



सत्यमेव जयते

**The Annual Technical Inspection Report  
on  
Panchayati Raj Institutions and Urban Local Bodies  
for the year ended 31 March 2016**



**Government of Himachal Pradesh  
Office of the Principal Accountant General (Audit),  
Himachal Pradesh, Shimla**

**Annual Technical Inspection Report**

**on**

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## **Preface**

This Report for the year ended 31 March 2016 has been prepared for submission to the Government of Himachal Pradesh in terms of Technical Guidance and Support to audit of Panchayati Raj Institutions and Urban Local Bodies under Section 20(1) of the Comptroller and Auditor General's (CAG's) Duties, Powers and Conditions of Service (DPC) Act, 1971.

The Report contains significant results of the audit of the 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 2015-16 as well as those issues which came to notice in earlier years, but could not be dealt within 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**



## OVERVIEW

This Report is in two parts and consists of four chapters. Chapters-1 and 2 pertain to Panchayati Raj Institutions and Chapters-3 and 4 pertain to Urban Local Bodies. A synopsis of important audit findings is presented in this overview.

### Profile of Panchayati Raj Institutions (PRIs)

The 73<sup>rd</sup> Constitution Amendment Act accorded constitutional status to Panchayati Raj Institutions (PRIs). Twenty nine functions listed in 11<sup>th</sup> Schedule of the Constitution were to be devolved by the States to the PRIs, along with funds and functionaries.

In the State of Himachal Pradesh, there are 12 Zila Parishads (ZPs), 77 Panchayat Samitis (PSs) and 3,243 Gram Panchayats (GPs). During 2015-16, audit of four ZPs, 22 PSs and 129 GPs was conducted.

**(Chapter-1)**

### Results of audit of Panchayati Raj Institutions

Audit of PRIs highlighted the following: (a) differences between figures of receipts and expenditure furnished to audit and those uploaded on PRIAsoft, (b) non-maintenance of registers such as stock register, immovable property register, work register, muster roll register, temporary advance register, grants-in-aid register, etc., (c) improper maintenance of accounts of income from own resources and grants-in-aid/ loans, (d) non-reconciliation between cash books and banks pass books, (e) non-conducting of physical verification (f) non-accounting of materials.

Eighty-four GPs did not realise house tax of ₹ 35.21 lakh. Twenty-seven PRIs failed to realise an amount of ₹ 48.65 lakh on account of rental charges of shops. Revenue of ₹ 16.47 lakh on account of installation/ renewal charges of Mobile Towers in 40 GPs remained unrealised. An expenditure of ₹ 3.79 crore was incurred by four PRIs without preparing/ passing budget estimates. In 33 PRIs, funds of ₹ 1.42 crore remained unspent due to non-commencement of works. In 25 PRIs, funds of ₹ 1.08 crore remained unspent due to non-completion of works. In 111 PRIs, funds from 13<sup>th</sup> Finance Commission amounting to ₹ 34.58 crore remained unutilised on account of non-commencement of works, incomplete works and non-release of funds. Funds of ₹ 4.54 crore earmarked for minor irrigation schemes remained unutilised in Personal Ledger Account of three PRIs. Eight GPs deployed the same labourers on different works in the same period. Implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme suffered from delay in release of labour payments.

**(Chapter-2)**

### **Profile of Urban Local Bodies (ULBs)**

The 74<sup>th</sup> Constitution Amendment Act paved the way for decentralization of power and transfer of 18 functions listed in the 12<sup>th</sup> Schedule of the Constitution along with funds and functionaries to Urban Local Bodies (ULBs). In Himachal Pradesh, although 17 functions stand transferred to ULBs, the corresponding funds and functionaries were yet to be transferred to the ULBs. There are two Municipal Corporations, 30 Municipal Councils (MCs) and 22 Nagar Panchayats (NPs) in the State. During the year 2015-16, audit of one Municipal Corporation, 11 Municipal Councils and four Nagar Panchayats was conducted.

**(Chapter-3)**

### **Results of audit of Urban Local Bodies**

Audit of ULBs highlighted the following: (a) non-preparation of annual accounts, (b) non-constitution of Planning Committee, (c) non-preparation of budget estimates, (d) non-reconciliation between cash and bank pass books, (e) non-conducting of physical verification and (f) non-accounting of materials.

In 17 ULBs, house tax of ₹ 17.82 crore remained outstanding for a period ranging between one and more than 50 years. Eighteen ULBs failed to realise rent from shops/ booths/ stalls amounting to ₹ 5.43 crore. Failure to realise installation/ renewal charges on mobile towers by 10 ULBs resulted in loss of revenue of ₹ 24.43 lakh. Two MCs failed to collect safai /sanitation tax resulting in loss of revenue of ₹ 18.38 lakh. There was blocking of funds of ₹ 4.63 crore due to non-commencement of 93 development works in nine ULBs. Recovery of building tax and energy charges from Electrical Engineer, Himachal Pradesh State Electricity Board Limited Hamirpur amounting to ₹ 1.45 crore remained outstanding. Failure of MC Parwanoo to realise charges on account of rent, electricity, water and other expenses resulted in loss of revenue of ₹ 31.68 lakh. The MC Kullu sanctioned temporary advances amounting to ₹ 26.09 lakh during 2011-12 to 2014-15 without adjustment of previous advances.

**(Chapter- 4)**

**CHAPTER-1**  
**PROFILE OF PANCHAYATI RAJ**  
**INSTITUTIONS**



## CHAPTER-1

### PROFILE OF PANCHAYATI RAJ INSTITUTIONS

#### 1.1 Background of Panchayati Raj Institutions

The 73<sup>rd</sup> Constitution Amendment Act accorded constitutional status to the Panchayati Raj Institutions (PRIs) and established a uniform structure of self governing institutions at the rural level, with regular elections and flow of funds through Finance Commissions. States were expected to devolve funds, functions and functionaries to these bodies so as to enable them to function as institutions of Local Self Government. Twenty nine functions listed in the 11<sup>th</sup> Schedule of the Constitution were to be devolved to PRIs, alongwith funds and functionaries. PRIs were required to prepare plans and implement schemes for socio-economic development particularly for those functions listed in the Eleventh Schedule of the Constitution.

The State Government of Himachal Pradesh enacted the Himachal Pradesh Panchayati Raj Act, 1994 and framed the Himachal Pradesh Panchayati Raj (General) Rules, 1997 and the Himachal Pradesh Panchayati Raj (Finance, Budget, Accounts, Audit, Works, Taxation and Allowances) Rules, 2002 to enable these institutions to work as the third tier of government. In Himachal Pradesh functions relating to 15 line departments have been assigned to PRIs but matching funds and functionaries have not been provided to the PRIs<sup>1</sup>.

#### 1.2 Audit mandate of the CAG

In Himachal Pradesh, primary audit of Panchayati Raj Institutions (PRIs) is being undertaken by the audit wing of the Director, Panchayati Raj Department. The State Government has entrusted (March 2011) audit of PRIs to the CAG with the responsibility of providing technical guidance and support under section 20(1) of the CAG's (DPC) Act, 1971. The results of audit are included in the Annual Technical Inspection Report (ATIR), which is to be placed before the State Legislature as per Section 118 of the Himachal Pradesh Panchayati Raj Act, 1994.

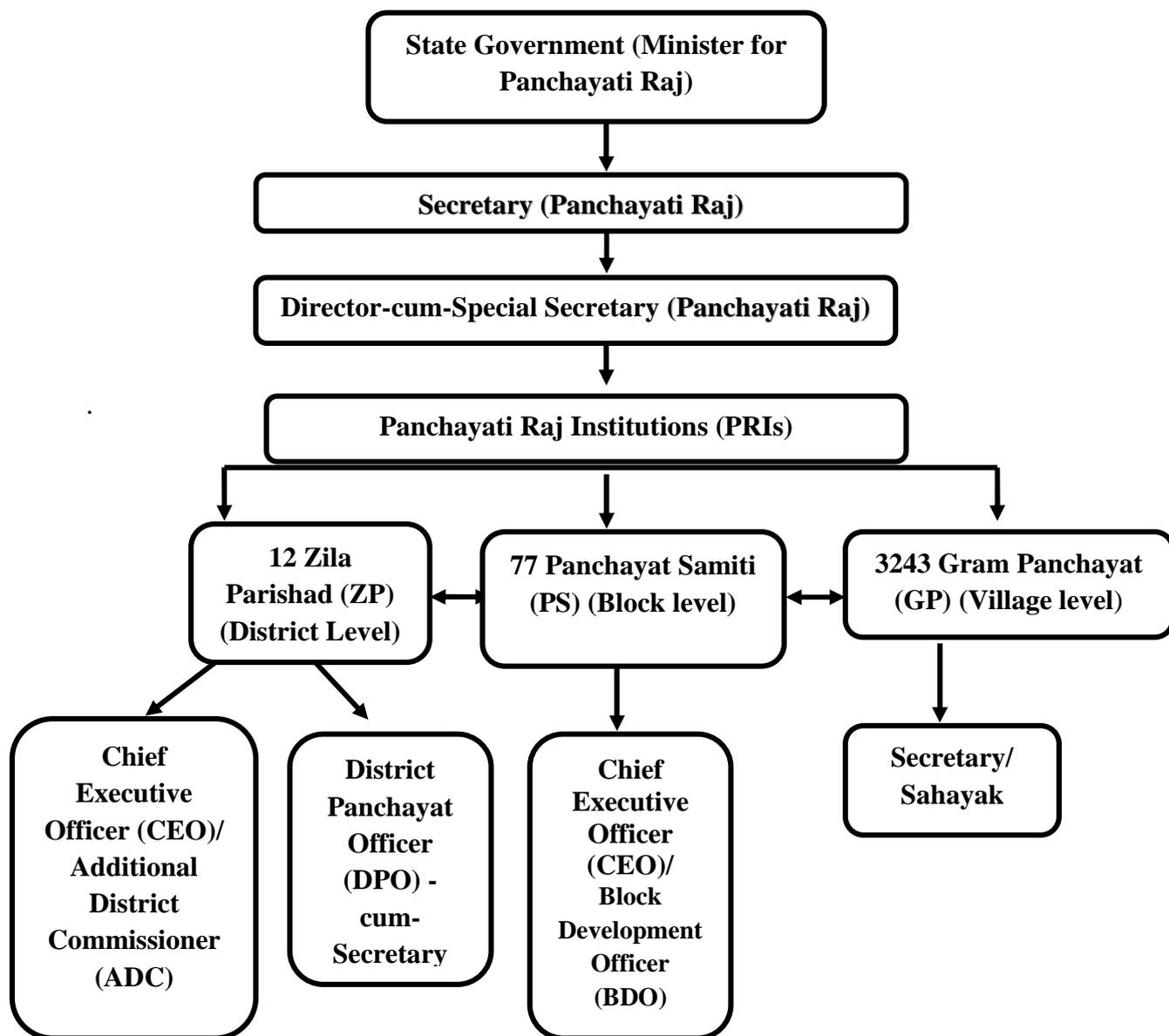
#### 1.3 Organisational structure of Panchayati Raj Institutions

There are 12 Zila Parishads (ZPs), 77 Panchayat Samitis (PSs) and 3,243 Gram Panchayats (GPs) in the State. The chart below depicts the organisational structure of the State Government, Panchayati Raj Department and the Panchayati Raj Institutions at the Zila Parishad (ZP), Panchayat Samiti (PS), and Gram Panchayat (GP) level.

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<sup>1</sup> Stated by Director, Panchayati Raj (July 2016).

### Organisational Set up



The chairpersons of ZPs and PSs, and the *Pradhans* of GPs are elected representatives and head the ZPs, PSs, and GPs respectively. District level officers are required to attend the monthly meetings of ZPs.

#### 1.3.1 Standing Committees

The various Standing Committees in PRIs and their roles and responsibilities are given in **Table-1**.

**Table-1: Roles and responsibilities of the Standing Committees**

Level of PRIs	Standing Committee headed by	Name of the Standing Committees	Role and responsibilities of the Standing Committee
Zila Parishad	Chairman	General Standing Committee	Performs functions relating to establishment matters, communications, buildings, etc.
		Finance, Audit and Planning	Performs functions relating to finances of the Zila Parishad.
		Social Justice Committee	Performs functions like promotion of educational, economic, social, cultural and other interests of SCs/ STs/ OBCs.
		Education and Health Committee	Undertakes planning of education in the district within the framework of the national policy and the National and State plans.
		Agriculture and Industries Committee	Performs functions relating to agricultural production, animal husbandry, co-operation and village and cottage industries.
Panchayat Samiti	Chairman	General Standing Committee	Performs functions relating to the establishment matters.
		Finance, Audit and Planning	Performs functions relating to finances of the Panchayat Samiti.
		Social Justice Committee	Performs functions relating to promotion of educational, economic, social, cultural and other interests of the SCs/STs/OBCs.
Gram Panchayat	<i>Pradhan or Up-Pradhan</i>	Works Committee	All development works of the Gram Panchayats are executed by this committee.
		Budget Committee	Prepares the annual budget of the GP and submits the same to the Secretary.

### 1.3.2 Institutional arrangements for implementation of schemes

The Panchayati Raj Institutions (PRIs) have technical and non-technical staff. Against 4,883 sanctioned posts of various cadres, 4,501 persons were in position and 382 posts<sup>2</sup> were lying vacant as of March 2016. At present 200 posts of panchayat chowkidar are vacant. During 2015-16, 1,513 Panchayat Secretaries/ Sahayaks were imparted 33 basic/ computer training courses by the Panchayati Raj Department.

### 1.4 Financial Profile

#### 1.4.1 Fund flow to PRIs

##### Fund flow: Source and custody of funds in PRIs

The resource base of PRIs consists of State Finance Commission (SFC) grants, Central Finance Commission (CFC) grants, State Government grants and Central

<sup>2</sup> Junior Engineer: 16, Assistant Engineer: one, Panchayat *Sahayak* : 365.

Government grants for development activities and implementation of schemes. The funds allotted to the PRIs through different sources are kept in banks.

While Central and State grants are utilized by the PRIs for execution of Central and State sponsored schemes as per guidelines issued by Government of India and State Government, the own receipts of PRIs are utilized for execution of schemes/works formulated by the PRIs. The fund flow arrangements for flagship schemes are given in **Table-2**.

**Table-2: Fund flow arrangements for the major Centrally Sponsored Flagship Schemes**

Sl. No.	Scheme	Fund flow Arrangements
1.	Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)	GOI and State Government transfer their respective shares of MGNREGS funds in a bank account, called State Employment Guarantee Fund (SEGF) which is set outside the state accounts. Divisional Commissioner, State Rural Employment Guarantee Schemes is the custodian of the SEGF and authorises transfer of funds directly from SEGF to the beneficiary account.
2.	Swachh Bharat Mission- Gramin (SBM-G)	SBM-G is a centrally sponsored scheme. Funds are released by the Ministry of Drinking Water and Sanitation (MDWS), GoI to the Rural Development Department. Rural Development Department releases the funds to the District Rural Development Agencies (DRDAs) on the basis of District Plans, extent of demand generation in the district, expenditure pattern and balance funds. The District Rural Development Agencies release the funds to Block Development Officers who further distribute them to Gram Panchayats for various activities to be taken up.
3.	Integrated Watershed Management Programme (IWMP)	The IWMP is a centrally sponsored scheme funded on a cost-sharing basis between the GoI and the State Government in the ratio of 90:10. The nodal ministry (Ministry of Rural Development)/ Department (Department of Land Resources) allocates the budgetary outlay for the projects amongst the States keeping in view the prescribed criteria and past performance of the States (physical and financial) viz. unspent balance, outstanding utilisation certificates, percentage of completed projects out of total projects, etc., except in those schemes where States have flexibility to allocate funds between watershed and other schemes. The State Level Nodal Agencies distribute funds to the districts keeping in view the prescribed criteria.
4.	Indira Awas Yojana (IAY)	The Indira Awas Yojana is a centrally sponsored scheme, funded on a cost-sharing basis between the GoI and the State Government in the ratio of 75:25. Funds are transferred by Ministry of Rural Development (MoRD), GOI to District Rural Development Agencies (DRDAs), who are the custodian of these funds. The DRDAs release the funds to BDOs who further release them to the GPs. Further, GPs transfer funds directly to the beneficiaries' accounts in two instalments. Second instalment is released after construction reaches the lintel level.
5.	Swarnjayanti Gram Swarojgar Yojana (SGSY)/ National Rural Livelihood Mission (NRLM)	SGSY/ NRLM is a centrally sponsored scheme (CSS) implemented in all states. The total cost of project is to be shared between Centre and State in the ratio of 75:25.

### 1.4.2 Resources: trends and composition

The resources of PRIs for the period from 2011-12 to 2015-16 are detailed in Table-3.

**Table-3: Time series data on resources of PRIs**

Particulars	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Own Revenue	31.52	82.55	92.35	72.88	65.38
Grants from State Government	72.88	70.40	81.55	142.91	162.31
Grants from Central Government	113.15	131.16	202.07	167.04	197.87
GOI grants for CSS	735.20	488.57	163.68	511.86	403.36
State Government grants for State schemes	22.20	15.80	15.97	17.99	23.64
Other receipts	1.00	1.00	0.67	0.25	0.42
<b>Total</b>	<b>975.95</b>	<b>789.48</b>	<b>556.29</b>	<b>912.93</b>	<b>852.98</b>

Source: Director, Panchayati Raj and Rural Development Department, Himachal Pradesh and Economic Adviser, Economics and Statistics Department, Himachal Pradesh

Audit observed that figures relating to own revenue of PRIs have not been maintained by the Directorate (PR) from the year 2012-13 onwards. The Department stated (April 2016) that the figures relating to own revenue of PRIs have not been compiled as they are now being compiled by the Department of Economics and Statistics, Himachal Pradesh. The figures have, therefore, been obtained from the Department of Economics and Statistics.

### 1.4.3 Application of resources: trends and composition

The application of resources by PRIs for the period from 2011-12 to 2015-16 are detailed in Table-4.

**Table-4: Sector-wise application of resources**

Particulars	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Expenditure from grants from the State Government and Central Government	187.02	202.52	284.29	244.74	307.57
Expenditure on CSS	591.35	544.51	161.86	547.24	516.11
Expenditure on State Schemes	21.49	16.26	14.31	17.65	19.02
<b>Total</b>	<b>799.86</b>	<b>763.29</b>	<b>460.46</b>	<b>809.63</b>	<b>842.70</b>

Source: Director, Panchayati Raj and RDD, Himachal Pradesh.

### 1.5 Accounting system in PRIs

The PRIs maintain their accounts in the proforma prescribed under the Himachal Pradesh Panchayati Raj General Rules, 1997. Accounts of the Gram Panchayats are maintained by the Panchayat Secretary, appointed by the Director-cum-Special Secretary Panchayati Raj Department and Panchayat Sahayak, appointed on contract basis by the Chief Executive Officer-cum-Block Development Officer. In case of Panchayat Samitis, the accounts are maintained by the accountants of development blocks. Accounts of ZPs are maintained by the District Panchayat Officer-cum-Secretary, ZP.

The Eleventh Finance Commission (EFC) had recommended that the CAG exercise control and supervision over maintenance of accounts of all the three tiers of PRIs. The CAG and Ministry of Panchayati Raj (MoPR), GoI had recommended a Model Accounting Structure for PRIs in 2009. The State Government adopted (August 2012) PRIASoft, a software developed by MoPR, for maintaining the accounts of PRIs as per the Model Accounting Structure. The Deputy Director (PRI) stated (July 2016) that accounts are maintained on PRIASoft as recommended by the CAG of India and Ministry of Panchayati Raj (MoPR), GoI.

### 1.6 Financial reporting and accountability framework of PRIs (internal control system)

A sound internal control system contributes to efficient and effective governance. Compliance with financial rules, procedures and directives as well as timeliness and quality of reporting on the status of such compliance are attributes of good governance. The reports on compliance and controls, if effective and operational, assist the PRIs and the State Government in meeting its basic stewardship responsibilities, including strategic planning, decision making and accountability to the stakeholders. Himachal Pradesh Panchayati Raj (HPPR) Rules, 2002 provide that PRIs are required to maintain certain records, registers, forms and accounts. Discrepancies noticed in the internal control system of the PRIs are discussed in Chapter -2.

### 1.7 Primary audit of PRIs

Although the Local Audit Department (LAD) has been empowered to conduct the primary audit of PRIs as per Section 118 of the Himachal Pradesh Panchayati Raj (HPPR) Act, 1994, the LAD is unable to undertake such audit owing to shortage of staff. Sub-section (i) of section 118 of the HPPR Act, 1994 also provides that there will be a separate and independent internal audit agency under the control of the Director, Panchayati Raj to audit the accounts of PRIs with a view to ensure proper financial control on income and expenditure. The position of internal audits conducted by the Audit wing under Director, Panchayati Raj during April 2015 to March 2016 is given in **Table-5**.

**Table-5: Position of Internal Audits**

Name of Institution	Total units	No. of units planned for audit	No. of units audited	No. of units not audited	Percentage of shortfall
Panchayat Samitis	77	39	11	28	72
Gram Panchayat	3,243	1,622	1,067	555	34

Source: Director, PRI.

It was also noticed that the audit wing under Director, Panchayati Raj had not planned internal audit of any of the ZPs.

## **1.8 Technical Guidance and Support**

The audit of PRIs has been entrusted to the CAG under Section 20 (1) of the CAG's (DPC) Act, 1971 with the responsibility of providing Technical Guidance and Support (TGS) to the Primary Auditors as per sections 152-154 of Regulations on Audit and Accounts, 2007 with regard to annual audit plans, audit methodology and procedures, training and capacity building, reporting and submission of returns.

Audit Plans for the year 2015-16 were received from the Primary Auditor (Director, PRI) and noted for the process of audit planning in this office.

Primary Auditor (Director, PRI) adhered to the audit methodology and procedures for audit as prescribed in Section 80 of the HPPR (Finance, Budget, Accounts, Audit, Works, Taxation and Allowance) Rules 2002.

During the year 2015-16, 52 Inspection Reports from the audit of the PRIs conducted by the Primary Auditor were reviewed by the Office of the Principal Accountant General (Audit), Himachal Pradesh. Inspection Reports were evaluated and recommendations were made for improvement and subsequent follow-up. The following recommendations were made:

- i. Income and expenditure of last three years may be shown in tabular format.
- ii. Income from own sources and grants may be shown separately.
- iii. Reference to Rules may be given in the paras while raising objections in audit.
- iv. Audit memos may be issued to the auditee unit and audit paras may also incorporate the reply of the Secretary, Gram Panchayat.

Every year, meetings are held with the officers of the Panchayati Raj Department to discuss various issues pertaining to PRIs and guidance under TGS. During 2015-16, two meetings were held with the Secretary, (Panchayati Raj), Director, Panchayati Raj and other officers of the Panchayati Raj Department on 19<sup>th</sup> May and 6<sup>th</sup> August 2015 to discuss issues relating to Social Audit and TGS.

Every year, two days' training is imparted to the audit staff of Local Audit Department (LAD) as per their requirement. During 2015-16, 18 participants from LAD were imparted training on the topics of audit planning, selection of audit topics, performance audit, documentation and reporting.

## **1.9 Audit coverage**

During the year 2015-16, 155 PRI units were test checked by the office of the Principal Accountant General (Audit) and reports issued to the respective PRIs. Audit of accounts of four ZPs (out of 12), 22 PSs (out of 77) and 129 GPs (out of 3,243) was conducted by the Principal Accountant General (Audit), Himachal Pradesh during 2015-16 (**Appendix-1**). Important audit findings are discussed in Chapter-2.

### 1.10 Inspection reports and audit paras pending compliance

As a result of audit of PRIs under TGS, 2,159 inspection reports (IRs) containing 14,448 paras were issued by the office of Principal Accountant General (Audit), Himachal Pradesh to the PRIs concerned as of March 2016. Of these, five IRs and 197 paras were settled leaving 2,154 IRs and 14,251 paras pending compliance as of March 2016. The details are given in **Table-6**.

**Table-6: Outstanding inspection reports and audit paras**

(In numbers)

Sl. No.	Year of issue of Inspection Reports	IRs/ Paras Outstanding as on 31 March 2015		Addition (No. of IRs/ paras issued during the year)		Total		No. of IRs/ paras settled during 2014-15		No. of IRs/Paras outstanding as on 31 March 2016.	
		IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
1.	Upto 2011-12	1,639	10,506	--	--	1,639	10,506	4	137	1,635	10,369
2.	2012-13	117	883	--	--	117	883	--	26	117	857
3.	2013-14	148	1,002	--	--	148	1,002	1	32	147	970
4.	2014-15	100	726	--	--	100	726	--	2	100	724
5.	2015-16	--	--	155	1,331	155	1,331	--	--	155	1,331
	<b>Total</b>	<b>2,004</b>	<b>13,117</b>	<b>155</b>	<b>1,331</b>	<b>2,159</b>	<b>14,448</b>	<b>5</b>	<b>197</b>	<b>2,154</b>	<b>14,251</b>

The issue of settlement of paras was discussed in the meetings held on 19<sup>th</sup> May and 6<sup>th</sup> August, 2015 with the Director (PRI). In addition to this, correspondence was also being undertaken to settle outstanding IRs/ Paras but despite this the number of outstanding paras has increased. Increasing trend of outstanding inspection reports and paras is indicative of inadequate attention towards compliance to audit observations, and remains a matter of concern.

**CHAPTER-2**  
**RESULTS OF THE AUDIT OF**  
**PANCHAYATI RAJ INSTITUTIONS**



## CHAPTER-2

### RESULTS OF AUDIT OF PANCHAYATI RAJ INSTITUTIONS

The deficiencies noticed during audit of Panchayati Raj Institutions conducted in 2015-16 are discussed in the succeeding paragraphs.

#### 2.1 Accounting System

##### 2.1.1 Discrepancies noticed in Accounting System

##### Difference between figures of receipt and expenditure furnished to Audit and that uploaded on PRIAsoft

All 12 Zila Parishads have started online voucher entries while 74 (except Pangi, Nichhar and Spiti) out of 77 PSs and 2,127 out of 3,243 GPs are maintaining their accounts on PRIAsoft. Only 306 GPs (14 *per cent*), however, are able to close their books due to lack of network connectivity.

During test-check, it was noticed that the figures of receipts and expenditure furnished to audit by the test-checked GPs for the year 2015-16 did not match with the figures uploaded on PRIAsoft. Major difference between figures as depicted in **Table-7** below raises question about the reliability of financial information being maintained.

**Table-7: Difference between figures of receipt and expenditure furnished to the Audit and that uploaded on PRIAsoft during 2015-16**

(₹ in lakh)

Name of GP	Block	District	Figures as per Inspection Report		Figures uploaded on the PRIAsoft	
			Receipt	Expenditure	Receipt	Expenditure
Sangrah	Sangrah	Sirmaur	21.34	20.87	16.96	19.72
Prini	Naggar	Kullu	60.43	37.09	25.15	17.35
Dhaugi	Banjar	Kullu	211.39	172.33	173.26	149.05
Mehndi	Karsog	Mandi	24.55	15.42	25.09	10.67
Troh	Balh	Mandi	66.01	35.44	27.00	27.91
Kangal	Narkanda	Shimla	53.62	26.83	24.46	1.05
<b>Total</b>			<b>437.34</b>	<b>307.98</b>	<b>291.92</b>	<b>225.75</b>

Sources: Figures furnished by the test checked PRIs and compiled by Audit from PRIAsoft.

##### 2.1.2 Non-maintenance of registers

Rule 31 of HPPR Rules, 2002 stipulates that every PRI shall maintain important records, registers, forms, etc., as detailed in Rule 34 of HPPR (General) Rules, 1997.

It was observed that in three Panchayat Samitis and 63 GPs (49 *per cent* of the test-checked GPs), important registers like stock register, immovable property register, work register, muster roll register, temporary advance register, Grant-in-Aid register, cheque issue and receipt register were not maintained during 2015-16 (**Appendix-2**). Due to non-maintenance of the records, correctness of the financial transactions could not be ascertained in audit. The Panchayat Secretaries concerned assured (May 2015-November 2015) to maintain these records in future.

### **2.1.3 Improper maintenance of accounts of income from own resources and grants-in-aid/ loans**

Rule 4 of HPPR Rules, 2002 provides that every GP, PS and ZP is required to maintain separate accounts of income from own resources (Account 'A') and from grants-in-aid, funds allocated for development works or special purposes, loans, share of taxes/fees/cess and other income (Account 'B').

It was noticed that in 22 GPs<sup>3</sup>, the accounts were not maintained in the prescribed format and all transactions were carried out through a single account in contravention of the rules *ibid* due to which the correctness of figures of income from own resources and grants-in-aid/ loans received could not be verified. The Panchayat Secretaries concerned assured (July 2015-November 2015) to maintain separate accounts in the prescribed format in future.

### **2.1.4 Preparation of bank reconciliation statements**

Rule 15 (10) (b) of the HPPR Rules, 2002 provides that the reconciliation of balances of cash book and bank accounts is required to be conducted every month. Any difference shall be explained and accounted for in a footnote in the cash book.

It was noticed that difference amounting to ₹ 3.20 crore (**Appendix-3**) between balances of cash books and bank pass books at the close of the year 2014-15 was not reconciled by 41 PRIs. The authenticity of accounts of these PRIs could not be ascertained in the absence of bank reconciliation. The officers of the PRIs concerned stated (May 2015 - November 2015) that the differences would be reconciled shortly.

### **2.1.5 Non-conducting of Physical Verification**

Under rule 73(1) of HPPR Rules, 2002, physical verification of all stores shall be conducted by the Pradhan in the case of Gram Panchayat and by the Secretary concerned in case of Panchayat Samiti or Zila Parishad, at least once in six months and invariably in April every year. The result of the verification shall be recorded in writing. During the verification in April, the condition of each article shall be indicated against it in the stock register.

Scrutiny of records showed that in 19 GPs<sup>4</sup>, physical verification of store/ stock had not been carried out. Consequently, physical existence of the store/ stock could not be verified in audit. In reply, the Executive Officers/ Secretaries of PRIs concerned stated (June 2015-November 2015) that the physical verification of stores/ stock would be conducted shortly.

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<sup>3</sup> Panjaware, Tabba, Dehla Upper, Hatwad, Misserwala, Kala Amb, Bhatawali, Bhangani, Majra, Sataun, Paatliya, Tehad, Tikkar, Adhaal, Thural, Ghati, Sokni da Kot, Tiyara, Sulyali, Shiorpai, Bani, Rey.

<sup>4</sup> Bathu, Dehla Upper, Dehla Lower, Dundhla, Punder, Sunhani, Fatoh, Sianj, Sthana, Dhaliyara, Bani, Tiyara, Jadera, Kummi, Jhakri, Sarahan, Tranda, Jyuri and Mahadav.

### 2.1.6 Non-accounting of materials

#### **Material of ₹ 3.43 crore was not accounted for in the stock register by 57 Gram Panchayats**

Under rule 69 of HPPR Rules, 2002, all stores when received are required to be examined, counted, measured or weighed, as the case may be, at the time of taking delivery and should be entered in the stock register immediately. A certificate to the effect is also required to be given at the end of the entries for each single day by the official in charge of stores authorised by the Gram Panchayat or Secretary of the Panchayat Samiti or the Zila Parishad, as the case may be, stating that the stores have been received in proper condition and according to specifications. In the event of stores found surplus, the same should be indicated as additional receipt and shortages, if any, should be indicated in red ink. Further, rule 70 of the HPPR Rules, 2002 *ibid* stipulates that articles of stores shall be issued against proper indents.

In 57 GPs, items of stores such as steel, timber, furniture, hardware items, etc., purchased at a cost of ₹ 3.43 crore were not accounted for in stock registers (**Appendix-4**). In the event of non-accounting of these stores, the possibility of pilferage/ loss cannot be ruled out. This was indicative of poor record maintenance on the part of GPs. In reply, the Secretaries of GPs concerned stated (May 2015-November 2015) that the stores would be entered in the stock registers. The fact, however, remained that there was absence of proper check over maintenance of store records by the GPs concerned.

## 2.2 Revenue

### 2.2.1 Non-recovery of House Tax

#### **Eighty four GPs did not realise house tax of ₹ 35.21 lakh**

Rule 33 of HPPR Rules, 2002, provides that the Secretary of the GP shall see that all revenues are correctly, promptly and regularly assessed, realised and credited to the accounts of the Panchayat concerned.

Audit noticed that in 84 GPs, house tax amounting to ₹ 35.21 lakh for the period 2014-15 was not recovered as of March 2016 (**Appendix-5**). Moreover, the GPs had not taken any action to levy penalty on the defaulters for non-payment of house tax in terms of Section 114 of HP Panchayati Raj Act, 1994. The Secretaries of GPs concerned stated (May 2015 - October 2015) that efforts would be made to recover the outstanding house tax. Replies are indicative of ineffective monitoring on the part of the GPs which may result in non-collection/ loss of revenue.

### 2.2.2 Outstanding rent

#### **Twenty seven PRIs failed to realise rent due from shops amounting to ₹ 48.65 lakh**

The ZPs, PSs and GPs had been maintaining shops in their jurisdiction and these were rented out on monthly rental basis.

Scrutiny of records revealed that in 27 PRIs, an amount of ₹ 48.65 lakh from 1995-96 to 2014-15 on account of rent from 328 shops was outstanding as of March 2015 (**Appendix-6**). This indicated that timely collection of shop rent had not been given due attention by the PRIs. The PRIs concerned stated (May 2015-November 2015) that notices had been served to the defaulters to deposit the outstanding rent.

### **2.2.3 Non-recovery of duty for installation of Mobile Towers**

#### **Revenue of ₹ 16.47 lakh remained un-realised on account of installation/ renewal charges of mobile towers in 40 GPs**

The Government of Himachal Pradesh authorised (November 2006) GPs to levy duty on installation of mobile communication towers in their jurisdiction at the rate of ₹ 4,000 per tower and collect annual renewal fee at the rate of ₹ 2,000 per tower.

In 40 GPs, 127 mobile towers were installed during 2003-15 but installation/ renewal charges amounting to ₹ 16.47 lakh (**Appendix-7**) had not been recovered from the mobile companies concerned as of March 2015. This deprived the GPs of their due share of revenue. The Secretaries of the GPs concerned stated (June 2015- November 2015) that action would be taken shortly to recover the dues.

### **2.2.4 Expenditure incurred without preparing budget estimates by PRIs**

(i) Rule 38 of HPPR Rules, 2002, provides that every Panchayat Samiti (PS) shall annually prepare a budget estimate of its receipts and expenditure for each financial year in the format prescribed in the form-12. The budget will be prepared by the Executive Officer of the PS by 31st December of the previous year and shall be submitted to the Finance, Audit and Planning Committee of the Samiti for scrutiny and modification, if any. After scrutiny, the said committee shall submit the same to the PS for its approval in or before February. The budget shall be passed by the PS by majority vote. Further, Rule 45 provides that no expenditure will be incurred without budget provision.

Audit noticed that PS Shilai had incurred an expenditure of ₹ 2.74 crore without preparing and passing the budget estimates during 2012-13 and 2014-15. The Executive Officer, stated (October 2015) that the expenditure incurred without budget estimates will be got regularised from the competent authority.

(ii) Rule 37 of HPPR Rules, 2002, provides that every Gram Panchayat (GP) shall annually prepare budget estimates of its receipts and expenditure for each financial year in the format prescribed in Form-11. The budget estimates shall be prepared by the Secretary of the GP by 15th October of the previous year and shall be submitted to the Gram Panchayat for scrutiny, and the same shall be passed by the Gram Sabha by majority vote.

Audit noticed that three Gram Panchayats<sup>5</sup> had incurred an expenditure of ₹ 1.05 crore without preparing and passing the budget estimates during 2011-12 and 2014-15. The Secretaries of the Gram Panchayats concerned stated (August 2015-October 2015) that the expenditure incurred without budget estimates will be got regularised in Gram Sabha.

### **2.3 Blocking of funds**

#### **2.3.1 Blocking of funds due to non-commencement of works**

##### **Funds of ₹ 1.42 crore remained unspent due to non-commencement of works by PRIs**

Scrutiny of records showed that in three PSs and 30 GPs (**Appendix-8**) ₹ 1.42 crore was received (2009-15) for execution of 175 works under various schemes. However, no expenditure was incurred on execution of these works as of March 2015. Thus, non-utilisation of funds for developmental activities resulted in blocking of funds, besides depriving the beneficiaries of the intended benefits. The Executive Officers/ Secretaries of the PRIs concerned stated (July 2015-November 2015) that due to non-completion of codal formalities, non-availability of land, land disputes and litigations, the works could not be started. The reply is not tenable as such issues should have been resolved before getting the works sanctioned and funds released accordingly.

#### **2.3.2 Unutilised funds due to non-completion of works**

##### **Funds of ₹ 1.08 crore remained unspent due to non-completion of works by PRIs**

In 25 test-checked PRIs, against an amount of ₹ 2.27 crore received for execution of 143 works (scheduled for completion within a period of three to 12 months) during 2008-15 under various schemes, an expenditure of ₹ 1.19 crore was incurred and the balance amount of ₹ 1.08 crore (48 per cent) was lying unutilised as of March 2016 (**Appendix-9**). The Executive Officers/ Secretaries of concerned PRIs stated (May 2015-November 2015) that works could not be completed due to working season being limited in snow bound area, and non availability of labour, cement and other construction material. The replies are not acceptable as these works have remained incomplete even after lapse of one to eight years from the date of their sanction.

#### **2.3.3 Unutilized funds received under 13<sup>th</sup> Finance Commission**

##### **Funds of ₹ 34.58 crore remained unutilised under 13<sup>th</sup> Finance Commission in 111 PRIs/ PSs on account of non-start of works, incomplete works and non-release of funds**

As per guidelines of the 13<sup>th</sup> Finance Commission (13<sup>th</sup> FC), grants released by the GOI to the State Government were to be transferred to the PRIs within 15 days from the date of its credit into the account of the State and the works approved thereof were

<sup>5</sup> Karsog: ₹ 7.62 lakh, Dehla Lower: ₹ 62.56 lakh and Panjavar: ₹ 35.10 lakh.

to be completed within a period of three months from the date of their sanction. Audit noticed that:

(i) In two test-checked Panchayat Samitis and 73 Gram Panchayats (**Appendix-10**) ₹ 10.40 crore were received under 13th Finance Commission during 2010-15. Funds amounting to ₹ 7.21 crore had been utilised during the above period and ₹ 3.19 crore (31 *per cent*) remained unutilised with these PRIs. The Executive Officers/Secretaries of the PRIs concerned stated (July 2015-November 2015) that available funds would be utilised shortly.

(ii) It was further noticed that in 16 PRIs (**Appendix-11**), 429 development works having an estimated cost of ₹ 3.46 crore received under 13th FC during 2011-15 had not been taken up for execution as of March 2015. The entire amount remained blocked with the PRIs as of November 2015. The Executive Officers/Secretaries of the PRIs concerned stated (August 2015-November 2015) that works could not be taken up for execution due to land disputes, court cases and non completion of codal formalities. The reply is not tenable as such issues should have been resolved before getting the works sanctioned and funds being released.

(iii) In 10 test-checked PRIs, against an amount of ₹ 2.66 crore received under 13<sup>th</sup> FC during 2010-15, an expenditure of ₹ 1.81 crore was incurred and the balance amount of ₹ 0.85 crore (32 *per cent*) was lying unutilised as of March 2016 (**Appendix-12**). Executive Officers/ Secretaries of the PRIs concerned stated (June 2015-November 2015) that works could not be completed due to rush of works in other schemes and non-availability of labour, cement and other construction material.

(iv) Out of ₹ 63.76 crore received by 10 test checked PRIs(ZPs and PSs) under 13th FC during 2011-15 (**Appendix-13**), ₹ 36.68 crore were further released to GPs and ₹ 27.09 crore remained unutilised/unreleased with these PRIs. The Executive Officers/ Secretaries of the PRIs concerned stated (May 2015-November 2015) that funds could not be released due to non-receipt of shelf/estimates from ZP members and would be released shortly. The reply is not tenable as preparatory items of works should have been completed in time.

#### **2.3.4 Blocking of funds in Personal Ledger Account (PLA)**

**Funds of ₹ 4.54 crore earmarked for minor irrigation schemes remained unutilised in Personal Ledger Accounts**

The PSs had been maintaining Personal Ledger Accounts (PLAs) for crediting the grants received from Government for execution of minor irrigation and water supply schemes in rural areas. As per the condition of the sanctions, the funds were required to be drawn within one month and utilised within one year of the date of sanction.

Scrutiny of records showed that ₹ 4.54 crore were received in three PSs<sup>6</sup> for execution of schemes during 2011-15. However, no expenditure was incurred on minor irrigation and water supply works. Thus, non-utilisation of funds resulted in unnecessary blocking of funds in PLAs, besides depriving the beneficiaries of the intended benefits of the schemes.

The Executive Officers of PSs concerned stated (October 2015-November 2015) that amount would be utilised shortly for intended purposes. The replies are not acceptable as funds deposited in PLAs were required to be utilised within one year of the date of sanction.

#### **2.4 Doubtful deployments and double payment of wages**

##### **Eight GPs showed deployment of same labourers on different works in same period**

Scrutiny of records showed that in eight test-checked GPs<sup>7</sup>, same labourers were shown as having been deployed on different works and different muster rolls in the same period during 2010-15, resulting in doubtful deployment and double payment of wages of ₹ 0.63 lakh. The Secretaries of the GPs concerned stated (May 2015-October 2015) that the matter would be investigated and action would be taken accordingly.

#### **2.5 Delay in release of wages under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)**

##### **Delayed payment of wages amounting to ₹ 1.14 crore in 19 GPs to labourers for periods ranging between five days to more than three years.**

As per Para 8.3.1 of MGNREGS guidelines, workers were to be paid wages on a weekly basis and in any case not beyond a fortnight from the date on which work was done. In case of delay beyond a fortnight, workers were entitled for compensation as per the provisions of 'Payment of Wages Act, 1936'.

Audit noticed that 19 GPs made payment of ₹ 1.14 crore to the workers under MGNREGS after a delay ranging between five days to more than three years (**Appendix-14**). However, no compensation was paid to the labourers for delayed payment. The Secretaries of the GPs concerned stated (June 2015 – October 2015) that the delay in payment of wages was due to late receipt of funds from Block Development Officers. The reply is not acceptable as no reasons for non-payment of compensation due to the labourers for delayed payments were furnished by the Secretaries of the GPs concerned.

<sup>6</sup> Nurpur: ₹ 51.59 lakh, Bhawarna: ₹ 400.55 lakh and Nadaun: ₹ 1.85 lakh.

<sup>7</sup> Vasisth: ₹ 0.03 lakh, Nasogi: ₹ 0.04 lakh, Kataula: ₹ 0.03 lakh, Dadaur: ₹ 0.06 lakh, Chailly: ₹ 0.03 lakh, Shahpur: ₹ 0.41 lakh, Jiyunta: ₹ 0.01 lakh and Samlaue: ₹ 0.02 lakh.



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# **CHAPTER-3**

## **PROFILE OF URBAN LOCAL BODIES**

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## CHAPTER-3

### PROFILE OF URBAN LOCAL BODIES

#### 3.1 Background

The 74<sup>th</sup> Constitution Amendment Act paved the way for decentralisation of power and transfer of 18 functions listed in the Twelfth Schedule of the Constitution along with funds and functionaries to the Urban Local Bodies (ULBs). In Himachal Pradesh although 17 functions stand transferred (August 1994) to ULBs (except fire services); however, the corresponding funds and functionaries were yet to be transferred to the ULBs. The Government of Himachal Pradesh enacted the Himachal Pradesh Municipal Corporation Act, 1994 and the Himachal Pradesh Municipal Act, 1994 for transferring powers and responsibilities to ULBs.

#### 3.2 Audit mandate

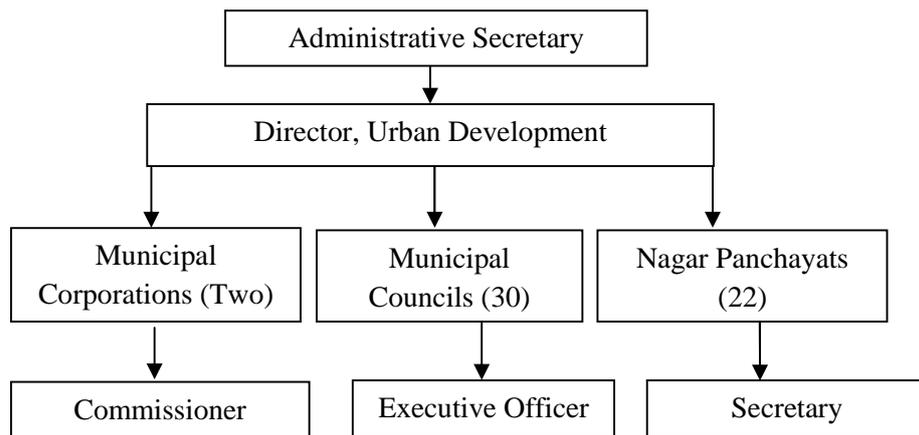
In Himachal Pradesh, primary audit of ULBs is being conducted by the Director, Local Audit Department. The State Government entrusted (March 2011) audit of ULBs to CAG with the responsibility of providing Technical Guidance and Support (TGS) under Section 20(1) of the CAG's DPC Act, 1971. The results of audit are included in Chapter-4.

#### 3.3 Organisational structure of Urban Local Bodies

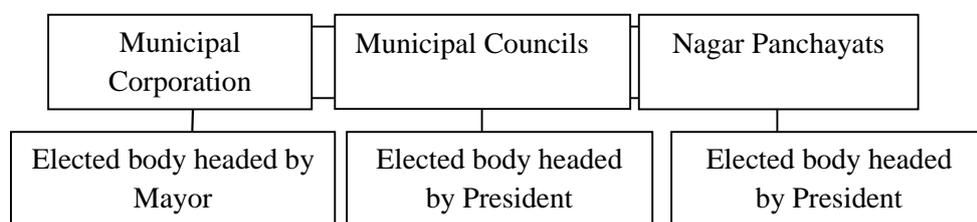
There are two Municipal Corporations, 30 Municipal Councils (MCs) and 22 Nagar Panchayats (NPs) in the State.

The overall control of the ULBs rests with the Additional Chief Secretary (Department of Urban Development) to the Government of Himachal Pradesh through Director, Urban Development. The organisational set-up is as under:-

##### Administrative set up of ULBs



##### Elected Bodies



### 3.3.1 Standing committees

Various standing committees involved in financial matters and implementation of schemes are detailed in **Table-8**.

**Table-8: Roles and responsibilities of the Standing Committees**

Name of the standing committee	Standing committee headed by	Roles and responsibilities of the standing committee
General Standing Committee	Mayor in Municipal Corporation and President in Municipal Council/ Nagar Panchayat	Performs functions relating to establishment matters, communications, buildings, urban housing and provision of relief against natural calamities, water supply and all residuary matters.
Finance, Audit and Planning Committee		Performs functions relating to the finances of municipality, framing of budget, scrutinising prospects of increase of revenue and examination of receipts and expenditure statements.
Social Justice Committee	Deputy Mayor in Municipal Corporation and President in Municipal Council/ Nagar Panchayat	Performs functions relating to promotion of education and economic, social, cultural and other interests of SC, ST, other backward classes, women and other weaker sections of the society.

### 3.3.2 Institutional arrangements for implementation of the schemes

In the Directorate of Urban Development, one Project Officer and two Statistical Assistants have been posted in the project section to oversee implementation of various schemes by the ULBs. Against 3,557 sanctioned posts, 678 posts (19 per cent) were lying vacant in various categories in the ULBs and 191 employees were in excess in three ULBs<sup>8</sup>.

## 3.4 Financial profile

### 3.4.1. Fund flow to ULBs

For execution of various development works, ULBs receive funds mainly from GOI and the State Government in the form of grants. GOI grants include grants assigned under the recommendations of the Central Finance Commission (CFC) and grants for implementation of various 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, etc. The funds allotted to the ULBs through various sources are kept in banks.

While Central and State grants are utilised by the ULBs for execution of Central and State sponsored schemes as per guidelines issued by GoI and the State Government, the own receipts of ULBs are utilised for administrative expenses and execution of

<sup>8</sup> Municipal Corporation, Shimla: 181, NP Chowari: Three and NP Joginder Nagar: Seven.

schemes/ works formulated by the ULBs. The fund flow arrangements in flagship schemes are given in **Table-9**.

**Table-9: Fund flow arrangements in major centrally sponsored flagship schemes**

Sl. No.	Scheme	Fund flow Arrangements
1.	Jawaharlal Nehru National Urban Renewal Mission (JNNURM)	The sharing of funds is in the ratio of 90:10 between Centre and State Government.
2.	Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)	Grant-in-Aid is to be shared by Central and State Government in the ratio of 80:10 and balance 10 <i>per cent</i> to be arranged by the ULBs from their own resources.
3.	Atal Mission for Rejuvenation and Urban Transformation (AMRUT)	Funding pattern of the schemes in Himachal Pradesh is in the ratio of 90:10 between Centre and State Government.
4.	Rajiv Awas Yojana (RAY)	Himachal Pradesh being a Special Category State, the funding is to be shared in the ratio of 80:10:10 by GOI, State Government and the beneficiaries for the Housing component and GOI, State Government and ULBs for the Infrastructure component.

### 3.4.2 Resources: Trends and Composition

The resources of ULBs for the period from 2011-12 to 2015-16 are detailed in **Table-10**.

**Table-10: Time series data on resources of ULBs**

	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Own Revenue	58.78	44.23	50.10	119.38	153.14
CFC transfers (Finance Commission devolutions) including Central sponsored schemes (CSS)	24.30	30.97	46.88	22.52	24.55
SFC transfers (State Finance Commission devolutions)	51.88	57.07	68.08	72.40	85.51
GOI grants for CSS	25.83	3.90	149.16	91.64	159.62
State Government grants for State schemes	109.90	78.01	8.84	34.55	67.15
<b>Total</b>	<b>270.69</b>	<b>214.18</b>	<b>323.06</b>	<b>340.49</b>	<b>489.97</b>

### 3.4.3 Application of Resources: Trends and Composition

The application of resources of ULBs for the period from 2011-12 to 2015-16 is detailed in **Table-11**.

**Table-11: Application of resources sector-wise**

	(₹ in crore)				
	2011-12	2012-13	2013-14	2014-15	2015-16
Expenditure from own revenue	59.14	31.04	19.35	NA	NA
Expenditure from CFC transfers (Central Finance Commission devolutions)	24.30	30.97	35.39	22.52	24.55
Expenditure from SFC transfers (State Finance Commission devolutions)	51.88	57.07	68.08	72.40	85.51
Expenditure from grants from State Government and Centre Government.	110.45	78.01	169.49	126.19	226.77
<b>Total</b>	<b>245.77</b>	<b>197.09</b>	<b>292.31</b>	<b>221.11</b>	<b>336.83</b>

Source: Director, Urban Development; NA: Not available.

Directorate of Urban Development had not maintained expenditure figures from own revenue from the year 2014-15 onwards. The Joint Director of Urban Development Department attributed (March 2017) non-maintenance of above figures to non-submission of income and expenditure figures regularly by the ULBs. This indicates failure of the Department to ensure submission of financial data by ULBs during the above period.

### **3.5 Financial reporting and accounting framework of ULBs (Internal Control System)**

A sound internal control system significantly contributes to efficient and effective governance. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the ULBs and the State Government in meeting their basic stewardship responsibilities including strategic planning, decision making and accountability towards stakeholders. The weaknesses/ gaps noticed in the internal control system are mentioned in Chapter-4.

### **3.6 Technical Guidance and Support**

The audit of ULBs has been entrusted to the CAG under Section 20 (1) of the CAG's (DPC) Act, 1971 with the responsibility of providing suitable Technical Guidance and Support (TGS) to Primary Auditors as per sections 152-154 of Regulations on Audit and Accounts, 2007 with regard to annual audit plans, audit methodology and procedures, training and capacity building, reporting and submission of returns.

Audit Plan for the year 2015-16 was received from the Primary Auditor (Director, Local Audit Department (LAD)) and noted for the process of audit planning in this office.

The Primary Auditor (Director, LAD) adhered to the audit methodology and procedures for audit as prescribed in Section 164 of the HPMC Act, 1994.

During the year 2015-16, six Inspection Reports from the audit of ULBs conducted by the primary auditors were reviewed by the office of the Principal Accountant General (Audit), Himachal Pradesh. Inspection Reports were evaluated and recommendations were made for improvement and subsequent follow-up. The following recommendations were made to the office of the Director, Local Audit Department.

- (i) Income and expenditure of last three years may be shown in tabular format.
- (ii) Reference to Rules may be given in the paras while raising objections in audit.
- (iii) Audit memos may be issued to the auditee unit and audit paras may incorporate the reply of the Secretary/ Executive Officer of the ULBs concerned.

Every year, two days training is imparted to the audit staff of Local Audit Department (LAD) as per their requirement/ topics suggested by them. During 2015-16, 18

participants from LAD staff were imparted training on audit planning, selection of audit topics, performance audit, documentation and reporting process.

### **3.7 Audit Coverage**

During 2015-16, 19 ULB units were test-checked by the office of the Principal Accountant General (Audit), Himachal Pradesh and reports issued to the respective ULBs. Records of Municipal Corporation, Shimla, 11 Municipal Councils and four Nagar Panchayats was scrutinised during 2015-16 (**Appendix-1**) and important audit findings thereof have been incorporated in Chapter-4 of this report.

### **3.8 Audit observations pending compliance**

The ULBs are required to rectify the defects/ omissions highlighted in the observations contained in the Inspection Reports (IRs) issued by the Principal Accountant General (Audit), Himachal Pradesh, and report their compliance to settle the observations. The details of IRs and paragraphs issued, settled and outstanding as on 31<sup>st</sup> March 2016 are given in **Table-12**.

**Table-12: Position of pending IRs/ Paras**

Sl. No.	Year of issue of Inspection Reports	IRs/ Paras Outstanding as on 31 March 2015		Addition during 2015-16		Total		No. of IRs/ paras settled during 2015-16		No. of IRs/Paras outstanding as on 31 March 2016	
		IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
1.	Upto 2011-12	113	743	-	-	113	743	1	18	112	725
2.	2012-13	14	139	-	-	14	139	-	35	14	104
3.	2013-14	17	218	-	-	17	218	-	46	17	172
4.	2014-15	14	144	-	-	14	144	-	5	14	139
5.	2015-16	-	-	16	172	16	172	-	-	16	172
	<b>Total</b>	<b>158</b>	<b>1,244</b>	<b>16</b>	<b>172</b>	<b>174</b>	<b>1,416</b>	<b>1</b>	<b>104</b>	<b>173</b>	<b>1,312</b>

Correspondence was also being done to settle IRs/ Paras but despite this the number of unsettled paras has increased. The large number of pending inspection reports and outstanding paras is a matter of concern.



**CHAPTER-4**  
**RESULTS OF AUDIT OF URBAN**  
**LOCAL BODIES**



## CHAPTER-4

### RESULTS OF AUDIT OF URBAN LOCAL BODIES

The deficiencies noticed during audit of Urban Local Bodies in 2015-16 are discussed in the succeeding paragraphs.

#### 4.1 Accounting system

The ULBs were directed (April 2009) by the Director, Urban Development to adopt the double entry system of accounting. The ULBs test-checked during 2015-16 have maintained their accounts in double entry system.

##### 4.1.1 Non-preparation of Accounts

According to section 252 and 253 of HP Municipal Act, 1994 accounts of the income and expenditure of the municipality shall be kept in accordance with such rules as may be prescribed. The municipality shall within a period not exceeding three months from the end of the financial year prepare the accounts for that year.

During test-check of records of two ULBs (Municipal Council: Sundernagar and Nagar Panchayat: Mehatpur), it was noticed that annual accounts for the last seven years had not been prepared by Municipal Council Sundernagar whereas annual accounts for the years 2013-14 to 2014-15 had not been prepared by Nagar Panchayat Mehatpur. The Secretary/ Executive Officer stated (July 2015-November 2015) that annual accounts will be prepared regularly in future.

#### 4.2 Non-constitution of Planning Committee

According to section 49 (1) of Municipal Council Act, 1994, municipality shall constitute a Finance, Audit and Planning Committee having at least three elected members of the municipality. Section 50 (2) further provides that the Finance, Audit and Planning Committee shall perform the functions relating to the finances of the municipality, framing of budgets, scrutinising proposals for increase of revenue, examination of receipts and expenditure statements, consideration of all proposals affecting the finances of the municipality, general supervision of the revenue and expenditure of the municipality, co-operation, small saving schemes and any other function relating to the development of the municipal area.

Audit noticed that five municipalities<sup>9</sup> had constituted Finance, Audit and Planning Committee but no meeting of these committees had been convened, whereas four municipalities<sup>10</sup> had not even constituted the said committee as of March 2016. The Executive Officers concerned stated that owing to discussion of all matters in monthly meeting of the municipality, meeting of Finance, Audit and Planning Committee could not be held. The reply is not acceptable as timely meetings of the Finance, Audit and Planning Committee are required to be convened as per the provisions of the Act for effective functioning of the municipalities.

<sup>9</sup> MC: Jawalamukhi, Palampur, Paonta Sahib, Parwanoo and Sundernagar.

<sup>10</sup> MC: Baddi, Kullu, Sri Naina Devi Ji and Rohru.

#### **4.3 Internal audit of ULBs**

Under Section 161 (3) of Himachal Pradesh Municipal Corporation Act and Section 255 (1) of Himachal Pradesh Municipality Act, 1994, the accounts of the ULBs are to be audited by a separate and independent agency. The State Government issued (February 2008) a notification, according to which the Director, Local Audit Department (LAD) was required to prepare an annual plan for conduct of audit of ULBs. As per audit plan for the year 2015-16, 27 ULBs were planned for audit, of which audit of 21 ULBs had been covered upto 31<sup>st</sup> March 2016. The Additional Director LAD stated that (December 2016) the audit of remaining ULBs had in fact been started during 2015-16 but could not be completed up to 31 March 2016 owing to huge volume of work.

#### **4.4 Budget estimates**

##### **4.4.1 Preparation of budget without estimating expected expenditure**

The budget estimates of ULBs are to be prepared as per Himachal Pradesh Municipal Accounts Code, 1975 in the prescribed form, keeping in view the expected income and expenditure for the next financial year and are placed before the House of the Committee. After passing of the budget by the House of the Committee, it is submitted to the Director, Urban Development for approval. The year-wise position of budget provision and the expenditure by the test-checked Municipal Corporation, Municipal Councils and Nagar Panchayats during 2012-15 is given in **Table-13**.

**Table-13: Budget estimates *vis-a-vis* expenditure**

(₹ in crore)

Year	Budget Estimate	Actual Expenditure	Savings (-) Excess (+)	Percentage of saving
2012-13	217.26	140.20	(-) 77.06	35
2013-14	304.80	144.63	(-) 160.17	53
2014-15	398.77	197.68	(-) 201.09	50

Note: Unit-wise position is given in **Appendix-15**.

It is evident from **Table-13** that preparation of budget estimates was not done in a realistic manner which resulted in persistent savings ranging between 35 and 53 *per cent* during 2012-15. The Joint Director of Urban Development Department stated (March 2017) that the ULBs are being directed to prepare their budget in realistic manner in future.

##### **4.4.2 Non preparation of budget estimates**

Section 249 (1) to (5) of Municipal Council Act, 1994 and Sections 80(1) to (3) of Municipal Corporation Act, 1994 provide that the municipality prepare budget estimates including estimate of expected income and expenditure of the ensuing year, in the first week of February every year. The budget estimate passed in the House of the committee shall be submitted to the Director, Urban Development for approval through the Deputy Commissioner before the 31<sup>st</sup> day of March every year.

Audit noticed that two Municipal Councils<sup>11</sup> had not prepared budget estimates for the period 2013-16. The Executive Officer concerned stated (May-June 2016) that budget estimates could not be prepared due to shortage of staff and non-availability of trained staff.

#### **4.5 Non-preparation of bank reconciliation statements**

According to rule 19 (2) of the State Municipal Accounts Code 1975, general cash book shall be checked item-wise, closed and signed by the Executive Officer each day. At the end of the month it shall be compared and agreed with the bank pass book. Every item of receipt and expenditure shall be checked with the entries in the cash book and differences shall be explained and accounted for in the general cash book.

Scrutiny of records of Municipal Council, Sunder Nagar showed that there was a difference of ₹ 0.82 crore between cash books and bank pass books at the close of the year 2014-15 which was not reconciled by MC as of March 2015. The authenticity of accounts could not be ascertained in the absence of reconciliation with bank statements. The Executive Officer of the ULB concerned stated (July 2015) that differences would be reconciled in future.

#### **4.6 Non-conducting of physical verification**

Para 12.43 (c) of Chapter 12 of HP Municipal Account Manual, stipulates that at the end of the financial year, the Store in-charge, Accounts Department and the Executive Officer/ Secretary of MC/ NP or the official authorised, shall verify the stock lying in the store and compare it with the stock as per book records and in case of any difference, appropriate remedial steps as prescribed shall be taken.

Scrutiny of records showed that in three ULBs (MC Bilaspur, Rampur and Hamirpur), physical verification of store/ stock had not been carried out. Consequently, physical existence of the store/ stock could not be verified in audit. In reply, the Executive Officers of ULBs concerned stated (July 2015-August 2015) that the physical verification of stores/ stock would be conducted shortly.

#### **4.7 Non-accounting of materials**

##### **Material of ₹ 1.95 lakh was not accounted for in the stock register by the Nagar Panchayat, Sarkaghat**

Rule 15.4 (a) of HPFR Vol. I provides that all the material received should be examined, counted, measured, weighed as the case may be when delivery is being taken by a responsible Government servant who should see that quantity is correct and quality is good. A certificate in token of receipt of material is to be recorded and entry made in an appropriate register.

Scrutiny of records of Nagar Panchayat, Sarkaghat, showed that items of stock such as electrical appliances, poly vinyl chloride (PVC) items, tube starter/ choke, etc.,

<sup>11</sup> MC: Baddi (2013-15) and MC: Kullu (2013-16).

purchased at a cost of ₹ 1.95 lakh were not accounted for in the relevant store/ stock register. Hence, the possibility of pilferage/ loss cannot be ruled out. This was also indicative of poor record maintenance on the part of NP. In reply, the Secretary of NP concerned stated (November 2015) that the relevant entries would be made in the stock registers. The fact, however, remained that there was absence of proper check over maintenance of records by the NP concerned.

## **4.8 Revenue**

### **4.8.1 Outstanding house tax**

**Due to ineffective monitoring, revenue of ₹ 17.82 crore on account of house tax in 17 ULBs remained outstanding for a period ranging between one and more than 50 years.**

Rule 258 (2) of the Himachal Pradesh Municipal Act, 1994 stipulates that sum due to municipality had to be paid within 15 days failing which the sum shall be recovered, with all costs, by distraint and sale of the property of the defaulter.

Audit noticed outstanding house tax of ₹ 20.96 crore as on 01 April 2013 in 17 ULBs. Demand of ₹ 52.45 crore of house tax was raised during the period 2013-16 (**Appendix-16**). However, collection of ₹ 55.55 crore was made and also rebate of ₹ 0.04 crore was provided during the above period, resulting in outstanding balance of ₹ 17.82 crore as of March 2016. The pace of recovery was slow and this had impacted the revenue receipts of ULBs to the above extent which could have been utilised for other developmental activities.

A detailed review of house tax arrears in six<sup>12</sup> ULBs showed that 329 households/assesses<sup>13</sup> have not paid house tax amounting to ₹ 2.08 crore for the period 1964-2016 resulting in accumulation of huge arrears on account of house tax for a period ranging between one and more than 50 years. This indicated that effective action had not been taken as per rule *ibid* to act upon the cases involving outstanding rent for years together. The Executive Officers/ Secretaries of ULBs concerned stated (October 2014-March 2016) that house tax could not be collected due to shortage of staff. It was further stated that notices have been issued to the defaulters and efforts for recovery would be made.

### **4.8.2 Non-realisation of rent**

**Eighteen ULBs failed to realise the rent due from shops / booths/ stalls amounting to ₹ 5.43 crore**

Section 258 (i)(b)(2) of the Himachal Pradesh Municipal Act, 1994 provides that if any amount due to the municipality remains unpaid for 15 days, the Executive Officer/ Secretary may serve notice of demand upon the persons concerned.

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<sup>12</sup> Dharamshala, Kullu, Palampur, Parwanoo, Sri Naina Devi Ji and Sundernagar.

<sup>13</sup> Out of 329 cases, house tax was due since 1964-65 in one case, since 1970-71 in two cases, since 1976-77 in two cases and since 1988-89 in eight cases.

It was noticed that in 18 ULBs, rental charges amounting to ₹ 5.39 crore were pending for recovery as on April 2013 (**Appendix-17**) against the allottees of shops/ stalls, owned by these ULBs. Further, demand of ₹ 10.04 crore was raised against the tenants/ lessees of these shops/ stalls during 2013-16. Against the total demand of ₹ 15.43 crore, ₹ 10.00 crore were recovered leaving recovery of ₹ 5.43 crore pending as of March 2016. The ULBs stated (May 2015-November 2015) that notices had been issued to the defaulters and the amount would be recovered shortly.

#### **4.8.3 Non-recovery of installation/ renewal charges on mobile towers**

##### **Failure to realise installation/ renewal charges on mobile towers by 10 ULBs resulted in loss of revenue of ₹ 24.43 lakh**

Himachal Pradesh Government authorised (August 2006) ULBs to levy duty on installation of mobile communication towers at the rate of ₹ 10,000 per tower and annual renewal fee at the rate of ₹ 5,000.

In 10 ULBs, mobile towers were installed during 2001-15 but the ULBs concerned had not recovered installation/ renewable charges of ₹ 24.43 lakh (**Appendix-18**) in respect of 117 towers as of March 2016. This deprived the ULBs of their due share of revenue. The ULBs concerned stated (May 2015-November 2016) that action would be taken shortly to recover the dues.

#### **4.8.4 Non-collection of Sanitation/ Safai Tax**

##### **Two Municipal Councils failed to collect *safai* / sanitation tax resulting in loss of revenue of ₹ 18.38 lakh**

(i) Municipal Council, Rohru vide house resolution No. 553 (January 2012) prescribed that cleaning/ *safai* tax will be collected from hotels, dhabas, fruit/vegetable/chicken sellers and beer bars owners at the rate of ₹ 70/- per month and from other shopkeepers (dry businesses) at the rate of ₹ 40/- per month.

It was noticed that against the total demand of ₹ 15.94 lakh for the period 2012-16, only ₹ 0.18 lakh (*one per cent*) was collected as of March 2016. While admitting the facts, the Executive Officer stated that cleaning/ *safai* tax could not be collected due to shortage of staff. The fact however remains that non-collection of cleaning/ *safai* tax resulted in loss of revenue to the tune of ₹ 15.76 lakh.

(ii) According to notification of Himachal Pradesh Government (March 1993) sanitation tax was imposed in MC Parwanoo which was required to be collected from the residential/commercial/industrial establishments at a prescribed rate<sup>14</sup>.

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<sup>14</sup> **Residential buildings:** Ranging between ₹ two and ₹ 20 per month depending upon type of Plot/ flat; **Industries:** ₹ 200 (medium industry) and ₹ 75 (small industry) per month **and Commercial Agencies:** Ranging between ₹ 10 and ₹ 100 per month depending upon type of establishment.

It was noticed in audit that sanitation tax amounting to ₹ 2.62 lakh was pending for recovery from 15 assesseees during 2008-16. The Executive Officer stated that notices are being issued to assesseees for recovery of sanitation tax and matter would be discussed in the house of MC for declaration of these assesseees as defaulters. The fact, however, remains that non-recovery of sanitation tax resulted in loss of revenue to MC Parwanoo to the extent of ₹ 2.62 lakh.

#### **4.9 Blocking of funds**

##### **4.9.1 Blocking of funds due to non start of development works**

In Six<sup>15</sup> Municipal Councils and three<sup>16</sup> NPs, funds amounting to ₹ 4.63 crore were available during 2008-15 for execution of 93 development works. However, no expenditure had been incurred out of these funds on execution of works as of March 2015. Non-utilisation of funds for development works resulted in depriving the beneficiaries of the intended benefits. The Executive Officers of the ULBs concerned stated (May 2015 - November 2015) that due to land dispute, non-completion of codal formalities, works could not be started. The reply is not tenable as such issues should have been resolved before getting the works sanctioned and funds released from the funding agencies.

##### **4.10 Outstanding recovery of building tax and energy charges**

As per recommendations (October 2002) of 2<sup>nd</sup> State Finance Commission, the MC is authorised to levy/ collect building and energy tax<sup>17</sup> from owners of buildings in its jurisdiction.

The Executive Officer (EO), MC Hamirpur had served (March 2014) demand for ₹ 1.45 crore as building tax (₹ 1.33 crore for the period 2013-14) and energy charges (₹ 0.12 crore for the period April 2013 to February 2014) to the Electrical Engineer (EE) Division no. II of Himachal Pradesh State Electricity Board Limited, Hamirpur. It was observed in audit that neither had EE, Electrical Division deposited the tax as of August 2015 nor had the EO, MC served any revised demand/ notice to the EE. The Executive Officer concerned stated (August 2015) that matter would be taken up with the concerned authority. The reply is not acceptable as the MC Hamirpur failed to recover the outstanding building tax and energy charges as per *ibid* provision resulting in loss of revenue due to MC to above extent.

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<sup>15</sup> MCs: Chamba: ₹ 60.85 lakh, Dharamshala: ₹ 35.22 lakh, Sundernagar: ₹ 12.45 lakh, Kullu: ₹ 18.46 lakh, Mandi: ₹ 20.19 lakh and Bilaspur ₹ 33.50 lakh.

<sup>16</sup> NPs: Srakaghat (₹ 8.00 lakh), Mehatpur (₹ 3.00 lakh) and Jwalamukhi (₹ 271.05 lakh).

<sup>17</sup> **Building tax:** ₹ 2.50 per sq. meter for residential and government building and ₹ five per sq. meter for commercial and other buildings **and energy tax:** one paisa per unit.

#### 4.11 Non-vacation of accommodation

**Failure to realise charges on account of rent, electricity, water and other expenses resulted in loss of revenue of ₹ 31.68 lakh**

##### 4.11.1 Non-vacation of accommodation by the Assistant Commissioner (Protocol)

Municipal Council, Parwanoo had given two rooms to Assistant Commissioner (Protocol), Parwanoo for office purposes since October 1992 without any written agreement. Municipal Council, Parwanoo vide resolution No. 7 (February 2001) raised a demand bill amounting to ₹ 12.69 lakh on account of rent, electricity charges, water charges and other expenses for the period from October 1992 to April 2011 and further accumulated to ₹ 29.72 lakh as on 31 March 2016. It was, however, noticed that in the absence of agreement neither the amount had been recovered, nor the accommodation was got vacated as of March 2016. The Executive Officer concerned stated that the matter was taken up with the Deputy Commissioner for vacation of accommodation but the reply was awaited.

##### 4.11.2 Non-vacation of Rehan Basera by the Police department

Vide resolution No. 119/2013 passed in the House of MC Sundernagar the Rehan Basera was allotted to the Police Station (January 2014) for one year on temporary basis; it was also decided by the House that if the Police Department did not vacate the Rehan Basera after one year they should have to pay rent of ₹ 0.07 lakh per month.

Audit noticed that the Police Department had neither vacated the accommodation nor paid rent from the date of occupation (January 2014) of Rehan Basera which resulted in loss of revenue to the tune of ₹ 1.96 lakh (₹ 0.07 lakh x 28 months) to MC Sundernagar. The Executive Officer stated that valuation of the building was under review by the Public Works Department (PWD) Sundernagar, owing to which rent could not be recovered from the Police Department. The reply is not acceptable as monthly rent fixed had not been recovered as per the resolution.

##### 4.11.3 Non-vacation of the Municipal Council building by Police department

Four rooms<sup>18</sup> in the Municipal Council building were occupied (1998) by the Police Department for running Police Chowki at Akhara Bazar, Kullu. Since the occupation of the rooms, MC, Kullu had neither received any rent from the Police Department nor had made any effort in this regard. It was further noticed that MC, Kullu was bearing all expenses like electricity bills, water bills and other maintenance charges of above accommodation. The Executive Officer stated that efforts are being made to vacate the building.

<sup>18</sup> Ground Floor: Two Rooms and First Floor: Two Rooms.

#### **4.12 Non-adjustment of Temporary Advances**

**The MC Kullu sanctioned temporary advances of ₹ 26.09 lakh during 2011-12 to 2014-15 without adjustment of previous advances**

As per Rule 189 (1) to (4) of Himachal Pradesh Financial Rules, 2009, head of office is authorised to sanction advances to a Government servant for purchase of goods or for hiring services or for any other special purpose, as may be prescribed. Rule further provides that adjustment bills along with balances, if any, had to be submitted within 15 days of the drawal of advance. Second advance shall not be granted until the Government servant concerned has submitted adjustment account of the first advance.

Audit noticed that temporary advances of ₹ 26.09 lakh sanctioned during 2011-12 to 2014-15 to a government official for carrying out Dussehra *Safai* arrangements within MC area of Kullu and other purposes was pending for adjustment for a period of more than one to five years. Subsequent advances were being given without adjustment of previous advances. This indicated laxity on the part of MC in enforcing codal provisions regarding adjustment of advances involving substantial amount.

Audit findings were referred to the Government in March 2017. Reply had not been received (April 2017).



**(Ram Mohan Johri)**

Principal Accountant General (Audit)  
Himachal Pradesh

Shimla  
Dated:

# APPENDIX



**Appendix-1**

(Refer paragraphs 1.9; and 3.7; pages 7 and 21)

**Audit coverage- Details of Panchayati Raj Institutions and Urban Local Bodies audited during 2015-16****Zila Parishad**

Sl. No.	Name of Zila Parishads
1.	Chamba
2.	Sirmaur
3.	Mandi
4.	Bilaspur

**Panchayat Samitis**

Sl. No	Name of Panchayat Samiti
1.	Bhatiyat
2.	Bharmour
3.	Mehala
4.	Bilaspur
5.	Chopal
6.	Karsog
7.	Hamirpur
8.	Shilai
9.	Nadaun
10.	Sujanpur Tihra
11.	Saraj Janjehli Mandi
12.	Rait
13.	Una
14.	Paonta Sahib
15.	Bhawarna
16.	Baijnath
17.	Panchrukhi
18.	Sadar Mandi
19.	Dehra
20.	Nurpur
21.	Sullah Bedu Mahadev
22.	Kangra

**Gram Panchayat**

Sl. No.	GPs	Name of Block	Name of District
1.	Trilokpur	Nagrota Suriyan	Kangra
2.	Kamnala	Nurpur	Kangra
3.	Nragala	Nagrota Suriyan	Kangra
4.	Punder	Nurpur	Kangra
5.	Jwali	Nagrota Suriyan	Kangra
6.	Thehad	Nurpur	Kangra
7.	Bhogrwan	Fatehpur	Kangra
8.	Ghati	Pragpur	Kangra
9.	Indrapur	Indora	Kangra
10.	Bani	Pragpur	Kangra

<b>Sl. No.</b>	<b>GPs</b>	<b>Name of Block</b>	<b>Name of District</b>
11.	Rey	Fatehpur	Kangra
12.	Riyali	Fatehpur	Kangra
13.	Upparli Badol	Dharamshala	Kangra
14.	Dhaliyara	Pragpur	Kangra
15.	Dhameta	Fatehpur	Kangra
16.	Sirohpai	Dehra	Kangra
17.	Jamanabad	Kangra	Kangra
18.	Sulyali	Nurpur	Kangra
19.	Tiyara	Kangra	Kangra
20.	Sthana	Fatehpur	Kangra
21.	Bhawarana	Bhawarana	Kangra
22.	Thural	Lambagaun	Kangra
23.	Chadi	Rait	Kangra
24.	Mant	Dharamshala	Kangra
25.	Shahpur	Rait	Kangra
26.	Muhal Holta	Panchrukhi	Kangra
27.	Sidhpur	Dharamshala	Kangra
28.	Sokni da Kot	Dharamshala	Kangra
29.	Khaniyara	Dharamshala	Kangra
30.	Pounta	Gopalpur	Mandi
31.	Upar Behli	Sunder Nagar	Mandi
32.	Dador	Balh	Mandi
33.	Ner	Balh	Mandi
34.	Kehad	Balh	Mandi
35.	Kummi	Balh	Mandi
36.	Karsog	Karsog	Mandi
37.	Bhadiyara	Chauntra	Mandi
38.	Delu	Chauntra	Mandi
39.	Shyanj	Gohar	Mandi
40.	Bhambla	Gopalpur	Mandi
41.	Mahadev	Sunder Nagar	Mandi
42.	Gopalpur	Gopalpur	Mandi
43.	Nawahi	Gopalpur	Mandi
44.	Talihad	Sadar Mandi	Mandi
45.	Syog	Sadar Mandi	Mandi
46.	Tandu	Sadar Mandi	Mandi
47.	Katula	Sadar Mandi	Mandi
48.	Nagwain	Sadar Mandi	Mandi
49.	Dabhota	Nalagarh	Solan
50.	Haripur Sandoli	Nalagarh	Solan
51.	Dhang Nihli	Nalagarh	Solan
52.	Kirpalpur	Nalagarh	Solan
53.	Bhatoli Kalan	Nalagarh	Solan
54.	Kishanpura	Nalargah	Solan
55.	Mandhala	Dharampurm	Solan
56.	Jabli	Dharampurm	Solan
57.	Manjholi	Nalagarh	Solan

Sl. No.	GPs	Name of Block	Name of District
58.	Misserwala	Paonta Sahib	Sirmaur
59.	Bhagani	Paonta Sahib	Sirmaur
60.	Kala Amb	Nahan	Sirmaur
61.	Mugalwala	Paonta Sahib	Sirmaur
62.	Majra	Paonta Sahib	Sirmaur
63.	Sataun	Paonta Sahib	Sirmaur
64.	Paatliyaan	Paonta Sahib	Sirmaur
65.	Gorkhu Wala	Paonta Sahib	Sirmaur
66.	Bhatanwali	Paonta Sahib	Sirmaur
67.	Dugoh Khas	Gagret	Una
68.	Bathu	Haroli	Una
69.	Dehla Lower	Una	Una
70.	Dehla Upper	Una	Una
71.	Tabba	Una	Una
72.	Raipur Sahoda	Una	Una
73.	Panjawar	Haroli	Una
74.	Dundhla	Bangana	Una
75.	Momniyar	Bangana	Una
76.	Marhana	Ghumarwin	Bilaspur
77.	Sunhani	Jhandutta	Bilaspur
78.	Jejwin	Jhandutta	Bilaspur
79.	Fatoh	Ghumarwin	Bilaspur
80.	Behnajatta	Jhandutta	Bilaspur
81.	Samoh	Jhandutta	Bilaspur
82.	Hatwaad	Ghumarwin	Bilaspur
83.	Kihar	Salooni	Chamba
84.	Byana	Salooni	Chamba
85.	Salooni	Salooni	Chamba
86.	Udiapur	Chamba	Chamba
87.	Sanooh	Salooni	Chamba
88.	Kalhel	Tissa	Chamba
89.	Samleu	Bhattiyat	Chamba
90.	Jadera	Chamba	Chamba
91.	Jiyunta	Bhattiyat	Chamba
92.	Bhandel	Salooni	Chamba
93.	Singla	Rampur	Shimla
94.	Khashdhar	Chauhara	Shimla
95.	Sarahan	Rampur	Shimla
96.	Beldeyan	Basantpur	Shimla
97.	Anandpur	Mashobra	Shimla
98.	Dofda	Rampur	Shimla
99.	Nerwa	Chopal	Shimla
100.	Tiyala Jyuri	Rampur	Shimla
101.	Challi	Mashobra	Shimla
102.	Chamiyana	Mashobra	Shimla
103.	Tikkar	Rohru	Shimla
104.	Adhal	Rohru	Shimla

Sl. No.	GPs	Name of Block	Name of District
105.	Jhakdi	Rampur	Shimla
106.	Tindi	Udaipur	Lahaul & Spiti
107.	Kaza	Lahaul & Spiti	Lahaul & Spiti
108.	Yurnath	Lahaul	Lahaul & Spiti
109.	Nathan	Naggar	Kullu
110.	Halan-I	Naggar	Kullu
111.	Halan-II	Naggar	Kullu
112.	Katrain	Naggar	Kullu
113.	Naggar	Naggar	Kullu
114.	Vasisth	Naggar	Kullu
115.	Nasogi	Naggar	Kullu
116.	Nweli	Naggar	Kullu
117.	Shudarang	Kalpa	Kinnaur
118.	Taranda	Nicchar	Kinnaur
119.	Pangi	Kalpa	Kinnaur
120.	Kadhota	Bhoranj	Hamirpur
121.	Tikkar Didvi	Bhoranj	Hamirpur
122.	Bhaunkhar	Bhoranj	Hamirpur
123.	Agdhar	Bhoranj	Hamirpur
124.	Saghriyan	Bhoranj	Hamirpur
125.	Bhoranj	Bhoranj	Hamirpur
126.	Ludar Mahadev	Bhoranj	Hamirpur
127.	Saur	Bijhri	Hamirpur
128.	Jode Amb	Bijhri	Hamirpur
129.	Jyoli Devi	Bijhri	Hamirpur

### Municipal Corporation

Sl. No.	Name of Municipal Corporation
1.	Shimla

### Municipal Council

Sl. No.	Name of Municipal Council
1.	Chamba
2.	Solan
3.	Sunder Nagar
4.	Bilaspur
5.	Rampur
6.	Kullu
7.	Hamirpur
8.	Dharamshala
9.	Manali
10.	Mandi
11.	Dehra

### NagarPanchayat

Sl. No.	Name of Nagar Panchayat
1.	Narkanda
2.	Jawalamukhi
3.	Sarkaghat
4.	Mehatpur

## Appendix-2

(Refer paragraph 2.1.2; page 9)

## Non-maintenance of records by the Panchayati Raj Institutions

## Panchayat Samitis

Sl. No.	Name of Panchayat Samiti	Name of District
1.	Bhawarna	Kangra
2.	Panchrukhi	Kangra
3.	Karsog	Mandi

## Gram Panchayats

Sl. No.	Name of GPs	Name of Block	Name of District
1.	Bathu	Haroli	Una
2.	Dehla Upper	Una	Una
3.	Dehla Lower	Una	Una
4.	Tabba	Una	Una
5.	Dhundhla	Bangana	Una
6.	Panjawar	Haroli	Una
7.	Muglawala Kartarpur	Paonta shaib	Sirmaour
8.	Trilok pur	Nagrota Surian	Kangra
9.	Khanyara	Dharamshala	Kangra
10.	Kamnala	Nurpur	Kangra
11.	Nargala	Nagrota Surian	Kangra
12.	Punder	Nurpur	Kangra
13.	Marhana	Ghumarwin	Bilsapur
14.	Sunhani	Jhanduta	Bilsapur
15.	Jajvin	Jhanduta	Bilsapur
16.	Fatoh	Jhanduta	Bilsapur
17.	Jwali	Nagrota Surian	Kangra
18.	Tehad	Nurpur	Kangra
19.	Tandu	Sadar Mandi	Mandi
20.	Bhambla	Gopalpur	Mandi
21.	Sianj	Gohar	Mandi
22.	Nawahi	Gopalpur	Mandi
23.	Gopalpur	Gopalpur	Mandi
24.	Behna Jattan	Jhanduta	Bilsapur
25.	Ner	Balh Ner Chowk	Mandi
26.	Sarahan	Rampur	Shimla
27.	Dofda	Rampur	Shimla
28.	Chialy	Mashobra	Shimla
29.	Tindi	Udaipur	Lahaul & Spiti
30.	Kaza	Kaza	Lahaul & Spiti

Sl. No.	Name of GPs	Name of Block	Name of District
31.	Yurnath	Lahaul	Lahaul & Spiti
32.	Pangi	Kalpa	Kinnaur
33.	Shudarang	Kalpa	Kinnaur
34.	Taranda	Nicchar	Kinnaur
35.	Dabhota	Nalagarh	Solan
36.	Haripur sandauli	Nalagarh	Solan
37.	Bhatoli kalan	Nalagarh	Solan
38.	Jabli	Dharampur	Solan
39.	Bhogrva	Fatehpur	Kangra
40.	Dhaliyara	Paragpur	Kangra
41.	Sthana	Fatehpur	Kangra
42.	Ghati	Pragpur	Kangra
43.	Sulyali	Nurpur	Kangra
44.	Indpur	Indora	Kangra
45.	Bani	Pragpur	Kangra
46.	Rey	Fatehpur	Kangra
47.	Riyali	Fatehpur	Kangra
48.	Upparli badol	Dharamshala	Kangra
49.	Jadera	Chamba	Chamba
50.	Kihar	Salooni	Chamba
51.	Saur	Bijhri	Hamirpur
52.	Kadohta	Bhoranj	Hamirpur
53.	Tikkar Didvi	Bhoranj	Hamirpur
54.	Jyoli Devi	Bijhri	Hamirpur
55.	Agdhar	Bhoranj	Hamirpur
56.	Jode Amb	Bijhri	Hamirpur
57.	Byaan	Salooni	Chamba
58.	Bhonkher	Bhoranj	Hamirpur
59.	Salooni	Salooni	Chamba
60.	Kalhel	Tissa	Chamba
61.	Bhandl	Salooni	Chamba
62.	Jiyunta	Bhatiyat	Chamba
63.	Jyuri	Rampur	Shimla

Source: Audit findings

**Appendix-3**

(Refer paragraph 2.1.4; page 10)

**Non-reconciliation of difference between cash books with bank pass books****1. Cases where bank pass book shows less balance than cash book****Panchayat Samitis**

(₹ in lakh)

Sl. No.	Name of Panchayat Samiti	District	Balance as per Pass Book on 31 March 2015	Balances as per Cash Book on 31 March 2015	Difference
1.	Bhawarna	Kangra	26.24	33.81	7.57
2.	Bharmour	Chamba	167.59	170.77	3.18
3.	Bhatiyat	Chamba	118.85	149.65	30.80
	<b>Total</b>		<b>312.68</b>	<b>354.23</b>	<b>41.55</b>

**Gram Panchayats**

(₹ in lakh)

Sl. No.	Name of Gram Panchayat	Block	District	Balance as per Pass Book on 31 March 2015	Balances as per Cash Book on 31 March 2015	Difference
1.	Nathan	Naggar	Kullu	26.04	26.69	0.65
2.	Naggar	Naggar	Kullu	30.23	30.33	0.10
3.	Vashisth	Naggar	Kullu	29.26	29.40	0.14
4.	Saur	Bijhari	Hamirpur	1.26	1.50	0.24
5.	Muhal Holta	Panchrukhi	Kangra	5.30	8.60	3.30
6.	Ner	Balh	Mandi	20.55	28.20	7.65
7.	Daduar	Balh	Mandi	18.92	25.75	6.83
8.	Kataula	Sadar	Mandi	15.52	15.91	0.39
			<b>Total</b>	<b>147.08</b>	<b>166.38</b>	<b>19.30</b>
			<b>Grand Total</b>	<b>459.76</b>	<b>520.61</b>	<b>60.85</b>

Source: Figures supplied by the test-checked units.

**2. Cases where Cash book shows less balance than bank pass book**

(₹ in lakh)

Sl. No.	Name of Zila Parishad	Balance as per Pass Book on 31 March 2015	Balances as per Cash Book on 31 March 2015	Difference
1.	Mandi	0.70	0.58	0.12
	<b>Total</b>	<b>0.70</b>	<b>0.58</b>	<b>0.12</b>

**Panchayat Samities**

Sl.No.	Name of Panchayat Samiti	District	Balance as per Pass Book on 31 March 2015	Balances as per Cash Book on 31 March 2015	Difference
1	Sullah at Bedu Mahadev	Kangra	207.30	177.04	30.26
2	Rait	Kangra	358.28	342.42	15.86

3	Bilaspur	Bilaspur	300.65	274.38	26.27
4	Bajjnath	Kangra	167.37	161.20	6.17
5	Panchrukhi	Kangra	153.87	149.65	4.22
6	Karsog	Mandi	36.82	34.49	2.33
<b>Total</b>			<b>1224.29</b>	<b>1139.18</b>	<b>85.11</b>

### Gram Panchayats

Sl. No.	Name of Gram Panchayat	Block	District	Balance as per Pass Book on 31 March 2015	Balances as per Cash Book on 31 March 2015	Difference
1.	Kamnala	Nurpur	Kangra	11.34	0.73	10.61
2.	Punder	Nurpur	Kangra	4.17	0	4.17
3.	Marhana	Ghumarwin	Bilaspur	9.55	0	9.55
4.	Samoh	Jhandutta	Bilaspur	2.22	1.20	1.02
5.	Sunhani	Jhandutta	Bilaspur	11.78	0	11.78
6.	Fatoh	Jhandutta	Bilaspur	29.28	0	29.28
7.	Behanjatta	Jhandutta	Bilaspur	6.02	0	6.02
8.	Tehad	Nurpur	Kangra	15.51	1.32	14.19
9.	Samlaeu	Bhatiyat	Chamb	6.61	5.51	1.10
10.	Jiyunta	Bhatiyat	Chamb	9.18	5.88	3.30
11.	Upperli badol	Dhramashal	Kangra	21.10	0	21.10
12.	Bhawarna	Bhawarna	Kangra	22.99	16.53	6.46
13.	Sokni Da Kot	Dharamshal	Kangra	24.84	18.64	6.20
14.	Thural	Lambagaun	Kangra	11.03	7.32	3.71
15.	Khasdhar	Chohhara	Shimla	27.65	17.65	10.00
16.	Talyahad	Sadar Mandi	Mandi	6.29	5.70	0.59
17.	Syog	Sadar Mandi	Mandi	7.06	6.58	0.48
18.	Upper Behli	Sundernagar	Mandi	10.45	7.90	2.55
19.	Delhu	Chontra	Mandi	6.85	5.65	1.20
20.	Bhadyara	Chontra	Mandi	15.59	11.03	4.56
21.	Jadera	Chamba	Chamb	16.42	0	16.42
22.	Kummi	Balh	Mandi	11.79	6.17	5.62
23.	Kehad	Balh	Mandi	15.61	12.03	3.58
<b>Total</b>				<b>303.33</b>	<b>129.84</b>	<b>173.49</b>
<b>Grand</b>				<b>1528.32</b>	<b>1269.60</b>	<b>258.72</b>

### Summary of Difference between cash book and bank pass book

Sl No.	Kind of Unit	No. of Units	Difference between Cash Book and Bank Pass Book
1.	ZP	1	0.12
2.	PS	9	126.66
3	GP	31	192.79
<b>Total</b>		<b>41</b>	<b>319.57</b>

Source: Figures supplied by the test-checked units.

## Appendix- 4

(Refer paragraph 2.1.6; page 11)

## Details of non-accountal of materials by the Gram Panchayat concerned

## Gram Panchayats

(₹ in lakh)

Sr. no.	Name of GP	Name of block	Name of District	Period of Purchase	Amount
1.	Tiyara	Kangra	Kangra	2010-13	3.23
2.	Sataun	Paonta Sahib	Sirmaur	2010-15	5.06
3.	Dehla Upper	Una	Una	2010-14	11.17
4.	Dehla Lower	Una	Una	2010-14	8.85
5.	Tabba	Una	Una	2010-15	6.25
6.	Panjawar	Haroli	Una	2010-15	2.39
7.	Katrain	Naggar	Kullu	2013-14	1.04
8.	Nathan	Naggar	Kullu	2012-15	0.92
9.	Vasisth	Naggar	Kullu	2012-14	2.24
10.	Trilokpur	Nagrota Suriyan	Kangra	2011-15	9.33
11.	Nargala	Nagrota Suriyan	Kangra	2013-14	1.97
12.	Khanyara	Daharamshala	Kangra	2008-14	5.53
13.	Kamnala	Nurpur	Kangra	2014-15	9.99
14.	Punder	Nurpur	Kangra	2014-15	8.92
15.	Thehad	Nurpur	Kangra	2014-15	9.34
16.	Marhana	Ghumarwin	Bilaspur	2011-14	3.88
17.	Sunhani	Jhandutta	Bilaspur	2011-15	9.63
18.	Jenjvi	Jhandutta	Bilaspur	2011-15	29.16
19.	Fatoh	Jhandutta	Bilaspur	2010-15	11.08
20.	Behanjatta	Jhandutta	Bilaspur	2011-15	4.80
21.	Tandu	Sadar mandi	Mandi	2012-13	1.28
22.	Dadaur	Balh	Mandi	2012-13	2.27
23.	Bhadyara	Chauntra	Mandi	2012-15	8.19
24.	Nawahi	Gopalpur	Mandi	2010-15	2.90
25.	Gopalpur	Gopalpur	Mandi	2010-15	1.75
26.	Ner	Balh Ner Chowk	Mandi	2014-15	0.47
27.	Syog	Sadar Mandi	Mandi	2010-14	0.89
28.	Shingle	Rampur	Shimla	2009-15	1.52
29.	Jhakdi	Rampur	Shimla	2009-15	2.96
30.	Dofda	Rampur	shimla	2010-15	1.47
31.	Chamiyana	Mashobra	Shimla	2014-15	5.67
32.	Sarahan	Rampur	Shimla	2009-15	1.55
33.	Manjholi	Nalagarh	Solan	2010-13	2.23
34.	Mandhala	Dharampur	Solan	2010-15	3.11
35.	Jabli	Dharampur	Solan	2010-15	6.79
36.	Bhatoli Kalan	Nalagarh	Solan	2010-15	9.18
37.	Kirpalpur	Nalagarh	Solan	2007-15	5.60
38.	Dhang Nihli	Nalagarh	Solan	2010-14	7.11

39.	Dabhota	Nalagarh	Solan	2010-15	0.91
40.	Chadi	Rait	Kangra	2010-15	4.17
41.	Upparli Badol	Dharamshala	Kangra	2010-15	2.79
42.	Rey	Fatehpur	Kangra	2010-15	10.12
43.	Jadera	Chamba	Chamba	2011-15	7.20
44.	Kihad	Salooni	Chamba	2010-15	25.57
45.	Jiyunta	Bhatiyaat	Chamba	2014-15	8.20
46.	Samoh	Jhandutta	Bilaspur	2012-15	4.74
47.	Jyuri	Rampur	Shimla	2010-15	2.26
48.	Saur	Bhijri	Hamirpur	2010-11	1.72
49.	Bhandel	Salooni	Chamba	2010-14	9.61
50.	Bhokhar	Bhoranj	Hamirpur	2011-13	1.95
51.	Byana	Salloni	Chamba	2010-15	17.74
52.	Sanooh	Salooni	Chamba	2010-13	27.06
53.	Jode Amb	Bijhri	Hamirpur	2010-15	1.80
54.	Bhoranj	Bhoranj	Hamirpur	2010-11	3.01
55.	Udiapur	Chamba	Chamba	2014-15	2.16
56.	Jyoli Devi	Bhijri	Hamirpur	2012-15	1.47
57.	Kadohta	Bhoranj	Hamirpur	2011-13	0.90
<b>Total</b>					<b>343.10</b>

**Appendix-5**

(Refer paragraph 2.2.1; page 11 )

**Details of non-recovery of house tax by the Gram Panchayat concerned**

(₹ in lakh)

Sl. No.	GPs	Name of Block	Name of District	Amount Outstanding
1.	Nathan	Naggar	Kullu	0.91
2.	Dangoh Khas	Gagret	Una	0.50
3.	Bathu	Haroli	Una	0.22
4.	Dehla Lower	Una	Una	0.30
5.	Tabba	Una	Una	0.37
6.	Raipur Sahoda	Una	Una	0.22
7.	Panjawar	Haroli	Una	0.22
8.	Misserwala	Paonta Sahib	Sirmaur	0.06
9.	Kala Amb	Nahan	Sirmaur	1.51
10.	Muglawala Kartarpur	Paonta Sahib	Sirmaur	0.51
11.	Majra	Paonta Sahib	Sirmaur	0.37
12.	Sataun	Paonta Sahib	Sirmaur	0.05
13.	Patliyan	Paonta Sahib	Sirmaur	0.06
14.	Gorkhu Wala	Paonta Sahib	Sirmaur	0.80
15.	Sianj	Gohar	Mandi	0.08
16.	Khaniyara	Dharamshala	Kangra	0.29
17.	Kamnala	Nurpur	Kangra	1.23
18.	Punder	Nurpur	Kangra	0.08
19.	Marhana	Ghumarwin	Bilaspur	0.11
20.	Sunhani	Jhandutta	Bilaspur	0.35
21.	Jejwin	Jhandutta	Bilaspur	0.34
22.	Fatoh	Jhandutta	Bilaspur	0.44
23.	Behnajatta	Jhandutta	Bilaspur	0.37
24.	Jwali	Nagrota Suriyan	Kangra	0.18
25.	Thehad	Nurpur	Kangra	0.31
26.	Dadaur	Balh	Mandi	0.62
27.	Bhambla	Gopalpur	Mandi	0.53
28.	Bhadyada	Chauntra	Mandi	0.57
29.	Navahi	Gopalpur	Mandi	0.34
30.	Pounta	Gopalpur	Mandi	0.29
31.	Gopalpur	Gopalpur	Mandi	0.03
32.	Karsog	Karsog	Mandi	0.40
33.	Kummi	Balh	Mandi	0.44
34.	Singla	Rampur	Shimla	0.21
35.	Khashdhar	Chauhara	Shimla	0.38
36.	Sarahan	Rampur	Shimla	1.65
37.	Beldeyan	Basantpur	Shimla	0.12
38.	Anandpur	Mashobra	Shimla	0.14
39.	Dofda	Rampur	Shimla	1.71
40.	Nerwa	Chopal	Shimla	0.36
41.	Pangi	Udaipur	Lahaul &	0.09
42.	Yurnath	Lahaul	Lahaul &	0.14
43.	Shudarang	Kalpa	Kinnaur	0.10

Sl. No.	GPs	Name of Block	Name of District	Amount Outstanding
44.	Taranda	Nichar	Kinnaur	0.04
45.	Dhelu	Chauntra	Mandi	0.58
46.	Ner	Balh at Ner Chowk	Mandi	0.46
47.	Dabhota	Nalagarh	Solan	0.48
48.	Haripur Sandoli	Nalagarh	Solan	0.07
49.	Dhang Nihli	Nalagarh	Solan	0.15
50.	Kirpalpur	Nalagarh	Solan	0.21
51.	Bhatoli Kalan	Nalagarh	Solan	0.14
52.	Kishanpura	Nalarah	Solan	0.06
53.	Mandhala	Dharampur	Solan	0.43
54.	Jabli	Dharampur	Solan	0.20
55.	Manjholi	Nalagarh	Solan	0.33
56.	Bhogrwan	Fatehpur	Kangra	2.25
57.	Thural	Lambagaon	Kangra	0.14
58.	Dhaliyara	Pragpur	Kangra	0.21
59.	Sthana	Fatehpur	Kangra	0.08
60.	Chadi	Rait	Kangra	0.13
61.	Ghati	Pragpur	Kangra	0.21
62.	Tiyara	Kangra	Kangra	0.25
63.	Sulyaali	Nurpur	Kangra	0.78
64.	Indpur	Indora	Kangra	0.64
65.	Dhameta	Fatehpur	Kangra	0.39
66.	Sihorpai	Dehra	Kangra	0.50
67.	Bani	Pragpur	Kangra	0.49
68.	Rey	Fatehpur	Kangra	0.53
69.	Riyali	Fatehpur	Kangra	0.27
70.	Upparli Badol	Dharamshala	Kangra	1.07
71.	Kihar	Salooni	Chamba	0.36
72.	Kadohta	Bhoranj	Hamirpur	0.13
73.	Tikkar Didvi	Bhoranj	Hamirpur	0.58
74.	Udiapur	Chamba	Chamba	0.62
75.	Sanoooh	Salooni	Chamba	0.95
76.	Byana	Salooni	Chamba	0.64
77.	Bhaunkhar	Bhoranj	Hamirpur	0.39
78.	Salooni	Salooni	Chamba	0.73
79.	Kalhel	Tissa	Chamba	0.47
80.	Mahadev	Sundernagar	Mandi	0.08
81.	Jiyuri	Rampur	Shimla	0.58
82.	Samleu	Bhattiyat	Chamba	0.13
83.	Samoh	Jhandutta	Bilaspur	0.35
84.	Saur	Bijhri	Hamirpur	0.11
				<b>35.21</b>

Source: Figures supplied by the test-checked units.

## Appendix-6

(Refer paragraph 2.2.2; page 12)

## Details of outstanding rent of shops

				(₹ in lakh)
Sl.No.	Name of ZPs/PSs /GPs	Period	Number of Shops	Amount
<b>Zila Parishad</b>				
1.	Sirmaur	2011-15	4	1.31
<b>Total</b>			<b>4</b>	<b>1.31</b>
<b>Panchayat Samities</b>				
1.	Baijnath	2010-15	25	1.70
2.	Karsog	2010-14	6	1.98
3.	Bilaspur	2002-15	11	1.67
4.	Bhattiyat	2007-15	8	0.99
5.	Panchrukhi	2007-15	100	3.89
6.	Sujanpur Tihra	2012-15	8	0.16
7.	Dehra	2011-15	36	14.20
8.	Paonta Sahib	2000-15	28	3.27
9.	Una	2003-15	17	5.46
<b>Total</b>			<b>239</b>	<b>33.32</b>

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Sl. No.	GPs	Name of Block	Name of District	Period	No of Shops	Amount
1.	Bhantanwali	Paonta Sahib	Sirmaur	2006-14	2	0.55
2.	Naggar	Naggar	Kullu	2009-15	1	0.02
3.	Jwali	Nagrota Suriyan	Kangra	2013-14	3	0.12
4.	Sianj	Gohar	Mandi	2009-15	2	0.26
5.	Gopalpur	Gopalpur	Mandi	2012-15	4	0.11
6.	Dhelu	Chauntra	Mandi	2002-15	5	1.39
7.	Karsog	Karsog	Mandi	2010-15	2	0.30
8.	Chailly	Mashobra	Shimla	2007-15	23	2.15
9.	Nerwa	Chopal	Shimla	2010-15	2	0.36
10.	Yurnath	Lahaul	Lahaul & Spiti	2014-15	4	0.13
11.	Dhaliyara	Paragpur	Kangra	2007-15	12	5.64
12.	Dhmeta	Fatehpur	Kangra	2008-15	4	0.09
13.	Sihorpai	Dehra	Kangra	2009-15	1	0.09
14.	Upperli Badol	Dharamshala	Kangra	2014-15	3	0.19
15.	Jadera	Chamba	Chamba	1995-2015	2	1.98
16.	Jabli	Dharmpur	Solan	2013-15	2	0.43
17.	Sunhani	Jhandutta	Bilaspur	2014-15	1	0.21
<b>Total</b>					<b>73</b>	<b>14.02</b>
<b>Grand Total</b>					<b>316</b>	<b>48.65</b>

Source: Figures supplied by the test-checked units.

## Appendix-7

(Refer paragraph 2.2.3; page 12)

## Details of non-recovery of duty for installation/ renewal of mobile tower within Gram Panchayat area

(₹ in lakh)

Sl. No.	GPs	Block	District	No. of towers	Year of installation	Amount
1.	Hatwaad	Ghumarwin	Bilaspur	3	2003-12	0.44
2.	Bhatanwali	Paonta Sahib	Sirmaur	3	2008-12	0.14
3.	Mugalwala Kartarpur	Paonta Sahib	Sirmaur	3	2009-11	0.18
4.	Bhagani	Paonta Sahib	Sirmaur	3	2006-13	0.21
5.	Paatliya	Paonta Sahib	Sirmaur	2	2008-09	0.22
6.	Gorkhuwala	Paonta Sahib	Sirmaur	2	2009-10	0.29
7.	Nathan	Naggar	Kullu	1	2010-11	0.12
8.	Punder	Nurpur	Kangra	7	2007-10	0.66
9.	Jejwin	Jhandutta	Bilaspur	1	2005-06	0.27
10.	Jwali	Nagrota Suriyan	Kangra	3	2005-09	0.10
11.	Tehad	Nurpur	Kangra	1	2007-08	0.20
12.	Dadour	Balh	Mandi	5	2009-14	0.16
13.	Upper Behli	Sundernagar	Mandi	1	2014-15	0.06
14.	Srahan	Rampur	Shimla	2	2006-08	0.42
15.	Baldeyan	Basantpur	Shimla	3	2010-15	0.04
16.	Tikkar	Rohru	Shimla	2	2004-11	0.36
17.	Anandpur	Mashobra	Shimla	4	2010-15	0.36
18.	Nerwa	Chaupal	Shimla	1	2006-07	0.22
19.	Kaza	Kaza	Lahual and Spiti	1	2008-09	0.19
20.	Pangi	Kalpa	Kinnaur	2	2007-08	0.29
21.	Taranda	Nichar	Kinnaur	2	2007-08	0.45
22.	Dabhota	Nalagarh	Solan	4	2006-09	0.84
23.	Haripur Sadoli	Nalagarh	Solan	2	2013-14	0.10
24.	Kirpalpur	Nalagarh	Solan	5	2007-12	0.78
25.	Bhatoli Kalan	Nalagarh	Solan	9	2002-14	1.58
26.	Kishanpura	Nalagarh	Solan	6	2006-12	0.83
27.	Mandhala	Dharampur	Solan	7	2004-12	1.36
28.	Jabli	Dharampur	Solan	9	2006-12	0.88
29.	Manjholi	Nalagarh	Solan	4	2008-11	0.56
30.	Mant	Dharamshala	Kangra	9	2005-08	0.91
31.	Ghati	Pragpur	Kangra	1	2005-06	0.06
32.	Bani	Pragpur	Kangra	1	2010-11	0.08
33.	Rey	Fatehpur	Kangra	2	2009-12	0.10

34.	Upperli Badol	Dharamshala	Kangra	2	2007-09	0.37
35.	Kihar	Salooni	Chamba	3	2007-08	0.46
36.	Udiapur	Chamba	Chamba	1	2005-06	0.22
37.	Sanooch	Salooni	Chamba	2	2008-09	0.30
38.	Byana	Salooni	Chamba	1	2005-06	0.20
39.	Salooni	Salooni	Chamba	5	2004-09	1.15
40.	Bhandal	Salooni	Chamba	2	2008-10	0.31
<b>Total</b>				<b>127</b>		<b>16.47</b>

Source: Figures supplied by the test-checked units.

**Appendix-8**

(Refer paragraph 2.3.1; page 13)

**Details of blocking of funds due to non-start of works****Panchayat Samitis**

(₹ in lakh)

Sl. No.	Name of PS	District	Period	No. of Works	Receipt	Exp	Balance
1.	Saraj	Mandi	2012-15	20	13.90	-	13.90
2.	Chopal	Shimla	2012-15	37	17.35	-	17.35
3.	Paonta sahib	Sirmaur	2013-15	21	21.29	-	21.29
<b>Total</b>				<b>78</b>	<b>52.54</b>		<b>52.54</b>

**Gram Panchayats**

(₹ in lakh)

Sl. No.	Name of GPs	District	Period	No. of Works	Receipt	Exp	Balance
1.	Sarahan	Shimla	2012-13	1	1.00	-	1.00
2.	Shingla	Shimla	2013-15	4	3.20	-	3.20
3.	Kala Amb	Sirmaur	2015-16	1	4.00	-	4.00
4.	Jyuri	Shimla	2014-15	2	0.77	-	0.77
5.	Ludar Mahadev	Hamirpur	2013-15	4	4.25	-	4.25
6.	Upperli Badol	Kangra	2011-12	1	0.30	-	0.30
7.	Sulyali	Kangra	2013-14	1	0.40	-	0.40
8.	Tiyara	Kangra	2013-14	1	0.12	-	0.12
9.	Sthana	Kangra	2014-15	1	0.70	-	0.70
10.	Thural	Kangra	2012-15	1	1.00	-	1.00
11.	Dhaliyara	Kangra	2014-15	1	1.00	-	1.00
12.	Bhogrwan	Kangra	2013-14	4	1.30	-	1.30
13.	Kirpalpur	Solan	2013-14	1	0.80	-	0.80
14.	Dabhota	Solan	2013-14	3	6.40	-	6.40
15.	Kummi	Mandi	2014-15	1	1.20	-	1.20
16.	Tikkar	Shimla	2014-15	2	3.81	-	3.81
17.	Dofda	Shimla	2009-14	6	5.88	-	5.88
18.	Tehad	Kangra	2012-13	7	2.20	-	2.20
19.	Fatoh	Bilaspur	2009-10	2	3.40	-	3.40
20.	Kamnala	Kangra	2012-15	22	7.13	-	7.13
21.	Trilokpur	Kangra	2010-11	2	0.27	-	0.27
22.	Dhundla	Una	2012-15	2	1.71	-	1.71
23.	Vasisth	Kullu	2011-13	4	7.50	-	7.50
24.	Gorkhuwala	Sirmaur	2014-15	1	1.00	-	1.00
25.	Bhatawali	Sirmaur	2014-15	1	0.28	-	0.28
26.	Raipur Sahoda	Una	2010-15	3	5.00	-	5.00
27.	Kalehal	Chamba	2010-12	2	4.34	-	4.34
28.	Udaipur	Chamba	2010-13	5	5.00	-	5.00
29.	Samoh	Jhandutta	2014-15	1	0.15	-	0.15
30.	Syog	Mandi	2013-15	10	15.01	-	15.01
<b>Total</b>				<b>97</b>	<b>89.12</b>	-	<b>89.12</b>
<b>Grand Total</b>				<b>175</b>	<b>141.66</b>		<b>141.66</b>

Source: Figures supplied by the test-checked units.

**Appendix-9**

(Refer paragraph 2.3.2; page 13)

**Details of blocking of funds due to non-completion of works****Panchayat Samitis**

(₹ in lakh)

Sl. No.	Name of PS	District	Period	No. of Works	Receipt	Exp.	Balance
1.	Bhatiyat	Chamba	2011-15	28	29.98	21.20	8.78
2.	Bharmaur	Chamba	2009-14	23	37.30	16.20	21.10
<b>Total</b>				<b>51</b>	<b>67.28</b>	<b>37.40</b>	<b>29.88</b>

**Gram Panchayats**

(₹ in lakh)

Sl. No.	Name of GPs	District	Period	No. of Works	Receipt	Exp.	Balance
1.	Gorkhuwala	Sirmaur	2010-14	4	5.70	4.13	1.57
2.	Jadera	Chamba	2012-14	2	5.00	2.25	2.75
3.	Naggarr	Kullu	2013-15	11	21.50	7.83	13.67
4.	Dehla Lower	Una	2012-14	5	5.25	4.10	1.15
5.	Bathu	una	2013-14	1	3.00	2.50	0.50
6.	Jyoli Devi	Hamirpur	2012-13	1	1.19	0.27	0.92
7.	Jyuri	Shimla	2011-14	5	6.50	4.92	1.58
8.	Sthana	Kangra	2014-15	3	0.61	0.15	0.46
9.	Bhogrwa	Kangra	2013-14	1	1.50	1.21	0.29
10.	Kehad	Mandi	2008-09	1	0.29	0.15	0.14
11.	Dhelu	Chauntra	2011-14	17	27.00	4.60	22.40
12.	Sarahan	Shimla	2012-15	2	6.00	3.28	2.72
13.	Shingla	Shimla	2012-15	4	5.66	2.77	2.89
14.	Tindi	Lahual and Spiti	2012-15	5	8.15	3.24	4.91
15.	Dofda	Shimla	2011-15	5	6.25	4.10	2.15
16.	Anandpur	Shimla	2012-14	3	3.50	2.00	1.5
17.	Tikkar	Shimla	2010-15	4	7.39	6.40	0.99
18.	Bhadyara	Mandi	2014-15	3	4.00	2.23	1.77
19.	Jwali	Kangra	2010-11	1	1.00	0.32	0.68
20.	Patliyaan	Sirmaur	2013-15	4	5.20	4.03	1.17
21.	Momniyar	Una	2014-15	6	8.00	1.14	6.86
22.	Panjawar	Una	2011-14	2	10.50	4.06	6.44
23.	Kala Amb	Una	2009-15	2	17.00	15.80	1.20
<b>Total</b>				<b>92</b>	<b>160.19</b>	<b>81.48</b>	<b>78.71</b>
<b>Grand Total</b>				<b>143</b>	<b>227.47</b>	<b>118.88</b>	<b>108.59</b>

**Appendix-10**

(Refer paragraph 2.3.3 (i); page 14)

**Details of blocking of funds under 13<sup>th</sup> Finance Commission due to non-utilisation of grants****Panchayat Samitis**

Sl. No.	Name of Panchayat Samitis	District	Period	Receipt	Exp	Balance
1.	Sujanpur Tihra	Hamirpur	2012-15	98.11	75.11	23.00
2.	Saraj	Mandi	2012-15	372.34	311.39	60.95
				<b>470.45</b>	<b>386.50</b>	<b>83.95</b>

**Gram Panchayats**

Sl. No.	Name of GPs	Block	District	Period	Receipt	Exp	Balance
1.	Bathu	Haroli	Una	2011-15	5.46	3.62	1.84
2.	Dehla Upper	Una	Una	2011-15	5.54	3.67	1.87
3.	Tabba	Una	Una	2011-15	7.38	1.80	5.58
4.	Dundhla	Bangana	Una	2011-15	5.23	3.22	2.01
5.	Panjawar	Haroli	Una	2012-15	3.91	0.68	3.23
6.	Patliyan	Paonta Sahib	Sirmaur	2010-15	14.82	14	0.82
7.	Nathan	Naggar	Kullu	2014-15	4.98	0.90	4.08
8.	Khanyara	Dharamshala	Kangra	2010-15	10.92	4.01	6.91
9.	Kamnala	Nurpur	Kangra	2010-15	6.74	3.03	3.71
10.	Nargala	Nagrota Suriyan	Kangra	2010-15	8.40	6.78	1.62
11.	Punder	Nurpur	Kangra	2010-15	8.47	7.34	1.13
12.	Marhana	Ghumarwin	Bilaspur	2010-15	8.70	4.86	3.84
13.	Sunhani	Jhandutta	Bilaspur	2011-15	4.47	3.41	1.06
14.	Jenjvi	Jhandutta	Bilaspur	2013-15	3.23	1.68	1.55
15.	Behan Jatta	Jhandutta	Bilaspur	2010-15	8.92	6.48	2.44
16.	Jwali	Nagrota Suriyan	Kangra	2010-15	12.00	9.49	2.51
17.	Thehad	Nurpur	Kangra	2011-15	6.76	4.06	2.70
18.	Bhambla	Gopalpur	Mandi	2010-15	8.20	4.21	3.99
19.	Bhadyara	Chauntra	Mandi	2012-15	3.62	0.02	3.60
20.	Ponta	Gopalpur	Mandi	2010-15	7.36	3.55	3.81
21.	Nawahi	Gopalpur	Mandi	2010-15	6.81	3.51	3.30
22.	Jhakdi	Rampur	Shimla	2012-15	8.56	6.20	2.36
23.	Baldeyan	Basantpur	Shimla	2011-15	3.18	1.33	1.85
24.	Yurnath	Lahual	Lahual and Spiti	2010-15	3.78	2.05	1.73
25.	Pangi	Kalpa	Kinnaur	2012-15	10.95	5.17	5.78
26.	Taranda	Nicchar	Kinnaur	2012-15	6.28	1.75	4.53
27.	Kummi	Balh	Mandi	2010-15	7.55	3.73	3.82
28.	Talyahad	Sadar Mandi	Mandi	2010-15	6.13	3.47	2.66
29.	Kehad	Balh	Mandi	2010-15	7.20	3.48	3.72
30.	Karsog	Karsog	Mandi	2010-15	7.03	3.76	3.27
31.	Dabhota	Nalagarh	Solan	2011-15	11.37	6.65	4.72
32.	Mandhala	Dharampur	Solan	2010-15	7.21	2.83	4.38
33.	Jabli	Dharampur	Solan	2010-15	9.54	7.98	1.56
34.	Manjholi	Nalagarh	Solan	2011-15	4.44	1.44	3.00

35.	Shahpur	Rait	Kangra	2010-15	7.79	5.72	2.07
36.	Samoh	Jhandutta	Bilaspur	2011-15	8.57	5.09	3.48
37.	Jyuri	Rampur	Shimla	2012-15	3.32	2.88	0.44
38.	Mahadev	Sundernagar	Mandi	2010-15	10.87	3.64	7.23
39.	Sidhpur	Dharamshala	Kangra	2010-15	7.23	4.25	2.98
40.	Mant	Dharamshala	Kangra	2010-15	17.61	10.02	7.59
41.	Thural	Lambagaun	Kangra	2011-15	6.66	3.43	3.23
42.	Dhaliyara	Paragpur	Kangra	2010-15	9.20	6.04	3.16
43.	Jamanabad	Kangra	Kangra	2010-15	14.90	10.36	4.54
44.	Chadi	Rait	Kangra	2010-15	5.70	3.49	2.21
45.	Ghati	Paragpur	Kangra	2010-15	8.30	7.22	1.08
46.	Sokni Da Kot	Dharamshala	Kangra	2013-15	10.27	5.95	4.32
47.	Tiyara	Kangra	Kangra	2010-15	6.62	4.46	2.16
48.	Indpur	Indora	Kangra	2011-15	7.00	2.58	4.42
49.	Dhameta	Fatehpur	Kangra	2010-15	6.47	3.81	2.66
50.	Bani	Pragpur	Kangra	2010-15	7.48	3.23	4.25
51.	Rey	Fatehpur	Kangra	2010-15	6.59	6.07	0.52
52.	Riyali	Fatehpur	Kangra	2010-15	6.36	1.44	4.92
53.	Bhawarna	Bhawarna	Kangra	2010-15	7.02	4.82	2.20
54.	Upperli badol	Dharamshala	Kangra	2010-15	8.49	3.80	4.69
55.	Kadhota	Bhoranj	Hamirpur	2011-15	6.97	5.59	1.38
56.	Raipur Sahoda	Una	Una	2009-15	19.99	15.28	4.71
57.	Bhogrva	Fatehpur	Kangra	2011-15	5.22	2.20	3.02
58.	Jyoli Devi	Bijhri	Hamirpur	2012-15	2.54	0.49	2.05
59.	Muhal Holta	Panchrukhi	Kangra	2010-15	5.67	0.03	5.64
60.	Sihorpae	Dehra	Kangra	2010-15	7.86	2.00	5.86
61.	Shingla	Rampur	Shimla	2012-15	4.52	3.20	1.32
62.	Syanj	Gohar	Mandi	2010-15	5.92	0.60	5.32
63.	Trilokpur	Nagrota Suriyan	Kangra	2012-15	2.66	0.18	2.48
64.	Fatoh	Jhandutta	Bilaspur	2011-15	3.98	0.06	3.92
65.	Ner	Balh	Mandi	2010-15	5.26	2.75	2.51
66.	Dangoh Khas	Gagret	Una	2010-15	21.64	17.89	3.75
67.	Gorkhuwala	Paonta Sahib	Sirmaur	2010-15	7.58	2.80	4.78
68.	Misserwala	Paonta Sahib	Sirmaur	2010-15	7.93	6.13	1.80
69.	Sataun	Paonta Sahib	Sirmaur	2010-15	24.12	18.28	5.84
70.	Majra	Paonta Sahib	Sirmaur	2010-15	10.18	9.97	0.21
71.	Mugalwala Kartarpur	Paonta Sahib	Sirmaur	2010-15	6.53	5.71	0.82
72.	Hatwaad	Ghumarwin	Bilaspur	2010-15	6.58	2.40	4.18
73.	Dofda	Rampur	Shimla	2014-15	2.77	0.72	2.05
<b>Total</b>					<b>569.51</b>	<b>334.74</b>	<b>234.77</b>
<b>Grand Total</b>					<b>1039.96</b>	<b>721.24</b>	<b>318.72</b>

Source: Figures supplied by the test-checked units.

**Appendix-11**

(Refer paragraph 2.3.3 (ii); page 14)

**Details of blocking of funds due to non-start of works under 13<sup>th</sup> Finance Commission**

**Zila Parishad**

(₹ in lakh)

Sl. No.	ZP	Period	Receipt	No. of Works	Exp.	Balance
1.	Bilaspur	2013-15	265.20	223	-	265.20
<b>Total</b>			<b>265.20</b>	<b>223</b>	<b>-</b>	<b>265.20</b>

**Panchayat Samitis**

(₹ in lakh)

Sl. No.	PS	District	Period	Receipt	No. of works	Exp.	Balance
1.	Bilaspur	Bilaspur	2014-15	22.67	31	-	22.67
2.	Bharmor	Chamba	2013-15	2.95	5	-	2.95
3.	Sulah	Kangra	2013-15	3.43	6	-	3.43
4.	Rait	Kangra	2014-15	2.91	10	-	2.91
5.	Nurpur	Kangra	2012-15	2.07	13	-	2.07
6.	Hamirpur	Hamirpur	2013-15	1.79	7	-	1.79
7.	Naduan	Hamirpur	2014-15	8.47	32	-	8.47
8.	Karsog	Mandi	2011-15	14.83	55	-	14.83
9.	Panchrukhi	Kangra	2013-15	13.83	31	-	13.83
10.	Sujanpur Tihra	Hamirpur	2014-15	2.35	6	-	2.35
<b>Total</b>				<b>75.30</b>	<b>196</b>	<b>-</b>	<b>75.30</b>

**Gram Panchayats**

(₹ in lakh)

Sl. No.	Name of GPs	Block	District	Period	Receipt	No. of Works	Exp.	Balance
1.	Nerwa	Chopal	Shimla	2013-14	0.80	2	-	0.80
2.	Anandpur	Mashobra	Shimla	2012-13	0.20	1	-	0.20
3.	Haripur Sadoli	Nalagarh	Solan	2014-15	1.72	3	-	1.72
4.	Bhatoli Kalan	Nalagarh	Solan	2014-15	1.55	2	-	1.55
5.	Manjholi	Nalagarh	Solan	2013-14	1.00	2	-	1.00
<b>Total</b>					<b>5.27</b>	<b>10</b>	<b>-</b>	<b>5.27</b>
<b>Grand Total</b>					<b>345.77</b>	<b>429</b>	<b>-</b>	<b>345.77</b>

Source: Figures supplied by the test-checked units.

**Appendix-12**

(Refer paragraph 2.3.3(iii); page 14)

**Details of blocking of funds under 13<sup>th</sup> Finance Commission due to incomplete works****Panchayat Samitis**

(₹ in lakh)

Sl. No.	PS	District	Period	Receipt	Exp.	Balance
1.	Una	Una	2014-15	11.90	9.90	2.00
2.	Bilaspur	Bilaspur	2012-15	63.55	51.90	11.65
3.	Paonta Sahib	Sirmaur	2013-15	19.20	14.35	4.85
4.	Mehla	Chamba	2012-14	6.24	2.70	3.54
5.	Sadar Mandi	Mandi	2012-15	8.64	5.95	2.69
6.	Panchrukhi	Kangra	2013-15	56.64	28.32	28.32
7.	Shilai	Sirmaur	2011-15	35.30	22.70	12.60
8.	Sullah	Kangra	2013-15	42.10	28.68	13.42
<b>Total</b>				<b>243.57</b>	<b>164.50</b>	<b>79.07</b>

**Gram Panchayats**

(₹ in lakh)

Sl. No.	Name of GPs	Block	District	Period	Receipt	Exp.	Balance
1.	Bhatawali	Paonta Sahib	Sirmaur	2010-15	12.38	6.61	5.77
2.	Bhagani	Paonta Sahib	Sirmaur	2010-15	10.45	9.44	1.01
<b>Total</b>					<b>22.83</b>	<b>16.05</b>	<b>6.78</b>
<b>Grand Total</b>					<b>266.40</b>	<b>180.55</b>	<b>85.85</b>

Source: Figures supplied by the test-checked units.

**Appendix-13**

(Refer paragraph 2.3.3 (iv); page 14)

**Details of blocking of funds due to non release and delay in release of funds under 13<sup>th</sup> Finance Commission**

**Zila Parishads**

(₹ in lakh)

Sl. No.	ZP	Period	Receipt	Release	Balance
1.	Chamba	2012-15	1542.05	862.31	679.74
2.	Mandi	2014-15	2153.38	1418.36	735.02
3.	Bilaspur	2013-15	1157.59	491.35	666.24
<b>Total</b>			<b>4,853.02</b>	<b>2,772.02</b>	<b>2,081.00</b>

**Panchayat Samitis**

(₹ in lakh)

Sl. No.	PS	District	Period	Receipt	Release	Balance
1.	Rait	Kangra	2013-15	292.73	192.77	99.96
2.	Bhatiyat	Chamba	2013-15	222.59	90.86	131.73
3.	Karsog	Mandi	2011-15	221.00	195.28	25.72
4.	Bharmaur	Chamba	2012-15	66.70	34.30	32.40
5.	Mehla	Chamba	2012-15	294.11	137.74	156.37
6.	Sulah	Kangra	2013-15	146.70	74.60	72.10
7	Nurpur	kangra	2012-15	279.56	169.97	109.59
<b>Total</b>				<b>1,523.39</b>	<b>895.52</b>	<b>627.87</b>
<b>Grand Total</b>				<b>6,376.41</b>	<b>3,667.54</b>	<b>2,708.87</b>

## Appendix-14

(Refer paragraph 2.5; page 15)

## Details of delay in releasing payments under MGNREG Scheme

Sl. No.	Name of GPs	Name of Block	Name of District	Period	Delay in days	(₹ in lakh)
						Amount
1.	Raipur	Una	Una	2014-15	15-60	1.75
2.	Kala Amb	Paonta Sahib	Sirmaur	2014-15	15-90	5.33
3.	Bhagaani	Paonta sahib	Sirmaur	2014-15	15-90	4.82
4.	Sataun	Paonta sahib	Sirmaur	2014-15	15-90	4.43
5.	Nagwain	Sadar Mandi	Mandi	2010-15	32-75	1.95
6.	Bhadyara	Chauntra	Mandi	2014-15	33-64	0.70
7.	Tikkar	Rohru	shimla	2014-15	49-110	2.13
8.	Uper behli	Sundernagar	Mandi	2009-11	86-237	9.98
9.	Taranda	Nichhar	Kinnur	2014-15	30-60	22.95
10.	Pangi	kalpa	Kinnaur	2014-15	30	5.34
11.	Dhaliyara	Pragpur	Kangra	2010-14	5-94	4.58
12.	Sthana	Fatehpur	Kangra	2010-15	5-78	6.18
13.	Kihar	Salooni	Chamba	2008-14	59-1371	6.38
14.	Bhandal	Salooni	Chamba	2009-12	93-688	6.39
15.	Kalehal	Tissa	Chamba	2009-13	86-154	8.61
16.	Salooni	Salooni	Chamba	2009-13	79-459	4.44
17.	Byana	Salooni	Chamba	2009-14	30-359	2.96
18.	Sanoooh	Salooni	Chamba	2009-12	99-445	9.76
19.	Udaipur	Chamba	Chamba	2010-11	54-195	5.64
<b>Total</b>						<b>114.32</b>

Source: Figures supplied by the test-checked units.

**Appendix-15**

(Refer paragraph 4.4.1; page 24)

**Statement of budget estimates and actual expenditure of ULBs during 2012-15**

**2012-13**

(₹ in lakh)

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Saving(+)/ Excess (-)
<b>Municipal Corporation</b>				
1.	Shimla	<b>11,083.16</b>	<b>7,134.26</b>	<b>3,948.90</b>
<b>Municipal Councils</b>				
1.	Chamba	369.00	447.00	-78.00
2.	Solan	4141.94	1282.77	2,859.17
3.	Sundar Nagar	551.34	719.07	-167.73
4.	Bilaspur	350.13	287.23	62.90
5.	Rampur	426.91	384.92	41.99
6.	Kullu	667.22	425.50	241.72
7.	Hamirpur	1,107.31	808.46	298.85
8.	Dharamshala	437.46	432.31	5.15
9.	Mandi	891.89	741.01	150.88
10.	Dehra	179.76	122.90	56.86
11.	Manali	743.10	490.04	253.06
<b>Total</b>		<b>9,866.06</b>	<b>6,141.21</b>	<b>3,724.85</b>
<b>Nagar Panchayats</b>				
1.	Sarkaghat	365.44	364.68	0.76
2.	Mehatpur	140.85	196.92	-56.07
3.	Narkanda	11.39	8.10	3.29
4.	Arki	157.16	72.71	84.45
5.	Chopal	39.00	39.00	--
6.	Jubbal	63.00	63.00	--
<b>Total</b>		<b>776.84</b>	<b>744.41</b>	<b>32.43</b>
<b>Grand Total</b>		<b>21,726.06</b>	<b>14,019.88</b>	<b>7,706.18</b>

Source: Figures supplied by the test-checked units.

## 2013-14

(₹ in lakh)

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Saving(+)/ Excess (-)
<b>Municipal Corporation</b>				
1.	Shimla	18477.58	7682.23	10795.35
<b>Municipal Councils</b>				
1.	Chamba	405.00	478.00	-73.00
2.	Solan	4998.00	1403.98	3594.02
3.	Sunder Nagar	948.39	631.71	316.68
4.	Bilaspur	278.82	192.09	86.73
5.	Rampur	503.78	468.43	35.35
6.	Kullu	773.99	498.77	275.22
7.	Hamirpur	1028.02	677.09	350.93
8.	Dharamshala	500.53	491.79	8.74
9.	Mandi	651.03	603.50	47.53
10.	Dehra	181.85	112.09	69.76
11.	Manali	771.01	628.82	142.19
<b>Total</b>		<b>11,040.42</b>	<b>6,186.27</b>	<b>4,854.15</b>
<b>Nagar Panchayats</b>				
1.	Sarkaghat	608.28	297.15	311.13
2.	Mehatpur	120.79	108.20	12.59
3.	Narkanda	14.49	38.93	-24.44
4.	Arki	157.64	96.58	61.06
5.	Chopal	30.00	23.00	7.00
6.	Jubbal	31.00	31.00	--
<b>Total</b>		<b>962.20</b>	<b>594.86</b>	<b>367.34</b>
<b>Grand total</b>		<b>30,480.20</b>	<b>14,463.36</b>	<b>16,016.84</b>

Source: Figures supplied by the test-checked units.

2014-15

(₹ in lakh)

Sl. No.	Name of ULBs	Budget Estimate	Actual Expenditure	Saving(+)/ Excess (-)
<b>Municipal Corporation</b>				
1.	Shimla	21,652.75	7,604.11	14,048.64
<b>Municipal Councils</b>				
1.	Chamba	365.00	563.00	-198.00
2.	Solan	5,470.12	1,619.04	3,851.08
3.	Sundar Nagar	508.36	648.90	-140.54
4.	Bilaspur	317.70	220.83	96.87
5.	Rampur	574.02	532.14	41.88
6.	Kullu	2,166.17	1,883.52	282.65
7.	Hamirpur	1237.80	804.53	433.27
8.	Dharamshala	630.21	621.48	8.73
9.	Mandi	4,524.15	3,631.83	892.32
10.	Dehra	259.82	154.53	105.29
11.	Manali	674.09	612.43	61.66
<b>Total</b>		<b>16,727.44</b>	<b>11,292.23</b>	<b>5,435.21</b>
<b>Nagar Panchayats</b>				
1.	Sarkaghat	1,140.92	569.45	571.47
2.	Mehatpur	259.70	200.78	58.92
3.	Narkanda	22.10	35.95	-13.85
4.	Arki	--	--	--
5.	Chopal	38.00	29.00	9.00
6.	Jubbal	36.00	36.00	--
<b>Total</b>		<b>1,496.72</b>	<b>871.18</b>	<b>625.54</b>
<b>Grand total</b>		<b>39,876.91</b>	<b>19,767.52</b>	<b>20,109.39</b>

Source: Figures supplied by the test-checked units.

## Appendix-16

(Refer paragraph 4.8.1; page 26)

## Details of outstanding house tax in respect of Municipal Councils and Nagar Panchayats

(₹ in lakh)

Sl. No.	Name of MCs	O.B. as of April 2013	Demand during 2013-16	Total Demand	Rebate During 2013-15	Collection during 2013-15	Outstanding amount as of March 2016
1.	Mandi	224.77	154.66	379.43	-	181.45	197.98
2.	Dehra	13.02	2.85	15.87	-	4.06	11.81
3.	Rampur	58.99	89.40	148.39	0.83	73.25	74.31
4.	Hamirpur	97.47	163.36	260.83	-	186.60	74.23
5.	Chamba	55.48	43.92	99.40		33.36	66.04
6.	Dharamshala	77.78	506.20	583.98	-	496.29	87.69
7.	Jawalamukhi	96.07	23.24	119.31	1.42		117.89
8.	Kullu	16.69	69.03	85.72	--	52.45	33.27
9.	Palampur	29.13	106.28	135.41	--	88.37	47.04
10.	Parwanoo	70.86	559.64	630.50	--	561.21	69.29
11.	Shimla	756.10	3332.17	4088.27	--	3781.25	307.02
12.	Sri Naina Devi ji	17.71	18.89	36.60	--	14.21	22.39
13.	Sundarnagar	156.59	56.18	212.77	--	58.68	154.09
14.	Rohru	185.48	61.08	246.56	--	1.85	244.71
<b>Total</b>		<b>1,856.14</b>	<b>5,186.90</b>	<b>7,043.04</b>	<b>2.25</b>	<b>5,533.03</b>	<b>1,507.76</b>
<b>Nagar Panchayats</b>							
1.	Mehatpur	210.51	47.50	258.01	1.95	11.14	244.92
2.	Sarkaghat	25.09	9.84	34.93	--	9.31	25.62
3.	Narkanda	4.50	1.35	5.85	--	1.74	4.11
<b>Total</b>		<b>240.10</b>	<b>58.69</b>	<b>298.79</b>	<b>1.95</b>	<b>22.19</b>	<b>274.65</b>
<b>Grand Total</b>		<b>2,096.24</b>	<b>5,245.59</b>	<b>7,341.83</b>	<b>4.20</b>	<b>5,555.22</b>	<b>1,782.41</b>

Source: Figures supplied by the test-checked units.

**Appendix-17**

(Refer paragraph 4.8.2; page 27)

**Details of non-realisation of rent from shops/booths/ stalls during the period 2013-16**

Sl. No.	Name of MCs	Period	Opening balance as on 01 April 2013	Demand raised	Total	₹ in lakh)	
						Collection as on 31 March 2016	Outstanding amount as on 31 March 2016
1.	Baddi	2013-16	11.47	19.28	30.75	17.41	13.34
2.	Dhramshala	2013-16	9.39	128.87	138.26	108.73	29.53
3.	Kullu	2013-16	20.27	131.79	152.06	122.91	29.15
4.	Jawalamukhi	2013-16	58.48	58.02	116.50	45.94	70.56
5.	Palampur	2013-16	74.10	71.94	146.04	96.16	49.88
6.	Paonta Sahib	2013-16	47.37	83.73	131.10	118.85	12.25
7.	Rohru	2013-16	10.16	28.29	38.45	30.31	8.14
8.	Shri Naina Devi ji	2013-16	31.27	90.00	121.27	81.64	39.63
9.	Sunder Nagar	2013-16	18.12	25.01	43.13	17.32	25.81
10.	Chamba	2013-15	52.02	75.14	127.16	73.14	54.02
11.	Dehra	2013-15	17.07	18.14	35.21	14.63	20.58
12.	Mandi	2013-15	31.76	120.77	152.53	134.65	17.88
13.	Rampur	2013-15	14.76	16.72	31.48	19.12	12.36
14.	Hamirpur	2013-15	39.75	36.92	76.67	34.67	42
15.	Solan	2013-15	64.32	67.60	131.92	54.14	77.78
<b>Total</b>			<b>500.31</b>	<b>972.22</b>	<b>1472.53</b>	<b>969.62</b>	<b>502.91</b>
<b>Nagar Panchayats</b>							
1.	Sarkaghat	2013-15	14.66	8.41	23.07	9.38	13.69
2.	Mehatpur	2013-15	5.83	4.07	9.90	2.74	7.16
3.	Narkanda	2013-15	17.70	19.52	37.22	18.49	18.73
<b>Total</b>			<b>38.19</b>	<b>32.00</b>	<b>70.19</b>	<b>30.61</b>	<b>39.58</b>
<b>Grand Total</b>			<b>538.50</b>	<b>1,004.22</b>	<b>1,542.72</b>	<b>1,000.23</b>	<b>542.49</b>

Source: Figures supplied by the test-checked units.

**Appendix-18**

(Refer paragraph 4.8.3; page 27)

**Details of non-recovery of duty for installation/ renewal of mobile towers within Urban Local Bodies area**

Sl No.	Name of MCs	Year of installation	Period for which amount pending	No. of Towers Erected	Amount
1.	Kullu	2006-08	2009-10 to 2015-16	4	1.97
2.	Parwanoo	2009-13	2009-10 to 2015-16	4	1.30
3.	Rohroo	2007-08	2012-13 to 2015-16	1	0.26
4.	Sri Naina Devi Ji	2004-08	2013-14 to 2015-16	2	0.37
5.	Sundernagar	2007-08	2007-08 to 2012-15	2	0.98
6.	Chamba	2009-10	2009-10 to 2015-16	6	1.10
7.	Bilaspur	2001-12	2006-07 to 2014-15	14	3.96
8.	Rampur	2007-08	2008-09 to 2013-14	4	0.86

**Nagar Panchayat**

Sl. No.	Name of NP			No. of Towers	Amount
1.	Jawalamukhi	2006-15	2013-14 to 2015-16	10	2.53

**Municipal Corporation**

Sl. No.	Name of Municipal Corporation			No. of Towers	Amount
1.	Shimla	---	---	70	11.10
<b>Total</b>				<b>117</b>	<b>24.43</b>

Source: Figures supplied by the test-checked units.

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