 2021).

(ii) The work of construction of street from Kurukshetra Road to the house of Shri Rajpal s/o Shri Dhrampal to Krishan Kripa Gaushala in Ward No. 5 and 3 was allotted (September 2017) to an agency for ₹ 59.60 lakh by MC, Pehowa. The payment of ₹ 56.38 lakh was made to the agency (May 2018) by the MC. Third party inspection report pointed out (February 2018) that the base course was not with well graded stone, bonding in base course was ordinary and proper compaction was not done. Audit also observed during physical verification along with staff of MC, Pehowa that IPBs were not in good condition. No action was taken by the MC, Pehowa to rectify the work. The MC, Pehowa stated (August 2019) that matter would be examined. However, further developments were awaited (February 2021).

4.3.5.3 Use of water without ensuring quality

As per technical note, canal water may be preferred in case of Reinforced Cement Concrete (RCC) work. Where canal water is not possible Reverse Osmosis should be installed and quality of water should be tested daily to ensure use of proper water. Audit observed that MC, Sampla had not conducted any test for ensuring the quality of the water used in three construction works worth ₹ 20.16 crore executed during 2016-19 despite the fact that there were specific provisions in technical sanctions of works. The quality of water used has a direct impact on the strength of the mortar and cement concrete in the construction work. The MC, Sampla stated (September

³² (i) Karnal (ii) Yamunanagar

2019) that matter would be examined. However, further developments were awaited (February 2021).

Recommendations: The MC may ensure to check quality of the water used in construction work.

4.3.5.4 Unauthorized use of groundwater

Pehowa block was declared as notified area by Central Ground Water Authority. In notified areas, abstraction of ground water is not permissible for any purpose other than drinking and domestic use under Environment Protection Act, 1986. During physical verification along with staff of MC, Pehowa (August 2019) of the work 'Construction of community centre and gym, near Bharamjun at Pehowa', valuing ₹ 2.59 crore, it was found that the work executing agency was extracting ground water for use in construction work which was in violation of the Act.

Recommendation: The authority should establish the mechanism to prohibit the unauthorized activities.

4.3.5.5 Irregularities in maintenance of record

- Two MCs³³ had not maintained requisite records such as day work diaries, site order books, Material supervision registers, Hindrance registers, etc., which is fraught with the risk of manipulation of records.
- Paragraph 18.3.3 of the PWD Code provides that loss of Measurement Book (MB) is a serious matter and shall be reported to higher authorities. In case, the MB cannot be traced, FIR is also required to be lodged. Audit noticed that 78 MBs were not traceable in the office of MC Yamunanagar-Jagadhari but no FIR was lodged. Further, it was also noticed that same serial number marked (i.e. MB No 445 to 450) MBs were issued to three Junior Engineers. In such scenario, possibilities of manipulation of the record entries cannot be ruled out.

4.3.6 Conclusions

Financial management in the test checked MCs was not sound as there were cases of diversion of funds, loss of interest due to non-investment of unutilized grants, non-deduction of sales tax, short deduction of security deposit and extra burden of expenditure due to the lack of co-ordination with Railways. There were cases of irregular allotment of works, allotment of works to ineligible contractors, undue favour to contractors, irregular execution of earth work and execution of works on quotations basis instead of e-tendering. The

³³ Safidon and Tohana

instances of excess payments of ₹ 1.24 crore on account of steel, earth filling, premium over NS items, bituminous works were also brought out by Audit in test checked MCs. Also, fire safety measures as envisaged in National building code were not adhered to. Further, monitoring and quality control mechanism was not adequate as Citizen Supervisory Committees were not constituted, sub-standard works were executed and quality assurance of water used in execution of works was not ensured.

These points were referred to the Government in August 2020, but their reply was awaited (February 2021).

4.4 Non-recovery of development charges

The Haryana Management of Civic Amenities Infrastructure Deficient Municipal Areas (Special Provisions) Act, 2013 was enacted to make special provisions for providing essential services in civic amenities and infrastructure deficient declared area in municipal areas. The State Government decided (December 2013) to levy ₹ 30 per square yard and ₹ 50 per square yard as development charges in respect of buildings/ plots situated within declared areas of Municipal Committees and Municipal Councils respectively. These development charges were required to be invested separately and used for carrying out development works in these areas.

During scrutiny of records (April 2013 to November 2018) of seven Municipalities³⁴ it was noticed that the State Government notified (January 2014, February 2014, September 2014, October 2013, January 2014, February 2014 and December 2016) 73 colonies in these municipalities as civic amenities and infrastructure deficient areas. In these colonies, development charges were to be levied on an area of 33,43,181.6 square yards. Audit observed that these municipalities had not issued notices to land owners for recovery of development charges. Further, it was observed that Municipal Councils of Gohana and Palwal, and Municipal Committees of Haily Mandi, Kalayat and Kalanaur had not even assessed development charges. This resulted in non-recovery of development charges of ₹ 15.63 crore from the landowners and non-execution of development works (*Appendix-XVIII*).

On being pointed out by Audit, the Secretary, Municipal Committee, Haily Mandi stated (December 2018) that notices would be issued to concerned persons while Municipal Council, Palwal and Bahadurgarh and Municipal Committees of Kalayat and Kalanaur stated (March 2018- August 2018) that the efforts would be made to recover the development charges. The Municipal

³⁴ Municipal Committees of Haily Mandi, Kalayat and Kalanaur and Municipal Councils of Charkhi Dadri, Bahadurgarh, Gohana and Palwal

Council, Charkhi Dadri and Gohana stated (November 2017 and March 2018) that due to shortage of staff development charges were not recovered. Fact remains that though more than five years had elapsed since the Government decided to levy the development charges; yet the same had not been recovered. Non-recovery of development charges affected development works in declared areas and defeated the very objective of enactment of the Act.

The matter was referred (November 2017 to January 2019) to the Principal Secretary to Government of Haryana, Urban Local Bodies Department; their reply was awaited (February 2021).

Recommendation: The ULBs should take appropriate and effective steps in time for assessment and collection of the development charges.

4.5 Non-recovery of External Development Charges/Conversion Charges

Section 130 of Haryana Municipal Corporation Act, 1994 (HMCA, 1994) provides that any sum due on account of tax or fee payable may be recovered in the manner prescribed as arrears of land revenue/by distraint and sale of a defaulter's movable property/by the attachment and sale of a defaulter's immovable property or by a suit.

Scrutiny of records (April 2017 to March 2018) of Municipal Corporation, Faridabad (MCF) revealed that permission for Change of Land Use (CLU) was granted by the Corporation to various societies and property holders. Property holders after depositing initial amount of External Development Charges (EDC), had not deposited balance amount of EDC/Conversion charges, which amounted to ₹ 11.18 crore along with interest and penal interest as per details given in Table.

Sr. No.	Name of Property holders	Month of issue of CLU	Due month for depositing balance EDC/ Conversion charges	Pending amount (as on August 2019) (₹ in crore)
1.	Sh. Rajesh Kumar Bhatia, Plot No. A-6, Nehru Ground, NIT Faridabad	January, 1996	October, 1996	1.46
2.	M/S Achievers Builders, Group Housing scheme on MCF land in TP Scheme No. 3, Sector- 49, Faridabad.	December, 2009	December, 2012	6.23
3.	M/s Madhuban Electronic Pvt. Ltd, A-26, Jawahar Park, Devli Road, Khanpur, Village Mewla Maharajpur 15/5, DM road Faridabad	October, 1991	October, 1994	3.33
4.	Sh. Satish Chand Plot No. 57-C-BP, Neelam Bata Road, NIT, Faridabad	March, 1999	March, 2000	0.16
Total				11.18

As is evident from above, the societies/property holders were defaulters in payment of dues for the last 7 to 25 years. On being pointed out in audit, the Accounts Officer, MCF stated (July 2018) that notices were being issued to concerned to recover the outstanding charges. The reply is not tenable as neither the recovery had been made nor appropriate action as provided in HMCA, 1994 taken, as a result of which huge potential of revenue remained untapped.

The matter was referred to Principal Secretary to Government of Haryana, Urban Local Bodies Department (August 2019); reply was awaited (February 2021).

Recommendation: Arrears of External Development charges/conversion charges should be assessed and recovery process of outstanding amount initiated along with due amount of interest. Notices for the same should be issued in time bound manner and action taken as per Section 130 of HMC Act 1994.

4.6 Loss of revenue due to not charging of fee for trade and commercial activities

Sections 330, 331, 335, and 336 read with the Section 352(2) of the Haryana Municipal Corporation Act, 1994 stipulate obtaining of permission/licence for carrying out various trade/commercial activities, etc. in the municipal areas.

Scrutiny of records (April 2015 to December 2017) of Municipal Corporation, Ambala (MCA) and Municipal Corporation, Hisar (MCH) revealed that as of January 2018, 35,194 units³⁵ were carrying out various trades and commercial activities in the areas of these Municipal Corporations. Audit observed that various trade/commercial activities were being carried out without permission/licences of the Municipal Corporations. This resulted in non-generation of revenue of ₹ 2.12 crore³⁶ per annum, calculated on the basis of rates fixed by Municipal Corporations in March and April 2012.

On being pointed out, MCA stated (November 2018) that efforts were being made to recover the fee while MCH stated (October 2018) that a sum of ₹ 16 lakh had been recovered and efforts were being made to recover the remaining fees. The fact remains that Municipal Corporations were not making adequate efforts to recover the amount with the result that huge potential of revenue on this account remained untapped.

³⁵ Ambala : 13,953 units, Hisar: 21,241 units.

³⁶ Ambala : ₹ 0.90 crore, Hisar: ₹ 1.22 crore.

The matter was referred (February- December 2018) to the Principal Secretary to Government of Haryana, Urban Local Bodies Department; the reply was awaited (February 2021).

Recommendation: MCs should take strenuous steps persistently to recover trade licence fee from defaulting units/persons which were carrying out trade/ commercial activities without permission.

4.7 Non-realisation of revenue due to dishonoured cheques

Municipal Corporations were receiving payments on accounts of house tax, fire tax, fee/charges, earnest money deposit of tenders etc. through cheques.

Scrutiny of records of Municipal Corporations, Ambala and Faridabad revealed that 508 cheques amounting to ₹ 1.57 crore (*Appendix-XIX*) received on account of house tax, fire tax, fee/charges, earnest money deposit of tenders etc. during March 2012 to June 2017 were dishonoured by the banks. However, the reasons for dishonoured cheques were not made available to audit. It was further observed that the Municipal Corporations had not monitored the realization of revenue of these dishonoured cheques from payers, as a result, revenue to the extent of ₹ 1.57 crore remained unrecovered.

On being pointed out by Audit, Municipal Corporation, Ambala stated (November 2018) that out of ₹ 115.19 lakh, ₹ 16.02 lakh in 46 cases had been recovered and action was being taken to recover the remaining amount. Similarly, Municipal Corporation, Faridabad stated (October 2018) that out of ₹ 41.61 lakh, ₹ 17.25 lakh in 32 cases had been recovered and action was being taken to recover the remaining amount. Thus, efforts made by MCs to realize the amount of dishonoured cheques were not adequate with the result that ₹ 1.24 crore remained unrecovered.

The matter was referred through Inspection Report (August 2017 to December 2018) to the Principal Secretary to Government of Haryana, Urban Local Bodies Department; their reply was awaited (February 2021).

Recommendations: The MCs needs to ensure that receiving cheques should be timely submit in banks.

4.8 Non-availment of exemption from Goods and Service Tax

The Government of India, Ministry of Finance (Department of Revenue) vide their Notification (28 June 2017) exempted Goods and Services Tax (GST) from pure services³⁷ (excluding works contract service or other composite supplies involving supply of any goods) provided to the local authority by way of any activity in relation to any function entrusted to a municipality under Article 243W of the Constitution of India. Government of Haryana has entrusted 18 functions i.e Urban planning, water supply for domestic public health, sanitation, solid waste management, fire services, etc., listed in the Twelfth Schedule of Constitution (under Article 243W), to the municipalities. Accordingly, the municipalities were not required to pay GST to the manpower supplying agencies on the bills of manpower supplied for various activities covered under these functions from July 2017 onwards.

Scrutiny of records of Municipal Corporations of Faridabad and Gurugram (July 2017 to March 2018) revealed that an amount of ₹ 15.48 crore was paid to the manpower supplying agencies to perform activities relating to sanitation, fire services, etc. during the period from July 2017 to March 2018. Audit observed that these Corporations had not availed the exemption of GST as envisaged in the exemption notification of Government of India and paid ₹ 2.23³⁸ crore

(**Appendix-XX**) on account of GST to the manpower supplying agencies. This resulted in extra expenditure of ₹ 2.23 crore.

The Sr. Accounts Officer of Municipal Corporation, Faridabad stated (July 2018) that the exemption notification was not in the notice of concerned staff and steps would be taken to recover the amount from the manpower supplying agencies concerned. However, no recovery had been made so far (June 2019). The Municipal Corporation, Gurugram stated (February 2019) that the compliance had been made. But no documents in support of recovery having been made had been produced to audit. In the absence of which, it could not be verified as to whether the recovery had been made.

The matter was referred to the Principal Secretary to Government of Haryana, Urban Local Bodies Department (August 2018 and March 2019); reply was awaited (February 2021).

³⁷ Supply of services without involving any supply of goods would be treated as pure services.

³⁸ Municipal Corporation, Faridabad ₹ 69.05 Lakh (ii) Municipal Corporation, Gurugram: ₹ 154.04 Lakh.

Recommendation: MCF and MCG should keep in view the Government of India notification to avail exemption of GST on eligible services in future.

4.9 Purchases made without following the process of e-tendering

The Director, Urban Local Bodies Haryana informed (November 2014) all municipalities about the decision of the State Government for enforcement of e-tendering system for all civil works, purchase of stores or engagement of labour under outsourcing policy with effect from December 2014. The orders were reiterated and it was directed (December 2014) that disciplinary action would be taken against erring officers/officials. Further, it was decided (June 2016) by the Government that the minimum threshold value of e-tendering in respect of procurement of stores/goods/works/services in the State would be ₹ one lakh in each case (without any splitting of order).

Scrutiny of records of 16³⁹ Municipalities and Director, Urban Local Bodies, Panchkula revealed that an expenditure of ₹ 2.44 crore (*Appendix-XXI*) was incurred for procurement of furniture, air conditioners, mobiles, laptops, other store items and execution of works during April 2013 to November 2018. Audit observed that all purchases were made online or on quotation basis instead of e-tendering which was in contravention of *ibid* decision of the State Government. Thus, purchases of ₹ 2.44 Crore were made without following the system of e-tendering and the objective of Government of enhancing efficiency and transparency in procurement systems remained unachieved.

The Executive Officers of Municipal Corporation, Karnal and Municipal Council, Narnaul during the exit meeting held in July 2017 and office of DULB (April 2018) stated that the instructions of the Government had been noted for future compliance. The Municipal Corporation, Rohtak, Municipal Council, Bahadurgarh and Municipal Committees of Hailey Mandi, Pehowa and Cheeka stated (March to December 2018) during the exit meeting that the matter would be investigated and appropriate action taken. Municipal Committees of Jhajjar stated (February 2021) that purchase of iron grate was made on quotation basis due to shortage of time and long process of tendering, and electrical work done due to public complaint. It was further stated that purchase of furniture was made with the permission of DC. Municipal Corporation, Sonipat and Faridabad and Municipal Council, Narwana stated (February 2018 - May 2019) that expenditure was incurred

³⁹ Municipal Corporation, Rohtak, Panipat, Karnal, Ambala, Sonipat, Hisar and Faridabad; Municipal council, Narwana, Palwal, Narnaul, Bahadurgarh and Tohana and Municipal Committees, Jhajjar, Hailey Mandi, Pehowa and Cheeka.

on purchase of items of emergent nature. The reply is not acceptable as items such as office furniture, laptops, mobiles, etc. were *prima facie* not of urgent nature and approval for purchase of furniture in deviation of e-tendering process was not obtained.

The matter was referred to the Principal Secretary to Government of Haryana, Urban Local Bodies Department (August 2017 to January 2019); their reply was awaited (February 2021).

Recommendation: Municipalities should adhere to the State Governments orders prescribing threshold limit of rupees one lakh for all kind of purchases to be made through e-tendering without any splitting up of purchase orders.

4.10 Delayed deposit/non-deposit of Employee Provident Fund

As per Section 38 of Employees Provident Funds Scheme 1952, the employer of the establishment is required to remit the contributions along with the administrative charges within 15 days of the close of every month. Where an employer defaults in payment of the contributions or any charges, the Employees Provident Fund Commissioner is empowered to levy damages as a measure of penalty and also to compensate the loss of interest suffered by the Statutory Fund for such belated remittances.

(i) Scrutiny of records (April 2015 to February 2018) of Municipal Council, Bahadurgarh (MCB) revealed that it had not deposited EPF contribution along with the administrative charges amounting to ₹ 31.87 lakh deducted from the pay bills of the staff employed on pay rolls for the period from April 1996 to August 2017. After receiving (August 2017) a notice from the Employees' Provident Fund Organisation (EPFO), MCB deposited ₹ 31.87 lakh as contribution of the staff and ₹ 15.30 lakh as penalty with the EPFO in December 2017. Audit observed that due to delay in deposit of EPF contribution, MCB had to pay penalty of ₹ 15.30 lakh resulting in extra financial burden on MCB.

(ii) Scrutiny of records (April 2015 to January 2018) of Municipal Council, Gohana (MCG) revealed that it employed 24 sanitation employees on its payroll for the period from July 2014 to June 2016. MCG had paid ₹ 40.78 lakh to the sanitation employees as their wages. A sum of ₹ 4.89 lakh (12 *per cent* of pay) in respect of EPF contribution of these employees was neither deducted from the pay of employees nor deposited with EPFO. Further, employers contribution towards the fund amounting to ₹ 5.55 lakh (13.61 *per cent* of pay) was also not deposited with EPFO. Besides

non-compliance of statutory provision of Act, delay in deposit of EPF contribution with EPFO would attract penalty which would cause loss to the MCG.

The matter was referred (September 2017 to April 2018) to the Principal Secretary to Government of Haryana, Urban Local Bodies Department; the reply was awaited (February 2021).

Recommendation: The MCs needs to ensure that employers contribution should be deposited in time by them.

4.11 Non-levy of installation/license and processing fee on Dish-Antenna of Automated Teller Machines (ATMs)

Haryana Municipal (Communication and Connectivity Infrastructure) Bye laws 2013 provides that no communication infrastructure shall be laid/installed without obtaining a license under these bye-laws from the competent authority within the areas of a municipality. One time installation/license fee of ₹ 5,000 and processing fee of ₹ 1,000 per dish antenna (other than dish antenna installed under DTH) shall be charged for grant of license.

Scrutiny (November 2017 to March 2018) of records (2015-18) of Municipal Councils Tohana, Gohana and Charkhi Dadri and Municipal Corporations Ambala revealed that installation and processing fee for installing dish antennas of ATMs had not been charged from the concerned banks. This resulted in non-receipt of revenue of ₹ 8.10 lakh (*Appendix-XXII*) to municipalities.

The Municipalities stated (January 2018-March 2018) that notices would be issued to all banks.

The matter was referred (November 2017 to April 2018) to the Principal Secretary to Government of Haryana, Urban Local Bodies Department; their reply was awaited (February 2021).

Recommendation: The Department needs to put in more efforts for recovery of its dues of installation/license and processing fee.

4.12 Irregularities in payment on muster rolls

(i) Suspected fraudulent Payment

Scrutiny (December 2017) of records (2015-17) of Municipal Council, Kaithal revealed that the payments amounting to ₹ 1.27 lakh was made for carrying

out two developmental works on muster rolls in February 2017. On these muster rolls, 11 persons involving wages of ₹ 16,770 were shown employed at both the works simultaneously during the same period (*Appendix-XXIII-A*) which is not possible. Therefore, payments of ₹ 16,770 made on the muster rolls was suspected to be falling under category of fraudulent payments.

(ii) Doubtful payment on muster rolls

The Municipal Council, Gohana paid ₹ 0.66 lakh (*Appendix-XXIII-B*) to 12 labourers in March 2017 for execution of works on two muster rolls. Audit observed that 12 labourers with same personal details i.e name, father's name, etc., had signed on one muster roll and put thumb impressions on the other muster roll and vice versa. It creates doubt about the genuineness of muster rolls, and thus the payment made was doubtful. The matter needs to be investigated.

(iii) Payment on muster rolls without obtaining signatures/thumb impressions

During scrutiny of the records in five Municipalities (Municipal Committee, Jhajjar; Municipal Council, Tohana, Kaithal, Narwana; Municipal Corporation, Ambala), it was noticed that signatures/thumb impressions of 174 labourers involving payment of ₹ 6.96 lakh (*Appendix-XXIII-C*) were not found marked on the muster rolls. Further, Municipal Council, Narwana paid the amount of ₹ 0.66 lakh to 11 labourers during August 2014 for bitumen work. However, Audit observed that instead of obtaining signatures of labourers on the muster rolls, signature of their fathers or the persons not concerned with payments were obtained. Thus, the whole payment of ₹ 7.62 lakh made to the labourers was doubtful. Payment without signatures/thumb impressions of labourers is fraught with the risk of misappropriation of funds and matter needs to be investigated.

The MC, Jhajjar stated (February 2021) that thumb impression/signature of labourers had now been taken on the muster roll. Reply is not acceptable as thumb impressions were obtained after releasing the payment on being pointed out by audit.

The matter was referred to the Principal Secretary to Government of Haryana, Urban Local Bodies Department (August 2018 and January 2019); reply was awaited (February 2021).

Recommendation: The concerned MCs needs to ensure that payment is to be made only after obtaining signatures and after verifying the records with regard to works.

4.13 Double release of instalment for construction of Individual Household Toilet under Swachh Bharat Mission

As per instructions (November 2015) of Director, Urban Local Bodies Department, the incentive money (Central and State share) under Swachh Bharat Mission was to be released in two instalments to the beneficiaries. The first instalment of ₹ 7000 (₹ 2000 Central share + ₹ 5000 State share) was to be released at the time of issuance of sanction letter and second instalment after completion of Individual Household Toilet.

Scrutiny of records (April 2015 to December 2017) of Municipal Corporation, Ambala and Karnal revealed that these municipalities released first instalment of incentive twice to 13 beneficiaries. This resulted in excess payment of ₹ 0.71 lakh as detailed in table below:

Sr. No.	Municipality	Amount of instalment (₹)	No. of cases of twice transfer	Excess payment (in ₹)
1.	Municipal corporation, Ambala	7,000	3	21,000
2.	Municipal Corporation, Karnal	5,000	10	50,000
Total			13	71,000

Audit further observed that double payments occurred because of non-exercise of proper checks while scrutinizing the applications as applicants had submitted two different applications by minor changes in name, father's/husband's name, address, different mobile numbers, etc. Had proper checks been exercised while checking the applications, double payment could have been avoided.

On being pointed out by Audit, Municipal Corporations, Ambala and Karnal stated (October-November 2018) that notices had been issued to the concerned beneficiaries for depositing the excess amount.

The matter was referred (August 2017 and December 2018) to the Principal Secretary to Government of Haryana, Urban Local Bodies Department; their reply was awaited (February 2021).

Recommendation: MCs should devise a mechanism to verify/ scrutinize the applications of beneficiaries properly in order to weed out duplicate applications so that double payments could be avoided in future. Further, excess payments made to the beneficiaries should be recovered without further delay.

4.14 Avoidable payment of interest

(i) Municipal Corporation, Faridabad (MCF) allotted (November 2009) a site of Primary School number 1, Aravali Vihar, Sector 49, Faridabad for ₹ 3.38 crore (at the rate of ₹ 10,200 per sq. yard) in an open auction to a firm. As per condition of auction, the firm deposited ₹ 84.41 lakh (25 per cent of bid amount). MCF could not issue allotment letter as the site of the school was under dispute and Hon'ble Punjab and Haryana High Court had already granted stay in October 2005 for disposal of property by MCF. On request of the firm, Commissioner, MCF directed (July 2012) Financial Controller to return the whole amount to the firm but the amount was not returned to the firm. After several requests by the firm to return the principal amount and interest, MCF returned (December 2015) only the principal amount. The firm lodged a complaint on CM Window to get the interest on amount deposited with MCF. In return, MCF paid (March 2018) interest amount of ₹ 61.52 lakh (at the rate of 12 per cent) to the firm. Thus, auction of the site which was already under dispute resulted in avoidable burden of interest amounting to ₹ 61.52 lakh.

The Deputy Town Planner of MCF stated (December 2018) that the Tehsildar office had confirmed the ownership of all lands proposed to be auctioned with MCF. No report for court case/stay order was received either from District Attorney MCF branch or from Tehsildar office. The reply is not acceptable, as MCF should have put the property under auction only after ensuring the clear title of the property. Thus, burden of interest occurred due to lack of coordination with various branches of MCF.

(ii) MCF allotted (August 2008) a work 'Construction of Four-Lane Dual carriage way of NH-2 and 3 dividing road from NH-2 and 3 round about to outer periphery road of NH-2 and 3, ward no 15' to a contractor at estimated cost of ₹ 1.76 crore. The contractor executed the work and submitted second running bill of ₹ 31.83 lakh on 07 September 2012. Payment of second running bill was not made to contractor due to lack of co-ordination between various branches of MCF and procedural delays within MCF. After making various request to MCF to release the payment of second running bill, the contractor filed civil suit (September 2015) in the court of Additional Civil Judge. Hon'ble court directed to MCF (September 2017) to pay ₹ 31.83 lakh along with future interest at the rate of 18 per cent per annum from the date of filling the suit till realization. MCF paid (January 2018) the due amount of ₹ 31.83 lakh along with interest of ₹ 13.37 lakh to the contractor. This resulted in avoidable financial burden of ₹ 13.37 lakh.

The Senior Accounts Officers of MCF stated (July 2018) that the interest amount had been paid as per order of Hon'ble Court. Thus, the payment of interest had to be made due to lack of co-ordination within MCF. This could have been avoided with better co-ordination and promptness in making payment of due amount.

These points were referred to the Principal Secretary to Government of Haryana, Urban Local Bodies Department (August 2018); reply was awaited (February 2021).

Recommendation: The department should have put the property under auction only after ensuring the clear title of the property and free from any court case.

4.15 Suspected Embezzlement of Municipal Fund

According to Municipal Account Code, 1930, receipts of municipalities are collected by authorised persons and receipts are issued to the depositor in Form G-8. The authorised person is to deposit the amount of receipts to the cashier daily after totaling all the G-8 receipts. After consolidating all the receipts collected by authorised persons, funds are deposited in bank account after preparation of challan in Form G-9 by the cashier and entries in Cash book are also made accordingly.

Scrutiny of records (April 2017 to March 2018) of Municipal Corporation, Sonipat (MCS) revealed that the official collecting receipts of House Tax had not deposited the entire receipts collected by him from 15 February 2017 to 29 January 2018 with the Cashier. Audit carried out reconciliation of receipts in G-8 relating to House Tax and amount actually deposited with the Cashier. It was noticed that as against the total receipts of ₹ 109.32 lakh on eight occasions during February 2017 and January 2018, only ₹ 108.74 lakh was deposited resulting in short deposit of ₹ 0.58 lakh (*Appendix-XXIV*). Audit observed that collection of receipts and deposits there against with the Cashier was not being checked by any officer of Municipality. Due to non-exercise of this check over the receipts and deposits of the Municipality, suspected embezzlement of ₹ 0.58 lakh occurred.

On being pointed out in audit, the MCS recovered the embezzled amount of ₹ 0.58 lakh along with penal interest of ₹ 0.14 lakh (January 2019 and August 2019). Though the recovery had been made, Audit is of the opinion that proper mechanism needs to be evolved for checking the receipts and deposits of municipal funds so as to avoid repetition of such cases.

The matter was referred to the Principal Secretary to Government of Haryana, Urban Local Bodies Department (January 2019); reply was awaited (February 2021).

Recommendation: The provisions of Municipal Account Code, 1930 must be adhered to and due checks need to be exercised over the receipts and deposits by Municipal Corporation to avoid recurrence of any embezzlement.

4.16 Diversion of funds

As per guidelines for utilization of grants under share of surcharge on VAT for Rajiv Gandhi Urban Development Mission Haryana (RGUDMH), the grant was to be utilized for urban infrastructure such as sanitation, cleanliness, solid waste management and other civic infrastructure. In case payment is to be made for any purpose other than legal matter, permission of Government shall be sought with proper justification.

Scrutiny of records of Municipal Corporations of Ambala (MCA) (April 2015 to May 2017) and Municipal Council of Charkhi Dadri (MCD) (April 2015 to May 2017) and Municipal Committee, Pehowa (MCP) (April 2014 to April 2018) revealed that funds amounting to ₹ 107.30 lakh⁴⁰ were diverted between April 2015 and June 2017 towards payment of salaries, allowances of the staff, payment to contractor and audit fees out of grants released under share of surcharge on VAT for RGUDMH in contravention of guidelines. This resulted in non-execution of development works in municipal areas to that extent. Further, it was observed that permission from the Government as per requirement of the guidelines had also not been obtained.

On being pointed out, Secretary, MCP, Senior Account Officer, MCA and Executive Officer, MCD stated (July-November 2018) that due to weak financial position of these municipalities, funds were diverted to meet the expenditure of salary, other allowances, etc. The fact remains that the funds meant for development works were spent on salary and wages which was in contravention to scheme guidelines.

The matter was referred (November 2017 to December 2018) to the Principal Secretary to Government of Haryana, Urban Local Bodies Department; the reply was awaited (August 2021).

⁴⁰ Municipal Corporation, Ambala : ₹ 21.89 lakh (July 2015) , Municipal Council, Charkhi Dadri: ₹ 25.56 lakh (April 2015 to May 2017), Municipal Committee, Pehowa: ₹ 59.85 lakh (March 2017 to June 2017)

Recommendation: MCs needs to ensure to utilise the funds for the purpose for which these were received/sanctioned. Further, approval of Government should be sought for utilisation of such amount for a purpose other than as prescribed in sanction order; if any.

The Draft Annual Technical Inspection Reports (DATIR) for the period 2017-18 and 2018-19 were referred (March 2019 and November 2020) and after consolidation of DATIRs for the same sent (April 2021) to the Government of Haryana; their replies were awaited (December 2021).

**Chandigarh
Date:**

Vishal Bansal
(Vishal Bansal)
**Principal Accountant General (Audit),
Haryana**

Appendices

Appendix I

(Reference: Paragraph 1.3.2; Page 4)

Staff position (Technical and non-Technical) in PRIs in the State

Sr. No.	Name of the Post	Post Sanctioned	Men in position	Vacant
1.	Director General, Development and Panchayats	1	1	0
2.	Joint Director Panchayats (Administration)	1	1	0
3.	Joint Director Panchayats (PR)	2	2	0
4.	Deputy Director Panchayats	2	1	1
5.	Deputy Director Panchayats (Legal)	1	1	0
6.	District Development and Panchayat Officer ¹	44	23	21
7.	Principal	2	1	1
8.	Chief Engineer	1	1	0
9.	Superintending Engineer	10	9	1
10.	Executive Engineer	28	15	13
11.	Sub-Divisional Engineer	148	87	61
12.	Assistant Director	2	2	0
13.	Legal Officer	1	2	-1
14.	Account Officer	1	0	1
15.	Section Officer	1	0	1
16.	Superintendent	9	7	2
17.	Block Development and Panchayat Officer	140	72	68
18.	Lecturer	8	5	3
19.	Deputy Superintendent	57	42	15
20.	Assistant	367	280	87
21.	Personal Assistant	3	0	3
22.	Senior Scale Stenographer	3	1	2
23.	Junior Scale Stenographer	5	0	5
24.	Social Education and Panchayat Officer	140	65	75
25.	Steno Typist	192	121	71
26.	Clerk	416	251	165
27.	Driver	199	102	97
28.	Librarian	1	1	0
29.	Junior Engineer	560	535	25
30.	Junior Engineer (Electrical)	8	7	1
31.	Accountant	191	168	23
32.	Accounts Clerk	156	130	26
33.	Gram <i>Sachiv</i>	2,237	1,500	737
34.	Patwari	130	90	40
35.	Circle Head Draftsman	1	0	1
36.	Head Draftsman	2	2	0
37.	Draftsman	5	0	5
38.	Ferroprinter	1	1	0
39.	Daftri	1	1	0
40.	Jamadar	4	1	3
41.	Peon	521	460	61
42.	Sweeper -cum-Chowkidar	5	2	3
43.	Mali-cum-Chokidar	141	105	36
44.	Cook	4	1	3
45.	Chowkidar	5	0	5
46.	Mali	3	3	0
Total		5,760	4,099	1,661

¹ Including 22 Posts of Deputy Chief Executive Officer

Appendix II

(Reference: Paragraph 1.3.2; Page 4)

Staff position (Technical and non-Technical) in Zila Parishads in the State

Sr. No.	Name of the Post	Post Sanctioned	Men in position	Vacant
1	Superintendent	21	4	17
2	Accountant	21	9	12
3	Assistant	40	17	23
4	Sr. Scale Stenographer	21	2	19
5	Steno Typist	21	5	16
6	Clerk	21	13	8
7	Accounts Clerk	21	14	7
8	Driver	21	10	11
9	Chokidar-cum-Mali	21	9	12
10	Peon	40	29	11
11	Sweeper	21	18	3
Total		269	130	139

Appendix III

(Reference: Paragraph 1.6; Page 6)

A. List of Panchayat Samities and Gram Panchayat test-checked during 2017-18

Name of ZP	Sr. No.	Name of Panchayat Samities (BDPO)	Name of Gram Panchayat
Sonipat	1	Ganaur	(1) Atail, (2) Bega, (3) Bhora Rasulpur, (4) Datauli, (5) Gumar, (6) Khizarur Ahir, (7) Moi, (8) Purkhas Dhiran, (9) Sayan Khera, (10) Tewari
	2	Murthal	(1) Garhi Bakhtawarpur, (2) Barouli, (3) Palri Kalan
	3	Sonipat	(1) Badsahpur Machhari, (2) Bhatana Zafrabad, (3) Chatiya Aulia, (4) Guhna, (5) Jaji, (6) Karewari, (7) Mahipur, (8) Nainatatarpur, (9) Salarpur Majra, (10) Shahzadpur
	4	Gohana	(1) Riwara, (2) Sargthal, (3) Bidhal, (4) Kheri Damkan, (5) Kasandi, (6) Barota, (7) Giwana
	5	Mundlana	(1) Ishapur Kheri, (2) Baroda Tuthan, (3) Chatehara, (4) Gangesar, (5) Bhadoti Khas, (6) Siwanka, (7) Mehmudpur Mann
	6	Kathura	(1) Chhapra, (2) Gharwal, (3) Gharwal Pana Tihai, (4) Gudha
	7	Rai	(1) Nahari, (2) Bazidpur Sabouli, (3) Badhmalik, (4) Badkhalsa, (5) Sevli, (6) Nangal Kalan, (7) Paritampura, (8) Aurangabad
	8	Kharkhoda	(1) Jatola, (2) Nirthan, (3) Sisana-I, (4) Anandpur, (5) Kundal, (6) Barona, (7) Gopalpur, (8) Thana Kalan, (9) Bidhlan
Ambala	9	Saha	(1) Sambhalkha, (2) Naraingarh Majra, (3) Dinarpur, (4) Dubli, (5) Bajidpur, (6) Gaganheri, (7) Haryoli, (8) Chhapra, (9) Bihta
	10	Shahjadpur	(1) Bari Bassi, (2) Bharog, (3) Bharapura, (4) Gobindpur, (5) Korwa Kalan, (6) Racheri, (7) Dhamoli Bichli, (8) Baragarh, (9) Khanpur Brahmna, (10) Bheron, (11) Dhanana, (12) Karasan
	11	Ambala-1	(1) Kalawar, (2) Danipur, (3) Tejan, (4) Nurpur, (5) Chhota Baroula, (6) Dhanoura, (7) Adho Majra, (8) Bhurangpur, (9) Bhanpur Nakatpur, (10) Mastpur, (11) Matheri Shekhan, (12) Naggal, (13) Dhurala, (14) Sounti, (15) Matheri Shekhan, (16) Bhanokheri
	12	Ambala-2	(1) Barnala, (2) Rolan, (3) Janetpur, (4) Khatouli, (5) Tundli
	13	Naraingarh	(1) Akbarpur, (2) Brahaman Majra, (3) Barouli, (4) Kherki Jattan, (5) Balti, (6) Kathe Majra, (7) Nabipur, (8) Chhoti Kohri, (9) Kanjala, (10) Bhallopur, (11) Fatehpur-80, (12) Chhoti Rasaur, (13) Chhajal Majra, (14) Nanduwali, (15) Kalyana
	14	Barara	(1) Adhoya (M), (2) Adhoya Hindwan, (3) Bikkampur, (4) Jalubi, (5) Khanpura, (6) Malikpur, (7) Manka, (8) Rajokheri, (9) Simbla, (10) Sohata, (11) Tandwal
Rewari	15	Rewari	(1) Baliar Khurd, (2) Bithwana, (3) Dhaliawas, (4) Gokalpur, (5) Janti, (6) Kamalpur, (7) Kishangarh, (8) Mandhia Kalan, (9) Niganiawas, (10) Sunaria Asadpur, (11) Bariawas, (12) Chhuriawas, (13) Fadni, (14) Jaitrawas, (15) Kaluwas, (16) Khijuri, (17) Malahera, (18) Nikhri, (19) Tatarpur Istmurar
	16	Bawal	(1) Pranpura, (2) Rasiawas, (3) Shahpur, (4) Panwar, (5) Mukandpur Basai, (6) Aram Nagar, (7) Jalalpur, (8) Harchandpur, (9) Balawas, (10) Khurampur, (11) Anandpur, (12) Sulkha, (13) Dharan, (14) Chirhara, (15) Jaliawas
	17	Jatusana	(1) Nangal Pathani, (2) Mandhia Khurd, (3) Chowki No.1, (4) Katopuribujurg, (5) Suma Khera, (6) Kanhori, (7) Gurawra, (8) Haluhara, (9) Bohatwas Bhondu, (10) Nainsukhpura, (11) Parkhotampur, (12) Baldhan Khurd, (13) Rasuli
	18	Khol	(1) Dhani Thather Bad, (2) Buroli, (3) Dhanisanto, (4) Dhani Sundroj, (5) Harjipur, (6) Goliaka, (7) Bass, (8) Mamaria Ahir, (9) Kundal
	19	Nahar	(1) Karoli, (2) Gudiani, (3) Lulaahir, (4) Bahrampur, (5) Jhal, (6) Surheli, (7) Bhurthala, (8) Rattanthar, (9) Mumtajpur
Sirsa	20	Sirsa	(1) Bharokhan, (2) Kanganpur, (3) Kusumbi, (4) Darbi, (5) Baguwali, (6) Farwain Khurd, (7) Musahibwala, (8) Panihari, (9) Baruwali -Ist
	21	Dabwali	(1) Ahamadpur/Darewla, (2) Chakjalu, (3) Chautala, (4) Banwala, (5) Bijuwali, (6) Ramgarh, (7) Risalia Khera, (8) Sakta Khera, (9) Teja Khera
	22	Badagudha	(1) Sukhchain, (2) Fatehpur Niyamatkhan, (3) Chhatrian, (4) Kamal, (5) Rori, (6) Biruwalagudha, (7) Burj Bhangu, (8) Kirarkot
	23	Nathushri Chopta	(1) Jassania, (2) Shahpuria, (3) Makhosarani, (4) Ganja Rupana, (5) Jodhakan, (6) Hanjira, (7) Rupawas, (8) Kukarthana, (9) Nathusari Kalan
	24	Odhan	(1) Malikpura, (2) Khatrawan/Dogranwali, (3) Khokhar, (4) Tilokewala, (5) Chormarkhera, (6) Panniwala Motta, (7) Chukerian
	25	Rania	(1) Abholi, (2) Gindran, (3) Dhottar, (4) Jodhpuria, (5) Khaja Khera, (6) Kussar, (7) Keharwala, (8) Gidranwali, (9) Dhani Partap Singh
	26	Ellanabad	(1) Partap Nagar, (2) Karamsana, (3) Himayukhera, (4) Patti Kirpal, (5) Budimeri, (6) Amritsar Kalan, (7) Mojukhera, (8) Damdama

Name of ZP	Sr. No.	Name of Panchayat Samities (BDPO)	Name of Gram Panchayat
Bhiwani	27	Siwani	(1) Dhulkot, (2) Dhani Dariyapur, (3) Chanana, (4) Bakhtawarpura, (5) Kikral, (6) Sainiwas, (7) Ghanghala, (8) Mohila, (9) Mithi, (10) Jhumpa Khurad
	28	Tosham	(1) Alakhpura, (2) Bhariwas, (3) Dadam, (4) Dhani Mahu, (5) Dulheri, (6) Jainawas, (7) Kharkari Makhwan, (8) Miran
	29	Badhra	(1) Dandma, (2) Jeetpura, (3) Gopalwas, (4) Rambass, (5) Surajgarh, (6) Kubja Nagar, (7) Hansawas Kalan, (8) Mandi Kehar, (9) Berla, (10) Kari Mod
	30	Bawani Khera	(1) Jeeta Kheri, (2) Bohal, (3) Kirawar, (4) Siwana, (5) Ramupura, (6) Dhani Kushal
	31	Dadri-1	(1) Sanjharwas, (2) Phogat, (3) Santokhpura, (4) Bond Kalan, (5) Morwala, (6)Makrana
	32	Dadri-2	(1) Noswa, (2) Fatehgarh, (3) Asawri, (4) Badal, (5) Kheri Bura, (6) Changroad
	33	Behal	(1) Budheri, (2) Gokalpura, (3) Sorda Kadim, (4) Behal, (5) Sidhanwa, (6) Hariyawas
	34	Kairu	(1) Jui Kalan, (2) Lohani, (3) Similiwass, (4) Mansarwass, (5) Ladyawali, (6) Pohkarwas, (7) Kairu-I
	35	Loharu	(1) Jhanjhra Sheoran, (2) Sehar, (3) Budhera, (4) Barwas, (5) Pahari, (6) Dhigawa Shamiyan, (7) Gignow

Total GPs: 316 GPs

B. List of Panchayat Samities and Gram Panchayat test-checked during 2018-19

Name of Z.P.	Sr. No.	Name of BDPO-cum-PS	Name of Gram Panchayat
Hisar	1	Uklana	(1) Budha Khera, (2) Bheri Akbarpur, (3) Bithmara, (4) Chamar Khera, (5) Daulatpur, (6) Surewala
	2	Agroha	(1) Agroha, (2) Jagan, (3) Mirpur, (4) Kanoh,
	3	Adampur	(1) Bhodia Bishnoian,(2) Chaudriwali, (3) Dhani Mohabatpur, (4) Ghursal, (5) Dhani Siswal
	4	Hansi-1	(1) Sisai Bola, (2) Dhana Kalan, (3) Dhana Khurd, (4) Dayal Singh Colony, (5) Kumbha, (6) Khanpur, (7) Bara Jaggamal, (8) Dhani Thakarian
	5	Hansi-2	(1) Mohla, (2) Bhatol Jattan, (3) Bad Chapper, (4) Bhaklana
	6	Hisar-1	(1) Talwandi Rukka,(2) Mayar,(3) Dabra,(4) Bhojraj, (5) Payal, (6) Dhansu, (7) Mirjapur,(8) Dhani Jatan,(9) Bhagana
	7	Hisar-2	(1) Rawalwas Kalan,(2) Muklan,(3) Shahpur,(4) Dhiranwas, (5) C Block Chikanwas, (6) Jakhod Khera, (7) Kharia, (8) Patan
	8	Narnuad	(1) Rajpura, (2) Kagsar,(3) Koth Kalan,(4) Kheri Jalab, (5) Moth Karnail, (6) Kapro
	9	Barwala	(1) Matloda, (2) Dhingtana, (3) Kheri Barkhi, (4) Sarasaud, (5) Isharheri
Fatehabad	10	Tohana	(1) Amani, (2) Bhodia Khera, (3) Chander Kalan, (4) Dangra, (5) Kanheri, (6) Maduwana, (7) Nangla, (8) Ratta Khera, (9) Rehanwali
	11	Bhuna	(1) Dhani Bhojraj, (2) Kani Kheri, (3) Dholu, (4) Gorakhpur, (5) Chaubara, (6) Nehla
	12	Jakhal	(1) Mundaliyan, (2) Karandi, (3) Meyond Bongawali, (4) Sidhani
	13	Ratia	(1) Birabadi, (2) Alawalwas, (3) Dhani Dadupur, (4) Burj (5) Babanpur, (6) Bara, (7) Sukhmanpur, (8) Bahmanwala, (9) Bora, (10) Badalgarh, (11) Bharpur, (12) Bhunderwas,
	14	Fatehabad	(1) Nakhatia, (2) Bhirdana,(3) Dhani Majra, (4) Khajuti Jatti, (5) Khara Kheri, (6) Matana, (7) Kajal Heri, (8) Banawali Sotter, (9) Chinder, (10) Kata Kheri, (11) Noorki Ahli, (12) Bighar, (13) Malhar
	15	Bhattu Kalan	(1) Sekhupur Daroli, (2) Kirdhan, (3) Dhand, (4) Dhani Chanan Ram, (5) Daiyar
Yumuna Nagar	16	Sadhora	(1) Asgar Pur, (2) Firoj Pur Raiyan, (3) Sadhaura, (4) Rasoolpur, (5) Sadhaura Nadipar
	17	Jagadhari	(1) Bhoj Pur, (2) Bibi Pur, (3) Haria Bans, (4) Kail, (5) Kathwala, (6) Nagaw Jagir, (7) Nahar Pur, (8) Naya Gaon, (9) Tapu Kamalpur
	18	Bilaspur	(1) Pilkhanwala, (2) Bilas Pur, (3) Gyanewala, (4) Pounti, (5) Naggal Patti, (6) Machhrouli, (7) Safilpur, (8) Chajju Nagla, (9) Mussimbal (M), (10) Kotra Khas, (11) Bhagwan Pur, (12) Nagli-264, (13) Khera Brahman, (14) Dariyapur, (15) Nawan Shahar, (16) Sandhai, (17) Budheri, (18) Rasulpur, (19) Bhutgarh, (20) Malikpur, (21) Milk Khas
	19	Mustfabad	(1) Bhogpur, (2) Chhappar, (3) Daulatpur Maliyan, (4) Darajpur, (5) Fatehpur, (6) Gadhoul, (7) Garhi Sikandra, (8) Gundyani, (9) Gundiyan, (10) Jagdhouli,(11) Jhar Chandana, (12) Kanheri Khurd, (13) Landoura, (14) Nagla Khalsa, (15) Pinjori, (16) Sukhdaspur,(17) Sultanpur

Name of Z.P.	Sr. No.	Name of BDPO-cum-PS	Name of Gram Panchayat
Yamuna Nagar	20	Chhachhrauli	(1) Balachaur, (2) Basatian Wala, (3) Bhukhri, (4) Chhachhrauli, (5) Chuaharpur Khurd, (6) Darpur, (7) Dhramkot, (8) Fatehgarh, (9) Ganoli, (10) Jaitpur, (11) Khadri, (12) Kishan Pura Majra, (13) Kot Sarkari, (14) Lalhari Kalan, (15) Ledi, (16) Mado Haldari, (17) Mamli, (18) Mand Kheri, (19) Nahar Taharpur, (20) Raipur, (21) Salempur Kohi, (22) Telipura, (23) Urjani, (24) Chauwala, (25) Harauli
	21	Radaur	(1) Amloha, (2) Baindi, (3) Bhagwargarh, (4) Chamrori, (5) Dholra, (6) Gheshpur, (7) Ghilour, (8) Jubbal, (9) Kandroli, (10) Kanjnu, (11) Kheri Lakha Singh, (12) Madhu Bans, (13) Mohri, (14) Nagal, (15) Sangi Pur
Panchkula	22	Barwala	(1) Sunderpur, (2) Kami, (3) Khetpurali, (4) Rattewali, (5) Barwala
	23	Raipur Rani	(1) Shahjanpur, (2) Rehna, (3) Tabar, (4) Tharwa, (5) Ratta Tibbi, (6) Samanwa, (7) Tibbi Majra, (8) Sarakpur
	24	Morni	(1) Baladwala, (2) Bhoj Kothi, (3) Bhoj Koti, (4) Bhoj Kudana, (5) Bhoj Mator, (6) Bhoj Naita, (7) Bhoj Rajpura, (8) Dudhgarh, (9) Sabilpur, (10) Thandog
	25	Pinjore	(1) Bar, (2) Bhuwana, (3) Fatehpur Diwanwala, (4) Gorakh Nath, (5) Jabrot, (6) Kharkua, (7) Nanakpur, (8) Ram Nagar, (9) Khokhra, (10) Kandiala, (11) Maranwala
Karnal	26	Assandh	(1) Basi, (2) Dupedi, (3) Jalmana, (4) Mundh, (5) Ardana, (6) Popra, (7) Bahri, (8) Rahra, (9) Danoli
	27	Karnal	(1) Abdulapur, (2) Bazida Jattan, (3) Chundipur, (4) Darar, (5) Ganjo Garhi, (6) Kurali, (7) Ramba, (8) Subhri, (9) Tikri
	28	Kunjpura (BDPO)	(1) Biana, (2) Newal, (3) Kalsora, (4) Mainmati, (5) Badarpur, (6) Nabipur, (7) Kunjpura, (8) Modipur
	29	Gharounda	(1) Upli, (2) Peer Baroli, (3) Kutail, (4) Beejna, (5) Garhi Bharal, (6) Balhera, (7) Alipur Khalsa, (8) Garhi Khajur
	30	Indri	(1) Labkari, (2) Garhpur Tapu, (3) Udana, (4) Garhi Sadhan, (5) Bhadson, (6) Damanheri, (7) Chandraon, (8) Hanori, (9) Kadra Bad, (10) Chhapar Mustarka, (11) Muse Pur, (12) Butan Kheri, (13) Dhanokheri
	31	Nilokheri	(1) Sandhir, (2) Daya Nagar, (3) Raipur Roran, (4) Abla Jagir, (5) Bir Naryana, (6) Ramana Ramani, (7) Sanwant, (8) Pujam, (9) Nariana, (10) Kalsi, (11) Kurak Jagir, (12) Bodshyam, (13) Sohlo, (14) Butana
	32	Munak (BDPO)	(1) Goli, (2) Padha, (3) Staundi, (4) Kutana, (5) Alawla, (6) Kurlan
	33	Nissing at Chirao	(1) Bir Majra, (2) Brass, (3) Gohida, (4) Hemda, (5) Jundla, (6) Motia, (7) Pingli, (8) Prem Khera, (9) Sirsi

Total GPs: 305

Grand Total (A+B) = 621 GPs

Appendix-IV

(Reference: Paragraph 2.1.1; Page 9)

List of selected GPs for audit of 'Management of Assets in PRIs'

Sr. No.	Name of District	Name of BDPO/PS	Name of Selected Gram Panchayat	Total
1.	Karnal	Karnal	(1) Abdulapur, (2) BajidaJattan, (3) ChundiPur, (4) Dara, (5) GanjoGarhi, (6) Kurli, (7) Ramba, (8) Subheri and (9) Tikari	9
		Assandh	(1) Bassi, (2) Dupedi, (3) Jalmana, (4) Mund, (5) Aardana, (6) Popara, (7) Rahra and (8) Danauli	8
		Kunjapura	(1) Baina, (2) Kamal Pur Gadrian, (3) Kalsora, (4) Mainmati, (5) Dabkoli Khurd, (6) NabiPur, (7) Mugal Majara and (8) Modi Pur	8
		Indri	(1) Labkari, (2) GharpurTapu, (3) Udhana, (4) Gahri Sadhan, (5) Badhso, (6) Damanheri, (7) Kadrabad, (8) Chhapar, (9) Butankheri and (10) Dhano Kheri	10
		Nissing	(1) Bir Majra, (2) Brass, (3) Gohida, (4) Hemda, (5) Jundla, (6) Motia, (7) Pingali, (8) Prem Khera and (9) Sirshi	9
		Gharaunda	(1) Uppali, (2) Peer Badoli, (3) Kutail, (4) Bijana, (5) Garhi Bharal, (6) Balhera, (7) Alipur Khalsa and (8) GhariKhajur	8
		Nilokheri	(1) Sandhir, (2) AblaJagir, (3) Ramana Ramani, (4) Sanwat, (5) Kalsi, (6) Kurak Jagir, (7) Bhodshyam, (8) Sohlo, (9) Buttana and (10) Beer Nariana	10
		Munak	(1) Golli, (2) Padha, (3) Stanudi, (4) Kuttana, (5) Allahwala and (6) Kurlan	6
2.	Kurukshetra	Pehowa	(1) Thana, (2) Bhoda, (3) Ghari Langari, (4) Naicha, (5) Kalsa, (6) Batheri, (7) Tikari, (8) Sayan Khurd, (9) Halewa and (10) Bibipur Kalan	10
		Ladwa	(1) Gobind Garh, (2) Kharkhali, (3) Dudi, (4) Birbartoli, (5) Halal Pur, (6) Barshami, (7) Bani, (8) Jogi Majra, (9) Kheri Dabdalan and (10) Barot	10
		Babain	(1) Beer Mangoli, (2) Jalkheri, (3) Khirki Viran, (4) Mangoli Rangran, (5) Tatka, (6) Phalsanda Rangran, (7) Bir Kalwa, (8) Berthali and (9) Ram Pura	9
		Shahbad	(1) Tangor, (2) Surakh Pur, (3) Narayangarh, (4) Shahjad Pur Patti, (5) Rattan Garh, (6) Jandhari, (7) Kharindwa, (8) Rawa, (9) Kalyana and (10) Golpura	10
		Thanesar	(1) Isakpur, (2) Bisan Garh, (3) Lohar Majara, (4) Hathira, (5) Pipli Majra, (6) Bachgaonwala, (7) Doda Kheri, (8) Santokhpur, (9) Kheri Rahinagar and (10) Khempur Rodan	10
		Pipli	(1) Bajidpur, (2) Antheri, (3) Shadipur Sahidan, (4) Bir Mathana, (5) Kishangarh, (6) Khairi, (7) Masana, (8) Sanwala, (9) Bir Pipli and (10) Umri	10
		Ismailabad	(1) Basantpura, (2) Jalbhara, (3) Bachki, (4) Dalla Majara, (5) Thol, (6) Naisi and (7) Ismailabad	7
		3.	Gurugram	Gurugram
Farukhnagar	(1) Tajnagar, (2) Alimudinpur, (3) Joniyawas, (4) Judola, (5) Tirpadi, (6) Shekhupur Majri, (7) Kaliawas, (8) Budhera, (9) Ghosghar and (10) Jatola			10
Pataudi	(1) Khalilpur, (2) Nurpur, (3) SahapurJat, (4) Mujh Pura, (5) Bhokarka, (6) Narhera, (7) Fazalwas, (8) Langra and (9) Chandeladungarwas (10) Husainka			10
Sohna	(1) Ghangola, (2) Behalpa, (3) Garhi Wazidpur, (4) Samarthla, (5) Hariahera, (6) Jholka, (7) Choudhpur and (8) Ullawas			8

Sr. No.	Name of District	Name of BDPO/PS	Name of Selected Gram Panchayat	Total
4.	Jhajjar	Jhajjar	(1) Badhani, (2) Khajpur, (3) Chabali, (4) Salodha, (5) Birdhana, (6) Kutani, (7) Baktawar Ryan, (8) Hasanpur, (9) Kemalgarh and (10) Jondhi	10
		Beri	(1) Dighal, (2) Baghalpuri, (3) Majra B, (4) Bhagpur, (5) Dharana and (6) Dubaldhan K	6
		Badli	(1) Bupania, (2) Luksar, (3) Munimpur, (4) M.P. Majra, (5) Pelpa and (6) Desalpur	6
		Matanhail	(1) KhanpurKhurd, (2) Mubarikpur, (3) Kharodha, (4) Jhamari, (5) Janshwa, (6) Bambaluia, (7) Kaliawas and (8) Khaparwas	8
		Salhawas	(1) Kunjia, (2) Dadanpur, (3) Jatwara, (4) Shalhawas, (5) Kanwha, (6) Nawada and (7) Mubarikpur	7
		Bahadurgarh	(1) Noona Majra, (2) Dekhora, (3) Matan, (4) Sidhipur, (5) Chhudani, (6) Loharheri, (7) Balaur and (8) Nilothi	8
5.	Sirsa	Sirsa	(1) Bajekan, (2) Bharokan, (3) Chamal, (4) Kanganpur, (5) Mirpur, (6) Kharekan, (7) Bhamboor and (8) Baguwali	8
		Rania	(1) Peer Khera-Marawali, (2) Dariawala-Bukhara Khera, (3) Bani, (4) Mohamadpuria, (5) Nigrana, (6) Kusar, (7) Bacher, (8) Keharwala, (9) Dhani Satnam Singh and (10) Haripura	10
		Odhan	(1) Asir, (2) Chukrian, (3) Makha, (4) Paniwala Motta, (5) Takhatmal, (6) Anandgarh, (7) Dadu, (8) Jagmalwali, (9) Norang and (10) Kheowali	10
		Nathusari	(1) Barasari, (2) Jogiwala, (3) Makhosarani, (4) Rupana Bishonia, (5) Raipur, (6) Shepura, (7) Kagdana, (8) Kheri, (9) Rajpura Kerowali and (10) Ganja Rupana	10
		Baragudha	(1) Nagoki, (2) Desu Khurd, (3) Phagu, (4) Rori, (5) Saharani, (6) Khuian Nepalpur, (7) Kuraganwali, (8) Pucca and (9) Bupp	9
		Dabwali	(1) Rajpura Majra, (2) Modhi, (3) Ratta Khera, (4) Jhuthi Khera, (5) Chakjalu, (6) Masitan, (7) Lohgarh, (8) Jogiwala, (9) Moujgarh and (10) Ahmadpur Darewala	10
		Ellenabad	(1) Daamdama, (2) Patti Kirpal, (3) Himau Khera, (4) Dhani Bachan Singh, (5) Mirzapur, (6) Amritsar Kalan, (7) Karam Sana, (8) Mamera Khurd, (9) Thobarian and (10) Nimla	10
			Total	282

Appendix-V

(Reference: Paragraph 2.1.3.1; Page 10)

Details showing loss of revenue due to non-leasing of cultivable land

(₹ in lakh)

Sr. No.	Name of Block	Year	Total cultivable land	Land leased	Land not leased	Loss of revenue
1	Ellenabad	2016-17	2,755.00	986.00	1,769.00	283.07
	Ellenabad	2017-18	2,755.00	999.00	1,756.00	300.55
	Ellenabad	2018-19	2,755.00	957.00	1,798.00	319.69
	Ellenabad	2019-20	2,755.00	957.00	1,798.00	358.74
2	Nathusari Chaupta	2016-17	4,071.00	2,576.00	1,495.00	366.19
	Nathusari Chaupta	2017-18	4,071.00	2,576.00	1,495.00	515.33
	Nathusari Chaupta	2018-19	4,071.00	2,576.00	1,495.00	424.90
	Nathusari Chaupta	2019-20	4,071.00	2,576.00	1,495.00	817.77
3	Odhan	2016-17	2,023.00	829.00	1,194.00	145.66
	Odhan	2017-18	2,023.00	798.00	1,225.00	219.06
	Odhan	2018-19	2,023.00	798.00	1,225.00	200.19
	Odhan	2019-20	2,023.00	798.00	1,225.00	222.14
4	Rania	2016-17	2,270.00	1,157.00	1,113.00	230.41
	Rania	2017-18	2,270.00	1,157.00	1,113.00	271.97
	Rania	2018-19	2,270.00	1,157.00	1,113.00	316.76
	Rania	2019-20	2,270.00	1,157.00	1,113.00	391.81
5	Sirsa	2016-17	1,695.00	1,187.00	508.00	124.15
	Sirsa	2017-18	1,695.00	1,150.00	545.00	171.87
	Sirsa	2018-19	1,695.00	1,053.00	642.00	177.62
	Sirsa	2019-20	1,695.00	1,054.00	641.00	215.24
6	Dabwali	2016-17	3,043.00	1,581.00	1,462.00	240.77
	Dabwali	2017-18	3,043.00	1,597.00	1,446.00	265.98
	Dabwali	2018-19	3,043.00	1,597.00	1,446.00	293.40
	Dabwali	2019-20	3,043.00	1,576.00	1,467.00	328.69
7	Baragudha	2016-17	1,579.00	611.00	968.00	232.02
	Baragudha	2017-18	1,579.00	611.00	968.00	287.79
	Baragudha	2018-19	1,579.00	611.00	968.00	293.10
	Baragudha	2019-20	1,579.00	611.00	968.00	341.41
8	Babain	2016-17	1,245.00	982.00	263.00	24.59
	Babain	2017-18	1,245.00	973.00	272.00	39.75
	Babain	2018-19	1,245.00	981.00	264.00	44.42
	Babain	2019-20	1,245.00	982.00	263.00	46.48
9	Ismailabad	2016-17	623.00	415.00	208.00	40.91
	Ismailabad	2017-18	623.00	524.00	99.00	7.58
	Ismailabad	2018-19	623.00	524.00	99.00	6.24
	Ismailabad	2019-20	623.00	501.00	122.00	12.62
10	Ladwa	2016-17	231.00	204.00	27.00	6.55
	Ladwa	2017-18	231.00	204.00	27.00	8.99
	Ladwa	2018-19	231.00	204.00	27.00	9.06
	Ladwa	2019-20	231.00	204.00	27.00	9.08
11	Pehowa	2016-17	1,821.00	1,232.00	589.00	71.31
	Pehowa	2017-18	1,821.00	1,324.00	497.00	78.48
	Pehowa	2018-19	1,821.00	1,229.00	592.00	92.15

Sr. No.	Name of Block	Year	Total cultivable land	Land leased	Land not leased	Loss of revenue
			(Land in acre)			
12	Pipli	2017-18	2,613.00	1,972.00	641.00	280.96
	Pipli	2018-19	2,613.00	1,951.00	662.00	282.45
	Pipli	2019-20	2,613.00	1,938.00	675.00	304.69
13	Shahbad	2016-17	870.00	429.00	441.00	72.66
	Shahbad	2017-18	870.00	449.00	421.00	75.97
	Shahbad	2018-19	870.00	449.00	421.00	91.01
	Shahbad	2019-20	870.00	449.00	421.00	92.55
14	Thanesar	2016-17	354.00	350.00	4.00	1.03
	Thanesar	2017-18	398.00	394.00	4.00	0.85
	Thanesar	2018-19	398.00	387.00	11.00	2.96
15	Matanhail (Khaparwas)	2013-14	3.00	0.00	3.00	0.33
		2014-15	3.00	0.00	3.00	0.33
		2015-16	3.00	0.00	3.00	0.33
		2016-17	3.00	0.00	3.00	0.33
		2017-18	3.00	0.00	3.00	0.33
16	Bahadurgarh (Chhudani)	2015-16	22.50	12.50	10.00	1.20
		2016-17	22.50	12.50	10.00	1.20
		2017-18	22.50	12.50	10.00	1.20
		04/2018- 09/2018	22.50	12.50	10.00	0.60
17	Farukhnagar (Kaliyawas)	2014-15	42.25	0.00	42.25	3.70
		2015-16	42.25	0.00	42.25	3.70
18	Sohna (Gangola)	2015-16	24.50	0.00	24.50	1.75
		2016-17	24.50	0.00	24.50	1.75
		2017-18	24.50	13.50	11.00	0.79
Total			96,335.00	54,607.50	41,727.50	10,077.16

Appendix-VI

(Reference: Paragraph 2.1.3.2; Page 10)

Details of land leased out more than 10 acre in each case

Sr. No.	Year	Name of BDPO	Gram Panchayat	Name of lessee	Area of land leased		
					Acre	Kanal	Marla
1	2017-18	Jhajjar	Birdhana	Krishan	17	4	0
2	2017-18		Chabili	Dinesh Kumar	13	4	8
	2018-19				17	2	2
3	2017-18	Matanhail	Karodha	Ashok	12	1	4
4	2018-19				12	1	4
5	2016-17	Salhawas	Kunjia	Virendra	20	5	0
6	2017-18				20	0	0
7	2018-19				Roopchand	20	0
8	2017-18	Gurugram	Daultabad	Gagan	16	4	0
				Sunil	14	0	0
9	2018-19			Gagan	13	4	0
				Satbir	14	0	0
10	2018-19		Babupur	Mahesh	15	0	0
11	2016-17	Farukhnagar	Kaliyawas	Sanjay	13	4	0

Appendix-VII

(Reference: Paragraph 2.1.3.6; Page 12)

Details showing non-distribution of Annuity to Gram Panchayats

(₹ in lakh)

Name of District	Name of BDPO	Year	Received amount	Total amount	Disbursed amount	Balance amount	
Jhajjar	Jhajjar	2018-19	18.12	18.12	12.00	6.12	
	Bahadurgarh	2014-15	13.10	65.50	39.29	26.21	
		2015-16	13.10				
		2016-17	13.10				
		2017-18	13.10				
		2018-19	13.10				
	Salhawas	2014-15	9.96	50.10	29.85	20.25	
		2015-16	10.26				
		2016-17	9.96				
		2017-18	9.96				
		2018-19	9.96				
	Matanhail	2014-15	10.05	50.25	48.50	1.75	
		2015-16	10.05				
		2016-17	10.05				
		2017-18	10.05				
		2018-19	10.05				
	Gurugram	Gurugram	2014-15	3.20	17.52	9.35	8.17
			2015-16	3.58			
2016-17			3.58				
2017-18			3.58				
2018-19			3.58				
Farukhnagar		2014-15	4.80	28.25	11.89	16.36	
		2015-16	7.40				
		2016-17	5.35				
		2017-18	5.35				
		2018-19	5.35				
Pataudi		2015-16	11.00	45.29	21.35	23.94	
		2016-17	11.43				
		2017-18	11.43				
		2018-19	11.43				
Sohna		2014-15	8.80	43.37	18.96	24.41	
		2015-16	9.82				
		2016-17	8.25				
		2017-18	8.25				
	2018-19	8.25					
Kurukshetra	Babain	2014-15	2.93	14.65	0.45	14.20	
		2015-16	2.93				
		2016-17	2.93				
		2017-18	2.93				
		2018-19	2.93				

Name of District	Name of BDPO	Year	Received amount	Total amount	Disbursed amount	Balance amount
Kurukshetra	Ismailabad	2014-15	3.54	17.70	0	17.70
		2015-16	3.54			
		2016-17	3.54			
		2017-18	3.54			
		2018-19	3.54			
	Ladwa	2014-15	12.18	60.90	0	60.90
		2015-16	12.18			
		2016-17	12.18			
		2017-18	12.18			
		2018-19	12.18			
	Shahbad	2014-15	8.29	41.45	0	41.45
		2015-16	8.29			
		2016-17	8.29			
		2017-18	8.29			
		2018-19	8.29			
	Thanesar	2014-15	9.94	49.70	0	49.70
		2015-16	9.94			
		2016-17	9.94			
		2017-18	9.94			
		2018-19	9.94			
Pehowa	2014-15	9.89	49.45	0	49.45	
	2015-16	9.89				
	2016-17	9.89				
	2017-18	9.89				
	2018-19	9.89				
Total			552.25	552.25	191.64	360.61

Appendix-VIII

(Reference: Paragraph 2.1.5.3.1; Page 17)

Details showing excess amount paid on purchase of building material

Sr. No.	Name of BDPO	Name of GP/Panchayat Samiti	Material purchased	Period	Excess amount paid (₹ in lakh)
1.	Jhajjar	1. Sulodha	Cement	10/2016-09/2017	0.13
		2. Kutani	Cement	10/2016	0.16
		3. Khajpur	Cement	09/2016-08/2017	0.31
2.	Badli	4. MP Majra	Stone dust, muram, stone metal	09/2017	0.29
3.	Salhawas	5. Jatwara	GSB	03/2018	0.22
4.	Matanhail	6. Jhanswa	GSB	09/2018	0.11
		7. Mubarikpur	RCC pipe	03/2017	0.41
5.	Bahadurgarh	8. Sidhipur	Stone metal, muram	10/2018-03/2019	0.19
		9. Balor	Stone metal, muram	03/2018	0.38
		10. Bahadurgarh	Stone dust, Stone metal, Muram	09/2017-11/2018	0.77
6.	Beri	11. Dighal	RCC Bench	10/2018-11/2018	2.45
		12. Bhagpur	RCC Bench	08/2018	0.50
7.	Farukhnagar	13. Sekhupur Majri	RMC	06/2018	0.42
		14. Taj Nagar	JCB, Pipes	11/2017-10/2018	0.10
		15. Budehra	JCB	05/2019	0.03
		16. Tirpadi	Shuttering	09/2018	0.07
8.	Pataudi	17. Fazalwas	RMC	09/2018	0.13
9.	Sohna	18. Ullahawas	RMC, JCB	12/2017-10/2018	0.39
10.	Gurugram	19. Bamroli	Shuttering	01/2018	0.18
		20. Gurugram	Granite stone	01/2015-04/2015	0.09
11.	Nilokheri	21. Nilokheri	Sisham wood shutter, chowkhat for doors & window, jamukail wood	04/2017-11/2018	0.41
			Total		7.74

Appendix-IX

(Reference: Paragraph 2.1.6.1; Page 19)

Details showing amounts recoverable from ex-Sarpanches/Panches

Sr. No.	Name of BDPO	Name of GP	Name of ex-Sarpanch/ Panch/Gram Sachiv Sh./Ms.	Amount (₹ in lakh)
1.	Beri	Bhagalpuri	Santosh Kumar	0.04
		Majra B	Bedpal	0.13
			Dilbag	0.01
			Mukesh	0.04
		Dharana	ChandarBhan	0.12
2.	Matanhail	Bhambulia	Tarif	0.02
			Seema Devi	0.22
		Jhamri	Hansraj	0.06
			Hansraj	0.15
		Kaliyawas	Amar Singh	0.02
			Vedpal	0.003
			Vijender	0.45
		Khaparwas	Santram	0.18
		KhanpurKhurd	Amravati	4.40
		3.	Salhawas	Dadanpur
Azad Kaur	0.13			
Kunjia	Hawa Singh			0.005
	Sarvan Devi			0.22
Nawada	Poonam			0.03
	Darshana			0.08
Jatwara	Vikram			2.35
	Bharma			0.19
4.	Badli	Bupania	Chandgiram	0.07
			Amar Singh	0.09
		M P Majra	Bani Singh	0.01
			Rishi Pal	0.07
			Mukesh	0.10
		Luksar	Ashok	0.34
			Rohtash	0.60
5.	Jhajjar	Jondhi	Manful	0.17
		Kutani	Santosh	0.12
			Lal Singh	0.03
		Kemalgarh	Kalawati	0.18
			Bhuraj	0.06
6.	Pataudi	Langra	Sakuntala	0.13
		Fazalwas	Vinod	0.34
			Ramkishan	0.35
		Mandhpura	Gyano Devi	0.31
			Shishram	0.19
		ShahpurJat	Ishwar Singh	0.15
			Chattar Singh	0.02
			Raj Singh	0.04
			Kashmiri	0.01
			Naresh Kumar	0.13
		Bhokarka	Laxmi Narayan	0.02
		Narhera	Hem Singh	0.28
		Khalilpur	Shivcharan	0.02
			Dharampal	0.04
Husainka	Mukhtayar Singh	0.07		

Sr. No.	Name of BDPO	Name of GP	Name of ex-Sarpanch/ Panch/Gram Sachiv Sh./Ms.	Amount (₹ in lakh)
7.	Farukhnagar	ShekhupurMajri	Kanta	0.04
		Joniyawas	Gaze Singh	0.01
		Tirpadi	Jagdish	0.02
		Ghosgarh	Naveen	0.03
Savita	0.04			
8.	Sohna	Ghangola	Kehar	0.03
			Sunder	0.02
			Amit	0.13
			Kela Devi	0.09
		Behlpa	Om Parkash	0.10
		Sarmathla	Dharmveer	0.05
		Chuhadpur	Santra Devi	0.06
9.	Gurugram	Babupur	Atar Singh	0.54
		Dharampur	Raj Kumar	0.27
		Sikenderpur	Anil	0.06
			Mukesh	0.07
10.	Assandh	Mund	Devender	0.14
			Jeeta Ram	0.33
		Jalmana	Jai Singh	0.02
			Dilip Singh	0.06
			Paramjit Kaur	0.03
			Gurbaj	0.07
		Dupedi	Sunita	0.28
			Mahender	0.34
		Ardana	Sunil	0.04
		Rahra	Ompal	0.07
11.	Gharaunda	AlipurKhalsa	Sarbati Devi	0.10
			Ompati	0.02
		Barauli	Seema	0.52
12.	Indri	Damanheri	(not available)	0.08
		GarhpurTappu	Niyazen	0.02
		DhanoKheri	Sher Singh	0.27
			Ramkali	0.34
		Kadrabad	Balwant	0.49
			Balbir	0.09
13.	Kunjpura	Kalsora	Kasturi Devi	0.50
14.	Nilokheri	Sandhir	Raghubir	0.11
			Dalbir	0.24
15.	Karnal	Kurali	Sukhdev	0.02
		Sabri	Dhanpati	0.18
		BajidaJatan	Kishan Singh	0.04
16.	Nissing	Motiya	Mamraj	0.008
		BirMajra	Surender	0.04
		Hemda	Dakhon Devi	0.04
			Total	18.856

Appendix-X

(Reference: Paragraph 2.1.6.2; Page 19)

Details showing non-recovery of interest due to irregular retention of cash in hand

(₹ in lakh)

Sr. No.	Name of BDPOs	Gram Panchayat	Month	Cash in hand	Excess cash in hand kept	Interest (@21 per cent p.a.)
1.	Jhajjar	Raiya	07/2016 to 08/2016	2.50	2.25	0.08
2.			01/2017	0.65	0.40	0.007
3.			02/2017 to 03/2017	1.68	1.43	0.05
4.			04/2017	2.14	1.89	0.03
5.			05/2017 to 08/2017	3.47	3.22	0.23
6.			09/2017	3.52	3.27	0.06
7.			10/2017 to 12/2017	2.90	2.65	0.14
8.			01/2018 to 03/2018	0.92	0.67	0.04
9.			04/2018 to 07/2018	2.63	2.38	0.17
10.			08/2018 to 10/2018	0.92	0.67	0.04
11.			11/2018 to 12/2018	0.87	0.62	0.02
12.			01/2019 to 03/2019	1.17	0.92	0.05
13.		Bhadani	04/2016 to 12/2016	2.06	1.81	0.29
14.			01/2017 to 03/2017	1.90	1.65	0.09
15.			04/2017 to 03/2018	3.58	3.33	0.70
16.		Hasanpur	04/2018 to 03/2019	6.00	5.75	1.21
17.			07/2018 to 09/2018	0.59	0.34	0.02
18.			10/2018 to 03/2019	1.41	1.16	0.12
19.	Beri	Dighal	04/2017 to 03/2018	0.87	0.62	0.13
20.			04/2018 to 03/2019	1.51	1.26	0.27
21.		Majra(B)	10/2017 to 03/2018	0.66	0.41	0.04
22.			04/2018 to 06/2018	1.01	0.76	0.04
23.			07/2018 to 09/2018	2.46	2.21	0.12
24.		Bhagpur	04/2018 to 05/2018	1.03	0.78	0.03
25.			06/2018 to 08/2018	5.43	5.18	0.27
26.			09/2018 to 10/2018	2.70	2.45	0.09
27.			11/2018 to 12/2018	4.23	3.98	0.14
28.			01/2019 to 03/2019	2.30	2.05	0.11
29.	Bahadurgarh	NoonaMajra	05/2017 to 06/2018	3.19	2.94	0.67
30.	Pataudi	Langra	04/2017 to 07/2017	0.63	0.38	0.03
31.			08/2017 to 12/2017	0.62	0.37	0.03
32.			01/2018 to 03/2018	0.61	0.36	0.02
33.			04/2018 to 03/2019	1.01	0.76	0.16
34.			04/2019 to 07/2019	2.02	1.77	0.12
35.		Narhera	03/2017	0.36	0.11	0.002
36.			04/2017 to 05/2017	6.52	6.27	0.22
37.			06/2017 to 08/2017	2.92	2.67	0.14
38.			09/2017 to 12/2017	2.89	2.64	0.18
39.			01/2018 to 03/2018	1.93	1.68	0.09
40.		Husainka	04/2018 to 06/2018	2.20	1.95	0.10
41.			11/2017 to 12/2017	0.58	0.33	0.01
42.			04/2018 to 07/2018	1.38	1.13	0.08
43.			08/2018 to 09/2018	1.78	1.53	0.05
44.			10/2018 to 12/2018	1.54	1.29	0.07
45.			01/2019 to 03/2019	1.64	1.39	0.07
46.			04/2019 to 06/2019	0.97	0.72	0.04
47.		07/2019 to 09/2019	1.17	0.92	0.05	
48.	Munak	Kutana	09/2017 to 12/2017	2.35	2.10	0.15
49.			01/2018 to 02/2018	2.68	2.43	0.05
50.			03/2018	3.03	2.78	0.05
51.			04/2018 to 09/2018	6.42	6.17	0.65
52.			10/2018 to 12/2018	6.57	6.32	0.33
53.		01/2019 to 02/2019	0.34	0.09	0.003	
54.	Indri	Dhannokheri	05/2018 to 07/2018	1.26	1.01	0.05
					Total	8.002

Appendix –XI
(Reference: Paragraph 2.5; Page 23)
Details showing arrear of House-Tax

Sr. No.	Name of BDPOs	Outstanding house tax (₹ in lakh)
2017-18		
1.	Dabwali (Sirsa)	10.63
2.	Badhra (Charkhi Dadri)	3.88
3.	Murthal (Sonipat)	12.14
4.	Shahzadpur (Ambala)	0.69
5.	Saha (Ambala)	12.78
6.	Rewari (Rewari)	2.70
7.	Bawal (Rewari)	2.25
2018-19		
8.	Narnaud (Hisar)	35.34
9.	Sadhaura (Yamuna Nagar)	2.71
10.	Tohana (Fatehabad)	4.94
11.	Ratia (Fatehabad)	5.23
12.	Bhuna(Fatehabad)	16.98
13.	Jagadhari (Yamuna Nagar)	0.33
14.	Jakhal (Fatehabad)	9.72
15.	Fatehabad (Fatehabad)	18.53
16.	Bilaspur (Yamuna Nagar)	11.44
17.	Karnal (Karnal)	2.85
18.	Chhachhrauli (Yamuna Nagar)	3.47
19.	Mustafabad (Fatehabad)	4.68
20.	Radaur (Yamuna Nagar)	30.25
21.	Morni (Panchkula)	2.68
22.	Nilokheri (Karnal)	21.09
Total		215.31

Source: Information furnished by BDPOs concerned.

Appendix - XII

(Reference: Paragraph 2.6; Page 24)

Statement of utilization of Scheduled Caste Sub-Plan funds in villages not having a majority of Scheduled Caste population

Sr. No.	Block	Year	Village	No. of works	Total Expenditure (₹ in lakh)	SC Population (in percentage)
1.	Baragudha	2012-13	Bupp	1	3.20	31-39
			Nagoki	1	3.00	21-30
			Karamgarh	1	1.10	31-39
		2014-15	Sukhchain	1	4.84	21-30
		2015-16	Thiraj	1	1.01	31-39
			Surtia	1	2.75	31-39
2016-17	Rori	1	3.00	31-39		
2.	Ellenabad	2012-13	Humau Khera	1	4.49	11-20
			Bhuratwala	1	1.98	31-39
			Dholpalia	1	1.98	11-20
			Kariwala	1	1.98	31-39
			Kuttabad	1	1.98	11-20
3.	Nathusari Chopta	2012-13	Nathusari Kalan	1	1.62	11-20
			Hanjira	1	4.99	11-20
		2014-15	Gudia Khera	1	19.83	11-20
		2015-16	Jasania	1	0.26	21-30
			Jasania	1	0.25	21-30
2016-17	Kagdana	1	4.41	31-39		
4.	Sirsa	2012-13	Kusumbi	1	2.55	11-20
			Mangala	1	1.50	21-30
		2014-15	Meerpur	1	1.35	11-20
			Meerpur	1	2.16	11-20
			Bansudhar	1	8.73	21-30
			Vaidwala	2	1.99	21-30
		2015-16	Shamshabat Patti	1	4.75	0-5
			Panihari	1	4.54	31-39
			Vaidwala	1	1.00	21-30
			HandiKhera	1	1.00	31-39
			Meerpur	1	3.80	11-20
		2016-17	Panihari	1	1.57	31-39
			Bansudhar	1	7.20	21-30
5.	Dabwali	2014-15	Ratta Khera	1	6.01	21-30
		2015-16	Banwala	1	4.01	21-30
			Aboodshahar	1	3.00	31-39
6.	Odhan	2014-15	Dharampura	1	1.96	21-30
			Odhan	1	6.34	21-30
			Takhat Mal	1	1.36	21-30
		2015-16	Rohiranwali	1	0.75	11-20
			Tappi	1	0.61	11-20
			Pipli	1	3.86	21-30
			Kewal	1	2.23	21-30
		2016-17	Lakaranwali	1	9.48	31-39
7.	Rania	2015-16	Dhanoor	1	4.61	31-39
8.	Adampur	2015-16	Moda Khera	1	3.12	21-30
			Chuli Bagrian	1	3.01	11-20
		2016-17	Bagla	2	10.82	11-20
			Chaudhariwali	1	9.45	11-20
			Daroli	1	1.72	21-30
			Dhani Mohabatpur	3	11.63	11-20
			Dhani Siswal	1	7.46	11-20
			Kabrel	3	18.69	11-20
			Khara Barwala	1	5.00	21-30
			Mothsara	1	9.57	21-30
			Sadalpur	3	15.86	11-20
			Siswal	2	9.66	11-20
			Talenwali	1	0.57	21-30
		Bhodia Bishnoian	1	13.35	11-20	
Chuli Kalan	1	0.99	11-20			
2017-18	Mahlsara	1	8.80	0-5		

Sr. No.	Block	Year	Village	No. of works	Total Expenditure (₹ in lakh)	SC Population (in percentage)
9.	Agroha	2014-15	Durjainpur	1	5.07	21-30
			Bhana	1	7.99	11-20
			Chikanwas	1	13.48	11-20
			Sarangpur	1	14.96	11-20
			Kanoh	2	12.02	31-39
			Kirmara	1	4.83	11-20
		2015-16	Agroha	1	2.46	21-30
		2016-17	Durjainpur	1	1.51	21-30
			Bhana	1	9.00	11-20
			Chikanwas	1	4.94	11-20
			Agroha	1	4.20	21-30
			Jagan	1	1.18	5-10
			Kalirawan	1	9.76	11-20
			Kuleri	2	15.31	21-30
			Landhari	2	17.18	31-39
			Sandol	1	7.00	5-10
Shamsukh	1		5.00	11-20		
Thaska	1	3.14	21-30			
10.	Hansi-1	2014-15	Kanwari	1	8.50	21-30
		2015-16	Datta	2	4.55	21-30
			Dhamain	1	2.50	11-20
			Dhandheri	1	0.42	21-30
			Khanpur	1	2.93	21-30
			Kumbha	1	1.77	21-30
			Sindher	1	2.50	31-39
			Sorkhi	2	6.01	31-39
			Sultanpur	1	11.86	11-20
			Sisai Kalirawan	1	4.58	11-20
			2016-17	Kanwari	1	4.63
		Datta		11	53.47	21-30
		Khanpur		3	14.79	21-30
		Sindher		6	27.95	31-39
		Depal		1	6.21	21-30
		Gurana		4	27.13	21-30
		Majod		2	6.00	31-39
		Masudpur		2	5.64	21-30
		Singwa Ragho		4	24.30	21-30
		Sisai Bola		4	18.57	21-30
Sisai Kalirawan	3	13.62	11-20			
Umra	1	9.38	21-30			
11.	Narnaund	2014-15	Moth Karnail	1	3.80	21-30
			Mirchpur	1	2.87	11-20
			Rakhi Shahpur	1	3.94	11-20
		2015-16	Mirchpur	1	1.96	11-20
			Petwar	2	5.99	11-20
			Lohari Ragho	1	2.15	31-39
			Budana	1	2.50	11-20
			Kheri Jalab	1	2.97	21-30
			Kapro	2	5.04	21-30
			Haibatpur	1	2.99	21-30
			Bhaini Amirpur	1	3.66	11-20
			Rakhi Khas	1	9.34	11-20
			2016-17	Moth Karnail	1	4.85
		Mirchpur		1	2.79	11-20
		Petwar		2	9.45	11-20
		Lohari Ragho		2	10.00	31-39
		Kapro		3	10.97	21-30
		Haibatpur		1	3.50	21-30
		Bhaini Amirpur		1	1.52	11-20
		Madha	2	8.76	21-30	
Majra	1	4.50	21-30			
Nara	1	2.00	21-30			
Narnaund	1	4.50	11-20			
Rajthal	2	5.49	21-30			

Sr. No.	Block	Year	Village	No. of works	Total Expenditure (₹ in lakh)	SC Population (in percentage)
12.	Hisar-I	2014-15	Kharkhari	1	0.74	21-30
			Dhani Jatan	1	2.34	5-10
		2015-16	Bhoj Raj	1	1.19	21-30
			Kaimri	1	2.04	21-30
		2016-17	Kharkhari	1	1.89	21-30
			Niyana	2	7.46	31-39
			Kaimri	1	0.93	21-30
			Alipur	2	11.18	31-39
			Bure	1	1.78	21-30
			Chirod	1	0.07	11-20
			Dabra	1	2.87	21-30
			Dhansu	1	3.91	5-10
			Kharar	1	6.49	11-20
			Khokha	1	3.00	31-39
Mirjapur	3	10.46	31-39			
Saharwa	1	4.37	11-20			
13.	Hisar-II	2014-15	Dhobi	1	1.66	21-30
			Shahpur	1	2.00	21-30
			Mignikhera	1	5.99	21-30
			Balsamand	1	6.51	21-30
		2015-16	Dhobi	1	4.99	21-30
			Arya Nagar	2	6.86	21-30
			Bherian	1	1.91	21-30
		2016-17	Balsamand	2	8.38	21-30
			Arya Nagar	1	4.00	21-30
			Bherian	1	1.74	21-30
			Burak	1	5.97	21-30
			Chaudhariwas	2	6.73	31-39
			Deva	1	4.62	21-30
			Hindwan	1	2.89	21-30
			Kajla	1	4.18	11-20
			Neoli Kalan	1	8.46	21-30
			Paniharchak	1	1.68	21-30
			Rawalwas Kalan	3	11.36	21-30
			Singhran	1	2.00	31-39
			Bherian	1	1.64	11-20
Muklan	1	0.98	21-30			
Siswala	2	6.74	21-30			
14.	Uklana	2014-15	Litani	1	2.08	21-30
			Bithmara	2	13.08	21-30
		2015-16	Litani	2	11.41	21-30
			Bithmara	1	2.99	21-30
			Pabra	1	1.99	21-30
			Chamar Khera	2	4.00	11-20
			Parbhuwala	1	2.16	31-39
			Daulatpur	1	2.50	31-39
			Kallar Bhaini	1	3.00	31-39
		2016-17	Litani	1	2.50	21-30
			Bithmara	4	12.93	21-30
			Pabra	10	24.42	21-30
			Chamar Khera	1	3.00	11-20
			Daulatpur	3	8.39	31-39
15.	Barwala	2014-15	Sarera	1	0.74	11-20
			Jewara	1	3.49	21-30
			Sarsana	1	3.50	11-20
			Kharak Punia	1	5.21	21-30
			Badhawar	1	5.80	11-20
		2015-16	Sarera	1	2.85	11-20
			Kharak Punia	2	2.09	21-30
			Dhad	1	3.36	11-20
			Bobua	1	2.75	31-39
			Juglan	1	3.65	21-30
			Matloda	2	9.00	11-20
			Khedar	1	4.32	21-30
		2016-17	Sarera	1	3.60	11-20
			Kharak Punia	3	19.95	21-30
			Bobua	2	3.38	31-39

Sr. No.	Block	Year	Village	No. of works	Total Expenditure (₹ in lakh)	SC Population (in percentage)
			Matloda	1	2.00	11-20
			Khedar	4	17.82	21-30
			Bhadakhera	1	4.00	11-20
			Bhanbori	3	2.37	21-30
			Byana Khera	1	2.63	11-20
			Dhigtana	1	9.87	21-30
			Gyanpura	1	4.69	11-20
			Hasangarh	1	6.95	21-30
			Panihari	1	1.98	21-30
			Rajli	2	6.85	11-20
			Bichpari	2	4.10	31-39
			Panghal	1	2.18	11-20
			Sarsod	2	4.19	21-30
			Kheri Barki	1	1.46	31-39
16.	Hansi-II	2014-15	Badchappar	1	6.64	21-30
		2015-16	Badchappar	1	2.03	21-30
			Singhwa Khas	1	3.79	11-20
			Badala	2	3.87	11-20
			Sisar	1	2.67	11-20
			Bhatol Jatan	1	3.80	31-39
		2016-17	Badala	1	1.91	11-20
			Bass Badshapur	2	11.99	5-10
			Dharam Kheri	1	7.84	21-30
			Khandakheri	1	4.69	31-39
			Mohla	3	17.93	31-39
			Puthi Samain	3	10.28	11-20
			Uglan	1	1.89	31-39
Total					1271.18	

Say ₹ 12.71 crore

Appendix-XIII

(Reference: Paragraph 2.7; Page 25)

A: Statement showing non-completion of dwelling units under IAY

Sr. No.	Name of the Unit	Audit Period	No. of Beneficiaries	Total Amount of Ist & 2 nd instalment (in ₹)
1.	BDPO, Rewari	2013-16	10	5,65,000
2.	BDPO, Bawal	2013-16	21	11,20,000
3.	BDPO, Jatusana	2013-16	49	23,10,000
4.	BDPO, Khol	2013-16	136	65,15,000
5.	DRDA, Ambala	2013-16	534	2,53,55,000
6.	DRDA, Sirsa	2013-16	159	65,30,000
7.	BDPO, Uklana	2013-14	17	7,05,000
8.	BDPO, Agroha	2014-16	8	4,10,000
9.	BDPO, Adampur	2014-16	9	5,40,000
10.	BDPO, Barwala	2014-16	92	47,50,000
11.	BDPO, Hansi-I	2014-16	57	28,25,000
12.	BDPO, Chhachhrauli	2013-15	28	16,80,000
13.	BDPO, Mustafabad	2013-15	7	4,20,000
14.	BDPO, Morni	2015-16	10	4,60,000
15.	BDPO, Hansi-II	2015-16	113	56,60,000
16.	BDPO, Ratia	2014-16	30	15,20,000
17.	BDPO, Fatehabad	2014-16	23	12,40,000
18.	BDPO, Bhattu Kalan	2013-14	10	5,65,000
	Total (A)		1,313	6,31,70,000

B: Statement showing non-completion of dwelling units under PMAY

Sr. No.	Name of the Unit	Audit Period	No. of Beneficiaries	Total Amount of Ist & 2 nd instalment (in ₹)
1.	BDPO, Fatehabad	2016-17	41	39,45,000
2.	BDPO, Ratia	2016-17	50	51,90,000
3.	BDPO, Bhattu Kalan	2016-18	59	54,75,000
	Total (A)		150	1,46,10,000

Appendix-XIV

(Reference: Paragraph 2.8; Page 27)

A: Statement showing recoverable amount of interest due to late deposit of lease money

Sr. No.	BDPO	Gram Panchayat	Lease money received (In ₹)	Deposited amount with Delay (In ₹)	Delay Period	Delay in Deposit (in Days)	Recoverable interest (21 per cent per annum) (in ₹)
1	Fatehabad	Chindar	2,76,200	1,65,700	19.04.18 to 26.04.18	8	762.67
				1,10,300	19.04.18 to 30.04.18	12	761.52
			2,70,400	2,70,200	15.06.17 to 02.07.17	18	2,798.24
			3,57,700	1,30,000	13.05.16 to 01.06.16	20	1,495.89
				2,27,700	13.05.16 to 23.08.16	103	13,493.56
			2,64,600	1,00,000	21.05.15 to 29.05.15	9	517.81
				1,00,000	21.05.15 to 31.05.15	11	632.88
				30,000	21.05.15 to 02.06.15	13	224.38
				26,000	21.05.15 to 12.06.15	23	344.05
			2,88,100	8,000	21.05.15 to 07.07.15	49	225.53
				50,000	20.05.14 to 24.10.14	158	4,545.21
				40,000	20.05.14 to 27.10.14	161	3,705.21
		1,00,000		20.05.14 to 30.10.14	164	9,435.62	
		95,000		20.05.14 to 07.11.14	172	9,401.10	
		Bhirdana	6,18,200	3,00,000	05.05.18 to 03.06.18	30	5,178.08
				3,18,200	05.05.18 to 27.09.18	146	26,728.80
		Kajalheri	7,17,250	3,75,000	26.04.18 to 14.05.18	18	3,883.56
				1,40,000	26.04.18 to 01.06.18	36	2,899.73
				2,02,250	26.04.18 to 01.07.18	66	7,679.96
			5,56,500	90,000	0	0	0.00
				1,72,000	02.05.17 to 17.05.17	16	1,583.34
90,200	02.05.17 to 22.05.17			21	1,089.81		
1,00,000	02.05.17 to 29.05.17			28	1,610.96		
84,100	02.05.17 to 31.05.17	30	1,451.59				
20,200	02.05.17 to 03.07.17	63	732.18				
Total (A)							1,01,181.68

B: Details showing non-recovery of interest due to irregular retention of cash in hand

Sr. No.	BDPO	Gram Panchayat	Cash in Hand (₹)	Amount Deposited with Delay (₹)	Delay Period	Delay in Deposit (in Days)	Recoverable interest (21 per cent per annum) (₹)
2	Barwala	Sarsaod	2,46,237	2,46,237	15.06.05 to 30.05.18	4732	6,70,385.29
Total (B)							6,70,385.29
3	Narnaund	KothKalan	11,48,594	11,23,594	01.06.13 to 30.06.13	30	19,393.54
			14,52,194	14,27,194	01.07.13 to 31.07.13	31	25,454.88
			14,52,194	14,27,194	01.08.13 to 31.08.13	31	25,454.88
			17,35,694	17,10,694	01.09.13 to 30.09.13	30	29,527.05
			11,65,054	11,40,054	01.10.13 to 31.10.13	31	20,333.57
			11,62,084	11,37,084	01.11.13 to 30.11.13	30	19,626.38
			11,62,094	11,37,094	01.12.13 to 31.12.13	31	20,280.77
			11,59,134	11,34,134	01.01.14 to 31.01.14	31	20,227.98
			11,59,134	11,34,134	01.02.14 to 28.02.14	28	18,270.43
			11,59,134	11,34,134	01.03.14 to 31.03.14	31	20,227.98
			11,59,134	11,34,134	01.04.14 to 30.04.14	30	19,575.46
			11,59,134	11,34,134	01.05.14 to 31.05.14	31	20,227.98
			23,96,534	23,71,534	01.06.14 to 30.06.14	30	40,933.33
			13,34,084	13,09,084	01.07.14 to 31.07.14	31	23,348.32
			13,34,084	13,09,084	01.08.14 to 31.08.14	31	23,348.32
			13,34,084	13,09,084	01.09.14 to 30.09.14	30	22,595.15
			13,34,084	13,09,084	01.10.14 to 31.10.14	31	23,348.32
			13,79,934	13,54,934	01.11.14 to 30.11.14	30	23,386.53
			13,79,934	13,54,934	01.12.14 to 31.12.14	31	24,166.08
			13,79,934	13,54,934	01.01.15 to 31.01.15	31	24,166.08
13,79,934	13,54,934	01.02.15 to 28.02.15	28	21,827.43			
13,79,934	13,54,934	01.03.15 to 31.03.15	31	24,166.08			
Total (C)							5,09,886.54

Sr. No.	BDPO	Gram Panchayat	Cash in Hand (₹)	Amount Deposited with Delay (₹)	Delay Period	Delay in Deposit (in Days)	Recoverable interest (21 per cent per annum) (₹)
4	Adampur	Ghursal	5,90,900	5,65,900	12.04.17 to 30.04.17	18	5,860.55
			5,93,350	5,68,350	01.05.17 to 31.05.17	31	10,136.87
			5,91,556	5,66,556	01.06.17 to 30.06.17	30	9,778.91
			5,87,068	5,62,068	01.07.17 to 31.07.17	31	10,024.83
			5,70,305	5,45,305	01.08.17 to 31.08.17	31	9,725.85
			5,95,305	5,70,305	01.09.17 to 30.09.17	30	9,843.62
			3,15,492	2,90,492	01.10.17 to 31.10.17	30	5,013.97
			5,08,057	4,83,057	01.11.17 to 30.11.17	30	8,337.70
			2,36,777	2,11,777	01.12.17 to 31.12.17	31	3,777.17
			42,257	17,257	01.02.18 to 28.02.18	28	278.00
			42,239	17,239	01.03.18 to 31.03.18	31	307.47
			65,639	40,639	01.04.18 to 30.04.18	30	701.44
			Total (D)		73,786.38		
		Chaudhriwali	2,27,492	2,02,492	01.08.17 to 30.09.17	61	7,106.64
			2,42,372	2,17,372	01.10.17 to 31.01.18	123	15,382.79
			2,26,780	2,01,780	01.02.18 to 31.03.18	59	6,849.46
			2,25,780	2,00,780	01.04.18 to 30.04.18	30	3,465.52
			Total (E)		32,804.41		
		5	Uklana	Daulatpur	8,13,050	7,88,050	05.06.16 to 05.09.16
8,22,900	7,97,900				10.04.17 to 02.06.17	52	23,871.42
Total (F)					65,130.70		
G. Total (A+B+C+D+E+F)							1453175.00

Appendix-XV

(Reference: Paragraph 2.9; Page 28)

Detail of fund recoverable from Ex-Sarpanches/Panches due to non-handing over of charge

Sr. No.	Name of BDPO	Name of GP	Numbers of Ex-Sarpanch/Panch	Period	Amount (₹ in lakh)
1.	BDPO, Sirsa	Bharokan	1	2010-15	2.43
2.	BDPO, Sonipat	Jaji	3	N.A	3.93
		Nainatatarpur	1	N.A	0.09
		Mahipur	1	N.A	0.19
3.	BDPO, Gohana	Sargthal	4	N.A	1.04
		Kheri Damkan	1	N.A	0.20
4.	BDPO, Mundlana	Ishapur Kheri	2	2000-15	0.26
		Baroda Tuthan	3	2000-15	0.89
		Chhathera	1	2010-15	1.58
5.	BDPO, Ambala-II	Janet Pur	2	2000-15	0.04
		Tundli	1	2010-15	0.20
6.	BDPO, Barara	Manka	1	2010-15	0.27
		Bikompur	1	2010-15	0.15
7.	BDPO, Baragudha	Chhatrian	1	2009-14	0.03
		Malari	1	2009-14	0.72
8.	BDPO, Rai	Pabsara	2	2013-15	0.87
9.	BDPO, Kharkhoda	Gopalpur	1	2010-15	0.23
		Sisana-I	5	2005-15	0.40
10.	BDPO, Kairu	Mansarbass	1	2009-14	0.08
		Lohani	1	2009-14	1.17
		Kairu-I	1	2005-09	0.19
11.	BDPO, Hisar-I	Dabara	3	N.A	6.86
12.	BDPO, Hisar-II	Sahapur	2	N.A	2.30
13.	BDPO, Tohana	Nangla	2	2010-15	0.34
		Hindalwala	1	1989-93	0.26
14.	BDPO, Ratia	Brahamanwala	1	1989-94	0.19
		Rojanwali	1	2010-13	0.59
		DhaniBabanpur	1	2010-15	0.34
15.	BDPO, Jagadhari	Sugh	1	2010-15	0.62
16.	BDPO, Fatehabad	Bhodiakhera	2	2010-15	0.26
		Chindar	2	1995-2015	0.02
17.	BDPO, Mustafabad	GarhiSikandra	1	2010-15	0.19
		GarhiGosai	2	2005-15	0.40
		Lawani	1	2010-15	0.20
		Jhad Chandana	3	2000-15	0.16
Total			58		27.69

Appendix-XVI

(Reference: Paragraph 2.10; Page 29)

A: Details showing payment made without name and without signatures/thumb impressions on muster rolls

Sr. No.	Name of unit	Name of village	Name of work	Period	Number of labourers	Amount paid (in ₹)
1.	BDPO, Agroha	Kuleri	Painting and whitewash of Govt. High School	03.12.17 to 29.12.17	11	1,33,850
		Kuleri	Painting and whitewash of Govt. High School	01.01.18 to 11.01.18	11	56,050
		Kalirawan	Construction of IPB	01.12.17 to 27.12.17	12	1,33,850
2.	BDPO, Hisar-I	Mayar	Painting of Govt. S.S School	01.12.17 to 19.12.17	22	1,85,028
			Construction of Nali	02.01.18 to 10.01.18	15	57,538
3.	XEN PR, Fatehabad	Nakhtia	Construction of Aganwadi center	07.02.16 to 20.02.16	8	31,668
		KhajjuriJati	Construction of Aganwadi center	01.03.16 to 12.03.16	11	41,973
		Kharati Khera	Construction of Aganwadi center	01.03.16 to 11.03.16	8	25,562
4	BDPO, Bhuna	Nehla	Construction of IPB street	03.01.18 to 18.01.18	12	71,121
			Construction of IPB street	08.12.17 to 21.12.17	9	41,238
			Construction of IPB street	12.11.17 to 30.11.17	4	28,880
			Construction of IPB street	01.01.18 to 17.01.18	18	1,24,474
Total					141	9,31,232

B: Details showing simultaneous employment of labourers on different works and payment made

Sr. No.	Name of unit	Name of village	Name of work	Period	Number of labourers	Amount paid (in ₹)
1.	BDPO, Uklana	Surewala	Construction of boundary wall near well	05.01.15 to 14.01.15	4	15,220
			Construction of boundary wall near pond	05.01.15 to 14.01.15	4	15,220
2.	BDPO, Hisar-I	Bhagana	Grill installation	01.10.17 to 26.10.17	2	18,080
			Sanitation work	01.10.17 to 20.10.17	2	15,960
3.	BDPO, Hisar-II	Patan	Nali ki safai	11.10.16 to 20.10.16	4	9,144
			Construction of nali	15.10.16 to 27.10.16	4	7,704
		Dhiranwas	Whitewash at vikas Kendra	01.01.17 to 29.01.17	3	6,044
			Construction of boundary wall	01.01.17 to 27.01.17	3	6,754
		Shaapur	Work of pipe lines	12.06.14 to 30.06.14	5	11,522
			Work of pipe lines	09.06.14 to 18.06.14	5	11,459
		Jakhodkhera	Construction of pulia	01.05.17 to 29.05.17	1	6,096
			Construction of street	10.05.17 to 31.05.17	1	6,096
Construction of street	01.05.17 to 04.05.17		1	1,524		
4.	CPDO, Karnal	Nilokheri	Construction of Balmiki Chaupal	01.08.17 to 14.08.17	11	26,352
			Construction of Community center	08.08.17 to 31.08.17	11	23,365
Total					61	1,80,540

Appendix-XVII

(Reference: Paragraph 4.3.4.2; Page 71)

A: Statement showing the details of recovery on account of steel

Sr. No.	Name of Municipalities	Name of work	Period of execution	Quantity of steel (in MT)	Tender Premium (in per cent)	Excess payment at the rate 6000 per MT (₹ in lakh)
1	Pehowa	Construction of community centre and gym, near Bharamjun at Pehowa	2018-19	33.14	6.96	2.13 (on June 2019)
2	Pehowa	Construction of newly nala and existing repair nala at Kaithal Road	2018-19	9.90	(-) 5.01	0.56 (on May 2019)
3	Sampla	Construction of multipurpose hall/auditorium in stadium at Sampla	2017-18	197.79	13.99	13.53 (on March 2019)
4	Sampla	Construction of Sir Chhotu Ram community centre Sampla	2017-18	34.82	6.49	2.22 (on April 2018)
5	Rania	Construction of community hall and shops at Balasar Road Rania	2018-19	48.26	8.08	3.13 (on August 2019)
6	Rania	Construction of shops & parking at Main Bazar, Rania	2018-20	59.96	8.00	3.69 (on February 2020)
Total						25.26

B: Statement showing the details of excess payment on account of higher rates than HSR rates

(₹ in lakh)						
Sr. No.	Name of MC	Name of work	Name of item	Rate actually paid to contractor	Rate to be paid to contractor as per HSR rate	Excess payment paid to contractor
1	MC Sampla	Construction of boundary wall & track of Shaheed Bhagat Singh Stadium situated at Sampla.	Provision of Supply and fixing 8 nos. of 16 mtr. high mast light of 150 watt as per HSR 31.83 (ii).Provision of Supply & fixing 8 nos. of 16 mtr. high mast light of 150 watt as per estimate.	43.20	14.48	28.72 (on January 2019)
2	MC Kamal	Providing & fixing 80 mm thick coloured vibrated tiles and construction of type-I drain from Subhash gate to Jattan Mohalla (Old city), Ward no. 10, Kamal.	Providing & laying 80 mm thick interlocking paver blocks of all shapes and colours in design mix cement M-35 over a bed of 30mm thick fine sand complete in all respect as per HSR 10.159.	10.77	8.88	1.89 (on November 2016)
3		Providing & fixing 80 mm thick coloured vibrated tiles and construction of type-I drain from Subhashgali to Jattan Mohalla in various street in Ward no. 10, Kamal.	Providing & laying 80mm thick table vibrated interlocking paver blocks with 30 mm thick layer of sand complete in all respect as per DNIT.	14.42	11.90	2.52 (on October 2016)
4	MC Yamunanagar	Construction of streets with drain type I and II of various areas in Ward No. 9.	Providing and fixing of 150 mm PVC rain water pipe 6 kg pressure as per HSR 13.89 b. 150 mm PVC rain water pipe 6 kg pressure as per estimate.	0.88	0.49	0.39 (on July 2018)
Total				69.27	35.75	33.52

Appendix-XVIII

(Reference: Paragraph 4.4; Page 78)

Statement showing detail of non-recovery of development charges

Sr. No.	Name of municipality	Number of declared colonies	Constructed area (Sq. yards)	Rate of development charges (₹ per Sq. yard)	Amount (₹ in crore)
1	Municipal Council, Charkhi Dadri	4	2,28,641.6	50	1.14
2	Municipal Council, Bahadurgarh	26	9,45,784.4	50	4.73
3	Municipal Council, Gohana	13	8,90,705.2	50	4.45
4	Municipal Council, Palwal	11	7,35,050.8	50	3.68
5	Municipal Committee, Haily Mandi	6	1,82,129.2	30	0.55
6	Municipal Committee, Kalayat	3	54,740.4	30	0.16
7	Municipal Committee, Kalanaur	10	3,06,130.0	30	0.92
Total		73	33,43,181.6		15.63

Appendix-XIX**(Reference: Paragraph 4.7; Page 81)****Statement showing Municipality-wise cases of dishonoured cheques and amount involved**

Sr. No.	Name of municipalities	Period	No. of cases	Amount (₹ in lakh)
1	Municipal Corporation, Ambala	March 2012- June 2017	413	115.19
2	Municipal Corporation, Faridabad	March 2016- March 2017	95	41.61
Total			508	156.80

Appendix-XX

(Reference: Paragraph 4.8; Page 82)

Statement showing the details of GST paid to service provider for pure services

Sr. No.	Municipality	Name of firm	Purpose of payment	Period	Total amount paid (₹ in lakh)	GST paid (₹ in lakh)
1	Municipal Corporation, Faridabad	Imperial Electrical and Allied Services	Sanitation work and fire services.	July 2017 to January 2018	538.19	69.05
2		RS Enterprises	Sanitation works	July 2017	19.13	2.99
3		International Academy of Environmental and Sanitation and Public Health	Sanitation works	July 2017 to November 2017	78.37	12.16
4		KS Multifacility Services (P) Ltd.	Sanitation works	November 2017	29.63	4.60
5		International Academy of Environmental and Sanitation and Public Health	Sanitation works	August 2017 to February 2018	161.80	25.11
6		RS Enterprises	Sanitation works	December 2017 to February 2018	92.35	14.26
7		KS Multifacility services (P) Ltd	Sanitation works	August 2017	30.45	4.77
8		RS Enterprises	Sanitation works	July 2017 to November 2017	128.28	16.12
9	Municipal Corporation, Gurugram	International Academy of Environmental and Sanitation and Public Health	Sanitation works	July 2017 to December 2017	36.32	5.64
10		KS Multifacility Services (P) Ltd,	Sanitation works	January 2018	29.53	4.57
11		International Academy of Environmental and Sanitation and Public Health	Sanitation works	November 2017 to January 2018	20.39	3.165
12		KS Multifacility Services (P) Ltd	Sanitation works	March 2018	54.77	10.67
13		RS Enterprises	Sanitation works	December 2017	24.29	3.75
14		KS Multifacility Services (P) Ltd	Sanitation works	December 2017	29.79	4.63
15		International Academy of Environmental and Sanitation and Public Health	Sanitation works	December 2017	37.17	4.80
16.		KS Multifacility Services (P) Ltd	Sanitation works	October 2017	29.45	4.60
17		International Academy of Environmental and Sanitation and Public Health	Sanitation works	October 2017	54.38	8.44
18		RS Enterprises	Sanitation works	July 2017 to October 2017	41.95	6.49
19		International Academy of Environmental and Sanitation and Public Health	Sanitation works	September 2017	55.31	8.58
20		RS Enterprises	Sanitation works	September 2017	18.31	2.78
21		International Academy of Environmental and Sanitation and Public Health	Sanitation works	July 2017 to August 2017	13.99	2.17
22		RS Enterprises	Sanitation works	September 2017	24.15	3.75
Total					1,548.00	223.095

Appendix-XXI

(Reference: Paragraph 4.9; Page 83)

Statement showing purchase made on quotation basis instead of e-tendering process

Sr. No.	Name of Unit	Name of suppliers/ Agency/ contractor	Details of Items	Total Amount (₹ in lakh)
1	Municipal Corporation, Karnal	Vardhman furniture, Karnal	Purchase of Furniture	0.47
		Vardhman furniture, Karnal	Purchase of Furniture	0.46
		Vardhman furniture, Karnal	Purchase of Furniture	0.49
		Vardhman furniture, Karnal	Purchase of Furniture	0.48
		Vardhman furniture, Karnal	Purchase of Furniture	0.50
		Vardhman furniture, Karnal	Purchase of Furniture	0.49
		Vardhman furniture, Karnal	Purchase of Furniture	0.49
		Vardhman furniture, Karnal	Purchase of Furniture	0.42
		Vardhman furniture, Karnal	Purchase of Furniture	0.97
		Nandhavrt traders	Purchase of Furniture	0.45
		Nandhavrt traders	Purchase of Furniture	0.21
		Falconet IT solution, Karnal	Purchase of IP camera	0.19
		Falconet IT solution, Karnal	Purchase of IT material	1.73
		Falconet IT solution, Karnal	Purchase of CPU touch screen server	0.52
		MS shoe agency Karnal	Purchase of shoes	1.36
		Delhi Silk Retail Store	Purchase of uniform	1.63
		Shivam Traders	Purchase of cement	1.05
		Gadget Arena, Karnal	Provision of audio system	2.45
2	Municipal Corporation, Faridabad	Shri Ram Communication	Purchase of 10 mobile phones (on quotation)	0.98
		Dawar international electronics	Purchase of 41 mobile phones (without quotation)	2.99
		Yours communication	Purchase of 1 mobile phones (without quotation)	0.20
		Amazon.in	Purchase of 1 mobile phones (online)	0.20
		Croma retail	Purchase of 1 laptop (online)	1.00
		Vijay Sales	Purchase of 1 laptop and pen drive	0.49
		M/s Ganpati Agency	Purchase of detol soap	29.55
		Jai Fabricators &Engg. Works	10" saluce value new making fitting	1.17
		Jai Fabricators &Engg. Works	30 HP pump set repair	1.43
		JB advertising pvt. Ltd	IEC material for SBM	4.60
		Puretech computer systems pvt. Ltd.	D&C register	9.54
		Puretech computer systems pvt. Ltd.	Purchase of laptop and desktop	2.20
		Puretech computer systems pvt. Ltd.	Purchase of laptop and desktop	8.76

Sr. No.	Name of Unit	Name of suppliers/ Agency/ contractor	Details of Items	Total Amount (₹ in lakh)
		SM printers	Purchase of computer and furniture	4.58
		SM printers	Purchase of computer and furniture	5.19
		CCI system	Purchase of computer and accessories	1.85
		SM printers	Purchase of computer and furniture	1.42
		Hitech Glass solutions Faridabad	Aluminium false ceiling PVC paneling work	1.77
3	Municipal Committee, Jhajjar	M/s Garg Brothers	Iron grating	2.14
		M/s Geeken seating collection pvt. Ltd.	Office furniture	2.11
		M/s Miglani electrical	Light maintenance	3.12
4	Municipal Committee, Hailey Mandi	Jaiveer Hanuman Nursery Palwal	Horticulture work in part at W.N. 1&7	5.25
		Gordhan Dass electric cont. Jhajjar	Purchase of 859 Street light & accessories	3.61
		New Bharat Engg. Pvt. Ltd.	Purchase of try cycle rickshaw	1.54
		Paras machinery stores, Rewari	Purchase of pump set	1.06
5	Director Urban Local Bodies Panchkula	Divya collection Karnal	Purchase of T-shirt, caps, lowers etc.	1.43
		Vision footcare India pvt. Ltd.	Purchase of shoes and socks	1.03
6	Municipal Committee, Pehowa	M/s Majra Agriculture implement Kaithal	Grill and Pillar	1.72
		M/s Majra Agriculture implement Kaithal	Grill and Pillar	1.69
		M/s Ganesh building material Pehowa	Purchase of IPB 60 mm.	2.11
		M/s Bhagwati Udyog Kurukshetra	Purchase of dust bin	3.97
7	Municipal Corporation, Rohtak	ICA International Pvt. Ltd.	Purchase of shoes	1.51
		M/s Chinar Fabrics	Purchase of uniform	6.42
8	Municipal Committee, Cheeka	M/s Tarsem Brothers, Cheeka	Purchase of 5 feet, 3 feet pillars	1.01
		M/s Aggarwal electronics, Cheeka	Supply of electrical Goods	4.78
		Bhasin agencies, Patiala	Purchase of chairs	1.11
9	Municipal Council, Narwana	Yamin, Chhata	Catching of monkey	3.20
10	Municipal Corporation, Panipat	Anuradha Tailors and Cloth House	Purchase of uniform and shoes for sanitation staff	5.45
11	Municipal Council, Palwal	New Bharat Engg. (SWM) Pvt. Ltd. Kurukshetra	Concrete park bench	2.83
		Shree Shivam Enterprises, Kurukshetra.	Chair Mini House with shed.	1.25
		Shree Shivam Enterprises,	DMC 3cm capacity.	8.71

Sr. No.	Name of Unit	Name of suppliers/ Agency/ contractor	Details of Items	Total Amount (₹ in lakh)
		Kurukshetra.		
		Shree Shivam Enterprises, Kurukshetra.	DMC 3cm capacity.	4.36
		Shree Shivam Enterprises, Kurukshetra	DMC 900x900x900 with stand.	3.98
				2.99
12	Municipal Council, Narnaul	Shri Natraj Traders	Purchase of ACs	2.26
		Shri Natraj Traders	Purchase of Chairs	0.63
13	Municipal Corporation, Ambala	Weigh-well group	Repair of e-weigh bridge	1.25
		Gadget Area	Purchase music system	13.02
		Bharat prakasan	Purchase of library books	3.67
14	Municipal Corporation, Sonipat	New samrat furniture	Purchase of furniture	0.77
		Bajrang Azad Saw Mills	Purchase of furniture	0.48
		Bajrang Azad Saw Mills	Purchase of furniture	0.47
15	Municipal Corporation, Hisar	M/S Kumar Automobile	Purchase of Tyre & Tube	0.74
		M/S Kumar Automobile	Purchase of Tyre & Tube	0.95
		M/s Jain Iron Store	Purchase of Saria	2.20
		M/s Shanti Bricks company	Purchase of Bricks	1.47
		M/s Alfa Electronic world	Purchase of ACs, stabilizer, etc.	4.26
		M/s Jain furniture house	Purchase of furniture	4.56
16	Municipal Council, Bahadurgarh	Arihant Industrial Corporation, Limited	Sports goods items, Yoga gym items	15.03
		Arihant Industrial Corporation, Limited	Sports goods items, Yoga gym items	15.02
17	Municipal Council, Tohana	Survey & Scientific lab	Purchase of levelling instruments	1.95
		Kamboj tile industries	Purchase of tiles	3.45
		M/s Deepak Kumar Saini	Construction material	1.23
Total				244.07

Say ₹ 2.44 crore

Appendix-XXII

(Reference: Paragraph 4.11; Page 85)

Statement showing details of non-recovery of installation and processing fee from Dish-Antenna of ATMs

Sr. No.	Name of the Municipalities	Period	No. of off-site ATM	Recoverable amount		Total
				Installation charges	Processing fee	
(₹ in lakh)						
1	Municipal Council, Tohana	2015-18	11	0.55	0.11	0.66
2	Municipal Council, Gohana	2015-18	09	0.45	0.09	0.54
3	Municipal Corporation, Ambala	2015-17	106	5.30	1.06	6.36
4	Municipal Council, Charkhi Dadri	2015-17	09	0.45	0.09	0.54
Total			135	6.75	1.35	8.10

Appendix-XXIII

(Reference: Paragraph 4.12; Page 86)

Details showing irregularities on Muster Rolls

A: Details of wages paid to same labourers on two works (i) Jawahar park ward number 24 and (ii) Repair of old Fire Bridge on same dates

Sr. No.	Name of labourers	Period	Number of days	Rate per day	Total
				(in ₹)	
1	Satyawan	22, 23 and 27 February 2017	3	480	1,440
2	Sandeep	22,25 and 28 February 2017	3	480	1,440
3	Ramsharan	22,25,27 and 28 February 2017	4	480	1,920
4	Manish	22, 23,25,27 and 28 February 2017	5	480	2,400
5	Beldev	22,23,24,27 and 28 February 2017	5	330	1,650
6	Balkar	22,25 and 28 February 2017	3	330	990
7	Praveen	22, 24 and 28 February 2017	3	330	990
8	Rinku	22,24,25, 27 and 28 February 2017	5	330	1,650
9	Chandar pal	22,23,25 and 28 February 2017	4	330	1,320
10	Binny	22,24,27 and 28 February 2017	4	330	1,320
11	Sultan	22,23,25,27 and 28 February 2017	5	330	1,650
Total					16,770

B: Details showing the labourers who put signatures on one muster roll and thumb impression on the other muster roll and vice versa

Sr. No	Name of labourers	Thumb impression/Signatures on muster roll for the period 03 March 2017 to 21 March 2017	Amount (in ₹)	Thumb impression/Signatures on muster roll for the period 22 March 2017 to 27 March 2017	Amount (in ₹)
1	Amit	Signature	4,550	Thumb impression	1,950
2	Vikas	Thumb impression	4,875	Signature	1,950
3	Ashok	Signature	4,550	Thumb impression	1,950
4	Sumit	Thumb impression	3,458	Signature	1,950
5	Rakesh	Signature	3,458	Thumb impression	1,950
6	Ajay	Thumb impression	3,705	Signature	1,950
7	Anand	Thumb impression	3,458	Signature	1,950
8	Mahavir	Signature	3,458	Thumb impression	1,482
9	Jaivir	Thumb impression	3,458	Signature	1,482
10	Pramod	Signature	3,458	Thumb impression	1,482
11	Ramphal	Thumb impression	3,458	Signature	1,482
12	Suresh	Signature	3,458	Thumb impression	1,482
Total			45,344		21,060

C: Details of muster rolls without signatures/thumb impression of labourers

Name of Unit	Work	Period	Number of labourers	Amount (in ₹)
Municipal Council, Tohana	Construction of Ram Dharamshala	N.A	11	1,13,976
	Const. of Ram Dharamshala	N.A	11	79,002
Municipal Council, Kaithal	Const. of Public Toilet for ladies/gents at Jakholi Adda	08 August 2017 to 15 August 2017	8	21,838
	Const. of Public Toilet block near bhagirath chowk	08 August 2017 to 16 August 2017	8	23,869
	Repair of old fire Bridge	22 February 2018 to 22 March 2018	22	1,83,270
Municipal Corporation, Ambala	N.A	10 June 2015 to 14 June 2015	9	14,408
	Const. of rooms & shed at Dharamshala	02 February 2015 to 28 February 2015	16	38,825
	Const. of rooms & shed at Dharamshala	02 March 2015 to 10 March 2015	10	22,750
	Const. of street opposite Kanshi Bhawan	23 March 2015 to 26 March 2015	9	11,279
	Const. of room & shed in Shamshan Ghat	05 April 2015 to 07 April 2015	12	13,003
Municipal Council, Narwana	Const. Of boundary wall of community center at LIC road in W. N. 16	03 March 2014 to 16 March 2014	5	19,140
	Const. of toilet in Mall Godown Road	03 June 2015 to 09 June 2015	3	8,790
	Const. of street with drain from H/o Ganga Plumber to Jaibir in W. N. 3	07 September 2014 to 10 September 2014	7	8,540
	Const. of Street IPB old Const. pond to DSP house W. N. 3	10 January 2016 to 25 January 2016	11	57,886
	Const. of street with drain from H/o Ganga plumber to Jaibir in W.N. 3	02 April 2014 to 29 April 14	10	39,786
Municipal Committee, Jhajjar	Fixing of Jall & repair of street	19 September 2017 to 25 September 2017	7	16,795
	Const. of Ravidas Dharamshala	13 June 2016 to 17 June 2016	8	13,660
	Const. of Shri Ram Dharamshala	01 August 2016 to 04 August 2016	7	9,192
Total			174	6,96,009

Appendix-XXIV

(Reference: Paragraph 4.15; Page 89)

Statement showing the receipts collected and actual deposits with cashier

Sr. No.	Date	Numbers of receipts in G-8 involved	Amount collected	Amount deposited with cashier	Difference
				(In ₹)	
1	15 February 2017	6131, 6133 to 6137	1,85,110	1,84,412	698
2	17 February 2017	6137 to 6140, 6142	2,98,375	2,57,706	40,669
	17 February 2017	6142 to 6147, 6149	2,62,371	2,61,417	954
3	20 February 2017	6149, 6150, 6151, 6153, 6154, 6155	4,04,208	4,03,090	1,118
	20 February 2017	6155 to 6160	3,60,105	3,59,944	161
4	22 February 2017	6170 to 6179	7,31,465	7,31,386	79
5	23 February 2017	6179 to 6187, 6189, 6190, 6191	16,88,152	16,83,735	4,417
6	27 February 2017	6192 to 6199	16,33,400	16,32,936	464
	27 February 2017	6200 to 6205, 6207 to 6216, 6218 to 6219	11,98,608	11,96,954	1,654
	27 February 2017	6219 to 6232	12,42,192	12,41,562	630
	27 February 2017	6239 to 6257	23,82,415	23,81,222	1,193
7	02 March 2017	6262 to 6278	4,05,636	3,99,796	5,840
8	29 January 2018	6942 to 6945	1,40,805	1,40,560	245
Total			1,09,32,842	108,74,720	58,122

GLOSSARY OF ABBREVIATIONS

ABPO	Additional Block Programme Officer
ADC-cum-CEO	Additional Deputy Commissioner-cum-Chief Executive Officer
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
AS	Area Sabha
ATIR	Annual Technical Inspection Report
ATM	Automated Teller Machine
BDPO	Block Development and Panchayat Officer
BDPO-cum-EOPS	Block Development and Panchayat Officer-cum-Executive Officer Panchayat Samities
CAG	Comptroller and Auditor General of India
CFC	Central Finance Commission
CLF	Cluster Level Federation
CSS	Centre and State Share
DAY	Deen Dayal Antodya Yojana
DC	Deputy Commissioner
DDPO	District Development and Panchayat Officer
DLRMC	District Level Review Monitoring Committee
DNIT	Detailed Notice Inviting Tender
DP	Development Plan
DPC	Duties, Power and Conditions of Service
DPC	District Planning Committee
DPR	Detailed Project Report
DRDA	District Rural Development Agency
DULB	Director, Urban Local Bodies Department
EFC	Eleventh Finance Commission
EPF	Employee Provident Fund
EPFO	Employees' Provident Fund Organisation
FFC	Fourteenth Finance Commission
GOI	Government of India
GP	Gram Panchayat
GST	Goods and Services Tax
HMC Act	Haryana Municipal Corporation Act
IAY	Indira Awaas Yojana
IHHL	Individual Household Latrine
IRs	Inspection Reports
LAD	Local Audit Department
MCs	Municipal Committee
MCA	Municipal Corporation, Ambala
MCB	Municipal Council, Bahadurgarh
MCF	Municipal Corporation, Faridabad
MCG	Municipal Corporation, Gurgaon
MCG	Municipal Council, Gohana
MCK	Municipal Corporation, Karnal
MCK	Municipal Council, Kaithal
MCP	Municipal Corporation, Panchkula
MCS	Municipal Corporation, Sonipat

MCT	Municipal Council, Tohana
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MOPR	Ministry of Panchayati Raj
MORTH	Ministry of Road Transport & Highways
NHAI	National Highways Authority of India
NRLM	National Rural Livelihood Mission
NULM	National Urban Livelihood Mission
PAY	Priyadarshini Awaas Yojana
PMAY	Pradhan Mantri Awaas Yojana
PRI	Panchayati Raj Institution
PS	Panchayat Samiti
PWD	Public Works Department
RGUDMH	Rajiv Gandhi Urban Development Mission Haryana
SAAP	State Annual Action Plan
SBM	Swachh Bharat Mission
SC	Scheduled Caste
SCSP	Scheduled Caste Sub-plan
SEGF	State Employment Guarantee Fund
SFC	State Finance Commission
SHG	Self Help Group
SHPSC	State High Power Steering Committee
SLIP	Service Level Improvement Plan
SLTC	State Level Technical Committee
SWMP	Solid Waste Management Plant
TFC	Thirteenth Finance Commission
TG	Technical Guidance
TGS	Technical Guidance and Support
UHBVNL	Uttar Haryana Bijli Vitaran Nigam Limited
ULBs	Urban Local Bodies
VO	Village Organisation
WC	Ward Committee
ZP	Zila Parishad

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